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Quarterly activities summary for Period ended 31st March 2015

Highlights during quarter:

Cuba

- Continuing preparations for regulatory approval for Block 9 PSC, expected within the next 2-3 months

Australia

- Farm-out of 30% of WA-488-P, subject to final documentation and regulatory approvals
- Six month work program extension granted for WA-488-P
- Successful deferment of WA-454-P well commitment by up to 18 months

New Zealand

- Process underway to attract funding partner to drill the Shannon Prospect ahead of potential drill program in second half of CY2015

Corporate

- Chief Executive Peter Stickland appointed to Board and Managing Director role
- 60% reduction in overhead costs with cost cutting initiatives ongoing
- MEO Directors continue to advise shareholders to reject revised Mosman Oil & Gas proposal
- Cash balance at end March is \$7.2m, approximately \$1m higher than forecast in the December quarterly release.

Melbourne, Australia (29th April, 2015)

MEO Australia Limited (ASX: **MEO**) provides the following summary in relation to its activities during the quarter ended 31st March 2015.

Activity Summary

MEO's strategy is to participate in drilling a number of quality prospects at manageable cost to MEO's shareholders.

Cuba

During the reporting period MEO continued to prepare for regulatory approval of Block 9 PSC, onshore Cuba. The Company has been advised to expect the approval to occur within the next 2-3 months.

Australia

MEO continued to advance its exploration portfolio by successfully farming down a 30% interest in WA-488-P as well as successfully varying the committed work programs for both WA-488-P and WA-454-P, both of which are located in the Petrel sub-basin offshore Northern Australia. These are key steps to progress towards ultimately drilling the attractive Beehive (in WA-488-P) and Breakwater (in WA-454-P) prospects.

The WA-488-P farm-out is subject to final farm-in documentation and customary regulatory approvals, and the name of the Farminee will remain confidential until that time. The Farminee has further options (if MEO has not

secured alternative funding) to increase its participating interest by an additional 10% in return for procuring full funding of a 3D seismic survey over the Beehive prospect and an additional 40% for procuring full funding of the proposed Beehive-1 well. If these further options are exercised, MEO will have a full carry through a Beehive-1 well for its residual 20% participating interest.

MEO successfully applied to extend the current WA-488-P Permit Year 2 for 6 months to provide an opportunity for MEO and prospective farminees to undertake further proprietary seismic processing and consider acquisition of a 3D seismic survey over the Beehive prospect.

In WA-454-P (MEO 50%) the regulator approved a six month extension to Permit Year 4 and a deferral of the well commitment from Year 5 to Year 6. These variations will enable additional reprocessing to be undertaken prior to the Breakwater-1 well. Also, MEO now has additional time to farm down a further 20-30% interest in the permit.

In NT/P68, MEO elected to focus its efforts on the Heron Area (MEO 100%). MEO relinquished the Blackwood Gas Discovery after the disappointing results of Blackwood-2 in 2013 suggested to MEO that Blackwood was too small to support a Tassie Shoal Methanol Project and there was no path to near term commercialization and thus did not warrant the associated high holding costs.

In relation to the Tassie Shoal projects, an introductory meeting was held between MEO, a potential equity partner of the Tassie Shoal Methanol Projects and the Operator of the Evans Shoal Joint Venture. The potential equity partner outlined to the Operator its potentially pivotal role in aggregating international equity investment in the midstream methanol production facility. A formal meeting with the Evans Shoal Joint Venture is expected to occur in the second quarter of 2015.

New Zealand

Onshore New Zealand production from Puka was temporarily shut in due to unresolved mechanical problems with the Puka-1 well and the low current oil price environment. Successful resolution of the mechanical problems and an improved oil price will be the catalysts for re-commencing production.

The Shannon prospect has been identified on 3D seismic data at a deeper level, below the Puka oil field. MEO considers Shannon to be an attractive prospect and is working with the Operator for it to be drilled in the second half of 2015. A process is underway to attract a funding partner for Shannon. In addition, as the drilling in WA-454-P and WA-488-P has been delayed, MEO is now in a position to consider a combination of farmout and direct funding for the drilling of the Shannon-1 well.

Corporate Summary

Mr Peter Stickland, appointed CEO effective 19th December 2014, was appointed Managing Director effective 30th January 2015.

