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VANCOUVER, BRITISH COLUMBIA--(Marketwire - Aug. 27, 2012) - Horn Petroleum Corporation ("Horn" or the "Company") (TSX VENTURE:HRN) is pleased to provide an update on the drilling program ongoing in Puntland (Somalia).

The Shabeel North-1 well has reached a total depth of 3945 meters and has encountered metamorphic basement at a depth of 3919 meters. The well penetrated 149 meters of interbedded sands and shales of the Triassic Adigrat Formation with no oil or gas shows and only minor porosity exhibited on electric logs. Accordingly, the well is being plugged. As noted in a previous Puntland drilling update, the Upper Cretaceous Jesomma sands did exhibit porosity and hydrocarbon shows but produced only fresh water on a drill stem test. These sands are similar to the Jesomma sands encountered in the previously drilled Shabeel well in respect of log response and oil and gas shows. It has therefore been determined that additional testing of these zones in the previously drilled Shabeel well is also not warranted.

Based on the encouragement provided by the Shabeel wells, the Company and its partners, Range Resources and Red Emperor, plan to enter the next exploration period in both the Nugaal and Dharoor Valley Production Sharing Contracts ("PSC's) which carry a commitment to drill one well in each block within an additional 3 year term. The current operational plan would be to contract a seismic crew to acquire additional data in the Dharoor Valley block and to hold discussions with the Puntland Government to gain access regarding drill ready prospects in the Nugaal Valley block. The focus of the Dharoor seismic program will to delineate new structural prospects for the upcoming drilling campaign.

Keith Hill, Chairman of Horn, commented, "While we were disappointed that we were not able to flow oil from the first two exploration wells in our Puntland (Somalia) drilling campaign, we remain highly encouraged that all of the critical elements exist for oil accumulations, namely a working petroleum system, good quality reservoirs and thick seal rocks. We look forward to working with the Puntland government to move our exploration project to the next phase which will likely require us to focus on prospects in different areas of the basins. One should keep in perspective that it often takes a number of wells to find commercial hydrocarbons and we plan to continue our aggressive program to unlock the potential of this highly prospective region."

Horn holds a 60% working interest in the Dharoor and Nugaal Valley blocks and is the operator. The other partners in the blocks are Range Resources (20%) and Red Emperor (20%). Africa Oil Corporation holds an approximate 45% equity interest in Horn.

Horn Petroleum Corporation is a Canadian oil and gas company with assets in Puntland, Somalia. The Corporation holds a 60% interest and operatorship in the Dharoor and Nugaal blocks encompassing a Jurassic Rift Basin on trend and analogous to the large oil fields in Yemen. The Corporation's shares are listed on the TSX Venture Exchange under the symbol "HRN".

ON BEHALF OF THE BOARD

David Grellman, President and CEO

FORWARD-LOOKING INFORMATION

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "will", "expected" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the Company. The forward-looking information contained in this release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

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