



# MEO Australia

energy for the future

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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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## RIU Good Oil Conference

Fremantle, 2<sup>nd</sup> September 2009

# Corporate snapshot

ASX-300 company, high liquidity, largely retail register

## MEO Australia Limited (included in ASX300)

Ticker symbols	ASX	MEO
US ADR program	OTC	MEOAY
Issued shares	Million	417.3
Treasury stock	Million	10.1
Unlisted Options	Million	13.4
Closing price	1 <sup>st</sup> Sep	\$0.585
Market Cap.	A\$	\$244m
Cash Reserves	30 June	\$17.2 m
Enterprise value	A\$	\$227m
Avg daily liquidity	Million	~14.7m
Shareholders	(at 31/8)	~11,500
Top 20 hold	(at 31/8)	~23.9%



*MEO has intellectual capital, attractive acreage, sound concepts for finding and monetising gas. We are seeking to partner with global companies possessing balance sheet strength and a vision to grow quickly.*

# Highly credentialed board

## Extensive industry and capital market experience



Appointed **May 2008**

**Nick Heath**  
Non-Executive Chairman  
*Engineer*

>30yrs with ExxonMobil  
Past APPEA President

**Jürgen Hendrich**  
MD & CEO  
*Geologist,  
Investment Banking*

**Greg Short**  
Non-executive director  
*Geologist*

**Stephen Hopley**  
Non-executive director  
*Financial Services*

**Michael Sweeney**  
Non-executive director  
*Barrister, arbitrator &  
mediator*



Appointed **July 2008**  
12yrs @ Esso Australia  
13 yrs financial markets



Appointed **July 2008**  
33yrs @ ExxonMobil.  
Retired 2006



Appointed **October 2008**  
14yrs @ Macquarie  
Bank Retired 2003



Appointed **October 2008**  
Practising Barrister  
10yrs with MiMi  
(Mitsui/Mitsubishi)

# Strong technical focus

Striving for technical and commercial excellence



**Jürgen Hendrich**  
Chief Executive Officer  
*Geologist*  
*Investment Banking*

12yrs @ Esso Australia Ltd  
(ExxonMobil subsidiary)  
GSJBW, Tolhurst (now PSL)

**Colin Naylor**  
CFO/Company Sec<sup>y</sup>

**Robert Gard**  
Commercial Manager

**Dave Maughan**  
Exploration Manager

**Ken Hendrick**  
Implementation Manager



30yrs @ Woodside,  
BHP, Rio



22yrs @ ExxonMobil



35yrs @ ExxonMobil



>40yrs with large Co's

**Chris Hart**  
Founder

**Geoff Geary**  
Seismic Interpretation

**John Moore**  
Geophysical Applications

**John Robert**  
Engineering Advisor



Founded MEO in 1994



30+ yrs. Oil & gas  
finder



>40yrs @ ExxonMobil &  
others



>40yrs  
15yrs Methanol experience



# Gas projects in established LNG provinces

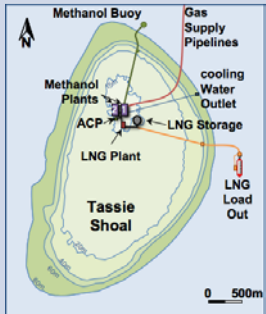
## Demonstrable monetisation path

### Asset Summary

### Strategy Summary

#### Timor Sea gas processing hub on Tassie Shoal

#### Development potential



- Integrated CO<sub>2</sub> sequestration & location solution to stranded gas
- Robust economics
- Environmental approvals in place for:
  - 1 x 3.0 Mtpa LNG plant
  - 2 x 1.75 Mtpa methanol plant

- Facilitates regional hub
- 3<sup>rd</sup> party gas or from MEO's NT/P68
- Under Commonwealth EPBC Act
- 'Use-it or lose it' a key stimulus

#### Timor Sea Exploration Permit (NT/P68)

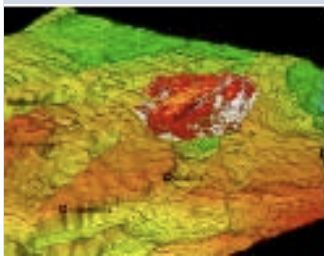
#### Appraisal Potential



- 2 gas discoveries (2008)
- Heron - potentially suitable for LNG
- Blackwood - suitable for methanol

- Preparing permit renewal application
- Currently restructuring JV
- Strong, unsolicited industry interest registered for future farm-out

#### Carnarvon Exploration Permits (WA-359-P, WA-360-P, WA-361-P) Exploration Potential



- Close proximity to existing & planned LNG infrastructure
- East Artemis ~12 Tcf mean unrisked potential resource
- Multiple options to monetise

- Value add via quality technical work
- Mature prospects for drilling
- Funding via farm-out (in progress)

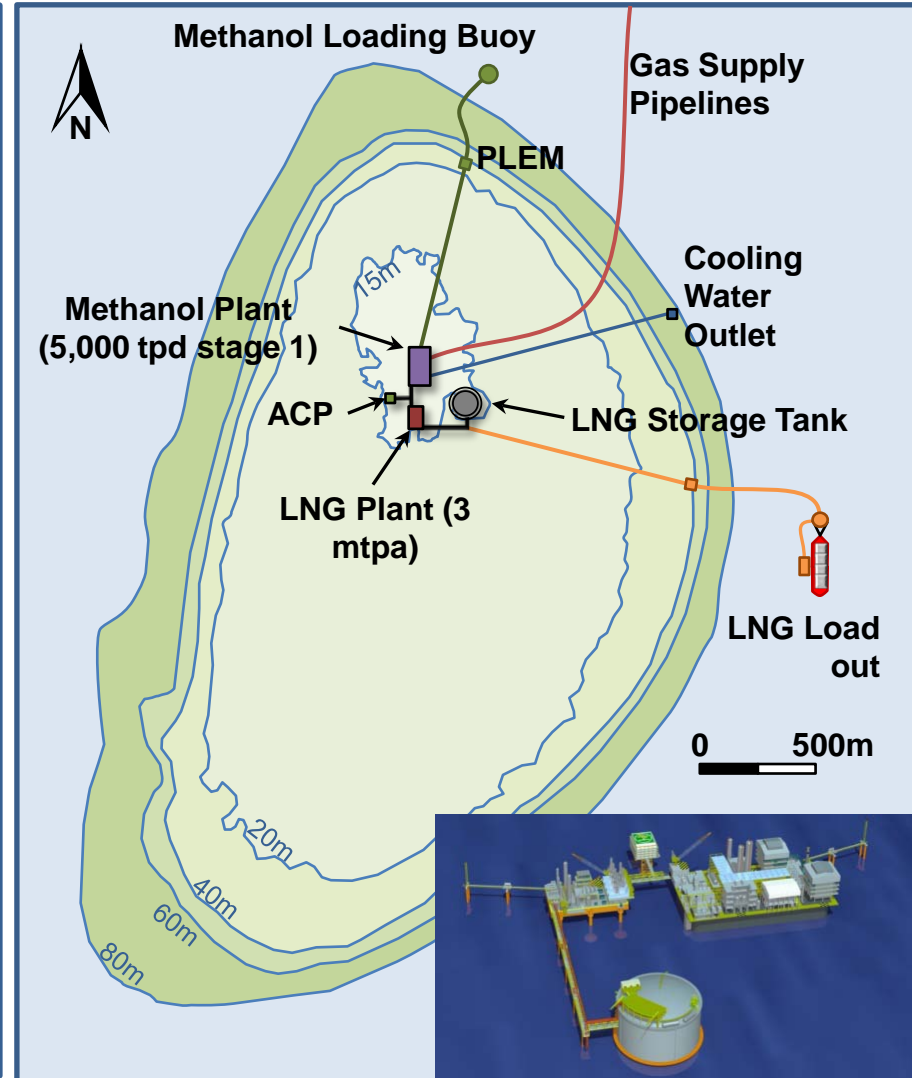
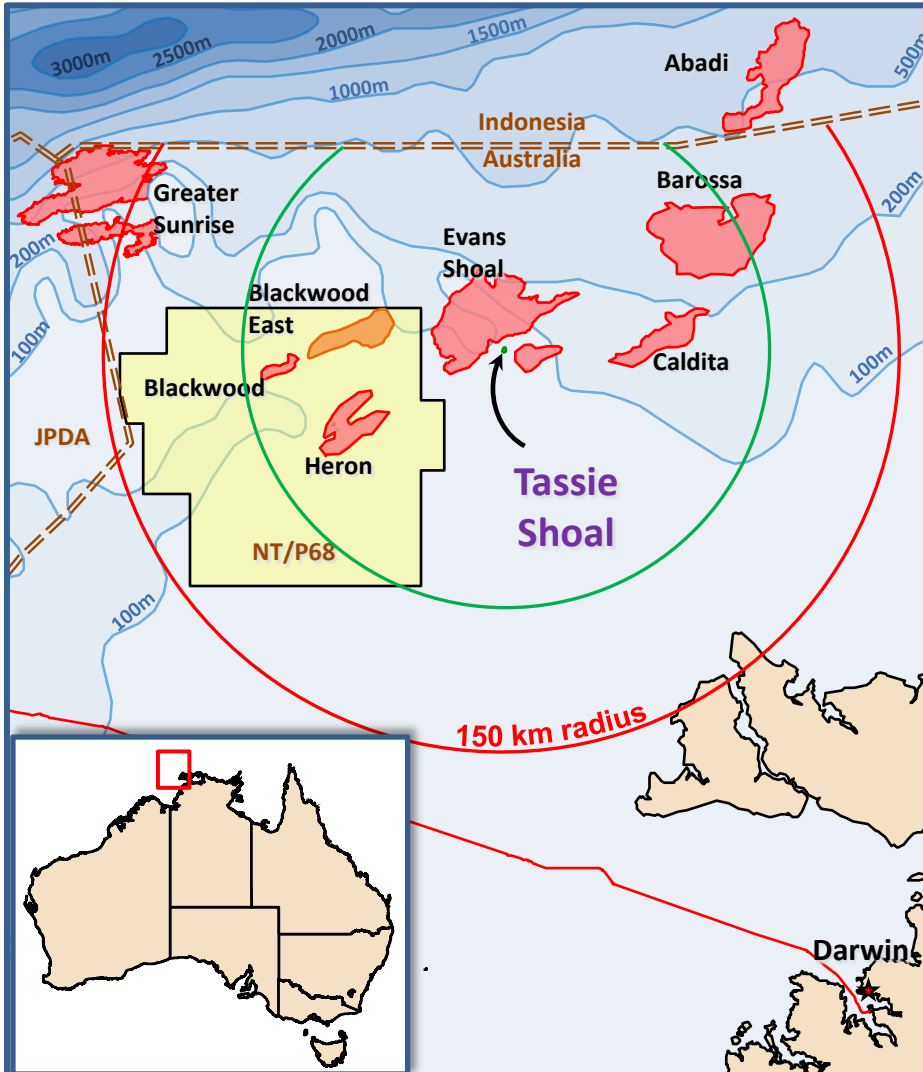


