

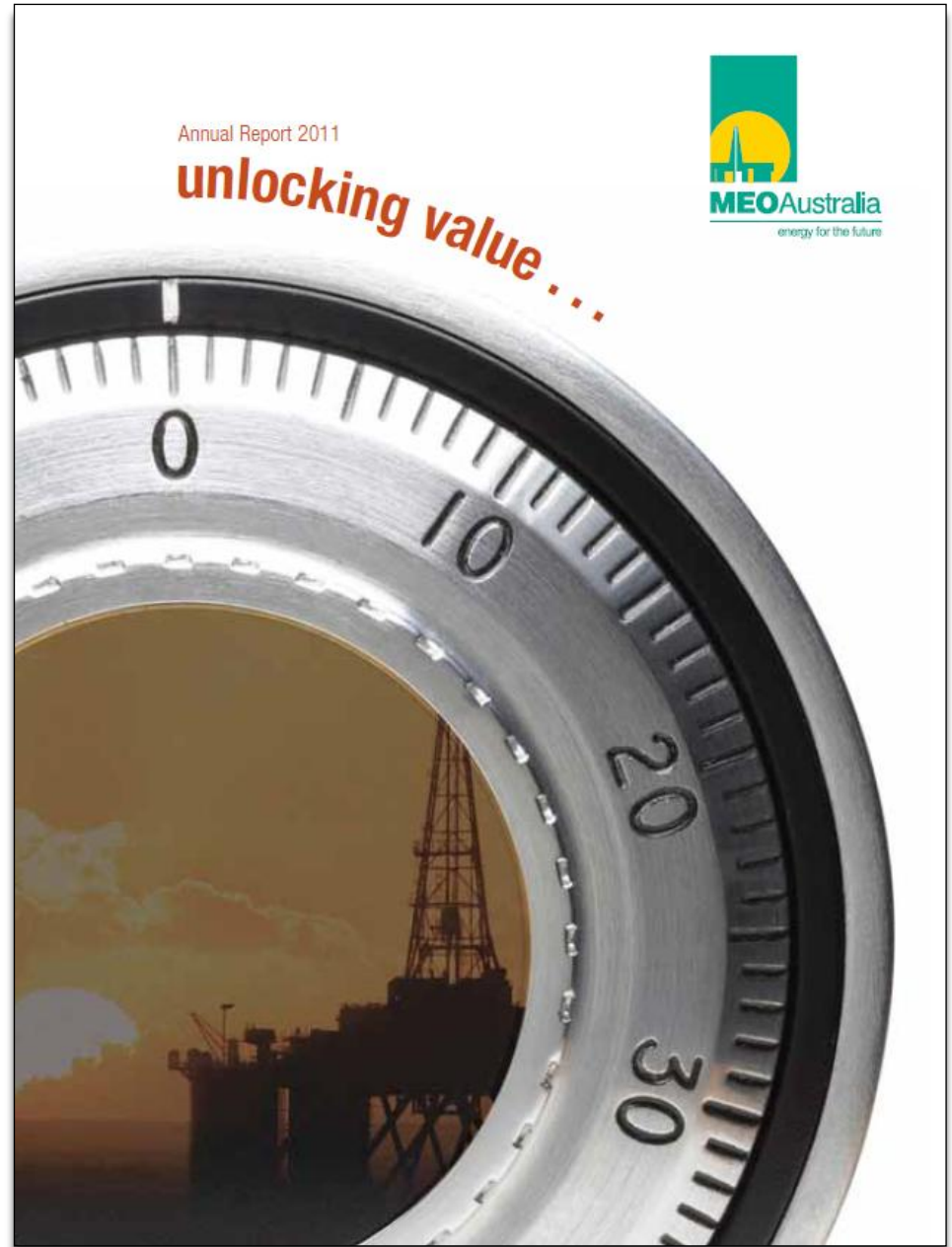


MEOAustralia

energy for the future

Report to shareholders

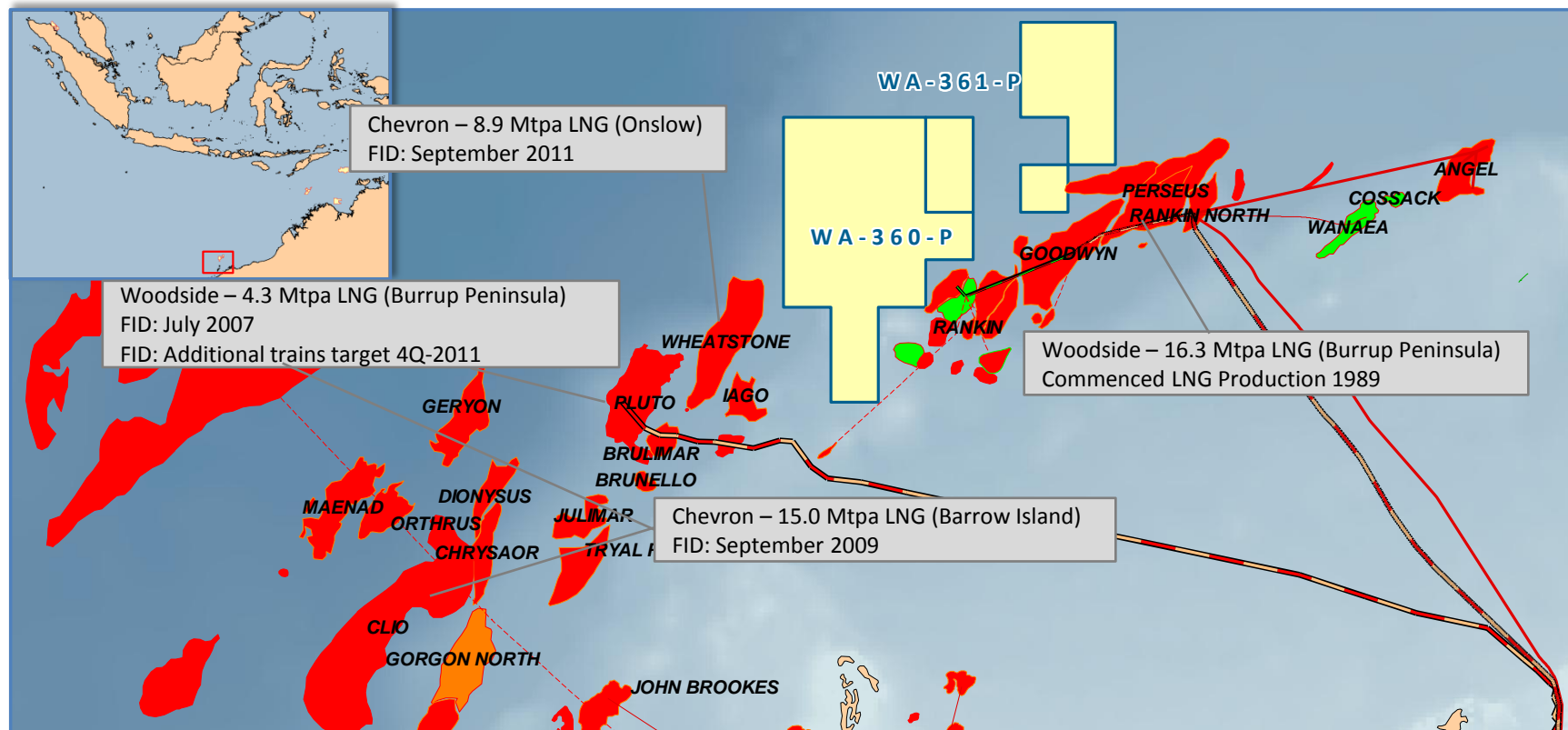
AGM 27th October, 2011





In 2010 the focus was on Artemis-1 / WA-360-P

this interest allowed us to strengthen our balance sheet and pursue new growth options



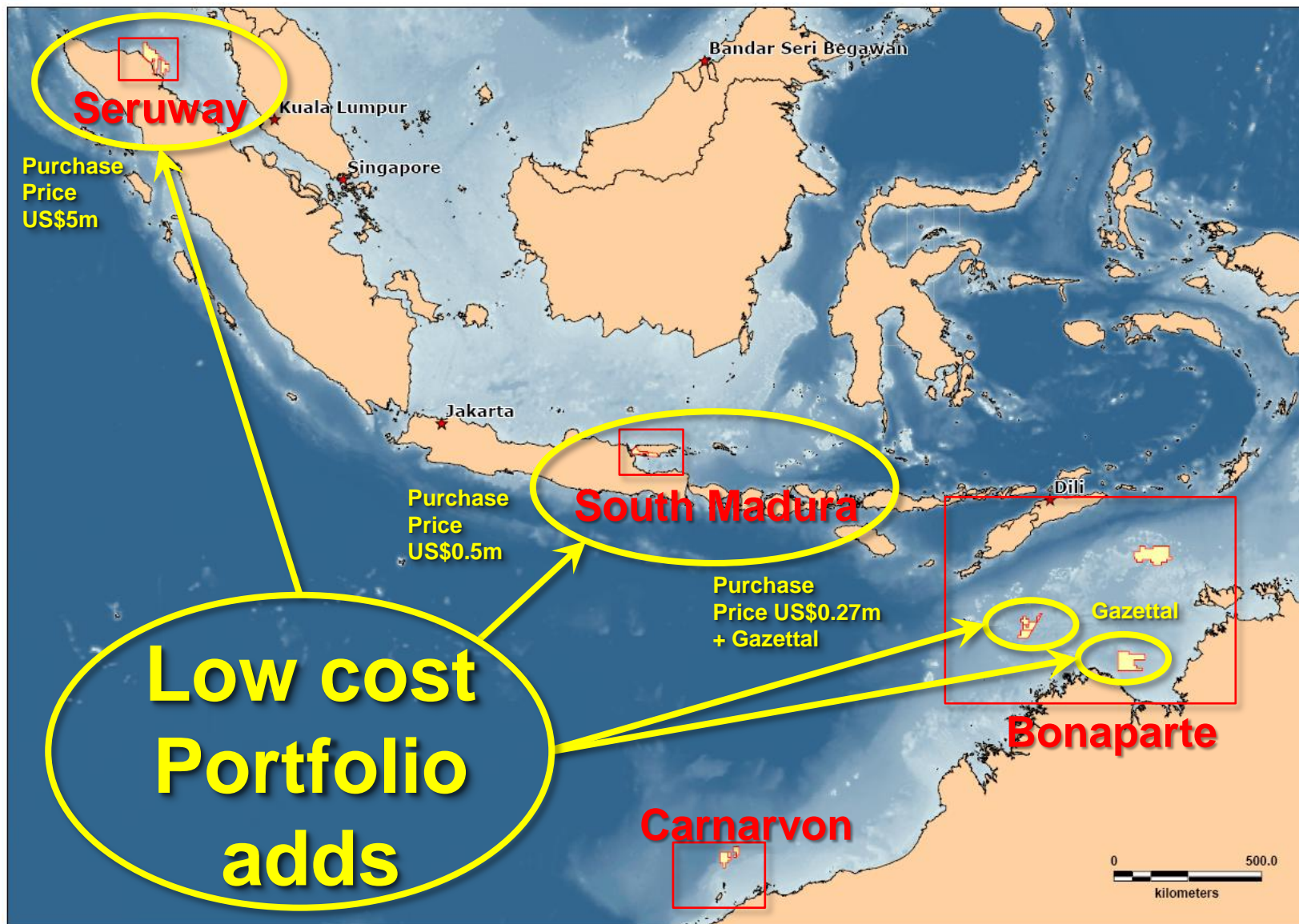
Artemis-1 did not encounter hydrocarbons, however:

- Farm-out to Petrobras provided US\$39m cash (US\$7.5m was re-invested into WA-360-P)
- Capital raising during drilling raised A\$32.6m (@ \$0.52/share)
- Artemis-1 fully funded by Petrobras – MEO retained a 25% free carried interest
- MEO operated & flawlessly executed drilling program to test ~12 Tcf prospect
- Residual prospectivity no longer met materiality threshold for Petrobras
- Strategic location enhances commercial prospects of future discoveries



During 2011 we broadened our portfolio

we added 6 new permits – which included 3 existing gas discoveries





and expanded into SE Asia

Now hold 9 permits including 2 in SE Asia, Operator of 7, 100% interest in 5

30th June 2010

Melbourne Office

People: 10 Full Time Equivalents
Cash Reserves: \$36.0 million

Bonaparte – NT/P68 (MEO 100%)

Blackwood and Heron Discoveries
requiring appraisal

Tassie Shoal Projects

Environmental approvals:
- 1 x 3.0 Mtpa LNG
- 2 x 1.75 Mtpa methanol

Carnarvon Basin

WA-360-P: Artemis-1 drilling prep
WA-361-P: Renewal Pending

Melbourne & Jakarta Offices

People: 27 Full Time Equivalents (includes Jakarta office)
Cash Reserves: \$90.2 million (30th September 2011)
Cash to fund growth

Tassie Shoal Projects with Environmental Approvals (100%)

Increasingly relevant as other gas resources are developed

South Madura Island PSC (MEO 30%)

Kujung reef play potential onshore

Indonesia – Seruway PSC (MEO 100%)

3 significant projects in one PSC

2. Kuala Langsa gas discovery

- Multi-TCF discovered gas resource
- Medium term co-operative development potential

2011 AGM

Bonaparte Basin – NT/P68 (MEO 50%)

