



21st December 2005

(ASX Code: KAR)

Browse Basin 3D Seismic Survey Update

Browse Basin Assets WA-314-P and WA-315-P

Karoon is pleased to advise that the 3D seismic acquisition over WA-314-P and WA-315-P permits is approximately 50% complete and ahead of schedule. Completion is now anticipated by early January 2006.

The Veritas vessel "Pacific Sword" is expected to commence the 2D/3D seismic acquisition in late January 2006. This seismic acquisition will cover 286 sq km 3D seismic survey and 845 sq km of 2D seismic survey over WA-314-P and WA-315-P for completion in February 2006.

WA-314-P and WA-315-P Farmin Update

Due to significant international interest and requests for additional time Karoon has decided to extend the deadline for Browse Basin (WA-314-P & WA-315-P) farmin offers. Karoon anticipates having a Farmin Agreement and Joint Operating Agreement completed early in the first quarter of 2006.

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