



MERMAID MARINE
AUSTRALIA LTD

Media Announcement – ASX

Not for distribution or release in the United States

Wednesday 2 April 2014

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Mermaid Marine Australia Issues Shares under the Retail Entitlement Offer

Mermaid Marine Australia Limited ("MMA") has successfully completed the issue of new fully paid ordinary shares ("New Shares") as part of the pro rata accelerated renounceable entitlement offer ("Entitlement Offer") announced on Tuesday, 25 February 2014.

MMA has today issued 30,710,287 New Shares under the retail component of the Entitlement Offer (including the shortfall bookbuild) raising gross proceeds of approximately A\$73.7 million.

These New Shares are to commence trading on the ASX tomorrow. The total number of MMA shares on issue following the issue of New Shares referred to above is 364,822,225.

An updated Appendix 3B reflecting the above information is attached.

Important Notice

This announcement may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, in the United States, unless they have been registered under the U.S. Securities Act (which MMA has no obligation to do or procure), or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable state securities laws.

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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 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

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 | Fully paid ordinary shares. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <p>30,710,287 fully paid ordinary shares (New Shares) issued under the retail component of the accelerated, renounceable entitlement offer (including the shortfall bookbuild) (the Retail Entitlement Offer) announced to ASX on 25 February 2014.</p> <p>Refer to Appendix 3B lodged on 25 February 2014, for further details.</p> <p>The Retail Entitlement Offer has been conducted in conjunction with an institutional entitlement offer and placement, also described in the ASX announcement and Appendix 3B lodged on 25 February 2014.</p> |

3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	The New Shares will have the same terms as existing fully paid ordinary shares.
4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: <ul style="list-style-type: none"> • 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 	Yes, the New Shares will rank equally with existing fully paid ordinary shares from the date of allotment. However, New Shares issued pursuant to the Offer will not be entitled to receive the \$0.055 per share dividend being paid on 1 April 2014.
5	Issue price or consideration	\$2.40 per New Share under the Retail Entitlement Offer.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	See Appendix 3B lodged on 25 February 2014.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	No.
6b	The date the security holder resolution under rule 7.1A was passed	N/A.

+ See chapter 19 for defined terms.

6c	Number of +securities issued without security holder approval under rule 7.1	N/A.	
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A.	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A.	
6f	Number of +securities issued under an exception in rule 7.2	N/A.	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A.	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A.	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A.	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	2 April 2014 for the New Shares issued under the Retail Entitlement Offer.	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		364,822,225 fully paid ordinary shares on issue, following the issue of New Shares under the Retail Entitlement Offer.	Fully paid ordinary shares

	Number	+Class
9	42,446	Unlisted options, expiring on 18 September 2014.
	1,382,355	Unlisted senior employee incentive options, expiring on 18 September 2014.
	1,424,801	TOTAL OPTIONS
	4,139,255	Performance Rights
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	
	There has been no change to Mermaid Marine Australia Limited's dividend policy.	

Part 2 - Pro rata issue

11	Is security holder approval required?	See Appendix 3B lodged on 25 February 2014.
12	Is the issue renounceable or non-renounceable?	See Appendix 3B lodged on 25 February 2014.
13	Ratio in which the +securities will be offered	See Appendix 3B lodged on 25 February 2014.
14	+Class of +securities to which the offer relates	See Appendix 3B lodged on 25 February 2014.
15	+Record date to determine entitlements	See Appendix 3B lodged on 25 February 2014.
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	See Appendix 3B lodged on 25 February 2014.
17	Policy for deciding entitlements in relation to fractions	See Appendix 3B lodged on 25 February 2014.
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	See Appendix 3B lodged on 25 February 2014.

+ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	See Appendix 3B lodged on 25 February 2014.
20	Names of any underwriters	See Appendix 3B lodged on 25 February 2014.
21	Amount of any underwriting fee or commission	See Appendix 3B lodged on 25 February 2014.
22	Names of any brokers to the issue	N/A.
23	Fee or commission payable to the broker to the issue	N/A.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A.
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A.
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	No prospectus is being prepared in connection with the Entitlement Offer. A retail offer booklet and personalised entitlement and acceptance form were sent to eligible shareholders on 5 March 2014.
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	N/A.
28	Date rights trading will begin (if applicable)	N/A.
29	Date rights trading will end (if applicable)	N/A.
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A.

- 31 How do security holders sell *part* of their entitlements through a broker and accept for the balance? N/A.
- 32 How do security holders dispose of their entitlements (except by sale through a broker)? N/A.
- 33 ⁺Issue date 2 April 2014 for the New Shares issued under the Retail Entitlement Offer.

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 share securities when restriction ends, securities issued on expiry or conversion of convertible securities

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

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

N/A.

39 +Class of +securities for which quotation is sought

N/A.

40 Do the +securities rank equally in all respects from the +issue date 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

N/A.

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)

N/A.

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	N/A.	N/A.

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 is not available now, we 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:

Company secretary

Date: 2 April 2014

Print name: Dylan Roberts

+ See chapter 19 for defined terms.