

# **HORIZON MINERALS LIMITED**

**ACN 007 761 186**

## **NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT**

**For the Annual General Meeting of Shareholders  
to be held on 29 November 2024 at 2.00pm (WST)  
at the offices of A&O Shearman, Level 12, Exchange Tower  
2 The Esplanade, Perth, Western Australia**

***Shareholders are urged to vote by lodging the Proxy Form.***

## **TIME AND PLACE OF ANNUAL GENERAL MEETING AND HOW TO VOTE**

### **Venue**

The Annual General Meeting of Horizon Minerals Limited will be held at:

**The offices of A&O Shearman  
Level 12, Exchange Tower  
2 The Esplanade  
Perth WA 6000**

**Commencing  
at 2.00pm (WST)  
on 29 November 2024**

### **How to Vote**

You may vote by attending the Meeting in person, by proxy or authorised representative.

#### **Voting in Person**

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 2.00pm (WST).

#### **Voting by Proxy**

To vote by proxy, please complete and sign the Proxy Form as soon as possible and deliver the Proxy Form in accordance with the instructions on the Proxy Form. You may also submit your Proxy Form online in accordance with instructions on the Proxy Form.

Your Proxy Form must be received no later than 48 hours before the commencement of the Meeting.

**HORIZON MINERALS LIMITED**  
**ACN 007 761 186**

**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is hereby given that the Annual General Meeting of the Shareholders of Horizon Minerals Limited will be held at the offices of A&O Shearman, Level 12, Exchange Tower, 2 The Esplanade, Perth, Western Australia on 29 November 2024 at 2.00pm (WST) for the purpose of transacting the following business.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

**AGENDA**

**GENERAL BUSINESS**

**ACCOUNTS AND REPORTS**

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2024 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

**RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

To consider and, if thought fit, to pass the following resolution as a **non-binding resolution**:

*"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report in the Annual Report of the Company for the financial year ended 30 June 2024."*

**Voting exclusion:**

A vote in respect of the Resolution must not be cast (in any capacity) by or on behalf of any of the following persons (the "voter"):

- (a) a member of the key management personnel, details of whose remuneration are included in the remuneration report; or
- (b) a closely related party of such a member.

However, the voter may cast a vote on the Resolution as a proxy if the vote is not cast on behalf of a person described in paragraphs (a) or (b) and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (d) the voter is the chair of the meeting and the appointment of the chair as proxy:
  - (i) does not specify the way the proxy is to vote on the Resolution; and
  - (ii) expressly authorises the chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the company.

**RESOLUTION 2 – RE-ELECTION OF DIRECTOR – WARREN HALLAM**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That Warren Hallam, being a Director of the Company appointed by the Directors as an additional Director and holding office until this Meeting in accordance with rule 7.3(f) of the*

*Constitution of the Company and Listing Rule 14.4 and, being eligible, offers himself for election, is hereby elected as a Director of the Company."*

### **RESOLUTION 3 – RATIFICATION OF ISSUE OF ADVISOR SHARES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of Listing Rule 7.4 and all other purposes, the Shareholders ratify the issue of 6,617,647 Shares to Argonaut PCF Limited, on the terms set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of Argonaut PCF Limited, being a person who participated in the issue or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **RESOLUTION 4 - APPROVAL OF ADDITIONAL 10% CAPACITY**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*"That, the Company have the additional capacity to issue equity securities provided for in Listing Rule 7.1A."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of, if at the time the approval is sought the entity is proposing to make an issue of equity securities under Listing Rule 7.1A.2, any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the

beneficiary to the holder to vote in that way.

## RESOLUTION 5 – ISSUE OF PERFORMANCE RIGHTS TO GRANT HAYWOOD

To consider and, if thought fit, the following resolution as an **ordinary resolution**:

*"That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 7,500,000 Performance Rights under an employee incentive scheme to Grant Haywood or his nominees on the terms set out in the Explanatory Statement."*

**Voting exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Incentive Plan or an associate of those persons. However, the Company will not disregard a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Restriction on proxy voting by key management personnel or closely related parties:**

A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the key management personnel for the Company; or
  - (ii) a closely related party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the chair of the Meeting; and
- (d) the appointment expressly authorises the chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

## RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purpose of Listing Rule 7.4 and for all other purposes, the Shareholders ratify the issue of 155,729,127 Shares on the terms and conditions set out in the Explanatory Statement."*

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue the subject of the Resolution or an associate of that person (or those persons). However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **RESOLUTION 7 – APPROVAL TO ISSUE TRANCHE 2 SHARES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purpose of Listing Rule 7.1 and for all other purposes, the Shareholders approve the issue of 155,381,984 shares on the terms and conditions set out in the Explanatory Statement."*

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will otherwise obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of that person (or those persons). However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **RESOLUTION 8 – ISSUE OF SHARES TO RELATED PARTY – MR WARREN HALLAM**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,111,111 Shares to Mr Warren Hallam (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."*

The Company will disregard any votes cast in favour of the Resolution by Mr Warren Hallam (or his nominee) and any other person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of that person (or those persons). However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **CONTINGENT RESOLUTION 9 – SPILL RESOLUTION**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, subject to and conditional upon at least 25% of the votes cast on Resolution 1 being cast against the adoption of the Remuneration Report, for the purpose of section 250V(1) of the Corporations Act and for all other purposes, approval is given for:*

- (a) the Company to hold another meeting of Shareholders within 90 days of the date of this Meeting (Spill Meeting); and*
- (b) all Vacating Directors to cease to hold office immediately before the end of the Spill Meeting; and*
- (c) resolutions to appoint persons to offices that will be vacated pursuant to paragraph (b) to be put to vote at the Spill Meeting."*

The Company will disregard any votes cast (in any capacity) on this Resolution by or on behalf of either of the following persons (the "voter"):

- (a) a member of the key management personnel, details of whose remuneration are included in the remuneration report; or
- (b) a closely related party of such a member.

However, the voter may cast a vote on the Resolution as a proxy if the vote is not cast on behalf of a person described in paragraphs (a) or (b) and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) the voter is the Chair of the meeting and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on the resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

## VOTING AND PROXIES

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.
3. To the maximum extent permitted, the chair of the Meeting will vote undirected proxies on, and in favour of, all of the proposed resolutions EXCEPT for Resolution 9 where the chair will be voting against this Resolution. The Proxy Form expressly authorises the chair of the Meeting to exercise the proxy in relation to Resolutions 1, 5 and 9 even though these Resolutions are connected directly or indirectly with the remuneration of a member of key management personnel. Any undirected proxies held by a Director, any member of the key management personnel or any of their closely related parties (who are not the chair) will not be voted on Resolutions 1, 5 and 9.
4. Key management personnel of the Company are the Directors and those other persons having authority and responsibility for planning, directing and controlling of the activities of the Company, directly or indirectly. Closely related parties are defined in the Corporations Act, and include certain family members, dependants and companies controlled by key management personnel.
5. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 27 November 2024 at 5.00pm (WST).
6. If using the Proxy Form, please complete, sign and return it to the Company's registered office in accordance with the instructions on that form. Voting online is available.

**By order of the Board**



**Mr Julian Tambyrajah**  
**Chief Financial Officer and Company Secretary**

Dated: 29 October 2024



**HORIZON MINERALS LIMITED**  
**ACN 007 761 186**

**EXPLANATORY STATEMENT**

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This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

## **1. FINANCIAL STATEMENTS AND REPORTS**

The business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2024 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

The Company is not required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at [www.horizonminerals.com.au](http://www.horizonminerals.com.au).

Shareholders will be offered the following opportunities:

- (a) discuss the annual financial report for the financial period ended 30 June 2024;
- (b) ask questions and make comment on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit, preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

## **2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

### **2.1 General**

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the Remuneration Report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the annual financial report of the Company for the financial year ending 30 June 2024.

A reasonable opportunity will be provided for questions about or comments on the Remuneration Report at the Annual General Meeting.

## 2.2 Voting Consequences

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "Spill Resolution") that another general meeting be held within 90 days at which all of the Directors (other than the Managing Director) must go up for re-election.

## 2.3 Previous voting results

At the Company's previous annual general meeting, the votes cast against the Remuneration Report considered at that annual general meeting represented 33.96%, which is more than 25%. **Accordingly, the Spill Resolution will be relevant for this Meeting if at least 25% of the votes cast on the Remuneration Report resolution (Resolution 1) are voted against adoption of the Remuneration Report.** Such an against will constitute a second strike for the Company. Refer to Resolution 9 and Section 9 of the Explanatory Statement for further information.

## 2.4 Steps to address remuneration issues

Although the Company did not receive any specific feedback at the 2023 annual general meeting on its remuneration practices, the Directors in the last 12 months have sought to ensure its remuneration practices are appropriate. At the 2023 annual general meeting during the CEO presentation a slide was presented on the cost saving initiatives which included a 41% reduction in the head count, \$750k savings in annual expenditure commitments. The Managing Director Mr Jon Price resigned in April 2023, and Grant Haywood was appointed CEO on a reduced salary.

The Remuneration Committee, which is comprised of the full Board, seeks to uphold the Company's policy to provide remuneration which is appropriate and also satisfies the following key criteria for good reward governance practices; (a) competitive and reasonable; (b) acceptable to shareholders; (c) transparent; and (d) reflects good capital management.

In determining executive remuneration, the Remuneration Committee will have regard to market practice, remuneration market surveys and shareholder expectations. Whilst the Board may reward executives with bonuses at their discretion, it will not make such payments where they do not clearly align with shareholder interests. The Company believes that recent changes to the composition of the Board demonstrate a renewed focus on remuneration practices that are appropriate and acceptable to shareholders.

The equity that the key management personnel of the Company hold is set out in the Remuneration Report and the Board intends to incentivise its Directors and executives through the grant of equity incentives (where possible) rather than cash payments. The Board will ensure that the grant of incentives to Directors and executives align with shareholder outcomes and will seek shareholder approval in regard to the terms of such grants made to its Directors. At this Meeting, the Company is seeking shareholder approval for the grant of Performance Rights to Grant Haywood, the Company's managing director.

## 2.5 Proxy restrictions

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on this Resolution (Remuneration Report) by marking either "For", "Against" or "Abstain" on the Proxy Form for this Resolution.

If you appoint a member of the key management personnel whose remuneration details are included in the Remuneration Report (who is not the Chairman) or a closely related party of that

member as your proxy, and you do not direct that person on how to vote on this Resolution, the proxy cannot exercise your vote and your vote will not be counted in relation to this Resolution.

The Chairman intends to vote all undirected proxies in favour of this Resolution. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on this Resolution, by signing and returning the Proxy Form you are giving express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

Key management personnel of the Company are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's key management personnel for the financial year to 30 June 2024. Their closely related parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control.

## 2.6 Recommendation

The Directors unanimously recommend that Shareholders vote in favour of adopting the Remuneration Report.

## 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – WARREN HALLAM

Rule 7.3(f) of the Company's Constitution provides that any Director appointed by the Board as an additional director may retire at the next meeting of members and is eligible for re-election at that meeting. Additionally, Listing Rule 14.4 provides that a Director appointed as an additional director must not hold office (without re-election) past the next annual general meeting.

Warren Hallam was appointed by the Board as an additional Director on 1 September 2024.

Warren Hallam holds office until this Meeting and, being eligible, offers himself for re-election as a Director of the Company.

Warren Hallam is a Non-Executive Director of the Company. Details of the qualifications and expertise of Mr Hallam are set out in the Company's 2024 Annual Report.

The Board of the Company, with Mr Hallam abstaining, recommends the election of Warren Hallam as a Director.

## 4. RESOLUTION 3 – RATIFICATION OF ISSUE OF ADVISOR SHARES

### 4.1 Background

On 18 June 2024, the Company issued 6,617,647 Shares to Argonaut PCF Limited ("**Argonaut PCF**") at a deemed issue price of \$0.034 per Share ("**Advisor Shares**"), as part of the consideration for financial advisory fees due and payable to Argonaut PCF for work completed in relation to the successful merger of the Company and Greenstone Resources Limited.

The Advisor Shares were issued under the Company's available placement capacity pursuant to Listing Rule 7.1.

Resolution 3 seeks ratification by Shareholders of the issue of the Advisor Shares for the purposes of Listing Rule 7.4 and for all other purposes.

### 4.2 Listing Rules 7.1 and 7.4

Subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. Where such approval is given, the relevant issue of equity securities is:

- (a) taken to have been approved for the purposes of Listing Rule 7.1; and
- (b) no longer included in the company's 15% placement capacity under Listing Rule 7.1 and no longer reduces the company's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1.

The issue of the Advisor Shares does not fall within any of the specified exceptions to Listing Rule 7.1 (as set out in Listing Rule 7.2) and has not yet been approved by Shareholders. Accordingly, the issue of the Advisor Shares effectively utilises part of the Company's 15% placement capacity under Listing Rule 7.1, thereby reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the Advisor Shares. The issue of the Advisor Shares did not breach Listing Rule 7.1 at the time it was made.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking ratification of the issue of the Advisor Shares under and for the purposes of Listing Rule 7.4.

If Resolution 3 is passed, the issue of the Advisor Shares will be excluded in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the issue of the Advisor Shares.

If Resolution 3 is not passed, the Advisor Shares will be included in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the issue of the Advisor Shares.

#### **4.3 Technical information required by Listing Rule 7.5**

The following information is provided in relation to Resolution 3 pursuant to, and in accordance with, Listing Rule 7.5:

- (a) The Advisor Shares were issued to Argonaut PCF, which is not a related party of the Company.
- (b) The number of securities issued was 6,617,647 Shares.
- (c) The Advisor Shares are fully paid ordinary shares in the Company issued on the same terms and conditions and ranking equally with the Company's existing Shares.
- (d) The Advisor Shares were issued on 18 June 2024.
- (e) The Advisor Shares were issued for no cash consideration and at a deemed issue price of \$0.034 per Share.
- (f) The Advisor Shares were issued as part of the consideration (with an aggregate value of \$225,000) for financial advisor fees due and payable to Argonaut PCF for work completed in relation to the successful merger of the Company and Greenstone Resources Limited. Accordingly, no funds were raised from the issue of the Advisor Shares.

(g) The Advisor Shares were issued under a corporate advisory services agreement, the material terms of which provide that financial advisory fees due in connection with the merger of the Company and Greenstone Resources Limited (to the value of \$400,000) would be paid in cash (\$175,000) and Shares (\$225,000). The Shares have been issued and are the Advisor Shares the subject of this Resolution.

(h) A voting exclusion statement is included in Resolution 3 of this Notice.

#### 4.4 Recommendation

The Directors recommend that Shareholders vote **in favour** of this Resolution.

### 5. RESOLUTION 4 – APPROVAL OF ADDITIONAL 10% CAPACITY

#### 5.1 Background

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

An "*eligible entity*" means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

This Resolution seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval.

If this Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

#### 5.2 Specific information required by Listing Rule 7.3A

##### (i) Period for which approval is valid

An approval under Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (a) The date that is 12 months after the date of the annual general meeting at which the approval is obtained.
- (b) The time and date of the Company's next annual general meeting.
- (c) The time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 or Listing Rule 11.2.

##### (ii) Minimum price at which equity securities may be issued

Any equity securities issued under Listing Rule 7.1A must be in an existing quoted class of the eligible entity's equity securities and issued for a cash consideration per security which is not less than 75% of the volume weighted average market price for securities in that class, calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (a) the date on which the price at which the securities are to be issued is agreed by the entity and the recipient of the securities; or
- (b) if the securities are not issued within 10 Trading Days of the date in paragraph (a), the date on which the securities are issued.

(iii) Purposes for which funds raised may be used

Equity securities can only be issued under Listing Rule 7.1A for a cash consideration. Funds raised by the issue of equity securities under Listing Rule 7.1A may be used for the continued development of the Company's current assets, the acquisition of new assets or other investments (including expenses associated with such acquisition), and for general working capital.

(iv) Risk of economic and voting dilution

If this Resolution is approved by Shareholders and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' voting power in the Company will be diluted.

There is a risk that:

- (a) the market price for the equity securities in that class may be significantly lower on the issue date than on the date of the Shareholder approval under Listing Rule 7.1A; and
- (b) the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

The table below shows the potential dilution of existing Shareholders on the basis of 3 different assumed issue prices and values for variable "A" in the formula in Listing Rule 7.1A.2. This includes one example that assumes that "A" is double the number of Shares on issue at the time of the approval under Listing Rule 7.1A and that the price of Shares has fallen by 50%.

Number of Shares on Issue (Variable "A" in Listing Rule 7.1A.2)	Number of Shares issued under additional 10% capacity	Dilution		
		Funds raised based on issue price of \$0.0235	Funds raised based on issue price of \$0.047	Funds raised based on issue price of \$0.094
		(50% decrease in current issue price)	(Current issue price)	(100% increase in current issue price)
1,118,559,129 (Current)*	111,855,913	\$26,286,139	\$52,572,279	\$105,144,558
1,677,838,693 (50% increase)	167,783,869	\$39,429,209	\$78,858,419	\$157,716,837
2,237,118,258 (100% increase)	223,711,826	\$52,572,279	\$105,144,558	\$210,289,116

\*The number of Shares on issue (variable "A" in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata

rights issue, under a takeover offer or under the Company's 15% capacity in Listing Rule 7.1, as contemplated by Tranche 1 of the Placement announced to the market on 25 October 2024 and which is the subject of Resolution 6) or that are issued with Shareholder approval under Listing Rule 7.1 (as contemplated by Tranche 2 of the Placement announced to the market on 25 October 2024 and which is the subject of Resolutions 7 and 8).

The table has been prepared on the following assumptions:

1. The current Shares on issue are the Shares on issue as at 2 October 2024.
2. The issue price set out above is the closing price of the Shares on the ASX on 2 October 2024.
3. The Company issues the maximum number of equity securities available under the additional 10% capacity.
4. No Options are exercised into Shares before the date of the issue of the equity securities.

(v) Allocation Policy

The Company's allocation policy for the issue of equity securities under the additional 10% capacity will depend on the prevailing market conditions at the time of any proposed issue. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (a) the methods of raising funds that are available to the Company, including but not limited to, a rights issue or other issue in which existing security holders can participate;
- (b) the effect of the issue of the equity securities on the control of the Company;
- (c) the financial situation and solvency of the Company; and
- (d) advice from corporate, financial and broking advisors (if applicable).

The allottees under the additional 10% capacity have not been determined as at the date of this Notice but may include existing substantial shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company and may include new investors who have not previously been Shareholders.

(vi) Equity securities issued under Listing Rule 7.1A.2 in the previous 12 months

The Company has not issued or agreed to issue any equity securities under Listing Rule 7.1A.2 in the 12 months preceding this Meeting.

(vii) Voting Exclusion Statement

A voting exclusion statement is included in Resolution 4 of this Notice. At the date of the Notice, the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the equity securities. No existing shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

### 5.3 Recommendation

The Directors recommend that Shareholders vote **in favour** of this Resolution.

## **6. RESOLUTION 5 – ISSUE OF PERFORMANCE RIGHTS TO GRANT HAYWOOD**

### **6.1 General**

The Board consists of Ashok Parekh (Non-Executive Chairman), Grant Haywood (Managing Director) and Warren Hallam (Non-Executive Director).

This Resolution seeks Shareholder approval so that the Company may issue Performance Rights as an incentive to Grant Haywood.

Shareholder approval is required for the purposes of Chapter 10 of the Listing Rules because Grant Haywood, as a Director, is a related party of the Company. Shareholder approval is being sought under Listing Rule 10.14 as the securities are being issued under an employee incentive scheme (being the Employee Incentive Plan).

### **6.2 Chapter 2E of the Corporations Act - Related Party Transaction**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E, Grant Haywood, as a Director, is a related party of the Company and the issue of Performance Rights will constitute a financial benefit. Accordingly, the proposed issue of Performance Rights to Grant Haywood constitutes the giving of a financial benefit that requires shareholder approval in the absence of a specified exception under the Corporations Act applying. One of the exceptions available under Chapter 2E of the Corporations Act is where the financial benefit constitutes part of the related party's 'reasonable remuneration'.

Having regard to the relevant circumstances of the Company, the Board (other than Grant Haywood) considers that the proposed issue of Performance Rights, and any issue of Shares upon the vesting of the Performance Rights, which forms part of Grant Haywood's remuneration package, would constitute reasonable remuneration and falls within an exception to the related party provisions in Chapter 2E of the Corporations Act.

In making this determination, the Board has had regard to a number of factors, including market practice and the remuneration offered to persons in comparable positions at companies that are comparable in size and nature to the Company.

### **6.3 Listing Rule 10.14**

By this Resolution, the Company is proposing to issue up to 7,500,000 Performance Rights to Grant Haywood, the managing director of the Company, under the Employee Incentive Plan, which is an employee incentive scheme ("**Issue**").

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- (a) Listing Rule 10.14.1 – a director of the listed company;
- (b) Listing Rule 10.14.2 – an associate of a director of the listed company; or



- (c) Listing Rule 10.14.3 – a person whose relationship with the listed company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The Issue falls within Listing Rule 10.14.1 above and therefore requires the approval of the Company's Shareholders under Listing Rule 10.14.

This Resolution seeks the required Shareholder approval to the Issue under and for the purposes of Listing Rule 10.14.

If the Resolution is passed, the Company will be able to proceed with the Issue of Performance Rights to Grant Haywood (or his nominees) under the Employee Incentive Plan.

If the Resolution is not passed, the Company will not be able to proceed with the Issue and this incentive will not be issued to Grant Haywood. In this scenario, the Board would need to consider alternative remuneration arrangements, which are consistent with the Company's remuneration objectives, which may include providing equivalent cash incentives to Grant Haywood.

#### 6.4 **Listing Rule 10.15**

For Shareholders to approve the issue of the Performance Rights under and for the purposes of Listing Rule 10.14, the following information is provided to Shareholders in accordance with Listing Rule 10.15:

- (a) The securities will be issued to Grant Haywood or his nominees.
- (b) Grant Haywood is a Director and is a Listing Rule 10.14.1 party. His nominee (if applicable) would fall within Listing Rule 10.14.2.
- (c) The number of securities the Company will issue is up to 2,500,000 Class A Performance Rights, up to 2,500,000 Class B Performance Rights and up to 2,500,000 Class C Performance Rights.
- (d) The current total remuneration received by Grant Haywood consists of \$388,750 per year salary plus \$27,500 statutory superannuation.
- (e) No securities that have previously been issued to Grant Haywood under the Employee Incentive Plan.
- (f) The securities to be issued are Class A Performance Rights, Class B Performance Rights and Class C Performance Rights. The full terms of the Performance Rights are set out in Annexure 2.

The Performance Rights are being issued under the Employee Incentive Plan as the Directors consider this incentive is a cost effective and efficient reward and incentive and will preserve the cash reserves of the Company as opposed to the payment of cash compensation.

The Company's independent advisors have valued the Performance Rights to be issued to Grant Haywood. The Performance Rights have been valued using the Hoadley Valuation Model.

