

16 October 2013

The Listing Manager
Australian Securities Exchange Ltd
Level 4, Stock Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir / Madam,

RE: MERMAID MARINE AUSTRALIA LIMITED (MMA) INVESTOR PRESENTATIONS

Please find **attached** a copy of the presentation which MMA is to present at:

- The Merrill Lynch 2013 Emerging Stars Conference in Melbourne; and
- The 2013 Macquarie WA Forum in Perth,

on Thursday, 17 October 2013.

Kind Regards

MERMAID MARINE AUSTRALIA LIMITED



DYLAN ROBERTS
Company Secretary



MERMAID MARINE
AUSTRALIA LTD

Mermaid Marine Australia Ltd

Investor Presentation 17 October 2013



We live our values: People – Customers – Team

www.mma.com.au

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About Mermaid Marine



Australia's largest marine services provider to the offshore oil and gas industry

- Head office in Fremantle, Western Australia with key operations facilities in Dampier and Broome and an office in Singapore to service international operations
- Invested over \$470 million in vessel and supply development program over the past 6 years
- Currently employing over 800 people
- 3 key business units consisting of:
 - A modern, diversified fleet of 41 vessels operating throughout Australia and internationally
 - Two strategically located supply bases in Dampier and Broome
 - Slipway located within the Dampier Supply Base capable of docking vessels up to 3,200 tonne displacement



2013 Financial Year Highlights



Continued strong growth

Financial

- Revenue \$449.5 million, ↑18.2%
- Pre-tax profit \$83.8 million, ↑17.0%
- Net profit after tax \$60.3 million, ↑18.2%
- Earnings per share of 26.9c, ↑15.0%
- Final Dividend 7.0c per share; full year 12.5c per share ↑13.6%
- Operating Cashflow \$70.8 million, ↓ 11.1%
- Cash at bank \$58.8 million
- Strong Balance Sheet – Gearing (Net Debt/Equity) 30%

Operating

- Expanded the vessel fleet with larger and more specialised vessels
- Secured major long term vessel contracts
- Continued to upgrade Supply Base facilities in Dampier and Broome
- Secured long term contracts for the Broome Supply Base supporting for both major developments in the Browse Basin
- Broadened our international presence
- Outlook for the Australian and international offshore oil and gas sector remains positive



Key Performance Ratios

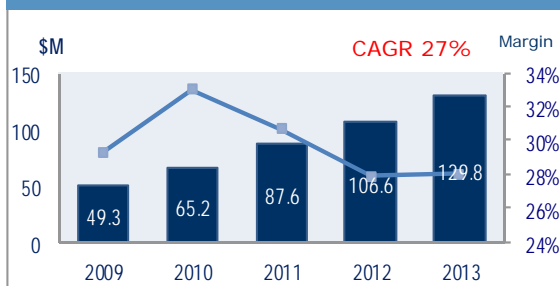
Strong earnings growth maintained



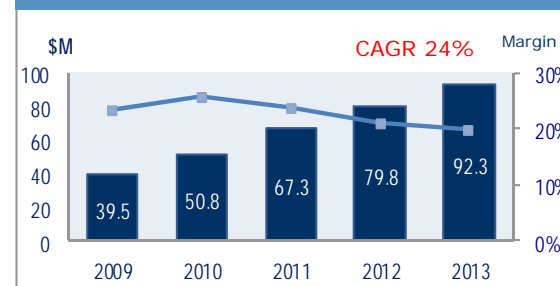
Revenue \$449.5M ↑18.2%



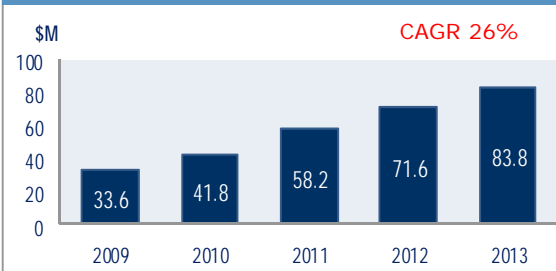
EBITDA \$129.8M ↑21.8%



EBIT \$92.3M ↑15.7%



Profit before Tax \$83.8M ↑17.0%



NPAT \$60.3M ↑18.2%



EPS 26.9c ↑15.0%



Return on assets 15.0% ↓0.6%



Return on equity 16.6% ↓0.7%



NTA per share \$1.66 ↑21.2%

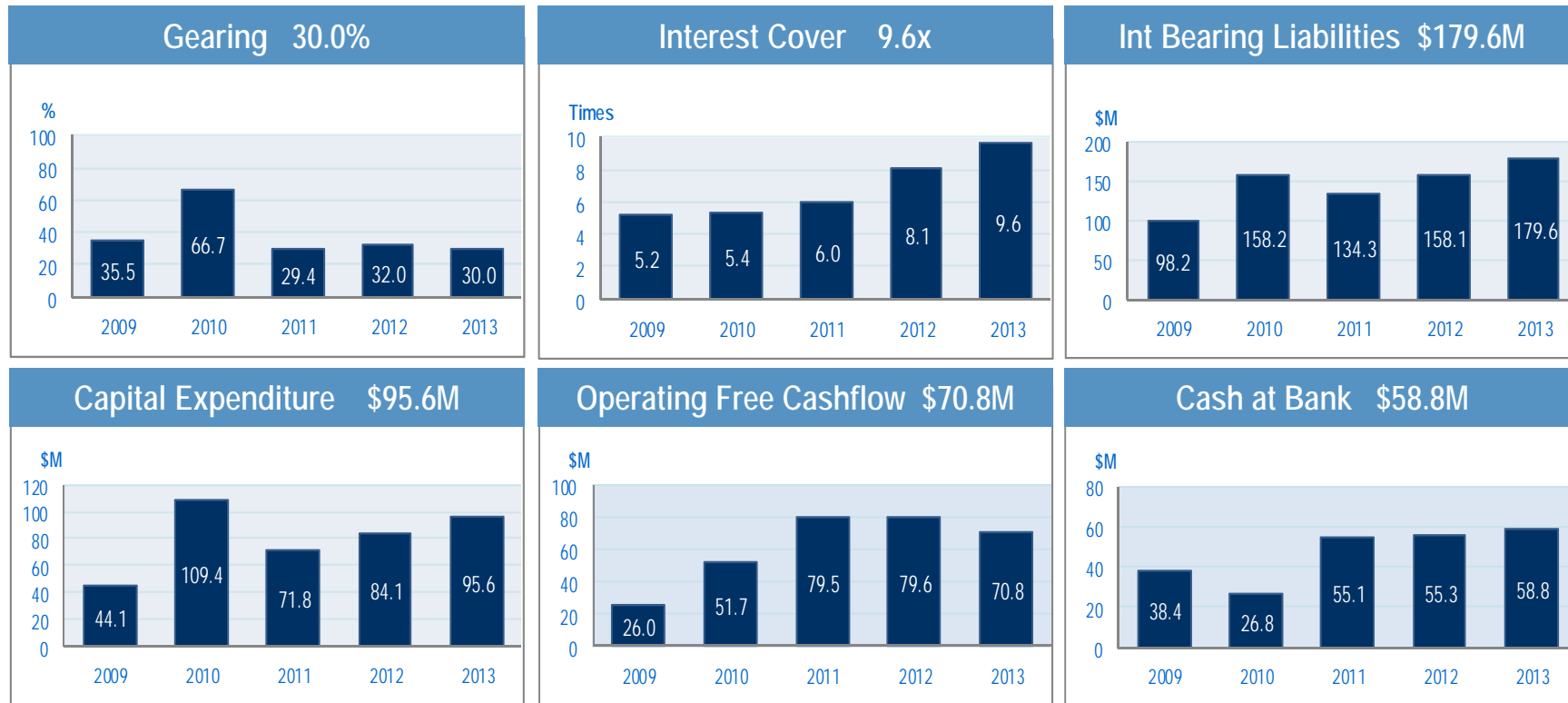




MERMAID MARINE
AUSTRALIA LTD

Key Liquidity Ratios

Strong balance sheet provides platform to fund future growth

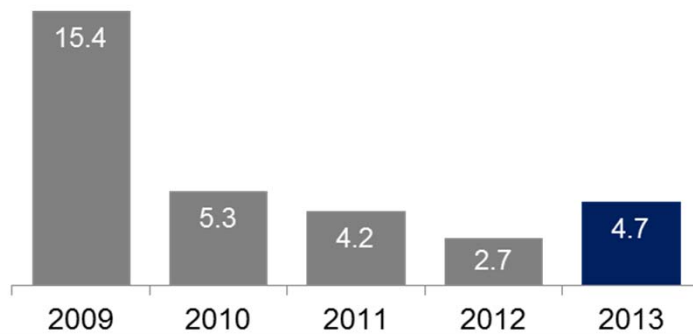


Safety and Environment

Relentless focus on the safety of our people

- Rolled out new Target 365 Safety Strategy
- Significant investment in safety leadership training across the organisation
- Unfortunately TRCF increased to 4.7 in FY2013 despite increased safety focus
- New GM HSEQ appointed – June 2013
- MMA remains committed to achieving zero injuries and incidents across the organisation
- Confident new strategy will deliver improved results

