

HORIZON PETROLEUM LTD.
(the "Company")
Form 51-101F1
Statement of Reserves Data
and Other Oil and Gas Information

PART 1 DATE OF STATEMENT

Item 1.1 Relevant Dates

This statement of reserves data and other oil and gas information is dated December 29, 2023

The effective date is August 31, 2023.

The preparation date is December 27, 2023.

PART 2 DISCLOSURE OF *RESERVES DATA*

As at August 31, 2023, the Company had no reserves.

PART 3 PRICING ASSUMPTIONS

Not applicable.

PART 4 RECONCILIATION OF CHANGES IN *RESERVES*

The Company has not had any reserves for the last three fiscal years and as such there is no reconciliation of changes in reserves to be presented.

PART 5 ADDITIONAL INFORMATION RELATING TO *RESERVES DATA*

None – Not included.

PART 6 OTHER *OIL AND GAS INFORMATION*

Item 6.1 *Oil and Gas Properties and Wells*

As of August 31, 2023, the Company had no producing oil or gas wells.

Item 6.2 *Properties With No Attributed Reserves*

On August 12, 2019, the Company acquired control of the Poland Subsidiaries. That hold the Bielska-Biala and Cieszyn Concessions. However, the consideration owing for the Acquisition is not payable to SLE until such time as the Transformation Process (as defined below) is completed.

A transformation of the concessions to the new Polish concession laws (“Transformation Process”) is required by the Polish government as a result of the implementation of amendments to Poland’s geological and mining laws. An application for the Transformation Process was submitted to the Polish government in December of 2016 for the Primary Concessions, however, is not yet complete. The licenses for the Primary Concessions expired in April and August of 2018, however, as the Transformation Process for the Primary Concessions had already commenced, they are effectively in suspension pending a decision by the Polish government on the Transformation Process. At this time, it is not possible to determine if, or when, the Transformation Process will be successfully completed. The timing of completing the Transformation Process has been severely impacted by travel and work restrictions imposed to combat the Covid-19 pandemic, as well as by the Company’s lack of financial resources. Completing the Transformation Process will involve negotiations with the Polish Government to finalise (i) the work programs to be conducted, and (ii) the value of the concession fees and guarantees that will be paid to the Polish government.

The Company has resumed negotiations with the Polish Government to conclude the Transformation Process.

Item 6.2.1 Significant Factors or Uncertainties Relevant to *Properties* with No Attributed Reserves

At August 31, 2023 the Company had no liabilities or obligations associated with Bielska-Biala and Cieszyn Concessions. There is no guarantee that the Transformation Process can be successfully completed.

Item 6.3 Forward Contracts

Currently, the Company has no forward contracts.

Item 6.5 Tax Horizon

The Company was not required to pay income taxes during the year ended August 31, 2023. The Company has no current plans to spend capital on oil and gas activities in Poland, and there is no expectation of revenue or earnings. As such, the Company cannot reasonably estimate when, or if, it will begin paying income taxes.

Item 6.6 Costs Incurred

The capital expenditures made by the Company for oil and gas activities in Poland total \$0.

Item 6.7 Exploration and Development Activities

The Company participated in no exploratory or development wells during its 2023 financial year.

Item 6.8 Production Estimates

Since the Company has no oil and gas reserves, there have been no production estimates forecast at the effective date.

Item 6.9 Production History

The Company has no production history.

Advisories

Note Regarding Forward Looking Statements.

*This report 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, industry conditions and business opportunities. In addition, and without limiting the generality of the foregoing, this report contains forward-looking information regarding the the current operating plans with respect to the Company's assets in Poland. 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 with respect to anticipated timing and the state of the exploration and production business. 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 report 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 report 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.