QUARTERLY REPORT

PERIOD ENDING 31 MARCH 2025 (ASX:HZN)

HIGHLIGHTS

PAYMENT OF INTERIM DIVIDEND

- FY25 Interim Dividend of AUD 1.5 cents per share was paid after the quarter on 24 April 2025.
- Interim dividend in 2025 marks the 5th consecutive year in which Horizon has paid substantial distributions – over A$220 million returned to shareholders over the past five years.

STEADY PRODUCTION & CASH BUILD

- Production and sales volumes for the quarter totalled 407,778 boe and 400,112 boe respectively across all assets, materially in line with the prior quarter. Increased output from Maari, and from Mereenie following the successful commissioning of two infill wells, largely offset the anticipated production decline in Block 22/12 ahead of expected production gains from a recently commenced infill drilling program.
- Revenue from production for the quarter was in line with the prior quarter at US$26.4 million (inclusive of hedge settlements).
- Net operating cash flow[1] for the quarter increased 8.4% to US$17.8 million with higher realised gas prices and lower cash operating costs more than offsetting softer realised oil prices.
- Cash reserves at the end of the quarter were US$51.5 million, with net cash[2] at 31 March 2025 of US$26.4 million.
- Robust commodity hedge position in place with 230,000 bbls of oil hedged at a weighted average price of ~US$70/bbl largely focused on nearer term Maari and Block 22/12 scheduled liftings. Mereenie gas production effectively hedged through long term fixed price gas contracts covering the next three years.

MEREENIE INFILL WELL SUCCESS

- Development wells WM-29 and WM-30 were successfully drilled and brought onto production on 20 January and 26 February, respectively. Both wells combined have boosted field gas rates by around 20%, with Mereenie sales volumes ranging between 28 to 32 TJ/d since the wells were brought online.

ANNOUNCED MATERIAL ACQUISITION OF ADDITIONAL PRODUCTION ASSETS

- Horizon executed a share sale and purchase agreement (SSPA) with Exxon Mobil Corporation during the quarter to acquire an effective 7.5% interest in the Sinphuhorm gas field and a 60% interest in the Nam Phong gas field in Thailand through the purchase of 75% of the shares in Exxon's Thailand upstream business – Exxon Mobil Exploration & Production Khorat Inc (EMEPKI). The acquisition was conducted via a consortium bid with Matahio Energy whom will acquire the remaining 25% interest in EMEPKI and have agreed to manage the employees and operatorship of Nam Phong on behalf of the consortium. The transaction marks a strategic re-entry into the Thai market for Horizon and following completion is expected to boost Horizon production by over 2,000 boe/d.
- Total firm consideration for Horizon's 75% interest in EMEPKI is US$30 million net of working capital adjustments back to the effective date of 1 January 2025. Up to a further US$7.5 million in contingent payments may become payable in the future subject to certain conditions being met. A US$1.5 million deposit was paid during the quarter on execution of the SSPA.
- The acquisition is expected to be funded primarily through debt, with limited impact on existing cash reserves, and provides Horizon with stable, low-risk production, positive cash flow, and significant growth and optimisation potential. The transaction remains subject to the satisfaction of customary completion conditions which are expected to be satisfied over the coming months.

1 Net operating cashflow represents total revenue less direct production operating expenditure (including workover costs).
2 Net cash is non-IFRS financial information and represents cash on hand minus the nominal value of debt outstanding. This metric is widely used in the oil and gas industry.

CHIEF EXECUTIVE OFFICER'S COMMENTARY

This quarter marks another period of steady operational performance across Horizon's asset base, underpinned by low cost, robust production and continued strategic progress. While Block 22/12 in the Beibu Gulf experienced a modest decline in oil output, this was anticipated ahead of the WZ12-8M infill drilling campaign which began on 28 April. The successful WZ6-12 workover program and commencement of new drilling activity has set the stage for a production boost in the coming period. Meanwhile, Maari delivered strong results with a 10% quarter-on-quarter increase in gross production thanks to enhanced well optimisation and reliable facility uptime. These efforts collectively generated US$22 million in quarterly revenue across both projects.