Total Recordable Case Frequency



Vessels

A challenging second half in FY13 with lower third quarter utilisation impacting overall result



Vessel Operations



FY13 highlights:

- Revenue up 3.0%; EBIT down 15.2%
- Margins and ROA impacted by lower 3rd quarter utilisation
- Average utilisation 76.2%
- Lower construction activity and cyclones in 3rd quarter impacted overall result
- Continued our fleet expansion strategy:
 - OSVs - Mermaid Cove (Jan-13)
 - PSVs - Mermaid Inscription (Jan-13), Mermaid Leeuwin (due Nov-13)
- Significant new contracts awarded:
 - Production Support – BHPB (\$50m), Santos (\$15m), Woodside extension (2 yrs + option)
 - Construction – Subsea 7 (\$100m+); Gorgon: 2 x Tug & Barge, Allseas Pipelay, Woodside GWF
 - Exploration Support – Santos

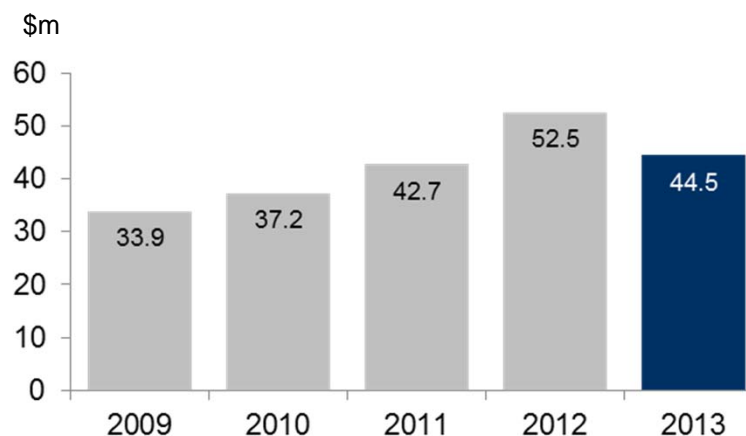
Outlook:

- Continuing to broaden our international customer base
- EBA negotiations ongoing
- Tendering a number of large contracts
- Vessel project activity ramping up through Q2 with expectation of strong second half

Vessel Financials

	Variance	30 Jun 2013	30 Jun 2012
Revenue	↑ 3.0%	\$283.7M	\$275.5M
EBITDA	↓ 6.6%	\$68.2M	\$73.0M
EBITDA / Revenue	↓ 2.5%	24.0%	26.5%
EBIT	↓ 15.2%	\$44.5M	\$52.5M
EBIT / Revenue	↓ 3.4%	15.7%	19.1%
Segment Assets	↑ 26.7%	\$397.8M	\$314.0M
ROA (averaged)	↓ 5.3%	12.5%	17.8%

