



ASX Announcement

21 April 2009

Poseidon-1 Exploration Well in WA-315-P

Progress Report No 13

Karooon Gas Australia Ltd advises that as at 07:00 hours (WDT) today, Poseidon-1 was drilling ahead in 6" hole at 4683 mRT. Since the last report 7" liner has been set at 4588 mRT and the well has been drilled from 4580 mRT. The well has penetrated the top Upper Jurassic at 4619 mRT, approximately 31 m high to prediction. As expected, the well is drilling through the non reservoir section of the Upper Jurassic. Background gas readings in the non reservoir section have increased to 2.3%.

It is expected that primary reservoir target sandstones within the Upper and Middle Jurassic will be penetrated within the next 24 to 48 hours on a trouble free basis.

The Sedco-703 semi-submersible rig is drilling the exploration well, which is operated by ConocoPhillips.

Poseidon-1 is the first well in a multi- well drilling program in the Browse Basin permits WA-314-P, WA-315-P and WA-398-P by the Karoon/ConocoPhillips joint venture.

The Poseidon-1 well is located in WA-315-P, approximately 480km North of Broome, Western Australia. Poseidon -1, with a revised planned total depth of approximately 5050 m True Vertical Depth Sub Sea (TVDS) is targeting potential hydrocarbons in the Middle and Upper Jurassic sandstones.

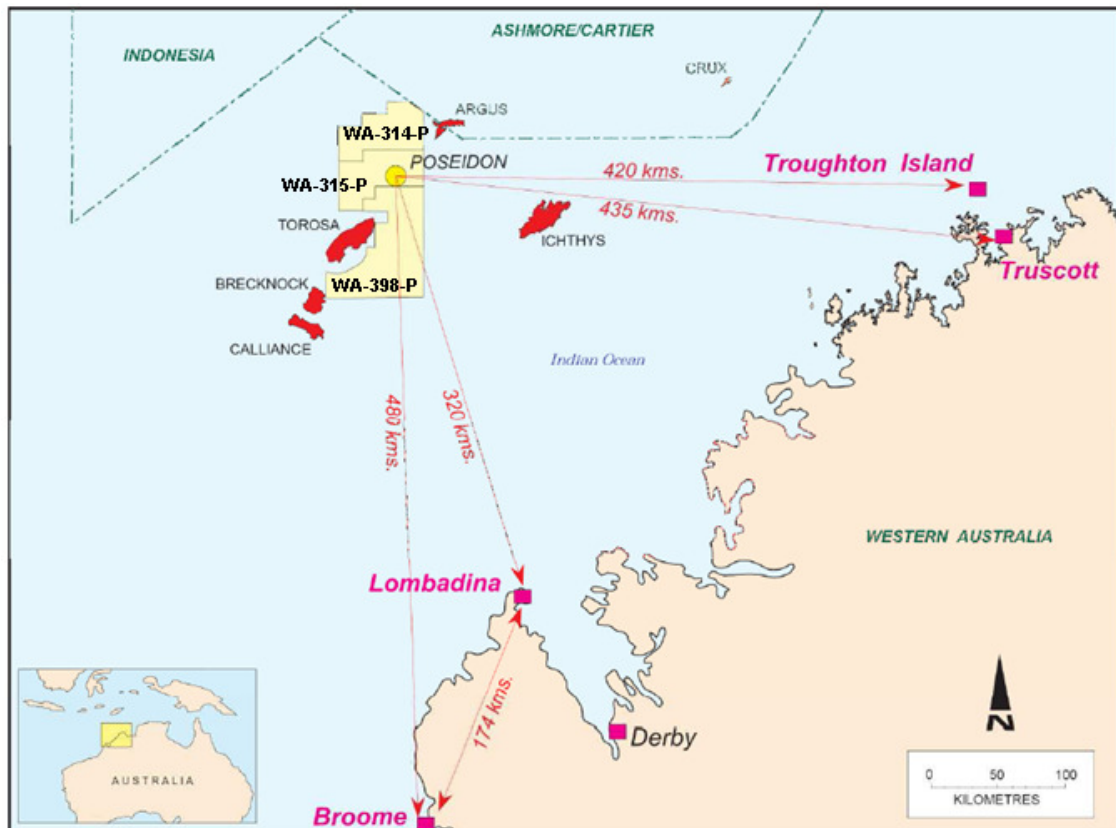
Karooon will issue further ASX releases after conclusive results are obtained.

Equity interests of the participants post farm-out in WA-314-P and WA-315-P are:

Karooon Gas Australia Ltd	49%
ConocoPhillips (Browse Basin) Pty Ltd	51%

Equity interests of the participants in WA-398-P are:

Karoon Gas Australia Ltd	40%
ConocoPhillips (Browse Basin) Pty Ltd	60%



Poseidon-1 Location:

Latitude: 13 deg 37' 22.46" S
Longitude: 122 deg 18' 25.82" E

Note: mRT = m rotary table (datum for drill depth measurement) = mTVDSS+25m

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