Horseshoe Lights Phase 1 RC Drilling Programme Completed

- **Phase 1 Reverse Circulation Drilling programme completed**
- **15 holes for 1143m completed at Motters Zone**
- **28 holes for 204m completed at the 'C20' stockpile**
- **Assay results awaited**

Horseshoe Metals Limited (ASX: HOR) (Company) is pleased to update the market in relation to exploration activities at its Horseshoe Lights project located in the Bryah Basin, Murchison region of Western Australia (refer Figure 1).

Horseshoe Lights Copper-Gold Project, WA

A track-mounted Reverse Circulation ('RC') Drill rig was recently mobilised to site to complete a Phase 1 RC drill definition programme, intended to confirm and extend known resources, improve the confidence in the classification of the resource, and to more tightly constrain the oxide-sulphide transition.

15 holes were completed for a total of 1143m, to a maximum depth of 139m downhole (refer Figure 2 and Table 1 for details). Drilling targeted a wide NNW/SSE striking shear (Motters Zone) which is interpreted as the eastern limb of a folded Volcanagenic Massive Sulfide (VMS) horizon within the Narracoota Formation volcanics, which hosts the Horseshoe Lights Copper Gold deposit.

Thirteen of the fifteen holes drilled were designed to terminate in a post-mineralisation Proterozoic dolerite inferred to be around 110m thick. The dolerite strikes east -west, daylights in the north and dips flatly at around 30° to the southwest. Copper mineralisation is interpreted to continue beneath this dolerite unit.

The Company intends drilling Below The Dolerite (BTD- *refer ASX:HOR release dated September 12th 2018- "Exploration Update"*) in early 2022 as part of an effort to explore for extensions to existing mineralisation and/or additional high-grade Horseshoe Lights Volcanogenic Massive Sulphide (VMS) targets. These targeted deep holes will also provide platforms for downhole electromagnetic (DHEM) surveys below the dolerite.

The Company also drilled 28 shallow (maximum depth 10m) vertical RC holes for 204m into the adjacent 'C20' Stockpile (refer Figure 3 and Table 2 for details). Up to 21 known 'Chalcocite' stockpiles were utilised at Horseshoe during the copper mining event, and the Company has undertaken this drilling to establish the likelihood of remnant copper-bearing material being accessible within this (C20) substantial remaining stockpile. Other stockpiles remain to be tested.

HORSESHOE METALS LIMITED

ABN 20 123 133 166
24 Mumford Place
Balcatta WA 6021

T: +61 8 6241 1844
F: +61 8 6241 1811
E: info@horseshoemetals.com.au

www.horseshoemetals.com.au

Table 1: Completed Phase 1 RC Drilling- Motters Zone, Horseshoe Lights Copper-Gold Project.

Hole_ID	PlanNorth	PlanEast	RL	Dip	Azimuth	Depth
RC1145	7194520.0	663295.0	517.6	-55.00	270.00	20.00
RC1146	7194500.0	663285.0	518.3	-55.00	270.00	20.00
RC1147	7194480.0	663285.0	519.1	-55.00	270.00	50.00
RC1148	7194460.0	663280.0	520.5	-60.00	90.00	31.00
RC1149	7194460.0	663270.0	520.8	-55.00	270.00	55.00
RC1150	7194440.0	663260.0	522.7	-55.00	90.00	49.00
RC1151	7194440.0	663258.0	522.7	-88.00	90.00	52.00
RC1152	7194420.0	663295.0	525.3	-60.00	270.00	91.00
RC1153	7194400.0	663275.0	527.3	-60.00	270.00	109.00
RC1154	7194375.0	663300.0	533.8	-55.00	270.00	139.00
RC1155	7194350.0	663275.0	533.5	-65.00	90.00	79.00
RC1156	7194350.0	663275.0	533.5	-88.00	300.00	123.00
RC1157	7194325.0	663275.0	533.0	-60.00	90.00	80.00
RC1158	7194325.0	663260.0	532.3	-88.00	90.00	134.00
RC1159	7194375.0	663270.0	531.2	-88.00	148.00	111.00

Table 2: Completed RC Drilling- C20 Stockpile, Horseshoe Lights Copper-Gold Project.

Hole_ID	PlanNorth	PlanEast	RL	Dip	Azimuth	Depth
C20_RC1	7194300	663293	533.2	-90.00	0.00	5.00
C20_RC2	7194303	663303	533.4	-90.00	0.00	6.00
C20_RC3	7194306	663312	533.6	-90.00	0.00	7.00
C20_RC4	7194310	663322	534.0	-90.00	0.00	7.00
C20_RC5	7194313	663331	533.9	-90.00	0.00	8.00
C20_RC6	7194317	663339	533.7	-90.00	0.00	8.00
C20_RC7	7194319	663350	534.0	-90.00	0.00	9.00
C20_RC8	7194323	663358	534.0	-90.00	0.00	10.00
C20_RC17	7194319	663287	533.3	-90.00	0.00	6.00
C20_RC18	7194322	663297	533.7	-90.00	0.00	6.00
C20_RC19	7194326	663306	534.0	-90.00	0.00	7.00
C20_RC20	7194329	663316	534.1	-90.00	0.00	8.00
C20_RC21	7194332	663325	534.1	-90.00	0.00	8.00
C20_RC22	7194335	663335	534.1	-90.00	0.00	9.00
C20_RC23	7194338	663344	534.2	-90.00	0.00	10.00
C20_RC31	7194359	663346	534.1	-90.00	0.00	10.00
C20_RC32	7194357	663338	534.2	-90.00	0.00	9.00
C20_RC33	7194354	663329	534.1	-90.00	0.00	9.00
C20_RC34	7194351	663319	534.0	-90.00	0.00	8.00
C20_RC35	7194348	663310	533.9	-90.00	0.00	7.00
C20_RC36	7194345	663300	533.7	-90.00	0.00	6.00
C20_RC37	7194342	663291	533.7	-90.00	0.00	6.00
C20_RC38	7194338	663281	533.6	-90.00	0.00	5.00
C20_RC46	7194376	663332	533.9	-90.00	0.00	8.00
C20_RC47	7194373	663323	533.8	-90.00	0.00	7.00
C20_RC48	7194370	663313	533.8	-90.00	0.00	6.00
C20_RC49	7194367	663304	533.8	-90.00	0.00	5.00
C20_RC50	7194361	663289	533.9	-90.00	0.00	4.00

The Company will release additional results from this programme as they become available.

The Board of Directors of HOR has authorised this announcement to be given to the ASX.

Enquiries

Craig Hall

Non-Executive Director,

T: +61 8 6241 1844

E: info@horseshoemetals.com.au

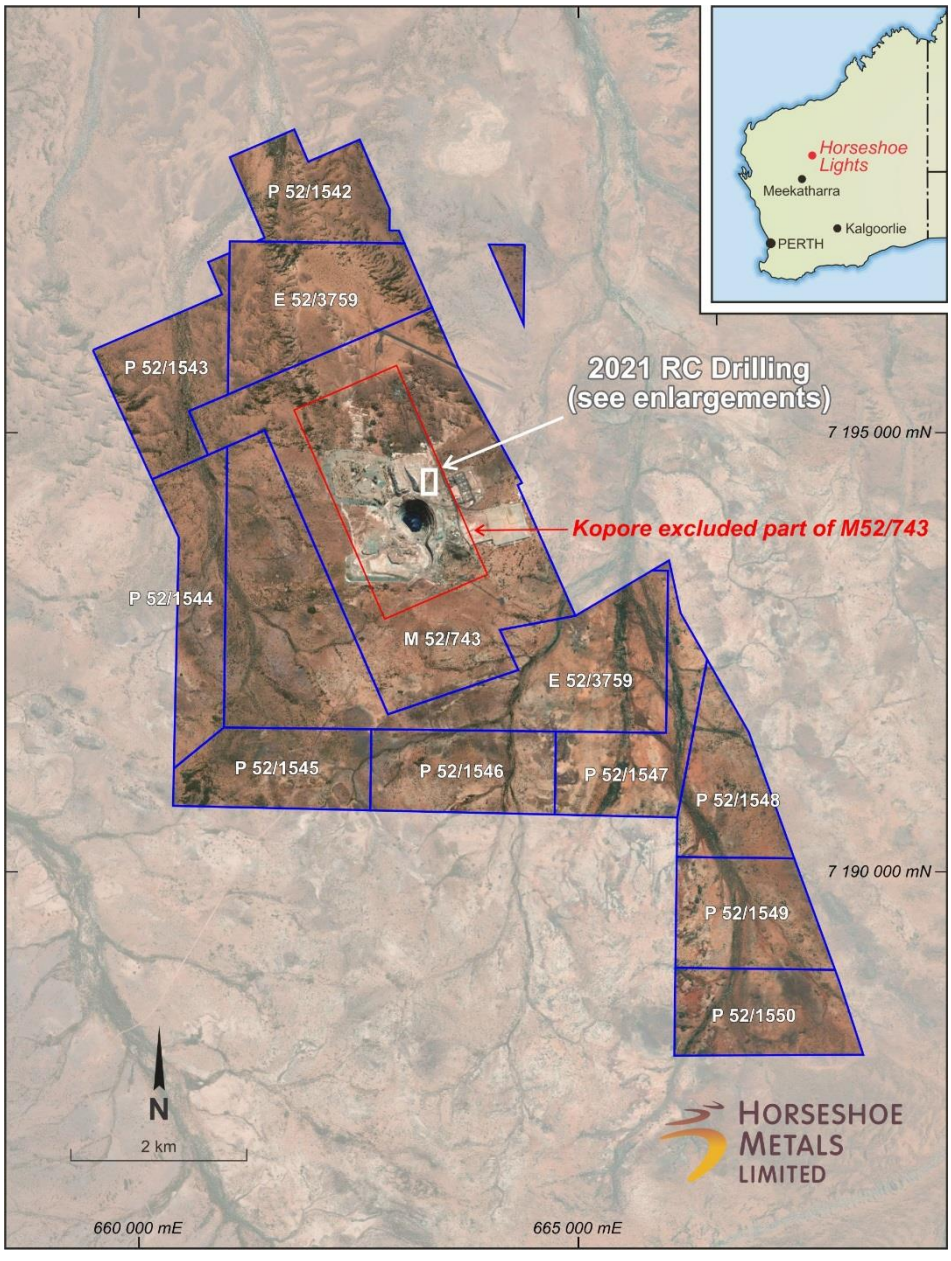

Figure 1: Horseshoe Lights Project tenure and location, with Figure 2 inset. Tenements E52/3759, P52-1442-50, and part of M52/743 are subject to a farm-in agreement with Kopore Metals Limited (refer ASX release 28th January 2021 – "*Horseshoe West Copper/Gold Farm-in and JV Agreement*")

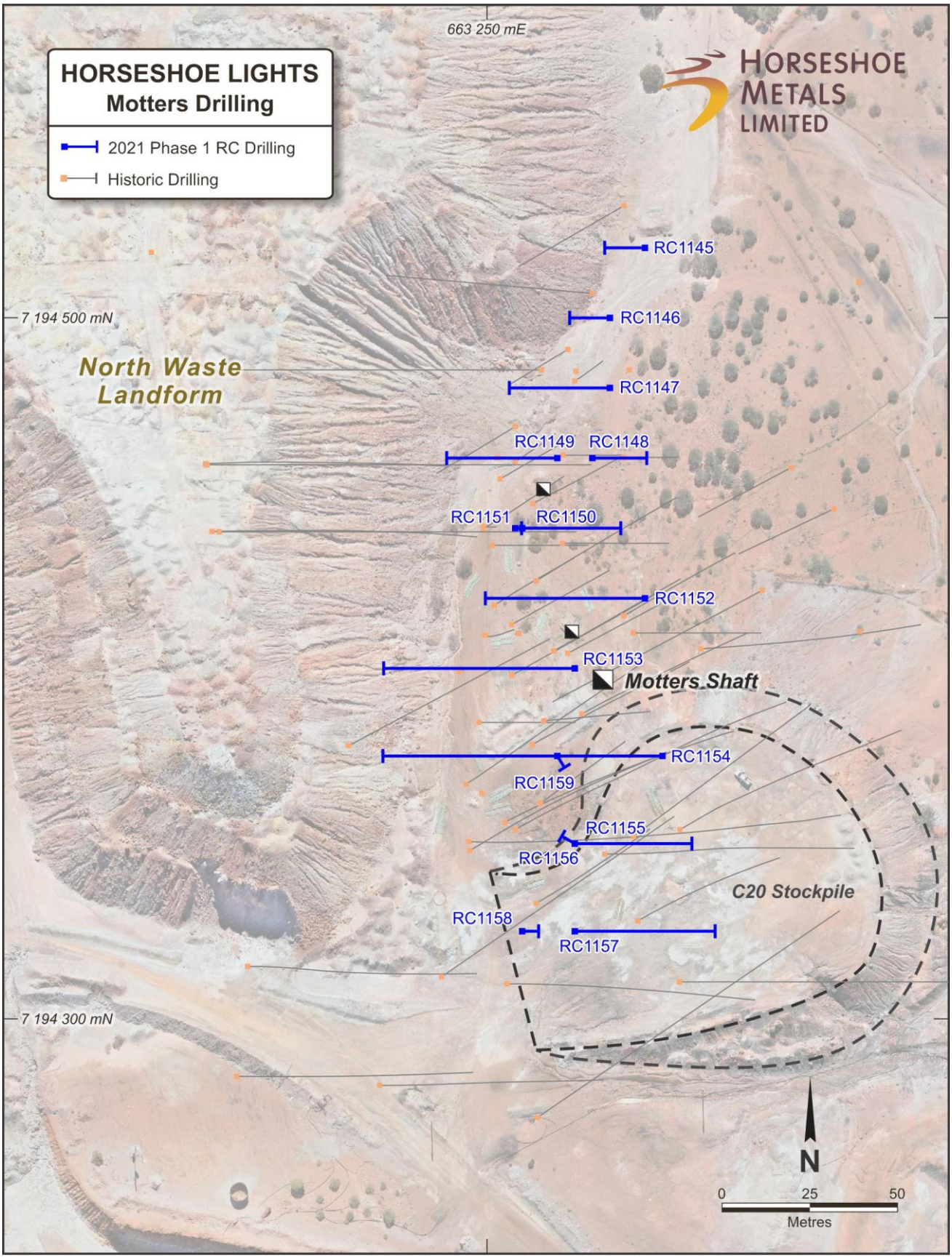

Figure 2: Location Plan, Phase 1 RC Drilling, Horseshoe Lights Copper Gold Project

