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MERMAID MARINE AUSTRALIA LTD

INVESTOR UPDATE

March 2007



Mermaid Investigator



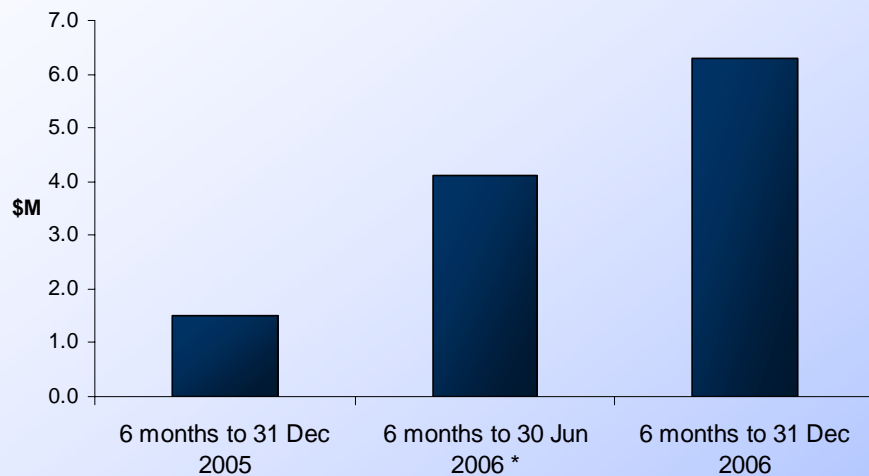
Dampier Supply Base Wharf



Earnings growth continues in 2007...

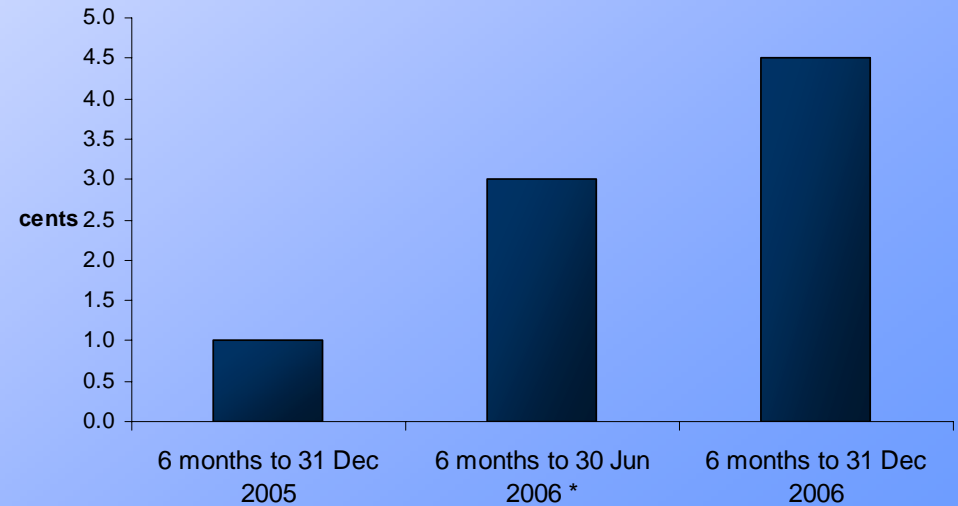
Net profit after tax for the first half of \$6.3M

Net Profit after tax



Earnings per share for first half of 4.5c

Earnings per share



* Excludes profit on sale of manning business.



Revenue Growth and Margin Growth...

| | 6 months ended 31 Dec 2006 | 6 months ended 30 Jun 2006 * | 6 months ended 31 Dec 2005 |
|--------------------|-------------------------------|---------------------------------|-------------------------------|
| Revenue | \$51.7M | \$39.6M | \$27.1M |
| EBITDA | \$13.5M | \$10.1M | \$5.1M |
| EBITDA / Revenue | 26.1% | 25.5% | 18.9% |
| EBIT | \$10.6M | \$7.7M | \$3.3M |
| EBIT / Revenue | 20.5% | 19.4% | 12.2% |
| NPAT | \$6.3M | \$4.1M | \$1.5M |
| NTA per share | 47c | 43c | 38c |
| Earnings per Share | 4.5c | 3.0c | 1.0c |

* Excluding sale of manning business.



