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Quarterly Activities Summary For Period Ended 31st March 2012

Highlights:

- Concludes major seismic acquisition program in 6 Permits/PSCs
- Independent resource assessment for Bonaparte Gulf Permit WA-454-P completed
- Acquires 50% participating interest in block G2/48 concession in the Gulf of Thailand

MELBOURNE, AUSTRALIA (20th April, 2012)

MEO Australia Limited (ASX: **MEO**; OTC: **MEOAY**) provides the following information in relation to its activities for the quarter ended 31st March 2012.

Executive Summary

The quarter ending March 31st featured the conclusion of a major seismic acquisition program, the release of independent resource estimates for WA-454-P, preparations for farmout of the Seruway PSC and the addition of a new project area in the Gulf of Thailand. The Tassie Shoal gas projects received an upgraded environmental approval from the Commonwealth Government during the quarter.

In NT/P68, Operator Eni Australia Limited (“Eni”) continued to prepare for the drilling of the next Heron well – which will now be named Heron South-1. The Ensco 109 drilling rig is scheduled to arrive between mid-July and mid-August. Acquisition of the 766 km² Bathurst 3D seismic data over the eastern extension of the Blackwood gas discovery was completed in early January. A fast track volume has been delivered for early interpretation while survey data continues to undergo extensive processing to a pre-stack depth migrated volume to resolve depth conversion issues. The final processed volume is expected in November.

We are delighted to have received an upgraded environmental approval from the Federal Government for the Tassie Shoal LNG project with a clear extension until at least 2017. Subsequent to the end of the quarter, Major Project Facilitation Status was renewed by the Federal Government for a further three years demonstrating strong Government support for these projects.

On the North West Shelf, WA-360-P was renewed for a further five years, and MEO’s participating interest officially increased to 62.5%. The commitment in Permit Year 1 will be fulfilled by licencing the Foxhound “on permit” 3D seismic data. Early interpretation of the 3D confirmed the presence of the Maxwell prospect. In the adjoining WA-361-P exploration permit, processing of the Zeus multi-client 3D survey continued, with the final data volume expected to be delivered during the June quarter.

In WA-454-P, an independent assessment by Senergy (GB) Limited (“Senergy”) confirmed the Marina discovery as containing gas in five zones with probable oil in one zone and possible oil in at least one other zone. Senergy assessed the Marina discovery to host 2C contingent recoverable resources of 98 Bcf gas and 6.5 mmbbls oil and condensate and 3C contingent recoverable resources of 302 Bcf gas and 29.5 mmbbls oil and condensate. In addition, Senergy assessed the Breakwater prospect prospective resources under two scenarios – 1) a gas only case and 2) a mixed gas and oil case. In the gas only case, Senergy estimated prospective resources of 205 - 751 - 2,798 Bcf (low-best-high) with a chance of geological success (“COS”) of 24%. Under a mixed gas/oil case, the prospective resources were estimated to be: 173 Bcf/9.1 mmbbls - 636 Bcf/52 mmbbls - 2,398 Bcf/276 mmbbls (low-best-high) with a COS of 16%. The 501 km² Floyd 3D seismic survey was acquired during the quarter and is in processing. The final volume is expected in house late in the June quarter.

In the Ashmore Cartier region, the Zeppelin 2D and 3D seismic surveys were acquired over our contiguous AC/P50 (3D), AC/P51 (3D) and AC/P53 (2D) exploration permits. Options granted to Silverwave Energy as part

of the purchase consideration to re-acquire a 10% working interest in AC/P50 and AC/P51 lapsed during the quarter.

In North Sumatra, acquisition of the 708 km² Ibu Horst 3D seismic survey was completed in early January. A fast track volume of the 3D survey was received during February and confirmed the excellent data quality as well as the prospectivity along the Ibu Horst. MEO's subsidiary Seruway Offshore Exploration Limited ("SOEL") commenced activities to prepare for drilling the commitment well, including securing a drilling rig. Several potential well locations were considered before determining that a location on the Gurame discovery was strategically the most attractive option at this stage. Preliminary volumetric estimates for the potential of the Baong and Belumai target reservoirs at Gurame indicates prospective gas and liquids (condensate plus oil) of 497 Bcf and 58 mmbbls at the P50 level and 863 Bcf and 126 mmbbls at the P10 level. The Gurame discovery is close to shore and has a number of wells drilled on the structure. A positive drilling outcome would enable the resource to be rapidly advanced to development.

