



HORSESHOE METALS LIMITED

BOARD OF DIRECTORS

Ms Kate Stoney
*Non-Executive Director,
CFO & Company Secretary*

Mr Craig Hall
Non-Executive Director

Mr Alan Still
Non-Executive Director

HORSESHOE METALS LIMITED

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RC Drilling Commences at Main Zone, Motters and North Dump

- Reverse Circulation (RC) has commenced
- Drilling will be completed at:
 - *Motters along strike and down plunge to the south*
 - *Main Zone along strike and down plunge to the north*
 - *North Dump infill*
- Up to 15 holes for ~2000m planned in current phase as part of 6000m multi-phase program
- Review of the North Dump historic drilling is underway and will be reported in November
- Additional follow up drilling is also scheduled to be completed at:
 - *Southern Stockpile infill*
 - *Oxide zone (surface to ~30m depth) Main Zone and Motters*
- Review of historic scoping study results well advanced – oxide heap leach followed by SXEW being included as part of the review

Horseshoe Metals Limited (ASX: HOR) ('Horseshoe' or the 'Company') is pleased to announce that Reverse Circulation (RC) drilling has commenced at the Company's 100% owned Horseshoe Lights Copper-Gold Project in Western Australia.

Drilling will test the northern strike extension of the Main Zone including an interpreted northern plunge to the mineralisation. Previous geological interpretation and magnetic data suggests the dolerite that cuts the northern end of the Motters structure does not extend far enough west to intersect the Main Zone. Current and future drilling will test this interpretation (Figures 1,2 and 5).

Motters RC drilling will focus on testing mineralisation south along strike from the late cross cutting dolerite dyke and above the dolerite down plunge to the south (Figure 3, 4 and 5).

Commenting on drilling commencement, Director & CFO Kate Stoney said:

"It is exciting to recommence drilling as we continue to redefine the potential scale and grade of the Horseshoe Lights mineralised system by targeting strike and down plunge extensions at Main Zone and Motters. This drill program has commenced on time and on budget, marking another step forward in our stated strategy to further prove up the Horseshoe Lights project into one of Australia's most exciting copper development opportunities. Assays from this program will provide additional clarity around the broader mineralisation structure, building on the strong results from earlier RC drilling in May 2022 and the review of historic RC and diamond drilling at 0.3% Cu cut-off grade – both of which confirmed the significant potential of the resource extensions at the historic Horseshoe Lights mine.

A review of historic RC and diamond drilling results at a 0.3% Cu cut off was undertaken following the successful RC drilling completed in May (see ASX releases dated 31 August, 11 October and 27 October 2022). Significant results include:

Main Zone

- **47m @ 8.35% Cu from 37m** (RC-846 – Drilled 1993)
- **98m @ 2.54% Cu from 58m** (RC-368 – Drilled 1987)
- **44m @ 3.98% Cu from 158m** (RC-420 – Drilled 1987)
- **47m @ 3.43% Cu from 39m** (RC1152 – Drilled 1993)
- **32m @ 3.11% Cu from 43m and 35m @ 2.80% Cu from 160m** (RC1068 – Drilled 2012)
- **51m @ 1.92% Cu from 38m** (RC1091 – Drilled 2012)
- **28m @ 3.39% Cu from 72m** (RC-666 – Drilled 1988)
- **28m @ 3.28% Cu from 9m** (RC1135 – Drilled 2015)
- **72m @ 1.11% Cu from 32m** (RC1180 – Drilled 2022)

Motters Zone

- **53m @ 1.35% Cu from 0m** (RC1058 – Drilled 2012)
- **32m @ 1.77% Cu from 197m** (RC1101 – Drilled 2013)
- **48m @ 1.17% Cu from 0m** (RC1151 – Drilled 2021)
- **36m @ 1.27% Cu from 9m** (RC1152 – Drilled 2021)
- **33m @ 1.37% Cu from 0m** (HDD004 – Drilled 2012)
- **30m @ 1.44% Cu from 42m** (RC-826 – Drilled 1992)
- **37m @ 1.14% Cu from 0m** (RC1112 – Drilled 2015)
- **34m @ 1.09% Cu from 0m** (RC1149 – Drilled 2021)
- **28m @ 1.26% Cu from 90m** (RC1084 – Drilled 2012)
- **28m @ 1.23% Cu from 9m** (RC848 – Drilled 1992)
- **16m @ 1.10% Cu from 50m** (RC1161 – Drilled 2022)

Note the results only include all or parts of drill holes that sit outside the existing open pit at Horseshoe Lights and most holes are downhole intersects that are approximately 80% to 90% of true width in Main Zone and not true width at Motters. Main Zone mineralisation extends from surface in the northern extension to a depth of approximately 300 metres.

Proposed Work Programmes and Next Steps

The following activities at Horseshoe Lights are planned over the coming months:

- **RC drill testing Main Zone northern extensions and down plunge**
- **RC drill testing of Motters southern extension and down plunge**
- **RC and/or auger infill drilling of surface materials in stockpiles and northern waste dump**
- **Additional metallurgical test work on oxide copper stockpiles and targets**
- **Gravity recovery test work on Copper Flotation and CIP tailings**
- **Ongoing Review of scoping study results to incorporate potential oxide heap leach SXEW treatment**

Horseshoe Lights Copper-Gold Project Existing Resource Base

The Horseshoe Lights Copper-Gold Project is the original Cu/Au VMS discovery in the Bryah Basin and is located approx. 60 km west of DeGrussa Copper Mine operated by Sandfire Resources (ASX: SFR). Past production from Horseshoe Lights includes around **316,000 oz Au & 55 kt Cu metal** in two phases of mining.

The deposit contains the following existing resource base:

- **Current in situ resource 128,000t Cu metal @ 1.0% (0.5% cut-off)**
- **Current M15 stockpile resource 2650 t Cu metal @ 1.1%**
- **Current Flotation tailings resource 6,800 t Cu metal @ 0.48% and 15,300oz Au at 0.34 g/t**

For additional background on the Horseshoe Lights Project please refer to ASX releases:

12/09/2018 "Exploration Update- Horseshoe Lights Project"
06/08/2021 "Horseshoe Lights Exploration Activities Update"
10/09/2021 "Horseshoe Lights Phase 1 Auger Programme Completed"
13/09/2021 "Horseshoe Lights Phase 1 RC Drilling Programme Completed"
29/10/2021 "Horseshoe Lights RC Drilling Results"
26/11/2021 "Horseshoe Lights Phase 1 Stockpile Results Received"
21/02/2022 "Horseshoe Metals Successful Relisting"
03/03/2022 "Horseshoe Lights Activities Update"
11/03/2022 "Horseshoe Lights Copper-Gold Resource Grade-Tonnage Review"
21/04/2022 "RC Drilling Underway at Horseshoe Lights Project"
19/05/2022 "RC Drilling Campaign Complete at HSL Project"
11/08/2022 "Significant Drilling Results in Copper-Gold Surface Material at Horseshoe Lights"
31/08/2022 "Outstanding Copper Results at Horseshoe Lights"
11/10/2022 "Review Confirms Broad Zones of Copper Mineralisation"
27/10/2022 "Broad Zones of Copper up to 8.3%"

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

- ENDS -

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RC drilling on North Dump – Note oxide copper stockpiled on surface in foreground

