

17 June 2025

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

THAILAND TRANSACTION UPDATE – FINALISATION OF FINANCING ARRANGEMENTS

Further to the Company's Thailand acquisition announcement on 24 March 2025, Horizon advises that it has executed an amendment to its senior debt facility agreement with Macquarie Bank to fund the acquisition of an effective 7.5% working interest in the producing Sinphuhorm conventional gas and condensate field, and a 60% working interest in the producing Nam Phong conventional gas field. As previously advised, the acquisition is proposed through a consortium, with Horizon to acquire 75% of the shares in ExxonMobil 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. Subject to completion, the transaction will add approximately 2,000 boe/d to Horizon's production. With continued strong production from both fields and robust oil-linked gas prices since the 1 January 2025 effective date, the cashflow benefit over the period to completion is forecast to materially reduce the remaining headline cash consideration of US\$28.5 million payable at completion.

Terms of the amended debt facility

The amended senior debt facility, which is structured as a reserves based lending facility, comprises the following:

- Tranche A - an increase in the Mereenie available debt from approximately A\$40 million to up to A\$50 million. The additional A\$10 million of debt capacity is supported by the recent infill well results and recently signed strategic gas sales agreements (GSA), including the 6-year GSA signed with the NT government. This tranche amortises through to maturity at 30 June 2029 and continues to attract interest payable at BBSW + 5%.
- Tranche B1 – up to an additional US\$15 million of finance to be drawn to initially fund the acquisition which is supported by cashflows from Horizon's working interest in Block 22/12, China. This tranche is secured against a new Block 22/12 and Maari security package. This tranche amortises to maturity at 31 December 2027 and attracts interest payable at SOFR + 5%.
- Tranche B2 – up to an additional US\$10 million of finance to be made available following completion of the acquisition to fund any further development of the secured assets and for general corporate purposes. This tranche is supported by cashflows from the acquired interest in Sinphuhorm and remains subject to security being provided over Horizon's 75% shareholding in EMEPKI and updated technical diligence on Sinphuhorm prior to drawdown. This tranche amortises to maturity at 31 December 2027 and attracts interest payable at SOFR + 6%.

Horizon CEO, Richard Beament commented:

We are pleased to further extend our financing relationship with Macquarie Bank as they continue to support our business. The finalisation of the amendment to the facility agreement is a key transaction milestone for the acquisition of the interests in the Sinphuhorm and Nam Phong assets and provides the Group with financial flexibility and additional liquidity to fund further development of the Group's significant pipeline of contingent resources. The Sinphuhorm and Nam Phong assets are continuing to perform very well such that we look forward to completing the transaction with Exxon and integrating these assets into our business. We expect drawdown and financial close of the facility, and completion of the transaction over the coming months.

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