22 May 2025

Company Announcements Office

ASX Limited

Dear Sir / Madam

Annual General Meeting – Address by Chairman and Presentation by CEO

In accordance with ASX Listing Rule 3.13.3, enclosed is the Chair's address and CEO Presentation to be delivered at the Karoon Energy Ltd annual general meeting held on 22 May 2025.

This announcement was authorised by the Company Secretary

Yours faithfully

Daniel Murnane
Company Secretary

KAROON ENERGY

ASX RELEASE

22 May 2025 | ASX: KAR

2025 Annual General Meeting

Chair's Address

Slide 5: Operational performance

As highlighted in our 2024 Annual Report, 2024 was a mixed year for Karoon. Despite delivering record production, sales revenue and underlying profitability, over 2024, our share price underperformed most of our ASX-listed energy peers. This reflected a range of factors, including several downgrades to 2024 production guidance and market uncertainty about Karoon's capital management priorities.

In response to shareholder feedback, over the past year we have taken some decisive steps to address the issues of concern and to drive long term performance.

Firstly, we have reinforced the focus of the organisation on delivering safe, reliable and predictable operations.

At Baúna in Brazil, in addition to commencing a comprehensive program to improve the reliability of the floating production, storage and offtake facility (or FPSO), we reached agreement with the FPSO owner and operator, Altera & Ocyan, to acquire the facility. The purchase, which was successfully completed last month, is a major strategic step forward for Karoon, giving us control over how this key asset is operated and ensuring the long term availability of the vessel for the Baúna Project. In addition, the expected return on investment well exceeds our hurdle rates of return. The Board believes this transaction will add material long term value to shareholders.

Extensive work took place in 2024 and early 2025 on the Neon oil field development opportunity, resulting in a much more robust potential development concept, which is now being defined further. Given the recent oil price decline, we are taking a measured approach to investing further in Neon by splitting the 'Define' phase into three stages, allowing the Board an opportunity to reassess technical and commercial progress, and market conditions at regular intervals. We own 100% of Neon and the capital costs of development are currently estimated to be in the region of US$1 billion. The Board does not believe it is appropriate for a company of Karoon's size to take on so much delivery and financial risk, so a key focus over 2025 is to seek a partner. We will not progress into a development until a farm down has been secured.

At Who Dat in the US Gulf, while production in 2024 was below expectations, it has now stabilised at levels in line with our 2023 acquisition forecasts. In addition, two of our three exploration wells over the year were successful, finding resources close to the existing production facility and third party infrastructure. With options to maximise current production performance and develop the two new discoveries being explored, we remain confident that Who Dat will continue to generate good returns for Karoon, as well as diversifying our production base.

Oil and gas production always has inherent risks. However, I firmly believe that the actions taken over the past 12 months have stabilised operational reliability and will help us rebuild investor confidence in our forecasts going forward.

With the progress on Neon and the Who Dat exploration successes, we also now have a pipeline of organic growth opportunities within our portfolio, capable of driving long term shareholder value. Based on preliminary modelling, these all have the potential to offset natural production decline, build a sustainable, longer term production profile for Karoon, and exceed our mid-teens after-tax return hurdle rates.

Slide 6: Capital management

The second key focus for Karoon has been to develop and implement a clear approach towards capital management, including, as promised at last year's AGM, capital returns.

Under the new capital allocation framework announced in July 2024, 20 to 40% of underlying NPAT will be distributed to shareholders by way of dividends and/or buybacks, with potential for additional capital returns during periods of elevated oil prices or where alternate, value accretive uses of excess cash are not identified.

Since announcing this framework, Karoon has paid shareholders 9.5 Australian cents per share in dividends and has bought back approximately 8% of its issued capital, through two US$25 million on-market share buybacks and the first tranche of a US$75 million buyback planned for 2025. Later in this meeting we will be asking shareholders for approval to undertake the second tranche. This is required by the ASX, which limits a company from buying back more than 10% of its stock over a 12 month period without shareholder approval. We continue to believe that at the current share price, buying back and cancelling our shares is one of the best uses of our capital.

Cash flows are currently being impacted by the recent sharp drop in oil prices. However, Karoon has a competitive cost structure, with a cash breakeven of US$30-40/barrel and an ongoing focus on minimising outgoings where possible. The Company also has a strong and flexible balance sheet, with liquidity of more than US$530 million at the end of March 2025. This should allow us to continue to implement capital returns as well as pursue our value accretive organic growth opportunities, subject to market conditions and the outlook for oil prices.

Slide 7: Strategic Review

Having already commenced high priority operational and capital management initiatives in 2024, in early 2025 we completed a bottoms-up Strategic Review. The Review concluded that Karoon's core objective, to remain a safe and reliable, low cost offshore oil producer focused in Brazil and the US Gulf, remains the best strategy to create sustainable, long-term value for shareholders.

As already mentioned, we have made strong inroads into delivering our goal of restoring safe, reliable and predictable operations at both Baúna and Who Dat. Our longer term objective, to extend field life, offset natural decline and maintain stable production through value accretive organic growth opportunities, has also made progress. We are committed to assessing all growth options in a highly disciplined manner, using strict investment criteria, to ensure that any developments we embark on add value to shareholders and, risk adjusted, rank well relative to capital returns.

Another key outcome from the Strategic Review was an update to our climate strategy. We have decided to change our climate target from our prior target to be Net Zero by 2035, to being Net Zero by 2050 or sooner. This change recognises the challenges in meeting Net Zero targets for a company of Karoon's scale and resources and aligns with the broader oil and gas industry. While our absolute emissions may increase due to future production growth, we are aiming to reduce Scope 1 & 2 emission intensity by 30% by 2032 from a 2021 baseline. Since 2021, we have reduced emission intensity by 21% from 14.9kgCO_2e/boe to 11.7kgCO_2e/boe in 2024. In addition, we are developing a formal Climate Transition Action Plan, which will be released in early 2026, to outline our pathway to our target of Net Zero by 2050. We intend to continue to fully offset our operational share of Scope 1 and 2 emissions each year, as we have done since 2021.

We have also committed to increase our social and community investments in Brazil from 0.04% of sales in 2024 to 0.10% by 2027. During 2024, Karoon supported 22 community projects in Brazil in the areas in which we operate, which are having positive impacts on, and building lasting relationships with, our local communities.

Slide 8: Remuneration

Over 2024, in response to the 'First Strike' received at last year's AGM, the Board and management held meetings with many shareholders regarding Karoon's remuneration structure. Following their feedback, together with input from external experts and relevant benchmarking data, we reviewed our remuneration policies and award structures, to see where improvements could be made and how shareholders' concerns could be addressed. As a result, 77.5% of management's Short-Term Incentive (STI) scorecard in 2024 was weighted towards production, cost targets and operational performance, compared to 55% in TY23.

Despite being eligible based on achievement of some of the scorecard elements, our CEO and key executive management personnel offered to forego any Short Term Incentive reward, in recognition of the poor overall shareholder outcomes in 2024. The Board also exercised its discretion in attenuation STI outcomes for other Karoon staff, given the uneven production performance.

In 2025, 80% of the STI scorecard will be related to delivering safe, reliable and sustainable operations. This includes 15% associated with the acquisition of the Baúna FPSO, at a cost that delivers an IRR of more than 20%, and a safe and smooth transition of operations. The relatively high weighting reflects how strategically important this acquisition is to the Company. The remaining 20% comprises 15% related to achieving a value accretive farm-down of Neon and progressing Who Dat organic developments, while 5% is weighted towards our emissions intensity reduction goals.

The structure of long term incentives is unchanged, with 50% related to peer performance and 50% to absolute Total Shareholder Returns. However, the performance hurdle for the TSR component will increase in 2025 onwards, from a compound annual growth rate of 10-18%, to 14-18%.

Slide 9: Future structural changes and ongoing Board renewal

As I am sure shareholders can appreciate, there are significant challenges operating across Karoon's operational time zones, with our activities spanning North and South America as well as east coast Australia. The pressures created by having to operate in these time zones during the working week and through significant travel are becoming unsustainable for the physical and mental health of our employees. As a result, over the next year, we are planning to move a number of roles currently based in Melbourne to our offices in Houston and Rio de Janeiro.

We are committed to handling this process sensitively and fairly. We are also mindful that remuneration expectations in the US may be different to those in Australia, which may have a cost impact. However, this is likely to be at least partially offset by greater productivity and reduced travel costs.

While opportunities to list the Company on alternative securities exchanges have been explored, we have concluded that at present it is more advantageous for Karoon to remain an Australian listed company.

There is an ongoing process of Board renewal planned over the next few years, to ensure the Board has the appropriate skills and diversity to help drive the Company forward. This is likely to include appointing a director with US experience, with an appointment targeted to be made by the end of this year. In further Board succession, it is likely that a number of directors will transition over the next 12 -18 months, ensuring we have the right skills and local experience on our Board.

Slide 10: Conclusion

In conclusion, I would like to thank all our shareholders for your patience and continued support during a difficult period. The Karoon Board has listened and responded to your concerns. I am confident that the Company is now on a stronger operational footing, with material organic growth opportunities which have the potential to add significant shareholder value.

I would also like to thank our management and staff, led by Julian, for all their hard work in 2024, as well as more recent achievements, such as the successful FPSO maintenance program and reinstatement of production at SPS-88, both delivered on time and on budget. In addition, the successful acquisition of the Baúna FPSO represents a significant event for Karoon which has the potential to reduce operating costs and extend field life.

While there will no doubt be challenges ahead, including navigating the transition of operatorship on the FPSO and the current volatility in commodity prices, our aim to provide attractive long term returns to shareholders, guided by a strict capital allocation framework, is unchanged.

Thank you for your attention and I look forward to answering your questions shortly. I will now hand over to our CEO, Julian Fowles, to address the meeting.

CEO and MD's Address

Slide 12: 2024 Financial Highlights

As you have heard from Peter, 2024 was a year of both achievements and challenges.

As shown on this slide, production in 2024 was 10.4 MMboe. Although an all-time high for the Company, reflecting the Baúna intervention campaign and Patola development in 2022 and 2023, as well as the Who Dat acquisition in late 2023, disappointingly it was 20% less than the expectations we set for the year due to operational issues at both Baúna and Who Dat. I'll talk about what we are doing to improve production reliability shortly.

As a result of the higher production, 2024 revenue increased 14% to US$776.5 million and underlying EBITDAX rose 13% to US$492.4 million, both records for the Company, while underlying Net Profit After Tax was also a record at US$214.0 million. The strong financial performance allowed Karoon to commence capital returns to shareholders as well as drill three exploration wells at Who Dat, two of which were successful, and progress the Neon development opportunity. At 31 December 2024, net debt was under US$10 million and total liquidity was more than US$680 million.

Slide 13: Baúna Project

The Baúna Project in Brazil, acquired in late 2020, is Karoon's cornerstone production asset. While it is a high quality field, unfortunately, we faced several operational issues in 2024, mainly related to the FPSO. FPSO efficiency for the year was 84.5%, materially below our target range of 90-95%. In addition, the SPS-88 production well, was offline all year.

In the second half of 2024, the owner and operator, A&O, undertook works on the FPSO to address production and safety critical issues. This was followed up in the first quarter of 2025 by an extended maintenance campaign, with up to 200 additional workers accommodated on a floating hotel, or flotel, moored adjacent to the FPSO.

The flotel campaign has allowed us to make significant inroads into addressing the maintenance backlog and, together with the work completed in 2024, resulted in FPSO efficiency, excluding the maintenance shutdown, of more than 97% in the first quarter of 2025. However, there is still some way to go to fully clear the maintenance backlog and re-establish reliable and consistent FPSO performance.

In February 2025, we completed the SPS-88 well intervention, quicker than anticipated and within budget. We have brought the well back onstream slowly and it reached a peak flush production rate of 3,000 bopd, prior to natural decline resuming.

Slide 14: Acquisition of Baúna FPSO

During 2024, Karoon commenced discussions with A&O regarding buying the FPSO. Agreement on the key acquisition terms was reached in early 2025 and we completed the purchase on 30 April 2025.

This is a major milestone for the Company. Strategically, the acquisition of the FPSO gives us control over a critical component of the Baúna Project, and it will allow us to strengthen the safety culture and manage operational performance more effectively.

We are currently considering several potential FPSO operating structures. These include securing a new operations and maintenance contractor, with a tender process currently underway, or for Karoon to manage operations, with support from service providers as required. Preliminary work suggests the latter may be the optimal long term outcome, albeit would likely require a longer transition period than the former as Karoon develops the required systems and processes, and secures regulatory approvals. A Transition Services Agreement has been signed with A&O, to ensure continuity of operations and a safe, smooth handover of operational control pending our determination of the preferred structure, which we expect to make in the third quarter of 2025.

From a financial perspective, once the transition is complete, we expect total operating expenses to be US$30-40 million per annum lower than in 2024. This should allow Karoon to continue operating the field until the late 2030s, capturing a portion of the current 11.2 MMbbl of Baúna Project 2C Contingent Resource. Prolonging the life of Baúna will also defer abandonment and decommissioning liabilities.

The FPSO acquisition is expected to deliver a post-tax internal rate of return of over 20% and payback within four years.

Slide 15: Neon

Over the last few years, the Neon team has completed extensive technical work on Neon. This included a full re-evaluation of the Neon resource, based on the results of the two control wells drilled in 2023, core samples and reprocessed 3D seismic, rebuilding the geological models and updating petrophysical evaluations. This has resulted in a 57% increase in 2C Contingent Resources, from 55 million barrels in May 2018 to 86.5 million barrels now. Importantly, the 1C Contingent Resource has also increased significantly and now sits at 60.1 million barrels.

As a result of this work, we now also have more than 21 million barrels of 2U Prospective Resource, comprising 6.7 million barrels at Neon and 14.8 million at Neon West, a prospect which lies one kilometre west of the Neon field. Neon's Contingent and Prospective Resources have been assessed by an independent expert, Miller and Lents Ltd, whose estimates are very similar to Karoon's. The Resources booked by Karoon are the Miller and Lents numbers.

The increase in Resources, particularly at the 1C level, has increased our confidence that a Neon standalone development has the potential to be an attractive, robust and value accretive growth project and the opportunity has now moved into the 'Define' phase.

Slide 16: Neon 'Define' phase timeline

The 'Define' phase has been split into three stages to limit capital exposure while providing the Board with the opportunity to reassess the economic merits of the project before progressing into the next stage.

A key component is identifying and securing an FPSO and a suitable drilling rig. We have identified several FPSOs suitable for Neon that could be redeployed, and while the rig market is tight, we have found a number that may be available in the desired timeframe and preliminary discussions with owners have commenced.

As Peter has already mentioned, we don't believe it is appropriate to develop Neon at 100% equity and would like a partner to share the risks and rewards of the project. We expect to commence the farm down process once the Define phase is further progressed, currently targeting mid-year, with an aim of selling down a 30 to 50% interest.

We are aiming to make a Final Investment Decision on the project in mid-2026. This timeframe and progress through the Define Phase sub-stages is dependent on the FEED work continuing to support Neon as a commercial, value accretive development as well as supportive macro conditions and completion of the farm-down.

While there is still much work to be done, the concept being taken forward into the Define phase is based on a first phase development targeting 60 to 70 million barrels of oil with a peak production rate of 40 to 50,000 barrels of oil per day and first oil in early 2029.

Based on a long-term oil price assumption of US$65 per barrel (2025 real), this development would generate an IRR of well over 20% and have a pay-back period of approximately two years, with material potential upside from future development phases and at least one potential tieback from the Goia discovery.

Slide 17: Who Dat

Turning to the US, Who Dat output in 2024 was lower than our expectations, due to a later than expected start-up of new production wells, reservoir pressure management issues and production system constraints. The operator, LLOG, has worked to resolve these issues and production rates are now roughly in line with our original forecasts, with gross production currently between 37,000-38,000 barrels of oil equivalent per day.

Who Dat is a high margin, albeit mature, asset, with 2024 operating costs of US$8.5 per barrel of oil equivalent on a Net Working Interest basis. Several potential infill opportunities have been identified, which have attractive returns and payback periods, to help mitigate natural decline. One of these, the E6 sidetrack, is expected to commence drilling in the third quarter of 2025, with the potential to add up to approximately 5,000 boepd in the fourth quarter of 2025. The JV is also considering a second sidetrack to be drilled in late 2025/early 2026.

Studies by LLOG, aimed at improving uptime performance and reducing bottlenecks at Who Dat, are on track to be completed in mid-2025. These studies will indicate how to optimise production and processing capacity on the Who Dat Floating Production System (FPS) most efficiently and cost effectively, as well as improve reliability.

Slide 18: Who Dat East and South

In 2024, we drilled three exploration wells in the Who Dat area, two of which – Who Dat East and Who Dat South – made discoveries. The well results were better than our expectations and have led to a material increase in Karoon's Contingent and Prospective Resources.

Both accumulations are within tieback distance to Who Dat or third party production infrastructure and, based on their size, have the potential to be highly value-accretive developments. The results of the LLOG FPS studies will help the JV determine what is the optimal development route. The JV is aiming to achieve FID on the first of these opportunities by early 2026.

Slide 19: Resilient at low oil prices

As Peter has mentioned, the oil price has fallen markedly over the past few months in response to a perceived easing of geopolitical tensions, proposed increases in OPEC production and the expected impact of US tariffs on global economic growth. While recent trade deals have seen oil prices recover some of their losses, the outlook remains very volatile. With more than 90% of our production being oil and with limited hedging, our cash flows are being negatively impacted. Fortunately, we have a robust cost structure. Karoon's cash flow breakeven (which includes the costs of production, royalties, corporate costs, sustaining capex and finance costs) sits between US$29 and $40 per barrel. This is expected to reduce next year when the benefits of the FPSO acquisition start to flow through.

