

ASX ANNOUNCEMENT

2 December 2016



VEEM successfully completes first 'retrofit' of VG120 gyro

Marine propulsion and gyrostabilisation company, VEEM Ltd (ASX: VEE) ('VEEM' or 'the Company'), has successfully completed its first retrospective fitting of a VEEM Gyro 120 (VG120) unit this week, on a 42.5 metre luxury super yacht in Australia.

The retrofit of motor yacht "Tango" with a VG120 gyrostabiliser took place in Brisbane, as part of a broader upgrade of the vessel, before sailing back to Sydney for full commissioning and sea trialling. MY Tango was built by Austal company, Oceanfast, in WA in 2006.

The VG120 is an advanced and powerful gyrostabiliser available for vessels with displacement between 50 tonnes and 150 tonnes or super yachts of up to around 40 metres in length. The VG120 retails for US\$240,000 per unit, excluding installation works.

VEEM Managing Director, Mark Miocevich, said the Company's brief was to significantly improve Tango's rolling motions caused by wakes from passing vessels while the super yacht was at anchor.

"During the sea trials we carried out following the retrofit we clearly demonstrated that the VG120 achieves this goal very well. The successful commissioning of this unit and subsequent sea trials are a milestone for VEEM and further proof of our gyrostabilisers' capabilities," Mr Miocevich said.

"While VEEM is very actively focused on marketing its products to the new build super yacht market globally, the achievement of this successful retrofit has the potential to open up further opportunities for the Company."

About VEEM

VEEM is a Western Australian company established in 1968, and has become a world leader in the manufacture of bespoke marine propellers and assemblage for luxury and commercial marine craft. The Company has a strong track record of performance, having delivered stable and consistent earnings over many years, building its reputation for quality, efficiency and ability to deliver innovative products globally.

VEEM's patented gyrostabilisers have been developed over the past five years and eliminate most of the rolling motion of vessels at anchor, drifting, alongside or transiting. These products are now selling into the global marine market and are expected to generate significant sales growth for the Company in the future, displacing cumbersome and less effective stabilisation fins currently in use.

VEEM listed on the ASX in early November 2016.

ENDS

Further information: John Gardner
Citadel-MAGNUS, +61 413 355 997 / +61 8 6160 4900

For personal use only