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# Tassie Shoal – a natural development hub

Central to all stranded Timor Sea gas fields





# Development hub advantages

Alternative solutions for CO<sub>2</sub> and distance economic challenges

## CO<sub>2</sub> challenged

### Evans Shoal

(Santos, Shell, Petronas, Osaka Gas)

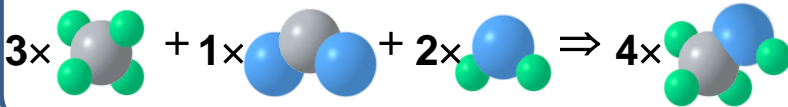
~6+TCF

25% CO<sub>2</sub>

4 bbl/mmscf

Conventional solution is **geo-sequestration**  
Tassie Shoal offers **methanol sequestration**  
Consider the economics of the alternatives

Methane + CO<sub>2</sub> + Steam ⇒ Methanol



**Sequesters 25% CO<sub>2</sub> into Methanol**

### Barossa/Caldita

(ConocoPhillips/Santos)

~3.4 TCF

12% CO<sub>2</sub>

5 bbl/mmscf

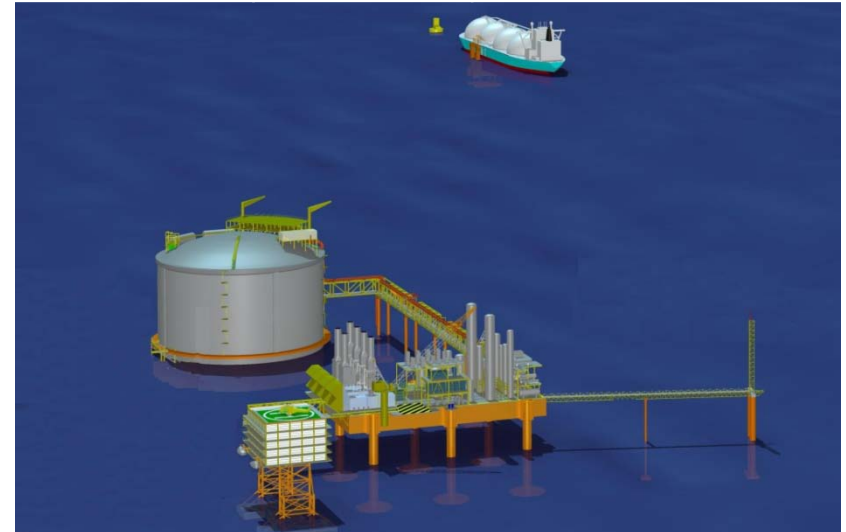
## Location challenged

Greater Sunrise - FLNG? Tassie Shoal?  
(WPL/Shell/ConocoPhillips/Osaka Gas)

~5.4 TCF

4% CO<sub>2</sub>

40 bbl/mmscf



Abadi - FLNG? Tassie Shoal?  
(Inpex/Pertamina)

~10 TCF

8% CO<sub>2</sub>

20 bbl/mmscf



# Floating LNG technology – on solid ground

Timor Sea LNG Project is a single module

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One of the NWS Train 5 (4.4 Mtpa) modules

Pluto I (4.3 Mtpa) has **264 modules**



Darwin LNG Plant (3.7 Mtpa)

