MEOAustralia

energy for the future

Investor update

April 2012

Corporate snapshot

SE Asian portfolio, 5 undeveloped resources, drilling from mid-2012

Key facts

HQ in Melbourne, Australia; Jakarta branch office
ASX listed (MEO); QX listing imminent (MEOAY)
~9,750 shareholders, top 20 hold ~30%
7 upstream projects (10 permits)
3 infrastructure projects with Environmental Approvals

Core strengths

Conservative management
Outstanding new venture capability
Track record of high value transactions

Value proposition

Conservative business model

- Seek low cost entry @ high equity in proven areas
- Value add technically
- Crystalise value via farm out – recover sunk costs
- Retain significant exposure to geological potential

Adequately funded (subject to farm out)
Near term catalysts

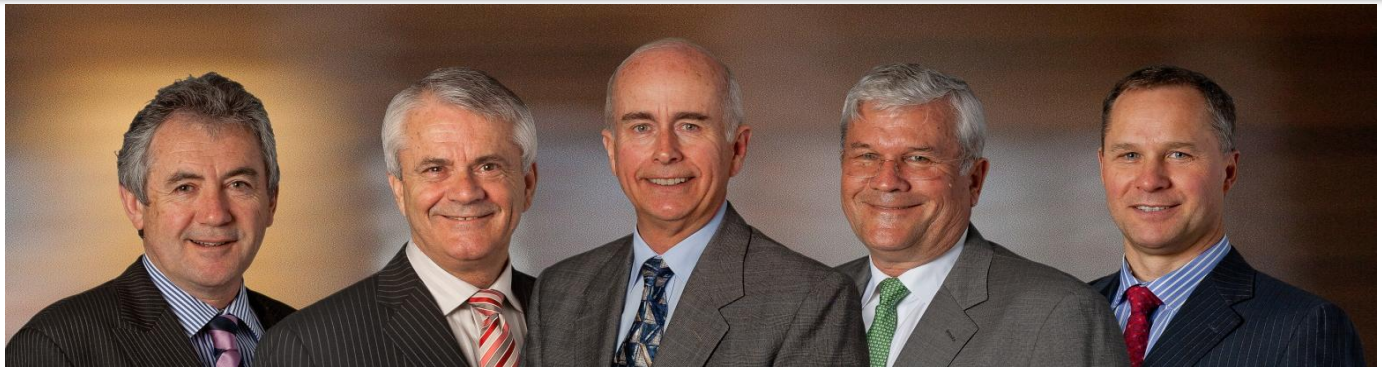
- 3 wells in 2H-2012 commencing July/August
- Plus drilling in nearby permits
  - Woodside (2Q) near WA-361-P
  - Shell/Eni (4Q) near NT/P68

Issued shares	(million)	539.9
Issued options ($0.50 ex)	(million)	21.6
Share Price	(18-Apr)	A $0.325
Market Capitalisation	(million)	A $176
Cash & Cash Equivalents	(31-Mar)	A $62
Forecast expenditure this qtr	(million)	A $9
Enterprise value	(million)	A $114
Daily liquidity (3 month avg)	(million)	4.9

Key personnel

Depth of experience with major companies, broad skill set

Board of directors
In place since October 2008

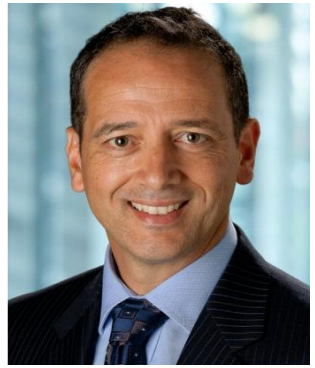


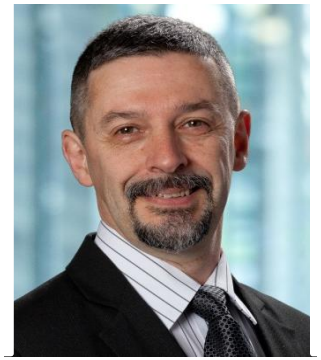
Executive team
Balance of operational, financial, technical and commercial skills

Specialists
Provide rigour to technical and commercial evaluation of opportunities



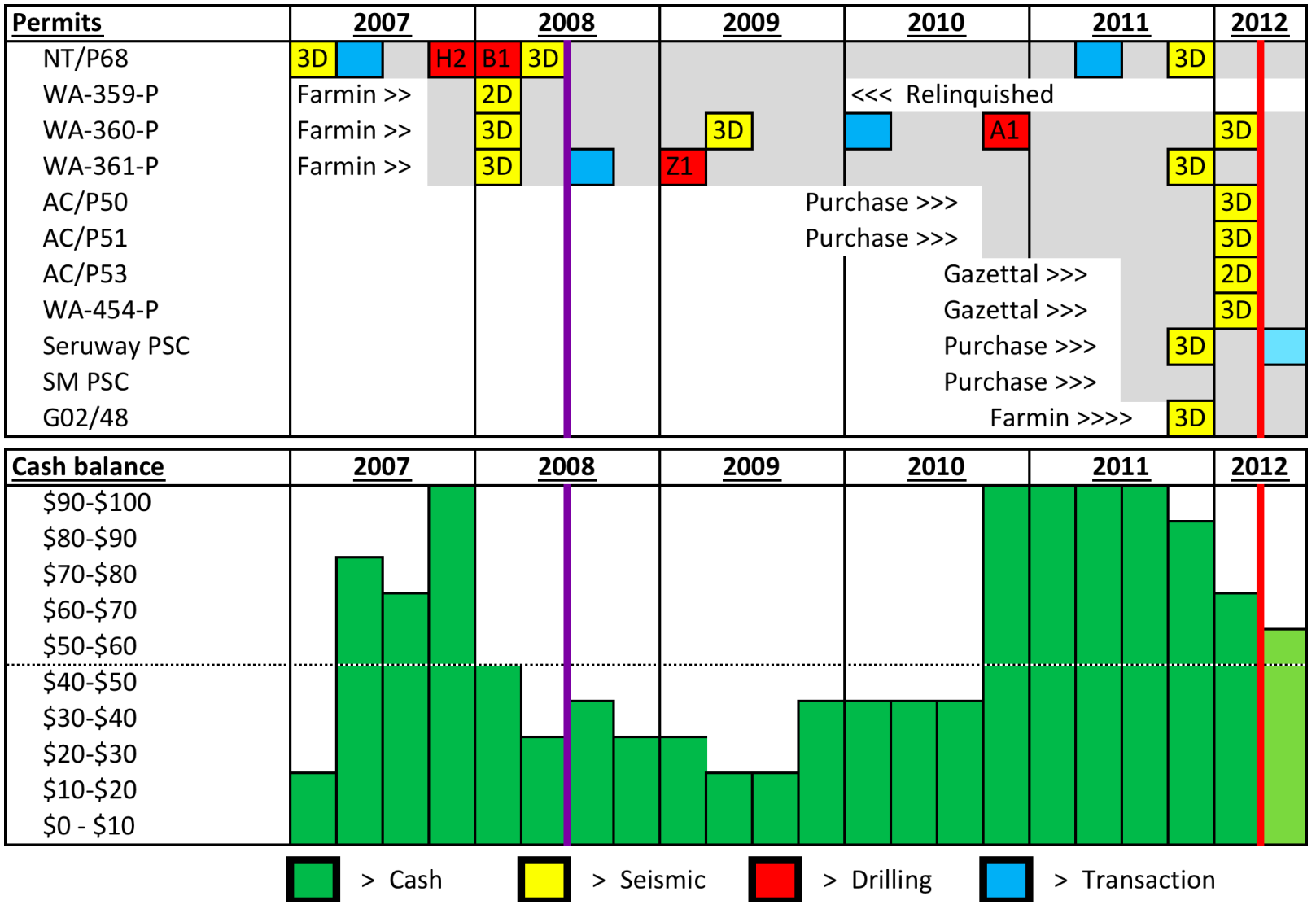




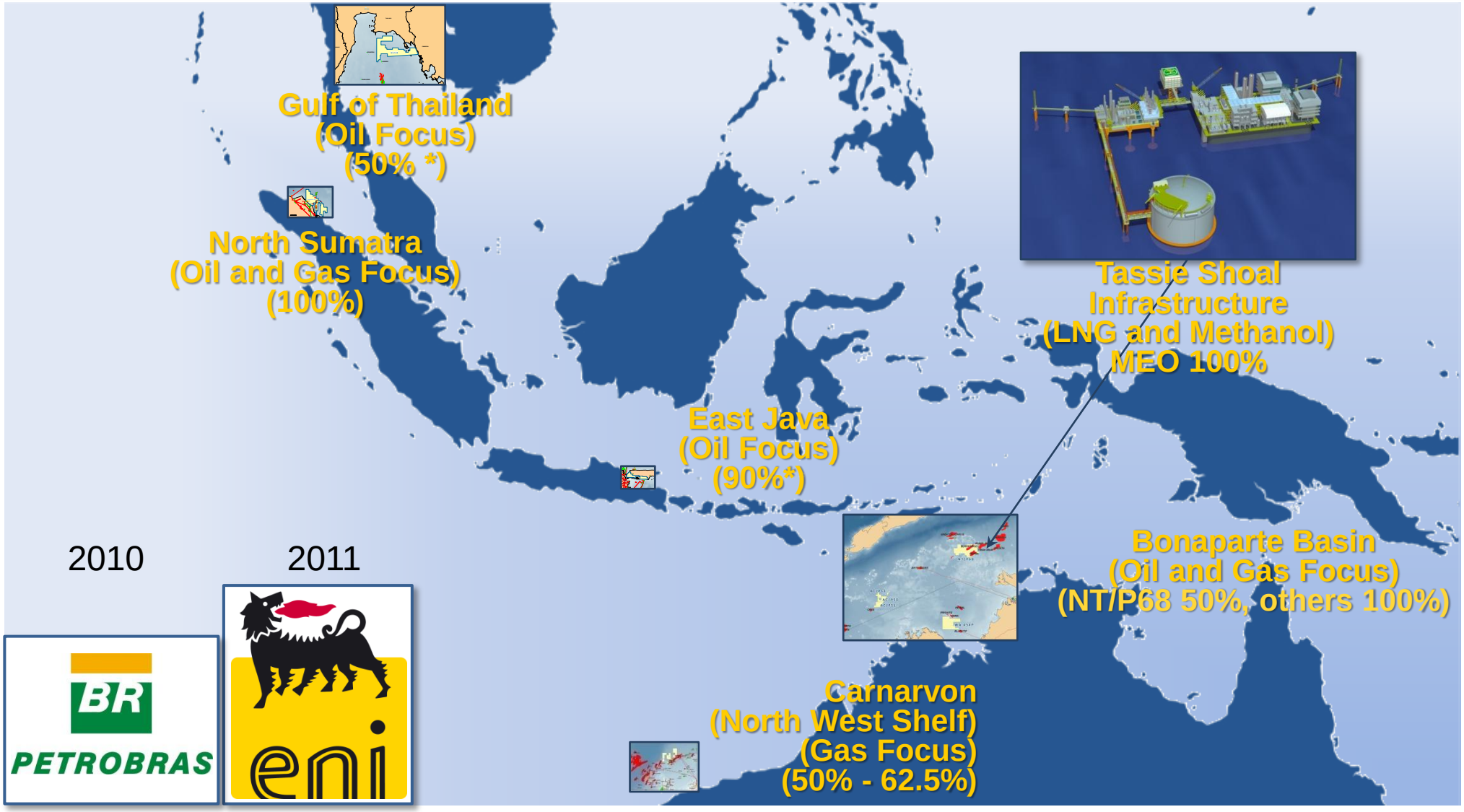

Conservative portfolio management

Managed legacy positions, built cash, expanded as funding allowed



7 upstream and 3 infrastructure projects

High initial equity provides room to form strategic partnerships



* Subject to regulatory approvals

Track record of high value transactions

Significant work programs negotiated

2010 WA-360-P farm-out to Petrobras

Target: ~12 Tcf (prospective)
Equity : 50% (MEO farming down from 70%)

Back costs and cash bonus	US$ 39m
Artemis-1 (capped)	US$ 42m
Success Bonus	US$ 31.5m
Second Well (capped)	US$ 62m
Third well (capped)	US$ 62m
Funding range	**US $81m - $236.5m**

Result : MEO cash after well ~A$100m
Funded expansion into SE Asia

2011 NT/P68 farm-out to Eni Australia

Target: ~6 Tcf (discovered + prospective)
Equity : 50% (MEO farming down from 100%)

Heron-3 well (MEO est.)	US$ 75m
Blackwood 3D Seismic (est.)	US$ 10m
Heron-4 well (MEO est.)	US$ 75m
Blackwood-2 well (MEO est.)	US$ 45m
Funding range	**US $85m - $205m**

Result : Blackwood 3D seismic 4Q-2011
Heron South-1 drilling 3Q-2012

Consideration for additional 25% equity:

Carry to FID (including wells)	US$ TBD
Cash at FID	US$ 75m

Firm (or value already received) | Contingent consideration

Near term activity outlook*

Significant recent investment in seismic, drilling in 2H-2012

	2011	2012				2013		
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	2H
Australia								
Tassie Shoal Projects (MEO 100%)	Terminated JDA with APCI	Seek EoI's for Methanol	EoI's for 8.3 MTA methanol	Advance commercial discussions		Advance commercial discussions		
Bonaparte Basin NT/P68 (MEO 50%)	766 km² Bathurst 3D (Blackwood)	Process 3D	Process 3D	**H Sth #1**	Drill/Drop Election Heron	Drill/Drop election Blackwood		
Petrel Sub-Basin WA-454-P (MEO 100%)		Floyd 3D	Process Floyd 3D	Interpret Floyd 3D	Farmout			**1-2 Possible Wells**
Carnarvon Basin WA-360-P, WA-361-P (MEO 62.5%, 50%)	Zeus 3D WA-361-P	Licence Foxhound 3D WA-360-P	Process Zeus 3D	Interpret Foxhound 3D	Interpret Zeus 3D	Farmout	Farmout	**Possible Well**
Vulcan Sub-Basin AC/P50, AC/P51, AC/P53 (MEO 100%)		Zeppelin 2D & 3D	Process Zeppelin 3D	Interpret Zeppelin 3D	Interpret Zeppelin 3D	Possible Farmout	Possible Farmout	**Possible Well**
International								
North Sumatra Basin Seruway PSC (MEO 100%)	706 km² Ibu Horst 3D	Process 3D	Farmout	Farmout	**Well**			**2 wells**
Gulf of Thailand G02/48 (MEO 50%)	450 km² Rayong 3D	Executed FIA to Acquire 50% PI	Interpret 3D	Renewal Application	**Well**	Work program subject to renewal		
East Java Basin South Madura PSC (MEO 90%)	Executed SPA to Acquire 60% PI	Regulatory approvals & revised work program			2D Seismic	Work program subject to revision		

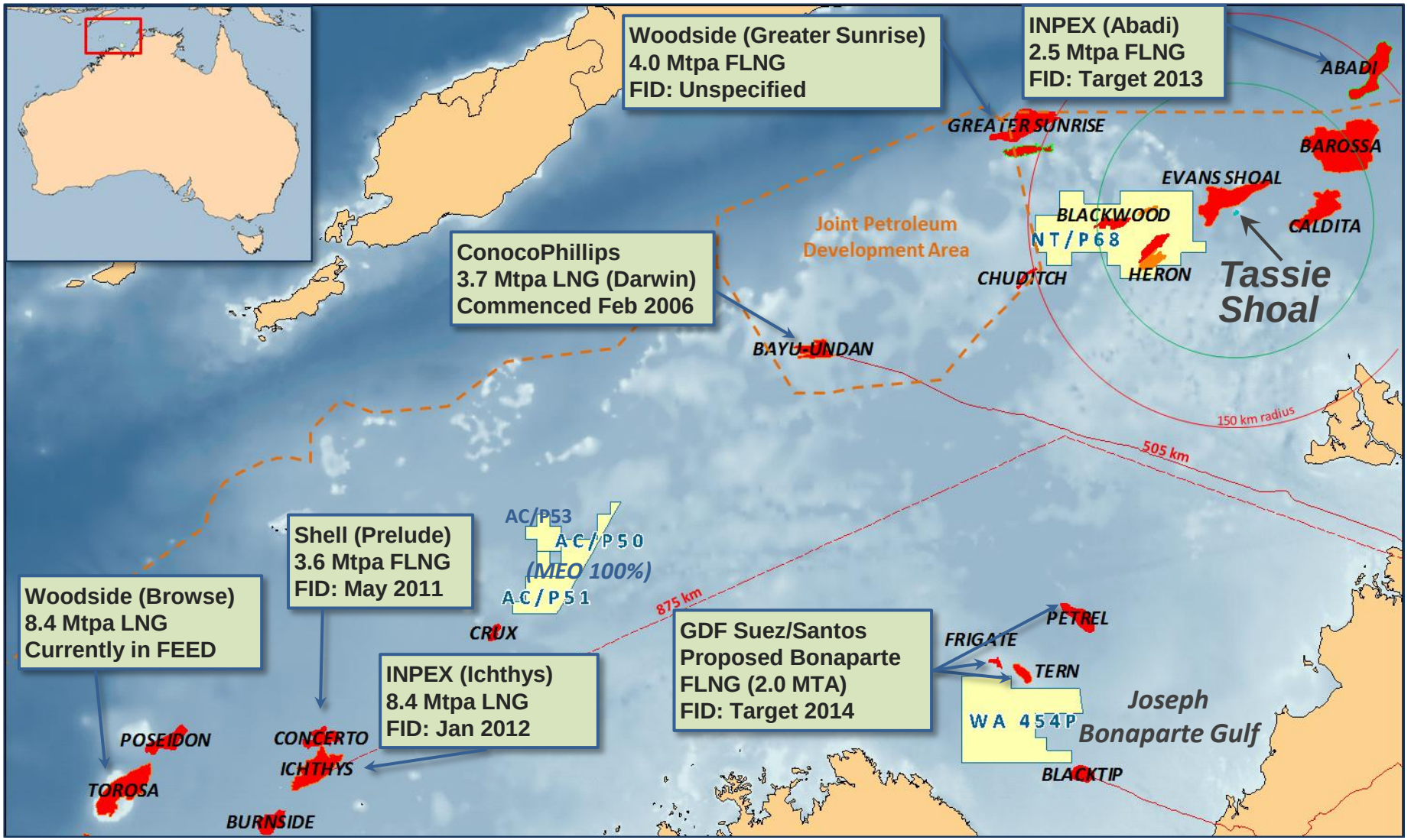
*** Subject to ongoing revision & optimisation**

Technical presentation

Project specific summaries

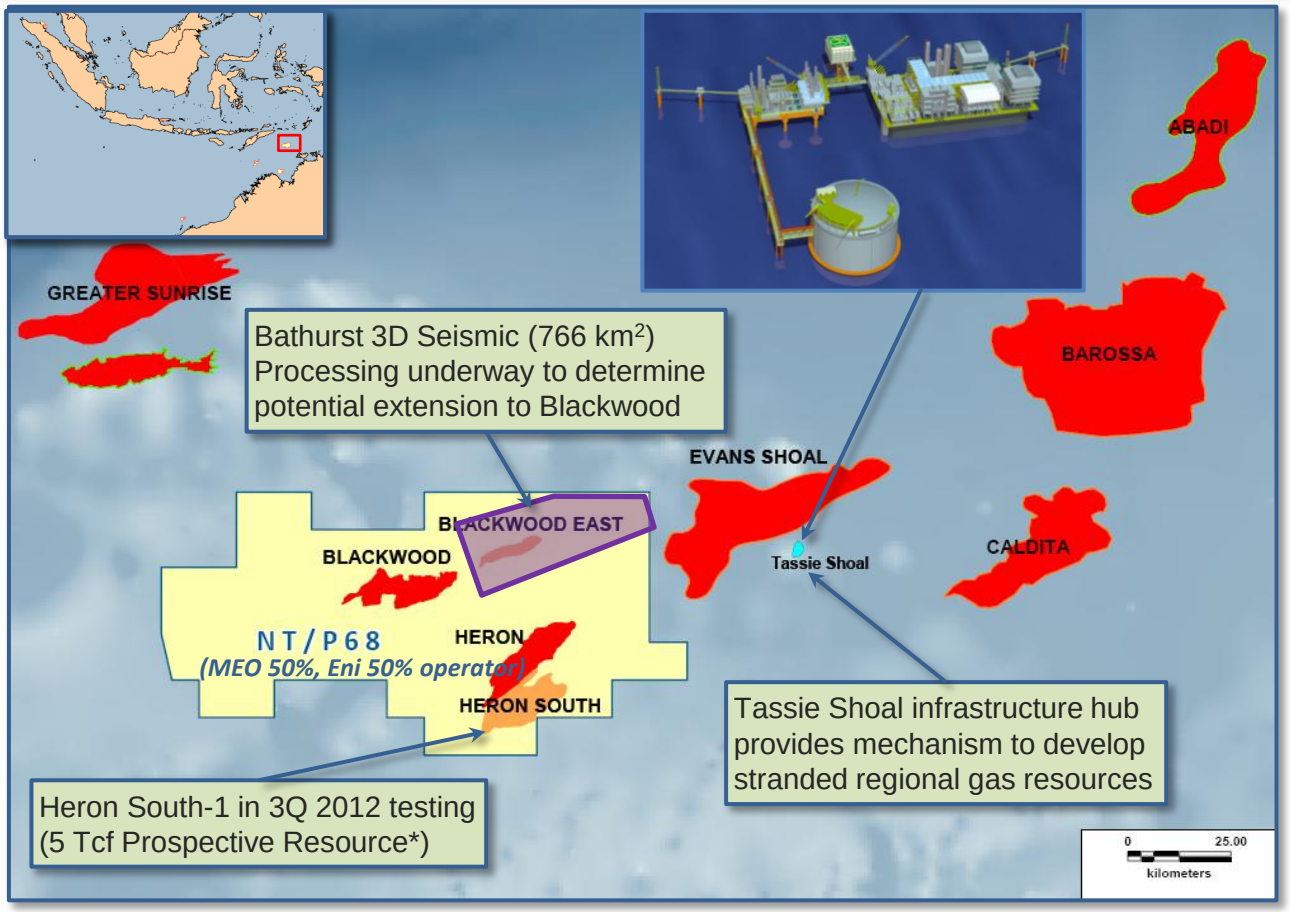
Timor Sea Northern Australia, remote gas

Focus of 4 MEO projects – region actively under development consideration



1. NT/P68 Timor Sea, Bonaparte Basin

Heron & Blackwood gas discoveries, LNG scale resource potential



KEY FACTS	NT/P68 - Timor Sea, Australia
Strategic Objective	Develop Heron & Blackwood gas discoveries
MEO W.I.	50% (1)
Operator	ENI Australia Ltd
Water Depth	40 – 100 metres
Reservoirs	Elang/Plover Formation
Permit Status	Year 3 of 5 year renewal
Activity	Bathurst 3D acquired Heron-3 3Q 2012

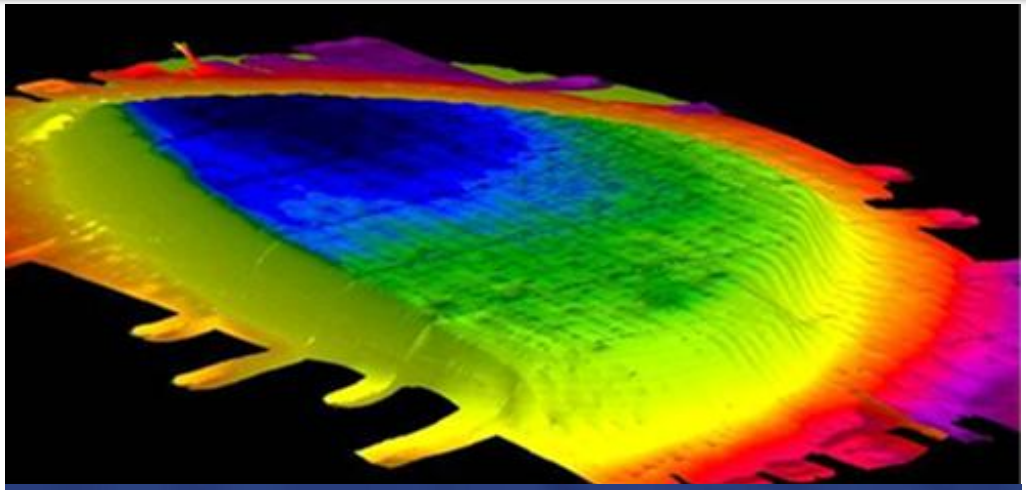
Gross Prospective Recoverable Resources	
Heron - ***Discovery***	~5,000 BCF
Blackwood- ***Discovery***	1,000-1,500 BCF

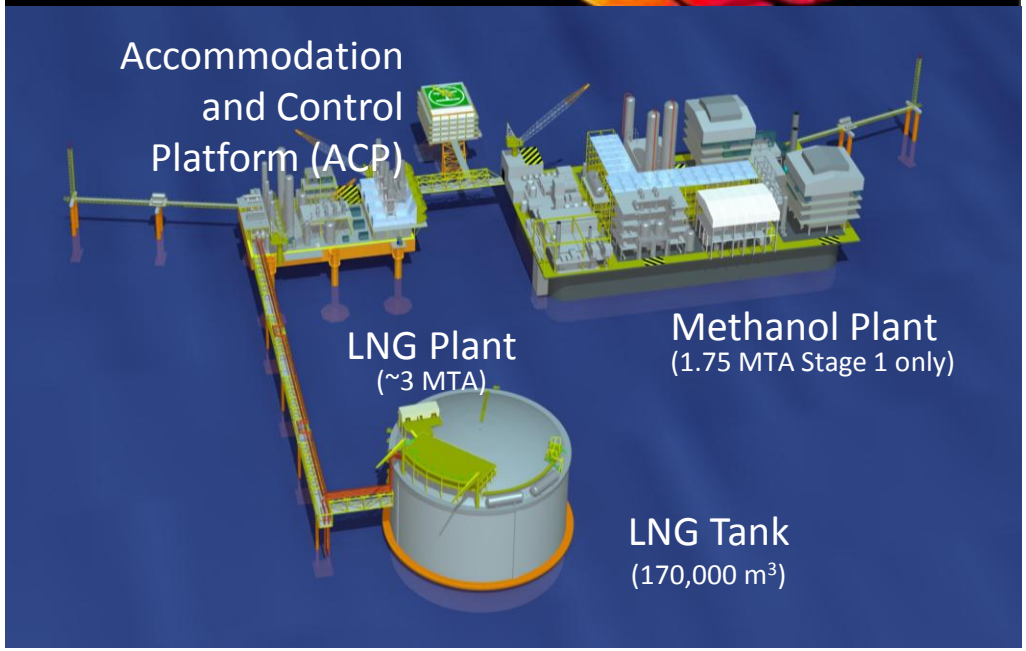
(1) See Eni Australia Ltd Farm-In to NT/P68 details

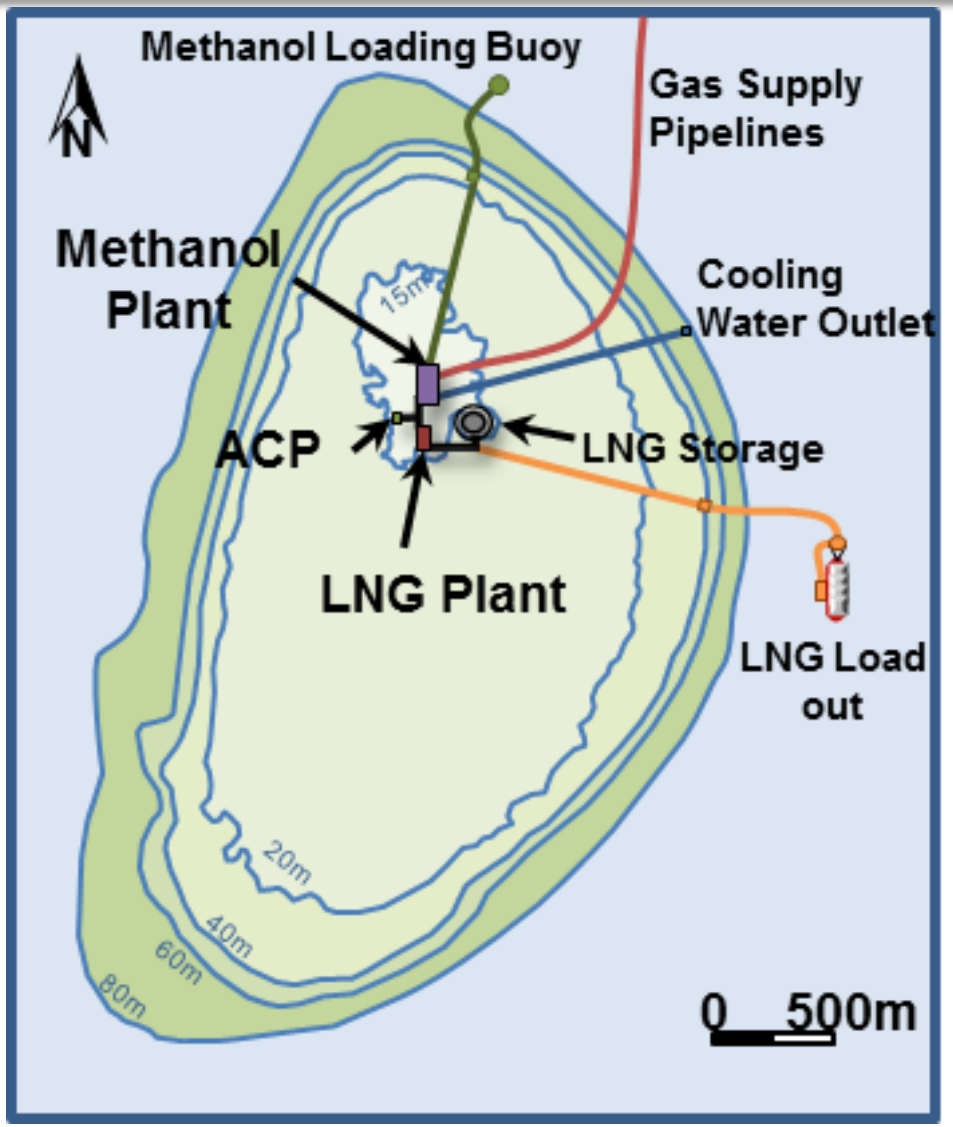
2011				2012			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Executed Farm-In with ENI		Acquire 3D Seismic	Process 3D	Interpret 3D	Heron South-1	

2. Tassie Shoal – a natural hub location

Infrastructure to be hosted in <15m water depth

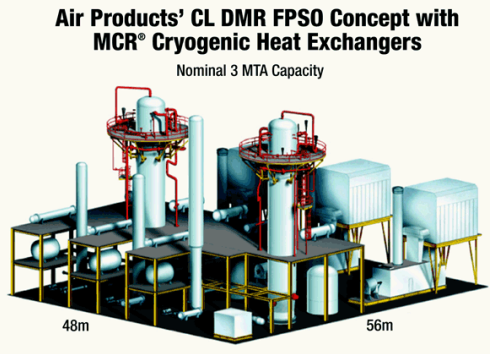






Using proven, off the shelf technology

Simple grounded structures, proven technology, no movement issues



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Arup Concept Elevating (ACE) Platform

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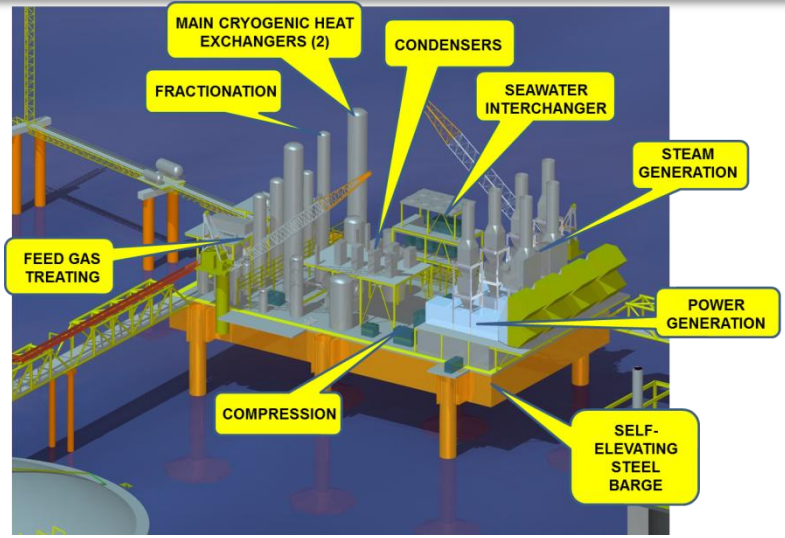

Process plant based on Davy Process Technology plants operating in Trinidad

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ExxonMobil's Adriatic Re-gas terminal on CGS. Barge becomes island and storage

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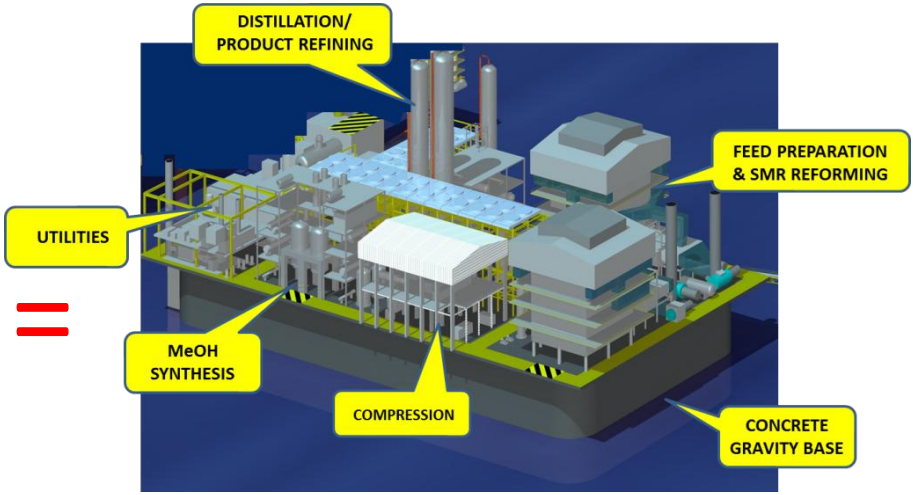
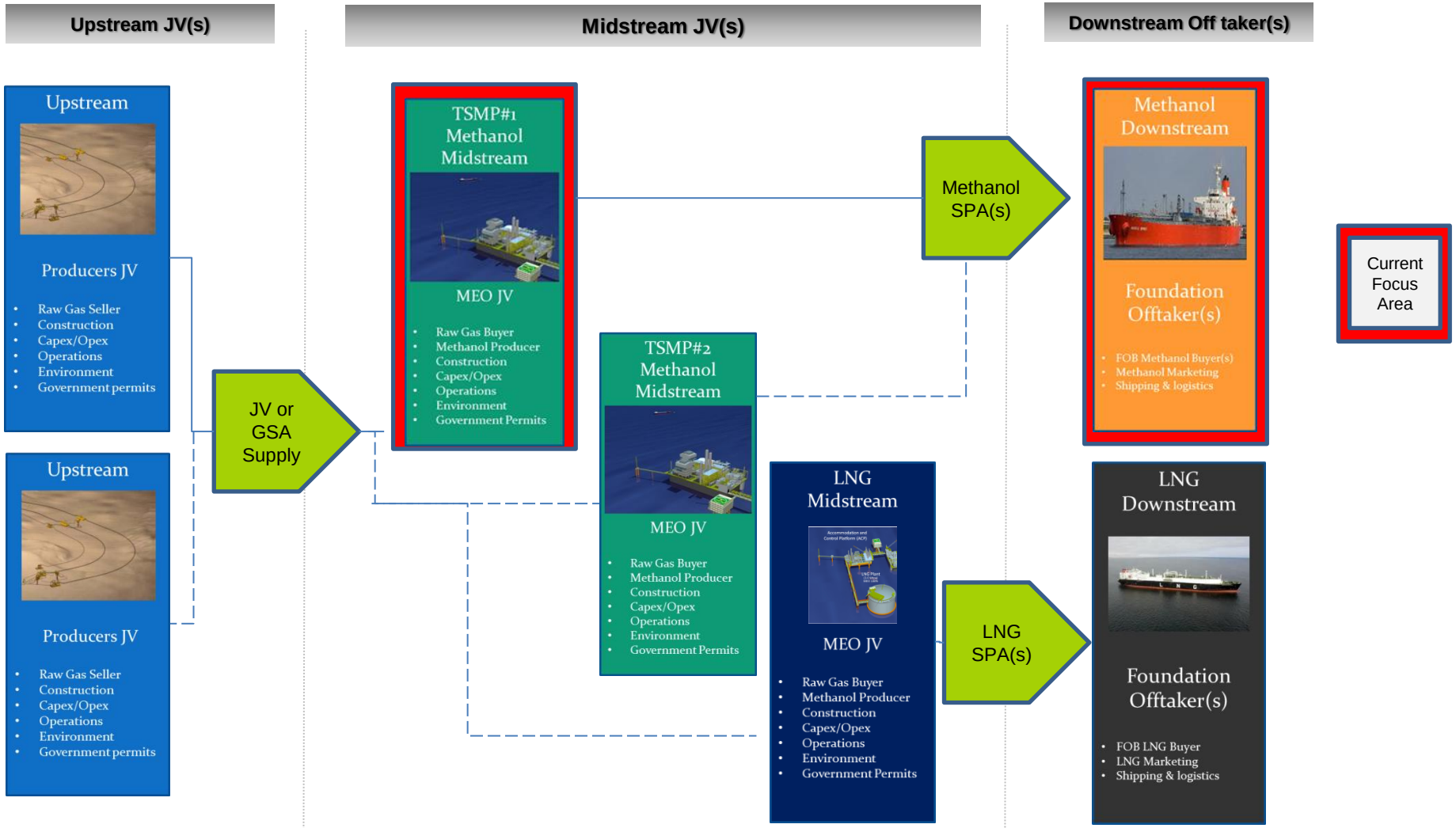


Initial focus on $TSMP_1$ - gauging demand

EoI's received for aggregate 8.3 MTA methanol offtake



3. Seruway PSC, North Sumatra

Multiple projects – launched farm out to attract funding partner

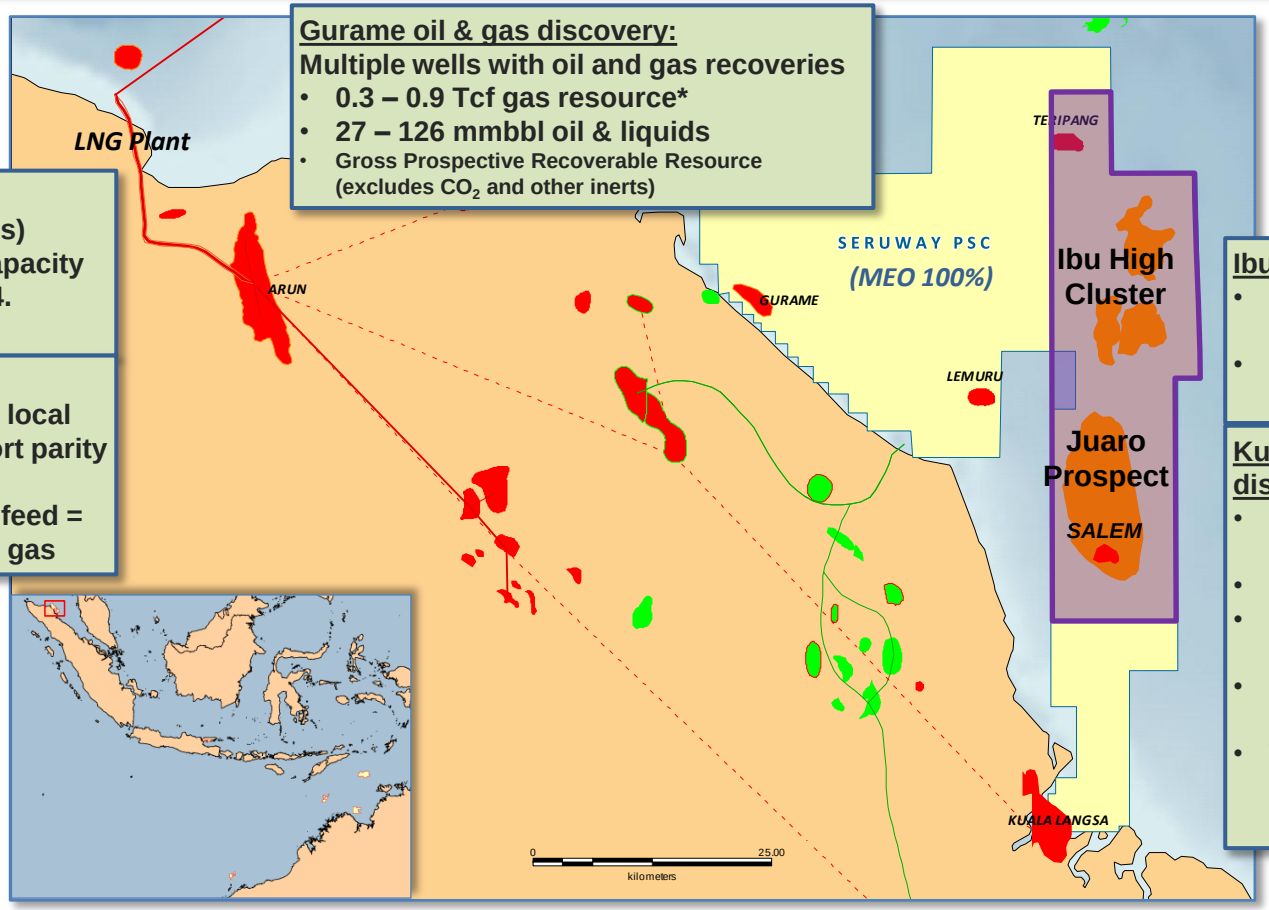
ExxonMobil Arun LNG Plant
- 4 MTA LNG Capacity (2 trains)
- Currently operating <50% capacity
- Plant Operations cease 2014.
- ExxonMobil divesting

Options for Arun:
- Convert to import terminal = local gas price tends toward import parity