Mereenie had an outstanding quarter with a 7% increase in production driven by the highly successful two well infill drilling program which has boosted field production rates to 28-32TJ/d (gross). The higher production volumes also coincided with a rollover to newer higher priced gas sales agreements which commenced at the beginning of the quarter. The combination of the higher gas sales volumes and materially higher realised gas prices resulted in a 38% increase in Mereenie revenues during the period. The additional production at Mereenie came at an important time for the Northern Territory (NT) with the NT Government recently recognising the JV's contribution to NT energy security and highlights our positive regional impact. The Mereenie JV continues to progress our 2025/26 work program with further appraisal and drilling opportunities being considered.

Importantly, Horizon announced a transformative acquisition in Thailand during the quarter, entering into an agreement with Exxon to acquire interests in the producing Sinphuhorm and Nam Phong gas fields. This transaction provides immediate, stable cash flow from low-risk, long-life assets, and represents an important re-entry into Thailand with strong regional partners. Supported by our existing debt facility, this deal strengthens our production base, enhances geographic diversification, and opens new avenues for growth across Southeast Asia.

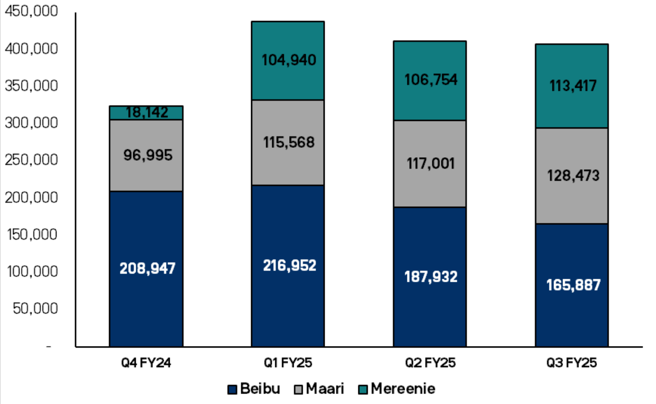
The balance sheet remains strong with net cash increased by around US$4 million to US$26.4 million at quarter end. Cash continued to accumulate whilst also funding production growth, with around US$6 million invested during the quarter through a combination of Mereenie infill drilling, Block 22/12 workovers and the deposit for the Thailand investment. The Company remains in a strong financial position and through this careful and considered investment in our assets we can continue to execute our strategy and prioritise returns to shareholders.

Richard Beament
Chief Executive Officer

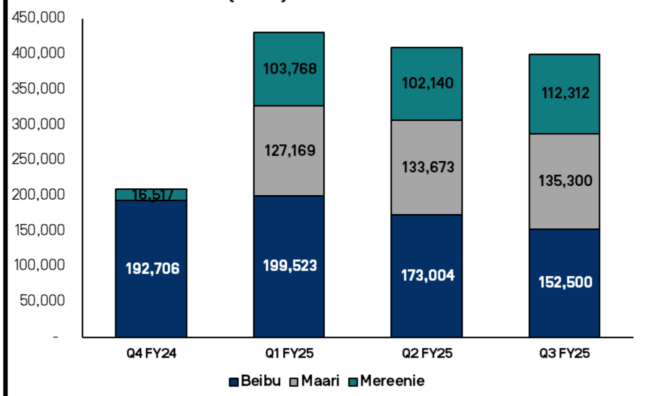
COMPARATIVE PERFORMANCE

PERIOD ENDING 31 MARCH 2025

OIL & GAS PRODUCTION (boe)

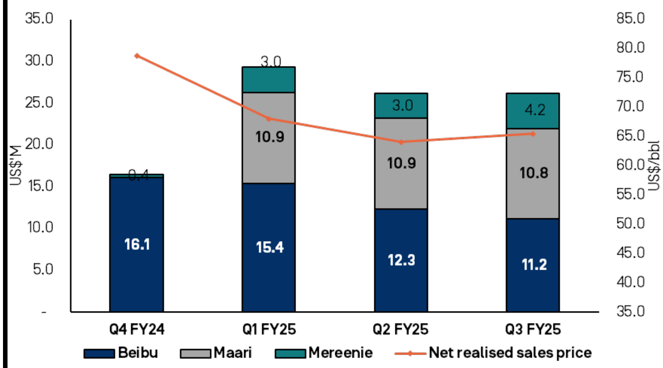


OIL & GAS SALES[1] (boe)



