

Tassie Shoal Methanol Project

7th Methanol Markets & Tech, 10-11th May 2012

Shanghai, China

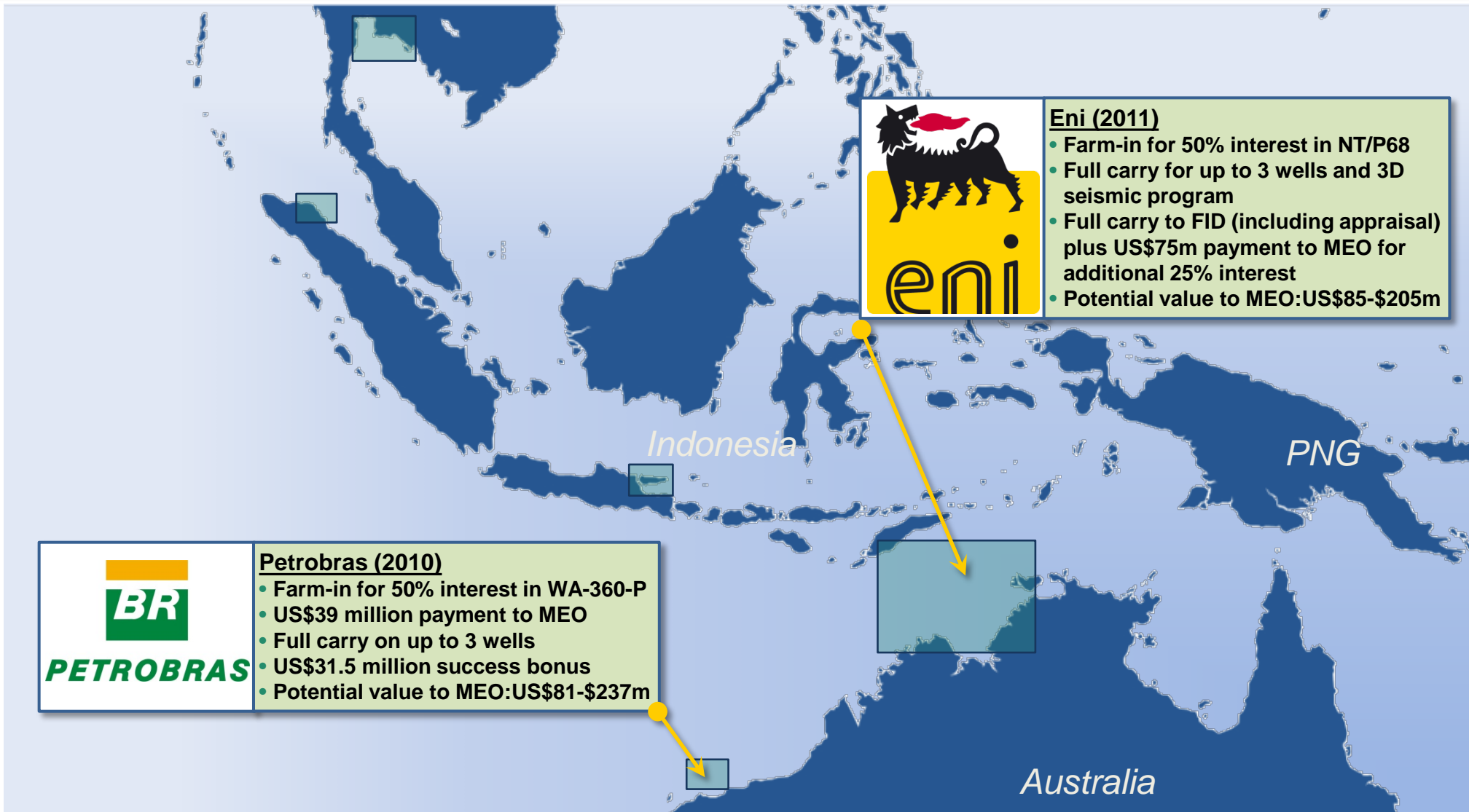
MEO Australia Portfolio Overview

Australia and South East Asia Focus



