

11 June 2014



ASX Announcement

Director Resignation – Mr Stephen Power

Karooon is restructuring its Board of Directors to ensure the appropriate size, composition and skills mix to add value for shareholders as the Company moves into the appraisal and development phase.

As previously announced, the restructure process will include the retirement of one of Karoon's longest standing directors, Mr Stephen Power, along with the appointment of two new independent Directors. Karoon has committed to implementing these changes by the 2014 Annual General Meeting, which will result in an independent majority of Directors on the Board.

To this end, Karoon advises Non-Executive Director, Mr Stephen Power has resigned from the Board effective immediately. Mr Power will remain as a key advisor to the Board and a consulting lawyer on the current Australian, Brazilian and Peruvian assets' farmout negotiations.

Karooon's Executive Chairman, Mr Robert Hosking thanks Mr Power for his valued contribution and nine years of service on the Karoon Board.

"On behalf of the Board and management team, I would like to thank Stephen for his dedication and contribution since joining the Board in 2005. Stephen has been Karoon's legal Director, and a critical member of the negotiating and legal teams responsible for transactions worth approximately A\$1.5 billion to Karoon. These transactions include the Browse Basin farmout to ConocoPhillips, the Santos Basin farmout to Pacific Rubiales and the most recent Browse Basin permits' divestment to Origin Energy.

Stephen's resignation takes Karoon a step closer to its commitment of implementing an independent Board. And, most importantly, Karoon will not lose Stephen's legal and commercial experience as he will remain a consulting lawyer and advisor to the Board."

For further information please see the Karoon website or contact:

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