



MEOAustralia

energy for the future

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ASX Small-Mid Caps Conference, London

19th March 2009

Jürgen Hendrich, Managing Director & Chief Executive Officer



Investment parameters

Solid foundations to leverage potential value in portfolio

Criteria	Evidence	Remarks
Experienced board	Newly appointed in 2008	Strong industry connections
Management depth	Enhanced in 2008	High calibre
Viable Niche		
Monetising stranded gas CO ₂ & distance challenged	Tassie Shoal GTL projects incl Environmental Approvals	Currently securing gas supplies via own NT/P68 discoveries & 3rd party
Focused exploration New concepts in established areas via proven analogues	Secured 3 North West Shelf permits late 2007. Acquired & interpreted 3D seismic	Drilled WA-361-P (unsuccessful) Working up Artemis prospect in WA- 360-P for 2Q'09 farm-out
Material gas projects	Robust economics	Clear commercialisation path
Balance sheet capacity	Cash reserves	Drilling funding via industry partners
Activity	Establishing technical & commercial foundation	Planning >3 wells in 2010 subject to farm-out process commencing 2Q'09
Value proposition	Demonstrable leverage	Value accretion as milestones met

Board of directors rejuvenated in 2008

Extensive industry and capital market experience



Appointed May 2008

Nick Heath
Non-Executive Chairman
Engineer

>30 yrs career with
ExxonMobil
Past APPEA president

Jürgen Hendrich
MD & CEO
*Geologist, Investment
Banking -JBW & Tolhurst*

Stephen Hopley
Non-executive director
Financial Services

Greg Short
Non-executive director
Geologist

Michael Sweeney
Non-executive director
Barrister



Appointed MD July 2008
12 yr career with Esso
Australia Ltd
(ExxonMobil subsidiary)



Appointed October 2008
14 yr career with
Macquarie Bank until
retired in 2003












Appointed July 2008
33 yr career with
ExxonMobil until
retirement in 2006



Appointed October 2008
10 yr career as senior
executive
with Mitsui/Mitsubishi

Management depth enhanced in 2008

Focused on technical and commercial excellence

 <p>Appointed June 2008</p>	<p>Jürgen Hendrich Chief Executive Officer <i>Geologist</i> <i>Investment Banking –GS-JBW & Tolhurst</i></p>		<p>Appointed CEO June 2008 12 yr career with Esso Australia Ltd (ExxonMobil subsidiary)</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>30 yr career Woodside, BHP, Rio</p>	<p>22 yr career with ExxonMobil</p>	<p>35 yr career with ExxonMobil</p>	<p>>40 yr career Extensive experience</p>
<p>John Robert Project Engineering</p>	<p>Geoff Geary Seismic Interpretation</p>	<p>John Moore Geophysical Applications</p>	<p>Chris Hart Founder</p>
			
<p>>40 yr career 15 yrs in Methanol</p>	<p>30+ yrs Proven resource finder</p>	<p>>40 yrs experience ExxonMobil & others</p>	<p>Founded MEO in 1994</p>

Substantial gas dominated portfolio

High equity position in established LNG provinces

Bonaparte Basin

Tassie Shoal (50%-90%)
Approved GTL Projects

NT/P68 (90%-100%)
12,070 km²

Environmental Approvals
EPBC Act (1999) (til 2052)

Heron North (90%)
Gas Discovery

TS Methanol Project
2 x 1.75 Mtpa plants
(50/50 JDA with APCI)

Blackwood (100%)
Gas Discovery

TSLNG Project
1 x 3 Mtpa plant
(90%)

Heron South
Prospect

Epenarra
Prospect

3.7 Mtpa existing LNG capacity
>25 Tcf stranded gas

Carnarvon Basin

WA-361-P (35%)

WA-360-P (70%)
Drill/drop 31-Dec-09

WA-359-P (60-70%)
Drill/drop 31-Dec-09

Heracles Lead
(2+ Tcf GIP)

Artemis Prospect
(>5 Tcf GIP)

Hephaestus N Lead

Hephaestus S Lead

Lady Nora - extn

West Zeus - Lead

Eris Lead

Hebe Lead

Amphion Lead

Ersa Lead

Pandia Lead

16.3 Mtpa existing LNG capacity
4.3 Mtpa under construction
20-35+ Mtpa under consideration

Economics of gas commercialisation

High quality gas has already been cherry-picked

Parameter	Preference
Distance - From infrastructure	Minimal
Gas quality - Natural Gas Liquids - CO ₂	Prefer high levels – adds to revenue stream Prefer nil/low – reduces handling/sequestration costs
Water depth	Prefer shallow water - Deep water increases costs
Disputed territory	Prefer to be in clear sovereign waters
Joint Venture Priorities	Prefer to be aligned without competing project complexities

*Remaining resources are challenged by quality and distance issues
Blending resources of varying quality will enhance the economic resource pool, especially if proximal to a development hub (ie Tassie Shoal)*

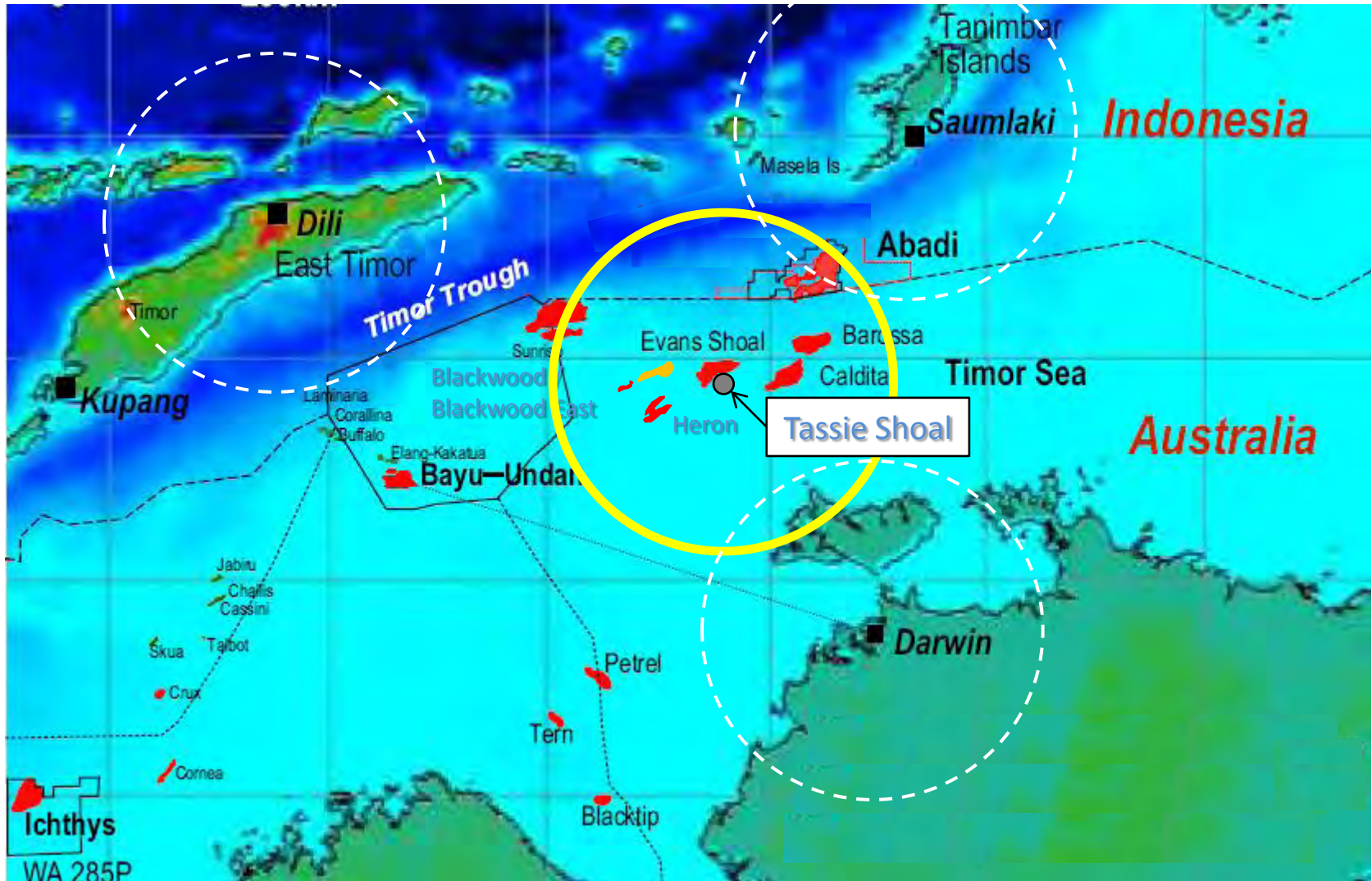


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Remote Bonaparte Basin gas fields

Land based development options have limitations



WA 285P



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Monetising CO₂/distance challenged gas

Tassie Shoal – the natural hub for stranded Bonaparte gas

Tassie Shoal – a natural hub

- 1,000+ acres at sub-20m water depth
- Proximal to **ALL** undeveloped gas fields (~25 Tcf)
- CO₂ sequestered into Methanol derivatives
 - CO₂ expense converted to income (methanol)
- Eliminates need for long (uneconomic) pipelines
 - Lower technical & commercial risk than FLNG

Environmental approvals in place

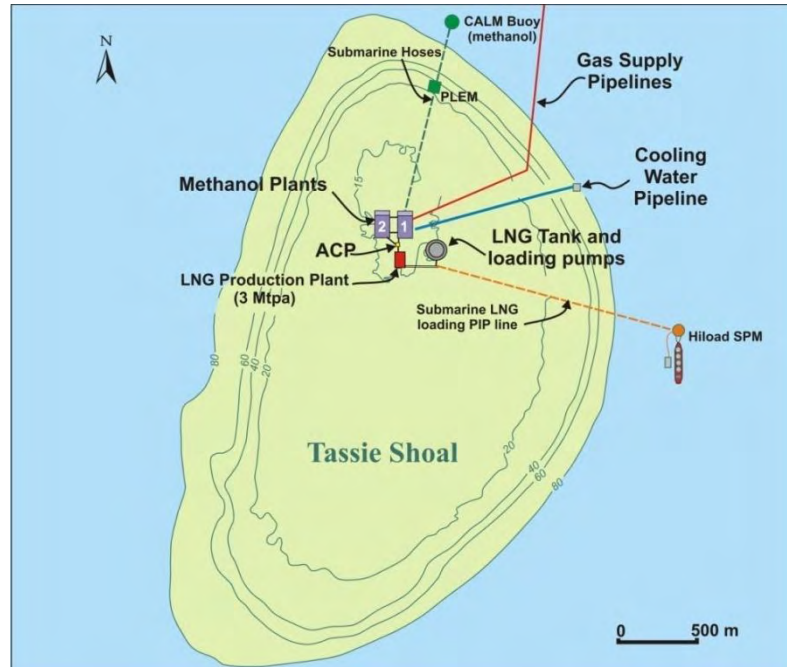
- granted until 2052 for:
 - 2 x 5,000 tpd (1.75 Mtpa) Methanol plants
 - 1 x 3 Mtpa (easily expands to 3.5 Mtpa) LNG plant

Substantial CAPEX savings

- SE Asian pre-fabrication/pre-commission
- Sea-water cooled LNG plant (smaller footprint)

Robust economics

- Lower sailing days to/from SE Asia = freight advantage





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Gas supply options for approved projects

Own discoveries &/or stranded 3rd party gas

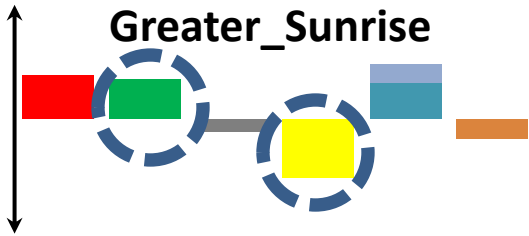
Greater Sunrise (FLNG? Land? Tassie Shoal?)
(Woodside/Shell/ConocoPhillips)

~5.4 TCF

3% CO₂

40 bbl/mmscf

-High liquids, modest CO₂ but remote, disputed territory



Evans Shoal (Product?)

