VEEM SECURES ORDER FOR HUNTER CLASS FRIGATE PROGRAM PILOT FROM BAE SYSTEMS MARITIME AUSTRALIA

Highlights:

- **BAE Systems Maritime Australia, head contractor for the Hunter Class Frigate Program (HCFP), has placed an order with VEEM to manufacture a pilot propeller blade**
- **The order enables VEEM to demonstrate it has the manufacturing capability to join the HCFP supply chain**
- **As a world leader in premium commercial propellers that has delivered similar blades to defence clients globally, VEEM is very confident it can meet the requirements of the HCFP**
- **Contract award for the propeller and brake blade manufacture for the first batch of three Hunter class frigates is anticipated in 2022**

VEEM Limited (ASX: VEE) ('VEEM' or 'the Company'), a designer and manufacturer of disruptive, high-technology marine propulsion and stabilization systems for the global luxury motor yacht, fast ferry, commercial workboat and defence industries, is pleased to announce that it has received an order from BAE Systems Maritime Australia (BAESMA) for the manufacture of a pilot propeller blade for the Hunter Class Frigate Program (HCFP).

The purpose of the order – designated by BAESMA as a "targeted task" – enables VEEM to formally demonstrate it has the propeller manufacturing capability to deliver into the HCFP supply chain. VEEM is a world leader in premium commercial propellers that has delivered similar blades to defence clients globally. The company is very confident it can deliver the required accuracy. VEEM will produce the pilot propeller blade under the guidance of Kongsberg Maritime, one of the platform equipment providers for Type 26, the reference ship design for the Hunter class frigates.

If VEEM is able to successfully demonstrate its capability, Kongsberg Maritime will be able to continue the development of VEEM towards manufacture of propeller and brake blades for the Hunter program.

In coming months, BAESMA is expected to issue a 'request for proposal' (RFP) for the propeller and brake blade manufacture for the first batch of three Hunter class frigates. Contract award is anticipated in 2022.

VEEM Managing Director Mark Miocevich said: "As a world leader in precision CNC-machined propellers, VEEM looks forward to working with BAE Systems Maritime Australia and Kongsberg Maritime on this pilot propeller blade and is very confident of being able to meet the exacting specification, having previously delivered blades to defence clients around the world.

"This will contribute significantly to maximising local sovereign industrial capability for the Hunter Class Frigate Program. As a long-term supplier of components for submarines, surface ships and warships to the Royal Australian Navy and having supplied more than $200m worth of defence products since 1987, VEEM is committed to the supply of Australian-made propellers and brake blades."

This ASX announcement was authorised for release by VEEM Managing Director, Mark Miocevich.

Further information:

VEEM Managing Director
Mark Miocevich
+61 8 9455 9355

CFO & Company Secretary
David Rich
+61 8 9455 9355

Investor Relations
Simon Hinsley
+61 401 809 653
simon@nwrcommunications.com.au

A BAE Systems Type 26 Frigate, HMS Glasgow, under construction. The Type 26 Frigate is the reference ship design for the Hunter Class Frigates.

ABOUT VEEM LIMITED (ASX: VEE)

VEEM Ltd is a designer and manufacturer of disruptive, high-technology marine propulsion and stabilization systems for the global luxury motor yacht, fast ferry, commercial workboat and defence industries. VEEM's market leading Gyrostabilizers significantly reduce the rolling motion of vessels in waves, increasing on-sea time and improving personnel safety and efficiency in a wide range of ocean conditions.

VEEM is also a successful producer of high-performance propellers, fin systems and specialised components delivering consistent profits, cash flow and dividends while also reinvesting in research and development for new products and processes.

Proudly headquartered in Perth, Western Australia, VEEM operates from a 14,700 sqm purpose-built fabrication and manufacturing facility, including Australia's largest non-ferrous foundry. VEEM employs approximately 180 staff in Australia, including graduates and apprentices, and maintains a highly skilled research and development team in-house. Celebrating its 50th anniversary in business in 2018, VEEM listed on the Australian Securities Exchange in 2016. www.veem.com.au

FOLLOW US ON SOCIALS

linkedin.com/company/veem-ltd/
twitter.com/VEEM_Ltd