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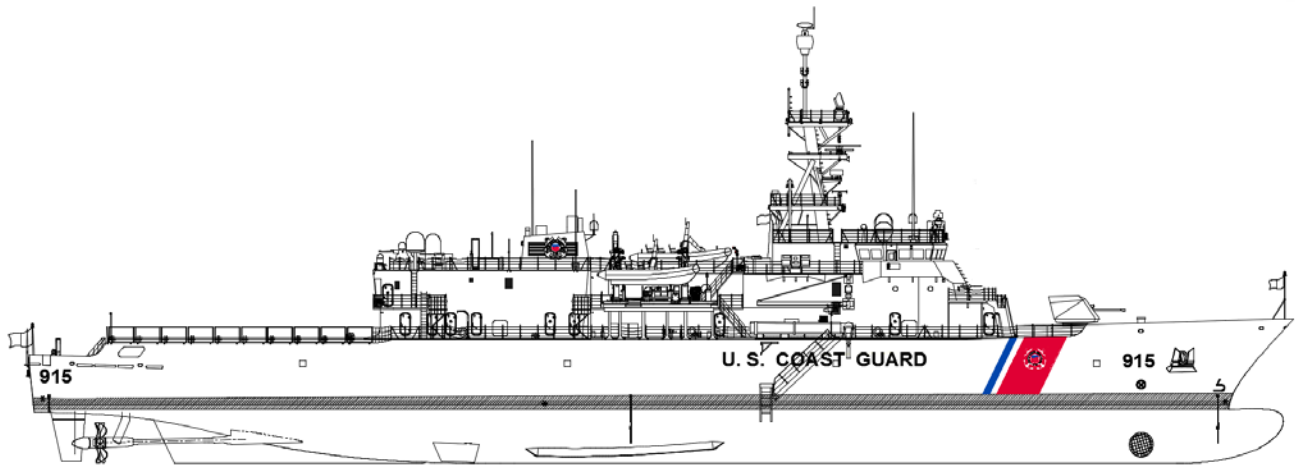
EASTERN SHIPBUILDING GROUP AWARDED LONG LEAD TIME MATERIAL (LLTM) CONTRACT FOR UNITED STATES COAST GUARD OFFSHORE PATROL CUTTER PROGRAM

Panama City, FL, Eastern Shipbuilding was awarded Long Lead Time Material (LLTM) contract for the first Offshore Patrol Cutter USCGC Argus (WMSM 915) on September 7, 2017 with the United States Coast Guard. The LLTM award allows Eastern to move forward on an aggressive schedule to deliver a capable and affordable platform to meet the Coast Guard's mission needs. The award includes main propulsion, machinery control, electrical and mechanical equipment orders that need to be placed in advance of awarding the construction contract for USCGC Argus which is planned to occur in late summer of 2018 with a delivery in August 2021. The LLTM award included development and approval of the design specifications that are used to purchase the LLTM. This includes meeting both the USCG requirements and all of the American Bureau of Shipping Naval Vessel Rules. The OPC is the first USCG vessel ever constructed to meet these very specific vessel classification requirements.

ESG's President Mr. Joey D'Isernia noted the following:

"The award of the Long Lead Time Material contract for the first OPC is a major milestone for ESG and the USCG. The fact that it was achieved on schedule and within budget underscores that this program is healthy and remains on track. Our team is excited about achieving this milestone and is eager to start production of USCGC ARGUS next summer following award of the construction contract."

The OPC vessel is designed to conduct multiple missions in support of the nation's maritime security and border protection. The OPC will provide a capability bridge between the National Security Cutter, which patrols the open ocean in the most demanding maritime environments, and the Fast Response Cutter, which serves closer to shore. The OPC design includes capability of carrying an MH-60R or MH-65 Helicopter and three operational Over-The-Horizon (OTH) small boats. The vessel also includes a highly sophisticated combat system and C4ISR suite which will allow the Coast Guard to continue to support its role of protecting our shores, the maritime industry and execution of the Coast Guard's missions.



OPC Characteristics:

- Length: 360 feet
- Beam: 54 feet
- Draft: 17 feet
- Sustained Speed: greater than 22 knots
- Range: greater than 8500 nautical miles at 14 knots
- Endurance: 60-days