

HORIZON ADVISES HALF YEAR RESULTS

In accordance with Listing Rule 4.2A.3, Horizon Oil Limited lodges its Half Year Report for the period to 31 December 2024. The financial results for the period are set out in the attached half year report which incorporates the Appendix 4D.

HIGHLIGHTS

CAPITAL MANAGEMENT

- The Company announces an interim unfranked (conduit foreign income) dividend of AUD 1.5 cents per share, a return to shareholders of A\$24.4 million to be paid in April 2025.
- FY24 Final Dividend of AUD 1.5 cents per share was paid during the half year on 25 October 2024.
- Following payment of the FY25 Interim Dividend, cumulative distributions paid over the past four years will be more than A\$224 million (AUD 14 cents per share).

STEADY PRODUCTION & CASH BUILD CONTINUES

- Production and sales volumes for the half-year were 839,277 boe and 849,147 boe, with 2024 calendar year production and sales volumes of 1,300,763 boe and 1,175,074 boe.
- Revenue for the half-year was US\$55.8 million (inclusive of hedge settlements), with 2024 calendar year revenue of over US\$101.2 million.
- EBITDAX¹ of US\$29.4 million for the half-year, with cash operating costs of ~US\$23.37/boe, inclusive of workover costs.
- Statutory profit before tax for the half-year of US\$11.2 million.
- Cash reserves at the end of the half-year was US\$47.3 million following the ~US\$16.6 million dividend payment in October, with net cash² at 31 December 2024 of US\$22.5 million.

MEREENIE INFILL WELL SUCCESS

- Mereenie two well development program commenced drilling in early December, with both wells WM29 and WM30 successfully completed after half-year end, with the program completed on time and within budget.
- Mereenie field production following WM29 startup increased, with the additional gas volumes sold into the tight NT domestic market under the recently signed gas sales agreements.
- Completion and tie-in of the second well WM30 is in progress and expected to be completed shortly.

¹ EBITDAX is a financial measure which is 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. The directors consider EBITDAX to be a useful measure of performance as it is widely used by the oil and gas industry. EBITDAX has not been audited, however it has been extracted from the financial reports for the periods ended 31 December 2023 and 31 December 2024, which have been subject to review by the Group's auditors.

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.

COMMENTING ON THE RESULTS, HORIZON'S CHIEF EXECUTIVE OFFICER, RICHARD BEAMENT, STATED:

"This has been another positive half year for the Company with the continued strong free cashflow generation substantially replenishing cash reserves following the ~US\$16.6 million (AUD 1.5 cents per share) distribution paid to shareholders in October 2024. Accordingly, we are delighted to again announce an interim unfranked dividend distribution of AUD 1.5 cents per share following the rapid cash rebuild.

Overall production and sales volumes for the half-year increased 11% following the Mereenie acquisition which completed on 11 June 2024. The recent infill drilling success at Mereenie provides a welcome production boost to start the new calendar year, with the additional production from WM29 and WM30 (once tied in) coming at an opportune time for both the NT and the Mereenie Joint Venture. The initial results from these wells support the strategic merit of the Mereenie acquisition. Infill wells such as these are highly accretive, and the success of this drilling program provides greater confidence in maturing further infill and appraisal drilling targets.

Maari production continued to be robust during the half-year and we were delighted to see the MR6a well brought back online. As expected, production declined naturally at Block 22/12 and was also impacted by two wells requiring workover, both of which have now been brought back into production as part of a workover program. This workover program is also targeting incremental production through a perforation job to access a behind pipe opportunity, and through the conversion of a currently shut-in well into a closed loop water injector. A water handling capacity upgrade project at Block 22/12 continues to progress and plans are maturing for further infill drilling later in CY25.

Revenues and profitability reduced during the period substantially due to the lower realised oil price and the expected lower production from Block 22/12, which was partially offset by the additional production contribution from Mereenie. Recently improved Maari production, and new gas contracts for Mereenie combined with the production from two new wells is expected to drive improved revenues from Maari and Mereenie into CY 2025.

The Company remains in a strong financial position with sustained high oil prices and production ensuring we can continue to execute our strategy of realising value for shareholders."

Richard Beament
Chief Executive Officer

FINANCIAL SUMMARY

2025 HALF-YEAR RESULT		31 DEC 2024 US\$'000	31 DEC 2023 US\$'000	CHANGE %
Oil and gas sales	<i>boe</i>	839,277	757,784	11%
Oil and gas production	<i>boe</i>	849,147	763,145	11%
Sales revenue		55,858	66,120	[16%]
EBITDAX ¹		29,442	44,006	[33%]
Statutory profit before tax		11,158	26,589	[58%]
Statutory profit for the period		6,576	18,257	[64%]
Cash on hand		47,309	45,066	5%
Cashflow from operating activities		18,337	32,470	[44%]
Senior debt facility ²		24,782	-	100%
Net cash³		22,527	45,066	[50%]

Note 1: EBITDAX is a financial measure which is 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. The directors consider EBITDAX to be a useful measure of performance as it is widely used by the oil and gas industry. EBITDAX has not been audited, however it has been extracted from the financial reports for the periods ended 31 December 2023 and 31 December 2024, which have been subject to review by the Group's auditors.

Note 2: Represents principal amounts drawn down.

Note 3: 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.

Note 4: All figures are presented in United States dollars, unless otherwise stated.

The Group's CEO, Richard Beament, and CFO, Kyle Keen will host a webcast on 27 February 2025 at 11.00am (AEDT) to discuss the Group's operations and financial results for the Half Year.

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

Authorisation

This ASX announcement is approved and authorised for release by the Board.



HALF-YEAR REPORT

INCORPORATING APPENDIX 4D

31 DECEMBER 2024

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by Horizon Oil Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

APPENDIX 4D

PRELIMINARY FINAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

ABN 51 009 799 455

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 half-year report for the period to 31 December 2024.

Current reporting period: Half-year ended 31 December 2024

Previous corresponding period: Half-year ended 31 December 2023

Results for announcement to the market

PERCENTAGE CHANGE				AMOUNT US\$'000
Revenue from continuing operations	Down	16%	to	55,858
Profit from ordinary activities after tax	Down	64%	to	6,576
Profit for the period attributable to members	Down	64%	to	6,576

Dividends

	AMOUNT PER SECURITY AUD CENTS	FRANKED AMOUNT PER SECURITY
Interim dividend	1.5	Nil

Horizon Oil Limited announced on 27 February 2024 an interim Conduit Foreign Income (CFI) unfranked dividend of AUD 1.5 cents per Ordinary share which will be paid on 24 April 2025. The final FY24 dividend of AUD 1.5 cents per share was paid during the half-year on 25 October 2024.

Net Tangible Assets

	2024 US CENTS	2023 US CENTS
Net tangible asset backing per ordinary share	4.5	5.6

Controlled entities acquired or disposed of

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

During the previous half-year, the Group established a wholly owned subsidiary (Horizon Australia Energy Pty Ltd) to hold the recently acquired 25% working interest in the producing Mereenie oil and gas field.

Notes: Reports are based on reviewed consolidated financial statements.

All figures are presented in United States dollars, unless otherwise stated.

HALF-YEAR FINANCIAL REPORT

DIRECTORS' REPORT

Your directors present their report on the consolidated entity [referred to hereafter as 'The Group'] consisting of Horizon Oil Limited and the subsidiaries it controlled at the end of, or during the half-year ended, 31 December 2024.

DIRECTORS

The following persons were directors of Horizon Oil Limited during the whole of the half-year and up to the date of this report (except as noted below):

B Clement [assumed the role of Chairman on 20 November 2024]

M Harding [was a non-executive director and Chairman up until his retirement on 20 November 2024]

R Beament

S Birkenleigh

G Bittar

N Burgess

P Goode [appointed as a non-executive director on 12 September 2024]

REVIEW OF OPERATIONS

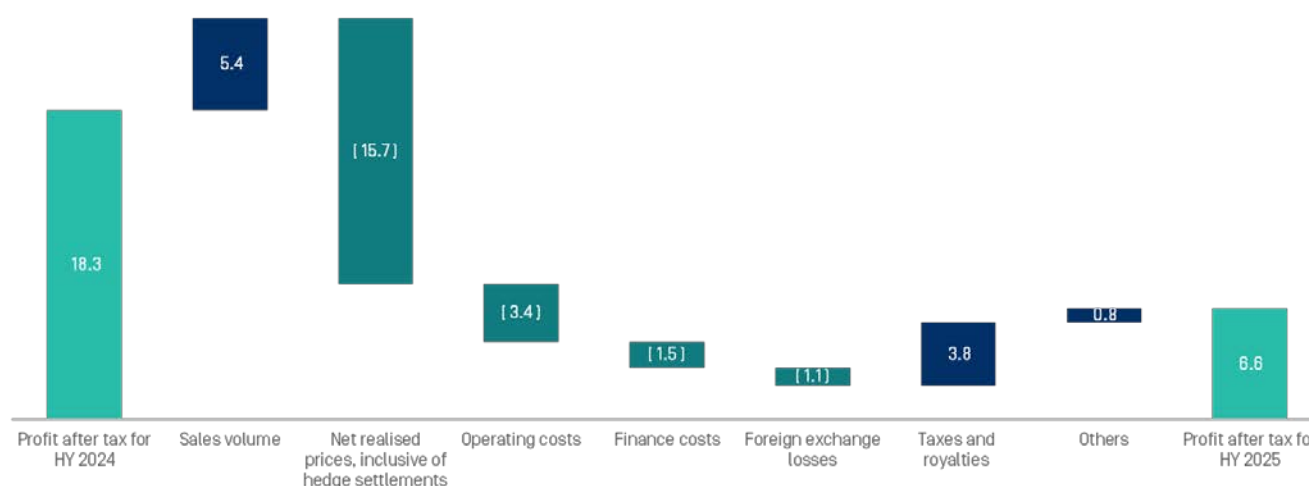
Principal activities

During the course of the half-year ended 31 December 2024, the Group's principal activities continued to be directed towards petroleum production, development and exploration.

A detailed review of the operations of the Group during half-year is set out in the Activities Review on pages 6 to 7 of this report.

GROUP FINANCIAL PERFORMANCE

Profit Drivers



The Group's net working interest production for the half year was 11% higher than the prior comparative period at 849,147 boe (HY2024: 763,145 bbls). The increase in production is attributable to the Mereenie acquisition which completed on 11 June 2024, partly offset by the anticipated natural production decline across the producing fields in Block 22/12. In addition, during the half-year, a four well infill drilling campaign was successfully completed in Block 22/12 which further offset the natural decline from the Block 22/12 fields. Maari production was steady throughout the half-year due

substantially to high field uptime, workover activity being completed on two wells during H1 FY25, as well as the restart of MR6A.

Sales volumes for the half year was 839,277 boe [HY2024: 757,784 bbls]. Sales revenue of US\$55.9 million [HY2024: US\$66.1 million] was generated during the half-year resulting from an average realised oil price of US\$78.66/bbl [HY2024: US\$87.27/bbl], inclusive of hedge settlements and an average realised gas price of A\$6.62/GJ [equivalent to an oil price of ~US\$23/boe]. The increase in sales volumes is attributable to the acquisition of the 25% interest in the Mereenie oil and gas field which has more than offset the expected natural decline in Block 22/12 production and sales volumes.

Operating costs for the period were US\$38.7 million, higher than the prior comparative period [HY2024: US\$35.8 million] owing to the inclusion of operating costs associated with the 25% interest in the Mereenie oil and gas field.

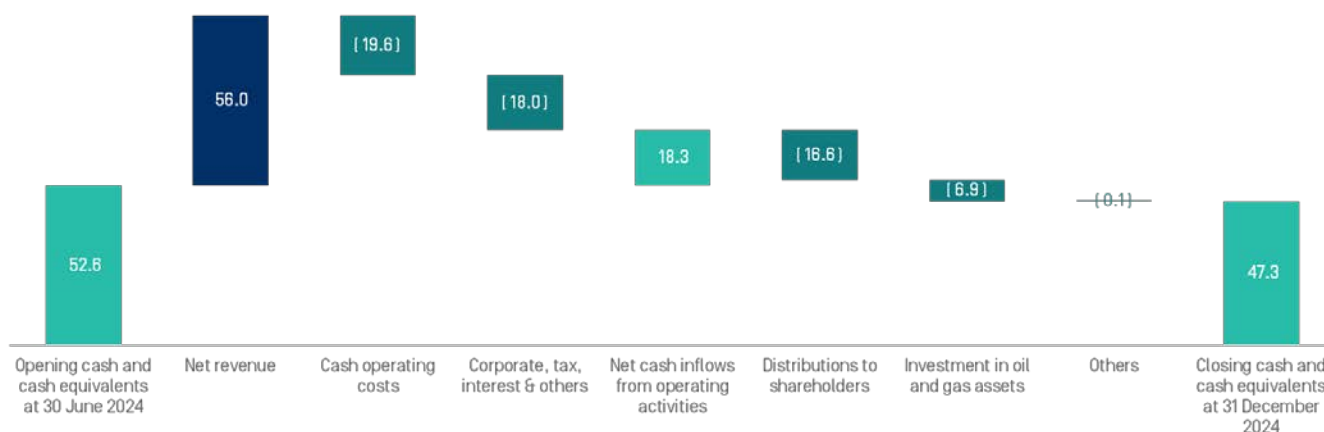
The Group reported a profit after tax of US\$6.6 million for the half-year [HY2024: US\$18.3 million] with the reduction from the prior comparative period substantially due to the lower realised price for oil which was partially offset by an overall increase in sales volumes following the additional production contribution from Mereenie. Non-cash items for the half-year included US\$15.7 million [HY2024: US\$16.3 million] in amortisation of production phase assets and depreciation of property, plant and equipment, US\$0.6 million [HY2024: US\$0.5 million] related to the value of non-cash expense in relation to performance rights granted to Horizon employees, and US\$1.4 million [HY2024: US\$1.1 million] financing expense related to the unwind of the discount on the Maari and Mereenie restoration provisions.

EBITDAX¹ from operations was US\$29.4 million [HY2024: US\$44.0 million], and EBIT¹ from operations was US\$13.3 million [HY2024: US\$27.2 million]. Cashflows from operating activities of US\$18.3 million [HY2024: US\$32.5 million] enabled the Group to substantially replenish cash following the payment during the period of the final dividend for FY24 of ~US\$16.6 million. Cashflow also allowed for the accumulation of funds for Maari restoration and enabled the Group to meet its capital expenditure commitments.

Segment information is included in Note 3 of the financial statements.

CONSOLIDATED STATEMENT OF CASHFLOWS

Cashflow Drivers



¹ EBITDAX and EBIT are financial measures which are not prescribed by Australian Accounting Standards. EBITDAX represents the profit under Australian Accounting Standards adjusted for interest expense, taxation expense, depreciation, amortisation and exploration expenditure (including non-cash impairment). 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 been extracted from the financial reports for the periods ended 31 December 2023 and 31 December 2024.

Net cash generated from operating activities for the half-year was US\$18.3 million (HY2024: US\$32.5 million) resulting in the replenishment of the Company's cash reserves following the FY24 final dividend of US\$16.6 million paid to shareholders in October 2024. This continued strong cashflow generation and replenishment of cash reserves has allowed for continued distributions to shareholders with the declaration of an FY25 interim CFI unfranked dividend of AUD 1.5 cents per ordinary share to be paid in April 2025.

CORPORATE

Group liquidity

At 31 December 2024, the Group's net cash position was US\$22.5 million (30 June 2024: US\$26.2 million) following the ~US\$16.6 million distribution paid to shareholders in October 2024. Net cash comprises cash and cash equivalent assets held of US\$47.3 million (30 June 2024: US\$52.6 million) offset by the nominal value of borrowings drawn down of US\$24.8 million (30 June 2024: US\$26.4 million) on the Group's debt facility. Further details of the Group's debt facility are set out in Note 11.

Consolidated statement of financial position

At 31 December 2024, total assets were US\$181.0 million (30 June 2024: US\$205.3 million) and total liabilities were US\$107.3 million (30 June 2024: US\$122.0 million), resulting in net assets of US\$73.7 million (30 June 2024: US\$83.2 million). The Group had a working capital surplus of US\$39.0 million (30 June 2024: US\$40.3 million).

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 130,000 bbls of oil covering the period to May 2025, with a weighted average fixed price of ~US\$76.50/bbl.

Distributions

The Board has declared an interim dividend of AUD 1.5 cents per Ordinary share totalling approximately AUD24.4 million (~US\$15.5 million). This dividend has been declared as a Conduit Foreign Income (CFI) unfranked dividend and will be paid on 24 April 2025.

ACTIVITIES REVIEW

Block 22/12, Beibu Gulf [Horizon: 26.95%]

During the half-year, Block 22/12 production declined naturally as anticipated across the producing fields, with average production of over 8,165 bopd [2,200 bopd HZN net].

Net sales for the half year were 372,527 bbls, generating revenue of US\$27.8 million. Cash operating costs for the half year were US\$21.37/bbl [produced], excluding the costs of workovers.

During the half-year, a four well infill drilling campaign was successfully completed with two sidetrack wells into the WZ12-8E Jiaowei reservoir, a new well into the WZ12-10 structure, and a further infill well into the WZ6-12 field. All four wells were drilled and completed ahead of schedule and under budget.

Block 22/12 production was impacted during the half-year by the requirement for workovers on two wells. The first well was successfully worked over and brought back on to production in December, having been shut-in in early October due to a downhole Electric Submersible Pump [ESP] failure, while a workover on the second well was completed following the half year end to also replace an ESP. This second well is part of a three well workover program started in January 2025 which will also target incremental production through a perforation job to access a behind pipe opportunity and through the conversion of a currently shut-in well into a closed loop water injector.

There was a 6-day precautionary field shutdown from 4 to 9 September for the super-typhoon Yagi evacuation, followed by a progressive restart over three days from 10 September. There was no injury to personnel or damage to facilities during this major weather event.

The joint venture also continues to mature CY25 work program activities, including liquid handling capacity upgrade initiatives and further infill drilling opportunities across the Project area.

New Zealand - PMP 38160, Maari and Manaia fields, offshore Taranaki Basin [Horizon: 26%]

During the half-year, gross oil production averaged 4,861 bopd [Horizon net 26%: 1,264 bopd]. Maari has maintained steady performance throughout the half-year with workover activity being completed on a number of wells. Following this workover activity, and with the MR6a well restarted, subsequent to the end of the half-year production for January averaged in excess of 5,300 bopd gross [1,380 bopd net Horizon], the highest average monthly project rate since September 2023.

During the period, the operator successfully completed workovers on the MR8A and MR10 production wells, which involved replacing failed electric submersible pumps [ESPs], both wells were brought back online and returned to their pre-workover production rates.

The MR6a well, which had been previously shut-in due to an unexpected change in the ESP performance, was successfully brought back on-line during the half year. Well results continue to be encouraging with the Operator undertaking an extensive well testing program in order to optimise production.

Cash operating costs averaged US\$26.64 /bbl produced for the half year, excluding the costs of workovers. Net sales for the half year were 260,842 bbls, generating revenue of US\$21.8 million. Net crude oil inventory at 31 December 2024 was 79,234 bbls.

The PMP 38160 [Maari] license extension application was lodged during the half year and is currently under review by the regulator, with various regulatory consents and stakeholder engagement processes underway. Whilst the regulatory approval process can take greater than 12 months, this is a significant milestone for the joint venture and comes at a time when energy security in NZ is in sharp focus.

OL4 and OL5, Mereenie, NT, Australia [Horizon: 25%]

Gross production for the half year averaged 24.7TJ/d [Horizon net 25%: 6.2TJ/d] of gas and 358 bopd [Horizon net 25%: 90 bopd] of oil, generating revenues of US\$6.0 million at an average realised gas price of ~AUD6.62/GJ. Realised gas prices are forecast to increase in calendar year 2025 as legacy Gas Sales Agreements [GSA] roll off and are replaced with newer GSAs, such as the recently signed NT Government GSA which came into effect on 1 January 2025. Gas production and sales from Mereenie were impacted early in the half year by the effects of the ongoing Northern Gas Pipeline [NGP] shutdown, however increased to near field capacity later in the period due to the strong gas demand in the NT as temperatures increased into the hotter months.

During the half year, the Mereenie Joint Venture executed a six-year Gas Sales Agreement [GSA] with the Northern Territory Government, covering the 2025-2030 period, while adjusting the start date for the Arafura GSA to 2028. These agreements ensure that nearly all the forecast Mereenie gas production will be sold for an indexed fixed price aligned to current market rates until the end of 2030.

During the half year, the Mereenie Joint Venture commenced a two well Mereenie Development program. West Mereenie 29 [WM29], the first well in the program, was drilled and cased across the shallower Stairway and Pacoota-1 Formations, with the casing shoe set at 1,213.4m TVDRT. Air-drilling continued to 1,326.3m TVDRT through the primary Pacoota-3 reservoir target, and the well was successfully completed and tied-in subsequent to period end. Following the WM29 tie-in, the Mereenie Field produced at almost 30 TJ/d [Horizon net 7.5 TJ/d] with current field production stabilised at around 28TJ/d.

West Mereenie 30 [WM30], the second development well in the Mereenie Development program, was spudded subsequent to period end on 16 January. This well is being drilled at a crestal location along strike to the west of WM29 and is designed to further increase Mereenie Field gas production. WM 30 was drilled and cased across the shallower Stairway and Pacoota-1 Formations, with the casing shoe set at 1,245m TVDRT. Air-drilling continued to 1,331m TVDRT through the primary Pacoota-3 reservoir target, and the well was successfully completed subsequent to period end. The WM30 tie-in is expected to be completed shortly.

Together with the WM29 development well, WM30 is expected to boost Mereenie gas rates, enabling the Joint Venture to supply additional gas volumes into the recently executed Northern Territory Gas Sales Agreement.

The JV continues to focus on additional 2025 work program activities, including further infill and appraisal drilling opportunities.

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 Mereenie asset. Production levels and cashflows from each field are forecast to be impacted by natural reservoir decline in the near-term before further infill drilling and other production enhancing initiatives are progressed.

The Group's short-term focus is on:

- Continued optimisation of production performance from the Block 22/12, Maari/Manaia and Mereenie fields;
- Maturing further infill drilling opportunities, particularly at Block 22/12 and Mereenie;
- Pursuing life extension at Maari; and
- Continued evaluation of organic and inorganic growth opportunities.

ENVIRONMENTAL REGULATION

The Group is subject to significant environmental regulation in respect of exploration, development and production activities in the countries in which it operates – China, New Zealand and Australia. 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 compliance with relevant environmental regulations and is not aware of any breach of those environmental regulations 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 half-year financial report to "\$" or "dollars" are references to United States dollars, unless otherwise stated.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 9.

ROUNDING

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2017/191 and accordingly amounts in the directors' report and interim financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

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



B Clement
Chairman



R Beament
Chief Executive Officer

Sydney
27 February 2025



Auditor's Independence Declaration

As lead auditor for the review of Horizon Oil Limited for the half-year ended 31 December 2024, 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 review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Horizon Oil Limited and the entities it controlled during the period.

A handwritten signature in blue ink, appearing to read 'M Upcroft'.

