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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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Investor Briefing

Sydney, 15th 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	14 th Sep	\$0.60
Market Cap.	A\$	\$250m
Cash Reserves	30 June	\$17 m
Enterprise value	A\$	\$233m
Avg daily liquidity	Million	~14.6m
Shareholders	(at 31/8)	~11,500
Top 20 hold	(at 31/8)	~23.9%



MEO has intellectual capital, attractive acreage and sound concepts for finding and monetising gas. We are seeking to partner with financially sound global companies that desire rapid growth.










Highly credentialed board

Extensive industry and capital market experience

 <p>Appointed May 2008</p>	<p>Nick Heath Non-Executive Chairman <i>Engineer</i></p>		<p>>30yrs with ExxonMobil Past APPEA President</p>
<p>Jürgen Hendrich MD & CEO <i>Geologist, Investment Banking</i></p>	<p>Greg Short Non-executive director <i>Geologist</i></p>	<p>Stephen Hopley Non-executive director <i>Financial Services</i></p>	<p>Michael Sweeney Non-executive director <i>Barrister, arbitrator & mediator</i></p>
			
<p>Appointed July 2008 12yrs @ Esso Australia 13 yrs financial markets</p>	<p>Appointed July 2008 33yrs @ ExxonMobil. Retired 2006</p>	<p>Appointed October 2008 14yrs @ Macquarie Bank Retired 2003</p>	<p>Appointed October 2008 Practising Barrister 10yrs with MiMi (Mitsui/Mitsubishi)</p>

Strong technical focus

Striving for technical and commercial excellence

	<p>Jürgen Hendrich Chief Executive Officer <i>Geologist</i> <i>Investment Banking</i></p>			<p>12yrs @ Esso Australia Ltd (ExxonMobil subsidiary) GSJBW, Tolhurst (now PSL)</p>
<p>Colin Naylor CFO/Company Sec^y</p>	<p>Robert Gard Commercial Manager</p>	<p>Dave Maughan Exploration Manager</p>	<p>Ken Hendrick Implementation Manager</p>	
				
<p>30yrs @ Woodside, BHP, Rio</p>	<p>22yrs @ ExxonMobil</p>	<p>35yrs @ ExxonMobil</p>	<p>>40yrs with large Co's</p>	
<p>Chris Hart Founder</p>	<p>Geoff Geary Seismic Interpretation</p>	<p>John Moore Geophysical Applications</p>	<p>John Robert Engineering Advisor</p>	
				
<p>Founded MEO in 1994</p>	<p>30+ yrs. Oil & gas finder</p>	<p>>40yrs @ ExxonMobil & others</p>	<p>>40yrs 15yrs Methanol experience</p>	

Gas projects in established LNG provinces

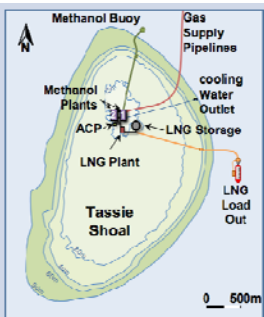
Demonstrable monetisation path

Asset Summary

Strategy Summary

Timor Sea gas processing hub on Tassie Shoal

Development potential



- Environmental approvals in place for:
 - 1 x 3.0 Mtpa LNG plant
 - 2 x 1.75 Mtpa methanol plant
- Robust economics
- Ability to sequester CO₂ into saleable commodity (methanol)

- Facilitates regional hub
- 3rd 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

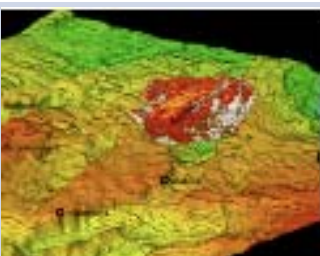


- 2 gas discoveries (2008)
- Heron - potentially suitable for LNG
- Blackwood - suitable for methanol

- 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

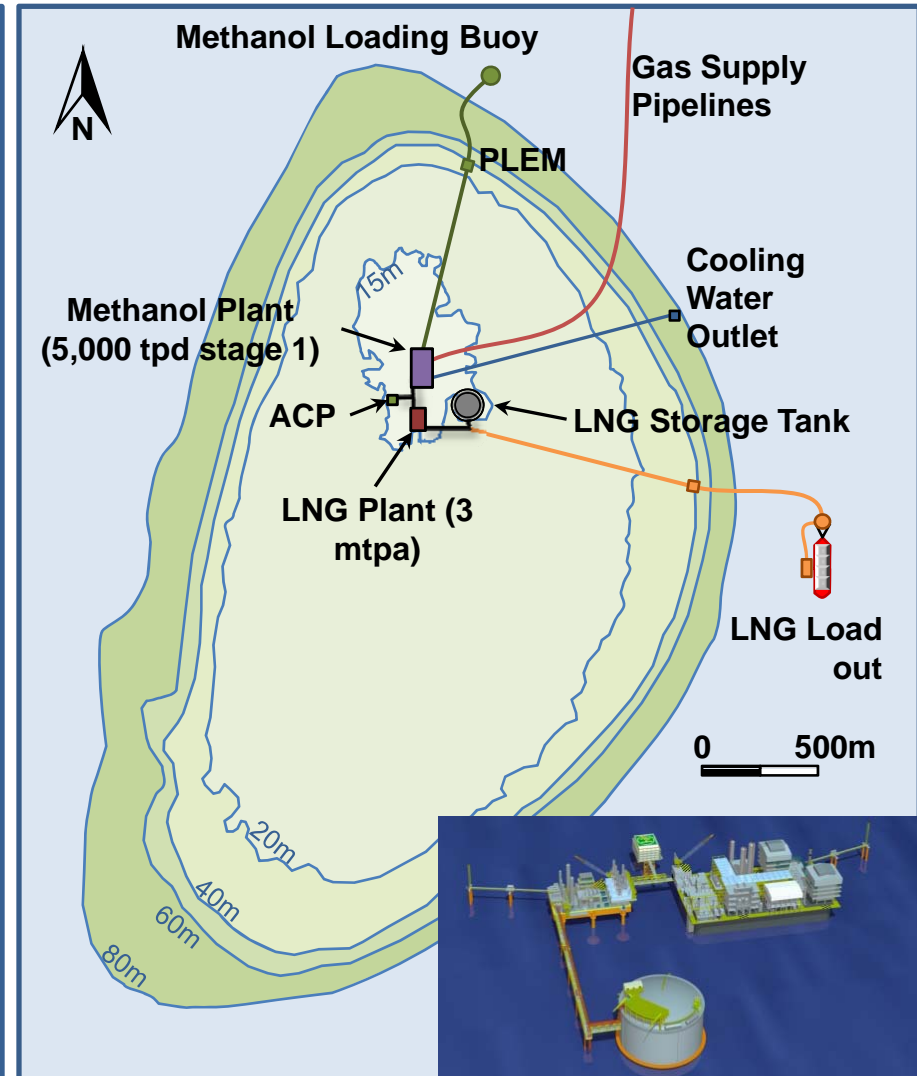
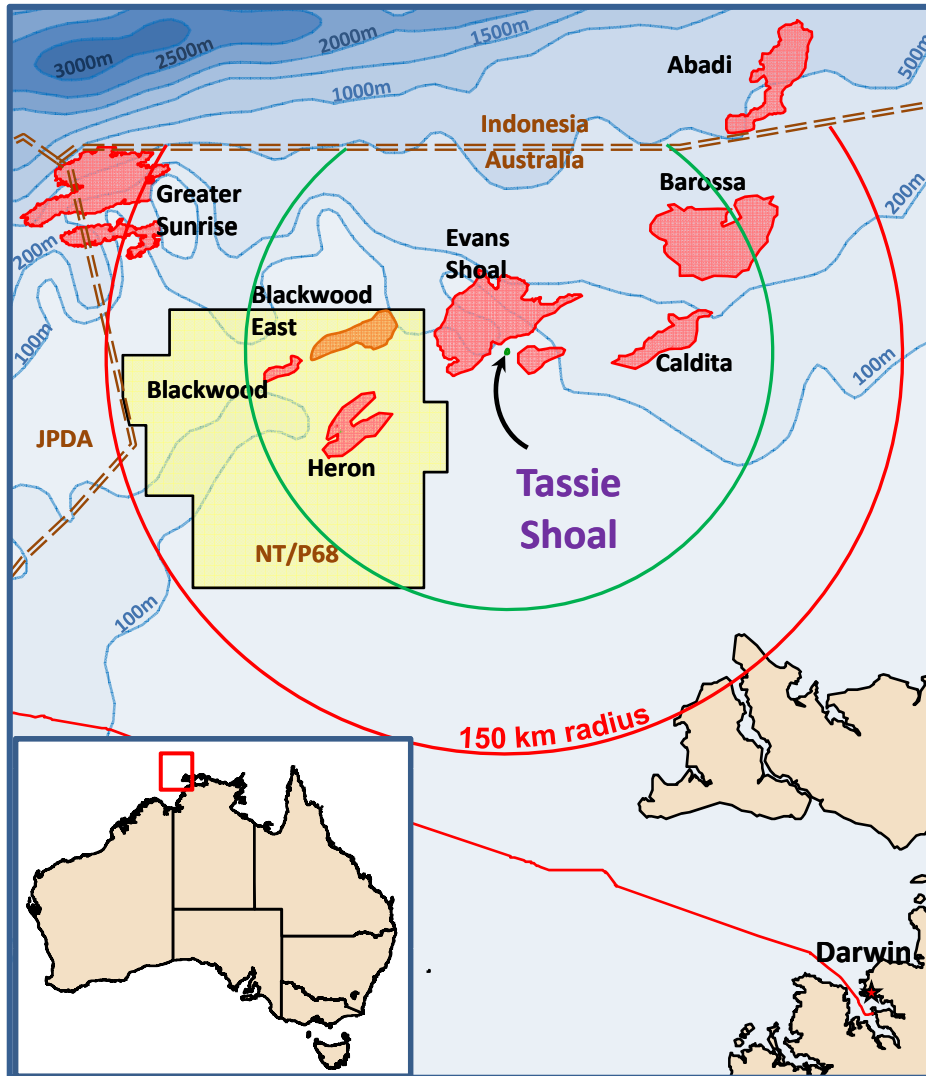
- Value add via quality technical work
- Mature prospects for drilling
- Funding via farm-out (in progress)



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Tassie Shoal – a natural development hub

Central to all stranded Timor Sea gas fields





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Approved 3 Mtpa LNG project in 14m water

Floating LNG technology without movement – logical proof-of concept



One of the NWS Train 5 (4.4 Mtpa) modules

Pluto 1 (4.3 Mtpa) has **264 modules**



Darwin LNG Plant (3.7 Mtpa)

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

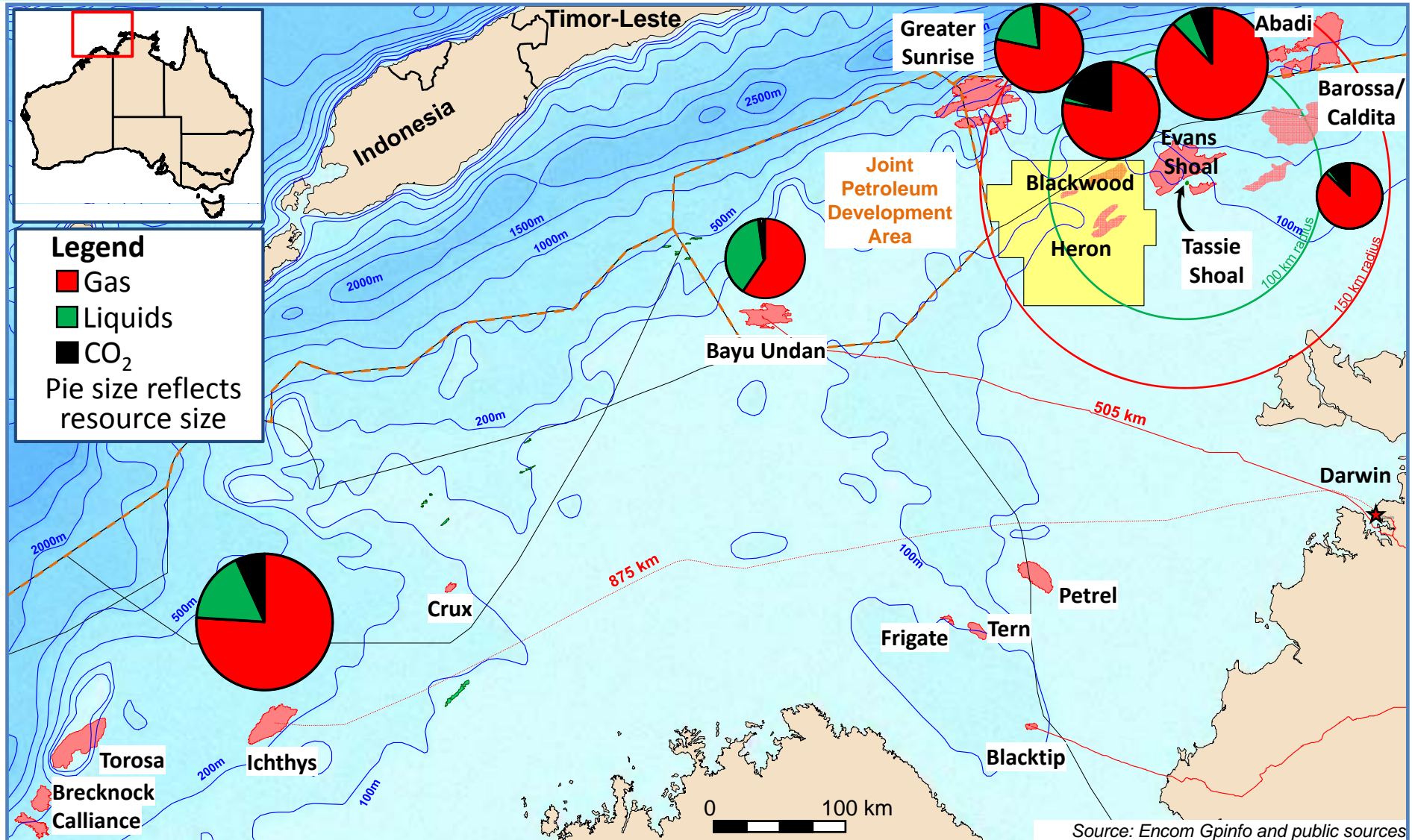
- Technology developed for F-LNG, installed on self installing platform in 14m water
- Small footprint due to compact F-LNG design and indirect sea-water cooling
- Proximity to gas fields reduces pipeline distances



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The case for a development hub

Lowers economic threshold for CO₂ and distance challenged gas



Economic ranking

Driven by gas liquids, oil price, CO₂ and distance from infrastructure

Field	Tcf gas	%CO ₂ in gas	MtCO ₂	Distance Darwin (km)	Liquids (mmbbls)	Liquids Value (A\$bn)	Carbon cost (A\$bn)	Pipeline cost (A\$bn)	Surplus value (A\$bn)
Ichthys	12.8	9	60.7	875	527	\$ 40.3	-\$1.8	-\$2.1	\$36.4
Bayu-Undan	3.4	4	7.2	500	400	\$ 30.6	-\$0.2	-\$1.2	\$29.2
Greater Sunrise	5.4	4	11.4	450	242	\$ 18.5	-\$0.3	-\$1.1	\$17.1
Abadi	10	7	36.9	410	126	\$ 9.6	-\$1.1	-\$1.0	\$7.6
Barossa/Caldita	3.4	12	21.5	330	17	\$ 1.3	-\$0.6	-\$0.8	-\$0.1
Evans Shoal	6.6	25	86.9	328	31	\$ 2.4	-\$2.6	-\$0.8	-\$1.0

Assumptions

CO ₂ density	Mt/Tcf	52.7
Oil price	US\$/bbl	\$ 65
Forex	US\$/A\$	\$ 0.85
Carbon permits	A\$/t	\$ 30
Pipeline Cost	US\$m/km	\$ 2

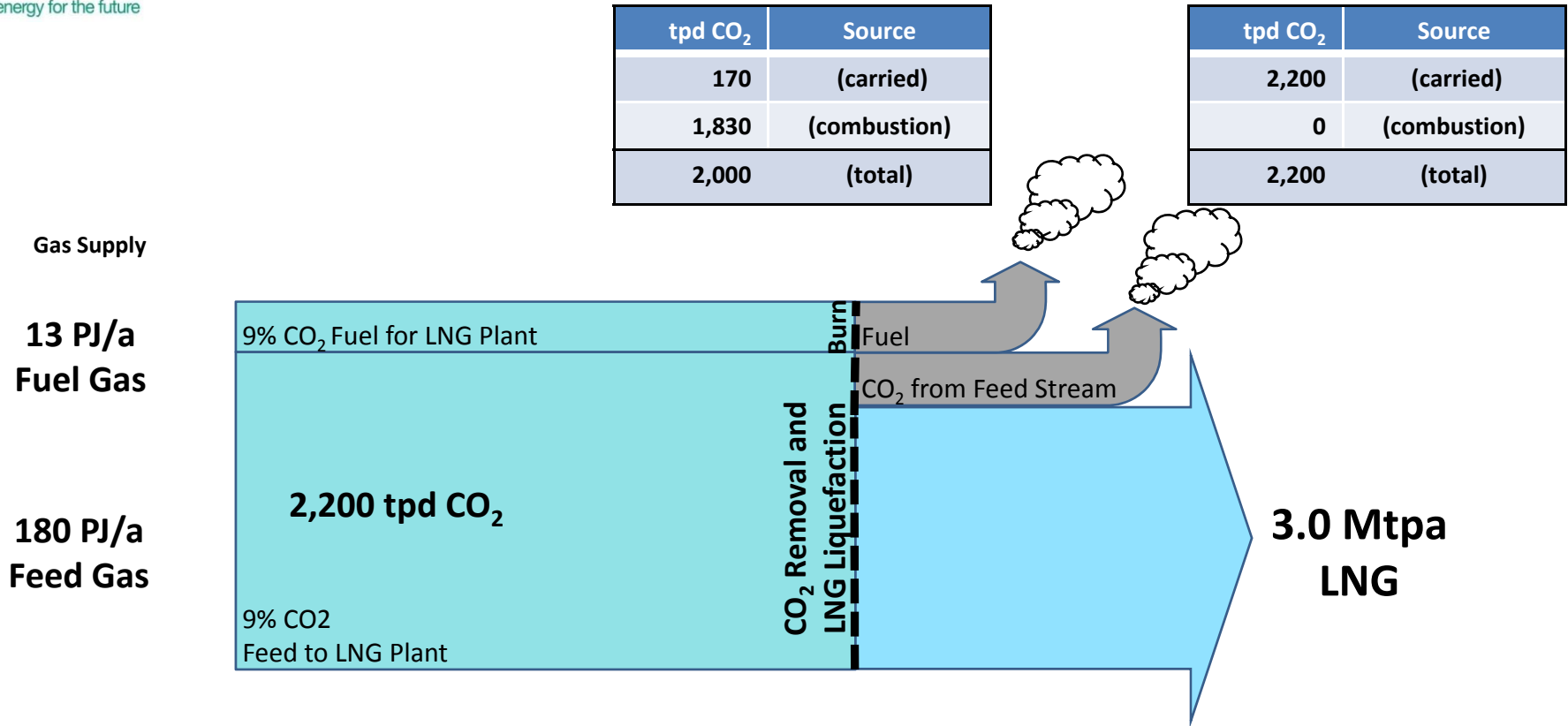
Proximity to Tassie Shoal saves pipeline costs

But what about CO₂?

