

EXCELLENT INITIAL HIGH GRADE DRILLING RESULTS FROM PENNY'S FIND JOINT VENTURE

HIGHLIGHTS

- Resource definition and extension drilling completed at the Penny's Find gold project, 50km northeast of Kalgoorlie in the Western Australian goldfields
- The project is a 50:50 joint venture with Orminex Ltd (ASX: ONX) ¹
- Drilling comprised 2,013m of RC and 2,765m of diamond for 4,778m to a maximum depth of 282m testing the continuity of mineralisation below and to the north of the historic open pit
- First batch of assays now received with high-grade intercepts including ²:
 - **3.7m @ 7.46g/t Au from 215.3m** (P1_005)
 - **2.7m @ 8.64g/t Au from 171.4m and 1.7m @ 17.91g/t Au from 178.9m** (P1_007)
 - **1.9m @ 13.95g/t Au from 251m** (P1_009)
 - **5.0m @ 5.27g/t Au from 180.3m** (P1_010)
 - **0.9m @ 23.56g/t Au from 216.7m** (P1_006)
 - **2.0m @ 8.47 g/t Au from 227m** (P1_008)
- Results demonstrate excellent width and grade and improved geological confidence in the underground ore body with mineralisation open to the north and at depth
- Further assays are pending and expected in the current June Quarter 2021 enabling the compilation of an updated underground Mineral Resource estimate ³
- Mine optimisation, design and economic analysis will then be completed for Ore Reserve generation and a development decision in the September Quarter 2021 ³
- All statutory approvals in place and a toll milling agreement executed for ore processing in the second half of 2021 ³

Commenting on the drilling results, Horizon Minerals Managing Director Mr Jon Price said:

“These initial drilling results have improved our confidence in the scale and quality of the underground mineralisation, and we look forward to the receipt of all remaining results and the updated Mineral Resource and Ore Reserve in coming months. Our aim is to rapidly advance the project with our JV partners to a development decision in the September Quarter with approvals in place and a toll milling agreement executed for ore processing in 2021.”

¹ As announced to the ASX on 30 November 2020 and 22 March 2021. ² See Table 1 on Page 6, Competent Persons Statements on Page 6 and JORC Tables on Page 10. ³ See Cautionary and Forward-Looking Statements on Page 9.

Overview

Horizon Minerals Limited (ASX: HRZ) (“Horizon” or the “Company”) is pleased to announce excellent initial high grade drilling results from the Penny’s Find joint venture project located 50km northeast of Kalgoorlie-Boulder in the heart of the Western Australian goldfields (Figure 1).

