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18 June 2014

The Manager, Company Announcements
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

UBS CONNECTIONS CONFERENCE PRESENTATION

Please find attached the presentation which will be presented by Michael Sheridan, Chief Financial Officer at the UBS Conference today.

Yours faithfully

Michael Sheridan
Chief Financial Officer and Company Secretary
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UBS
Australian Resources, Energy and Utilities Conference
Day 2, Energy 18 June 2014

Brent Emmett CEO

This presentation contains some references to forward looking assumptions, representations, estimates and outcomes. These are uncertain by the nature of the business and no assurance can be given by Horizon Oil Limited that its expectations, estimates and forecast outcomes will be achieved. Actual results may vary materially from those expressed herein.

Horizon Oil Snapshot

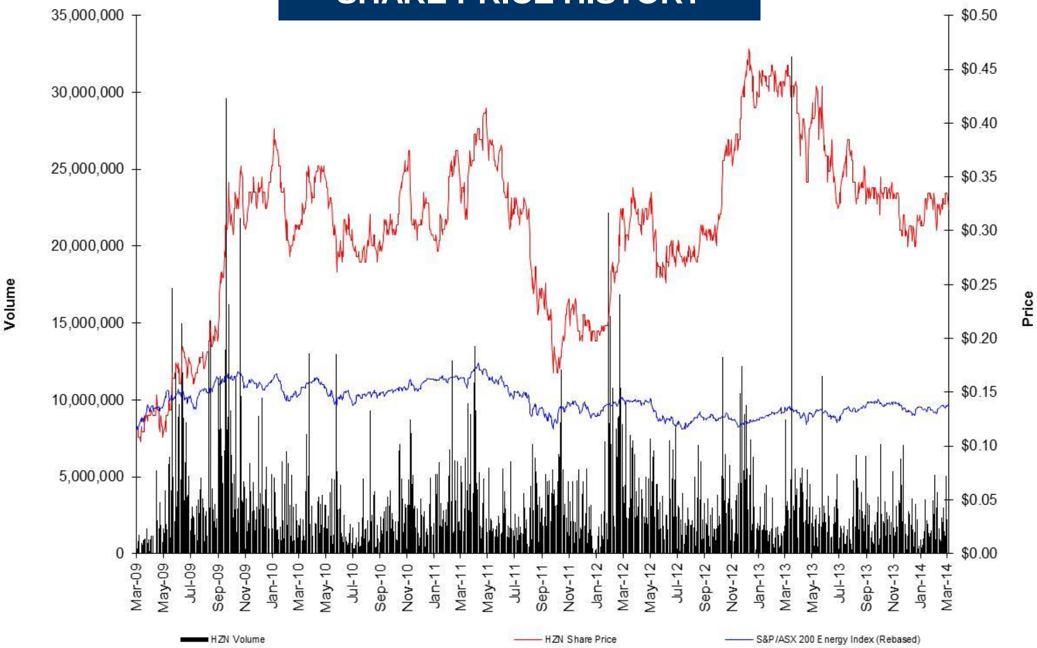
Horizon Oil

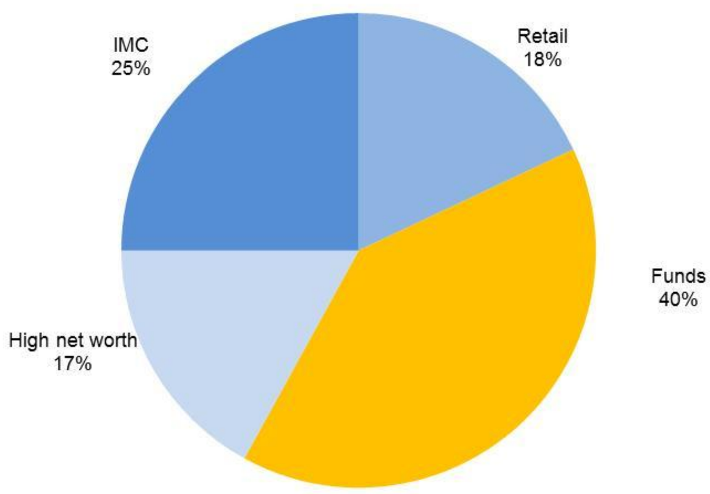
- Market capitalisation of A$494m at A$0.38 per share on 17 June 2014 (1,301.2m shares)
- Current net production: Maari/Manaia 850 bopd priced at Brent plus US$5-6
Beibu Gulf 3,200+ bopd priced at Brent less US$4
- Current EBITDA ~US$11m per month
- Forecast exit 2014 production ~5,000 bopd net
- 2P reserves of 15.9 mmbo and 2C contingent resources of 15.3 mmbo/385 bcf gas
- Prospective resources of 82 million barrels of oil equivalent (mmboe) best estimate
- US$150m reserves-based lending facility in place
- At 31 March 2014:-
  - Cash on hand US$23.2m*
  - Convertible bond US$80.0m (matures June 2016, unless converted prior)
  - Drawdown on US$160m facility US$119.2m
  - Net debt US$176.0m

* Note – Horizon Oil received proceeds, including adjustments, of partial sale of PNG assets to Osaka Gas on 12 June 2014 of US$78m

Shareholder Distribution and Trading Statistics

SHARE PRICE HISTORY





1,301.2m shares

TRADING STATISTICS

April 2014 (to date)	
Last	$0.380
High	$0.380
Low	$0.300
Volume	84,957,886

12 Months	
Last	$0.380
High	$0.450
Low	$0.280
Volume	682.04m
Fully paid shares	1,301.2m
Partly paid shares	1.50m[1]
Employee options	11.78m[2]
General options	19.0m[5]
Share appreciation rights	31.28m[3]
Convertible bonds	400[4]
No. of shareholders	6,026
Market capitalisation	$494m
Top 20 / Issued Capital	69.3%

[1] Issued in accordance with employee incentive schemes

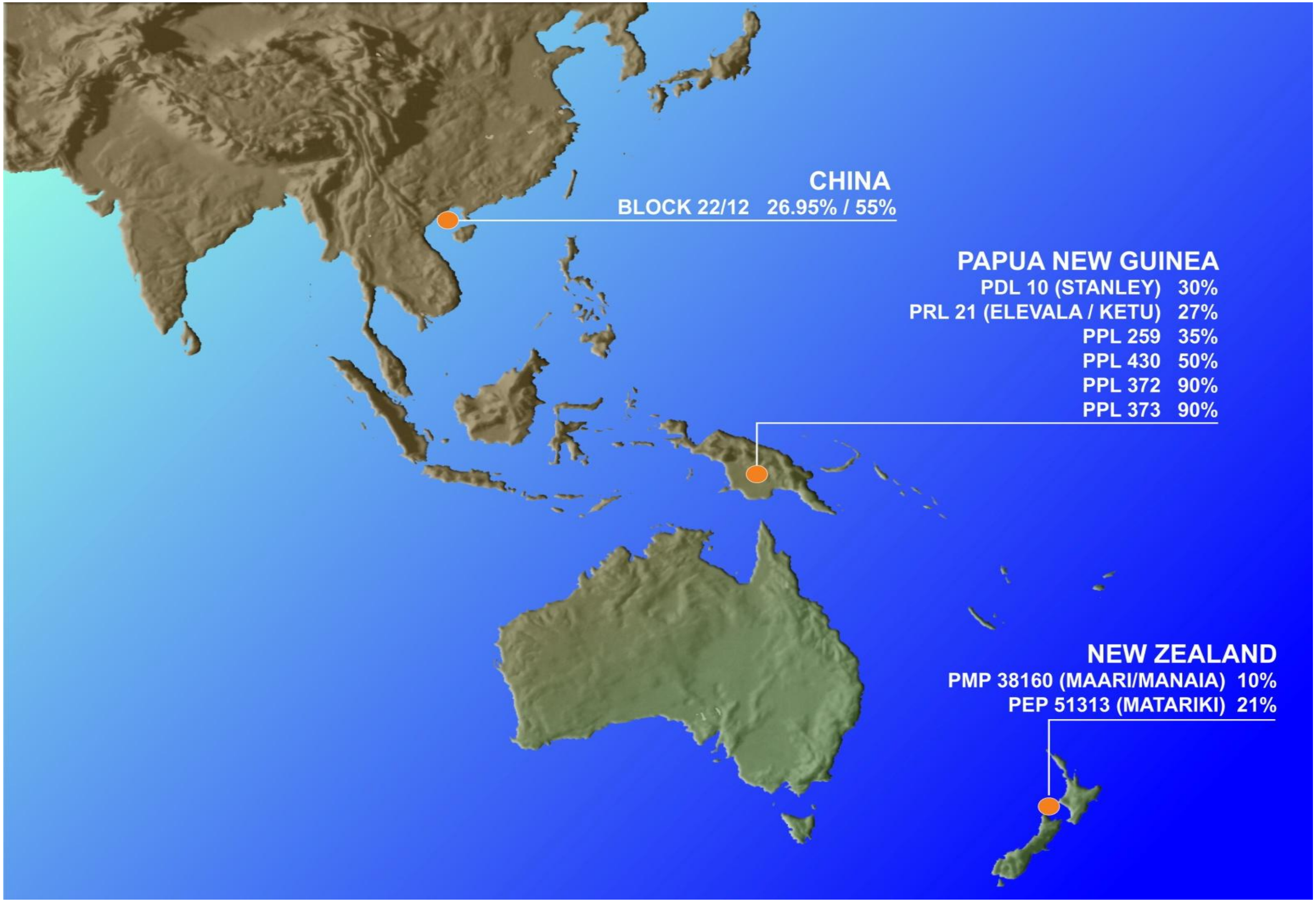
[2] Options - issue price ranging from $0.27 - $0.44

[3] Share price equivalence of SARS - $0.30. 3.9 million SARS subject to shareholder approval

[4] Convertible to 384.615 ordinary shares per bond at the initial conversion price of $0.49

[5] Includes 15 million options issued to Petsec on acquisition of additional interest in Block 22/12, exercise price $0.37

Geographic Focus and Asset Location



Investment Proposition

- Focused Asia Pacific E&P specialist
- Strong, long-lived cashflows from Maari/Manaia fields, offshore New Zealand, re-invested to fund future capital program. Low risk, new reserves appraisal drilling and mid-life field upgrade program began in Q3 2013 and will complete in Q1 2015
- Beibu Gulf field development, offshore China, on stream in March 2013; currently 12,000 bopd. Additional field to be developed in Phase II
- Large gas/condensate resources and acreage position onshore Papua New Guinea. Condensate production from Stanley field to commence in 2016. Potential for long-life mid-scale LNG project to commercialise gas

> Focus on proven, conventional plays with scale, upside and manageable risk

> Substantial inventory of discovered reserves and resources to bring into production with minimal exposure to geological risk – 95 million barrels of oil equivalent (mmboe)

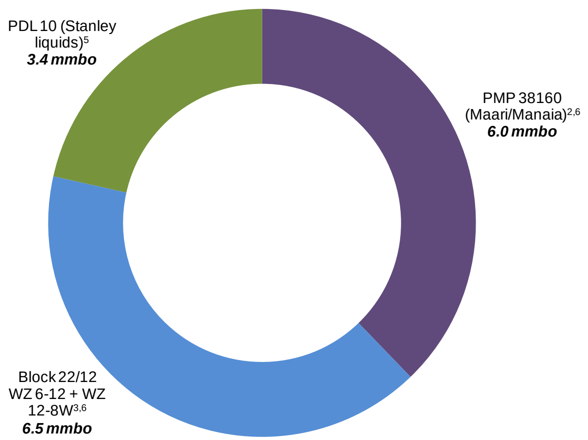
> Conservative and highly selective approach to exploration in and around discovered reserves and resources – 82 mmboe unrisked best estimate potential

> Low risk exposure to commodity price upside, especially oil price, and production growth

