

## **THIRD BOORARA MILLING CAMPAIGN GENERATES \$3.6 MILLION IN NET CASH FLOW**

### **HIGHLIGHTS**

- Third toll milling campaign completed successfully at the Lakewood processing facility, 7km west of the Boorara gold mine in the Western Australian goldfields
- Campaign comprised ore treatment from Crown Jewel, Regal East and Regal West trial pits over a 25 day period with excellent mill performance
- Total ore milled of 50,274 dry tonnes at a mill reconciled grade of 1.62g/t Au with mined grades improving with depth in line with expectations
- Gold produced totalled 2,491 ounces at a calculated gold recovery of 95%, well above the modelled recovery of 91%
- Revenue received from gold sales of \$6.1 million at an average gold price of \$2,466 per ounce
- Campaign generated \$3.6 million in net cash after haulage and toll milling expenditure with all mining related costs expended in the September Quarter 2020
- The final milling campaign is scheduled to commence in mid-January 2021, comprising the remaining high grade ore and a parcel of low grade material to test grade allocation <sup>1</sup>
- A full production and cost reconciliation will be completed after the final milling campaign with remaining ore stockpiled for treatment at the proposed Boorara Mill in the future <sup>1</sup>
- All reconciliation data and pit mapping information will be incorporated into an updated Mineral Resource Estimate expected for release in the March Quarter 2021 <sup>1</sup>
- A maiden Ore Reserve for Boorara will then be compiled as part of the consolidated Feasibility Study assessing a larger scale development and a stand-alone mill <sup>1</sup>
- Cash at bank increases to \$17 million plus \$5.3 million in listed investments

Commenting on the successful milling campaign, Horizon Managing Director Mr Jon Price said:

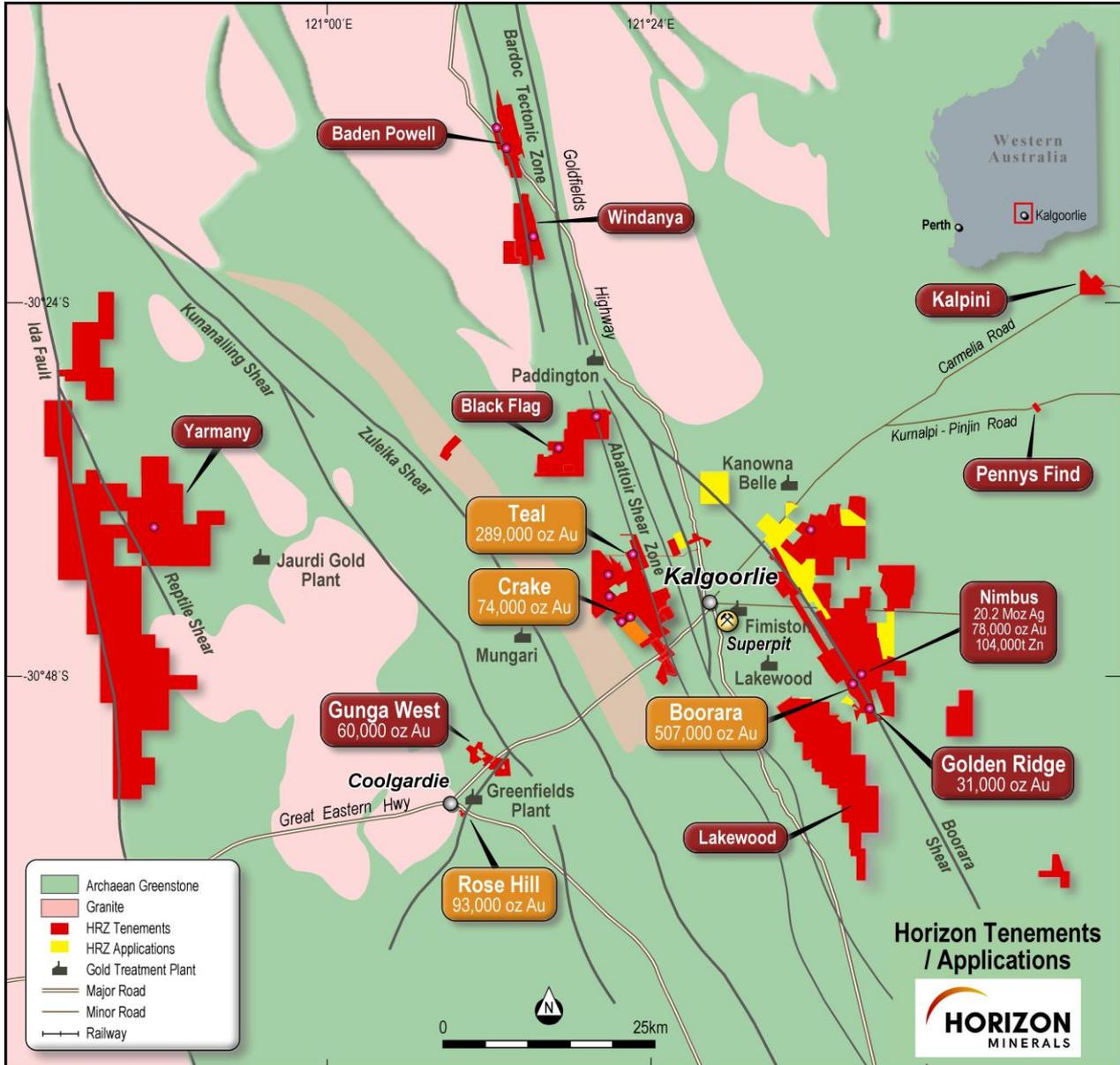
“It is extremely pleasing to see the mill grades increasing with depth and generating cash with the Company fully funded to develop our longer term production plan being assessed as part of the consolidated Feasibility Study underpinning a stand-alone mill.”