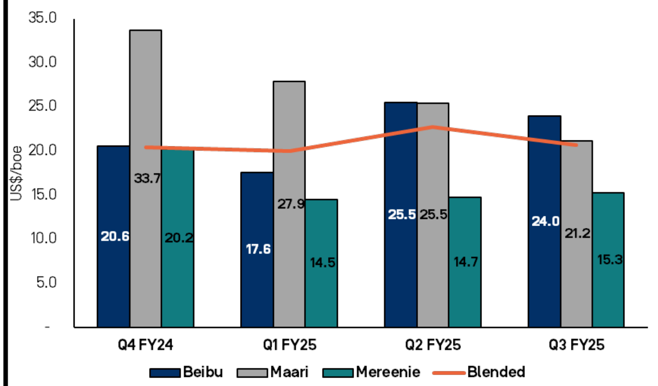
[1] no Maari lifting in Q4 FY24, lifting took place July 2024

REVENUE[1,2] (US$m)



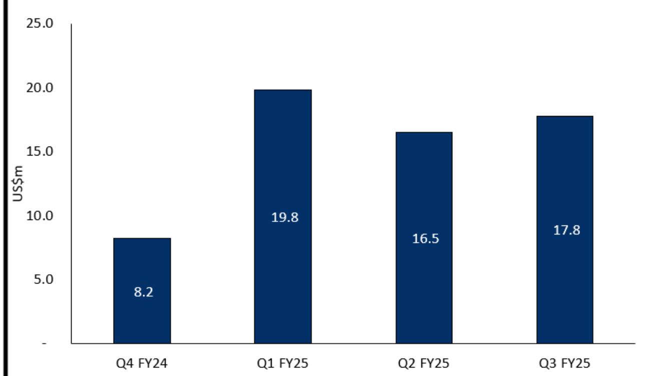
[1] excluding hedge settlements
[2] no Maari lifting in Q4 FY24, lifting took place July 2024

OPERATING EXPENDITURE[1] (US$/boe)



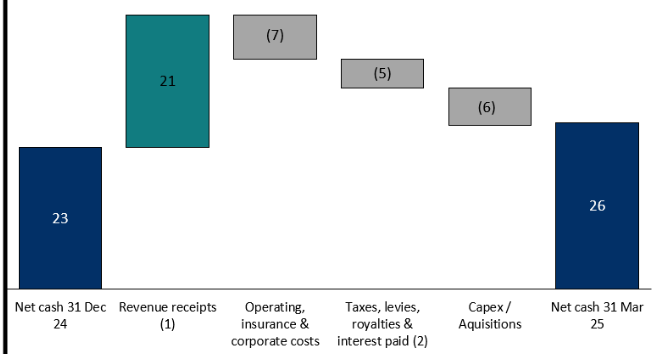
[1] excluding workover expenditures

OPERATING CASH FLOW[1] (US$m)



[1] operating cash flow represents cash in-flows from revenue less operating expenditure

NET CASH (US$m)



[1] Cash receipts generally have a one-month lag from the point of revenue recognition.
[2] Quarterly China income tax and special oil gain levy, Maari quarterly income tax and royalty payment.

Notes:

(a) Financial results contained in this quarterly are unaudited.

