

1 August 2025

The Manager
Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

COMPLETION OF THAILAND ACQUISITION

Horizon is pleased to announce the completion today of its' acquisition of an effective 7.5% interest in the Sinphuhorm producing gas field and an effective 60% interest in the Nam Phong producing gas field, both located onshore Thailand, adding approximately 2,100 boe/d to Horizon's production base.

Horizon announced on 24 March 2025 that it had executed a share sale and purchase agreement through one of its wholly owned subsidiaries [Horizon Thailand Investments Pty Limited] with Exxon Mobil Corporation ["Exxon" or "Seller"]. The share sale and purchase agreement results in the acquisition of an effective 7.5% working interest in the E5N and EU1 development licences, onshore Thailand, which contain the producing Sinphuhorm conventional gas and condensate field, and an effective 60% interest in the E5 development licence, onshore Thailand, which contains the producing Nam Phong conventional gas field. The acquisition has been completed through a consortium, with Horizon acquiring a 75% interest in Exxon Mobil Exploration and Production Khorat [EMEPK] with Matahio Energy ["Matahio"] acquiring the residual 25% and agreeing to manage EMEPK employees and operatorship of the Nam Phong field on behalf of the consortium.

Over the four months since executing the transaction, the consortium has successfully transitioned operatorship of the Nam Phong field and established new systems and processes to manage the EMEPK business going forward. Shortly after completion EMEPK will be renamed MH Energy Thailand LLC (MHET) to reflect the new Matahio and Horizon ownership.

The effective date of the transaction is 1 January 2025, with revenues earned net of costs incurred during the seven-month period from effective date to completion amounting to approximately US\$10.7 million (net to Horizon) set off against the initial cash consideration of US\$30 million (net to Horizon). Further working capital adjustments were payable at completion amounting to US\$3.8 million (net to Horizon) which in addition to the US\$1.5 million deposit paid on execution in March resulted in the total remaining consideration payable at completion totalling US\$21.6 million (net to Horizon) as further set out in the table below. In addition, up to US\$7.5 million in contingent payments may become payable over the next six years subject to conditions.

	Net to Horizon [US\$ millions]
Initial Cash Consideration	30.0
Less: Deposit paid in March	(1.5)
Less: Cash generated from effective date to completion	(10.7)
Plus: Working capital adjustments	3.8
Remaining amount payable on completion	21.6

Funding for the remaining amount payable on completion was substantially from debt drawn down under an amendment to our existing Macquarie Bank debt facility, which provided additional debt capacity for the acquisition of approximately US\$21 million, with up to a further US\$10 million of finance to be made available following completion of the acquisition. Financial close occurred on 22 July 2025 followed closely by drawdown of the facility which enabled completion of the acquisition.

The funding structure, together with the expected free cashflow generation from Sinphuhorm and Nam Phong allows for the continuation of Horizon's distribution strategy.

INTEREST ACQUISITION HIGHLIGHTS

The acquisition has enabled Horizon to use minimal capital to gain access to a relatively low risk suite of gas producing assets, which offer attractive returns and rapid payback with upside. The transaction provides Horizon with the following:

- Acquisition of 3.9 MMboe of Horizon net 2P reserves at the acquisition effective date of 1 January 2025. These reserves are a material addition compared to Horizon's recently reported net 2P reserves of 9.0 MMboe as at 30 June 2025¹
- Positive cash flow generation from a well-understood reservoir; stable and predictable gas production of approximately 2,100 boe/d net to Horizon based on current rates
- Due to the effective date of 1 January 2025 and executed debt funding, the impact on Horizon's existing cash reserves on completion was less than US\$0.5 million and, as previously advised, a further US\$5 million loan was extended to Matahio to simplify the loan security arrangements
- Gas is contracted under a long-term gas sales agreement with PTT as the buyer for ultimate use in a regional power station for electricity generation
- Represents a Thailand country re-entry and establishes a low-cost platform for growth in Thailand and South-East Asia, partnering with both PTTEP and Matahio as operators, at the same time providing further diversification of the Company's production base
- The acquired assets are exposed to limited abandonment obligations (currently estimated at c.US\$5 million net to Horizon)
- Potential to enhance value through life extension at both fields, infill drilling, facility upgrades and optimisations, together with additional opportunities in both assets