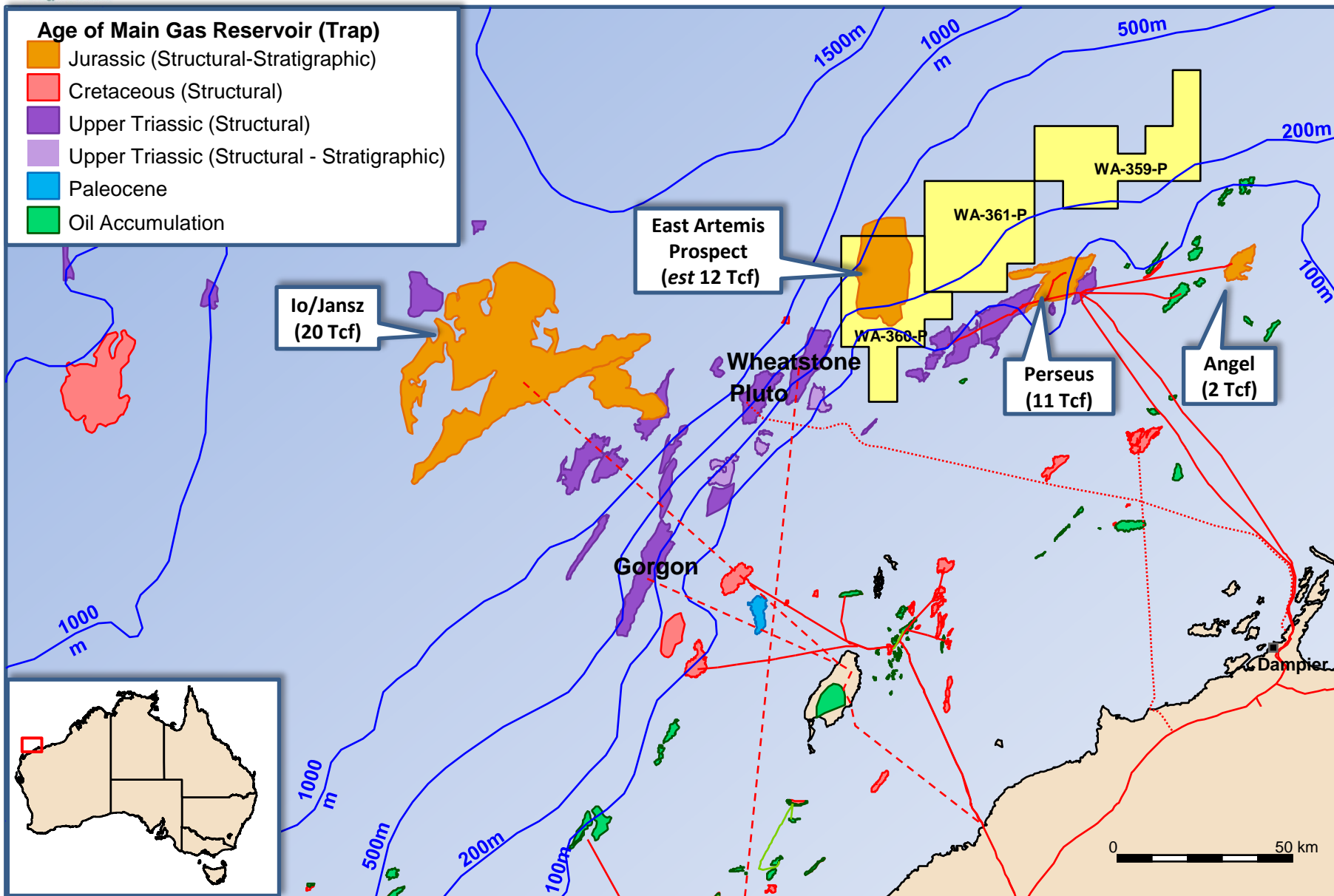
Timor Sea LNG Plant (3.0 Mtpa) at same scale – **1 module**

- Technology developed for F-LNG, installed on fixed, self installing platform
- Small footprint due to compact F-LNG design and indirect sea-water cooling
- Proximity to gas fields reduces pipeline distances



# WA-360-P – a great address!

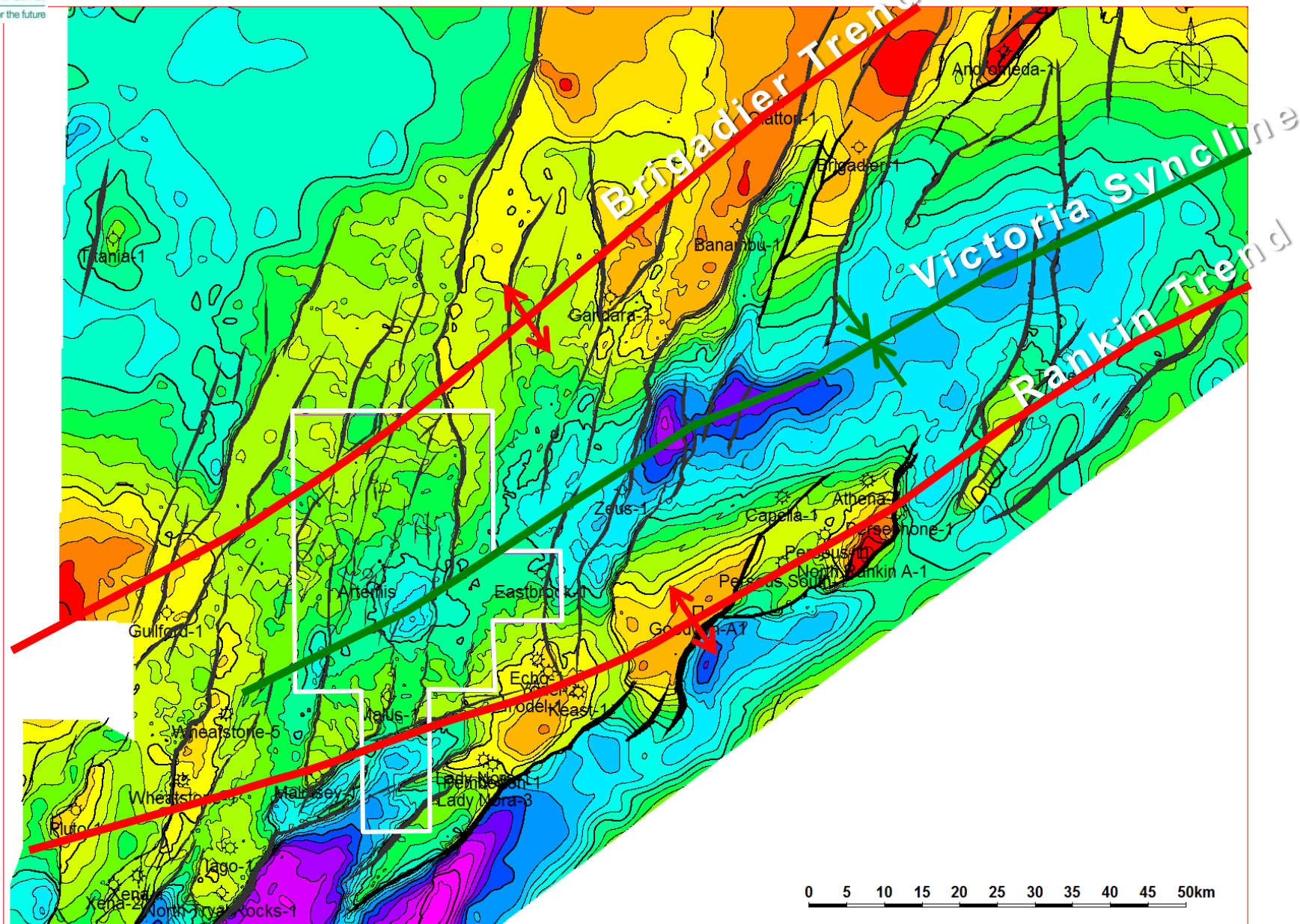
Strategically located near existing & proposed LNG infrastructure



