



ASX ANNOUNCEMENT (ASX: KPL) 16th October, 2012

Horizon Releases Resource Update for PRL 21

Horizon Oil Limited (“Horizon”) released a revised resource update for PRL 21 on 12th October 2012 after having had an independent audit carried out by RISC, a leading independent petroleum advisory firm.

Kina’s Managing Director Mr Richard Schroder noted: *“The upgraded resource numbers released by Horizon indicate final contingent resource numbers for PRL 21 are likely to exceed Kina Petroleum’s previously released resource estimate”*

Previously Kina had reported a cumulative Pmean contingent recoverable resource of 916 billion cubic feet gas (bcf) and 53.8 million barrels (mmbbls) of condensate for PRL 21 comprising Ketu & Elevala/Tingu accumulations.

Horizon last week announced that as a result of an independent audit of the discoveries, Ketu and Elevala Fields on their own contain at a mean level of confidence, an estimated 866 bcf of gas and 43.9 mmbbl of condensate and for Tingu the best estimate Pmean prospective resource of 609 bcf and 33.7 mmbbl of condensate.

Subject to a successful Tingu 1 well and a common gas water contact with Elevala 2, Kina considers there is a likely Pmean resource number for PRL 21 in excess of 1200bcf gas and 75mmbbl condensate.

Mr Schroder further commented that *“he believes these upgraded resource numbers further indicate the likelihood of the commercial nature of this project and we look forward to the results of the ongoing feasibility studies and development planning.”*

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