Strong Partnerships with Global Majors

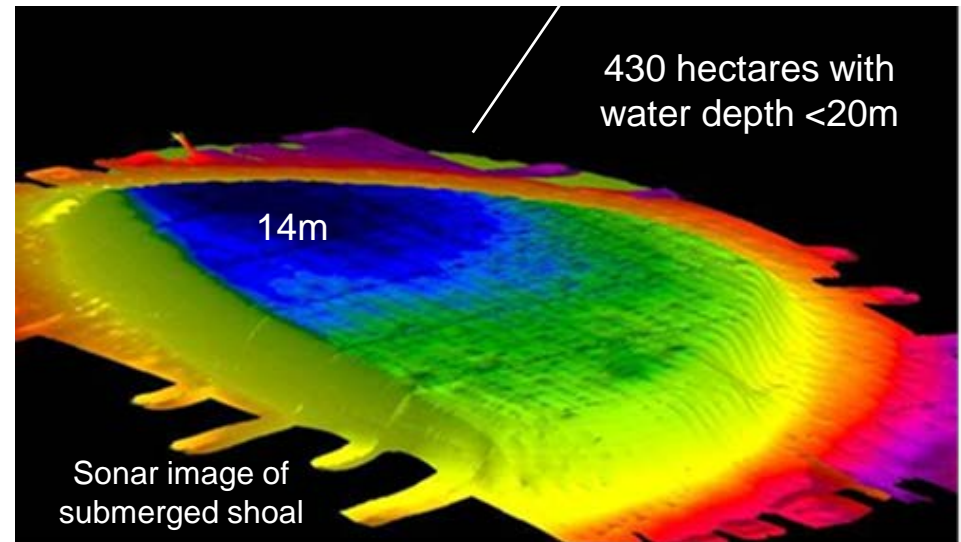
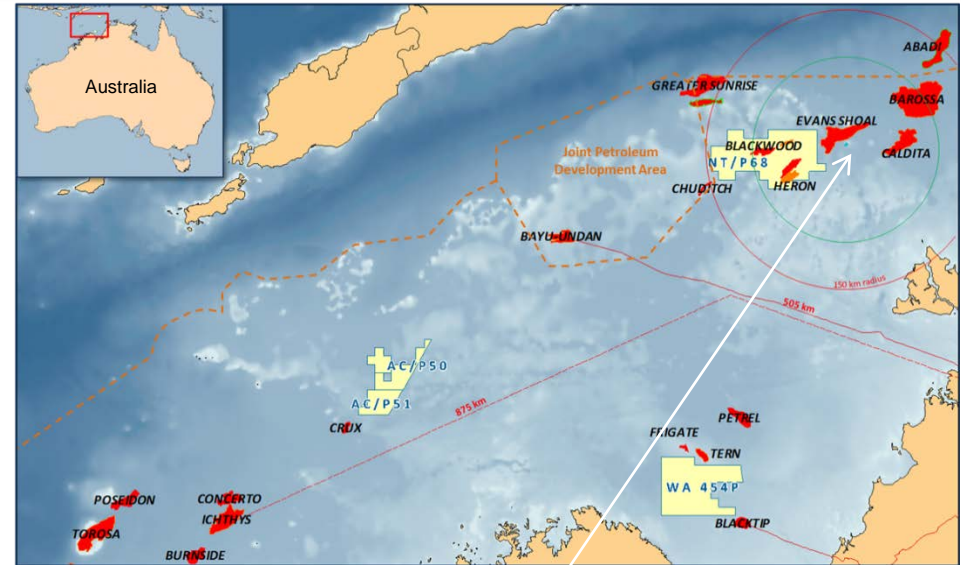
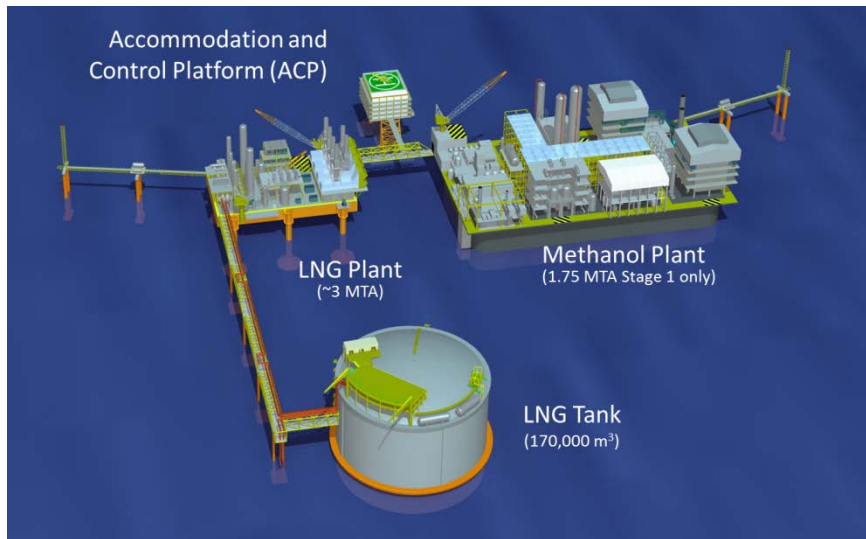
Proven Ability to Attract Major Industry Players



