



ASX ANNOUNCEMENT

27 April 2018

## **VEEM SECURES CONTRACT TO SUPPLY FIRST VG1000SD GYRO**

Marine propulsion and gyro stabilization company, VEEM Ltd (ASX: VEE) ('VEEM' or 'the Company'), is pleased to announce that Damen Shipyards ("Damen") of the Netherlands has signed a contract which will see Damen take delivery of VEEM's newest and largest gyrostabilizer model, the VG1000SD. The sale is subject to successful sea trials and Damen continuing the Fast Crew Supplier 7011 build program.

Damen has been evaluating gyrostabilizer technology and its applicability to their range of marine platforms since VEEM released the VG range of gyrostabilizers to the market in 2015. Part of this evaluation included Damen developing sophisticated vessel simulation software which confirmed the stabilization advancements put forward by VEEM's design group.

The contract forms part of a technical evaluation program that was previously announced on 26 February 2018. The sea trials component of the program commences in June 2018 and will involve taking two model VG260SD VEEM gyrostabilizers and fitting them to a 50m test vessel in the Netherlands for trials to be evaluated by Damen management and potential users of Damen ships. The sea trials are expected to be completed by July 2018. Damen has also agreed to allow other potential customers of VEEM to be present on one day of the trials to allow them to also evaluate the VEEM gyrostabilizer. Simultaneously, VEEM will have its own test vessel, fitted with the VG120 gyro, operating out of Rotterdam to provide additional testing capacity for potential customers.

As VEEM's Managing Director Mark Miocevich explained; "This contract represents a significant milestone for VEEM with an internationally renowned shipbuilder. For Damen to now progress their prior exhaustive evaluation to sea trials and then if successful, the purchase of the VG1000SD, speaks volumes about the technology that VEEM has developed. From VEEM's perspective these trials will be seen as a verification of what we already know.

Damen is a prestigious international shipyard group based in the Netherlands with 33 shipyards operating across the globe and partner-shipbuilders further extending their international reach. With a turnover of around \$2.7b, Damen is the second largest shipbuilder in Europe employing 9,000 people and built over 200 vessels in 2017 for almost every market sector. For VEEM, a strengthening relationship with Damen represents a tremendous step forward in achieving its vision as the world leader in the global gyro stabilization business".

**ENDS**

**Further information:** Mr Mark Miocevich +61 8 9455 9355

## **About VEEM**

VEEM Limited is an Australian based high-technology marine propulsion and stabilization system manufacturer serving the global luxury motor yacht, military, fast ferry, commercial workboat and tournament fishing boat industries.

Operating from a 10500m<sup>2</sup> facility in Perth, Western Australia since 1968, the company was responsible for the very successful patented Interceptor propeller technology that allows the effective pitch of VEEM propellers to be altered, without even slipping the vessel.

In addition to its product offerings, VEEM also manufactures stabilizing fins for the US Navy LCS vessel program, Austal Ships fast ferries, and both the Australian Naval and Customs Service Patrol Boat fleets.

The VEEM Gyro is the company's most recent innovative marine product development and can be viewed on the company's product website at [www.veemgyro.com](http://www.veemgyro.com).