



# MEO Australia

energy for the future

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This presentation includes certain forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

These factors include, among other things, commercial and other risks associated with estimation of potential hydrocarbon resources, the meeting of objectives and other investment considerations, as well as other matters not yet known to the Company or not currently considered material by the Company.

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## Investor Update

August 2010



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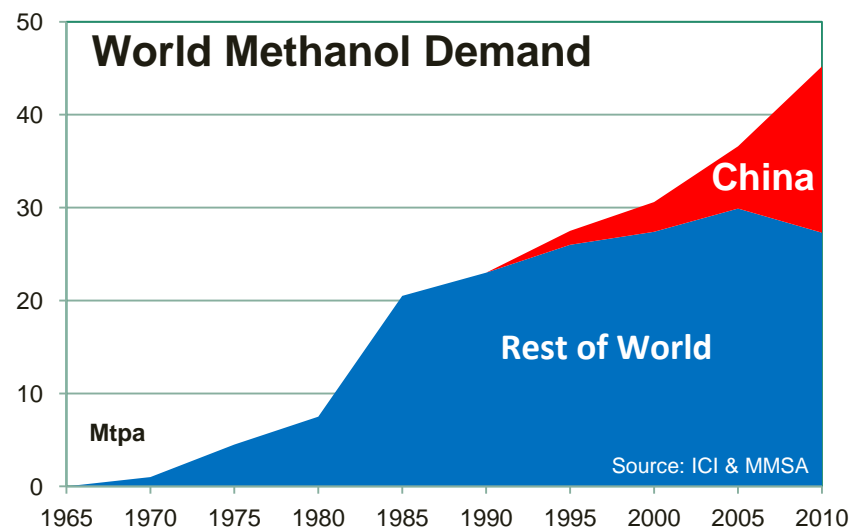
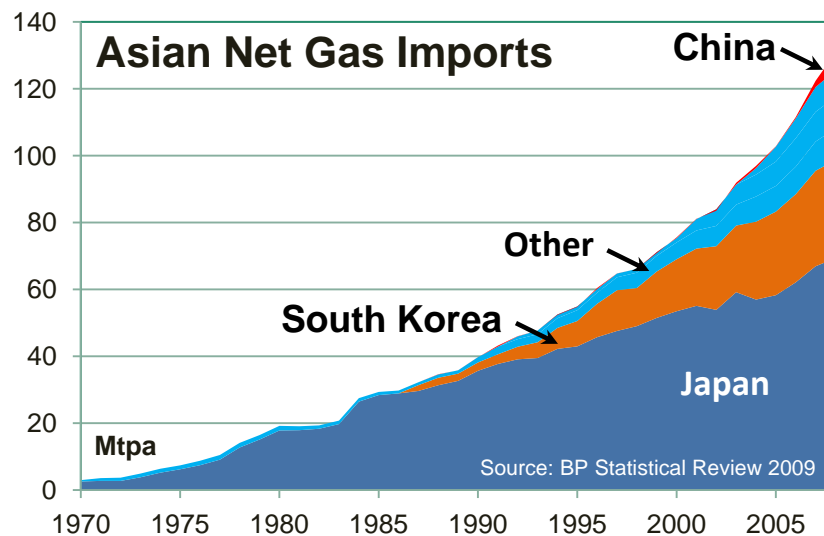
# Corporate snapshot

Open, retail register, material cash\*, leveraged to export gas markets

## MEO Australia Limited (MEO)

Issued shares (Ordinary fully paid )	477.2m
Unlisted options	8.9m
Mkt Cap (@\$0.37)	\$177m
Cash (@ 30th June) <i>Plus Petrobras cash*</i>	A\$36m + US\$39m
Enterprise value* (Net of cash backing)	~\$97m
Daily liquidity (Rolling 3 month average)	~3.5m
Shareholders (31 <sup>st</sup> July)	~12,950
Top 20 hold (31 <sup>st</sup> July)	~17%

\* Post regulatory approvals expected August





# Project summary

Leveraging existing portfolio, seeking quality people & new projects

Category	Status	Plans
People	Balanced Board Experienced Management	In place since October 2008 Seeking to add further capability
Projects	<p><b><u>North West Shelf (Exploration)</u></b>            -WA-360-P (25%, Operator)            -WA-361-P (50%, Operator)</p> <p><b><u>Bonaparte Basin (Appraisal)</u></b>            -NT/P68 (100%, Operator)</p> <p><b><u>Timor Sea (Development)</u></b>            -Tassie Shoal Methanol (50%)            -Timor Sea LNG (100%)</p> <p><b><u>New Ventures</u></b>            - tba</p>	<p>Contracted rig. Drilling Artemis-1 2010 Expires Feb'11, seeking 5 year renewal</p> <p>Renewed Feb'10 for 5 yrs. Drill 2011</p> <p>Suitable for &lt;25% CO<sub>2</sub> in feed gas Suitable for low CO<sub>2</sub> in feed gas</p> <p>Seeking to supplement portfolio</p>
Partnerships	JV with Petrobras WA-360-P JV with Air Products (TSMP) JV with ????? (NT/P68)	Drilling Artemis-1 late 2010 Pending securing feed gas supply Seeking partner post technical studies

# Balanced Board

Blend of industry and capital market experience



**Nick Heath**

Non-Executive Chairman

- Appointed May 2008
- Engineer
- >30 years with ExxonMobil
- Past APPEA President



**Jürgen Hendrich**

MD & CEO

- Appointed July 2008
- Geologist, Investment Banking
- 12 years at Esso Australia
- 13 years financial markets