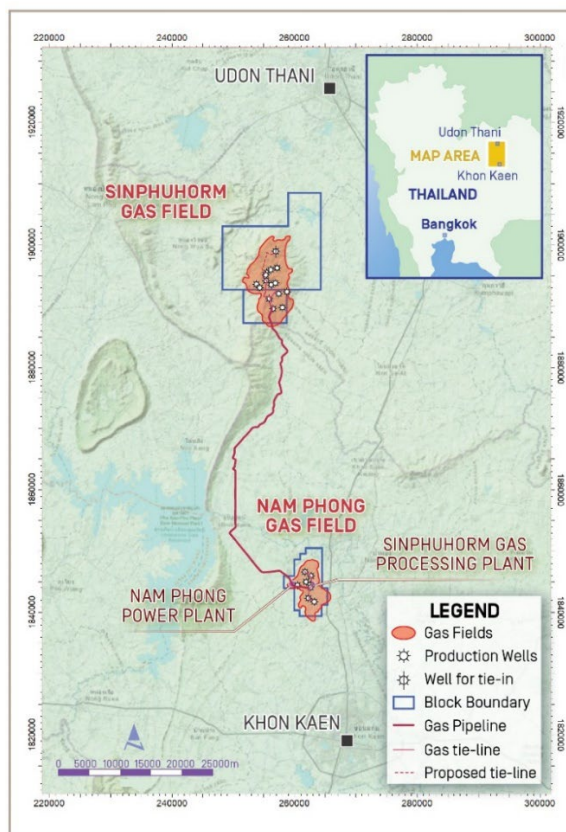


Figure 1 – Location of E5, E5N & EU1 development licences, onshore Thailand, which contain the producing Nam Phong & Sinphuhorm conventional gas fields

¹ Thailand acquisition reserves will be formally booked in Horizon's next reserves report, since completion on 1 August 2025 followed financial year end

Horizon CEO Richard Beament commented:

"We are delighted to finalise the Thailand acquisition and add two additional production assets to our portfolio – further complementing, diversifying and expanding our production base to approximately 6,500 boe/d. The Thai assets increase Horizon's net daily production by almost 50% with a combined net daily production rate of approximately 2,100 boe/d, and with the existing concessions running into the next decade, these assets have the potential to allow Horizon to sustain production at current pre-acquisition levels through into the 2030's. In partnering with Matahio, we have structured the transaction to play to Horizon's strengths as a non-operator, being also right sized, requiring minimal capital and with upside. We are delighted to have completed the acquisition of another inorganic growth opportunity which meets our strict investment criteria of acquiring assets which allow for the continuation of our capital distribution strategy.

Both assets have continued to produce very well this year, with Horizon's net economic interest share of production over the seven months from the effective date being approximately 0.4 mmboe, with the economic entitlement from this production materially reducing the remaining consideration payable at completion.

We are delighted to be able to partner with Matahio, an independent energy company focused on Southeast Asia and Australasia which operate onshore and offshore oil and gas fields in New Zealand and the Philippines. Our teams are like minded and have collaborated extremely well over many months to bring this deal to a close. We were particularly impressed at the methodical and diligent approach taken to operatorship transition of the Nam Phong field and their strong engagement with EMEPK employees whom all will continue to be employed and operate the field going forward. We also look forward to working closely with our JV partner PTTEP as we move forward to consider further optimisations on both fields.

The acquisition is expected to meaningfully increase net operating cash flow over the next 5+ years and provide a substantial production base beyond the end of the decade. The assets provide the Company with further diversification into gas production in a country with growing gas demand. The power station using the gas from these fields has a key role in providing essential energy for domestic consumption in north-east Thailand and aiding the country to achieve its energy transition objectives."

Reserves and production

Horizon net Thailand gas and condensate reserves as at the acquisition effective date of 1 January 2025 are shown in the tables below. The Thailand acquisition reserves will be formally booked in Horizon's next reserves report, since completion on 1 August 2025 followed financial year end.

1P – Proved Reserves (Horizon net)

	Horizon interest [%]	Sales gas [PJ]	Condensate [MMbbl]	Oil equivalent [MMboe]
Thailand				
Blocks E5N & EU1: Sinphuhorm	7.5%	9.36	0.01	1.62
Block E5: Nam Phong	60%	6.84	-	1.18
Total		16.20	0.01	2.80

2P – Proved and Probable Reserves (Horizon net)

	Horizon interest [%]	Sales gas [PJ]	Condensate [MMbbl]	Oil equivalent [MMboe]
Thailand				
Blocks E5N & EU1: Sinphuhorm	7.5%	14.04	0.02	2.43
Block E5: Nam Phong	60%	8.31	-	1.43
Total		21.45	0.02	3.86

Figure 4 – Thailand 1P, 2P reserves at 1 January 2025 effective date; (refer note 9 below for conversion factors)

During the seven-month period from the 1 January 2025 effective date through to completion on 1 August 2025, Horizon's net entitlement to production from both Nam Phong and Sinphuhorm was approximately 0.4 mmboe, for which the economic entitlement was adjusted against the acquisition consideration at completion.

Reserves are assessed at point of sale and have been estimated using deterministic reservoir analysis methods including pressure and gas decline curves for these depletion drive reservoirs. The bulk of Sinphuhorm reserves will be produced from existing wells and facilities, although some additional recovery might be realised from future development of the existing PH-14 well in the north.

Participating interest and operator

The Sinphuhorm and Nam Phong participating interests before and after completion of the Agreement are outlined below:

Sinphuhorm

	PTTEP ¹ (Operator)	Exxon	Horizon Oil	Matahio
Prior to transaction	90.00%	10.00%	-	-
After transaction ¹	90.00%	-	7.50%	2.50%

Nam Phong

	Exxon (Operator)	PTTEP	Horizon Oil	Matahio ²
Prior to transaction	80.00%	20.00%	-	-
After transaction	-	20.00%	60.00%	20.00%

¹ Following execution of the transaction in March 2025, PTTEP acquired Jadestone's effective 9.52% interest in the Sinphuhorm concession.

² After completion, Matahio will manage operatorship of Nam Phong on behalf of the consortium

Figure 5 – Sinphuhorm and Nam Phong gas fields effective participating interest through holding companies, prior to and following completion

Notes:

- 1 The transaction remains subject to customary completion conditions and documentation of the committed debt facility. Accordingly, completion cannot be guaranteed.
- 2 All estimates are prepared in accordance with the Society of Petroleum Engineers (SPE) Petroleum Resources Management System (PRMS) revised 2018.
- 3 Relevant terms used in this statement, capitalised or otherwise, have the same meaning given to those terms in the SPE PRMS.
- 4 Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions.
- 5 Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable owing to one or more contingencies.
- 6 Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects.
- 7 Raw Gas is natural gas as it is produced from the reservoir which may include varying amounts of heavier hydrocarbons which liquefy at atmospheric conditions, water vapor and other non-hydrocarbon gases such as hydrogen sulphide, carbon dioxide, nitrogen or helium.
- 8 Sales Gas is gas of a composition sold to the gas buyer at the point of sale and excludes fuel, flare and shrinkage
- 9 Sales Gas in petajoules (PJ) has been calculated using 1.043 PJ per bcf for Sinphuhorm and 1.017 PJ per bcf for Nam Phong. 1PJ is 1015 joules. Gas rates in TJ/d have been converted using the same factors (ie 1.043 TJ/d per MMscfd and 1.017 TJ/d per MMscfd for Sinphuhorm and Nam Phong respectively). Oil equivalent volumes have been calculated using 5.816 PJ per MMboe for both fields.
- 10 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.
- 11 Reported estimates of petroleum reserves and contingent resources have been prepared using the deterministic method and aggregated by arithmetic summation. 1P reserves and 1C contingent resources reported beyond the field, property or project level aggregated by arithmetic summation may be a very conservative estimate due to the portfolio effects of arithmetic summation.
- 12 Estimates are reported according to Horizon Oil's economic interest, this being Horizon Oil's net working interest as adjusted for entitlements (Economic Interest adjustment) under production-sharing contracts and risked-service contracts; and are reported net of royalties and lease fuel up to the reference point. Reference points for Horizon's petroleum Reserves and Contingent Resources and production are defined points where normal operations cease, and petroleum products are measured under defined conditions prior to custody transfer.
- 13 Horizon Oil employs a Reserves Management System to ensure the veracity of data used in the estimation process. This process includes review by senior staff where data is endorsed for inclusion in the estimating process. Estimates are reviewed annually, at a minimum, with interim reviews as required, to respond to any material changes. Horizon Oil undertakes semi-regular external reviews to complement its own internal process.
- 14 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 and the Society of Petroleum Engineers. Mr Douglas' qualifications include a Masters of Reservoir Evaluation and Management from the 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.
- 15 Some totals in the tables may not add due to rounding.

Authorisation: This ASX announcement is approved and authorised for release by the Company Secretary.