



**COMPANY ANNOUNCEMENT
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AUSTAL SECURES US NAVY VESSEL MAINTENANCE WORK

Demonstrating its growing presence in the defence and vessel support markets, Austal's US operation has been awarded a subcontract by BAE Systems to provide structural maintenance services for "Sea Fighter" (FSF-1), a US Navy Research Vessel which is used for advanced technology demonstrations.

The vessel is a 79.9 metre high-speed aluminium catamaran, designed to operate at speeds in excess of 50 knots. It is operated by Great Eastern Group for the Office of Naval Research.

Austal's Chief Executive Officer, Andrew Bellamy, said the contract was in line with key company strategies to expand its defence and vessel support businesses.

"This contract is further recognition from the defence community that our core skills add value in the in-service support phase. It shows we can successfully grow our international support business, and leverage our defence contracting credentials beyond new ship construction, in line with our strategy," he said.

Austal currently provides in-service support to defence vessels in Australia, Oman, Trinidad and Tobago and the United States.

"We are very pleased to be teaming with the professionals from Austal. The ability to harness the strengths of both companies in a cooperative effort will be fundamental to securing future opportunities," said Vic Rhoades, director and general manager of BAE Systems Southeast Shipyards Alabama.

Austal's contract value is approximately US\$1.5 million dollars, and work is expected to extend into the first quarter of 2012.

Earlier this week Austal's US operation held a keel-laying ceremony for the second of seven 103 metre Joint High Speed Vessels it is contracted to design and build for the US Navy. It is also

preparing to launch its second Independence-variant 127 metre Littoral Combat Ship (LCS), also for the US Navy.

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About Austal

Austal is a global defence prime contractor. The Company designs, constructs and maintains revolutionary platforms such as the Littoral Combat Ship (LCS) and the Joint High Speed Vessel (JHSV) for the United States Navy, as well as an extensive range of patrol and auxiliary vessels for defence forces and government agencies globally. Austal also designs, installs, integrates and maintains sophisticated communications, radar and command and control systems.

Austal benefits from its position as a world leader in the design, construction and support of customised, high performance aluminium vessels for the commercial high speed ferry market, an achievement gained over a period of nearly 25 years.

Austal's primary facilities comprise a combined defence and commercial shipyard in Henderson, Western Australia; a dedicated defence shipyard in Mobile, Alabama; and a dedicated commercial shipyard in Balamban, Philippines. The Company also provides vessel support services from its facilities in Australia, the United States, Asia, Europe, the Caribbean, and the Middle East.

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