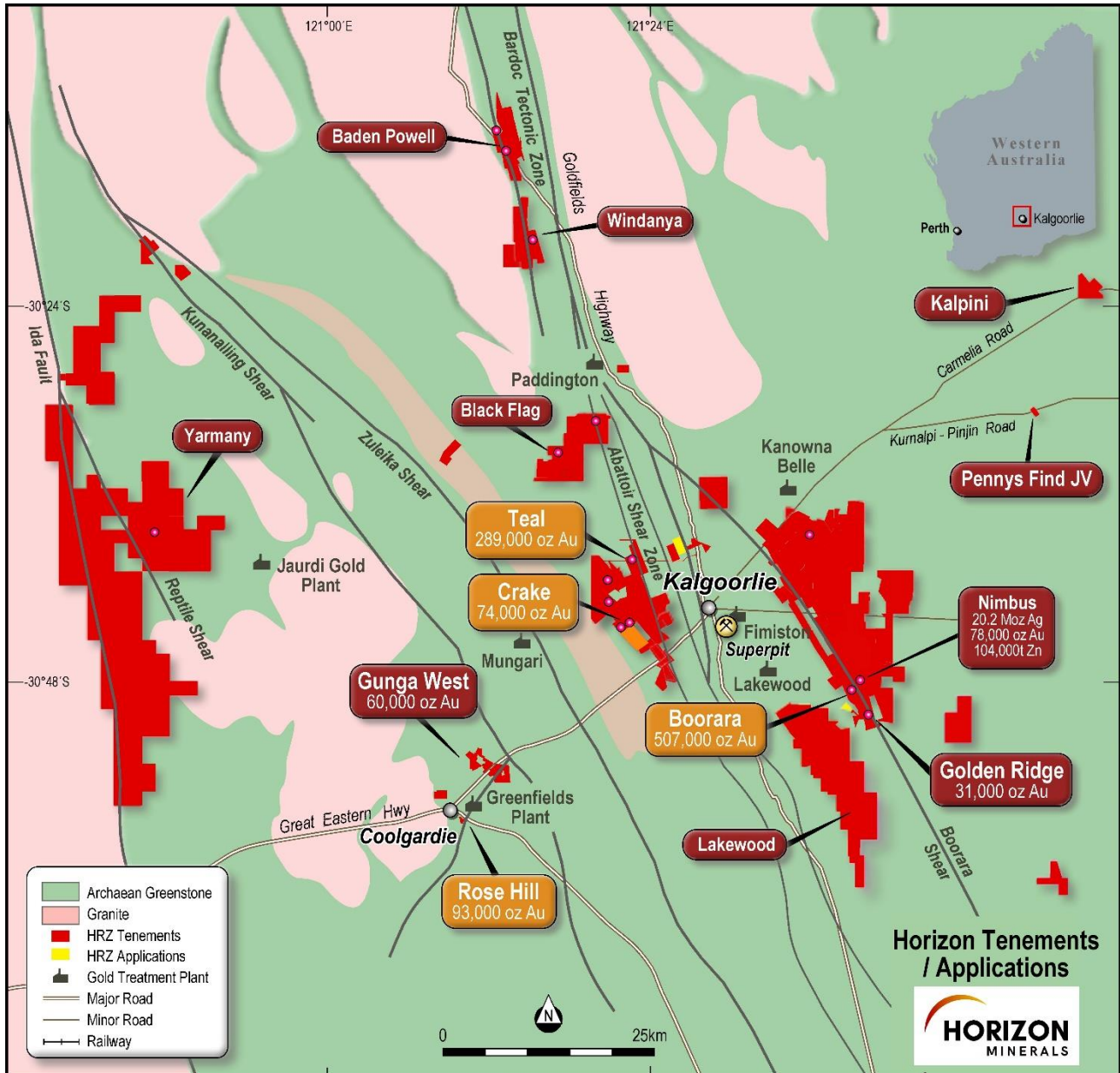


Figure 1: Horizon’s Project area location, resources and surrounding infrastructure

The Company acquired a 50% interest in the project from joint venture partner Orminex Ltd (ASX: ONX) for \$1.5m and agreed to sole fund the first \$1m in pre-development expenditure with the joint venture partners funding the project on a 50:50 basis thereafter. For further information on the project, please refer to the ASX announcement titled “Horizon enters high grade underground development JV” dated 30 November 2020.

¹ see Cautionary and Forward-Looking Statement on Page 9.

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In the March Quarter 2021, the Company completed 2,013m of Reverse Circulation (“RC”) and 2,765m of diamond drilling (HQ3) for 4,778m to a maximum depth of 282m. The aim of the drilling was to:

- Infill a number of areas within the current mineralised envelope to improve JORC classification to the Measured and Indicated Categories for Ore Reserve generation
- Test extensions to the north of the current mineralised envelope
- Provide diamond core for additional geotechnical assessment and confirmatory metallurgical test work for mine optimisation, design and economic analysis

Project Geology

The high-grade gold mineralisation at Penny’s Find is hosted in quartz veins at the contact between sediments and basalt. Open cut mining to 85m was completed by Empire Resources in 2018 with toll treatment processing at Lakewood (Kalgoorlie) and Burbanks (Coolgardie). Production from the open pit totalled 18,300oz at 4.47g/t Au (As announced to the ASX by Empire (ASX: ERL) on 25 July 2018). Metallurgical test work and toll milling data has shown fresh mineralisation to be free milling with a high gravity recoverable gold component and a total gold recovery which has exceeded 92%.

Summary of Results

Thirteen of the 21 diamond holes drilled have now been assayed with all geotechnical, structural, and geological logging complete. Further assays are expected in the coming weeks. The drilling was mostly on 20m line spacings and designed to improve geological confidence and JORC Category for underground mine design and economic analysis.

Samples were assayed by screen fire in the ore zone. This was deemed the appropriate method given the visible gold observed in the core.

The results are consistent with previous drilling conducted at the project with the ore comprising visual high-grade, narrow quartz veins which dip about 60° to the north east (Figures 2 and 3).

High grade intercepts are shown below with a full summary of the results to date is shown in Table 1 on Page 4:

- **3.7m @ 7.46g/t Au from 215.3m** (P1_005)
- **2.7m @ 8.64g/t Au from 171.4m and 1.7m @ 17.91g/t Au from 178.9m** (P1_007)
- **1.9m @ 13.95g/t Au from 251m** (P1_009)
- **5.0m @ 5.27g/t Au from 180.3m** (P1_010)
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Hole P1_010 (5m @ 5.27 g/t Au from 180m) is of particular interest as it tested the northern extension potential outside the current mineralised envelope and intercepted significant widths and grade. Limited drilling has been conducted north of this drill hole and will be followed up in the next program to test the projected ore plunge and northern strike extent.

