

4 June 2021

Capital Management

Horizon Gold Limited (ASX:HRN) (**Horizon** or the **Company**) is pleased to announce that as part of its capital management strategy it has agreed to deposit surplus cash funds of \$4,500,000 with Zeta Resources Limited (**Zeta**) (the Company's largest shareholder, holding 69.5%) as short-term loans. The loans are unsecured, repayable on call by the Company and accrue interest at a rate of 5.00% per annum.

The Company has held surplus cash funds of approximately \$5,500,000 in term deposits earning between 0.05% and 0.25% interest per annum since the completion of the Company's entitlement issue in April 2021. The \$4,500,000 deposit funds are temporarily surplus to the Company's cash requirements and as such will be loaned to Zeta and recalled as needed for the Company's ongoing exploration programs over the next ~12 months. The short-term loans enable the Company to earn a higher interest rate on these surplus cash funds compared to the interest rate earned on term deposits.

As at 31 May 2021, Zeta Resources Limited had Net Tangible Assets of \$252.1 million.

This ASX announcement was authorised for release by the Horizon Board.

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