KAROON ENERGY

26 February 2026

Company Announcements Office

ASX Limited

Dear Sir / Madam

2025 Full Year Financial Report - ASX Release and Investor Presentation

Enclosed are the following documents in relation to Karoon Energy Limited's 2025 Full Year Financial Report:

- ASX Release
- Investor Presentation

This announcement was authorised by the Board of Directors.

Yours faithfully

Daniel Murnane
Company Secretary

KAROON ENERGY

ASX RELEASE

26 February 2026 | ASX: KAR

2025 Underlying Net Profit After Tax of US$107.5 million

12 months to	31 Dec 25	31 Dec 24	% change
Production volume on NWI basis (MMboe)	**10.9**	11.0	-1
Production volume on NRI basis (MMboe)	**10.3**	10.4	-1
Sales volume on NRI basis (MMboe)	**9.9**	10.7	-7
Average realised oil, condensate and NGL price (US$/boe)	**65.90**	77.10	-15
Average realised gas price (US$/mcf)	**4.20**	2.95	+42
Sales revenue on NRI basis (US$ million)	**628.6**	776.5	-19
Unit production costs on NWI basis (US$/boe)	**13.2**	13.6	-3
Underlying EBITDAX[1] (US$ million)	**388.8**	492.4	-21
Unit depreciation and amortisation on NWI basis (US$/boe)[1]	**15.2**	14.9	+2
Underlying net profit after tax[1] (US$ million)	**107.5**	214.0	-50
Statutory net profit after tax (US$ million)	**125.5**	127.5	-2
Shareholder returns (US$ million)	**80.4**	61.4	+31
Operating cash flow (US$ million)	**251.4**	434.6	-42
Lost time injury rate (incidents/200,000 hours)	**0.00**	0.38	-100
Total recordable injury rate (incidents/200,000 hours)	**0.16**	0.77	-79

Highlights

- **Underlying net profit after tax (NPAT)[1] for 2025 was US$107.5 million, while statutory NPAT was US$125.5 million. Movements compared to 2024 primarily reflected lower realised oil prices and one less Baúna cargo sold, partly offset by a reduction in operating costs.**
- **Unit production costs in 2025 on an NWI basis fell 3% from US$13.6/boe in 2024 to US$13.2/boe, driven by a 7% decrease in Baúna Project unit production costs following the FPSO purchase in April 2025, resulting in no further lease costs.**
- **Net debt at the end of 2025 was US$143.9 million, while liquidity was US$546.1 million. All capital expenditure during the year was funded from operating cash flow and existing cash/debt, with the Company's Reserves Based Lending facility remaining undrawn.**
- **Total 2P Reserves increased 7% year-on-year, reflecting a seven-year extension in Baúna field life, while 2C Contingent Resources were 34% higher at 31 December 2025 than at the end of 2024, following the award of the Piracucá field licenses and increases at Neon.[2]**
- **The Board has declared a final dividend of 3.1 Australian cents per share (fully franked), taking total dividend payments in respect of 2025 to 5.5 Australian cents per share, equivalent to 25% of 2025 underlying NPAT. The total amount returned to shareholders during the year, including dividends paid and on-market buybacks completed in 2025, was US$80.4 million. The on-market buyback program[3] remains ongoing, albeit at a moderated level, as the Board believes Karoon shares remain undervalued and buying back shares is value accretive.**
- **Guidance for key metrics in 2026 remains unchanged from that provided on 27 January 2026.**

1. EBITDAX (earnings before interest, tax, depreciation, depletion, amortisation, exploration expense and unsuccessful exploratory wells), 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 49 of the 2025 Annual 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.
2. Refer to page 6 of this report and the 2025 Annual Report for full details, including the basis of calculation.
3. On-market buyback as announced on 25 September 2025 to the ASX, which expires on 21 May 2026.

Commenting on the full year results for 2025, CEO and Managing Director, Ms Carri Lockhart, said:

"In 2025, Karoon delivered a 16% total shareholder return, based on share price appreciation and dividends paid. This was driven by a solid operational performance, the strategic acquisition of the Baúna FPSO which has already added significant value to Karoon, and healthy capital returns to shareholders. One of the most pleasing aspects of 2025 was the significant improvement in both personal and process safety performance. Aiming to further improve on this remains an absolute priority for Karoon.

Profitability declined, primarily due to the weaker commodity environment. However, our two low-cost producing assets continued to generate strong operating cash flow, with cash margins in excess of 65% and a breakeven oil price of US$31/boe in 2025[4]. The Company's strong liquidity at the end of 2025 positions Karoon well to fund the Baúna capital investment program planned for the first half of 2026, as well as organic growth and ongoing shareholder returns, with capital to be applied consistent with our capital allocation framework.

The Board has declared a fully franked final dividend of 3.1 Australian cents per share, taking total dividends for 2025, including the unfranked interim dividend of 2.4 Australian cents per share, to 5.5 Australian cents per share. The payout ratio of 25% of underlying NPAT is in line with our 20-40% capital returns policy. Additional returns by way of on-market share buybacks totalled US$45 million in 2025. Since the share buyback program started in 2024, 11% of shares on issue have been purchased and cancelled.

As highlighted in our 2025 fourth quarter report, the Board has reassessed the on-market share buyback program[5], taking into consideration the current oil price, the annual Baúna facilities shutdown and the capital investment program planned for the first half of 2026. It has decided to continue the program, albeit at a moderated level, as the Board believes Karoon shares remain undervalued and buying back shares is value accretive. The program remains subject to market conditions, oil price volatility and progress of the 1H26 investment programs."

On the outlook for 2026, she added:

"The first half of 2026 will be a pivotal period for the Company. We expect to take full operational control of the Baúna FPSO and complete an intensive maintenance and revitalisation campaign on the vessel, targeted at improving facility reliability and sustaining operations until the late 2030s. In addition, we are aiming to restore full production from the SPS-92 and PRA-2 wells at Baúna by mid-year. Detailed planning is underway to mitigate risk and drive successful outcomes. These activities are expected to result in a materially better Baúna production performance in the second half of the year, compared to the first half, subject to operational outcomes and natural decline.

At Who Dat in the US, in early February, a minor leak was discovered in one of the six production risers at the Who Dat FPS. The riser was immediately shut down and has since been inspected and flushed with seawater. The Joint Venture expects to reinstate production from the riser in the second half of 2026. While Who Dat 2026 first half production is expected to be impacted, the riser issue is anticipated to be partly offset by sidetrack operations on the A1 well, which, assuming success, will provide additional high value barrels by mid-year, and other activities. Consequently, 2026 Who Dat production is expected to be within our guidance range of 2.1 – 2.5 MMboe on an NRI basis, albeit at the lower end.

During the first half, we also expect to undertake concept optimisation work on our Neon development opportunity, to ensure the development concept chosen is the most value accretive for shareholders in a lower oil price environment. The work will factor in the material increase in estimated Contingent and Prospective Resources at Neon and nearby licenses during 2025[6], as well as potential synergies with Baúna. Other activities will include seeking partners for both Neon and our exciting deepwater Santos Basin acreage, while the Who Dat Joint Venture will continue to work towards an investment decision for the potential development of Who Dat East, subject to joint venture and commercial issues.

4. See Slide 14 of the 2025 Full Year Results Presentation for details.
5. On-market buyback as announced on 25 September 2025 to the ASX, which expires on 21 May 2026.
6. See pages 36 – 40 of the 2025 Annual Report for full Reserves and Resource details and disclosures at 31 December 2025.

By the second half of 2026, we expect to have re-established a predictable and reliable production platform, with a highly competitive cost base, allowing us to continue to mature our value accretive organic growth strategy, as well as provide attractive returns to shareholders.

Having supported Karoon through the 2025 year end results and provided continuity during the change in CEO, our CFO, Ray Church, will not be relocating to Houston and will be leaving Karoon. I would like to thank him sincerely for all his achievements while at Karoon, including successfully managing cash flows through the Baúna interventions and Patola development, helping lead the transformational Who Dat acquisition, diversifying funding sources with Karoon's inaugural bond issue and establishing our Capital Allocation Framework. He leaves Karoon in a good financial position, with a robust balance sheet and strong liquidity position. The search for a new CFO is well advanced, with an appointment expected to be made shortly, allowing for a smooth transition."

OPERATIONAL PERFORMANCE

2025 production (with Who Dat on an NRI basis) was 10.3 MMboe, similar to 2024 (10.4 MMboe), despite natural reservoir decline. The Baúna Project production benefited from materially improved FPSO efficiency rates, while Who Dat natural decline was partly offset by the E6 sidetrack operation in late 2025 and less weather-events than in 2024. Baúna contributed 75% and Who Dat 25% of Karoon's production on an NRI basis in 2025.

Personal and process safety performance improved significantly, with Karoon recording zero Lost Time Injuries and one Restricted Work Case. The Total Recordable Injury Rate (TRIR) of 0.16 per 200,000 exposure hours was also a material improvement over 2024 performance. In addition, there were no Tier 1 or Tier 2 process safety incidents during the year.

The Company achieved a 9.5% reduction in emissions intensity and a 41% reduction in emissions from flaring, primarily reflecting improving FPSO reliability and uptime at Baúna.

Following the acquisition of the Baúna FPSO in April 2025, a major focus for Karoon was on preparing for the transition of operatorship. Karoon is currently finalising its operating systems, other processes and the necessary resources for the operatorship transition, which is expected to be completed by mid-2026.

FINANCIAL PERFORMANCE

Sales revenue for the twelve months to 31 December 2025 was US$628.6 million (US$776.5 million in 2024). Total 2025 production was 10.3 MMboe, comprising 7.7 MMbbl from the Baúna Project and 2.6 MMboe from Who Dat on an NRI basis, while sales volumes were 9.9 MMboe, lower than production due to timing of liftings in Brazil. 93% of total NRI production was oil.

The average realised oil price for Baúna crude, which comprised 74% of total sales volumes, was US$66.57/bbl, compared to US$77.36/bbl in 2024. The average realised price for Who Dat liquids in 2025 was US$63.35/bbl (2024: US$75.88/bbl), while the average realised gas price was US$4.20/mcf (2024: US$2.95/mcf).

Unit production costs in 2025 were US$13.2/boe on a Net Working Interest basis (NWI), 3% lower than in 2024, driven by lower Baúna costs following the FPSO acquisition over similar total production. Baúna Project unit production costs fell from US$16.0/bbl in 2024 to US$14.8/bbl, while Who Dat unit production costs (on an NWI basis) rose from US$8.5/boe in 2024 to US$9.2/boe, reflecting a largely fixed cost base over lower production.

Unit depreciation and amortisation increased from US$14.9/boe to US$15.2/boe in 2025, due to additional depreciation related to the Baúna FPSO from May 2025 onwards. Net finance costs were US$70.2 million (US$46.1 million in 2024). Finance costs included US$17.8 million relating to withholding tax (US$6.2 million in 2024) resulting from Karoon's intragroup funding arrangements, which attract withholding tax on funds movements from Brazil and the USA, for capital allocation purposes. This cost was fully creditable against tax payable and offset in Income Tax Expense in the Consolidated Statement of Profit or Loss, with no material net impact on NPAT. Other operating costs[7] were US$36.6 million, in line with guidance of US$35 – 37 million. US14.8 million of costs incurred in 2025 on the unsuccessful Who Dat West exploration well were expensed, in line with Karoon's 'successful efforts' method of recognising exploration and evaluation activity.

The effective tax rate on underlying earnings was 25% (23% in 2024), lower than the average of the statutory rates applying in Brazil and the US largely due to the impact of the withholding tax credit. Normalising for this impact, the underlying effective tax rate was approximately 33% (2024: 32%).

Statutory NPAT was US$125.5 million compared to US$127.5 million in 2024. Statutory NPAT includes several non-recurring and non-cash items. The total net impact of these items in 2025 was a reduction of US$18.0 million, which has been removed from underlying NPAT, taking underlying NPAT to US$107.5 million (2024: US$214.0 million). (See page 49 of the 2025 Annual Report for full details of the reconciliation of statutory to underlying NPAT).

Cashflow from operating activities in 2025 was US$251.4 million, compared to US$434.6 million in 2024, with the drop primarily due to lower revenues. Including principal elements of lease payments for the first four months of 2025, cashflow from operations was US$231.3 million (US$395.2 million in 2024). Cash outflows from investing activities were US$288.5 million (US$218.6 million in 2024) and included US$115.0 million related to the acquisition of the Baúna FPSO and US$87.6 million related to the Petrobras contingent consideration payment in January 2025. Other key cash outflows included the SPS-88 workover, the E6 sidetrack at Who Dat and the acquisition of the licenses in the Santos Basin.

Financing cash outflows of US$100.5 million were primarily driven by shareholder returns of US$80.4 million, including share buybacks and the payment of the 2024 final dividend and 2025 interim dividend.

The cash and cash equivalents balance at the end of December 2025 was US$206.1 million, while debt related to the bond issued in 2024 was US$350 million. The Reserves Based Lending facility of US$340 million remained undrawn[8].

RESERVES AND RESOURCE

An assessment of Karoon's Reserves and Resource at 31 December 2025 was completed, based on production performance, new field and well data, as well as field technical and commercial studies. The Company's annual Reserves and Resource Statement is presented in full in the 2025 Annual Report. Karoon confirms it is not aware of any new information or data that materially affects these estimates.

Over 2025, 2P Reserves increased 7%, to 72.8 MMboe, after production of 10.3 MMboe. This primarily reflected transfers to Reserves resulting from the seven-year extension of field life at Baúna following the FPSO acquisition and associated forecast reduction in operating costs. The Company has achieved a three-year rolling average Reserves Replacement Ratio of 160% between the end of 2022 and end of 2025 (organic and inorganic).

2C Contingent Resources increased 34%, to 163.0 MMboe, mainly due to the addition of the Piracucá discovery and increases in the Neon opportunity estimates.

2U Prospective Resources rose 21% to 93.3 MMboe unrisked, largely reflecting a positive revision of estimates for Neon West and a new booking for Neon. Prospective Resources are the estimated

7. 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.
8. Details of the 5 year revolving Reserve Based Lending facility can be found in the ASX release dated 16 November 2023. From March 2026, the facility will amortise on a semi-annual basis.

quantities of petroleum from undiscovered accumulations at a given date, that may potentially be recoverable by the application of a future development project(s). These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal, and studies are required to determine the existence and quantity of potentially recoverable hydrocarbons. See pages 36 – 40 of the 2025 Annual Report for full Reserves and Resource details and disclosures at 31 December 2025.

2026 GUIDANCE AS AT 26 FEBRUARY 2026

Guidance for 2026 remains unchanged from that presented in the 2025 Fourth Quarter Report. The CY26 guidance table does not include the following items:

- US$43 – 53 million of flotel costs expected to be incurred in 1H26.
- One off FPSO transition costs of US$6 – 7 million.
- US$3 - 4 million related to relocating corporate head office roles from Melbourne to USA and Brazil.

All guidance is subject to the statement on page 7 regarding "Forward-looking statements".

Calendar year[1]		2026
PRODUCTION[2]		
Brazil	MMbbl	6.0 – 6.7
Who Dat (NRI)	MMboe	2.1 – 2.5
Total production	**MMboe**	**8.1 – 9.2**
UNDERLYING OPERATING COSTS		
Unit production costs (NWI)[3]	US$/boe	12 – 15
Exploration expenses, Business Development, share-based payments	US$m	10 – 14
Unit DD&A (NWI)	US$/boe	15 – 17
Finance costs and interest (net of interest income)[4]	US$m	60 – 70
Other operating costs[5]	US$m	37 – 41
INVESTMENT EXPENDITURE		
Baúna[6]	US$m	61 – 74
Who Dat[7]	US$m	37 – 46
Exploration and appraisal (Neon, Santos Basin)	US$m	9 – 11
Other capex	US$m	3 – 4
Total capex	**US$m**	**110 - 135**
Petrobras contingent consideration[8]	US$m	28

NOTES:
1. Guidance is subject to various risks (including "Key Risks" set out in the 2025 Annual Report).
2. Production assumes drilling results and expected future development projects, including well interventions, are delivered in accordance with their currently expected schedules and work scopes.
3. Unit Production Costs: based on daily operating costs associated with Baúna and Who Dat production. Excludes one off FPSO transition costs which are guided separately.
4. 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.
5. 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. Non-underlying corporate office relocation costs are guided separately.
6. Baúna capital expenditure is presented separately from other capex, to provide additional clarity. The cost of the Flotel campaign for the FPSO revitalisation in 2026 is excluded from this and guided separately.
7. Includes the A1 sidetrack and repairs to a Who Dat riser but does not include Who Dat East, with expenditures contingent on a positive development decision.
8. The 2025 Petrobras contingent payment was made in late January 2026.

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

2025 FULL YEAR RESULTS CONFERENCE CALL

Karoon's CEO and Managing Director, Ms Carri Lockhart, and CFO, Mr Ray Church, will hold a conference call for analysts and investors to discuss the 2025 Full Year Results on Thursday, 26 February 2026 at 11.00am (Melbourne time). The conference call will be streamed live and can be accessed via the following link or via Karoon's website, www.karoonenergy.com.au:

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

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

FOR FURTHER INFORMATION ON THIS RELEASE, PLEASE CONTACT:

INVESTORS

Ann Diamant - SVP Investor Relations & Communications
M: + 61 407 483 128
E: ann.diamant@karoonenergy.com

James Karakatsanis – Investor Relations Manager
M: +61 457 230 916
E: james.karakatsanis@karoonenergy.com

SHAREHOLDING ENQUIRIES:

Computershare
Tel: 1300 850 505

MEDIA - AUSTRALIA

P&L Corporate Communications

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

MEDIA – BRAZIL

InPress Porter Novelli

Roberta Lopes
M: + 55 21 98438-0308
E: roberta.lopes@inpresspni.com.br

Daniela Melina
M: + 55 21 99101-0248

Eduardo Carvalho
M: +55 21 99557-2244
E: karoon@inpresspni.com.br

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).

There may be minor differences in addition due to rounding. All statements are net to Karoon's interests as of 31 December 2025 and use a combination of deterministic and probabilistic methods. Asset and Project level Reserves and Resources have been arithmetically aggregated.

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
2025 Full Year Results

26 February 2026

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 2026 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 2025 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 2025) of the Reserves and Resources Statement included in Karoon's 2025 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.

Notes and Definitions

1. Karoon's Reserves, Contingent and Prospective Resources as at 31 December 2025 are as disclosed in the 2025 Annual Report. Karoon is not aware of any new information or data that materially affects these resource estimates.
2. 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 defined below) and use a combination of deterministic and probabilistic methods. Asset and Project level Reserves and Resources have been arithmetically aggregated. There may be minor differences in addition, due to rounding.
3. 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 (NRI) for each license, well or reservoir, which is after the deduction of relevant government and third-party royalties. 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.
4. 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 or sidetracking 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.
5. Prospective Resources relate to undiscovered accumulations and are the estimated quantities of petroleum that may potentially be recoverable by the application of a future development project(s). These estimates have both an associated risk of discovery and a risk of development, as well as volumetric uncertainty. Furthermore, exploration and appraisal drilling, testing and evaluation is required to determine the existence of potentially economic quantities of moveable hydrocarbons.
6. The three-year average Reserves Replacement ratio is defined as the sum of 2P Reserves added over the period from 1 Jan 2023 to 31 Dec 2025, divided by the sum of production over the same period
7. Underlying EBITDAX, NPAT and 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 28 for reconciliation of these metrics to statutory EBITDAX, NPAT and Pre-tax profit. These measures are presented to provide further insight into Karoon's performance.
8. Free cash flow from operations | is defined as operating cash flows less lease liability payments and investing cashflows net of acquisitions |.
9. Safety data quoted in this report does not include the Who Dat, Dome Patrol and Abilene fields in the US, which are operated by LLOG.
10. FPSO efficiency is defined as the proportion of actual and potential production.
11. Net Zero is 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. Scope 1 & 2 emissions are defined in Karoon's 2025 Sustainability Report, aligned with the GHG Protocol and industry reporting guidelines (ISO Net Zero Guidelines (IWA 42:2022))
12. Scope 1 emissions are offset by the surrender of Verified Carbon Units (VCU) . Associated definitions and calculations set out in 2025 Sustainability Report.
13. Unless stated otherwise, all statements, calculations and conclusionary data is for the 12 months ended 31 December 2025 or as at 31 December 2025.
14. Dividend payout ratio is defined as dividends declared as a proportion of underlying NPAT.