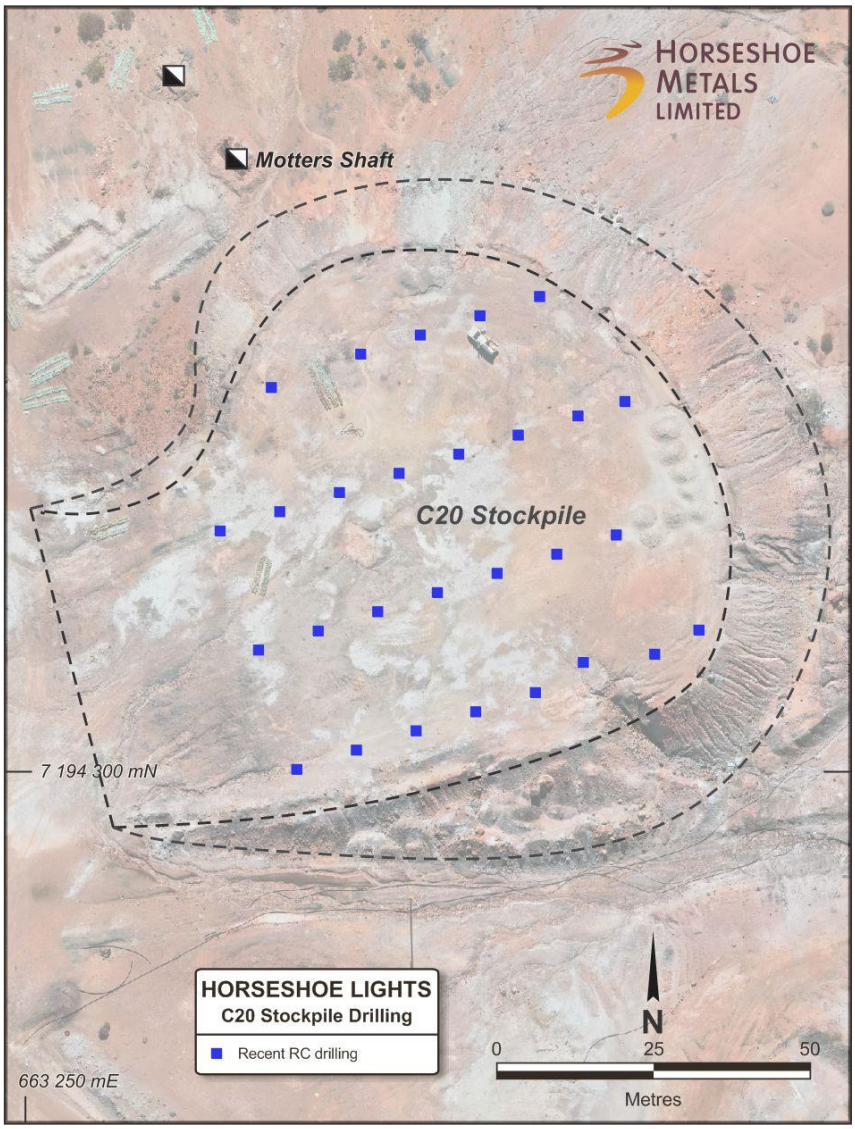

Figure 3: Location Plan, RC Drilling of C20 Stockpile, Horseshoe Lights Copper Gold Project

About Horseshoe Metals Limited

Horseshoe Metals Limited (ASX:HOR) is a copper and gold-focused Company with a package of tenements covering approximately 500km^2 in the highly prospective Peak Hill Mineral Field, located north of Meekatharra in Western Australian and mineral interests in South Australia. The Company manages the Horseshoe Lights Project and the Kumarina Project in Western Australia, and the Glenloth Gold Project in South Australia.

About the Horseshoe Lights Project

The Horseshoe Lights Project includes the historic open pit of the Horseshoe Lights copper-gold mine which operated up until 1994, producing over 300,000 ounces of gold and 54,000 tonnes of contained copper including over 110,000 tonnes of Direct Shipping Ore (DSO) which graded between 20-30% copper.

The Horseshoe Lights ore body is interpreted as a deformed Volcanogenic Hosted Massive Sulphide (VMS) deposit that has undergone supergene alteration to generate the gold-enriched and copper-depleted cap that was the target of initial mining. The deposit is hosted by quartz-sericite and quartz-chlorite schists of the Lower Proterozoic Narracoota Formation.

Past mining was focused on the Main Zone, a series of lensoid ore zones, which passed with depth from a gold-rich oxide zone through zones of high-grade chalcocite mineralisation into massive pyrite-chalcopyrite. To the west and east of the Main Zone, copper mineralisation in the Northwest Stringer Zone and Motters Zone consists of veins and disseminations of chalcopyrite and pyrite and their upper oxide copper extensions. Table 3 summarises the total Mineral Resources for the Horseshoe Lights Copper-Gold Project.

TABLE 3
HORSESHOE LIGHTS PROJECT
SUMMARY OF MINERAL RESOURCES
AS AT 30 June 2021

Location	Category	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu metal (tonnes)	Au metal (oz)	Ag metal (k oz)
In-situ Deposit (0.5% Cu cut-off grade)	*Measured*	*1.73*	*1.04*	*0.0*	*0.5*	*18,000*	*1,900*	*28.8*
	Indicated	*2.43*	*0.95*	*0.0*	*0.7*	*23,200*	*3,400*	*52.2*
	Inferred	*8.69*	*1.01*	*0.1*	*2.6*	*87,400*	*30,700*	*712.4*
	Total	**12.85**	**1.00**	**0.1**	**1.9**	**128,600**	**36,000**	**793.4**
Flotation Tailings	**Inferred**	**1.421**	**0.48**	**0.34**	**6.5**	**6,800**	**15,300**	**294.8**
M15 Stockpiles	**Inferred**	**0.243**	**1.10**	**0.17**	**4.7**	**2,650**	**1,300**	**36.7**
					TOTAL	**138,050**	**52,600**	**1,124.9**

Note: At 0% Cu cut-off grade unless otherwise stated

The above Mineral Resource Estimates all meet the reporting requirements of the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

About the Kumarina Project

The copper deposits at the Kumarina Project were discovered in 1913 and worked intermittently until 1973. The workings extend over nearly 5km as a series of pits, shafts and shallow open cuts. At the main Kumarina Copper Mine, the workings are entirely underground with drives from the main shaft extending for some 200m in the upper levels and for about 100m in the lower levels at a depth of 49m below surface.

Incomplete records post-1960s make it difficult to estimate the total copper production from the workings. However, indications are that the Kumarina Copper Mine was the second largest producer in the Bangemall Basin group of copper mines. Recorded production to the late 1960s is 481t of copper ore at a high-grade of 37.0% Cu and 2,340t at a grade of 17.51% Cu. An initial Mineral Resource Estimate for the Rinaldi deposit was completed by the Company in 2013 (see 30 June 2013 Quarterly Report announced on 31 July 2013). The total Measured, Indicated and Inferred Mineral Resource Estimate as at 30 June 2021 is shown in Table 4 below.

TABLE 4
KUMARINA PROJECT
SUMMARY OF MINERAL RESOURCES
AS AT 30 June 2021

Location	Category	Tonnes (t)	Cu (%)	Cu metal (tonnes)
Rinaldi Prospect (0.5% Cu cut-off)	*Measured*	*415,000*	*1.46*	*6,100*
	Indicated	*307,000*	*1.16*	*3,500*
	Inferred	*114,000*	*0.9*	*1,000*
	Total	**835,000**	**1.3**	**10,600**

The Mineral Resource Estimate meets the reporting requirements of the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves"

Forward Looking Statements

Horseshoe Metals Limited has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Horseshoe Metals Limited, its directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it. This announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this announcement nor anything in it shall form the basis of any contract or commitment whatsoever. This announcement may contain forward-looking statements that are subject to risk factors associated with gold exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

Competent Persons Statement

The information in this report that relates to the Exploration Results and Mineral Resources at the Horseshoe Lights and Kumarina Projects is based on information reviewed by Mr Craig Hall, who is a member of the Australian Institute of Geoscientists. Mr Hall is a contractor to Horseshoe Metals Limited and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. Mr Hall consents to the inclusion of the data in the form and context in which it appears.

The information in this report that relates to the Horseshoe Lights Project In-situ Mineral Resources is based on information originally compiled by Mr Dmitry Pertel, an employee of CSA Global Pty Ltd, and reviewed by Mr Hall. This information was originally issued in the Company's ASX announcement "40% increase in Copper Resource at Horseshoe Lights Copper/Gold Project", released to the ASX on 5 June 2013, and first disclosed under the JORC Code 2004. This information was subsequently disclosed under the JORC Code 2012 in the Company's ASX release "Quarterly Report Period Ended 30 June 2013", released on 31 July 2013. 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. The Company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements.

The information in this report that relates to the Horseshoe Lights Project surface stockpile Mineral Resources is based on information compiled by a previous employee of Horseshoe Metals Limited and reviewed by Mr Hall. The information was previously issued in announcements released to the ASX on 26 February 2015 and 9 March 2015. 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. The Company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements.

The information in this report that relates to the Kumarina Project (Rinaldi Prospect) Mineral Resources is based on information compiled by or under the supervision of Mr Robert Spiers, an independent consultant to Horseshoe Metals Limited and a then full-time employee and Director of H&S Consultants Pty Ltd (formerly Hellman & Schofield Pty Ltd), and reviewed by Mr Hall. The information was originally issued in the Company's ASX announcement "Horseshoe releases Maiden Mineral Resource Estimate for Kumarina", released to the ASX on 4 March 2013, and first disclosed under the JORC Code 2004. This information was subsequently disclosed under the JORC Code 2012 in the Company's ASX release "Quarterly Report Period Ended 30 June 2013", released on 31 July 2013. 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. The Company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements.