

ASX RELEASE

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Successful bid for blocks in Santos Basin and guidance update

Karooon participated (17 June Brazil time) in the ANP 5th Permanent Offer Bid Round for Concession Contracts and was successful in its bid to secure 100% interests in six blocks in the Santos Basin, offshore Brazil.

Two of the blocks, S-M-974 and S-M-1038, are located approximately 17 kilometres from the Neon field, and contain the Piracucá discovery. In addition, Karoon was successful in its bid for four deepwater blocks (S-M-1484, S-M-1605, S-M-1358, S-M-1603), located adjacent to Karoon's existing deepwater exploration acreage in the Santos basin. These deepwater blocks are around 80 kilometres southeast of Baúna field.

Formal granting of the blocks is expected to occur in the fourth quarter of 2025, subject to meeting certain qualification conditions, the payment of a bid bonus of approximately US\$14.8 million¹ and providing a financial guarantee for approximately US\$6.1 million¹, equivalent to 30% of the minimum work program.

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

"Karooon is pleased with the successful bid for the six blocks in the latest Brazilian permanent offer bid. The newly acquired blocks further strengthen Karoon's presence in the offshore Santos Basin.

Two of the blocks, S-M-974 and S-M-1038, contain the Piracucá discovery. Initial technical studies suggest the Piracucá discovery could be an attractive tie-back candidate into a potential Neon FPSO, subject to the proposed Neon development achieving a Final Investment Decision as well as necessary regulatory approvals.

The four deepwater blocks (S-M-1484, S-M-1605, S-M-1358, S-M-1603) were acquired in a strategic move to consolidate our position in the area at low entry cost.

The terms of the bid included a bonus payment of approximately US\$14.8 million in total plus a minimum work program of US\$20.2 million, to be undertaken within seven years of the formal award of the blocks. The bids did not include well commitments on any of the blocks."

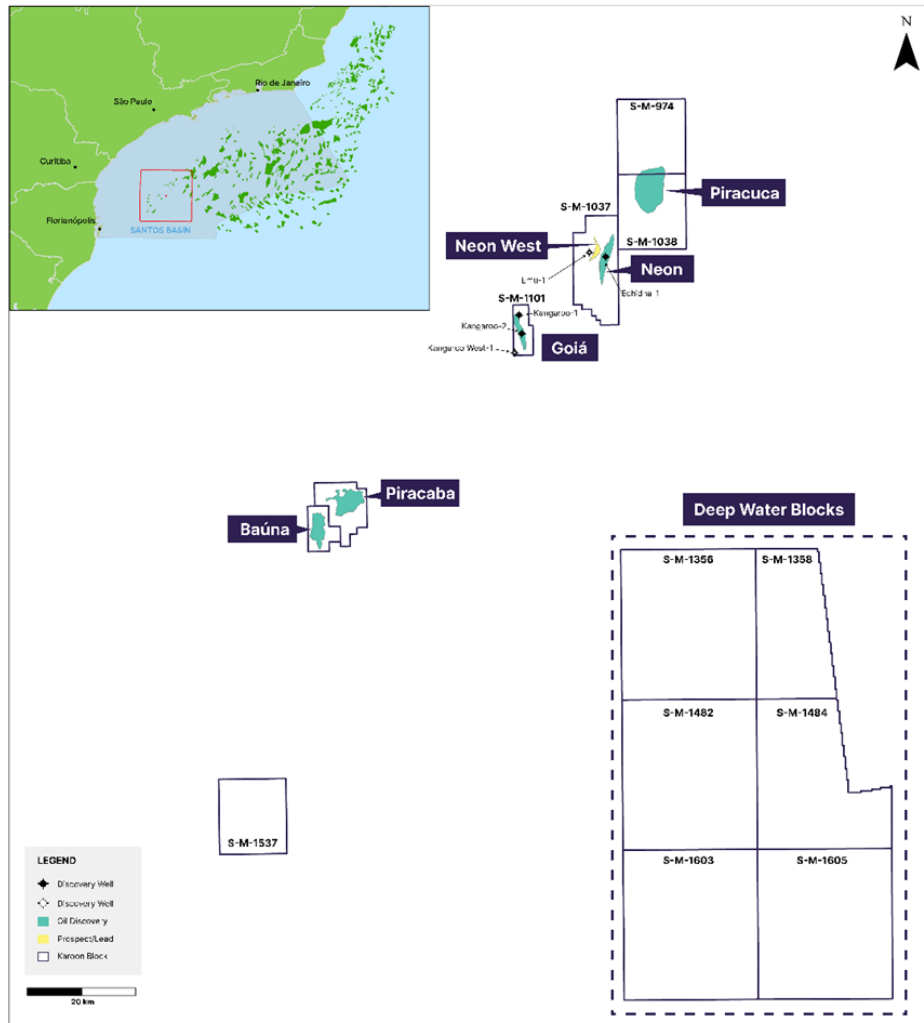
2025 Capex Guidance

Karooon's 2025 capex guidance has increased to US\$120 -140m to incorporate the signature bonus payments and work programme guarantees associated with the successful participation in the bid round.

Guidance for Calendar Year 2025¹		Prior	Revised
Investment Expenditure			
Neon ²	US\$m	8 - 11	Unchanged
Other Capex ³	US\$m	39 - 47	54 - 62
Who Dat ⁴	US\$m	58 - 67	Unchanged
Total Capex	US\$m	105 - 125	120 - 140

- Guidance is subject to various risks (including "Key Risks" set out in 2024 Annual Report)
- Neon capex includes first stage of Neon Define costs. It does not include spend for the next two stages for Neon Define phase
- Includes capex for Baúna including costs for the SPS-88 well intervention and signature bonus for the new blocks in the Santos Basin.
- Includes Who Dat West exploration well which has been expensed.

¹ Based on USD:BRL exchange rate of 5.50



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

FOR FURTHER INFORMATION ON THIS RELEASE, PLEASE CONTACT

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This announcement may contain certain "forward-looking statements" with respect to the financial condition, results of operations and business of Karoon and certain plans and objectives of the management of Karoon. Forward-looking statements can generally be identified by words such as 'may', 'could', 'believes', 'plan', 'will', 'likely', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties, which may include, but are not limited to, the outcome and effects of the subject matter of this announcement. Indications of, and guidance on, future earnings and financial position and performance, well drilling programs and drilling plans, estimates of Reserves and Contingent Resources and information on future production are also forward-looking statements.

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.