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20 November 2015

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

CORPORATE PRESENTATION

The Chairman's address and CEO's presentation to shareholders at the Company's annual general meeting to be held today at Level 1, Grand Ballroom, The Sydney Boulevard Hotel, 90 William Street, Sydney are attached.

The Annual General Meeting will also be available on live webcast. To register, please copy and paste the link below into your browser:
http://webcasting.brrmedia.com/broadcast/561342d9ab3559244a29bd1e

Yours faithfully,

Michael Sheridan
Chief Financial Officer & Company Secretary

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Or visit www.horizonoil.com.au

CHAIRMAN'S ADDRESS
2015 HORIZON OIL LIMITED AGM

Ladies and Gentlemen,

1. INTRODUCTION

Last year was a year of contrasts for Horizon Oil, with a strong operational and financial performance being largely overshadowed by adverse stock market sentiment resulting from the lower oil price environment.

The board believes the Company has acted swiftly and decisively to implement adjustments to our plans and strategies in response to these lower oil prices.

The impact of lower oil prices has clearly been significant and therefore a major component of this address will be explaining how the board and management have responded to this environment.

In addition, in the board's view current low oil prices and the resulting Horizon Oil share price should be put into a broader perspective. So, the other major component of this address will be to attempt to answer the following questions:

(a) Apart from the share price how has the company performed on other key strategic and operational/financial measures?

(b) What more could or should be done to improve the share price?

2. STRONG 2015 OPERATIONAL AND FINANCIAL PERFORMANCE

But first, let's deal briefly with the 2015 operational and financial performance. The outstanding feature of the Company's performance was the solid operating cash flows – despite a 40% fall in Brent oil prices, from US$100/barrel to US$60/barrel over the year, net operating income after opex was down by an acceptable 13% year on year, from US$93.5 million to US$81.1 million.

This was achieved mainly as a result of our prudent hedging policy whereby 74% of our oil sales had been hedged at an average price of over US$95/barrel. The board has a long held policy of hedging oil prices when, opportunistically, it makes sense to do so, as a means of softening the impact of a downturn in prices and ensuring that the Company is able to meet its obligations.

3. OUR RESPONSES TO LOWER OIL PRICES

Our responses to the lower oil prices include:-

(a) Significant reductions, re-scoping or re-scheduling of exploration and development expenditure whilst ensuring that planning for important development projects, (particularly China and Papua New Guinea) continues so that the benefits from expected lower development costs as a result of lower oil prices are captured; and

(b) A hard-nosed analysis of our general and administrative costs was undertaken and steps taken to reduce these. Our net G&A expense of US$7.0 million for FY2015 is very much at the low end of the range for companies with a similar level of activities. Specifically the cash salaries, bonuses and in kind benefits of our three key executives have been reduced in FY2015 by 24% (in Australian dollars), from FY2014 as a result of these executives voluntarily foregoing the significant cash bonuses that would otherwise have been payable under the Company's Short Term Incentive Plan. (I will deal with the award of long term incentive rights shortly). In addition, the board has frozen the salaries of these executives and all staff at 30 June 2015 levels through to July 2016, together with some net reductions in other benefits. (As an aside, I also note that there have been no increases (in Australian dollar terms) in non-executive director fees for the last 3 years)

In the board's view, management deserve high praise for the Company's prompt and effective response to this changed oil price environment, as outlined above.

4. GRANT OF SHARE APPRECIATION RIGHTS ("SARS") UNDER THE LONG TERM INCENTIVE PLAN

I believe the board and management have acted responsibly in curtailing executive salaries, bonuses and other benefits in response to the oil price induced low share price and, in that context, the grant of Share Appreciation Rights ("SARs") under the company's Long Term Incentive Plan is appropriate. Our thinking on this is:

- Unlike the Short Term Incentive (bonus) Plan, the SARs are not cash or the unconditional right to share ownership

- Rather, the SARs will be of no value to the recipients (or a cost to shareholders) unless clearly defined performance benchmarks are met over the 3 to 5 year term of the SARs, namely outperformance against the S&P ASX 200 Energy Index, an absolute test relating to Horizon Oil total shareholder returns and an increased share price from the grant date. In this context, the SARs which have been granted to the three key executives have either lapsed or are unlikely to be of any value to the executive, unless there are very substantial increases in the share price (the exercise prices for the purpose of calculating the value of any shares that may be issued ranges from $0.27 for the grant in FY2011 to $0.37 for the SARs granted during FY2015).

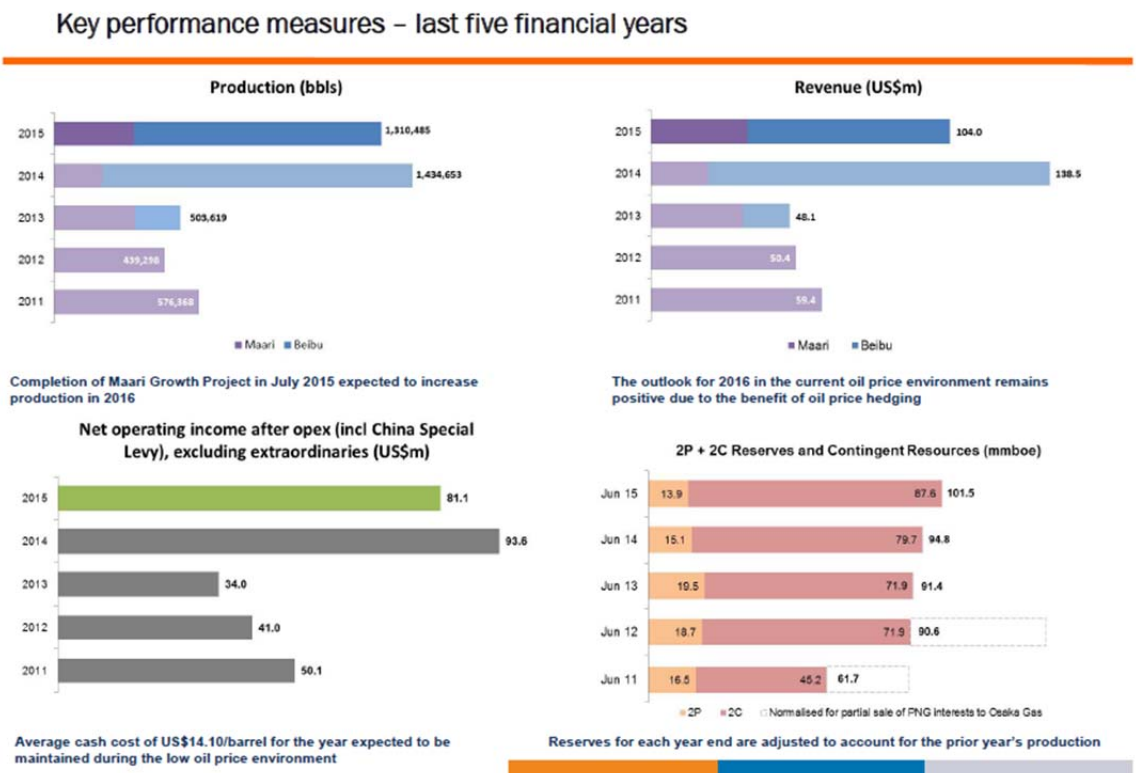
- Bearing in mind the above benchmarks that must be achieved before these SARs have value, the board's view was that there was insufficient reason to depart from the principles and intent of the Long Term Incentive Plan.

5. THE TWO QUESTIONS:-

Turning now to the 2 questions:

a) Firstly, how has Horizon Oil performed in the broader/longer term context of strategic positioning and key operational/financial measures?

- 10 years ago Horizon Oil was basically an exploration company, with 2 potential development projects being studied (Maari in New Zealand and Block 22/12 offshore China) - it had no production, negligible revenues and was incurring operating losses. The slide demonstrates the transformation that has been achieved by bringing these assets into production, setting out key performance measures over the last 5 financial years.



Features of this performance are:-

- (1) Production and (2) reserves + contingent resources have both increased by over 120%
- Revenue (up by over 75%) and net operating income (up by over 60%) both increased substantially, despite a 50% fall in the Brent oil price over that period

- On strategy and positioning the company for future growth and sustainability, the board observes as follows:

- 10 years ago our stated plan was "to build a portfolio concentrated in Asia with a balance of exploration, development and production assets". This has indeed been achieved, with ticks in each of the exploration, development and production boxes. Notable features of the management of this well balanced portfolio, in particular the maturing of high potential growth prospects for future development, include (1) the building of a strong resource position in PNG in 2008 with opportunistic add-on acquisitions of interests; (2) adding material value to these interests by exploration and appraisal activity; and then (3) reducing exposure to future appraisal and development expenditures and crystallizing some of the added value by partial divestment of these interests at a time of our choosing, rather than being obliged to do so as a result of (for example) low oil prices. This resulted in consideration paid to Horizon Oil of a total of US$134 million in cash and US$130 million in additional potential milestone payments.

b) Secondly, what more could (or should) be done to improve the share price?

The slide shows the high correlation between the Horizon Oil share price and the NYMEX oil price over the last 10 years, especially during the oil price lows, when risk averse, negative market sentiment has ignored fundamental value and seriously (some would suggest – irrationally!) punished the share price. In view of this correlation, a major feature of Brent Emmett's CEO presentation will be dealing with the fundamentals of the oil price outlook.

Whilst there are some things that can be done to mitigate the financial impact of falling oil prices (for example Horizon Oil's oil price hedging, and the other initiatives described earlier in this address), there is little if anything that can be done to counteract adverse, risk averse market sentiment.

Furthermore to put the Horizon Oil share price into perspective:-

- Obviously, and I realise it is of little - if any - comfort, Horizon Oil has been caught up in the sector wide adverse impact of the oil price drop, which is evident from the chart showing the recent share price performance of Horizon Oil's peer group – the group is off 55-65% over the last 12 months. Even the larger companies are not immune from this, with Origin and Santos down 60-70% from their share prices of 12 months ago.

- Despite our substantial, strenuous efforts to deal with it, there remain lingering concerns by some analysts and investors about our levels of debt/financial gearing and these concerns are heightened by the prevailing risk averse market sentiment. This is despite successful refinancing of the company's bank debt, substantial reductions in operating, exploration and development expenditures and early redemption of over 25% of the US$80 million of convertible bonds.

  Looked at objectively, the fact is that Horizon Oil's net debt to EBITDA ratio is around 2 times, which is at the conservative end of the level of indebtedness of E&P companies.

  There has been some concern about the issue of the convertible bonds as part of our financing package in the first place. Again, viewed objectively, the proceeds from the 2011 issue provided funds for the acquisition and development of part of Horizon Oil's 26.95% interest in Block 22/12, offshore China, which has turned out to be a very successful asset for the Company. The convertible bond debt is unsecured, subordinated to our senior debt facility and has a favourable 5.5% interest coupon.

  Achievement of interests in a combination of high quality, cost competitive producing assets and significant potential growth assets has obviously required substantial financial resources. The board's observations on this are:-

- Utilisation of bank debt and convertible bond financing has allowed us to invest in thoroughly worthwhile assets and opportunities and we are confident of the investment decisions made in respect of both our producing assets and our PNG growth prospects. The substantive cashflows being received from the producing fields in New Zealand and China are now steadily paying down outstanding debt.

- Obviously, in response to the risk averse market sentiment resulting from the oil price fall, the company's debt gearing levels could have been reduced by making a significant equity issue. The board took the view that raising equity would (a) be unnecessarily dilutive for shareholders; and (b) unnecessarily exacerbate the share price fall. Instead we have chosen to conserve and manage the capital we have and I have discussed the measures taken in this regard earlier in this address. We remain of the view that this is the right approach.

6. BOARD RENEWAL

I believe that it is in shareholders' interests for board renewal to take place, by way of an orderly process. As previously announced I will hand chairmanship over to Mr. John Humphrey at the conclusion of this meeting. It is intended that two new non-executive directors will be appointed to the board during the next twelve months to replace John and me. [It is also intended that John will then retire at the 2016 Annual General Meeting or soon after.] The order of John and my retirements as directors (with a combined tenure of nearly 40 years!) has been determined having regard to the mix of skills on the board required by the Company during the transitional period.

I acknowledge and thank Brent Emmett and the Horizon Oil team (including my board colleagues) for their strong support.

7. THE OUTLOOK/CLOSING

In the near term, the outlook for Horizon Oil in terms of share price is challenging – as is the case for most (if not all!) others in the upstream oil and gas industry. Clearly, continuing low oil prices and risk averse share market sentiment are the key drivers in this regard.

However, the board encourages existing and potential shareholders to reflect upon the sound business fundamentals that characterise Horizon Oil, namely the combination of high quality, cost competitive, cash generating assets with potential growth assets in PNG which our plans indicate will unlock substantial, sustainable shareholder value within the foreseeable future.

Thank you.

Fraser Ainsworth
20 November 2015

HORIZON OIL LIMITED

ABN 51009799455

Annual General Meeting
20 November 2015

Disclaimer

Statements contained in this material, particularly those regarding the possible or assumed future performance, costs, dividends, returns, production levels or rates, prices, reserves, potential growth of Horizon Oil Limited, industry growth or other trend projections and any estimated company earnings are or may be forward looking statements. Such statements relate to future events and expectations and as such involve known and unknown risks and uncertainties. Actual results, actions and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.

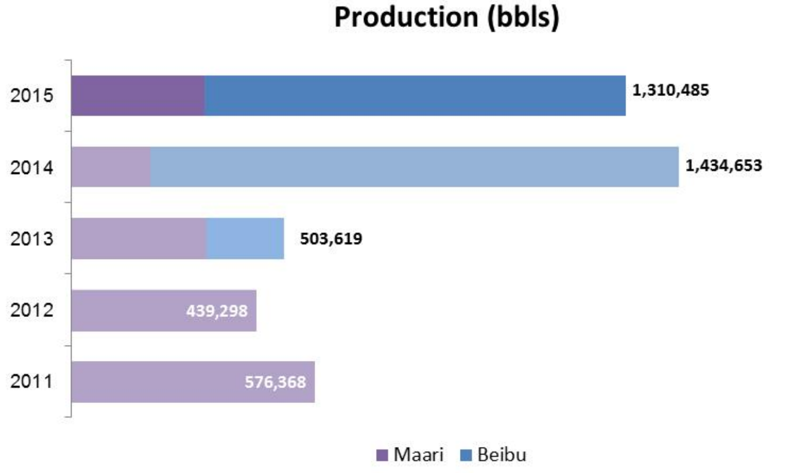
All dollars in the presentation are United States dollars unless otherwise noted.

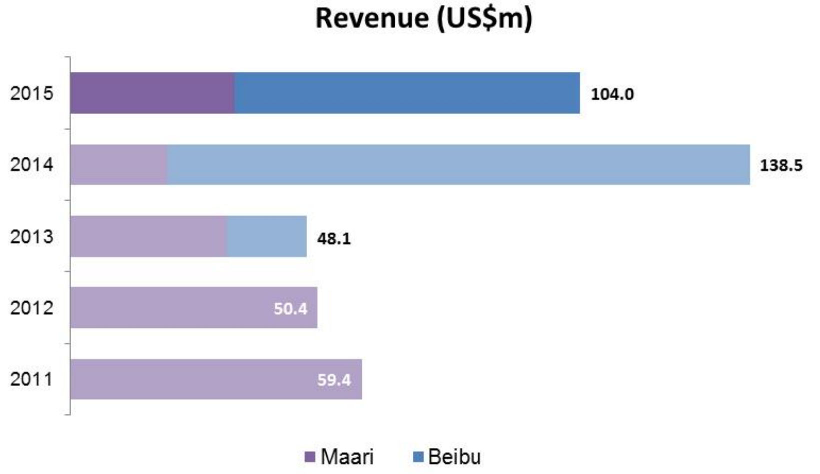
HORIZON OIL LIMITED

ABN 51009799455

Chairman’s Address
Fraser Ainsworth

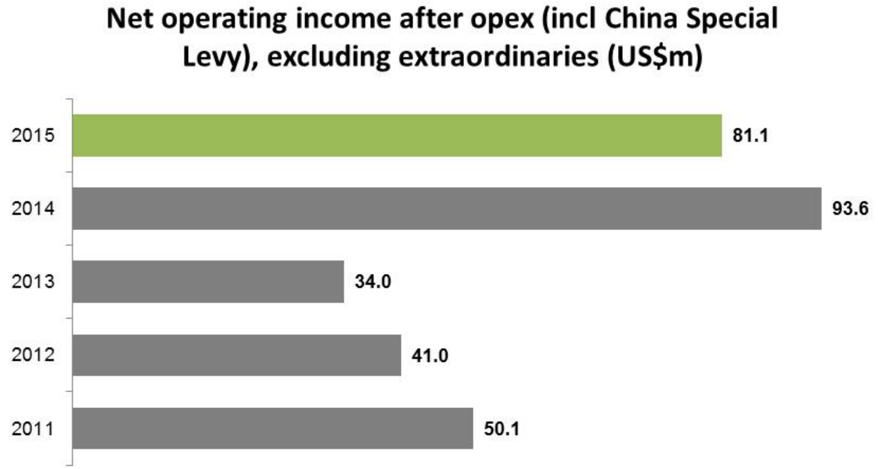
Key performance measures – last five financial years

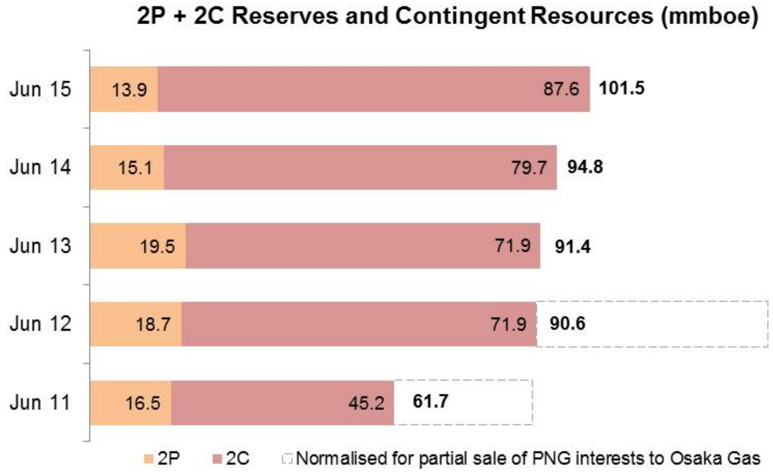




Completion of Maari Growth Project in July 2015 expected to increase production in 2016

The outlook for 2016 in the current oil price environment remains positive due to the benefit of oil price hedging





Average cash cost of US$14.10/barrel for the year expected to be maintained during the low oil price environment

Reserves for each year end are adjusted to account for the prior year's production

HZN share price vs NYMEX Oil

HZN share price vs peers

HORIZON OIL LIMITED

ABN 51009799455

Formal Business
Fraser Ainsworth

Formal Resolutions

Resolutions		For %	Open %	Against %
2.	To adopt the Remuneration Report	98.78%	0.16%	1.06%
3.	To re-elect Mr John Humphrey as a Director	96.40%	0.16%	3.44%
4.	The approval of 2015 grant of long term incentives (LTIs) to Mr Brent Emmett, Chief Executive Officer and Managing Director in accordance with the terms of his employment	92.88%	0.16%	6.96%

HORIZON OIL LIMITED

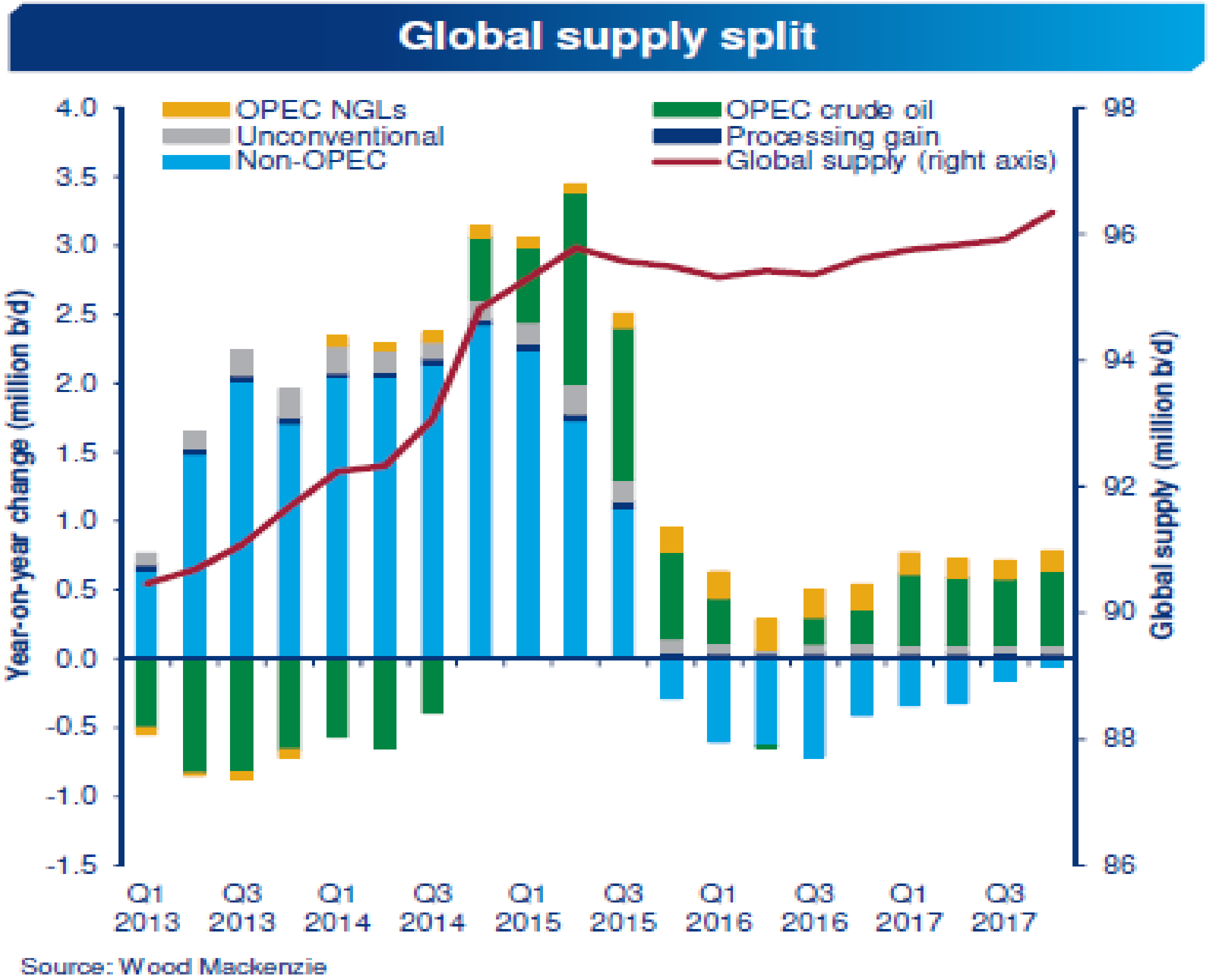
ABN 51009799455

CEO's Address
Brent Emmett

Presentation outline

- **The macro view – supply/demand fundamentals**
  - Outlook for oil prices
  - Outlook for LNG demand
- **Horizon Oil's response to low oil prices**
- **Company overview**
- **Strategic imperative**
- **Asset review**
  - China
  - New Zealand
  - Papua New Guinea

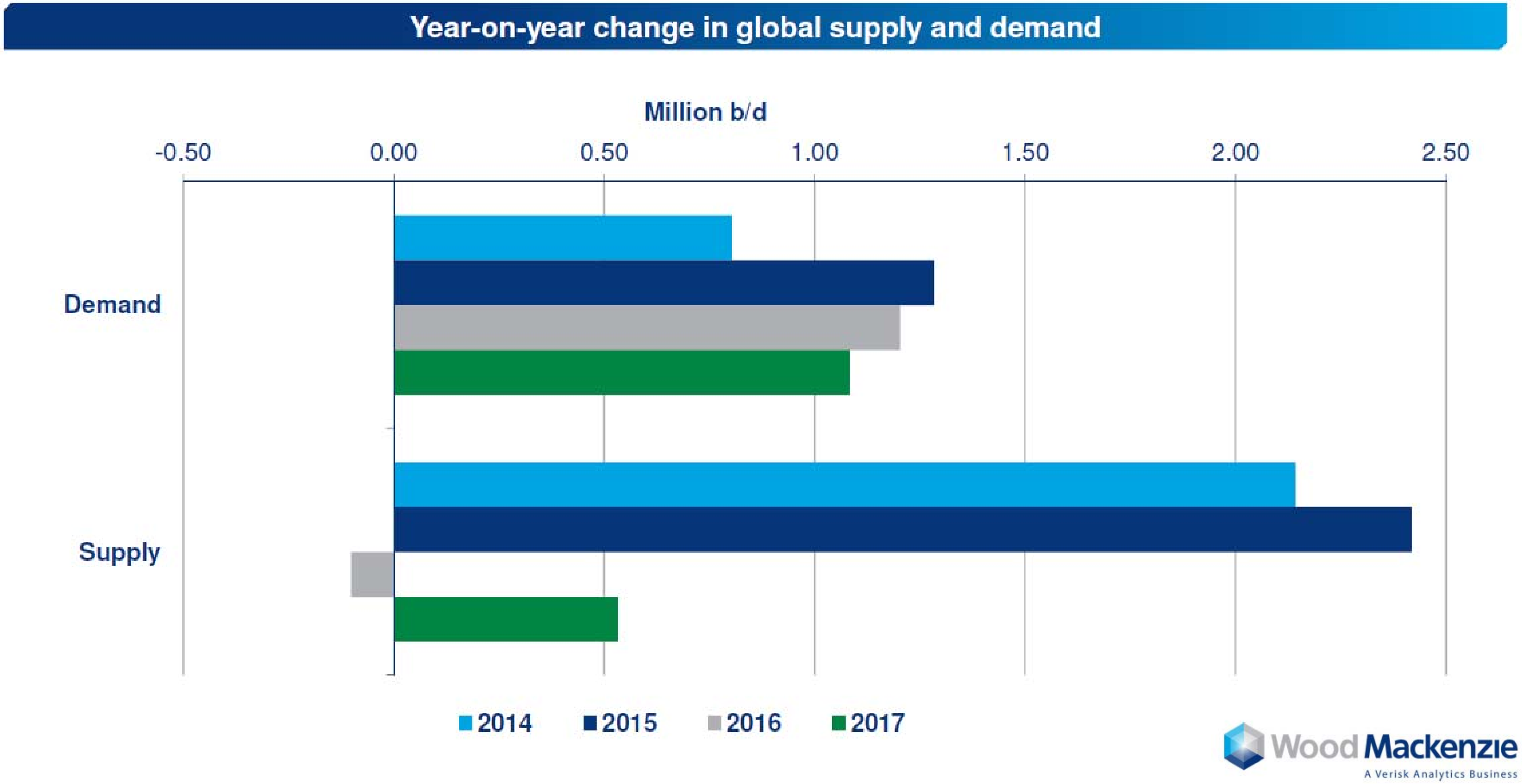
WoodMackenzie macro oil near-term outlook (Oct 2015) (1)



- US total rig count 767 (574 oil rigs) at 13 Nov 2015, down from 1,928 (1,574 oil rigs), year-on-year
- Global oil supply peaked in Q2 2015, as US unconventional oil went into decline
- ~ US$280 billion globally in new projects cancelled or deferred

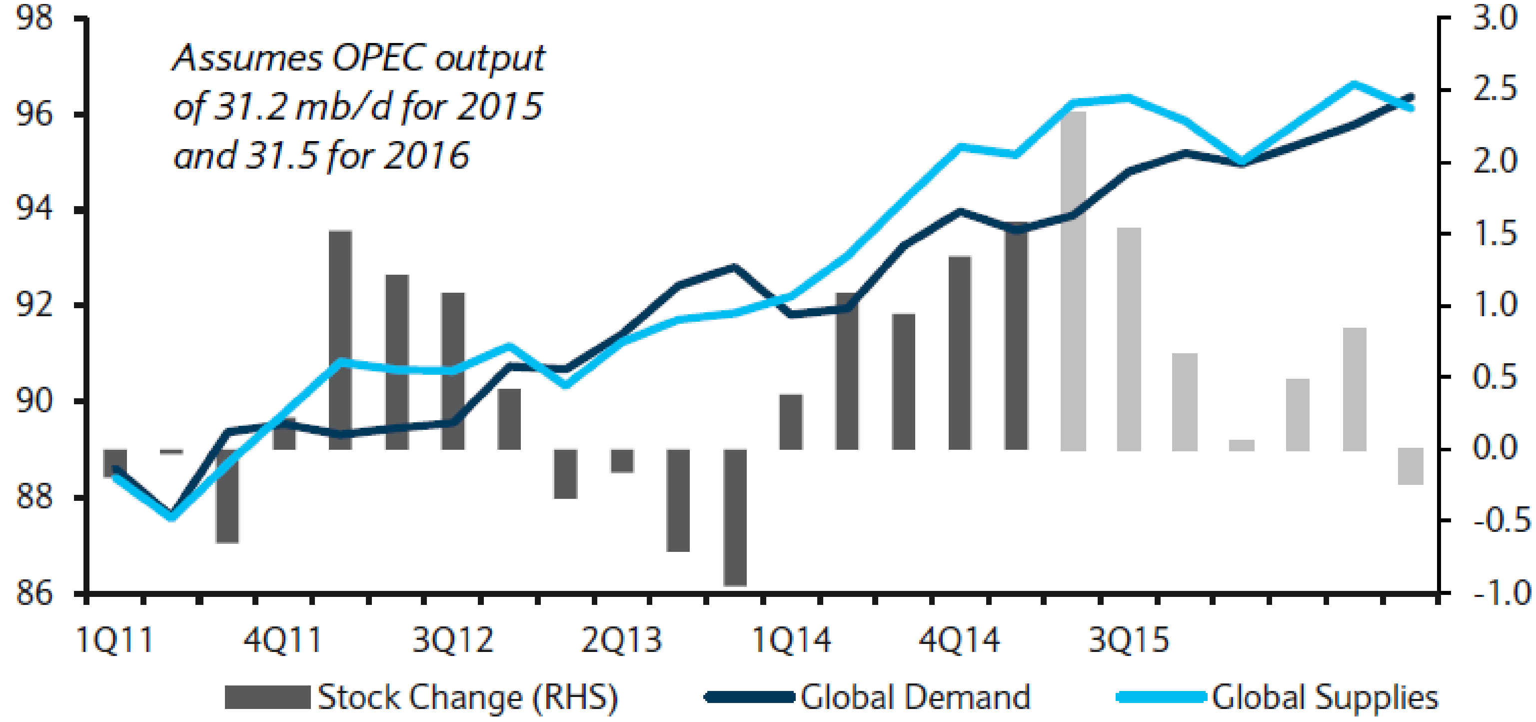
WoodMackenzie macro oil supply/demand outlook (Oct 2015) (2)