KAROON ENERGY

Carri Lockhart
CEO and Managing Director

Ray Church
EVP and CFO

2025 Full Year Highlights

2025 Highlights[1]

High quality assets, low cost and strong margins, 16% TSR in 2025

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Financial

- Sales Revenue: US$628.6m
- Underlying EBITDAX: US$388.8m
- Underlying NPAT : US$107.5m
- Unit Production Costs: US$13.20/boe
- Liquidity at 31 Dec 2025: US$546.1m
- Balance sheet: Strong and flexible

Operational

- Total production: 10.3 MMboe (93% liquids, 75% Baúna, 25% Who Dat)
- Baúna FPSO efficiency: 95.1% (up from 84.5% in 2024)
- Baúna annual shut down completed on time
- Baúna FPSO acquisition completed: 30 April

Capital returns

- 2025 dividends declared: A¢ 2.4 unfranked interim and A¢ 3.1 fully franked final/share
- Dividend payout ratio of 25%
- Returns to shareholders in 2025: US$80.4 million (US$35.3m dividends paid (2024 final, 2025 interim) and US$45.1m buybacks)
- Shares bought back and cancelled since 2H24: 11% of issued capital

Growth

- Reserves Replacement Ratio : 160% (3 Yr Average)
- Baúna Project life: extended by 7 years
- 2C Contingent Resources: up 34% to 163.0 MMboe
- Potential developments at Neon and Who Dat
- Santos Basin acreage: >7,300 sq km

1. See Slide 3, 'Notes and Definitions', for further detail on underlying EBITDAX, NPAT, dividend payout ratio, Reserves and Resource and FPSO efficiency definitions, and Slide 7 for definition of TSR.

Sustainable operations[1]

Safety

- TRIR: **0.16 (down from 0.77)**
- Zero LTIs: **Zero**
- Tier 1 or 2 process events: **Zero**

Climate

- Targeting **Net Zero Scope 1 & 2 by 2050 for operated assets**[1]
- **41%** reduction in Baúna flaring, **9.5%** reduction in emissions intensity, **7.5%** reduction in absolute emissions from 2024
- **2024 Scope 1 & 2 emissions fully offset.** 2025 Scope 1 & 2 emissions to be fully offset by mid-2026

Social

- **21 incentivised, four voluntary** Social and Community projects
- **Nearly 4-fold** increase in voluntary community investment since 2022

1. See Slide 3, 'Notes and Definitions' and the 2025 Sustainability Report for further information on safety definitions, Net Zero, emission offsets and reductions targets, and Karoon's social and community programs.

Total shareholder return[1] of 16% in 2025

Share price outperformed S&P/ASX 200 Energy Index[2]

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- **Share price increased 11% over 2025** from A$1.39 per share to A$1.54 per share
- **Peaked at A$2.09 per share** in June reflecting oil price strength before tracking oil price lower
- **Strong performance** despite oil price weakness in 2H25, Brent down 19% over year, ASX 200 Energy Index (XEJ) down 2%
- **A¢ 7.4 per share dividends (unfranked) paid in 2025:**
  - March 25: 2024 final dividend A¢ 5.0 per share
  - September 25: 2025 interim A¢ 2.4 per share
- **A¢ 3.1 per share 2025 fully franked final dividend declared,** to be paid on 31 March 2026, taking total 2025 dividends declared to **A¢ 5.5 per share**

1. Total Shareholder Returns (TSR) are calculated over a 1-year period (2025) and reflect the total return an investor earns from holding a share for one year, combining share price movement and cash distributions (dividends are not re-invested). Share price calculated by the Company, unaudited and from 31st Dec 24 close to 31st Dec 25 close.
2. XEJ is the ASX code for S&P/ASX200 Energy Index and does not include dividends from its constituent companies in its price movements.

Capital allocation framework unchanged

Safe, reliable operations, balance sheet strength, capital returns and growth

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Operating cash flow

Non-discretional capital spend
Sustaining capex & mandatory capital commitments[1]

Maintain strong, flexible balance sheet

Free cash flow

Capital returns
20 – 40% underlying NPAT with discretionary additional returns (e.g., on-market buyback)

Growth investment
Only where strict investment criteria and material value accretion satisfied

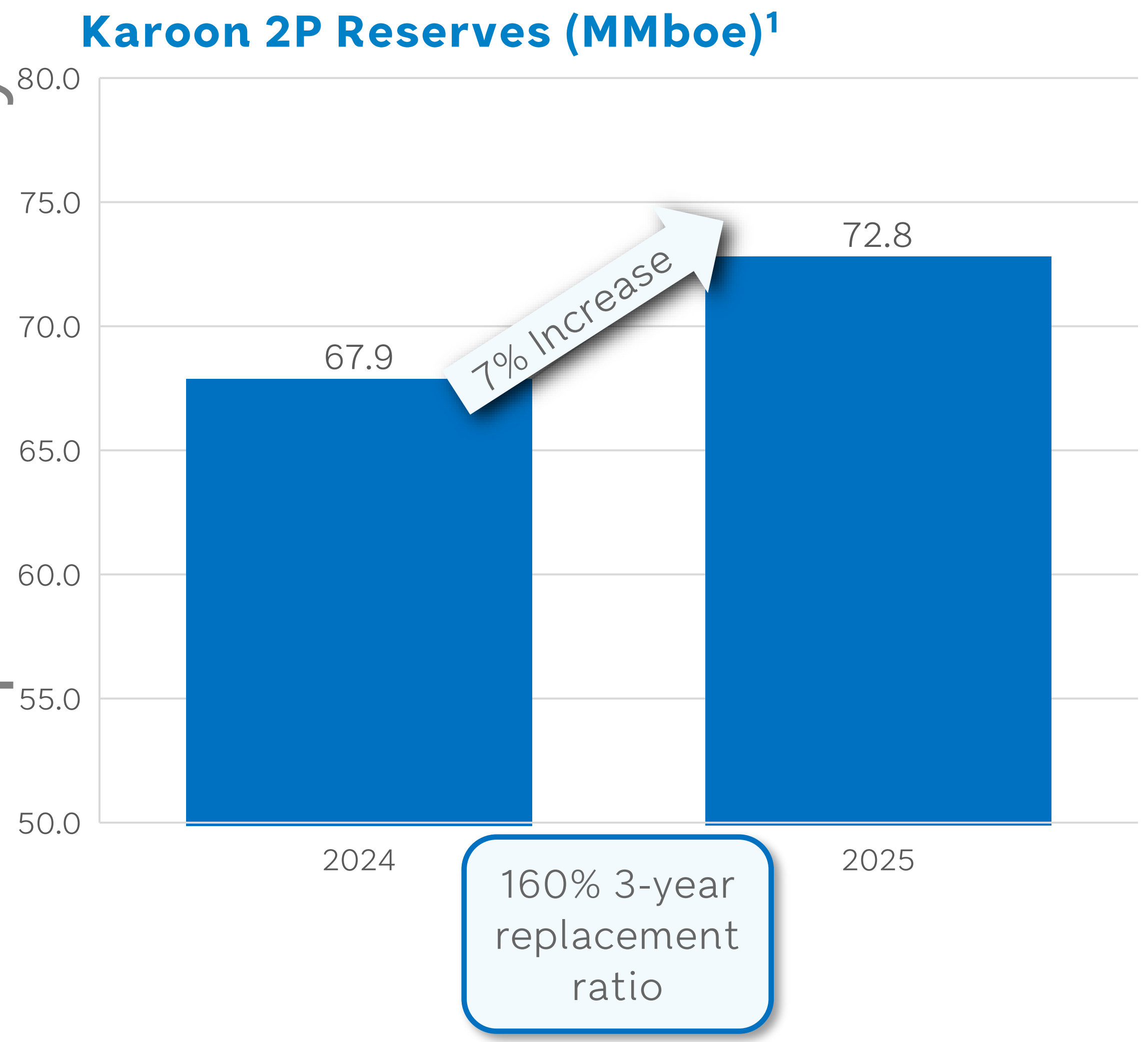
- **Prioritises safe and reliable operations** while maintaining balance sheet strength and flexibility
- **Capital Returns Policy** 20 - 40% of underlying NPAT, balances capital returns with retaining sufficient capital to reinvest in business
- **Framework allows for further capital returns** dependent on financial circumstances, other uses
- **Focus on total shareholder returns** and adhering to strict returns enhancing investment criteria

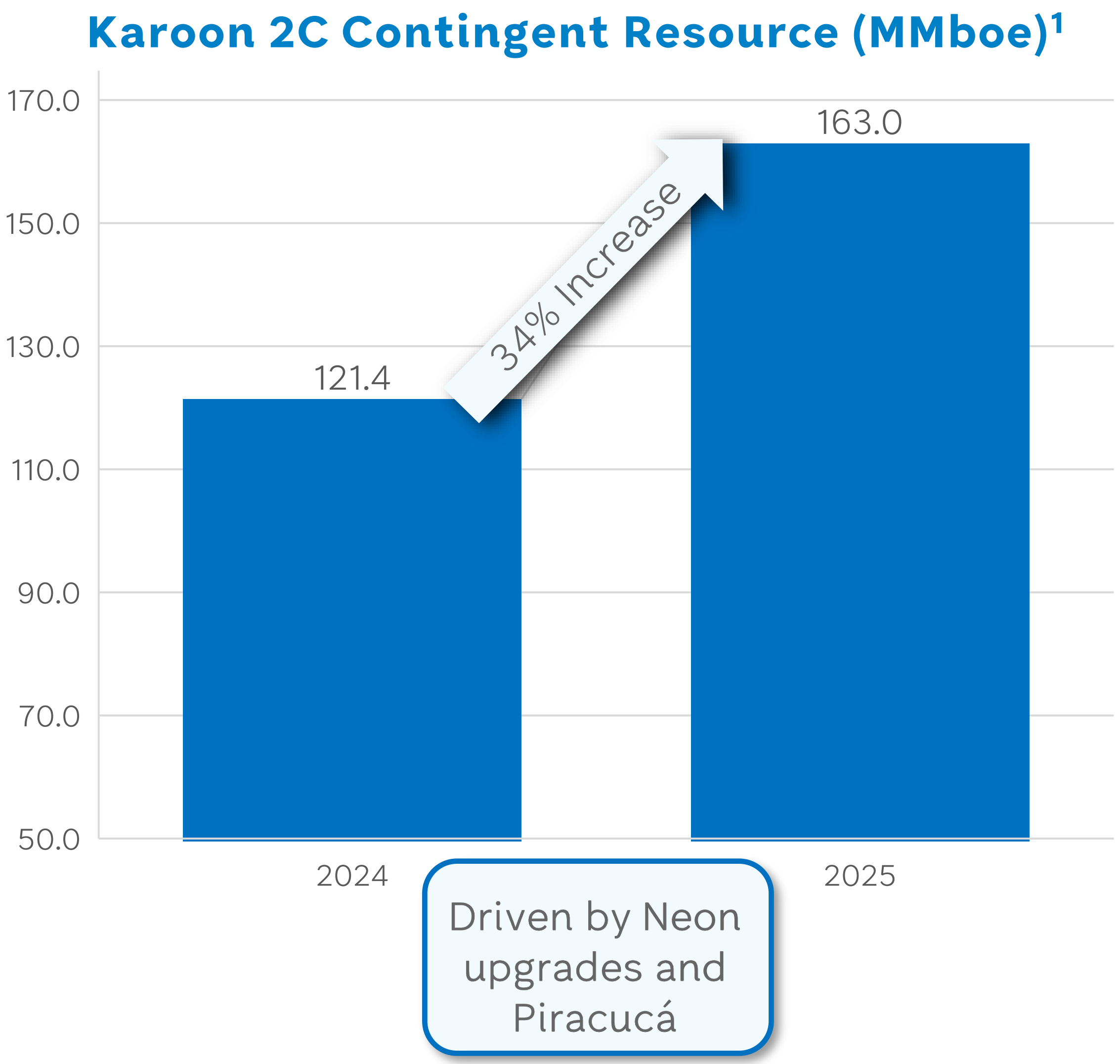
Buyback

On-market buyback program to continue at a moderated level as the Board believes shares remain undervalued and buying back shares is value accretive. Subject to market conditions, oil price volatility and capex programs

1. Capital commitments include Contingent Payments to Petrobras
2. On-market buyback as announced on 25 September 2025 to the ASX, which expires on 21 May 2026.

