



3 September 2015

The Manager
Company Announcements Office
ASX Limited
Level 45, South Tower Rialto
525 Collins Street
MELBOURNE VIC 3000

Dear Sir / Madam

**Karoon Gas Australia Ltd ABN 53 107 001 338 (Karoon)
Continuation of On-market Share Buy-back**

Karoon advises that it intends to continue its on-market share buy-back.

During the past 12 month period, 9,396,922 Karoon ordinary shares have been bought back at an average price of \$3.27. This on-market share buy-back expired at the conclusion of the 12 month period on the 3rd September 2015 and a Final Share Buy-back Notice (Appendix 3F) is appended to this announcement

An Announcement of Buy-back (Appendix 3C) in relation to the continuation of the buy-back for a further 12 months (Continued Buy-Back) is also appended to this announcement.

Up to 24,684,235 Karoon ordinary shares can be acquired by Karoon over the next 12 months as part of the Continued Buy-Back. However, there is no guarantee that Karoon will buy-back the full share amount of up to 24,684,235 Karoon shares. Karoon reserves the right to suspend or terminate the Continued Buy-Back at any time and to buy-back less than 24,684,235 Karoon shares. The timing and actual number of shares purchased under the Continued Buy-Back will depend on the prevailing share price, market conditions and other considerations. All shares purchased under the Continued Buy-Back will be cancelled.

The earliest date that the Continued Buy-Back will commence is on 17 September 2015.

Yours faithfully

A handwritten signature in black ink, appearing to read 'S Hosking', written in a cursive style.

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Scott Hosking
Company Secretary

Appendix 3F

Final share buy-back notice (*except* minimum holding buy-back)

Introduced 1/9/99. Origin: Appendices 7D and 7E. Amended 30/9/2001, 11/01/10

Information and documents given to ASX become ASX's property and may be made public.

Name of entity	ABN/ARSN
Karoon Gas Australia Limited	53 107 001 338

We (the entity) give ASX the following information.

Description of buy-back

1	Type of buy-back	On-market buy-back
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Details of all shares/units bought back

2	Number of shares/units bought back	9,396,922
3	Total consideration paid or payable for the shares/units	30,702,360.63
4	If buy-back is an on-market buy-back - highest and lowest price paid	\$2.88 & \$3.98

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here: Date: 03/09/2015
(Director/Company secretary)

Print name: Scott Hosking
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Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity	ABN/ARSN
Karoon Gas Australia Limited	53 107 001 338

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	On market buy-back
2	+Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Ordinary Shares
3	Voting rights (eg, one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully paid
5	Number of shares/units in the +class on issue	246,842,356
6	Whether shareholder/unitholder approval is required for buy-back	Not required
7	Reason for buy-back	Ongoing capital management

Appendix 3C
Announcement of buy-back

8 Any other information material to a shareholder's/unitholder's decision whether to accept the offer (eg, details of any proposed takeover bid)

No

On-market buy-back

9 Name of broker who will act on the company's behalf

To be determined

10 Deleted 30/9/2001.

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11 If the company/trust intends to buy back a maximum number of shares - that number

Note: This requires a figure to be included, not a percentage.

24,684,235

12 If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention

12 months from the date of commencement of the buy-back

13 If the company/trust intends to buy back shares/units if conditions are met - those conditions

Not applicable

Employee share scheme buy-back

14 Number of shares proposed to be bought back

Not applicable

15 Price to be offered for shares

Not applicable

⁺ See chapter 19 for defined terms.

Selective buy-back

16 Name of person or description of class of person whose shares are proposed to be bought back

17 Number of shares proposed to be bought back

18 Price to be offered for shares

Equal access scheme

19 Percentage of shares proposed to be bought back

20 Total number of shares proposed to be bought back if all offers are accepted

21 Price to be offered for shares

22 ⁺Record date for participation in offer
Cross reference: Appendix 7A, clause 9.

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

Sign here: Date: 03/09/2015
(Director/Company secretary)

Print name: Scott Hosking
.....

⁺ See chapter 19 for defined terms.