Marc Upcroft
Partner
PricewaterhouseCoopers

Sydney
27 February 2025

HORIZON OIL LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half-year ended 31 December 2024

	NOTE	31 DEC 2024 US\$'000	31 DEC 2023 US\$'000
REVENUE	4	55,858	66,120
Cost of sales		[38,745]	[35,840]
Gross profit		17,113	30,280
Other income		858	823
General and administrative expense		[1,423]	[1,442]
Insurance expense		[995]	[1,138]
Exploration and development expenses written off		[303]	[455]
Finance costs – interest, transaction costs, other		[3,019]	[1,477]
Foreign exchanges loss		[1,073]	[2]
Profit before income tax		11,158	26,589
NZ royalty tax expense		[488]	[2,479]
Income tax expense		[4,094]	[5,853]
Profit for the half-year		6,576	18,257
OTHER COMPREHENSIVE INCOME ITEMS THAT MAY BE RECLASSIFIED TO PROFIT AND LOSS			
Changes in the fair value of cash flow hedges		[89]	[17]
Currency translation reserve		151	-
Total comprehensive income for the half-year		6,638	18,240
Profit attributable to:			
Security holders of Horizon		6,576	18,257
Profit for the period		6,576	18,257
Total comprehensive income attributable to:			
Security holders of Horizon		6,638	18,240
Total comprehensive income for the period		6,638	18,240
Earnings per share for profit attributable to ordinary equity holders of Horizon:		US CENTS	US CENTS
Basic earnings per share		0.40	1.13
Diluted earnings per share		0.40	1.11

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

HORIZON OIL LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	NOTE	31 DEC 2024 US\$'000	30 JUNE 2024 US\$'000
CURRENT ASSETS			
Cash and cash equivalents	6	47,309	52,570
Receivables		5,837	7,399
Inventories		6,073	9,531
Other assets		1,013	538
Intangible assets	7	843	843
Total current assets		61,075	70,881
NON-CURRENT ASSETS			
Investments	5	1,351	1,351
Deferred tax assets		15,182	13,107
Plant and equipment	8	101	190
Oil and gas assets	9	103,262	119,747
Total non-current assets		119,896	134,395
Total assets		180,971	205,276
CURRENT LIABILITIES			
Payables	10	12,723	23,849
Current tax payable		3,911	3,952
Borrowings	11	5,175	2,703
Derivative financial instruments	5	233	105
Total current liabilities		22,042	30,609
NON-CURRENT LIABILITIES			
Payables	10	2,310	2,560
Deferred tax liability		3,620	4,253
Borrowings	11	19,121	23,152
Provisions	12	60,245	61,459
Total non-current liabilities		85,296	91,424
Total liabilities		107,338	122,033
Net assets		73,633	83,243
EQUITY			
Contributed equity	13	150,399	150,095
Reserves		7,158	7,241
Accumulated losses		[154,958]	[146,859]
Profit reserve		71,034	72,766
Total equity		73,633	83,243

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

HORIZON OIL LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 31 December 2024

ATTRIBUTABLE TO MEMBERS OF THE COMPANY

	CONTRIBUTED EQUITY US\$'000	RESERVES US\$'000	ACCUMULATED LOSSES US\$'000	PROFIT RESERVE ¹ US\$'000	TOTAL EQUITY US\$'000
Balance at 1 July 2023	147,792	11,122	[123,595]	60,457	95,776
Profit / (loss) for the half year	-	-	[7,748]	26,005	18,257
Other comprehensive income	-	[17]	-	-	[17]
Total comprehensive income for the half year	-	[17]	[7,748]	26,005	18,240
Transactions with owners in their capacity as equity holders:					
Employee share-based payments expense	-	534	-	-	534
Settlement of exercised options	-	[1,865]	-	-	[1,865]
Ordinary shares issued, net of costs	1,786	-	-	-	1,786
Acquisition of treasury shares	-	[1,793]	-	-	[1,793]
Dividends	-	-	-	[20,969]	[20,969]
Balance at 31 December 2023	149,578	7,981	[131,343]	65,493	91,709
Balance at 1 July 2024	150,095	7,241	[146,859]	72,766	83,243
Profit / (loss) for the half year	-	-	[8,243]	14,819	6,576
Other comprehensive income	-	[89]	-	-	[89]
Movement in foreign currency reserve	-	7	144	-	151
Total comprehensive income for the half-year	-	[82]	[8,099]	14,819	6,638
Transactions with owners in their capacity as equity holders:					
Employee share-based payments expense	-	564	-	-	564
Settlement of performance rights	-	[565]	-	-	[565]
Ordinary shares issued, net of cost	304	-	-	-	304
Dividends	-	-	-	[16,551]	[16,551]
Balance at 31 December 2024	150,399	7,158	[154,958]	71,034	73,633

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.

HORIZON OIL LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year ended 31 December 2024

	HALF YEAR TO	
	31 DEC 2024 US\$'000	31 DEC 2023 US\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	55,958	68,223
Payments to suppliers and employees	(29,986)	(25,272)
	25,972	42,951
Interest received	858	780
Interest paid	(1,500)	(380)
Income and royalty taxes paid	(6,993)	(10,881)
Net cash inflows from operating activities	18,337	32,470
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for oil and gas assets	(6,902)	(1,966)
Net cash [outflows] from investing activities	(6,902)	(1,966)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	-	(7,939)
Payments under leasing arrangements	(135)	(114)
Proceeds from new share issue [net of costs]	304	1,786
Payments for shares acquired by Trust	(304)	(1,793)
Dividends paid to shareholders	(16,551)	(20,969)
Net cash [outflows] from financing activities	(16,686)	(29,029)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(5,251)	1,475
Cash and cash equivalents at the beginning of the half year	52,570	43,591
Effects of exchange rate changes on cash and cash equivalents held in foreign currencies	(10)	-
Cash and cash equivalents at the end of the half year	47,309	45,066

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Basis of preparation of half year report

The general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The interim financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, this interim financial report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by Horizon Oil Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim financial statements 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.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Note 2 Critical accounting estimates and judgements

Estimates and judgements 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

Management makes certain estimates and assumptions as to future events and circumstances. These estimates and assumptions include whether commercially viable resources have been found and whether the capitalised exploration and evaluation expenditure will be recovered through future exploitation.