**Greg Short**

Non-Executive Director

- Appointed July 2008
- Geologist
- >33yrs with ExxonMobil
- Retired 2006



**Michael Sweeney**

Non-Executive Director

- Appointed October 2008
- Barrister, arbitrator & mediator
- Practicing Barrister
- 10 years MiMi (Mitsui/Mitsubishi)



**Stephen Hopley**

Non-Executive Director

- Appointed October 2008
- Financial Services
- 14 years with Macquarie Bank
- Retired 2003

# Experienced management team

## Seeking to selectively add high quality people

	<p><b>Jürgen Hendrich</b> MD &amp; CEO</p> <ul style="list-style-type: none"> <li>• Geologist 12 yrs with ExxonMobil subsidiary</li> <li>• 14 yrs in financial markets</li> </ul>
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	<p><b>Colin Naylor</b> CFO/Company Secretary</p> <ul style="list-style-type: none"> <li>• 30 years at Woodside, BHP, Rio</li> </ul>
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	<p><b>Ken Hendrick</b> Implementation Manager</p> <ul style="list-style-type: none"> <li>• &gt;40 years with large companies</li> </ul>
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	<p><b>Robert Gard</b> Commercial Manager</p> <ul style="list-style-type: none"> <li>• 22 years with ExxonMobil</li> </ul>
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	<p><b>Dave Maughan</b> Exploration Manager</p> <ul style="list-style-type: none"> <li>• 35 years with ExxonMobil</li> </ul>
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<p>???</p>	<p><b>TBA</b> New Ventures Manager</p>
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<p>???</p>	<p><b>Actively seeking</b> Business Development Manager</p>
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# Recent and near term milestones

De-risking projects & attracting funding partners to test potential

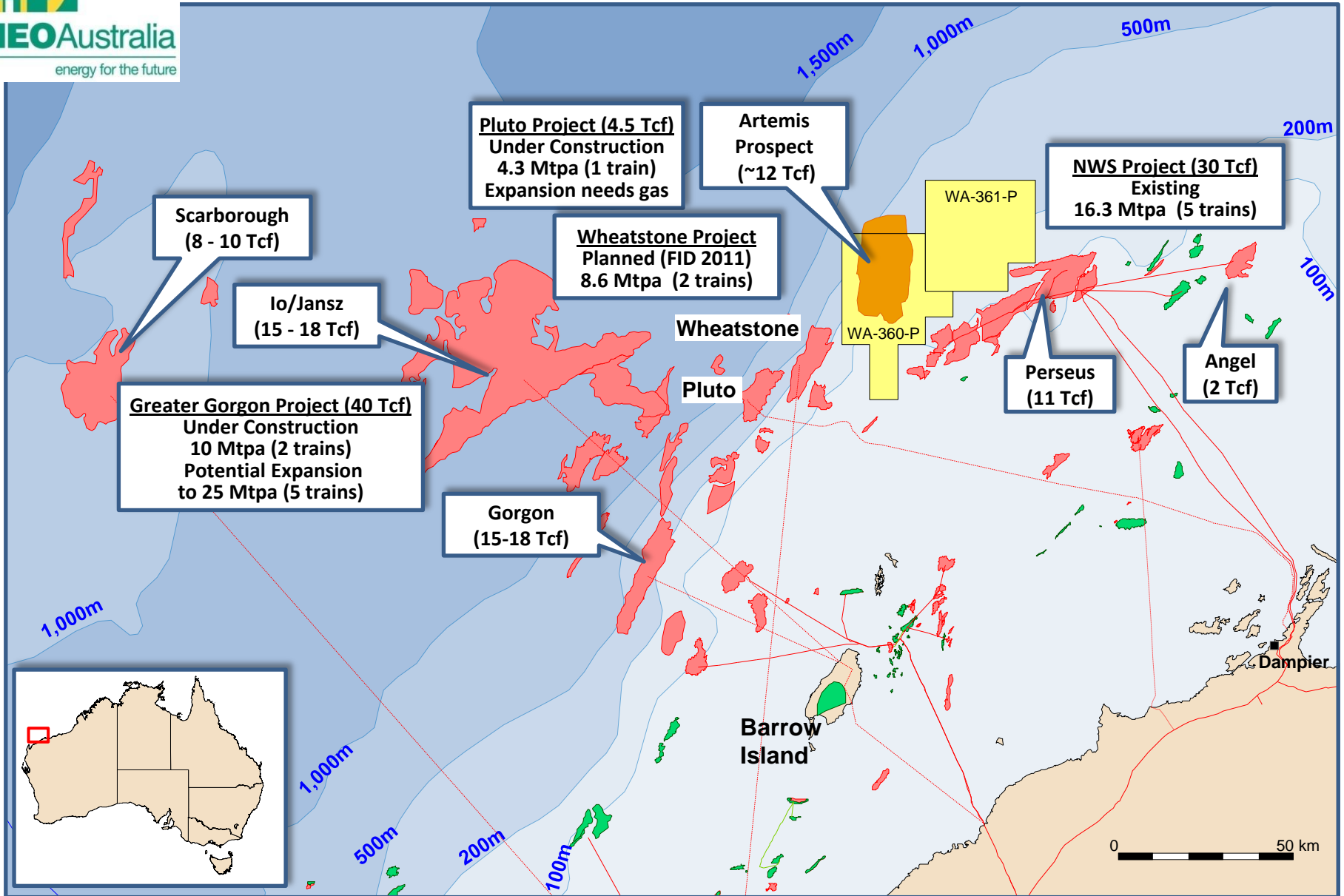
Milestone	Status	Date
Identify preferred farmin partner for WA-360-P (Artemis)	<input checked="" type="checkbox"/>	Sep 2009
Secure funds and commit to drilling Artemis-1	<input checked="" type="checkbox"/>	Nov 2009
Execute WA-360-P Farmin agreement	<input checked="" type="checkbox"/>	Apr 2010
Secure FIRB approval for WA-360-P Farmin	<input checked="" type="checkbox"/>	June 2010
Acquire additional 5% equity in WA-360-P	<input checked="" type="checkbox"/>	June 2010
Execute contract for drilling rig to drill Artemis-1 in late 2010	<input checked="" type="checkbox"/>	July 2010
Acquire additional 15% equity in WA-361-P	<input checked="" type="checkbox"/>	July 2010
Complete Schlumberger NT/P68 Reservoir Characterisation Study	<input checked="" type="checkbox"/>	July 2010
Secure regulatory approval for WA-360-P Permit equity transfer	<input type="checkbox"/>	Imminent
Complete Gaffney Cline & Associates NT/P68 Resource Certification	<input type="checkbox"/>	Imminent
Launch farmout of NT/P68	<input type="checkbox"/>	Imminent
Handover of Songa Venus rig from Shell to drill Artemis-1	<input type="checkbox"/>	Nov 2010



