



MERMAID MARINE
AUSTRALIA LTD

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“Mermaid Vigilance” – Claim arising from Tropical Storm “Nate”

Mermaid Marine Australia Limited (**MMA**) refers to its previous announcement in relation to the above incident (dated 2 March 2012) and to the article entitled “*Mermaid Marine puts up cash for oil rig deaths*” which was published in The Sydney Morning Herald newspaper yesterday, 21 March 2012 and to the article entitled “*Mermaid seeks \$22m liability cap*” which was published in The Age newspaper yesterday, 21 March 2012 – both of which were written by Leonie Wood (**Articles**).

In the Articles it is incorrectly stated that MMA “*has put almost \$US22million (\$20.8 million) in a trust account with a US Court*” and that “*Mermaid Marine deposited the sum last week as it asked the US District Court to exonerate it entirely or to cap its liability under admiralty law*”.

MMA wishes to clarify that it has not deposited any sum of money with a US Court.

MMA confirms that in line with standard international maritime practice and convention, on 13 March 2012 it filed a Complaint seeking exoneration from or limitation of liability in the US District Court, Southern District of Texas, Houston Division (**Complaint**).

In addition to seeking exoneration from liability for any and all claims arising from the incident, the Complaint also seeks to limit MMA’s total liability for any and all claims arising from the incident to the sum of \$US21,085,000 (being the market value of the “Mermaid Vigilance” plus pending hire as at the date of the alleged occurrences) – which MMA is entitled to do under US admiralty and maritime law.

In filing the Complaint, MMA’s Protection & Indemnity insurer [The Standard Steamship Owner’s Protection and Indemnity Association (Bermuda) Limited] has provided the US District Court, Southern District of Texas with a letter of undertaking as security for the limitation amount of \$US21,085,000.

As such, neither MMA nor its insurer has deposited any sum of money with a US Court.

Further, in the Articles it is implied that MMA is expecting more claims for “property damages” and it may also be implied that MMA is expecting “more legal claims” for damages in excess of the limitation amount of \$US21,085,000.

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MMA wishes to clarify that it is not expecting any claims for property damage arising out of the incident.

Further, MMA wishes to clarify that if its application for limitation is upheld by the US Court:

- any additional crew of the “Trinity II” who wish to make a legal claim will have to submit that claim under MMA’s limitation action;
- MMA’s total liability (if any) for these claims will be limited to the sum of \$US21,085,000; and
- The current maritime attachment and garnishment order (which requires MMA’s client, Geokinetics, to pay the current monthly charter hire for the “Mermaid Vigilance” into its own trust account) will be lifted and discharged.

In the Articles it is also incorrectly stated that Geokinetics of Texas is a “contractor” of Mermaid Marine. MMA wishes to clarify that Geokinetics is not a “contractor” of Mermaid Marine. In fact, MMA is a subcontractor of Geokinetics who has time chartered the vessel “Mermaid Vigilance”.

As previously announced, while MMA’s sympathies are extended to the families of the four crew of “Trinity II” who lost their lives during Hurricane Nate and to the crew of the “Trinity II” who survived Hurricane Nate, MMA will continue to defend the claims made against it and considers that it is adequately covered (both by the contractual indemnities it has and by its insurances) in relation to these claims and any other claims which may arise out of the incident.

For further information please contact:

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