



21 December 2006

Mermaid Marine and P&O Maritime Services Announce Merger

*Creates Australia's leading diversified marine services business with a strong
contracted earnings base and exciting global growth opportunities*

Mermaid Marine will hold a market briefing at 11.30am EST on Thursday 21 December 2006 using the following conference call details:

Dial: 1800 009 696

Materials to be presented to investors and analysts regarding the merger are attached.