In East Java, the requisite documentation accompanying the purchase of an additional 60% interest in the South Madura PSC was submitted to the regulator. Pending receipt of regulatory approval, MEO's wholly owned subsidiary, South Madura Exploration Company ("SMEC") will take over as Operator and submit a revised work program that addresses our view of the prospectivity in the PSC.

During the quarter, MEO executed a farm-in agreement with Pearl Oil Offshore Limited ("Pearl Oil") to acquire a 50% participating interest in the block G2/48 concession in the Gulf of Thailand. Consideration for the acquisition comprises MEO reimbursing Pearl Oil for 50% of the costs of the 3D seismic survey acquired in the block in 4Q 2011, and paying 66.6% of the 2012 commitment well capped to US\$5 million gross. Above this cap, MEO will pay its 50% participating interest share of costs. Discussions by the Operator aimed at securing a drilling rig were advanced at the time of the acquisition with indicative timing for drilling estimated at late 3rd quarter.

Cash balance at end of quarter

The consolidated cash balance at 31st March was A\$62.125 million including a USD balance of \$24.2 million.

Events subsequent to the end of the quarter

Subsequent to the end of the quarter, MEO announced it had received expressions of interest from a number of major industry participants for the purchase of an aggregate 8.3 MTA from the first Tassie Shoal Methanol Plant which is designed to have a nameplate capacity of 1.75 MTA. The company also launched a farmout process for the Seruway PSC offshore North Sumatra and added further capability to its geoscience team with the appointment of Mr. Oliver Gross to the position of Geoscience Adviser. Mr. Gross brings over 31 years of international technical experience in Production, Exploration and New Ventures with ExxonMobil.

Priorities for the current quarter ending 30th June 2012

- Secure drilling rig and continue planning to drill the Seruway PSC commitment well
- Confirm rig slot for G2/48 Gulf of Thailand commitment well
- Obtain regulatory approvals for the South Madura PSC and G2/48 acquisitions
- Complete seismic processing for Seruway PSC, WA-361-P, WA-454-P and AC/P50, AC/P51 & AC/P53.
- Progress Seruway PSC farm out with prospective farminees
- Continue to screen New Venture opportunities to supplement acreage portfolio



Jürgen Hendrich

Managing Director & Chief Executive Officer

Attachments: Activity Summaries by Project Area

Timor Sea: Bonaparte Basin

NT/P68 (MEO 50%, Eni Australia Ltd 50% & Operator)



Eni is earning an initial 50% interest in the Heron area by funding two wells on the greater Heron structures. Eni also has an option to earn a 50% interest in the Blackwood area by acquiring a minimum 500 km² of 3D seismic and drilling a well on the greater Blackwood structure (refer ASX release 18th May 2011).

The 766 km² Bathurst 3D seismic survey over Blackwood East was completed in early January and represents an acceleration of triggering the Blackwood farm-in option. Eni has 365 days from the completion of the survey to elect whether or not to drill a well on the greater Blackwood structure.

During the quarter, preparations for drilling the Heron South-1 well continued. The drilling rig is scheduled to commence drilling between mid-July and mid-August.