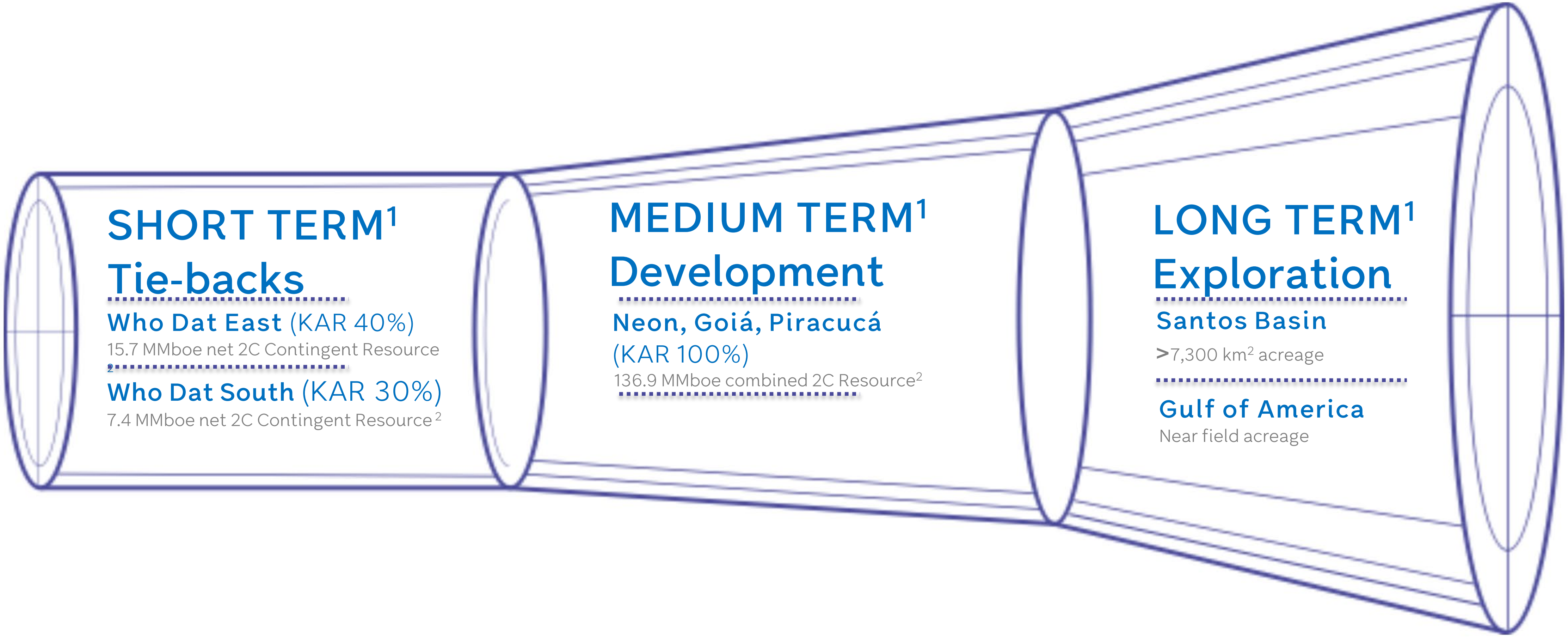
Underpinning value with Reserves and Resource growth





1. See Slide 3, 'Notes and Definitions', for further detail on the Reserves and Resources estimates

Potential organic growth opportunity pipeline



1. Projects subject to further evaluation, not yet sanctioned.
2. See Slide 3, 'Notes and Definitions', for further detail on the Reserves and Resource estimates.

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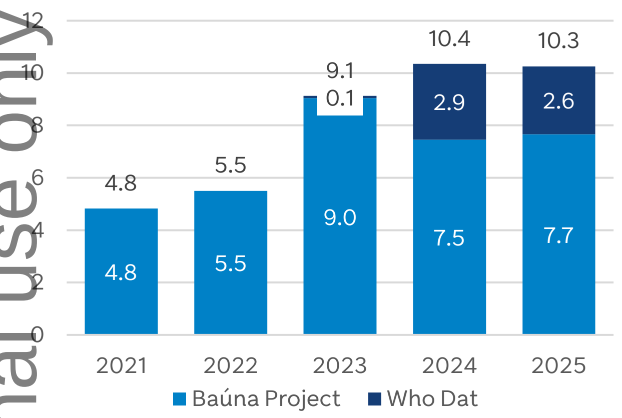
Ray Church
EVP and CFO

Financial Results

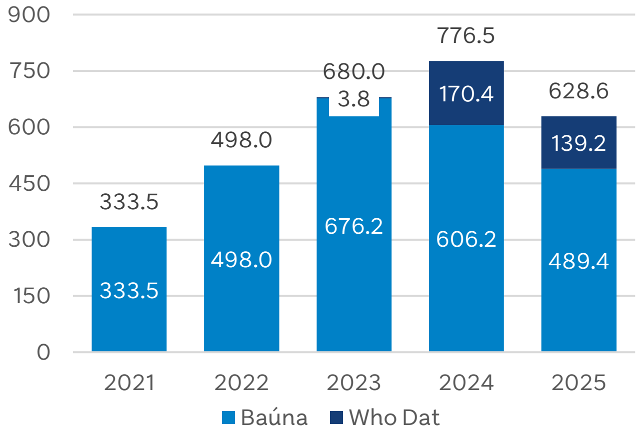
2025 Financial Highlights[1]

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

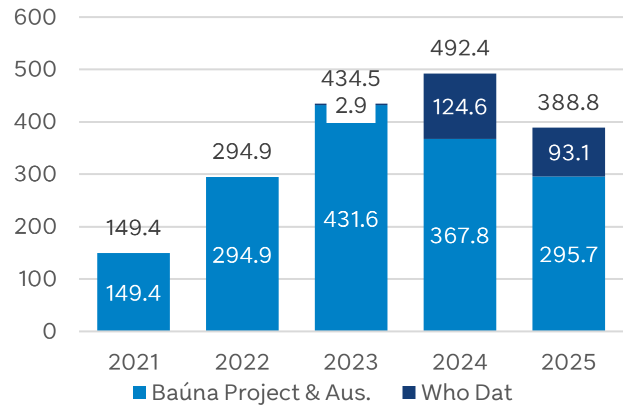
Production (MMboe)



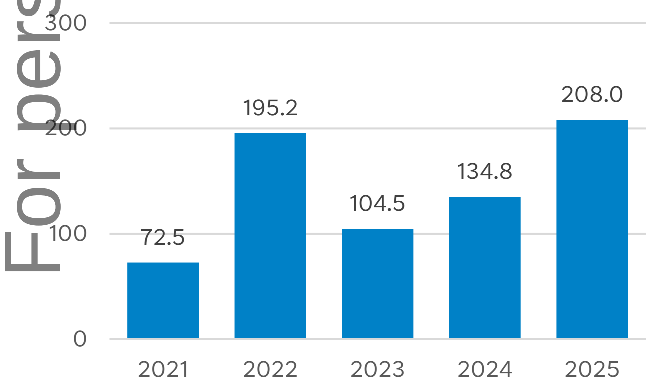
Sales revenue (US$m)



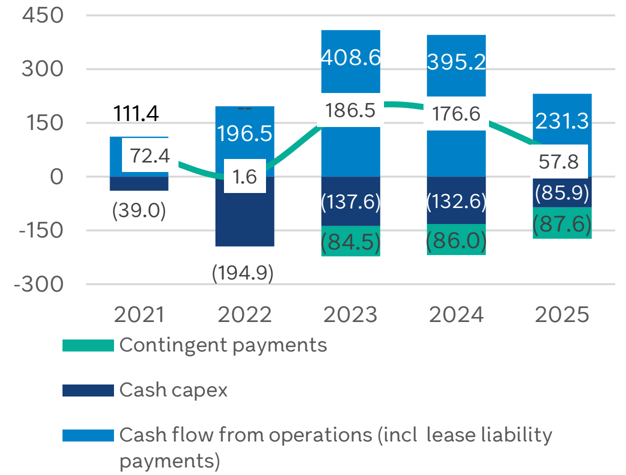
Underlying EBITDAX[3] (US$m)



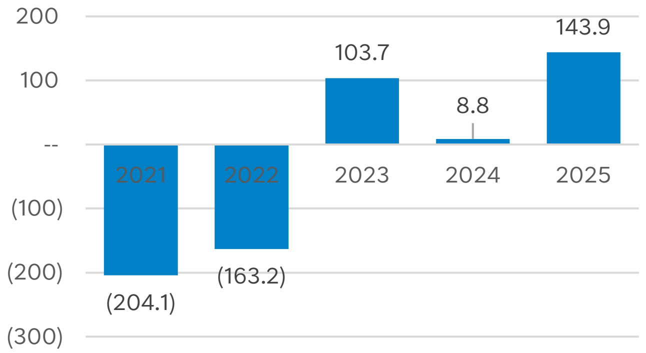
Capital Expenditure (US$m)



Free cash flow from operations[3] (US$m)



Net debt/(cash) (US$m)



1. At 31 December 2025
2. The financial information for the calendar years 2021 to 2023 are not audited but derived from audited and reviewed financial information.
3. See Slide 3, 'Notes and definitions'.

