



Horizon Oil Limited ABN 51 009 799 455
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Notice to Convertible Bondholders

US\$80,000,000 5.50 per cent. Convertible Bonds due 2016 (the “Bonds”) issued by the Company (ISIN: XS0635397911)

Reference is made to the Company’s announcement dated 23 May 2016 (the “**Announcement**”) in relation to the proposed amendments to the terms and conditions of the Bonds (the “**Conditions**”). Unless otherwise defined, capitalised terms used in this announcement have the same meaning given in the Announcement.

The Company wishes to inform you that the Bondholders have passed the Written Resolution.

Accordingly, the Company and DB Trustees (Hong Kong) Limited have entered into a supplemental trust deed to give effect to the amendments to the Conditions, including to:

- a) extend the maturity of the Bonds to 19 September 2016;
- b) adjust the interest rate payable on the Bonds from the Original Maturity Date to the Final Maturity Date (each having the meaning given in the Written Resolution) to 10.0 per cent. per annum calculated by reference to the principal amount of the Bonds; and
- c) adjust the payment of the accrued premium of 8.80 per cent. of the principal amount of the Bonds so that it is payable on the Original Maturity Date.

The amendments take effect from 31 May 2016.

The Principal Agent for the consent solicitation is Deutsche Bank AG, Hong Kong Branch and the Consent Solicitation Agent is UBS AG, Australia Branch.

Dated: 1 June 2016