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Quarterly Activities Summary for Period Ended 31 March 2016

Highlights during quarter

Cuba

- Prospectivity review of Block 9 continuing
- Results to date confirm the significant petroleum potential of the block with oil identified in a number of previously drilled wells

WA-488-P

- Seismic reprocessing and inversion studies over Beehive prospect under way, results so far significantly enhancing prospectivity

Corporate

- Cornerstone investor secured raising \$1.4 million via private placement for Cuban exploration

Melbourne, Australia (29 April 2016)

MEO Australia Limited (ASX: **MEO**) ("**MEO**" or "**Company**") provides the following summary in relation to its activities during the quarter ended 31 March 2016.

Activity Summary

Cuba

During the quarter MEO continued its detailed assessment of the prospectivity of Block 9 based on the considerable quantity of historical technical data from Block 9 that has been received. The oil recoveries from numerous historical wells as well as natural seeps and tar deposits in Block 9 indicate a wide spread and prolific petroleum system. Initial analysis has also indicated the presence of a number of prospective structural trends in Block 9. In addition a 2D seismic reprocessing project is currently underway, the results of which will be incorporated into the prospectivity assessment that will be concluded in mid-2016.

The Production Sharing Contract (PSC) for Block 9, onshore Cuba, was executed on 3 September 2015. The Block 9 PSC area is in a proven hydrocarbon system with multiple discoveries within close proximity, including the multi-billion barrel Varadero oil field. It also contains the Motembo field - the first oil field discovered in Cuba. As an early mover into Cuba, MEO is now one of the few western companies with a footprint in the expanding Cuban hydrocarbon sector.

WA-488-P

MEO commenced 2D seismic reprocessing and inversion studies over the Beehive prospect during the quarter. Initial results from the seismic reprocessing are showing a significant enhancement to data quality with higher quality definition of key aspects of the prospect that are expected to result in an encouraging enhancement of the prospectivity of Beehive. The seismic reprocessing and inversion study is to be completed by mid-2016. The potential drilling of the prospect has also been deferred by 12 months until late 2017.

New Zealand – PEP51153

MEO was advised during the quarter that liquidators of Kea Petroleum Limited (Kea), Operator of PEP51153 had entered into a conditional agreement for the sale of its 70% interest in the permit. The transaction is subject to New Zealand regulatory approvals. The proposed acquirer is an Operator with existing production in the region potentially bringing significant operational synergies. MEO is a joint venture participant in PEP51153 (MEO 30%), and its interest in the permit is not affected by the appointment of liquidators to Kea. Details of the incoming party will be released in due course.

Corporate Summary

During the quarter MEO executed a private placement agreement with London listed Leni Gas Cuba Limited to raise \$1.4 million. Approximately 140 million shares were issued at a modest premium to the previous closing share price. The funds are to be used to advance exploration on Cuba Block 9. The placement makes Leni Gas Cuba Limited the largest single shareholder in MEO with a 15.8% interest in the company.

Cash balance at end of quarter

Consolidated cash balance at 31 March 2016 was \$4.95 million.

New Ventures

MEO recognises the current business environment is conducive to acquiring assets at an attractive price. Screening for corporate options, early entry and asset opportunities consistent with our strategy continues.

Priorities for the current quarter ending 30 June 2016

- Progress activities in the Block 9 PSC, Onshore Cuba.
- Complete seismic reprocessing & inversion over Beehive prospect, WA-488-P.
- Assist with transfer of Operatorship of PEP51153 (onshore New Zealand).
- Continue screening for corporate options and asset opportunities that enhance MEO shareholder value.



