

HORIZON RESETS GROWTH STRATEGY

GOLD PRODUCTION IN 2020 ¹

HIGHLIGHTS

- Updated strategic plan being implemented with a focus on near-term cash generation from gold production, reserve and resource growth and further asset consolidation in the West Australian goldfields
- The Company's key objective remains to develop a long-term production profile centred around the base-load Boorara gold project complemented by higher grade open pit and underground satellite deposits in close trucking distance to a centralised processing facility ¹
- Extensive 18,000m grade control drilling program completed at Boorara in December 2019 with results expected in the coming weeks ¹
- An updated grade control model will then be optimised to generate an initial mining inventory across three starter pits with the aim to be mining in the June Quarter 2020 and toll milling in September Quarter 2020 ¹
- The staged development of Boorara provides early cash flow and improved geological confidence while assessment of a larger scale development is evaluated, including options for a stand-alone processing facility and collaboration with neighbouring companies ¹
- Updated geological models and reserve/resource estimates for all projects will feed into the Feasibility Study due for completion in the December Quarter 2020 with the aim of delivering a minimum 4-5 year production plan underpinning a long-term processing solution ¹
- The 2020 reserve and resource drill program is in the final planning stages and includes infill and extensional drilling at core project areas including Boorara, Rosehill, Binduli and Teal
- The Company will continue to assess further consolidation opportunities and seek to generate additional value from the non-gold projects and existing joint ventures.

Commenting on the strategic plan, Horizon Managing Director Mr Jon Price said:

"The Company has now reset its immediate growth plan while maintaining our overriding objective of building an emerging mid-tier gold business centred in the heart of the West Australian goldfields. This strategy is centred around the exciting Boorara gold project and existing satellite projects in close proximity. We now look forward to delivering on our promises, moving into production, generating cash to support our strategy, growing our resource base and building a long term sustainable production profile for the benefit of all stakeholders. "

¹ See Forward Looking and Cautionary Statement on Page 7

Overview

Horizon Minerals Limited (ASX: HRZ) ("Horizon" or "the Company") is pleased to provide an update on its growth strategy and outline key production and resource growth milestones for 2020 and beyond. The Company is focussed on gold in the Western Australian goldfields and has assets covering 850km² on major geological structures in close proximity to the city of Kalgoorlie-Boulder (Figure 1). An updated global Mineral Resource Estimate is expected in the June Quarter 2020 ¹.

