

EXTERNAL AUDITOR SELECTION POLICY

1. Selection of External Auditor

Should there be a vacancy for the position of external auditor, Karoon Energy Ltd (**Karoon** or **Company**), through the Audit and Risk Committee, conducts a formal tendering process.

Tenders are evaluated in accordance with criteria, as reviewed by the Audit and Risk Committee, provided to tenderers. Tenders are not assessed solely on the basis of price, but on a number of factors such as:

- Expertise and stability of the proposed team;
- Quality of assurance;
- Audit methodology;
- Independence of the audit firm;
- Accreditation and insurance;
- Value for money;
- Financial viability;
- Ethical behaviour and fair dealing; and
- Partner rotation and succession planning.

2. Appointment of external auditor

Through the tendering process, the Audit and Risk Committee identifies and recommends an appropriate external auditor for appointment by the Board in conjunction with senior management. The appointment of the new auditor is confirmed by shareholders at the Annual General Meeting or another auditor is appointed.

3. Rotation of external audit partners

The external auditor is required to rotate its individual audit partners so that no partner of the external auditor plays a significant role (such as lead and review auditor) in the audit for more than 5 out of 7 successive financial years. The individual auditor must have at least 2 successive years break. This requires succession planning on the part of the external auditor, a process in which Karoon is involved.

4. Policy review

A copy of this policy is available on Karoon's website. To ensure that it is operating effectively, the Audit and Risk Committee will review and update this policy at least every two years.

A handwritten signature in blue ink, appearing to read 'Bruce Phillips'.

Bruce Phillips
Chairman

Approved by the Board. Effective 22 January 2021

A handwritten signature in blue ink, appearing to read 'Julian Fowles'.

Julian Fowles
CEO & Managing Director