

Quarterly activities summary for Period ended 31st December 2013

Significant activities during quarter:

- Blackwood-2 drilled to total depth of 3,425mMDRT. Production testing to determine fluid composition & productivity did not yield any fluid flow indicating low permeability reservoir
- All conditions subsequent satisfied relating to WA-454-P farmout to Origin Energy, first tranche of cash consideration received by MEO, Operatorship transferred to Origin
- Various partial sale processes ongoing. G2/48 (Gulf of Thailand) sale process concluded without commercial offer prior to permit year expiry

Activities subsequent to end of quarter:

- EnSCO-104 rig released from Blackwood-2 on 3rd January 2014
- Mubadala Petroleum withdrew from G2/48, equity will transfer to MEO if MEO elects to continue in the Concession

MELBOURNE, AUSTRALIA (16th January, 2014)

MEO Australia Limited (ASX: **MEO**) provides the following summary in relation to its activities during the quarter ended 31st December 2013.

Executive Summary

During the quarter, the Blackwood-2 appraisal well in NT/P68 (MEO 50%) commenced drilling. The well reached a revised (deepened) total depth of 3,425mMDRT, with a 60m core recovered within the target objective. Following evaluation by wireline logging tools, the well was production tested over a 20m interval from 3,234m to 3,254mMDRT to resolve fluid composition uncertainty and ascertain reservoir productivity. The tested interval was structurally below the gas-water-contact ("GWC") interpreted from MDT pressure data in Blackwood-1. No flow was achieved indicating low reservoir permeability. MEO was fully carried for the cost of Blackwood-2. The well results will be incorporated with existing geotechnical data and integrated to update the resource assessment.

The completion of Blackwood-2 marked by the rig release on 3rd January 2014 established a reference date for two separate options Eni has in relation to NT/P68:

1. Within 5 months following completion of Blackwood-2 (ie by 3rd June 2014), Eni has to elect whether to drill a second Heron well by 12th February 2016 or withdraw from the Heron area of the permit. Timing of this option was renegotiated during the quarter to allow proper evaluation of Blackwood-2 results.
2. Eni has an option to increase participating interest in the Blackwood area by 25% to 75% within 180 days of the completion of Blackwood-2 drilling, ie by 2nd July 2014.

In the adjacent NT/P48 permit, successful production testing of Evans Shoal North-1 on the nearby Evans Shoal gas discovery (NT/P48) confirmed a substantial high CO₂ resource, with JV partner Eni publicly stating an estimated raw gas in place resource of at least 8 Tcf. Following a request from government stakeholders, MEO submitted an assessment of the commerciality of the Evans Shoal field to NOPTA.

All conditions subsequent pursuant to the farmout agreement with Origin Energy in relation to WA-454-P were fulfilled during the quarter, paving the way for MEO to receive the first \$2.8m of the \$5.6m cash consideration and hand over Operatorship for the permit to Origin. The balance of the cash consideration is due 1st July 2014.

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Partial sales processes were in train for a number of projects during the quarter and are ongoing.

Cash balance at end of quarter

Consolidated cash balance at 31st December 2013 was A\$15.7m.

New Ventures

Screening for attractive opportunities concentrated on evaluating projects capable of generating operating income within 2-3 years of commencement. One project was matured to detailed due diligence stage during the quarter. The Company also submitted bids for a number of permits in the Australian Acreage Gazettal round that closed in early November.

Events subsequent to the end of the quarter

The Ensco-104 rig used to drill Blackwood-2 was released on 3rd January 2014.

In Concession G2/48 in the Gulf of Thailand, Mubadala Petroleum advised MEO that it intended to withdraw from the Concession effective 6th January 2014 and transfer its 50% participating interest to MEO's subsidiary Rayong Offshore Exploration Limited ("Rayong") in the event that Rayong elects to continue into Permit Year 2. Rayong submitted a request for a work program variation with the regulatory authority seeking to have the Permit Year 2 (2014) well and associated well commitment decision deferred into Permit Year 3 (2015). In the event this variation request is not granted, Rayong has advised that it will also withdraw from the Concession.

Announcements since the previous quarterly activities report

The following ASX releases were made since the quarterly activities report (refer www.meoaustralia.com.au):

07/01/2014	Gulf of Thailand G2/48 update
06/01/2014	Blackwood-2 Progress Report No. 9 - Final
23/12/2013	Blackwood-2 Progress Report No.8
17/12/2013	Second Heron Well Notice Date extended
13/12/2013	Blackwood-2 Progress Report No.7
06/12/2013	Blackwood-2 Progress Report No.6
29/11/2013	Blackwood-2 Progress Report No.5
28/11/2013	MEO Securities Update as at 28 Nov 2013
22/11/2013	Blackwood-2 Progress Report No.4
15/11/2013	Blackwood-2 Progress Report No.3
07/11/2013	MEO Securities as at 1st November 2013
07/11/2013	Blackwood-2 Progress Report No. 2
31/10/2013	Appendix 3Z
31/10/2013	Results of Annual General Meeting
31/10/2013	MEO 2013 AGM Tassie Shoal Overview
31/10/2013	Annual General Meeting - Technical Supplement 2013
31/10/2013	MEO Annual General Meeting Presentation 2013
28/10/2013	Blackwood-2 Progress Report No. 1
18/10/2013	Quarterly Activities Summary for Period Ended 30th Sept 2013
18/10/2013	Quarterly Cash Flow Summary for Period Ended 30th Sept 2013
17/10/2013	Blackwood-2 timing update

