

## ASX & Media Release

### Gulf of Thailand update

#### Key Points:

- Assessment of key prospects and leads in the G2/48 Concession completed
- Multiple prospects identified together with a new play fairway
- MEO has commenced a partial sale process prior to 2014 drilling

MELBOURNE, AUSTRALIA (9<sup>th</sup> August, 2013)

MEO Australia Limited (ASX: **MEO**; OTC: **MEOAY**) provides the following update in relation to the G2/48 Concession in the Gulf of Thailand where it holds a 50% participating interest (through its wholly owned subsidiary Rayong Offshore Exploration Limited).

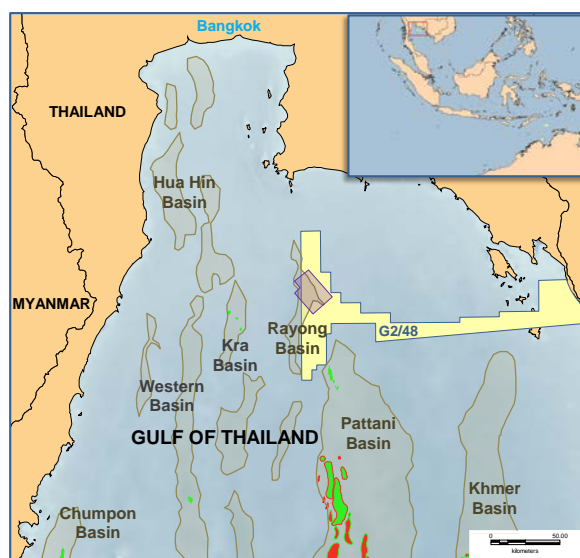
MEO has completed its initial assessment of key prospects and plays in the concession post drilling of Sainampueng-1 in December 2012. The assessment has taken into account the thicker Oligocene section encountered in Sainampueng-1 which has the potential for a better than expected reservoir and interbedded oil prone source in the basin. This, together with the post drill re-mapping of the horizons has significantly increased the size of the Tertiary age prospects.

In addition to this, a new pre-Tertiary age play has been identified in the basin which is analogous to proven fields elsewhere in the Gulf of Thailand. Both of these plays can be readily advanced to drillable prospect status with existing 3D seismic data.

The estimated prospective resources for several of the objectives in the concession are summarised in the table below:

G2/48 Tertiary Fairway Prospective Resources*	
Prospects	Recoverable (MMstb)
Krissana West	15
Krongthong	33
Kalong	10
Pudsorn	46
Other Prospects	Under Evaluation
Unrisked Total	104 MMstb
G2/48 Pre-Tertiary Fairway Prospective Resources*	
Krissana Deep	> 100 MMstb
Pudson Deep	Under Evaluation
Kalong Deep	Under Evaluation

\* Best Estimate per PRMS Guidelines, subject to risk of discovery and risk of development.



MEO has commenced a partial sale process for up to 25-50% equity in G2/48 prior to the drilling of one well in 2014. The attached farmout brochure is being marketed to industry participants as part of the partial sale process.

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

**Large concession in prospective Gulf of Thailand**

**Well planned for 2014**

**25-50% equity available**

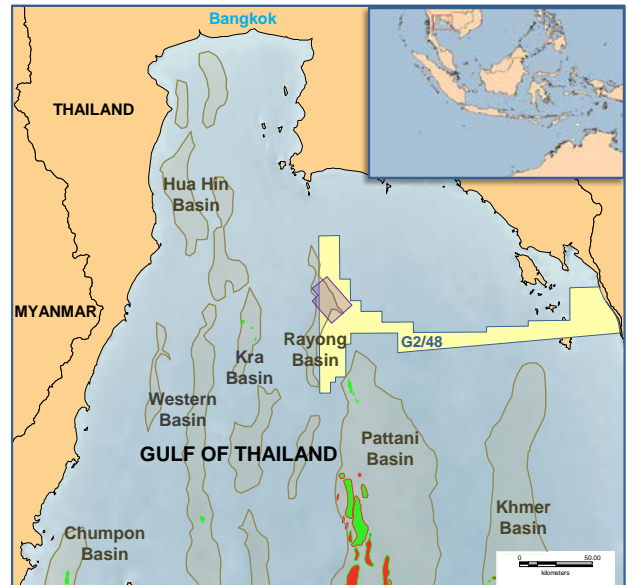
**Low cost environment for exploration and development**

**Top four Tertiary structural leads have combined potential in excess of 100 MMStb**

## Summary

The G2/48 Concession is located in the shallow water northern Gulf of Thailand. G2/48 has an area of 4,720 km<sup>2</sup> and is held 50% and operated by Mubadala Petroleum and 50% by Rayong Offshore Exploration Ltd (a subsidiary of MEO Australia). In January 2013 the G2/48 Concession entered the 3<sup>rd</sup> obligation period which continues until January 2016.

The participants have identified two attractive plays; a Tertiary structural play with four main features with combined unrisks potential in excess of 100mmstb which are analogous to nearby oil fields and a trend of very large potential pre-Tertiary leads. Both of these plays can be readily advanced to drillable prospect status with the existing 3D seismic data for drilling in 2014. MEO is offering interested parties the opportunity to acquire up to 25% in G2/48 in return for a promoted carry on 2014 drilling plus a contribution towards back costs. Additional equity may be available.



## Concession Work Obligations

	Permit Year	Permit Year Start	Work Programme	Committed Expenditure (US\$)
3 <sup>rd</sup> Obligation Period	7	8 Jan 2013	Geological Studies	\$100,000
	8	8 Jan 2014	Drilling of one exploratory well Geological and Geophysical Studies	\$3,000,000 \$100,000
	9	8 Jan 2015	Geological Studies	\$50,000

## Prospectivity

G2/48 contains the Tertiary Rayong graben, which recent drilling has demonstrated contains a thick Oligocene section. In offsetting Tertiary grabens the Oligocene section contains the best lacustrine oil prone source rocks, of which there are indications in the wells drilled around the margins of the Rayong Basin. The 3D seismic data acquired in 2010 exists over the majority of the Rayong graben.

## Tertiary Prospects

The Tertiary play consists of a series of prospects that have been identified with stacked closure through the upper Oligocene and lower Miocene strata. Lacustrine stranded shoreline sandstone reservoirs are anticipated, analogous to the Manora discovery in the adjacent Kra Basin which flowed at a combined rate of 9,000bopd. All prospects are predicted to have good access to the mature, oil prone source kitchen. Individually the prospects range from 10 to 46MMStb of recoverable oil.

### G2/48 Tertiary Fairway Prospective Resources\*

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Krissana West	15
Krongthong	33
Kalong	10
Pudson	46
Other leads	Under Evaluation
<b>Unrisks Total</b>	<b>104 MMStb</b>

### G2/48 Pre-Tertiary Fairway Prospective Resources\*

Krissana Deep	> 100 MMStb
Pudson Deep	Under Evaluation
Kalong Deep	Under Evaluation

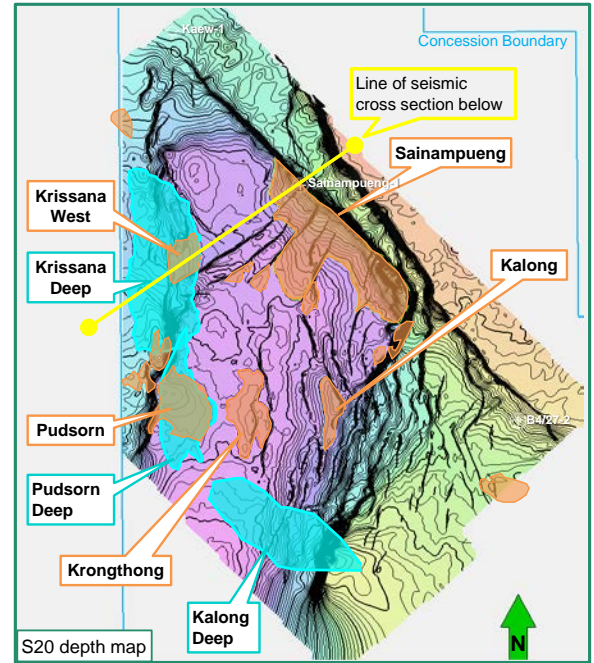
\* Best Estimate per PRMS Guidelines, subject to risk of discovery and risk of development.

