

GROWTH DRILLING COMMENCES AT PENNY'S FIND

HIGHLIGHTS

- Extension drilling is underway at the high grade Penny's Find project
- 2,400m of RC and diamond tails plan to extend the known resource at depth, and follow up on the new lode system along strike to the north and at depth to further increase the resource base ¹
- Results expected in the current June Quarter 2023, and an updated Mineral Resource Estimate in the September Quarter 2023 ¹
- Updated mine optimisation and design studies to be completed for generation of Ore Reserves in H2 CY 2023 ¹
- Horizon owns 100% of the fully permitted Penny's Find gold mine located 50km northeast of Kalgoorlie in the goldfields of Western Australia. The current Mineral Resource estimate stands at:
 - 270,000t grading 4.99g/t Au for 43,000 ounces with 81% in the Indicated Category ²
- Infill and extension drilling in late 2021 intercepted significant mineralisation and discovered a new lode system to the north of the existing resource with results including ³:
 - 5.0m @ 5.27g/t Au from 180.3m (P1_010)
 - 3.7m @ 7.46g/t Au from 215.3m (P1_005)
 - 2.7m @ 8.64g/t Au from 171.4m and 1.7m @ 17.91g/t Au from 178.9m (P1_007)
 - 1.9m @ 13.95g/t Au from 251m (P1_009)
 - 0.9m @ 23.56g/t Au from 216.7m (P1_006)
 - 2.0m @ 8.47g/t Au from 227m (P1_008)
 - 2.5m @ 7.45g/t Au from 226m (P1_020)
- Horizon is focussed on developing a sequence of underground mines with Penny's Find planned to follow the proposed Cannon gold mine development scheduled for H2 CY2023 ¹

Commenting on the commencement of drilling, Incoming CEO Mr Grant Haywood said:

"The latest drilling at Penny's Find has demonstrated the growth potential of this high grade mineralised system to the north and at depth. As we focus on the development of the Cannon mine in 2023, the follow up drilling at Penny's Find will enable updated resources and reserve studies to be completed so we can have the mine ready to develop in sequence for continuous gold production at a time of record A\$ gold prices. We look forward to keeping you updated with regular news flow on drilling results, resource and reserve work and the Cannon development timeline".

¹ See Forward Looking and Cautionary Statements on Page 8. ² As announced to the ASX on 28 September 2022, see also Tables and Confirmations on Page 6. ³ As announced to the ASX on 30 April 2021 and 14 July 2021.

Overview

Horizon Minerals Limited (ASX: HRZ) (“Horizon” or the “Company”) is pleased to announce the commencement of drilling at the high-grade Penny’s Find gold mine located 50km northeast of Kalgoorlie in the heart of the Western Australian goldfields (Figure 1). The Company is focussed on gold production from a sequence of underground mines and growing resources and reserves from its core assets including Cannon, Penny’s Find, Binduli and Rose Hill ³.

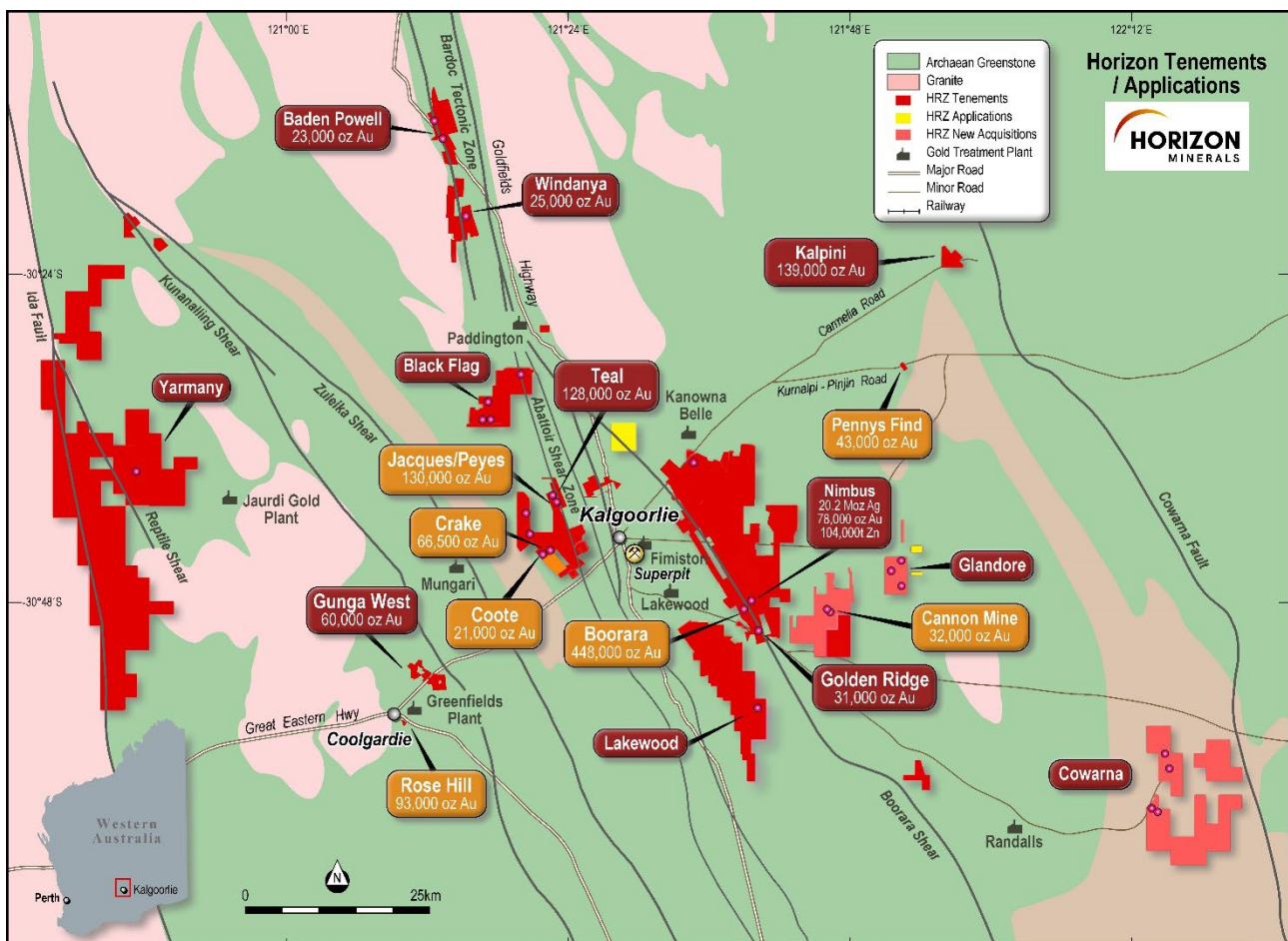


Figure 1: Horizon’s project area locations and surrounding infrastructure

Horizon acquired the remaining 50% of the project in December 2021¹ and completed an additional 21 drill holes including 2,103m of RC and 2,765m of diamond to a maximum depth of 282m. An updated Mineral Resource Estimate was subsequently compiled and currently stands at 270kt grading 4.99g/t Au for 43,000 ounces with 81% in the Indicated category ².

The drilling identified a new lode (domain 2) to the north of the existing resource with all mineralisation remaining open along strike and at depth highlighting the potential for growth with further drilling ³.

This round of drilling will comprise about 2000m of RC and 400m of diamond tails totalling ~2,400m with further details on the project provided below.

¹ As announced to the ASX on 30 August 2022. ² As announced to the ASX on 28 September 2022, see also Tables and Confirmations on Page 6. ³ See Forward Looking and Cautionary Statements on Page 8.

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Penny's Find gold project summary

Project Geology

The high-grade gold mineralisation at Penny's Find is hosted in thin quartz veins at the contact between footwall sediments including black shale and siltstone and a hangingwall basalt. The quartz veins dip about 60° to the northeast and collectively average 1m to 5m true width.

Open cut mining to 85m (242m RL) was completed by Empire Resources in 2018 with toll treatment processing at Lakewood (Kalgoorlie) and Burbanks (Coolgardie). Production from the open pit totalled 18,300oz at 4.47g/t Au (as announced to the ASX by Empire (ASX: ERL) on 25 July 2018).

Metallurgical test work and toll milling data from open pit ore processing has shown fresh mineralisation to be free milling with a high gravity recoverable gold component and a total gold recovery which exceeded 90%.

Previous drilling

As announced to the ASX on 14 and 30 April 2021, a total of 21 RC and Diamond holes for 4,778m were drilled at Penny's Find in 2021. The RC and diamond drilling was completed on an approximate 20m pattern, spanned 240m and covered mineralisation to 282m vertical depth.

The drilling mainly focussed on the inferred or peripheral ore zones. The diamond core was subsequently used for specific gravity, geotechnical logging, structural assessment and confirmatory metallurgical testwork.

Significant downhole intercepts reported in 2021 included ¹:

- **5.0m @ 5.27g/t Au from 180.3m (P1_010)**
- **3.7m @ 7.46g/t Au from 215.3m (P1_005)**
- **2.7m @ 8.64g/t Au from 171.4m and 1.7m @ 17.91g/t Au from 178.9m (P1_007)**
- **1.9m @ 13.95g/t Au from 251m (P1_009)**
- **0.9m @ 23.56g/t Au from 216.7m (P1_006)**
- **2.0m @ 8.47g/t Au from 227m (P1_008)**
- **2.5m @ 7.45g/t Au from 226m (P1_020)**
- **0.78m @ 13.34g/t Au from 226m (P1_004)**

The drilling added extensively more data to previously completed Pre-feasibility geotechnical study and improved confidence to a more definitive level of feasibility study. The drilling also enabled assessment of the most suitable portal location from the base of the open pit (85m depth) for optimal decline development to access the underground resource minimising capital cost and time to first ore production.

All new drilling and historic toll milling data has been reviewed, validated and incorporated into the drilling database and used to compile an updated independent Mineral Resource Estimate (JORC

2012). Geological consultants Entech Pty Ltd were engaged to complete the new 2021 Mineral Resource Estimate.

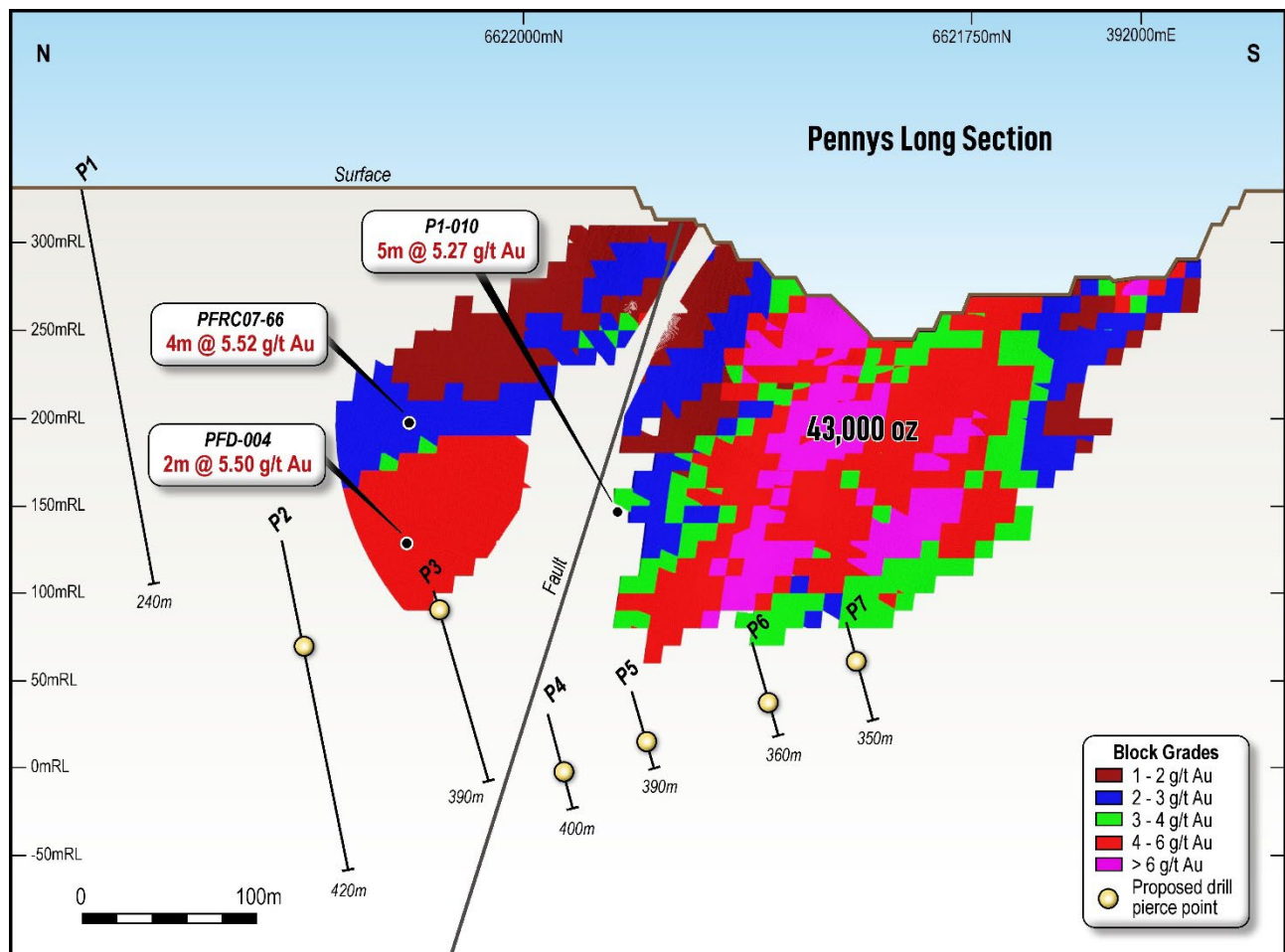


Figure 2: Penny’s Find Long Section showing the resource and the proposed drilling

The northernmost hole during the 2021 program (P1_010) was drilled into the edge of the resource model close to a major fault which separates the two areas of known mineralisation (Figure 2). The area north of this fault has received little effective drilling with most of the historic holes being too shallow. However, two of the deeper holes (PFRC07-66 and PFD-004) returned encouraging results that give indications that the high grade Pennys mineralisation may simply be offset to the north of the fault.

Next Steps ¹

The Penny’s Find drill program is expected to last 4 weeks with the RC drilling commencing on the 1 May 2023. Six of the proposed holes will be diamond tails. The first four holes are beneath the pit and planned underground mine and will test the down plunge extent of the high grade mineralisation in this southern domain 1. Three deep holes are also proposed north of the fault shown in Figure 2 and will test and confirm the ‘offset’ concept in this northern domain 2. Should the deeps drilling be

¹ See Forward Looking and Cautionary Statements on Page 8.

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successful, the company shall consider conducting drilling to 500m below surface. This drilling program should enhance the economics and help deliver a maiden reserve due in H2 2023.

Penny's Find is a priority project in regard to the Horizon mining sequence and will be the second production centre immediately after Cannon. Cannon has a current ore reserve of 135,000t @ 4.1g/t Au for 17,680oz². Mining operations are expected to commence in H2 2023. Both Cannon and Pennys will deliver high grade ore to the Greenfields Toll Treatment plant in Coolgardie where a production agreement for 200,000tpa has been made with FMR Investments.

Approved for release by the Board of Directors.

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² As announced to the ASX on 29 March 2022.

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Horizon Minerals Limited – Summary of Gold Mineral Resources

Project	Cut-off grade (g/t)	Measured			Indicated			Inferred			Total Resource		
		Mt	Au (a/t)	Oz	Mt	Au (a/t)	Oz	Mt	Au (a/t)	Oz	Mt	Au (a/t)	Oz
Boorara OP	0.5	1.28	1.23	50,630	7.19	1.27	294,140	2.56	1.26	103,470	11.03	1.26	448,240
Kalpini	0.8				1.40	2.43	108,000	0.47	2.04	31,000	1.87	2.33	139,000
Jacques - Peyes	0.8				0.97	2.59	81,000	0.77	1.98	49,000	1.74	2.32	130,000
Teal	1.0				1.01	1.96	63,680	0.80	2.50	64,460	1.81	2.20	128,140
Crake	0.8				1.33	1.47	63,150	0.08	1.27	3,300	1.42	1.46	66,450
Coote	1.0							0.42	1.54	21,000	0.42	1.54	21,000
Capricorn	0.5							0.70	1.20	25,500	0.70	1.20	25,500
Baden Powell								0.60	1.20	23,000	0.60	1.20	23,000
Cannon UG	1.0				0.18	5.1	28,580	0.05	2.30	3,750	0.23	4.40	32,330
Rose Hill OP	0.5	0.19	2.00	12,300	0.09	2	6,100				0.29	2.00	18,400
Rose Hill UG	2.0				0.33	4.5	47,100	0.18	4.80	27,800	0.51	4.60	74,900
Pennys Find	1.5				0.20	5.45	35,000	0.10	3.60	8,000	0.27	4.99	43,000
Gunga West	0.6				0.71	1.6	36,440	0.48	1.50	23,430	1.19	1.56	59,870
Golden Ridge	1.0				0.47	1.83	27,920	0.05	1.71	2,800	0.52	1.82	30,720
TOTAL		1.47	1.33	62,930	13.89	1.77	791,150	7.32	1.64	386,210	22.60	1.71	1,240,290

Confirmation

The information in this report that relates to Horizon’s Mineral Resources 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, “Rose Hill firms as quality high grade open pit and underground gold project” dated 8 December 2020, “Updated Boorara Mineral Resource Delivers a 34% Increase In Gold Grade” dated 27 April 2021, “Penny’s Find JV Resource Update” dated 14 July 2021, “Updated Crake Resource improves in quality” dated 7 September 2021, “Jacques Find - Peyes Farm Mineral Resource update” dated 15 September 2021, “Kalpini Gold Project Mineral Resource Update” dated 28 September 2021, “Cannon Gold Project Mineral Resource Update dated 3 November 2021 and “Gold Resources Increase to 1.24Moz” dated 28 September 2022, each of which is available at 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.

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Horizon Minerals Limited – Summary of Silver / Zinc Mineral Resources

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

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

Nimbus high grade silver zinc resource (500g/t Ag bottom cut and 2,800g/t Ag top cut)

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

Confirmation

The information in this report that relates to Horizon's Mineral Resources estimates on the 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, "New High Grade Nimbus Silver Core Averaging 968 g/t Ag" dated 10th May 2016 and "Nimbus Increases Resources" dated 30th April 2015, each of which is available at 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.

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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.