

Agenda No. 13 To consider and approve the issue of up to 4,000,000 warrants to the employees and directors of Mermaid Maritime Plc and its subsidiaries under an ESOP Scheme.

Set out below are indicative terms for the allocation of warrants to directors and employees (including any employee who is a director of Mermaid Maritime Public Company Limited (the “**Company**”) or its subsidiaries) under the 2011 Employee Share Option Plan (“**Plan**”).

1. Objectives and necessity of the issuance of warrants

The Plan offered by the Company is intended to maximize the interests of the Company and its subsidiaries by providing directors and employees (including any employee who is a director) with additional incentives through the grant of warrants, thereby increasing the personal stake of such directors and employees in the continued success and growth of the Company and encouraging them to remain in the service of the Company.

Under the rules of the Thai Securities and Exchange Commission (“**Thai SEC**”), any employee share option plan of the Company is only valid for allocation to eligible participants within a limited period of time (one (1) year from the date of shareholders’ approval). Therefore, in the event that the directors of the Company considers it in the best interest of the Company to have an employee share option plan continuing year by year, it is required to submit such plan for the consideration and approval of its shareholders each and every year. The Company’s shareholders had previously approved three (3) other employee share option plans for the years 2008, 2009 and 2010 respectively. As the directors have considered that it is in the best interest of the Company to continue with an employee share option plan, this Plan is therefore proposed for the consideration and approval of the shareholders for 2011. For more information on previous plans, please see section 11 of this circular.

2. Indicative features

Type	: Registered and non-transferable warrants for the purchase of ordinary shares in Mermaid Maritime Public Company Limited (“ Warrants ”). The Warrant cannot be transferred (except for the transfer to the warrant holders' legitimate heirs).
Term	: Up to five (5) years from the issue date of Warrants
Offering amount	: 4,000,000 Warrants
Amount of reserved shares	: 4,000,000 shares, representing 0.51% of the paid-up capital of the Company (such paid-up capital representing 784,747,743 shares)
Offering price	: Baht -0- per unit
Exercise ratio	: one (1) Warrant: one (1) ordinary share (the exercise ratio may be changed following the conditions for adjustment of rights).

- Exercise price : The exercise price shall be calculated based on the weighted average closing price of the Company's shares traded on the Singapore Exchange Securities Trading Ltd. ("SGX-ST") for fifteen (15) consecutive trading days immediately before the issue date of Warrants. (The exercise price may be changed following the conditions for adjustment of rights).
- Exercise date and Exercise period : The warrant holders can exercise the Warrants every six (6) months after the third (3rd) anniversary of the issue date. Subject to the below paragraph, if any exercise date falls on the day which is not a business day, a warrant holder is entitled to exercise his/ her Warrants on the business day immediately following such date.
- The last exercise date shall fall on the last business day of the end of the five (5) year period after the issue date of the Warrants.
- There is no limitation on the number of the Warrants which must be exercised.
- The Warrants which are outstanding or are not exercised on any exercise date may be carried over to the next exercise date until the end of the term of the Warrants.
- As regards to the last exercise period, the warrant holders shall send a notice of exercise of Warrants no less than fifteen (15) days prior to the expiry of the Warrants.
- Exercise method : To exercise the Warrants, a warrant holder must lodge with the Company a written notice of exercise of Warrants specifying the number of Warrants being exercised together with payment for the exercise price of the Warrants multiplied by the number of Warrants being exercised.
- Offering period : The Company shall issue the Warrants within one (1) year from the date in which approval of the Plan is given by the shareholders of the Company, or in the case where approval of the Plan is also required by the shareholders of the entity that holds more than fifty (50) percent of the shares in the Company, then the Company shall issue the Warrants within one (1) year from the later of the date when approval is given by the shareholders of the Company and that other entity.
- Allocation method : To no more than fifty (50) participants who are either directors or employees (including any employee who is a director) of the Company and its subsidiaries.

Maximum entitlement : No more than five percent (5%) of the allocation shall be allotted to each participant.

Secondary market of Warrants : No Warrants will be listed on the SGX-ST or the Stock Exchange of Thailand (“SET”).

3. Summary rules and conditions for the allocation and exercise of Warrants

- 3.1 The Company will allocate the Warrants to directors and employees (including any employee who is a director) of the Company and its subsidiaries, after it has obtained approval by the shareholders of the Company, or in the case where approval is also required by the shareholders of the entity that holds more than fifty (50) percent of the shares in the Company, then the Company shall issue the Warrants after approval is given by the shareholders of the Company and the shareholders of that other entity.
- 3.2 The outstanding Warrants and the Warrants which have not been exercised on or prior to the expiry date of the Warrants (the date falling the fifth (5th) anniversary of the issue date) shall be cancelled.
- 3.3 The Company’s Remuneration Committee (“RC”) shall have the authority to implement the provisions of the Plan, to apply such rules and regulations that may exist for carrying out the Plan, and to decide on all questions of fact arising in the application of the Plan. All decisions and acts of the RC shall be final and binding upon all affected Plan participants.
- 3.4 A person who is entitled to the allotment of Warrants shall be a director or an employee of the Company or its subsidiaries on the date of allotment of Warrants. For the avoidance of doubt, all directors are eligible to be participants of the Plan, including executive directors, non-independent non-executive directors and independent non-executive directors.
- 3.5 List of directors and employees (who are also director(s)) of the Company and its subsidiaries) who may be allotted the Warrants and the number of Warrants to be allotted are as follows:

Names of directors	Job title	Number of allotted Warrants (units)*	% of total number of Warrants
M.L. Chandchutha Chandratat	Executive Chairman of Mermaid Maritime Public Company Limited	Up to 200,000	5
Mr. Lim How Teck	Independent Non-Executive Director of Mermaid Maritime Public Company Limited	Up to 200,000	5
Mr. Ng Chee Keong	Independent Non-Executive Director of Mermaid Maritime Public Company Limited	Up to 200,000	5
Mr. Pichet Sithi-Amnuai	Independent Non-Executive Director of Mermaid Maritime Public Company Limited	Up to 200,000	5
Mr. Leslie George Merszei	Independent Non-Executive Director of Mermaid Maritime Public Company Limited	Up to 200,000	5

Names of directors	Job title	Number of allotted Warrants (units)*	% of total number of Warrants
Mr. Rob Bier	Independent Non-Executive Director of Mermaid Maritime Public Company Limited	Up to 200,000	5
Ms. Joey Horn	Non-Independent Non-Executive Director of Mermaid Maritime Public Company Limited	Up to 200,000	5
Mr. Surasak Khaoroptham	Non-Independent Non-Executive Director of Mermaid Maritime Public Company Limited	Up to 200,000	5
Mr. Andrew Tom Springall	Non-Independent Non-Executive Director of Mermaid Maritime Public Company Limited	Up to 200,000	5
Mr. Sataporn Amornvorapak	Chief Financial Officer of Mermaid Maritime Public Company Limited and Director of Mermaid Offshore Services Ltd.	Up to 200,000	5
Mr. Simon Matthew Turner	General Manager of Mermaid Offshore Services Ltd. and Director of Seascope Surveys (Thailand) Ltd.	Up to 200,000	5
Ms. Oraporn Lerdthuwanon	Financial Controller and Director of Mermaid Offshore Services Ltd.	Up to 200,000	5
Mr. Stephen Gregor Lenz	Executive Director and Director of Mermaid Drilling Ltd.	Up to 200,000	5
Mr. James McGhee Nicoll	General Manager of Mermaid Drilling Ltd. and Director of Mermaid Drilling (Malaysia) Sdn. Bhd.	Up to 200,000	5
Mr. Shaun William China	Managing Director of Seascope Surveys Pte. Ltd. and Director of Seascope Surveys (Thailand) Ltd.	Up to 200,000	5
Mr. Peter Reichlmeier	Managing Director of PT Seascope Surveys Indonesia	Up to 200,000	5
Ms. Margaretta Retno Sundari	President Director of PT Seascope Surveys Indonesia	Up to 200,000	5
Mr. Paul Burger Whiley	Director of Subtech Ltd. and Managing Director of Subtech Qatar Diving & Marine Services LLC	Up to 200,000	5
Mr. Adrian Hill	Director of Mermaid Offshore Services Pty. Ltd. and Business Development Manager of Mermaid Offshore Services Ltd.	Up to 200,000	5
Mr. Claus Bent Jorgensen	Director of Nemo Subea AS and Business Development Manager of Mermaid Offshore Services Ltd.	Up to 200,000	5

* This is the maximum number of Warrants to which each director and employee who is a director is entitled. The number of allotted Warrants that each person will actually receive will depend on his/her assessment as stipulated below at paragraph (b).

The RC shall have the authority to allocate Warrants to any other employees (except those who are also acting as directors) whose qualifications meet the following eligibility criteria:

- (a) such person must be an employee of the Company or its subsidiaries on the date of allotment of Warrants; and
- (b) number of Warrants to be allotted by the RC to each such employee may be different, depending on his/her position, experience, year of service, responsibility, performance and potential as well as contributions made to the Company.

The maximum number of Warrants that any person can receive shall not exceed five (5) percent of the total Plan warrants.

Notwithstanding the above, in the event that an employee is engaged by the Company or its subsidiaries prior to or after the approval of the Plan, and that employee subsequently becomes appointed as a director of the Company or its subsidiaries after the approval of the Plan, the RC shall have the authority to allocate Warrants to such employee taking into consideration the qualifications at (b) above, provided always that such allocation is based on his/her capacity and assessment as an employee only and not as a director.

- 3.6 List of the director(s) and employees (including any employee who is a director) who may be allotted more than 5 percent of the total Plan Warrants.

– None –

- 3.7 Exercise conditions

- (a) Eligible Director or Employee:

Save for the conditions under (b), (c), (d), and (e), any warrant holder wishing to exercise his/her right must be a director or employee of the Company or any of its subsidiaries as of the exercise date.

- (b) Death or Disability:

If the warrant holder ceases to be a director or employee of the Company or any of its subsidiaries as a result of death or disability (as determined by the RC), his/her heir or guardian will be entitled to exercise the Warrants until the expiry of the Warrants, provided that the relevant legal documents have been completely presented (to the satisfaction of the RC).

- (c) Resignation of the director or employee, termination by the Company for any reason including termination with or without fault (in the case of an employee), or cessation of directorship for any reason including failure to be re-elected by the shareholders (in the case of a director):

If the warrant holder ceases to be a director or employee of the Company or any of its subsidiaries as a result of resignation of the director or employee, termination by the Company for any reason including termination with or without fault (in the case of an employee); or cessation of directorship for any reason including failure to be

re-elected by the shareholders (in the case of a director), the exercise period will expire upon 60 days after such resignation, termination or cessation of his/her engagement, provided that such 60 days extended period does not expire after the expiry of the term of the Warrants. Following the resignation, termination or cessation of his/her engagement, the warrant holder will be limited to the number of Warrants which he/she was entitled to exercise under the Plan on the date of the resignation, termination or cessation of his/her engagement.

Notwithstanding the aforesaid, the RC may, having consideration to the circumstances, allow such Warrants to continue post-employment/engagement on a case-by-case basis at its absolute discretion. In such a case, the warrant holder shall be entitled to exercise his/her Warrants until the expiry of the Warrants.

(d) Normal Retirement Programme:

If the warrant holder ceases to be a director or employee of the Company or any of its subsidiaries as a result of the termination of engagement due to a normal retirement programme of the Company or its subsidiaries or otherwise (as determined by the RC), at any time before the expiry date of the term of the Warrant, the RC may, in its absolute discretion, extend the exercise period for up to three years after such termination or cessation (as the case may be), provided that such extended period does not expire after the expiry of the term of the Warrants. Following his/her retirement, no additional portions of his/her Warrants will become exercisable, and the warrant holder will be limited to the number of warrants which he/she was entitled to exercise under the Plan on the date of his/her retirement.

(e) Other Reasons:

If the warrant holder ceases to be a director or employee of the Company or any of its subsidiaries for any reason other than death or disability, resignation of the director or employee, termination by the Company for any reason including termination with or without fault (in the case of an employee), or cessation of directorship for any reason including failure to be re-elected by the shareholders (in the case of a director) or normal retirement programme, the exercise period will expire upon 60 days after such termination of his/her engagement, provided that such 60 days extended period does not expire after the expiry of the term of the Warrants. Following the termination of his/her engagement, no additional portions of his/her Warrants will become exercisable, and the warrant holder will be limited to the number of Warrants which he/she was entitled to exercise under the Plan on the date of the termination of his/her engagement.

Notwithstanding the aforesaid, the RC may, having consideration to the circumstances, allow such Warrants to continue post-employment/engagement on a case-by-case basis at its absolute discretion. In such a case, the warrant holder shall be entitled to exercise his/her Warrants until the expiry of the Warrants.

If, as a result of (b), (c), (d) or (e) above, the warrant holder is no longer entitled to exercise the allocated Warrants, he/she and must return the non-exercised Warrants to the RC for further allocation to other employees whose qualifications meet the eligibility criteria. Eligible employees shall include, but shall not be limited to, employees who were subsequently appointed as a director of the Company or its

subsidiaries after the approval of the Plan provided that re-allocation to such employees is based on his/her capacity and assessment as an employee only and not as a director.

4. Adjustment conditions

In the event of any variation (whether by way of rights issue, offering shares, payment dividend or otherwise as defined by the relevant notifications of the SEC) of the issued capital, the number of Warrants to which each participant is entitled to and/or the exercise price of the Warrants shall be adjusted.

The Company may have to issue additional new ordinary shares in reserve for any possible adjustment aforesaid.

5. Financial support by the securities issuer in favour of the Company's employees (if any)

-None-

6. Effects on shareholders

6.1 Price dilution

The price dilution is minimal since the exercise price shall be based on the weighted average closing price of the Company's shares traded on the SGX-ST fifteen (15) consecutive trading days immediately prior to the issue date.

6.2 Control dilution

If the directors and employees exercise the entire Warrants to purchase the total amount of the 4,000,000 reserved shares, the profit sharing or voting rights of the existing shareholders will be diluted by not more than 0.51% of the existing profit sharing or voting rights.

6.3 Cost to the Company

Under Thai Generally Accepted Accounting Principles (Thai GAAP), the granting of Warrants under the Plan will not result in the Company having to recognize any expenses in the Company's income statement.

7. Other information material to the investors' decision making (if any)

Investors who invest in the Company's shares will receive benefit (in form of both dividend and value of shares) from the performance of the participants of the Plan. Those who are allotted the Warrants will be encouraged to perform to the best of their ability to enhance the value of the Company's shares.

8. Winding-up of the Company

In the event that an order is made for the winding-up of the Company on the basis of insolvency, all Warrants to the extent unexercised shall lapse and become void. In the event of voluntary winding-up by the Company, the Warrants held which has not expired or lapsed may be exercised and paid for at any time not later than two (2) business days before the proposed general meeting of shareholders to consider the voluntary winding-up of the Company.

9. Shareholders' approval and right of objection

The issue of Warrants to directors and employees (including any employee who is a director) of the Company and its subsidiaries requires the approval of the shareholders' meeting with at least three-quarter votes of all shareholders present and eligible to vote. Any shareholders having more than ten percent (10%) of the total votes of all shareholders present at the shareholders' meeting are entitled to object to this issue of Warrants in which case the resolution shall be defeated.

Shareholders who are eligible to participate in the Plan or who are participants in the Plan are to abstain from voting on any Shareholders' resolutions related to the Plan. If such shareholders act as proxies for other shareholders, such shareholders holding such proxies on behalf of other shareholders shall not vote as proxies unless specific instructions have been given in the proxy instrument on how the shareholders granting such proxies wish their votes to be cast for each of the resolutions related to the Plan.

10. Official filings relating to the application for the offering of Warrants

Where required by applicable legislation and/or regulation, the board of directors of the Company or any person authorised by the board of directors of the Company will arrange for the filing of any necessary documents for obtaining the approval of any appropriate regulatory authorities in relation to the offering of Warrants.

Furthermore, the board of directors of the Company or any person authorised by the board of directors of the Company have the power and authority to perform any appropriate actions, including to determine and amend the rules, terms, conditions and other details relevant to the Warrants in order to ensure that the required filings conform to the applicable laws and relevant notifications or instructions of the Office of the SEC.

11. Details about the previous plan(s)

The Company had implemented three (3) previous employee share option plans: a 2008 Employee Share Option Plan approved by TTA shareholders on 06 August 2007 ("ESOP 2008"), a 2009 Employee Share Option Plan approved by the TTA shareholders on 30 January 2009 ("ESOP 2009") and a 2010 Employee Share Option Plan ("ESOP 2010") approved by TTA shareholders on 29 January 2010.

Under ESOP 2008, 3,832,053 warrants were available for allotment representing 3,832,053 shares. On 20 November 2008, 698,000 of those warrants were allotted to 18 participants. There were no shares issued from this allotment to date as the warrants had not yet reached their exercise date. The Company's shareholders had approved a rights issue on 14 October 2009. As a result of the Company's rights issue the RC had, in accordance with the terms of ESOP 2008, increased the number of warrants allocated to participants to mitigate the dilution effect of those warrants arising from the rights issue. On 16 November 2009, only 668,000 of those warrants remained exercisable amongst 17 participants. The RC therefore issued another 300,600 warrants to such participants on 16 November 2009, on a pro-rata basis to their existing warrants for the aforesaid purpose. The allocation of the additional warrants were made effective on 24 November 2009, being the date following the day the additional rights shares were issued and allotted by the Company. Hence the total number of warrants issued under

ESOP 2008 became 968,600 warrants. As at 01 December 2010, 925,100 of those warrants remained exercisable amongst 16 participants.

Under ESOP 2009, 3,000,000 warrants were available for allotment representing 3,000,000 shares. On 16 November 2009, 891,000 of those warrants were allotted to 21 participants. There were no shares issued from this allotment to date as the warrants had not yet reached their exercise date. As at 01 December 2010, 841,000 of those warrants remained exercisable amongst 20 participants.

Under ESOP 2010, 4,000,000 warrants were available for allotment representing 4,000,000 shares. On 01 December 2010, 700,000 of those warrants were allotted to 25 participants. There were no shares issued from this allotment to date as the warrants had not yet reached their exercise date.

No controlling shareholders or their associates of the Company were granted warrants under ESOP 2008, ESOP 2009 or ESOP 2010 and no warrants were granted under any of the aforesaid plans to the Company's parent company or other subsidiaries of the parent company outside the Company, nor to any of its or their directors and employees.