

AUSTAL LIMITED
ACN 009 250 266

NOTICE OF ANNUAL GENERAL MEETING

AND

AGENDA

AND

EXPLANATORY MEMORANDUM

Date of Meeting: Friday, 22 October 2004
Time of Meeting: 3.00 pm (WST)
Place of Meeting: Fremantle Sailing Club
Marine Terrace
Fremantle
Western Australia

This Notice of Annual General Meeting and accompanying Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Shareholders of Austal Limited will be held at the **Fremantle Sailing Club, Marine Terrace, Fremantle, Western Australia** on **Friday, 22 October 2004** at **3.00 pm (WST)** for the purpose of transacting the business referred to on the reverse of this Notice of Annual General Meeting.

AGENDA

1. **Chairman's Address – Mr John Rothwell**

2. **Directors' report and financial statements**

To receive the consolidated financial statements of the Company and its subsidiaries for the year ended 30 June 2004 together with the Directors' declaration and report in relation to that financial year and the auditors' report on those financial statements.

3. **Resolution 1 – Election of Mr John Rothwell**

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

"That Mr John Rothwell, who retires in accordance with Article 11.3 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."

**BY ORDER OF THE BOARD
AUSTAL LIMITED**



Michael Atkinson
Company Secretary
24 September 2004

AUSTAL LIMITED
ACN 009 250 266

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders of Austal Limited ("**Austal**" or "**Company**") in connection with the business to be conducted at the **Annual General Meeting of Shareholders** to be held at the **Fremantle Sailing Club, Marine Terrace, Fremantle, Western Australia** on **Friday, 22 October 2004** at **3.00 pm (WST)**.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting.

Terms used in the Notice of Annual General Meeting and the Explanatory Memorandum, unless the context otherwise requires, have the same meaning given to them in the Glossary of Terms.

RESOLUTION 1 – RE-ELECTION OF DIRECTOR

Mr John Rothwell and Mr Achim Drescher are required to retire under the director rotation provisions of Article 11.3 of the Company's Constitution. Mr John Rothwell, being eligible, has offered himself for re-election as a Director.

Mr Achim Drescher retires by rotation and has not offered himself for re-election.

The remaining Directors recommend to Shareholders that Mr John Rothwell be re-elected.

GLOSSARY OF TERMS

The following terms and abbreviations used in the Notice of Annual General Meeting and this Explanatory Memorandum have the following meanings:

"Annual General Meeting"	means the Annual General Meeting of Shareholders of the Company or any adjournment thereof, convened by the Notice.
"ASX"	means Australian Stock Exchange Limited.
"Austal" or "Company"	means Austal Limited ACN 009 250 266.
"Board"	means the Board of Directors from time to time.
"Constitution"	means Austal's Constitution as amended from time to time.
"Corporations Act"	means the Corporations Act 2001 (Cth).
"Directors"	means the Directors of Austal from time to time.
"Explanatory Memorandum"	means this Explanatory Memorandum.
"Listing Rules" or "ASX Listing Rules"	means the listing rules of ASX and any other rules of ASX which are applicable while the company is admitted to the official list of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.
"Notice" or "Notice of Annual General Meeting"	means the Notice of Annual General Meeting which accompanies this Explanatory Memorandum.
"Resolution"	means a resolution referred to in this Notice of Meeting.
"Share"	means a fully paid ordinary share in the capital of Austal.
"Shareholder"	means a holder of Shares.
"WST"	means western standard time.