



Horizon Oil Limited ABN 51 009 799 455

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12 March 2009

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

**HORIZON OIL (HZN) PRESENTATION AT EUROZ SECURITIES LIMITED
CONFERENCE
11 – 12 MARCH 2009**

Please find attached the presentation to be made today by Horizon Oil's Chief Executive Officer, Mr Brent Emmett at the Euroz Securities Limited Conference.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Michael Sheridan". The signature is fluid and cursive.

Michael Sheridan
Chief Financial Officer / Company Secretary



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HORIZON OIL LIMITED

ABN 51 009 799 455

Investor Presentation Euroz Securities Limited Rottneest Island Conference March 2009

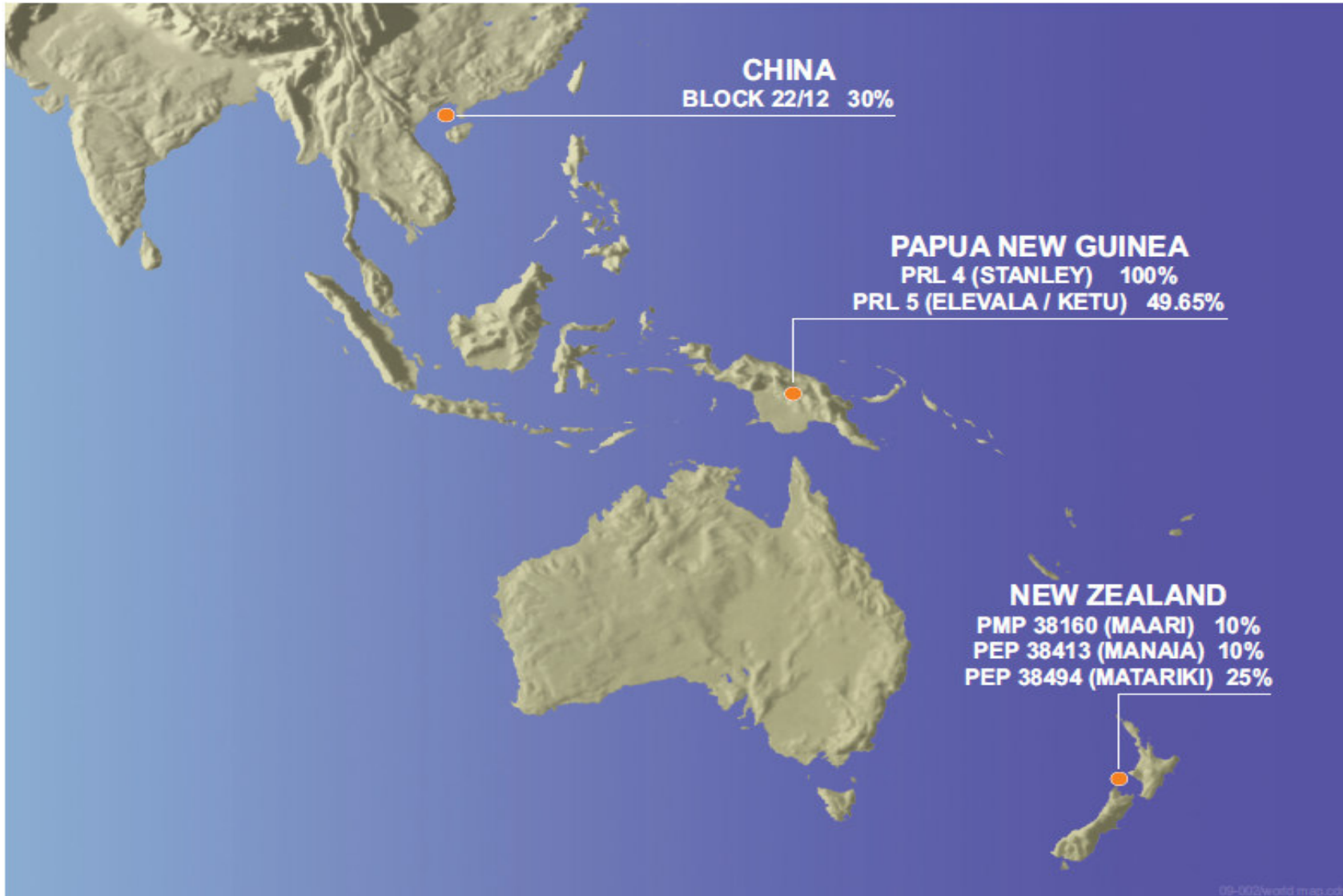


This presentation contains some references to forward looking assumptions, representations, estimates and outcomes. These are uncertain by the nature of the business and no assurance can be given by Horizon Oil Limited that its expectations, estimates and forecast outcomes will be achieved. Actual results may vary materially from those expressed herein.

- **Geographic focus on southeast Asia**
- **Emphasis on bringing existing discovered reserves and resources into production – minimal exposure to geological risk**
- **Modest and highly selective exploration program**
- **Strong, long-term cashflows from Maari field, offshore New Zealand, to fund capital program**

Asset Location – Focus on SE Asia

Productive fairways, mature operating environment ...