For 2016, total world supply is projected to fall 0.1 million b/d versus growth of 2.4 million b/d in 2015. For 2017, we see a slower rate of increase for global supply than record pace seen in 2015



Barclays global oil supply/demand outlook (Oct 2015) (3)

The balances for 2016 are substantially tighter than 2014 and 2015, with stock draws forecast in Q4 2016

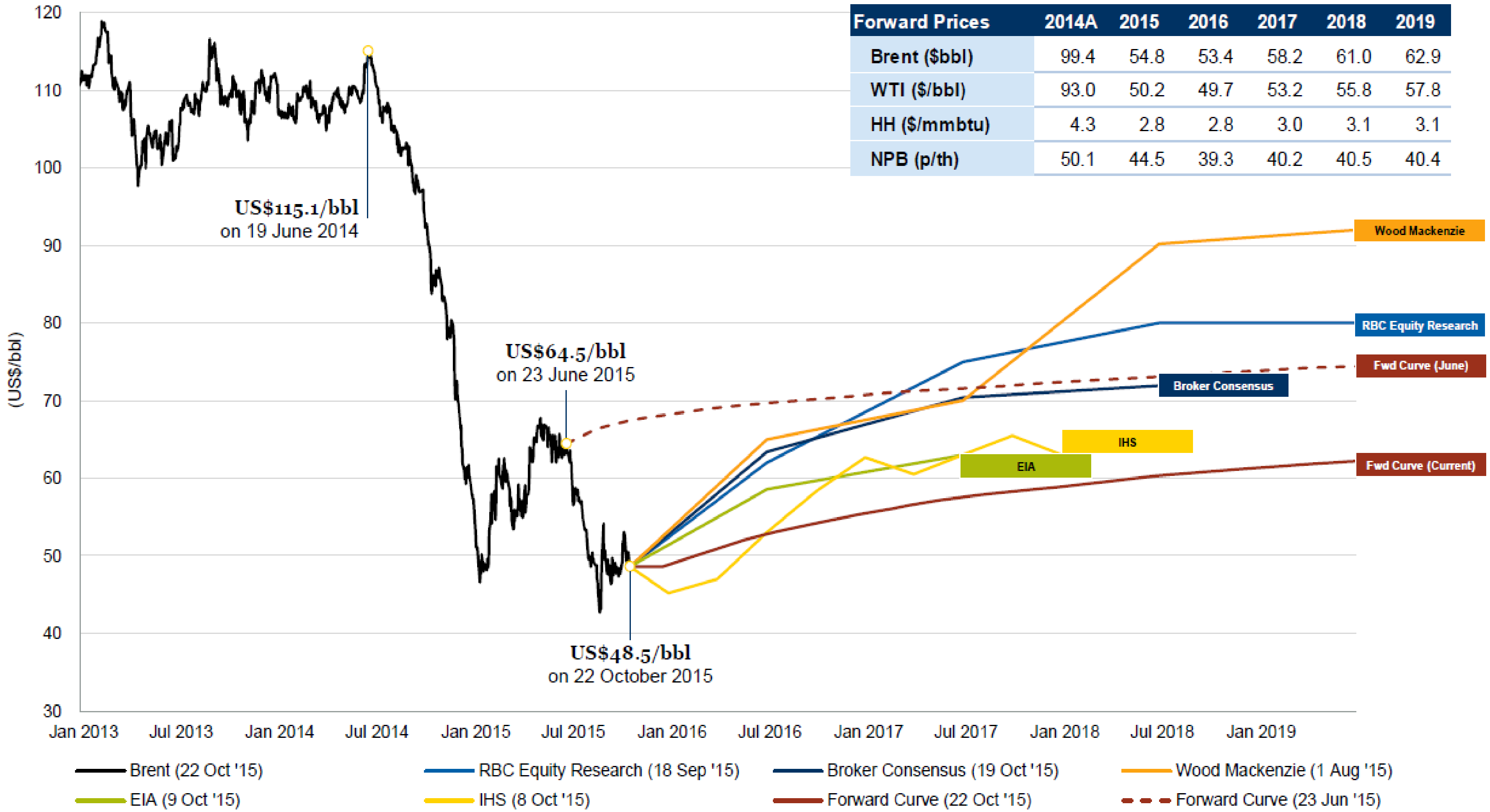


Source: IEA, EIA, Barclays Research

RBC oil price forecast Nov 2015 (4)

Brent Price

Forward Prices	2014A	2015	2016	2017	2018	2019
Brent ($bbl)	99.4	54.8	53.4	58.2	61.0	62.9
WTI ($/bbl)	93.0	50.2	49.7	53.2	55.8	57.8
HH ($/mmbtu)	4.3	2.8	2.8	3.0	3.1	3.1
NPB (p/th)	50.1	44.5	39.3	40.2	40.5	40.4

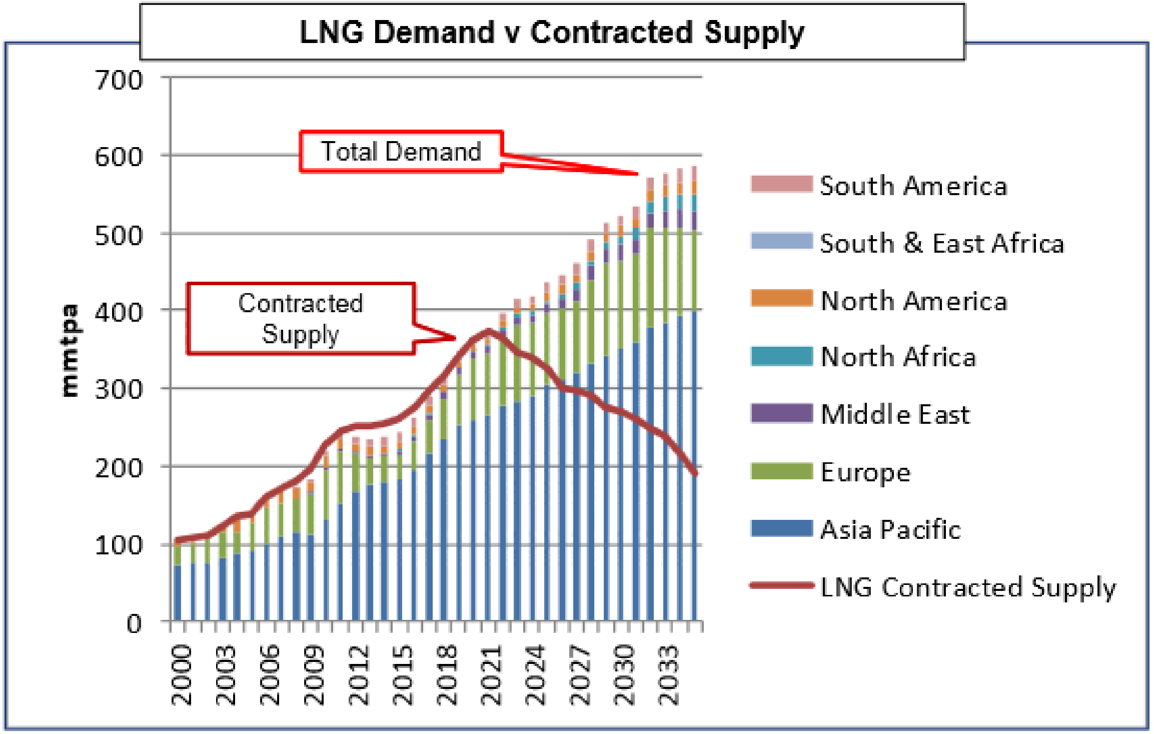


Source: Capital IQ, Bloomberg, others as stated

LNG demand vs contracted supply

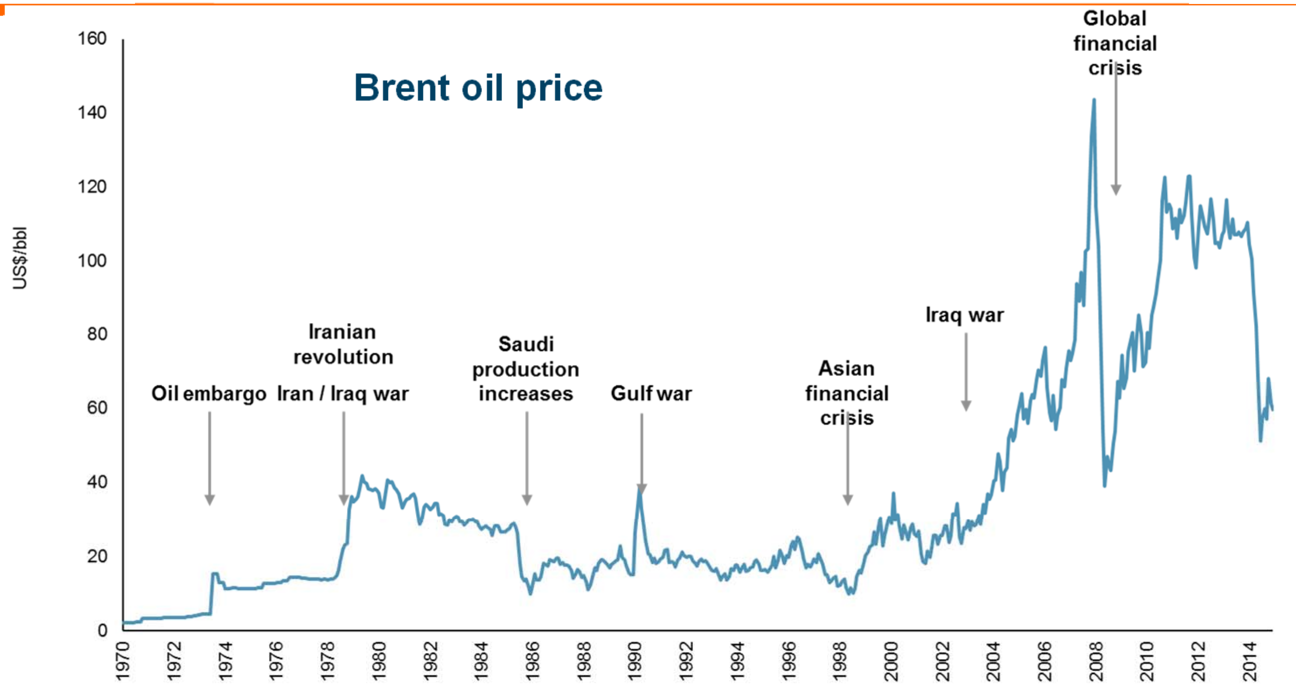
Medium to long-term LNG demand forecasts still robust

- Global contractual supply expected to be >30 MTPA short of demand in 2022, >120 MTPA short by 2025, as demand increases, old contracts roll off:
  - Few LT contracts have been signed in past 2-3 years
- >25 MTPA of net existing contracts expire in Japan, Korea and Taiwan between 2020 and 2025, leaving region >40 MTPA short
- Window opening aligns with timeframes for potential PNG LNG T3 and Papua LNG developments
- Both projects aimed at high quality Asian customers



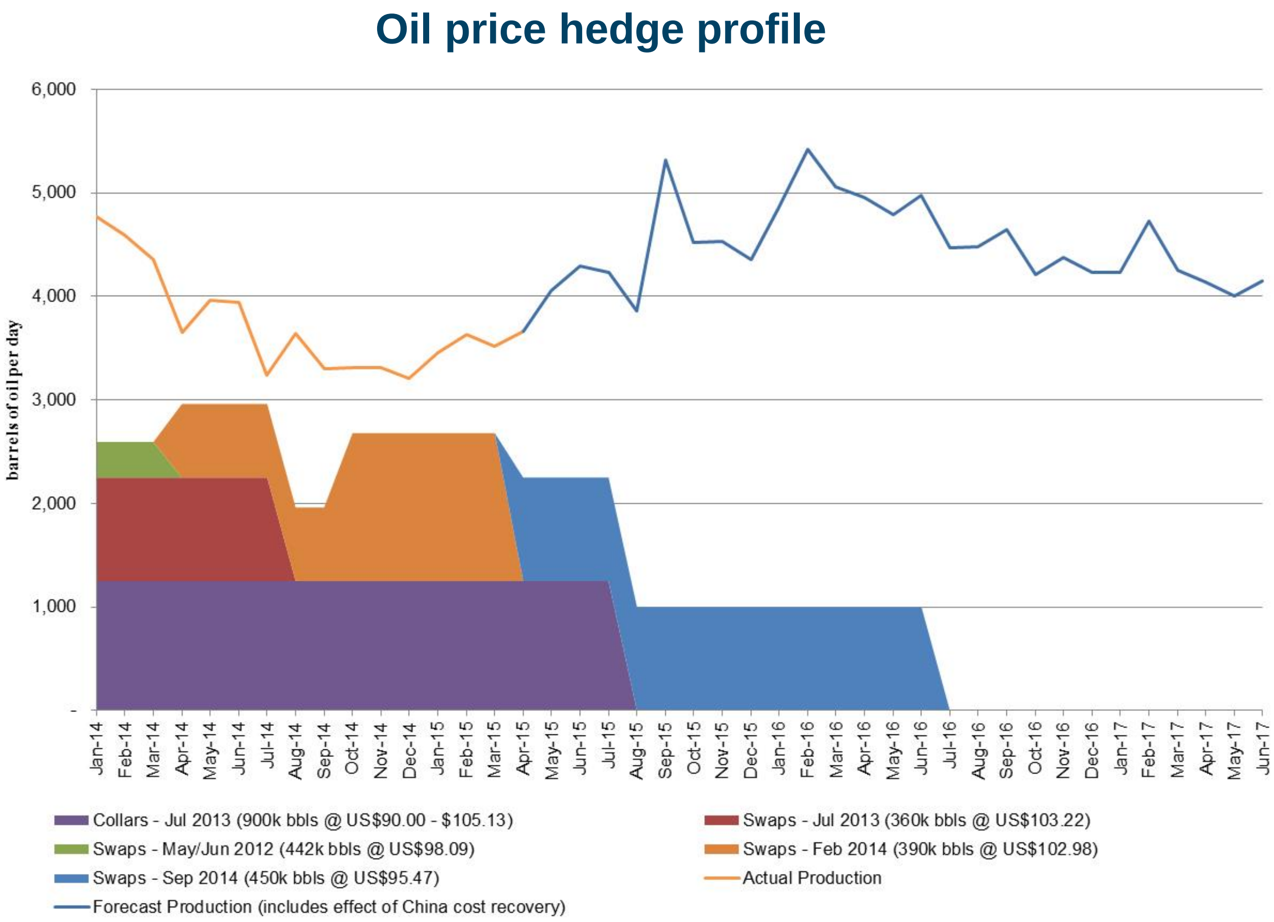
Source: Oil Search Limited

Response to current low oil price environment



- Operating income substantively maintained by oil price hedging 2014 – mid 2016
- Opex reduced (down ~20% YTD in Block 22/12)
- Capex for 2015-2016 materially reduced and discretionary expenditure minimised
  Estimated capex + net G&A for FY2016 < US$50m
- Spend on new field development planning maintained to take advantage of cost deflation
  - PDL 10 (Stanley) and PRL 21 (Elevala/Ketu), PNG
  - WZ 12-8E and WZ 12-10 Beibu Gulf, China
- Administrative spend controlled – currently net G&A US$7m pa
- Focus on managing business risk

Strong risk management with a well established hedging policy



- 842,500 mmboe hedged from 1 Jan 2015 through mid 2016 at average of US$95/bbl
- Oil price hedging program means cash flows in 2015 and 2016 not as critically impacted by low oil prices
- Production costs significantly reduced in 2015
- 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

Company overview – asset portfolio

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

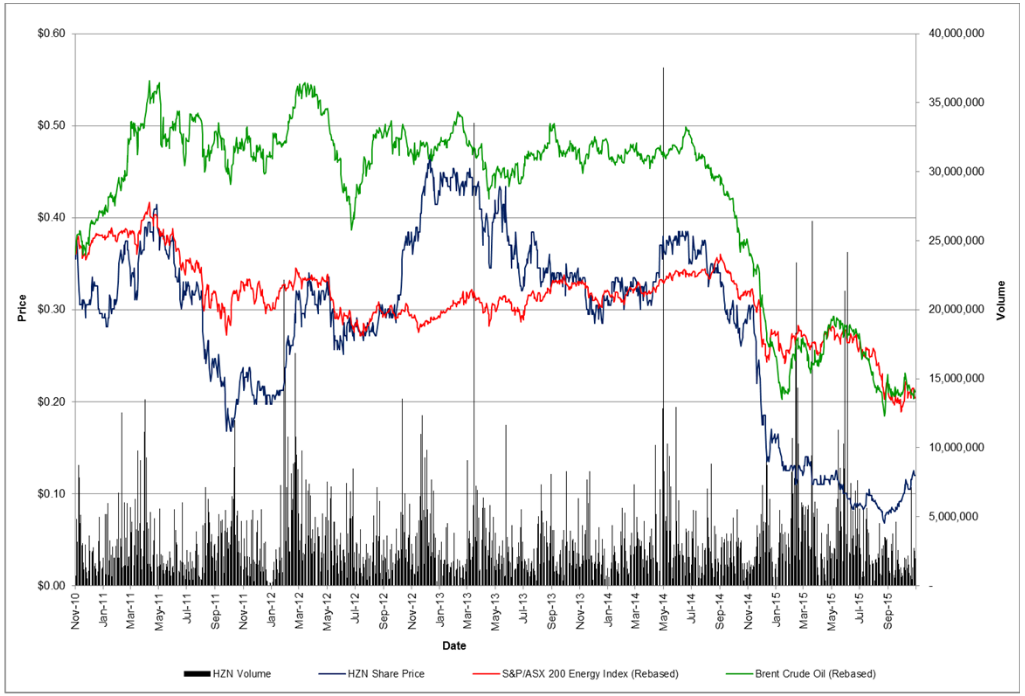
- Clear geographic focus on Asia-Pacific region
- Technical focus on proven, conventional plays with scale, upside and manageable risk
- Working with experienced partners such as CNOOC, OMV, Mitsubishi and Osaka Gas
- Currently producing oil but will have a diversified oil and gas production base in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

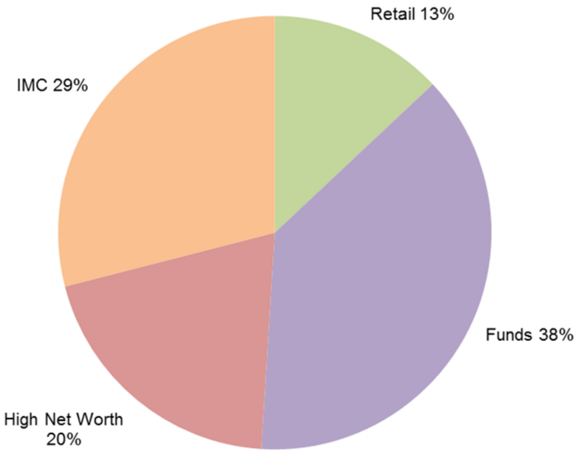
Horizon Oil (HZN:AU) at a glance

- Sydney-based public company listed on Australian Securities Exchange and in ASX 300 Index
- Portfolio of exploration, development and producing assets in Asia-Pacific region
- Shareholding: IMC (Singapore) - 29%, institutions - 38%, high net worth - 20%, retail investors - 13%
- Current net production approximately 4,000 bopd, cash operating cost of US$14.10/bbl (volume-weighted average for FY2015)
- Operating income after opex: FY 2014 actual - US$93.6m
FY 2015 actual - US$81.1m
- Audited 2P reserves and contingent resources of 101.5 million barrels of oil equivalent (mmboe)
- Prospective resources of 78 mmboe best estimate
- Block 22/12 - cost recovery oil entitlement US$98m
- Receivable of US$130m from Osaka Gas, payable on FID of LNG project in PNG
- At 30 September 2015:-
  - Cash on hand — US$44.0m
  - Drawdown on US$120m debt facility — US$120.0m
  - Convertible bond (listed on SGX)* — US$58.8m (matures June 2016, unless converted prior)
  - Net debt — US$134.8m — 1.7 x 2014A EBITDA; 1.5 x 2015A EBITDA

* As at 28 October 2015

Shareholder distribution and trading statistics





1,302m shares

Nov 2015 (to date)	
Last	$0.105
High	$0.125
Low	$0.105
Volume	12,639,990

12 Months	
Last	$0.105
High	$0.280
Low	$0.065
Volume	780.44m
Fully paid shares	1,302m
Partly paid shares	1.50m[1]
Employee options	4.37m[2]
General options	1.0m
Share appreciation rights	63.77m[3]
Convertible bonds	294[4]
No. of shareholders	5,800
Market capitalisation	$137m
Top 20 / Issued Capital	74.1%

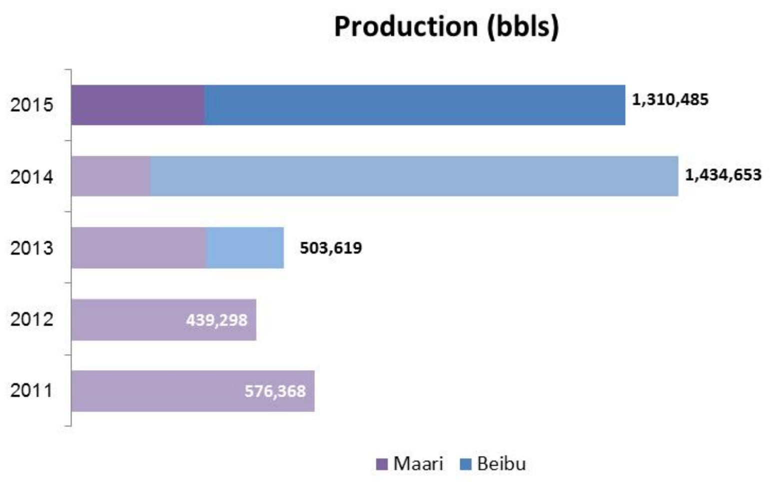
[1]Issued in accordance w ith employee incentive schemes

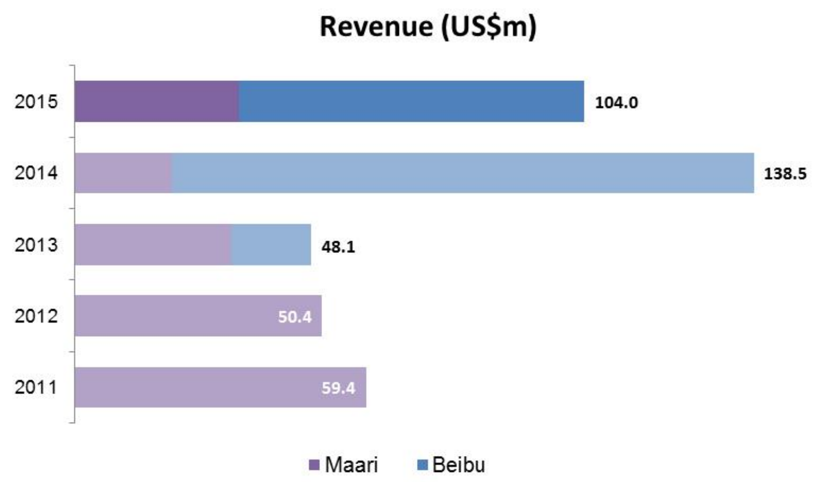
[2]Options - issue price ranging from $0.27 - $0.44

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

[4]Convertible to 488.998 ordinary shares per bond at the adjusted conversion price of $0.409

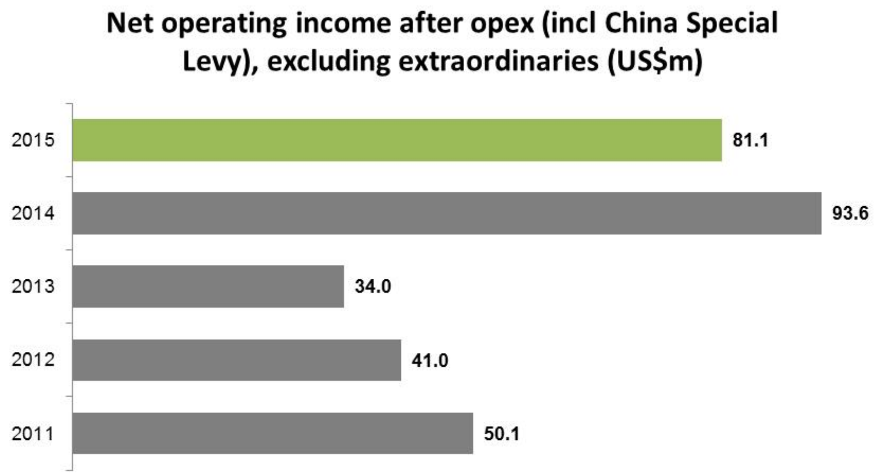
Key performance measures – last five financial years

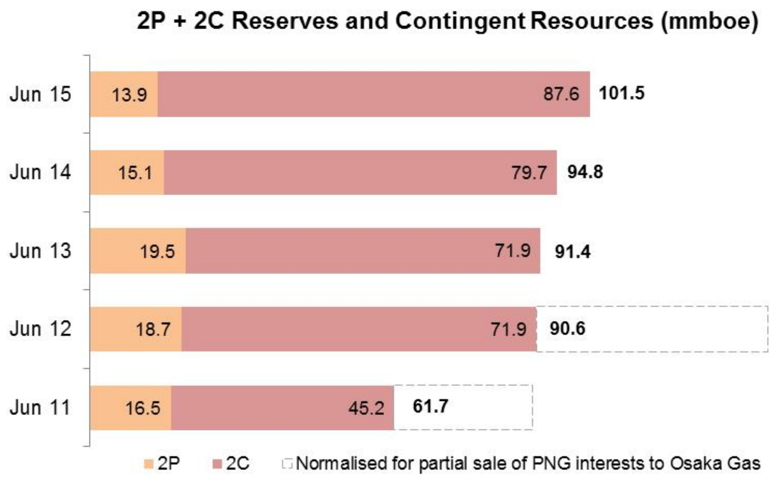




Completion of Maari Growth Project in July 2015 expected to increase production in 2016

The outlook for 2016 in the current oil price environment remains positive due to the benefit of oil price hedging



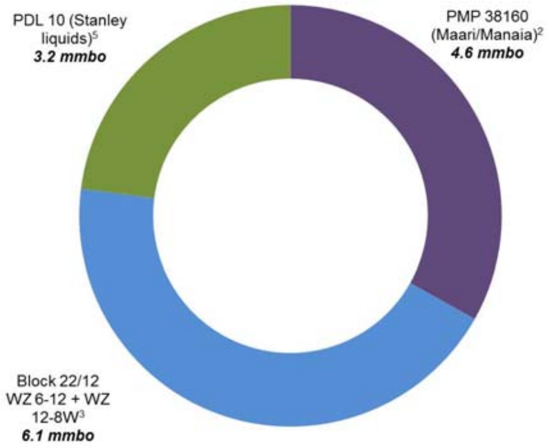


Average cash cost of US$14.10/barrel for the year expected to be maintained during the low oil price environment

Reserves for each year end are adjusted to account for the prior year's production

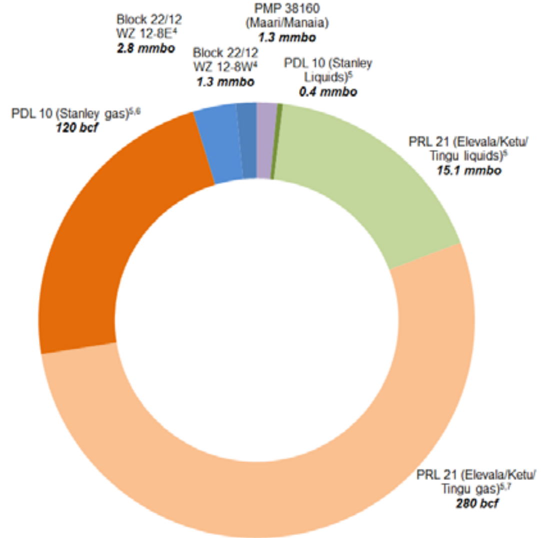
Net Reserves[1], Contingent Resources[1] and Prospective Resources[1] as at 30 June 2015

