



MEO Australia Limited

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ASX & Media Release

MEO to Raise \$1.69 million in Oversubscribed Share Placement

- Oversubscribed placement to raise \$1.69 million - the maximum available under MEO's remaining LR7.1 placement capacity
- Strong support from existing shareholders and new investors
- Share Purchase Plan will be offered to eligible shareholders subject to ASX waiver
- Funds raised will be used to accelerate MEO activities in Cuba, including the preparation of a drilling plan for up to two wells in Block 9, onshore Cuba

MELBOURNE, AUSTRALIA (18th August, 2016)

MEO Australia Limited (ASX: **MEO**) ("MEO" or "Company") is pleased to announce that it has accepted commitments to raise approximately \$1.69 million through a placement of approximately 46.9 million shares at \$0.036 per share to qualified institutional and sophisticated investors ("Placement"). A number of existing shareholders showed strong support for the Placement and the Company has welcomed a number of high quality new investors to its share register.

The Placement price of \$0.036 per share represents a ~17% discount to MEO's volume weighted average price for the 10 business days up to and including 16 August 2016.

Proceeds from the Placement will be used to accelerate MEO's onshore exploration activities on Block 9 in Cuba, including the preparation of a drilling program for up to two wells in Block 9 and for additional working capital purposes.

The Placement will be completed in a single tranche for the maximum number of shares pursuant to the Company's remaining capacity under ASX Listing Rule 7.1. The new shares are expected to be allotted and commence trading on ASX on Monday 29 August 2016.

MEO Managing Director & CEO Peter Stickland commented:

"We are very pleased with the overwhelming support shown for the placement from both existing shareholders and new investors. The placement uses the maximum number of shares available through MEO's remaining placement capacity under ASX Listing Rule 7.1. We are pleased to welcome a range of new high quality investors onto the MEO register and recognise the support of our existing shareholders."

The Placement will enable MEO to accelerate the work necessary to finalise a drilling plan for up to two wells in Block 9, onshore Cuba."

Peter Stickland

Managing Director & Chief Executive Officer



Share Purchase Plan

Subject to receiving a waiver from the ASX Listing Rules in relation to the offer price, MEO will also provide an opportunity for eligible shareholders to acquire new shares at the same discounted share price as under the Placement of \$0.036 per share via a non-underwritten share purchase plan ("SPP"). Under the SPP, eligible MEO shareholders on the share register as at 7pm EST on 17 August 2016 will have the opportunity to invest up to a maximum of \$15,000 per shareholder. The Company is targeting raising approximately \$1 million through the SPP, and the directors will reserve the right in their absolute discretion to close the SPP early, scale back applications (on a first received basis or a pro rata basis). Any shares issued under the SPP would rank equally with other ordinary shares then on issue. Further details of the SPP will be provided in due course.

Hartleys Limited acted as Lead Broker to the Placement and will be issued 4 million unlisted options subject to MEO shareholder approval at the next available meeting of shareholders in lieu of a component of its corporate advisory fees. The options will be exercisable at 6.5 cents, expiring 3 years from the date of issue.