

RESERVES AND RESOURCES POLICY

1. Objective

Karooon Energy Ltd (Karooon) is committed to achieving quality and consistency in all hydrocarbon reserves and resources estimates.

Karooon will implement processes and controls to provide reliable hydrocarbon reserves and resource estimates, consistent with its continuous disclosure obligations under the Corporations Act 2001 (Cth) (**Corporations Act**), the Australian Securities Exchange Listing Rules (**ASX Listing Rules**) and industry best practice, to enable effective business planning, provide shareholders and the market with quality reserves and resource information, and promote investor confidence in the integrity of Karooon's processes.

This policy applies to both the estimation and reporting of all hydrocarbon reserves and resources. Within this policy, the term "resource" refers to both technically mature and commercially viable Reserves and less mature Contingent Resources, and also undiscovered Prospective Resources.

2. Policy

Karooon will achieve the objective by:

- Preparing resources estimates in compliance with the ASX Listing Rules and utilising the definitions, standards and guidelines contained within the Society of Petroleum Engineers Petroleum Resources Management System, June 2018 (**SPE-PRMS**).
- Ensuring that all resource estimates reported by Karooon are made or prepared under the supervision of a qualified petroleum reserves and resources evaluator ('QPRRE', as defined by the ASX Listing Rules).
- Publicly reporting Karooon's estimated resources as and when required. The Company will review, update and report its resource estimates:
 - On an annual basis in the form of the Annual Reserves and Resources Statement published in conjunction with Karooon's Annual Report; and
 - As frequently as required when there are material resource revisions indicated by new data, as required under the Company's Continuous Disclosure Policy. Materiality will be determined on a case-by-case basis by Karooon.
- Regularly training and demonstrating the competency of all persons involved in the resource estimation, management and reporting processes.
- Forming a Karooon Reserves Committee (**KRC**) comprising EVP Technical (Chair), VP Operations, VP Subsurface, and VP Finance and such other members as required. The KRC manages the resource booking and estimation processes in accordance with this policy, ensuring compliance with this policy and recommends new resource bookings or other material revisions for consideration by Karooon's executive leadership team and the Board.
- Engaging an independent auditor to complete external audits of resources as required, with such audits reported through the KRC to the CEO/MD and the Board. Such audits are to be performed by recognised, independent professional consulting companies that do not have a financial or beneficial interest in the projects or fields being examined.

3. Approach to resource estimation

Resource estimates are prepared by suitably qualified and experienced technical and commercial staff, assisted by QPRRE's and consultants where necessary, and include appropriate assurance reviews. The KRC will have oversight of the estimating process and may request an independent reserves auditor prepare a resource estimate. The KRC shall consult with the executive leadership team during the process.

The final resources report shall then be approved by the Board. In addition, the Board shall be responsible for approving any associated market announcement, consistent with Karoon's Continuous Disclosure Policy.

4. Policy review

To ensure that it is operating effectively, the Board will review and if necessary, update this policy at least every 2 years.

A copy of this policy is available on Karoon's website and posted internally on shared drives.



Bruce Phillips
Chairman



Julian Fowles
CEO & Managing Director

Approved by the Board. Effective 21 February 2023