

2026 THIRD QUARTER REPORT

For the period ending 30 September 2026

22 October 2026 | ASX: KAR



KEY 3Q26 HIGHLIGHTS

- 2026 third quarter (3Q26) production of 2.27 million barrels of oil equivalent (MMboe)¹, up 110% on 2026 second quarter (2Q26).
- Sales revenue 64% higher at US\$191.6 million, driven by higher production, partly offset by lower average realised oil prices.
- 3Q26 Baúna operating efficiency of 96% (97% 2026 year to date), above target range of 90-95% reflecting success of major Baúna FPSO revitalisation and maintenance campaigns. 3Q26 Who Dat FPS efficiency of 100% (99% 2026 year to date).
- In late September, SPS-92 production impacted by electrical fault in ESP system². SPS-92 continues to produce at reduced rate while cause remains under investigation. Total Baúna production currently 16,400 bopd, with waterflood resumption providing reservoir pressure support.
- Strong performance from Who Dat A1 sidetrack over 3Q26. Planning underway for Who Dat G1 sidetrack (expected online 2Q27), E field remediation plans on track for execution in 2H27.
- One Lost Time Incident (LTI) in 3Q26, first LTI in more than 600 days. Two Tier 2 process safety incidents reported (no Tier 1).
- On 12 August, Who Dat East Joint Venture sanctioned Who Dat East development. First production expected in 2H28, targeting initial net production rate of approximately 6,000 boepd (NRI).
- Good technical and commercial progress made on proposed Neon development. MOU signed with TechnipFMC as preferred subsea ECPI supplier, discussions on potential option over topside host facility reaching maturity.
- US\$80.8 million cash at 30 September 2026, operating cash flow funded all capital expenditures, 2Q26 accruals and shareholder returns (13.3 million shares bought back and US\$6.0 million interim dividend paid during 3Q26).
- CY26 production and unit cost guidance unchanged from 28 September update² (see page 7).
- Brazilian windfall export tax extended to 7 November 2026 (BRT).

Commenting on the quarter, Karoon's CEO and MD, Ms Carri Lockhart, said:

Over the quarter, Karoon delivered strong performance, driven by the quality and disciplined teams within the Company. 3Q26 production more than doubled compared with 2Q26, following completion of the Baúna FPSO revitalisation campaign, the return of SPS-92 and PRA-2 to production, and a strong contribution from the Who Dat A1 sidetrack. Unfortunately, we had one lost time incident which was a minor injury and should have been avoided. Our focus on personal safety is unwavering.

As a result of revitalisation and topsides maintenance programs, facilities uptime in Brazil and the US were both above target, at 96% and 100% respectively. This excellent topside performance supported higher production and a 64% increase in sales revenue to US\$191.6 million, despite weaker realised oil prices, reflecting lower global prices and, later in the quarter, an increase in global shipping rates due to the Middle East war.

¹ Who Dat on a net revenue interest basis (NRI).

² See ASX release dated 28 September 2026 'SPS-92 electrical fault, 2026 guidance update'.

The unexpected ESP system failure at SPS-92 last month was disappointing. The well is currently producing at a reduced rate of approximately 55% of the pre-fault levels while we investigate the cause and assess intervention options. We are engaged with insurance providers and are working through the insurance claims process. Although disappointing, the failure should not overshadow the strong operating performance, structural changes and advancement of growth opportunities, including reaching FID on Who Dat East and technical and commercial progress on Neon.

Since January, we have refined the Neon development concept, to improve project outcomes and manage risk. We made encouraging progress and believe the revised project will demonstrate improved capital efficiency, reduced execution risk and enhanced project economics. The work completed to date has strengthened our confidence in the potential of Neon and provides a sound foundation for the next phase of project evaluation, with a decision whether to enter Front-End Engineering and Design (FEED) expected to be made in 4Q26. If the project moves into FEED, we intend to recommence farm-out discussions, which were put on pause while the development concept was being matured and project risks mitigated.

