KAROON ENERGY

27 February 2025

Company Announcements Office
ASX Limited

Dear Sir / Madam

2024 Full Year Financial Report – ASX Release and Investor Presentation

Enclosed are the following documents in relation to Karoon Energy Ltd 2024 full year financial report:

- ASX Release; and
- Investor Presentation.

This announcement was authorised by the Board of Directors.

Yours faithfully

Daniel Murnane
Company Secretary

KAROON ENERGY

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ASX RELEASE

27 February 2025 | ASX: KAR

2024 Underlying Net Profit After Tax of US$214.0 million

12 months to	31 Dec 24	31 Dec 23	% change
Production volume on NWI basis (MMboe)	**11.0**	9.2	+20
Production volume on NRI basis (MMboe)	**10.4**	9.1	+14
Sales volume on NRI basis (MMboe)	**10.7**	8.7	+23
Average realised oil, condensate and NGL price (US$/boe)	**77.10**	78.29	-2
Average realised gas price (US$/mcf)	**2.95**	na	na
Sales revenue on NRI basis (US$ million)	**776.5**	680.0	+14
Unit production costs on NWI basis (US$/boe)	**13.6**	12.4	+10
Underlying EBITDAX[1] (US$ million)	**492.4**	434.5	+13
Unit depreciation and amortisation on NWI basis (US$/boe)[1]	**14.9**	10.8	+38
Underlying net profit after tax[1] (US$ million)	**214.0**	207.8	+3
Statutory net profit after tax (US$ million)	**127.5**	207.9	-39
Shareholder returns (US$ million)	**85.7**	-	na
Operating cash flow (US$ million)	**434.6**	442.2	-2
Lost time injury rate (incidents/200,000 hours)	**0.38**	Nil	na
Total recordable incident rate (incidents/200,000 hours)	**0.77**	Nil	na

Note: The financial information for 2024 is from audited information. The financial information for 2023 is not audited but derived from audited and reviewed financial information.

Highlights

- **Underlying net profit after tax (NPAT)[1] for 2024 was US$214.0 million, up 3% on 2023. A full year of production from Who Dat was partially offset by lower revenues from the Baúna Project and higher finance costs and depreciation charges.**
- **Statutory NPAT was US$127.5 million, down 39% on 2023 due to lower Baúna production, a US$60.9 million non-cash deferred tax adjustment and US$15.1 million expensed related to the unsuccessful Who Dat West well, with costs of the successful Who Dat East and South wells capitalised.**
- **Unit production costs in 2024 on an NWI basis increased from US$12.4/boe in 2023 to US$13.6/boe. This was primarily due to lower production at the Baúna Project, where the cost base is largely fixed. Who Dat 2024 unit production costs on an NWI basis were US$8.5/boe.**
- **2C Contingent Resources at 31 December 2024 were 17% higher than at 31 December 2023, reflecting the successful Who Dat drilling campaign, which resulted in an increase in Who Dat East 2C Contingent Resources and a maiden 2C Contingent Resource booking for Who Dat South.**
- **The Board has declared a final dividend of 5.0 Australian cents per share (unfranked), taking total dividend payments in respect of 2024 to 9.496 Australian cents per share (49% franked), equivalent to 23% of 2024 underlying NPAT, based on an AUD:USD exchange rate of 0.6545. Total capital returns in respect of 2024, including dividends and the on-market share buybacks completed in 2024, were US$85.7 million.**
- **Guidance for key metrics in 2025 remains unchanged. Guidance to be updated for Baúna FPSO acquisition no later than transaction close date.**

[1] EBITDAX (earnings before interest, tax, depreciation, depletion, amortisation and exploration), underlying EBITDAX and underlying net profit after tax (NPAT) are non-IFRS measures that are unaudited but are derived from financial statements, which have been subject to review by the Company's auditor. These measures are presented to provide further insight into Karoon's performance. See notes on page 47 of the 2024 Financial Report to derive underlying EBITDAX and underlying NPAT. Unit depreciation and amortisation excludes depreciation on the FPSO right of use asset and non-oil and gas related depreciation.

Commenting on the full year results for 2024, CEO and Managing Director, Dr Julian Fowles, said:

"Despite many challenges in 2024, Karoon's 2024 full year results demonstrate the strength of our more diversified production base and competitive cost structure. We generated US$395 million of operating cash flow (including lease payments) over the year, which fully funded healthy shareholder returns, the Petrobras contingent payment and a successful drilling program in the USA. Net debt at 31 December 2024 was US$8.8 million, down from US$103.7 million at the end of 2023, placing us in a strong position to fund planned expenditures in 2025. Underlying NPAT in 2024 was US$214.0 million, 3% ahead of 2023, but statutory NPAT was 39% lower, primarily due to non-cash charges.

While Karoon delivered its highest ever production of 10.4 MMboe, disappointingly, this was approximately 20% less than we had originally anticipated, due to operational challenges at both Baúna and Who Dat. We recognise the impact this had on shareholder value over the period and are committed to addressing these issues and restoring reliable and predictable operations, as well as the market's confidence in the Company.

In Brazil, the acquisition of the Baúna FPSO is aimed at taking direct control over a vital asset for Karoon, allowing us to improve operational efficiencies and extend Baúna field life. The flotel-supported FPSO maintenance campaign has now commenced, with a focus on substantially reducing the maintenance backlog and improving equipment reliability. This, and other planned work, is targeted at improving FPSO efficiency from 84.5% in 2024 (excluding scheduled shutdowns), to 88-92% in 2025. In addition, all approvals have been received for the SPS-88 intervention, which is now awaiting confirmation of the final rig and support vessel slot. The potential Neon Foundation Project remains on track for a DG-2 'Define' (including FEED) decision in 2Q25.

Unfortunately, two Lost Time Injuries and two Medical Treatment Cases occurred in 2024 at our Baúna operations, in contrast to 2023 when we had no recordable incidents. We will continue to work with our employees and contractors to emphasise Karoon's safety-first culture.

In the USA, the Who Dat Joint Venture is aligned in its desire to mitigate Who Dat natural decline through attractive infield development opportunities and the potential development of the discoveries at Who Dat East and South. The Joint Venture, led by operator LLOG, has commenced debottlenecking and reliability improvement studies on the production facility, and is reviewing development options for Who Dat East and South. We are aiming for at least one final investment decision by early 2026, as well as drilling up to two infill sidetracks in 2H2025/early 2026. Karoon's 2C Contingent Resources in the USA have increased from 5.4 MMboe to 23.1 MMboe[2] following the successful 2024 drilling campaign.

Reflecting Karoon's strong cash generation, robust balance sheet and forward cash projections including growth investments, the Board has declared a final unfranked dividend of 5.0 Australian cents per share, taking total dividends for 2024 to 9.496 Australian cents per share. The annual payout ratio of 23% of underlying NPAT is in line with our 20-40% capital returns policy. Additional returns by way of on-market share buybacks totalling US$37.2 million take 2024 total capital returns to US$85.7 million, underscoring Karoon's commitment to delivering returns to shareholders under our strict capital allocation policy.

Today, Karoon has released its 2024 Sustainability Report. It provides details on the Company's updated climate strategy, to be Net Zero[3] by 2050 or sooner. This change, from the prior aim to be Net Zero by 2035, recognises the change in definition of Net Zero since 2021 and aligns us with our peers in the oil and gas industry. It is a pragmatic and realistic approach by Karoon to contribute to the collective global effort to combat climate change. How this 2050 target will be achieved will be further defined in a Climate Transition Action Plan to be developed in 2025. Our aim to be Carbon Neutral for Scope 1 and 2 emissions[4], which we have achieved since FY21, remains unchanged.

Karoon enters 2025 in a strong financial position. We are committed to re-establishing a safe, strong production platform, capturing value from our organic growth as well as continuing to provide attractive returns to shareholders."

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[2] Contingent Resource volume estimates presented are as disclosed in the 2024 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.

[3] A condition in which human-caused residual GHG emissions are balanced by human-led removals over a specified period and within specified boundaries, achieved by reducing emissions at their source and counter-balancing residual emissions through carbon dioxide removal

[4] Refer to 2024 Sustainability Report for detailed definition of Carbon Neutral and Scope 1 and 2 emissions.

FINANCIAL PERFORMANCE

Sales revenue for the twelve months to 31 December 2024 was US$776.5 million, up from US$680.0 million in 2023. The increase in revenue was driven by a full year of production from the Who Dat assets, which were acquired in late 2023, and more than offset lower revenue from the Baúna Project. Total 2024 production was 10.4 MMboe, comprising 7.5 MMbbl from the Baúna Project and 2.9 MMboe from Who Dat on an NRI basis. 2024 sales volumes of 10.7 MMboe were higher than production due to timing of liftings in Brazil.

The average realised oil price for Baúna crude was US$77.36/bbl, compared to US$78.39/bbl in 2023. Meanwhile, the average realised price for Who Dat liquids in 2024 was US$75.88/bbl and the average realised gas price was US$2.95/mcf.

Unit production costs in 2024 were US$13.6/boe on a Net Working Interest basis (NWI), 10% higher than in 2023. The increase was due to lower Baúna production over a largely fixed cost base, with Baúna Project unit production costs increasing from US$12.5/bbl in 2023 to US$16.0/bbl in 2024. Who Dat unit production costs in 2024 were US$8.5/boe (NWI), including insurance and well containment rig club membership costs.

Unit depreciation and amortisation in 2024 increased to US$14.9/boe, from US$10.8/boe in 2023, due to a full year of depreciation and amortisation from Who Dat. The Who Dat unit depreciation and amortisation rate is significantly higher than for the Baúna Project, reflecting the depreciation of both the acquisition cost and forecast costs to produce the 2P Reserves. 2024 net finance costs were US$46.1 million, up from US$10.0 million in 2023. The increase reflected seven months of interest costs associated with the 2024 bond issue and interest on the Reserve Based Lending (RBL) facility incurred prior to the RBL being fully repaid in May 2024. Other operating costs[5] were US$33.5 million, in line with guidance of US$33 – 35 million. US$15.1 million incurred in 2024 on the unsuccessful Who Dat West exploration well was expensed, in line with Karoon's 'successful efforts' method of recognising exploration and evaluation activity.

The effective tax rate on underlying earnings was 23%, lower than the 2023 effective rate of 35%, reflecting temporary favourable movements in the USD/BRL exchange rate over 2024, as well as the lower tax rate on US earnings. Excluding the exchange rate impacts, the 2024 underlying effective tax rate was approximately 32%.

