



**MEOAustralia**

energy for the future

## **Presentation Disclaimer**

This presentation contains 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.

MEO Australia accepts no responsibility to update any person regarding any error or omission or change in the information in this presentation or any other information made available to a person or any obligation to furnish the person with further information.

# **ASX Small-Mid Caps, Hong Kong**

**October 16<sup>th</sup> & 17<sup>th</sup>, 2008**

**Jürgen Hendrich, Managing Director & Chief Executive Officer**

# Corporate Snapshot

ASX Code		MEO
Founded	Year	1994
IPO	Year	1998
Issued Capital	million	417.3
Last price (14-Oct)	A\$	\$0.18
Market Cap	A\$m	\$75
Cash (30-Sep-08)	A\$m	\$34
Options (unlisted)	Million	11.4
Top 20 shareholders	%	44.2%



Chairman	Warwick Bisley	Retiring > AGM (Nov'08)
Chairman-elect	Nick Heath	Appointed May'08
Managing Director (&CEO)	Jürgen Hendrich	Appointed CEO Jun'08 , MD Jul'08
Non-Executive Director	Greg Short	Appointed Jul'08
Non-Executive Director	Michael Sweeney	Appointed Oct'08
Non-Executive Director	Stephen Hopley	Appointed Oct'08



**MEO Australia**

energy for the future

**MEO Australia Limited**

# Quality projects in established GTL provinces

## Bonaparte Basin

NT/P68 (90%-100%)  
12,070 km<sup>2</sup>

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

Heron North (90%)  
Gas Discovery

Environmental Approvals  
EPBC Act (1999) (til 2052)

Blackwood (100%)  
Gas Discovery

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

Heron South  
Prospect

TSLNG Project  
1 x 3 Mtpa plant  
(90%)

Epenarra  
Prospect

Seahawk  
Lead

## Carnarvon Basin

WA-361-P (35%)

WA-360-P (60-70%)  
Drill/drop 1-Jan-09

WA-359-P (60-70%)  
Drill/drop 1-Jan-09

Zeus Prospect  
(~10+ Tcf GIP)

West Zeus Lead

Hephaestus Lead

Heracles Prospect  
(2+ Tcf GIP)

'M-West' Lead

Hephaestus Lead

'M-East' Lead

Lead 'D'