At Who Dat, the A1 sidetrack outperformed during 3Q26, with the well production increasing from 1,700 boepd (NRI) in early July to approximately 2,400 boepd currently. The operator, LLOG, expects to commence drilling a sidetrack of the G1 well in 4Q26 and continues to plan the E field remediation. In addition, activities on the Who Dat East development, which was sanctioned early in 3Q26, are now underway. As previously highlighted, the initial one well development is expected to generate an IRR exceeding 20% based on our mid-case economics and will leverage existing infrastructure. Based on these activities, by the end of 2028 Who Dat production is expected to be more than double the current rate, with potential for additional upside in 2029 from Who Dat South, subject to the results of an appraisal well planned for mid-2027 and project sanction.

Over the quarter, Karoon generated strong operating cash flow, which fully funded the costs payable from the first half Baúna investment program, the successful Who Dat A1 sidetrack and approximately US\$22 million in capital returns to shareholders. The Company is currently reviewing its debt facilities, including our semi-annual amortising RBL facility which remains entirely undrawn, and believes opportunities exist to increase available funding, extend tenor and reduce costs, providing substantial financial flexibility to fund our medium-term growth opportunities.

On 30 September 2026, we paid an interim dividend of 1.2 Australian cents per share to shareholders and over the quarter, invested US\$16.0 million in Karoon shares through the on-market share buyback program. Over the past two years¹ we have bought back and cancelled nearly 108 million shares, at an average price of A\$1.59/share, creating material value for remaining shareholders. The Board continues to believe that the shares are undervalued. We maintain a disciplined approach to capital allocation, as outlined in our capital allocation framework, which remains unchanged. As part of this process, we will continue to evaluate the funds available for share repurchases as we progress the Who Dat East development and, potentially, Neon FEED.

Finally, I would like to acknowledge the hard work, discipline and results delivered from every employee and contractor at Karoon this quarter.”

¹ Since the buyback program commenced in 2H24 until 30 September 2026.

OPERATIONAL & FINANCIAL SUMMARY¹

		Three months ended				Year to date		
		Jun 26	Sep 26	% Change	Sep 25	Jan-Sep 2025	Jan-Sep 2026	% Change
Production								
Baúna								
Oil	MMbbl	0.84	1.83	+118	2.00	5.94	4.23	-29
Who Dat²								
Oil, condensate & NGLs (NWI ²)	MMbbl	0.25	0.44	+72	0.53	1.75	1.09	-37
Natural gas (NWI ²)	Bcf	0.24	0.55	+128	1.18	4.08	1.27	-69
Total Who Dat (NWI ²)	MMboe	0.29	0.53	+80	0.73	2.42	1.30	-46
Total Who Dat (NRI ³)	MMboe	0.24	0.44	+83	0.59	1.94	1.06	-45
Total (Baúna & Who Dat NWI)	MMboe	1.13	2.36	+109	2.73	8.37	5.53	-34
Total (Baúna & Who Dat NRI)	MMboe	1.08	2.27	+110	2.59	7.88	5.29	-33
Sales								
Baúna								
Oil	MMbbl	0.98	1.97	+101	1.94	5.37	4.42	-18
Who Dat⁴								
Oil, condensate & NGLs (NRI ³)	MMbbl	0.22	0.36	+61	0.44	1.41	0.90	-36
Sales gas (NRI ³)	Bcf	0.20	0.39	+98	0.81	2.92	0.94	-68
Total	MMboe	0.25	0.42	+66	0.58	1.90	1.05	-45
Total sales	MMboe	1.23	2.39	+94	2.52	7.27	5.47	-25
Revenue								
Baúna								
Oil	US\$m	93.1	158.6	+70	133.2	367.1	356.4	-3
Who Dat								
Oil, condensate & NGLs (NRI ³)	US\$m	22.5	31.0	+38	27.5	93.0	74.7	-20
Sales gas (NRI ³)	US\$m	0.8	2.0	+142	3.4	12.3	5.4	-56
Total	US\$m	23.3	33.0	+42	30.9	105.2	80.1	-24
Total revenue	US\$m	116.4	191.6	+64	164.1	472.4	436.5	-8
Average realised prices								
Baúna oil	US\$/bbl	94.56	80.60	-15	68.70	68.44	80.63	+18
Who Dat oil, condensate & NGLs	US\$/bbl	101.93	87.23	-14	62.32	65.73	83.23	+27
Who Dat sales gas	US\$/mcf	4.08	5.00	+22	4.15	4.17	5.78	+39