Tassie Shoal Projects

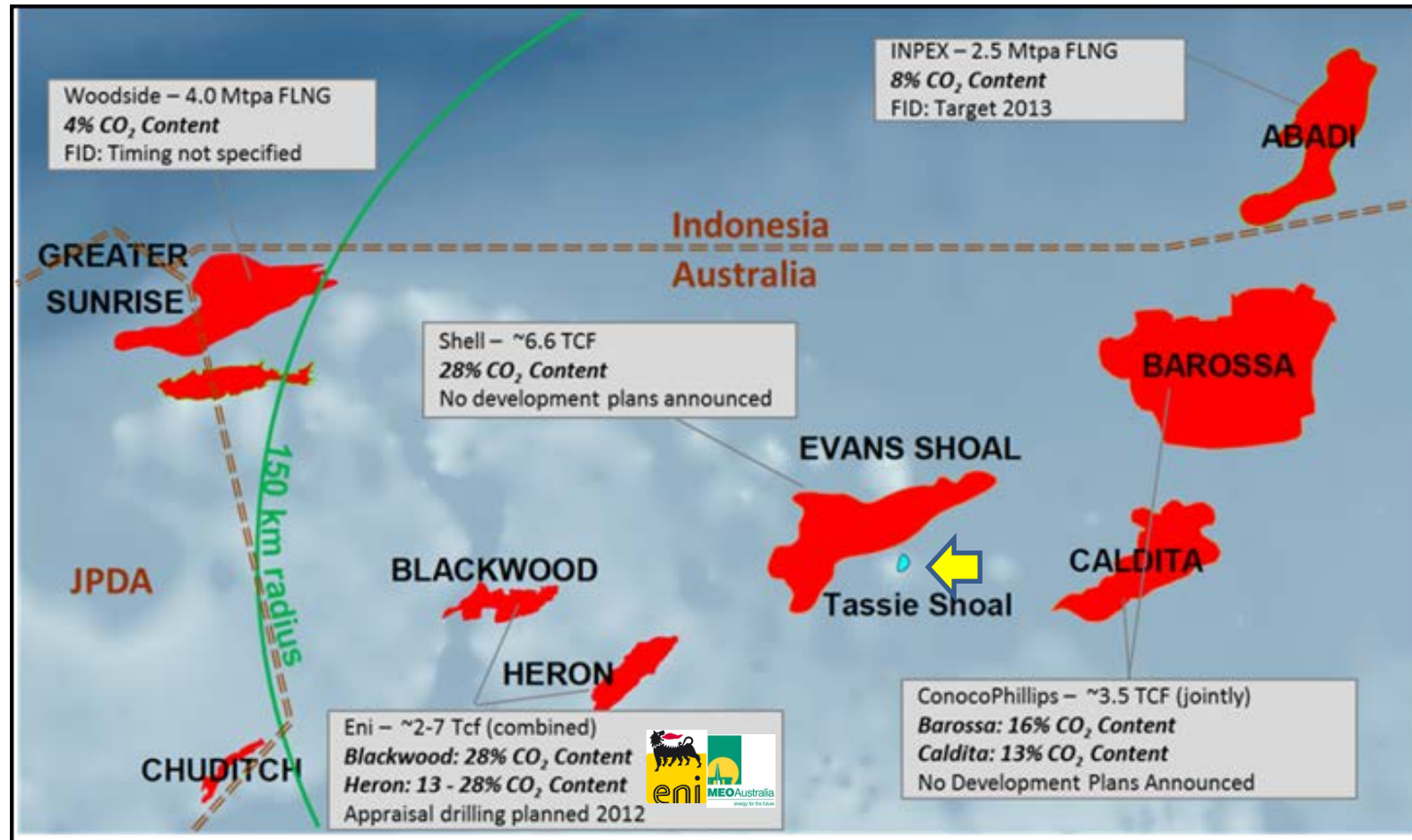
Overview

- Offshore north west Australia
- **Methanol:** 2 of 1.75MTA plants, built in two stages (TSMP₁ & TSMP₂)
- **LNG:** 3MTA LNG plant (TSLNG)
- Federal & State Government Environmental approvals in place
- Major Project Facilitation status



Tassie Shoal is Centrally Located

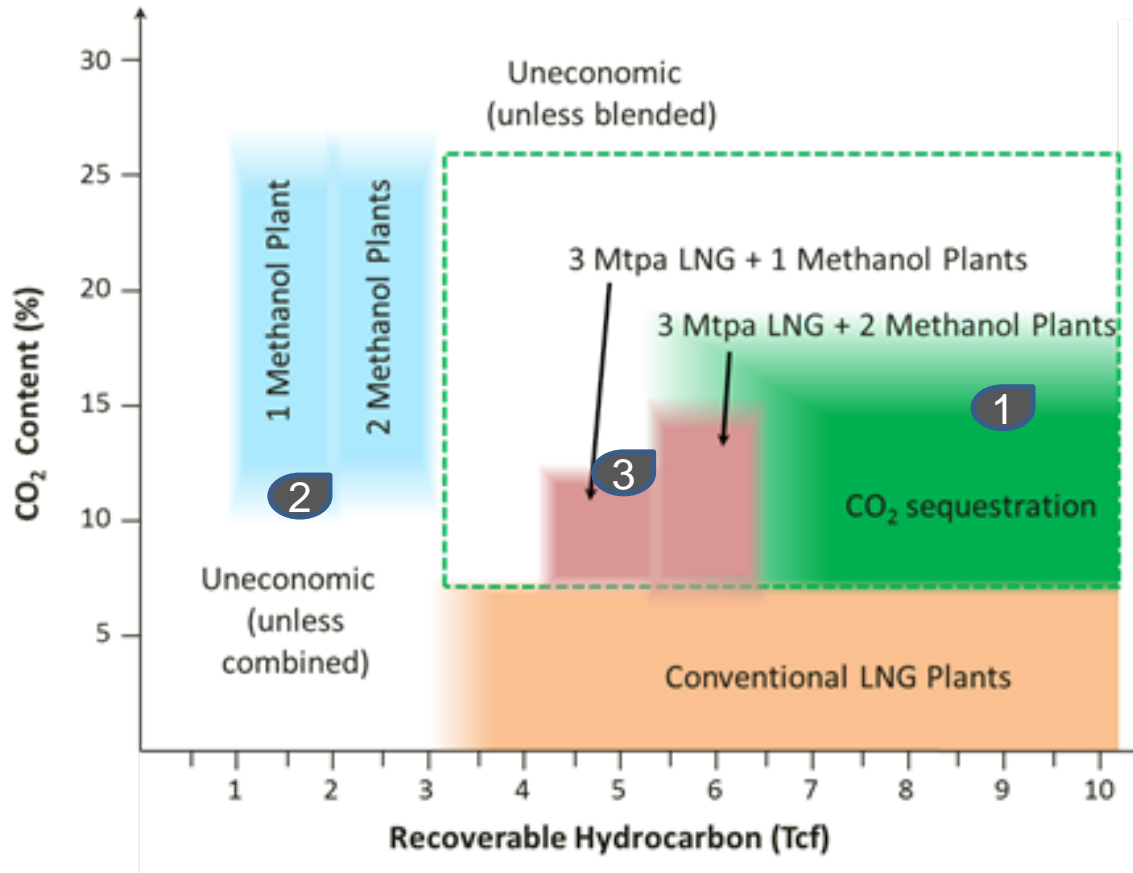
A Shallow Water Development Site



- Methanol production provides a monetisation path for regional high CO₂ resources

Methanol vs LNG Production

Higher CO₂, Smaller Resources Suit a Methanol Development



1. If a large resource with high CO₂, sequestration becomes an option for LNG production.
2. If smaller resource with high CO₂, methanol production is an economic alternative
3. For mid-size resources with moderate CO₂, methanol & LNG cases can be constructed to optimise the development economics

The Case for Methanol

Assessment of Economics, Practicality, Diversity



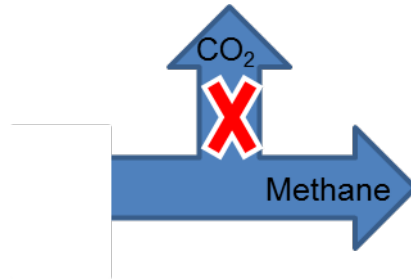
- Economics
 - Huge capex savings vs FLNG (~US\$7B)
 - ~US\$2B capex savings vs an onshore methanol plant
 - New markets for methanol, huge growth potential
- Practicality
 - Avoid CO₂ separation issues
 - Avoid CO₂ sequestration/reinjection issues
 - Suits size of some regional resources
 - Only 1.4 to 1.5TCF required (incl CO₂)
 - Environmental Permits in place
- Diversity in product mix/revenue stream
 - Methanol market correlates to oil
 - New markets as transport fuel, MTBE, MTO

TSMF Concept a Practical Solution

Design Issues with Floating or LNG Only Developments Avoided



AVOID CO₂ separation issues

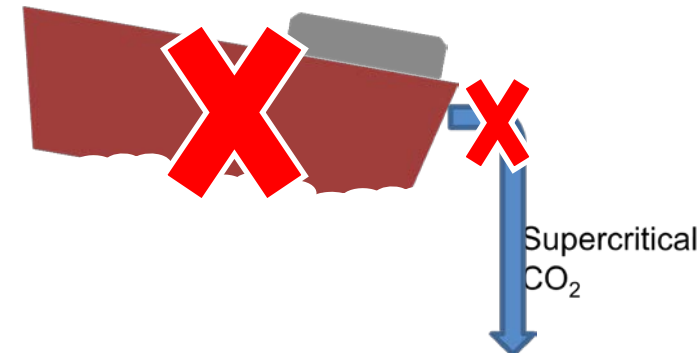
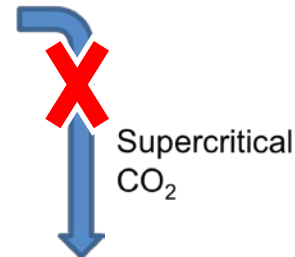


