

12 November 2014

ASX Announcement



Appendix 3Y- Change in Director's Interest Notice

As a result of the approval of the issue of options at the Annual General Meeting of Shareholders, Mr Robert Hosking has been issued 424,310 Karoon Gas Australia Ltd unlisted employee share options.

Please find attached Appendix 3Y- Change of Director's Interest Notice.

For further information please see the Karoon website or contact:

Shareholder Enquiries

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Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

| | |
|-----------------------|-------------------------------------|
| Name of entity | Karoon Gas Australia Limited |
| ABN | 53 107 001 338 |

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

| | |
|----------------------------|-------------------|
| Name of Director | Mr Robert Hosking |
| Date of last notice | 5 September 2014 |

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

| | |
|---|---|
| Direct or indirect interest | Direct interest |
| Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small> | |
| Date of change | 5 November 2014 |
| No. of securities held prior to change | 11,874,462 Ordinary Fully Paid Shares. 600,000 options with an exercise price of \$9.95, expiring 01/05/2015. 200,000 options with an exercise price of \$10.98, expiring 01/05/2016. |
| Class | Unlisted Employee Share Option Plan ('ESOP') options. |
| Number acquired | 424,310 unlisted ESOP options with an exercise price of \$4.06, exercisable subject to the satisfaction of Key Performance Indicators. Escrow until 01/07/2017 and expiring 30/06/2018. |

| | |
|--|---|
| Number disposed | Nil |
| Value/Consideration <small>Note: If consideration is non-cash, provide details and estimated valuation</small> | Nil |
| No. of securities held after change | <p>11,874,462 Ordinary Fully Paid Shares.</p> <p>600,000 options with an exercise price of \$9.95, expiring 01/05/2015.</p> <p>200,000 options with an exercise price of \$10.98, expiring 01/05/2016.</p> <p>424,310 unlisted ESOP options with an exercise price of \$4.06, exercisable subject to the satisfaction of Key Performance Indicators. Escrow until 01/07/2017 and expiring 30/06/2018.</p> |
| Nature of change <small>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</small> | Issue of unlisted ESOP options. |

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

| | |
|---|--|
| Detail of contract | |
| Nature of interest | |
| Name of registered holder (if issued securities) | |
| Date of change | |
| No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small> | |
| Interest acquired | |
| Interest disposed | |

| | |
|--|--|
| Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation | |
| Interest after change | |

Part 3 – Closed period

| | |
|---|-----|
| Were the interests in the securities or contracts detailed above traded during a closed period where prior written clearance was required? | No |
| If so, was prior written clearance provided to allow the trade to proceed during this period? | n/a |
| If prior written clearance was provided, on what date was this provided? | n/a |