

ASX RELEASE

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Completion of Baúna (Cidade de Itajaí) FPSO acquisition

Karooon's wholly owned Brazilian subsidiary, Karoon Petróleo & Gás Ltda., has completed the acquisition of the Baúna Floating Production, Storage and Offloading vessel (FPSO), the Cidade de Itajaí, from Altera & Ocyan (A&O). The total consideration for the FPSO was US\$115 million plus approximately US\$8 million in transaction costs (as announced on 27 February 2025), with the final payment of US\$85 million made on 30 April 2025 Brasilia Time (BRT).

A Transition Services Agreement has been signed with A&O, to ensure continuity of operations and a smooth handover process as Karoon assumes greater operational control of the FPSO. The tender process for a new service provider(s), who will support Karoon as operator of the FPSO into the future, is progressing as planned and is expected to be concluded in mid-2025.

Dr Julian Fowles, Karoon's CEO and Managing Director said:

"Taking ownership of the Cidade de Itajaí FPSO marks a significant milestone in Karoon's evolution over the past five years from an explorer to an operator of offshore oil and gas production assets. Owning the FPSO gives Karoon direct strategic control over the facility. This will enhance our ability to manage operational performance and reduce long-term operating costs, as well as provide us with greater flexibility to revitalise the facility, thereby potentially extending field life and increasing the value of the Baúna Project.

We are grateful to A&O for their partnership and support throughout the sale and transition process and look forward to continuing our focus on safe, reliable and efficient operations."

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

FOR FURTHER INFORMATION ON THIS RELEASE, PLEASE CONTACT

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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.

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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.

ABOUT KAROOON 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.