Despite a number of large, non-recurring, cash outflows in the first few months of 2025, the Company's liquidity was more than US$530 million at the end of the first quarter of 2025 and both S&P and Fitch have recently reaffirmed Karoon's B credit rating, with a stable outlook. Nonetheless, and especially given the volatility in oil prices, Karoon maintains strong financial discipline and we are currently looking at all discretionary spending for any opportunities to reduce costs.

Slide 20: Summary

In summary, Karoon remains committed to safe and reliable operations as our first priority. We are in an enviable position as a mid-cap oil and gas producer with more than 24,500 boepd of net revenue interest low cost production, based on our 2025 guidance. We have taken control of the Baúna FPSO, a critical asset, and have several potentially value accretive organic growth opportunities within our portfolio, capable of extending our production profile well into the 2040s. We are committed to ensuring our funds are invested in the highest returning opportunities, with any funds invested in organic growth ranked against returning capital to shareholders through dividends and buybacks.

I would like to reiterate Peter's thanks to the Karoon team and our contractors for the hard work during a challenging 2024 and also thank you, our shareholders, for your continued support and commitment to Karoon.

I'll now hand back to our Chair.

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

FOR FURTHER INFORMATION ON THIS RELEASE, PLEASE CONTACT

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FORWARD LOOKING STATEMENTS

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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 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.

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.

Karoon Energy Annual General Meeting

22 May 2025

KAROON ENERGY

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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. The actual results, achievement or performance of Karoon may be materially different from any future results, achievement 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. To the maximum extent permitted by law, 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 12 months to 31 December 2025 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 2024 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. 31 December 2024) of the Reserves and Resources Statement included in Karoon's 2024 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.
Resource volumetric estimates in MMboe have been rounded to one decimal place. Gas volumes are converted to barrels of oil equivalent (boe) on the basis of 6,000 scf = 1 boe
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 Board of Karoon Energy Ltd.

Peter Botten AC CBE
Chairman

Welcome & Introduction

Peter Botten
Chair, Karoon Energy

Chair’s Address

2024 Results

Responding to challenges and maturing organic growth pipeline

KAROON ENERGY

10.4 MMboe
NRI production in 2024

2
Lost Time or Recordable Incident

US$85.7m
Shareholder returns via buybacks and dividends[1]

US$214.0m
Underlying Net Profit After Tax

US$176.6m
Free cash flow from operations[2]

23.1 MMboe[3] (NRI)
2C Contingent Resource, up from 5.4 MMboe following Who Dat East & South wells

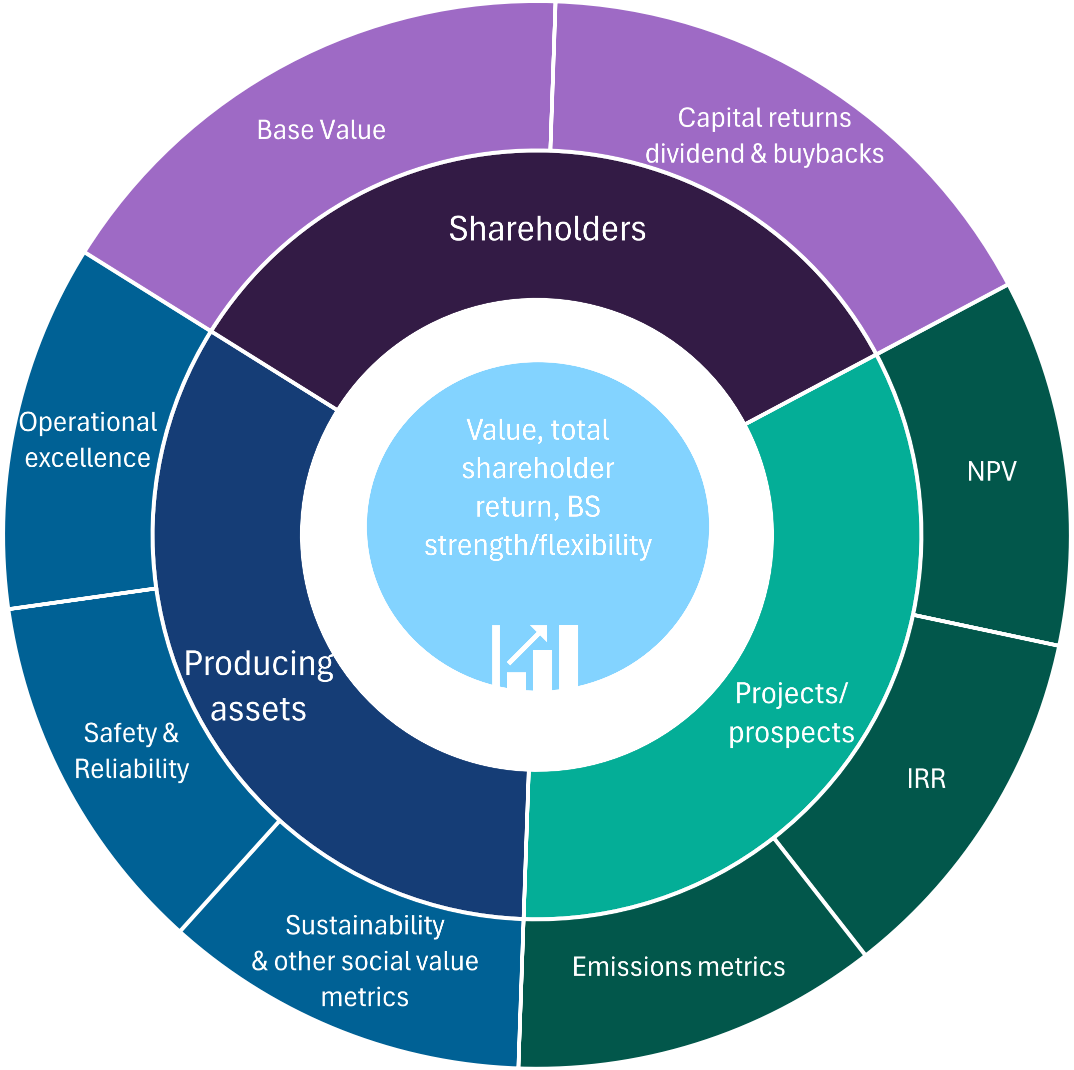
11.7 $kgCO_2e$/boe
Emissions intensity (Scope 1 & 2)[4]

22
Community projects commenced in 2024

1. Refer ASX release dated 27.2.25 "2024 Full Year Results & Investor Presentation"
2. Free cash flow from operations is defined as operating cash flows less lease liability payments and investing cashflows.
3. Contingent Resource volume estimates presented are as disclosed in the 2024 Annual Reports. 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.
4. Refer to glossary on slide 23 for definition

Capital Management

Balancing capital returns and growth investments



- Priority remains safe and reliable operations while maintaining balance sheet strength and flexibility
- Capital Returns Policy of 20-40% of underlying net profit after tax provides balance of capital returns while retaining sufficient capital to reinvest in business
- Revised Capital Allocation Framework allows for further capital returns when economics are superior and in absence of alternative, higher return uses of uncommitted cash, within a framework of safe, reliable operations and strong flexible Balance Sheet
- Capital Allocation Framework continues to ensure TSR-supportive growth and production sustaining investments remain within strategy and adhere to strict returns enhancing investment criteria
- Since revised framework was announced in July 2024, 61.3m shares purchased on-market[1] (~8% of issued capital[2]) at average price of A$1.46/share:
  - Buybacks to date include 2 x US$25m tranches announced in 2024 and US$8.2m from first phase of US$75m buyback announced on 30 Jan 2025, of which US$55m subject to shareholder approval today[3]

1. On market buybacks relate to 2 x US$25 million on market buybacks announced to the ASX on 25.7.24 "Capital returns policy and launch of on-market buy back" & 24.10.24 "2024 Third Quarter Report" as well as a US$8.2m of the US$75 million buyback announced on 30.1.25 "Additional US$75m buyback".
2. The percentage of issued capital purchased is calculated based on the total number of shares outstanding at the commencement of the share buyback program
3. Refer ASX released dated 30.3.25 "Approval of first phase of on-market buyback".
4. Chart is illustrative only.

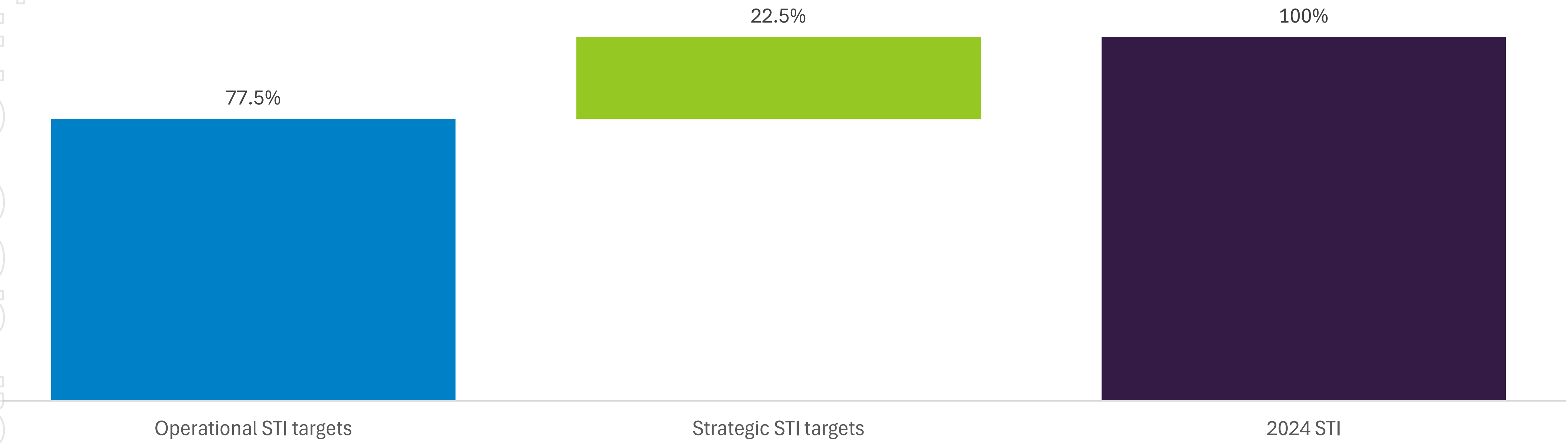
Outcomes of Strategic Review

1. Chart is illustrative only. It does not reflect all outcomes of the Strategic Review

Remuneration outcomes

2024 scorecard focused on operational performance

2024 Performance Objectives[1]

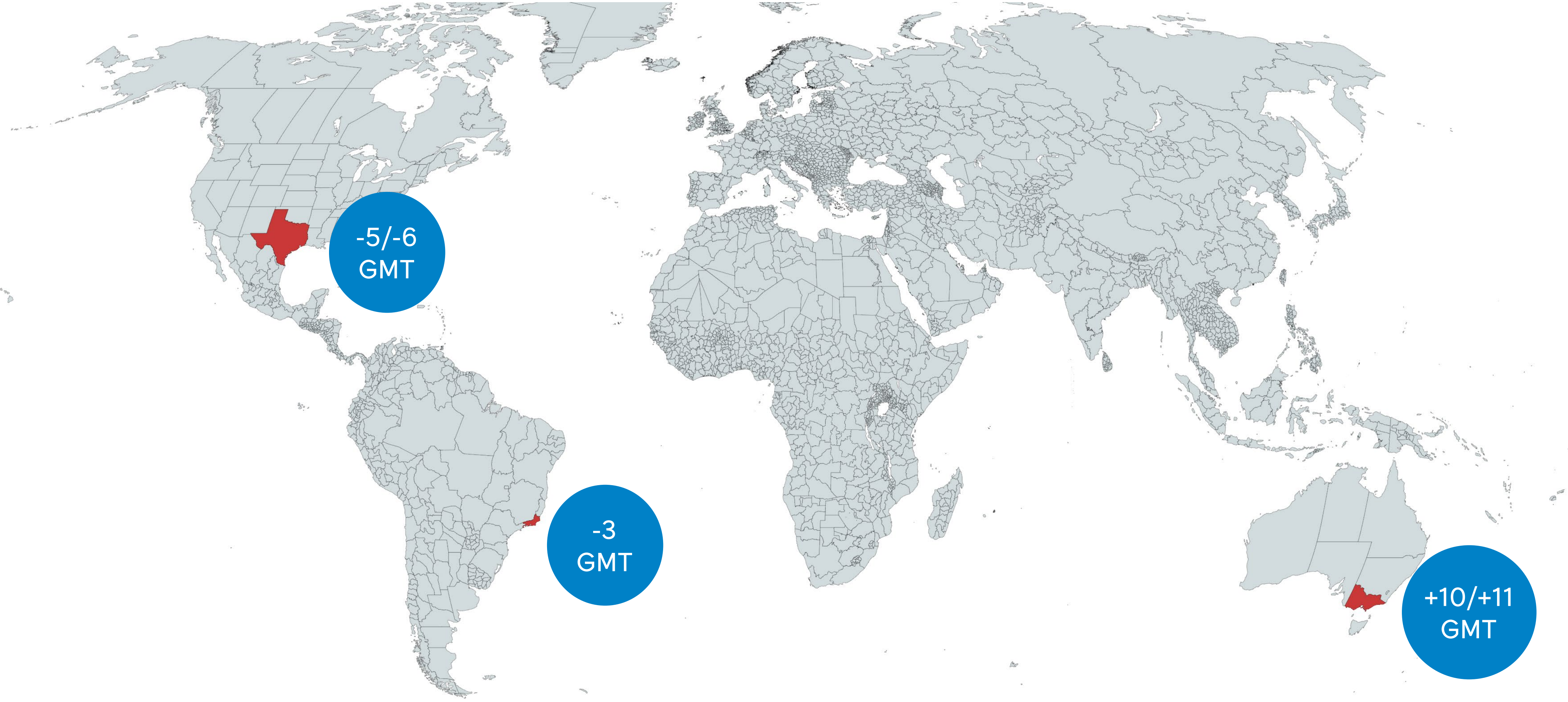


- 80% of 2025 STI scorecard related to delivering safe, reliable operations
- LTI absolute TSR CAGR performance hurdle increased in 2025 onwards[2]

1. Additional details of the Performance outcomes for 2024 is available in section pages 66 - 67 of the 2024 Annual Report.
2. Refer to page 57 of the 2024 Annual Report.

Future structural change and Board renewal

Positioning for the future



Conclusion

Julian Fowles
CEO and Managing Director

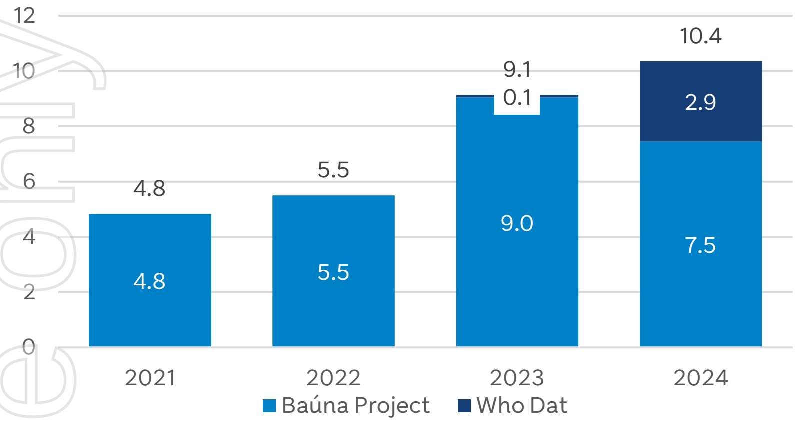
KAROON ENERGY

CEO and MD's Address

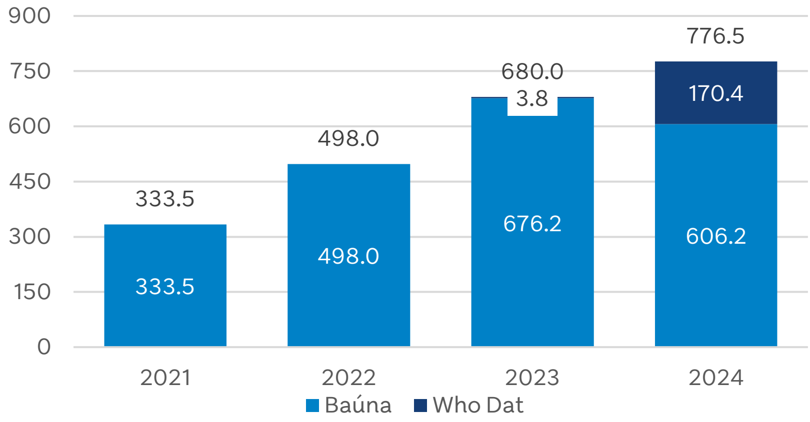
2024 financial highlights[1]

Strong financial performance supported organic growth and capital returns

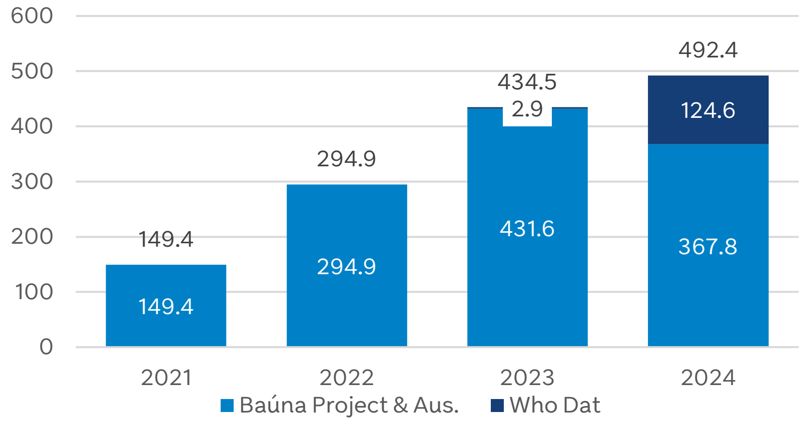
Production (MMboe)



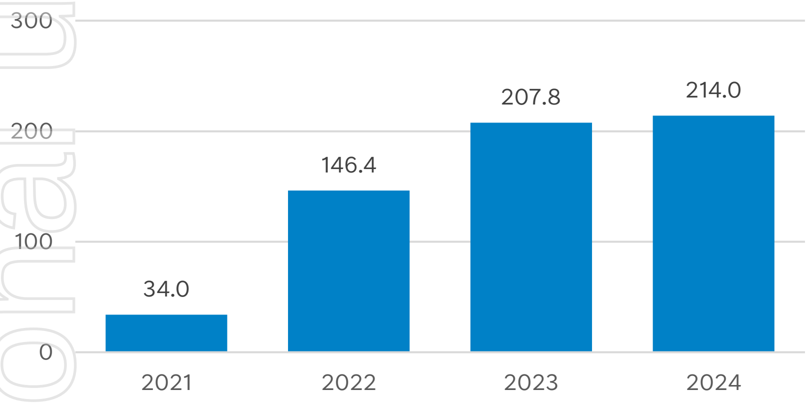
Sales revenue (US$m)



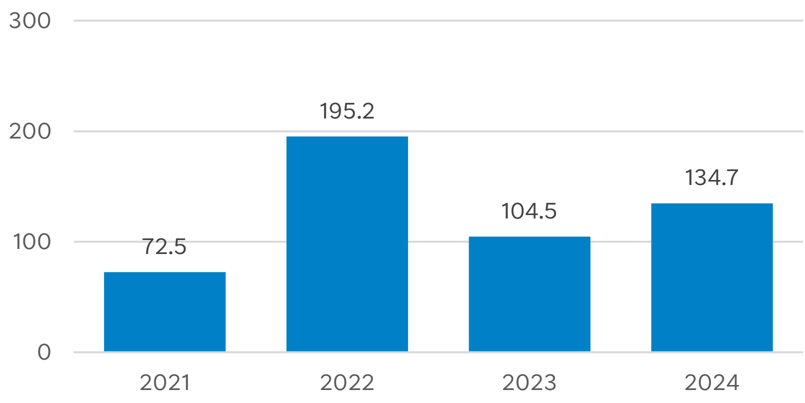
Underlying EBITDAX[2] (US$m)



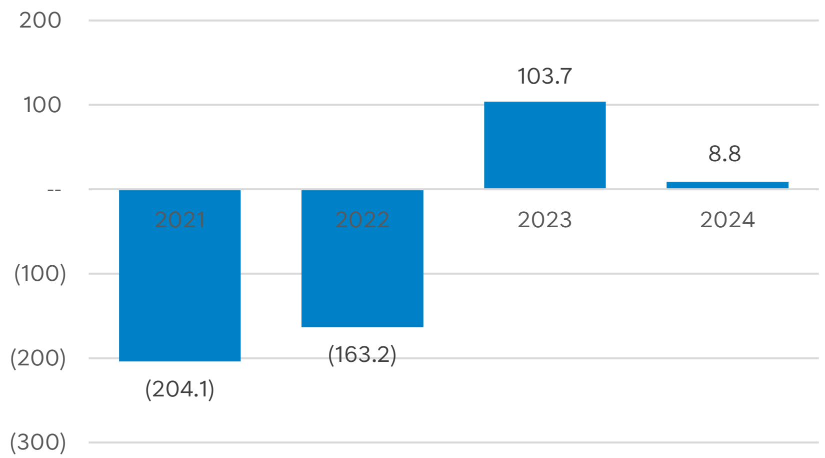
Underlying NPAT[2] (US$m)



Capital Expenditure (US$m)



Net debt/(cash) (US$m) as at 31 December



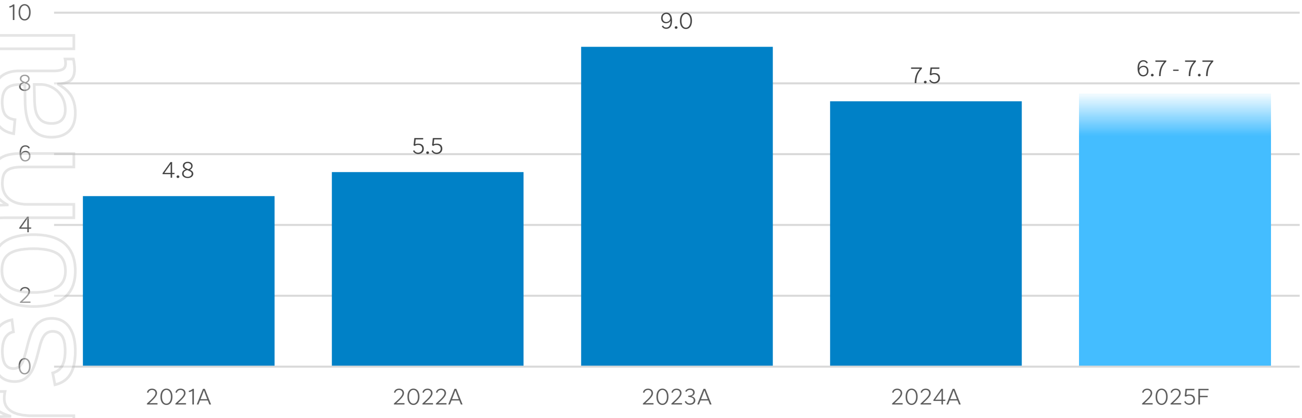
1. The financial information for the calendar years 2021 to 2023 is not audited but derived from audited and reviewed financial information.
2. Underlying EBITDAX and NPAT reflects the Company's assessment of financial performance. These are non-IFRS measure which are unaudited but derived from figures in the financial statements. Refer to page 47 of the 2024 Annual Report for a reconciliation of these underlying adjustments. These measures are presented to provide further insight into Karoon's performance.

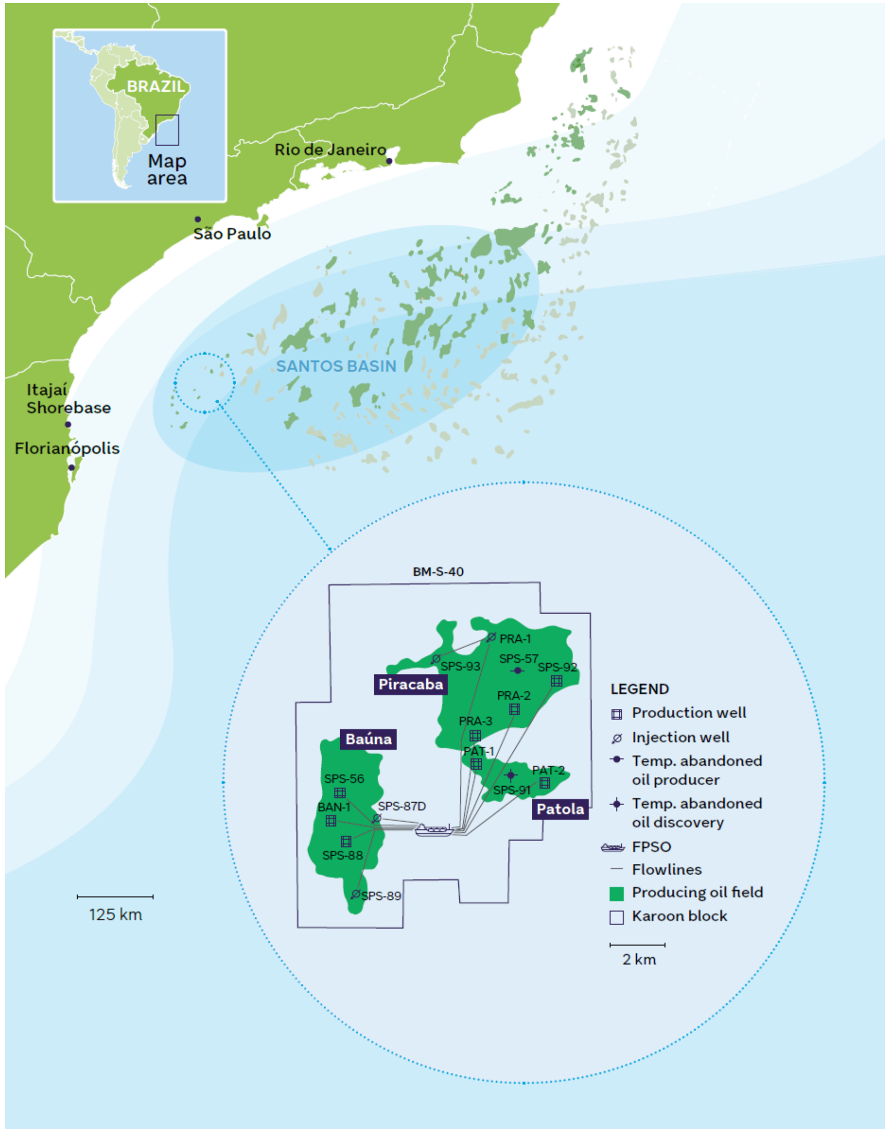
Baúna Project

Focus on improving FPSO reliability

- 1Q25 FPSO efficiency[1] 97.3%, excluding scheduled shutdown. CY25 target 88-92%, longer term target 90-95%
- SPS-88 intervention completed within budget and ahead of schedule due to early vessel availability and faster than expected execution
- 2025 flotel campaign completed on time and budget, 71,000 hours of work completed to reduce maintenance backlog
- Further backlog maintenance work planned to take place over balance of 2025 and into 2026 - may involve another flotel campaign during 2026

Baúna Project production (MMbbl)





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

Cidade de Itajaí (Baúna FPSO)

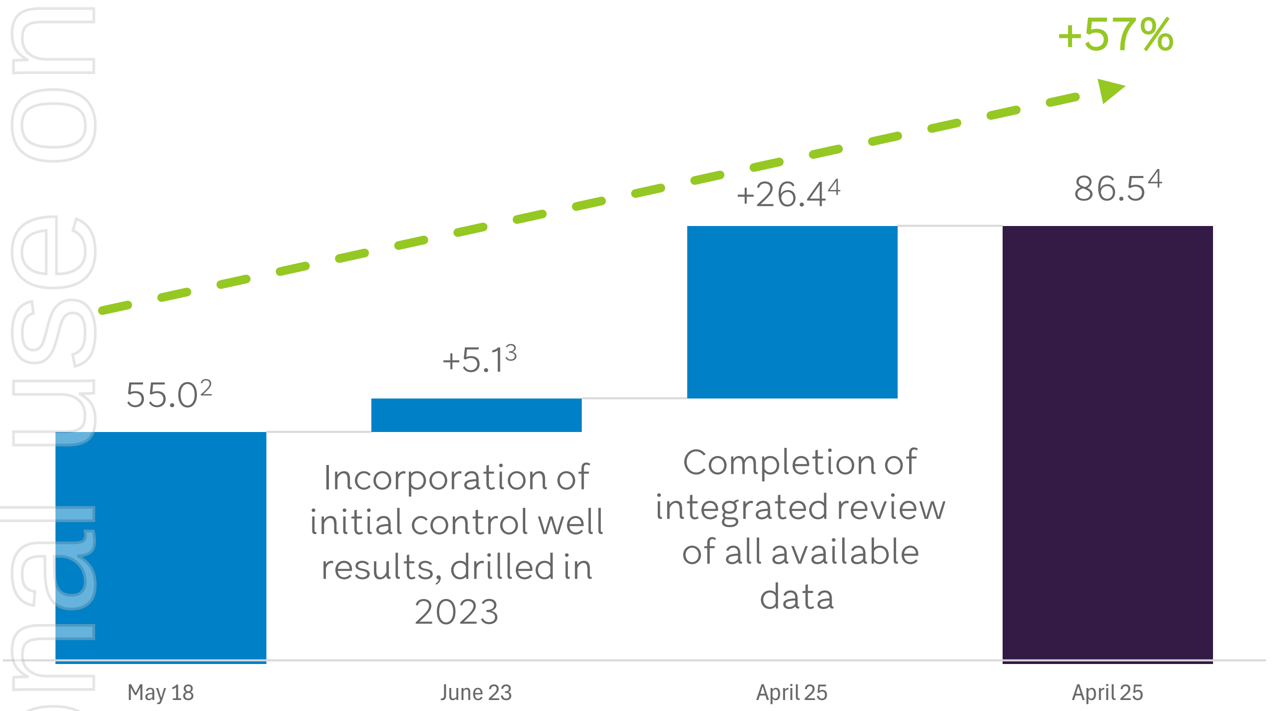
Acquisition of a strategic asset

- Acquisition completed on 30 April 2025
- Ownership of vessel and revised contracts expected to:
  - Strengthen safety culture
  - Improve long-term reliability of FPSO
  - Reduce lifting costs, prolonging Baúna Project life
  - Defer decommissioning costs to late 2030s
- Various FPSO operating structures being considered
- A&O operating FPSO under Transition Services Agreement, to allow for safe, smooth transition of operations
- IRR potentially >20% post tax, payback period of ~4 years based on:
  - Following completion of transition, expected reduction in Baúna opex partly offset by estimated sustaining capex of ~US$5m pa
  - Assume ~US$80m capex over 2026-2028 and further capex program in early 2030s, plus ESP replacement programs
- Expect to mature a portion of booked Contingent Resources to Reserves based on extended economic field life

Neon development opportunity

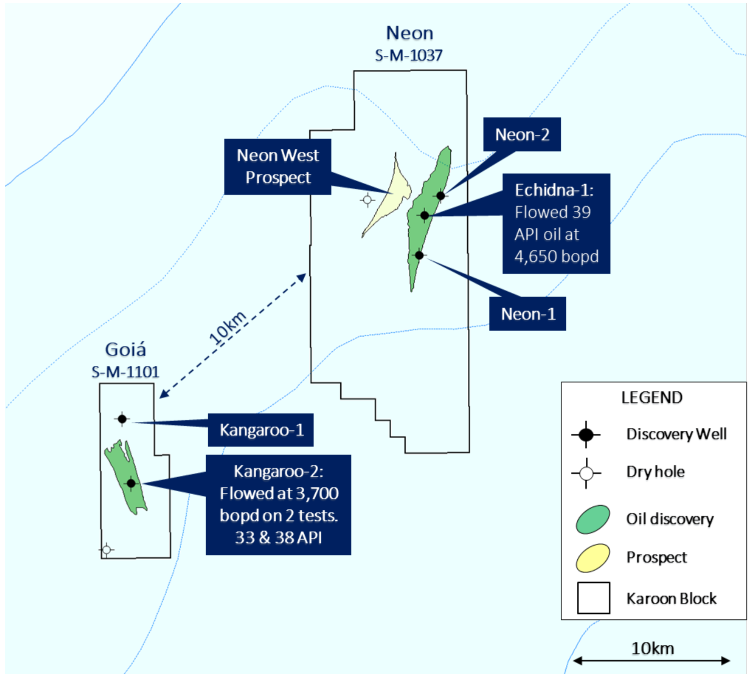
57% increase in 2C Contingent Resource since May 2018

Neon 2C Contingent Resources growth[1]



Neon/Neon West 2U Prospective Resources (S-M-1037)[1]

- 2023 - Control wells and revised seismic interpretation led to 14.8 MMbbl 2U Prospective Resource booking at Neon West
- 2024/25 - Extensive technical review of seismic and subsurface data led to additional 6.7 MMbbl 2U Prospective Resource booking at Neon



1. Contingent and Prospective Resource volume estimates presented are as disclosed in ASX release 16.4.25 "Neon Enters FEED". 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. **Regarding Prospective Resources** - The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. Resource totals have been added arithmetically and are unrisked.
2. Refer ASX release dated 8.5.18 "Karoon Resource Update"
3. Refer ASX release dated 10.7.23 "Neon Resource Update"
4. Refer ASX release dated 16.4.25 "Neon Enters FEED"

Neon development opportunity

‘Define’ Phase to be completed on a staged basis

Timeline to Potential Final Investment Decision (FID) [1]

Apr 2025 — Oct 2025 — 1Q 2026 — Mid 2026

Stage 1

- Total spend US$7 –10 million[2]
- FPSO and Subsea FEED
- Further studies & surveys
- Commence Farm-down

Stage 2

- Route and seabed surveys
- Tender for proposals

Stage 3

- Refine definition
- Negotiate and finalise contracts

- ‘Define’ phase to take place in three stages to mitigate capital exposure. Currently in Stage 1. Entry to subsequent Stagesdependent on technical and commercial progress and market conditions[2]
- Total spend to FID: US$25 – 30m, subject to stage gates
- Data room for farm down to open mid-25. Farm down of 30% to 50% a prerequisite to taking FID, to balance risk and capital demands
- FID date also dependent on results of definition work and supportive macro conditions
- Expected capital cost to develop phase 1 (recovery 60– 70 MMbbl) US$0.9 – 1.2bn (100% gross), mid-case IRR >20%, LT Brent US$65/bbl (2025 real)[2]

