

**Form 603
Corporations Act 2001
Section 671B**

Notice of Initial Substantial Holder

To: **Karoon Gas Australia Ltd**
ACN/ARSN:

1. Details of substantial holder (s)

Name: FMR Corp. and FIL
ACN/ARSN (if applicable)

The holder became a substantial holder on 30 July 2012

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of Securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary shares	11,215,573	5.07%	5.07%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
FMR LLC & FIL	Parent companies of a fund management group with power to exercise control over disposal of the securities	11,215,573

4, Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Class and number of securities
FIL & FMR Corp.	FID FDS-ASIAN SMALLER COS PL	15,756
FIL & FMR Corp.	RIO TINTO STAFF SUPER FUND	157,391
FIL & FMR Corp.	FID AUSTRALIA SMALL CAP PLT FD	3,884
FIL & FMR Corp.	FA INT SOUTH EAST ASIA SUB	494,912
FIL & FMR Corp.	GM HOURLY-RATE SEL INTL T55193	86,548

FIL & FMR Corp.	FIL AUSTRALIA POC PILOT	2,807
FIL & FMR Corp.	AUSTRALIANSUPER PTY LTD	2,414,622
FIL & FMR Corp.	FIL ACTIVE AUSTRALIAN EQUITY	1,226,638
FIL & FMR Corp.	BARCLAYS AUSTRALIA FUND	15,559
FIL & FMR Corp.	STATE SUPER FINANCIAL SERVICES	251,468
FIL & FMR Corp.	FID PACIFIC BASIN FUND	443,513
FIL & FMR Corp.	COLONIAL FIRST STATE AUS F 24	372,767
FIL & FMR Corp.	FUND 232	674,048
FIL & FMR Corp.	FIREFLY	169,039
FIL & FMR Corp.	UAW RMBT SEL INTL T55189	63,052
FIL & FMR Corp.	FID ASIASTAR FD EXJAPAN EQ SUB	91,546
FIL & FMR Corp.	FID FDS - AUSTRALIA POOL	563,368
FIL & FMR Corp.	FIJ IT JPN ASIA GROWTH MOTHER	71,496
FIL & FMR Corp.	FIDELITY AUSTRALIAN EQ FUND	3,218,799
FIL & FMR Corp.	MLC INVESTMENTS LIMITED	312,707
FIL & FMR Corp.	FID FDS - PACIFIC POOL	565,653
Total	11,215,573	5.06%

4. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities ordinary shares
		Cash/non-cash USD	
FMR Corp. & FIL	20 April 2012	6.42	17,273
FMR Corp. & FIL	20 April 2012	6.42	63,052
FMR Corp. & FIL	20 April 2012	6.42	86,548
FMR Corp. & FIL	27 April 2012	6.70	1,195
FMR Corp. & FIL	1 May 2012	6.86	393
FMR Corp. & FIL	19 July 2012	4.23	1,219
FMR Corp. & FIL	20 July 2012	4.25	5,815
FMR Corp. & FIL	20 July 2012	4.24	24,894
FMR Corp. & FIL	20 July 2012	4.24	30,959
FMR Corp. & FIL	20 July 2012	4.25	69,524
FMR Corp. & FIL	23 July 2012	4.09	949
FMR Corp. & FIL	23 July 2012	4.09	8,003
FMR Corp. & FIL	23 July 2012	4.04	49,351
FMR Corp. & FIL	23 July 2012	4.04	49,636
FMR Corp. & FIL	23 July 2012	4.09	53,256
FMR Corp. & FIL	25 July 2012	3.75	10,913
FMR Corp. & FIL	25 July 2012	3.73	45,178
FMR Corp. & FIL	26 July 2012	3.78	24,120
FMR Corp. & FIL	26 July 2012	3.75	45,552
FMR Corp. & FIL	27 July 2012	3.69	1,300

FMR Corp. & FIL	27 July 2012	3.73	1,914
FMR Corp. & FIL	27 July 2012	3.73	1,983
FMR Corp. & FIL	27 July 2012	3.69	2,455
FMR Corp. & FIL	27 July 2012	3.69	2,543
FMR Corp. & FIL	27 July 2012	3.73	2,909
FMR Corp. & FIL	27 July 2012	3.73	3,253
FMR Corp. & FIL	27 July 2012	3.69	3,731
FMR Corp. & FIL	27 July 2012	3.73	3,832
FMR Corp. & FIL	27 July 2012	3.69	4,173
FMR Corp. & FIL	27 July 2012	3.69	4,915
FMR Corp. & FIL	27 July 2012	3.73	5,909
FMR Corp. & FIL	27 July 2012	3.69	7,579
FMR Corp. & FIL	27 July 2012	3.73	7,821
FMR Corp. & FIL	27 July 2012	3.73	9,916
FMR Corp. & FIL	27 July 2012	3.69	10,031
FMR Corp. & FIL	27 July 2012	3.69	12,718
FMR Corp. & FIL	27 July 2012	3.73	18,743
FMR Corp. & FIL	27 July 2012	3.73	20,676
FMR Corp. & FIL	27 July 2012	3.69	24,039
FMR Corp. & FIL	27 July 2012	3.69	26,516

5. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are all follows:

Name and ACN/ARSN (if applicable)	Nature of association
FMR Corp./FMR Co., FMTC	<p>FMR Co. is the adviser to the registered holders named in Section 4 and has power under its management agreements to dispose of the subject shares. FMR Co. is a wholly-owned subsidiary of FMR Corp., a Delaware corporation. Edward C. Johnson 3d is chairman of FMR Corp. and owns in excess of 10% of the voting power of FMR Corp. and may thereby be deemed an associate of FMR Co.</p> <p>However, neither FMR Corp. nor Edward C. Johnson 3d has sole power to vote or direct the voting of, or to dispose of or direct the disposition of, the subject shares. FMR Co. carries out such voting under written guidelines established by the Board of Trustees of the Funds which are the registered holders.</p> <p>Fidelity Management Trust Company ("FMTC") is a trust company organized under the laws of Massachusetts and is a wholly-owned subsidiary of FMR Corp. Because FMTC and FMR Co. are under the common control of FMR Corp., FMTC may be considered a related body corporate and hence an "associate" of FMR Corp., as such term is used in the Corporations Law.</p> <p>FMTC's relevant interest consists of the power to dispose of, and may also consist of the power to vote or direct the voting of, the shares for the institutional accounts with which it has a management agreement.</p>
FIL	<p>FIL is the adviser to the registered holders named in Section 4 above, each of which is an investment company organized under the laws of a jurisdiction other than the United States, and has power under its management agreements to dispose of the subject shares.</p> <p>Edward C. Johnson 3d is chairman of FIL and owns in excess of 20% of the voting power of FIL. By reason of his ownership of the "prescribed percentage" of FIL, Mr. Johnson may be deemed the holder of a relevant interest in the subject shares and a substantial shareholder.</p> <p>FIL has power to vote and dispose of the shares of the Funds which it advises.</p>

6. Addresses

The addresses of the persons named in this form are as follows:

Name	Address
FMR Corp., FMR Co., FMTC	82 Devonshire Street, Boston, MA 02109
FIL	PO Box HM 670, Hamilton HMCX, Bermuda

Sign Here 
Dated 1 August 2012

Philip Alexander

Assistant Manager, Regulatory Reporting

Duly authorized under Powers of Attorney dated 11 May 2012 by Scott Goebel by and on behalf of FMR LLC, and their respective direct and indirect subsidiaries.

Duly authorized under Powers of Attorney dated 7 May 2012 by Matthew Heath by and on behalf of FIL Limited and their respective direct and indirect subsidiaries