KAROON ENERGY

23 August 2023

Company Announcements Office
ASX Limited

Dear Sir / Madam

Full Year Financial Report – 2023 Financial Year – ASX Release and Investor Presentation

Enclosed are the following documents in relation to Karoon Energy Ltd's full year financial report for the financial year ended 30 June 2023:

- ASX Release; and
- Investor Presentation.

The documents referred to above have been authorised for release by the Board of Directors.

Yours faithfully

Daniel Murnane
Company Secretary

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Karoon FY23 Full Year Results

23 August 2023 | ASX: KAR

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Record production, underlying net profit after tax (NPAT)[1] up 70% to US$145.9 million

YEAR TO 30 JUNE	2023	2022	% Change
Production volume (MMbbl)	**7.04**	4.64	+52
Sales volume (MMbbl)	**7.06**	4.54	+56
Weighted average net realised price (US$/bbl)	**80.20**	84.74	-5
Sales revenue (US$ million)	**566.5**	385.1	+47
Underlying EBITDA[1] (US$ million)	**321.8**	205.2	+57
Underlying NPAT[1] (US$ million)	**145.9**	85.6	+70
Statutory net profit/(loss) after tax (US$ million)	**163.0**	(64.4)	N/A
Operating cash flow (US$ million)	**305.9**	154.2	+98
Unit production costs[2] (US$/bbl)	**15.75**	25.36	-38
Unit depreciation and amortisation[3] (US$/bbl)	**12.14**	11.85	+2
Lost time injury rate (incidents/200,000 hours)	**0.10**	0.77	-87
Total recordable incident rate (incidents/200,000 hours)	**0.41**	0.77	-47

Notes:
1. Underlying net profit after tax (NPAT) and underlying earnings before interest, tax, depreciation and amortisation (EBITDA) are non-IFRS measures that are unaudited but derived from figures within the audited financial statements. These measures are presented to provide further insight into Karoon's performance. For adjustments to statutory net profit after tax to derive underlying net profit after tax, see page 4.
2. Unit production costs are presented on a pre-AASB 16 basis and include operating costs and the FPSO Charter lease costs associated with Baúna production.
3. Excludes depreciation on the FPSO right of use asset and non-oil and gas related depreciation.

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HIGHLIGHTS

- FY23 underlying NPAT of US$145.9 million, up 70% from FY22, driven by 52% lift in production following completion of Baúna intervention campaign and Patola field development.
- Statutory NPAT of US$163.0 million, compared to US$64.4 million statutory net loss after tax in FY22.
- Revenue up 47% to US$566.5 million, with 56% higher oil sales volumes more than offsetting 5% fall in realised oil price (US$80.20/bbl, from US$84.74/bbl in FY22).
- FY23 unit production costs (US$15.75/bbl) down 38% from FY22, reflecting higher production on largely fixed cost base.
- Total recordable injury rate of 0.41 per 200,000 hours worked, 47% improvement on FY22, during period of materially higher and more complex activity levels.
- Following reassessment of BM-S-40 license and Neon field, at 30 June 2023, 2P Reserves 16% higher than at 30 June 2022 at 51.8 MMbbl, and 2C Contingent Resources up 14% to 98.2 MMbbl. 14.8 MMbbl of 2U Prospective Resources booked at Neon West for first time.
- 2P Reserves Replacement Ratio of 200% between 30 June 2022 and 30 June 2023.[1]
- Decision whether to enter Concept Select for potential Neon development targeted for first quarter of calendar year (CY) 2024. Strong balance sheet at 30 June 2023, with total liquidity of US$254.8 million. No further debt drawn in FY23, operating cashflows sufficient to fund Karoon's major capital expenditure (CAPEX) program.
- Refinancing discussions underway to support potential organic and inorganic growth.
- Carbon Neutral[2] for Scope 1 and 2 emissions in FY22, on track to be Carbon Neutral in FY23, increased investment in social and community initiatives in Brazil.
- Production expected to be materially higher over next twelve months, while unit production costs and CAPEX both expected to decline. (Detailed guidance for six-month transition year to 31 December 2023 and next twelve months shown on page 6).

Commenting on the results, Chief Executive Officer and Managing Director, Dr Julian Fowles, said:

"The 2023 financial year was one of Karoon's busiest operational periods since the Company was formed. Karoon delivered the Baúna intervention campaign, the Patola field development and Neon drilling program safely and on schedule. In addition, the final capital cost was within the original budgets set in 2021, a pleasing outcome given the prevailing inflationary environment. Despite the six week interruption to production in March-May 2023 following a gas leak in the high-pressure flare system, the completion of the Baúna and Patola projects resulted in a 56% increase in oil sales, which more than offset a 5% fall in realised oil prices. 47% higher sales revenue, together with good cost control, helped Karoon deliver a record underlying net profit after tax of US$145.9 million.

We made good progress over the year on our key strategic objectives to strengthen, build scale and diversify Karoon's business. Both 2C Reserves and 2C Contingent Resources increased over the year, by 16% and 14% respectively, after integrating data from our FY23 activities into the Company's models. The increase in Baúna Reserves underpins our existing production, with a project currently underway to investigate the potential to extend the Baúna field life from 2032 to 2038, while the improved Contingent Resources definition for the Neon field is now feeding into the technical and commercial feasibility studies for a potential Neon development.

Notes:
1. Reserves replacement is defined as 2P reserves additions during the period from 30 June 2022 to 30 June 2023 divided by production over the same period.
2. Carbon Neutral refers to firstly, reducing or avoiding operational Scope 1 and 2 greenhouse gas (GHG) emissions and, secondly, acquiring carbon offsets to balance the remaining Scope 1 and Scope 2 emissions.

Karoon's financial position remains strong. Despite spending cash of US$265.6 million on the Baúna intervention campaign, Patola development and Neon drilling in FY23 and paying the first Baúna contingent consideration of US$84.5 million to Petrobras, no additional debt was drawn in FY23. Karoon ended the year with cash of US$74.8 million and total liquidity of US$254.8 million. Assuming oil prices remain around current levels, the Company's financial position will benefit going forward from the completion of the recent high capital expenditure phase and entry into a period with more modest ongoing sustaining capital requirements. Engagement with existing and potential new lenders regarding refinancing the existing debt facility is progressing well. The new facility will replace our current debt facility, under which undrawn commitments will be cancelled on 30 September 2023, to support Karoon's organic and inorganic growth strategy.

A key component of Karoon's strategy is to ensure that our approach to managing environmental, social and governance factors mitigates risks and drives long term success. Our highest priority is maintaining a safe and healthy work environment, so it was pleasing that our personal safety performance improved in FY23, despite the management of multiple complex simultaneous operations. Over FY23, we achieved carbon neutrality for FY22 and assessed a range of opportunities to invest directly in carbon projects, culminating in the signing in June 2023 of a term sheet for a REDD+ project based in Brazil. In addition, we committed to a number of new social and community projects over the year, in line with our aim to improve the lives of people who live in or close to our project areas.

Karoon's Board has decided not to pay a dividend in respect of FY23. The Board considered various factors including the timing of stabilised production rates from the intervention campaign, the FPSO unplanned shutdown and the Company's cash position at June 2023. Capital management options will be closely monitored and reassessed over the next six months.

Karoon's focus for the next twelve months will be on ensuring safe, reliable and sustainable operations, with maintaining the integrity of the FPSO a key priority. Additional inspections and maintenance work are planned ahead of the next scheduled maintenance shutdown in March 2024, to support the FPSO's continued long term reliable performance. In addition, we will seek to progress value accretive growth opportunities. The next major milestone for the potential Neon development will be a decision whether to enter the Concept Select phase, targeted for late first quarter of CY24. We will also continue to evaluate a range of potential acquisition opportunities, focused on oil assets in Brazil and North America where Karoon's technical and commercial teams have significant experience and knowledge. We remain committed to being highly disciplined and rigorous in our assessment of both organic and inorganic growth, with the key criterion for any investment being its ability to add value relative to returning capital to shareholders.

Following the decision to change our financial year end from 30 June to 31 December, Karoon's next financial report will be for the six months to 31 December 2023. Guidance for production and key financial metrics is provided on page 6, as well as, for comparative purposes, the next twelve month period (unchanged from those in the 2023 June quarter report). The Company expects to benefit from a full period of production from the intervention campaign and Patola development, lower unit operating costs, reduced unit DD&A and substantially lower capital expenditure than in FY23. Assuming there are no material changes to operating conditions, the next twelve months will be an exciting time of delivery for Karoon."

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FINANCIAL RESULTS FOR FY23

TABLE 1 – Financial Summary

YEAR TO 30 JUNE (US$ million)	2023	2022*
Sales revenue	**566.5**	385.1
Underlying EBITDA[1,2,4]	**321.8**	205.2
EBITDA[3,4]	**308.5**	(28.4)
Net interest and other finance costs	**6.0**	5.7
Depreciation and amortisation3	**86.4**	55.7
Underlying net profit before income tax[1,4]	**229.5**	143.8
Underlying net profit after income tax[1,4]	**145.9**	85.6
Net profit/(loss) after income tax	**163.0**	(64.4)
Operating cashflow	**305.9**	154.2
Net assets	**473.6**	276.2
Investment Expenditure:		
- Baúna intervention and Patola CAPEX[5]	**190.9**	92.0
- Exploration and evaluation expenditure and new ventures[6]	**44.8**	-
- Other Plant and Equipment[7]	**2.7**	5.0

*FY22 underlying NPAT has been restated from US$89.6m to US$85.6m, to include the cumulative translation adjustment impact on deferred tax.

