



## VEEM AWARDED GOVERNMENT GRANT TO ASSIST WITH INVESTMENT IN DEFENCE CAPACITY

### Highlights:

- The Federal Government has offered VEEM funding of up to \$862,060 under the Manufacturing Modernisation Fund Round 2 program
- Funding is to assist VEEM increase its naval and defence manufacturing capability, specifically in relation to the manufacture of propellers for the upcoming Hunter Class Frigates
- The new equipment will give VEEM the capacity to cast and machine the Hunter Class propellers, if awarded, with minimal impact on VEEM's ongoing commercial propeller business

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 offer of funding from the Federal Government for up to \$862,060.

The funding offered is to assist with investment in new equipment to increase VEEM's capability to manufacture propellers for the Hunter Class frigates with minimal impact on VEEM's commercial propeller business.

VEEM has been working closely with equipment manufacturers, major defence contractors and the Commonwealth to prepare for future anticipated work on the Hunter Frigate SEA 5000 project, the NAVAL Group Attack class Submarine SEA 1000 project and the ASC Collins Class Submarine Sustainment project. These capital purchases will enable VEEM to further support Commonwealth defence, employ Western Australians, retain security and minimise sovereign risk in supply chains and meet the future needs of VEEM's business into the future.

The grant is from the Department of Industry, Science, Energy and Resources under the Manufacturing Modernisation Fund Round 2. The purpose of the program is to help to modernise Australia's manufacturing sector by stimulating business investment in new technologies and processes through co-funding capital investments. The grant will fund 25% of eligible expenditure and run over the 2022 and 2023 financial years. Under the offer, VEEM's investment is up to \$3.5 million.

**VEEM Managing Director Mark Mioceвич said:** "VEEM is very appreciative of the federal government's support in assisting with increasing our capability to manufacture for the Australian Defence Programs. This investment will mean that manufacturing propellers for the Hunter Class Frigates, if awarded, will have minimal impact on our traditional propeller business which is growing strongly."

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

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## 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](http://www.veem.com.au)

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