HORIZON

HALF-YEAR 2023 RESULTS PRESENTATION

COMPLIANCE STATEMENT

Disclaimer

- Statements contained in this material, particularly those regarding the possible or assumed future performance, costs, dividends, returns, production levels or rates, prices, reserves, potential growth of Horizon Oil Limited, industry growth or other trend projections and any estimated company earnings are or may be forward looking statements. Such statements relate to future events and expectations and as such involve known and unknown risks and uncertainties. Actual results, actions and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.
- While every effort is made to provide accurate and complete information, Horizon accepts no responsibility for any loss, damage, cost or expense incurred by you as a result of any error, omission or misrepresentation in information in this presentation.
- In this presentation, references are made to EBITDAX, Underlying Profit and Free Cashflow, which are financial measures which are not prescribed by Australian Accounting Standards:
- EBITDAX represents the profit adjusted for interest expense, taxation expense, depreciation, amortisation, and exploration expenditure (including non-cash impairments),
- Underlying profit represents the profit under Australian Accounting Standards adjusted for unrealised non-cash financing costs associated with the revaluation of the options issued under the 2016 subordinated loan facility, gains on the remeasurement of derivative financial instruments and the profit/loss generated from discontinued operations, and
- Free Cash Flow represents Cashflow from Operating Activities less Investing cashflows.
- All references to dollars in the presentation are United States dollars unless otherwise noted.

Reserves Disclosure

- Unless otherwise stated, all petroleum reserves and resource estimates refer to those estimates as set out in Horizon's 2022 Reserves and Resources Statement contained in the 2022 Annual Report, and Block 22/12 WZ12-8E reserves as set out in the ASX announcement dated 9 February 2023. Horizon is not aware of any new information or data that materially affects the information included in this presentation. All the material assumptions and technical parameters underpinning these estimates continue to apply and have not materially changed.
- For the purposes of this presentation, 6 bcf of raw gas equals 1 mmboe.
- 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, the 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 Master of Reservoir Evaluation and Management from Heriot Watt University, UK and more than 25 years of relevant experience. Mr Douglas consents to the use of the petroleum reserves and resources estimates in the form and context in which it appears.
- This presentation should be read in conjunction with Horizon's 2022 Reserves and Resources Statement, the Annual Financial Report for the year ended 30 June 2022 and ASX Announcements.

HY23 INVESTMENT HIGHLIGHTS

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Statutory profit after tax US$19.0 million ▲ 142%	Interim dividend to Shareholders[1] AUD 1.5 cents per share (~US$17 million)	Sales revenue US$75.7 million ▲ 93%
Net cash US$24.8 million	Sales volume 800,651 bbls ▲ 50%	EBITDAX US$52.2 million ▲ 87%

[1]Includes an unfranked CFI dividend of AUD 1. 5 cents per share to be paid in April 2023

DELIVERING ON STRATEGY

MAXIMISE FREE CASHFLOW[1]

- Generated EBITDAX of US$52.2 million in HY23, with net cash of US$24.8 million
- Record production from Block 22/12 driving cashflow generation following successful WZ12-8E field development, infill drilling and workover campaign
- Record premiums achieved on Maari crude oil sales
- Continued strong cost control
  - Cash operating costs <US$20/bbl

FURTHER DISTRIBUTIONS TO SHAREHOLDERS

- Completed an AUD 3c distribution in Oct 22 (AUD$47.4 million)
- Interim dividend announced of AUD 1.5 cents per share (total return of ~AUD 24 million)
- Regular distributions continue to be a priority

CONTINUE INVESTING IN PRODUCTION GROWTH

- ~US$30 million net invested in successful WZ12-8E field development – driving production growth to record levels at Block 22/12 with recent reserves upgrade (total 2P developed oil reserves of 1.24 mmbbls (net) added before subtracting production)
- WZ6-12 workover and infill drilling program successfully completed with other Block 22/12 wells being matured
- Life extension studies to enhance Maari value
- Keeping an eye out for exceptional new business opportunities

[1] Free Cash Flow represents cash flows from operating activities less investing cash flows.

HALF-YEAR 2023 HIGHLIGHTS

STRONG CASHFLOW GENERATION DRIVING CONTINUED SHAREHOLDER RETURNS

FINANCIAL

- 93% increase in revenue to US$75.7 million
- 87% increase in EBITDAX to US$52.2 million
- 142% increase in Statutory Profit after Tax to US$19.0 million
- Net cash at 31 December 2022 of US$24.8 million after settling AUD 3 cps distributions totaling ~US$30 million in October 2022

OPERATIONAL

- WZ12-8E project successfully completed - oil from ten wells progressively brought into production since April 2022 – production results exceeded pre-drill expectations with significant reserve upgrade
- Successful infill drilling in other Block 22/12 fields further added to production during HY23
- Workovers optimise production across both China and NZ
- Horizon combined daily production rate averaged over 5,000 bopd net

SHAREHOLDER RETURNS

- Completed distributions in October '22 totaling AUD 3 cents per share comprised of:
  - AUD 1.65 cent per share unfranked CFI dividend
  - AUD 1.35 cent per share capital return
- AUD 1.5 cent per share interim unfranked CFI dividend to be paid in April '23

ESG

- Strong safety record better than industry benchmarks
- Seed capital investment in carbon removal credit developer (Nobrac) to aid decarbonisation, hedge against Maari emission costs and provide investment returns
- Third Modern Slavery Statement submitted
- Continued focus on emission reductions and striving to make a positive impact in the communities where we operate

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FINANCIAL RESULTS

HY23 HALF-YEAR HIGHLIGHTS

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LOW COST, CASH GENERATIVE PRODUCER

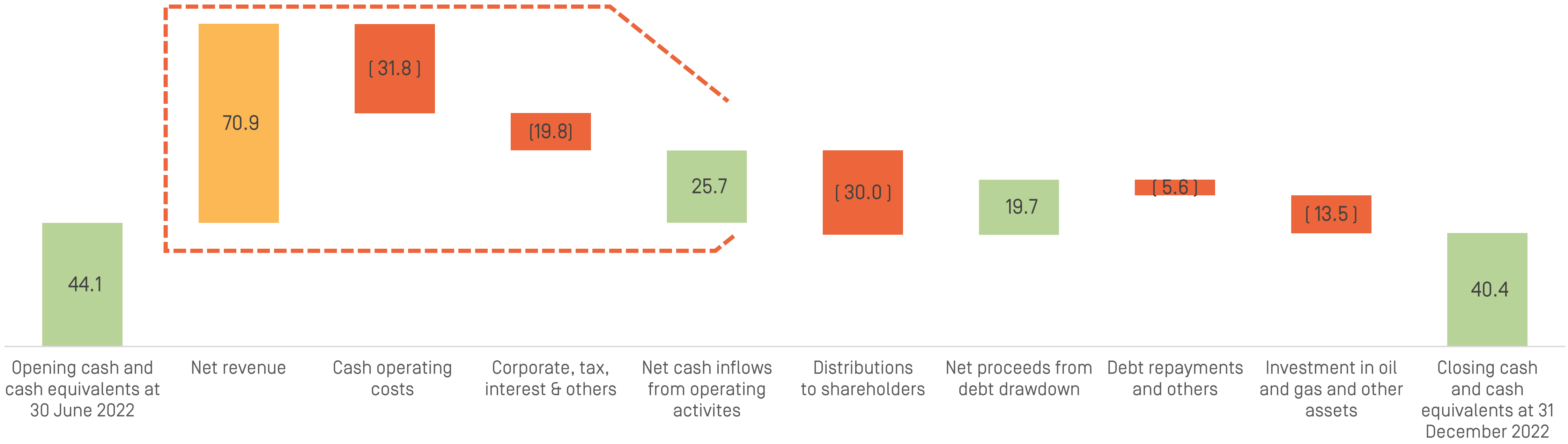
- Production growth – 40% increase in production over prior comparative period
- Revenue growth – 93% increase in revenue over prior comparative period driven by production growth and a 30% higher realised oil price
- Efficient operations – maintenance of low cash operating costs <$20/bbl
- Increased profitability – 142% increase in statutory profit over prior comparative period
- Strong cashflow – aiding an AUD 1.5 cent per share interim distribution
- Balance sheet strength – net cash of $24.8 million at 31 December 2022 after paying US$30 million to shareholders during the period

