



25 September 2023

Company Announcements Office
ASX Limited

Dear Sir / Madam

Brazil Field Trip Presentation

Enclosed is a presentation that is to be made by the CEO and Managing Director today.

This announcement was authorised by the CEO and Managing Director.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Daniel Murnane', with a long horizontal flourish extending to the right.

Daniel Murnane
Company Secretary

Karoon Energy Brazil Field Trip

September 2023



Disclaimer



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Numbers have been rounded up or down where the digit is less than or greater than 5. We note that tables may not add due to rounding.

Forward looking statements

This presentation 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 presentation. Indications of, and guidance on, future exchange rates, capital expenditure, earnings and financial position and performance 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 presentation necessarily involve uncertainties, assumptions, contingencies and other factors, and unknown risks may arise, 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 presentation. 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.

Guidance for the next 12 months to 30 June 2024 is uncertain and subject to change. Guidance has been estimated on the basis of various risks and assumptions, including those "Key Risks" set out in Karoon's 2023 Annual Report.

References to future activities development, appraisal and exploration projects are subject to approvals such as government approvals, joint venture approvals and Karoon approvals. Karoon expresses no view as to whether all required approvals will be obtained.

Reserves disclosure

Reserves and Resources estimates are prepared in accordance with the guidelines of the Petroleum Resources Management System (SPE-PRMS) 2018 jointly published by the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), and American Association of Petroleum Geologists (AAPG) and Society of Petroleum Evaluation Engineers (SPEE).

Unless otherwise stated, all petroleum resource estimates are quoted as at the effective date (i.e. 30 June 2023) of the Reserves and Resources Statement included in Karoon's 2023 Annual Report.

Oil and gas reserves and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly due to new information or when new techniques become available. Additionally, by their nature, reserves and resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further data becomes available through for instance production, the estimates are likely to change. This may result in alterations to production plans, which may in turn, impact the Company's operations. Reserves and resource estimates are by nature forward looking statements and are the subject of the same risks as other forward-looking statements.

Karoon is not aware of any new information or data that materially affects the information included in the Reserves and Resources Update. All the material assumptions and technical parameters underpinning the estimates in the Reserves and Resources Update continue to apply and have not materially changed.

Authorisation

This presentation has been authorised for release by the Chief Executive Officer and Managing Director of Karoon Energy Ltd.

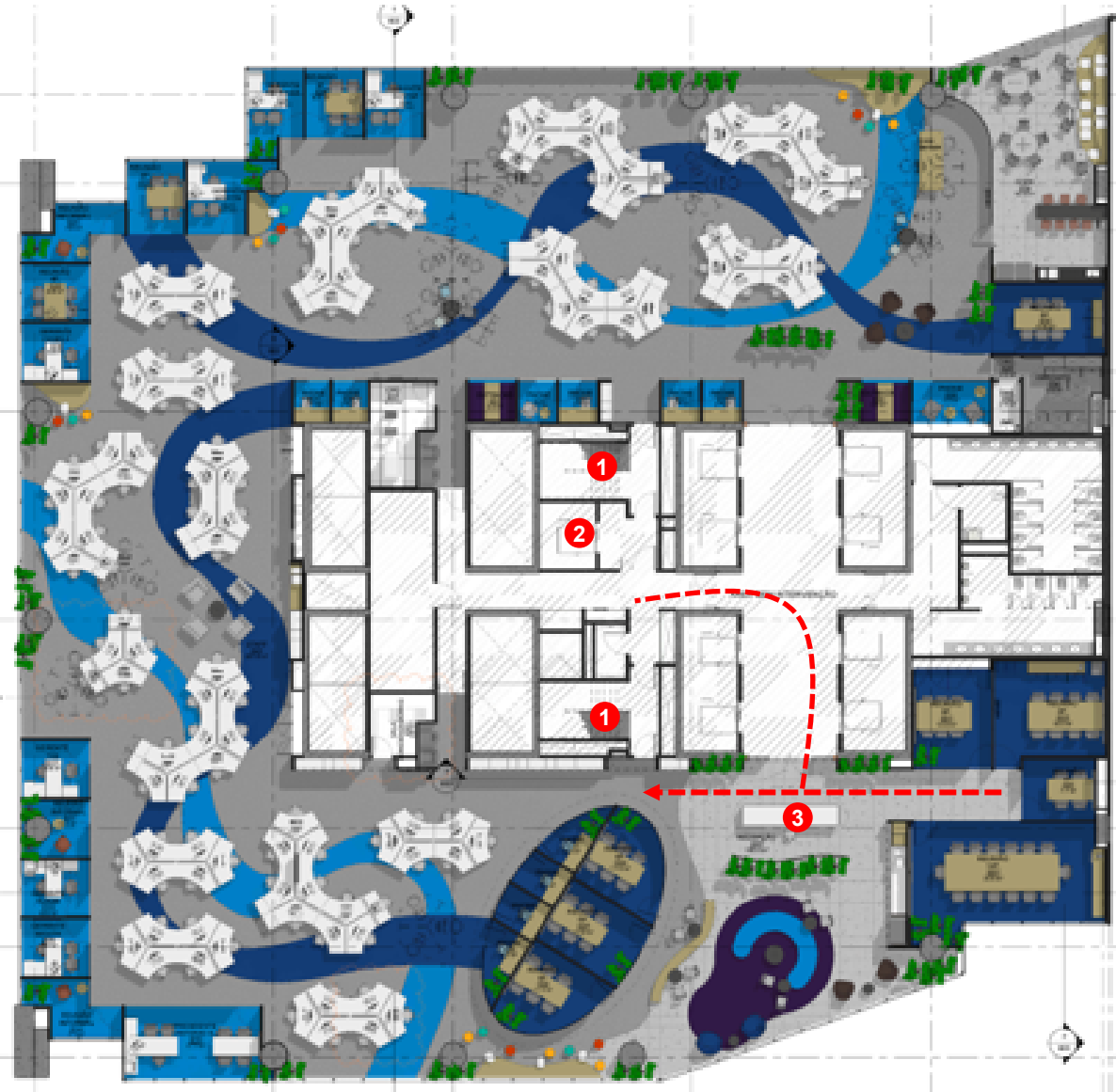


Julian Fowles

CEO and Managing Director

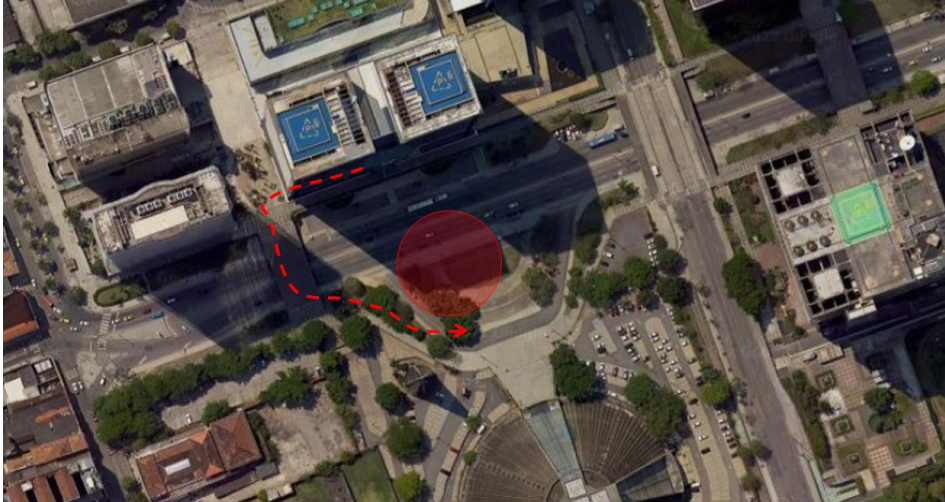
Welcome

Safety Moment & Emergency Exits



- 1 Emergency stairs
- 2 Emergency elevator
- 3 Reception

- › In even of emergency follow directions of Karoon’s emergency staff
- › Leave by nearest fire exit stairs
- › Only use the emergency lift if you are unable to use the emergency stairs
- › Evacuate to muster point in front of the Cathedral (as indicated in the picture below). Please only leave the Muster Point after you’ve been cleared



Investor Field Trip Agenda



Date	Time	Topic	Speaker
25 September	9:00am	Introduction & Opening remarks	Julian Fowles
	9:10am	Presentation – Investing in Brazil	Antonio Guimarães
		Presentation – Operations overview	Rudimar Lorenzatto/ Antonio Corte
		Presentation – Neon and New Ventures	Flavio Vianna/ Martin Austgulen
		Presentation – Sustainability	Ricardo Canela
12:00pm	Lunch		
12:30pm	Fly to Navegantes (LA 3929/3142) – via CGH, check in Hotel Mercure Itajaí		
7:30pm	Dinner at Felíssimo Bistrô - R. Lindolf Bell, 201- B.Camboriú		
26 September	7:30am	Fly from NVT to FPSO, Cidade de Itajaí	
	10:00am	FPSO OIM & company man briefing, tour of FPSO	
	12:00pm	Lunch at the FPSO	
	1:30pm	Fly from FPSO to NVT, NVT to Rio, SDU (GOL 1480)	
	8:00pm	Dinner at Restaurant Gino – Av. Atlântica, 4240 - Copacabana	
27 September	8:00am	Check-out and transfer Fairmont Hotel to Karoon Office	
	9:00am	Presentation – Carbon market in Brazil and Karoon’s carbon projects	Janaina Dallan - Carbonext CEO and President of NBS Brazilian Alliance /Beatriz Mattos (Karoon)
	10:00am	Presentation – Brazilian National Petroleum Agency (ANP)	Marina Abelha – Superintendent, ANP
	11:00am	Visit to Social Project Library at Comunidade Pavão/Pavãozinho	
	1:00pm	Lunch at Restaurant Rancho Portugues – R. Maria Quiteria, 136	

