

Establishment of US\$50 million accordion debt facility

Karoon Energy Ltd (ASX: KAR) (*Karoon*) announces that it has established a US\$50 million accordion facility as contemplated under its previously announced US\$160 million reserve-based, non-recourse, syndicated facility agreement. The establishment of the accordion facility increases the total amount of the syndicated facility to US\$210 million.

Commenting on the US\$50 million accordion facility, Karoon Energy's Chief Executive Officer and Managing Director, Dr Julian Fowles, said:

"The establishment of the accordion facility with high quality lenders demonstrates Karoon's now proven ability to access debt funding. The accordion facility will provide Karoon with additional flexibility in how it funds the drilling of control well(s) in the Neon oil discovery, offshore Brazil, as announced earlier this month."

This announcement has been approved for release by the Chief Executive Officer and Managing Director.

For further information on this release, please contact:

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About Karoon Energy Ltd

Karoon Energy Ltd. is an international oil and gas exploration and production company with assets in Brazil and Australia and is an ASX listed company.

Karoon aims to be an agile and sustainable global energy company delivering profits through a high quality portfolio of production, development and exploration assets. The Company seeks to provide energy to an ever-changing world, creating value for our shareholders and the broader community.

Forward-looking Statements

Petroleum exploration and production operations rely on the interpretation of complex and uncertain data and information which cannot be relied upon to lead to a successful outcome in any particular case. Petroleum exploration and production operations are inherently uncertain and involve significant risk of failure. All information regarding reserve and contingent resource estimates and other information in relation to Karoon's assets is given in light of this caution.

This announcement may contain certain "forward-looking statements" with respect to the financial condition, results of operations and business of Karoon and certain plans and objectives of the management of Karoon. Forward-looking statements can generally be identified by words such as 'may', 'could', 'believes', 'plan', 'will', 'likely', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties, which may include, but are not limited to, the outcome and effects of the subject matter of this announcement. Indications of, and guidance on, future earnings and financial position and performance, well drilling programs and drilling plans, estimates of reserves and contingent resources and information on future production are also forward-looking statements.

You are cautioned not to place undue reliance on forward-looking statements as actual outcomes may differ materially from forward-looking statements. Any forward-looking statements, opinions and estimates provided in this announcement necessarily involve uncertainties, assumptions, contingencies and other factors, and unknown risks may arise (including, without limitation, in respect of imprecise reserve and resource estimates, changes in project schedules, operating and reservoir performance, the effects of weather and climate change, the results of exploration and development drilling, demand for oil, commercial negotiations and other technical and economic factors) many of which are outside the control of Karoon. Such statements may cause the actual results or performance of Karoon to be materially different from any future results or performance expressed or implied by such forward-looking statements. Forward-looking statements including, without limitation, guidance on future plans, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Such forward-looking statements speak only as of the date of this announcement.

Karoon disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise.