

**MITCHELL
WILSON &
PARTNERS**
Chartered Accountants

*Tim Wilson
Doug Mitchell*

31 May 2004

The Directors
Karoo Gas Australia Ltd
Suite 7A, 34 Lucile Ave
MT MARTHA VIC 3934

Dear Sirs,

RE: WORKING CAPITAL

Mitchell Wilson & Partners, confirm that we act as independent accountants for Karoo Gas Australia Ltd. As required by ASX Listing 1.3.3 we advise that in our opinion, the Company will have enough working capital to carry out its stated objectives.

Yours faithfully,

MITCHELL WILSON & PARTNERS


DOUG MITCHELL
Partner

*Level 1
261 - 271 Wattlesea Road
Malvern Victoria 3144*

*Telephone
(03) 9500 0533*

*Facsimile
(03) 9500 0633*

*Email
mwp@mitchellwilson.com.au*

*Website
www.mitchellwilson.com.au*

ABN 32 265 756 924