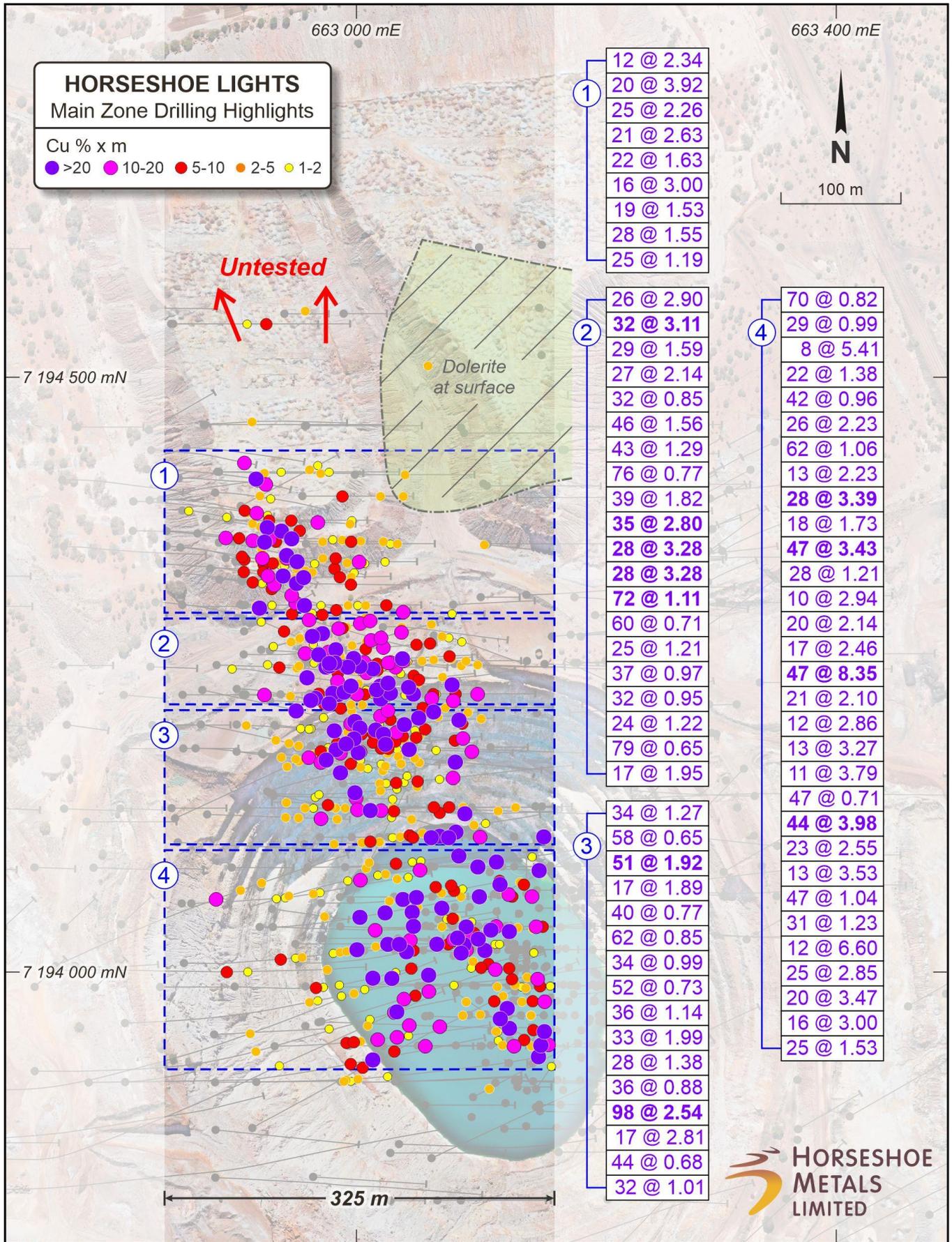


Figure 1: Main Zone Plan Showing Drilling highlights at 0.3% Cu Cut-Off and Untested NNW Extension

