



NEWS RELEASE

December 19, 2025

HORIZON PETROLEUM LTD. CLOSES AN INITIAL TRANCHE OF CONVERTIBLE DEBENTURE UNIT OFFERING

CALGARY, ALBERTA – Horizon Petroleum Ltd. (TSXV: HPL, FRA: HPM, Tradegate: HPM) ("Horizon" or the "Company") announces that, subject to TSX Venture Exchange acceptance, it has closed an initial tranche of 170 secured convertible debenture units ("Secured Convertible Debenture Units") of the company at a price of \$1,000 per unit, for aggregate gross proceeds of \$170,000. Six (6) investors subscribed for the financing (the "Offering").

The debentures bear interest from the applicable issuance date at 15% per annum until the date that is 24 months following the closing date (the "Maturity Date") with interest paid annually in arrears. The debentures will be second position secured behind the \$720,000 of debentures issued in May 20, 2025 and due May 20, 2026 (the "May 2025 Debentures").

Each holder of a Secured Convertible Debenture Unit shall have the right, at its option, at any time up to and including the Maturity Date, to convert any or all of the Secured Convertible Debenture Units into equity units ("Equity Units") on the basis of each \$1,000 principal amount for (i) 10,000 common shares of the Corporation (each a "Common Share") issued at \$0.10 per Common Share, and (ii) 5,000 Common Share purchase warrants ("Warrants"), with each Warrant exercisable until thirty-six months from closing the Debentures, into one (1) Common Share at a price of \$0.15.

In connection with the initial tranche, the Company has paid no finder's fees.

The company intends to use the proceeds from the offering for the payment of the annual concession fees to the Polish government and for general corporate purposes.

All securities issued under the offering, including securities issuable on exercise thereof, are subject to a hold period expiring four months and one day from the date hereof.

The offering is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the TSX Venture Exchange. The financing was treated as a loan with bonus warrants by the TSX Venture Exchange.

Multilateral Instrument 61-101 – Related Party Transactions

Director and Officers of the Corporation, subscribed for 125 Secured Convertible Debenture Units with the same terms which constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company is relying on the exemptions from the formal valuation and minority approval requirements of MI 61-101 by virtue Sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of such Insider participation. No special committee was established in connection with the Offering or the participation of the Insiders, and no materially contrary view or abstention was expressed or made by any director of the Company in relation thereto. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the of the Offering, which the Company deems reasonable in the circumstances in order to complete the Offering in an expeditious manner.

ABOUT HORIZON

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

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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.

This press release contains forward-looking statements pertaining to, among other things, the anticipated use of proceeds, the completion of the offering, and the approval of the TSX-V.

Forward-looking information is based on current expectations, estimates and projections that involve a number of risks, which could cause actual results to vary and in some instances, to differ materially from those anticipated by Horizon and described in the forward-looking information contained in this press release.

Although Horizon believes that the material factors, expectations and assumptions expressed in such forward-looking statements are reasonable based on information available to it on the date such statements were made, no assurances can be given as to future results, levels of activity and achievements and such statements are not guarantees of future performance.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933 (the "1933 Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration is available.