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ASX & Media Release

MEO completes acquisition of 5% interest in WA-360-P

Key Point:

- MEO makes final payment of US\$5.5 million
- Artemis-1 on track for drilling commencement in early/mid November

MELBOURNE, AUSTRALIA (22nd October, 2010) (ASX: MEO, OTC: MEOAY)

MEO Australia Limited is pleased to advise completion of the final step in acquiring an additional 5% interest in WA-360-P with the payment of US\$5.5 million to Rankin Trend Pty Ltd (a wholly owned subsidiary of Moby Oil & Gas). The 5% participating interest is free carried through the drilling of Artemis-1 well planned for early/mid November 2010. MEO has a 25% interest in WA-360-P.

The purchase of the 5% interest in WA-360-P by MEO subsidiary North West Shelf Exploration Pty Ltd was for a cash consideration of US\$7 million. A deposit of US\$1.5 million was previously paid on the signing of the Sale and Purchase Agreement.

The US\$5.5 million payment follows receipt by MEO of approximately US\$39 million cash consideration from Petrobras in relation to the WA-360-P farm-in. The cash consideration incorporates approximately US\$7.5 million of seismic related back costs, together with the first US\$31.5 million cash bonus.

WA-360-P Participants	Equity
Petrobras International Braspetro BV (a subsidiary of Petrobras)	50%
North West Shelf Exploration Pty Ltd a wholly owned subsidiary of MEO	25%
Cue Energy Resources Limited (ASX: CUE)	15%
Rankin Trend Pty Ltd a wholly owned subsidiary of Moby Oil & Gas (ASX: MOG)	10%

**MEO Australia Limited is Operator for the Joint Venture*

Colin Naylor

Chief Financial Officer & Company Secretary