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**Neptune announces successful A\$40 million capital raising to fund growth, FY09 Earnings upgrade and Share Purchase Plan**

- **Neptune completes successful A\$40 million capital raising**
- **Earnings and Revenue guidance upgraded**
- **Share Purchase Plan launched to raise an additional A\$10 million**

**Perth, Western Australia:** The Board of Neptune Marine Services Limited (ASX:NMS) (**Neptune** or the **Company**) today announced that it has successfully completed a placement of 80.0 million shares at A\$0.50 cents per share to raise gross proceeds of A\$40 million (**Placement**). The Placement was strongly supported by new and existing institutional investors.

The capital raised will provide Neptune with increased balance sheet capability to fund:

- A corporate acquisition in the USA which is contingent upon entry into a binding sale and purchase agreement. Settlement is expected in the first quarter of FY10.
- Other identified corporate acquisition opportunities that are subject to ongoing due diligence and incomplete negotiations.
- Additional asset acquisition opportunities such as Remotely Operated Vehicles (ROVs) and support vessels that are currently being presented in the secondary market at distressed sale prices.
- Continued organic growth of Neptune's existing operations as a result of a number of recent contract awards and ongoing strength of tendering activity.

Euroz Securities Limited acted as Lead Manager to the Placement.

The Placement to institutional and sophisticated investors will be made in two tranches:

- Tranche 1: comprising 24.0 million shares to raise A\$12.0 million to be issued immediately under the Company's remaining 15% capacity, pursuant to ASX Listing Rule 7.1.
- Tranche 2: comprising 56.0 million shares to raise a further A\$28.0 million to be issued subject to shareholder approval at a meeting of members to be held on or about Monday 13 July 2009. A Notice of Meeting will be sent to shareholders in due course.

New shares issued under the Placement will rank equally with Neptune's existing shares.



Neptune's Managing Director and CEO, Christian Lange, said the Placement ensured Neptune was strongly positioned for continued future growth.

"We are delighted with the high level of support that Neptune has received from both our existing and new institutional shareholders," he said. "We remain committed to delivering continued revenue and earnings growth in order to create value for all our shareholders. Proceeds from the Placement will provide us with greater flexibility to pursue our targeted future growth opportunities and deliver on this commitment."

### **FY09 Earnings Upgrade**

The Board of Neptune is also pleased to announce that, based on strong trading conditions experienced during the FY09 year to date:

- The Company's FY09 revenue guidance is expected to be approximately A\$180 million.
- The Company's FY09 Net Profit After Tax (NPAT) guidance has increased to \$24m - \$25m from the previously announced \$22m - \$24m (pre IFRS adjustments).

Additionally, the Company continues to experience a strong tendering pipeline of contract opportunities.

"Neptune's ongoing strategy of servicing the Oil & Gas sector via our integrated service offering and geographical coverage, coupled with our proven track record of delivering on our clients' needs, continues to position the company to benefit from the strong pipeline of contract and tender opportunities that are currently being presented in the global market," Mr Lange explained.

### **Share Purchase Plan**

Following completion of the first tranche of the Placement, all eligible Australian and New Zealand shareholders as at 18 June 2009 (**Record Date**) will have an opportunity to participate in a share purchase plan (**SPP**). The Company will offer eligible shareholders an opportunity to subscribe for up to \$15,000 of Neptune shares at \$0.50 each (subject to receipt of all necessary ASIC relief and ASX waivers).

The amount raised through the SPP will be capped at \$10 million however the Company reserves the right to accept oversubscriptions (subject to any conditions of ASIC or ASX relief and the total amount of shares not exceeding 30% of the total issued capital). Any scale back will be undertaken on a pro-rata basis.

Shareholders who have a registered address outside of Australia or New Zealand will not be eligible to participate in the SPP. Details of the SPP along with application forms will be sent to shareholders in due course. The SPP is not underwritten.

Commenting on the SPP, Mr Lange said it provided Neptune's existing shareholders with the opportunity to add to their current holdings at the same price as institutional investors who participated in the Placement.



“Neptune gratefully acknowledges the loyal support of our many smaller shareholders, particularly during recent periods of financial market fluctuations,” he added.

Ends

**Further information:**

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***About Neptune Marine Services Limited***

*Neptune Marine Services (ASX:NMS) is one of Australia’s leading providers of integrated engineered solutions to the international oil and gas, marine and renewable energy industries. The company employs more than 600 people in Australia, the UK, USA and Asia and provides a full suite of innovative engineering services including subsea and pipeline engineering; commercial diving; specialist fabrication; inspection, repair and maintenance; pipeline stabilisation and protection; ROV and vessel supply; hydrographic surveying and geophysical services; project management; rope access and tension netting IRM; and the patented NEPSYS® dry underwater welding technology. For more information visit [www.neptunems.com](http://www.neptunems.com)*

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**IMPORTANT INFORMATION:**

This announcement is not an offer to sell securities. The securities to be issued in the Placement and under the Plan have not been and will not be registered under the U.S. Securities Act of 1933 (**Securities Act**), as amended. Securities may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons (as defined under Regulation S under the Securities Act), unless the securities have been registered under the Securities Act, or in a transaction exempt from, or not subject to, the registration requirements of the Securities Act.

This announcement may contain forward-looking statements regarding events and trends that are subject to risks and uncertainties that may cause the actual results and financial condition of NMS to differ materially from the information presented. The words “except”, “believes”, “anticipates” and similar expressions are intended to identify such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which refer to circumstances only as at the date of this announcement. NMS does not have any obligation to update these forward-looking statements to reflect events or circumstances after the date of this announcement.