

**ASX & Media Release**

**Gulf of Thailand G2/48 Update**

**Key Points:**

- 100 MMstb unrisks mean prospective oil resources in 23 Prospects & Leads
- 50 (mean) to 100 MMstb (P10) unrisks prospective oil resources in top 5 targets
- Sainampueng-1 chosen as most definitive test of basin potential
- Well expected to be drilled in Q4 2012
- Considerable follow up potential if basin proves to be generating oil

MELBOURNE, AUSTRALIA (5<sup>th</sup> September, 2012)

MEO Australia Limited (ASX: **MEO**; OTCQX: **MEOAY**) provides the following update in relation to its interests in the Gulf of Thailand G2/48 concession, operated by Pearl Oil Offshore Limited (“Pearl Oil”), an affiliate of Mubadala Petroleum (“Mubadala”).

On 27<sup>th</sup> February 2012, MEO announced that its wholly owned subsidiary Rayong Offshore Exploration Limited had executed a binding farm-in agreement with Pearl Oil to acquire a 50% Participating Interest in the Block G2/48 Concession in the Gulf of Thailand.

The Gulf of Thailand is host to an emerging oil play within the smaller basins offsetting the larger and established Patani Basin. Historically, these smaller basins were thought to be too shallow to generate oil. However, oil discoveries have been made in at least six of these smaller basins adding approximately 150 MMstb oil reserves in the past 5 years.

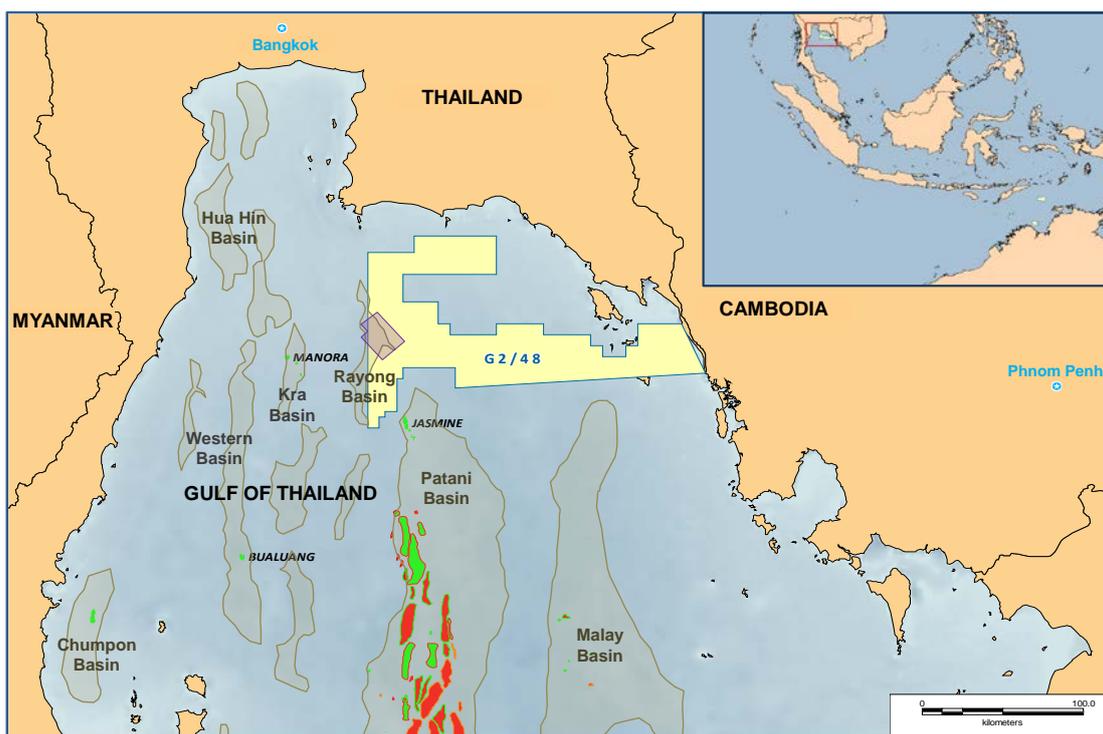


Figure 1. Location Map showing Sedimentary Basins



G2/48 containing the Rayong basin has only had two wells drilled in it, both wells exhibited hydrocarbon shows. The basin shares similar geological characteristics as the adjacent oil bearing basins, however is not yet considered proven to be oil generative.

A 450km<sup>2</sup> 3D seismic survey targeting the southern Rayong Graben was acquired within G2/48 in late 2011. Detailed interpretation has identified 23 prospects and leads in multiple play types at a number of target levels with a cumulative unrisksed mean prospective recoverable oil resource potential of more than 100 MMstb. The depth and breadth of this prospect inventory means there is considerable follow up potential if the first well proves the Rayong basin is generating oil.

Sainampueng-1 has been selected as the optimal location to test whether the G2/48 concession is oil generative. MEO estimates that the Sainampueng prospect contains mean unrisksed prospective resources of 10 MMstb with a high side up to 27 MMstb (P10).

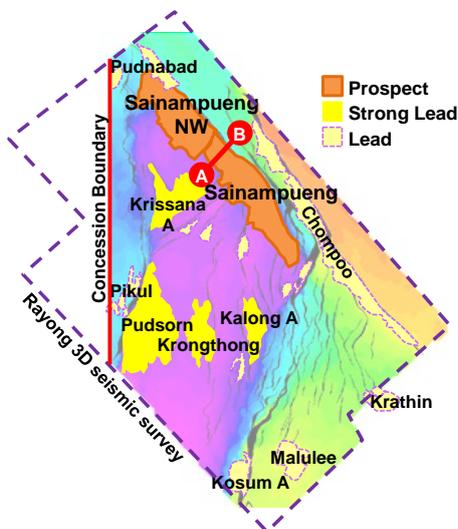


Figure 2. Prospect and Leads Map

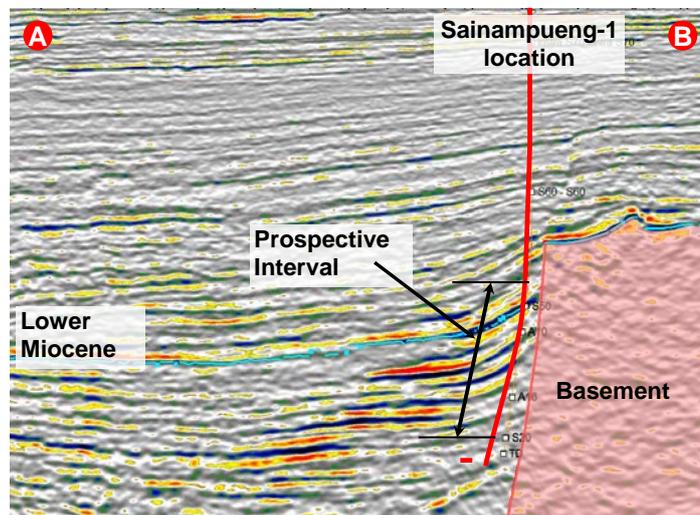


Figure 3. Sainampueng Prospect Seismic Section.

Pearl Oil has contracted the Ensco-85 rig for a multi-well offshore Gulf of Thailand drilling campaign. Sainampueng-1 is part of this program and drilling is currently expected to commence during Q4 2012.

**MEO's CEO and MD Jürgen Hendrich commented on the announcement:**

*"The shallow water Gulf of Thailand emerging oil province is an exciting oil play to be participating in. MEO is delighted to be partnering with a proven and seasoned operator. Success at Sainampueng-1 has the potential to open up a new basin with significant follow up potential."*

**Jürgen Hendrich**  
Managing Director & Chief Executive Officer