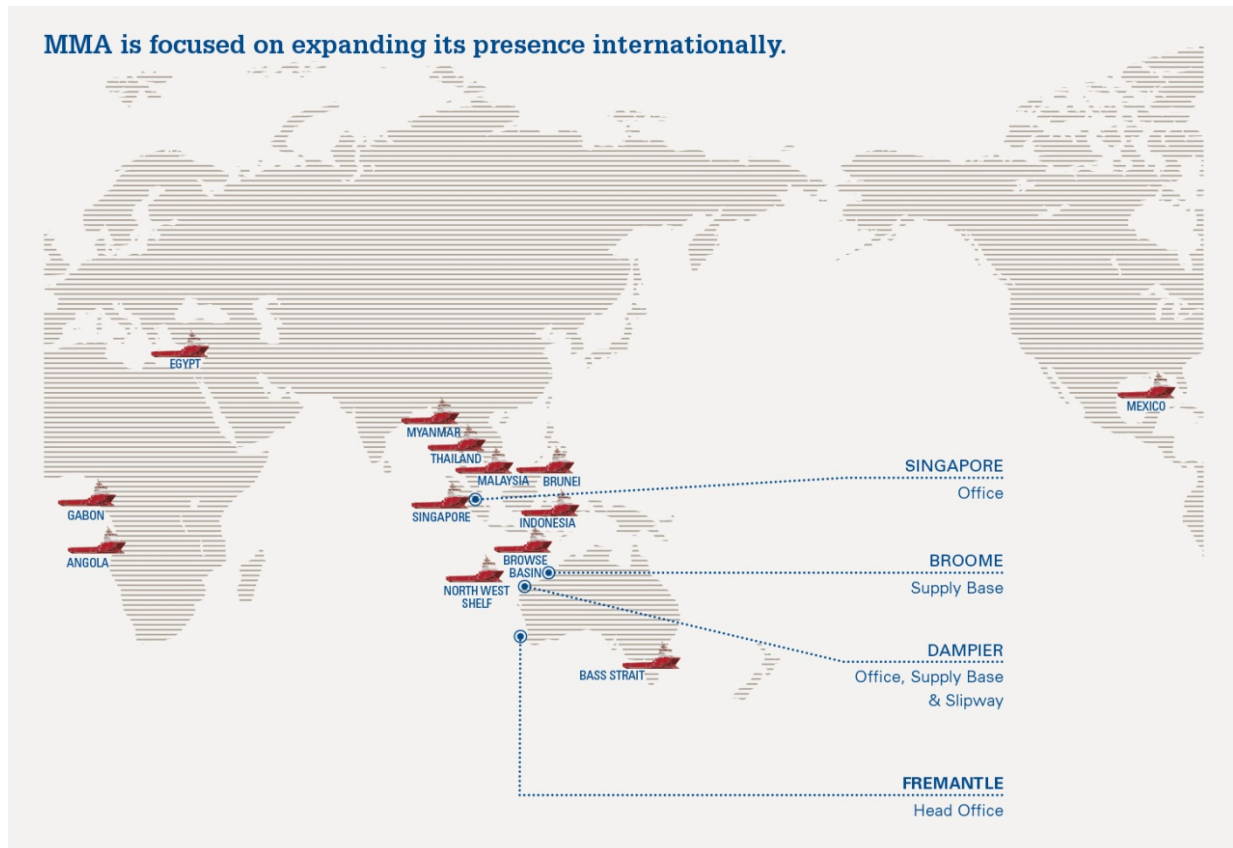
Vessel EBIT



International Operations

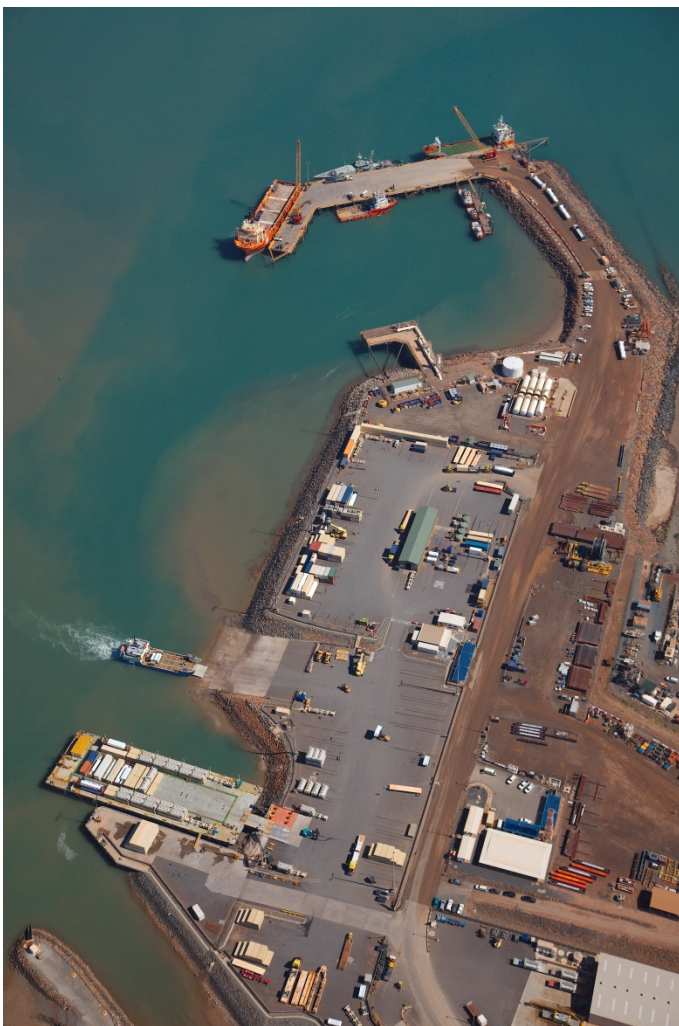
Establishing relationships and experience to support ongoing international growth