Established LNG Province

Established GTL Province



MEO Australia

energy for the future

MEO Australia Limited

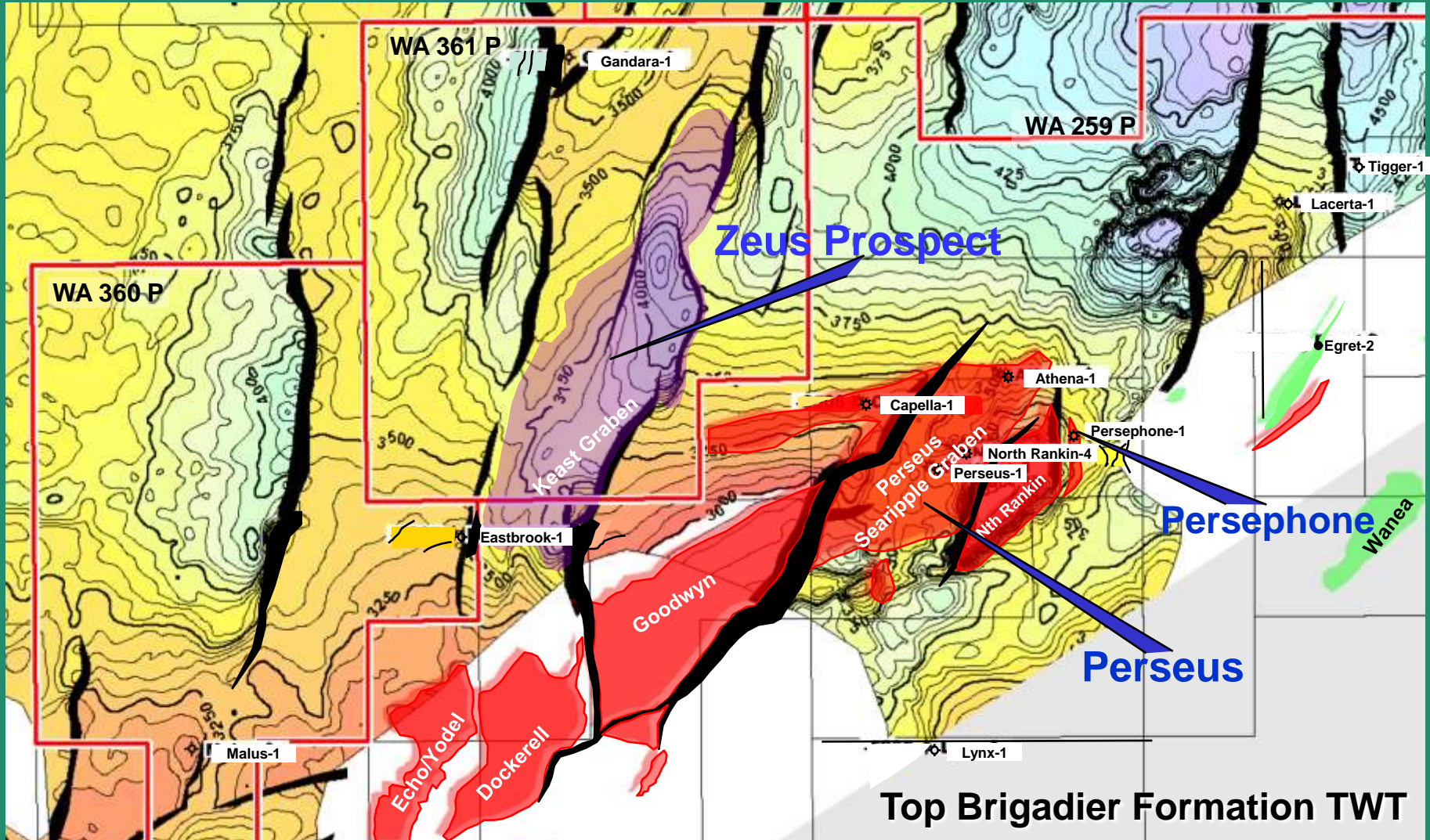
# RDI Farmin – A Transformational Deal

- Strategic alliance with Resource Development International (RDI)
  - Encompasses all projects
  - Partially contingent upon IPO (proceeding notwithstanding tough market)
- Who is RDI:
  - Sponsored by Mineralogy (Prof Clive Palmer's private company)
  - Strong links to Chinese investment sources
  - ~20 billion tonnes of iron ore, nickel and energy interests
  - Bonaparte Basin undertakings with MEO contingent upon RDI IPO
- Impact on MEO
  - 25%-35% interest largely free carried in up to 9 NW Shelf wells
    - Zeus-1 (WA-361-P proceeding, 2 follow up wells in event of success)
    - WA-359-P & WA-360-P options conditional upon IPO
  - 20% free carried interest to production in Bonaparte Basin projects
    - 2 initial wells (Heron-3, Blackwood-2)
    - 2 follow-up wells (location function of prior drilling results)
    - All additional wells required to secure 3<sup>rd</sup> party certification of gas reserves
    - Arrange all debt, meet MEO's equity share of upstream and GTL project Capex



