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22 November 2019

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

Horizon Oil Limited (“HZN”) – 2019 Annual General Meeting

Please find attached a copy of the following documents related to the Annual General Meeting of Horizon Oil Limited to be held at 10.00am today:

- Chairman’s address to shareholders; and
- Chief Executive Officer’s report.

For more information please contact:

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**HORIZON OIL LIMITED
CHAIRMAN'S ADDRESS, MIKE HARDING**

Ladies and gentlemen

It is a pleasure to be reporting to you for the first time on Horizon's activities in 2019.

Horizon Oil delivered a strong financial and operating performance for the 2019 financial year.

Highlights for the year included:

- Delivering a record revenue of US\$122 million
- An underlying profit before tax of US\$37m
- Delivering production of 1.6m bbls an increase of 22% in 2018
- A strong balance sheet with net debt as of 30 June of US\$28m

Our operations in China are underpinned by a strong relationship with CNOOC and our fields in New Zealand performed strongly during the year and we are pleased with the additional 16% acquired in 2018.

PNG continues to present opportunities and challenges on what is an increasingly complex jurisdiction.

The board renewal process continues with Chris Hodge joining the Board and is up for election today. Chris has 40 years of international oil and gas industry experience as a geologist and petroleum geophysicist. I will ask Chris to say a few words later.

At today's meeting I will offer myself for election. I believe my extensive experience in the oil and gas industry and listed companies has positioned me well for this responsibility.

The board thanks Michael Sheridan and his management team for their efforts in 2019 and we thank our shareholders for their valuable support during the year.

I would now like to ask Michael to provide an update on the Group's operations before returning to the items outlined in the Notice of Meeting.

**Mike Harding
Chairman**



**HORIZON OIL LIMITED
CHIEF EXECUTIVE'S OFFICE ADDRESS, MICHAEL SHERIDAN**

Thank you, Mike.

Good morning ladies and gentlemen.

Your company has delivered strong operating and financial performance in the 2019 financial year. The highlights include:

- a 13% increase in oil sales to a record 1.87 million barrels
- a 22% increase in net revenues to US\$122 million
- average operating costs below US\$20/bbl, leading to a 36% increase in EBITDAX to US\$93 million
- 95% 2P oil reserves replacement
- a 68% reduction in net debt to US\$28 million at 30 June 2019

I am pleased to advise that the net debt at the end of October was further reduced to approximately US\$14 million and we remain on track to be in a net cash position in mid-2020.

I would like to thank all my colleagues at Horizon Oil for their considerable effort in delivering these strong operational and financial results.

I also thank you, our shareholders, for your continued support. While there has been improvement in the share price since the 2018 AGM, given the underlying operating and financial performance of your Company, there is clearly scope for further share price appreciation. This is the focus of our continued efforts to deliver greater value and ensure the sustainability of our business.

Over the past year, our Beibu Gulf fields in China, operated by our partner CNOOC Limited, have continued to achieve excellent performance with underlying production increasing 16% and operating costs maintained below US\$10/bbl sold.

The joint venture's efforts to maximise the productivity of our resource base and associated infrastructure were rewarded early in the 2019 financial year with the highly successful infill well program in our WZ 12-8 West and WZ 12-8 Mid fields. This was followed recently with the WZ 6-12M1 oil discovery. While subject to further evaluation, we are encouraged by the prospects of the near-term tie-back of the resource to the WZ 6-12 platform. The work program over the coming year includes the drilling of additional infill wells in the WZ 6-12 fields, where we would anticipate further enhancement to production, and potential further appraisal and exploration activity. Development planning for the WZ 12-8E development is advanced with the final investment decision anticipated in coming months.

We have enjoyed solid performance from our Maari and Manaia oil fields in New Zealand. Production has improved over the last year as a result of well intervention activities and the conversion of one of our former production wells to a water injection well. The increase of water injection to approximately 25,000 barrels per day has contributed to enhanced oil production rates and provides increasing confidence in the future performance of the fields and their capacity to produce late into the next decade.

PNG is a jurisdiction that presents great opportunity and some challenges. Our PNG resources constitute a large stake in substantial condensate rich gas resources on the pipeline route of ExxonMobil, Oil Search and Santos' planned PNG LNG expansion infrastructure. This, and other significant developments, will take place in coming years around our PNG asset base and we anticipate the composition of our joint ventures will change in the near future. These matters will have an impact on the manner and timing of the commercialisation of our PNG resources.

We have maintained our strong health and safety performance across our operations. We thank our operators CNOOC and OMV for their focus on safety and environment. We continue to enhance our reporting on climate related financial risks and business resilience. As set out in our Sustainability Report, we've implemented a governance framework to assess and evaluate material risks to our operations arising from climate change. Our Sustainability Report notes our high level assessment of the impact of such risks and opportunities to our business in the short, medium and longer term, together with management responses and mitigation measures. Horizon Oil will continue to enhance its climate related disclosures in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures.

Looking ahead, and facilitated by our strengthened balance sheet, Horizon Oil is targeting growth opportunities in our focus area of Asia Pacific to complement our conventional oil production assets. Strong production and cashflow from our existing assets provide a sound platform for future growth. We will be disciplined in our assessment of opportunities and the execution of associated transactions.

We will continue our focus on enhancing our existing production through further optimisation activities in our oil fields in China and New Zealand, together with infill, appraisal and exploration opportunities conducted in-field or near-field to enhance production and extend field life.

Ladies and gentlemen, your Company performed well in the 2019 financial year and is well positioned to capitalise on appropriate growth opportunities in 2020 and future years.

Thank you again for your support and I now hand back to our Chairman to commence the formal business of the meeting.

Michael Sheridan
Chief Executive Officer