

THORNEY PTY LTD

A.C.N. 008 595 453 A.B.N. 77 008 595 453

Level 2, 533 Little Lonsdale Street, Melbourne Vic 3000
Telephone 9247 4726 Facsimile 9247 4727

2 December 2005

BY FACSIMILE – 1900 999 279

5 Pages

Manager Company Announcements
Company Announcements Office
Australian Stock Exchange Limited
Level 10
20 Bond Street
SYDNEY 2000

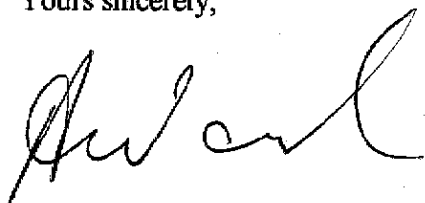
Dear Sir/Madam,

**Notice of Initial Substantial Holder - Form 603
Mermaid Marine Australia Limited**

I enclose by way of service Form 603 Notice of Initial Substantial Holder dated 2 December 2005 in accordance with Section 671B of the Corporations Act 2001.

I confirm that the original Form 604 has been forwarded to Mermaid Marine Australia Limited by express post today.

Yours sincerely,



AVEE WAISLITZ
Director

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To: company name/scheme Mermaid Marine Australia Limited
ACN/ARSN ABN 21 083 185 693

1. Details of substantial holder¹

Name **THORNEY PTY LTD ("Thorney") and each of its related bodies corporate listed in the attached Schedule "A" to this Notice (hereinafter collectively referred to as "Associates")**

ACN (if applicable) **ACN 008 595 453**

The holder became a substantial holder on 23/11/2005

2. Details of voting power

The total number of shares votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate² had a relevant interest³ in on the date the substantial holder became a substantial holder are as follows:

Class of Securities ⁴	Number of securities	Persons' votes ⁵	Voting power ⁶
Fully Paid Ordinary Shares	14,500,000	14,500,000	10.4%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became and substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest ⁷	Class and number of securities
Thorney Pty Ltd	Beneficial Owner	14,500,000 Ordinary Shares
Thorney Holdings	By virtue of section 608 of the Corporations Act 2001	14,500,000 Ordinary Shares
Thorney Consolidated Holdings Pty Ltd	By virtue of section 608 of the Corporations Act 2001	14,500,000 Ordinary Shares
Pratt Holdings Pty Ltd	By virtue of section 608 of the Corporations Act 2001	14,500,000 Ordinary Shares
Pratt Consolidated Holdings Pty Ltd	By virtue of section 608 of the Corporations Act 2001	14,500,000 Ordinary Shares
Pratt Group Holdings Pty Ltd	By virtue of section 608 of the Corporations Act 2001	14,500,000 Ordinary Shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above.

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder ^a	Class and number of securities
Thorney Pty Ltd	Invia Custodians Pty Ltd	Thorney Pty Ltd	14,500,000 Ordinary Shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date	acquisition / sale	Consideration ^b		Class and number of securities
			cash	Non-cash	
Thorney Pty Ltd	23.11.05	On market purchase	\$0.35		8,500,000 Ordinary Shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN (if applicable)	Nature of association
Thorney Holdings Pty Ltd ACN 006 262 835	Thorney Holdings Pty Ltd is the registered holder of all the issued shares in Thorney Pty Ltd
Thorney Consolidated Holdings Pty Ltd ACN 075 051 482	Thorney Consolidated Holdings Pty Ltd is the registered holder of all the issued shares in Thorney Holdings Pty Ltd
Pratt Holdings Pty Ltd ACN 004 421 961	Pratt Holdings Pty Ltd is the registered holder of all the issued shares in Thorney Consolidated Holdings Pty Ltd
Pratt Consolidated Holdings Pty Ltd ACN 104 958 581	Pratt Consolidated Holdings Pty Ltd is the registered holder of all the issued shares in Pratt Holdings Pty Ltd
Pratt Group Holdings Pty Ltd ACN 006 137 471	Pratt Group Holdings Pty Ltd is the registered holder of all the issued shares in Pratt Consolidated Holdings Pty Ltd

7. Address

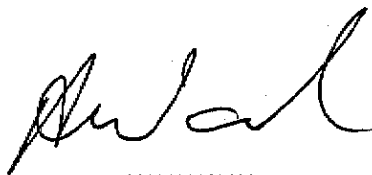
The addresses of persons named in this form are as follows:

Name	Address
Thorney Pty Ltd	Level 2, 533 Little Lonsdale Street, Melbourne, 3000
Thorney Holdings	Level 2, 533 Little Lonsdale Street, Melbourne, 3000
Thorney Consolidated Holdings Pty Ltd	Level 2, 533 Little Lonsdale Street, Melbourne, 3000
Pratt Holdings Pty Ltd	Level 2, 533 Little Lonsdale Street, Melbourne, 3000
Pratt Consolidated Holdings Pty Ltd	Level 2, 533 Little Lonsdale Street, Melbourne, 3000
Pratt Group Holdings Pty Ltd	Level 2, 533 Little Lonsdale Street, Melbourne, 3000
Associates	See attached

Signature

Print name AVEE WAISLITZ Capacity Director
 Sign here _____ date 02/12/2005

THIS IS THE SCHEDULE OF 2 PAGES REFERRED TO IN THE FORM 603
NOTICE OF INITIAL SUBSTANTIAL SHAREHOLDER SIGNED BY ME AND
DATED 2 DECEMBER 2005.



