

## POSITIVE RESULTS FOR CANNON UNDERGROUND GOLD PROJECT AND FEASIBILITY STUDY UPDATE

### HIGHLIGHTS

- Review of early production opportunities completed with the Cannon underground project prioritised and the Penny's Find and Rose Hill underground projects under assessment for potential sequential development <sup>1</sup>
- The Mineral Resource Estimate for Cannon underground stands at:
  - 226kt grading 4.4g/t Au for 32,330oz at a 1.0g/t Au lower cut-off grade <sup>2</sup>
- Pre-Feasibility Study has now been completed for Cannon demonstrating positive economic results including the following <sup>3</sup>:
  - Maiden Ore Reserve of 135kt grading 4.1g/t Au for 17,680oz
  - Underground decline development from a portal within the historic open pit
  - Ore processing at the Lakewood toll mill at 90% recovery produces 15,900oz
  - Upfront capital costs of A\$4.3m
  - AISC of A\$1,873/oz using contract mining and haulage
  - Generates net cash flow of A\$10.1m over 16-month life at A\$2,600/oz
- Significant potential for resource growth down plunge and along strike on the Cannon shear zone with further drilling planned from both surface and underground drilling locations <sup>1</sup>
- Development decision for Cannon expected in the June Quarter 2022 with potential for first gold production in the first half of 2023 <sup>1</sup>
- Toll milling development studies to be conducted in parallel with resource extension and new discovery drilling including testing multi-commodity potential at Golden Ridge and Yarmany
- Consolidated Feasibility Study placed on hold due to significant short-term volatility in capital and operating costs due to labour shortages, materials cost inflation and supply shortages
- Technical and approvals workstreams to continue to support a future consolidated development strategy and enable study recommencement when cost volatility reduces <sup>1</sup>
- Concurrent toll milling strategy using contract mining and third-party processing infrastructure carries lower risk given the close proximity to existing infrastructure and previous success, and will continue to be pursued to generate cash and de-risk development

<sup>1</sup> See Forward Looking and Cautionary Statements on Page 16. <sup>2</sup> See Table and Confirmations on Page 14. <sup>3</sup> See Table 1 and Competent Persons Statement on page 6 and JORC Tables on Page 17.

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Commenting on the Cannon project and update, Horizon Managing Director Mr Jon Price said:

“We commenced the consolidated Feasibility Study for a standalone development centred around our baseload Boorara project near Kalgoorlie at the onset of the global pandemic. Our team and our potential contracting partners and suppliers have done an excellent job in managing the operating challenges and we have continued to run our business without interruption.

“Unfortunately, we’ve seen inflation and volatility in cost estimates increase materially since the second half of last year to a point where we now believe too much risk and potential for value destruction exists making it reckless to pursue a large-scale development in such an uncertain operating environment.

“We are fortunate to have a +1.1 million ounce resource within close proximity to the mining centre of Kalgoorlie-Boulder which provides significant opportunity and flexibility. Our location gives us the opportunity to monetise low tonnage high grade assets through a contract mining and toll milling model as we have done successfully in the past.

“The results of the Cannon underground Pre-Feasibility Study demonstrate the ability to produce solid cash flow of an estimated \$10.1 million over five quarters with a proven and relatively low risk operating strategy.

“By maintaining our technical and approval workstreams for the consolidated development we retain the ability to quickly update and finalise the feasibility work when more predictability returns to the cost, labour and material supply environment. We will also continue to evaluate other business development opportunities to facilitate the larger scale development in a lower risk way.

“We now look forward to continuing our drilling program and advancing the project to a development decision in coming months, completing mining studies on Penny’s Find and Rose Hill to deliver a potential sequence of underground projects and testing the depth and strike extensions at Cannon.”

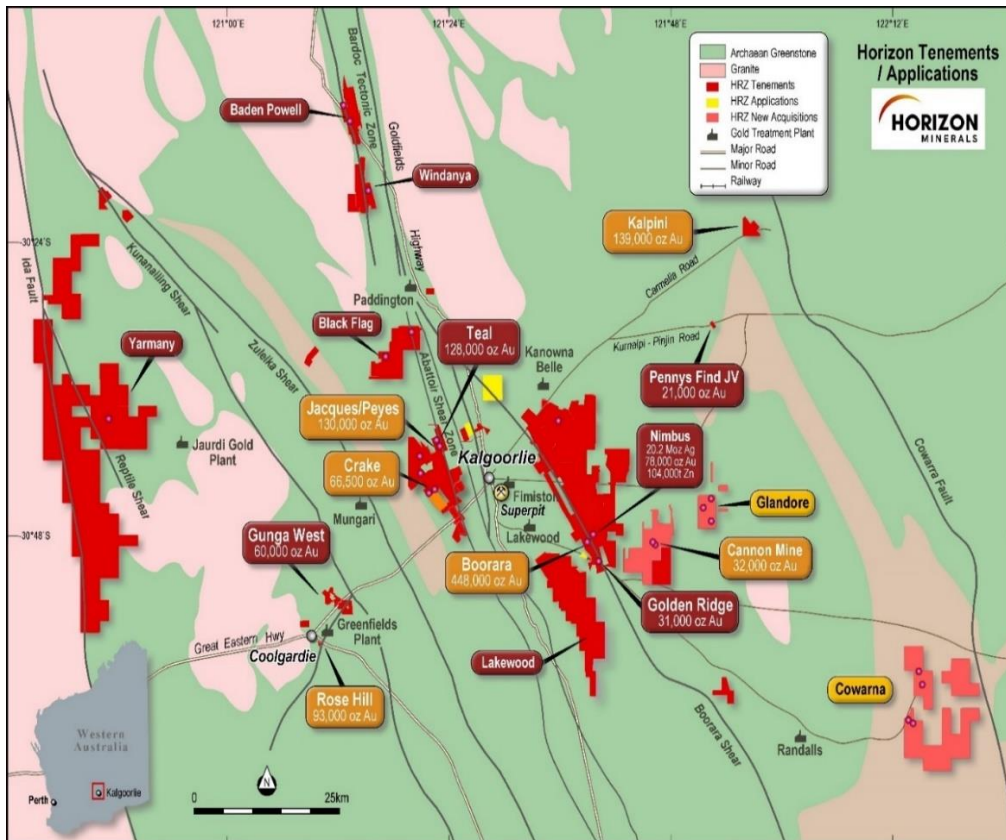
**Cautionary Statement**

The PFS referred to in this announcement is based on Proven and Probable Ore Reserves derived from Measured and Indicated Mineral Resources. No Inferred Resource material has been included in the estimation of Ore Reserves. The Company advises that Proven and Probable Ore Reserves provide 100% of the total tonnage and 100% of the total metal underpinning the forecast production target and financial projections. There is no additional life-of-mine plan material derived from the non-Ore Reserve material. There is no dependence of the outcomes of the PFS and the guidance provided in this announcement on the non-Ore Reserve material. No Inferred Mineral Resource material is included in the life of mine plan (refer Appendix 1 and Forward Looking and Cautionary Statements on Pages 16).

Horizon Minerals Limited has concluded it has reasonable basis for providing the forward-looking statements included in this announcement (see page 16). The detailed reasons for that conclusion are outlined throughout this announcement and Material Assumptions are disclosed in Appendix 1. This announcement has been prepared in accordance with the JORC Code (2012) and the ASX Listing Rules.

**Overview**

Horizon Minerals Limited (ASX: HRZ) (Horizon or the Company) is pleased to announce the results of the Cannon Pre-Feasibility Study (“PFS” or “Study”) including a maiden Ore Reserve. The 100% owned Cannon gold project is located 30km east-southeast of Kalgoorlie-Boulder in the heart of the Western Australian goldfields (Figure 1).



**Figure 1: Kalgoorlie Regional Project area location and surrounding infrastructure**

The high-grade Cannon underground gold project was acquired as part of the Bulong South, Glandore and Cowarna project acquisition completed in October 2021 for \$5 million in cash<sup>1</sup>. The project includes an historic open pit mined in 2017 and is located 10km east of the proposed Boorara mill site via existing roads. Cannon is also close to other existing milling facilities, with the Lakewood plant being only 17km by road to the east.

**Project Summary**

The Cannon deposit occurs within Horizon Mineral’s Bulong South gold project located 30km east-southeast of Kalgoorlie in the Eastern Goldfields region of Western Australia, in granted mining lease ML25/333.

The Cannon deposit was discovered by Southern Gold Limited in 2008 following up geochemical anomalies testing for strike extensions of the George’s Reward mineralisation immediately north of the Bulong South deposit. The George’s Reward prospect was initially held by Northern Mining

<sup>1</sup> As announced to the ASX on 19 October 2021.

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Limited and comprised an Inferred Mineral Resource of approximately 23,000 ounces when purchased by Westgold Limited in 2015.

A maiden Mineral Resource estimate for the Cannon Gold Deposit was completed during December 2012 by Runge Pincock Minarco Limited (RPM) for Southern Gold. This Indicated and Inferred Resource totalled 812,200t @ 3.9 g/t for 100,400oz at a 0.5 g/t Au cut-off. Open pit mining commenced in August 2015 under a profit-sharing arrangement with Westgold/Metals X who had acquired the adjacent Georges Reward tenement. The Cannon pit, under the Westgold JV, was based upon a 2015 Resource of 452,000t @ 3.9g/t for 56,000 ounces at a 0.7g/t Au cut-off.

Mining was completed in June 2017 with 576,400t mined at 2.98g/t for 55,143 ounces, almost a 100% reconciliation back to the resource but at close to 30% additional dilution. Mining operations were suspended in August 2017 by Westgold and management of ML25/333 reverted to Southern Gold. A 30-hole RC delineation drill program was undertaken from the base of the Cannon pit and ramp in July 2017 providing the high confidence in the current Resource update.

An adit at Cannon was mined in the east pit wall below the ramp to recover a parcel of ore that became inaccessible via open pit mining. Development of the adit began in May 2017 and production was completed in June 2017. A total of 10,640 tonnes at 9.15g/t Au for 3,131 ounces were recovered; a significant improvement on the reserve figures of 13,313 tonnes at 6.92 g/t for 2,962 ounces.

### Feasibility Study Parameters

The key outcomes for the project are included in Table 1 below. The estimated Ore Reserve, which constitutes 100% of the production target, has been prepared by competent persons in accordance with JORC Code 2012.<sup>1</sup>

**Table 1: Summary of PFS key outcomes <sup>1</sup>**

Measure	PFS Outcome
Lateral Development (m)	1,264
Vertical Development (m)	131
Development Ore (kt)	15.0
Stoping Ore (kt)	120
Total Mined Ore (kt)	135
Gold grade (g/t)	4.1
Stope Mining Recovery	95%
Milling Recovery (%)	90%
Recovered Gold (oz)	15,910
Capital Costs (incl development) (A\$m)	4.3
C1 Costs (A\$/oz)	1,644
All in Sustaining Costs (A\$/oz)	1,873
Free Cashflow at A\$2,600/oz Au Price (A\$m)	10.1

<sup>1</sup> See Table 1 and Competent Persons Statement on page 6 and JORC Tables on Page 17.

