



**COMPANY ANNOUNCEMENT
20 DECEMBER 2011**

ADDITIONAL LITTORAL COMBAT SHIP WORK

The USA division of Australian-headquartered Austal Limited has been awarded a USD\$7,917,425 modification to the US Navy contract for the construction of "Jackson" (LCS 6), the first Independence Class Littoral Combat Ship (LCS) awarded under the 10 ship block buy contract in December 2010.

The modification exercises an option for core LCS class services for the LCS program. Austal will assess engineering, baseline, and configuration management services in support of the basic construction, post delivery, test and trials phases of the LCS class.

The work has been contracted by Naval Sea Systems Command in Washington, DC and is expected to be completed by December 2012. Approximately 30 per cent of the work will be performed at Austal's USA shipyard in Mobile, Alabama.

Austal delivered its first LCS, USS "Independence" (LCS 2) to the US Navy in December 2009 and is currently preparing to launch a second, "Coronado" (LCS 4). As prime contractor for the follow-on 10 ship contract, Austal has also begun work on "Jackson" (LCS 6), with "Montgomery" (LCS 8) also under contract.

As prime contractor for the US Navy's 10 ship Joint High Speed Vessel (JHSV) program, Austal is preparing the first, USNS "Spearhead" (JHSV 1), for builder's sea trials. Two others are under construction, with a further four under contract.

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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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