

22<sup>nd</sup> October 2015



## ASX Announcement

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### Chairman's Address to Shareholders:

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Ladies and Gentlemen

It is my pleasure to welcome you to the 11<sup>th</sup> Annual General Meeting of Karoon. This is my first as your Chairman and I look forward to interacting with all of you to discuss your company's present and future prospects.

Today I am going to briefly outline the progress Karoon has made in the course of financial year 2015 in a number of areas. Our Managing Director, Robert Hosking, will then address you on our exploration and operational achievements and he will be followed by Mark Smith, our Exploration Director, who will take you through our projects individually. There will be an opportunity after these addresses for shareholders to ask questions.

Financial year 2015 was a very significant year for Karoon and it is my belief that it will prove to be a pivotal year in Karoon's history.

Firstly the sale of the Poseidon gas project in the Browse Basin of Western Australia, which was foreshadowed in last year's report was completed. Timing of the sale was crucial in terms of the subsequent significant fall in the oil price and the weakening in the Australian dollar to US dollar exchange rate. Completion of this transaction put Karoon in a particularly advantageous position to invest in its outstanding exploration portfolio.

Of particular significance here was the work conducted in the Santos Basin of Brazil. While our initial discovery, Kangaroo, was confirmed, a further even better discovery was made at Echidna. These excellent discoveries are likely to be fundamental in marking Karoon's progress from explorer to producer and Bob will discuss this in his presentation.

Finally, Karoon completed its review of the overall governance of the company in the course of 2015. The Board of the Company now consists of a majority of independent non-executive directors with me as a non-executive Chair. Additionally, a Risk and Governance Committee of the board was established and all of the policies and procedures of Karoon were reviewed, formalised and refreshed.

Ladies and Gentlemen it has been a pleasure for me to have been involved with such a professional, dedicated and dynamic team that Karoon represents over the past nine months or so. I commend the very interesting addresses you will now hear from Bob and Mark. I now invite Bob Hosking, our Managing Director, to address the meeting.

## **About Karoon Gas Australia Ltd**

Karoon Gas Australia Ltd is an international oil and gas exploration company with projects in Australia, Brazil and Peru and a member of the S&P/ASX 200 Index.

Karoon looks for high equity interests in early stage exploration opportunities containing large potential targets in basins with proven Petroleum Systems. Karoon strives to create shareholder value through the geotechnical work-up of the acreage, leveraging its high equity interests to explore and appraise these opportunities to achieve commercialisation.

While the company's core strategy is identifying off-shore early stage exploration opportunities, Karoon's longer-term strategy is to retain residual equity interests in the assets as they go into production.

**For further information please see the Karoon website or contact:**

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## **Forward looking statements**

This announcement may contain certain "forward-looking statements" with respect to the financial condition, results of operations and business of Karoon and certain plans and objectives of the management of Karoon. Forward looking statements can generally be identified by words such as 'may', 'could', 'believes', 'plan', 'will', 'likely', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties, which may include, but are not limited to, the outcome and effects of the subject matter of this announcement. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements.

You are cautioned not to place undue reliance on forward looking statements as actual outcomes may differ materially from forward looking statements. Any forward-looking statements, opinions and estimates provided in this announcement necessarily involve uncertainties, assumptions, contingencies and other factors, and unknown risks may arise, many of which are outside the control of Karoon. Such statements may cause the actual results or performance of Karoon to be materially different from any future results or performance expressed or implied by such forward looking statements. Forward-looking statements including, without limitation, guidance on future plans, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Such forward looking statements speak only as of the date of this announcement.

Karoon disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise.