



18 January 2024

Company Announcements Office
ASX Limited

Dear Sir / Madam

Shaw and Partners Network Briefing Presentation

Enclosed is a presentation that is to be made by the CEO and Managing Director today.

This announcement was authorised by the CEO and Managing Director.

Yours faithfully

Daniel Murnane
Company Secretary

Karoon Energy Network Briefing Presentation

January 2024



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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.

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Guidance for the 12 months from 1 January 2024 to 31 December 2024 is uncertain and subject to change. Guidance has been estimated on the basis of various risks and assumptions, including those "Key Risks" set out in Karoon's 2023 Annual Report.

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

Reserves disclosure

Reserves and Resources estimates are prepared in accordance with the guidelines of the Petroleum Resources Management System (SPE-PRMS) 2018 jointly published by the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), and American Association of Petroleum Geologists (AAPG) and Society of Petroleum Evaluation Engineers (SPEE).

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

Oil and gas reserves and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly due to new information or when new techniques become available. Additionally, by their nature, reserves and resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further data becomes available through for instance production, the estimates are likely to change. This may result in alterations to production plans, which may in turn, impact the Company's operations. Reserves and resource estimates are by nature forward looking statements and are the subject of the same risks as other forward-looking statements.

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

Authorisation

This presentation has been authorised for release by the Chief Executive Officer and Managing Director of Karoon Energy Ltd.

Overview of Karoon Energy

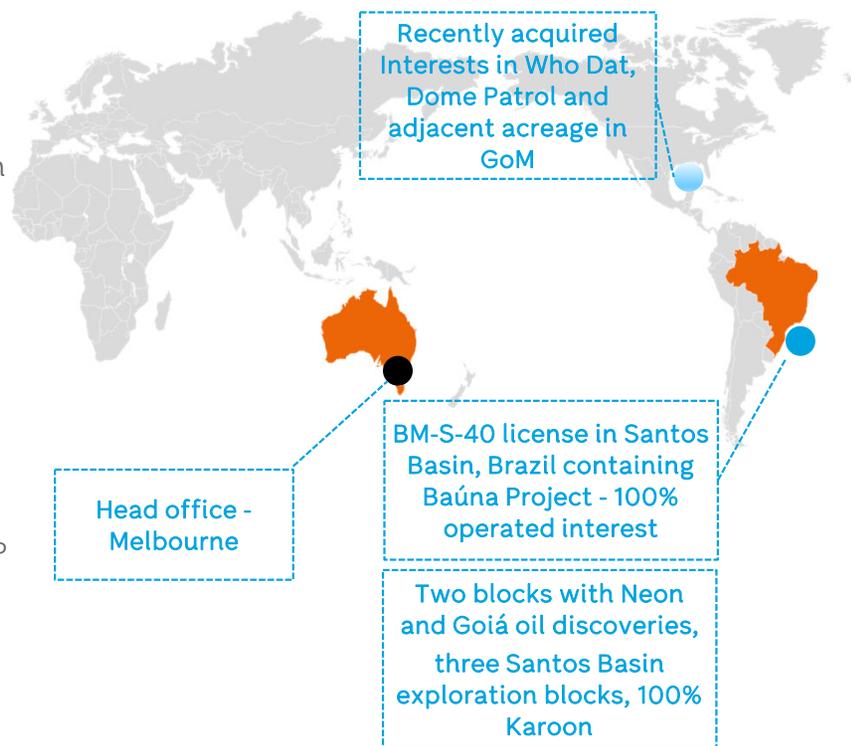


Oil production offshore Brazil, recent acquisition in US Gulf of Mexico and material organic growth opportunities

