



COMPANY ANNOUNCEMENT

19 AUGUST 2019

RAN SIGNS CAPE CLASS PATROL BOAT LEASE EXTENTION

Austal Limited (**Austal**) (**ASX: ASB**) has been advised by the Royal Australian Navy (RAN) that the RAN has signed a two year lease extension with the National Australia Bank (NAB) for its two Cape Class Patrol Boats (CCPB), Cape Fourcroy and Cape Inscription.

The lease extends the charter from the initial three year minimum term to five years. The vessels' ongoing in-service support and sustainment is also being delivered by Austal.

The charter and sustainment of Cape Fourcroy has been extended until April 2022, and Cape Inscription to May 2022. The contract extension has reduced the total residual value for the two vessels from \$42 million to ~ \$24 .3 million and hence the CCPB 9 & 10 related debt on the balance sheet has become non-current again and will progressively reduce from \$(48.8) million at 30 June 2019 to (\$24.3) million in late FY2022 at the maturity of the extended contract period.

Austal's Cape Class Patrol Boat is a 58 metre aluminium monohull vessel, designed to perform border protection and maritime security tasks, with a top speed of 26 knots and a range of up to 4,000 nautical miles. With a crew of 22, the vessel is capable of undertaking 28 day patrols in (up to) sea state 4 and the ability to launch two boats simultaneously.

Austal CEO David Singleton said Austal was proud of capability the CCPB provided to the RAN & Australian Border Force.

"This proven capability has also attracted attention from a number of export markets, including the Trinidad and Tobago Coast Guard, which recently contracted Austal to deliver two of the vessels," Mr Singleton said.

"The lease extension also includes a sustainment package – to be delivered by Austal and delivering revenue to Austal – to ensure vessels are available to meet the operational demands placed upon them."

- ENDS -

Austal Media Contact:

Contact: Gemma Whiting - Government Relations
Mobile: +61 (0)408 982 727
Email: gemma.whiting@austal.com
Website: www.austal.com

About Austal

Austal is a worldwide ship manufacturer with its corporate headquarters and Australian manufacturing facility based in Henderson, Western Australia. The company's global operations include manufacturing facilities in the United States and the Philippines with service centres in Darwin and Cairns, Australia, Muscat, Oman, and Singapore. Austal also maintains offices in London, Washington, D.C., and Canberra. The company is proud to provide design, construction and services to commercial and defence customers around the world including the United States Navy.

For over 30 years, Austal has delivered some of the world's most advanced high-speed vessels. Austal has designed, constructed and delivered more than 300 commercial and defence vessels for more than 100 operators in 54 countries worldwide.

Austal is Australia's largest defence exporter and the only ASX-listed shipbuilder. The company is also the fifth largest shipbuilder in the United States.

Austal is most known for its iconic monohull, catamaran and trimaran commercial vessel and defence platforms – including the world's largest trimaran ferry for multiple commercial operators and the Littoral Combat Ship (LCS) and Expeditionary Fast Transport (EPF) for the U.S. Navy.