...strong demand for oil and gas

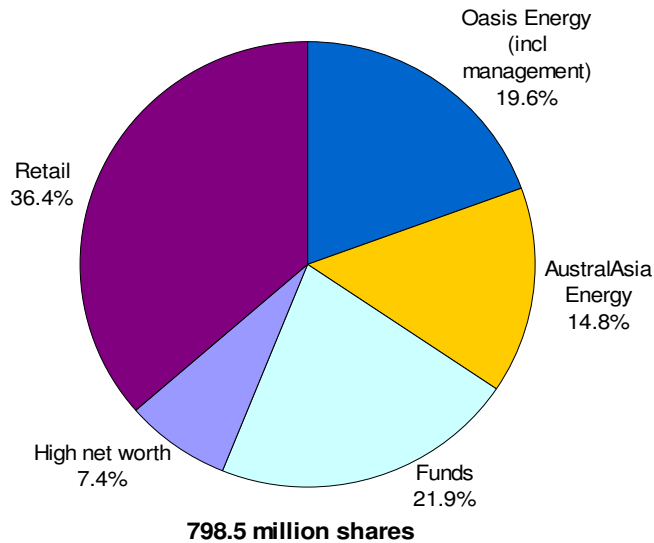
Horizon Oil Statistics



SHARE PRICE HISTORY



SHAREHOLDER DISTRIBUTION



TRADING STATISTICS

This month

Last	\$0.110
High	\$0.155
Low	\$0.105
Volume	19,036,630

12 Months

Last	\$0.110
High	\$0.480
Low	\$0.105
Volume	166.7 million

Fully paid shares	798.5 million
Partly paid shares	500,000
Employee options	29.8 million

No. of shareholders	4,266
Market capitalisation	\$88 million

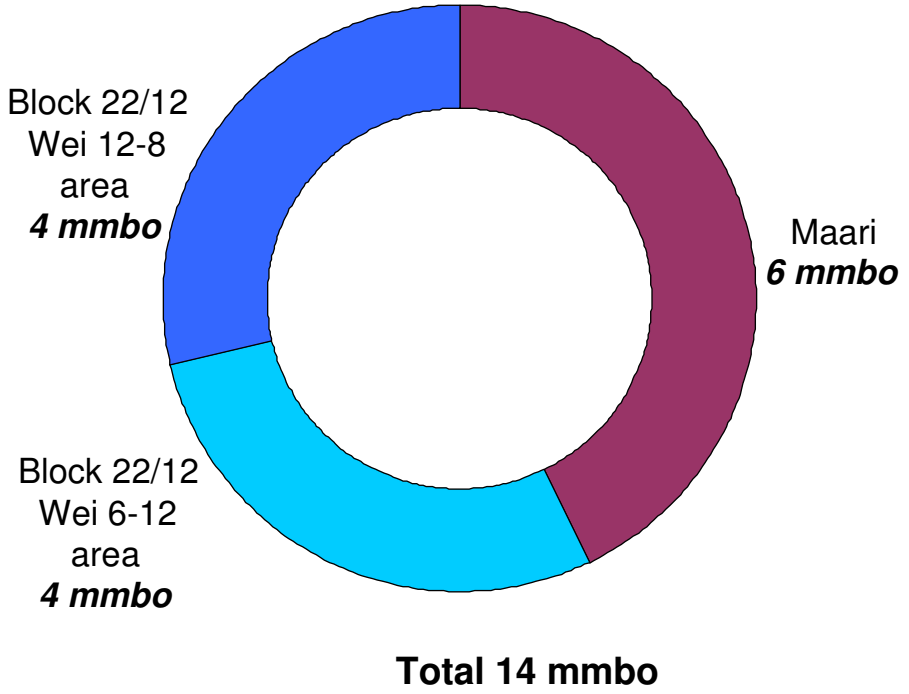
Top 20 / Issued Capital	65.6%
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Reserves and Resources