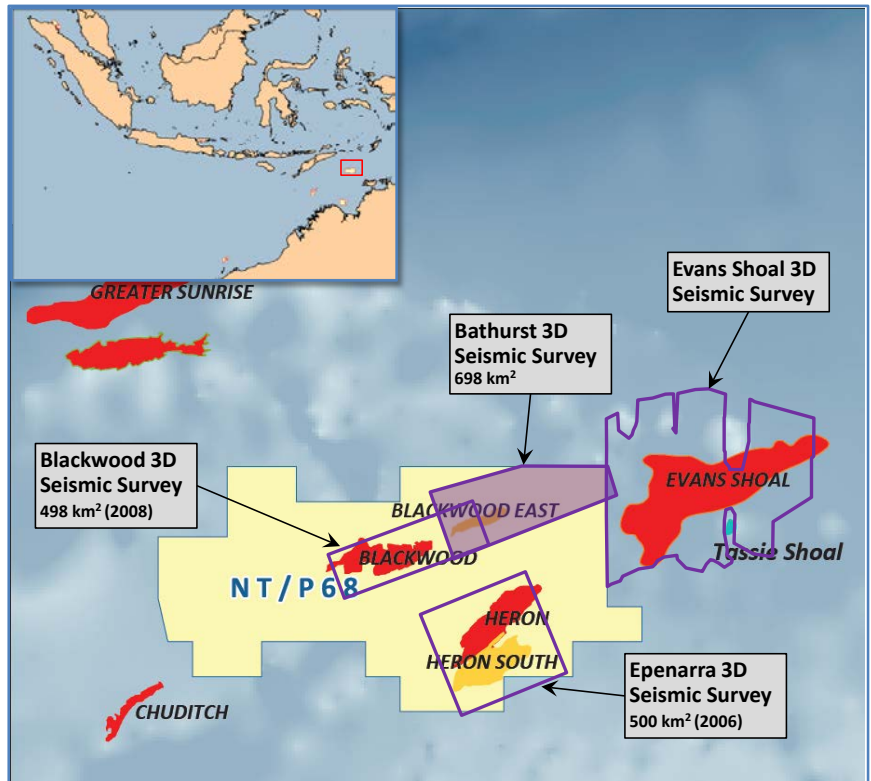


Figure 1. Location Map - NT/P68, nearby gas discoveries and 3D seismic surveys.

Work Activity Schedule: NT/P68

Permit	NT/P68	2011			2012				2013										
		MEO PI			Operator														
		50%			Eni Australia														
Operator		Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr								
Operator		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Work program undertakings		150 km ² 3D seismic					Studies					1 discretionary well							
Activities																			
Historical																			
Contract rig																			
Bathurst 3D (acquire)		Plan																	
Bathurst 3D (std process)		acquire																	
		std																	
Outlook																			
Bathurst 3D (process)		std																	
Bathurst 3D (interpretation)		PSDM																	
Drill ready Blackwood East #1		Interpret																	
Heron South #1		HS #1																	
Heron drill/drop option																			
Blackwood drill/drop option																			

North West Shelf: Offshore Carnarvon Basin

WA-360-P, WA-361-P (MEO Operator)



WA-361-P (MEO 50% & Operator, Mineralogy 35%, Cue Energy 15%)

Processing of the recently acquired 1,318 km² Zeus multi-client 3D survey continued during the quarter. MEO has purchased 363 km² of this survey which will fulfil the Permit Year 2 (Jan 2012 – Jan 2013) work program. The 3D survey will determine whether the Heracles prospect and other leads can be matured towards drillable status as potential candidates for a discretionary well in Permit Year 4 (Jan 2014 – Jan 2015).

WA-360-P (MEO 62.5% & Operator, Cue Energy 37.5%)

The permit was renewed on 6th March for an additional 5 years. This process involved relinquishment of 7 graticular blocks with 8 blocks being retained. Petrobras (50%) and Moby (10%) did not participate in the permit renewal and their participating interests were distributed between MEO and Cue immediately at renewal. The commitment in Permit Year 1 will be fulfilled by licencing the Foxhound "on permit" 3D seismic data. Early interpretation of the 3D confirmed the presence of the Maxwell prospect.