MERMAID MARINE
AUSTRALIA LTD

Segment Earnings Summaries...

| | Vessels | | | Supply Base | | | Eng & Labour | | |
|------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|------------------------------------|----------------------------------|
| | 6 months ended 31 Dec 2006 | 6 months ended 30 Jun 2006 | 6 months ended 31 Dec 2005 | 6 months ended 31 Dec 2006 | 6 months ended 30 Jun 2006 | 6 months ended 31 Dec 2005 | 6 months ended 31 Dec 2006 | 6 months ended 30 Jun 2006 * | 6 months ended 31 Dec 2005 |
| | \$M | \$M | \$M | \$M | \$M | \$M | \$M | \$M | \$M |
| Sales to Customers | 44.7 | 32.8 | 20.7 | 6.8 | 5.4 | 4.5 | - | 1.1 | 1.6 |
| EBITDA | 13.3 | 8.7 | 4.9 | 2.0 | 2.4 | 0.9 | - | 0.4 | 0.2 |
| EBITDA / Sales Revenue | 29.8% | 26.5% | 23.7% | 29.4% | 44.4% | 20.0% | - | 36.4% | 12.5% |
| EBIT | 11.2 | 7.2 | 3.8 | 1.3 | 1.7 | 0.3 | - | 0.4 | 0.1 |
| EBIT / Sales Revenue | 25.1% | 22.0% | 18.4% | 19.1% | 31.5% | 6.6% | - | 36.4% | 6.2% |

* Excluding profit on sale of manning business.



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AUSTRALIA LTD

Group Liquidity Analysis...



| | 31 Dec 06 | 30 Jun 06 | 31 Dec 05 |
|--|-----------|-----------|-----------|
| Gearing % (Net Debt / Equity) | 85.3% | 83.2% | 61.4% |
| Interest Cover (EBIT / Interest Expense) | 5.1x | 4.9x | 2.9x |
| Current Ratio (Current Assets / Current Liabilities) | 1.5x | 1.3x | 1.9x |
| Interest Bearing Liabilities | \$59.5M | \$56.4m | \$38.7M |
| Capital Expenditure (6 month period) | \$10.8M | \$31.1M | \$14.5M |
| Cash at Bank | \$2.8M | \$6.0M | \$6.2M |

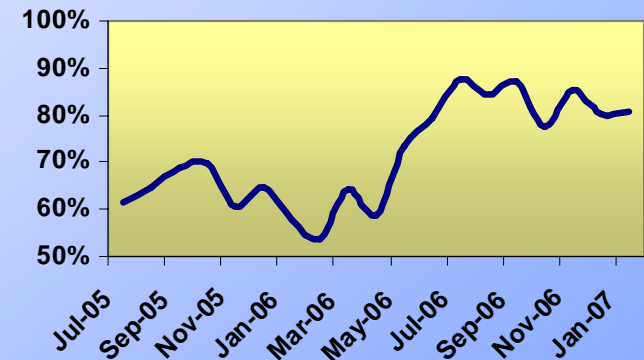


MERMAID MARINE
AUSTRALIA LTD

Our 4000 – 6000 BHP market remains strong globally...

- Global Offshore Fleet utilisation at record high levels
- Spot rates in South East Asia currently stronger than the Australian market
- New build order book full until late 2009
- Average age of sector fleet ~ 26 years old
- Oil majors demanding high specification vessels as water depths increase and marine skill base is depleted
- Drilling rig order book at record high levels and chartered until well past 2010
- Marine personnel in short supply world wide

MMA LARGE FLEET UTILISATION



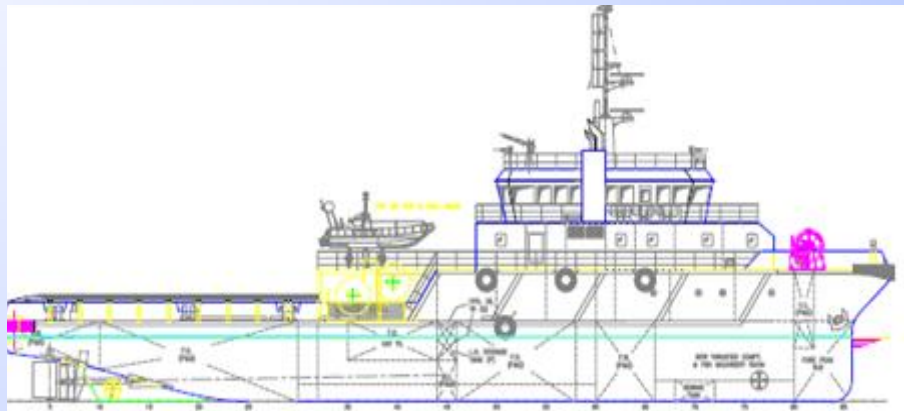


MERMAID MARINE
AUSTRALIA LTD

New Build Program...