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The Ore Reserve reflects the mining of the Cannon Mineral Resource via underground mining methods below the existing open pit. There is approximately three months of preproduction works including pit dewatering, mobilisation, and site establishment, followed by sixteen months of mining.

### Mining

Operational activities shall be undertaken by a mining contractor with technical and managerial oversight provided by Horizon. Mining will be underground with access via a portal within the pit to develop the decline to the base of the mine, with lateral ore drives developed from the decline. The mining method will be a bottom-up method using longhole stoping with Cemented Rockfill (CRF). Ore and waste shall be loaded out by conventional diesel-powered Load-Haul-Dump (LHD) loaders and low profile trucks. Development undertaken with Jumbo Drills and stoping with Longhole drills.

Following pre-production activities, development occurs over a period of seven months, with stoping and backfilling operations commencing in month seven. Sufficient ore stockpiles for milling shall be built-up to enable processing to occur over months seven to seventeen with processing completed one month after mining is completed.

### Mineral Resource Estimate

Horizon completed an updated Mineral Resource Estimate (MRE) in November 2021 with a minor revision in February 2022 as per Table 2 below<sup>1</sup>:

**Table 2: Cannon Project – MRE by Classification – 1.0 g/t Au Cut Off \***

Classification	Tonnes	g/t Au	Ounces
<b>Indicated</b>	176,000	5.1	28,580
<b>Inferred</b>	51,000	2.3	3,750
<b>Total</b>	226,000	4.4	32,330

Tonnages are dry metric tonnes. Minor discrepancies may occur due to rounding.

\* The information in this report related to the Cannon Mineral Resource estimate is based on work completed by Mr Dave O'Farrell: BSc (Hons), MAusIMM, Exploration Manager for Horizon Minerals Ltd and Mr Stephen Godfrey: BSc (Hons), FAusIMM, MAIG, Resource Development Manager for Horizon Minerals Ltd. Mr O'Farrell was responsible for database and data quality at the Cannon deposit. Mr Godfrey was responsible for the development of the geological model, mineralisation interpretations, resource estimation, classification, and reporting.

### Ore Reserve Statement

Horizon engaged Auralia Consulting Pty Ltd to conduct the Pre-Feasibility Study to generate the Ore Reserves which was completed with the following material assumptions:

- Underground mining and haulage costs based on quotations provided by mining contractors
- Detailed metallurgical test work from samples collected within the project, and review of records of processing open pit ore through the Jubilee plant. Recoveries of 90% were applied

<sup>1</sup> As announced to the ASX on 03 November 2021.

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- Processing costs based on toll milling agreed costs utilising the Lakewood plant
- Mineable stope shapes were designed, producing stopes with “planned internal dilution” a further dilution factor of 10% and stope mining recovery of 95% were applied to the design stopes, no recovery or dilution factors were applied to the ore drive development.
- All Inferred Resources were excluded from the stope optimisation process in the financial modelling and the estimation of Ore Reserves
- An Australian dollar gold price of \$2,600 per ounce was applied. WA state royalties were subtracted from the gold price as part of the optimisation process.
- Bulk densities were derived from test work
- A lower cut-off grade of 2.0 g/t was applied
- Due to the short project duration no discount factor has been used

The Mineral Resource contained within the design was based on optimisation of the Measured and Indicated Mineral Resource, with no Inferred Mineral Resources included in the MSO’s, with modifying factors applied.

The Ore Reserve for the project is reported according to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, JORC Code 2012. The MRE was converted to Ore Reserve in consideration of the level of confidence in the MRE and reflecting modifying factors (Table 3).

**Table 3: Summary of Ore Reserves by Classification (see Appendix 1)**

<b>Classification</b>	<b>Tonnes</b>	<b>g/t Au</b>	<b>Ounces</b>
<b>Proven</b>	0	0	0
<b>Probable</b>	135,000	4.1	17,680
<b>Total</b>	135,000	4.1	17,680

Tonnages are dry metric tonnes. Minor discrepancies may occur due to rounding.

Reported ounces include approximately 500 ounces of dilutionary material of mineralised waste mined as “planned internal dilution”.

\* The Information in this Report that relates to Ore Reserves is based on information compiled by Mr Anthony Keers, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Keers is an independent consultant of Horizon. Mr Keers has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Keers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. 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 Ore Reserves make up 100% of the production in the Pre-Feasibility study.

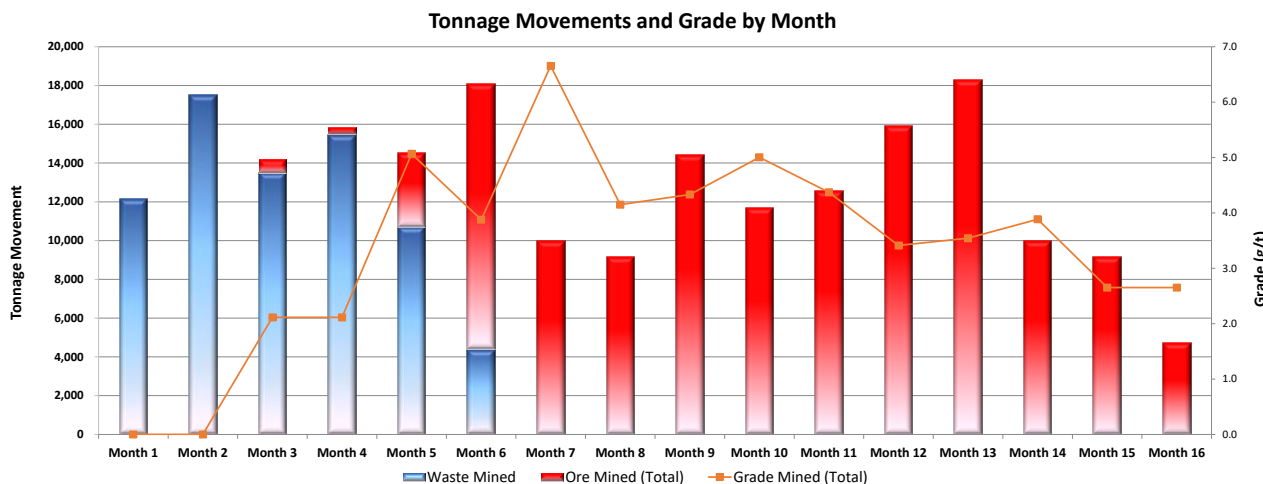


**Figure 4: Proposed Cannon site layout**

**Ore processing and production**

Ore mined will be hauled from the Cannon run of mine (ROM) pad and delivered to the Lakewood processing plant ROM pad where it will be picked up by front end loader and fed into the plant. Ore will be processed at approximately 15kt per month over a nine-month period.

Metallurgical results indicate ore treatment through a conventional crushing, grinding and gravity circuit followed by standard carbon in leach gold extraction is suitable and appropriate for the ore type. Testwork and the treatment of ore from the Cannon open pit in 2016 and 2017 indicate that metallurgical recoveries of 90% are applicable for the study.



**Figure 5: Cannon mining schedule, waste and ore with grade profile**

A toll milling agreement is in place with Golden Mile Milling to treat the Cannon ore at the Lakewood processing facility.

**Infrastructure, Transport and Services**

The Cannon gold project is located approximately 30km east-southeast of Kalgoorlie-Boulder. Access to site is via an existing unsealed site access road and the sealed Mt Monger Road from Kalgoorlie-Boulder.

Mine dewatering will occur over a period of two months to dewater the open pit, with the pit water level in the pit approximately 110m below surface. Ground water inflows are low at 70kl/day. Conventional submersible and positive pressure pumps will be suitable for dewatering the underground. Excess water shall be pumped to the Company’s nearby Golden Ridge pit. If additional mine service water is required, it shall be sourced from the Golden Ridge pit. Groundwater licences issued by the Department of Water and Environmental Regulation are in place for Chapple Bore, Golden Ridge and Stoneville, with applications pending for Cannon.

Site establishment and minor site road upgrades will be undertaken by the mining contractor, inclusive of offices, hard-stand area and a workshop facility (Figure 4). Due to the close proximity of Kalgoorlie-Boulder, all external providers and staff shall come from the nearby city, with some top up FIFO personnel expected.

**Capital Expenditure**

Capital expenditure totals A\$4.3m comprising contractor mobilisation, demobilisation and site establishment, and also includes water storage construction, associated pumps and pipework, and capital development works.



**ASX ANNOUNCEMENT****Operating Expenditure**

Allowances have been made for mining development, stoping and backfill on a fixed and variable cost basis, including bogging, trucking, drill and blast, dayworks, cement and rock mixing and backfill placement, site rehabilitation and associated site overheads for staff and management. Ore haulage, processing costs and the associated state royalties have also been incorporated into the financial analysis.

**Environmental and Permitting**

Statutory approvals are in place for mine development include:

- Granted Mining Leases – M25/333, M25/357, M25/182 and L25/048
- Project Management Plan submission to DMIRS imminent
- Mining Proposal addendum in train
- Licences to take water (5C) applications pending

The Cannon gold mining project has an approved Mining Proposal for open pit mining in place, however an addendum shall be required for the underground mining operations, along with other minor infrastructure requirements. The Mining Proposal addendum is being compiled by an external consultant.

Flora and Fauna investigations have shown no threatened or priority flora or fauna species within the project area. An aboriginal heritage survey conducted in 2012 observed no ethnographic sites in the study area, with the nearest registered site (DIA site 1279) 8.9km from the open pit.

Drafting of an updated Project Management Plan is nearing completion, with third party agreements for ore haulage road access in place.

**Economic Evaluation**

The economic evaluation of the project, summarised in Table 1 above, was conducted by Auralia Consultants Pty Ltd. The evaluation was conducted on a Discounted Cashflow (DCF) basis with the following key assumptions:

- Australian gold price of \$2,600 per ounce
- Budget quotations from mining and haulage
- Processing costs provided from toll milling operators
- State royalty of 2.5% of revenue

**Funding**

Horizon has A\$3.6 million in cash and investments in ASX listed companies with a current value of approximately A\$9.56 million as of the end of the December 2021 quarter.

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The positive technical and economic fundamentals demonstrated to date at the Cannon gold project provide a sound basis to assess financing options including internal funding, traditional debt/equity and sale or partial sale of Company assets.