RESERVES
Proven + Probable



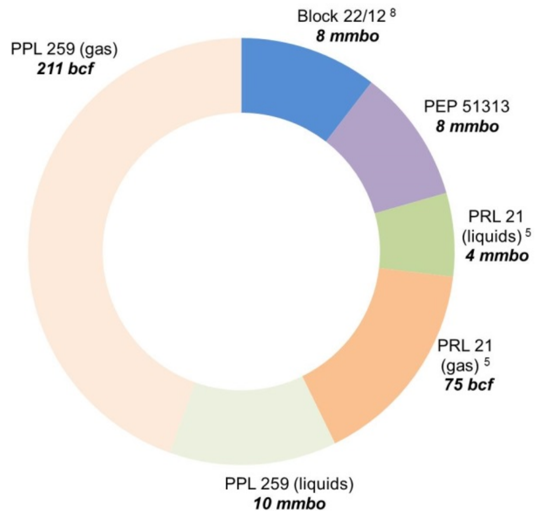
Total: 13.9 mmboe

CONTINGENT RESOURCES
Proven + Probable



Total: 87.6 mmboe
including 400 bcf gas

PROSPECTIVE RESOURCES
Best Estimate

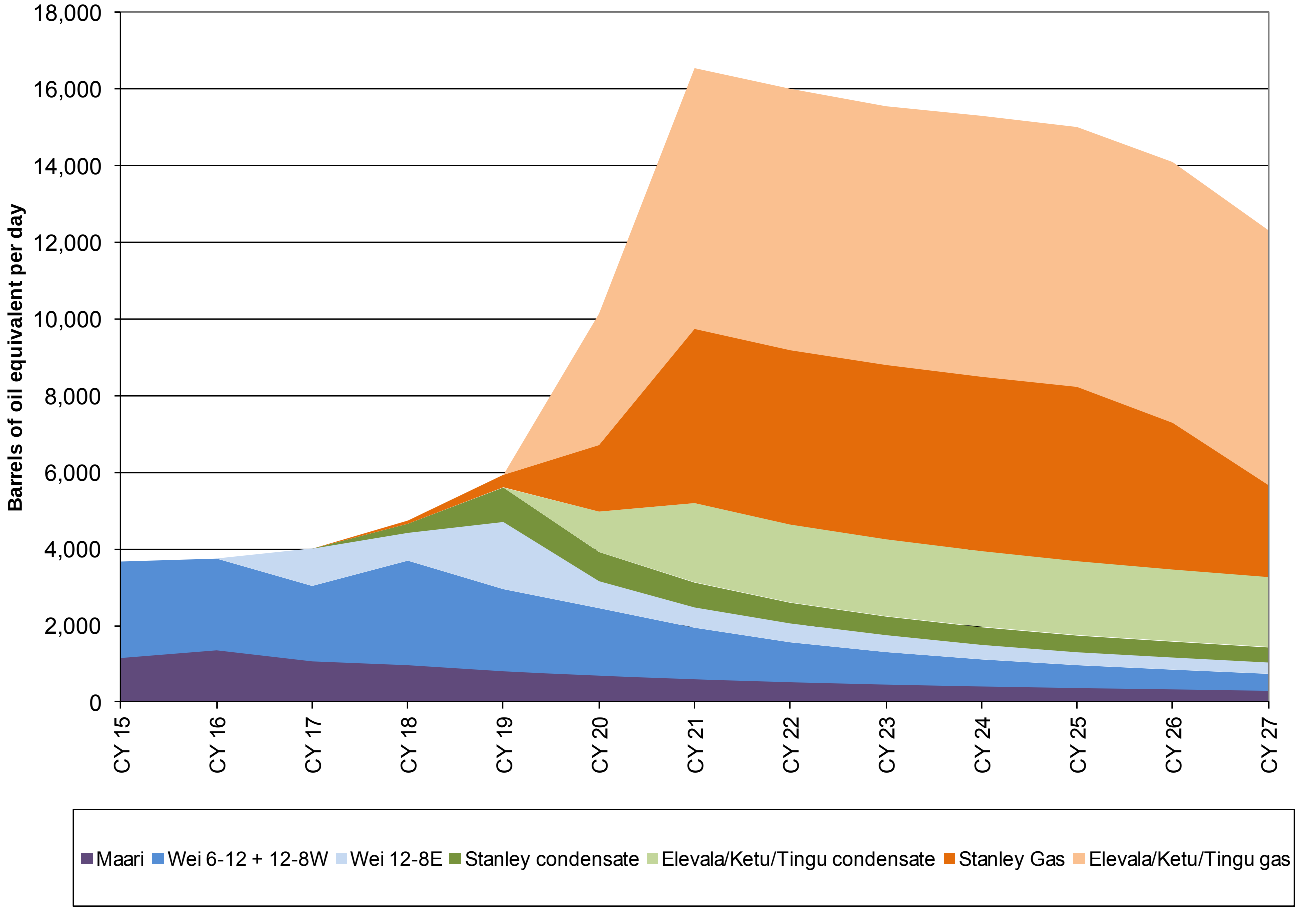


Total: 78 mmboe
Including 286 bcf gas

- Long life of reserves and contingent resources – 101.5 mmboe (liquids 34% / gas 66%), estimated production for 30 years
- Reserves and Contingent Resources position 6.7 mmboe higher than comparable period last year, inclusive of production during the year, due to reserves addition in China and resource addition in PNG and China
- Prospective Resources – 78 mmboe

[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 27 mmbo gross through 30 June 2015
[3] Net of production of 9 mmbo gross through 30 June 2015
[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 9.0 mmbbl LPG
[8] Subject to confirmation of acreage extension

Forecast net production from Reserves + Contingent Resources as at 1 July 2015

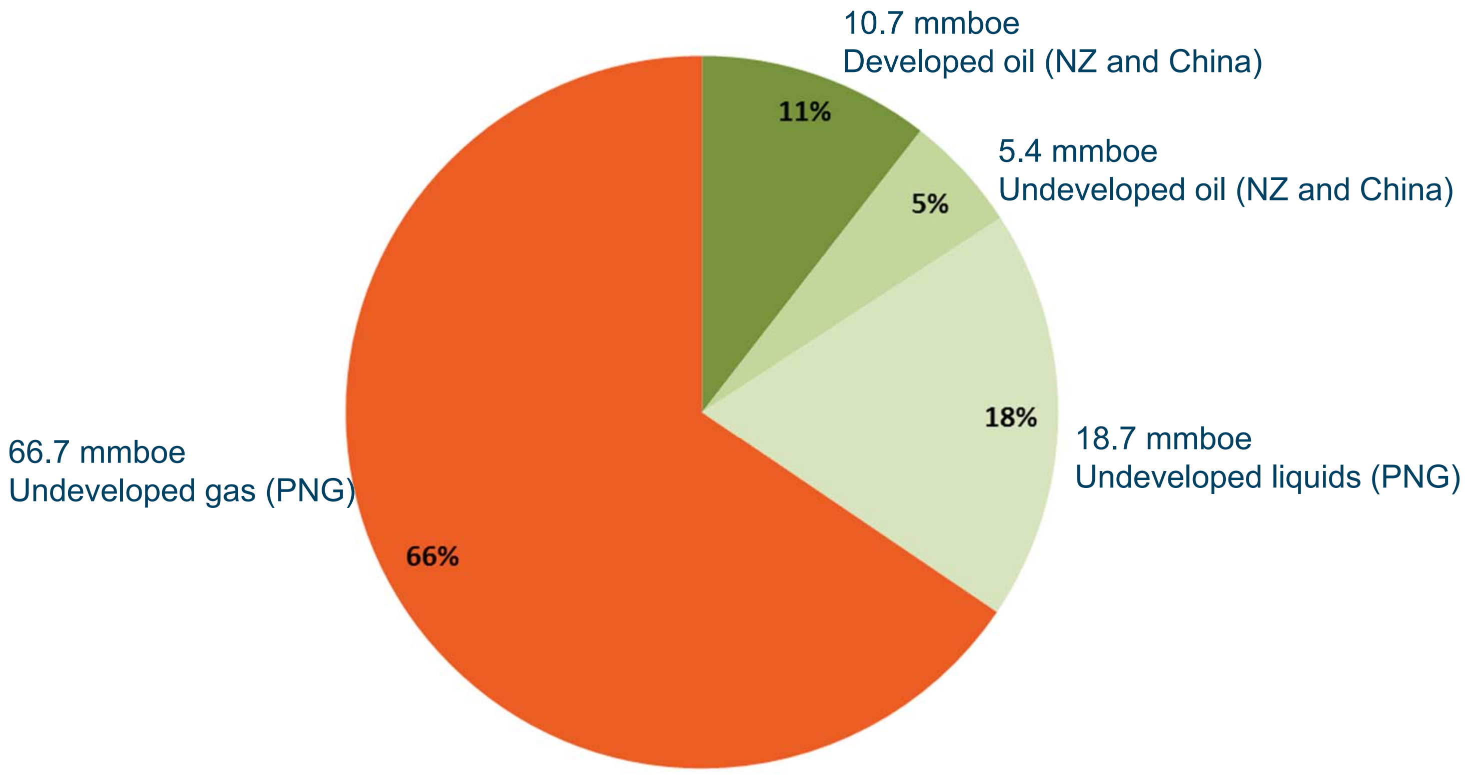


Assumptions

- Development of WZ 12-8E, 12-10 and 12-3 fields in Beibu Gulf, with production commencing in 2017
- Stanley condensate start-up with gas sales to OTML commencing 2018, with further large scale gas sales beginning in 2020
- Condensate monetisation in conjunction with gas sales in PRL 21 commencing in 2020

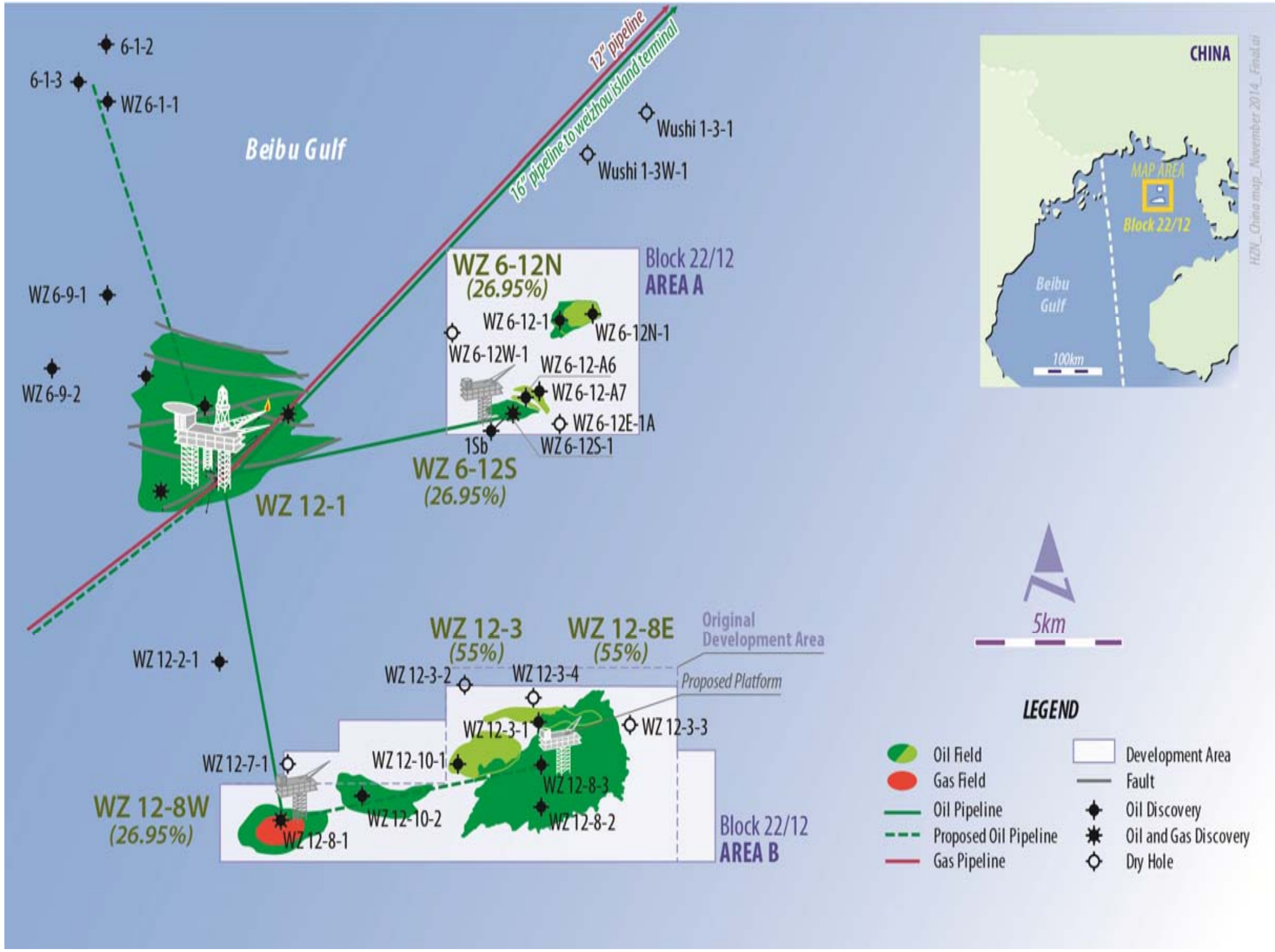
Strategic imperative – focus on resource development

Total audited reserves and contingent resources of 101.5 million barrels of equivalent
11% developed / 89% undeveloped – 34% oil / 66% gas



Portfolio composition

Beibu Gulf field production and future development areas – China

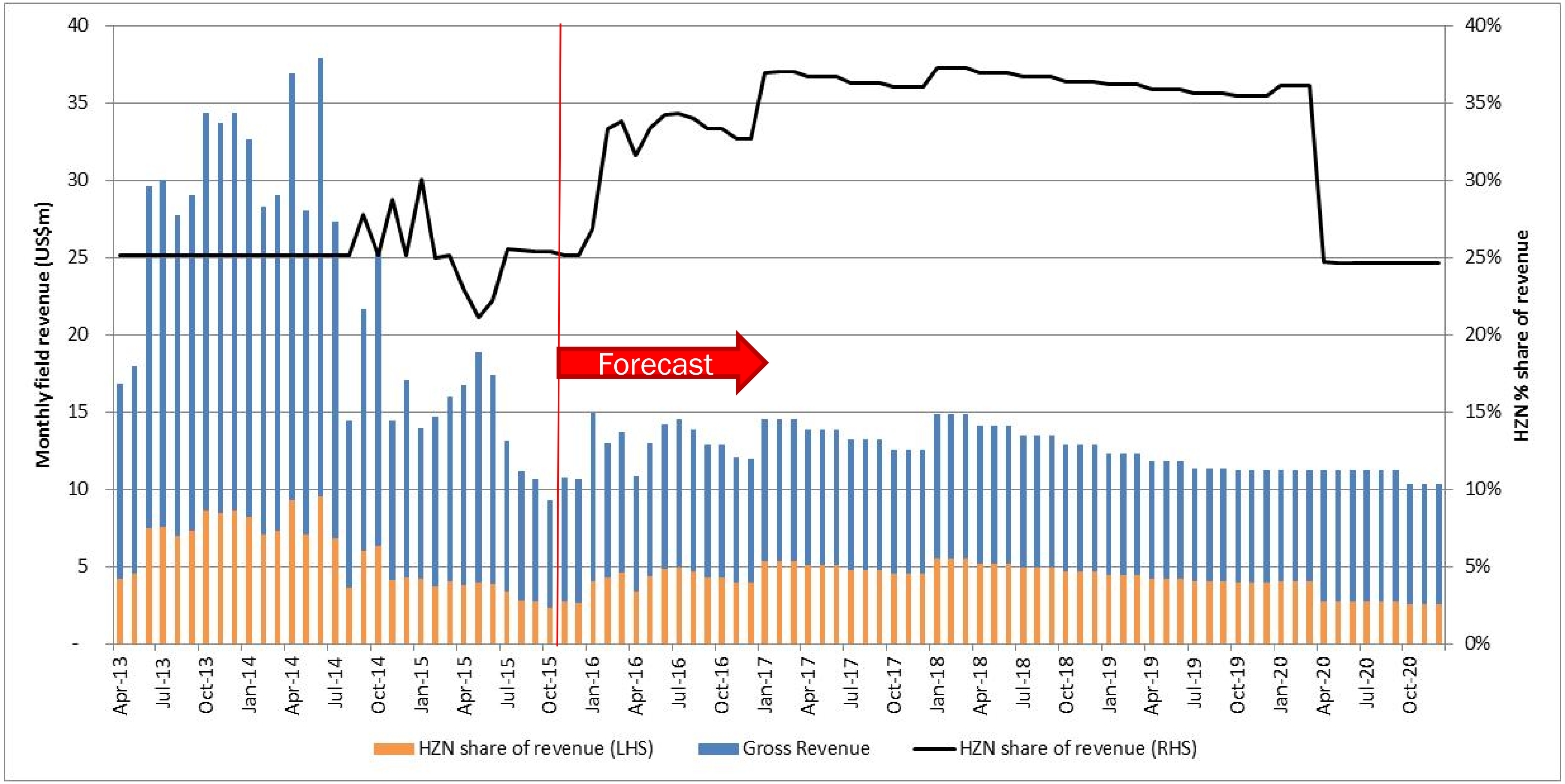


- WZ 6-12N and WZ 12-8W fields producing above forecast
- Potential for higher oil recovery from WZ 12-8W
- Excellent HSE record since production start-up in 2013
- Cost recovery oil entitlement of US$98m over 2016-2020
- Further development potential of 17.6 mmbo gross in WZ 12-8E, 12-10 and 12-3 oil accumulations

Block 22/12 Post-CNOOC Back-in:	
HZN	26.95%
CNOOC	51.00% (Op)
ROC	19.60%
Majuko Corp	2.45%

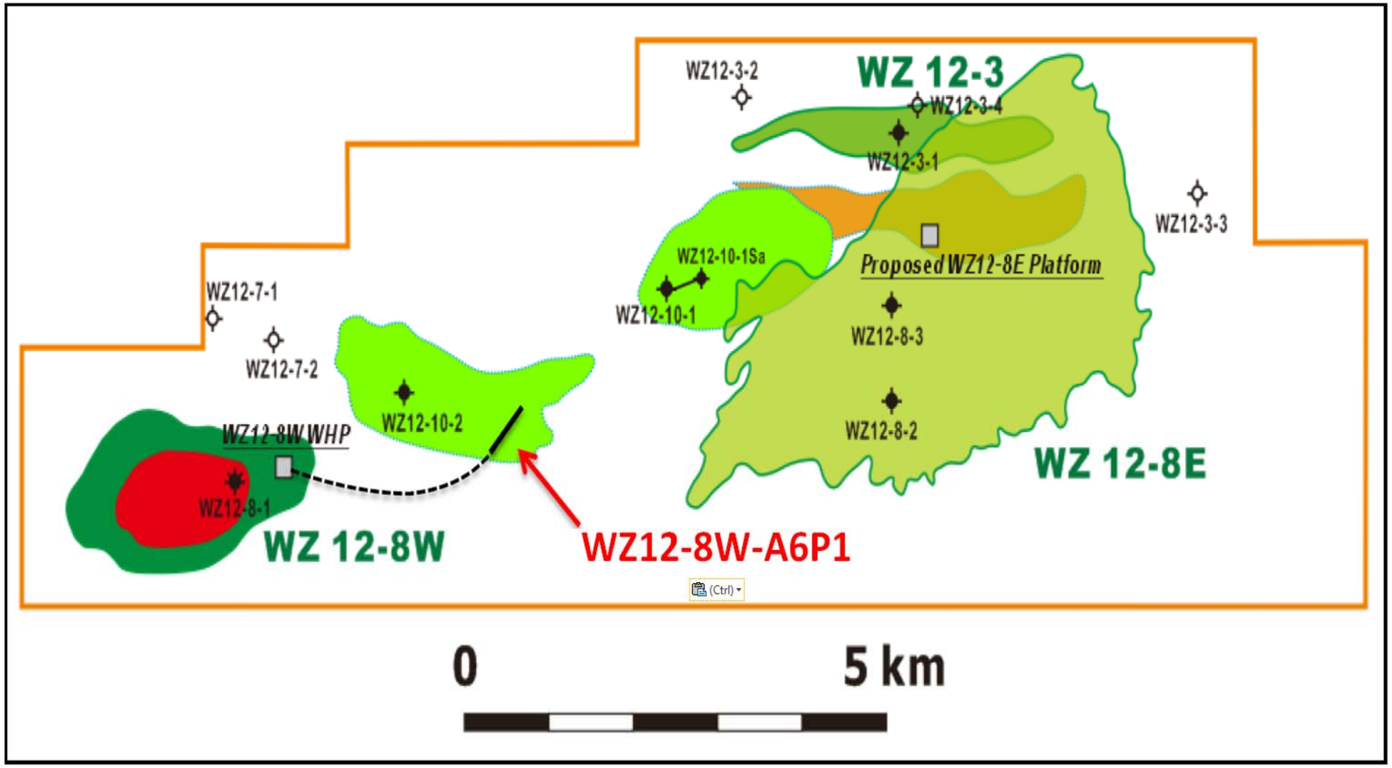
Gross reserves (mmbo) at 30/06/15	2P
Produced	9.0
Remaining	19.6

Horizon Oil's share of Block 22/12 gross revenue – calculated on 2P Reserves



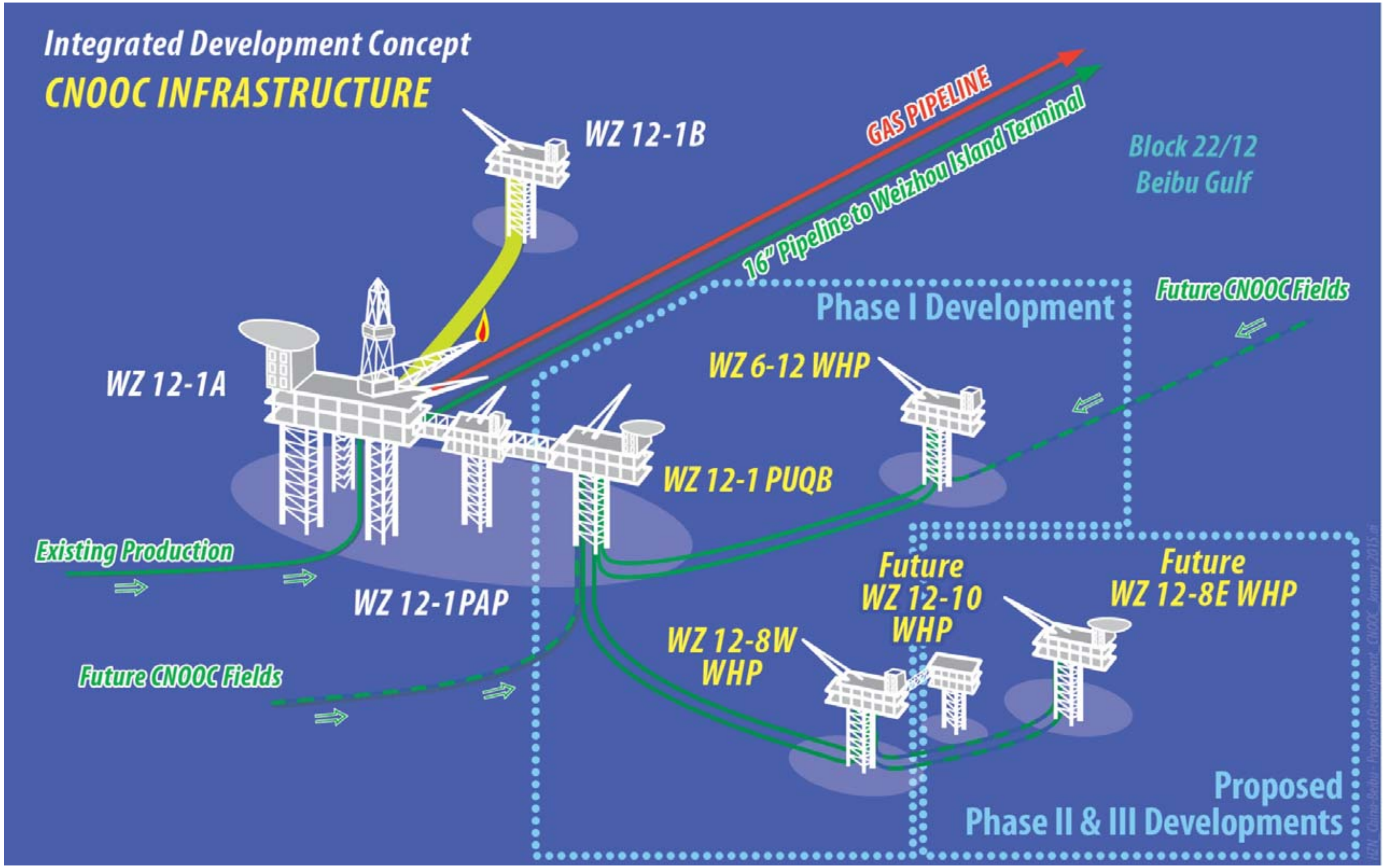
- The above graph demonstrates Horizon Oil's increased share of cost recovery in the period Jan 2016 to Mar 2020, once CNOOC has recovered its share of development costs
- Horizon Oil's portion of investment recovery oil and remainder oil increases to 31-37%, until all development costs and attributable interest have been recovered - cost recovery oil entitlement US$98m

Beibu Gulf future development projects – WZ 12-8 Development Area



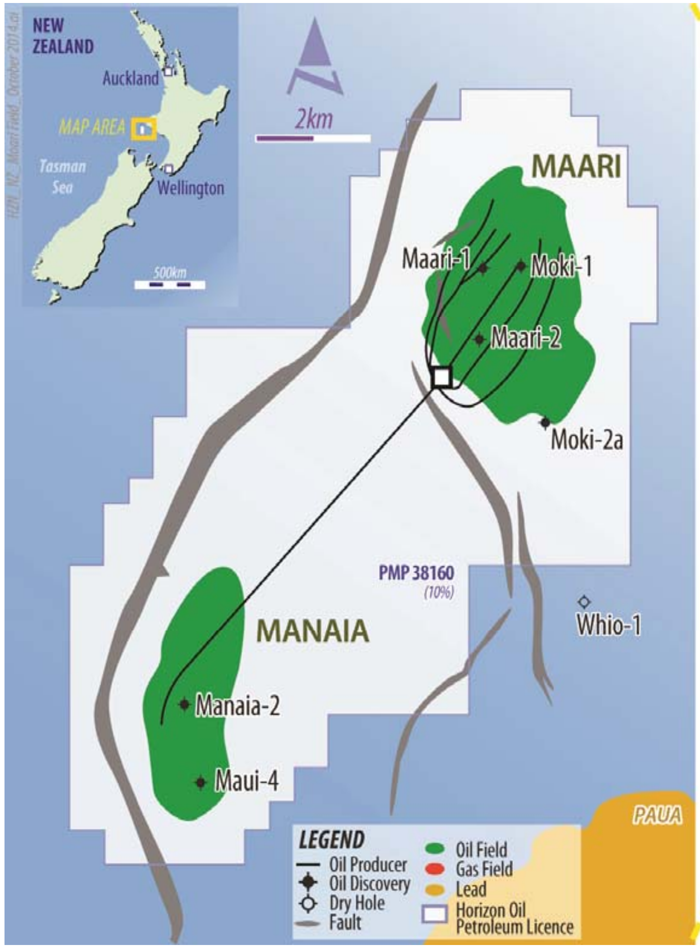
- Integrated development of WZ 12-8E and WZ 12-3 fields (audited gross 2C resources 10.5 mmbo) plus WZ 12-10-1 and WZ 12-10-2 accumulations (audited gross 2P+2C reserves and resources 7.1 mmbo) envisaged; development plan to be submitted for Government approval in 2016
- Appraisal/development well on WZ 12-10-2 accumulation, WZ 12-8W-A6P1 currently drilling

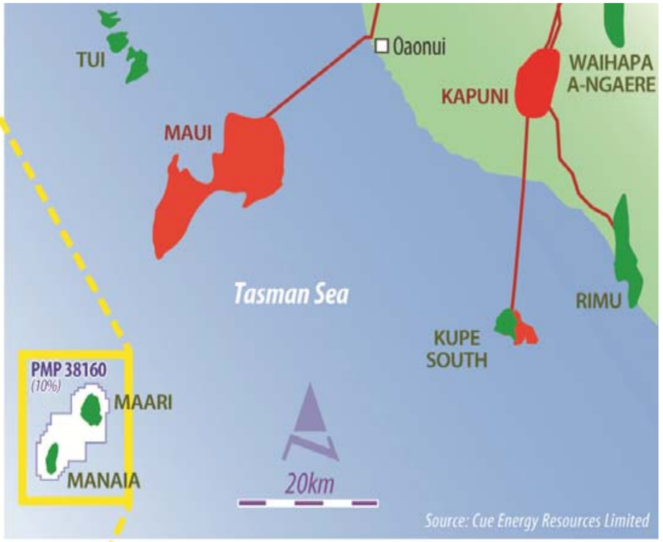
Beibu Gulf fields – phased development scheme



Phased approach to development of new reserves – utilising existing infrastructure

Maari /Manaia fields – New Zealand





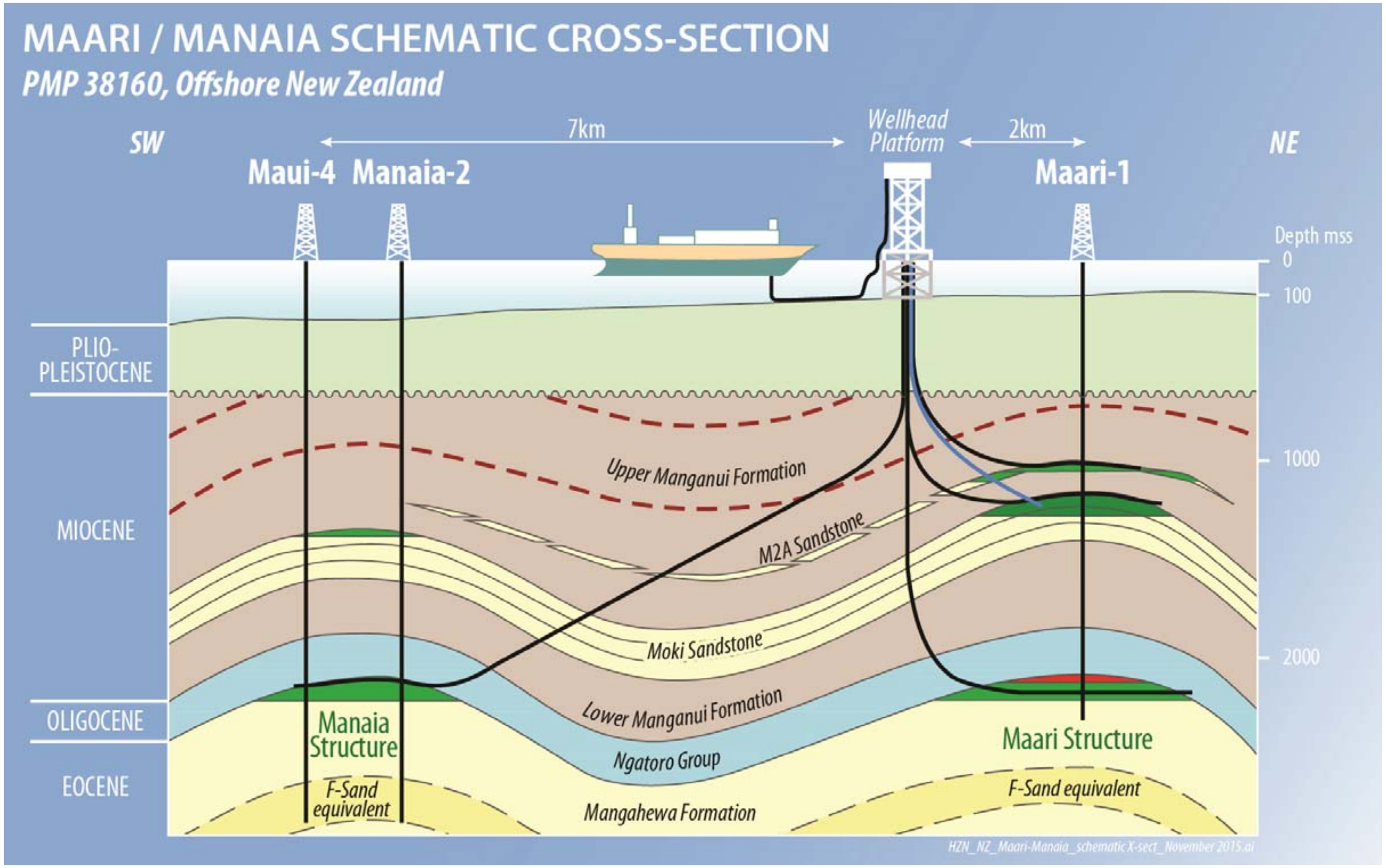
- FPSO *Raroa* purchased in April 2013
- Maari field facilities and FPSO *Raroa* repaired and upgraded in H2 2013
- Maari Growth Projects Program successfully completed and *Ensco 107* jack-up rig released in July 2015
- Field production currently ~15,000 bopd
- Workover program underway to further enhance production