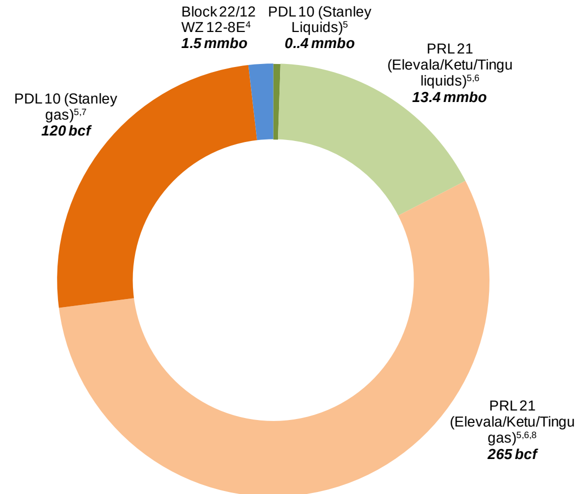
Net Reserves[1], Contingent Resources[1] and Prospective Resources[1] as at 1 January 2014

Horizon Oil

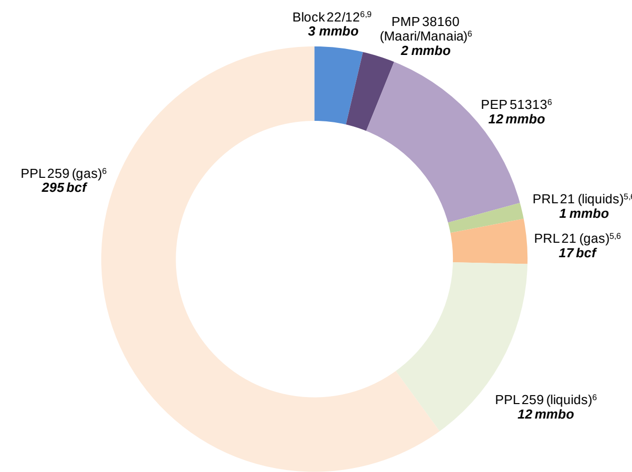
RESERVES
Proven + Probable



CONTINGENT RESOURCES
Proven + Probable



PROSPECTIVE RESOURCES
Best Estimate

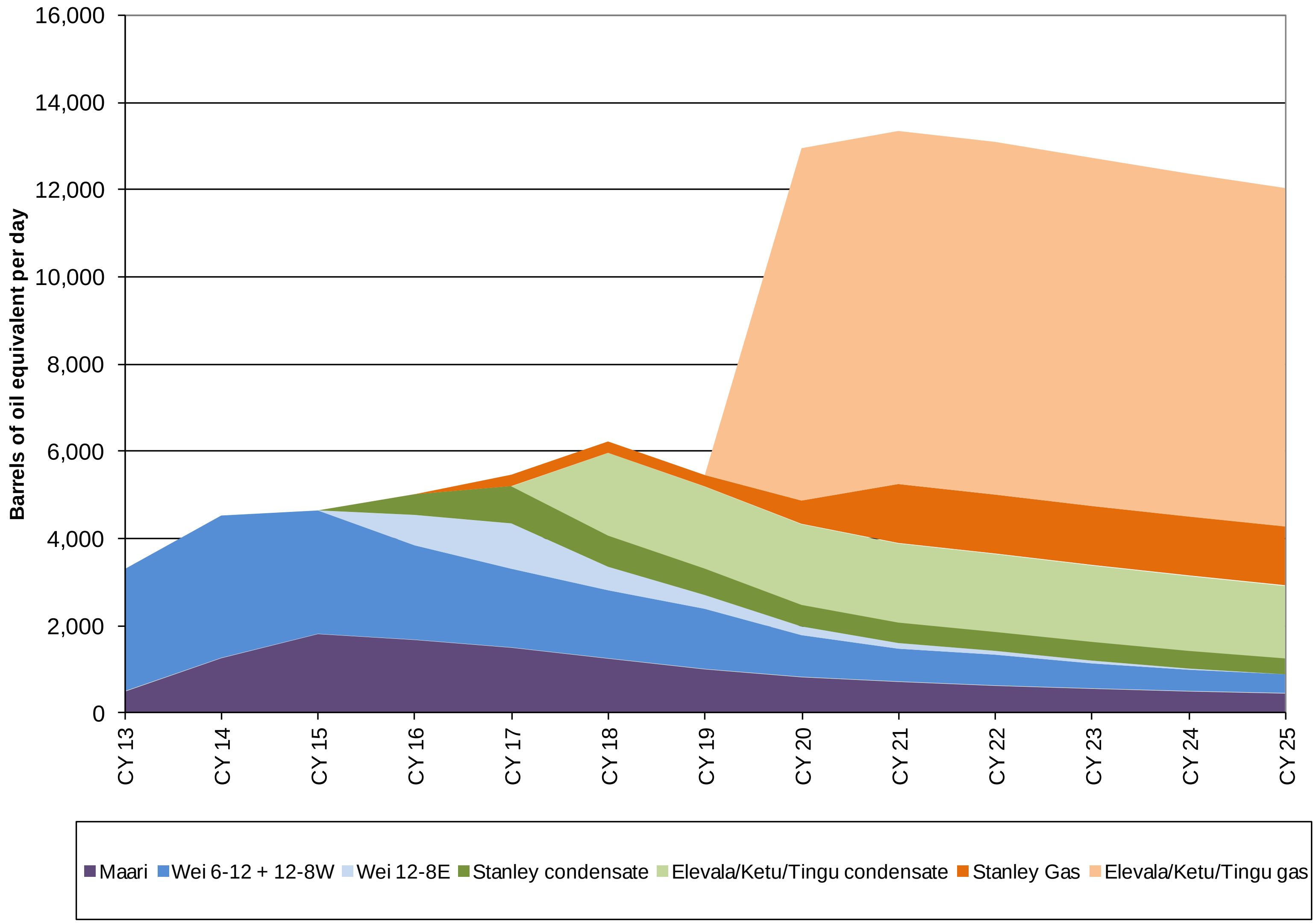


[1] Estimated in accordance with SPE-PRMS standard; 6 bcf gas equals 1 boe; 1 bbl condensate equals 1 boe
[2] Net of production of 22.0 mmbo gross through 31 December 2013
[3] Net of production of 3.0 mmbo gross through 31 December 2013
[4] Reduced to allow for CNOOC participation at 51%
[5] Subject to reduction to allow for PNG State Nominee participation at 22.5%
[6] Revised 1 January 2014
[7] Includes 2.6 mmbbl LPG (1 tonne LPG equals 11 bbl)
[8] Includes 8.0 mmbbl LPG
[9] Subject to confirmation of acreage extension

Total reserves and contingent resources – 95 mmboe
Liquids 33%; Gas 67%

Prospective resources – 82 mmboe

Forecast Net Production From Reserves + Contingent Resources as at 1 January 2014



Includes historical production prior to 31 December 2013

Based on proven and probable reserves and contingent resources, estimated in accordance with SPE-PRMS standard

Timing of new field production based on operator estimates

Significant Recent Achievements

Horizon Oil

Successful sale of 40% of PNG assets to Osaka Gas

- Horizon Oil entered into agreement in May 2013 to sell 40% of its PNG assets to Osaka Gas Co. Ltd. of Japan for US$204 million, including US$74 million in cash on completion, a further US$130 million in cash upon FID for an LNG project, plus potential production payments where threshold condensate reserves exceeded
- Horizon Oil and Osaka Gas to form strategic alliance to commercialise Horizon Oil's net certified reserves and contingent resources of 135 mmboe and develop acreage covering 7,900 sq km in Western Province
- Potential profit of approximately US$153 million, made up of US$23 million on completion and a further amount of approximately US$130 million upon achieving the LNG FID milestone
- Transaction terms imply value of ~US$300 million of Horizon Oil's PNG interests, plus contingent payments

Significant gas/condensate discovery at Tingu prospect, PNG

- Adds materially to scale of PRL 21 development
- Confirms exploration approach and upgrades Horizon Oil's leads and prospects inventory

Announcement of Proposed Merger with Roc Oil

Would lead to:

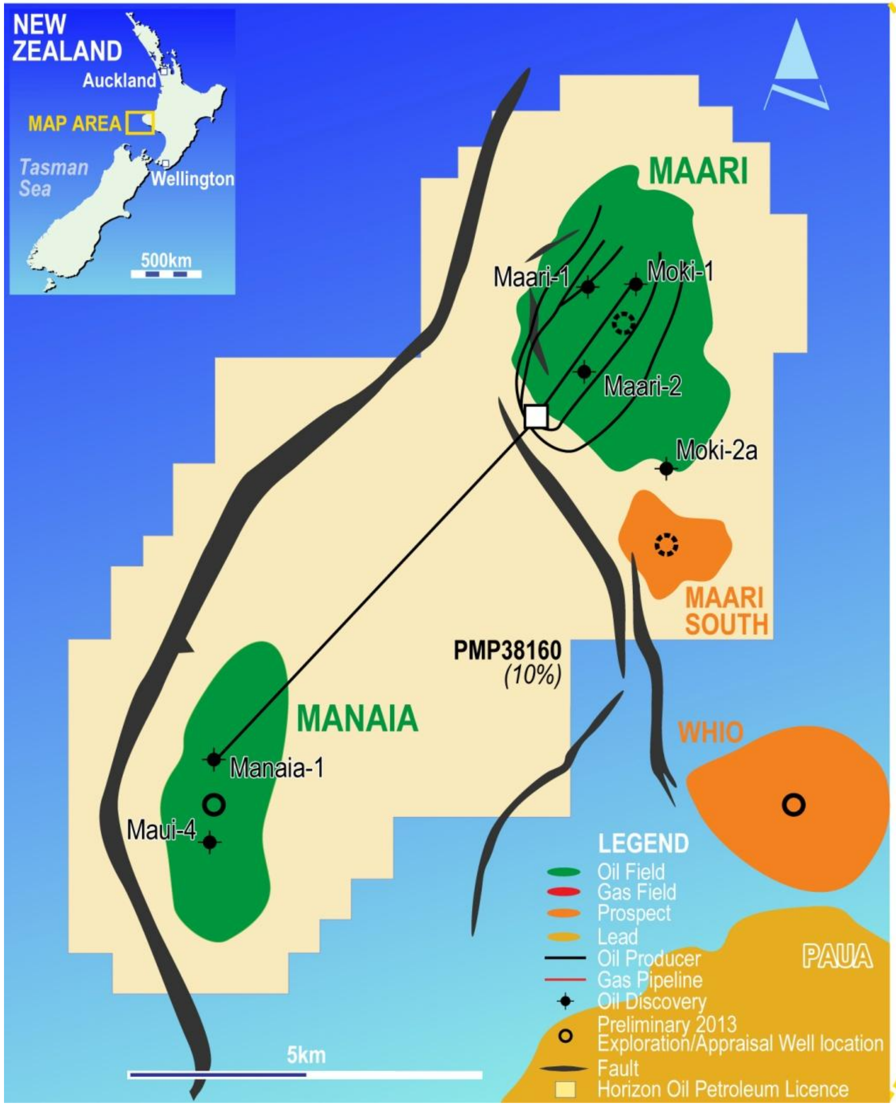
- Creation of a leading Asian E&P company with:
- Highly complementary portfolios with core assets in China, PNG, Malaysia and Australia/New Zealand
- Strong production base and significant growth pipeline with major projects in China, PNG and Malaysia
- Substantial increase in scale – pro forma market cap of ~$860 million; net 2P reserves of 33.3 mmboe and contingent resources of 113.0 mmboe