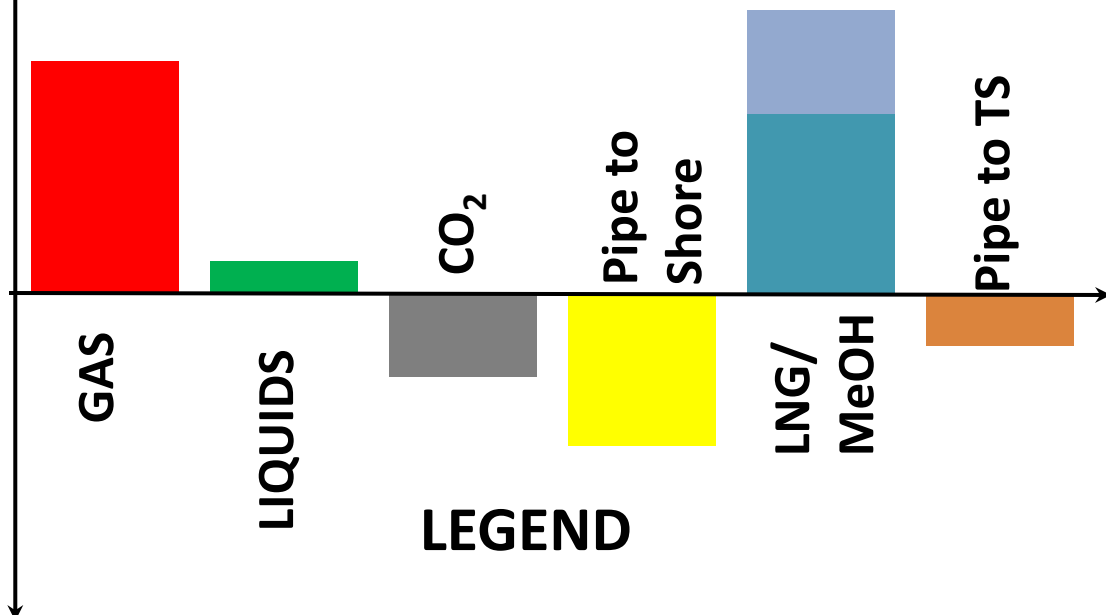
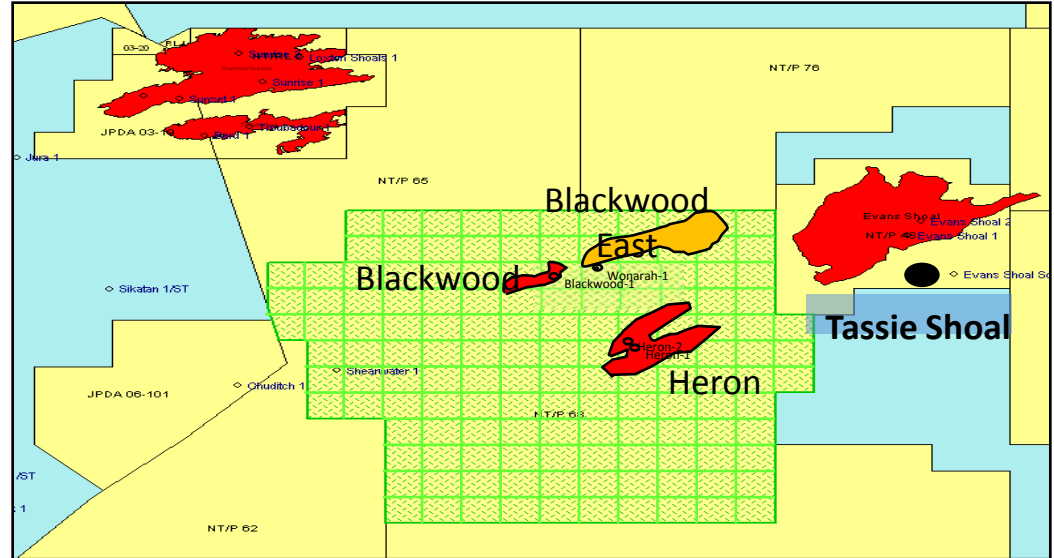
(Santos, Shell, Petronas, Osaka Gas)

~6+TCF

25% CO₂

4 bbl/mmscf

-Low liquids, high CO₂ remote



Tassie Shoal Economics

Compelling savings over alternative land-based LNG

Estimated costs * (US\$m)	Tassie Shoal LNG	Land-based LNG	Potential Savings (US\$m)
Liquefaction plant	\$1,070	\$1,549	\$479
Pipeline to facility	\$288	\$943	\$655
LNG storage tank	\$308	\$300	(\$8)
Jetty/Loadout	\$236	\$200	(\$36)
Project/Owners Costs (8.5%)	\$161	\$252	\$91
Total Project Cost	\$2063	\$3,244	\$1,181

* 3Q'08 3rd party cost estimates – savings accrue via:

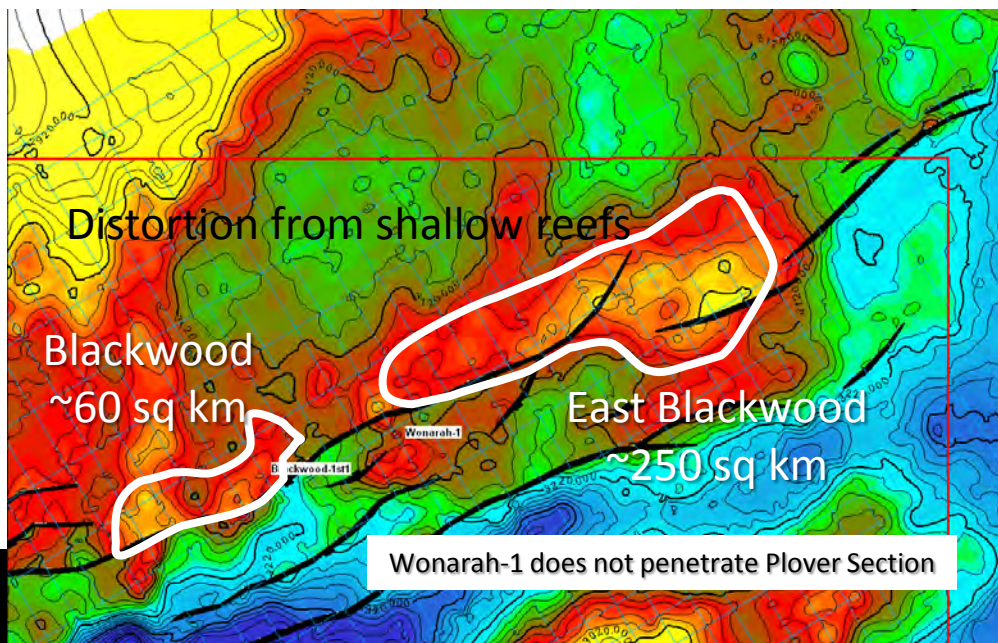
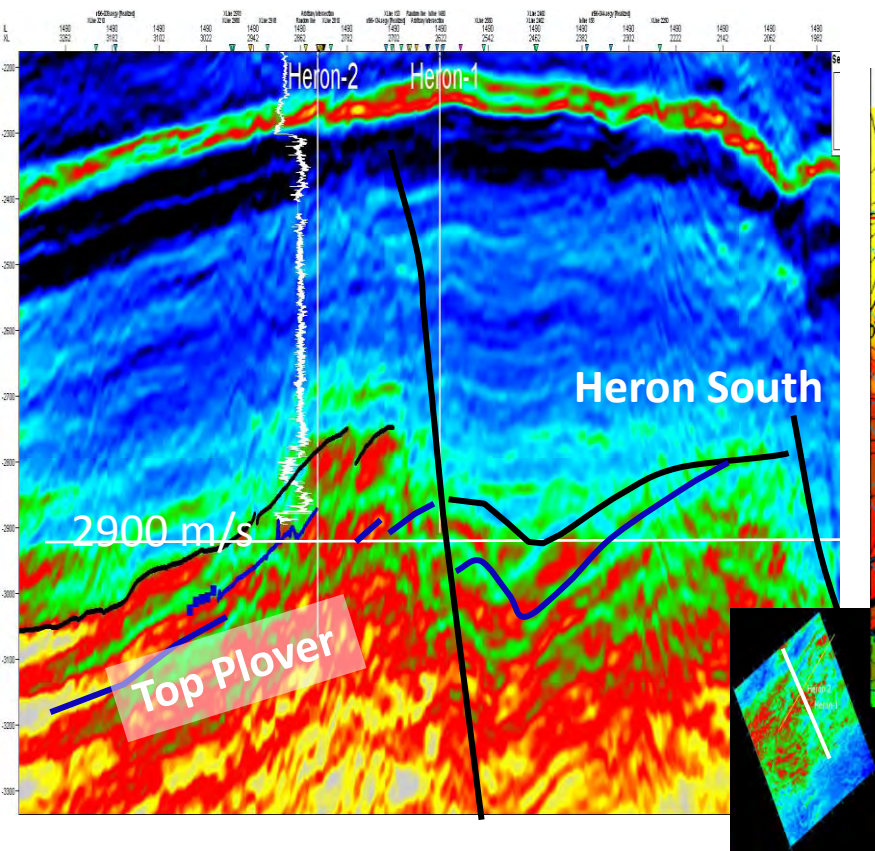
- Substantial reduction of expensive pipeline distances
- Smaller infrastructure footprint due to sea-water cooling (less steel!)
- Pre-fabrication/pre-commissioning as one module transported to site

NT/P68 2008 gas discoveries

Appraisal drilling planned for 2010

Heron Nth – 300m gross gas! Heron Sth – 130 km² closure, better reservoir???

Blackwood-1 intersected 49m gas in Plover.
Blackwood east is >4x size of Blackwood closure



Potential resource to underpin 1st Methanol project of 2-train TSMP

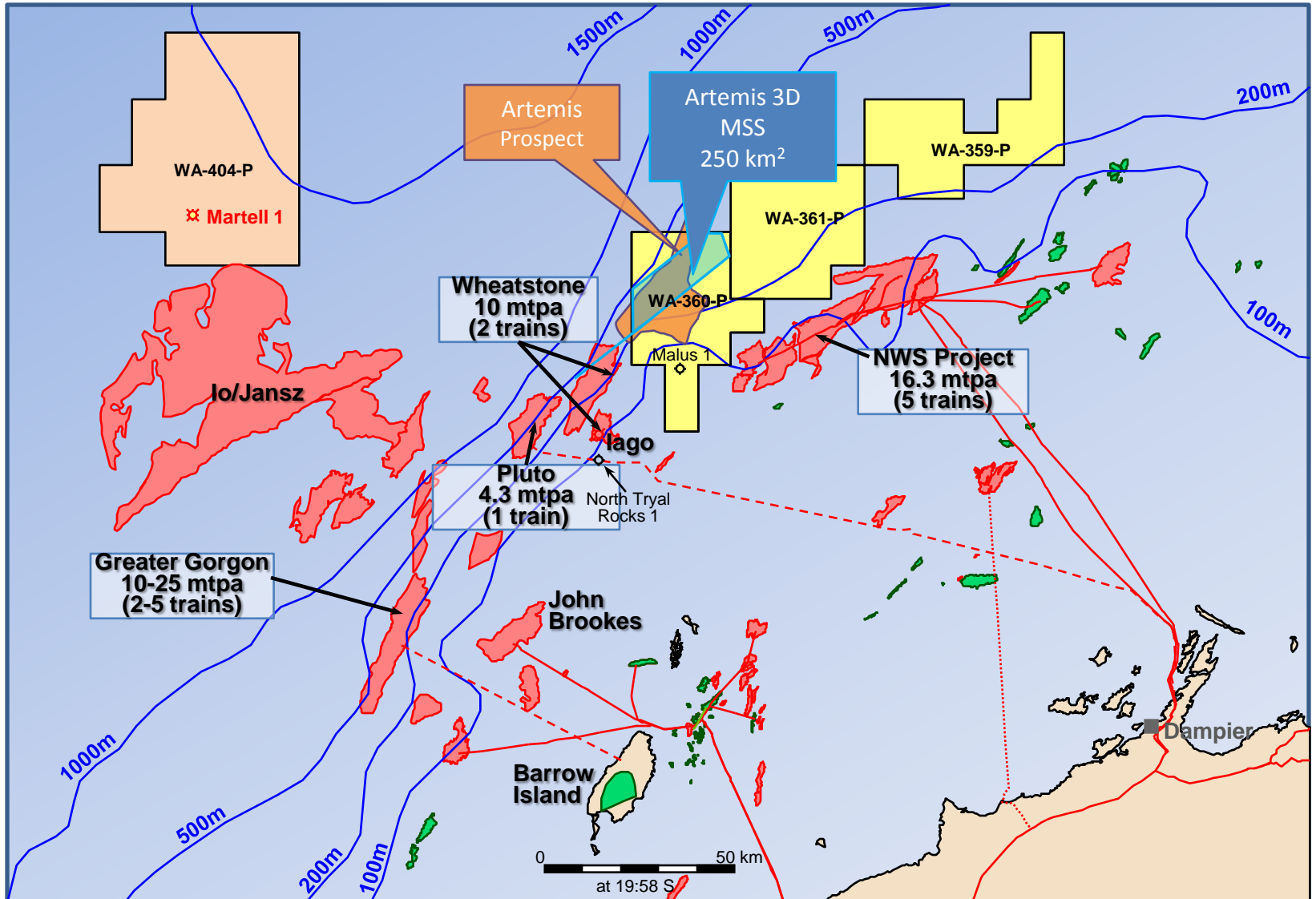


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Focused exploration

Applying proven analogues in established areas



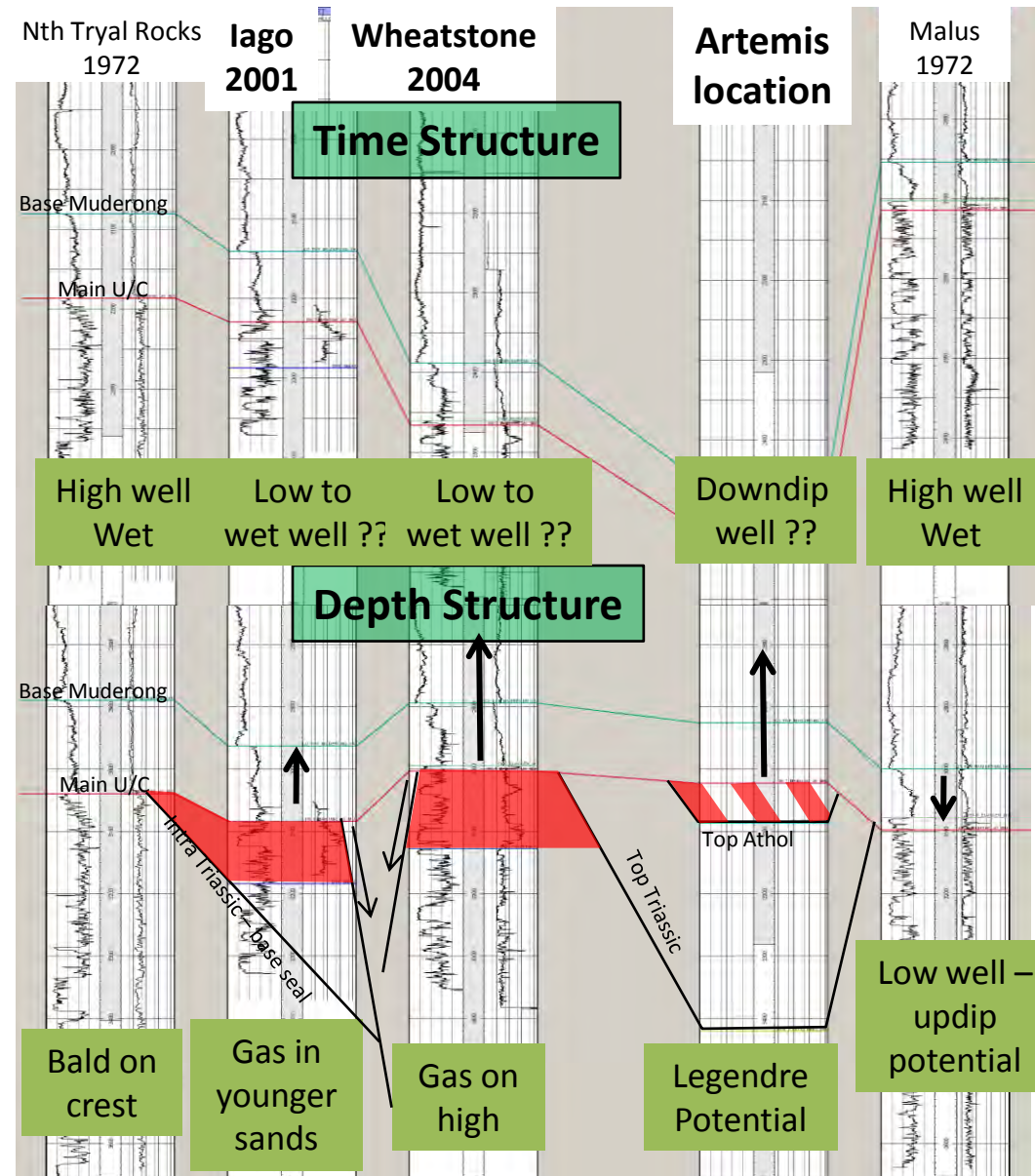
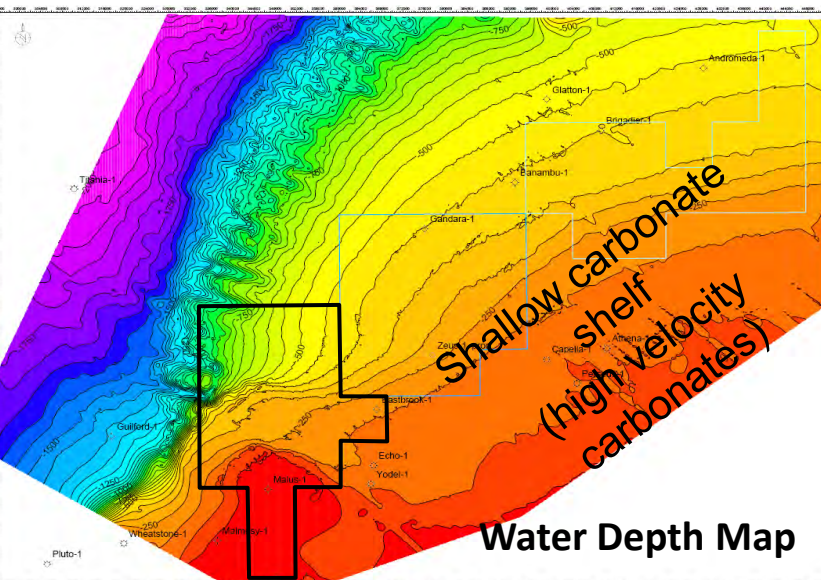


