

FUNDING AND KEY APPROVALS SECURED FOR CANNON UNDERGROUND GOLD PROJECT

Horizon Minerals Limited (ASX: HRZ) (“Horizon” or “the Company”) is pleased to advise that it has met the Tranche 2 Conditions Precedent to the drawdown funding of US\$3.0 million (A\$4.36 million) to advance development of the Cannon underground gold project.

Horizon executed a Loan Agreement and General Security Deed with Nebari Partners LLC (“Nebari”) dated 23 November 2022 for a US\$5.0 million secured loan facility (“Facility”). The Facility is comprised of a two tranche Convertible Loan Facility with US\$2.0 million in Tranche 1 and US\$3.0 million in Tranche 2. Tranche 1 was drawn down on 29 November 2022 to enable the deferred payment for the Cannon gold project acquisition, with Tranche 2 subject to the satisfaction of Conditions Precedent and Subsequent to the Loan Agreement, including Horizon shareholder approval and Nebari Investment Committee approval.¹

All Conditions Precedent and Subsequent to the Loan Agreement have been satisfied and now the Nebari Investment Committee has granted final approval. The Tranche 2 funds have been received by Horizon and are available for use.

Horizon has also secured all necessary approvals to commence the underground development, inclusive of an approved Mining Proposal and Mine Closure Plan from DMIRS, and a groundwater licence and works approval for dewatering and pipeline construction from DWER.

The Cannon Feasibility Study was released on the ASX on 29 March 2022 and demonstrated positive economic results. Horizon has also secured a 200kt processing allocation with FMR Investments (FMR) via the Greenfields Plant.²

Formal mining and processing contract / JV negotiations are well underway with preferred partner FMR, following which the Horizon Board will make a formal Financial Investment Decision for the development of the Cannon project.³

The Company plans to implement its clear goal of bringing a sequence of underground projects into production, commencing with Cannon, followed by the Penny’s Find and Rose Hill projects which are currently under evaluation. The Company now has a strategy of generating continuous cash flow from all of Horizon’s JORC resources via contract / JV in this high Australian dollar gold price to support the large-scale exploration program and future mine developments across our core assets.³

Commenting on the progress at Cannon, incoming CEO Mr Grant Haywood said:

“We are very pleased to receive the funds from Nebari in line with the agreed terms of our Loan Agreement and on competitive commercial terms. This now leaves Horizon with the startup capital and approvals needed to advance the Cannon gold project into development and production in the second half of 2023.”

¹ As announced to the ASX on 23 November 2022. ² As announced to the ASX on 20 June 2022. ³ See Forward-Looking and Cautionary Statements on Page 2.

Approved for release by the Board of Directors.

For further information, please contact:

Grant Haywood
Incoming CEO
Tel: +61 8 9386 9534
grant.haywood@horizonminerals.com.au

Michael Vaughan
Media Relations – Fivemark Partners
Tel: +61 422 602 720
michael.vaughan@fivemark.com.au

About Nebari

Nebari is a United States-based manager of privately offered pooled investment vehicles including Nebari Natural Resources Credit Fund I, LP and Nebari Gold Fund 1, LP, which is funding this transaction. The leadership team has deep experience with leading global mining companies and financial institutions. Nebari is known for partnering with motivated and capable management teams focused on achieving clear targets.

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.

ASX ANNOUNCEMENT

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.