On receipt of all data, an updated underground Mineral Resource estimate will be compiled in accordance with the JORC Code 2012.¹

Underground mine optimisation, design and updated economic analysis will then be completed to support Ore Reserve generation and a development decision in the September Quarter 2021.¹

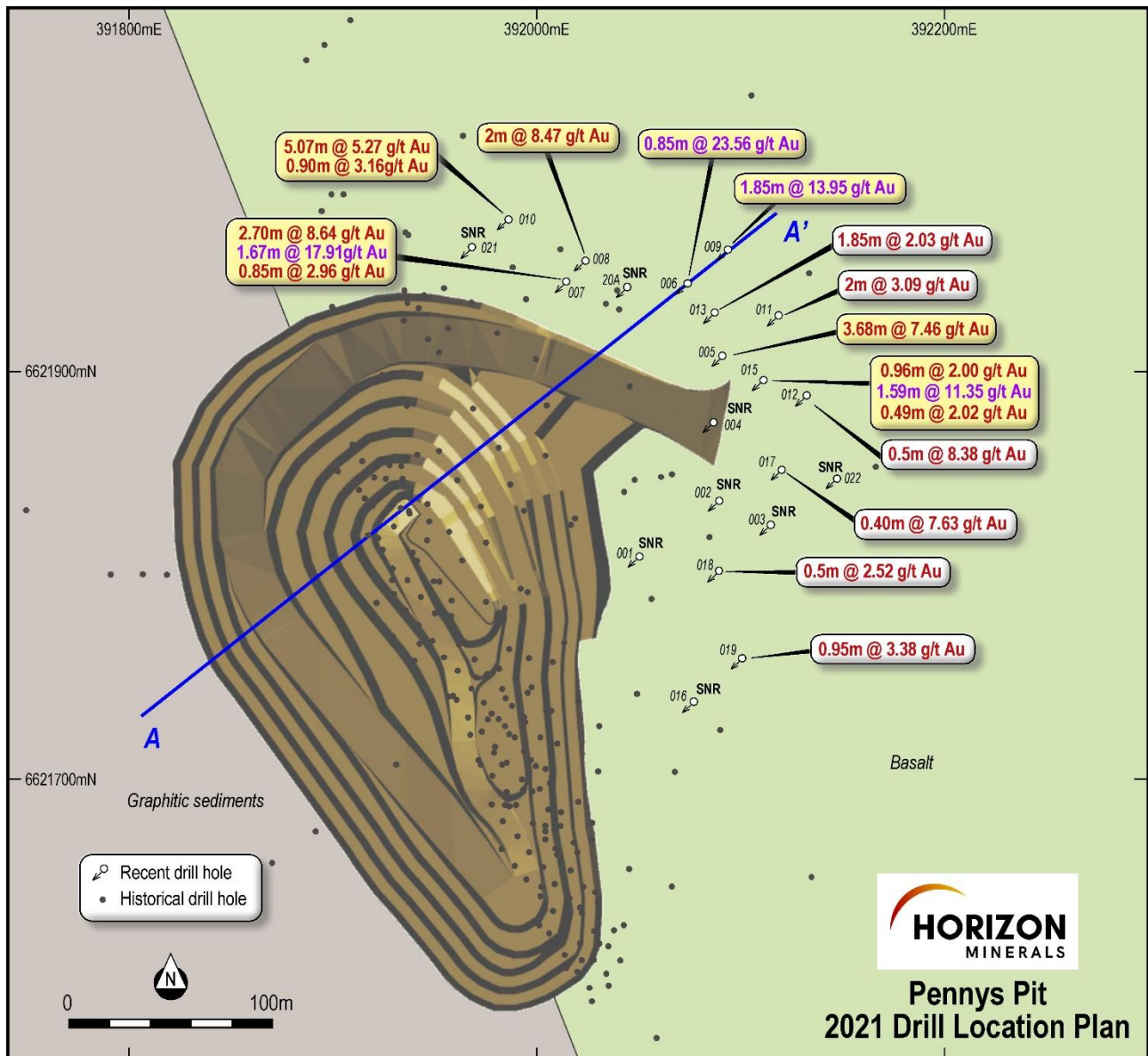


Figure 2: Penny’s Find 2020 / 2021 drill location plan and highlights

¹See Cautionary and Forward-Looking Statements on Page 9.

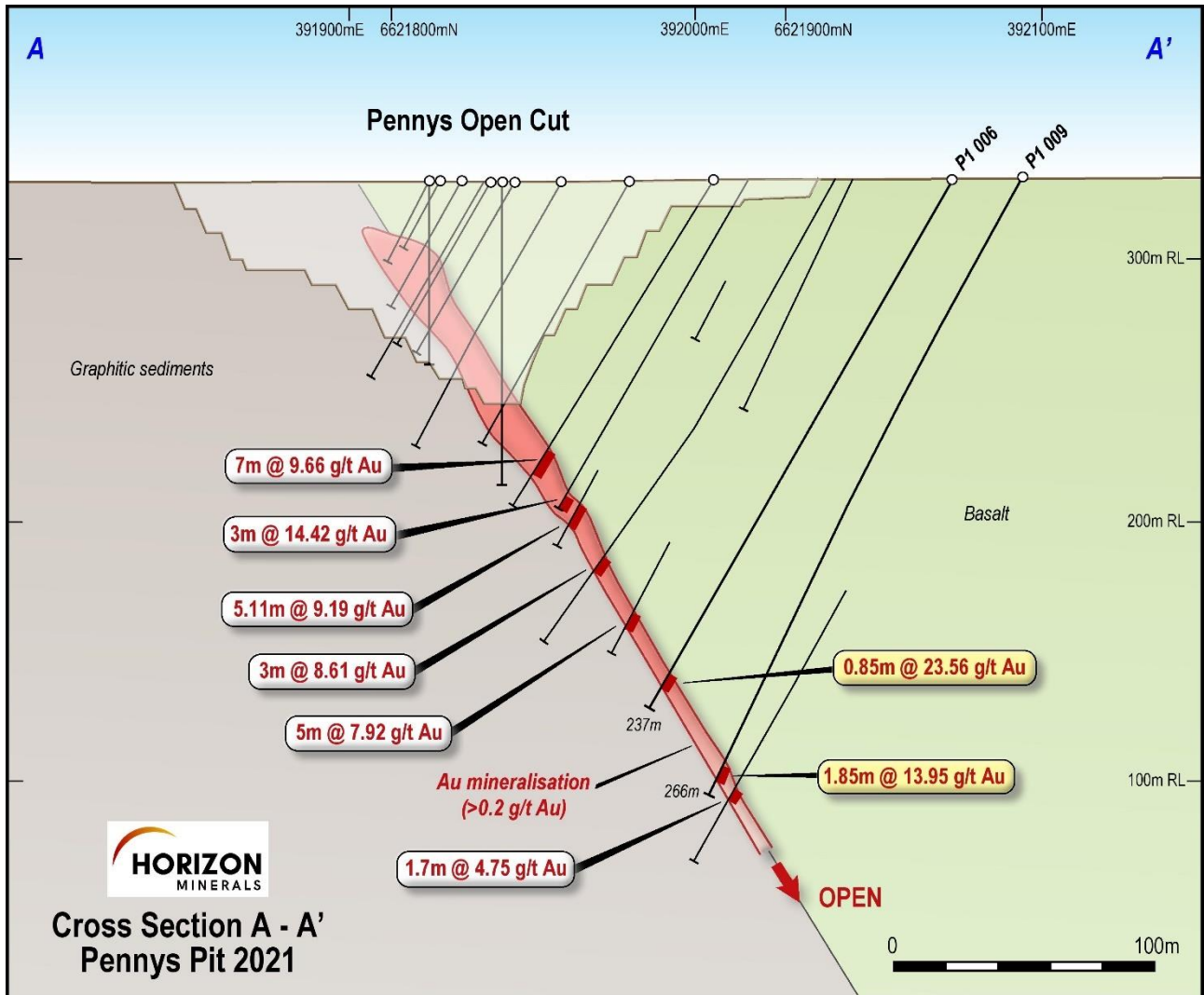


Figure 3: Penny's Find Cross Section A - A'

Authorised for release by the Board of Directors.

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Table 1: Penny’s Find gold project 2021 final significant downhole diamond core intercepts >2.00g/t Au (Au g/t, Screen Fire Assays). True width intercepts are not known but estimated to be close (~75%) of the downhole width *. Up to 1m internal dilution.

Hole Id	East (m)	North (m)	Depth (m)	Dip	Azimuth	From (m)	To (m)	Interval (m)	Au g/t (FA50)
Penny’s Find (>2.0 g/t)									
P1_001	392050	6621809	162.2	-60	230				Pending
P1_002	392089	6621836	217.0	-60	230				Pending
P1_003	392115	6621824	237.0	-60	230				Pending
P1_004	392086	6621870	217.0	-60	230				Pending
P1_005	392091	6621905	237.2	-60	230	215.32	219.0	3.68	7.46
P1_006	392074	6621943	237.2	-60	230	216.75	217.60	0.85	23.56
P1_007	392014	6621944	204.2	-67	230	171.35	174.05	2.70	8.64
						178.91	180.58	1.67	17.91
						183.15	184.0	0.85	2.96
P1_008	392024	6621954	240.4	-76	230	227.0	229.0	2.0	8.47
P1_009	392094	6621959	266.0	-60	230	251.0	252.85	1.85	13.95
P1_010	391986	6621974	210.2	-75	230	180.35	185.42	5.07	5.27
						189.42	190.32	0.90	3.16
P1_011	392118	6621927	282.0	-60	230	256.0	258.0	2	3.09
P1_012	392132	6621888	279.2	-60	230	252.90	253.40	0.5	8.38
P1_013	392087	6621929	243.1	-58	230	214.3	216.15	1.85	2.03
P1_015	392112	6621896	260.7	-60	230	233.88	234.84	0.96	2.00
						235.36	236.95	1.59	11.35
						237.68	238.17	0.49	2.02
P1_016	392077	6621738	156	-60	230				Pending
P1_017	392120	6621851	252.5	-60	230	226.77	227.17	0.40	7.63
P1_018	392090	6621802	191.5	-60	230	169.21	169.71	0.5	2.52
P1_019	392101	6621759	195.2	-60	230	169.3	170.25	0.95	3.38
P1_020	392040	6621939	261.0	-74	230				Pending
P1_021	391969	6621961	149.9	-60	230				Pending
P1_022	392147	6621847	279.0	-60	230				Pending

*** Competent Person Statement**

Information in this announcement that relates to exploration results is based on information compiled by David O’Farrell who is the Exploration Manager of Horizon Minerals. Mr O’Farrell is a Member of The Australian Institute of Mining and Metallurgists (AusIMM) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking, to qualify as Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr O’Farrell consents to the inclusion in the document of the information in the form and context in which it appears. See also JORC Tables on Pages 10-19.

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Horizon Minerals Limited – Summary of Gold Mineral Resources

Project	Cut-off grade (g/t)	Measured			Indicated			Inferred			Total Resource		
		Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
Teal	1.0				1.01	1.96	63,891	0.80	2.50	64,458	1.81	2.20	128,000
Jacques Find	1.0				1.60	2.24	114,854	0.32	1.68	17,135	1.91	2.14	131,970
Peyes Find	1.0				0.31	1.65	16,313	0.22	1.77	12,547	0.53	1.70	28,860
Crake	1.0	0.46	1.85	27,459	0.48	1.49	22,569	0.33	2.22	23,792	1.27	1.82	73,820
Rose Hill OP	0.5	0.19	2.00	12,300	0.09	2.00	6,100				0.29	2.00	18,300
Rose Hill UG	2.0				0.33	4.50	47,100	0.18	4.80	27,800	0.51	4.60	74,900
Gunga West	0.6				0.71	1.60	36,435	0.48	1.50	23,433	1.19	1.56	59,869
Golden Ridge	1.0				0.47	1.83	27,921	0.05	1.71	2,797	0.52	1.82	30,718
TOTAL		0.66	1.88	39,759	4.99	2.09	334,973	2.38	2.24	171,962	8.02	2.12	546,437

Horizon Minerals Limited – Summary of Vanadium / Molybdenum Mineral Resources

Project	Cut-off grade (%)	Tonnage (Mt)	Grade			Metal content (Mt)		
			V ₂ O ₅ (%)	Mo (ppm)	Ni (ppm)	V ₂ O ₅	Mo	Ni
Rothbury (Inferred)	0.30	1,202	0.31	259	151	3.75	0.31	0.18
Lilyvale (Indicated)	0.30	430	0.50	240	291	2.15	0.10	0.10
Lilyvale (Inferred)	0.30	130	0.41	213	231	0.53	0.03	0.03
Manfred (Inferred)	0.30	76	0.35	369	249	0.26	0.03	0.02
TOTAL		1,838	0.36	256	193	6.65	0.46	0.36

Confirmation

The information in this report that relates to Horizon's Mineral Resources estimates or Ore Reserves estimates is extracted from and was originally reported in Horizon's ASX announcements "Intermin's Resources Grow to over 667,000 Ounces" dated 20 March 2018, "Crake Gold Project Continues to Grow" dated 10 December 2019, "High Grade Drill Results and Resource Update for the Rose Hill Gold Project" dated 4 February 2020 and "Richmond – Julia Creek Vanadium Project Resource Update" dated 16 June 2020, each of which is available at www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed. The Company confirms that the form and context of the Competent Person's findings in relation to those Mineral Resources estimates or Ore Reserves estimates have not been materially modified from the original market announcements.

