

CONTINUOUS DISCLOSURE POLICY

1. Introduction

In accordance with the ASX Listing Rules and the *Corporations Act 2001* (Cth), Karoon Energy Limited (**Karoon** or **Company**) will immediately notify the ASX of information concerning Karoon that a reasonable person would expect to have a material effect on the price or value of the Company's securities ("**price sensitive information**"). This policy sets out the standards and protocols expected of Directors, senior management and employees of Karoon for the purpose of complying with its continuous disclosure obligations. This policy applies to all Directors and employees of Karoon.

The only exception to this requirement is where the ASX Listing Rules do not require such information to be disclosed.

Upon confirmation of receipt from the ASX, Karoon will promptly ensure that its Board of Directors receives copies of all market announcements and that those announcements disclosed to ASX in accordance with this policy are posted on Karoon's website.

2. Internal notification and decision-making concerning the disclosure obligation

The Board has appointed the Company Secretary as the person responsible to ensure that a process is in place for coordinating, reviewing and authorising disclosure of information to the ASX as well as communicating with the ASX and ensuring that ASX announcements are made in a timely manner.

Pursuant to the ASX Listing Rules, Karoon must disclose all information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The materiality of a matter will be determined in accordance with the ASX Listing Rules and the Company's corporate governance policies.

The Company Secretary, in consultation with the Board will exercise their skill and judgment to determine whether an event or transaction may be material and require disclosure. Employees, Directors and senior management should therefore consult with the Company Secretary if they believe that a matter may require disclosure.

This process includes at least two people preparing and or/reviewing any ASX release, which should include at least one of the Managing Director, Chief Financial Officer, Chief Operations Officer or General Counsel.

All ASX announcements will be vetted by the Company Secretary to ensure that the announcements are factual, complete, balanced (both positive and negative) and expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions.

3. Role of Directors and senior managers

Directors and senior managers are responsible for ensuring that all material information, which could be price sensitive information is provided to the Company Secretary as soon as they become aware of it. The Board will determine whether and in what form information is to be disclosed to the ASX. For clarity, no price sensitive information will be disclosed to the ASX without the prior approval of the Board

4. Promoting and monitoring compliance

The Company Secretary is responsible for monitoring compliance with this policy on a daily basis. All ASX announcements will be reviewed by the Company Secretary to ensure compliance with this policy.

5. Confidentiality

Karoon will take appropriate measures to safeguard the confidentiality of price sensitive information to avoid premature disclosure.

Karoon will maintain and keep confidential all confidential information and not disclose this information unless:

- (a) it is required by law;
- (b) with the prior written consent of the Company Secretary of the Board; or
- (c) it is required for the proper performance of the employee's duties and responsibilities.

Senior management and Directors of Karoon are responsible for ensuring that Karoon employees are aware of what constitutes confidential information.

6. Measures for seeking to avoid the emergence of a false market in Karoon securities

Karoon recognises that a false market in Karoon's securities may result if Karoon provides incomplete information to the ASX or if Karoon fails to respond to market and media speculation that may or may not be likely to have an impact on the price of Karoon's securities.

While Karoon does not, in general, respond to market speculation or rumours unless required to do so by law or the ASX, Karoon is committed to disclosing as much information as is possible, without serious implications to Karoon, to a wide audience of investors through media releases of important milestones, including information that may not strictly be required under continuous disclosure requirements.

Where appropriate, Karoon will request a trading halt from the ASX to prevent trading in Karoon's securities in an inefficient and uninformed market until Karoon can make an announcement to adequately inform the market.

7. Media contact and comment

The Board will ensure there is an External Relations Team to speak to the press on matters associated with Karoon. In speaking to the press, the External Relations Team will not comment on price sensitive information that has not already been disclosed to ASX, however, they may clarify previously released information.

In addition to the External Relations Team, the Chair, executive Directors and the Chief Financial Officer are the authorised to speak to the media, investors and the ASX. All other communication must be first approved by the External Relations Team.

8. External communications, including analysts and investor briefings and responses to Shareholder questions

Karoon discloses its financial and operational results to the market at least each half year as well as informing the market of other events throughout the year as they occur. Half-yearly financial reports, media releases and AGM presentations are all lodged with the ASX and subsequently posted to Karoon's website.

As all financial information is disclosed through the ASX, Karoon will only comment on factual errors in information and underlying assumptions when commenting on market analysts' financial projections, rather than commenting on the projections themselves.

In addition to the above disclosures, Karoon conducts investor briefings and discussions with analysts and institutional investors. However, price sensitive information will not be discussed unless it has been previously disclosed to the market via an ASX announcement. Slides and presentations used in such briefings will also be released immediately prior to the briefing to the market via the ASX and posted on Karoon's website.

If any new price sensitive information is to be disclosed in briefing media, institutional investors or analysts or in answering shareholder queries, written materials containing such information will be lodged with the ASX prior to the briefing commencing. Briefing materials may also include information that is not strictly required under continuous disclosure requirements including where Karoon believes additional disclosure is appropriate and in accordance with good governance. Briefing materials will be posted to Karoon's website promptly after the ASX confirms that the information has been received.

9. Periodic Disclosure

Karoon is committed to the full and accurate reporting of its financial results. Consequently, when complying with its periodic disclosure requirements Karoon will provide commentary on its financial results. The purpose of the commentary will be to clarify and balance the information in the financial results and it will be delivered in a manner that is neutral, free from any bias and easy to understand. This may involve the provision of both positive and negative information that Karoon believes is necessary to keep investors fully informed.

10. Policy review

This policy will be reviewed and if necessary, updated at least every two years by the Board to ensure that it remains relevant and appropriate and is operating effectively.



Bruce Phillips
Chairman



Robert Hosking
Managing Director

Approved by the Board. Effective 5 May 2020