PRODUCTION GROWTH DRIVING INCREASED REVENUE AND CASHFLOW

	HY 2023	HY 2022
Production Volumes (net)	0.93 mmbbls	0.67 mmbbls
Sales Volumes	0.80 mmbbls	0.53 mmbbls
Revenue (USD)	$75.6 million	$39.3 million
EBITDAX (USD)	$52.2 million	$28.0 million
Statutory Profit (USD)	$19.0 million	$7.8 million
Net Cash (USD)	$24.8 million at 31 Dec 22	
Cash (USD)	$40.4 million at 31 Dec 22	

STRONG CASHFLOW REBUILDS CASH POSITION FOLLOWING ~US$30M DISTRIBUTION

US$ MILLION



STRONG OPERATING CASHFLOW
supported by production growth and higher oil prices

DISCIPLINED SPENDING
investment in our low-cost producing Block 22/12 asset, with a short payback period

RETURN TO SHAREHOLDERS
AUD 3 cents per share paid in October 2022 with a further AUD 1.5 cent per share interim distribution announced

REVENUE & PRODUCTION GROWTH DRIVES INCREASED PROFITABILITY

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US$ MILLION

REVENUE
Increased revenue driven by ~40% higher production volume coupled with a ~30% higher realised oil price over the period

OPERATING COSTS
Increased costs driven by a higher non-cash amortisation expense (~US$9m) and incremental operating costs associated with the WZ12-8E development

LEVIES
Increased Block 22/12 windfall levies, as a result of higher realised oil price

INCREASED PRODUCTION & OIL PRICE DRIVING REVENUE GROWTH

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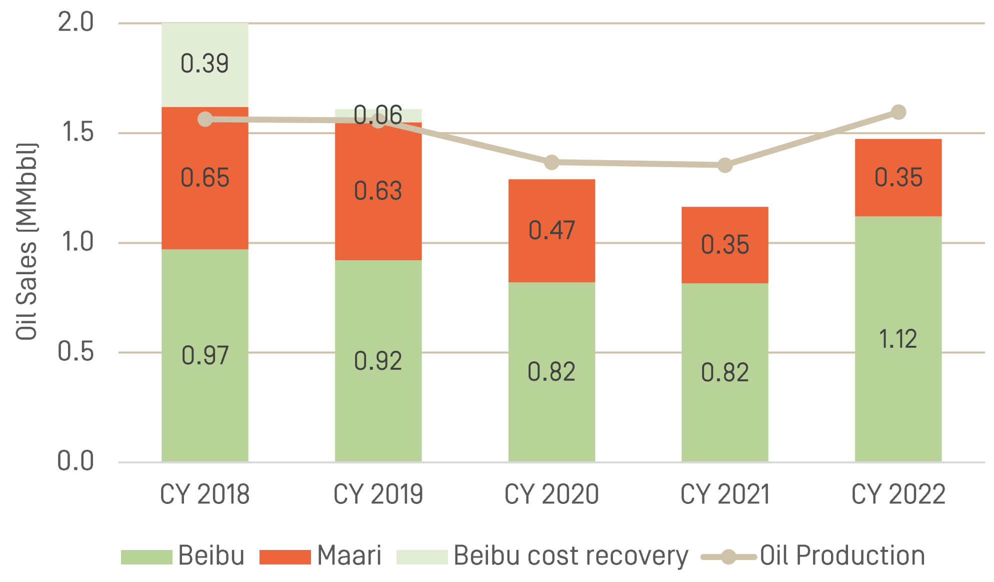
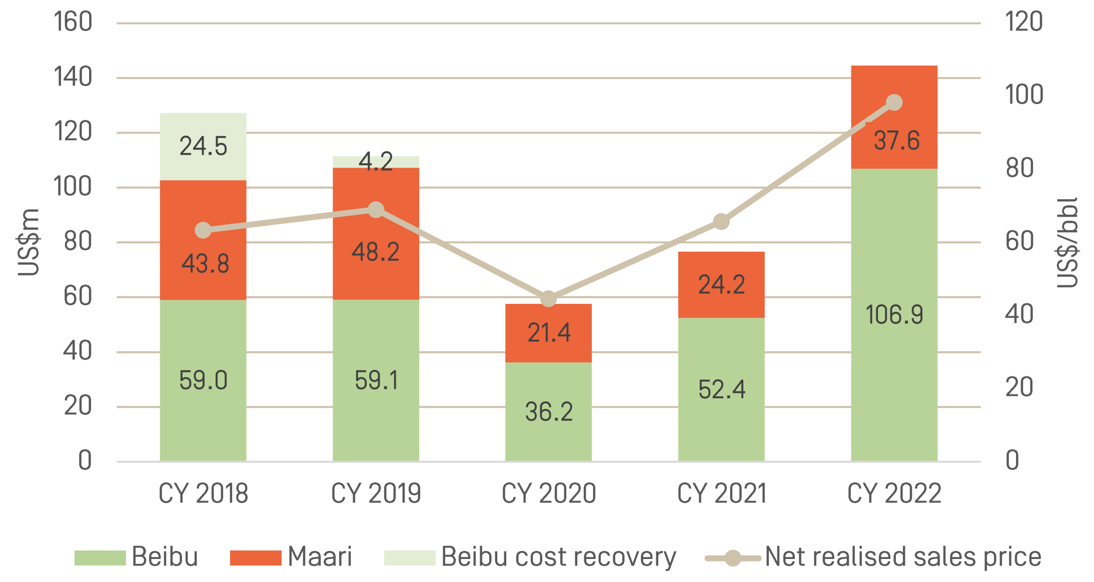
OIL SALES



REVENUE



Oil production growth driven by WZ12-8E development production commencement in April 2022

Sales revenue 89% higher compared to CY21

REVENUE GROWTH WITH SUSTAINED LOW-COST PRODUCTION DRIVES INCREASED PROFITABILITY

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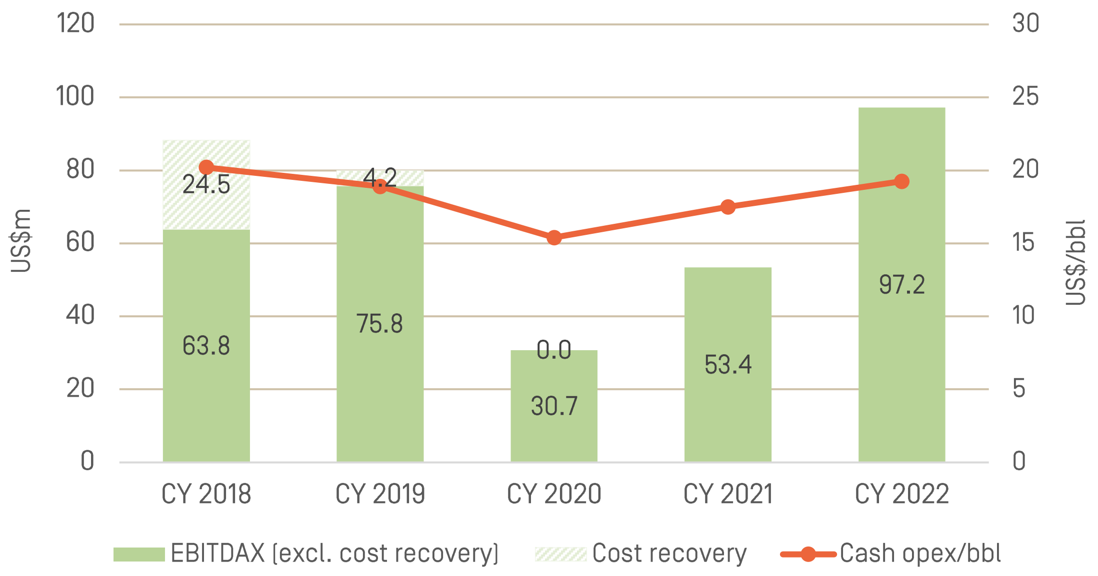
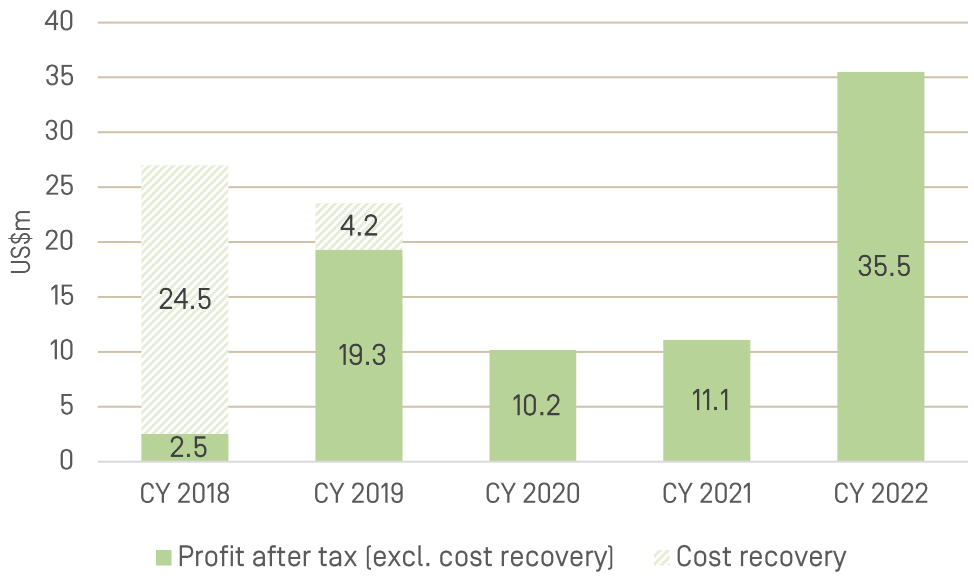
EBITDAX[1] AND CASH COST PER BBL



PROFIT AFTER TAX[1]



EBITDAX increased 82% over the Calendar Year

Cash operating costs sustained below US$20/bbl produced

Statutory profit after tax increased by 220% over the calendar year

[1] EBITDAX and Profit after tax exclude profit and loss from discontinued operations in CY19 and CY20.

FREE CASHFLOW GROWTH & INCREASED NET CASH POSITION

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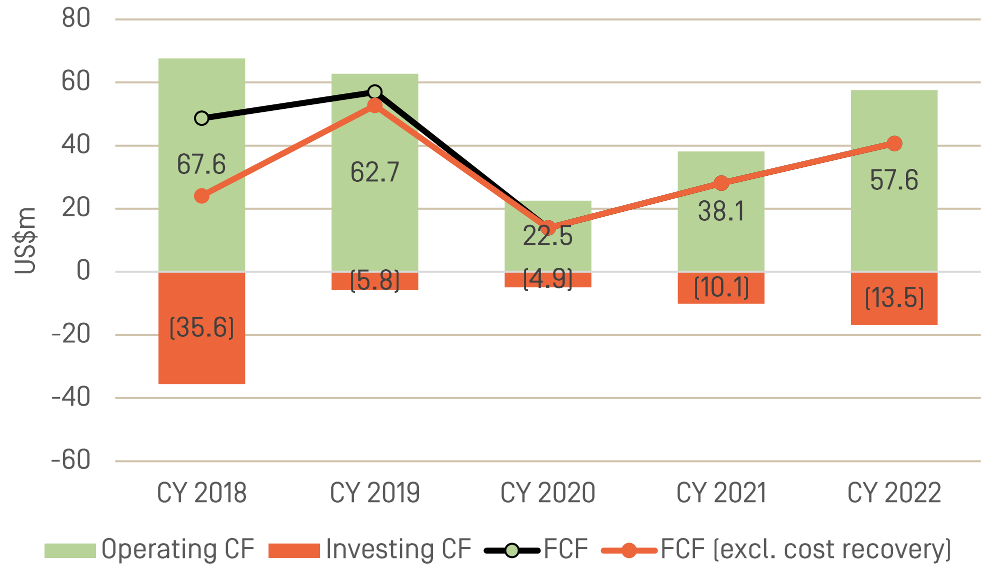
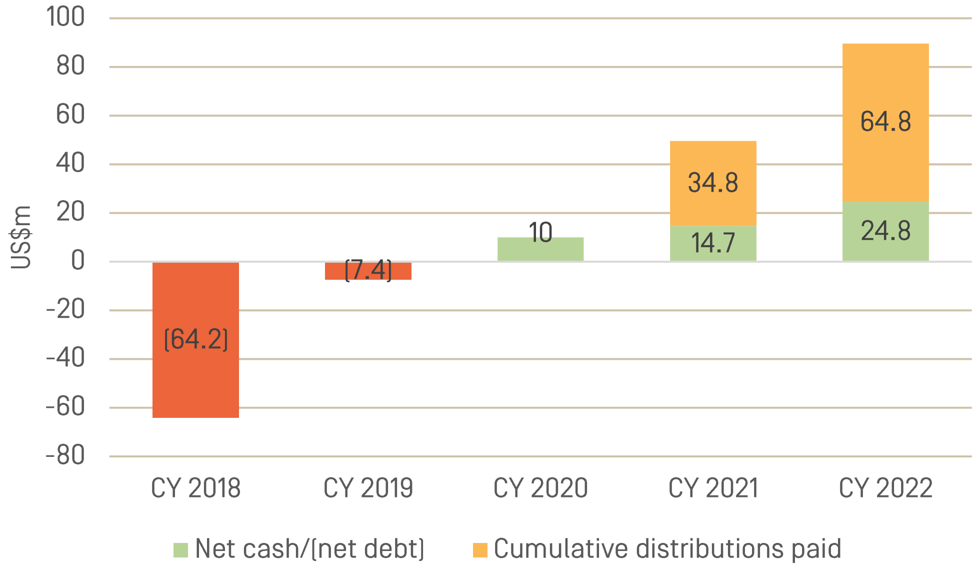
FREE CASH FLOW[1]



NET CASH/(NET DEBT)



Growth in free cashflow generation despite increased investment in exploration and development activities

Net cash of $24.8m at 31 December 2022, an increase of $10.1m over the 2021 calendar year after paying distributions of ~$30m in October 2022

[1] Free Cash Flow represents cash flows from operating activities less investing cash flows (net of acquisition payments)

