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28 January 2015

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

Oil Council Asia-Pacific Assembly 27-29 January 2015, Singapore

Please find attached the presentation which will be presented by Brent Emmett, Chief Executive Officer at the Oil Council Asia-Pacific Assembly in Singapore today.

Yours faithfully,

Michael Sheridan
Chief Financial Officer / Company Secretary

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Horizon Oil

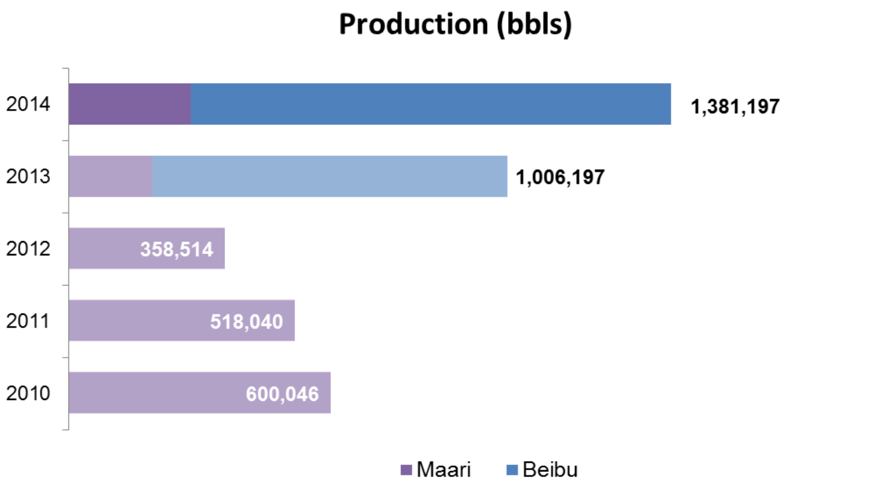
Horizon Oil Limited
Oil Council Asia-Pacific Assembly
27 - 29 January 2015, Singapore

Brent Emmett CEO

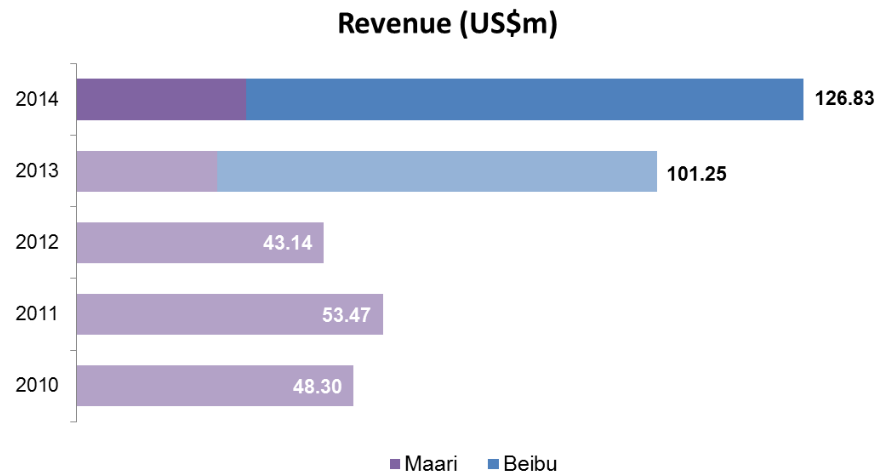
Horizon Oil (HZN:AU) at a glance

- Sydney-based public company listed on Australian Securities Exchange and in ASX 200 Index
- Portfolio of exploration, development and producing assets in Asia-Pacific region
- Shareholding: IMC (Singapore) - 25%, institutions - 40%, high net worth - 17%, retail investors - 18%
- Current net production approximately 4,000 bopd, cash operating cost of US$20.78/barrel
- Operating income after opex: CY 2014 actual - US$91m
CY 2015 estimate - US$86m at US$55/bbl oil price
- 2P reserves and contingent resources of 95 million barrels of oil equivalent (mmboe)
- Prospective resources of 82 mmboe best estimate
- Receivable of US$130m from Osaka Gas, payable on FID of LNG project in PNG
- US$150m reserves-based lending facility in place
- At 31 Dec 2014:-
  - Cash on hand: US$43.5m
  - Convertible bond (listed on SGX): US$80.0m (matures June 2016, unless converted prior)
  - Drawdown on US$150m facility: US$110.0m

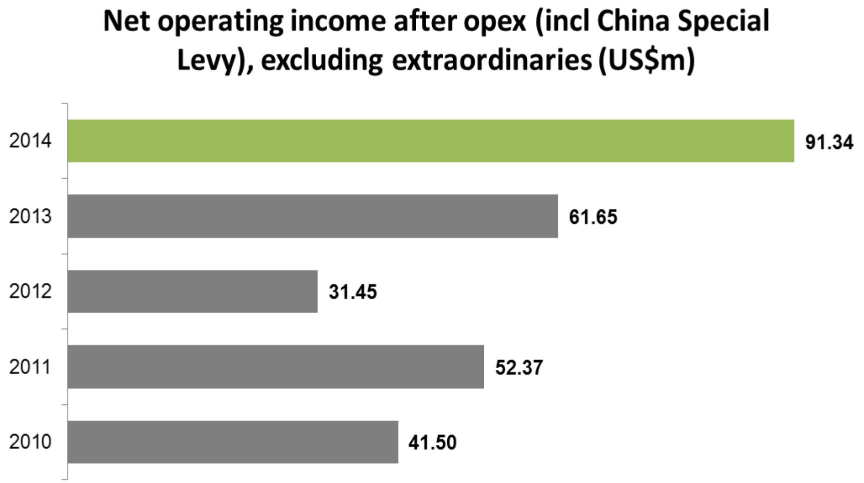
Key performance measures – last five calendar years



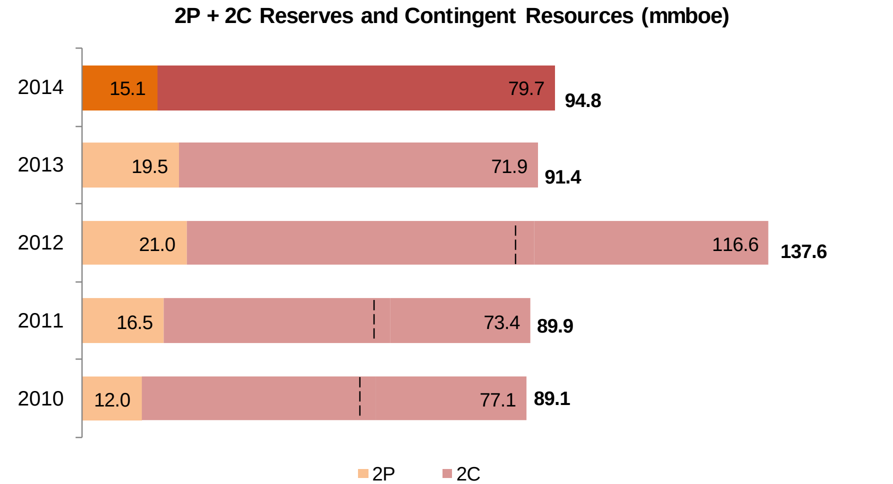
Completion of Maari Growth Projects expected to increase production in 2015. Production from Beibu Gulf will be maintained through 2015, despite field decline, due to increased share of production through cost recovery



Revenue will maintain in 2015 even with lower oil prices, because of the benefit of oil price hedging



Operating income will maintain because of oil price hedging. Cash cost in Q4 2014 US$20.78/barrel.



2013 includes effect of sale of 40% of interest in PNG assets to Osaka Gas
2010 – 2012 shown normalised for sale of PNG assets. Figures shown as at 30 June

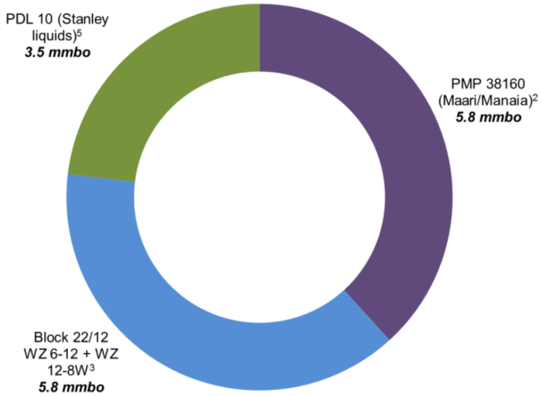
Asset portfolio

*** PRL 4:** Subject to Government approval

- Clear geographic focus on Asia-Pacific region
- Technical focus on proven, conventional plays with scale, upside and manageable risk
- Working with experienced partners such as CNOOC, OMV, Mitsubishi and Osaka Gas
- Currently producing oil but will have a diversified oil and gas production base in the future
- Potential exists for large gas export project into Asian market

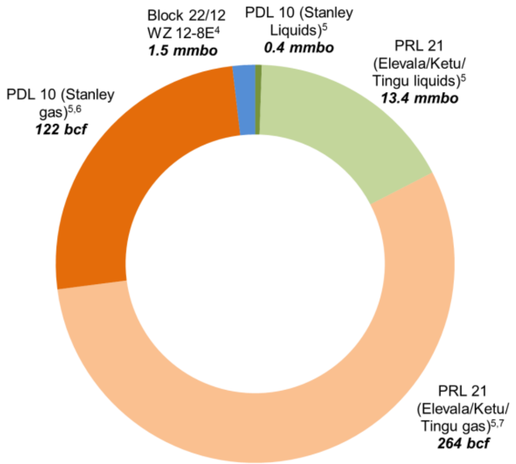
Net reserves[1], Contingent Resources[1] and Prospective Resources[1] as at 30 June 2014

RESERVES
Proven + Probable



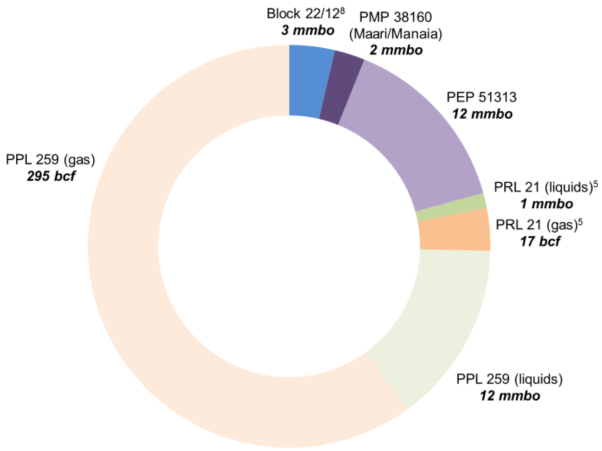
Total 15.1 mmbo

CONTINGENT RESOURCES
Proven + Probable



Total 15.3 mmbo
386 bcf

PROSPECTIVE RESOURCES
Best Estimate



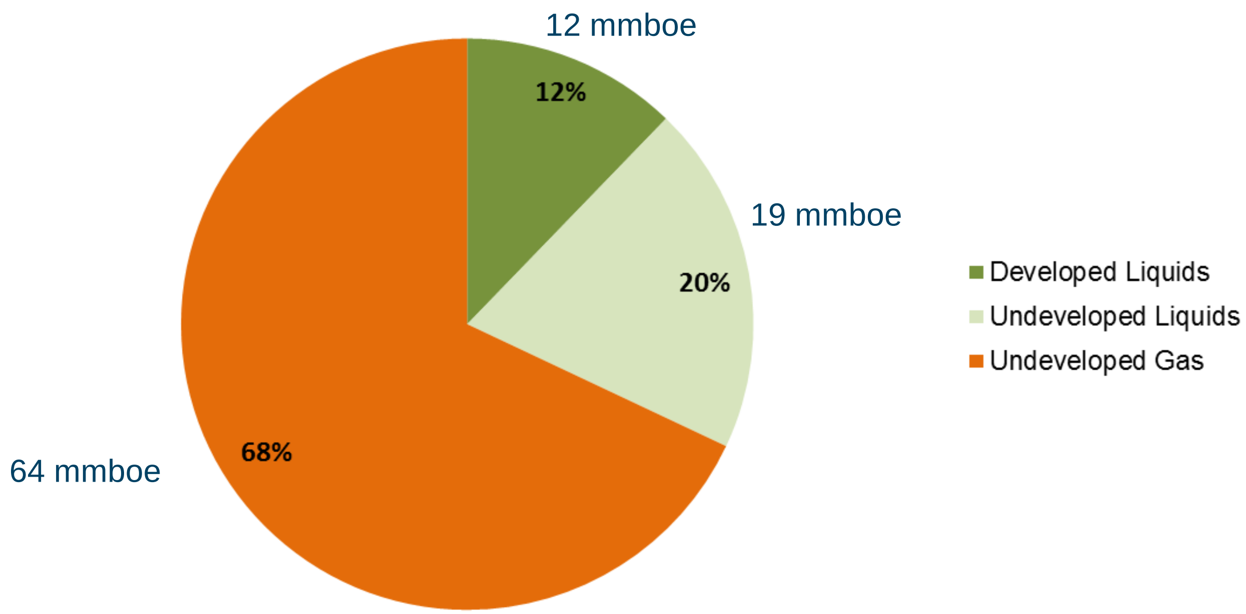
Total 30 mmbo
312 bcf

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 23.9 mmbo gross through 30 June 2014
3 Net of production of 5.3 mmbo gross through 30 June 2014
4 Reduced to allow for CNOOC participation at 51%
5 Subject to reduction to allow for PNG State Nominee participation at 22.5%
6 Includes 2.6 mmbbl LPG (1 tonne LPG equals 11 bbl)
7 Includes 8.5 mmbbl LPG
8 Subject to confirmation of acreage extension

- Total reserves and contingent resources – 95 mmboe (liquids 32% / gas 68%)
- Prospective resources – 82 mmboe

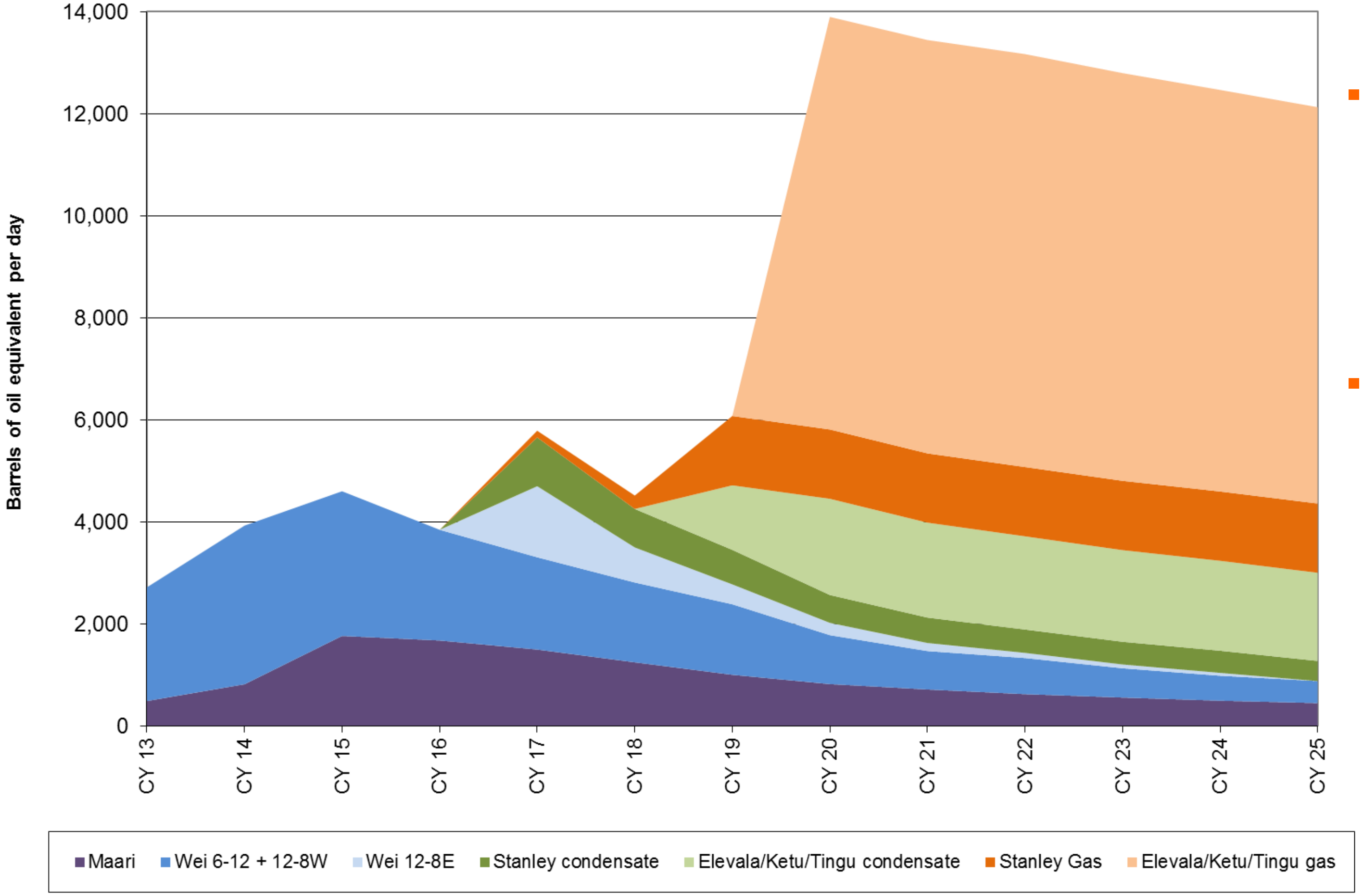
Balanced portfolio – focus on resource development

Large audited reserves and contingent resources base
12% developed / 88% undeveloped – 32% oil / 68% gas



2P + 2C reserves and contingent resources of **95 mmboe**

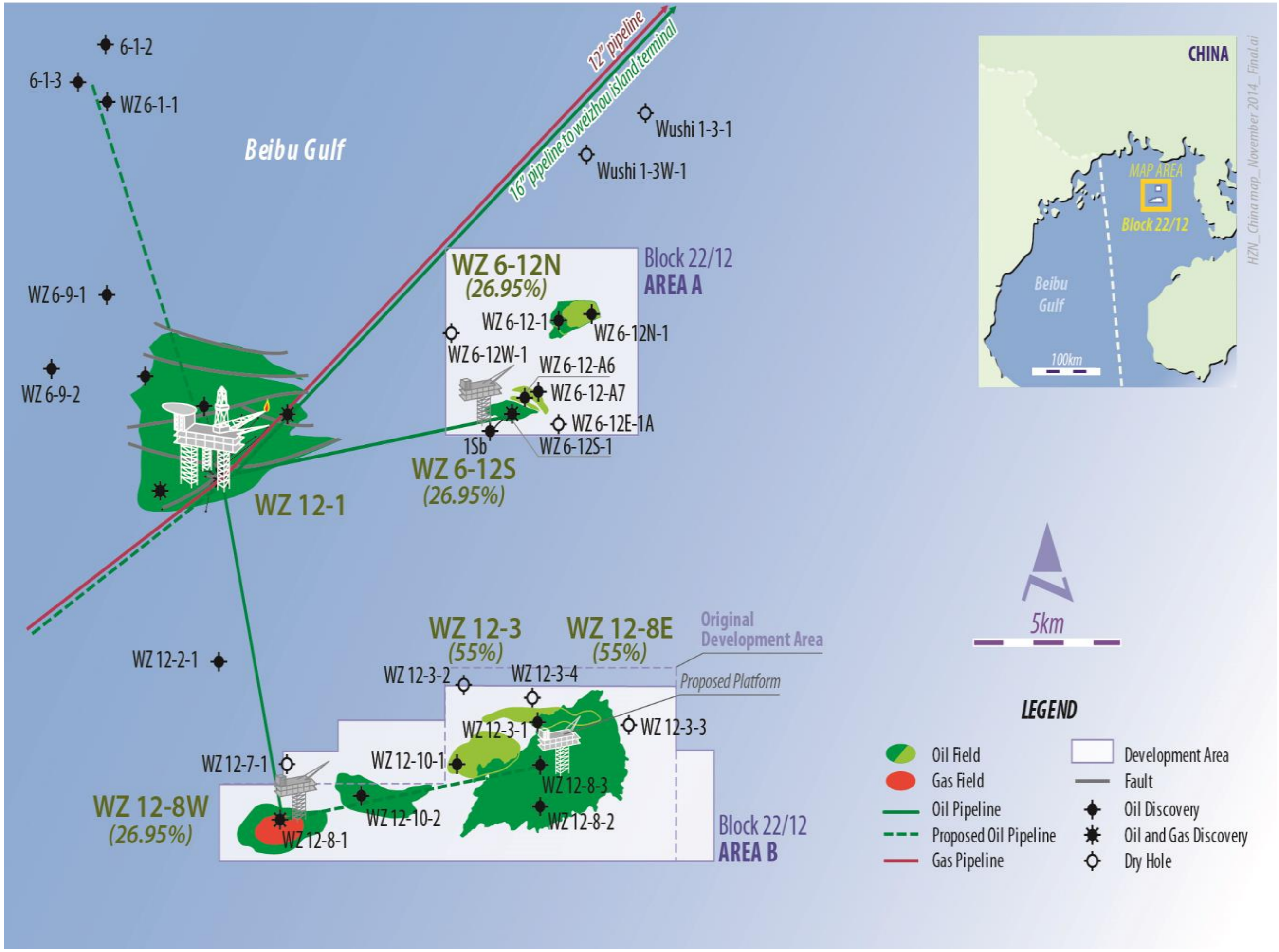
Forecast net production from Reserves + Contingent Resources as at 1 October 2014



- Expect to be able to maintain oil production of 4,000 – 6,000 bpd ahead of future large scale gas commercialisation
- PNG gas is major growth asset