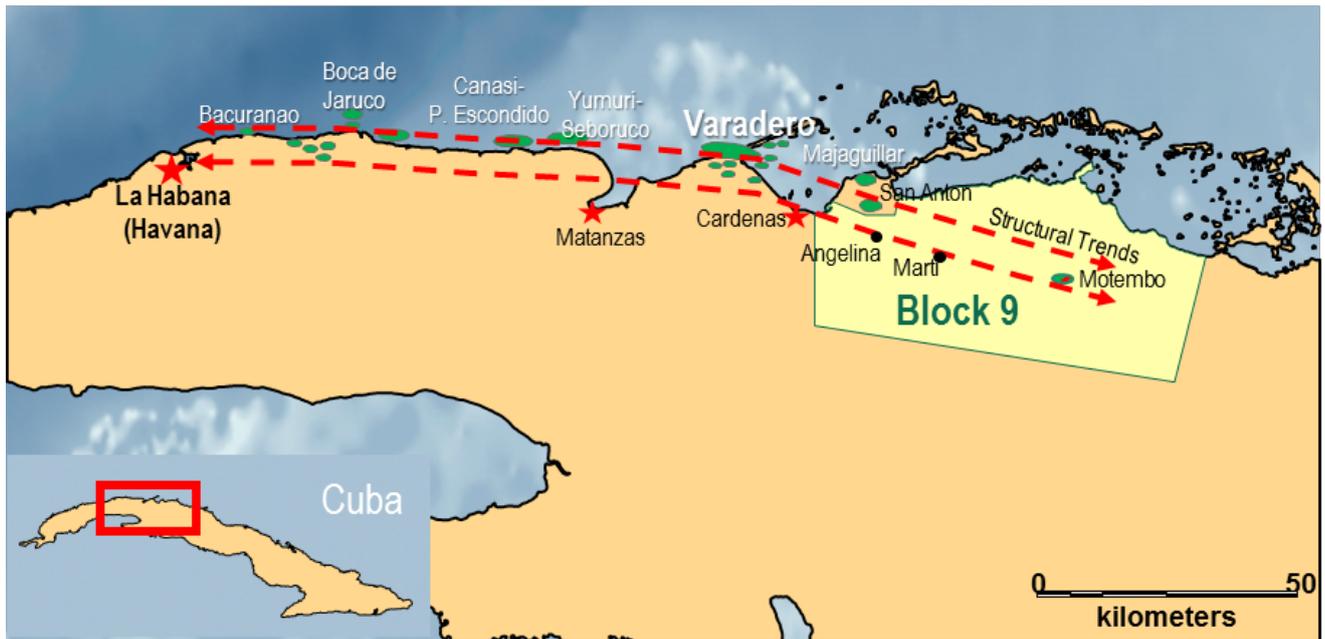
Peter Stickland
Managing Director and Chief Executive Officer

Attachments: Activity Summaries by Project Area

Cuba

The exploration period of Block 9 PSC is split into four sub-periods with withdrawal options at the end of each sub-period. MEO is currently evaluating the existing exploration data in the block and reprocessing selected 2D seismic data before determining whether to proceed with a subsequent 24-month exploration sub-period that includes acquisition of new 2D seismic data.

As an early mover into Cuba, MEO is now one of the few western companies with a footprint in the expanding Cuban hydrocarbon sector. The geology of the block has analogies to petroleum systems in which MEO's technical personnel have significant experience, and MEO sees substantial potential in Cuba overall and Block 9 in particular. MEO looks forward to working closely with the Cuban national oil company, CUPET, to explore and develop Cuba's oil and gas resources.

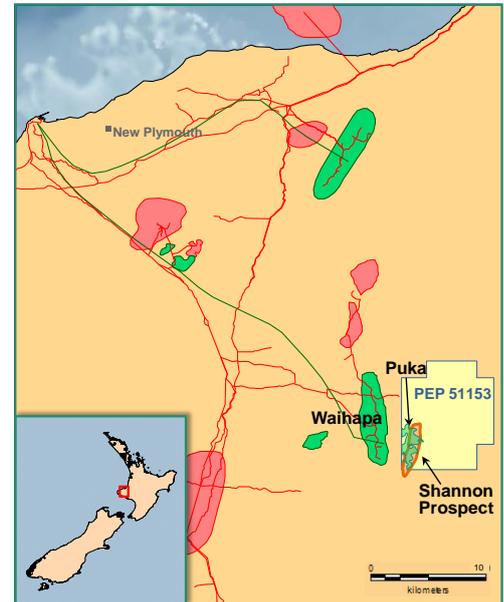


New Zealand: Taranaki Basin

PEP 51153 (MEO 30%, Kea Petroleum Limited* 70% & Operator)