Mr Jürgen Hendrich, formerly Managing Director, concluded his role of Executive Director Special Projects 31st January 2015. On 5th January 2015, Non-Executive Director Mr Michael Sweeney tendered his resignation effective immediately.

MEO has implemented a number of significant cost cutting initiatives, including the sale of all company cars. The cumulative effect of these initiatives will achieve a 60% reduction in overheads compared to the 2014 financial year.

MEO shareholders received an unsolicited off-market takeover offer from Mosman Oil and Gas Limited (Mosman) to acquire 100% of outstanding MEO shares on the basis of one AIM-listed Mosman share for every 10 MEO shares on issue. **The MEO Directors have advised shareholders to REJECT the Revised Mosman Proposal.** Importantly, costs associated in relation to the defence are being managed carefully in accordance with the Company wide focus on increased fiscal discipline.

Cash balance at end of quarter

Consolidated cash balance at 31st March 2015 was A\$7.2m, approximately \$1m higher than forecast in the December quarterly release.

New Ventures

Screening for New Venture opportunities concentrated on projects capable of generating near term operating income.

Priorities for the current quarter ending 30th June 2015

- Conclude current farm-out of 30% interest in WA-488-P
- Continue to market farm-out opportunities, notably WA-488-P, WA-454-P and PEP51153 (onshore New Zealand)
- Complete regulatory approval for execution of the Block 9 PSC, Onshore Cuba
- Continue screening for corporate options that enhance MEO shareholder value and asset opportunities capable of generating operating income



Peter Stickland

Chief Executive Officer and Managing Director

Attachments: Activity Summaries by Project Area

New Zealand: Taranaki Basin

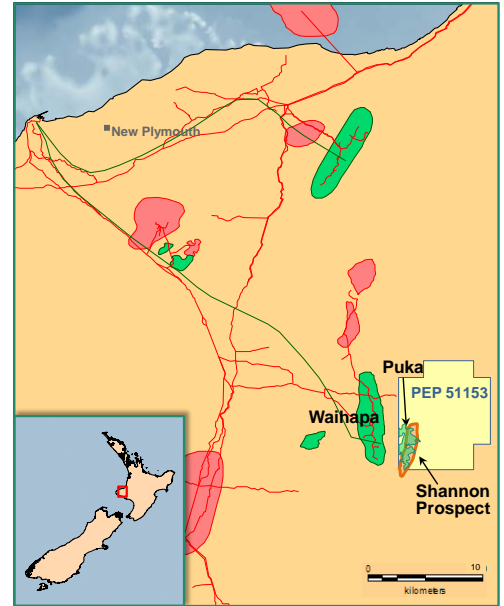
PEP 51153 (MEO 30%, Kea Petroleum Limited 70% & Operator)



On 7th April 2014 MEO Australia Limited announced its wholly owned subsidiary, MEO New Zealand Pty Limited (“MEO”), had executed binding a binding farm-in agreement (FIA) with KEA Petroleum PLC (“Kea”) to earn an initial 30% interest in exploration permit PEP 51153 in the Taranaki Basin, onshore New Zealand.

During the quarter production testing of the Puka oil field was shut in due to unresolved mechanical problems with the Puka-1 well and the low current oil price environment.

The Joint Venture has identified the Shannon Prospect, which was identified on the new 3D seismic data at the deeper Tikorangi objective updip of Douglas-1 (which encountered oil shows at this level) and is analogous to the nearby Waihapa oil field. The PEP 51153 joint venture partners are undertaking a marketing campaign aimed at attracting an additional partner to the permit to help fund the drilling of the Shannon prospect to establish whether the Tikorangi play can deliver a commercial discovery.

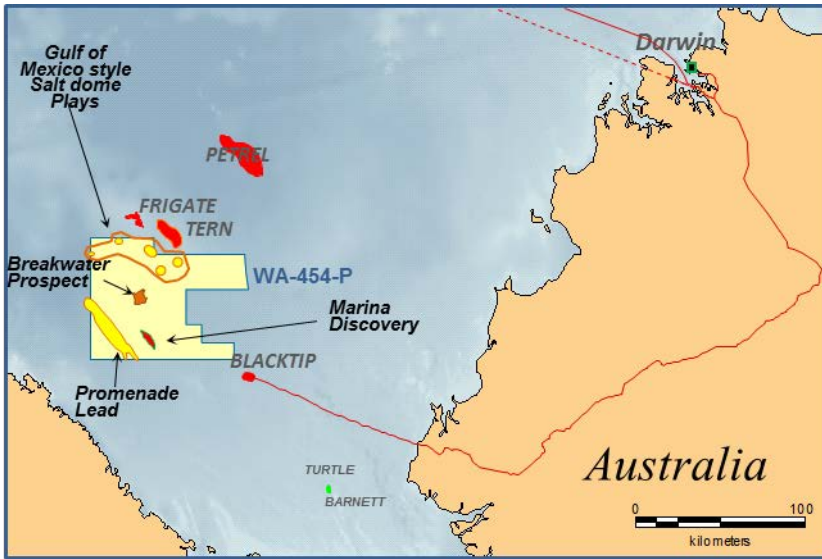


Indicative Activity Schedule

Permit MEO PI* Operator	PEP 51153 30% Kea	2014				2015				2016			
		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		5-Jan	6						7			8	
Work program		Studies	7 km 2D seismic				1 Well						
Activities													
Farm-out of Shannon-1													
Drilling of Shannon-1								S-1					
MEO option to withdraw								<	>				

Bonaparte Gulf: Petrel Sub-Basin

WA-454-P (MEO 50%, Origin Energy 50% & Operator)



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 in early 2012 over the Marina discovery, Breakwater prospect and a number of identified leads.

In July 2013, MEO executed a binding farm-in agreement with Origin Energy for a 50% participating interest in the permit. Origin reimbursed MEO A\$5.6m in past costs and will fund 80% of a well capped at A\$35m (100%

well cost).

During the quarter, the regulator approved a six month extension to Permit Year 4 and a deferral of the well commitment from Year 5 to Year 6. These variations will enable additional seismic reprocessing to be undertaken prior to the Breakwater-1 well. MEO also now has additional time to further farm down a further 20-30% interest in the permit.

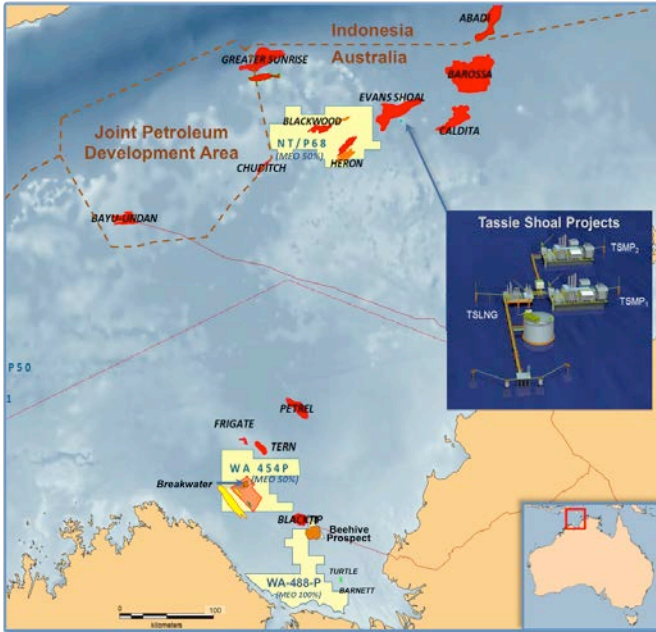
MEO continues a marketing campaign to sell a portion of its 50% participating interest to defray MEO's 20% cost exposure to the Breakwater-1 well, scheduled for drilling prior to Q4-2017 subject to rig availability and receipt of customary regulatory approvals.

Indicative Activity Schedule

Permit	WA-454-P	2014			2015				2016											
		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	
Operator	MEO																			
Permit Year		4												5					6	
Work program		Studies												Studies						
Activities																				
PSDM Reprocessing																				
Mature Breakwater prospect																				
Fund 20% residual drilling obligation																				
MEO option to withdraw																				
Drill Breakwater-1 ^x																				
Partial sale																				

Bonaparte Gulf: Petrel sub-Basin

WA-488-P (MEO 70%)*



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 farmed out a 30% participating interest in WA-488-P subject to final farm in documentation and customary regulatory approvals, and the name of the Farminee shall remain confidential until that time. The Farminee has further options (if MEO has not secured alternative funding) to increase its participating

interest by an additional 10% in return for procuring full funding of a 3D seismic survey over the Beehive prospect and an additional 40% for procuring full funding of the proposed Beehive-1 well. If these further options are utilized MEO will have a full carry through a Beehive-1 well for its residual 20% participating interest.

MEO also successfully applied to extend the current WA-488-P Year 2 for 6 months to provide an opportunity for MEO and prospective farminees to undertake further proprietary seismic processing and consider acquisition of a 3D seismic survey over the Beehive prospect. During the quarter, MEO continued to market the Beehive prospect to prospective industry partners considering participating in the Permit Year 3 well (commencing November 2015). The partial sale process remained underway at the end of the quarter.

Indicative Activity Schedule

Permit	WA-488-P	2014					2015					2016					
		Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	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	A	S	O	N	D	J	A	S	O
Operator	MEO																
Permit Year		2										3					
Work program		Studies & Reprocessing										1 Well ^x					
Activities																	
Reprocess 2D seismic		2D repro															
Partial sale process		Partial sale															

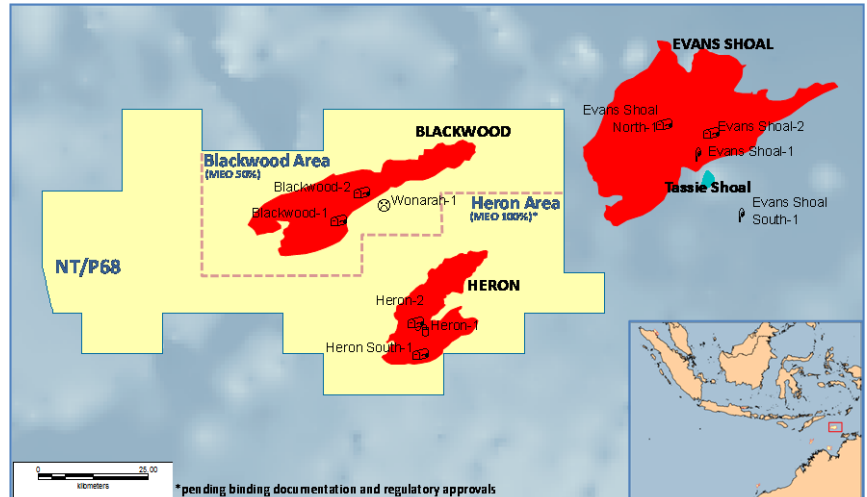
*Subject to farmout of 30% participating interest

Timor Sea: Bonaparte Basin

NT/P68 (Heron Area MEO 100%, Blackwood Area, MEO 0%, Eni Australia Ltd 100%)



MEO elected to focus its efforts on the Heron Area of NT/P68 (MEO 100%). MEO relinquished the Blackwood Gas Discovery after the disappointing results of Blackwood-2 in 2013 suggested Blackwood was too small to support a Tassie Shoal Methanol Project and there was no path to near term commercialization and thus did not warrant the associated high holding costs.



During the Quarter, MEO regained 100% Participating Interest in the Heron Area.

The Joint Venture also applied to for a variation to extend the current Year 5 of the work program by up to 12 months, which will allow MEO to conclude its Heron resource estimation study prior to renewing the Permit.

Indicative Activity Schedule

Permit MEO PI Operator	NT/P68 100% / 0%* Eni Australia	2014				2015				2016			
		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		5				1				2			
Work program		Studies				pending				pending			
Submit permit variation						↔							
Heron Resource Estimation													

* 100% of Heron Area, 0% of Blackwood Area as detailed in 9th February 2015 ASX release

Tassie Shoal Gas Processing Projects

(MEO 100%)

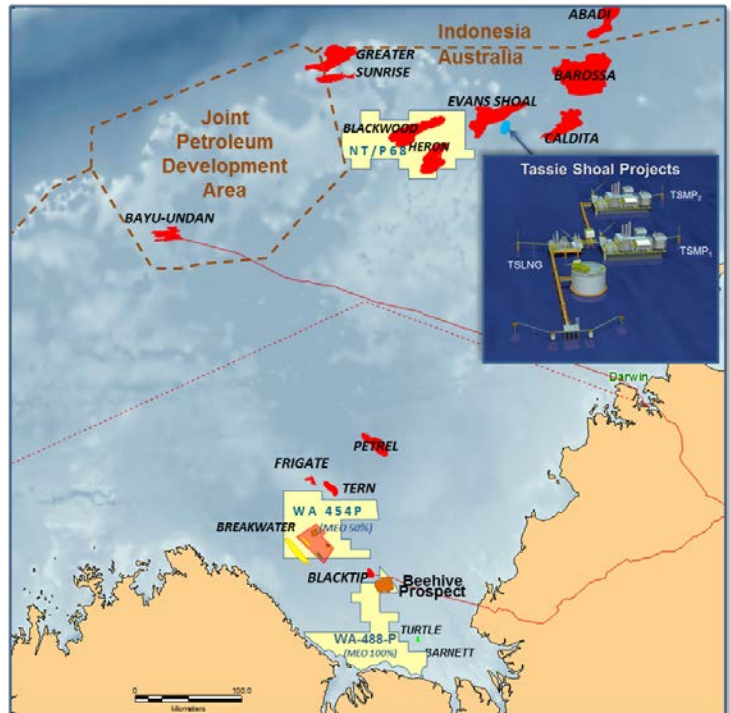


During the quarter, MEO continued business development activities, engaging with potential gas suppliers and potential Tassie Shoal Methanol Project partners.

MEO and representatives from one of its potential partners met with the Operator of the Evans Shoal Joint Venture. MEO and its partner reiterated that the previously proposed gas price of US\$3.15MMBTU (*Jan 2015 basis, raw unprocessed gas (including CO₂) delivered to TSMP plant gate*) was a competitive gas price on a global basis.

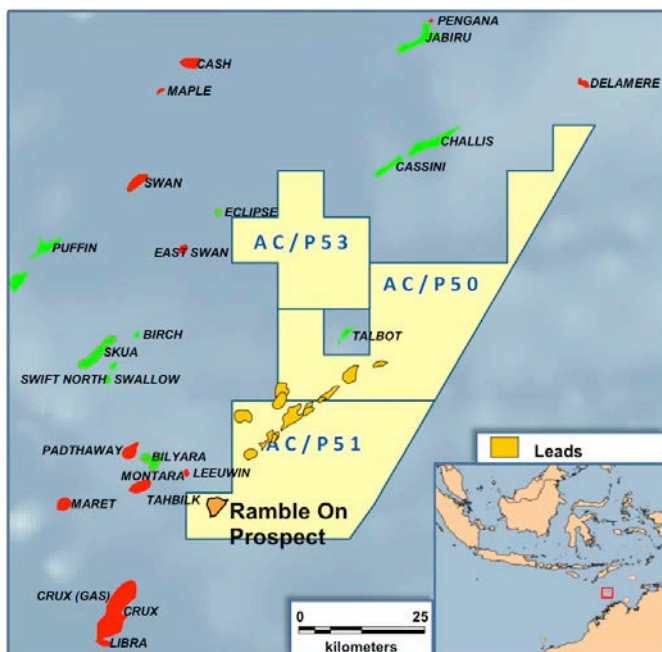
MEO's potential partner outlined to the Operator its potentially pivotal role in aggregating international equity investment in the midstream methanol production facility, contributing operational support and contracting all methanol supplies in binding offtake agreements.

A formal meeting between MEO and the Evans Shoal Joint Venture parties is pending the finalization of agreed confidentiality arrangements.



Ashmore Cartier Region, Timor Sea: Vulcan Sub-Basin

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



AC/P50 & AC/P51 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.

MEO also reprocessed the available 2D seismic data and achieved an improvement in seismic image quality. This resulted in the Ramble On prospect being identified together with a number of leads.

Identification of Ramble On is the result of applying new ideas to old basins. It represents a new play type that has proven analogues in other Basins. Naturally, any new play type in a region will initially be assigned a higher risk until that play type can be demonstrated to work.

During the quarter, MEO executed an option agreement with an international exploration company (the Farminee) providing the Farminee with an option to farm in to AC/P50 and/or AC/P51. The

Farminee has the option to conditionally acquire a 30% interest in the applicable permit and be obliged to fund 30% of the forward expenditure in the permit. The conditions to the potential farm in provide that if there is an unfavourable outcome from the permit renewal process the Farminee will be entitled to withdraw from either permit. The Farminee is currently undertaking its technical assessment of AC/P50 and AC/P51.

During the quarter MEO commenced the renewal process for both AC/P50 and AC/P51 including mandatory 50% relinquishment. MEO intends to relinquish 100% if it cannot negotiate a moderate 3 year work program with the regulator.

