KAROON
Gas Australia Ltd

3 June 2010

KAR South America New Estimates of Volume Certified by D&M – Risked Net Mean Prospective Resources of 577 Million boe.

Karoon is pleased to advise the results of an independent report on its Prospective Resources for the company's South American portfolio of exploration assets as completed by DeGolyer and MacNaughton ("D&M"). The report certifies the risked net mean prospective resources of 577 million Barrels of Oil Equivalent ("BOE"), as detailed in the table below:

DeGolyer & McNaughton Karoon Gas Resource estimate 30 May 2010	Low Estimate	Best Estimate	High Estimate	Mean Estimate	Risked Mean Estimate
Net Prospective Resources (million boe)	**877**	**1,784**	**3,631**	**2,080**	**577**

The report also summarises the net potential present worth of the prospective resources on a probabilistic basis and is summarised below on a potential present worth per barrel basis:

DeGolyer & McNaughton Karoon Gas Resource estimate 30 May 2010	Low Estimate	Best Estimate	High Estimate	Risked Mean Estimate
Potential present worth at 10% ($US / bbl)	**$3.72**	**$5.62**	**$8.48**	**$5.92**

The report was prepared by the international consulting company DeGolyer and MacNaughton (D&M) as at 30 May 2010. It includes the results of newly acquired and processed 2D seismic in Peru and reprocessed 3D seismic in Brazil.

The report updates the previous D&M report on the company's Net Risked Mean Prospective Resources estimate released in December 2009 of 570 million BOE.

The contingent and prospective resource estimates presented in the DeGolyer and MacNaughton report have been prepared in accordance with the Petroleum Resources Management System (**PRMS**) approved in March 2007 by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists, and the Society of Petroleum Evaluation Engineers.

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The PRMS reporting system provides uniform guidelines for the evaluation and reporting of petroleum reserves and resources. Under PRMS:

- "Prospective resource", as reported by DeGolyer and MacNaughton, are defined as those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects.

The prospective resources reported on by DeGolyer & MacNaughton are based on the statistical aggregation method. There is no certainty that any portion of the prospective resources estimated herein will be discovered.

Karoon has its main interests in the following key South American assets;

- In Brazil, Karoon holds 5 blocks (100% equity) in the Santos Basin, the same basin where the Tupi and Carioca discoveries (multi billion barrels of oil) were made recently by Petrobras.

- In Peru, Karoon is earning up to 75% equity in the 4,875 square km Block Z-38 in the Tumbes Basin. The similar adjoining Block Z1, has large multi TCF gas and oil fields

- In Peru, Karoon has 100% equity in this onshore Block 144 in the Maranon Basin, where the Situchi discovery (multi billion barrels of oil) discovery was recently made by Talisman.

Notes:

- Resource estimates are stated on a net to Karoon basis.

- Low, Best and High estimates means there is a 90%, 50% and 10% chance respectively that an estimated quantity of resource volume will be equalled or exceeded.

- Tcf means trillion cubic feet of gas.

- 1 Billion Barrel of Oil Equivalent("BBOE") is equivalent to 6 Tcf.

- A barrel is equivalent to 159 litres.

DeGolyer and MacNaughton is an international petroleum consulting firm with offices in the United States of America, Canada and Russia, who specialise in evaluation of reserves and resources for major oil and gas companies, governments, financial institutions and the investment industry. DeGolyer and MacNaughton have conducted assessments of and for the largest petroleum and financial companies in the world.

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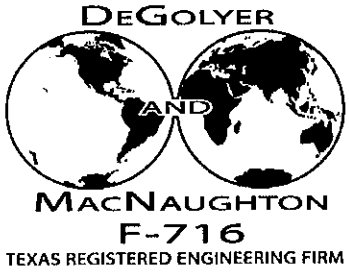

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REPORT
as of
MAY 30, 2010
on the
PROSPECTIVE RESOURCES
attributable to
CERTAIN OIL PROSPECTS
owned by
KAROON GAS AUSTRALIA LTD
in
VARIOUS LICENSE BLOCKS
BRAZIL and PERU

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FOREWORD

Scope of Investigation

This report presents estimates, as of May 30, 2010, of the prospective petroleum resources of ten prospects located in various license blocks in various basins of Brazil and Peru. This report is being prepared on behalf of Karoon Gas Australia Ltd (Karoon). Karoon currently owns various interests in these prospects under the terms of the exploration and production licenses issued (Table P1).

Karoon has represented that upon completion of the primary term of any current exploration and/or production license, it intends to secure an extension or additional license for any discovered prospect. Also, Karoon intends to proceed with development and operation of any discovered prospect. Based on these representations, we have included as resources certain quantities that may be produced after the expiration of the current primary license.

The prospective resources estimates presented in this report have been prepared in accordance with the Petroleum Resources Management System (PRMS) approved in March 2007 by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists, and the Society of Petroleum Evaluation Engineers. These

prospective resources definitions are discussed in detail in the Definition of Prospective Resources section of this report.

The prospective resource quantities in this report are expressed as gross and net prospective resources. Gross prospective resources are defined as the total estimated petroleum that is potentially recoverable after May 30, 2010. Net prospective resources are defined as the product of the gross prospective resources and Karoon's net interest. The prospects are located in various license blocks in various basins of Brazil and Peru.

The prospective resources estimated herein are those quantities of petroleum that are potentially recoverable from accumulations yet to be discovered. Because of the uncertainty of commerciality and the lack of sufficient exploration drilling, the prospective resources estimated herein cannot be classified as contingent resources or reserves. The prospective resources estimates in this report are not provided as a means of comparison to contingent resources or reserves. Tables 1 through 16 summarize the estimated prospective resources for 10 prospects, as of May 30, 2010.

At the request of Karoon, a model was prepared to estimate potential values that might be realized from the resources estimated herein should these resources be successfully discovered and developed. A possibility exists that the prospects will not result in successful discoveries and development, in which case there could be no potential present worth. There is no certainty that any portion of the prospective resources estimated herein will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources evaluated.

The potential values of the prospective resources estimated herein are expressed in terms of potential present worth. Potential present worth is defined as potential future net revenue discounted at a specified arbitrary discount rate compounded monthly over the expected period of realization. Potential future net revenue is that revenue that might be derived from the sale of the total estimated prospective resources recoverable after May 30, 2010, after deductions for operating expenses, capital costs, taxes, and royalties. In this report, potential present worth values were estimated using a discount rate of 10 percent. Values of potential present worth at 10 percent have been estimated by scenario based on deterministic and probabilistic economic modeling, field analogy, statistical analyses, and regional experience. A potential present worth per

prospective resources quantity methodology was utilized to develop a potential present worth estimate for the prospective resources probabilistically modeled. This methodology is discussed in more detail in the Valuation of Resources section of this report.

Potential present worth estimates are shown in this report for the prospective resources after adjustment for the probability of geologic and economic success in discovering and developing a commercially viable field. These potential present worth estimates are provided as a means of comparison to the potential present worth estimates of other resources and do not provide a means of direct comparison to the present worth estimates attributable to reserves or contingent resources. The probability adjustment process takes into account the probability of an economically viable discovery and the probability of development of the petroleum prospect.

These potential present worth estimates do not take into consideration the uncertainties associated with market and political conditions. The estimates are expressed in terms of potential present worth discounted at 10 percent. All potential present worth estimates presented in this report are expressed in United States dollars (U.S.$). The total failure scenario for potential present worth estimation recognizes the chance that zero wells encounter economic prospective resources. This probability of no positive present worth is intrinsic to all prospect portfolios.

Estimates of prospective resources should be regarded only as estimates that may change as additional information becomes available. Not only are such prospective resources estimates based on that information which is currently available, but such estimates are also subject to the uncertainties inherent in the application of judgmental factors in interpreting such information. Prospective resources quantities estimates should not be confused with those quantities that are associated with contingent resources or reserves due to the additional risks involved. The quantities that might actually be recovered should they be discovered and developed may differ significantly from the estimates presented herein.

Authority

This report was authorized by Mr. Edward Munks, Director, Karoon.

Source of Information

In the preparation of this report we have relied, without independent verification, upon information, including maps and available seismic data, furnished by or on behalf of Karoon with respect to the property interests to be evaluated, subsurface data as they pertain to the target objectives and prospects, and various other information and technical data that were accepted as represented. This report was based on data available as of May 15, 2010.

GEOLOGY

Five prospects have been identified in the Santos Basin of Brazil. Five prospects have been identified in the Tumbes and Maranon Basins of Peru. A geologic description follows.

Brazil

Morro da Igreja East (Beta) Oil Prospect

Targets within this oil prospect are sandstones of various age that are vertically stacked, from the deeper Late Santonian to Early Campanian (Itajai Formation) and the shallower Oligocene (Marambaia Formation). The prospect is a structural fault-bounded trap with three-way dip closure to the east, northeast, and southeast. Thick intra-formational claystones provide top and base seals and a lateral cross-fault seal. Source rocks are the Barremian-age Guaratiba Formation, lacustrine shales within the pre-salt interval, and the Albian marine shales of the Garuja Formation in the post-salt interval. The migration pathway from the pre-salt source rocks is interpreted to be through salt thins or "windows" up into the post-salt interval where, in conjunction with the Albian source rocks, migration is vertically focused (due to favorable dipping beds) to the prospect. Direct hydrocarbon indicators (DHIs) are observed with conformance fit to structure in all of the potential targets.

Monte Roriama South (Charlie Theta) Oil Prospect

Targets within this oil prospect are sandstones of the Oligocene (Marambaia Formation). The prospect's trap is defined as a combined structural three-way dip closure with fault closure to the west and three-way dip closure to the south, southwest, and southeast. The reservoirs are sealed by intra-formational shales that provide top, base, and lateral cross fault seals and by an updip seal against salt of the older Aptian-age Ariri Formation that resulted from diapiric salt formation. Source rocks are the Barremian-age Guaratiba Formation, lacustrine shales within the pre-salt interval, and the Albian marine shales of the Garuja Formation in the post-salt interval. The migration pathway from the pre-salt source rocks is interpreted to be through salt thins or "windows" up into the post-salt interval where, in conjunction with the Albian source rocks, migration is vertically focused (due to favorable dipping beds) to the prospect. DHIs are observed with fit to structure at the target level, which is consistent with fluids in the reservoir at these depths.

Pre Salt Oil Prospect

Targets within this oil prospect are the Barremian Stromatolotic Carbonates. The prospect is a structural trap. Source rocks are the Barremian lacustrine shales of the Guaratiba Formation. These reservoirs are sealed by Aptian salt of the Ariri Formation. The migration pathway is interpreted to be lateral to the main basement high underlying the Karoon blocks. Significant overpressure is expected and presents a drilling risk as well as a hydrocarbon column height limitation.

Pico do Jaragua East (Alpha) Oil Prospect

Targets within this oil prospect are sandstones of various age that are vertically stacked, from the deeper Late Santonian to Early Campanian (Itajai Formation) and the shallower Maastrichtian (Santos Formation). The prospect is a structural fault-bounded trap with three-way dip closure to the east, northeast, and southeast. Thick intra-formational claystones provide top and base seals and a lateral cross fault seal. Source rocks are the Barremian-age Guaratiba Formation, lacustrine shales within the pre-salt interval, and the Albian marine shales of the Garuja Formation in the post-salt interval. The migration pathway from the pre-salt source rocks is interpreted to be through salt thins or "windows" up into the post-salt interval where, in conjunction with the Albian source rocks, migration is vertical focused (due to favorable dipping beds) to the prospect. DHIs are observed with conformance fit to structure in all of the potential targets.

Monte Roriama Oil Prospect

Targets within this oil prospect are the Maastrichtian sandstones. The prospect is a combined structural/stratigraphic trap. Source rocks are the Barremian lacustrine shales of the Guaratiba Formation. The reservoirs are sealed by Maastrictian shales of the Jurea Formation. The migration pathway is interpreted to be through salt thins or "windows" and then primarily vertical along the face of a salt diapir. DHIs are observed with conformance to structure.

Peru

A Oil Prospect

Prospect A is a Late Miocene-Pliocene fault trap. The potential targets are Late Miocene Tumbes Formation reservoir sands sealed vertically and laterally by Pliocene Mal Pelo Formation or Late Miocene Tumbes Formation intraformational mudstones. Secondary targets are present in the overlying Pliocene Mal Pelo Formation. Oligocene Heath Formation source rocks are presently in the expulsion window. Vertical migration is affected through faults. Amplitude anomalies are recognized within the shallow Mal Pelo Formation horizons.

B Oil Prospect

Prospect B is a thrust- or wrench-related structure. The potential targets are Late Miocene Tumbes Formation reservoir sands sealed vertically by Pliocene Mal Pelo or Late Miocene Tumbes Formation intraformational mudstones. Secondary targets are present in the underlying Pliocene Middle Miocene Zorritos Formation. The structure is situated adjacent to the putative hydrocarbon kitchen where modeling suggests Oligocene Heath Formation source rocks are presently expelling oil and gas. Vertical migration is affected through faults.

G Oil Prospect

Prospect G is a faulted anticline. The potential targets are Middle Miocene Zorritos Formation sands vertically sealed by Middle Miocene Cardolitos Formation shales. Secondary targets are present in the overlying Late Miocene Tumbes and Pliocene Mal Pelo Formations. Oligocene Heath Formation source rocks are presently expelling oil and gas. Vertical migration is affected through faults.

B 144 Oil Prospect

Targets within this oil prospect are the Upper Cretaceous sandstones at the Pozo and Vivian Formations. The prospect is a structural trap. Source rocks are the Turonian marine shales of the Chonta Formation. These reservoirs are sealed by Upper Cretaceous shales. The migration pathway is interpreted to be lateral from the north.

D Oil Prospect

Prospect D is a faulted anticline. The potential targets are Middle Miocene Zorritos Formation sands vertically sealed by Middle Miocene Cardolitos Formation shales. Secondary targets are present in the overlying Late Miocene Tumbes and Pliocene Mal Pelo Formations. Oligocene Heath Formation source rocks are presently in the expulsion window. Vertical migration is affected through faults.

DEFINITION of PROSPECTIVE RESOURCES

Petroleum resources included in this report are classified as prospective resources and have been prepared in accordance with the PRMS approved in March 2007 by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists, and the Society of Petroleum Evaluation Engineers. The prospective resources estimated herein cannot be classified as contingent resources or reserves. The petroleum resources are classified as follows:

> *Prospective Resources* – Those quantities of petroleum that are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects.

The estimation of resources quantities for a prospect is subject to both technical and commercial uncertainties and, in general, may be quoted as a range. The range of uncertainty reflects a reasonable range of estimated potentially recoverable volumes. In all cases, the range of uncertainty is dependent on the amount and quality of both technical and commercial data that are available and may change as more data become available.

> *Low, Best, High, and Mean Estimates* – Estimates of petroleum resources in this report are expressed using the terms low estimate, best estimate, high estimate, and mean estimate to reflect the range of uncertainty.

