Horizon Petroleum Announces Updated NI51-101 Compliant Reserves and Resources Report for the Lachowice Gas Field, Poland

Calgary, Alberta June 18, 2024 - Horizon Petroleum Ltd. (the "Company" or "Horizon") (TSXV: HPL.H) is pleased to release an updated independent reserve and resources evaluation ("Reserves and Resource Report") for the Lachowice conventional natural gas field in the Bielsko-Biala concession in southern Poland. The Bielsko-Biala concession is one of two concessions that are anticipated to be awarded to the Company by the Polish Government subject to completion of the Polish Government's conversion of the concessions to its new concession law (the "Transformation Process").

The Reserves and Resources Report was prepared by APEX Global Engineering Inc. ("APEX"), the Company's independent qualified reserves evaluator, with an effective date of December 31, 2023 and was prepared in compliance with the standards set out in National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* of the Canadian Securities Administrators and the Canadian Oil and Gas Evaluation Handbook (COGEH). The reserves and resources will be assigned to the Company upon completion of the Transformation Process and signing of the new concession agreements in Poland.

Highlights

- Gross Probable Reserves (2P) of 34.4 Bcf gas and 262MBbls of natural gas iquids (total of 6.0 MMBoe) with a $NPV_{10,}$ BTAX value of US$75.7million (the natural gas liquids are expected to consist primarily of condensate)
- Gross Risked Best Estimate Contingent Resources (2C) of 164 Bcf of gas and 1.2MMBbls of natural gas liquids (total of 28.5 MMBoe) with a $NPV_{10,}$ BTAX value of US$384 million. (the natural gas liquids are expected to consist primarily of condensate)
- Risked Best Estimate Prospective Resources of 119 Bcf of gas and 875 MBbls of natural gas liquids (total of 20.7 MMBoe)
- The planned phased development plan, consisting of one existing well re-entry tied into a skid mounted gas-to-power (G2P) facility or to a compressed natural gas (CNG) facility in 2025 expected to result in sales of approximately 1.5mmscf/d. One new well is planned to be drilled, completed and tested in 2025 and a new gas processing facility is expected to be built with a capacity of 30MMcfe/d and a projected on-stream date of Q1 2027. Multiple horizontal or highly deviated wells are anticipated to be drilled as part of the development plan in order to fill the plant to capacity by 2028.

Discussion of Reserves and Resources

Horizon owns 100% interest in two subsidiary companies in Poland that are in the final stage of the process of acquiring the sole rights to two conventional oil & natural gas concessions in Poland known as Bielsko-Biala and Cieszyn. The two companies, (Energia Karpaty Zachodnie Sp.z.o.o. Sp.k. ("EKZ") and Energia Karpaty Zachodnie spółka z ograniczoną odpowiedzialnością) were acquired from San Leon Energy. Upon successful completion of the Transformation Process, Horizon is required to pay to San Leon Energy the transaction consideration in cash, Horizon shares and a Net Profits Interest. The full details of the acquisition are described in our Annual Financial Statements and Management Discussion and Analysis. The Company through its subsidiary, EKZ, has engaged with the Polish Ministry of the Environment to complete the Transformation Process for the two concessions as described in the Annual Financial Statements and Management Discussion and Analysis. The Transformation Process is also described in the Company's press releases dated August 23, 2023, March 18, 2024 and May 14, 2024. In summary, the transformation of the concessions to the new Polish concession laws is necessary as a result of the implementation of amendments to Poland's geological and mining laws. The Transformation Process had been initiated by San Leon Energy but was stalled during the COVID pandemic.

APEX assigned Probable Reserves and Contingent and Prospective Resources to the Lachowice field, which at 10,561 acres represents approximately 4% of the total lands to be held by Horizon under the concessions (see Table 1 below). The reserves and resources assigned are subject to significant risks. Please refer to the "Risks" section at the end of this press release.

Table 1: Concession Acreage

Concessions	Acreage	
	km^2	Acres
Bielsko-Biala	805	198,821
- Lachowice field	43	10,561
Cieszyn	326	80,507
Total Surface Area	1,131	279,328

Tables 2, 3 and 4 below summarize APEX's estimates of the conventional natural gas reserves and resources contained in the Lachowice gas field, that will be assigned to Horizon subject to completion of the Transformation Process. The volumes shown are attributable to 100% working interest, before deduction of any associated royalty burdens. The economic values presented are shown after deduction of the associated royalty burdens, the NPI payments to San Leon, operating and capital expenses, but before any attributable income taxes. Table 5 summarizes the commodity pricing used in the economic evaluations.

Table 2: Probable Reserves in the Lachowice Field

Probable Reserves	PIIP	Gross Recoverable Sales	Net Recoverable Sales	Before Income Taxes (US$MM), Discounted at				
				0%	5%	10%	15%	20%
Conventional Natural Gas (Bcf)	49	34.4	31.6					
Natural Gas Liquids (MBbl)	344	261.7	240.4					
Total Bcfe	**51.2**	**36.0**	**33.0**	**$245**	**$131**	**$76**	**$46**	**$29**
Total MMBoe	*8.5*	*6.0*	*5.5*					

1: There is no certainty that it will be commercially viable to produce any portion of the reserves.
2. See "Advisories".

Table 3: Contingent Resources – Development Unclarified in the Lachowice Field

Contingent Resources - Development Unclarified	Discovered PIIP			Unrisked Contingent			Chance of Dev.	Risked Contingent Resource (2C) - Dev. Unclarified	Before Income Taxes (US$MM), Discounted at				
	1C	2C	3C	1C	2C	3C	(%)		0%	5%	10%	15%	20%
Conventional Natural Gas (Bcf)	309	422	583	169	238	339	68.6%	163.7					
Natural Gas Liquids (MBbl)	2,276	3,110	4,298	1,248	1,756	2,499	68.6%	1,206.2					
Total Bcfe	**323**	**441**	**609**	**177**	**249**	**354**	**68.6%**	**170.9**	**$1,268**	**$661**	**$384**	**$241**	**$159**
Total MMBoe	*53.8*	*73.5*	*101.5*	*29.5*	*41.5*	*59.0*	*68.6%*	*28.5*					

1. *1 There is no certainty that it will be commercially viable to produce any portion of the resources.*
2. *See "Advisories".*

Table 4: Prospective Resources in the Lachowice Field

Prospective Resources	Undiscovered PIIP			Unrisked Prospective Resources			Chance of Dev.	Average Chance of Disc.	Risked Prospective Resources - Best Estimate
	Low Estimate	Best Estimate	High Estimate	Low Estimate	Best Estimate	High Estimate	(%)	(%)	
Conventional Natural Gas (Bcf)	537	764	1108	331	467	671	68.6%	37.1%	118.7
Natural Gas Liquids (MBbl)	3,956	5,351	7,757	2,515	3,553	5,105	68.6%	35.9%	875
Total Bcfe	**561**	**797**	**1155**	**346**	**488**	**702**	**68.6%**	**37.0%**	**124**
Total MMBoe	*93.4*	*132.8*	*192.4*	*57.6*	*81.4*	*116.9*	*68.6%*	*37.0%*	*20.7*

1. *There is no certainty that any portion of these resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.*
2. *See "Advisories".*

Table 5: Commodity Pricing

YEAR	Natural Gas Price	Natural Gas Heating Modifier*	Gas Transportation	Net Gas Price	Condensate Price	Electricity Price	Electricity Equivalent Gas Price*
	$US/MMbtu	%	$US/Mcf	$US/Mcf	$US/bbl	$US/MWh	$US/MMbtu
2024	15.75	109	1.00	16.17	80.00	97.50	7.02
2025	12.75	109	1.00	12.90	80.00	112.50	8.10
2026	11.75	109	1.00	11.81	80.00	125.00	9.00
2027	10.50	109	1.00	10.45	81.60	127.50	9.18
2028	9.50	109	1.00	9.36	83.23	130.05	9.36
2029	9.00	109	1.00	8.81	84.90	132.65	9.55
2030	9.00	109	1.00	8.81	86.59	135.30	9.74
2031	9.18	109	1.00	9.01	88.33	138.01	9.94
2032	9.36	109	1.00	9.21	90.09	140.77	10.14
2033	9.55	109	1.00	9.41	91.89	143.59	10.34

*The Heating Modifier recognizes the higher heating value of the gas as it includes the ethane and butane still retained within the gas
*Electricity Equivalent Gas Price: According to G2P equipment specification, 1.5MMcf/d gas can generate 4.5MWh electricity. Convert electricity price to equivalent gas price for Mosaic input

1. There is currently extreme volatility in the European gas markets with prices fluctuating widely month to month and even day to day. See "Advisories".
2. The prices forecast in Table 5 is reflective of the actual gas price in Poland on the effective day of the Reserves and Resource Report (December 31, 2023).