The Board is confident the Company will be able to finance the Cannon gold project.

**Next Steps <sup>1</sup>**

The immediate next steps are the finalisation of the Mining Proposal addendum for submission to DMIRS. In parallel, mining and haulage contracts shall be finalised in conjunction with project financing options for Board approval early in the June Quarter 2022. On completion and Board approval, mine development is anticipated during the September Quarter 2022 and subject to mobilisation of the mining fleet with the successful mining contractor.

**Approved for release by the Board of Directors****For further information, please contact:**

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<sup>1</sup> See Forward Looking and Cautionary Statements on Page 16.

**ASX ANNOUNCEMENT****ASX Listing Rule 5.9.1 Disclosures for Ore Reserve Estimation****Material Assumptions and Outcomes of the Pre-Feasibility Study**

The PFS was completed with the following material assumptions:

- Underground mining operations and road haulage conducted by contractors
- Ore processing via toll milling in close proximity
- Project implementation and oversight by management in conjunction with contractors
- Detailed metallurgical test work from samples collected from drilling representing ore domains within the project, and open pit ore treated at Westgold Limited's Jubilee plant in 2017. Recoveries of 90% were applied
- Processing costs based on toll treatment rates as provided in the Toll Milling Agreement.
- Mineable stope shapes were designed, producing stopes with "planned internal dilution" a further dilution factor of 10% and stope mining recovery of 95% were applied to the design stopes, no recovery or dilution factors were applied to the ore drive development.
- All Inferred Resources were excluded from the stope optimisation process in the financial modelling and the estimation of Ore Reserves
- An Australian dollar gold price of \$2,600 per ounce was applied. WA state royalties were subtracted from the gold price as part of the optimisation process.
- Bulk densities were derived from test work
- A lower cut-off grade of 2.0 g/t was applied
- No discount factor has been used due to the short life of the project

The outcomes of the Pre-feasibility Study are shown in Table 1 on page 4 of this announcement.

**Classification Criteria**

Measured Mineral Resources have been converted to Proven Ore Reserves. Indicated Mineral Resources have been converted to Probable Ore Reserves. The estimation of the Cannon Gold Project Ore Reserves is, in the opinion of the Competent Person, appropriate for this style of deposit.

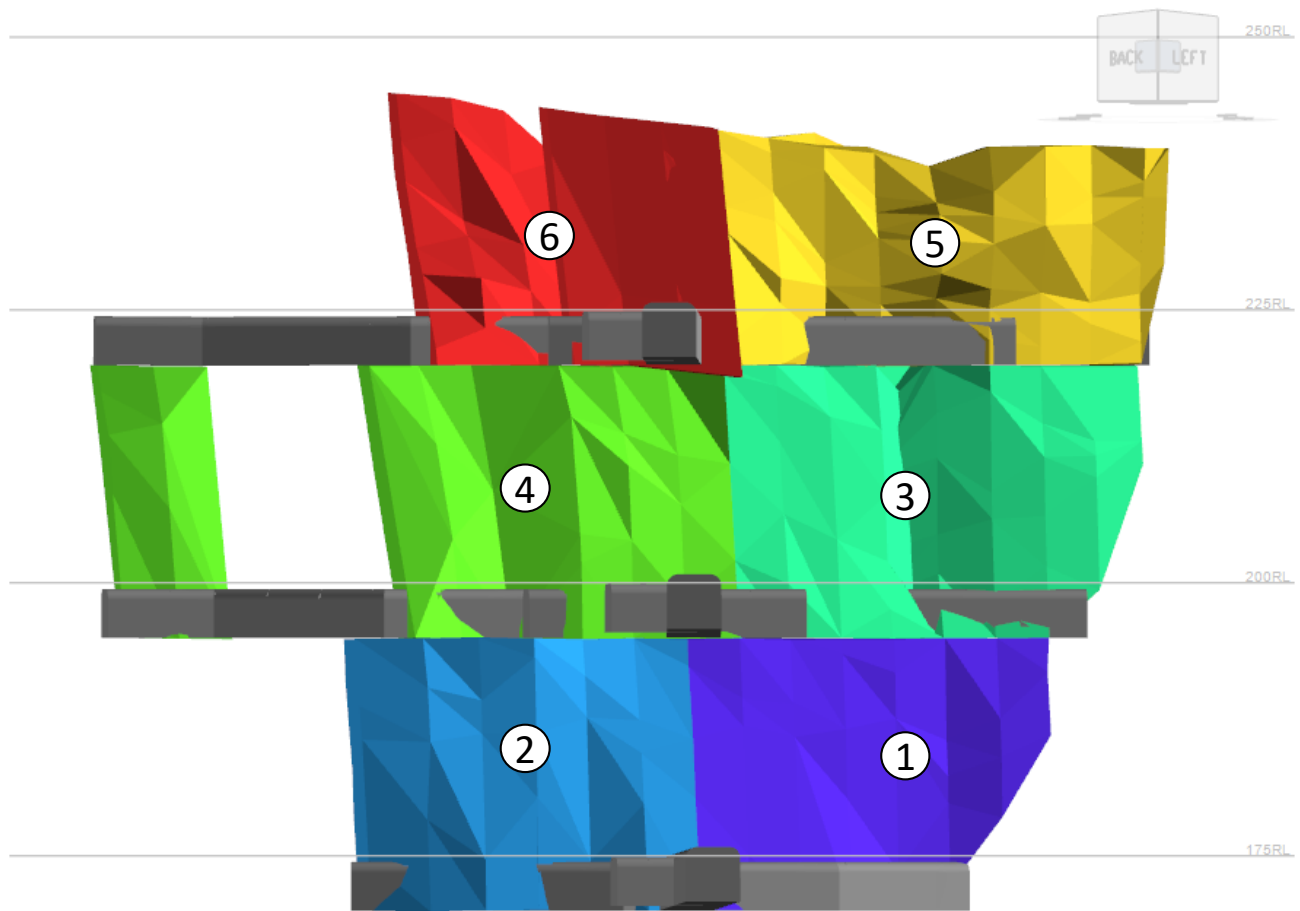
**Mining Method Selection, Assumptions and Modifying Parameters**

The primary mining method for the underground resource at Cannon will be long hole stoping with cemented rockfill (CRF).

Stoping configurations are a bottom-up method, predominantly single-lift stoping (25m vertical interval). The single-lift stoping method involves establishing a rise to start the slot and then the stoping front is retreated along strike. The installation of hanging-wall (HW) and crown cables and the use of small hydraulic radius for the design will assist in controlling HW stability. All stopes with top access will be filled, with cemented rockfill.

Planned dilution has been accounted for in the creation of the Stope Shapes. A 95% mining recovery factor has been applied to longhole stoping using CRF. The stoping sequence is shown below in Figure 6.

Waste development excavations are given a 10% overbreak. No further dilution factors or mining recovery factors have been applied to development ore.



**Figure 6: Cannon isometric view of Cannon stope shapes and proposed sequencing**

**Processing Method, Assumptions and allowance for Deleterious Elements**

All Cannon ore will be toll processed offsite through toll milling agreement is in place.

Ore Reserves are based on a metallurgical recovery of 90%, which is consistent with historical performance of Cannon Open pit fresh ore during 2016 to 2017 at the South Kalgoorlie Operations Mill with no deleterious material noted.

**Cut-off Grade**

A cut-off grade has been calculated and applied based on forecast costs and modifying factors for the Life-of-Mine plan. A conservative gold price of A\$2,300/oz was utilised by Auralia Pty Ltd in this calculation to determine viable stopes with A\$2,600/oz used in financial modelling.

## **Estimation Methodology**

The level of study carried out as part of this Cannon gold project Ore Reserve is to a Pre-Feasibility Study level. The relative accuracy of the estimate is reflected in the reporting of the Ore Reserves as per the guidelines regarding modifying factors, study levels and Competent Persons contained in the JORC 2012 Code. The Ore Reserve estimate has only utilised the Indicated portion of this Resource based on the applicable cut-off grades and has applied the modifying factors based on the various dilution parameters determined by the performance of the underground geotechnical work, the applicable mining method and recovery factors, to generate the final diluted and recovered Ore Reserve.

## **Tenements, Approvals, Infrastructure and other modifying factors considered**

The Cannon Open pit is currently held to an existing Mine Closure Plan (MCP), with rehabilitation completed on all areas not considered for used by the Underground operations. This plan does include the underground option considered during the previous approvals phase and remains relevant. Some modifications will need to be made for the reactivation of the underground which will require review and approval, but it is assumed these are minor and do not constitute a major change requiring further environmental studies.

All existing waste rock classifications and waste dump footprints will remain unchanged with a minimal mining footprint required for the underground surface infrastructure which will be placed on existing disturbed ground.

Current external reporting is recorded and reported in the Annual Environmental Report submitted to DMIRS as part of existing open pit closure reporting requirements.

The Cannon open pit operations were suspended in September 2017 after completion of stage 1 open pit mining. At that time all required government and statutory permits and approvals were in place. Underground mining would take place in an existing Cannon mining lease (M25/333 & M25/357). A submission to WA DMIRS, to reactivate the open pit to commence the underground mine will be made via a Mining Proposal Addendum with a revised MCP at a future date based upon the underground mining plan. It is acknowledged that mining cannot proceed until the new underground plan is submitted and approved.

