

BADEN POWELL AND WINDANYA OPTION AND SALE DEED

Horizon Minerals Limited (ASX: HRZ) (“Horizon” or “the Company”) is pleased to advise that it has entered into a binding option and sale deed (“Option”) with Dundas Minerals Limited (ASX: DUN) (“Dundas” or “DUN”) to purchase an interest in 19 tenements within the Company’s Baden Powell and Windanya project areas (“Tenements”).

The Option relates to all mineral rights over 16 Prospecting Licences, two Mining Leases and one Mining Lease Application covering an area of 3,230 hectares approximately 45 kilometres north of Kalgoorlie. The Option provides for the following:

- Dundas paying Horizon a \$500,000 non-refundable option fee which consists of:
 - \$375,000 within five days of signing the Option, comprising \$125,000 in cash and \$250,000 in DUN shares, with the number of shares determined by the 5-Day VWAP prior to execution; and
 - \$125,000 in cash payable on the first 12-month anniversary of the execution date.
- Dundas must incur at least \$500,000 of on ground exploration expenditure on the Tenements prior to exercising the Option, which has a term of 24 months
- Dundas may withdraw from the Option with 30 days’ notice or allow the Option to lapse, only after incurring a minimum of \$500,000 of exploration expenditure and paying the option fee, with all tenure remaining 100% owned by Horizon in those circumstances
- If Dundas exercises the Option, then Horizon will:
 - Sell 85% of its interests in the Tenements to Dundas for \$1.0m completion consideration, with this consideration to be settled in either cash, shares or any combination of both at Dundas’ election; and
 - Retain a 15% interest free carried to a decision to mine at which time a Joint Venture (JV) will be formed with Dundas
 - Have priority ore processing rights from the tenements to process ore through secure processing arrangements that are on equal or better terms than other processing alternatives of the JV
- Dundas shall have a licence to explore for minerals on the Tenements during the Option period and must meet annual expenditure commitments and keep the Tenements in good standing
- All Dundas Option fee shares, and completion consideration shares issued, shall be subject to voluntary escrow of six months

Commenting on the Option, Horizon Chief Executive Officer Mr Grant Haywood said:

“We are continuing to review our suite of assets including optimisation and rationalisation of our large tenement portfolio, both through acquisition and divestment opportunities. This option agreement with Dundas fits this strategy via monetising non-core assets to a very capable team to take the

project forward. It will reduce our holding costs and bring additional cash and investments into the business, whilst still retaining an interest in the projects for any potential upside.”

Schedule 1: Baden Powell and Windanya Tenements

Tenement ID	Holder	Size (ha)	Area (UOM)	Grant Date	Expiry date	EXPCOM
P24/5508	BMG	147.51256	Ha	12 Jul 2022	11 Jul 2026	\$5,920.00
P24/5507	BMG	163.87941	Ha	22 Apr 2022	21 Apr 2026	\$6,560.00
P24/5464	BMG	111.85564	Ha	4 Jun 2021	3 Jun 2025	\$4,480.00
P24/5059	BMG	116.0	Ha	16 Sep 2016	15 Sep 2024	\$4,640.00
P24/5058	BMG	137.0	Ha	16 Sep 2016	15 Sep 2024	\$5,480.00
P24/5057	BMG	198.0	Ha	16 Sep 2016	15 Sep 2024	\$7,920.00
P24/5056	BMG	116.0	Ha	16 Sep 2016	15 Sep 2024	\$4,640.00
P24/5055	BMG	137.0	Ha	16 Sep 2016	15 Sep 2024	\$5,480.00
P24/5052	BMG	187.0	Ha	16 Sep 2016	15 Sep 2024	\$7,480.00
P24/5051	BMG	128.0	Ha	16 Sep 2016	15 Sep 2024	\$5,120.00
P24/5050	BMG	192.0	Ha	16 Sep 2016	15 Sep 2024	\$7,680.00
P24/5049	BMG	196.0	Ha	16 Sep 2016	15 Sep 2024	\$7,840.00
P24/5048	BMG	64.0	Ha	16 Sep 2016	15 Sep 2024	\$2,560.00
P24/5047	BMG	155.0	Ha	16 Sep 2016	15 Sep 2024	\$6,200.00
P24/5046	BMG	130.0	Ha	4 Jul 2017	3 Jul 2025	\$5,200.00
P24/4817 ¹	BMG	111.0	Ha	30 Jan 2015	29 Jan 2023	\$4,440.00
M24/959	BMG	192.8	Ha	12 Jul 2017	11 Jul 2038	\$19,300.00
M24/919	BMG	747.35	Ha	5 Apr 2011	4 Apr 2032	\$74,800.00
MLA24/1004 ²	BMG	N/A	N/A	N/A	N/A	N/A
TOTAL		3230.39761				\$185,740.00

Notes: BMG is Black Mountain Gold Limited, a wholly owned subsidiary of Horizon

EXCOM is tenement Expenditure Commitment

1. P24/4817 is the subject of conversion under MLA24/1004

2. MLA24/1004 includes any mining lease that is granted in response to MLA24/1004 prior to the Completion Date.

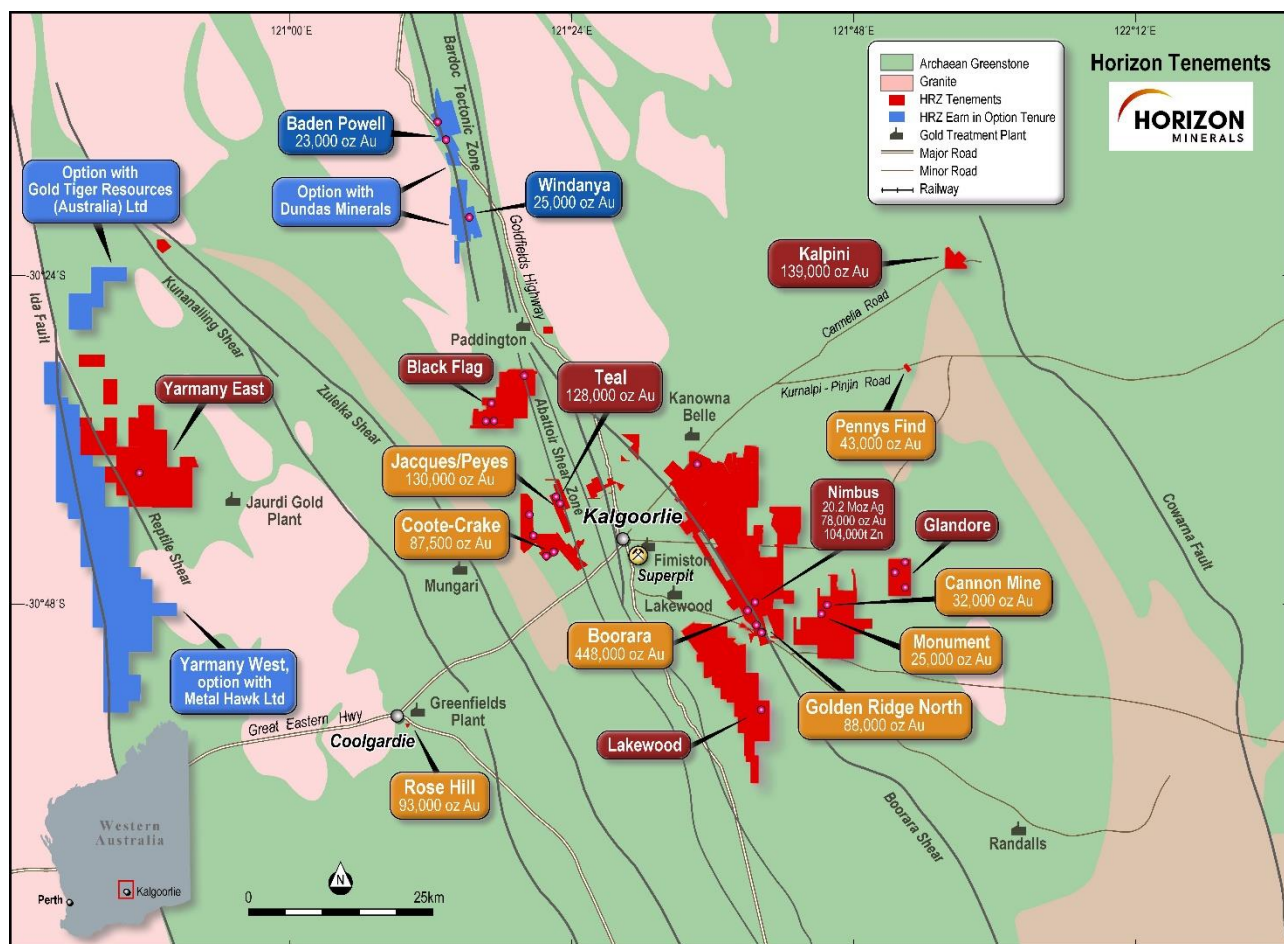


Figure 1: Horizon’s project area locations and surrounding infrastructure

Approved for release by the Board of Directors.

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