History and Development Plan

The Lachowice field is at an early stage of conventional natural gas development. Lachowice-1, Lachowice-7 and Stryszawa-2K are the primary wells of interest in the field. Despite being essentially vertical in their design, and using sub-optimal drilling and completion methods for naturally fractured formations, the wells tested at rates reported by former operators to be up to 5.8 MMcf/d, 8.9 MMcf/d, and 2.5 MMcf/d, respectively during the original open hole and cased hole tests. The Company is relying on production test reports from the former operators, the details of which are incomplete. Each of these wells was drilled and tested from reservoir depths of between 2,700-4,000 meters targeting naturally fractured carbonate reservoirs of Middle Devonian age. The natural gas tested was reported to be sweet (containing no H2S), with up to 91% methane and 7 bbls/MMcf of condensate.

Horizon is currently in the process of finalizing its development plan that will be implemented upon completion of the Transformation Process and signing of the new concession agreements. In general, it is currently anticipated that the development plan will begin with the re-entry of the Lachowice 7

wellbore that has the most complete old test information. Horizon is targeting to re-enter Lachowice 7 in the first half of 2025. First gas production is planned to occur into either a skid mounted G2P facility or a temporary CNG unit with start-up in 2025. Initially, natural gas sales are anticipated to be facilities constrained at approximately 1.5 MMcfe/d. The well will produce natural gas under primary drive via the natural fractures and the matrix porosity within the reservoir. The G2P or CNG project is considered pre-development and is expected to cost approximately US$4.25 million to first production.

One new well is subsequently planned to be drilled, completed and tested and a new gas processing facility built with capacity of 30MMcfe/d with a projected on stream date of late 2026 or early 2027. Additional horizontal or highly deviated wells are expected to be drilled as part of the development plan in order to fill the plant to capacity with peak production by 2028.

Operating netback for the G2P project is forecast to be approximately US$5.86/Mcfe for the first 12 months of production based on the current price forecast at the time of the Reserves and Resources Report. Over the life of the project, for the probable reserves case and forecast price, the operating netback is expected to be US$7.81/Mcfe. The exact timing of the development is subject to regulatory permiting and approval processes in Poland.

About Horizon Petroleum Ltd.

Calgary-based Horizon is focused on the appraisal and development of conventional oil & natural gas resources onshore in Europe. The Management and Board of Horizon consist of oil & natural gas professionals with significant international experience.

For further information about the Company, please contact:

Dr. David Winter
President & CEO
+1(403) 619 2957

Advisories

Oil and Gas Advisories

The reserve and resource estimates contained in this press release have been prepared in accordance with NI 51-101, is dated as of December 31, 2023 and prepared by APEX Global Engineering Inc..

The reserve and resource estimates of natural gas and natural gas liquids provided in this news release are estimates only, and there is no guarantee that the estimated reserves and/or resources will be recovered. Actual reserves and resources may eventually prove to be greater than, or less than, the estimates provided herein. It should not be assumed that the estimates of future net revenues presented herein represent the fair market value of the reserves and/or resources. There are numerous uncertainties inherent in estimating quantities of natural gas and natural gas liquids reserves and/or resources and the future cash flows attributed to such reserves and/or resources.

For example, the commodity pricing used in the Reserves and Resource Report was affected by the added political risk regarding the ongoing conflict between Poland's neighboring country, Ukraine, and Russia. On February 24, 2022, Russia invaded Ukraine. The invasion turned into an ongoing war. The Reserve and Resource Report attempts to gauge the impact the war may have on produced hydrocarbon pricing, as well as the potential for commercial development of the Company's project. The commodity pricing used in the Reserves and Resource Report modified the pricing from the Company's previous reserves report to reflect current pricing. There has been a significant drop in gas prices in Poland since such previous report. Given the uncertainty of the outcome of the ongoing conflict, accurately assigning risk to the con□lict is not possible at this time. The inherent unpredictability of war has spilled over into the cost of energy, whether conventional hydrocarbons, electrical power as well as the cost of materials and service. Although gas prices reached a peak in 2022, shortly after the invasion of the Russian forces, prices have subsequently dropped substantially inline with gas prices in effect prior to the invasion. The Reserve and Resource Report uses gas prices which reflect prices prior to the impact of Covid-19 and before the commencement of the Russian con□lict. The company is unable to predict whether the

war in Ukraine may escalate further, which may cause the Company to invoke "Force Majeure" and thereby could impact on the timing for development of the Company's projects

