

ASX RELEASE

30 October 2024 | ASX: KAR

Who Dat East Contingent Resource Update

- **Successful drilling significantly increases Contingent Resource estimate and matures Who Dat East towards a potential future development.**
- **2C Contingent Resource net to Karoon has risen 191%, from 5.4 to 15.7 MMboe (NRI), primarily due to revision and extension of previous contingent volume estimates.**
- **Joint Venture is progressing preliminary development concept studies, including alternative production export routes.**
- **Updated Prospective Resource assessment to be completed in 4Q24.**

Karoon has revised its Contingent Resource estimates for the Who Dat East gas-condensate discovery as of 30 September 2024. This update follows the integration of results from the MC 509-1 (LLOG) appraisal/exploration well, drilled at Who Dat East earlier this year. The updated Contingent Resource estimate includes data from wireline logs, fluid samples and subsurface studies, which indicate a relatively high liquid yield gas condensate of 134 bbl/MMscf. Liquids now represent approximately 45% of the resource at the 2C level, versus 35% pre-drill. These analyses have enhanced the definition of the resource potential and the likelihood of a potential future development.

The revised Contingent Resource estimates (net to Karoon) are shown in the table below:

Who Dat East Contingent Resources Revision (Net Revenue Interest - NRI)

Oil Equivalent (MMboe ¹ , NRI)	1C	2C	3C
Contingent Resources as at 30/12/2023 ²	2.1	5.4	14.4
Revisions	+7.0	+10.3	+15.8
Contingent Resources as at 30/09/2024	9.1	15.7	30.2

¹ MMboe has been rounded to one decimal place. Gas volumes are converted to barrels of oil equivalent (boe) on the basis of 6,000 scf = 1 boe

² Disclosed in Karoon's TY23 Annual Report

A more detailed Contingent Resource statement update is shown in Appendix A.

The enhanced resource definition and dataset will support technical and commercial assessments for a potential future development of Who Dat East. Initial updates to subsurface modelling, following preliminary post-drill evaluations, indicate that the Who Dat East reservoirs could facilitate commercially viable production rates, if developed.

Over the next 12 months, development concept studies will be advanced as the dataset is supplemented with findings from ongoing geotechnical and engineering studies, among other technical work. Further updates to the resource assessment are anticipated as study results become available and key elements of potential development options are delineated.

The Who Dat East Prospective Resource assessment remains unchanged from that presented in the TY23 Annual Report, pending further geotechnical analysis and integration of recent well results into a broader prospectivity review, which is planned for completion in 4Q24. The Prospective Resources predominantly sit in adjacent and undrilled fault blocks.

Prospective Resources as at 30/12/23 were as follows:

Who Dat East Prospective Resources (Unrisked, Net Revenue Interest)¹

Oil Equivalent (MMboe, NRI)	PoS ²	1U	2U	3U
Who Dat East	62%	7.5	10.7	14.9
Who Dat East Deep	7%	19.1	52.1	102.7
Total, as at 30/12/2023³		26.6	62.8	117.6

1. Disclosed in Karoon's TY23 Annual Report. Karoon is not aware of any new information or data that materially affects these resource estimates and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed at this date
2. Probability of success
3. Arithmetic summation of unrisked volumes. Numbers may not add due to rounding.

ASX Listing Rule 5.28 Cautionary Statement: *The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.*

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

"The results from the Who Dat East well and the resultant increase in the Contingent Resource estimate to 15.7 MMboe at the 2C level, NRI to Karoon, are a significant advance. This result positively impacts the feasibility and materiality of a potential Who Dat East development opportunity, which we now estimate to have a gross 2C resource base close to 50 MMboe, with further prospective upside."

Karoon expects to provide a further update on its resource position as at 31 December 2024, as part of its annual Reserves and Resources statement, to be released in 1Q25. This is anticipated to include the results of ongoing work on the prospectivity of the broader Who Dat East unit area.

