

**FORM 51-102F3
MATERIAL CHANGE REPORT**

The short form base shelf prospectus date May 22, 2025 and the prospectus supplement date August 8, 2025 are amended and supplemented by the contents of this material change report.

Item One – Name and Address of Company

Horizon Petroleum Ltd. (the “**Company**”)
920, 540 - 5th Avenue SW
Calgary, Alberta T2P 0M2

Item Two – Date of Material Change

August 19, 2025

Item Three – News Release

The news release reporting the material change described in this report was issued in Calgary, Alberta on August 20, 2025 through the newswire services of Cision and was filed via SEDAR+.

Item Four – Summary of Material Change

The Company announced that it has delivered an amended and restated undertaking (the “**Amended Undertaking**”) to the Executive Director of the Alberta Securities Commission (“**ASC**”) in connection with the Company’s final short form base shelf prospectus dated May 22, 2025 (the “**Base Shelf Prospectus**”).

Item Five – Full Description of Material Change

The Company announced that it has delivered an Amended Undertaking to the Executive Director of the ASC in connection with the Company’s Base Shelf Prospectus.

The Amended Undertaking replaces and supersedes the undertaking originally provided on April 29, 2025. The amendment was requested by Horizon to accommodate closing of its previously announced offering led by Haywood Securities Inc. (the “**Offering**”) as further described in the Company’s news release dated August 6, 2025.

The Amended Undertaking provides the Company up to 120 days from the date of the ASC’s final receipt for the Base Shelf Prospectus to raise minimum aggregate gross proceeds of at least C\$6,662,000 (the “**Minimum Amount**”) by way of private placement, prospectus supplement under the Base Shelf Prospectus, or a combination thereof. Should Horizon be unable to raise the Minimum Amount within the 120-day period ending September 20, 2025, the Company will withdraw the Base Shelf Prospectus and will not issue any securities pursuant thereto.

The Offering is expected to close on or about September 18, 2025 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the TSX Venture Exchange.

Item Six – Reliance on subsection 7.1(2) of National Instrument 51-102

Not Applicable.

Item Seven – Omitted Information

Not Applicable.

Item Eight – Executive Officer

David Winter, Chief Executive Officer, 403.619.2957

Item Nine – Date of Report

August 27, 2025

Forward-Looking Information

This material change report contains forward-looking information within the meaning of Canadian securities laws (collectively “forward-looking statements”). Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, plans, postulate and similar expressions, or are those, which, by their nature, refer to future events. All statements that are not statements of historical fact are forward-looking statements. Forward-looking statements in this press release include but are not limited to statements regarding, the Amended Undertaking, the Offering, the anticipated closing date for the Offering. Although the Company believes any forward-looking statements in this press release are reasonable, it can give no assurance that the expectations and assumptions in such statements will prove to be correct. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to, changes in the state of equity and debt markets, fluctuations in commodity prices, delays in obtaining required regulatory or governmental approvals, and other risks involved in the oil and gas exploration and development industry, including those risks set out in the Company’s management’s discussion and analysis as filed under the Company’s profile at www.sedarplus.ca. Forward-looking information in this news release is based on the opinions and assumptions of management considered reasonable as of the date hereof, including that all necessary governmental and regulatory approvals will be received as and when expected. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information. The Company disclaims any intention or obligation to update or revise any forward-looking information, other than as required by applicable securities laws.

CERTIFICATE OF THE ISSUER

Dated: August 27, 2025

To the best of our knowledge, information and belief, the short form base shelf prospectus dated May 22, 2025, together with the documents incorporated therein by reference, as supplemented by the foregoing as it amends the shelf prospectus supplement dated August 8, 2025, will, as of the date of a particular distribution of securities under the prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by such prospectus and this prospectus supplement as required by the securities legislation of each of the provinces of Canada, except Quebec.

HORIZON PETROLEUM LTD.

(signed) "David Winter"

David Winter
Chairman and Chief Executive Officer

(signed) "Ian Habke"

Ian Habke
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS OF HORIZON PETROLEUM LTD.

(signed) "Charle Gamba"

Charle Gamba
Director

(signed) "Roger McMechan"

Roger McMechan
Director

CERTIFICATE OF THE AGENTS

Dated: August 27, 2025

To the best of our knowledge, information and belief, the short form base shelf prospectus dated May 22, 2025, together with the documents incorporated therein by reference, as supplemented by the foregoing as it amends the shelf prospectus supplement dated August 8, 2025, will, as of the date of a particular distribution of securities under the prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by such prospectus and this prospectus supplement as required by the securities legislation of each of the provinces of Canada, except Quebec.

HAYWOOD SECURITIES INC.

(signed) "Clark Andrews"

Clark Andrews

Head of Energy Investment
Banking

CANACCORD GENUITY CORP.

(signed) "Anthony Petrucci"

Anthony Petrucci

Managing Director, Energy
Investment Banking