50 M OSV - Mermaid Sound

- Delivering April 2007
- Contracted for 5 years to Woodside Petroleum for Enfield FSPO support.



54M MPV

- Under construction in China
- Delivery April 2008
- Multipurpose Survey / Supply vessel



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The pipeline of new projects in our key operating areas is extensive...

Dampier – North West Shelf

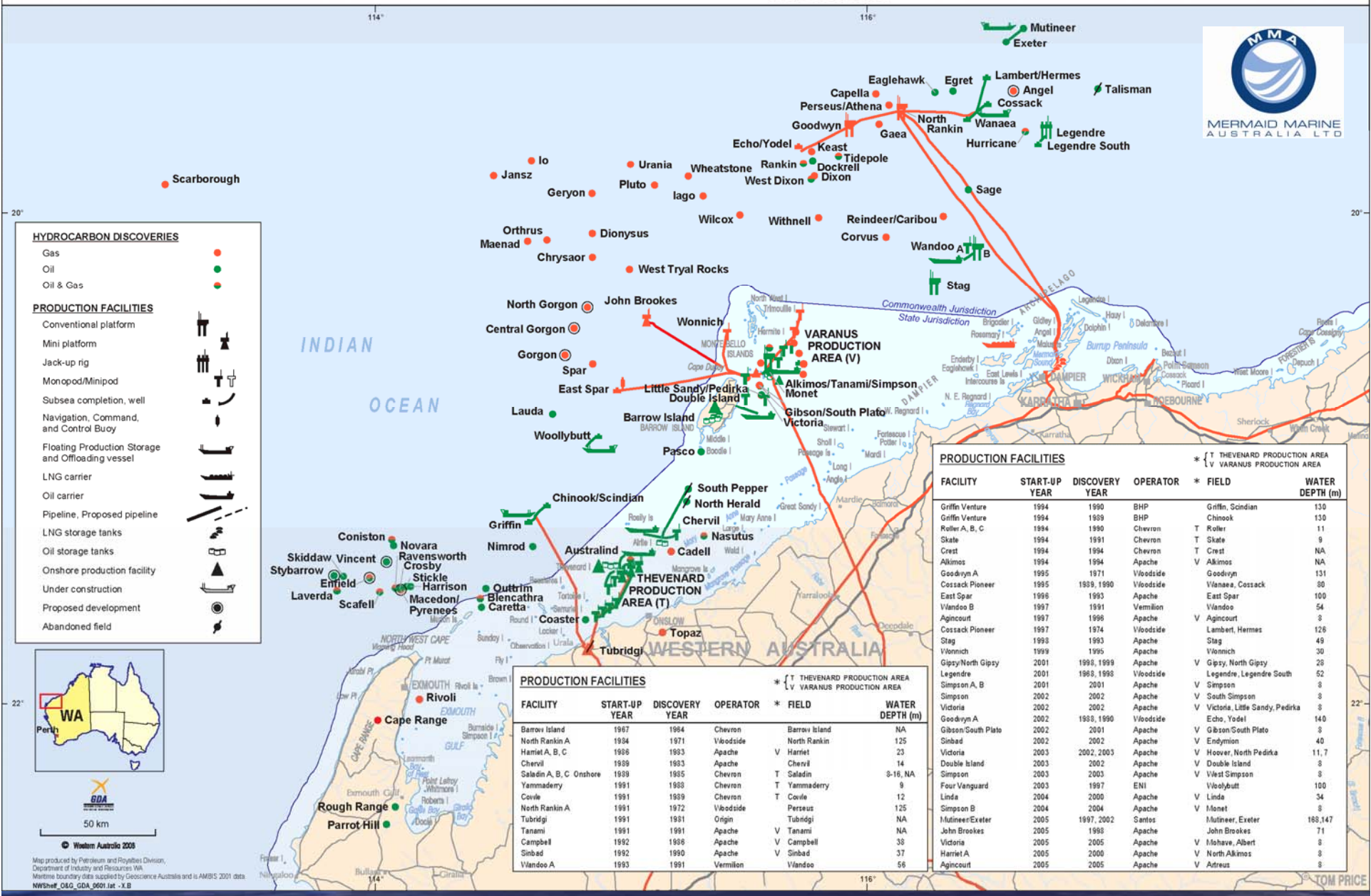
| | |
|----------|--|
| Woodside | Pluto LNG Project |
| | Train V – extension of North West Shelf JV LNG Project |
| | Perseus over Goodwin LNG Project |
| | Angel LNG Project |
| | Vincent oil Project |
| Chevron | Gorgon LNG Project |
| BHP | Stybarrow oil Project |
| | Pyrenees oil Project |
| Hess | \$500m Drilling Program |