Multi-well farmout to ENI

Material residual interest – potentially funded to FID on 2 discoveries

Petrel sub-basin - WA-454-P (MEO 100%)

Marina wet gas discovery, Breakwater & Lighthouse prospects

Carnarvon Basin

WA-360-P: Renewal Pending, WA-361-P: Permit Renewed
Strategically located near LNG infrastructure seeking gas

Vulcan Sub-Basin - AC/P50, AC/P51, AC/P53 (MEO 100%)

Proven hydrocarbon province, little explored since 1980's

1. Gurame gas & oil discovery

- Discovered oil and gas resource with near term development potential

3. Ibu Horst exploration & appraisal fairway

- Proven play fairway with multiple wells with hydrocarbon intersections
- Acquiring 700 km² 3D seismic survey late 2011, drilling late 2012

We acquired a business with a Jakarta office

staffed by a dedicated core team to manage our Indonesian business

Jakarta Office Staff

Muslim Basya
President

Tri Pudjiastuti
Finance Manager

Asvil Martin
Senior Accounting

Rani Primalia
Admin Asssistant

Hidayat
Finance Assistant

Radian Z. Hartama
Government
Relation Manager

Eko Harianto
Technical
Assistant/IT Coord.

Ratna Sadikin
Office Administrator

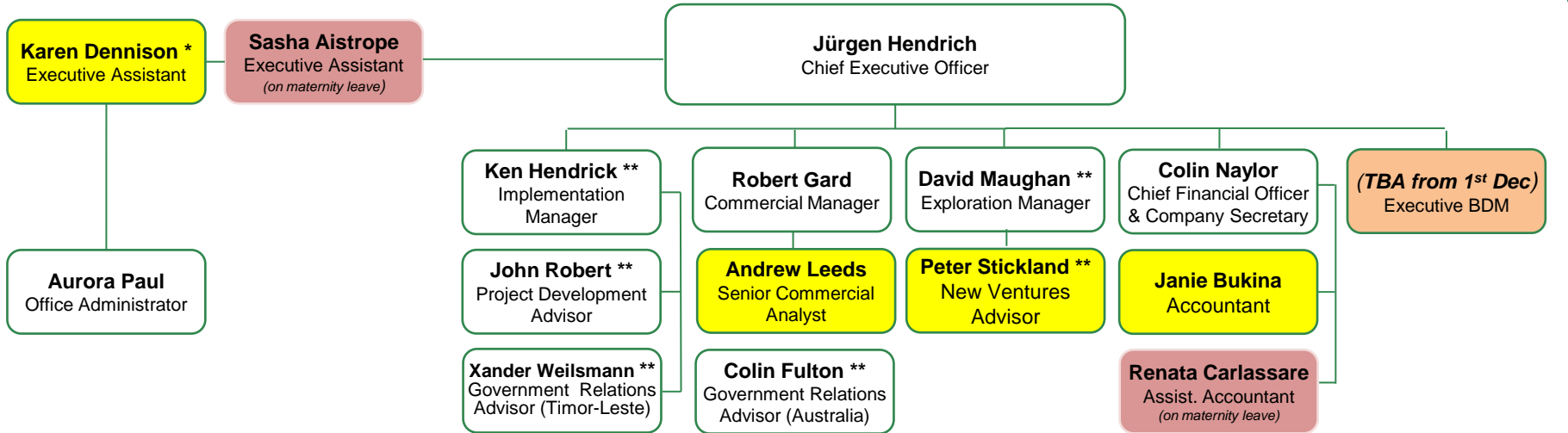


Jürgen Hendrich (2nd from left), Peter Stickland (3rd from left), David Maughan (far right) with Tri Pudjiastuti, Muslim Basya, Miltos Xynogalas, Rani Primalia & Ratna Sadikin

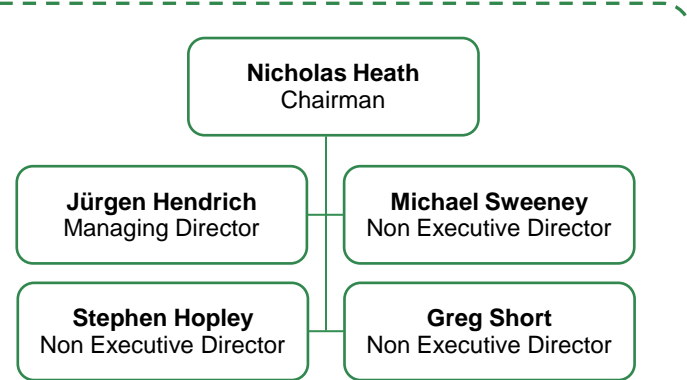
and expanded our in-house capabilities

to discover & unlock the inherent potential within the expanded portfolio

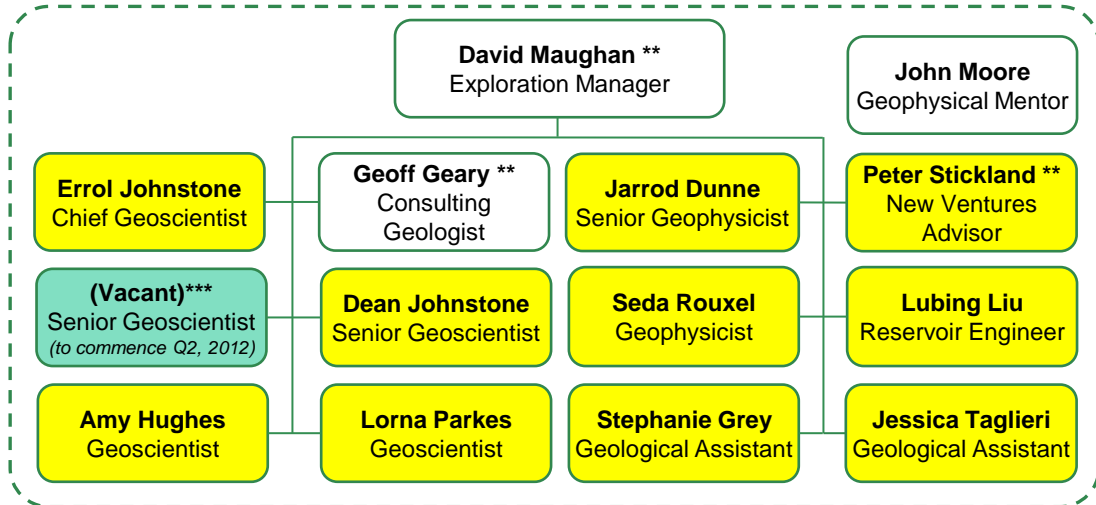
Executive management, commercial, finance & administration (Melbourne Office)



Board of directors



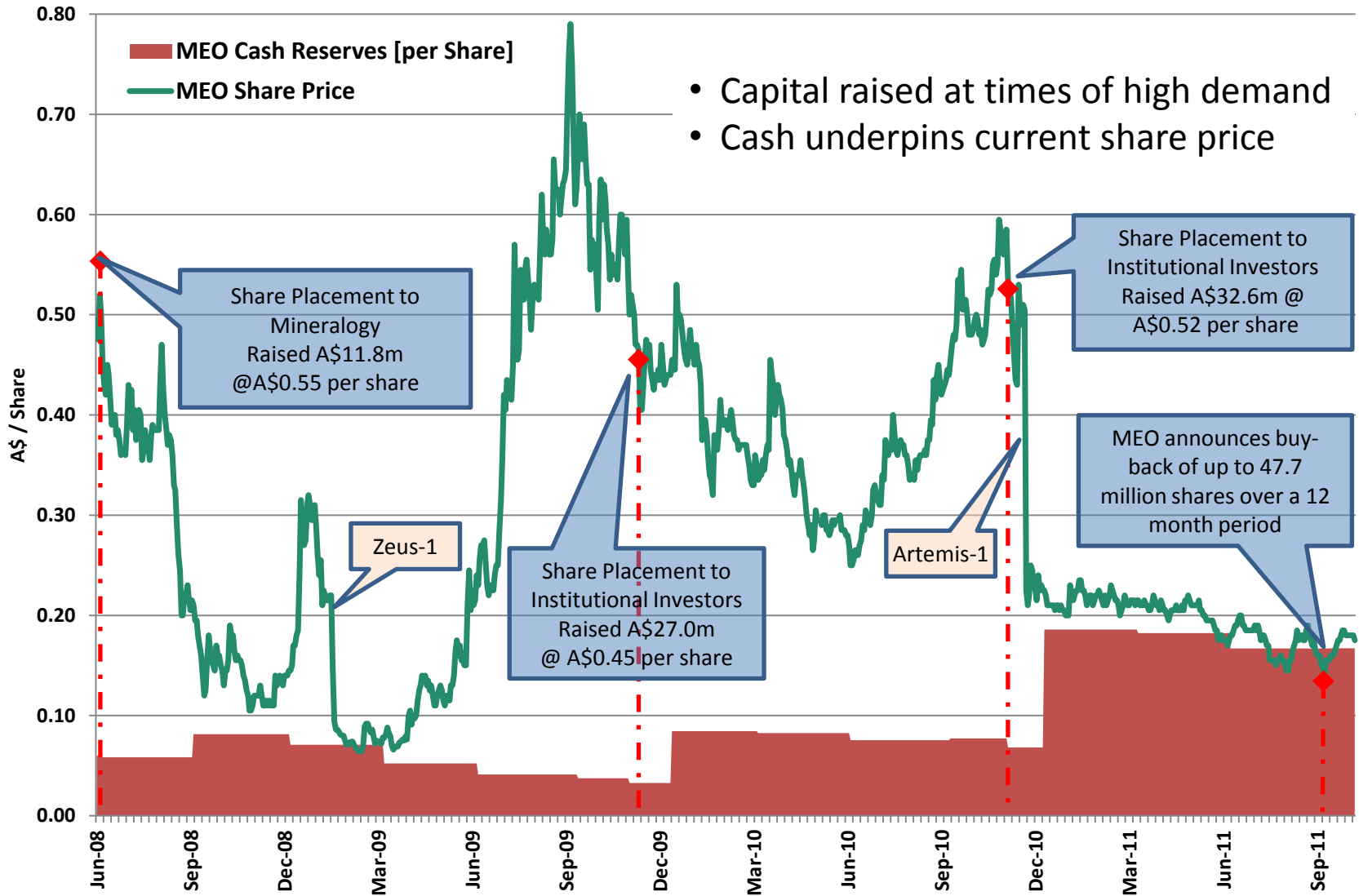
Technical and operations (Melbourne Office)



* Contracted role
** Consultant
*** Approved Permanent Position

We prudently managed our capital reserves

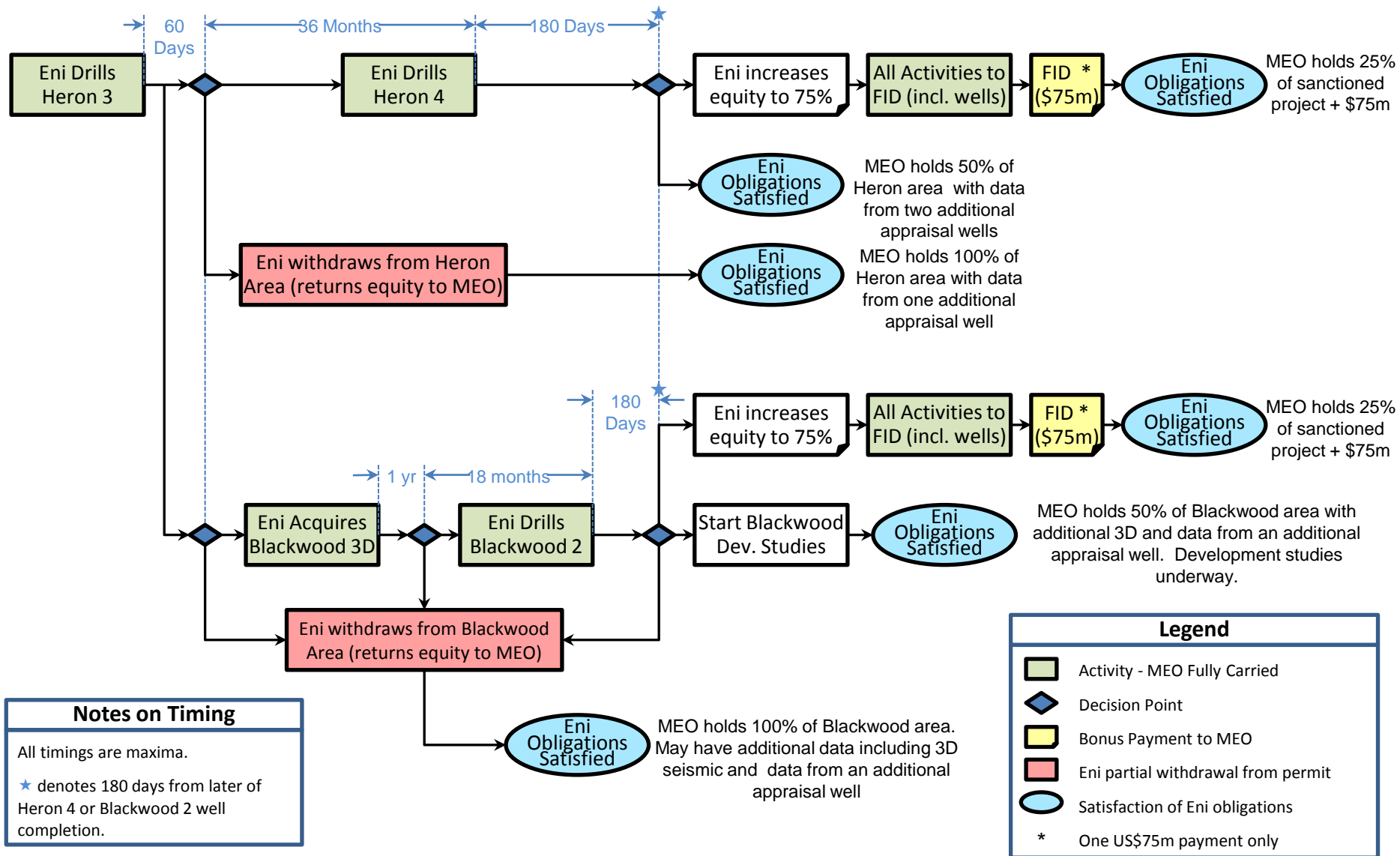
raising capital at times of high demand & instigating a share buyback in late September



- Capital raised at times of high demand
- Cash underpins current share price

and concluded a farm-in with Eni Australia Ltd

up to 2 fully tested Heron wells and 1 fully tested Blackwood well + 3D seismic for 50% interest

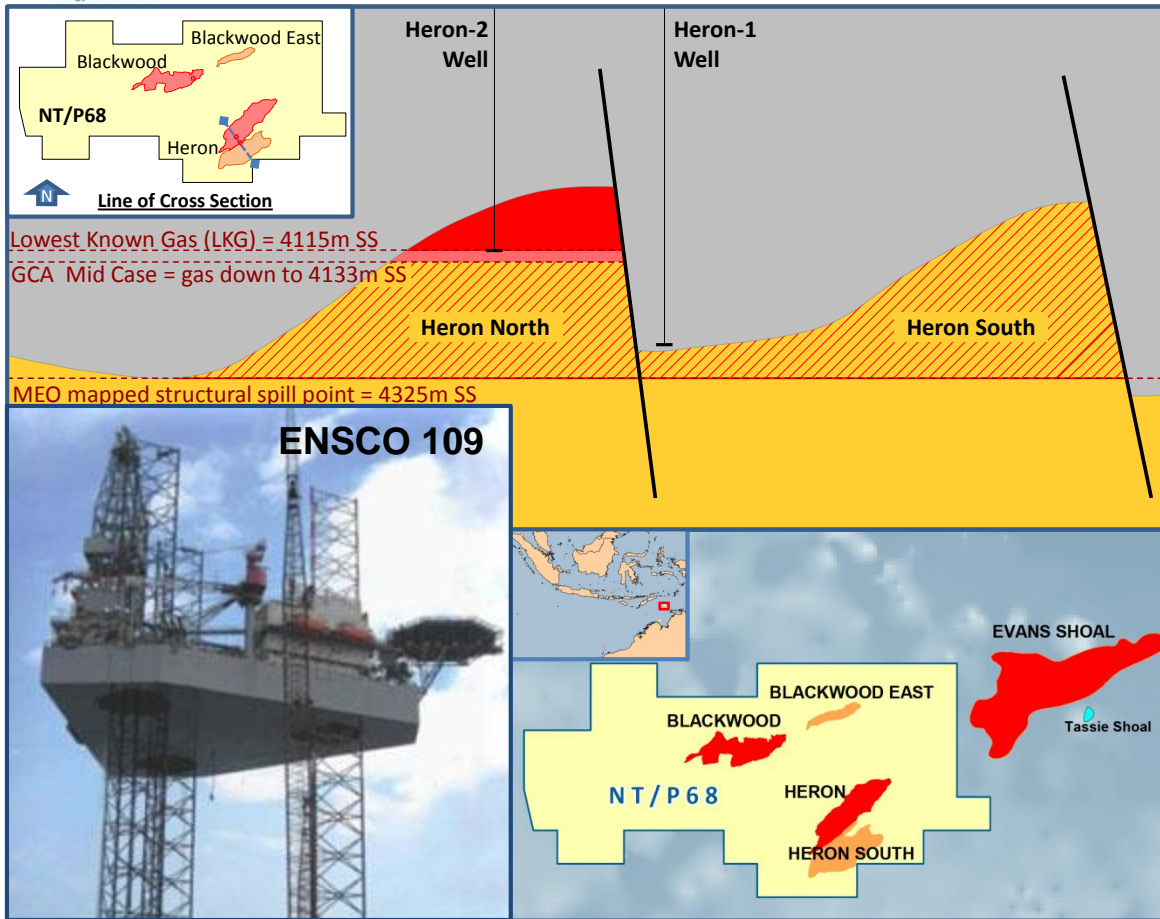




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Heron-3 will test ~5 Tcf potential in March 2012

in the Heron South fault block - potential LNG scale resource



KEY FACTS	NT/P68 - Timor Sea, Australia
Strategic Objective	Develop Heron & Blackwood gas discoveries
MEO W.I.	50% +
Operator	ENI Australia Ltd
Water Depth	40 – 100 metres
Reservoirs	Elang/Plover Formation
Permit Status	Year 2 of 5 year renewal
Activity	- Heron-3 Well 2Q 2012*

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

+ Eni Australia Ltd 50%. See ASX Release 18 May 2011 for details
 * Enco 109 Rig Contracted – See ASX Release 4 Oct 2011

2011				2012			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Executed Farm-In with ENI		700km ² 3D Seismic over Blackwood		Heron-3 Well*		



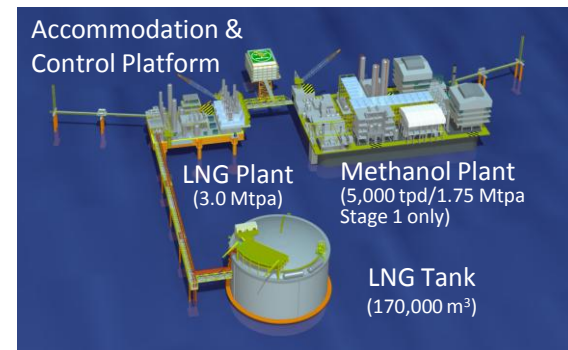
Discussions on Tassie Shoal Gas Hub continued....

This ready made solution to the prevailing commercial challenges stands ready to deliver

Project	Resource Size	Resource Deliverability	Economic Development Concept	Environmental Approvals	Government & Stakeholder Approvals	Financial Investment Decision (FID)
TSLNG / TSMP	Requires Minimum 1.4 TCF	Processes Produced Gas	Yes	Granted Until 2052	Yes	No
Greater Sunrise	5.13 TCF + 226MMBBL Cond	Production Test Required	FLNG	No	No	No
Evans Shoal	~6.6 TCF - ES-3 Well Due 2012	Production Test Required	No	No	No	No
Barossa / Caldita	~3.5 TCF: Appraisal Required	Production Test Required	No	No	No	No
Heron	~5 TCF: Heron-3 Drilling 2Q 2012	Production Test Required	No	No	No	No
Blackwood	~1 TCF: Appraisal Required	Production Test Required	No	No	No	No

Tassie Shoal LNG & Methanol Plants Hub Proposal - Enablers

- Modular
- Cost effective
- Overcomes distance to onshore plant Issues
- CO₂ solution
- Environmental approvals – **In place until 2052**
- Major Project Facilitation Status – **renewed late 2009**
- Gas supply **Requires only 1.4 TCF to proceed to FEED for TSMP**

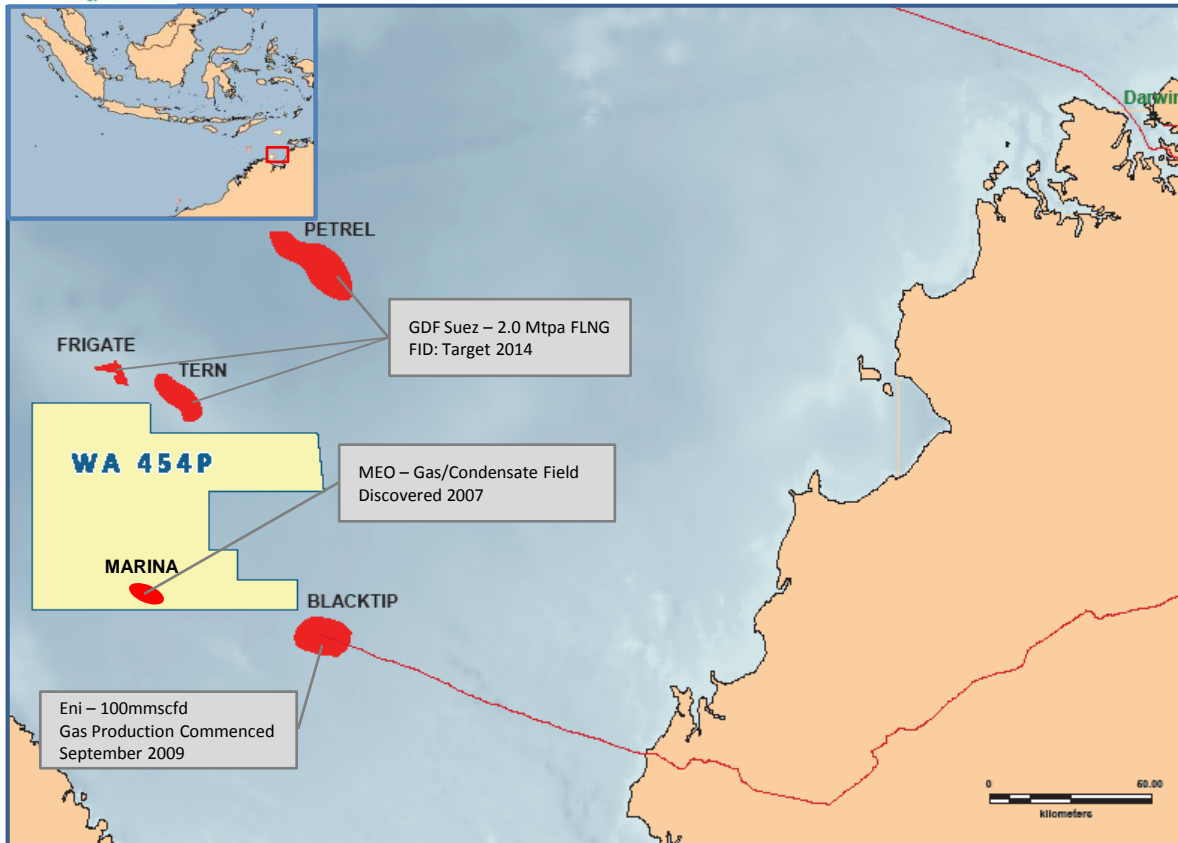




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We acquired WA-454-P in the 2010 gazettal round

With a liquids rich gas discovery + 2 attractive robust prospects – near infrastructure



KEY FACTS	WA-454-P – Timor Sea, Australia
Strategic Objective	Discover & develop liquids rich gas resources
MEO W.I.	100%
Operator	MEO
Water Depth	~ 100 metres
Reservoirs	Contains Marina gas/condensate discovery. Adjacent to Petrel, Tern and Frigate fields and Eni’s producing Blacktip field.
Permit Status	Awarded 2011
Activity	2D seismic planned 1H 2012

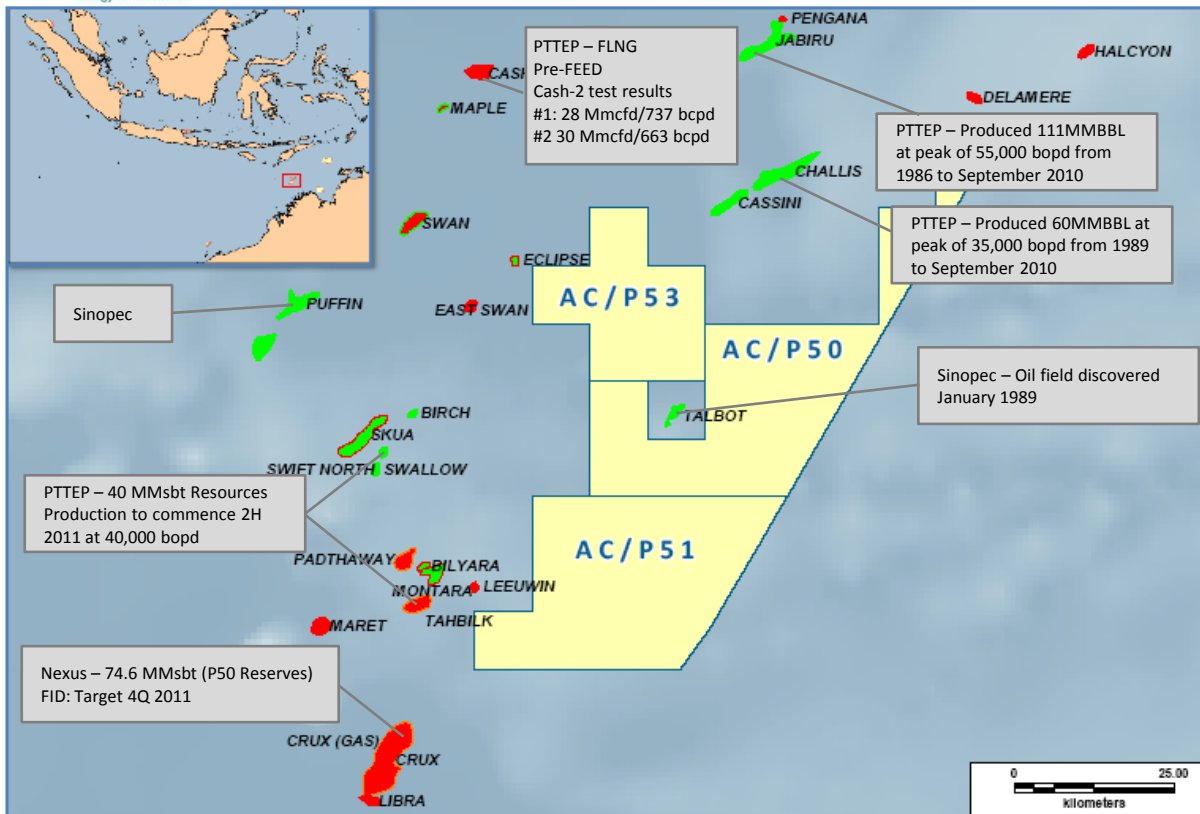
Gross Prospective Recoverable Resources	
Marina – Gas/Cond <i>Discovery</i>	Under Evaluation
Lighthouse Prospect - Gas/Cond	Under Evaluation
Breakwater Prospect - Gas/Cond	Under Evaluation

