



8th October 2007

(ASX Code: KAR)

Browse Basin 3D Seismic Survey

Browse Basin Assets WA-398-P

Karoon Gas is pleased to advise that FUGRO-GEOTEAM AS has been contracted to acquire approximately 1900 sq kms of 3D seismic in and around WA-398-P. The seismic acquisition is expected to commence late in the fourth quarter of 2007.

3D seismic data acquired during this survey will better define the prospectivity of the structures within the WA-398-P block and aid in the positioning of the wells for the drilling program later in 2008.

This 3D seismic acquisition follows previous 2D and 3D surveys over WA-314-P & WA-315-P completed in 2006. These surveys covered an area of 1100 sq kms of 3D seismic and 850 kms of 2D seismic.

WA-398-P was acquired by Karoon Gas and ConocoPhillips in May of this year and adds to Karoon's highly prospective WA-314-P and WA-315-P acreage currently also jointly held with ConocoPhillips.

The current ownership structure of the Browse Basin Permits is as follows;

WA-398-P	Karoon Gas	40%
	ConocoPhillips	60%
WA-314-P & WA-315-P	Karoon Gas	49%
	ConocoPhillips	51%

For further information please contact:

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