

.....

Karoon Gas Australia Ltd

ESCROWED SECURITIES

Please be advised that the following securities are escrowed securities and will be restricted for the periods listed below:

15,000,000 ordinary shares, restricted until 8 June 2006.

1,675,000 ordinary shares, restricted 28 February 2005.

7,500,000 options exercisable at \$0.20 each on or before 30 June 2006, restricted until 8 June 2006.

1,500,000 options exercisable at \$0.25 each on or before 30 June 2006, restricted until 8 June 2006.

837,500 options exercisable at \$0.20 each on or before 30 June 2006, restricted until 28 February 2005

Karoon Gas Australia Ltd ABN 53 107 001 338
P.O. Box 469 Mt Martha Vic. 3934
PHONE: 03-59741044 FAX: 03 59 741644.
MOBILE: 0414 667 844.
EMAIL: basspetrol@hotmail.net.au