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# Carnarvon Basin – the premier LNG address!

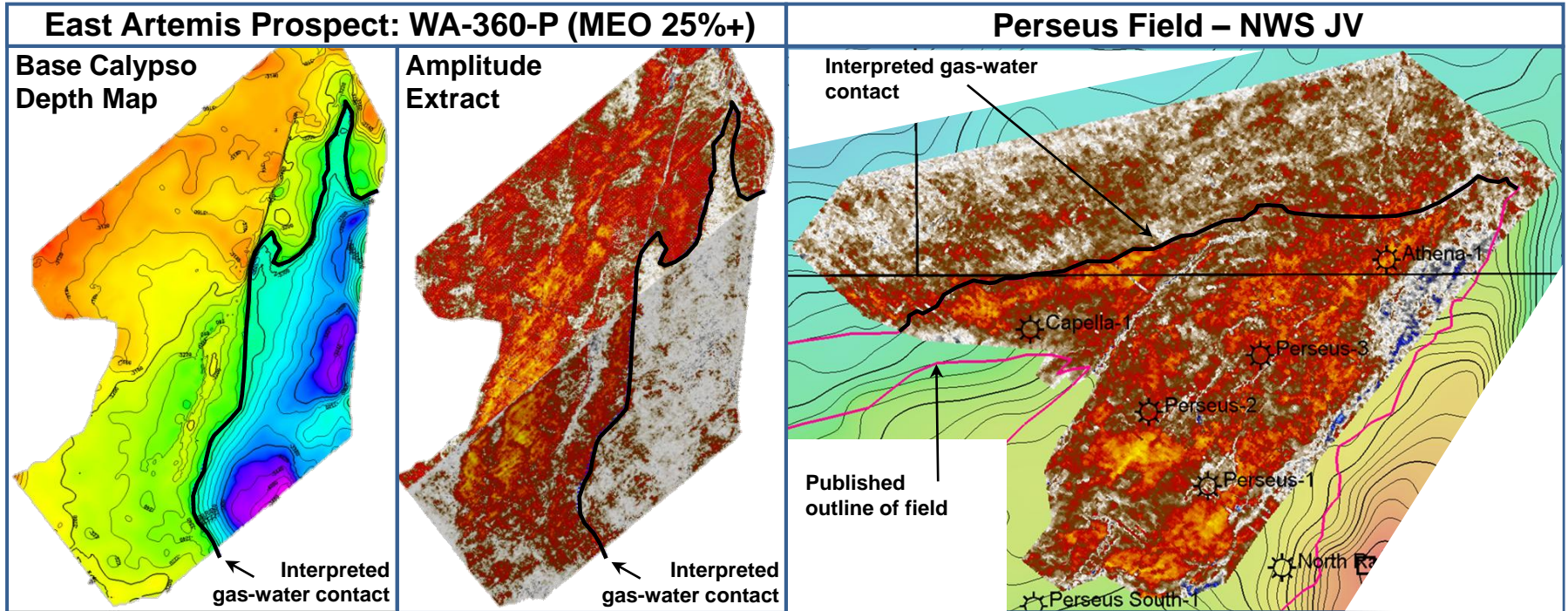
MEO acreage on trend with recent discoveries/developments





# Artemis prospect DHI comparison with Perseus

DHI\* conformable with structure – similar to Perseus field



- \* DHI = Direct Hydrocarbon Indicator
- + Post regulatory approval of Petrobras farm-in
- MEO Estimates Geological Chance of Success (GCOS) at 32%
- Gas quality expected to be similar to Pluto & Wheatstone
- Multiple options to monetise any discovered resources



