



Morgan Stanley 2011 Emerging Companies Conference

9 June 2011



MERMAID MARINE
AUSTRALIA LTD

Company Overview



Mermaid Marine Australia Limited (MMA) is Australia's largest integrated marine services provider to the offshore oil and gas industry

- Integrated service offering across all phases of the oil and gas cycle - exploration, construction & production
- Head office in Perth, Western Australia
- Core operations based in Dampier (hub for the North West Shelf oil and gas industry)
 - Modern offshore vessel fleet (34 vessels)
 - 17ha Supply Base with 6 berth private wharf
 - Ship repair facility
- Singapore office supporting international vessel operations
- Broome Supply Base supporting the Browse Basin region

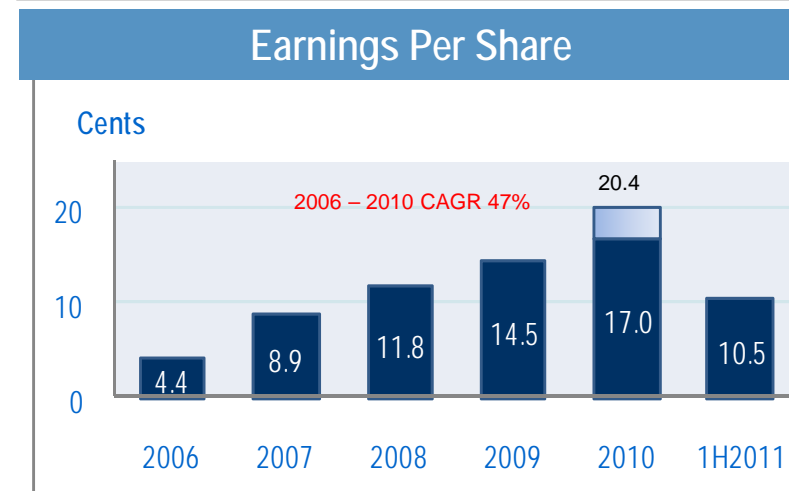
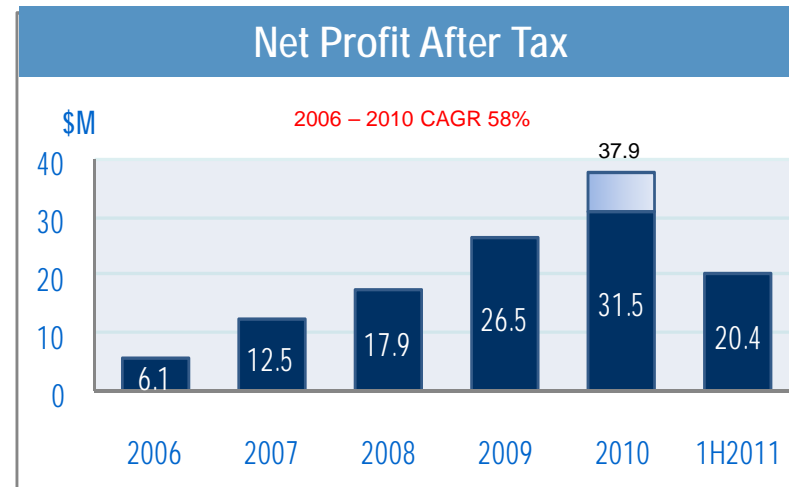


Strong financial performance

MMA has delivered consistent growth in earnings over the past 5 years

- Net Profit After Tax - 58% CAGR* 2006-2010
- Earnings Per Share – 47% CAGR* 2006-2010
- 1H 2011 NPAT \$20.4m
- Well positioned to fund future growth
 - \$65m equity raising Oct 2010
 - 31.8% gearing at 31Dec 2010

* CAGR = compound annual growth rate



Market Outlook



The outlook for MMA's services is buoyant with strong activity forecast across the exploration, construction and production sectors