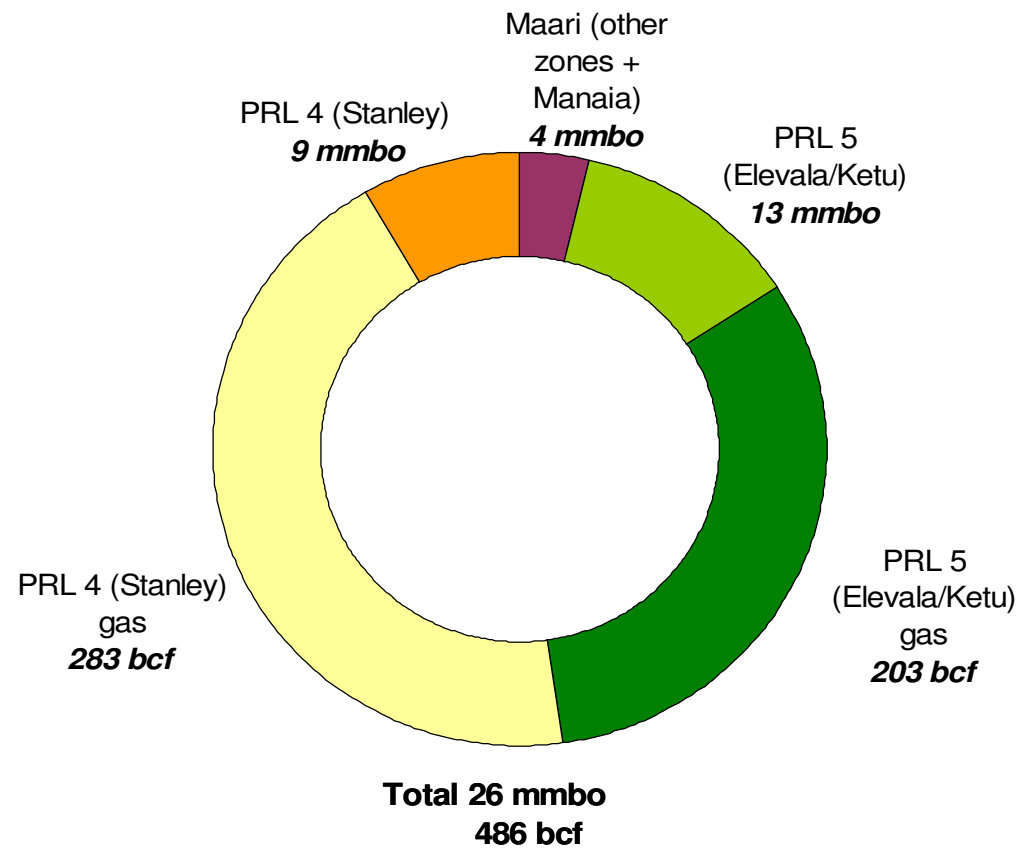


Net recoverable in millions of barrels of oil equivalent

RESERVES



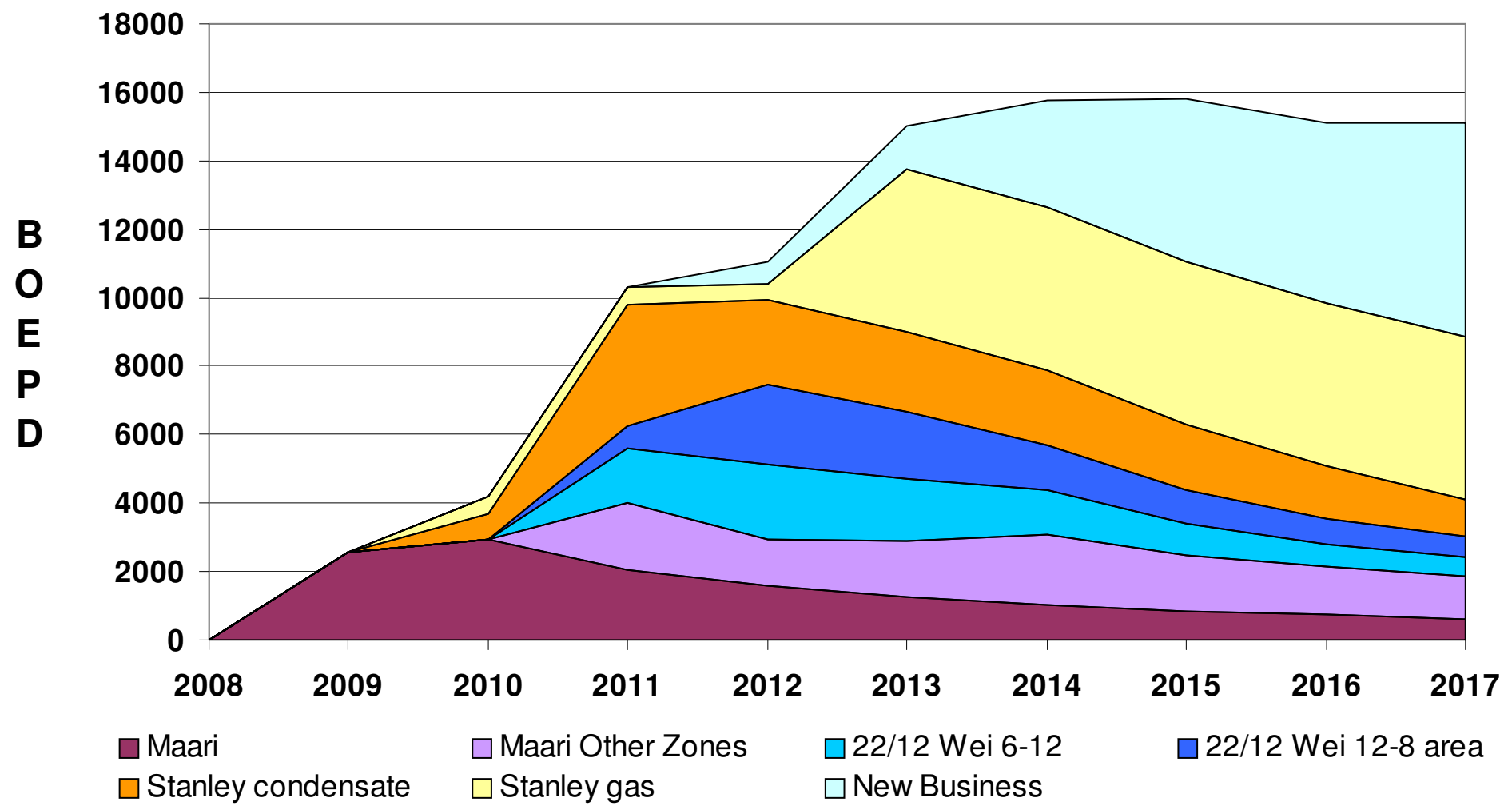
RESOURCES



Net Production Forecast



Maari on production in February 2009...