Avee Waislitz
Director
THORNEY PTY LTD

SCHEDULE

RELATED BODIES CORPORATE OF THORNEY PTY LTD

Ace Print & Display Pty Ltd, ACN
000 639 743, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

ARI R & D Holdings Pty Ltd, ACN
069 674 871, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Astrapak Pty Ltd, ACN 089 137
986, Level 2, 533 Little Lonsdale
Street, Melbourne 3000

Burwood Terrace Pty Ltd, ACN 080
534 416, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Burwood Terrace Holdings Pty Ltd,
ACN 075 051 464, Level 2, 533
Little Lonsdale Street, Melbourne
3000

Colstrup Pty Ltd, ACN 006 538
165, Level 2, 533 Little Lonsdale
Street, Melbourne 3000

Cotham Road Pty Ltd, ACN 098
015 055, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

EEG R & D (Holdings) Pty Ltd,
ACN 069 602 062, Level 2, 533
Little Lonsdale Street, Melbourne
3000

HEP R & D Holdings Pty Ltd, ACN
069 095 174, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Ilaba Pty Ltd, ACN 069 171 160,
Level 2, 533 Little Lonsdale Street,
Melbourne 3000

J. Gadsden Pty Ltd, ACN 005 878
995, Level 2, 533 Little Lonsdale
Street, Melbourne 3000

Kerbside Papers Limited, Level 3,
50 Anzac Avenue, Auckland, New
Zealand

Kingsthorpe Pty Ltd, ACN 006 449
903, Level 14, 600 St. Kilda Road,
Melbourne 3004

Lonsdale Mineral Exploration No. 2
Pty Ltd, ACN 081 412 348, Level 2,
533 Little Lonsdale Street,
Melbourne 3004

Mason Duflex Displays Pty Ltd,
ACN 080 570 430, Level 2, 533
Little Lonsdale Street, Melbourne
3000

McCredie Road Properties Pty Ltd,
ACN 005 258 284, Level 14, 600
St. Kilda Road, Melbourne 3004

McKoy Street Properties Pty Ltd,
ACN 098 493 817, Level 2, 533
Little Lonsdale Street, Melbourne
3000

Mil-town Pty Ltd, ACN 006 262
844, Level 2, 533 Little Lonsdale
Street, Melbourne 3000

Northcourt Pty Ltd, ACN 006 564
870, Level 14, 600 St Kilda Road,
Melbourne 3004

OVS Investment Corporation
Limited, ACN 009 119 199, Level 2,
533 Little Lonsdale Street,
Melbourne 3000

Pratt & Co. Pty Ltd, ACN 005 967
555, Level 2, 533 Little Lonsdale
Street, Melbourne 3000

Pratt & Nominees Pty Ltd, ACN 005
788 214, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Pratt & Security Pty Ltd, ACN 005
787 161, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Pratt Energy Pty Ltd, ACN 075 051
455, Level 2, 533 Little Lonsdale
Street, Melbourne 3000

Pratt Energy Holdings Pty Ltd, ACN
075 051 517, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Pratt Finance Pty Ltd, ACN 005
449 632, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Pratt Holdings No 2 Pty Ltd, ACN
104 958 572, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Pratt Holdings No 3 Pty Ltd, ACN
104 958 545, Level 2, 533 Little
Lonsdale Street, Melbourne
3000

Pratt Holdings No 4 Pty Ltd, ACN
104 958 518, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Pratt Infrastructure Pty Ltd, ACN
074 489 553, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Pratt Infrastructure Finance Pty Ltd,
ACN 075 257 984, Level 2, 533
Little Lonsdale Street, Melbourne
3000

Pratt Infrastructure No. 3 Pty Ltd,
ACN 087 537 344, Level 2, 533
Little Lonsdale Street, Melbourne
3000

Pratt International Pty Ltd, ACN
005 787 959, Level 14, 600 St.
Kilda Road, Melbourne 3004

Pratt Investments Pty Ltd, ACN 005
019 027, Level 14, 600 St. Kilda
Road, Melbourne 3004

Pratt Pastoral Pty Ltd
ACN 098 839 304, Level 2, 533

Little Lonsdale Street, Melbourne
3000

Pratt Research & Development Pty
Ltd, ACN 005 534 609, Level 14,
600 St. Kilda Road, Melbourne
3004

Pratt Water Pty Ltd, ACN 099 764
235, Level 2, 533 Little Lonsdale
Street, Melbourne 3000

Prickly Pty Ltd, ACN 075 290 032,
Level 39 55 Collins Street,
Melbourne 3000

Ruddi Pty Ltd, ACN 006 818 597,
Level 2, 533 Little Lonsdale Street,
Melbourne 3000