“The trial has provided a greatly improved understanding of the ore body and we see significant potential to grow Boorara along strike to the south and north and test the depth potential below the 180m open pit limit currently being evaluated as part of the mining optimisation and design studies.”

<sup>1</sup> See Cautionary and Forward Looking Statements on Page 6

**Overview**

Horizon Minerals Limited (ASX: HRZ) (“Horizon” or the “Company”) is pleased to announce completion of the third milling campaign from trial mining at the Boorara Gold Mine, 10km east of Kalgoorlie-Boulder in the goldfields of Western Australia (Figure 1).



**Figure 1: Horizon’s Project area location, resources and surrounding infrastructure**

The ultimate aim of the trial mining and toll milling from Boorara is to verify the tonnage and grade uplift potential when compared to the Boorara global resource model. Results to date have demonstrated this potential and will inform an updated Mineral Resource Estimate and a maiden Ore Reserve as part of the consolidated Feasibility Study ahead of a development decision inclusive of construction of a standalone processing facility at Boorara.

**ASX ANNOUNCEMENT**

The third milling campaign commenced on 5 November 2020 and ran for 25 days to 29 November 2020 with first gold poured on 12 November 2020. Milling performance has again been excellent with throughput averaging 87tph, gravity recoveries at 35% and reagent consumption within expectations. The campaign comprised treatment of Crown Jewel, Regal East and Regal West deposits.

Mill reconciliations have now been completed with a total of 50,274 dry tonnes processed at a reconciled mill grade of 1.62g/t Au increasing with depth in line with expectations.

Overall gold recoveries exceeded expectations with a calculated recovery of 95%, above the modelled recoveries of 91%.

Gold produced from the campaign totalled 2,491 fine ounces with all gold sold at an average price of A\$2,466 per ounce generating revenue of A\$6.1 million. All mining and site costs were expended in the September Quarter with the third campaign generating \$3.6 million in net cash after haulage and toll milling costs.

The final milling campaign will commence in mid-January comprising the remainder of the high grade ore and a parcel of low grade material to test the effectiveness of the grade allocation process.

Pit mapping and geological review of the mined trial pits is complete and will be used with the complete mill reconciliation data to update the Boorara geological model and Mineral Resource Estimate, expected for release in the March Quarter 2021<sup>1</sup>. A maiden Ore Reserve will then be compiled for the longer term production plan being assessed as part of the consolidated Feasibility Study due for completion in the June Quarter 2021<sup>1</sup>.

**Authorised for release by the Board of Directors**

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<sup>1</sup> See Cautionary and Forward Looking Statements on Page 6

**Horizon Minerals Limited – Summary of Gold Mineral Resources**

Project	Cut-off Grade	Measured			Indicated			Inferred			Total Resource		
		Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
Teal	1.0				1.01	1.96	63,681	0.80	2.50	64,458	1.81	2.20	128,000
Jacques Find	1.0				1.60	2.24	114,854	0.32	1.68	17,135	1.91	2.14	131,970
Peyes Farm	1.0				0.31	1.65	16,313	0.22	1.77	12,547	0.53	1.70	28,860
Crake	1.0	0.46	1.85	27,459	0.48	1.49	22,569	0.33	2.22	23,792	1.27	1.82	73,820
Rose Hill OP	0.5	0.29	2.00	18,300							0.29	2.00	18,300
Rose Hill UG	2.0	0.05	4.5	6,700	0.28	4.50	40,500	0.18	4.80	27,800	0.51	4.60	75,000
Gunga west	0.6				0.71	1.60	36,435	0.48	1.50	23,433	1.19	1.56	59,869
Golden Ridge	1.0				0.47	1.83	27,921	0.05	1.71	2,797	0.52	1.82	30,718
<b>TOTAL</b>		<b>0.79</b>	<b>2.05</b>	<b>52,459</b>	<b>4.85</b>	<b>2.07</b>	<b>322,273</b>	<b>2.38</b>	<b>2.24</b>	<b>171,962</b>	<b>8.02</b>	<b>2.12</b>	<b>546,537</b>

**Horizon Minerals Limited – Summary of Vanadium / Molybdenum Mineral Resources (at 0.29% V<sub>2</sub>O<sub>5</sub> cut-off grade)**

Project	Cut-off grade %	Tonnage	Grade			Metal content (Mt)		
		(Mt)	% V <sub>2</sub> O <sub>5</sub>	ppm Mo	ppm Ni	V <sub>2</sub> O <sub>5</sub>	Mo	Ni
Rothbury (Inf)	0.30	1,202	0.31	259	151	3.75	0.31	0.18
Lilyvale (Ind)	0.30	430	0.50	240	291	2.15	0.10	0.10
Lilyvale (Inf)	0.30	130	0.41	213	231	0.53	0.03	0.03
Manfred (Inf)	0.30	76	0.35	369	249	0.26	0.03	0.02
<b>TOTAL</b>		<b>1,838</b>	<b>0.36</b>	<b>256</b>	<b>193</b>	<b>6.65</b>	<b>0.46</b>	<b>0.36</b>

**Confirmation**

The information in this report that relates to Horizon’s Mineral Resources estimates or Ore Reserves estimates is extracted from and was originally reported in Horizon’s ASX announcements “Intermin’s Resources Grow to over 667,000 Ounces” dated 20 March 2018, “Crake Gold Project Continues to Grow” dated 10 December 2019, “Richmond – Julia Creek Vanadium Project Resource Update” dated 16 June 2020 and “Rose Hill firms as quality high grade open pit and underground gold project” dated 8 December 2020, each of which is available at [www.asx.com.au](http://www.asx.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed. The Company confirms that the form and context of the Competent Person’s findings in relation to those Mineral Resources estimates or Ore Reserves estimates have not been materially modified from the original market announcements.

**Macphersons Resources Limited (a 100% subsidiary of Horizon) – Summary of Mineral Resources**

Boorara Gold Resource (at a 0.5 g/t Au cut-off grade)

Category	Tonnes	Grade	Ounces
	Mt	Au (g/t)	(k'000)
<b>Measured Resource</b>	<b>6.11</b>	<b>0.92</b>	<b>181</b>
<b>Indicated Resource</b>	<b>7.26</b>	<b>0.97</b>	<b>227</b>
<b>Inferred Resource</b>	<b>3.08</b>	<b>1.00</b>	<b>99</b>
<b>Total Resource</b>	<b>16.45</b>	<b>0.96</b>	<b>507</b>

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

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

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

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

**Confirmation**

The information in this report that relates to MacPhersons' Mineral Resources estimates on the Boorara Gold Project and Nimbus Silver Zinc Project is extracted from and was originally reported in Intermin's and MacPhersons' ASX Announcement "Intermin and MacPhersons Agree to Merge – Creation of a New Gold Company Horizon Minerals Ltd" dated 11 December 2018 and in MacPhersons' ASX announcements "Quarterly Activities Report" dated 25 October 2018, "BOORARA GOLD PROJECT TOTAL GOLD RESOURCE up 118% to 507,000 OUNCES" dated 6th March 2018, "New High Grade Nimbus Silver Core Averaging 968 g/t Ag" dated 10th May 2016, "Boorara Trial Open Pit Produced 1550 Ounces" dated 14 November 2016 and "Nimbus Increases Resources" dated 30th April 2015, each of which is available at [www.asx.com.au](http://www.asx.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed. The Company confirms that the form and context of the Competent Person's findings in relation to those Mineral Resources estimates have not been materially modified from the original market announcements.

**Forward Looking and Cautionary Statements**

Some statements in this report regarding estimates or future events are forward looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward looking statements include, but are not limited to, statements preceded by words such as “planned”, “expected”, “projected”, “estimated”, “may”, “scheduled”, “intends”, “anticipates”, “believes”, “potential”, “could”, “nominal”, “conceptual” and similar expressions. Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward looking statements may be affected by a range of variables that could cause actual results to differ from estimated results, and may cause the Company’s actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward looking statements. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain any additional mine licenses, permits and other regulatory approvals required in connection with mining and third party processing operations, competition for among other things, capital, acquisition of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rate, currency and interest fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, the ability to secure adequate financing and management’s ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward looking statements will prove to be correct.

Statements regarding plans with respect to the Company’s mineral properties may contain forward looking statements in relation to future matters that can only be made where the Company has a reasonable basis for making those statements.

This announcement has been prepared in compliance with the JORC Code (2012) and the current ASX Listing Rules.

The Company believes that it has a reasonable basis for making the forward looking statements in the announcement, including with respect to any production targets and financial estimates, based on the information contained in this and previous ASX announcements.