

Notice

Notice date: 25/02/2014

Notice reference number: [Insert ref number]

What's this about?	Effective date: 25/02/20	14		
✓ ASX Trade	ASX 24			
✓ Trading	Clearing	Settlement		
Operations	Technology	Market Data Rules Compliance Risk Othe	r	
<u>Title</u>				
Mermaid Marine Australia Limited – Accelerated Renounceable Entitlement Offer				

Description

Mermaid Marine Australia Limited (Company) announced a 7 for 18 underwritten accelerated renounceable pro-rata entitlement offer of new securities at an issue price of \$2.40 ("Offer Price") per ordinary share to raise up to approximately A\$217 million ("Entitlement Offer"). The Company will also undertake a placement to institutional and sophisticated investors to raise up to \$100 million.

The Entitlement Offer has the following two components.

- An institutional entitlement offer, where offers have been made to qualifying institutional securityholders for them to apply for their pro-rata entitlement. Eligible institutional shareholders that do not take up and renounce their entitlement and institutional shareholders ineligible to participate in the offer will have their entitlement sold through a bookbuild process ("Institutional Entitlement Offer").
- A retail entitlement offer, where offers will be made to qualifying retail securityholders for them to apply for their pro-rata entitlement. Eligible retail shareholders that do not take up their entitlement and retail shareholders ineligible to participate in the offer will have their entitlement sold through a bookbuild process ("Retail Entitlement Offer").

Eligible shareholders who decide not to accept the Entitlement Offer and ineligible shareholders will receive the amount (if any) by which the price achieved in the bookbuild process exceeds the Offer Price.

New ordinary shares issued under the Entitlement Offer will rank equally with existing ordinary shares on issue.

The anticipated timetable in relation to the Entitlement Offer is set out below.

	Event	Date
Trading Halt commenced		Tuesday 25 February 2014
	Institutional Entitlement Offer opens	
	Placement Bookbuild opens Institutional Entitlement Offer and placement bookbuild closes	Wednesday 26 February 2014
	Institutional shortfall Bookbuild opens Institutional shortfall Bookbuild closes	Thursday 27 February 2014
	Announce results of Institutional Entitlement Offer, Institutional Bookbuild and Placement (after market close)	

ASX Notice (continued)

Trading halt lifted– Ordinary shares recommence trading Record Date	Friday 28 February 2014 Friday 28 February 2014 7.00pm (Sydney time)
Retail Entitlement Offer opens	Wednesday 5 March 2014
Offer Booklet sent to retail shareholders	Wednesday 5 March 2014
Settlement of Institutional Entitlement Offer, Placement and Institutional Bookbuild	Tuesday 11 March 2014
New shares issued under Institutional Entitlement Offer, Placement and Institutional Bookbuild commence trading on a normal (T+3) basis	Wednesday 12 March 2014
Retail Entitlement Offer closes	Friday 21 March 2014
Retail Bookbuild	Wednesday 26 March 2014
Settlement of Retail Entitlement Offer	Tuesday 1 April 2014
Issue of securities under Retail Entitlement Offer	Wednesday 2 April 2014
New shares issued under Retail Entitlement Offer commence trading on a normal (T+3) basis	Thursday 3 April 2014

Settlement issues

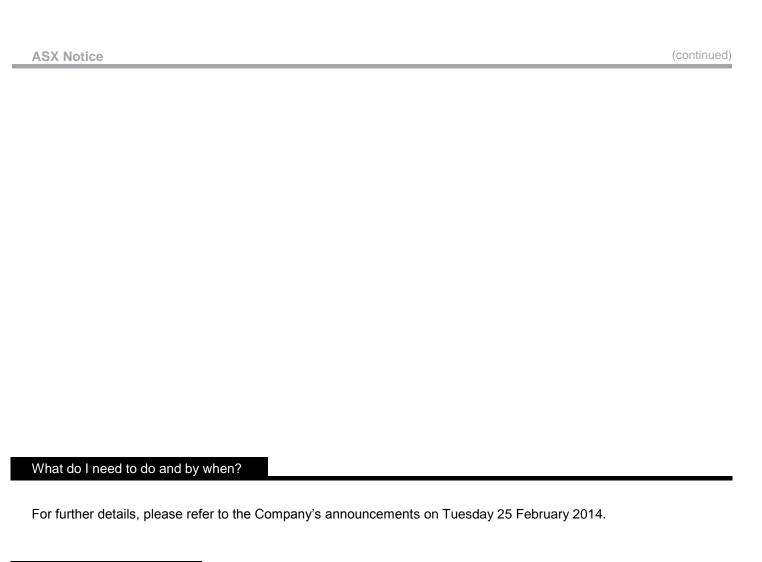
Despite the fact that securities are trading 'ex entitlement' on ASX Trade, CHESS will not recognise for settlement purposes the 'ex entitlement' or the 'cum entitlement' tag on CHESS messages and CHESS will not maintain cum balances during the deemed 'CHESS ex-period', ie the period commencing on the deemed CHESS ex-date up to and including the record date. However, a record date cum balance will be available the business day following the record date, which will be equal to the registered holding balance at CHESS end of day on the record date. As a result any transfer that occurs prior to record date will be effectively transferred on a 'cum' basis.

Therefore, Participants must ensure that any transfer, including the priming of Broker Entrepot Accounts, is conducted in accordance with the basis of quote. For example, a transfer in relation to a transaction conducted on an ex-basis should ordinarily only occur post record date.

CHESS will perform automatic diary adjustments to 'cum entitlement' settlement obligations outstanding as at the record date.

Trading issues

ASX will not price a 'cum' market with respect to trading in the Company's securities. Persons who acquire the Company's securities after the commencement of the trading halt on Tuesday 25 February 2014 are not entitled to participate in the Entitlement Offer.



Need more information?

If further information is required in relation to the Entitlement Offer, please contact the Company on (08) 9431 7431 within Australia and +61 8 9431 7431 outside Australia.

Issued by Elizabeth Harris Contact Details

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Disclaimer

No responsibility is accepted for any inaccuracies contained in the matter published.