
EXTERNAL AUDITOR SELECTION POLICY

Selection of External Auditor

Should there be a vacancy for the position of external auditor, Karoon Gas Australia Ltd (“Karoon”), through the Audit Committee, conducts a formal tendering process.

Tenders are evaluated in accordance with criteria, as appropriate from time to time, provided to tenderers. Tenders are not assessed solely on the basis of price, but on a number of factors such as:

- Expertise and stability of the proposed team;
- Quality of assurance;
- Audit methodology;
- Independence of the audit firm;
- Accreditation and insurance;
- Value for money;
- Financial viability;
- Ethical behaviour and fair dealing; and
- Partner rotation and succession planning.

Appointment of External Auditor

Through the tendering process, the Audit Committee identifies and recommends an appropriate external auditor for appointment by the Board in conjunction with senior management. The appointment of the new auditor is confirmed by shareholders at the Annual General Meeting or another auditor is appointed.

Rotation of External Audit Partners

The external auditor is required to rotate its individual audit partners so that no partner of the external auditor plays a significant role (such as lead and review auditor) in the audit for more than 5 successive financial years. The individual auditor must have at least 2 successive years break. This requires succession planning on the part of the external auditor, a process in which Karoon is involved.



Robert Hosking
Managing Director



David Klingner
Chairman