ASX:HZN

HORIZON

HORIZON ANNOUNCES ANNUAL FINANCIAL RESULTS

Period ending 30 June 2026

The results for the financial year ended 30 June 2026 are set out in the attached results announcement, Preliminary Financial Report (Appendix 4E) and Annual Financial Report. All references to reserves and contingent resources within the financial report are drawn from the Horizon Oil 30 June 2026 Reserves and Resources Statement contained in the attached Annual Report.

Highlights

CAPITAL MANAGEMENT

- The Company announced a final unfranked (conduit foreign income) dividend of AUD 1.0 cent per share, returning to shareholders A$17.4 million to be paid in October 2026, while retaining capacity to fund growth across the portfolio.
- An FY26 Interim Dividend of AUD 1.5 cents per share was paid on 17 April 2026.
- Following payment of the FY26 Final Dividend, cumulative shareholder distributions paid will exceed A$290 million (equivalent to AUD 18.0 cents per share) and an average of AUD3.0 cents per annum over the past six years.

PRODUCTION AND CASHFLOW

- Record FY26 production[1] and sales[1] volumes of 2.15 MMboe and 1.98 MMboe, respectively, up 33% and 22% on FY25, driven by the Thailand acquisition and excluding any contribution from Cue.
- Underlying revenue[1, 2] of US$107.2 million was 2% higher than FY25, including US$23.0 million from the newly acquired Thailand assets and statutory revenue of US$84.2 million.
- Group cash operating costs[1] were maintained at approximately US$21/boe, supported by low-cost production in Thailand.
- EBITDAX[1,2] of US$56.4 million was 3% higher than FY25, with cashflow from operating activities[2] up 32% to US$47.2 million.
- Cash reserves[2] at 30 June 2026 were US$37.4 million after US$10.6 million in debt repayments, the US$33.1 million in dividends paid and the substantial investment in organic and inorganic growth.

GROWTH

- Completed the acquisition of Exxon's Thailand upstream business on 1 August 2025, establishing interests in the Sinphuhorm and Nam Phong gas fields and adding a material, low-cost gas platform.
- Completed the off-market takeover of Cue, securing a 57.03% controlling interest and adding near-term development, appraisal and exploration opportunities across Australia and Indonesia.
- Entering a substantial organic growth phase, with activity underway or planned across Sinphuhorm, Nam Phong, Block 22/12, Mahato, Palm Valley and Sampang, including drilling, booster compression, tie-ins, workovers and development planning.
- 2P reserves increased 51% to 13.6 MMboe at 30 June 2026 due primarily to the acquisitions, with 6.7 MMboe of reserves additions delivering approximately 200% reserves replacement.

1. Includes contribution from the Thailand assets from 1 August 2025 completion date, which are equity accounted in the 2026 Annual Report.
2. Horizon obtained control of Cue Energy Resources Limited (Cue) on 17 June 2026 and accordingly has consolidated Cue into the Group's FY26 Annual Report, noting that profit and loss contributions consolidated are only for the 13 days to 30 June 2026.

CHIEF EXECUTIVE OFFICER'S COMMENTARY

Financial Year 2026 was a transformational year for Horizon as the Group transitioned from an entity with a collection of producing interests into a scaled, diversified, cash-generative regional upstream platform with near-term growth options. The Company delivered record production and sales volumes, maintained a strong balance sheet, established Thailand as a material and low-cost contributor to cash flow, and successfully completed the acquisition of Cue Energy Resources Limited further expanding our footprint in the region with the addition of assets in Indonesia. These achievements were delivered while continuing to provide meaningful returns to shareholders and maintaining disciplined capital allocation across the business.

Against a backdrop of heightened geopolitical uncertainty and an increasing focus on regional energy security, Horizon's diversified portfolio again demonstrated its resilience and strategic value. With producing assets across South-East Asia and Australasia, the Company is well positioned to supply reliable energy into markets that are increasingly prioritising domestic and regional sources of supply. Exposure to oil, fixed-price gas and oil-linked gas pricing, combined with a growing domestic gas portfolio, provides Horizon with a balanced platform for sustainable growth.

Thailand was a key driver of Horizon's record performance during the year. Following completion of the acquisition, the Sinphuhorm and Nam Phong gas fields quickly became significant contributors to Group production, revenue and operating cash flow. The assets performed strongly throughout the period, benefiting from low operating costs, oil-linked gas pricing and continued operational improvements. A range of initiatives were advanced to enhance reliability and support future development, while the successful integration of the assets and strong collaboration with our joint venture partners, Matahio and PTTEP, established a solid foundation for long-term value creation. With energy security continuing to gain prominence across the region, the outlook for the Thailand business remains particularly positive. Significant investment is planned over the next 6-12 months in new wells, pipelines, tie-ins and related infrastructure to increase near-term production and support field longevity. These projects are expected to further strengthen Thailand's position as a dependable source of cash flow for the Group.

Across the remainder of the portfolio, production benefited from successful optimisation and workover activities at both Maari and Block 22/12, while Mereenie continued to provide an important source of gas supply into the Northern Territory market. Horizon also progressed a number of development opportunities during the year, including projects at Nam Phong and Sinphuhorm, studies for a further development phase at WZ12-8E in China, potential drilling opportunities at Maari, and preparations for future activity at Mereenie. Together, these initiatives demonstrate Horizon's commitment to maintaining reliable operations while positioning the portfolio for long-term growth.

The ten-year extension of the Maari permit, awarded during the year, was another significant milestone. The extension provides long-term certainty for continued production and investment, reinforces Maari's strategic importance within New Zealand's energy sector, and supports effective planning of future field activities. Combined with Horizon's broader portfolio of producing and development assets, it further strengthens the Company's capacity to generate sustainable cash flow and long-term shareholder value.

The successful acquisition of Cue Energy Resources Limited has materially enhanced Horizon's scale, broadened its production base and added a portfolio of near-term development, appraisal and exploration opportunities across Australia and Indonesia, with five wells scheduled to be drilled over the next six months. Importantly, Horizon's record FY26 performance was achieved largely through the strength of its pre-acquisition asset base, demonstrating that the Cue transaction provides a platform for future growth rather than the primary driver of the year's result. The enlarged Group now benefits from greater scale, a broader reserve and production base, and a diversified portfolio spanning Thailand, Indonesia, Australia, New Zealand and China. As a result, Horizon is entering a new phase of growth, supported by an active investment and operational programme designed to unlock further value across the portfolio and enhancing the long-term sustainability of the business.

Throughout the year, the Company maintained disciplined capital management and generated strong operating cash flow while continuing to invest selectively in initiatives to improve reliability, extend asset life and support future production growth. Capital was allocated across shareholder distributions, debt reduction and strategic growth investments, while the Company's hedging program continued to provide valuable downside protection and cash flow certainty, supporting balance sheet strength and financial flexibility during a period of heightened market volatility.

Reflecting Horizon's strong financial performance, robust cash generation and confidence in the outlook, the Company continued its track record of disciplined shareholder returns, including the payment of dividends during the year. The Board remains committed to balancing shareholder returns, investment in attractive growth opportunities and the preservation of financial strength, ensuring Horizon remains well positioned to deliver sustainable long-term value.

Richard Beament

Chief Executive Officer

A financial summary and key financial and operational results are set out below, with all figures presented being in United States dollars, unless otherwise stated.

FINANCIAL SUMMARY

HORIZON FY 2026 FINANCIAL RESULTS		30 JUNE 2026 US$'000	30 JUNE 2025 US$'000	CHANGE %
Oil and gas sales[1]	*boe*	1,980,464	1,617,218	22%
Oil and gas production[1] *(net working interest)*	*boe*	2,153,615	1,615,030	33%
Statutory sales revenue[2]		**84,162**	**105,307**	**(20%)**
Thailand revenue		23,018	-	N/A
Underlying revenue [2,3]		107,180	105,307	2%
EBITDAX[1,2,4]		56,404	54,772	3%
Statutory profit after tax[1,2]		**11,118**	**12,247**	**(9%)**
Cashflow from operating activities[1,2]		**47,235**	**35,865**	**32%**
Cash on hand		**37,400**	**39,782**	**(6%)**
Senior debt facility[5]		48,683	26,109	86%
Net (debt)/cash		**(11,283)**	**13,673**	**>(100%)**

Note 1: Includes contribution from the Thailand assets from 1 August 2025 which are equity accounted in the 2026 Annual Report.

Note 2: Includes contribution from the consolidation of Cue Energy Resources Limited from 17 June 2026.

Note 3: Underlying revenue is a financial measure which is not prescribed by Australian Accounting Standards and represents the revenue under Australian Accounting Standards adjusted to include the revenues from the Group's Thailand investment (Sinphuhorm and Nam Phong gas fields). The Group's Thailand investment is equity accounted meaning that the Group's share of net profit after tax from the Thailand assets is included in a single line item within the Group's consolidated statement of comprehensive income. Underlying revenue information has not been audited, however it has been extracted from the audited financial reports for the periods ended 30 June 2025 and 30 June 2026.

Note 4: EBITDAX is a financial measure which is not prescribed by Australian Accounting Standards and represents the profit under Australian Accounting Standards adjusted for interest expense, taxation expense, depreciation, amortisation and exploration expenditure (including non-cash impairments). The directors consider EBITDAX to be a useful measure of performance as it is widely used by the oil and gas industry. EBITDAX information has not been audited, however it has been extracted from the audited financial reports for the periods ended 30 June 2025 and 30 June 2026.

Note 5: Represents principal amounts drawn down.

The Group's CEO, Richard Beament, and CFO, Kyle Keen will host a webcast on 27 August 2026 at 11.00am (Sydney time) to discuss the Group's operations and financial results for the Full-Year.

To register, please copy and paste the link below into your browser https://ccmediaframe.com/?id=IzilahkU

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 30 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.

HORIZON

Authorisation

This ASX announcement is approved and authorised for release by the Company Secretary on 27 August 2026.

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APPENDIX 4E

PRELIMINARY FINAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

This Preliminary Final Report is provided to ASX Limited ('ASX') under ASX Listing Rule 4.3A.

This information should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2026.

Current reporting period: Financial year ended 30 June 2026

Previous corresponding period: Financial year ended 30 June 2025

RESULTS FOR ANNOUNCEMENT TO THE MARKET

		PERCENTAGE CHANGE		AMOUNT US$'000
Revenue from ordinary activities	Down	20%	to	84,162
Underlying revenue	Up	2%	to	107,180
Profit from ordinary activities after tax	Down	9%	to	11,118
Profit after tax for the period attributable to members	**Down**	**13%**	**to**	**10,649**

Underlying revenue is a financial measure which is not prescribed by Australian Accounting Standards and represents the revenue under Australian Accounting Standards adjusted to include the revenues from the Group's Thailand investment (Sinphuhorm and Nam Phong gas fields). The Group's Thailand investment is equity accounted meaning that the Group's share of net profit after tax from the Thailand assets is included in a single line item within the Group's consolidated statement of comprehensive income. Underlying revenue information has not been audited, however it has been extracted from the audited financial reports for the periods ended 30 June 2025 and 30 June 2026.

DIVIDENDS

	AMOUNT PER SECURITY AUD CENTS	FRANKED AMOUNT PER SECURITY
Interim dividend (Paid 17 April 2026)	1.5	Nil
Final dividend	1.0	Nil

Horizon Oil Limited announced on 27 August 2026 that it had declared a final unfranked (conduit foreign income) dividend distribution of AUD 1.0 cent per Ordinary share. Payment of the final dividend will be on 23 October 2026 with an ex-dividend date of 15 October 2026 and record date of 16 October 2026.

NET TANGIBLE ASSETS

	FY26 US CENTS	FY25 US CENTS
Net tangible asset backing per ordinary share	5.7	4.0

Net tangible asset backing per ordinary share at 30 June 2026 has been calculated using the number of Horizon ordinary shares on issue at that date. As Horizon obtained control of Cue Energy Resources Limited on 17 June 2026, the Group's net tangible assets at 30 June 2026 include Cue's net tangible assets. On a pro forma basis, including the new Horizon shares issued on 2 July 2026 in connection with the Cue acquisition, net tangible asset backing per ordinary share would have been 5.2 US cents.

CONTROLLED ENTITIES ACQUIRED OR DISPOSED OF

On 1 August 2025, the Group completed the acquisition of a 75% interest in Exxon Mobil Exploration and Production Khorat LLC. At the completion date Exxon Mobil Exploration and Production Khorat LLC was renamed to MH Energy Thailand LLC.

On 2 July 2026, the Group announced the successful completion of its takeover offer for Cue Energy Resources Limited (Cue) obtaining a 57.03% controlling interest. For accounting purposes, the acquisition date was determined to be 17 June 2026, being the date the Group obtained a controlling interest and its offer became unconditional. Accordingly, Cue has been consolidated from that date.

No controlled entities were disposed of during the current reporting period.

During the prior financial year, the Group established a wholly owned subsidiary (Horizon Thailand Investments Pty Ltd). Other than the establishment of this subsidiary, no controlled entities were acquired or disposed of during the prior reporting period.

RECONCILIATION OF STATUTORY REVENUE TO UNDERLYING REVENUE

US$'000	FY26	FY25
Statutory revenue	84,162	105,307
Revenue from Thailand (Sinphuhorm & Nam Phong gas fields)	23,018	-
Underlying Revenue	**107,180**	**105,307**

NOTES: Reports are based on audited consolidated financial statements.
All figures are presented in United States dollars, unless otherwise stated.

horizonoil.com.au

HORIZON

2026 ANNUAL REPORT

FY2026
Investment Highlights

FY26 was a transformational year for Horizon, establishing a scaled, diversified and cash-generative Asia-Pacific upstream platform with enhanced production, reserves, cash flow and growth optionality.

- Delivered FY26 Total Shareholder Return (TSR) of 18%, creating approximately AUD 57 million of shareholder value
- Established Thailand as a material contributor to Group cash flow through the acquisition of interests in the Sinphuhorm and Nam Phong gas fields
- Completed the acquisition of a 57.03% controlling interest in Cue, adding near-term development, evaluation and exploration opportunities across Australia and Indonesia, with activities underway at Palm Valley, Mahato and Sampang
- Reflecting strong operational and financial performance, the Board declared a final unfranked (CFI) dividend of AUD 1.0 cent per share, bringing FY26 dividends to AUD 2.5 cents per share

STATUTORY PROFIT AFTER TAX

US$11.1m

FY26 TOTAL DIVIDEND

AUD 2.5[1]cps

Final dividend declared AUD 1.0cps

UNDERLYING REVENUE[2]

US$107.2m

CASH

US$37.4m

(Net debt US$11.3m)

RECORD FY26 PRODUCTION

2,153,615boe

EBITDAX[3]

US$56.4m

1 Comprising interim dividend of AUD 1.5 cents per share paid in April 2026, and final dividend of AUD 1.0 cent per share to be paid in October 2026.

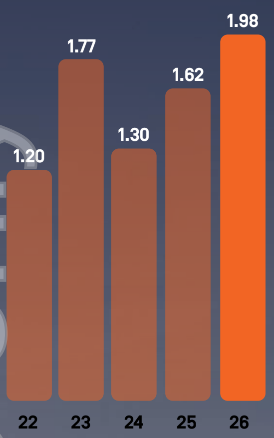
2 Represents statutory revenue adjusted to include the revenues from the Group's Thailand investment (Sinphuhorm and Nam Phong gas fields) which is equity accounted.

3 EBITDAX is a financial measure not prescribed by Australian Accounting Standards and represent the profit under Australian Accounting Standards adjusted for interest expense, taxation expense, depreciation, amortisation, and exploration expenditure (including non-cash impairments).

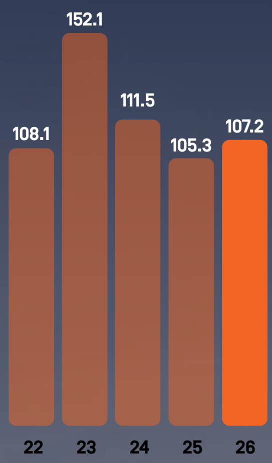
Areas of Operation

Effective interests reflect Horizon's proportionate economic interest, including MHET and Cue where applicable.

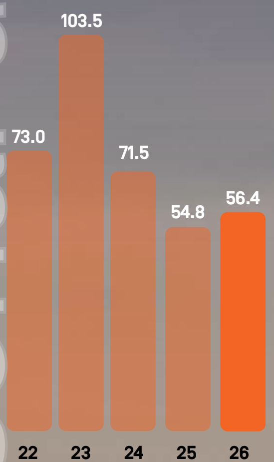
OIL & GAS SALES
[MMboe]



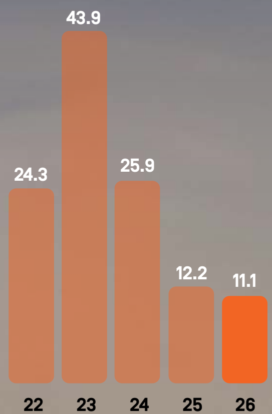
UNDERLYING REVENUE[1]
[US$m]



EBITDAX[2]
[US$m]

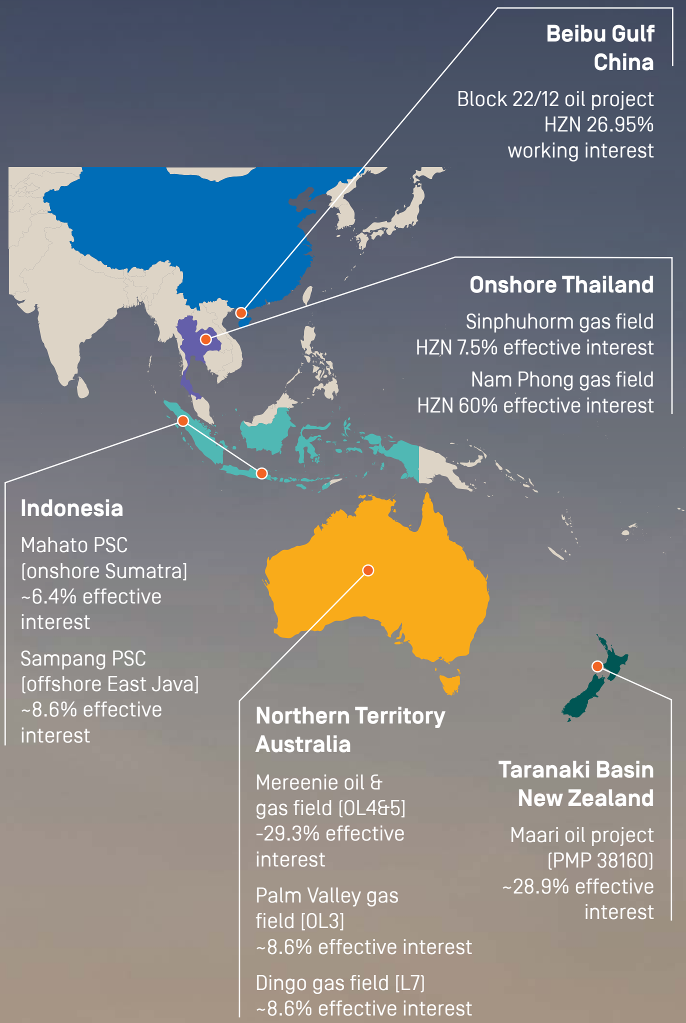


Statutory profit after tax
[US$m]



1 Represents statutory revenue adjusted to include the revenues from the Group's Thailand investment [Sinphuhorm and Nam Phong gas fields] which is equity accounted.

2 EBITDAX is a financial measure not prescribed by Australian Accounting Standards and represent the profit under Australian Accounting Standards adjusted for interest expense, taxation expense, depreciation, amortisation, and exploration expenditure [including non-cash impairments].



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A message from our Chairman

FY26 was a defining year in Horizon's continuing evolution. The year has seen significant growth in our business, as well as another excellent operational performance that delivered record production and strong financial results.

The completion of the Thailand acquisition and the acquisition of a controlling interest in Cue Energy Resources Limited transformed the company into a larger, more diversified and resilient Asia-Pacific energy business, with increased production, reserves, cash flow and growth opportunities. Together, these transactions represent the culmination of a strategy that has been executed consistently over several years and has placed the Company in a strong position for the future.

The acquisition of interests in the producing Sinphuhorm and Nam Phong gas fields established Thailand as a significant contributor to Group cash flow and further diversified our portfolio by geography, commodity exposure and operating partners. Obtaining a 57.03% controlling interest in Cue added high-quality producing, appraisal and exploration interests across Australia, New Zealand and Indonesia, while expanding Horizon's future opportunity set.

The result is a business that is fundamentally different from the one that existed only a few years ago. Horizon now has production and cash flow streams across Thailand, Australia, Indonesia, New Zealand and China, supported by a broader inventory of development, appraisal and exploration opportunities. This diversification enhances resilience and creates multiple pathways for future value creation.

Importantly, FY26 was not simply a year of acquisitions. It was also a year in which Horizon established the foundations for its next stage of organic growth. Across the enlarged portfolio, our partner operators are drilling new wells, progressing production enhancement projects, field optimisation initiatives, drilling studies and development activities designed to grow reserves and production, extend field life and support future cash generation.

The Board remains committed to delivering attractive returns to shareholders while maintaining financial discipline and preserving capacity to invest in the enlarged portfolio and inorganic growth. Reflecting the Company's strong operational and financial performance, whilst balancing the substantial investments in both organic and inorganic growth, the Board declared a final dividend of AUD 1.0 cent per share. This brings total FY26 dividends to AUD 2.5 cents per share and, following payment of the final dividend, will take cumulative shareholder distributions to more than AUD 290 million since 2021.

As governments across our region place increasing emphasis on energy affordability, reliability and security of supply, Horizon's portfolio is becoming increasingly aligned with these priorities. Our growing natural gas business supplies the domestic markets in Thailand, the Northern Territory and Indonesia, supporting power generation, industrial activity and economic development. We believe high-quality, low-cost gas assets will continue to play an important role in meeting regional energy demand and supporting reliable energy systems while delivering sustainable returns for shareholders.

Our team has delivered another outstanding result this year, and on behalf of the Board, I thank our management team, employees, joint venture partners and shareholders for their continued commitment and support throughout this transformational year. Executing two significant corporate transactions while maintaining strong operating performance reflects the capability and dedication of the Horizon team.

With a larger and more diversified portfolio, a substantial organic opportunity set and a clear strategic direction, Horizon enters FY27 well positioned to continue creating long-term value for shareholders.

Bruce Clement
Chairman

A message from our CEO

FY26 was a landmark year for Horizon, with the completion of the Thailand acquisition and the acquisition of a controlling interest in Cue Energy Resources Limited. Together, these transactions materially increased the scale and diversification of the business and established Horizon as a five-country Asia-Pacific oil and gas producer with a substantial pipeline of development, appraisal and exploration opportunities.

This transformation was accompanied by strong operational and financial performance. Horizon delivered record Group production of 2.15 million barrels of oil equivalent, underlying revenue of US$107.2 million and EBITDAX of US$56.4 million. The Company ended the year with cash of US$37.4 million after continuing to invest in the business, repay debt and return capital to shareholders through dividends.

In Thailand, the integration of the Sinphuhorm and Nam Phong assets has progressed well, establishing a material new gas business within Horizon and strengthened our exposure to domestic energy markets. Performance was supported by low operating costs, oil-linked gas pricing and field optimisation initiatives at Nam Phong. At Sinphuhorm, development of Pad D and associated infrastructure progressed, while studies and production enhancement initiatives continued across the field. Together, these assets provide a material long-life platform for future growth and will remain a major focus of our investment activities.

Across the legacy portfolio, operations continued to perform strongly. At Block 22/12 in China, workovers, production optimisation and reservoir management activities supported performance while studies continued on future development opportunities. At Maari, the Joint Venture completed significant maintenance and workover activity and secured a ten-year permit extension to December 2037, providing a platform for future production enhancement and drilling opportunities. At Mereenie, strong gas sales were supported by improved pricing and the contribution from recently drilled wells, while preparations advanced for the next phase of development activity.

Horizon now has a substantial, multi-year organic growth program across the enlarged portfolio. Key initiatives include the planned start-up of the Nam Phong Booster Compressor Project, commencement of production from the PH-14 well on Pad D at Sinphuhorm, maturation of future Thailand drilling programs, development planning at Maari, Block 22/12 and Mereenie. In Cue's portfolio there is also appraisal drilling at Palm Valley, development and exploration activity at Mahato and commissioning of the Sampang booster compressor.

The Cue acquisition has significantly expanded our opportunity set. In addition to increasing our interests in Maari and Mereenie, it introduced further exposure to domestic gas production in the Northern Territory and a portfolio of growth opportunities in Indonesia. Palm Valley and Mahato provide potential near-term catalysts and form part of a broader strategy to build and maintain a balanced portfolio of cash-generating producing assets and future development opportunities across the Asia-Pacific region.

A growing proportion of Horizon's portfolio supplies domestic energy markets across the region. Natural gas from our assets support power generation and industrial customers in Thailand, the Northern Territory and Alice Springs industrial and retail markets, while our oil production contributes to regional energy supply. This role is becoming increasingly important as governments seek reliable, affordable and secure energy while managing the transition of their energy systems.

Looking ahead, our priorities are clear: safely maximise cash flow from our diversified asset base, deliver the portfolio of organic growth opportunities, maintain disciplined capital allocation, including selective investment in high-return opportunities, while continuing to provide attractive returns to shareholders.

With two transformational acquisitions completed, record FY26 production and a substantial pipeline of investment opportunities, Horizon enters FY27 from a position of strength. I am confident that the Company is well placed to continue delivering sustainable value for shareholders.

Richard Beament
Managing Director/Chief Executive Officer

Horizon Oil Limited

2026 Reserves and Resources Statement

as at 30 June 2026

Significant reserves and resource additions were achieved through the acquisition of indirect interests in Thailand through MH Energy Thailand LLC, and in Australia, New Zealand and Indonesia through Cue Energy Resources Limited (6.0 MMboe) resulting in Horizon net Proved + Probable (2P) Reserves increasing 51% from 9.0 MMboe (43% crude and condensate) as at 30 June 2025 to 13.6 MMboe (27% crude and condensate) as at 30 June 2026. The increase in reserves of 6.7 MMboe through acquisitions, revisions and transfers, offsets production of 2.1 MMboe and replaces reserves by approximately 200%[1]

On 1 August 2025, Horizon announced the completion of the acquisition of an effective 7.5% interest in the Sinphuhorm producing gas and condensate field and a 60% interest in the Nam Phong producing gas field in onshore Thailand. The transaction added 3.9 MMboe of net 2P reserves at the 1 January 2025 effective date. After accounting for 0.4 MMboe of net production to the completion date of 1 August 2025, the acquisition 2P volume of 3.4 MMboe is reflected in the following reserves reconciliation tables. Further reserves definition and infield activities since acquisition have resulted in an upward revision of the 2P reserves volume by 0.8 MMboe, with the majority of the revisions to prior estimates associated with the construction of a new gas pipeline to Northern Sinphuhorm and with the Nam Phong booster compression.

Horizon completed the acquisition of Cue Energy Resources Limited, obtaining a controlling interest effective 17 June 2026. Accordingly, Horizon includes its proportionate share of Cue's economic interest (2.6 MMboe) as an acquisition.

FY26 has been a record year for the Company, with total Horizon net production of 2.1 MMboe compared with 1.6 MMboe last financial year. The increase is mainly associated with the contribution from Thailand (0.6 MMboe) offsetting natural decline in China oil (down by 0.1 MMboe to 0.6 MMboe in 2026). Both New Zealand oil production (0.5 MMboe) and Mereenie oil and gas production (0.4 MMboe, 93% gas) were largely unchanged due to the ongoing success of the Maari water injection project and the two successful infill wells drilled at Mereenie in the last financial year.

Horizon net 2C Contingent Resources increased 61% from 12.3 MMboe to 19.8 MMboe primarily from contributions in Thailand and Horizon's share of Cue's interest in Mereenie.

Through the identification of several prospects and leads, particularly within the Thailand assets, Horizon's net 2U Prospective Resources has increased from 2.6 MMboe to 14.3 MMboe.

1 Based on the reserves change year on year divided by production

2026 Reserves and Resources Statement

Reserves and Contingent Resources by MMboe (Horizon net as at 30 June 2026)

		2026	2025	% Change
1P - Proved Reserves	MMboe	**8.4**	5.7	**47%**
2P - Proved and Probable Reserves	MMboe	**13.6**	9.0	**51%**
2C - Contingent Resources	MMboe	**19.8**	12.3	**61%**
2U - Prospective Resources	MMboe	**14.3**	2.6	**450%**

Reserves and Contingent Resources by Product (Horizon net as at 30 June 2026)

		Gas PJ	Crude and Condensate MMbbl	Total MMboe
1P - Proved Reserves	MMboe	36.7	**2.0**	**8.4**
2P - Proved and Probable Reserves	MMboe	58.1	**3.6**	**13.6**
2C - Contingent Resources	MMboe	84.1	**5.4**	**19.8**
2U - Prospective Resources	MMboe	68.0	**2.6**	**14.3**

All volumes quoted in text and table are Horizon net. Refer also note 13. Totals may vary due to rounding.

Proved and Proved + Probable Reserves

1P - Proved Reserves (Horizon net)

			All products MMboe		
	Gas PJ	Crude & Condensate MMbbl	Developed	Undeveloped	Total
China Block 22/12: Beibu	0.0	0.7	0.7	0.0	**0.7**
Thailand E5: Nam Phong; E5N, EU1: Sinphuhorm	14.6	0.0	2.4	0.1	**2.5**
Indonesia Mahato PSC: PB; Sampang PSC: Oyong; Wortel	0.1	0.3	0.3	0.0	**0.3**
New Zealand PMP 38160: Maari, Manaia	0.0	0.9	0.9	0.0	**0.9**
Australia OL3: Palm Valley; OL4&OL5: Mereenie; L7: Dingo	22.0	0.2	3.9	0.1	**4.0**
Closing Balance 30 June 2026	**36.7**	**2.0**	**8.1**	**0.2**	**8.4**

2P - Proved and Probable Reserves (Horizon net)

			All products MMboe		
	Gas PJ	Crude & Condensate MMbbl	Developed	Undeveloped	Total
China Block 22/12: Beibu	0.0	1.3	1.3	0.0	**1.3**
Thailand E5: Nam Phong; E5N, EU1: Sinphuhorm	20.5	0.0	3.3	0.3	**3.5**
Indonesia Mahato PSC: PB; Sampang PSC: Oyong, Wortel	0.3	0.6	0.6	0.0	**0.6**
New Zealand PMP 38160: Maari, Manaia	0.0	1.4	1.4	0.0	**1.4**
Australia OL3: Palm Valley; OL4&OL5: Mereenie; L7: Dingo	37.3	0.3	6.0	0.7	**6.7**
Closing Balance 30 June 2026	**58.1**	**3.6**	**12.6**	**1.0**	**13.6**

Reconciliation of Proved and Proved + Probable Reserves

Reserves Reconciliation

	30 June 2025	Production	Revisions	Transfers, Extensions & Discoveries	Acquisitions, Divestments & Relinquishments	30 June 2026
1P - Proved Reserves Reconciliation (Horizon net)						
Crude and Condensate (MMbbl)	2.6	-1.1	0.1	0.0	0.4	**2.0**
Sales Gas (PJ)	18.0	-6.0	4.6	0.0	20.2	**36.7**
Total 1P MMboe	5.7	-2.1	0.9	0.0	3.9	**8.4**
2P - Proved and Probable Reserves Reconciliation (Horizon net)						
Crude and Condensate (MMbbl)	3.9	-1.1	0.0	0.0	0.8	**3.6**
Sales Gas (PJ)	29.6	-6.0	4.3	0.0	30.2	**58.1**
Total 2P MMboe	9.0	-2.1	0.7	0.0	6.0	**13.6**

Contingent Resources

2C - Contingent Resources (Horizon net)

	2C		
	Gas PJ	Crude & Condensate MMbbl	Total Equivalent MMboe
China Block 22/12: Beibu	0.0	1.6	**1.6**
Thailand E5: Nam Phong; E5N, EU1: Sinphuhorm	30.4	0.0	**5.2**
Indonesia Mahato PSC: PB; Sampang PSC: Oyong, Wortel	0.0	0.5	**0.5**
New Zealand PMP 38160: Maari, Manaia	0.0	3.3	**3.3**
Australia OL3: Palm Valley; OL4&OL5: Mereenie; L7: Dingo	53.7	0.1	**9.3**
Closing Balance 30 June 2026 (arithmetic sum)	**84.1**	**5.4**	**19.8**

2C - Contingent Resources Reconciliation (Horizon net)

	30 June 2025	Revisions	Transfers, Discoveries & Extensions	Acquisitions, Divestments & Relinquishments	30 June 2026
2C Contingent Resources					
Crude and Condensate (MMboe)	4.5	0.2	0.0	0.8	**5.4**
Sales Gas (PJ)	45.6	30.4	0.0	8.1	**84.1**
Total MMboe	**12.3**	**5.4**	**0.0**	**2.2**	**19.8**

2C Contingent Resources have increased largely due to the acquisition of a proportional interests of Cue's interest in Mereenie (1.4 MMboe) estimated using deterministic volumetric methods including the Stairway and Pacoota reservoirs; and revisions to contingent resources in Thailand (5.2 MMboe) related to contingent drilling of additional infill production wells, late-life compression reconfiguration, and to volumes produced beyond the current licence concession.

Prospective Resources

2U - Prospective Resources (unrisked Horizon Net)

	2U		
	Gas PJ	**Crude & Condensate MMbbl**	**Total Equivalent MMboe**
China Block 22/12: Beibu	0.0	2.6	**2.6**
Thailand E5: Nam Phong; E5N, EU1: Sinphuhorm	52.5	0.0	**9.0**
Indonesia Mahato, Sampang: PB; Oyong; Wortel	0.0	0.0	**0.0**
New Zealand PMP 38160: Maari; Manaia	0.0	0.0	**0.0**
Australia OL4&OL5: Mereenie	15.6	0.0	**2.7**
Closing Balance 30 June 2026 (arithmetic sum)	**68.0**	**2.6**	**14.3**

2U - Prospective Resources Reconciliation (unrisked)

	30 June 2025	Revisions	Transfers, Discoveries & Extensions	Acquisitions & Divestments	30 June 2026
2U Prospective Resources					
Crude and Condensate (MMboe)	2.6	**0.0**	0.0	0.0	**2.6**
Sales Gas (PJ)	0.0	**65.8**	0.0	2.3	**68.0**
Total MMboe	**2.6**	**11.3**	**0.0**	**0.4**	**14.3**

Cautionary statement: Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related to undiscovered accumulations. The estimates have both an associated risk of discovery and risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of hydrocarbons. The 2U Prospective Resources in the above table are unrisked volumes.

