

QUARTERLY REPORT

PERIOD ENDING 30 JUNE 2025 [ASX:HZN]

HIGHLIGHTS

PAYMENT OF INTERIM DISTRIBUTION

- Cumulative distributions paid over the past 5 years are more than A\$220 million following the payment of the FY25 interim dividend [AUD 1.5 cents per share] on 24 April 2025. Further distributions under evaluation.

ROBUST CASHFLOW AND FY25 PRODUCTION GROWTH DRIVEN BY MEREENIE ACQUISITION

- Production volumes for FY25 increased 13% against the prior year to 1,615,030 boe [FY24: 1,426,687 boe], with sales volumes 24% higher at 1,617,218 boe [FY24: 1,301,155 boe]. Production and sales growth was driven by the successful acquisition of Mereenie during the prior year, with incremental production from recently drilled infill wells in Mereenie and Block 22/12 helping to offset natural field decline across the production portfolio.
- Production and sales volumes for the quarter were 12% and 6% lower than the prior quarter, mainly due to workover activity at Maari to replace electrical submersible pumps (ESPs) on two wells and a precautionary shut-in at Block 22/12 for typhoon Wutip. Both Maari wells have been successfully returned to production, and Block 22/12 production was safely restarted following the typhoon.
- FY25 production revenue (inclusive of hedge settlements) was US\$105.3 million which was 5.5% lower than the prior year due substantially to softer realised oil prices. Quarterly revenue was US\$23 million.
- Net operating cash flow¹ for the year remained robust at US\$68 million, with net operating cash flow for the quarter US\$14 million.
- Cash reserves at the end of the quarter were US\$39.8 million, following the ~US\$16 million dividend payment in April, with net cash² at 30 June 2025 of US\$13.7 million. An additional US\$9.2 million was received in early July from the June Maari lifting, substantially replenishing cash reserves following the interim dividend in April.
- A robust commodity hedge position is in place, with 230,000 bbls of oil hedged at a weighted average price of ~US\$68/bbl through March 2026, focussing on nearer term Maari and Block 22/12 scheduled liftings. Mereenie gas production effectively hedged through long term fixed price gas contracts covering the next three years.

MATERIAL RESERVES REPLACEMENT DRIVEN BY EXPECTED MAARI EXTENSION

- 2P reserves at 30 June 2025 of 9.0 MMboe, with a 0.7 MMboe 2P reserves addition offsetting 1.6 MMboe production, primarily due to a significant increase in 2P reserves at Maari, a consequence of ongoing stable performance and the maturation of infrastructure class extension studies, together with the expected award of a permit extension.

BLOCK 22/12 INFILL WELL SUCCESS

- During the period, the WZ12-8 A9H infill well was successfully drilled, completed and commenced production boosting Block 22/12 production and helping to partially offset natural reservoir decline. Further infill drilling targeting the WZ12-8E field in Block 22/12 continues to be evaluated.

ACQUISITION OF THAILAND PRODUCTION ASSETS NEARING COMPLETION

- The previously announced acquisition of an effective 7.5% interest in the Sinphuhorm gas field and a 60% interest in the Nam Phong gas field in Thailand through the purchase of 75% of the shares in Exxon's Thailand upstream business is nearing completion. Over the four months since executing the transaction, the consortium has successfully worked to transition operatorship of the Nam Phong field and established new systems and processes to manage the Exxon Thailand upstream business going forward.
- As announced on 22 July 2025, financial close on an amended debt facility with Macquarie Bank was achieved which will provide additional funding of approximately US\$21 million to substantially fund the acquisition. Drawdown of the facility has now occurred with completion expected shortly.
- The acquisition of 3.9 MMboe of Horizon net 2P reserves at the acquisition effective date of 1 January 2025 will increase Horizon net daily production by almost 50% adding over 2,100 boe/d to Horizon's production. The economic benefit of production since the effective date will be set off against the remaining purchase consideration at completion, materially reducing the amount payable.

¹ Net operating cashflow represents total revenue less direct production operating expenditure (including workover costs).

² Net cash is non-IFRS financial information and represents cash on hand minus the nominal value of debt outstanding. This metric is widely used in the oil and gas industry.

CHIEF EXECUTIVE OFFICER'S COMMENTARY

This quarter marks the end of another strong year for Horizon, with the successful integration of our third production asset, Mereenie, and with the Company poised to complete on the acquisition of a further two production assets in Thailand. Following successful infill drilling during the second half of the year, combined with robust gas pricing from more recently negotiated GSAs, Mereenie's contribution to production more than covered natural reservoir decline at Horizon's other fields leading to a 13% increase in the Group's production to over 1.6 million barrels of oil equivalent for FY25. Even though oil prices declined around 12% over the financial year, cashflow generation remained robust with net operating cashflow a very respectable US\$68 million – well over AUD 100 million. This continued strong cashflow generation has allowed the Company to maintain its strong focus on distributions whilst still investing in production growth.

Whilst production during the quarter was impacted by workover activity at Maari and a precautionary shut down at Block 22/12 for typhoon Wutip, production from both fields has since been fully restored. We were pleased to see another successful Block 22/12 infill well contributing to production later in the quarter, with further studies continuing on a future infill drilling program targeting the WZ12-8E field.

Maari recently achieved a significant milestone, with over 50 million barrels of oil produced since the field commenced production in 2009. With Maari field production remaining robust, the facilities continuing to be well maintained, and with the Maari permit extension progressing, we were pleased to increase Maari reserves in our recently released 30 June 2025 reserves report.

Importantly, we are nearing completion of the previously announced transformative acquisition of Exxon's Thailand production assets. The operatorship transition led by our consortium partner, Matahio, has gone very smoothly and the consortium is now ready to take on and manage the Exxon Thailand upstream business going forward. Production from both the Nam Phong and Sinphuhorm fields has continued to be very strong over recent months with combined daily production of around 2,100 boe/d [net to Horizon]. This sustained production will help to reduce the final payment required at completion given the effective date of the acquisition is almost 7 months ago at 1 January 2025.

Financing for the acquisition is now in place, with the amended debt facility executed and with financial close and drawdown achieved. The additional funding obtained of approximately US\$21 million is expected to substantially cover Horizon's share of the remaining purchase consideration payable at completion, ensuring the Group maintains strong liquidity levels and can continue with its distribution strategy.

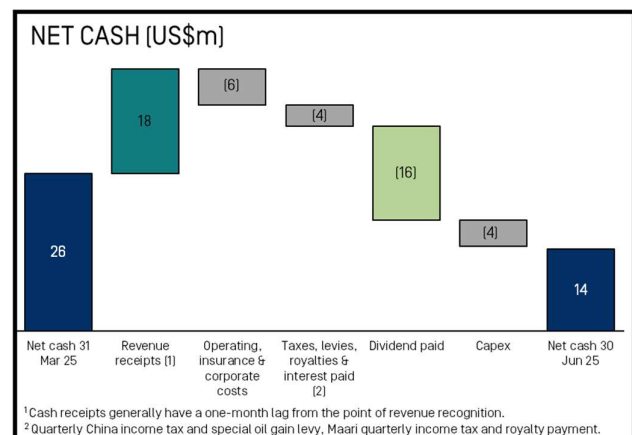
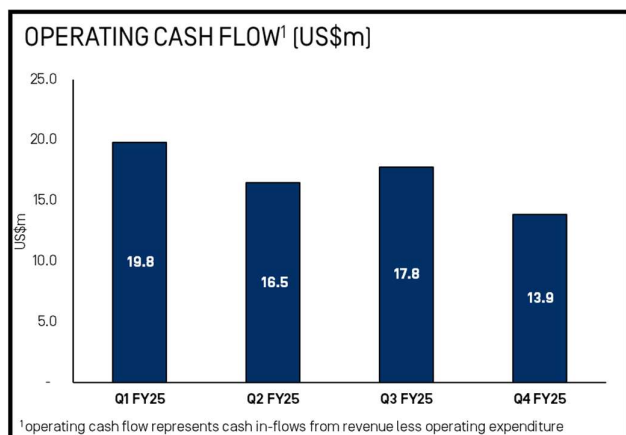
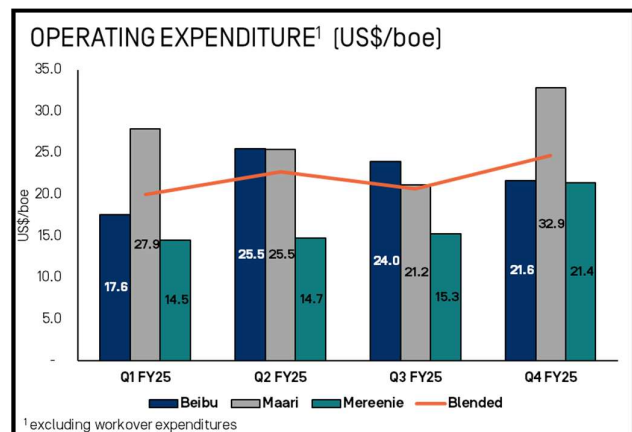
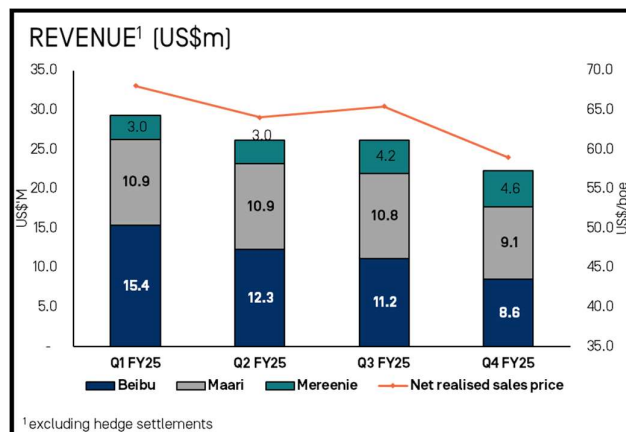
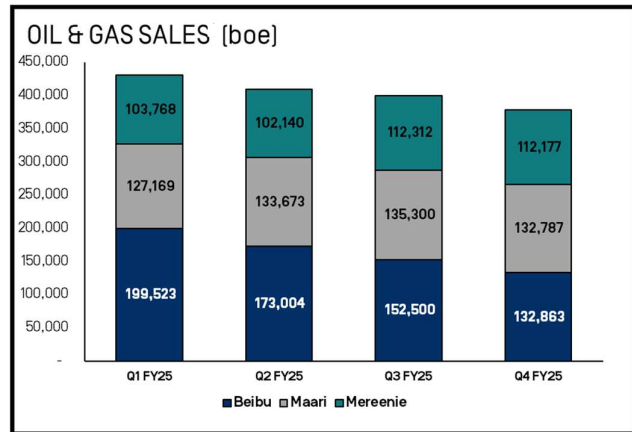
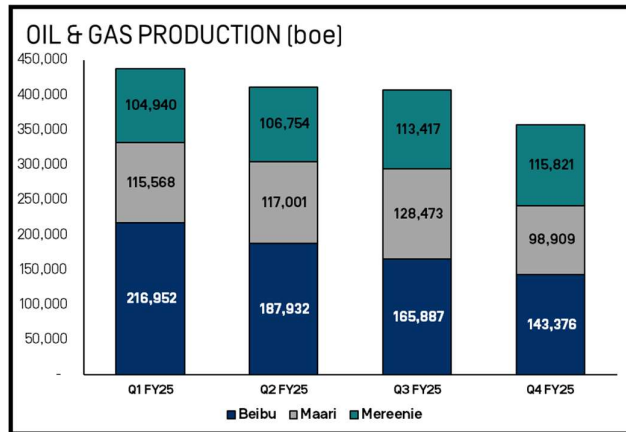
We are looking forward to completing the Thailand acquisition shortly, which will start a new chapter for Horizon with another strong production foothold in South-East Asia. With incremental production of 2,100 boe/d [net], the Thailand assets will boost Horizon daily production by around 50% and add around 40% to Horizon's 2P reserves.