SMR converts CO₂ to methanol

AVOID floating vessel motion issues



AVOID CO₂ offshore reinjection complexities

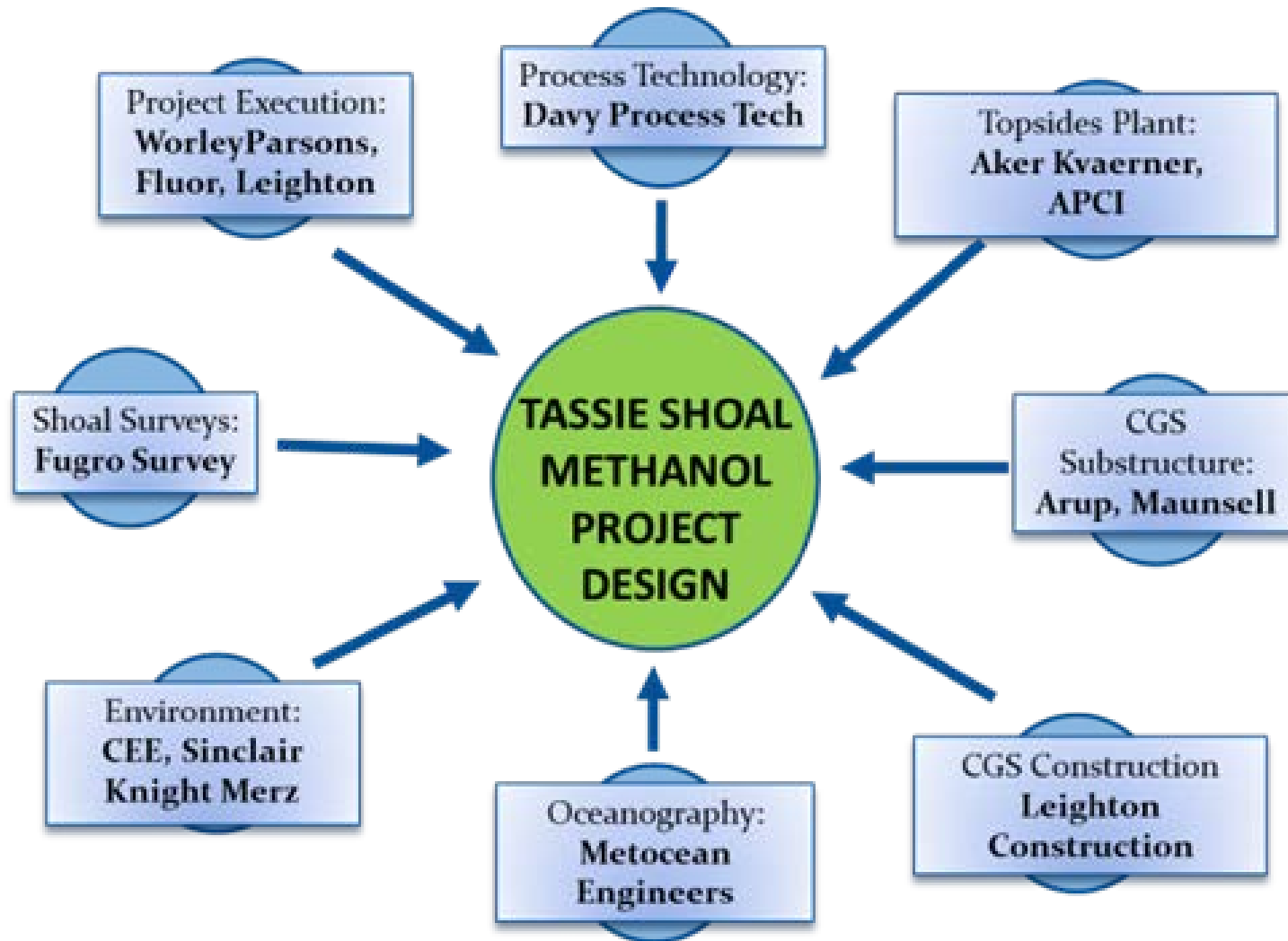


AVOID long pipelines to onshore facilities



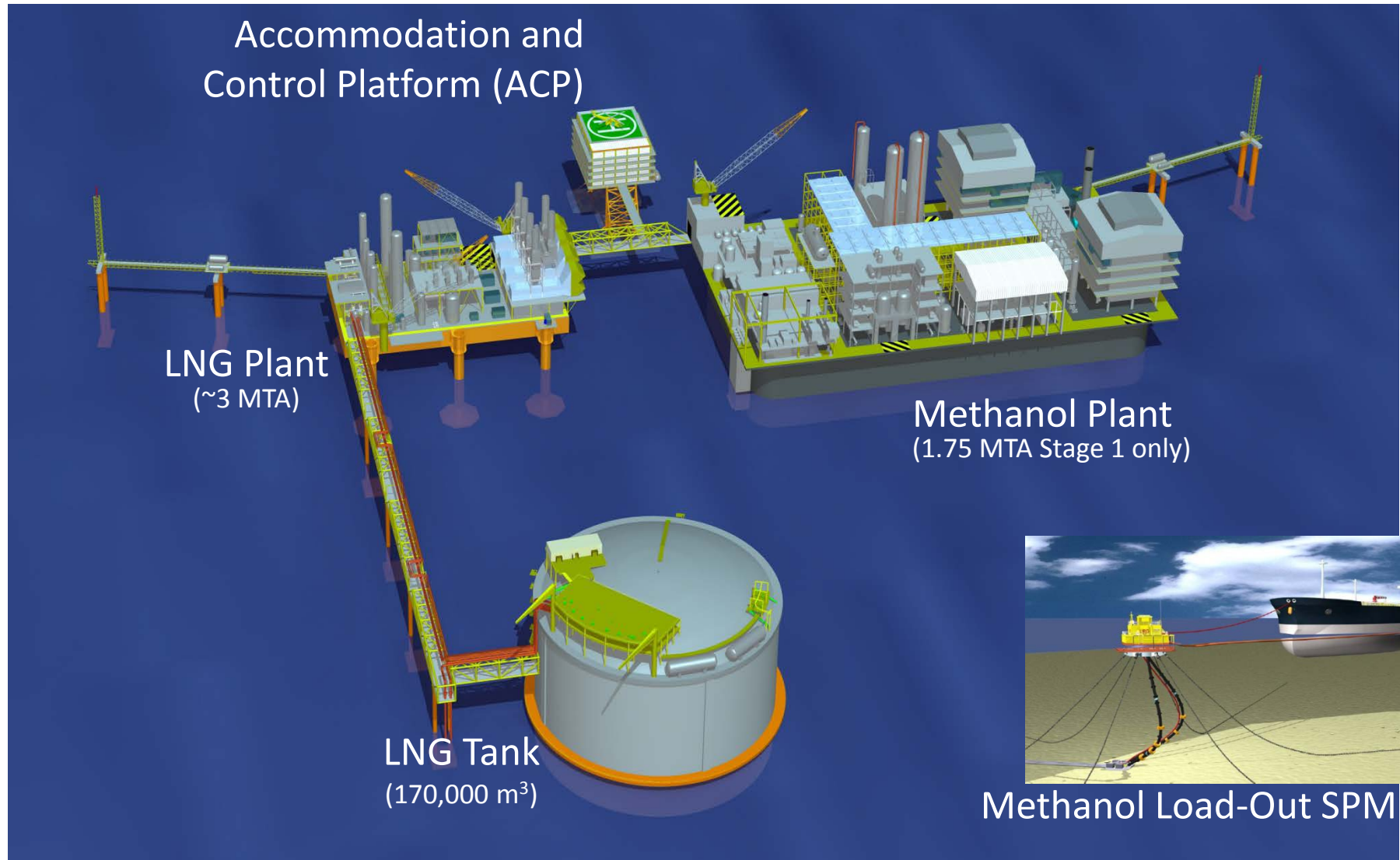
TSMF Designed Using Industry Leaders

Final selections of partners will be made during FEED/EPC



Overall Design Concept

Methanol Plants & LNG Plant

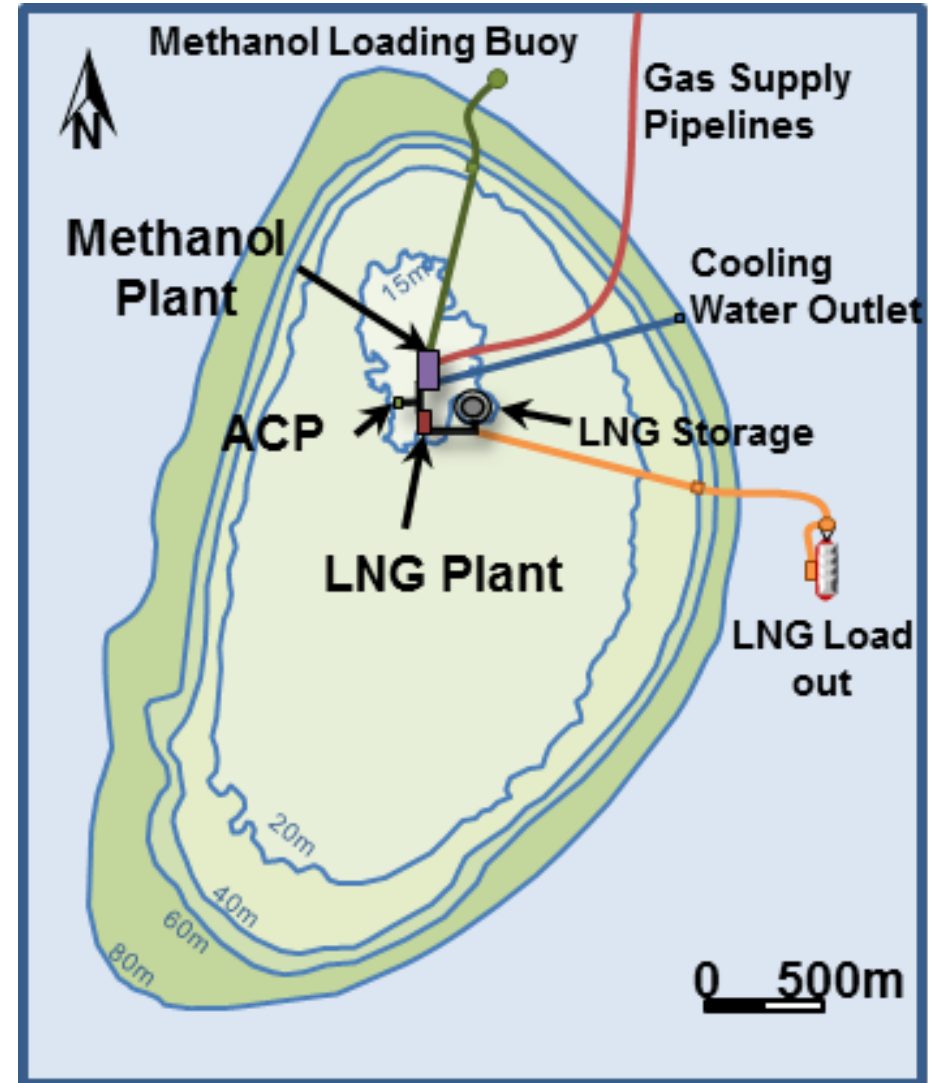


Siting on Tassie Shoal

Preliminary Layout Optimizes use of Shallow Water Site



- 14 metre water depth
- Shorter pipelines
 - 275kms closer to regional resources than a Darwin onshore base
- Lower construction costs
 - SE Asian construction and towing to Tassie Shoal
- Avoids coastal construction and environmental issues
- Avoids floating vessel design complexities
 - Vessel motion issues
 - Swivel/turret issues



TSMP Design uses Proven Technology

Davy Process Technology & Concrete Gravity Base Structure



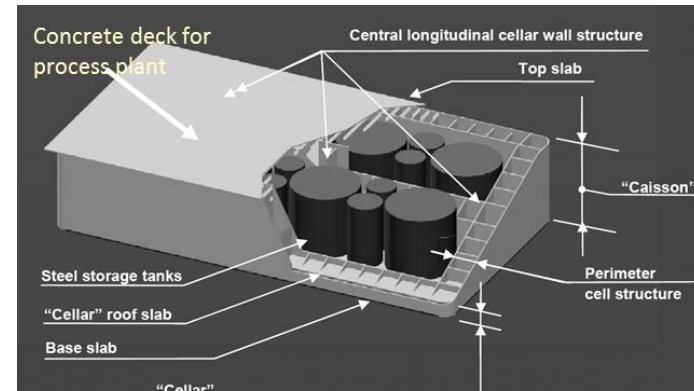
- Process plant based on Davy Process Technology plants