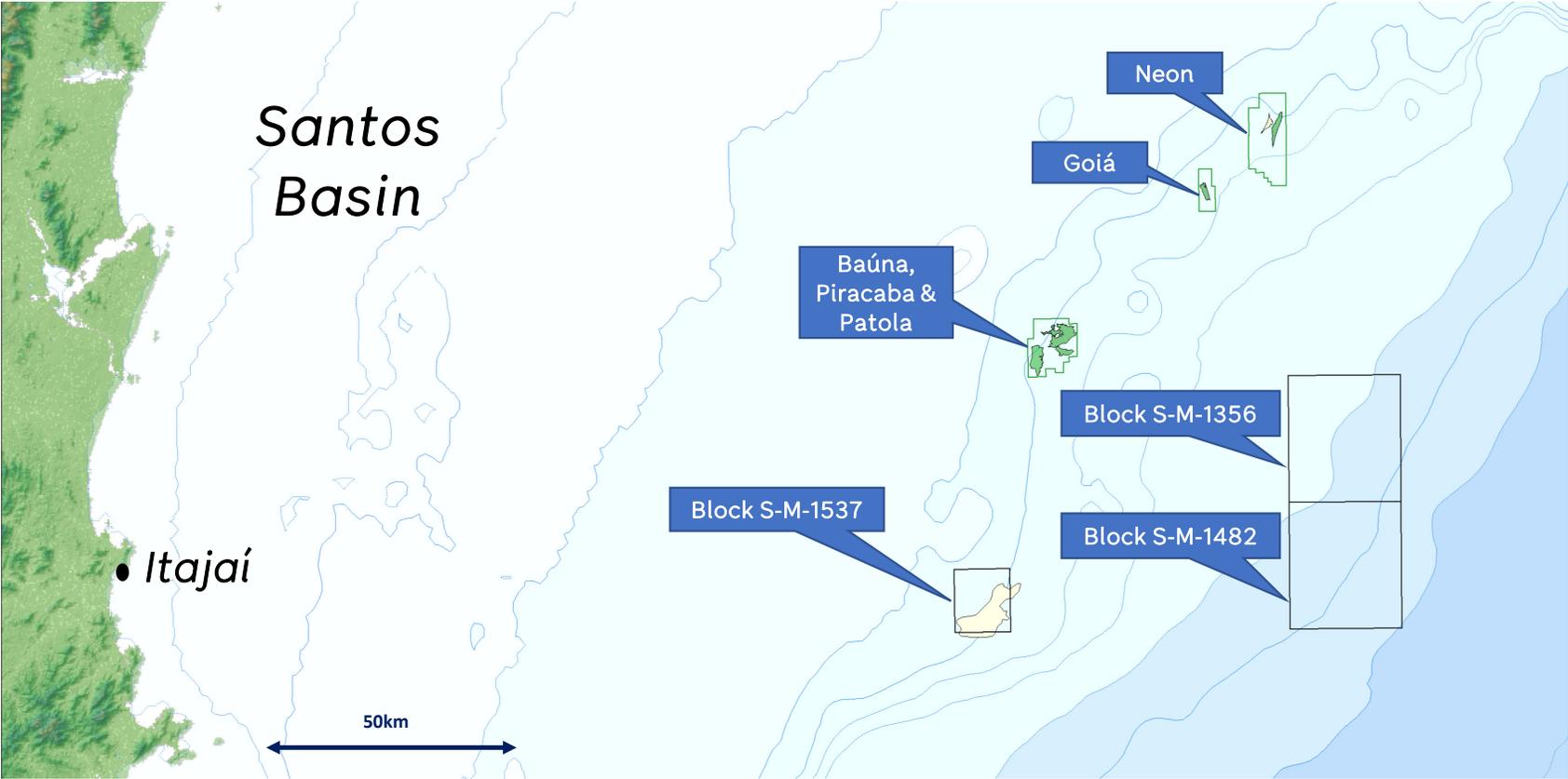
- › Interests in two world class oil and gas basins:
 - › 100% owner/operator of high quality Baúna field in BM-S-40 offshore Brazil
 - › Acquired¹ 30% non-operated interest in Who Dat/Dome Patrol oil/gas fields in US GoM, plus various interests in adjacent exploration acreage with material upside
- › Highly experienced Board, management, operations and development teams
- › Production increased 51% during FY23 (compared to FY22) following successful delivery of Baúna intervention campaign and Patola project
- › Neon discovery in Brazil with 60 MMbbl 2C Resources² progressing towards Concept Select decision gate
- › GoM acquisition builds scale, +57-63% production guidance for CY24E³, +75% 2P Reserves⁴ and +50% 2C & 2U Resources⁴
- › Potential for further growth through organic opportunities in GoM and Brazil
- › Committed to emissions targets – Carbon Neutral on existing operations since FY21, targeting to remain Carbon Neutral, aiming for Net Zero by 2035⁵