Cashflow from operating activities for 2024 was US$434.6 million, down 2% on 2023, primarily due to lower Baúna production on a largely fixed cost base and higher finance costs. Including principal elements of lease payments, cashflow from operations was US$395.2 million (US$408.6 million in 2023). Cash outflows from investing activities were US$218.6 million, compared to US$941.9 million in 2023, which included US$719.7 million for the Who Dat acquisition. The cash outflow in investing activities was primarily related to the Who Dat exploration/appraisal drilling campaign.

The cash and cash equivalents balance at the end of December 2024 was US$341.2 million.

[5] Other operating costs include staff costs, IT, corporate costs and non-oil and gas related depreciation, but exclude government royalties and levies, social investments in lieu of tax and foreign exchange gains/losses.

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RESERVES AND RESOURCES

An assessment of Reserves and Resources at 31 December 2024 was completed, based on production performance, technical studies and the drilling results from the 2024 drilling results. 2P Reserves were 67.9 MMboe, after adjusting for Baúna and Who Dat annual production of 10.4 MMboe and upward revisions of 0.8 MMboe, primarily at Who Dat, compared to 77.5 MMboe at the end of 2023. Karoon's total 2C Contingent Resources at 31 December 2024 were 121.4 MMboe, which represents an increase of 18.0 MMboe (or + 17%) on year end 2023. The increase in Contingent Resources is primarily attributed to the successful Who Dat East and South wells and the transfer/revision of previously booked Prospective Resources into the Contingent Resources category. Prospective Resources for Who Dat East, South and West have also been revised. (See pages 36 – 39 of the 2024 Annual Report for full Reserves and Resources details and disclosures at 31 December 2024).

2025 GUIDANCE

Guidance for 2025 remains unchanged from that presented in the 2024 Fourth Quarter Report. Guidance will be updated for the Baúna FPSO purchase no later than the transaction close date.

Full year 2025 guidance		
Production[2]		
Brazil	MMbbl	6.7 – 7.7
Who Dat (NRI)	MMboe	2.3 – 2.8
Total production	**MMboe**	**9.0 – 10.5**
Costs		
Unit production costs (NWI)[3]	US$/boe	12.5 – 17.5
Flotel	US$m	17 - 26
Exploration expenses, share based payments and business development	US$m	11 – 14
Unit DD&A (NWI)[4]	US$/boe	15 – 16
Finance costs and interest (net of interest income)[5]	US$m	50 – 60
Other operating costs[6]	US$m	33 – 37
Investment expenditure		
Neon[7]	US$m	2 – 3
Other capex[8]	US$m	39 – 47
Who Dat[9]	US$m	58 – 67
Total capex	**US$m**	**99 – 117**
Petrobras consideration[10]	US$m	88

NOTES:
1. Guidance is subject to various risks (including "Key Risks" set out in the 2024 Annual Report).
2. Production assumes drilling results and expected future development projects, including well interventions, are delivered in accordance with their currently expected schedules.
3. Unit Production Costs are based on daily operating costs associated with Baúna and Who Dat production, Baúna FPSO lease costs (pre AASB 16) and Karoon's Net Working Interest production.
4. Excludes depreciation on FPSO right-of-use asset capitalised under AASB 16 'Leases' and non-oil and gas related depreciation and is based on Karoon's Net Working Interest production.
5. Finance Costs and Interest: includes fees, interest on debt and financial instruments, interest income and withholding taxes associated with intra-group and cross border funds movements in support of capital management.
6. Other Operating costs: includes staff costs, IT, other corporate costs and non-oil and gas related depreciation. Excludes royalties and other government take, social investment/sponsorships in lieu of tax, foreign exchange gains/losses, hedge costs and non-underlying transaction costs.
7. Neon capex comprises Phase 2 expenditures up to the DG-2 decision. If the project progresses into the 'Define' phase (including FEED entry), additional costs will be incurred.
8. Includes capex for Baúna including costs for the SPS-88 well intervention.
9. Includes remaining costs relating to the unsuccessful Who Dat West exploration well.
10. Contingent consideration (including accrued interest) paid to Petrobras in January 2025.

All guidance is subject to the statement on page 6 regarding "Forward-looking statements".

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

2024 RESULTS CONFERENCE CALL

Karoon's CEO and Managing Director, Dr Julian Fowles, CFO, Mr Ray Church, and EVP & Country Manager of Karoon Brazil, Mr Marco Brummelhuis, will hold a conference call for analysts and investors to discuss the 2024 Full Year Results on Thursday, 27 February 2025 at 11.00am (Melbourne time). The conference call will be streamed live and can be accessed via the following link:

https://ccmediaframe.com/?id=TRdu155Z

A recording of the call will be available on Karoon's website.

FOR FURTHER INFORMATION ON THIS RELEASE, PLEASE CONTACT:

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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).

All statements are net to Karoon's interests as of 31 December 2024 and use a combination of deterministic and probabilistic methods. For Reserves and Resources associated with assets in Brazil, Karoon's reported net share is based on the Working Interest for each license. For Reserves and Resources associated with assets in the USA, Karoon's reported net share is based on the Net Revenue Interest for each license, well or reservoir.

Resource volumetric estimates in MMboe have 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.

The reference point for Reserves calculation is at the fiscal meter situated on the respective production facility.

Undeveloped Reserves are expected to be recovered: (1) from new wells on undrilled acreage, (2) from deepening existing wells to a different reservoir, or (3) where a relatively large expenditure is required to (a) recomplete an existing well or (b) install production or transportation facilities for primary or improved recovery projects.

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 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.

Karoon Energy
2024 Full Year Results

27 February 2025

KAROON ENERGY

Disclaimer

This presentation has been prepared by Karoon Energy Ltd (Karoon or the Company). The information contained in this presentation is for information purposes only and does not constitute an offer to issue, or arrange to issue, securities or other financial products. This presentation contains summary information about the Company and its activities that is current as at the date of this presentation and remains subject to change without notice. This presentation should be read in conjunction with Karoon's other periodic and continuous disclosure announcements released to the Australian Securities Exchange which are available at: https://www.asx.com.au/markets/company/kar
This presentation does not, and does not purport to, contain all information necessary to make an investment decision in relation to Karoon. Accordingly, the information contained in this presentation is not investment or financial product advice and is not intended to be used as the basis for making an investment decision. The presentation has been prepared without taking into account the investment objectives, financial situation or other particular needs of any particular person.

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This presentation is not a prospectus, product disclosure statement or other disclosure or offering document, and it has not been lodged with ASIC or the regulatory authority of any foreign jurisdiction.

An investment in the Company is subject to investment and other known and unknown risks, some of which are beyond the control of Karoon. Karoon does not guarantee any particular rate of return or performance, nor does it guarantee the repayment of capital from the Company or any particular tax treatment. Before making an investment decision, you should consider, with or without the assistance of a financial or other independent professional adviser, whether an investment is appropriate in light of your particular investment needs, objectives and financial circumstances. Past performance is no guarantee of future performance.

The distribution of this presentation in jurisdictions outside Australia may be restricted by law. Any recipient of this presentation outside Australia must seek advice on and observe any such restrictions. By attending an investor presentation or briefing, or accepting, accessing or reviewing this presentation, you acknowledge and agree to the terms set out in the "Disclaimer" section of this presentation.

Certain figures, amounts, estimates and numbers are subject to the effect of rounding. Accordingly, the actual calculations of these figures, amounts, estimates and numbers may differ from those set out in this presentation.

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. The actual results, achievement or performance of Karoon may be materially different from any future results, achievement 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. To the maximum extent permitted by law, 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 12 months to 31 December 2025 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 2024 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. 31 December 2024) of the Reserves and Resources Statement included in Karoon's 2024 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.
Resource volumetric estimates in MMboe have 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
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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Julian Fowles
CEO and Managing Director

2024 Full Year Highlights

2024 full year highlights

Strong cashflow & capital discipline enabled shareholder returns and reinvestment

Record production and sales revenue

- Record production of 10.4 MMboe[1], +13% on 2023 but lower than original guidance
- Sales revenue also record, of US$776m (+14% on 2023)
- Underlying EBITDAX[2] US$492m (+13% on 2023)
- Underlying NPAT[2] US$214m (+3% on 2023)

Organic growth opportunities maturing

- Neon moving towards Define / FEED decision in April 2025
- Up to two Who Dat infield opportunities to be exploited in 2H 2025/early 2026
- Exploration success at Who Dat East & South has potential to unlock material long-term value
- WDE & WDS development options, including debottlenecking FPS, being explored by JV

Improved liquidity with strong cashflow & bond

- Free cash flow from operations[3] 2024 US$176.6m (2023: US$186.5m)
- Net debt at 31 Dec 2024 of US$8.8m (2023: US$103.7m)
- Near four-fold increase in liquidity to US$681m supports capital needs for 2025, investment in organic opportunities and ongoing capital returns
- US$350m bond increases funding flexibility and maintains strong balance sheet

Capital discipline and returns to shareholders

- Formalised Capital Returns Policy of 20-40% of underlying NPAT
- Final dividend announced of 5.0 Aus cents/share, unfranked, taking total 2024 dividends to 9.496 Aus cents/share
- Total capital returns incl share buybacks, of US$85.7m for 2024
- Strict return hurdles for all non sustaining investments – focus on long term TSR

1. Who Dat production reported on Net Revenue Interest basis
2. Underlying NPAT and EBITDAX reflects the Company's assessment of financial performance. Refer to slide 28 for reconciliation of the adjustments . This measure is presented to provide further insight into Karoon's performance.
3. Free cash flow from operations is defined as operating cash flows less lease liability payments and investing cashflows net of the Who Dat acquisition.