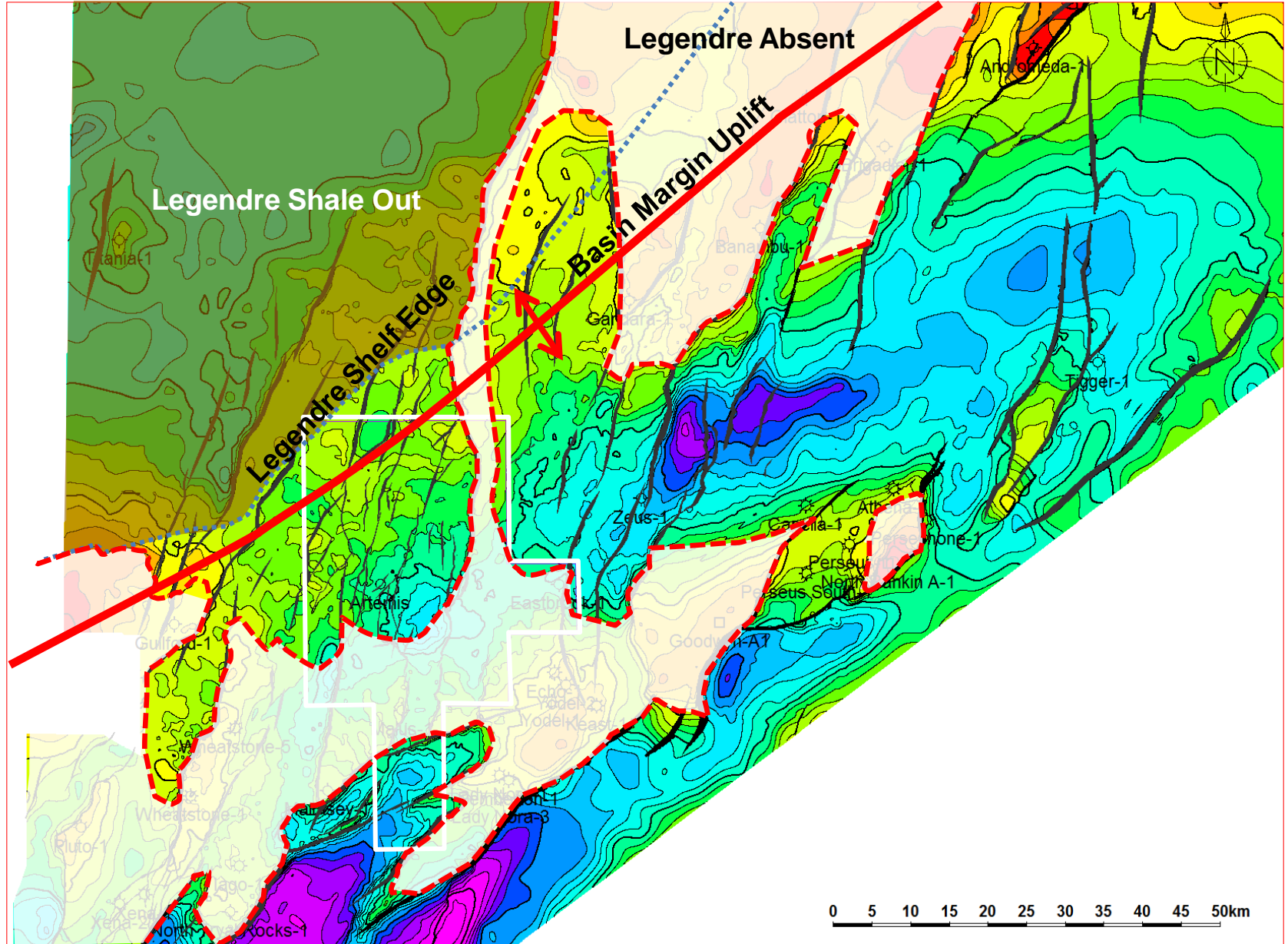


# JO/MU Regional Depth Structure Map

## Structural Elements

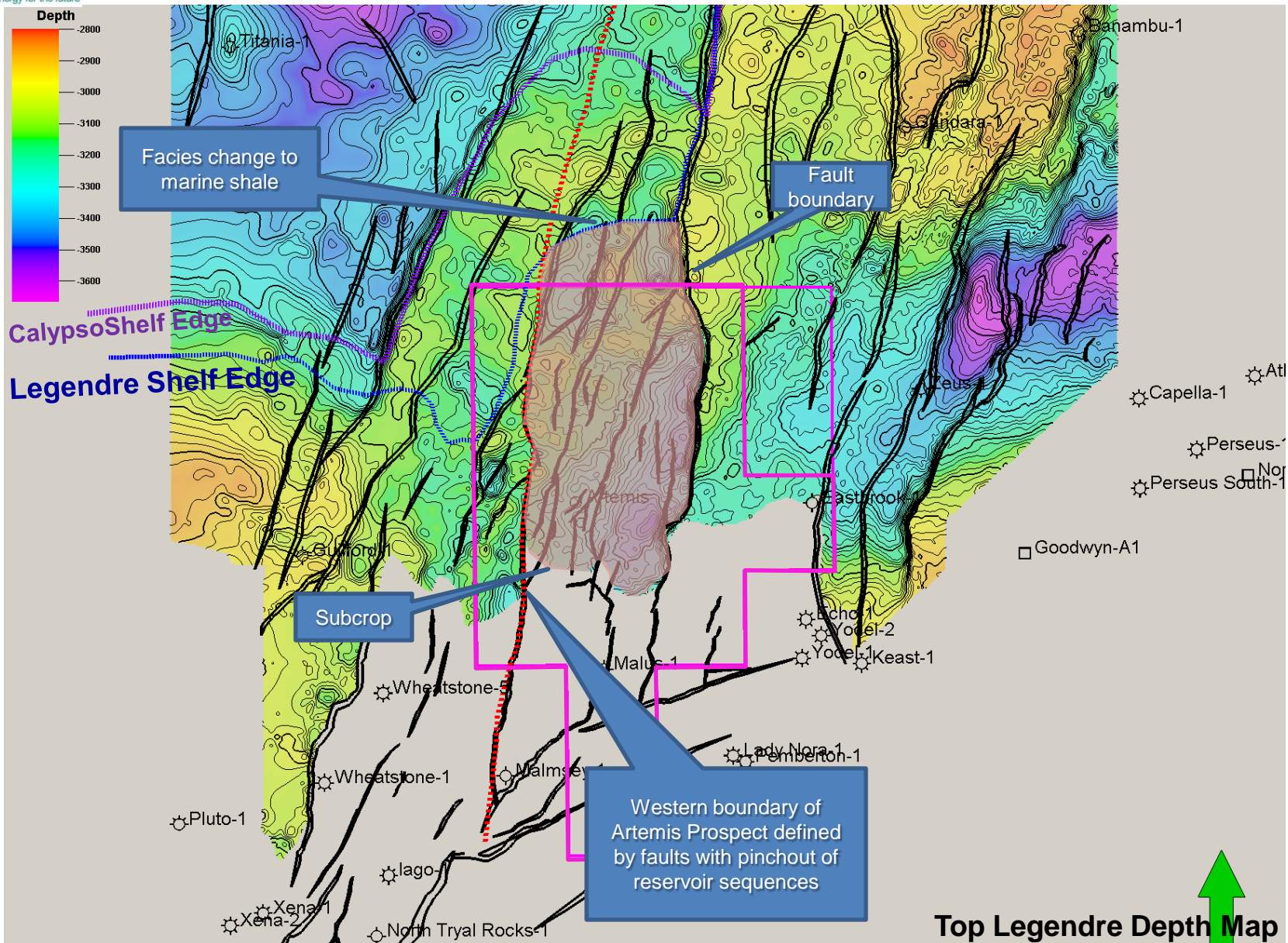


# Legendre Reservoir Distribution



# Artemis Legendre prospect outline

Excludes West Artemis due to lack of 3D coverage