- Enhanced 'stick-build' on deck in casting basin



- Concrete Gravity Base structure
- Transported as a barge to Tassie Shoal



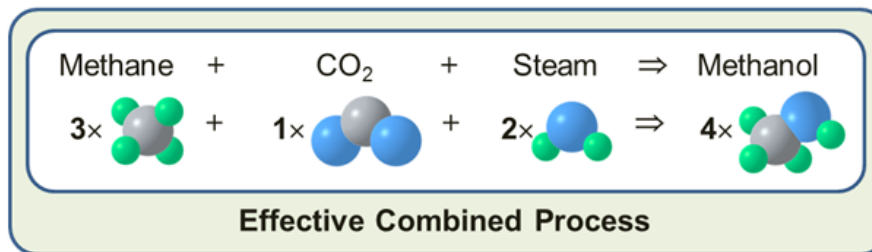
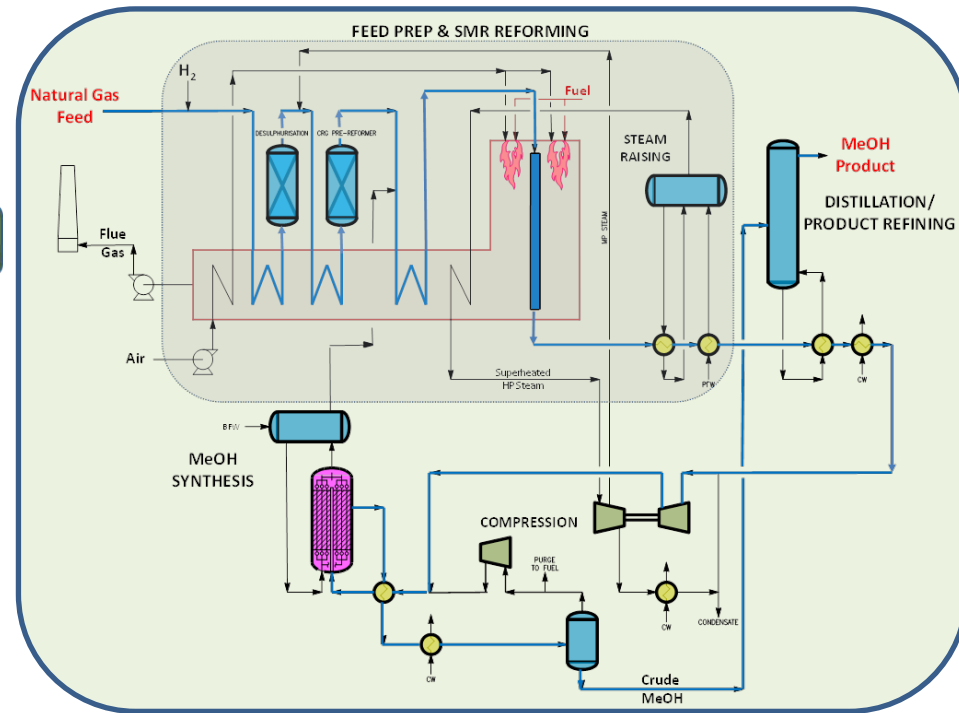
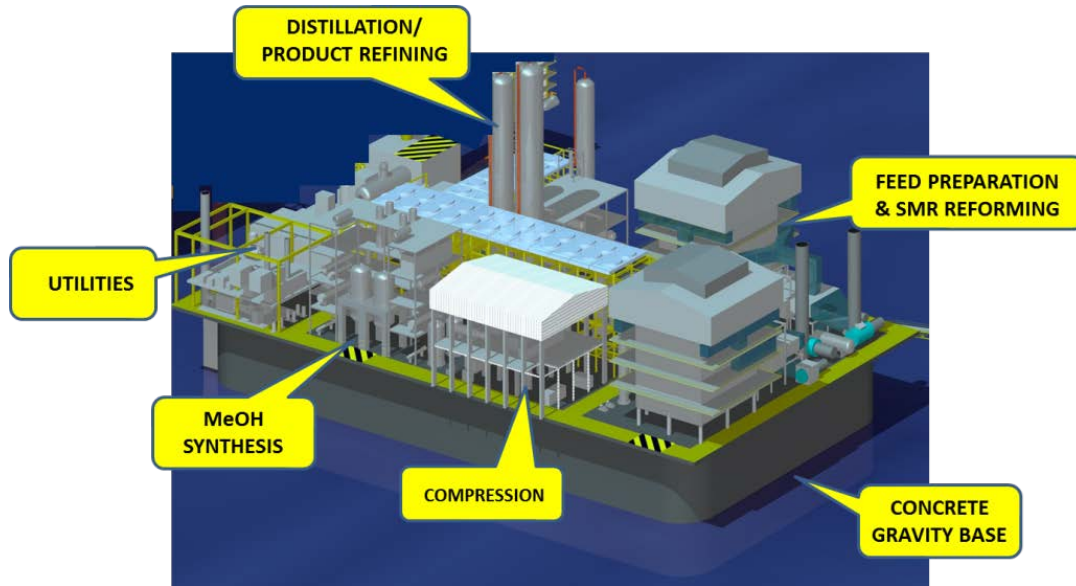
- Installed by ballasting in 14m water
- Becomes artificial island
- 20 days methanol storage

TSMP Topsides Key Features

Davy Process Technology SMR Process

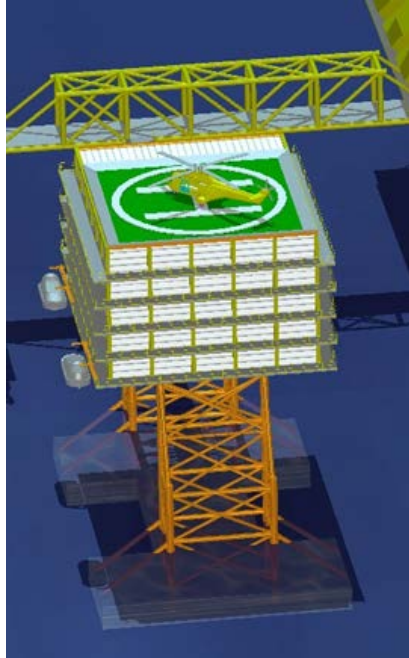


- Optimal design to convert high CO₂ feed gas to synthesis gas



Accommodation and Control

Platform (ACP)