Broome - Browse Basin

| | |
|----------|---|
| Woodside | Browse (Torosa, Brecknock and Calliance fields) Gas Project |
| Shell | Browse Basin Gas Project |
| Inpex | Ichthys Gas Project |

NORTH WEST SHELF OIL & GAS

JANUARY 2006



HYDROCARBON DISCOVERIES

- Gas ●
- Oil ●
- Oil & Gas ●

PRODUCTION FACILITIES

- Conventional platform
- Mini platform
- Jack-up rig
- Monopod/Minipod
- Subsea completion, well
- Navigation, Command, and Control Buoy
- Floating Production Storage and Offloading vessel
- LNG carrier
- Oil carrier
- Pipeline, Proposed pipeline
- LNG storage tanks
- Oil storage tanks
- Onshore production facility
- Under construction
- Proposed development
- Abandoned field



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 Map produced by Petroleum and Royalties Division, Department of Industry and Resources WA.
 Maritime boundary data supplied by Geoscience Australia and is AMBIS 2001 data.
 NWShelf_O&G_GDA_0601.lat - X.B

PRODUCTION FACILITIES

| FACILITY | START-UP YEAR | DISCOVERY YEAR | OPERATOR | * FIELD | WATER DEPTH (m) |
|--------------------|---------------|----------------|-----------|-----------------------------------|-----------------|
| Griffin Venture | 1994 | 1990 | BHP | Griffin, Scindian | 130 |
| Griffin Venture | 1994 | 1990 | BHP | Chinook | 130 |
| Roller A, B, C | 1994 | 1990 | Chevron | T Roller | 11 |
| Slate | 1994 | 1991 | Chevron | T Slate | 9 |
| Crest | 1994 | 1994 | Chevron | T Crest | NA |
| Alkimos | 1994 | 1994 | Apache | V Alkimos | NA |
| Goodwyn A | 1995 | 1971 | Voodside | Goodwyn | 131 |
| Cossack Pioneer | 1995 | 1989, 1990 | Voodside | Vianea, Cossack | 90 |
| East Spar | 1996 | 1993 | Apache | East Spar | 100 |
| Vlandoo B | 1997 | 1991 | Vermilion | Vlandoo | 54 |
| Agincourt | 1997 | 1996 | Apache | V Agincourt | 8 |
| Cossack Pioneer | 1997 | 1974 | Voodside | Lambert, Hermes | 126 |
| Stag | 1998 | 1993 | Apache | Stag | 49 |
| Wonnich | 1999 | 1995 | Apache | Wonnich | 30 |
| Gipsy/North Gipsy | 2001 | 1998, 1999 | Apache | V Gipsy, North Gipsy | 28 |
| Legendre | 2001 | 1968, 1998 | Voodside | Legendre, Legendre South | 52 |
| Simpson A, B | 2001 | 2001 | Apache | V Simpson | 8 |
| Simpson | 2002 | 2002 | Apache | V South Simpson | 8 |
| Victoria | 2002 | 2002 | Apache | V Victoria, Little Sandy, Pedirka | 8 |
| Goodwyn A | 2002 | 1988, 1990 | Voodside | Echo, Yodel | 140 |
| Gibson/South Plato | 2002 | 2001 | Apache | V Gibson/South Plato | 8 |
| Sinbad | 2002 | 2002 | Apache | V Endymion | 40 |
| Victoria | 2003 | 2002, 2003 | Apache | V Hoover, North Pedirka | 11, 7 |
| Double Island | 2003 | 2002 | Apache | V Double Island | 8 |
| Simpson | 2003 | 2003 | Apache | V West Simpson | 8 |
| Four Vanguard | 2003 | 1997 | ENI | Woollybutt | 100 |
| Linda | 2004 | 2000 | Apache | V Linda | 34 |
| Simpson B | 2004 | 2004 | Apache | V Monet | 8 |
| Mutineer/Exeter | 2005 | 1997, 2002 | Santos | Mutineer, Exeter | 168, 147 |
| John Brookes | 2005 | 1998 | Apache | John Brookes | 71 |
| Victoria | 2005 | 2005 | Apache | V Mohave, Albert | 8 |
| Harriet A | 2005 | 2000 | Apache | V North Alkimos | 8 |
| Agincourt | 2005 | 2005 | Apache | V Atreus | 8 |