› Robust financial position

1. Refer ASX released dated 22.12.23 “Karoon completes acquisition of interest in the US Gulf of Mexico”
2. Contingent Resource volume estimates presented for Neon as disclosed in the 2023 Annual Report. Karoon is not aware of any new information or data that materially affects this resource estimate and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed.
3. Refer to slide 31 of ASX Release dated 16/11/23 “Acquisition of Interest in GoM - Investor Presentation”
4. Refer to slide 9 of ASX Release dated 16/11/23 “Acquisition of Interest in GoM - Investor Presentation”. Karoon is not aware of any new information or data that materially affects these resource estimates, and all material assumptions and parameters are unchanged.
5. Carbon Neutral refers to firstly, reducing or avoiding operational Scope 1 and 2 greenhouse gas (GHG) emissions and, secondly, acquiring carbon offsets to balance the remaining Scope 1 and Scope 2 emissions. Net Zero refers to reducing Scope 1 and 2 GHG emissions as far as practical and balancing the residual GHG emissions produced with GHG emissions removed from the atmosphere.



Karoon's interests in the Santos Basin, Brazil



Production and Development Blocks	
Exploration Blocks	
Fields and Discoveries	
Prospects	

Acquisition of Who Dat assets in Gulf of Mexico

Compelling value proposition



Karoon acquired¹ 30% interest in offshore Who Dat and Dome Patrol oil and gas fields, associated infrastructure and adjacent exploration acreage²

Acquisition consideration of US\$720m⁶ funded by cash, debt and a fully underwritten equity raise

Entry to US Gulf of Mexico



Low risk entry into Tier 1 prolific hydrocarbon Basin with highly experienced operator, LLOG

Acquisition of high value, low emission intensity barrels



Low cost barrels (opex of US\$5.70 per boe³) to deliver long term production and pre tax cash operating margin of 67%⁹

Highly strategic acquisition



Achieves Karoon's M&A objectives and establishes platform for further growth

Increases scale



Builds scale with +57-63% CY24E production, +75% 2P Reserves and +50% 2C + 2U Resources⁷

Delivers immediate financial return



Mid teens cash flow per share and earnings per share accretive⁴, exceeds Karoon's IRR hurdles⁵

Low risk infrastructure-led growth



Growth from low risk, low cost, near term infill development, material discovered resource upside and attractive exploration opportunities

Materially diversifies business



Geographically diversifies asset base and offsets natural decline from Baúna with a long-life asset

Robust balance sheet



Balance sheet remains strong, with peak leverage at 0.4x FY23A pro forma EBITDA and liquidity of US\$80m⁸

1. Refer ASX released dated 22.12.23 "Karoon completes acquisition of interest in the US Gulf of Mexico"
2. Refer to Appendix A, "Acquisition of Interest in GoM - Investor Presentation" dated 16/11/23 for detailed breakdown of permits and Blocks acquired.
3. Gross Interest basis, LTM (Last Twelve Months) to July 2023.
4. Reflects the first full year of ownership. The purchase price accounting for the Transaction has not been finalised, resulting in the inclusion of an estimated depreciation and amortisation charge relating to the Target. The cash flow accretion analysis includes approved CAPEX and excludes debt repayments, and one-off integration costs. The newly issued shares are calculated based on a TERP discount of 10.8% on a share price of A\$2.05/share.
5. Karoon's internal pre tax IRR hurdles align with industry normal practices and target an average (across all investments) in the mid teens, adjusted for geopolitical and fiscal stability risk of the region of investment.
6. Exploration is subject to carry of US\$39.1 million on a 2 for 1 basis.
7. Net Working Interest basis.
8. Refer to slide 30 of "Acquisition of Interest in GoM - Investor Presentation" dated 16/11/23
9. Refer to slide 15 of "Acquisition of Interest in GoM - Investor Presentation" dated 16/11/23

High margin production asset

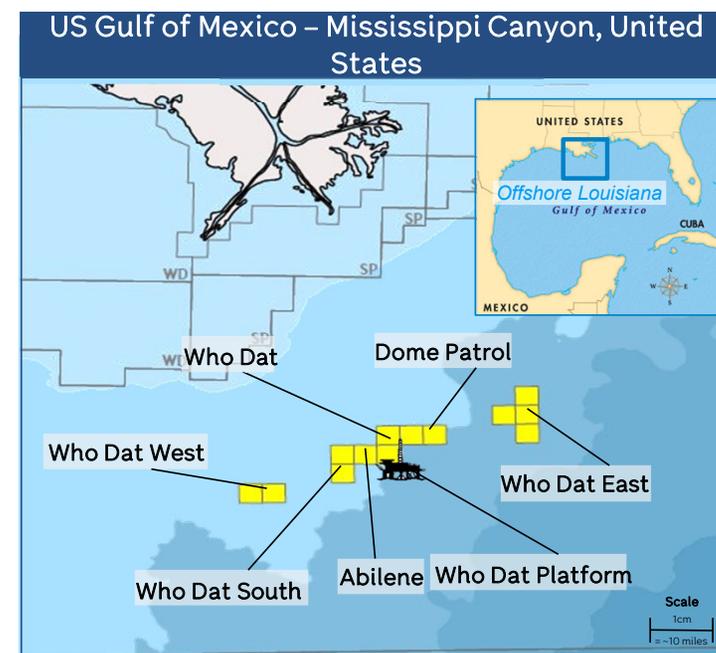
Material growth underway, with development and exploration upside

Location	› Mississippi Canyon, US Gulf of Mexico (offshore Louisiana, ~800m water depth)
FY23 (LTM Jul23) production	› ~33,000 boepd ¹ - 61% oil / 39% gas
FY23A (LTM Jul23) operating costs	› US\$5.7/boe (gross) / US\$7.1/boe (NRI)
Nameplate capacity of Floating Production System (FPS)	› 40,000 bbl oil + 150 MMscf/d gas
2P Reserves²	› 129 MMboe (gross) / 39 MMboe (NWI) / 31 MMboe (NRI)
2C Resources²	› 17 MMboe (gross) / 7 MMboe (NWI) / 5 MMboe (NRI)
2U Resources^{2,7}	› 143 MMboe (gross) / 50 MMboe (NWI) / 40 MMboe (NRI)

Proforma Net Working Interests^{3,4,5}

Assets	Producing			Exploration		
	Who Dat	Dome Patrol	Abilene	Who Dat South	Who Dat West	Who Dat East
	30%	30%	~16%	30%	35%	40%
	45%	45%	~21%	70%	65%	60%
Westlawn	25%	25%	~12%	-	-	-
CNOOC ⁶	-	-	50%	-	-	-