Gross reserves (mmbo) at 30/6/15	2P
Produced	27.0
Remaining	45.5

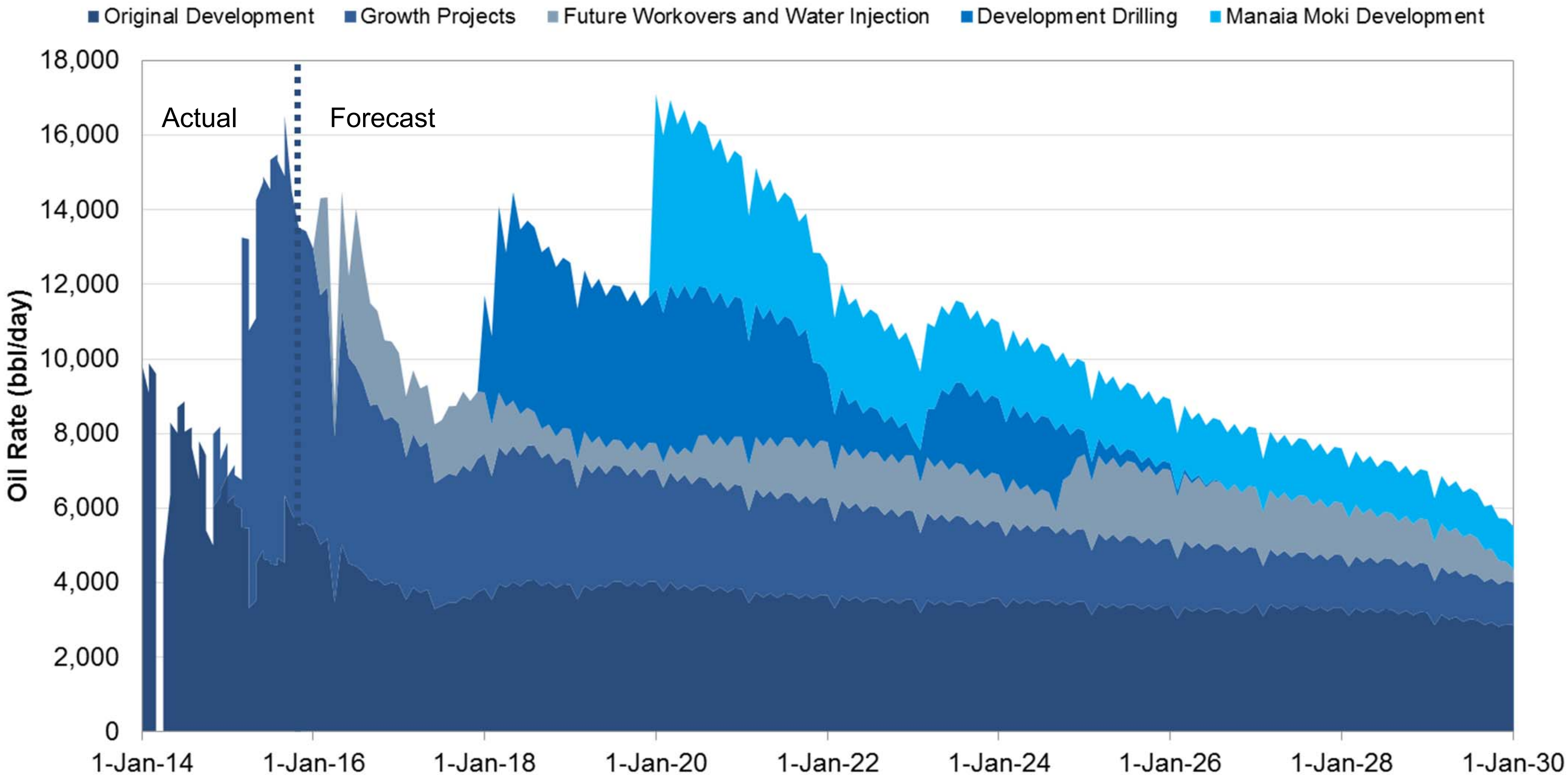
PMP 38160:

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

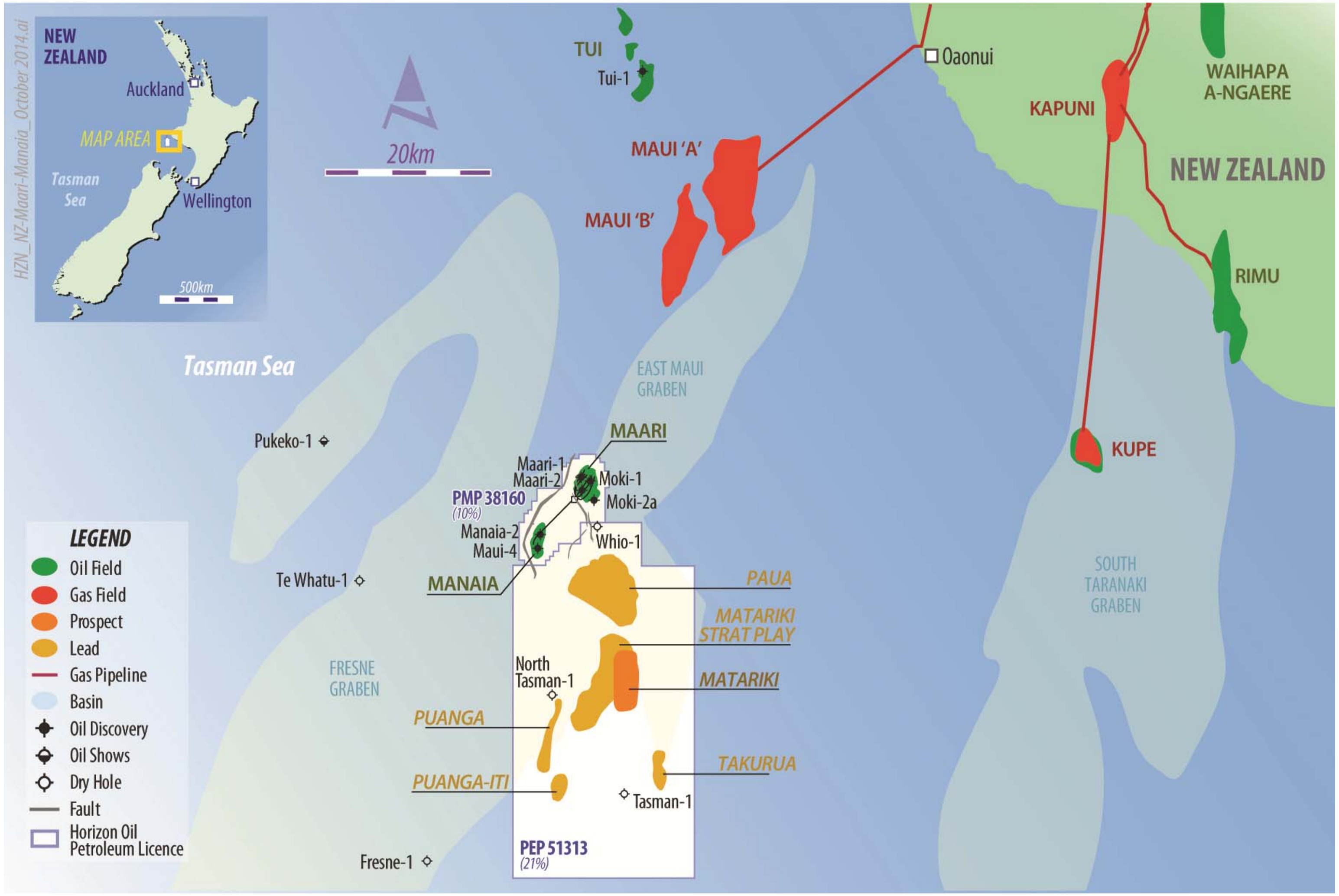
Manaia – Maari schematic cross-section



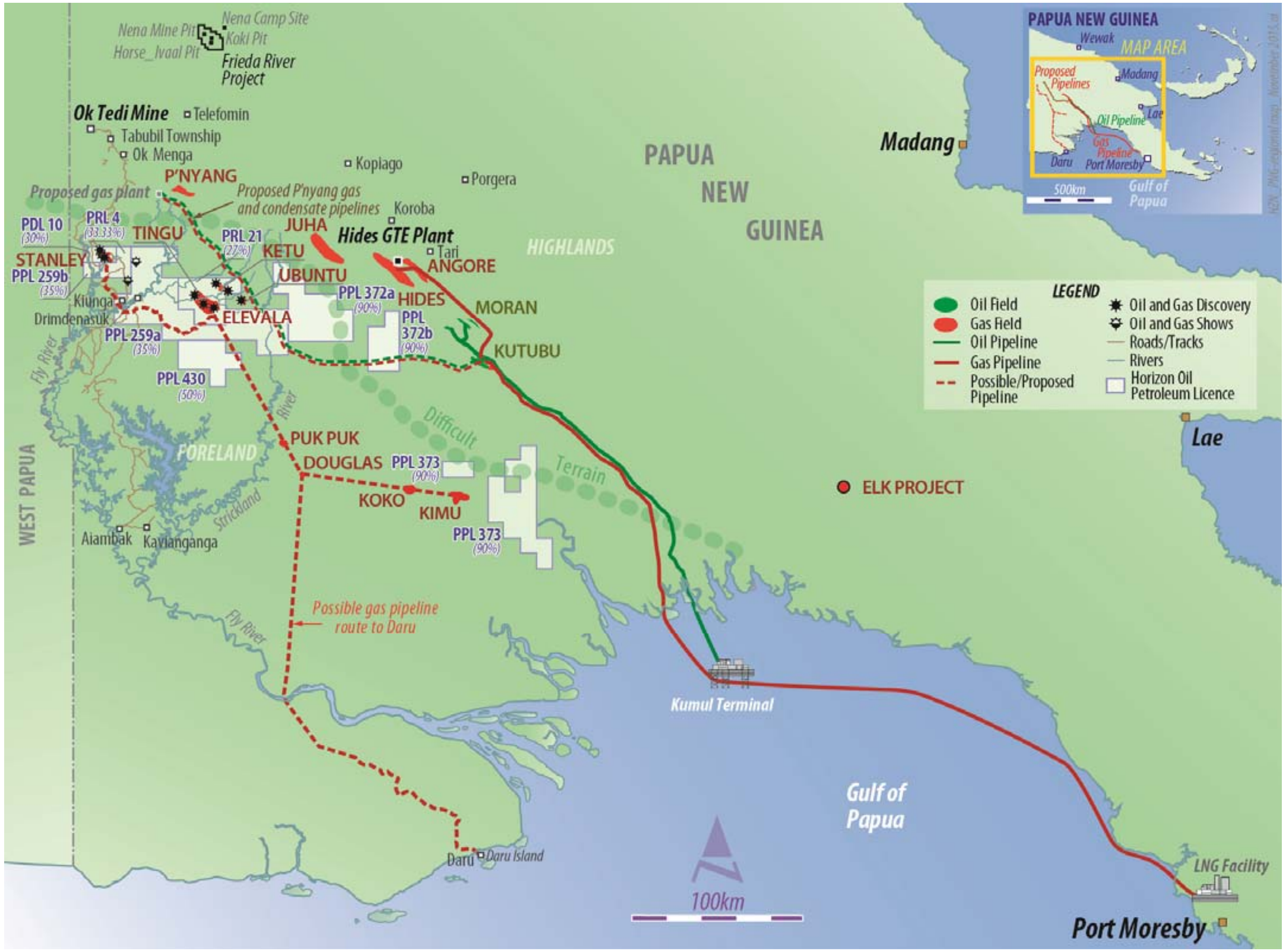
Maari production forecast to 2030 showing Growth Projects contribution and upside potential (HZN)



Exploration potential on Maari/Manaia oil migration path – PEP 51313

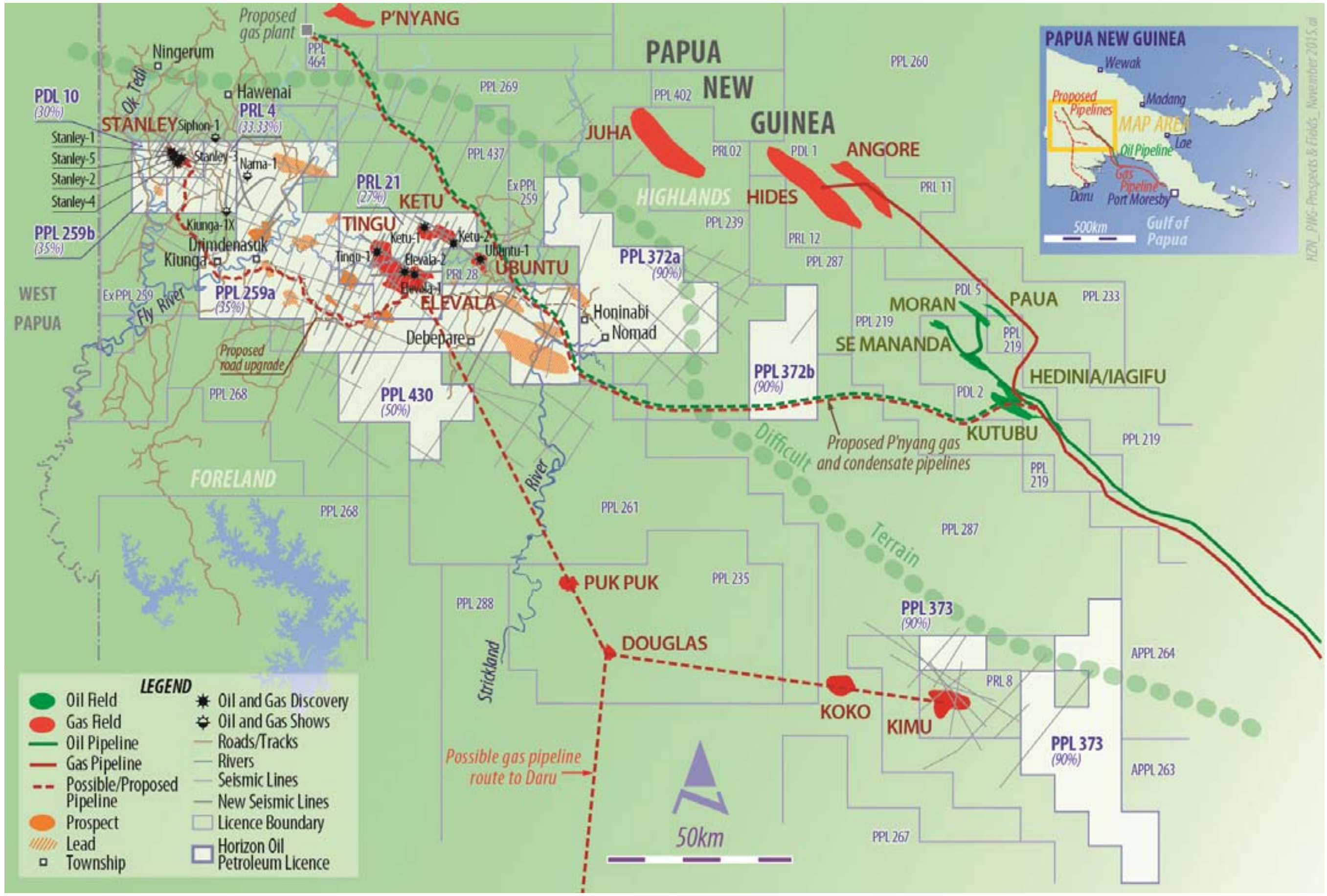


Papua New Guinea



- 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 lenders
- 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 options emerging for gas monetisation