Field	Distance to Darwin (km)	Surplus Liquids value (A\$bn)	Tassie Shoal saving (km)	Tassie Shoal saving (A\$m)
Ichthys	875	\$36.4	Similar distance	
Bayu-Undan	500	\$29.2	Already developed	
Greater Sunrise	450	\$17.1	300	\$706
Abadi	410	\$7.6	268	\$631
Barossa/Caldita	330	-\$0.1	257	\$604
Evans Shoal	328	-\$1.0	318	\$748

CO₂ released from LNG

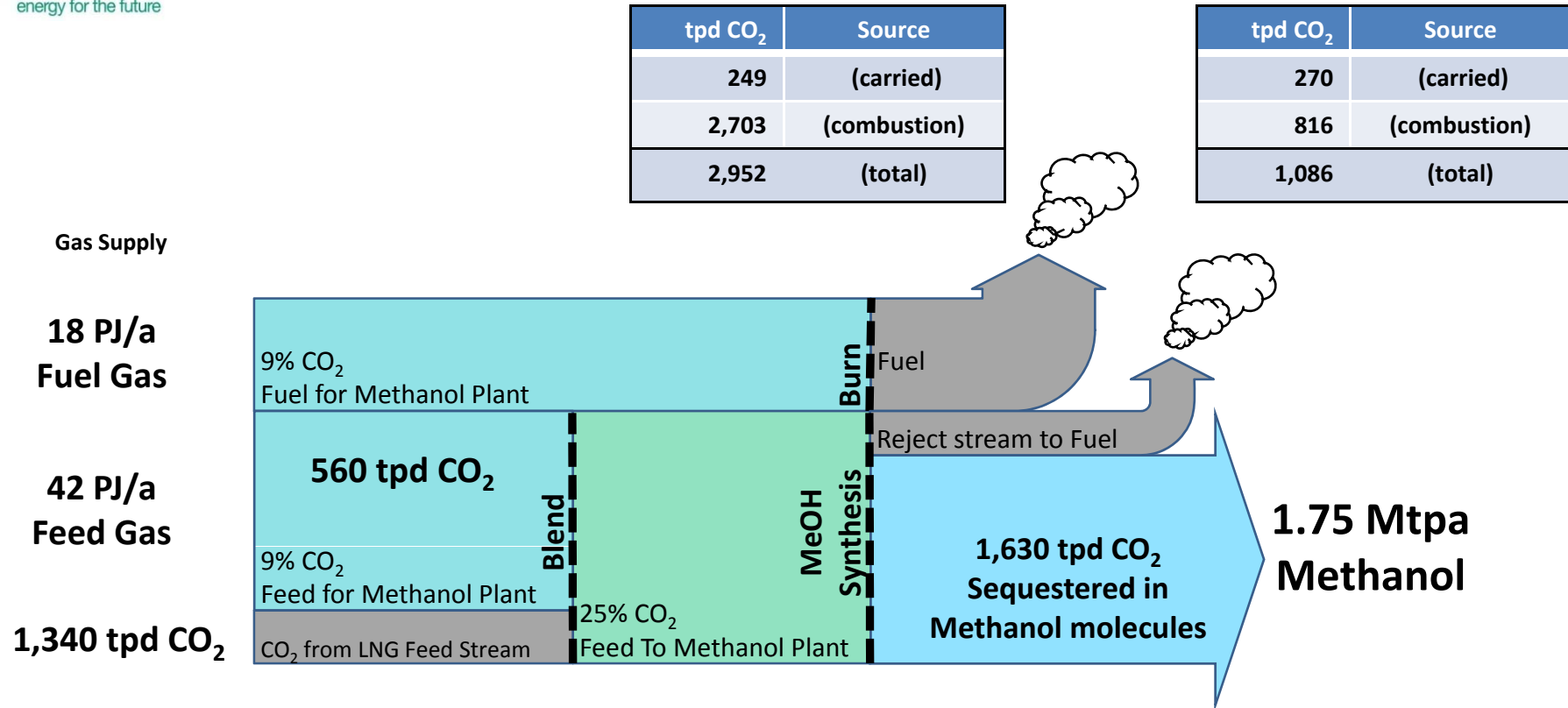
Carbon dioxide balance



- CO₂ intensity of LNG Plant = **0.5 tCO₂/tLNG**
- With Geo-sequestration can be reduced to **0.35 tCO₂/tLNG** (Source: Gorgon EIS)

CO₂ sequestration into methanol

Achieves lower CO₂ intensity than geo-sequestration



- Gorgon LNG based on 9% CO₂ gas with Geo-sequestration = **0.35 tCO₂/tLNG**
- Single Methanol Plant = **0.33 tCO₂/tLNG**
- Two Methanol Plants = **0.21 tCO₂/tLNG** (minimum technically possible with 0% CO₂ fuel gas)
- Chinese coal based methanol production is swing producer and emits >1.7 times CO₂ per tonne of methanol compared with MEO proposed process

Tassie Shoal advantages

Viabile alternative for CO₂ and location challenged gas

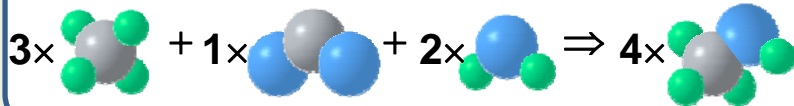
CO₂ challenged

Evans Shoal
(Santos, Shell, Petronas, Osaka Gas)

~6+TCF	25% CO ₂	4 bbl/mmscf
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Conventional solution is **geo-sequestration**
Tassie Shoal offers **methanol sequestration**
Consider the economics of the alternatives

Methane + CO₂ + Steam ⇒ Methanol



Sequesters 25% CO₂ into Methanol

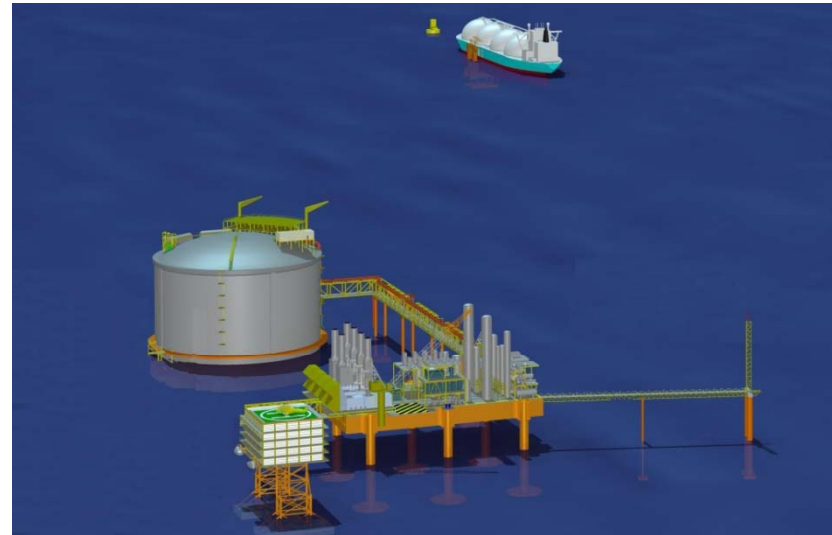
Barossa/Caldita
(ConocoPhillips/Santos)

~3.4 TCF	12% CO ₂	5 bbl/mmscf
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Location challenged

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

~5.4 TCF	4% CO ₂	40 bbl/mmscf
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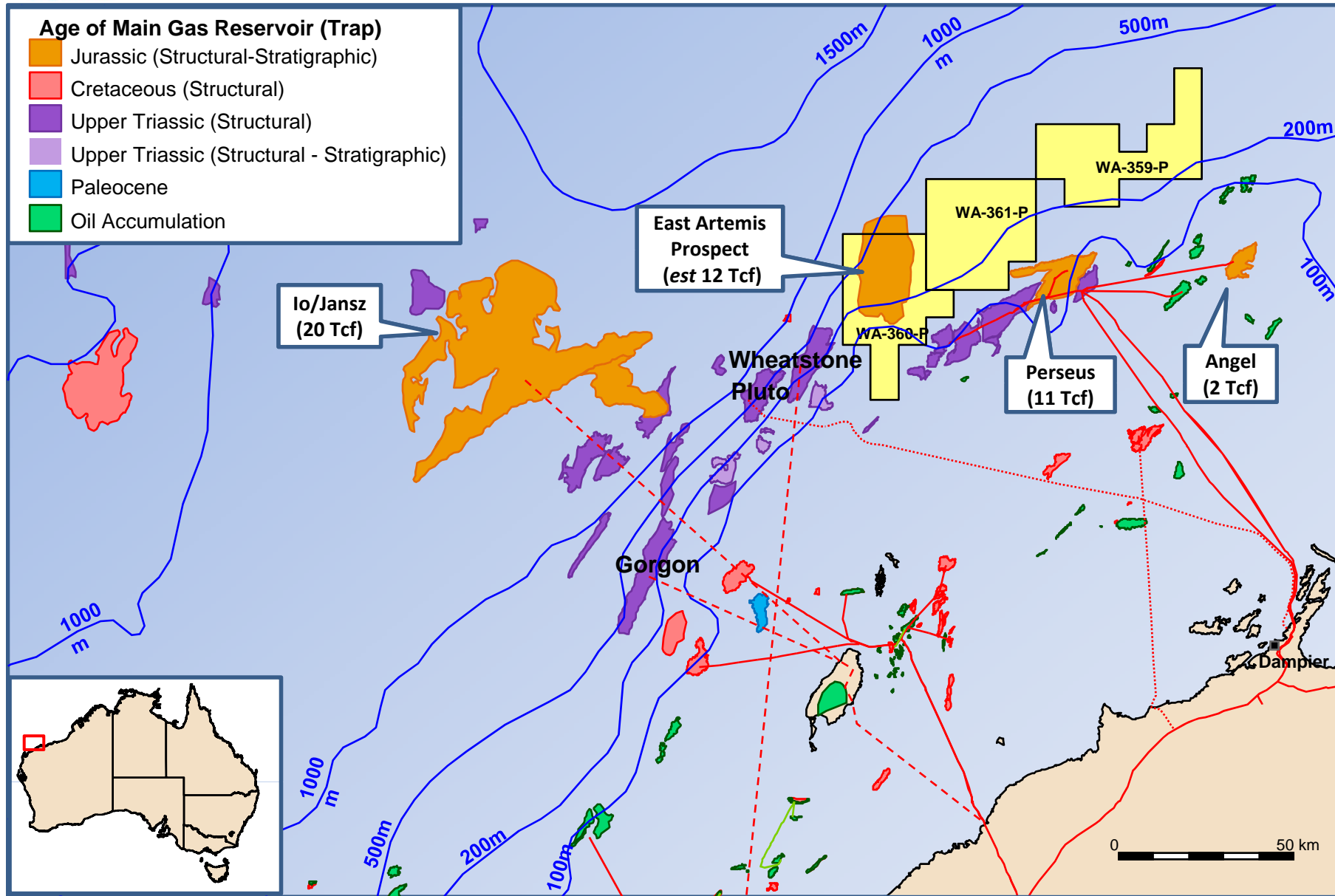


Abadi - FLNG? Tassie Shoal?
(Inpex/Pertamina)

~10 TCF	7% CO ₂	20 bbl/mmscf
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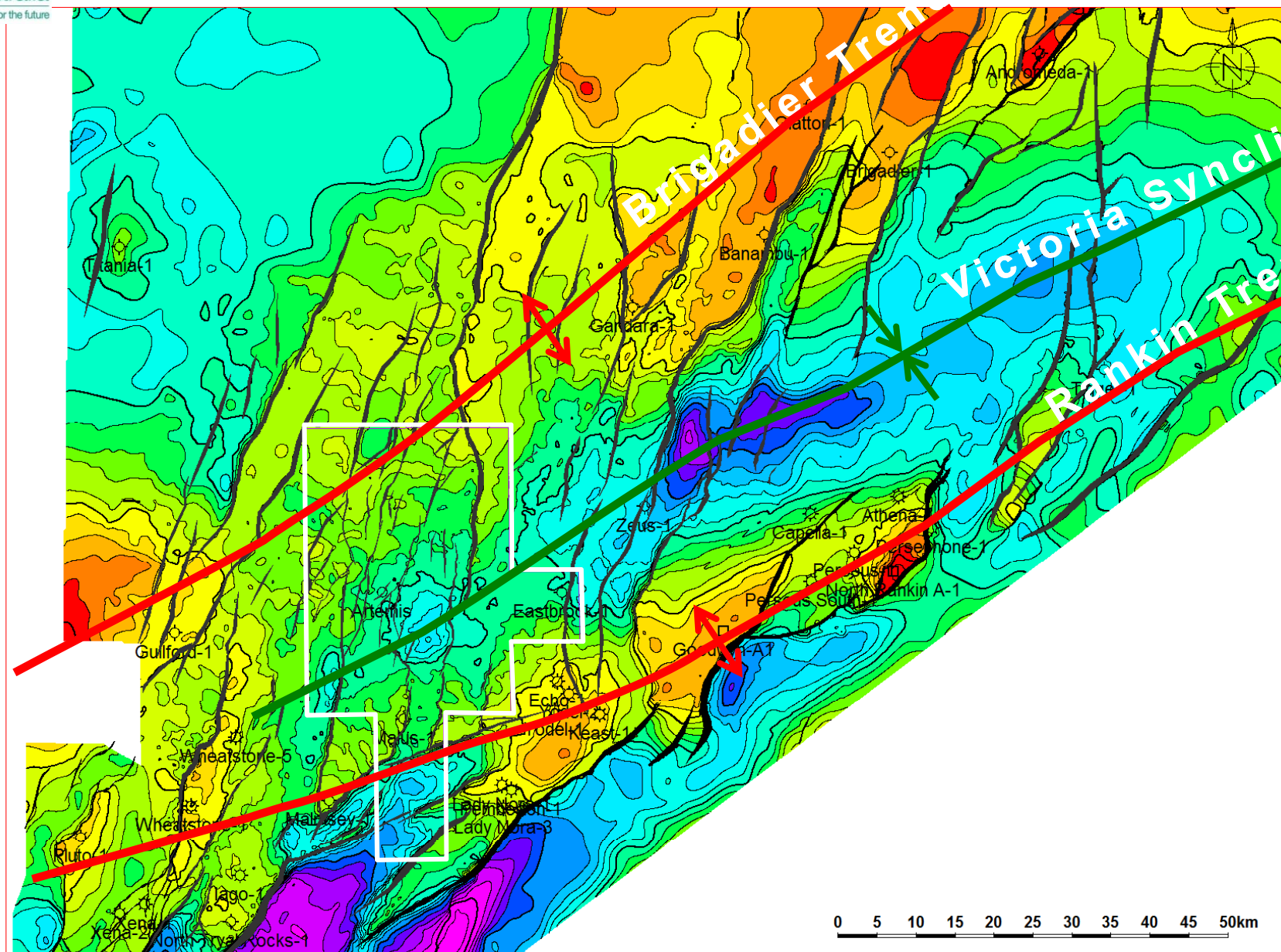
WA-360-P – significant exploration upside