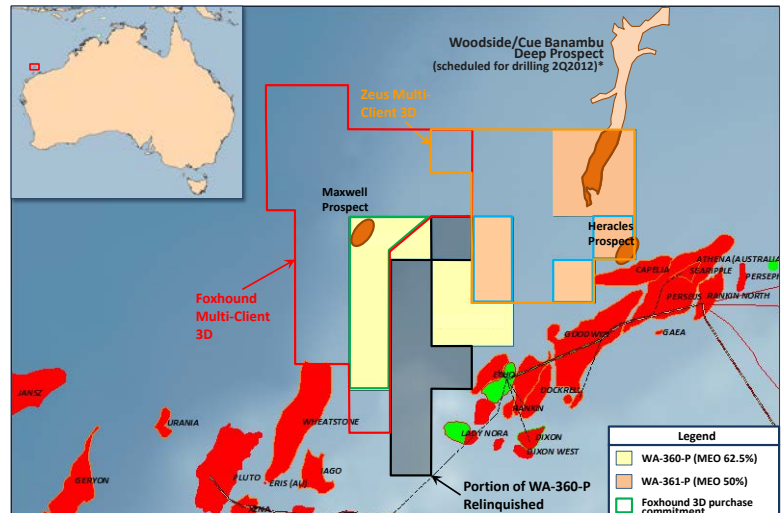


Figure 2. Location Map - Carnarvon Basin Permits showing the WA-360-P relinquishment, Zeus and Foxhound 3D Multiclient Surveys and prospects. * Source = Cue Energy Investor Presentation, 20th March 2012

WA 360-P Minimum Work Program:

Permit Year	Permit Year Start	Minimum Work Requirements	Estimated Expenditure (A\$, indicative only)
1	6 March 2012	License 363 km ² of Existing Multi-client 3D Seismic Data	\$3,000,000
2	6 March 2013	648 km ² 3D Seismic Reprocessing	\$400,000
3	6 March 2014	Geotechnical studies.	\$250,000
4	6 March 2015	Geotechnical studies.	\$250,000
5	6 March 2016	One (1) exploration well	\$30,000,000

Work Activity Schedule: WA-360-P & WA-361-P

Permit	WA-360-P	2011					2012				2013				
		MEO PI		62.5%		Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr
		Operator		MEO		J A S	O N D	J F M	A M J	J A S	O N D	J F M	A M J	J A S	O N D
Work program undertakings		Geo studies		Licence 363 km ² Foxhound 3D				648 km ² 3D reprocessing							
Activities				>Artemis-1 work		Renew		Interpret 3D		Farm-in ???		Repro		Interp	
Studies															
Permit renewal															
Foxhound 3D (363 km ²)				3D											
Foxhound 3D (363 km ²)															
Drill ready prospect															
Potential farm-in discussions															
Seismic reprocessing															
Drill ready prospect															
Potential farm-in discussions															
Work program undertakings		Geo studies		150 km ² new 3D, studies				3D interpretation, studies							
Activities		Plan		3D		Process 3D		Interpret		Farm-in ???					
Zeus 3D (323 km ²)															
Drill ready prospect															
Potential farm-in talks															
<i>Drilling in adjoining permit</i>														← Banamburu Deep-1	

Bonaparte Gulf: Petrel Sub-Basin

WA-454-P (MEO 100%)