The Who Dat East Joint Venture participants on a Working Interest basis are as follows:

LLOG (operator)	40%
Karoon	40%
Westlawn Americas Offshore	20%

This announcement has been authorised by the Board of Karoon Energy Ltd.

Notes on calculation of Reserves and Resources

Reserves and resources estimates are prepared in accordance with the guidelines of the Petroleum Resources Management System (SPE-PRMS) 2018, jointly published by the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG) and Society of Petroleum Evaluation Engineers (SPEE).

Oil and gas reserves and resource estimates are expressions of judgement based on knowledge, experience, and industry practice. Estimates that were valid when originally calculated may alter significantly due to new information or when new techniques become available. Additionally, by their nature, reserves and resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further data become available through, for instance, production, the estimates are likely to change. This may result in alterations to production plans, which may in turn, impact the Company's operations. Reserves and resource estimates are by nature forward-looking statements and are the subject of the same risks as other forward-looking statements.

In respect of the Who Dat East Contingent Resource estimates announced today:

- The estimates reflect Karoon's non-operated interest, net of royalties, in the Who Dat East area, which comprises Mississippi Canyon leases 421, 464, 465, 508 and 509. Karoon's net working in the leases is 40%. Karoon has various net royalty interests in the leases, of between 31.7% and 32.5%.
- Probabilistic methods benchmarked against deterministic scenarios have been used to estimate the Contingent Resource. The Contingent Resource estimates are unrisks volumes.
- The Contingent Resource figures above reflect recoverable resource for the high graded development targets. However, any finalised development plan may not recover all these resources.
- Contingent Resources are assessed within the Development Unclarified subclass and have not been subject to commerciality determination
- Contingent Resource revisions are primarily due to extensions of previously known reservoirs and not recategorization of prospective targets

In respect of revisions to resource estimates, the following technical data and interpretation updates were considered:

- Additional well to seismic calibration points and updated mapping of key seismic events describing reservoir package thickness and areal extent.
- Revised well to well correlation and updated estimations of reservoir quality
- Revised field hydrocarbon-water contacts based on petrophysical analyses of wireline log, pressure, and sample data MC 509-1 (LLOG) and offset wells.
- Revised environment of depositional and predictive models for reservoir quality distribution.
- Updated assumptions for fault properties and potential for infield compartmentalisation.

- Updated assumptions for reservoir fluid characteristics based on pressure gradient and analyses of recovered samples. The Condensate Gas Ratio is now interpreted to be about 134 bbls/MMscf, versus a previous booking estimate of 93 bbls/MMscf.
- Updated assumptions for reservoir performance and drainage efficiency (recovery factor).

Appendix A: Who Dat East Contingent Resources (net to Karoon, as at 30.09.2024)¹

	1C	2C	3C
Oil & Condensate (MMbbl)	4.0	7.0	13.5
Natural Gas (bcf)	30.1	52.2	100.3
NGL (MMbbl)	0.0	0.0	0.0
Total (MMboe, NRI) as at 30/9/2024	9.1	15.7	30.2

1. Numbers may not add due to rounding.

Governance and Competent Person's Statement

All resources statements in this announcement have been reviewed by members of Karoon's Reserves Committee, which has considered and assessed all proposed changes and additions to the Company's resources (as set out in this release), considering advice and contributions from subject matter experts and external consultants.

All resources statements in this report are based on, and fairly represent, information and supporting documents prepared by, or under the supervision of Martin Austgulen, SVP New Business, Karoon Energy Limited. Martin Austgulen is qualified in accordance with ASX listing rule 5.41, being a member of the Society of Petroleum Engineers (SPE) and has consented in writing to the inclusion of resources in the format and context in which they appear.

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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 Karoon'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 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.

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 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.

ABOUT KAROON ENERGY LTD

Karoon Energy Ltd. is an ASX listed international oil and gas exploration and production company with assets in Brazil, the United States of America and Australia.

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.