

AUSTAL DEFENCE NEWS

Celebrating 20 Years 1988 - 2008

"INDEPENDENCE" DAY APPROACHES

THE APPROACHING LAUNCH OF AUSTAL'S 127M LITTORAL COMBAT SHIP (LCS) AND THE RECENT AWARD OF A PRELIMINARY DESIGN CONTRACT FOR THE JOINT HIGH SPEED VESSEL (JHSV) PROGRAM UNDERLINES THE GROWING IMPORTANCE OF HIGH SPEED ALUMINIUM SHIPBUILDING TECHNOLOGY TO MODERN NAVAL REQUIREMENTS.

And with the US Navy to provide US \$33 million funding towards construction of a state-of-the-art Modular Manufacturing Facility, Austal USA will soon be capable of constructing six large aluminium vessels - similar to the Navy's LCS and JHSV - per year.

LCS-2 "Independence" - scheduled for launch at Austal's shipyard in Mobile, Alabama in coming months - utilises Austal's advanced trimaran design which provides enhanced seakeeping, low resistance, superior aviation facilities and large payload carrying capacity.

The combat vessel, which has the capability to operate close in-shore, can be reconfigured for various missions thanks to open systems architecture and a unique modular system.

Launching the landmark vessel will involve closing the Mobile River to all large shipping traffic for 10 hours while sixty-six 100 ton rail trolleys move the vessel onto a drydock held perpendicular to the shore.

Story continued on page two.



The 127-metre LCS-2 "Independence" continues to take shape at Austal USA's shipyard in Mobile, Alabama

AUSTAL AWARDED JHSV DESIGN CONTRACT

Story continued from front cover.

The US Navy continues to express a commitment to acquire a 55 vessel LCS fleet, as well as up to eight JHSV platforms.

As one of three companies down-selected for the JHSV Preliminary Design Contract, Austal will submit a proposal for the Detailed Design and Construction Contract by mid 2008.

The JHSV requirements and concept of operations are similar to those of the Austal-built "WestPac Express", which has been successfully serving the III Marine Expeditionary Force in Okinawa, Japan for more than six years.

Combining Austal's experience with "WestPac Express", the successful construction of the 107 metre high speed aluminium catamarans for Hawaii Superferry, and current work on the rapidly reconfigurable and H-53 capable LCS, the JHSV requirement falls right in the middle of the Austal breadth of design and construction experience.

And as the only shipyard in the United States to have built a high speed aluminium ship larger than 100 metres in length, Austal is confident of its ability to deliver a low risk JHSV platform to the US Army and Navy.



DEFENCE DEBRIEF

Written by Jamie Robinson, Austal Business Development Manager – Defence

The international demand for patrol vessels and multi-role vessels that utilise advanced aluminium hull forms, and the requirement for associated through-life support packages, has resulted in an increasing international presence for Austal Defence.

Austal now has an extensive portfolio of proven and innovative aluminium multi-hull and monohull defence vessels available to navies, coast guards and police forces who are seeking quality vessels designed to meet a diverse range of requirements.

Over the past decade, offshore resources have become increasingly precious assets. Austal's high performance vessels provide capabilities ideally suited to the protection of offshore assets in an uncertain security climate. The enhancement of offshore security is generating increased interest in small patrol vessels in the Middle East and North African markets. With these two regions expected to spend more than \$17 billion on new patrol boats, support vessels and warships over the next decade, Austal is well positioned to generate additional work in these important markets.

The Royal Australian Navy's recently completed fleet of fourteen x 57 metre Austal-built Armidale Class Patrol Boats (ACPB) has gained significant international attention in recent months following overseas deployments and participation in foreign exercises. The global interest in the ACPB was highlighted by the level of activity at Austal's stand at the Pacific 2008 exhibition recently held in Sydney, where international delegates were able to tour HMAS "Armidale".

The launch of Austal's state-of-the-art 127 metre trimaran Littoral Combat Ship (LCS) for the US Navy will be a landmark event, not only for Austal but also for the future of close-to-shore naval capability. The international interest in Austal's 80m and 90m trimaran Multi-Role Vessel platforms is likely to increase considerably among countries that require vessels smaller than LCS but with similar capabilities.

2008 is shaping up as an exciting year for Austal Defence as we continue to provide innovative naval and maritime security solutions to littoral waters throughout the world.



Austal's 101 metre "WestPac Express" has served with the US Marines III MEF, based in Okinawa, since 2001

EXPRESS DELIVERY

AUSTAL'S 101 METRE HSV "WESTPAC EXPRESS" HELPED SAVE THE US MARINE CORPS MORE THAN THREE YEARS WORTH OF WORK AS WELL AS HUNDREDS OF THOUSANDS OF DOLLARS DURING A RECENT EXERCISE IN JAPAN.

As part of the Marine Wing Support Group 17's corrosion control and prevention program, "WestPac Express" became involved in the transport of MWSS-171 equipment from Iwakuni to a Corrosion Rehabilitation Facility at Marine Corps Base Camp Butler.

With no additional funds for the costly shipping process, planners decided to take advantage of the unused cargo space onboard "WestPac Express" in order to carry out the exchanges.

These exchanges between Okinawa and Iwakuni made possible the repair of more than 33 per cent of the equipment within just three months, according to MWSSG-17 Maintenance Management Officer Master Sgt Andrew Ross.

"It would have taken the Iwakuni branch three and a half years to repair the same amount of gear," Sgt Ross said.

"In three years, much of the gear would have deteriorated to the point that it could only be repaired by a facility in Albany, Georgia, which would have cost the Marine Corps hundreds of thousands of dollars," he said.

The Austal-built "WestPac Express" is currently the US Navy's longest serving high speed vessel, having served with the US Marines III MEF based in Okinawa since 2001.

LITTORAL CAPABILITIES ON SHOW



▲ Austal Executive Manager - Sales, Marketing & Strategy, Stephen Lupi, talks with Australia's Minister for Defence Joel Fitzgibbon, at Pacific 2008 held in Sydney

► Austal Business Development Manager – Defence, Jamie Robinson, talks with Saudi Arabia's naval Delegation, including Chief of Navy, Commander of Staff Ibrahim Bin Othman Aldlegan during the 2007 LIMA Maritime Exhibition

AUSTAL SHOWCASED ITS HIGH SPEED, LIGHTWEIGHT ALUMINIUM DEFENCE VESSELS TO A WIDE RANGE OF INTERNATIONAL DELEGATES DURING THE PACIFIC MARITIME 2008 EXHIBITION, HELD AT THE SYDNEY CONVENTION AND EXHIBITION CENTRE RECENTLY.

The Exhibition provided Austal with significant promotional and networking opportunities, with lengthy visits from international defence delegations, including the United Arab Emirates,

Pakistan, Qatar, the Philippines, the United States Coast Guard and the US and Australian navies.

Austal's detailed display of its Littoral Combat Ship (LCS), which showcases the latest in advanced combat ship technology, also attracted significant international interest.

The success of Austal's presence at Pacific 2008 follows on from similar interest generated at the 2007 LIMA Maritime Exhibition held in Langkawi last December, where guests to Austal's stand included delegates from Saudi Arabia, Kuwait, Oman and South Korea.



AUSTAL ANNOUNCE EMBARKED HELICOPTER TRAINING SYSTEM

WITH UNPRECEDENTED DEMAND FOR SHIP HELICOPTER OPERATIONS WORLDWIDE, AUSTAL HAS TEAMED WITH SHIP HELICOPTER INTEGRATION SPECIALISTS PRISM DEFENCE TO DEVELOP THE EMBARKED HELICOPTER TRAINING SYSTEM (EHTS).