...building to US\$4.5 million per month EBITDA net to HZN at US\$50 oil

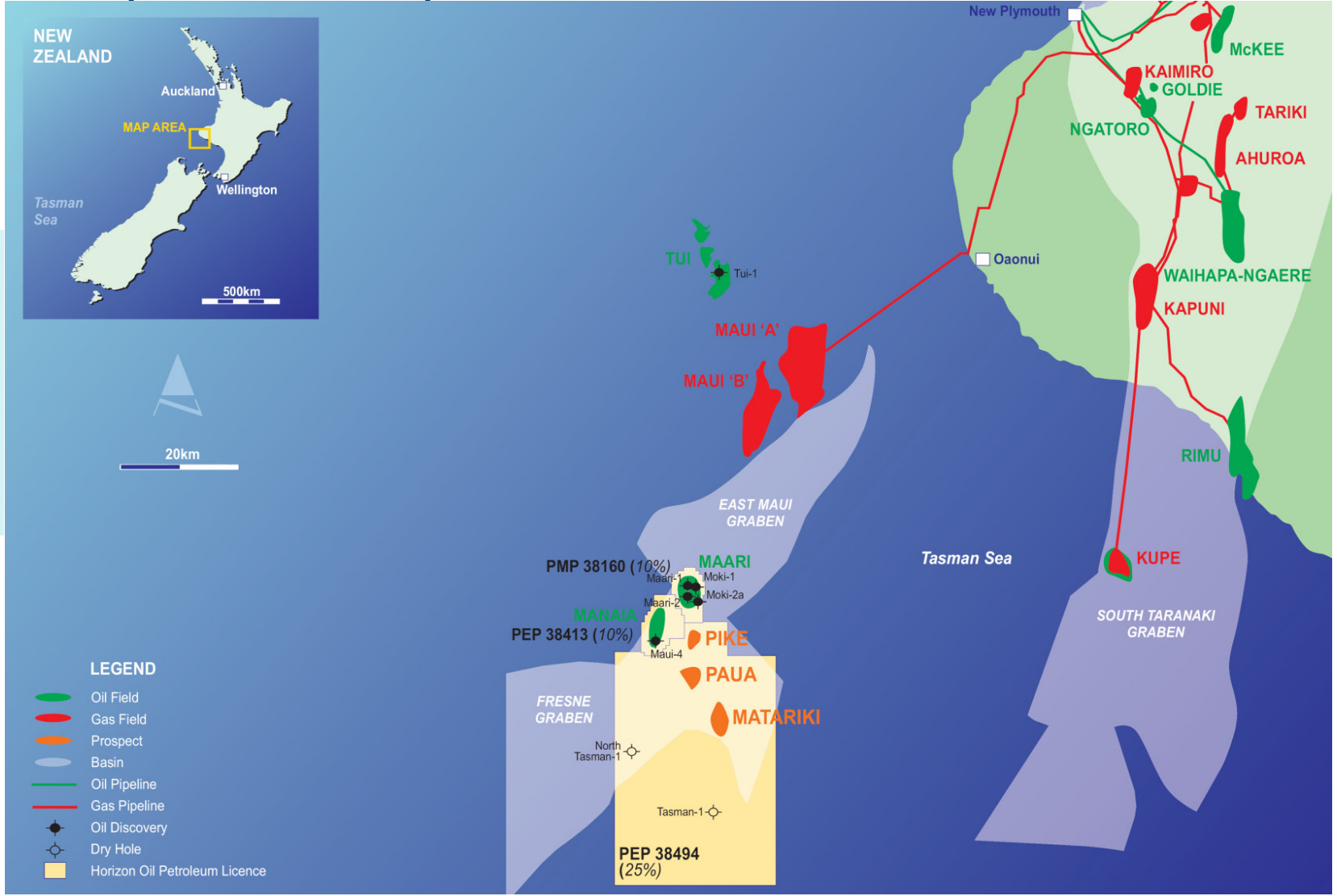
Maari Development – New Zealand



Installation complete and production start-up of a 60 mmbo oilfield...