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Macphersons Resources Limited (a 100% subsidiary of Horizon) – Summary of Mineral Resources

Boorara Gold Resource (at a 0.5 g/t Au cut-off grade)

Category	Tonnes (Mt)	Grade Au (g/t)	Total Au (koz)
Measured Resource	6.11	0.92	181
Indicated Resource	7.26	0.97	227
Inferred Resource	3.08	1.00	99
Total Resource	16.45	0.96	507

Nimbus All Lodes (bottom cuts 12g/t Ag, 0.5% Zn, 0.3g/t Au)

Category	Tonnes (Mt)	Grade Ag (g/t)	Grade Au (g/t)	Grade Zn (%)	Total Ag (Moz)	Total Au (koz)	Total Zn (kt)
Measured Resource	3.62	102	0.09	1.2	11.9	10	45
Indicated Resource	3.18	48	0.21	1.0	4.9	21	30
Inferred Resource	5.28	20	0.27	0.5	3.4	46	29
Total Resource	12.08	52	0.20	0.9	20.2	77	104

Nimbus high grade silver zinc resource (500g/t Ag bottom cut and 2,800g/t Ag top cut)

Category	Tonnes Mt	Grade Ag (g/t)	Grade Zn (%)	Total Ag (Moz)	Total Zn (kt)
Measured Resource	0	0	0	0	0
Indicated Resource	0.17	762	12.8	4.2	22
Inferred Resource	0.09	797	13.0	2.2	11
Total Resource	0.26	774	12.8	6.4	33

Confirmation

The information in this report that relates to MacPhersons' Mineral Resources estimates on the Boorara Gold Project and Nimbus Silver Zinc Project is extracted from and was originally reported in Intermin's and MacPhersons' ASX Announcement "Intermin and MacPhersons Agree to Merge – Creation of a New Gold Company Horizon Minerals Ltd" dated 11 December 2018 and in MacPhersons' ASX announcements "Quarterly Activities Report" dated 25 October 2018, "BOORARA GOLD PROJECT TOTAL GOLD RESOURCE up 118% to 507,000 OUNCES" dated 6th March 2018, "New High Grade Nimbus Silver Core Averaging 968 g/t Ag" dated 10th May 2016, "Boorara Trial Open Pit Produced 1550 Ounces" dated 14 November 2016 and "Nimbus Increases Resources" dated 30th April 2015, each of which is available at www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed. The Company confirms that the form and context of the Competent Person's findings in relation to those Mineral Resources estimates have not been materially modified from the original market announcements.

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Forward Looking and Cautionary Statements

Some statements in this report regarding estimates or future events are forward looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward looking statements include, but are not limited to, statements preceded by words such as “planned”, “expected”, “projected”, “estimated”, “may”, “scheduled”, “intends”, “anticipates”, “believes”, “potential”, “could”, “nominal”, “conceptual” and similar expressions. Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward looking statements may be affected by a range of variables that could cause actual results to differ from estimated results, and may cause the Company’s actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward looking statements. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain any additional mine licenses, permits and other regulatory approvals required in connection with mining and third party processing operations, competition for among other things, capital, acquisition of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rate, currency and interest fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, the ability to secure adequate financing and management’s ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward looking statements will prove to be correct.

Statements regarding plans with respect to the Company’s mineral properties may contain forward looking statements in relation to future matters that can only be made where the Company has a reasonable basis for making those statements.

This announcement has been prepared in compliance with the JORC Code (2012) and the current ASX Listing Rules.

The Company believes that it has a reasonable basis for making the forward looking statements in the announcement, including with respect to any production targets and financial estimates, based on the information contained in this and previous ASX announcements.

Appendix 1 – Penny’s Find Gold Project
JORC Code (2012) Table 1, Section 1 and 2

Mr David O’Farrell, Exploration Manager compiled the information in Section 1 and Section 2 of the following JORC Table 1 and is the Competent Person for those sections. The following Table and Sections are provided to ensure compliance with the JORC Code (2012 edition) requirements for the reporting of Mineral Resources. For further detail, please refer to the announcements made to the ASX by Horizon Minerals Ltd (2019) and Orminex Ltd relating to the Penny’s Find gold project.

