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ASX AND MEDIA RELEASE

RIG SECURED TO DRILL ZEUS PROSPECT

Key Points:

- **LoA executed securing Songa Venus to drill Zeus Prospect late 2008**
- **Positive AVO responses in Legendre formation sandstones within Zeus**

MELBOURNE, AUSTRALIA (April 8, 2008) -- MEO Australia Limited (ASX: MEO) is pleased to advise that a letter of award (LoA) has been executed with Australian Drilling Associates and Songa Offshore Pte. Ltd securing the semi-submersible drilling rig, Songa Venus for the drilling of the Zeus prospect in WA-361-P later in 2008.

The Company has completed reprocessing of the Rosie 3D survey originally acquired by Western Mining in 1997, which covered the majority of the Zeus feature. The reprocessing recovered the offset gathers that are required to confirm the presence of AVO (amplitude variation with offset) responses in the Legendre formation sandstones within the Zeus stratigraphic trap. The Legendre sandstones are the primary gas charged reservoir in the Perseus gasfield, which lies a few kilometres southeast of WA-361-P.

Initial analysis has confirmed positive AVO responses within the Zeus prospect that have a similar signature to the AVO responses noted in the gas bearing sands of the Perseus gasfield.

Such AVO responses are often indicative of hydrocarbon charge and in this region are regarded as a primary indicator to support the drilling of an exploration well. MEO mapping indicates that the Zeus prospect has a multi Tcf natural gas potential.

The Company plans to secure the majority of funding for the well (Zeus-1) by farming out of part of its interest in the permit to a strategic partner with strong links to the LNG industry.

C.R. Hart
Managing Director
MEO Australia Limited
WA-361-P Operator



BACKGROUND:

On October 25, 2007, MEO secured a 60% participating interest in this highly prospective exploration permit via a seismic acquisition option. MEO has now met the seismic acquisition obligation in the permit and has assumed the role as Operator for the permit. If MEO decides to fund 100% of the cost of a single well in WA-361-P, a 70% interest will have been earned. However, if the existing permit holders elect to pay 10% of the cost of a single well in the permit, the MEO interest in WA-361-P would remain at 60%.

The respective participating interests in the permit prior to drilling are as follows:

Permit	MEO Australia (Operator)	Cue Energy Resources	Gascorp Australia
WA-361-P	60%	20%	20%