

ASX RELEASE

26 September 2022 | ASX: KAR

Baúna Intervention Campaign Update

The third well intervention in the Baúna campaign, comprising the installation of a new electric submersible pump in well SPS-92, has been completed and the well brought back on line. Commissioning of the newly installed pump is progressing well, with the pump expected to be operating at target levels within the next two weeks. Current oil production from the well is approximately 9,500 bopd, compared with 5,500 bopd prior to the intervention. Production from the first two interventions continues to be optimised and together with SPS-92, this has taken total oil production from the Baúna field to approximately 22,000 bopd, towards the upper end of pre-intervention campaign expectations.

In light of the already strong results achieved from the intervention campaign, and as the BAN-1 expected production uplift of a few hundred bopd is relatively small, Karoon has decided to defer the BAN-1 intervention, to optimise both the overall program and rig utilisation. Consequently, the Maersk Developer rig will now move to the Patola field, where the first of two new development wells is expected to commence drilling in the next few days.

Dr Julian Fowles, CEO and Managing Director of Karoon, commented:

“We are very pleased to have completed the three major interventions on Baúna with no significant safety or environmental incidents. Production has increased from approximately 12,600 bopd immediately before the intervention program to approximately 22,000 bopd now, with potential further upside as the SPS-92 new pump commissioning is completed, taking production towards the upper end of our targeted uplift range of 5,000 – 10,000 bopd. This is an excellent result, and I would like to thank our Karoon Brazil team, who have significant expertise and a strong track record operating in offshore environments, and our contractor partners, for all their hard work in delivering this program safely and efficiently.”

We look forward to commencing drilling on the Patola field, our first development project since taking over as operator of the Baúna concession, once the rig has been mobilised to site.”

This announcement has been authorised by the CEO and Managing Director of Karoon Energy Ltd.

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ABOUT KAROON ENERGY LTD

Karooon Energy Ltd. is an international oil and gas exploration and production company with assets in Brazil and Australia and is an ASX listed company.

Karooon's vision is to be a leading, independent international energy company that adapts to a dynamic world in an entrepreneurial and innovative way. Karooon's purpose is to provide energy safely, reliably and responsibly, creating lasting benefits for all its stakeholders

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 Karooon'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 Karooon and certain plans and objectives of the management of Karooon. 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

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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.