Volumes reported include those volumes attributable to Horizon through its equity interest in MH Energy Thailand LLC ("MHET") and Cue Energy Resources Limited ("Cue"), and Legal entitlement to production is held by MHET or Cue under the relevant petroleum agreements. Volumes shown represent Horizon's proportional economic interest in those reserves and resources and do not constitute a direct contractual entitlement to production. Refer also to note 12.

All volumes quoted in text and table are Horizon net. Refer also note 13. Totals may vary due to rounding.

Prospective resources have increased to 14.3 MMboe from 2.6 MMboe the previous year. This is attributable to a first-time assessment of exploration and appraisal opportunities within the Mereenie, Sinphuhorm and Nam Phong licenses.

For Mereenie, Horizon has evaluated a stacked reservoir Mereenie Footwall opportunity to the southwest of the main field. The opportunity carries an unrisked probabilistic 2U net resource of 15.6 PJ, with a geological chance of success (Pg) of 31%. In the event of geological success, the chance of development (Pd) is assessed at ~100%, reflecting the low-cost nature of appraisal, development and tie in activities, all possible from existing Mereenie field infrastructure.

For Thailand, Horizon has probabilistically evaluated a suite of six near field prospects, carrying an arithmetically summed 2U net resource of 52.5 PJ. The Nam Phong Hua Hin Lat prospect is the most material to Horizon on an un-risked net basis, with a best estimate of 38.7 PJ and a geological chance of success (Pg) of 25%. In the event of geological success, the chance of development (Pd) is assessed at ~100%, reflecting the low-cost nature of appraisal, development and tie in activities from existing infrastructure.

Horizon expects to work with the respective Joint Ventures to further evaluate these opportunities.

Permits, Licences and Interests Held

The Group held the following oil and gas production, exploration and evaluation, and appraisal interests at the end of the year through subsidiaries and controlling shareholding interests in MH Energy Thailand LLC, and Cue Energy Resources Limited.

Permit or License	Operator	Country	Entity	Net Working Interest of Entity 30 June 2026	Net Working Interest of Entity 30 June 2025
Horizon Oil Limited					
Block 22/12 – WZ6-12, WZ12-8	CNOOC	China	Horizon Oil (Beibu) Limited	**26.95%**	26.95%
PMP 38160 – Maari, Manaia	OMV	New Zealand	Horizon Oil International Limited	**26.00%**	26.00%
OL4 & OL5 - Mereenie	Central Petroleum	Australia	Horizon Australia Energy Pty Limited	**25.00%**	25.00%
MH Energy Thailand LLC[2]					
Blocks E5N & EU1 - Sinphuhorm	PTTEP	Thailand	MH Energy Thailand LLC	**10.00%**	10.00%
Block E5 - Nam Phong	Matahio	Thailand	MH Energy Thailand LLC	**80.00%**	80.00%
Cue Energy Resources[3]					
Mahato PSC – PB	Texcal	Indonesia	Cue Mahato Pty Ltd	**11.25%**	11.25%
Sampang PSC – Oyong, Wortel	Medco	Indonesia	Cue Sampang Pty Ltd	**15.00%**	15.00%
PMP 38160 – Maari, Manaia	OMV	New Zealand	Cue Taranaki Pty Ltd	**5.00%**	5.00%
OL4 & OL5 – Mereenie	Central Petroleum	Australia	Cue Mereenie Pty Ltd	**7.50%**	7.50%
OL3 – Palm Valley	Central Petroleum	Australia	Cue Palm Valley Pty Ltd	**15.00%**	15.00%
L7 – Dingo	Central Petroleum	Australia	Cue Dingo Pty Ltd	**15.00%**	15.00%

2 On 1 August 2025, Horizon announced the completion of the 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 through a consortium, with Horizon acquiring a 75% controlling interest in Exxon Mobil Exploration and Production Khorat (renamed MH Energy Thailand LLC)

3 As at 30 June 2026, Horizon had a 57.03% controlling interest in Cue Energy Resources.

Notes

1 All estimates are prepared in accordance with the Society of Petroleum Engineers (SPE) Petroleum Resources Management System (PRMS) revised 2018.

2 Relevant terms used in this statement, capitalised or otherwise, have the same meaning given to those terms in the SPE PRMS.

3 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.

4 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.

5 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. See also above Cautionary Statement.

6 Contingent and Prospective Resource estimates quoted for China have assumed China National Offshore Oil Corporation ('CNOOC') participation at 51%. CNOOC is entitled to participate at up to a 51% equity level in any commercial development within Block 22/12. Prospective Resources also only include Horizon's on-block share.

7 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. Abbreviations and units used throughout the tables and text are defined as follows: PJ (petajoule), TJ (terajoule), bbl (barrels), MMbbl (million barrels), boe (barrels of oil equivalent), MMboe (million barrels of oil equivalent).

8 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.

9 Sales Gas represents volumes that are likely to be present a saleable product. Sales Gas are reported assuming average values for fuel, flare and shrinkage considering the variable reservoir fluid properties of each constituent field on an energy basis the customary unit is PJ. PJ means petajoules and is equal to 10^{15} joules.

10 For Reserves and Contingent Resources, depending on the asset, either deterministic estimates or probabilistic estimates have been used. For Prospective Resources, all estimates are probabilistic estimates.

11 Reported estimates of petroleum Reserves, Contingent Resources and Prospective Resources have been aggregated by arithmetic summation by category. 1P Reserves 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 Horizon recognises its share of reserves associated with MH Energy Thailand LLC ("MHET") and Cue Energy Resources Limited ("Cue") and on a proportionate basis, reflecting Horizon's indirect economic interest in the underlying petroleum assets. The underlying petroleum asset interests and associated production entitlements are held legally by Cue or MHET under applicable licences and joint venture agreements. These entitlements are attributed to Horizon for reserves and resource reporting purposes in proportion to its ownership interest in Cue and MHET as at 30 June 2026, on the basis that Horizon has an economic interest in, and exposure to the risks and rewards associated with, those assets. As at 30 June 2026, Horizon's interest in Cue is 57.03% and in MHET is 75%.

13 Estimates are reported according to Horizon Oil's net economic interest, this being Horizon Oil's net working interest 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. For China, Horizon's net economic interest ranges from 24.32% to 26.95%. For New Zealand and Australia, Horizon's net economic interest is equal to Horizon's net working interest of 26.00% and 25.00% respectively (excluding Horizon Oil's indirect interest via Cue). For Indonesian reserves, Horizon's net economic interest reflects its indirect interest in the Mahato PSC and the Sampang PSC; contract terms result in net Horizon economic interests in these PSCs ranging from approximately 4.8% to 7.9%. Contingent resources booked for the Mahato PSC are related to the Telisa development that is not yet sanctioned, with economics and royalties not yet known, therefore a net effective equity of 6.42% is assumed for this booking. For the Sinphuhorm and Nam Phong fields in Thailand, Horizon's net economic interest is equal to Horizon's net working interest of 7.50% and 60.00% respectively.

14 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.

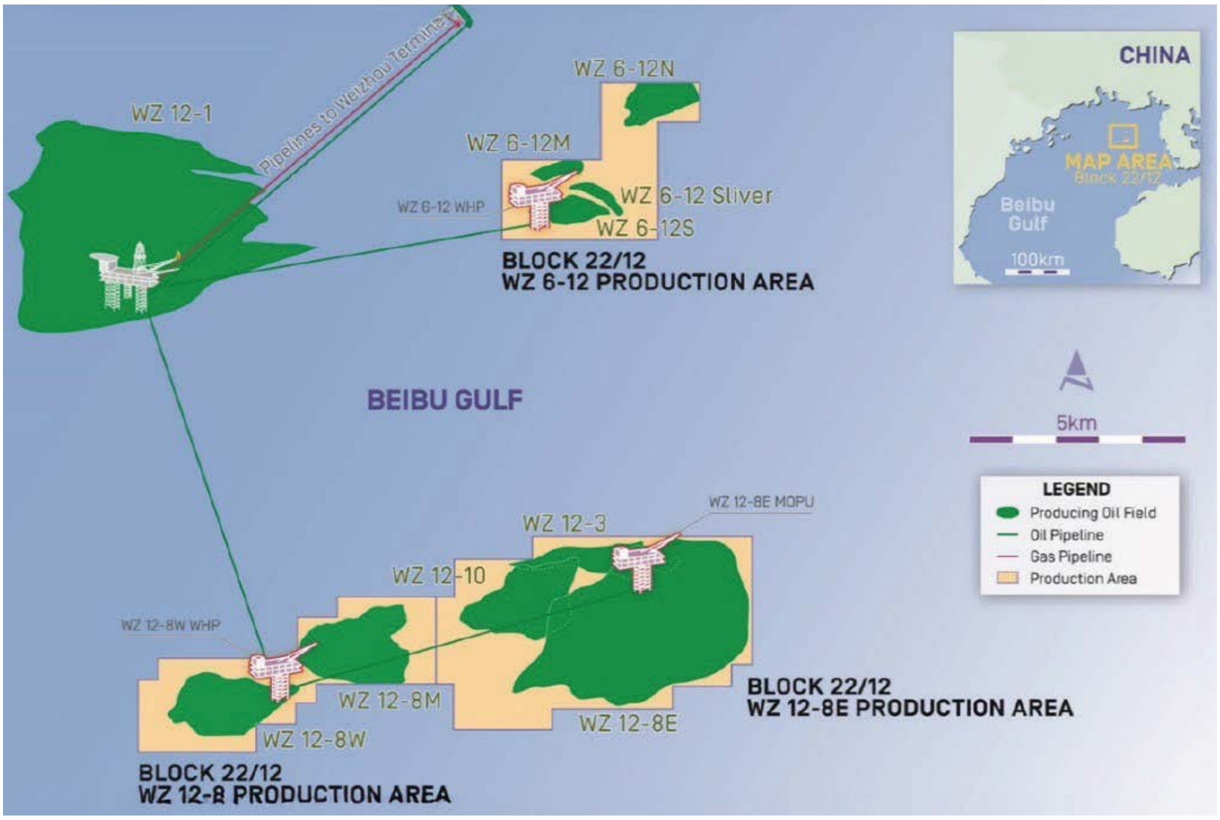
15 The estimates of petroleum Reserves and Resources contained in this statement are based on, and fairly represent, information and supporting documentation prepared by staff and independent consultants under the supervision of Mr Gavin Douglas, Chief Operating Officer of Horizon Oil Limited. Mr Douglas 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 30 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.

16 Some totals in the tables may not add due to rounding.

ACTIVITIES REVIEW 2026

Block 22/12, Beibu Gulf, offshore China

(Horizon: 26.95%)

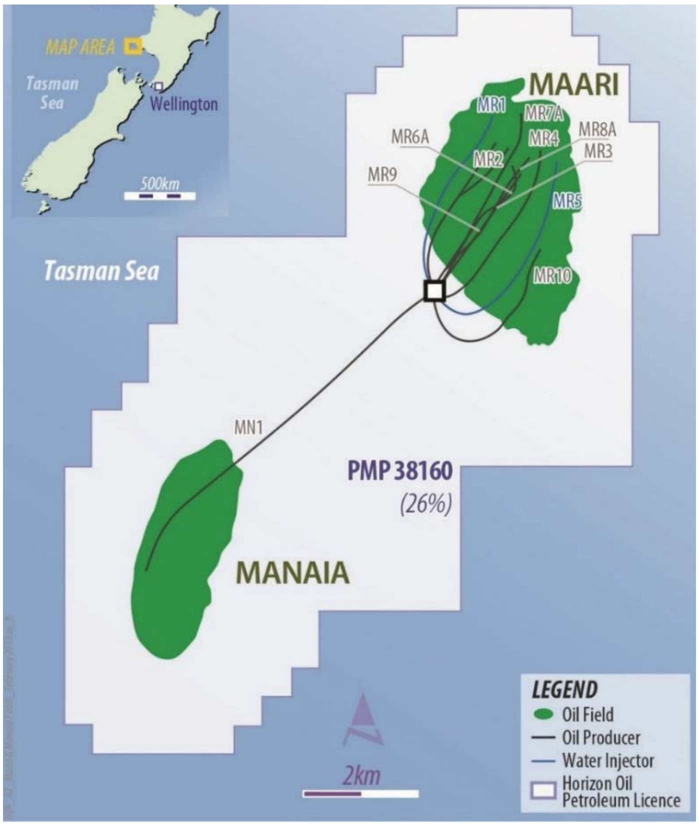


During the financial year, the Group's working interest share of production from the Beibu Gulf fields was 622,240 barrels of oil, with crude oil sales of 523,843 barrels generating production revenue of US$41.6 million. Cash operating costs were approximately US$25/bbl produced, excluding workover costs.

Production was supported by targeted well optimisation activities, increased water-handling capacity and a series of workovers across the WZ6-12 and WZ12-8 fields. Material activities included the October 2025 workover of WZ6-12-A2, the December 2025 workover of the WZ12-8E-A7 water disposal well, the December 2025 water shut-off treatment of WZ12-8E-A12H and a six-well WZ12-8W workover program that commenced in December 2025. Water injection performance at WZ12-8E supported reservoir pressure maintenance and stable field performance. At the date of this report, all workover programs were safely completed.

The Joint Venture continues to progress production enhancement initiatives, additional liquids-handling capacity and feasibility studies for a potential further development phase at WZ12-8E, which may include a multi-well drilling program, subject to customary approvals.

PMP 38160, Maari/Manaia fields, Taranaki Basin, offshore New Zealand
(Horizon: 26%/Cue: 5%[1])



During the financial year, the Group's direct working interest share of production from the Maari and Manaia fields was 446,857 barrels of oil. Crude oil sales were 383,542 barrels, generating production revenue of US$32.7 million. Cash operating costs averaged approximately US$26/bbl produced, excluding workover costs.

Production benefited from the successful return to service of the MN1 and MR4 wells following July 2025 workovers, with field production reaching its highest monthly rate since 2020. A planned five-yearly maintenance shutdown was completed in March 2026, followed by the MN1 workover, which commenced on 1 April 2026 and returned the well to production in early May. During June 2026, a workover commenced on the MR3 well following a downhole pump failure.

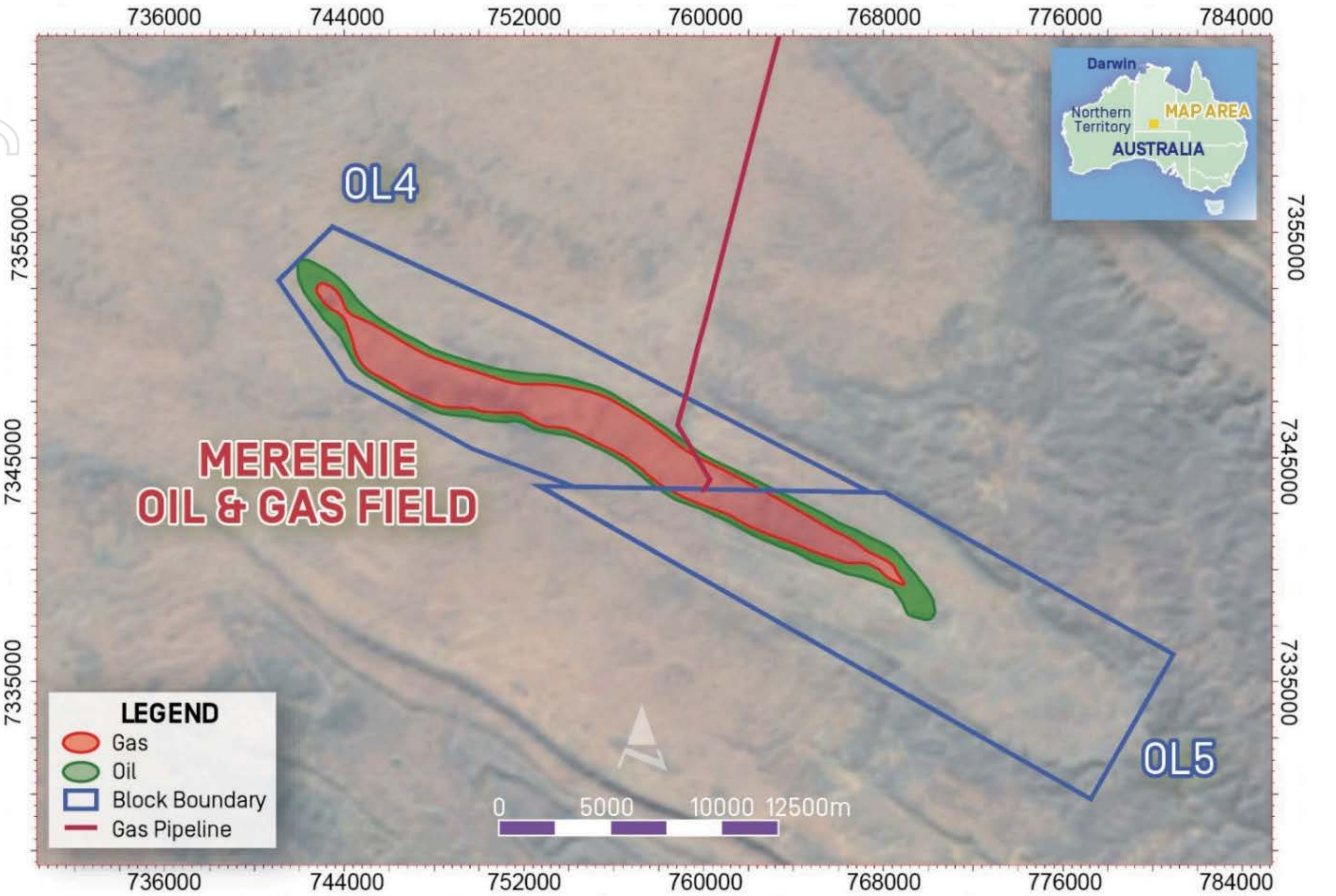
During the financial year, the Maari Joint Venture received approval for a ten-year extension of PMP 38160 to December 2037, supporting continued production, future development planning and orderly decommissioning. The extension provides a platform to pursue additional value-accretive opportunities within the field. During the year, the Joint Venture advanced subsurface, reservoir and drilling studies directed towards a potential future drilling campaign, with work focused on candidate well selection, reserves maturation and execution planning. These studies are expected to support investment decisions on future development opportunities aimed at sustaining production and enhancing recovery from the Maari field.

Notes:

1. Horizon holds a controlling interest of 57.03% in Cue and accordingly consolidates Cue for financial reporting purposes. Production and sales volumes for FY26 exclude any contribution from Cue as Horizon obtained control of Cue on 17 June 2026.

OL4 and OL5, Mereenie, NT, Australia

(Horizon: 25%/Cue: 7.5%[1])



During the financial year, the Group's direct working interest share of production from the Mereenie field was 430,190 barrels of oil equivalent, with sales of 429,614 barrels of oil equivalent generating production revenue of US$17.8 million. Cash operating costs were approximately US$12/boe produced, excluding royalties.

Production was supported by the continued strong performance of the WM29 and WM30 development wells, which contributed materially to field gas sales. Cash flow benefited from stronger contracted gas pricing and the October 2025 execution of a gas supply agreement with McArthur River Mining covering gas supply across 2026 and 2027.

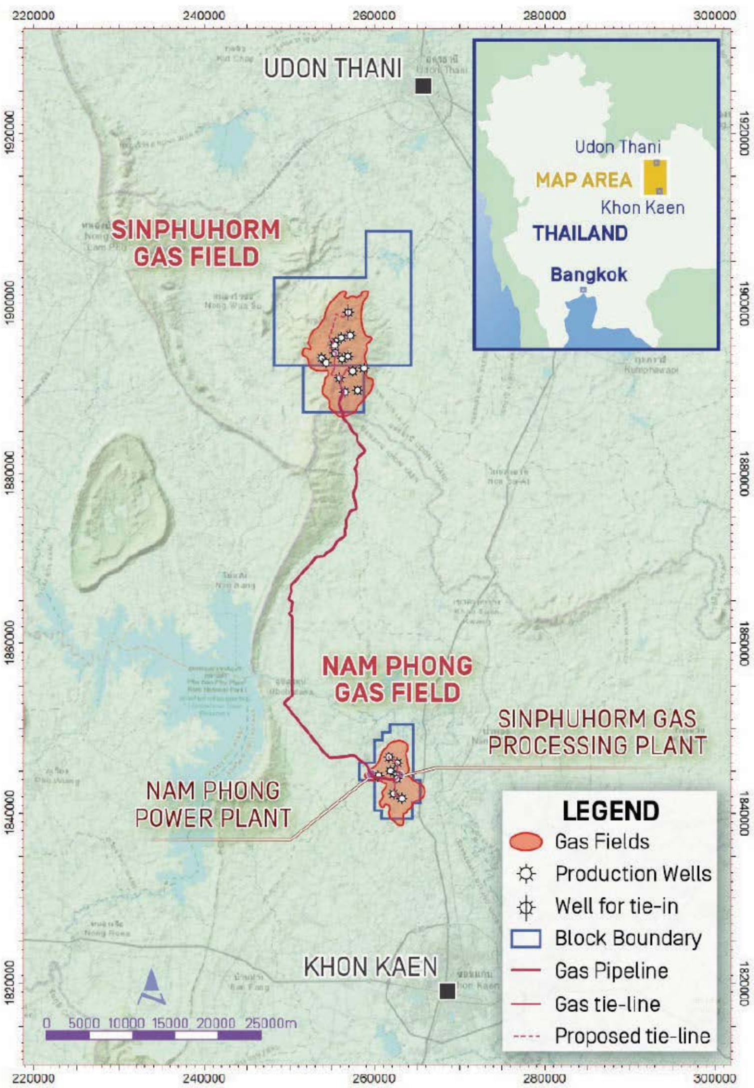
Planning for the next phase of field development continues, with well designs, long-lead procurement and drilling preparations having been substantially completed, enabling rapid progression of future development wells should demand and commercial conditions support investment. The Joint Venture also continued subsurface studies and a long-term field development review aimed at identifying additional drilling opportunities and field optimisation initiatives to maximise future recovery from the field.

Notes:

1. Horizon holds a controlling interest of 57.03% in Cue and accordingly consolidates Cue for financial reporting purposes. Production and sales volumes for FY26 exclude any contribution from Cue as Horizon obtained control of Cue on 17 June 2026.

Sinphuhorm & Nam Phong, Thailand

(Horizon: Sinphuhorm 7.5%; Nam Phong 60%)



The acquisition of Horizon's interests in the Sinphuhorm and Nam Phong gas fields completed on 1 August 2025, establishing a material new production and cashflow platform in Thailand. For FY26, production totalled 654,328 barrels of oil equivalent, with sales of 643,465 barrels of oil equivalent generating production revenue of US$23.0 million. Cash operating costs were approximately US$7/boe produced, excluding royalties.

The assets made a significant contribution to Group production and cash flow, supported by low operating costs and oil-linked gas pricing. At Nam Phong, field optimisation initiatives delivered an estimated 7% uplift in production without additional capital expenditure, while the Booster Compressor Project, sanctioned in December 2025, is expected to support increased production rates and reserve recovery.

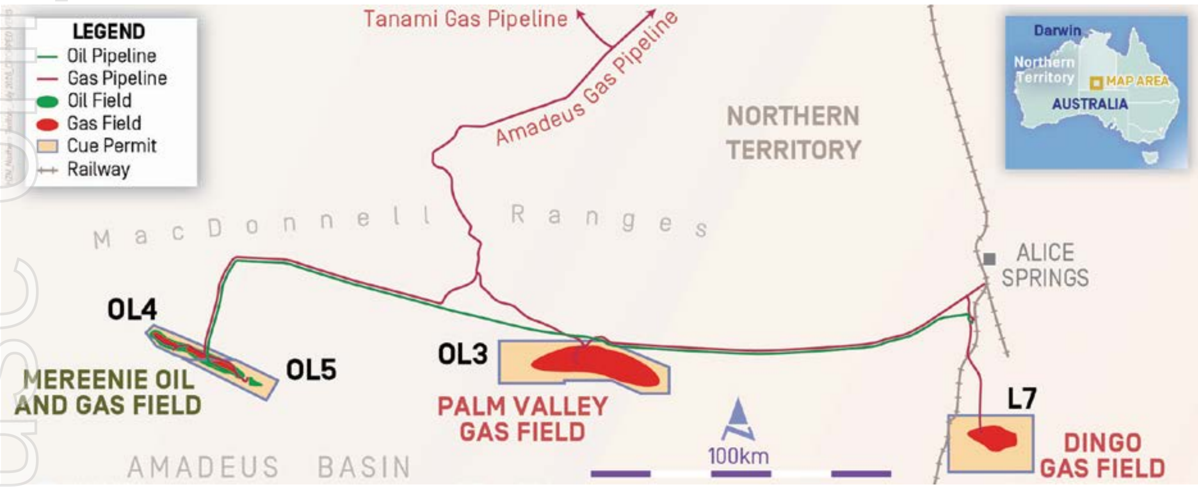
At Sinphuhorm, development of Well Pad D and associated flowline infrastructure progressed during the year, with PH-14 achieving first gas on 11 August 2026, approximately 50 days ahead of schedule. The well is delivering a gross gas rate of 25 - 30 million cubic feet of gas per day (MMSCFD), providing a meaningful contribution to field production. Ongoing production enhancement initiatives, including installation of a mini booster compressor and targeted water shut-off operations, continue to support field performance and optimise recovery.

The Joint Venture continues to progress a range of production growth opportunities across both assets, including start-up of the Nam Phong Booster Compressor Project and maturation of a proposed 2027 drilling program at Sinphuhorm aimed at maximising future gas sales, reserves and long-term value.

CUE INDEPENDENT ASSETS

The acquisition of a 57.03% controlling interest in Cue Energy Resources Limited was completed on 2 July 2026, resulting in Horizon obtaining effective control on 17 June 2026. Accordingly, Horizon has consolidated Cue for financial reporting purposes at 30 June 2026.

Cue also holds interests in the Maari and Mereenie fields, which are included in the preceding sections.



OL3, Palm Valley, NT, Australia

[Cue: 15%[1]]

Palm Valley supplies gas into Northern Territory and East Coast markets under long-term gas sales arrangements. During the year, the Joint Venture secured a long-term gas supply agreement with the Northern Territory Government, supporting a two-well appraisal program comprising PV14 and PV15. The drilling program is designed to evaluate additional gas resources and support future gas supply into the Northern Territory market. The drilling program commenced in July 2026 with the spudding of the PV14 well.

L7, Dingo, NT, Australia

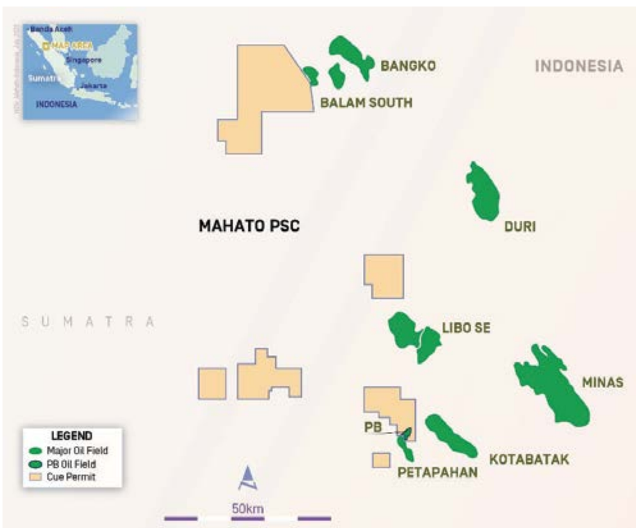
[Cue: 15%[1]]

The Dingo field supplies gas under a long-term contract to support electricity generation for Alice Springs. Production remained stable during the year.

Mahato PSC, Indonesia

[Cue: 11.25%[1]]

Cue holds an 11.25% interest in the Mahato PSC in Central Sumatra, where production is sourced primarily from the Bekasap reservoir. Development activity continued during the year, with additional infill drilling approved and further development planning underway. The Operator is also progressing the OPL-3 development plan and preparations for the GA-1 exploration well.



Notes:

1. Horizon holds a controlling interest of 57.03% in Cue and accordingly consolidates Cue for financial reporting purposes. Production and sales volumes for FY26 exclude any contribution from Cue as Horizon obtained control of Cue on 17 June 2026.

Sampang PSC, Indonesia

[Cue: 15%[1]]

Cue holds a 15% interest in the Sampang PSC, which contains the producing Oyong and Wortel gas fields. Production continues from both fields while the Joint Venture progresses compression facilities and evaluates opportunities to optimise recovery from existing wells. Cue has advised the Joint Venture that it does not intend to participate beyond the current PSC expiry in December 2027.

Notes:

1. Horizon holds a controlling interest of 57.03% in Cue and accordingly consolidates Cue for financial reporting purposes. Production and sales volumes for FY26 exclude any contribution from Cue as Horizon obtained control of Cue on 17 June 2026.

FINANCIAL REPORT 2026

For the financial year ended 30 June 2026

This annual financial report covers the consolidated financial statements for the Group, consisting of Horizon Oil Limited (the '**Company**') and its subsidiaries.

The annual financial report is presented in United States dollars.

Horizon Oil Limited is a public company limited by shares and is listed on the ASX. It is incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 4
360 Kent Street
Sydney NSW 2000

The annual financial report was authorised for issue by the Board of Directors on 27 August 2026. The Board of Directors has the power to amend and reissue the annual financial report.

All references to reserves and contingent resources within the financial report are drawn from the Horizon 2026 Reserves and Resources Statement dated 10 August 2026.

DIRECTORS' REPORT

Your directors present their report on the consolidated entity (referred to hereafter as the 'Group') consisting of Horizon Oil Limited (the 'Company') and the subsidiaries it controlled at the end of, or during the financial year ended, 30 June 2026.

Directors

The following persons were directors of Horizon Oil Limited during the whole, or for part where noted, of the financial year and up to the date of this report:

B Clement
R Beament
C Costello
G Bittar
N Burgess
P Goode
S Birkensleigh (retired on 29 August 2025)

Review of operations

Principal activities

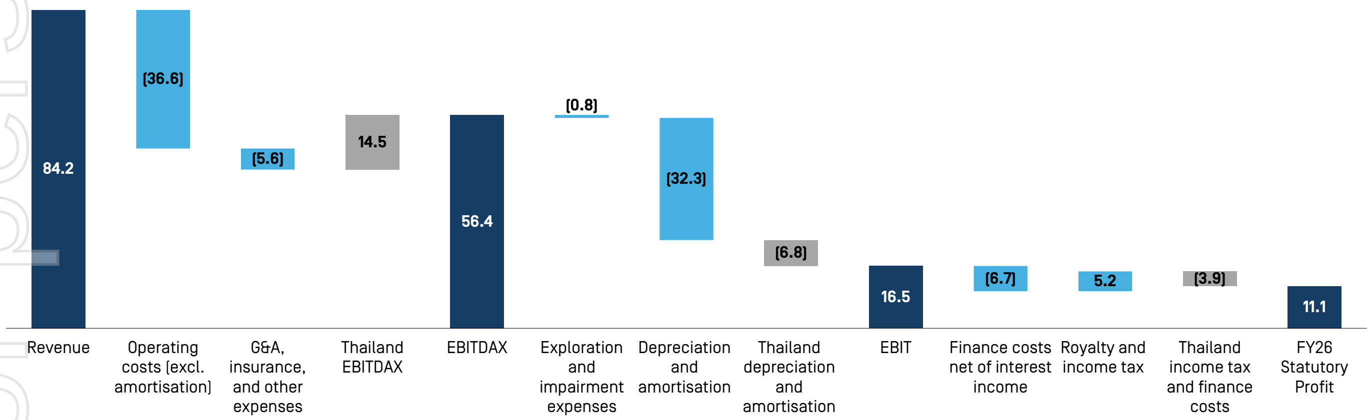
During the financial year, the principal activities of the Group continued to be directed towards petroleum production, development and exploration.

A detailed review of the operations of the Group during the financial year is set out in the Activities Review on pages 10 to 16 of this annual financial report.

Group Financial Performance

Consolidated Statement of Profit or Loss and Other Comprehensive Income

2026 Profit Drivers



On 1 August 2025, the Group completed the acquisition of Exxon Mobil Exploration and Production Khorat LLC, subsequently renamed MH Energy Thailand LLC (MHET). The Horizon Group owns a 75% share of MHET, resulting in the ownership of an effective 7.5% interest in the Sinphuhorm gas field and a 60% interest in the Nam Phong gas field. The effective date of the transaction was 1 January 2025 with revenues earned and costs incurred from the effective date to the completion date, 1 August 2025, adjusted against the initial purchase consideration. Horizon's investment in MHET is classified as a joint venture and is accounted for using the equity method of accounting – refer to Note 1 and 13 in this report for further details. The following discussions include the eleven-month contribution from the Thailand investment.

On 2 July 2026, the Group announced the successful completion of its takeover offer for Cue Energy Resources Limited (Cue) obtaining a 57.03% controlling interest. For accounting purposes, the acquisition date was determined to be 17 June 2026, being the date the Group obtained a controlling interest and its offer became unconditional. Accordingly, Cue has been consolidated from that date. As a result, the Group recognised Cue's balance sheet and the related non-controlling interest as at 30 June 2026, together with 13 days of post-acquisition earnings in the FY26 consolidated statement of profit or loss.

The Group reported a statutory profit after tax of US$11.1 million for FY26 (FY25: US$12.2 million). The modest decline relative to the prior year primarily reflected the timing of oil liftings, with more than 130,000 bbls of oil inventory at Maari and Block 22/12 on hand at 30 June 2026 that was subsequently sold during July and August 2026, generating approximately US$11 million in revenue. This was offset by the acquisition of the additional producing interests in Thailand and the recognition of a deferred tax asset relating to historical Australian tax losses, supported by the continued strong performance of the Mereenie asset during FY26.

The statutory profit result includes several significant non-cash items, comprising US$32.2 million (FY25: US$33.0 million) of amortisation of production-phase assets, US$2.8 million (FY25: US$2.7 million) of finance costs associated with the unwinding of restoration provisions, and US$1.5 million (FY25: US$1.6 million) of share-based payment expense relating to performance rights and deferred STI rights granted to employees.

EBITDAX increased to US$56.4 million (FY25: US$54.8 million) despite the deferral of Maari and Block 22/12 oil liftings. The increase was underpinned by an 11-month contribution from the additional producing interests acquired in Thailand, comprising the Sinphuhorm and Nam Phong gas fields, together with continued strong operational performance across the Group's remaining producing assets. EBIT was US$16.5 million (FY25: US$21.1 million).

