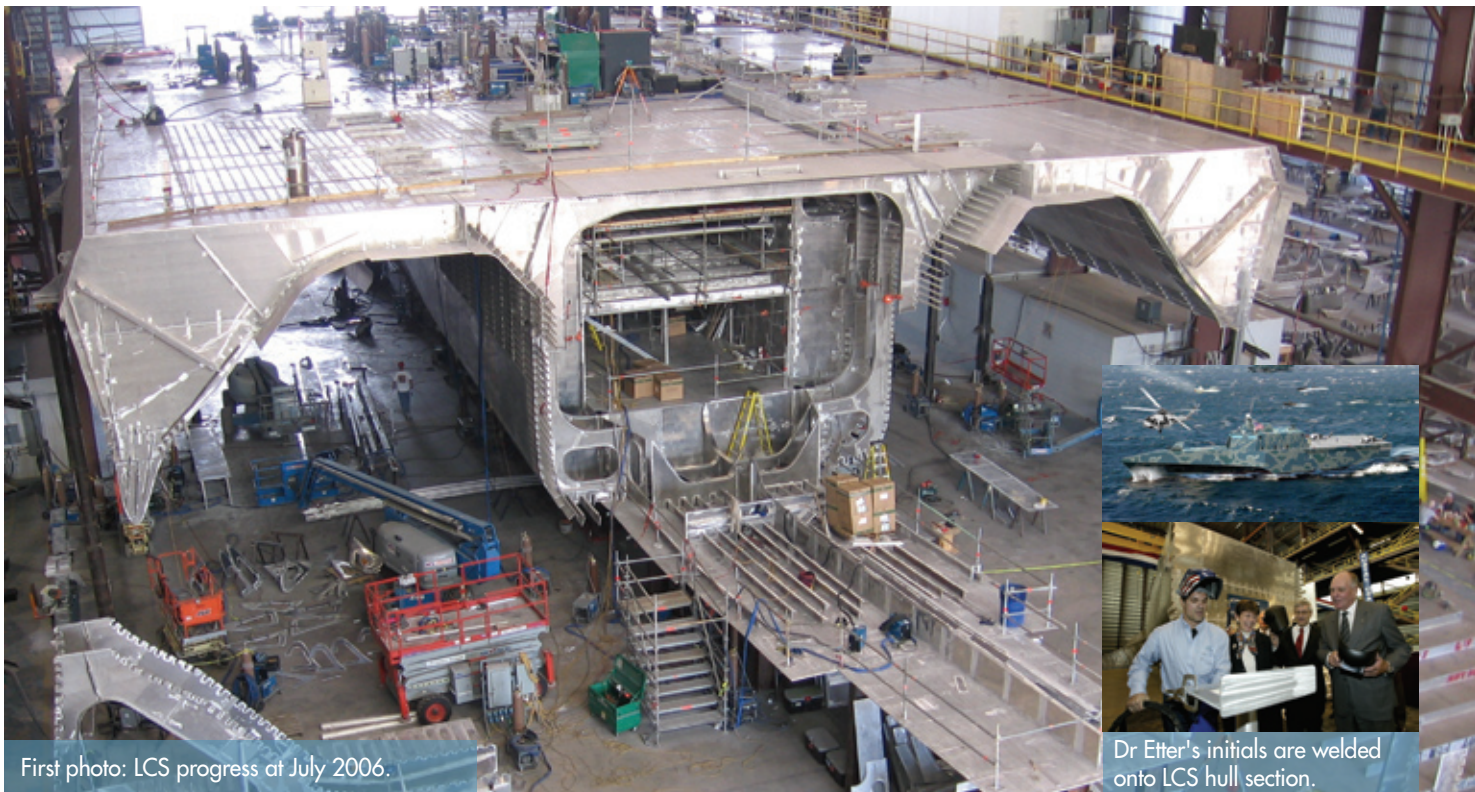


"Independence" takes shape



First photo: LCS progress at July 2006.

Dr Etter's initials are welded onto LCS hull section.

The unique trimaran Littoral Combat Ship (LCS) under construction at Austal's US shipyard, is progressing well with the first picture of the impressive vessel under construction just released.

In the last edition of Defence News we reported on the grand opening of the new LCS ship construction facility. A short time after, in January, the shipyard hosted a traditional US Navy keel-laying ceremony to signify the official start of construction on the LCS project. The event was attended by over 300 high ranking officials from Government, Navy, the State of Alabama and City of Mobile.

Assistant Secretary of the Navy for Research, Development and Acquisition, the Honourable Dr. Delores M. Etter authenticated the keel-laying event via the welding of her initials onto a section of the LCS hull.