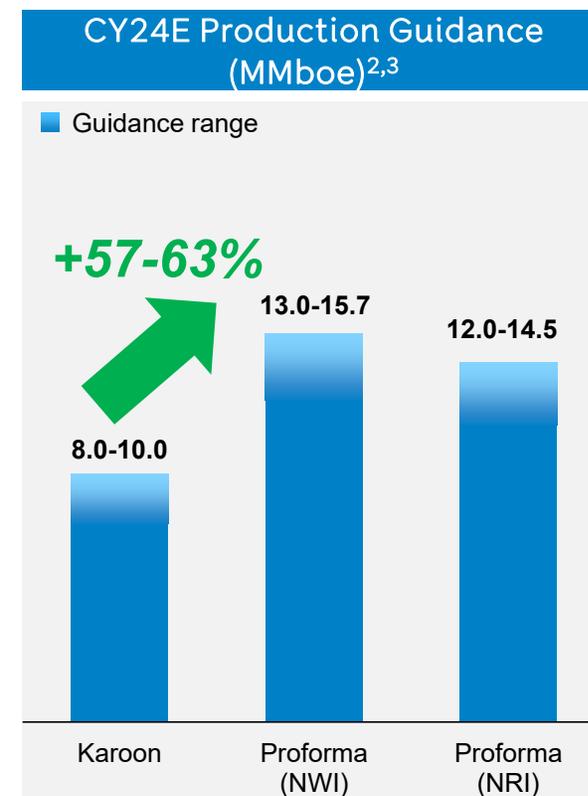
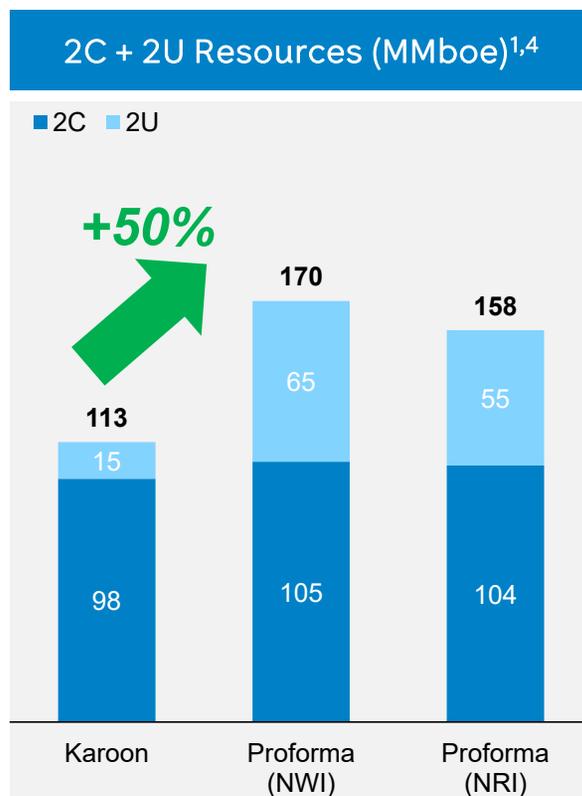
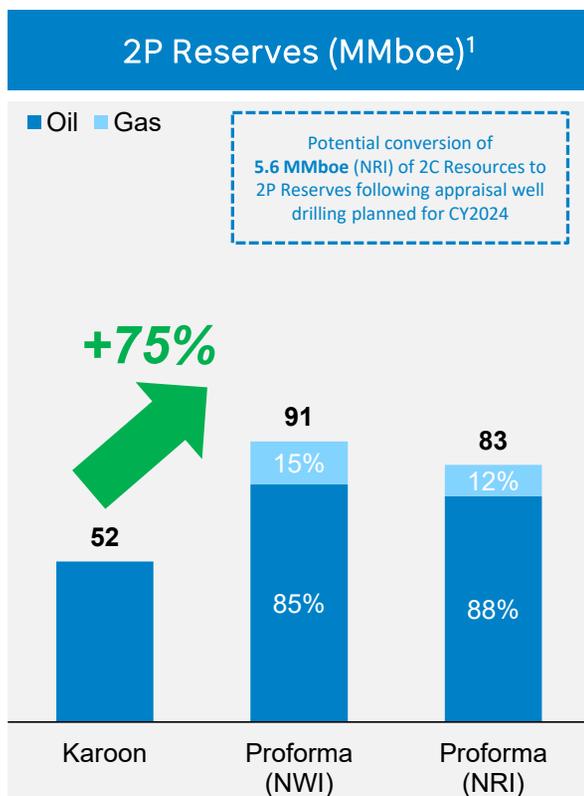
1. Conversion of gas based on 6 mcf gas = 1 boe.
2. Reserves and Resources as at 1 August 2023. Refer to Appendix A, "Acquisition of Interest in GoM - Investor Presentation" dated 16/11/23 for detailed breakdown of Reserves and Resources.
3. Interests will be validated after signing the PSA by way of a customary title review and defect process as set out in the PSA.
4. Refer to Appendix A, "Acquisition of Interest in GoM - Investor Presentation" dated 16/11/23 for detailed breakdown of well area by block/lease.
5. Working interest table as at 16 November 2023.
6. China National Offshore Oil Corporation (CNOOC).
7. Excludes Who Dat East Deep Prospect.