1. Numbers are unaudited and may not reconcile due to rounding.

2. NWI – Net working interest.

3. NRI – Net revenue interest (after deducting government and overriding royalties).

4. After fuel and flare at the facility

PRODUCTION

BAÚNA PROJECT, SANTOS BASIN, BRAZIL

Equity interest: 100%. Operator: Karoon

Baúna Project (BM-S-40) production in 3Q26 was 1.83 MMbbl, up from 0.84 MMbbl in 2Q26, with an average production rate of 19,930 bopd compared to 9,202 bopd in 2Q26. The increase on 2Q26 primarily reflected higher production from SPS-92 for most of the period, following completion of the ESP replacement in June, and the reinstatement of the PRA-2 well, which came back online on 6 July after the successful reconnection of its umbilical to the FPSO. 3Q26 production also benefited from the restoration of water injection into the

reservoir in August, supporting reservoir pressure and helping mitigate natural decline, and strong FPSO efficiency (actual production divided by forecast reservoir production, excluding scheduled shutdowns) of 96.3% (97.2% in 2Q26).

In late September 2026, an electrical fault was identified in one of the three phases of the power cable serving the newly installed SPS-92 ESP. The pump is currently operating on two phases at a lower rate, which has reduced SPS-92 output by approximately 3,500 boepd. The root cause remains under investigation, and Karoon is assessing intervention options, equipment and service availability, and the required regulatory approvals and the timing of required intervention to reinstate full production. Karoon is working closely with its insurance broker and actively pursuing insurance recovery for physical damage and associated intervention and repair costs, and for loss of production income. The extent and timing of any recovery remain subject to the investigation findings, applicable policy terms, limits and deductibles, and insurer confirmation.

Four cargoes were lifted during the period, totalling 1.97 MMbbl, with the cargoes delivered to refineries in Europe and the USA. The average realised price for the cargoes sold was US\$80.60/bbl, 15% lower than the average realised price in the prior quarter, reflecting lower global oil prices and higher freight costs associated with geopolitical tensions.

WHO DAT ASSETS, OFFSHORE GULF COAST, US

Equity interests: Who Dat and Dome Patrol – 30%, Abilene – 16%. Operator: LLOG

Gross Who Dat production in 3Q26 was 1.78 MMboe compared to 1.03 MMboe in 2Q26, with an average production rate of 19,373 boepd compared to 11,360 boepd in 2Q26. Production for the quarter on an NRI basis was 0.44 MMboe (0.24 MMboe NRI in the prior quarter). Who Dat efficiency during 3Q26 was 99.9% (94.7% in 2Q26). Who Dat production reflected a better than forecast production rate from the new A1 sidetrack (A1 ST), which came online on 13 July and is producing 2,400 boepd (NRI basis), and optimal production efficiency from the FPS.

A second sidetrack, G1 ST, is expected to commence drilling in 4Q26 and be completed in 2Q27. Subject to success, the G1 ST is currently forecast to contribute approximately 1,900 boepd NRI to Karoon when it commences production, prior to natural decline.

The operator, LLOG, continued to progress a structured remediation plan for the two E risers and flowlines. The replacement is anticipated to take place over 2027 with production restoration targeted at year end 2027. This will increase gross daily production by approximately 15,000 boepd, assuming restoration of wells to pre-failure rates.

The average realised price for Who Dat liquids (including oil, condensate and NGLs) was US\$87.23/bbl, 14% lower than the previous quarter, reflecting lower WTI pricing and higher discounts for the benchmarked crude over the quarter. The Who Dat average realised gas price was US\$5.00/mcf, up 22% on the previous quarter, reflecting the fluctuation in Henry Hub benchmark pricing during the period.

GROWTH OPPORTUNITIES

BRAZIL – NEON, S-M-1037 (KAR: 100%, OPERATOR)

Over 3Q26, concept select studies to optimise the proposed Neon project advanced. The revised development concept was confirmed, comprising a redeployed FPSO and phased development to minimise upfront CAPEX and mitigate subsurface uncertainties, while incorporation of reprocessed seismic led to improved subsurface imaging and confirmation of the revised drilling plan. In addition, technical validation and assurance of the subsea infrastructure progressed, including the execution of a Memorandum of Understanding (MOU) with TechnipFMC, the preferred subsea Engineering, Procurement, Construction and Installation (EPCI) contractor, to support the project's commercial strategy and execution readiness. In parallel, Karoon entered detailed discussions on the key terms of an option on the preferred topside host facility, which are ongoing.

A decision to enter the next phase of project evaluation, Front-End Engineering and Design (FEED), is expected to be made in 4Q26. If the project enters FEED, Karoon intends to re-commence farm-out discussions, which were paused in early 2026 while Neon development plans were being revisited.

US GULF COAST - WHO DAT EAST, MC 509-1 (KAR: 40%, OPERATOR: LLOG)

On 12 August, the Who Dat East Joint Venture, operated by LLOG, sanctioned the development of the Who Dat East project¹. The project is an initial one-well development, comprising the completion of the 2024 Who Dat East discovery well, the construction of a 29-kilometre pipeline to the Who Dat Floating Production System (FPS), installation of subsea controls and minor upgrades to the FPS. The total capital cost is estimated at US\$155 – 165 million net to Karoon, to be spent over 2H26 – 2H28. Who Dat East oil and gas production will be co-mingled, transported and processed through existing Who Dat infrastructure and will follow the same routes to market.

Over the quarter, the operator completed geotechnical surveys and awarded contracts for long lead items, including valves, line pipe and the umbilical. Installation contracts were issued and approved in early September, while detailed engineering for the riser commenced.

First production is expected in the second half of 2028, at an initial gross production rate of approximately 6,500 bopd of liquids and 50 MMscf/d of gas (2,600 bopd and 20 MMscf/d net to Karoon on an NRI basis).

US GULF COAST - WHO DAT SOUTH (KAR: 30%, OPERATOR: LLOG)

At Who Dat South, the Joint Venture continued to review reprocessed seismic, which is being used by the Joint Venture to identify the optimal location for an appraisal well with future development optionality. This well is expected to be drilled in 2Q27.

EXPLORATION AND APPRAISAL

DEEPWATER SANTOS BASIN, BRAZIL

S-M-1356, S-M-1358, S-M-1482, S-M-1484, S-M-1603, S-M-1605, ESMERALDA (KAR: 100%, OPERATOR)

During the quarter, Karoon continued the farm-down of its extensive exploration portfolio in the offshore Santos Basin in Brazil, covering more than 7,300 square kilometres. The Company is engaged with a number of industry participants, including major international energy companies, who are undertaking independent technical reviews of the opportunities Karoon has identified in its licenses. These include both post and pre salt leads and prospects within a new play. While currently untested, if this new play is proven, it has significant upside potential. Karoon is targeting to materially advance the farm-in process by year end.

COMMERCIAL AND CORPORATE

CAPITAL EXPENDITURE¹

US\$m	Jun 26	Three months ended			Jan-Sep 2025	Year to date	
		Sep 26	% Change	Sep 25		Jan-Sep 2026	% Change
Exploration and appraisal	2.6	0.0	NA	(1.0)	2.6	9.2	+254
Development, plant and equipment	124.0	35.7	-71	5.5	157.1	188.6	+20
Total	126.6	35.7	-71	4.5	159.7	197.8	+24

1. Numbers are unaudited and may not reconcile due to rounding.

Total capital expenditure (on an accruals basis) for 3Q26 was US\$35.7 million, spent on development, plant and equipment. This primarily reflected remaining investment in the SPS-92 intervention (US\$19.8 million), the A1 sidetrack in Who Dat (US\$4.1 million) and Who Dat East (US\$4.0 million).

¹ See ASX release dated 12 August 2026, 'Who Dat East development sanctioned'.

CASH, LIQUIDITY AND CASH FLOWS

US\$m	Jun 26	Three months ended		Sep 25
		Sept 26	% Change	
Cash	80.3	80.8	+1	201.3
Drawn debt	(350.0)	(350.0)	-	(350.0)
Net cash/(debt)	(269.7)	(269.2)	-	(148.7)
Undrawn available facilities	283.3	226.7	-20	340.0
Total liquidity	363.6	307.5	-15	541.3

At 30 September 2026, Karoon's net debt position was US\$269.2 million, comprising US\$80.8 million in cash and cash equivalents and US\$350.0 million of drawn debt. Total liquidity at 30 September 2026 was US\$307.5 million. Karoon completed the scheduled September redetermination of its US\$340 million Reserves Based Lending (RBL) facility, confirming borrowing capacity of US\$226.7 million (compared to US\$283.3 million at 30 June 2026), consistent with the previously disclosed amortisation schedule¹. This facility remains undrawn.

During 3Q26, Karoon received US\$185.4 million from the sale of hydrocarbons. Major cash outflows included US\$88.5 million in payments to suppliers and employees, including US\$15.4 million in royalties and US\$66.8 million for oil and gas assets. The oil and gas cash expenditure primarily related to SPS-92 (US\$44.0 million), FPSO/flotel activities (approximately US\$13.0 million) and US\$7.3 million for the A1 sidetrack. Other outflows included US\$8.4 million of financing costs and income taxes, US\$16.0 million for the on-market share buyback and US\$6.0 million for the interim dividend. Cash increased by US\$0.5 million to US\$80.8 million at 30 September, after interest receipts and foreign exchange movements.

ON-MARKET SHARE BUYBACK

Over 3Q26, the Company purchased 13.3 million Karoon shares at a weighted average price of A\$1.71 per share, at a cost of US\$16.0 million.

Since the buyback program began in 2H24 up until 30 September 2026, the Company has bought back and cancelled 107.7 million shares at a weighted average price of A\$1.59 per share, for approximately US\$113.4 million.

The on-market share buyback forms part of Karoon's disciplined capital allocation framework and remains ongoing, subject to several factors, including ongoing compliance with Karoon's credit agreements, the prevailing share price and broader market conditions.

HEDGING

The Company's RBL includes minimum commodity hedging requirements when drawn. However, as the facility is currently undrawn, Karoon has no hedges in place but retains discretion to hedge, if appropriate to protect the balance sheet or project returns.

BRAZILIAN EXPORT TAX

On 31 August 2026 (BRT), the Brazilian Government announced a further 60-day extension of the 12% (7.92% after tax) temporary tax on crude oil exports. Cargoes sold to the European Union qualify for the preferential 6% (3.97% after-tax) export tax rate under the Mercosur-European trade framework. The temporary export tax, originally introduced on 12 March 2026 (Brazil time)², is currently expected to expire on 7 November 2026 (Brazil time)³.

¹ Details set out in the ASX Release dated 16 November 2023

² See 'Brazilian crude oil tax announced' released to the ASX on 13 March 2026.

³ See 'Update on Brazilian crude oil tax' released to the ASX on 1 September 2026.

The industry continues to pursue legal challenges to the temporary export tax, seeking refunds of amounts paid since its introduction. Karoon will continue to recognise and pay applicable export tax liabilities pending the outcome of the legal proceedings.

All four cargoes sold during 3Q26 are expected to be subject to the temporary export tax. Karoon is continuing to select markets for its crude oil sales that maximise the realised net price, taking into account applicable taxes and other commercial considerations.

SUSTAINABILITY¹

Absolute emissions in 3Q26 were 23,968 tCO₂e, down 11% from 2Q26, reflecting higher production during the quarter at Baúna. Emissions intensity decreased to 9.9 kgCO₂e/boe for the quarter, excluding field logistics and support activities, due to higher production and reduced maintenance activity.

Equity-basis flaring across Baúna and Who Dat was 2,002 tCO₂e in 3Q26, down 19% on 2Q26. Year-to-date flaring was down 58% from the same period in 2025, at 7,403 tCO₂e.

During 3Q26, 118,236 verified carbon units were surrendered to offset Karoon's 2025 Scope 1 emissions, which comprised 96,876 tCO₂e from Baúna and 21,360 tCO₂e from Who Dat. Combined with Karoon's purchase of renewable electricity and International Renewable Energy Certificates in 1Q26, Karoon has met its commitment to be carbon neutral for Scope 1 and 2 emissions in 2025.

Two Tier 2 events were reported over the quarter, one of which involved a small release of gas and the second thermal heating oil, which was captured in secondary containment. Both incidents were quickly and safely resolved with no disruption to operations. In addition, one minor spill (less than 30 litres) of thermal heating oil occurred. The source was quickly identified and isolated and no further material was lost.