NOTES:

1. EBITDA (earnings before interest, tax, depreciation, depletion, and amortisation), underlying EBITDA, underlying net profit before tax, and underlying net profit after tax are non-IFRS measures that are unaudited but are derived from figures within the audited financial statements. These measures are presented to provide further insight into Karoon's performance.
2. Includes depreciation on FPSO charter lease right-of-use asset and finance charges on the FPSO right-of-use lease refer Note 1 above.
3. Excludes depreciation on FPSO charter lease right-of-use asset.
4. Underlying EBITDA, underlying net profit before tax ('NPBT') and underlying net profit after tax ('NPAT') have been adjusted for the following items:

TABLE 2 - Reconciliation of statutory net profit to underlying profit

YEAR TO 30 JUNE	2023		2022	
	NPAT US$ MILLION	EBITDA US$ MILLION	NPAT US$ MILLION	EBITDA US$ MILLION
Statutory results	**163.0**	**308.5**	(64.4)	(28.4)
Change in fair value of contingent consideration	**3.4**	**5.2**	149.9	227.1
Realised losses on cash flow hedges	**4.8**	**7.1**	7.8	11.8
Foreign exchange losses/(gains)	**0.4**	**0.8**	(4.3)	(6.2)
Employee restructure cost	**-**	**-**	0.6	0.9
Social investments/sponsorships	**-**	**1.9**	-	-
Write-back of inventory impairment	**(1.1)**	**(1.6)**	-	-
Cumulative translation adjustment impact on deferred tax	**(24.6)**	**-**	(4.0)	-
Total adjustments	**(17.1)**	**13.4**	150.0	233.6
Underlying results	**145.9**	**321.8**	85.6	205.2

5. Excludes Baúna acquisition costs and capitalised borrowing costs associated with the Patola development.
6. Includes exploration and evaluation capitalised and exploration, evaluation and new venture expenses.
7. Excludes leased right-of-use asset additions.

Karoon's underlying NPAT in FY23 was US$145.9 million, up 70% from US$85.6 million in FY22, while FY23 statutory NPAT was US$163.0 million, compared to a US$64.4 million loss. The difference between statutory NPAT and underlying NPAT in FY23 was primarily due to realised losses on cash flow hedges and non-cash

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movements in deferred tax (see Table 2 for adjustments to derive underlying NPAT).

The lift in FY23 underlying NPAT was primarily due to 47% higher sales revenue, reflecting a 56% increase in oil sales, which more than offset 5% lower realised oil prices. The percentage increase in production costs (including FPSO depreciation and finance charges) was 15%, mainly due to higher FPSO depreciation. The percentage increase in costs was considerably less than the percentage production increase due to Karoon's largely fixed production cost base.

Operating cash flow for FY23 was US$305.9 million, up from US$154.2 million in the prior year. Investing capital expenditure was US$265.6 million, spent primarily on completing the Baúna intervention campaign and Patola development and drilling two Neon control wells. Karoon also paid US$84.5 million to Petrobras in January 2023 in relation to the contingent payment for the Baúna asset. At 30 June 2023, Karoon had liquidity of US$254.8 million, comprising US$74.8 million of cash and cash equivalents and US$180.0 million of undrawn debt facilities (US$210.0 million capacity with US$30.0 million drawn).

RESERVES AND RESOURCES

The following table summarises Karoon's 2P Reserves, 2C Contingent Resources and 2U Prospective Resources position.[4]

TABLE 3 - Reserves and Resources

Movement in Net Oil Reserves (MMbbl)

BM-S-40 (Baúna)	1P	2P	3P
Reserves at 30 June 2022[1]	36.5	44.8	61.5
Production Baúna, Piracaba & Patola	-7.0	-7.0	-7.0
Revisions	10.3	14.0	6.8
Reserves at 30 June 2023	39.8	51.8	61.3

[1] Disclosed in Karoon 2022 Annual Report

Movement in Net Contingent Oil Resources (MMbbl)	1C	2C	3C
Contingent Resources at 30 June 2022[2]	47.9	86.2	146.3
Removal of SPS-57 hook-up	-1.9	-4.2	-8.3
Baúna Life Extension Project	10.5	11.1	14.9
Neon post control well drilling	7.7	5.1	-2.5
Contingent Resources at 30 June 2023	64.2	98.2	150.4

[2] Disclosed in Karoon 2022 Annual Report

Prospective Oil Resources at 30 June 2023 (MMbbl)	1U	2U	3U
S-M-1037 (Neon West)[3]	6.1	14.8	32.9
Total	6.1	14.8	32.9

[3] Geological probability of success is estimated to be 41%

Karoon's 2P Reserves at 30 June 2023 are 51.8 MMbbl, 16% higher than at 30 June 2022, primarily due to the integration of better than expected data from existing producing wells, the Baúna well interventions and Patola drilling.

[4] The Reserves, Contingent Resources and Prospective Resources referred to are as disclosed in the Karoon 2023 Annual Report. Karoon is not aware of any new information or data that materially affects these estimates and all material assumptions and technical parameters underpinning the estimates in the 2023 Annual Report continue to apply and have not materially changed.

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2C Contingent Resources at 30 June 2023 are 98.2 MMbbl, up 14% on the prior year. The increase in 2C Contingent Resources reflects the booking of additional 2C Contingent Resources at Baúna associated with the potential FPSO life extension as well as additional 2C Contingent Resources at Neon after incorporating the data from the two control wells drilled at Neon during FY23.

2U Prospective Resources at the undrilled Neon West prospect, two kilometres west of Neon, have been booked for the first time.

Based on FY23 production of 7.04 MMbbl and the revisions to the Baúna, Piracaba and Patola 2P Reserves estimates, Karoon has achieved a 2P Reserves Replacement Ratio of 200% for the year.[5]

See disclosures on page 8. Further information on Karoon's Reserves and Resources is contained in Karoon's 2023 Annual Report.

GUIDANCE

TABLE 4 - Guidance[1]

	6 months to 31 Dec 23		12 months to 30 June 2024	
	Low	High	Low	High
PRODUCTION (MMbbl)	4.5	6	9	11
COSTS				
Unit production costs (US$/bbl)[2]	11	15	11	15
Other operating costs (US$ million)[3]	14	15	26	28
Business Development, share-based payments & Neon studies (US$ million)	6	8	12	14
Finance costs and interest (US$ million)[4]	6	7	10	12
Unit DD&A (US$/bbl)[5]	11	12	11	12
INVESTMENT EXPENDITURE (US$ MILLION)				
Neon evaluation	6	8	12	14
Other capital expenditure	5	7	7	10
Petrobras contingent consideration[6]	-	-	85	87

NOTES:

1. Guidance is subject to various risks (including those "Key Risks" set out in Karoon's 2023 Annual Report).
2. Unit production costs are presented on a pre–AASB 16 basis and include operating costs and the FPSO Charter lease costs associated with Baúna production.
3. Other operating costs include staff costs, IT, corporate costs and non-oil and gas related depreciation and exclude government royalties, social investments in lieu of tax and foreign exchange gains/losses.
4. Finance costs and interest include fees and debt interest. This excludes finance charges under AASB 16 'Leases'.
5. Excludes depreciation on FPSO right-of-use asset capitalised under AASB 16 'Leases', which is included as part of Unit Production Costs.
6. Relates to contingent consideration expected to be paid to Petrobras in January 2024, assuming an average Brent oil price of >US$70/bbl over CY23.

[5] Reserves replacement is defined as 2P reserves additions during the period from 30 June 2022 to 30 June 2023 divided by production over the same period.

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CONFERENCE CALL

Karoon's Chief Executive Officer and Managing Director, Dr Julian Fowles, will hold a conference call for analysts and investors to discuss the 2023 Full Year Results on Wednesday, 23 August 2023 at 10am (Melbourne time). The conference call will be streamed live and can be accessed via the following link:

https://event.choruscall.com/mediaframe/webcast.html?webcastid=oLnzt9EK

ABOUT KAROON ENERGY

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

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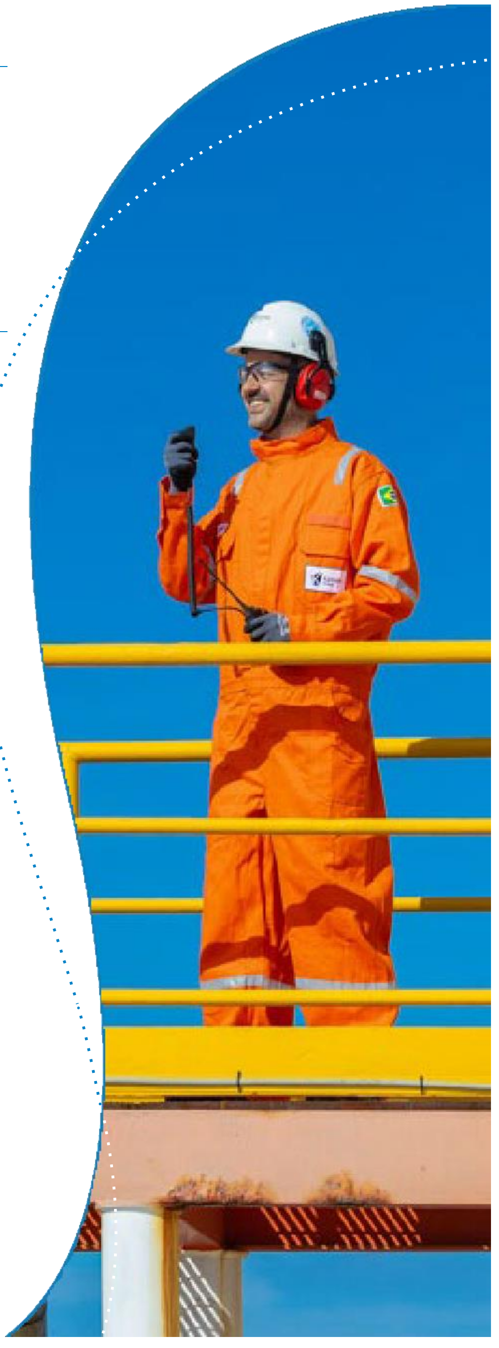

GLOSSARY

Term	Definition
bbl	Barrel of oil
FY22	Financial year ending 30 June 2022
FY23	Financial year ending 30 June 2023
TY23	Transition year for the 6 months ending 31 December 2023
NTM	Next twelve months
Karoon	Karoon Energy Ltd and its subsidiaries
MMbbl	Million barrels of oil
US$	United States dollars

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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.