Underlying EBITDAX US$388.8m

Reduced oil price with cost base remaining stable

US$ million[2]	2024	2025	% Change
Revenue	776.5	628.6	(19)
Transportation costs	(23.3)	(21.6)	7
Netback revenue	**753.2**	**607.0**	**(19)**
Production costs (incl FPSO dep'n & finance costs)	(155.2)	(144.1)	7
Royalties and other government take	(50.9)	(44.1)	13
Corporate & other	(38.5)	(40.1)	(4)
Impact of Inventory movements	(16.2)	10.1	NM
Underlying EBITDAX[1]	**492.4**	**388.8**	**(21)**
Exploration costs	(4.8)	(7.7)	(60)
DD&A (excl FPSO D&A)	(164.8)	(167.3)	2
Net finance and interest costs	(46.1)	(70.2)	(52)
Underlying pre-tax profit[1]	**276.7**	**143.7**	**(48)**
Income tax expense	(62.7)	(36.2)	42
Underlying NPAT[1]	**214.0**	**107.5**	**(50)**

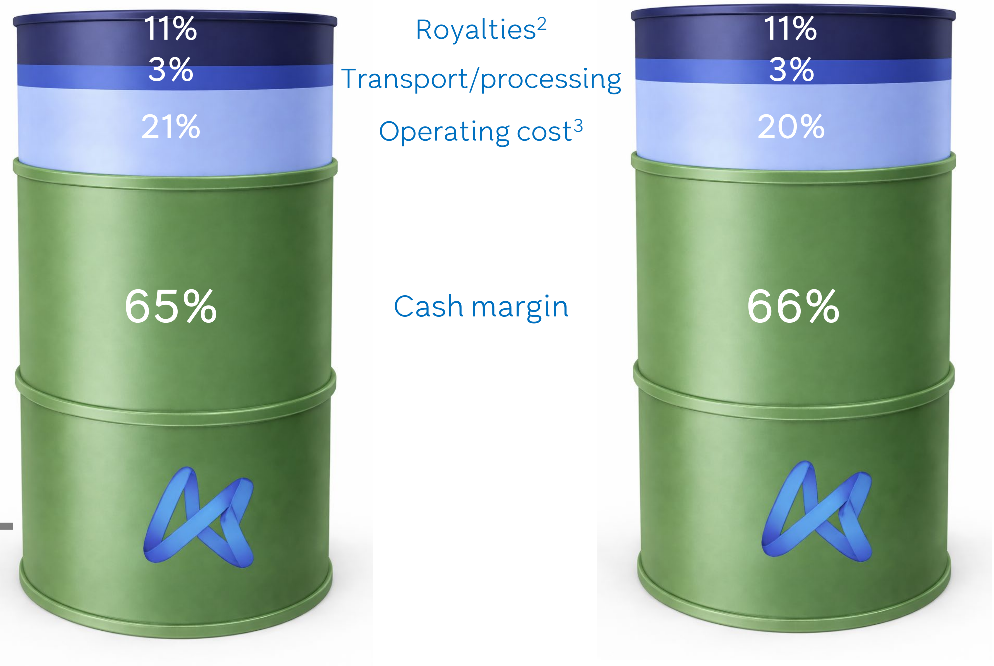
1. Underlying EBITDAX, NPAT & underlying pre-tax profit reflects the Company's assessment of financial performance. These are non-IFRS measures which are unaudited but derived from figures in the financial statements. Refer to slide 28 for reconciliation of these underlying adjustments. These measures are presented to provide further insight into Karoon's performance.
2. Numbers may not add due to rounding

- Revenue decrease predominantly driven by reduced realised oil prices and volumes lifted at Baúna. Revenue reduction translated to 21% lower Underlying EBITDAX than 2024
- Production costs reduced, as FPSO acquisition reduced lease costs. Royalties 13% lower in line with oil price and production
- Exploration costs increased by US$2.9m, associated with Deepwater blocks in South Santos Basin, Brazil
- Net finance costs increased primarily due to withholding tax on intragroup funding arrangements for capital allocation purposes, fully creditable against tax payable and offset in Income Tax Expense (no NPAT impact), full year of corporate bond interest and lower average cash balance
- Underlying tax rate was 25%, lower than statutory rate (Brazilian 34%, USA 26.5%). Includes impact of the withholding tax. Normalised underlying income tax rate ~33%

Margins sustained, strong leverage to oil price

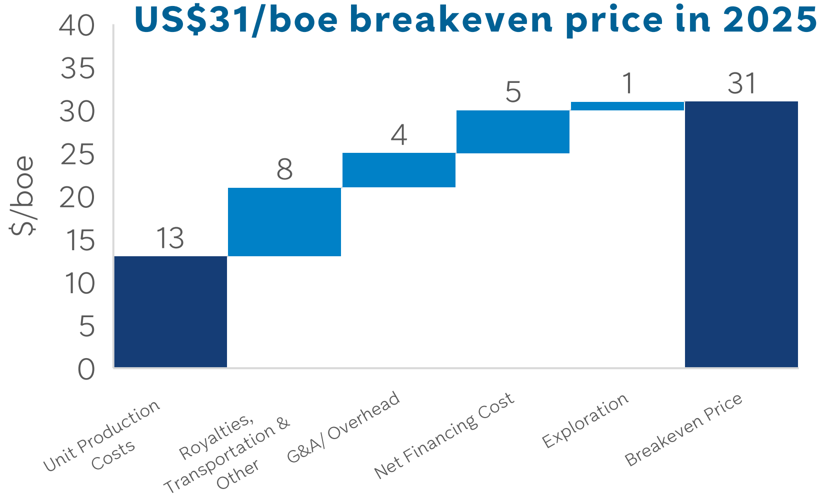
2024
at US$72.91/boe realised price[1]

2025
at US$63.30/boe realised price[1]

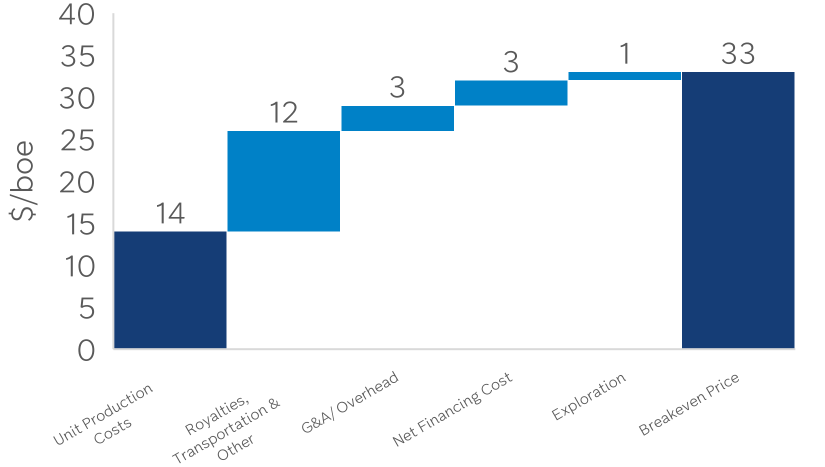


US$13.6 Unit production cost/ boe **US$13.2**

US$31/boe breakeven price in 2025



US$33/boe breakeven price in 2024



- Gross margin improved from 65% to 66% despite oil price decline. Reflects asset quality
- Unit cost maintained below US$14/boe, with operating cost reducing following FPSO acquisition in 2025
- Low breakeven price of US$31/boe (2024 US$33), maintains leverage to oil price and supports capital allocation and sustained returns

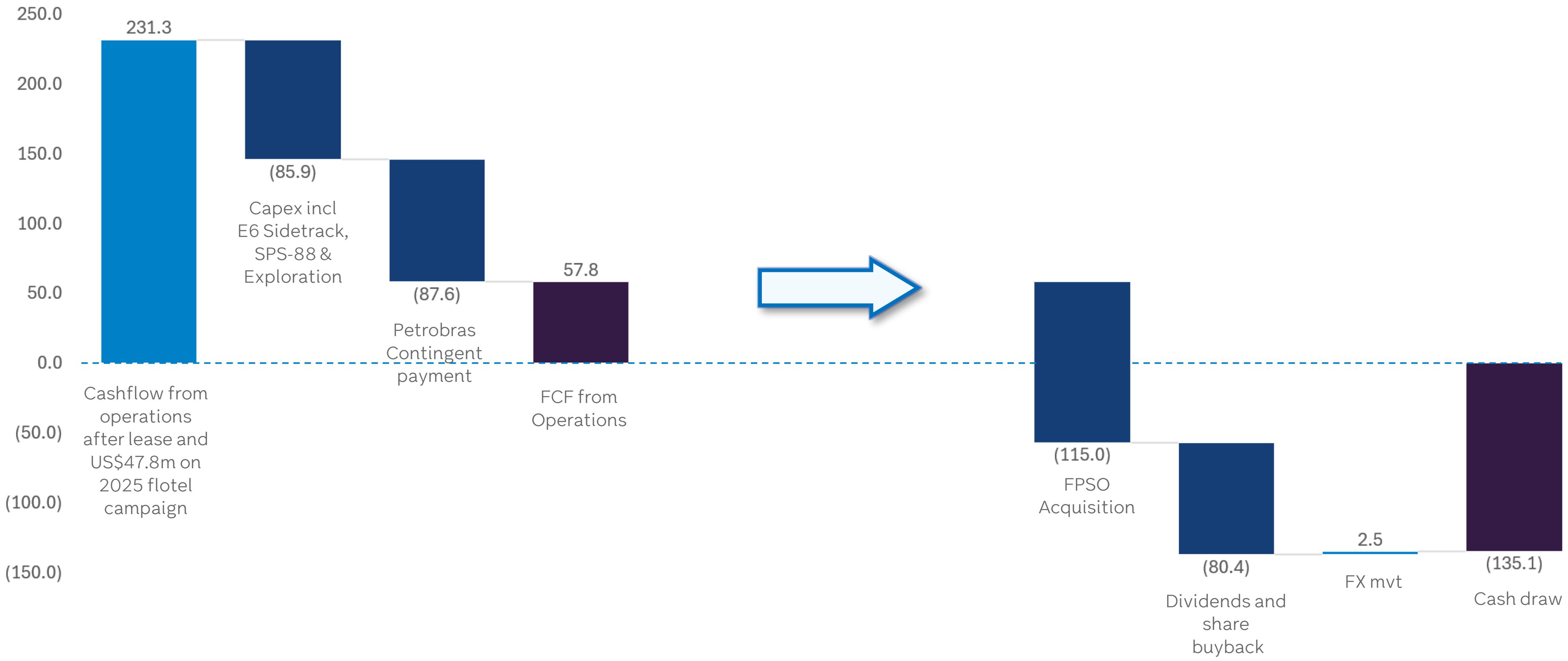
1. Total Revenue divided by sales volume across both assets and all commodities
2. Royalties adjusted to include Who Dat royalties presented net in the financial statements grossed up to aid in comparison of an illustrative margin.
3. Operating costs is made up of production costs (incl FPSO depreciation and finance) plus the impact of inventory movements

Strong free cashflow from operations over 2025[1]

Flotel, capex, exploration and Petrobras payment fully funded by operations

Free cash flow from operations (US$m)