Strategic Review

Comprehensive Strategic Review complete

Core objective: To grow shareholder returns through strict application of capital allocation criteria…….as a safe and reliable, low unit cost offshore oil producer, focused on Santos Basin, Brazil and US Gulf of Mexico

- Aiming to:
  - Improve personal and process safety performance
  - Re-establish production reliability at Baúna and extend field life, facilitated by Baúna FPSO acquisition
  - Maintain production rates at Who Dat over medium term through exploiting infield opportunities
  - Capture full value from contingent resource portfolio:
    - Neon/Goiá in Brazil – farming down if positive DG-2 outcome
    - Who Dat East/South in US GOM
  - Rigorous capital allocation. New projects must achieve strict hurdles, evaluated against capital returns and balance sheet capacity
  - Maintain strong flexible balance sheet, capable of funding sustaining capex, dividend of 20-40% underlying NPAT and organic growth opportunities, plus buybacks
  - Apply pragmatic near-term sustainability objectives, expanded social programs

Health, Safety, Security and Environment

Safety is our highest priority

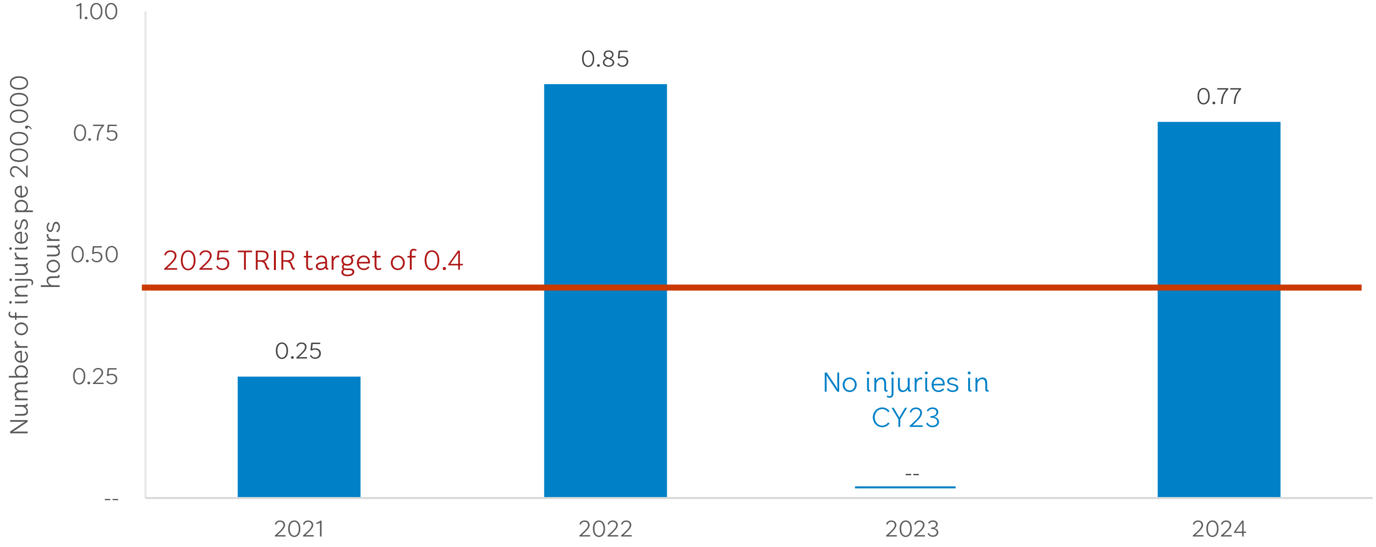
Safety Performance at Baúna

- Disappointing 2024:
  - Two Lost Time Injuries and two Medical Treatment Cases reported
  - Nine high potential incidents (six related to dropped objects)
  - Two Tier 2 process safety events relating to gas releases from FPSO gas compression coolers
- Compares to zero reportable injuries in 2023
- Steps underway to improve focus on safety including re-launch of Karoon's Golden Safety Rules
- Flotel maintenance campaign will include significant number of piping spool replacements, corrosion prevention, dropped object prevention and infrastructure maintenance

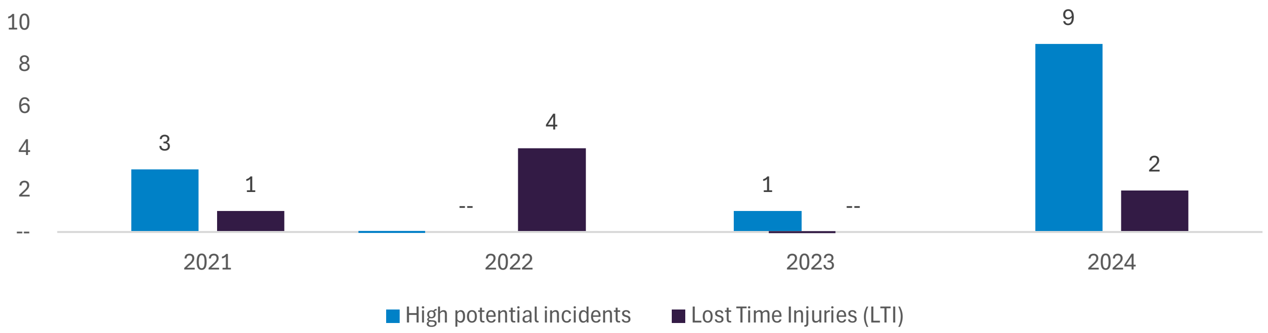
Environmental Performance

- No reportable spills

Total Recordable Injury Rate[1]



Lost Time Injuries and high potential incidents[1]



1. Does not include data relating to the Who Dat, Dome Patrol and Abilene fields in the US, which are operated by LLOG.

Ray Church
EVP and CFO

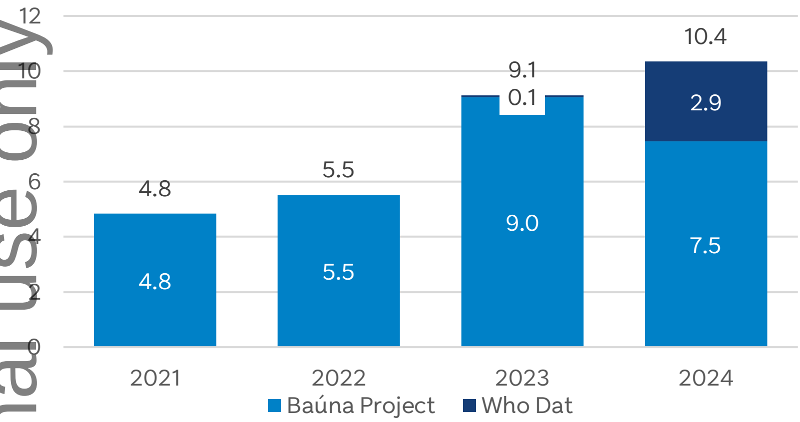
Financial Results

2024 financial highlights[1]

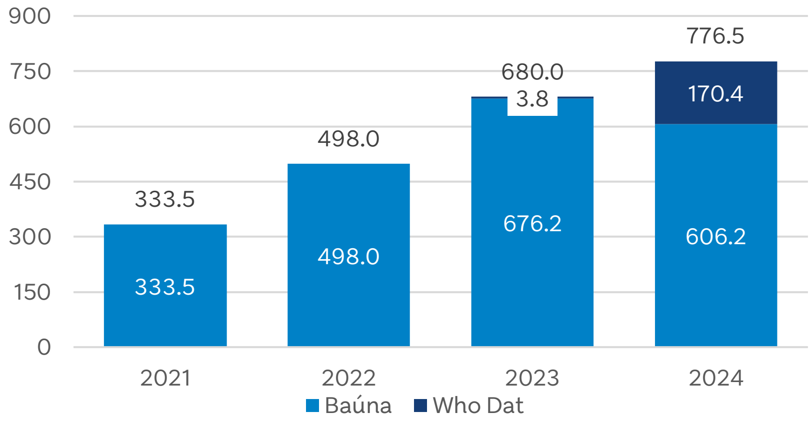
Strong free cashflow to support organic growth, returns and robust balance sheet[2]

KAROON ENERGY

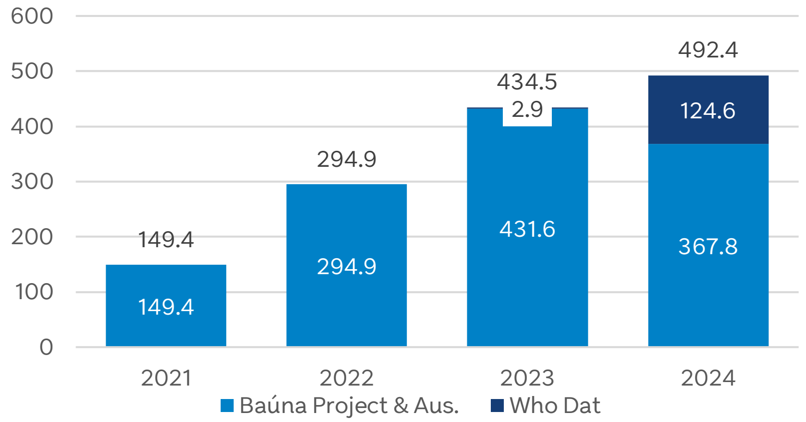
Production (MMboe)



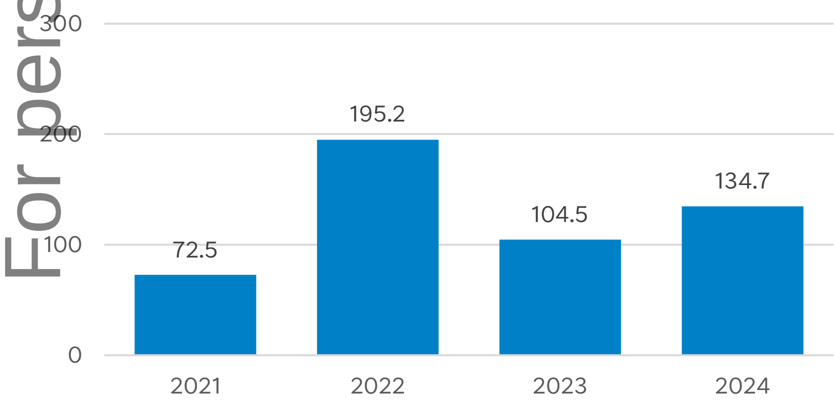
Sales revenue (US$m)



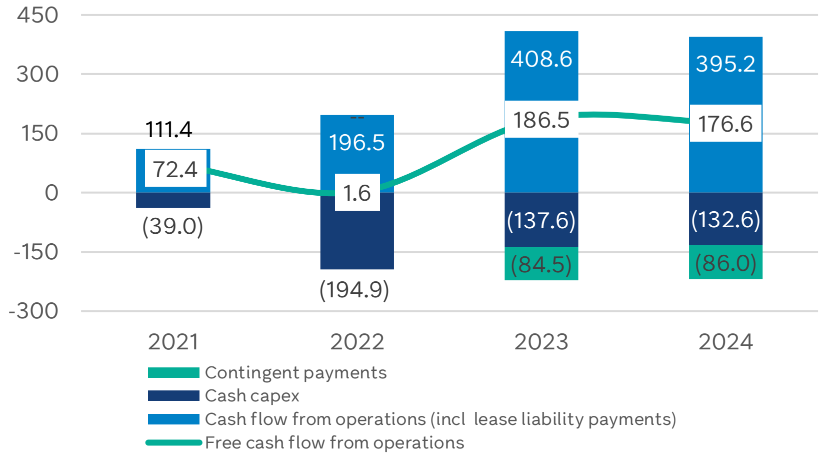
Underlying EBITDAX[3] (US$m)



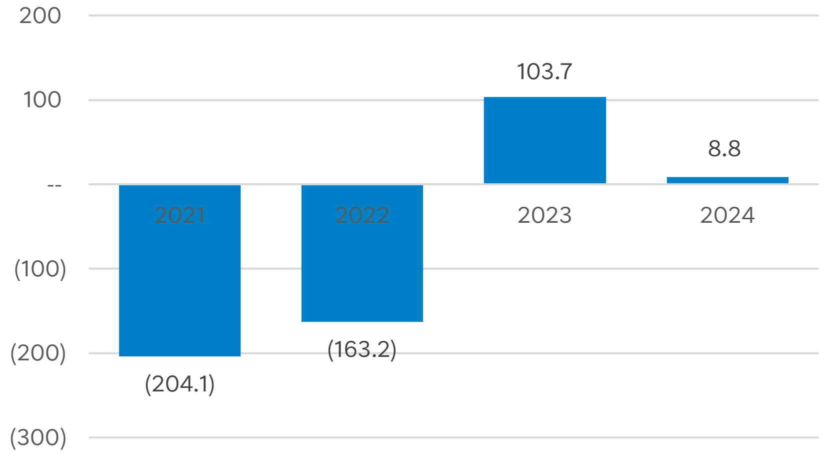
Capital Expenditure (US$m)



Free cash flow from operations[4] (US$m)



Net debt/(cash) (US$m)



1. At 31 December 2024
2. The financial information for the calendar years 2021 to 2023 are not audited but derived from audited and reviewed financial information.
3. Underlying EBITDAX 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 [25] for reconciliation of these underlying adjustments. These measures are presented to provide further insight into Karoon's performance.
4. Free cash flow from operations is defined as operating cash flows less lease liability payments and investing cashflows excluding the Who Dat acquisition purchase price.

Underlying EBITDAX of US$492.4m

Stable cost base supports EBITDAX margins

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US$ million	2024 (12 months to 31 Dec 24)	2023[2] (12 months to 31 Dec 23)	% Change
Revenue	776.5	680.0	14%
Transportation costs	(23.3)	(7.8)	>100%
Net back revenue	**753.2**	**672.2**	**12%**
Production costs (incl FPSO dep'n & finance)	(155.2)	(133.0)	17%
Royalties and other government take	(50.9)	(81.4)	-37%
Corporate & other	(38.5)	(30.5)	26%
Impact of inventory movements	(16.2)	7.2	NA
Underlying EBITDAX[1]	**492.4**	**434.5**	**13%**
Exploration costs	(4.8)	(5.5)	>12%
DD&A (excl FPSO D&A)	(164.8)	(99.6)	65%
Net finance and interest costs	(46.1)	(10.0)	>100%
Underlying pre-tax profit[1]	**276.7**	**319.3**	**-13%**
Income tax expense	(62.7)	(111.5)	44%
Underlying NPAT[1]	**214.0**	**207.8**	**3%**

- Underlying EBITDAX and NPAT up 13% and 3% respectively on 2023, with lower production from Baúna project, DD&A growth, interest costs more than offset by full year of production from Who Dat
- Increase in transportation costs include full year Who Dat pipeline tariffs and 14 of 16 cargoes shipped from Baúna FPSO to Santos in Brazil for on-sale (7 of 18 cargoes in 2023), to capture improvements in Baúna Project net realised price
- Lower royalties/govt take reflect lower production from Baúna Project and non-recurring export tariffs in Brazil during 2023
- 2024 inventory expense reflected drawdown of inventory levels (revenue of cargo lifted in 2023 not sold until 2024)
- Higher DD&A due to full year of Who Dat production
- Finance costs higher, reflecting full year of interest associated with acquisition of Who Dat and costs from US$350m bond issued in May 2024
- Underlying tax rate was 23%, lower than statutory rate (Brazilian 34%, US-Texas 21%). Reflects weakening BRL:US$ exchange rate through 2024, leading to lower US$ tax expense. Normalised tax rate ~32%

1. Underlying EBITDAX, NPAT & underlying pre-tax profit reflects the Company's assessment of financial performance. These are non-IFRS measures which are unaudited but derived from figures in the financial statements. Refer to slide [25] for reconciliation of these underlying adjustments. These measures are presented to provide further insight into Karoon's performance.
2. The financial information for the calendar year 2023 is not audited but derived from audited and reviewed financial information.

Unit Production Costs Reconciliation

Normalising opex/boe for AASB16 capitalised operating leases and royalties

2024	Reported	Back out AASB 16	Production costs related to operating leases	Normalised costs
Operating costs (US$ million)	98			98
Capitalised leases[1] D&A (US$ million)	45	(45)		
Capitalised leases[1] interest (US$ million)	12	(12)		
Cost of operating leases[1] (US$ million)			50	50
Total costs (US$ million)	**155**	(57)	50	148
Production (US on NWI basis) (MMboe)	11.0	11.0	11.0	11.0
2024 Unit production costs/boe	**14.2**	**(5.2)**	**4.6**	**13.6**
2023[2]				
Operating costs (US$ million)	62			62
Capitalised leases[1] D&A (US$ million)	57	(57)		
Capitalised leases[1] interest (US$ million)	14	(14)		
Cost of operating leases[1] (US$ million)			52	52
Total costs (US$ million)	**133**	(71)	52	114
Production (US on NWI basis) (MMboe)	9.2	9.2	9.2	9.2
2023 Unit production costs/boe	**14.5**	**(7.8)**	**5.7**	**12.4**

- Unit production costs reported on Net Working Interest (NWI) basis to exclude the impact of royalties
- Unit production costs include operating costs as per note 4 (a) of financial statements and invoiced cost of material capitalised operating leases associated with production
- AASB16 derived capitalised leases, D&A and interest costs have decreased in line with lower production from the Baúna Project
- Baúna Project unit production costs in 2024 of US$16.0/bbl, driven predominantly by lower production
- Who Dat unit production cost (NWI) was US$8.5/boe

1. Relates to material capitalised leases included in Production Costs and treated as Operating Leases prior to implementation of AASB16 for consistency with global industry norms
2. The financial information for the calendar year 2023 is not audited but derived from audited and reviewed financial information.

Strong free cashflow from operations[1]

Capex, Petrobras payment and capital returns fully funded by cashflows

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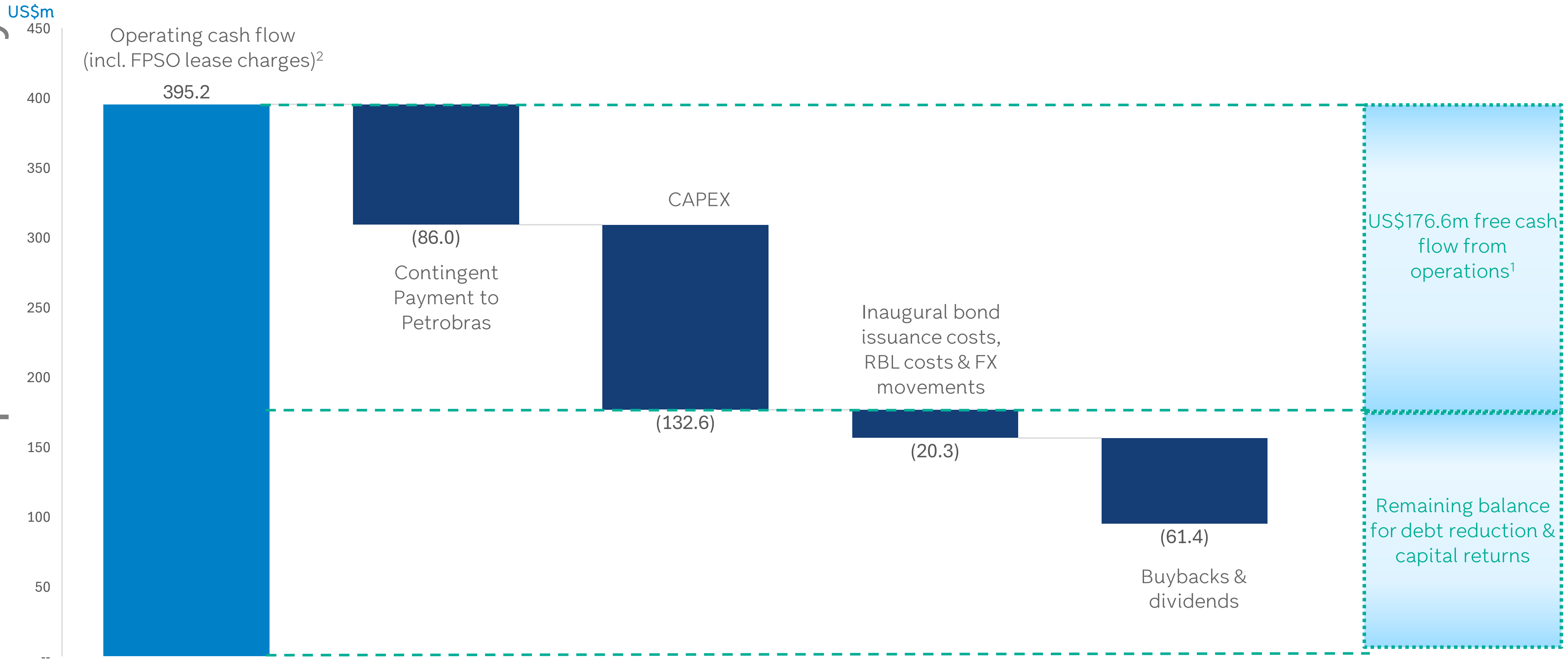
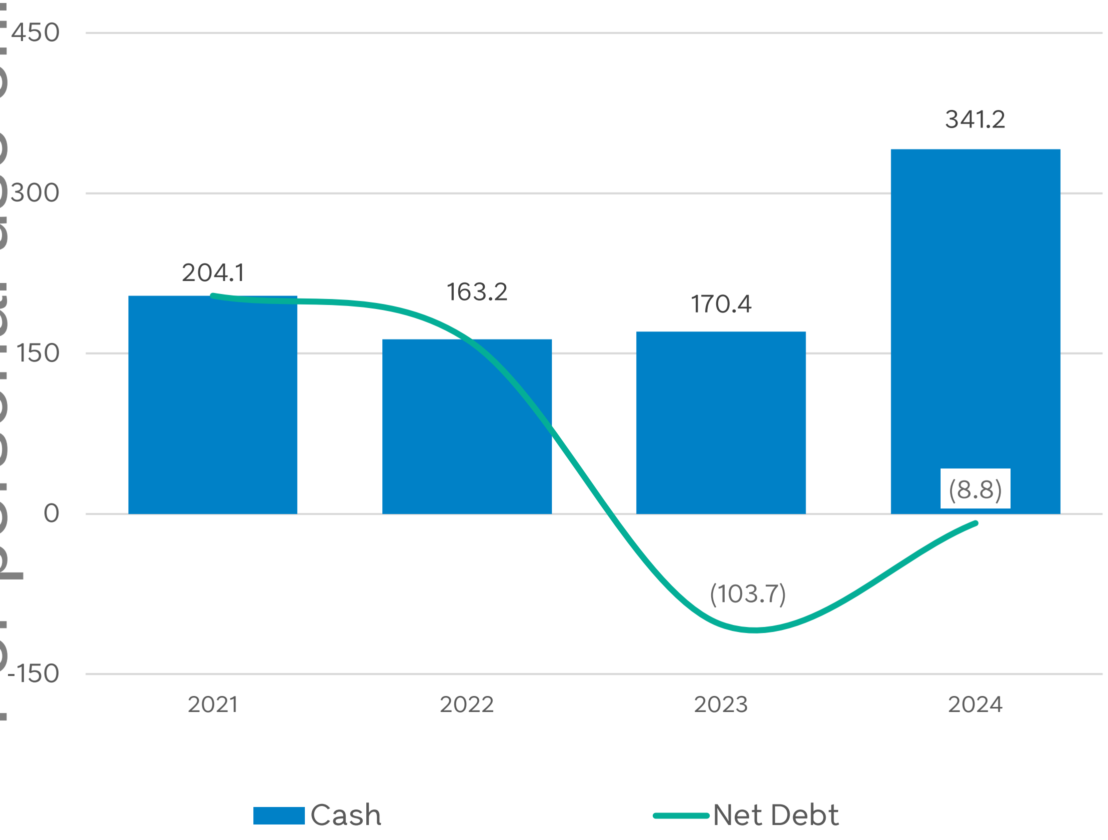


1. Free cash flow from operations is defined as operating cash flows less lease liability payments and investing cashflows net of the Who Dat acquisition.
2. Operating cash flow activities (US$434.6m) less Principal elements of lease payments (US$39.4 million

Balance sheet positioned to support sustainable TSR

In line with capital allocation framework

Net debt[1]

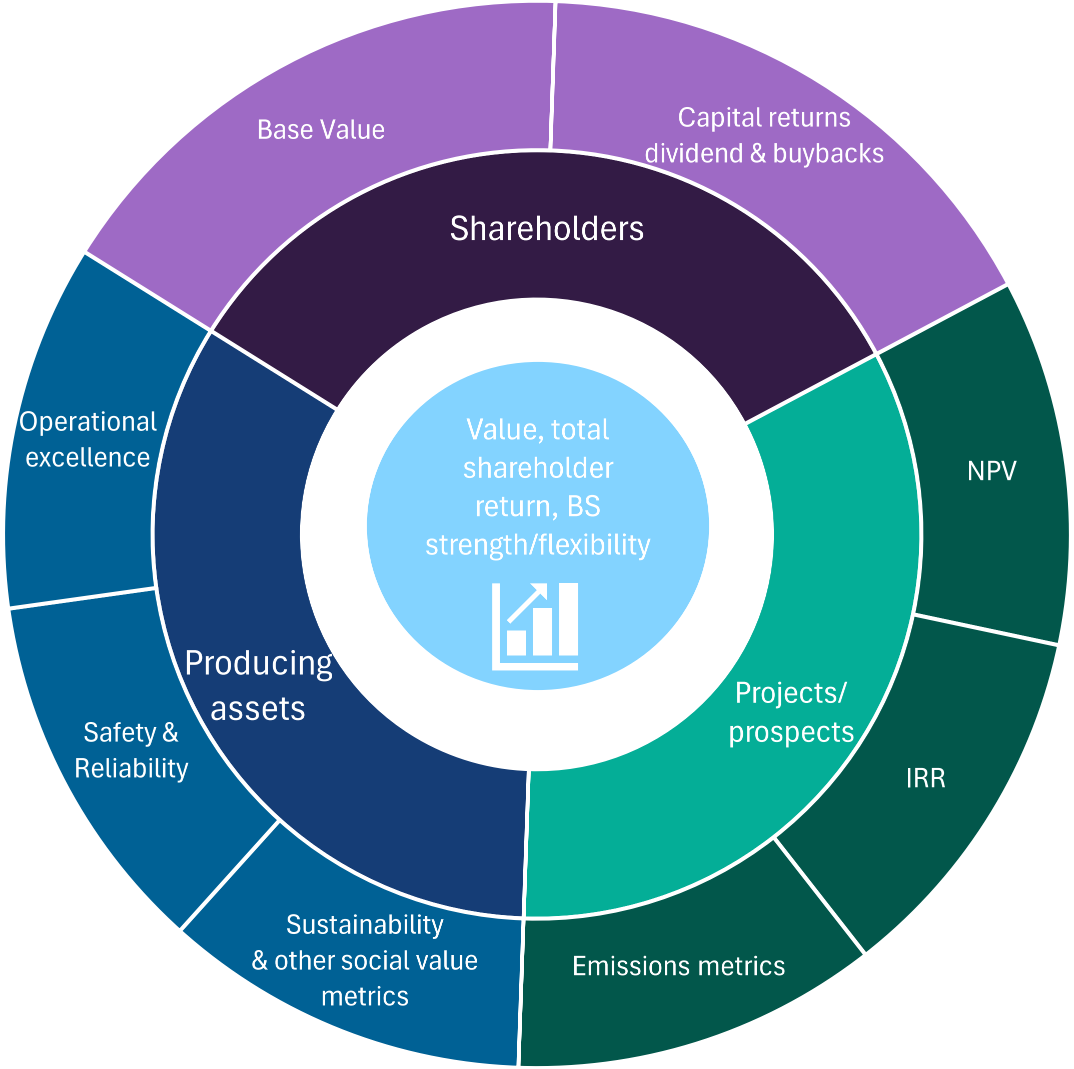


- Access to a new debt market:
  - Successfully issued US$350m high yield bond in May 2024
  - Issued in US 144A / Reg S, extending term of debt funding and opening up new long term source of debt financing
- US$340m RBL facility2 provides flexible funding alongside bond to support TSR supportive investments:
  - RBL is revolving facility with modest commitment fee on undrawn amounts
- Stable credit rating:
  - S&P: B (stable outlook); Fitch: B (stable outlook)
- Strong liquidity and balance sheet at 31 December 2024:
  - Total liquidity of US$681m
  - Liquidity at the end of 2024 to support capital needs for 2025 and sustained total shareholder returns

1. As at 31 December.
2. Available amount is subject to a semi-annual redetermination process and a straight amortising facility profile from 31 March 2026 to maturity.

Delivering value to shareholders

Capital allocation framework balances capital returns and growth investments



- Priority remains safe and reliable operations while maintaining balance sheet strength and flexibility
- Capital Returns Policy of 20-40% of underlying net profit after tax provides balance of capital returns while retaining sufficient capital to reinvest in business
- Revised Capital Allocation Framework allows for further capital returns when economics are superior and in absence of alternative, higher return uses of uncommitted cash, within a framework of safe, reliable operations and strong flexible Balance Sheet
- Capital allocation framework continues to ensure TSR-supportive growth and production sustaining investments remain within strategy and adhere to strict returns enhancing investment criteria
- Announced US$25m on-market buyback in July 2024, further US$25m in October. At year end, US$37m shares bought back and cancelled
- As well as balance of second US$25m buyback, additional buybacks up to US$75m planned for 2025, subject to shareholder approval[1]. Board believes Karoon's current share price does not reflect underlying value

1. Refer ASX released dated 30.1.25 "Additional US$75m buyback
2. Chart is illustrative only.

KAROON ENERGY

Marco Brummelhuis
EVP Brazil

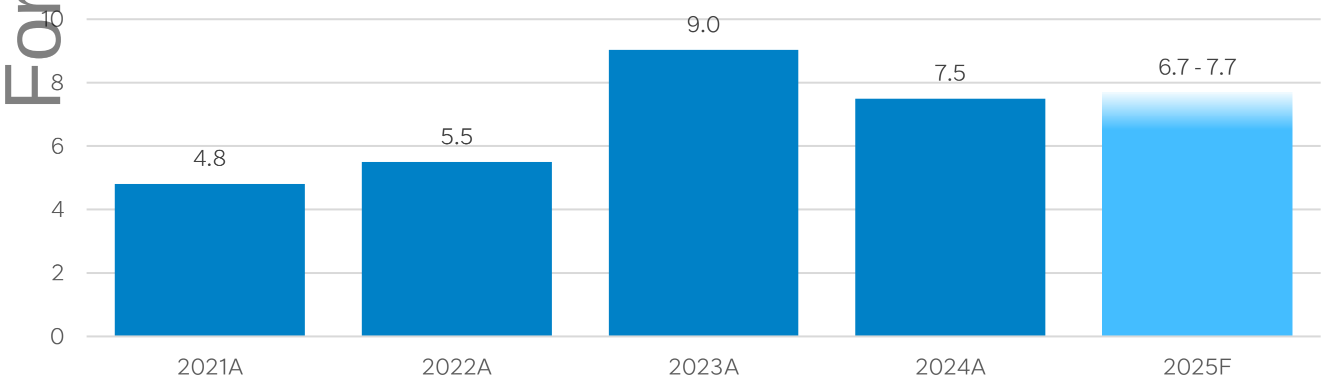
Operational Update - Brazil

Production: Baúna Project

Focus on improving FPSO reliability

- 2024 production impacted by FPSO reliability issues, SPS-88 well offline all year, anchor chain failure, and reservoir natural decline as anticipated:
  - >US$50m revenue forgone in 2024 due to 84.5% efficiency vs 92.5% (mid point of target), at average realised oil price
- Major strategic objective is to restore Baúna FPSO reliability, facilitated by FPSO acquisition:
  - Targeting 88-92% FPSO efficiency[1] in 2025 and 90 - 95% long term
  - Flotel and maintenance campaign, both aimed at substantially reducing maintenance backlog and improving reliability, currently underway
- SPS-88 intervention expected in 2Q25, online before mid-2025

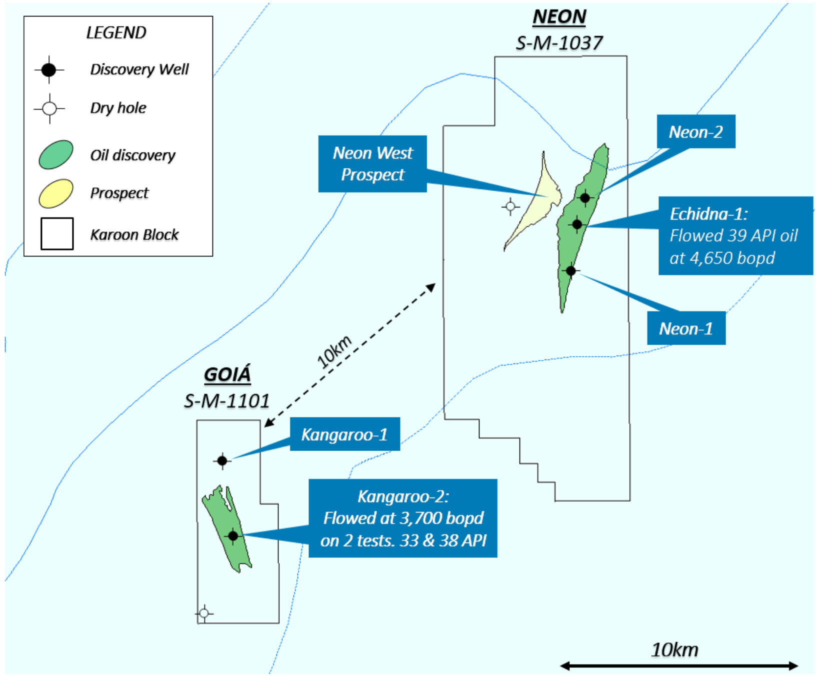
Baúna Project production (MMbbl)



1. FPSO efficiency is defined as the proportion of actual and potential production.

Neon Foundation Project

Pathway to potential development



- Neon Foundation Project entered Concept Select (DG-1) in March 2024[1]
- Next milestone in April 2025 when Board will decide whether to enter 'Define' (FEED) phase (DG-2)
- Interpretation of reprocessed 3D seismic over Neon and Neon West close to completion, assisting update of resource assessment and understanding potential downside scenarios:
  - Resource estimates unchanged pending finalisation of studies
- Engineering work investigating alternative development plans, including well configurations and topside options
- If Project proceeds into FEED, plan to commence farm-down process prior to Final Investment Decision

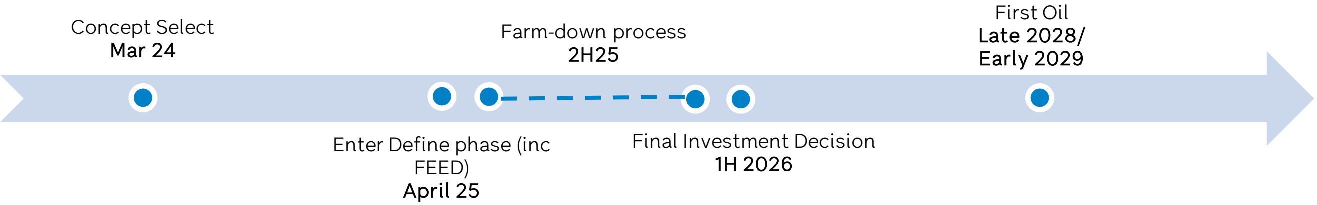
Contingent Resources[2]

	1C (MMbbl)	2C (MMbbl)	3C (MMbbl)
Neon	37.7	60.1	89.5
Goiá	16.0	27.0	46.0

Prospective Resources[2]

	1U (MMbbl)	2U (MMbbl)	3U (MMbbl)	PoS[3]
Neon West	6.1	14.8	32.9	41%

Timeline for Neon Foundation Project[3]



Timeline subject to successive positive stage gate decisions

1. Refer ASX release dated 19.4.24 "March 2024 Quarterly Report"
2. Contingent Resource volume estimates presented are as disclosed in the 2024 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.. Re Prospective Resources - 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.
3. Geological probability of success.
4. Timeline subject to decision gate approvals, including meeting stringent commercial, economic and technical hurdles and supportive market conditions

KAROON ENERGY

Julian Fowles
CEO and Managing Director

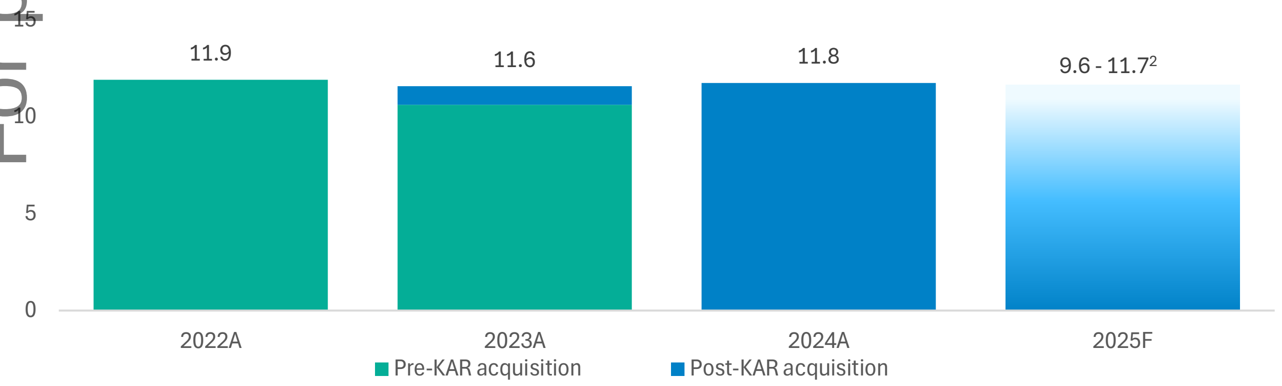
Operational Update – US & sustainability

Production: Who Dat

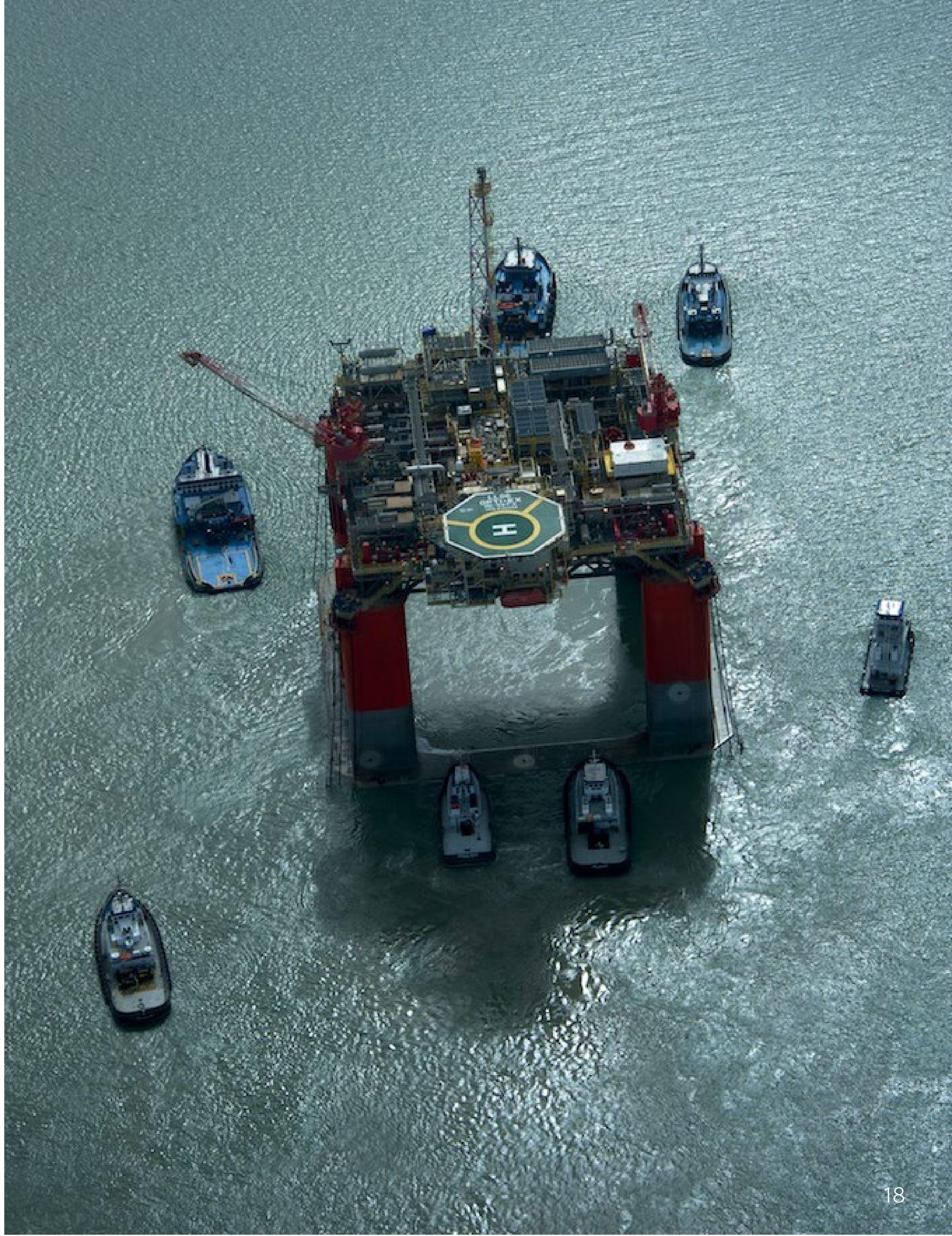
Production optimisation continuing

- 2024 production lower than original guidance, due to delays bringing new wells online, production facility bottlenecks, facility uptime below historical average and above average impact of hurricane season on Who Dat
- Production system optimisation improved gas production during year
- Recent JV meeting highlighted opportunities to limit natural decline from 2024 levels and potentially lift production rates:
  - Several infield well opportunities available, with up to two infill sidetracks being considered for 2H25/early 2026
  - Debottlenecking and reliability improvement studies underway, due to be completed by mid-2025
  - Joint Venture aligned on rapid maturation of potential subsea tieback opportunities