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ASSET UPDATE
& OUTLOOK

BLOCK 22/12:
RECORD PRODUCTION FROM OUR FLAGSHIP ASSET

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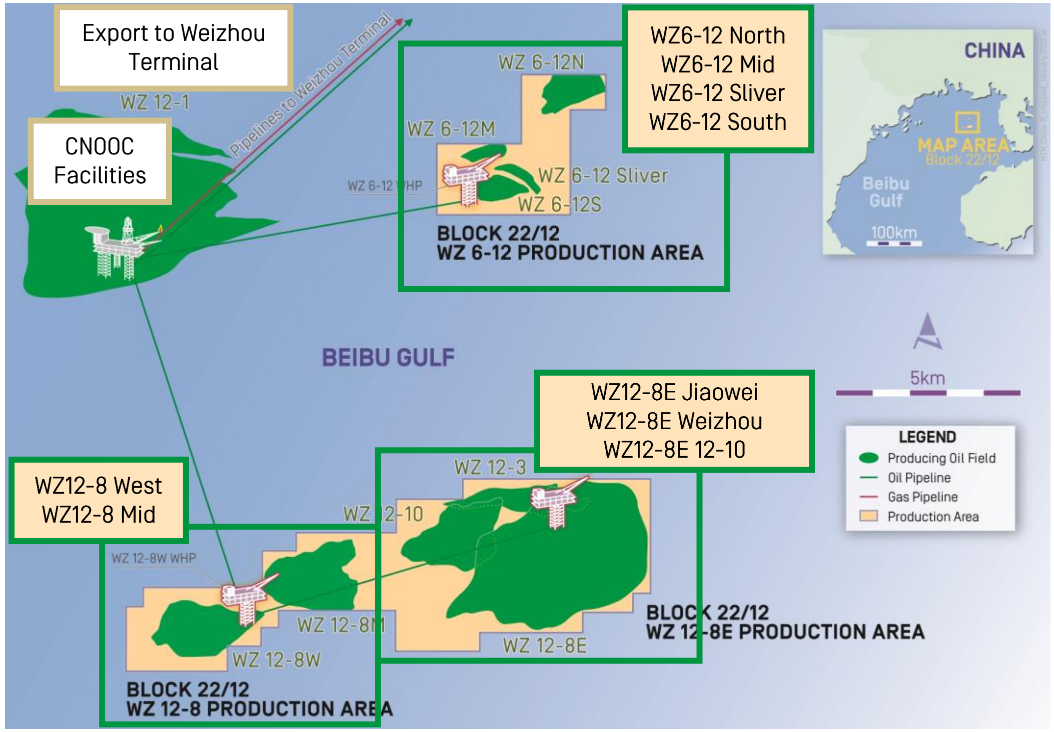
ASSET OVERVIEW

- Block 22/12, Beibu Gulf, China, 26.95%
- JV: CNOOC (51% - Block 22/12 Operator), Roc Oil (19.6% - 12-8E Operator), Majuko Corp. (2.45%)
- Block 22/12 generates approximately 80% of Horizon operating cashflow
- Low cash operating costs – approximately $11.50/bbl produced over HY23
- WZ6-12 and WZ12-8W field abandonment costs prepaid into a sinking fund, WZ12-8E field abandonment costs to be paid from production

HIGHLIGHTS

- Successfully completed a two well WZ6-12 drilling program, followed by a four well WZ12-8E Phase 2 drilling program, marking the end of a 10-month Block 22/12 drilling campaign.
- Record Block 22/12 production achieved, with daily oil rates reaching peak production of ~20,000 bopd gross (5,400 bopd net) in December, representing an approximate doubling of production rates since early 2022.
- The WZ12-8E development is on track to achieve payback of both Phase 1 and 2 developments in around 12 months of achieving first oil in April 2022.
- JV is continuously identifying and evaluating infill well and infrastructure led appraisal opportunities which will support reserves replacement over the longer term



BLOCK 22/12:
WZ12-8E DEVELOPMENT - JIAOWEI RESERVOIR (8 WELLS)

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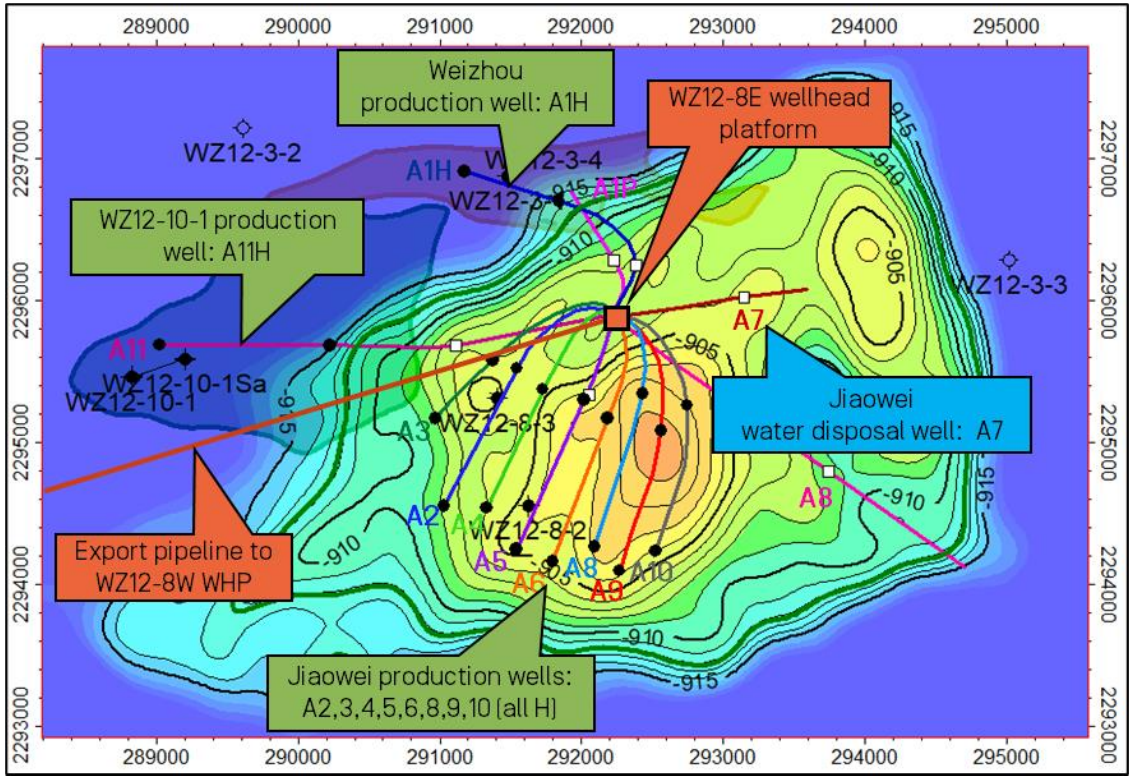
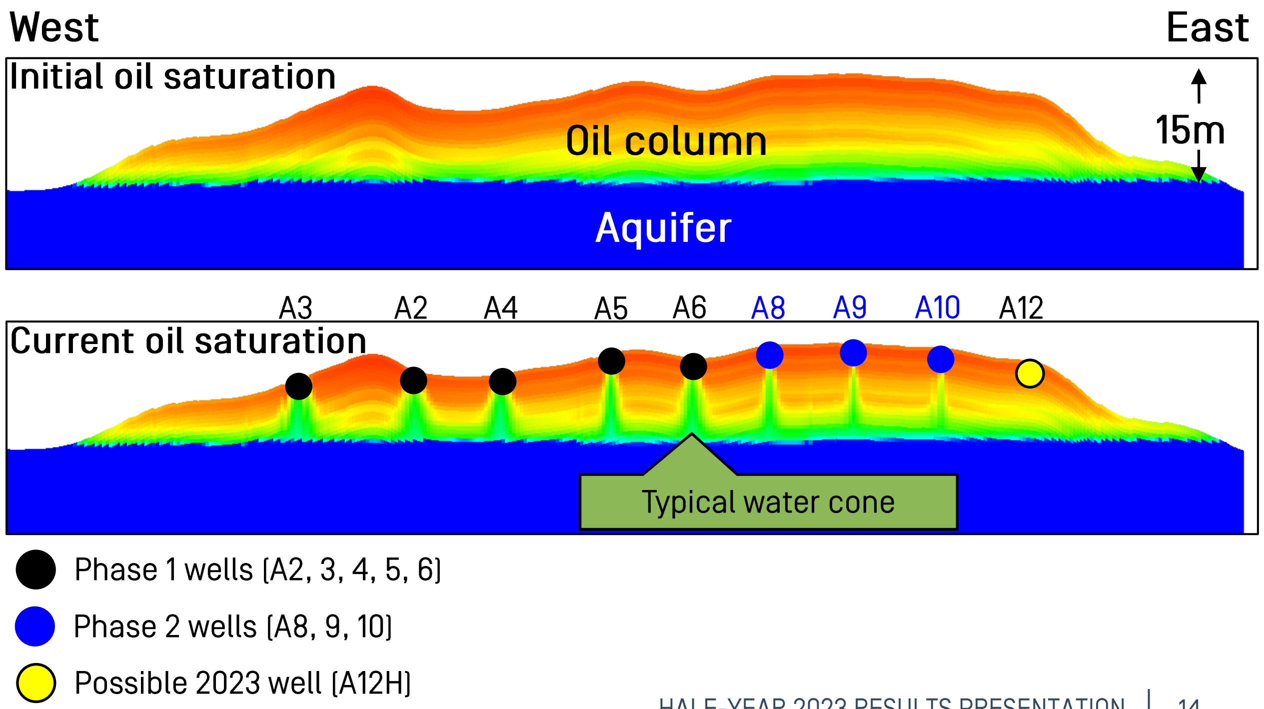
- The Jiaowei reservoir is characterised by a thin oil column (max 15m thick) containing high viscosity (70 cp) oil. Oil production is characterised by rapid / local water production (viscosity 0.5 cp)
- Phase 1 campaign concluded with positive results, particularly at A5H and A6H (i.e. high structure) providing encouragement in the east side of field.
- Development plan for Phase 2 was to drill up to three additional wells in the Jiaowei depending on the preceding drilling results. Better than expected results whilst drilling led to all three additional Jiaowei wells being drilled and consideration being given to a possible fourth well in the future (A12 in Q3 '23).

JIAOWEI POST PHASE 2 MAP



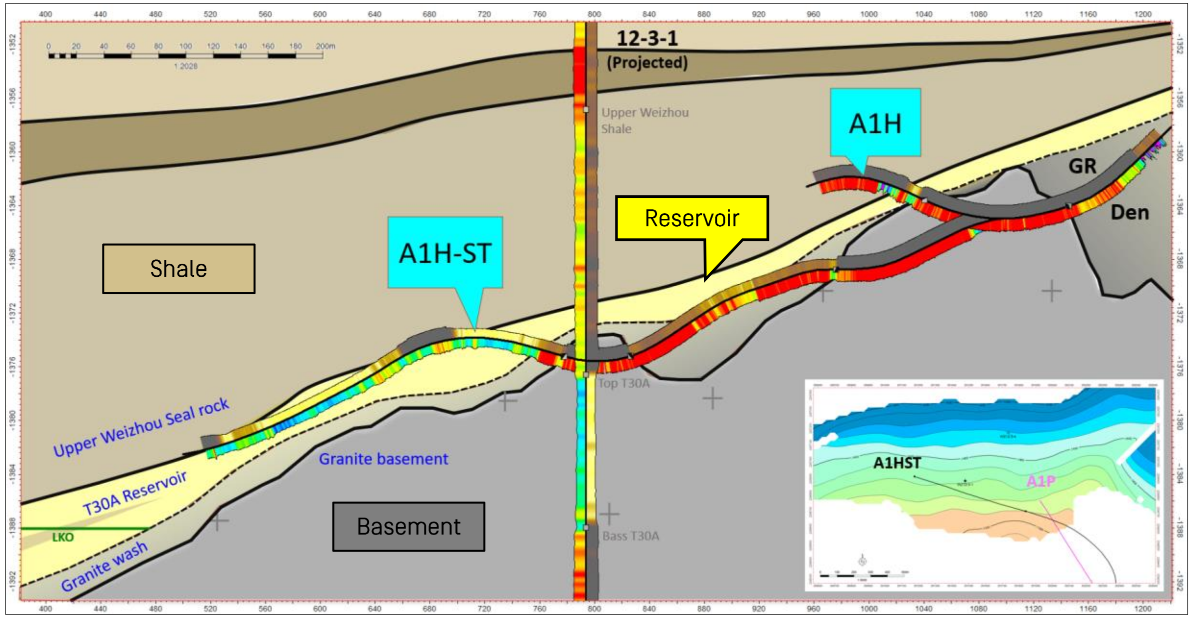
WEST-EAST CROSS-SECTION THROUGH JIAOWEI OIL COLUMN



BLOCK 22/12:
WZ12-8E DEVELOPMENT WEIZHOU (A1H) & 12-10 (A11H) WELLS

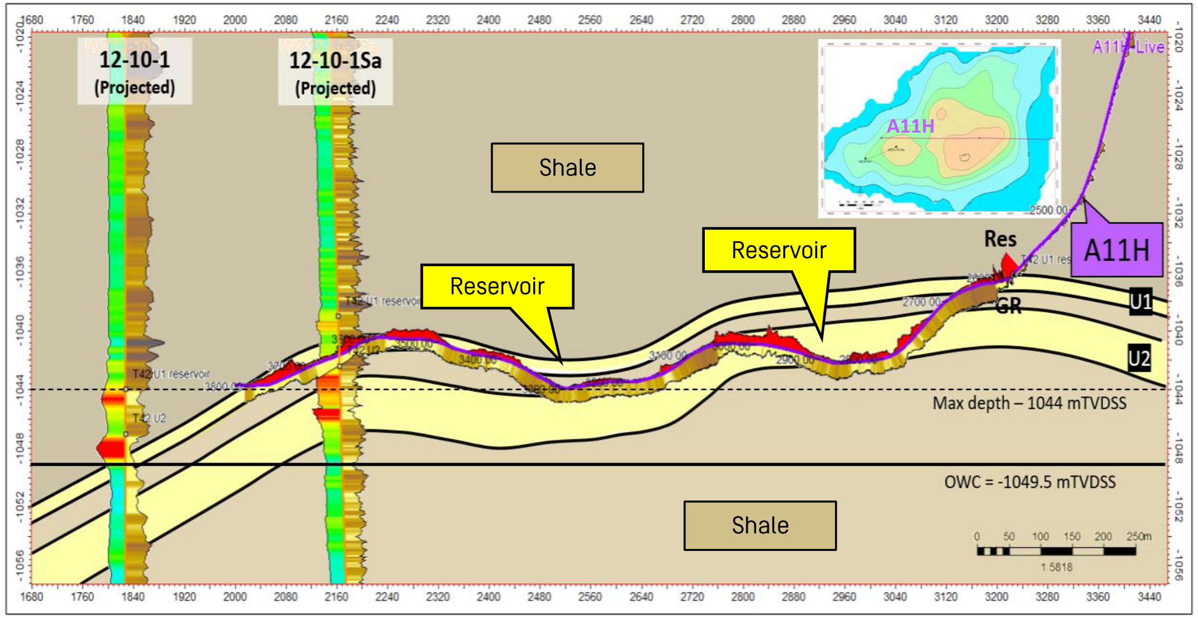
HORIZON

WZ12-8E WEIZHOU (A1H)



- Complex reservoir interplay with basement and granite wash resulted in challenging geo-steering operations.
- 256m of productive reservoir.
- The well is currently producing ~1,600 bopd at a low water-cut. The relatively slow water-cut development contrasts with the Jiaowei reservoir wells.

WZ12-8E 12-10 (A11H)

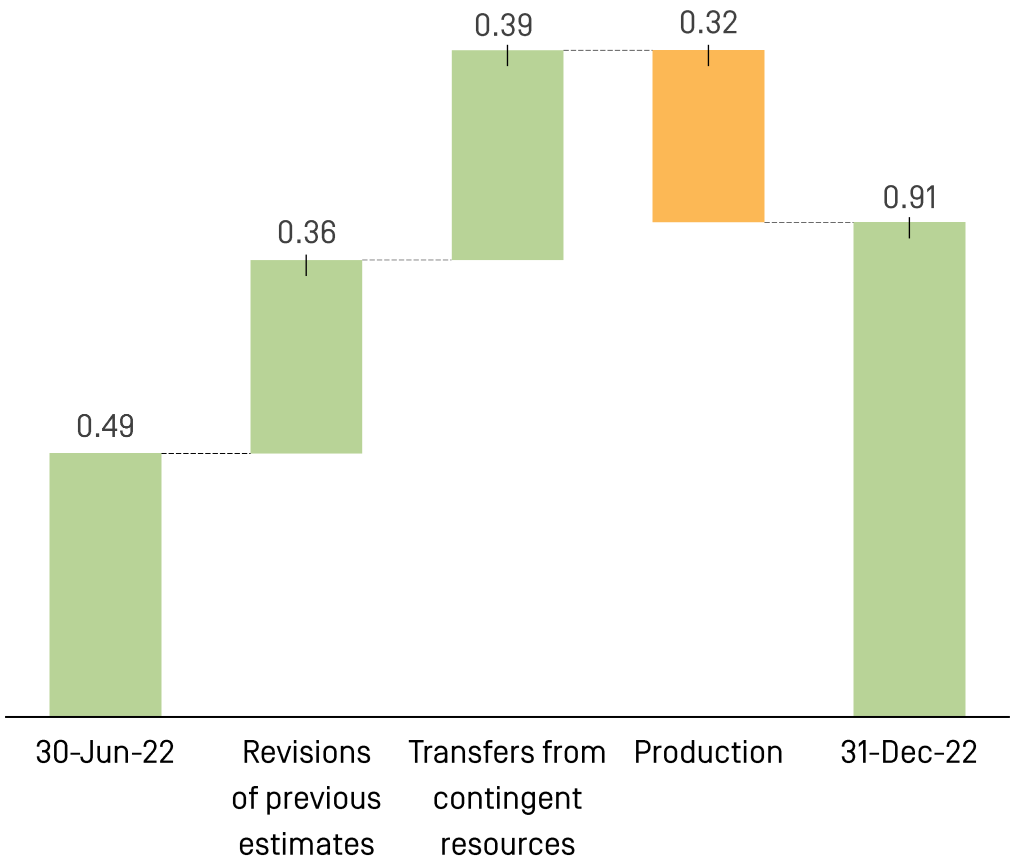


- Low relief structure comprising two thin sands (~1m and ~3m) in the Xaiyang (T42), challenging to keep the drill-bit within the thin reservoirs while drilling.
- 450m of productive reservoir.
- A11H was the last well in the Phase 2 program and only started production on 7 Jan. It is currently producing ~950 bopd at a low water-cut.

BLOCK 22/12:
SIGNIFICANT INCREASE IN WZ12-8E PROJECT RESERVES[1]

HORIZON

WZ12-8E 2P RESERVES RECONCILIATION (MMBBLS)

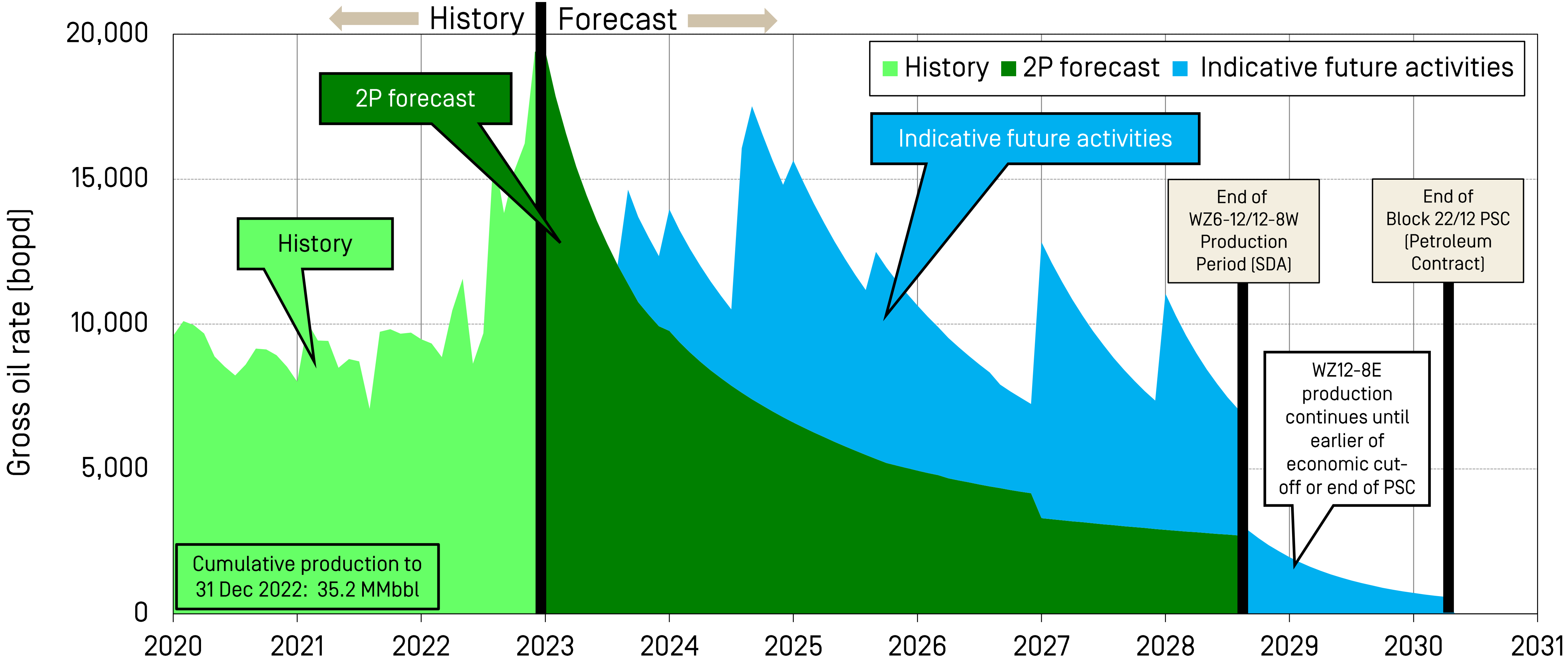


SUMMARY

- WZ12-8E project 2P developed oil recovery before subtracting production has increased over 150% from 1.95 mmbbl gross (Horizon net 0.49 mmbbls) to 4.89 mmstb gross (Horizon net 1.24 mmbbls) which is an increase of 2.94 mmbbls gross (Horizon net 0.75 mmbbls).
- This significant increase is a consequence of the strong production performance of both WZ12-8E Phases 1 and 2.
- Production of 1.20 mmbbls gross (Horizon net 0.32 mmbbls) in the six months to 31 December 2022 then results in 2P developed reserves at 31 December 2022 of 3.69 bbls gross (Horizon net 0.91 mmbbls).

[1] Refer to Horizon's 2022 Reserves and Resources Statement contained in the 2022 Annual Report, and Block 22/12 WZ12-8E reserves as set out in the ASX announcement dated 9 February 2023 for full details

BLOCK 22/12: HISTORY & FORECAST (GROSS)

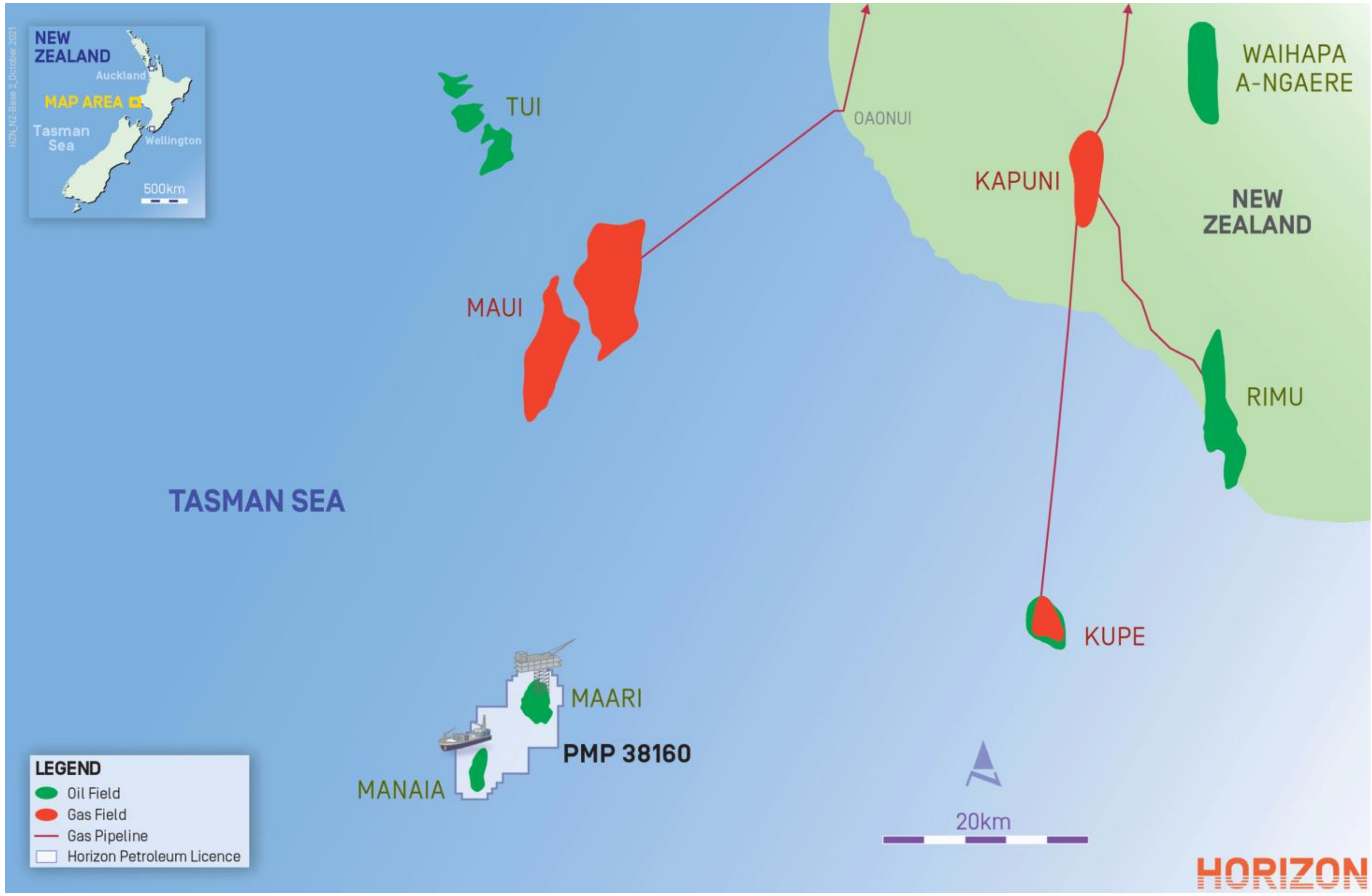


Future activities remain subject to further technical and economic evaluation, JV and regulatory approvals.
All data on this slide (history, forecast, cumulative production) is gross unless otherwise stated.

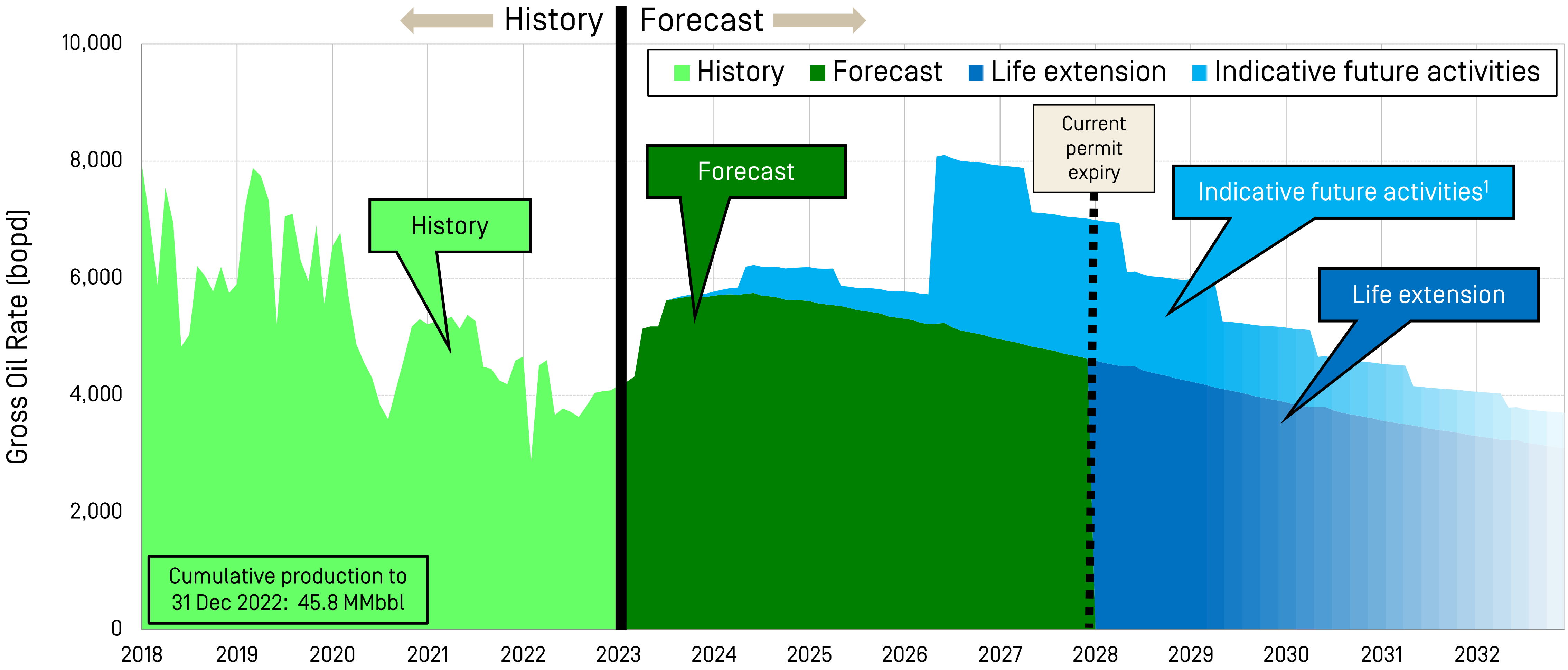
MAARI: STABLE PERFORMANCE

ASSET OVERVIEW & HIGHLIGHTS

- Maari, New Zealand, 26%
- JV: OMV (69% - Operator), Cue Energy (5%)
- Maari/Manaia generates approximately 20% of Horizon operating cashflow
- Cash operating costs for FY2022 of $34/bbl produced
- Strong premiums received on Maari crude from deliveries into East Coast Australia oil market, reflective of increased regional oil demand.
- CY23 work program focused on low-cost high-value well workovers and water injection optimisation
- Production license and 2P reserves forecast to end of 2027, the potential for life extension beyond 2027 being evaluated
- Decommissioning estimate revised, studies continuing and funding planning initiated

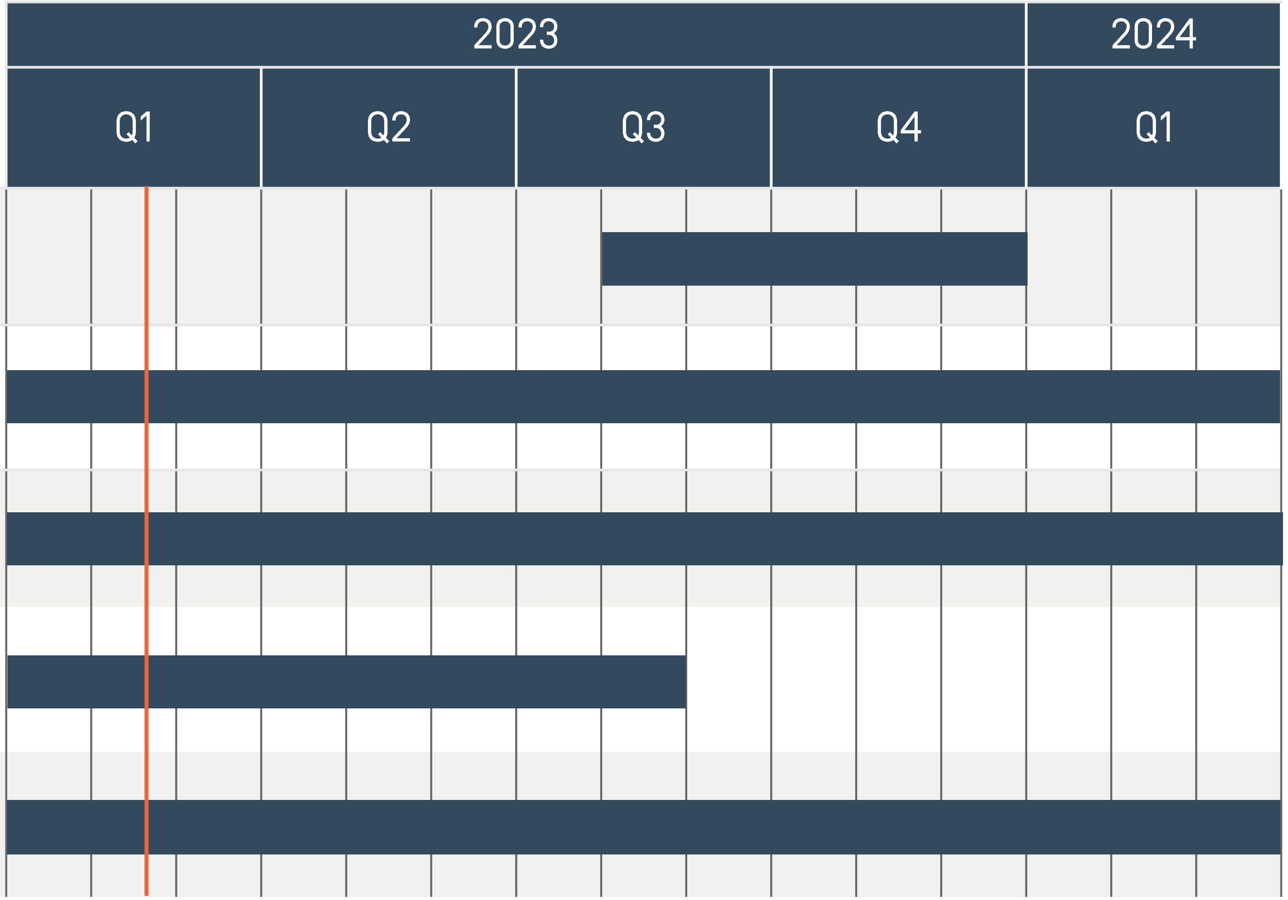


MAARI: HISTORY & FORECAST (GROSS)



[1] Likely requires permit extension to be commercially viable
Future activities remain subject to further technical and economic evaluation, JV and regulatory approvals.
All data on this slide (history, forecast, cumulative production) is gross unless otherwise stated.

PLANS FOR THE NEXT 12 MONTHS[1]



Block 22/12 possible infill drilling (between two and five wells)[1]	Planning in progress
WZ12-8E possible water-handling capacity upgrade[1]	Design in progress & ongoing.
WZ12-8E possible Phase 3[1]	Preliminary planning in progress; subject to JV approval
Maari workovers (x3)	Reinstate production from MN-1 and MR6a, and convert MR2A to a water injector
Maari life extension, opportunity framing and decommissioning studies	Ongoing

[1] indicative only and remain subject to further technical and economic evaluation, JV and regulatory approvals

2023 SUMMARY ACTIVITY OUTLOOK

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MAXIMISE FREE CASHFLOW[1]

- Recent investment in Block 22/12 WZ12-8E development – Phase 1 & 2, and WZ6-12 infill and workover program to drive cashflow generation
- Maari MN-1, MR6a and MR2A workovers to restore and increase production
- Continued strong cost control
    - Cash operating costs to be maintained <US$20/bbl

FURTHER DISTRIBUTIONS TO SHAREHOLDERS

- Regular distributions continue to be a priority
- Final dividend to be considered with the release of the full financial year results

CONTINUE INVESTING IN PRODUCTION GROWTH

- WZ12-8E field – consideration of a possible subsequent phase of development drilling
- Block 22/12 infill and appraisal opportunities being matured, and water handling upgrades being progressed
- Life extension studies to enhance Maari value
- Keeping an eye out for exceptional new business opportunities

[1] Free Cash Flow represents cash flows from operating activities less investing cash flows.

FY23 GUIDANCE

HORIZON

A STRONG END TO THE FINANCIAL YEAR ANTICIPATED - DRIVEN BY CONTINUED STRONG PRODUCTION AND OIL PRICE

Production
1.85 - 1.95
million barrels

- Production additions in Block 22/12 from WZ12-8E development and WZ6-12 infill wells and workovers driving higher production levels

Sales
1.85 – 1.95
million barrels

- Sales volumes forecast to be materially aligned with production for the period aided by the forecast timing of Maari liftings

Revenue
US$155 – 165
million

- Revenue expected to be supported by continued higher oil prices
- Forecast assumes oil prices maintained at around US$85/bbl

EBITDAX
US$105 – 115
million

- Continued focus on cost control and other initiatives to maximise earnings

The above guidance represents forward looking statements. Such statements relate to future events, such as oil price movements, and as such involve known and unknown risks and uncertainties. Actual results, actions and development may differ materially from those expressed or implied by these forward looking statement depending on a variety of factors. Refer to disclaimer slide at the beginning of this presentation.

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