



MEO Australia Limited

ABN 43 066 447 952

Level 23
500 Collins Street
Melbourne Victoria 3000
Australia

Tel: +61 3 8625 6000
Fax: +61 3 9614 0660
Email: admin@meoaustralia.com.au
Website: www.meoaustralia.com.au

ASX & Media Release

Seruway PSC resource estimate update

Key Points:

- Updated assessment of Seruway PSC resources for Ibu Horst & Kuala Langsa
- Ibu Horst area contains two main prospective areas: Juaro Complex & Ibu Alpha Prospect
- Main feature in the Juaro complex is assessed as containing 230 million barrels mean recoverable prospective resource, with additional 63 million barrels mean recoverable prospective resource in a series of subordinate features
- Ibu Alpha oil prospect assessed as containing approximately mean recoverable prospective oil resource of 24 million barrels
- Kuala Langsa discovery assessed to contain a mean contingent resource of 1.5 Tcf of recoverable raw gas of uncertain CO₂ composition (50%-80%) within the Seruway PSC

MELBOURNE, AUSTRALIA (8th March, 2013)

MEO Australia Limited (ASX: **MEO**; OTCQX: **MEOAY**) provides the following update in relation to its technical assessment of the prospective resources identified on the major Ibu Horst prospects and the discovered gas resource volumes associated with the Kuala Langsa gas discovery within the Seruway PSC, offshore North Sumatra

Ibu Horst 3D area

MEO has integrated the results of the 701 km² Ibu Horst 3D seismic survey acquired in early 2012, with data from the ONS B-1 (1969), NSO-2N (1975) and Salem-1 (1983) discovery wells on the Ibu Horst. Two significant areas of prospectivity were identified: the Juaro complex and the Ibu Alpha prospect.

Juaro Complex

The 1969 ONS B-1 well produced 12.5 mmcf/d gas on test and also recovered 37^o API oil.

The Juaro complex consists of a number of discrete down-dip extensions of the reservoir intersected by ONS B-1. In aggregate, these are assessed to contain a mean recoverable prospective resource in excess of 290 million barrels of oil, predominantly within high quality reservoirs. The largest of these accumulations is assessed to contain 230 million barrels of oil, with an aggregate 63 million barrels of mean prospective resources within a cluster of subordinate features.

Ibu Alpha Prospect

The 1975 NSO-2N well recovered a sample of gas from a shallow reservoir. To the north of the PSC are known oil fields. MEO has identified a deeper reservoir objective considered prospective for oil in the Ibu Alpha prospect near the NSO-2N discovery well and has assessed this prospect to contain a mean prospective recoverable oil resource of approximately 24 million barrels.

Kuala Langsa gas discovery

The 1992 Kuala Langsa-1 well discovered gas in high quality reservoirs in the adjacent PSC. The entire Kuala Langsa field has been assessed to contain between 5.4 – 10.9 Tcf* (P90-P10) of raw gas-in-place, in highly productive carbonate reservoirs. MEO considers the crest of the field to occur within the Seruway PSC.

MEO has carried out additional reservoir studies based on evaluation of the available 2D seismic data and the well results including pressure and fluid sampling and production testing.

Some 2.1 Tcf (P50) of raw gas-in-place is assessed to be within the Seruway PSC. MEO assesses that approximately 1.5 Tcf of this assessed raw gas in place would potentially be recoverable.

The CO₂ content of Kuala Langsa gas is considered a key uncertainty worthy of further investigation. Surface sampling during production testing of Kuala Langsa-1 reported 80% CO₂. In contrast, modern reservoir engineering analysis coupled with analysis of samples recovered from the reservoir suggests CO₂ in the 50-60% range. The hydrocarbon content of the gas is more than doubled if the CO₂ can be confirmed in the lower range.

Partial sale process underway

MEO has appointed RBC Capital Markets to advise on strategic options for the Seruway PSC. Further announcements will be made in due course.



Jürgen Hendrich
 Managing Director & Chief Executive Officer

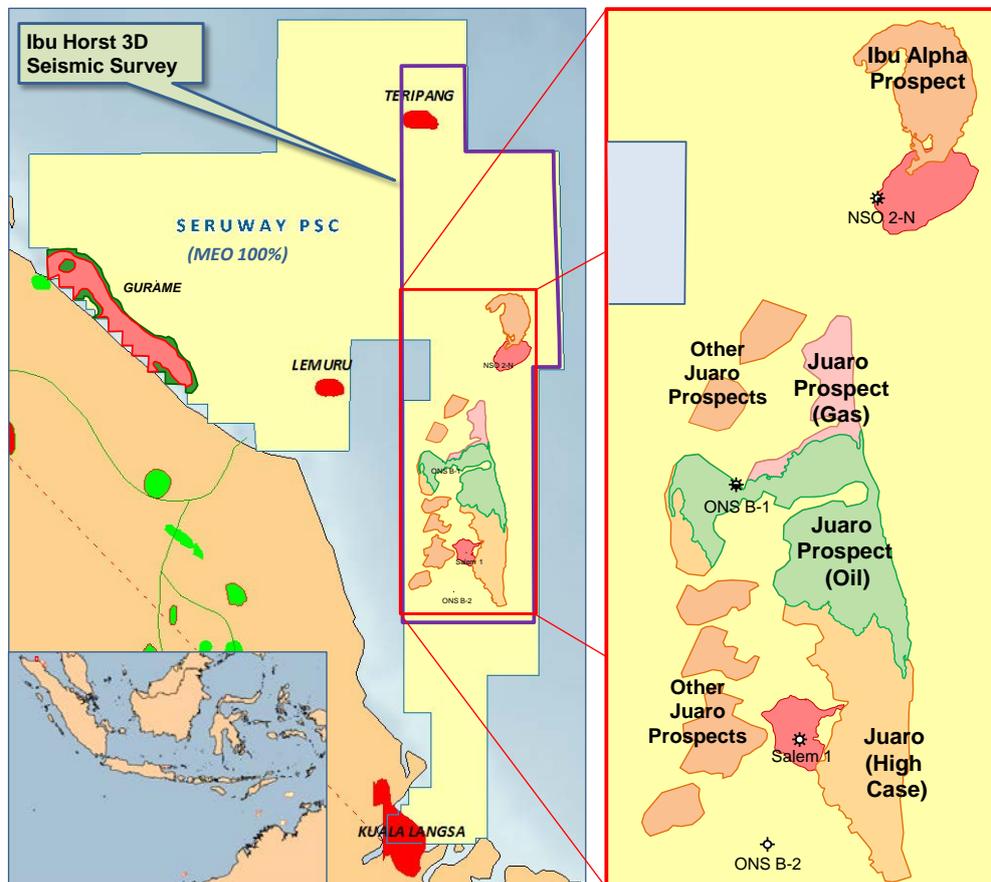


Figure 1 Location map showing Ibu Horst prospects and Kuala Langsa field.

* Consistent with PT. Medco Energi's public assessment