



COMPANY ANNOUNCEMENT/NEWS RELEASE
15 DECEMBER 2003

AUSTAL TO BUILD HIGH-SPEED AIR-CUSHIONED VESSEL

Austal has been contracted to build a 31.2 metre high-speed air-cushioned catamaran for American Marine Holdings (AMH) at its shipyard in Mobile, Alabama. The contract value is approximately A\$6 million.

The catamaran, a SeaCoaster military vessel design, will be used by AMH to demonstrate advanced hullform technology to the United States Office of Naval Research (ONR). This office coordinates, executes and promotes the science and technology programmes of the United States Navy and Marine Corps and provides technical advice to the Chief of Naval Operations and the Secretary of the Navy.

Austal Limited Executive Chairman, Mr John Rothwell said the demonstration project to the ONR was a further example of the US military's strong interest in the use of high speed vessels.

"This contract gives Austal another opportunity to demonstrate its expertise in the construction of lightweight, aluminium vessels for military application. It is a further step in building capability at Austal's US yard in preparation for US military opportunities," Mr Rothwell said.

Austal is a major partner in the General Dynamics team contracted to design coastal warships for the US Navy. The team's proposal is based on Austal's ground-breaking 126 metre trimaran vessel. A commercial variant of this design is currently under construction at Austal's Henderson shipyard in Western Australia and is due for launch in late 2004.

Austal USA is currently constructing a 58 metre catamaran for Milwaukee-based ferry operator Lake Express.

ENDS

For further information contact:

John Rothwell
Executive Chairman, Austal Limited
Telephone: + 61 8 9410 1111

Felicity Nuttall,
Corporate Affairs Manager, Austal Limited
Telephone: + 61 8 9410 1111
Email: pubrel@austal.com