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

FINANCIAL SUMMARY

OIL PRODUCTION & SALES	Q3 FY25 BBLS	Q2 FY25 BBLS	CHANGE %	FINANCIAL YTD 2025 BBLS
BLOCK 22/12 (BEIBU GULF), OFFSHORE CHINA				
Crude oil production (NW)[1]	165,887	187,932	(11.7%)	570,772
Crude oil sales	152,500	173,004	(11.9%)	525,027
PMP 38160 (MAARI & MANAIA), OFFSHORE NEW ZEALAND				
Crude oil production (NW)[1]	128,473	117,001	9.8%	361,041
Crude oil inventory on hand	68,522	79,234	(13.5%)	68,522
Crude oil sales	135,300	133,673	1.2%	396,143
OL4 AND OL5, MEREENIE, ONSHORE AUSTRALIA[3]				
Crude oil production (NW)[1]	8,252	8,460	(2.5%)	24,727
Crude oil inventory on hand	4,035	4,650	(13.2%)	4,035
Crude oil sales	7,219	8,072	(10.6%)	22,072
TOTAL OIL PRODUCTION & SALES				
Crude oil production	**302,612**	**313,393**	**(3.4%)**	**956,540**
Crude oil sales	**295,019**	**314,749**	**(6.3%)**	**943,242**

GAS PRODUCTION & SALES	Q3 FY25 PJ	Q2 FY25 PJ	CHANGE %	FINANCIAL YTD 2025 PJ
OL4 AND OL5, MEREENIE, ONSHORE AUSTRALIA				
Gas production (NW)[1]	0.6	0.6	7.0%	2
Gas sales	0.6	0.5	11.7%	2
TOTAL GAS PRODUCTION & SALES				
Gas production	**0.6**	**0.6**	**7.0%**	**2**
Gas sales	**0.6**	**0.5**	**11.7%**	**2**

TOTAL OIL & GAS PRODUCTION & SALES	Q3 FY25 boe	Q2 FY25 boe	CHANGE %	FINANCIAL YTD 2025 boe
Oil & Gas production	**407,778**	**411,687**	**(1.0%)**	**1,256,924**
Oil & Gas sales	**400,112**	**408,817**	**(2.1%)**	**1,239,391**

Notes:

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

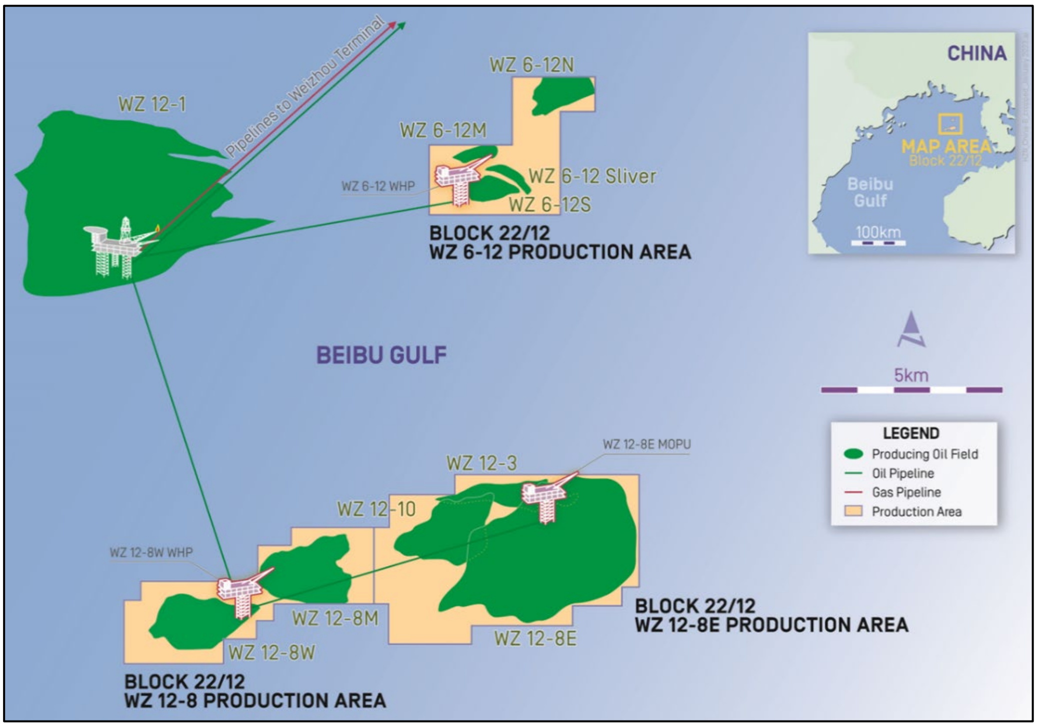
2 Amounts may not cast due to the rounding of balances.