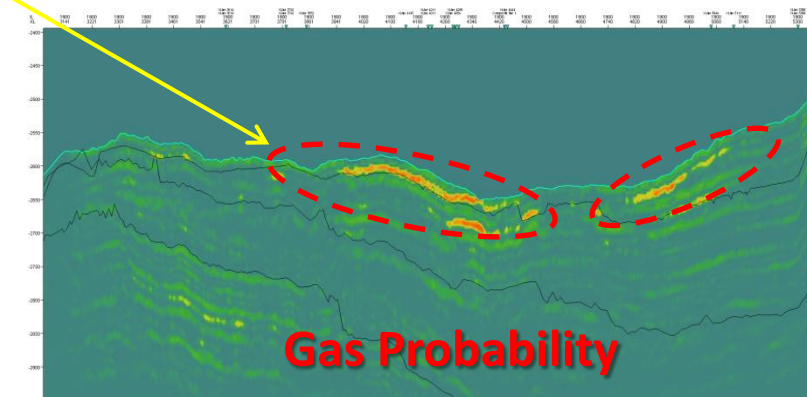
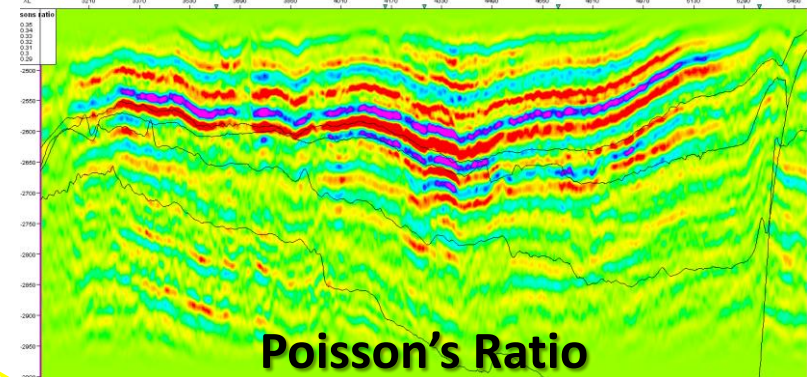
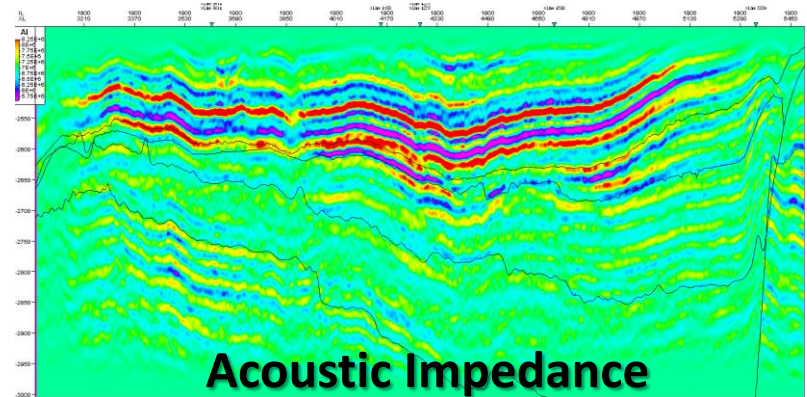
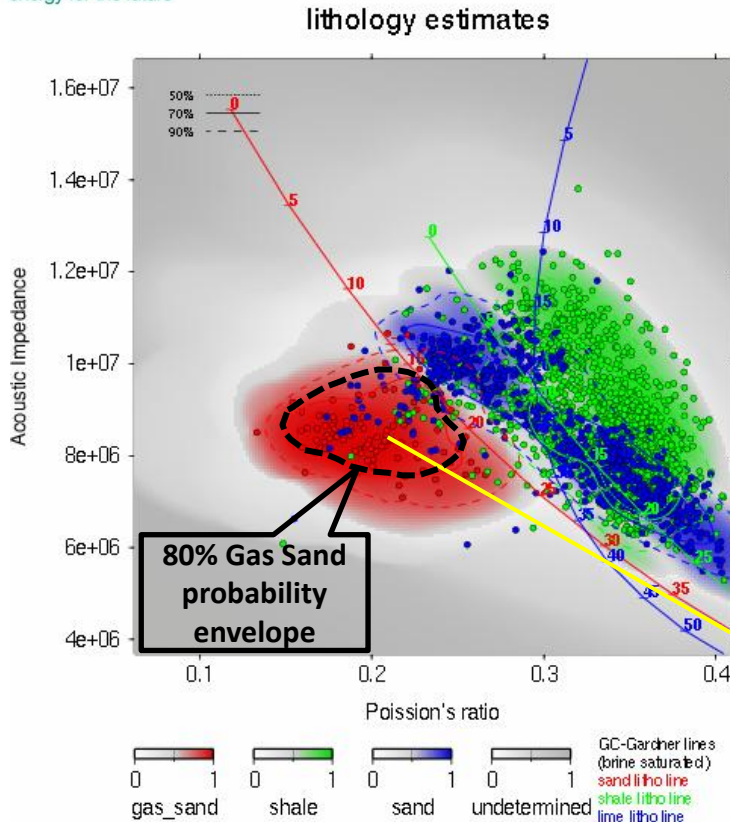


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# Artemis prospect – applying technical rigour

## DHI analysis to identify & quantify probability\* of gas sands



Simultaneous inversion was undertaken to produce three datasets (Acoustic Impedance, Poisson's Ratio and Gas Probability\*) that were used to determine distribution of likely gas sands