The Group generated robust operating cash flows of US$47.2 million (FY25: US$35.9 million), facilitating the return of US$33.1 million to shareholders through dividends paid during the financial year and the repayment of US$10.6 million of the senior debt facility.

EBITDAX and EBIT are financial measures which are not prescribed by Australian Accounting Standards and represent the profit under Australian Accounting Standards adjusted for interest expense, taxation expense, depreciation, amortisation, and exploration expenditure (including non-cash impairments). The directors consider EBITDAX and EBIT to be useful measures of performance as they are widely used by the oil and gas industry. EBITDAX and EBIT information has not been audited. They have been extracted from the audited annual financial reports for the financial years ended 30 June 2026 and 30 June 2025.

Basic earnings per share for the financial year was 0.65 US cents (FY25: 0.75 US cents) based on a weighted average number of fully and partly paid ordinary shares on issue of 1,628,725,163 shares.

Sales and Production

The Group achieved record annual net working interest production of 2.15 million boe during FY26, reflecting the successful execution of its growth strategy and the transformational acquisition of the Sinphuhorm and Nam Phong gas fields in Thailand. Production comprised contributions from Block 22/12 (0.6 million boe), Maari/Manaia (0.4 million boe), Mereenie (0.4 million boe) and the newly acquired Thailand assets (0.7 million boe). The acquisition of the Thailand assets established a material new production and cash flow platform for the Group and was the principal driver of this record result. Production was further supported by the successful return to service of the MN1 and MR4 wells at Maari following workovers, the continued strong performance of the WM29 and WM30 development wells at Mereenie, and targeted well optimisation and workover programs across the Block 22/12 fields. These initiatives aided in offsetting the natural decline of mature producing assets and reinforced the value of ongoing field optimisation and reservoir management activities.

Operationally, the year was characterised by strong asset stewardship, successful well intervention and optimisation programs, continued reserves and resources maturation activities and the progression of multiple organic growth opportunities. Key milestones included the ten-year extension of the Maari mining permit to December 2037, sanctioning of the Nam Phong and Sinphuhorm Booster Compressor Projects, advancement of the tie in of Sinphuhorm Pad D and continued planning for future Sinphuhorm development drilling. These initiatives provide a solid platform for future production enhancement and reserves recovery which will in turn support future cash flow generation across the portfolio.

Sales volumes during FY26 totalled approximately 1.98 million boe, comprising 0.5 million boe from Block 22/12, 0.4 million boe from Maari, 0.4 million boe from Mereenie and 0.6 million boe from the newly acquired Thailand gas assets. The acquisition of the Sinphuhorm and Nam Phong fields materially increased Group sales volumes and broadened the portfolio's exposure to long-term gas sales under contracted and oil-linked pricing arrangements.

Revenue from directly held assets totalled US$81.7 million, inclusive of hedge settlements, comprising US$38.1 million from Block 22/12, US$26.0 million from Maari and US$17.6 million from Mereenie. In addition, the newly acquired Thailand assets generated production revenue of US$23.0 million, which is recognised through the Group's share of net profit from joint venture investments with Cue's 13-day revenue contribution being US$2.5 million. The portfolio benefited from a diversified mix of oil and gas production, strong commodity pricing and successful production enhancement activities across the portfolio.

Operating costs for the period were US$68.8 million, lower than the prior comparative period (FY25: US$76.8 million) primarily due to the timing of oil liftings, with a portion of production costs recognised in crude oil inventory at 30 June 2026 and deferred until the associated sales are recognised.

General and Administrative Expenses

General and administrative expenses reduced by US$0.4 million during the financial year to US$3.5 million (2025: US$3.9 million). General and administrative expenses comprised net employee benefits expense of US$2.0 million (including non-cash share-based payment expense of US$1.5 million), corporate office expense of US$1.4 million, and depreciation of US$0.1 million.

Insurance Expense

Insurance expense of US$2.0 million (2025: US$1.9 million) was materially in line with the prior financial period.

Exploration Expenses

Exploration expenses were US$0.5 million (2025: US$0.5 million) and was focused on evaluation of opportunities across the portfolio and the evaluation of inorganic growth opportunities.

Finance Costs/Income

The Group's net borrowing costs increased by US$2.2 million to US$6.7 million during the period, primarily due to the drawdown of additional debt used to fund the Thailand acquisition and the cash components of the Cue Energy Resources Limited acquisition.

Income and Royalty Tax

The net income and royalty tax benefit of US$5.2 million (2025: net expense of US$4.4 million) incurred during the financial year included a current tax expense of US$2.7 million, a deferred income tax benefit of US$8.5 million and a royalty related tax expense of US$0.5 million. Royalty tax expense of US$0.5 million reflected cash and deferred royalty tax associated with the Maari/Manaia field. The deferred income tax benefit of US$8.5 million included the recognition of a deferred tax asset relating to historical Australian tax losses.

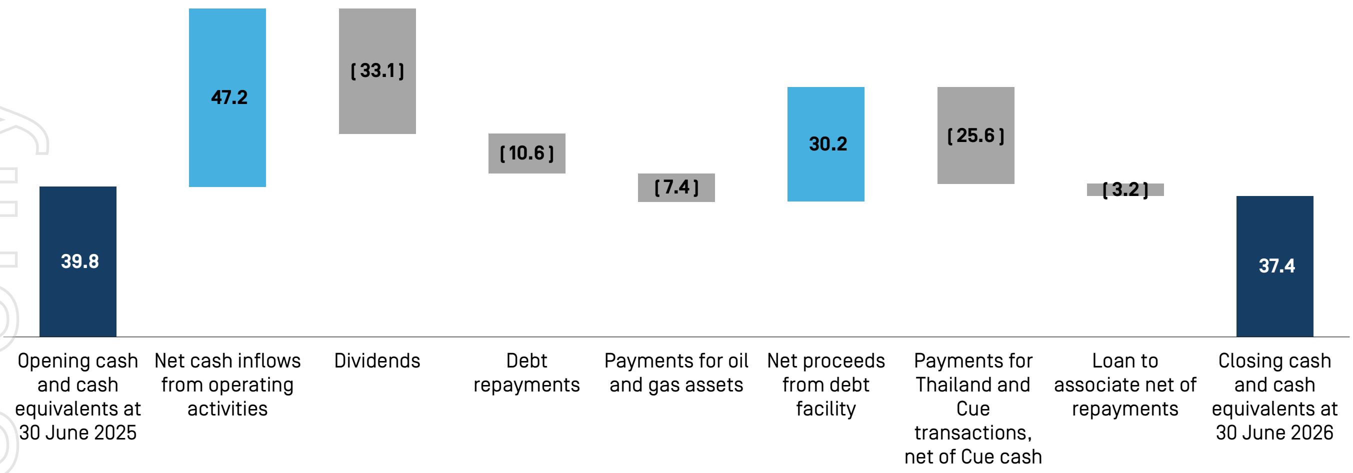
Consolidated Statement of Financial Position

At 30 June 2026, total assets were US$281.9 million (2025: US$180.2 million) and total liabilities were US$188.6 million (2025: US$114.9 million), resulting in net assets of US$93.3 million (2025: US$65.3 million). These balances include the consolidation of Cue Energy Resources Limited as at 30 June 2026, which contributed to the increase in both total assets and total liabilities compared with the prior year.

At 30 June 2026, the Group reported a net debt position of US$11.3 million. Net debt of US$11.3 million comprised of cash and cash equivalents held of US$37.4 million (2025: US$39.8 million) offset by nominal borrowings of US$48.7 million (2025: US$26.1 million). At financial year end, borrowings consisted of US$48.7 million principal outstanding on the Group's debt Facility.

Consolidated Statement of Cash Flows

2026 Cash Drivers



The Group's strong operating cash generation of US$47.2 million enabled Horizon to continue executing its balanced capital allocation strategy during FY2026. Cash inflows from operations funded substantial shareholder returns of US$33.1 million, debt repayments of US$10.6 million and US$7.4 million of investment in existing producing assets. Horizon also completed the acquisitions of the Thailand assets and a controlling interest in Cue Energy Resources Limited during the year. Consistent with management's disciplined capital management approach, acquisition expenditure was supported through targeted utilisation of the Group's debt facility, with US$30.2 million drawn to fund transactions requiring net cash consideration of US$25.6 million. Despite these significant investments and returns to shareholders, the Group closed FY2026 with cash and cash equivalents of US$37.4 million, demonstrating the strength of the underlying business and preserving financial flexibility for future growth initiatives.

Corporate

Group liquidity

At 30 June 2026, the Group's net debt position was US$11.3 million (30 June 2025: net cash of US$13.7 million) following an additional US$30.3 million in debt drawn during the financial year to fund the Thailand and Cue acquisitions. Net cash comprises cash and cash equivalent assets held of US$37.4 million (30 June 2025: US$39.8 million) offset by the nominal value of borrowings drawn down of US$48.7 million (30 June 2025: US$26.1 million) on the Group's debt facility. Details of the Group's debt facilities are set out in Note 16.

Dividends

The Board has declared a final dividend of AUD 1.0 cents per Ordinary share totalling approximately AUD 17.4 million. This dividend was declared as a Conduit Foreign Income (CFI) unfranked dividend and will be paid on 23 October 2026. During the financial year, the Board also declared an interim dividend of AUD 1.5 cents per Ordinary share totalling approximately AUD 24.4 million. This dividend was declared as a Conduit Foreign Income (CFI) unfranked dividend and was paid on 17 April 2026.

Oil Price Hedging

The Company maintains leverage to the oil price with a modest hedge position. At the date of this report, hedges were in place for 80,000 bbls of oil covering the period September to December 2026, with a weighted average fixed price of ~US$79/bbl.

The Company advises that the majority of the Group's Mereenie, Palm Valley, Dingo and Sampang gas production is currently sold under fixed price gas contracts so is not materially impacted by near term volatility in commodity prices.

Group business strategies and prospects for future financial years

The Company's exploration, development and production activities are focused in South-East Asia and Australasia. The cash flows from the Company's production portfolio, will be applied to fund the Company's future capital and growth program, repay debt, and provide returns to shareholders. The growth program is focussed on enhancing shareholder value by bringing into production the Company's substantial inventory of contingent and prospective resources in fields in China, New Zealand, Australia, Thailand and Indonesia, whilst keeping an eye on other potential value accretive growth opportunities.

The Company has a targeted and selective exploration and development strategy with specific focus on plays providing material scale and upside in and around existing permits with ready access to development infrastructure. The reserves and contingent resources in the company's inventory provide shareholders with exposure to commodity price upside and potential production growth opportunities.

The achievement of these strategic objectives may be affected by macro-economic and other risks including, but not limited to, global growth, volatile commodity prices, exchange rates, climate change, access to financing and political risks. The speculative nature of petroleum exploration and development will also impact the Company's ability to achieve these objectives; key risks of which include production and development risk, exploration and drilling risks, joint operations risk, and geological risk surrounding resources and reserves.

The Group has various risk management policies and procedures in place to enable the identification, assessment and mitigation of risks that may arise. Whilst the Group can mitigate some of the risks described above, many are beyond the control of the Group. For further information in relation to the Company's risk management framework, refer to the Corporate Governance Statement.

Outlook

In the near term, continued strong operating cashflow generation is forecast with the Group's overall production enhanced and diversified with the addition of the MH Energy Thailand LLC and Cue Energy Resources Limited acquisitions. Production levels and cashflows from each field are forecast to be impacted by natural reservoir decline with the aim of offsetting this expected decline through further infill drilling and other production enhancing initiatives. These cashflows are expected to enable continued returns to shareholders and funding for further production growth opportunities.

The Group's short-term focus is on:

– Continued optimisation of production performance across the 9-asset production portfolio including the committed appraisal and infill wells at Palm Valley and Mahato, workovers at Maari and Block 22/12, booster compressor installation and commissioning at Nam Phong and Sampang and the tie-in of Pad D at Sinphuhorm allowing production from the previously drilled PH-14 and PH-1ST wells;
– Maturing further infill drilling and exploration opportunities; and
– Continued evaluation of organic and inorganic opportunities.

Matters subsequent to the end of the financial year

Other than the matters noted above and disclosed in the review of operations, there has not been any matter or circumstance which has arisen since 30 June 2026 that has significantly affected, or may significantly affect:

[1] - the Group's operations in future financial years; or
[2] - the results of those operations in future financial years; or
[3] - the Group's state of affairs in future financial years.

Environmental regulation

The Group is subject to significant environmental regulation in respect of exploration, development and production activities in all countries in which it operates – China, New Zealand, Australia, Thailand and Indonesia. Horizon Oil Limited is committed to undertaking all of its exploration, development and production activities in an environmentally responsible manner.

The Directors believe the Group has adequate systems in place for managing its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Group.

Reporting currency

The Company's and the Group's functional and reporting currency is United States dollars. All references in this annual financial report to "$" or "dollars" are references to United States dollars, unless otherwise stated.

Business risks

The achievement of Horizon's business strategy and future financial performance is subject to various risks. Horizon undertakes steps to identify, assess and manage these risks and operates under a Board-approved Group-wide Risk Management Framework. Risk management is addressed in the Company's Sustainability Report, for the year ended 30 June 2026, which may be accessed from the Company's website at www.horizonoil.com.au.

The material business risks faced by the Group that may have an impact on the operating and financial prospects of the Group as at 30 June 2026 are:

		Risk description / Potential impacts	Mitigating factors
1	Adverse impact to production	A loss of production event causes a reduction in cashflow	Group has in place Loss of Production insurance over the assets in New Zealand, China, Australia and Thailand. Completion of the acquisition of oil and gas assets in Australia, New Zealand and Indonesia via the acquisition of a controlling interest in Cue Energy Resources Limited diversifies the production base.
2	Major safety and/or environmental event	Major safety / environmental incidents leading to reputational damage, potential facilities shutdown imposed by regulators and a loss of business value	Oversight of operations with regular site visits and monitoring regulatory audit reports and timely implementation of corrective actions.
3	Market volatility	Market driven forces reduce the value of Horizon's assets and/or reduce the revenue derived from its operations	Group has in place a hedging policy to manage short term commodity price fluctuations that could negatively impact cash flows. The Group conducts ongoing cash flow sensitivity analyses to evaluate the effectiveness of existing hedges and to determine the need for additional hedging. Long term fixed price gas contracts at Mereenie, Palm Valley, Dingo and Sampang also aid to protect cash flows.
4	Decommissioning costs exceed estimates	Decommissioning costs exceed estimates adversely impacting Group cash flow	Group has a diversified production base with strong free cashflow generation to aid in covering decommissioning cost overruns. In addition, the Group has in place adequate liquidity (including working capital) to cover potential financial security requirements associated with decommissioning liabilities. Group reviews the underlying cost estimates on a regular basis.
5	Political / regulatory risk	Risk that governments enact onerous legislative changes which has a material impact on the business	Completion of the acquisition of oil and gas assets in Australia, New Zealand and Indonesia via the acquisition of a controlling interest in Cue Energy Resources Limited) diversifies the geographies of assets and political exposure.

Information on Directors & Officers

The following persons held office as Directors or Officers of Horizon Oil Limited at the date of this Directors' Report:

Chairman, Independent Non-Executive Director	**Bruce Clement** BEng (Civil) (Hons); BSc (Math & Computer Science); MBA
Responsibilities	Mr Clement was appointed as Chairman on 20 November 2024. Mr Clement is Chair of Horizon's Disclosure Committee and a member of Horizon's Audit and Remuneration and Nomination Committees.
Experience and Directorship	Mr Clement has over 40 years' oil and gas experience; beginning his career as a projects engineer at Esso Australia Limited (now Exxon). He has managed exploration, development and production operations in Australia and Asia, as well as successfully delivering key projects in Australia, China, Indonesia, the UK and the USA, including implementation of major acquisitions and divestments. Mr Clement has led AWE Limited and Roc Oil Limited as Chief Executive Officer and has held senior managerial roles at Santos Limited, Ampolex Limited and Esso Australia Limited (Exxon). Mr Clement is a non-executive director and former interim Chief Executive officer of Beach Energy Limited (ASX:BPT), a non-executive director and Chair of Cue Energy Resources Limited (ASX:CUE) and former director of Norwest Energy Limited, Roc Oil and AWE Limited.
Managing Director, Chief Executive Officer	**Richard Beament** BCom, CA
Responsibilities	Mr Beament has been Managing Director and Chief Executive Officer of Horizon since July 2022. He is a member of Horizon's Risk Management and Disclosure Committees.
Experience	Mr Beament has over 15 years of experience in managerial positions within the oil and gas sector. He was formerly Horizon's Chief Financial Officer from July 2018 to June 2022 and was Company Secretary from September 2021 to June 2022. He joined Horizon as Finance and Commercial Manager in May 2010. Since that time, he was actively engaged in arranging and managing the Group's funding, as well as managing the Group's investments in Block 22/12 and Maari. More recently he has led Horizon through its recent growth phase completing the acquisitions of assets in Australia (Mereenie), Thailand (Sinphuhorm and Nam Phong) and the acquisition of a controlling equity interest in Cue Energy Resources Limited (ASX:CUE). Mr Beament is a Chartered Accountant with over 25 years' experience in accounting and finance across a range of sectors. Prior to joining Horizon in 2010, he held senior positions with PricewaterhouseCoopers in Sydney and London. Mr Beament is a non-executive director of Cue Energy Resources Limited (ASX:CUE)
Non-Executive Director	**Catherine Costello** BCom, MSc (Mineral Economics), CA, AGIA, ACIS, GAICD
Responsibilities	Ms Costello was appointed as a non-executive director on 1 June 2025. Ms Costello is Chair of Horizon's Audit Committee and a member of Risk Management Committee.
Experience and Directorship	Ms Costello brings more than 30 years of experience in Australian and multinational businesses in the resources industry, including large ASX-listed and US-listed entities, holding key executive roles responsible for financial management and governance. She has been closely involved in strategic decision making and transformative business and organisational capital structuring processes, leading many corporate transactions. Her board experience includes non-executive director and Audit and Risk Committee chair for Astron Limited (ASX:ATR), executive director roles and providing independent advisory services while chairing board committees.

Non-Executive Director	**Gregory Bittar** BEc, LL.B. (Hons); MSc, (LBS)
Responsibilities	Mr Bittar has been a Director of Horizon since March 2017, as nominated by Horizon's substantial shareholder IMC Pan Asia Alliance Group. Due to his association with IMC, he is not considered independent. Mr Bittar is Chair of Horizon's Remuneration and Nomination Committee and a member of Horizon's Audit Committee.
Experience and Directorship	Mr Bittar has extensive experience in public and private markets mergers and acquisitions, capital markets and strategic advisory assignments across a range of sectors including general industrials, metals and mining, mining services and energy. Mr Bittar is currently Managing Director of Lotus Resources Limited (ASX:LOT) and was a former Chairman of Brightstar Resources Limited, Trek Metals Limited and Millennium Minerals Limited.

Alternate Non-Executive Director	**Bruno Lorenzson** B.E., MBA, CFA
Responsibilities	Mr Lorenzon has been an Alternate Director for Greg Bittar since March 2017.
Experience	Mr Lorenzon has worked for the IMC Pan Asia Alliance Group for the past 18 years and has extensive experience in investments, strategy and corporate finance in the resources sector both in Australia and overseas. Mr Lorenzon previously worked for Vale in Brazil and Rio Tinto in Australia in roles encompassing strategic planning, mergers and acquisitions and business development.

Non-Executive Director	**Nigel Burgess** B.E., MAcc
Responsibilities	Mr Burgess was appointed as a non-executive director on 1 July 2021. Mr Burgess is a nominee director of Samuel Terry Asset Management, which manages the Samuel Terry Absolute Return Fund, a substantial shareholder in Horizon. Due to his association with Samuel Terry, he is not considered independent. He is a member of Horizon's Audit Committee.
Experience and Directorship	Mr Burgess has over 30 years of commercial experience in funds management with Samuel Terry, Hunter Hall, GIO of Australia and Friends Provident in Australia, and a family office in Europe. He has experience in a variety of commercial transactions and corporate restructurings across a range of industries and jurisdictions. He is a former director of Spicers Limited (ASX: SRS; de-listed 2019) and Yellow Holdings Limited (New Zealand).

Non-Executive Director	**Dr Peter Goode** BAppSc (Math), PhD (Petroleum Engineering)
Responsibilities	Dr Goode was appointed as non-executive director on 12 September 2024. Dr Goode is Chair of Horizon's Risk Management Committee.
Experience and Directorship	Dr Goode has more than 40 years of experience in engineering, manufacturing and oilfield and industrial services. He is currently Chairman and Co-founder of the leading US onshore completions provider, GR Energy Services. He co-founded Global Oilfield Services, a leading US Electric Submersible Pump (ESP) company, which was sold to Haliburton in November 2011. His other professional roles include a number of management positions with Schlumberger between 1985 and 2003 in the US, Indonesia and the UK. These global roles included direct responsibility for the associated research, engineering and manufacturing activities. He also has extensive public company experience having been the Managing Director and CEO of Transfield Services between 2009 and 2013, a leading industrial services provider listed on the Australian Stock Exchange. Dr Goode also served as President and CEO of Vetco International Ltd, an international oilfield services company with revenue of approximately $3 billion per year and with operations in 34 countries. Early in his career he held various reservoir engineering positions at Santos in Australia and SOHIO Petroleum.

Group Chief Operating Officer	**Gavin Douglas** BSc (Geology) (Hons), MSc (Res. Eval. & Mgmt.), AAPG, SPE
Responsibilities	Mr Douglas was appointed Chief Operating Officer of Horizon on 1 July 2022, having previously served as the Group General Manager – Production & Exploration.
Experience	Mr Douglas is a geologist with over 30 years of experience in the exploration, development, and production of hydrocarbons. He has held technical managerial roles for over 15 years, including leading multidisciplinary teams in Australia, Southeast Asia, and the Middle East. Prior to joining Horizon, Mr. Douglas served as Well Delivery Manager at Oil Search and as Subsurface Manager at Eaglewood Energy. Mr Douglas is a non-executive director of Cue Energy Resources Limited (ASX:CUE)
Chief Financial Officer / Assistant Company Secretary	**Kyle Keen** BAcc (Hons), CA SAICA
Responsibilities	Mr Keen has been Horizon's Chief Financial Officer since 1 July 2022. Mr Keen has been Horizon's Assistant Company Secretary since November 2018.
Experience	Mr. Keen is a Chartered Accountant with expertise in financial risk management and financial reporting, particularly within the oil and gas sector. He has been with Horizon Oil Limited for the past eight years, contributing significantly to the company's financial governance. Mr. Keen brings over 14 years of professional experience, including roles in top-tier accounting firms such as Ernst & Young (EY) in the United Kingdom and KPMG in South Africa. Mr Keen is a non-executive director of Cue Energy Resources Limited (ASX:CUE)
Group Tax Manager / Company Secretary	**Vasilios Margiankakos** B.E.
Responsibilities	Mr Margiankakos has been Horizon's Group Tax Manager since October 2017. Mr Margiankakos has been Horizon's Company Secretary since 1 July 2022.
Experience	Mr Margiankakos has over 20 years' experience in corporate and international taxation and mergers and acquisitions across a vast number of industries including oil and gas, banking and financial services, infrastructure, media, manufacturing and consumer goods, and technology. Prior to joining Horizon, Vas was Head of Tax at Bravura Solutions Limited and BBC Worldwide Australia (now BBC Studios), prior to which he held a number of senior tax positions at top tier accounting practices such as EY, Deloitte and KPMG.

Directors' Interests in the Company's Securities

As at the date of this Directors' Report, the Directors held the following number of fully paid ordinary shares:

DIRECTOR	ORDINARY SHARES		
	DIRECT	INDIRECT	TOTAL
B Clement	-	-	-
R Beament	7,433,286	6,186,000	13,619,286
C Costello	-	-	-
G Bittar	1,000,000	-	1,000,000
N Burgess[1]	-	314,212,423	314,212,423
P Goode	-	-	-
B Lorenzon (as alternate)	-	-	-

[1] Mr Burgess is a Director of Samuel Terry Asset Management Pty Ltd, the Trustee and Investment Manager of Samuel Terry Absolute Return Fund which holds the 314,212,423 shares.

Meetings of Directors

The numbers of meetings of the Company's Board of Directors (the 'Board') and of each Board Committee held during the financial year, and the numbers of meetings attended by each Director were:

	BOARD	AUDIT COMMITTEE	RISK MANAGEMENT COMMITTEE	REMUNERATION & NOMINATION COMMITTEE	DISCLOSURE COMMITTEE
Number of meetings held:	**10**	**3**	**2**	**2**	**2**
Number of meetings attended by:					
B Clement[1]	10	3	2	2	2
R Beament	10	3	2	2	2
C Costello[2]	10	3	2	1	-
G Bittar[1]	8	3	1	1	-
N Burgess[1,2]	10	2	2	2	-
P Goode[3]	10	1	2	2	-
S Birkensleigh[4]	1	1	1	1	-
B Lorenzon (as alternate)	-	-	-	-	-

[1] Mr Clement, Mr Bittar and Mr Burgess attended risk management committee meetings in their capacity as Non-Executive Directors of Horizon Oil Limited and are not members of the risk management committee.
[2] Ms Costello and Mr Burgess attended remuneration & nomination committee meetings in their capacity as Non-Executive Directors of Horizon Oil Limited and are not members of the remuneration & nomination committee.
[3] Mr Goode attended an audit committee meeting in his capacity as Non-Executive Director of Horizon Oil Limited and is not a member of the audit committee.
[4] Ms Birkensleigh was a non-executive director until her retirement on 29 August 2025. She attended remuneration & nomination committee meeting in her capacity as Non-Executive Directors of Horizon Oil Limited and was not a member of the remuneration & nomination committee

Corporate Governance

The Company and the Board are committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to review the Company's governance framework and practices to ensure they meet the interests of shareholders. The Corporate Governance Statement was approved by the Board on 27 August 2026.

The Company's Corporate Governance Statement for the year ended 30 June 2026 may be accessed from the Company's website at www.horizonoil.com.au. A description of the Company's main corporate governance practices is set out in the Corporate Governance Statement. All these practices, unless otherwise stated, were in place for the full financial year and comply with the ASX Corporate Governance Council's revised Corporate Governance Principles and Recommendations 4th edition, released in 2019.

Sustainability Reporting

Sustainability continues to be an important focus for Horizon with progress made during the current financial year on Horizon's Environmental Social and Governance (ESG) Action Plan. The Sustainability Report was approved by the Board on 27 August 2026.

The Company's Sustainability Report for the year ended 30 June 2026 may be accessed from the Company's website at www.horizonoil.com.au.

Horizon continues to monitor Australia's climate-related financial disclosure framework following the enactment of the *Climate-related Financial Disclosures Reporting Legislation Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Act 2024*, which received Royal Assent in September 2024. The Australian Accounting Standards Board (AASB) has introduced sustainability reporting standards aligned with international frameworks, effective for Group 1 entities from January 2025. As a Group 3 reporting entity, Horizon's mandatory compliance will commence for the reporting period beginning 1 July 2027. Horizon is actively preparing for this upcoming requirement and will assess any implications for future disclosures as further guidance is issued.

Remuneration Report

This Remuneration Report (Report) outlines the remuneration arrangements for the Directors and Key Management Personnel (KMP) of the Company for the financial year ended 30 June 2026. The Remuneration Report for 30 June 2025 received 84% approval at the 2025 Annual General Meeting held on 19 November 2025. This Report forms part of the Directors' Report and has been audited in accordance with section 308(3)(c) of the Corporations Act 2001. The Report is structured as follows:

[1] - Individuals covered by the Remuneration Report

[2] - Executive remuneration framework

[3] - Contractual arrangements for executives

[4] - Group performance and financial year remuneration outcomes

[5] - Non-executive Director remuneration

[6] - Statutory and share-based reporting

(1) Individuals Covered by the Remuneration Report

The Group is required to prepare a Report in respect of KMP, those persons who have the authority and responsibility for planning, directing, and controlling the activities of the Company and the Group, either directly or indirectly, being:

- Directors; and
- Other Key Management Personnel

The table below outlines the KMP movements during the financial year:

NAME	TITLE	PERIOD AS KMP
DIRECTORS		
Bruce Clement	Director (non-executive) / Chairman	Full financial year
Richard Beament	Managing Director / Chief Executive Officer	Full financial year
Catherine Costello	Director (non-executive)	Full financial year
Greg Bittar	Director (non-executive)	Full financial year
Nigel Burgess	Director (non-executive)	Full financial year
Peter Goode	Director (non-executive)	Full financial year
Sandra Birkensleigh[1]	Director (non-executive)	Until 25 August 2025
Bruno Lorenzon	Alternate Director (non-executive)	Full financial year
OTHER KMP (EXECUTIVES)		
Gavin Douglas	Group Chief Operating Officer	Full financial year
Kyle Keen	Chief Financial Officer / Assistant Company Secretary	Full financial year

[1] Ms Birkensleigh was a non-executive director until her retirement on 25 August 2025.

(2) Executive Remuneration Framework

(2.1) - How does Horizon determine remuneration outcomes?

The objective of the Group's remuneration framework is to provide reward for performance that is competitive and appropriate for the results delivered. The Board, through its Remuneration and Nomination Committee, continues to review KMP remuneration arrangements to ensure they align with the Group's operations and strategic objectives. The remuneration framework for executives is based on the following principles for guiding the Group's decisions regarding executive remuneration.

- Governance principles:

- competitiveness and reasonableness;
- performance linkage / alignment of executive compensation; and
- transparency.

- Shareholders' interests:

- focuses on sustained growth in shareholder value;
- attracts and retains high calibre executives capable of managing the Group's diverse international operations; and
- capital management.

- Executive's interests:

- rewards capability, experience and performance;
- reflects competitive reward for contribution to growth in shareholder wealth;
- provides a clear structure for earning rewards; and
- provides recognition for contribution.

[2.2] - Remuneration policy and link to performance

The remuneration framework is designed to recognise and incentivise performance during the financial year (Total Fixed Remuneration (TFR) and Short-Term Incentives (STIs)) and drive sustained shareholder value (Long-Term Incentives (LTIs)). Executive remuneration is comprised of fixed remuneration and variable remuneration ("at risk", STIs and LTIs). The graph below sets out the mix of total annual fixed remuneration and the maximum variable remuneration in the form of STI's. The Board considers and where appropriate awards LTI's and accordingly have no fixed percentage relative to the executives total fixed remuneration (TFR). The mix of Total fixed remuneration and Short-term incentives for the financial year is shown in the table below with percentages rounded to the nearest whole number.

During the financial period, no LTI's were granted to the executives listed below. The LTI performance criteria for LTI's awarded in the prior period is contained in section 2.3 with the terms of the issuance contained in table 6.6.

Chief Executive Officer - Richard Beament

	Performance Based
Total Fixed Remuneration (TFR)	**Maximum STI**
50%	**50%**

Chief Operating Officer - Gavin Douglas

Total Fixed Remuneration (TFR)	Maximum STI
55%	**45%**

Chief Financial Officer / Assistant Company Secretary - Kyle Keen

Total Fixed Remuneration (TFR)	Maximum STI
62%	**38%**

[2.3] - Elements of remuneration

TOTAL FIXED REMUNERATION (TFR)	
What is Total Fixed Remuneration (TFR)?	Total Fixed Remuneration (TFR) is base salary plus superannuation. Non-monetary benefits are excluded from TFR but include benefits such as car parking, insurances and other expenses inclusive of fringe benefits tax. Executive remuneration (which is set and paid in Australian Dollars (A$)) and other terms of employment are reviewed annually by the Remuneration and Nomination Committee having regard to relevant comparative information.
Link to strategy and performance	Competitive TFR is paid to ensure that the Group can attract and retain suitable executives to deliver the strategic goals. Fixed Remuneration is reviewed annually by the Remuneration and Nomination Committee considering market data, scope of the Executive's role, expected skill, experience and qualification and individual performance.
SHORT-TERM INCENTIVE (STI) – ('at-risk')	
Objective	The STI provides all Executives with an opportunity to earn an annual incentive which is paid in a combination of cash and deferred equity in the first quarter of the new financial year. The deferred equity element is 50% of the total STI awarded with the residual paid in cash. The STI award is determined by the Board following the end of the financial year having regard to Group performance over the financial year.
How is the STI linked to performance?	The STI is designed to motivate and reward Executives for contributing to the delivery of annual business performance. Key Performance Indicators (KPIs) are determined each financial year and approved by the Board. The Company's performance against these KPIs is reviewed annually.
How is performance measured for the STI?	Awards are made annually with performance measured over the twelve months to 30 June and are aligned to the attainment of the Company's Board approved KPIs for the relevant year. Awards under the plan are determined and paid in a combination of cash and deferred equity in the first quarter of the new financial year. The deferred equity element is subject to the specific terms of the executive's employment agreement. Actual performance against financial, non-financial and individual measures is assessed at the end of the financial year. In assessing the achievement of measures, the Remuneration and Nomination Committee may exercise its discretion to adjust outcomes for significant factors outside the control of management that contribute positively or negatively to results.
STI opportunity	Up to 100% of the Chief Executive Officer's TFR, up to 80% of the Chief Operating Officer's TFR and up to 60% of the Chief Financial Officer's TFR. 50% of each executive's STI award will be granted in the form of deferred equity rights with the residual STI paid in cash. Deferring a proportion of the STI outcome into rights to Shares creates further alignment between the interests of shareholders and extends the focus beyond the short term.
How is STI deferred equity granted?	Any deferred component of STI awarded in relation to a financial year (Performance Year) will be delivered in the form of rights to acquire fully paid ordinary shares in the Company ('Shares') for nil consideration ('Deferred STI Rights').
How is the number of Deferred STI Rights determined?	The number of Deferred STI Rights granted in relation to any Performance Year will be determined by dividing the cash amount of the STI to be deferred by the volume weighted average price ('VWAP') of Shares for the final 10 trading days of the Performance Year (usually 10 trading days up to 30 June).
What are the performance conditions on the Deferred STI Rights?	Deferred STI Rights are designed to reward past performance and encourage retention. Once granted, no further performance conditions will attach to Deferred STI Rights other than the employee remaining in the Company's employment at the time of vesting.
Distribution and capital reorganisation	The number of Deferred STI Rights will be adjusted in the event of reorganisation of capital and a participant will be entitled to receive a distribution equivalent payment in the form of additional Deferred STI Rights to the value of dividends the participant would have received during the deferral period. Deferred STI rights will not attract dividend and voting rights.