Karoon's social projects, located in areas in which we operate, continued over 3Q26. It is anticipated that all voluntary projects committed to for the year will be completed in 4Q26.

¹ Emissions data pending assurance.

2026 FULL YEAR GUIDANCE

Guidance has not changed since the last update on 28 September 2026¹.

2026 calendar year ^{1,2}		Guidance 22 October 26
PRODUCTION³		
Brazil	MMbbl	5.4 – 5.7
Who Dat (NRI)	MMboe	1.2 – 1.5
Total production	MMboe	6.6 – 7.2
UNDERLYING OPERATING COSTS		
Unit production costs (NWI) ⁴	US\$/boe	15 – 16
Exploration expenses, Business Development, share-based payments	US\$m	10 – 14
Unit DD&A (NWI) ⁵	US\$/boe	15 – 17
Finance costs and interest (net of interest income) ⁶	US\$m	60 – 70
Other operating costs ⁷	US\$m	37 – 41
INVESTMENT EXPENDITURE		
Baúna	US\$m	89 – 97
Who Dat ⁸	US\$m	87 – 105
Exploration and appraisal (Neon, Santos Basin)	US\$m	14 – 16
Other capex	US\$m	3 – 4
Total capex	US\$m	193 – 222
Petrobras contingent consideration ⁹	US\$m	28

NOTES:

- Numbers may not add due to rounding.
- Guidance is subject to various risks (including “Key Risks” set out in the 2025 Annual Report).
- Production assumes drilling results and expected future development projects, including well interventions, are delivered in accordance with their currently expected schedules and work scopes.
- Unit Production Costs: based on daily operating costs associated with Baúna and Who Dat production. Excludes carbon costs and non-oil and gas related depreciation and is based on Karoon’s Net Working Interest production. Excludes one off FPSO transition costs and corporate office relocation costs.
- Unit DD&A: depreciation and depletion expense associated with Baúna and Who Dat production, divided by Karoon’s Net Working Interest production. Excludes depreciation relating to non-oil and gas assets.
- Finance costs and interest includes interest expense, amortisation of loan transaction costs, commitment fees, bank fees, surety bond costs, withholding tax related to intra-group and cross-border cash movements, and the unwind of restoration and abandonment provision net of interest income.
- Other operating costs include staff costs, IT, other corporate and Business Unit overhead costs and non-oil and gas related depreciation. Excludes royalties and other government take, social investment/sponsorships in lieu of tax, foreign exchange gains/losses, hedge costs and non-underlying transaction costs.
- CY26 capex includes the A1 and G1 sidetracks, and a component of the E-manifold remediation project and Who Dat East development costs.
- The 2025 Petrobras contingent payment was made in late January 2026.

Note that the CY26 guidance table does not include the following items:

- US\$54 million of flotel and FPSO integrity costs.
- One off FPSO transition costs of US\$6 million.
- US\$3 million related to relocating corporate head office roles from Melbourne to the USA (Houston) and Brazil (Rio de Janeiro).

This announcement was authorised by the Board of Karoon Energy Ltd.

¹ See ASX release dated 28 September 2026, “SPS-92 electrical fault, 2026 guidance update”.

FOR FURTHER INFORMATION ON THIS RELEASE, PLEASE CONTACT:**INVESTORS**

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Abbreviations and conversion factors

Terms & abbreviations		Conversion factors	
BRT	Brasilia Time (3 hours behind Greenwich Mean Time)	Sales gas, 6,000 scf	1 boe
Boe	Barrels of oil equivalent	Condensate, 1 barrel	1 boe
Boepd	Barrels of oil equivalent per day	NGL, 1 barrel	1 boe
FPSO	Floating production, storage and off-loading facility		
FPS	Floating production system		
FPSO efficiency	The proportion of actual and potential production.		
MMbbl	Millions of barrels		
MMboe	Millions of barrels of oil equivalent		
NRI	Net Revenue Interest		
NWI	Net Working Interest		

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 hydrocarbon assets is given in light of this caution.

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.

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.

ABOUT KAROON ENERGY LTD

Karoon Energy Ltd. is an ASX listed international oil and gas exploration and production company with assets in Brazil, the United States of America and Australia.

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