Priorities for the current quarter ending 31st March 2014

- Conclude partial sale processes
- Evaluate Blackwood-2 results and integrate into regional understanding
- Secure work program variation for G2/48 or withdraw from concession
- Secure work program variation for WA-361-P or withdraw from permit
- Complete due diligence on new ventures opportunity



Jürgen Hendrich
Managing Director & Chief Executive Officer

Attachments: Activity Summaries by Project Area

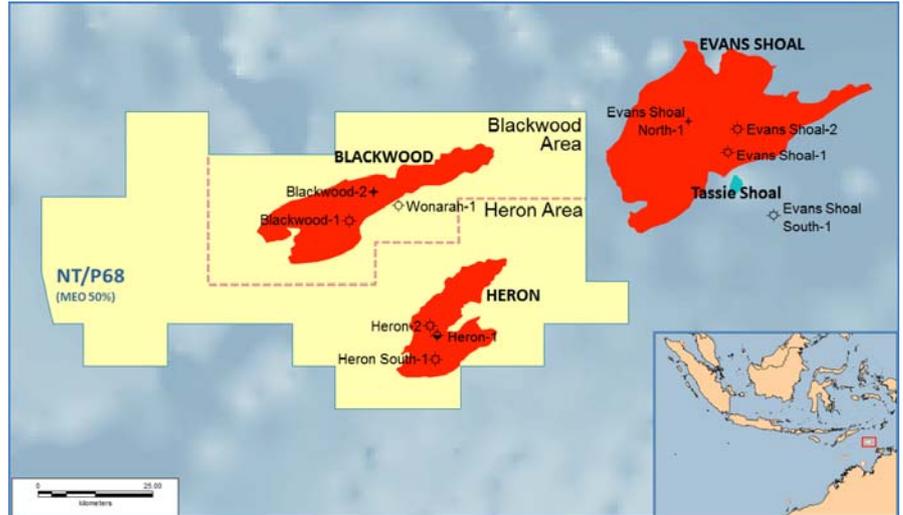
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Timor Sea: Bonaparte Basin

NT/P68 (MEO 50%, Eni Australia Ltd 50% & Operator)



Pursuant to a farm-in agreement with Eni Australia (refer ASX release dated 18th May 2011), Eni has earned an initial 50% interest in the Blackwood area of NT/P68 by acquiring the 766km² Bathurst 3D seismic survey and drilling Blackwood-2. Eni is also earning an initial 50% interest in the Heron area by funding the drilling of two wells on the greater Heron structures. The first of these, Heron South-1, was drilled in late 2012. Eni has until 3rd June 2014 to elect whether to drill a 2nd well or withdraw from the Heron area.



Eni has options to earn a further 25% participating interest in either or both the Heron and Blackwood areas by funding MEO's share of the work programme required to achieve a Final Investment Decision and make a one-off cash payment of US\$75m to MEO on achieving a Final Investment Decision in either area.

Blackwood-2 commenced drilling on 28th October and reached a total depth of 3,425mMDRT. A 60m core was cut through the target objective. Following evaluation by wireline logging tools, a decision was made to production test the well to determine fluid composition of the reservoir together with reservoir productivity. DST-1 was conducted over a 20m interval from 3,234m to 3,254mMDRT. No flow was recorded from this interval indicating low permeability reservoir. The well was subsequently plugged and abandoned with the rig being released on 3rd January 2014. The well results will now be integrated with the existing geological information to provide an update of the resource assessment.

The completion of Blackwood-2 on 3rd January 2014, sets the reference date for two subsequent options.

1. The election date for the 2nd Heron well was re-negotiated during the quarter from 18th December until 5 months after completion of Blackwood-2, taking this to **3rd June 2014**.
2. The option to increase participating interest in the Blackwood area by 25% to 75% must be made within 180 days of the completion of Blackwood-2, ie by **2nd July 2014**.

Indicative Activity Schedule

Permit MEO PI Operator	NT/P68 50%* Eni Australia	2013				2014				2015							
		Sep Qtr		Dec Qtr		Mar Qtr		Jun Qtr		Sep Qtr		Dec Qtr					
		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O
Permit Year		4/5				5/5				1/5							
Work program		1 well*				Studies				pending							
Permit expiry										◁ ▷							
Submit permit renewal application										◁ ▷							
Activities																	
Drill Blackwood-2		BW-2															
2nd Heron well election (5mths >BW2)										If option exercised, drill 2nd Heron well by 12-Feb-2016							
Increase Blackwood equity to 75%																	
Planned drilling in nearby permits*																	
Evans Shoal North-1		ESN-1															
NT/P48 (Evans Shoal) permit expiry						◁ Extended to 24-Sep-2014 ▷											
Barossa: appraisal drilling										2 wells							

* subject to completion of farm-in agreement as detailed in 18th May 2011 ASX release

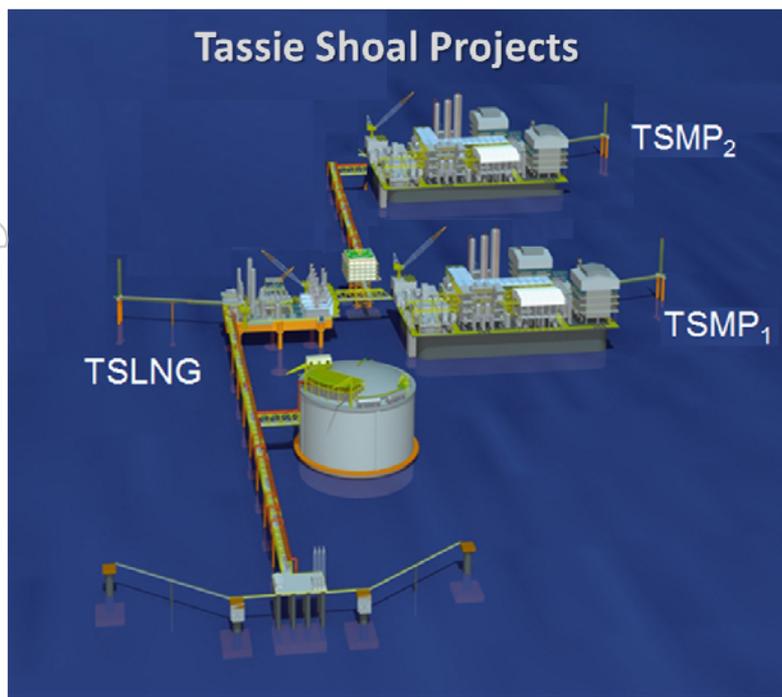
* Permit Year 4 well obligation previously met by drilling Heron South-1 during Permit Year 3

* timing is indicative only and subject to change

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Tassie Shoal Gas Processing Projects

(MEO 100%)



During the quarter, MEO continued managing the relationships and commercial arrangements in support of the first Tassie Shoal Methanol Plant ("TSMP₁").

Meetings were held with the three Asian multinational methanol industry participants currently at various stages of evaluating the potential of TSMP₁ to meet their long term methanol supply needs.

Methanol offtake continues to be in high demand, and parties are considering the linkage between equity investment and rights to acquire equity offtake.

MEO and its potential TSMP₁ co-venturers are acutely aware of the need to acquire a competitively priced raw unprocessed gas supply to finalise the supply chain and enable the maturing of the joint venture arrangements and the progression of the project into FEED.

MEO was encouraged by the positive appraisal drilling and production testing result at **Evans Shoal North-1** in the immediately adjoining exploration permit NT/P48. In a press release dated 24th October, 2013 announcing production test results of 30 MMscf/d from Evans Shoal North-1, Eni SPA ("Eni") stated that "*Eni estimates that the Evans Shoal gas field contains at least 8Tcf of raw gas in place*" and that "*Eni remains committed to fast track development of the significant and known resources in this exploration area.*"

MEO anticipates an opportunity to discuss the commercialisation path proposed by MEO and its potential co-venturers via the Tassie Shoal Methanol Projects, following evaluation of the Evans Shoal North-1 result.

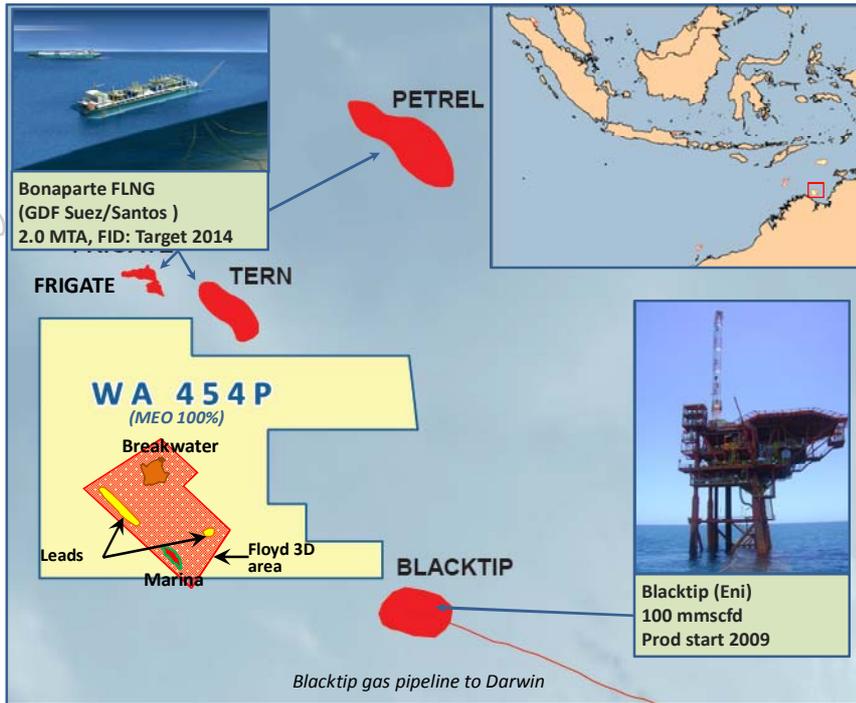
In response to a request from government stakeholders, MEO submitted its assessment of the commerciality of the Evans Shoal field to the Titles Administrator (NOPTA).

The **Blackwood-2** appraisal well was drilled during the quarter by Operator Eni Australia Limited ("Eni"). **Blackwood-2** was production tested but did not flow hydrocarbons due to low permeability reservoir. In December 2013, MEO granted Eni an extension until five months after the completion of **Blackwood-2** (ie 3rd June 2014) to elect whether they wish to drill a second **Heron** well or relinquish their entire equity over the **Heron** gas discovery area.

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Bonaparte Gulf: Petrel Sub-Basin

WA-454-P (MEO 50%)



WA-454-P contains the Marina gas and probable oil discovery together with the Breakwater prospect and a number of promising leads. MEO was awarded the permit in June 2011 for an initial six (6) year exploration period.

The 601 km² Floyd 3D seismic survey was acquired over the Marina discovery, Breakwater prospect and a number of identified leads in early 2012, satisfying the Year 1 obligation of 583 km² 3D.

During the quarter, all conditions subsequent pertaining to the Farmout Agreement with Origin Energy were satisfied allowing MEO to receive the first \$2.8m of the \$5.6m cash consideration. The balance is due in July 2014.

Following approval of the transfer of equity by the regulatory authorities, Origin assumed Operatorship following an orderly handover.

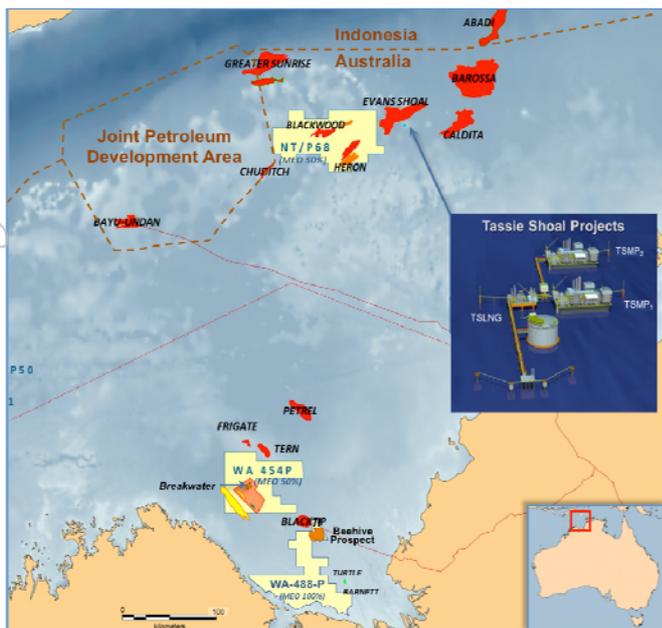
Indicative Activity Schedule

Permit MEO PI Operator	WA-454-P 50% MEO	2013		2014				2015					
		Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr		
		J A S	O N D	J F M	A M J	J A S	O N D	J F M	A M J	J A S	O N D		
Permit Year		3/6				4/6				5/6			
Work program						Studies				1 well			
Activities													
Transfer of title		■											
Finalise Joint Operating Agreement		■											
Transition to new Operator		■											
Mature Breakwater prospect		■											
Partial sale to fund balance 2015 well		■		■									
Secure rig for well		■		■		■							
Drill Breakwater-1		■		■		■				■			

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Bonaparte Gulf: Petrel sub-Basin

WA-488-P (MEO 100%)



WA-488-P is located adjacent to MEO's WA-454-P (50%) permit and covers an area of 4,105 km². The permit was awarded to MEO in May 2012 as part of the acreage Gazettal Round.

MEO has identified the giant Beehive prospect that it considers can be readily advanced to drillable prospect status by reprocessing existing 2D seismic data and integrating offset well data. Beehive represents a new play type within the Bonaparte basin, leveraging the 2011 Ungani-1 oil discovery in Carboniferous aged reservoirs in the nearby Canning Basin.

During the quarter, MEO actively engaged with a significant number of industry participants who evaluated the technical merits of Beehive as a precursor to considering participating in the Permit Year 3 (commencing May 2015) drilling commitment.

The partial sale process continued into 1Q-2014.

