



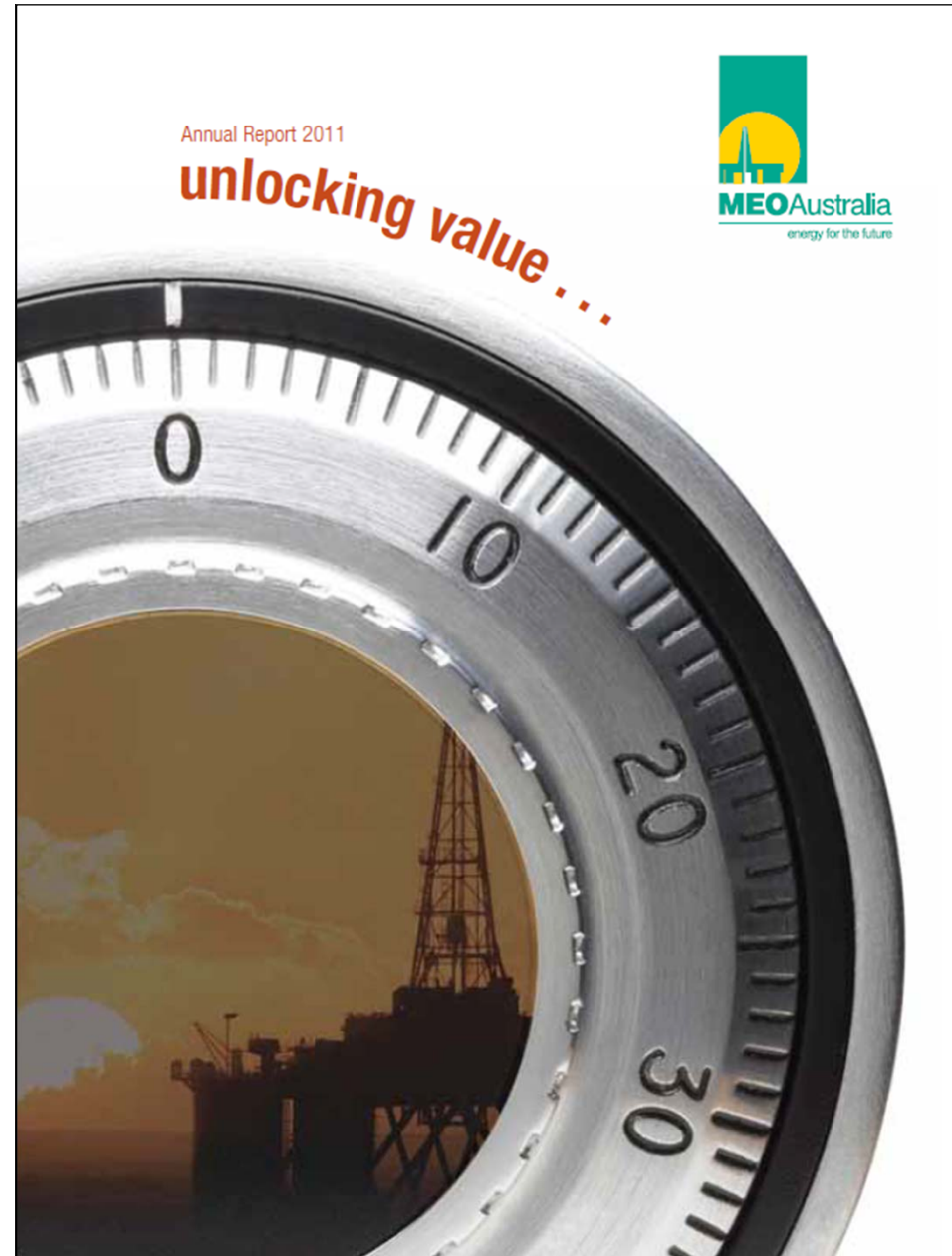
MEOAustralia

energy for the future

Innovation in Exploration

20:20 Investor Series

Sydney, 7th November, 2011





Corporate profile

A\$12.4m enterprise value. \$90m cash. 5 gas discoveries. Experienced board & management

Company Profile

MEO Australia Limited (ASX: **MEO**; OTC: **MEOAY**)

Headquartered in Melbourne, office in Jakarta

Interests in 7 Australian offshore permits (6 Operated) and 2 Indonesian PSCs (1 Operated). 5 gas discoveries near existing and planned LNG infrastructure, substantial exploration potential. Environmental Approvals secured for proposed infrastructure hub on Tassie Shoal, 275km NW of Darwin

Market Data

Current Share Price ⁽¹⁾	A\$0.19
Shares Outstanding	539,913,260
Options (\$0.50 ex, various expiry)	8.875m (unlisted)
3 Month Average Turnover	~2.9m shares/day
Market Capitalisation ⁽¹⁾	~A\$102.6m
Cash & Cash Equivalents ⁽²⁾	A\$90.2m
Enterprise value (net of cash)	A\$ 12.4m

