

ASX RELEASE

17 December 2024 | ASX: KAR

Baúna production shut-in and updated CY24 production guidance

Karooon advises that production from the Baúna Project was shut-in on 11 December (Brasilia Time) in a safe and controlled manner following an incident involving the mooring system on the FPSO, Cidade de Itajaí.

The FPSO is permanently moored via four sets of four anchor chains, a total of sixteen. Two of the sixteen chains have failed. Consequently, production was shut-in, as per standard operating procedure, to minimise risk to personnel onboard and the environment. One of the two failed anchor chains was previously repaired in 3Q21¹. The FPSO remains stable and on station.

Karooon, together with the FPSO Operator, Altera&Ocyan, has mobilised an anchor handling vessel, which is already at the Baúna field to assist with FPSO positioning, in case it is required. A second anchor handling vessel and materials to repair the anchor chains are being sourced and will be mobilised to site. The Baúna Project will resume production once repairs are completed on at least one of the anchor chains and regulatory authority approvals to recommence operations are received. Current expectations are that this will take place during the week of 23 December 2024. Once the chains are repaired, the failure mechanism will be investigated to mitigate reoccurrence.

Prior to this shut-in, daily production had stabilised at approximately 24,000 bopd, following various maintenance activities on the FPSO during 3Q24, including works on the gas compressors and main production header. The Baúna Project reservoirs continue to perform in line with expectations.

2024 production guidance update

Year-to-date Baúna Project production (up to 12 December) is 7.2 MMbbl. Due to the anchor chain related shut-in, Baúna CY24 guidance has been amended to 7.2 – 7.4 MMbbl (from 7.5 - 7.7 MMbbl), depending on when the repairs are finalised.

Year-to-date Who Dat production (up to 12 December) is 2.7 MMboe on a Net Revenue Interest (NRI) basis. Karooon anticipates that production for the CY24 full year will be 2.9 MMboe, slightly below the guidance range of 3.0 – 3.1 MMboe. This is due to Hurricane Rafael, which extended the scheduled maintenance shut-down period from 10 - 14 days to 18 days and a slower than anticipated ramp up back to full production.

As a result, total production guidance for CY24 has been amended to 10.1 – 10.3 MMboe (from 10.5 - 10.8 MMboe).

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

¹ Refer ASX [Release 28.10.21 "September 2021 Quarterly Report and Appendix 5B"](#)

FOR FURTHER INFORMATION ON THIS RELEASE, PLEASE CONTACT

INVESTORS

Ann Diamant - SVP Investor Relations
& Communications
M: +61 407 483 128
E: Ann.diamant@karonenergy.com

Joseph Wong - Investor Relations &
Communications Advisor
M: +61 427 351 470
E: joseph.wong@karonenergy.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
Roberta Lopes
M: + 55 21 3723-8109

Daniela Melina
M:+ 55 21 99101-0248

Jacqueline Breitingner
M: +55 21 99465 9633
E: karon@inpresspni.com.br

ABOUT KARON ENERGY LTD

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

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