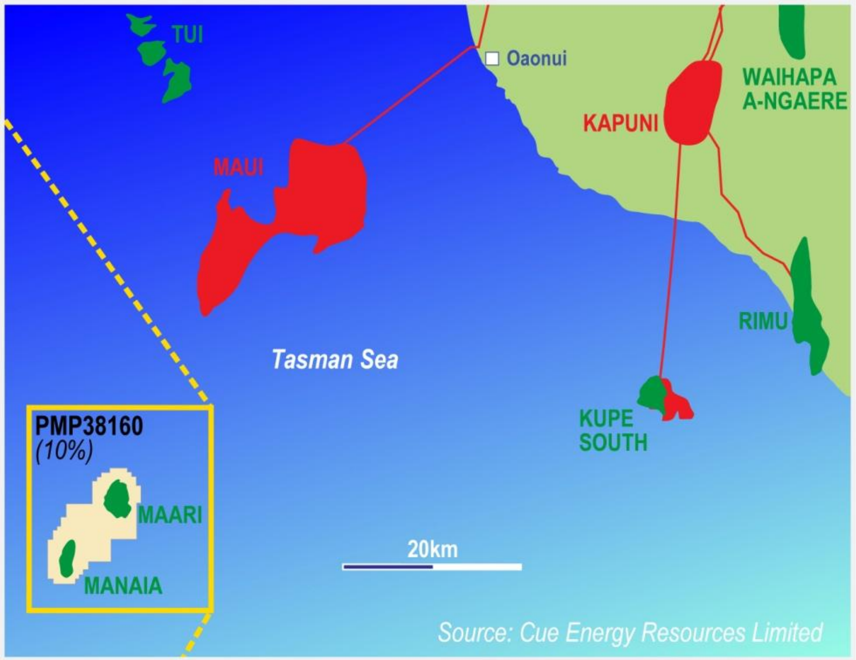
Upcoming News Flow and Share Price Catalysts

Horizon Oil

		Timeframe
▪ Progress on Stanley field development execution		*Ongoing to 2016*
▪ Improved production performance from Maari/Manaia fields and progress on field upgrade		*Ongoing to Q1 2015*
▪ Progress on Beibu Gulf fields Phase II development plan		*Ongoing to Q3/Q4 2014*
▪ Progress on sales of Stanley gas to regional PNG consumers and larger scale gas commercialisation/export plans		*Ongoing*
▪ Progress on Elevala/Tingu/Ketu development planning		*Ongoing 2014*
▪ Exploration success		
– PEP 51313, New Zealand: Whio -1	1 well	*Q3 2014*
– PNG: exploration drilling in PPL 259	1 well	*Q4 2014*

Maari /Manaia Fields – New Zealand





PMP 38160:

HZN	10%
OMV	69% (Op)
Todd	21%
CUE	5%

Gross reserves (mmbo) as at 1 January 2014 (RISC estimate)	2P
Produced	22.0
Remaining	60.0

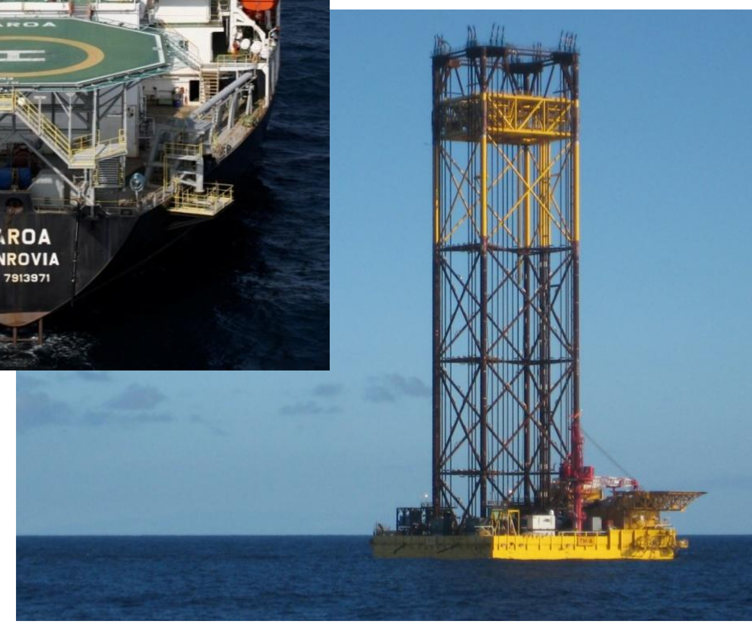
Maari/Manaia – Key Points

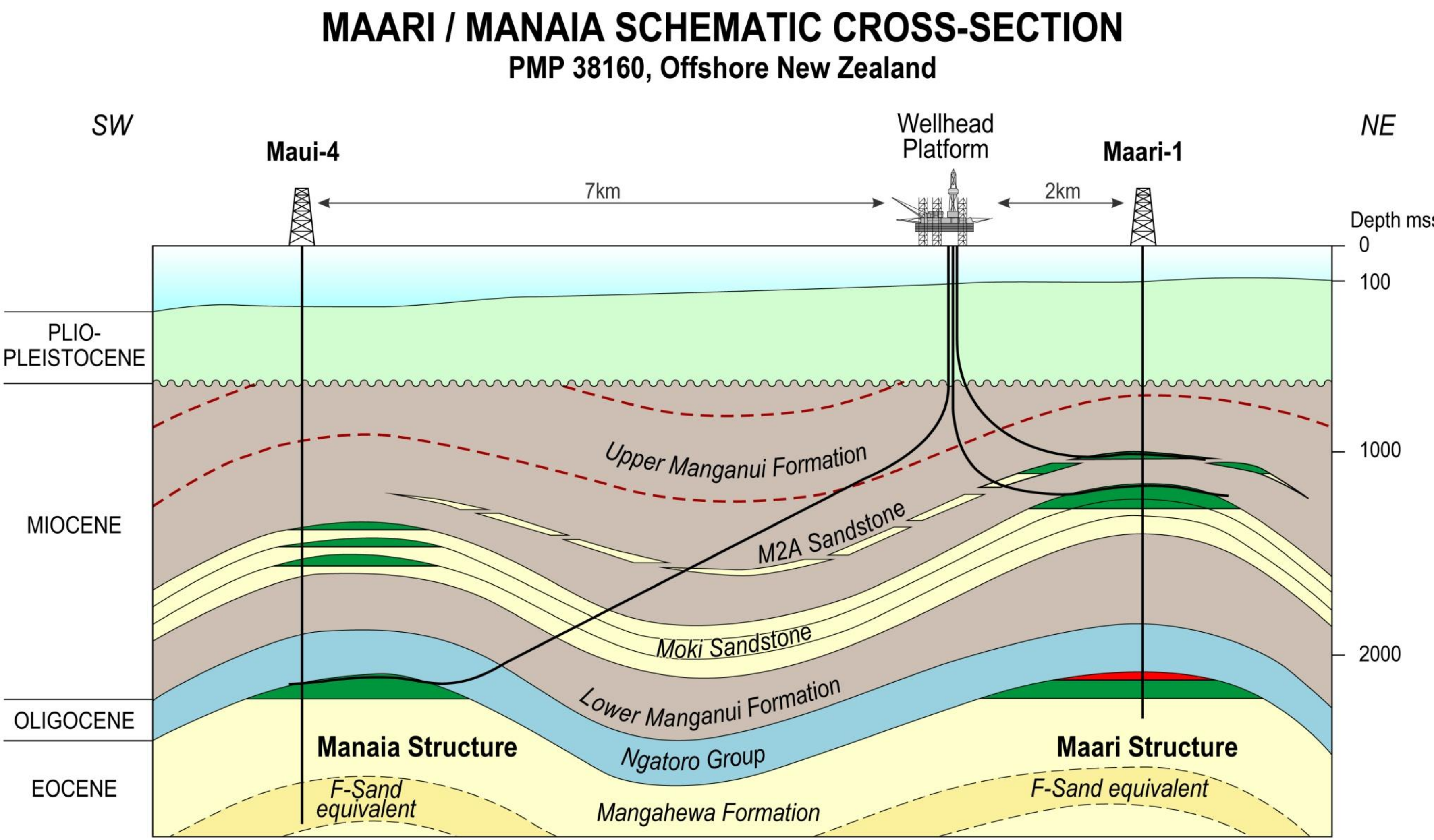
Horizon Oil

- Wellhead platform / FPSO development in 100 m water depth
- Maari Moki zone developed with 5 producer wells and 3 water injectors – field developed on basis of 60 mmbo recoverable reserves; successful appraisal/development wells drilled from platform on secondary zones – M2A sands and Manaia Mangahewa formation, completed for production
- Nameplate capacity of facilities 35,000 bopd; FPSO *Raroa* purchased in 2013
- High quality crude receiving US$5-6 premium to dated Brent price
- Major facility and equipment upgrade begun in late 2013, prior to commencement of Maari/Manaia Growth Projects program
- Focus now on production optimisation (reconfiguration of water injection scheme and additional producer offtake wells) and “Greater Maari Area” development
- Whio prospect is a potential add-on to the Maari development, if a discovery; to be drilled in Q3 2014 with unrisked potential of 19 mmbo

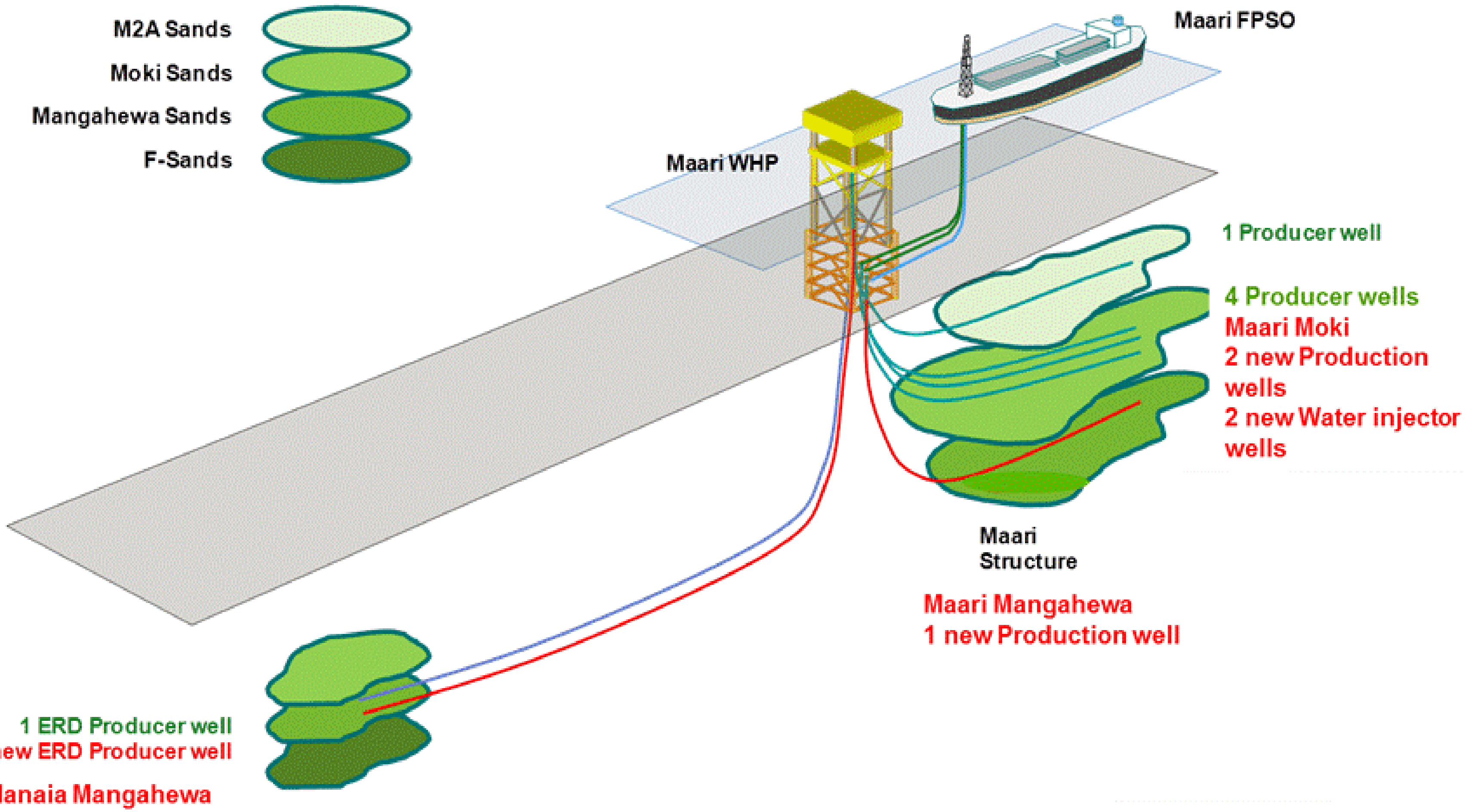
Maari Field Development Assets

Horizon Oil




MAARI / MANAIA SCHEMATIC CROSS-SECTION
PMP 38160, Offshore New Zealand
SW
NE
Maui-4
Wellhead Platform
Maari-1
7km
2km
Depth mss
0
100
1000
2000
PLIO-PLEISTOCENE
MIOCENE
OLIGOCENE
EOCENE
Upper Manganui Formation
M2A Sandstone
Moki Sandstone
Lower Manganui Formation
Ngatoro Group
Manaia Structure
Maari Structure
F-Sand equivalent
F-Sand equivalent
Mangahewa Formation

