

## ASX RELEASE

17 November 2023 | ASX: KAR

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# Karooon Energy successfully completes the placement and institutional entitlement offer

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- **Completion of the Placement raised gross proceeds of approximately A\$170 million.**
- **Completion of the Institutional Entitlement Offer raised gross proceeds of approximately A\$214 million.**
- **Excellent support shown by both existing and new institutional shareholders, with issue strongly oversubscribed.**
- **Retail offer component of the Entitlement Offer opens on Thursday, 23 November 2023.**

Karooon Energy Limited (**Karooon**), is pleased to announce the successful completion of its fully underwritten institutional placement (**Placement**) and the institutional component (**Institutional Entitlement Offer**) of its 1 for 3.75 pro-rata non-renounceable entitlement offer (**Entitlement Offer**) of new fully paid Karoon ordinary shares (**New Shares**) announced on Thursday, 16 November 2023 (**Equity Raising**).

The Placement and the Institutional Entitlement Offer attracted strong support from both existing and new institutional shareholders, together raising approximately A\$384 million at an offer price of A\$2.05 per New Share (**Offer Price**) representing a:

- 10.8% discount to the theoretical ex-rights price (TERP<sup>1</sup>) of A\$2.30 per share
- 12.4% discount to the 5 day VWAP of A\$2.34 per share on Tuesday, 14 November 2023
- 14.6% discount to Karoon's close price of A\$2.40 per share on Tuesday, 14 November 2023

The Institutional Entitlement Offer was well supported by Karoon's institutional shareholders with approximately 95% of entitlements available to eligible institutional shareholders taken up.

Commenting on the outcome of the Placement and Institutional Entitlement Offer Dr Julian Fowles, Karoon's Managing Director and CEO said:

*"We are delighted with the strong support shown by our existing shareholders and new investors for the equity raising which underpins the acquisition of the Who Dat and Dome*

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<sup>1</sup> TERP includes shares issued under the Placement, Institutional Entitlement Offer and the Retail Entitlement Offer and is based on the closing price of A\$2.40 as at Tuesday, 14 November 2023. TERP is a theoretical calculation only and the actual price at which KAR shares trade immediately following the ex-date for the Entitlement Offer may be different from TERP. KAR's last traded price on Wednesday, 15 November 2023 was A\$2.15.

*Patrol fields. The acquisition is transformational for Karoon and provides significant scale to production, reserves and resources. It represents a highly strategic entry into the US Gulf of Mexico which diversifies Karoon's asset and production base, while establishing a platform for further growth".*

Each New Share issued under the Equity Raising ranks equally with existing fully paid ordinary shares in Karoon on issue. Settlement of the Placement and Institutional Entitlement Offer is expected to take place on Friday, 24 November 2023, with the New Shares expected to be allotted and commence trading on Monday, 27 November 2023.

### RETAIL ENTITLEMENT OFFER

Eligible retail shareholders in Australia and New Zealand will be invited to participate in the retail component of the Entitlement Offer (**Retail Entitlement Offer**). The Retail Entitlement Offer will be open from 9:00am (Sydney time) on Thursday, 23 November 2023 and close at 5:00pm (Sydney time) on Wednesday, 6 December 2023.

Eligible retail shareholders with a registered address in Australia or New Zealand as at Monday, 20 November 2023 at 7.00 pm Sydney Time (**Eligible Retail Shareholders**) will be entitled to participate in the Retail Entitlement Offer on the terms and subject to conditions set out in the retail offer booklet (**Retail Offer Booklet**). The Retail Offer Booklet is expected to be made available on Thursday, 23 November 2023.

The Entitlement Offer is non-renounceable and Entitlements will not be made tradeable on the ASX or be otherwise transferable. Shareholders who do not take up their full Entitlement will not receive any payment or value in respect of Entitlements they do not take up and their percentage equity interest in Karoon will be diluted.

Eligible Retail Shareholders who take up their full Entitlement will be offered the opportunity to apply for additional New Shares (up to 55% of their Entitlement) (**Oversubscription Facility**). The allocation of additional New Shares under the Oversubscription Facility will be subject to the availability of New Shares under the Retail Entitlement Offer. Karoon retains the flexibility to scale back applications for additional New Shares at its discretion. Further details will be included in the Retail Offer Booklet.

## INDICATIVE TIMETABLE<sup>2</sup>

Event	Date
Announcement of Acquisition and Equity Raising, trading halted and Institutional Entitlement Offer and Placement opens	Thu, 16 November 2023
Announcement of completion of Institutional Entitlement Offer and Placement	Fri, 17 November 2023
Trading halt lifted and shares recommence trading	Fri, 17 November 2023
Record date under the Entitlement Offer	Mon, 20 November 2023
Lodge Retail Offer Booklet on ASX announcement platform	Thu, 23 November 2023
Retail Entitlement Offer opens and Retail Offer Booklet dispatched	Thu, 23 November 2023
Settlement of Institutional Entitlement Offer and Placement	Fri, 24 November 2023
Allotment and trading of New Shares issued under the Institutional Entitlement Offer and Placement	Mon, 27 November 2023
Retail Entitlement Offer closes	Wed, 6 December 2023
Announce results of Retail Entitlement Offer	Mon, 11 December 2023
Settlement of Retail Entitlement Offer	Tue, 12 December 2023
Allotment of New Shares issued under the Retail Entitlement Offer	Wed, 13 December 2023
Trading of New Shares issued under the Retail Entitlement Offer	Thu, 14 December 2023
Despatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer	Mon, 18 December 2023

*All dates and times are indicative and subject to change.*

## ADVISORS

Karoon is being advised by Gresham as financial advisor and Ashurst as legal advisor in relation to the Equity Raising.

Macquarie Capital (Australia) Limited is acting as sole Lead Manager and Underwriter to the Equity Raising.

This announcement has been authorised by the CEO and Managing Director of Karoon Energy Ltd.

## FURTHER INFORMATION

Further details of the Equity Raising and the acquisition are set out in the Investor Presentation also lodged on the ASX. The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to the Equity Raising.

<sup>2</sup> These timings are indicative only and subject to variation. Karoon reserves the right to alter the timetable at its absolute discretion and without notice, subject to the Listing Rules, Corporations Act and other applicable laws. All references are to Australian Standard Time (AEST) In particular, the Company reserves the right to either, generally or in particular cases, extend the closing date of the institutional or retail components of the Entitlement Offer, to accept late applications or to withdraw the Entitlement Offer prior to the issue of the relevant securities without prior notice. The commencement of quotation of New Shares is subject to confirmation from ASX.

#### INVESTORS

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#### 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

This announcement includes certain "forward-looking statements" such as indications of, and guidance on, future events, future earnings and the future financial performance and financial position of Karooon. Forward-looking statements can generally be identified by the use of forward-looking words such as "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "projection", "estimate", "target", "outlook", "guidance" or other similar expressions and include statements regarding the timing and outcome of the Equity Raising, Karooon's strategies and plans and the future operational and financial performance of Karooon. Any forward-looking statements included in this announcement involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies and other factors, including the risks described in the Investor Presentation under "Key risks" and "Key acquisition risks" many of which are outside the control of, and are unknown to, Karooon and its officers, employees, agents or associates and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct.

Forward-looking statements, including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication, prediction or guarantee of future performance. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including the Company). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Actual results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. The forward looking statements are based on information available to Karooon as at the date of this announcement.

Except as required by law or regulation (including the ASX Listing Rules), Karoon undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements.

#### NOT AN OFFER IN THE UNITED STATES

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.