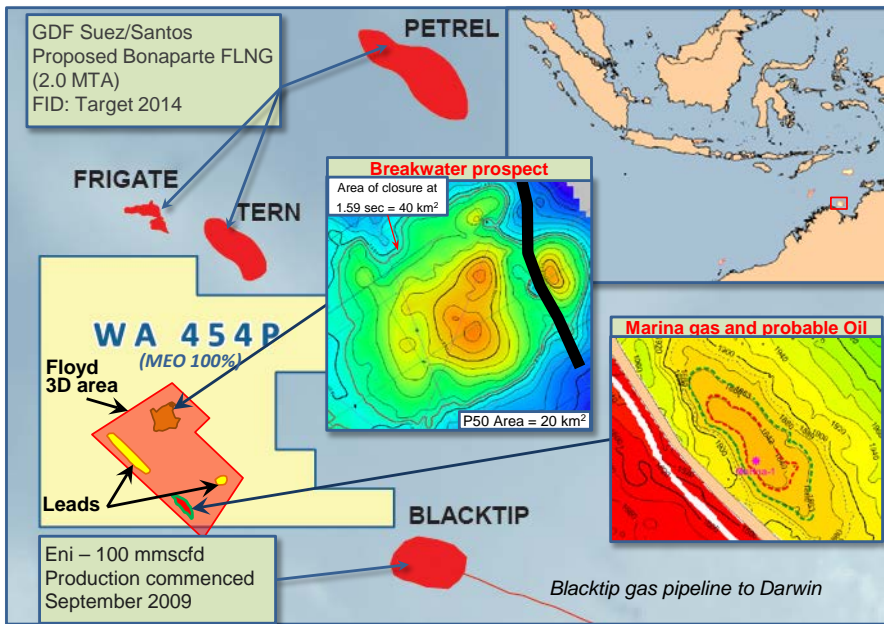


Figure 3. Location Map - Petrel Sub-Basin Permit showing Floyd Seismic Survey, Marina/Breakwater structure maps, and adjacent gas fields.

The 601 km² Floyd 3D seismic survey was acquired during the quarter by CGGVeritas Services SA, over the Marina gas and oil discovery together with the Breakwater prospect and surrounding exploration leads.

Regulatory approval was received to vary the work program resulting from the acceleration of the 3D seismic from Permit Year 3 into Permit Year 1.

Concurrent with the acquisition of the 3D seismic, MEO commissioned Senergy (GB) Limited ("Senergy") to undertake an independent resource assessment of the Marina discovery and Breakwater prospect.

Senergy assessed the Marina discovery to host 2C contingent recoverable resources of 98 Bcf gas and 6.5 mmbbls oil and condensate and 3C contingent recoverable resources of 302 Bcf gas and 29.5 mmbbls oil and condensate. In addition, Senergy assessed the Breakwater prospect prospective resources under two scenarios – 1) a gas only case and 2) a mixed gas and oil case. In the gas only case, Senergy estimated prospective resources of 205 - 751 - 2,798 Bcf (low-best-high) with a chance of geological success ("COS") of 24%. Under a mixed gas/oil case, the prospective resources were estimated to be: 173 Bcf/9.1 mmbbls - 636 Bcf/52 mmbbls - 2,398 Bcf/276 mmbbls (low-best-high) with a COS of 16%.

The confirmation of probable oil in Marina and the implications of this for the Breakwater prospect are very significant. Based on this encouragement, MEO will accelerate its process to farm out an interest in the permit.

Work Activity Schedule: WA-454-P

Permit	WA-454-P	2011					2012					2013							
		Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr				
MEO PI	100%	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Operator	MEO	583 km2 new 3D					Studies					Studies							
Work program undertakings																			
Activities																			
Data assimilation		Data																	
Resource estimation		Volume																	
Floyd 3D seismic (601 km ²)		Planning 3D																	
Work program variation		WPV																	
Independent assessment		Volume																	
Floyd 3D seismic (601 km ²)		Process																	
Fast track 3D cube available		Interp																	
Independent assessment		Update																	
Drill ready prospect(s)		Farm-in																	
Farm-in discussions		Farm-in																	
Potential drilling		? 1-2 wells ?																	

Ashmore Cartier Region, Timor Sea: Vulcan Sub-Basin

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



AC/P50 & AC/P51

CGGVeritas Services SA acquired the 507 km² Zeppelin 3D seismic survey over AC/P50 and AC/P51 during the quarter. Options granted to Silverwave Energy to re-acquire a 10% participating interest in these permits as part of the acquisition consideration lapsed.

AC/P53

CGGVeritas Services SA acquired 170 line km of the Zeppelin 2D long offset seismic survey during the quarter. The acquisition of this survey advanced the Permit Year 2 commitment into Permit Year 1.