Maari/Manaia Growth Projects

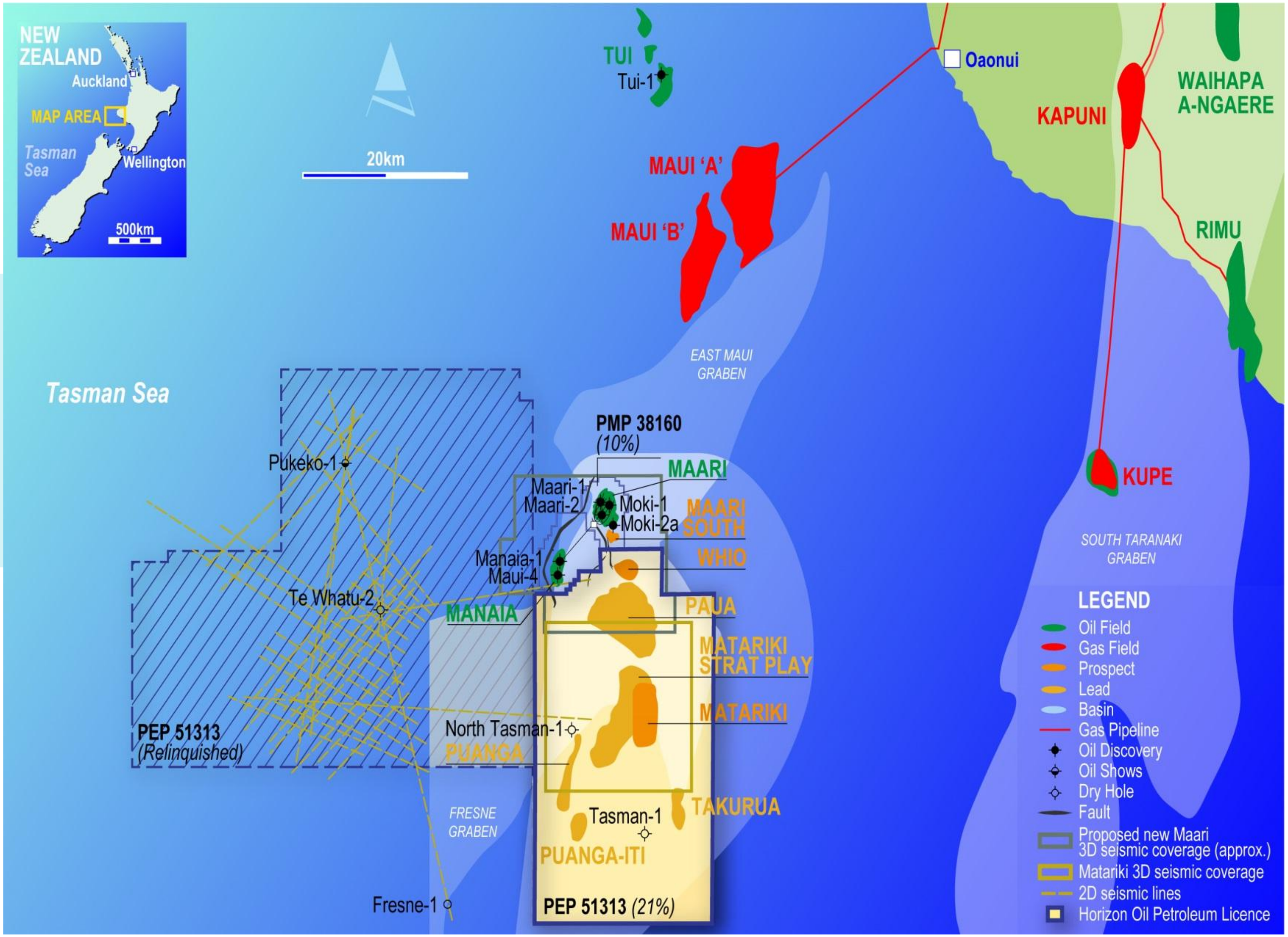


Objective to reconfigure water injection scheme, access undeveloped reserves and optimise production

PEP 51313 – New Zealand

Deep prospect and lead inventory with 74 mmbo exploration potential

PEP 51313:	
HZN	21%
	(10% Whio)
OMV	30% (Op)
Todd	35%
CUE	14%



Whio-1 to be drilled in Q1 2014 with mean potential of 19 mmbo (operator estimate)

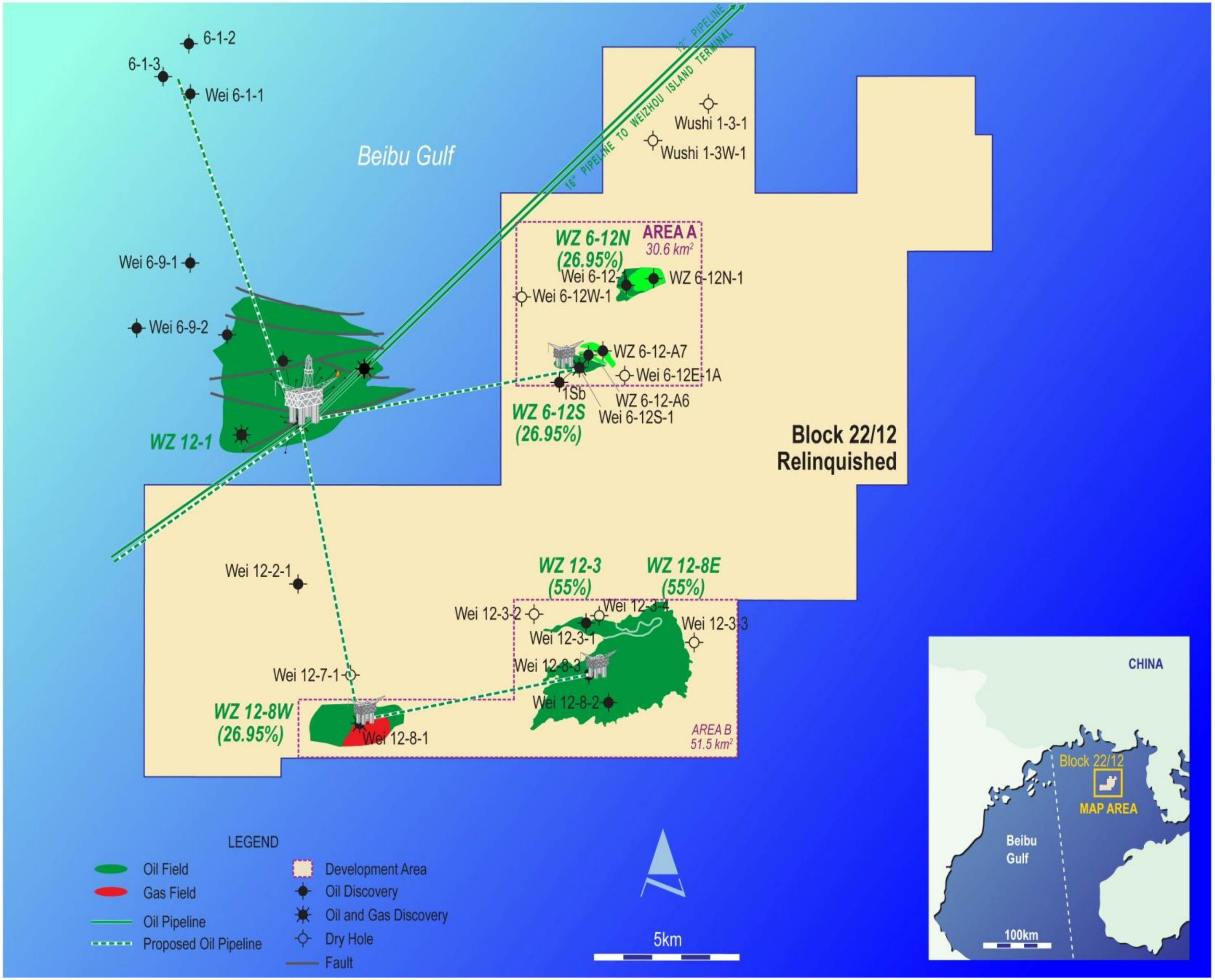
Beibu Gulf Fields, China – Development Areas

Horizon Oil

Block 22/12 Post-CNOOC Back-in:

HZN	26.95%
CNOOC	51.00% (Op)
ROC	19.60%
Majuko Corp	2.45%

Gross reserves (mmbo) as at 1 January 2014	2P
Produced	3.0
Remaining	24.4



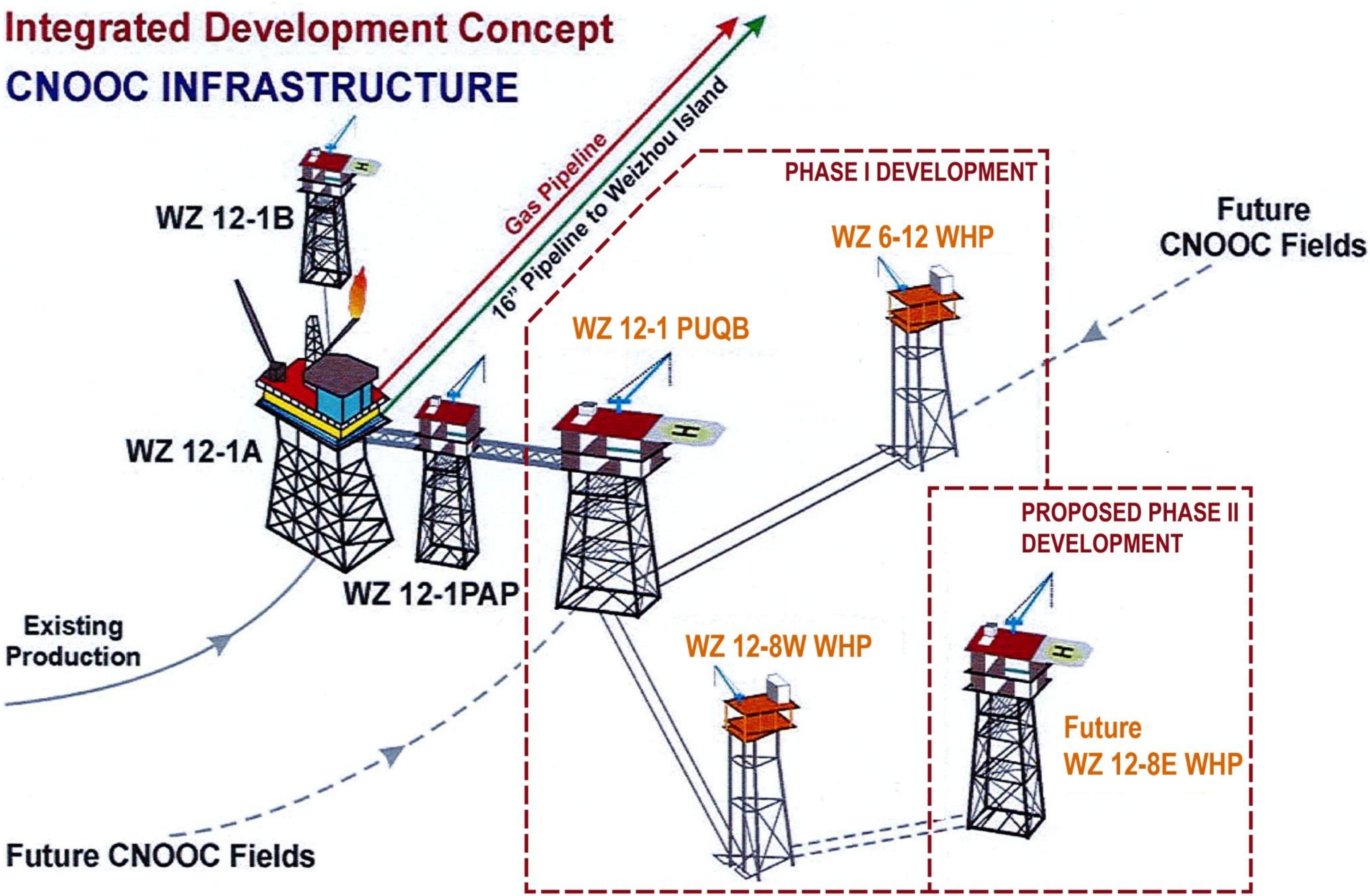
Beibu Gulf Fields – Key Points

Horizon Oil

- Two phase development in 40 - 60 m water depth utilising CNOOC platform facilities, export pipeline and terminal on Weizhou Island
- Phase 1 platforms WZ 6-12 and WZ 12-8W connected by pipeline to PUQB utility platform; completion cost of original project scope within initial US$300m budget
- Current production ~ 12,000 bopd with 6 wells still on natural flow
- Horizon Oil share 3,200+ bopd; cost recovery entitlement to materially increase production share in 2015
- Oil sales to Chinese refineries - currently priced at ~ US$4 discount to Brent
- Phase II development plan for WZ 12-8E field scheduled for completion in Q3 2014

Beibu Gulf Fields – Phased Development Scheme

Horizon Oil

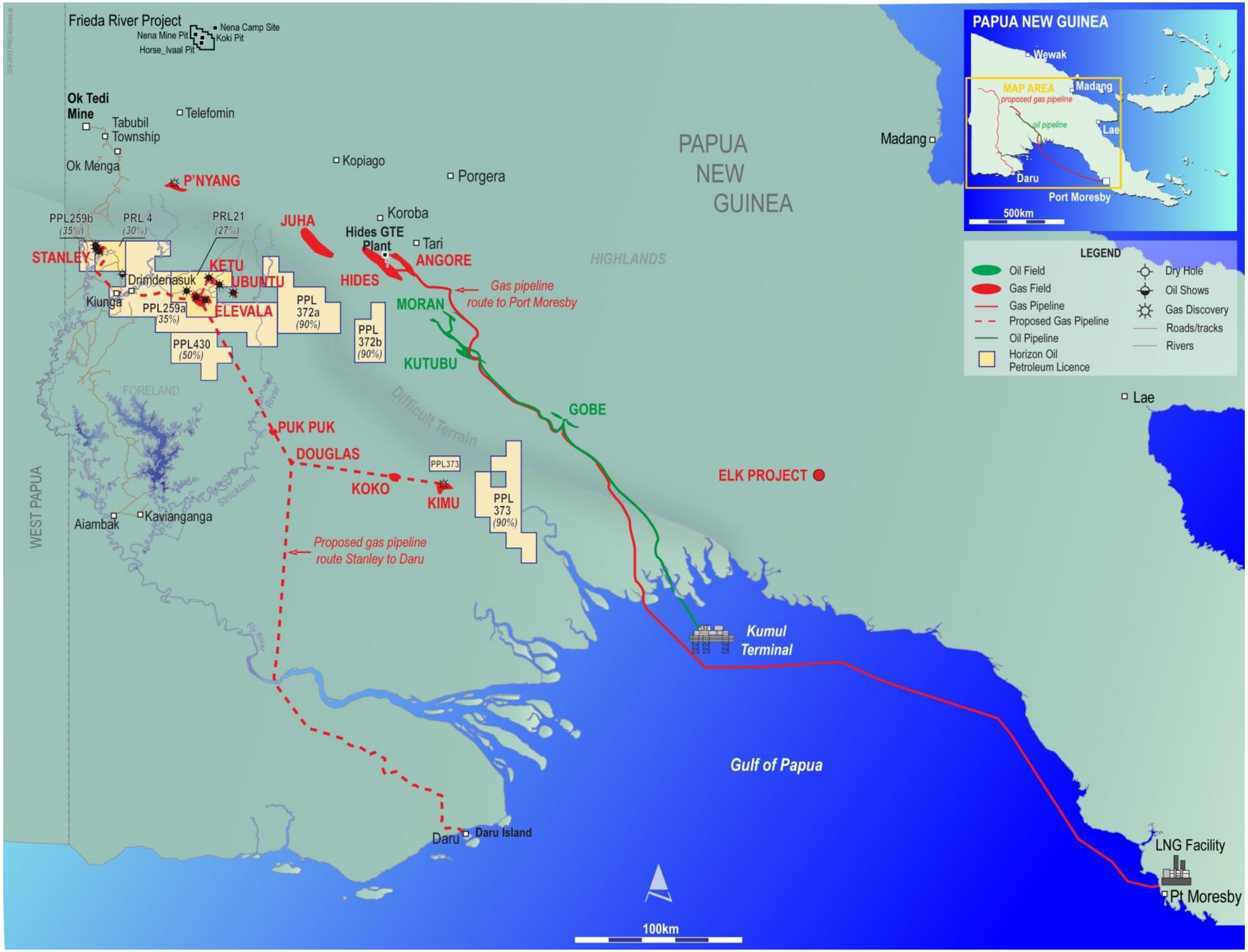


WZ 12-8E Early Production Concept – Phase II

Horizon Oil

- Leased mobile production platform
- Flexible pipeline
- Initially up to three production wells
- Run extended DST or pilot production
- Drill more wells (4-5) depending on production performance wells
- Consider permanent WHP

Papua New Guinea



Horizon Oil acreage position expanded to ~7,900 sq km, primarily in wet gas "sweet spot"

PNG Exploration and Development Program – Key Points

Horizon Oil

- Commanding 7,900 sq km acreage position in liquids-rich “sweet spot” of foreland area with certified combined Horizon Oil & Osaka Gas condensate and gas reserves and resources of 135 mmboe net (81.3 mmboe net to Horizon Oil)
- Stanley (PRL 4) and Elevala/Ketu (PRL 21) fields successfully appraised in 2011/12
- Stanley condensate recovery project FEED completed and FID in July 2012, production development licence granted in May 2014 and development drilling underway; target first production 2016
- Tingu-1 exploration/appraisal well successful, adding substantially to resource base; well completed for production and flow-tested
- FEED for Elevala/Ketu condensate recovery project underway and being modified to include Tingu
- Active exploration/appraisal program planned in low geological risk environment and accessible terrain to establish sufficient gas resources for 2– 4 mtpa mid-scale LNG plant on coast; potential to aggregate onshore Western province gas with Pandora gas field, offshore

Horizon Oil Acreage and Joint Venture Partners

Horizon Oil

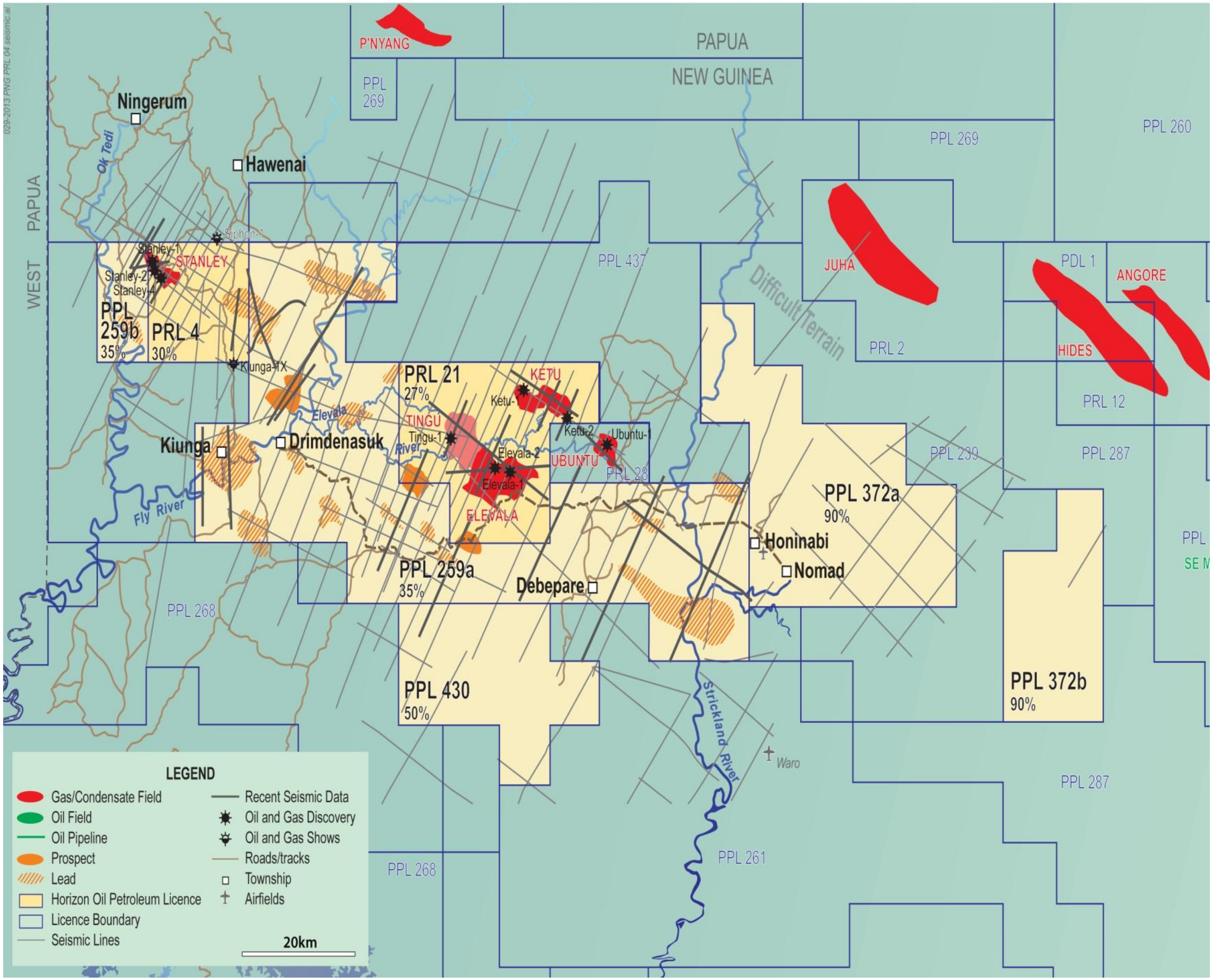
PRL 4:	
HZN	30%
Osaka Gas	20%
Talisman	40%
Mitsubishi	10%

