



**COMPANY ANNOUNCEMENT
20 December 2004**

SALE OF SHAREHOLDING BY MANAGING DIRECTOR

Austal Limited Managing Director Bob McKinnon has advised the company that following consultation with the Board he has sold part of his shareholding in the company.

The timing of the sale is in accordance with the allowable four month period following release of half-yearly and preliminary final reports for Directors trading in securities, which was recently revised by the Board.

The decision to sell a portion of his holding is part of Mr. McKinnon's long term financial planning following his decision to step down at the end of June 2005.

ENDS

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