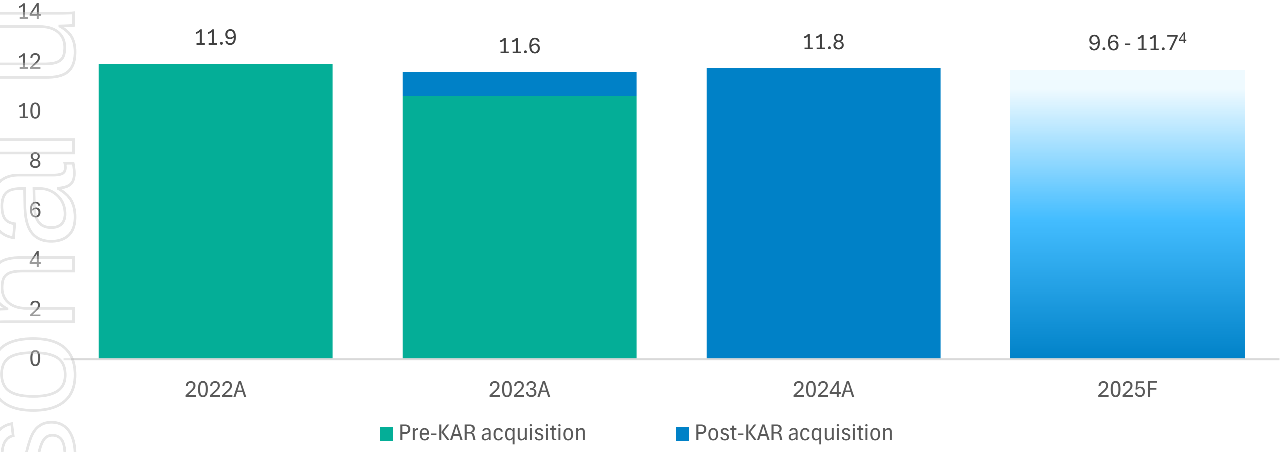
1. Indicative only. Timeline and scope of each ‘stage’ is subject to change and progress through each stage gate.
2. Refer ASX release dated 16.4.25 “Neon Enters FEED”

Who Dat

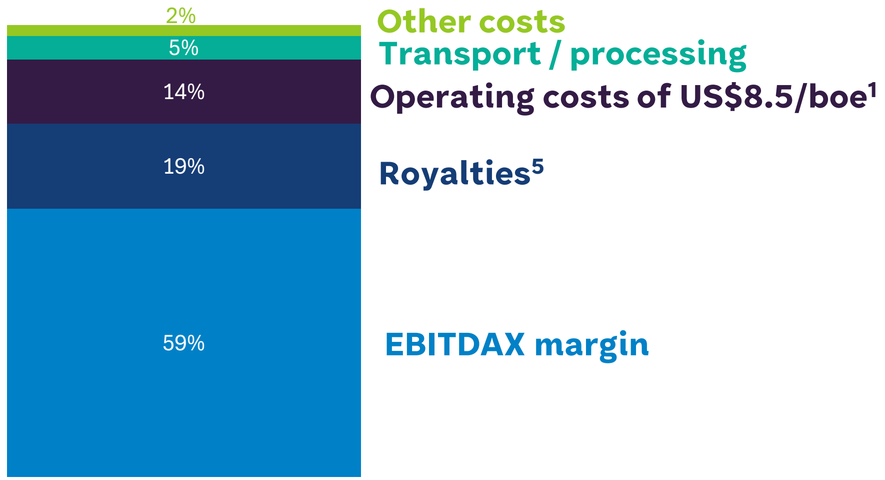
High margin asset with potential to maintain production rates

- Low cost/high margin asset, with CY24 opex of US$8.5/boe (NWI basis)[1], 2024 EBITDAX margin[2] of 59% (after royalties)
- Minimal cash tax expected to be paid in next few years due to effective tax shield in US primarily due to accelerated depreciation of Who Dat acquisition, development and exploration costs
- Opportunities to limit natural decline from 2024 levels and potentially lift future production rates:
  - Several infield well opportunities identified:
    - E6 sidetrack expected to commence drilling in 3Q25 and second sidetrack (late 2025/early 2026) being considered
  - Debottlenecking and reliability improvement studies underway, due to be completed mid -2025

Gross (100%) Who Dat Project production (MMboe)[3]



2024 EBITDAX margin breakdown[2]

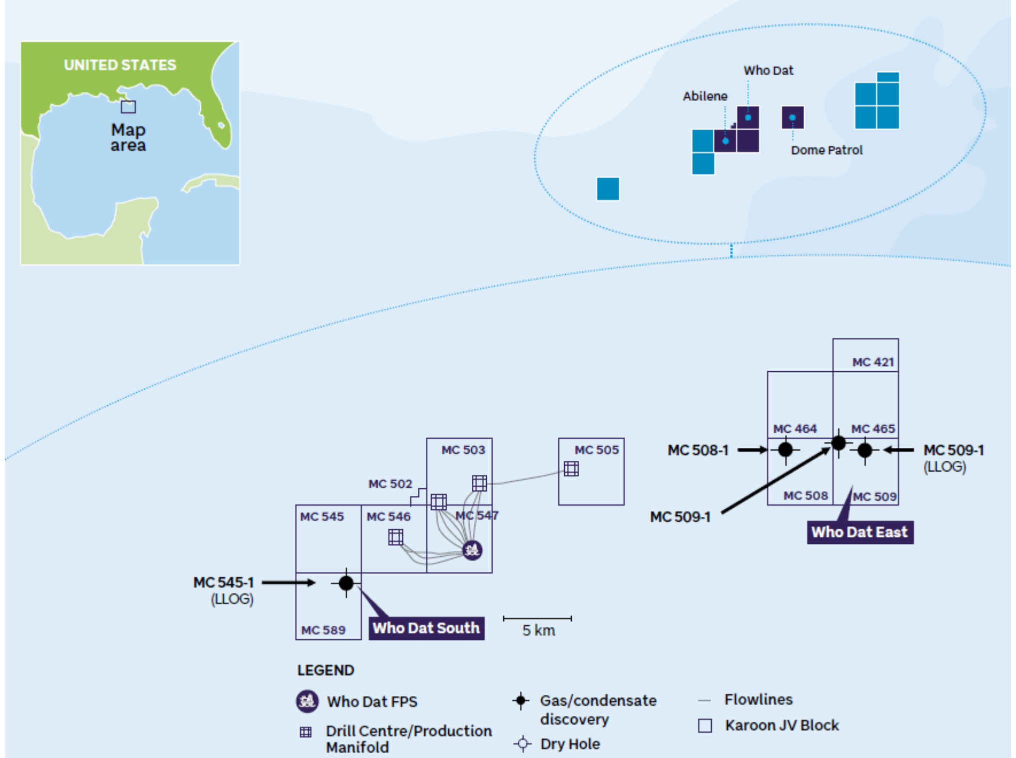


1. Refer ASX release dated 27.2.25 "2024 Full Year Results & Investor Presentation"
2. EBITDAX is a non IFRS measure that is unaudited but derived from figures within the audited financial statements. These measures are presented to provide further insight into Karoon's performance.
3. Acquisition of Who Dat completed on 21 December 2023
4. Illustrative only. Assumes 30% net working interest and royalty rates of 20%
5. Royalties for Who Dat are not disclosed in the 2024 audited accounts as Karoon USA's revenue is reported on a net revenue interest basis, meaning it reflects the Group's share of revenue after accounting for royalties and other interests payable to third parties.

Developing Who Dat East and South discoveries

Potential to unlock Who Dat Contingent Resources over next two years

- Material Contingent and Prospective Resources, within tieback distance of existing infrastructure
- Minimal additional appraisal drilling requirements and relatively short execution timelines advantageous for project commerciality and first production timing
- Tie-back options include Who Dat FPS and/or third-party facilities
- JV aiming to sanction development of one discovery by early 2026
- Scope of de-bottlenecking study includes evaluation of upgrade/expansion requirements to accommodate tie-back development concepts



2C Contingent and 2U Prospective Resources

	Net working interest	Gross 2C Contingent Resource[1] (MMboe)
Who Dat East	40%	49.3
Who Dat South	30%	30.4
Total[1]		79.7

	Net working interest	Gross 2U Prospective Resource[1] (MMboe)	PoS[2]
Who Dat East	40%	20.5	51%
Who Dat South	30%	15.9	59%
Total[1]		36.4	

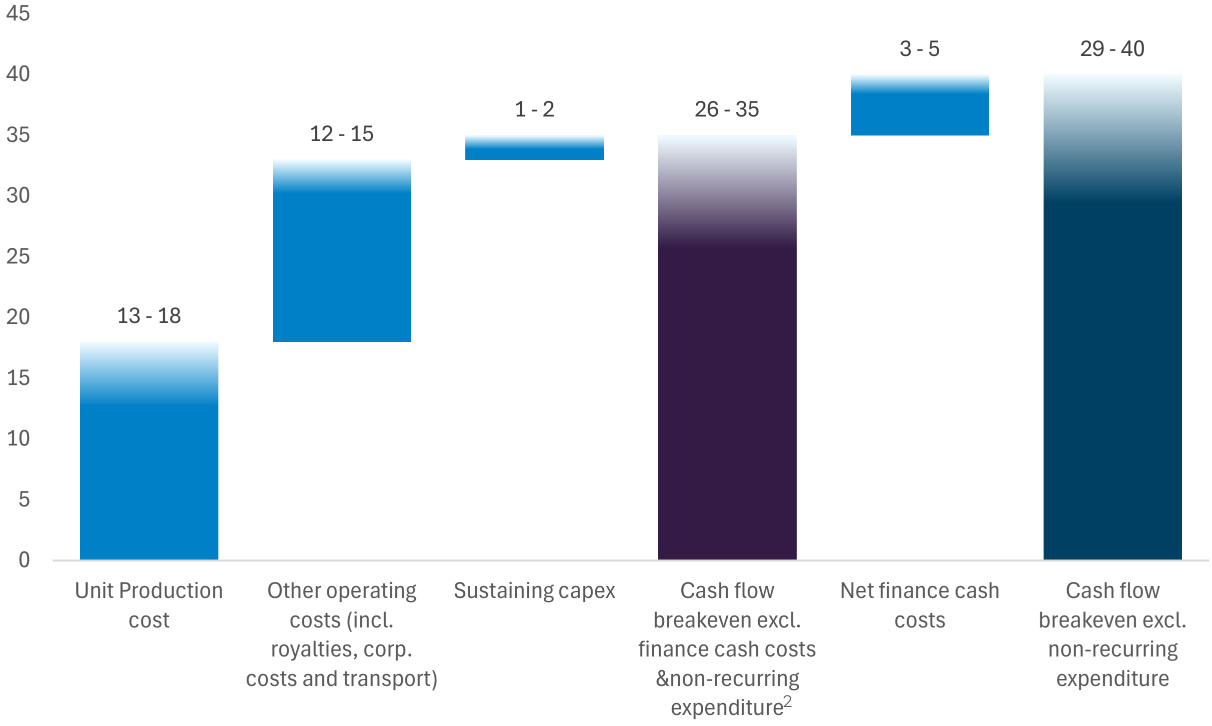
1. Gross Contingent and Prospective Resource volume estimates presented are based on the Net Revenue Interest volumes as disclosed in pages 36 -39 of the 2024 Annual Report. Karoon is not aware of any new information or data that materially affects these resource estimates and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. Re Prospective Resources , the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. Resource totals have been added arithmetically and are unrisked.
2. Geological probability of success

Resilient at low oil prices

Strong balance sheet, 2025 cash breakeven of US$29 - 40/boe

- Based on 2025 guidance, cash flow breakeven of US$29 - 40/boe
- Sustaining capex ~US$5 - 10m for Baúna and ~US$5 - 10m for Who Dat
- Net debt of US$159.2m at 31 March 2025:
  - Liquidity at 31 March of US$530.8m (US$190.8m cash and US$340m undrawn debt facility)
  - Expenditures in 1Q25 included US$88m Petrobras contingent payment, US$21m SPS-88, US$22m Baúna flotel campaign, US$30m FPSO deposit, US$32m tax true up
  - US$85m FPSO balance paid in April 25
  - CAPEX in 2H25 expected to be materially lower than 1H25
- Production costs forecast to decline US$30-40m following completion of transition, primarily due to termination of Baúna FPSO lease payments
- Petrobras contingent payment in 2026 dependent on average Brent price in 2025 (reduced payment if average <US$70/bbl)[1]

2025 indicative cash breakeven (US$/boe)



1. See p112 of 2024 Annual Report
2. Cash flow breakeven price is defined as the sum of operating costs, royalties and other government take, transportation costs, other expenses (excluding depreciation and amortisation – non oil and gas assets, share-based payments expense and realised losses on cash flow hedges), sustaining capital expenditure and net finance costs divided by NWI production volumes in the period.

Summary

Improving market confidence

- Production below expectations due to operational challenges, but still achieved record underlying NPAT in 2024
- Ongoing focus to re-establish predictable production from safe and reliable operations
- Baúna FPSO acquisition major milestone for Karoon. Aiming to improve safety, operational performance and reduce long-term operating costs, to extend field life and increase value of Baúna
- Planning to pursue infield opportunities at Who Dat to mitigate natural decline
- Attractive organic growth opportunities at Neon, Who Dat East and Who Dat South
- Capital allocation framework being strictly applied, to optimise Total Shareholder Returns:
  - Any investment in organic growth to be ranked relative to capital returns
- Breakeven cost for CY25 expected to be US$29 - 40/bbl while strong liquidity provides resilience to period of lower oil prices

1. From 1 July 2024 to 1 May 2025

Appendix and Glossary

Appendix 1: 2025 guidance [1]

12 months to 31 Dec 25		Low	High
Production[2]			
Brazil	*MMboe*	6.7	7.7
Who Dat (NRI)	*MMboe*	2.3	2.8
Total Production	***MMboe***	**9.0**	**10.5**
Costs			
Unit production costs (NWI) [3]	*US$/boe*	12.5	17.5
Flotel	*US$m*	17	26
Exploration expenses, share based payments and business development	*US$m*	11	14
Unit DD&A (NWI)[4]	*US$/boe*	15	16
Finance costs and interest (net of interest income)[5]	*US$m*	50	60
Other operating costs[6]	*US$m*	33	37
Investment expenditure			
Neon[7]	*US$m*	8	11
Other capex[8]	*US$m*	39	47
Who Dat[9]	*US$m*	58	67
Total capex	***US$m***	**105**	**125**
Petrobras consideration[10]	*US$m*	88	88

Basis of guidance

1. Guidance is subject to various risks (including "Key Risks" set out in 2024 Annual Report)
2. Production assumes drilling results and expected future development projects, including well interventions, are delivered in accordance with their currently expected schedules.
3. Unit Production Costs are based on daily operating costs associated with Baúna and Who Dat production, Baúna FPSO lease costs (pre AASB 16) and Karoon's Net Working Interest production. Excludes impacts of FPSO purchase, which are subject to O&M terms, timing of regulatory approval.
4. Excludes depreciation on FPSO right-of-use asset capitalised under AASB 16 'Leases' and non-oil and gas related depreciation and is based on Karoon's Net Working Interest production.
5. Finance Costs and Interest: includes fees, interest on debt and financial instruments, interest income and withholding taxes associated with intra-group and cross border funds movements in support of capital management.
6. Other Operating costs: includes 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. Excludes one-off transaction and transition costs associated with the FPSO purchase.
7. Neon capex includes first stage of Neon Define costs. It does not include spend for the next two stages for Neon Define phase
8. Includes capex for Baúna including costs for the SPS-88 well intervention.
9. Includes Who Dat West exploration well which has been expensed.
10. Contingent consideration (including accrued interest) paid to Petrobras in January 2025.

Glossary

Term	Definition
2C	Best estimate scenario of quantities of hydrocarbons estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable (as evaluation of the accumulation is insufficient to clearly assess commerciality).
2U	Unrisked best estimate of quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects.
AASB	Australian Accounting Standards Board.
ANP	Agência Nacional do Petróleo, Gás Natural e Biocombustíveis.
Annual Report	Refers to the Karoon 2024 Annual Report which is available on the Karoon website: www.karoonenergy.com.au
Baúna or Baúna Project	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
boe	Barrel of oil equivalent. 1 Boe = 6000 scf natural gas
boepd	Barrels of oil equivalent per day
bopd	Barrels of oil per day
Carbon Neutral	Condition in which, during a specified period of time, the carbon footprint has been reduced through greenhouse gas (GHG) emission reductions or GHG removal enhancements and, if greater than zero, is then counterbalanced by offsetting.
CY	Calendar year
D,D&A	Depreciation, Depletion and amortisation
EBITDAX	Earnings before interest, tax, depreciation, amortisation, exploration and costs of unsuccessful wells
FEED	Front End Engineering and Design
FPS	Floating, production and storage vessel
FPSO	Floating, production, storage and offloading vessel
JV	Joint Venture
Karoon	Karoon Energy Ltd and its subsidiaries
kgCO_2e/boe	Kilograms of carbon dioxide equivalent per barrel of oil equivalent
Leverage	Leverage is based on EBITDAX for the last twelve months divided by net debt
LTI	Lost time injury
MMbbl	Million barrels of oil
MMboe	Million barrels of oil equivalent. Gas converted to oil on basis of 6,000 scf gas = 1 barrel of oil equivalent
NRI	Net Revenue Interest relates to a share of production after deducting royalties, overriding royalties, and other similar burdens from the working interest.
Net Debt	Total borrowings less cash and cash equivalents (excluding transaction costs)
NWI	Net Working Interest
NPAT	Net profit after tax
p.a.	per annum
Recordable incident	Any incident required to be reported to parties external to Karoon, including Medical Treatment Injuries, Alternative Duties Injuries, Lost Time Injuries and Fatalities
Scope 1	Direct GHG emissions occurring from sources controlled or owned by the organisation includes direct emissions from operated assets, non-operated assets on an equity basis and field logistics activities in Brazil. Contracted exploration, well development, well workover and field logistics associated with non-operated assets and any other indirect emissions as defined in the GHG Protocol are considered Scope 3.
Scope 2	Indirect GHGs released from purchased energy.
TRIR	Total Recordable Injury Rate
TSR	Total Shareholder Return
TY23	Transitional Financial year beginning 1 July 2023 and ending on 31 December 2023.
Who Dat	The Who Dat producing assets comprise the Who Dat, Dome Patrol and Abilene oil and gas fields and associated infrastructure. The fields are located in the Mississippi Canyon, offshore Louisiana in the USA.

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