- South East Asian vessel market improving
- Vessels working in Malaysia, Myanmar, Indonesia, Thailand, Brunei and Mexico during the year
- Secured term FPSO offtake support contract in Thailand
- Solid long term oil and gas demand forecast for the region
- Establishing Malaysian subsidiary to enable bidding for longer term contracts
- Whilst still a relatively small percentage of earnings, international expansion is a key strategic growth area for the Company



Dampier Supply Base

Strong earnings growth and return on assets



Dampier Supply Base



FY13 highlights:

- Revenue up 62.3%; EBIT up 42.5%
- Margins remained strong although impacted by rising costs
- Delivered strong ROA (boosted by BMF operation)
- Strong demand for services across the Base:
 - Continued high wharf utilisation
 - Drilling activity remained buoyant with a number of campaigns underway (Chevron, BHPB, Santos)
- Continued to upgrade facilities
- Mermaid Logistics Base continued to develop with key clients taking footprints within the facility

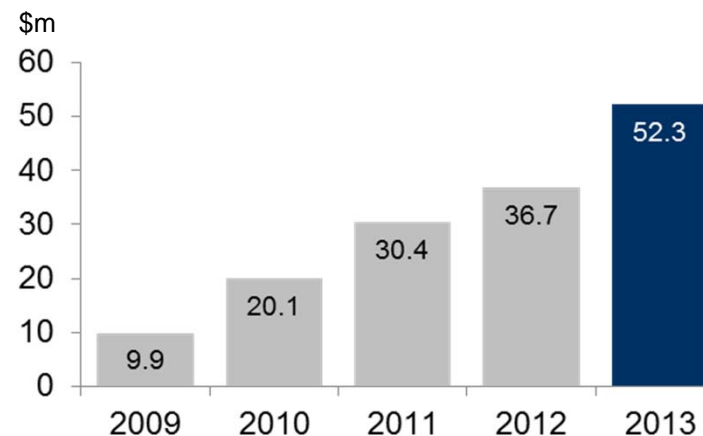
Outlook:

- BMF operations expected to continue until Dec 2013
- Gorgon cargo volumes expected to reduce over FY2014
- Looking to diversify service offering
- Supply Base expected to remain a strong contributor to earnings and cashflow

Dampier Supply Base Financials

	Variance	30 Jun 2013	30 Jun 2012
Revenue	↑ 62.3%	\$150.3M	\$92.6M
EBITDA	↑ 54.2%	\$64.3M	\$41.7M
EBITDA / Revenue	↓ 2.2%	42.8%	45.0%
EBIT	↑ 42.5%	\$52.3M	\$36.7M
EBIT / Revenue	↓ 4.8%	34.8%	39.6%
Segment Assets	↑ 14.0%	\$186.2M	\$163.3M
ROA (averaged)	↑ 3.1%	29.9%	26.8%

Dampier Supply Base EBIT



Dampier Supply Base



Aerial view of the Burrup Peninsular in Dampier with the Mermaid Marine Supply Base in the foreground



A PERFECT DAY EVERYDAY



Dampier Slipway

Strong financial performance from a key strategic asset



Dampier Slipway



FY13 highlights:

- Revenue \$24.9m up 0.4%; EBIT \$3.5m up 66.7%
- Improved work planning and cost control
- Margins boosted by a number of large and unique projects
- ROA increased
- Docked 59 vessels including 50 third party vessels (FY12: 54)

Outlook:

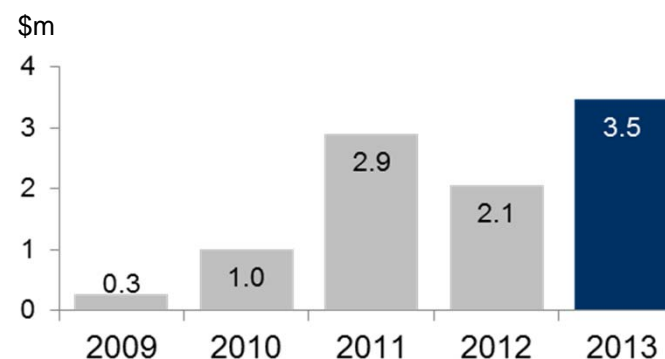
- Strong demand from third party operators
- Secured long term service agreement with 3rd party
- Remains a key strategic asset – critical to maintaining performance of MMA's fleet