A detailed explanation of the probabilistic terms used herein and identified with an asterisk (*) is included in the Glossary of Probabilistic Terms in the appendix bound with this report. For probabilistic estimates of petroleum resources, the low estimate reported herein is the P_{90}* quantity derived from probabilistic analysis. This means that there is at least a 90-percent probability that, assuming the prospect is discovered and developed, the quantities actually recovered will equal or exceed the low estimate. The best (median) estimate is the P_{50}* quantity derived from probabilistic analysis. This means that there is at least a 50-percent probability that, assuming the prospect is discovered and developed, the quantities actually recovered will equal or exceed the best (median) estimate. The high estimate is the P_{10}* quantity derived from probabilistic analysis. This means that there is at least a 10-percent probability

that, assuming the prospect is discovered and developed, the quantities actually recovered will equal or exceed the high estimate. The expected value* (EV), an outcome of the probabilistic analysis, is used for the mean estimate.

Uncertainties Related to Prospective Resources – The volume of petroleum discovered by exploration drilling depends on the number of prospects that are successful as well as the volume that each success contains. Reliable forecasts of these volumes are, therefore, dependent on accurate predictions of the number of discoveries that are likely to be made if the entire portfolio of prospects is drilled. The accuracy of this forecast depends on the portfolio size, and an accurate assessment of the probability of geologic success* (P_g).

Probability of Geologic Success – P_g is defined as the probability of discovering reservoirs that flow petroleum at a measurable rate. P_g is estimated by quantifying the probability of each of the following individual geologic factors: trap, source, reservoir, and migration. The product of these four probabilities or chance factors is computed as P_g.

In this report estimates of prospective resources are presented both before and after adjustment for P_g. Total prospective resources estimates are based on the probabilistic summation of the volumes for the total inventory of prospects.

Application of P_g to estimate the P_g-adjusted prospective resources volumes does not equate prospective resources with reserves or contingent resources. P_g-adjusted prospective resources volumes cannot be compared directly to or aggregated with either reserves or contingent resources. Estimates of P_g are interpretive and are dependent on the quality and quantity of data currently made available. Future data acquisition, such as additional drilling or seismic acquisition, can have a significant effect on P_g estimation. These additional data are not confined to the report area, but also include data from similar geologic settings or technological advancements that could affect the estimation of P_g.

Predictability versus Portfolio Size – The accuracy of forecasts of the number of discoveries that are likely to be made is constrained by the number of prospects in the exploration portfolio. The size of the portfolio and P_g together are helpful in gauging the limits on the

reliability of these forecasts. A high P_g, which indicates a high chance of discovering measurable petroleum, may not require a large portfolio to ensure that at least one discovery will be made (assuming the P_g does not change during drilling of some of the prospects). By contrast, a low P_g, which indicates a low chance of discovering measurable petroleum, could require a large number of prospects to ensure a high confidence level of making even a single discovery. The relationship between portfolio size, P_g, and the probability of a fully unsuccessful drilling program that results in a series of wells not encountering measurable hydrocarbons is referred to herein as the predictability versus portfolio size relationship* (PPS). It is critical to be aware of PPS, because an unsuccessful drilling program, which results in a series of wells that do no encounter measurable hydrocarbons, can adversely affect any exploration effort, resulting in a negative present worth.

For a large prospect portfolio, the P_g-adjusted mean estimate of the prospective resources volume should be a reasonable estimate of the recoverable petroleum quantities found if all prospects are drilled. When the number of prospects in the portfolio is small and the P_g is low, the recoverable petroleum actually found may be considerably smaller than the P_g-adjusted best estimate would indicate. It follows that the probability that all of the prospects will be unsuccessful is smaller when a large inventory of prospects exist.

Prospect Technical Evaluation Stage – A prospect can often be subcategorized based on its current stage of technical evaluation. The different stages of technical evaluation relate to the amount of geologic, geophysical, engineering, and petrophysical data as well as the quality of available data.

Prospect – A prospect is a potential accumulation that is sufficiently well defined to be a viable drilling target. For a prospect, sufficient data and analyses exist to identify and quantify the technical uncertainties, to determine reasonable ranges of geologic chance factors and engineering and petrophysical parameters, and to estimate prospective resources.

Lead – A lead is less well defined and requires additional data and/or evaluation to be classified as a prospect. An example would be a poorly

defined closure mapped using sparse regional seismic data in a basin containing favorable source and reservoir(s). A lead may or may not be elevated to prospect status depending on the results of additional technical work. A lead must have a P_g equal to or less than 0.05 to reflect the inherent technical uncertainty.

Play – A project associated with a prospective trend of potential prospects, but which requires more data acquisition and/or evaluation in order to define specific leads or prospects.

Threshold Economic Field Size – The threshold economic field size (TEFS) is the minimum amount of the producible petroleum required to recover the total capital and operating expenditure used to establish the potential accumulation as having a potential present worth equal to zero.

Probability of Economic Success – The probability of economic success (P_e) is defined as the probability that a given discovery will be economically viable. It takes into account P_g, TEFS, P_{TEFS}, capital costs, operating expenses, the proposed development plan, the economic model (discounted cash flow analysis), and other business and economic factors. P_e is calculated as follows:

$$P_e = P_g \times P_{TEFS}$$

Probability of Threshold Economic Field Size – The probability of threshold economic field size (P_{TEFS}) is defined as the probability of discovering an accumulation that is large enough to be economically viable. P_{TEFS} is estimated by using the prospective resources potential recoverable quantities distribution in conjunction with the TEFS. The probability associated with the TEFS can be determined graphically from the potential gross recoverable quantities distribution.

ESTIMATION of RESOURCES

Estimates of prospective resources were prepared by the use of standard geological and engineering methods generally accepted by the petroleum industry. The method or combination of methods used in the analysis of the reservoirs was tempered by experience with similar reservoirs, stage of development, and quality and completeness of basic data.

The probabilistic analysis of the prospective resources in this report considered the uncertainty in the amount of petroleum that may be discovered, and the P_g. The uncertainty analysis addresses the range of possibilities for any given volumetric parameter. Low, best, high, and mean estimates of prospective resources were prepared to address this uncertainty. The P_g analysis addresses the probability that the identified prospect will contain petroleum that flows at a measurable rate. The P_e analysis addresses the probability that the prospective resources will be economically viable.

Standard probabilistic methods were used in the uncertainty analysis. Probability distributions were estimated from representations of porosity, petroleum saturation, net hydrocarbon thickness, geometric correction factor*, recovery efficiency, fluid properties, and productive area for each prospect. These representations were prepared based on known data, analogy, and other standard estimation methods including experience. Statistical measures describing the probability distributions of these representations were identified and input to a Monte Carlo simulation to produce low estimate, best estimate, high estimate, and mean estimate prospective resources for each prospect

In this report, 10 potential accumulations are referred to as prospects to reflect the current stage of technical evaluation.

Quantitative Risk Assessment and the Application of P_g

Minimum, modal, and maximum representations of productive area were interpreted from maps, available seismic data, and/or analogy. Low, mean, and high representations for the petrophysical parameters (porosity, petroleum saturation, and net hydrocarbon thickness), and engineering parameters (recovery efficiency and fluid properties) were also made based on available well data, regional data, analog field data, and global experience. Individual probability distributions for net

rock volume and petrophysical and engineering parameters were produced from these representations and are summarized in Table 5.

The distributions for the variables were derived from (1) scenario-based interpretations, (2) the geologic, geophysical, petrophysical, and engineering data available, (3) local, regional, and global knowledge, and (4) field and case studies in the literature. The parameters used to model the recoverable volumes were productive area, net hydrocarbon thickness, geometric correction factor, porosity, petroleum saturation, formation volume factor, and recovery efficiency. Minimum, mean, and maximum representations were used to statistically model and shape the input P_{90}, P_{50}, and P_{10} parameters. Productive area and net hydrocarbon thickness were modeled using truncated lognormal distributions. Truncated normal and triangular distributions were used to model geometric correction factor, formation volume factor, and recovery efficiency. Porosity and petroleum saturation were modeled using truncated normal distributions. Latin hypercube sampling was used to better represent the tails of the distributions.

Each individual volumetric parameter was investigated using a probabilistic approach with attention to variability. Deterministic data were used to anchor and shape the various distributions. The net rock volume parameters had the greatest range of variability, and therefore had the greatest impact on the uncertainty of the simulation. The volumetric parameter variability was based on the structural and stratigraphic uncertainties due to the depositional environment and quality of the seismic data. Analog field data were statistically incorporated to derive uncertainty limits and constraints on the net pore volume. Uncertainty associated with the depth conversion, seismic interpretation, gross sand thickness mapping, and net hydrocarbon thickness assumptions were also derived from studies of analogous reservoirs, multiple interpretive scenarios, and sensitivity analyses.

A P_g analysis was applied to estimate the volumes that may actually result from drilling these prospects. In the P_g analysis, the P_g estimates were made for each prospect from the product of the probabilities of the four geologic chance factors: trap, reservoir, migration, and source.

Estimates of gross and net prospective oil, resources and the P_g estimates, as of May 30, 2010, evaluated herein are shown in Tables 1 and 2. The P_g-adjusted mean estimate of the prospective resources was then

derived by the probabilistic product of P_g and the resources distributions for the prospect. These results were then stochastically summed (zero dependency) to produce the total P_g-adjusted mean estimate prospective resources.

Application of the P_g factor to estimate the P_g-adjusted prospective resources volumes does not equate prospective resources with reserves or contingent resources. P_g-adjusted estimates of prospective resources volumes cannot be compared directly to or aggregated with either reserves or contingent resources. Estimates of P_g are interpretive and are dependent on the quality and quantity of data currently available. Future data acquisition, such as additional drilling or seismic acquisition can have a significant effect on P_g estimation. These additional data are not confined to the area of report, but also include data from similar geologic settings or from technological advancements that could affect the estimation of P_g.

Application of P_e

TEFS required for prospect success was also estimated. TEFS was used to truncate and redistribute the estimated prospective resources probability distributions. The truncated, TEFS-adjusted, P_e-adjusted estimates of the prospective resources were then estimated by the probabilistic product of P_e and the truncated, TEFS-adjusted prospective resources distributions for each of the individual prospects. These results were then stochastically summed (zero dependency) and redistributed to produce the truncated, TEFS-adjusted, P_e-adjusted prospective resources estimates.

Estimates, as of May 30, 2010, of the truncated, TEFS-adjusted, P_e-adjusted gross and net prospective oil resources evaluated herein are summarized in Tables 3 and 4.

Application of the P_e factor to estimate the P_e-adjusted prospective resources volumes does not equate prospective resources with contingent resources or reserves. Estimates of P_e are interpretive and are dependent on the quality and quantity of data currently available. Future data acquisition, technical developments, or favorable economic scenarios can have a significant effect on P_e estimation. These additional data are not confined to the area of report, but also include data from similar geologic settings or technological advancements that could affect the estimation of P_e.

VALUATION of RESOURCES

The estimates of potential present worth of future net revenue discounted at 10 percent that could be realized for the prospective resources estimated in this report are dependent on the successful discovery and development of the prospects evaluated herein. The estimated potential present worth of the prospective resources evaluated in this report is to be used for comparison and ranking of these prospective resources against other prospective resources only. The estimated potential present worth for the prospective resources cannot be compared directly to, equated with, or aggregated with the present worth estimates that could be realized from contingent resources or reserves, nor are these potential present worth estimates an assessment of the fair market value of the properties evaluated herein.

At the request of Karoon, deterministic and probabilistic methodologies were used to estimate potential present worth that could be realized should the prospective resources estimated herein be both successfully discovered and developed.

Probabilistic methods were used to estimate the potential prospective resources quantities. Deterministic models incorporated various economic factors and development practices based on the potential probabilistic prospective resources quantities estimated. The following were estimated deterministically: operating expenses, capital costs, prices (U.S.$60.00 low estimate, U.S.$80.00 mean estimate, and U.S.$100.00 high estimate per barrel for Brent crude, not escalated, potential production, depreciation, taxes, time value of money, field life, exploration well costs, development timing, and abandonment costs, with consideration of other factors. These economic factors and development practices are summarized in Tables 7 through 16. The Karoon data were modeled using a potential present worth discount rate of 10 percent for various field sizes and field development maturity. These data inherently contain variation in the economic assumptions, transportation, drilling, and other infrastructure installation costs. These deterministically estimated economic schedules allowed for the deterministic estimation of potential present worth per unit of resources based on three prospective resources quantity estimates: low, mean, and high. These three deterministic-based potential present worth per unit of resources (low, mean, and high) estimates were used to construct potential present worth per unit of resources distributions. These distributions were used to assign potential value assuming the successful discovery and development of each respective prospect.

The estimates of potential present worth that could be realized for the truncated, TEFS-adjusted mean estimate prospective resources are presented after adjustment for P_e. Potential present worth per barrel was used in the quantitative risk assessment in conjunction with the truncated, TEFS-adjusted P_e-adjusted prospective resources to estimate potential present worth. (The Glossary of Probabilistic Terms bound with this appraisal presents relevant equations and definitions).

The potential present worth per barrel methodology is a probabilistic estimation. Therefore, the potential present worth per barrel is expressed as a distribution rather than a single value. Probabilistic outcomes involve thousands of iterations using distributions. Deterministic estimations and related mathematical operations (addition, subtraction, multiplication, and division) cannot be performed on prospective resources distributions or potential present worth per barrel distributions. Any such calculation produces invalid results that are not comparable to the probabilistic outcomes estimated herein. Such calculations and comparisons to these probabilistic outcomes must be avoided.

Potential present worth for the truncated, TEFS-adjusted, P_e-adjusted gross prospective resources has been estimated by deriving a potential present worth value at 10 percent versus various-sized field developments based on economic modeling results. Estimated potential present worth for the gross prospective resources considered the timing and costs of exploration, appraisal and development costs, and other information depending on the prospect.

Potential present worth estimation considers potential exploration success against potential exploration failure. Exploration success probabilistically blends TEFS, P_e-adjusted volumes, net ownership, and potential present worth per barrel. Exploration failure probabilistically blends the probability of economic failure and the exploration dry hole cost. The resulting estimation of volumes, probabilities of economic success and failure, ownership, and exploration drilling costs can range from positive potential present worth to negative potential worth. For example, a negative potential present worth could result for a prospect with a small truncated, TEFS-adjusted volume, a low P_e, a low-to-moderate positive potential present worth per barrel of oil equivalent, and a high exploration well cost. Consideration of the "failure leg" for any exploration appraisal estimation is standard industry practice. A detailed

explanation of the relevant variables and formula is presented under the definition of Potential Present Worth in the Glossary of Probabilistic Terms bound with this report.

The estimated prospective resources TEFS is summarized on Table P1. Truncated lognormal distributions of potential present worth per barrel were used in the simulation. For each prospect, the input mean potential present worth per barrel are summarized in Table P1.

The estimated potential present worth, expressed in thousands of U.S.$, of the truncated, TEFS-adjusted, P_e-adjusted gross prospective resources attributable to the license area if the prospects were successfully discovered and developed, are summarized in Table 6.

Application of P_e to estimate the P_e-adjusted prospective resources does not equate prospective resources and their associated values with contingent resources or reserves. P_e-adjusted prospective resources quantities and their associated values cannot be compared directly to or aggregated with either contingent resources or reserves and their associated values.

Estimates of P_e are interpretive and are dependent on the quality and quantity of data currently made available. Future changes in the fiscal environment and/or the infrastructure of the area can change these values significantly.

There is no certainty that any portion of the prospective resources estimated herein will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources evaluated.

SUMMARY and CONCLUSIONS

Prospective resources in 10 prospects have been identified in various license blocks in various basins of Brazil and Peru. Estimates of the gross and net prospective oil resources for Brazil and Peru, as of May 30, 2010, are summarized as follows, expressed in thousands of barrels (10^3bbl):

	Low Estimate	Best Estimate	High Estimate	Mean Estimate
Gross Prospective Resources				
Gross Prospective Oil Resources, 10^3bbl	973,557	1,981,303	4,032,628	2,310,576
Net Prospective Resources	876,504	1,783,787	3,630,617	2,080,235
Net Prospective Oil Resources, 10^3bbl				

Notes:
1. P_g and P_c have not been applied to the volumes in this table.
2. Recovery efficiency is applied to prospective resources in this table.
3. Low, best, and high estimates in this table are P90, P50, and P10, respectively.
4. The prospective resources presented above are based on the statistical aggregation method.
5. There is no certainty that any portion of the prospective resources estimated herein will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources evaluated.

Estimates of the gross and net truncated, TEFS-adjusted prospective oil resources for Brazil and Peru, as of May 30, 2010, are summarized as follows, expressed in thousands of barrels (10^3bbl):

	Low Estimate	Best Estimate	High Estimate	Mean Estimate
Gross Truncated, TEFS-Adjusted Prospective Resources				
Gross Truncated, TEFS-Adjusted Prospective Oil Resources, 10^3bbl	1,166,358	2,136,554	3,914,148	2,388,741
Net Truncated, TEFS-Adjusted Prospective Resources				
Net Truncated, TEFS-Adjusted Prospective Oil Resources, 10^3bbl	1,053,100	1,929,086	3,534,068	2,156,784

Notes:
1. P_g and P_c have not been applied to the volumes in this table.
2. Recovery efficiency is applied to prospective resources in this table.
3. Application of any risk factor does not equate prospective resources with contingent resources or reserves.
4. Low, best, and high estimates in this table are P90, P50, and P10, respectively.
5. The prospective resources presented above are based on the statistical aggregation method.
6. There is no certainty that any portion of the prospective resources estimated herein will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources evaluated.

The gross truncated, TEFS-adjusted, P_e-adjusted mean estimate prospective oil resources for Brazil and Peru, as of May 30, 2010, are summarized as follows, expressed in thousands of barrels (10^3bbl).

	Mean Estimate
Gross Truncated, TEFS-Adjusted, P_e - Adjusted Prospective Resources	
Gross Truncated, TEFS-Adjusted, P_e - Adjusted Prospective Oil Resources, 10^3bbl	581,298
Net Truncated, TEFS-Adjusted, P_e - Adjusted Prospective Resources	
Net Truncated, TEFS-Adjusted, P_e - Adjusted Prospective Oil Resources, 10^3bbl	546,272

Notes:
1. Application of P_e does not equate prospective resources to contingent resources or reserves.
2. Recovery efficiency is applied to prospective resources in this table.
3. There is no certainty that any portion of the prospective resources estimated herein will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources evaluated.

The following table summarizes the net potential present worth (various net interest to Karoon) for Brazil and Peru that might be realized from the production and sale of the truncated, TEFS-adjusted, P_e-adjusted prospective oil resources of the various prospects evaluated herein, using the potential present worth per prospective resources volume methodology, as of May 30, 2010, expressed in thousands of U.S. dollars (10^3 U.S.$):

	Potential Present Worth at 10 Percent			
	Low Estimate (10^3 U.S.$)	Best Estimate (10^3 U.S.$)	High Estimate (10^3 U.S.$)	Mean Estimate (10^3 U.S.$)
Net Truncated, TEFS-Adjusted, P_e-Adjusted Prospective Oil Resources	2,145,293	3,238,982	4,890,556	3,410,788

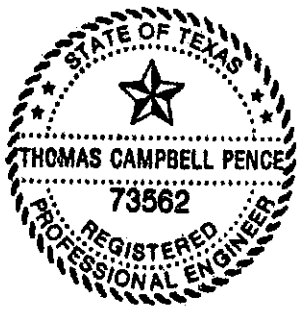
Notes:
1. Estimated potential present worth of prospective resources is not comparable to present worth estimates of contingent resources or reserves.
2. Estimates of potential present worth for prospective resources do not consider adjustments for political uncertainties.
3. A possibility exists that the prospects will not result in successful discovery and development, in which case there would be no positive present worth.
4. Arithmetic summations are reported in the resources tables bound with this report.
5. There is no certainty that any portion of the prospective resources estimated herein will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources evaluated.

The PRMS guidelines suggest that the arithmetic summation method be used to aggregate resources quantities above the field, property, or project level. The prospective resources quantities aggregated by the arithmetic summation method for the prospects evaluated in this report are presented in the resources tables bound with this report.

Submitted,

DeGOLYER and MacNAUGHTON
Texas Registered Engineering Firm F-716

SIGNED: May 24, 2010



Thomas C. Pence, P.E.
Vice President
DeGolyer and MacNaughton

GLOSSARY of PROBABILISTIC TERMS

1C – Denotes low estimate scenario of contingent resources.

2C – Denotes best estimate scenario of contingent resources.

3C – Denotes high estimate scenario of contingent resources.

Accumulation – The term accumulation is used to identify an individual body of moveable petroleum. A known accumulation (one determined to contain reserves or contingent resources) must have been penetrated by a well. The well must have clearly demonstrated the existence of moveable petroleum by flow to the surface or at least some recovery of a sample of petroleum through the well. However, log and/or core data from the well may establish an accumulation, provided there is a good analogy to a nearby and geologically comparable known accumulation.

Arithmetic Summation – The process of adding a set of numbers that represent estimates of resources quantities at the reservoir, prospect, or portfolio level. Statistical aggregation yields different results.

Best (Median) Estimate – The best (median) estimate is the P_{50} quantity. P_{50} means there is a 50-percent chance that an estimated quantity, such as a prospective resources volume or associated value, will be equaled or exceeded.

Contingent Resources – Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies.

Based on assumptions regarding future conditions and their impact on ultimate economic viability, projects currently classified as Contingent Resources may be broadly divided into three groups:

Marginal Contingent Resources – Those quantities associated with technically feasible projects that are either currently economic or projected to be economic under reasonably forecasted improvements in commercial conditions but are not committed for development because of one or more contingencies.

Sub-Marginal Contingent Resources – Those quantities associated with discoveries for which analysis indicates that technically feasible development projects would not be economic and/or other contingencies would not be satisfied under current or reasonably forecasted improvements in commercial conditions. These projects nonetheless should be retained in the inventory of discovered resources pending unforeseen major changes in commercial conditions.

Undetermined Contingent Resources – Where evaluations are incomplete such that it is premature to clearly define ultimate chance of commerciality, it is acceptable to note that project economic status is "undetermined."

Expected Value – The expected value (EV) is the probability-weighted average of the parameter being estimated, where probability values from the probability distribution are used as the weighting factors. Parameter values (abscissa) and probabilities (ordinate) are the Cartesian pairs (e.g., gross recoverable volumes and P_{90}), which define the probability distribution. These parameters are probability-weighted and summed to yield the resulting expected value. The equation for computing the expected value is as follows:

$$EV = \sum_{i=1}^{n} (P_i)(V_i)$$

where: P = probability from probability distribution, ordinate
V = parameter value, abscissa
i = a specific value in an ordered sequence of values
n = the total number of samples

The expected value is the algebraic sum of all of the products obtained by multiplying the parameter quantity and its associated probability of occurrence. The expected value is sometimes called the mean estimate or the statistical mean. In a probabilistic analysis, the expected value is the only quantity that can be treated arithmetically (by addition, subtraction, multiplication, or division). All other quantities, such as median (P_{50}), mode, P_{90}, and P_{10}, require probabilistic techniques for scaling or aggregation.

The probability associated with the statistical mean depends on the variance of the distribution from which the mean is calculated. The mean estimate is the statistical mean (the probability-weighted average), which typically has a probability in the P_{45} to P_{15} range. Therefore, if a successful discovery occurs, the

probability of the accumulation containing the statistical mean volume or greater is usually between 45 and 15 percent.

The expected value is the preferred quantity to use for the best estimate in probabilistic estimates of prospective resources. The P_{90} and P_{10} quantity is often used for the low and high estimates, respectively, of prospective resources. Aggregation or scaling of P_{90}, P_{50}, and P_{10} quantities should be done probabilistically, not arithmetically.

Geometric Correction Factor – The geometric correction factor (GCF) is a geometry adjustment correction that takes into account the relationship of the potential fluid contact to the geometry of the reservoir and trap. Input parameters used to estimate the geometric correction factor include trap shape, length-to-width ratio, potential reservoir thickness, and the height of the potential trapping closure (potential hydrocarbon column height).

High Estimate – The high estimate is the P_{10} quantity. P_{10} means there is a 10-percent chance that an estimated quantity, such as a prospective resources volume or associated value, will be equaled or exceeded.

Lead – A lead is less well defined and requires additional data and/or evaluation to be classified as a prospect. An example would be a poorly defined closure mapped using sparse regional seismic data in a basin containing favorable source and reservoir(s). A lead may or may not be elevated to prospect status depending on the results of additional technical work. A lead must have a P_g equal to or less than 0.05 to reflect the inherent technical uncertainty.

Low Estimate – The low estimate is the P_{90} quantity. P_{90} means there is a 90-percent chance that an estimated quantity, such as a prospective resources volume or associated value, will be equaled or exceeded.

Mean Estimate – In accordance with petroleum industry standards, the mean estimate is the probability-weighted average, which typically has a probability in the P_{45} to P_{15} range, depending on the variance of prospective resources volume or associated value. Therefore, the probability of a prospect or accumulation containing the probability weighted average volume or greater is usually between 45 and 15 percent. The mean estimate is the preferred probabilistic estimate of resources volumes.

Median – Median is the P_{50} quantity, where the P_{50} means there is a 50-percent chance that a given variable (such as prospective resources, porosity, or water saturation) is equaled or exceeded. The median of a data set is a number such that half the measurements are below the median and half are above.

The median is an acceptable, and one of the preferred, quantities to use for the best estimate in probabilistic estimations of prospective resources.

Migration Chance Factor – Migration chance factor ($P_{migration}$) is defined as the probability that a trap either predates or is coincident with petroleum migration and that there exists vertical and/or lateral migration pathways linking the source to the trap.

Mode – The mode (MO) is the quantity that occurs with the greatest frequency in the data set and therefore is the quantity that has the greatest probability of occurrence. However, the mode may not be uniquely defined, as is the case in multimodal distributions.

The mode is an acceptable, but not preferred, quantity to use for the best estimate in probabilistic estimations of prospective resources.

Net Entitlement Interest – A production sharing agreement (PSA) or a production sharing contract (PSC) allows a company to be reimbursed for its share of the capital and operating expenses and to share in the profits. The reimbursements and profit proceeds (less the extraordinary profits tax (EPT)) are converted to a barrel-equivalent volume by dividing by the weighted-average price of oil or gas. The ratio of this barrel-equivalent volume and the gross volume is a *net entitlement interest*. As such, the resulting entitlement interest may vary with product price, costs, timing of production, and other factors.

P_e-adjusted Mean Estimate – The P_e-adjusted mean estimate, or "economic risk-adjusted mean estimate," is a probability-weighted average of the hydrocarbon quantities potentially recoverable if a prospect portfolio were drilled, or if a family of similar prospects were drilled. The P_e-adjusted mean estimate is a "blended" quantity. It is a mean estimation of volumetric uncertainty, geologic (P_g), and economic risk (chance). This statistical measure considers and quantifies the economic success and economic failure outcomes. Consequently, it represents the average or mean "economic" volumes resulting from economically viable drilling and exploration. The P_e-adjusted best estimate is calculated as follows:

$$P_e\text{-adjusted mean estimate} = P_e \times \text{mean estimate}$$

P_g-adjusted Mean Estimate – The P_g-adjusted mean estimate, or "geologic risk-adjusted mean estimate," is a probability-weighted average of the hydrocarbon quantities potentially recoverable if a prospect portfolio were drilled, or if a family of similar prospects were drilled. The P_g-adjusted mean estimate is a "blended" quantity. It is a mean estimation of both volumetric uncertainty and geological risk (chance). This statistical measure considers and quantifies the geological success and geological failure outcomes. Consequently, it represents the average or mean "geologic" outcome of a drilling and exploration program. The P_g-adjusted mean estimate is calculated as follows:

$$P_g\text{-adjusted mean estimate} = P_g \times \text{mean estimate}$$

P_n Nomenclature – This report uses the convention of denoting probability with a subscript representing the greater than cumulative probability distribution. As such, the notation P_n indicates the probability that there is an n-percent chance that a specific input or output quantity will be equaled or exceeded. For example, P_{90} means there is a 90-percent chance that a variable (such as prospective resources, porosity, or water saturation) is equaled or exceeded.

Play – A project associated with a prospective trend of potential prospects, but which requires more data acquisition and/or evaluation in order to define specific leads or prospects.

Potential Present Worth – Potential present worth (PPW) is defined as potential future net revenue discounted at 10 percent compounded monthly over the expected period of realization. The estimation is probabilistically modeled using distributions (except NRI, a constant) in the following equation:

$$PPW_{10} = \left[\left(P_e \times EV_t \times NRI \times \frac{PW}{BOE}\right) - (P_e \times CWCE \times NRI)\right] - (P_f \times DHC \times NRI)$$

where:

PPW_{10}	=	potential present worth at 10 percent
P_e	=	probability of economic success
EV_t	=	mean estimate, potential gross recoverable volume, truncated, TEFS-adjusted
NRI	=	net revenue interest
PW/BOE	=	present worth at 10 percent per barrel of oil equivalent

CWCE	=	completed well cost estimate
P_f	=	probability of economic failure
DHC	=	dry hole cost estimate

Predictability versus Portfolio Size – The number of prospects in a prospect portfolio influences the reliability of the forecast of drilling results. The relationship between predictability versus portfolio size (PPS) is also known in the petroleum industry literature as "Gambler's Ruin." The relationship of probability to portfolio size is described by the binomial probability equation given as follows:

$$P_x^n = (C_x^n)(p)^x(1-p)^{n-x}$$

where: P_x^n = the probability of x successes in n trials

C_x^n = the number of mutually exclusive ways that x successes can be arranged in n trials

p = the probability of success for a given trial (for petroleum exploration, this is P_g)

x = the number of successes (e.g., the number of discoveries)

n = the number of trials (e.g., the number of wells to be drilled)

Note: For the case of n successive dry holes, C_x^n and p each equals 1, so the probability of failure is the quantity (1 – p) raised to the number of trials.