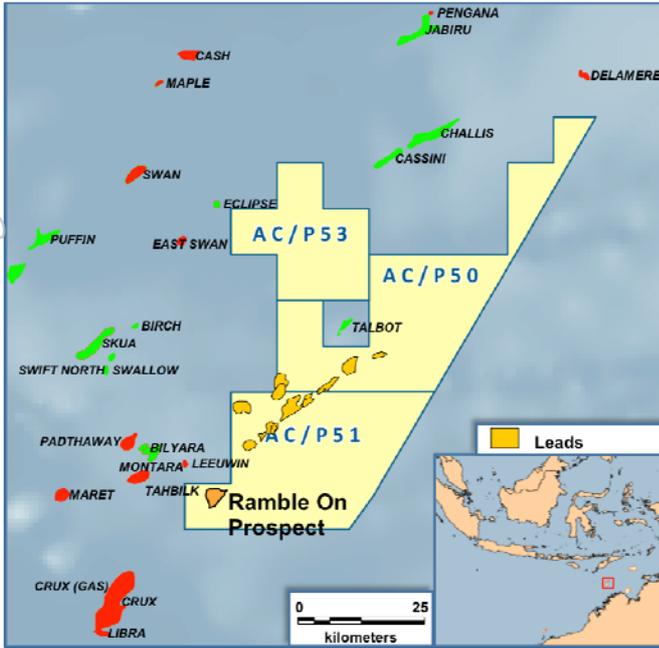
Indicative Activity Schedule: WA-488-P

Permit MEO PI Operator	WA-488-P 100% MEO	2013				2014				2015									
		Sep Qtr		Dec Qtr		Mar Qtr		Jun Qtr		Sep Qtr		Dec Qtr							
		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Permit Year		1/6				2/6				3/6									
Work program		400 km 2D Repro				Studies				1 Well									
Activities																			
Resource estimation		■																	
Reprocess 2D seismic						■ 2D repro													
Partial sale process		■ Partial sale																	
Secure rig										■									

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Ashmore Cartier Region, Timor Sea: Vulcan Sub-Basin

AC/P50, AC/P51 (MEO 100%)



AC/P50 & 51 were acquired from Silverwave Energy in late 2010 approximately 18 months into their initial 6 year exploration period. MEO acquired the 507 km² Zeppelin 3D seismic survey across both permits in early 2012.

The Ashmore Cartier region is a proven hydrocarbon province with numerous modest sized oil and gas discoveries, made largely in the 1980's and 90's. Poor seismic image quality and a string of poor exploration results following the early discoveries resulted in a significant hiatus in exploration. More recently PTTEP is bringing Montara on line and has had drilling success nearby at Cash and Maple. Condensate-rich gas was discovered at Crux to the south west.

MEO has achieved an improvement in seismic image quality and has identified the Ramble On prospect on reprocessed 2D seismic data.

Ramble On represents a new play type that has proven analogues in other Basins and is an example of applying new ideas to old basins. Any new play type in a region will naturally be assigned a higher risk until that play type can be established in the new area.

A number of leads have also been identified along trend with the Ramble On prospect and represent follow up potential if the play type works.

During the quarter, the farmout/partial sale process continued seeking to attract an industry participant to Joint Venture with MEO to drill a discretionary well in one or both permits.

In the event that a transaction to underpin the cost of the discretionary well in the final permit year cannot be achieved, MEO will relinquish one or both permits.

Indicative Activity Schedule

Permit	AC/P50	2013				2014				2015							
		Sep Qtr		Dec Qtr		Mar Qtr		Jun Qtr		Sep Qtr		Dec Qtr					
		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O
Operator	MEO	5/6				6/6				1/5							
Work program		Studies				1 well				pending							
Permit renewal or relinquishment																	
Permit relinquish election ^x						◀				◀							
Activities																	
Partial sale process		Partial sale															
Assess rig options						Rig											
Contingent well ^x										1 well ^x							

^x drilling is contingent upon a) identification of drillable prospect, b) successful farmout & c) rig availability/drilling schedule

Permit	AC/P51	2013				2014				2015							
		Sep Qtr		Dec Qtr		Mar Qtr		Jun Qtr		Sep Qtr		Dec Qtr					
		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O
Operator	MEO	5/6				6/6				1/5							
Work program		174 km ² Multi Az reprocessing				1 well				pending							
Permit renewal or relinquishment																	
Permit relinquish election ^x						◀				◀							
Activities																	
Partial sale process		Partial sale															
Assess rig options						Rig											
Contingent well ^x										1 well ^x							

^x drilling is contingent upon a) identification of drillable prospect, b) successful farmout & c) rig availability/drilling schedule

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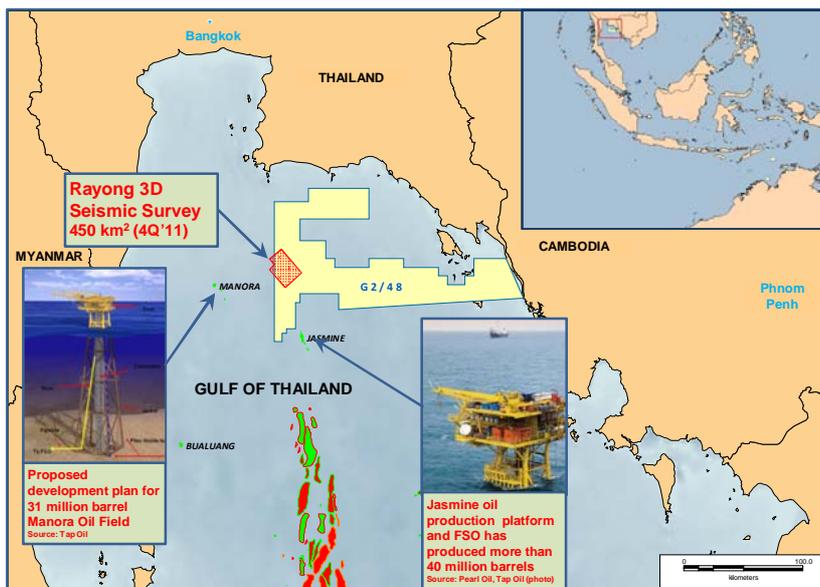
Gulf of Thailand

