

Press Release: 08 May 2006



HALLIN MARINE SUBSEA INTERNATIONAL PLC
("the Company" or "Hallin")

Hallin Marine Signs US\$23m Contract for New Vessel

Hallin Marine, the AIM quoted provider of subsea solutions to the oil and gas industry, has signed a contract for the construction of a 78 metre DP2 Subsea Operations vessel.

The order confirms Hallin's stated intention to own its own operating vessel and is seen by the board as a logical step in growing the company's operating margins and ensuring continuity of vessel supply.

The build contract has been awarded to Singapore based Pan-United Marine Limited ('PUM') for up to US\$ 22.6M, depending upon the final options agreed.

In addition a further US\$3M will be invested in a state of the art SAT system incorporating an advanced self propelled hyperbaric rescue chamber for exclusive use with the vessel and a suitably sized crane will also be added.

The vessel, to be named SOV Ullswater, will be built to Hallin's own design and specification and is scheduled to be delivered to Hallin in the final quarter of 2008.

Hallin presently operates marine vessels and currently has the Toisa Voyager and the Sanko Angel under long-term charters.

The cost will be 80% financed through debt with the remainder from the company's cash reserves. Last month Hallin completed a placing which raised £6.9 million; the funds will be primarily used to invest in additional plant and equipment to take advantage of the continued high demand for the Group's services.

John Giddens, Chief Executive of Hallin Marine, said:

"The purchase of our own vessel, specifically designed for subsea operations, is a transforming event for Hallin. It will enable us to significantly increase our profit margins on a significant number of the contracts we carry out each year. It will also give us greater flexibility and the ability to offer clients a more complete product."

"We have worked closely with Pan-United in the run up to the award of this contract to develop the vessel that we need at the right price. Pan-United have a sound reputation for quality and delivery on time and we will continue to work closely with Pan-United during the build of SOV Ullswater."

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Notes to Editors

Hallin Marine was formed in 1998 to provide high quality marine and underwater services to the offshore industry, particularly in support of Oil & Gas development. It has grown from a US\$1 million turnover company in its first year to a US\$20 million turnover company in 2004. Hallin Marine was admitted to AIM in April 2005.

The Company is an experienced provider of subsea construction and inspection solutions. It employs experienced subsea engineering staff to manage projects using: support vessels, saturation diving systems, air/mixed gas diving spreads and remote operating vehicles. The Company owns all its principal equipment, including the diving systems. Hallin has established and expanding operations covering the South East Asia, India, China and Middle East regions. In 2006, Hallin has announced the formation of a wholly owned UK subsidiary targeting business in the North Sea and its first contract in the Gulf of Mexico.

Typically the work undertaken by the Group comprises the installation, construction maintenance, repair or survey of equipment on the seabed. Most of the projects are planned well in advance and Hallin's role is that of a key contractor, normally working as part of a larger team. The largest projects may take two or more years from decision to go ahead to the stage where divers actually enter the water. Hallin provides clients with safe, professional and cost effective solutions by combining innovative approaches and new technology with time proven techniques.

About Pan-United Marine Limited

The Singapore based company is one of the largest ship builders in region and the PUM Group shipyard facilities provide quality, cost-effective, customer-focused products and services. It conducts activities via two shipyards that it owns and operates.

The company has built more than 100 ships and both shipyards achieved ISO 9001: 2000 certification in quality management of the design, building, conversion, and repair of ships and offshore & onshore engineering structures. The shipyard in Singapore won three other Code certifications.

In shipbuilding, PUM customizes vessel design and building of up to 30,000 dwt and 250m in length. Having constructed more than 100 vessels, the Group has a credible track record in ship conversion, having undertaken sophisticated and complex ship conversions from lengthening and major modification projects to retrofitting projects.