MEO holds a 30%, non-Operator interest in PEP 51153, located in the productive onshore Taranaki Basin of New Zealand. PEP 51153 contains:

- the Puka oil accumulation, which has previously produced from two wells under extended production test, but is currently shut-in; and
- a number of exploration opportunities, such as the Shannon Prospect. This prospect is at the deeper Tikorangi objective updip of Douglas-1 (which encountered oil shows at this level) and is analogous to the nearby Waihapa oil field. The Shannon Prospect is a potentially high impact wildcat opportunity analogous to the nearby Waihapa oil field with potentially very robust economics as initial production can be routed through the existing Puka production pad.



MEO has been advised by the liquidators of Kea Petroleum Limited of a binding conditional sale of Kea's 70% interest in PEP51153 to an existing regional operator. This transaction is subject to New Zealand regulatory approvals.

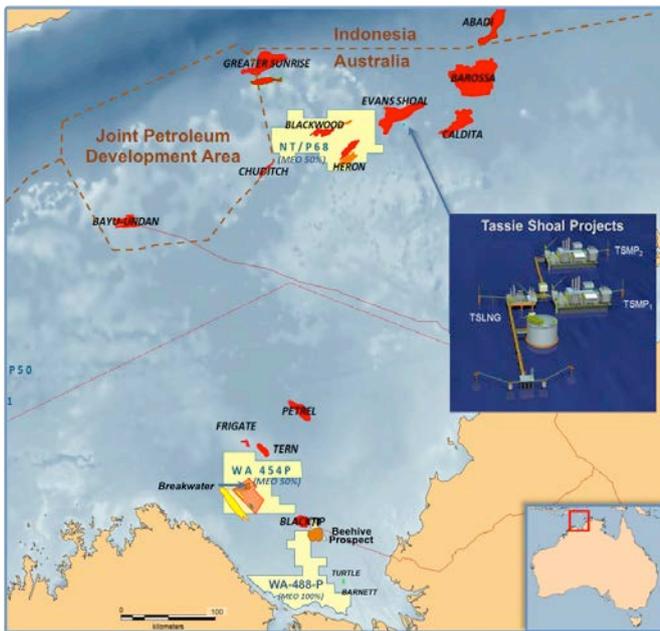
MEO considers the regional operating capability of the incoming party and their general strategic alignment with MEO's objectives for the permit as supporting a strong joint venture on a go-forward basis. Details of the incoming party will be released in due course.

The work plan for PEP 51153 is currently under review and will be determined once the new operator has been confirmed.

* During the quarter MEO was advised by the liquidators of Kea of a binding conditional sale of Kea's 70% interest in PEP51153 to an existing regional Operator, subject to regulatory approval.

Bonaparte Gulf: Petrel sub-Basin

WA-488-P (MEO 100%)



WA-488-P is located in the southern Bonaparte Gulf and covers an area of 4,105 km². The permit was awarded to MEO in May 2012 as part of the acreage Gazettal Round.

MEO has identified the giant Beehive prospect, a new play type within the Bonaparte basin, leveraging the 2011 Ungani-1 oil discovery in Carboniferous aged reservoirs in the nearby Canning Basin.

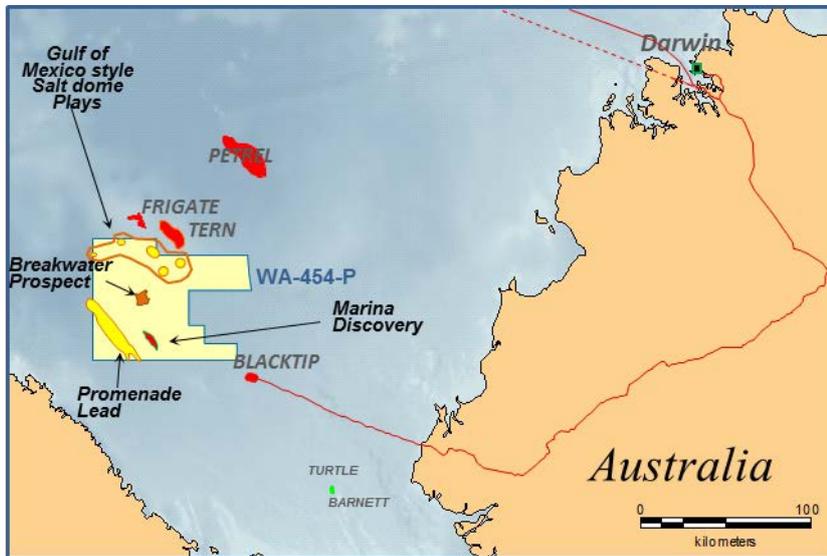
During the quarter, MEO commenced 2D seismic reprocessing and inversion studies to enhance the prospectivity of the Beehive prospect. Initial results from the seismic reprocessing are showing a significant enhancement to data quality. The seismic reprocessing and inversion study is to be completed by mid-2016. The potential drilling of Beehive has been deferred 12 months until 2017.

Indicative Activity Schedule

Permit	WA-488-P	2015				2016				2017							
		Sep Qtr		Dec Qtr		Mar Qtr		Jun Qtr		Sep Qtr		Dec Qtr					
		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O
Operator	MEO																
Permit Year		2						3									
Work program		Studies				Seismic Reprocessing & Inversion				1 Well ^x							
Activities						Inversion											
Reprocess 2D seismic & Inversion																	
Partial sale process																	

Bonaparte Gulf: Petrel Sub-Basin

WA-454-P (MEO 50%, Origin Energy 50% & Operator)



WA-454-P contains the Breakwater prospect and a number of promising leads as well as the Marina gas discovery.

The permit is currently in Year 5. Year 6, which includes the commitment to drill a well, commences in December 2016. MEO has the option to withdraw from WA-454-P prior to entering Year 6.

The Breakwater-1 well is anticipated to be drilled in late 2017 to fulfil the drilling commitment in Year 6. MEO's share of well costs are expected to be greater than A\$12 million based on current well cost estimates.

MEO does not intend to participate in the well at current cost exposure levels. MEO is seeking to farm down or sell a further interest in WA-454-P, but intends to withdraw from WA-454-P if a farm down or sale of WA-454-P is not possible.

Indicative Activity Schedule

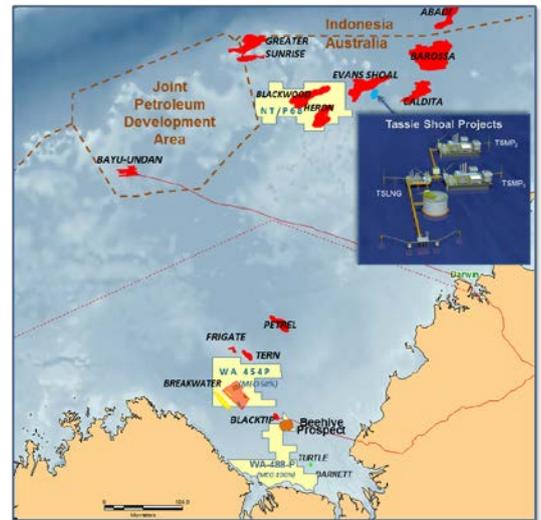
Permit	WA-454-P	2015				2016				2017											
		MEO PI		50%*		Sep Qtr		Dec Qtr		Mar Qtr		Jun Qtr		Sep Qtr		Dec Qtr					
		Operator		Origin		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O
Permit Year		4				5				6											
Work program		Studies								1 well											
Activities																					
PSDM Reprocessing		[Yellow bar]																			
Mature Breakwater prospect						[Green bar]															
Fund 20% residual drilling obligation						[Blue bar]				Partial sale											
MEO option to withdraw										[Red arrow]											
Drill Breakwater-1 ^x														[Red bar]							

* Origin contributing 80% of Breakwater-1 drilling cost up to ~A\$43m well cost cap (using an exchange rate of A\$=US\$0.75)

Tassie Shoal Gas Processing Projects

(MEO 100%)

During the quarter, MEO continued its direct dialogue with political and regulatory stakeholders to update them on the current status of efforts to commercialise the regional stranded high CO₂ gas resources as feedstock to Tassie Shoal. A significant quantity of discovered high CO₂ gas in the region remains with no identified viable development plan. The current turbulence in the global oil and gas industry is expected to result in an eventual renewed focus on the holding costs of these stranded discovered resources by titleholders and either divestment or development opportunities may arise.



Ashmore Cartier Region, Timor Sea: Vulcan Sub-Basin

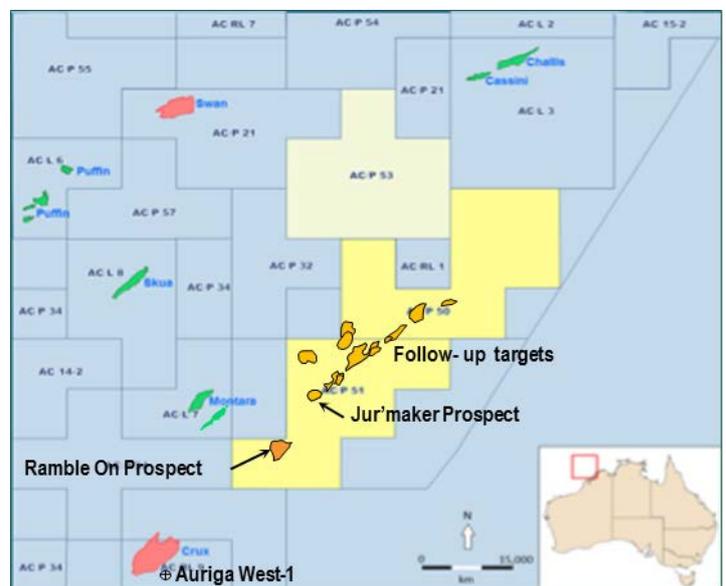
AC/P50, AC/P51, AC/P53 (MEO 100%)

MEO acquired the 507 km² Zeppelin 3D seismic survey across both AC/P50 and AC/P51 in early 2012.

Identification of the Ramble On prospect is the result of applying new ideas to old basins. It represents a new play type that has proven analogues in other Basins. Naturally, any new play type in a region will initially be assigned a higher risk until that play type can be demonstrated to work.

Earlier in 2015 MEO renewed both AC/P50 and AC/P51 for a further 5 years with a minimum work program requirement of studies and seismic reprocessing.

Ramble On prospect is on trend with the recent reported West-1 (Auriga) discovery near Crux resulting in renewed industry interest in the region. As a result, MEO is looking to farmout AC/P50 and AC/51 and is currently in discussion with a number of interested parties.



MEO's assessment of AC/P53 has not identified any commercially attractive prospects, and MEO expects to surrender AC/P53 in the current quarter.

Indicative Activity Schedule

Permit	AC/P50	2015				2016				2017																			
		Sep Qtr		Dec Qtr		Mar Qtr		Jun Qtr		Sep Qtr		Dec Qtr																	
		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O
Permit Year		1				2				3																			
Work program		Studies				Reprocessing				Studies																			
Activities																													
Seismic Interpretation		█																											
Reprocessing						█																							
Partial sale process		█				█				█				█															

Permit	AC/P51	2015				2016				2017																			
		Sep Qtr		Dec Qtr		Mar Qtr		Jun Qtr		Sep Qtr		Dec Qtr																	
		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O
Permit Year		1				2				3																			
Work program		Studies				Reprocessing				Studies																			
Activities																													
Seismic Interpretation		█																											
Reprocessing						█																							
Partial sale process		█				█				█				█															

Permit	AC/P53	2015				2016				2017																			
		Sep Qtr		Dec Qtr		Mar Qtr		Jun Qtr		Sep Qtr		Dec Qtr																	
		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O
Permit Year		5				6																							
Work program		Studies				1 Well																							
Activities																													
Permit relinquish election ^x						◀																							
Seismic Interpretation		█																											
Partial Sale process						█				█				█															