Gross (100%) Who Dat Project production (MMboe)[1]



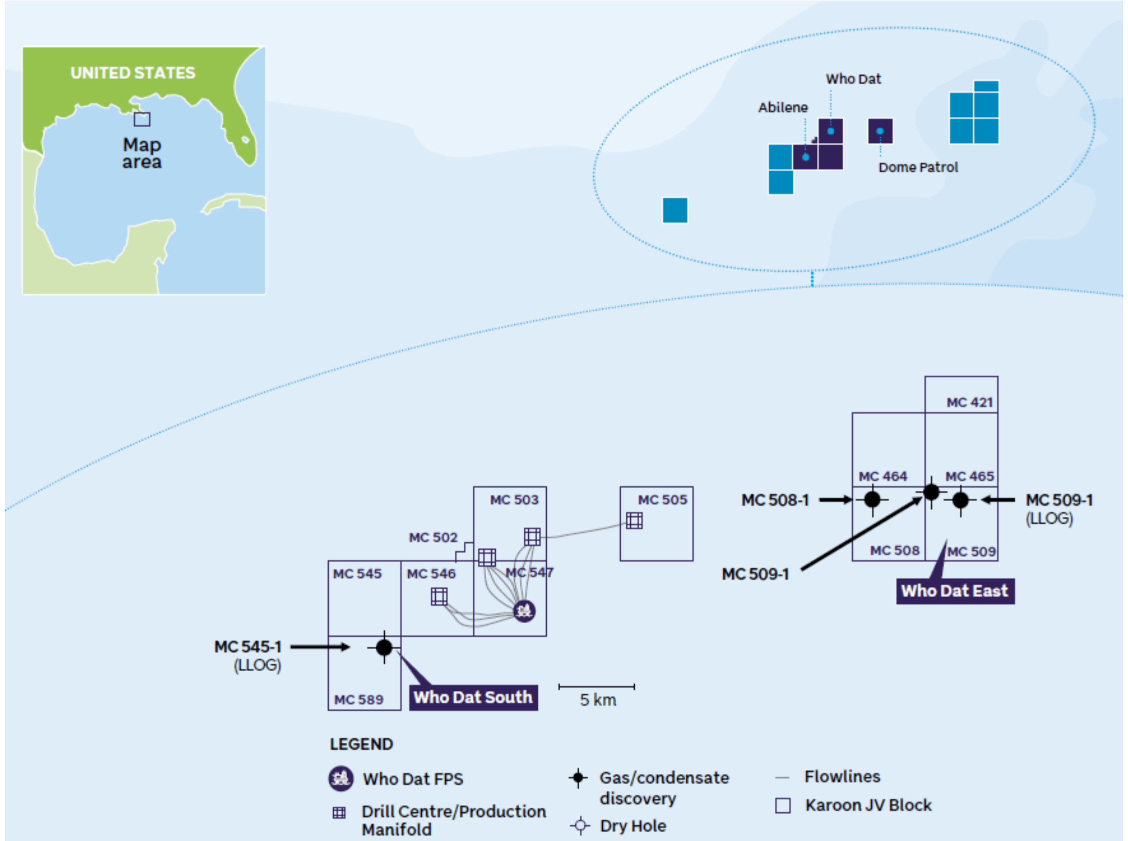
1. Acquisition of Who Dat completed on 21 December 2023
2. Illustrative only. Assumes 30% net working interest and royalty rates of 20%



Developing Who Dat East and South discoveries

Potential to unlock Who Dat Contingent Resources over next two years

- 2024 drilling results added material Contingent and Prospective Resources within tieback distance of existing infrastructure
- Minimal additional appraisal drilling requirements and short project execution timeline advantageous for project commerciality and first production timing
- Opportunity to leverage existing facilities investments for superior returns
- Scope of de-bottlenecking study includes evaluation of upgrade/expansion requirements to accommodate tie-back development concepts
- Tie-back to third party facilities also an option
- JV aiming to FID at least one discovery by early 2026



Who Dat East & South resource additions[1]

Successful 2024 drilling campaign

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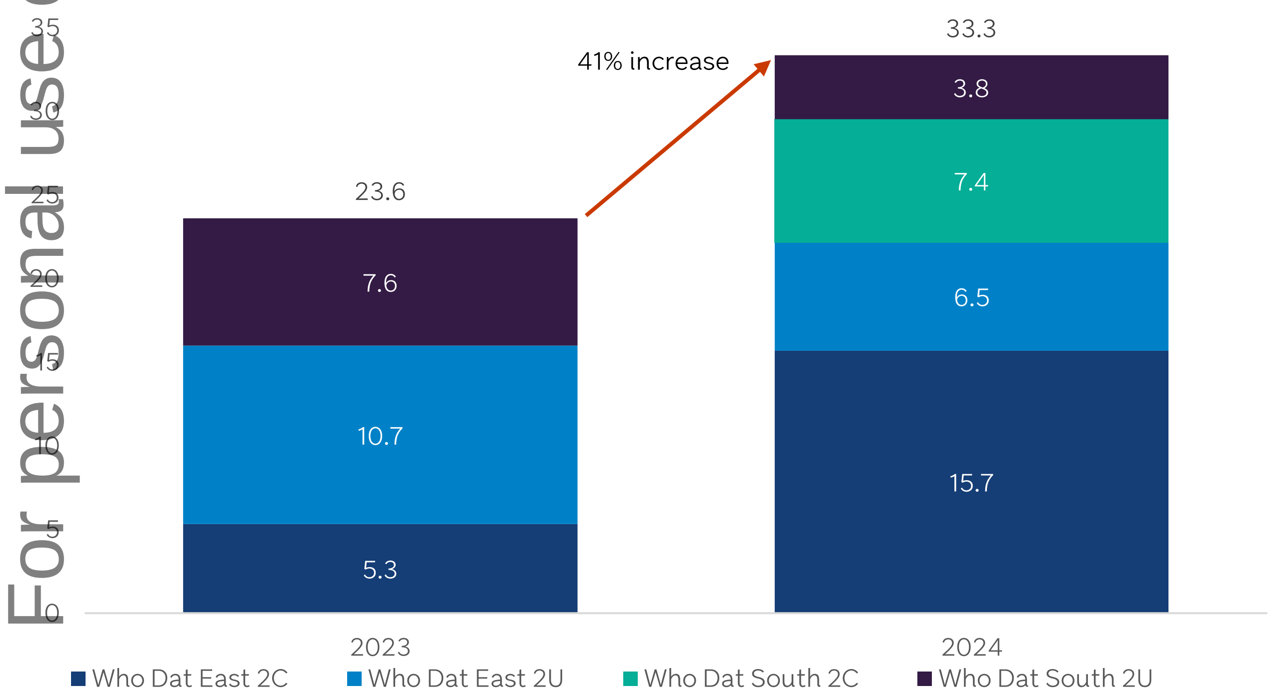
Who Dat East and South 2C Contingent + Unrisked 2U Prospective Resources (MMboe NRI)[1] (excluding Who Dat West [2] and Who Dat East Deep)



Contingent Resources (MMboe NRI)[1]
As at 31 December 2024

	1C	2C	3C
Who Dat East	9.1	15.7	30.2
Who Dat South	3.5	7.4	15.2
Total (arithmetic summation)	12.6	23.1	45.4

Prospective Resources (MMboe NRI)[1]
As at 31 December 2024

	PoS[3]	1U	2U	3U
Who Dat East	51%	2.4	6.5	14.9
Who Dat South	59%	1.5	3.8	7.4
Who Dat East Deep	7%	19.1	52.1	102.7
Total (arithmetic summation)		23.0	62.4	125.0

1. Contingent Resource and Prospective Resource volume estimates presented are as disclosed in the TY23 & 2024 Annual Reports. 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. Re Prospective Resources , 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.
2. Prospective Resources associated with Who Dat West de-booked as at 31 December 2024 as the well did not encounter commercial quantities of hydrocarbons
3. Geological probability of success.

Sustainability programs[1]

Building out community and social programs, aligning climate targets to peers

- Realigned climate strategy from previous target of Net Zero by 2035 to Net Zero by 2050 or sooner:
  - Reflects current asset portfolio and opportunity outlook and aligns with majority of industry and peer group E&P companies[2]
- Commitment to be Carbon Neutral for Scope 1 and 2 emissions unchanged, now includes non-operated assets on equity basis and improving quality of credits used by securing Afforestation, Reforestation & Revegetation (ARR) credits:
  - Five year offtake agreement to secure 100,000 Afforestation, Reforestation and Revegetation (ARR) certificates pa from Suzano Horizonte project in Brazil and 60,000 REDD+ certificates pa from CarbonNext Hiwi project
- Voluntary social project investment aimed to increase to 0.05% of forecast annual sales revenue in 2025 and 0.10% by 2027:
  - In 2024, supported four voluntary social projects in Brazil and 18 incentivised projects (11 renewals with partner organisations)
- Implemented measures to mature security position in 2024, committed to achieving NIST Cybersecurity Framework Maturity Level 3

1. See 2024 Sustainability Report for details and definitions.
2. Source: Company websites, EY-Parthenon analysis

KAROON ENERGY

Julian Fowles
CEO and Managing Director

Baúna FPSO acquisition and summary

Acquisition of Cidade de Itajaí (Baúna FPSO) [1]

Targeting strategic operations reset

- Strategic acquisition of a key asset
- Objective is to re-establish reliable and predictable operations at Baúna Project and maximise value of Baúna asset
- Attractive metrics, with IRR comfortably above mid-teens hurdle rate, potentially >20% post tax, payback period of ~4 years
- Ownership of vessel and revised contracts expected to provide opportunity to:
  - Improve long-term efficiency of FPSO
  - Strengthen safety culture
  - Reduce lifting costs, prolonging Baúna Project life
  - Defer decommissioning costs to late 2030s
- Expected to be paid from existing cash[2]

1. Subject to acquisition assumptions on slide 24 of this slide pack.
2. Subject to oil price and cashflow prior to close.