PRL 21:	
HZN	27% (Op)
Osaka Gas	18%
Talisman	32.5%
Kina	15%
Mitsubishi	7.5%

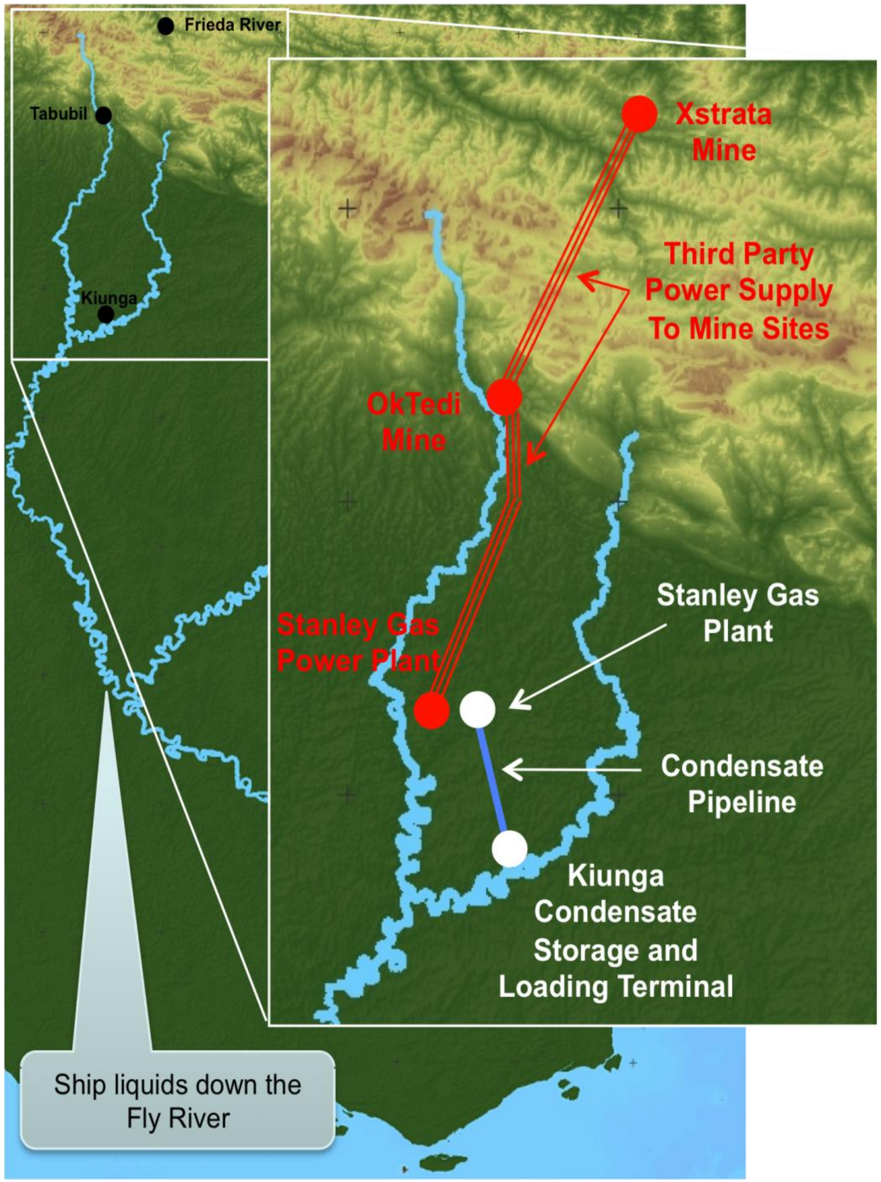
PPL 259:	
HZN	35%
Osaka Gas	10%
Eaglewood	45%
P3GE	10%

PPL 430:	
HZN	50% (Op)
Eaglewood	50%

PPLs 372 and 373:	
HZN	90% (Op)



Stanley Project Concept



Facilities

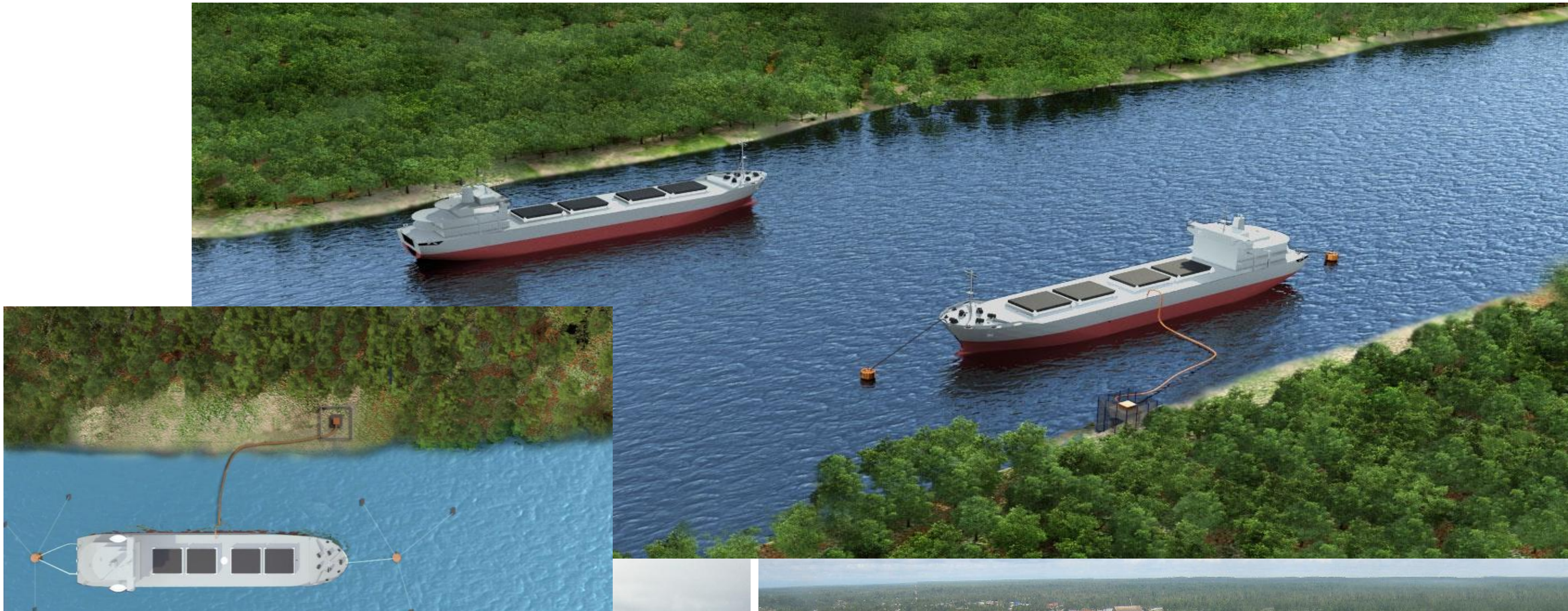
- 2 train, 140 mmscfd gas refrigeration plant
- Mercury removal via adsorption catalyst beds
- Gas sales at plant fence, addition gas recycled to enhance liquids recovery
- 6 inch, 40 km pipeline to transport liquids to Kiunga
- 60,000 bbl storage tank near Kiunga laydown area
- 12 inch, 1 km line between tank and loading facility
- Mooring point loading facility ~1 km downstream of Kiunga main wharf

Tanker

- 33,000 bbl capacity
- Custom designed by P&O
- Fly River and ocean going capability
- Initial buyer expected to be InterOil Napa Napa Refinery, located in Port Moresby

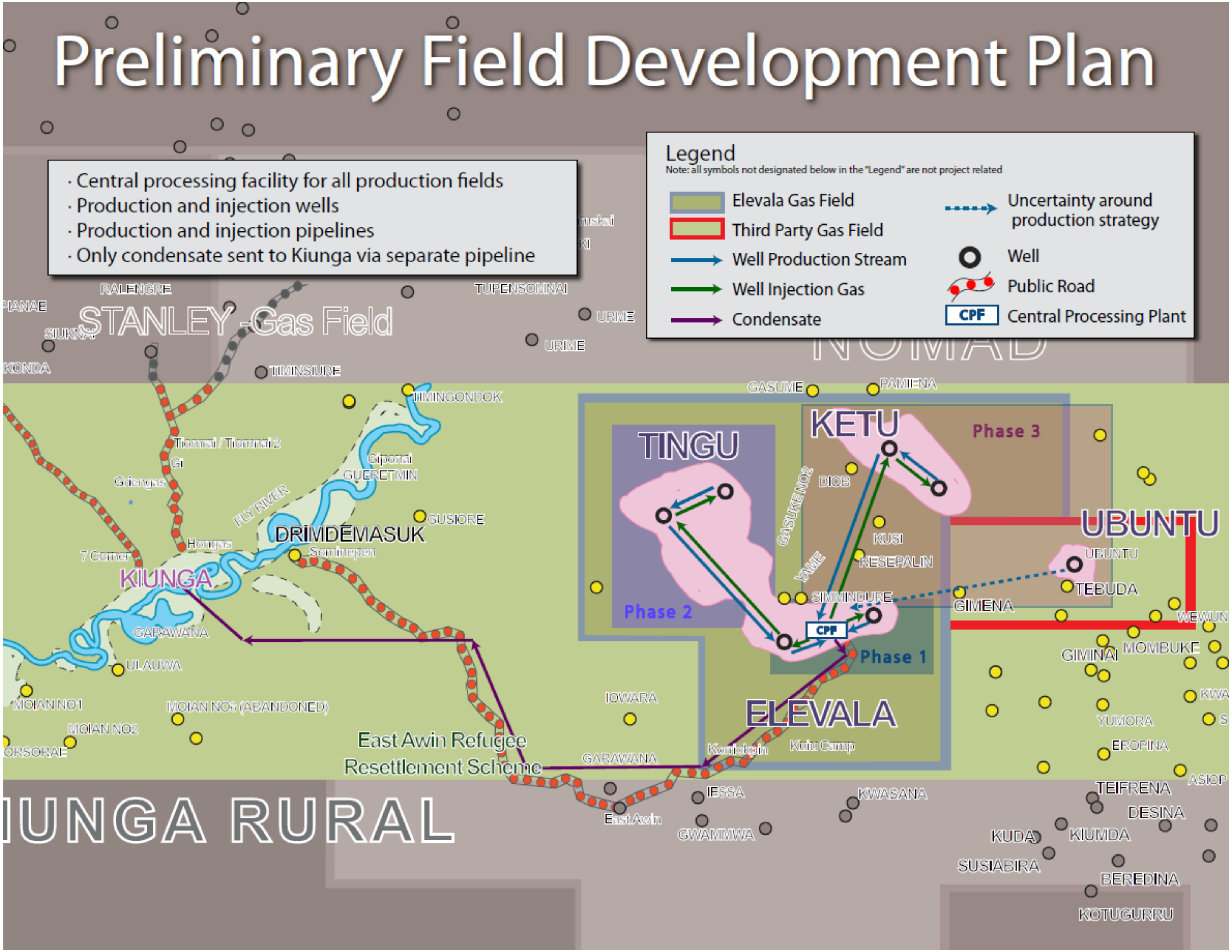
Stanley Production Facility Site

Kiunga Base and Condensate Loadout Facility



PRL 21 (Elevala/Tingu and Ketu) – Development Concept

Horizon Oil



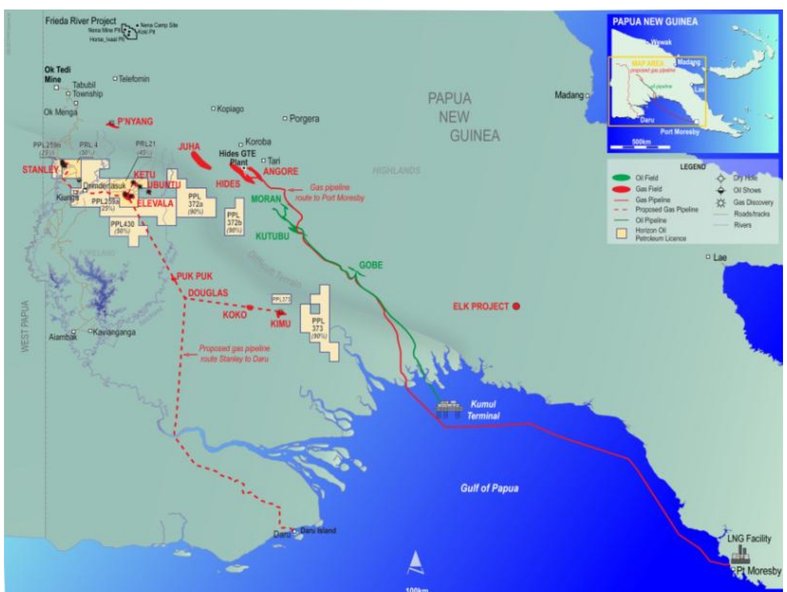
PNG Gas Commercialisation Options

- **Sales to regional buyers for power generation**
  - Ok Tedi Mining Limited (OTML) and Frieda River project (when sanctioned)
  - Local towns and communities in Kiunga – OK Menga – Frieda River corridor
  - Export to West Papua: Merauke, Jayapura