Joint Venture:

HZN	10%
OMV	69% (Op)
Todd	16%
CUE	5%



...with 40 mmbo upside potential

Maari Development – Features

- Production permit through December 2027 with ability to extend
- Design plateau production rate 35,000 bopd
- Wellhead platform allows well intervention without need to import a rig
- Workover rig and coiled tubing unit permanently on platform or at shorebase
- Spare capacity on platform for additional wells to access upside reserves
- Back-up systems in well completion and process stream for flow assurance
- FPSO has 600,000 barrel storage; designed to be permanently moored
- Favourable purchase option over FPSO
- Platform is re-useable at end of field life

QUALITY

RELIABILITY

UPSIDE

Maari Reserves and Upside Potential



Zone	Gross 2P reserves (mmbo)	Net 2P reserves (mmbo)
Maari Moki	60	6
	Gross unrisks mean resource potential (mmbo)	Net unrisks mean resource potential (mmbo)
Maari M2A Sands	12	1
Manaia	25	3
Total	97	10

Maari Field Operating Cashflow



- **Plateau EBITDA net to HZN**
 - at US\$50 oil: US\$4.5 million per month
 - at US\$75 oil: US\$7 million per month

- **Cumulative production after 2 years of 20 mmbo, generating EBITDA net to HZN**
 - at US\$50 oil: US\$81 million
 - at US\$75 oil: US\$131 million

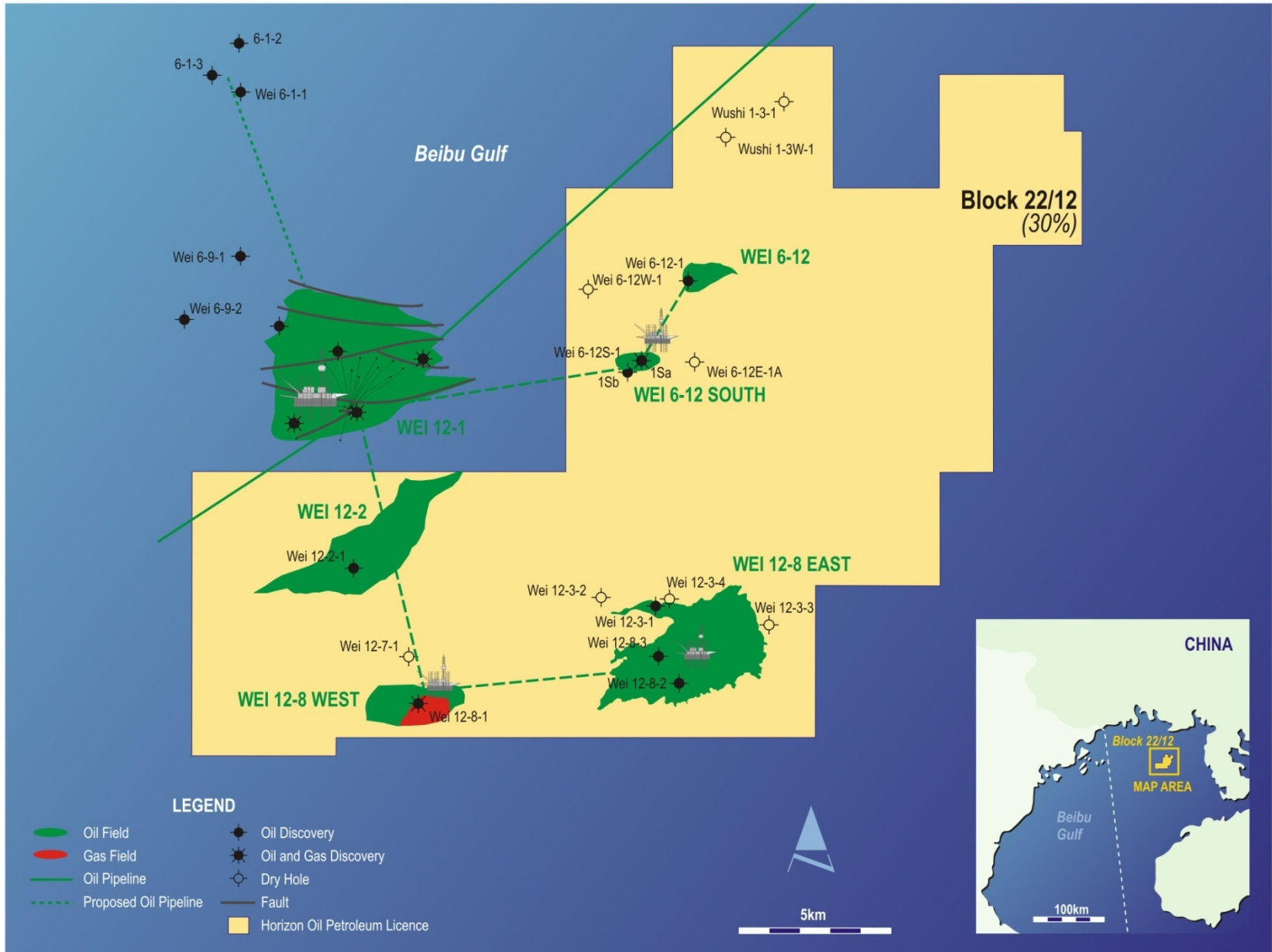
- **Cumulative production after 4 years of 31 mmbo, generating**
 - at US\$50 oil: US\$117 million
 - at US\$75 oil: US\$194 million
 - + joint venture option to purchase FPSO *Raroa*

- Development drilling program with *Ensco 107* jack-up rig began 11 November 2008. Program is to batch drill 3 oil production wells, followed by 3 water injectors and 2 oil production wells
- Wellhead platform and FPSO operational, connecting flow-lines and umbilicals installed. 100 Hour Test through FPSO facilities completed 8 March 2009
- **Production wells**
 - MR3P8 completed in 1,518 m of clean, oil-filled sand and began flowing to FPSO 25 February; currently producing over 10,000 bopd on natural flow
 - MR4P9 completed in over 2,000 m of clean, oil-filled sand and began flowing to FPSO on 9 March; similar flow characteristics to MR3P8 well
 - The two wells are now flowing at a combined rate in excess of 20,000 bopd under natural flow (i.e. not on pumps)
 - MR5P12 drilled and currently running lower completion; scheduled on stream early April
- Development drilling program progressing well in terms of execution (several days ahead of plan and gaining) and geological results
- First cargo of crude oil contracted for sale in April
- Plan is to drill Manaia appraisal well at end of development drilling phase, likely from the platform

Phased development concept

- Philosophy is to utilise CNOOC facilities and manpower where possible
- Unmanned wellhead platform at Wei 6-12S location, tied back to CNOOC Wei 12-1 processing platform
- Oil export via CNOOC pipeline to Weizhou Island storage and shiploading facilities
- Unmanned minimal structures at Wei 12-8W and Wei 12-8E progressively tied back to Wei 12-1 platform
- FEED underway; FID H1 2009; construction 2009/10; on production early 2011

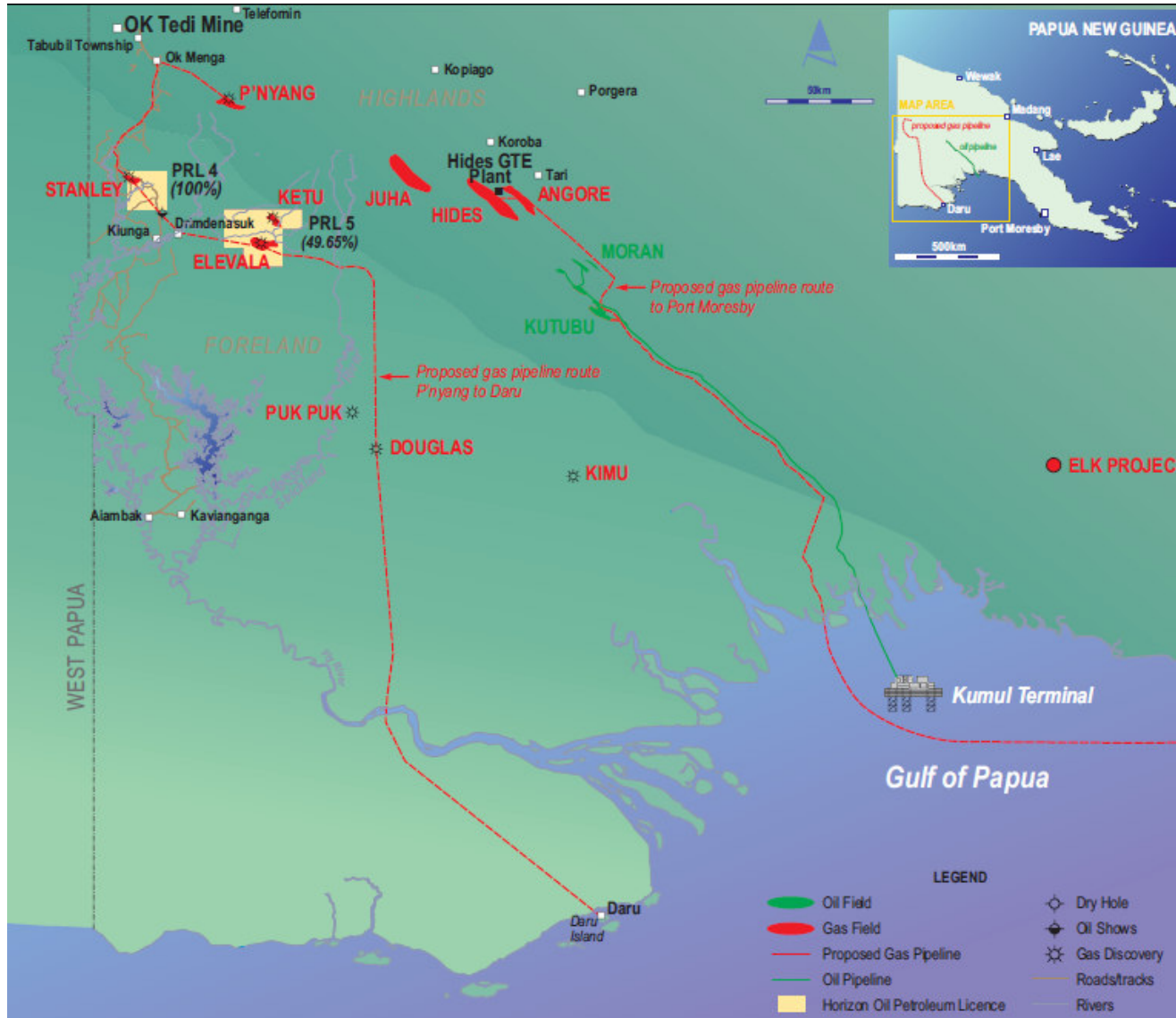
Phased Development Concept



Papua New Guinea



Possible recoverable resources of 1-2 tcf gas and 40-70 mmb condensate...



...development options emerging

Western Province Play – Papua New Guinea



- Significant resource position:-
 - 100% interest in PRL 4 (Stanley gas / condensate discovery)
 - 49.65% interest in PRL 5 (Elevala and Ketu gas / condensate discoveries)
- Fields located in relatively flat and accessible foreland area
- Initial development to involve condensate stripping and export via Fly River
- Negotiations underway to supply gas to local consumers
- Recompletion of Stanley-1 discovery well and production test successfully completed with good results
- PNG Government planning construction of major gas pipeline to coast, to provide large scale gas commercialisation opportunities – minerals processing, CNG, LNG, methanol etc.
- Good progress being made on regulatory issues associated with Stanley development – Field Development Plan lodged
- Target is to begin construction in H2 2009 and first production Q4 2010

Valuation of Key Assets



Assumptions - effective date 1/1/09, US\$50 / barrel oil price flat, certified 2P reserves / resources, independently sourced capex and opex profiles

	NPV10 (US\$ million)
Maari (Moki zone)	85
PNG (Stanley condensate)	88
China (Wei 6-12 and 12-8W)	41
Total	US\$214 million
Horizon Oil enterprise value at 1/1/09	US\$ million
Key assets	214
Cash	9
Debt drawn down	(60)
	US\$163 million
Share value based on 798.5 million shares and exchange rate 0.65	A\$0.31



Funding Position



Near term funding requirements

- US\$10 million related to:
 - Maari development costs March 2009 to June 2009 until self funding –US\$7 million
 - Pre-development expenditure – Block 22/12 and Stanley – US\$2.3 million

- US\$19.25 million BOSI corporate facility repayable 30 June 2009

Funding sources

- Proceeds of sale of 25 – 50 % slice of PNG assets – sales process underway

- Re-financing of US\$19.25 million BOSI corporate facility

- New equity, to the extent required

Reserves and Resources

- Strong position:-
14 mmbo 2P reserves (all oil) and resources of 26 mmbo + 486 bcf gas

New Zealand

- Maari on production and ramping up to 3,500 bopd net to HZN; generates US\$4.5 million per month net cash flow before interest and tax at US\$50 per barrel oil; upside of 4 mmbo net
- Drilling on Manaia to begin after Maari development drilling phase

China

- Development of Block 22/12 - FID in H1 2009; on production H1 2011

Papua New Guinea

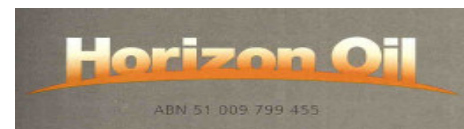
- Commercialisation of large scale resource to begin H2 2010 with scale-up potential

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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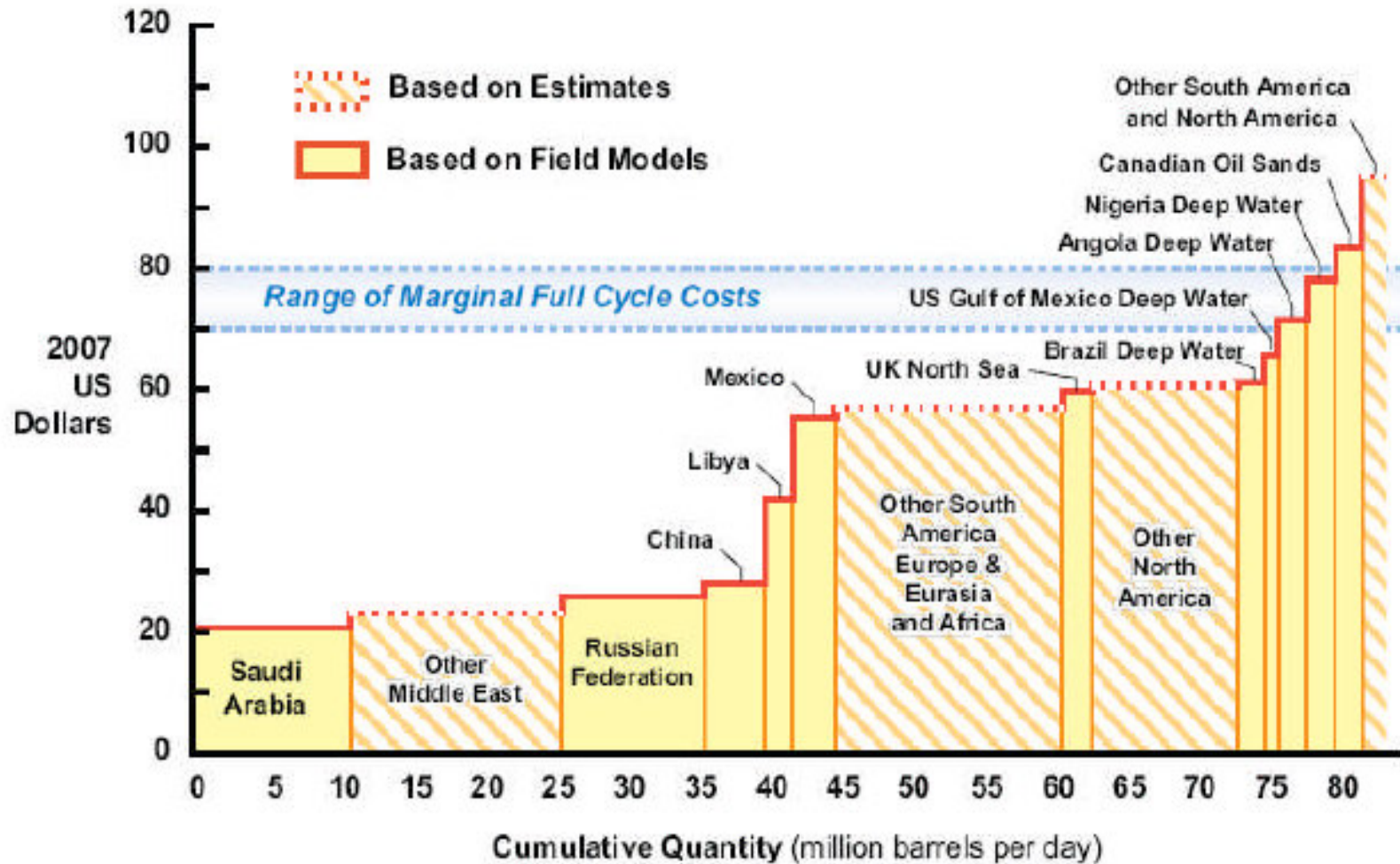
Top 20 Shareholders

EXECUTIVE SUMMARY

RANK	TOP INVESTORS	CITY	COUNTRY	TYPE	% ISSUED CAPITAL	NO OF SHARES 23 Jan 09
1	Oasis Energy Investments Pty Ltd	Sydney	Australia	Related	19.56%	156,227,083
2	Austral-Asia Energy Pty Ltd	Perth	Australia	Related	14.75%	117,792,176
3	Ward Ferry Management Limited	Hong Kong	Hong Kong	Institution	8.76%	69,952,427
4	Angus Douglas (Family)	Brisbane	Australia	Private	3.33%	26,617,415
5	CQS New City Investment Management	London	United Kingdom	Institution	2.76%	22,000,000
6	RAB Capital	London	United Kingdom	Institution	2.70%	21,552,476
7	Challenger Managed Investments Limited	Sydney	Australia	Institution	2.12%	16,921,726
8	Artemis Funds Management	London	United Kingdom	Institution	1.69%	13,500,000
9	Amas Bank Geneve	Geneva	Switzerland	Custodian/Nominee	1.56%	12,477,143
10	Graeme Douglas Nicholas & Douglas Thomas Nicholas	Melbourne	Australia	Private	1.42%	11,338,572
11	Macquarie Group Limited	Sydney	Australia	Institution	0.99%	7,933,563
12	Brent Emmett	Sydney	Australia	Related	0.90%	7,197,742
13	John Benton	Brisbane	Australia	Private	0.87%	6,943,669
14	DFA Australia	Sydney	Australia	Institution	0.80%	6,360,927
15	Richard Arthur Lockwood	Port Douglas	Australia	Private	0.66%	5,259,375
16	John Humphrey	Brisbane	Australia	Related	0.60%	4,812,034
17	P Grenville Schoch	Brisbane	Australia	Private	0.56%	4,500,000
18	RBC Dexia Investor Services Trust	London	United Kingdom	Custodian/Nominee	0.55%	4,408,037
19	Hawkins & Birthwright Limited	Lower Hutt	New Zealand	Private	0.53%	4,200,000
20	Geoffrey Victor Day & Ann Margaret Day	Adelaide	Australia	Private	0.50%	4,000,000
Subtotal					65.62%	523,994,365

Source: RADAR investor Relations

Oil Supply Costs



Source: Cambridge Economic Research Associates "Ratcheting Down: Oil and the Global Credit Crisis" October 2008