FPSO acquisition assumptions[1]

Robust IRR, payback period of ~4 years

- Acquisition price of US$115m, plus ~US$8m transaction costs
- Expected reduction in Baúna opex of ~US$4-6/bbl from 2026 (based on current production rates):
  - No lease costs, partly offset by increased scope/cost of new O&M contract and inhouse FPSO engineering/planning costs
  - Non-recurring additional transition period expenses in 2025[2]
- Revitalisation work scopes and capex being defined and implementation plans developed:
  - Have assumed ~US$80m capex over 2026-2028 and further capex program in early 2030s, plus ESP replacement programs
  - Capture a portion of booked Contingent Resources as Reserves
- Additional Baúna FPSO sustaining capex of up to US$5m pa, subject to DD and O&M terms
- US$30m deposit paid, balance to be paid at transaction close, targeting end April
- FPSO lease costs unchanged until SPA closing

1. Values in real terms, subject to assumptions including transaction timetable, closing, terms of future O&M agreement, life extension costs, future FPSO efficiency, oil price, conversion of contingent resources and rephasing of abandonment liabilities. This does not constitute future guidance for any of the stated financial periods.
2. During the transition period, A&O will continue to operate the vessel and Baúna Project wells.

Transaction timeline

KAR expected to become vessel owner end April, A&O operates during transition period

27 Feb 25	End Apr 25	Mid-25	4Q25/1Q26
SPA signed	Transaction close	New O&M contractor selected	Complete transition to new contractor

- Tender preparation for new O&M operator underway:
  - Focus on contractual arrangement that aligns with Karoon's TSR, safety and field life objectives
- In late April 2025, Karoon is expected to become vessel owner
- A&O to continue to operate FPSO under Transition Agreement, to allow for transition to new contractor and ensure safe and reliable operations
- Transition period expected to take 6-9 months[1]:
  - New O&M contractor takes control of operations and maintenance once all regulatory approvals received and readiness to operate demonstrated
- Transfer of O&M currently expected in 4Q25/1Q26[1]

1. Completion of transfer of operational control subject to further planning and regulatory approvals.

Summary

Improving market confidence

- Record production and underlying NPAT in 2024, but below expectations due to operational challenges
- Major focus to address issues and deliver Strategic Review objectives:
  - First priority remains safe and reliable operations, with focus on re-establishing predictable production
  - Aim to facilitate Baúna reliability improvements through FPSO acquisition, exploit infield opportunities at Who Dat to mitigate natural decline
  - Capture value from organic growth opportunities at Neon and Who Dat
  - Capital allocation framework to be strictly applied, to optimise TSR
  - Expanded social programs, climate objectives aligned with industry peers
- Strong cash flows at current oil prices and ample liquidity provides opportunity to balance capital returns and value accretive growth opportunities:
  - US$75m of intended on-market share buybacks in 2025 already announced, in addition to US$50m announced in 2024, plus 23% NPAT payout as dividends
  - 42m shares acquired and cancelled to date
- Solid financial position with robust balance sheet
- 2025 guidance unchanged[1]. Guidance to be updated for FPSO acquisition no later than SPA closing

1. See Appendix 2.

Appendix and Glossary

KAROON
ENERGY

Appendix 1: Reconciliation of underlying results to statutory results

	2024 (12 months to 30 Jun 24)		2023[1] (12 months to 31 Dec 23)	
	NPAT	EBITDAX	NPAT	EBITDAX
Statutory results	**127.5**	**470.1**	**207.9**	**397.1**
Change in fair value of contingent consideration	4.3	6.5	5.5	8.3
Realised losses/(gains) on cash flow hedges	8.1	12.2	5.6	8.4
Foreign exchange losses/(gains)	(2.6)	(3.3)	6.4	9.2
Cost of unsuccessful wells	12.0	-	-	-
Social investments/sponsorships	-	2.0	-	2.3
Write-back of inventory impairment	-	-	(1.1)	(1.6)
Transaction & Advisory Costs	3.8	4.8	10.8	10.8
Capital Distributions impact on current tax expense	-	-	(8.0)	-
Cumulative translation adjustment impact on deferred tax	60.9	-	(19.3)	-
Total adjustments	**86.5**	**22.2**	**(0.1)**	**37.4**
Underlying results	**214.0**	**492.4**	**207.8**	**434.5**

Underlying EBITDAX (earnings before interest, tax, depreciation, depletion, amortisation, exploration and costs of unsuccessful wells) and underlying net profit after tax are non-IFRS measures.

- Cumulative translation adjustment impact on current tax expense reflects a non - monetary movement in deferred tax expense due to FX fluctuations to the Brazilian asset base, denominated in REAL (R$), and the reporting currency, which is US$. This adjustment will occur each reporting period in line with the movement in conversion rates between R$ and US$.
- Change in fair value of contingent consideration recognises movement each year due to revaluation of Petrobras contingent con sideration
- Hedges required by syndicated loan facility were entered into for the period March 2024 to December 2025
- Social investments/sponsorships are payments in lieu of corporate income tax allowable under Brazilian tax law (additional sp end to Government related payments shown in earlier slides)
- Costs of unsuccessful wells of US$12.0m post-tax (US$15.1 million pre-tax) relates to the Who Dat West (MC-629-1) well.
- Advisory and transaction costs in 2024 relate to the due diligence and advisory expenditure on bond issuance

1. The financial information for the calendar year 2023 is not audited but derived from audited and reviewed financial information.

Appendix 2: 2025 guidance [1]

12 months to 31 Dec 25		Low	High
Production[2]			
Brazil	*MMboe*	6.7	7.7
Who Dat (NRI)	*MMboe*	2.3	2.8
Total Production	***MMboe***	**9.0**	**10.5**
Costs			
Unit production costs (NWI) [3]	*US$/boe*	12.5	17.5
Flotel	*US$m*	17	26
Exploration expenses, share based payments and business development	*US$m*	11	14
Unit DD&A (NWI)[4]	*US$/boe*	15	16
Finance costs and interest (net of interest income)[5]	*US$m*	50	60
Other operating costs[6]	*US$m*	33	37
Investment expenditure			
Neon[7]	*US$m*	2	3
Other capex[8]	*US$m*	39	47
Who Dat[9]	*US$m*	58	67
Total capex	***US$m***	**99**	**117**
Petrobras consideration[10]	*US$m*	88	88

Basis of guidance

KAROON ENERGY

1. Guidance is subject to various risks (including “Key Risks” set out in 2024 Annual Report)
2. Production assumes drilling results and expected future development projects, including well interventions, are delivered in accordance with their currently expected schedules.
3. Unit Production Costs are based on daily operating costs associated with Baúna and Who Dat production, Baúna FPSO lease costs (pre AASB 16) and Karoon’s Net Working Interest production. Excludes impacts of FPSO purchase, which are subject to O&M terms, timing of regulatory approval.
4. Excludes depreciation on FPSO right-of-use asset capitalised under AASB 16 ‘Leases’ and non-oil and gas related depreciation and is based on Karoon’s Net Working Interest production.
5. Finance Costs and Interest: includes fees, interest on debt and financial instruments, interest income and withholding taxes associated with intra-group and cross border funds movements in support of capital management.
6. Other Operating costs: includes staff costs, IT, other corporate and Business Unit overhead costs and non-oil and gas related depreciation. Excludes royalties and other government take, social investment/sponsorships in lieu of tax, foreign exchange gains/losses, hedge costs and non-underlying transaction costs. Excludes one-off transaction and transition costs associated with the FPSO purchase.
7. Neon capex comprises Phase 2 expenditures up to the DG-2 decision. If the project progresses into the ‘Define’ phase (FEED entry), additional costs will be incurred.
8. Includes capex for Baúna including costs for the SPS-88 well intervention which is subject to finalising remaining contracts for support vessels and final regulatory approval.
9. Includes remaining costs related to the Who Dat West exploration well.
10. Contingent consideration (including accrued interest) paid to Petrobras in January 2025.

Glossary

Term	Definition
AASB	Australian Accounting Standards Board.
ANP	Agência Nacional do Petróleo, Gás Natural e Biocombustíveis.
Baúna or Baúna Project	Concession BM-S-40 containing the producing Baúna, Piracaba and Patola light oil fields in Brazil.
bbl or barrel	Barrel of oil = 42 United States gallons; equivalent to approximately 159 litres
boe	Barrel of oil equivalent. 1 Boe = 6000 scf natural gas
boepd	Barrels of oil equivalent per day
bopd	Barrels of oil per day
CY	Calendar year
D&A	Depreciation and amortisation
D,D&A	Depreciation, Depletion and amortisation
EBITDAX	Earnings before interest, tax, depreciation, amortisation, exploration and costs of unsuccessful wells
FEED	Front End Engineering and Design
FPS	Floating, production and storage vessel
FPSO	Floating, production, storage and offloading vessel
Gearing	Gearing is defined as net debt / (net debt + book value of equity)
GOM	Gulf of Mexico
JV	Joint Venture
Karoon	Karoon Energy Ltd and its subsidiaries
$kgCO_2e$/boe	Kilograms of carbon dioxide equivalent per barrel of oil equivalent
Leverage	Leverage is based on EBITDAX for the last twelve months divided by net debt
LTI	Lost time injury
MMbbl	Million barrels of oil
MMboe	Million barrels of oil equivalent. Gas converted to oil on basis of 6,000 scf gas = 1 barrel of oil equivalent
NRI	Net Revenue Interest relates to a share of production after deducting royalties, overriding royalties, and other similar burdens from the working interest.
Net Debt	Total borrowings less cash and cash equivalents (excluding transaction costs)
NWI	Net Working Interest
NPAT	Net profit after tax
p.a.	per annum
R$	Brazilian Real
R&D	Research and Development
RBL	Reserve Based Lending
Recordable incident	Any incident required to be reported to parties external to Karoon, including Medical Treatment Injuries, Alternative Duties Injuries, Lost Time Injuries and Fatalities
TRIR	Total Recordable Injury Rate
TSR	Total Shareholder Return
TY23	Transitional Financial year beginning 1 July 2023 and ending on 31 December 2023.
Who Dat	The Who Dat producing assets comprise the Who Dat, Dome Patrol and Abilene oil and gas fields and associated infrastructure. The fields are located in the Mississippi Canyon, offshore Louisiana in the USA.

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