



“CABALLO MAYA” HITS THE WATER



Strategic Marine has successfully launched the first of two 143 metre Dive Supports Vessels, “Caballo Maya” (Hull 156) in Vietnam.

The vessel was launched on the 5th of April, 2010, with the second vessel (Hull 157) approximately 90% complete and 8 weeks from completion.

“We were originally awarded the contract for Hull 156 in late 2006, and were engaged to exclusively carry out the steel fabrication works on the vessel”, explained Managing Director Mark Schiller.

In late 2007 the Vung Tau based shipbuilder was awarded a contract for an additional vessel (Hull 157).

“Around mid-2008, our client took the decision to change the ship design from a direct drive to a diesel electric configuration.

Amidst all of these variations to design, we later tendered for the outfit contract for Hull 156, and were successfully awarded the contract in late 2008”, Mr Schiller explained.

Strategic Marine have now successfully completed all of Hull 156’s contractual obligations, the vessel was launched at a weight of 6,800 tonnes.

“The quality of steelwork and fairness of the vessel is extremely good, and something we are proud to have delivered”, stated Mark Schiller.

As originally planned the “Caballo Maya” will be transferred to Singapore, so that cranes and other machinery can be installed.

CHAIRMAN’S MESSAGE

Strategic Marine has started the year off with a strong focus on new projects in a number of market sectors. We have gathered momentum for the rest of the year, with many exciting new opportunities on the horizon.

We have recently have signed a contract to build four electric powered water taxis at our Singapore yard, for Singapore tourism company Russell Rocks Pte Ltd. These will be the first electrically power vessels Strategic Marine has delivered.

Our Vietnam yard continues to steam ahead with all five projects, the Coastline Dive Support Vessels are on track, with the first vessel already launched, and the second 8 weeks away.

Steady progress on the Voith Water Tractor Tug and Bhagwan Marine Landing Craft has been made with both projects moving into the engineering fitout stage.

With the steel work completed on the Woodside Tug Pen Pontoons they have taken shape and will be moving into the paint shed for the next phase of the project. Steady progress has been made on the Camfil Farr the project

involves the construction of two sets of Air Intake Units and Diverter Units destined for commissioning in the Nhon Trach Power Station Project

The recent naming ceremony for the Floating Dry Dock in Australia was a symbolic milestone for the project. The Floating Dock has begun operations and is set to provide the State with a range of commercial and government projects.

Although times are tough and the downturn has had a noticeable influence on the demand for new vessels worldwide, we are currently in final negotiations for a number of key projects.

The Board has started the year with an optimistic outlook for 2010 & 2011, and is confident that Strategic Marine is back on track to meet its ultimate goal of becoming a World Leader in the Shipbuilding Industry.

WHAT’S INSIDE

- Pg 1 Caballo Maya Launch
- Pg 2 Floating Dock Officially Named
- Pg 3 Buoy Tender Progress Report
- Pg 4 Stingray 40 FPP
- Pg 5 Contract for Four Water Taxis



FLOATING DOCK OFFICIALLY NAMED “YARGAN”



The Australian Maritime Complex along with Landcorp recently announced the name of the Floating Dry Dock at the official naming ceremony.

The Floating Dock was given the traditional Nyoongar name “Yargan” by the South West Aboriginal Land and Sea Counsel in consultation with Nyoongar Elders. Yargan, the Nyoongar word for tortoise, metaphorically refers to the amphibious functions of the floating dock.

With fully automated ballast and manoeuvring systems the dock has the capacity to lift 12,000 tonne vessels, such as Collins class submarines, and other commercial vessels out of the water for service and maintenance work.

The 99m long by 53m wide structure is the most technologically advanced dock in the world and is capable of providing the land transfer of docked vessels up to 3,500 tonnes.

Strategic Marine supports the strong Government investment in infrastructure and believes Government initiatives such as boosting the AMC capacity, will lead the way for business confidence and the states development.



The floating dock project is a key component of the Government’s \$174.3 million commitment to infrastructure upgrades at the AMC, and will be a valuable addition to Western Australia’s ship building precinct.

It has been said that the floating dock is expected to inject well over \$2 billion into the State’s economy over the next 25 years.

It is all too often in large projects, that Western Australian business is overlooked for short term gain through cheaper prices from overseas companies. To compete with this, Strategic Marine has developed its own offshore production facilities to be a true global competitor.

