



Horizon Oil Limited ABN 51 009 799 155

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

SHARE PLACEMENT SUCCESSFULLY COMPLETED AND ANNOUNCEMENT OF SHARE PURCHASE PLAN

Horizon Oil advised shareholders in an earlier release that it plans to raise a total of A\$22 million (US\$15 million) from a Share Placement and a Share Purchase Plan (SPP). These funds will be used to repay debt and to meet pre-development costs associated with the Company's Papua New Guinea and China assets.

Share Placement

The Company is pleased to announce that it has successfully implemented the first stage of the planned capital raising with a Share Placement to institutions and sophisticated and professional investors of 185 million new fully paid ordinary shares at A\$0.10 per share to raise approximately A\$18.5 million.

The placement shares will be issued in two tranches. The first tranche of shares comprising approximately 120 million shares will be issued under the Company's 15% placement capacity. The second tranche of shares comprising approximately 65 million shares will be issued subject to shareholder approval to be obtained at a general meeting of the Company's shareholders (EGM) on or around 27 May 2009.

Share Purchase Plan

Horizon Oil is also pleased to announce a non-underwritten shareholder SPP¹.

Subject to receiving the necessary waivers from ASIC and ASX, it is proposed that shareholders with Australian and New Zealand registered addresses will have the opportunity to subscribe for up to A\$10,000 worth of new fully paid ordinary shares at A\$0.10 per share.

¹ Horizon Oil is seeking waivers from ASIC and the ASX to offer up to A\$10,000 worth of shares in the SPP. In the absence of a waiver, the maximum value of shares that can be issued to each shareholder under an SPP is A\$5,000.

Without an additional waiver from the ASX, the maximum discount that can be offered under an SPP is 20% of the average market price over the last five trading days either before the day on which the issue was announced or before the day on which the issue was made. In case the waiver is not granted, Horizon Oil will seek shareholder approval for the proposed pricing of the SPP at the EGM.

The provisional timetable for the SPP is:

Event	Date
Record date for entitlement to participate	20 April 2009
Despatch of SPP offer	27 April 2009
SPP Opening Date	27 April 2009
SPP Closing Date	1 June 2009
Allotment of shares under the SPP	8 June 2009
ASX quotation of SPP shares	11 June 2009

A further announcement will be made to the market once the results of Horizon Oil's applications for waivers from ASIC and ASX have been received.

ABN AMRO Morgans Limited and Rothschild Australia Limited are acting as joint advisers and lead managers for both the Share Placement and the SPP.

Yours faithfully,



M Sheridan
Chief Financial Officer / Company Secretary



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