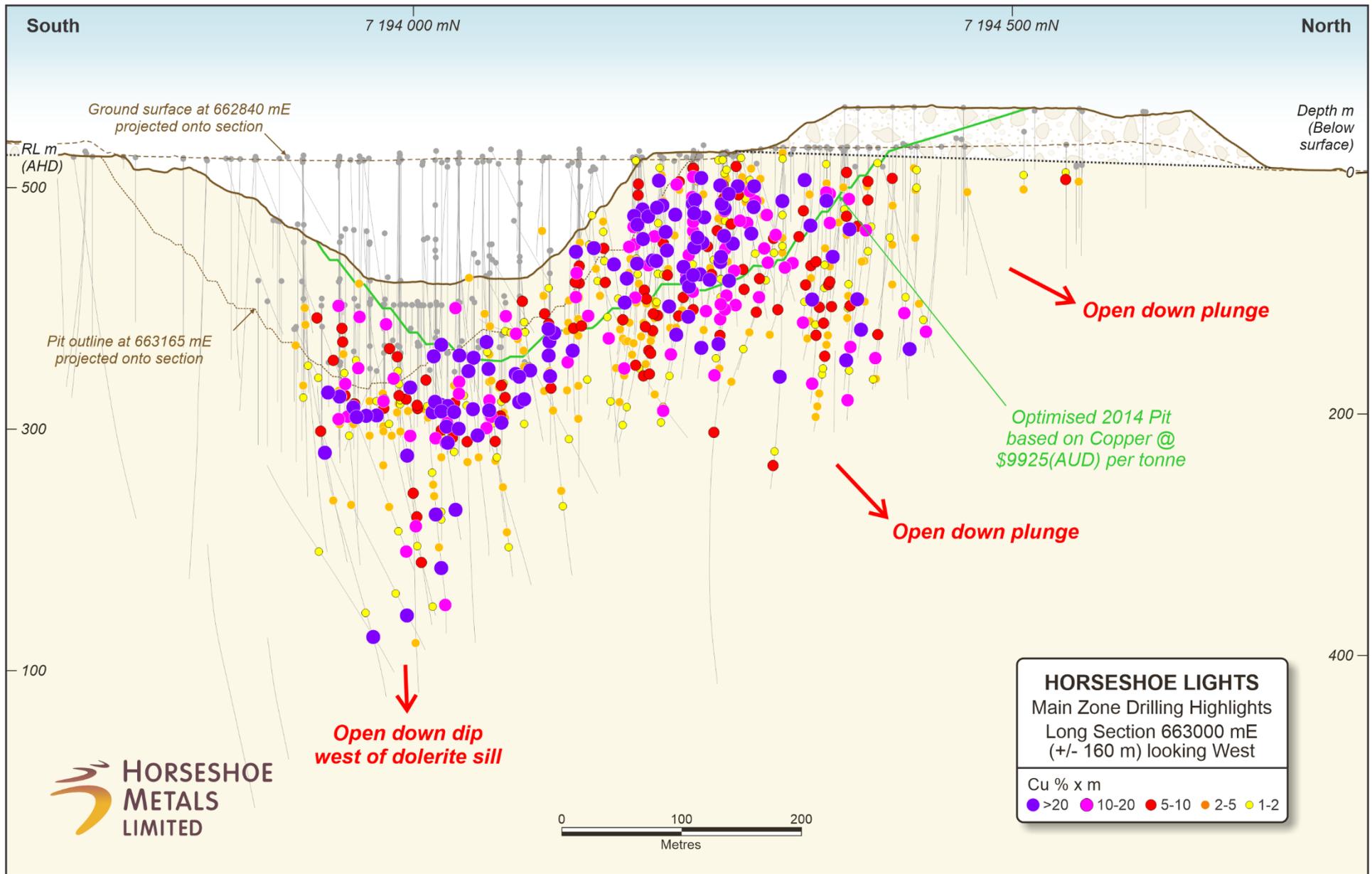


Figure 2: Long Section in the Plane of Main Zone Looking West showing Drilling Highlights at 0.3% Cu Cut-Off