Introducing Karoon's team



Julian Fowles
CEO & MD



Antonio Guimarães
EVP and President Karoon Brazil



Rudimar Lorenzatto
SVP Operations



Antonio Corte
Senior Asset Manager



Cristina Marinho
Trading Manager



Flavio Vianna
Neon Project Manager



Martin Austgulen
SVP New Business



Ricardo Canela
Carbon and Sustainability Manager



Ann Diamant
SVP Communications & Investor Relations



Fernando Mouta
VP Finance



Joseph Wong
Investor Relations & Communications Advisor



Mario Carminatti
SVP Exploration



Meg Montana
Senior External Affairs and Regulatory Manager



Raquel Ribeiro
Head of Legal Brazil



Roland Hamp
EVP Technical

Strategic Objectives

Reliability of base production to help unlock foundation for further growth

- › Focus on maintaining safe and reliable production from Baúna with integrity of the FPSO, Cidade de Itajaí, a high priority
- › Progress technical and commercial studies for Neon on whether to enter Concept Select phase in late first quarter CY24
- › Ongoing evaluation of value-adding, material inorganic growth opportunities
- › Returns to shareholders to be assessed and ranked against growth opportunities over the next six months¹
- › Carbon Neutral² in FY22 and anticipate being Carbon Neutral for Scope 1 & 2 in FY23, Net Zero by 2035 target unchanged
- › Operate in line with core values of Karoon

Safety | Respect | Collaboration | Integrity | Commitment

1. Dependent on satisfaction of lending covenants, capital priorities and subject to Board approval

2. Carbon Neutral refers to firstly, reducing or avoiding operational Scope 1 and 2 greenhouse gas (GHG) emissions and, secondly, acquiring carbon offsets to balance the remaining Scope 1 and Scope 2 emissions.





Antonio Guimarães

EVP and President Karoon Brazil

Investing in Brazil

Brazilian Government and regulatory environment for oil and gas

- › Brazil is a Federal republic, under a presidential system
- › President is Head of State and Head of Executive Government
- › Federal government divided into three branches: executive, legislative and judicial
- › Four year term. President Luiz Inácio Lula da Silva-led Government elected in November 2022 and took office in January 2023
- › Ministry of Mines and Energy (MME) defines energy policies
- › Brazilian oil and gas sector is regulated by:
 - › General provisions of Brazilian Constitution
 - › Different federal laws and decrees
 - › Resolutions and Ordinances of Brazilian National Oil Natural Gas and Biofuels Agency (ANP) - Regulator
 - › IBAMA is responsible for environmental regulation and oversight of upstream offshore activities

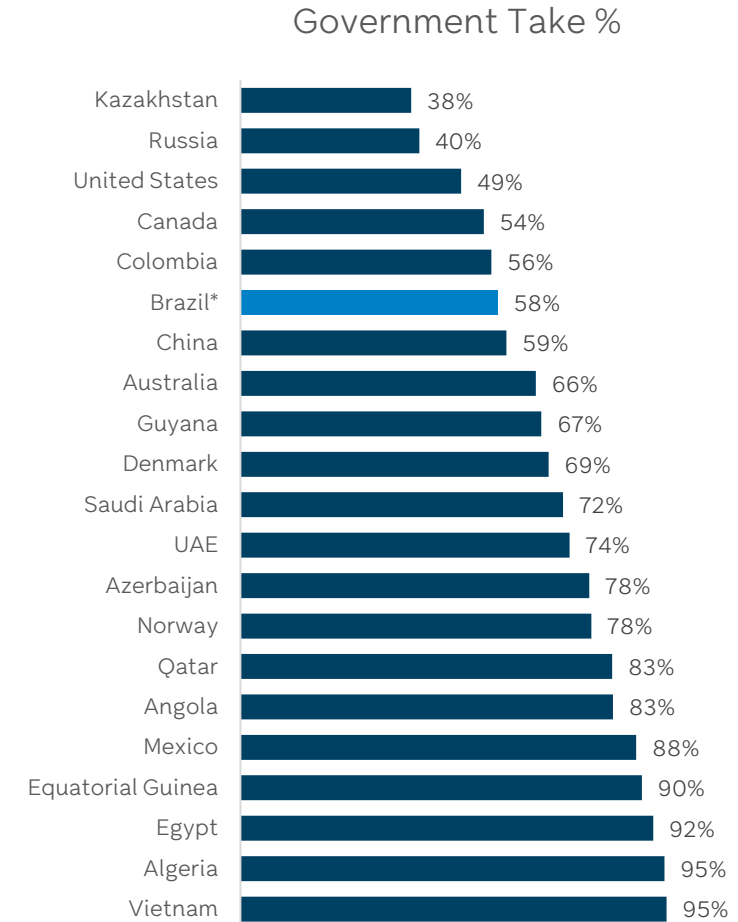


Doing business in Brazil

Political Overview



- › New left-wing administration took office in 2023
- › Expected to establish governmental initiatives aimed at benefiting lower income groups
- › Suspension of divestment opportunities by state-owned companies and expansion of their market share
- › Expected to seek further opportunities to improve tax collection processes, to close budget deficit and to finance government social initiatives
- › Tax reform aiming to streamline and simplify Brazil's tax code
- › Incentives to national industry, supported by new requirements for local content in new E&P contracts
- › Temporary oil export tax applied from 1 March – 30 June 2023. Not currently anticipated to recur

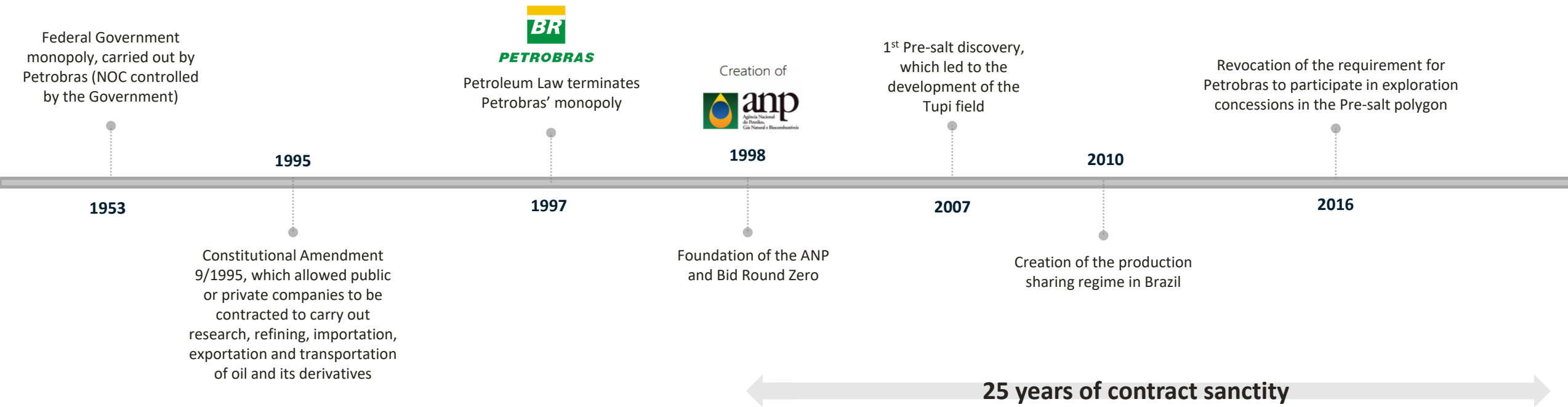


Source: Rystad Energy Cube (2023)

*Brazil Government take for average post salt field

Doing business in Brazil

Brazilian Oil and Gas Sector Overview – Timeline



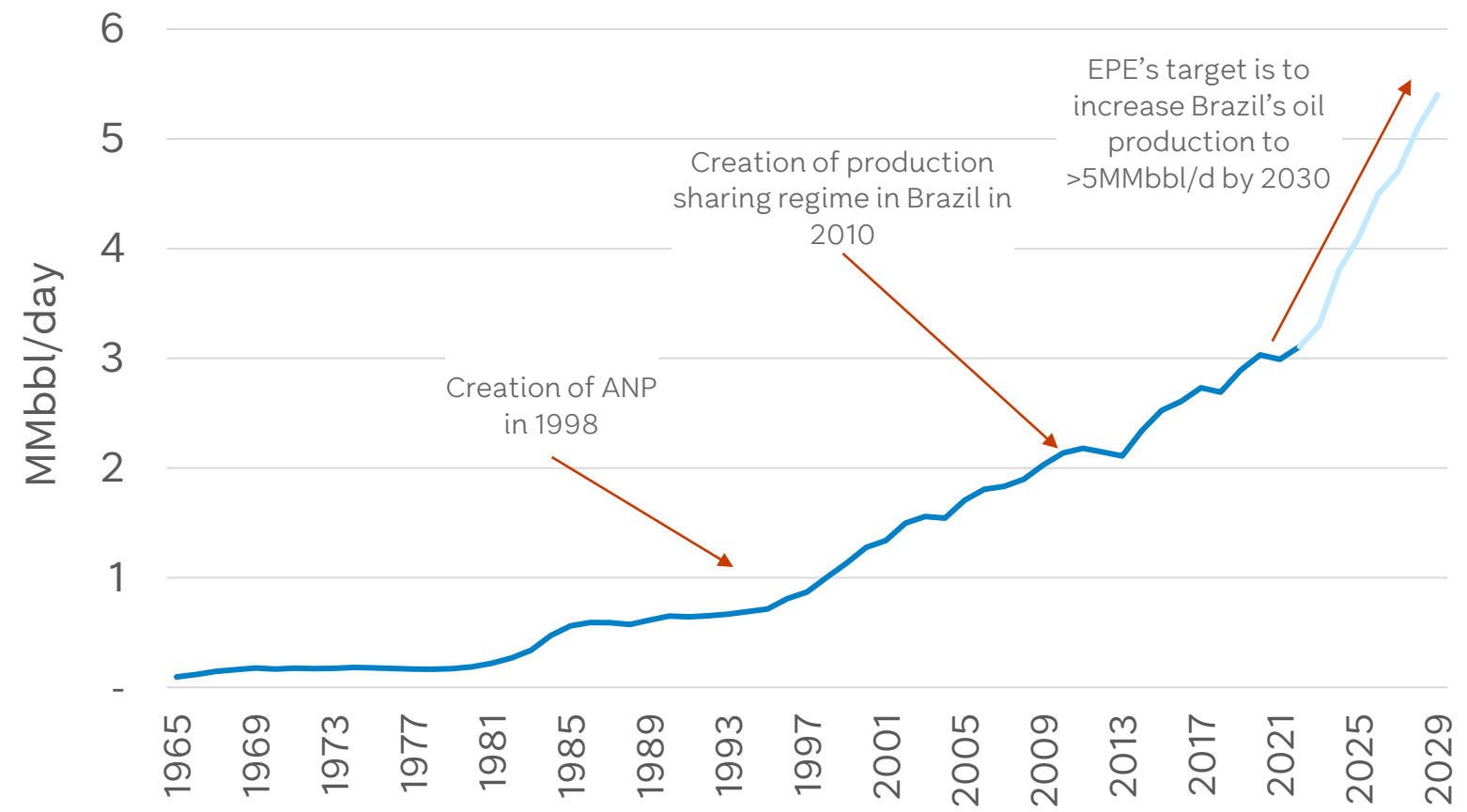
- › Terms and conditions of awarding instruments historically have been observed
- › Consistency of contracts and Brazil's legal framework are supportive for upstream oil and gas investments in Brazil
- › ANP created in 1998 to act as regulating body for Brazilian oil, natural gas and biofuels industry activities
- › Brazilian government introduced production sharing regime for pre-salt areas, with additional regulation
- › Post-salt areas granted in accordance with concession regime, subject to less governmental control than pre-salt

Brazil's oil and gas industry

Historical background and outlook



Brazil production and outlook



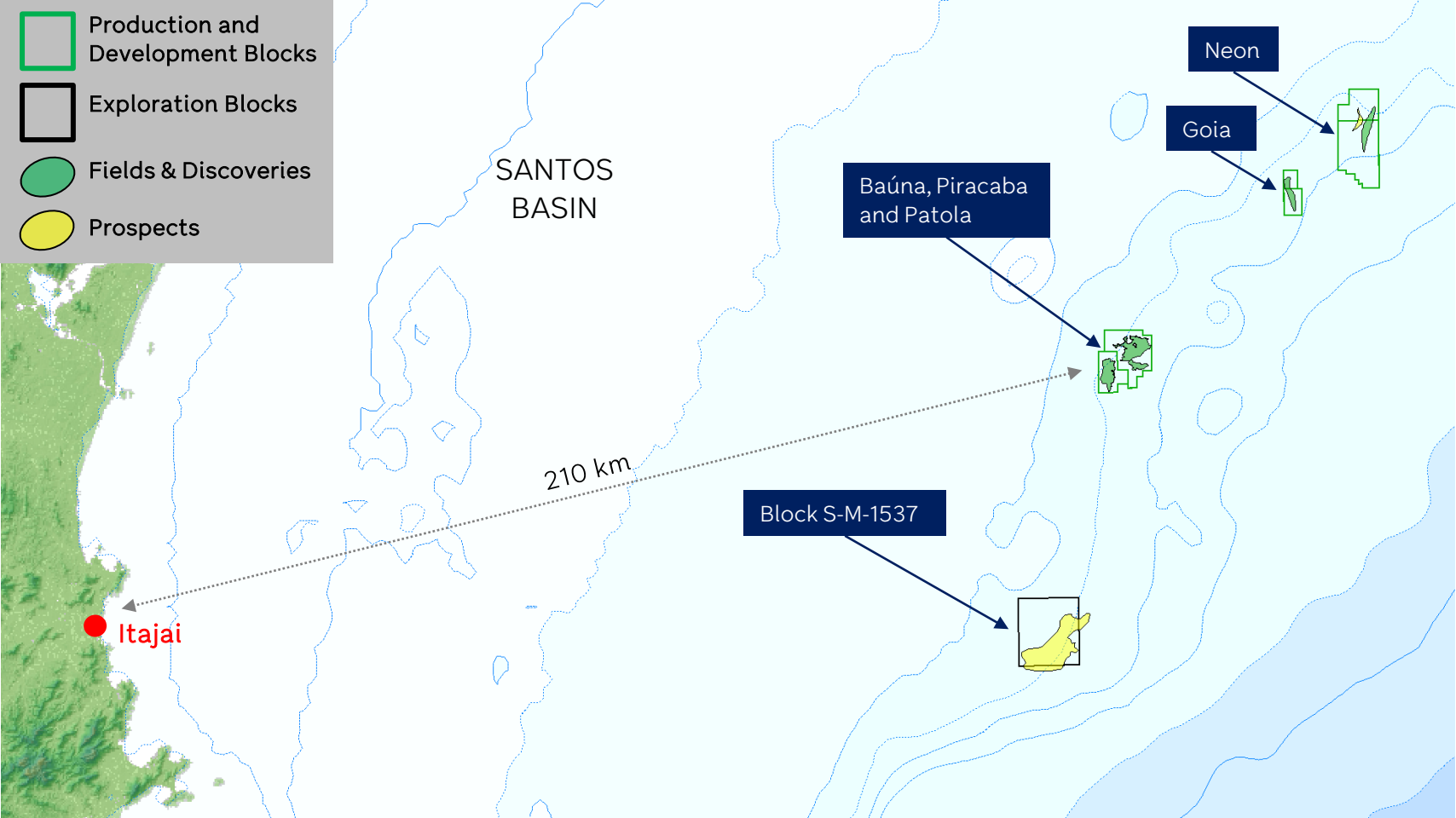
- ▶ Since market was opened in 1997, upstream sector now has diverse set of international and domestic players
- ▶ Brazil currently 9th largest oil producer globally and the largest in South America
- ▶ Brazil could become the 4th or 5th largest oil producer in the world by 2030 if it achieves the >5 MMBbl/d target

Source: Energy Institute Statistical Review of World Energy (June 2023), Brazilian Energy Research Company (EPE, 2022)

Karoon's interests in the Santos Basin, Brazil



- Production and Development Blocks
- Exploration Blocks
- Fields & Discoveries
- Prospects



Production ranking by operator in Brazil

1. Petrobras
2. PRIO
3. Equinor
4. 3R Petroleum
5. TotalEnergies
6. Shell
7. Karoon

Source: ANP, July 2023



Rudimar Lorenzatto

Senior Operations VP

36 years' experience in upstream O&G, including serving as Petrobras **Asset Manager** in the Campos Basin (10 years), **Executive Manager for Offshore Well Construction** (6 years), **Executive Manager of Subsea Systems** (2 years), and **Executive Director of Production Development** (2 years).



Antonio Corte

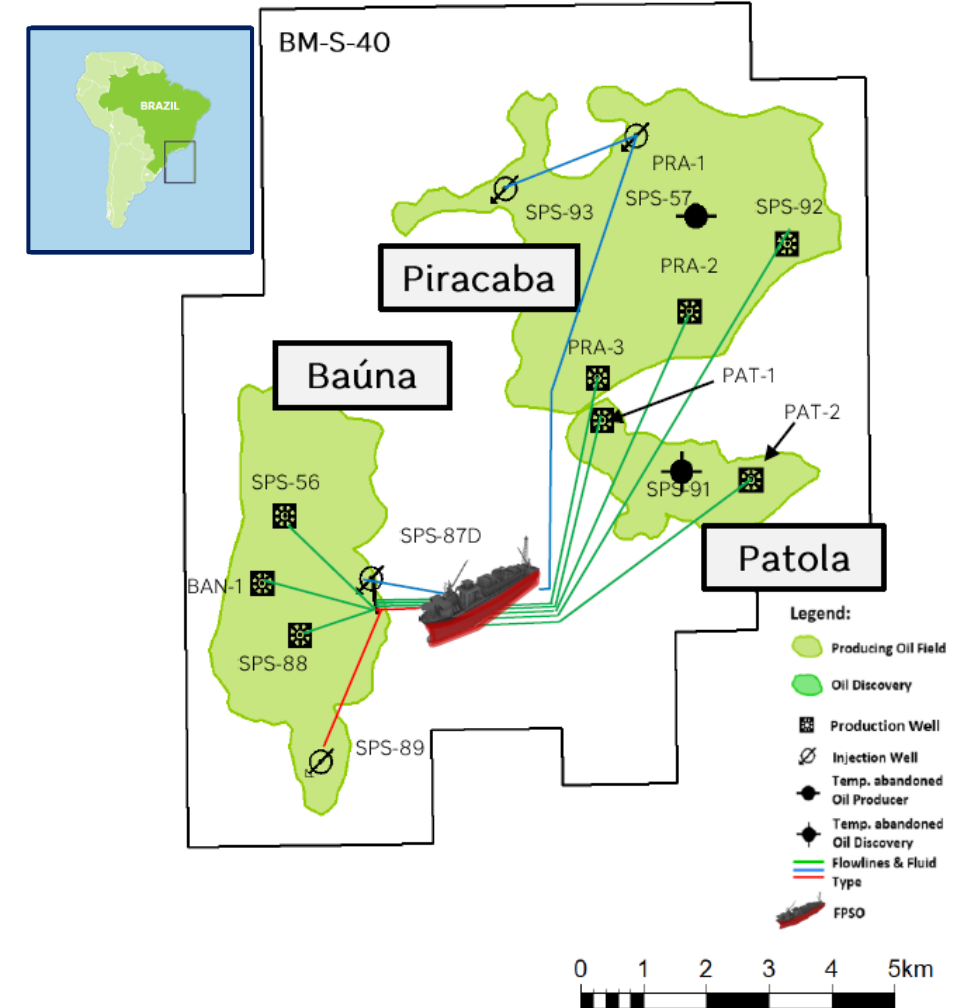
Senior Asset Manager

36 years' experience in O&G, working in several companies and positions, including **OIM** (Petrobras), **Operations Manager** (Exmar), **Project Manager** (Petrobras America, Maersk Oil, Mustang), **Field Dev. Manager** (McDermott, Ecopetrol), **Construction Manager** (McDermott), and **Country Manager** (Floatec Brazil).

Operations Overview

Highlights

- ▶ Karoon’s highest priority is safe and reliable operations. Focus on maintaining a safe and healthy work environment, FPSO integrity
- ▶ Despite six-week shut-in following leak in gas flare system, well interventions and Patola development resulted in 51% increase in Baúna production in FY23 from FY22.
- ▶ Baúna interventions and Patola delivered on time and within original budgets
- ▶ Baúna (Baúna, Piracaba and Patola) currently producing ~32,000 bopd vs 12,600 bopd prior to interventions and Patola development
- ▶ Continued disciplined operating cost control (US\$15.75/bbl in FY23, expected to fall to US\$11-15/bbl over next 12 months)
- ▶ Solid productivity from Patola wells and higher than expected sustained rates. Reservoir modeling suggests aquifer support and good well interconnectivity
- ▶ 2C Contingent Resources¹ recognised for production post-2032 (11.1 MMbbl), dependent on progress of potential Life Extension Project



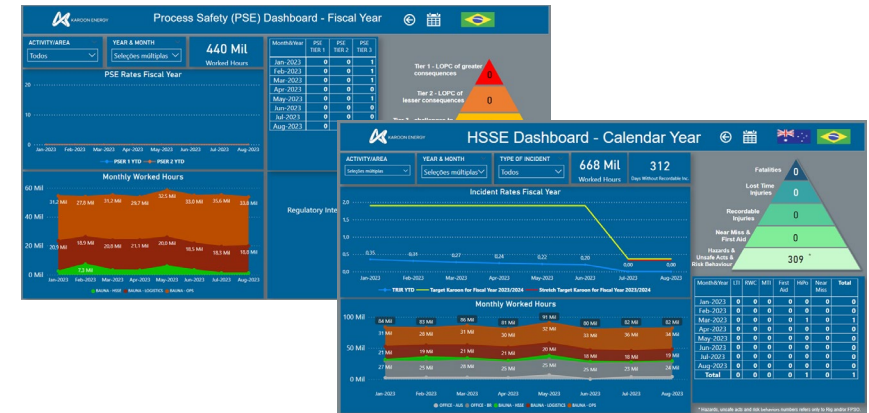
1. Resources as at 30 June 2023 (see page 32 of the 2023 Annual Report). Karoon is not aware of any new information or data that materially affects these resource estimates, and all material assumptions and parameters are unchanged. 15

HSSE

Focus on strong safety culture through Baúna operations



Safety and Environmental Performance	FY23	FY22	FY21
Lost Time Injuries	1	4	1
Restricted Work Cases	1	0	0
Medical Treatment Cases	2	0	1
Work Exposure Hours	1,947,000	1,027,000	625,928
Total Recordable Injury Rate (per 200,000 hours)	0.41	0.77	0.64
High Potential Incidents	1	2	1
Tier 1 or 2 Process Safety Events	0	0	NA
Reportable environmental incidents	2	0	2



HSSE KPIs dashboards.

- › Safety is Karoon’s first core value
- › Work with contractors to deliver safe and reliable operations with continuous improvement
- › HSSE audits and inspections to monitor quality of operation and improve performance
- › Implement safety campaigns at operational sites to promote strong safety culture
- › Environmental projects underway related to Baúna operations: Fauna Monitoring, Sealife Monitoring, Waste Segregation, Produced Water Monitoring etc.



Our focus on *HSSE* is reflected in our fully integrated operating management system that defines *Karoon’s high expectations of safety and integrity in all operations.*

Overview of Baúna Project Operations

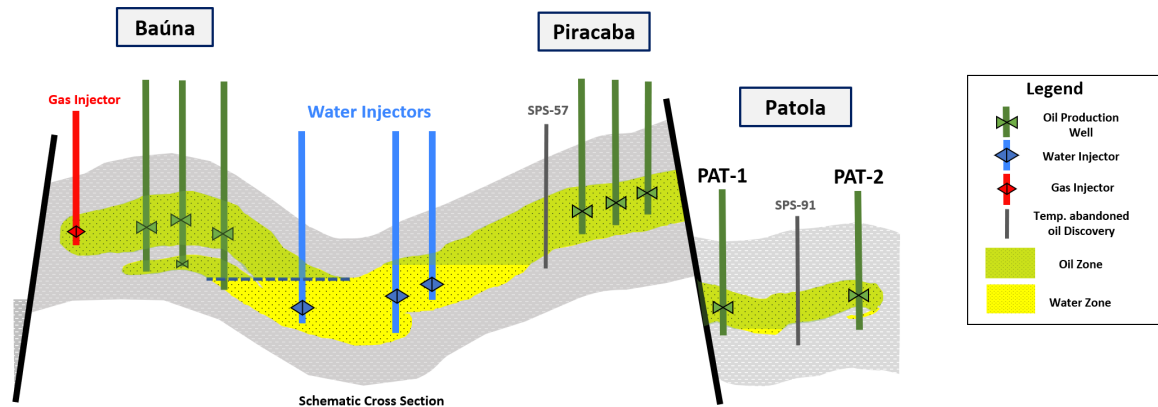
Karoon's anchor asset



Baúna Project production unit: FPSO Cidade de Itajaí



Subsurface wells



- › First Baúna oil registered on 16 February 2013
- › Karoon acquired Baúna in November 2020 for US\$380m plus up to US\$285m oil-price related contingent payments
- › Production increased from ~14,800 bopd in Nov 2020 to peak of >40,000 bopd following Baúna workover campaign and Patola development, prior to natural decline resuming
- › Baúna operations comprise seven oil production wells, three water injection wells and one gas injection well
- › FPSO Project and storage nameplate capacities
 - › Liquids (oil and water) production: 80,000 bpd
 - › Crude storage: 631,000 bbl
 - › Gas handling capacity: 2 million m³/day

Reserves¹

	1P (MMbbl)	2P (MMbbl)	3P (MMbbl)
Baúna Project	39.8	51.8	61.3

Contingent Resources¹

	1C (MMbbl)	2C (MMbbl)	3C (MMbbl)
Baúna Project	10.5	11.1	14.9

1. Reserves and Resources as at 30 June 2023 (see page 32 of the 2023 Annual Report). Karoon is not aware of any new information or data that materially affects these resource estimates, and all material assumptions and parameters are unchanged.

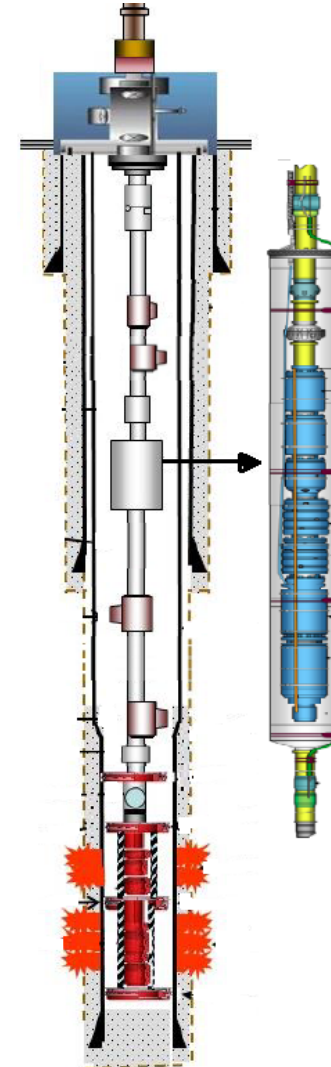
Baúna intervention campaign

Project overview

- ▶ Baúna Intervention Campaign commenced in May 2022, completed in September 2022¹
- ▶ Program comprised changing Electrical Submersible Pumps (ESPs) of two wells (in PRA-2 and SPS-92) and installing gas lift in one well (SPS-56). Fourth intervention (on BAN-1) deferred
- ▶ Campaign using Noble Developer rig completed within budget and planned schedule
- ▶ Interventions added incremental production of ~11,000 bopd in Oct 2022 (target of 5,000 - 10,000 bopd), before onset of natural decline



ESP



Well & ESP diagram



Upper Completion Equipment

1. Refer ASX release dated 26.9.2022 "Baúna Intervention Campaign Update"

Patola field development project

Project overview

- ▶ Patola Project development successfully completed in April 2023
- ▶ Wells came onstream in March 2023 at peak rates of >12,000 bopd each, prior to natural decline to current level of ~12,500 bopd (combined)
- ▶ Reservoir quality for both PAT-1 and PAT-2 better than expected
- ▶ Expected excellent sweep in Patola channel resulting in high recovery factor forecast¹:
 - ▶ High quality petrophysics, simple structure and low viscosity oil
- ▶ Total CAPEX for Baúna intervention and Patola was US\$302m (vs budget in August 2022 of US\$316-351m²)

1. Refer ASX release dated 15.3.23 “First production achieved from Patola at rates above expectations” and 29.3.23 “Second Patola well onstream at over 12,000 bopd, taking current Baúna production to more than 40,000 bopd”

2. Refer ASX release dated 25.08.2022 ‘FY2022 Full Year Results’



Patola WCT (Wet Christmas Tree)



Noble® Developer (Rig).