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Recent discoveries hidden for >30 yrs

Seismic velocity complexities continue into WA-360-P

- 1972 Nth Tryall Rocks-1 & Malus-1 were drilled on mapped structural time highs
- 2001 Iago – discovers gas – down structure of the dry Nth Tryall Rocks well
- 2004 Wheatstone – discovers gas – even further down structure in time
- 2005 Pluto gas discovery, 2006 Xena
- 2008 Artemis identified as Iago / Wheatstone analogue in WA-360-P

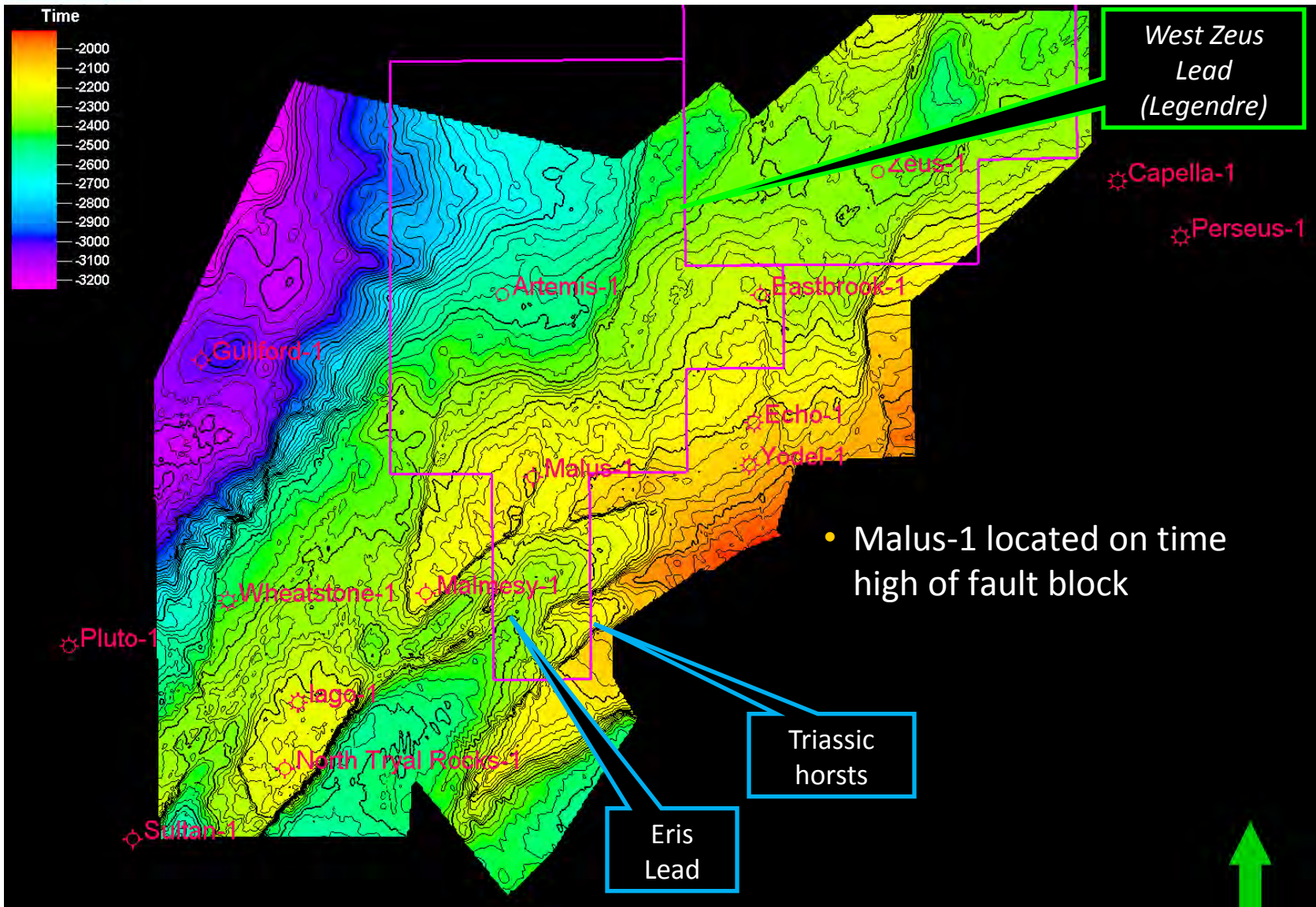




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WA-360-P seismic velocity complexities

Most leads are not apparent in Two-Way-Time (TWT)



