



MMA
OFFSHORE

ASX Announcement

25 September 2017

Receipt of s249N and s203D Notices (“Notices”)

The Listing Manager
ASX Limited
Level 4, Stock Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

MMA OFFSHORE LIMITED (“MMA” or “COMPANY”) – NOTICES OF SUBSTANTIAL SHAREHOLDER’S INTENTION TO REMOVE AND APPOINT NEW DIRECTORS

The Company advises that in accordance with ASX Listing Rule 3.17A, it has received correspondence from substantial shareholder Halom Investments Pte Ltd (“Halom”), giving notice that it intends to move the **attached** resolutions at the next general meeting of the Company, under sections 249N and 203D of the Corporations Act 2001 (Cth) (“Corporations Act”), including to remove both the Independent Non-Executive Chairman, Mr Anthony Howarth, and the Managing Director and CEO, Mr Jeffrey Weber.

The Board is of the strong and collective view that stability and unity of purpose for MMA is critical to the ongoing success of the Company’s turnaround and optimisation of its longer term funding arrangements. The Board will be recommending that shareholders vote against changes to the Board that in its opinion jeopardise the stability of the Company and therefore put at risk the ongoing turnaround efforts.

In the Boards view the changes proposed by Halom are not in the best interests of **all** shareholders.

Halom has proposed to nominate Mr Jeffrey Mews and Mr Ajaib Hari Dass for election to the Board at the same meeting. Halom has not proposed a replacement Chairman of the Board, or the Managing Director and CEO of the Company, in the event all of its resolutions succeed. Halom holds approximately 18.09% of the Company’s shares. In addition to the Board changes, Halom has also stated that their proposed directors would seek to conduct a strategic review and address the Company’s leverage.

Given the nature of the request, and the potential to significantly disrupt the recovery process of the Company, the Board has attempted to engage with Halom to discuss the correspondence and explore alternative approaches which are likely to be less destabilising to the Company.

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Halom was advised that Mr Howarth was already looking to step down at the 2017 AGM, and that a Board renewal process had been initiated. In addition, Halom was offered the opportunity to propose a single nominee for appointment to the Board.

The Board has also held discussions with other major shareholders. During these discussions, Black Crane Capital Managing Partner and CIO, Mr Peter Kennan, offered to join the Board as a Non-Executive Director effective immediately, which the Board accepted. Black Crane Asia Opportunities Fund, managed by Black Crane Capital, holds approximately 10.38% of the Company's shares.

MMA's Non-Executive Chairman, Mr Tony Howarth, said the move by Halom has occurred at a critical point for MMA, and was potentially detrimental to the continuing recovery and turnaround that was underway.

"As previously announced, we already have begun a strategic review of the Company's operations and financial position, including engagement with our advisors, Deloitte and Pareto Securities, as to possible options for the Company's longer term funding. Apart from identifying the obvious issues we are already dealing with, Halom has failed to outline any proposed changes to the strategy and direction of the Company that differ from our current path. We remain confident of our ability to successfully conclude a suitable outcome for the Company's leverage position and balance sheet," Mr Howarth said.

"Unfortunately, having put the Company in this position, the move by Halom has a potential destabilising effect with no suggested solutions or detail of their intentions."

"We have attempted to negotiate in good faith to resolve the issues, including the offer of a Board seat and an accelerated Board renewal."

Halom is being advised by Moelis & Company. The Company is being advised by Deloitte, Pareto Securities and Ashurst.

The Company remains open to discussions with Halom, but assuming no change to Halom's current stance, the proposed resolutions attached will be included in the Company's Notice of Annual General Meeting alongside the other items to be considered at the AGM. The AGM is currently scheduled to be held on 23 November 2017.

For further information please contact the Company's media liaison consultant:

Mr. Cameron Morse

FTI Consulting
(08) 9485 8888
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Resolutions

Resolution 1

To be considered and, if thought fit, passed as an ordinary resolution:

“That, in accordance with the section 203D of the Corporations Act 2001 (Cth), Mr Anthony Howarth be removed from office as a director of the Company with effect from the close of the meeting.”

Resolution 2

To be considered and, if thought fit, passed as an ordinary resolution:

“That, in accordance with the section 203D of the Corporations Act 2001 (Cth), Mr Jeffrey Weber be removed from office as a director of the Company with effect from the close of the meeting.”

Resolution 3

To be considered and, if thought fit, passed as an ordinary resolution:

“That Mr Jeffrey Mews be appointed as a director of the Company, with effect from the close of the meeting.”

Resolution 4

To be considered and, if thought fit, passed as an ordinary resolution:

“That Mr Ajaib Hari Dass be appointed as a director of the Company, with effect from the close of the meeting.”