

ASX RELEASE

31 January 2023 | ASX: KAR

Contingent Consideration Payment to Petrobras

As highlighted in the December 2022 Quarterly Report, Karoon advises that on 30 January 2023, the Company paid Petróleo Brasileiro S.A. (Petrobras) US\$84.5 million (US\$78 million plus US\$6.5 million accrued interest, equivalent to BRL 430.3 million). The payment was made from Karoon's existing cash on hand.

This payment is in accordance with the terms of the Baúna acquisition, whereby Karoon agreed to pay Petrobras a contingent consideration of up to US\$285 million plus interest of 2% per annum, dependent on future oil prices over the period from CY2022 to CY2026.

The average Brent price applicable to the CY2022 Contingent Payment Year was US\$101.32/barrel.

The calculation of the annual Petrobras payment is as per the table below plus interest of 2% per annum for any contingent payment made. (See Note 23. *Other financial liabilities* in Karoon's 2022 Annual Report for full details).

Average Brent Price (in US\$)	CY2022	CY2023	CY2024	CY2025	CY2026	Total
B < 50	-	-	-	-	-	-
50 <= B < 55	3	3	3	2	2	13
55 <= B < 60	17	17	17	8	4	63
60 <= B < 65	34	34	34	15	6	123
65 <= B < 70	53	53	53	24	10	193
B >= 70	78	78	78	36	15	285

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

FOR FURTHER INFORMATION ON THIS RELEASE, PLEASE CONTACT

INVESTORS

SVP Communications
and Investor Relations

Ann Diamant
M: +61 407 483 128
E: Ann.Diamant@karoonenergy.com

SHAREHOLDING ENQUIRIES:

Computershare
Tel: 1300 850 505

MEDIA - AUSTRALIA

P&L Corporate
Communications

Ian Pemberton
M: + 61 402 256 576
E: ian.pemberton@plcorporate.com.au

MEDIA - BRAZIL

InPress Porter
Novelli

Andrea Blum
M: + 55 21 98105-9338

Patricia Odenbreit
M: + 55 21 96674-6403
E: karoon@inpresspni.com.br

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. Karoon's purpose is to provide energy safely, reliably and responsibly, creating lasting benefits for all its stakeholders.