PRODUCING OIL & GAS PROPERTIES	Q3 FY25 US$'000	Q2 FY25 US$'000	CHANGE %	FINANCIAL YTD 2025 US$'000
BLOCK 22/12 (BEIBU GULF), OFFSHORE CHINA				
Production revenue[1]	11,163	12,334	(9.5%)	38,937
Operating expenditure	3,977	4,800	(17.1%)	12,599
Workovers	153	155	(1.4%)	541
Special oil gain levy	356	323	10.4%	1,404
PMP 38160 (MAARI & MANAIA), OFFSHORE NEW ZEALAND				
Production revenue[1]	10,823	10,923	(0.9%)	32,650
Operating expenditure	2,722	2,979	(8.6%)	8,925
Workovers	-	496	(>100%)	1,311
Inventory adjustments[2]	863	1,896	(55.4%)	3,212
OL4 AND OL5, MEREENIE, ONSHORE AUSTRALIA				
Production revenue	4,154	3,000	38.4%	10,172
Operating expenditure	1,733	1,572	10.2%	4,823
Inventory adjustments[2]	(26)	23	(>100%)	(27)
TOTAL PRODUCING OIL & GAS PROPERTIES				
Production revenue[1]	**26,140**	**26,257**	**(0.4%)**	**81,759**
Oil hedging settlements	**286**	**203**	**40.7%**	**523**
Total revenue (incl. hedging gains/losses)	**26,426**	**26,460**	**(0.1%)**	**82,282**
Direct production operating expenditure	8,585	10,001	(14.2%)	28,199
Net operating cash flow[3]	**17,841**	**16,459**	**8.4%**	**54,083**
DEVELOPMENT EXPENDITURES[4]				
PMP 38160 (Maari and Manaia), New Zealand	1,001	698		1,969
Block 22/12 (Beibu Gulf), offshore China	-	186		1,578
OL4 & OL5, (Mereenie), onshore Australia	3,980	474		4,667
Total capital expenditure	**4,981**	**1,358**		**8,214**
Cash on hand	**51,478**	**47,309**		**51,478**
Debt Facility[5]	**(25,033)**	**(24,782)**		**(25,033)**
NET CASH[6]	**26,445**	**22,527**		**26,445**

Notes:
1. Represents gross revenue excluding hedge gains and losses.
2. Represents an accounting adjustment for cost of crude oil inventory sold or produced during the period.
3. Represents total revenue less direct production operating expenditure (including workover costs).
4. No exploration activities were undertaken during the quarter.
5. Represents principal amounts drawn down at 31 March 2025, translated into USD at the period end spot exchange rate.
6. Net cash is non-IFRS financial information and represents cash on hand minus debt. This metric is widely used in the oil and gas industry.
7. Amounts may not cast due to the rounding of balances.

PRODUCTION

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



Gross oil production for the quarter averaged 6,843 bopd (1,844 bopd Horizon net), a ~10% decrease on the prior quarter reflecting the expected natural decline in Block 22/12 production prior to the WZ 12-8M infill well being drilled and coming online. Net sales for the quarter were 152,500 bbls, generating revenue of US$11.2 million. Cash operating costs for the quarter were US$23.97/bbl (produced), excluding the costs of workovers.

During the period, the Operator executed a three-well WZ6-12 workover program. The perforation of shallow zones and an Electric Submersible Pump (ESP) replacement were completed for A6 on 31 January, an A13 ESP replacement was completed and the well restarted on 5 February, and the previously shut-in A5H well was converted into a closed loop water injector, with injection for the 6-12 North field started on 21 February.