SHORT-TERM INCENTIVE (STI) – ('at-risk')	
When and how do Deferred STI Rights vest?	Deferred STI Rights will vest (subject to Board discretion and satisfaction of any applicable condition) 100% after 12 months from the end of the financial period for which they were awarded. Vesting periods will generally commence on 1 July of the year in which the Deferred STI Rights are granted. The Board may satisfy any Deferred STI Rights that vest by procuring that Shares are purchased on market and transferred or issue new Shares in the Company.
Clawback and Board discretion in relation to STI Rights	The Board retains a broad discretion to: • allow for accelerated vesting in special circumstances (e.g., death and incapacity, change of control event); • determine that some or all unvested Deferred STI Rights will lapse if any situation arises that, in the Board's view should impact the assessment of performance. Such situations may include material misrepresentations and material misstatements in the Company's accounts; and • determine that any Deferred STI Rights that vest are settled in cash not Shares (subject to any ASX Listing Rule or Corporations Act requirements).

LTI PLAN (PERFORMANCE RIGHTS) – ('at-risk')	
How is the LTI linked to performance?	The LTI Plan for Performance Rights applies to LTI's issued on and after 1 July 2022. The objective of the Performance Rights granted pursuant to the LTIP is to create a stronger link between eligible employees' performance and reward for increasing shareholder value. The LTI Plan forms part of the Company's performance-based remuneration system and provides "at risk" incentives based on longer term Company performance.
Offer to participate in the Plan and consideration	The Board may from time to time make offers (each a Plan Offer) to an 'Eligible Person' (being, any person who is an employee (including in full-time or permanent part-time employment) or a director of, or a person who provides services to, the Company or its related bodies corporate, or any other person so designated by the Board) to participate in the Plan and receive a right to be allocated a fully paid ordinary share in the Company (Share), subject to the rules of the Plan (Share Right). A Plan Offer may be subject to such restrictions and conditions as the Board determines in its absolute discretion (including, in relation to the applicable expiry date, exercise period and performance criteria). Unless otherwise stated in the Plan Offer, a participant in the Plan (Participant) is not required to pay for a grant of Share Rights or the allocation of Shares under a Plan Offer. Participation in the Plan does not give the Participant a legal or beneficial interest in a Share prior to its allocation to the Participant, nor any entitlement to a Share, otherwise than in accordance with the Plan Offer and the rules of the Plan.
Grant of Share Rights	As soon as reasonably practicable following receipt by the Company of an Eligible Person's acceptance of a Plan Offer, the Company will, provided that the relevant person continues to be an Eligible Person, issue to the person the number of Share Rights the subject of the accepted Plan Offer. Share Rights will not give a Participant any right to dividends or give a Participant a right to vote. However, Shares issued, transferred or allocated (as applicable) upon a relevant Participant exercising their vested Share Rights will convey the same rights to dividends and voting as Shares in the same class.
Term of Share Rights	Subject to the terms of the Plan (including in relation to circumstances relating to cessation of employment), the 'Last Exercise Date' (being, the latest date on which a Share Right may be exercised if the Share Right vests) and 'Plan Acceptance Date' (being, the latest date on which the Company must receive a completed plan acceptance form from a relevant Participant), are determined by the Board in respect of each grant of Share Rights. The Share Rights granted have an expiry date no longer than 5 years.
Performance criteria applicable to Share Rights	The Board has discretion to prescribe the conditions which must be satisfied or waived before a particular grant of Share Rights vests and becomes exercisable by the relevant Participant. A Share Right may only be exercised if it is a vested Share Right and it has not lapsed in accordance with the terms of the Plan.
Exercise price on vested Share Rights	The Board may determine whether any exercise price must be paid by the participant on the exercise of vested Share Rights.
Allocation of Shares	If a relevant Participant opts to exercise vested Share Rights, the Company will allocate to the Participant the number of Shares to which the Participant is entitled by either (or a combination of) issuing new Shares to the Participant or procuring the transfer of Shares acquired on market to the Participant.
Cessation of employment	In the case of any "Uncontrollable Events" (including death, permanent disablement, retirement, retrenchment, or such other circumstances which result in the Participant leaving the employment of the

	Company or any of its related bodies corporate and which the Board determines is an uncontrollable event) resulting in a Participant's cessation of employment, the Board may determine that any unvested Share Rights either lapse or become vested Share Rights. If the Participant ceases employment other than because of an Uncontrollable Event, all of the Participant's unvested Share Rights will automatically lapse.
Lapse of Share Rights	Share Rights may lapse in other circumstances, including where the applicable performance criteria are not wholly satisfied by the time specified in the Plan Offer (unless otherwise specified in the Plan Offer), or where the Participant commits any act of fraud, defalcation or gross misconduct in relation to the Company's, or any of its related bodies corporate's affairs.
Change of control	If a Change of Control Event occurs, or the Board determines in its absolute discretion that a Change of Control Event is likely to occur, subject to the performance criteria applicable to unvested Share Rights, the Board will determine the appropriate treatment regarding any unvested Share Rights, which may include waiving the relevant performance criteria, replacing unvested Share Rights with rights to Shares in a new controlling entity, or causing the unvested Share Rights to lapse.
Reorganisation of capital, rights issue, Dividends or other such event	Upon any re-organisation of the issued ordinary capital of the Company, the number of Share Rights, or the number of Shares allocated on the exercise of the Share Rights, or both will be reconstructed or adjusted to the extent necessary to comply with, and in accordance with, the ASX Listing Rules applying to a re-organisation of capital at the time of the reorganisation (as their application in the circumstances is affected by any waiver granted by ASX).
Key terms of the Share Rights issued	The tables below set out the material terms of Share Rights issued under the LTIP.
Share price hurdle	Each tranche of Share Rights vests independently of each other tranche of Share Rights. The Share Price Hurdles are subject to the following adjustments: • the relevant Share Price Hurdle will be decreased by an amount determined by the Board (in its absolute discretion) to account for any dividends or return of capital; and • the relevant Share Price Hurdle will be increased or decreased (as applicable) by an amount determined by the Board (in its absolute discretion) to account for any share consolidation or other re-organisation of capital of the Company.
Performance Criteria	Each tranche of Share Rights will vest on the first and any relevant subsequent date following grant date upon satisfaction of all of the following conditions: • the price per share meets or exceeds the relevant Share Price Hurdle at the close of trade (each occurrence being a Relevant Gateway Date); • on the date that is one year after each Relevant Gateway Date, the volume weighted average price of the shares on the ASX for the preceding 1-month period meets or exceeds the relevant Share Price Hurdle at close of trading; • shares traded in the twelve-month period from a Relevant Gateway Date at or above the relevant Share Price Hurdle are required to have a cumulative market value of A$25,000,000 or more; • despite the hurdles above being achieved, there is also a time hurdle where only one third of the rights are able to vest after 24 months, and the remaining rights are only able to vest after 36 months; and • the recipient must remain an employee of the Company on the vesting date. Accordingly, the Share Rights granted in respect of each Tranche may be tested in relation to more than one period (i.e. in respect of successive Relevant Gateway Dates) and, subject to the terms of the Plan and the Plan Offer, will vest in their entirety on the earliest date on which all of the vesting conditions noted above are satisfied.
Share Right exercise price	Nil for all Share Rights on issue on 30 June 2026.
Expiry of exercise period	If a Share Right vests, then the Share Right may be exercised at any time up to the date which is the earlier of: • three years after the Share Right vested; and • the date on which a Change of Control Event occurs or the date on which the Board makes a determination that a Change of Control Event is likely to occur.

[2.4] - Associated policies

The Group has adopted several policies to support remuneration framework and governance, including the Securities Trading Policy, Continuous Disclosure Policy and the Corporate Code of Conduct. These policies are available on the Group's website www.horizonoil.com.au.

[3] Contractual Arrangements for Executives

Remuneration and other terms of employment for the Executives are formalised in employment contracts.

The key terms of the contractual arrangements for the CEO are summarised below:

COMPONENT	CONTRACT TERM	EXPIRY DATE	NOTICE PERIOD (EMPLOYEE)	NOTICE PERIOD (GROUP)
Chief Executive Officer Richard Beament	**Ongoing basis**	**No expiration date**	**6 months**	**6 months**
Termination of employment (without cause)		Payment of termination benefit on termination without cause by the Company equal to 6 months remuneration. Pro-rata STI award based on Board's reasonable assessment of Mr Beament's performance and period of employment during that STI year. Entitlement to any previously granted LTIP or deferred STI award to be dealt with in accordance with LTIP rules and the terms of offer.		
Termination of employment (with cause)		STI not awarded. Board has discretion to lapse all Performance Rights and Deferred STI Rights.		

The key terms of the contractual arrangements for the other Executive KMPs are summarised below:

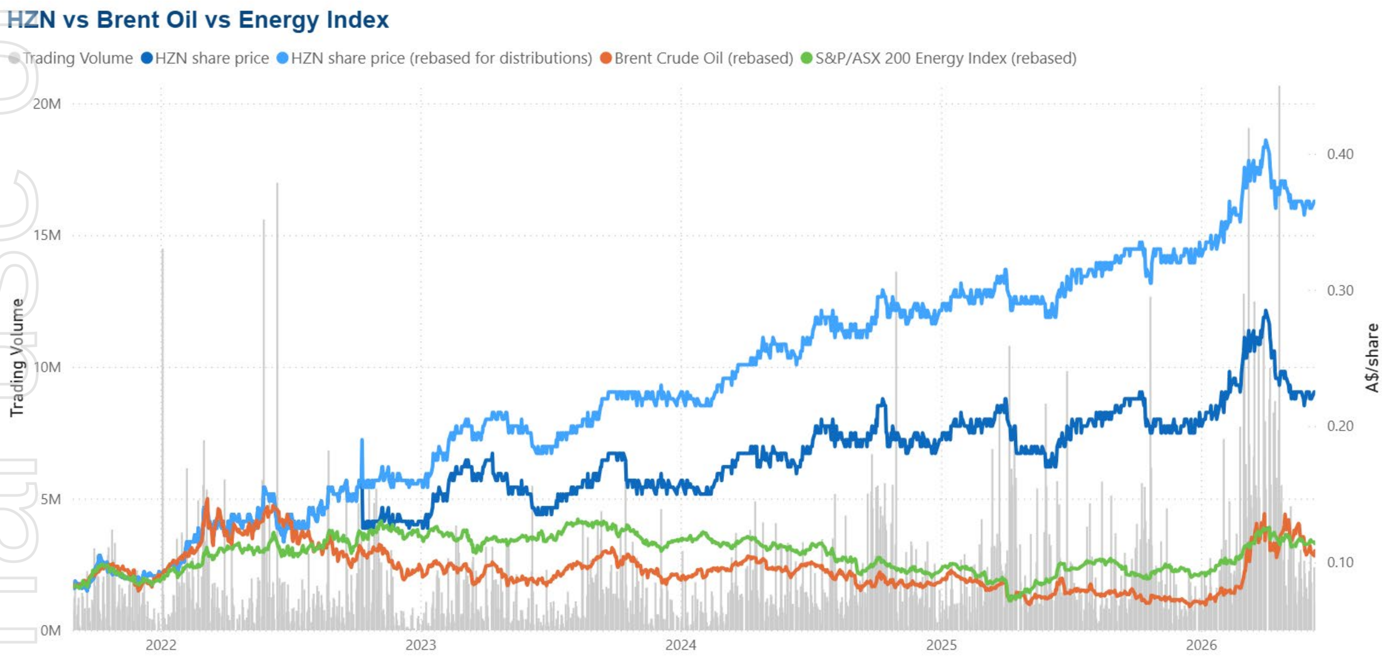
COMPONENT	CONTRACT TERM	EXPIRY DATE	NOTICE PERIOD (EMPLOYEE)	NOTICE PERIOD (GROUP)
Other Executives	**Ongoing basis**	**No expiration date**	**3 months**	**COO – 6 months** **CFO – 3 months**
Termination of employment (without cause)		Payment of termination benefit on termination without cause by the Company, equal to 6 months remuneration. Pro rata STI award based on Board's reasonable assessment of the executive's performance and period of employment during that STI year. Entitlement to any previously granted LTIP or deferred STI award to be dealt with in accordance with LTIP rules and the terms of offer.		
Termination of employment (with cause)		STI not awarded Board has discretion to lapse all Performance Rights and Deferred STI Rights		

[4] Group Performance and Financial Year Remuneration Outcomes

[4.1] - Overview of Horizon performance

The Board aligns remuneration and performance by using 'at risk' remuneration, including STI's and LTI's. Award of STIs is dependent on overall company performance and the vesting of LTIs occurs on the fulfilment of absolute Horizon Total Shareholder Return (TSR) targets. Vesting of Performance Rights are based on the performance criteria as outlined in section 2.3.

Horizon share price performance for the current and previous five financial years is displayed in the chart below. During the 2026 Financial Year, the Horizon share price increased 2.6%, which when combined with the 15.4% distribution yield (aggregate of AUD 3.0 cents per share), results in a TSR of 18% for the financial year or approximately A$57 million dollars of value for shareholders. Horizon's share price closed at AUD 0.20 per ordinary share on 30 June 2026 (AUD 0.195 per ordinary share on 30 June 2025).



The table below sets out information regarding the Group's performance over the last five years as required by the Corporations Act.

	FY26	FY25	FY24	FY23	FY22
Profit before tax (US$'000)	5,875	16,653	39,185	56,989	42,739
EBITDAX (US$'000)	56,404	54,772	71,451	103,525	73,008
Net (debt) / cash (US$'000)	(11,283)	13,673	26,166	35,652	42,849
Capital Return (A$ cents per share)[1]	-	-	-	-	1.35
Dividend (A$ cents per share)[1]	2.5	3.0	3.0	3.5	1.65
Production (mmboe)	2.15	1.62	1.43	1.92	1.33
2P Reserves (mmboe)	13.6	9.0	9.9	4.9	5.8

[1] Capital Returns and Dividends are declared and approved for the respective financial year shown and may be paid during the subsequent financial year.

[4.2] - Performance against STI measures for the financial year

The Executive's STI opportunity is calculated with reference to achievement of KPI targets based on a weighted scorecard approach. The following table sets out the performance conditions for the STI and their rationale for the financial year.

	KEY FOCUS AREA	OBJECTIVE AND MEASUREMENT	RATIONALE	STATUS
FINANCIAL	**Financial Metrics & Profitability**	Achievement of budgeted revenue, operating costs and cashflow across the Block 22/12, Maari/Manaia and Mereenie fields	Maintain and enhance operating income streams Maximise profitability and cashflow	Achieved
		Maintain average Group operating costs and maintain low corporate general and administrative expenditure	Effective cost control	Achieved
OPERATIONAL	**Production Optimisation**	Achieve budgeted production	Maximise profitability and cashflow	Achieved
BUSINESS DEVELOPMENT	**Organic growth and inorganic growth**	Focus on organic growth opportunities resulting in reserve additions	Ensure sustainability of the business and cashflow whilst creating value for shareholders	Exceed
SAFETY	**HSSE**	Achievement of TRIFR below NOPSEMA industry average across Horizon's assets	Promote safe operations with a safe workplace for employees	Achieved
PEOPLE, CULTURE & SUSTAINABILITY	**People & Culture**	Attracting the right skills and retaining key staff	Ensure Company has the necessary resources to achieve strategic objectives	Exceed
	Sustainability	Deliver on requirements of Horizon's sustainability roadmap, with enhanced reporting in accordance with TCFD guidelines	Sustainability awareness; make the right kind of impact	Achieved

Based on the KPI scorecard approved by the Board in respect of the financial year, Executives were eligible for a possible STI award equal to 100% of their total STI opportunity due to the outstanding company performance during the year. In determining the final STI award for executives for FY26, the Board have decided to allocate 20% of the FY26 STI opportunity to FY27 and this will be measured against the integration of the Cue acquisition. Accordingly, FY27 will have a possible STI award equal to 120% of the executive's total STI opportunity. The significant effort applied by staff and executives was considered in determining the final STI award.

The table below shows the STIs awarded during the financial year:

EXECUTIVE	TOTAL OPPORTUNITY US$[1]	% OF FIXED REMUNERATION	% AWARDED	% FORFEITED
R Beament	434,911	100%	75%	25%
G Douglas	289,940	80%	75%	25%
K Keen	152,492	60%	75%	25%

[1] The STI opportunity is calculated by translating the Executives Australian Dollar denominated TFR to United States Dollars at the prevailing spot rate on 30 June 2026. STI's awarded are settled in a combination of cash and deferred STI rights, refer to section 2.3.

[4.3] - Performance against LTI measures for the financial year

Horizon's share price performance for the current and previous four financial years is displayed in the chart under section 4.1 of this Report.

LTI awarded in respect of FY26	No Performance Rights were awarded or issued during the financial period.
Awards vesting in FY26	During the period Tranches A1, B1 and C1 of KMP's Performance Rights vested. These vested tranches represent one third of all Performance Rights held by KMP's.

[5] Non-Executive Director Remuneration

NEDs are paid fees for services on the Board and committees and do not receive any performance-related incentives and no retirement benefits are provided other than superannuation contributions. The Remuneration and Nomination Committee reviews fees annually and the Board may also seek advice from external advisers when undertaking the review process.

NED fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. Shareholders approved an increase to the fee pool limit to A$750,000 at the 2025 Annual General Meeting. Note that the remuneration table on this page shows remuneration in US$ in line with the Group's functional currency.

The table below shows the levels for NEDs (inclusive of superannuation) for FY26.

FEES	DESCRIPTION	PER ANNUM
Board Fees	Chair	A$230,000
	Other Non-executive Directors	A$115,000

There were no additional fees paid to NEDs during the financial year for being members of the Board committees. The NEDs are reimbursed for expenses reasonably incurred in attending to the affairs of the Company. There are no retirement allowances in place for NEDs.

[6] Statutory and share based reporting

[6.1] - Director remuneration for the financial year

The following table sets out the statutory disclosures required under the *Corporations Act 2001 (Cth)* and in accordance with Australian Accounting Standards remuneration for Directors for the years ended 30 June 2026 and 30 June 2025.

FINANCIAL YEAR ENDED 30 JUNE 2026 AND 2025 NON-EXECUTIVE DIRECTOR		SHORT TERM BENEFITS CASH SALARY / BOARD FEES US$	POST-EMPLOYMENT BENEFITS SUPERANNUATION[4] US$	TOTAL[5] US$
B Clement	**2026**	**123,641**	**14,837**	**138,478**
	2025	83,185	9,566	92,751
C Costello	**2026**	**62,237**	**7,468**	**69,705**
	2025	4,874	-	4,874
G Bittar[3]	**2026**	**62,237**	**7,468**	**69,705**
	2025	51,856	5,963	57,819
N Burgess	**2026**	**69,809**	**-**	**69,809**
	2025	57,819	-	57,819
P Goode	**2026**	**62,237**	**7,468**	**69,705**
	2025	41,164	4,734	45,898
M Harding[1]	**2026**	**-**	**-**	**-**
	2025	41,052	4,721	45,773
S Birkensleigh[2]	**2026**	**8,663**	**1,040**	**9,703**
	2025	51,856	5,963	57,819
Total Non-Executive Director remuneration (US$)	**2026**	**388,824**	**38,281**	**427,105**
	2025	331,806	30,947	362,753
Total Non-Executive Director remuneration (A$)	**2026**	**571,473**	**56,319**	**627,792**
	2025	512,403	47,801	560,204

[1] Mr Harding was a non-executive director and Chairman until his retirement 20 November 2024.
[2] Ms Birkensleigh was a non-executive director until her retirement on 25 August 2025.
[3] Mr Lorenzon, as alternate Director to Mr Bittar, received no fees during the current and prior financial periods.
[4] Superannuation includes both compulsory superannuation payments and salary sacrifice payments made on election by Directors.
[5] Remuneration is paid in Australian dollars and converted to US dollars at the foreign exchange rate prevailing on the date of the transaction.

[6.2] - Statutory details of other key management personnel remuneration for the financial year

The table below outlines the remuneration of other key management personnel for the years ended 30 June 2026 and 30 June 2025. Remuneration is paid in Australian dollars and converted to US dollars, as presented below, at the foreign exchange rate prevailing on the date of the transaction.

FINANCIAL YEAR ENDED 30 JUNE 2026 AND 2025		SHORT-TERM BENEFITS				POST-EMPLOYMENT BENEFITS	TOTAL CASH OR IN-KIND BENEFITS	LONG-TERM BENEFITS	SHARE BASED PAYMENTS	
OTHER KEY MANAGEMENT PERSONNEL		CASH SALARY & FEES	CASH STIs	ANNUAL LEAVE ACCURAL[3]	NON-MONETARY[1]	SUPER ANNUATION[2]		LONG SERVICE LEAVE ACCURAL[3]	LONG-TERM INCENTIVES[4]	TOTAL
R Beament Chief Executive Officer	**2026**	**407,252**	**163,092**	**(7,628)**	**17,640**	**20,256**	**600,612**	**8,009**	**474,999**	**1,083,620**
	2025	388,534	175,376	7,957	14,521	19,426	605,814	(6,493)	475,735	1,075,056
G Douglas Chief Operating Officer	**2026**	**336,001**	**108,728**	**3,912**	**6,285**	**20,256**	**475,182**	**(22,010)**	**318,032**	**771,204**
	2025	320,581	116,918	4,524	5,534	19,382	466,939	(10,487)	316,490	772,942
K Keen, Chief Financial Officer /Assistant Co Sec	**2026**	**229,576**	**57,184**	**(3,728)**	**4,407**	**20,256**	**307,695**	**7,415**	**217,783**	**532,893**
	2025	200,788	56,789	3,003	4,750	19,382	284,712	7,382	372,194	664,288
Total KMP remuneration (US$)	**2026**	**972,829**	**329,004**	**(7,444)**	**28,332**	**60,768**	**1,383,489**	**(6,586)**	**1,010,814**	**2,387,717**
	2025	909,903	349,083	15,484	24,805	58,190	1,357,465	(9,598)	1,164,419	2,512,286
Total KMP remuneration (A$)[5]	**2026**	**1,440,775**	**478,969**	**(11,025)**	**41,961**	**90,000**	**2,040,680**	**(9,754)**	**1,499,137**	**3,530,063**
	2025	1,405,142	532,950	23,640	38,307	89,864	2,089,903	(14,823)	1,724,547	3,799,627

[1] Non-monetary benefits include the value of car parking, insurances and other expenses inclusive of Fringe Benefits Tax ("FBT").
[2] Superannuation includes both compulsory superannuation payments and salary sacrifice payments made on election by Directors and KMPs.
[3] Reflects the movement in the annual and long service accruals between respective reporting dates.
[4] Reflects the current period expense of the grant date value (converted to US dollars at the foreign exchange rate prevailing at that date) of Performance Rights and Deferred STI Rights.

[6.3] - Shareholding of key management personnel

Shareholding

The following tables detail the number of shares held by KMP, either directly or indirectly or beneficially during the reporting period ended 30 June 2026:

KMP	OPENING BALANCE 1 JULY 2025	ACQUIRED DURING FY26	DISPOSED DURING FY26	RECEIVED DURING FY26 ON THE EXERCISE OF RIGHTS	CLOSING BALANCE 30 JUNE 2026
DIRECTORS					
B Clement	-	-	-	-	**-**
R Beament	12,916,026	-	-	703,260	**13,619,286**
C Costello	-	-	-	-	**-**
G Bittar	1,000,000	-	-	-	**1,000,000**
N Burgess[1]	314,212,423	-	-	-	**314,212,423**
P Goode	-	-	-	-	**-**
S Birkensleigh	-	-	-	-	**-**

[1] Mr Burgess is a Director of Samuel Terry Asset Management Pty Ltd, the Trustee and Investment Manager of Samuel Terry Absolute Return Fund which holds the 314,212,423 shares.

OTHER KMP					
G Douglas	6,497,413	-	-	469,335	**6,966,748**
K Keen	4,935,884	-	-	122,377	**5,058,261**

Long Term Incentives

The following tables detail the number of Performance Rights and Deferred STI Rights held by KMP, either directly or indirectly or beneficially during the reporting period ended 30 June 2026:

KMP	BALANCE AT START OF FINANCIAL YEAR	GRANTED AS REMUNERATION DURING FINANCIAL YEAR	DISTRIBUTION ADJUSTMENT[1]	EXERCISED DURING FINANCIAL YEAR	LAPSED DURING FINANCIAL YEAR	BALANCE AT END OF FINANCIAL YEAR	VESTED AND EXERCISABLE AT END OF FINANCIAL YEAR	UNVESTED
PERFORMANCE RIGHTS								
R Beament	8,577,963	-	1,442,864	-	-	10,020,827	3,340,274	6,680,553
G Douglas	5,718,642	-	961,908	-	-	6,680,550	2,226,849	4,453,701
K Keen	4,574,913	-	769,526	-	-	5,344,439	1,781,479	3,562,960
DEFERRED STI RIGHTS[2]								
R Beament	1,326,906	1,394,531	217,894	(1,326,906)	-	1,612,425	1,612,425	-
G Douglas	885,539	929,687	145,262	(885,539)	-	1,074,949	1,074,949	-
K Keen	230,901	451,562	70,556	(230,901)	-	522,118	522,118	-

[1] In accordance with the plan, the number of rights held by each KMP were adjusted during the financial year for the dividend distributions paid of AUD 3.0 cents per share. A further adjustment associated with the AUD 1.0 cent FY26 final dividend will apply.

[2] Subsequent to the end of the financial year, the Board exercised its discretion, and cash settled all vested deferred STI rights. Additionally, 2,351,344 deferred STI rights were issued to KMP in relation to their 2026 STI award.

Option holdings

No listed options in the Company were held during the current or prior financial year by Directors and other KMP, including their personally related entities. Unlisted options held by Directors and other KMP are disclosed in section 6.3.

[6.4] - Securities Trading Policy

The Group's Securities Trading Policy applies to all Directors, other Executives, employees and their related parties and sets out the procedures and principles that apply to trading in Horizon Oil Limited securities. A copy of the Securities Trading Policy is available on the Company website www.horizonoil.com.au.

[6.5] - Other transactions with KMP

Other than as noted above, there are no other transactions between any of the KMP with any of the companies which are related to or provide services to the Group unless disclosed in this Report.

There were no loans to any of the KMP during the financial year.

[6.6] - Additional statutory information

Terms and conditions of the share-based arrangements

The terms and conditions of each grant of Performance Rights that affected or will affect remuneration for Executive KMP in the previous, current or future reporting periods are as follows:

TRANCHE	NUMBER OF RIGHTS[1]	SHARE PRICE HURDLE (A$)[1]	VALUE PER PERFORMANCE RIGHT AT GRANT DATE[2]	DATE EXERCISED
CEO PERFORMANCE RIGHTS				
Tranche A1 Rights	1,145,832	0.160	A$0.1619	-
Tranche A2 Rights	2,291,665	0.160	A$0.1633	-
Tranche B1 Rights	1,111,110	0.180	A$0.1548	-
Tranche B2 Rights	2,222,222	0.180	A$0.1561	-
Tranche C1 Rights	1,083,332	0.200	A$0.1481	-
Tranche C2 Rights	2,166,666	0.200	A$0.1495	-
COO PERFORMANCE RIGHTS				
Tranche A1 Rights	763,888	0.160	A$0.1643	-
Tranche A2 Rights	1,527,777	0.160	A$0.1646	-
Tranche B1 Rights	740,740	0.180	A$0.1592	-
Tranche B2 Rights	1,481,482	0.180	A$0.1595	-
Tranche C1 Rights	722,221	0.200	A$0.1539	-
Tranche C2 Rights	1,444,442	0.200	A$0.1549	-
CFO PERFORMANCE RIGHTS				
Tranche A1 Rights	611,110	0.160	A$0.1643	-
Tranche A2 Rights	1,222,222	0.160	A$0.1646	-
Tranche B1 Rights	592,592	0.180	A$0.1592	-
Tranche B2 Rights	1,185,184	0.180	A$0.1595	-
Tranche C1 Rights	577,777	0.200	A$0.1539	-
Tranche C2 Rights	1,155,554	0.200	A$0.1549	-

1 In accordance with the plan, the Share Price Hurdles and number of rights were adjusted to account for the aggregate AUD 3 cents per an Ordinary Share of distributions paid to shareholders during the 2026 financial year.

2 The value per Performance Right at grant date is determined by an independent expert.

The amounts disclosed for the remuneration of Directors and other KMP include the assessed fair values of Performance Rights granted during the financial year, at the grant date expensed over the relevant vesting period. Fair values have been assessed by an independent expert using a Monte Carlo simulation. Factors taken into account by this model include the exercise price, time to maturity, the current share price and expected price volatility of the underlying Horizon shares, the expected dividend yield and the risk-free interest rate. The value attributable to Performance Rights is allocated to particular periods in accordance with AASB 2 'Share-based Payment'.

The model inputs for each grant of Performance Rights included:

	CEO	COO	CFO
Effective allocation date	1 July 2024	1 July 2024	1 July 2024
Expiry date	30 June 2029	30 June 2029	30 June 2029
Grant date	20 November 2024	28 August 2024	28 August 2024
Exercise price	Nil[1]	Nil[1]	Nil[1]
Expected price volatility	55% p.a.	55% p.a.	55% p.a.
Risk free rate	4.17% p.a.	3.62% p.a.	3.62% p.a.
Expected dividend yield	Nil	Nil	Nil

[1] No price is payable by a participant in the Long-Term Incentive Plan on the exercise of a Performance Right. The respective hurdles prices are disclosed in section 2.3.

Details of remuneration

For each grant of Performance Rights and Deferred STI Rights issued to KMP in the current or prior financial years which results in an amount being disclosed in the Remuneration Report as a share-based payment to KMP for the financial year, the percentage of the grant that vested in the financial year and the percentage that was forfeited because the person did not meet the vesting or performance conditions is set out below.

Performance Rights are expensed over the expected vesting period. The expected vesting date and expected vesting period are determined at the date of grant and may differ from the date the Performance Rights actually vest and become exercisable.

No Performance Rights and Deferred STI Rights will vest if the performance conditions are not fulfilled, therefore the minimum value yet to vest is US$Nil. The maximum value of the Performance Rights and Deferred STI yet to vest has been determined as the amount of the fair value at the grant date that is yet to be expensed. The below values have been converted to dollars at the exchange rate prevailing on the date of the grant.

PERFORMANCE RIGHTS					
NAME	FINANCIAL YEAR GRANTED	VESTED %	FORFEITED %	FINANCIAL YEAR IN WHICH PERFORMANCE RIGHTS MAY VEST	MAXIMUM TOTAL VALUE OF GRANT YET TO VEST US$
R Beament	**2025**	**36%**	-	**2026 – 2028**	**224,569**
G Douglas	**2025**	**36%**	-	**2026 – 2028**	**152,419**
K Keen	**2025**	**36%**	-	**2026 – 2028**	**121,936**

DEFERRED STI RIGHTS					
NAME	FINANCIAL YEAR GRANTED	VESTED %	FORFEITED %	FINANCIAL YEAR IN WHICH DEFERRED STIs MAY VEST	MAXIMUM TOTAL VALUE OF GRANT YET TO VEST US$
R Beament	2025	100%	-	Vested and exercised	-
	2026	**50%**	**-**	**2027**	**81,546**
G Douglas	2025	100%	-	Vested and exercised	-
	2026	**50%**	**-**	**2027**	**54,364**
K Keen	2025	100%	-	Vested and exercised	-
	2026	**50%**	**-**	**2027**	**28,592**

Dividends

The Board has declared a final dividend of AUD 1.0 cent per Ordinary share totalling approximately AUD 17.4 million. This dividend was declared as a Conduit Foreign Income (CFI) unfranked dividend and will be paid on 23 October 2026. During the financial year, the Board also declared an interim dividend of AUD 1.5 cents per Ordinary share totalling approximately AUD 24.4 million. This dividend was declared as a Conduit Foreign Income (CFI) unfranked dividend and was paid on 17 April 2026.

Insurance of Officers

During the financial year, Horizon Oil Limited paid a premium to insure the Directors and secretaries of the Company and related bodies corporate. The insured liabilities exclude conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage. The contract prohibits the disclosure of the premium paid.

The officers of the Company covered by the insurance policy include the Directors and secretaries, and other officers who are Directors or secretaries of subsidiaries who are not also Directors or secretaries of Horizon Oil Limited.

The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company or a related body corporate.

Non-Audit Services

The Company may decide to employ PricewaterhouseCoopers on assignments additional to its statutory audit duties where the external auditor's expertise and experience with the Company and/or the Group are important.

Details of the amounts paid or payable to PricewaterhouseCoopers for audit and non-audit services provided during the financial year are set out below.

The Board of Directors has considered the position and, in accordance with the written advice received from the Audit Committee, is satisfied that the provision of non-audit services is compatible with the general standard of independence for external auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the external auditor, as set out below, did not compromise the external auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Audit Committee to ensure they do not impact the impartiality and objectivity of the external auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in Australian Professional Ethical Standards 110 Code of Ethics for Professional Accountants, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Group, acting as advocate for the Group or jointly sharing economic risk and rewards.

Remuneration of external auditors

	CONSOLIDATED	
	2026 US$	2025 US$
During the financial year, the following fees were paid or payable for services provided by the external auditor of the parent entity and its related practices:		
PWC AUSTRALIA		
Audit and other assurance services		
Audit and review of financial reports	**295,337**	231,365
Other assurance services	**15,988**	13,788
Total auditors' remuneration	**311,325**	**245,153**

External Auditor's Independence Declaration

A copy of the external auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 44.

Rounding of Amounts to The Nearest Thousand Dollars

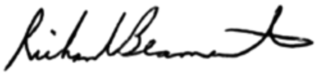
The amounts contained in this report, and in the financial report, have been rounded under the option available to the Group under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183. The Group is an entity of the kind to which the Class Order applies and accordingly amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars or, in certain cases, to the nearest dollar.

External Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of the Directors.

B Clement
Chairman



R Beament
Chief Executive Officer

Sydney
27 August 2026

Auditor's Independence Declaration

As lead auditor of Horizon Oil Limited's financial report for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit of the financial report; and

b) no contraventions of any applicable code of professional conduct in relation to the audit of the financial report.

Marc Upcroft
Partner
PricewaterhouseCoopers

Sydney
27 August 2026

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One International Towers Sydney, Watermans Quay, BARANGAROO NSW 2000,
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Independent auditor's report

To the members of Horizon Oil Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Horizon Oil Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated statement of financial position as at 30 June 2026;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information;
- the consolidated entity disclosure statement as at 30 June 2026; and
- the directors' declaration.

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Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit Scope

Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.

In establishing the overall approach to the group audit, we determined the type of work that needed to be performed by us, as the group auditor, or component auditors from other audit firms operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the Group financial report as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

Key audit matter	*How our audit addressed the key audit matter*
Restoration Provision *(Refer to Note 17)* The estimation of restoration provisions by the Group involves significant judgement in selecting methodologies and assumptions, the methodology for estimating cost and discount rates used to estimate the present value of these cash flows. The restoration provision was a key audit matter due to the significance of the balance and the required judgement, effort and subjectivity in performing procedures and evaluating the Group's methodology, significant assumptions and estimates.	We performed the following procedures, amongst others: • Developed an understanding of how the Group identified the relevant methods, assumptions and sources of data that are appropriate for developing the closure plans and associated cost estimates. • Developed an understanding of the relevant control activities associated with developing the closure plans and associated cost estimates. • Assessed the appropriateness of the Group's significant assumptions used, including the reliability and relevance of the Group's key data used in the closure plans and associated cost estimates. • Tested the mathematical accuracy of the provision calculations and assessed whether they were in accordance with the method. • Assessed the reasonableness of the note disclosures in the financial statements for the year ended 30 June 2026 in light of the requirements of Australian Accounting Standards.
Completion of MH Energy Thailand LLC acquisition and **acquisition of Cue Energy Resources Limited** *(Refer to Notes 13 and 22)*	We performed the following procedures, amongst others:

Key audit matter	How our audit addressed the key audit matter
During the financial year, the Group completed the acquisition of MH Energy Thailand LLC (“MHET”) with an effective date of 1 January 2025. The investment is classified as a joint venture and accounted for using the equity method of accounting. Revenues earned and costs incurred from effective date to the 1 August 2025 completion date were adjusted against the initial purchase consideration. The Group has also acquired a 57.03% controlling interest in Cue Energy Resources Limited ("Cue", ASX: CUE). This acquisition has been accounted for as a business combination. As a result of the size and timing of the transaction, the purchase price allocation was provisional at 30 June 2026 and will be finalised within 12 months from the acquisition. These acquisitions are a key audit matter given their size, nature, and the related judgements made by the Group.	• Evaluated the Group's accounting by considering the requirements of Australian Accounting Standards, key transaction agreements, our understanding obtained of the business acquired and selected minutes of the Board of Directors meetings • Evaluated the valuation methodologies and assessed the appropriateness of the valuation assumptions used by the Group on which the fair values of the identifiable assets and liabilities acquired were based. • Evaluated the completeness and accuracy of the underlying data supporting the significant judgements and estimates used by the Group. • Tested the fair value of the consideration as part of the MHET equity investment and Cue business combination transactions with reference to the cash, equity shares and contingent consideration elements. • Evaluated the reasonableness of the equity accounting and business combination disclosures in Note 13 and Note 22 respectively in light of the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2026, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2026.

In our opinion, the remuneration report of Horizon Oil Limited for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

Marc Upcroft
Partner

Sydney
27 August 2026

DIRECTORS' DECLARATION

In the directors' opinion:

[i] the financial statements and notes are in accordance with the Corporations Act 2001 including:

a. complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

b. giving a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;

[ii] there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable: and

[iii] the consolidated entity disclosure statement on page 110 is true and correct.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by Section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the directors.

B Clement
Chairman

R Beament
Chief Executive Officer

Sydney
27 August 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

		CONSOLIDATED	
	NOTE	2026 US$'000	2025 US$'000
REVENUE	4	**84,162**	105,307
Cost of sales	5	**(68,760)**	(76,753)
Gross profit		**15,402**	**28,554**
Other income	4	**1,793**	1,517
General and administrative expenses	5	**(3,504)**	(3,872)
Insurance expense	5	**(1,980)**	(1,945)
Exploration expenses written off		**(525)**	(494)
Finance costs – interest, transaction costs, other	5	**(8,466)**	(6,000)
Impairment of intangible assets	5	**(246)**	-
Other expenses – acquisition related transaction costs		**(882)**	(727)
Other income/ (expenses) – foreign exchange		**611**	(380)
Share of net profit after tax from joint venture in Thailand	13	**3,672**	-
Profit before income tax		**5,875**	**16,653**
NZ royalty tax expense	6a	**(530)**	(386)
Income tax benefit/(expense)	6b	**5,773**	(4,020)
Profit for the financial year		**11,118**	**12,247**
OTHER COMPREHENSIVE INCOME – ITEMS THAT MAY BE RECLASSIFIED TO PROFIT AND LOSS			
Changes in the fair value of cash flow hedges		**625**	375
Revaluation of investments to FVOCI		**(172)**	(404)
Currency translation reserve		**(41)**	87
Total comprehensive income for the financial year		**11,530**	**12,305**
Profit attributable to:			
Security holders of Horizon		**10,649**	12,247
Non-controlling interest (NCI)		**469**	-
Profit for the financial year		**11,118**	**12,247**
Total comprehensive income attributable to:			
Security holders of Horizon		**11,061**	12,305
Non-controlling interest (NCI)		**469**	-
Total comprehensive income for the financial year		**11,530**	**12,305**
Earnings per share for profit attributable to ordinary equity holders of Horizon:		**US cents**	**US cents**
Basic earnings per ordinary share	34a	**0.65**	0.75
Diluted earnings per ordinary share	34b	**0.64**	0.75

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026

	NOTE	CONSOLIDATED 2026 US$'000	2025 US$'000
CURRENT ASSETS			
Cash and cash equivalents	7	**37,400**	39,782
Receivables	8	**14,731**	14,507
Inventories	9	**10,975**	3,733
Derivative financial instruments	10	**713**	406
Other assets	11	**3,014**	2,406
Intangible assets	12	**107**	585
Total current assets		**66,940**	**61,419**
NON-CURRENT ASSETS			
Investments	13	**20,406**	947
Deferred tax assets	6(f)	**36,143**	19,472
Plant and equipment		**468**	448
Oil and gas assets	14	**151,695**	97,869
Advances paid for restoration works	17	**4,377**	-
Other assets	11	**1,832**	-
Total non-current assets		**214,921**	**118,736**
Total assets		**281,861**	**180,155**
CURRENT LIABILITIES			
Payables	15	**22,351**	14,483
Current tax payable	6(g)	**5,548**	3,920
Borrowings	16	**21,180**	8,236
Derivative financial instruments	10	**-**	2
Total current liabilities		**49,079**	**26,641**
NON-CURRENT LIABILITIES			
Payables	15	**3,068**	2,894
Deferred tax liabilities	6(h)	**19,076**	3,468
Borrowings	16	**26,311**	17,419
Provisions	17	**91,048**	64,435
Total non-current liabilities		**139,503**	**88,216**
Total liabilities		**188,582**	**114,857**
Net assets		**93,279**	**65,298**
EQUITY			
Contributed equity	18	**150,705**	150,399
Reserves	19a	**31,657**	8,625
Accumulated losses	19b	**(177,568)**	(158,640)
Profit reserve	19c	**61,247**	64,914
Attributable to shareholders of Horizon		**66,041**	**65,298**
Non-controlling interest (NCI)		**27,238**	-
TOTAL EQUITY		**93,279**	**65,298**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

		ATTRIBUTABLE TO MEMBERS OF HORIZON					
	CONTRIBUTED EQUITY	RESERVES	ACCUMULATED LOSSES	PROFIT RESERVE[1]	TOTAL	NON-CONTROLLING INTEREST (NCI)	TOTAL EQUITY
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$000
BALANCE AS AT 1 JULY 2024	**150,095**	**7,241**	**(146,859)**	**72,766**	**83,243**	**-**	**83,243**
Profit/(loss) for the financial year	-	-	(11,781)	24,208	12,247	-	12,247
Changes in the fair value of cash flow hedges	-	375	-		375	-	375
Revaluation of investments to FVOCI	-	(404)	-		(404)	-	(404)
Movement in currency translation reserve	-	87	-		87	-	87
Total comprehensive income for the financial year	**-**	**58**	**(11,781)**	**24,028**	**12,305**	**-**	**12,305**
Employee share-based payments expense	-	1,597	-	-	1,597	-	1,597
Settlement of performance rights & SAR's	-	(575)	-	-	(575)	-	(575)
Acquisition of treasury shares	-	304	-	-	304	-	304
Ordinary shares issued, net of cost	304	-	-	-	304	-	304
Dividends	-	-	-	(31,880)	(31,880)	-	(31,880)
Balance as at 30 June 2025	**150,399**	**8,625**	**(158,640)**	**64,914**	**65,298**	**-**	**65,298**
BALANCE AS AT 1 JULY 2025	**150,399**	**8,625**	**(158,640)**	**64,914**	**65,298**	**-**	**65,298**
Profit/(loss) for the financial year	**-**	**-**	**(18,928)**	**29,577**	**10,649**	**469**	**11,118**
Changes in the fair value of cash flow hedges	**-**	**625**	**-**	**-**	**625**	**-**	**625**
Revaluation of investments to FVOCI	**-**	**(172)**	**-**	**-**	**(172)**	**-**	**(172)**
Movement in currency translation reserve	**-**	**(41)**	**-**	**-**	**(41)**	**-**	**(41)**
Total comprehensive income for the financial year	**-**	**412**	**(18,928)**	**29,577**	**11,061**	**469**	**11,530**
Employee share-based payments expense	**-**	**1,500**	**-**	**-**	**1,500**	**-**	**1,500**
Settlement of performance rights	**-**	**(894)**	**-**	**-**	**(894)**	**-**	**(894)**
Acquisition of treasury shares	**-**	**306**	**-**	**-**	**306**	**-**	**306**
Ordinary shares issued, net of costs	**306**	**-**	**-**	**-**	**306**	**-**	**306**
Dividends	**-**	**-**	**-**	**(33,244)**	**(33,244)**	**-**	**(33,244)**
Equity settled consideration reserve	**-**	**21,768**	**-**	**-**	**21,768**	**-**	**21,768**
Non-controlling interests on acquisition of Cue Energy Resources (Cue)	**-**	**-**	**-**	**-**	**-**	**27,921**	**27,921**
Impact of new share issue by Cue	**-**	**(60)**	**-**	**-**	**(60)**	**-**	**(60)**
Impact of additional shares acquired by the Group in Cue	**-**	**-**	**-**	**-**	**-**	**(1,152)**	**(1,152)**
Balance as at 30 June 2026	**150,705**	**31,657**	**(177,568)**	**61,247**	**66,041**	**27,238**	**93,279**

[1] The profit reserve balance reflects the Parent entity's retained earnings, with the residual Group profit/loss reflected in the accumulated losses reserve.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

		CONSOLIDATED	
	NOTE	2026 US$'000	2025 US$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**95,743**	98,458
Payments to suppliers and employees		**(40,580)**	(47,599)
		55,163	**50,859**
Dividends received from joint venture in Thailand		**4,048**	-
Interest received		**1,545**	1,487
Interest paid		**(4,927)**	(3,247)
Income and royalty taxes paid		**(8,594)**	(12,485)
Acquisition related transaction costs		**-**	(727)
Net cash inflow from operating activities	**33**	**47,235**	**35,887**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Thailand acquisition		**(23,046)**	(1,500)
Payment for Cue acquisition - net of cash acquired		**(1,717)**	-
Transaction costs on acquisitions		**(791)**	-
Loan advanced to associate		**(5,000)**	-
Repayment of loan by associate		**1,828**	-
Payments for oil and gas assets		**(7,448)**	(15,018)
Payments for plant and equipment		**(9)**	(7)
Net cash outflow from investing activities		**(36,183)**	**(16,525)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from amended debt facility		**31,469**	-
Transaction costs incurred on borrowings		**(1,250)**	-
Repayment for borrowings		**(10,567)**	-
Payments under leasing arrangements		**(147)**	(180)
Proceeds from new share issue (net of costs)		**306**	304
Payments for shares acquired by the Trust		**(306)**	(304)
Dividends paid to shareholders		**(33,112)**	(31,881)
Net cash outflow from financing activities		**(13,607)**	**(32,061)**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(2,555)**	**(12,700)**
Cash and cash equivalents at the beginning of the financial year		**39,782**	52,570
Effects of exchange rate changes on cash and cash equivalents held in foreign currencies		**173**	(89)
Cash and cash equivalents at the end of the financial year	**7**	**37,400**	**39,782**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated Financial Statements

Note 1 Summary of Material Accounting Policies

A summary of the material accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied, unless otherwise stated. The financial statements are for the consolidated entity consisting of Horizon Oil Limited and its subsidiaries (the 'Group'). For the purposes of preparing the financial statements, the consolidated entity is a for-profit entity.

The nature of the operations and principal activities for the Group are described in the Directors' Report.

A. Statement of compliance

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'), Urgent Issues Group Interpretations and the *Corporations Act 2001*.

The consolidated financial statements comply with Australian Accounting Standards as issued by the AASB and International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB').

B. Basis of preparation

These financial statements are presented in United States dollars and have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative instruments) at fair value through profit or loss, or other comprehensive income where hedge accounting is adopted.

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183 and accordingly amounts in the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

The general purpose financial statements for the year ended 30 June 2026 have been prepared on a going concern basis which contemplates the realisation of assets and settlement of liabilities in the normal course of business as they become due. At the date of this report, the directors are of the opinion that no asset is likely to be realised for amounts less than the amount at which it is recorded in the financial report as at 30 June 2026. Accordingly, no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

New and amended standards adopted by the Group

There were no new and revised Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that were relevant to its operations and effective for the financial year ended 30 June 2026.

There are no other Australian Accounting Standards that are not yet effective and that are expected to have a material impact on the Group in the current or future financial years.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.

Changes in accounting estimates

During the year, the Group changed the reserve basis used in calculating the amortisation of the Maari production asset under the unit of production method, from proved and probable reserves to proved reserves. The reserve estimates applied to all other production assets were consistent with those used in the prior year. As a result of this change in accounting estimate, an additional amortisation charge of US$6.9 million was recognised in the statement of profit or loss for the year.

C. Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Horizon Oil Limited (the 'Company' or 'Parent Entity') as at 30 June 2026 and the results of all subsidiaries for the financial year then ended. Horizon Oil Limited and its subsidiaries together are referred to in these financial statements as 'the Group'.

Subsidiaries are those entities (including special purpose entities) over which the Group has control. Control exists when the Company is exposed to, or has the rights to, variable returns from its involvement and has the ability to affect those returns through its power over that entity. There is a general presumption that a majority of voting rights results in control. The existence and effect of potential voting rights that are currently exercisable or convertible are also considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to Note 1(M)). Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries are accounted for at cost in the individual financial statements of the respective parent entity. These investments may have subsequently been written down to their recoverable amount determined by reference to the net assets of the subsidiaries as at 30 June each financial year where this is less than cost.

Non-controlling interests' share of the profits and equity of subsidiaries are shown separately in the consolidated statements of comprehensive income, statement of financial position and statement of changes in equity respectively.

Joint operations

A joint operation is a joint arrangement whereby the participants that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Group recognises assets, liabilities, revenues and expenses according to its share in the assets, liabilities, revenues and expenses of a joint operation or similar as determined and specified in contractual arrangements (Joint Operating Agreements). Details of major joint operation interests and the sum of the Group's interests in joint operation assets, liabilities, revenue and expenses are set out in Note 24.

Where part of a joint operation interest is farmed out in consideration of the farmee undertaking to incur further expenditure on behalf of both the farmee and the entity in the joint operation area of interest, exploration expenditure incurred and carried forward prior to farm-out continues to be carried forward without adjustment, unless the terms of the farm-out are excessive based on the diluted interest retained. An impairment provision is then made to reduce exploration expenditure to its estimated recoverable amount. Any cash received in consideration for farming out part of a joint operation interest is recognised in the profit or loss.

Joint ventures

A joint venture is a joint arrangement whereby the participants that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group recognises its interest in joint ventures using the equity method of accounting. Under the equity method, the investment in a joint venture is initially recognised in the Group's statement of financial position at cost and adjusted thereafter to recognise the post-acquisition changes to the Group's share of net assets of the joint venture. After application of the equity method, the Group determines whether it is necessary to recognise any impairment loss with respect to the Group's net investment in the joint venture.

The Group's share of the joint venture's post-acquisition profits or losses is recognised in the income statement. Dividends receivable from the joint venture reduce the carrying amount of the investment in the consolidated financial statements of the Group.

D. Crude oil and gas inventory and materials in inventory

Crude oil and gas inventories, produced but not sold, are valued at the lower of cost and net realisable value. Cost comprises a relevant proportion of all fixed and variable production, overhead, restoration and amortisation expenses and is determined on an average cost basis.

Stocks of materials inventory, consumable stores and spare parts are carried at the lower of cost and net realisable value, with cost primarily determined on a weighted average cost basis.

E. Operating segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

F. Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's subsidiaries are measured using the currency of the primary economic environment in which the subsidiary operates (the 'functional currency'). The consolidated financial statements are presented in United States dollars, which is Horizon's presentation currency. Horizon has selected United States dollars as its presentation currency for the following reasons:

(a) a significant portion of Horizon's activity is denominated in United States dollars; and

(b) it is widely understood by Australian and international investors and analysts.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year end exchange rates of monetary assets and liabilities denominated in foreign currencies are generally recognised in the profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

(iii) Group companies

All Group subsidiaries, except for Horizon Australia Energy Pty Ltd and Cue Energy Resources Limited have functional currencies of United States dollars. Horizon Australia Energy Pty Ltd and Cue Energy Resources Limited have a functional currency of Australian dollars (AUD). The results and financial position of these entities have a functional currency different from the presentation currency and are translated into the presentation currency as follows:

– assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
– income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
– all resulting exchange differences are recognised in other comprehensive income.

G. Revenue recognition

Revenue arises from the sale of crude oil and gas. To determine whether to recognise revenue, the Group follows a 5-step process:

(1) - Identifying the contract with a customer;
(2) - Identifying the performance obligations;
(3) - Determining the transaction price;
(4) - Allocating the transaction price to the performance obligations; and
(5) - Recognising revenue when/as performance obligation(s) are satisfied.

The Group enters into sales transactions involving two products. The total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties. Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods to its customers.

Revenue from Block 22/12, China, is derived at a point in time as the crude oil is produced into a metered pipeline, stored and subsequently sold in individual liftings which are pursuant to individual sales contracts. Each lifting is invoiced in accordance with the respective contract and revenue recognised based on the bill of lading date associated with the lifting. Once the lifting is complete there are no unsatisfied performance obligations or variable revenue requiring estimation.

Revenue from the Maari/Manaia fields, New Zealand, is derived at a point in time as the crude oil produced is stored and sold in individual liftings which are pursuant to individual sales contracts. Each lifting is invoiced in accordance with the respective contract and revenue recognised based on the bill of lading date associated with the lifting. Once the lifting is complete there are no unsatisfied performance obligations or variable revenue requiring estimation.

Revenue from Mereenie oil sales, Australia is derived at a point in time as the crude oil produced is stored and sold in individual liftings. Each lifting is invoiced in accordance with the respective contract and revenue recognised based on the bill of lading date associated with the lifting. Once the lifting is complete there are no unsatisfied performance obligations or variable revenue requiring estimation. Revenue from Mereenie gas sales is derived over a period in time based on gas volumes sold under contracts with customers which continuously flows through a metered pipeline. The metered monthly production is invoiced at the end of each month, in accordance with a monthly sales contract, and revenue recognised for the month of production. At the end of each month, once billing occurs and revenue is recognised, there are no unsatisfied performance obligations or variable revenue requiring estimation.

Crude oil revenues from Cue Energy Resources are derived from Maari field in New Zealand, Sampang field in Indonesia and the Mereenie field (Australia). Revenue from oil sales is derived at a point in time as the crude oil produced is stored and sold in individual liftings. Each lifting is invoiced in accordance with the respective contract and revenue recognised based on the bill of lading date associated with the lifting. Once the lifting is complete there are no unsatisfied performance obligations or variable revenue requiring estimation.

Gas revenues from Cue Energy Resources are derived from Mereenie, Palm Valley and Dingo fields in Australia and Sampang field in Indonesia and derived over a period in time based on gas volumes sold under contracts with customers which continuously flow through a metered pipeline. The metered monthly production is invoiced at the end of each month, in accordance with a monthly sales contract, and revenue recognised for the month of production. At the end of each month, once billing occurs and revenue is recognised, there are no unsatisfied performance obligations or variable revenue requiring estimation.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

H. Taxation

(i) Income tax

The income tax expense or revenue for the reporting period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

[ii] Government royalties

Government royalties are treated as taxation arrangements when they are imposed under Government authority and when the calculation of the amount payable is derived from a measure of profit that falls within the definition of 'taxable profit' for the purposes of AASB 112 *Income Taxes*. Current and deferred tax is then provided on the same basis as described in (i) above. Royalty arrangements that do not meet the criteria for treatment as a tax are recognised on an accruals basis.

I. Leases

The Group leases an office in Sydney, Melbourne and Indonesia and various equipment, with rental contracts typically taken out for fixed periods of 12 months to 3 years. These contracts do not have a reasonably certain extension option and may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. Lease terms are negotiated on an individual basis, and do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable; and
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The weighted average lessee's incremental borrowing rate applied to the lease liabilities is 8.9% (FY25: 8.9%).

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost and are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

J. Impairment of assets

Assets are reviewed for impairment at each reporting date to determine whether there is any indication of impairment. If an impairment indicator exists a formal estimate of the recoverable amount is calculated. Intangible assets with an indefinite useful life are assessed for impairment regardless of whether there are any indicators of impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets ('cash-generating units').

In assessing the recoverable amount, an asset's estimated future pre-tax cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Exploration phase expenditure is assessed for impairment in accordance with Note1(N).

K. Cash and cash equivalents

For presentation purposes in the statement of cash flows, cash and cash equivalents includes cash at banks and on hand (including share of joint operation cash balances), restricted cash held in a Debt Service Reserve Account (DSRA), deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

L. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are generally due for settlement within 30 days from the date of recognition. They are included in current assets, except for those with maturities greater than one year after the end of the reporting period which are classified as non-current assets.

The group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2026 and the corresponding historical credit losses experienced within this period. The historical rates are adjusted to reflect current and forward-looking information on key factors affecting the ability of the customers to settle the receivables. Management assesses the collectability of these amounts based on the customer relationships and historical payment behaviour.

M. Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities assumed, equity interests issued by the Group, fair value of any asset or liability resulting from a contingent consideration arrangement, and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. Acquisition related costs are expensed as incurred.

The group recognises non-controlling interests in an acquired entity at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

For purchase combinations which do not constitute the acquisition of a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed. The consideration paid is allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Acquisition related costs are capitalised.

N. Exploration phase expenditure

Exploration phase expenditure in respect of each area of interest is accounted for using the successful efforts method of accounting. The successful efforts method requires all exploration phase expenditure to be expensed in the period it is incurred, except the costs of successful wells, the costs of acquiring interests in new exploration assets and pre-development costs where there is a high degree of probability that the development will go ahead, which are capitalised. Costs directly associated with the drilling of exploration wells and any associated geophysical and geological costs are initially capitalised pending determination of whether potentially economic reserves of hydrocarbons have been discovered. Business development costs such as the review of farm in opportunities and bid rounds are expensed in the period in which they are incurred. Areas of interest are recognised at the cash-generating unit level, being the smallest grouping of assets generating independent cash flows which usually is represented by an individual oil or gas field.

When an oil or gas field has been approved for development, the capitalised exploration phase expenditure is reclassified as oil and gas assets in the statement of financial position. Prior to reclassification, capitalised exploration phase expenditure is assessed for impairment.

Where an ownership interest in an exploration and evaluation asset is purchased, any cash consideration paid net of transaction costs is treated as an asset acquisition. Alternatively, where an ownership interest is sold, any cash consideration received net of transaction costs is treated as a recoupment of costs previously capitalised, with any excess accounted for as a gain on disposal of non-current assets.

Impairment of capitalised exploration phase expenditure

Exploration phase expenditure is reviewed for impairment semi-annually in accordance with the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources*. The carrying value of capitalised exploration phase expenditure is assessed for impairment at the asset or cash-generating unit level (which usually is represented by an exploration permit or licence) whenever facts and circumstances (as defined in AASB 6) suggest that the carrying amount of the asset may exceed its recoverable amount. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss exists when the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written-down to its recoverable amount. Impairment losses are recognised as an expense in profit or loss.

Capitalised exploration phase expenditure that suffered impairment is tested for possible reversal of the impairment loss whenever facts or changes in circumstances indicate that the impairment may have reversed.

O. Oil and gas assets

[i] Development expenditure

Development expenditure is stated at cost less any accumulated impairment losses. Development expenditure incurred by or on behalf of the Group is accumulated separately for fields in which proven and probable hydrocarbon reserves have been identified to the satisfaction of directors. Such expenditure comprises direct costs and overhead expenditure incurred which can be directly attributable to the development phase or is acquired through the acquisition of a permit.

Once a development decision has been taken on an oil or gas field, the carrying amount of the relevant exploration and evaluation expenditure in respect of the relevant area of interest is aggregated with the relevant development expenditure.

Development expenditure is reclassified as ‘production assets’ at the end of the commissioning phase, when the oil or gas field is capable of operating in the manner intended by management (that is, when commercial levels of production are capable of being achieved).

Development expenditure is tested for impairment in accordance with the accounting policy set out in Note 1(J).

[ii] Production assets

When further development costs are incurred in respect of a production asset after the commencement of production, such expenditure is carried forward as part of the production asset when it is probable that additional future economic benefits associated with the expenditure will flow to the Group. Otherwise, such expenditure is classified as production expense in income statements when incurred.

Production assets are stated at cost less accumulated amortisation and any accumulated impairment losses.

Once commercial levels of production commence, amortisation is charged using the unit-of-production method. The unit-of-production method results in an amortisation expense proportional to the depletion of proven and probable hydrocarbon reserves for the field. Production assets are amortised by area of interest in the proportion of actual production for the financial period to the ‘proven and probable’ hydrocarbon reserves or the ‘proven’ hydrocarbon reserves of the field.

The cost element of the unit-of-production calculation is the capitalised costs incurred to date for the field together with the estimated / anticipated future development costs (stated at current financial period-end using unescalated prices) of obtaining access to all the ‘proven and probable’ or all the ‘proven’ hydrocarbon reserves included in the unit-of-production calculation.

Production assets are tested for impairment in accordance with the accounting policy set out in Note 1(J).

[iii] Advances paid for restoration works

Advances paid for restoration works represent amounts paid to special purpose funds established with the primary objective of meeting future restoration obligations and are recognised and measured in accordance with AASB Interpretation 5 Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (AASBI 5). AASBI 5 requires restoration provisions and contributions to funds to be separately disclosed in the Group’s consolidated statement of financial position.

[iv] Restoration provision

The estimated costs of decommissioning and removing an asset and restoring the site are included in the cost of the asset as at the date the obligation first arises and to the extent that it is first recognised as a provision. This asset is subsequently amortised on a unit-of-production basis.

The corresponding provision is reviewed at the end of each reporting period. The provision is measured at the best estimate of the present value amount required to settle the present obligation at the end of the reporting period, based on current legal and other requirements and technology, discounted where material using market yields at the balance sheet date on Treasury bonds with terms to maturity and currencies that match, as closely as possible, to the estimated future cash outflows.

Where there is a change in the expected restoration, rehabilitation or decommissioning costs, an adjustment is recorded against the carrying value of the provision and any related restoration asset, and the effects are recognised in profit or loss on a prospective basis over the remaining life of the operation.

The unwinding of the effect of discounting on the restoration provision is included within finance costs in profit or loss.

[v] Reserves

The estimated reserves include those determined on an annual basis by Mr Gavin Douglas, Chief Operating Officer of Horizon. Mr Douglas is a full-time employee of Horizon and is a member of the American Association of Petroleum Geologists. Mr Douglas' qualifications include a Master of Reservoir Evaluation and Management from the Heriot Watt University, UK and more than 30 years of relevant experience. The reserve estimates are determined by Mr Douglas based on assumptions, interpretations, and assessments. These include assumptions regarding commodity prices, foreign exchange rates, operating costs and capital expenditures, and interpretations of geological and geophysical models to make assessments of the quantity of hydrocarbons and anticipated recoveries.

P. Investments and other financial assets

Subsidiaries are accounted for in the consolidated financial statements as set out in Note 1(C).

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the end of the reporting period which are classified as non-current assets. Loans and receivables are included in receivables in the statement of financial position.

The Group classifies other financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through other comprehensive income or profit or loss), and
- those to be measured at amortised cost

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

Equity instruments

At initial recognition, Group's management has elected to measure its equity instruments at fair value through other comprehensive income (FVOCI). The group subsequently measures all equity investments as fair value. Where the group's management has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition or impairment of the investment.

Q. Plant and equipment

The cost of improvements to, or on, leasehold property is depreciated over the unexpired period of the lease or the estimated useful life of the improvement to the Group, whichever is shorter.

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

– Computer equipment	3 – 4 years
– Furniture, fittings and equipment	3 – 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of the reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

R. Intangible assets

[i] New Zealand carbon credits

New Zealand carbon credits, also referred to as New Zealand Units (NZUs) are acquired through the Environmental Protection Authority and surrendered to the New Zealand Government for the Group's proportionate share of the Maari/Manaia fields direct greenhouse gas emissions for the calendar year. The NZUs are valued at cost and do not expire.

NZUs are not amortised but are tested for impairment in accordance with the accounting policy set out in Note 1(J).

S. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Due to their short-term nature they are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition. They are included in current liabilities, except for those with maturities greater than one year after the end of the reporting period which are classified as non-current liabilities.

T. Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either; (1) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or (2) hedges of the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of derivative financial instruments used for hedging purposes are disclosed in Note 10. Movements in the hedging reserve in equity are shown in Note 19(A).

[i] Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other income or other expenses. The Group currently does not have any derivatives designated as fair value hedges.

Amounts accumulated in equity are recycled to profit or loss in the periods when the hedged item will affect profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in profit or loss within "finance costs". The gain or loss relating to the effective portion of forward foreign exchange contracts and commodity price contracts hedging export sales is recognised in profit or loss within 'revenue'. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory) or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the measurement of the initial cost or carrying amount of the asset or liability.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss.

When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the profit or loss.

[ii] Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other income or other expenses.

U. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities which are not an incremental cost relating to the actual drawdown of the facility, are recognised as prepayments (netted against the loan balance) and amortised on a straight-line basis over the term of the facility.

Borrowings are classified as current liabilities unless the Group has a right to defer settlement of the liability for at least 12 months after the end of the reporting period.

V. Borrowing costs

Borrowing costs which includes the costs of arranging and obtaining financing, incurred for the acquisition or construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed when incurred.

No borrowing costs (2025: $Nil) were capitalised during the current financial year and the amount of borrowing costs amortised to the income statement were $585,817 (2025: $654,874).

W. Employee benefits

(i) Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and related on-costs expected to be settled within 12 months of the end of the reporting period are recognised in other payables in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are recognised in other payables.

(ii) Long service leave

The liability for long service leave is recognised as a provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Share-based payments

Share-based payment compensation benefits are provided to employees and consultants via the Horizon Long-Term Incentive Plan and deferred STI Plan. Information relating to these schemes is set out in Note 28.

The fair value of performance rights granted under the Horizon Long-Term Incentive Plan and deferred STI Plan are recognised as an employee share-based payments expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the performance rights granted, which includes any market performance conditions but excludes the impact of any service and non-market performance vesting conditions and the impact of any non-vesting conditions. Non-market performance vesting conditions are included in assumptions about the number of performance rights.

The fair value is measured at grant date. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of performance rights that are expected to vest based on the non-market performance vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The fair value at grant date is independently determined using either a Black-Scholes or Monte Carlo simulation option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at effective allocation date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the performance right.

The Company has elected to retain any amounts originally recognised in the share-based payments reserve, regardless of whether the associated performance rights are cancelled or lapse unexercised.

The Horizon Oil Employee Incentive Trust administers the Long-Term Incentive Plan and deferred STI Plan. The Horizon Oil Employee Incentive Trust is consolidated in accordance with the principles in Note 1(C).

Where the Horizon Oil Employee Incentive Trust purchases the company's equity instruments, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity reserves. When an employee exercises performance rights pursuant to the Long-Term Incentive Plan or the deferred STI Plan, and the Board resolves to settle in shares, the Horizon Oil Employee Oil Incentive Trust transfers the appropriate amount of shares to the employee.

X. Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options over unissued ordinary shares are shown in share capital as a deduction, net of related income tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration but are expensed.

Where the Group purchases the company's equity instruments, for example as the result of a share buy-back, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of Horizon as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of Horizon.

Y. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares. Potential ordinary shares are considered dilutive only when their conversion to ordinary shares would decrease earnings per share, or increase loss per share, from continuing operations.

Z. Goods and Services Tax ('GST')

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

AA. Parent entity financial information

The financial information for the parent entity, Horizon Oil Limited, disclosed in Note 35, has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost less any impairment in the financial statements of Horizon Oil Limited. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

[ii] Financial guarantees

Where the parent entity has provided financial guarantees in relation to loans and payables of subsidiaries for no compensation, the fair values of these guarantees are accounted for as contributions and recognised as part of the cost of the investment.

Note 2 Critical accounting estimates and judgements

This section considers estimates and judgements which are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

A. Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The most significant estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities relate to:

[i] Exploration and evaluation assets

The Group's policy for exploration and evaluation expenditure is discussed in Note 1(N). The application of this policy requires management to make certain estimates and assumptions as to future events and circumstances. These estimates and assumptions include whether commercially viable reserves have been found and whether the capitalised exploration and evaluation expenditure will be recovered through future exploitation or sale.

[ii] Reserve estimates

The estimated quantities of proven and probable hydrocarbons reported by the Group are integral to the calculation of amortisation expense (depletion), assessments of impairment of assets, provision for restoration and the recognition of deferred tax assets due to changes in expected future cash flows. Reserve estimates require interpretation of complex and judgemental geological and geophysical models in order to assess the size, shape, depth and quality of reservoir, and their anticipated recoveries. The economic, geological and technical factors used to estimate reserves may change from period to period. Reserve estimates are prepared in accordance with guidelines prepared by the Society of Petroleum Engineers.

[iii] Provisions for restoration

The Group estimates the future removal and restoration costs of petroleum production facilities, wells, pipelines and related assets at the time of installation of the assets and reviews these assessments periodically. In most instances the removal of these assets will occur well into the future. The estimate of future removal costs therefore requires management to make judgements around the timing of the required restoration, rehabilitation and decommissioning activities, as well as the discount rate. The carrying amount of provisions for restoration by each assets/operating segments and other information are disclosed in Note 17.