Capital allocation (US$m)

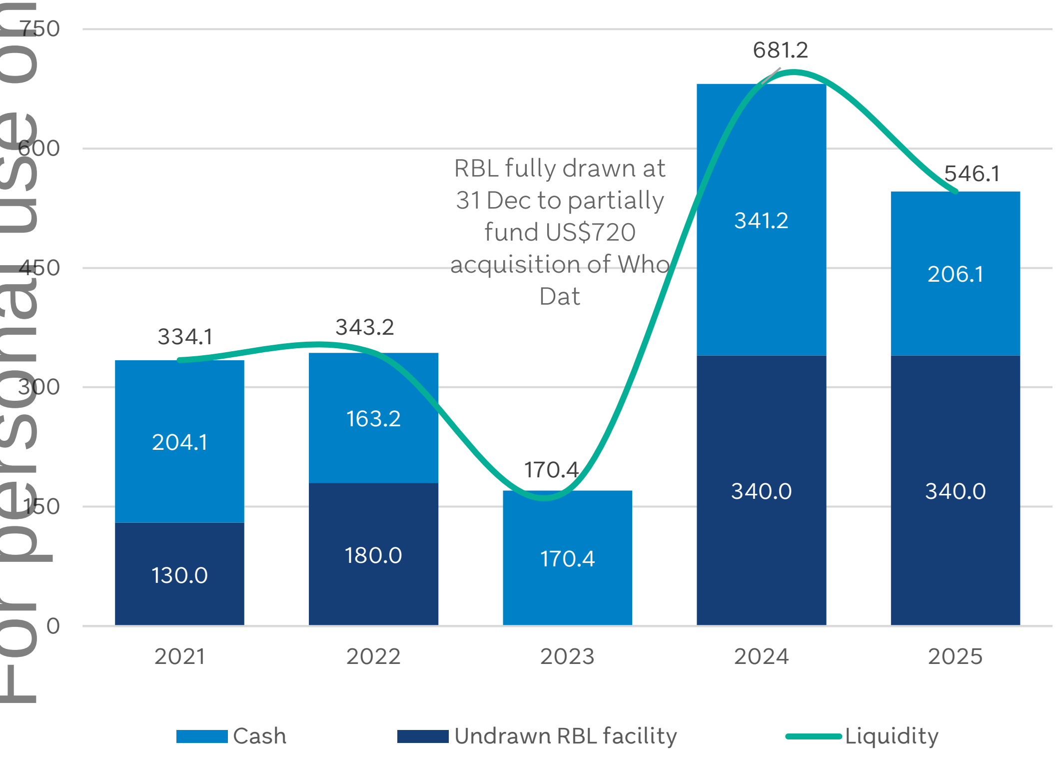


1. Free cash flow from operations is defined as operating cash flows less lease liability payments and investing cashflows excluding acquisitions between 1 January and 31 December 2025.

Balance sheet positioned to support sustainable TSR

In line with capital allocation framework

Net debt & liquidity (US$m)[1]



- **Liquidity applied** to Baúna FPSO acquisition, flotel campaign, capex, Petrobras payment and capital returns
- **Headroom US$546m total liquidity** (31 December 2025) provides continued future balance sheet strength
- **Maintained access to diversified capital sources** US$350m high yield bond + US$340m RBL[2] + strong operating cash flow
- **Stable credit ratings:** S&P: B (stable outlook); Fitch: B (stable outlook)
- **Positioned to fund** sustaining capex, 1H26 capex program, future value accretive opportunities and disciplined capital returns, in line with capital allocation framework

1. As at 31 December 2025.
2. Available amount is subject to a semi-annual redetermination process and a straight amortising facility profile from 31 March 2026 to maturity. Details can be found in the ASX release dated 16 November 2023.

Carri Lockhart
CEO and Managing Director

Operational Update

2026: Year of two halves

Assuming success, expect improved 2H26

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1H26: Investment

- FPSO operatorship transition, subject to regulatory approvals
- Flotel maintenance and revitalisation campaign
- Annual shutdown and repairs
- SPS-92 and PRA-2 work
- Who Dat A1 sidetrack and riser reinstatement

Higher opex and capex and lower production

2H26: Rewards[1]

- Full operatorship benefit, including lower opex
- Increased Baúna facilities reliability, leading to improved production
- Lower capex than 1H26

Increased production, driving operating cash flow, subject to oil price

Successful execution of 1H26 program to position KAR for long-term value creation

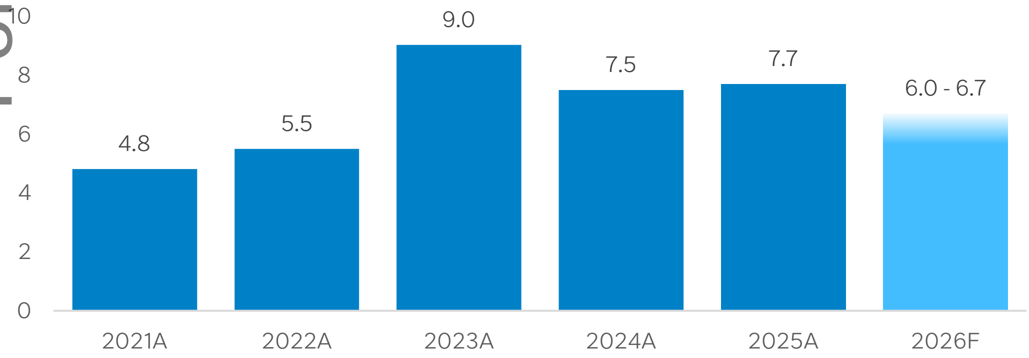
1. Based on the Company's current guidance. The operational activities and expected outcomes are subject to the assumptions and corporate risks disclosed in the Company's 2026 guidance and 2025 Annual Report, including execution, operational, timing and cost risks

Baúna acquisition

Owning FPSO allows for strategic control and improved efficiencies

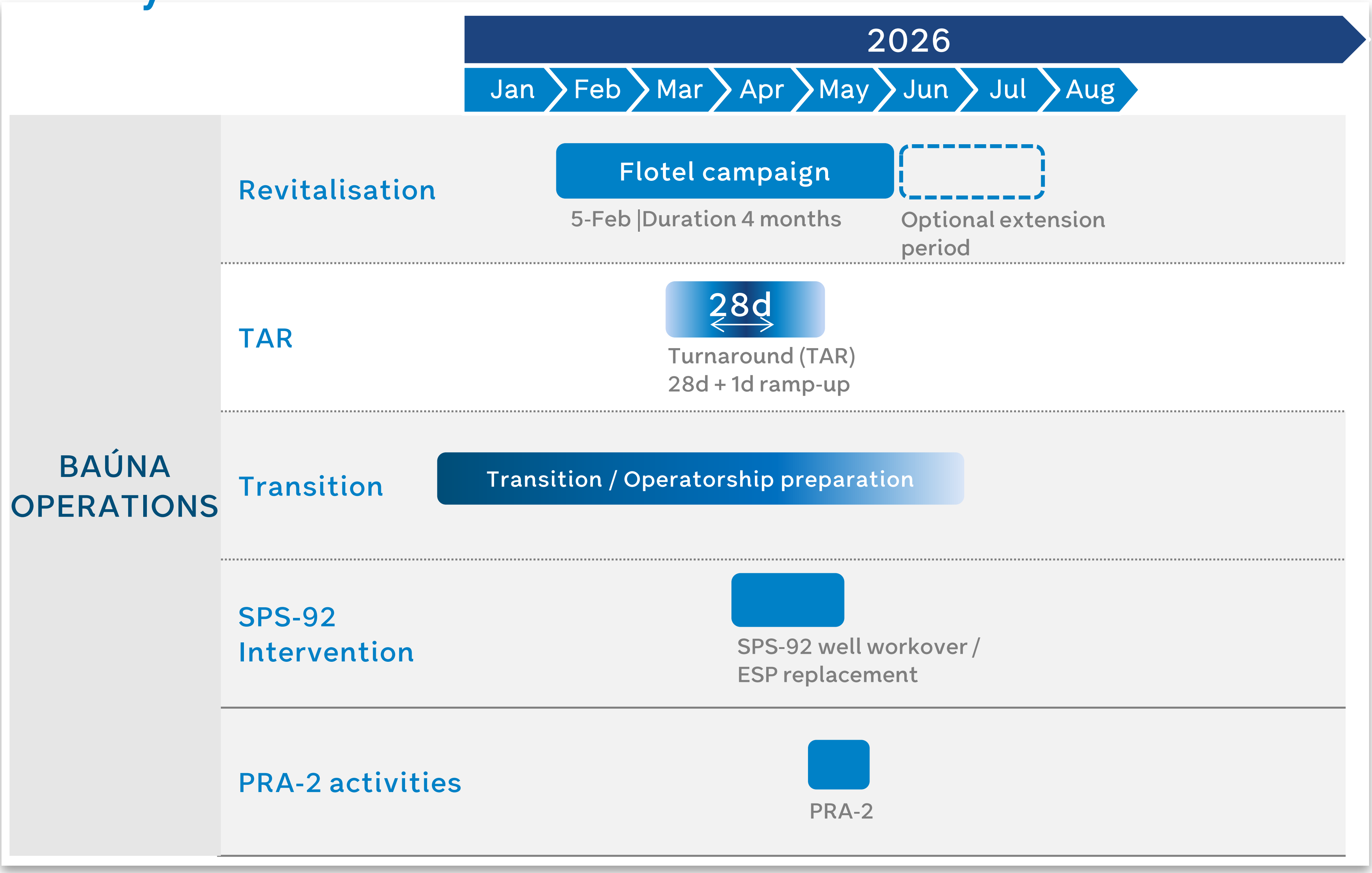
- **Baúna acquisition completed 30 April 2025** for US$115 million plus US$8m costs
- **2025 production 7.7 MMbbl,** higher than 2024 despite natural decline
- **Driven by improved FPSO efficiency**[1] 95.1%, up from 84.5% in 2024
- **Baúna Project life forecast extended by seven years** (2P Reserves level) to 2039, concession expiry

Baúna Project production (MMbbl)



1. FPSO efficiency is defined as the proportion of actual and potential production. See Slide 3, 'Notes and Definitions', for further detail on the Reserves and Resources estimates

