

ASX RELEASE

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Commencement of a further on-market share buyback

Following the recent completion of the second phase of the US\$75 million on-market buyback program announced on 25 September 2025, Karoon advises that it intends to commence a further on market share buyback commencing in July 2026.

To date, Karoon has bought back and cancelled 94.3 million shares at a cost of approximately US\$97 million, equivalent to an average price of A\$1.57 a share.

The third phase of the on-market buyback will be conducted at a measured pace reflecting prevailing market conditions and Karoon's ongoing capital requirements, including future project sanctions. The buyback will not exceed 10% of Karoon's issued capital in a twelve-month period (the 10/12 limit) in accordance with section 257B of the Corporations Act 2001 (Cth), and the Board retains discretion as to the rate, timing and extent of purchases.

The on-market share buyback remains subject to a number of factors¹ and forms part of Karoon's disciplined capital allocation framework, balancing shareholder returns with the ongoing needs of the business, including growth projects.

Karoon's Chairman, Peter Botten, said:

"The Board believes that Karoon's shares are significantly undervalued, creating an attractive opportunity to buy back and cancel shares and enhance value for remaining shareholders. We are committed to building long term shareholder value by maintaining a disciplined approach to capital allocation and directing capital to the highest returning opportunities, whether through buybacks or reinvestment in the business, while preserving a strong balance sheet and liquidity."

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

¹ Including ongoing compliance with Karoon's credit agreements, the prevailing share price and broader market conditions.

FOR FURTHER INFORMATION ON THIS RELEASE, PLEASE CONTACT

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FORWARD LOOKING STATEMENTS

Petroleum exploration and production operations rely on the interpretation of complex and uncertain data and information which cannot be relied upon to lead to a successful outcome in any particular case. Petroleum exploration and production operations are inherently uncertain and involve significant risk of failure. All information regarding reserve and contingent resource estimates and other information in relation to Karoon's assets is given in light of this caution.

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

You are cautioned not to place undue reliance on forward-looking statements as actual outcomes may differ materially from forward-looking statements. Any forward-looking statements, opinions and estimates provided in this announcement necessarily involve uncertainties, assumptions, contingencies and other factors, and unknown risks may arise (including, without limitation, in respect of imprecise reserve and resource estimates, changes in project schedules, operating and reservoir performance, the effects of weather and climate change, the results of exploration and development drilling, demand for oil, commercial negotiations and other technical and economic factors) many of which are outside the control of Karoon. Such statements may cause the actual results or performance of Karoon to be materially different from any future results or performance expressed or implied by such forward-looking statements. Forward-looking statements including, without limitation, guidance on future plans, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Such forward-looking statements speak only as of the date of this announcement.

Karoon disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise.

This announcement does not constitute an offer to sell, or the solicitation of any offer to buy, senior secured notes or other securities.

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.