

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Mermaid Marine Australia Limited

ABN

21 083 185 693

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |  |
|---|---|--|
| 1 | +Class of +securities issued or to be issued  | Performance Rights under the Mermaid Marine Australia Limited Managing Director's Performance Rights Plan ( <b>MD Plan</b> ) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 331,142  |

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+ See chapter 19 for defined terms.

<p>3 The principal terms of the Performance Rights under the MD Plan – 2010 and the Employee Plan – 2010 are:</p>	<p>The principal terms of the Performance Rights under the MD Plan are:</p> <ul style="list-style-type: none"> <li>• An entitlement to one ordinary fully-paid share in Mermaid Marine Australia Limited for each Performance Right vested. Vesting only occurs at the end of the Performance Period (30 June 2014) and the number of Performance Rights that vest (if any) will depend on: <ul style="list-style-type: none"> <li>○ the growth in earnings per share of Mermaid Marine Australia Limited over a period of 3 years from 1 July 2011 to 30 June 2014; and</li> <li>○ total shareholder return relative to a selected peer group of companies over a period of 3 years from 1 July 2011 to 30 June 2014.</li> </ul> </li> <li>• Unvested Performance Rights lapse on cessation of a holder’s employment with the Mermaid Marine Group.</li> <li>• Any Performance Rights that do not vest at the end of the Performance Period (30 June 2014) will lapse.</li> </ul> <p>No amount is payable by a holder of Performance Rights in respect of their Performance Rights.</p>
<p>4 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>No.</p> <p>Prior to vesting, the Performance Rights do not carry a right to vote, receive dividends or generally participate in other corporate actions.</p> <p>Ordinary shares allocated upon vesting of Performance Rights will rank equally with existing ordinary fully-paid shares.</p>
<p>5 Issue price or consideration</p>	<p>Nil</p>

<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The Performance Rights are issued under the MD Plan, an incentive plan applying only to the Managing Director of the Company which was approved by shareholders at the AGM of the Company on the 24 November 2011.</p>					
<p>7 Dates of entering <sup>+</sup>securities into uncertificated holdings or despatch of certificates</p>	<p>30 November 2011</p>					
<p>8 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="766 716 1069 761">Number</th> </tr> </thead> <tbody> <tr> <td data-bbox="766 761 1069 978">217,833,136</td> </tr> </tbody> </table>	Number	217,833,136	<table border="1"> <thead> <tr> <th data-bbox="1069 716 1370 761"><sup>+</sup>Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="1069 761 1370 978">Ordinary shares</td> </tr> </tbody> </table>	<sup>+</sup> Class	Ordinary shares
Number						
217,833,136						
<sup>+</sup> Class						
Ordinary shares						

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+ See chapter 19 for defined terms.

9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)

Number	+Class
950,244	Unlisted employee options – expiry 11 Oct 2012
970,040	Managing Director Incentive Options - expiry 11 Oct 2012
213,619	Unlisted employee options – expiry 24 Jan 2013
1,211,216	Unlisted senior employee incentive options – expiry 23 Sept 2013
1,277,584	Managing Director Incentive Options - expiry 23 Sept 2013
407,182	Unlisted employee options -expiry 18 Sept 2014
2,888,794	Unlisted senior employee incentive options – expiry 18 Sept 2014
1,488,356	Managing Director Incentive Options – expiry 18 September 2014
745,268	Employee Performance Rights – Expiry 1 July 2013
266,351	Managing Director’s Performance Rights – Expiry 1 July 2013
1,173,513	Employee Performance Rights – Expiry 1 July 2014
331,142	Managing Director’s Performance Rights – Expiry 1 July 2014

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

## Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?

12 Is the issue renounceable or non-renounceable?

13 Ratio in which the <sup>+</sup>securities will be offered

14 <sup>+</sup>Class of <sup>+</sup>securities to which the offer relates

15 <sup>+</sup>Record date to determine entitlements

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?

17 Policy for deciding entitlements in relation to fractions

18 Names of countries in which the entity has <sup>+</sup>security holders who will not be sent new issue documents  
Note: Security holders must be told how their entitlements are to be dealt with.  
Cross reference: rule 7.7.

19 Closing date for receipt of acceptances or renunciations

20 Names of any underwriters

21 Amount of any underwriting fee or commission

22 Names of any brokers to the issue

23 Fee or commission payable to the broker to the issue

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+ See chapter 19 for defined terms.

- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup>security holders
- 25 If the issue is contingent on <sup>+</sup>security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled
- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do <sup>+</sup>security holders sell their entitlements *in full* through a broker?
- 31 How do <sup>+</sup>security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do <sup>+</sup>security holders dispose of their entitlements (except by sale through a broker)?
- 33 <sup>+</sup>Despatch date

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of securities  
(tick one)
- (a)  Securities described in Part 1
- (b)  All other securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive

## Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional +securities

## Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought
- 39 Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
  - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
  - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
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+ See chapter 19 for defined terms.

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

Number	+Class

### Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.





Sign here: ..... Date: 30 November 2011  
(Company Secretary)

Print name: ...Dylan Darbyshire-Roberts.....