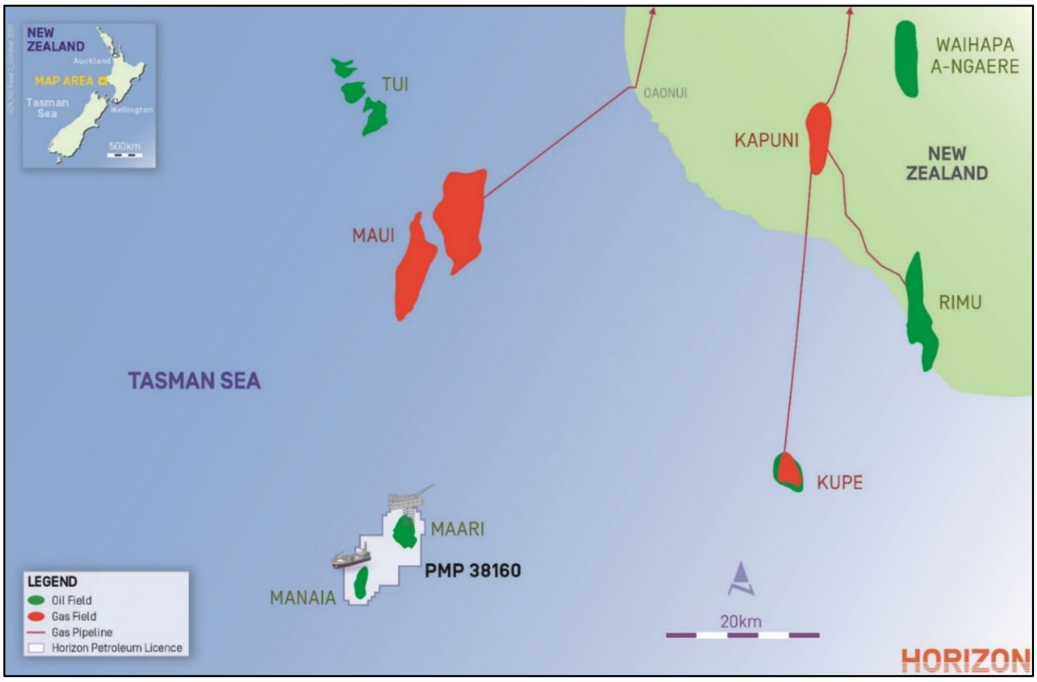
A one well drilling campaign commenced subsequent to the end of the quarter, with a COSL owned drilling rig mobilised to the WZ12-8W platform and drilling beginning on 28 April. The program is expected to run for approximately 30 days. Recovery from this well is currently carried as contingent resources but will be reclassified as reserves in Horizon's 30 June 2025 reserves report. This well will recover incremental oil from an existing field and is targeted as a nearby offset from existing producers.

The one well program is forecast to recover an incremental 0.4 mmbbl gross (Horizon net 0.1 mmbbl) to the end of the contract period, with the total incremental oil rate from the well estimated at 500 bopd gross (Horizon net 135 bopd). Horizon's share of the forecast drilling costs will be funded from existing cash reserves.

Also, at the end of the quarter, a planned facilities shutdown occurred from 31 March to 5 April for maintenance and tie-in works related to a liquid handling capacity upgrade project scheduled for later in the year.