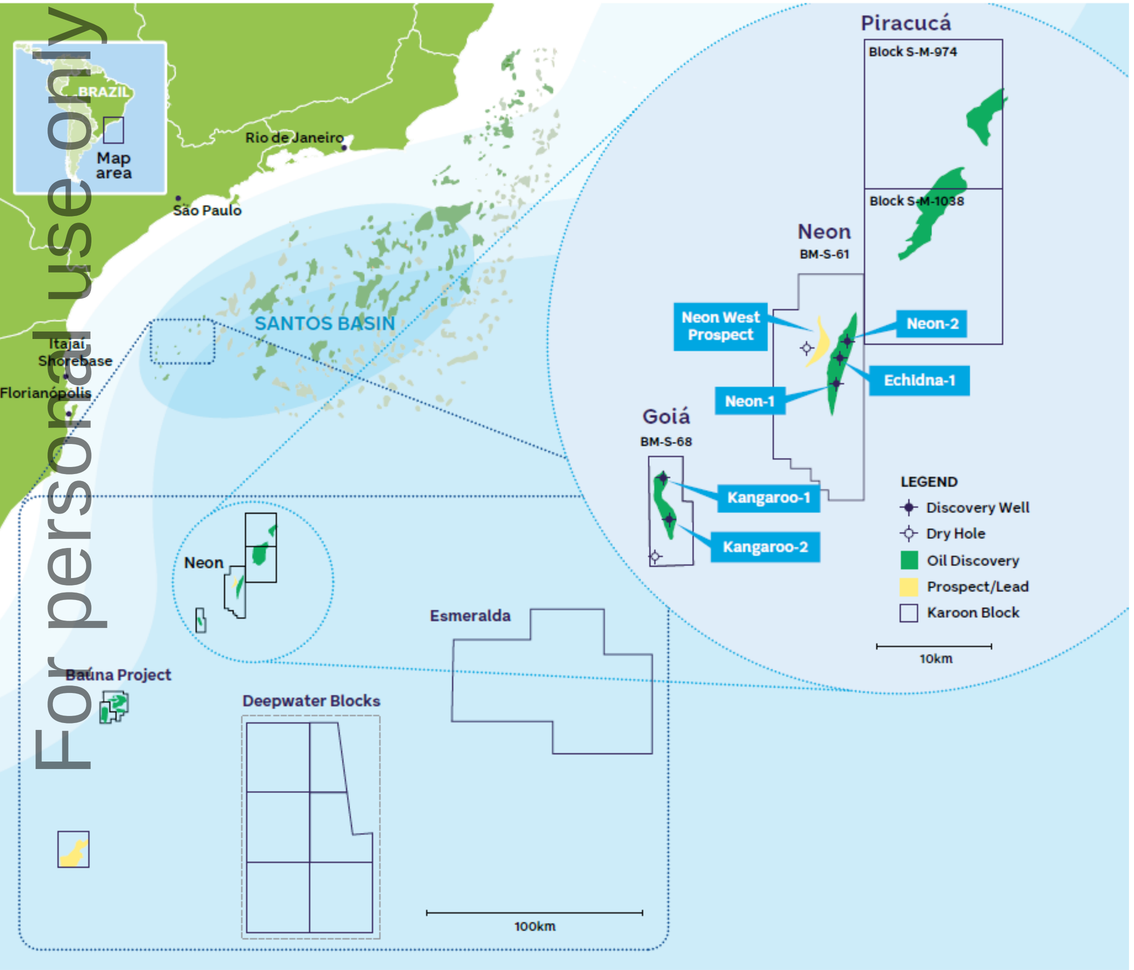
Aiming to improve FPSO efficiency and subsurface deliverability[1]



1. Illustrative only. Timeline is subject to change. Outcomes and timelines are subject to several factors and risks, not limited to, but including execution, contracts and regulatory approvals

Neon Development Opportunity

Progressing through Define Phase



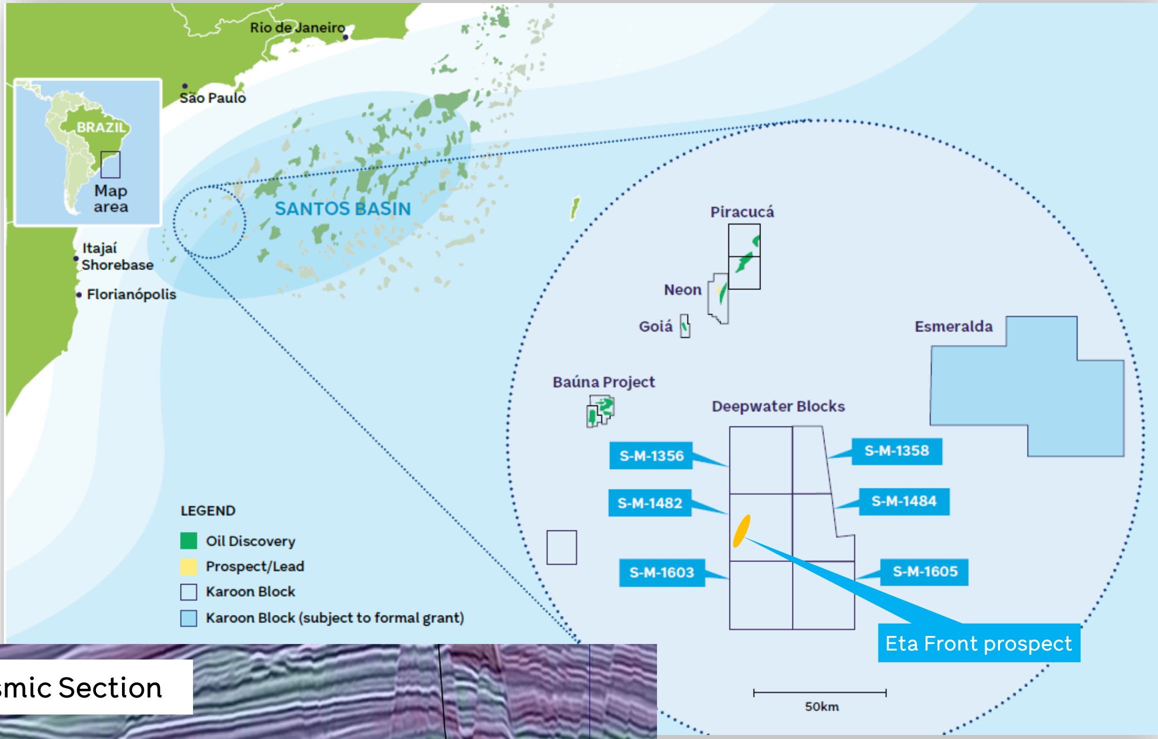
- **Define phase commenced** in April 2025[1]
- **Neon 2C Contingent Resource +50%** to 90.3 MMbbl as a result of further technical studies and assurance
- **19.6 MMbbl Piracucá 2C Contingent Resource** booked following award of licenses in 2025
- **Neon West 2U Prospective Resources** increased by 69% to 25.0 MMbbl, new 5.9 MMbbl 2U booking for Neon
- **2025 competitive farm down commenced** of 30 – 50% interest in Neon and surrounding licenses
- **Focus on optimising development concept** including maturing cost reduction opportunities and assessing development and operational synergies with Baúna
- **Cost reduction initiative, development concept review and equity farm down** to steer ongoing Define activities

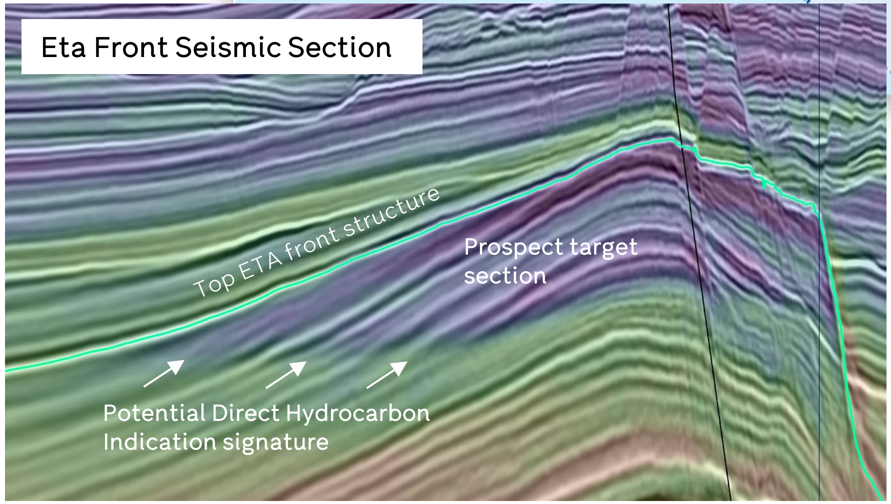
1. Refer ASX release dated 16.4.25 “Neon to proceed into Define phase, on staged commitment basis”
2. See Slide 3, 'Notes and Definitions’, for further detail on the Reserves and Resource estimates .

Exploration: South Santos Basin, Brazil

Potentially significant new exploration play

- **Post salt Tertiary oil play identified in** potential turbidite reservoir fairway. Untested but potentially significant play if proven and successful
- **Eta Front prospect[1] located in S-M-1482** is expected to be tested first, subject to further technical studies, successful farm down and regulatory approvals:
  - 3-way dip closure against salt diapir and faults
  - Water depth of 1,350 metres
  - Potential Direct Hydrocarbon Indicator structurally controlled and supported by acoustic and elastic attributes
- **Farm-down** process underway
- **Major acreage position** >7,300 sq km including Esmeralda block, with no well obligations is undergoing studies in maturing the play





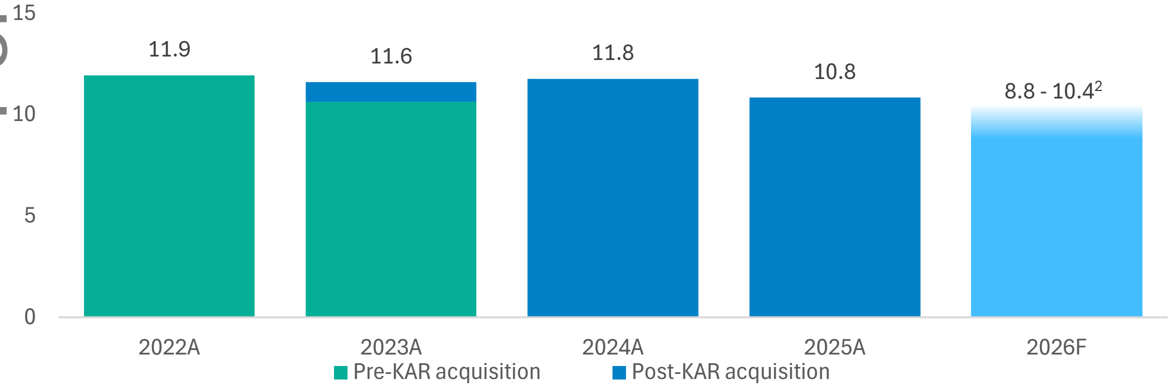
1. See Slide 3, 'Notes and Definitions', for further detail on prospective resources.