Strategically located near existing & proposed LNG infrastructure



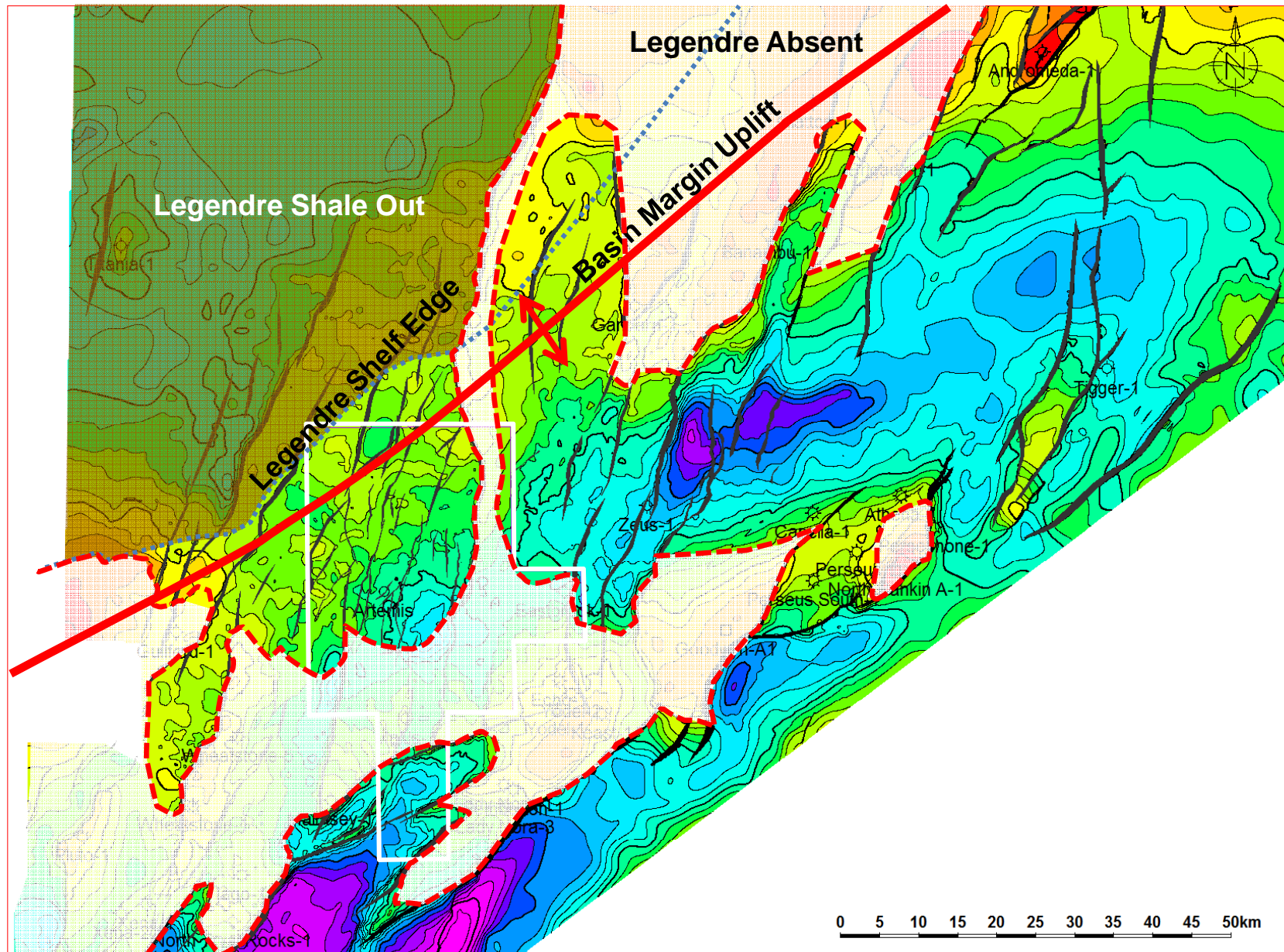
JO/MU Regional Depth Structure Map

Structural Elements



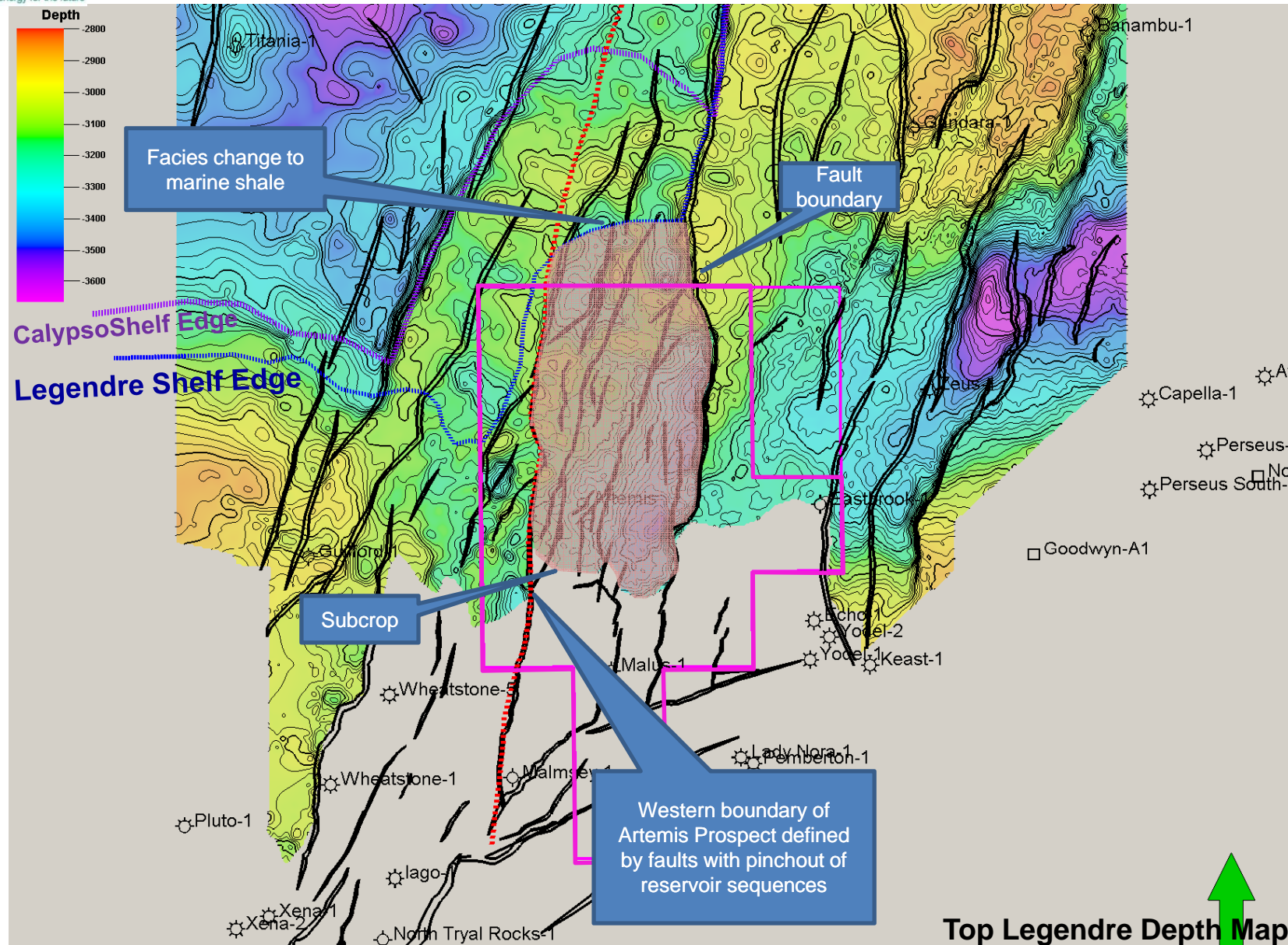
Legendre Reservoir Distribution