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 becomes 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.

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.

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), and American Association of Petroleum Geologists (AAPG) and Society of Petroleum Evaluation Engineers (SPEE).

All statements are net to Karoon's interests as of 30 June 2023 and use a combination of deterministic and probabilistic methods.

Reserves and Resource volumetric estimates in MMbbl have been rounded to one decimal place. Each category is aggregated by arithmetic summation.

The reference point for reserves calculation is at the fiscal meter situated on the FPSO Cidade de Itajaí.

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.

Contingent Resources are assessed using both deterministic and probabilistic methods. The Contingent Resources reflects the estimated recoverable resource under a conceptual development plan. However, any finalised development plan may not recover all these resources. There is no identified requirement for the development of new technology.

Governance and Competent Person's Statement

Members of the Karoon Reserves Committee considered and assessed all proposed changes and additions to the Company's Reserves and Resources (as set out in this report), considering advice and contributions from subject matter experts and external consultants.

All Reserves statements in this report are based on, and fairly represent, information and supporting documents prepared by, or under the supervision of, Martin Austgulen, VP 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 with over 15 years' experience, has consented in writing to the inclusion of Reserves and Resources in the format and context in which they appear.

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Karoon Energy FY2023 Results

23 August 2023

KAROON ENERGY

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Number have been rounded up or down where the digit is less than or greater than 5. We note that tables may not add due to rounding.

Forward looking statements

This presentation 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 presentation. Indications of, and guidance on, future exchange rates, capital expenditure, earnings and financial position and performance 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 presentation necessarily involve uncertainties, assumptions, contingencies and other factors, and unknown risks may arise, 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 presentation. 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.

Guidance for the next 12 months to 30 June 2024 is uncertain and subject to change. Guidance has been estimated on the basis of various risks and assumptions, including those "Key Risks" set out in Karoon's 2023 Annual Report.

References to future activities development, appraisal and exploration projects are subject to approvals such as government approvals, joint venture approvals and Karoon approvals. Karoon expresses no view as to whether all required approvals will be obtained.

Reserves disclosure

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), and American Association of Petroleum Geologists (AAPG) and Society of Petroleum Evaluation Engineers (SPEE).

Unless otherwise stated, all petroleum resource estimates are quoted as at the effective date (i.e. 30 June 2023) of the Reserves and Resources Statement included in Karoon's 2023 Annual Report.

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 becomes 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.

Karoon is not aware of any new information or data that materially affects the information included in the Reserves and Resources Update. All the material assumptions and technical parameters underpinning the estimates in the Reserves and Resources Update continue to apply and have not materially changed.

Authorisation

This presentation has been authorised for release by the Board of Karoon Energy Ltd.

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KAROON ENERGY

Julian Fowles
CEO and Managing Director

FY2023 Highlights and Achievements

FY23 Overview

Established profitable production base to underpin growth

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Increased production and profitability

- LTI rate of 0.10, TRIR of 0.41 [1]
- Production 7.04 MMbbl (+52% on FY22)
- Average realised oil price US$80.20/bbl (-5% on FY22)
- Sales revenue US$566.5 million (+47% on FY22)
- Underlying NPAT US$145.9m (+70% on FY22)

Advancing growth strategy

- Baúna intervention and Patola development delivered safely, on time and below final budget, with initial production rates higher than expectations
- Both control wells in Neon successful, potential Neon development assessment underway
- Actively evaluating M&A opportunities
- As at 30 June 23, 16% and 14% increase in 2P Reserves and 2C Contingent Resources[2] respectively

Progress on sustainability objectives

- Carbon Neutral in FY22 and anticipate being Carbon Neutral for Scope 1 & 2 in FY23, Net Zero target by 2035 unchanged[3]
- Study commenced on opportunities to reduce operational emissions, term sheet signed to invest directly in REDD+ project in Brazil
- Contributed ~US$150m[4] to Brazilian and Australian economies in FY23 through employee benefits, government take and social/ community projects in Brazil

Strong balance sheet

- As at 30 June 2023:
  - Cash and cash equivalents of US$74.8m
  - Undrawn available debt of US$180m (US$30m drawn)
  - Total liquidity of US$254.8m
- CAPEX to fall sharply following completion of major programs, spend includes modest ongoing sustaining capital requirements and Neon studies
- Strong continued support from debt financiers

1. Per 200,000 hours worked
2. See page 32 of the 2023 Full Year Report Financial Report for full details and disclosures. Karoon is not aware of any new information or data that materially affects these reserve and resource estimates, and all material assumptions and parameters are unchanged.
3. Carbon Neutral refers to firstly, reducing or avoiding operational Scope 1 and 2 greenhouse gas (GHG) emissions and, secondly, acquiring carbon offsets to balance the remaining Scope 1 and Scope 2 emissions.
4. Relates to wages, royalties, levies and tax paid in Brazil and Australia as well as social/community and environmental programs.

HSSE

Improved safety performance in FY23

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Safety and Environmental Performance	FY23	FY22	FY21
Lost Time Injuries	1	4	1
Restricted Work Cases	1	0	0
Medical Treatment Cases	2	0	1
Work Exposure Hours	1,947,000	1,027,000	625,928
Total Recordable Injury Rate (per 200,000 hours)	0.41	0.77	0.64
High Potential Incidents	1	2	1
Tier 1 or 2 Process Safety Events	0	0	NA
Reportable environmental incidents	2	0	2

- Reduced injury rate despite 90% increase in hours worked
- One LTI (finger injury requiring surgery)
- One High Potential Incident – lighting fitting which fell 1.8 metres
- Two minor reportable environmental incidents
- One process safety incident – FPSO gas flare system leak in March 2023
  - Classified as a Tier 3 event (as per API RP 754)
- Continued focus on creating safe and healthy working environment

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KAROON ENERGY

Ray Church
EVP and CFO

Financial Results

FY23 Financial Highlights

Strong financial outcomes in revenue, costs and cash

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REVENUE

US$566.5m

Up 47% from US$385.1m

UNIT PRODUCTION COSTS

US$15.75/bbl

Down 38% from US$25.36/bbl

UNDERLYING EBITDA

US$321.8m

Up 57% from US$205.2m[1]

CASHFLOW GENERATED

US$271.8m

Up 148% from US$109.6m[2]

INVESTING CASHFLOW

US$356.2m

Up 215% from US$113.0m

CASH & CASH EQUIVALENTS

US$74.8m

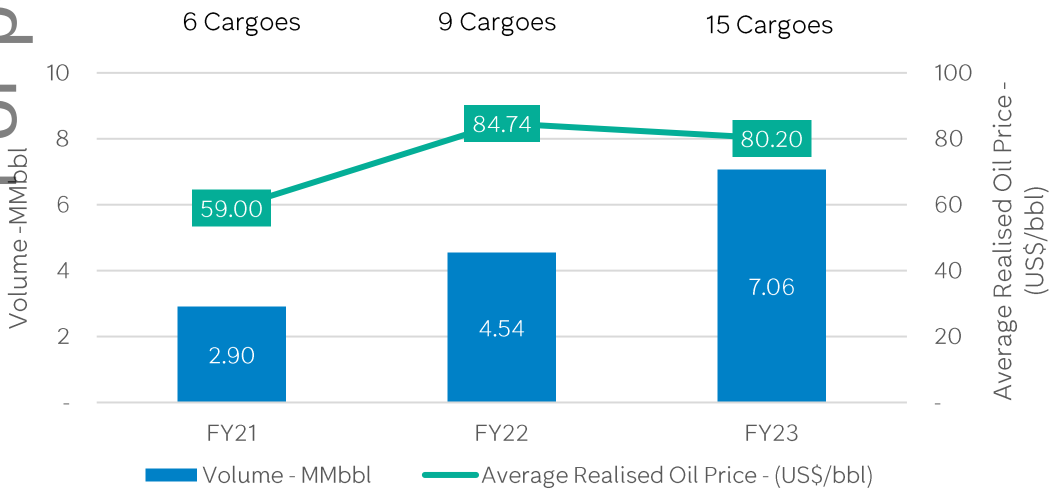
Down 53% from US$157.7m

1. Underlying EBITDA reflects the Company's assessment of financial performance. Underlying EBITDA is a non-IFRS measure that is unaudited but derived from figures in the financial statements. Refer to slide 14 for reconciliation of these underlying adjustments . This measure is presented to provide further insight into Karoon's performance.
2. Cashflow generated reflects net cashflow from operations and includes principal elements of lease payments.

Underlying result

US$ million	FY23	FY22
Revenue	566.5	385.1
Other income	4.1	0.8
Production Costs (incl FPSO depn & finance)	(135.0)	(117.6)
Royalties and other government take	(66.7)	(41.5)
DD&A incl O&G assets	(86.4)	(55.7)
Impact of Inventory Movements	(11.5)	6.4
Corporate, Exploration & Other	(31.5)	(27.7)
Finance & Interest	(10.0)	(6.0)
Underlying Pre-Tax Profit	229.5	143.8
Income Tax Benefit/ (Expense)	(83.6)	(58.2)
Underlying NPAT[1]	145.9	85.6[2]

Revenue & Realised Oil Price Per Barrel



	FY23	FY22
Production (MMbbl)	7.04	4.64
Sales Volume (MMbbl)	7.06	4.54
Realised Oil Price (US$/bbl)	80.2	84.7

- Production of 7.04 MMbbl, fifteen cargoes lifted, sales volume of 7.06 MMbbl
- Average realised price of US$80.20/bbl, 5% lower than FY22
- Unit production cost of US$15.75/bbl, down 38%
- Underlying NPAT of $US145.9 million, up 70%
- Royalties and other government take includes Royalties, Special Participation (SP), Research and Development (R&D) and temporary export tax (March to June 2023). Royalties benefited from reduced rate from Nov 23. SP and R&D levies triggered and accrued in Dec and Mar quarters of FY23, due to quarterly production >300,000 m^3 or ~21,000 boepd[3] (see Appendix 1 for details)
- Corporate, Exploration and Other costs included US$20.7m corporate costs, US$3.1m share based payments, US$3.9m exploration and US$3.7m business development expense
- Income Tax Expense driven by Brazilian corporate tax rate, includes adjustments for non-cash portion of share-based payments (timing), payment of social investments and non-deductible costs (permanent differences)

1. Underlying NPAT & Underlying Pre-Tax Profit reflects the Company's assessment of financial performance. These are non-IFRS measure which are unaudited but derived from figures in the financial statements. Refer to slide 14 for reconciliation of these underlying adjustments. These measures are presented to provide further insight into Karoon's performance.
2. Restated from US$89.6 million to include the cumulative translation adjustment impact on deferred tax.
3. Conversion factor: 1 m3 = 6.29 bbl, daily rates based on 91 days/quarter

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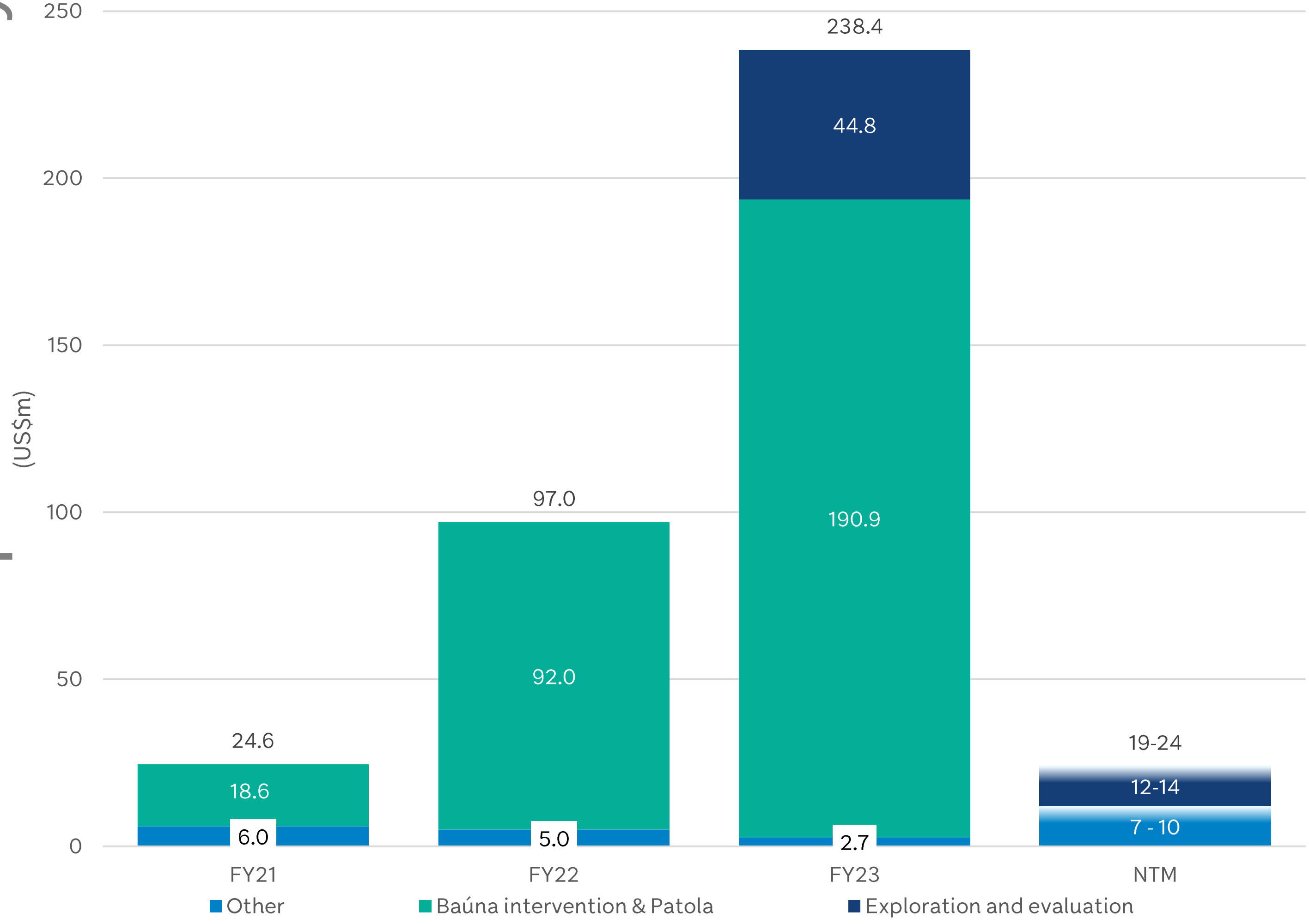
CAPEX

Transitioning to capital light operating phase



- Baúna intervention and Patola development completed in FY23
- Now through peak investment period of FY22 and FY23
- Go forward CAPEX associated with sustaining / operating spend and progression of potential Neon development through to possible Concept Select decision
- FPSO is leased with majority of associated CAPEX met by lessor (A&O)

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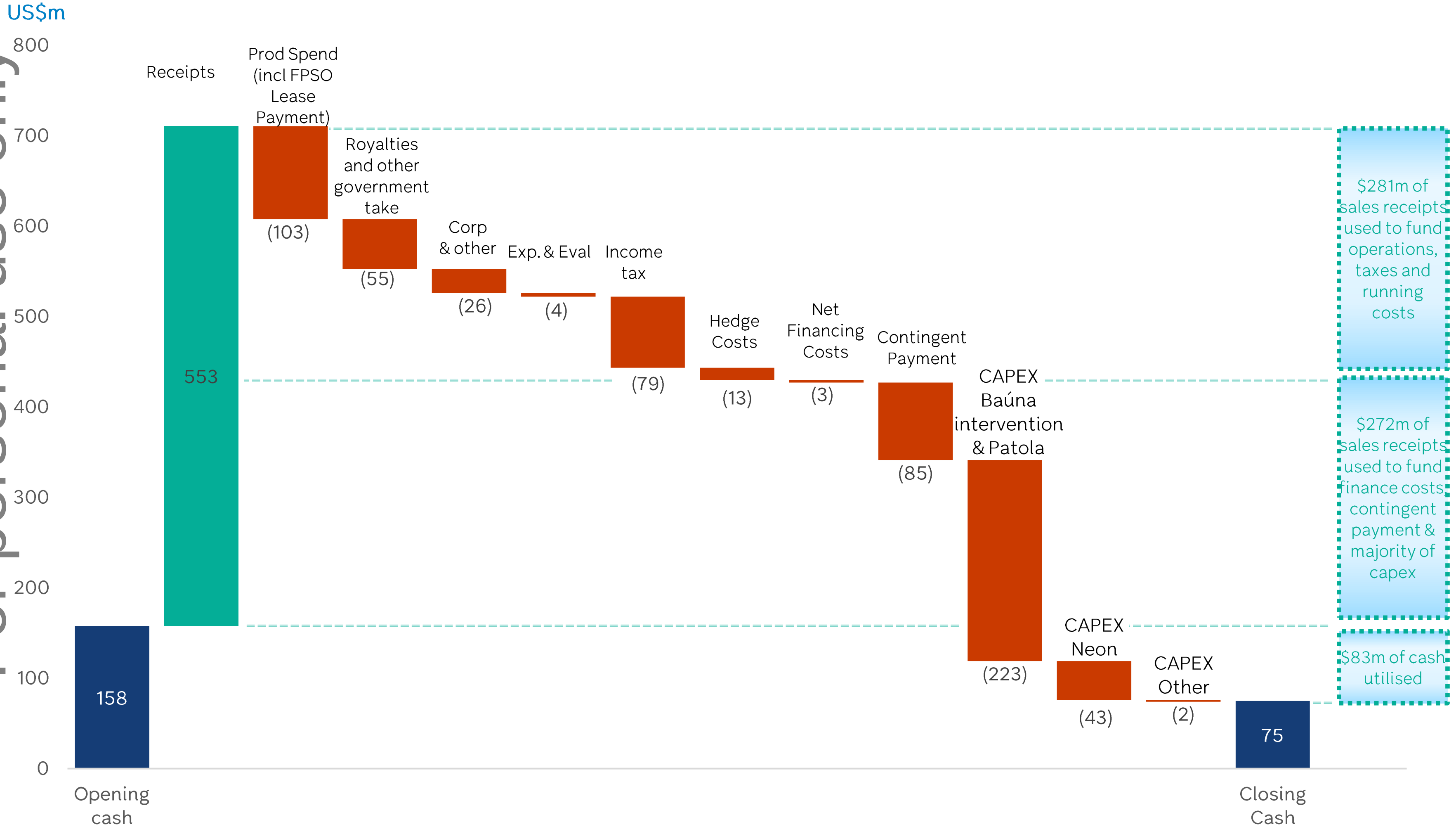
FY23 Cash flow

Major projects and Neon drilling funded from operations



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- Increasing Baúna production and oil price >US$80/bbl resulted in US$553m oil sales based on receipts from 14 cargoes
- US$103m operating cost outflows include FPSO lease payments of US$49m (pre-AASB16 basis)
- US$55m of government take includes royalties and other government related outflows (inc US$4.4m temporary export tax)
- US$272m net cash generated from operations[1] funded growth CAPEX programs and Petrobras contingent payment
- Cash capital investment of US$268m primarily relates to Baúna interventions and Patola development and US$43m on Neon drilling campaign. Cashflow also includes amounts payable from June 2022 relating to intervention campaign

1. Adjusted for AASB16 FPSO lease accounting, consistent with industry norms.

Cash and available liquidity

Increased production base with untapped borrowing capacity

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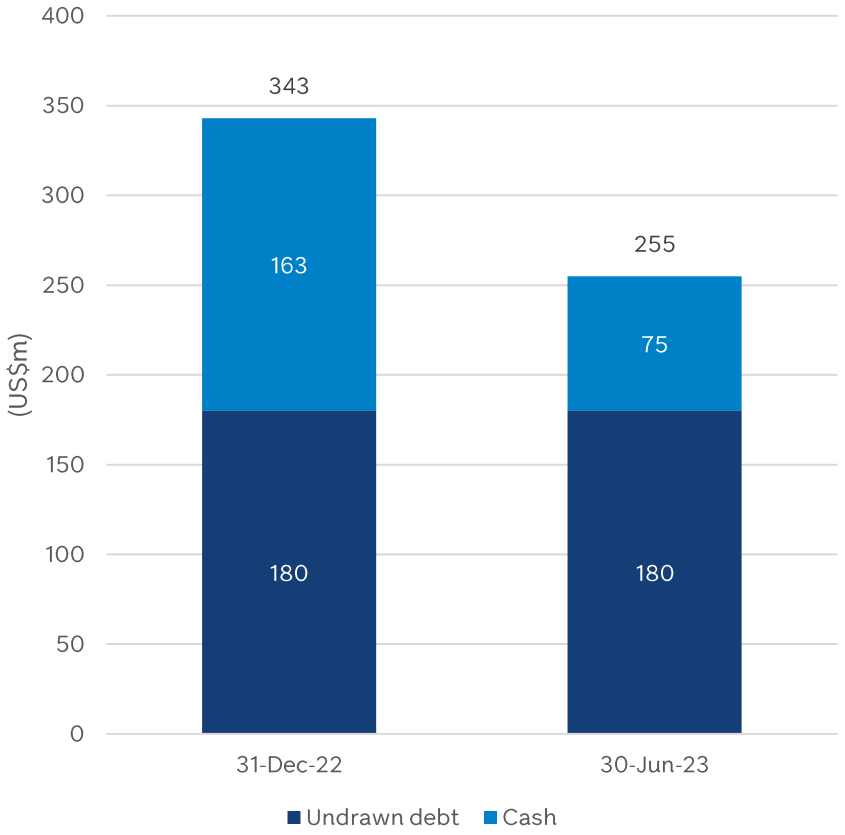
Debt and Liquidity as at 30 June 2023

- Outstanding debt drawn US$30m, unchanged from 30 June 2022 with Baúna interventions, Patola development and Neon control well drilling funded from strong operating cash flows
- Total liquidity US$254.8m (US$74.8m cash plus US$180m undrawn debt)
- Current Debt Facility:
  - US$160m reserve-based, non-recourse syndicated term loan facility, 425bps margin over SOFR plus US$50m committed accordion facility
  - Current debt facility availability period expires 30 September 2023, when undrawn commitments will be cancelled
- On-going Liquidity and Refinancing Plans:
  - Transitioning to capital-light phase following cash investment of ~US$340m in Baúna interventions, Patola development and Neon drilling to date
  - With US$30m of debt capacity utilised, significant untapped borrowing potential[1] exists within Karoon's derisked production base
  - Refinancing process underway, intended to leverage Baúna/Patola foundation to fund future growth opportunities and provide liquidity to support ongoing operations

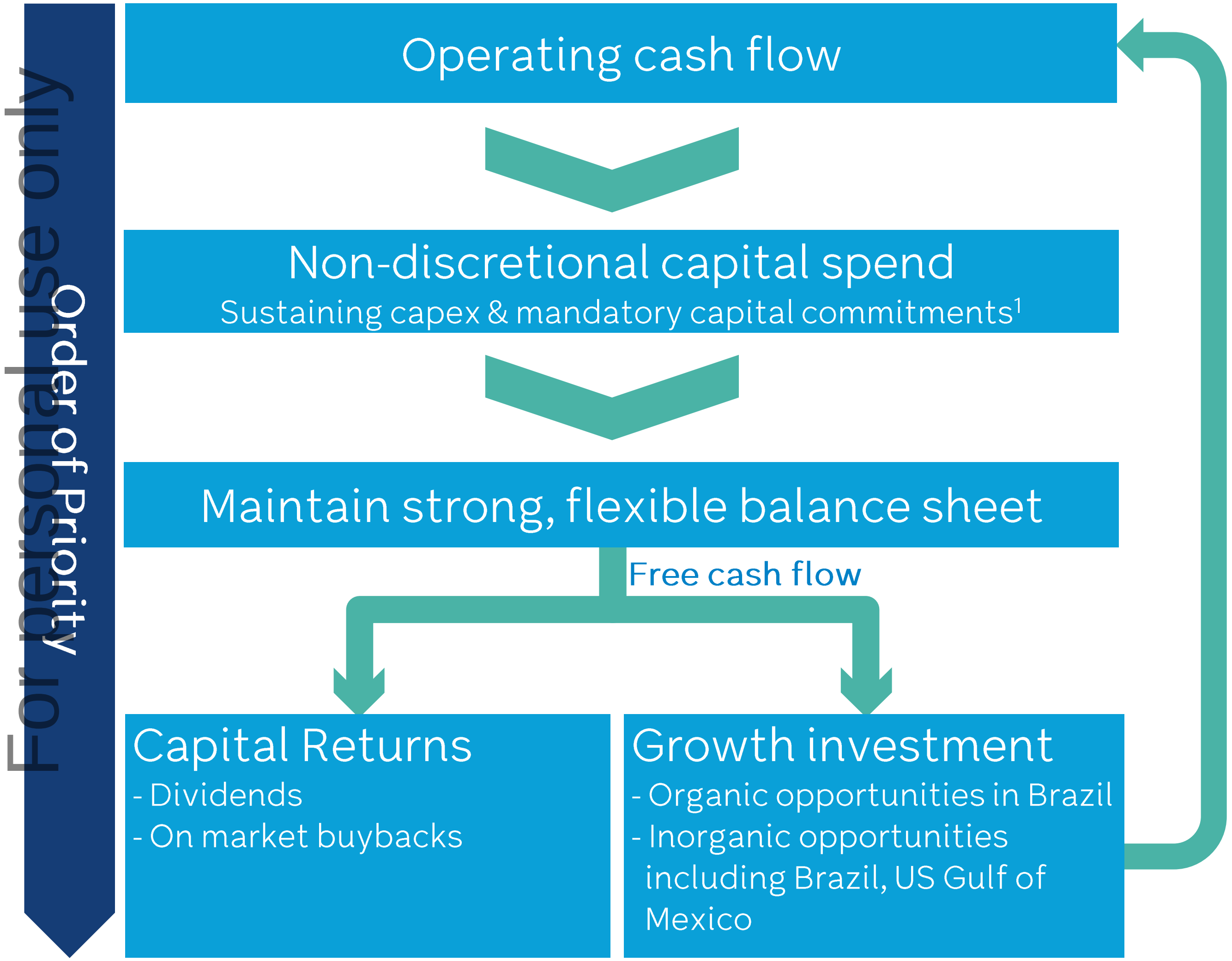
Total Liquidity (US$ Million)



1. Based on the assumption that the refinancing occurs and Karoon captures the derisking benefit through delivery on production growth from the interventions and Patola development.

Capital Allocation Framework

Building scale to achieve long term sustainable cashflow and shareholder returns



- Priority is to support safe and reliable operations at Baúna and meeting capital commitments including debt repayments
- Capital allocation framework ranks growth opportunities with shareholder returns
- Growth opportunities can support Karoon unlocking value by:
  - Diversifying asset base, geography/ geopolitical risk and operating cashflows
  - Improving access to capital
  - Providing long term free cash flow generation

1. Capital commitments include Contingent Payments to Petrobras

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Unit Production Costs Reconciliation

Normalising Opex/bbl for AASB16 capitalised operating leases

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FY23	Reported	Back out AASB 16	Cost of Production-related Operating Leases	Unit Production costs
Operating costs (US$ million)	62			62
Capitalised Lease(s)[1] D&A (US$ million)	58	(58)		-
Capitalised Lease(s)[1] Interest (US$ million)	15	(15)		-
Cost of Operating Lease(s)[1] (US$ million)			49	49
Total costs (US$ million)	**135**	(73)	49	**111**
Production (MMbbl)	7.04	7.04	7.04	7.04
FY23 Unit Production Costs/bbl	**19.16**	(10.35)	6.94	**15.75**

FY22	Reported	Back out AASB 16	Cost of Production-related Operating Leases	Unit Production costs
Operating costs (US$ million)	58			58
Capitalised Lease(s)[1] D&A (US$ million)	44	(44)		-
Capitalised Lease(s)[1] Interest (US$ million)	16	(16)		-
Cost of Operating Lease(s)[1] (US$ million)			60	60
Total costs (US$ million)	**118**	(60)	60	**118**
Production (MMbbl)	4.64	4.64	4.64	4.64
FY22 Unit Production Costs/bbl	**25.36**	(13.02)	13.02	**25.36**

- Unit production costs include operating costs as per note 5 (a) of financial statements and invoiced cost of material capitalised operating lease(s) associated with production
- AASB16 derived capitalised lease(s) D&A and interest costs has increased in line with higher production levels in FY23:
  - AASB16 D&A calculated on Unit of Production basis
- YoY reduction in pre-AASB16 operating lease costs relates primarily to shutdown from 28 March – 9 May, during which lease costs were not payable

1. Relates to material capitalised leases included in Production Costs and treated as Operating Lease(s) prior to implementation of AASB-16 for consistency with global industry norms

Reconciliation of Underlying Result[1] to Statutory Result

KAROON ENERGY

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US$ million	FY23		FY22	
	EBITDA	NPAT	EBITDA	NPAT
Reported financial results	308.5	163.0	(28.4)	(64.4)
Change in fair value of contingent consideration	5.2	3.4	227.1	149.9
Realised losses on cash flow hedges	7.1	4.7	11.8	7.8
Foreign exchange losses/(gains)	0.8	0.4	(6.2)	(4.3)
Employee restructure cost	-		0.9	0.6
Social investments/sponsorships	1.9	0.0	-	-
Write-back of inventory impairment	(1.6)	(1.1)	-	-
Non-cash FX movements in (R$) denominated deferred tax assets	-	(24.6)	-	(4.0)
Underlying financial results	321.8	145.9	205.2	85.6[2]

- Change in fair value of contingent consideration recognises movement each year due to revaluation of Petrobras contingent consideration
- Hedges required by syndicated loan facility were entered into for the period December 2021 to March 2024
- Social investments/sponsorships are payments in lieu of corporate income tax allowable under Brazilian tax law (additional spend to Government related payments shown in earlier slides).
- Non-cash FX movements in deferred tax due to temporary differences between tax base of the Brazilian business, denominated in REAL (R$), and reporting currency, which is US$. This movement will occur each reporting period in line with variation in conversion rates between R$ and US$

1. Underlying net profit after tax (NPAT) and underlying earnings before interest, tax, depreciation and amortisation (EBITDA) are non-IFRS measures that are unaudited but derived from financial statements. These measures are presented to provide further insight into Karoon's performance

2. Restated from US$89.6 million to include the cumulative translation adjustment impact on deferred tax

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Julian Fowles
CEO and Managing Director

Strategy and Outlook

Strategic objectives

Working towards operational excellence, value accretive growth and carbon neutrality

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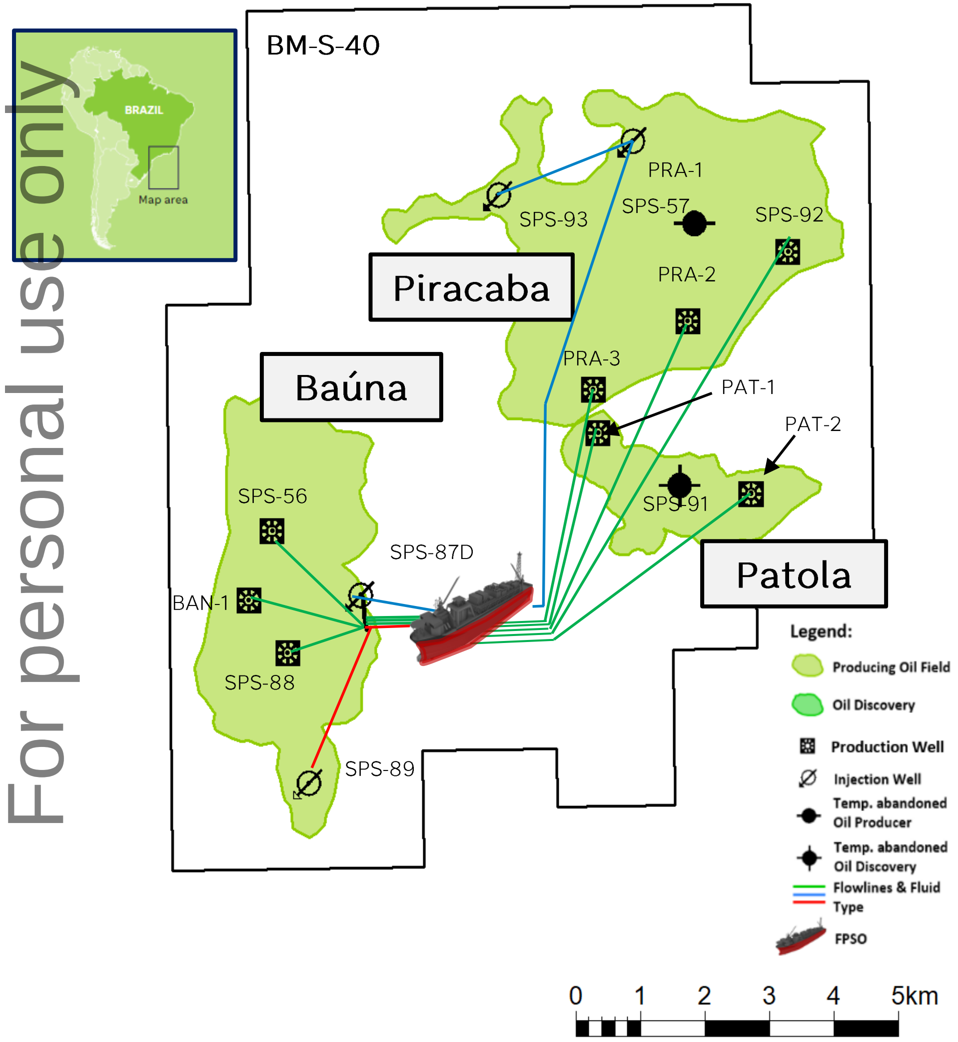
- Safe, reliable, responsible and cost-effective operations at Baúna, in conjunction with our partners
- Assess technical and commercial feasibility of a potential Neon Foundation development, aiming for Concept Select entry decision in 1QCY24, subject to viability
- Targeting value-accretive producing/close to production asset(s) in Brazil and/or US Gulf of Mexico, leveraging Karoon's technical and commercial capabilities
- Maintain resilient balance sheet to support expansion, strengthened by cash flow from operations and targeted expanded debt capacity
- Operate sustainably, implementing fit-for-purpose sustainability strategy. On track to be Carbon Neutral[1] in FY23, ongoing support for social/community programs
- Build organisational capability and capacity to deliver organic and inorganic growth opportunities
- Balance capital allocation between high value growth and returns to shareholders

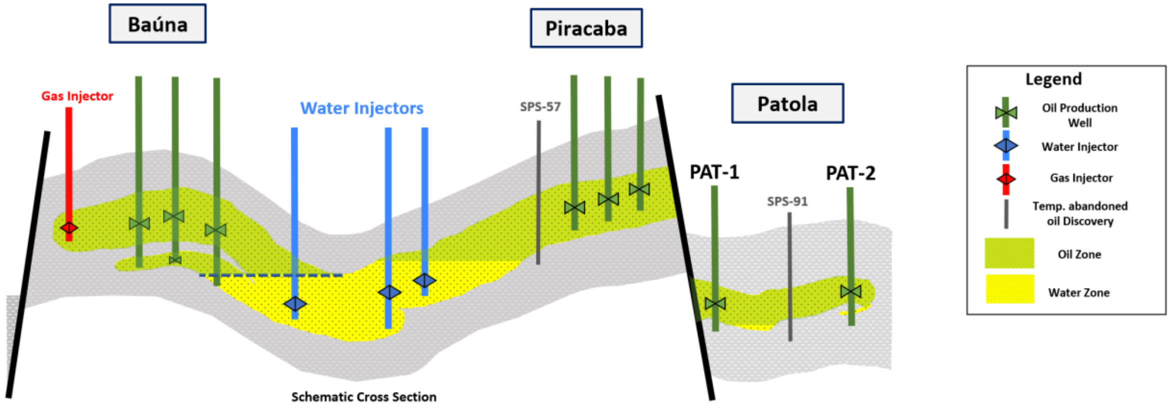
1. Carbon Neutral refers to firstly, reducing or avoiding operational Scope 1 and 2 greenhouse gas (GHG) emissions and, secondly, acquiring carbon offsets to balance the remaining Scope 1 and Scope 2 emissions.

BM-S-40: Baúna, Patola and Piracaba

Interventions and Patola delivered on time and below revised budget



- Baúna intervention campaign completed in Sept 2022. Initial incremental production of >11,000 bopd (vs targeted 5,000 – 10,000 bopd). Peak production of >25,000 bopd achieved in early October 2022, prior to natural decline resuming (production rate ~12,600 bopd prior to program)[1]
- Patola drilling was completed in March 2023. Initial production from PAT-2 of 12,000 - 14,000 bopd[2], PAT-1 >12,000 bopd[2]. Production from BM-S-40 reached >40,000 bopd prior to shut in on 28 March 2023
- Both Baúna intervention campaign and Patola development delivered below revised budgets, final total capex of US$302m



1. See ASX Release, Dec 22 Quarterly activities Report dated 24.01.23
2. See ASX Release dated 29.3.2023 "Second Patola Well onstream"

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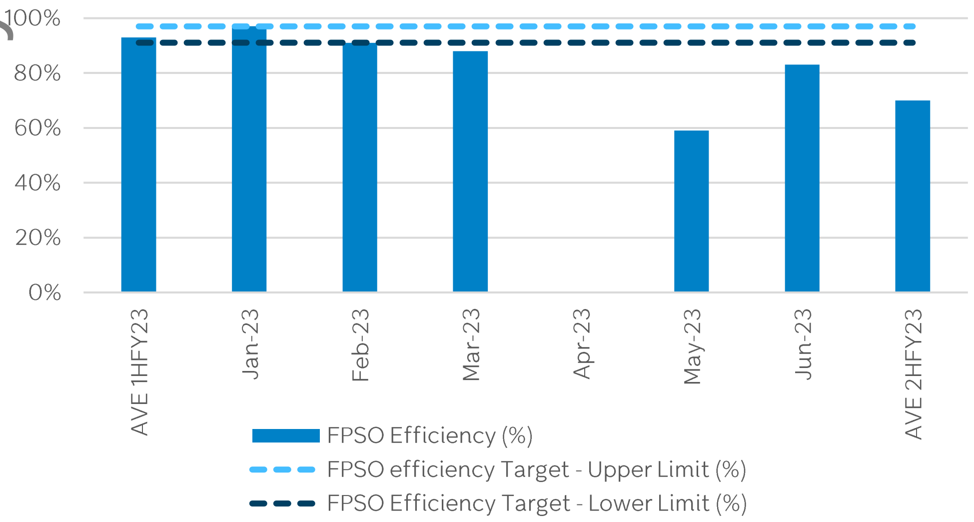
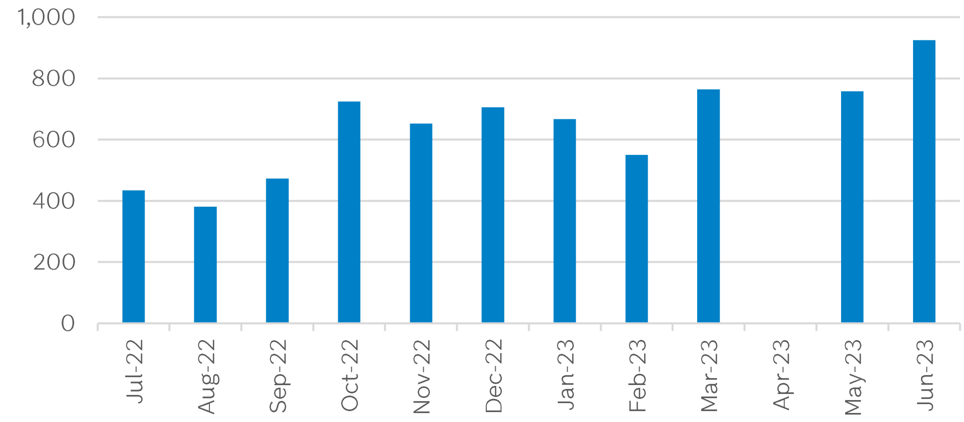
Baúna operating performance

Focus on maintaining facilities uptime and active well management

FPSO efficiency in FY23



Production (‘000 bbl)



- Karoon’s highest priority is maintaining safe and healthy work environment, and minimising environmental impact
- Due to gas release from HP flare system, FPSO production shut-in on 28 March 2023
- Production from BM-S-40 resumed in May 2023 after extensive inspections of FPSO processing pipework and, where necessary, replacement/repairs
- Given higher fluids production rates (oil, water and gas), now using both processing trains = lower equipment redundancy
- Anticipate future FPSO efficiency to be 90-95%[1]
- Next planned maintenance shutdown currently scheduled for March 2024, including valves, tanks and hull inspections, subject to FPSO performance
- Natural decline rate over next twelve months expected to be ~15% influenced by increased evacuation rate of fluids from Baúna/Piracaba following intervention campaign and pressure stabilisation with aquifer through Patola reservoir

1. FPSO efficiency is defined as the reliability and availability of the FPSO. This compares to facility uptime data provided previously, which relates to the % of time the facility was available to produce (excluding planned shutdowns).

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Potential Neon development

Control wells drilled safely and below budget, feasibility studies underway

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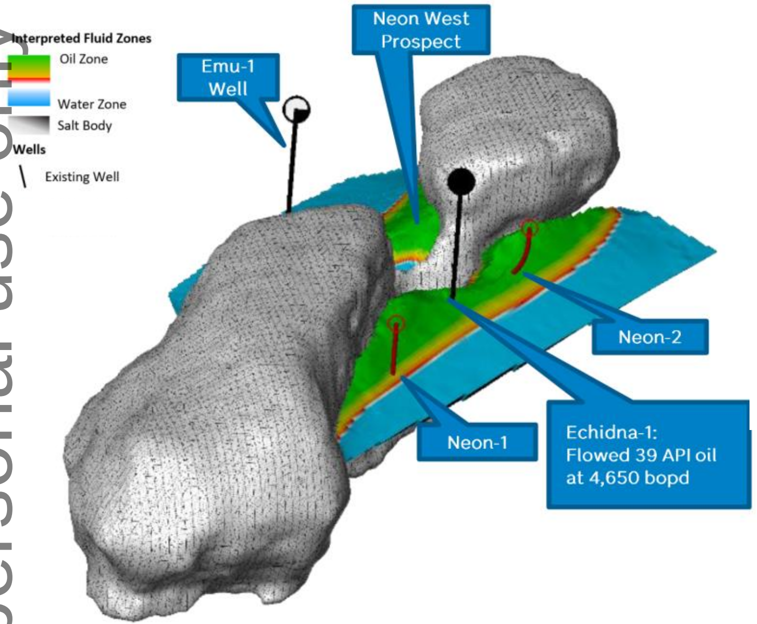

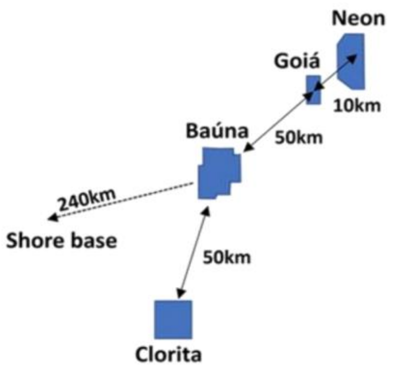

	1C (MMbbl)	2C (MMbbl)	3C (MMbbl)
Contingent Resources[1]			
Neon	38	60	90
Goiá	16	27	46
Prospective Resources[1]			
Neon West	6	15	33

- Both Neon control wells successful, achieved pre-drill objectives:
  - Neon-1 confirmed 39 API oil and oil-water contacts closely aligned to seismic predictions
  - Neon-2 confirmed 33 API oil and thickened reservoir sections in cross-fault and northwestern regions
  - Control well results bring calibration to subsurface models
- Improved subsurface definition incorporated into resources reassessment, resulting in 14% increase in 2C Contingent Resources to 60.1 MMbbl[1]
- Final total CAPEX for two Neon wells below budget at US$45m
- Technical and commercial feasibility studies underway including:
  - Detailed subsurface modelling integrating seismic reprocessing, core and fluid sample analyses
  - Preliminary analysis of development concepts including tie back to Baúna, standalone FPSO at Neon and standalone FPSO at Neon with Baúna tie back
- Subject to viability, aiming to make decision whether to progress into Concept Select in early CY24

1. Contingent Resource volume estimates presented for Neon and Goiá and Prospective Resources for Neon West are as disclosed in the 2023 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

Assessing Inorganic Growth Options

Evaluation ongoing

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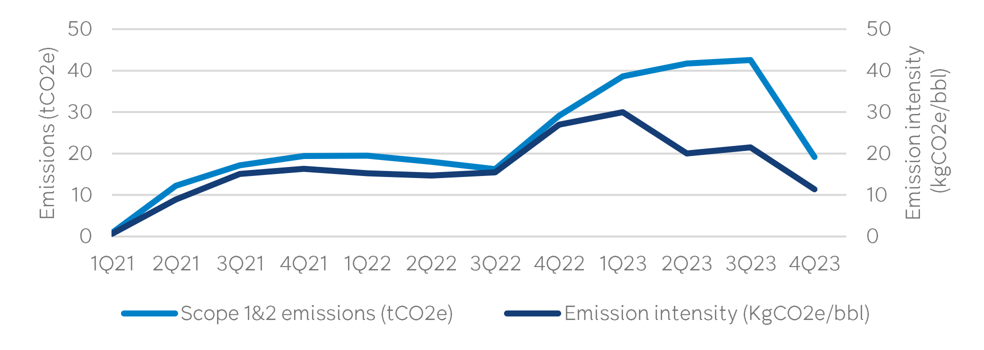
- Continuing to actively assess inorganic growth opportunities
- Rigorous and disciplined screening process used, with key criteria including:
  - Value accretive, with acceptable risk profile
  - Fundable
  - Producing, or close to FID if pre-production
  - Complementary to Karoon's footprint and/or capabilities
  - Compatible with Karoon's carbon targets
- Any acquisition balanced against returns to shareholders
- Focused on oil assets in Brazil and US Gulf of Mexico, where existing technical and commercials teams have significant experience and knowledge