Source: MEO, Bloomberg, ASX

(1) Closing price at 4th November 2011

(2) As at 30th September 2011

Board of Directors

Nick Heath

Non-Executive Chairman

Jürgen Hendrich

Managing Director

Greg Short

Non-Executive Director

Michael Sweeney

Non-Executive Director

Stephen Hopley

Non-Executive Director

Executive Management

Jürgen Hendrich

Chief Executive Officer

Colin Naylor

Chief Financial Officer

Robert Gard

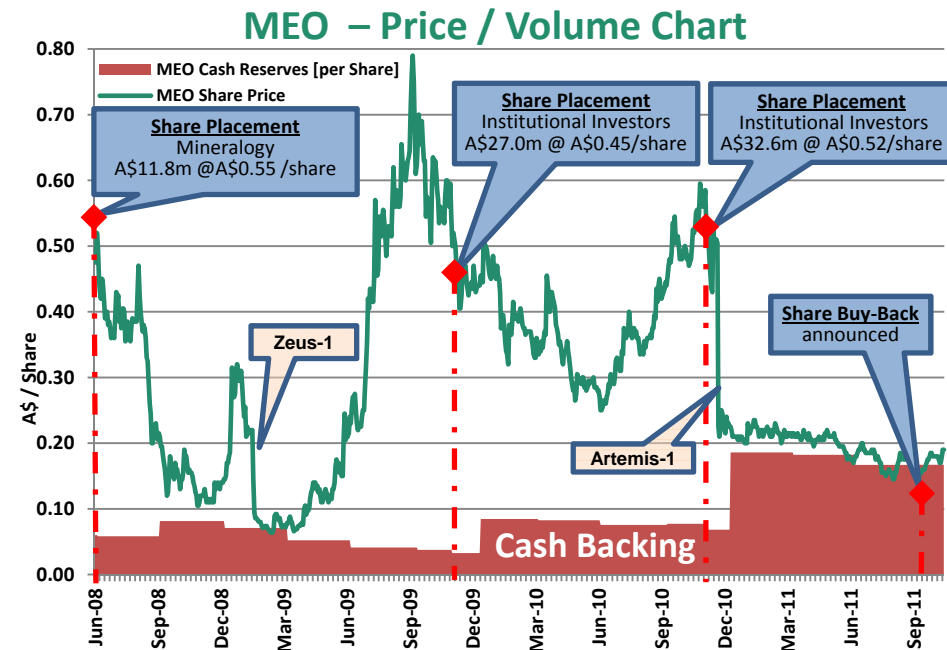
Commercial Manager

Dave Maughan

Exploration Manager

Ken Hendrick

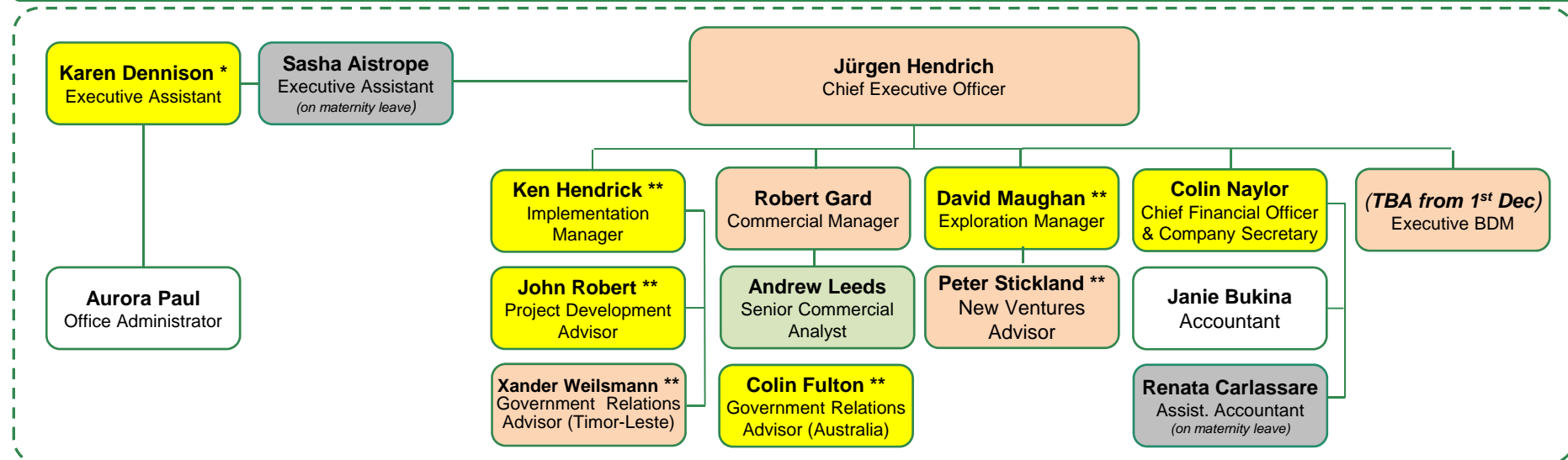
Implementation Manager



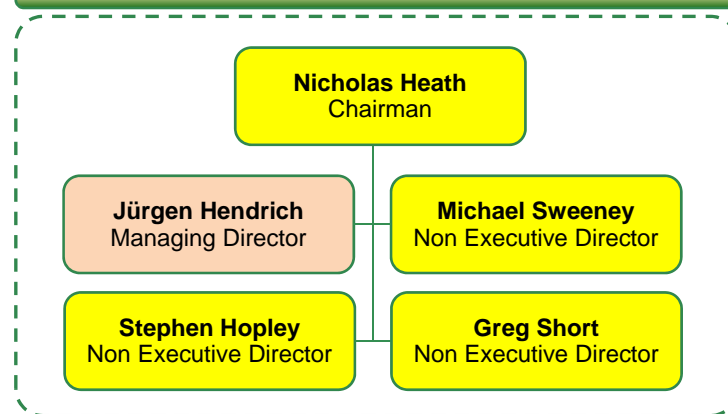
Quality personnel

with extensive international oil & gas major company experience

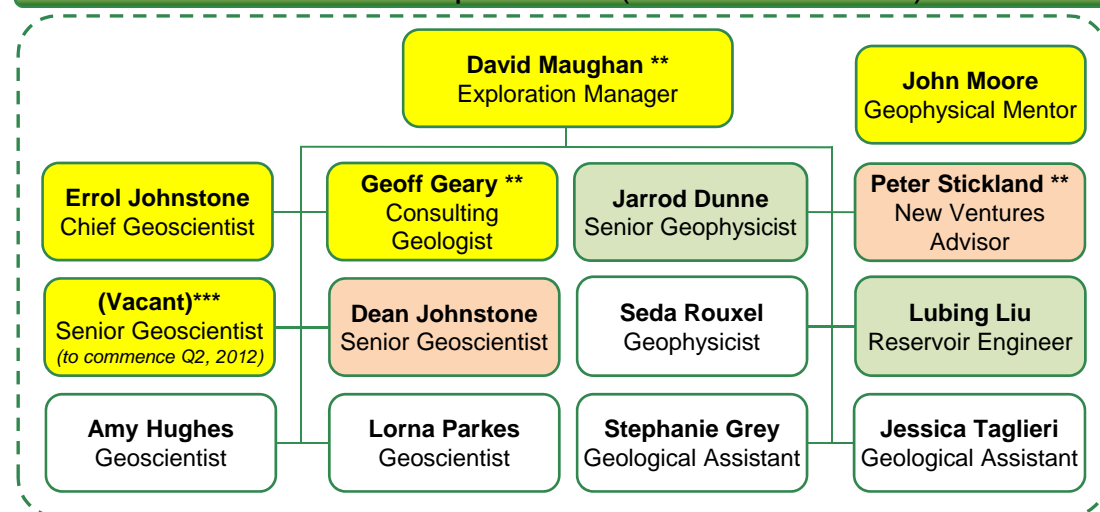
