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6 December 2023

HORIZON OIL LIMITED

ORD MINNETT EMERGING ENERGY DAY PRESENTATION

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

Attached please find Horizon's webcast presentation for the Ord Minnett Emerging Energy Day which will be presented this morning in Sydney.

Authorisation

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

HORIZON

ORD MINNETT EMERGING ENERGY DAY

6 DECEMBER 2023



COMPLIANCE STATEMENT



Disclaimer

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

Reserves Disclosure

- ▶ Unless otherwise stated, all petroleum reserves and resource estimates refer to those estimates as set out in Horizon's 2023 Reserves and Resources Statement contained in the 2023 Annual Report. Horizon is not aware of any new information or data that materially affects the information included in this presentation. All the material assumptions and technical parameters underpinning these estimates continue to apply and have not materially changed.
- ► For the purposes of this presentation, 6 bcf of raw gas equals 1 mmboe.
- ▶ The estimates of petroleum reserves and resources contained in this statement are based on, and fairly represent, information and supporting documentation prepared by staff and independent consultants under the supervision of Mr Gavin Douglas, the Chief Operating Officer of Horizon Oil Limited. Mr Douglas is a full-time employee of Horizon Oil Limited and is a member of the American Association of Petroleum Geologists and the Society of Petroleum Engineers. Mr Douglas' qualifications include a Master of Reservoir Evaluation and Management from Heriot Watt University, UK and more than 25 years of relevant experience. Mr Douglas consents to the use of the petroleum reserves and resources estimates in the form and context in which it appears.
- ► This presentation should be read in conjunction with Horizon's 2023 Reserves and Resources Statement, the Annual Financial Report for the year ended 30 June 2023 and ASX Announcements.

DELIVERING ON STRATEGY





MAXIMISE FREE CASHFLOW¹

- Generated record EBITDAX of US\$103.5 million in FY23, with net cash of US\$35.7 million at 30 June, growing to US\$45.9 million at 30 Sept 23
- Record production from Block 22/12 in FY23 driving cashflow generation following successful WZ12-8E field development, infill drilling and workover campaign
- Record premiums achieved on Maari crude oil sales with successful workover operations restoring gross production back above 5,000 bopd
- Continued strong cost control cash operating costs <US\$20/bbl despite inflationary pressures



FURTHER DISTRIBUTIONS TO SHAREHOLDERS

- Total FY23 Distributions of AUD 3.5 cents per share (total return of AUD 56 million), comprised of:
 - Interim dividend completed in April 23 of AUD 1.5 cents per share (total return of ~AUD 24 million)
 - Final dividend completed in October 23 of AUD 2.0 cents per share (total return of ~AUD 32 million)
- Over AUD 150 million (AUD 9.5 cents per share) paid out in distributions over the past 3 years whilst still investing in growth
- Regular distributions continue to be a priority



CONTINUE INVESTING IN PRODUCTION GROWTH

- ~US\$30 million invested in successful WZ12-8E field development – driving production growth to record levels at Block 22/12 which resulted in material reserves upgrade
- WZ6-12 workover and infill drilling program successfully completed with other Block 22/12 wells being matured
- Investment in asset integrity at Maari provides opportunity to pursue life extension
- Keeping an eye out for exceptional new business opportunities – executed Nobrac seed capital investment

FINANCIAL YEAR 2023 HIGHLIGHTS



STRONG CASHFLOW GENERATION DRIVING SHAREHOLDER RETURNS

FINANCIAL



- 46% increase in revenue to US\$152.1 million
- 42% increase in EBITDAX to US\$103.5 million
- 80% increase in Statutory Profit after Tax to US\$43.9 million
- Net cash at 30 June 2023 of US\$35.7 million after settling AUD 1.5 cps interim distribution totaling ~US\$17 million in April 23

OPERATIONAL



- WZ12-8E project successfully completed - production results exceeded pre-drill expectations with significant reserve upgrade
- Successful infill drilling in other Block 22/12 fields further added to production during FY23
- Workovers optimise production across both China and NZ
- ~55% 2P reserves replacement
- Horizon combined daily production rate averaged over 5,000 bopd net

SHAREHOLDER RETURNS



- AUD 1.5 cent per share interim unfranked CFI dividend paid in April 23
- AUD 2.0 cent per share final unfranked CFI dividend paid in October '23
- FY23 Total Shareholder Return (TSR) of around 40%, adding over AUD 80 million of shareholder value

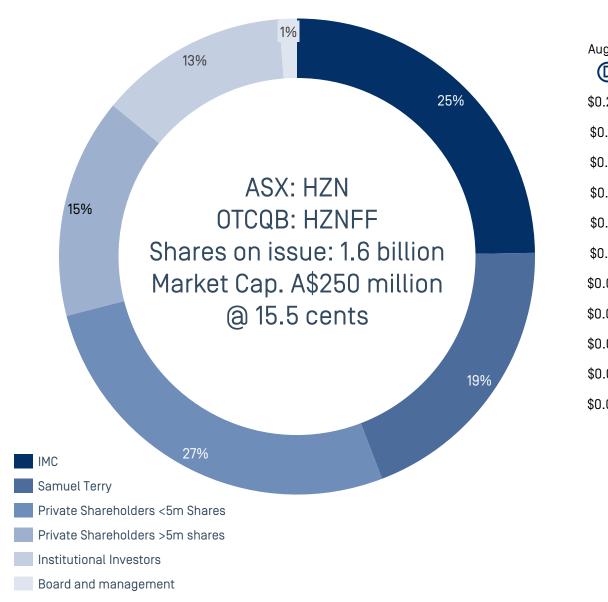
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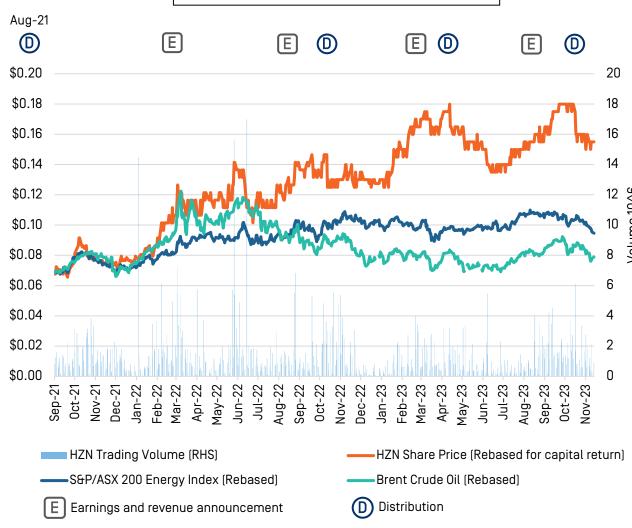


- Strong safety record better than industry benchmarks
- Seed capital investment in carbon removal credit developer (Nobrac) to aid decarbonisation, hedge against Maari emission costs and provide investment returns
- Third Modern Slavery Statement submitted
- Continued focus on emission reductions and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

HORIZON SNAPSHOT

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HZN vs Brent Oil vs Energy Index

HORIZON'S PORTFOLIO

HORIZON

China, Beibu Gulf, 26.95% production

- ► CNOOC (51% Operator)
- ► Roc Oil [19.6%]
- ► Majuko Corp. [2.45%]



New Zealand, Maari, 26%

- ► OMV [69% Operator]
- ► Cue Energy [5%]







BLOCK 22/12: RECORD PRODUCTION

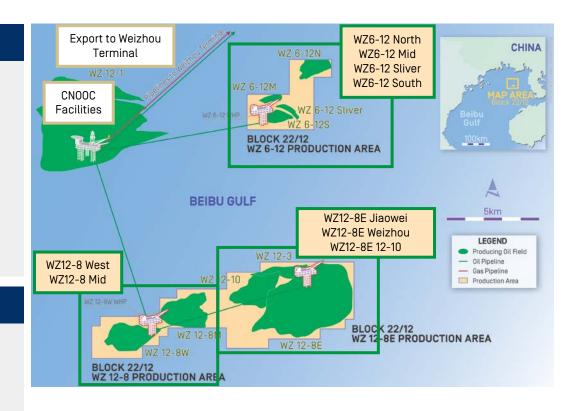


ASSET OVERVIEW

- ▶ Block 22/12, Beibu Gulf, China, 26.95%
- ▶ JV: CNOOC (51% Block 22/12 Operator), Roc Oil (19.6%), Oil Australia Pty. Ltd. (2.45%)
- ▶ Block 22/12 generates approximately 80% of Horizon operating cashflow
- ► Low cash operating costs less than \$12/bbl produced over FY23
- ► WZ6-12 and WZ12-8W field abandonment costs prepaid into a sinking fund, WZ12-8E field abandonment costs to be paid from production