At the ceremony, Austal Executive Chairman John Rothwell, reflected on the significance of beginning work on the Littoral Combat Ship:

"This is a momentous occasion in the history of an Australian shipbuilder now designing and building the most revolutionary warship for the world's most powerful navy."

"The design and construction of the LCS is the culmination of 17 years of continuous development of high speed aluminium technology by Austal. LCS is a clear indication of the benefits of Austal's successful involvement in commercial and defence markets – transitioning proven commercial technology to provide key defence capability."

Just eight months later, now well into construction the vessel has been named "Independence" by US Secretary of the Navy Donald C. Winter. Five previous US Navy warships have also shared the same name.

With its trimaran hull platform "Independence", due for launch in late 2007, has a flight deck larger than any other surface combatant that will support near-simultaneous operation of two large MH-60R/S helicopters or multiple unmanned vehicles. The LCS will also provide one of the largest useable payload volumes of any US Navy warship currently in operation.

"Independence" is scheduled to be commissioned in 2008. US Navy reports indicate a total demand for 55 LCS's in the future.

POLICE BOATS DELIVERED



TOUR OF DUTY



SEE PAGE 3

View from the Bridge



Written by Vice Admiral (Rtd) David Shackleton, AO former Chief, Royal Australian Navy, now advisor to Austal.

Recent world events have once again demonstrated that high speed vessels are an ideal platform to provide emergency response humanitarian assistance. Several governments, including Australia's, chartered high speed commercial ferries to provide rapid evacuation of their nationals from restricted access ports in the south of Lebanon during the recent conflict.

Elsewhere, people continue to take high risks by putting to sea in small and un-seaworthy craft to attempt perilous crossings on the promise of a better life elsewhere. An unknown number die when their boats become lost or break down, while others land illegally in foreign countries, stretching the host nation's already limited welfare resources. More than ever, it seems, nations need to consider how to effectively and economically patrol their littoral waters and react quickly when sovereignty and human lives are at risk.

High speed, light, aluminium craft have proved an ideal platform for missions of this type, and Austal continues the development of a range of multi-role platforms utilising its proven trimaran hullform technology. Built to a combination of commercial and naval standards and incorporating a flexible RoRo mission deck with a helicopter flight deck and hangar, the Austal Multi-Role Corvette (MRC) offers an affordable and versatile capability for a wide range of patrol, humanitarian, interdiction and minor warfare and security oriented roles.

The construction at Austal USA of "USS Independence" the first of the General Dynamics / Austal aluminium Littoral Combat Ships for the US Navy, is now well underway, evidencing the acceptance by that demanding customer of aluminium as a material for warship construction, and the concept of multi-rolling of naval platforms for the provision of flexible and affordable capability.

While "Independence" is the approaching the ultimate in plug-and-play high speed multi-role naval platforms, "WestPac Express", a 101 metre commercial standard catamaran, continues to provide a sterling and reliable transportation service to the US Marine Corps. Starting with a 12 week "proof of concept charter" in July 2001 the vessel has now celebrated five years of exemplary service having carried 77,000 troops and 69,000 tons of military cargo over a total distance of 330,000 miles with a technical reliability of 99.7%. These are impressive statistics.

The successes of "WestPac Express" and "Independence" are leading the way for the introduction of the US Department of Defence Joint High Speed Vessel (JHSV) programme. This initiative calls for a number of vessels based on a commercial high speed vessel platform to provide rapid sea based transport and support for combat operations mounted by the US Army and Marines at high levels of affordability.

Having first hand experience of the benefits of the enduring alliance between Australia and the United States, it is especially gratifying to observe the pivotal role that Austal is playing in assisting the US DoD with its transformational plans for its defence forces and military operations.

If you have not already done so please take the time to view the MRC animation on the Austal website at www.austal.com/mrc.

Multi-Purpose 50 knot catamarans for Middle East

In May, the Sultanate of Oman and Austal signed a contract for two 65 metre, 50 knot, vehicle-passenger catamarans. The multi-purpose vessels will be the flagship vessels in the Sultanate's security and transport networks.

Scheduled for delivery in 2007 and early 2008, the identical aluminium vessels have the capacity to carry 203 passengers and 56 vehicles including 54 lane metres of trucks.

A key onboard feature of the vessels is the helicopter landing facility that has been incorporated into the design to allow for emergency operations, as may be required, by the Police Coast Guard.

The exciting new design of these vessels with many unique features such as the helicopter landing pad and powerful propulsion package complies with the highest international standards for high speed craft and is specifically tailored to suit local Oman conditions.

With 15 vessels currently operating in the Middle East including ten patrol boats for Yemen and three coast guard vessels in Kuwait, this prestigious contract further cements Austal's commitment to, and understanding of, the unique needs of the region.

PRINCIPAL PARTICULARS:

Length overall:	64.8 metres
Length waterline:	61.1 metres
Beam moulded:	16.7 metres
Hull depth moulded:	6.2 metres
Hull draft (maximum):	2.1 metres
Deadweight (maximum):	146 tonnes
Passengers	203
Crew	12



Aft view rendering of vessel.

Vehicles:	56 cars or 54 truck lane metres + 40 cars
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Axle loads:	
- aft main deck:	9 tonnes (single wheel) 12 tonnes (dual wheel)
- remainder of main deck:	3 tonnes (single wheel)
Vehicle deck clear height:	3.1 metres
Helideck capacity:	Augusta Westland AB139, or equivalent
Fuel (approx):	44,000 litres

PROPULSION:

Main engines:	4 x MTU 20V 1163 TB73L 4 x 6,500 kW
Propulsion:	4 x Kamewa 90SII

Gearboxes	4 x Reintjes
Service speed:	50 knots

RIDE CONTROL:

	SeaState
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SURVEY:

Classification:	Det Norske Veritas IMO HSC 2000
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Signing Ceremony: L-R H.E. Sheikh AlFadhel Mohamed AlHarthy, Undersecretary of Development Affairs - Ministry of National Economy, John Rothwell, Austal Executive Chairman, H.E. Ahmed Macki, Minister of National Economy Deputy Chairman of Financial Affairs and Energy Resources Council, H.E Darwish Ismail Al-Bulushi, Undersecretary of Financial Affairs - Ministry of Finance.



Two Oman vessels in operation.

NSW Water Police boats enter service

In the last edition of Defence News, Austal had signed a contract and work was well underway on the order for six, 16 metre patrol boats for the Australian state of New South Wales (NSW) Water Police and one for the Bermuda Police. Austal is happy to report the boats have been completed.

Austal delivered all six NSW boats in a little over 12 months from the date of order. The new boats complement previous Austal deliveries to the Water Police including seven 16 metre and two 22 metre patrol boats in 2000.

Fitted with a comprehensive electronics package the new fleet features the latest in search and rescue and surveillance capabilities as well as enhanced integration with on shore command centres by way of satellite communication.

The new boats will operate primarily as a first response to marine crime and also in a search and rescue role.

As the leading police enforcement agency in Australia, the NSW Water Police serves as a model for other national and international marine police agencies. This was made evident

when the Bermuda Marine Police Service decided to order a sister patrol boat on the back of this contract. This boat has been completed and left the shipyard for Bermuda in August.

The NSW police boats join the Austal vessels already in service protecting Australia's coastline, including eight, 38 metre Patrol Boats in service with the Australian Customs Service, and fourteen, 57 metre patrol boats for the Royal Australian Navy currently being delivered into service through to late 2007.



Modern, comfortable crew accommodation.



16 metre Water Police vessel alongside Armidale Class patrol boats.

TOUR OF DUTY "Bathurst" in Solomon Islands

HMAS "Bathurst", an Austal built Armidale Class patrol boat based in Darwin, has completed a tour of duty in the Solomon Islands in support of Operation Anode.

Led by LCDR Andrew Quinn, the crew of Bathurst departed Darwin in April, conducting patrols of the area and supporting the continuing Police effort in improving law and order in the region.

"The crew has performed admirably during the deployment and answered the call for assistance without hesitation. This again shows the flexibility of the patrol boat force and the many varied tasks undertaken," said LCDR Quinn.

Operation Anode is the name of the Australian Defence Force (ADF) contribution to the Australian-led Regional Assistance Mission to the Solomon Islands (RAMSI). RAMSI's assistance is known as Operation HELPEM FREN (Pidgin English for 'Helping Friend'). RAMSI's mission is to assist the Solomon Islands' Government in restoring law and order.

Austal secured the initial order for 12 Armidale Class patrol boats in December 2003. Another two were ordered by the Australian Government in June 2006. Fitted with a 25mm naval stabilised deck gun and two 12.7mm machine guns, the aluminium monohulls are capable of over 25 knots and improve the RAN's capability to intercept and apprehend vessels in a greater range of sea conditions.



"Larrakia" and "Bathurst" were named in a dual Royal Australian Navy naming ceremony in October last year.



Armidale Class patrol boat in operation.

DSTO and Austal sign Industry Alliance



Austal and the Defence Science and Technology Organisation (DSTO) have signed a five-year Industry Alliance that will strengthen Australia's maritime defences.

This strategic Alliance reinforces the link between DSTO's maritime research and development activities such as operational analysis, signature management and systems integration and Austal's expertise in high speed vessel design and construction.