Mark Newbold, Chairman of Strategic Marine spoke of the project with pride, “Winning the tender to build the floating dry dock was an honour for Strategic Marine as there are few marine tenders of this magnitude in the local marine industry. The fact that it was a LandCorp tender made it all the more unique.”



Left –Right : Mark Newbold (Chairman, Strategic Marine), Mike Bailey (Director / Project Manager, Australian Marine Complex), Hon. Brendon Grylls MLA (Minister for Lands – Western Australia), Hon. Troy Buswell MLA (Minister for Commerce, Western Australia) at the Official Naming Ceremony of the Floating Dock.

He continued to say that “The Floating Dry Dock has provided Strategic Marine a platform to showcase our global manufacturing capacity, not only in Shipbuilding but also in highly technical construction projects”.

”I believe that we often overlook the importance that these projects have on local industry. By providing local enterprises with the opportunity to work on highly technical construction contracts such as these, we ensure that we invest in our most important asset, our people.”

VOITH WATER TRACTOR TUG UPDATE



Strategic Marine's Vietnam shipyard is making solid progress on the construction of a water tractor tug for the Port of Napier, which is scheduled for delivery in July 2010.

The steel construction has been completed on the Voith Water Tractor Tug and has moved into the engineering fitout stage of the project. The 23.8 metre vessel is the first tugboat to be built by Strategic Marine and is viewed by the Board of Directors to be a major milestone for the company.

"Strategic Marine's goal is to focus on technical shipbuilding projects, the Voith Schneider technology is certainly in line with that thinking. We are extremely excited and eager to get the vessel in the water for sea trials", stated Managing Director, Mark Schiller.

The Port of Napier, located on the East Coast of New Zealand, is home to an extremely busy container terminal close to the country's main shipping lane.

The 23.8 metre tugboat is to be utilised for towing and pushing services, assisting a diverse variety of ships at the Port, and will be operated by a 2 – 3 man crew.

Strategic Marine are also happy to announce that the Voith Water Tractor Tug will be embarking on a tour around the Asia Pacific region, the dates of the tour are yet to be announced.



BUOY TENDER PROGRESS REPORT



Strategic Marine Mexico (SMM) and their joint venture Partner, Servicios Navales E Industriales (SENI), have been making steady progress on the two, 35 metre Buoy Tender Vessels for the Mexico Ministry of Communications and Transport.

The Buoy Tender project is currently running to schedule, with block 1 and 2 currently under construction and block 3,4 and 5 in the final stages of design. The shift from aluminium to steel has been a positive challenge for the yard, something the shipyard is more than qualified to handle due to a large majority of the construction teams' backgrounds in steel shipbuilding practices.

The Henderson yard has been working on the design however, SM Mexico has undertaken part of it which has also been challenging but rewarding since it means SMM will be able to assist the corporate design division in the future.

This project will give SMM an opportunity to grow by showing the yards capability to work aluminium, steel, and our ability to handle a diverse range of projects.

Mexico has also received very positive feedback of late, on the performance of "Aramara" and "LLuavi", especially in the fuel consumption rates, due mainly to the SM / Southerly efficient hull design.



STINGRAY 40 FPP - 40 metre Offshore Patrol Vessel (OPV) Design

Strategic Marine is proud to present a new offshore patrol vessel design which can be customised to suite a wide variety of coastal and offshore patrol operations.

If you would like more information on this design.

Please contact us on sales@strategicmarine.com to register your interest.



SPECIFICATION

LOA 41.37 Metres
Beam 7.50 Metres
Draft Loaded 3.50 Metres (Approx)

Diesel Fuel Capacity 44,000 Litres
Fresh Water Capacity 4,500 Litres
Hydraulic Oil Capacity 500 Litres
Sewage Tank Capacity 2000 Litres
Compliment 21 Persons

Speed 30 knots
Load Condition 54 DWT
Engine Power Output 100% MCR

Engine Make MTU
Engine Model 12V4000 M73L
Rating 2895 BHP @ 2050RPM

Gearbox Make: ZF
Gearbox Model ZF 7600
Reduction Ratio 2.47:1



STRATEGIC MARINE ARE FINALISTS IN THE SEATRADE ASIA AWARDS

Seatrade Asia Awards recently announced Strategic Marine as a finalist for their 2010 awards.

Strategic Marine has been nominated to win The Shipbuilding Award, as a one in four finalist against Drydocks World – SE Asia, Incat Tasmania Pty Ltd, Jiangsu Rongsheng Heavy Industries.