PRODUCTION FACILITIES

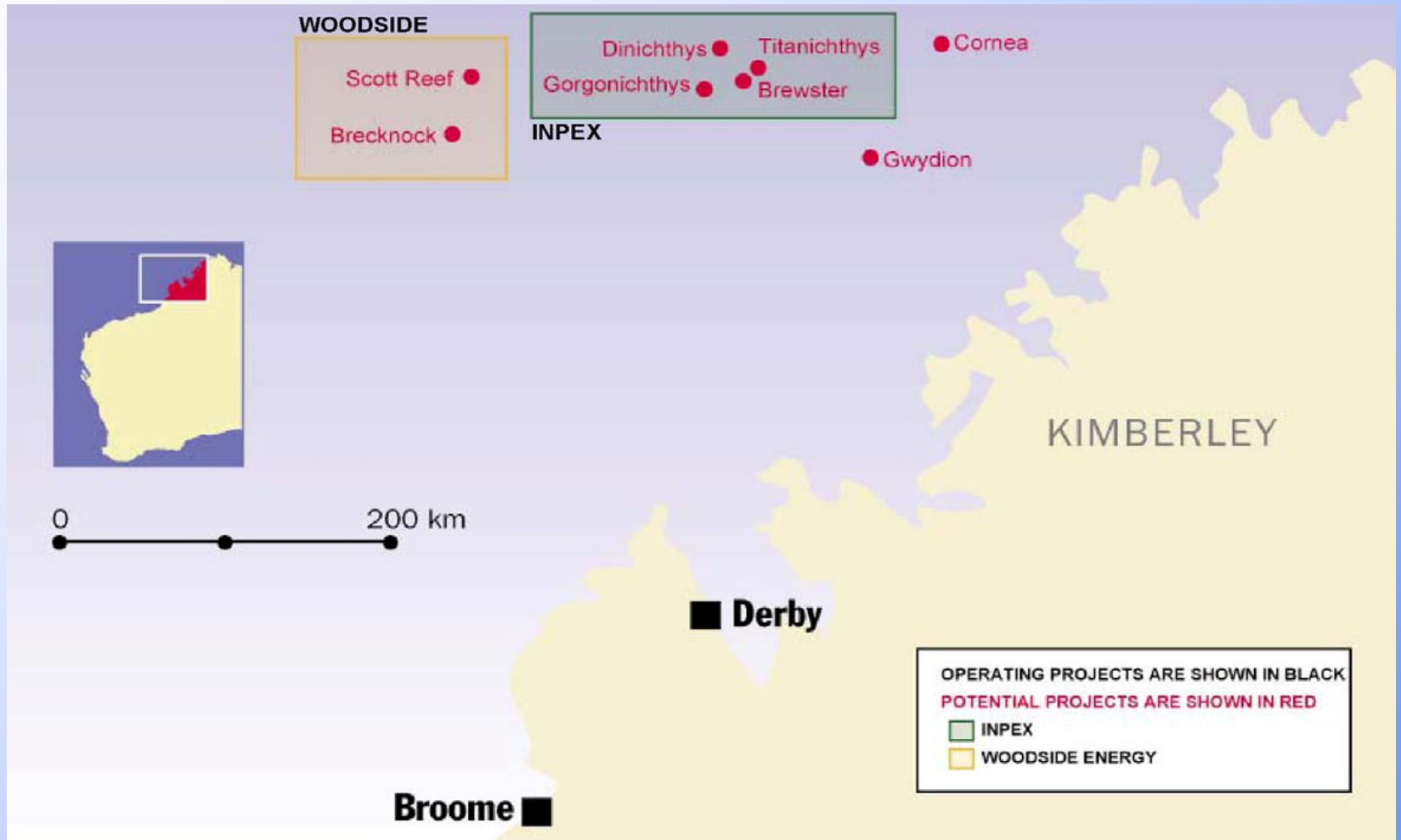
| FACILITY | START-UP YEAR | DISCOVERY YEAR | OPERATOR | * FIELD | WATER DEPTH (m) |
|-------------------------|---------------|----------------|-----------|---------------|-----------------|
| Barrow Island | 1967 | 1964 | Chevron | Barrow Island | NA |
| North Rankin A | 1984 | 1971 | Voodside | North Rankin | 125 |
| Harriet A, B, C | 1986 | 1983 | Apache | V Harriet | 23 |
| Chervil | 1989 | 1983 | Apache | Chervil | 14 |
| Saladin A, B, C Onshore | 1989 | 1985 | Chevron | T Saladin | 8-16, NA |
| Yamamadeny | 1991 | 1988 | Chevron | T Yamamadeny | 9 |
| Covile | 1991 | 1989 | Chevron | T Covile | 12 |
| North Rankin A | 1991 | 1972 | Voodside | Perseus | 125 |
| Tubridgi | 1991 | 1981 | Origin | Tubridgi | NA |
| Tanami | 1991 | 1991 | Apache | V Tanami | NA |
| Campbell | 1992 | 1986 | Apache | V Campbell | 38 |
| Sinbad | 1992 | 1990 | Apache | V Sinbad | 37 |
| Wandoo A | 1993 | 1991 | Vermilion | Wandoo | 56 |