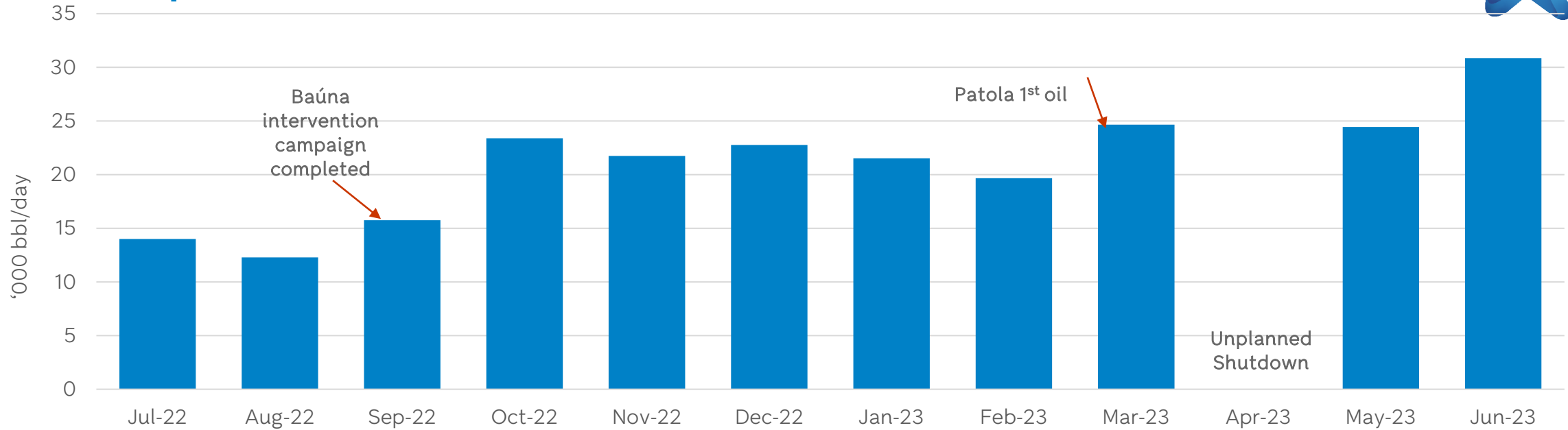


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PLSV Deep Star (TechnipFMC)

Baúna production



- › September 2022¹ – Baúna intervention delivered. March 2023 – Patola first oil²
- › Shortly after the Patola field came onstream, a leak in the gas flare system of the FPSO resulted in Altera&Ocyan (A&O), the FPSO owner and operator, and Karoon shutting down operations. While the leak was repaired swiftly, in the interests of safety, we decided to undertake a comprehensive inspection of the FPSO’s pipework. All identified repairs, maintenance or replacements were conducted over a six week unplanned shutdown.
- › Reservoirs maintaining good overall performance and production potential albeit we forecast natural decline resuming post campaign.
- › Guidance of 4.5 – 6.0 MMbbl for 6 months to 31 Dec 23 (transition year) and 9 – 11 MMbbl for 12 months to 30 June 24 includes expected operating fluctuations due to higher throughput and enhanced maintenance, potential range of field decline rate
- › Increased focus on inspection and maintenance over next 12 months, and reverse backlog developed during COVID
- › Next planned shutdown scheduled for March 2024 (~2 weeks, subject to scoping)

1. Refer ASX dated 26.9.2022 “Baúna Intervention Campaign Update”

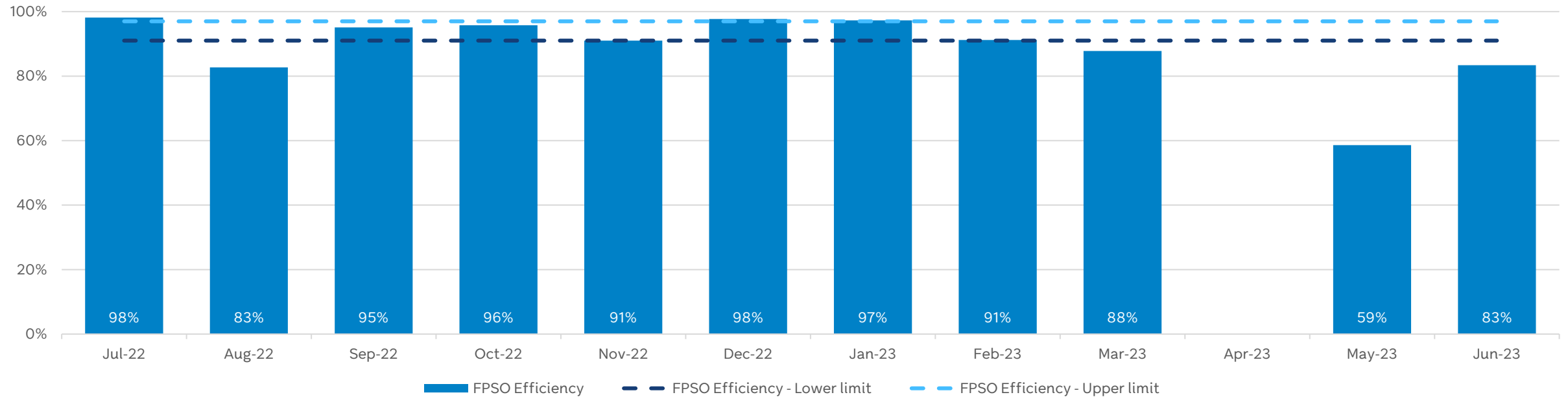
2. Refer ASX Release dated 15.3.2023 “First production achieved from Patola at rates above expectations” & 29.3.2023 “Second Patola well onstream”

Baúna FPSO operating performance



Focus on maintaining FPSO efficiency¹ and active well management

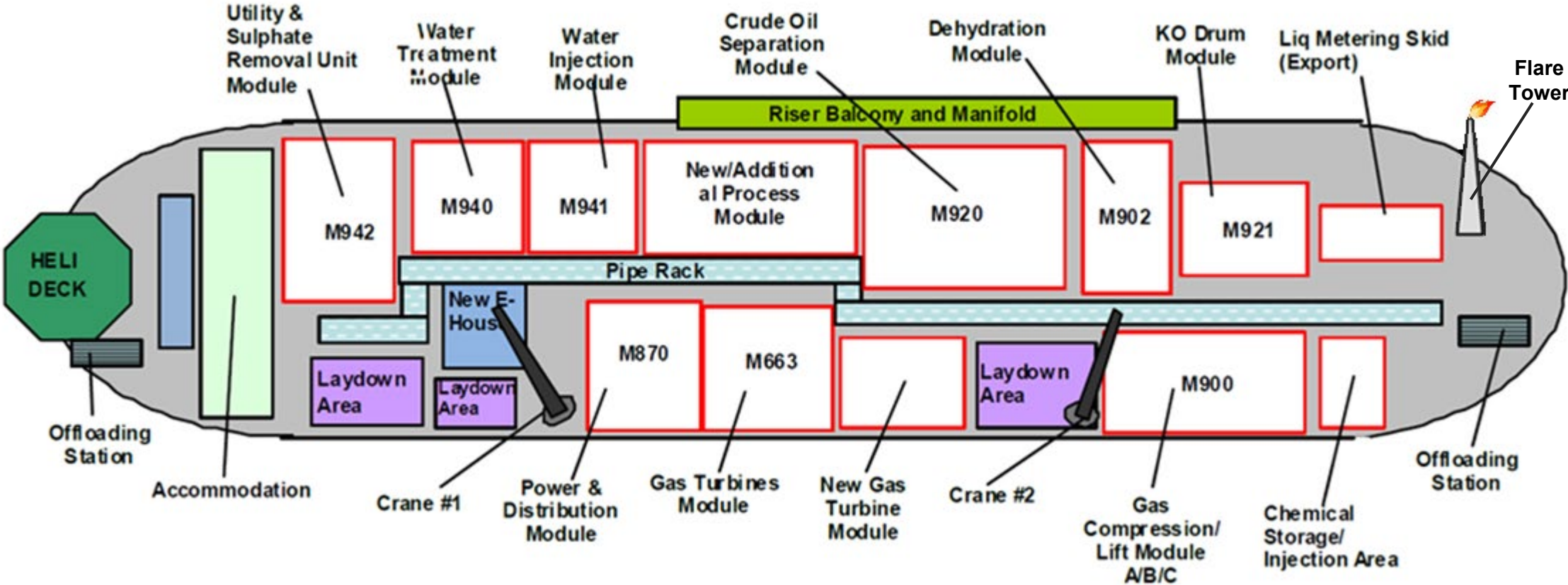
FPSO Efficiency¹



- › Operational efficiency based on deterministic and probabilistic analysis
- › FY23 operational efficiency impacted by unplanned shutdown
- › Good operational efficiency results post shutdown work
- › Anticipate future FPSO efficiency to be 90-95%

1. FPSO efficiency is defined as the proportion of actual and potential production.

FPSO Cidade de Itajaí modular schematic

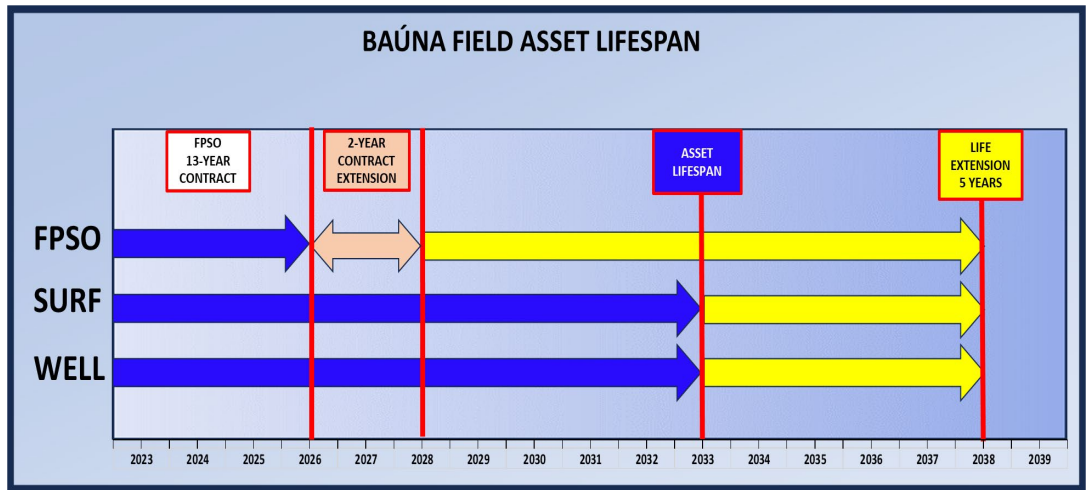
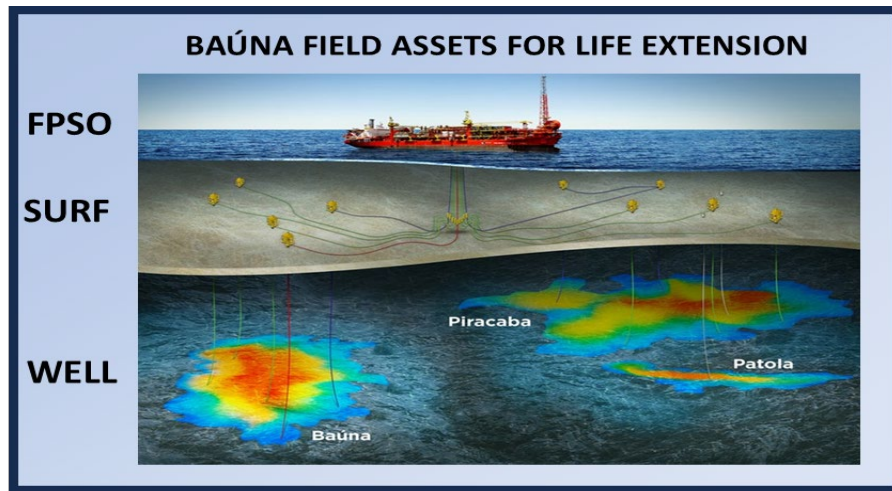


Video - FPSO Cidade de Itajaí

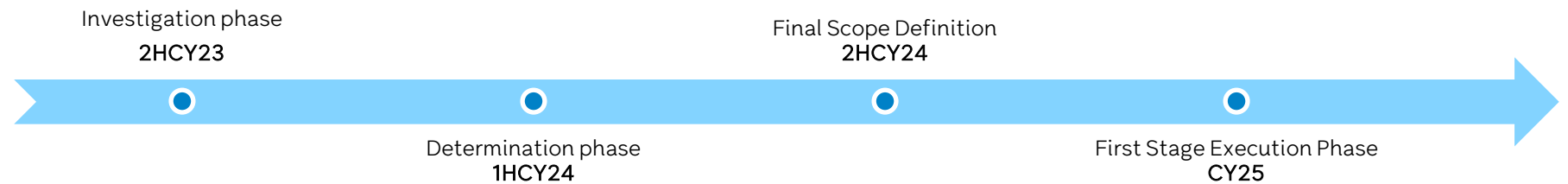


Possible FPSO Life Extension Projects

- ▶ Studies are ongoing on extending Baúna field life – a. from 2028 to end 2032 (beyond current A&O lease) and b. potential extension from 2033 to 2038
- ▶ 1C, 2C and 3C Contingent Resources of 10.5 MMbbl, 11.1 MMbbl and 14.9 MMbbl, respectively, booked associated with potential FPSO life extension from 2033 to 2038¹
- ▶ Life Extension comprises Investigation (Asset Diagnostic), Determination (Conditions for Life Extension) and Execution phases



	LIFESPAN	UP TO
FPSO	15 YEARS	CY28
SURF	20 YEARS	CY33
WELL	20 YEARS	CY33



1. Reserves and Resources as at 30 June 2023 (see page 32 of the 2023 Annual Report). Karoon is not aware of any new information or data that materially affects these resource estimates, and all material assumptions and parameters are unchanged.

Ship to Ship (STS) offloading operations

Operated by Karoon in Brazil

- ▶ Historically, Baúna crude offloaded into Shell-operated shuttle tankers and transported to Uruguay, transferred to larger vessels (STS) by Shell together with other similar grade Brazilian oil, and transported to end users
- ▶ First STS oil transfer operation carried out by Karoon in Port of Santos (SP), Brazil on 10 September 2023,
- ▶ Modest reduction in freight and demurrage charges by undertaking STS transfer in SP as it reduces the number of voyage days
- ▶ Karoon STS represents new operational optimisation opportunities which may provide minor cost benefits and reduce overall emissions by reducing number of days to transport Baúna crude



DP Eagle Pilar (Shell) performing an offloading operation.



Flavio Vianna

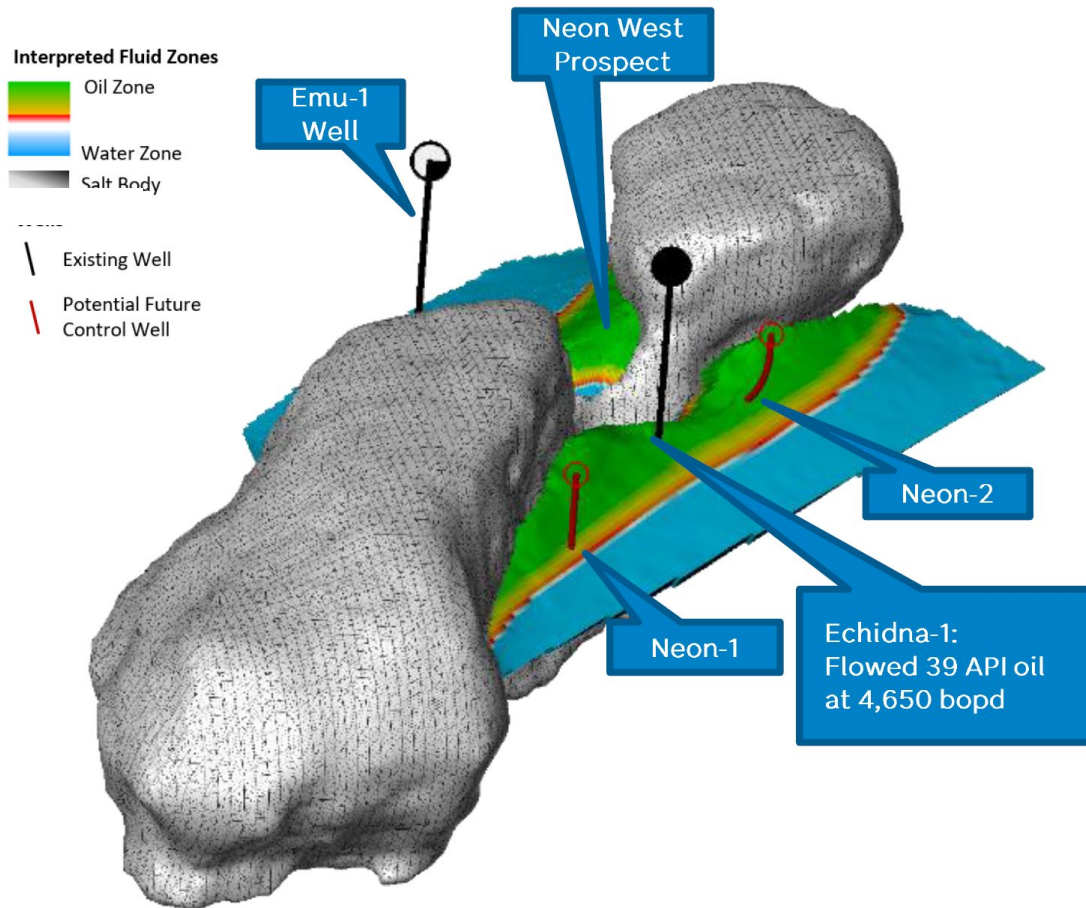
Neon Project Leader

*39 years' experience in upstream O&G, serving as **General Manager M&A and New Ventures** (2 years), **Manager & Executive Manager** at Corporate Strategy (2 years), **General Manager for International Department** (2 years), and **General Manager for E&P Pre-salt Development** (4 years) at Petrobras, and **Executive Director of Exploration and Production** at the Brazilian Petroleum Institute (1.5 years).*

Neon

Potential Neon development

Control wells drilled safely and below budget, feasibility studies underway



Both Neon control wells successful, achieved pre-drill objectives:

- › Neon-1 confirmed 39 API oil and oil-water contacts closely aligned to seismic predictions
- › Neon-2 confirmed 33 API oil and thickened reservoir sections in cross-fault and northwestern regions
- › Control well results bring calibration to subsurface models
- › Improved subsurface definition incorporated into resources reassessment, resulting in 14% increase in 2C Contingent Resources to 60.1 MMbbl¹
- › Final total CAPEX for two Neon wells 36% below budget at US\$45m
- › Technical and commercial feasibility studies underway including:
 - › Detailed subsurface modelling integrating seismic reprocessing, core and fluid sample analyses
 - › Preliminary analysis of development concepts

1. Contingent Resource volume estimates presented for Neon are as disclosed in the 2023 Annual Report. Karoon is not aware of any new information or data that materially affects these resource estimates and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed

Neon foundation project concepts under consideration

Stand-alone FPSO or subsea tieback



› Concepts being evaluated include:

- › Standalone FPSO development
 - › New build or conversion
 - › Redeployed unit
- › Subsea tie-back:
 - › Neon field tied back to Baúna FPSO
 - › Baúna field tied back to FPSO at Neon

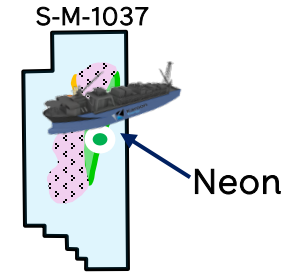
› Preliminary advantages/disadvantages of standalone vs tie-back:

- › Standalone concept: (i) reduces reliance on one production system (ii) fewer technological and licencing risks
- › Tie-back concept: (i) potential lower cost per barrel, with reduced CO₂ emissions (ii) dependence on successful Baúna FPSO life extension

› Key variables being considered:

- › 3 - 7 wells (producers & gas injectors)
- › 30,000 - 50,000 b/d processing capacity

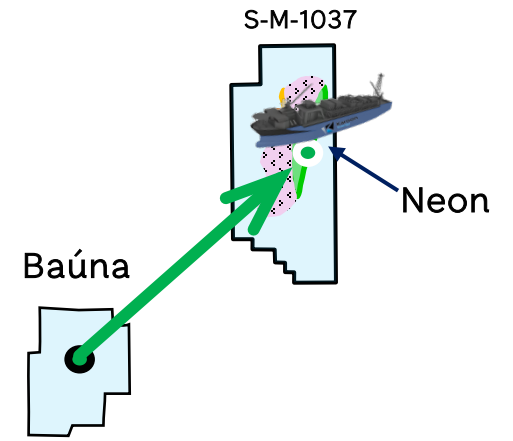
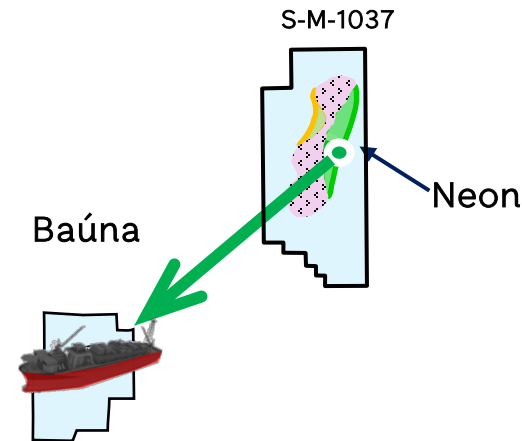
Concept 1 – Standalone FPSO Development



Concept 2 – Subsea tieback

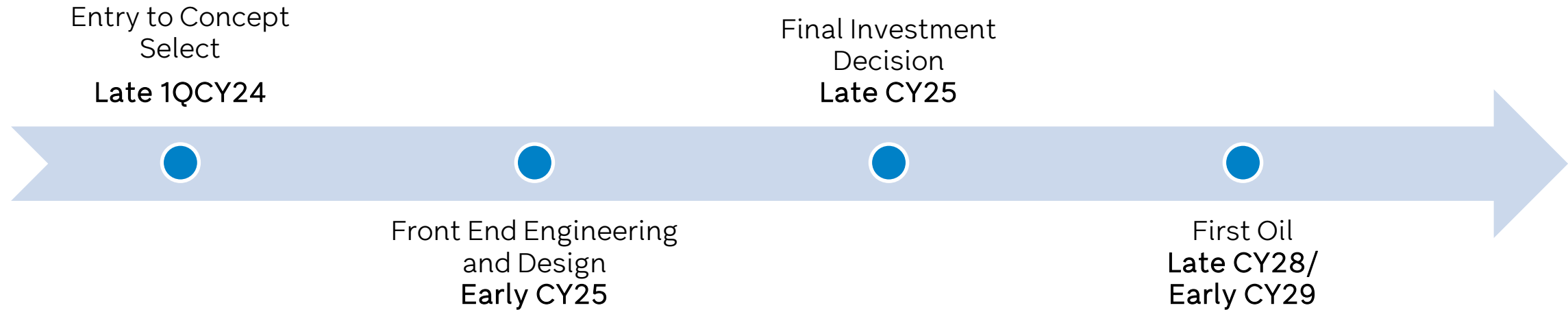
2A - Tieback to Baúna FPSO

2B - Tieback to Neon FPSO



Indicative timeline for potential decisions on Neon

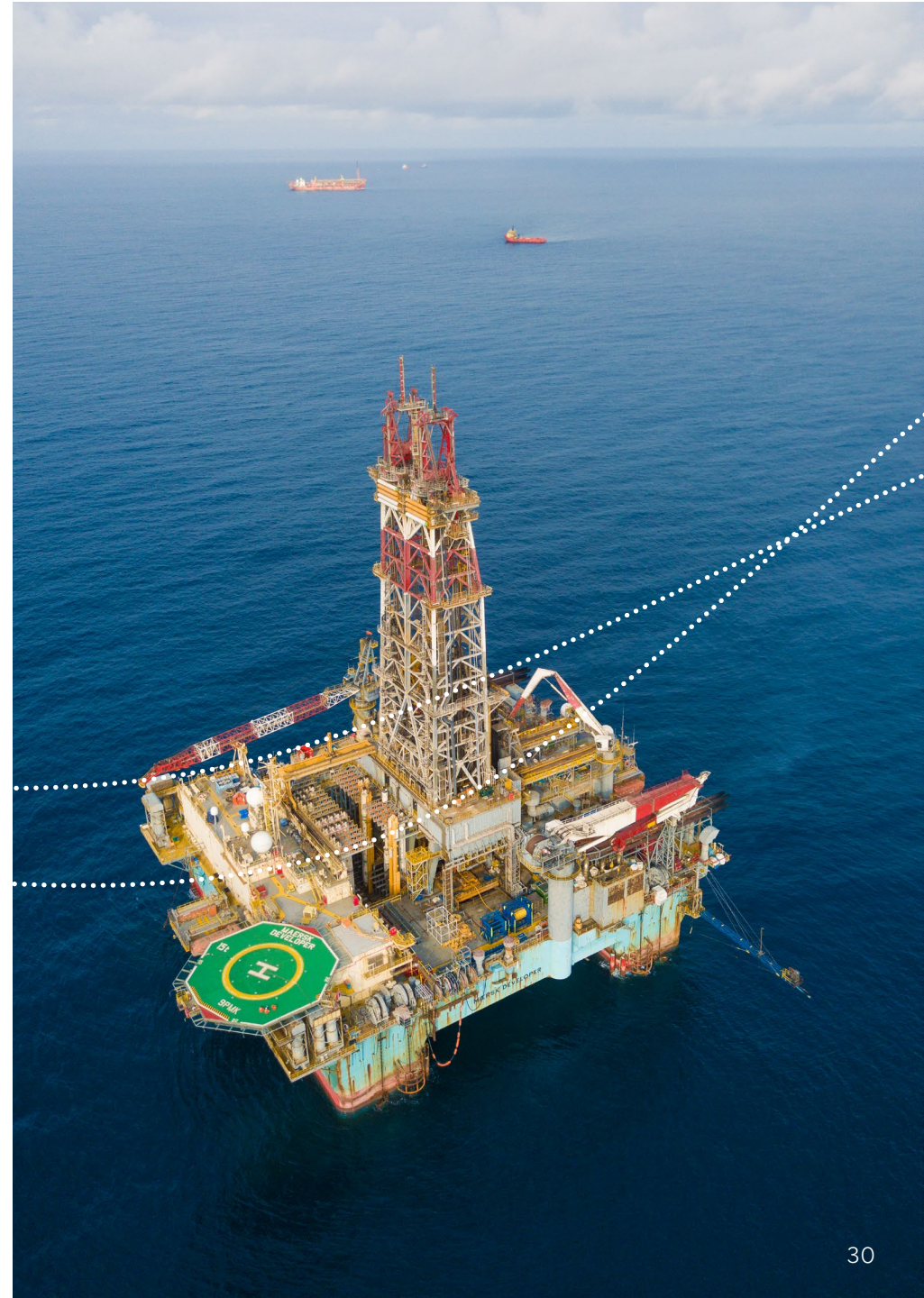
On-going project maturation targeting FID in 2025 and First Oil in 2028/29



