

11 December 2007

**MERIDIAN PETROLEUM PLC**  
("Meridian" or the "Company")

**Update on Australian Assets**

Meridian Petroleum (AIM: MRP) announces that it has signed Heads of Agreement to sell its Australian assets to Eaton Equity Partners (BVI) Limited, a company in which Tony Mason, former CEO of Meridian Petroleum, has an interest.

Discussions on the detail of the commercial terms are at an early stage but the current proposal is for the consideration to comprise cash up front, deferred consideration in the form of a secured loan note, and a royalty on any future production from the licenses. The Company is currently engaging advisers to provide tax, legal and independent valuation advice.

Discussions between the parties are expected to continue into the first quarter of 2008 and may or may not lead to a final agreement.

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