Reservoir sweet spot draped over regional high trend



Artemis Legendre prospect outline

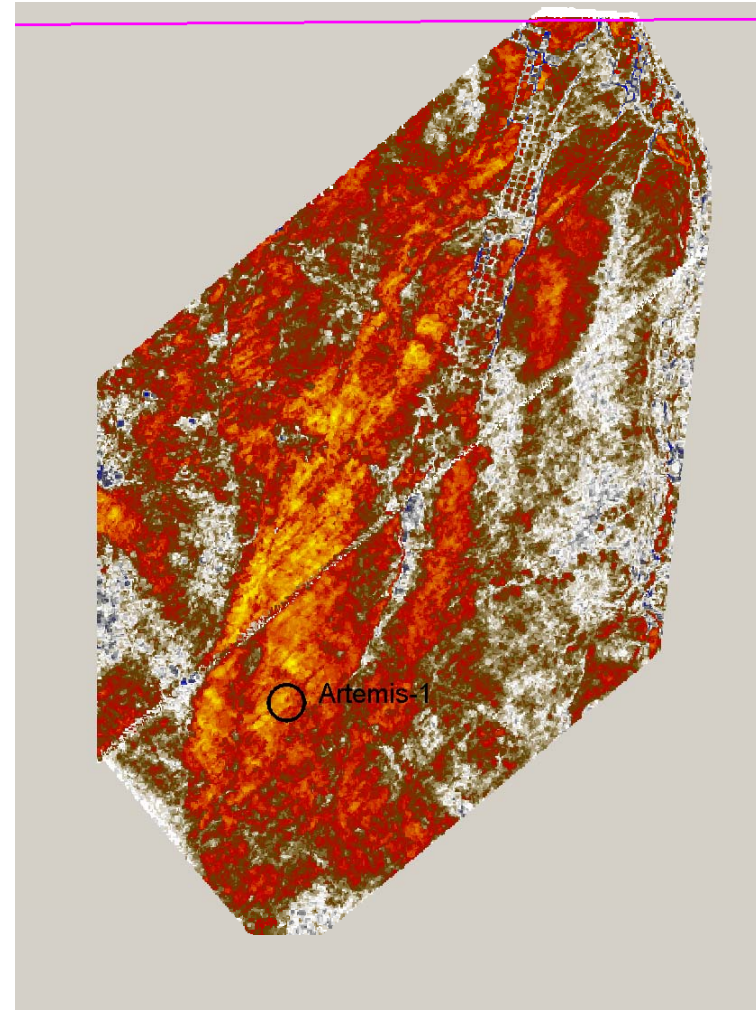
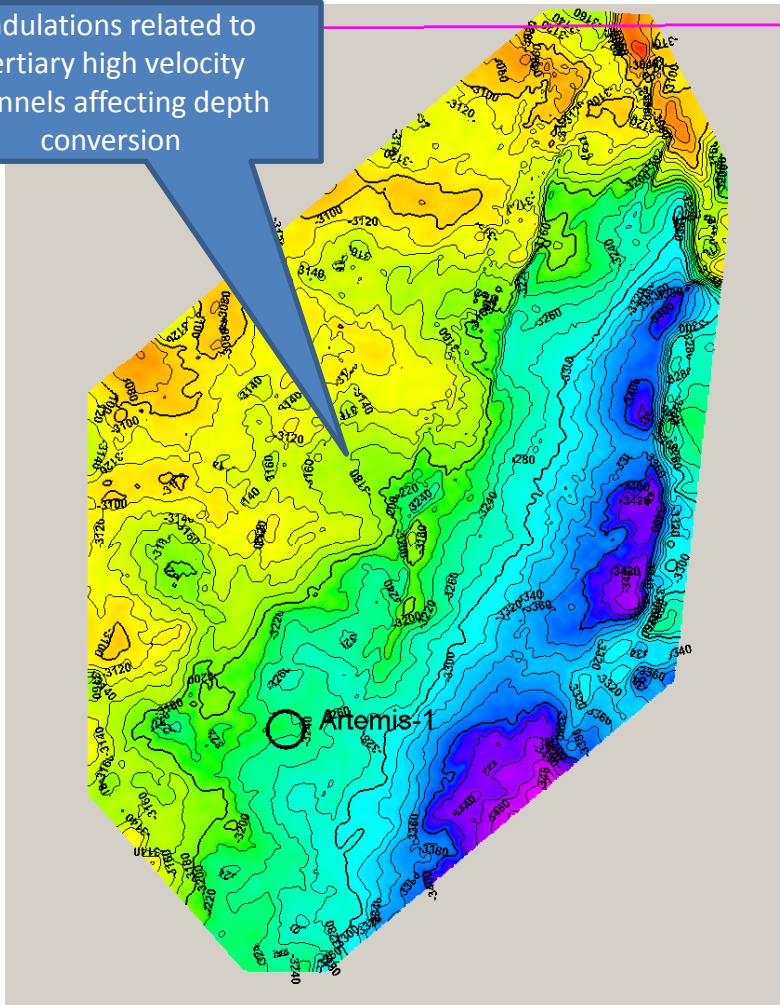
Excludes West Artemis due to lack of 3D coverage



DHI* Observations

Amplitudes show conformance with structure

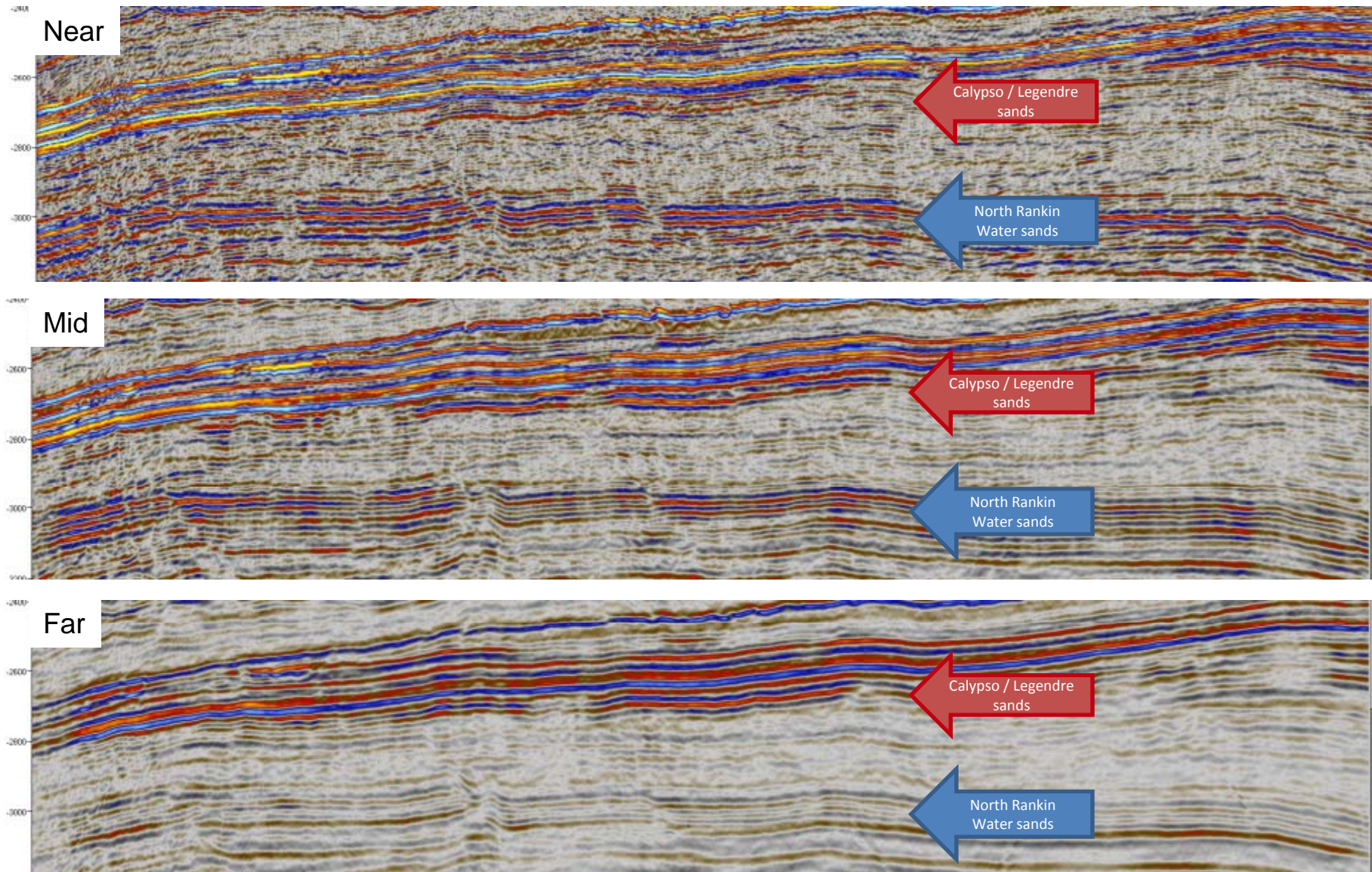
Undulations related to
Tertiary high velocity
channels affecting depth
conversion



* DHI = Direct Hydrocarbon Indicator

Supported by AVO

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



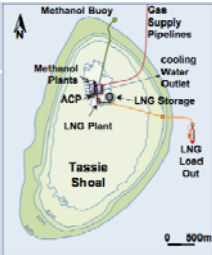

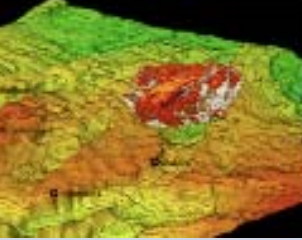


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Systematically crystallising portfolio value

Farm-out on track for 30th September – expect re-rating

	Potential value per share		Remarks	
	Un-risked	Risked		
Current share price	\$0.60	\$0.60	September 14 th	
Less cash on hand	\$0.04	\$0.04	\$17m at June 30 th	
= Market value of MEO projects	\$0.56	\$0.56	Net of cash	
Potential value of MEO projects				
	Tassie Shoal Projects		Development hub for stranded gas in region	
	LNG (I) 3.0 Mtpa	Tbd	Tbd	Requires 3 Tcf gas with <4% CO ₂ /20 yrs Requires 1.4 Tcf gas up to 25% CO ₂ /20 yrs Requires 1.4 Tcf gas up to 25% CO ₂ /20 yrs
	MeOH(I) 1.75 Mtpa	Tbd	Tbd	
	MeOH(II) 1.75 Mtpa	Tbd	Tbd	
	Appraisal of NT/P68 discoveries		Farm-out following permit renewal	
	Heron (90%)	Tbd	Tbd	Potential to underpin LNG project (subject to CO ₂ content) OR TSMP (I & II) Potential to underpin TSMP (Phase 1)
	Blackwood (100%)	Tbd	Tbd	
	Exploration potential WA-360-P		Farm-out by 30th September	
	Artemis Prospect ~12 Tcf Mean Prospective Resource	\$3.65	\$1.17	Assumptions 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%