

05 July 2013



ASX Announcement

Proteus-1 Exploration Well in WA-398-P Progress Report No 8

At 06:00 WST on the 5th of July preparations were being made to pressure test 7-5/8" liner in the Proteus-1ST1 borehole.

Since the last update, the 8-1/2" hole section was drilled from 4494m to 4561m before running and cementing the 7-5/8" liner. Drilling in the 6-1/2 hole section is expected to commence early next week.

ConocoPhillips is the operator of the jointly held WA-314-P, WA-315-P and WA-398-P Browse Basin permits containing the previously announced Greater Poseidon gas discoveries. Karoon Gas Australia Ltd holds a 40% equity interest in permit WA-315-P and WA-398-P, and a 90% interest in permit WA-314-P.

Proteus-1 is the third well in the exploration program. Proteus-1 is located in permit WA-398-P on a large tilted fault block approximately 14 kilometres south south east of the Poseidon-1 discovery well.

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

Upcoming Well Program

The exploration program, operated by ConocoPhillips, plans to utilize the Transocean Legend semi-submersible rig for the entire drilling campaign and is expected to continue through 2013.

A minimum of six wells will be drilled during the second phase Browse drilling campaign. The principal objective of the exploration program is to better define the size and quality of the hydrocarbon accumulations within the exploration permits which contain the Greater Poseidon trend.

Ongoing progress reports

In addition to complying with its continuous disclosure obligations, Karoon proposes to provide fortnightly progress reports during drilling operations.

For further information please see the Karoon website or contact:

Scott Hosking | Company Secretary
T: +613 5974 1044
E: shosking@karoongas.com.au

James Wootton | Investor Relations
T: +613 9616 7520
E: jwootton@karoongas.com.au

Ian Howarth | Collins Street Media
T: +614 0782 2319
E: ian@collinsstreetmedia.com.au