Executive management, commercial, finance & administration (Melbourne Office)



Board of directors



Technical and operations (Melbourne Office)



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

> 30 Years Experience

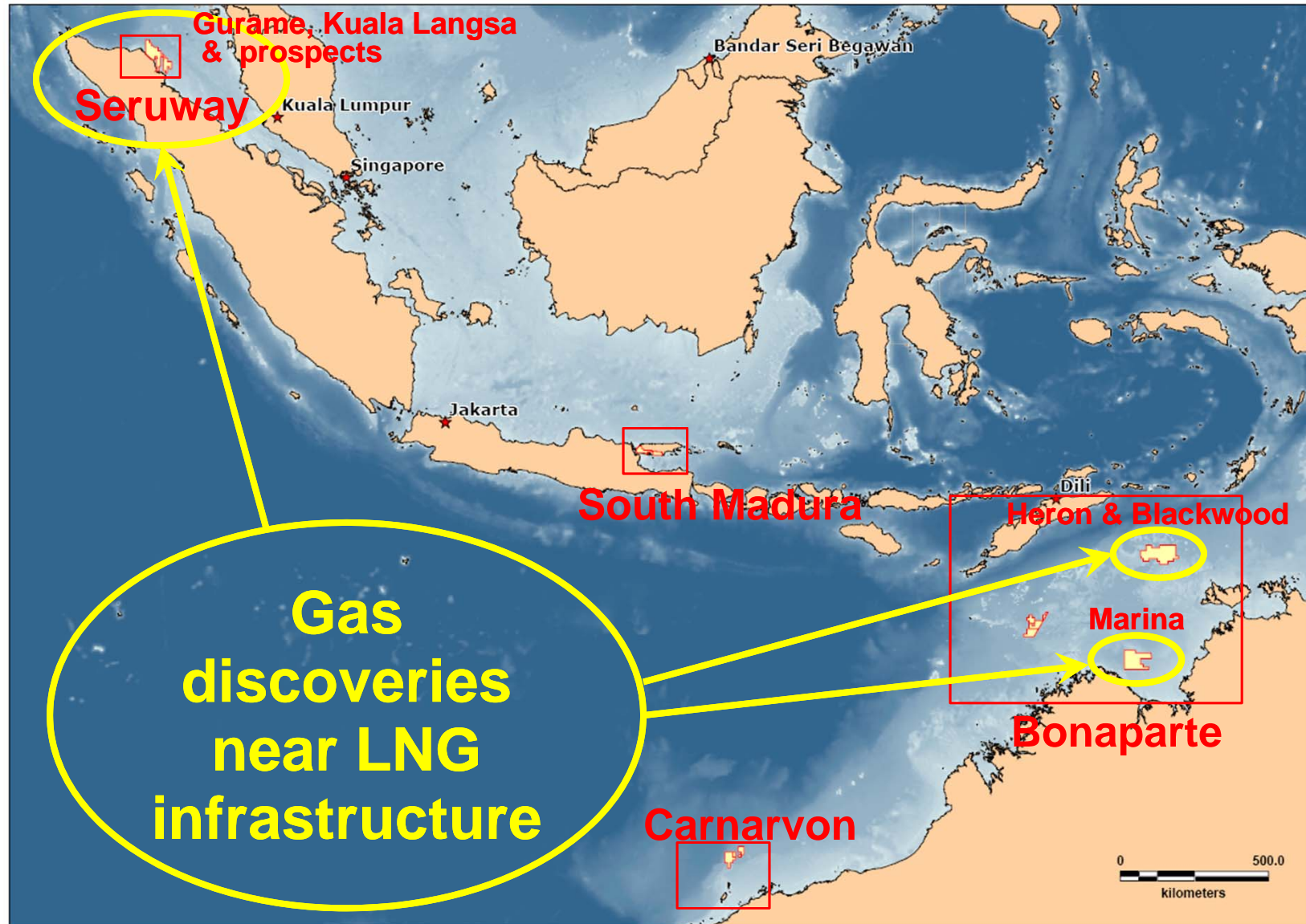
> 20 Years Experience

>10 Years Experience

On maternity leave

SE Asian acreage portfolio

5 gas discoveries near LNG infrastructure: At least 2 wells in 2012



Partnerships

Proven ability to attract major industry players as JV partners

2010 Petrobras farm-out (WA-360-P)

Petrobras: 3rd largest listed energy company
Target: ~12 Tcf (undiscovered prospective)
Equity : 50% (MEO farming down from 70%)

Back costs and cash consideration	US\$ 39m
First well (cap)	US\$ 42m
Success Bonus	US\$ 31.5m
Second Well (cap)	US\$ 62m
Third well (cap)	US\$ 62m