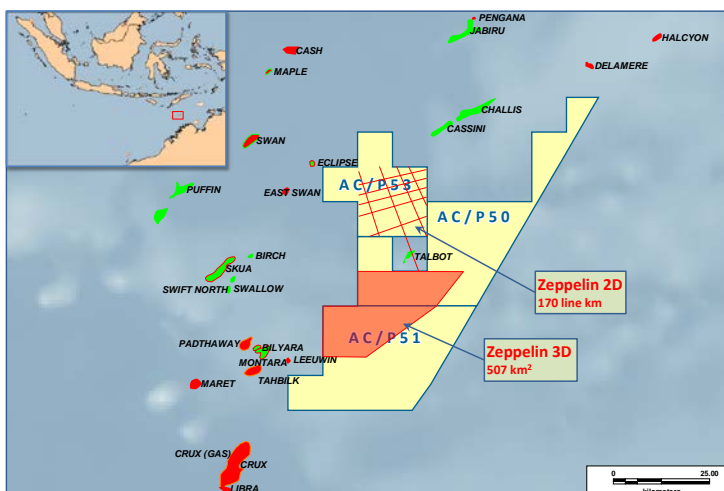


Figure 4. Location Map Zeppelin 2D & 3D Seismic Surveys

Work Activity Schedule:

Permit	AC/P50	2011					2012					2013					
		Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr		
		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O
Operator	MEO																
MEO PI	100%																
Work program undertakings		200 km ² 3D					Studies					1 discretionary well					
Activities																	
Zeppelin 3D		Planning 3D					3D										
Zeppelin 3D							Process					Interpret					
Drill ready prospect												Farm-in talks					
Farm-in discussions												Optional well					
Discretionary well (2013/14)																	
Permit	AC/P51	2011					2012					2013					
MEO PI	100%																
Operator	MEO																
Work program undertakings		276 km ² 3D					Studies					1,000 km 2D					
Activities																	
Zeppelin 3D		Planning 3D					3D										
Work program variation		WPV															
Zeppelin 3D							Process					Interpret					
Drill ready prospect												Farm-in talks					
Farm-in discussions												Optional well					
Discretionary well (2014/15)																	
Permit	AC/P53	2011					2012					2013					
MEO PI	100%																
Operator	MEO																
Work program undertakings		825 km ² 3D repro, studies					150 km long offset 2D					Studies					
Activities																	
Historical																	
Zeppelin 2D		Planning 2D					2D										
Work program variation		WPV															
Reprocess existing 3D							Repro										
Zeppelin 2D							Process					Interpret					
Lead inventory												Potential farm-in discussions					
Farm-in discussions																	

North Sumatra, Indonesia

Seruway PSC (MEO* 100%)

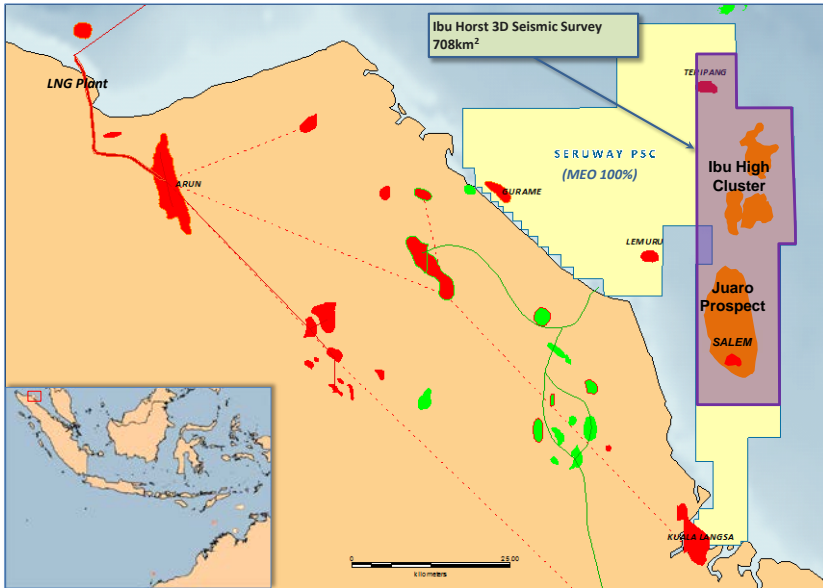


Figure 5. Location map – Seruway PSC (MEO 100%)

The PSC is strategically situated in close proximity to a strong domestic gas market and under-utilised LNG infrastructure. The PSC also contains two significant discoveries – Gurame (gas and oil) & Kuala Langsa (high CO₂ gas) – together with a number of discovery wells along the Ibu Horst that have intersected and tested gas and condensate.