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

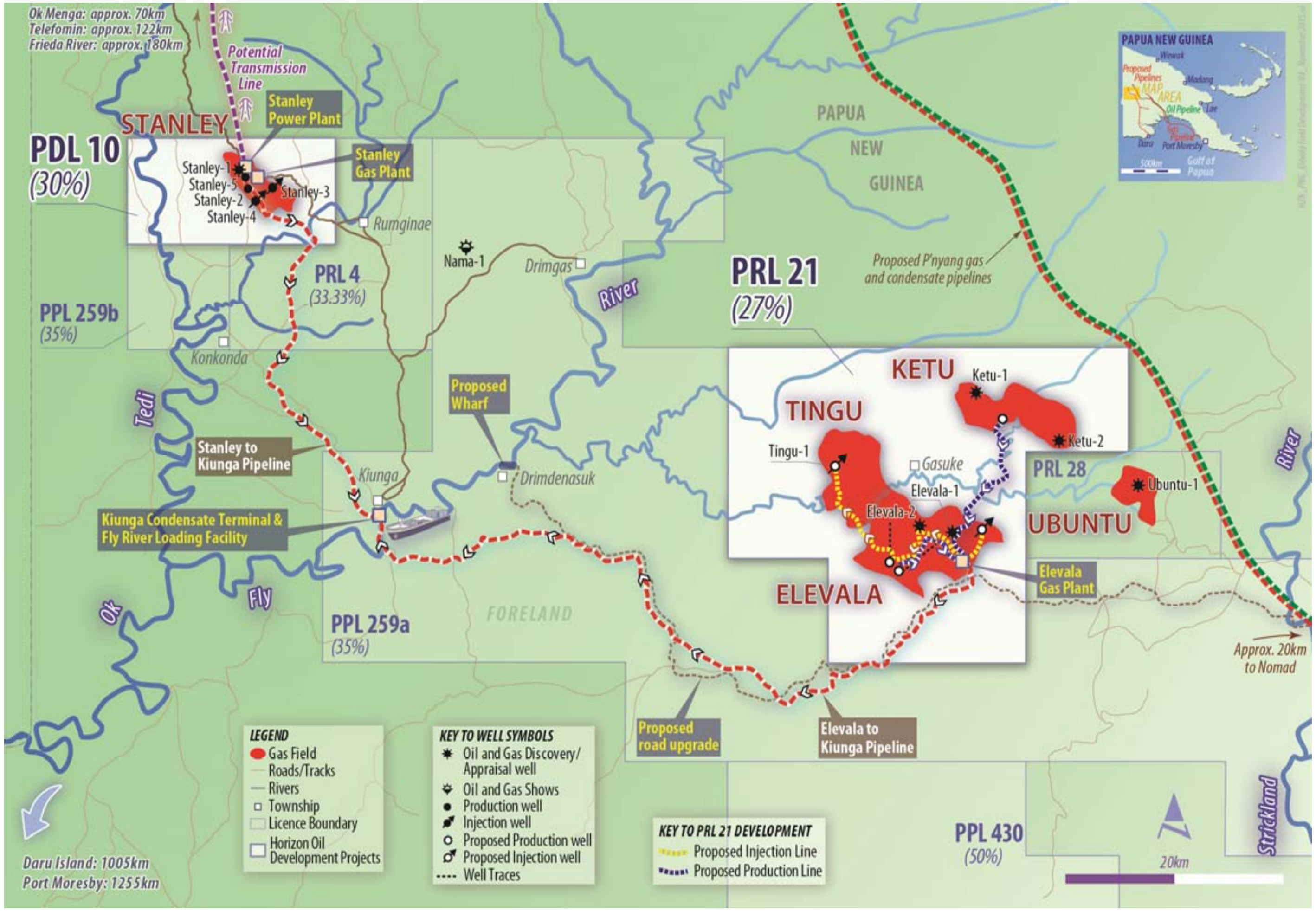
PRL 4 (subject to Govt approval):	
HZN	33.33%
Talisman	44.45%
Osaka Gas	22.22%

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%

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

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

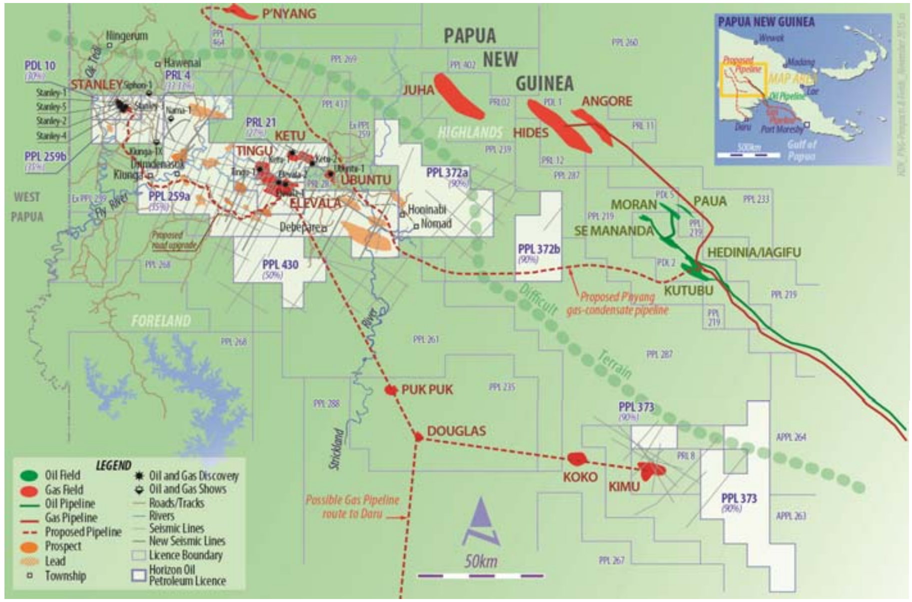
- **Sales to regional buyers for power generation and other industrial use**
  - Ok Tedi Mining Limited (OTML) and Frieda River project (when sanctioned)
  - Local towns and communities in Kiunga – Ok Menga – Frieda River corridor
  - Export to West Papua: Merauke, Jayapura

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

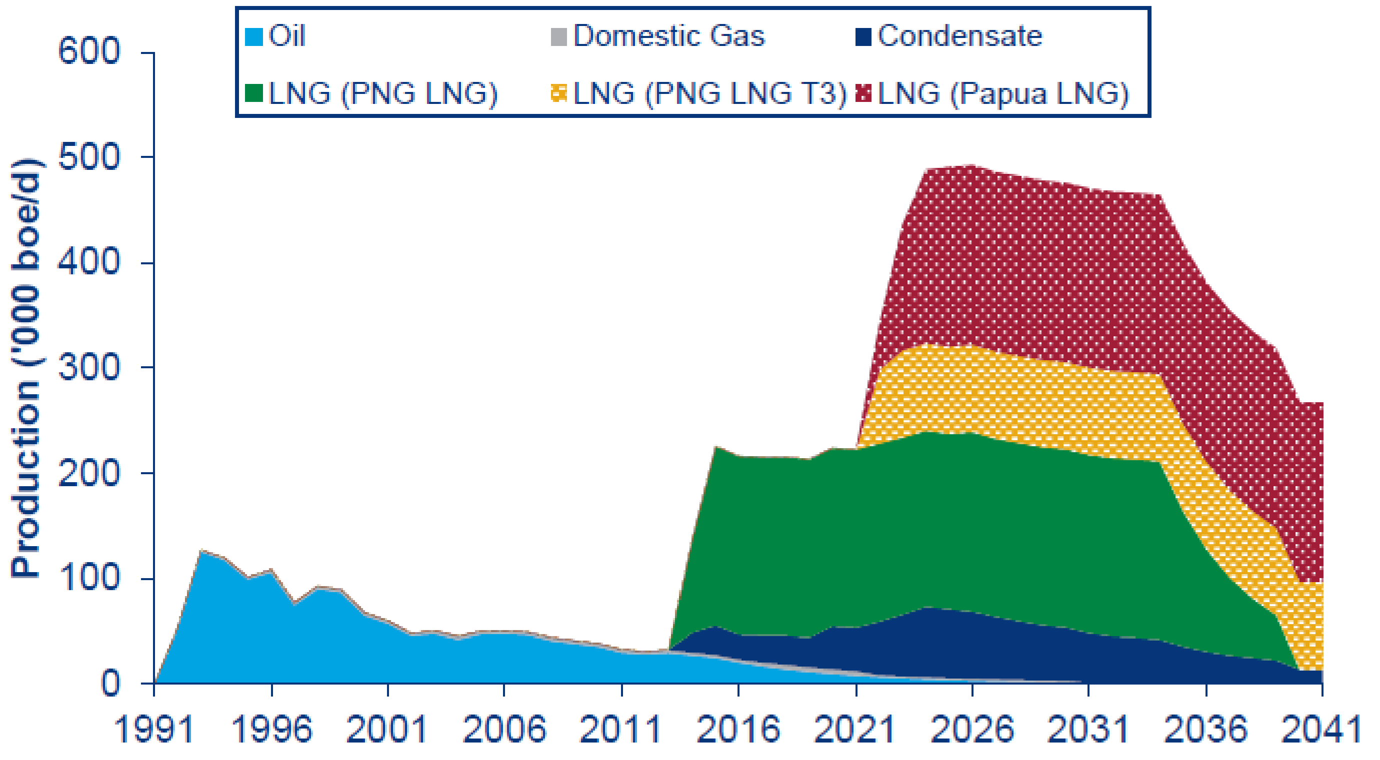
  Expandable mid scale LNG plant at coastal location, such as Daru, to supply:-
  - City and mining project power demand, as substitute for diesel or fuel oil
  - Singapore LNG and products hub
  - North Asian markets

- **Brownfield development**

  Aggregation of Western Province NW Hub gas to supply dedicated expansion train at PNG LNG site in Port Moresby – PNG LNG T3

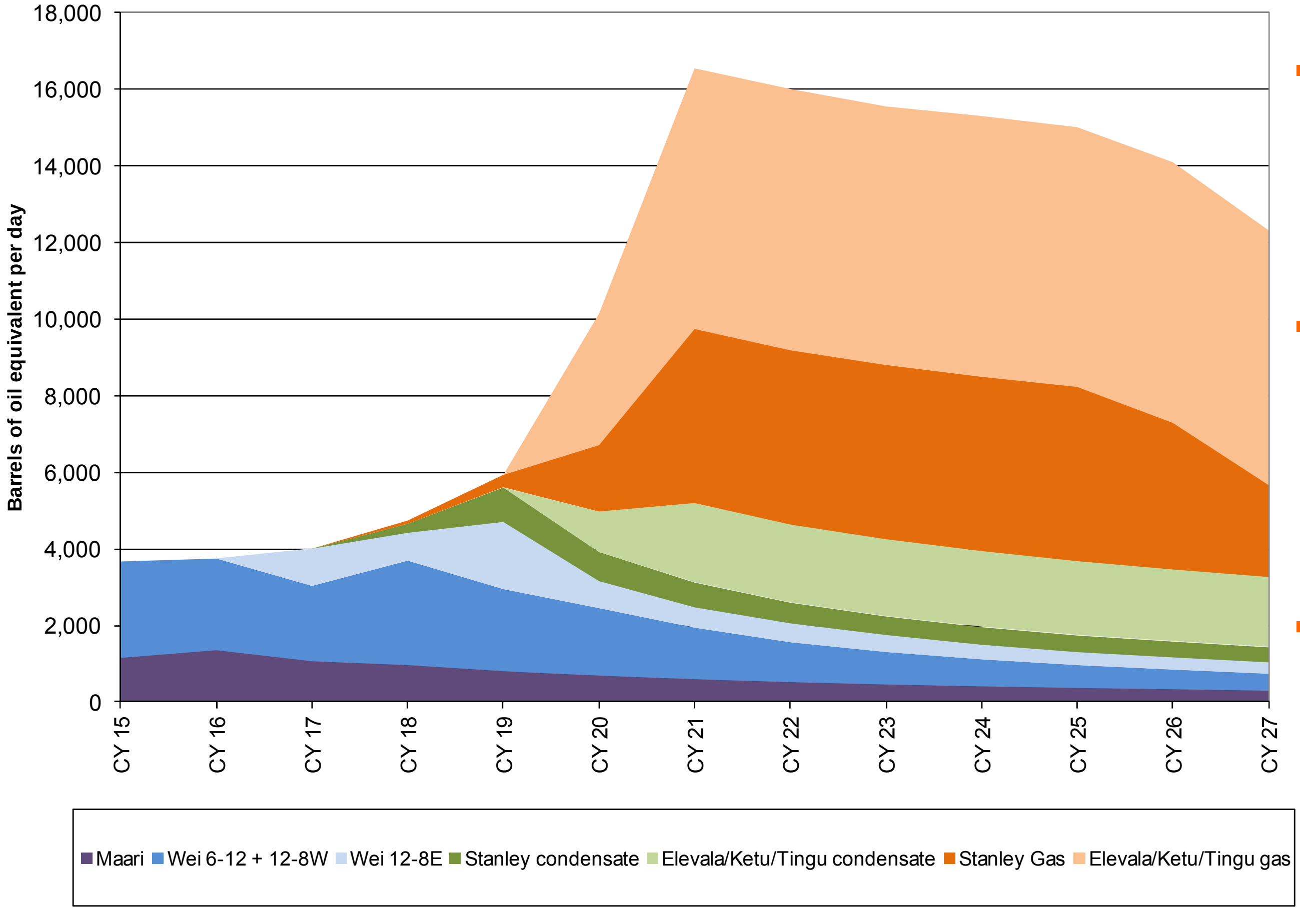


Papua New Guinea hydrocarbon production



Source: Wood Mackenzie

Horizon Oil forecast net production from Reserves + Contingent Resources as at 1 July 2015



Assumptions

- Development of WZ 12-8E, 12-10 and 12-3 fields in Beibu Gulf, with production commencing in 2017
- Stanley condensate start-up with gas sales to OTML commencing 2018, with further large scale gas sales beginning in 2020
- Condensate monetisation in conjunction with gas sales in PRL 21 commencing in 2020

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.