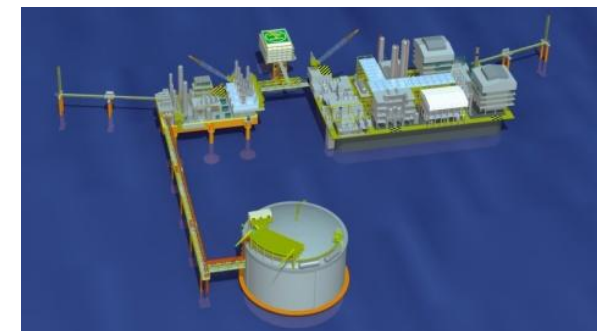
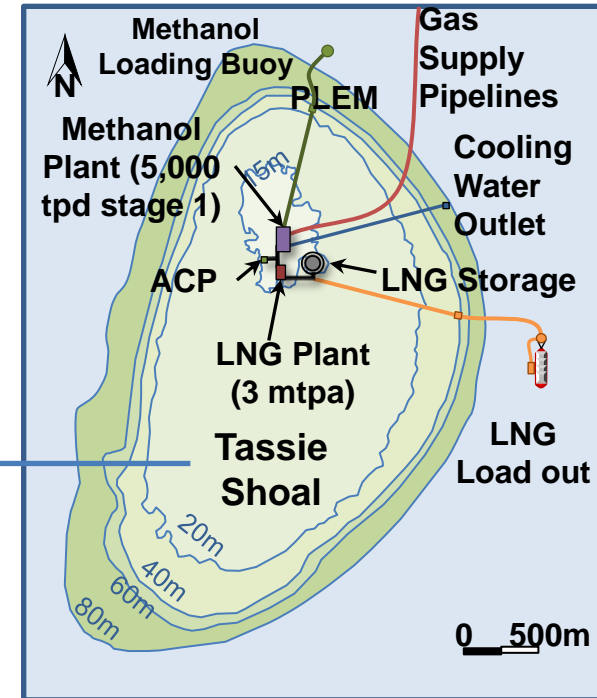
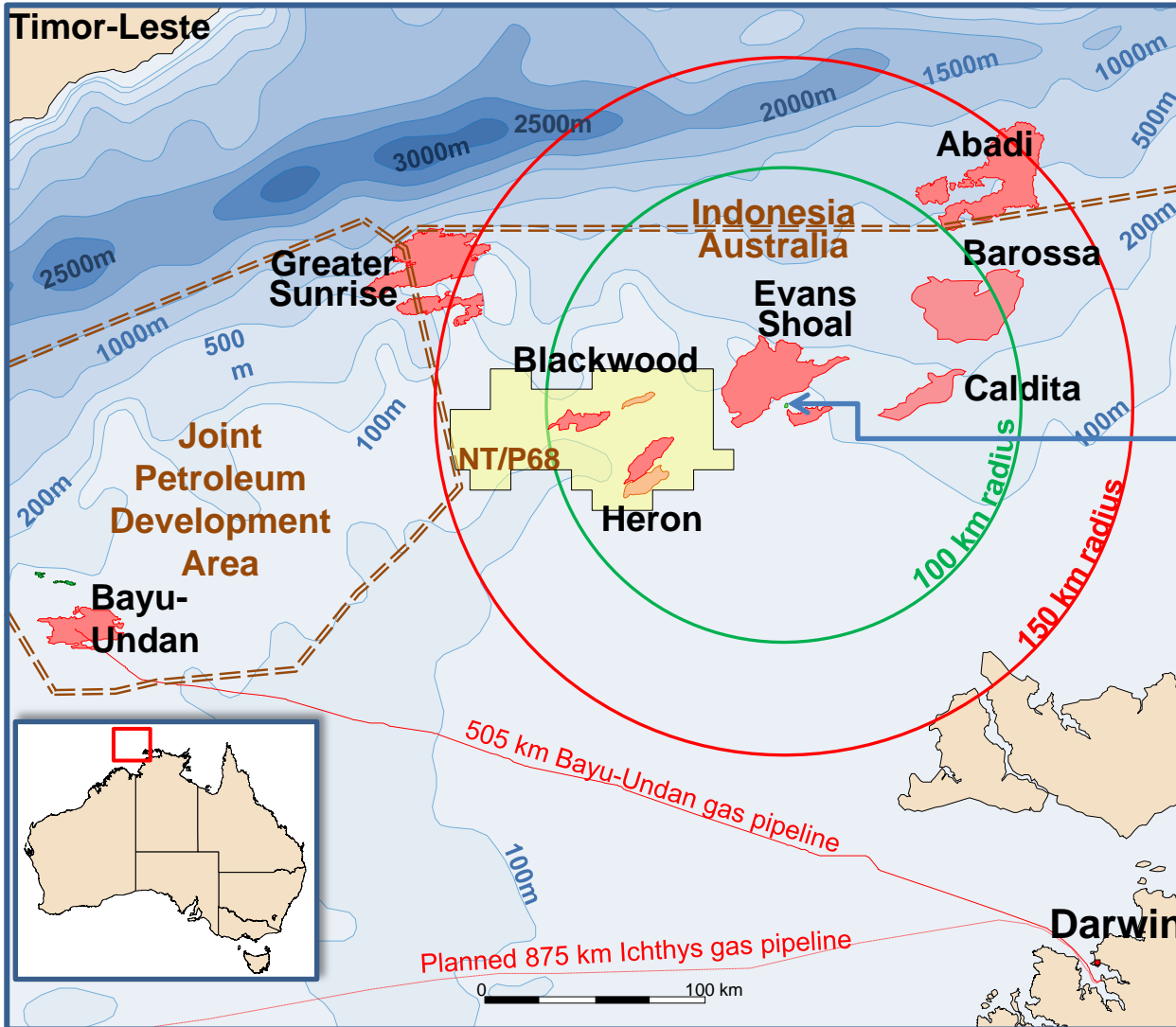
\* Note: Gas probability calculation is not calibrated to well data in this 3D seismic data set. Artemis-1 will calibrate the data