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

Beibu Gulf field production and future development areas – China



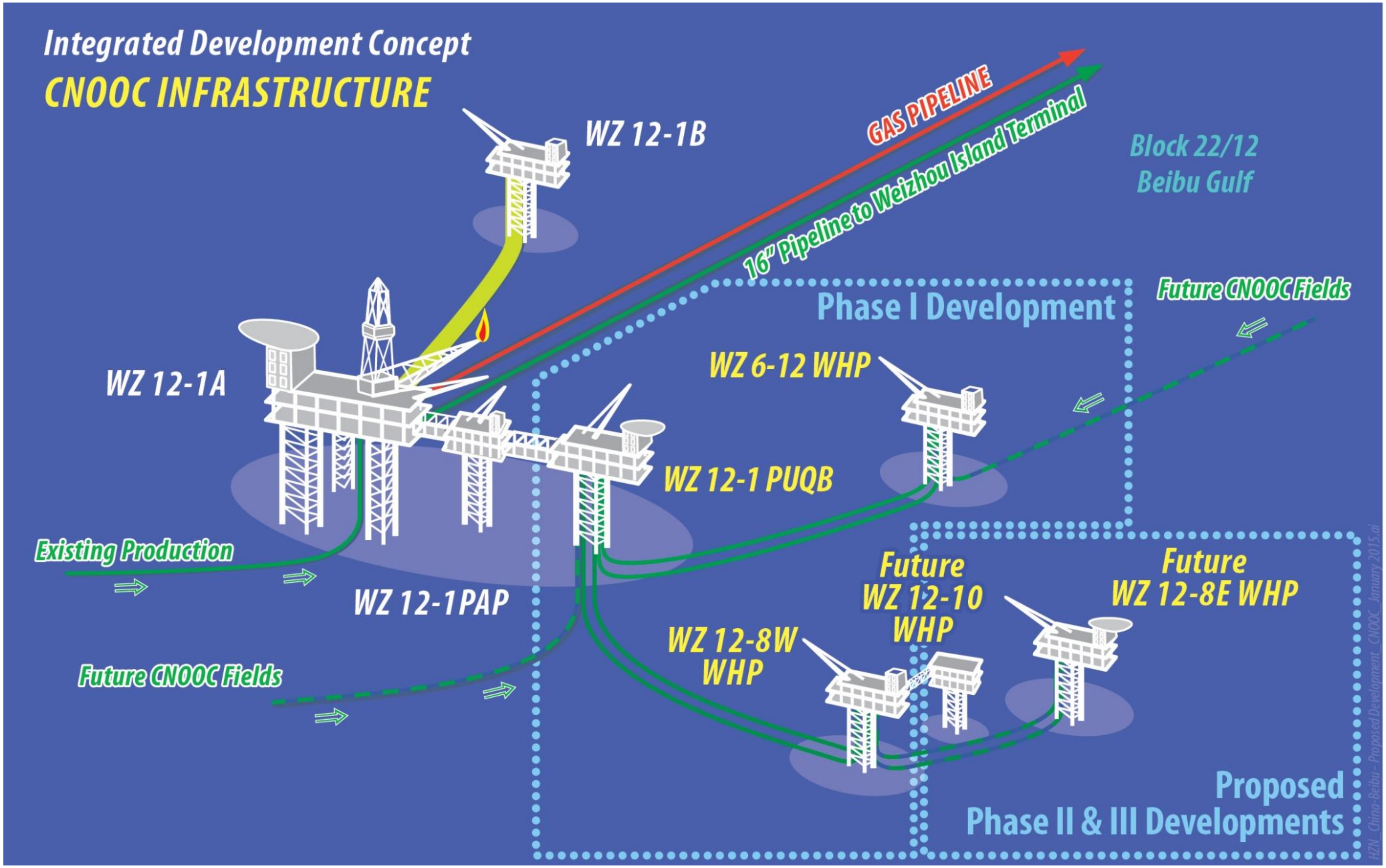
- WZ 6-12N and WZ 12-8W fields producing above forecast
- Potential for higher oil recovery from WZ 12-8W
- Phase II WZ 12-8E development plan to be submitted for Government approval Q1 2015
- Successful WZ 12-10-1 and WZ 12-10-2 exploration wells have added ~10 mmbo gross recoverable oil; appraisal and development planning initiated

Block 22/12 Post-CNOOC Back-in:

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

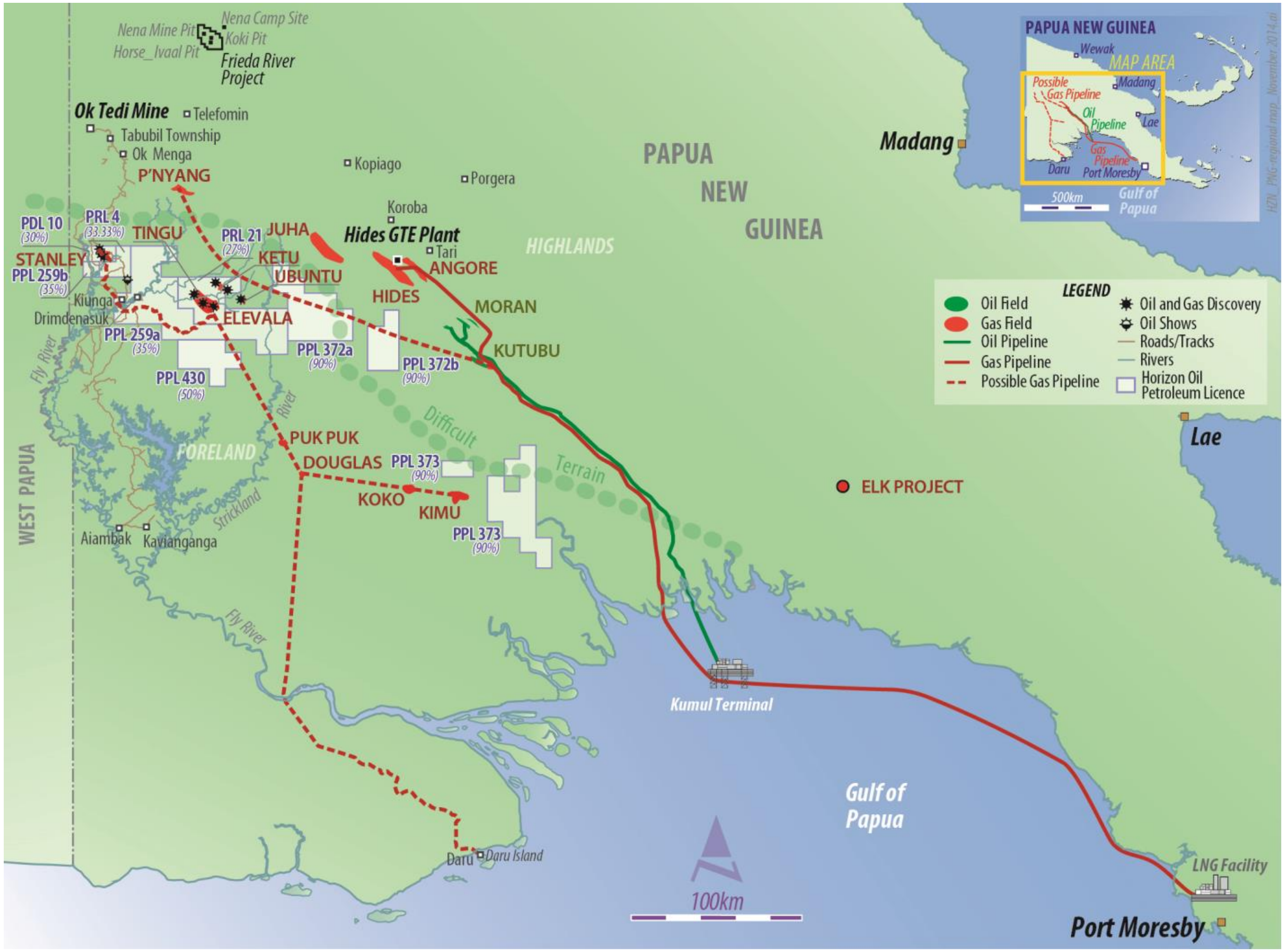
Gross reserves (mmbo) at 1/1/14	2P
Produced	3.0
Remaining	24.4

Beibu Gulf fields – phased development scheme



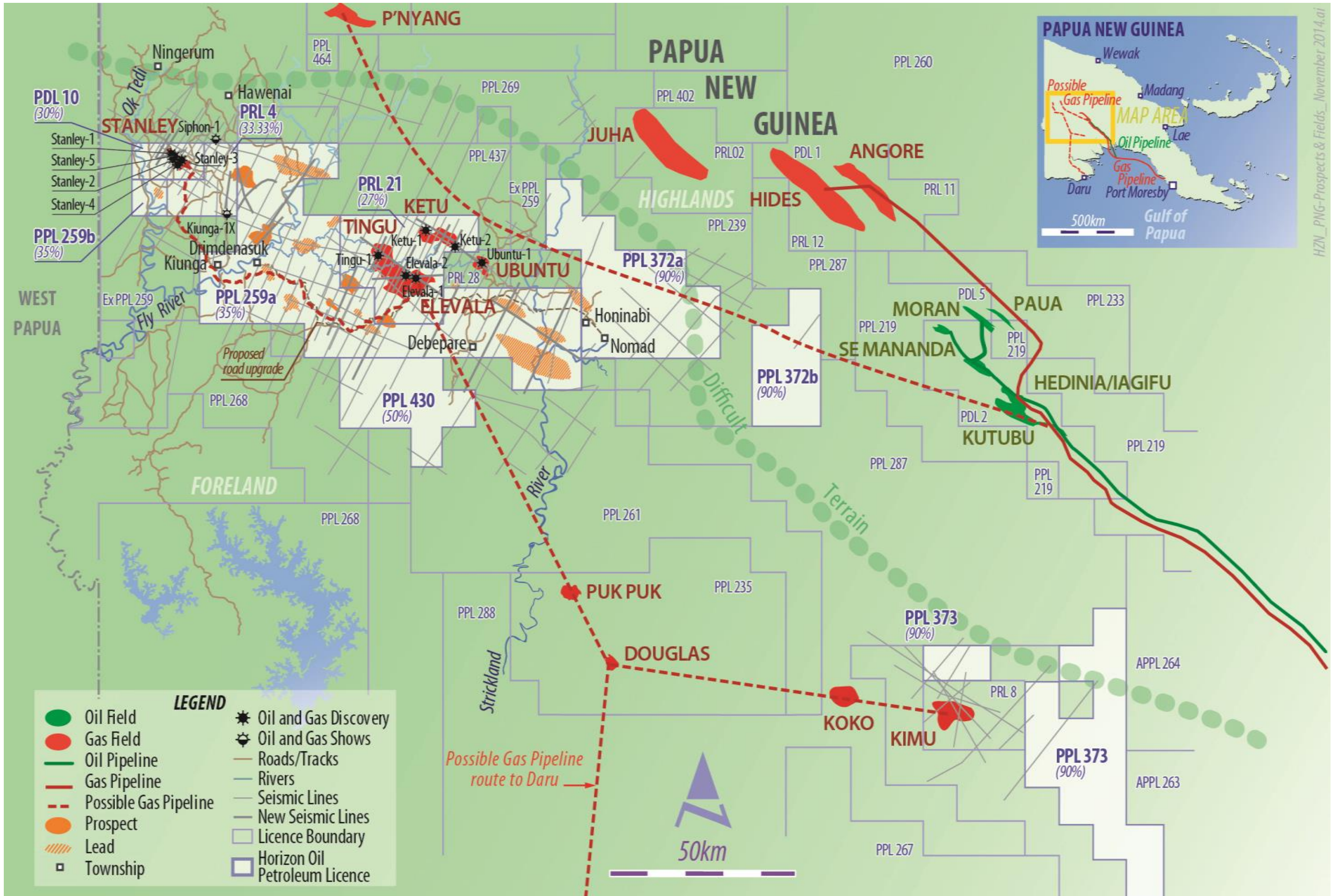
Phased approach to development of new reserves – utilising existing infrastructure

Papua New Guinea



- PNG is rich in oil, gas and minerals with track record of successful large-scale development projects
- Stable fiscal regime and succession of "pro-development" governments
- Jurisdiction well-supported by Asian banks
- Horizon Oil acreage position ~7,900 sq km in foreland terrain, primarily in wet gas "sweet spot"

Horizon Oil acreage and joint venture partners - Papua New Guinea



- Successful Tingu-1 exploration/appraisal well drilled in 2013 extended PRL 21 gas / condensate resources materially
- Development application for Elevala/Tingu/Ketu fields in PRL 21 filed in March 2014
- Development licence for Stanley field (PDL 10) issued by PNG Government in May 2014
- Encouraging signs for development of P'nyang field

PRL 21:	
HZN	27.0% (Op)
Osaka Gas	18.0%
Talisman	32.5%
Kina	15.0%
Mitsubishi	7.5%

PDL 10:	
HZN	30%
Osaka Gas	20%
Talisman	40%
Mitsubishi	10%

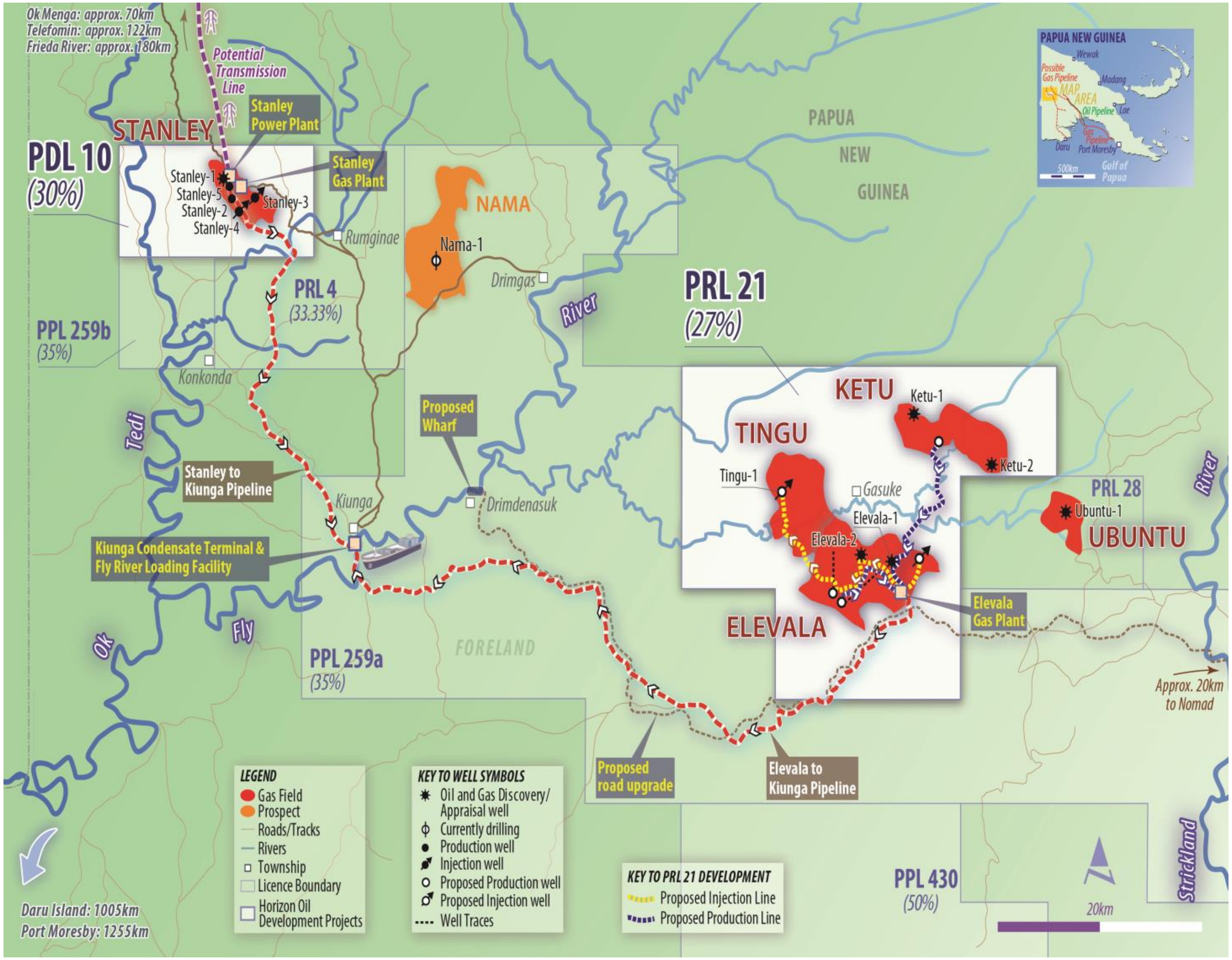
PRL 4 (subject to Govt approval):	
HZN	33.33%
Talisman	44.45%
Osaka Gas	22.22%

PPLs 372 and 373:	
HZN	90.0%

PPL 430:	
HZN	50.0%
Eaglewood	50.0%

PPL 259:	
HZN	35.0%
Osaka Gas	10.0%
Eaglewood	45.0%
P3GE	10.0%

Stanley and Elevala/Ketu field development schemes



- Stanley field Petroleum Development Licence awarded in May 2014
- Development drilling subsequently completed, both wells Stanley-3 and -5 met or exceeded expectations
- Elevala and Tingu to be developed as one field
- Elevala/Ketu Petroleum Development Licence application submitted in March 2014
- FEED underway

PNG gas commercialisation options

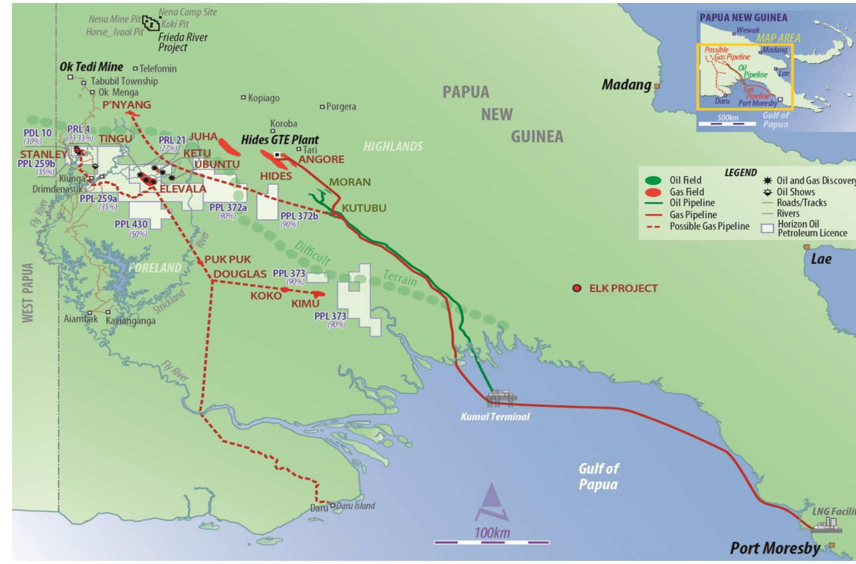
- **Sales to regional buyers for power generation**
  - Ok Tedi Mining Limited (OTML) and Frieda River project (when sanctioned)
  - Local towns and communities in Kiunga – Ok Menga – Frieda River corridor
  - Export to West Papua: Merauke, Jayapura

- **Mid-scale LNG project (~ 2-4 mtpa)**

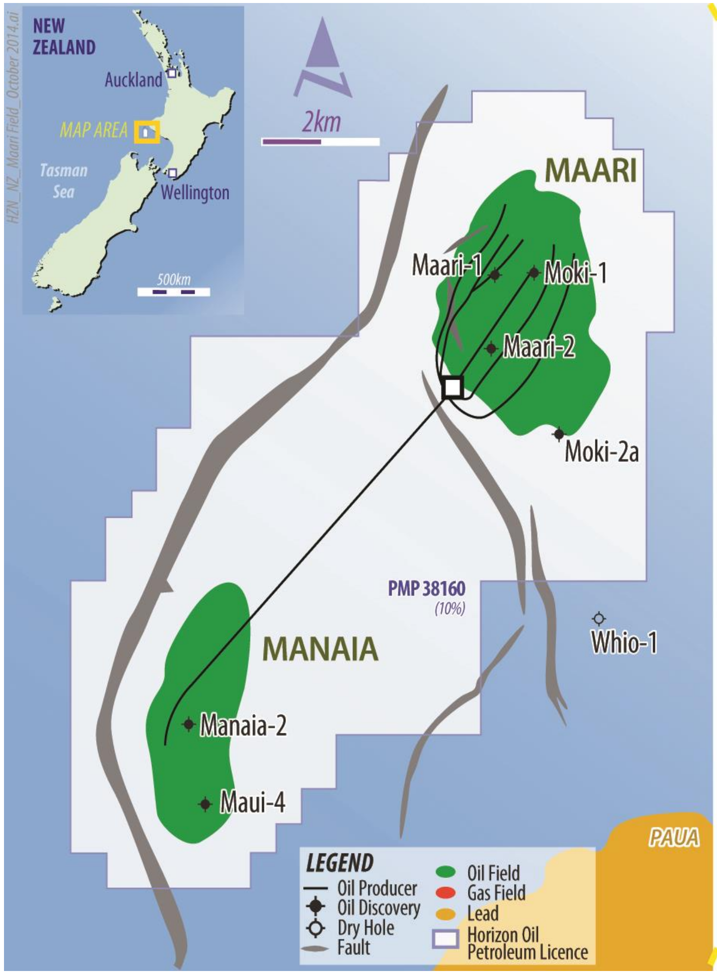
  Expandable mid scale LNG plant at coastal location, such as Daru, to supply:-
  - City and mining project power demand, as substitute for diesel or fuel oil
  - Singapore LNG and products hub
  - North Asian markets

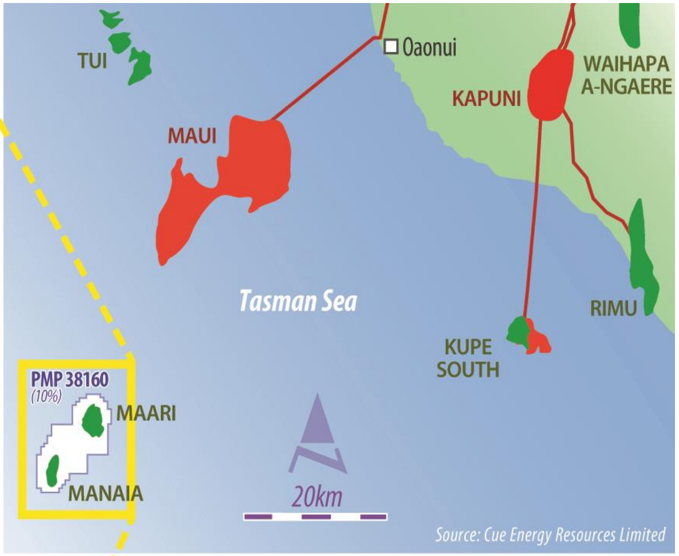
- **Brownfield development**

  Aggregation of Western Province NW Hub gas to supply dedicated expansion train at PNG LNG site in Port Moresby



Maari /Manaia fields – New Zealand





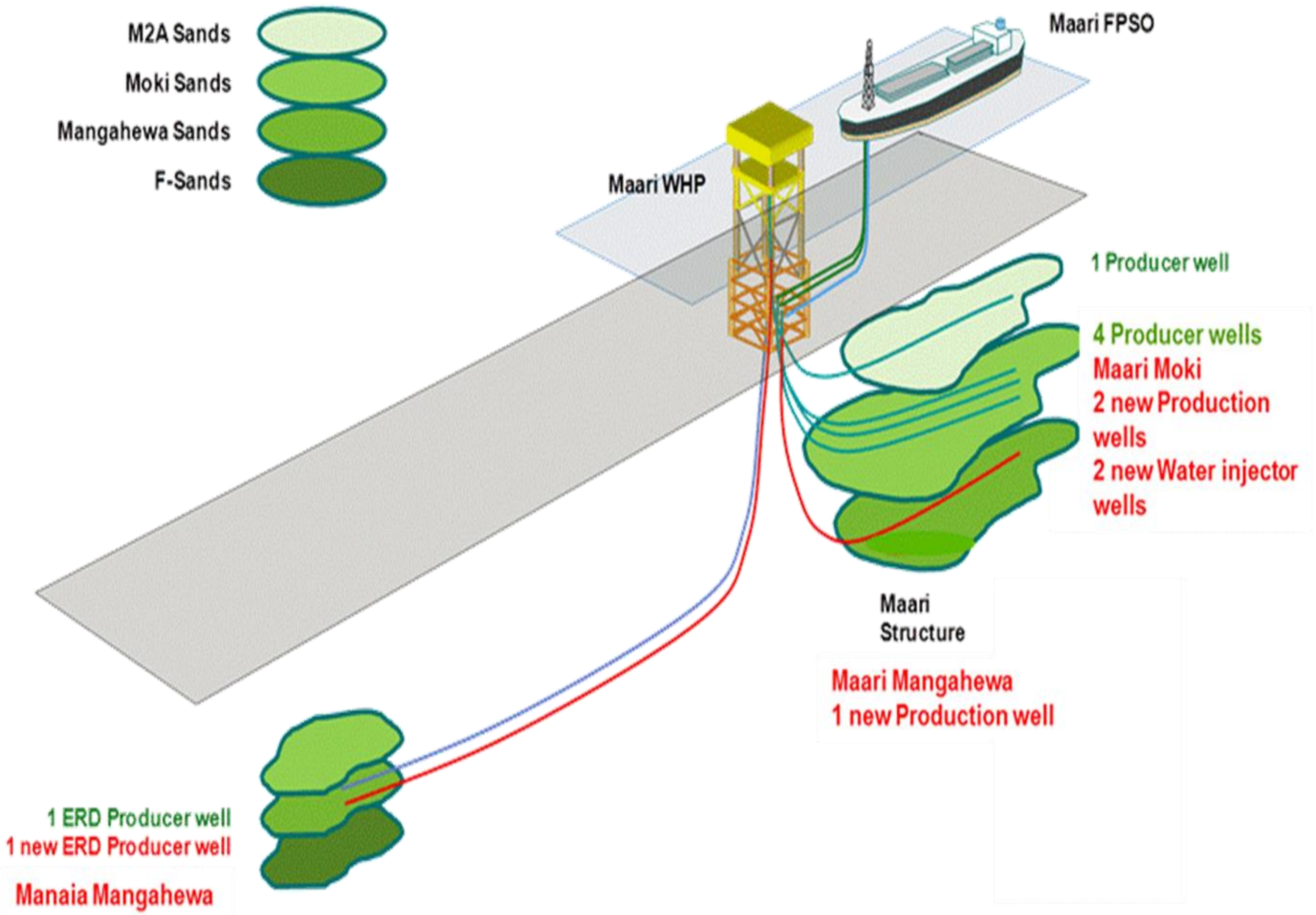
- Maari field facilities and FPSO *Raroa* repaired and upgraded in H2 2013
- Maari Growth Projects Program currently underway utilising *Ensco 107* jack-up rig
- Significant production increase forecast in 2015

Gross reserves (mmbo) at 1/1/14	2P
Produced	22.0
Remaining	60.0

PMP 38160:

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

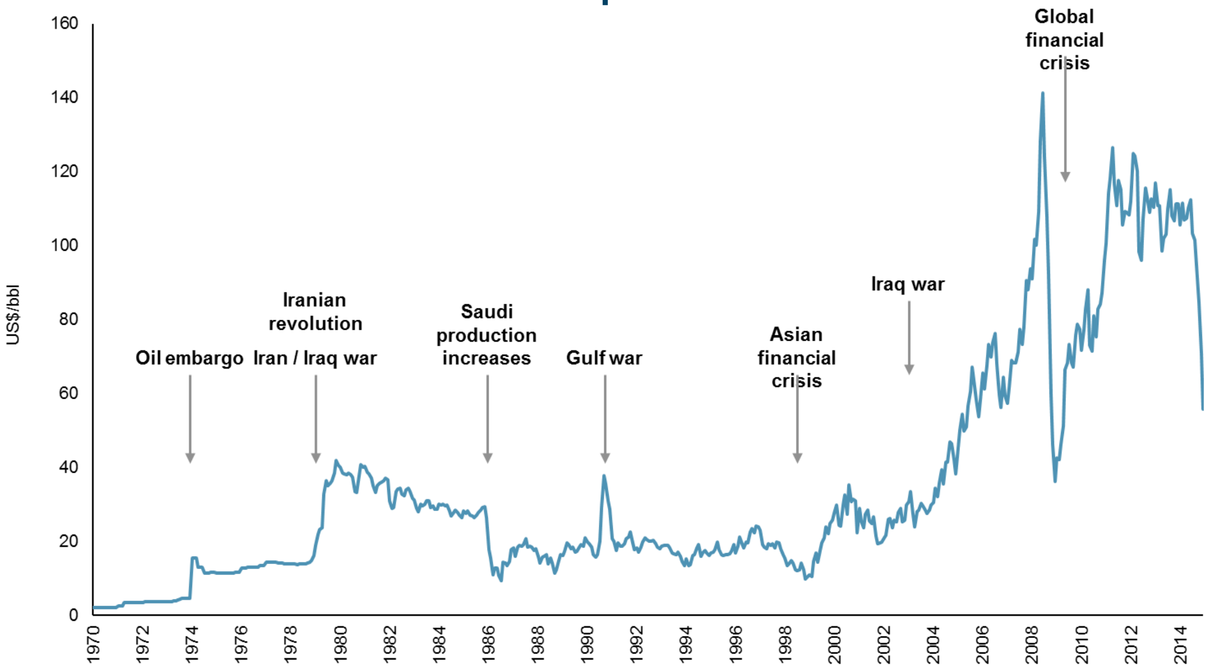
Maari / Manaia Growth Projects Program



- Objective to reconfigure water injection scheme, access undeveloped reserves and optimise production
- *Ensco 107* jack-up rig moved over Maari wellhead platform and commenced operations in April 2014; program is progressing
- Operator forecast is to increase field production to peak of about 15,000 bopd gross in H1 2015

Low oil prices and how we're dealing with them

Brent oil price

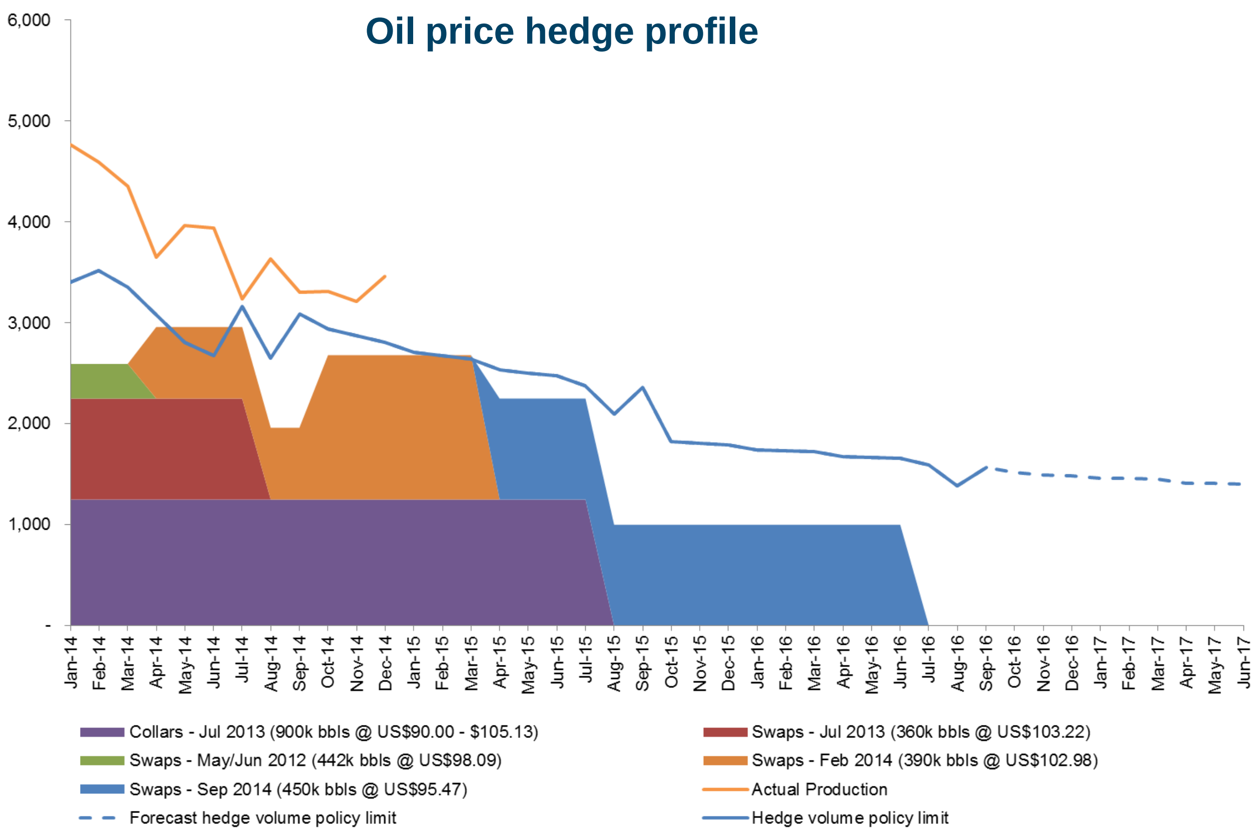


Response to current environment

- Operating income protected by oil price hedging 2014 – 2016
- Capex for 2015 substantively reduced and discretionary expenditure minimised
- Spend on new field development planning maintained to take advantage of cost deflation
- Administrative spend controlled
- Focus on managing business risk

- Sharp dips in the oil price come with the territory
- Unknowns are the depth and width of the dip
- What counts is how we manage our way through it and how well-positioned we are coming out the other side

Strong risk management with a well established hedging policy



- 1.1 mmbo hedged from Q4 2014 through mid 2016 at average of over US$95/barrel
- Oil price hedging program means cash flows in 2014, 2015 and 2016 not critically impacted by low oil prices.
- Oil production from multiple fields (currently 1 in New Zealand and 2 in China) reduces production risk
- Loss of Production Insurance policies in place for Maari and Beibu Gulf fields
- Longer term, gas sales will reduce reliance on oil price

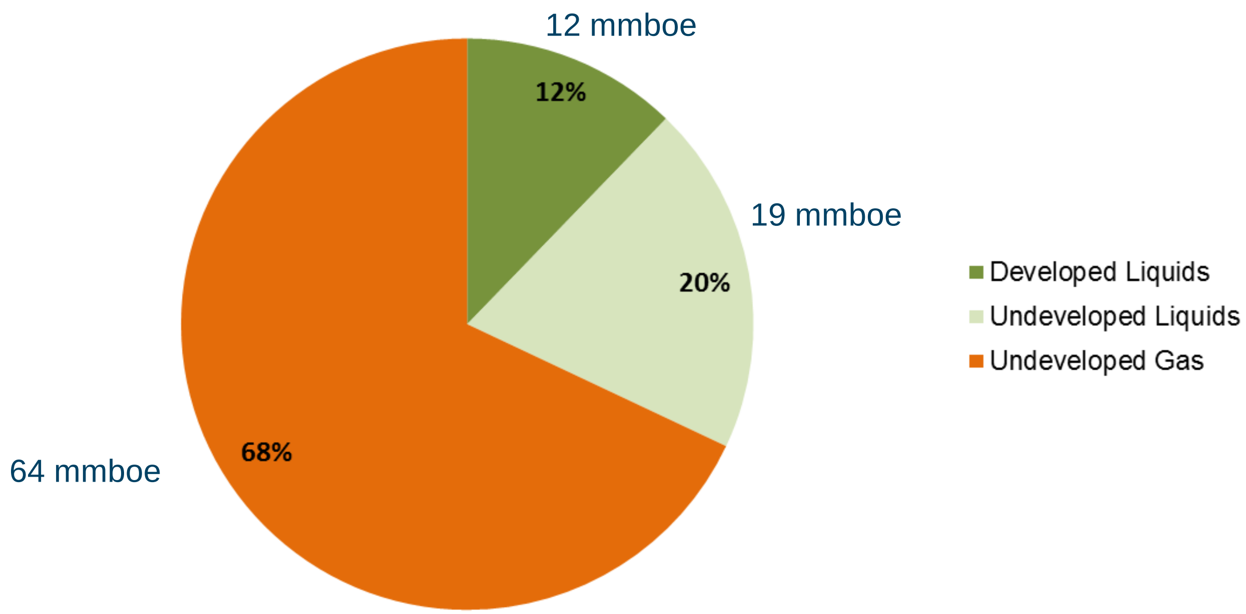
2015 forecast net operating income

Calendar Year	2013 Actual[1]	2014 Actual[1]	2015E
Operating income after opex (including the Special Oil Gain Levy payable in China) and excl extraordinaries[2] at oil price of US$55/bbl (US$m)	62	91	86
Sensitivity to oil price US$50/bbl			*83*
Sensitivity to oil price US$45/bbl			*79*

[1] Actual operating income based on audited accounts through 30 June 2014 and quarterly reports thereafter
[2] Operating income after opex (including the Special Oil Gain Levy payable in China) and excl extraordinaries is a financial measure which is not prescribed by the Australian Accounting Standards and represents the revenue from crude oil sales including realised gains and losses on oil hedging derivatives after deducting cost of sales which has been adjusted for amortisation expense and non-recurring income and expenditure. The directors consider this to be a useful measure of performance of the Group's underlying operations.

Balanced portfolio – future investment focus on resource development

Large audited reserves and contingent resources base
12% developed / 88% undeveloped – 32% oil / 68% gas



2P + 2C reserves and contingent resources of **95 mmboe**

Strategic priorities

- Focus on growing Horizon Oil to be an E&P leader in Asia-Pacific upstream space
- Optimise oil and gas production from our existing producing fields
- **Develop discovered resources within our existing asset portfolio, taking advantage of anticipated capital cost deflation resulting from low oil prices**
- Evaluate the company's exploration portfolio in and around our development assets
- Undertake disciplined evaluations of new opportunities and continual review of our portfolio to ensure focus, balance and growth
- Manage capital expenditure budget conservatively, especially in low oil price environment
- Maintain a prudent financial outlook, minimise risk where possible and optimise our capital structure to emerge strongly from currently depressed E&P market

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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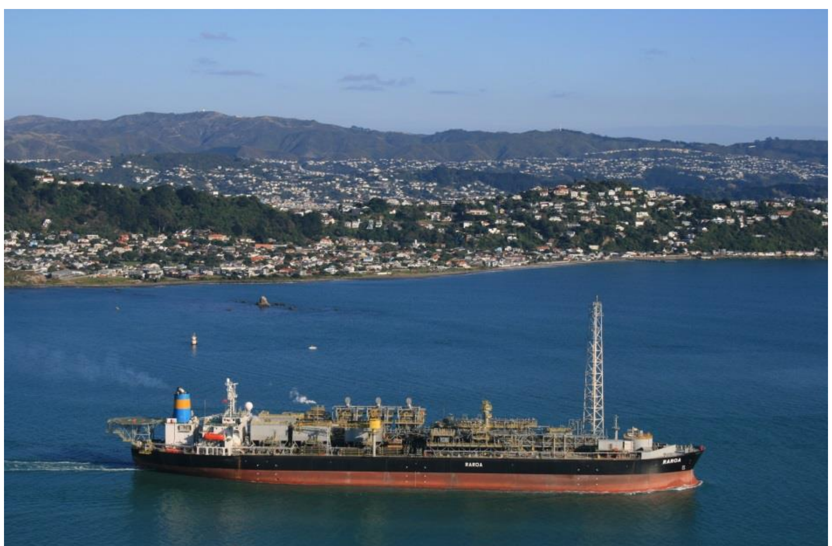

The reserve and resource information contained in this announcement is based on information compiled by Alan Fernie (Manager – Exploration and Development). Mr Fernie (B.Sc), who is a member of AAPG, has more than 38 years relevant experience within the industry and consents to the information in the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