The shipbuilding award is based on the Ability to derive profit, Product diversity and Speed to complete a vessel.

Seatrade has been the pioneer of shipping awards schemes since 1988. The Asia Awards programme was first initiated in 2008 to raise the profile of maritime development across Asia and to underscore excellence in the fields of innovation; safety and quality; social and environmental responsibility; enterprise and achievement, together with education and training.

The winners will be announced at the 3rd Seatrade Asia Awards gala dinner on Monday April 26 at the Shangri-La Hotel, Island Ballroom, Singapore.

Congratulations to each and every member of Strategic Marine's global operations, it is always nice to have industry peers recognise Strategic Marine's hard work.



THE SHIPBUILDING AWARD Finalists

- Drydocks World – SE Asia
- Incat Tasmania Pty Ltd
- Jiangsu Rongsheng Heavy Industries
- Strategic Marine



STRATEGIC MARINE TO BUILD ELECTRIC POWERED WATER TAXIS

Strategic Marine's Singapore Shipyard recently signed a contract to build four electric powered water taxis for prominent Singapore tourism company Russell Rocks Pte Ltd.

The contract to build the four water taxis was awarded to Strategic Marine based on their track record and reputation for delivering the vessels on budget and on schedule.

Strategic Marine Singapore's General Manager, Paul Rudd says, "The project is one we are proud to be a part of, as it is the first electrically powered vessel that we have been involved in, and for a large part is why we jumped at this opportunity".

With a seating capacity of 24 passengers, the vessels have been designed specifically for the client's scenic taxi service operations.

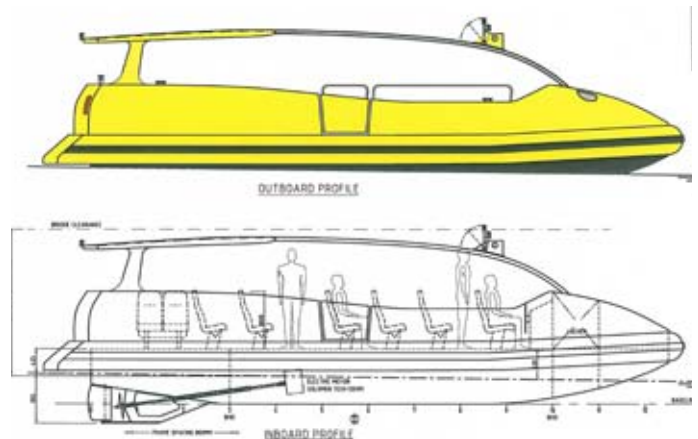
With carbon emissions remaining a hot topic globally and the increased importance for industry to minimise and offset emissions, Strategic Marine welcomes the opportunity to be involved in an environmentally friendly concept in shipbuilding and design.

The environmentally friendly vessel model will be fitted with a single electric main propulsion motor, with an output of 12hp and reaching a speed of 6 knots.

The contract comes at an optimal time for the Singapore shipyard after the company took the opportunity to purchase the lease of the yard and its existing 1260m² covered shipbuilding hall in 2009

This has enabled Strategic Marine to fully develop the yards potential, and they are currently implementing an infrastructure development plan to be completed by 2011.

In addition, Strategic Marine's Singapore yard is currently building a 40 metre Offshore Utility Vessel on speculation, which is due for completion in July 2010.



STRATEGIC MARINE'S ORDER BOOK | In Order of Award Date

(*) *Delivered*

Contract Name	Hull Numbers	Client	Shipyard
4 x 10 metre Water Taxis	338-341	Russel Rocks	Singapore
Nhon Trach Power Station Project	N/A	Camfil Farr	Vietnam
Tug Pen Extension Project	N/A	Doric Engineering	Vietnam / Australia
1 x 48.5 metre Landing Craft	369	Bhagwan Marine	Vietnam
5 x 12.9 metre Landing craft	357 - 361	Sea and Deserts Group	Australia*
2 x 40 metre Crewboats	334 & 335	Dinastia Jati Sdn Bhd	Singapore*
2 x 40 metre Crewboats	159 & 160	Samson Maritime	Singapore*
1 x 23.8 metre Tractor Tug	333	Port of Napier	Vietnam
2 x 143m DSV	156 - 157	Marfield Limited Inc	Vietnam
1 x 100m Floating Dry Dock	107	Landcorp	Australia*
2 x 52.0 metre Crew boats	006 & 008	Bluewater Marine	Mexico*

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