



MERMAID MARINE
AUSTRALIA LTD

Eagle Jetty, 20 Mews Road

FREMANTLE WA 6160

T (+61) 8 9431 7431 F (+61) 8 9431 7432

E corporate@mma.com.au

W www.mma.com.au

ABN 21 083 185 693

12 June 2008

MERMAID MARINE ISSUES IMPROVED EARNINGS GUIDANCE

Mermaid Marine Australia Ltd (MMA) is pleased to announce that as a result of strong ongoing demand in the last quarter it expects to generate higher than anticipated earnings for FY08.

The Company's previous guidance indicated that NPAT was expected to increase by at least 25 per cent compared to the previous year. The MMA Board now expects the growth in NPAT to be in the region of 40 per cent equating to a pretax profit of approximately \$25 million.

Commenting on the improved earnings outlook, MMA Managing Director Mr. Jeff Weber said:

"MMA has not experienced the softening in demand that is typically evident in the latter part of the financial year as weather conditions offshore tend to deteriorate.

"The strong demand has been driven by ongoing offshore construction activity and the commencement of the Geokinetics' contract work.

"The three chartered vessels for Geokinetics are now in Australia and working and the new vessel, Mermaid Discovery, is also working in Egypt.

"We also have early bookings for our vessels as we move into FY09 highlighting the continuing demand for our services.

"Activity on the Dampier Supply Base continues to be at historically high levels and new drilling operations are expected to commence shortly out of our Broome Supply Base operation," he said.

MMA expects to take delivery of a new vessel during September 2008 and is currently in discussions with a number of clients in relation to chartering of this vessel.

For further information please contact:

Mr. Jeffrey Weber, Managing Director – 0418 855 275

Mr. Peter Raynor, CFO / Company Secretary – 0418 901 620

Ms. Kate Kerrison, Media Contact - (02) 6746 3221

DAMPIER SUPPLY BASE

PO Box 822, KARRATHA WA 6714

Mermaid Road, DAMPIER WA 6713

T (+61) 8 9183 6600 F (+61) 8 9183 6660

BROOME SUPPLY BASE

PO Box 3401, BROOME WA 6725

1 Port Drive, BROOME WA 6725

T (+61) 8 9192 2200 F (+61) 8 9192 2281