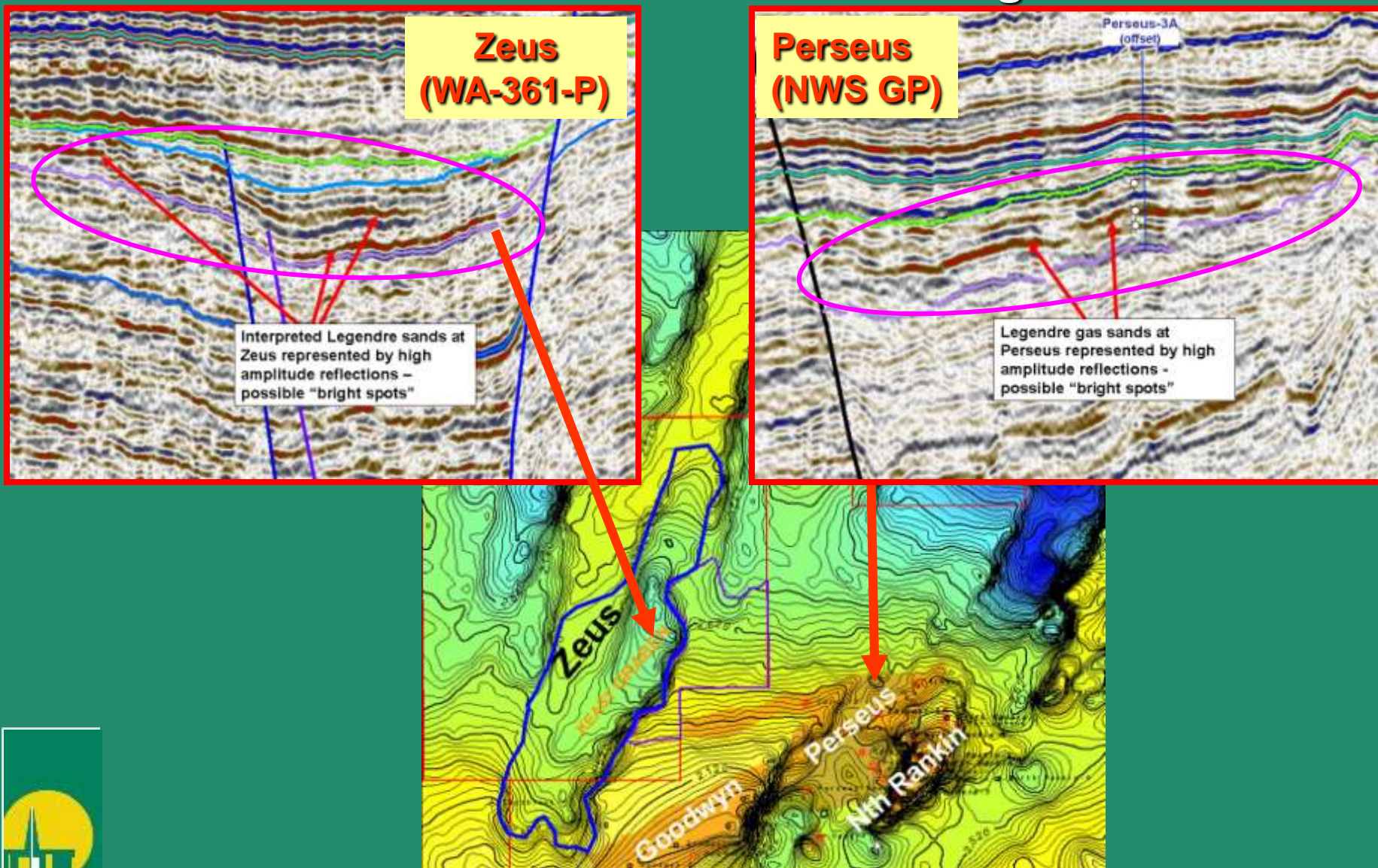


# Zeus play based on Perseus gas field in adjacent fault block



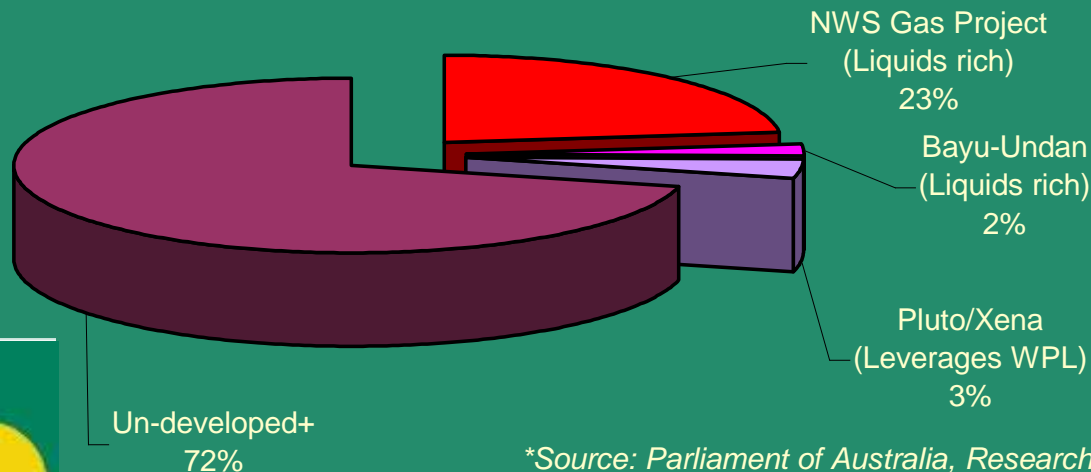
# Zeus – 10+ Tcf GIP

similar seismic attributes to Perseus gas field



# Context - LNG Projects need high quality gas

<u>Category</u>	<u>Tcf</u>	<u>%</u>	<u>+ Commercial impediments</u>
<u>Developed</u>			Dirty (high in CO <sub>2</sub> )
NWS Gas Project (Liquids rich)	33	23%	Dry (low in NGL's)
Bayu-Undan (Liquids rich)	3	2%	Distant (from I/S)
<b>Total Developed</b>	<b>36</b>	<b>25%</b>	Deep water
<u>Developing</u>			Dysfunctional JV's
Pluto/Xena (Leverages WPL)	5	3%	Disputed territory
<u>Un-developed+</u>	<b>103</b>	<b>71%</b>	
<b>Total*</b>	<b>144</b>	<b>100%</b>	