Potential Neon development summary¹

- › Neon now fully appraised with three wells - Neon-1 and -2 still undergoing evaluation
- › Potential for Karoon to establish a significant second operated production hub and to build scale in Brazil, replacing Baúna production as that field matures
- › Neon foundation project could enable area development with potentially very material resource base (see slide 32)
- › With 100% equity, Karoon may choose to farm-down/enter partnership to share funding and risk/reward
- › Continue to build Karoon's capabilities through the delivery of a significant new greenfield project

1. Timeline subject to positive stage gate decisions





Martin Austgulen

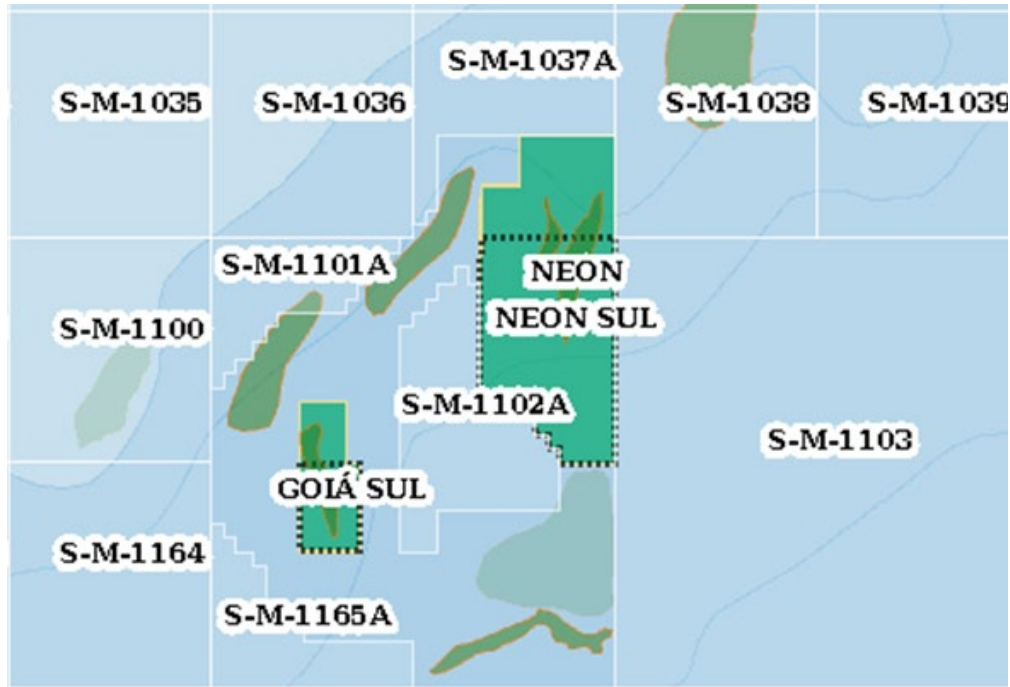
SVP New Business

16 years experience in oil and gas. Petroleum engineering on International assignments with **TotalEnergies** in Europe, Africa and Asia before joining Karoon in 2015.

New
Ventures

Neon hub-style development

Possible longer-term opportunities



- › If Neon is commercial, a hub-style development can be considered, involving tie-back of other existing and potential accumulations near Neon:
 - › Undrilled Neon West prospect located 2km west of Neon. Structurally and stratigraphically analogous to Neon. At 30 June 23, booked 2U Prospective Resources of 14.8 MMbbl¹
 - › Goiá located ~10km SW of Neon. Discovered in 2013. Well flowed 3,700 bopd of 33 and 38 API oil on two tests. 2C Contingent Resource of 27 MMbbl¹ booked in May 2018²
- › Other potential opportunities, including possible near field exploration, to assess full resource potential of Neon area, to be evaluated over time

	Contingent Resources ¹		
	1C (MMbbl)	2C (MMbbl)	3C (MMbbl)
Neon	37.7	60.1	89.5
Goiá	16.0	27.0	46.0
Prospective Resources ¹			
	1U (MMbbl)	2U (MMbbl)	3U (MMbbl)
Neon West	6.1	14.8	32.9

1. Contingent Resource volume estimates presented for Neon and Goiá and Prospective Resources for Neon West are as disclosed in the 2023 Annual Report. Karoon is not aware of any new information or data that materially affects these resource estimates and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

2. Refer ASX Release dated 8.5.2018 "Resources Update"

Assessing Inorganic Growth Options

Evaluation ongoing

- › Continuing to actively assess inorganic growth opportunities
- › Focused on oil assets in Brazil and US Gulf of Mexico, where Karoon's existing technical and commercial teams have significant experience and knowledge
- › Rigorous and disciplined screening process used, with key criteria including:
 - › Value accretive, with acceptable risk profile
 - › Fundable
 - › Producing, or close to FID if pre-production
 - › Complementary to Karoon's footprint and/or capabilities
 - › Compatible with Karoon's carbon targets
- › Any potential acquisition balanced against returns to shareholders





Ricardo Canela

Head of Climate, Sustainability & Social Projects

31 year's experience working in Heavy Industry sectors, including 22 years in O&G industry, serving as **HSSE Coordinator and HSSE Manager** (El Paso) and **S.A Regulatory & HSSE Manager and Head of Climate, Sustainability and Social projects** (Karoon Energy)

Sustainability

Delivering Sustainable Operations

Five Pillars



Climate strategy

Committed to remain Carbon Neutral¹ for Baúna Project; targeting Net Zero² by 2035



› Carbon Management Action Plan:

- › Reduce Scope 1 emissions from existing operations where possible
 - › 5,293 tCO₂e emissions avoided by mooring buoy installation in FY22 and ongoing optimised support vessel scheduling
 - › Project underway to assess potential additional opportunities to reduce emissions within operations
- › Invest in high quality projects to offset emissions:
 - › Active review of potential equity investment and/or development opportunities in high quality Nature Based Solution offset projects with social co benefits. Aiming to invest in carbon sequestration projects where possible
 - › Term sheet to acquire equity directly in a REDD+ project in Brazil executed in June 2023
- › Purchase carbon offsets to offset remaining emissions:
 - › Scope 1 and 2 GHG emissions for FY22 fully offset by long term agreement³ to acquire Verified Emission Reduction (VER) units from Shell Western Supply and Trading.
- › From 2035 onwards, aim to invest in/purchase removals-based offsets only

Emissions (tCO ₂ e)	FY21	FY22	FY23
Scope 1	49,525	82,805	142,025
Scope 2	143	65	49
Scope 3 ⁴	N/A	2,055,229	3,102,331
Emission intensity (KgCO ₂ e per bbl)	15.8	17.9	20.2

1. Carbon Neutral refers to firstly, reducing or avoiding operational Scope 1 and 2 greenhouse gas (GHG) emissions and, secondly, acquiring carbon offsets to balance the remaining Scope 1 and Scope 2 emissions.

2. Net Zero refers to reducing Scope 1 and 2 GHG emissions as far as practical and balancing the residual GHG emissions produced with GHG emissions removed from the atmosphere.

3. Long term agreement from 2022 to 2030 refer ASX dated 8.2.2022

4. Scope 3 includes total Scope 3 emissions i.e. both material and non-material emissions.

Social Projects

Improving quality of life of people and communities impacted by our operations

Two new projects

› Litre of Light

- › Project to provide illumination in Quilombola Alto da Serra community
- › Based on social development methodology, which allows engagement with volunteers, mapping of communities, understanding their needs and training residents for installation, replication and maintenance of light technology
- › Lights made from simple materials, built with residents. Airtight box (post) has circuit that is configured to active LED automatically once dark
- › Workshop in August 2023 to assemble solutions (post and lamp) in Karoon office, with participation of 30 volunteers

› Federal Institute of Santa Catarina (IFSC), Itajaí campus

- › 22 internship grants for technical course in marine sciences
- › Professionalisation program for artisanal fishermen
- › Purchase of salvage equipment for practical classes

Link to sustainability report: <https://www.karoonenergy.com.au/wp-content/uploads/230823-FY23-Sustainability-Report-1.pdf>



Glossary

Term	Definition
ANP	Agência Nacional do Petróleo, Gás Natural e Biocombustíveis.
Baúna	Concession BM-S-40 containing the producing Baúna, Piracaba and Patola light oil fields in Brazil.
bbl or barrel	Barrel of oil = 42 United States gallons; equivalent to approximately 159 litres
Blpd	Barrels of liquids per day
Boepd	Barrels of oil equivalent per day
bopd	Barrels of oil per day
CY	Calendar year
EPE	Empresa de Pesquisa Energética
FPSO	Floating, production, storage and offloading vessel
GHG	Greenhouse Gas
FY	Financial year ending 30 June
Karoon	Karoon Energy Ltd and its subsidiaries
ktCO ₂ e	Kilo tonnes of carbon dioxide equivalent
LTI	Lost time injury
m ³	Cubic metres. 1M3 = 6.290 bbl
MMbbl	Million barrels of oil
MMbbl/day	Million barrels of oil per day
pa	per annum
REDD+	Reducing emissions from deforestation and forest degradation, as well as forest conservation, sustainable management of forests and enhancement of forest carbon stocks.
R&D	Research and Development
TRIR	Total Recordable Injury Rate