Potential deal value US \$81m - \$236.5m

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

2011 Eni Australia farm-out (NT/P68)

Eni: Multi-national energy company
Target: ~6 Tcf (discovered, contingent + prospective)
Equity : 50% (MEO farming down from 100%)

Heron-3 well (MEO est.)	US\$ 75m
Blackwood 3D Seismic (MEO est.)	US\$ 10m
Heron-4 well (MEO est.)	US\$ 75m
Blackwood-2 well (MEO est.)	US\$ 45m

Potential deal value US \$85m - \$205m

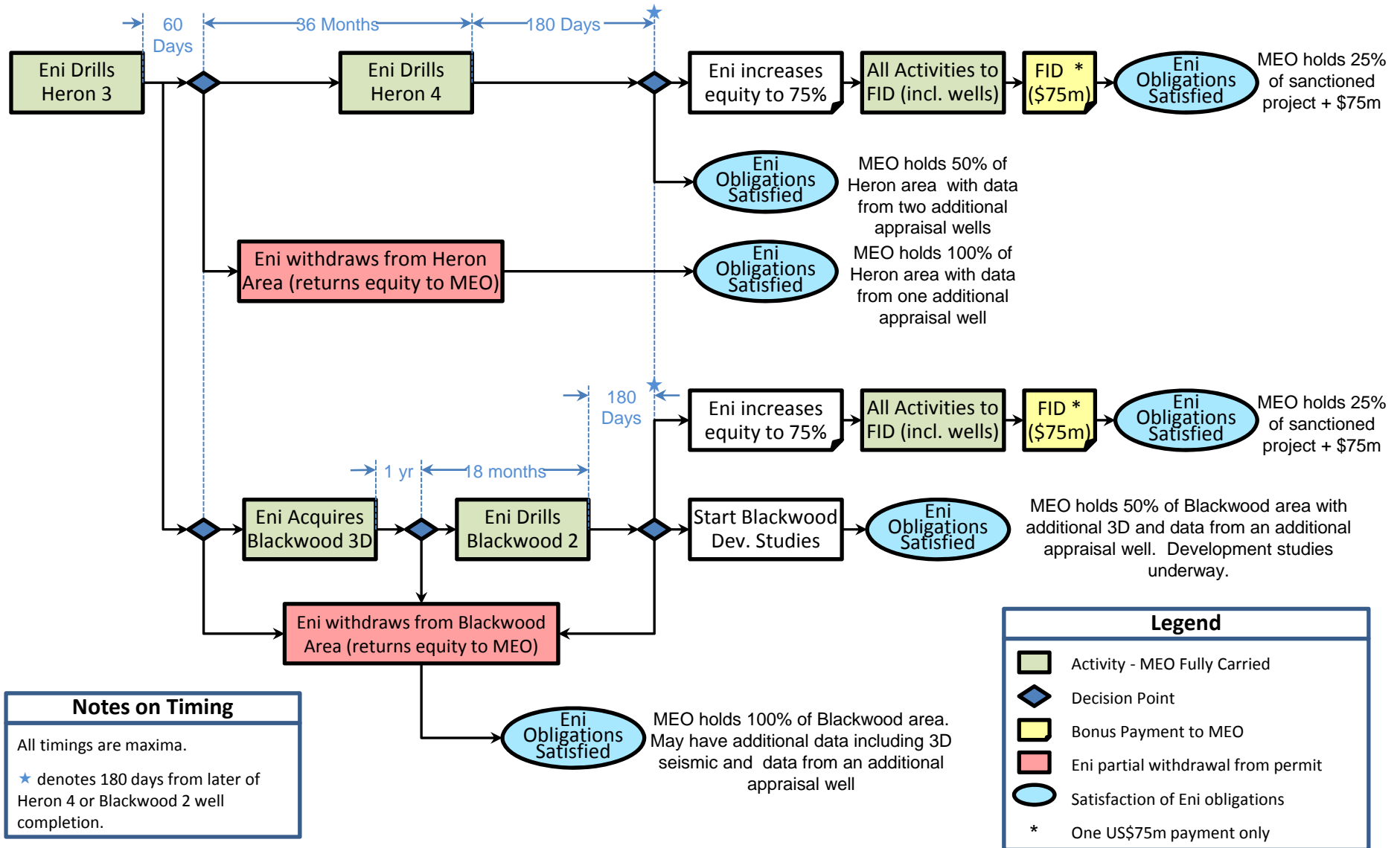
Result : Blackwood 3D seismic 4Q-2011
 Heron-3 Drilling commence 1Q-2012

Consideration for additional 25% equity:

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

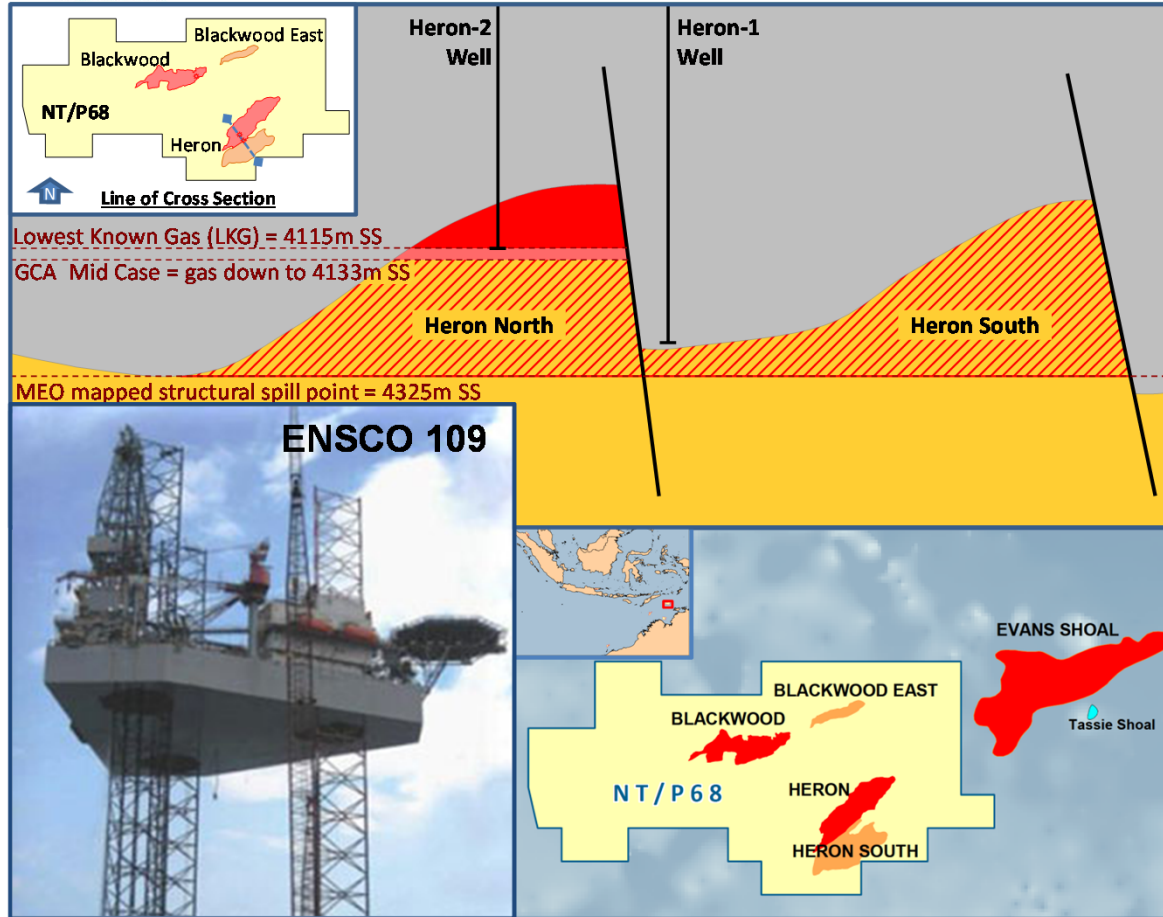
Bespoke deal structure

manage risks for both parties & offers additional leverage in success case



Heron-3 drilling early 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 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		705km ² 3D Seismic over Blackwood		Heron-3 *		

Testing ~5 Tcf raw gas potential

3D seismic inversion studies to model porosity distribution and predict sweet spots

- Heron and Blackwood fractured reservoirs can be highly productive
- Resource size estimates highly dependant on porosity model
 - MEO developed seismically conditioned static reservoir models
 - Resource sizes and optimal well locations to be derived from model
 - Additional seismic data may be required to extend model
- Heron discovery requires validation and appraisal
 - Heron-3 drilling March-2012 to define resource size and gas quality
 - Heron-4 drilling depends on Heron-3 results
- Blackwood contains a smaller resource with high (>25%) CO₂ gas
 - 700 km² Blackwood East 3D late 2011 to define possible upside

Table 2. Heron - Bulk Rock Volumes

4325 LCC	10 ⁶ m ³	57,491.90 +/- 25%
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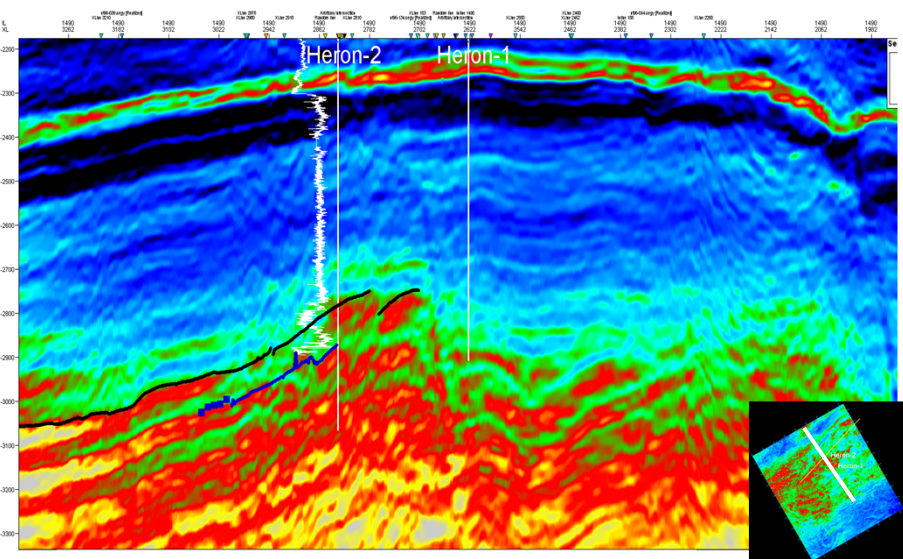
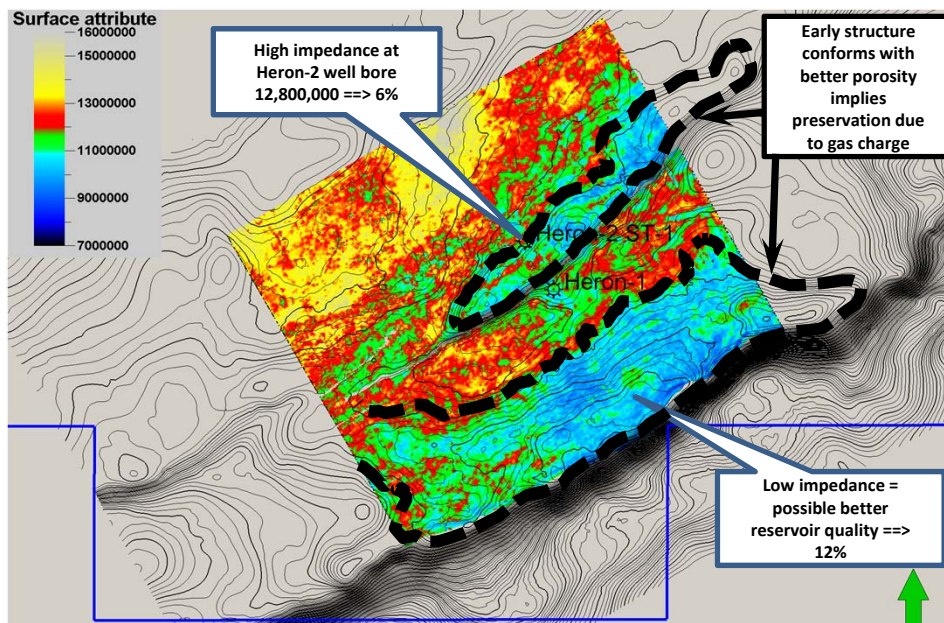
Table 3. Heron – Reservoir Input data

Parameter	Distribution	
Net to Gross	Triangular	48.9% – 54.3% – 59.7%
Porosity	Triangular	6.6% – 6.75% – 6.9%
Gas Saturation	Triangular	40% – 48% – 67%
Gas Expansion Factor	Triangular	218 – 230 – 250
Gas Recovery	Triangular	40% – 55% – 75%

Table 4. Heron – Potential gas distribution

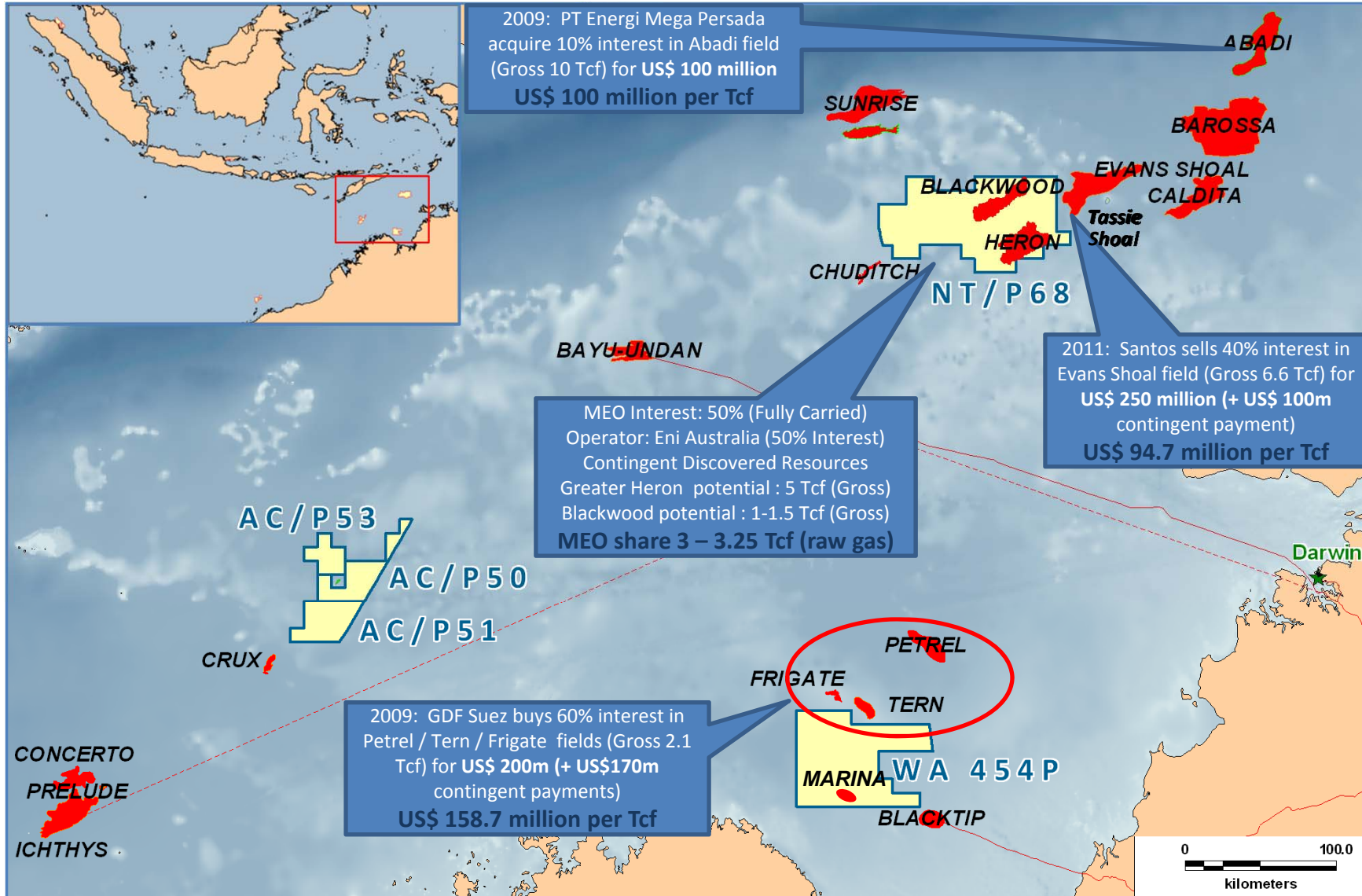
4325 LCC Case		P90	P50	Mean	P10
Potential Gas in place	BCF	6,811	8,812	8,940	11,240
Potential recoverable raw gas	BCF	3,659	4,955	5,072	6,638

Monte Carlo resource estimation by Peter Cameron, resourceinvest



Value implications of recent transactions

Santos transaction (28th Oct 2011) values neighbouring high CO₂ gas at >US\$ 94.7m per Tcf



Comparison of NT/P48 vs NT/P68

similar resource potential in adjacent permit – value implications?

NT/P48 (Evans Shoal)

Wells on Structure: Two

- Evans Shoal-1 (BHPP 1988) – Gas shows
- Evans Shoal-2 (Shell 1998) – Gas well

Resource : 6.6 Tcf (discovered, contingent)

Reservoir: Plover

Gas Quality: 28% CO₂ (well test)

Production Test: 25.5 MMscf/d

Permit Expiry: Dec 2012

Additional 5 year exploration terms: Nil

Purchase Price (40%) : US\$250m (Cash)
US\$100m (contingent)

NT/P68 (Heron & Blackwood)

Wells on Structures: Three

- Heron-1 (Arco 1972) – Oil and gas shows
- Heron-2 (MEO 2007) – Gas well
- Blackwood-1 (MEO 2008) – Gas Well

Resource : ~6-6.5 Tcf (discovered, contingent, + prospective)

Reservoir: Plover

Gas Quality: >25% CO₂ (well test)

Production Test: invalid (wellbore collapse*)

Permit Expiry: April 2015

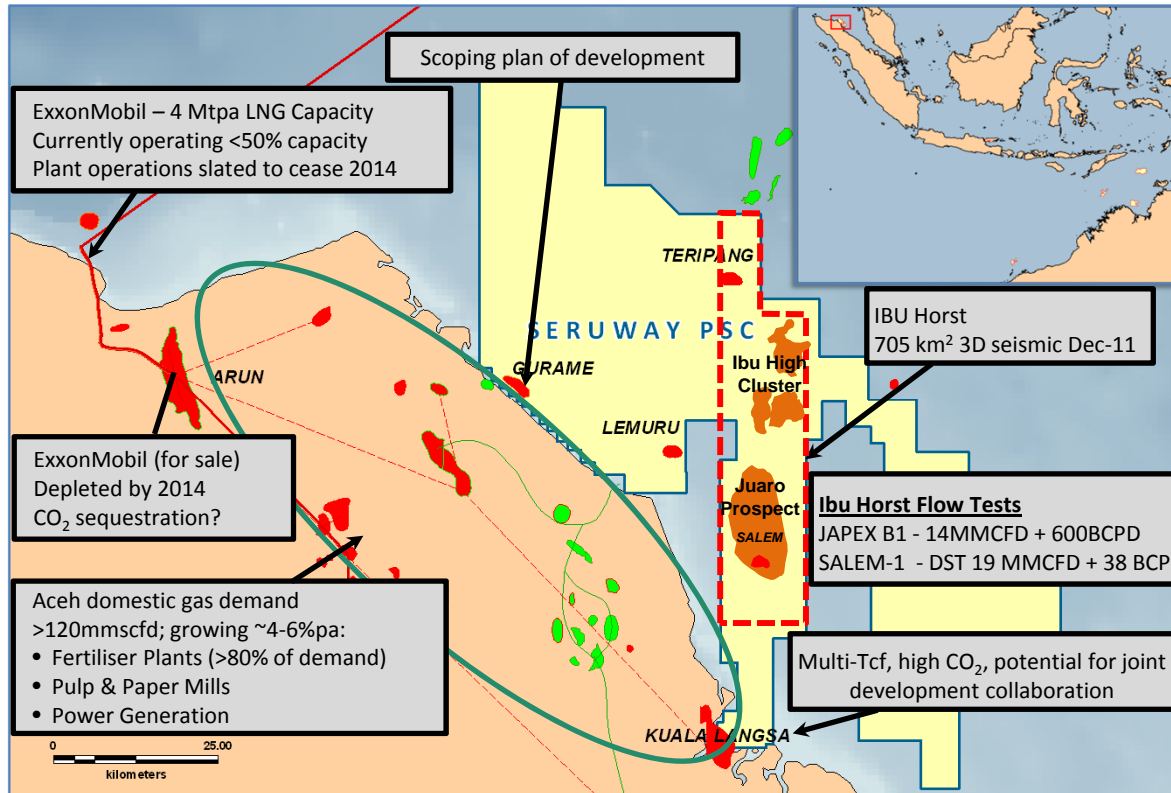
Additional 5 year exploration terms: One

Value: US\$205m (program to earn 50% interest)
US\$75m (Contingent payment at FID)
US\$??m (program value to earn additional 25% interest)

* *Note: drilling fluid losses into reservoir fractures suggests potential for high flow rates*

Seruway PSC – North Sumatra (MEO 100%)

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 / 15-41 Mmbl
Kuala Langsa*-Gas/Cond <i>Discovery</i>	1,866-3,893 BCF / 7-24Mmbl

+ 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		705km ² 3D Seismic over Ibu Horst				Exploration Well

Gurame and Kuala Langsa gas discoveries

offshore permit abuts coastline



Shore location close to Gurame field



Shore location close to Gurame field



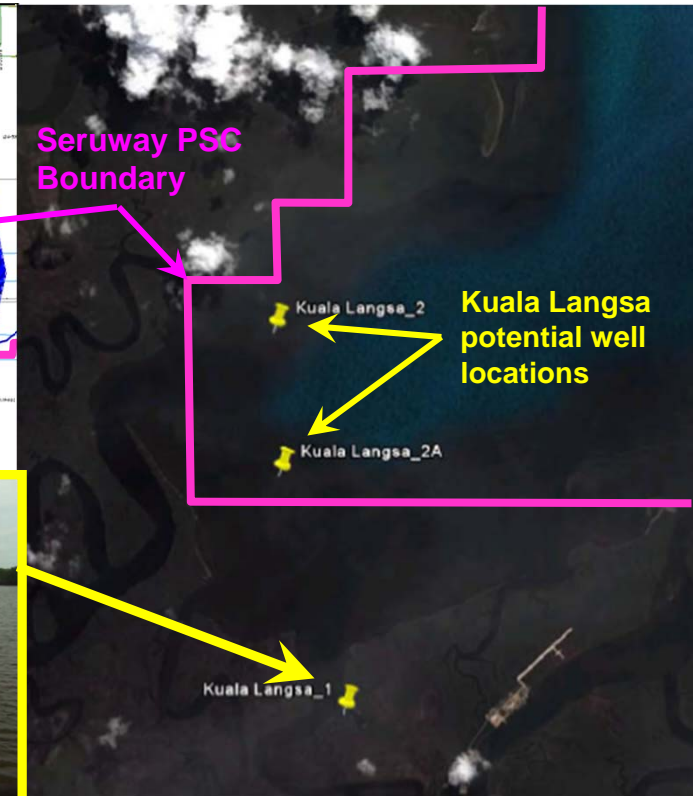
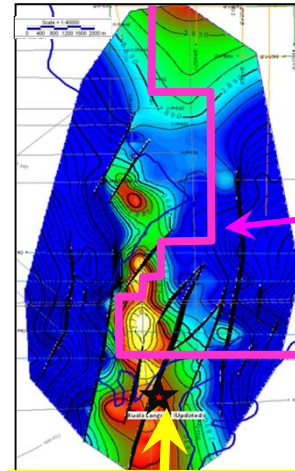
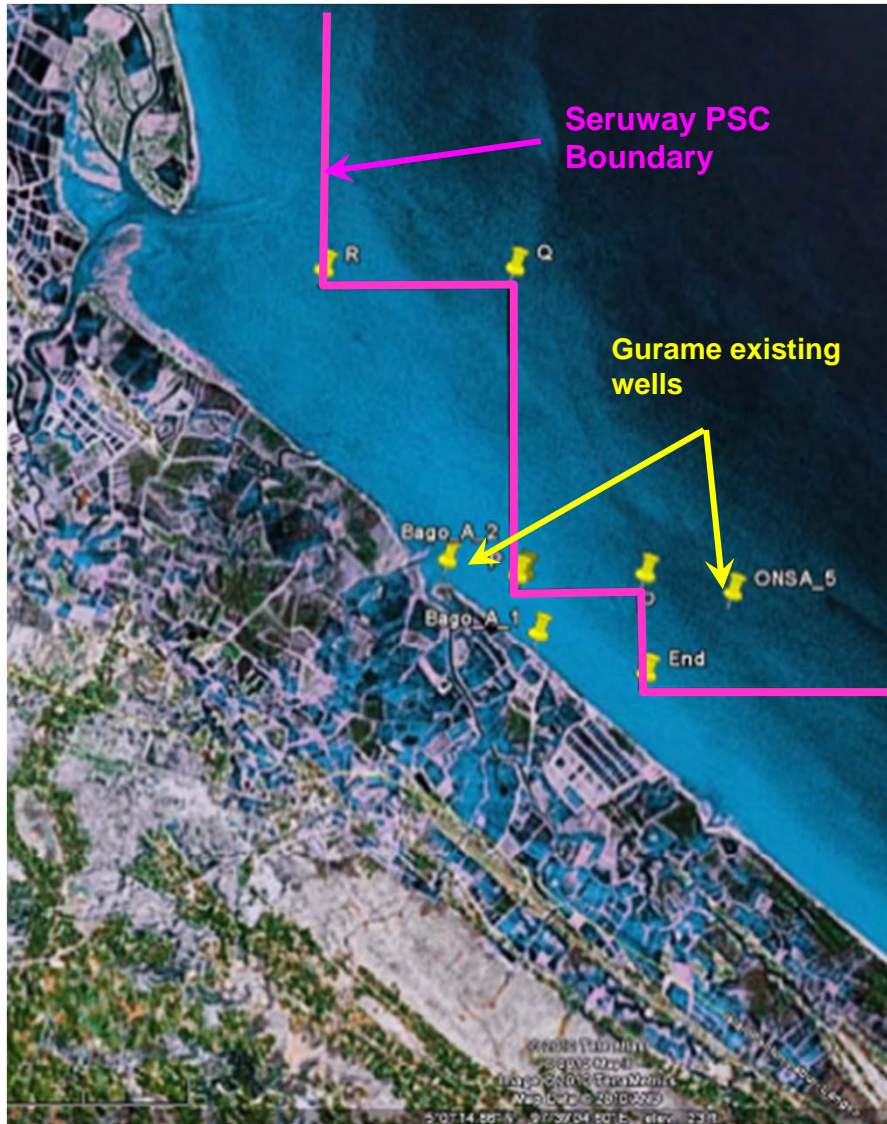
Shore location close to Kuala Langsa



Local fishing activity

Gurame and Kuala Langsa locations

In shallow water close to high domestic gas demand regions





MEOAustralia
energy for the future

2011: Expand portfolio, acquire seismic. 2012: Drill

Rebuilt portfolio at low entry cost. 3D seismic to define prospects for drilling in 2012 +

	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-out 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 MPP 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		705 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

Summary

Ingredients for success in place. Undeniable value proposition

Corporate Vision

- Build a substantial energy company to service growing SE Asian energy needs

Enablers

- Highly experienced board, executive management, commercial & technical teams
- Australian and International acreage in proven LNG and hydrocarbon provinces
- Five gas discoveries with near – medium term appraisal and exploration potential
- Proven ability to attract global oil and gas majors as JV partners
- Seeking to add to portfolio via highly selective New Ventures program

Capital Discipline

- Acquire high equity in blocks @ low up front cost, add value, farm-down interest, defray high costs
- Raise equity capital at minimal dilution to existing shareholders at times of high demand
- Preserve capital & recoup sunk costs wherever possible

Value Proposition

- Implied enterprise value A\$10.2 million (@ \$0.19)
- A\$90 million cash
- 5 undeveloped gas discoveries
- Drilling on Heron gas discovery commences March 2012 (Operated by Eni)

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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