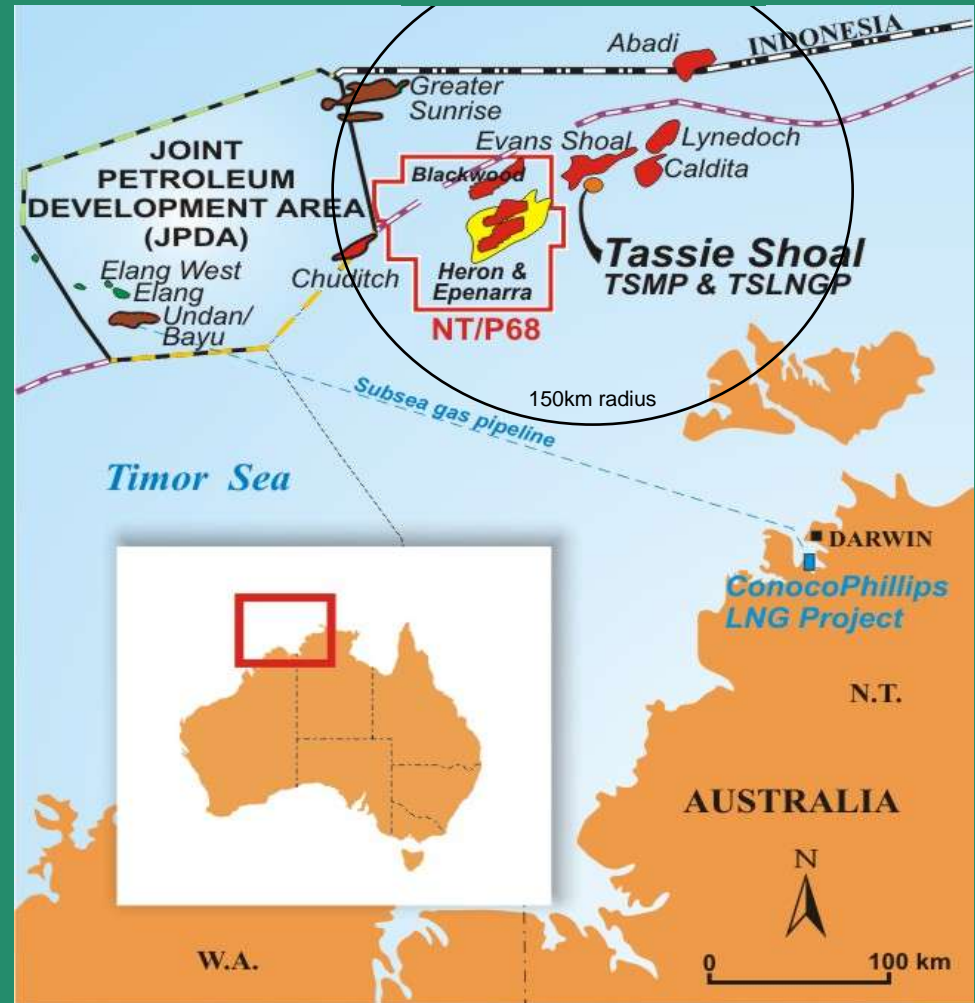
\*Source: Parliament of Australia, Research Paper 25  
2007-08, Mike Roarty, 1 April 2008



# Bonaparte Basin – CO<sub>2</sub> challenged gas

## MEO's solution

- Convert hi CO<sub>2</sub> gas to methanol
- Blend for optimal development
- Tassie Shoal – a central hub
  - Undisputed Australian waters
  - Proximal to gas discoveries
  - Minimises pipeline distances
  - Developing own gas (NT/P68)
  - Welcome 3<sup>rd</sup> party gas
- Low cost development
  - Pre-fabricate in SE Asia
  - Pre-commission, tow to site
  - Simple de-commissioning

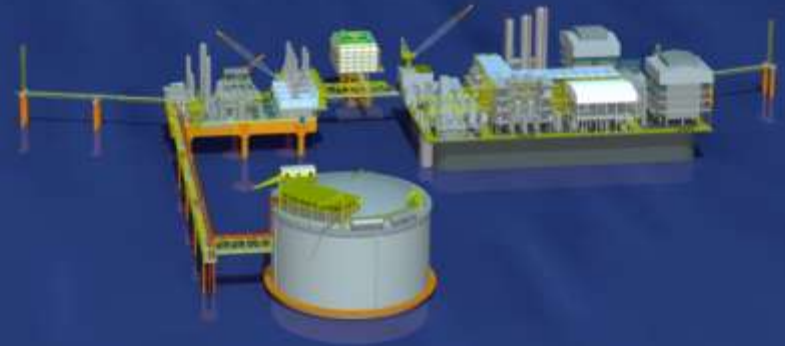


# Tassie Shoal - the future hub



## Approved GTL Projects

- Non-disputed Australian waters
- 50 year environmental approvals secured (EPBC Act)
- Potential fast-track to market



**MEO Australia**

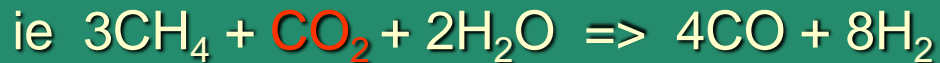
energy for the future

**MEO Australia Limited**

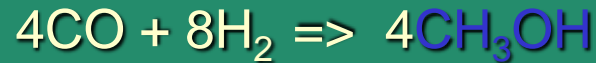
# Methanol – a CO<sub>2</sub> sink

Carbon Sequestration by the Steam Methane Reforming (SMR)  
Methanol Process

- **Gas Reforming:**



- **Methanol Synthesis:**

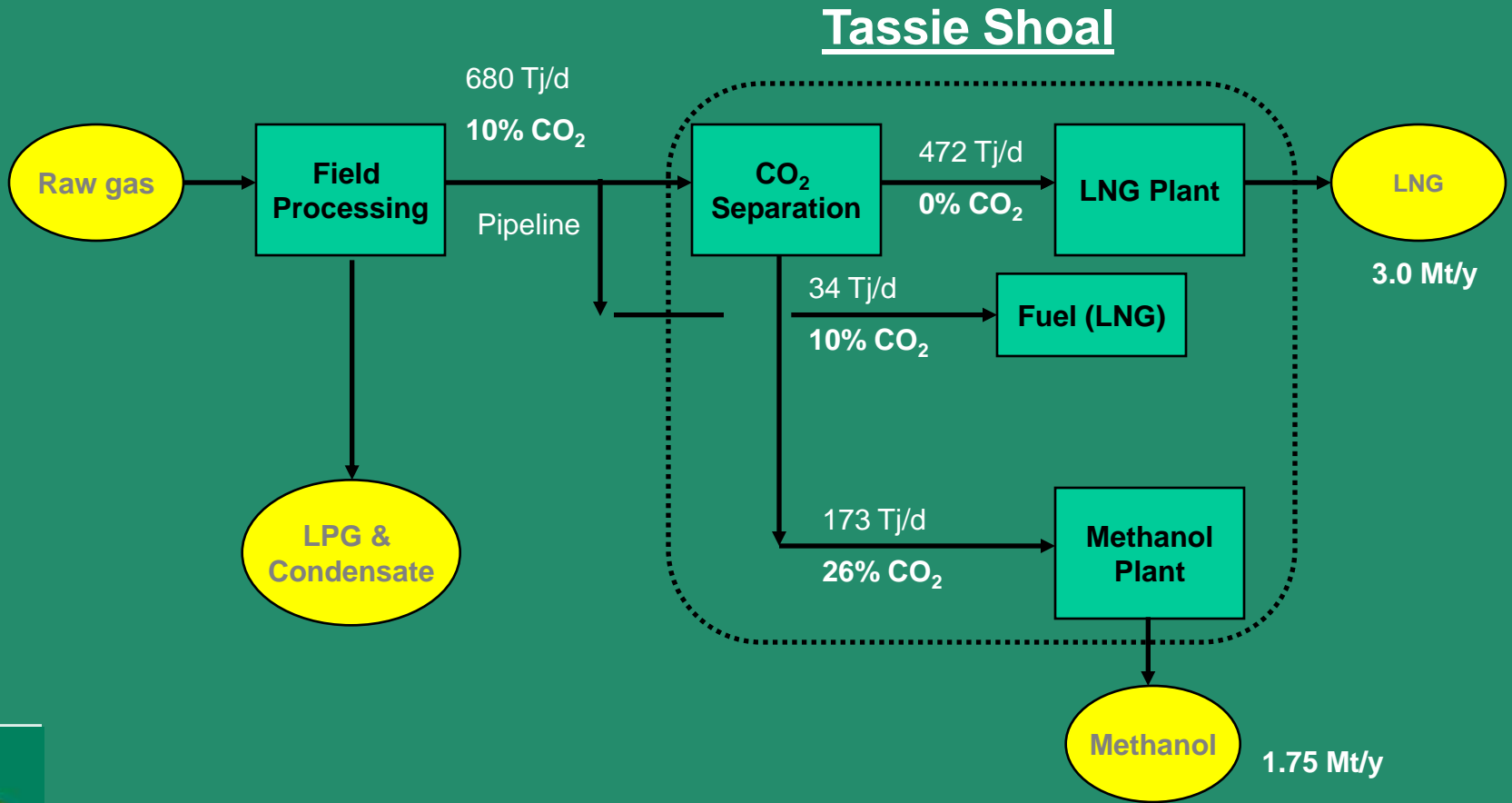


- 1 mol CO<sub>2</sub> with 3 mols CH<sub>4</sub> is ideal for synthesis to methanol



# Tassie Shoal GTL Projects

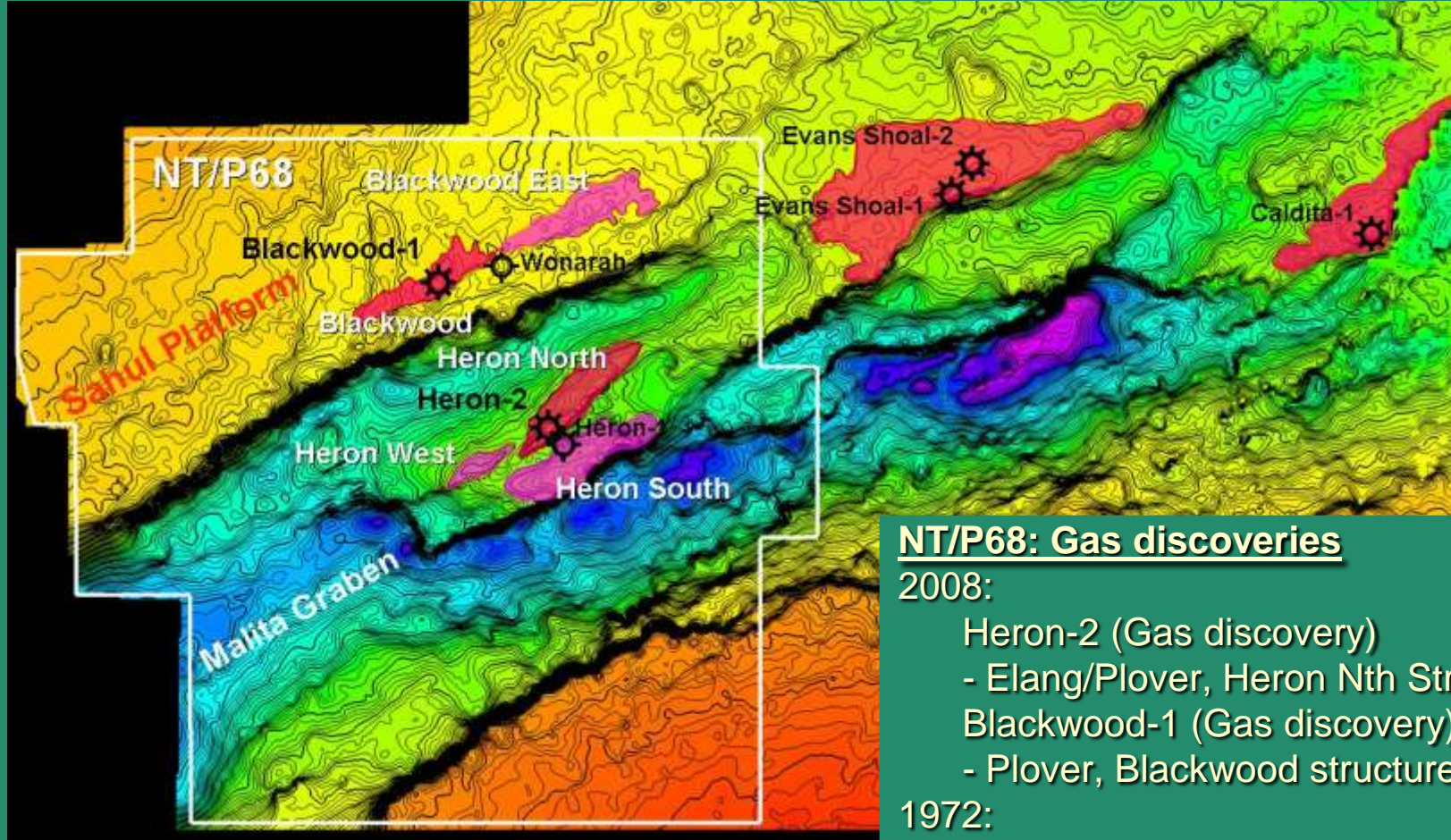
## An integrated solution for CO<sub>2</sub> challenged gas



Requires ~4.7 Tcf raw gas to operate for 20 years



# MEO's gas discoveries on regional trend



## NT/P68: Gas discoveries

2008:

- Heron-2 (Gas discovery)
  - Elang/Plover, Heron Nth Structure
- Blackwood-1 (Gas discovery)
  - Plover, Blackwood structure

1972:

- Heron-1
  - Darwin, Epenarra structure
  - Elang, Heron Sth structure



**MEO Australia**

energy for the future

**MEO Australia Limited**

# Methanol Substructure and storage in conventional CGS substructure



## Technical specifications

Capacity: 5,000 tpd, 1.75 Mtpa

DPT/JM SMR process

Can convert high CO<sub>2</sub> gas (20%-35%)

CGS dimensions: ~200,000 t

- Base: 170m x 93m x 35m
  - At top: 180m x 100m (wave deflection)
- Installed in 14m water depth

Capex: US\$1,100m (approx.)

Topsides 35,000 t

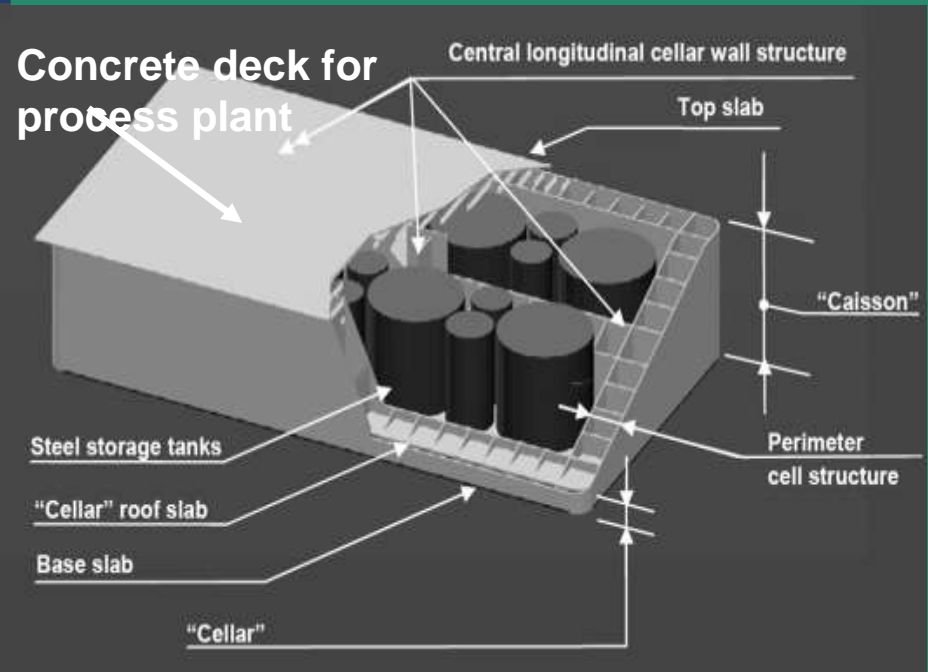
Total height 95m

20 days final product storage



**MEO Australia**

energy for the future



**MEO Australia Limited**

# Proven substructure solution

## 40+ CGS's installed to date



ExxonMobil  
Adriatic LNG Re-gas terminal:

Similar footprint to TSMP  
50% taller due to water depth



**MEO Australia**

energy for the future

**MEO Australia Limited**

# LNG plant – industry standard ACE platform



## Technical specifications

3 Mtpa (EPBC approved)

- APCI DMR process
- Indirect seawater cooling

Ace platform (self installing)

- 100x50x8m, 15m water depth

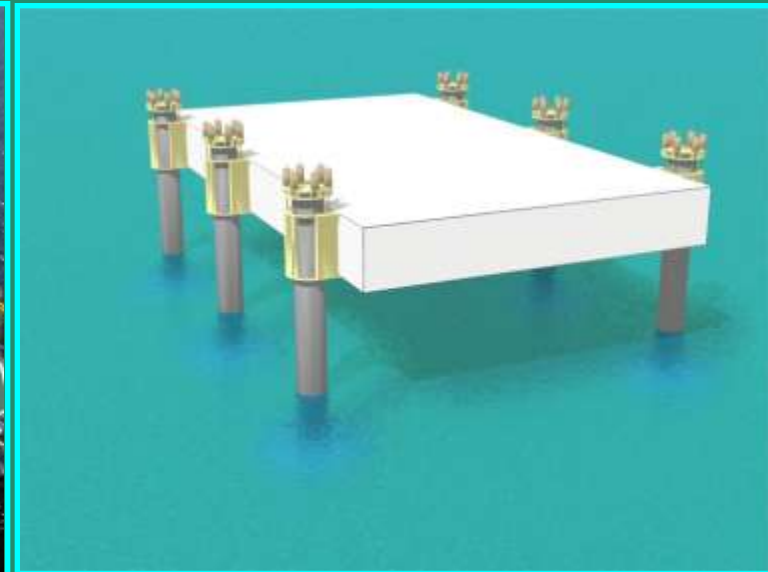
Topsides 15,000 t

1x 170,000 m<sup>3</sup> storage tank (on CGS)

Capex ~US\$1.6bn (~US\$550m/Mtpa)



Hang Tuah  
platform, Indonesia  
Conoco-Phillips



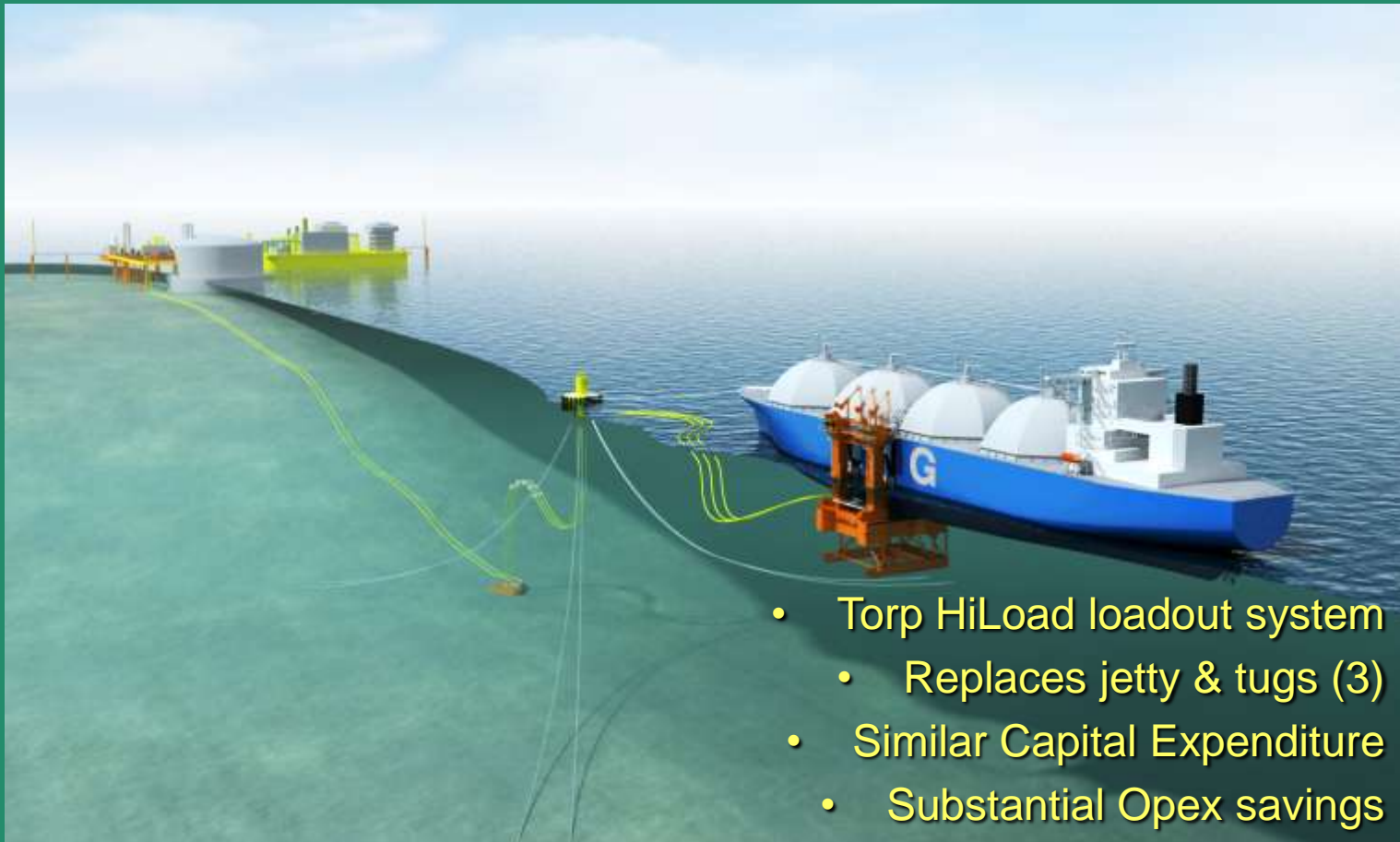
**MEO Australia**

energy for the future

**MEO Australia Limited**

# Further refinements

## TORP Hi-Load System for remote LNG loading



- Torp HiLoad loadout system
  - Replaces jetty & tugs (3)
  - Similar Capital Expenditure
  - Substantial Opex savings



# Summary

- New board & executive management team
- Strategic alliance with RDI\*
  - Clear funding strategy notwithstanding difficult market conditions
- Zeus-1 (WA-361-P, 35% equity) November 2008
  - Multi-Tcf potential + plethora of development options = leverage!
  - Election to drill on adjoining acreage expires 1-Jan-09
- MEO offers viable solution to CO<sub>2</sub> challenged gas
  - CO<sub>2</sub> can be sequestered economically in methanol derivatives
  - Integrated Tassie Shoal hub is economic enabler
    - approvals in place = fast track to market
  - Gas discoveries (Blackwood & Heron) enhances projects
    - Appraisal wells planned mid-2009
- Cashed up value play offering significant leverage



# Thank you

## **MEO Australia Limited**

Level 17, 500 Collins Street  
Melbourne 3000 Australia

T: +61 3 9614 0430

F: +61 3 9614 0660

C: +61 4 0811 1393

E: [jurgen.hendrich@meoaustralia.com.au](mailto:jurgen.hendrich@meoaustralia.com.au)

W: [www.meoaustralia.com.au](http://www.meoaustralia.com.au)