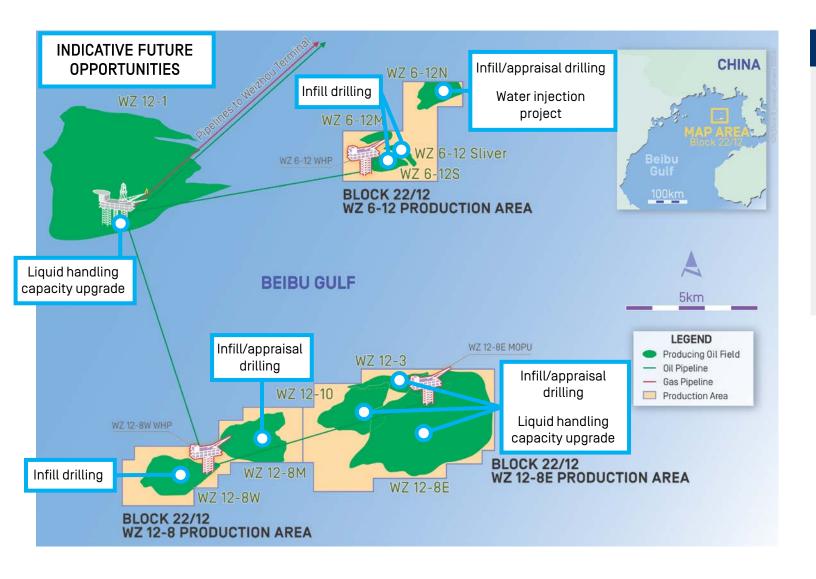
HIGHLIGHTS

- ► Record Block 22/12 production achieved in FY23, with daily oil rates reaching peak production of ~20,000 bopd gross (5,400 bopd net) in Dec 23. Current production rates remain above the long-term average at ~10,500 bopd (~2,800 bopd net)
- ▶ A five well workover program successfully completed in late August 2022
- ➤ A two well WZ6-12 drilling program, followed by a four well WZ12-8E Phase 2 drilling program, marked the end of a 10-month Block 22/12 drilling campaign
- ▶ Joint Venture commemorated ten years since first oil from Block 22/12, and the one-year anniversary following first oil from the WZ12-8E field
- ▶ JV is continuously identifying and evaluating infill well and infrastructure led appraisal opportunities which aim to support material reserves replacement over the longer term.



BLOCK 22/12: INDICATIVE FUTURE OPPORTUNITIES¹



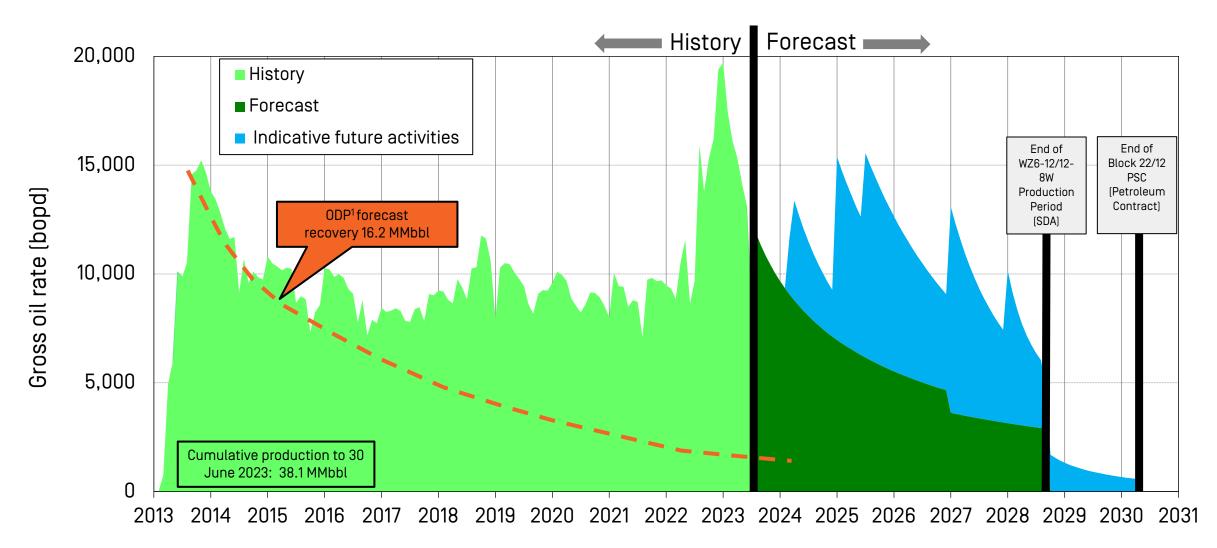


INDICATIVE FUTURE OPPORTUNITIES

- ➤ The JV has a strong portfolio of indicative future opportunities, comprising infill and appraisal drilling and infrastructure led projects
- Success in these opportunities will help to extend/increase short to medium term production rates
- ▶ Drilling program targeting between 2 to 5 of these infill well opportunities being matured for CY 2024.

BLOCK 22/12: HISTORY & FORECAST [GROSS]





¹ODP = Overall Development Plan

Future activities remain subject to further technical and economic evaluation, JV and regulatory approvals. Historical data on chart to 31 July 2023.



MAARI: RELIABLE PERFORMANCE JUSTIFYING FIELD LIFE EXTENSION



ASSET OVERVIEW

- ► Maari, New Zealand, 26%
- JV: OMV (69% Operator), Cue Energy (5%)
- ► Maari/Manaia generates approximately 20% of Horizon operating cashflow
- ► Maari crude continues to attract strong premiums with an average 2023 financial year premium to dated Brent of ~US\$10/bbl
- ► Cash operating costs for the year remained below \$35/bbl produced, excluding workovers, and has reduced further in recent months

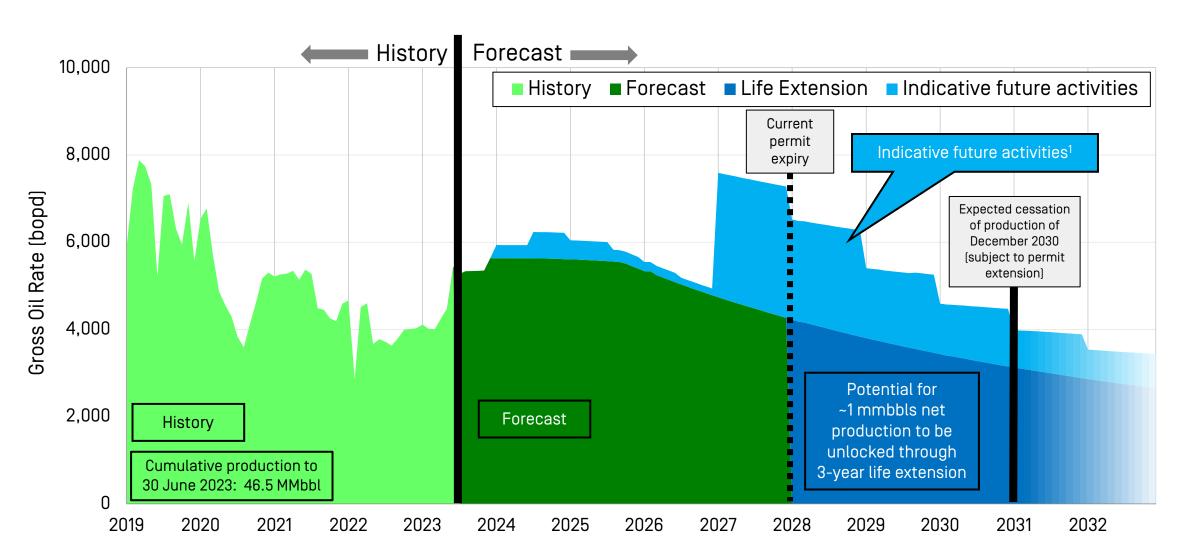
HIGHLIGHTS

- Successful workover operations and water injection optimisation during FY23 restored gross production back above 5,000 bopd
- ► Near-term focus remains to complete the workover of the shut-in MR6A well to reinstate production. The permanent conversion of the MR2 well to a water injection well was completed in September
- ► Production license and 2P reserves forecast to end of 2027, the potential for life extension beyond 2027 being evaluated
- ► The operator completed life extension works and inspections, with formal ABS certification received for the Raroa FPSO for a further 5 years through to 2028
- ► Decommissioning cost estimate revised and lodged with regulator to determine financial security requirements, with funding planning initiated



MAARI: HISTORY & FORECAST (GROSS)

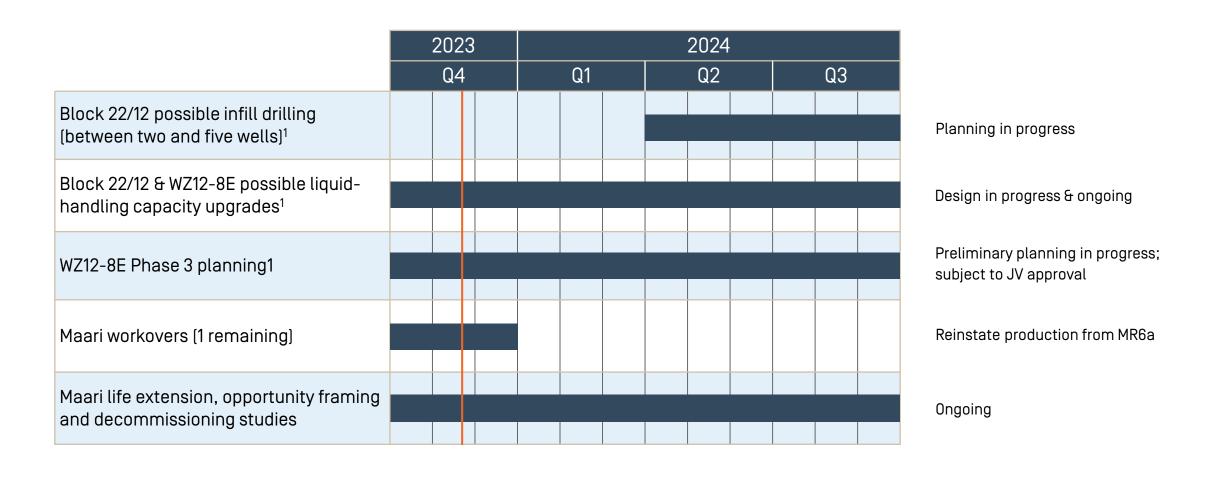




¹Likely requires permit extension to be commercially viable Future activities remain subject to further technical and economic evaluation, JV and regulatory approvals. Historical data on chart to 31 July 2023.

PLAN FOR THE NEXT 12 MONTHS¹





DELIVERING ON STRATEGY





MAXIMISE FREE CASHFLOW¹

- Recent investment in Block 22/12 WZ12-8E development, and WZ6-12 infill drilling program to drive cashflow generation in the near term
- ► Further Block 22/12 infill drilling planned [expected 2H FY24]
- Maari production restored above 5,000 bopd (gross) with MR6a workover aiming to further enhance production
- Continued strong cost control



FURTHER DISTRIBUTIONS TO SHAREHOLDERS

- Regular distributions continue to be a priority
- Future distributions must continue to balance working capital requirements, capital commitments and Maari decommissioning funding requirements



CONTINUE INVESTING IN PRODUCTION GROWTH

- Focus on developing the Company's substantial inventory in contingent and prospective resources with near term priorities –
 - Block 22/12 infill and appraisal opportunities, and water handling upgrades
 - ▶ Block 22/12 WZ12-8E Phase 3 drilling
 - Maari workover operations
 - Maari life extension studies
- Keeping an eye out for exceptional new business opportunities

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