Additional risks and uncertainties include but are not limited to: (i) the fact that there is no certainty that the zones of interest will exist to the extent estimated or that the zones will be found to have natural gas with characteristics that meet or exceed the minimum criteria in terms of net pay thickness and/or porosity, or that the natural gas will be commercially recoverable to the extent estimated; (ii) the fact that there is no certainty that any portion of the probable reserves and contingent and prospective resources will be commercially viable to produce; (iii) the fact that the Company must hire an operations team and executive team in both Calgary and Poland in order to execute on the development plan, and there are no guarantees that suitably qualified technical and professional staff and/or consultants will be available; (iv) the lack of additional financing to fund the Company's development activities and continued operations; (v) the risks associated with obtaining approvals to access land to drill wells or install infrastructure and facilities in a reasonable time frame; the Polish regulatory regime is relatively stable but is marked with long approval processes relative to North American jurisdictions; (vi) the risks in acquiring or constructing adequate natural gas infrastructure to produce and sell natural gas, and whether capacity will be available in the existing main pipeline system at reasonable costs; (vii) the risk that there may not be a drilling rig available to drill the required wells, and the risk that if a rig mobilization is required from outside of Poland, that the costs may be prohibitive; (ix) risks inherent in the international oil and natural gas industry; (x) fluctuations in foreign exchange and interest rates; (xi)the number of competitors in the oil and gas industry with greater technical, financial and operations resources and staff; (xii) fluctuations in world prices and markets for oil and natural gas due to domestic, international, political, social, economic and environmental factors beyond the Company's control; (xiii) changes in government regulations affecting oil and natural gas operations; (xiv) potential liabilities for pollution or hazards against which the Company cannot adequately insure or which the Company may elect not to insure; (xv) contingencies affecting the classification as reserves versus resources which relate to the following issues as detailed in the COGE Handbook: ownership considerations, drilling requirements, testing requirements, regulatory considerations, infrastructure and market considerations, timing of production and development, and economic requirements; (xvi) the fact that there is no certainty that any portion of the prospective resources will be discovered and if discovered, there is no certainty that it will be commercially viable to produce any portion of the resources; and (xvii) other factors beyond the Company's control.

Any reference in this press release to PIIP, contingent resources and prospective resources are not, and should not be confused with oil and natural gas reserves.

Definitions

*Total Petroleum Initially in Place ("**PIIP**") refers to the total quantity of petroleum that is estimated to exist originally in naturally occurring accumulations. It includes the petroleum that exists in known accumulations prior to production and the estimated quantities yet to be discovered in the various leads and prospects identified by seismic and inferred by geology. A portion of the PIIP will be recoverable as determined by ultimate recovery factors and the estimated recoverable portion is further classified as Reserves, Contingent Resources or Prospective Resources.*

*Discovered Petroleum Initially in Place ("**Discovered PIIP**" or "**DPIIP**") is the total quantity of Petroleum that is estimated as of the effective date of the Reserves and Resources Report to be contained in known accumulations prior to production.*

*Multiple development projects may be applied to each known accumulation which may be separated vertically into different formations or by area in different pools; each project will recover a portion of the PIIP according to its unique reservoir characteristics. The projects will be subdivided into Commercial and Sub-Commercial at the effective date with the estimated recoverable petroleum quantities being classified as **Reserves and Contingent Resources**.*

***Reserves** are estimated remaining quantities of oil and natural gas and related substances anticipated to be commercially recoverable from known accumulations, from a given date forward, based on:*

- *(a) analysis of drilling, geological, geophysical and engineering data;*
- *(b) the use of established technology; and*
- *(c) specified economic conditions (see the discussion of "**Economic Assumptions**" below).*

Reserves are classified according to the degree of certainty associated with the estimates.

(d) ***Proved Reserves*** *are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.*

(e) ***Probable Reserves*** *are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.*

(f) ***Possible Reserves*** *are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved + probable + possible reserves*

Company Gross Reserves *are the Company's working interest (operating or non-operating) share before deducting royalties and without including any royalty interests of the Company.*

Resources *are defined in the Canadian Oil and Gas Evaluation Handbook (COGEH) Volume 1, section 5 as follows:*

Contingent Resources *are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied projects are not yet considered mature enough for commercial development due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality.*

Contingencies may include factors such as economic, legal, environmental, political, and regulatory matters, or a lack of markets. It is also appropriate to classify as contingent resources, the estimated discovered recoverable quantities associated with a project in the early evaluation stage. Contingent Resources are further classified in accordance with the level of certainty associated with the estimates and may be sub classified based on project maturity and/or characterized by their economic status.

