

ASX RELEASE

14 April 2023 | ASX: KAR

Extension of Baúna production suspension

Karooon advises that the suspension of Baúna production, including from the Patola field, is expected to be extended into May 2023. Karoon and the FPSO operator, Altera&Ocyan, have committed to undertake both essential and proactive works, focussed on the ongoing detailed inspection of production systems on the FPSO, Cidade de Itajaí, which is expected to be completed shortly. These activities include the acceleration of some of the planned July shutdown work scope, to ensure the future reliability of the FPSO.

The timing of when production will restart is dependent on completion of the inspections and the final scope of works undertaken. Based on a resumption of safe and reliable production operations in early May, FY23 production is expected to be at the low end of the current guidance range (7.5 – 9.0 MMbbl). The impact on FY23 unit production costs is still being assessed, but these are likely to be towards the upper end of the current guidance range (US\$13-17/bbl¹).

Karooon will provide a further update on the timing of the restart of production and FY23 production and unit production cost guidance in the Quarterly Report to 31 March 2023, scheduled to be released on 27 April 2023.

This announcement has been authorised by the Board of Karoon Energy Ltd.

FOR FURTHER INFORMATION ON THIS RELEASE, PLEASE CONTACT

INVESTORS

SVP Communications
and Investor Relations

Ann Diamant
M: +61 407 483 128
E: ann.diamant@karoonenergy.com

SHAREHOLDING ENQUIRIES:

Computershare
Tel: 1300 850 505

MEDIA - AUSTRALIA

P&L Corporate
Communications

Ian Pemberton
M: + 61 402 256 576
E: ian.pemberton@plcorporate.com.au

MEDIA - BRAZIL

InPress Porter
Novelli

Andrea Blum
M: + 55 21 98105-9338

Patricia Odenbreit
M: + 55 21 96674-6403
E: karoon@inpresspni.com.br

¹ Unit production costs based on daily operating costs associated with Baúna production, excluding government royalties.

ABOUT KAROON ENERGY LTD

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

Karooon's vision is to be a leading, independent international energy company that adapts to a dynamic world in an entrepreneurial and innovative way. Karooon's purpose is to provide energy safely, reliably and responsibly, creating lasting benefits for all its stakeholders.

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 Karooon'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 Karooon and certain plans and objectives of the management of Karooon. 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 Karooon. Such statements may cause the actual results or performance of Karooon 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. Karooon 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.