



MERMAID MARINE  
AUSTRALIA LTD

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The Listing Manager  
Australian Securities Exchange Ltd  
Level 4, Stock Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

**CORPORATE OFFICE**

Endeavour Shed, 1 Mews Road  
FREMANTLE WA 6160  
PO Box 715, SOUTH FREMANTLE WA 6162  
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

**“Mermaid Vigilance” – Claims arising from Hurricane “Nate”**

As previously announced to the market on 28 September 2011 and 17 February 2012, civil claims have been filed against Mermaid Marine (and two other defendant companies) in the United States of America by some of the crew members and the family of the crew members who abandoned the liftboat Trinity II when Hurricane Nate struck the Gulf of Mexico on 8 September 2011.

No criminal charges have been filed against anyone in relation to the incident.

While Mermaid Marine’s sympathies are extended to the families of the four crew of Trinity II who lost their lives during the Hurricane and to the crew of the Trinity II who survived Hurricane Nate, Mermaid Marine continues to support the Master’s decision to protect the lives of the 37 crew and passengers on board the Mermaid Vigilance for whom he was primarily responsible. In making this decision, the Master complied with the United Nations Convention on Law of the Sea, which states that a master must render assistance “*in so far as he can do so without serious danger to the ship, the crew or the passengers*”.

Given recent media coverage regarding the matter and following completion of its comprehensive investigation into the incident, Mermaid Marine wishes to outline the course of events which occurred on board its vessel Mermaid Vigilance during Hurricane Nate, which influenced the difficult but correct decision taken by the Master of the vessel.

At the time (and at present), Mermaid Vigilance (a Singapore flagged vessel) was on time charter to Geokinetics operating in the Gulf of Mexico as a sub-contracted cable laying vessel on the TSIMIN TOJUAL 3D Seismic Project (**Project**).

Reports that Mermaid Vigilance was employed as a safety standby vessel for the Trinity II are incorrect. The Mermaid Vigilance is configured as, and was chartered specifically as, a cable-laying vessel with the role of cable laying and retrieval to support the seismic survey operations. The seismic cable and cable laying equipment which occupies the deck space of the vessel prevents it from being utilised in a safety standby role.

Reports that the crew of the Trinity II were Mermaid Marine personnel are also incorrect.

**MERMAID MARINE ASIA PTE LTD**

81 Tras Street, SINGAPORE 079020  
T (+65) 6220 7388 F (+65) 6223 7383

**DAMPIER SUPPLY BASE**

MERMAID SUPPLY BASE PTY LTD  
PO Box 822, KARRATHA WA 6714  
Mermaid Road, DAMPIER WA 6713  
T (+61) 8 9183 6600 F (+61) 8 9183 6660

**BROOME SUPPLY BASE**

TOLL MERMAID LOGISTICS BROOME PTY LTD  
PO Box 3401, BROOME WA 6725  
Lot 549 Port Drive, BROOME WA 6725  
P (+61) 8 9194 4200 F (+61) 8 9194 4299

During the early morning hours of 7 September 2011, with Tropical Storm Nate (it was subsequently upgraded to hurricane status) developing, the Mermaid Vigilance finished retrieving the cables from the seafloor. As per the Project's Hurricane Response Plan, the Mermaid Vigilance was to seek shelter in a port of refuge. However, as the designated Port of refuge was closed, the vessel steamed for deeper water during the morning of 7 September 2011 to ride out the storm.

The weather continued to deteriorate over the course of 7 September 2011.

On the morning of 8 September 2011, the Mermaid Vigilance was approximately 20 nautical miles from the Trinity II. It was experiencing extremely dangerous weather conditions, with severe seas and very powerful winds as Hurricane Nate approached the Gulf of Mexico. The majority of the vessel's 37 passengers and crew were suffering from acute sea sickness and as a result were unable to perform their regular duties. One crew member sustained facial injuries when he was thrown to the floor and knocked unconscious during the violent movement of the Vessel.

At this time, Mermaid Vigilance was in radio contact with the Project's base camp regarding the deteriorating weather conditions and the situation on the Trinity II. The Project's base camp asked Mermaid Vigilance if it could turn back towards Trinity II. The Master of Mermaid Vigilance advised the Project base camp that it was too dangerous in the prevailing conditions to attempt to reach Trinity II.

At the time of this request, Mermaid Vigilance was being buffeted by waves up to 20 metres high and by winds averaging 90 kilometres per hour and gusting to 170 kilometres per hour. To reach Trinity II, Mermaid Vigilance would have needed to perform a course correction manoeuvre in which the vessel would be turned side-on to the wind and waves, placing the crew and passengers in significant danger. The Master of Mermaid Vigilance advised the Project's base camp that he would hold his position and if the weather and sea conditions improved enough to turn the Vessel around safely, he would turn back towards Trinity II.

At approximately noon on 8 September 2011, the Project's base camp made a request to Mermaid Vigilance to turn back towards Trinity II. The Master of Mermaid Vigilance requested 20 minutes to evaluate the situation. After taking that time to assess situation, the Master judged that due to the condition of his crew, the severity of the weather conditions and the configuration of the vessel—including a large sail area created by the cable handling equipment installed on its deck, he could not attempt to safely turn his vessel broadside into the wind and sea and proceed to Trinity II as this would risk the lives of his passengers and crew.

Had Mermaid Vigilance been able to safely turn around and proceed towards Trinity II, it would have taken approximately 3-4 hours to reach Trinity II, which at the time was approximately 20 miles away.

After learning that Trinity II was being abandoned by its crew, the Master contacted the Project's base camp for more details and was informed by the Project's base camp that three (3) other vessels were on their way to Trinity II. The Master asked the Project's base camp for direction and was told to steam towards its designated port of refuge (which had re-opened) as required under the Project's Hurricane Response Plan.

At no point did Mermaid Vigilance receive a request for assistance from anyone aboard Trinity II.

The Master's primary responsibility was to ensure the safety of the passengers and crew on board the "Mermaid Vigilance". With the responsibility for the 37 lives on board his vessel, and faced with extreme weather conditions, the Master made the difficult but correct decision in line with his primary duty to his passengers and crew with the information he had at hand.

As previously announced, Mermaid Marine:

- continues to refute any liability in relation to the claims made by the plaintiffs in the US legal proceedings and will vigorously defend all claims arising from this incident; and
- considers that it is adequately covered both by the contractual indemnities it has in relation to these claims and any other claims which may arise out of the incident and by its insurances.

**Media contact:**

Cameron Morse  
FTI Consulting  
(08) 9386 1233  
0433 886 871

Mr. Jeffrey Weber, Managing Director  
(08) 9431 7431