Salvage Paper Pty Ltd, ACN 101
429 716, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Southern Paper Pty Ltd, ACN 090
908 188, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

SPC One Properties Pty Ltd, ACN
008 545 542, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Sundowner Investments Pty Ltd,
ACN 005 438 915, Level 2, 533
Little Lonsdale Street, Melbourne
3000

Thisle Custodians Pty Ltd, ACN
078 027 193, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Thorney Holdings Pty Ltd, ACN 006
262 835, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Thorney Equities Pty Ltd, ACN 080
075 207, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Thorney Industries Pty Ltd, ACN
006 758 505, Level 14, 600 St.
Kilda Road, Melbourne 3004

Thorney Infrastructure No. 2 Pty
Ltd, ACN 083 132 835, Level 2,
533 Little Lonsdale Street,
Melbourne 3000

Thorney Investments Pty Ltd, ACN
005 788 223, Level 14, 600 St.
Kilda Road, Melbourne 3004

Thorney Properties Pty Ltd, ACN
079 777 209, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Thorney Properties (Ballarat) Pty
Ltd, ACN 106 693 725, Level 2,
533 Little Lonsdale Street,
Melbourne 3000

Triwall Pty Ltd, ACN 000 822 140,
Level 2, 533 Little Lonsdale Street,
Melbourne 3000

Visy Board Pty Ltd, ACN 005 787
913, Level 2, 533 Little Lonsdale
Street, Melbourne 3000

Visy Board (NZ) Limited, Level 3,
50 Anzac Avenue, Auckland, New
Zealand

Visy Board Paper Products Pty Ltd,
ACN 005 534 396, Level 14, 600
St. Kilda Road, Melbourne 3004

Visy Board Properties Pty Ltd, ACN
004 278 997, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Visy Board (S.A.) Pty Ltd, ACN 008
268 371, 24-26 White Road, Gepps
Cross 5094

Visy Board (Wodonga) Pty Ltd,
ACN 098 839 402, Level 2, 533
Little Lonsdale Street, Melbourne
3000

Visy Cartons Pty Ltd, ACN 095 321
592, Level 2, 533 Little Lonsdale
Street, Melbourne 3000

Visy CDL Services Pty Ltd, ACN
004 052 260, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Visy Industries Australia Pty Ltd,
ACN 004 337 615, Level 14, 600
St. Kilda Road, Melbourne 3004

Visy Industries Holdings Pty Ltd,
ACN 005 787 968, Level 2, 533
Little Lonsdale Street, Melbourne
3000

Visy Industries USA Pty Ltd, ACN
005 449 445, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Visy Kraft Holdings Pty Ltd, ACN
086 513 199, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Visy Logistics Pty Ltd, ACN 113
119 298, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Visy Packaging Pty Ltd, ACN 095
313 723, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Visy Packaging Holdings Pty Ltd,
ACN 095 132 317, Level 2, 533
Little Lonsdale Street, Melbourne
3000

Visy Packaging Properties Pty Ltd,
ACN 095 190 524, Level 2, 533
Little Lonsdale Street, Melbourne
3000

Visypak Operations Pty Ltd, ACN
094 555 085, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Visy Paper Pty Ltd, ACN 005 803
234, Level 2, 533 Little Lonsdale
Street, Melbourne 3000

Visy Paper Technology Pty Ltd,
ACN 000 154 638, Level 2, 533
Little Lonsdale Street, Melbourne
3000

VisyPET Pty Ltd, ACN 099 764
119, Level 2, 533 Little Lonsdale
Street, Melbourne 3000

Visypet (NZ) Limited, Level 3, 50
Anzac Avenue, Auckland, New
Zealand

Visy Plastics Pty Ltd, ACN 079 309
943, Level 2, 533 Little Lonsdale
Street, Melbourne 3000

Visy Pulp and Paper Pty Ltd, ACN
086 513 144, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Visy R & D Pty Ltd, ACN 072 572
046, Level 2, 533 Little Lonsdale
Street, Melbourne 3000

Visy Recycling (NZ) Limited, Level
3, 50 Anzac Avenue, Auckland,
New Zealand

Visy Recycling Operations Pty Ltd,
ACN 006 941 082, Level 2, 533
Little Lonsdale Street, Melbourne
3000

Visy Rigid Holdings (NZ) Limited,
Level 3, 50 Anzac Avenue,
Auckland, New Zealand

Visy Rigid Packaging (NZ) Limited,
Level 3, 50 Anzac Avenue,
Auckland, New Zealand

Visy Tech Systems Pty Ltd, ACN
095 313 741, Level 2, 533 Little
Lonsdale Street, Melbourne 3000

Visy Woodyard Operations Pty Ltd,
ACN 097 267 313, Level 2, 533
Little Lonsdale Street, Melbourne
3000

Wax R & D Pty Ltd, ACN 070 023
095, Level 2, 533 Little Lonsdale
Street, Melbourne 3000

Yoni Pty Ltd, ACN 008 651 429,
Level 2, 533 Little Lonsdale Street,
Melbourne 3000