

27 March 2020

The Manager
Company Announcements
ASX Limited
Exchange Centre

20 Bridge Street
Sydney NSW 2000

COVID-19 PANDEMIC

On 12 March 2020, Horizon Oil advised that it was in a strong financial position despite the global challenges caused by the COVID-19 pandemic. This assessment remains substantially unchanged.

However, Horizon Oil continues to actively monitor the impacts of COVID-19 on its personnel and operations and provides the following update:

- **China** – Production from the Beibu Gulf fields continues uninterrupted by the COVID-19 pandemic. The fields are continuing to produce above budget with cash operating costs for calendar year 2020 maintained below US\$10/bbl produced to date. Accordingly, based on current oil prices and excluding the impact of Horizon Oil's favourable hedging position, most of Horizon Oil's current free cashflow generation is being derived from its Beibu Gulf fields.
- **New Zealand** – Whilst production from the Maari oil field has continued largely uninterrupted by the COVID-19 pandemic to date, the New Zealand Government has put in place a nationwide lockdown, which commenced at midnight on 25 March 2020. Whilst field production continues at present, the operator of the Maari oil field, OMV, has advised it is working closely with NZ regulators to determine next steps to ensure the Maari Field can continue to meet all regulatory requirements relating to safe operations – while maintaining health, safety and environmental obligations that are required. Two production wells, MR6A and MR2 have recently been shut-in due to technical issues, with the operator assessing potential remedies to restart these wells. Any repairs required to these wells could be delayed by the current restrictions in place.
- **Australia and Papua New Guinea** – Horizon Oil's personnel in Sydney and Port Moresby are working remotely. Business plans are being reviewed and revised to deal with the changing economic conditions.

Authorisation

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