



MERMAID MARINE  
AUSTRALIA LTD

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21 June 2006

The Listing Manager  
Australian Stock Exchange  
Exchange Centre  
Level 6  
20 Bridge Street  
SYDNEY NSW 200

Dear Sir/Madam

**RE: PROFIT GUIDANCE**

The Company's core vessel business has produced a significant increase in earnings in the second half with the additions to the fleet of the newly constructed Mermaid Investigator and the 5 vessels acquired in the transaction with the Integrated Group.

Operating Profit before tax for the second half to June 2006 is now expected to be approximately \$5.5 million. Combined with the profit of \$4.4 million on the sale of the manning business to the Integrated Group, the Company is forecasting a pretax profit for the full year of \$12 million. The performance in the second half of the year is substantially stronger than the first half and these market conditions are expected to continue.

Accordingly, for the year ending 30 June 2006 the Company expects to report a profit after tax of approximately \$9 million, equating to earnings of over 6 cents per share.

The addition of the new vessels, combined with the infrastructure improvements on the Dampier Supply Base establishes a sound platform for further growth in the future.

By order of the Board  
**MERMAID MARINE AUSTRALIA LIMITED**

**PETER RAYNOR**  
Company Secretary

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