Dr Nanda Nandagopal, DSTO's Deputy Chief Defence Scientist (Systems) said that through this alliance, DSTO will gain a greater understanding of the long term performance and cost of ownership of high speed aluminium vessels, which will also assist it to provide whole-of-life support for the Australian Navy's Armidale Class patrol boats, and strengthen our maritime defences.

"The scientists and engineers in both organisations will benefit from the opportunity to have

exposure to leading edge science and enabling technologies and advanced manufacturing technologies," he said.

The 57 metre, Armidale Class patrol boat is providing increased operational capability and improvement in onboard comfort, with reduced maintenance and through-life-cost compared to previous construction technology available to the Royal Australian Navy.

"WestPac Express" Five years in service

The longest serving high speed vessel in service with the US Defence Forces, Austal built "WestPac Express" has been re-chartered by the US Navy for a further period of up to 55 months.

Capable of sustaining loaded speeds of 36 knots and a complete battalion of up to 970 Marines, "WestPac Express" will continue to support the operations of the US Marine Corps' Third Marine Expeditionary Force (III MEF) in the Western Pacific theatre.

"WestPac Express" was first chartered to the III MEF in July 2001 for a "proof of concept" period. This was the first time the US military had contracted a commercial vessel of this type for military support. The charter was so successful that the US Navy's Military Sealift Command (MSC) signed a three year charter in January 2002 which was subsequently extended to February 2007. September 2006 marked the five year anniversary.

Operation Cobra Gold

2006 marks the 25th anniversary of Operation Cobra Gold an annual combined, multilateral, training exercise including participants from the United States, Thailand, Singapore, Japan and Indonesia.

Including computer-simulated staff and field training exercises, numerous humanitarian and civic assistance projects and construction projects this year's exercise was designed to improve multinational interoperability and strengthen international relationships.

Hosted in Thailand, "WestPac Express" played a key role in the moving of Marines and their equipment currently stationed in Okinawa to Thailand.

More than 175 Marines and sailors, together with their vehicles and containers of equipment were loaded aboard "WestPac Express" at the port of Kin Red near the III MEF base at Camp Hansen.

According to Captain Josh Chartier, the battery commander, the unit took part in jungle-warfare and small-arms training in the exercise. Also involved was the Hawaii-based Combat Logistics Platoon 3, which provided maintenance support and engineer site improvements.

This full story including a section on Austal's involvement in future US military initiatives such as the Joint High Speed Vessel (JHSV) programme is available on the Austal website (www.austal.com) in the media release section.

Austal makes presence felt in Defence circles

Austal continues to attract significant interest from key Defence circles on a global scale.

In recent months, both Australian and US shipyards have been treated to guest visits from defence personnel interested in touring the world class design and construction facilities.

Some visitors have included:

Mr Ken Krieg,
Under Secretary of Defense for Acquisition Technology and Logistics, USA
Dr. Delores M. Etter,
Assistant Secretary of the Navy for Research Development and Acquisition, USA
Vice Admiral Paul Sullivan,
Navy Sea Systems Commander (NAVSEA) USN,
Rear Admiral Charles Hamilton,
Programme Executive Officer Ships USN,
Dr. Starnes Walker,
Technical Director ONR and
Admiral Jack Prendergast, USN Pacific Fleet HQ Pearl Harbour.

In Okinawa, Japan, "WestPac Express" officers and essential crew recently received a visit from US Secretary of Navy, The Hon. Donald C. Winter as part of his tour of the region.

The ship's master, Captain George Baker gave the Secretary of Navy a tour of the vessel whilst informing him of the various services the ship has been providing to III MEF.



US Secretary of Navy, The Hon. Donald C. Winter with "WestPac Express" crew.



Marines from K Battery, 3rd Battalion, 11th Marine Regiment, and Combat Logistics Platoon 3 board the high-speed vessel Westpac Express for Exercise Cobra Gold 2006 in Thailand. (Photo by Sgt. Ethan E. Rocke)

CHECK OUT THE AUSTAL WEBSITE FEATURING THE LATEST DEFENCE NEWS, PRODUCT INFORMATION AND IMAGES WWW.AUSTAL.COM

AUSTAL ON THE ROAD

- Interferry, Long Beach, California 3-6 October 2006
- Seatrade Med 2006, Naples, Italy, 18-20 October 2006
- Euronaval 2006, Paris, France, 23-27 October 2006
- IDEX 2007, Abu Dhabi, UAE 18-22 February 2007
- Ship and Port 2007, Doha, Qatar, 25-27 February 2007
- IMDEX Asia 2007, Singapore, 15-18 May 2007

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