TOM PRICE



MERMAID MARINE AUSTRALIA LTD

Broome – Browse Basin Gas...





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Going Forward...

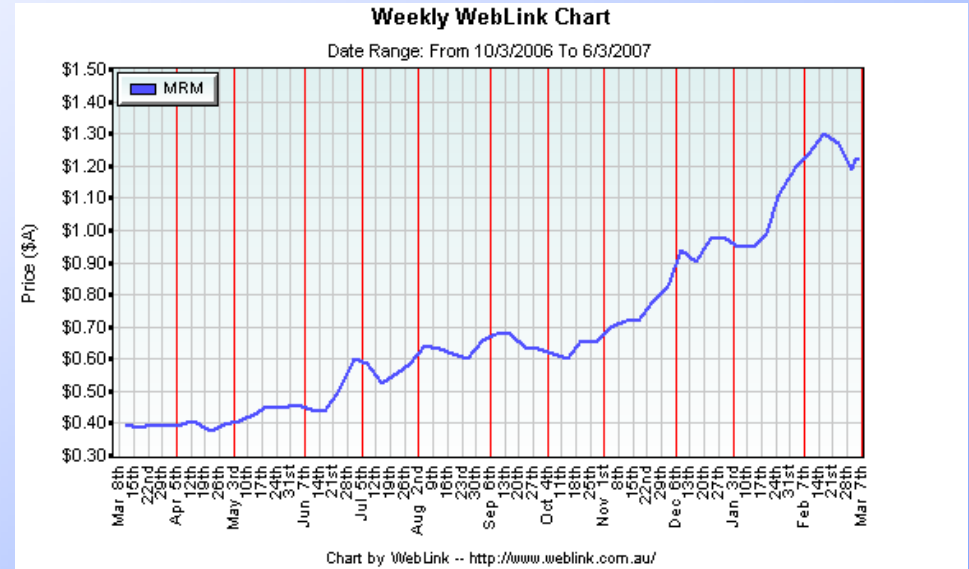
- Deliver Mermaid Sound into Woodside Project
 - Continue to charter in vessels as appropriate
 - Pursue opportunities to expand our vessel capability outside our current operating niche
 - Build on emerging Dampier supply base opportunities
 - Consolidate Broome supply base as preferred supplier to oil & gas market in Browse Basin region
 - Continue to grow relationships with owners and operators in SE Asia and beyond
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MERMAID MARINE AUSTRALIA LTD

Market Snapshot...

Share Price at 05 March 07: 1.22 cents
 Issued Share Capital: 140.1 M
 Market Capitalisation: \$170.9 M



| Substantial Shareholders: | Number of Shares: | % of Issued Capital: |
|--|-------------------|----------------------|
| Thorney Pty Ltd | 12,428,400 | 8.87% |
| Invesco Australia Ltd | 11,360,490 | 8.11% |
| Delmark Investments Pty Ltd (Alan Birchmore) | 11,130,000 | 7.95% |
| Babcock and Brown Australia Infrastructure Pty Ltd / Ariadne Australia Ltd – IIM Unit Trust | 7,172,402 | 5.12% |



For further information please contact...

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