



ASX Announcement

29 October 2009

Poseidon-2 Exploration Well in WA-398-P

Progress Report No 4

Karooon Gas Australia Ltd advises that at 06:00 hours (WST) today, Poseidon-2 was drilling ahead at 3866 mRT in 12-1/4" hole. Since the last report, the well has been drilled from 2937 mRT.

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

Poseidon-2 is located in WA-398, on the southern flank of the north-east trending structural high of the greater Poseidon structure. The objective of the well is to test the extent, presence and quality of reservoirs down-dip from Poseidon-1 where the Plover Formation is interpreted to thicken. The well has a planned total depth of approximately 5300 mRT.

As with the recent gas discovery well, Poseidon-1, Poseidon-2 is planned to be plugged and abandoned following final well evaluation and production testing if applicable.

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

Karooon Gas (Browse Basin) Pty Ltd	40%
ConocoPhillips (Browse Basin) Pty Ltd	60%

Poseidon-2 Location:

Latitude: 13 deg 40' 07.13" S
Longitude: 122 deg 16' 32.25" E

Northing: 8 488 802 mN
Easting: 421 662 mE

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