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ASX & Media Release

Marina resource estimates upgraded based on Floyd 3D seismic

Key Points:

- Marina contingent recoverable resources upgraded based on 2012 Floyd 3D seismic data
 - 2C and 3C oil increased to 9.2 (+4.2) and 29 (+7.0) MMstb respectively
 - 2C and 3C gas increased to 169 (+71) and 423 (+121) Bcf respectively
- Marina Deep risked prospective resources (gas only scenario) assessed for first time
 - Gas: 236 Bcf (Best Estimate), 487 Bcf (High), 40% chance of success (COS)
- Classifications are consistent with independent assessment released 29th February 2012

MELBOURNE, AUSTRALIA (25th March, 2013)

MEO Australia Limited (ASX: **MEO**; OTCQX: **MEOAY**) advises that it has updated its assessment of the discovered and the prospective resources associated with the Marina gas and probable oil discovery in its 100% owned WA-454-P, in the Joseph Bonaparte Gulf, offshore Western Australia. The revised assessment is based on the high quality Floyd 3D seismic data acquired in 2012. Resource classifications used are consistent with the independent assessment based on 2D seismic and well log data as summarised in the ASX release dated 29th February 2012.

Contingent Resources

Marina Contingent Resources (Recoverable)

		2013 MEO Assessment			2012 Independent Assessment			Change		
		1C	2C	3C	1C	2C	3C	1C	2C	3C
Gas	BScf	115	169	423	51	98	302	64	71	121
<u>Liquids</u>										
Condensate	MMstb	1.6	3.8	13.1	0.4	1.5	7.5	1.2	2.3	5.6
Oil	MMstb	-	9.2	29.0	-	5.0	22.0	-	4.2	7.0
Total Liquids	MMstb	1.6	13.0	42.1	0.4	6.5	29.5	1.2	6.5	12.6

Contingent resources for the Marina discovery have increased significantly at all confidence levels. The drivers for the upgrade include:

- The realization that Marina-1 was drilled at a non-crestal location, leaving a significant attic up dip of the Marina-1 location.

Larger column heights due to this attic (refer above) coupled with better imaging and velocity control yielded significantly larger areal extent for some of the deeper horizons.

Prospective Resources

Marina Deep Success Case Risked Prospective Recoverable Resources

	Low	Best	High	COS
Gas (Bscf)	36	236	487	40%
Condensate (MMstb)	1.0	6.0	16.1	

Marina-1 ceased drilling while still in structural closure, with deeper prospective horizons remaining untested. This prospective interval is collectively termed the Marina Deep prospect. The target intervals were intersected in Lesueur-1 well (25 km SE) and found to be of excellent quality.

A Technical Supplement outlining the resource assessment in more detail is included on the MEO website on the "Projects" page under "Joseph Bonaparte Gulf Exploration".

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

"The material upgrade to contingent gas and oil resources at Marina together with the assessment of significant untested deeper potential represents the culmination of many months of high quality technical work by our technical team and vindicates the value of 3D seismic."

The recent activity in the Northern Territory gas market highlights the significant unmet demand for gas in the domestic market and the potential for new sources of gas to meet that market. Marina has the benefit of having liquids rich gas and potentially commercial oil in two of the five hydrocarbon bearing reservoirs intersected by Marina-1. These attributes combine to greatly increase the commercial attraction of the gas resource required to underpin a commercial development relative to a dry gas resource.

We are currently seeking a funding partner to assist with appraising the assessed upside potential of the existing discovered resource as well as testing the deeper potential at Marina. A successful appraisal program has the potential to advance Marina towards commercial development."



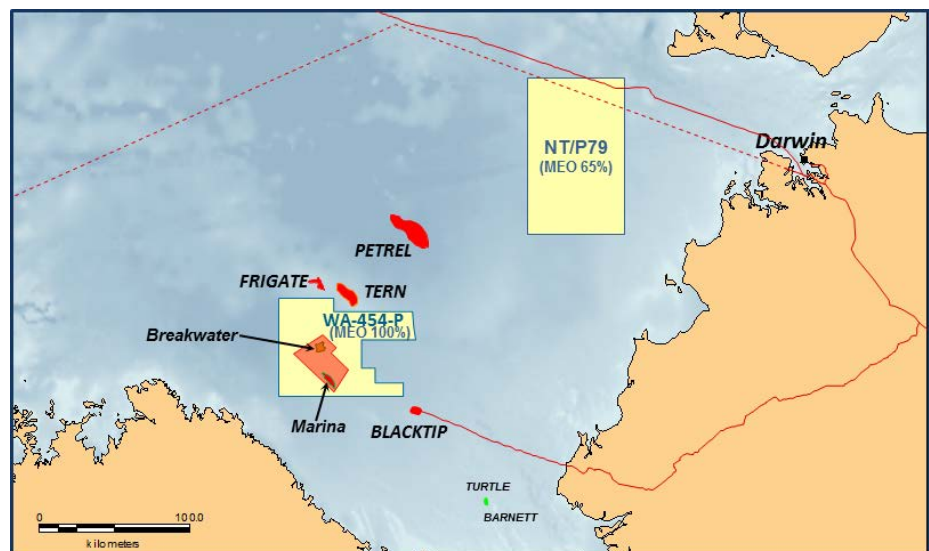
Jürgen Hendrich

Managing Director & Chief Executive Officer

Background

MEO was awarded WA-454-P on 14th June 2011 as part of the 2010 gazettal round. The Permit contains the 2007 Marina discovery.

MEO acquired the 601 km² Floyd 3D seismic survey over the Marina discovery, the Breakwater prospect and two additional leads in early 2012. Final processed products were delivered towards the end of 2012.



The resource assessment has been carried out using the definitions and guidelines set out in the 2007 Petroleum Resources Management System prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers (SPE) and reviewed and jointly sponsored by the World Petroleum Council (WPC), the American Association of Petroleum Geologists (AAPG) and the Society of Petroleum Evaluation Engineers (SPEE).