- **Mid-scale LNG project (~ 2-4 mtpa), with Horizon Oil participation**

  Expandable mid scale LNG plant at coastal location, such as Daru, to supply:-
  - City and mining project power demand, as substitute for diesel or fuel oil
  - Singapore LNG and products hub
  - North Asian markets

- **Sale of feed gas to third party LNG project**



ROC + HZN Merger Rationale – 'Stronger Together'

Creating a leading Asian E&P company

✓ **Highly complementary portfolios**

- Asian focused portfolio with attractive assets across China, PNG, Malaysia, Myanmar and Australia / New Zealand
- Consolidates the existing overlapping interests in the Beibu Gulf and Bohai Bay assets

✓ **Strong production base**

- Combined CY14 indicative production of 5.5 mmboe (predominantly oil)
- Strong and sustained production profile expected from discovered and appraised projects

✓ **Substantial increase in scale**

- Creates a significant Asian focused ASX-listed E&P company with current pro forma market capitalisation of ~A$860m, net 2C contingent resources of 113.0mmboe and net 2P reserves of 33.3mmboe

✓ **Diversification**

- Portfolio diversification (by geography and asset) reduces risk profile

✓ **Strong balance sheet and cash flows**

- Change of control in Horizon will trigger a right for Horizon's bondholders to have their convertible bonds redeemed which, if redeemed, would facilitate a simplification of the group's capital structure
- Strong cash flow capable of supporting a sustainable dividend policy

✓ **Significant growth pipeline**

- Strong, well balanced growth pipeline, including major projects in China, PNG and Malaysia
- Well placed to pursue attractive growth opportunities in key focus areas

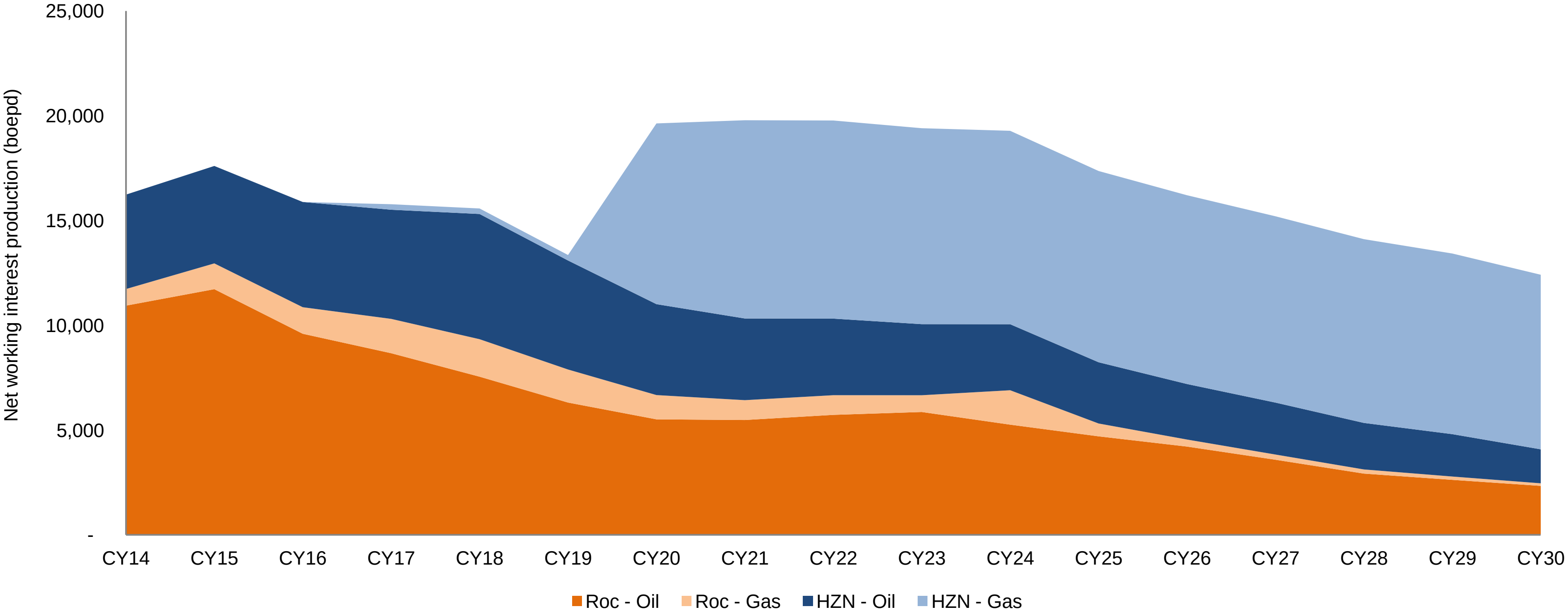
✓ **Experienced leadership group**

- Combines the talent and expertise of two experienced and proven leadership teams at board and management levels
- Strong operational and technical expertise and established regional relationships and Asian operating experience

Provides a platform for significant growth and value realisation

Indicative Combined Production Profile

Indicative combined production profile from discovered and appraised projects



Important note

This indicative production profile reflects the current expectations of ROC and Horizon Oil respectively as to their future production profiles including potential farm-outs. It is intended to demonstrate the expectation of production trends, but should not be relied upon as a definitive statement of forecast production or timing of such production. As with all matters relating to the future, these current expectations are subject to a wide range of assumptions and uncertainties including final investment decisions, governmental and other approvals and other matters typical of the oil and gas industry.

Strong Financial Position

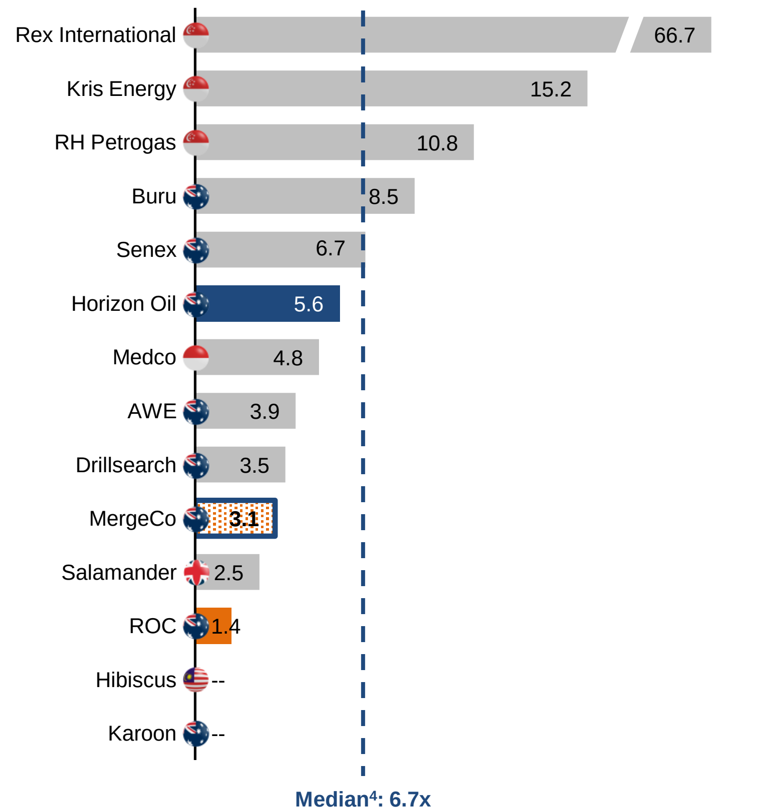
- Strong cash flow with potential to support sustainable and increasing dividends, while also providing the ability to fund the combined group's highly attractive portfolio of growth options
- Change of control in Horizon Oil will trigger a right for Horizon Oil's bondholders to have their convertible bonds redeemed which, if redeemed, would facilitate a simplification of the group's capital structure

US$m, 12mths to 31-Mar-14	Horizon Oil	ROC	Combined	
Production Revenue	133.2	269.0	402.3	• To increase substantially in CY14 due to full year Beibu production and resolution of Maari production issues
Production Revenue (3 months to 31-Mar-14)	*44.1*	*75.4*	*119.5*	• Reflects 3 months plateau production from Beibu
Cash	23.2*	88.1	111.3	• Osaka Gas payment of ~US$77m expected to be received in May 2014
Drawn Debt	119.2	--	119.2	
Convertible Bonds	80.0	--	80.0	• Change of control in Horizon Oil will trigger a right for Horizon Oil's bondholders to have their convertible bonds redeemed (US$80m face value)
Net Debt / (Cash)	176.0	(88.1)	87.9	

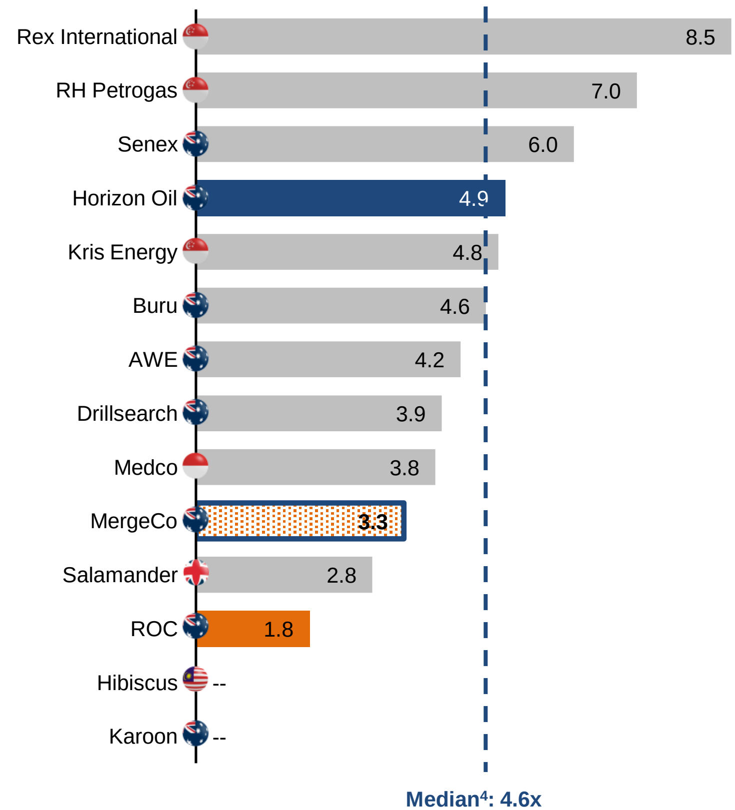
* Note – Horizon Oil received proceeds, including adjustments, of partial sale of PNG assets to Osaka Gas on 12 June 2014 of US$78m

Compelling Valuation Metrics

EV / CY14 EBITDA[1,2,3]



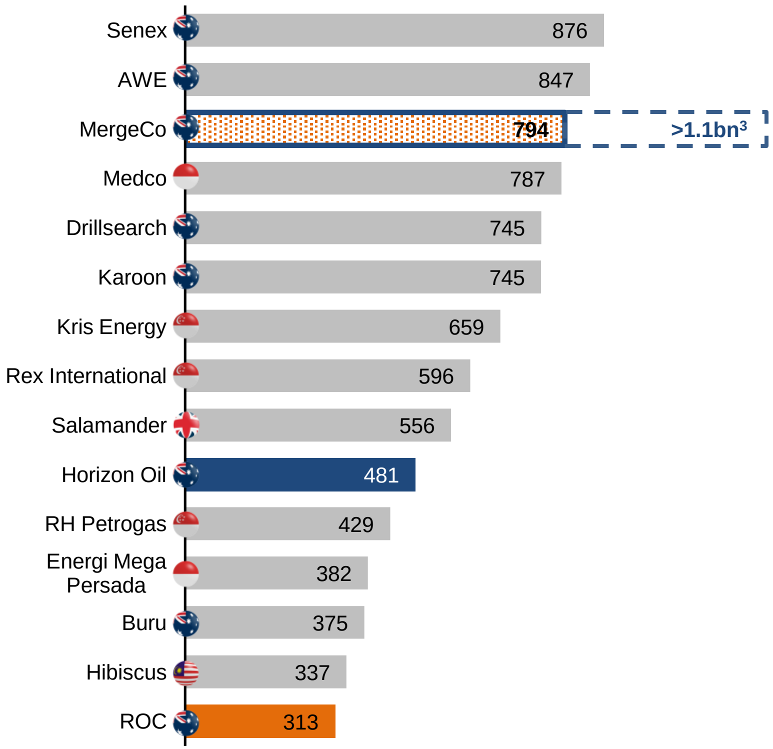
EV / CY15 EBITDA[1,2,3]



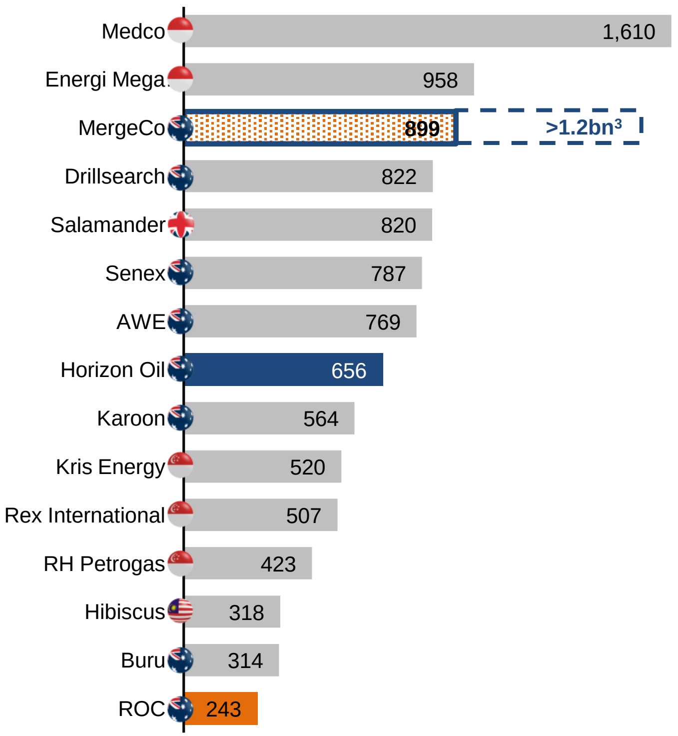
1. Australasian-focused oil and gas companies A$300m–$1bn market capitalisation
2. Enterprise Value has been derived by adding the market capitalisation values for each company (based on closing share prices as at 24 April 2014) with net debt figures for each company as at 31 December 2013. Where relevant, foreign currency net debt amounts have been converted using rates as at 24 April 2014 (AUDUSD: 0.926, AUDMYR: 3.028)
3. EBITDA forecasts for CY14 and CY15 are based on broker consensus forecasts calendarised to December year end
4. Median excludes Horizon Oil, ROC and MergeCo

A Leading Asian E&P Company

Market Capitalisation (A$m)[1,2]



Enterprise Value (A$m)[1,2]



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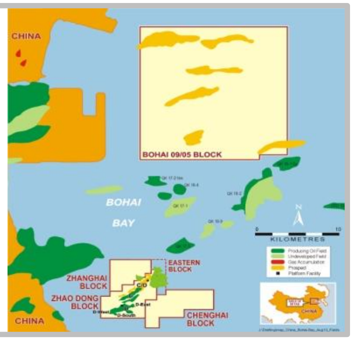
3. Based on potential re-rate of MergeCo to median CY15 multiple (4.6x)

Highly Complementary Portfolios Resulting in Four Core Asset Areas

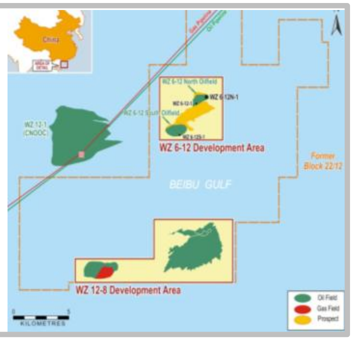
China (Bohai Bay)

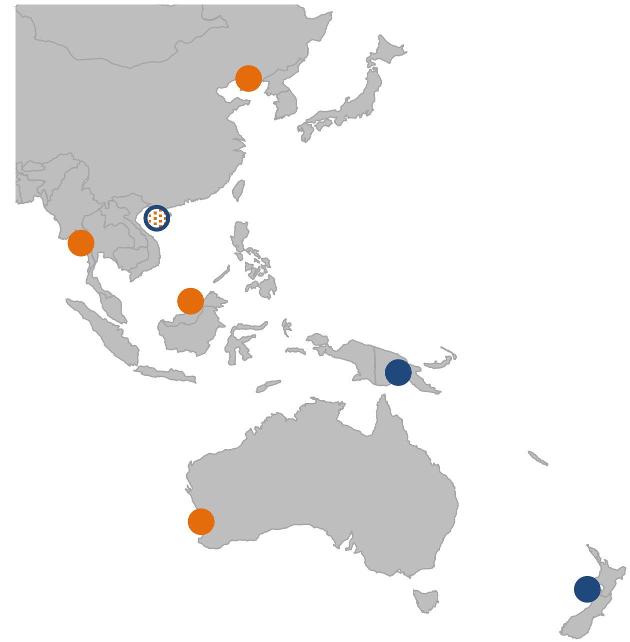
- Zhao Dong C&D Fields: 24.5%
- Zhao Dong C4 Field: 11.667%
- Zhanghai and Chenghai: 39.2%
- Block 09/05: 100%



China (Beibu Gulf)

- Block 22/12: 46.55%





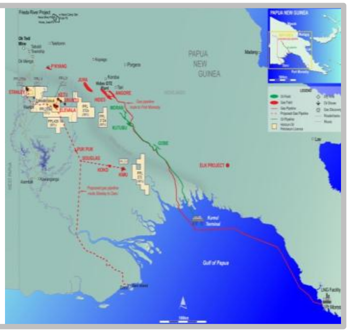
- Horizon Oil Assets
- ROC Assets
- Joint assets

Malaysia

- D35 / J4 / D21 PSC: 50%
- Balai Cluster RSC: 48%

PNG[1]

- PRL 4 (Stanley): 50% / 30%[2]
- PRL 21 (Elevala / Ketu): 45% / 27%[2]
- PPLs 259, 430, 372, 373: various



New Zealand

- PMP 38160 (Maari / Manaia): 10%
- PEP 51313 (Matariki): 21%

1. Equity interests shown prior to government back in
2. Following completion of Osaka Gas transaction
3. Excludes profiles of assets in Australia, Myanmar and United Kingdom (see appendix for further information)

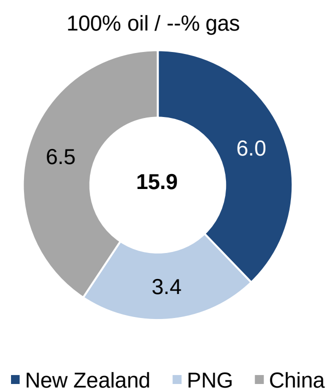
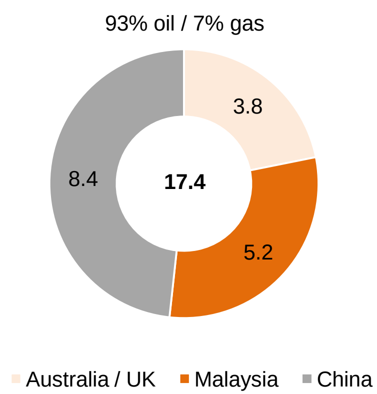
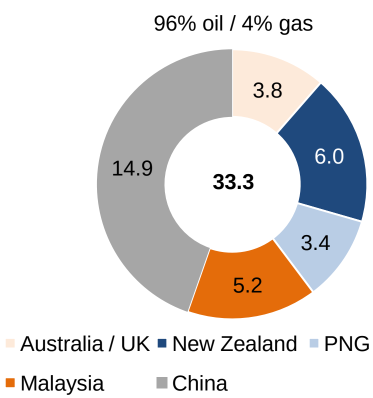
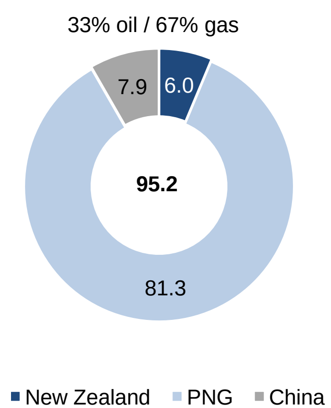
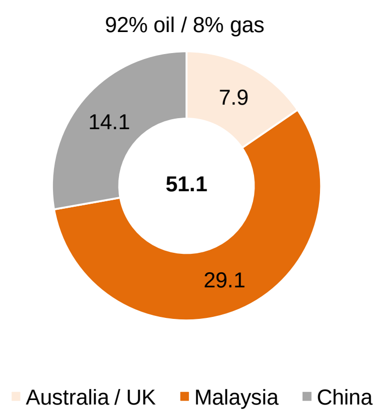
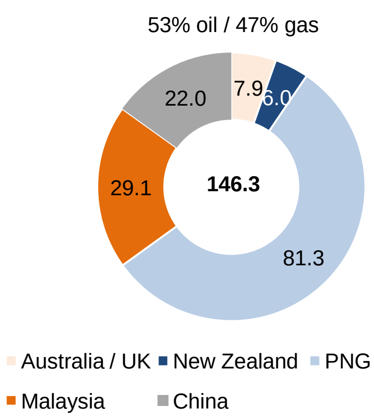
Strong, Well-balanced Growth Projects Pipeline

Exploration	Appraisal	Development	Production
PPLs 259, 430, 372, 373	Elevala / Ketu PRL 21	Stanley PDL 10 (formerly PRL 4)	Maari / Manaia PMP 38160
Matariki PEP 51313	D35, J4 and D21 PSC	Balai Cluster RSC	Beibu Gulf Block 22 /12
Block 09/05			Cliff Head
Block M07 PSC[1]			Zhao Dong
			D35, J4 and D21 PSC
			Enoch / Blane

Horizon Oil Assets | Roc Assets | Joint assets

1. Subject to PSC award and Roc Board approval

Diversified Resource Base in Asia Pacific

	Horizon Oil (as at 1 Jan 2014)	Roc (as at 1 Jan 2014)	Merged Group
2P (MMBOE)			
2P + 2C (MMBOE)			

Upcoming News Flow and Share Price Catalysts

Horizon Oil

		Timeframe
▪ Progress on Stanley field development execution		*Ongoing to 2016*
▪ Improved production performance from Maari/Manaia fields and progress on field upgrade		*Ongoing to Q1 2015*
▪ Progress on Beibu Gulf fields Phase II development plan		*Ongoing to Q3/Q4 2014*
▪ Progress on sales of Stanley gas to regional PNG consumers and larger scale gas commercialisation/export plans		*Ongoing*
▪ Progress on Elevala/Tingu/Ketu development planning		*Ongoing 2014*
▪ Exploration success		
– PEP 51313, New Zealand: Whio -1	1 well	*Q3 2014*
– PNG: exploration drilling in PPL 259	1 well	*Q4 2014*
▪ **Successful implementation of merger with Roc Oil**		*August 2014*

Please visit the Horizon Oil website www.Horizonoil.com.au to see:-

Detailed Investor Presentation

Latest Quarterly Report

Analyst reports on HZN

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The reserve and resource information contained in this announcement is based on information compiled by Alan Fernie (Manager – Exploration and Development). Mr Fernie (B.Sc), who is a member of AAPG, has more than 38 years relevant experience within the industry and consents to the information in the form and context in which it appears.