G2/48 PSC (MEO 50%, Mubadala Petroleum 50% and operator)



MEO acquired its 50% participating interest in G2/48 from Pearl Oil, a wholly owned subsidiary of Mubadala Petroleum (“Mubadala”). MEO reimbursed Mubadala 50% of the costs of the Rayong 3D seismic survey acquired in late 2011 and paid 66.7% of the first US\$5 million of the Year 6 obligation well (Sainampeung-1, drilled late 2012). Costs in excess of the US\$5 million cap were shared on a participating interest basis.

The permit was renewed in January 2013 for an additional 3 years. The work program includes a well in the 2nd renewal year (2014) with a drill/drop option at the end of each completed permit year.



During the quarter, a partial sale process continued, with both parties in the JV jointly offering a portion of their equity in return for funding the 2014 discretionary well. Despite strong interest from prospective farminees, the process did not yield a commercially acceptable offer within the timeframe available. In MEO’s view, this was due to a combination of factors including the short time frame available for the process and the limited technical maturity of the identified prospectivity in the Concession.

At the end of the quarter, Mubadala advised that it would withdraw from the Concession effective 6th January 2014 and transfer its participating interest to MEO’s wholly owned subsidiary Rayong Offshore Exploration Limited (“Rayong”), in the event that Rayong elected to continue in the permit. Rayong subsequently submitted a withdrawal notice effective 6th January 2014 unless an accompanying work program variation request is granted seeking deferral of the 2014 well obligation and associated well commitment into 2015.

Indicative Activity Schedule

Permit	G2/48 Concession	2013				2014				2015									
		Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr								
MEO PI	100%*																		
Operator	MEO*	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Permit Year		1/3 (Yr7)				2/3 (Yr8)				3/3 (Yr9)									
Work program		Studies				1 well*				Studies									
Withdrawal unless variation granted					<>	Studies				1 well*									
Option to continue or relinquish					<>				<>										
Activities																			
Partial sale process		Partial sale				Partial sale*													

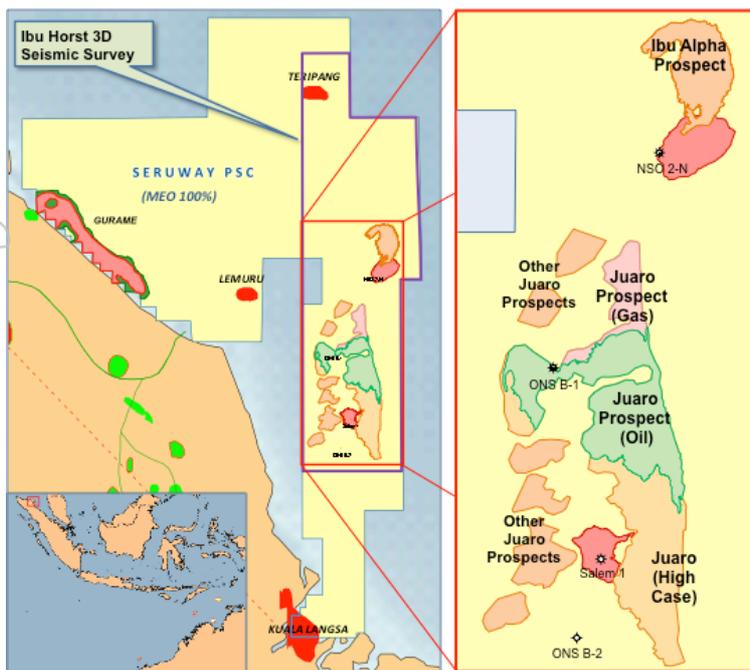
* via Rayong Offshore Exploration Limited; 100% owned by MEO International Pty Ltd a wholly owned MEO subsidiary

* MEO may continue at 100% & Operator ONLY if well & well commitment are deferred into 2015, otherwise withdraw effective 6th Jan 2014

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North Sumatra, Indonesia

Seruway PSC (MEO 100%*)



The Seruway PSC is held by wholly owned subsidiary Seruway Offshore Exploration Limited ("SOEL"). The PSC was acquired in mid-2011 in a corporate transaction and is located in Aceh province of North Sumatra, close to the Arun LNG facility. Domestic gas demand remains unfulfilled.

A number of undeveloped discoveries are featured within the PSC. SOEL acquired modern, high quality, 2012 vintage 3D data over the Ibu Horst area which features two main prospective areas of interest: 1) the Juaro Complex discovered by ONS B-1; and 2) Ibu Alpha discovered by NSO 2-N.

The Juaro Complex is considered to have potential for significant prospective oil resources in the main feature of the complex, with a series of subordinate, independent features offering follow up potential. Ibu Alpha is smaller with a higher chance of success.

The Kuala Langsa gas discovery straddles the adjacent permit and contains contingent resources inclusive of CO₂ up to 80%, providing a significant commercialization challenge.

Efforts to secure a funding partner for the permit continued during the quarter. Notwithstanding the technical attractiveness of the identified prospectivity, the reality of limited remaining PSC tenure represents a significant commercial hurdle to any incoming party. The 2014 work program and budget was approved during the quarter. Discussions with the regulator during the budget approval process addressed PSC tenure and canvassed various options to extend the PSC term to allow a Plan of Development to be prepared in the event a discovery was made in 2014. In the event such an extension was granted, it would commensurately reduce the time granted for the subsequent production licence.

Indicative Activity Schedule

Permit	Seruway PSC	2013				2014				2015									
		Sep Qtr		Dec Qtr		Mar Qtr		Jun Qtr		Sep Qtr		Dec Qtr							
MEO PI	100%*	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Operator	SOEL*	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Permit Year		9/10				10/10				Submit Plan of Development (POD)									
Work program		Mature Juaro				1 well ^x													
PSC expiry										◀									
Partial sale process		Partial sale																	
Activities																			
Ibu Horst																			
Potential contingent well ^x										Well ^x									

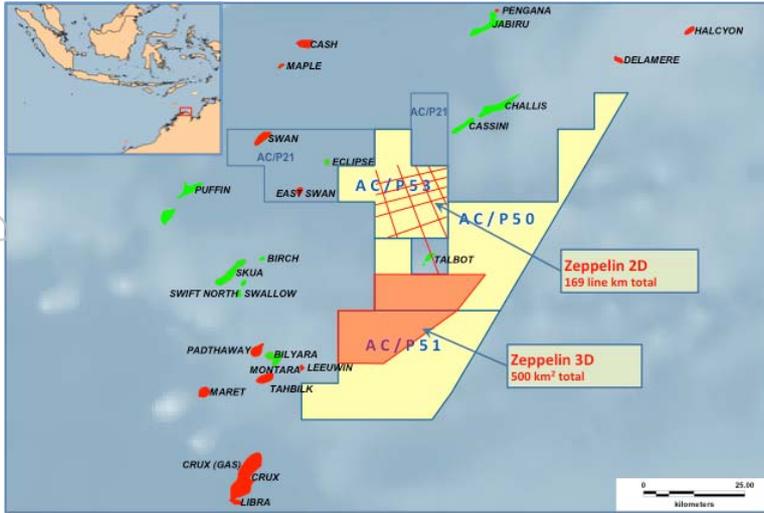
* via Seruway Offshore Exploration Limited (SOEL); 100% owned by MEO International Pty Ltd a wholly owned MEO subsidiary

^x drilling is contingent upon a) successful farmout, b) rig availability/drilling schedule & c) regulatory approvals

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Ashmore Cartier Region, Timor Sea: Vulcan Sub-Basin

AC/P53 (MEO 100%)



MEO was awarded AC/P53 as part of an acreage gazettal round in mid-2011. In early 2012, MEO acquired 169 line km of the Zeppelin long offset 2D seismic data featuring a tie line through the Talbot oil discovery in the adjacent Retention Licence AC/RL2.

Interpretation of the Zeppelin 2D long offset seismic survey continued during the quarter.

MEO fielded unsolicited interest from an industry participant during the quarter seeking a better technical understanding of the permit. Discussions pursuant to this interest will likely be initiated in the coming quarter.

Indicative Activity Schedule

Permit Year	3/6	4/6	5/6
Work program	Studies		1 Well
Permit relinquish election ^x			◀
Activities			
Zeppelin 2D - interpret	Interpret		
Partial sale process		Partial sale	

^x drilling is contingent upon a) identification of drillable prospect, b) successful farmout & c) rig availability/drilling schedule

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North West Shelf: Offshore Carnarvon Basin

WA-360-P, WA-361-P (MEO Operator)



WA-360-P (MEO 62.5% & Operator)

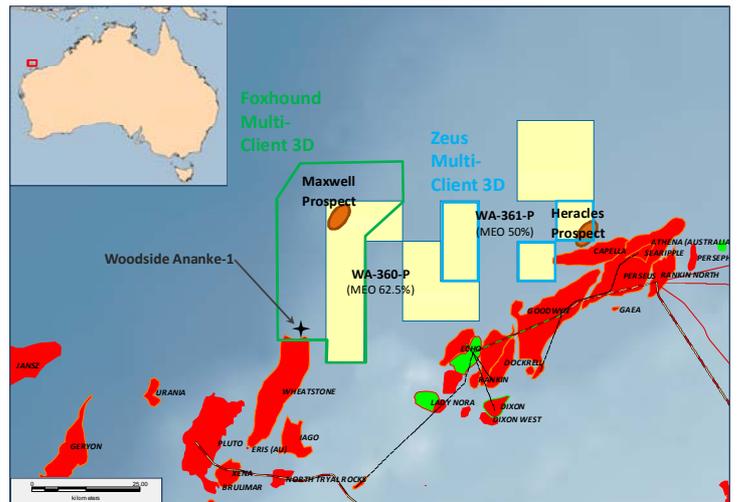
The permit was renewed in early 2012 for an additional 5 years.

During the quarter, MEO continued marketing its equity in the permit to potential purchasers, while preparing to commence 3D seismic reprocessing to satisfy the current Permit Year obligation.

WA-361-P (MEO 50% & Operator)

The permit was renewed in early 2011 for five years.

During the quarter, MEO continued marketing its equity in the permit to potential purchasers.



Concurrently, MEO submitted a work program variation request to the Titles Administrator seeking to remove the discretionary well from Permit Year 4 (commencing February 2014) on the basis of insufficient prospectivity. In the event this request is not granted, MEO will relinquish the permit.

Indicative Activity Schedule

Permit	MEO PI	Operator	WA-360-P 62.5% MEO	2013				2014				2015			
				Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr		
				J A S	O N D	J F M	A M J	J A S	O N D	J F M	A M J	J A S	O N D		
Permit Year				2/5				3/5				4/5			
Work program				648 km ² 3D reprocessing				3D interpretation, studies				Studies			
Activities				3D interpretation				Repro				Divestment			
Foxhound 3D				3D interpretation				Repro				Divestment			
Seismic reprocessing				Repro				Repro				Divestment			
Prospect identification				Repro				Repro				Divestment			
Partial sale process				Divestment				Divestment				Divestment			
Ananke-1 data becomes open file				Divestment				Divestment				Divestment			
Integrate Ananke-1 data				Divestment				Divestment				Divestment			
Integrate				Divestment				Divestment				Divestment			

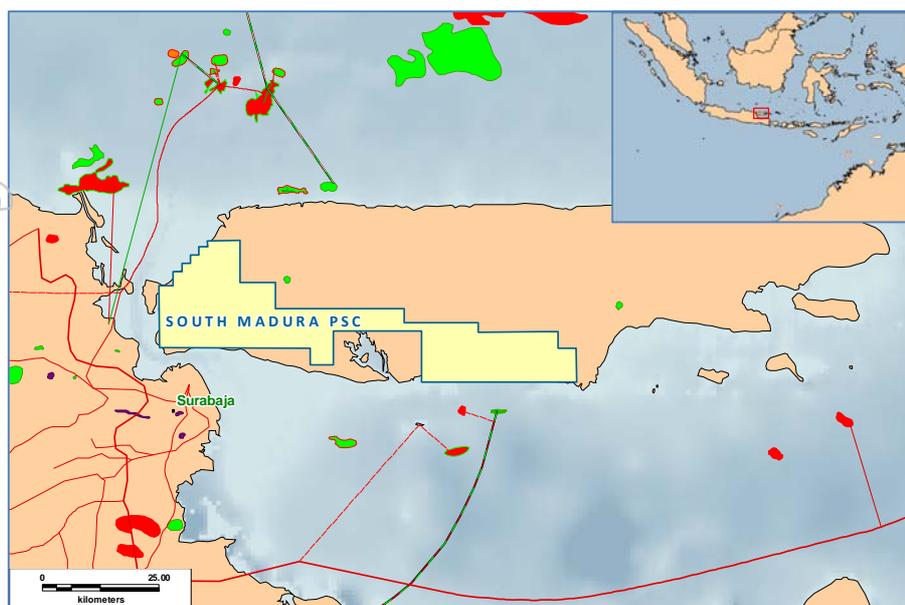
Permit	MEO PI	Operator	WA-361-P 50% MEO	2013				2014				2015			
				Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr		
				J A S	O N D	J F M	A M J	J A S	O N D	J F M	A M J	J A S	O N D		
Permit Year				3/5				4/5				5/5			
Work program				3D interp, studies				1 well				Studies			
Drill/drop election				3D interp, studies				1 well				Studies			
Submit work program variation				3D interp, studies				1 well				Studies			
Partial sale process				Divestment				Divestment				Divestment			

* drilling is contingent upon a) identification of drillable prospect, b) successful farmout & c) rig availability/drilling schedule

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East Java, Indonesia

South Madura PSC (MEO* 90%, Operator)



The PSC expired in October 2013. All documentation pertaining to permit relinquishment was submitted in the prior quarter.

Indicative Activity Schedule

Permit MEO PI Operator	Sth Madura PSC 90%* SMEC	2013				2014				2015							
		Sep Qtr		Dec Qtr		Mar Qtr		Jun Qtr		Sep Qtr		Dec Qtr					
		J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O
Permit Year		10/10															
Work program+		Repro															
PSC expiry																	
Activities																	
Preparing for seismic reprocessing																	
Submit PSC surrender documentation																	

* via South Madura Exploration Company (SMEC); 100% owned by MEO International Pty Ltd a wholly owned MEO subsidiary

New Ventures



MEO continued to screen for attractive new venture opportunities targeting attractive exploration projects capable of attracting industry partners and funding for drilling. To that end, applications were submitted for several blocks offered during the Australian acreage gazettal round that closed in November. MEO also concentrated on screening for projects capable of generating operating income within 2-3 years. In this category, one project has been matured for more detailed due diligence.

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