

23 May 2013



ASX Announcement

Proteus-1 Exploration Well in WA-398-P Progress Report No 5

At 06:00 WST on the 23rd of May an 8-1/2" drilling assembly was being made up as final preparations are made to recommence drilling in the 8-1/2" hole section.

Since the last update the 8-1/2" hole section was drilled to a depth of 4740m where drilling difficulties halted progress. The 8-1/2" hole was then plugged back and preparations were made to sidetrack the well. A return to drilling is expected in the next 24 hours.

ConocoPhillips is the operator of the jointly held WA-314-P, WA-315-P and WA-398-P Browse Basin permits containing the previously announced Greater Poseidon gas discoveries. Karoon Gas Australia Ltd holds a 40% equity interest in permit WA-315-P and WA-398-P, and a 90% interest in permit WA-314-P.

Proteus-1 is the third well in the exploration program. Proteus-1 is located in permit WA-398-P on a large tilted fault block approximately 14 kilometres south south east of the Poseidon-1 discovery well.

The Transocean Legend semi-submersible rig is drilling the exploration well, which is operated by ConocoPhillips.

Upcoming Well Program

The exploration program, operated by ConocoPhillips, plans to utilize the Transocean Legend semi-submersible rig for the entire campaign and is expected to continue through 2013.

A minimum of six wells will be drilled during the second phase Browse drilling campaign. The principal objective of the exploration program is to better define the size and quality of the hydrocarbon accumulations within the exploration permits which contain the greater Poseidon trend.

Additional well locations for the remainder of the program will be announced as they obtain joint venture approval.

Ongoing progress reports

In addition to complying with its continuous disclosure obligations, Karoon proposes to provide fortnightly progress reports during drilling operations.

For further information please see the Karoon website or contact:

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