



# 17<sup>th</sup> Asia Upstream Conference

Singapore, 26-27<sup>th</sup> June, 2012



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# Portfolio overview

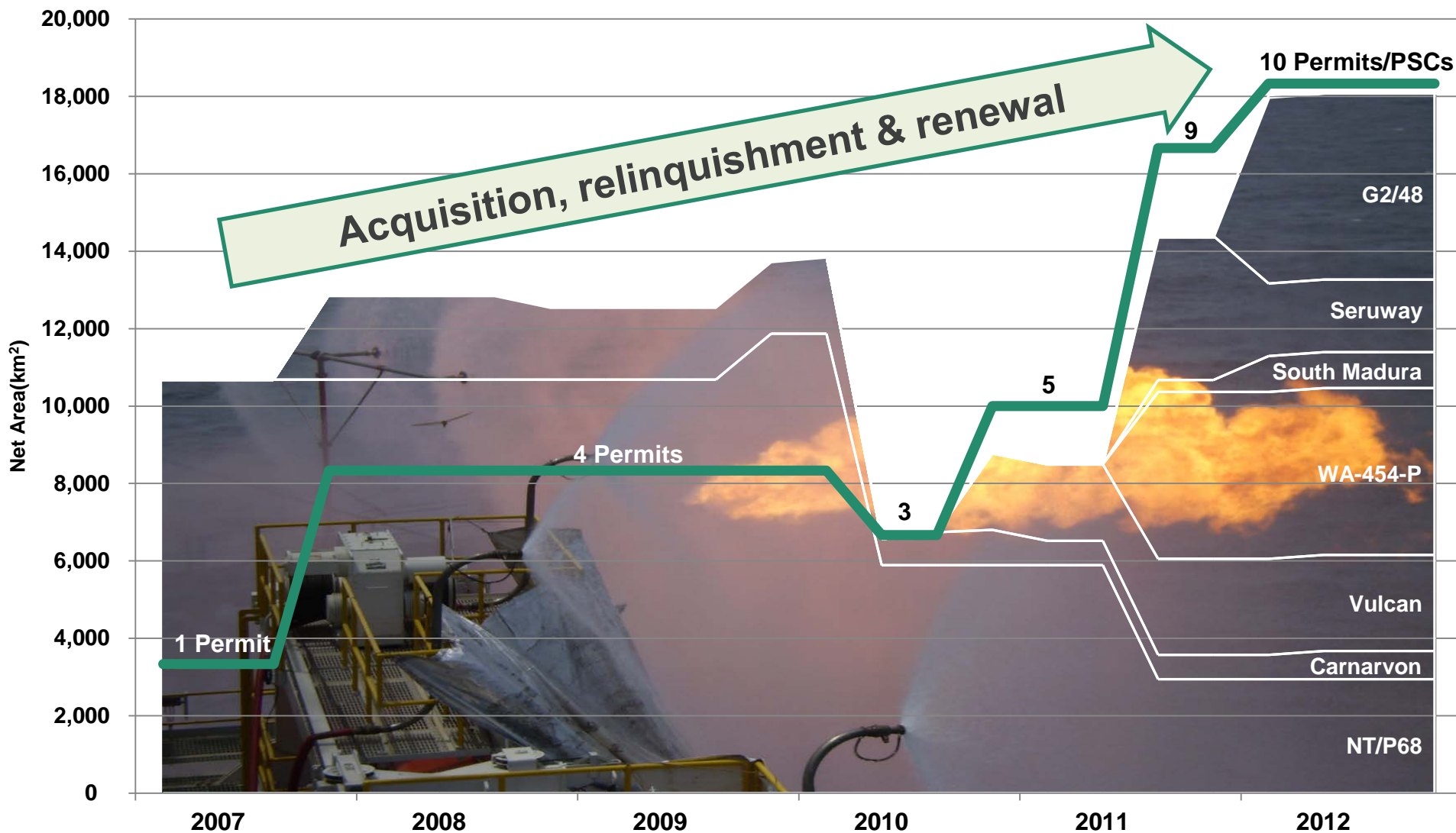
Thailand, Indonesia, NW Australia – oil, gas & LNG



\* Subject to receipt of regulatory approvals

# Re-building the exploration portfolio

High grading of portfolio builds diversity





# Building a portfolio by generating optionality

A sustainable business model in the absence of operating cash flow



Cycle is sustainable when capital is recovered early

Monetisation Opportunities

**Identify & Screen**

Use:

- Knowledge
- Experience
- Skills
- Data

**Secure Acreage**

Via:

- Award
- Acquisition
- Farming

**Enhance Prospectivity**

By:

- Acquiring Seismic
- Interpreting
- Evaluating

**Test Prospectivity**

By:

- Drilling
- Logging
- Testing

**Appraise Resource**

By:

- Drilling
- Testing
- Evaluating

**Develop**

For:

- Cash Flow

**Farm-Out ?**

**Partial Sale**

**Partial Sale**

**Cash Flow**

**Relinquish ?**

**Relinquish ?**

**Abandon**

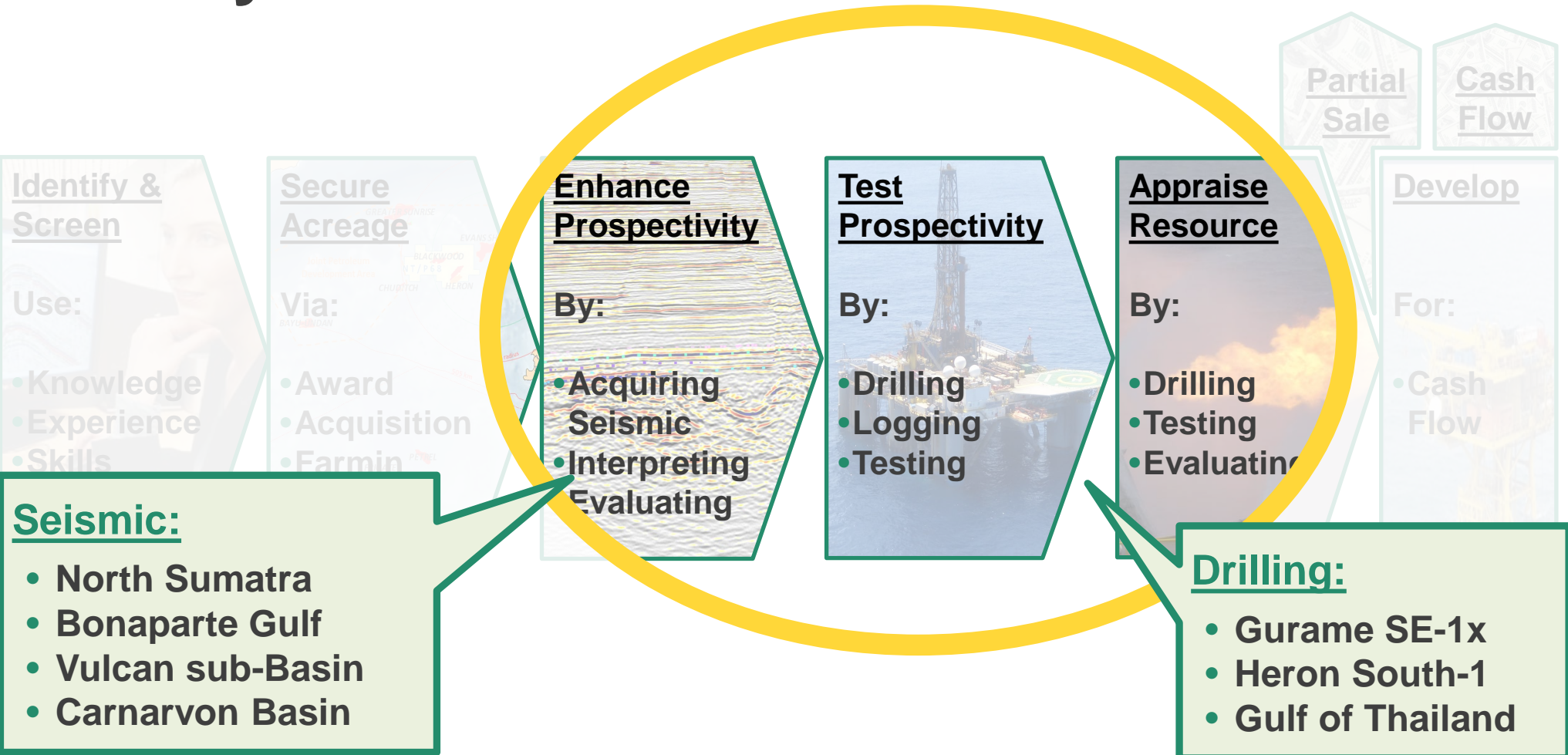
Continually high grade Discipline to terminate

# The process of building a portfolio

Enhancing value through seismic and drilling

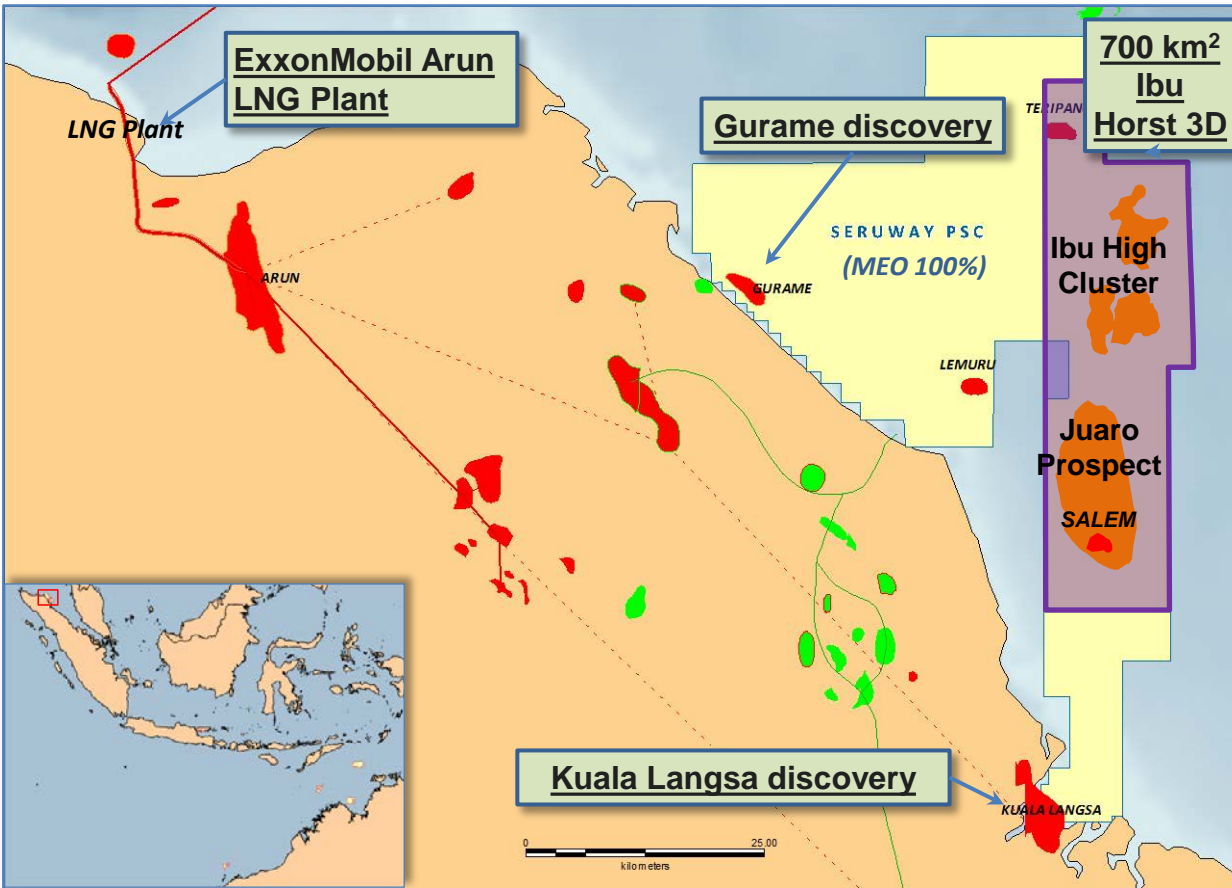


## Today's Focus:



# North Sumatra - Ibu Horst 3D

Multiple high value targets supported by new high quality 3D

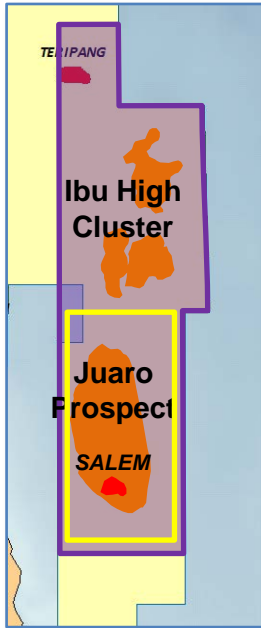


- Acquired PSC in June 2011
- Two significant discoveries
  - Gurame
  - Kuala Langsa
- Multiple discovery/show wells on Ibu Horst never fully evaluated
- Acquired 700 km<sup>2</sup> Ibu horst 3D Dec/Jan 2012
- High quality 3D data indicates shoaling carbonates not apparent on 2D
- Additional prospectivity identified

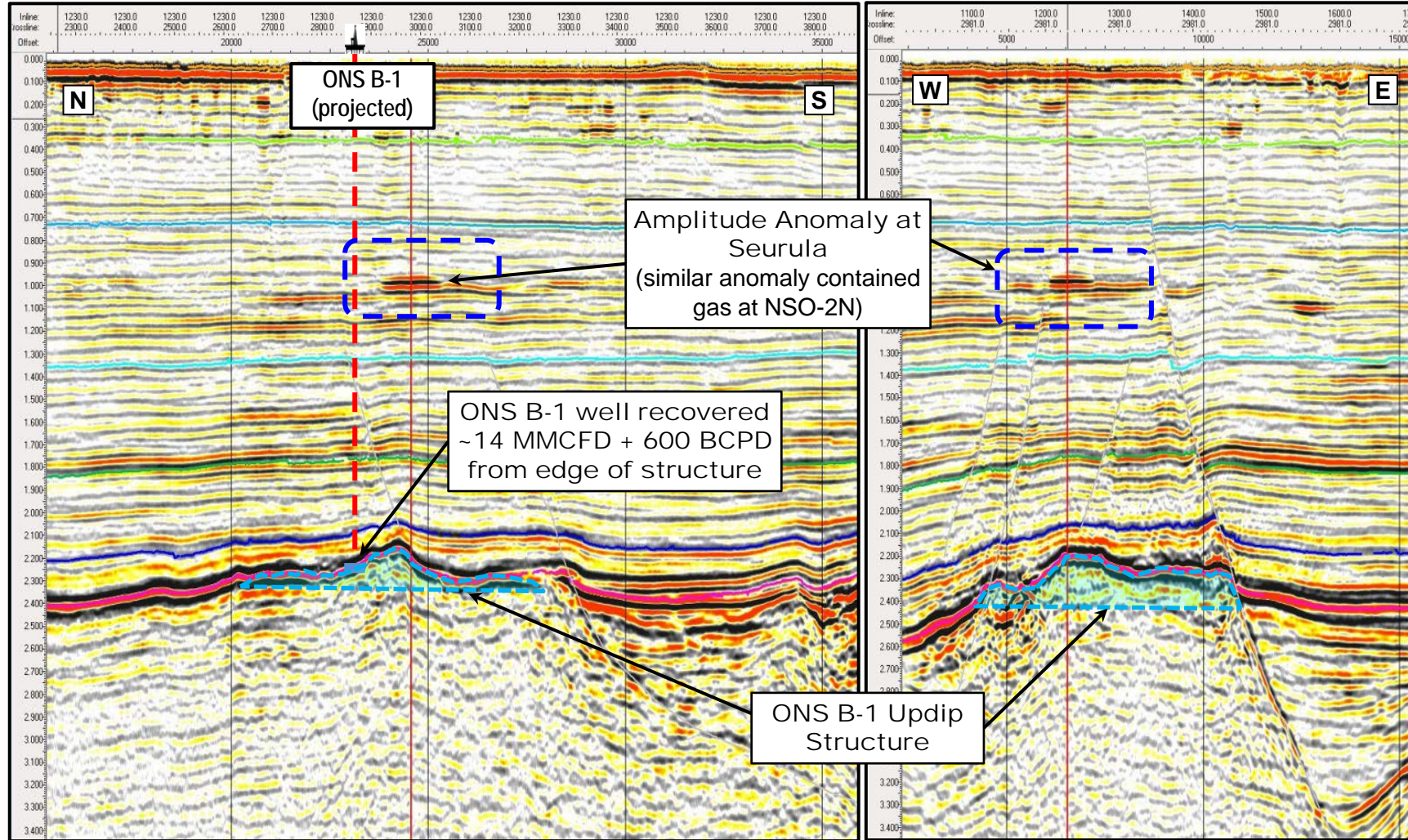
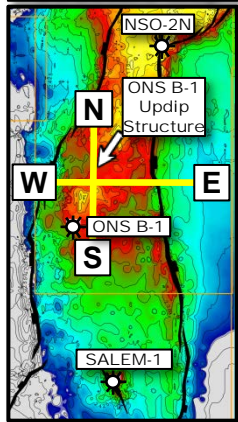