[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 make an assessment of the size, shape, depth and quality of reservoir, and their anticipated recoveries of hydrocarbons. 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, as well as the discount rate.

New Zealand, Maori Restoration

During the half-year, the Group revised the discount, foreign exchange and inflation rates used in quantifying the New Zealand restoration provision, resulting in US\$1.9 million decrease to the restoration provision and its related oil and gas asset. The decrease was predominantly due to changes in the NZD/USD foreign exchange rate as at 31 December 2024.

Australia, Mereenie Restoration

During the half-year, the Group revised the discount, foreign exchange and inflation rates used in quantifying the Australian restoration provision, resulting in US\$0.7 million decrease to the restoration provision and the related oil and gas asset.

(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 requires 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 around 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 at the date they were granted. The fair value is ascertained using an appropriate pricing model, either Black-Scholes or Monte Carlo simulation, depending on the terms and conditions upon which the share performance rights or 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.

(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. The Group has not recognised deferred tax assets in respect of some tax losses and temporary tax differences as the future utilisation of these losses and temporary tax differences is not considered probable at this point in time. Whilst the recently acquired Mereenie gas field is expected to generate future Australian taxable income for the Australian tax consolidated group, the recognition of these tax losses as deferred tax assets will be reassessed once longer-term income and expenditure information from the acquisition is available to the Company.

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 which are 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. The Group has identified three operating segments:

- China exploration and development – the Group is currently involved in developing and producing crude oil from Block 22/12 – WZ6-12, WZ12-8W and WZ12-8E oil field developments, and the exploration and evaluation of hydrocarbons within Block 22/12;
- New Zealand exploration and development – the Group is currently involved in developing and producing crude oil from the Maari/Manaia oil field development; and
- Australia development – the Group is currently involved in developing and producing oil and gas from the Mereenie OL4 and OL5 oil and gas fields.

(b) Segment information provided to the chief operating decision maker

HALF YEAR 2025 [31 DECEMBER 2024]	CHINA DEVELOPMENT	NEW ZEALAND DEVELOPMENT	AUSTRALIA DEVELOPMENT	UNALLOCATED	TOTAL
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
SEGMENT REVENUE					
Revenue from external customers	27,788	22,051	6,019	-	55,858
Profit/(loss) before tax	9,752	2,115	[196]	[513]	11,158
Depreciation and amortisation	[6,405]	[7,767]	[1,560]	[88]	[15,820]
Total segment assets at 31 December 2024	45,863	60,821	45,115	29,172	180,971
<i>Additions to non-current assets other than financial assets and deferred tax during the half-year:</i>					
Production phase expenditure	1,642	[182]	174	-	1,634
Total segment liabilities at 31 December 2024	9,990	60,274	35,857	1,217	107,338

HALF YEAR 2024 [31 DECEMBER 2023]	CHINA DEVELOPMENT US\$'000	NEW ZEALAND DEVELOPMENT US\$'000	UNALLOCATED US\$'000	TOTAL US\$'000
SEGMENT REVENUE				
Revenue from external customers	44,087	22,033	-	66,120
Profit before tax	20,019	6,084	486	26,589
Depreciation and amortisation	[8,793]	[7,427]	[88]	[16,308]
Total segment assets at 31 December 2023	53,117	83,174	38,605	174,896
<i>Additions to non-current assets other than financial assets and deferred tax during the half-year:</i>				
Development and production phase expenditure	174	756	-	930
Total segment liabilities at 31 December 2023	15,309	66,957	921	83,187

(c) Other segment information

(i) Segment revenue

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

Reportable segment revenues are equal to consolidated revenue.

(ii) Segment profit before tax

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

Reportable segment profit before tax is equal to consolidated profit before tax.

(iii) Segment assets and liabilities

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

Reportable segment assets and liabilities are equal to consolidated total assets and liabilities.

Note 4 Revenue

Revenue for the half-year ended 31 December 2024 relates to contracts executed for the sale of crude oil and gas, with all performance obligations being met within the period. There is no variable consideration requiring estimation for the period ended 31 December 2024.

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 31 December 2024.

The Group's revenue disaggregated by primary geographical markets is reported in Note 3 Segment information.

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

	HALF YEAR TO	
	31 DEC 2024 US\$'000	31 DEC 2023 US\$'000
CRUDE OIL & GAS SALES		
Goods transferred at a point in time	23,215	22,033
Good transferred over a period of time	32,643	44,087
Closing balance	55,858	66,120

Note 5 Fair value measurement of financial instruments

(a) Fair value measurements

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Derivative financial instruments
- Financial assets at fair value through other comprehensive income (FVOCI)

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

The following table presents the Group's assets and liabilities measured and recognised at fair value at 31 December 2024 and 30 June 2024:

AT 31 DECEMBER 2024	LEVEL 1 US\$'000	LEVEL 2 US\$'000	LEVEL 3 US\$'000	TOTAL US\$'000
ASSETS				
Financial assets at fair value through OCI:				
Equity investment in unlisted shares	-	-	1,351	1,351
Total assets	-	-	1,351	1,351
LIABILITIES				
Derivatives used for hedging	-	233	-	233
Total liabilities	-	233	-	233

AT 30 JUNE 2024	LEVEL 1 US\$'000	LEVEL 2 US\$'000	LEVEL 3 US\$'000	TOTAL US\$'000
ASSETS				
Financial assets at fair value through OCI:				
Equity investment in unlisted shares	-	-	1,351	1,351
Total assets	-	-	1,351	1,351
LIABILITIES				
Derivatives used for hedging	-	105	-	105
Total liabilities	-	105	-	105

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

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 31 December 2024.

