HORIZON PETROLEUM RECEIVES SHAREHOLDER APPROVAL FOR DEBT SETTLEMENT IN SHARES

CALGARY, AB, Aug. 7, 2026 /CNW/ -- **Horizon Petroleum Ltd.** (TSXV: HPL) (FRA: HPM) (Tradegate: HPM)**, ("Horizon" or the "Company")** Further to its press release dated June 16, 2026, the Company received shareholder approval at its July 28, 2026 Annual General Meeting, for its proposal to settle certain outstanding debt to management and fees to directors (the "Insider Debt Transaction"), and third-party invoices for an aggregate amount of CAD$524,000 in exchange for shares of the Company at a price of CAD$0.175 per Common Share. The price was the closing price of Horizon's Common Shares on July 15. The Insider Debt Transaction amounts were a result of deferred salaries of $365,000 since September 2024 and Directors' fees in the amount of CAD$25,000 per each of the four independent Directors. The debt settlement in shares is subject to final approval by the TSX Venture Exchange.

Shares for Management Remuneration Owing, Directors' Fees and Third-party Invoices

Between September 2024 and May 2026 the Company accrued management salaries in order to conserve capital while the company advanced the development of its Polish concessions. Management has agreed to settle the outstanding fees and be paid in shares. Furthermore, this aligns management with shareholders and demonstrates their commitment to company and their belief in the long term value potential of Horizon and the development of the Lachowice gas field in Poland.

The Company will settle, subject to final approval by the TSX Venture Exchange, outstanding and accrued management compensation in the amount of $365,000, Directors' fees in the amount of $100,000 in aggregate and third-party invoices owing in the amount of $59,000 in agregate, through the issuance of an aggregate of 2,994,286 Common Shares, at a price of $0.175 per Common Share. The debt settlement was approved by disinterested shareholders at the Annual General Meeting held on July 28, 2026.

The Common Shares will be subject to a four-month and one day hold period from the date of issuance in accordance with applicable securities laws.

The participation of Directors and Officers in the Insider Debt Transaction constitutes "related party transactions" of the Company for purposes 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 found in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of Insider Debt Transaction (as it relates to the insiders' participation) is not more than 25% of the Company's market capitalization.

About Horizon Petroleum Ltd.

Calgary-based Horizon is focused on the appraisal and development of natural gas reserves and clean energy sources to increase energy independence and security in Europe. The Management and Board of Horizon consist of oil & gas, business and finance professionals with significant international experience.

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" or "forward-looking information" (collectively referred to herein as "forward-looking statements") within the meaning of applicable securities legislation. Such forward-looking statements include, without limitation, forecasts, estimates, expectations and objectives for future operations that are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of Horizon. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur or be achieved. This press release contains forward-looking statements pertaining to, among other things completion of the Insider Debt Transaction.

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.

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