



HD (AEHZN) Horizon Oil provides shareholder update

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Sydney - Wednesday - June 18 (RWE) - Horizon Oil Limited (ASX: HZN) provides a summary update of the following key matters.

1. Proposed at-market merger with Roc Oil Horizon Oil announced the proposed merger with Roc Oil on 29 April 2014.

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A draft Scheme Booklet and accompanying independent expert's report (also in draft form) has been lodged with ASIC for review and Court approval ahead of issue to Horizon Oil's shareholders, expected in early July 2014.

The Scheme Booklet will include further details of the merger, the finalised independent expert's report (including the expert's view as to whether the scheme is in the best interest of Horizon Oil shareholders), the reasons for Horizon Oil directors' recommendation and other matters relevant to shareholders' vote on the merger.

2. Completion of sale of PNG gas/condensate interests to Osaka Gas As indicated in the company's announcement of 2 June 2014, following the grant of the petroleum development licence and pipeline licence for the Stanley gas development project on 30 May 2014, the company received the first milestone payment of US\$74 million of the aggregate US\$204 million consideration, plus net completion adjustments of approximately US\$4 million (total US\$78 million), on 12 July 2014.

3. Stanley gas/condensate field development project, PNG The grant of the Stanley development and pipeline licences enabled the commencement of development activities including the drilling of the Stanley-3 and -5 development wells, site preparation and facilities construction.

The Stanley -5 development well, being drilled by Horizon Oil with the Parker 226 rig, spudded on 15 June 2014 and at 6 am 18 June 2014, was at 660 mDRT, drilling ahead.

4. Block 22/12, offshore China: 5 million barrels cumulative oil production milestone achieved The contract participants of Block 22/12, which incorporates the WZ6-12, WZ6-12 South and WZ12-8 West producing oil fields, offshore China, operated by CNOOC Limited (HZN interest: 26.95%), achieved the significant milestone of 5 million barrels of cumulative oil production in mid June 2014, having commenced production in March 2013.

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CO blhol : Horizon Oil Limited | rocoil : Roc Oil Company Ltd

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