KAROON ENERGY

ASX RELEASE

12 August 2026 | ASX: KAR

Who Dat East development sanctioned

- Who Dat Joint Venture approves the Final Investment Decision (FID) on Who Dat East development, Gulf of America, USA.
- Production planned to commence in second half of 2028. Forecast to deliver an initial production rate of approximately 5,900 boepd on an NRI[1] basis (net to Karoon). Approximately 45% liquids, 55% gas.
- Capital cost net to Karoon US$155 – 165 million[2], of which US$15 – 20 million to be spent in 2H26.
- At mid-case, expect >20% Internal Rate of Return (IRR)[2].

On 12 August, the Who Dat East Joint Venture, operated by LLOG, sanctioned the development of the Who Dat East field. The field, located in lease MC 509-1, is in a water depth of approximately 1,300 metres (see Table 1 for Who Dat East working interests).

The Who Dat East project is a 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.

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[1] basis). Who Dat East oil and gas production will be co-mingled, transported and processed through the existing Who Dat infrastructure and will follow the same routes to market.

The initial development is expected to generate an IRR in excess of 20%.[2] Karoon will review its existing booked Who Dat East Contingent Resources as part of its 2026 year-end Reserves and Resources review, including consideration of recategorisation of a portion of the Resources as at 31 December 2025 (see Table 2) due to project sanction.

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

"We are delighted to reach FID on Who Dat East. The development is economically attractive and will deliver material low cost, high margin production to Karoon when it comes online in the second half of 2028.

We would like to thank the Who Dat operator, LLOG, and our JV partner Westlawn Americas Offshore, for the strong collaboration on this development and look forward to commencing the construction phase of the project."

[1] Karoon's NRI interest is currently ~ 40%. Once the approved royalty relief is exhausted this will revert to ~ 32%.

[2] Project economic metrics are based on the current development mid case concept and assumes project execution substantially in accordance with the approved schedule and budget. The analysis also assumes timely receipt of regulatory approvals, contractor performance consistent with expectations and no material adverse changes in commodity prices, exchange rates or operating conditions. Actual outcomes may differ materially if internal assumptions prove incorrect.

Table 1. Who Dat East Joint Venture working interests

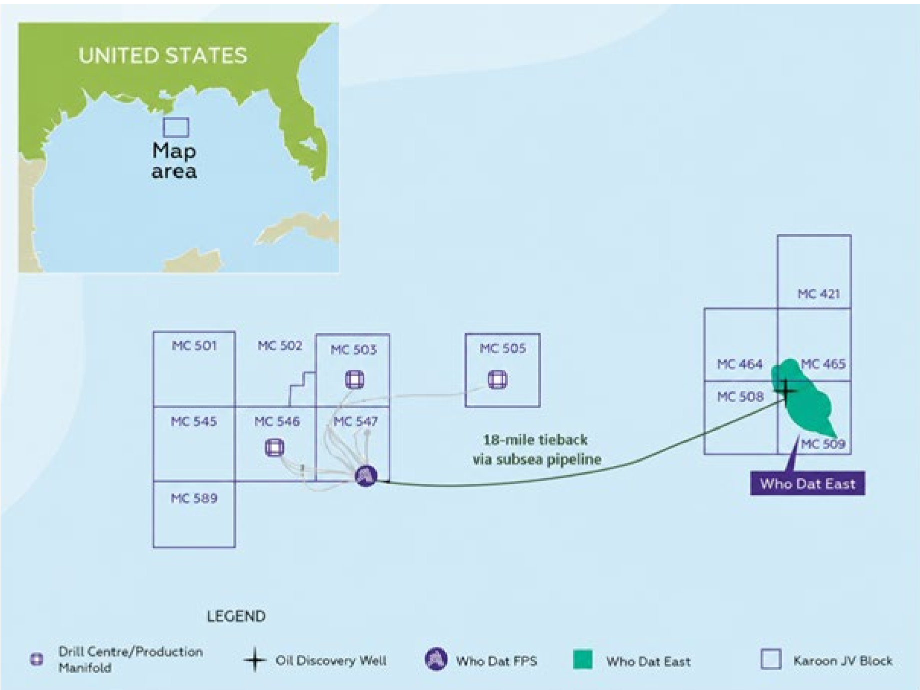
Who Dat East working interest	**%**
LLOG (Operator)	40
Karoon USA	40
Westlawn Americas Offshore	20

Table 2. Who Dat East Contingent Resources (net to Karoon as at 31 December 2025)[1]

Oil & Condensate (MMbbl)			**Natural Gas (bcf)**			**Total (Mmboe)**		
1C	**2C**	**3C**	**1C**	**2C**	**3C**	**1C**	**2C**	**3C**
4.0	7.0	13.5	30.1	52.2	100.3	9.1	15.7	30.2

[1] See page 4 for Notes on calculation of Reserves and Resources. See the 2025 Annual Report released on 26 Feb 26 for full details. Other than the project sanction, 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.

Location Map



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

FOR FURTHER INFORMATION ON THIS RELEASE, PLEASE CONTACT

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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 assets is given in light of this caution.

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.

NOTES ON CALCULATION OF RESERVES AND RESOURCES

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), American Association of Petroleum Geologists (AAPG) and Society of Petroleum Evaluation Engineers (SPEE).

Oil and gas Reserves and Resources 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 Resources estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further data become 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 Resources estimates are by nature forward-looking statements and are the subject of the same risks as other forward-looking statements.

For Reserves and Resources associated with assets in the USA, Karoon's reported net share is based on the Net Revenue Interest (NRI), which is after deduction of relevant government and third party royalties.

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.