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# Timor Sea Projects

Tassie Shoal projects have Environmental Approvals



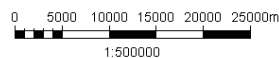
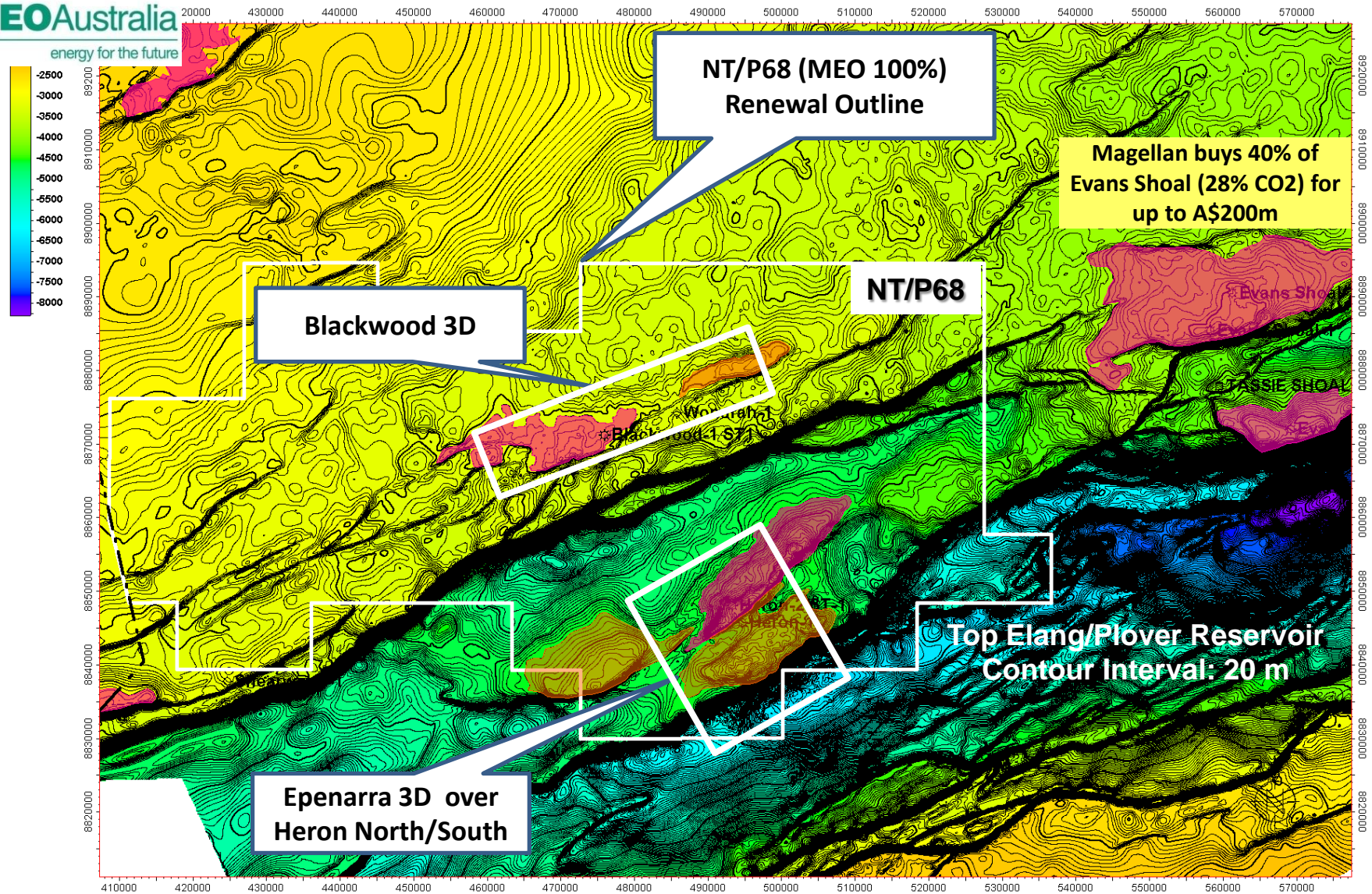


# NT/P68 (100% MEO) hosts 2 gas discoveries

Farm-out pending finalisation of resource certification

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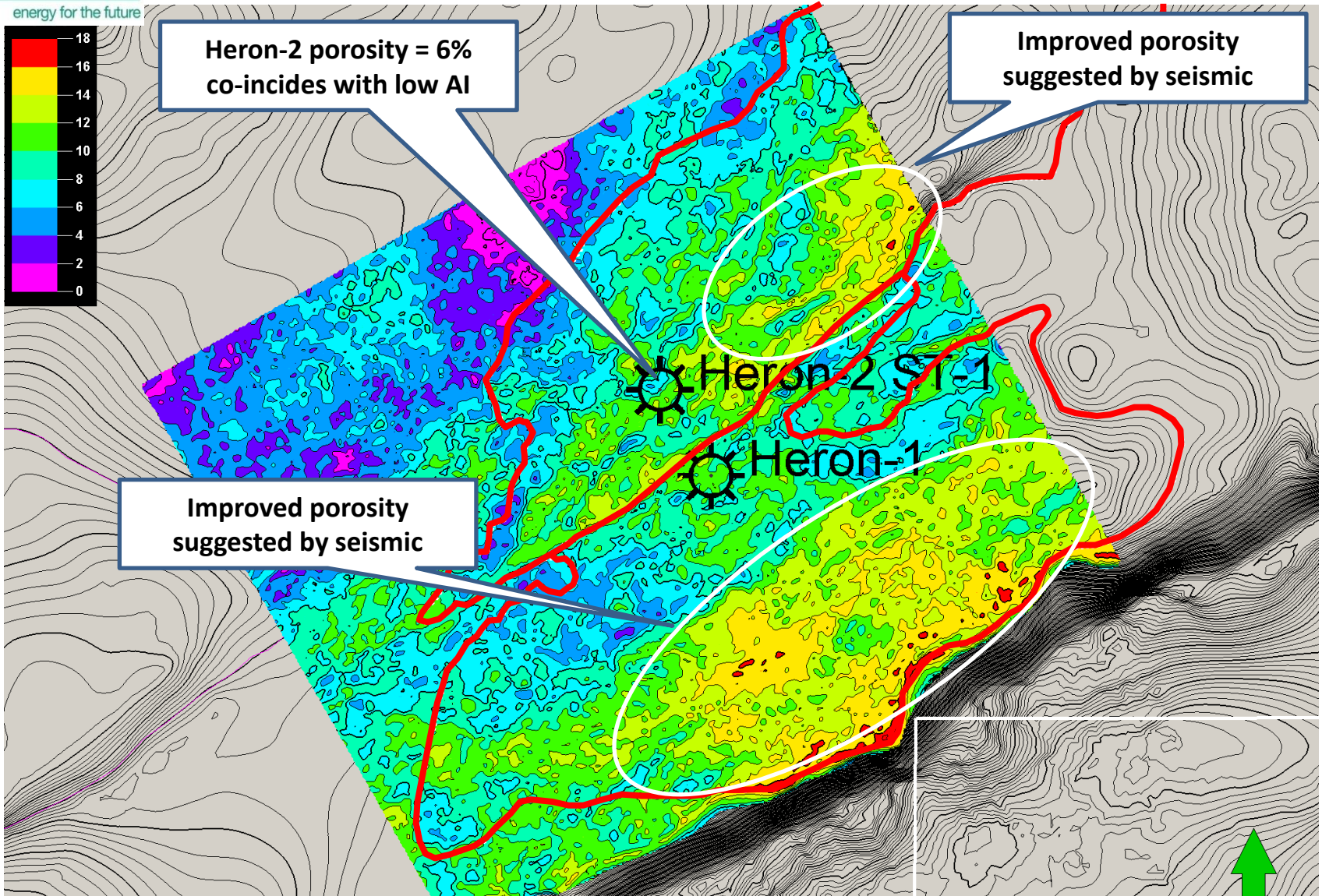


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# Resource certification is pending

Acoustic impedance (AI) studies to predict reservoir sweet spots

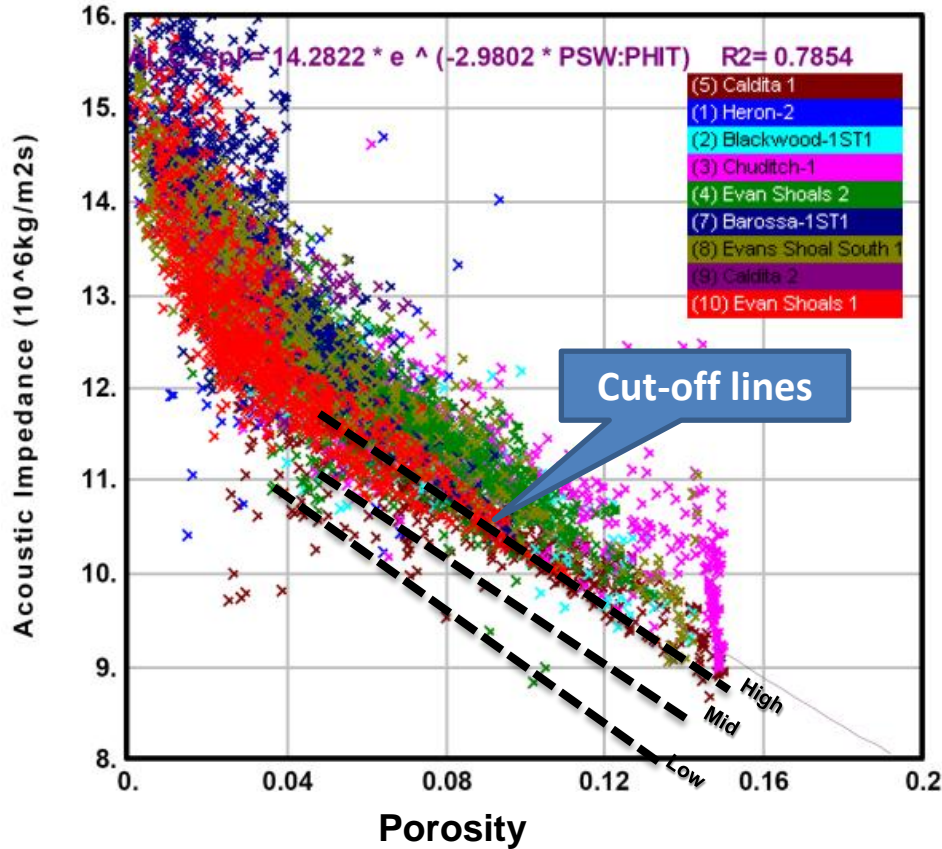




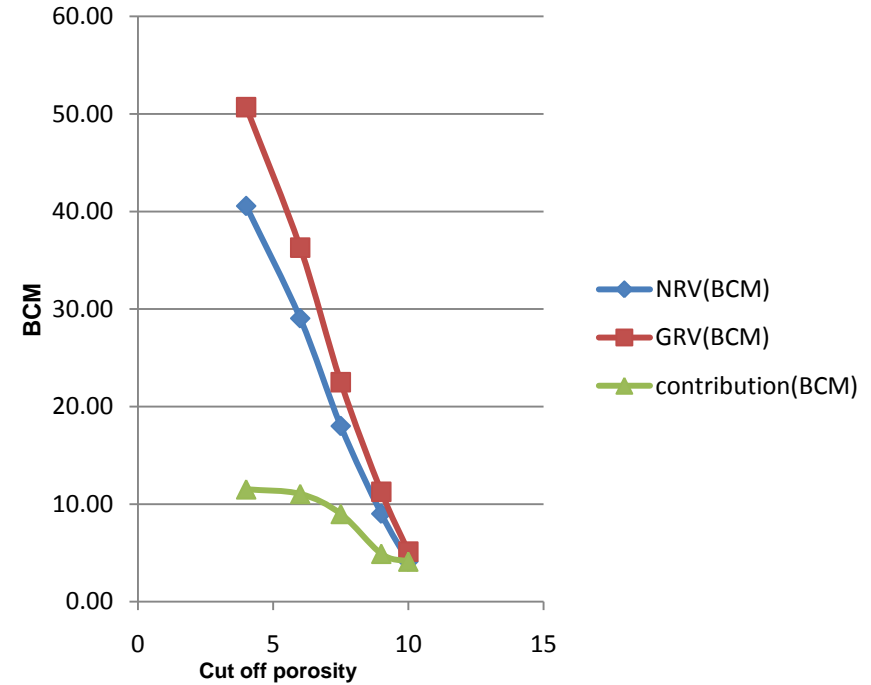
# Seismic used to model porosity distribution

Inputs provided to Gaffney Cline for resource certification

Impedance vs porosity  
All wells



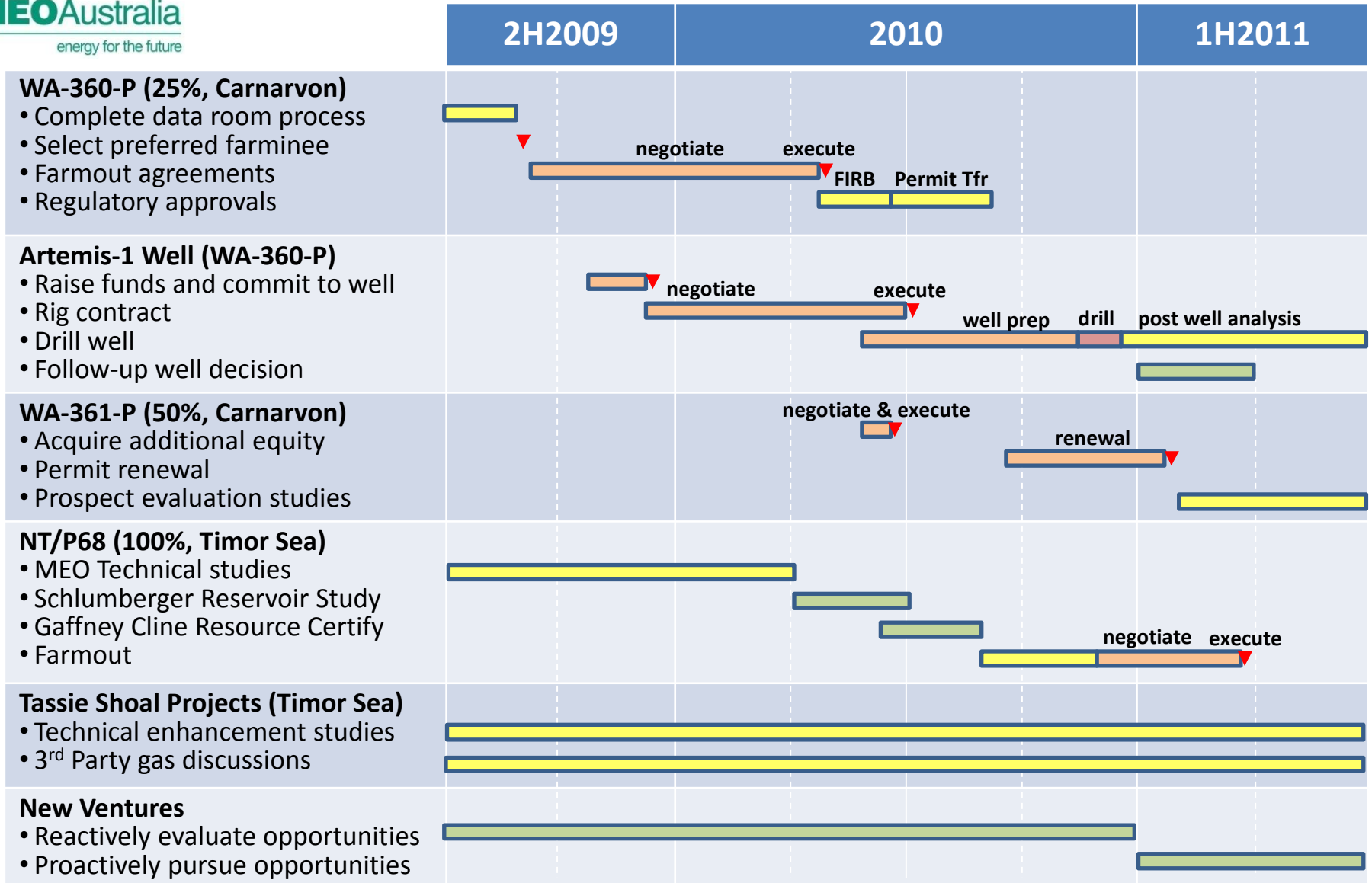
Preliminary rock volumes





# Active portfolio management

Systematically identifying & crystallising potential value





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# Summary

Identifying potential, forging partnerships, unlocking potential value

- Large gas projects near established infrastructure with identified path(s) to monetise
- Balanced board, experienced management, selectively adding high quality people
- 25% equity in ~12 Tcf Artemis prospect – drilling in late 2010
  - 25% free carried in first well
  - 20% free carried in two additional wells (success case)
- 100% interest in Timor Sea permit containing two gas discoveries – farmout planned
- Cashed up (~A\$70m post regulatory approvals) – seeking to supplement portfolio
- Enterprise value ~A\$100m (ex cash) offers substantial leverage to success