- **Continued exploration and production drilling in Carnarvon (NWS) and Browse Basins**
 - Chevron, Woodside, BHP, Hess, Apache, Santos, Conoco Phillips
- **Seismic Support**
 - Ongoing with Geokinetics – Mexico and Brunei
 - Recently completed programs in Angola, Egypt, Gabon, West Papua.
- **Construction activity in NWS, Browse Basin and Timor Sea buoyant**
 - \$170 billion of projected construction spend on oil & gas projects between 2011-2017
- **Production Support**
 - Ongoing support of FPSO operations
 - FLNG will require significant production support once in field (Shell Prelude, PTTEP Cash / Maple, Woodside Sunrise)
- **Risks**
 - Increased competition as Asian recovery slower than expected
 - Project delays
 - Industrial activity
 - Access to skilled labour

Construction Projects



Forecast \$170b expenditure on a range of projects in the NWS, Browse Basin and Timor Sea over the next 7 years

Project	Operator	Status	Expected Completion
Macedon	BHPB	Development	2013
North Rankin B	Woodside	Development	2013
Gorgon	Chevron	Development	2015
Prelude	Shell	Development (FID announced May-11)	2016
Pluto 2	Woodside	FEED (FID expected end 2011)	2015
Wheatstone	Chevron	FEED (FID expected 2H11)	2016
Ichthys	INPEX	FEED (FID expected end 2011)	2017
Browse	Woodside	FEED (FID targeted mid 2012)	2017
Sunrise	Woodside	Proposed	2018

Vessels



MMA operates a range of vessels out of Australia and Singapore providing services to offshore oil and gas projects both in Australia and internationally

- **Modern vessel fleet** - average age 8 years
- Supporting exploration, construction and production activities in Australia and internationally
- **Key Services**
 - Offtake support
 - Construction support
 - Supply
 - Pipe lay support
 - Survey and seismic support
- **Key Clients**
 - Chevron
 - Woodside
 - Apache
 - Geokinetics
 - BHP Billiton

Fleet	Number
AHT / AHTS	19
PSVs	2
Tugs / Small Fleet	7
Landing craft	1
Barges	5
Total	34

27 owned
7 chartered



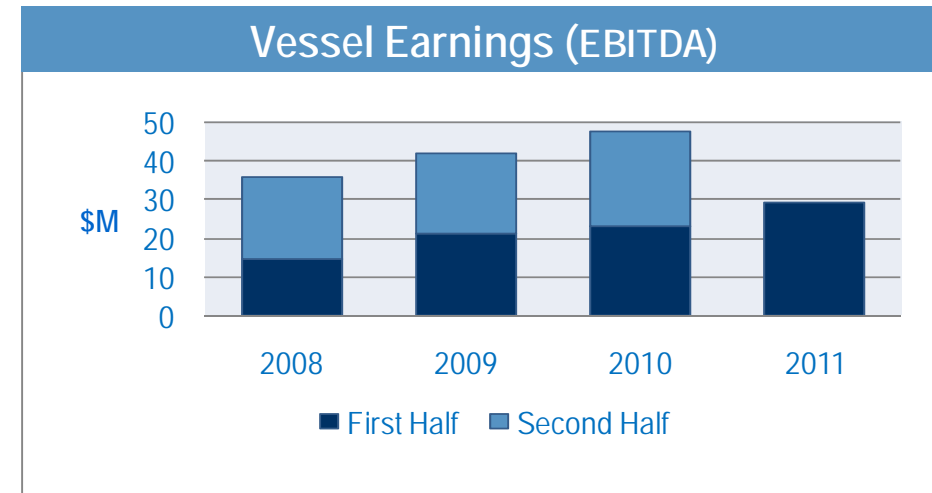


Vessel Operations

Strong demand for services generating continued high utilisation in the second half

