

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 Ltd |
| 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 Mark Smith |
| Date of last notice | 17 th November 2017 |

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 |
| Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small> | |
| Date of change | 14 th September 2018 |

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|--|--|
| No. of securities held prior to change | <p>2,870,938 Ordinary Fully Paid Shares.</p> <p>490,909 unlisted ESOP options with an exercise price of \$3.04, exercisable subject to the satisfaction of key performance indicators and employment retention. Escrow until 01/07/2018 and expiring 30/06/2019.</p> <p>69,230 Performance Rights, exercisable subject to the satisfaction of key performance indicators and employment retention. Escrow until 01/07/2018 and expiring 30/06/2019.</p> <p>423,376 unlisted ESOP options with an exercise price of \$1.82, exercisable subject to the satisfaction of key performance indicators and employment retention. Escrow until 01/07/2019 and expiring 30/06/2020.</p> <p>192,758 Performance Rights, exercisable subject to the satisfaction of Key Performance Indicators and employment retention. Escrow until 01/07/2019 and expiring 30/06/2020.</p> <p>128,505 Performance Rights, exercisable subject to employment retention. Escrow until 01/07/2018 and expiring 30/06/2019.</p> <p>202,903 Performance Rights, exercisable subject to the satisfaction of key performance indicators and employment retention. Escrow until 01/07/2020 and expiring 30/06/2021.</p> <p>574,172 unlisted ESOP options with an exercise price of \$1.77, exercisable subject to the satisfaction of key performance indicators and employment retention. Escrow until 01/07/2020 and expiring 30/06/2021.</p> |
| Class | Unlisted Performance Rights and Employee Share Option Plan ('ESOP') options |
| Number acquired | |
| Number disposed | 69,230 Performance Rights cancelled 490,909 ESOP cancelled |
| Value/Consideration <small>Note: If consideration is non-cash, provide details and estimated valuation</small> | Nil |

| | |
|---|---|
| No. of securities held after change | <p>2,870,938 Ordinary Fully Paid Shares.</p> <p>423,376 unlisted ESOP options with an exercise price of \$1.82, exercisable subject to the satisfaction of key performance indicators and employment retention. Escrow until 01/07/2019 and expiring 30/06/2020.</p> <p>192,758 Performance Rights, exercisable subject to the satisfaction of Key Performance Indicators and employment retention. Escrow until 01/07/2019 and expiring 30/06/2020.</p> <p>128,505 Performance Rights, exercisable subject to employment retention. Escrow until 01/07/2018 and expiring 30/06/2019.</p> <p>202,903 Performance Rights, exercisable subject to the satisfaction of key performance indicators and employment retention. Escrow until 01/07/2020 and expiring 30/06/2021.</p> <p>574,172 unlisted ESOP options with an exercise price of \$1.77, exercisable subject to the satisfaction of key performance indicators and employment retention. Escrow until 01/07/2020 and expiring 30/06/2021.</p> |
| <p>Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</p> | Cancellation of Performance Rights and ESOP options due to performance conditions not being satisfied. |

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.

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

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

Part 3 – Closed period

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| Were the interests in the securities or contracts detailed above traded during a closed period where prior written clearance was required? | n/a |
| 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 |