

9 June 2021

## HORIZON - PROGRESS ON WZ12-8E DEVELOPMENT, CHINA

The Manager  
Company Announcements  
ASX Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

*"We are very pleased at the substantial progress that has been made on the WZ12- 8E development, particularly the progress of fabrication of the platform. The Operator, Roc Oil, is to be commended for their management of the project to date, incident free and within budget."*

*The timing of first production remains on track for the first quarter of next calendar year and will aid in maintaining production rates from Block 22/12 over the medium term. We are encouraged by the continued steady increase in oil prices to over US\$70/bbl, which bodes extremely well for future cash generation from Block 22/12, China."*

**Horizon CEO, Chris Hodge**

### Participants:

CNOOC (Operator)	51.00%
Horizon Oil (Beibu) Limited	26.95%
Roc Oil	19.60%
Majuko Corp	2.45%

**Total 100.00%**

Excellent progress is being made in the construction and procurement phases of the WZ12-8 East development, under the management of our JV partner, Roc Oil (China) [ROC]. The main components of the WZ12-8E development include a standalone self-installing platform (HYSY163), 7 development wells [6 producers and 1 water disposal well], an 8 km subsea pipeline and cable connecting to the existing WZ12-8W wellhead platform. Production from WZ12-8E will combine with WZ12-8W production and flow via the existing infrastructure to the PUQB platform for processing and export.



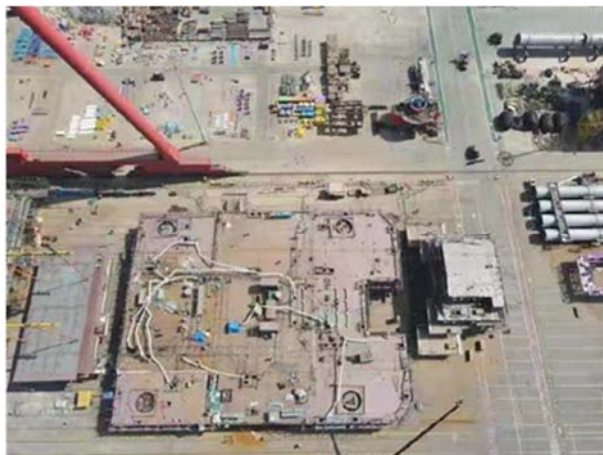
Artist's impression of the HYSY 163 platform once completed

Project milestones are continuing to be achieved safely, within budget and on schedule. Over 700,000 manhours have been completed with zero LTIs (Lost Time Injuries).

The WZ12-8E platform (HYSY163) is being fabricated in Qingdao, China. A total of 46 sections are under fabrication with 15 sections, forming the hull and living quarters, now assembled. Platform construction was 67% complete at the end of May, with sail away into the field scheduled for July 2021. The photos below show the HYSY163 platform construction site.



Main Hull with Living Quarter assembled (May 2021)



Top view of platform main deck (April 2021)

Subsea pipeline manufacturing, coating and insulation has been completed, with the construction plan for the pipeline and subsea laying under development. Offshore construction on the existing WZ12-8W platform kicked off in April 2021.

The drilling rig has been selected, and drilling operations are planned to commence in October 2021. COSL procurement for long-lead items are underway and well drilling sequence has been confirmed.

First oil is targeted for Q1 CY2022, with oil production expected to average approximately 4,000 bopd (gross) in the first year, adding to existing production from the WZ6-12 and WZ12-8 fields. Production will commence from two wells, with additional wells brought on stream as drilling progresses.

## Authorisation

This ASX announcement is approved and authorised for release by the Chief Executive Officer.