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28 August 2013

HORIZON OIL LIMITED ANNOUNCES SUCCESSFUL COMPLETION OF RETAIL ENTITLEMENT OFFER

KEY POINTS

- **Retail component of Entitlement Offer successfully completed, raising approximately $21 million.**
- **Retail Entitlement Offer settles on Friday, 30 August 2013.**
- **Shares issued under the Retail Entitlement Offer commence trading on Tuesday, 3 September 2013.**

On 31 July 2013, Horizon Oil Limited (ASX:HZN, or "**Horizon Oil**") announced a fully underwritten 1 for 7 accelerated non-renounceable entitlement offer ("**Entitlement Offer**") to raise approximately $53.5 million. The institutional component of the Entitlement Offer ("**Institutional Entitlement Offer**") was successfully completed on Wednesday, 31 July 2013, raising approximately $33 million.

Today Horizon Oil is pleased to announce that the retail component of the Entitlement Offer ("**Retail Entitlement Offer**") closed at 5:00pm (AEST) on Friday, 23 August 2013 and will raise approximately $21 million in total. Eligible retail shareholders have subscribed for approximately 31.4 million new shares (approximately $10.4 million) under the Retail Entitlement Offer.

The balance of approximately 31.5 million new shares (approximately $10.4 million) in respect of which entitlements were not taken up by retail shareholders will be allocated to the Underwriter (UBS AG, Australia Branch) and various institutional investors who were sub-underwriters for the Entitlement Offer.

The settlement date for new shares issued under the Retail Entitlement Offer is Friday, 30 August 2013 and the issue of new shares under the Retail Entitlement Offer is scheduled to occur on Monday, 2 September 2013, with those shares expected to commence trading on the ASX on Tuesday, 3 September 2013.

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IMPORTANT NOTICES

Further information in relation to the matters described in this announcement including important notices, key risks and assumptions in relation to certain forward-looking information in this announcement is set out in an investor presentation released to ASX by Horizon Oil. The information in the "Important Notice and Disclaimer" and "Risks relating to Horizon Oil" sections of that presentation applies to this announcement as if set out in full in this announcement.

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