[iv] Impairment of oil and gas assets

The Group assesses whether its oil and gas assets are impaired on a semi-annual basis when an indicator of impairment is present. This includes an estimation of the recoverable amount of the cash generating unit to which each asset belongs. The recoverable amount of an asset is the higher of its fair value less cost to sell and value in use. The fair value less cost to sell is assessed on the basis of the estimated net cash flows that will be received from the asset's continued employment and subsequent disposal. The estimated future cash flows are based on estimates of hydrocarbon reserves, future production profiles, commodity prices, operating costs and future development costs necessary to access the reserves. Current climate change legislation is also factored into the estimated future cashflows and future uncertainty created by climate change risks continue to be monitored. In most cases, the present value of future cashflows is most sensitive to estimates of future oil price, reserves, and production rates.

[v] Share-based payments

Share-based payment transactions with directors and employees are measured by reference to the fair value of the share performance rights and employee options at the date they were granted. The fair value is ascertained using an appropriate pricing model, being either the Black-Scholes or Monte Carlo simulation, depending on the terms and conditions upon which the share performance rights and employee options were granted. The Group also applies assumptions around the likelihood of the share performance rights or options vesting which will have an impact on the expense and equity recorded in the financial year. The number of share performance rights and employee options outstanding are disclosed in Note 28.

[vi] **Recoverability of deferred tax assets**

The recoverability of deferred tax assets is based on the probability that future taxable amounts will be available to utilise those temporary differences and losses. During the financial year, the Group recognised previously unrecognised deferred tax assets relating to tax losses and temporary differences within the Australian tax consolidated group. The continued strong performance of the Mereenie field has supported the utilisation of Australian tax losses. Based on forecast future taxable cash flows and the expected utilisation of the remaining tax losses, management considers it probable that the deferred tax assets will be recovered. Refer to Note 6 for further details.

Assessing the future utilisation of tax losses and temporary tax differences requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future utilisation of these tax losses and temporary tax differences becomes probable, this could result in significant changes to deferred tax assets recognised, which would in turn impact future financial results.

B. Critical judgements in applying the Group's accounting policies

No critical judgements considered to have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year were made during the preparation of this report.

Note 3 Segment information

A. Description of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors.

The operating segments identified are broadly based on the Group's working interest in each individual oil and gas permit, arranged by developmental phase. Discrete pre-tax financial information (including pre-tax operating profit and capital expenditure on exploration and evaluation assets and oil and gas assets) for each oil and gas permit is prepared and provided to the chief operating decision maker on a regular basis. In certain circumstances, individual oil and gas permits are aggregated into a single operating segment where the economic characteristics and long-term planning and operational considerations of the individual oil and gas permits are such that they are considered interdependent, such as the Thailand oil and gas fields. The recently acquired equity interest in Cue Energy Resources Limited has been identified as its own operating segment as the internal reporting is based on Cue's aggregate results and operations and not on its individual licenses/assets.

The Group has identified five operating segments:

- China development – the Group is currently involved in developing and producing crude oil from the Block 22/12 – WZ6-12, WZ12-8W and WZ12-8E oil field developments within Block 22/12;
- New Zealand development – the Group is currently involved in developing and producing crude oil from the Maari/Manaia oil field development;
- Australia development – the Group is currently involved in developing and producing oil and gas from the Mereenie OL4 and OL5 oil and gas fields;
- Thailand exploration and development – the Group is currently involved in developing and producing oil and gas from the Sinphuhorm and Nam Phong oil and gas fields; and
- Cue Energy Resources Limited – the Group acquired a controlling equity interest in Cue Energy Resources Limited during the financial year. This company is currently involved in developing and producing oil and gas from licenses outlined in Note 24.

B. Segment information provided to the chief operating decision maker

30 JUNE 2026	CHINA DEVELOPMENT	NEW ZEALAND DEVELOPMENT	AUSTRALIA DEVELOPMENT	THAILAND EXPLORATION & DEVELOPMENT	CUE ENERGY RESOURCES	UNALLOCATED	TOTAL
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
SEGMENT INFORMATION							
Revenue from customers	**38,073**	**26,033**	**17,590**	**23,018**	**2,466**	**-**	**107,180**
Depreciation & amortisation	**(10,733)**	**(16,366)**	**(4,777)**	**(6,899)**	**(286)**	**(137)**	**(39,148)**
Profit / (loss) before tax	**4,866**	**(5,180)**	**2,183**	**3,672**	**1,608**	**(1,274)**	**5,875**
Total segment assets	**30,342**	**51,329**	**47,505**	**43,807**	**111,102**	**21,177**	**305,262**
Additions to non-current assets other than financial assets and deferred tax during the financial year ended:							
Development & Production phase expenditure (including purchase price)	**1,200**	**2,606**	**2,347**	**-**	**79,628**	**-**	**85,781**
Total segment liabilities	**30,372**	**65,588**	**41,673**	**23,401**	**47,714**	**3,235**	**211,983**

30 JUNE 2025	CHINA DEVELOPMENT	NEW ZEALAND DEVELOPMENT	AUSTRALIA DEVELOPMENT	UNALLOCATED	TOTAL
	US$'000	US$'000	US$'000	US$'000	US$'000
SEGMENT INFORMATION:					
Revenue from customers	47,592	42,894	14,821	-	**105,307**
Depreciation & amortisation	(10,662)	(19,124)	(3,180)	(175)	**(33,141)**
Profit/(loss) before tax	**15,756**	**268**	**1,356**	**(727)**	**16,653**
Total segment assets	**41,302**	**63,182**	**50,124**	**25,547**	**180,155**
Additions to non-current assets other than financial assets and deferred tax during the financial year ended:					
Production expenditure	4,079	1,947	4,114	-	**10,140**
Plant and equipment	-	-	-	437	**437**
Total segment liabilities	**8,973**	**66,247**	**37,426**	**2,211**	**114,857**

C. Other segment information

(i) Segment revenue

The Group's revenue is derived from the sale of crude oil produced in China, New Zealand, Australia, Thailand and Indonesia and the sale of gas produced in Australia, Thailand and Indonesia. The Group sells to customers through sales agreements with the respective joint venture operators (CNOOC and OMV) who market and on-sell crude oil to customers, for which the Group is charged a marketing fee stipulated by the sales agreements. In Australia and Indonesia, the Group sells to domestic customers through individual sales contracts. In Thailand, the Group sells to the domestic market.

Reportable segment revenues reconcile to consolidated revenue per statement of comprehensive income as below:

	30 JUNE 2026 US$'000	30 JUNE 2025 US$'000
Total segment revenue	**107,180**	105,307
Less: Group's share of revenue from joint venture	**(23,018)**	-
Total revenue per consolidated statement of comprehensive income	**84,162**	**105,307**

[ii] Segment profit before tax

The chief operating decision maker assesses the performance of operating segments based on a measure of profit before tax.

Segment profit before tax is equal to consolidated profit before tax.

[iii] Segment assets and segment liabilities

The amounts provided to the chief operating decision maker with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements.

Reportable segment assets and segment liabilities reconcile to consolidated assets and liabilities as below:

	30 JUNE 2026 US$'000	30 JUNE 2025 US$'000
Total segment asset	**305,262**	180,155
Less: Group's share of joint venture liabilities (Note 13)	**(23,401)**	-
Total assets per consolidated statement of financial position	**281,861**	**180,155**
Total segment liability	**211,983**	114,857
Less: Group's share of joint venture liabilities (Note 13)	**(23,401)**	-
Total liabilities per consolidated statement of financial position	**188,582**	**114,857**

Note 4 Revenue and Other Income

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
FROM CONTINUING OPERATIONS		
Crude oil sales	**77,197**	91,511
Gas sales	**17,140**	12,615
Net realised gain/(loss) on oil hedging derivatives (Note 10)	**(10,175)**	1,181
Total revenue	**84,162**	**105,307**
OTHER INCOME		
Interest received from unrelated entities	**1,793**	1,517
Total other income	**1,793**	**1,517**

Revenue for the financial year ended 30 June 2026 relates to contracts executed for the sale of crude oil and gas, and all performance obligations have been met within the period. There is no variable consideration requiring estimation for the year ended 30 June 2026.

The Group did not have contracts that were executed in a prior period, whereby the performance obligations were partially met at the beginning of the period. There are no existing contracts that are unsatisfied or partially unsatisfied as at 30 June 2026.

The Group's revenue disaggregated by primary geographical markets is reported in Note 3 – Segment information. The Group's top two customers account for ~80% of revenue.

The Group's revenue disaggregated by pattern of revenue recognition is as follows:

	CONSOLIDATED 2026 US$'000	2025 US$'000
CRUDE OIL AND GAS SALES		
Goods transferred at a point in time	**67,022**	92,692
Goods transferred over a period of time	**17,140**	12,615
Total crude oil and gas sales	**84,162**	**105,307**

Note 5 Expenses

	CONSOLIDATED 2026 US$'000	2025 US$'000
COST OF SALES		
Direct production costs	**38,148**	36,531
Inventory adjustments[1]	**(5,141)**	5,022
Amortisation expense	**32,156**	32,967
Royalties and other levies	**3,597**	2,233
Total	**68,760**	**76,753**

1 Adjustment for the cost of inventory produced which is on hand as at the end of the financial period.

	CONSOLIDATED 2026 US$'000	2025 US$'000
GENERAL AND ADMINISTRATIVE EXPENSES		
Employee benefits expense	**509**	734
Employee share options expense	**1,500**	1,597
Corporate office expense	**1,346**	1,360
Depreciation expense	**143**	175
Rental expense relating to operating leases	**6**	6
Total	**3,504**	**3,872**
INSURANCE EXPENSE		
Insurance expense (including Loss of Production Income Insurance)	**1,980**	1,945
Total	**1,980**	**1,945**
IMPAIRMENT EXPENSE		
Impairment of carbon credits[2]	**246**	**-**
Total	**246**	**-**

2 During FY26 the Company assessed the recoverability of the New Zealand carbon units and recorded an impairment expense as the spot price at the 31 December 2025 balance sheet date was less than the historical cost of the units. As at 30 June 2026, the revised carrying value of the NZU prices are in line with current market price.

	CONSOLIDATED 2026 US$'000	2025 US$'000
FINANCING COSTS		
Interest and finance charges	**5,186**	3,227
Discount unwinding on provision for restoration	**2,768**	2,659
Amortisation of prepaid financing costs	**512**	114
Total	**8,466**	**6,000**

Note 6 Taxes

	CONSOLIDATED 2026 US$'000	2025 US$'000
(a) Royalty tax expense / (benefit)		
Royalty paid / payable in New Zealand – current tax expense	**2,883**	4,909
Tax benefit related to movements in deferred tax balances	**(2,353)**	(4,523)
Total royalty tax expense	**530**	**386**
(b) Income tax expense / (benefit)		
Current tax expense	**3,714**	7,162
Tax benefit related to movements in deferred tax balances	**(9,476)**	(2,759)
Adjustments for current tax of prior periods	**(11)**	(383)
Total income tax expense / (benefit)	**(5,773)**	**4,020**
Deferred income tax benefit included in income tax expense comprises:		
(Increase) in deferred tax assets	**(10,846)**	(2,918)
Increase in deferred tax liabilities	**1,370**	159
Total deferred income tax (benefit)	**(9,476)**	**(2,759)**

The deferred income tax balances, associated with the purchase price allocation of the Cue Transaction, did not impact income tax expense for the 2026 Financial year.

	CONSOLIDATED 2026 US$'000	2025 US$'000
(c) Numerical reconciliation between profit before tax and tax expense / (benefit)		
Profit from continuing operations before tax	**5,875**	16,653
Less: Royalty paid / payable	**(2,883)**	(4,909)
Total	**2,992**	**11,744**
Tax at the Australian tax rate of 30% (2025: 30%)	**898**	**3,523**
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Expenditure not allowed for income tax purposes	**1,425**	806
Other assessable items	**378**	301
Share of profit of equity accounted investment	**(1,101)**	-
Total	**1,600**	**4,630**
Effect of overseas tax rates	**(205)**	(746)
Deferred tax asset not brought to account	**-**	(72)
Deferred tax assets previously unrecognised – utilised to reduce current tax expense	**(749)**	-
Deferred tax asset brought to account	**(6,408)**	-
Adjustments for current tax of prior periods	**(11)**	208
Income tax (benefit)/expense	**(5,773)**	**4,020**
Royalty tax expense	**530**	**386**
Total tax (benefit)/expense recognised in statement of profit or loss	**(5,243)**	**4,406**

[d] Amounts recognised in other comprehensive income

Aggregate deferred tax arising in the reporting period and not recognised in net profit or loss but directly debited to other comprehensive income.

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
Deferred tax: changes in fair value of cash flow hedges	9	77
Total tax expense recognised in other comprehensive income	**9**	**77**

[e] Tax losses

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
Unused tax losses [and applicable tax rate] for which a deferred tax asset has been recognised:		
Horizon Oil Limited – 30% [2025: 30%]	**3,132**	-
Cue Energy Resources Limited – 30%	**3,540**	
Tax benefit at applicable tax rates	**6,672**	**-**
Unused tax losses [and applicable tax rate] for which no deferred tax asset has been recognised:		
Horizon Oil Limited – 30% [2025: 30%]	**-**	4,984
Cue Energy Resources Limited – 30%	**14,811**	-
Potential tax benefit at applicable tax rates	**14,811**	**4,984**

The Company had formed an Australian Tax Consolidated Group with its Australian subsidiaries, Horizon Australia Investments Pty Limited, Horizon Australia Energy Pty Limited and Horizon Thailand Investments Pty Limited and are subject to the Australian tax consolidation regime.

Cue Energy Resources Limited and its wholly-owned Australian controlled entities have formed an income tax consolidated group and are subject to the Australian tax consolidation regime.

As the Company does not own 100% of the issued equity of Cue Energy Resources Limited, these two tax consolidated groups remain as separate tax entities under the Australian tax consolidation regime.

[f] Deferred tax assets

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
Recognised deferred tax assets are attributable to:		
Tax losses	**6,672**	-
Development and production expenditure	**39,061**	21,032
Cash flow hedges	**-**	-
Provisions and other	**3,489**	576
Total deferred tax assets	**49,222**	**21,608**
Set off of deferred tax liabilities pursuant to set off provisions	**(13,079)**	(2,136)
Net deferred tax assets	**36,143**	**19,472**

2026 MOVEMENTS	TAX LOSSES	DEVELOPMENT & PRODUCTION EXPENDITURE US$'000	CASH FLOW HEDGES US$'000	PROVISIONS & OTHER US$'000	TOTAL US$'000
AT JULY 2025	**-**	**21,032**	**-**	**576**	**21,608**
(Charged) / credited:					
Acquisition of Cue Energy Resources	**3,540**	**9,029**	**-**	**461**	**13,030**
to profit or loss	**3,132**	**9,000**	**-**	**2,452**	**14,584**
At 30 June 2026	**6,672**	**39,061**	**-**	**3,489**	**49,222**

2025 MOVEMENTS	TAX LOSSES	DEVELOPMENT & PRODUCTION EXPENDITURE US$'000	CASH FLOW HEDGES US$'000	PROVISIONS & OTHER US$'000	TOTAL US$'000
AT JULY 2024	-	14,853	29	328	15,210
(Charged) / credited:					
to profit or loss	-	6,179	-	248	6,427
to other comprehensive income	-	-	(29)	-	(29)
At 30 June 2025	**-**	**21,032**	**-**	**576**	**21,608**

(g) Current tax payable

	CONSOLIDATED 2026 US$'000	2025 US$'000
Current tax payable – China	**1,374**	149
Current tax payable – Australia	**15**	-
Current tax payable – Cue Energy Resources Limited	**2,674**	-
Current tax payable – New Zealand	**656**	1,996
Current royalty tax payable – New Zealand	**829**	1,775
Total current tax payable	**5,548**	**3,920**

(h) Deferred tax liabilities

	CONSOLIDATED 2026 US$'000	CONSOLIDATED 2025 US$'000
Recognised deferred tax liabilities are attributable to:		
Development and production expenditure	**18,040**	3,476
Accounting profits royalty	**2,317**	364
Cash flow hedges	**193**	105
Recognition of deferred tax liability on purchase price allocation on acquisition of Cue Energy Resources Limited	**10,357**	-
Other	**1,248**	1,659
Total deferred tax liabilities	**32,155**	**5,604**
Set off of deferred tax assets pursuant to set off provisions	**(13,079)**	**(2,136)**
Net deferred tax liabilities	**19,076**	**3,468**

2026	DEVELOPMENT AND PRODUCTION EXPENDITURE US$'000	ACCOUNTING PROFIT ROYALTY US$'000	CASH FLOW HEDGES US$'000	OTHER US$'000	TOTAL US$'000
AT 1 JULY 2025	**3,476**	**364**	**105**	**1,659**	**5,604**
(Charged) / credited:					
Acquisition of Cue Energy Resources	**14,056**	**-**	**-**	**10,357**	**24,413**
To profit or loss	**508**	**1,953**	**-**	**(411)**	**2,050**
To other comprehensive income	**-**	**-**	**88**	**-**	**88**
At 30 June 2026	**18,040**	**2,317**	**193**	**11,605**	**32,155**

2025	DEVELOPMENT AND PRODUCTION EXPENDITURE US$'000	ACCOUNTING PROFIT ROYALTY US$'000	CASH FLOW HEDGES US$'000	OTHER US$'000	TOTAL US$'000
AT 1 JULY 2024	4,584	391	-	1,381	6,356
(Charged) / credited:					
To profit or loss	(1,108)	(27)	-	278	(857)
To other comprehensive income	-	-	105	-	105
At 30 June 2025	**3,476**	**364**	**105**	**1,659**	**5,604**

Note 7 Cash and cash equivalents

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
Cash at bank and on hand[1]	**33,841**	18,852
Restricted cash[2]	**3,435**	3,275
Deposits[3]	**124**	17,655
Total cash and cash equivalents	**37,400**	**39,782**

[1] Cash at bank is held in interest bearing operating accounts.
[2] Under the terms of Horizon's Debt Facility, a minimum of A$5 million is required to be maintained in a Debt Service Reserves Account with Macquarie Bank.
[3] Includes on-call and short-term cash deposits with maturities less than 3-months.

Note 8 Receivables

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
Trade and other receivables[1]	**14,731**	14,507
Total receivables	**14,731**	**14,507**

[1] Of this balance US$Nil (2025: US$Nil) related to amounts receivable from related parties. Refer to Note 27 for further details.

Information about the Company's exposure to credit and market risks, and collectability of overdue amounts, is included in Note 20(B).

Note 9 Inventories

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
Crude oil, at costs	**8,783**	2,058
Drilling and workover spares inventory	**2,192**	1,675
Total inventories	**10,975**	**3,733**

Note 10 Derivative financial instruments

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
CURRENT:		
Derivative asset – foreign exchange contracts – cash flow hedges	**-**	16
Derivative asset – oil price swaps – cash flow hedges	**713**	390
Total derivative asset	**713**	406
Derivative liability – foreign exchange contracts – cash flow hedges	**-**	(2)
Total derivative liability	**-**	**(2)**

The Group is party to derivative financial instruments in the normal course of business in order to hedge exposure to oil price, interest rate and foreign exchange fluctuations in accordance with the Group's financial risk management policies (refer to Note 20a).

Oil price swap contracts (cash flow hedges)

During the financial year, oil price hedging was undertaken as a risk mitigation measure to mitigate the concentration of oil price exposure on Maari and Block 22/12 liftings whereby oil is produced over approximately two-to-three-month periods but sold subject to the average oil price in the month which it is lifted.

At 30 June 2026, the Group had 180,000 bbls of crude oil hedged through Brent oil price swaps at a weighted average price of US$77.48/bbl covering the period to December 2026.

The gain or loss arising from re-measurement of the hedge-accounted instruments at fair value is deferred in equity in the hedging reserve, to the extent that the hedge is effective, and re-classified into profit or loss when the hedged transaction is recognised. The ineffective portion is recognised in profit or loss immediately. During the financial year, a net loss of US$10,175,005 (2025: net gain of US$1,181,245) was transferred to profit or loss and included in revenue.

Note 11 Other assets

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
CURRENT		
Prepayments	**637**	557
Loan advanced to associate (a)	**2,377**	-
Acquisition related deposits	**-**	1,849
Total current other assets	**3,014**	**2,406**
NON-CURRENT		
Loan advanced to associate (a)	**951**	**-**
Environmental and security bonds	**881**	**-**
Total non-current other assets	**1,832**	**-**

(a) During the financial year, the Group advanced a $5 million loan (acquisition credit facility) to Matahio Energy, an associate in the MH Energy Thailand joint venture. The loan has a maturity date of 31 December 2027 and is subject to a market interest rate of SOFR plus 6.0%. As noted in Note 27, the terms of the loan are made on normal commercial terms no more favourable than those available to external parties.

Note 12 Intangible assets

CURRENT ASSETS	CONSOLIDATED	
	NEW ZEALAND CARBON CREDITS[1]	TOTAL
	US$'000	US$'000
FINANCIAL YEAR ENDED 30 JUNE 2025		
Cost – 1 July 2024	843	843
Additions	256	256
Disposals – settlements[2]	(514)	(514)
CLOSING VALUE	**585**	**585**
FINANCIAL YEAR ENDED 30 JUNE 2026		
Cost – 1 July 2025	**585**	**585**
Additions	**262**	**262**
Disposals – settlements[2]	**(494)**	**(494)**
Impairment of carbon units[3]	**(246)**	**(246)**
CLOSING VALUE	**107**	**107**

1 The Group acquires New Zealand Units ((NZUs) also referred to as carbon credits) to surrender to the New Zealand Government through the Environmental Protection Authority, for its proportionate share of the Maari/Manaia fields direct greenhouse gas emissions for the calendar year. NZUs are tradable instruments with transactions taking place on the New Zealand Emissions Trading Register, which is operated by the Environmental Protection Authority. The NZUs are recorded at cost and are not amortised and are tested for impairment at each balance sheet date.

2 The Company's obligation for the 2025 calendar year was settled in May 2026 whereby NZU's on hand were surrendered to the Environmental Protection Authority. As at 30 June 2026, the Group had 4,620 NZU's on hand (30 June 2025: 15,836 NZU's).

3 During 2026 financial year the Company assessed the recoverability of the New Zealand carbon units and recorded an impairment expense as the spot price at the 31 December 2025 balance sheet date was less than the historical cost of the units. As at 30 June 2026, the revised carrying value of the NZU prices are in line with current market price.

Note 13 Investments

NON-CURRENT ASSETS	CONSOLIDATED	
	2026	2025
	US$'000	US$'000
Fair value of investment in unlisted shares – Wundowie Carbon Pty Ltd (a)	**-**	947
Investment in joint venture – MH Energy Thailand LLC (b)	**20,406**	-
Total investments	**20,406**	**947**

(a) Wundowie Carbon Pty Ltd

During the financial year, Horizon's revalued its equity interest in Wundowie Carbon (formerly Re-Vi) to a $nil carrying value. Horizon was notified shortly after year end that Wundowie management have set out to wind-down the company and there is no expected distribution to equity holders. The revaluation adjustment is recognised in other comprehensive income.

(b) MH Energy Thailand LLC (MHET)

During the financial year, the Group completed the acquisition of Exxon Mobil Exploration and Production Khorat LLC, which was subsequently renamed MH Energy Thailand LLC. The Horizon Group owns a 75% share of MH Energy Thailand LLC, resulting in an effective 7.5% interest in the Sinphuhorm producing gas field and an effective 60% interest in the Nam Phong producing gas field. The effective date of the transaction was 1 January 2025 with revenues earned and costs incurred from the effective date to the completion date, 1 August 2025, adjusted against the initial purchase consideration.

MH Energy Thailand LLC is governed by a Shareholder Agreement that require unanimous consent for all relevant activities of the business, which give rise to a joint control regardless of the equity holding by Horizon. As such, Horizon's investment in MH Energy Thailand LLC is classified as a joint venture and is accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost and subsequently adjusted for Horizon's share of MH Energy

Thailand LLC's post-acquisition profit or loss and any distributions received. Horizon's share of MH Energy Thailand LLC's profit after tax is recognised in the consolidated statement of comprehensive income as 'Share of net profit from joint venture'.

Further information regarding the financial position and financial performance of MH Energy Thailand LLC for the year ended 30 June 2026 is disclosed below

	30 JUNE 2026 US$'000	30 JUNE 2025 US$'000
Summarised net asset position		
Current assets	**6,634**	-
Non-current assets	**51,775**	-
Current liabilities	**(7,817)**	-
Non-current liabilities	**(23,384)**	-
Closing net assets (gross)	**27,208**	-
Group's share of net assets in joint venture (75%)	**20,406**	-
Summarised income statement		
Gross profit	**20,984**	-
Other expenses	**(1,726)**	-
Depreciation and amortisation	**(9,132)**	-
Profit before tax	**10,126**	-
Income tax expense	**(5,230)**	-
Net profit after tax for the period (gross)	**4,896**	-
Group's share of net profit of joint venture (75%)	**3,672**	-

We note that the entity is in a net current liability position as at 30 June 2026. However, forecast cash flows from producing assets are expected to be sufficient to meet all obligations as they fall due. The largest current liability relates to the annual income tax liability, which is payable in March 2027.

	30 JUNE 2026 US$'000	30 JUNE 2025 US$'000
Reconciliation to carrying amount		
Cost at completion date	**23,046**	-
Less: Dividends received/receivable in cash	**(6,312)**	-
Add: Group's share of net profit	**3,672**	-
Closing balance	**20,406**	-

Note 14 Oil and gas assets

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
DEVELOPMENT AND PRODUCTION PHASE EXPENDITURE		
Producing oil and gas property acquisition, deferred geological, seismic and drilling, production and distribution facilities and other development expenditure	**569,585**	562,483
Acquisition – Cue Energy Resources Limited	**79,628**	-
Reassessment of restoration obligation	**201**	949
Carried forward accumulated impairment losses	**(37,581)**	(37,581)
Less accumulated amortisation	**(460,138)**	(427,982)
Total oil and gas assets	**151,695**	**97,869**

The reconciliation of development and production phase expenditure carried forward above is as follows:

	CONSOLIDATED		
	DEVELOPMENT PHASE EXPENDITURE US$'000	PRODUCTION PHASE EXPENDITURE US$'000	TOTAL US$'000
BALANCE AT 1 JULY 2024	-	119,747	119,747
Amortisation incurred	-	(32,967)	(32,967)
Change in restoration obligation	-	949	949
Production costs incurred during financial year	-	10,140	10,140
Balance at 30 June 2025	**-**	**97,869**	**97,869**
Amortisation incurred	**-**	**(32,156)**	**(32,156)**
Change in restoration obligation	**-**	**201**	**201**
Acquisition – Cue Energy Resources Limited	**1,230**	**78,398**	**79,628**
Production costs incurred during financial year	**-**	**6,153**	**6,153**
Balance at 30 June 2026	**1,230**	**150,465**	**151,695**

Note 15 Payables

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
CURRENT LIABILITIES		
Trade creditors	**6,652**	893
Share of joint operation creditors and accruals	**9,234**	10,695
ETS obligation[1]	**243**	346
Lease liabilities	**180**	113
Other creditors	**6,042**	2,436
Total current liabilities	**22,351**	**14,483**
NON-CURRENT LIABILITIES		
Mereenie acquisition – contingent payment[2]	**2,629**	2,460
Lease liabilities	**299**	318
Other creditors	**140**	116
Total non-current liabilities	**3,068**	**2,894**

[1] The ETS liability represents the Group's obligation to the New Zealand Government for the company's proportionate share of the Maari/Manaia fields greenhouse gas emissions. The ETS obligation is recorded at the cost of the units acquired to settle the obligation. When the number of units required to settle the obligation exceeds the units on hand, the excess will be accounted for at the cost of obtaining the incremental units required to settle the obligation.

[2] A future payment of A$4 million is payable to Macquarie Bank as purchase consideration for the acquisition of the Mereenie oil and gas fields subject to certain conditions being met.

Note 16 Borrowings

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
CURRENT:		
Debt Facility[1] (A)	**21,180**	8,236
NON-CURRENT:		
Debt Facility[1] (A)	**26,311**	17,419
Total borrowings	**47,491**	**25,655**

[1] Borrowings are shown net of associated transaction costs.

A. Debt Facility

Horizon has a senior debt facility agreement with Macquarie Bank which is structured as a reserve-based lending facility with semi-annual repayments. Lender security is over Horizon Group's production assets, including security over the shares or membership interests of the subsidiaries holding the producing assets. The security package includes security over the shares in Horizon Australia Energy Limited, Horizon Oil (Beibu) Limited, Horizon Oil International Limited and Horizon's 75% shareholding in MH Energy Thailand LLC (the subsidiary that holds the Sinphuhorm and Nam Phong gas fields).

The facility is subject to a minimum facility life coverage ratio of the net present value of estimated future cash flows from the Mereenie oil and gas field, Block 22/12 oil field and Sinphuhorm gas field as against the aggregate principal amount outstanding under the facility. Estimated future cash flows are dependent on, amongst other things, oil and gas prices, reserve estimates, operating and capital cost estimates. Horizon has guaranteed the performance of the subsidiaries which are obligors in relation to the loan facility from Macquarie Bank. The senior debt facility is subject to a minimum liquidity requirement that the Horizon Group maintains a minimum cash balance of US$10 million.

Below is a summary of the various tranches contained within the debt facility:

- Tranche A – During the financial year, the Group reached financial close on an increase in the Tranche A facility limit of A$10 million. The additional funding was utilised to partially fund the acquisition of a 75% equity interest in MH Energy Thailand LLC. As at 30 June 2026, drawings under Tranche A totalled A$43.2 million. The tranche amortises through to maturity on 30 June 2029 and bears interest at BBSW plus 5.0% per annum.

- Tranche B1 – During the financial year, the Group reached financial close on Tranche B1 and fully drew the US$15 million tranche to partially fund the acquisition of a 75% equity interest in MH Energy Thailand LLC. As at 30 June 2026, outstanding borrowings under this tranche were US$9.0 million. The tranche amortises through to maturity on 31 December 2027 and bears interest at SOFR plus 5.0% per annum.

- Tranche B2 – During the financial year, the Group reached financial close on Tranche B2 and fully drew the US$10 million facility to partially fund the acquisition of an initial 19.99% equity interest in Cue Energy Resources Limited pursuant to the pre-bid agreement with Echelon Resources. As at 30 June 2026, outstanding borrowings under this tranche were US$10.0 million. The tranche amortises through to maturity on 31 December 2027 and bears interest at SOFR plus 6.0% per annum.

At 30 June 2026, all available tranches under the Macquarie Bank debt facility were fully drawn, totalling US$48.7 million. The Group remained in compliance with all financial covenants associated with the facility at 30 June 2026.

B. Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
Cash and cash equivalents	**37,400**	39,782
Borrowings[2] – repayments within one year (including overdraft)	**(21,799)**	(8,351)
Borrowings[2] – repayments after one year and in five years (including overdraft)	**(26,884)**	(17,758)
Lease liabilities	**(479)**	(431)
Net (debt)/cash	**(11,762)**	**13,242**
Cash and liquid investments	**37,400**	39,782
Gross debt[2] – variable interest rates	**(48,683)**	(26,109)
Lease liabilities	**(479)**	(431)
Net (debt)/cash	**(11,762)**	**13,242**

[2] Borrowings and gross debt represent the nominal value of the Debt Facility drawn down.

		CASHFLOWS		NON-CASH CHANGES		
	OPENING 1 JULY 2025	DRAWDOWN	REPAYMENTS	FOREIGN EXCHANGE MOVEMENTS	AMORTISATION OF TRANSACTION COSTS	CLOSING 30 JUNE 2026
Debt facility[3]	25,655	30,253	(10,567)	1,638	512	47,491
Total liabilities from financing activities	**25,655**	**30,253**	**(10,567)**	**1,638**	**512**	**47,491**

[3] Borrowings are shown net of associated transaction costs.

Note 17 Non-current Provisions

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
Make up gas provision	**2,264**	-
Restoration provisions (a)	**88,784**	64,435
Total non-current provisions	**91,048**	64,435

(a) The reconciliation of the movement in the total of the restoration provisions is as follows:

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
Balance at beginning of financial year	**64,435**	61,459
Acquisition – Cue Energy Resources Limited	**21,356**	-
Additional provision during financial year	**68**	-
Unwinding of discount	**2,768**	2,643
Release of restoration provision	**-**	(994)
Effect of change in inflation, discount and FX rates	**157**	1,327
Balance at end of financial year	**88,784**	**64,435**

The Group holds provisions for the future decommission of oil and natural gas production facilities and pipelines at the end of their economic lives. The provisions predominantly relate to cost estimates for the plugging and abandonment of wells and the removal and disposal of platforms and pipelines, with added complexity around offshore facilities and wells. In most instances the removal of these assets will occur well into the future and the precise legal requirements that will require to be met are often uncertain. Decommissioning technologies and related costs are also constantly changing, as are political, environmental, safety and public expectations further adding to the uncertainty.

The estimate of future removal costs therefore requires management to make judgements around the timing of the required restoration, rehabilitation and decommissioning activities, as well as the discount rate, inflation and foreign exchanges rates where applicable. The group performs periodic and regular (at least every 6 months) assessment of its restoration liabilities, and the carrying amount is updated accordingly.

The weighted average discount rates used to measure the Group's provision balances at 30 June 2026 were determined with reference to long-dated government bonds in the United States (US), New Zealand (NZ), European Union (EU) and Australia (AU), reflecting the expected timing of future cash outflows. Nominal discount rates applied ranged from 4.2% to 4.4% for US dollar-denominated costs, 3.8% to 4.3% for New Zealand dollar-denominated costs, 2.8% to 3.3% for euro-denominated costs, and 5.4% for Australian dollar-denominated costs.

Future cost estimates were predominantly escalated using an inflation rate of 2.0%, consistent with the long-term inflation targets of the respective central banks. Costs denominated in foreign currencies (AUD, NZD and EUR) were translated into US dollars using the spot exchange rates prevailing at 30 June 2026.

New Zealand, Maari Restoration

The Maari restoration provision was reassessed during FY26 in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*. The underlying decommissioning cost estimate, which was comprehensively revised during FY23 as part of the Joint Venture's submission of a decommissioning plan and cost estimate to the New Zealand regulator, remained unchanged at 30 June 2026. Those estimates continue to be based on detailed third-party engineering studies and cost assessments.

During the financial year, New Zealand Petroleum & Minerals Department (NZPAM) granted a ten-year extension of the Maari permit (PMP 38160), extending its term from 1 December 2027 to 1 December 2037. The extension provides the JV with sufficient time to plan for the orderly decommissioning of the Maari fields, including maturing its underlying cost estimates and providing financial assurance to the regulator.