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

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

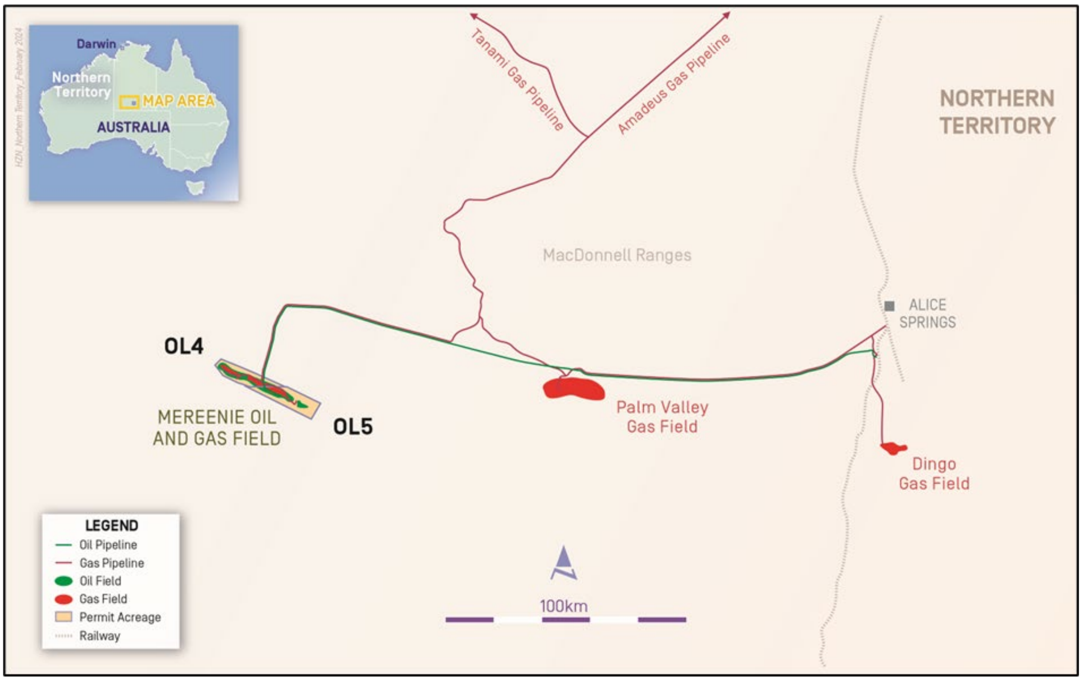


Maari production performance firmed during the quarter, with oil rates increasing by 10% compared to the previous period and 32% compared to Q4 FY24. Production averaged 5,490 bopd gross (1,427 bopd net to Horizon), driven by continued improvement in Maari Moki well performance supported by sustained water injection, optimisation of non-Maari Moki wells, and high well and facilities uptime. Cash operating costs averaged US$21.19/bbl produced for the quarter, excluding the costs of workovers. Net sales for the quarter were 135,300 bbls, generating revenue of US$10.8 million. Net crude oil inventory at 31 March 2025 was 68,522 bbls.

Maari experienced outstanding well and facilities reliability during the quarter, with all wells operational and minimal facility-related downtime issues. However, after the end of the quarter, the ESPs in both MN1 (on 1 April, runtime ~2 years) and MR4 (on 22 April, runtime ~5½ years) failed. The MR4 ESP replacement workover is scheduled to commence in late May once the wellhead platform workover unit returns to service following its mandatory ten-yearly maintenance upgrade. The MN1 ESP will be replaced following the scheduled 10-day FPSO and wellhead platform maintenance shutdown in the latter half of June.

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

OL4 and OL5, Mereenie, NT, Australia (Horizon: 25%)



Mereenie's performance strengthened during the quarter, with the start of production from the development wells WM-29 and WM-30 comfortably offsetting natural field decline, coupled with strong gas demand in the NT as temperatures increased into the hotter months. Gross production for the quarter averaged 27.2 TJ/d (6.8 TJ/d Horizon net) of gas and 367 bopd (92 bopd Horizon net) of oil, generating revenues of US$4.2 million at an average realised gas price of ~A$9.50/GJ following the legacy Gas Sales Agreements (GSA) rolling off and being replaced with newer GSAs attracting a higher gas price.

Development wells WM-29 and WM-30 commenced production on 20 January and 26 February, respectively. Both wells combined have boosted field gas rates by around 20%, with Mereenie sales volumes ranging between 28 to 32 TJ/d since the wells were brought online.

A planned plant maintenance shutdown commenced on 29 March 2025, with production resuming on 3 April.

On the commercial front, the Mereenie JV commenced the fulfillment of the NT Government gas sales agreement (GSA) executed in July 2024 from 1 January 2025. This included the sale of additional volumes made available on a contingent basis from the infill drilling program completed during the period. In recent weeks, Jemena advised that the Northern Gas Pipeline (NGP) was reopened following additional drilling and gas volumes made available from the Blacktip field. With the NGP now reopened, the Mereenie JV is now able to fulfil existing supply agreements with South32 and Shell and also provides the opportunity for the Mereenie JV to market and sell additional gas volumes into East Coast markets.

In early April, the Mereenie JV advised that the existing GSA held with Arafura for their Nolans rare earths project (Nolans Project) had lapsed as the key condition requiring FID on or before 31 March 2025 was not satisfied. Following the ongoing delays to achieving FID on the Nolans Project, Horizon and the Mereenie joint venture have decided to re-market this volume of firm gas production commencing in 2028 to other customers throughout the Northern Territory and the East Coast.

Due to the recent gas supply challenges in the NT and the successful execution of the recent infill drilling program, the Mereenie JV has received increasing interest and support from the NT Government. The NT Deputy Chief Minister/Minister for Mining & Energy visited the Mereenie facility along with members of the Mereenie Joint Venture on 8 April 2025, see 23 April 2025 NT Government Media Release (NT Minister Mereenie Media Release).

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

THAILAND - INTEREST ACQUISITION OF 7.5% OF SINPHUHORM AND 60% OF NAM PHONG Producing GAS FIELDs, ONSHORE THAILAND

On 24 March, Horizon announced the execution of a share sale and purchase agreement through one of its wholly owned subsidiaries (Horizon Thailand Investments Pty Limited) with Exxon Mobil Corporation ("Exxon" or "Seller") which results in the acquisition of a 7.5% working interest in the E5N and EU1 development licences, onshore Thailand, which contain the producing Sinphuhorm conventional gas and condensate field, and a 60% interest in the E5 development licence, onshore Thailand, which contains the producing Nam Phong conventional gas field. The acquisition is proposed through a consortium, with Horizon to acquire 75% of the shares in Exxon Mobil Exploration and Production Khorat Inc. (EMEPKI) with Matahio Energy ("Matahio") acquiring the residual 25% and agreeing to manage EMEPKI employees and operatorship of the Nam Phong field on behalf of the consortium.

Horizon's headline cash consideration for the 75% holding in EMEPKI is US$30 million, with an effective date of 1 January 2025, plus up to US$7.5 million in contingent payments over the next six years which are subject to certain conditions being met. The upfront cash consideration will be substantially funded from a credit approved amendment to our existing Macquarie Bank debt facility which will provide additional debt capacity for the acquisition of up to approximately US$22 million, with up to a further US$10 million of finance made available following completion of the acquisition. During the period the Company paid a US$1.5 million deposit to Exxon as part payment of the purchase consideration.

The funding structure, together with the expected free cashflow generation from Sinphuhorm and Nam Phong allows for the continuation of Horizon's distribution strategy. The transaction remains subject to customary completion conditions.

INTEREST ACQUISITION HIGHLIGHTS

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

- Acquisition of 3.9 MMboe of 2P Reserves as at an effective date of 1 January 2025 associated with the acquisition of a 7.5% working interest in Sinphuhorm, and 60% working interest in Nam Phong gas fields. Based on the headline consideration of US$30 million (net to HZN), this represents an acquisition cost of ~US$7.7/boe.
- Positive cash flow generation from a well-understood reservoir; stable and predictable gas production of approximately 2,000 boe/d net to Horizon, based on current rates (approximately comparable with current net Block 22/12 boe/d production rates), with the asset running at close to 100% uptime in 2024
- It is anticipated that, due to the effective date of 1 January 2025 and proposed debt funding, the impact on Horizon's existing cash reserves on completion will be less than US$10 million.
- Gas is contracted under a long-term gas sales agreement with PTT as the buyer for ultimate use in a regional power station for electricity generation.
- Represents a Thailand country re-entry and establishes a low-cost platform for growth in Thailand and South-East Asia, partnering with both PTTEP and Matahio as operators, at the same time providing further diversification of the Company's production base.
- The acquired assets are exposed to limited abandonment obligations (currently estimated at c.US$5 million net to HZN).
- Potential to enhance value through life extension at both fields, infill drilling, facility upgrades and optimisations, together with additional opportunities in both assets.

Since execution of the agreement, the parties continue to actively work towards completion of the transaction with a focus on company ownership transition, regulator and JV engagement, and finalising financing documentation. Completion of the transaction is expected over the coming months.

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

Authorisation

This ASX announcement is approved and authorised for release by the Company Secretary on 30 April 2025.

For more information please contact:

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