In relation to ASX Listing Rule 5.29: The seismic section shown is Viridien's Time-Lag Full Waveform Inversion with velocity model overlay. The original survey was completed in 2001 and reprocessed in 2025. Structural interpretation and prospect outlines are shown for illustrative purposes only.

Production: Who Dat
In line with expectations

- **High margin production** 74% liquids, 26% gas (NRI basis)
- **2.6 MMboe production in 2025** with decline rate mitigated to 10% (NRI)
- **E6ST came online 4Q25, under budget** and with initial flow rate of 1,050 boepd NRI basis, in line expectations
- **2026 workplan:** A1ST in 2Q26 and flowline/riser reinstatement on E-manifold currently impacting production

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

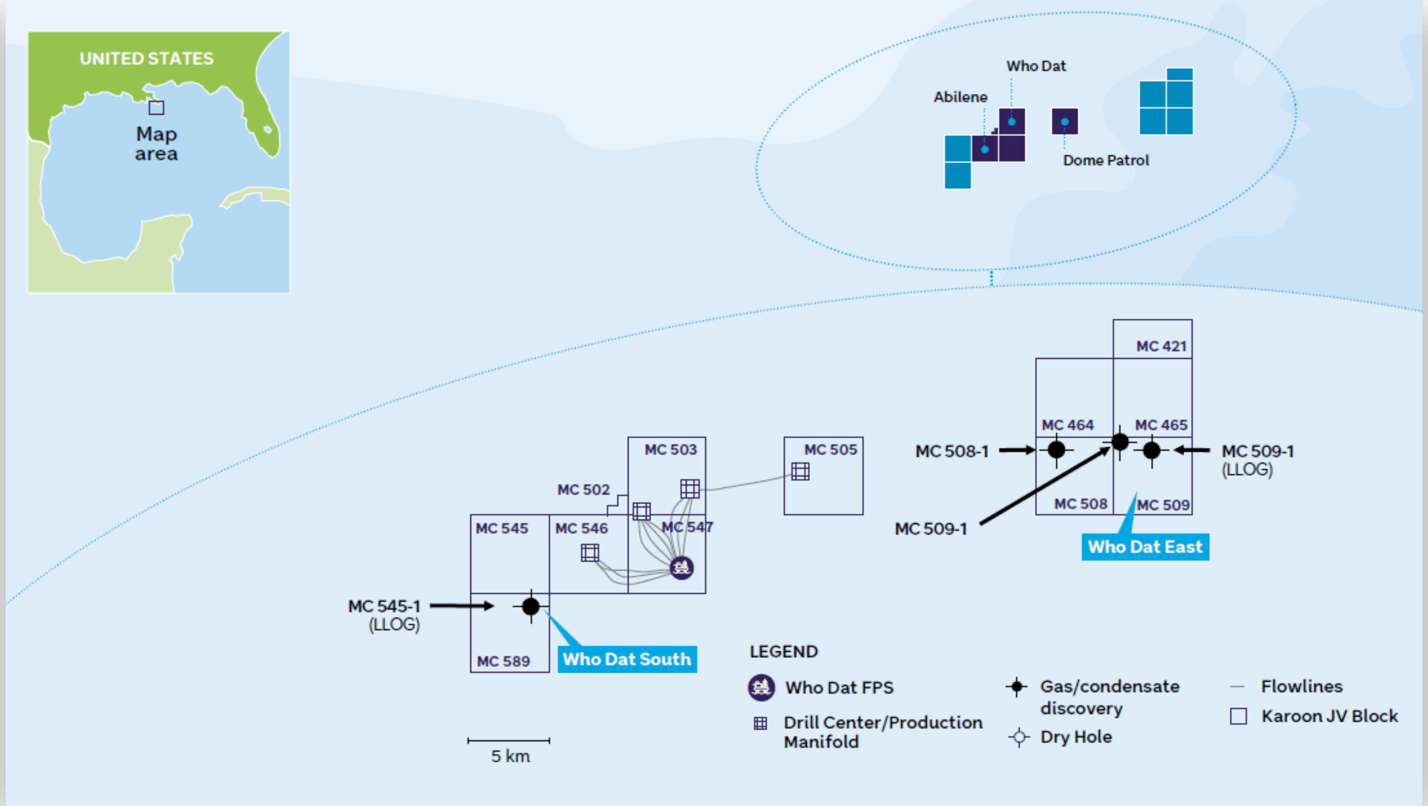


1. Acquisition of Who Dat completed on 21 December 2023
2. Illustrative only. Gross estimate based on Karoon NRI guidance, assuming 30% net working interest and royalty rates of 20%

Who Dat East and South discoveries

Short cycle discoveries nearby existing infrastructure

- **Who Dat East Joint Venture working towards potential FID** on a initial single well tieback, pending royalty relief decision outcome and supportive economics
- **KAR expects WDE to contribute ~3,500 – 5,000 boepd (NRI)** assuming FID and based on proposed development concept
- **Who Dat South** JV expects to undertake seismic reprocessing project, to better define project opportunity and uncertainties



KAROON ENERGY

Carri Lockhart
CEO and Managing Director

Summary

Summary

Leveraging competitive advantages to optimise TSR

- **High quality assets** in world class basins with organic growth opportunities and no near-term abandonment obligations
- **First priority** remains safe and reliable operations
- **Low cost and high margin operations** with low breakeven (US$31/bbl in 2025)
- **Focus on improving Baúna Project** FPSO efficiency and reinstating full production, and **mitigating Who Dat natural reservoir decline**
- **Pipeline** of organic short, medium and long-term opportunities
- **Solid financial position** with robust balance sheet, cash flow and liquidity
- **Balancing capital returns with value accretive growth investment** -capital allocation framework strictly applied to optimise TSR

Appendix and Glossary

KAROON ENERGY

Appendix 1: Reconciliation of underlying results to statutory results

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	2025		2024	
	NPAT	EBITDAX	NPAT	EBITDAX
Statutory results	125.5	403.2	127.5	470.2
Non-recurring FPSO transition costs	2.9	4.4	-	-
Non-cash gain on disposal of right of use asset FPSO	(35.3)	(35.3)	-	-
Tax impact on disposal of right of use asset FPSO (in tax expense)	18.6	-	-	-
Non-recurring flotel costs	13.9	21.1	-	-
Change in fair value of contingent consideration	(14.0)	(21.2)	4.3	6.5
Realised losses/(gains) on cash flow hedges	1.5	2.2	8.1	12.2
Foreign exchange losses/(gains)	5.1	7.3	(2.6)	(3.3)
Cost of unsuccessful exploratory wells	10.9	-	12.0	-
Non-recurring corporate relocation	4.8	6.8		
Social investments/sponsorships	-	0.4	-	2.0
Non-recurring transaction & Advisory Costs	-	-	3.8	4.8
Non-cash FX movements – Brazil deferred tax assets (in tax expense)	(26.4)	-	60.9	-
Total adjustments	**(18.0)**	**(14.2)**	**86.5**	**22.2**
Underlying results	**107.5**	**388.8**	**214.0**	**492.4**

- Underlying EBITDAX (earnings before interest, tax, depreciation, depletion, amortisation, exploration and costs of unsuccessful exploratory wells) and underlying net profit after tax are non-IFRS measures.
- Non-cash FX movements – Brazil deferred tax assets (in tax expense) in prior years described as "Cumulative translation adjustment impact on tax expense" this reflects a non - monetary movement in deferred tax expense due to FX fluctuations to the Brazilian asset base which is 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$.

Appendix 2: Unit Production Costs Reconciliation

Normalising opex/boe for AASB16 capitalised operating leases

2025	Reported	Back out AASB 16	Production costs related to operating leases	Normalised costs
Operating costs (US$ million)	124			124
Capitalised leases[1] D&A (US$ million)	14	(14)		
Capitalised leases[1] interest (US$ million)	3	(3)		
Cost of operating leases[1] (US$ million)			20	20
Total costs (US$ million)	**141**	(17)	20	144
Production (US on NWI basis) (MMboe)	10.9	10.9	10.9	10.9
2025 Unit production costs/boe	**12.9**	**(1.6)**	**1.8**	**13.2**
2024				
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**

- 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 capitalised operating leases associated with production (FPSO)
- AASB16 derived capitalised leases, D&A and interest costs have reduced as due to the acquisition of the FPSO in April 2025
- Baúna Project unit production costs in 2025 of US$14.8/bbl a reduction from US$16.0/bbl in 2024 due to Charter costs removed from May 2025 (post acquisition of FPSO).
- Who Dat unit production cost (NWI) was US$9.2/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

Appendix 3: 2026 guidance [1]

Calendar year[1]		2026 Guidance
PRODUCTION[2]		
Brazil	MMbbl	6.0 – 6.7
Who Dat (NRI)	MMboe	2.1 – 2.5
Total production	MMboe	8.1 – 9.2
UNDERLYING OPERATING COSTS		
Unit production costs (NWI)[3]	US$/boe	12 – 15
Exploration expenses, Business Development, share-based payments	US$m	10 – 14
Unit DD&A (NWI)	US$/boe	15 – 17
Finance costs and interest (net of interest income)[4]	US$m	60 – 70
Other operating costs[5]	US$m	37 – 41
INVESTMENT EXPENDITURE		
Baúna[6]	US$m	61 – 74
Who Dat[7]	US$m	37 – 46
Exploration and appraisal (Neon, Santos Basin)	US$m	9 – 11
Other capex	US$m	3 – 4
Total capex	US$m	110 - 135
Petrobras contingent consideration[8]	US$m	28

Basis of guidance

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NOTES:

1. Guidance is subject to various risks (including "Key Risks" set out in the 2025 Annual Report).

2. Production assumes drilling results and expected future development projects, including well interventions, are delivered in accordance with their currently expected schedules and work scopes.

3. Unit Production Costs: based on daily operating costs associated with Baúna and Who Dat Production, Excludes one off FPSO transition costs which are guided separately.

4. 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.

5. 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. Non-underlying corporate office relocation costs are not included and guided separately.

6. Baúna capital expenditure is presented separately from other capex, to provide additional clarity. The cost of the Flotel campaign for the FPSO revitalisation in 2026 is excluded from this and guided separately.

7. Includes the A1 sidetrack, but does not include Who Dat East, with expenditures contingent on a positive development decision.

8. The 2025 Petrobras contingent payment is expected to be made in late January 2026.

Other costs not included in guidance:

- US$43 – 53 million flotel costs in 1H26
- FPSO transition costs of US$6 – 7 million
- US$3 - 4 million corporate head office relocation costs

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
EBITDAX	Earnings before interest, tax, depreciation, amortisation, exploration and costs of unsuccessful exploratory 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)
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 per 200,000 hours worked
TSR	Total Shareholder Return
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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