



Thursday 23 October 2008

**Meridian Petroleum plc**  
("Meridian" or "the Company")

**3D Seismic Contract Signed for Australian Licence**

***Next Step in assessing 150 million barrel Prospective Resource***

Meridian Petroleum, the oil and gas E&P company with producing assets in the US and exploration licences in Australia, announces that it has signed a contract with Terrex to acquire 88 square km of 3D seismic on its 100% owned PEL 82 licence in the Otway Basin, onshore South Australia.

The survey is expected to commence early in 2009 and is estimated to cost some US\$2.5 million.

RPS Energy, the independent petroleum consultant, has conducted a review of the information available on PEL 82. The key points from this review are as follows:-

- The PEL 82 licence is in an ideal position to benefit from hydrocarbon migration from the offshore, oil-prone, Morum sub-basin and Voluta trough
- The primary reservoir opportunity is the Flaxman-Waarre sands. On PEL 82 these sands are at their thickest level onshore, at drillable depths of around 2500 metres, and the licence area also has a thick seal of Belfast Mudstone overlying these reservoir sands
- Using reprocessed 2D seismic and 3D seismic from neighbouring areas, three significant potentially oil-bearing structures have been mapped and volumetrically assessed, also using additional data from the minor producing Caroline-1 well, north of PEL 82
- The resource estimates from this analysis indicate potential oil in place across the three structures of 440 to 840 million barrels with prospective resources on a best estimate basis of 150 million barrels

These estimates are highly prospective, with RPS currently risking the prospects as a 1 in 5 chance of success (COS), but the Board believes that the research undertaken to date indicates a significant opportunity for the Company and its shareholders, and justifies this investment in the 3D seismic survey. The survey will provide further high-quality information on these three structures, better guidance on possible drilling locations and potentially could improve the COS to 1 in 3. The Board is also encouraged by the work

done on the Otway Basin area by the South Australian Government geologists and the decision to auction additional licences in the area in November 2008.

Following the analysis of the 3D seismic data the Board will consider the next steps which may include bringing a partner into the licence. The licence is currently being held in suspension and expires in August 2009 at which time the Company intends to renew the licence for a further period of up to 5 years. As part of that process, Meridian expects to commit to drill a well on PEL 82 during the first year of renewal.

**Stephen Gutteridge, Chairman of Meridian Petroleum, said**

*“On 29 May 2008, we reported that we had received a further offer to purchase our Australian licences. With the Company performing strongly at the time, the Board decided to reject this offer, which was for several million dollars, and to proceed with the development of the licences for the benefit of our shareholders. A key factor in that decision was the significant potential in the PEL 82 licence and the signing of this seismic contract with Terrex is a key milestone in the unlocking of that potential.*

*“We remain very excited by this prospect and are looking forward to the results from the survey early in 2009.”*

To provide investors with more information on the PEL 82 licence and the scope of the 3D seismic, the Company has today posted the summary report by RPS Energy on its website: [www.meridianpetroleum.com](http://www.meridianpetroleum.com).

Ed Childers, the Company’s Chief Operating Officer, who meets the criteria of a qualified person under the AIM guidance note for mining and oil and gas companies, has reviewed and approved the technical information contained in this announcement.

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## Glossary

bbls	barrels of oil
Prospective resource	an estimate of the volume of hydrocarbons potentially recoverable from undiscovered accumulations
COS	Chance of Success – the probability of discovering hydrocarbons in sufficient quantity for them to be tested to the surface

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