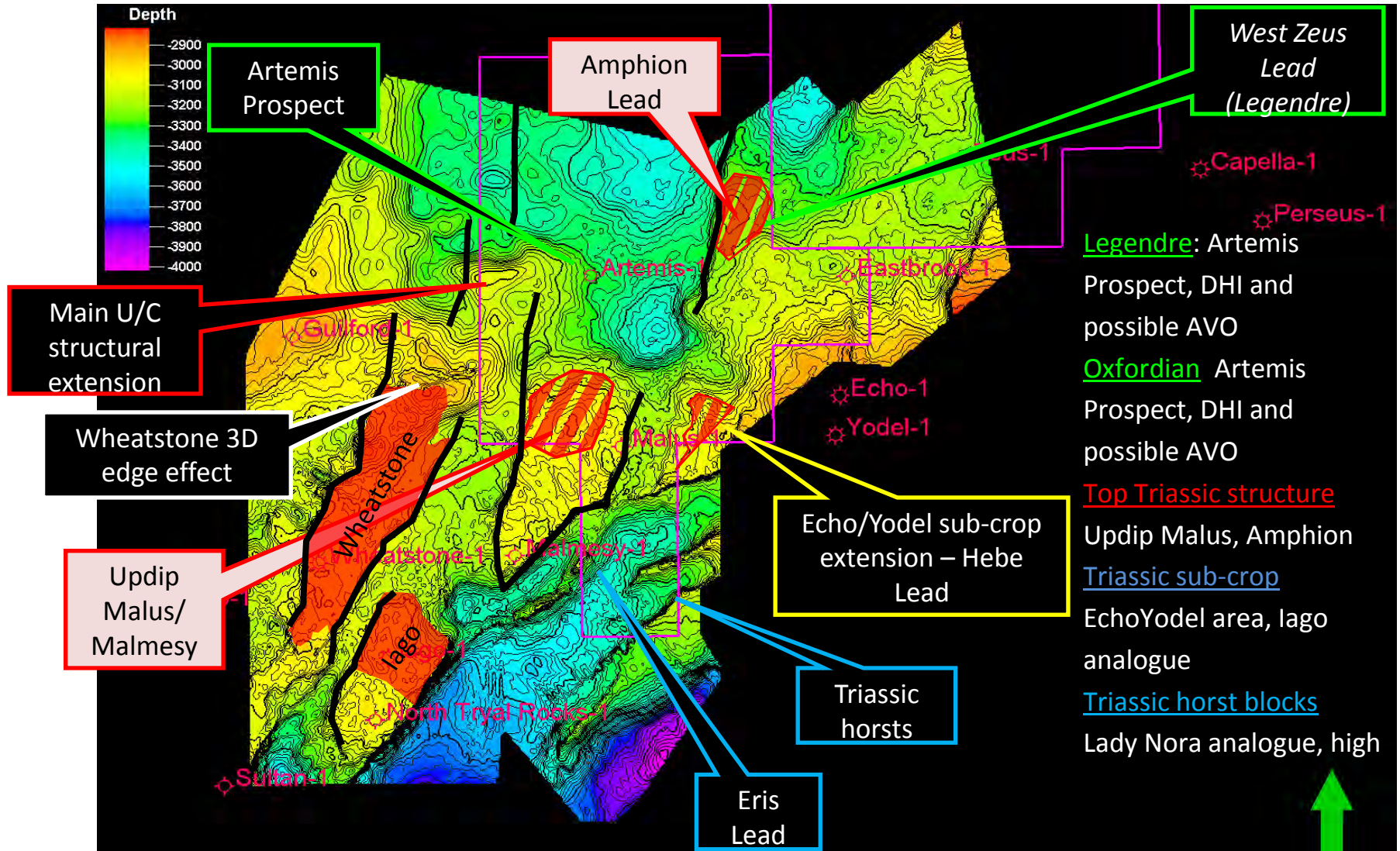


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WA-360-P

Multiple leads apparent after depth conversion



Legendre: Artemis Prospect, DHI and possible AVO

Oxfordian Artemis Prospect, DHI and possible AVO

Top Triassic structure Updip Malus, Amphion

Triassic sub-crop EchoYodel area, lago analogue

Triassic horst blocks Lady Nora analogue, high



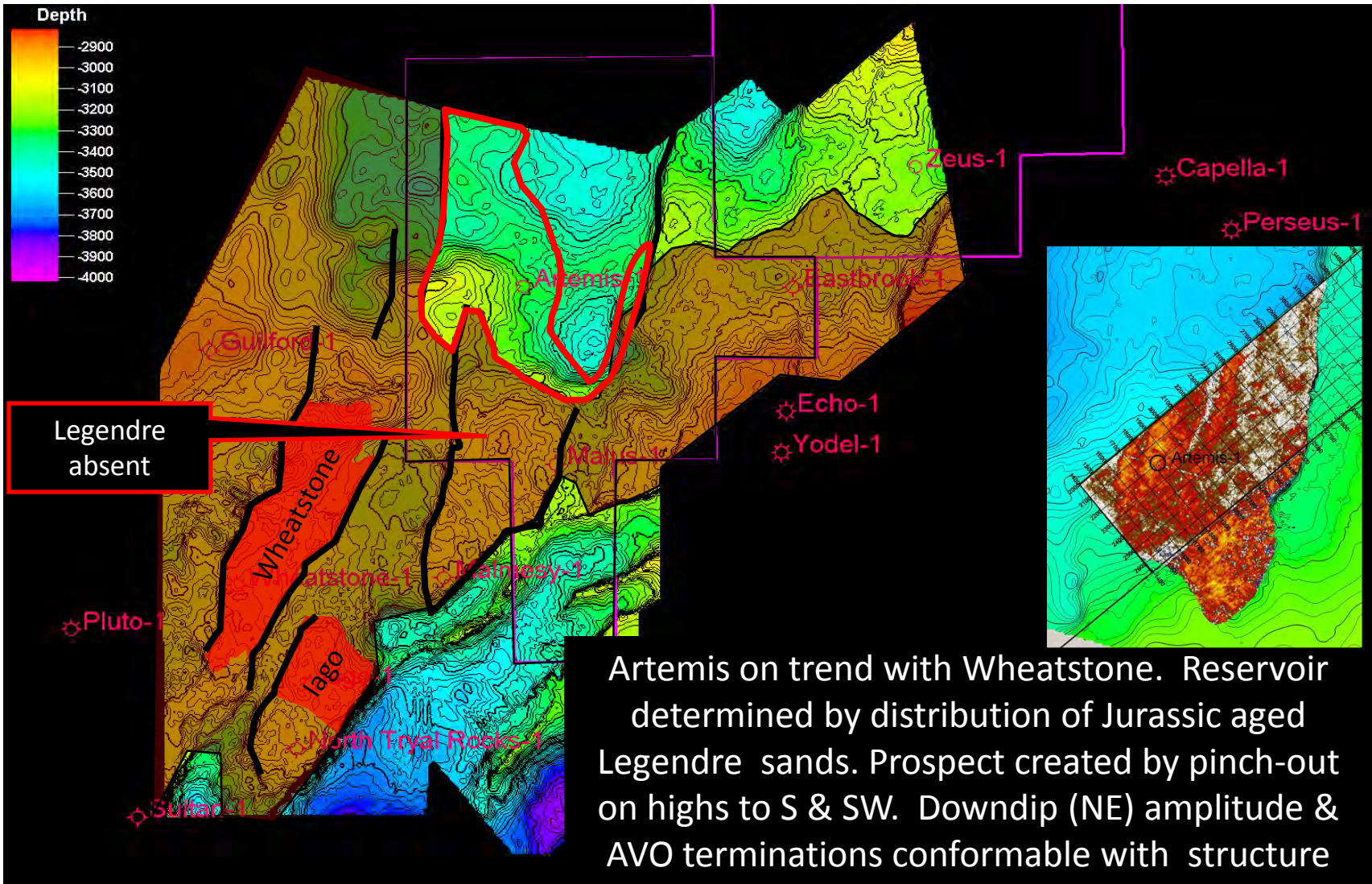


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Artemis prospect

Estimated 250 km² areal extent (140 km² in existing 3D)



Artemis on trend with Wheatstone. Reservoir determined by distribution of Jurassic aged Legendre sands. Prospect created by pinch-out on highs to S & SW. DOWNDIP (NE) amplitude & AVO terminations conformable with structure

Value proposition

Compelling value gap – requires catalyst(s)

Issue Capital	Share Price	Value (A\$m)	Remarks
417m ordinary	\$0.08	\$35m	At 18 th March 2009
Less cash on hand	\$0.05	\$19m	\$19.3m at 28 th Feb 2009
Implied value of projects	\$0.03	\$16m	Net of cash
Tassie Shoal (50-90%)			Seeking gas for projects
- Environmental Approvals	???	???	A\$500m offer by WPL to KLC
NT/68 discoveries (90-100%)			Farm-out process 2Q'09
-Blackwood/Blackwood East	???	???	Potential to underpin TSMP (I)
-Heron North/Heron South	???	???	CSG paying >US\$0.50/Gj 3P!
WA-360-P (assume 20% equity)			Farm-out process 2Q'09
- Artemis prospect (~5 Tcf GIP)	~\$1.20	~A\$500m	Assumes 70% recovery , US\$0.50/Gj, Fx \$0.70



Summary

Viable niche, compelling value gap, near term catalysts

- Australia remains an attractive destination for major global E&P players seeking gas
- Carnarvon Basin – 16.3 Mtpa existing LNG production capacity
 - 4.3 Mtpa capacity under construction
 - 20-35 Mtpa under serious consideration
 - Wheatstone/Jago 10 Mtpa (2 x 5 Mtpa trains)
 - Greater Gorgon 10-25 Mtpa (2 x 5 Mtpa trains, seeking increase to 5)
 - MEO WA-360-P permit strategically positioned to existing & planned infrastructure
 - Formal farmout process commences 2Q'09 for 2010 drilling
- Bonaparte Basin – 25 Tcf undeveloped gas resources (excludes Ichthys gas field)
 - CO₂ & distance challenged
 - Tassie Shoal located in heart of undeveloped gas
 - Integrated solution for all gas qualities
 - Solves CO₂ & distance issues
 - MEO discoveries subject to farm-out & 2010 appraisal drilling
- Compelling value proposition
 - Trading at fraction of potential value, potential for near term catalyst(s)