Financials

	Variance	30 Jun 2013	30 Jun 2012
Revenue	↑ 0.4%	\$24.9M	\$24.8M
EBITDA	↑ 55.5%	\$4.2M	\$2.7M
EBITDA / Revenue	↑ 6.0%	16.9%	10.9%
EBIT	↑ 66.7%	\$3.5M	\$2.1M
EBIT / Revenue	↑ 5.6%	14.1%	8.5%
Segment Assets	↑ 19.0%	\$16.3M	\$13.7M
ROA (averaged)	↑ 8.0%	23.2%	15.2%

Slipway EBIT



Broome Supply Base



Strong financial contribution from Broome Supply Base JV



A PERFECT DAY EVERYDAY



Broome Supply Base

(operated under joint venture with Toll Holdings Ltd)



FY13 highlights:

- MMA's 50% share of NPAT - \$3.9m (FY12 \$0.4m)
- Supported exploration drilling programs for Conoco Phillips, Total, Shell, Murphy Oil
- Gorgon logistics contract contributed to first half earnings
- Secured long term contract with INPEX to provide supply base services
- Continued to invest in infrastructure to meet demand in the region:
 - New facilities developed for Shell Prelude and INPEX Ichthys Projects
 - Casing yard expanded to cater for increased drilling activity

Outlook:

- Activity levels set to increase as Prelude and Ichthys Projects ramp up over the next 12-18 months
- Continuing to support exploration drilling programs for a range of clients



Medium term outlook remains strong with construction of a number of major projects underway

- **Construction Support**
 - Gorgon (\$52b) - construction to continue through FY14 and into FY15 – downstream cargo volumes decreasing but major upstream scopes mobilising
 - Wheatstone (\$29b) – nearshore works underway, MMA tendered for offshore scopes
 - Ichthys (\$32b) – Tendered major offshore subcontracts - yet to be awarded
 - Prelude FLNG (\$12b est) – Prequalified for offshore scope – yet to be tendered
- **Production Support**
 - Ongoing support of FPSO operations – secured long term contracts
 - Significant production support tenders submitted and under evaluation
- **Exploration / Seismic**
 - Chevron, Woodside, BHPB, Apache, Santos, Total, Eni, ExxonMobil, Conoco Phillips conducting drilling programs
 - Ongoing seismic support with Geokinetics internationally
- **Risks / Challenges**
 - Transition business to increase exposure to production support contracts and take advantage of new project construction activity in Australia and Internationally
 - Negotiation of new marine EBAs

Summary



- Delivered another year of strong earnings growth in FY13
- Heightened focus on safety across the organisation
- Vessel performance impacted in FY13 by soft 3rd quarter
- Continuing to add to our fleet with larger and more technically sophisticated vessels
- Dampier Supply Base generating strong returns and cashflow
- Slipway performing well and continuing to add value to vessel operations
- Broome Supply Base JV making a meaningful contribution to earnings with activity ramping up in the region
- Expanding our international strategy
- Strong Balance Sheet with relatively low gearing
- Strong construction activity continues in the region but Gorgon demand transitioning
- Outlook remains positive based on demand for vessel services in the region



For further information contact



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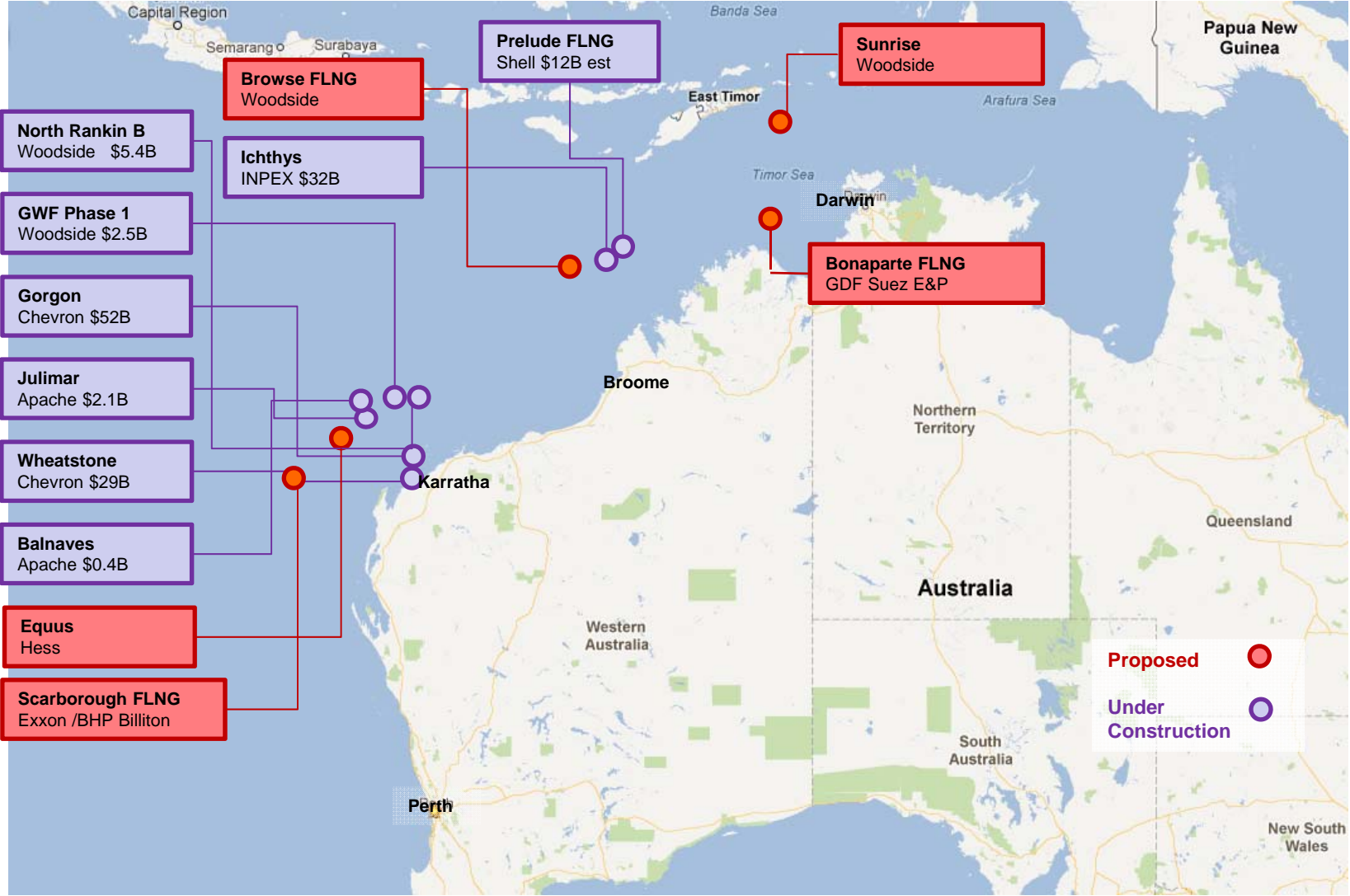
Email: peter.raynor@mma.com.au



Northern Australian Oil and Gas Construction Projects



MERMAID MARINE AUSTRALIA LTD



Proposed

Under Construction



Vessel Listing



Vessel	Name	Flag	Type	Year	Bollard Pull	LOA	BHP	Berths
MERMAID	LEVEQUE	SINGAPORE	PSV/MULTI PURPOSE	2010	-	75	4100	40
MERMAID	INSCRIPTION	SINGAPORE	PSV/MULTI PURPOSE	2013	-	87	6500	48
MERMAID	VIGILANCE	SINGAPORE	PSV/MULTI PURPOSE	2009	-	70	4000	50
MERMAID	DISCOVERY	SINGAPORE	AHTS/MULTI PURPOSE	2007	65	57	5500	65
MERMAID	VANQUISH	SINGAPORE	AHTS	2007	64	59	5150	42
MERMAID	VANTAGE	SINGAPORE	AHTS	2009	67	59	5150	42
MERMAID	VISION	SINGAPORE	AHTS	2009	105	68	8000	32
MERMAID	VOYAGER	AUSTRALIA	AHTS	2009	67	59	5150	42
MERMAID	CARVER	AUSTRALIA	AHT, AZIMUTH, OSV	2001	44	32	3500	14
MERMAID	COVE	AUSTRALIA	AHT, AZIMUTH, OSV	2013	70	52	5400	22
MERMAID	ENDEAVOUR	AUSTRALIA	AHT, AZIMUTH, OSV	1995	48	35	4000	12
MERMAID	SOUND	AUSTRALIA	AHT, AZIMUTH, OSV	2007	70	50	5400	22
MERMAID	STORM	AUSTRALIA	AHT, AZIMUTH, OSV	1994	48	34	4000	18
MERMAID	STRAIT	AUSTRALIA	AHT, AZIMUTH, OSV	2012	70	52	5400	22
MERMAID	GUARDIAN	AUSTRALIA	AHT, OSV	2005	50	40	4000	18
MERMAID	PROVIDER	AUSTRALIA	AHT, OSV	1999	50	45	4000	12
MERMAID	SENTINEL	AUSTRALIA	AHT, OSV	2006	50	40	4000	20



Vessel Listing (continued)



Vessel	Name	Flag	Type	Year	Bollard Pull	LOA	BHP	Berths
MERMAID	SUPPORTER	AUSTRALIA	AHT, OSV	2001	65	48	4800	24
MERMAID	RANGER	SINGAPORE	AHT	2007	50	40	4000	20
MERMAID	RELIANCE	SINGAPORE	AHT	2010	69	50	5150	36
MERMAID	RESOLUTION	SINGAPORE	AHT	2010	69	50	5150	36
MERMAID	INVESTIGATOR	AUSTRALIA	SURVEY, DP, MULTI PURPOSE	2006	30	54	3619	42
MERMAID	SEARCHER	AUSTRALIA	SURVEY, SUPPLY, MULTI PURPOSE	2008	34	54	3200	36
MERMAID	ACHIEVER	TUVALU	STANDBY, SURVEY, SUPPLY	1982	-	40	1619	34
MERMAID	SPIRIT	AUSTRALIA	ACCOMODATION VESSEL, SURVEY	1998	-	30	1099	32
MERMAID	ARROW	AUSTRALIA	FAST RESPONSE CREW VESSEL	2009*	-	20	1080	5
MERMAID	RESOURCE	AUSTRALIA	FAST RESPONSE CREW VESSEL	1996	-	27	2600	6
MERMAID	CHIEFTAN	AUSTRALIA	HARBOUR TUG	1970	18	20	1280	5
MERMAID	COMMANDO	AUSTRALIA	HARBOUR TUG	1981	15	20	1280	-
MERMAID	TITAN	AUSTRALIA	HARBOUR TUG	1983	9	14	800	3
MERMAID	CONSTRUCTOR	AUSTRALIA	BARGE	2003	-	76	-	-
MERMAID	REGENT	AUSTRALIA	BARGE	2010	-	76	-	-
MERMAID	ESPERANCE	SINGAPORE	BARGE	2010	-	76	-	-



Vessel Listing – Chartered Vessels



Vessel	Name	Flag	Type	Year	Bollard Pull	LOA	BHP	Berths
JMC	3010	SINGAPORE	BARGE	2012	-	92	-	-
BIBBY	RENAISSANCE	BARBADOS	ACCOMMODATION BARGE	1991	-	-	-	660
SEALINK	PACIFIC 287	MALAYSIA	BARGE	2004	-	82	-	-
TOLL	SANDFLY	SINGAPORE	LANDING CRAFT	2010		54	900	12
DANA	CRUZ	USA	SHALLOW DRAFT TUG	2010	14	28	1800	6
BHAGWAN	RENEGADE	NETHERLANDS	MULTICAT	2010	45	31	4000	5
BRITOIL	121	SINGAPORE	AHT	2011	160	59	12240	48
MISS	HANNAH	USA	CARGO BARGE	2012	-	122	-	-



Glossary of Terms



AHT	Anchor Handling Tug	JV	Joint Venture
AHTS	Anchor Handling Tug Supply Vessel	LNG	Liquefied Natural Gas
BMF	Burrup Materials Facility	MLB	Mermaid Logistics Base
EBA	Enterprise Bargaining Agreement	NPAT	Net Profit after Tax
EBIT	Earnings before Interest and Tax	NTA	Net Tangible Assets
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation	NWS	North West Shelf
EPS	Earnings per Share	OSV	Offshore Supply Vessel
FLNG	Floating Liquefied Natural Gas	PSV	Platform Supply Vessel
FPSO	Floating Production, Storage and Offloading	ROA	Return on Assets
FY	Financial Year	SEA	South East Asia
GWF	Greater Western Flank	TRCF	Total Recordable Case Frequency
HSEQ	Health, Safety, Environment and Quality		





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