# North Sumatra - Ibu Horst 3D

## Identified significant structural closure updip of ONS B-1 'discovery'



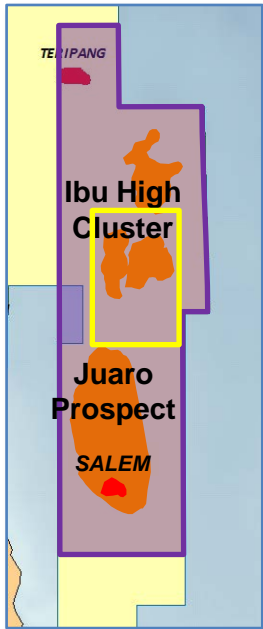
Juaro Area Structure Map



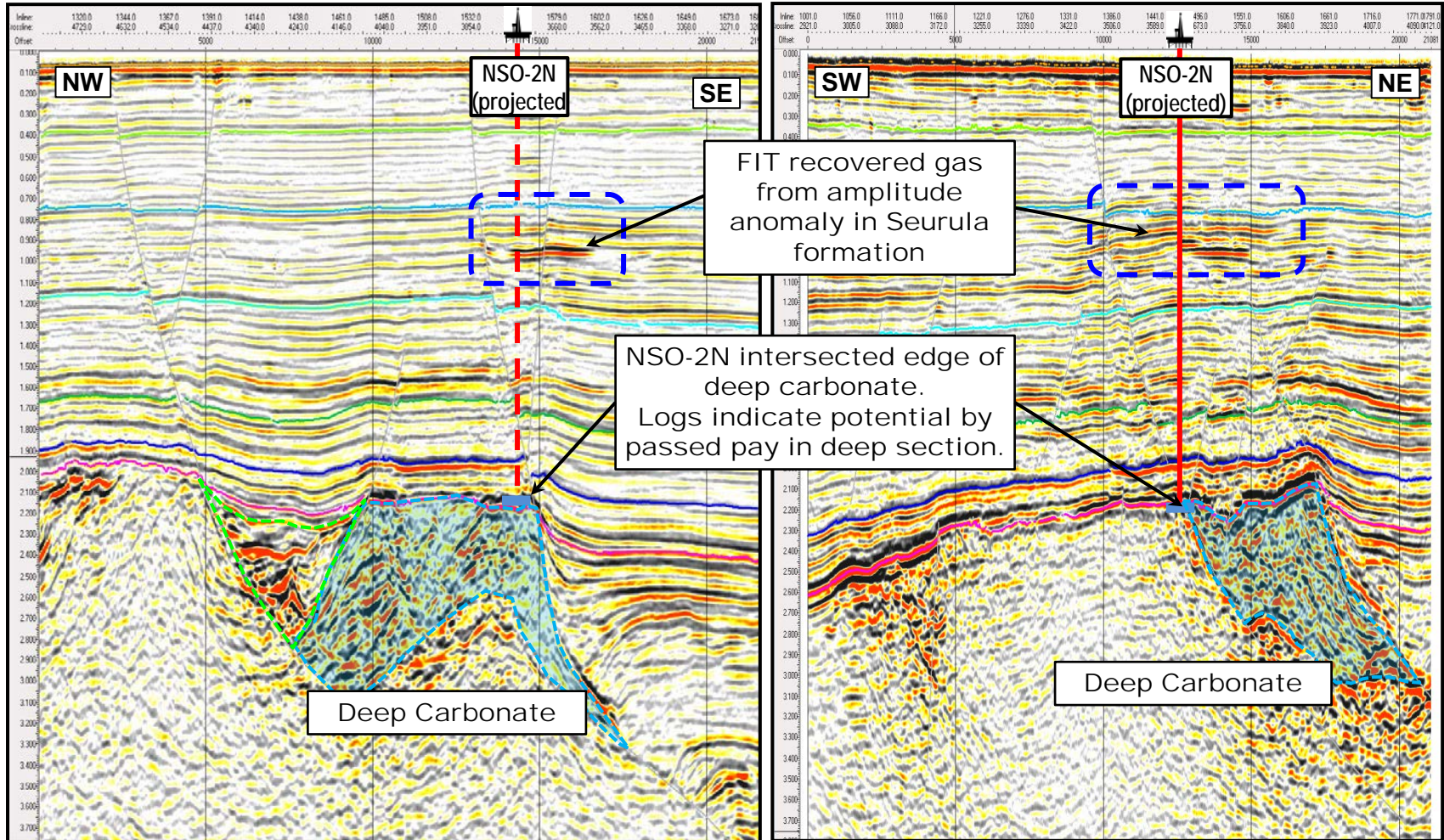
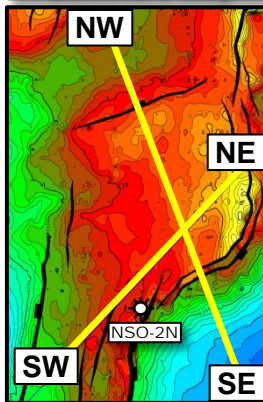


# North Sumatra - Ibu Horst 3D

## Revealed potential extent of deep carbonate clipped by NSO-2N



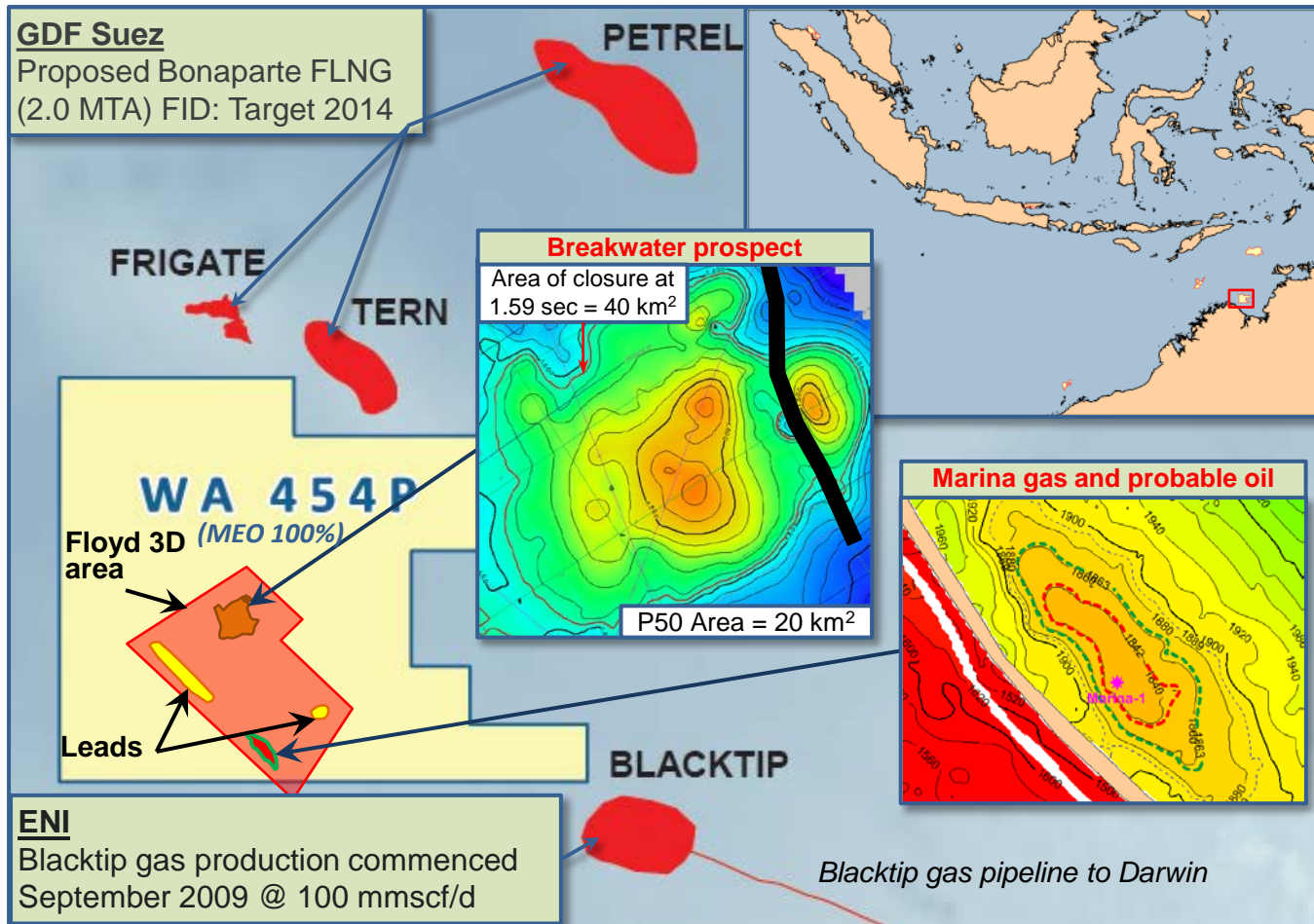
Ibu Alpha Structure Map





# Bonaparte Gulf – Floyd 3D

## Marina oil & gas discovery and nearby Breakwater prospect

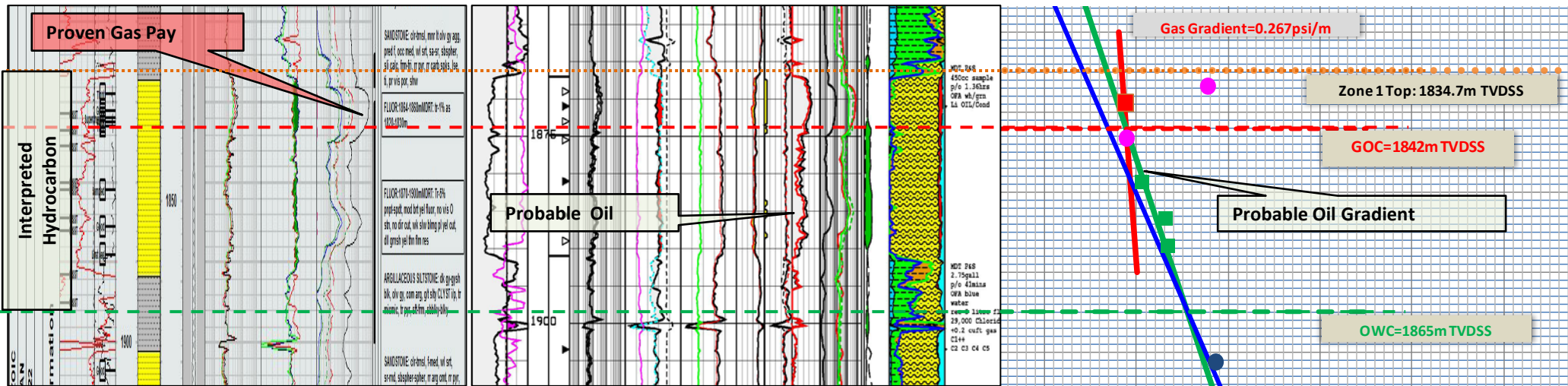


- Awarded permit mid-2011
- Next to proposed US\$6 billion Bonaparte F-LNG project & Blacktip gas production facility
- Technical studies reveal:
  - Probable oil in Marina
  - Breakwater prospect
- Acquired 3D early 2012
- Independent assessment
  - Marina contingent gas and probable oil resources
  - Multi-Tcf Breakwater prospect with potential for significant oil leg(s)
- Planning farmout launch Q4-2012
- Possible drilling in 2013\*



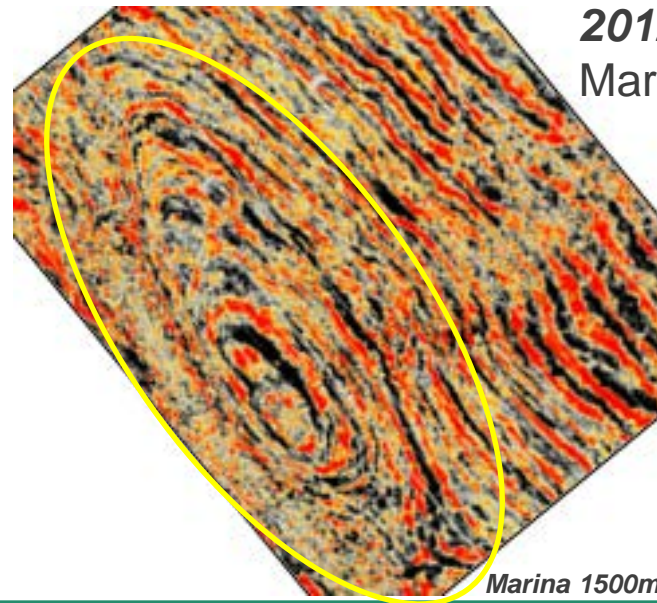
# Marina gas discovery and probable oil as well

Contingent resources: 98–302 Bcf gas + 5–22 mmbbbls oil (Mean-P10)



## 2012 Floyd 3D

Marina structure is a simple four way rollover (low side fault bend fold)



Marina 1500ms Timeslice from 3D

## Contingent Resources (Recoverable) \*

	P90	Mean	P10
Gas (Bscf)	51	98	302
Condensate (MMstb)	0.4	1.5	7.5
Oil (MMstb)	-	5	22
<b>Total Liquids (MMstb)</b>	<b>0.4</b>	<b>6.5</b>	<b>29.5</b>

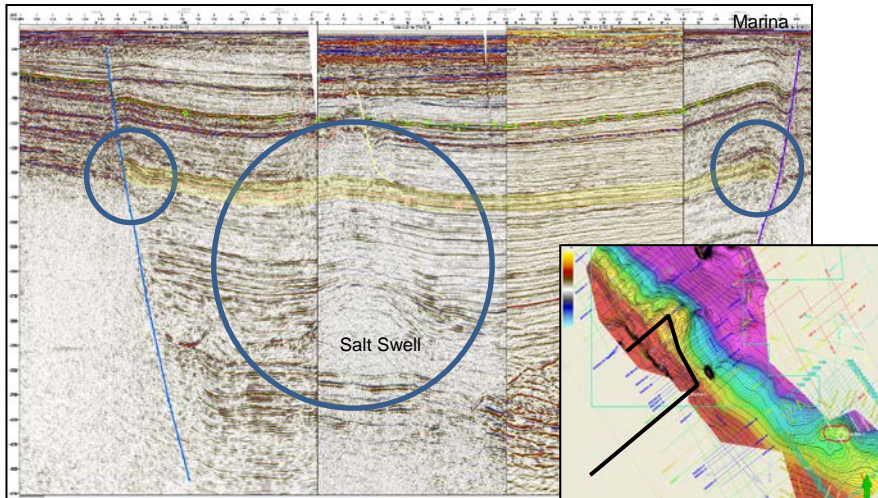
\* Source: Senergy, February 2012

# Nearby Breakwater prospect – oil charged?

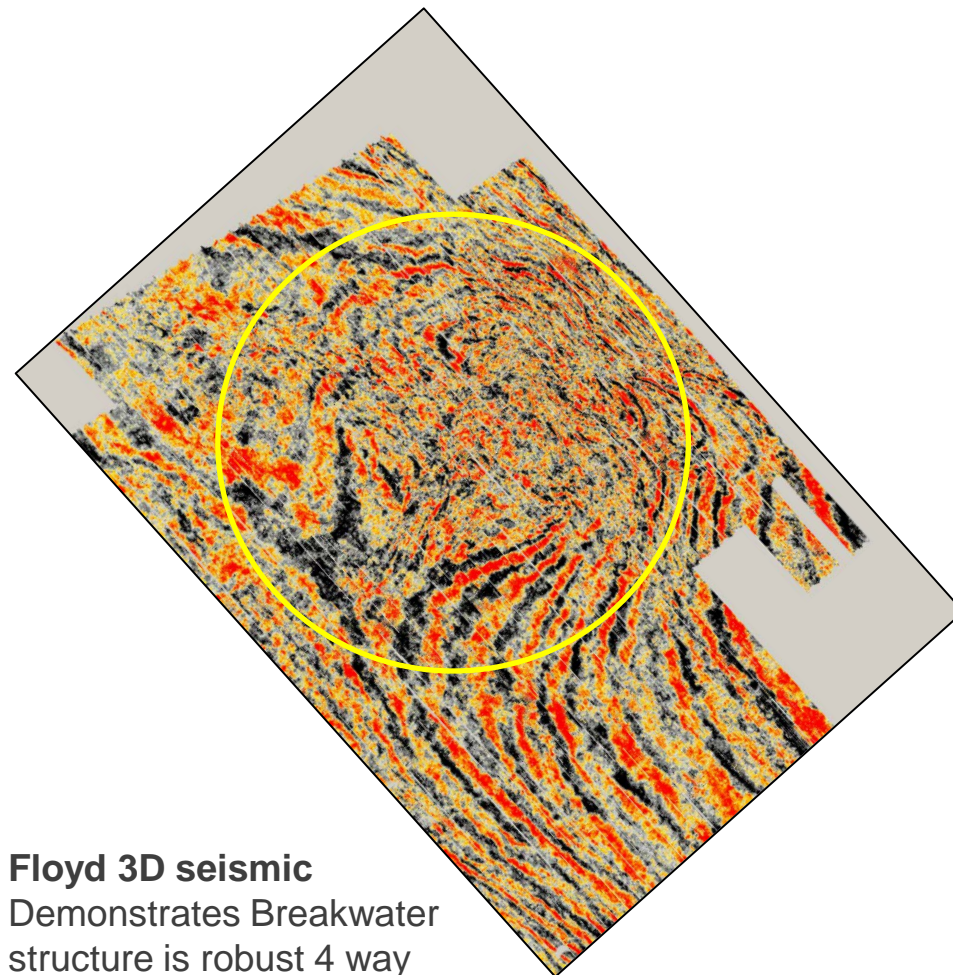
Multi-Tcf gas prospect with potential for 40-200 mmbbls oil (Mean-P10)



Breakwater : Amplitudes in Marina and Blacktip reservoirs



Breakwater Prospect Time slice from Floyd 3D



**Floyd 3D seismic**  
Demonstrates Breakwater structure is robust 4 way closure caused by drape over a deep salt swell

## Un-Risked Prospective Resources (Recoverable) \*

Gas only Scenario	P90	Mean	P10	COS**
Gas (Bscf)	205	751	2,798	24%
Condensate (MMstb)	1.4	13	87	
<b>Total Liquids (MMstb)</b>	1.4	13	87	

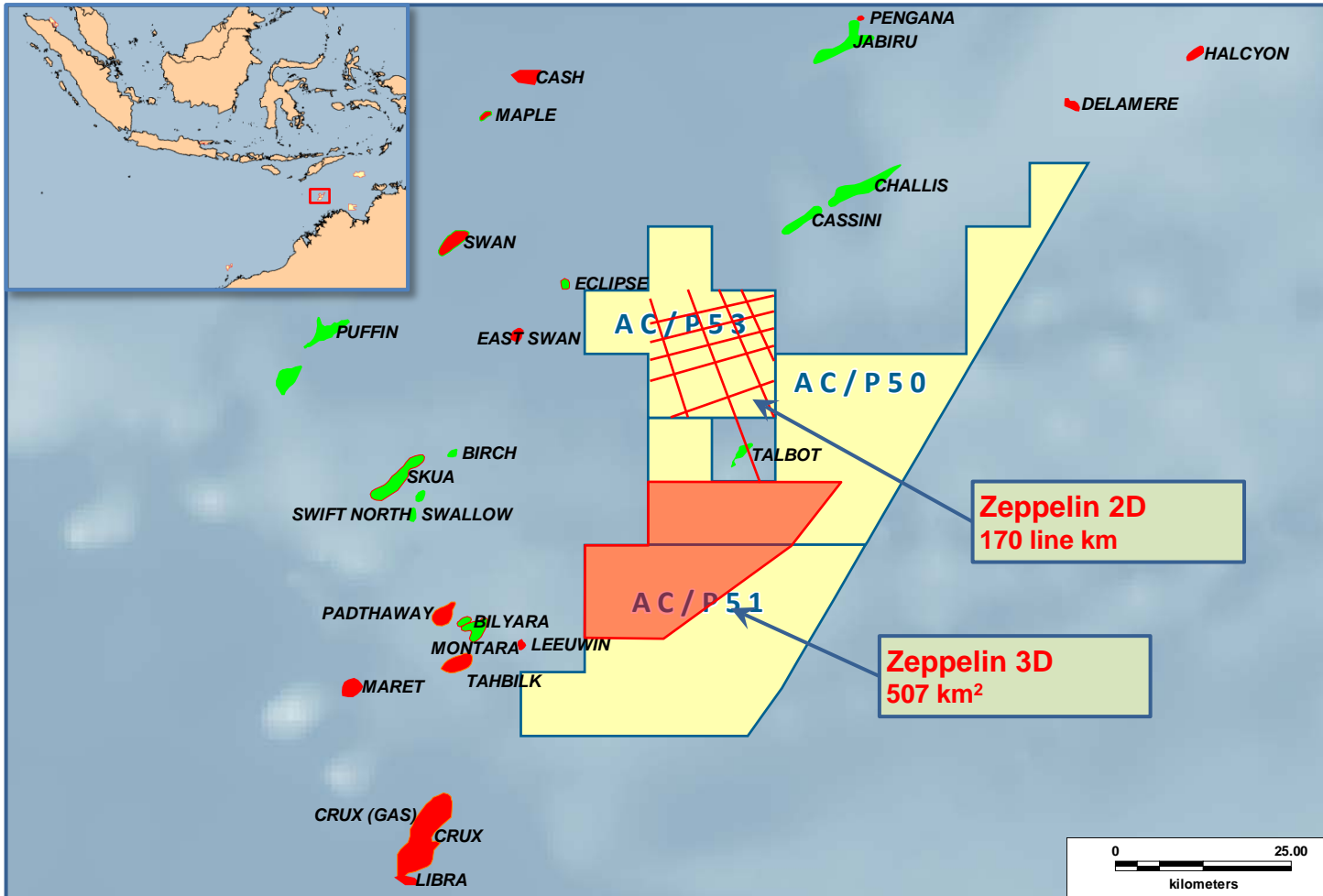
Gas & Oil Scenario	P90	Mean	P10	COS**
Gas (Bscf)	173	636	2,391	16%
Condensate (MMstb)	1.1	11	75	
Oil (MMstb)	8	41	201	
<b>Total Liquids (MMstb)</b>	<b>9.1</b>	<b>52</b>	<b>276</b>	

\*\* COS: Risk Factor or Chance of Geological Success is the product of four prospect elements; trap, reservoir, seal integrity and charge



# Vulcan Sub Basin – Zeppelin 3D & 2D

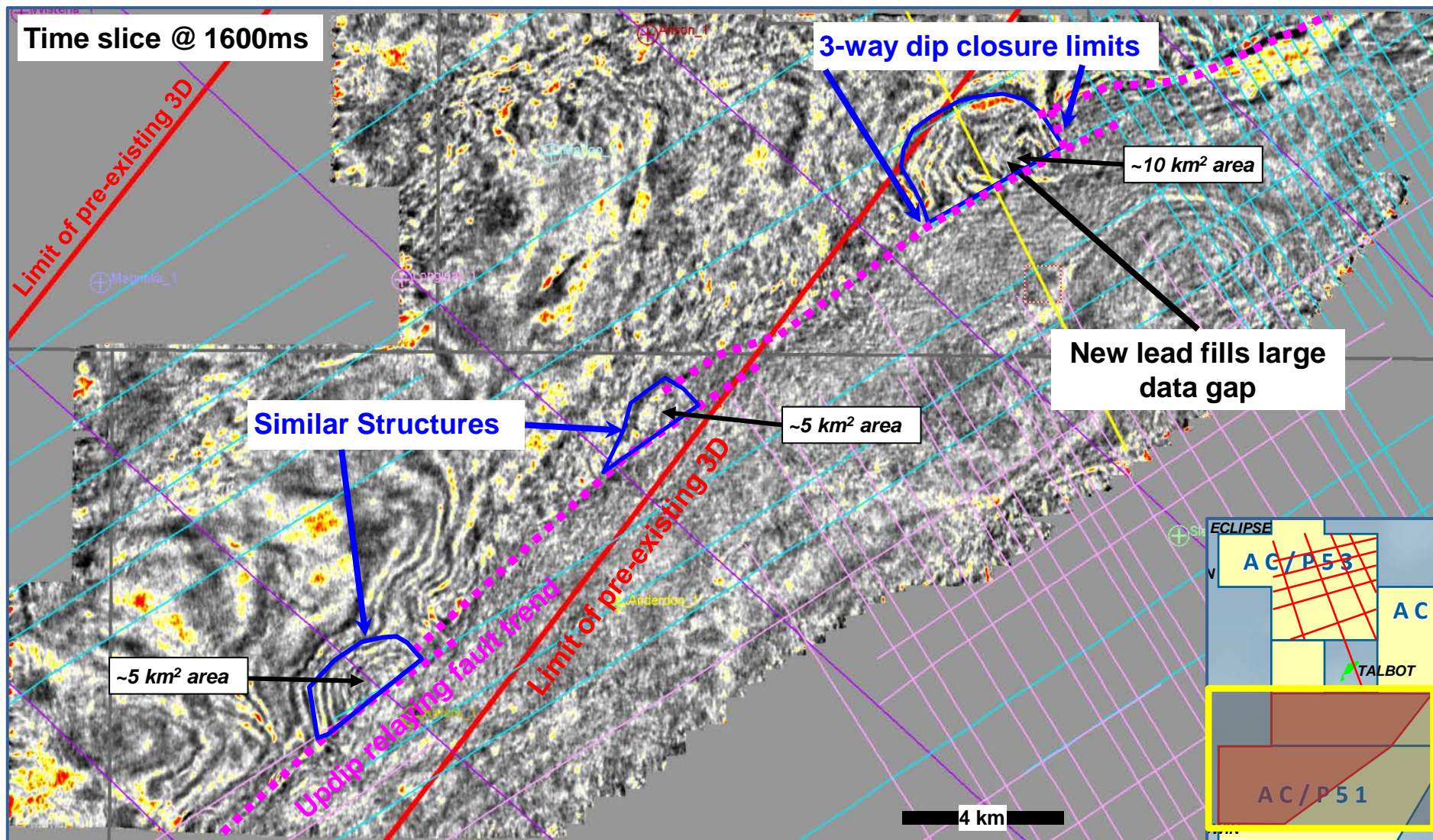
AC/P50, AC/P51 & AC/P53 (MEO 100%)



- Contiguous permits in proven hydrocarbon play fairway – acquired via purchase (Dec 2010) & gazettal (June 2011)
- Zeppelin 3D & 2D surveys acquired in Jan/Feb 2012
- Processed 3D survey delivered June 2012
- Preliminary assessment supports likely elevation of several leads to prospects
- Forward plans:
  - Mature drillable prospects
  - Seek farm-in partner

# Vulcan Sub Basin – Zeppelin 3D

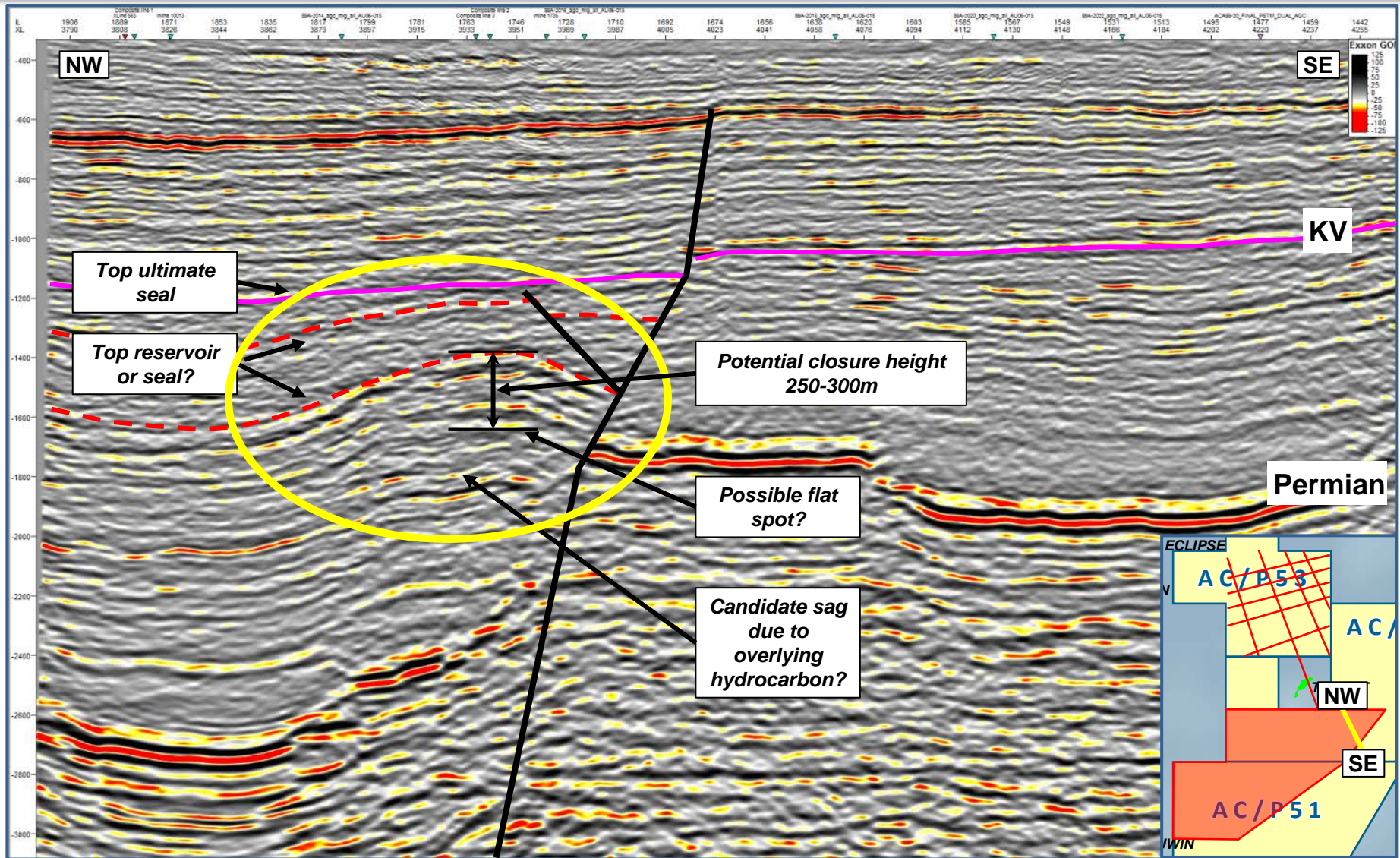
Identified significant structural leads between 2D grid & outside old 3D





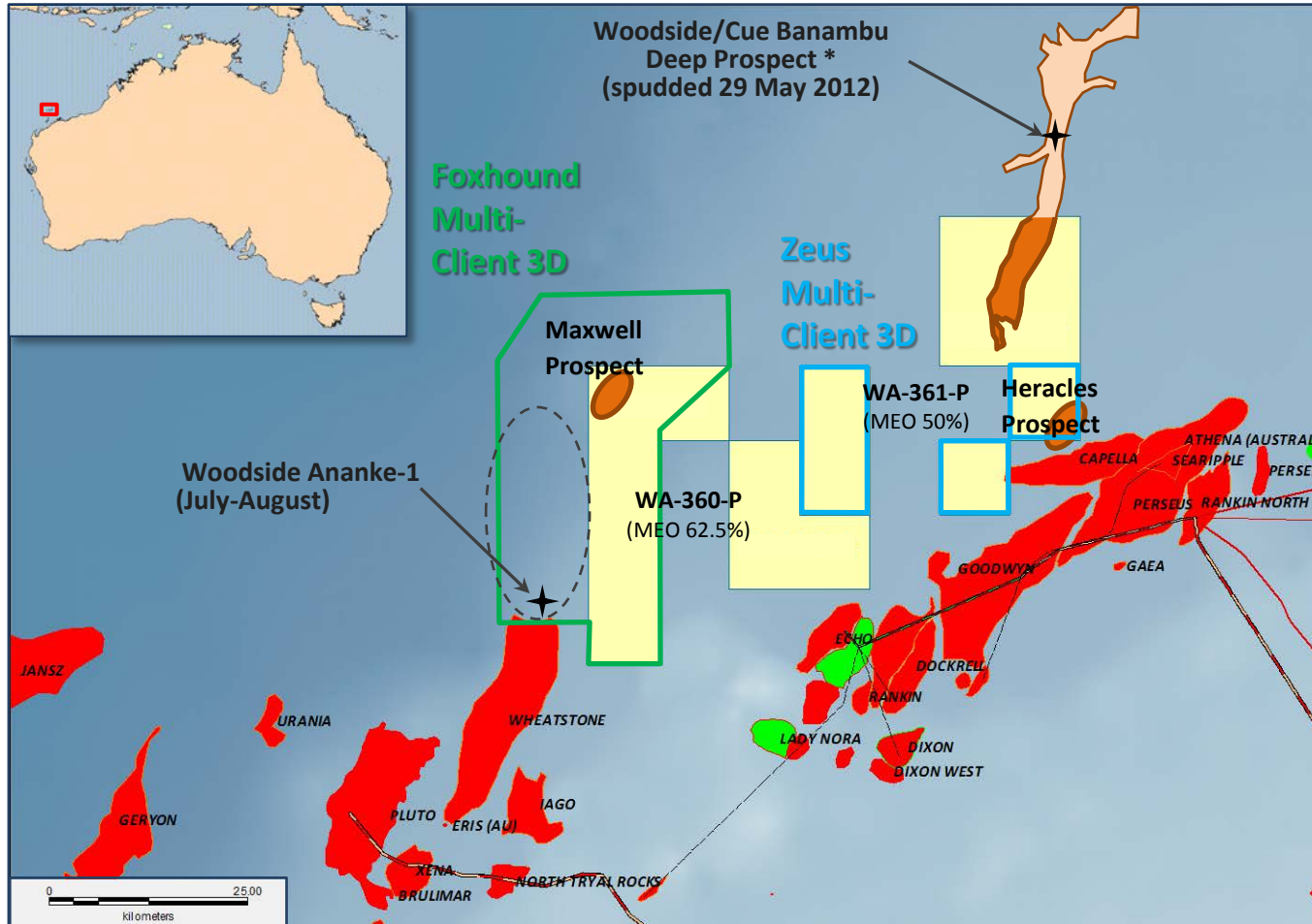
# Lead has structural closure of 250-300m

Possible flat spot and sag below suggestive of potential hydrocarbons



# Carnarvon Basin: Multi-client 3D

New 3D seismic purchased to mature prospects – adjacent drilling activity

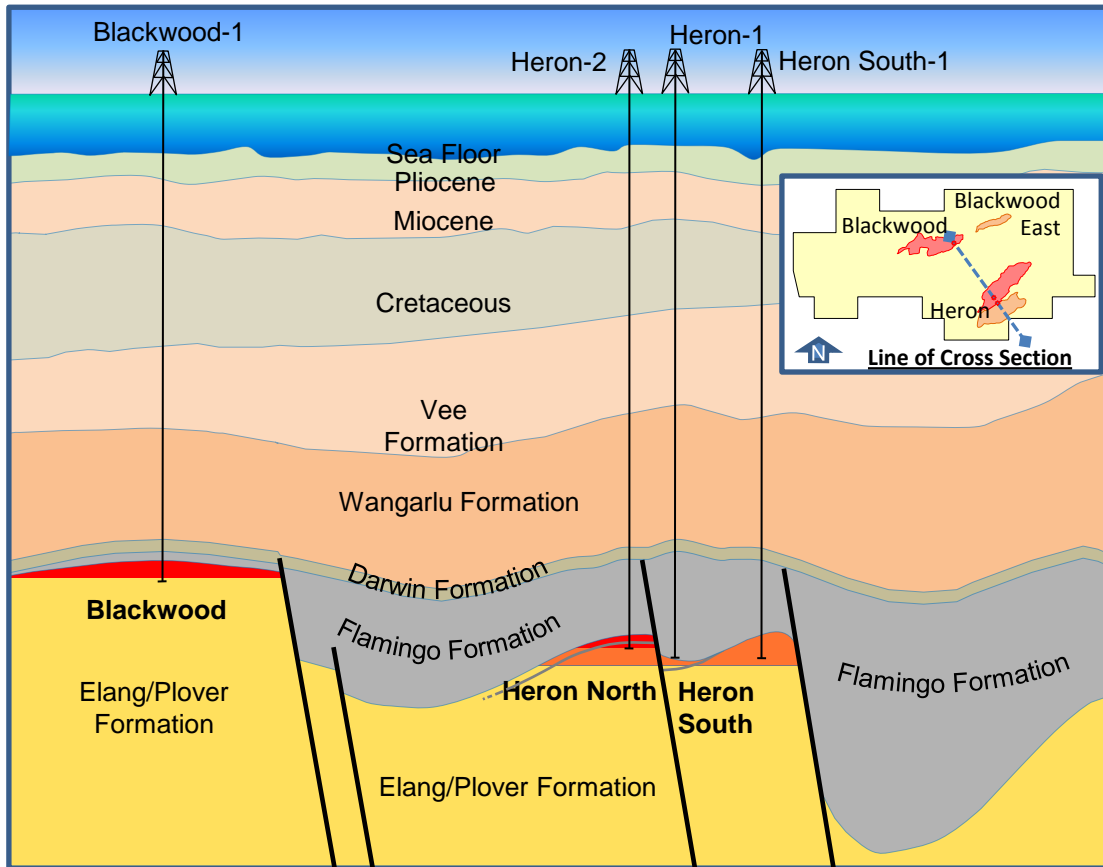


- MEO studies identified
  - Heracles prospect
  - Maxwell prospect
- 3D seismic acquired to mature prospects
- MEO purchased 3D data on and off permit
- Potential for multi-azimuth processing to enhance interpretation
- Adjacent drilling:
  - Banambu Deep-1 targeting intra-Triassic channel play
  - Ananke-1 scheduled after Banambu Deep-1
- High equity interests allows scope for farm-out &/or divestment



# Heron South-1: 3Q-2012

Bonaparte Basin - NT/P68 (MEO 50%)



- Eni operator
- Heron South-1 due to spud August
- Potential 5 Tcf raw gas resource

## MEO Heron Prospective Resource Assessment

Ultimate Recovery	Low	Best	High
Raw Gas (Tcf)	3.66	4.96	6.64

- Recent transactions highlight value
  - >\$200m 50% Heron/Blackwood
  - \$350m 40% Evans Shoal
  - \$520m 49.5% Barossa/Caldita

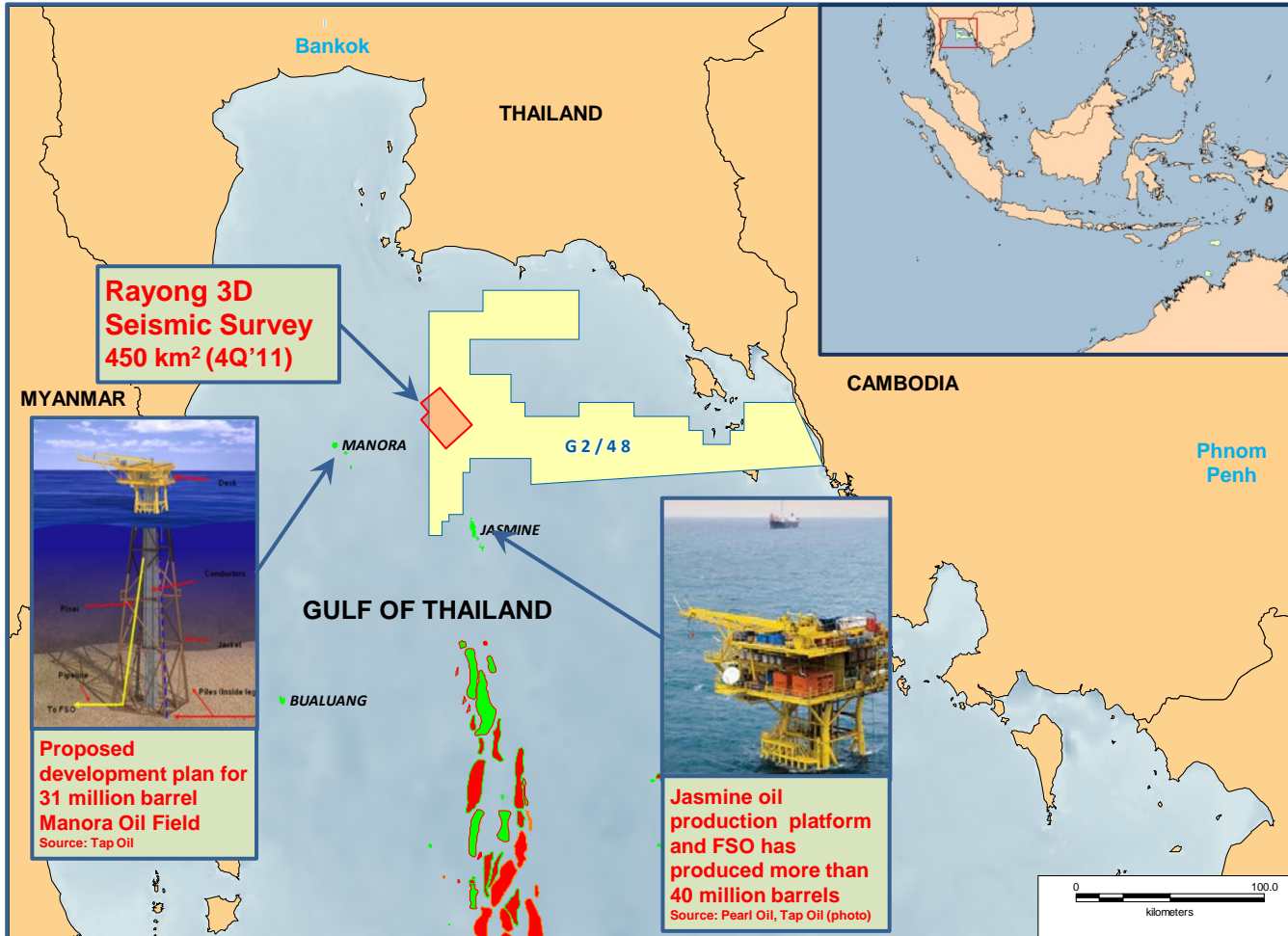
## Regional Transaction Comparison

Transaction +	Buyer	Equity	consideration	US\$/m <sup>3</sup>	+ Assumes all options in transactions are exercised
Evans Shoal	Eni	40%	\$350m	\$8.75	
Barossa/Caldita	SK E&S	49.5%	\$520m*	\$10.5	

\* Includes FEED costs of US\$90m

# Gulf of Thailand Drilling – 4Q 2012+

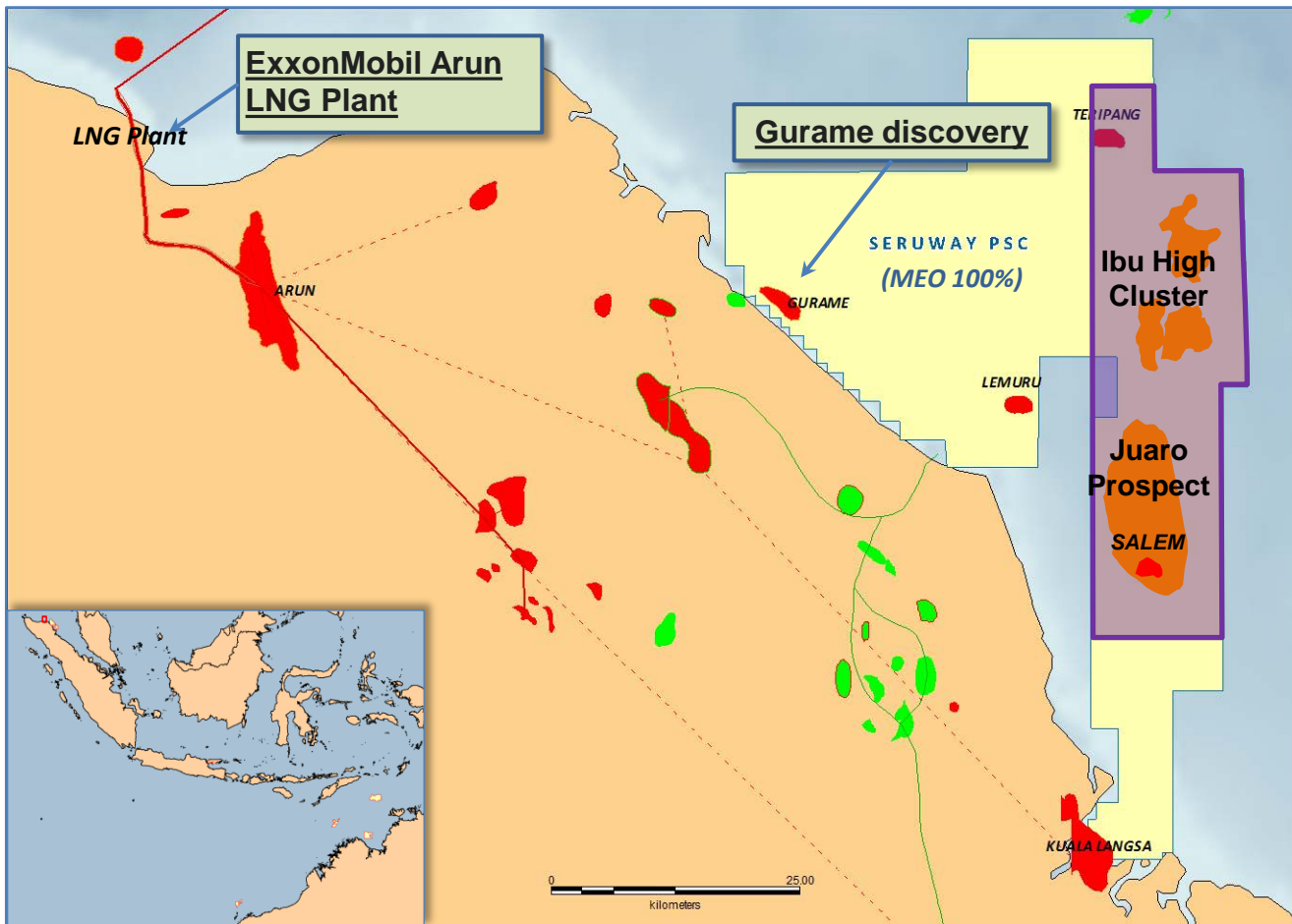
## Rayong Basin - G2/48 (MEO 50%)



- Acquired 50% equity from Pearl Oil Feb-2012
- Consideration
  - 50% of 3D seismic costs
  - 66.6% of well costs (\$5m cap)
  - Equity share of future costs
- 2011 Rayong 3D seismic revealed multiple prospects
- Currently selecting preferred target
  - Indicative prospect sizes 10-50 mmbbls
- Planning for 2012 well underway
  - Rig identified by operator

# Gurame SE-1x drilling Q4-2012+

Offshore North Sumatra - Seruway PSC (MEO 100%)



- Gurame SE-1x
  - Targeting Q4-2012+
- Technical studies indicate oil in two deeper reservoirs
  - 51-109 mmbbls\*
- Gurame SE-1x testing gas cap
  - 0.5 - 0.9 Tcf low CO<sub>2</sub> gas
  - close to established markets and infrastructure
  - Pressure gradients to constrain gas-oil contact in two horizons
- Launched farmout April 2012
  - Targeting Q3-2012 completion

## Gross prospective resources (MEO estimates)

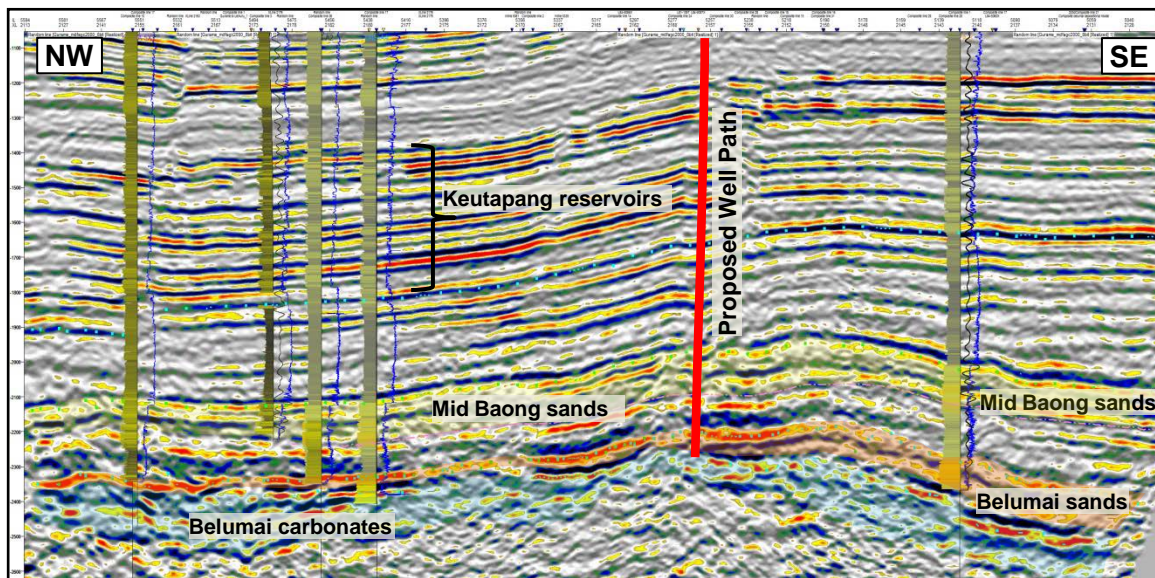
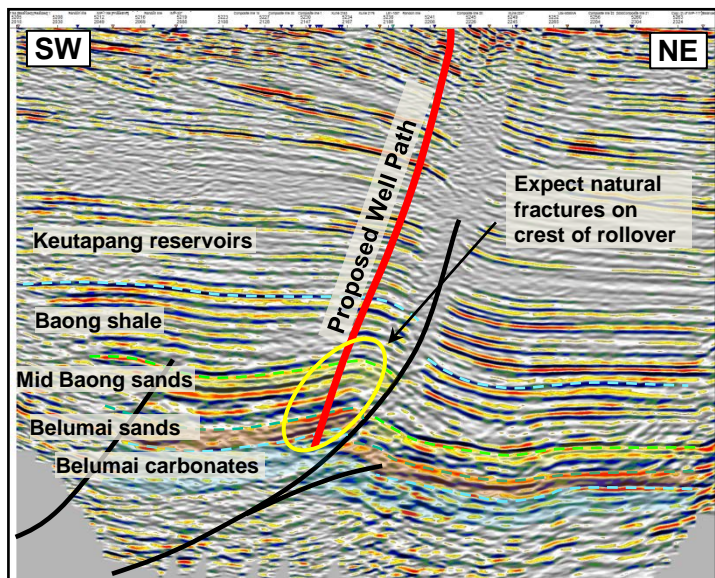
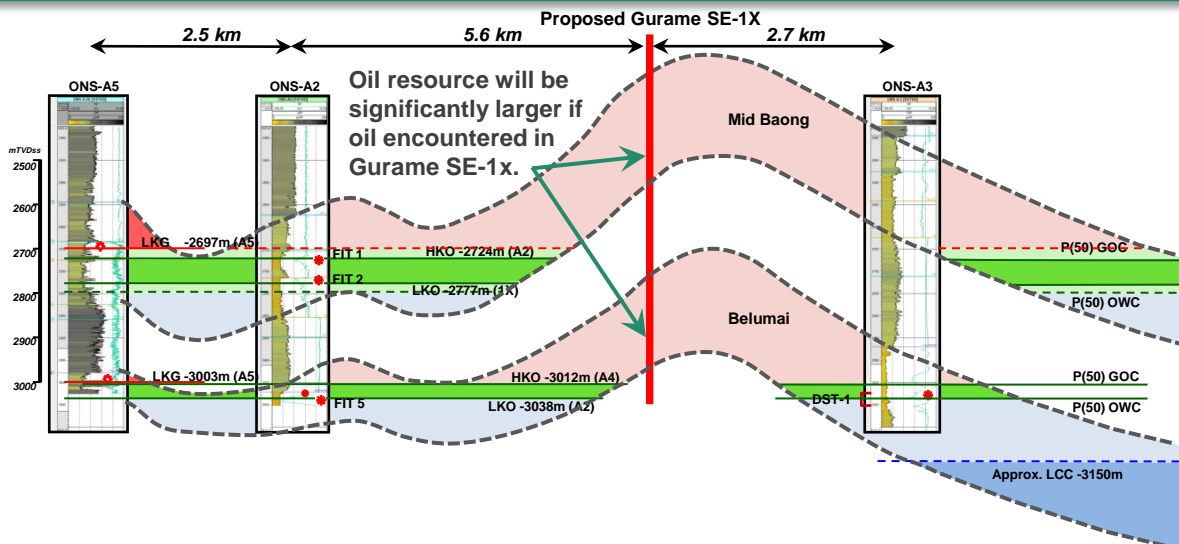
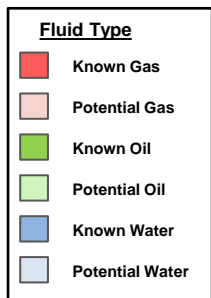
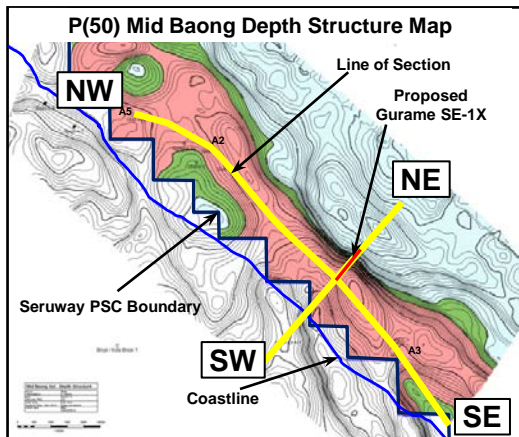
	Gas in Place (raw – bcf)			Recov. sales gas (bcf)			Oil in place (MMstb)			Recov. oil (MMstb)		
	P90	P50	P10	P90	P50	P10	P90	P50	P10	P90	P50	P10
Total	551	971	1,625	273	498	863	188	350	692	24	51	109

+ subject to rig availability  
 \* MEO estimates, classified as prospective recoverable resources (P50-P10)



# Gurame SE-1x: 4Q-2012+

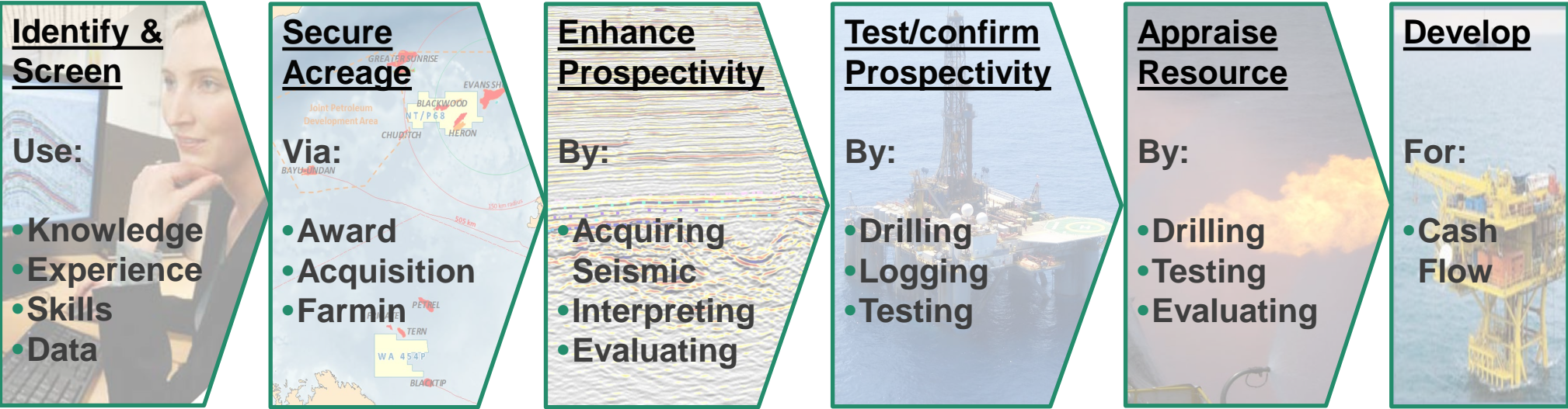
Targeting gas cap up dip of >50m & >26m oil intersections





# Advancing towards operating cash flow

Diversified portfolio with focus on rapid advancement towards development



- South Madura PSC
- Carnarvon (WA-360-P, WA-361-P)
- Vulcan (AC/P50, AC/P51, AC/P53)
- North Sumatra – Ibu Horst
- Bonaparte Gulf (WA-454-P)
- Bonaparte Basin (NT/P68 Blackwood)
- Gulf of Thailand (G2/48)
- Bonaparte Basin (NT/P68 Heron South)
- North Sumatra - Gurame

