



SIEM INDUSTRIES

SIEM INDUSTRIES INC.

P.O. BOX 10718, GEORGE TOWN
GRAND CAYMAN KY1-1006, CAYMAN ISLANDS
TELEPHONE NO.: +1.345.949.1030
TELEFAX NO.: +1.345.946.3342

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD AT 10:30AM, MONDAY, 7 MAY 2012

To the Shareholders of SIEM INDUSTRIES INC.:

Notice is hereby given that the Annual General Meeting of Shareholders of Siem Industries Inc. (the "Company") will be held at 10:30am local time on Monday, 7 May 2012, at the Company's registered office located at Uglan House, South Church Street, George Town, Grand Cayman, Cayman Islands. The purpose of the meeting will be to:

1. Approve the Company's consolidated financial statements for the year ended 31 December 2011;
2. Approve the appointment of PricewaterhouseCoopers as auditors for the Company for the fiscal period ending 31 December 2012;
3. Re-elect Mr. M.D. Moross as a Director for a term ending in 2015; and
4. Transact such other business as may properly come before the meeting.

The Board of Directors has fixed the close of business on 10 April 2012 as the record date for the determination of shareholders entitled to notice of and to vote at the Annual General Meeting and any adjournments thereof.

If you do not plan to attend the meeting, we request that shareholders complete, date, sign and deliver the enclosed form of proxy to be received at least 24 hours before the meeting either: (1) by telefax to the Company's Secretary at either of telefax nos. +1.345.946.3342 or +1.713.224.1165 or (2) by mail to either the Company's President at P.O. Box 10718, George Town, Grand Cayman KY1-1006, CAYMAN ISLANDS or the Company's Registrar at American Stock Transfer & Trust Company, 59 Maiden Lane, Plaza Level, New York, New York 10273-0923.

By order of the Board of Directors of
SIEM INDUSTRIES INC.

Michael Delouche, Secretary
18 April 2012

PLEASE COMPLETE, SIGN, DATE AND MAIL OR TELEFAX THE ENCLOSED PROXY

SIEM INDUSTRIES INC.
P.O. BOX 10718, GEORGE TOWN
GRAND CAYMAN KY1-1006, CAYMAN ISLANDS

PROXY STATEMENT

ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD MONDAY, 7 MAY 2012

GENERAL

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors of Siem Industries Inc., a Cayman Islands corporation (the "Company"), of proxies for the Annual General Meeting of Shareholders of the Company to be held at the Company's registered office at Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands at 10:30am, Monday, 7 May 2012 (the "Annual Meeting") and at any adjournments thereof. This proxy statement and the enclosed form of proxy are first being mailed to shareholders on or about 19 April 2012. As of the date of record, 10 April 2012, the Company had 15,289,927 Common Shares issued and outstanding and each Common Share is entitled to one vote.

PROXIES

Properly completed and signed proxies that are received prior to the Annual General Meeting will be voted in accordance with the instructions of the persons executing the proxy. In the absence of such instructions, the proxies will be voted "FOR" approval of the Company's consolidated financial statements as of and for the year ended 31 December 2011, "FOR" approval of the appointment of PricewaterhouseCoopers as auditors for the Company for fiscal year 2012 and "FOR" the re-election of the Board of Directors' nominee as Director.

Any shareholder signing and returning a proxy may revoke it at any time prior to its being voted by filing a written revocation with the Secretary of the Company, by filing a duly executed proxy bearing a later date or by voting in person at the meeting.

Management knows of no business that will be presented to the meeting other than as set forth in the proxy statement. If any other matter properly comes before the meeting, the persons named as proxies will vote on such matter in their discretion.

SHARE OWNERSHIP

The following table sets forth certain information, as of 10 April 2012, with respect to the only persons known to the Company who owned beneficially more than ten percent of the Company's common shares, US\$0.25 par value per share (the "Common Shares"), its only outstanding equity securities, and the Common Shares owned by other officers and directors of the Company, as a group:

<i>Name of Beneficial Owners or Identity of Group</i>	<i>Shares Beneficially Owned</i>	<i>Percentage of Common Shares</i>
Old Yard Trust Company Limited ⁽¹⁾	10,108,070	66.1%
Kristian Siem	1,878,356	12.3%
Other Officers and Directors as a Group	101,671	0.7%

⁽¹⁾ Old Yard Trust Company is the trustee for a trust whose potential beneficiaries include Mr. Krisitan Siem and his family. The trustee holds voting and dispositive power over this shareholding.

PROPOSAL 1. APPROVE COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2011

The Board of Directors proposes that the shareholders approve the Company's consolidated financial statements for the year ended 31 December 2011.

PROPOSAL 2. APPROVE APPOINTMENT OF AUDITORS

The Board of Directors proposes that the shareholders approve its appointment of PricewaterhouseCoopers as auditors of the Company for the reporting year ending 31 December 2012.

PROPOSAL 3. ELECT DIRECTOR

The Company's Board of Directors is divided into three classes. Each Director holds office for a three-year term and until a successor has been elected and qualified. Of the four current Directors, one Director will have his term expiring at the Annual General Meeting. The Director has been nominated for re-election to the Board for a term ending in 2015. If the nominee becomes unavailable for election, the person named as proxy shall have the right to cast votes in his discretion for a substitute nominee. The Company believes that its nominee will be available.

<i>Nominee</i>	<i>Age</i>	<i>Director Since</i>	<i>Term Expiring</i>	<i>Principal Occupation or Employment</i>
M.D. Moross	80	1995	2012	Private investor and the father-in-law of Kristian Siem.

DIRECTORS WITH CONTINUING TERMS

<i>Directors Continuing In Office</i>	<i>Age</i>	<i>Director Since</i>	<i>Term Expiring</i>	<i>Principal Occupation or Employment</i>
Kristian Siem	63	1982	2013	Chairman of the Company, chairman of Subsea 7 S.A. and Siem Capital AB and a director on the boards of Siem Offshore Inc., STAR Reefers Inc. and North Atlantic Small Companies Investment Trust plc.
Barry W. Ridings	60	1993	2013	Managing director and the vice chairman of U.S. Investment Banking for Lazard Frères & Co., the chairman of LFCM Holdings which includes the operations of Lazard Capital Markets and Lazard Alternative Investments and the chairman of Lazard Middle Market LLC, a subsidiary of Lazard focusing on middle market mergers and acquisitions.
Ivar Siem	65	2007	2013	Chairman of Blue Dolphin Energy Company, chairman and president of Drillmar, Inc. and chairman of Siem WIS AS. He is the brother of Kristian Siem.

COMMITTEES OF THE BOARD

The Audit Committee, with Messrs. Moross and Ridings as members, reviews the relationship of the Company with its independent auditors and the details of its bookkeeping and finances. The Compensation Committee, with Messrs. Ridings and Moross as members, reviews and establishes the compensation program, of whatever form, for officers, directors and employees of the Company.

EXECUTIVE OFFICERS

Executive officers are appointed by and serve at the pleasure of the Board of Directors. The normal procedure is for the Board of Directors to convene a meeting immediately following the Annual General Meeting of Shareholders at which time the appointments of Chairman and the individual offices are proposed and confirmed.

<i>Name</i>	<i>Office</i>	<i>Officer Since</i>
Eystein Eriksrud	Deputy CEO	2011
Michael Delouche	President and Secretary	1991

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Company receives management, consulting and advisory services from certain individuals who are seconded to the Company under the MSA and a separate management agreement discussed in the Annual Report.

The Company's Chairman holds an option to purchase the property housing the offices of Siem Kapital AS, a wholly-owned subsidiary, which is located in Oslo, Norway. The option provides for a one-year period commencing on the date that Mr. Siem is no longer an officer or director with the Company or any of its subsidiaries during which time he can purchase the property at the price paid by Siem Kapital. This option is subject to review by the Compensation Committee.

ADDITIONAL INFORMATION

OFFICE

The Company's registered office is located at P.O. Box 309, South Church Street, Grand Cayman KY1-1104, Cayman Islands. The Company has an office in George Town and its mailing address is P.O. Box 10718, George Town, Grand Cayman KY1-1006, CAYMAN ISLANDS, telephone no. +1.345.949.1030 and telefax no. +1.345.946.3342. Siem Kapital AS owns its office facility which is located at Jerpefaret 12, Voksenlia, N-0788 Oslo, Norway.

MEETINGS

For the year ended 31 December 2011, the Board of Directors conducted 3 meetings.

EXPENSES OF SOLICITATION

The cost of soliciting proxies, including reimbursement of expenses incurred by brokers, custodians, nominees and fiduciaries who may mail solicitation material to their principals, will be borne by the Company. The solicitation is being made by use of the mails, but also may be made by telephone and personal contact by employees of the Company.

ANNUAL REPORT

The Annual Report of the Company for the year ended 31 December 2011 is enclosed.

Selected financial data for the five fiscal years ended 31 December 2011, Management's Discussion and Analysis of Financial Condition and Results of Operations for the fiscal years ended 31 December 2011 and 2010 and the Consolidated Financial Statements of the Company, all of which are included in the Annual Report of the Company, are incorporated herein by reference.

SHAREHOLDER PROPOSALS FOR MEETING OF SHAREHOLDERS FOR FISCAL YEAR ENDED 31 DECEMBER 2012

Shareholders may present proposals for inclusion in the Company's proxy statement and for consideration at the next Annual General Meeting of Shareholders by submitting their proposals to the Company in a proper form and timely manner. In order to be considered for the meeting following the conclusion of fiscal year 2012, shareholder proposals must be received by the Company at its Cayman Islands office by 27 February 2013.

If you do not plan to attend the meeting, we request that shareholders complete, date, sign and deliver the enclosed form of proxy to be received no less than 24 hours before the meeting either: (1) by telefax to the Company's Secretary at either of telefax nos. +1.345.946.3342 or +1.713.224.0084 or (2) by mail to either of the Company's Secretary at P.O. Box 10718, George Town, Grand Cayman KY1-1006, CAYMAN ISLANDS or to the Company's Registrar at American Stock Transfer & Trust Company, 59 Maiden Lane, Plaza Level, New York, New York 10273-0923, USA.

By order of the Board of Directors,

Michael Delouche, Secretary
18 April 2012