Sustainability

Focus on carbon emissions, social projects

- Progress with Baúna FPSO Scope 1 emissions reduction achieved via installation of mooring buoy in FY22 and optimising vessel scheduling
- Expert consultant appointed to assist with Baúna facility monitoring and modelling, to identify further opportunities to reduce emissions
- Scope 1 and 2 GHG emissions for FY22[1] fully offset by VER Agreement with Shell Western Supply and Trading. Anticipate being Carbon Neutral[1] for FY23, aiming for Net Zero[2] by 2035
- Karoon's approach to managing climate risks and targets reviewed and supported by external consultant, based on Karoon's current size and scale
- Active review of potential investment in high quality projects with social benefits to offset residual emissions; investigating equity and/or development opportunities in Nature Based Solution offset projects
  - Term sheet to acquire equity directly in a REDD+ project in Brazil executed in June 2023
- Contributed ~US$150m to Brazilian and Australian economies in FY23. Includes US$1.9m spent on social and environmental projects in Brazil, focused on education and employment
- See 2023 Sustainability Report for full details on climate, social and other key ESG priorities

1 Carbon Neutral refers to firstly, reducing or avoiding operational Scope 1 and 2 greenhouse gas (GHG) emissions and, secondly, acquiring carbon offsets to balance the remaining Scope 1 and Scope 2 emissions.
2 Net Zero refers to reducing Scope 1 and 2 GHG emissions as far as practical and balancing the residual GHG emissions produced with GHG emissions removed from the atmosphere.



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Guidance[1]

Period	6 months to 31 Dec 23 (TY23)		12 months to 30 June 24 (NTM)	
	Low	High	Low	High
Production (MMbbl)	4.5	6.0	9	11
Costs				
Unit Production Costs (US$/bbl)[2]	11	15	11	15
Other Operating Costs (US$ million)[3]	14	15	26	28
Business Development, share-based payments & Neon studies (US$ million)	6	8	12	14
Finance costs and interest (US$ million)4	6	7	10	12
Unit DD&A (US$/bbl)[5]	11	12	11	12
Investment Expenditure				
Neon evaluation (US$ million)	6	8	12	14
Other Capital Expenditure	5	7	7	10
Petrobras consideration6	-	-	85	87

NOTES:

1. Guidance is subject to various risks (including those "Key Risks" set out in Karoon's 2023 Annual Report)
2. Unit Production Costs: based on daily operating costs associated with Baúna Production and FPSO lease costs (Pre AASB 16)
3. Other Operating costs: includes staff costs, IT, other corporate costs and non-oil and gas related depreciation. This excludes royalties and other government take, social investment/sponsorships in lieu of tax and foreign exchange gains/losses
4. Finance costs and interest include fees and debt interest
5. Excludes depreciation on FPSO right-of-use asset capitalised under AASB 16 'Leases'
6. Contingent consideration payable to Petrobras which is dependent on future oil prices (see Appendix 2 for details)

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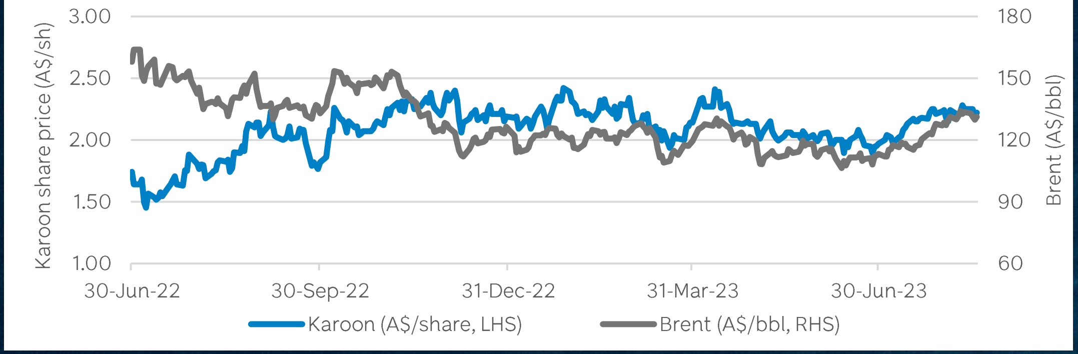
Summary

Focus on creating shareholder value

- Significant progress on delivering strategic objectives in FY23, with production increase from 12,600 bopd to ~34,000 bopd at year end, unit cash cost reduced to US$15.75/bbl
- Production expected to increase to 9 – 11 MMbbl in NTM, with lower unit production costs and material decline in capex
- Focus on maintaining safe, reliable and sustainable operations, with integrity of FPSO a high priority
- Encouraging results from Neon control well program and resource reassessment being incorporated into technical and commercial studies, targeting Concept Select decision in early CY24
- Ongoing evaluation of value-adding, material inorganic growth opportunities
- Solid financial position with strong cash flows, robust balance sheet, modest sustaining capex going forward. US$30m debt drawn, liquidity of US$255m and refinancing discussions progressing well
- Returns to shareholders to be reassessed over the next six months[1]

1. Dependent on satisfaction of lending covenants, capital priorities and subject to Board approval



Appendix 1:
Royalty reduction, SP and R&D levies

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Royalties

- Tiered royalty reduction on incremental production from Baúna interventions and Patola development applied from November 2022 onwards
- Historical 10% royalty rate applies to ANP's[1] base production profile (oil production rate pre-investment of ~11,100 bopd and production decline of ~10-12% pa)
- 7.5% applies to incremental production up to 50% higher than base production profile
- 5% applies to incremental production more than 50% above base production profile
- Royalty rates apply to gross notional revenue (production x published ANP reference price).

Special Participation (SP) and Research and Development (R&D) levies

- Production from BM-S-40 was >300,000 m^3 (equivalent to 1.887 MMboe or ~21,000 boepd[2]) in December 2022 and March 2023 quarters, triggering accrual of SP and R&D levies. (Note: SP and R&D levies are not levied if production rate is below 300,000 m^3 per quarter)

Special Participation rates

		Lower	Upper
		Qtly Production	Qtly Production
Tier	Tax Rate	m^3	m^3
Tier 1	0.0%	-	299,999
Tier 2	10.0%	300,000	749,999
Tier 3	20.0%	750,000	1,199,999
Tier 4	30.0%	1,200,000	1,649,999
Tier 5	35.0%	1,650,000	2,099,999
Tier 6	40.0%	2,100,000	

- SP levied on net income, defined as notional revenue (production x published ANP reference price) less allowable deductions (current quarter opex and depreciation, and prior quarter SP and R&D levies) on tiered basis
- Applies to incremental barrels:
  - <~21,000 boepd - 0.0%
  - ~21,000 – ~52,000 boepd - 10.0%
- In quarters where SP is triggered, R&D levy also applies at 1% of gross notional revenue
- Like royalties, SP and R&D levies are tax deductible

1. Agência Nacional do Petróleo, Gás Natural e Biocombustíveis (ANP)
2. Conversion factor: 1 m3 = 6.29 bbl, daily rates based on 91 days/quarter

Appendix 2: Contingent consideration on Baúna Acquisition[1]

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- Contingent consideration of up US$285m plus interest payable to Petrobras for Baúna acquisition
- Contingent on annual average Platts Dated Brent oil price over period from CY2022 to CY2026 (see table opposite)
- At 30 June 2023 , maximum potential liability of US$219.0m recognised, based on net present value of payable, including accrued interest at 2% pa (from 1 January 2019 to after date of testing each January), with discount rate of 3.42% applied
- Increase of US$5.2m pre-tax in FY23 due to revision in discount rate
- Estimated payables based on Karoon's internal assessment of future oil prices, which considers industry consensus and observable oil price forecasts
- On 30 January 2023, paid Petróleo Brasileiro S.A. (Petrobras) US$84.5 million (US$78 million plus US$6.5 million accrued interest, equivalent to R$430 million) as contingent payment for CY22
- Reflected average Brent price applicable to CY22 Contingent Payment Year of US$101.32/barrel
- Payment made from existing cash on hand

Average Brent Price (in US$ units)	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

1. See Note 22. Other financial assets and liabilities in Karoon's 2023 Annual Report for full details.

Glossary

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Term	Definition
1Q	The period 1 January to 31 March
AASB	Australian Accounting Standards Board.
ANP	Agência Nacional do Petróleo, Gás Natural e Biocombustíveis.
Baúna	Concession BM-S-40 containing the producing Baúna, Piracaba and Patola light oil fields in Brazil.
Boepd	Barrels of oil equivalent per day
bbl or barrel	Barrel of oil = 42 United States gallons; equivalent to approximately 159 litres
Bopd	Barrels of oil per day
CY	Calendar year
D&A	Depreciation and amortisation
EBITDA	Earnings before interest, tax, depreciation and amortisation
ESG	Environmental, Social and Governance
FPSO	Floating, production, storage and offloading vessel
FY	Financial year ending 30 June
HP	High pressure
Karoon	Karoon Energy Ltd and its subsidiaries
LTI	Lost time injury
m3	Cubic metres. 1M3 = 6.290 bbl
MMbbl	Million barrels of oil
NPAT	Net profit after tax
NTM	Twelve months ending 30 June 2024
pa	per annum
R$	Brazilian Real
REDD+	Reducing emissions from deforestation and forest degradation, as well as forest conservation, sustainable management of forests and enhancement of forest carbon stocks.
R&D	Research and Development
TRIR	Total Recordable Injury Rate