

**1 September 2009**

**MERIDIAN PETROLEUM plc**  
(“Meridian” or “the Company”)

**Update on PEL 82 Licence, South Australia**

Meridian Petroleum (AIM : MRP), the oil and gas exploration and production company with producing assets in the USA and exploration licences in Australia, announces a further update on the next steps in the development of its PEL 82 licence in South Australia.

**Key Points**

- Further analysis of the 3D seismic data by the Company and its consultant geoscientists has identified a fifth Waarre sandstone trap bringing the total number of prospective Waarre/Flaxman structures to ten.
- Additionally, integration of the 3D data with the 2D seismic across the whole licence has identified a further interesting horst uplifted structure in the north of the licence, outside of the area covered by the 3D seismic.
- The proposal for renewal of the licence for a further 5 year period has been submitted to Primary Industries and Resources South Australia (“PIRSA”) for approval. The proposal clearly identifies the 50% of the total area of the licence to be compulsorily relinquished. All of the identified structures are within the 137 square kilometre retained area applied for. The proposal provides for a minimum 2 well drilling programme.
- Initial volumetric analysis of the ten Waarre/Flaxman structures has been carried out. This analysis provides a guide to the prospectivity of these structures and is particularly useful in identifying the most prospective locations for drilling. Two locations stand out; the Waarre 1 and overlying Flaxman 1 traps with estimated P50 resources\* of 32 million bbls of oil or 45 bcf of gas; and the Waarre 2 and overlying Flaxman 2 traps with estimated P50 resources\* of 40 million bbls of oil or 54 bcf of gas. These prospects are located only 25 kilometres from existing gas pipeline infrastructure.
- Excluding the horst uplifted structure, which may be sizeable, total estimated P50 resources\* for the ten targets are calculated as 133 million bbls of oil or 186 bcf of gas. These estimates are close to the previous estimates based on the 2D seismic published in October last year, but the more detailed data available from the 3D gives the Company greater confidence in the calculations. At this stage it is not possible to identify whether prospective resources\* would be oil, gas, or both.

- The Company is currently in discussion with a number of parties interested in participating in the further development of PEL 82 through a drilling programme.

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

“The volumetric analysis, now based on the more detailed 3D seismic, has confirmed the significant prospectivity in the PEL 82 licence, and the mapping of previously unidentified prospects is a bonus. We have also had the opportunity over the past two weeks to compare the PEL 82 geology with the prolific offshore Victoria Otway Basin and there is growing evidence that PEL 82 may be in the highly advantageous position of having offshore style plays in an onshore location.”

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*\* Prospective resources are quantities of hydrocarbons estimated to be potentially recoverable from undiscovered accumulations. As a general statement, prospective resources can only become reserves as a result of successful drilling.*

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.

The summary information in this update has been extracted from reports by independent qualified geoscientist consultants and reviewed by them. A number of map extracts from the reports are available on the Company's website [www.meridianpetroleum.com](http://www.meridianpetroleum.com)