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The Manager, Company Announcements
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
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**HORIZON OIL (HZN) ADVISES "FIRST OIL" FROM THE MAARI GROWTH PROJECT
(PMP 38160), OFFSHORE NEW ZEALAND**

Horizon Oil is pleased to announce that the MR-8A well in the Maari field commenced producing on 28 November 2014 from a previously undrained unit of the Moki formation. The well is currently producing at approximately 2,000 barrels of oil per day and will gradually be ramped up to production capacity, which OMV, the field operator, estimates to be 4,500 barrels of oil per day (gross).

The well was side-tracked out of a reclaimed well slot and drilled horizontally into the Moki Cycle 2 formation to a total length of 3,824 m.

The MR-8A well is the second well in the campaign following the drilling of a well into the untapped Mangahewa formation which was suspended in order to implement a revised completion concept.

The Maari Growth project (offshore Taranaki in New Zealand) aims to increase reserves, production and recovery from the producing Maari and Manaia fields and includes the drilling of five wells into producing and new reservoirs using the offshore jack-up drilling rig *Ensco 107*. The project is expected to be completed by mid-2015.

Production from the Group's interest in the Maari and Manaia fields, together with Horizon Oil's China operations remain well insulated from the recent fall in oil prices as the Group has approximately 1.1 mmbo hedged from Q4 2014 through mid 2016 at an average of over US\$95/barrel.

Participating interests in the Maari/Manaia permit PMP 38160 are as follows:

Horizon Oil International Ltd <i>(a subsidiary of Horizon Oil Ltd)</i>	10%
OMV New Zealand Ltd	69% (Operator)
Todd Maari Ltd	16%
Cue Taranaki Pty Ltd	5%

Yours faithfully,



Michael Sheridan

Chief Financial Officer / Company Secretary



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