The Company remains in a strong financial position and through our continued focus on careful and considered investment in our asset base we can continue to execute our strategy and prioritise returns to shareholders.

Richard Beament
Chief Executive Officer

COMPARATIVE PERFORMANCE

PERIOD ENDING 30 JUNE 2025



Notes:

- (a) Financial results contained in this quarterly are unaudited.
- (b) Statements contained in this report, particularly those regarding the possible or assumed future performance, costs, dividends, returns, production levels or rates, prices, reserves, potential growth of Horizon, industry growth or other trend projections and any estimated company earnings are or may be forward looking statements. Such statements relate to future events and expectations and as such involve known and unknown risks and uncertainties. Actual results, actions and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.

FINANCIAL SUMMARY

OIL & GAS PRODUCTION & SALES	Q4 FY25 BOE ³	Q3 FY25 BOE ³	CHANGE %	FY25 BOE ³
BLOCK 22/12 (BEIBU GULF), OFFSHORE CHINA				
Crude oil production (NW) ¹	143,376	165,887	(13.6%)	714,147
Crude oil sales	132,863	152,500	(12.9%)	657,890
PMP 38160 (MAARI & MANAIA), OFFSHORE NEW ZEALAND				
Crude oil production (NW) ¹	98,909	128,473	(23.0%)	459,950
Crude oil inventory on hand	28,309	68,522	(58.7%)	28,309
Crude oil sales	132,787	135,300	(1.9%)	528,930
OL4 AND OL5, MEREENIE, ONSHORE AUSTRALIA³				
Crude oil & gas production (NW) ¹	115,821	113,417	2.2%	440,933
Crude oil inventory on hand	3,904	4,035	(3.2%)	3,904
Crude oil & gas sales	112,177	112,312	(0.1%)	430,398
TOTAL OIL & GAS PRODUCTION & SALES				
Oil & gas production	358,106	407,778	(12.2%)	1,615,030
Oil & gas sales	377,827	400,112	(5.6%)	1,617,218

Notes:

¹ Production amounts are shown on a net working interest basis (NWI).

² Amounts may not cast due to the rounding of balances.

³ References to BOE refers to barrels of oil equivalent where liquids are equal to the total of oil, condensate and natural gas liquids where 1 barrel of condensate or natural gas liquids equals 1 barrel of oil. Gas reserves have been converted to oil equivalent using 5.816 PJ equals one million barrels of oil equivalent.

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PRODUCING OIL & GAS PROPERTIES	Q4 FY25 US\$'000	Q3 FY25 US\$'000	CHANGE %	FY25 US\$'000
BLOCK 22/12 (BEIBU GULF), OFFSHORE CHINA				
Production revenue ¹	8,594	11,163	[23.0%]	47,531
Operating expenditure	3,103	3,977	[22.0%]	15,703
Workovers	63	153	[58.6%]	605
Special oil gain levy	52	356	[85.4%]	1,456
PMP 38160 (MAARI & MANAIA), OFFSHORE NEW ZEALAND				
Production revenue ¹	9,124	10,823	[15.7%]	41,775
Operating expenditure	3,250	2,722	19.4%	12,174
Workovers	209	-	100%	1,520
Inventory adjustments ²	1,870	863	>100%	5,082
OL4 AND OL5, MEREENIE, ONSHORE AUSTRALIA				
Production revenue ¹	4,648	4,154	11.9%	14,821
Operating expenditure	2,482	1,733	43.3%	7,306
Inventory adjustments ²	[34]	[26]	29.8%	[60]
TOTAL PRODUCING OIL & GAS PROPERTIES				
Production revenue¹	22,366	26,140	[14.4%]	104,127
Oil hedging settlements	658	286	>100%	1,181
Total revenue (incl. hedging gains/losses)	23,024	26,426	[12.9%]	105,308
Direct production operating expenditure	9,107	8,585	6.1%	37,308
Net operating cash flow³	13,917	17,841	[22.0%]	68,000
DEVELOPMENT EXPENDITURES⁴				
PMP 38160 (Maari and Manaia), New Zealand	857	1,001		2,826
Block 22/12 (Beibu Gulf), offshore China	3,059	-		4,637
OL4 & OL5, (Mereenie), onshore Australia	270	3,980		4,937
Total capital expenditure	4,186	4,981		12,400
Cash on hand	39,782	51,478		39,782
Debt Facility⁵	[26,109]	[25,033]		[26,109]
NET CASH⁶	13,673	26,445		13,673

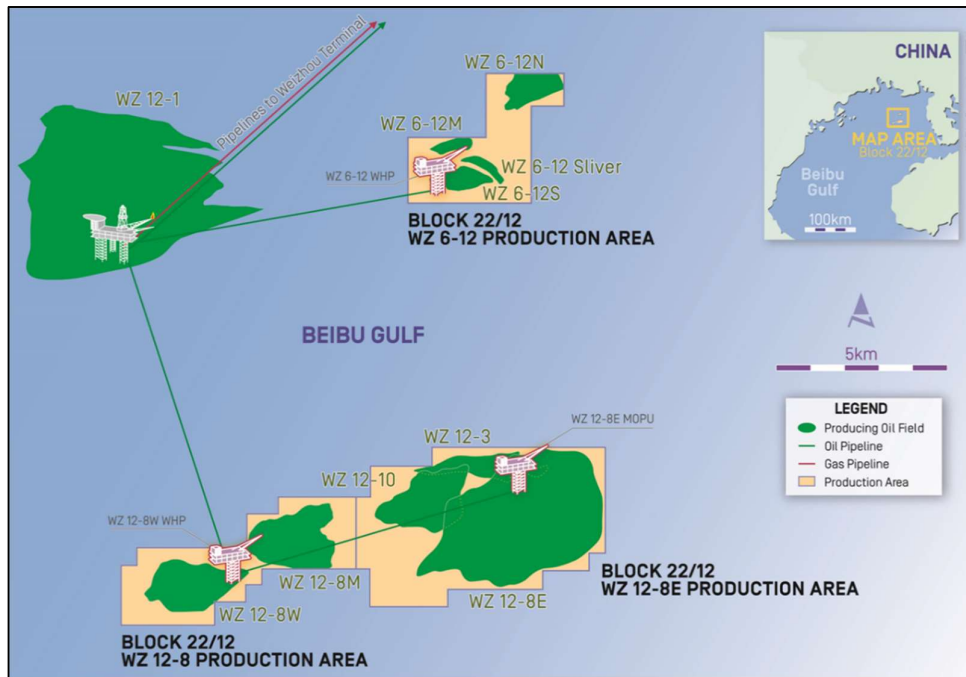
Notes:

- ¹ Represents gross revenue excluding hedge gains and losses.
- ² Represents an accounting adjustment for cost of crude oil inventory sold or produced during the period.
- ³ Represents total revenue less direct production operating expenditure (including workover costs).
- ⁴ No exploration activities were undertaken during the quarter.
- ⁵ Represents principal amounts drawn down at 30 June 2025, translated into USD at the period end spot exchange rate.
- ⁶ Net cash is non-IFRS financial information and represents cash on hand minus debt. This metric is widely used in the oil and gas industry.
- ⁷ Amounts may not cast due to the rounding of balances.

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PRODUCTION

Block 22/12, Beibu Gulf, offshore China (Horizon: 26.95%)



Gross oil production for the quarter averaged 5,846 bopd (1,576 bopd Horizon net), a ~14% decrease on the prior quarter, with production from the new infill well WZ12-8W A9 offsetting anticipated natural decline across all the main producing fields as well as a four-day precautionary shut-in during June due to typhoon Wutip (see below). Net sales for the quarter were 132,863 bbls, generating revenue of US\$8.6 million. Cash operating costs for the quarter were US\$21.64/bbl [produced], excluding the costs of workovers.

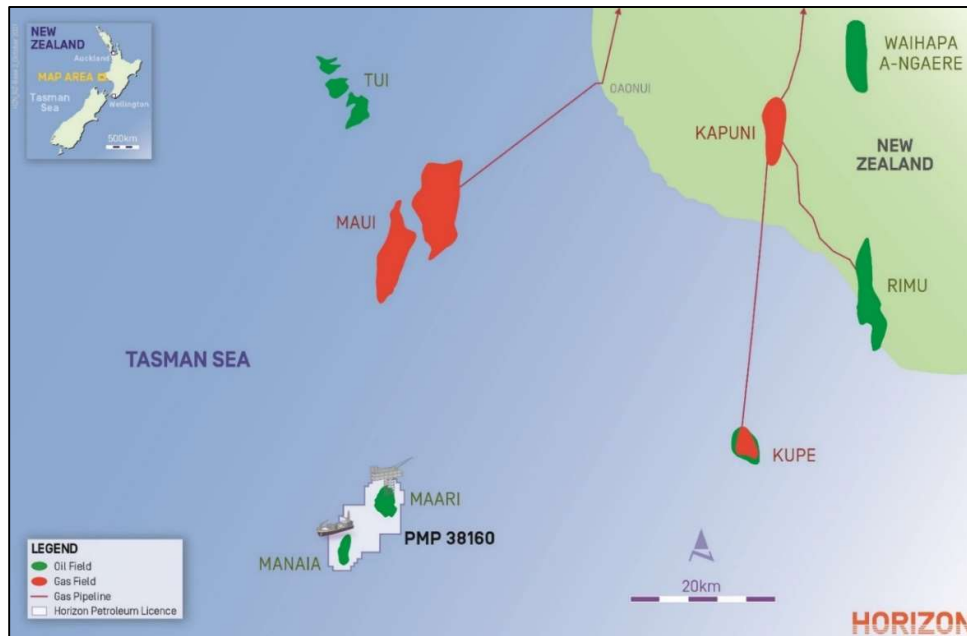
During the period, the WZ12-8 A9H infill well was successfully drilled, completed and commenced production. The well was drilled using the last slot on the WZ12-8W wellhead platform, targeting unswept oil in the WZ12-8 Mid field. The well drilled 159mMD of horizontal oil in the primary U4 target that is being produced by the existing A6H and A8H wells but also intersected 19mMD of oil in the shallower U1 reservoir that was not expected and has not been previously produced. A9H was completed with an Electric Submersible Pump and downhole equipment to allow production from both reservoirs.

Initial production tested the new U1 reservoir at 372 bopd gross (Horizon net 100 bopd) on 8 June. The U4 will commence production after this initial testing of the U1 is complete. Horizon has booked reserves as at 30 June 2025, consistent with Horizon's pre-drill estimate of 0.4 mmbbl gross (Horizon net 0.1 mmbbl).

There was a four-day precautionary project shutdown from 11 to 15 June for the typhoon Wutip evacuation, followed by a progressive restart over the following days. There was no injury to personnel or damage to facilities during this weather event.

The Joint Venture continues to mature CY25/26 work program activities, including the liquid handling capacity upgrade and further infill drilling opportunities across the Project area.

PMP 38160, Maari/Manaia fields, Taranaki Basin, offshore New Zealand [Horizon: 26%]



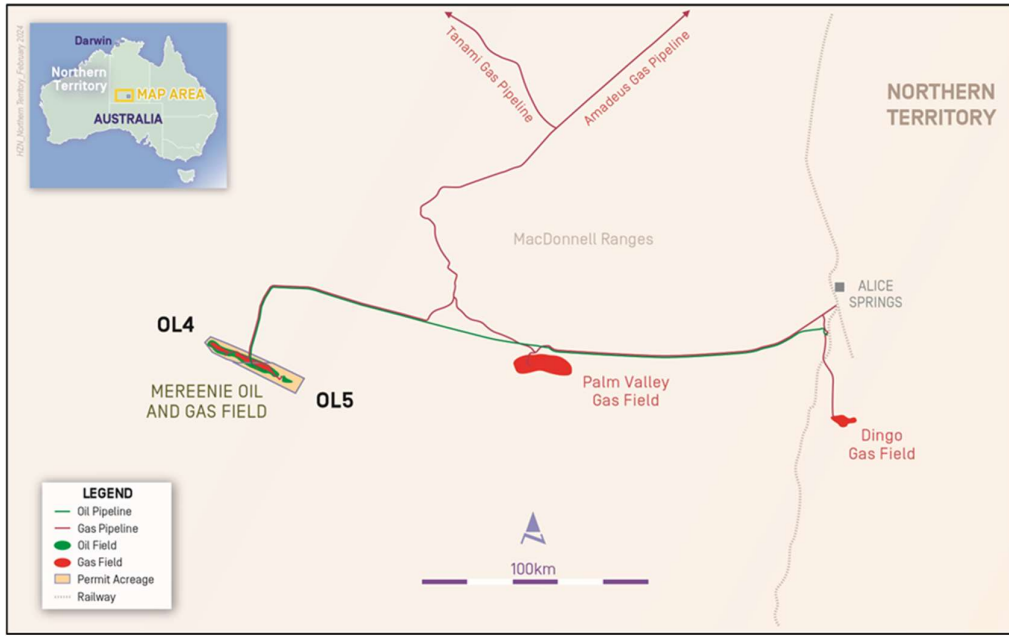
Production averaged 4,180 bopd gross [1,087 bopd net to Horizon] for the quarter, down 23% on the previous quarter due to the impact of wells MN1 and MR4 being shut-in for most of the period requiring workover. Cash operating costs averaged US\$32.86/bbl produced, excluding workover costs. Net sales were 132,787 bbls, generating revenue of US\$9.1 million. Net crude oil inventory at 30 June 2025 was 28,309 bbls.

As noted in the March 2025 Quarterly Activities Report, the electric submersible pumps (ESPs) in MN1 and MR4 both failed in April. The ESP replacement workover program commenced in mid-June, following the return to service of the wellhead platform workover unit after its mandatory ten-yearly maintenance upgrade. The MN1 ESP was successfully replaced in early July, followed by the MR4 ESP later in the month. Both wells are now back online, cleaning up, and contributing to a recent average production rate of approximately 5,400 bopd [1,400 bopd net to Horizon].

During the quarter, the Maari project achieved a key milestone, with total oil production exceeding 50 million barrels since starting operations in 2009.

The PMP 38160 [Maari] license extension application is currently under regulatory review, with various consents and stakeholder engagement processes in progress.

OL4 and OL5, Mereenie, NT, Australia [Horizon: 25%]



Mereenie production firmed during the quarter, with oil and gas sales consistent with the prior period despite temporary oil offtake constraints and planned maintenance activity. Production averaged 28TJ/d (7.0 TJ/d Horizon net) of gas and 284 bopd (71 bopd Horizon net) of oil, generating revenues of US\$4.6 million at an average realised gas price of ~A\$9.80/GJ following the legacy Gas Sales Agreements (GSA) rolling off and being replaced with newer GSAs attracting higher gas prices.

The recently drilled development wells WM-29 and WM-30 continue to produce strongly and are now contributing close to 25% of current gas sales volumes.

The Joint Venture continues to focus on additional 2025/26 work program activities, including further infill and appraisal drilling opportunities.

The estimates of petroleum reserves and resources contained in this statement are based on, and fairly represent, information and supporting documentation prepared by staff and independent consultants under the supervision of Mr Gavin Douglas, Chief Operating Officer, of Horizon Oil Limited. Mr Douglas is a full-time employee of Horizon Oil Limited and is a member of the American Association of Petroleum Geologists. Mr Douglas' qualifications include a Master of Reservoir Evaluation and Management from Heriot Watt University, UK and more than 25 years of relevant experience. Mr Douglas consents to the use of the petroleum reserves and resources estimates in the form and context in which they appear in this statement.

Authorisation

This ASX announcement is approved and authorised for release by the Company Secretary on 31 July 2025.

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