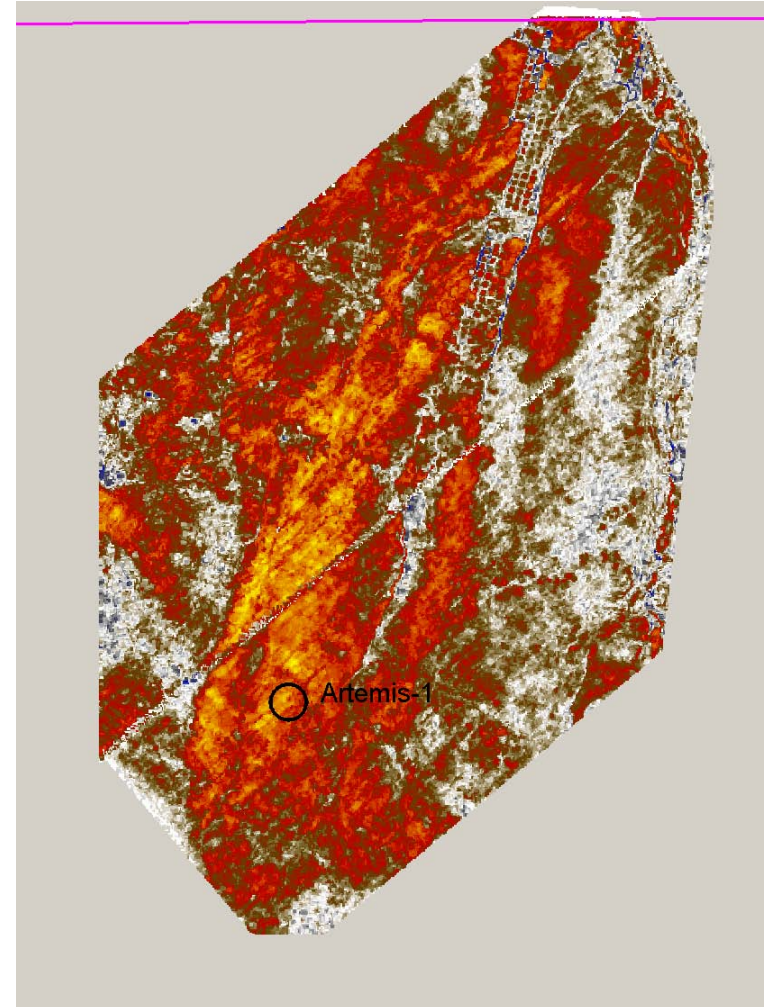
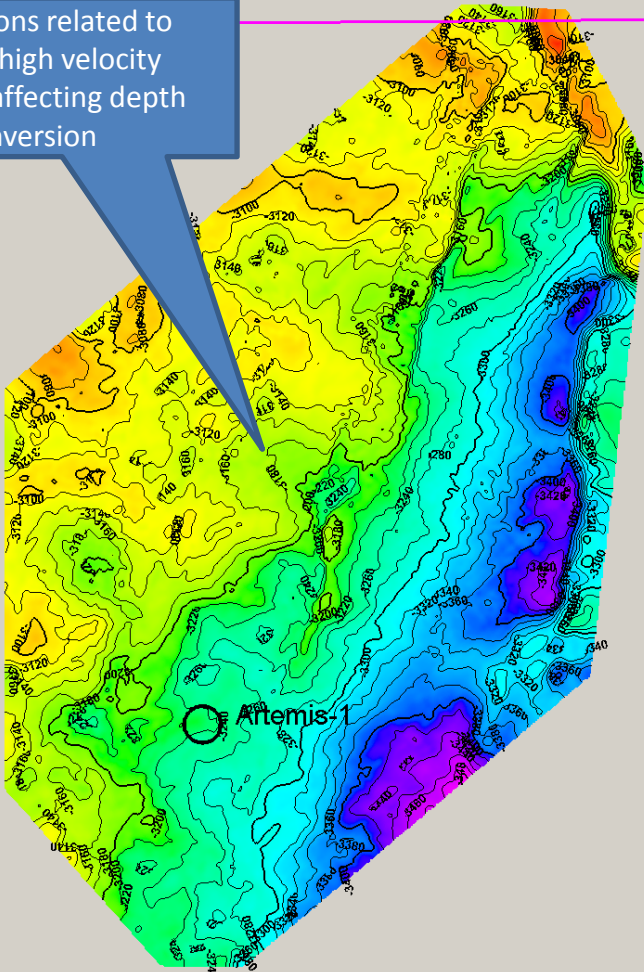
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# DHI\* Observations

Amplitudes show conformance with structure

Undulations related to Tertiary high velocity channels affecting depth conversion



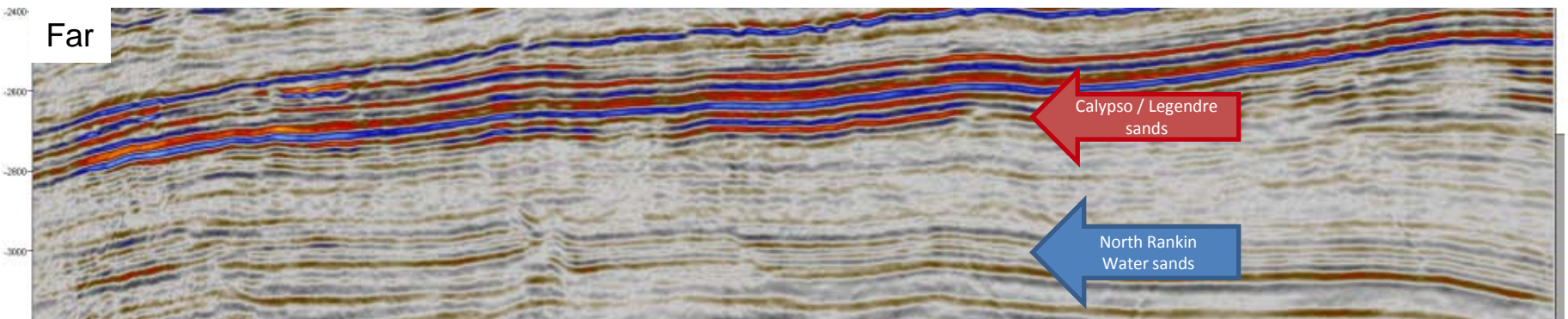
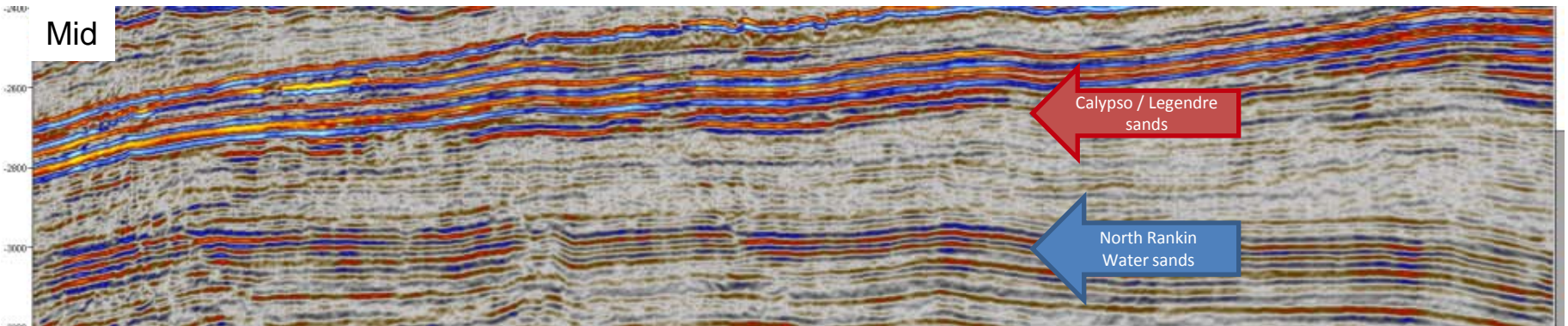
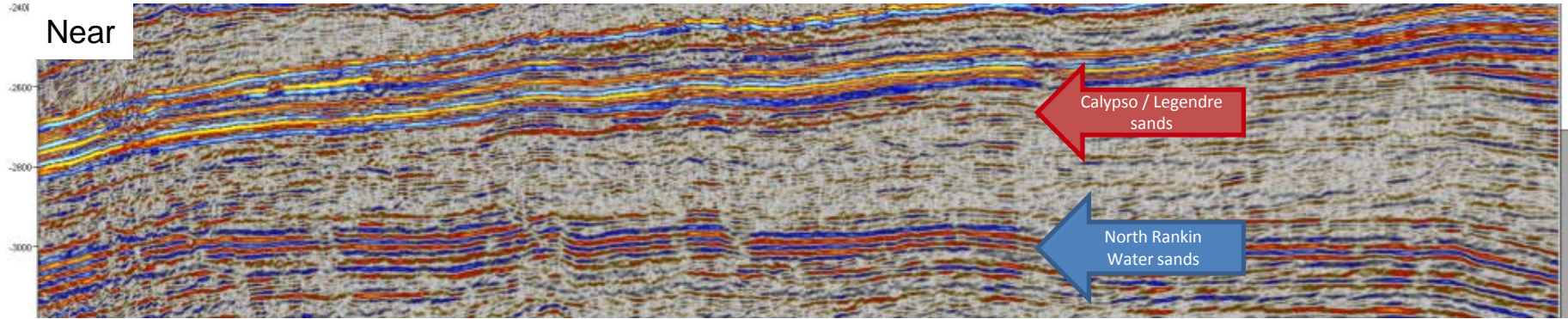
\* DHI = Direct Hydrocarbon Indicator



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# Artemis 3D IL1352 – Near, Mid and Far Angles

Legendre reservoir exhibits amplitude increase with offset  
North Rankin water sands exhibit amplitude decrease with offset





# Potential value progressively being realised

Farm-out activity provides near term catalyst for re-rating

	Potential value per share		Remarks
	Un-risked	Risked	
Current share price	\$0.585	\$0.585	September 1 <sup>st</sup> closing price
Less cash on hand	\$0.04	\$0.04	\$17.2m at June 30 <sup>th</sup>
<b>= Market value of MEO projects</b>	<b>\$0.545</b>	<b>\$0.545</b>	<b>Net of cash</b>

## Potential value of MEO projects

	<b>Tassie Shoal Projects</b>		<b>Development hub for stranded gas in region</b>	
	LNG (I) 3.0 Mtpa	Tbd	Tbd	Requires 3 Tcf gas with <4% CO <sub>2</sub> /20 yrs
	MeOH(I) 1.75 Mtpa	Tbd	Tbd	Requires 1.4 Tcf gas up to 25% CO <sub>2</sub> /20 yrs
	MeOH(II) 1.75 Mtpa	Tbd	Tbd	Requires 1.4 Tcf gas up to 25% CO <sub>2</sub> /20 yrs
	<b>NT/P68 discoveries</b>		<b>Farm-out follows permit renewal. Drilling planned for 2010</b>	
	Blackwood (100%)	Tbd	Tbd	Potential to underpin TSMP (Phase 1)
	Heron (90%)	Tbd	Tbd	Potential to underpin TSLNG project (subject to CO <sub>2</sub> content) OR TSMP (I & II)
<b>WA-360-P</b>			<b>Farm-out by 30<sup>th</sup> September. Drilling planned for 2010</b>	
	<b>Artemis Prospect</b>		\$1.17	<b>Assumptions</b> Recovery Factor: 60% Equity interest: 20% after farm-out Unit Value: US\$0.50/mcf, FX: A\$0.80/US\$ Geological Chance of Success: 32%
	~12 Tcf Mean Prospective Resources	\$3.65		