



OTTO MARINE LIMITED

(Company Registration Number 197902647M)

(Incorporated with limited liability in the Republic of Singapore on 5 September 1979)

MEDIA RELEASE – FOR IMMEDIATE RELEASE

Otto Marine extends its Specialized Offshore Services into North America

- **Forms a Joint Venture with US-based Subsea company, SURF Subsea Inc.**
- **SURF purchased a young vessel worth US\$55 million from liquidator**
- **Vessel procured to grow the Group's new business arm – Specialized Offshore Services**

Singapore, 25 June 2010 – Otto Marine Limited, (“Otto Marine” or the “Group”), a leading offshore marine Group which specializes in building complex offshore support vessels, ship chartering and offer specialized offshore services had expanded to the US market with Otto Marine’s wholly owned subsidiary, Surf Subsea Pte Ltd taking a 19.2% stake in the US-based Joint Venture company, SURF Subsea Inc (“SURF”). SURF procured a 292-foot Class 2 DP MSV from liquidator worth US\$55 million. The capability of the vessel allows the Group to enter into sub-sea and offshore construction works in addition to its current seismic activities, thereby creating more growth opportunities for its new business arm - Specialized Offshore Service.



The US-registered vessel, named DMT Emerald, is equipped with a 100 ton knuckle boom crane, a 100 ton heave compensated, multi-purpose lifting tower and a 23 ft X 27 ft moonpool. Furthermore, this vessel can comfortably accommodate 73 people and is outfitted with 2x 150 Hp, 10,000 ft depth rated Triton XLS work class ROVs and a helideck (Sikorsky 76 rated).

Its comprehensive fittings enable it to carry out field development works, flying lead installation, umbilical installation and various light to medium subsea construction tasks. These activities expand the Group’s current spectrum of services rendered under its niche segment.

The vessel will be operated by the Group's new joint venture partner, SURF. The Group entered into a twenty years time charter with SURF for the exclusive use of the vessel DMT Emerald and provided a shareholders loan of US\$24 million and corporate guarantee to finance the procurement of the Vessel. The vessel will be managed by SURF under the seasoned leadership of Chairman/CEO, Mr. Wade Abadie, who was the former President and Chief Operating Officer of Deep Marine Technology, Inc in Houston, Texas, USA.

Mr Wade Abadie started out as an ROV operator in the middle 1970s. He made his way up the corporate ladder and has been holding key management positions in various offshore service companies for the past 20 years. He brings with him strong network with oil majors in United States, and an excellent track record of resource management. His strong business acumen, experiences and insights are pivotal to the Group's development plans in North America.



“I believe our strategic alliance with Surf Subsea marks yet another milestone for the Group’s Offshore division, as it translate into market expansion and opportunities for the division. I am excited about our maiden voyage into a new territory.”

Mr Lee Kok Wah, President cum Group Chief Executive Officer

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About Otto Marine Limited (OTML.SP)

Otto Marine Limited ("Otto Marine" or the "Company") is an offshore marine group engaged in specialized shipbuilding of offshore vessels for primarily Deep Sea applications. The shipbuilding includes ship repair and conversion. In addition, Otto Marine is chartering out its own fleet of sophisticated and environmentally friendly (clean/comfort class) Anchor Handling Tugs and Offshore Supply vessels for mainly Deep Sea applications. In continuation of its expansion strategy, Otto Marine is the majority shareholder in the seismic operator, Reflect Geophysical.

Headquartered in Singapore, the Company owns and operates one of the largest shipyards in Batam, Indonesia - one of the most sophisticated yards in Asia Pacific. The yard is building to DNV and Norwegian class standards. Its customers are primarily deep sea and offshore operators and equipment companies who provide logistics support and offshore services to companies operating globally in the oil and gas industry.

Otto Marine's specialized approach has allowed it to build up its expertise in constructing high specification deep sea and offshore support vessels, improve its production quality and efficiency and develop a competitive cost structure. This quality and level of sophistication has enabled the Company - as one of the few in Asia - to gain recognition in the construction of complex and sophisticated deep sea and offshore vessels.

Otto Marine was successfully listed on the Main Board of Singapore Exchange Securities Trading Limited (the "SGX-ST") on 28 November 2008. For more information, please visit the Company's website at <http://www.ottomarine.com>

The initial public offering of the Company was sponsored by United Overseas Bank Limited and Credit Suisse (Singapore) Limited (the 'Issue Managers'). The Issue Managers assume no responsibility for the contents of this announcement.

Issued for and on behalf of Otto Marine Limited

For more information please contact:

Financial PR Pte Ltd

Kathy ZHANG, kathy@financialpr.com.sg

Executive Director

Tel: (65) 6438 2990

Fax: (65) 6438 0064

Kamal SAMUEL, kamal@financialpr.com.sg

Deputy Director