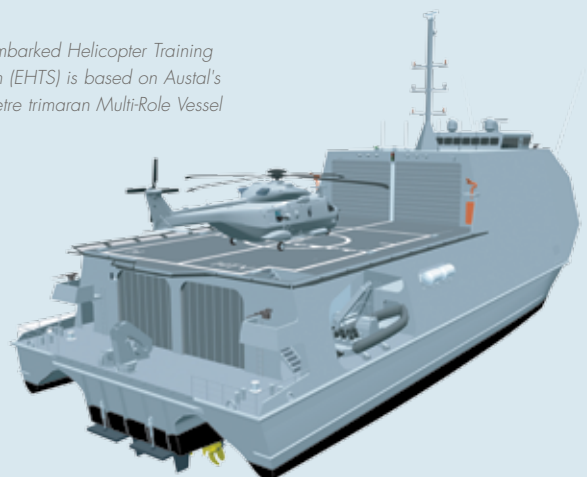
Based on Austal's 80 metre all aluminium trimaran Multi-Role Vessel, the EHTS is a state-of-the-art at-sea training environment for the full range of personnel involved in ship helicopter operations and is designed to handle an extensive range of helicopter types.

The vessel employs world leading technology in vessel motion control, photogrammetry and training data capture management tools to produce the necessary personnel skill sets for comprehensive and safe ship helicopter operations.

Realistic operational scenarios can be introduced throughout the training period, building both the technical proficiency and decision making skills of all students in preparation for their deployment aboard operational platforms.

With approximately 500 square metres of enclosed mission deck, a 15 tonne general purpose crane, a frigate-sized flight deck and hangar and a range of more than 4000 nautical miles, the platform is suited to a broad range of both operational and training roles.

The Embarked Helicopter Training System (EHTS) is based on Austal's 80 metre trimaran Multi-Role Vessel



OMAN'S MULTI-PURPOSE VESSEL BREAKS RECORDS

THE SULTANATE OF OMAN'S 65 METRE AUSTAL-BUILT AUTO EXPRESS CATAMARAN "SHINAS" HAS ACHIEVED A RECORD SERVICE SPEED DURING SEA TRIALS, MAKING IT THE FASTEST DIESEL-POWERED CATAMARAN FERRY IN THE WORLD.

With a confirmed service speed of 52 knots, "Shinas" exceeds contract requirements while reaching a top speed of 55.9 knots (103.5 km/h) on trials.

As well as carrying 208 passengers and 56 cars along an intended 180 nautical mile route between Shinas and Oman's rugged Musandam Peninsular, each vessel has the capability to assist in search and rescue and medivac operations and is equipped with helicopter landing facilities suitable for a medium class helicopter.

"Shinas" is the first of two identical vessels being built for the Sultanate of Oman at Austal's facilities in Henderson, Western Australia and showcases the Sultanate's unique vision for a craft which will set new transport standards in the region.

The Sultanate's requirements challenged Austal's experienced team of Naval Architects to develop a new, customised, high efficiency hull design capable of delivering record-breaking performance, while the construction team were required to meet demanding weight targets.

Ordered in May 2006, the two vessels are earmarked to become the flagship vessels in the Sultanate's expanded coastal marine transport network, and will set new standards in performance, comfort, safety and quality of finish. Both vessels are scheduled for delivery by mid 2008.



An Agusta 109 helicopter approaches the 65 metre vehicle-passenger catamaran "Shinas"

US NAVY SUPPORT NEW AUSTAL FACILITY

THE UNITED STATES NAVY WILL DELIVER MILESTONE PAYMENTS TOTALLING US \$33 MILLION TO AUSTAL USA DURING THE CONSTRUCTION AND COMPLETION OF THE SHIPYARD'S STATE-OF-THE-ART MODULAR MANUFACTURING FACILITY.

Due for completion in 2011, the facility will be capable of constructing six large aluminium vessels, such as the US Navy's 127 metre Littoral Combat Ship (LCS) and/or Joint High Speed Vessel (JHSV) per year.

The funding is provided through Infrastructure Improvements at Gulf Coast Shipyards for eligible shipyards with current defence contracts.

Austal USA intends to select a design firm in January 2008 which will complete the detailed design for the facility, to be located at Austal USA's existing Mobile, Alabama shipyard.

Construction of the facility is expected to commence in the second half of 2008.

▼ Computer impression of the planned expansion

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The 38 metre Bay Class Patrol Boats, built for the Australian Customs Service



The 56 metre Armidale Class Patrol Boat HMAS "Maryborough" arrives in Sydney Harbour

PATROLLING AUSTRALIA'S WATERS

WITH ITS STATE-OF-THE-ART 14-VESSEL ARMIDALE CLASS PATROL BOAT FLEET NOW COMPLETE AND EIGHT BAY CLASS PATROL BOATS CONTINUING THEIR SERVICE, AUSTAL CAN PROUDLY BOAST TO HAVE DESIGNED AND CONSTRUCTED AUSTRALIA'S ENTIRE FLEET OF COASTAL BORDER CONTROL VESSELS.

Austal delivered the first of the 38 metre Bay Class Patrol Boats to the Australian Customs Service in 1999 after being awarded the tender in May 1998.



Ten 37.5 metre patrol boats for the Yemen Ministry of Defence depart Fremantle, Western Australia in 2005

The aluminium monohulls have a range of 3000 nautical miles and operate around Australia's 37,000 kilometre coastline and to the edge of Australia's 200 nautical mile Exclusive Economic Zone. As well as operating at speeds in excess of 20 knots, the Bay Class has the ability to maintain speeds of less than 5 knots for extended periods as required for surveillance operations.

Once described in *Work Boat World* as "The most satisfactory patrol boat design in the world", Australia's Bay Class Patrol Boats have carved an impressive reputation for gathering information and intelligence, intercepting unlawful non-citizens and suspected illegal fishing vessels, monitoring environmental pollution and supporting search and rescue operations.

Austal celebrated the completion of the 14th and final Armidale Class Patrol Boat, "HMAS Glenelg" built for the Royal Australian Navy (RAN), in November last year.

The first vessel was delivered less than two years after winning the initial construction contract in 2003, with the remaining vessels meeting a similarly tight delivery schedule. An additional two patrol boats were ordered in 2006 for a total of 14 vessels.



One of the three 22 metre patrol boats delivered to the Government of Kuwait

The all-aluminium 56m monohulls are fitted with a 25mm Rafael Typhoon Mk25 stabilised naval gun and two 12.7mm M2HB machine guns and provide the RAN with greater speed, comfort and sea keeping and reduced through-life costs. The fleet currently carry out surveillance, interception, investigation, apprehension and the escort to port of vessels suspected of illegal fisheries, quarantine, customs or immigration offences.

In January, HMAS "Maitland" left for deployment in South East Asia, which will include participation in Exercise Milan 2008, located in India's Andaman and Nicobar Islands.

Austal's footprint on Australia's maritime security capabilities is further expanded by the delivery of 15 police boats to the New South Wales (Sydney) Water Police, the last of which was delivered in 2006.

The popularity of Austal's defence vessels has not been limited to Australia either. Given the growing need to patrol littoral (near shore) waters effectively and economically, Austal's range of defence vessels continue to meet the requirements of modern navies and police forces worldwide. By utilising advanced aluminium hull platforms which allow increased manoeuvrability, shallow drafts, high speeds and increased payloads, Austal's patrol boats provide naval solutions at a time when conventional fleets face increased pressure to address modern national security threats.

Notable international deliveries include ten 37.5 metre patrol boats to Yemen and three 22 metre patrol boats for Kuwait.



Austal staff celebrate the completion of HMAS Glenelg – the last of 14 Armidale Class Patrol Boats built for the Royal Australian Navy

WHY AUSTAL

- Efficient, commercial approach means value for money and low risk
- Proven, world-leading design and construction capability
- Customised designs, purpose built solutions
- Track record of on budget, on-time and on-specification deliveries
- Financial strength and sound management
- Turnkey "Design, Build and Maintain"
- Worldwide Product Support
- Ability to produce large orders quickly



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