



COMPANY ANNOUNCEMENT
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AULONG JOINT VENTURE WINS SECOND FERRY CONTRACT IN CHINA

Austal Limited (ASX:ASB) is pleased to announce the awarding of a second high speed passenger ferry contract to Aulong Shipbuilding, a joint venture company formed by Austal Limited and Guandong Jianglong Shipbuilding of Zhuhai, China.

Aulong has been awarded a A\$5.6 million (¥30 million) contract to design and build a 35 metre high speed catamaran for Chinese mainland ferry operator, Blue Sea Jet.

Announcing the contract in Australia, Austal Chief Executive Officer David Singleton said the company's strong reputation has again secured export business for Austal's Australian based design team.

"Our Aulong joint venture is a great example of how effective technology transfer is developing our export business, with Austal's extensive commercial portfolio attracting existing and new customers in mainland China," Mr Singleton said.

"These contracts in China are creating additional opportunities for our Australian based design and production teams who support the construction of vessels in-country.

"Our shipbuilding team's expertise and capability continues to grow here in Australia as we win new commercial contracts in China and throughout the world." Mr Singleton added.

The new, all-aluminium ferry will carry up to 260 passengers at speeds in excess of 26 knots.

Construction will commence from Aulong's Zhongshan shipyard in Guandong Province in September 2017, following the launch of the joint ventures' first vessel construction; a 42 metre passenger ferry also for Blue Sea Jet, later this month.

About Aulong

Aulong Shipbuilding Co. Ltd (Aulong) is a joint venture between Guangdong Jianglong Shipbuilding Company (Jianglong Shipbuilding) of Zhuhai, China and Austal Limited, established in June 2016 with the aim of pursuing commercial passenger and non-military vessel opportunities in mainland China.

Austal (with 40% ownership) has licensed a number of its proven, commercial aluminium vessel designs for marketing throughout mainland China and construction at Jianglong Shipbuilding's established facilities in Guangdong province. Jianglong Shipbuilding (with 60% ownership) brings local shipbuilding infrastructure, experience and expertise, with close to 1,000 employees across two shipyards supporting the joint venture.

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Further Information:

Austal Limited

Tel: +61 8 9410 1111

Email: media@ustal.com

Website: www.austal.com

About Austal

Austal is a global defence prime contractor and a designer and manufacturer of defence and commercial ships. For more than 28 years Austal has been a leader in the design, construction and maintenance of revolutionary ships for governments, navies and ferry operators around the world. More than 255 vessels have been delivered in that time.

Ships

Defence vessels designed and built by Austal include multi-mission combatants, such as the Littoral Combat Ship (LCS) for the United States Navy and military high speed vessels for transport and humanitarian relief, such as the Expeditionary Fast Transport (EPF) ships for the U.S. Navy and High Speed Support Vessel (HSSV) for the Royal Navy of Oman. Austal also designs, constructs, integrates and maintains an extensive range of patrol and auxiliary vessels for government agencies globally, including the Cape Class Patrol Boat Program for Australian Border Force. Defence vessels are designed and constructed in Mobile, Alabama and in Henderson, Western Australia.

Austal has been at the forefront of the high speed ferry market since the early days of the industry. Our market leading designs of high performance aluminium vessels have long been at the heart of Austal's research and development.

Today, commercial ship construction is centred on our shipyard in Balamban, Philippines.

Systems

Austal has expertise in integrating complex systems into its ships, including ride control, ship management, and communication, sensors and weapon systems.

Support

Austal provides a wide range of support services, including through life support, integrated logistics support, vessel sustainment and systems support. These services are delivered through our global support network in the USA, Australia, Asia, and the Middle East together with partner shipyards worldwide.