Or
- Re-invigorate with local gas feed = ready market for discovered gas

Gurame oil & gas discovery:

Multiple wells with oil and gas recoveries
- 0.3 – 0.9 Tcf gas resource*
- 27 – 126 mmbbl oil & liquids
- Gross Prospective Recoverable Resource (excludes CO_2 and other inerts)



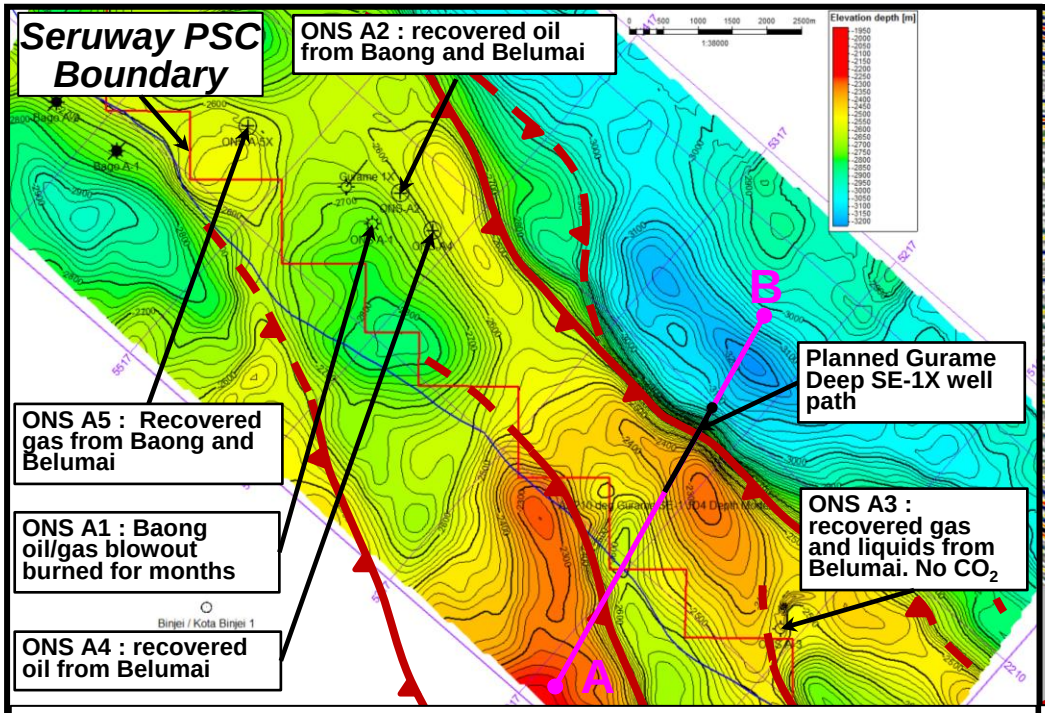
Ibu Horst:
- Multiple wells with hydrocarbons
- 2012 Ibu Horst 3D seismic

Kuala Langsa gas discovery:
- 230m gas column in Kuala Langsa-1
- Multi-tcf resource
- Discovery straddles Seruway PSC
- Seruway PSC contains crest of structure
- Tested CO_2 content inconsistent with RFT/FIT data

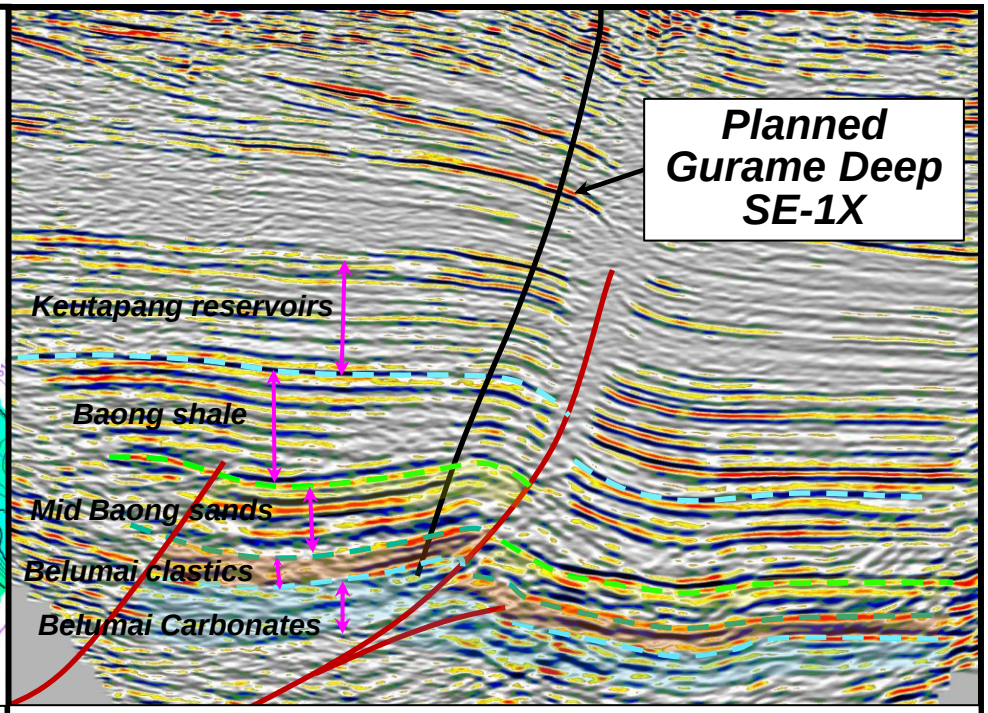
2011				2012			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Executed SPA to acquire 100% of PSC		708 km² 3D Seismic over Ibu Horst	Evaluate Gurame & Kuala Langsa	Farm out	Farm out	Exploration Well

Gurame oil & gas discovery

Significant oil potential, near shore, shallow water –drilling 4Q



Preliminary Depth Map : Top Mid Baong Sands



Seismic Cross Section A-B

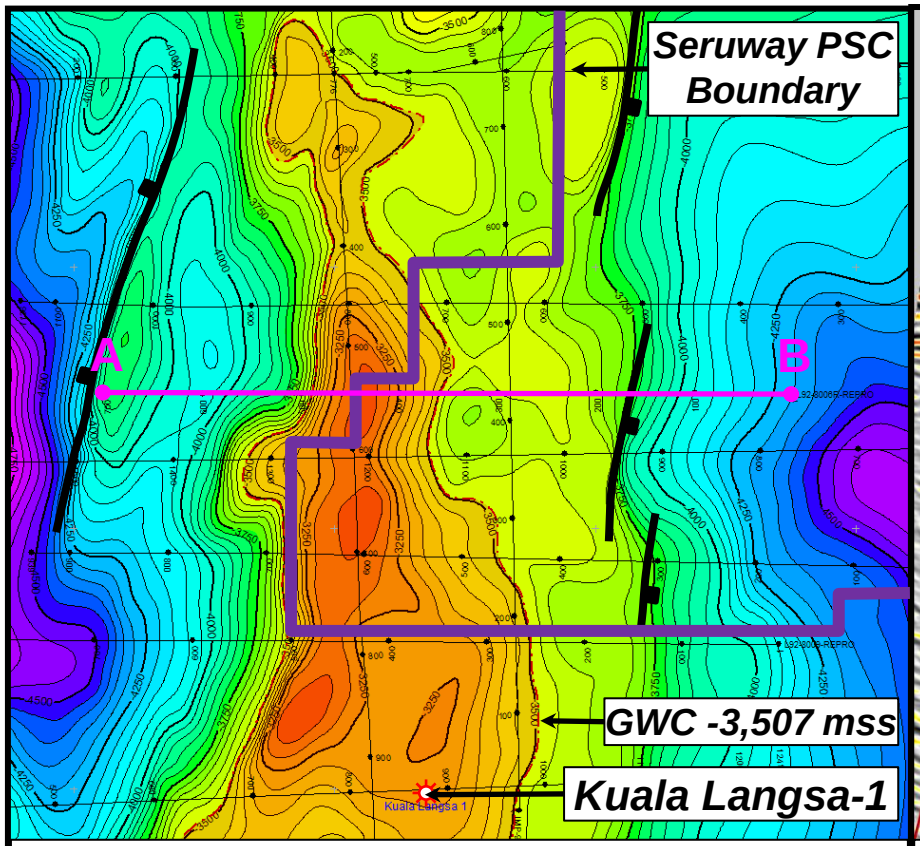
Gurame Prospective Resource Assessment - MEO Preliminary Estimates

Baong & Belumai Reservoirs	Unit	P90	**P50**	P10
Recoverable Hydrocarbon Gas	Bscf	273	**497**	863
Recoverable Oil and Condensate	MMstb	27	**58**	126

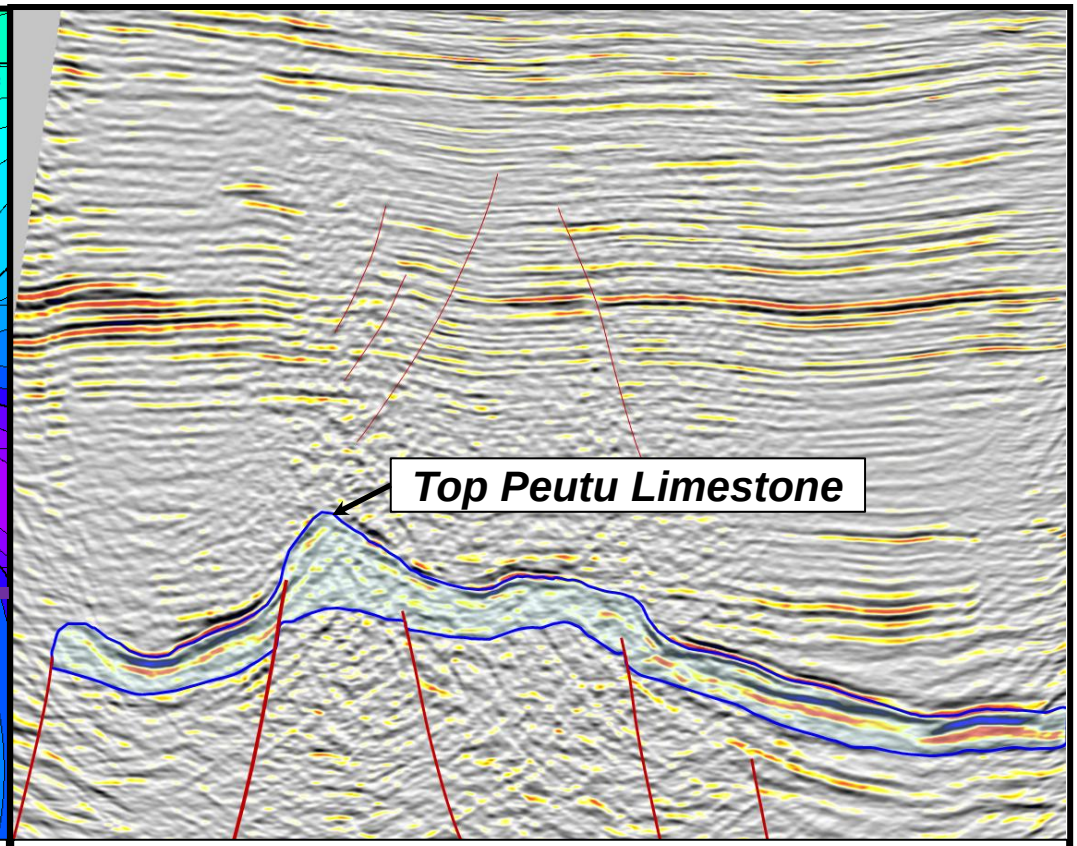
Keutapang Reservoirs – Prospective Resources in stratigraphic trap

Kuala Langsa gas discovery

Resource straddles 2 PSCs – crest & thickest reservoir in Seruway PSC



Peutu Limestone Depth Structure



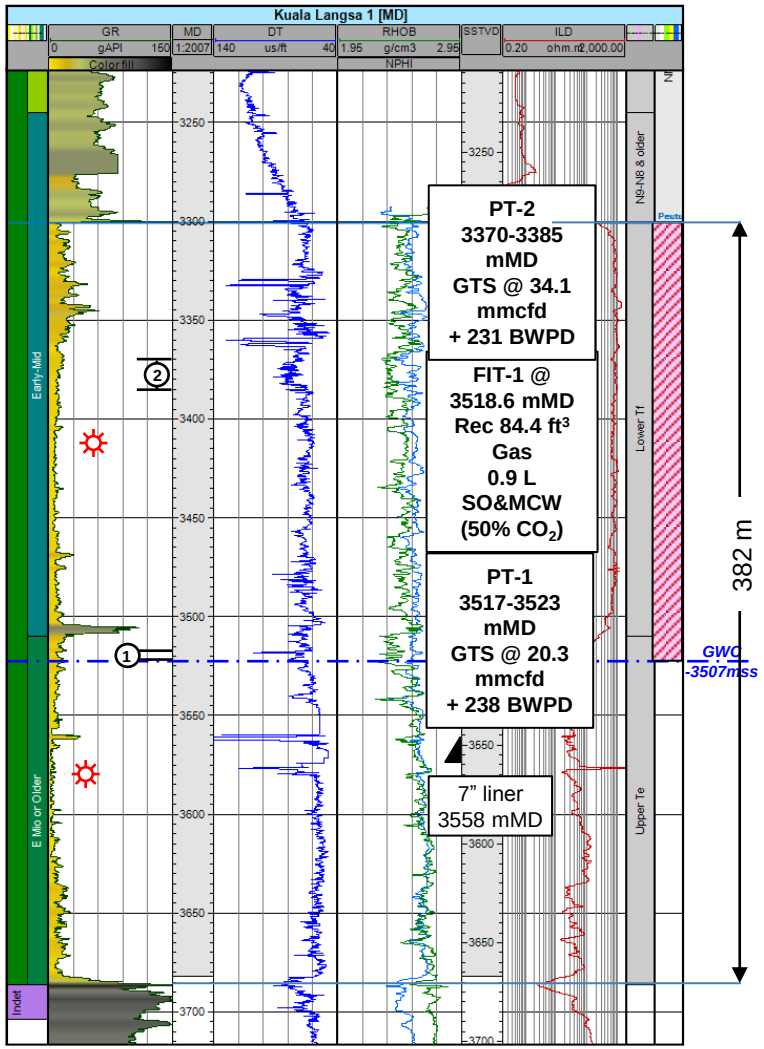
Seismic Cross Section A-B

Kuala Langsa Prospective Resource Assessment - MEO Preliminary Estimate

Peutu Reservoir (Total Field)	Unit	P90	**P50**	P10
Recoverable Raw Gas (incl CO_2)	Tcf	3.6	**5.3**	7.8

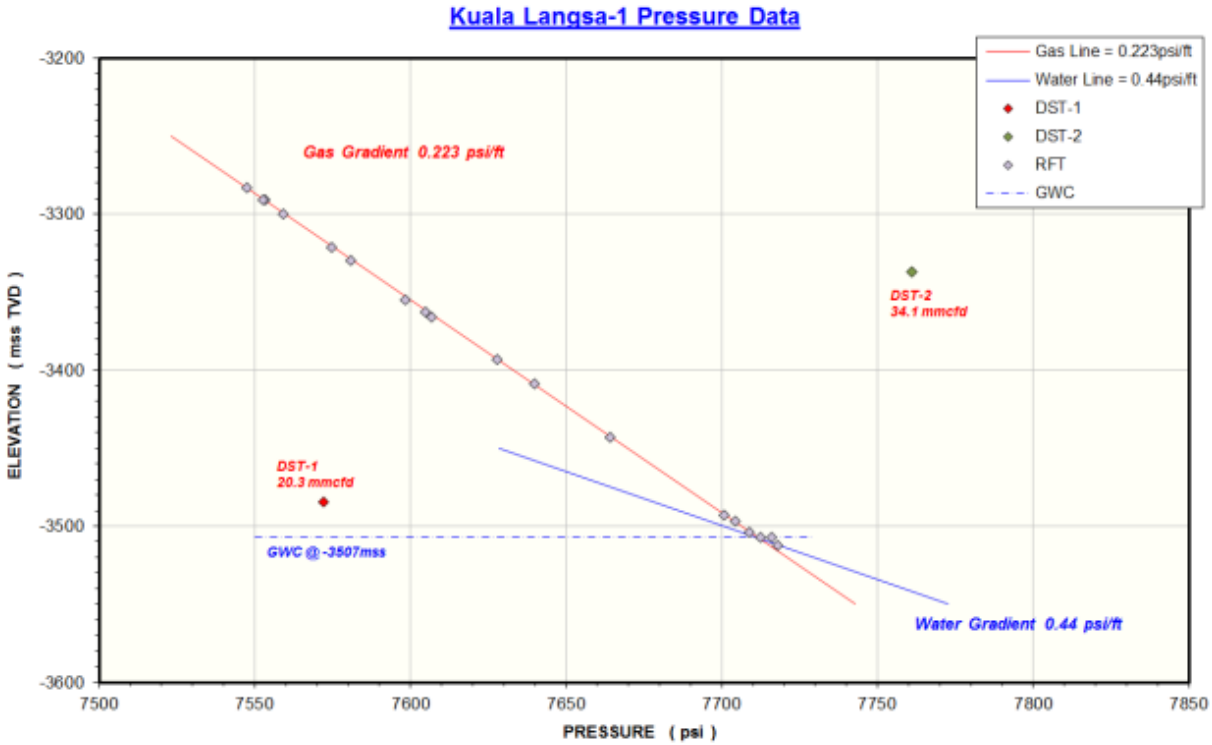
Kuala Langsa gas discovery cont…

Thick, high quality reservoir, clear GWC



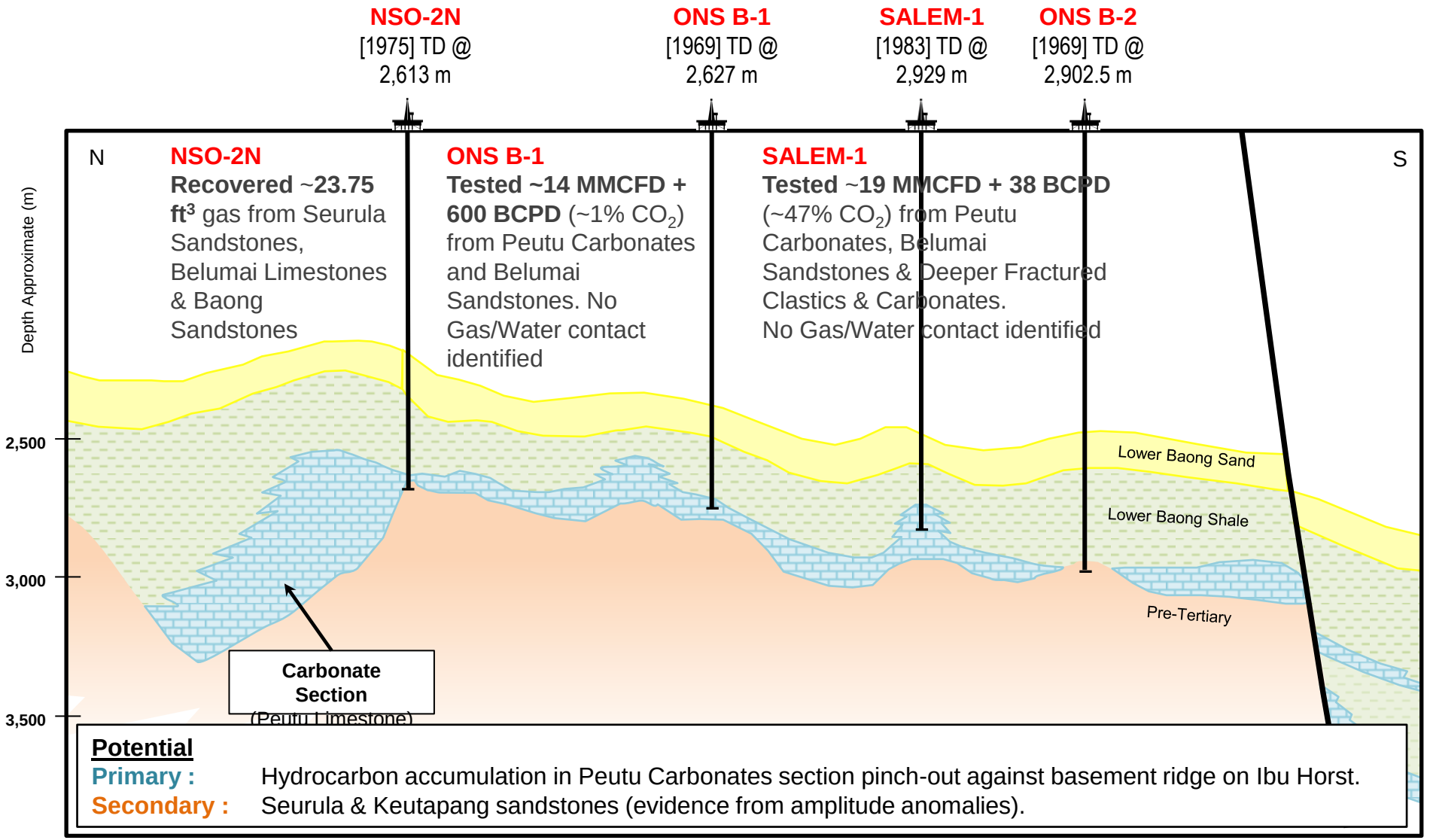
Kuala Langsa – 1X

- 382m gross reservoir, 230m gross gas column, 212m net pay
- DST-1 3,517-3,523m (6m) - 2 MMCFGD (83% CO_2)
- DST-2 3,370-3,385m (15m) - 34 MMCFGD (81.5% CO_2)
- Calc open hole flow rate - 325 MMCFGD
- FIT gas sample at subsurface conditions 60% CO_2
- RFT pressure gradients consistent with 55-60% CO_2



Ibu Horst prospectivity

2012 Ibu Horst 3D revealing exploration and appraisal potential



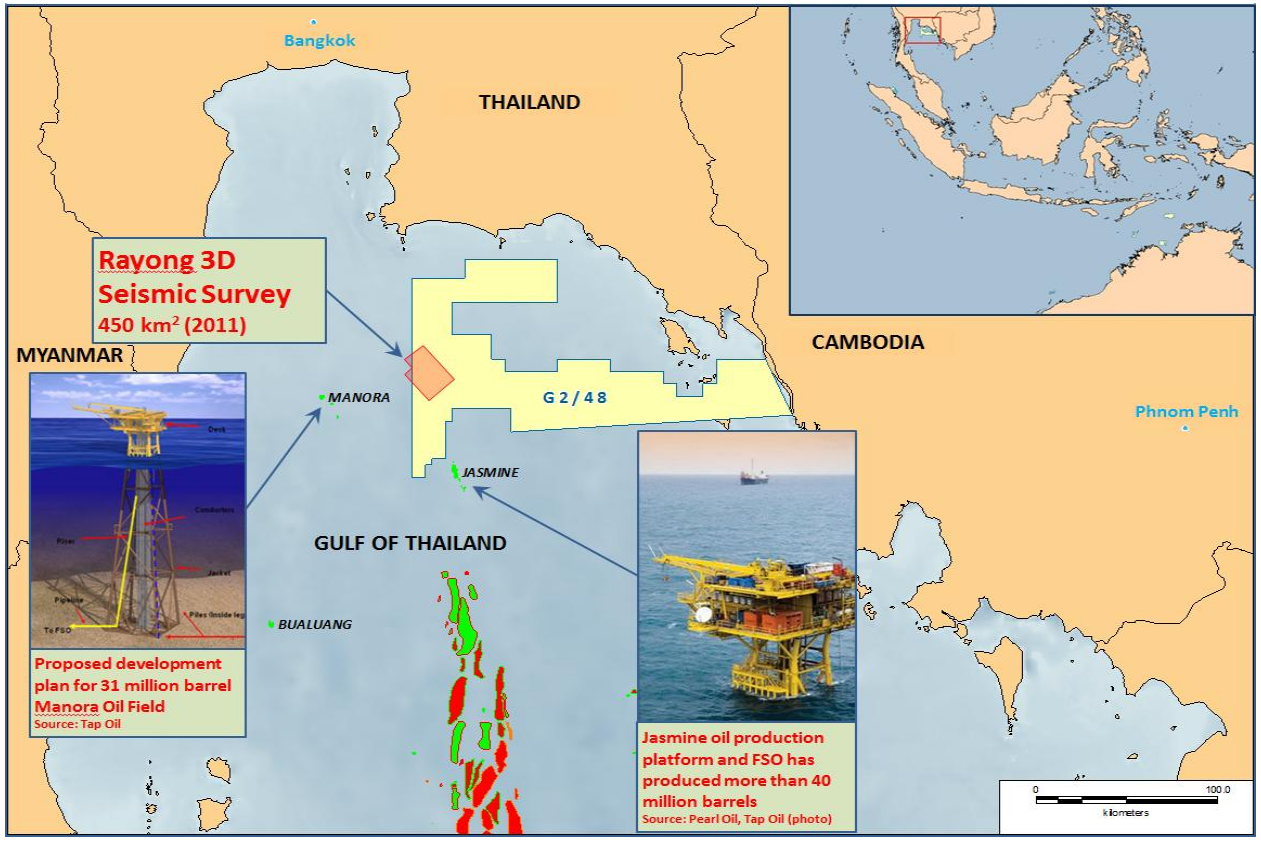
Potential

Primary : Hydrocarbon accumulation in Peutu Carbonates section pinch-out against basement ridge on Ibu Horst.

Secondary : Seurula & Keutapang sandstones (evidence from amplitude anomalies).

4. Gulf of Thailand, G2/48 concession

Targeting extension of emerging oil fairway, 2011 3D, 2012 well



KEY FACTS	G2/48 – Gulf of Thailand
Strategic Objective	Oil Exploration
MEO W.I.	50% *
Operator	Pearl Oil Offshore Limited
Water Depth	Shallow
Reservoirs	Oligo-Miocene clastics
Permit Status	Year 6 of 2nd Obligation Period
Activity	Exploration well planned for 3/4Q 2012.

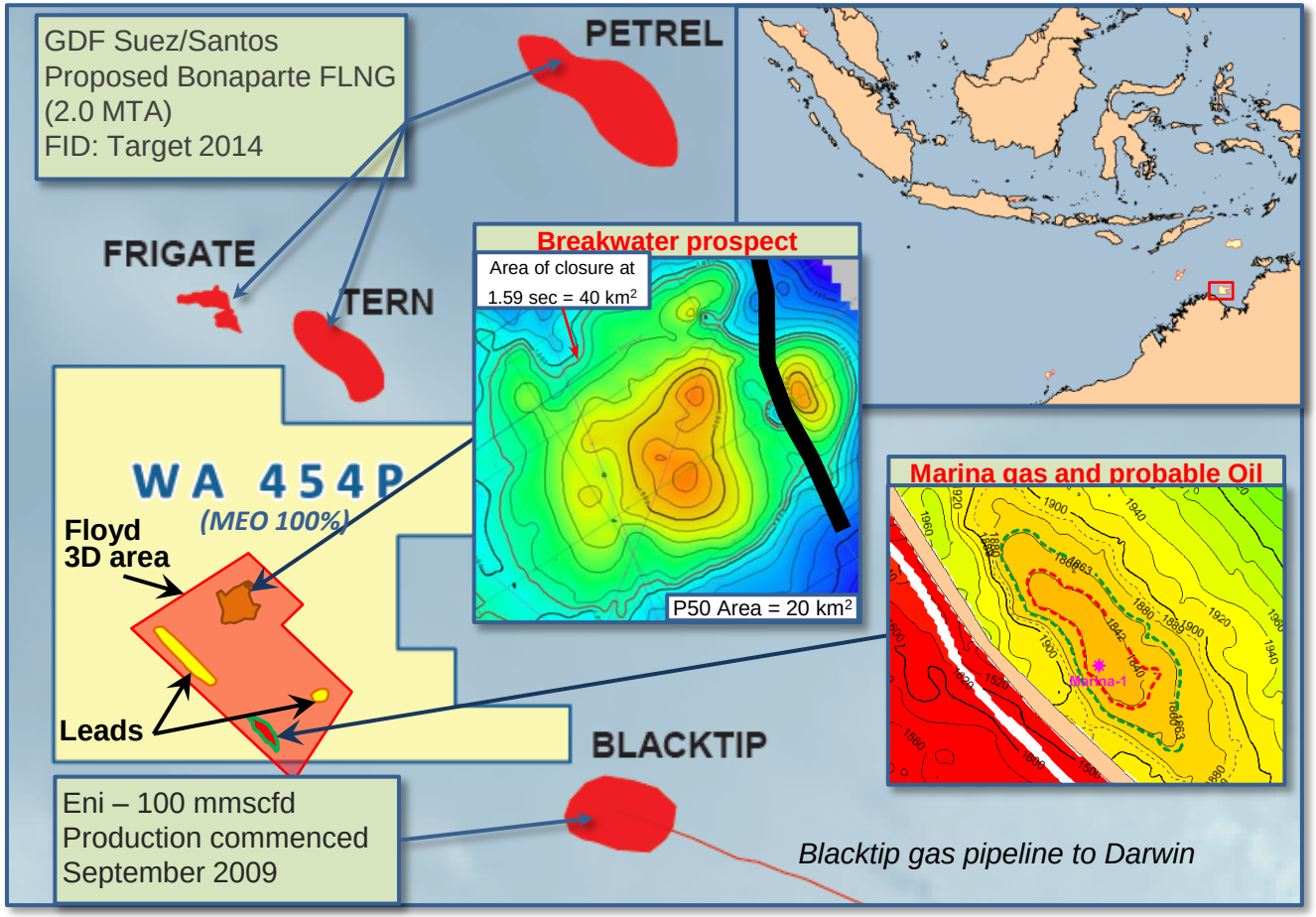
** Subject to Governmental Approval*

Gross Prospective Recoverable Resources	
Krisana - Oil	~14MMBBL
Krathin - Oil	~76MMBBL

2011				2012			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
			450 km² 3D Seismic	Execute FIA to acquire 50% PI	3D Seismic Interpretation & Well Planning	3D Seismic Interpretation & Well Planning	Exploration Well

5. WA-454-P, Bonaparte Gulf

Marina 2007 oil & gas discovery, 2012 3D, 2012/13 farmout



KEY FACTS	WA-454-P – Timor Sea, Australia
Strategic Objective	Explore and prove up liquids rich oil and gas resources
MEO W.I.	100%
Operator	MEO
Water Depth	~ 100 metres
Reservoirs	Blacktip equivalent
Permit Status	Awarded mid-2011
Commitment	First 3 years: 400 km² 3D (fulfilled)
Activity	601 km² 3D seismic completed 27 Feb 2012

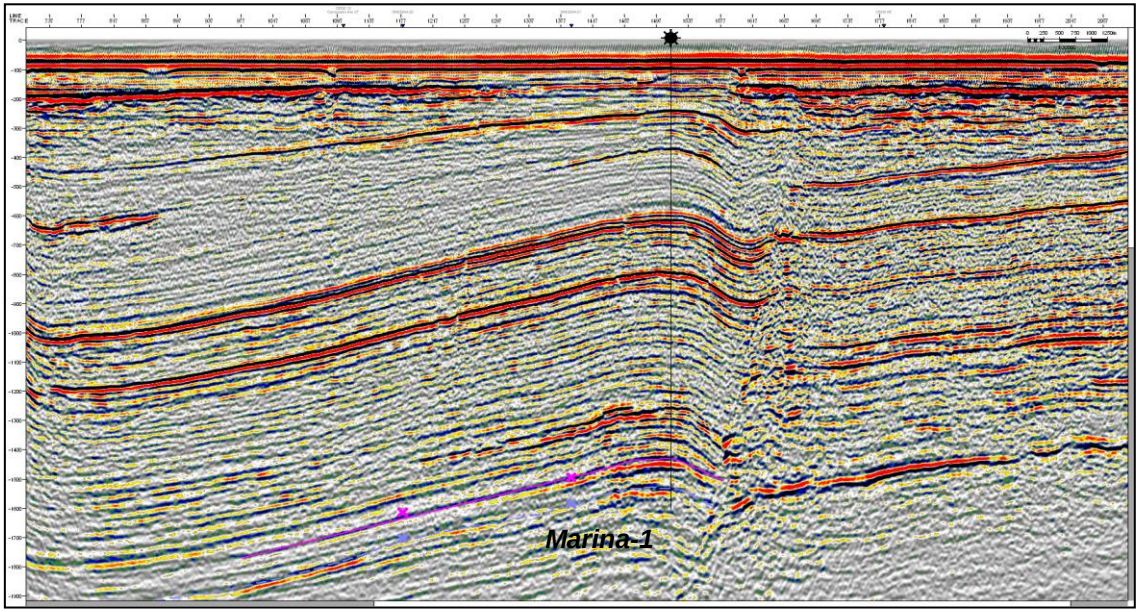
Gross Prospective Recoverable Resources	
Marina Discovery 2C: Oil & Cond/Gas*	6.5 / 98
Breakwater Prosp Best Est: Cond/Gas*	13 / 751
Oil & Cond/Gas*	52 / 636

* Independent resource study completed by Senergy

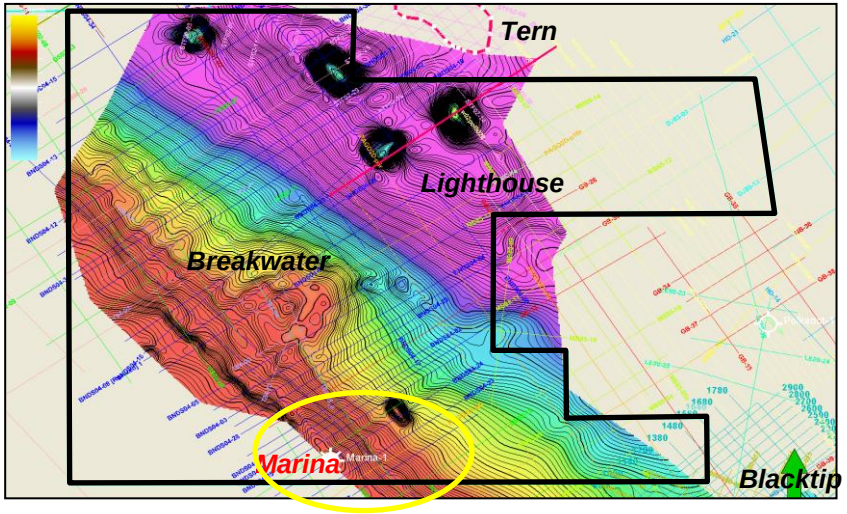
2011				2012			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Awarded WA-454-P			Acquire Floyd 3D	Process 3D Seismic	Interpret 3D	Farm out

2007 Marina discovery

Gas in 5 zones, probable oil in zone 1, possible oil in Zones 2 & 4



Regional top Permian Domby Fm Carbonates



Contingent Resources (Recoverable)

	P90	**Mean**	P10
Gas (Bscf)	51	**98**	302
Oil (MMstb)	-	**5**	22
Condensate (MMstb)	0.4	**1.5**	7.5
Toal Liquids (MMstb)	0.4	**6.5**	29.5

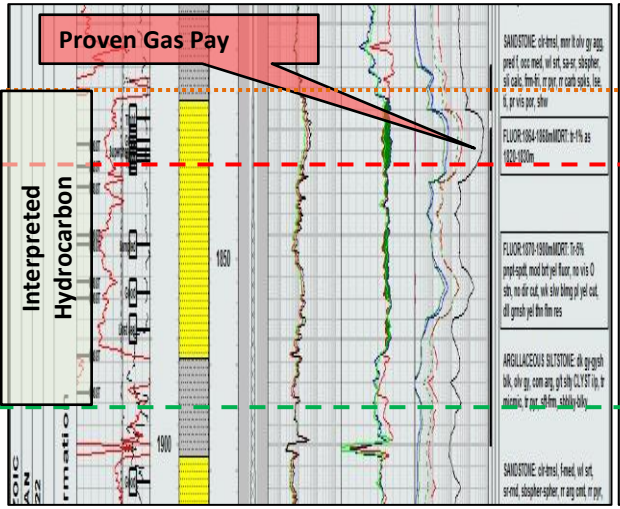
Source: Senergy, February 2012

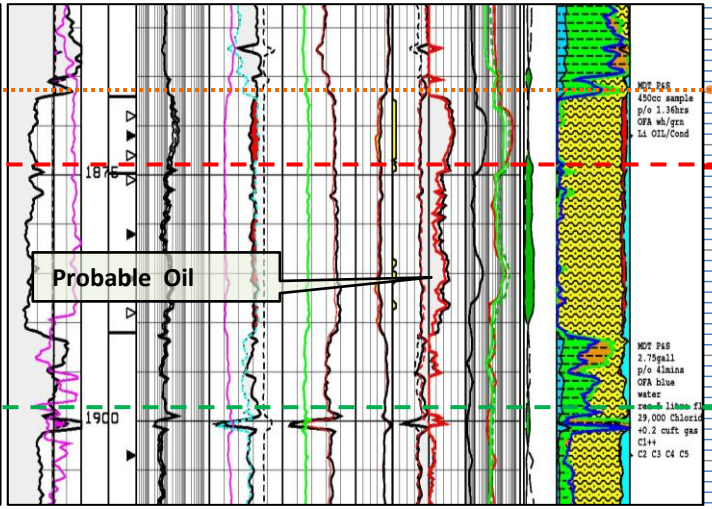
Marina-1 drilled by Esso Australia in 2007:

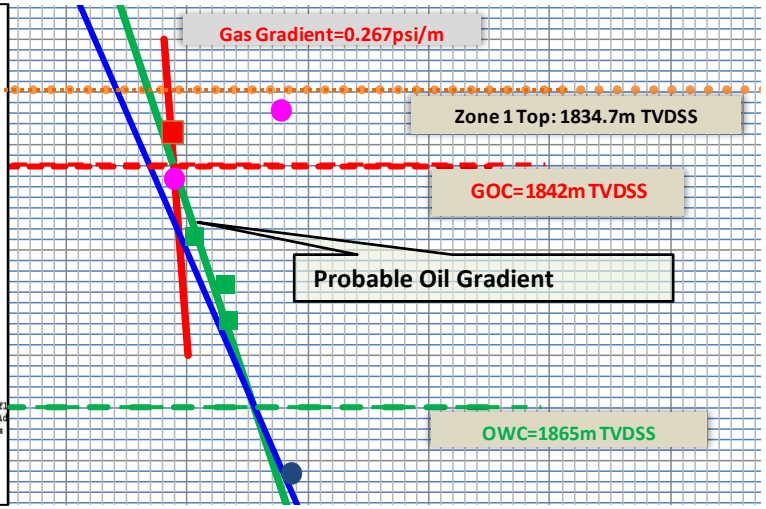
- 5 Separate Hydrocarbon zones
  - 1 tested, 4 untested
  - reasonable reservoir quality
- Very good shows while drilling
  - heavy gas composition,
  - recovered gas with liquids (up to C13)
- MDT pressures combined with log analysis
  - indicate probable oil
- Amplitude anomalies on 2D
  - indicate zones could be filled to spill

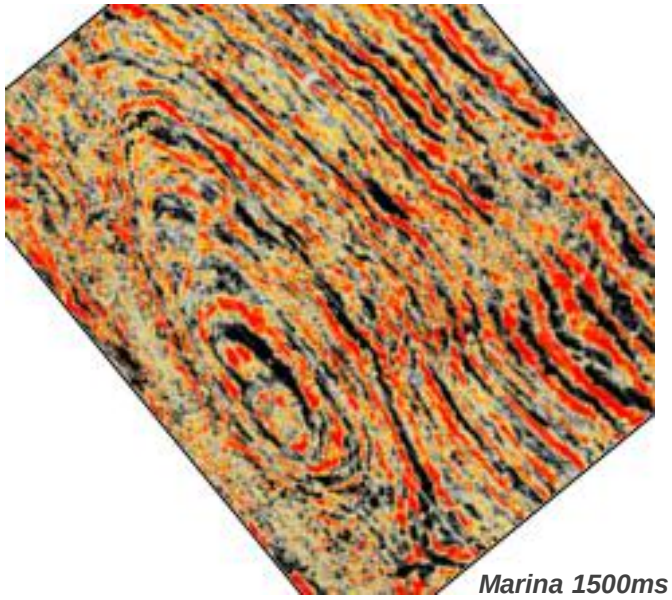
2007 Marina discovery cont…

Evidence for probable 23m oil leg in zone 1









Marina 1500ms Timeslice from 3D

Marina-1 results

- Zone 1 demonstrates strong evidence for oil leg by combining petrophysical analysis, wetness calculations and pressure data
- Very good shows while drilling with heavy gas composition
- Recovered gas with liquids (up to C13)

2012 Floyd 3D

- Demonstrates Marina structure is a simple four way rollover (lowside fault bend fold)

Nearby Breakwater prospect

Gas prospect with potential for oil leg(s) based on Marina-1

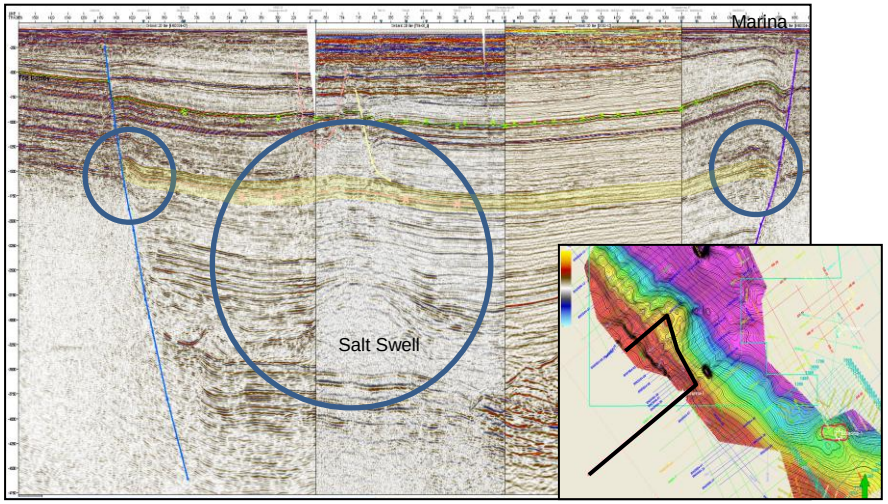
Un-Risked Prospective Resources (Recoverable)

Scenario A: Gas only	P90	Mean	P10	COS*
Gas (Bscf)	205	**751**	2,798	24%
Condensate (MMstb)	1.4	**13**	87	
Toal Liquids (MMstb)	1.4	**13**	87	

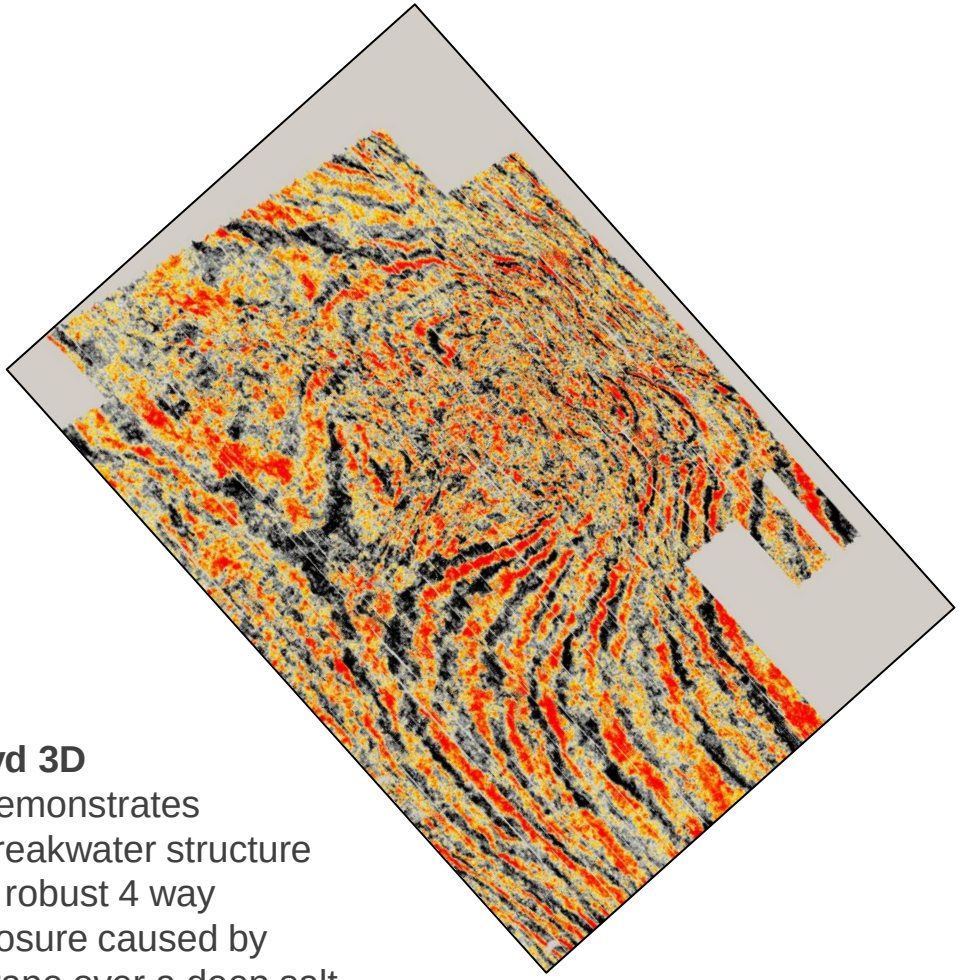
Scenario B: Gas & Oil	P90	Mean	P10	COS*
Gas (Bscf)	173	**636**	2,391	16%
Oil (MMstb)	8	**41**	201	
Condensate (MMstb)	1.1	**11**	75	
Toal Liquids (MMstb)	9.1	**52**	276	

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

Breakwater : Amplitudes in Marina and Blacktip reservoirs



Breakwater Prospect Timeslice from 3D

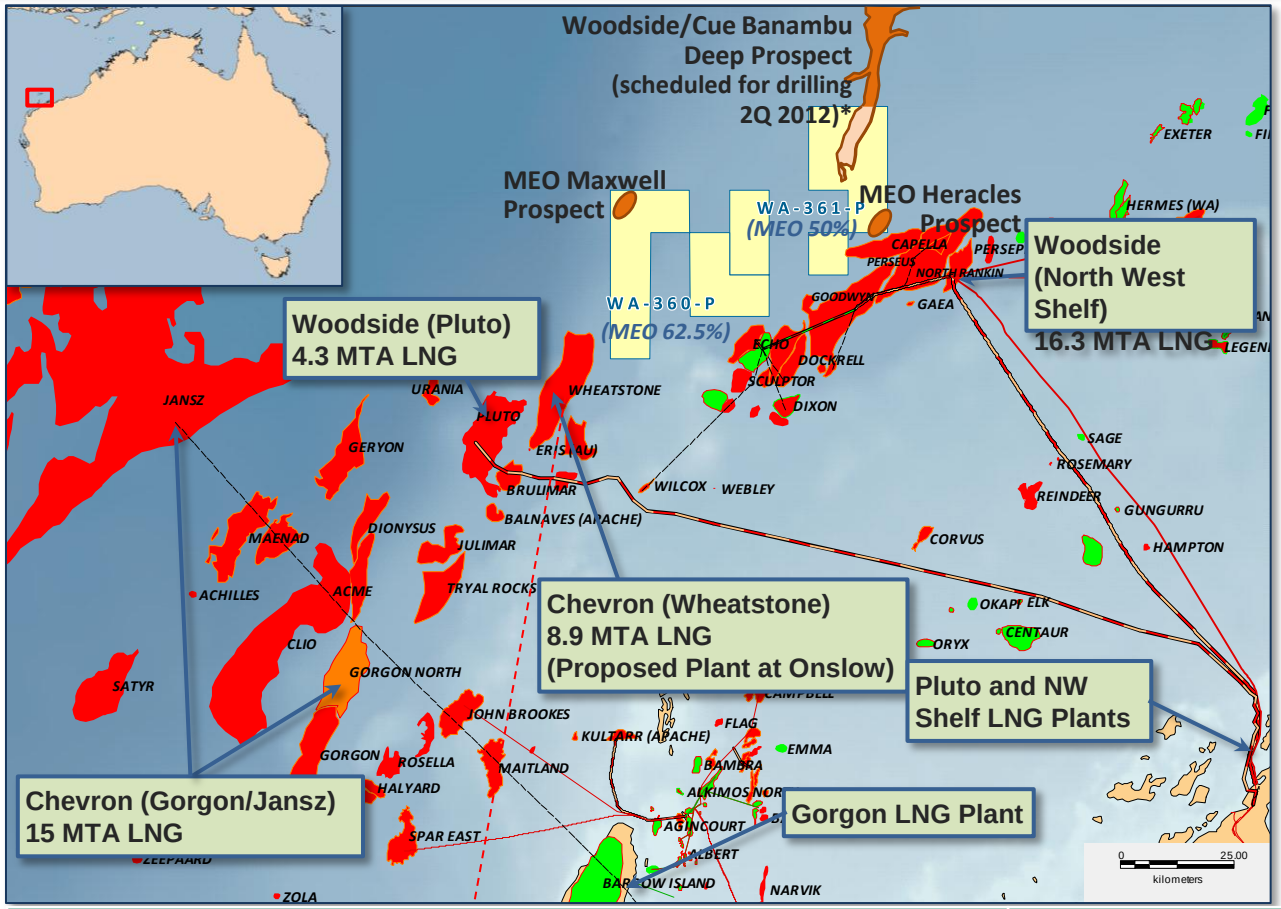


Floyd 3D

- Demonstrates Breakwater structure is robust 4 way closure caused by drape over a deep salt swell

6. NW Shelf, offshore Carnarvon Basin

2011/12 3D seismic to mature prospects ahead of 2013 farmout



KEY FACTS	WA-360-P, WA-361-P – Carnarvon Basin, Australia
Strategic Objective	Explore and prove up significant gas resources (LNG exports)
MEO W.I.	WA-360-P: 25% (62.5% @ renewal) WA-361-P: 50%
Operator	MEO
Water Depth	200 – 400 metres
Reservoirs	Jurassic & Triassic reservoirs
Permit Status	WA-360-P: Year 1 of renewal WA-361-P: Year 2 of renewal
Commitment	WA-360-P first 3 years: 363 km^2 3D WA-361-P first 3 years: 150 km^2 3D
Activity	WA-360-P: Licence Foxhound 3D WA-361-P: Buying 323 km^2 of Zeus MC3D

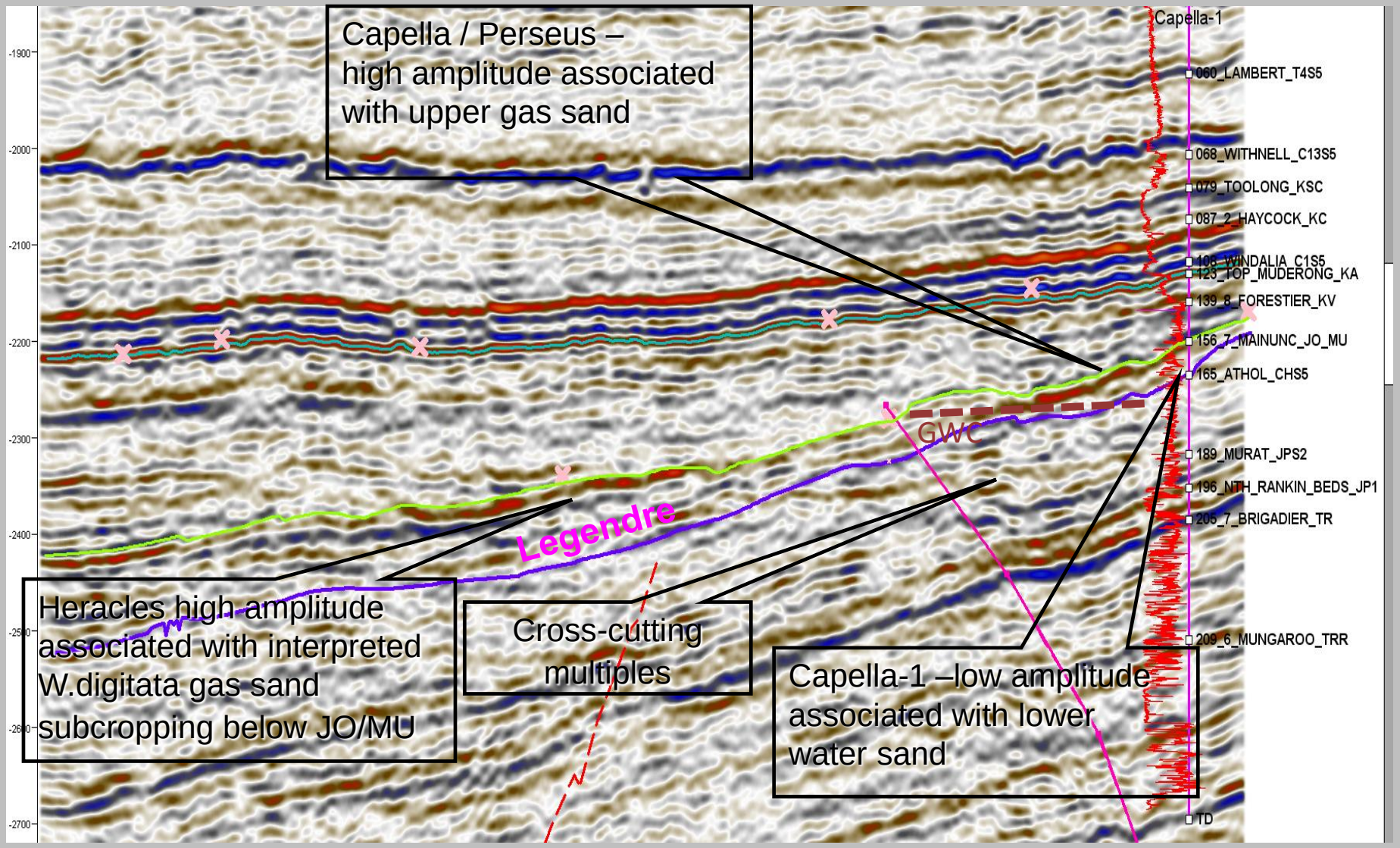
Gross Prospective Recoverable Resources	
WA-360-P: Maxwell Prospect	~1,000 BCF Gas
WA-361-P: Heracles Prospect	2,000+ BCF Gas

2011				2012			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
		WA-360-P Permit Renewal Applic.	Zeus MC3D Seismic over (WA-361-P)	Purchase Foxhound 3D (WA-360-P)	3D Seismic Processing and Interpretation	Interpret Foxhound 3D	Interpret Zeus 3D

* Source = Cue Energy Investor Presentation 20th March 2012

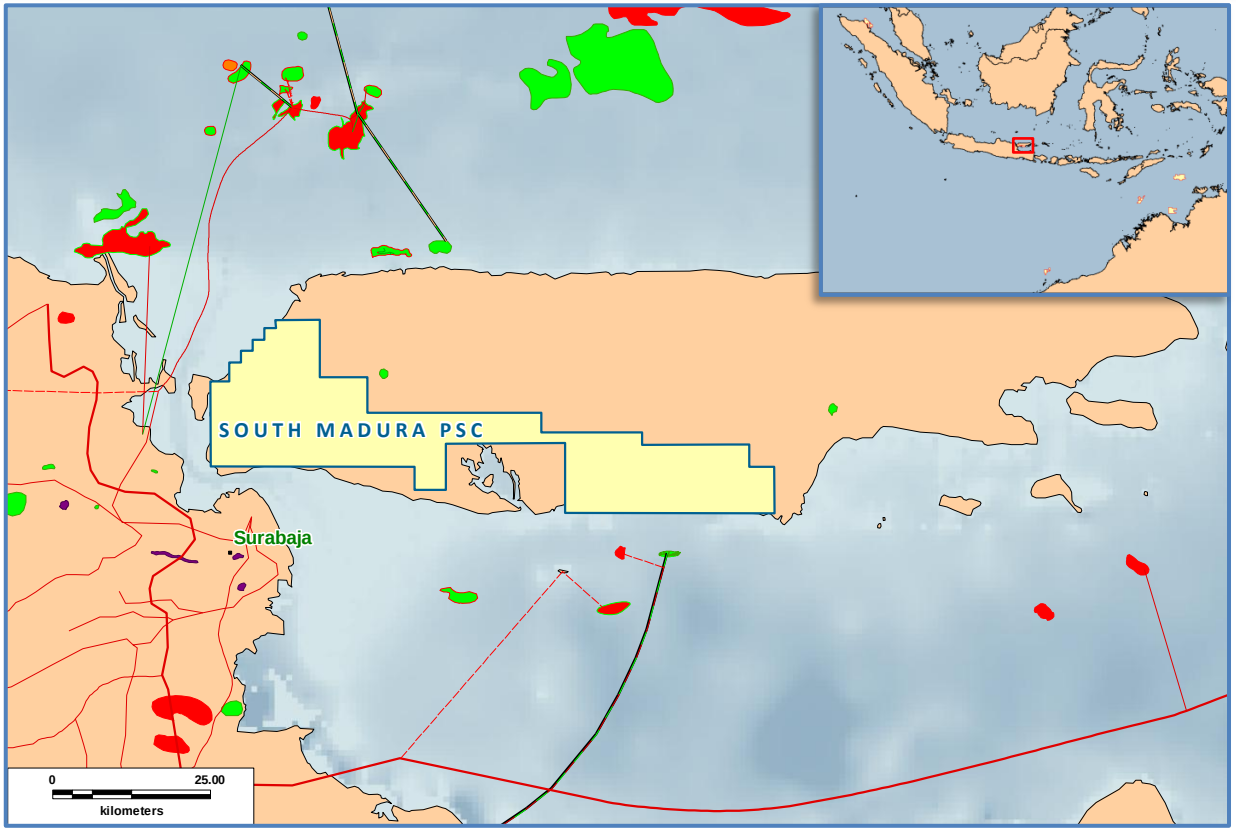
WA-361-P, NW Shelf

Heracles prospect with amplitude anomaly



7. South Madura PSC, East Java

Targeting oil onshore in Kujung reefs



KEY FACTS	South Madura PSC, Indonesia
Strategic Objective	Explore and prove up Cepu style oil discoveries
MEO W.I.	90% *
Operator	AED South Madura B.V. *
Water Depth	Onshore
Reservoirs	Kujung targets
Permit Status	Year 9 of PSC (2nd Expl Term)
Activity	Work Program under review

** Interest and Operatorship changes pending BPMIGAS approval*

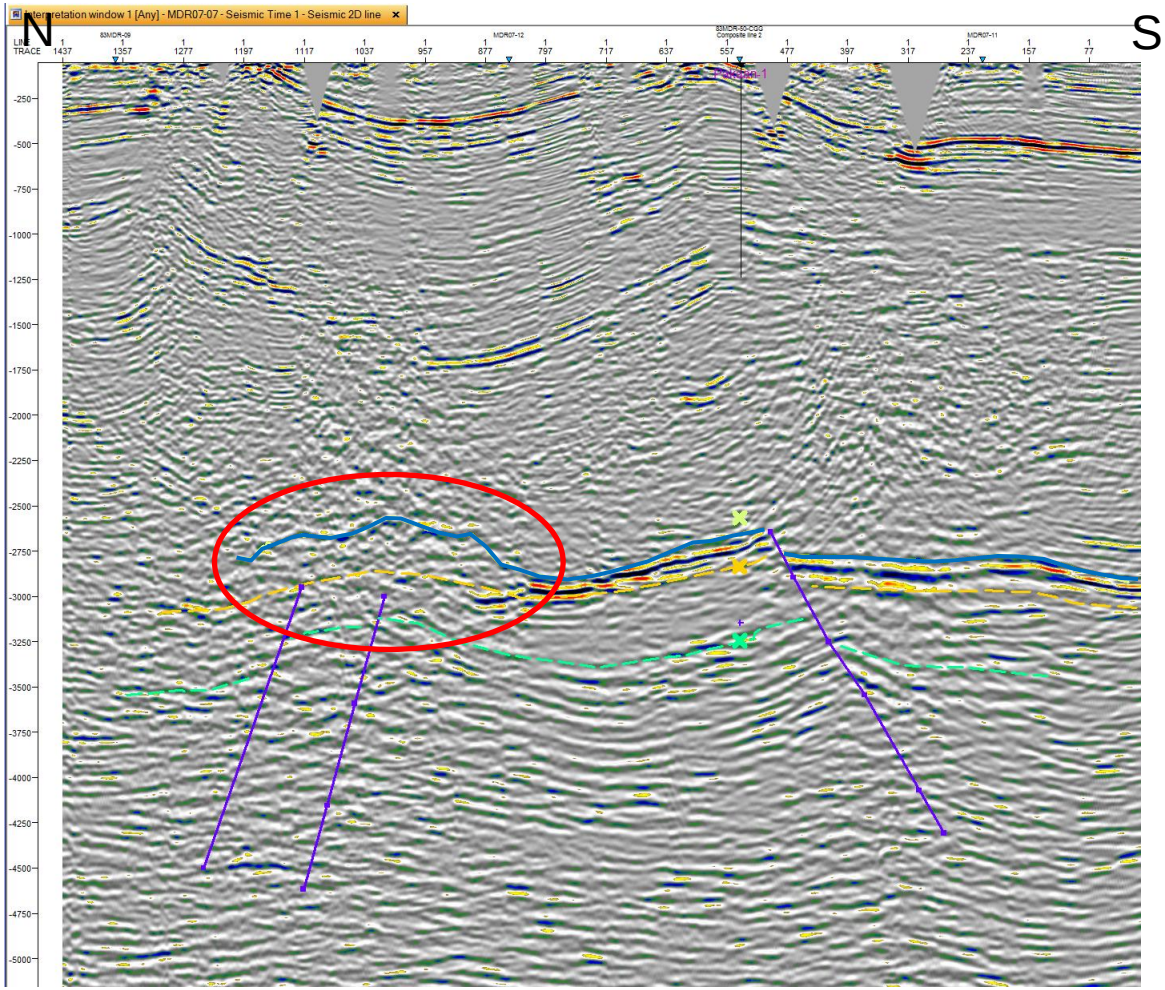
Gross Prospective Recoverable Resources	
Kujung - Lead	200+ BCF / 50+ MMBBL Gas/Oil

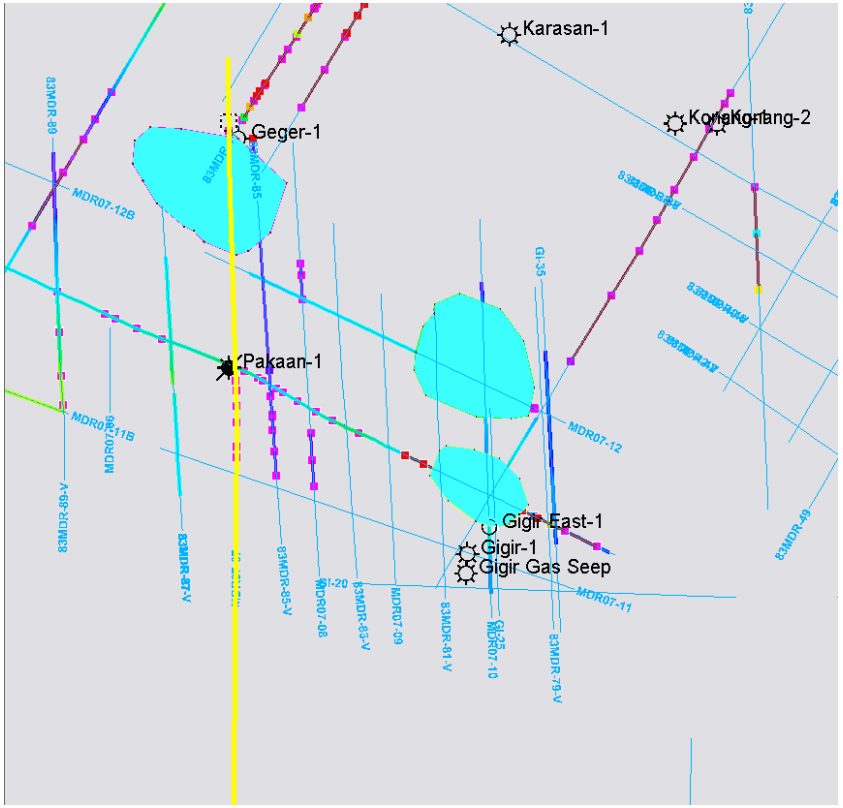
2011				2012			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Executed SPA to acquire 30% of PSC	*AED voted in as Operator*	*Subaru purchases AED Sth Madura. MEO purchases AED equity*	*Awaiting BPMIGAS approval of SMEC Oper.*	*WORK PROGRAM UNDER REVIEW – CONSIDERING 2D SEISMIC AND ONE WELL IN NEXT 2 YEARS*		

Proposed 2012 2D Seismic

To delineate potential Kujung reefs

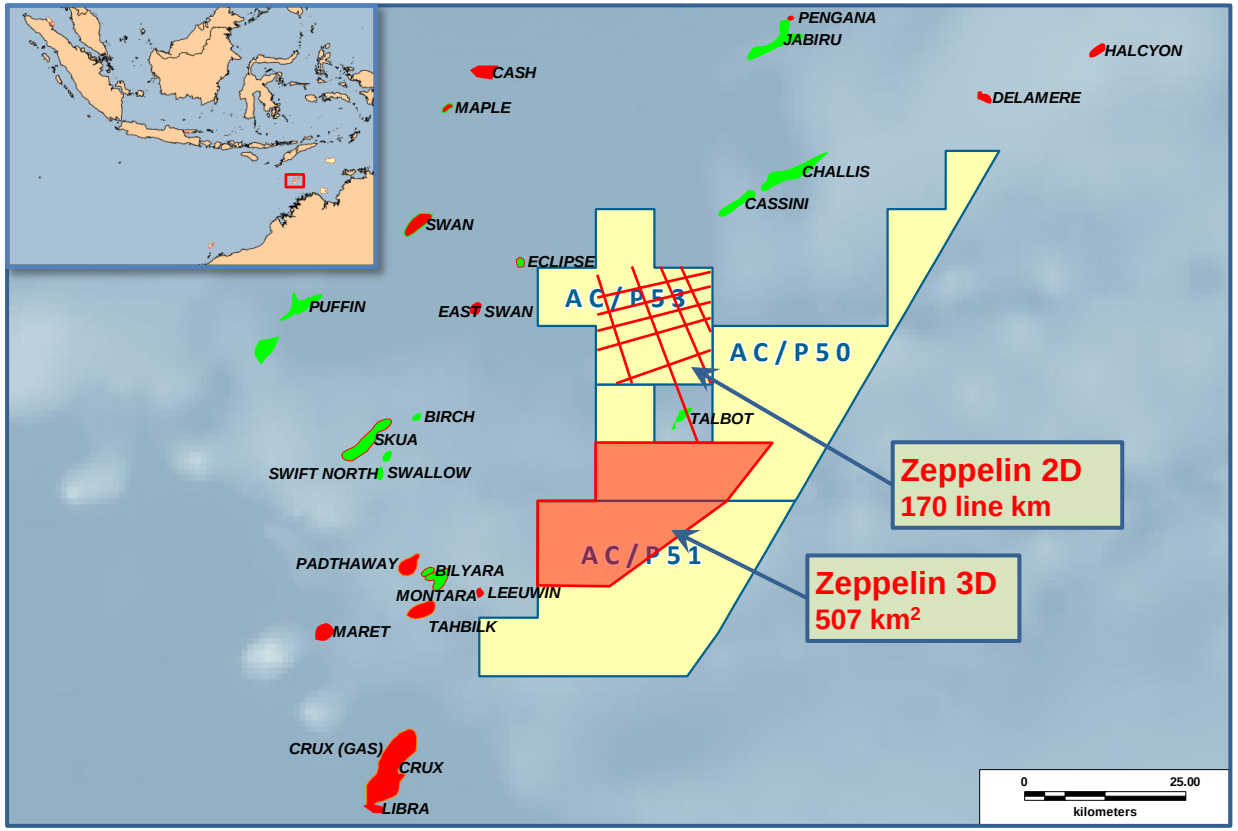
Geger





8. Ashmore Cartier region, Timor Sea

Proven hydrocarbon fairway, 2012 3D, 2013 farmout



KEY FACTS	AC/P 50, 51, 53 – Vulcan sub-basin, Australia
Strategic Objective	Explore and prove up liquids rich gas resources
MEO W.I.	100% AC/P 50 & 51 have options for 5%
Operator	MEO
Water Depth	~ 100 metres
Reservoirs	Jurassic and Triassic
Permit Status	AC/P 50,51 awarded 2009 AC/P 53 awarded 2011
Commitment	AC/P 50, 51 first 3 years: 2D and 3D repro, 1,000km 2D (varied to 3D) and 200 km^2 3D AC/P 53 first 3 years: 3D repro, 150 km 2D
Activity	2D and 3D seismic planned 1H 2012

Gross Prospective Recoverable Resources	
New 2D and 3D seismic acquired	Under Evaluation

2011				2012			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Awarded AC/P53			Zeppelin 2D and 3D Seismic Acq.	3D Seismic Processing	3D Seismic Interpretation	3D Seismic Interpretation

Wrap-up

Significant potential in portfolio to be tested by drilling from mid-2012

1. Heron South #1 targeting LNG scale gas potential in 3Q-2012
2. Tassie Shoal Projects offer lower cost solution to FLNG and onshore based development sites. 8.3 MTA EoI for Methanol offtake.
3. 4Q drilling on Gurame oil and gas discovery in Seruway PSC. Multi-Tcf Kuala Langsa gas discovery near under-utilised Arun LNG export plant
4. Rayong Graben (G2/48, Gulf of Thailand) targeting oil prospect in 4Q proximal to Manora and Jasmine oil fields
5. Probable oil leg(s) in Marina discovery has implications for oil legs to multi-tcf Breakwater gas prospect – 4Q farmout
6. NW Shelf acreage proximal to multiple LNG projects
7. South Madura PSC offers large oil and gas potential
8. Ashmore Cartier acreage is in proven oil and liquids rich gas fairway

Disclaimer

This presentation includes certain forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

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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