**Pre-Tertiary Play**

The pre-Tertiary play consists of a series of very large Permian carbonate features that have been overlapped by the lacustrine Oligocene sediments, which provide potential for both a source and top seal. Secondary porosity development in the Permian carbonates is expected to result from either meteoric or hydrothermal karsting. The lead locations along the basin margin fault suggest they are well positioned to be subject to hydrothermal karsting creating a stratiform diagenetic trap with closure defined by the internal geometry of the pre-Tertiary sequence. Krissana Deep has recoverable oil potential in excess of 100MMstb.

These prospects in the Rayong graben are analogous to the Nang Nuan pre-Tertiary discovery, located in the Chumphon Basin in the Gulf of Thailand.

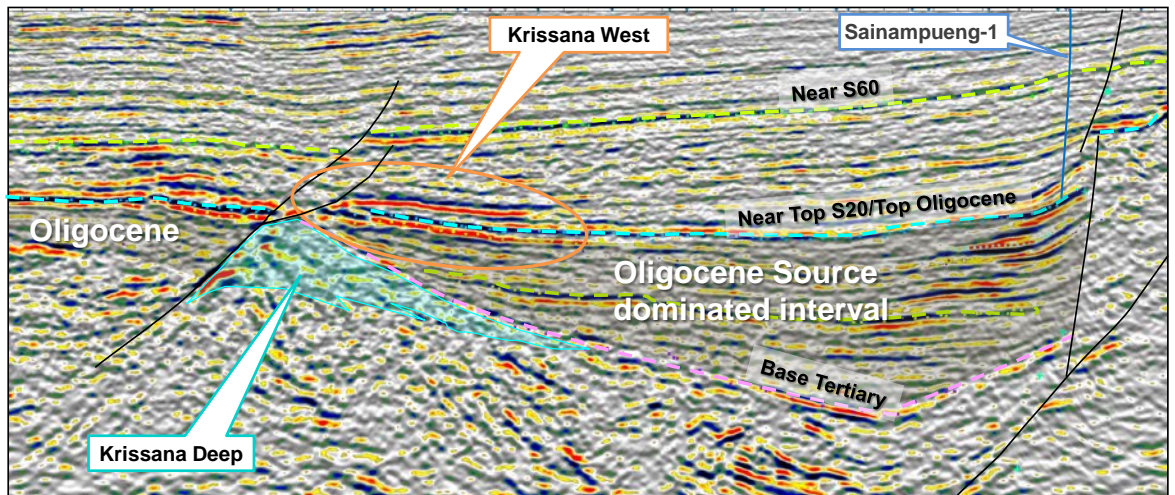
The inset map is mapped at the top of the prospective zone and illustrates several undrilled prospects. Krissana West and Krissana Deep are illustrated in the seismic cross section below.



**Figure 1. Top S20 depth map with Tertiary and Pre-Tertiary lead locations**

*Very large Pre-Tertiary play analogous to proven production in the Gulf of Thailand*

*Prospects defined on 3D seismic data*



**Figure 2. Seismic cross section over the Krissana West and Krissana Deep area**

**Farmout Process**

Interested parties will be required to execute a Confidentiality Agreement prior to MEO providing a technical overview presentation. A physical data room will be available from 12<sup>th</sup> August, 2013 at MEO's Melbourne office and potentially at a Singapore location by arrangement. Offers capable of acceptance (subject to final documentation) are sought by 15<sup>th</sup> November, 2013.

*Offers sought by 15<sup>th</sup> November, 2013*

**Contact Information**

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