Not all technically feasible development plans will be commercial. The commercial viability of a development project is dependent on the forecast of fiscal conditions over the life of the project. For Contingent Resources, the risk component relating to the likelihood that an accumulation will be commercially developed is referred to as the "chance of development." For contingent resources, the chance of commerciality is equal to the chance of development.

Development Pending *are contingencies that are being actively pursued; expect resolution in a reasonable time period; are directly influenced by the developer with both, internal approvals and commitment and development timing and; have a high chance of development (>80%).*

Development on Hold *are contingencies with major non-technical contingencies identified; have a reasonable chance of development (>50%); have contingencies that are beyond the control of the developer including but not limited to: external approvals, economic factors, market access, political factors and social license.*

Development Unclarified *are contingencies that have not been clearly defined; the project is currently under active evaluation; significant further appraisal may be required; progress is expected in a reasonable time period; chance of development is difficult to assess and could be a big range (20%-80%).*

Development Not Viable *are contingencies that have been identified; the project was evaluated and considered not viable or significant further appraisal may be required; progress is not expected in a reasonable time period and; has a low chance of development (<<50%).*

Contingent Resources –Development Pending and –Development On Hold are considered economic, Contingent Resources –Development Unclarified have economics that are undetermined, and Contingent Resources –Development Not Viable are considered sub-economic.

Prospective Resources *are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. Prospective Resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub classified based on project maturity.*

Not all exploration projects will result in discoveries. The chance that an exploration project will result in the discovery of petroleum is referred to as the "chance of discovery." Thus, for an undiscovered accumulation, the

chance of commerciality is the product of two risk components — the chance of discovery and the chance of development.

Estimates of resources always involve uncertainty, and the degree of uncertainty can vary widely between accumulations/projects and over the life of a project. Consequently, estimates of resources should generally be quoted as a range according to the level of confidence associated with the estimates. An understanding of statistical concepts and terminology is essential to understanding the confidence associated with resources definitions and categories. These concepts, which apply to all categories of resources, are outlined below. The range of uncertainty of estimated recoverable volumes may be represented by either deterministic scenarios or by a probability distribution. Resources should be provided as low, best, and high estimates as follows:

- ***Low Estimate and/or 1C in the case of Contingent Resources**: This is considered to be a conservative estimate of the quantity that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the low estimate. If probabilistic methods are used, there should be at least a 90 percent probability (P90) that the quantities actually recovered will equal or exceed the low estimate.*
- ***Best Estimate and/or 2C in the case of Contingent Resources**: This is considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the best estimate.*
- ***High Estimate and/or 3C in the case of Contingent Resources**: This is considered to be an optimistic estimate of the quantity that will actually be recovered. It is unlikely that the actual remaining quantities recovered will exceed the high estimate. If probabilistic methods are used, there should be at least a 10 percent probability (P10) that the quantities actually recovered will equal or exceed the high estimate.*

This approach to describing uncertainty may be applied to reserves, contingent resources, and prospective resources. There may be significant risk that sub commercial and undiscovered accumulations will not achieve commercial production, however, it is useful to consider and identify the range of potentially recoverable quantities independently of such risk.

The main contingencies identified in the Reserves and Resources Report which prevent the classification of the resources as reserves are the successful recompletion of existing abandoned wells, the expected decline rates and the approval and completion of new development and new re-entries. Table 6 below outlines the positive and negative factors which may be relevant to the Reserves and Resource Report assumptions and estimates.

Table 6:

Positive Factors	Negative Factors
The Federal Government is familiar with the oil and gas industry	No gas plant near the play - a new gas plant is included in CAPEX
Federal government is supporting international investments into their oil and gas industry	No sales pipeline near the play - a new natural gas sales lines is included in CAPEX
Significant resources	No current sales contract
High and stable natural gas prices	Approval timelines may delay the project
Low royalties	Local resitance to drilling and/or production facilities may delay the project
Well understood approval process	Changing political landscape
The local community is familiar with natural gas production and processing and is generally well accepted	Access to capital to spend CAPEX
The development project is located in a farming area, away from major urban centers	Drilling and completion risks
	Limited production rate and reserves in place