- Separated from plant and storage
- Bridge connection to production/processing plant

TSMP Operations & Logistics

Onshore Base in Darwin, NW Australia



- Capital City support facilities
- Existing offshore support base, under expansion
 - Logistics support: supply base, supply & crew boats, helicopters
- TSMP primarily controlled on-site via Accommodation & Control Platform
- Secondary control via a Darwin on-shore base
 - Monitoring offshore operations, administration and warehousing facilities



TSMP Casting Basin Site Selection

South East Asia Focus

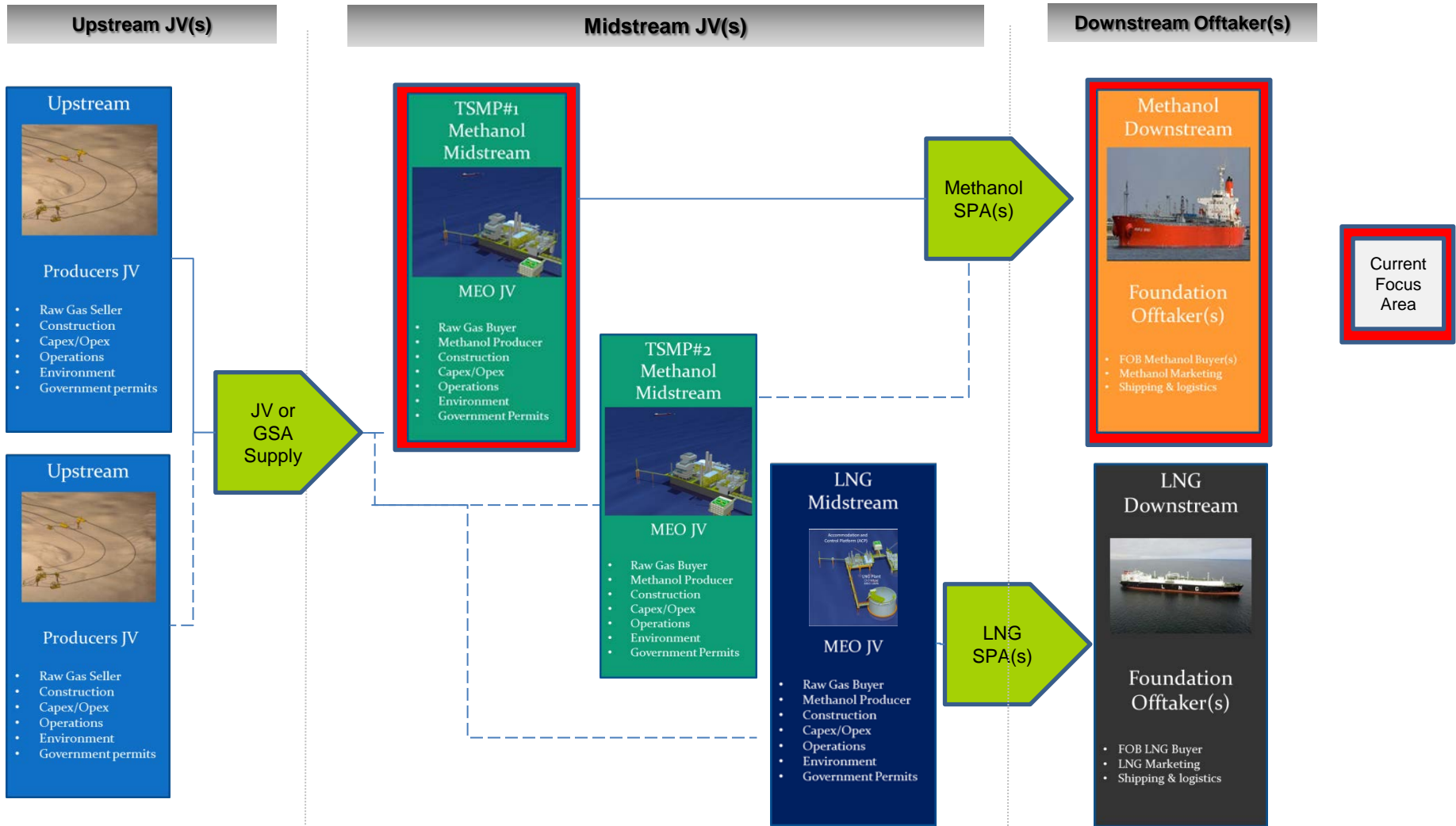


- Potential construction sites inspected
- Development costs estimated
- Key Criteria:
 - Area
 - Ground conditions
 - Channel depth
 - Fabrication facilities
 - Workforce skills
 - Tow distance and risks



Modular Commercial Structure

Current focus on TSMP₁



Commercial Status



- Preliminary discussions held with key methanol market participants
- Expressions of Interest received for 8.3MTA methanol offtake from TSMP₁ (capacity 1.75MTA)
- Forward Plans
 - Continue exploring synergies between TSMP₁ offtake sale to Foundation Buyers and midstream/upstream investment
 - Mature commercial framework



- Tassie Shoal Methanol Projects have distinct competitive advantages
 - Uses CO₂ in SMR process
 - Centrally located
 - Shallow water design reduces costs
 - Construct in low cost SE Asian location
 - Environmental Approvals in place
- Expansion potential offers benefits for foundation investors



Thank you for your interest

For more informationwww.meoaustralia.com.au

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