- 1st Half 2011 EBITDA up 25% on PCP
- Margins lower but still strong
- Return on assets consistent at 18.6%
- Average utilisation 80%
- 1 new AHT purchased
- 3 AHTs on charter
- 3 barges and 1 LCT on charter
- Fuel Barge and LCT mobilised to Australia and now operating
- International operations
 - Vigilance arrived in Mexico
 - Discovery and Vanquish moving to Brunei
- Commenced construction of newbuild OSV
- PSV to settle June 2011 with major charter to Allseas from Q4 CY2011

Vessel Financials			
	Variance PCP	6 Months Ended 31 Dec 2010	6 Months Ended 31 Dec 2009
Revenue	↑ 37%	\$100.4M	\$73.5M
EBITDA	↑ 25%	\$28.8M	\$23.1M
EBITDA / Revenue	↓ 2.7%	28.7%	31.4%
EBIT	↑ 20%	\$22.1M	\$18.4M
EBIT / Revenue	↓ 3.0%	22.0%	25.0%
Return on Assets	↑ 0.1%	18.6%	18.5%



Vessel Strategy



Expand the PSV fleet and continue to grow core fleet

- **Expand the medium sized PSV fleet**
 - New PSV to settle June 2011
 - Awarded contract with Allseas to support pipeline construction for Gorgon project
 - PSVs can be used across exploration, construction and production
 - Market demand for medium sized PSVs expected to increase over the next 5 years as projects move to deeper water with greater transiting distances
- **Continue to grow core fleet**
 - Increasing demand in construction and production sectors
 - Supplement with charter vessels
- **Continue to seek opportunities to expand operations internationally**
 - Currently 9 Singapore flagged vessels capable of working internationally



Dampier Supply Base

MMA's Dampier Supply Base provides a multi-user facility capable of servicing the range of operators currently working in the North West Shelf region

- **17ha Supply Base**
 - Open lay down and undercover storage
 - Office space
 - Dangerous goods storage
 - Logistics and materials handling services
- **Wharf Facilities**
 - 415m berth space - 6 berths
 - 300 vessel visits per month
 - Heavy loadout, RORO ramp, barge berth
 - Experienced stevedoring personnel
- **Key Clients**
 - Chevron
 - BHP Billiton
 - Hess
 - Apache
 - Santos



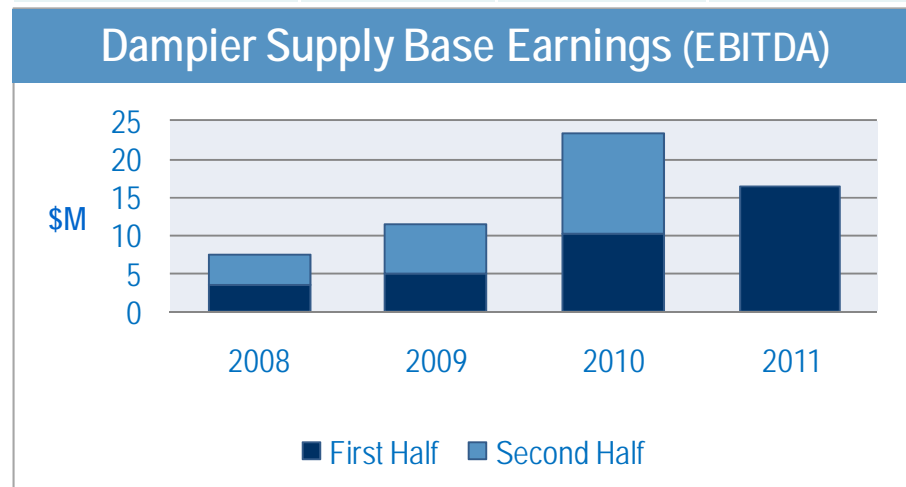
Supply Base Operations



Signed major contract with Chevron for ongoing supply base services

- 1st Half 2011 EBITDA up 61% on PCP
- Margins remain strong
- Wharf activity up approx 20%
- Upgrade work completed and activity commenced for new Chevron contract
- Actively reviewing options for additional land in Dampier

Dampier Supply Base Financials			
	Variance PCP	6 months ended 31 Dec 2010	6 months ended 31 Dec 2009
Revenue	↑ 56%	\$27.7M	\$17.7M
EBITDA	↑ 61%	\$16.3M	\$10.1M
EBITDA / Revenue	↑ 1.7%	58.8%	57.1%
EBIT	↑ 65%	\$14.2M	\$8.6M
EBIT / Revenue	↑ 2.6%	51.2%	48.6%
Return on Assets	↑ 4.9%	25.2%	20.3%



Dampier Slipway Operations

Increased number of vessels operating in NWS driving increased demand for Slipway services

Key Services

- Routine and emergency docking
- Mobilisations
- Maintenance and repair
- Flow hose inspections, survey and repair

Key Clients

- MMA vessels, Rio Tinto, Farstad, Svitzer, Teekay Shipping

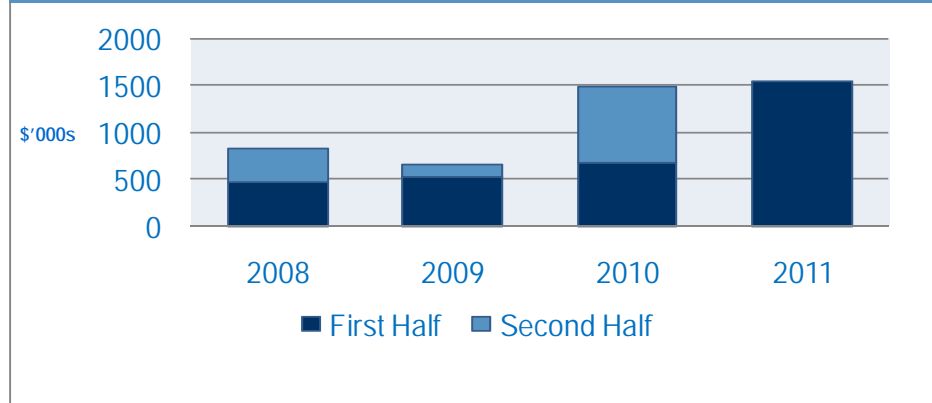
Docked 22 vessels 1H2011



Financials

	Variance PCP	6 months ended 31 Dec 2010	6 months ended 31 Dec 2009
Revenue	↑ 49%	\$11.5M	\$7.7M
EBITDA	↑ 114%	\$1.5M	\$0.7M
EBITDA / Revenue	↑ 3.9%	13.0%	9.1%
EBIT	↑ 200%	\$1.2M	\$0.4M
EBIT / Revenue	↑ 5.2%	10.4%	5.2%

Slipway Earnings (EBITDA)



Broome Supply Base



The Broome Supply Base¹ is strategically located to service exploration, production and construction activities in the Browse Basin

- **11.6ha of available land**
 - Open lay down and storage
 - Undercover storage
 - Pipe cleaning and storage
 - Office space
 - Logistics and materials handling services
- **Adjacent to Broome Port**
- **Key Clients**
 - Shell
 - Woodside
 - INPEX
 - Conoco Philips
 - Apache
 - Santos
 - BHP Billiton



- Limited activity in the region during 2011
- Broome continues to be a longer term strategic asset with Shell recently announcing a final investment decision on Prelude and Ichthys and Woodside Browse currently in FEED

Summary



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- ❑ Another record result for the first half of the year
- ❑ All major divisions performing strongly
- ❑ Balance Sheet capacity - gearing low due to recent capital raising
- ❑ Solid demand for vessels in Australian market
- ❑ International business challenging but emerging opportunities
- ❑ Strong returns from the Dampier supply base, wharf demand increasing and new contract signed with Chevron
- ❑ Continuing to add to our fleet and progress PSV strategy
- ❑ Oil & Gas market in Australia remains strong

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