



ASX RELEASE

22nd May 2006

Securities Due For Release From Escrow

Please be advised that Karoon Gas Australia Limited has 15,000,000 Ordinary Fully Paid Shares and 7,500,000 options coming out of escrow.

The options expire on 30th June 2006 and are exercisable at \$0.20 each.

The escrow period will end on 8th June 2006.

Karoon will apply for quotation of the options and shares within 10 business days after the end of the escrow period.

Yours faithfully

Scott Hosking
Company Secretary

For further information please contact:

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