***Boe** means a barrel of oil equivalent on the basis of 6 Mcf of natural gas to 1 barrel of oil equivalent. Mcfe means one thousand cubic feet of natural gas equivalent on the basis of 6 Mcfe : 1 barrel of oil. A boe conversion ratio of 6 Mcf : 1 Boe and 6 Mcfe : 1 bbl are based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given the value ratio based on the price of crude compared to the price of natural gas at various times can be significantly different from the energy equivalence of 6 Mcf : 1 boe or 6 Mcfe : 1 bbl, using Boe's and Mcfe's may be misleading as an indication of value.*

Abbreviations:

Bcf	*billion cubic feet*
Bcfe	*billion cubic feet of natural gas equivalent*
Bbl	*barrels*
Boe	*barrels of oil equivalent*
M	*thousand*
MM	*million*
Mcfe	*thousand cubic feet of natural gas equivalent*
MMcfe/d	*million cubic feet equivalent per day*
NPI	*Net Profit Interest payable as part of the acquisition consideration*
Tcf	*trillion cubic feet*
BTAX	*before income tax*
PV10	*present value discounted at 10%*
km^2	*square kilometers*

Note Regarding Forward Looking Statements.

This press release contains forward-looking statements and forward-looking information (collectively "forward-looking information") within the meaning of applicable securities laws relating to the Company's plans and other aspects of our anticipated future operations, management focus, strategies, financial, operating and production results, industry conditions, commodity prices and business opportunities. In addition, and without limiting the generality of the foregoing, this press release contains forward-looking information regarding anticipated netbacks, the Transformation Process, the closing and timing of the Transformation Process, the timing of the remaining regulatory approvals die the Transformation Process, production guidance, capital program and allocation thereof, future production, development and drilling plans, well economics, future cost reductions, potential growth, and the current operating plans with respect to the Company's right to assets in Poland as well as the source of funding the Company's capital spending. Forward-looking information typically uses words such as "anticipate", "believe", "project", "expect", "goal", "plan", "intend" or similar words suggesting future outcomes, statements that actions, events or conditions "may", "would", "could" or "will" be taken or occur in the future.

The forward-looking information is based on certain key expectations and assumptions made by Horizon's management, including expectations and assumptions noted previously in this press release under oil and gas advisories, and in addition with respect to prevailing commodity prices which may difer materially from the price forecasts used by Apex and differentials, exchange rates, interest rates, applicable royalty rates and tax laws; future production rates and estimates of operating costs; performance of future wells; reserve and resource volumes; anticipated timing and results of capital expenditures; the success obtained in drilling new wells; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the state of the economy and the exploration and production business; results of operations; performance; business prospects and opportunities; the availability and cost of financing, labour and services; the impact of increasing competition; the ability to efficiently integrate assets and employees acquired through acquisitions, the Transformation Process, the ability to market natural gas successfully and Horizon's ability to access capital. Although the Company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Horizon can give no assurance that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature they involve inherent risks and uncertainties. Horizon's actual results, performance or achievement could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits that we will derive therefrom. Management has included the above summary of assumptions and risks related to forward-looking information provided in this press release in order to provide securityholders with a more complete perspective on future operations and such information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. These forward-looking statements are made as of the date of this press release and we disclaim any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

This press release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about Horizon's prospective results of operations, operating netbacks and components thereof, all of which

are subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs. FOFI contained in this press release was made as of the date of this press release and was provided for the purpose of providing further information about Horizon's anticipated future business operations. Readers are cautioned that the FOFI contained in this press release should not be used for purposes other than for which it is disclosed herein.

Non-GAAP Measures

This press release includes non-GAAP measures as further described herein. These non-GAAP measures do not have a standardized meaning prescribed by International Financial Reporting Standards ("IFRS" or, alternatively, "GAAP") and therefore may not be comparable with the calculation of similar measures by other companies.

***Operating netbacks** are determined by deducting royalties, net profit interest, production expenses and selling expenses from oil and gas revenue. Operating netbacks are per mcfe measures used in operational and capital allocation decisions.*

The assumptions used to generate the netback (US$/Mcfe) in this press release for the production of probable reserves over the first 12 months of production are as follows:

Daily Production(1)	*1.5 MMcfe/d*
Commodity Revenue (2)	*US$7.1 MM*
Royalties	*US$ 0.6 MM*
6% NPI and Operating Cost(1)	*US$ 3.29 MM*
Operating Netbacks	*US$5.86/Mcfe*

(1) Daily production and operating costs are management's best estimate of the production and operating costs from the anticipated wells and is based on all of the assumptions outlined in the above paragraphs;
(2)Based on Lachowice Natural Gas Price = US$12.35/mcf, Condensate Price = US$80.00/Bbl. For the first 12months of production

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.