

Ref: No. COR:MS/EL09046e/ms

28 December 2009

Subject: Mermaid Maritime Public Company Limited – Acquisition of M.V. Team Siam

To: The President of the Stock Exchange of Thailand

Thoresen Thai Agencies Public Company Limited (“TTA”) would like to confirm that Mermaid Offshore Services Ltd. (“MOS”), a 99.99% owned subsidiary of Mermaid Maritime Public Company Limited (“Mermaid”), has entered into a Memorandum of Agreement with Team III Ltd. for the purchase of the M.V. “Team Siam” (“Purchase”).

The details of the acquisition are as follows:

1. Name of the Parties Involved

Buyer : Mermaid Offshore Services Ltd.
Seller : Team III Ltd.

Relationship between the Buyer and Seller: MOS has chartered M.V. Team Siam from Team III Ltd. since 2004.

2. Information about M.V. Team Siam

The M.V. “Team Siam” is a dynamic position (class 2) construction support vessel that is under long-term charter to MOS and currently operates in the Persian Gulf. The vessel has a moon pool for diving operations and is equipped with a semi-permanently installed 10-man single bell saturation diving system which belongs to MOS. The M.V. “Team Siam” has a 70-tonne crane and accommodation for 135 personnel.

3. Total Value of Consideration

The total consideration for the Purchase is USD 29,500,000 (United States Dollars Twenty Nine Million Five Hundred Thousand).

The consideration was arrived based on negotiations on a willing-buyer willing-seller basis with regard to current market conditions, cost savings arising from becoming an owner instead of charterer, quality and efficiency enhancements and potential future utilisation of the vessel, and is on that basis within fair market value as assessed by MOS. The consideration does not include the installed 10-man single bell saturation diving system which already belongs to MOS.

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The payment terms are twenty percent (20%) by no later than 31 December 2009 and eighty percent (80%) upon delivery of the vessel to MOS. Accordingly, the deposit, equivalent to the sum of USD 5,900,000 (United States Dollars Five Million Nine Hundred Thousand) or Baht 197,188,030 (Baht One Hundred Ninety Seven Million One Hundred Eighty Eight Thousand and Thirty Only) (using a USD/THB exchange rate of 33.4217), is scheduled to be paid into a joint account held in the name of both parties next week. Delivery is scheduled to be anytime when the vessel is ready for delivery with conditions precedent lifted (see item 4 below), but in any case no later than 31 March 2010.

4. Conditions precedent

The Purchase is conditional upon Team III Ltd. obtaining bank consent to release the statutory mortgage over the vessel by 31 January 2010.

5. Information about Team III Ltd. and MOS

Team III Ltd. is a wholly owned subsidiary of Topaz Energy & Marine Ltd., a provider of marine services and oil and gas fabrication services in the Middle East. Topaz Energy & Marine Ltd. is itself a wholly owned subsidiary of Renaissance Services SAOG, a company listed on the Muscat Securities Market.

MOS is a leading provider of sub-sea engineering services to the offshore oil and gas industry in the region. MOS provides sub-sea inspection, repair and maintenance services, light construction services, and emergency repair and call out services. MOS's existing fleet consists of six (6) sub-sea vessels which it owns, and one (1) sub-sea vessel (M.V. "Team Siam") which it charters. MOS operates its vessels as part of a 'one stop' solution utilising a highly skilled workforce and other key assets, including four (4) saturation diving systems (inclusive of those systems in the current newbuild program), ten (10) offshore air diving systems and fourteen (14) Remotely Operated Vehicle ("ROV") systems including deepwater and ultra-deepwater heavy construction class systems. MOS also has two (2) additional dive support vessels on order.

6. Rationale for the Purchase

The utilisation of the M.V. "Team Siam" as part of MOS's provision of sub-sea engineering services to its clients has materially contributed to the earnings of MOS since the commencement of its charter in 2004. The Purchase allows MOS to secure greater control over MOS's long-term access to the vessel. It will also allow MOS to exercise control over the operations of the vessel, its use, maintenance and any future upgrades thus ensuring that the quality of service of this asset to its clients is maintained. All these are expected to contribute to greater efficiency and returns.

7. Interest of Directors and Controlling Shareholders

None of the directors or controlling shareholders of TTA or Mermaid has any interest, direct or indirect, in the Purchase.

8. Source of Funds

The consideration will be funded by debt and equity. The equity portion will be funded out of the proceeds received from the recent rights issue of Mermaid.

9. Size of the Transaction

The consideration of the Purchase of USD 29,500,000 (United States Dollars Twenty Nine Million Five Hundred Thousand) is equivalent to approximately Baht 985,940,150 (Nine Hundred Eighty Five Million Nine Hundred Forty Thousand and One Hundred Fifty Only). The size of transaction equals 2.37% of the total asset of TTA and its subsidiaries as of 30 September 2009 (the total asset of TTA and its subsidiaries as of 30 September 2009 amounted to Baht 41,640,829,646).

The Purchase is not subject to the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 re: *Rules and Regulations for Executing Significant Transactions Categorised as an Acquisition or Disposal of Asset*, and Notification of the Board of Governors of The Stock Exchange of Thailand re: *Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004)* or the Rules, Procedures, and Disclosure of Information of The Stock Exchange of Thailand regarding the Connected Transactions of Listed Companies.

When the Purchase is combined with other acquisition transactions during the last 6 months, is not subject to the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 re: *Rules and Regulations for Executing Significant Transactions Categorised as an Acquisition or Disposal of Asset*, and Notification of the Board of Governors of The Stock Exchange of Thailand re: *Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004)*

Yours faithfully,
Thoresen Thai Agencies Public Company Limited

M.L. Chandchutha Chandratat
President & Chief Executive Officer

Ms. Thitima Rungkwansiroj
Executive Vice President
Group Finance and Accounting

Remark: The full announcement of Mermaid regarding the acquisition of M.V. Team Siam by Mermaid Offshore Services Ltd. can be viewed at Mermaid website: <http://www.mermaid-maritime.com>