## Horizon Minerals Limited – Summary of Gold Mineral Resources

Project	Cut-off grade (g/t)	Measured			Indicated			Inferred			Total Resource		
		Mt	Au (a/t)	Oz	Mt	Au (a/t)	Oz	Mt	Au (a/t)	Oz	Mt	Au (a/t)	Oz
<b>Boorara OP</b>	0.5	1.28	1.23	50,630	7.19	1.27	294,140	2.56	1.26	103,470	11.03	1.26	<b>448,240</b>
<b>Kalpini</b>	0.8				1.40	2.43	108,000	0.47	2.04	31,000	1.87	2.33	<b>139,000</b>
<b>Jacques - Peyes</b>	0.8				0.97	2.59	81,000	0.77	1.98	49,000	1.74	2.32	<b>130,000</b>
<b>Teal</b>	1.0				1.01	1.96	63,680	0.80	2.50	64,460	1.81	2.20	<b>128,140</b>
<b>Crake</b>	0.8				1.33	1.47	63,150	0.08	1.27	3,300	1.42	1.46	<b>66,500</b>
<b>Cannon UG</b>	1.0				0.18	5.1	28,580	0.05	2.30	3,750	0.23	4.40	<b>32,330</b>
<b>Rose Hill OP</b>	0.5	0.19	2.00	12,300	0.09	2	6,100				0.29	2.00	<b>18,400</b>
<b>Rose Hill UG</b>	2.0				0.33	4.5	47,100	0.18	4.80	27,800	0.51	4.60	<b>74,900</b>
<b>Pennys Find (50%)</b>	1.5				0.09	5.71	17,500	0.03	3.74	3,500	0.13	5.22	<b>21,000</b>
<b>Gunga West</b>	0.6				0.71	1.6	36,440	0.48	1.50	23,430	1.19	1.56	<b>59,870</b>
<b>Golden Ridge</b>	1.0				0.47	1.83	27,920	0.05	1.71	2,800	0.52	1.82	<b>30,720</b>
<b>TOTAL</b>		<b>1.47</b>	<b>1.33</b>	<b>62,930</b>	<b>13.77</b>	<b>1.75</b>	<b>773,610</b>	<b>5.48</b>	<b>1.77</b>	<b>312,510</b>	<b>20.73</b>	<b>1.72</b>	<b>1,149,050</b>

### Confirmation

The information in this report that relates to Horizon's Mineral Resources 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, "Rose Hill firms as quality high grade open pit and underground gold project" dated 8 December 2020, "Updated Boorara Mineral Resource Delivers a 34% Increase In Gold Grade" dated 27 April 2021, "Penny's Find JV Resource Update" dated 14 July 2021, "Updated Crake Resource improves in quality" dated 7 September 2021, "Jacques Find-Peyes Farm Mineral Resource update" dated 15 September 2021 and "Kalpini Gold Project Mineral Resource Update" dated 28 September 2021, each of which is available at [www.asx.com.au](http://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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### Horizon Minerals Limited – Summary of Vanadium / Molybdenum Mineral Resources

Project	Cut-off grade (%)	Tonnage (Mt)	Grade			Metal content (Mt)		
			V <sub>2</sub> O <sub>5</sub> (%)	Mo (ppm)	Ni (ppm)	V <sub>2</sub> O <sub>5</sub>	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
<b>TOTAL</b>		<b>1,838</b>	<b>0.36</b>	<b>256</b>	<b>193</b>	<b>6.65</b>	<b>0.46</b>	<b>0.36</b>

### Horizon Minerals Limited – Summary of Silver / Zinc Mineral Resources

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

Category	Tonnes	Grade	Grade	Grade	Ounces	Ounces	Tonnes
	Mt	Ag (g/t)	Au (g/t)	Zn (%)	Ag (Moz)	Au ('000oz)	Zn ('000t)
<b>Measured Resource</b>	3.62	102	0.09	1.2	11.9	10	45
<b>Indicated Resource</b>	3.18	48	0.21	1.0	4.9	21	30
<b>Inferred Resource</b>	5.28	20	0.27	0.5	3.4	46	29
<b>Total Resource</b>	12.08	52	0.20	0.9	20.2	77	104

Nimbus high grade silver zinc resource (500g/t Ag bottom cut and 2800g/t Ag top cut)

Category	Tonnes	Grade	Grade	Ounces	Tonnes
	Mt	Ag (g/t)	Zn (%)	Ag (Moz)	Zn ('000t)
<b>Measured Resource</b>	0	0	0	0	0
<b>Indicated Resource</b>	0.17	762	12.8	4.2	22
<b>Inferred Resource</b>	0.09	797	13.0	2.2	11
<b>Total Resource</b>	0.26	774	12.8	6.4	33

### Confirmation

The information in this report that relates to Horizon's Mineral Resources estimates on the Richmond Julia Creek vanadium 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, "Richmond – Julia Creek Vanadium Project Resource Update" dated 16 June 2020, "New High Grade Nimbus Silver Core Averaging 968 g/t Ag" dated 10th May 2016 and "Nimbus Increases Resources" dated 30th April 2015, each of which is available at [www.asx.com.au](http://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.

**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 – Cannon Gold Project

### JORC Code (2012) Table 1, Section 1, 2, 3 and 4

Mr David O’Farrell, Exploration Manager of Horizon Minerals compiled the information in Section 1 and Section 2 of the following JORC Table 1 and is the Competent Person for those sections. Mr Stephen Godfrey, Resource Development Manager of Horizon Minerals compiled the information in Section 3 of the following JORC Table 1 and is the Competent Person for that section. Mr Anthony Keers, Director and Principal Mining Engineer of Auralia Mining Consulting Pty Ltd compiled the information in Section 4 of the following JORC Table 1 and is the Competent Person for that section.

The following Table and Sections are provided to demonstrate the preparation and reporting of the Mineral Resource and Ore Reserve has been completed under the guidelines of the JORC Code (2012).

#### Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<p>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.</p> <p>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</p> <p>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 inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</p>	<p><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>The mineralisation of the Cannon deposit was sampled using face sampling reverse circulation (RC) percussion, and diamond core drilling techniques.</li> <li>RC drill holes and RC pre-collars were sampled at 1m intervals followed by riffle splitting and collection into plastic bags for non-pre-collared holes or as four-metre, spear sampled, composite samples for RC pre-collars. Individual 1m samples from RC composites returning anomalous gold values were subsequently re-split by sample spear and assayed.</li> <li>Individual RC drilling samples riffle split from the drill rig were collected into pre-numbered calico bags.</li> <li>Diamond core was sampled as half core at intervals not less than 0.1m and no greater than 1.3m lithological boundaries. Sampling intervals were controlled by geological boundaries.</li> </ul> <p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p> <ul style="list-style-type: none"> <li>Drill holes were sampled using face sampling reverse circulation (RC) percussion drilling.</li> <li>Drill holes were sampled at 1m intervals via a cone-splitter connected via a cyclone directly to the drill stream.</li> <li>Individual RC drilling samples were cone split from the drill rig and collected into pre-numbered calico bags.</li> <li>Holes BSRC275 to BSRC303: Each sample was completely pulverised to produce a 50g charge for fire assay.</li> </ul>

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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>Holes BSRC304 and BSRC305: Each sample was completely pulverised to produce a 10g charge for multi-element analysis.</li> </ul>
<b>Drilling Techniques</b>	<p><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 orientated and if so, by what method, etc).</i></p>	<p><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>Diamond or face sampling reverse circulation percussion drilling were the primary drilling techniques used to evaluate the Cannon resource.</li> <li>The MRE has been informed by 62 RC and 20 Diamond Core drill holes from the exploration programs.</li> <li>RC percussion drilling downhole depths range from 34m to 240m.</li> <li>Diamond drill holes and diamond tails to RC pre-collars downhole depths range from 78m to 225m.</li> <li>Exploration RC drilling was undertaken by Ausdrill, Strange Drilling and Andrews Drilling, all of Kalgoorlie, using 5½ inch diameter face sampling hammers.</li> <li>Exploration and Resource Diamond core drilling was undertaken by Ausdrill Ltd. Diamond tails were drilled as NQ (47.6mm diameter) and NQ2 (50.8mm diameter). Drill holes used for geotechnical or metallurgical data acquisition were drilled using triple tubed HQ3 core with a diameter of 61.1mm).</li> <li>All cored holes were routinely orientated using an ACE electronic tool.</li> </ul> <p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p> <ul style="list-style-type: none"> <li>The MRE was informed by 299 RC grade control holes.</li> <li>In pit Face sampling RC percussion drilling was undertaken from surface to depths ranging from 6 to 55m.</li> <li>Grade control RC drilling in the Cannon Pit was undertaken by VM Drilling and Blue Spec Mining of Kalgoorlie.</li> <li>UG RC Ramp drilling Face sampling reverse circulation percussion drilling was used.</li> <li>Holes were surveyed by Gyro tool (Reflex EZ Gyro) in the rod stream by Ausdrill of Kalgoorlie, WA.</li> </ul>
<b>Drill sample recovery</b>	<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>	<p><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>Sampling intervals during RC drilling were routinely checked by comparing the position of the drill rod against the sample bag being filled.</li> <li>Cored hole depths were measured by Company geologists and reconciled with core markers prepared by the driller.</li> <li>Drilled cored meters compared well to recovered meters. Overall recoveries are estimated at 98% for core drilling.</li> <li>Drilling of core and RC holes were conducted with machinery and using drilling techniques appropriate to the terrain and with drillers experienced in the area.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>• Core and RC sample loss was kept to a minimum by good sampling practices.</li> <li>• Riffle splitting of RC samples and sampling of half core from diamond holes provided good representation of the intervals sampled.</li> <li>• No recovery issues were identified with the RC drilling. Loss of fines at the cyclone was minimal and is not considered to have had a significant effect on sample recovery.</li> <li>• No relationship has been noted between sample recovery and grade. Overall, sample recoveries were very high and did not present a problem.</li> </ul> <p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p> <ul style="list-style-type: none"> <li>• Sampling intervals during RC drilling were routinely checked by comparing the position of the drill rod against the sample bag being filled.</li> <li>• Drilling of RC holes was conducted with machinery and using drilling techniques appropriate to the terrain and with drillers experienced in the area.</li> <li>• Sample loss and contamination was kept to a minimum by good sampling practices.</li> <li>• Cone splitting of RC holes provided good representation of the intervals sampled.</li> </ul>
<p><b>Logging</b></p>	<p><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></p> <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><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>• All drill holes have been geologically logged by Company geologists using a standard format over the whole length of each hole. Features for each sample or geological interval recorded included weathering, lithology, alteration mineralogy, structural information, mineralisation mineralogy, veining, vein mineralogy and orientation and proportions of non-economic minerals. This level of detail is considered appropriate to support the 2015 Mineral Resource estimate.</li> <li>• Geological logging recorded factual data (e.g. colour, grain size, percentage of identifiable minerals present) and interpretative data (e.g. lithology).</li> <li>• A subsample of washed and sieved RC chips from each metre was collected and stored sequentially in numbered plastic chip trays. Chips trays representing each RC drill hole are stored in the Company's head office in Adelaide.</li> <li>• All drill core has been photographed. Detailed geotechnical logging and geotechnical tests were undertaken on three holes drilled to provide open pit design parameters and preliminary underground design parameters.</li> <li>• All intervals used in the 2015 Mineral Resource estimate have been fully logged.</li> <li>• The level of detail recorded during logging is sufficiently detailed to support appropriate 2015 Mineral Resource estimation, mining studies and metallurgical studies.</li> </ul> <p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p> <ul style="list-style-type: none"> <li>• All drill holes have been geologically logged by Company geologists using a standard format over the whole length of each hole. Features for each sample or geological interval recorded, where observable, included weathering, lithology, alteration mineralogy, structural</li> </ul>

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Criteria	JORC Code explanation	Commentary
		<p>information, mineralisation mineralogy, veining, vein mineralogy and proportions of non-economic minerals.</p> <ul style="list-style-type: none"> <li>• Geological logging recorded factual data (e.g. colour, grain size, percentage of identifiable minerals present) and interpretative data (e.g. lithology).</li> <li>• A subsample of washed and sieved RC chips from each metre was collected and stored sequentially in numbered plastic chip trays. Chips trays representing each RC drill hole are stored in the Company's offices at the Nimbu/Boorara mine site.</li> </ul>
<p><b>Sub-sampling techniques and sample preparation</b></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>	<p><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>• RC samples were riffle split at 1m intervals and rejects collected into green plastic bags.</li> <li>• Riffle split samples were taken dry. On rare occasions when a moist or wet sample was returned, a PVC spear or scoop was used to avoid contamination of the riffle splitter (three samples). This was noted in the sample register and subsequently entered into the Company's database.</li> <li>• Composite RC samples were taken from the plastic bags using a PVC spear. Original 1m samples were submitted for assay if initial composite analyses were considered anomalous.</li> <li>• All mineralised intervals of diamond drill core were sampled as half core with intervals ranging from 0.3m to 1.3m. A minimum of three meters either side of mineralised intervals was also sampled. Sampling intervals were controlled by geological boundaries.</li> <li>• Sample size presented for analysis was typically 1 to 3kg.</li> <li>• Preparation and analysis of RC and diamond core samples was undertaken by crushing and pulverizing at Intertek Genalysis' Kalgoorlie laboratory, followed by analysis at Intertek Genalysis' facility in Perth. 2016 DDH program, samples analysed through Bureau Veritas Kalgoorlie.</li> <li>• Samples were pulverised to 85% passing 75 micron. Consultation between the Company and the lab concluded this particle size was suitable for the Cannon samples.</li> <li>• Field duplicates were collected every 20th sample from 2010 onwards and results obtained compared well with the original sample.</li> <li>• Sampling procedures utilised for the Cannon exploration and resource definition drilling were reviewed previously by external consultant RungePincockMinarco (Runge, 2010, 2011 and RPM 2012) and are considered to be of a high standard.</li> </ul> <p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p> <ul style="list-style-type: none"> <li>• RC samples were sampled at 1m intervals from a cone splitter attached to the drill rig and rejects collected and placed in sequential order on the ground adjacent to the drill rig. Samples were taken dry.</li> <li>• Sample size presented for analysis was approximately 3kg.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<b>Quality of assay data and laboratory tests</b>	<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"> <li>Preparation and analysis of samples was undertaken by Minanalytical at their Kalgoorlie and Perth facilities.</li> <li>Samples were pulverised to 85% passing 75 micron. Consultation between the Company and the lab concluded this particle size was suitable for the Cannon samples.</li> <li>Field duplicates were collected at every 20th metre mark on each hole and results obtained returned a correlation coefficient of 0.988. One duplicate result failed, this was of a different mineralisation style outside of the targeted zone.</li> </ul> <p><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>The analytical method used for samples used in the resource estimation was Genalysis method FA25/AA, consisting of a 25-g charge fire assay with detection by atomic absorption at a detection limit of 0.01ppm Au (gold). Fire assay is considered the most appropriate analysis method for the deposit and is a total digest technique. No strong nugget effect was observed in repeated assays and screening of samples prior to fire assay was not considered necessary.</li> <li>No assay data from geophysical tools were used in the 2015 Mineral Resource estimate.</li> <li>The QAQC protocol used for drilling undertaken in 2009 consisted of certified standards inserted at a rate of approximately 1 in 100, a small number of blanks and laboratory repeats.</li> <li>The QAQC protocol used for drilling undertaken in 2010 consisted of certified standards plus blanks inserted at a rate of 1 in 15. Duplicate sampling was also undertaken.</li> <li>The QAQC protocol used for drilling undertaken in 2012 and 2016 drilling consisted of certified standards plus blanks inserted at a rate of approximately 1:20.</li> <li>Field duplicates were collected every 20th sample from 2010 onwards and results compared well.</li> <li>Results from QAQC monitoring of the accuracy and precision of the analytical methods employed which were at variance with accepted values were discussed with the analysing laboratory and resolved to the satisfaction of the Company.</li> <li>A review of the analytical performance of the external standards and blanks used in exploration and resource definition drilling was previously assessed (Runge, 2010, 2011 and RPM 2012) which indicated that these results were acceptable in the majority of samples and that the assay data was considered acceptable for resource estimation purposes.</li> </ul> <p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p> <ul style="list-style-type: none"> <li>Holes BSRC275 to BSRC303: Gold was analysed by Minanalytical method FA50AAS, consisting of a 50g charge fire assay followed by atomic absorption spectroscopy at a detection limit of 0.005ppm Au (gold). No strong nugget effect was observed in repeated assays and screening of samples prior to fire assay was not considered necessary. Holes</li> </ul>

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Criteria	JORC Code explanation	Commentary
		<p>BSRC304 and BSRC305: Aqua regia digest was used to produce a solution which was then analysed for a 61-element suite with detection by ICP-OES / ICP-MS (AR1031) methods.</p> <ul style="list-style-type: none"> <li>No data from geophysical tools were used to determine grade control assay results.</li> <li>The QAQC protocol used consisted of certified reference materials plus blanks, each inserted at a rate of 1:20.</li> <li>Field duplicates were collected every 20th metre mark and results compared well (R=0.988).</li> </ul>
<p><b>Verification of sampling and assaying</b></p>	<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>	<p><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>Significant intersections were visually inspected and verified by the Competent Person at the time (Mr Ian Blucher).</li> <li>A total of 361 samples were submitted to an umpire laboratory (ALS Kalgoorlie) for sample preparation and analysis at the Perth ALS laboratory in 2010 with results comparing well.</li> <li>Twinned holes have not been drilled.</li> <li>All sampling data was recorded by hand onto logging sheets and re-checked before submission to the lab. Data was then entered into digital form and stored on the Company database after validation.</li> <li>The assay database is stored securely on the HRZ server which is backed up routinely both on and offsite.</li> <li>No adjustments are made to the assay data after review of QAQC measures as stated above.</li> </ul> <p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p> <ul style="list-style-type: none"> <li>Significant intersections were visually inspected and verified by the Competent Person at the time (Mr Paul Androvic).</li> <li>Twinned holes have not been drilled.</li> <li>All sampling data is recorded on computer spreadsheets or by hand onto logging sheets and re-checked before submission to the lab. Data is then entered into digital form and stored on the Company database after validation. Original logging sheets are filed in the Company's offices at the Nimbu/Boorara mine site.</li> <li>The assay database is stored securely on the Company's server which is backed up routinely both on and offsite.</li> <li>No adjustments are made to the assay data after review of QAQC measures as stated above.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<b>Location of data points</b>	<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>	<p><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>• Drill hole collar positions have been accurately surveyed by registered surveyors utilising DPGS survey equipment to an accuracy of +/- 0.01m.</li> <li>• 71% of holes were surveyed downhole by Gyro Inclinator with the remaining 29% by electronic multi-shot tool.</li> <li>• The grid system used for locating the collar positions of drill holes is the Geocentric Datum of Australia (GDA94), Zone 51 (MGA Projection). Elevations are recorded in Australian Height Datum (AHD).</li> <li>• Topographic control in the immediate vicinity of the Cannon resource is provided by topographic mapping undertaken by Whelans of Kalgoorlie with an estimated RMS accuracy of 0.05m horizontal and 0.05m vertical.</li> </ul> <p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p> <ul style="list-style-type: none"> <li>• Drill hole collar positions have been surveyed by Differential GPS to an accuracy of +/- 0.1m.</li> <li>• Holes were surveyed by Gyro tool (Reflex EZ Gyro) in the rod stream by Ausdrill of Kalgoorlie, WA.</li> <li>• The grid system used for locating the collar positions of drill holes is the Geocentric Datum of Australia (GDA94), Zone 51 (MGA Projection). Elevations are recorded in Australian Height Datum (AHD).</li> <li>• Topographic control in the area is provided by SRTM data and mine site surveying</li> </ul>
<b>Data spacing and distribution</b>	<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>	<p><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>• The average drill hole spacing in the main portion of the resource is approximately 20m along strike and 20m down dip. With the good continuity of structure evident at the deposit, this spacing is considered adequate to allow some parts of the deposit to be classified as an Indicated Mineral Resource. The portions of the deposit drilled at spacings of greater than 20m, or where continuity of structure is uncertain, have been classified as Inferred Mineral Resource.</li> <li>• The Cannon deposit shows reasonable continuity of the main mineralised zones allowing the drill hole intersections to be modelled into coherent, geologically robust wireframes. Reasonable consistency is evident in the thickness of the structure, and the distribution of grade appears to be reasonable along strike and down plunge.</li> <li>• Samples were composited to 1m intervals for use in the Mineral Resource Estimation.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Orientation of data in relation to geological structure</b>	<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>	<p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p> <ul style="list-style-type: none"> <li>The average in-pit drill hole spacing used was 10 m grid east west and 5 m grid north – south. This spacing provides information to infill between existing resource drilling and is adequate to inform the mining process.</li> <li>Compositing has not been applied to samples reported.</li> <li>UG RC Ramp infill drilling was undertaken on 5m grid north- south spacing over 70m with 1-4 holes per line.</li> </ul> <p><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>The orientation of the drilling direction is to the east, which is approximately perpendicular to the general strike of structures controlling mineralisation which dip to the west. A number of holes have been drilled at a close angle to the dip due to the steep nature of the lodes and varying strike of the mineralisation.</li> <li>The majority of holes have been drilled to the east, with one scissor hole drilled to the west. Three geotechnical holes drilled for mine design purposes were drilled at bearings of 120, 235 and 300 magnetic. Data obtained from these holes has also been incorporated in the 2015 Mineral Resource estimate.</li> <li>The relationship between the orientation of drilling and orientation of mineralised structures is not considered to have introduced a sampling bias.</li> </ul> <p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p> <ul style="list-style-type: none"> <li>All drilling was undertaken to the east, parallel to the majority of the Cannon resource and Grade Control drilling.</li> <li>No twinned-holes were drilled.</li> </ul>
<b>The measures taken to ensure sample security</b>	<p><i>The measures taken to ensure sample security.</i></p>	<p><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>RC drilling samples are placed into pre-numbered calico bags directly from the splitter under the supervision of the rig geologist.</li> <li>Diamond core is transported from site by Company personnel to a secure facility in Kalgoorlie where it is logged and sampled then stored.</li> <li>The rig geologist places the calicos bags containing the samples into polyweave bags and transports them to the sample preparation laboratory where a sample submission form is completed. The details entered onto the sample submission form are the means by which the samples are tracked through the laboratory.</li> </ul>



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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>• Samples are transported by internal courier from the preparation facility to the analytical laboratory.</li> <li>• The laboratory provides the Company with a reconciliation of samples submitted compared to samples received.</li> </ul> <p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p> <ul style="list-style-type: none"> <li>• Security measures employed for grade control samples were the same as for the exploration and resource drilling.</li> <li>• RC samples are placed into pre-numbered calico bags directly from the splitter under the supervision of the rig geologist.</li> <li>• The geologist places the calicos bags containing the samples into polyweave bags and transports them to the sample preparation laboratory where a sample submission form is completed. The details entered onto the sample submission form are the means by which the samples are tracked through the laboratory.</li> <li>• The laboratory provides the Company with a reconciliation of samples submitted compared to samples received.</li> </ul>
<b>Audits or reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	<p><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>• A site visit was conducted in June 2010 (Runge, 2010) to review the project and deposit geology, drilling, sampling and site procedures. Runge (2010) reported that Company procedures and protocols were operating at a high level.</li> <li>• The exploration and resource definition drilling data was audited previously in Surpac by Runge (2010 and 2011) and RPM (2012), with no major issues identified.</li> <li>• An internal review of bulk density data was undertaken by Company geologists in Dec 2012.</li> </ul> <p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p> <ul style="list-style-type: none"> <li>• No audits or reviews of grade control sampling techniques have been undertaken</li> </ul>

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### Section 2 Reporting of Exploration Results

(Criteria listed in Section 1 also apply to this section.)

<b>Mineral tenement and land tenure status</b>	<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"> <li>• The Cannon resource is secured by M25/333, located ca. 30km ESE of Kalgoorlie, WA.</li> <li>• The Cannon Mineral Resource is owned 100% by Horizon Minerals Limited.</li> <li>• There are no material issues with third parties.</li> <li>• There are no known impediments to obtaining a licence to operate.</li> </ul>
<b>Exploration done by other parties</b>	<p><i>Acknowledgment and appraisal of exploration by other parties.</i></p>	<ul style="list-style-type: none"> <li>• Exploration prior to 2005 was undertaken by a number of companies and prospectors including Cyprus Gold Limited and Roebuck Resources. Work by Roebuck Resources in 1994 identified a number of surface lag sample anomalies. A 1994 bedrock geochemical RAB drilling program resulted in the identification of at least three areas of significantly anomalous gold anomalous intersections which were not followed up at the time.</li> </ul>
<b>Geology</b>	<p><i>Deposit type, geological setting and style of mineralisation.</i></p>	<ul style="list-style-type: none"> <li>• Mineralisation is considered to be a mesothermal, vein and alteration style deposit similar to many other deposits in the Kalgoorlie district. The interpretation used for this estimate is based on work completed by company personnel who logged the holes and mapped the area.</li> <li>• The Cannon gold mineralisation is structurally controlled strikes north-easterly and dips to the west. High grade mineralised zones within the resource appear to be controlled by local scale dilational structures.</li> <li>• Mineralisation is associated with chlorite-biotite-albite-quartz-carbonate-pyrite alteration. The bulk of the gold mineralisation is hosted in a pillowed basalt unit. Other lithologies present include dioritic intrusives, lamprophyre dykes, high magnesium basalts and komatiites.</li> </ul>
<b>Drill hole Information</b>	<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"> <li>• <i>easting and northing of the drill hole collar</i></li> <li>• <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>• <i>dip and azimuth of the hole</i></li> </ul>	<p><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>• A selection of exploration results used in the compilation of the Mineral Resource Estimate showing the range of downhole intercept widths and associated grades is shown in Table 1 and Figures 1, 2, 3 and 4 of the Southern Gold ASX announcement dated 29 January 2013.</li> <li>• Drilling information relevant to the Mineral Resource Estimate is noted in Section 1 – Sampling Techniques &amp; Data.</li> </ul> <p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p>

	<ul style="list-style-type: none"> <li>• down hole length and interception depth</li> <li>• hole length.</li> </ul> <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"> <li>• Drilling information relevant to the grade control drilling is noted in Section 1 – Sampling Techniques &amp; Data.</li> <li>• The variation of grades and widths intersected in grade control holes and the relationship to the resource drilling results is shown in Table 1 and Figures 1, 2, 3 and 4 of the Southern Gold ASX announcement dated 10 March 2015.</li> <li>• A selection and full table of Underground RC drilling results was shown in Southern Gold ASX announcement dated the 29th of August 2017 – “Multiple very high-grade Au results from RC drilling campaign at Cannon Gold Mine, WA”.</li> </ul>
<p><b>Data aggregation methods</b></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"> <li>• No weighting average techniques or grade aggregations have been reported in this release in relation to Exploration or grade control results. Results reported were uncut.</li> <li>• No metal equivalent values have been reported.</li> </ul>
<p><b>Relationship between mineralisation widths and intercept lengths</b></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> <p><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></p>	<p><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>• The range of variation in down hole widths and grades and the nature of the continuity established is shown in Table 1 and Figures 1,2, 3 and 4 Table 1 of the Southern Gold ASX announcement dated 29 January 2013.</li> </ul> <p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p> <ul style="list-style-type: none"> <li>• The range of variation in down hole widths and grades and the nature of the continuity established is shown in Table 1 and Figures 1, 2, 3 and 4 of the Southern Gold ASX announcement dated 10 March 2015.</li> </ul>
<p><b>Diagrams</b></p>	<p><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></p>	<p><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>• Figures 2, 3 and 4 of the Southern Gold ASX announcement dated 10 March 2015 show a typical range of downhole intercept widths and associated grades that may be found within the Cannon mineralisation.</li> </ul>

		<p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p> <ul style="list-style-type: none"> <li>A selection and full table of Underground RC drilling results was shown in Southern Gold ASX announcement dated the 29<sup>th</sup> of August 2017 – “Multiple very high-grade Au results from RC drilling campaign at Cannon Gold Mine, WA”.</li> </ul>
<p><b>Balanced reporting</b></p>	<p><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></p>	<p><b>Exploration and Resource Definition Drilling</b></p> <ul style="list-style-type: none"> <li>Figures 2, 3 and 4 of the Southern Gold ASX announcement dated 10 March 2015 show a typical range of downhole intercept widths and associated grades that may be found within the Cannon mineralisation. These are considered to be representative of the variation present in the Cannon Mineral Resource.</li> </ul> <p><b>2017 Resource Confirmation RC and In Pit RC Grade Control Drilling</b></p> <ul style="list-style-type: none"> <li>A selection and full table of Underground RC drilling results was shown in Southern Gold ASX announcement dated the 29<sup>th</sup> of August 2017 – “Multiple very high-grade Au results from RC drilling campaign at Cannon Gold Mine, WA”.</li> </ul>
<p><b>Other substantive exploration data</b></p>	<p><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></p>	<ul style="list-style-type: none"> <li>Other than the exploration undertaken by other parties documented above, no other substantive exploration data for the 2021 Cannon Mineral Resource exists.</li> <li>Drilling to obtain both geotechnical and metallurgical information has been undertaken. Where present, intersections of gold mineralisation and associated grades has been utilised in the modelling of the 2021 Mineral Resource.</li> </ul>
<p><b>Further work</b></p>	<p><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></p> <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>	<ul style="list-style-type: none"> <li>The 2021 Cannon Mineral Resource Estimate will be utilised to develop underground mine designs and associated mining schedule scenarios. This data will be incorporated into financial models along with other relevant data.</li> <li>Information relating to possible extensions of the Cannon Resource is not shown as the information is commercially sensitive.</li> </ul>

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### Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in Section 1, and where relevant in Section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Database integrity</b>	<p><i>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</i></p> <p><i>Data validation procedures used.</i></p>	<ul style="list-style-type: none"> <li>All logging data recorded on field logs was input to a digital template.</li> <li>All digital data has been validated using standard database checks.</li> <li>Data validation was conducted at the time of transfer of information from log sheets to digital files and again on entry of the digital data into the database.</li> <li>Assay data is imported directly from the lab CSV files into the database with no manual keying of data involved.</li> <li>Data quality and integrity of the exploration and resource definition drilling sampling database was reviewed previously by Runge (2010 &amp; 2011) and RPM (2012) with no major issues identified.</li> </ul>
<b>Site visits</b>	<p><i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i></p> <p><i>If no site visits have been undertaken indicate why this is the case.</i></p>	<ul style="list-style-type: none"> <li>HRZ's due diligence included the review of all data by the Competent Persons and a site visit by senior personnel. The Competent Persons attended a site visit in November 2021.</li> </ul>
<b>Geological interpretation</b>	<p><i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i></p> <p><i>Nature of the data used and of any assumptions made.</i></p> <p><i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i></p> <p><i>The use of geology in guiding and controlling Mineral Resource estimation.</i></p> <p><i>The factors affecting continuity both of grade and geology.</i></p>	<ul style="list-style-type: none"> <li>Confidence in the geological interpretation is considered to be high due to the closely spaced drilling, continuity of geological units and local structures. Drill line spacing for this modelling was 5m.</li> <li>The data used for the interpretation include geological observations on core and RC drill cuttings, structural measurements on oriented core and geochemical data from laboratory assays and handheld XRF analyses.</li> <li>The strong structural control on mineralisation, which has been defined to an acceptable level of confidence from measurements on oriented core, eliminates to a large extent any possible changes resulting from alternative lithological models.</li> <li>Geological and structural data were taken into account when constructing the mineralisation wireframes used in the Resource Estimate.</li> <li>Factors affecting continuity of grade and geology include continuity of structure and thickness of host/favourable lithological units.</li> </ul>
<b>Dimensions</b>	<p><i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i></p>	<ul style="list-style-type: none"> <li>The 2021 Cannon Mineral Resource has been estimated over a strike length of 150m (from 6,590,100mN - 6,590,205mN) and a vertical interval of 100m from adjacent to the base of the Cannon pit at 250mRL to 150mRL.</li> <li>Mineralisation varies in thickness from 1m to 15m with a typical thickness of 5m to 10m.</li> </ul>

Criteria	JORC Code explanation	Commentary
<p><b>Estimation and modeling techniques</b></p>	<p><i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i></p> <p><i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></p> <p><i>The assumptions made regarding recovery of by-products.</i></p> <p><i>Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).</i></p> <p><i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></p> <p><i>Any assumptions behind modelling of selective mining units.</i></p> <p><i>Any assumptions about correlation between variables.</i></p> <p><i>Description of how the geological interpretation was used to control the resource estimates.</i></p> <p><i>Discussion of basis for using or not using grade cutting or capping.</i></p> <p><i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i></p>	<ul style="list-style-type: none"> <li>• The geostatistical modelling for the resource estimate was based upon the 2015 Resource modelling by external consultants Cube Consulting (Cube) under the supervision of the competent person at that time.</li> <li>• The 2021 Resource estimation used Ordinary Kriging to estimate the Main Lodes and Inverse distance weighting (IDW) to power of 2 (ID2) to estimate the less well-informed minor lodes. An oriented 'ellipsoid' search was used for the estimate. Surpac software was used for the estimations.</li> <li>• Three dimensional mineralised wireframes were used to domain the mineralised data. Sample data was composited to 1m down hole lengths using the 'best fit' method. Intervals with no assays were excluded from the estimates.</li> <li>• The influence of extreme grade values was addressed by reducing high outlier values by applying high grade cuts to the data. These cut values were determined through statistical analysis (histograms, log probability plots, coefficients of variation).</li> <li>• An orientated 'ellipsoid' search was used to select data for each domain and was based on the observed lode geometry. The search ellipses were orientated to the average strike, plunge, and dip of the domain.</li> <li>• Construction of mineralised wireframes was based on a combination of gold grades, lithological units and geological structures. Where grade continuity was unclear, geological and structural data was used to guide the wire-framing. There were 10 objects wireframed with 7 major objects and 3 secondary lodes. 76 minor lodes were included.</li> <li>• Variographic parameters were based on the 2015 Resource work.</li> <li>• Kriging used an ellipsoid search with a range of 30m x 21m x 10m, and minimum and maximum number of composites per estimate of 8 and 19 respectively, was adopted.</li> <li>• All estimation domain boundaries were treated as hard boundaries.</li> <li>• A block model was generated in Surpac v6.8, using topographic and oxidation surfaces &amp; mineralised domain wireframes as constraints.</li> <li>• Primary block dimensions used was 2.5m (X) x 2.5m (Y) x 2.5m (Z) with sub-blocking to 0.312m by 0.25m by 0.312m due to the close spaced drilling and variable widths of mineralisation. The final model is a combination of the different block dimensions. No assumptions were made on selective mining units.</li> <li>• High grade cuts were used in the estimation of the Cannon resource due to the presence of outliers in the gold assays. Statistical analysis of the 1m composite data determined and an individual top cut for each lode/Domained Object was determined and applied based upon the 97.5 percentile for each domain. Minor lodes were all cut to 30 g/t Au.</li> <li>• The modelled data was validated by:</li> </ul>

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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>○ A qualitative assessment was completed by slicing sections through the block model in positions coincident with drilling</li> <li>○ A quantitative assessment of the estimate was completed by comparing the average grades of the composite file input against the block model output for all the resource objects.</li> </ul>
<b>Moisture</b>	<i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i>	<ul style="list-style-type: none"> <li>● Tonnage estimates for the Mineral Resource are estimated on a dry basis.</li> </ul>
<b>Cut-off parameters</b>	<i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i>	<ul style="list-style-type: none"> <li>● The resource model was constrained by a boundary representing the natural grade cut-off of the deposit. This approximated a cut-off of 1.0 g/t Au.</li> <li>● The 2017 Mineral Resource was reported using a 1.0 g/t Au cut-off grade which is not an economic mining cut-off grade but is judged as suitable for this style of mineralisation in order to ensure continuity between economic zones. The evaluation of mining economics will be concluded when a Mining reserve is completed.</li> </ul>
<b>Mining factors or assumptions</b>	<i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i>	<ul style="list-style-type: none"> <li>● Future mining is assumed to be via underground techniques with a Hangingwall Decline allowing access to 20m levels.</li> <li>● The deposit is suitable for underground mining with a final mining method to be determined in the Reserve optimisation and estimation process.</li> <li>● Internal dilution of up to 3m has been incorporated into the modelled wireframes where necessary to allow for continuity of mineralisation.</li> <li>● No mining dilution or ore loss has been modelled in the Resource model or applied to the reported Mineral Resource.</li> <li>● The boundary of the mineralisation has been interpreted using a cut off of 1.0 g/t Au, considered to be a conservative economic cut off for the deposit.</li> <li>● The wireframes have been modelled in a bulk scenario where two or three lodges are interpreted to combine.</li> </ul>
<b>Metallurgical factors or assumptions</b>	<i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i>	<ul style="list-style-type: none"> <li>● Metallurgical test work undertaken by ALS Ammtec, Perth indicates that the Cannon mineralisation is suitable for processing by standard treatment methods.</li> <li>● The metallurgical characteristics of Cannon ore have been determined by testwork to be free milling, of moderate hardness and free of cyanicides.</li> <li>● The estimated recovered ounces adopted are on average 91% of the mined ounces, based upon the treatment of Cannon Open Pit Ore through the South Kalgoorlie Operations, Jubilee Processing Plant in 2016 and 2017.</li> <li>● Metallurgical factors have not been applied to the resource estimate.</li> </ul>

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Criteria	JORC Code explanation	Commentary
<b>Environmental factors or assumptions</b>	<p><i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i></p>	<ul style="list-style-type: none"> <li>• Waste characterisation and acid base accounting (ABA) and net acid generation (NAG) test work indicates that the waste material from Cannon is generally considered as non-acid forming (NAF). The samples analysed had predominantly low total sulphur content (less than 0.2%) and an excess of acid neutralising capacity (ANC). It is considered the materials tested present a low risk of metalliferous drainage.</li> <li>• No assumptions were made with respect to other variables</li> </ul>
<b>Bulk density</b>	<p><i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i></p> <p><i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</i></p> <p><i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i></p>	<ul style="list-style-type: none"> <li>• Bulk density values used in the model were determined by measurements using the water displacement method. These were undertaken by company employees for transitional and fresh lithologies with an assumed regional average used for the oxide zone.</li> <li>• The assumed oxide density value was considered appropriate as it is very consistent across a large number of deposits in the Eastern Goldfields.</li> <li>• Average bulk density values used were: Oxide – 2.0 t/m<sup>3</sup>, Transitional – 2.53 t/m<sup>3</sup> and Fresh – 2.75 t/m<sup>3</sup>.</li> <li>• The water displacement method used for bulk density measurements is considered appropriate as the material measured has very low porosity and minimal to no cavities.</li> <li>• Assumptions that samples measured in the fresh and transitional zones are representative of the entire deposit are considered valid as the lithological and alteration characteristics are very consistent across the deposit.</li> <li>• The 2021 Cannon Underground Resource is entirely within Fresh Rock so the 2.75 value was utilised for all calculations.</li> </ul>
<b>Classification</b>	<p><i>The basis for the classification of the Mineral Resources into varying confidence categories.</i></p> <p><i>Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i></p> <p><i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></p>	<ul style="list-style-type: none"> <li>• The classification of Measured, Indicated and Inferred is made on the basis of data quality, continuity of structure and grade distributions, plus drill spacing and reflects the level of confidence in those parameters.</li> <li>• The Cannon Mineral Resource has been classified in accordance with the Australasian Code for the Reporting of Identified Mineral Resources and Ore Reserves (JORC, 2012).</li> <li>• The classification approach considers all relevant factors and appropriately reflects the Competent Person's view of the deposit.</li> </ul>



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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>The 2021 Mineral Resource has been classified as Indicated and Inferred. Geological uncertainty in the exact nature of lode bifurcations precludes any Measured Resource.</li> </ul>
<b>Audits or reviews</b>	<i>The results of any audits or reviews of Mineral Resource estimates.</i>	<ul style="list-style-type: none"> <li>No internal audits or reviews were undertaken as part of this resource estimation process.</li> </ul>
<b>Discussion of relative accuracy/ confidence</b>	<p><i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i></p> <p><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></p> <p><i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></p>	<ul style="list-style-type: none"> <li>Production from the Open pit portion of the Cannon Resource was concluded in June 2017. All available data and knowledge from this mining period has been considered and included.</li> <li>The reconciliation of the model to the material mined within the pit was: <ul style="list-style-type: none"> <li>576,394t @ 2.98 g/t for 55,143 Ounces.</li> <li>Compared with the 2015 Resource, against the final pit shell actually mined, this is 129% of the estimated tonnes and 99% of the Estimated Ounces. A very good correlation.</li> </ul> </li> <li>The remnant resource below this pit shell and the subsequent small Adit, extracted from the 2015 Cube/MLX Resource was: 173,000t @ 3.9 g/t for 21,500.</li> <li>When compared to the current 2017 IDW Resource and current 2021 Resource, which included 30 additional close spaced drill holes directly into the mineralisation and combined with the geological and mining knowledge obtained from mining the Cannon Open pit 120m, there is very close correlation in total metal.</li> <li>This supports the current estimation, which has refined the geological model and mineralisation wireframes based upon the in pit drilling and has essential significantly improved the confidence in the spatial relationship of the Cannon ore body and High grade tenor of the mineralisation below the pit.</li> <li>The 2021 Cannon Resource estimate is 232,500 t @ 4.29 g/t for 32,000 Ounces (top cut applied). Utilising geological data collected during mining of the Cannon Open pit, mining reconciliations and additional drilling firm the Pit floor and ramp, there is high confidence in the Resource estimation.</li> </ul>

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### Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section)

Criteria	JORC Code explanation	Commentary																																
<b>Mineral Resource estimate for conversion to Ore Reserves</b>	<p><i>Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</i></p> <p><i>Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</i></p>	<ul style="list-style-type: none"> <li>The Mineral Resource used for the reserve was produced internally by Horizon Minerals LTD in February 2022 with the following physicals:</li> </ul> <table border="1"> <thead> <tr> <th>Category</th> <th>Tonnes</th> <th>Ounces</th> <th>Au ppm</th> </tr> </thead> <tbody> <tr> <td>Indicated</td> <td>175,687</td> <td>28,571</td> <td>5.06</td> </tr> <tr> <td>Inferred</td> <td>50,845</td> <td>3,752</td> <td>2.30</td> </tr> <tr> <td><b>Grand Total</b></td> <td><b>226,532</b></td> <td><b>32,324</b></td> <td><b>4.44</b></td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>The Mineral Resources estimates reported for Cannon deposit are inclusive of the Ore Reserves.</li> <li>The Ore Reserve produced by Auralia Mining Consulting is tabled below:</li> </ul> <table border="1"> <thead> <tr> <th>Category</th> <th>Tonnes</th> <th>Ounces</th> <th>Au ppm</th> </tr> </thead> <tbody> <tr> <td>Proven</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Probable</td> <td>135,000</td> <td>4.1</td> <td>17,680</td> </tr> <tr> <td><b>Total</b></td> <td><b>135,000</b></td> <td><b>4.1</b></td> <td><b>17,680</b></td> </tr> </tbody> </table>	Category	Tonnes	Ounces	Au ppm	Indicated	175,687	28,571	5.06	Inferred	50,845	3,752	2.30	<b>Grand Total</b>	<b>226,532</b>	<b>32,324</b>	<b>4.44</b>	Category	Tonnes	Ounces	Au ppm	Proven	0	0	0	Probable	135,000	4.1	17,680	<b>Total</b>	<b>135,000</b>	<b>4.1</b>	<b>17,680</b>
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<b>Site visits</b>	<p><i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i></p> <p><i>If no site visits have been undertaken indicate why this is the case.</i></p>	<ul style="list-style-type: none"> <li>No site visit has been completed by Anthony Keers</li> </ul>																																
<b>Study status</b>	<p><i>The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</i></p>	<ul style="list-style-type: none"> <li>The current mine planning study work completed for the as part of the Cannon Underground PFS comprised detailed mine designs and mining schedules that consider likely underground mining conditions for the Goldfields Region;</li> </ul>																																

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Criteria	JORC Code explanation	Commentary
	<p><i>The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</i></p>	<p>application of industry current contract mining rates for underground mining works; mine owner costs and surface haulage estimates considering regional cost data;</p> <ul style="list-style-type: none"> <li>• The study demonstrates that the mine plans are technically achievable and economically viable at the time of reporting. The mine plan involves the application of conventional mining methods and technologies widely utilised in the Western Australian Goldfields Region</li> <li>• Modifying factors considered in the underground mine planning process included mining method selection, minimum mining width, mining dilution and ore loss, geotechnical stability criteria, filling requirements, and practical mining considerations, for example, materials handling and ventilation.</li> </ul>
<b>Cut-off parameters</b>	<p><i>The basis of the cut-off grade(s) or quality parameters applied.</i></p>	<ul style="list-style-type: none"> <li>• The Ore Reserves are reported as material contained within stope designs, a cut off grade of 2.0g/t was used to determine proposed stopes. Cut off grades were developed from first principles using contractor rates from a comparable project in Western Australia</li> <li>• Gold price;</li> <li>• Achievable gold recovery from ore processing;</li> <li>• Mining costs, comprised of industry current mining contractor rates</li> <li>• Expected ore processing costs; and Royalties</li> <li>• A development cut off grade of 0.8g/t was applied</li> </ul>
<b>Mining factors or assumptions</b>	<p><i>The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).</i></p> <p><i>The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</i></p> <p><i>The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc), grade control and pre-production drilling.</i></p> <p><i>The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).</i></p> <p><i>The mining dilution factors used.</i></p> <p><i>The mining recovery factors used.</i></p>	<ul style="list-style-type: none"> <li>• Detailed mine designs were undertaken in the Deswik.CAD mining software package, incorporating all available geotechnical and practical considerations.</li> <li>• The Cannon deposit comprises of several converging parallel lodes with low grade mineralisation between, in most cases this dilution was taken as part of the stoping block.</li> <li>• Bottom up, long hole stoping was applied on a floor to floor level interval of 25m. due to geotechnical guidance, maximum open strike was limited to 5m with the mined out proportion back filled with cemented backfill.</li> <li>• Mining Dilution of 10% was applied to all stope ore.</li> <li>• Mining Recovery of 95% was applied to all stopes to account for ore in the stope shape that could not be extracted. Mining recoveries of 100% were applied to all development with the expectations that the development heading would be bogged clean.</li> <li>• Minimum Mining Width of the stoping block modelled was 2m and minimum development width of 4m was applied</li> <li>• Mineralised waste was included in the geological model between the primary, high</li> </ul>

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	<p><i>Any minimum mining widths used.</i></p> <p><i>The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</i></p> <p><i>The infrastructure requirements of the selected mining methods.</i></p>	<p>grade lenses. Where the indicated material within a designed stope can carry contained mineralised waste (planned internal dilution) these stopes have been included in the Ore Reserve estimate and financial model.</p>
<b>Metallurgical factors or assumptions</b>	<p><i>The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</i></p> <p><i>Whether the metallurgical process is well-tested technology or novel in nature.</i></p> <p><i>The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.</i></p> <p><i>Any assumptions or allowances made for deleterious elements.</i></p> <p><i>The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.</i></p> <p><i>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</i></p>	<ul style="list-style-type: none"> <li>• All Cannon ore will be trucked to a toll processing plant in Kalgoorlie. The plant consists of a crushing circuit, single-stagemilling circuit and carbon-in-leach (CIL) circuit with designated leach tank and numerous adsorption tanks. Gold is recovered from activated carbon into concentrated solution. Electrowinning and smelting are conducted in a secure gold room. The tailings from the process are pumped to a paddock type tailings storage facility</li> <li>• The technology associated with processing of Cannon ore is currently in operation and is based on industry standard practices.</li> <li>• Mine production and cash flow estimates are based on a metallurgical recovery of 90%, which is conservative based on historical performance of Cannon Open pit fresh ore during 2016 to 2017 at the South Kalgoorlie Operations Mill achieving a recovery of 91%.</li> <li>• No deleterious elements are extracted.</li> <li>• The historical performance of the Cannon Open Pit ore is considered representative of the performance of the Cannon orebody which ranged from ~88% to 92.5% across the production profile from oxide to fresh, with average life of mine recovery of 91.1%. The use of 90% recovery in the reserve is considered conservative.</li> <li>• No minerals have been defined by a specification.</li> </ul>
<b>Environmental</b>	<p><i>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</i></p>	<ul style="list-style-type: none"> <li>• The Cannon Open pit is currently held to an existing MCP, with rehabilitation completed on all areas not considered for used by the Underground operations. This plan does include the underground option considered during the approvals phase and remains relevant.</li> <li>• Some modifications will need to be made for the reactivation of the underground which will require review and approval of a Mining Proposal addendum but it is assumed these are minor and do not constitute a major change requiring further environmental studies.</li> </ul>

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		<ul style="list-style-type: none"> <li>All existing waste rock classifications and waste dump footprints will remain unchanged with minimal mining footprint required for the underground surface infrastructure which will be placed on existing disturbed ground.</li> <li>Current external reporting is recorded and reported in the Annual Environmental Report submitted to DMIR as part of existing open pit closure reporting requirements.</li> </ul>
<b>Infrastructure</b>	<p><i>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</i></p>	<ul style="list-style-type: none"> <li>External infrastructure requirements for the project are deemed minimal due to the proximity to Kalgoorlie – Boulder township. Area onsite is available for site infrastructure, utilising the clearing made for the existing open pit.</li> <li>Power has been priced through use of gensets, water has been assumed that it is available onsite. Personnel will be residential however allowance has been made for key positions to be FIFO Perth and camp within the township, ore processed will be through toll treatment, off site.</li> </ul>
<b>Costs</b>	<p><i>The derivation of, or assumptions made, regarding projected capital costs in the study.</i></p> <p><i>The methodology used to estimate operating costs.</i></p> <p><i>Allowances made for the content of deleterious elements.</i></p> <p><i>The source of exchange rates used in the study.</i></p> <p><i>Derivation of transportation charges.</i></p> <p><i>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</i></p> <p><i>The allowances made for royalties payable, both Government and private.</i></p>	<ul style="list-style-type: none"> <li>All capital costs have been taken from comparable projects within the goldfields region.</li> <li>All costs have been taken from comparable projects within the goldfields region.</li> <li>No deleterious elements were considered</li> <li>All revenue and cost calculations have been completed using Australian Dollars, hence application of an exchange rate has not been required.</li> <li>State royalty factor of 2.5% has been applied to all gold extracted.</li> <li>Due to the project duration no discount rate has been applied</li> <li>Engineering and cost estimations have been completed to a +/-25% level of accuracy, consistent with a study of this nature.</li> </ul>
<b>Revenue factors</b>	<p><i>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</i></p> <p><i>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</i></p>	<ul style="list-style-type: none"> <li>Ore production and gold recovery estimates for revenue calculations were based on detailed mine designs, mine schedules, mining factors and cost estimates for mining and processing.</li> </ul>
<b>Market assessment</b>	<p><i>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</i></p> <p><i>A customer and competitor analysis along with the identification of likely market windows for the product.</i></p>	<ul style="list-style-type: none"> <li>There is a transparent quoted market for the sale of gold</li> <li>No industrial minerals have been considered</li> </ul>

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	<p>Price and volume forecasts and the basis for these forecasts.</p> <p>For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</p>	
<b>Economic</b>	<p>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</p> <p>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</p>	<ul style="list-style-type: none"> <li>The Cannon Ore Reserve is based on industry current mining contractor costs, current processing costs and estimated mine owner costs.</li> </ul>
<b>Social</b>	<p>The status of agreements with key stakeholders and matters leading to social licence to operate.</p>	<ul style="list-style-type: none"> <li>A social license to operate is underpinned by the excellent relationship that the Company has built, over many years, with the local community, indigenous representatives, pastoralist, City of Kalgoorlie-Boulder and government departments.</li> <li>Given the extensive mining operations in and around Kalgoorlie and the historical role of mining in this area and the pre-existing Cannon open pit, the underground mine at Cannon is not expected to have any additional effects on the local community.</li> </ul>
<b>Other</b>	<p>To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:</p> <p>Any identified material naturally occurring risks.</p> <p>The status of material legal agreements and marketing arrangements.</p> <p>The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals.</p> <p>There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</p>	<ul style="list-style-type: none"> <li>There are no likely identified naturally occurring risks that may impact the Project</li> </ul>
<b>Classification</b>	<p>The basis for the classification of the Ore Reserves into varying confidence categories.</p>	<ul style="list-style-type: none"> <li>The classification of the initial Ore Reserve has been carried out in accordance with the JORC Code 2012.</li> <li>The Ore Reserve results reflect the Competent Persons view of the deposits.</li> </ul>

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	<p><i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></p> <p><i>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</i></p>	<ul style="list-style-type: none"> <li>The Probable Ore Reserve is based on that portion of Indicated Mineral Resource within the mine designs that may be economically extracted and includes allowance for dilution and ore loss.</li> <li>Approximately 500oz (2.7%) of the stated ounces are from mineralised waste material that is "planned internal dilution"</li> </ul>
<b>Audits or reviews</b>	<p><i>The results of any audits or reviews of Ore Reserve estimates.</i></p>	<ul style="list-style-type: none"> <li>The Cannon Ore Reserve estimate update was completed by mining consultants Auralia Mining Consultants and was subject to internal peer review by both Auralia and employees of Horizon Minerals Ltd.</li> </ul>
<b>Discussion of relative accuracy/ confidence</b>	<p><i>Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</i></p> <p><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></p> <p><i>Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</i></p>	<ul style="list-style-type: none"> <li>The Ore Reserve estimate for the Cannon underground mine has been prepared within the guidelines of the 2012 JORC Code.</li> <li>Detailed mine designs and schedules; application of modifying factors for ore loss, dilution and ore processing gold recovery; and subsequent financial analysis has been used to estimate Ore Reserves, which in the opinion of the Competent Persons provide for a good level of confidence</li> </ul>