PT Nusantara PGS completed acquisition of the 708 km² Ibu Horst 3D seismic survey. Data quality appears to be excellent based on the fast track volume. Processing is expected to be completed this quarter.

MEO made preparations to farmout an interest in the permit during the quarter and officially launched the farmout on 13th April. As part of the preparations, preliminary “in house” volumes were calculated for the Gurame and Kuala Langsa discoveries. These have not been independently verified. They were calculated to give an indication of the potential to prospective farminees. At Gurame, prospective resources were estimated to be: 273 Bcf/27 mmbbls - 497 Bcf/58 mmbbls - 963 Bcf/126 mmbbls (P90-P50-P10). The Kuala Langsa gas discovery straddles two PSC’s. MEO estimates a gross raw recoverable gas resource of 5.3 Tcf (P50) of which approximately 28% is expected to lie within the Seruway PSC. Clearly, the Gurame discovery has significant potential and has been selected as the preferred candidate for the 2012 commitment well.

Work Activity Schedule: Seruway PSC

Permit	Seruway PSC	2011					2012					2013								
		Sep Qtr		Dec Qtr		Mar Qtr	Jun Qtr		Sep Qtr		Dec Qtr		Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr				
		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	
Operator	SOEL*	100 km ² 3D					1 well					2 wells								
Work program undertakings																				
Activities																				
Work program variation		WPV																		
Plan Ibu Horst 3D (706 km ²)		Plan																		
Ibu Horst 3D (acquire)		3D																		
Gurame oil & gas discovery																				
Identify drilling location		Locate																		
Negotiate rig option		Rig option																		
Resource assessment		Volumes																		
Secure rig		farmin																		
Farmin discussions		Well																		
2012 commitment well		P.O.D																		
Plan of development		PSC to PL																		
Kuala Langsa gas discovery																				
Resource assessment		Volumes																		
Negotiate rig option		Rig option																		
Farmin discussions		farmin																		
Potential well		? Well ?																		
Ibu Horst discoveries																				
Ibu Horst 3D (process)		Process																		
Fast track cube		<>																		
Consider drilling location		Locate																		
3D Interpretation		Fast track																		
Resource assessment		Final 3D cube																		
Negotiate rig option		Volumes																		
Farmin discussions		Rig option																		
Potential well(s)		farmin																		
		? Well (s) ?																		

* via Seruway Offshore Exploration Limited (SOEL); 100% owned by MEO International Limited a wholly owned MEO subsidiary

East Java, Indonesia

South Madura PSC (MEO* 90%, Operator⁺)

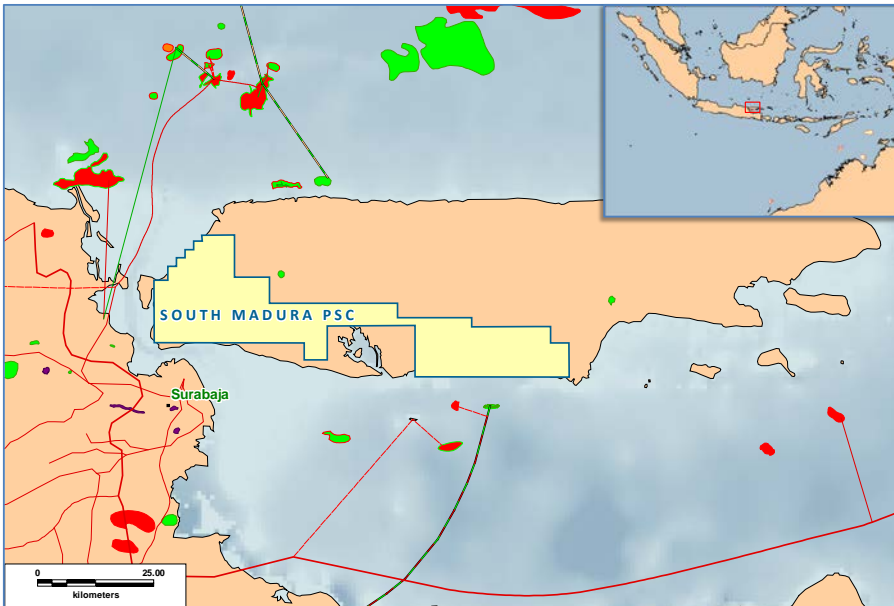


Figure 6. Location Map South Madura Island PSC (MEO 90%)

During the quarter, MEO submitted documentation to the regulatory authorities relating to the purchase of an additional 60% participating interest in the PSC from AED South Madura BV for US\$0.3 million cash.

Pending receipt of regulatory approvals, MEO subsidiary South Madura Exploration Company ("SMEC") will assume the role of Operator and propose a revised work program that addresses MEO's view of the prospectivity within the PSC.

As part of this program, MEO proposes the acquisition of 2D seismic over a number of leads.

Work Activity Schedule: South Madura PSC

Permit MEO PI Operator	Sth Madura PSC 90%* SMEC+	2011					2012					2013								
		Sep Qtr		Dec Qtr		Mar Qtr	Jun Qtr		Sep Qtr		Dec Qtr		Mar Qtr		Jun Qtr		Sep Qtr		Dec Qtr	
		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	
Work program undertakings+		Studies					under review+					under review+								
Permit expiry																				
Activities																				
Historical																				
AED assumes Operator																				
AED in administration																				
Purchase AED interest																				
Regulatory approvals																				
Outlook																				
Seismic preparation																				
Assume Operatorship+																				
OCM to consider WPV+																				
Work program variation+																				
							2D preparation													
							WPV					Pending +								

* via South Madura Exploration Company (SMEC); 100% owned by MEO International Limited a wholly owned MEO subsidiary

+ subject to regulatory approval

Tassie Shoal Gas Processing Projects

(MEO 100%)

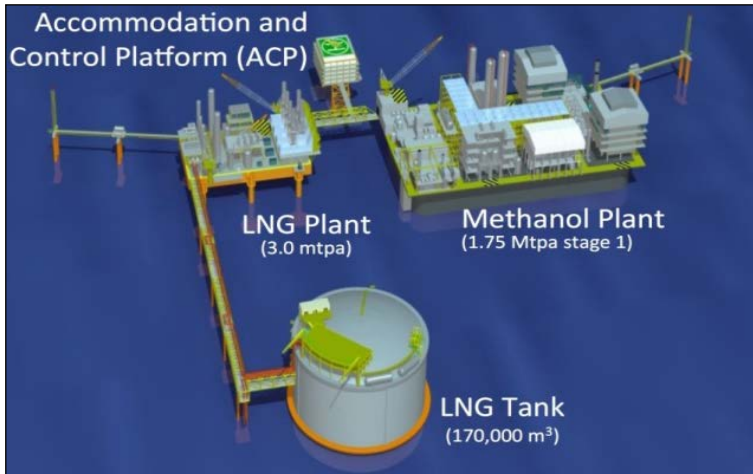


Figure 7. CAD schematic of Tassie Shoal Projects showing proposed LNG Plant, LNG Storage Tank and Phase 1 Methanol Plant.

During the quarter, MEO received an upgraded Environmental Approval for the LNG project from the Federal Government. This required some of the conditions of the approval to be brought up to current standards.

As part of the upgrade, the approval for the LNG project will remain current until at least March 2017, providing prospective investors with greater confidence in this aspect of the projects.

Subsequent to the end of the quarter, the Federal Government also granted Major Project Facilitation (MPF) Status for an additional three years.

MEO also engaged with a number of high quality counter-parties that have expressed an interest in securing the offtake from the first Methanol Plant (TSMP₁). Subsequent to the end of the quarter, MEO announced that it had received Expressions of Interest (EoI's) with an aggregate 8.3 MTA of demand for methanol compared with the 1.75 MTA nameplate capacity of TSMP₁. This highlights the strength of the market for methanol. MEO will continue to mature the commercial framework for the Tassie Shoal Projects by exploring the potential synergies between the pre-sale of methanol and participation in the midstream and upstream components of the projects.

New Ventures



MEO continued to screen opportunities to supplement our portfolio. The primary focus remains SE Asia, however opportunities outside this focus region will also be considered using rigorous merit/risk and capability criteria.