

ASX Announcement

11 December 2017

The Listing Manager
ASX Market Announcements
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir or Madam,

MMA OFFSHORE LIMITED (ASX CODE: MRM) – SUCCESSFUL COMPLETION OF THE EQUITY RAISING AND SATISFACTION OF KEY CONDITIONS TO THE PROPOSED DEBT AMENDMENTS

HIGHLIGHTS

- **Successful completion of the Equity Raising, securing A\$97 million (gross) in new funds**
- **Important amendments to MMA's debt facilities, including a \$30 million pre-repayment¹, extended maturity to September 2021, revised amortisation profile, reduced interest rate and amended covenants, expected to be implemented shortly, with all key conditions now satisfied**
- **The Equity Raising and debt amendments in combination provide a platform for the Company to take advantage of any sustained improvement in industry conditions**

EQUITY RAISING NOW COMPLETE

On Thursday, 16 November 2017, MMA Offshore Limited (**MMA** or the **Company**) announced:

- an accelerated non-renounceable entitlement offer of new fully paid ordinary shares in MMA (**New Shares**), comprising an institutional component (**Institutional Entitlement Offer**) and retail component (**Retail Entitlement Offer** and, together with the Institutional Entitlement Offer, the **Entitlement Offer**); and
- a concurrent placement of New Shares to existing and new institutional investors (**Placement**),

to raise approximately \$97.0 million. Together, the Entitlement Offer and Placement are the **Equity Raising**.

¹ \$10 million of MMA's existing cash, currently held in a blocked account, will be applied towards the \$30 million repayment with the remaining \$20 million to be paid from the proceeds of the Equity Raising.

MMA is pleased to announce that the New Shares offered under the Retail Entitlement Offer will be allotted and issued today, which marks the successful completion of the Equity Raising. MMA has received gross proceeds of A\$97 million under the Equity Raising, including A\$58.9 million raised under the Retail Entitlement Offer. See further details in the announcement dated 7 December 2017.

IMPROVED DEBT TERMS EXPECTED TO TAKE EFFECT SHORTLY

As announced on Thursday, 16 November 2017 and subsequently on 24 November 2017, MMA's existing lenders have agreed, subject to certain conditions, to amend the terms of the Company's existing debt facilities by (among other things):

- extending the term from existing maturity on 30 September 2019 to 30 September 2021;
- reducing the interest rate and agreeing to a revised amortisation profile; and
- agreeing certain amendments and holidays to specified covenants,

(the **Proposed Debt Amendments**).

Further details about the Proposed Debt Amendments were provided in the investor presentation for the Equity Raising dated 16 November 2017 (**Investor Presentation**).

As set out in the Investor Presentation and the subsequent announcement, implementation of the Proposed Debt Amendments is subject to certain key conditions. With successful completion of the Equity Raising, the Company is pleased to confirm that those key conditions have now been satisfied and the Debt Amendments have become effective.

"The Equity Raising, combined with the expected implementation of the Proposed Debt Amendments, provides MMA with a strengthened balance sheet, and therefore a better position from which to both meet its financial commitments and refinance its debt facilities before their extended maturity in September 2021. Following the Equity Raising, MMA Offshore will have an improved cash buffer and capital structure that provides a measure of insulation in the event of continuing market and earnings volatility", MMA's Chairman, Andrew Edwards, said.

"The institutional component of the Equity Raising had strong demand from both existing and new institutional shareholders demonstrating a pleasing level of support for the Company. The Equity Raising also attracted a good level of support from existing retail shareholders."

\$20 million of the Equity Raising proceeds (coupled with \$10 million sourced from existing cash currently held in a blocked account) will be applied to reducing the debt owing under the Company's debt facilities, and the remainder of the proceeds will be used for general corporate purposes, including working capital and paying transaction costs associated with the Equity Raising.

ISSUED SHARE CAPITAL POST THE EQUITY RAISING

Following the issue of New Shares under the Retail Entitlement Offer today, the Company's total issued shares will be 858,077,084. See the Appendix 3B released to ASX on Friday, 8 December.

Kind regards,

MMA OFFSHORE LIMITED



DYLAN ROBERTS
Company Secretary

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