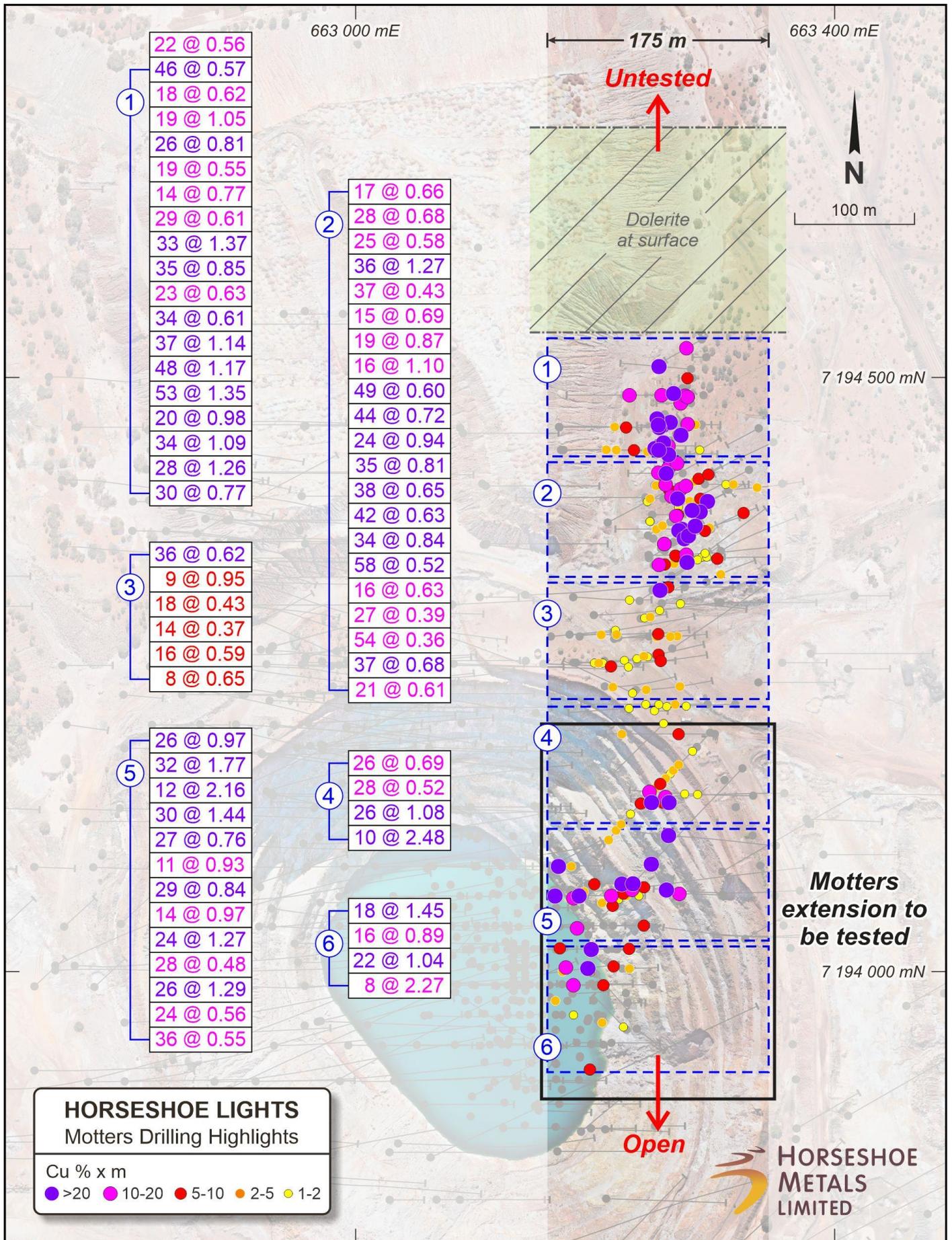


Figure 3: Motters Zone Plan and southern down plunge extension being tested

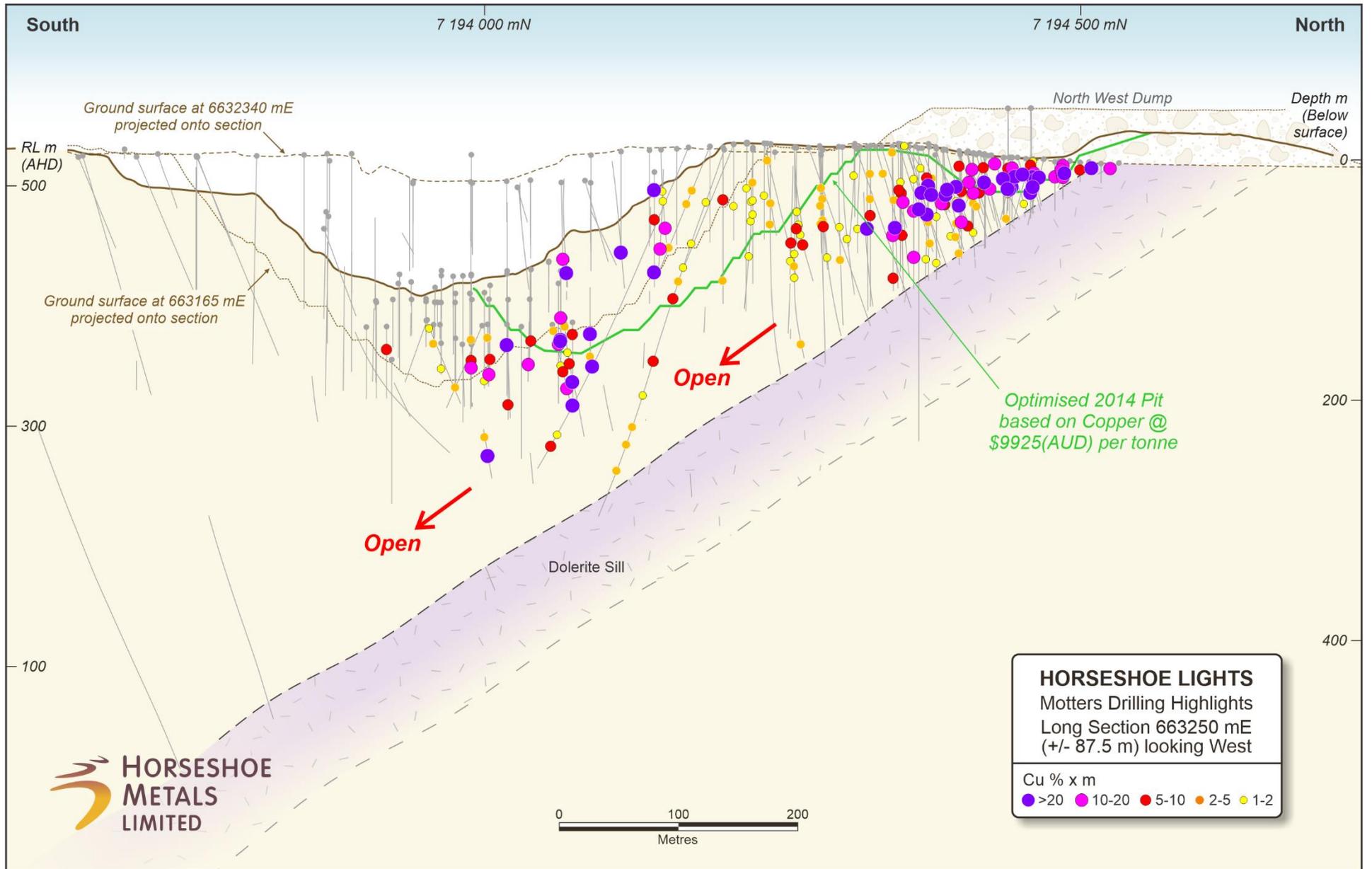


Figure 4: Motters Zone Long Section Looking West

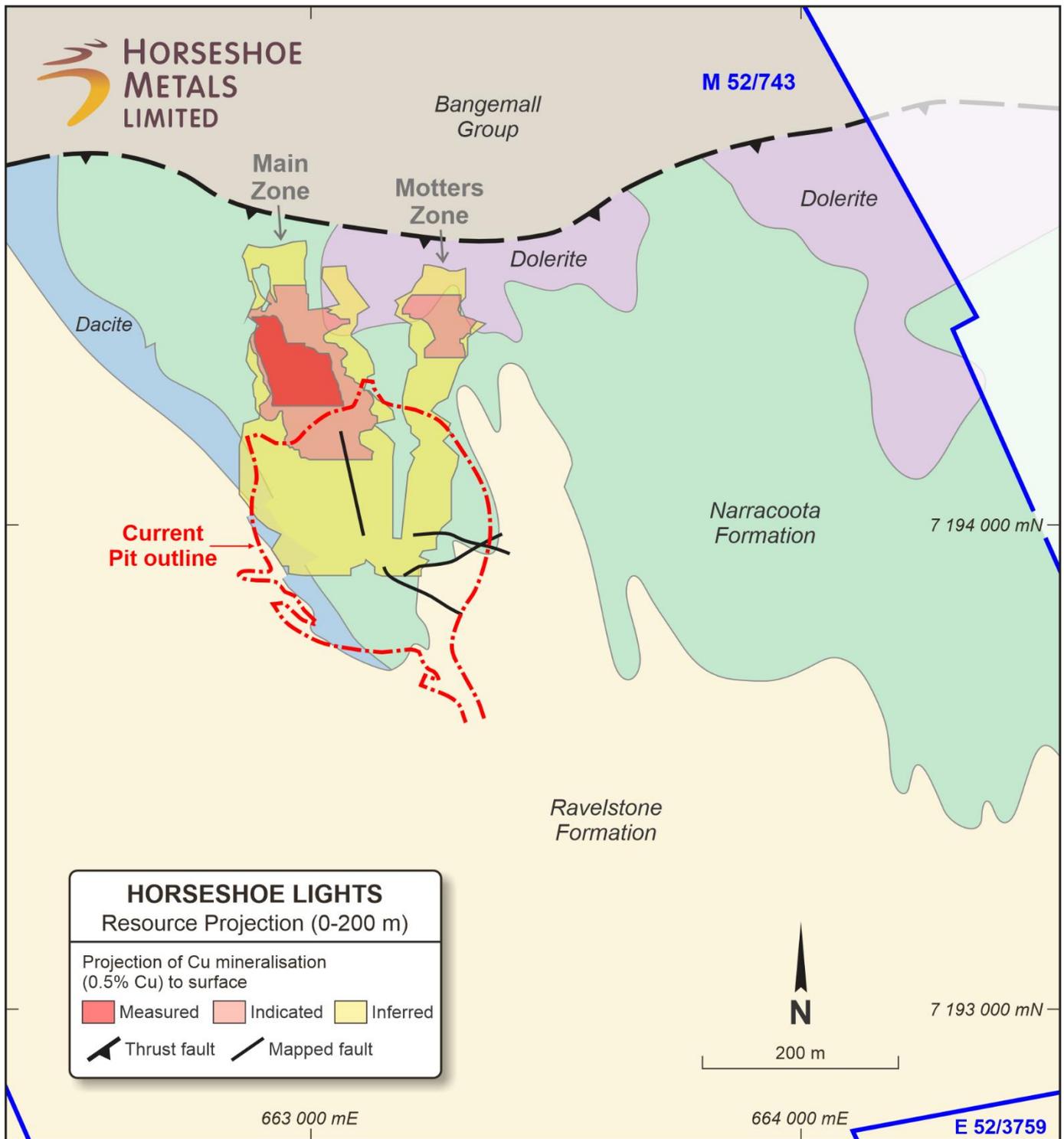


Figure 5: Surface Interpreted Geology Plan Showing Main and Motters Zones and the Interpreted Dolerite

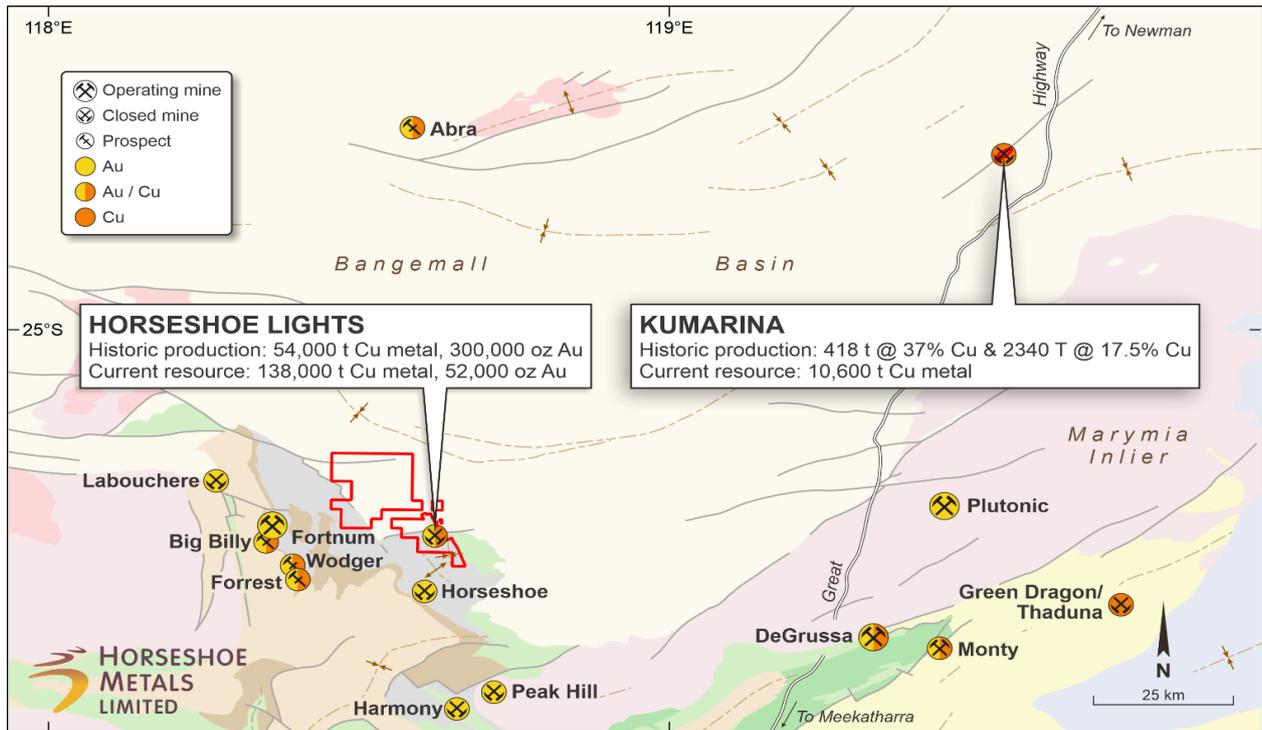


Figure 5: Location of Horseshoe Lights Copper-Gold Project and Kumarina Project in the Murchison, WA

About Horseshoe Metals Limited

Horseshoe Metals Limited (ASX:HOR) is a copper and gold-focused Company with a package of tenements covering approximately 500km² in the highly prospective Peak Hill Mineral Field, located north of Meekatharra in Western Australian and mineral interests in South Australia. The Company manages the Horseshoe Lights Project and the Kumarina Project in Western Australia, and the Glenloth Gold Project in South Australia.

About the Horseshoe Lights Project

The Horseshoe Lights Project includes the historic open pit of the Horseshoe Lights copper-gold mine which operated up until 1994, producing over 300,000 ounces of gold and 54,000 tonnes of contained copper, including over 110,000 tonnes of Direct Shipping Ore (DSO) which graded between 20-30% copper. The Horseshoe Lights ore body is interpreted as a deformed Volcanogenic Hosted Massive Sulphide (VMS) deposit that has undergone supergene alteration to generate the gold-enriched and copper-depleted cap that was the target of initial mining. The deposit is hosted by quartz-sericite and quartz-chlorite schists of the Lower Proterozoic Narracoota Formation.

Past mining was focused on the Main Zone, a series of lensoid ore zones, which passed with depth from a gold-rich oxide zone through zones of high-grade chalcocite mineralisation into massive pyrite-chalcopyrite. To the west and east of the Main Zone, copper mineralisation in the Northwest Stringer Zone and Motters Zone consists of veins and disseminations of chalcopyrite and pyrite and their upper oxide copper extensions. Table 4 summarises the total Mineral Resources for the Horseshoe Lights Project as at 30 June 2022.

HORSESHOE LIGHTS PROJECT SUMMARY OF MINERAL RESOURCES As at 30 June 2022									
Location	Category	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu metal (tonnes)	Au metal (oz)	Ag metal (k oz)	
In-situ Deposit (0.5% Cu cut-off grade)	<i>Measured</i>	1.73	1.04	0.0	0.5	18,000	1,900	28.8	
	<i>Indicated</i>	2.43	0.95	0.0	0.7	23,200	3,400	52.2	
	<i>Inferred</i>	8.69	1.01	0.1	2.6	87,400	30,700	712.4	
	Total	12.85	1.00	0.1	1.9	128,600	36,000	793.4	
Flotation Tailings	Inferred	1.421	0.48	0.34	6.5	6,800	15,300	294.8	
M15 Stockpiles	Inferred	0.243	1.10	0.17	4.7	2,650	1,300	36.7	
Note: At 0% Cu cut-off grade unless otherwise stated						TOTAL	138,050	52,600	1,124.9

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

About the Kumarina Project

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

Incomplete records post-1960s make it difficult to estimate the total copper production from the workings. However, indications are that the Kumarina Copper Mine was the second largest producer in the Bangemall Basin group of copper mines. Recorded production to the late 1960s is 481t of copper ore at a high-grade of 37.0% Cu and 2,340t at a grade of 17.51% Cu. An initial Mineral Resource Estimate for the Rinaldi deposit was completed by the Company in 2013 (see 30 June 2013 Quarterly Report announced on 31 July 2013). The total Measured, Indicated and Inferred Mineral Resource Estimate as at 30 June 2022 is shown in Table 5 below.

KUMARINA PROJECT SUMMARY OF MINERAL RESOURCES As at 30 June 2022				
Location	Category	Tonnes (t)	Cu (%)	Cu metal (tonnes)
Rinaldi Prospect (0.5% Cu cut-off)	<i>Measured</i>	415,000	1.46	6,100
	<i>Indicated</i>	307,000	1.16	3,500
	<i>Inferred</i>	114,000	0.9	1,000
	Total	835,000	1.3	10,600

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

Forward Looking Statements

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

Competent Persons Statement

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

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

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

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