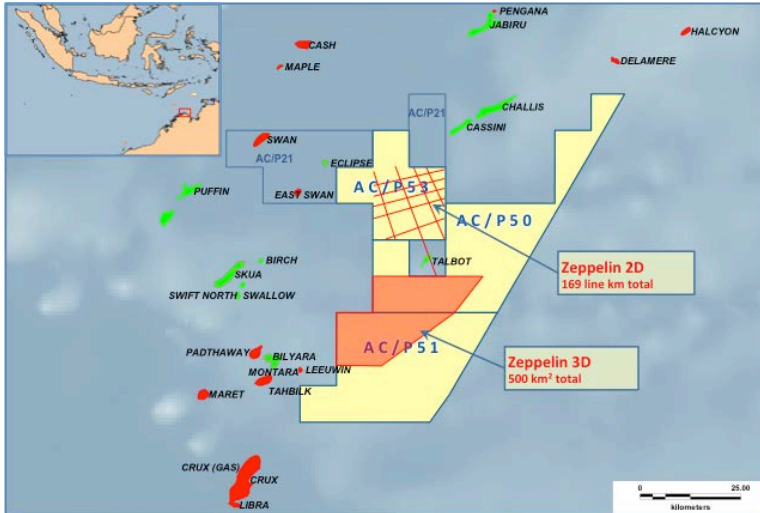
Indicative Activity Schedule

Permit	AC/P50	2013					2014					2015					
		Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	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
Operator	MEO																
Permit Year		5					6					1					
Work program		Studies					Studies					Pending renewal					
Permit renewal or relinquishment												<> <>					
Activities																	
Partial sale process		Partial sale					Partial sale										

Permit	AC/P51	2013					2014					2015					
		Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	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
Operator	MEO																
Permit Year		5					6					1					
Work program		74 km ² Multi Az reprocessin					Studies					Pending renewal					
Permit renewal or relinquishment												<> <>					
Partial sale process		Partial sale					Partial sale										

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.

There was no meaningful activity on this permit during the quarter.

Indicative Activity Schedule

Permit	AC/P53	2014				2015				2016							
		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
MEO PI	100%																
Operator	MEO																
Permit Year		4				5				6							
Work program		Studies				1 Well				Studies							
Permit relinquish election ^x						<>											
Activities																	
Zeppelin 2D - interpret		█															
Submit Permit variation application						<>				█							
Potential co-operation discussions						█											

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

North West Shelf: Offshore Carnarvon Basin

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



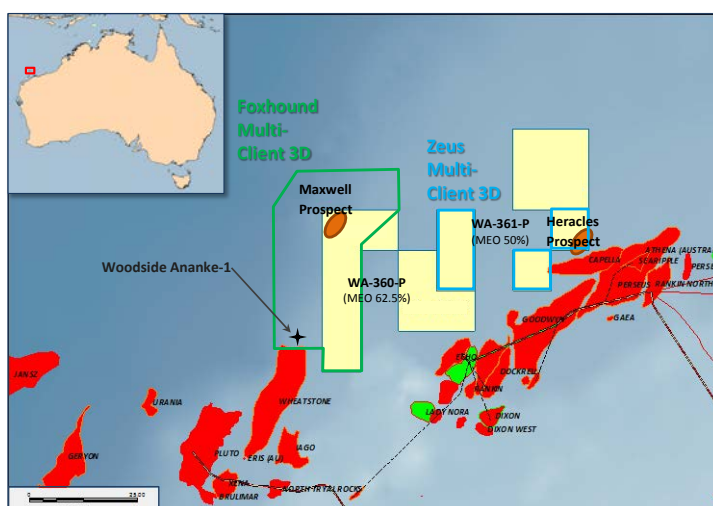
WA-360-P (MEO 62.5% & Operator)

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

MEO has made its participating interest in the permit available for sale.

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

The permit was renewed in early 2011 for five years. MEO has made its participating interest in the permit available for sale.



Indicative Activity Schedule

Permit MEO PI Operator	WA-360-P 62.5% MEO	2014			2015				2016								
		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
Permit Year		3			4				5								
Work program		3D interpretation			Studies				1 well ^x								
Activities		3D interpretation, studies			Studies												
		Partial sale process			Divestment												
		Permit relinquish election ^x							◀▶								

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

Permit MEO PI Operator	WA-361-P 50% MEO	2014			2015				2016								
		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
Permit Year		4			5				1								
Work program		3D interp, studies			Studies				Pending Renewal								
Relinquishment/renewal									◀▶								
Activities		Partial sale process			Divestment												