

19 April 2016



ASX Announcement

Clarification Statement Regarding New Guinea Energy's Investment in Karoon

Karoon Gas Australia Ltd (ASX: KAR) would like to clarify a recent media headline regarding New Guinea Energy Limited's (ASX: NGE) investment in Karoon announced on Monday, 18 April 2016.

New Guinea Energy announced that after the close of trading on 15 April 2016, it had made a \$3.55 million investment in Karoon Gas Australia Ltd.

This represents approximately 1% of Karoon's current shares on issue and less than 0.5% of Karoon's net assets as at 31 December 2015.

It was mistakenly reported that, "New Guinea Energy Acquires 18% Stake in Karoon Gas Australia Ltd". Karoon would like to highlight this headline is misleading and inaccurate.

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About Karoon Gas Australia Ltd

Karoon Gas Australia Ltd is an international oil and gas exploration company with projects in Australia, Brazil and Peru.

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.