



Horizon Oil Limited ABN 51 009 799 455

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11 March 2009

The Manager, Company Announcements
Australian Stock Exchange Limited
Exchange Centre
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HORIZON OIL (HZN): MAARI DEVELOPMENT DRILLING UPDATE – 11 Mar 09

Horizon Oil Limited advises further good progress on the development drilling program since the last drilling update provided to shareholders and the announcement of first oil flows on 25 February 2009. In those releases it was reported that the first oil production well, MR3P8, had been hooked up to the production facilities and was flowing oil to the FPSO *Raroa*. It was also reported that the second production well, MR4P9, had been drilled and equipped for production and was awaiting hook-up.

The Company is pleased to advise that the MR3P8 well is currently flowing clean oil on natural flow (not on pump) at a rate in excess of 10,000 bopd to the FPSO through a choke 26% open. The 100 hour performance test of the FPSO was successfully completed on 8 March.

The MR4P9 well was brought on stream on 9 March and, although still in clean-up mode, is on natural flow and exhibiting similar flow characteristics to MR3P8.

The third production well, MR5P12, has been drilled to a total measured depth of 4,772 m and encountered about 1,800 m of oil-filled reservoir sand. The current operation is running the sand screen completion. The well is scheduled to be brought on stream in early April.

The first cargo of crude oil from Maari field has been contracted for sale in April.

The Maari Oil Field is located in PMP 38160, in the offshore Taranaki basin, New Zealand. Oil production will ramp up towards the expected initial gross rate of 35,000 barrels of oil as the development wells are progressively drilled and turned to the FPSO. The proven and probable (2P) production profile forecasts recoverable volumes of 61 million barrels of oil from the Moki reservoir over the 22 year term of the Petroleum Mining Permit.

The participants in the development are:-

Horizon Oil International Limited (a wholly owned subsidiary of Horizon Oil Limited)	10%
OMV New Zealand Limited (Operator)	69%
Todd Maari Limited	16%
Cue Taranaki Pty Ltd (a wholly owned subsidiary of Cue Energy Resources Limited)	5%

Yours faithfully,



B D Emmett
Chief Executive Officer



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