KAROON ENERGY

ASX RELEASE

13 July 2026 | ASX: KAR

Baúna PRA-2 well production restart

Production has been successfully restored from the PRA-2 well at Baúna, following the completion of a well intervention to reconnect the umbilical and re-establish connectivity to the electrical submersible pump.

On 7 October 2025[1], Karoon announced that the PRA-2 umbilical had unexpectedly disconnected from the FPSO. The PRA-2 well came back online on 6 July 2026, BST, and is cleaning up, currently producing at 1,000 - 1,200 bopd. This takes total Baúna Project production to approximately 22,000 bopd, including the strong contribution of approximately 8,600 bopd from SPS-92[2].

All production wells associated with the Baúna Project are now in service. This marks a further step towards higher production, lower capital expenditure and stronger second-half cash flow generation, subject to oil prices and operating performance remaining in line with expectations.

Karoon's CEO and MD, Ms Carri Lockhart, said:

"Over the first half of 2026, we committed to restoring production and strengthening the performance and reliability of the Baúna assets. We have delivered those commitments safely and on schedule.

With Baúna's major capital work programs now complete, Karoon is entering a phase of optimising performance and maximising value from those investments. Pleasingly, since the FPSO revitalisation campaign, the Baúna FPSO has been performing at the high end of the targeted 90-95% operating efficiency range.

As we head into the second half of 2026, our low-cost base, attractive operating break-even and production profile position the Company to generate high cash flow margins, further strengthening our balance sheet and supporting disciplined capital allocation and long-term shareholder value creation."

This announcement was authorised for release by the CEO and Managing Director of Karoon Energy Limited.

[1] See 'Operational Update' as released to the ASX on 7 October 2025.
[2] Excluding any one-off interruptions and averaged over the period since recommencement of SPS-92 production in June 2026.

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.

This announcement does not constitute an offer to sell, or the solicitation of any offer to buy, senior secured notes or other securities.

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.