

OMS & TSMarine Working in Harmony

OMS Perth has been awarded a long term contract by TSMarine Pty Ltd for the marine manning of the DP vessel Havila Harmony commencing Q2/2007. The vessel will support Woodside Energy's operations on the North West Shelf and in the Timor Sea amongst other regional locations. The Havila Harmony, whilst working in these areas, will operate out of Dampier and King Bay ports.

The TSMarine Group is a specialist marine and subsea operations service provider with offices in Aberdeen, Bergen as well as locally in Perth. The company's primary service is in the decommissioning and intervention on subsea production facilities and TSMarine is widely regarded as an industry leader in this field.

OMS will join local companies Petroleum Development Consultants and Seatrac as one of the sub-contractors working on this three year project that will include undertaking wellhead abandonment, logging, perforating, subsea tree installations and other related maintenance activities.

The Havila Harmony is a 93m multi-purpose DP offshore support vessel, diesel electric propelled with a service speed of 16 knots. The vessel, built in Norway in 2005, will undergo modifications prior to being delivered to TSMarine. The modifications will include the installation of a helideck, moonpool and 150T heave compensated crane. Accommodation will also be increased to 68 beds. The vessel is well suited for the well intervention works, light construction activities as well as ROV and survey operations.



"This project has been talked about for a number of years" commented Andrew Morgan, OMS Operations Director, "and now that it has come to fruition we are delighted to be chosen by TSMarine as the marine manning contractor. This may well be just the beginning of a broader relationship and we are already in discussion with TSMarine in Aberdeen as to how OMS can support them internationally as well as here in Australia."

"OMS was selected by TSMarine as our marine manning contractor" said Ian Rowson TSMarine Pty Ltd General Manager, "because of their pro-active approach during the tendering phase of the project and their follow up and support throughout the process. The market leading position of OMS made them an obvious candidate and we hope to develop a long term valuable relationship between the management of both companies."

EnSCO Offshore

OMS has a long standing relationship with EnSCO going back more than sixteen years to 1990 when EnSCO started to acquire the assets of the Penrod Drilling Company. By 1993 the Penrod acquisition was complete and EnSCO's fleet stood at 27 offshore drilling units plus a number of traditional land rigs.

In 2002 EnSCO acquired another drilling contractor, Chiles Offshore and to date EnSCO has a current operating fleet of 46 drilling rigs, including 43 jackup rigs, one ultra-deepwater semisubmersible rig, one platform rig and one barge rig. Additionally, the Company has two ultra-deepwater semisubmersible rigs and one ultra-high specification jackup rig under construction.

EnSCO's worldwide operations are split into three operating divisions controlled from Dallas, Aberdeen and Dubai and from a number of regional locations including Singapore, Perth Australia and New Plymouth in New Zealand.

Over the years OMS has provided marine, drilling, catering and maintenance crews to EnSCO on a number of their rigs worldwide including the EnSCO 72, 80, 85, 92 in the UK on the EnSCO 70 & 71 in Denmark, the EnSCO 100 in Nigeria, and on the EnSCO 56, 67, 102 and 106 in Australia and New Zealand. OMS has also supported EnSCO through the provision of rig-moving services and our Marine Superintendent Rod Walton and Rig mover Martin Valender have become regular visitors to EnSCO's Australasian based drilling units.

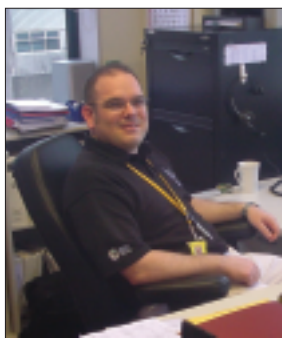
In September 2005 the EnSCO 56 left the Australian coast after 7 years to undertake a repair and refurbishment program at the Keppel FELS yard in Singapore ahead of a lengthy contract with Shell Todd offshore New Zealand. The EnSCO 56 is a Friede & Goldman L780 design drilling unit built in 1982 and was previously upgraded in 1996. OMS NZ was awarded the manning of the EnSCO 56 for the New Zealand operations and the first OMSNZ crews joined the rig in Singapore during December 2005. The E56 departed on the heavy lift vessel MV Swan and subsequently arrived in NZ in late February.

OMS has a close working relationship with EnSCO Rig Manager Jason Morganelli and his shore base staff in New Plymouth, in fact very close in the sense that EnSCO occupy offices immediately adjacent to OMS's own offices on the 5th Floor of the IRD Building in New Plymouth. The EnSCO 56 is presently operating over the Pohokura Platform only a short distance offshore and clearly visible from the EnSCO office windows.



EnSCO 56 Admiralty Bay New Zealand with the heavy lift transport vessel in the background

"Importing an offshore drilling rig into a new country and starting up an office from scratch is one of the big challenges that we face as mobile offshore drilling contractors" commented Jason Morganelli, EnSCO 56 Rig Manager. "The key to success is having contacts in place that are reliable and can basically get things done. When ENSCO imported the E56 into New Zealand we relied on the expertise of Offshore Marine Services to assist in getting us up and running.



Jason Morganelli

"The competent OMS New Plymouth staff was able to assist us by providing office space, internet service, phone service, and basically anything we asked for, no matter how trivial. From the rig side, we had to move people to and from the rig. OMS was a key in arranging the transport to move the entire crew to the South Island so we could crew up the rig after its long journey from Singapore to New Zealand.

"Basically, we showed up in New Zealand and told the staff of OMS "this is what we need". Thankfully, they delivered. I am happy to be associated with the OMS team and look forward to a long, successful campaign here in New Zealand."

In 2007 the EnSCO 107 will join the EnSCO 56 in New Zealand to work for OMV on the Maari Field and we look forward to welcoming Rig Manager Bill Stibbs and his team to New Plymouth.

THE RIGHT PEOPLE MAKE ALL THE DIFFERENCE



Aberdeen

The Permanent Team at OMS UK has secured a two year contract to manage the outsourced offshore recruitment and selection function for GlobalSantaFe (GSF) in the UK.

GSF owns a premium fleet that includes 61 offshore rigs 10 of which are currently operating in the North Sea. In addition the company can provide engineering expertise and drilling management capabilities as well as a turnkey alternative for their drilling projects. To ensure that GSF are successful in meeting the needs of their clients they must attract and retain the very best people within their organization. Engaging OMS as recruitment partners is part of this strategy.

Kath Shand GSF HR Manager, "With the right outsourced provider we can be confident that we are bringing the best people into the company in a cost effective and quality assured manner. This allows the HR team to focus on the creation of a challenging and rewarding working environment for our existing employees. OMS have a good understanding of our requirements and we look forward to a long and effective relationship between our two companies."

Despite the North Sea having a well established support structure, the outsourcing of recruitment and selection is a relatively new concept to the drilling industry. Indeed it was people who make up the OMS team who pioneered and developed this concept in partnership with GSF in 2005.

John Deas, OMS UK Director, "This is great news and is a reflection of the high standards of service provided by the Permanent Recruitment Team. Our service is entirely built around working in partnership with our clients to achieve the

required results. Not only will we manage the entire hiring process from receipt of CV through to hire/ rejection, the manner in which we shall do this will enhance the standing of the GSF as an employer of choice with both their existing workforce and within the wider drilling community."



John Deas & Paula Findlay

ABERDEEN SERVICES SET TO GROW

The Aberdeen Office shall be offering a Marine Manning Service from November 2006. The company has been looking to secure the services of the most talented individuals in the industry to form this team and has been successful in this respect. These handpicked individuals will join the Aberdeen Team upon completion of their current commitments.

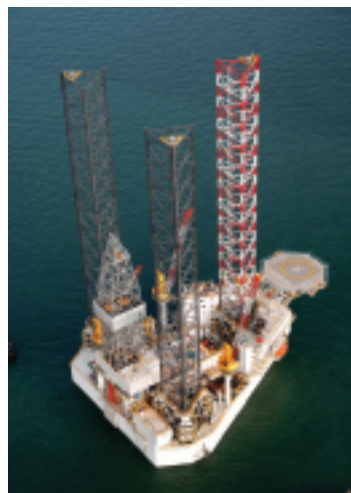


Singapore

OMS has been awarded the manning of the Wilcraft by Premium Drilling and will provide marine, drilling and catering services to this new-build jack-up rig throughout its Australian campaign.

The Wilcraft is a brand new jack-up drilling unit presently being built by Keppel Fels in Singapore and capable of drilling in water depths up to 400 feet. The Wilcraft is owned and operated by Premium Drilling a relative new-comer to the drilling industry but with significant future. In April of 2005 Awilco ASA, and Sinvest ASA, jointly formed Premium Drilling to market, manage and operate a fleet of 16 new build high specification jack-up drilling rigs that both companies had under construction.

Premium Drilling's vision is to become a globally recognized offshore drilling contractor and to be the contractor of choice for the provision of premium high specification jack-up drilling rigs.



In February 2007 the Peak Group will contract the Wilcraft in Australia on a 24 month contract to drill for a number of local Operators including Woodside, Santos, AED, and Drillsearch. The Peak Group, a well management company first incorporated in 1997 has grown to become an international organisation with offices in Aberdeen, London, Houston, Dubai and Perth. Peak already has a presence on the Australian coast with the semi-submersible Stena Clyde.

OMS's association with Premium Drilling may well extend beyond Australia as both companies explore other manning opportunities internationally.



New Zealand

After on-going technical and weather delays, July finally saw the installation of the jacket and topsides at the Pohokura development. With that the Heavy Lift vessel the MV "Annegret" sailed out of New Plymouth. The Rockwater 2 was occupied laying the mattresses over the umbilicals but due to further commitments overseas, departed late July for Singapore.

The construction phase of the Pohokura development is continuing with Technip presently completing the topsides installation - pile installation, topside final set-down and weld out to finish the job. It is anticipated that the drilling phase of the Pohokura development will commence at the end of September.

Onshore staff have again increased by two, both Scottish nationals! Alex Park comes from a North Sea and training background and started as our Marine Co-ordinator and QA/QHSE in early July. Niki McEwan commenced as a temp in July and was made a permanent employee in late August assisting within the accounts department.

Diamond Offshore's MODU Ocean Patriot is scheduled to arrive Timaru in the South Island late September for a 30 day program with Tap before moving up off Taranaki to commence the drilling phase of the Tui development. OMS New Zealand will supply the drill crew for the NZ program and is also providing to Diamond Offshore New Zealand labour on an adhoc basis for the Ocean Bounty. The Rockwater 2 will also feature again in New Zealand waters for this development timed for the 1st quarter of next year. She will arrive to complete the mattress installation and tie-ins for Shell's Pohokura development and then transfer onto the Tui project.

The Machiavelli dredge continues her dredging operation in the Port Taranaki basin. This is anticipated to go through to March/April next year.



Malta

OMS Malta has tendered for the provision of 32 staff to assist in the electrical wiring of a recently converted heavy lift barge, the FAIRMOUNT FJORD.

The Fairmount Fjord and Fairmount Fjell (formerly BOA19 & BOA 20) are owned by Fairmount Heavy Transport in Rotterdam and are amongst the world's largest semi-sub barges. Both barges are due to be converted to self-propelled heavy transport vessels for entry into service within the offshore heavy transport segment early in 2007.

The FAIRMOUNT FJORD is presently in the final stages of conversion at the Malta Shipyard. The electrical work would be of 4 to 6 months duration and would require 4 groups of 8 electricians working per shift. The project, due to commence around the end of October 2006 would also see OMS provide storemen, document controllers and other office staff.

OMS Malta will further expand its painting and maintenance services to Transocean internationally.

Coating Superintendent Mr Eddie Holden has added another two rigs; the jack-ups DR Stewart and GH Galloway both based in the Adriatic to the already long list of installations with OMS Maintenance crews. The additional rigs are managed by Transocean's Ravenna (Italy) office with whom OMS Malta enjoys a long standing relationship mainly through the provision of specialised personnel including coded welders

assigned to the DR Stewart earlier this year. These latest additions will see OMS supplying maintenance crews to 12 Transocean rigs internationally.

OMS Malta is currently in negotiations to secure additional office space to cater for further expansion. The additional office space will allow OMS Malta to develop its training and lecture facilities as well as offering additional space to expand on existing office facilities. With the extensive training programs OMS currently have in place it has been decided to bring certain training elements in-house allowing OMS to have a tighter control over individual aspects of the training modules. This facility will allow OMS to monitor the progress of new personnel more closely during their training phase.

OMS Malta has now completed a further 4 green-hand courses since June 2006 and has successfully trained and deployed 40 additional personnel. The selection process and rigorous training standards adopted have proven to be extremely successful and ensured a zero level of attrition amongst the new hire employees.



Managing Director's Summary

As we move into our third year of business it is probably worth reflecting on the achievements that have been attained during this period.

OMS Australia has now established itself as the largest local provider of marine and rig crew labour. We have secured a number of new manning contracts commencing between now and the end of the year including Anchor Handling Vessels, Rigs, Seismic, Dive Support and FPSO's. The OMS vessel fleet which has been around four in number in 2006 will increase to seven or eight by the end of 2007 with the delivery of our four new build vessels currently under construction. Our first vessel contract outside of Australia will commence in December 2006 with a second contract likely early 2007. Two of our four new build vessels will come into Australia with the other two vessels working internationally. We continue to develop our Marine Consultancy business in Australia towards providing marine support to OMS projects locally and overseas.

OMS NZ is now the largest provider of rig and marine labor in New Zealand and is currently providing rig crews to both the Enso 56 and the Ocean Patriot and is likely to have the Rockwater II back in New Zealand later this year. We are currently in discussion with various clients regarding additional business opportunities.

OMS Aberdeen in a short time frame is now providing

personnel to a number of clients both in the North Sea and internationally. The OMS Group has established worldwide service agreements with a number of clients and the role of our Aberdeen operations have been crucial in providing crews under these arrangements. As reported elsewhere in the newsletter OMS has been successful in securing a substantial contract with Global Santa Fe for the outsourced provision of personnel.



Ocean Patriot

OMS Malta continues to provide record number of offshore crews throughout Europe and is currently undertaking a large training initiative to enable the company to deal with future business demands.

Everyone at OMS can feel justifiably proud of the Group's achievements during the past two years. It has been a tremendous team effort for any business to develop the amount of recognition and market share that OMS has achieved in such a short period of time. Unlike many organizations who buy their market share we have developed new companies from the ground up and all staffed by excellent people. We have much to look forward to and together with my fellow Directors I remain very excited about the opportunities and challenges ahead.

*Ray Meadowcroft
Managing Director*

Staff Profiles



Alan Robertson

Alan Robertson is the Payroll Manager for OMS's Australian operations. He commenced with OMS back in July 2005 when the company had a payroll of less than 100 employees and is now paying over 600 a month with help from Kim Bishell the Payroll Officer.

Alan arrived in Australia from the UK 17 years ago and has not returned to the motherland since coming to sunny WA. Why would you unless you like warm beer?! He has 26 years in Payroll mostly within in the mining industry.

Alan enjoys playing social tennis with his wife, Leanne - the only one he can beat (this statement yet to be verified!). He says that nothing beats a sunny Sunday afternoon at one of Perth's wineries with a good quality Red.

Kate Ellis is the Chief Mate for OMS on the Leonardo da Vinci dredge currently operating in Pt Hedland. She has been a mate for the past 7 years and is at home in this male dominated environment. The crew are used to seeing her in overalls and steel caps.

The sea is in Kate's blood. She is a 4th generation seafarer; her father, grandfather and great grandfather were all at sea, as well as her brother, uncle and husband Chris (OMS Engineer onboard the CSO Venturer).

Kate lives by the ocean and is at home to the sound of the waves. In their time off Kate and Chris enjoy sailing and spending time on their property with their 2 blue heellers.



Kate Ellis

THE RIGHT PEOPLE MAKE ALL THE DIFFERENCE

Operational Excellence Award



Andrew Halley & Capt Fred Lawrence

Offshore Marine Services' Capt Fred Lawrence has received an Operational Excellence Award from Chevron Australia. Fred is Master on the OMS Pioneer which is supporting WesternGeco's seismic survey vessel, the Western Trident. He has recently been instrumental in the development of procedures to deal with recovery and towing of a drifting streamer. These procedures were used during operations and WesternGeco have adopted them as a Best Practice and entered them into QUEST. The Western Trident will use these procedures as the basis of future operations of this nature.

Fred was presented with an Ipad as a token award. Congratulations Fred!

QHSE

Auditing is usually perceived as an arduous and stressful process (driven by past experience), however the benefits of audits include:

- Improvement to work practices through JSA's and procedural reviews
- Highlight areas for improvement (non-conformances)
- Strive for world's best practice and continual improvement.

OMS is continually auditing it's systems to ensure the most effective work practices and processes.

Current Projects

Australia

- Armada Tuah 9
- OMS Pioneer
- OMS Voyager
- Maersk Supporter
- CSO Venturer
- Western Trident
- Ensco 67
- Maersk Guardian
- Songa Venus
- Songa Mercur
- Leonardo da Vinci
- Orient Explorer
- CGG Duke
- Highland Rover

New Zealand

- Ensco 56
- Ocean Patriot
- Rockwater 2
- Machiavelli

Malta

- Transocean Rather
- Paul B Lloyd Jnr
- DR Stewart
- Sedco 712
- Sedco 704
- Sedco 711
- Sedco 714
- Sedco 706
- JW McLean
- Transocean John Shaw
- Transocean Prospect
- Atwood Southern Cross
- Ben Nevis

SAFETY RECORD

OMS VESSEL DIVISION

Total Vessel Hours	232,248
LTI Free Days	9,677
Date of Last LTI	-
Number of LTI's	0

OMS MANNING DIVISION

Total Manning Hours	1,802,572
LTI Free Days	6,916
Date of Last LT	02-08-06
Number of LTI's	3



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