The following assumptions have been made regarding the inputs required for the valuation model:

Input	Class A Performance Rights	Class B Performance Rights	Class C Performance Rights	Note
Number of Performance Rights	2,500,000	2,500,000	2,500,000	1
Valuation Date	2 Oct 2024	2 Oct 2024	2 Oct 2024	2
Spot Price	4.7 cents	4.7 cents	4.7 cents	3
Exercise Price	-	-	-	4
Barrier Price	-	-	10 cents	5
Parisian Barrier Price	-	-	12 cents	6
Vesting Date	Immediately	Immediately	Immediately	7
Expiry Date	30 Nov 2027	30 Nov 2027	30 Nov 2027	8
Expected Future Volatility	N/A	N/A	85%	9
Risk Free Rate	N/A	N/A	3.45%	10
Dividend Yield	Nil	Nil	Nil	11

- Note 1: Number of Rights – Class A and Class B Performance Rights have non-market performance conditions therefore only Class C Performance Rights are valued.
- Note 2: Valuation Date – the indicative valuation date is 2 October 2024.
- Note 3: Spot Price – the closing share price on the indicative valuation date, being \$0.047.
- Note 4: Exercise Price – Nil.
- Note 5: Barrier Price - \$0.10, as per the terms of the Performance Rights outlined in Annexure 2.
- Note 6: Parisian Barrier Price – The barrier price was adjusted to reflect an absolute share price target using the Hoadley Parisian Barrier Model to result in an adjusted target of \$0.12 for the Class C Performance Rights.
- Note 7: Vesting Date – Prior to 30 November 2027, the Performance Rights vest immediately once the VWAP of the Company's shares over 10 consecutive trading days on which is shares trade is 10 cents or more.
- Note 8: Expiry Date – The performance rights will expire on the 30 November 2027, as per the terms of the Performance Rights outlined in Annexure 2.
- Note 9: The expected future volatility was calculated from the Company's historical trading volatility over 1, 2 and 3 year periods and is 85%.
- Note 10: The risk free rate is based on the 3 year yield of Commonwealth Bonds at 2 October 2024.
- Note 11: No dividends are expected to be paid during the life of the Performance Rights.

Based on the above assumptions, the Performance Rights have been valued as follows:

	Number and Value of Performance Rights		
	Class A Performance Rights	Class B Performance Rights	Class C Performance Rights
Grant Haywood	2,500,000 Performance Rights – 4.7 cents each (\$117,500)	2,500,000 Performance Rights – 4.7 cents each (\$117,500)	2,500,000 Performance Rights – 3.93 cents each (\$98,350)

- (g) The securities will be issued no later than 3 years after the date of the Meeting and are

intended to be issued within 1 week of the date of the Meeting.

- (h) The Performance Rights will be issued for no consideration and there is no issue price.
- (i) The material terms of the Employee Incentive Plan are summarised in Annexure 1.
- (j) No loan will be made to Grant Haywood (or any of the other Directors) in relation to the issue of the Performance Rights under the Employee Incentive Plan.
- (k) Details of any securities issued under the Employee Incentive Plan to Listing Rule 10.14 parties will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Employee Incentive Plan after this Resolution is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

- (l) A voting exclusion statement applies to this Resolution.

## 6.5 Recommendation

The Directors, with Mr Haywood abstaining, recommends that Shareholders vote **in favour** of this Resolution.

## 7. RESOLUTIONS IN CONNECTION WITH THE PLACEMENT

### 7.1 Placement overview

As announced on 25 October 2024, the Company has received binding commitments to raise \$14,000,000 (before costs) through a placement of 311,111,111 Shares in two tranches at an issue price of \$0.045 per Share (**Placement**).

The Placement issue price of \$0.045 represents a 28.6% discount to the last traded price on ASX on 22 October 2024 and a discount of 18.3% to the 5 -day VWAP of \$0.0551 per share.

Shares issued under the Placement rank equally with the existing Shares on issue.

On 25 October 2024, the Company announced the proposed issue of 155,729,127 Shares (**Tranche 1 Shares**) to sophisticated and institutional investors (**Tranche 1 Participants**) under the Company's available capacity pursuant to Listing Rule 7.1 (**Tranche 1**).

Subject to Shareholder approval in accordance with Resolution 7, a further 155,381,984 Shares will be issued (**Tranche 2 Shares**) to sophisticated and institutional investors (**Tranche 2 Participants**) (**Tranche 2**).

Proceeds from the Placement will be used as follows:

Use of funds	Amount
Working capital (including costs of the Placement)	A\$2m
Boorara operating costs	A\$5m
Study works in respect of the refurbishment and gold conversion at Poseidon's Black Swan procession facility (subject to successful completion of the proposed merger with Poseidon (as announced on 25 October 2024, Horizon has entered into a \$2m loan facility with	A\$2m

Poseidon to carry out these works before implementation of the proposed merger with Poseidon)	
Extensional and resource definition drilling	A\$5m

The Company engaged Argonaut Securities Limited and Bell Potter Securities as joint lead managers to the Placement (together, the **Joint Lead Managers**) and Euroz Hartleys Limited as Co-Manager to the Placement. The Company will pay the Joint Lead Managers a fee of \$840,000 in cash (being 6% of the amount raised under the Placement).

## 7.2 **RESOLUTION 6 - RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 SHARES**

### (a) **Listing Rules 7.1 and 7.4**

A summary of Listing Rules 7.1 and 7.4 is set out above at section 4.2 of this Explanatory Statement.

As noted above, subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of the Tranche 1 Shares which will occur before this Resolution is put to shareholders at the Meeting does not fall within any of the specified exceptions to Listing Rule 7.1 (as set out in Listing Rule 7.2) and will not have been approved by Shareholders as at the date of the Meeting. Accordingly, the issue of the Tranche 1 Shares will have, as at the date of the Meeting, effectively utilised the majority of the Company's 15% placement capacity under Listing Rule 7.1, thereby reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the Tranche 1 Shares. The issue of the Tranche 1 Shares will not breach Listing Rule 7.1 at the time it is made.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval to ratify the issue of the Tranche 1 Shares pursuant to Listing Rule 7.4 given the Tranche 1 Shares will be issued before the date of the Meeting.

If Resolution 6 is passed, the issue of the Tranche 1 Shares will be excluded in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the issue of the Tranche 1 Shares.

If Resolution 6 is not passed, 155,729,127 Tranche 1 Shares will be included in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Shares.

### (b) **Technical information required by Listing Rule 7.5**

The following information is provided in relation to Resolution 6 pursuant to, and in accordance with, Listing Rule 7.5:

- (a) Tranche 1 Shares which will be issued before the date of the Meeting to Tranche 1 Participants, being institutional and sophisticated investors. The Tranche 1 Participants are existing contacts of the Company and clients of the Joint Lead Managers and the Co-Manager.

- (b) A total of 155,729,127 Tranche 1 Shares will be issued before the date of the Meeting.
- (c) The Tranche 1 Shares will be all fully paid ordinary shares in the Company and will be issued on the same terms and conditions and ranking equally with the Company's existing Shares.
- (d) The Tranche 1 Shares are proposed to be issued on 30 October 2024, before the date of the Meeting.
- (e) The issue price of the Tranche 1 Shares will be A\$0.045 per Share.
- (f) The proceeds from the issue of Tranche 1 Shares are intended to be applied as set out in the use of funds table in Section 7.1 above.
- (g) A voting exclusion statement is included in Resolution 6 of this Notice.

(c) **Recommendation**

The Directors unanimously recommend that Shareholders vote **in favour** of this Resolution.

### 7.3 **RESOLUTION 7 - APPROVAL OF ISSUE OF TRANCHE 2 SHARES**

(a) **Listing Rule 7.1**

A summary of Listing Rule 7.1 is set out above at section 4.2 of this Explanatory Statement.

As noted above, subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The proposed issue of the Tranche 2 Shares does not fall within any of the specified exceptions to Listing Rule 7.1 (as set out in Listing Rule 7.2) and would exceed the Company's 15% placement capacity under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval under Listing Rule 7.1 for the issue of the Tranche 2 Shares.

If Resolution 7 is passed, the Company will issue 155,381,984 Tranche 2 Shares and the issue of the will not utilise any of the Company's 15% placement capacity under Listing Rule 7.1

If Resolution 7 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Shares and raise the funds corresponding to such issue. As a result, the Company may need to seek other avenues (including debt) in order to fund the matters set out in the use of funds table in Section 7.1.

(b) **Technical information required by Listing Rule 7.3**

The following information is provided in relation to Resolution 7 pursuant to, and in accordance with, Listing Rule 7.3:

- (a) The Tranche 2 Shares are proposed to be issued to Tranche 2 Participants, being institutional and sophisticated investors. The Tranche 2 Participants are existing

contacts of the Company and clients of the Joint Lead Managers and the Co-Manager.

- (b) A total of 155,381,984 Tranche 2 Shares are proposed to be issued.
- (c) The Tranche 2 Shares will be fully paid ordinary shares in the Company issued on the same terms and conditions and ranking equally with the Company's existing Shares.
- (d) It is proposed that the Tranche 2 Shares will be issued on or about late November/early December 2024 but in any event will be issued no later than three months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).
- (e) The issue price of the Tranche 2 Shares will be A\$0.045 per Share.
- (f) The proceeds from the issue of Tranche 2 Shares are intended to be applied as set out in the use of funds table in Section 7.1 above.
- (g) A voting exclusion statement is included in Resolution 7 of this Notice.

(c) **Recommendation**

The Directors, with Mr Hallam abstaining, unanimously recommend that Shareholders vote **in favour** of this Resolution.

## **8. RESOLUTION 8 – ISSUE OF SHARES TO RELATED PARTY – MR WARREN HALLAM**

### **8.1 General**

Mr Warren Hallam, a Director of the Company, intends to participate in the Tranche 2 of the Placement by subscribing for 1,111,111 Shares at a subscription price of \$0.045 per Share (**Placement Shares**), being \$50,000 in aggregate (**Related Party Placement**). Mr Hallam's subscription will be on the same terms as unrelated participants in the Placement. Resolution 8 seeks Shareholder approval for the Related Party Placement on the terms set out below.

### **8.2 Chapter 2E of the Corporations Act – Related Party Transaction**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior Shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E, Mr Hallam, as a Director, is a related party of the Company and the Related Party Placement will constitute a financial benefit. Accordingly, the proposed Related Party Placement constitutes the giving of a financial benefit that requires Shareholder approval in the absence of a specified exception under the Corporations Act applying. One of the exceptions is if the financial benefit is given on arm's length terms.

Having regard to the relevant circumstances, the Board (other than Mr Hallam) considers that the proposed Related Party Placement would fall within the arm's length exception in Chapter 2E of the Corporations Act because the ordinary shares in Company to be issued to Mr Hallam in connection with the Related Party Placement will be issued on the same terms as other ordinary shares in the Company issued to non-related Tranche 1 and Tranche 2 Participants.

### **8.3 Approval for the purposes of the Listing Rules**

Resolution 8 seeks Shareholder approval for the proposed Related Party Placement for the purposes of Listing Rule 10.11, which requires Shareholder approval for the issue of securities to a related party of the Company.

#### 8.4 Technical information required by Listing Rule 10.13

For the purposes of the approval sought under Listing Rule 10.11, and in accordance with the requirements of Listing Rule 10.13, the following information is provided in relation to the proposed Related Party Placement.

- (a) The Placement Shares are proposed to be issued to Mr Warren Hallam (or his nominee). Mr Hallam is a Director and, as such, a related party of the Company.
- (b) Mr Hallam is a related party of the Company pursuant to Listing Rule 10.11.1 on the basis that he is a Director of the Company.
- (c) The maximum number of fully paid ordinary shares in the Company that Mr Hallam may be issued to Mr Hallam under the Related Party Placement is 1,111,111.
- (d) The Placement Shares are expected to be issued on or around early December and will be issued no later than one month after the date of the Meeting (or such other date as permitted by any ASX waiver of the Listing Rules).
- (e) The subscription price for each Placement Share will be \$0.045, with an aggregate subscription price of \$50,000 payable by Mr Hallam.
- (f) The Company will receive \$50,000 for the issue of the Placement Shares to Mr Hallam.
- (g) The subscription price of \$50,000 for the issue of the Placement Shares will be directed in the same way as all proceeds raised from the Placement, as set out in the use of funds table in Section 7.1 above.
- (h) A voting exclusion statement is included in Resolution 8 of this Notice.

If Resolution 8 is passed, the Company will proceed with the issue of the Placement Shares to Mr Hallam and will receive the subscription funds of \$50,000.

If Resolution 8 is not passed, the Company will not be able to proceed with the issue of the Placement Shares to Mr Hallam and the funds raised by the Company in Tranche 2 will be reduced by \$50,000.

#### 8.5 Recommendation

The Directors, with Mr Hallam abstaining, recommend that Shareholders vote **in favour** of this Resolution.

### 9. CONTINGENT RESOLUTION 9 – SPILL RESOLUTION

#### 9.1 Possible withdrawal

**If less than 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report, the Chair will withdraw this Resolution.**

#### 9.2 General

The Corporations Act requirements for this Resolution to be put to vote are set out in sections 250V and 250W.

The effect of this Resolution being passed by more than 50% of eligible votes cast in favour, is the Company will be required to hold another meeting of Shareholders within 90 days of the date of this Meeting ("**Spill Meeting**") and the Vacating Directors will cease to hold office immediately

before the end of the Spill Meeting. These Vacating Directors may stand for re-election at the Spill Meeting.

The Vacating Directors must be all the Directors who were in office when the directors report (as included in the Company's annual financial report for the most recent financial year) was approved, other than the managing director of the Company. If a Spill Meeting is held, the Vacating Directors will be Ashok Parekh and Warren Hallam. Grant Haywood will not be included in the Vacating Directors as he is the managing director of the Company.

The business of the Spill Meeting will be to put to the vote resolutions to appoint persons to offices vacated by the Vacating Directors. Following the Spill Meeting, those persons whose election or re-election as Directors is approved will be the Directors of the Company.

In the event a Spill Meeting is required, a separate notice of meeting will be distributed to Shareholders with details about those persons that will seek election as directors of the Company at the Spill Meeting.

### 9.3 **Proxy voting restrictions**

Shareholders appointing a proxy for this this Resolution should note the voting restrictions set out in Section 2.5 of this Explanatory Statement apply in the same manner to this Resolution other than the Chairman intends to vote all undirected proxies against this Resolution.

### 9.4 **Recommendation**

The Directors unanimously recommend that Shareholders vote **against** this Resolution.



**HORIZON MINERALS LIMITED**  
**ACN 007 761 186**

**GLOSSARY**

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In the Notice and this Explanatory Statement the following expressions have the following meanings:

**"Advisor Shares"** has the meaning given in section 4.1 of the Explanatory Statement.

**"Annual General Meeting"** or **"Meeting"** means the meeting convened by this Notice.

**"Argonaut PCF"** has the meaning given in section 4.1 of the Explanatory Statement.

**"ASX"** means the ASX Limited (ACN 008 624 691).

**"ASX Listing Rules"** or **"Listing Rules"** means the Listing Rules of the ASX.

**"Board"** means the Board of Directors of the Company.

**"Chair"** or **"Chairman"** means the chairperson of the Company.

**"Company"** or **"HRZ"** means Horizon Minerals Limited (ACN 007 761 186).

**"Corporations Act"** means Corporations Act 2001 (Cth).

**"Directors"** mean the directors of the Company from time to time.

**"equity securities"** has the same meaning as in the Listing Rules.

**"Employee Incentive Plan"** means the Horizon Minerals Limited Employee Incentive Plan, with the terms summarised in Annexure 1.

**"Explanatory Statement"** means this Explanatory Statement.

**"Notice"** means the notice of meeting that accompanies this Explanatory Statement.

**"Option"** means an option to subscribe for a Share.

**"Performance Right"** means a right to acquire a Share subject to the satisfaction of applicable vesting conditions.

**"Placement"** has the meaning given in Section 7.1 of the Explanatory Statement.

**"Placement Shares"** has the meaning given in Section 8.1 of the Explanatory Memorandum.

**"Poseidon"** means Poseidon Nickel Limited.

**"Related Party Placement"** has the meaning given in Section 8.1 of the Explanatory Memorandum.

**"Resolution"** means a resolution referred to in the Notice.

**"Share"** means a fully paid ordinary share in the capital of the Company.

**"Shareholder"** means a registered holder of Shares in the Company.

**"Trading Day"** has the same meaning as in the Listing Rules.

**"Tranche 1"** has the meaning given in Section 7.1 of the Explanatory Statement.

**"Tranche 2"** has the meaning given in Section 7.1 of the Explanatory Statement.

**"Tranche 1 Participants"** has the meaning given in Section 7.1 of the Explanatory Statement.

**"Tranche 2 Participants"** has the meaning given in Section 7.1 of the Explanatory Statement.

**"Tranche 1 Shares"** has the meaning given in Section 7.1 of the Explanatory Statement.

**"Tranche 2 Shares"** has the meaning given in Section 7.1 of the Explanatory Statement.

**"WST"** means Western Standard Time, Perth, Western Australia.

**"A\$" or "\$"** means Australian dollars unless otherwise stated.

## ANNEXURE 1

### Terms of Employee Incentive Plan (Resolution 5)

- 1. Purpose**

The purpose of the Employee Incentive Plan is to provide an incentive for eligible participants to participate in the future growth of the Company and to offer any of Options, Performance Rights or Shares to assist with reward, retention, motivation and recruitment of eligible participants.
- 2. Eligible Participants**

Eligible participants include a full or part-time employee, or a director of the Company or a subsidiary, relevant contractors, casual employees and prospective parties in these capacities and any person who provides services to the Company ("Eligible Participants").
- 3. Offers**

Subject to any necessary Shareholder approval, the Board may offer Options, Performance Rights or Shares to Eligible Participants for nil consideration.
- 4. Expiry Date**

The expiry date of any Options or Performance Rights will be determined by the Board.
- 5. Vesting Conditions and Lapse**

An Option or Performance Right may only be exercised after it has vested and before its expiry date. The Board may determine the conditions upon the vesting of the Options or Performance Rights at its discretion. By way of example, the Board may impose Share price and/or continuous service vesting hurdles.

An Option or Performance Right lapses upon various events including a vesting condition not being satisfied, a participant ceasing to be an Eligible Participant (except for certain matters such as death or permanent disablement) and upon misconduct by a participant.
- 6. Shares issued on vesting**

Each Option or Performance Right entitles the holder to one fully paid ordinary share on exercise or vesting.
- 7. Transferability and quotation**

An Option or Performance Right may not be transferred without the prior written approval of the Board or by force of law. Quotation of the Options or Performance Rights on the ASX will not be sought. However, the Company will apply for official quotation of Shares issued on the exercise of the Options or vesting of the Performance Rights.
- 8. No voting or dividend rights**

The Options or Performance Rights are personal and do not confer any entitlement to attend or vote at meetings, any entitlement to dividends or any entitlement to participate in any return of capital unless the Options or Performance Rights are vested and the underlying Shares have been issued.
- 9. No participation rights**

The Options or Performance Rights do not entitle the holder to participate in the issue of securities unless the Options or Performance Rights are exercised or vested and Shares have been issued before the record date for determining entitlements.

- |   |  |
|---|--|
| <p><b>10. Limitation on number of securities</b></p>  | <p>Securities to be issued under the Employee Incentive Plan in any 3 year period must not exceed 5% of the total number of Shares on issue at the time of the relevant offer. Various excluded offers may be disregarded so as to not count for the 5% limit being an offer where there is no monetary consideration, any offer to a person outside Australia, an offer not requiring disclosure to investors because of section 708 of the Corporations Act or an offer made under a disclosure document.</p>                                  |
| <p><b>11. Administration of the Employee Incentive Plan</b></p>                                       | <p>The Employee Incentive Plan will be administered under the directions of the Board and the Board may determine procedures for the administration of the Employee Incentive Plan as it considers appropriate.</p>  |
| <p><b>12. Operation</b></p>   | <p>The operation of the Employee Incentive Plan is subject to the Listing Rules and the Corporations Act.</p>  |
| <p><b>13. Takeover Event</b></p>  | <p>Where a Takeover Event occurs all Options may be exercised.</p> <p>For this purpose, "<b>Takeover Event</b>" means a takeover bid for the Company pursuant to Chapter 6 of the Corporations Act where at least 50% of the holders of ordinary shares accept the bid and such bid is free of conditions or a court grants an order approving a compromise or scheme where the ordinary shares are either cancelled or transferred to a third party (not being a scheme of arrangement simply for the purposes of a corporate restructure).</p> |
| <p><b>14. Application of Subdivision 83A-C of the <i>Income Tax Assessment Act 1997 (Cth)</i></b></p> | <p>Subdivision 83A-C (deferred inclusion of gain in assessable income) of the <i>Income Tax Assessment Act 1997 (Cth)</i> applies to the Employee Incentive Plan and holders of securities issued under the Employee Incentive Plan may agree to a restriction period for the disposal or transfer of the securities including any underlying securities.</p>  |

## ANNEXURE 2

### TERMS OF PERFORMANCE RIGHTS (Resolution 5)

The terms of the Performance Rights will be as follows:

<b>Class of Performance Rights</b>	<b>Service Condition</b>	<b>Performance condition</b>
Class A Performance Rights	The holder or the holder's representative remains engaged as an employee or director until the performance condition is satisfied.	Prior to 30 November 2027, 50,000 oz Gold is produced from tenements held by the Horizon group.
Class B Performance Rights	The holder or the holder's representative remains engaged as an employee or director until the performance condition is satisfied.	Prior to 30 November 2027, the Company increases its organic resource growth to resources of >2.5 Moz Gold resource or other commodity converted to be equivalent.
Class C Performance Rights	The holder or the holder's representative remains engaged as an employee or director until the performance condition is satisfied.	Prior to 30 November 2027, the volume weighted average price of the Company's Shares over 10 consecutive Trading Days on which the Shares trade is 10 cents or more.

The Performance Rights are issued under the terms of the Employee Incentive Plan. Other particular terms of the Performance Rights will be:

- (a) (Conversion) Upon satisfaction of the relevant performance condition, each Performance Right will, at the election of the holder, vest and convert into one Share.
- (b) (No Consideration payable) No consideration will be payable upon the vesting and conversion of the Performance Rights.
- (c) (No Voting rights) A Performance Right does not entitle a holder to vote on any resolutions proposed at a general meeting of Shareholders of the Company.
- (d) (No dividend rights) A Performance Right does not entitle a holder to any dividends.
- (e) (No rights on winding up) A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (f) (Not transferable) A Performance Right is not transferable.
- (g) (Reorganisation of capital) If there is a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the issued capital of the Company, the rights of a holder will be varied, as appropriate, in accordance with the Listing Rules which apply to reorganisation of capital at the time of the reorganisation.

- (h) (Quotation of Shares on conversion) An application will be made by the Company to ASX for official quotation of the Shares issued upon the conversion of each Performance Right within the time period required by the Listing Rules. The Company will not apply for quotation of the Performance Rights on ASX.
- (i) (No participation in entitlements and bonus issues) A Performance Right does not entitle a holder to participate in new issues of capital offered to holders of Shares, such as bonus issues and entitlement issues.
- (j) (No other rights) A Performance Right does not give a holder any other rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (k) (Lapse) If the performance condition relevant to a Performance Right has not been satisfied by the relevant expiry date, then the Performance Rights will automatically lapse.

## Need assistance?



**Phone:**  
1300 656 317 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **2:00pm (AWST) on Wednesday, 27 November 2024.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

## PARTICIPATING IN THE MEETING

### Corporate Representative

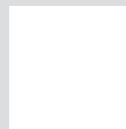
If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number:**  
**SRN/HIN:**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark ☒ to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Horizon Minerals Limited hereby appoint

☐ the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Horizon Minerals Limited to be held at the Offices of A & O Shearman, Level 12, Exchange Tower, 2 The Esplanade, Perth, WA 6000 on Friday, 29 November 2024 at 2:00pm (AWST) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 5 and 9 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 5 and 9 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business with the exception of Resolution 9 where the Chairman of the Meeting intends to vote against.**

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 5 and 9 by marking the appropriate box in step 2.

## Step 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain			For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 8	Issue of Shares to Related Party – Mr Warren Hallam	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director - Warren Hallam	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 9	Spill Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of issue of Advisor Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Resolution 4	Approval of additional 10% Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Resolution 5	Issue of Performance Rights to Grant Haywood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Resolution 6	Ratification of prior Issue of Tranche 1 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Resolution 7	Approval to Issue Tranche 2 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business with the exception of Resolution 9 where the Chairman of the Meeting intends to vote against. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically