



For Immediate Release

**MERMAID MARITIME PUBLIC COMPANY LIMITED PLANS TO STRENGTHEN
MARKET POSITION THROUGH PROPOSED RENOUNCEABLE FULLY-
UNDERWRITTEN RIGHTS ISSUE**

- Renounceable fully-underwritten rights issue of 243,542,403 new shares with a par value of Baht 1 each (the “Rights Shares”) in Mermaid Maritime Public Company Limited (“Mermaid” or the “Company”) so as to raise gross proceeds of approximately S\$156 million (the “Rights Issue”).
- Issue price of S\$0.64 for each Rights Share, on the basis of 9 Rights Shares for every 20 existing shares with a par value of Baht 1 each (“Shares”) in Mermaid as at the books closure date.
- Thoresen Thai Agencies Public Company Limited (“TTA”) demonstrates its commitment and confidence in Mermaid by providing an irrevocable undertaking and, through its wholly-owned subsidiary, sub-underwriting 100% of the Rights Issue.
- Extraordinary general meeting (“EGM”) of shareholders to be convened on 14 October 2009.

SINGAPORE, 18 September 2009 – Mermaid, a leading provider of drilling and sub-sea engineering services for the offshore oil and gas industry, today received approval in-principle from the Singapore Exchange Securities Trading Limited (the “SGX-ST”) for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST. The proposed Rights Issue is subject to, among other things, approval of shareholders of the Company at an EGM to be convened on 14 October 2009 and approval of the Office of the Securities and Exchange Commission of Thailand.

Macquarie Securities (Singapore) Pte Limited was the Sole Global Coordinator, Bookrunner and Underwriter for, and Macquarie Securities (Asia) Pte Limited was the Issue Manager for, the initial public offering of the Company. This press release has been prepared and issued by the Company.

Under the Rights Issue, 243,542,403 Rights Shares will be offered at the issue price of S\$0.64 per Rights Share (the “Issue Price”) on the basis of 9 Rights Shares for every 20 existing Shares held by shareholders of Mermaid as at a books closure date to be determined and announced by Mermaid in due course.

As at the date of this press release, TTA has interests (direct and indirect) in Mermaid representing approximately 57.1% of the existing issued share capital of Mermaid. Demonstrating its commitment to and confidence in Mermaid, TTA has irrevocably undertaken, among other things that it will, and will procure that its wholly-owned subsidiary, Soleado Holdings Pte. Ltd. (“Soleado”) will, subscribe for all the Rights Shares which TTA and Soleado are entitled to subscribe for under the Rights Issue. It will also apply for and pay in full for such number of excess Rights Shares such that the aggregate number of Shares held by the Thai shareholders shall be 50.1% of the total enlarged issued share capital of the Company following the allotment and issue of the Rights Shares in order to comply with Thai law requirements on majority Thai ownership. TTA and Soleado will also, to the full extent of their voting eligibility, vote in favour of the resolutions relating to the Rights Issue at the upcoming EGM.

Rationale for the Rights Issue and Use of Proceeds

The estimated gross proceeds of the Rights Issue are expected to be approximately S\$156 million. The Rights Issue will benefit Mermaid and its shareholders as it will, among others, strategically and proactively provide the Company with greater financial capacity to pursue both tactical and strategic growth opportunities as and when they arise and further enhance the position of Mermaid and its subsidiaries and affiliates as a leading provider of drilling and sub-sea engineering services for the offshore oil and gas industry. Mermaid will also strengthen its market position with the ability for timely acquisitions of bargain assets in the current down market.

Commenting on this latest initiative, Mr David Simpson, Managing Director of Mermaid said, “The proposed Rights Issue will provide Mermaid with the financial ability to execute our growth strategy. Given our strong fundamentals, we believe that the current market conditions have opened up opportunities for us and it is important that we have the financial flexibility to respond quickly and make acquisitions at the appropriate time.”

Issue Price

The Issue Price represents a 29.7% discount to the closing price on 17 September 2009 of S\$0.91 per Share on the SGX-ST and a 22.5% discount to the theoretical ex-rights trading price¹ of S\$0.83 per Share.

The circular in relation to the Rights Issue and details of the resolutions to be tabled at the EGM will be despatched to shareholders in due course.

Merrill Lynch (Singapore) Pte. Ltd. has been appointed as the Manager and Underwriter to the Rights Issue on the terms and subject to the conditions contained in the management and underwriting agreement entered into between the Company and Merrill Lynch (Singapore) Pte. Ltd..

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About Mermaid

Mermaid is a leading provider of drilling and sub-sea engineering services for the offshore oil and gas industry. Over the last six years, Mermaid has grown and established itself as a company recognized by the industry for high quality services, delivered safely and efficiently. The Company has developed a strong blue chip client base that includes some of the world's largest oil and gas-related companies.

Mermaid provides drilling services through Mermaid Drilling Ltd. which currently has two tender rigs, and Mermaid Drilling (Singapore) Pte. Ltd. that has majority ownership in one newbuild rig under construction. The Company provides sub-sea engineering services through Mermaid Offshore Services Ltd. ("MOS"). MOS provides sub-sea inspection, repair and maintenance services (IRM), light construction and call out repair services. Originally focusing on South East Asia, MOS has expanded its geographical coverage in recent years to include India, China, Sakhalin, the Middle East, Brazil and the United Kingdom Continental Shelf. MOS' fleet comprises five vessels which it owns, and two of which it charters. In addition, MOS owns a fleet of remotely operated

¹ The theoretical ex-rights price is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the closing price of S\$0.91 per Share on the SGX-ST on 17 September 2009, being the last trading day of the Shares on the SGX-ST prior to this date and the number of Shares following the completion of the Rights Issue.

vehicles (ROVs), has hydrographic survey capability and is scheduled to take delivery of two newbuild dive support vessels (DSVs) and one ROV support vessel.

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This release is not an offer for sale of the securities in the United States. Rights Shares and renounceable rights relating thereto may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act. Neither Mermaid nor any seller of securities intends to register any portion of any offering in the United States or to conduct a public offering of securities in the United States.

Important Notice

This press release is for information purposes only and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, **Rights Shares or any rights relating thereto** or to take up any entitlements to **Rights Shares or any rights relating thereto** in any jurisdiction in which such an offer or solicitation is unlawful. No person should acquire any **Rights Shares or any rights relating thereto** except on the basis of the information contained in an **offer information statement relating to the Rights Issue**.

The information contained in this press release should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations.

The issue, exercise or sale of rights and the acquisition or purchase of **Rights Shares** are subject to specific legal or regulatory restrictions in certain jurisdictions. **Mermaid** assumes no responsibility in the event there is a violation by any person of such restrictions.

The distribution of this press release, an **offer information statement relating to the Rights Issue**, the provisional allotment letters and/or the application forms for **Rights Shares** and/or excess **Rights Shares** into jurisdictions other than Singapore may be restricted by law. Persons into whose possession this press release and such other documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Neither the content of **Mermaid's** website nor any website accessible by hyperlinks on **Mermaid's** website is incorporated in, or forms part of, this press release.

This press release contains or incorporates by reference “forward-looking statements” regarding the belief or current expectations of **Mermaid**, the **Board** and other members of its senior management about **Mermaid’s** businesses and the transactions described in this press release. Generally, words such as “may”, “could”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “seek”, “continue” or similar expressions identify forward-looking statements. These forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of **Mermaid** and are difficult to predict, that may cause actual results to differ materially from any future results or developments expressed or implied from the forward-looking statements. Such risks and uncertainties include the effects of continued or increasing volatility in international financial markets, economic conditions both internationally and in individual markets in which Mermaid and its subsidiaries and affiliates (**the “Group”**) operate, and other factors affecting the level of **the Group’s** business activities and the costs and availability of financing for **the Group’s** activities. Any forward-looking statement contained in this press release based on past or current trends and/or activities of **the Group** should not be taken as a representation that such trends or activities will continue in the future. No statement in this press release is intended to be a profit forecast or to imply that the earnings of **Mermaid** for the current year or future years will necessarily match or exceed the historical or published earnings of **Mermaid**. Each forward-looking statement speaks only as of the date of the particular statement. **Mermaid** expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in **Mermaid’s** expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.