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	<ul style="list-style-type: none"> • 4m composite samples taken with a 450mm x 50mm PVC spear being thrust to the bottom of the sample bag for RC drilling. 1m single splits taken using riffle splitter if 4m results above cut-off. Average sample weights about 1.5-2kg. AT Pennys, the RC sampling was restricted to pre-collars with no significant ore expected. • Half diamond HQ diamond drill core was cut and one side submitted to SGS laboratories.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<ul style="list-style-type: none"> • For RC drilling regular air and manual cleaning of cyclone to remove hung up clays where present. Standards & replicate assays taken by the laboratory. Based on statistical analysis of these results, there is no evidence to suggest the samples are not representative. Sampling of the diamond core was consistent with one side of the split core being sent for assay.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (e.g. ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has</i>	<ul style="list-style-type: none"> • Mineralisation was determined by a Senior Geologist with good experience at Pennys Find and elsewhere in WA. The designated ore zone was generally visual. In addition, hanging wall and footwall samples extending over several metres were taken to check for lower grades and grade boundaries.

Criteria	JORC Code explanation	Commentary
Drilling techniques	<i>inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i>	
	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	<ul style="list-style-type: none"> • RC drilling with a 4' 1/2 inch face sampling hammer bit. • Diamond drilling used triple tube to help core recovery.
Drill sample recovery	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></p>	<ul style="list-style-type: none"> • RC recovery and meterage was assessed by comparing drill chip volumes (sample bags) for individual meters. Estimates of sample recoveries were recorded. Routine checks for correct sample depths are undertaken every RC rod (6m). RC sample recoveries were visually checked for recovery, moisture and contamination. The cyclone was routinely cleaned ensuring no material build up. • DDH recovery was logged over every core run (typically 3m), no significant losses were noted inside the ore zone. • Due to the generally good/standard drilling conditions around sample intervals (dry) the geologist believes the samples are representative, some bias would occur in the advent of poor sample recovery which was logged where rarely encountered. At depth there were some wet samples and these were recorded on geological logs. Where significant samples were wet they were recorded. • No sample bias has been identified to date. • Good recoveries were noted in the Binduli diamond drill holes.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	<ul style="list-style-type: none"> • Drill chip logging and core was completed on one metre or selected intervals at the rig by the geologist. The log was made to standard logging descriptive sheets, and transferred into Micromine software once back at the office. • Logging was qualitative in nature. • All intervals logged for DDH drilling.

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Criteria	JORC Code explanation	Commentary
	<p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></p> <p><i>The total length and percentage of the relevant intersections logged.</i></p>	
<p>Sub-sampling techniques and sample preparation</p>	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> <p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p> <p><i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	<ul style="list-style-type: none"> • 4m composite and 1m RC/DDH samples taken. • RC samples were collected from the drill rig by spearing each 1m collection bag and compiling a 4m composite sample. Single splits were automatically taken by emptying the bulk sample bag into a riffle splitter. Samples collected in mineralisation were all dry except for some at depth and these were recorded on logs. • For Horizon samples, no duplicate 4m composites were taken in the field. 4m and 1m samples were analysed by SGS Mineral Services in Kalgoorlie. • Samples were consistent and weighed approximately 1.5-2.0 kg and it is common practice to review 1m results and then review sampling procedures to suit. • DDH HQ3 half core was orientated, sampled, packed and sent to Intertek Labs in Perth. Intervals were dependant on geological boundaries and typically from 0.4 – 1.0m long. Both labs are NATA accredited. • Once samples arrived in Kalgoorlie or Perth, further work including duplicates and QC was undertaken at the laboratory. • Mineralisation is located on the contact between a fresh shale and basaltic unit. The sample size is standard practice in the WA Goldfields to ensure representivity
<p>Quality of assay data and</p>	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p>	<ul style="list-style-type: none"> • The 1 or 4m RC samples were assayed by Fire Assay (FA50) by SGS accredited Labs (Kalgoorlie) for gold only. • DDH ore samples were analysed by Screen Fire analysis (SFCO/OE), whilst non ore samples were analysed by fire assay (SFF50-1).

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Criteria	JORC Code explanation	Commentary
laboratory tests	<p><i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></p> <p><i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></p>	<ul style="list-style-type: none"> • No geophysical assay tools were used. • Laboratory QA/QC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of the in-house procedures. QC results (blanks, duplicates, standards) were in line with commercial procedures, reproducibility and accuracy.
Verification of sampling and assaying	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p> <p><i>Discuss any adjustment to assay data.</i></p>	<ul style="list-style-type: none"> • Work was supervised by senior SGS and Intertek staff experienced in metals assaying. QC data reports confirming the sample quality are supplied. • Data storage as PDF/XL files on company PC in Perth office. • No data was adjusted.
Location of data points	<p><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></p> <p><i>Specification of the grid system used.</i></p> <p><i>Quality and adequacy of topographic control.</i></p>	<ul style="list-style-type: none"> • All drill collar locations were located by a qualified surveyor and accurate to 10mm. The holes were then picked again once drilling operations ceased. Holes were drilled on a regular spacing as per Table 1 collar details. All reported coordinates are referenced to a local grid. The topography is flat at the location of the drilling. Down hole surveys were taken. • Grid MGA94 Zone 51. • Topography is very flat, small differences in elevation between drill holes will have little effect on mineralisation widths on initial interpretation.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	<p><i>Data spacing for reporting of Exploration Results.</i></p> <p><i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></p> <p><i>Whether sample compositing has been applied.</i></p>	<ul style="list-style-type: none"> Holes were variably spaced and were consistent with industry standard resource style drilling in accordance with the collar details/coordinates supplied in Table 1. The hole spacing was determined by Horizon to be sufficient when combined with confirmed historic drilling results to define mineralisation in preparation for a JORC Compliant Resource Estimate.
Orientation of data in relation to geological structure	<p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p> <p><i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></p>	<ul style="list-style-type: none"> At Pennys, all holes were angled and used to intersect the shallow dipping lodes. In this case the intercept width is about (~75%) to the true width. The relationship between the drilling orientation and the orientation of mineralised structures is not considered to have introduced a sampling bias. Given the style of mineralisation and drill spacing/method.
Sample security	<p><i>The measures taken to ensure sample security.</i></p>	<ul style="list-style-type: none"> Sample trays were usually collected daily by HRZ and photographed before transport to the Nimbus site for processing. Visitors need permission to come out to Nimbus. Once cut, the samples were labelled, bagged, secured and transported to Pennys in Kalgoorlie for transport to Perth analysis. Dispatch and consignment notes were delivered and checked for discrepancies.
Audits or reviews	<p><i>The results of any audits or reviews of sampling techniques and data.</i></p>	<ul style="list-style-type: none"> No Audits have been commissioned.

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<p><i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></p> <p><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></p>	<ul style="list-style-type: none"> • Mining Lease M27/156. HRZ acquired 50% interest in the project from joint venture partner Orminex Ltd (ASX: ONX) for \$1.5m and agreed to sole fund the first \$1m in pre-development expenditure with the joint venture partners funding the project on a 50:50 basis thereafter. Royalties are payable to Empire Resources that include a 5% NSR on the first 5,000 oz of Au produced and thereafter a 2.5% NSR royalty for life of mine. • The tenements are in good standing and no known impediments exist.
Exploration done by other parties	<p><i>Acknowledgment and appraisal of exploration by other parties.</i></p>	<ul style="list-style-type: none"> • Previous workers in the area include Orminex Limited, Empire Resources Ltd.
Geology	<p><i>Deposit type, geological setting and style of mineralisation.</i></p>	<ul style="list-style-type: none"> • Archaean contact mineralisation between a basalt and sedimentary footwall rocks. The mineralisation is typically in small quartz veins with variable amounts of sulphide mineralisation.
Drill hole Information	<p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> <ul style="list-style-type: none"> • <i>easting and northing of the drill hole collar</i> • <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> • <i>dip and azimuth of the hole</i> • <i>down hole length and interception depth</i> 	<ul style="list-style-type: none"> • See Table 1 on Page 6.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> • <i>hole length.</i> <p><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></p>	<ul style="list-style-type: none"> • No information is excluded.
<p>Data aggregation methods</p>	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p> <p><i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<ul style="list-style-type: none"> • No weighting or averaging calculations were made, assays reported and compiled are as tabulated in Table 1 on Page 6. • All assay intervals reported in Table 1 are 1m downhole intervals or as indicated. • No metal equivalent calculations were applied.
<p>Relationship between mineralisation widths and intercept lengths</p>	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p>	<ul style="list-style-type: none"> • Drill intercepts and true widths appear to be close to each other, or within reason allowing for the minimum intercept width of 1m. Horizon estimates that the true width is variable but probably around 75% of most intercept widths. • Given the nature of RC and DDH drilling, the minimum width is 0.4m.

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Criteria	JORC Code explanation	Commentary
	<i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i>	
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	<ul style="list-style-type: none"> • See Figure 1-3.
Balanced reporting	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	<ul style="list-style-type: none"> • Summary results showing 1m assays >2.00 g/t Au are shown in Table 1 on Page 6.
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	<ul style="list-style-type: none"> • Some historic comprehensive metallurgical work has been completed at Pennys, however HRZ is currently planning some new metallurgy on the ore zone and underlying black shale. However free gold has been observed in the core. • See details from previous ASX releases from Empire Resources Limited (ASX; ERL). These can be accessed via the internet.
Further work	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	<ul style="list-style-type: none"> • New resource calculations are planned once sufficient infill data is compiled with underground economic assessments to follow. • Commercially sensitive.

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Criteria	JORC Code explanation	Commentary
	<p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	