Australia, Mereenie Restoration

During FY26, the Mereenie Joint Venture operator, Central Petroleum, commissioned an independent consulting firm to prepare an updated decommissioning cost estimate as at 30 June 2026. The estimated expiry date for the Mereenie permits (OL4 and OL5) is in 2044 (pending any future life extension), providing the JV the opportunity to continue to mature its underlying cost estimates and a Decommissioning Plan.

China, Block 22/12 Restoration

The Production Sharing Contract (PSC) granted in relation to the Block 22/12 fields in offshore Beibu Gulf required the joint venture partners to settle their decommissioning obligations in full. As at 30 June 2026, all obligations by the Group had been settled with $nil provision required.

Cue Energy Resources (Cue)

As part of the acquisition of a controlling interest in Cue, the Group has recognised the identifiable liabilities/restoration provisions assumed at the acquisition date.

A summary of the Group's restoration provision by asset/operating segments are detailed below:

	MAARI US$'000	MEREENIE US$'000	BLOCK 22/12 US$'000	CUE ENERGY US$'000	TOTAL
Balance on 30 June 2025	**57,386**	**7,049**	**-**	**-**	**64,435**
Acquisition – Cue Energy Resources Limited	**-**	**-**	**-**	**21,356**	**21,356**
Additional provision	**-**	**68**	**-**	**-**	**68**
Unwinding of discount	**2,313**	**443**	**-**	**12**	**2,768**
Change in inflation, discount and FX rates	**132**	**25**	**-**	**-**	**157**
Balance on 30 June 2026	**59,831**	**7,585**	**-**	**21,368**	**88,784**
Advances paid for restoration works	**-**	**-**	**-**	**(4,377)**	**(4,377)**
Unfunded restoration provision	**59,831**	**7,585**	**-**	**16,991**	**84,407**

Note 18 Contributed equity

	CONSOLIDATED NUMBER OF SHARES		CONSOLIDATED	
	2026 ‘000	2025 ‘000	2026 US$’000	2025 US$’000
A. Issued share capital				
Ordinary shares				
Fully paid	**1,627,589**	1,625,302	**150,246**	149,940
Partly paid to A$0.01	**1,500**	1,500	**459**	459
Total	**1,629,089**	1,626,802	**150,705**	**150,399**

B. Movements in ordinary share capital

[i] Ordinary shares [fully paid]

DATE	DETAILS	NUMBER OF SHARES	US$’000
30 June 2025	Balance as at 30 June 2025	1,625,301,966	149,940
28 August 2025	Issuance of new shares – settlement of Performance Rights	2,286,537	306
30 June 2026	**Balance as at 30 June 2026**	**1,627,588,503**	**150,246**

[ii] Ordinary shares [partly paid to A$0.01]

DATE	DETAILS	NUMBER OF SHARES	US$’000
30 June 2026	**Balance as at 30 June 2026**	**1,500,000**	**459**
30 June 2025	Balance as at 30 June 2025	1,500,000	459

C. Ordinary shares

Fully paid

Fully paid ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. Voting rights are governed by the Company’s Constitution. In summary, on a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote and upon a poll each fully paid ordinary share is entitled to one vote.

Partly paid

Partly paid ordinary shares are issued on exercise of employee options. The partly paid shares currently on issue are held by the Company following forfeiture by their original holder. The outstanding obligation in relation to the partly paid ordinary shares is payable either when called or by the date not exceeding 5 years from the grant date of the option which gave rise to the partly paid ordinary share. Partly paid ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. Voting rights are governed by the Company’s Constitution. In summary, on a show of hands every holder of partly paid ordinary shares present at a meeting in person or by proxy is entitled to one vote and upon a poll, is entitled to one vote to the proportion of the total issue price then paid up.

D. Unlisted performance rights over unissued ordinary shares

Information related to the Horizon Long Term Incentive Plan and Deferred STI Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the financial year is set out in Note 28.

Note 19 Reserves and retained profits

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
A. RESERVES		
SHARE-BASED PAYMENTS RESERVE		
Movements:		
Balance at beginning of financial year	**8,636**	7,310
Employee share-based payments expense	**1,500**	1,597
Settlement of Performance Rights	**(588)**	(271)
Balance at end of financial year	**9,548**	**8,636**
HEDGE RESERVE		
Movements:		
Balance at beginning of financial year	**299**	(76)
Movement in net market value of hedge contracts	323	479
Deferred tax	(102)	(104)
Balance at end of financial year	**520**	**299**
TREASURY SHARES		
Movements:		
Balance at beginning of financial year	**-**	**-**
Acquisition of shares by the Employee Share Trust	**306**	**304**
Settlement of Performance Rights	**(306)**	**(304)**
Balance at end of financial year	**-**	**-**
CURRENCY TRANSLATION RESERVE		
Movements:		
Balance at beginning of financial year	**94**	7
Movement in currency translation	(41)	87
Balance at end of financial year	**53**	**94**
FINANCIAL ASSETS AT FVOCI RESERVE		
Movements:		
Balance at beginning of financial year	**(404)**	-
Revaluation of equity investment – Wundowie	**(947)**	(404)
Revaluation of equity investment – 19.99% Cue pre-bid shares	**1,179**	-
Balance at end of financial year	**(172)**	**(404)**
EQUITY SETTLED CONSIDERATION RESERVE		
Movements:		
Balance at beginning of financial year	**-**	**-**
Shares to be issued to Cue shareholders per Bidders Statement	**21,768**	**-**
Impact of new share issue by Cue	**(60)**	
Balance at end of financial year	**21,708**	**-**
Total reserves	**31,657**	**8,625**

B. Accumulated losses

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
Accumulated losses at beginning of financial year	**(158,640)**	(146,859)
Net loss for financial year	**(18,928)**	(11,781)
Accumulated losses at end of financial year	**(177,568)**	**(158,640)**

C. Profit reserve

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
Profit reserve at the beginning of the financial year	**64,914**	72,766
Parent company profit for financial year	**29,577**	24,028
Dividends paid	**(33,244)**	(31,880)
Profit reserve at the end of the financial year	**61,247**	**64,914**

D. Nature and purpose of reserves

Share-based payment reserve:

The fair value of performance rights and deferred STI rights granted to employees results in an increase in equity upon recognition of the corresponding employee benefits expense, as described in the accounting policy set out in Note 1(W)((iii)).

The Company has elected to retain any amounts originally recognised in the share-based payments reserve, regardless of whether the associated options or share appreciation rights are cancelled or lapse unexercised.

Hedge reserve:

Changes in the market value of the effective portion of derivatives is reflected directly in equity until such time as the hedge is ineffective or expires, as described in the accounting policy set out in Note 1(T).

Treasury shares:

Treasury shares are shares in Horizon that are held by the Horizon Employee Share Trust for the purpose of issuing shares under the Horizon Employee Option Scheme and the Horizon Long Term Incentive (LTI) Plan. Refer to Note 28 for further information. Shares issued to employees are recognised on a weighted average basis.

Currency translation reserve:

Exchange differences arising on translation of Horizon Australia Energy Pty Ltd and Cue Energy Resources Limited, from its functional currency of Australian dollars into the Group's presentation currency of United States dollars, are recognised in other comprehensive income as described in the accounting policy set out in Note 1(F) and accumulated in a separate reserve within equity.

Financial assets at FVOCI reserve:

Financial assets at FVOCI refer to:

1. The Group's investment in the unlisted equity securities of Wundowie Carbon Pty Ltd (formerly Re-Vi). During the year, a fair value loss of US$0.9 million (2025: nil) was recognised in other comprehensive income in accordance with the accounting policy set out in Note 1(P). The cumulative fair value movement has been recognised in the FVOCI reserve within equity.

2. The Group's initial 19.99% equity interest in Cue Energy Resources Limited, acquired under the pre-bid agreement on 2 March 2026. Prior to 17 June 2026 (date of control), the investment was classified as a financial asset measured at fair value through other comprehensive income (FVOCI). Upon obtaining control, the previously held interest was remeasured to its

acquisition-date fair value. Consistent with the Group's FVOCI election, the resultant fair value gain of US$1.2 million was recognised in other comprehensive income.

Equity settled consideration reserve:

The equity settled consideration reserve holds the Group's shares not yet issued under the off-market takeover offer for the shareholders of Cue Energy Resources Limited. Under the offer terms, Cue shareholders were entitled to receive 0.5625 Horizon shares for each Cue share held. Subsequent to the year end, these shares were issued and the balance transferred to contributed equity.

Note 20 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and commodity price risk); credit risk; liquidity risk; capital risk; and climate related and other emerging risks. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as oil price swaps, interest rate swaps and foreign exchange forward contracts, to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The Group uses different methods to measure the different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and commodity price risks, and aging analysis for credit risk.

Risk management is carried out by the finance function under policies approved by the Board of Directors. The finance function identifies, evaluates and if necessary hedges financial risks in close co-operation with Group management. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as mitigating foreign exchange, interest rate and credit risks and the use of derivative financial instruments.

The Group has no off-balance sheet financial assets or liabilities as at the end of the reporting period.

The Group held the following financial instruments at 30 June 2026 and 30 June 2025.

	CONSOLIDATED	
	2026 US$'000	2025 US$'000
FINANCIAL ASSETS		
Cash and cash equivalents	**37,400**	39,782
Receivables	**14,731**	14,507
Loan advanced to associate	**3,328**	-
Derivative financial instruments	**713**	406
Total financial assets	**56,172**	**54,695**
FINANCIAL LIABILITIES		
Payables (current)	**22,351**	14,483
Current tax payable	**5,548**	3,920
Derivative financial instruments	**-**	2
Payables (non-current)	**3,068**	2,894
Borrowings (net of borrowing costs capitalised)	**47,491**	25,655
Total financial liabilities	**78,458**	**46,954**

A. Market risk

(i) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Foreign exchange risk arises when future commercial transactions and recognised financial assets and financial liabilities are denominated in a currency that is not the Group's functional currency.

The Group operates internationally and is exposed to foreign exchange risk arising predominately from Australian and New Zealand dollars, Chinese Renminbi and Indonesian Rupiah. The Group manages foreign exchange risk by monitoring forecast cash flows in currencies other than US dollars and ensuring that adequate Australian dollar and New Zealand dollar cash balances are maintained.

The objective of the Group's foreign exchange risk management policy is to ensure its financial viability despite potential periods of unfavourable exchange rates. Regular sensitivity analysis is conducted to evaluate the potential impact of unfavourable exchange rates on the Group's future financial position. The results of this evaluation are used to determine the most appropriate risk mitigation tool to be used. The Group will hedge when it is deemed the most appropriate risk mitigation tool to be used.

As at 30 June 2026, the Group had no foreign exchange contracts (30 June 2025: AUD 1.8 million and NZD 1.0 million).

Exposure to foreign exchange risk

The Group's exposure to foreign exchange risk at the end of each reporting period was as follows:

GROUP	30 JUNE 2026 AUD US$'000	30 JUNE 2026 NZD US$'000	30 JUNE 2026 RMB US$'000	30 JUNE 2026 IDR US'000	30 JUNE 2025 AUD US$'000	30 JUNE 2025 NZD US$'000	30 JUNE 2025 RMB US$'000
Cash and cash equivalents	**15,165**	**1,381**	**-**	**28**	13,074	1,086	-
Receivables	**3,826**	**135**	**-**	**3**	2,108	179	-
Current tax payable	**15**	**1,484**	**1,374**	**-**	-	3,771	736
Current payables	**6,553**	**937**	**2,827**	**1**	1,887	-	57
Non-current payables	**2,629**	**-**	**-**	**-**	2,459	-	-

For the financial year ended and as at 30 June 2026, if the currencies set out in the table below had strengthened or weakened against the US dollar by the percentage shown, with all other variables held constant, the net result for the financial year would increase / (decrease) and net assets would increase / (decrease) by:

GROUP	NET RESULT 2026 US$'000	NET RESULT 2025 US$'000	NET ASSETS 2026 US$'000	NET ASSETS 2025 US$'000	NET RESULT 2026 US$'000	NET RESULT 2025 US$'000	NET ASSETS 2026 US$'000	NET ASSETS 2025 US$'000
Change in currency[1]	**+10%**	+10%	**+10%**	+10%	**-10%**	-10%	**-10%**	-10%
Australian dollar impact	**383**	482	**686**	759	**(383)**	(482)	**(686)**	(759)
New Zealand dollar impact	**609**	596	**(65)**	(180)	**(609)**	(596)	**65**	180
Chinese Renminbi impact	**-**	-	**(315**	(59)	**-**	-	**315**	59
Indonesian Rupiah impact	**-**	-	**(22)**	-	**-**	-	**22**	-

1 This has been based on the change in the exchange rate against the US dollar in the financial years ended 30 June 2026 and 30 June 2025. The sensitivity analysis has been based on the sensitivity rates when reporting foreign exchange risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates based on historic volatility. In management's opinion, the sensitivity analysis is not fully representative of the inherent foreign exchange risk as the end of the reporting period exposure does not necessarily reflect the exposure during the course of the financial year.

(ii) Commodity price risk

Commodity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market commodity prices for crude oil and natural gas.

The objective of the Group's commodity price risk management policy is to ensure its financial viability despite potential periods of unfavourable prices. Regular sensitivity analysis is conducted to evaluate the potential impact of unfavourable prices on the Group's future financial position. The results of this evaluation are used to determine the most appropriate risk mitigation tool to be used. The Group will hedge when it is deemed the most appropriate risk mitigation tool to be used or where required by its financing arrangements.

During the current financial year, oil price hedging was undertaken as a risk mitigation measure to ensure the Group's financial position remains sound and that the Group is able to meet its financial obligations in the event of low oil prices. In relation to the Group's exposure to the natural gas prices, majority of the gas are sold under fixed price contracts, providing a natural hedge against the commodity market volatility.

At 30 June 2026, the Group had 180,000 bbls of crude oil hedged through Brent oil price swaps at a weighted average price of US$77.48/bbl.

Effects of crude oil hedging

The effects of the oil price swaps on the group's financial position and performance are as follows:

	CONSOLIDATED	
	30 JUNE 2026 US$'000	30 JUNE 2025 US$'000
OIL PRICE SWAPS		
Carrying amount – asset	**713**	390
Notional amount	**13,876**	12,314
Maturity date	**31 July 2026 – 31 December 2026**	31 July 2025 – 31 December 2025
Hedge ratio[1]	**1:1**	1:1
Change in fair value of outstanding hedging instruments	**323**	495
Weighted average hedged rate for the year	**US$77.09/bbl**	US$68.41/bbl

[1] The oil price swaps were executed in the same oil price benchmark as the highly probable future oil sales, therefore the hedge ratio is 1:1.

For the financial year ended and as at 30 June 2026, if the crude oil price rose or fell by the percentage shown, with all other variables held constant, the result for the financial year would increase / (decrease) and net assets would increase / (decrease) by:

GROUP	NET RESULT		NET ASSETS		NET RESULT		NET ASSETS	
	2026 US$'000	2025 US$'000	2026 US$'000	2025 US$'000	2026 US$'000	2025 US$'000	2026 US$'000	2025 US$'000
Change in crude oil price	**+10%**	+10%	**+10%**	+10%	**-10%**	-10%	**-10%**	-10%
Impact	**3,582**	4,467	**3,582**	4,467	**(3,973)**	(4,957)	**(3,973)**	(4,957)

(iii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group has no interest-bearing assets considered to materially expose the Group's core income and/or operating cash flows to changes in market interest rates.

As at 30 June 2026 and 30 June 2025, the Group's interest rate risk arises from borrowings, issued at variable rates, exposing the Group to cash flow interest rate risk. Group policy is to manage material interest rate exposure. Regular sensitivity analysis is conducted to evaluate the potential impact of unfavourable interest rate movements on the Group's future financial position. The results of this evaluation are used to determine the most appropriate risk mitigation tool to be used. During the current and prior financial year, the Group did not enter into any interest rate swap contracts.

The Group's exposure to interest rate risk for financial instruments is set out below:

AS AT 30 JUNE 2026	FLOATING INTEREST RATE	FIXED INTEREST RATE MATURING IN:			NON-INTEREST BEARING	CARRYING AMOUNT
		1 YEAR OR LESS	OVER 1 TO 2 YEARS	OVER 2 TO 5 YEARS		
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
FINANCIAL ASSETS						
Cash and cash equivalents	36,172	124	-	-	1,104	37,400
Receivables	-	-	-	-	14,731	14,731
Loan advanced to associate	3,328	-	-	-	-	3,328
Derivative financial instruments	-	-	-	-	713	713
Total	**39,500**	**124**	**-**	**-**	**16,548**	**56,172**
Weighted average interest rate p.a.	4.32%					
FINANCIAL LIABILITIES						
Trade and other payables	-	-	-	-	22,351	22,351
Current tax payable	-	-	-	-	5,548	5,548
Non-current payables	-	-	-	-	3,068	3,068
Borrowings (nominal)	48,684	-	-	-	-	48,684
Total	**48,684**	**-**	**-**	**-**	**30,967**	**79,651**
Weighted average interest rate p.a.	11.35%					
Net financial liabilities	**(9,184)**	**124**	**-**	**-**	**(14,419)**	**(23,479)**

AS AT 30 JUNE 2025	FLOATING INTEREST RATE	FIXED INTEREST RATE MATURING IN:			NON-INTEREST BEARING	CARRYING AMOUNT
		1 YEAR OR LESS	OVER 1 TO 2 YEARS	OVER 2 TO 5 YEARS		
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
FINANCIAL ASSETS						
Cash and cash equivalents	20,838	17,656	-	-	1,288	39,782
Receivables	-	-	-	-	14,507	14,507
Derivative financial instruments	-	-	-	-	406	406
Total	**20,838**	**17,656**	**-**	**-**	**16,201**	**54,695**
Weighted average interest rate p.a.	3.94%					
FINANCIAL LIABILITIES						
Trade and other payables	-	-	-	-	14,483	14,483
Current tax payable	-	-	-	-	3,920	3,920
Non-current payables	-	-	-	-	2,576	2,576
Derivative financial instruments	-	-	-	-	2	2
Borrowings (nominal)	26,109	-	-	-	-	26,109
Total	**26,109**	**-**	**-**	**-**	**20,981**	**47,090**
Weighted average interest rate p.a.	9.46%					
Net financial assets/(liabilities)	**(5,271)**	**17,656**	**-**	**-**	**(4,780)**	**7,605**

As at 30 June 2026 and 30 June 2025, the Group had the following variable rate borrowings outstanding:

	30 JUNE 2026		30 JUNE 2025	
	WEIGHTED AVERAGE INTEREST RATE	BALANCE	WEIGHTED AVERAGE INTEREST RATE	BALANCE
	% P.A.	US$'000	% P.A.	US$'000
External loans	**11.35%**	**48,684**	9.46%	26,109
Net exposure to cashflow interest rate risk		**48,684**		**26,109**

At 30 June 2026 and 30 June 2025, if the interest rates had been 1.0% p.a. higher or lower and all other variables held constant, the net result for the financial year would increase/(decrease) and net assets as at 30 June 2026 and 30 June 2025 would increase/(decrease) by:

GROUP	NET RESULT		NET ASSETS		NET RESULT		NET ASSETS	
	2026	2025	2026	2025	2026	2025	2026	2025
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
CHANGE IN INTEREST RATE P.A.	**+1%**	+1%	**+1%**	+1%	**-1%**	-1%	**-1%**	-1%
Impact of assets	**92**	135	**92**	135	**(399)**	(531)	**(399)**	(531)
Impact of liabilities	**338**	183	**338**	183	**(3,835)**	(1,729)	**(3,835)**	(1,729)
Impact of net assets	**(245)**	(48)	**(245)**	(48)	**3,436**	1,198	**3,436**	1,198

B. Credit risk

Credit risk is managed on a Group basis. Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from cash and cash equivalents, derivative financial instruments, as well as credit exposures to customers, including outstanding receivables.

It is acknowledged that the Group's sales of crude oil are concentrated with three counterparties, and sales of natural gas are predominantly to the domestic gas market (often government counterparties) with fixed contracts of up to 12 months in advance. However, the Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history, and that the Group has the ability to sell crude to other parties if desired.

Derivative counterparties and cash transactions are limited to high credit quality financial institutions. Where commercially practical the Group seeks to limit the amount of credit exposure to any one financial institution. The maximum exposure to credit risk at the end of each reporting period is the carrying amount of the financial assets as summarised in this note. The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates. Management continues to assess any changes to credit ratings of various counterparties as well and default rates ($nil as at the date of this report).

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2026 and the corresponding historical credit losses experienced within this period. The historical rates are adjusted to reflect current and forward-looking information on key factors affecting the ability of the customers to settle the receivables. Management has assessed the collectability of these amounts based on the customer relationships and historical payment behaviour and believe that the amounts are still collectable in full.

On that basis, the loss allowance as at 30 June 2026 was determined as follows for trade receivables:

AS AT 30 JUNE 2026	CURRENT	MORE THAN 30 DAYS DUE PAST	MORE THAN 60 DAYS DUE PAST	TOTAL
Expected loss rate	0%	0%	0%	
Gross carrying amount	**14,731**	**-**	**-**	**14,731**
Loss allowance	**-**	**-**	**-**	**-**

As at 30 June 2026, there were no financial assets that are past due (30 June 2025: US$Nil). At the date of this report, the full balance of the receivables has been received in cash.

C. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities.

The Group has policies in place to manage liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching profiles of financial assets and liabilities.

Financing arrangements
As at 30 June 2026 and 30 June 2025, the Group had no undrawn borrowing facilities.

Maturities of financial liabilities
An analysis of the Group's financial liability maturities for the current and prior financial year is set out below:

AS AT JUNE 2026	NON-INTEREST BEARING US$'000	VARIABLE RATE[1] US$'000	FIXED RATE US$'000
Less than 6 months	**27,898**	**240**	**-**
6 – 12 months	**-**	**25,030**	**-**
Between 1 and 2 years	**3,068**	**17,462**	**-**
Between 2 – 5 years	**-**	**12,269**	**-**
Total contractual cash flows	**30,966**	**55,000**	**-**

[1] Includes principal repayments and future interest payments.

AS AT JUNE 2025	NON-INTEREST BEARING US$'000	VARIABLE RATE[1] US$'000	FIXED RATE US$'000
Less than 6 months	18,992	6,729	-
6 – 12 months	-	3,572	-
Between 1 and 2 years	2,777	13,052	-
Between 2 – 5 years	-	6,794	-
Total contractual cash flows	**21,769**	**30,147**	**-**

[1] Includes principal repayments and future interest payments.

D. Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

AASB 7 '*Financial Instruments: Disclosures*' requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

[i] Fair value measurements

The following table presents the Group's assets and liabilities measured and recognised at fair value as at 30 June 2026 and 30 June 2025:

AS AT 30 JUNE 2026	LEVEL 1 US$'000	LEVEL 2 US$'000	LEVEL 3 US$'000	TOTAL US$'000
ASSETS				
Derivatives used for hedging	-	713	-	713
Financial assets at fair value through OCI:				
Equity investment in unlisted shares	-	-	-	-
Total assets	**-**	**713**	**-**	**713**
LIABILITIES				
Mereenie acquisition – contingent payment	-	-	2,629	2,629
Total liabilities	**-**	**-**	**2,629**	**2,629**

AS AT 30 JUNE 2025	LEVEL 1 US$'000	LEVEL 2 US$'000	LEVEL 3 US$'000	TOTAL US$'000
ASSETS				
Derivatives used for hedging	-	406	-	406
Financial assets at fair value through OCI:				
Equity investment in unlisted shares	-	947	-	947
Total assets	**-**	**1,353**	**-**	**1,353**
LIABILITIES				
Derivatives used for hedging	-	2	-	2
Mereenie acquisition – contingent payment	-	-	2,460	2,460
Total liabilities	**-**	**2**	**2,460**	**2,462**

There were no transfers between levels 1, 2 or 3 for recurring fair value measurements during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2026.

[ii] Valuation techniques used to derive fair values

The fair value of financial instruments traded in active markets (such as publicly traded derivatives) was based on quoted market prices at the end of each reporting period. The quoted market price used for hedging derivatives held by the Group was the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimate. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Specific valuation techniques used to value financial instruments include:

– Discounted cash flow projections based on reliable estimates of future cash flows.

All resulting fair value estimates for unlisted equities are included in level 3.

The fair value of the Mereenie contingent payment reflect the Group's expectation of the outcome of the specific events and the timing of the potential payment and is included in level 3.

[iii] Other fair value measurements

The carrying value of receivables, current portion of loan advanced to associate, and payables are assumed to approximate their fair values due to their short-term nature.

The fair value of other financial liabilities (being financial guarantees), after factoring in the likelihood that the parent entity would be required to perform under the guarantees, was not considered material.

The fair value of borrowings for disclosure purposes is not materially different to their carrying value given the likely anticipated repayment profile. Refer to Note 16 for further details.

The fair value of other classes of financial instruments not yet covered above was determined to approximate their carrying value.

E. Capital risk

The consolidated entity manages its capital to ensure that entities in the consolidated group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balances.

F. Climate-related and other emerging risks

Climate-related and other emerging risks encompass the impact of climate change, any associated climate change regulations, funding restrictions and any other emerging factors (e.g. technological disruption to the oil and gas industry) that could have a material impact on the Group. The Group will continue to monitor the impact of these risks.

At the date of this report, the Group is impacted by emissions trading regulations in New Zealand. Currently there are no equivalent emissions trading regulations in the other jurisdictions in which the Group operates.

The Group manages the impact of the emissions trading regulations in New Zealand by acquiring New Zealand carbon credits (NZUs) throughout the financial period to offset its annual obligation, such that it is not wholly exposed to the NZU price at the date of settlement.

At 30 June 2026, if the New Zealand carbon credit price had been 10% p.a. higher or lower and all other variables held constant, the net result for the financial year would increase/(decrease) and net assets as at 30 June 2026 would increase/(decrease) by:

GROUP	NET RESULT		NET ASSETS		NET RESULT		NET ASSETS	
	2026 US$'000	2025 US$'000	2026 US$'000	2025 US$'000	2026 US$'000	2025 US$'000	2026 US$'000	2025 US$'000
Change in NZU price	**+10%**	+10%	**+10%**	+10%	**-10%**	-10%	**-10%**	-10%
Impact	**28**	43	**(14)**	24	**(28)**	(43)	**14**	(24)

Note 21 New Zealand Imputation Credits

	CONSOLIDATED	
	30 JUNE 2026 US$'000	30 JUNE 2025 US$'000
Imputation credits available for subsequent financial years[1]	**2,720**	2,923

[1] The franking credits available for subsequent financial years are only available to New Zealand resident shareholders under the Trans-Tasman imputation legislation.

Note 22 Acquisition of a 57.03% interest in Cue Energy Resources Limited

Summary of acquisition

On 2 March 2026, the Group entered into a pre-bid agreement with Echelon Offshore Limited ("Echelon") in respect of Echelon's 139,885,879 fully paid ordinary shares in Cue Energy Resources Limited ("Cue", ASX: CUE) and launched an off-market takeover offer for Cue pursuant to the replacement bidder's statement dated 19 March 2026. The offer was declared unconditional on 17 June 2026, with the company acquiring a 57.03% controlling interest in Cue.

Management has completed its assessment of the accounting treatment and disclosure requirements arising from the acquisition the controlling interest in Cue. The transaction has been accounted for in accordance with AASB 3 *Business Combinations*, AASB 9 *Financial Instruments* and AASB 10 *Consolidated Financial Statements*. This assessment concluded that the acquisition represents a business combination achieved in stages, with Horizon initially acquiring a 19.99% equity interest on 2 March 2026 before obtaining control on 17 June 2026, when the takeover offer became unconditional.

Provisional Purchase Price Allocation

The accounting for the acquisition has been determined provisionally as at 30 June 2026. Due to the proximity of the acquisition date to the reporting date, the Group has not yet completed a detailed assessment of the fair values of all identifiable assets and liabilities acquired.

Management has completed a preliminary assessment of the fair value of acquired assets and liabilities. The provisional fair values assigned to Cue's identifiable net assets have been determined such that the residual difference between the purchase consideration and the fair value of identifiable net assets (excluding oil and gas assets) has been allocated to the acquired oil and gas assets. Accordingly, no goodwill or gain on bargain purchase has been recognised at 30 June 2026.

The Group expects to finalise the purchase price allocation during the measurement period permitted under AASB 3. Any amendments identified within the measurement period will be recognised retrospectively as if the acquisition accounting had been completed at the acquisition date.

Management will continue to review and refine the provisional fair value assessments during the measurement period, with any adjustments recognised in accordance with the requirements of AASB 3.

Consideration transferred:

The consideration transferred for the acquisition comprised cash consideration and Horizon shares issued under the takeover offer. Under the offer terms, Cue shareholders were entitled to receive A$0.008 cash and 0.5625 Horizon shares for each Cue share held. Horizon also acquired a 19.99% interest in Cue pursuant to a pre-bid agreement entered into with Echelon Offshore Limited.

	2026 US$'000
Purchase consideration	
Cash consideration	**1,397**
Fair value of Horizon shares issued[1]	**20,635**
Fair value of previously held 19.99% interest	**12,343**
Total consideration transferred	**34,375**

[1] The fair value of Horizon shares issued as consideration was determined using Horizon's quoted share price on 17 June 2026, being the acquisition date.

Fair value of identifiable assets acquired, and liabilities assumed at acquisition date (provisional):

The provisional acquisition-date fair values assets and liabilities recognised as a result of the acquisition at the completion date are as follows:

	FAIR VALUE US$'000
Cash and cash equivalents	**10,564**
Receivable	**6,134**
Inventories	**1,728**
Plant & equipment and other assets	**595**
Oil and gas assets	**80,172**
Deferred tax assets	**5,441**
Advances paid for restoration works	**4,377**
Total assets acquired	**109,011**
Payables	**3,914**
Current tax payable	**2,158**
Deferred tax liabilities	**16,824**
Provisions	**23,819**
Total liabilities acquired	**46,715**
Net identifiable assets acquired[1]	**62,296**
Less: Non-controlling interest (44.82% at date of control)	(27,921)
Net identifiable assets acquired by Group	**34,375**

[1] In addition to the aforementioned identifiable assets and liabilities, the Group assumed oil and gas expenditure commitments associated with the acquired license. Refer to Note 32 for further detail in relation to the Group's capital commitments.

Acquisition costs

Acquisition-related costs of US$0.9 million were incurred in relation to the transaction. These costs principally comprise legal and other professional fees and have been recognised within administrative expenses in the statement of profit or loss during the period classified as one off. Costs directly attributable to the issue of Horizon shares have been recognised as a deduction from equity.

Revenue and profit Contribution

From the acquisition date of 17 June 2026 to 30 June 2026, Cue contributed revenue of US$2.5 million and profit after tax of US$1.1 million to the Group.

PRO-FORMA INFORMATION[1]	US$'000
Pro forma revenue had the acquisition occurred on 1 July 2025	**34,092**
Pro forma profit after tax had the acquisition occurred on 1 July 2025	**2,863**

[1] The pro forma information has been prepared for illustrative purposes only and does not necessarily reflect the results that would have occurred had the acquisition taken place on 1 July 2025, nor is it indicative of future operating results.

Measurement Period

At 30 June 2026, the accounting for the acquisition remains provisional due to the proximity of the acquisition date to the reporting date. In particular, the valuation of oil and gas assets, exploration and evaluation assets, restoration obligations, deferred tax balances and resulting goodwill remain subject to finalisation. The Group will finalise the purchase price allocation during the measurement period, which extends for up to twelve months from the acquisition date.

Note 23 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy set out in Note 1(C):

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	PERCENTAGE OF EQUITY HOLDING & VOTING INTEREST (ALL SHARES ISSUED ARE ORDINARY SHARES)		BUSINESS ACTIVITIES CARRIED ON IN:
		2026 %	2025 %	
Horizon Oil Limited:				
Horizon Oil International Limited	New Zealand	100	100	New Zealand
Horizon Oil International Holdings Limited	BVI	100	100	BVI
Horizon Oil (Beibu) Limited	BVI	100	100	China
Horizon Oil (China Holdings) Limited	BVI	100	100	BVI
Horizon Oil Employee Incentive Trust	Australia	100	100	Australia
Horizon Australia Investments Pty Limited	Australia	100	100	Australia
Horizon Australia Energy Pty Limited	Australia	100	100	Australia
Horizon Thailand Investments Pty Limited	Australia	100	100	Australia
Cue Energy Resources Limited[1]:				
Cue Energy Resources Limited	Australia	57.03	-	Australia
Cue Mahakam Hilir Pty Ltd[2]	Australia	57.03	-	Australia
Cue (Ashmore Cartier) Pty Ltd	Australia	57.03	-	Australia
Cue Sampang Pty Ltd	Australia	57.03	-	Australia
Cue Taranaki Pty Ltd	Australia	57.03	-	Australia
Cue Kalimantan Pte Ltd	Singapore	57.03	-	Singapore
Cue Mahato Pty Ltd	Australia	57.03	-	Australia
Cue Exploration Pty Ltd	Australia	57.03	-	Australia
Cue Palm Valley Pty Ltd	Australia	57.03	-	Australia
Cue Mereenie Pty Ltd	Australia	57.03	-	Australia
Cue Dingo Pty Ltd	Australia	57.03	-	Australia

[1] Represents the % interest held by Cue Energy Resources Limited. The Group interest is 57.03% of the Cue Energy Resources Limited interest.

[2] Mahakam Hilir Profit Sharing Contract (PSC) exploration permit has expired and regulatory processes for surrender are ongoing as at 30 June 2026.

Note 24 Interest in joint operations

Companies in the Group were participants in a number of joint operations. The Group has an interest in the assets and liabilities of these joint operations. The Group's share of current assets and liabilities of the joint operations is included in the consolidated statement of financial position in accordance with the accounting policy described in Note 1(C), and the carrying values of Group's share of exploration, development and production phase expenditure is recorded in accordance with the accounting policies set out in Note 1(P) and (N), under the following classifications:

	CONSOLIDATED	
	30 JUNE 2026 US$'000	30 JUNE 2025 US$'000
CURRENT ASSETS		
Cash and cash equivalents	**1,221**	1,288
Receivables	**179**	142
Inventories	**10,975**	3,733
Prepaid expenses	**111**	22
Total current assets	**12,486**	**5,185**
NON-CURRENT ASSETS		
Oil and gas assets	**151,695**	97,869
Total non-current assets	**151,695**	**97,869**
Total assets	**164,181**	**103,054**
CURRENT LIABILITIES		
Payables	**13,359**	10,695
Total current liabilities	**13,359**	**10,695**
NON-CURRENT LIABILITIES		
Restoration provision	**88,784**	64,435
Total non-current liabilities	**88,784**	**64,435**
Total liabilities	**102,143**	**75,130**
Share of net assets employed in joint operations	**62,038**	**27,924**

Contingent liabilities in respect of joint operations are detailed in Note 31.

