
DIVERSITY POLICY

Commitment to Diversity

The Board and management of Karoon Gas Australia Ltd (**Karoon** or **Company**) are dedicated to delivering outstanding performance for investors and employees of Karoon. Karoon aspires to be a leader in its field while operating openly, with honesty, integrity and responsibility and maintaining a strong sense of corporate social responsibility in accordance with the values set out in its Code of Conduct. This policy has been developed to support Karoon's commitment to these values in relation to diversity, and to comply with the Corporate Governance Principles and Recommendations published by the ASX.

Responsibilities to Shareholders and Employees generally

Karoon is committed to delivering value to its shareholders and to endeavouring to provide a safe and inclusive place of work for its employees. Karoon acknowledges that workplace diversity will benefit both of these aims. Workplace diversity enables Karoon to recruit the best people from the widest possible pool of capable and qualified candidates. Organisational strength and problem solving is enhanced when the Company makes decisions with reference to a broad range of ideas, values and experiences.

Promotion of Diversity

Karoon aims to:

- Promote equal opportunity for all employees and officers at all levels.
- Provide equal opportunity to all qualified individuals, regardless of factors such as gender, domestic responsibilities, marital status, religion, race, ethnicity, language, sexual orientation, disability or age.
- Provide such opportunity with respect to recruitment at all levels of the Company, compensation and promotion, including promotion to management or board positions.
- Consider employees personal circumstances, including domestic responsibilities, and how the Company can support employees in managing these circumstances.
- Educate all staff of their rights and responsibilities with regard to diversity and promote this Diversity Policy and the Company's commitment to diversity, including by publication of this policy on the Company's website.
- Take into account this policy when conducting board, management, and employee annual performance evaluations.

How Karoon Monitors and Ensures Compliance

Karoon is committed to implementing this policy, both in Australia and internationally. Each individual in the Company is required to comply with the policy. If an employee is concerned that there has been a violation of this policy, he or she may report the concern in good faith to his or her superior. Any such report will be addressed, and no one making such a report will be subject to any form of retribution.

The Risk and Governance Committee will set measurable objectives for achieving gender diversity and will assess the objectives and Karoon's progress in achieving them.

The Risk and Governance Committee will consider whether the objectives of this policy are being met and whether there are any areas for improvement and report to the Board accordingly.

The Company will report on its achievements in promoting gender diversity and objectives for the future in each annual report.



Robert Hosking
Managing Director



David Klingner
Chairman

Approved by the Board on 9th July 2015