Probability of Economic Success – The probability of economic success (P_e) is defined as the probability that a given discovery will be economically viable. It takes into account P_g, P_{TEFS}, TEFS, capital costs, operating expenses, the proposed development plan, the economic model (discounted cash flow analyses), and other business and economic factors. P_e is calculated as follows:

$$P_e = P_g \times P_{TEFS}$$

Probability of Geologic Success – The probability of geologic success (P_g) is defined as the probability of discovering reservoirs that flow petroleum at a measurable rate. P_g is estimated by quantifying with a probability each of the following individual geologic chance factors: trap, source, reservoir, and migration. The product of the probabilities of these four chance factors is P_g.

Probability of TEFS – The probability of threshold economic field size (P_{TEFS}) is defined as the probability of discovering an accumulation that is large enough to be

economically viable. P_{TEFS} is estimated by using the prospective resources recoverable volumes distribution in conjunction with the TEFS. The probability associated with the TEFS can be determined graphically from the prospective gross recoverable volumes distribution.

Prospect – A prospect is a potential accumulation that is sufficiently well defined to be a viable drilling target. For a prospect, sufficient data and analyses exist to identify and quantify the technical uncertainties, to determine reasonable ranges of geologic chance factors and engineering and petrophysical parameters, and to estimate prospective resources. In addition, a viable drilling target requires that 70 percent of the median potential production area be located within the block or license area of interest.

Prospective Resources – Those quantities of petroleum that are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects.

Reservoir Chance Factor – The reservoir chance factor ($P_{reservoir}$) is defined as the probability associated with the presence of porous and permeable reservoir quality rock.

Source Chance Factor – The source chance factor (P_{source}) is defined as the probability associated with the presence of a hydrocarbon source rock rich enough, of sufficient volume, and in the proper spatial position to charge the prospective area or areas.

Standard Deviation – Standard deviation (SD) is a measure of distribution spread. It is the positive square root of the variance. The variance is the summation of the squared distance from the mean of all possible values. Since the units of standard deviation are the same as those of the sample set, it is the most practical measure of population spread.

$$\sigma = \sqrt{\sigma^2} = \sqrt{\frac{\sum_{i=1}^{n}(x_i - \mu)^2}{n-1}}$$

where: σ = standard deviation
σ^2 = variance
n = sample size
x_i = value in data set

μ = sample set mean

Statistical Aggregation – The process of probabilistically aggregating distributions that represent estimates of resources quantities at the reservoir, prospect, or portfolio level. Arithmetic summation yields different results.

Threshold Economic Field Size – The threshold economic field size (TEFS) is the minimum amount of the producible petroleum required to recover the total capital and operating expenditure used to establish the potential accumulation as having a potential present worth equal to zero.

Trap Chance Factor – The trap chance factor (P_{trap}) is defined as the probability associated with the presence of a structural closure and/or a stratigraphic trapping configuration with competent vertical and lateral seals, and the lack of any post migration seal integrity events or breaches.

Truncated Mean Estimate – The truncated mean estimate is the resulting expected value calculated from the truncation of the resources distribution by the threshold economic field size. This truncated distribution produces a new set of statistical metrics.

Variance – The variance (σ^2) is a measure of how much the distribution is spread from the mean. The variance sums up the squared distance from the mean of all possible values of x. The variance has units that are the squared units of x. The use of these units limits the intuitive value of variance.

$$\sigma^2 = \frac{\sum_{i=1}^{n}(x_i - \mu)^2}{n-1}$$

where: σ^2 = variance
n = sample size
x_i = value in data set
μ = sample set mean

DEGOLYER AND MACNAUGHTON
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TABLE P1
PROSPECT PORTFOLIO SUMMARY
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
in
CERTAIN OIL PROSPECTS
VARIOUS LICENSE BLOCKS
BRAZIL and PERU

Prospect	Country	Basin	License Block	Equity (decimal)	Fraction in Block (decimal)	Statistical Mean Potential Present Worth per Barrel (U.S.$/bbl)	Threshold Economic Field Size (10^3 bbl)	Well Cost Estimate (10^3 U.S.$)	Prospect Potential Fluid	Target Zone Depth (meters)	Water Depth (meters)
Morro da Igreja (Beta)	Brazil	Santos	Block S-1102-1037	1.000	1.000	7.690	50,000	75,000	Oil	3,000	250
Charlie (Theta)	Brazil	Santos	Block S-1166	1.000	1.000	8.610	10,000	24,000	Oil	2,900	400
Pre-Salt	Brazil	Santos	Block 1102	1.000	1.000	5.320	50,000	150,000	Oil	7,500	500
Pico do Jaragua (Alpha)	Brazil	Santos	Block S-1101-1165	1.000	1.000	6.370	50,000	44,000	Oil	3,000	500
Monte Roriama	Brazil	Santos	Block 1166	1.000	1.000	8.050	50,000	35,000	Oil	2,500	100
A	Peru	Tumbes	Z38	0.750	1.000	8.580	20,000	30,000	Oil	1,700	340
B	Peru	Tumbes	Z38	0.750	1.000	8.190	20,000	30,000	Oil	950	460
G	Peru	Tumbes	Z38	0.750	1.000	8.320	20,000	30,000	Oil	750	300
B-144	Peru	Maranon	Block 144	1.000	1.000	8.020	25,000	25,000	Oil	5,200	100
D	Peru	Tumbes	Z38	0.750	1.000	8.380	20,000	30,000	Oil	750	300

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TABLE 1
ESTIMATE of the GROSS PROSPECTIVE OIL RESOURCES
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
in
CERTAIN OIL PROSPECTS
VARIOUS LICENSE BLOCKS
BRAZIL and PERU

				Gross Prospective Oil Resources Summary					
Prospect	Country	Basin	License	Low Estimate (10^3bbl)	Best Estimate (10^3bbl)	High Estimate (10^3bbl)	Mean Estimate (10^3bbl)	Probability of Geologic Success, P_g (decimal)	P_g-Adjusted Mean Estimate (10^3bbl)
Morro da Igreja (Beta)	Brazil	Santos	Block S-1102-1037	289,667	565,814	1,040,471	632,785	0.250	157,971
Charlie (Theta)	Brazil	Santos	Block S-1166	31,049	87,177	242,440	116,431	0.448	52,161
Pre-Salt	Brazil	Santos	Block 1102	35,681	101,195	256,959	126,475	0.189	23,904
Pico do Jaragua (Alpha)	Brazil	Santos	Block S-1101-1165	208,821	345,391	569,750	372,156	0.501	186,587
Monte Roriama	Brazil	Santos	Block 1166	26,751	46,675	79,609	50,790	0.420	21,332
A	Peru	Tumbes	Z38	54,446	190,239	611,423	273,158	0.216	59,002
B	Peru	Tumbes	Z38	23,411	81,082	237,756	113,305	0.125	14,163
G	Peru	Tumbes	Z38	88,420	288,656	888,722	418,754	0.140	58,626
B-144	Peru	Maranon	Block 144	37,117	79,687	160,293	90,577	0.250	22,644
D	Peru	Tumbes	Z38	33,332	90,700	236,440	116,146	0.140	16,260
Statistical Aggregate				**973,557**	**1,981,303**	**4,032,628**	**2,310,576**	**0.265**	**612,651**
Arithmetic Summation				828,694	1,876,616	4,323,864	2,310,576	0.265	612,651

Notes:

1. Low, best, mean, and high estimates follow the PRMS guidelines for prospective resources.
2. Application of P_g does not equate prospective resources to contingent resources or reserves.
3. Low, best, mean, and high estimates in this table are P_{90}, P_{50}, mean, and P_{10}, respectively.
4. Only the mean can be arithmetically summed; P_{90}, P_{50}, and P_{10} are not additive.
5. P_g is defined as the probability of discovering reservoirs which flow petroleum at a measurable rate.
6. Recovery efficiency is applied to prospective resources in this table.
7. P_g has been rounded for presentation purposes. Multiplication using this presented P_g yields imprecise results. Dividing the P_g-adjusted mean estimate by the mean estimate yields the precise P_g.
8. Arithmetic summation is a requirement of the PRMS guidelines.
9. Prospective resources classified as lead or play are assigned a P_g of 0.05
10. There is no certainty that any portion of the prospective resources estimated herein will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources evaluated.

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TABLE 2
ESTIMATE of the NET PROSPECTIVE OIL RESOURCES
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
in
CERTAIN OIL PROSPECTS
VARIOUS LICENSE BLOCKS
BRAZIL and PERU

				Net Prospective Oil Resources Summary					
Prospect	Country	Basin	License	Low Estimate (10^3bbl)	Best Estimate (10^3bbl)	High Estimate (10^3bbl)	Mean Estimate (10^3bbl)	Probability of Geologic Success, P_g (decimal)	P_g-Adjusted Mean Estimate (10^3bbl)
Morro da Igreja (Beta)	Brazil	Santos	Block S-1102-1037	289,667	565,814	1,040,471	632,785	0.250	157,971
Charlie (Theta)	Brazil	Santos	Block S-1166	31,049	87,177	242,440	116,431	0.448	52,161
Pre-Salt	Brazil	Santos	Block 1102	35,681	101,195	256,959	126,475	0.189	23,904
Pico do Jaragua (Alpha)	Brazil	Santos	Block S-1101-1165	208,821	345,391	569,750	372,156	0.501	186,587
Monte Roriama	Brazil	Santos	Block 1166	26,751	46,675	79,609	50,790	0.420	21,332
A	Peru	Tumbes	Z38	40,834	142,679	458,567	204,869	0.216	44,252
B	Peru	Tumbes	Z38	17,559	60,812	178,317	84,978	0.125	10,622
G	Peru	Tumbes	Z38	66,315	216,492	666,542	314,065	0.140	43,969
B-144	Peru	Maranon	Block 144	37,117	79,687	160,293	90,577	0.250	22,644
D	Peru	Tumbes	Z38	24,999	68,025	177,330	87,109	0.140	12,195
Statistical Aggregate				**876,504**	**1,783,787**	**3,630,617**	**2,080,235**	**0.277**	**575,638**
Arithmetic Summation				778,792	1,713,947	3,830,278	2,080,235	0.277	575,638

Notes:

1. Low, best, mean, and high estimates follow the PRMS guidelines for prospective resources.
2. Application of P_g does not equate prospective resources to contingent resources or reserves.
3. Low, best, mean, and high estimates in this table are P_{90}, P_{50}, mean, and P_{10}, respectively.
4. Only the mean can be arithmetically summed; P_{90}, P_{50}, and P_{10} are not additive.
5. P_g is defined as the probability of discovering reservoirs which flow petroleum at a measurable rate.
6. Recovery efficiency is applied to prospective resources in this table.
7. P_g has been rounded for presentation purposes. Multiplication using this presented P_g yields imprecise results. Dividing the P_g-adjusted mean estimate by the mean estimate yields the precise P_g.
8. Arithmetic summation is a requirement of the PRMS guidelines.
9. Prospective resources classified as lead or play are assigned a P_g of 0.05
10. There is no certainty that any portion of the prospective resources estimated herein will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources evaluated.

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TABLE 3
ESTIMATE of the GROSS PROSPECTIVE OIL RESOURCES
TRUNCATED and ADJUSTED for TEFS
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
in
CERTAIN OIL PROSPECTS
VARIOUS LICENSE BLOCKS
BRAZIL and PERU

				Gross Truncated, TEFS-Adjusted Prospective Oil Resources Summary					
Prospect	Country	Basin	License	Low Estimate (10^3bbl)	Best Estimate (10^3bbl)	High Estimate (10^3bbl)	Mean Estimate (10^3bbl)	Probability of Economic Success, P_e (decimal)	P_e-Adjusted Mean Estimate (10^3bbl)
Morro da Igreja (Beta)	Brazil	Santos	Block S-1102-1037	319,903	585,332	1,071,094	654,145	0.236	154,226
Charlie (Theta)	Brazil	Santos	Block S-1166	40,461	94,097	218,864	116,890	0.423	49,432
Pre-Salt	Brazil	Santos	Block 1102	43,444	110,281	279,985	143,637	0.150	21,529
Pico do Jaragua (Alpha)	Brazil	Santos	Block S-1101-1165	222,357	357,285	574,132	382,612	0.475	181,558
Monte Roriama	Brazil	Santos	Block 1166	38,780	64,761	108,155	70,159	0.179	12,538
A	Peru	Tumbes	Z38	57,507	180,314	565,475	268,373	0.204	54,633
B	Peru	Tumbes	Z38	26,767	80,034	239,341	115,324	0.118	13,646
G	Peru	Tumbes	Z38	100,006	297,555	885,487	427,362	0.132	56,563
B-144	Peru	Maranon	Block 144	40,488	80,817	161,333	93,472	0.234	21,911
D	Peru	Tumbes	Z38	35,645	89,951	227,026	116,767	0.131	15,264
Statistical Aggregate				**1,166,358**	**2,136,554**	**3,914,148**	**2,388,741**	**0.243**	**581,298**
Arithmetic Summation				925,358	1,940,426	4,330,892	2,388,741	0.243	581,298

Notes:

1. Low, best, mean, and high estimates follow the PRMS guidelines for prospective resources.
2. Application of P_g and/or P_e does not equate prospective resources to contingent resources or reserves.
3. Low, best, mean, and high estimates in this table are P_{90}, P_{50}, mean, and P_{10}, respectively.
4. Only the mean can be arithmetically summed; P_{90}, P_{50}, and P_{10} are not additive.
5. P_e is defined as the probability of discovering economic resources.
6. Recovery efficiency is applied to prospective resources in this table.
7. P_e has been rounded for presentation purposes. Multiplication using this presented P_e yields imprecise results. Dividing the P_e-adjusted mean estimate by the mean estimate yields the precise P_e.
8. TEFS is defined as the threshold economic field size.
9. Arithmetic summation is a requirement of the PRMS guidelines.
10. There is no certainty that any portion of the prospective resources estimated herein will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources evaluated.

DeGolyer and MacNaughton
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TEXAS REGISTERED ENGINEERING FIRM

TABLE 4
ESTIMATE of the NET PROSPECTIVE OIL RESOURCES
TRUNCATED and ADJUSTED for TEFS
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
in
CERTAIN OIL PROSPECTS
VARIOUS LICENSE BLOCKS
BRAZIL and PERU

				Net Truncated, TEFS-Adjusted Prospective Oil Resources Summary					
Prospect	Country	Basin	License	Low Estimate (10^3bbl)	Best Estimate (10^3bbl)	High Estimate (10^3bbl)	Mean Estimate (10^3bbl)	Probability of Economic Success, P_e (decimal)	P_e-Adjusted Mean Estimate (10^3bbl)
Morro da Igreja (Beta)	Brazil	Santos	Block S-1102-1037	319,903	585,332	1,071,094	654,145	0.236	154,226
Charlie (Theta)	Brazil	Santos	Block S-1166	40,461	94,097	218,864	116,890	0.423	49,432
Pre-Salt	Brazil	Santos	Block 1102	43,444	110,281	279,985	143,637	0.150	21,529
Pico do Jaragua (Alpha)	Brazil	Santos	Block S-1101-1165	222,357	357,285	574,132	382,612	0.475	181,558
Monte Roriama	Brazil	Santos	Block 1166	38,780	64,761	108,155	70,159	0.179	12,538
A	Peru	Tumbes	Z38	43,130	135,235	424,106	201,280	0.204	40,975
B	Peru	Tumbes	Z38	20,076	60,026	179,506	86,493	0.118	10,234
G	Peru	Tumbes	Z38	75,004	223,166	664,116	320,521	0.265	42,422
B-144	Peru	Maranon	Block 144	40,488	80,817	161,333	93,472	0.235	21,911
D	Peru	Tumbes	Z38	26,734	67,463	170,269	87,575	0.131	11,448
Statistical Aggregate				**1,053,100**	**1,929,086**	**3,534,068**	**2,156,784**	**0.225**	**546,272**
Arithmetic Summation				870,377	1,778,463	3,851,559	2,156,784	0.225	546,272

Notes:

1. Low, best, mean, and high estimates follow the PRMS guidelines for prospective resources.
2. Application of P_g and/or P_e does not equate prospective resources to contingent resources or reserves.
3. Low, best, mean, and high estimates in this table are P_{90}, P_{50}, mean, and P_{10}, respectively.
4. Only the mean can be arithmetically summed; P_{90}, P_{50}, and P_{10} are not additive.
5. P_e is defined as the probability of discovering economic resources.
6. Recovery efficiency is applied to prospective resources in this table.
7. P_e has been rounded for presentation purposes. Multiplication using this presented P_e yields imprecise results. Dividing the P_e-adjusted mean estimate by the mean estimate yields the precise P_e.
8. TEFS is defined as the threshold economic field size.
9. Arithmetic summation is a requirement of the PRMS guidelines.
10. There is no certainty that any portion of the prospective resources estimated herein will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources evaluated.

DEGOLYER AND MACNAUGHTON
F-716
TEXAS REGISTERED ENGINEERING FIRM

TABLE 5
PROBABILITY DISTRIBUTIONS
for
MONTE CARLO SIMULATION
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
in
CERTAIN OIL PROSPECTS
VARIOUS LICENSE BLOCKS
BRAZIL and PERU

Prospect	Reservoir	Parameter	P_{100}	P_{90}	P_{50}	P_{10}	P_0	Mean
Morro da Igreja (Beta)	Santonian	Productive area, acres	963	1,022	1,313	1,763	1,924	1,355
		Net hydrocarbon thickness, feet	148.7	176.6	275.9	453.1	592.4	297.0
		Geometric correction factor, decimal	0.80	0.82	0.84	0.86	0.88	0.84
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.172	0.195	0.220	0.246	0.279	0.220
		Oil saturation, decimal	0.621	0.661	0.720	0.779	0.820	0.720
		Formation volume factor, Bo	1.424	1.366	1.293	1.222	1.174	1.291
		Recovery efficiency, decimal	0.101	0.174	0.299	0.450	0.567	0.307
		Prospective OOIP, barrels	102,533,968	176,816,016	293,287,456	512,135,936	1,185,755,520	322,800,146
		Prospective gross ultimate recovery, barrels	20,121,450	42,125,736	87,265,832	172,293,088	481,891,616	98,564,231
Morro da Igreja (Beta)	Campanian	Productive area, acres	1,873	3,122	7,399	14,896	18,683	8,240
		Net hydrocarbon thickness, feet	82.7	98.0	153.3	251.8	329.1	165.0
		Geometric correction factor, decimal	0.80	0.82	0.84	0.86	0.88	0.84
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.201	0.225	0.250	0.276	0.307	0.250
		Oil saturation, decimal	0.620	0.661	0.720	0.779	0.820	0.720
		Formation volume factor, Bo	1.577	1.513	1.433	1.354	1.297	1.430
		Recovery efficiency, decimal	0.213	0.261	0.327	0.392	0.443	0.327
		Prospective OOIP, barrels	159,477,104	357,444,032	940,482,752	2,097,822,336	4,879,756,800	1,118,532,207
		Prospective gross ultimate recovery, barrels	41,667,100	121,946,392	296,562,912	704,071,040	1,786,435,968	365,698,398
Morro da Igreja (Beta)	Eocene	Productive area, acres	1,103	1,836	4,356	8,751	10,983	4,847
		Net hydrocarbon thickness, feet	57.8	68.7	107.3	176.2	230.6	115.5
		Geometric correction factor, decimal	0.80	0.82	0.84	0.86	0.88	0.84
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.250	0.275	0.300	0.325	0.356	0.300
		Oil saturation, decimal	0.620	0.661	0.720	0.779	0.820	0.720
		Formation volume factor, Bo	1.578	1.513	1.433	1.354	1.300	1.430
		Recovery efficiency, decimal	0.100	0.155	0.294	0.478	0.599	0.307
		Prospective OOIP, barrels	59,319,272	178,667,728	461,636,832	1,052,877,696	2,453,996,800	550,290,587
		Prospective gross ultimate recovery, barrels	9,432,627	47,355,216	126,872,856	353,598,816	1,016,840,896	168,521,994

TABLE 5 – PROBABILITY DISTRIBUTIONS – *(Continued)*

Prospect	Reservoir	Parameter	P_{100}	P_{90}	P_{50}	P_{10}	P_0	Mean
Charlie (Theta)	Eocene	Productive area, acres	748	1,242	2,939	5,908	7,415	3,272
		Net hydrocarbon thickness, feet	57.8	68.6	107.3	176.2	230.9	115.5
		Geometric correction factor, decimal	0.80	0.82	0.84	0.86	0.88	0.84
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.230	0.255	0.280	0.305	0.338	0.280
		Oil saturation, decimal	0.650	0.691	0.750	0.809	0.849	0.750
		Formation volume factor, Bo	1.577	1.513	1.433	1.354	1.297	1.430
		Recovery efficiency, decimal	0.100	0.166	0.308	0.485	0.599	0.318
		Prospective OOIP, barrels	40,082,596	113,382,192	294,884,672	718,967,296	1,672,642,688	366,814,847
		Prospective gross ultimate recovery, barrels	6,076,484	31,048,592	87,177,064	242,439,696	628,854,144	116,430,902
Pre-Salt	Stromatolitic Carbonates	Productive area, acres	1,518	2,531	5,983	12,043	15,125	6,665
		Net hydrocarbon thickness, feet	90.8	107.9	168.6	277.0	362.4	181.5
		Geometric correction factor, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.057	0.076	0.100	0.126	0.161	0.101
		Oil saturation, decimal	0.625	0.666	0.725	0.784	0.824	0.725
		Formation volume factor, Bo	1.480	1.418	1.343	1.269	1.217	1.341
		Recovery efficiency, decimal	0.113	0.165	0.249	0.333	0.397	0.249
		Prospective OOIP, barrels	65,929,064	158,254,352	421,263,808	997,144,000	1,954,923,776	507,016,683
		Prospective gross ultimate recovery, barrels	11,414,026	35,680,572	101,195,016	256,959,456	638,521,792	126,475,336
Pico do Jaragua (Alpha)	Santonian	Productive area, acres	1,468	1,627	2,429	3,816	4,395	2,582
		Net hydrocarbon thickness, feet	123.8	147.2	230.0	377.6	493.4	247.5
		Geometric correction factor, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.172	0.195	0.220	0.246	0.280	0.220
		Oil saturation, decimal	0.621	0.661	0.720	0.779	0.820	0.720
		Formation volume factor, Bo	1.425	1.366	1.293	1.222	1.174	1.291
		Recovery efficiency, decimal	0.225	0.300	0.400	0.500	0.577	0.400
		Prospective OOIP, barrels	151,948,400	293,497,280	537,415,744	1,022,499,904	2,228,965,120	608,861,698
		Prospective gross ultimate recovery, barrels	49,617,144	112,532,336	214,193,552	404,001,728	945,943,744	242,922,060
Pico do Jaragua (Alpha)	Maastrichtian	Productive area, acres	3,852	4,085	5,253	7,054	7,697	5,419
		Net hydrocarbon thickness, feet	33.0	39.2	51.3	100.6	131.9	66.0
		Geometric correction factor, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.152	0.175	0.200	0.226	0.258	0.200
		Oil saturation, decimal	0.620	0.661	0.720	0.779	0.820	0.720
		Formation volume factor, Bo	1.369	1.313	1.244	1.175	1.126	1.242
		Recovery efficiency, decimal	0.225	0.300	0.400	0.500	0.577	0.400
		Prospective OOIP, barrels	91,083,312	170,652,880	292,375,040	520,429,248	920,844,480	323,937,462
		Prospective gross ultimate recovery, barrels	23,476,486	64,946,716	112,401,352	211,594,704	494,341,888	129,233,636

TABLE 5 – PROBABILITY DISTRIBUTIONS – *(Continued)*

Prospect	Reservoir	Parameter	P_{100}	P_{90}	P_{50}	P_{10}	P_0	Mean
Monte Roriama	Maastrichtian A	Productive area, acres	249	412	977	1,962	2,465	1,087
		Net hydrocarbon thickness, feet	23.1	27.4	42.9	70.5	92.1	46.2
		Geometric correction factor, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.181	0.205	0.230	0.256	0.289	0.230
		Oil saturation, decimal	0.650	0.691	0.750	0.809	0.849	0.750
		Formation volume factor, Bo	1.428	1.366	1.293	1.222	1.174	1.291
		Recovery efficiency, decimal	0.178	0.237	0.350	0.465	0.545	0.351
		Prospective OOIP, barrels	6,412,802	16,821,110	42,465,316	101,060,064	223,270,416	52,238,571
		Prospective gross ultimate recovery, barrels	1,327,085	5,558,552	14,439,899	35,639,488	92,620,416	18,253,743
Monte Roriama	Maastrichtian B	Productive area, acres	111	184	436	876	1,098	485
		Net hydrocarbon thickness, feet	29.7	35.3	55.2	90.7	118.8	59.4
		Geometric correction factor, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.181	0.205	0.230	0.256	0.290	0.230
		Oil saturation, decimal	0.650	0.691	0.750	0.809	0.850	0.750
		Formation volume factor, Bo	1.426	1.366	1.293	1.222	1.174	1.291
		Recovery efficiency, decimal	0.178	0.237	0.350	0.465	0.545	0.351
		Prospective OOIP, barrels	3,259,698	9,839,235	24,564,720	56,665,708	108,531,584	29,770,174
		Prospective gross ultimate recovery, barrels	911,082	2,957,639	8,573,972	21,176,642	42,755,648	10,410,514
Monte Roriama	Maastrichtian C	Productive area, acres	116	193	457	920	1,155	509
		Net hydrocarbon thickness, feet	29.7	35.3	55.2	90.5	118.5	59.4
		Geometric correction factor, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.181	0.205	0.230	0.256	0.287	0.230
		Oil saturation, decimal	0.651	0.691	0.750	0.809	0.849	0.750
		Formation volume factor, Bo	1.425	1.366	1.293	1.222	1.175	1.291
		Recovery efficiency, decimal	0.178	0.237	0.350	0.465	0.545	0.351
		Prospective OOIP, barrels	3,536,242	10,226,945	26,317,752	59,950,536	110,160,336	31,213,444
		Prospective gross ultimate recovery, barrels	663,092	3,333,823	8,778,703	21,478,366	52,457,992	10,955,514
Monte Roriama	Maastrichtian D	Productive area, acres	116	193	457	918	1,154	509
		Net hydrocarbon thickness, feet	29.7	35.3	55.2	90.5	118.4	59.4
		Geometric correction factor, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.181	0.205	0.230	0.256	0.290	0.230
		Oil saturation, decimal	0.651	0.691	0.750	0.809	0.850	0.750
		Formation volume factor, Bo	1.423	1.366	1.293	1.222	1.174	1.291
		Recovery efficiency, decimal	0.178	0.237	0.350	0.465	0.545	0.351
		Prospective OOIP, barrels	4,205,152	10,196,023	26,270,064	59,226,804	127,984,136	31,407,856
		Prospective gross ultimate recovery, barrels	785,526	3,126,368	9,203,098	22,070,280	64,502,604	11,170,227

TABLE 5 – PROBABILITY DISTRIBUTIONS – *(Continued)*

Prospect	Reservoir	Parameter	P_{100}	P_{90}	P_{50}	P_{10}	P_0	Mean
A	Upper Miocene - Tumbes	Productive area, acres	856	2,965	7,781	16,070	20,350	8,681
		Net hydrocarbon thickness, feet	57.8	66.4	113.9	248.3	403.0	137.7
		Geometric correction factor, decimal	0.63	0.65	0.67	0.68	0.69	0.66
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.201	0.225	0.250	0.276	0.307	0.250
		Oil saturation, decimal	0.600	0.641	0.700	0.759	0.799	0.700
		Formation volume factor, Bo	1.579	1.513	1.433	1.354	1.298	1.430
		Recovery efficiency, decimal	0.101	0.179	0.370	0.536	0.600	0.363
		Prospective OOIP, barrels	56,184,292	189,531,248	556,832,896	1,563,605,504	4,001,120,768	749,015,478
		Prospective gross ultimate recovery, barrels	8,805,416	54,445,740	190,238,800	611,422,720	1,761,780,736	273,158,345
B	Upper Miocene - Tumbes	Productive area, acres	441	1,245	3,249	6,694	8,452	3,622
		Net hydrocarbon thickness, feet	57.8	66.4	113.9	248.1	401.7	137.7
		Geometric correction factor, decimal	0.63	0.65	0.67	0.68	0.69	0.66
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.201	0.225	0.250	0.275	0.309	0.250
		Oil saturation, decimal	0.601	0.641	0.700	0.759	0.800	0.700
		Formation volume factor, Bo	1.579	1.513	1.433	1.354	1.300	1.430
		Recovery efficiency, decimal	0.101	0.179	0.367	0.534	0.600	0.361
		Prospective OOIP, barrels	20,749,054	78,575,040	234,166,864	639,231,936	2,162,058,240	315,676,491
		Prospective gross ultimate recovery, barrels	3,690,451	23,411,352	81,082,384	237,755,584	891,434,880	113,304,568
G	Upper Miocene - Tumbes	Productive area, acres	1,126	4,413	11,689	24,120	30,559	13,027
		Net hydrocarbon thickness, feet	57.8	66.4	113.8	248.4	401.8	137.7
		Geometric correction factor, decimal	0.63	0.65	0.67	0.68	0.69	0.66
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.201	0.225	0.250	0.276	0.309	0.250
		Oil saturation, decimal	0.600	0.641	0.700	0.759	0.799	0.700
		Formation volume factor, Bo	1.582	1.513	1.433	1.354	1.300	1.430
		Recovery efficiency, decimal	0.101	0.182	0.376	0.548	0.620	0.370
		Prospective OOIP, barrels	48,222,744	280,649,056	829,507,072	2,487,821,312	7,160,773,120	1,141,018,400
		Prospective gross ultimate recovery, barrels	5,664,397	88,419,712	288,656,160	888,722,112	3,371,948,800	418,753,575
B-144	Pozo	Productive area, acres	1,379	2,297	5,441	10,953	13,735	6,059
		Net hydrocarbon thickness, feet	16.5	19.6	30.7	50.3	65.8	33.0
		Geometric correction factor, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.152	0.175	0.200	0.226	0.259	0.200
		Oil saturation, decimal	0.601	0.641	0.700	0.759	0.800	0.700
		Formation volume factor, Bo	1.315	1.261	1.194	1.128	1.083	1.192
		Recovery efficiency, decimal	0.113	0.165	0.249	0.333	0.397	0.249
		Prospective OOIP, barrels	22,793,750	58,497,632	153,596,288	337,966,176	1,081,680,000	182,611,207
		Prospective gross ultimate recovery, barrels	4,796,187	12,598,844	35,964,056	88,691,560	303,831,936	45,183,792

TABLE 5 – PROBABILITY DISTRIBUTIONS – *(Continued)*

Prospect	Reservoir	Parameter	P_{100}	P_{90}	P_{50}	P_{10}	P_0	Mean
B-144	Vivian	Productive area, acres	1,377	2,296	5,440	10,953	13,737	6,059
		Net hydrocarbon thickness, feet	16.5	19.6	30.7	50.4	65.8	33.0
		Geometric correction factor, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.152	0.175	0.200	0.226	0.258	0.200
		Oil saturation, decimal	0.600	0.641	0.700	0.759	0.800	0.700
		Formation volume factor, Bo	1.314	1.261	1.194	1.128	1.080	1.192
		Recovery efficiency, decimal	0.113	0.165	0.249	0.333	0.397	0.249
		Prospective OOIP, barrels	25,723,358	59,711,924	151,187,376	338,648,640	839,266,880	182,357,452
		Prospective gross ultimate recovery, barrels	3,832,347	13,980,476	35,483,280	88,416,680	250,998,848	45,393,231
D	Upper Miocene - Tumbes	Productive area, acres	1,385	2,299	5,443	10,940	13,731	6,059
		Net hydrocarbon thickness, feet	57.8	68.6	107.3	176.2	230.9	115.5
		Geometric correction factor, decimal	0.63	0.65	0.67	0.68	0.69	0.66
		Net to gross ratio, decimal	1.00	1.00	1.00	1.00	1.00	1.00
		Porosity, decimal	0.151	0.175	0.200	0.226	0.259	0.200
		Oil saturation, decimal	0.600	0.641	0.700	0.759	0.799	0.700
		Formation volume factor, Bo	1.205	1.156	1.094	1.034	0.990	1.093
		Recovery efficiency, decimal	0.113	0.165	0.249	0.333	0.397	0.249
		Prospective OOIP, barrels	48,365,480	144,084,496	376,487,424	912,811,456	2,207,413,248	467,518,417
		Prospective gross ultimate recovery, barrels	8,861,058	33,331,640	90,699,824	236,440,464	543,709,760	116,145,892

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TABLE 6
POTENTIAL PRESENT WORTH at 10 PERCENT
of the
NET PROSPECTIVE OIL RESOURCES
TRUNCATED, TEFS-ADJUSTED, and P_e-ADJUSTED
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
in
CERTAIN OIL PROSPECTS
VARIOUS LICENSE BLOCKS
BRAZIL and PERU

Truncated, TEFS-Adjusted, P_e-Adjusted, Net Entitlement Share
Oil Resources Potential Present Worth Summary

Prospect	Low Estimate (10^3 U.S.$)	Best Estimate (10^3 U.S.$)	High Estimate (10^3 U.S.$)	Mean Estimate (10^3 U.S.$)
Morro da Igreja (Beta)	654,739	999,133	1,519,070	1,050,034
Charlie (Theta)	238,573	360,029	547,292	379,250
Pre-Salt	(82,406)	(42,293)	14,225	(38,279)
Pico do Jaragua (Alpha)	669,157	1,002,142	1,504,434	1,051,736
Monte Roriama	27,652	56,672	101,345	61,298
A	215,969	317,712	472,192	333,245
B	29,500	53,732	90,882	57,496
G	194,840	298,200	452,257	312,563
B-144	77,111	129,225	206,535	136,934
D	34,175	62,030	104,631	66,510
Statistical Aggregate	**2,145,293**	**3,238,982**	**4,890,556**	**3,410,788**
Arithmetic Summation	2,059,310	3,236,582	5,012,862	3,410,788

Notes:

1. Low, best, mean, and high estimates follow the PRMS guidelines for prospective resources.
2. Low, best, mean, and high estimates in this table are P_{90}, P_{50}, mean, and P_{10}, respectively.
3. Only the mean can be arithmetically summed; P_{90}, P_{50}, and P_{10} are not additive.
4. Recovery efficiency is applied to prospective resources in this table.
5. Negative values are denoted with parentheses.
6. Present worth in this table refers to Karoon's net interest.
7. The present worth values in this table do not represent a fair market value evaluation.
8. Political risk, market availability, timing, pricing and other economic uncertainties are not included in this table.
9. A possibility exists that the prospects will not result in successful discoveries and development, in which case there would be no positive potential present worth.
10. Estimated potential present worth of prospective resources is not comparable to present worth estimates of contingent resources or reserves.
11. TEFS is defined as the threshold economic field size.
12. P_e is defined as the probability of discovering economic resources.
13. Condensate and solution gas volumes are not valued in this report.
14. Arithmetic summation is a requirement of the PRMS guidelines.
15. There is no certainty that any portion of the prospective resources estimated herein will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources evaluated.

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TABLE 7
GROSS POTENTIAL QUANTITIES, EXPENSES, and COSTS
for the
MEAN TRUNCATED VOLUME
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
In the
MORRO DA IGREJA (BETA)
OIL PROSPECT

(All monetary values are expressed in thousands of U.S. dollars)

Year	Potential Oil and Condensate Quantities (10^3bbl)	Potential Sales Gas Quantities (10^6ft^3)	Potential Operating Expenses, 10^3 U.S.$					Potential Capital Costs, 10^3 U.S.$		
			Fixed	Variable	Transport	Abandonment	Total	Drilling	Facility	Total
2010 (May)	0	0	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	0	(150,000)	(150,000)
2015	14,078	0	(50,000)	(49,196)	(21,084)	0	(239,025)	(640,000)	(150,000)	(790,000)
2016	29,423	0	(50,000)	(102,818)	(44,065)	0	(342,984)	(480,000)	0	(480,000)
2017	38,679	0	(50,000)	(135,161)	(57,926)	0	(405,940)	(480,000)	0	(480,000)
2018	43,747	0	(50,000)	(152,871)	(65,516)	0	(440,506)	(480,000)	0	(480,000)
2019	46,671	0	(50,000)	(163,090)	(69,896)	0	(460,489)	(480,000)	0	(480,000)
2020	48,462	0	(50,000)	(169,348)	(72,578)	0	(472,740)	(480,000)	0	(480,000)
2021	49,612	0	(50,000)	(173,367)	(74,300)	0	(480,612)	(480,000)	0	(480,000)
2022	50,401	0	(50,000)	(176,124)	(75,482)	0	(486,013)	(480,000)	0	(480,000)
2023	50,939	0	(50,000)	(178,004)	(76,287)	0	(489,698)	(480,000)	0	(480,000)
2024	51,302	0	(50,000)	(179,274)	(76,832)	0	(492,187)	(480,000)	0	(480,000)
2025	51,573	0	(50,000)	(180,218)	(77,236)	0	(494,040)	(480,000)	0	(480,000)
2026	51,768	0	(50,000)	(180,901)	(77,529)	0	(495,377)	(480,000)	0	(480,000)
2027	46,055	0	(50,000)	(160,936)	(68,972)	0	(456,846)	(120,000)	0	(120,000)
2028	29,859	0	(50,000)	(104,342)	(44,718)	0	(347,367)	0	0	0
2029	17,678	0	(50,000)	(61,777)	(26,476)	0	(264,678)	0	0	0
2030	10,853	0	(50,000)	(37,925)	(16,253)	0	(218,203)	0	0	0
2031	6,975	0	(50,000)	(24,374)	(10,446)	0	(191,735)	0	0	0
2032	4,686	0	(50,000)	(16,375)	(7,018)	0	(176,087)	0	0	0
2033	3,260	0	(50,000)	(11,391)	(4,882)	0	(166,329)	0	0	0
2034	2,334	0	(50,000)	(8,155)	(3,495)	0	(159,991)	0	0	0
2035	1,709	0	(50,000)	(5,973)	(2,560)	0	(155,715)	0	0	0
2036	1,282	0	(50,000)	(4,481)	(1,921)	0	(152,792)	0	0	0
2037	978	0	(50,000)	(3,419)	(1,465)	0	(150,709)	0	0	0
2038	755	0	(50,000)	(2,638)	(1,131)	0	(149,178)	0	0	0
2039	593	0	(50,000)	(2,073)	(889)	0	(148,070)	0	0	0
2040	470	0	(50,000)	(1,642)	(704)	0	(147,224)	0	0	0
Total	**654,145**	**0**	**(1,300,000)**	**(2,285,873)**	**(979,661)**	**0**	**(8,184,536)**	**(6,040,000)**	**(300,000)**	**(6,340,000)**

Notes:

1. P_g and P_r have not been applied to the quantities, expenses, or costs in this table.
2. There is no certainty that any portion of the prospective resources summarized herein will be discovered; and, if discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources estimated herein.
3. Application of P_g and P_r to the quantities, expenses, or costs in this table, does not in anyway equate these to reserves or contingent resources.
4. Potential gas quantities in this table have been adjusted to account for field fuel consumption.

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TABLE 8
GROSS POTENTIAL QUANTITIES, EXPENSES, and COSTS
for the
MEAN TRUNCATED VOLUME
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
in the
CHARLIE (THETA)
OIL PROSPECT

(All monetary values are expressed in thousands of U.S. dollars)

Year	Potential Oil and Condensate Quantities (10^3bbl)	Potential Sales Gas Quantities (10^6ft^3)	Potential Operating Expenses, 10^3 U.S.$					Potential Capital Costs, 10^3 U.S.$		
			Fixed	Variable	Transport	Abandonment	Total	Drilling	Facility	Total
2010 (May)	0	0	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	0	(90,000)	(90,000)
2015	8,160	0	(45,000)	(28,514)	(4,917)	0	(78,431)	(280,000)	(90,000)	(370,000)
2016	13,034	0	(45,000)	(45,547)	(7,854)	0	(98,401)	(240,000)	0	(240,000)
2017	15,784	0	(45,000)	(55,156)	(9,511)	0	(109,667)	(240,000)	0	(240,000)
2018	17,400	0	(45,000)	(60,803)	(10,484)	0	(116,287)	(240,000)	0	(240,000)
2019	17,915	0	(45,000)	(62,603)	(10,795)	0	(118,398)	(200,000)	0	(200,000)
2020	11,258	0	(45,000)	(39,342)	(6,784)	0	(91,126)	0	0	0
2021	6,696	0	(45,000)	(23,399)	(4,035)	0	(72,434)	0	0	0
2022	4,310	0	(45,000)	(15,061)	(2,597)	0	(62,658)	0	0	0
2023	3,021	0	(45,000)	(10,558)	(1,820)	0	(57,378)	0	0	0
2024	2,303	0	(45,000)	(8,047)	(1,388)	0	(54,435)	0	0	0
2025	1,887	0	(45,000)	(6,593)	(1,137)	0	(52,730)	0	0	0
2026	1,632	0	(45,000)	(5,703)	(983)	0	(51,686)	0	0	0
2027	1,463	0	(45,000)	(5,113)	(882)	0	(50,995)	0	0	0
2028	1,341	0	(45,000)	(4,687)	(808)	0	(50,495)	0	0	0
2029	1,242	0	(45,000)	(4,341)	(749)	0	(50,090)	0	0	0
2030	1,157	0	(45,000)	(4,042)	(697)	0	(49,739)	0	0	0
2031	1,080	0	(45,000)	(3,776)	(651)	0	(49,427)	0	0	0
2032	1,012	0	(45,000)	(3,535)	(610)	0	(49,145)	0	0	0
2033	949	0	(45,000)	(3,315)	(572)	0	(48,887)	0	0	0
2034	891	0	(45,000)	(3,115)	(537)	0	(48,652)	0	0	0
2035	838	0	(45,000)	(2,928)	(505)	0	(48,433)	0	0	0
2036	784	0	(45,000)	(2,741)	(473)	0	(48,214)	0	0	0
2037	738	0	(45,000)	(2,577)	(444)	0	(48,021)	0	0	0
2038	699	0	(45,000)	(2,441)	(421)	0	(47,862)	0	0	0
2039	662	0	(45,000)	(2,313)	(399)	0	(47,712)	0	0	0
2040	634	0	(45,000)	(2,217)	(382)	0	(47,599)	0	0	0
Total	**116,890**	**0**	**(1,170,000)**	**(408,467)**	**(70,433)**	**0**	**(1,648,900)**	**(1,200,000)**	**(180,000)**	**(1,380,000)**

Notes:

1. P_g and P_e have not been applied to the quantities, expenses, or costs in this table.
2. There is no certainty that any portion of the prospective resources summarized herein will be discovered;
   and, if discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources estimated herein.
3. Application of P_g and P_e to the quantities, expenses, or costs in this table, does not in anyway equate these to reserves or contingent resources.
4. Potential gas quantities in this table have been adjusted to account for field fuel consumption.

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TEXAS REGISTERED ENGINEERING FIRM

TABLE 9
GROSS POTENTIAL QUANTITIES, EXPENSES, and COSTS
for the
MEAN TRUNCATED VOLUME
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
in the
PRE-SALT
OIL PROSPECT

(All monetary values are expressed in thousands of U.S. dollars)

Year	Potential Oil and Condensate Quantities (10^3bbl)	Potential Sales Gas Quantities (10^6ft^3)	Potential Operating Expenses, 10^3 U.S.$					Potential Capital Costs, 10^3 U.S.$		
			Fixed	Variable	Transport	Abandonment	Total	Drilling	Facility	Total
2010 (May)	0	0	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	0	0	0
2015	8,834	0	(60,000)	(44,440)	(5,523)	0	(109,964)	(675,000)	(300,000)	(975,000)
2016	12,414	0	(60,000)	(62,551)	(7,762)	0	(130,313)	(540,000)	0	(540,000)
2017	14,502	0	(60,000)	(73,146)	(9,068)	0	(142,214)	(540,000)	0	(540,000)
2018	15,522	0	(60,000)	(78,326)	(9,705)	0	(148,031)	(540,000)	0	(540,000)
2019	16,287	0	(60,000)	(82,202)	(10,184)	0	(152,386)	(540,000)	0	(540,000)
2020	16,758	0	(60,000)	(84,579)	(10,478)	0	(155,057)	(540,000)	0	(540,000)
2021	17,171	0	(60,000)	(86,655)	(10,736)	0	(157,392)	(540,000)	0	(540,000)
2022	13,183	0	(60,000)	(66,597)	(8,243)	0	(134,840)	(135,000)	0	(135,000)
2023	7,059	0	(60,000)	(35,726)	(4,413)	0	(100,140)	0	0	0
2024	4,357	0	(60,000)	(22,042)	(2,724)	0	(84,766)	0	0	0
2025	2,962	0	(60,000)	(14,954)	(1,852)	0	(76,807)	0	0	0
2026	2,175	0	(60,000)	(10,954)	(1,360)	0	(72,313)	0	0	0
2027	1,692	0	(60,000)	(8,511)	(1,058)	0	(69,569)	0	0	0
2028	1,363	0	(60,000)	(6,850)	(853)	0	(67,703)	0	0	0
2029	1,141	0	(60,000)	(5,732)	(714)	0	(66,446)	0	0	0
2030	1,009	0	(60,000)	(5,070)	(631)	0	(65,701)	0	0	0
2031	924	0	(60,000)	(4,641)	(578)	0	(65,219)	0	0	0
2032	865	0	(60,000)	(4,348)	(541)	0	(64,889)	0	0	0
2033	813	0	(60,000)	(4,086)	(509)	0	(64,594)	0	0	0
2034	766	0	(60,000)	(3,849)	(479)	0	(64,328)	0	0	0
2035	724	0	(60,000)	(3,637)	(453)	0	(64,089)	0	0	0
2036	686	0	(60,000)	(3,445)	(429)	0	(63,874)	0	0	0
2037	652	0	(60,000)	(3,274)	(407)	0	(63,681)	0	0	0
2038	621	0	(60,000)	(3,119)	(388)	0	(63,507)	0	0	0
2039	592	0	(60,000)	(2,975)	(370)	0	(63,346)	0	0	0
2040	565	0	(60,000)	(2,839)	(353)	0	(63,192)	0	0	0
Total	**143,637**	**0**	**(1,560,000)**	**(724,549)**	**(89,811)**	**0**	**(2,374,361)**	**(4,050,000)**	**(300,000)**	**(4,350,000)**

Notes:

1. P_g and P_c have not been applied to the quantities, expenses, or costs in this table.
2. There is no certainty that any portion of the prospective resources summarized herein will be discovered; and, if discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources estimated herein.
3. Application of P_g and P_c to the quantities, expenses, or costs in this table, does not in anyway equate these to reserves or contingent resources.
4. Potential gas quantities in this table have been adjusted to account for field fuel consumption.

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TABLE 10
GROSS POTENTIAL QUANTITIES, EXPENSES, and COSTS
for the
MEAN TRUNCATED VOLUME
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
In the
PICO DO JARAGUA (ALPHA)
OIL PROSPECT

(All monetary values are expressed in thousands of U.S. dollars)

Year	Potential Oil and Condensate Quantities (10^3bbl)	Potential Sales Gas Quantities (10^6ft^3)	Potential Operating Expenses, 10^3 U.S.$					Potential Capital Costs, 10^3 U.S.$		
			Fixed	Variable	Transport	Abandonment	Total	Drilling	Facility	Total
2010 (May)	0	0	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	(2,569)	(5,718)	(8,287)
2012	0	0	0	0	0	0	0	(92,764)	(206,475)	(299,239)
2013	0	0	0	0	0	0	0	(418,517)	(931,538)	(1,350,055)
2014	0	0	0	0	0	0	0	(675,582)	(1,503,715)	(2,179,298)
2015	45,638	0	(120,000)	(75,000)	(34,228)	0	(229,228)	0	0	0
2016	45,638	0	(120,000)	(75,000)	(34,228)	0	(229,228)	0	0	0
2017	45,638	0	(120,000)	(75,000)	(34,228)	0	(229,228)	0	0	0
2018	38,890	0	(120,000)	(75,000)	(29,167)	0	(224,167)	0	0	0
2019	33,140	0	(120,000)	(75,000)	(24,855)	0	(219,855)	0	0	0
2020	28,240	0	(120,000)	(75,000)	(21,180)	0	(216,180)	0	0	0
2021	24,064	0	(120,000)	(75,000)	(18,048)	0	(213,048)	0	0	0
2022	20,506	0	(120,000)	(75,000)	(15,380)	0	(210,380)	0	0	0
2023	17,474	0	(120,000)	(75,000)	(13,106)	0	(208,106)	0	0	0
2024	14,891	0	(120,000)	(75,000)	(11,168)	0	(206,168)	0	0	0
2025	12,689	0	(120,000)	(75,000)	(9,517)	0	(204,517)	0	0	0
2026	10,813	0	(120,000)	(75,000)	(8,110)	0	(203,110)	0	0	0
2027	9,214	0	(120,000)	(75,000)	(6,911)	0	(201,911)	0	0	0
2028	7,852	0	(120,000)	(75,000)	(5,889)	0	(200,889)	0	0	0
2029	6,691	0	(120,000)	(75,000)	(5,018)	0	(200,018)	0	0	0
2030	5,702	0	(120,000)	(75,000)	(4,276)	0	(199,276)	0	0	0
2031	4,859	0	(120,000)	(75,000)	(3,644)	0	(198,644)	0	0	0
2032	4,140	0	(120,000)	(75,000)	(3,105)	0	(198,105)	0	0	0
2033	3,528	0	(120,000)	(75,000)	(2,646)	0	(197,646)	0	0	0
2034	3,006	0	(120,000)	(75,000)	(2,255)	0	(197,255)	0	0	0
2035	0	0	0	0	0	0	0	0	0	0
2036	0	0	0	0	0	0	0	0	0	0
2037	0	0	0	0	0	0	0	0	0	0
2038	0	0	0	0	0	0	0	0	0	0
2039	0	0	0	0	0	0	0	0	0	0
2040	0	0	0	0	0	0	0	0	0	0
Total	**382,612**	**0**	**(2,400,000)**	**(1,500,000)**	**(286,959)**	**0**	**(4,186,959)**	**(1,189,432)**	**(2,647,446)**	**(3,836,879)**

Notes:

1. P_g and P_c have not been applied to the quantities, expenses, or costs in this table.
2. There is no certainty that any portion of the prospective resources summarized herein will be discovered;
   and, if discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources estimated herein.
3. Application of P_g and P_c to the quantities, expenses, or costs in this table, does not in anyway equate these to reserves or contingent resources.
4. Potential gas quantities in this table have been adjusted to account for field fuel consumption.

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TEXAS REGISTERED ENGINEERING FIRM

TABLE 11
GROSS POTENTIAL QUANTITIES, EXPENSES, and COSTS
for the
MEAN TRUNCATED VOLUME
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
in the
MONTE RORIAMA
OIL PROSPECT

(All monetary values are expressed in thousands of U.S. dollars)

Year	Potential Oil and Condensate Quantities (10^3bbl)	Potential Sales Gas Quantities (10^6ft^3)	Potential Operating Expenses, 10^3 U.S.$					Potential Capital Costs, 10^3 U.S.$		
			Fixed	Variable	Transport	Abandonment	Total	Drilling	Facility	Total
2010 (May)	0	0	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	0	0	0
2015	7,411	0	(35,000)	(25,896)	11,098	0	(49,798)	(360,000)	(450,000)	(810,000)
2016	12,249	0	(35,000)	(42,804)	18,345	0	(59,459)	(180,000)	0	(180,000)
2017	9,787	0	(35,000)	(34,200)	14,657	0	(54,543)	0	0	0
2018	7,533	0	(35,000)	(26,323)	11,281	0	(50,042)	0	0	0
2019	5,958	0	(35,000)	(20,821)	8,923	0	(46,898)	0	0	0
2020	4,735	0	(35,000)	(16,547)	7,091	0	(44,456)	0	0	0
2021	3,782	0	(35,000)	(13,216)	5,664	0	(42,552)	0	0	0
2022	3,043	0	(35,000)	(10,633)	4,557	0	(41,076)	0	0	0
2023	2,473	0	(35,000)	(8,642)	3,704	0	(39,938)	0	0	0
2024	2,030	0	(35,000)	(7,093)	3,040	0	(39,053)	0	0	0
2025	1,677	0	(35,000)	(5,861)	2,512	0	(38,349)	0	0	0
2026	1,391	0	(35,000)	(4,862)	2,084	0	(37,778)	0	0	0
2027	1,163	0	(35,000)	(4,064)	1,742	0	(37,322)	0	0	0
2028	983	0	(35,000)	(3,434)	1,472	0	(36,962)	0	0	0
2029	839	0	(35,000)	(2,932)	1,257	0	(36,675)	0	0	0
2030	724	0	(35,000)	(2,531)	1,085	0	(36,446)	0	0	0
2031	633	0	(35,000)	(2,211)	948	0	(36,263)	0	0	0
2032	559	0	(35,000)	(1,954)	838	0	(36,116)	0	0	0
2033	499	0	(35,000)	(1,744)	747	0	(35,997)	0	0	0
2034	450	0	(35,000)	(1,571)	673	0	(35,898)	0	0	0
2035	413	0	(35,000)	(1,442)	618	0	(35,824)	0	0	0
2036	386	0	(35,000)	(1,350)	578	0	(35,772)	0	0	0
2037	369	0	(35,000)	(1,289)	553	0	(35,736)	0	0	0
2038	361	0	(35,000)	(1,260)	540	0	(35,720)	0	0	0
2039	357	0	(35,000)	(1,247)	535	0	(35,712)	0	0	0
2040	355	0	(35,000)	(1,240)	532	0	(35,708)	0	0	0
Total	**70,159**	**0**	**(910,000)**	**(245,167)**	**105,074**	**0**	**(1,050,093)**	**(540,000)**	**(450,000)**	**(990,000)**

Notes:

1. P_g and P_c have not been applied to the quantities, expenses, or costs in this table.
2. There is no certainty that any portion of the prospective resources summarized herein will be discovered; and, if discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources estimated herein.
3. Application of P_g and P_c to the quantities, expenses, or costs in this table, does not in anyway equate these to reserves or contingent resources.
4. Potential gas quantities in this table have been adjusted to account for field fuel consumption.

DeGolyer and MacNaughton
F-716
TEXAS REGISTERED ENGINEERING FIRM

TABLE 12
GROSS POTENTIAL QUANTITIES, EXPENSES, and COSTS
for the
MEAN TRUNCATED VOLUME
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
In the
A
OIL PROSPECT

(All monetary values are expressed in thousands of U.S. dollars)

Year	Potential Oil and Condensate Quantities (10^3bbl)	Potential Sales Gas Quantities (10^6ft^3)	Potential Operating Expenses, 10^3 U.S.$					Potential Capital Costs, 10^3 U.S.$		
			Fixed	Variable	Transport	Abandonment	Total	Drilling	Facility	Total
2010 (May)	0	0	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	0	(90,000)	(90,000)
2015	11,790	0	(50,000)	(23,582)	(5,831)	0	(79,413)	(272,000)	(90,000)	(362,000)
2016	14,926	0	(50,000)	(29,854)	(7,382)	0	(87,236)	(192,000)	0	(192,000)
2017	16,987	0	(50,000)	(33,974)	(8,401)	0	(92,375)	(192,000)	0	(192,000)
2018	17,818	0	(50,000)	(35,638)	(8,812)	0	(94,450)	(192,000)	0	(192,000)
2019	18,150	0	(50,000)	(36,302)	(8,977)	0	(95,279)	(192,000)	0	(192,000)
2020	18,671	0	(50,000)	(37,342)	(9,234)	0	(96,576)	(192,000)	0	(192,000)
2021	19,037	0	(50,000)	(38,074)	(9,415)	0	(97,489)	(192,000)	0	(192,000)
2022	18,758	0	(50,000)	(37,518)	(9,277)	0	(96,795)	(192,000)	0	(192,000)
2023	18,874	0	(50,000)	(37,750)	(9,334)	0	(97,084)	(192,000)	0	(192,000)
2024	19,155	0	(50,000)	(38,310)	(9,474)	0	(97,784)	(192,000)	0	(192,000)
2025	19,051	0	(50,000)	(38,102)	(9,422)	0	(97,524)	(192,000)	0	(192,000)
2026	18,878	0	(50,000)	(37,758)	(9,337)	0	(97,095)	(192,000)	0	(192,000)
2027	19,124	0	(50,000)	(38,248)	(9,458)	0	(97,706)	(192,000)	0	(192,000)
2028	16,922	0	(50,000)	(33,846)	(8,369)	0	(92,215)	(112,000)	0	(112,000)
2029	8,701	0	(50,000)	(17,402)	(4,303)	0	(71,705)	0	0	0
2030	4,593	0	(50,000)	(9,186)	(2,272)	0	(61,458)	0	0	0
2031	2,541	0	(50,000)	(5,082)	(1,257)	0	(56,339)	0	0	0
2032	1,467	0	(50,000)	(2,934)	(726)	0	(53,660)	0	0	0
2033	893	0	(50,000)	(1,786)	(441)	0	(52,227)	0	0	0
2034	579	0	(50,000)	(1,158)	(286)	0	(51,444)	0	0	0
2035	404	0	(50,000)	(808)	(200)	0	(51,008)	0	0	0
2036	303	0	(50,000)	(606)	(150)	0	(50,756)	0	0	0
2037	244	0	(50,000)	(488)	(120)	0	(50,608)	0	0	0
2038	202	0	(50,000)	(406)	(100)	0	(50,506)	0	0	0
2039	165	0	(50,000)	(330)	(82)	0	(50,412)	0	0	0
2040	141	0	(50,000)	(305)	(70)	0	(50,375)	0	0	0
Total	**268,373**	**0**	**(1,300,000)**	**(536,789)**	**(132,731)**	**0**	**(1,969,520)**	**(2,688,000)**	**(180,000)**	**(2,868,000)**

Notes:

1. P_g and P_e have not been applied to the quantities, expenses, or costs in this table.
2. There is no certainty that any portion of the prospective resources summarized herein will be discovered;
   and, if discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources estimated herein.
3. Application of P_g and P_e to the quantities, expenses, or costs in this table, does not in anyway equate these to reserves or contingent resources.
4. Potential gas quantities in this table have been adjusted to account for field fuel consumption.

DeGolyer and MacNaughton
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TEXAS REGISTERED ENGINEERING FIRM

TABLE 13
GROSS POTENTIAL QUANTITIES, EXPENSES, and COSTS
for the
MEAN TRUNCATED VOLUME
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
In the
B
OIL PROSPECT

(All monetary values are expressed in thousands of U.S. dollars)

Year	Potential Oil and Condensate Quantities (10^3bbl)	Potential Sales Gas Quantities (10^6ft^3)	Potential Operating Expenses, 10^3 U.S.$					Potential Capital Costs, 10^3 U.S.$		
			Fixed	Variable	Transport	Abandonment	Total	Drilling	Facility	Total
2010 (May)	0	0	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	0	(90,000)	(90,000)
2015	5,719	0	(40,000)	(14,298)	(2,688)	0	(56,986)	(280,000)	(90,000)	(370,000)
2016	9,439	0	(40,000)	(23,598)	(4,436)	0	(68,034)	(240,000)	0	(240,000)
2017	12,240	0	(40,000)	(30,600)	(5,752)	0	(76,352)	(240,000)	0	(240,000)
2018	14,240	0	(40,000)	(35,600)	(6,692)	0	(82,292)	(240,000)	0	(240,000)
2019	15,672	0	(40,000)	(39,180)	(7,365)	0	(86,545)	(240,000)	0	(240,000)
2020	15,024	0	(40,000)	(37,560)	(7,061)	0	(84,621)	(120,000)	0	(120,000)
2021	10,527	0	(40,000)	(26,318)	(4,947)	0	(71,265)	0	0	0
2022	7,591	0	(40,000)	(18,978)	(3,567)	0	(62,545)	0	0	0
2023	5,507	0	(40,000)	(13,768)	(2,588)	0	(56,356)	0	0	0
2024	4,046	0	(40,000)	(10,118)	(1,902)	0	(52,020)	0	0	0
2025	3,023	0	(40,000)	(7,558)	(1,421)	0	(48,979)	0	0	0
2026	2,303	0	(40,000)	(5,758)	(1,082)	0	(46,840)	0	0	0
2027	1,788	0	(40,000)	(4,470)	(840)	0	(45,310)	0	0	0
2028	1,415	0	(40,000)	(3,538)	(665)	0	(44,203)	0	0	0
2029	1,143	0	(40,000)	(2,858)	(537)	0	(43,395)	0	0	0
2030	940	0	(40,000)	(2,350)	(442)	0	(42,792)	0	0	0
2031	787	0	(40,000)	(1,968)	(370)	0	(42,338)	0	0	0
2032	671	0	(40,000)	(1,678)	(315)	0	(41,993)	0	0	0
2033	581	0	(40,000)	(1,453)	(273)	0	(41,726)	0	0	0
2034	511	0	(40,000)	(1,278)	(240)	0	(41,518)	0	0	0
2035	454	0	(40,000)	(1,138)	(213)	0	(41,351)	0	0	0
2036	408	0	(40,000)	(1,020)	(192)	0	(41,212)	0	0	0
2037	369	0	(40,000)	(923)	(173)	0	(41,096)	0	0	0
2038	336	0	(40,000)	(840)	(158)	0	(40,998)	0	0	0
2039	308	0	(40,000)	(770)	(145)	0	(40,915)	0	0	0
2040	283	0	(40,000)	(690)	(133)	0	(40,823)	0	0	0
Total	**115,324**	**0**	**(1,040,000)**	**(288,308)**	**(54,198)**	**0**	**(1,382,506)**	**(1,360,000)**	**(180,000)**	**(1,540,000)**

Notes:

1. P_g and P_c have not been applied to the quantities, expenses, or costs in this table.
2. There is no certainty that any portion of the prospective resources summarized herein will be discovered; and, if discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources estimated herein.
3. Application of P_g and P_c to the quantities, expenses, or costs in this table, does not in anyway equate these to reserves or contingent resources.
4. Potential gas quantities in this table have been adjusted to account for field fuel consumption.

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TABLE 14
GROSS POTENTIAL QUANTITIES, EXPENSES, and COSTS
for the
MEAN TRUNCATED VOLUME
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
In the
G
OIL PROSPECT

(All monetary values are expressed in thousands of U.S. dollars)

Year	Potential Oil and Condensate Quantities (10^3bbl)	Potential Sales Gas Quantities (10^6ft^3)	Potential Operating Expenses, 10^3 U.S.$					Potential Capital Costs, 10^3 U.S.$		
			Fixed	Variable	Transport	Abandonment	Total	Drilling	Facility	Total
2010 (May)	0	0	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	0	(90,000)	(90,000)
2015	14,828	0	(55,000)	(37,070)	(6,673)	0	(98,743)	(200,000)	(90,000)	(290,000)
2016	17,362	0	(55,000)	(43,408)	(7,813)	0	(106,221)	(160,000)	0	(160,000)
2017	18,938	0	(55,000)	(47,348)	(8,522)	0	(110,870)	(160,000)	0	(160,000)
2018	18,824	0	(55,000)	(47,060)	(8,471)	0	(110,531)	(160,000)	0	(160,000)
2019	19,645	0	(55,000)	(49,113)	(8,840)	0	(112,953)	(160,000)	0	(160,000)
2020	20,150	0	(55,000)	(50,378)	(9,068)	0	(114,446)	(100,000)	0	(100,000)
2021	19,507	0	(55,000)	(48,768)	(8,778)	0	(112,546)	0	0	0
2022	20,050	0	(55,000)	(50,128)	(9,023)	0	(114,151)	0	0	0
2023	20,418	0	(55,000)	(51,048)	(9,188)	0	(115,236)	0	0	0
2024	19,706	0	(55,000)	(49,268)	(8,868)	0	(113,136)	0	0	0
2025	20,216	0	(55,000)	(50,540)	(9,097)	0	(114,637)	0	0	0
2026	20,606	0	(55,000)	(51,518)	(9,273)	0	(115,791)	0	0	0
2027	19,869	0	(55,000)	(49,673)	(8,941)	0	(113,614)	0	0	0
2028	20,369	0	(55,000)	(50,923)	(9,166)	0	(115,089)	0	0	0
2029	20,719	0	(55,000)	(51,798)	(9,323)	0	(116,121)	0	0	0
2030	19,988	0	(55,000)	(49,970)	(8,995)	0	(113,965)	0	0	0
2031	20,482	0	(55,000)	(51,208)	(9,217)	0	(115,425)	0	0	0
2032	20,828	0	(55,000)	(52,070)	(9,372)	0	(116,442)	0	0	0
2033	20,096	0	(55,000)	(50,240)	(9,043)	0	(114,283)	0	0	0
2034	20,589	0	(55,000)	(51,473)	(9,265)	0	(115,738)	0	0	0
2035	16,576	0	(55,000)	(41,440)	(7,459)	0	(103,899)	0	0	0
2036	7,979	0	(55,000)	(19,948)	(3,590)	0	(78,538)	0	0	0
2037	4,247	0	(55,000)	(10,618)	(1,911)	0	(67,529)	0	0	0
2038	2,507	0	(55,000)	(6,268)	(1,128)	0	(62,396)	0	0	0
2039	1,649	0	(55,000)	(4,123)	(742)	0	(59,865)	0	0	0
2040	1,216	0	(55,000)	(2,857)	(547)	0	(58,404)	0	0	0
Total	**427,362**	**0**	**(1,430,000)**	**(1,068,256)**	**(192,313)**	**0**	**(2,690,569)**	**(940,000)**	**(180,000)**	**(1,120,000)**

Notes:

1. P_s and P_e have not been applied to the quantities, expenses, or costs in this table.
2. There is no certainty that any portion of the prospective resources summarized herein will be discovered;
   and, if discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources estimated herein.
3. Application of P_g and P_c to the quantities, expenses, or costs in this table, does not in anyway equate these to reserves or contingent resources.
4. Potential gas quantities in this table have been adjusted to account for field fuel consumption.

DeGolyer and MacNaughton
F-716
TEXAS REGISTERED ENGINEERING FIRM

TABLE 15
GROSS POTENTIAL QUANTITIES, EXPENSES, and COSTS
for the
MEAN TRUNCATED VOLUME
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
in the
B-144
OIL PROSPECT

(All monetary values are expressed in thousands of U.S. dollars)

Year	Potential Oil and Condensate Quantities (10^3bbl)	Potential Sales Gas Quantities (10^6ft^3)	Potential Operating Expenses, 10^3 U.S.$					Potential Capital Costs, 10^3 U.S.$		
			Fixed	Variable	Transport	Abandonment	Total	Drilling	Facility	Total
2010 (May)	0	0	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	0	(60,000)	(60,000)
2015	3,095	0	(15,000)	(2,314)	(2,314)	0	(19,628)	(120,000)	(60,000)	(180,000)
2016	4,398	0	(15,000)	(3,289)	(3,289)	0	(21,578)	(90,000)	0	(90,000)
2017	5,504	0	(15,000)	(4,115)	(4,115)	0	(23,230)	(90,000)	0	(90,000)
2018	6,296	0	(15,000)	(4,708)	(4,708)	0	(24,416)	(90,000)	0	(90,000)
2019	6,871	0	(15,000)	(5,137)	(5,137)	0	(25,274)	(90,000)	0	(90,000)
2020	7,291	0	(15,000)	(5,452)	(5,452)	0	(25,904)	(90,000)	0	(90,000)
2021	7,606	0	(15,000)	(5,687)	(5,687)	0	(26,374)	(90,000)	0	(90,000)
2022	7,846	0	(15,000)	(5,867)	(5,867)	0	(26,734)	(90,000)	0	(90,000)
2023	8,033	0	(15,000)	(6,007)	(6,007)	0	(27,014)	(90,000)	0	(90,000)
2024	8,182	0	(15,000)	(6,118)	(6,118)	0	(27,236)	(90,000)	0	(90,000)
2025	6,630	0	(15,000)	(4,957)	(4,957)	0	(24,914)	(15,000)	0	(15,000)
2026	4,774	0	(15,000)	(3,570)	(3,570)	0	(22,140)	0	0	0
2027	3,537	0	(15,000)	(2,644)	(2,644)	0	(20,288)	0	0	0
2028	2,663	0	(15,000)	(1,991)	(1,991)	0	(18,982)	0	0	0
2029	2,043	0	(15,000)	(1,528)	(1,528)	0	(18,056)	0	0	0
2030	1,602	0	(15,000)	(1,198)	(1,198)	0	(17,396)	0	0	0
2031	1,285	0	(15,000)	(961)	(961)	0	(16,922)	0	0	0
2032	1,055	0	(15,000)	(789)	(789)	0	(16,578)	0	0	0
2033	884	0	(15,000)	(661)	(661)	0	(16,322)	0	0	0
2034	757	0	(15,000)	(566)	(566)	0	(16,132)	0	0	0
2035	660	0	(15,000)	(494)	(494)	0	(15,988)	0	0	0
2036	586	0	(15,000)	(438)	(438)	0	(15,876)	0	0	0
2037	528	0	(15,000)	(395)	(395)	0	(15,790)	0	0	0
2038	482	0	(15,000)	(361)	(361)	0	(15,722)	0	0	0
2039	447	0	(15,000)	(334)	(334)	0	(15,668)	0	0	0
2040	418	0	(15,000)	(315)	(317)	0	(15,632)	0	0	0
Total	**93,472**	**0**	**(390,000)**	**(69,896)**	**(69,898)**	**0**	**(529,794)**	**(945,000)**	**(120,000)**	**(1,065,000)**

Notes:

1. P_g and P_c have not been applied to the quantities, expenses, or costs in this table.
2. There is no certainty that any portion of the prospective resources summarized herein will be discovered; and, if discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources estimated herein.
3. Application of P_g and P_c to the quantities, expenses, or costs in this table, does not in anyway equate these to reserves or contingent resources.
4. Potential gas quantities in this table have been adjusted to account for field fuel consumption.

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TEXAS REGISTERED ENGINEERING FIRM

TABLE 16
GROSS POTENTIAL QUANTITIES, EXPENSES, and COSTS
for the
MEAN TRUNCATED VOLUME
as of
MAY 30, 2010
for
KAROON GAS AUSTRALIA LTD.
in the
D
OIL PROSPECT

(All monetary values are expressed in thousands of U.S. dollars)

Year	Potential Oil and Condensate Quantities (10^3bbl)	Potential Sales Gas Quantities (10^6ft^3)	Potential Operating Expenses, 10^3 U.S.$					Potential Capital Costs, 10^3 U.S.$		
			Fixed	Variable	Transport	Abandonment	Total	Drilling	Facility	Total
2010 (May)	0	0	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	0	(90,000)	(90,000)
2015	5,791	0	(45,000)	(32,640)	(2,664)	0	(80,304)	(280,000)	(90,000)	(370,000)
2016	9,557	0	(45,000)	(52,140)	(4,396)	0	(101,536)	(240,000)	0	(240,000)
2017	12,393	0	(45,000)	(63,136)	(5,701)	0	(113,837)	(240,000)	0	(240,000)
2018	14,418	0	(45,000)	(69,600)	(6,632)	0	(121,232)	(240,000)	0	(240,000)
2019	15,868	0	(45,000)	(71,660)	(7,299)	0	(123,959)	(240,000)	0	(240,000)
2020	15,211	0	(45,000)	(45,036)	(6,997)	0	(97,033)	(120,000)	0	(120,000)
2021	10,659	0	(45,000)	(26,784)	(4,903)	0	(76,687)	0	0	0
2022	7,686	0	(45,000)	(17,244)	(3,535)	0	(65,779)	0	0	0
2023	5,576	0	(45,000)	(12,084)	(2,565)	0	(59,649)	0	0	0
2024	4,097	0	(45,000)	(9,212)	(1,884)	0	(56,096)	0	0	0
2025	3,061	0	(45,000)	(7,548)	(1,408)	0	(53,956)	0	0	0
2026	2,331	0	(45,000)	(6,528)	(1,072)	0	(52,600)	0	0	0
2027	1,810	0	(45,000)	(5,852)	(833)	0	(51,685)	0	0	0
2028	1,433	0	(45,000)	(5,364)	(659)	0	(51,023)	0	0	0
2029	1,157	0	(45,000)	(4,972)	(532)	0	(50,504)	0	0	0
2030	952	0	(45,000)	(4,628)	(438)	0	(50,066)	0	0	0
2031	797	0	(45,000)	(4,320)	(367)	0	(49,687)	0	0	0
2032	680	0	(45,000)	(4,048)	(313)	0	(49,361)	0	0	0
2033	589	0	(45,000)	(3,796)	(271)	0	(49,067)	0	0	0
2034	517	0	(45,000)	(3,564)	(238)	0	(48,802)	0	0	0
2035	460	0	(45,000)	(3,356)	(212)	0	(48,568)	0	0	0
2036	413	0	(45,000)	(3,136)	(190)	0	(48,326)	0	0	0
2037	374	0	(45,000)	(2,956)	(172)	0	(48,128)	0	0	0
2038	340	0	(45,000)	(2,796)	(156)	0	(47,952)	0	0	0
2039	311	0	(45,000)	(2,652)	(143)	0	(47,795)	0	0	0
2040	286	0	(45,000)	(2,523)	(132)	0	(47,655)	0	0	0
Total	**116,767**	**0**	**(1,170,000)**	**(467,575)**	**(53,713)**	**0**	**(1,691,288)**	**(1,360,000)**	**(180,000)**	**(1,540,000)**

Notes:

1. P_g and P_c have not been applied to the quantities, expenses, or costs in this table.
2. There is no certainty that any portion of the prospective resources summarized herein will be discovered; and, if discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources estimated herein.
3. Application of P_g and P_c to the quantities, expenses, or costs in this table, does not in anyway equate these to reserves or contingent resources.
4. Potential gas quantities in this table have been adjusted to account for field fuel consumption.