



HORSESHOE METALS LIMITED

ASX ANNOUNCEMENT

2 November 2022

Horseshoe West Farm-in and Joint Venture Update

Horseshoe Metals Limited (ASX: HOR) (Horseshoe or the Company) provides the following update on the status of the Horseshoe West Farm-in and Joint Venture (JV) between Horseshoe's wholly owned subsidiary Murchison Copper Mines Pty Ltd (MCM) and ENRG Elements Limited (ASX:EEL) (ENRG) surrounding the Company's Horseshoe Lights Copper-Gold Project in Western Australia (Figure 1).

The Company advises that MCM has been provided notice by ENRG stating its intention to withdraw from the Farm-in and Joint Venture Agreement at Horseshoe West to focus on its African Copper and Uranium projects. In accordance with the terms of the Farm-in and Joint Venture Agreement entered into on 25 January 2021, ENRG was required to provide 30 days advance notice of withdrawal, resulting in an effective withdrawal date of 30 November 2022.

Horseshoe looks forward to receiving and reviewing the data on exploration completed to date by ENRG prior to advancing this prospective area surrounding the Horseshoe Lights Copper Deposit.

Commenting on the Horseshoe West tenements, Director & CFO Kate Stoney said:

"We would like to thank ENRG for their exploration efforts to date at Horseshoe West and we look forward to receiving the exploration data for full review and analysis. We are very pleased to be retaining a 100% interest in this asset and our technical team is very confident that the Horseshoe West area contains multiple high-quality gold and copper targets located only 1,500m west of the existing Horseshoe Lights copper deposit.

We look forward to providing a comprehensive update on our exploration plans for Horseshoe West following the completion of our data review over the coming weeks."

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

- ENDS -

Enquiries

Kate Stoney

Director & CFO

T +61 (0) 408 909 588

E: info@horseshoemetals.com.au

Sam Burns

Six Degrees Investor Relations

T +61 (0) 400 164 067

**HORSESHOE METALS
LIMITED**

ABN 20 123 133 166
24 Mumford Place
Balcatta WA 6021

T: +61 8 6241 1844

F: +61 8 6241 1811

E: info@horseshoemetals.com.au

www.horseshoemetals.com.au

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 Shallow Copper Mineralisation up to 8.3% Confirmed at main Zone"

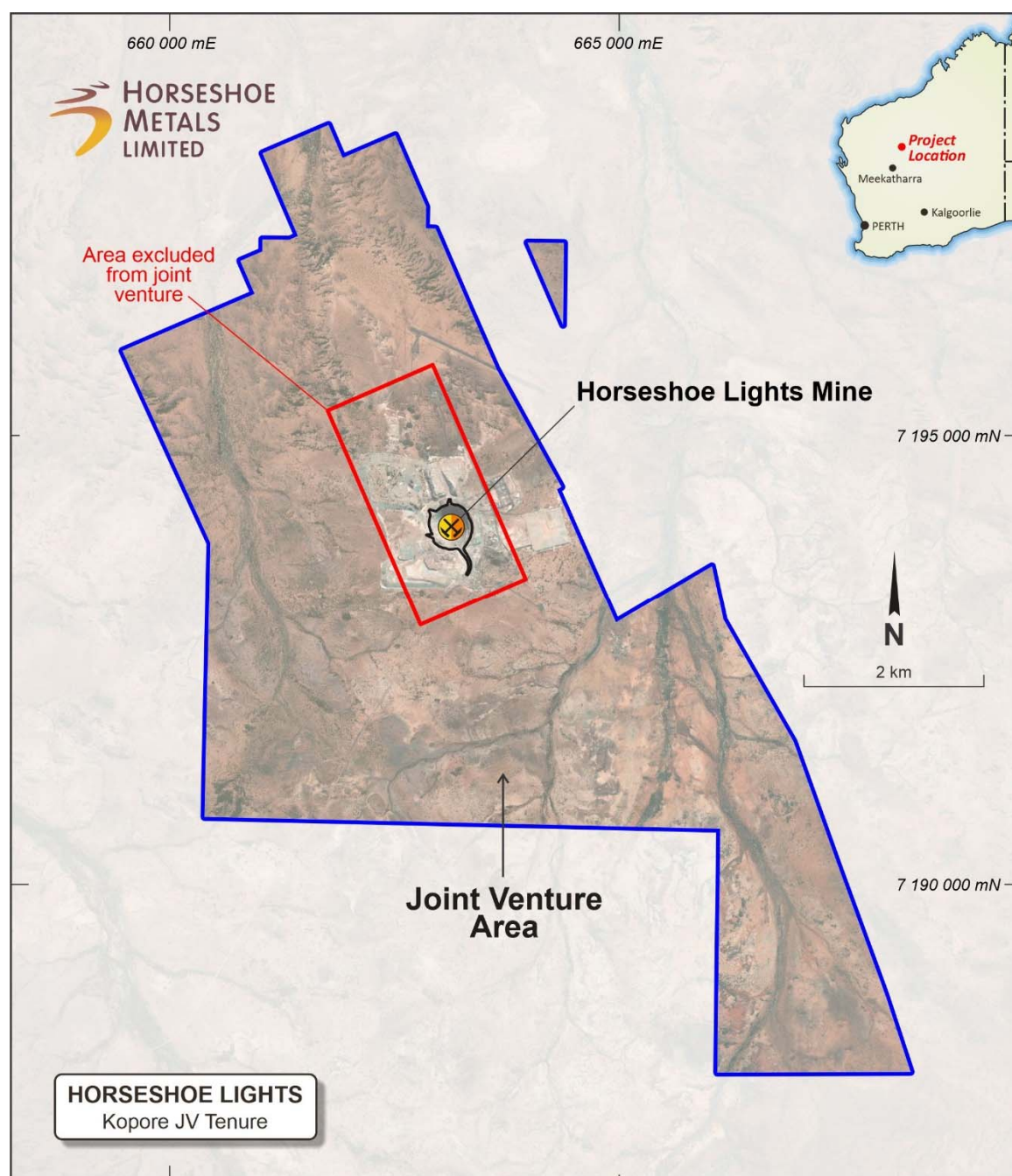


Figure 1: Horseshoe West Farm-in and Joint Venture Area

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. The tenements immediately surrounding the Horseshoe Lights Copper-Gold Project are currently part of a Farm In/Joint Venture with ENRG Elements Limited (ASX:EEL) where EEL has recently completed minimum expenditure requirements for the first year of Farm-In in early 2022.

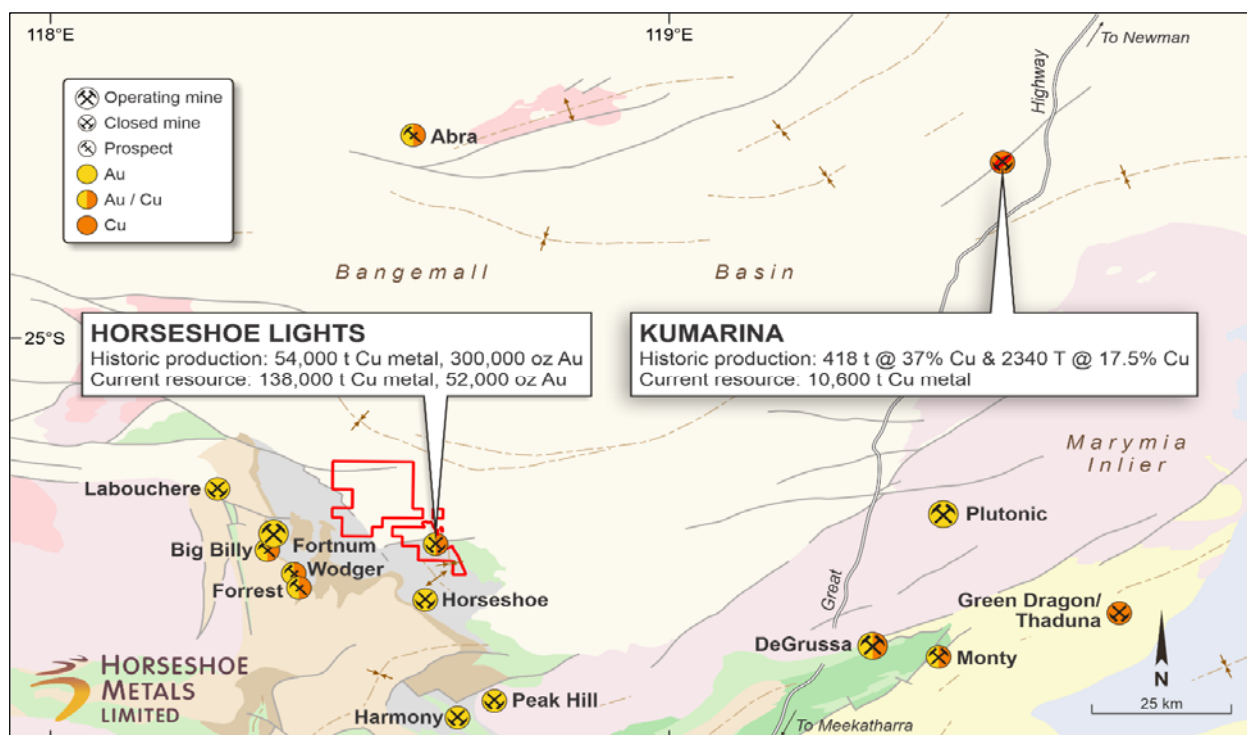


Figure 5: Location of Horseshoe Lights Copper-Gold Project and Kumarina Project in the Murchison, WA

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. The total Mineral Resources for the Horseshoe Lights Project as at 30 June 2022 are summarised below.

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 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.