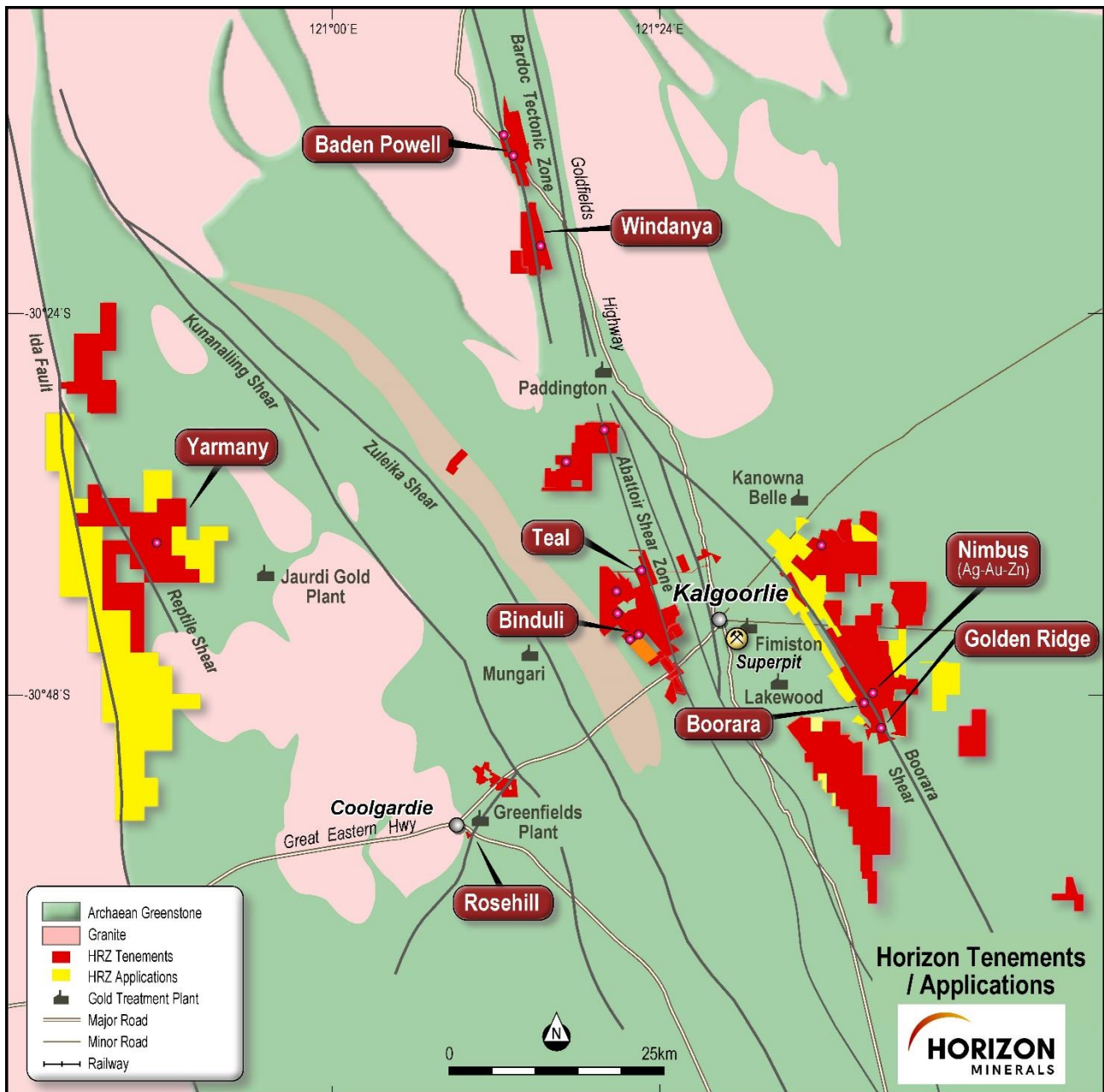


Figure 1: Project area locations, underlying geology and surrounding infrastructure

¹ See Forward Looking and Cautionary Statement on Page 7

Bringing Boorara Stage 1 into production ¹

The 18,000m grade control drilling program as announced to the ASX on 29 October 2019 was completed in December 2019 with results expected in the current March Quarter 2020. The drilling was conducted on an average 5m x 10m drilling spacing to a maximum depth of 54m (Figure 2). Boorara is a geologically complex mineralised system with a main NNW striking zone and multiple stacked flat lying conjugate vein sets.

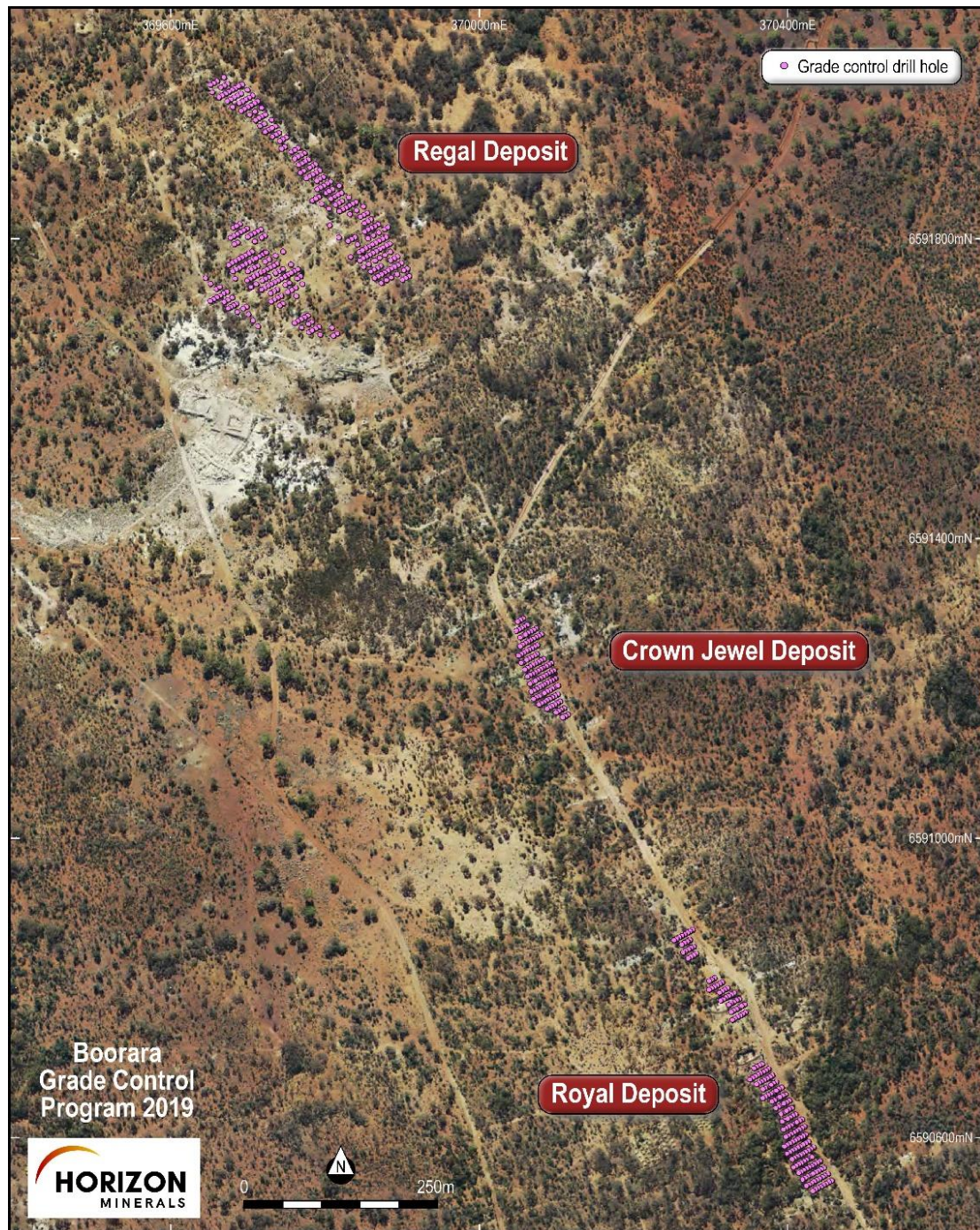


Figure 2: Grade control drill collar positions

¹ See Forward Looking and Cautionary Statement on Page 7

A small scale trial pit to 20m depth was mined in the Royal (previously Southern Stockwork) area at Boorara in 2016, with ore up to 15m wide mined on 2.5m high flitches ¹. A close spaced grade control program undertaken prior to mining yielded planned trial pit grades well above the in-situ resource grade estimate of 1g/t ¹. Ore mined from the trial pit was processed at FMR Investments' Greenfields Mill which reconciled at 30,239 tonnes at 1.73g/t Au of high grade ore, with an additional 13,095 tonnes at 0.68g/t Au of low grade material still stockpiled at Boorara.¹

The aim of the current grade control program is to further test the grade uplift potential and enable a new geological model to be compiled for mine optimisation, design and economic analysis. On completion, expected in the current March Quarter 2020, the aim is to mine up to three starter pits and process the ore at a third party toll mill in close proximity. Statutory approvals and toll milling negotiations with multiple potential milling partners are well advanced enabling mining to commence in the June Quarter and milling in the September Quarter 2020.

The resultant mine and mill reconciliation data will then be used to compare to the global resource model ahead of the larger scale mine development assessment being undertaken as part of the Feasibility Study due for completion in the December Quarter 2020.

Production guidance and project economics will be provided on completion of the Stage 1 evaluation in the current March Quarter 2020.

Growing the production pipeline²

A number of 100% owned projects have the potential to add significant mining inventory as per Figure 3 below. Three projects have been prioritised based on current resource status, grade and open pit and underground upside potential.

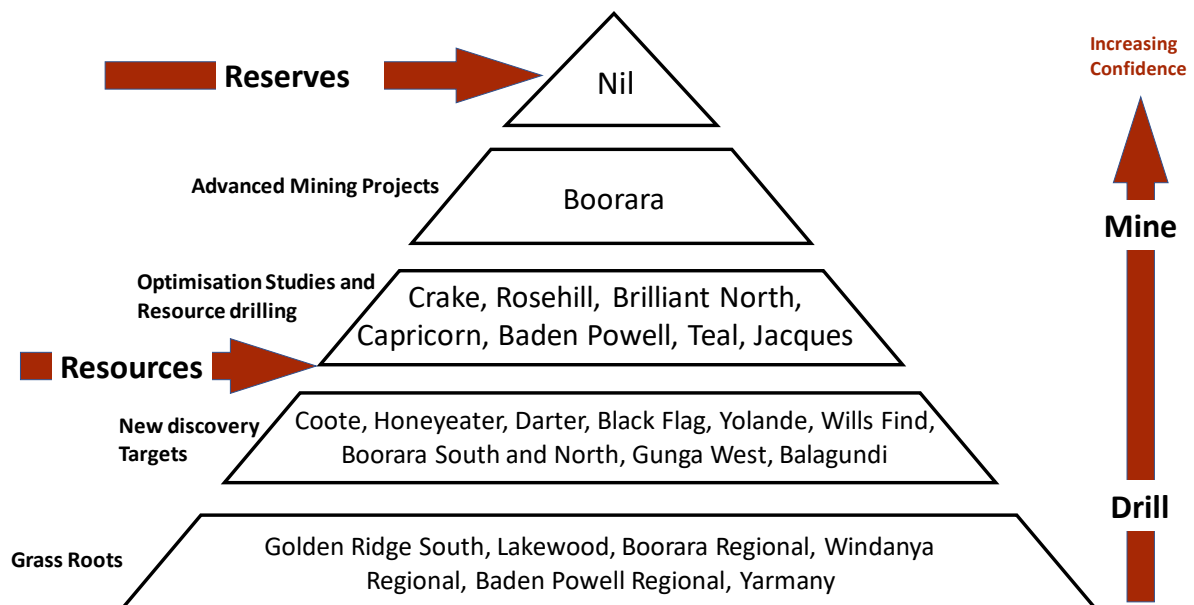


Figure 3: Production pipeline and project status

¹ As announced to the ASX by MRP on 14 November 2016. ²See Forward Looking and Cautionary Statement on Page 7

Further stages of Boorara mine development will be determined by the outcome of the mining, pit mapping and mill reconciliations of Stage 1. The Boorara resource model will be updated during this period and fed into the Feasibility Study.

The Crake project, part of the Binduli project area (Figure 1) has grown significantly in 2019 after a number of highly successful drilling programs. Internal optimisations have generated positive results and provided extensional drill targets along strike and at depth. Further infill and extensional RC and diamond drilling is planned in H2 2020.

The Rosehill project, recently acquired through an asset swap with Northern Star Resources Ltd¹, is a high priority open pit and underground deposit in Coolgardie. The most recent resource information on Rosehill was compiled by Westgold Resources Ltd in its ASX release titled "2017 Annual Update of Mineral Resources & Ore Reserves" dated 4 September 2017. The Company has now commenced an internal and independent review of the geological models for Rosehill, Gunga West and Golden Ridge (Figure 1) projects and expects to provide a resource update on these projects in the current March Quarter 2020.

Resource growth through exploration and acquisition ²

Horizon has developed priority resource growth and new discovery targets for drilling in 2020. These include Boorara near mine (including Balagundi, Kanowna South, Golden Ridge and Boorara South), Coote, Darter and Honeyeater within the Binduli gold camp, Capricorn, Baden Powell and Teal.

Priority is to target areas hosting free milling ore within a 75km radius of Boorara with grade above 2g/t Au and strip ratio below 10:1 for open pit and grades above 4g/t Au for satellite underground projects.

Drilling in the March Quarter will be limited to Rosehill as the Company focusses on Boorara mine development. The majority of the planned drilling will commence in H2 2020 with the aim for this drilling to be funded from cash flow, consistent with the development and cash generation strategy implemented for the successful Teal gold mine in 2017-2018.

The Company will continue to pursue value accretive acquisitions that meet the disciplined criteria of value, continuity with existing tenure, location on major geological structures and proximity to a potential centralised mill at Boorara. Consolidation across the sector needs to continue and the Company will continue discussions with neighbouring companies and collaborate where mutual gain can be achieved.

¹ As announced to the ASX on 20 December 2019. ² See Forward Looking and Cautionary Statement on Page 7

Joint ventures ¹

The Company's strategy for non-gold projects is typically to divest or farm out to avoid management distraction, reduce costs and to retain future upside exposure. The current joint venture with Richmond Vanadium Technology (RVT) covering the 2.6Bt Richmond vanadium project in central north Queensland is in its second stage of earn in whereby RVT spends A\$6m by March 2021 to earn up to 75%.

Other projects in the portfolio include the Nanadie Well copper-gold-PGE project and the Nimbus silver-zinc project. The Company is currently assessing options for these projects and holding preliminary discussions with interested joint venture partners.

News flow and milestones¹

As the strategic plan is put in to action, significant news flow can be expected throughout 2020 as per below:

March Quarter – Boorara infill drilling results, new geological model, mine optimisation, design and economic modelling results, drilling results from Rosehill, updated resource estimates for Rosehill, Gunga West and Golden Ridge.

June Quarter – decision to mine stage 1 of Boorara and mine commencement, Richmond vanadium JV update, updated Mineral Resource Estimate

September Quarter – Aiming for first gold production and cash generation from Boorara, commencement of large scale resource and reserve growth drilling program.

December Quarter – drilling results, resource and reserve update, consolidated Feasibility Study results including options for stand-alone or collaborative centralised processing plant.

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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.