Exploration and development expenditure commitments in respect of joint operations are detailed in Note 32.

The Group had an interest in the following joint operations:

PERMIT OR LICENCE	PRINCIPAL ACTIVITIES	INTEREST (%) 30 JUNE 2026	INTEREST (%) 30 JUNE 2025
Horizon Oil Limited			
NEW ZEALAND			
PMP 38160 (Maari / Manaia)	Oil and gas production, exploration and development	26.00%	26.00%
CHINA			
Block 22/12	Oil and gas production, exploration and development	26.95%	26.95%
AUSTRALIA			
Mereenie OL4 & OL5	Oil and gas production, exploration and development	25.00%	25.00%
Cue Energy Resources[1]			
INDONESIA			
Mahato PSC	Oil and gas production, exploration and development	11.25%	-
INDONESIA			
Sampang PSC	Oil and gas production, exploration and development	15.00%	-

PERMIT OR LICENCE	PRINCIPAL ACTIVITIES	INTEREST (%) 30 JUNE 2026	INTEREST (%) 30 JUNE 2025
NEW ZEALAND			
PMP 38160 (Maari / Manaia)	Oil and gas production, exploration and development	5.00%	-
AUSTRALIA			
Mereenie OL4 & OL5	Oil and gas production, exploration and development	7.50%	-
AUSTRALIA			
Palm Valley	Oil and gas production, exploration and development	15.00%	-
AUSTRALIA			
Dingo	Oil and gas production, exploration and development	15.00%	-

[1] Represents the % interest held by Cue Energy Resources Limited. The Horizon Group interest is 57.03% of the Cue Energy Resources Limited interest.

Note 25 Remuneration of external auditors

	CONSOLIDATED	
	2026 US$	2025 US$
During the financial year, the following fees were paid or payable for services provided by the external auditor of the parent entity and its related practices:		
PWC AUSTRALIA – HORIZON OIL LIMITED		
Audit and other assurance services		
Audit and review of financial reports	**295,337**	231,365
Other assurance services	**15,988**	13,788
TOTAL PWC AUSTRALIA	**311,325**	245,153
KPMG AUSTRALIA – CUE ENERGY RESOURCES LIMITED		
Audit and other assurance services		
Audit and review of financial reports	**226,261**	-
Other assurance services	**5,569**	-
Other services		
Advisory services	**20,609**	-
Tax compliance	**12,385**	-
TOTAL KPMG AUSTRALIA	**264,824**	-
Total auditors' remuneration	**576,149**	**245,153**

It is the Group's policy to employ PricewaterhouseCoopers on assignments additional to its statutory external audit duties where PricewaterhouseCoopers' expertise and experience with the Group are important. It is the Group's policy to seek competitive tenders for all major consulting projects.

Note 26 Remuneration of key management personnel

See the Remuneration Report within the Directors' Report for details of directors and other key management and their detailed remuneration.

KEY MANAGEMENT PERSONNEL COMPENSATION	2026 US$'000	2025 US$'000
Short-term employee benefits	**1,322,721**	1,299,275
Post-employment benefits	**60,769**	58,190
Long-term benefits	**(6,586)**	(9,598)
Share-based payments (non-cash)	**1,010,814**	1,164,419
Total key management personnel remuneration	**2,387,718**	**2,512,286**

Detailed remuneration disclosures are provided in sections 1 - 6 of the audited Remuneration Report.

Loans to key management personnel

There were no loans to directors or other key management personnel during the current or prior financial year.

Other transactions with key management personnel

There were no other transactions with key management personnel during the current or prior financial year, other than as disclosed in sections 1 - 6 of the remuneration report.

Note 27 Related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties, unless otherwise stated.

Directors and other key management personnel
There were no related party transactions with directors and other key management personnel during the current or prior year other than as disclosed in sections 1 - 6 of the Remuneration report and Note 28.

Subsidiaries
Interests in subsidiaries are set out in Note 23. Details in respect of guarantees provided to subsidiaries are set out in Note 35((ii)).

Associate – Matahio Energy
Loan advanced to Matahio (25% equity holder in the MHET joint venture) is set out in Note 11. The loan is subject to interest and made on normal commercial terms and at a market rate of SOFR plus 6.0%.

Transactions with related parties
Transactions between Horizon Oil Limited and related parties in the wholly-owned Group during the financial years ended 30 June 2026 and 30 June 2025 consisted of:

(a) Contributions to share capital by Horizon Oil Limited;
(b) Loans advanced by Horizon Oil Limited;
(c) Loans repaid to Horizon Oil Limited;
(d) Payments to Horizon Oil Limited under financial guarantee contract arrangements;
(e) Interest payments to Horizon Oil Limited on loans advanced to subsidiaries;
(f) Dividends paid to Horizon Oil Limited; and
(g) Reimbursement of expenses to Horizon Oil Limited.

The reimbursement of expenses to Horizon Oil Limited by subsidiaries is based on costs recharged on a relevant time allocation of consultants and employees and associated office charges.

Terms and conditions
Transactions relating to dividends, calls on partly paid shares and subscriptions for new ordinary shares were on the same terms and conditions that applied to other shareholders.

All other transactions were made on normal commercial terms and conditions and at market rates, except that there are no fixed terms for the repayment of loans between the parties. Certain loans to/from subsidiaries are subject to interest. The average interest rate on loans attracting interest during the financial year was SOFR plus 4.53% (2025: LIBOR plus 4.53%). Outstanding balances are unsecured and repayable in cash.

Note 28 Share-based payments

Set out below is a summary of performance rights, deferred STI rights and share appreciation rights on issue:

GRANT DATE	ESTIMATED EXPIRY DATE	EXERCISE PRICE	BALANCE START OF FINANCIAL YEAR NUMBER	GRANTED DURING FINANCIAL YEAR[1] NUMBER	EXERCISED DURING FINANCIAL YEAR NUMBER	LAPSED / CANCELLED DURING FINANCIAL YEAR NUMBER	BALANCE END OF FINANCIAL YEAR NUMBER	VESTED & EXERCISABLE AT END OF FINANCIAL YEAR NUMBER
CONSOLIDATED ENTITY 2026								
PERFORMANCE RIGHTS ISSUED								
28/08/2024	30/06/2027	-	**18,299,652**	**3,078,105**	**-**	**-**	**21,377,757**	**7,125,919**
20/11/2024	30/06/2027	-	**8,577,963**	**1,442,864**	**-**	**-**	**10,020,827**	**3,340,276**
TOTAL			**26,877,615**	**4,520,969**	**-**	**-**	**31,398,584**	**10,466,195**
DEFERRED STI RIGHTS ISSUED								
30/06/2024	N/A	-	**4,314,267**	**-**	**(4,314,267)**	**-**	**-**	**-**
30/06/2025	N/A	-	**-**	**5,087,065**	**-**	**-**	**5,087,065**	**5,087,065**
TOTAL			**4,314,267**	**5,087,065**	**(4,314,267)**	**-**	**5,087,065**	**5,087,065**

[1] In accordance with the plan, the number of rights held were adjusted during the financial year for the aggregate A$3.0 cents of dividend distributions per share. A further adjustment associated with the AUD 1.0 cent FY26 final dividend will apply.

GRANT DATE	ESTIMATED EXPIRY DATE	EXERCISE PRICE	BALANCE START OF FINANCIAL YEAR NUMBER	GRANTED DURING FINANCIAL YEAR NUMBER	EXERCISED DURING FINANCIAL YEAR NUMBER	LAPSED / CANCELLED DURING FINANCIAL YEAR NUMBER	BALANCE END OF FINANCIAL YEAR NUMBER	VESTED & EXERCISABLE AT END OF FINANCIAL YEAR NUMBER
CONSOLIDATED ENTITY 2025								
PERFORMANCE RIGHTS ISSUED								
28/08/2024	30/06/2027	-	-	18,299,652	-	-	18,299,652	-
20/11/2024	30/06/2027	-	-	8,577,963	-	-	8,577,963	-
TOTAL			**-**	**26,877,615**	**-**	**-**	**26,877,615**	**-**
DEFERRED STI RIGHTS ISSUED								
30/06/2023	N/A	-	4,315,706	-	(4,315,706)	-	-	-
30/06/2024[1]	N/A	-	-	4,314,267	-	-	4,314,267	4,314,267
TOTAL			**4,315,706**	**4,314,267**	**(4,315,706)**	**-**	**4,314,267**	**4,314,267**

[1] In accordance with the plan, the number of 2024 deferred STI rights held were adjusted during the financial year for the aggregate A$3.0 cents of dividend distributions per share.

Long Term Incentive Plan (Performance Rights)

The LTI plan approved at the 2022 annual general meeting apply to senior executives and involve the grant of performance rights which may vest subject (amongst other things) the achievement of certain share price hurdles, A$25 million of cumulative share trades at or above the share price hurdles and the one-month VWAP, at the one year anniversary of achieving the share price hurdle, must meet or exceed the share price hurdle. This plan applied for from and including the 2023 financial year.

Under the LTI Plan, the board has the discretion, subject to the ASX Listing Rule requirements, to grant performance rights to executives as long-term incentives. A performance right is a right to receive shares in the Company, subject to the Company satisfying certain conditions, including performance conditions. Each performance right entitles the holder to one Horizon Ordinary share should the performance right vest.

No price is payable by a participant in the Long-Term Incentive Plan on the exercise of a Performance Right.

During the financial year, the Horizon Long-Term Incentive Plan and Horizon Employee Option Scheme are also administered by the Horizon Employee Share Trust. This trust is consolidated in accordance with Note 1(C).

Shares issued by the trust to the employees are acquired through the issuance of new Ordinary shares by the Company. Shares held by the trust and not yet issued to employees at the end of the reporting period are shown as treasury shares in the financial statements. Refer to Note 19(D) for details.

Performance Rights issued

The independently assessed fair value's at grant date of these performance rights are disclosed below. The terms and conditions of each grant of Performance Rights presently on issue are as follows:

TRANCHE	NUMBER OF RIGHTS[1]	SHARE PRICE HURDLE (A$)[1]	VALUE PER PERFORMANCE RIGHT AT GRANT DATE[2]	DATE EXERCISED
CEO Performance Rights issued with a grant date of 20 November 2024				
Tranche A1 Rights	1,145,832	0.160	A$0.1619	-
Tranche A2 Rights	2,291,665	0.160	A$0.1633	-
Tranche B1 Rights	1,111,110	0.180	A$0.1548	-
Tranche B2 Rights	2,222,222	0.180	A$0.1561	-
Tranche C1 Rights	1,083,332	0.200	A$0.1481	-
Tranche C2 Rights	2,166,666	0.200	A$0.1495	-
COO Performance Rights issued with a grant date of 28 August 2024				
Tranche A1 Rights	763,888	0.160	A$0.1643	-
Tranche A2 Rights	1,527,777	0.160	A$0.1646	-
Tranche B1 Rights	740,740	0.180	A$0.1592	-
Tranche B2 Rights	1,481,482	0.180	A$0.1595	-
Tranche C1 Rights	722,221	0.200	A$0.1539	-
Tranche C2 Rights	1,444,442	0.200	A$0.1549	-
CFO Performance Rights issued with a grant date of 28 August 2024				
Tranche A1 Rights	611,110	0.160	A$0.1643	-
Tranche A2 Rights	1,222,222	0.160	A$0.1646	-
Tranche B1 Rights	592,592	0.180	A$0.1592	-
Tranche B2 Rights	1,185,184	0.180	A$0.1595	-
Tranche C1 Rights	577,777	0.200	A$0.1539	-
Tranche C2 Rights	1,155,554	0.200	A$0.1549	-

TRANCHE	NUMBER OF RIGHTS[1]	SHARE PRICE HURDLE (A$)[1]	VALUE PER PERFORMANCE RIGHT AT GRANT DATE[2]	DATE EXERCISED
General Manager Performance Rights issued with a grant date of 28 August 2024				
Tranche A1 Rights	763,888	0.160	A$0.1643	-
Tranche A2 Rights	1,527,777	0.160	A$0.1646	-
Tranche B1 Rights	740,740	0.180	A$0.1592	-
Tranche B2 Rights	1,481,482	0.180	A$0.1595	-
Tranche C1 Rights	722,221	0.200	A$0.1539	-
Tranche C2 Rights	1,444,442	0.200	A$0.1549	-
Company Secretary Performance Rights issued with a grant date of 28 August 2024				
Tranche A1 Rights	305,555	0.160	A$0.1643	-
Tranche A2 Rights	611,110	0.160	A$0.1646	-
Tranche B1 Rights	296,296	0.180	A$0.1592	-
Tranche B2 Rights	592,592	0.180	A$0.1595	-
Tranche C1 Rights	288,888	0.200	A$0.1539	-
Tranche C2 Rights	577,777	0.200	A$0.1549	-

1 In accordance with the plan, the Share Price Hurdles were adjusted to account for distributions to shareholders during the 2026 financial year. Share price hurdles are only adjusted for distributions made prior to the Performance Rights being exercised. A further adjustment of AUD 1.0 cent will apply to the FY26 final dividend.
2 The value per Performance Right at grant date is determined by an independent expert.
3 No price is payable by a participant in the Long-Term Incentive Plan on the exercise of a Performance Right.

The Group engages external, independent and qualified valuers to determine the fair value at grant date. The fair value of the performance rights is using a Monte Carlo simulation technique.

The Monte Carlo simulation technique used to calculate the theoretical value of the performance rights uses current stock prices, expected dividend yield, expected interest rates, time to expiration and expected volatility. A calculated share price volatility of 55% - 60.0% was applied in the valuations. All other parameters were based on the specific terms of the share appreciation rights issued or observable market data.

The simulation inputs for the grant of Performance Rights during the financial year ended 30 June 2026 included:

	CEO	COO, CFO & OTHER EXECUTIVES
Expiry date	30 June 2029	30 June 2029
Grant date	20 November 2024	28 August 2024
Exercise price	Nil[1]	Nil[1]
Expected price volatility	55% p.a.	55% p.a.
Risk free rate	4.17% p.a.	3.62% p.a.
Expected dividend yield	Nil	Nil

1 No price is payable by a participant in the Long-Term Incentive Plan on the exercise of a Performance Right. The respective hurdles prices are disclosed above and in section 6.6 of the Remuneration Report.

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the financial year as part of employee benefits expense in profit or loss were as follows:

	CONSOLIDATED	
	30 JUNE 2026 US$'000	**30 JUNE 2025 US$'000**
PERFORMANCE RIGHTS ISSUED UNDER:		
Long Term Incentive Plan	**909**	1,099
Deferred STI Plan	**591**	498
Total employee share-based payments expense	**1,500**	**1,597**

Performance Rights in respect of which expiry dates were modified during the financial year
No Performance Rights expiry dates were modified during the financial year.

Performance Rights exercised during the financial year
No Performance Rights were exercised and settled during the financial year.

Performance Rights lapsing or cancelled during the financial year
No Performance Rights lapsed or were cancelled during the financial year.

Performance Rights lapsed subsequent to 30 June 2026
No performance rights have lapsed subsequent to financial year end.

Deferred STI Rights exercised during the financial year
During the financial year 4,314,267 Deferred STI Rights were exercised and settled with the issuance of 2,286,537 Ordinary shares which were transferred from the Horizon Employee Incentive Trust and cash paid of A$468,740.

Deferred STI Rights issued subsequent to 30 June 2026
Subsequent to period end, 3,728,783 deferred STI rights were issued in relation to the FY26 STI's awarded. 1,165,593 of these rights remain subject to shareholder approval at the 2026 Annual General Meeting.

Deferred STI Rights settled subsequent to 30 June 2026
Subsequent to period end, 3,209,492 deferred STI rights were settled in cash per Board discretion.

Note 29 Employee entitlements

	CONSOLIDATED	
	30 JUNE 2026 US$'000	**30 JUNE 2025 US$'000**
EMPLOYEE ENTITLEMENT LIABILITIES ARE INCLUDED WITHIN:		
Current – other creditors	**507**	288
Non-current – other creditors (Note 15)	**140**	116
	NUMBER 2026	**NUMBER 2025**
EMPLOYEE NUMBERS		
Average number of employees during financial year	**17**	10

Note 30 Contingent asset

The Group had no contingent assets as at 30 June 2026.

Note 31 Contingent liabilities

The Group had contingent liabilities as at 30 June 2026 and 30 June 2025 that may become payable in respect of:

Subject to future events, up to US$6 million in contingent consideration may become payable to Exxon in relation to the newly acquired Thailand assets.

In accordance with normal oil and gas industry practice, the Group has entered into joint operations and farm-out agreements with other parties for the purpose of exploring and developing its petroleum interests. If a participant to a joint operation defaults and fails to contribute its share of joint operation obligations, then the remaining joint operation participants are jointly and severally liable to meet the obligations of the defaulting participant. In this event, the interest in the permit or licence held by the defaulting participant may be redistributed to the remaining participants. In the event of a default, a contingent liability exists in respect of expenditure commitments due to be met by the Group in respect of defaulting joint operation participants.

The Group occasionally receives claims arising from its operations in the normal course of business. In the opinion of the directors, all such matters are either covered by insurance or, if not covered, are without merit or are of such a nature the amounts involved would not have a material impact on the results.

No material losses are anticipated in respect of any of the above contingent liabilities.

Note 32 Exploration and development commitments

The Group has entered into joint operations for the purpose of exploring, developing and producing from certain petroleum interests. To maintain existing interests or rights to earn interests in those joint operations the Group will be expected to make contributions to ongoing exploration and development programs. Since such programs are subject to continual review by operating committees, upon which the Group is represented, the extent of future contributions in accordance with these arrangements is subject to continual renegotiation.

Subject to the above-mentioned limitations, the directors have prepared the following disclosure of exploration and development expenditure commitments not recognised in the consolidated financial statements. These are payable as follows, based on current status and knowledge of estimated quantum and timing of such commitments by segment.

2026	NEW ZEALAND DEVELOPMENT US$'000	CHINA DEVELOPMENT US$'000	AUSTRALIA DEVELOPMENT US$'000	THAILAND DEVELOPMENT US$'000	CUE RESOURCES US$'000	TOTAL US$'000
Within one year	**1,350**	**2,737**	**1,830**	**1,475**	**6,128**	**13,520**
Total	**1,350**	**2,737**	**1,830**	**1,475**	**6,128**	**13,520**

2025	NEW ZEALAND DEVELOPMENT US$'000	CHINA DEVELOPMENT US$'000	AUSTRALIA DEVELOPMENT US$'000	TOTAL US$'000
Within one year	779	2,701	1,175	4,655
Total	**779**	**2,701**	**1,175**	**4,655**

The above commitments may be deferred or modified with the agreement of the host government, by variations to the terms of individual petroleum interests, or extensions to the terms thereof. Another factor likely to delay timing of these commitments is the potential lack of availability of suitable drilling rigs in the area of interest. The commitments may also be reduced by the Group entering into farm-out agreements or working interest trades, both of which are typical of the normal operating activities of the Group.

Note 33 Reconciliation of profit after income tax to net cash flows from operating activities

	CONSOLIDATED	
	30 JUNE 2026 US$'000	30 JUNE 2025 US$'000
PROFIT FOR FINANCIAL YEAR	**11,118**	12,247
Exploration and development expenditure written off / expensed	**525**	494
Depreciation expense	**143**	175
Movement in employee entitlement liabilities	**116**	76
Non-cash employee share-based payments expense	**1,500**	1,597
Amortisation expense	**32,156**	32,967
Amortisation of prepaid financing costs	**512**	94
Discount unwinding on provision for restoration	**2,768**	2,659
Impairment of intangible assets	**246**	-
Share of net profit after tax from joint venture in Thailand	**(3,672)**	-
Dividends received from joint venture in Thailand	**4,048**	-
CHANGE IN OPERATING ASSETS AND LIABILITIES:		
Decrease / (increase) in trade debtors	**9,608**	(6,815)
Increase in other debtors and prepayments	**(263)**	(403)
(Increase) / decrease in inventory	**(5,884)**	5,797
Decrease in deferred tax liabilities	**(1,216)**	(785)
Increase in deferred tax assets	**(11,230)**	(6,364)
Decrease in tax payable	**(531)**	(31)
Increase / (decrease) in trade creditors	**2,108**	(140)
Increase / (decrease) in other creditors	**5,184**	(5,681)
NET CASH INFLOW FROM OPERATING ACTIVITIES	**47,235**	**35,887**

Note 34 Earnings per share

	CONSOLIDATED	
	2026 US CENTS	2025 US CENTS
(a) Basic earnings per share attributable to the ordinary equity holders of the Company	**0.65**	0.75
(b) Diluted earnings per share attributable to the ordinary equity holders of the Company	**0.64**	0.75

	2026 NUMBER	2025 NUMBER
WEIGHTED AVERAGE NUMBER OF SHARES USED AS THE DENOMINATOR		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**1,628,725,163**	1,626,432,235
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**1,665,210,812**	1,630,746,502
	2026 US$'000	**2025 US$'000**
RECONCILIATION OF EARNING USED IN CLACULATING EARNINGS PER SHARE		
Profit attributable to the ordinary equity holders of the company used in calculating basic and diluted earnings per share	**10,649**	12,247

Information concerning the classification of securities

A. Partly paid ordinary shares

Partly paid ordinary shares carry the rights of fully paid ordinary shares and to that extent they have been recognised as ordinary share equivalents in the determination of basic earnings per share. All partly paid shares on issue are held by the Company.

Details regarding the partly paid ordinary shares are set out in Note 18.

B. Performance rights and deferred STI rights granted as compensation

Performance rights and deferred STI rights granted to employees under the Long-Term Incentive Plan or the deferred STI plan are included in the calculation of diluted earnings per share to the extent to which they are dilutive. The performance rights are considered to be contingently issuable shares and are treated as outstanding and included in the calculation of diluted earnings per share if the relevant performance hurdles have been met. Performance Rights and deferred STI rights have not been included in the determination of basic earnings per share.

Details regarding the options and share appreciation rights are set out in Note 28.

Note 35 Parent Entity financial information

[i] Summary financial information

The individual financial statements for the Parent Entity show the following aggregate amounts:

	PARENT ENTITY	
	2026 US$'000	2025 US$'000
STATEMENT OF FINANCIAL POSITION		
Current assets	15,524	24,153
Non-current assets	105,149	93,631
Total assets	**120,673**	**117,784**
Current liabilities	3,108	2,096
Non-current liabilities	128	115
Total liabilities	**3,236**	**2,212**
Net assets	**117,437**	**115,572**
Contributed equity	150,705	150,399
Share based payments and equity considerations reserves	32,494	8,634
Accumulated losses	(127,009)	(108,373)
Profit reserve	61,247	64,914
Total equity	**117,437**	**115,573**
Profit/(loss) for the financial year	**1,865**	**(9,380)**
Total comprehensive profit/(loss) for the financial year	**1,865**	**(9,380)**

[ii] Guarantees entered into by the parent entity

The parent entity has provided guarantees in respect of bank loan of its subsidiaries amounting to US$48.7 million (2025: US$26.1 million) and has also provided customary joint venture guarantees.

No liability has been recognised for guarantees provided. After factoring in the likelihood that the parent entity would be required to perform under the guarantees the fair value of the liability was not considered material.

[iii] Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2026 or 30 June 2025. For information about guarantees given by the parent entity, see above.

[iv] Contractual commitment for the acquisition of property, plant or equipment

As at 30 June 2026, the parent entity had no contractual commitments for the acquisition of property, plant or equipment (30 June 2025 – US$Nil).

Note 36 Events after balance sheet date

Other than the matters disclosed above and in this report, there has not been any matter or circumstance which has arisen since 30 June 2026 that has significantly affected, or may significantly affect:

- the Group's operations in future financial years; or
- the results of those operations in future financial years; or
- the Group's state of affairs in future financial years.

The financial statements were authorised for issue by the Board of Directors on 27 August 2026. The Board of Directors has the power to amend and reissue the financial statements.

HORIZON OIL LIMITED

CONSOLIDATED ENTITY DISCLOSURE STATEMENT AS AT 30 JUNE 2026

NAME OF ENTITY	TYPE OF ENTITY	TRUSTEE, PARTNER OR JV PARTICIPANT	% SHARE CAPITAL	COUNTRY OF INCORPORATION	AUSTRALIAN RESIDENT	FOREIGN JURISDICTION
Horizon Oil Limited	Body Corporate	N/A	N/A	Australia	Yes	N/A
Horizon Oil International Limited	Body Corporate	JV Participant[1]	100	New Zealand	No	New Zealand
Horizon Oil International Holdings Limited	Body Corporate	N/A	100	BVI	No	BVI
Horizon Oil (Beibu) Limited	Body Corporate	JV Participant[2]	100	BVI	No	China
Horizon Oil (China Holdings) Limited	Body Corporate	N/A	100	BVI	No	BVI
Horizon Oil Employee Incentive Trust	Trust	N/A	N/A	N/A	N/A	N/A
Horizon Australia Investments Pty Limited	Body Corporate	N/A	100	Australia	Yes	N/A
Horizon Australia Energy Pty Limited	Body Corporate	JV Participant[3]	100	Australia	Yes	N/A
Horizon Thailand Investments Pty Limited	Body Corporate	N/A	100	Australia	Yes	N/A
MH Energy Thailand LLC	Body Corporate	JV Participant[4]	75	United States of America	No	Singapore
Cue Energy Resources Limited	Body Corporate	N/A	57.03	Australia	Yes	N/A
Cue Mahakam Hilir Pty Ltd	Body Corporate	N/A	57.03	Australia	Yes	N/A
Cue (Ashmore Cartier) Pty Ltd	Body Corporate	N/A	57.03	Australia	Yes	N/A
Cue Sampang Pty Ltd	Body Corporate	JV Participant[6]	57.03	Australia	Yes	N/A
Cue Taranaki Pty Ltd	Body Corporate	JV Participant[1]	57.03	Australia	Yes	N/A
Cue Kalimantan Pte Ltd[5]	Body Corporate	N/A	57.03	Singapore	No	Singapore
Cue Mahato Pty Ltd	Body Corporate	JV Participant[7]	57.03	Australia	Yes	N/A
Cue Exploration Pty Ltd	Body Corporate	N/A	57.03	Australia	Yes	N/A
Cue Palm Valley Pty Ltd	Body Corporate	JV Participant[3]	57.03	Australia	Yes	N/A
Cue Mereenie Pty Ltd	Body Corporate	JV Participant[3]	57.03	Australia	Yes	N/A
Cue Dingo Pty Ltd	Body Corporate	JV Participant[3]	57.03	Australia	Yes	N/A

[1] JV participant in oil license offshore New Zealand.
[2] JV Participant in oil license offshore China.
[3] JV Participant in oil and gas licenses onshore Australia.
[4] JV Participant in oil and gas licenses onshore Thailand.
[5] Shares held by Cue Mahakam Hilir Pty Limited.
[6] JV Participant in gas license offshore Indonesia.
[7] JV Participant in oil license onshore Indonesia.

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency

Section 295 (3B)(a) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency. In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5

- Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

SHAREHOLDER INFORMATION 2026

Horizon Oil Limited and Controlled Entities
Securities Exchange Information as at 13 August 2026

DISTRIBUTION OF EQUITY SECURITIES

The distribution of equity security holders ranked according to size at 13 August 2026 was as follows:

	ORDINARY SHARES	UNLISTED OPTIONS	
SIZE OF HOLDING	**SHARES**	**PERFORMANCE RIGHTS**	**DEFERRED STI RIGHTS**
1 to 1,000	307	-	-
1,001 to 5,000	991	-	-
5,001 to 10,000	1,076	-	-
10,001 to 100,000	2,868	-	-
100,001 and over	1.072	5	7
TOTAL	**6,314**	**5**	**7**

A total of 474 holders held less than a marketable parcel of 2,273 ordinary shares.

TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest shareholders of the Company's ordinary shares are listed below:

	NAME	NO OF ORDINARY SHARES	% OF ISSUED ORDS
1	IMC Investments Limited	400,574,175	22.60
2	J P Morgan Nominees Australia Limited	330,250,838	18.63
3	Citicorp Nominees Pty Limited	205,192,668	11.58
4	Echelon Pacific Holdings Pty Limited	117,834,145	6.65
5	BNP Paribas Nominees Pty Ltd	57,364,950	3.24
6	HSBC Custody Nominees (Australia) Limited	29,710,009	1.68
7	Mr Michael Francis Sheridan	15,433,289	0.87
8	Mr Richard Cameron Beament and Mrs Sophie Nicole Beament	13,619,286	0.77
9	Mr Richard James Williams	12,926,586	0.73
10	Cunact Pty Limited	10,100,000	0.57
11	Amidor Investments Pty Limited	9,000,000	0.51
12	Spinel Investments Pty Limited	6,966,748	0.39
13	Mr Jacob Yakoub Kazem	5,720,000	0.32
14	Brides Pty Limited	5,500,000	0.31
15	Mr Trevor David Inskip and Mrs Narelle Celia Inskip	5,471,336	0.31
16	Mr Kyle Christopher Keen and Ms Janine Jacqueline Gossman	5,058,261	0.29
17	Sharesies Australia Nominees Pty Limited	4,528,389	0.26

	NAME	NO OF ORDINARY SHARES	% OF ISSUED ORDS
18	Finclear Services Pty LImited	4,017,488	0.23
19	Ms Malaky Kazem	3,850,000	0.22
20	Mrs Maria Anna Dau and Mr Mark Kenneth Dau	3,705,000	0.21
Total		**1,246,823,618**	**70.35**

ISSUED SECURITIES

Issued securities as at 13 August 2026:

SECURITY	NUMBER ON ISSUE	NUMBER OF HOLDERS
Ordinary fully paid shares[1]	1,774,478,592	6,314
Ordinary partly paid shares	1,500,000	1
Unlisted deferred STI rights	1,877,573	7
Unlisted Performance Rights	31,398,584	5

1 The Company's ordinary fully shares are listed on the Australian Securities Exchange.

SUBSTANTIAL HOLDERS

Substantial holders in the Company are set out below:

ORDINARY SECURITY	NO, OF ORDINARY SHARES	% OF ISSUED ORDS
IMC Investments Ltd (an associate of Austral-Asia Energy Pty Ltd)	400,574,175	22.60
Samuel Terry Asset Management Pty Limited	314,232,423	17.70
Echelon Pacific Holdings Pty Limited	117,834,145	6.65
Total	**832,640,743**	**46.95**

VOTING RIGHTS

Ordinary shares – fully paid

Voting of members is governed by the Company's Constitution. In summary, every member present in person or by proxy attorney or representative shall have one vote on a show of hands and one vote for each share on a poll.

Ordinary shares – partly paid

Voting of members is governed by the Company's Constitution. In summary, every member present in person or by proxy attorney or representative shall have one vote on a show of hands and upon a poll, is entitled to one vote to the proportion of the total issue price then paid up.

Deferred STI rights - unlisted

No voting rights.

Performance rights – unlisted

No voting rights.

Glossary

A-IFRS	Australian equivalents to International Financial Reporting Standards
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
AUD / A$	Australian Dollars
bbl(s)	Blue barrel(s), oil barrel volume is 0.159 cubic metres
bcf	Billion cubic feet of natural gas
boe	Barrel of oil equivalent. The factor used to convert gas to oil equivalent is based upon an approximate energy value of 6,000 cubic feet per barrel and not price equivalence at the time
boepd	Barrel of oil equivalent per day
bopd	Barrel of oil per day inclusive of NGLs
CNOOC	China National Offshore Oil Corporation
EBITDAX	Earnings before interest, tax, depreciation, depletion and amortisation, and exploration expenses
ESP	Electrical submersible pump
FID	Final investment decision
FPSO	Floating production, storage and offloading vessel
GST	Goods and services tax
JOA	Joint operating agreement
km	Kilometres
LIBOR	London inter-bank offered rate
LNG	Liquified natural gas
mmbbl/mmbo	Million barrels of oil
mmboe	Million barrels of oil equivalent
MMSCFD	Million cubic feet of gas per day
NDRC	National Development and Reform Commission
NGL(s)	Natural gas liquid(s)
OTCQB	OTC Markets Group Venture Market
ODP	Overall Development Plan
PEP	Petroleum exploration permit
PMP	Petroleum mining permit
Reserves	Reserves as included in this report refers to both Proven and Probable reserves (2P). Proven and Probable reserves are reserves that analysis of geological and engineering data suggests are more likely than not to be recoverable – there is

	at least a 50% probability that reserves recovered will exceed Proven and Probable reserves.
Contingent Resources	The Company's technically recoverable resources (2C) for its discovered oil and gas fields are classified as contingent resources. These resources would be expected to be booked in reserves (Proven and Probable reserves) once commercialisation arrangements have been finalised.
PSA	Production Sharing Agreement
SDA	Supplemental Development Agreement
SPE-PRMS	Society of Petroleum Engineers – Petroleum Resources Management System
Sq km	Square kilometres
tcf	Trillion cubic feet of natural gas
USD / US$	United States dollars
WHP	Wellhead platform
WOU	Workover unit
2D Seismic	Seismic recorded in 2 dimensions
3D Seismic	Seismic recorded in 3 dimensions

Board of Directors	Bruce Clement (Chairman) Richard Beament (Chief Executive Officer) Catherine Costello Gregory Bittar (Alternate: Bruno Lorenzon) Nigel Burgess Peter Goode
Company Secretary	Vasilios (Vas) Margiankakos
Assistant Company Secretary	Kyle Keen
Australian Registered Office (Principal place of business)	Level 4, 360 Kent Street, SYDNEY NSW 2000 Telephone: +(612) 9332 5000 Facsimile: +(612) 9332 5050 Email: info@horizonoil.com.au Website: www.horizonoil.com.au
Domicile and country of incorporation	Australia
Share Registrar	Computershare Investor Services Pty Limited 6 Hope Street Ermington NSW 2115 Telephone: +(613) 9415 4000
Solicitors	King & Wood Mallesons Level 30 Waterfront Place 1 Eagle Street BRISBANE QLD 4000
Auditor	PwC One International Towers Sydney Watermans Quay, Barrangaroo SYDNEY NSW 2000
Stock Exchange	Horizon Oil Limited shares are listed on the ASX (ASX code: HZN) and the US OTC Markets Group (OTCQB: HZNFF)
Notice of annual general meeting	The Annual General Meeting of Horizon will be held at: Cliftons, Level 13 60 Margaret Street SYDNEY NSW 2000 Time: 10.00am Date: 18 November 2026

HORIZON

horizonoil.com.au