(b) 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 financial liabilities 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 estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The fair value of equity investment as at 31 December 2024 is equivalent to the consideration paid to acquire the 3.5% interest in the unlisted shares. As one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation technique 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.

Note 6 Cash and cash equivalents

	31 DEC 2024 US\$'000	30 JUNE 2024 US\$'000
Cash at bank and on hand	25,443	18,384
Deposits ¹	21,866	34,186
Closing balance	47,309	52,570

¹ Includes on-call and short-term cash deposits with maturities less than 3-months.

Note 7 Intangible assets

CURRENT ASSETS	NEW ZEALAND CARBON CREDITS ¹ US\$'000	CONSOLIDATED TOTAL US\$'000
HALF-YEAR ENDED 31 DECEMBER 2024		
Cost – 1 July 2024	843	843
Additions	-	-
Disposals – settlements ²	-	-
Closing value	843	843

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 less accumulated impairment and are not amortised but are tested for impairment at each balance sheet date.

² The Company's obligation for the 2024 calendar year is due to be settled in May 2025 whereby a portion of the 28,549 NZUs on hand will be surrendered to the Environmental Protection Authority.

Note 8 Plant and Equipment

	BUILDING ^(a) US\$'000	OTHER PLANT & EQUIPMENT ^(a) US\$'000	TOTAL US\$'000
<i>As at 1 July 2024</i>			
Cost	1,033	1,768	2,801
Accumulated depreciation	[866]	[1,745]	[2,611]
Net book amount	167	23	190
<i>Half-year ended 31 December 2024</i>			
Opening net book amount	167	23	190
Depreciation expense ^(b)	[83]	[6]	[89]
Closing net book amount	84	17	101
<i>As at 31 December 2024</i>			
Cost	1,033	1,768	2,801
Accumulated depreciation	[949]	[1,751]	[2,700]
Net book amount	84	17	101

(a) Included in the net book amount of building and other plant and equipment are right-of-use assets as follows:

	31 DEC 2024 US\$'000	30 JUNE 2024 US\$'000
Office premises	85	167
Photocopiers	3	5
Closing balance	88	172

(b) Depreciation expense in relation to the right of use assets was US\$84,075.

Note 9 Oil and gas assets

	31 DEC 2024 US\$'000	30 JUNE 2024 US\$'000
Opening balance	119,747	104,707
Development and production costs incurred during the period	1,634	8,353
Reassessment of rehabilitation obligation	(2,387)	(1,316)
Acquisition of oil and gas asset	-	38,143
Expenditure written off during half-year	-	(1)
Amortisation expense	(15,732)	(30,139)
Closing balance	103,262	119,747

Note 10 Payables

	31 DEC 2024 US\$'000	30 JUNE 2024 US\$'000
CURRENT		
Trade creditors	807	1,033
Share of joint operation creditors and accruals	9,387	15,712
ETS obligation (a)	517	267
Lease liabilities (d)	66	157
Mereenie acquisition – deferred payment (b)	-	3,312
Other creditors	1,946	3,368
	12,723	23,849
NON-CURRENT		
Mereenie acquisition – contingent payment (c)	2,207	2,352
Other creditors	103	192
Lease liabilities (d)	-	16
	2,310	2,560

(a) The ETS liability represents Horizon Oil International Limited's obligation to the New Zealand Government for the companies proportionate share of the Maari/Manaia fields greenhouse gas emissions. Refer to Note 7 for the disclosure of the carbon credits acquired (NZUs) which will be surrendered to the New Zealand Government for settlement of this obligation. 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.

(b) A deferred payment of A\$5 million was payable to Macquarie during the prior period as purchase consideration for the acquisition of Mereenie oil and gas fields. Full payment was made in July 2024.

- (c) A future payment of A\$4 million is payable to Macquarie as purchase consideration for the acquisition of Mereenie oil and gas fields subject to certain conditions being met.
- (d) The Group has leases for the Sydney office and various equipment. The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 December 2024 were as follows:

	MINIMUM LEASE PAYMENTS DUE			Total US\$'000
	Within one year	One to five years	After 5 years	
	US\$'000	US\$'000	US\$'000	
31 December 2024				
Lease payments	67	-	-	67
Finance charges	[1]	-	-	[1]
Net present values	66	-	-	66

Note 11 Borrowings

	31 DEC 2024 US\$'000	30 JUNE 2024 US\$'000
CURRENT		
Bank loans ¹ [b]	5,175	2,703
NON-CURRENT		
Bank loans ¹ [b]	19,121	23,152
Total borrowings	24,296	25,855

¹ Bank loans are shown net of associated transaction costs.

[a] Net debt reconciliation

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

	31 DEC 2024 US\$'000	30 JUNE 2024 US\$'000
Cash and cash equivalents	47,309	52,570
Borrowings ² – repayable within one year (including overdraft)	[5,284]	[2,814]
Borrowings ² – repayable after one year and within five years (including overdraft)	[19,497]	[23,590]
Lease liabilities	[66]	[173]
Net cash	22,462	25,993
Cash and liquid investments	47,309	52,570
Gross debt ² – variable interest rates	[24,781]	[26,404]
Lease liabilities	[66]	[173]
Net cash	22,462	25,993

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

[b] Reconciliation of borrowings arising from financing activities

	CASHFLOWS			NON-CASH CHANGES		Closing 31 Dec 2024 US\$'000
	Opening 1 July 2024 US\$'000	Drawdown US\$'000	Repayments US\$'000	Foreign exchange impact US\$'000	Amortisation of transaction costs US\$'000	
Debt facility	25,855	-	-	(1,500)	(59)	24,296
Total liabilities from financing activities	25,855	-	-	(1,500)	(59)	24,296

[c] Bank loans – Cash Advance Facility

On 4 June 2024, Horizon advised that it has executed a new A\$42.5 million senior debt facility agreement with Macquarie Bank to fund the acquisition of 25% non-operating interest in the OL4 and OL5 development licenses which contain the producing Mereenie conventional oil and gas field, Northern Territory, Australia.

The new senior debt facility is structured as a reserves base lending facility, has a term of 5 years with semi-annual repayments and attracts an interest rate of BBSW + 5%. Lender security is limited to first ranking general security over the interest in Mereenie, with a parent company guarantee which is customary for a reserves base lending facility.

Under the facility, the facility limit is determined by applying a minimum facility life coverage ratio to the net present value of estimated future cash flows from the Mereenie oil and gas field. Estimated future cash flows are dependent on, amongst other things, oil and gas prices, reserve estimates, operating and capital cost estimates. The facility is secured by a floating charge over the shares and assets of the borrower (Horizon Australia Energy Limited which is a wholly owned subsidiary of Horizon Oil Limited). Horizon Oil Limited has guaranteed the performance of Horizon Australia Energy Limited in relation to the loan facility from Macquarie Bank. The Group is subject to covenants which are common for a facility of this nature.

At 31 December 2024, total debt drawn under the facility was US\$24.7 million (A\$39.9 million).

Note 12 Provisions

	31 DEC 2024 US\$'000	30 JUNE 2024 US\$'000
Restoration [current]	-	-
Restoration [non-current]	60,245	61,459
	60,245	61,459
The reconciliation of the movement in the total of the restoration provisions is as follows:		
Balance at beginning of financial year	61,459	53,879
Additional provision during half-year	-	7,034
Unwinding of discount	1,362	2,205
Payment of restoration cost	-	(344)
Effect of change in inflation, discount and FX rate	(2,576)	(1,315)
Closing balance	60,245	61,459

Note 13 Contributed equity

(a) Share capital

		31 DEC 2024 NUMBER'000	30 JUNE 2024 NUMBER'000	31 DEC 2024 US\$'000	30 JUNE 2024 US\$'000
ORDINARY SHARES					
Fully paid	(b) (i)	1,625,302	1,623,015	149,940	149,636
Partly paid to A\$0.01	(b) (i)	1,500	1,500	459	459
		1,626,802	1,624,515	150,399	150,095

(b) Movements in share capital

(i) Ordinary shares (fully paid)

DATE	DETAILS	NUMBER OF SHARES	US\$'000
30/06/2024	Balance as at 30 June 2024	1,623,014,645	149,636
29/08/2024	Issuance of new shares - settlement of Performance Rights	2,287,321	304
31/12/2024	Balance as at 31 December 2024	1,625,301,966	149,940

(ii) Ordinary shares (partly paid to A\$0.01)

DATE	DETAILS	NUMBER OF SHARES	US\$'000
30/06/2024	Balance as at 30 June 2024	1,500,000	459
31/12/2024	Balance as at 31 December 2024	1,500,000	459

Note 14 Contingent assets and liabilities

(a) Contingent assets

The Group had no contingent assets as at 31 December 2024.

(b) Contingent liabilities

The Group had contingent liabilities as at 31 December 2024 that may become payable in respect of:

In accordance with normal oil and gas industry practice, the Group has entered into joint operation agreements with other parties for the purpose of exploring and developing its petroleum interests. If a participant to a joint operation default 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 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 the above contingent liabilities.

Note 15 Exploration, development and production expenditure 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.

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

31 DECEMBER 2024	NEW ZEALAND DEVELOPMENT US\$'000	CHINA DEVELOPMENT US\$'000	AUSTRALIA DEVELOPMENT US\$'000	TOTAL US\$'000
Within one year	1,829	6,982	3,468	12,279
Later than one year but not later than 5 years	-	-	-	-
Total	1,829	6,982	3,468	12,279

30 JUNE 2024	NEW ZEALAND DEVELOPMENT US\$'000	CHINA EXPLORATION & DEVELOPMENT US\$'000	AUSTRALIA DEVELOPMENT ¹ US\$'000	TOTAL US\$'000
Within one year	1,083	3,629	-	4,712
Later than one year but not later than 5 years	-	-	-	-
Total	1,083	3,629	-	4,712

¹ Subsequent to period end the Group approved development commitments of US\$5.9 million (net to HZN) which will be incurred within one financial year.

The above commitments may be deferred or modified with the agreement of the host government, by variations to the terms of individual permits or licences, or extensions to the terms thereof.

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.

In addition to the above commitments, the Group has invested funds in other petroleum exploration interests but is not exposed to a contingent liability in respect of these, as it may choose to exit such interests at any time at no cost penalty other than the loss of the interests.

Note 16 Related party transactions

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

Other than the matters disclosed elsewhere in this report, there were no related party transactions with Directors and other key management personnel during the half-year outside of contractual remuneration.

Note 17 Events occurring after balance sheet date

The Group announced on 27 February 2025 an interim Conduit Foreign Income (CFI) unfranked dividend of AUD 1.5 cents per ordinary share which will be paid on 24 April 2025.

Other than the matters disclosed above and the rest of this report, there has not been any other matter or circumstance which has arisen since 31 December 2024 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.

Directors' Declaration

In the directors' opinion:

- (a) the attached interim financial statements and notes are in accordance with the Corporations Act 2001, including:
 - (i) complying with relevant Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance, as represented by the results of its operations and its cashflows, for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that Horizon Oil Limited will be able to pay its debts as and when they become due and payable.

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



B Clement
Chairman



R Beament
Chief Executive Officer

Sydney
27 February 2025



Independent auditor's review report to the members of Horizon Oil Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Horizon Oil Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Horizon Oil Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

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 the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement whether due to fraud or error.



Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Matters relating to the electronic presentation of the reviewed half-year financial report

This review report relates to the half-year financial report of the Company for the half-year ended 31 December 2024 included on Horizon Oil Limited's web site. The Company's directors are responsible for the integrity of the Horizon Oil Limited web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. It does not provide a conclusion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed half-year financial report to confirm the information included in the reviewed half-year financial report presented on this web site.

A stylized, handwritten signature in blue ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A stylized, handwritten signature in blue ink that reads 'Marc Upcroft'.

Marc Upcroft
Partner

Sydney
27 February 2025