

2 May 2018

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

HORIZON OIL (HZN) RESPONDS TO PNG SOCIAL MEDIA ARTICLE

Horizon Oil has become aware of false comments on social media that PDL 10 has been cancelled. PDL 10 is the development licence for the Stanley field, which constitutes approximately 20% of the resource volume that will supply the proposed Western LNG project. Horizon Oil has a 30% participating interest in PDL 10.

The PDL 10 joint venture participants received a document titled 'Notice of Intention to cancel Petroleum Development Licence 10 and Pipeline Licence 10' signed by the Minister for Petroleum of Papua New Guinea, Dr Fabian Pok (**Purported Notice**). The Purported Notice invited the joint venture participants to make submissions as to why the licence should not be cancelled for a purported failure to construct, commission and commence production operations, to which submissions were made.

Spanish global energy company, Repsol, as operator of PDL 10, has advised that the Purported Notice is procedurally invalid. Horizon Oil has independently formed the view that the Purported Notice is procedurally invalid. The PDL 10 joint venture participants have also formed the view that the Minister has no substantive basis to cancel the licence for the reasons set out in the Purported Notice.

The Minister convened a meeting with all of the PDL 10 joint venture participants to review progress on development planning for PDL 10. The PDL 10 joint venture participants have committed to provide a further presentation to him on the status of development plans for PDL 10 and the broader Western Province gas aggregation scheme before 1 October 2018. The Minister has confirmed that no action would be taken in respect of PDL 10 pending that further presentation.



Brent Emmett
Chief Executive Officer

For more information please contact:

Horizon Oil Limited
Brent Emmett Chief Executive Officer

T: +61 2 9332 5000
F: +61 2 9332 5050
E: info@horizonoil.com.au

Level 6, 134 William St
Woolloomooloo NSW 2011
horizonoil.com.au

Media enquiries
Gavan Collery, ResourceComms Pty Ltd

M: +61 419 372 210
E: gavan@resourcecomms.com