2011				2012			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Awarded WA-454-P Permit				2D Seismic		



3 New AC blocks: 2 purchased, 1 via gazettal

a contiguous acreage position in proven gas & oil fairway near recent success at Cash-2



KEY FACTS	AC/P50, AC/P51, AC/P53 – Timor Sea, Australia
Strategic Objective	Explore for and prove up significant oil and liquids rich gas discoveries
MEO W.I.	100%
Operator	MEO
Water Depth	40 – 100 metres
Reservoirs	On trend with adjacent Crux gas/condensate and Talbot fields, with deeper potential within permits
Permit Status	AC/P50, AC/P51: Acquired 2010 AC/P53: Awarded 2011
Activity	2D long-offset and 3D seismic planned 4Q 2011
Gross Prospective Recoverable Resources	
AC/P50 - Lead	500-1000 BCF / 20-80 MMBBL Gas/Oil
AC/P51 - Lead	500-1000 BCF / ~75 MMBBL Gas/Oil
AC/P53 - Lead	200-500 BCF / 10-20 MMBBL Gas/Oil

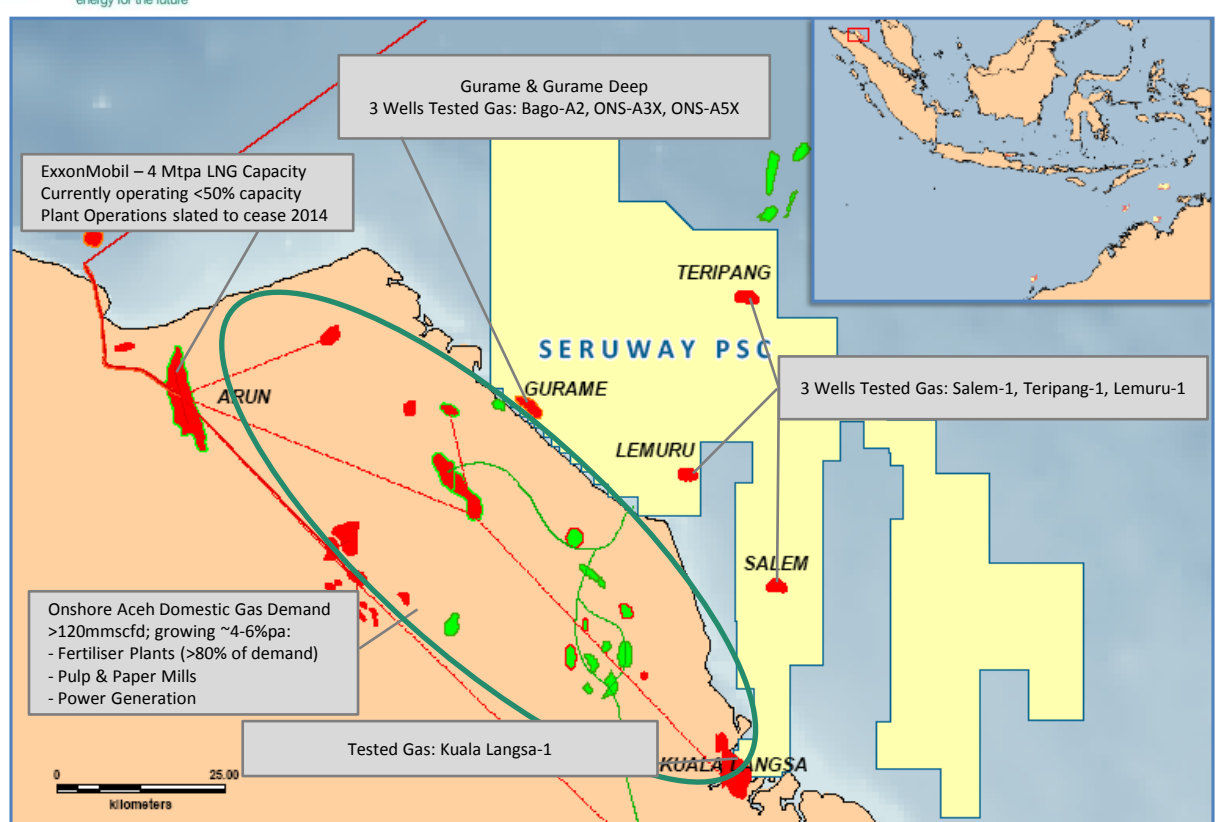
2011				2012			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Awarded AC/P53 Permit			2D Long Offset and 3D Seismic			



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Purchased 100% of Seruway PSC – North Sumatra

A ready made portfolio with gas discoveries near growing gas markets & infrastructure



KEY FACTS	Seruway PSC – Aceh Province, Indonesia
Strategic Objective	Appraise commercial gas resources and lodge Plan of Development
MEO W.I.	100% +
Operator	Seruway Offshore Exploration Ltd (MEO Subsidiary)
Water Depth	Shallow to Onshore
Reservoirs	Baong / Keutapang / Belumai / Peutu
Permit Status	Year 7 of PSC (2 nd Expl Term) Substantially improved PSC terms
Activity	Review Plan of Development options for Gurame Farm-out activities being reviewed

Gross Prospective Recoverable Resources	
Gurame – Gas/Oil <i>Discovery</i>	322-737 BCF / 15-41MMBBL
Kuala Langsa*-Gas/Cond <i>Discovery</i>	1866-3893 BCF / 7-24MMBBL

+ Refer ASX Release 28 June 2011 for details

* Kuala Langsa field straddles PSC boundary. Est. ~15-25% lies within Seruway PSC

2011				2012			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Executed SPA to acquire 100% of PSC		700km ² 3D Seismic over Ibu Horst				Exploration Well



Providing significant drilling in 2012

Disciplined approach yields low entry cost, high value added & 3rd party funding for drilling

	2011				2012			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
AUSTRALIA								
Carnarvon Basin WA-360-P, WA-361-P (MEO 25% WI, 50% WI)			WA-360-P Permit Renewal Application	3D Seismic in WA-361-P				
Timor Sea NT/P68 (MEO 50% WI)		Executed Farm-In with ENI		700 km ² 3D Seismic Blackwood		Heron-3		
Tassie Shoal Projects (MEO 100%)*	<i>ONGOING OPTIMISATION STUDIES AND DISCUSSIONS WITH POTENTIAL PARTICIPANTS, GAS SUPPLIERS AND OFFTAKERS</i>			Application for renewal of MPF Status	<i>ONGOING OPTIMISATION STUDIES AND DISCUSSIONS WITH POTENTIAL PARTICIPANTS, GAS SUPPLIERS AND OFFTAKERS</i>			
Vulcan Sub-Basin AC/P50, AC/P51, AC/P53 (MEO 100% WI)		Awarded AC/P53 Permit			2D Long Offset & 3D Seismic			
Petrel Sub-Basin WA-454-P (MEO 100% WI)		Awarded WA-454-P Permit				2D? Seismic		
INDONESIA								
North Sumatra Basin Seruway PSC (MEO 100% WI)		Executed SPA to Acquire 100% of PSC		700 km ² 3D Seismic over Ibu Horst				Exploration Well
East Java Basin South Madura PSC (MEO 30% WI)		Executed SPA to Acquire 30% of PSC			<i>WORK PROGRAM UNDER REVEIW</i>			

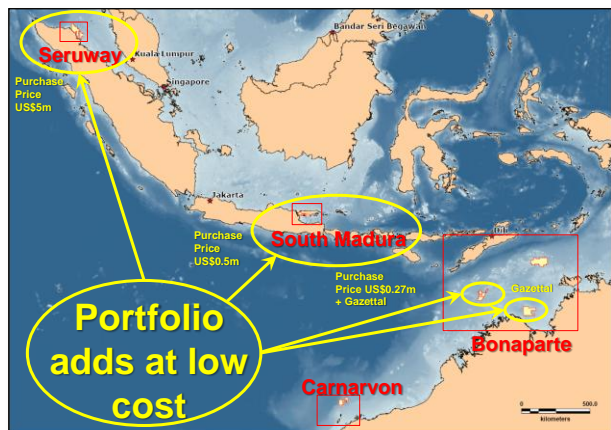
* APCI has option to acquire 50% participating interest in TSMP



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MEO is well positioned for growth

Expanded portfolio & team of talented professionals, poised to unlock significant value in 2012



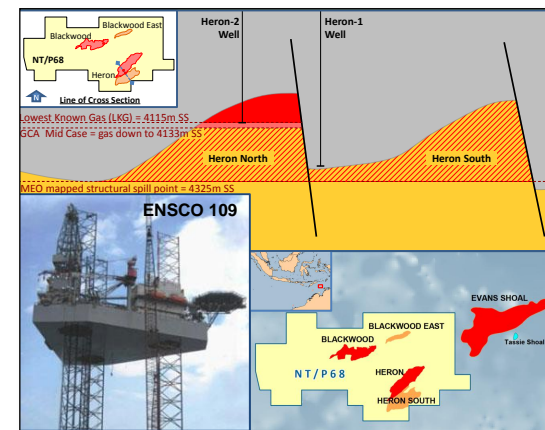
Expanded portfolio into SE Asia

9 permits, 7 Operated by MEO, 2 Indonesian PSC
5 gas discoveries, 2012 drilling (min 2 wells)



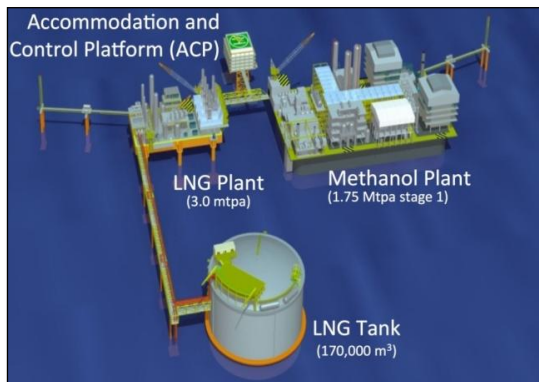
People

Expanded team of skilled and motivated professionals including office in Jakarta



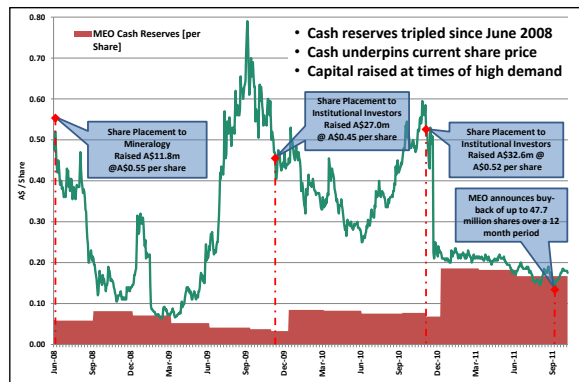
NT/P68 farmout to Eni Australia

Multi-well deal
Heron-3 drilling in March 2012



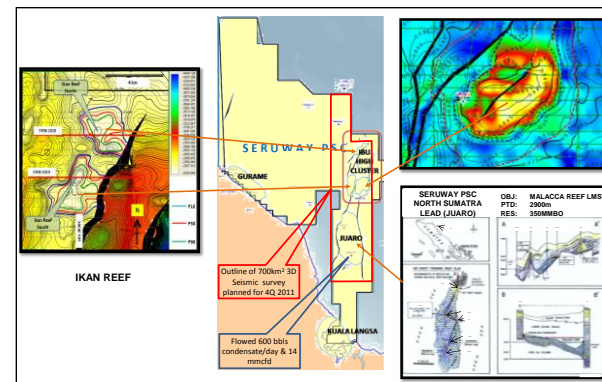
Tassie Shoal Projects

Key to unlocking CO₂ rich Timor Sea gas



Capital Management

Low entry cost, preserve \$, recoup sunk costs



Seruway PSC North Sumatra 100%

700 km² 3D seismic, late 2012 drilling

Disclaimer

Compliance

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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