

ASX & Media Release

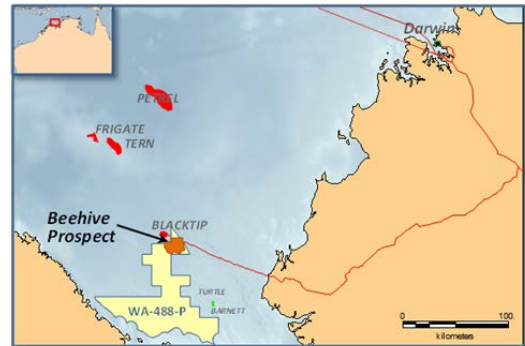
Successful WA-488-P Work Program Variation

Key Points:

- MEO has successfully applied for a 12 month suspension and extension of WA-488-P
- Additional seismic reprocessing and inversion to be undertaken to enhance Beehive prospect
- Potential drilling of Beehive prospect deferred 12 months until 2017

MELBOURNE, AUSTRALIA (9 December, 2015). MEO Australia Limited (ASX: **MEO**) advises that it has been notified by the National Offshore Petroleum Titles Administrator (NOPTA) of the approval of its application to vary the WA-488-P (MEO 100%) work program by suspending and extending Permit Year 2 by 12 months to 21 November 2016.

This additional time will provide an opportunity for MEO to undertake 150km of 2D broadband reprocessing and seismic inversion over the Beehive prospect. The potential drilling of the Beehive-1 exploration well has also been deferred 12 months until 2017. The details of the revised WA-488-P Work Program are listed below.



Revised WA-488-P Work Program (100% interest)

Year	Start Date	End Date	Minimum Work Requirements	Estimated Expenditure (indicative only)
2	22 May 2014	21 Nov 2016	Geological and Geophysical Studies Survey Data Proprietary Processing 150km 2D Broadband Reprocessing and Seismic Inversion	A\$200,000 A\$300,000 A\$150,000
3	22 Nov 2016	21 Nov 2017	One Exploration Well	A\$20,000,000
4	22 Nov 2017	21 Nov 2018	400km ² New Seismic Survey	A\$5,000,000
5	22 Nov 2018	21 Nov 2019	Geological and Geophysical Studies	A\$200,000
6	22 Nov 2019	21 Nov 2020	One Exploration Well	A\$20,000,000

MEO's MD & CEO Peter Stickland commented on the announcement:

"The Beehive prospect is one of the largest hydrocarbon structures in Australia and this work program variation is an important step for MEO to further enhance the characterisation of the feature. MEO will seek to farm down up to 80% of its interest in WA-488-P prior to potential drilling of Beehive, which is now anticipated in 2017."



Peter Stickland
Managing Director & Chief Executive Officer

WA-488-P Work Program Variation Approved

Background on Beehive Prospect

WA-488-P is located in the Petrel Sub-basin between the producing Blacktip gas field and the undeveloped Turtle and Barnett oil discoveries. WA-488-P has an area of 4,074 km².

Beehive is a potentially giant, dual objective prospect with a crest at 4,100m located in 40m water depth defined by a tight grid of high quality 2D seismic data. Beehive is suitable for drilling with either a semi-submersible or lower cost jack-up rig.

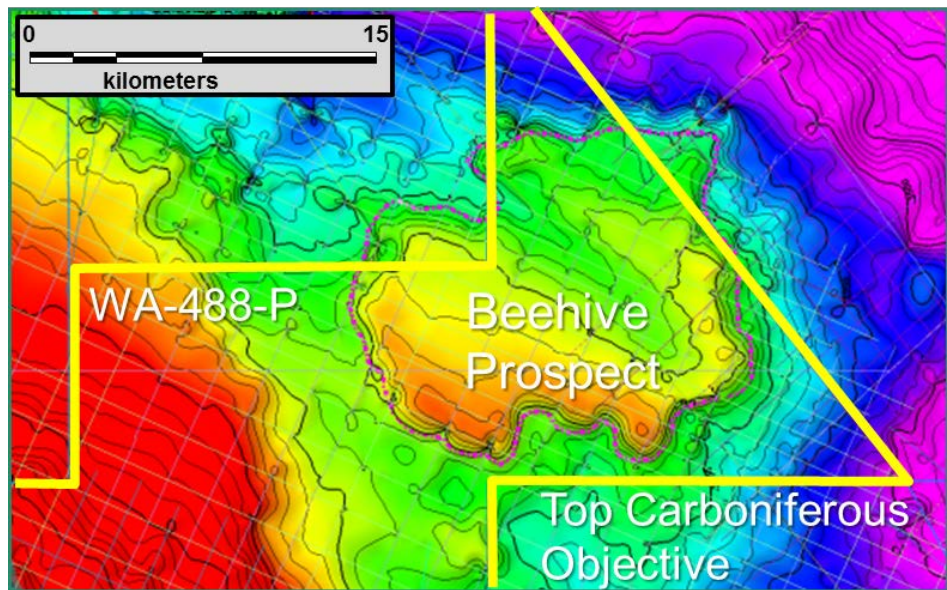


Figure 1: Beehive is a potentially giant structure

Beehive Prospective Resources (100%, unrisked)*

Beehive Prospect	CoS	Low	Best	Mean	High
Carboniferous (MMstb)	16%	104	598	925	2,182
Ordovician (MMstb)	8%	67	328	546	1,314

Prospective Resources Cautionary Statement: The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

The Carboniferous objective is a 140km² closure consisting of an isolated carbonate platform with 400m of mapped vertical relief. Beehive is analogous to the giant Tengiz carbonate build up field in the Caspian basin. The carbonate reservoir is also interpreted to be the same age as the 2011 Ungani-1 oil discovery in the Canning basin, which tested at 1,600 bopd demonstrating a high quality reservoir. Beehive is a much larger feature and has excellent access to the Lower Carboniferous source rock in adjacent depocentres. This play is undrilled in the Petrel Sub-basin.

The lower Ordovician objective is a 600km² “buried hill” closure with 1000+m of mapped vertical relief. This objective is analogous to the giant Ordovician karsted buried hill fields in the Tarim basin of northern China. The source for Beehive is contemporaneous with the Ordovician source that is being actively pursued in the Canning basin as an unconventional play. This play is also undrilled in the Petrel Sub-basin.