Scale is approximate

Transformational impact

Material increase in Reserves, Resources and production



1. Karoon Reserves and Resources as at 30 June 2023. Who Dat Reserves and Resources as at 1 August 2023.

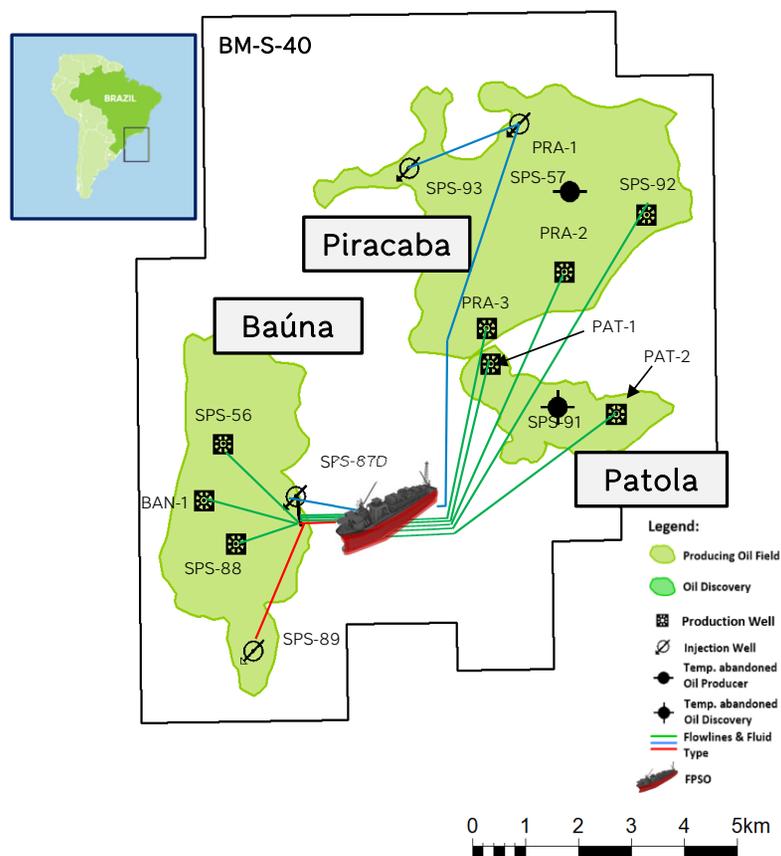
2. Production ranges based on CY24E management guidance for Karoon and Who Dat. Who Dat breakdown of oil vs gas production projected based on CY23A percentages.

3. Prospective financial information is predictive in character, may be affected by inaccurate assumptions or by known or unknown risk and uncertainties and may alter materially from results ultimately received. Refer to slide 18 for further details on guidance.

4. Excludes Who Dat East Deep Prospect.

BM-S-40: Baúna, Patola and Piracaba

Interventions and Patola delivered safely, on time and within budget



- ▶ Baúna intervention campaign and Patola development completed during FY23
- ▶ Personal safety improved on FY22 and no material environmental incidents, despite managing increased activity levels
- ▶ BM-S-40 production increased from ~12,600 bopd prior to program¹ to peak of >40,000 bopd prior to unplanned shut in on 28 March 23
- ▶ Production resumed on 9 May 23
- ▶ Both Baúna intervention campaign and Patola development delivered within original budget, final total capex of US\$302m
- ▶ Reserves and Contingent Resources upgraded³

At 30 June 2023

	Reserves ³		
	1P (MMbbl)	2P (MMbbl)	3P (MMbbl)
Baúna	39.8	51.8	61.3
	Contingent Resources ³		
	1C (MMbbl)	2C (MMbbl)	3C (MMbbl)
Baúna	10.5	11.1	14.9

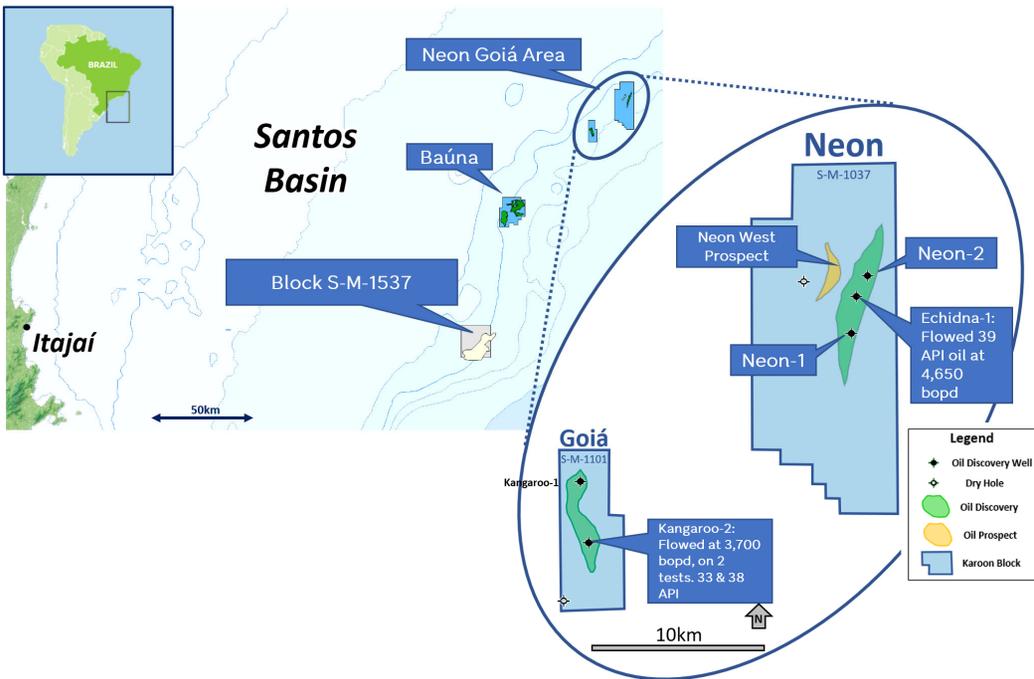
1. See ASX Release, Dec 22 Quarterly activities Report dated 24.01.23

2. See ASX Release dated 29.3.2023 "Second Patola Well onstream"

3. Reserves and Resources as at 30 June 2023 (see page 32 of the 2023 Annual Report). Karoon is not aware of any new information or data that materially affects these resource estimates, and all material assumptions and parameters are unchanged.

Organic Growth: Potential Neon development

Control wells drilled safely and below budget; feasibility studies underway



- ▶ Both Neon control wells successful, achieved pre-drill objectives:
- ▶ Neon-1 confirmed 39 API oil and oil-water contacts closely aligned to seismic predictions
- ▶ Neon-2 confirmed 33 API oil and thickened reservoir sections in cross-fault and northwestern regions
- ▶ Control well results bring calibration to subsurface models
- ▶ Improved subsurface definition incorporated into resources reassessment, resulting in 14% increase in 2C Contingent Resources to 60.1 MMbbl¹
- ▶ Final total CAPEX for two Neon wells of US\$45m, 36% below mid-point of budget (US\$65-75m)
- ▶ Technical and commercial feasibility studies underway including detailed subsurface modelling, integrating seismic reprocessing, core and fluid sample analyses

1. Contingent Resource volume estimates presented for Neon and Goiás and Prospective Resources for Neon West are as disclosed in the 2023 Annual Report. Karoon is not aware of any new information or data that materially affects these resource estimates and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed

