

ASX: HRZ

## ASX ANNOUNCEMENT

8 MARCH 2024



# INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2023

Horizon Minerals Limited (ASX: HRZ) encloses its Interim Financial Report for the half year ended 31 December 2023.

For further information please contact Julian Tambyrajah.

By order of the board

A handwritten signature in blue ink that reads "Julian Tambyrajah".

Julian Tambyrajah

**Chief Financial Officer &  
Company Secretary**

[julian.tambyrajah@horizonminerals.com.au](mailto:julian.tambyrajah@horizonminerals.com.au)

Phone +61 8 9386 9534



# **Interim Financial Report**

**for the Half-Year ended**

**31 December 2023**

## Contents

Corporate Particulars.....	1
Directors' Report.....	2
Directors' Declaration .....	6
Auditor's Independence Declaration .....	7
Independent Auditor's Review Report.....	8
Consolidated Statement of Profit or Loss and Other Comprehensive Income .....	10
Consolidated Statement of Financial Position.....	11
Consolidated Statement of Changes in Equity.....	12
Consolidated Statement of Cash Flows .....	13
Notes to the Financial Statements .....	14

## Corporate Particulars

### Directors

Ashok Parekh  
Peter Bilbe  
Jon Price

### Chief Executive Officer

Grant Haywood

### Chief Financial Officer & Company Secretary

Julian Tambyrajah

### Registered Office & Principal Place of Business

163 - 167 Stirling Highway  
Nedlands WA 6009  
T +61 8 9386 9534  
E [info@horizonminerals.com.au](mailto:info@horizonminerals.com.au)  
W [horizonminerals.com.au](http://horizonminerals.com.au)

### Share Registry

Computershare Investor Services Pty Ltd  
Level 11, 172 St George's Terrace  
Perth WA 6000  
T 1300 850 505  
W [computershare.com/au](http://computershare.com/au)

### Auditors

PKF Perth  
Level 5, 35 Havelock Street  
WEST PERTH WA 6005

### Stock Exchange Listing

Australian Stock Exchange  
Code: HRZ

## Directors' Report

Your Directors present their report on the consolidated financial statements for the half-year ended 31 December 2023.

### Directors

The following persons hold office as Directors of Horizon Minerals Limited at the date of this report or were Directors at a time during the half-year:

- Ashok Parekh
- Peter Bilbe
- Jon Price

### Principal Activities

The principal continuing activities of Horizon Minerals Limited (Company or Horizon) and its controlled entity (Group) during the period consisted of:

- Exploration and evaluation of gold projects across the portfolio
- Continued acquisition growth including the purchase of two lithium-based tenements in Bridgetown-Greenbushes
- Divestment of non-core tenure
- Continued commitment to bringing Cannon into production

The consolidated entity made an after tax profit of \$1,407,595 (December 2022: \$1,747,375) for the half year.

## Review of Operations

### Corporate

#### Issued Capital

At 31 December 2023, Horizon had 700,983,676 fully paid ordinary shares on issue (December 2022: 622,846,215).

#### Company Investments

At 31 December 2023, Horizon held the following investments

Company	Number of Ordinary Shares	Value at 31 Dec 2023
Dundas Minerals Limited	3,234,327	\$161,716
Metal Hawk Ltd	1,134,430	\$153,148
Richmond Vanadium Technology Ltd	19,833,363	\$5,553,342
Vox Royalty Corp.	948,448	\$2,868,581
<b>TOTAL</b>	<b>25,150,568</b>	<b>\$8,736,787</b>

At 31 December 2023 the Company had cash on hand of approximately \$5.5M.

## Directors' Report

### Exploration and Development Activities

During the half year the Company made progress on a number of fronts. Key developments were as follows:

#### Exploration

During the half-year ended 31 December 2023, the Company completed 7,004 m of AC and RC drilling as part of the > 50,000 m resource definition and new discovery exploration program across the entire 1,100 km<sup>2</sup> asset portfolio.

Reverse Circulation (RC) drilling was completed at the Monument and Pinner prospects near the Cannon Open Cut Gold Mine 28 km south east of Kalgoorlie. A total of 27 holes for 1,530m was drilled. The results highlighted potential for two small open cut gold mines new and updated Mineral Resource Estimates have commenced in 2024.

Two deep RC holes were drilled at the Pennys Find deposit 50 km north east of Kalgoorlie was drilled to 396 m depth with an RC rig and returned encouraging mineralisation up to 5 m @ 2.97 g/t Au from 370 m. The depth extents of Pennys is regarded as open, especially to the north.

Exploration prospects at Kanowna South, Falcon, Kestrel, Honeyeater, Rundle Dam and Golden Ridge were all progressed with small, dedicated RC and AC programs that totalled 4,441 m. Follow up work is planned in 2024.

Horizon Minerals developed some lithium interests during the first half of this financial year. At Yarmany East, a conceptual exploration model defined by 14 km of semi-contiguous auger and soil anomalies over the Reptile Shear was proposed. Further confirmatory work is planned in 2024. The Yarmany West Ni-Li prospect was optioned out to Metal Hawk in July 2023 who are now progressing the prospect with detailed AEM, drilling and auger geochemistry.

A new project area at Bridgetown, WA was acquired in October 2023. The Bridgetown-Greenbushes project host favourable geology and known occurrences of pegmatites less than 4km away. Future work in 2024 will focus on soil geochemistry, target generation and access agreements.

For details on the drilling programs, we refer you to the announcements released on the ASX and on the Company's website ([www.horizonminerals.com.au](http://www.horizonminerals.com.au)).

#### Mine Development

Work progressed on advancing the development of underground project pipeline, specifically the low tonnage, high grade Cannon, Penny's Find and Rose Hill projects under a contract mining and toll milling model. Horizon received notification from FMR Investments Pty Ltd that they are no longer in a position to proceed with the proposed joint venture transaction at Cannon at the current time due to operational issues and a change in capital deployment priorities within their own business group. The 200,000 tonne allocation through FMR's Greenfields Mill for 2024 remains on foot. Horizon recommenced an underground tender process to enable contractor / JV Partner selection for underground mining at Cannon. Cannon has all environmental permits in place with preproduction activities underway with construction of the dewatering pipeline at the project commenced during the half.

Maiden Mineral Resource Estimates (MRE) were released for Monument and Golden Ridge North and an updated MRE for Penny's Find. Horizon's total Mineral Resources now stand at:

- 23.38Mt grading 1.71g/t Au for 1.282 million ounces at various cut-off grades (with approximately 67% in the Measured and Indicated categories)

## Directors' Report

### Exploration and Development Activities (continued)

During the half-year 31 December 2023, following the updated MRE, the Company commenced the evaluation of the Penny's Find deposit and shall undertake first pass optimisation, mine designs and economic assessment at a PFS level. The Penny's Find PFS is due in the June 2024 quarter.

#### Nimbus Silver-Zinc project

The Nimbus project lies adjacent to the Boorara gold mine (Figures 1 and 13) and was placed on care and maintenance in 2007 after producing 3.6Moz of silver from 318kt of ore processed at a grade of 353g/t Ag. The old plant has since been removed and the area rehabilitated.

The Project hosts a high-grade silver zinc resource of 256kt @ 773g/t Ag and 13% Zn as part of the global Nimbus resource of 12.1Mt @ 52g/t Ag, 0.9% Zn and 0.2g/t Au for a total of 20Moz Ag and 104kt Zn and 78koz Au.<sup>2</sup>

Extensive metallurgical test work has been completed on Nimbus ore with the Feasibility Study (FS) put on hold in 2016. In light of increasing silver and zinc prices and as announced to the ASX on 11 February 2021, the Company will retain the project and engage an independent technical team to review and update the FS.

The FS work was carried out on the technical aspects of the geology, mineralogy and concentrate options for the deposits with the aim of generating separate silver, zinc and potentially gold concentrates for direct sale. Initial discussions with potential offtake partners have shown significant interest in these concentrates enabling a simplified process flow sheet to be evaluated at significantly reduced capital and operating costs. Limited work was completed on Nimbus during the half as the Company focused on gold.

A processing plant that had been located on the Nimbus Project which has since been decommissioned and removed, had some historical issues with mercury contamination at the site, that resulted in a restriction notice which prohibited any exploration or drilling activities. Horizon has worked over the past 2 to 3 years (since gaining ownership via the merger with MacPhersons Resources Limited) to clear all contaminated areas and rehabilitate the hot spots. An application has been submitted to the Department of Mines Industry Regulation and Safety to re-classify the site as "Site Rehabilitated", which is in the final stages of approval.

#### Richmond Vanadium Project

The Richmond Vanadium Project is located 650 km west of Townsville and 250 km east of Mt Isa in NW Queensland (Figure 9) and is owned 100% by RVT with Horizon owning 8.94% of RVT.

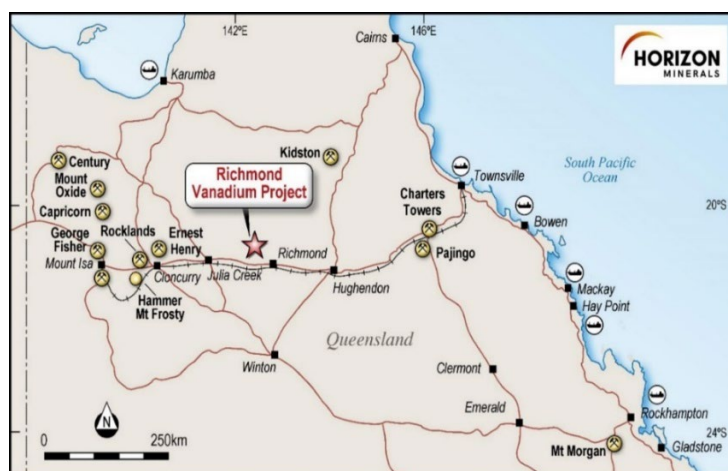


Figure 9: Richmond Vanadium Project location and surrounding infrastructure

<sup>1</sup> See Forward-looking and Cautionary Statement on Page 29.

## Directors' Report

### Exploration and Development Activities (continued)

The project tenements cover ~1,400 km<sup>2</sup> of Cretaceous Toolebuc Formation and the advanced Lilyvale deposit north of Richmond.

As announced to the ASX on the 13 December 2022, RVT (ASX: RVT) completed its IPO raising \$25 million (before costs) and listed on the ASX. As part of the IPO, eligible Horizon shareholders were issued 20 million RVT shares via an in-specie distribution with 19.8 million RVT shares retained by the Company representing 8.94% of RVT's issued capital. The current value of the company's holding in RVT can be seen in the Corporate / Finance section below.

For more information on Richmond Vanadium Technology and the project, we refer you to their website at [www.richmondvanadium.com.au](http://www.richmondvanadium.com.au) or the ASX under ticker code RVT.

### Auditor's Independence Declaration

In accordance with section 307C of the Corporations Act 2001, the Directors have obtained a declaration of independence from PKF Perth, the consolidated entity's auditors, as presented on page 8-9 of this half-year's financial report.

This report is signed in accordance with a resolution of directors made pursuant to S306(3) of the Corporations Act 2001, and on behalf of the Board by:



**Mr Ashok Parekh**  
**Non-Executive Chairman**  
8 March 2024



## Directors' Declaration

In the Directors' opinion:

- 1) The financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- 2) The attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- 3) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



**Mr Ashok Parekh**  
**Non-Executive Chairman**  
8 March 2024



**PKF Perth**  
ABN 64 591 268 274  
Level 5, 35 Havelock Street,  
West Perth WA 6005  
PO Box 609,  
West Perth WA 6872  
Australia

+61 8 9426 8999  
perth@pkfperth.com.au  
pkf.com.au

## AUDITOR'S INDEPENDENCE DECLARATION

### TO THE DIRECTORS OF HORIZON MINERALS LTD

In relation to our review of the financial report of Horizon Minerals Ltd for the half-year ended 31 December 2023, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

*PKF Perth*

PKF PERTH

*Simon Fermanis*

SIMON FERMANIS  
PARTNER

8 MARCH 2024  
WEST PERTH,  
WESTERN AUSTRALIA

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF HORIZON MINERALS LTD

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Horizon Minerals Ltd (the company) and controlled entities (consolidated entity) which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, and notes to the financial statements, including material policy information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 31 December 2023, or during the half year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Horizon Minerals Ltd is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

#### Material Uncertainty Related to Going Concern

Without qualifying our conclusion, we draw attention to Note 1 in the half-year financial report, which indicates that the consolidated entity has incurred cash outflows from operating activities of \$1,780,218 (2022: \$3,046,737) for the half-year ended 31 December 2023 and had net current liabilities of \$2,404,149 as at that date. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.



**PKF Perth**  
ABN 64 591 268 274  
Level 5, 35 Havelock Street,  
West Perth WA 6005  
PO Box 609,  
West Perth WA 6872  
Australia

+61 8 9426 8999  
perth@pkfperth.com.au  
pkf.com.au

### Independence

We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### Directors' Responsibility for the Interim Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporation Regulations 2001.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*PKF Perth*

PKF PERTH

*Simon Fermanis*

SIMON FERMANIS  
PARTNER

8 MARCH 2024  
WEST PERTH,  
WESTERN AUSTRALIA

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	Consolidated	
		December 2023 \$	December 2022 \$
<b>Continuing Operations</b>			
Gold sales		-	6,560
Gold royalty		-	-
Interest income		60,332	7,148
Gain on demerger	14	-	8,663,873
Other income	2(a)	6,784,419	489,259
Net gain on fair value changes of financial assets	2(c)	-	-
<b>Total revenue from continuing operations</b>		<b>6,844,751</b>	<b>9,166,840</b>
Cost of sales	2(b)	-	-
Depreciation expenses	2(b)	(17,666)	(48,035)
Exploration and evaluation expenditure	2(b)	(641,967)	(894,842)
Employee benefits expense		(849,877)	(1,060,447)
Share based payments		-	(101,242)
Building and occupancy costs		(30,658)	(51,072)
Consultancy and professional fees		(254,537)	(662,373)
Interest expenses and finance charges		(653,603)	(190,398)
Net loss on fair value changes of financials assets	2(c)	(2,854,093)	(3,972,224)
Other expenses		(233,065)	(438,832)
Fair value gain/(loss) on derivative liability		98,310	-
<b>Profit from continuing operations before income tax</b>		<b>1,407,595</b>	<b>1,747,375</b>
Income tax (expense)/benefit		-	-
<b>Profit for the period</b>		<b>1,407,595</b>	<b>1,747,375</b>
<b>Other comprehensive income for the period</b>			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
<b>Other comprehensive income for the period</b>		<b>-</b>	<b>-</b>
<b>Profit for the period and total comprehensive income attributable to owners of Horizon Minerals Limited</b>		<b>1,407,595</b>	<b>1,747,375</b>
Basic earnings per share		0.20 cents	0.28 cents
Diluted earnings per share		0.19 cents	0.28 cents

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

## Consolidated Statement of Financial Position as at 31 December 2023

	Note	Consolidated	
		December 2023 \$	June 2023 \$
<b>Current Assets</b>			
Cash and cash equivalents		5,520,388	5,623,808
Trade and other receivables	5	534,724	533,485
<b>Total Current Assets</b>		<b>6,055,112</b>	<b>6,157,293</b>
<b>Non-Current Assets</b>			
Financial assets at fair value through profit or loss	3	8,736,787	8,170,784
Other assets		257,927	257,927
Property, plant and equipment		1,088,370	384,410
Exploration and evaluation expenditure	4	30,966,764	29,733,516
Right of use assets	6	7,902	31,610
<b>Total Non-Current Assets</b>		<b>41,057,750</b>	<b>38,578,247</b>
<b>Total Assets</b>		<b>47,112,862</b>	<b>44,735,540</b>
<b>Current Liabilities</b>			
Trade and other payables		1,186,701	378,706
Lease liability	6	9,012	35,516
Convertible note liability and derivative	7	6,952,297	6,929,786
Employee entitlements		311,251	316,057
<b>Total Current Liabilities</b>		<b>8,459,261</b>	<b>7,660,065</b>
<b>Non-Current Liabilities</b>			
Rehabilitation provisions		1,601,117	1,601,117
Employee entitlements		203,471	182,750
<b>Total Non-Current Liabilities</b>		<b>1,804,588</b>	<b>1,783,867</b>
<b>Total Liabilities</b>		<b>10,263,849</b>	<b>9,443,932</b>
<b>Net Assets</b>		<b>36,849,013</b>	<b>35,291,608</b>
<b>Equity</b>			
Contributed equity	8(a)	66,361,489	66,211,489
Reserves	9	-	-
Accumulated losses		(29,512,476)	(30,919,881)
<b>Total Equity</b>		<b>36,849,013</b>	<b>35,291,608</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

## Consolidated Statement of Changes in Equity

	Contributed Equity \$	Share Based Payment Reserve \$	Accumulated Losses \$	Total Equity \$
<b>Balance at 1 July 2023</b>	66,211,489	-	(30,919,881)	35,291,608
<b>Comprehensive income for the half-year</b>				
Profit for the half-year	-	-	1,407,595	1,407,595
<b>Total comprehensive income for the half-year</b>	-	-	1,407,595	1,407,595
<b>Transactions with owners in their capacity as owners:</b>				
Shares issued during the period	150,000	-	-	150,000
Shares issue costs	-	-	-	-
Shared based payments reclassified to accumulated losses	-	-	-	-
Reclassified to accumulated losses	-	-	(190)	(190)
<b>Balance at 31 December 2023</b>	<b>66,361,489</b>	<b>-</b>	<b>(29,512,476)</b>	<b>(36,849,013)</b>
<b>Balance at 1 July 2022</b>	70,089,303	835,750	(30,925,053)	40,000,000
<b>Comprehensive income for the half-year</b>				
Profit for the half-year	-	-	1,747,375	1,747,375
<b>Total comprehensive income for the half-year</b>	-	-	1,747,375	1,747,375
<b>Transactions with owners in their capacity as owners:</b>				
Shares issued during the period	891,593	-	-	891,593
Shares issue costs	(62,373)	-	-	(62,373)
In-species return of capital	(8,000,000)	-	-	(8,000,000)
Performance rights vesting	-	101,242	-	101,242
Shared based payments reclassified to accumulated losses	-	(237,975)	237,975	-
Options expired reclassified to accumulated losses	-	(581,877)	581,877	-
<b>Balance at 31 December 2022</b>	<b>62,918,523</b>	<b>117,140</b>	<b>(28,357,826)</b>	<b>34,677,837</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Consolidated Statement of Cash Flows

	Consolidated	
	December 2023 \$	December 2022 \$
<b>Cash flows from Operating Activities</b>		
Receipts from customers	(5,209)	63,238
Payments to suppliers and employees	(1,282,133)	(1,328,539)
Interest received	42,354	7,159
Income tax expense	-	-
Payments for exploration and evaluation expenditure	(526,581)	(1,795,155)
Payments for trial mine production costs	(8,649)	-
Proceeds from trial mine production sales	-	6,560
<b>Net cash outflow from operating activities</b>	<b>(1,780,218)</b>	<b>(3,046,737)</b>
<b>Cash flows from Investing Activities</b>		
Proceeds from disposal of property, plant and equipment	79,091	36,182
Payments for property, plant and equipment	(303,597)	(26,680)
Proceeds from sale of investments	29,904	450,000
Payments for purchase of investments	-	-
Proceeds from sale of tenements and tenement options	3,750,000	475,000
Payments for purchase of tenements	(75,000)	(3,226,800)
Payments for capitalised exploration and evaluation expenditure	(1,399,751)	(1,998,853)
<b>Net cash inflow/(outflow) from investing activities</b>	<b>2,080,647</b>	<b>(4,291,151)</b>
<b>Cash flows from Financing Activities</b>		
Proceeds from borrowings	-	2,938,523
Proceeds from issues of ordinary shares	-	668,393
Share issue costs	-	(62,373)
Interest paid	(377,346)	(2,276)
Borrowing costs	-	(154,417)
Payments for lease liability	(26,503)	(24,964)
<b>Net cash (outflow)/inflow from financing activities</b>	<b>(403,849)</b>	<b>3,362,886</b>
Net decrease in cash and cash equivalents	(103,420)	(3,975,002)
Cash and cash equivalents at the beginning of the half-year	5,623,808	5,406,635
<b>Cash and cash equivalents at the end of the half-year</b>	<b>5,520,388</b>	<b>1,431,633</b>

*The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.*



## Notes to the Financial Statements

### 1 Significant Accounting Policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 134 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the entity during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

#### *New or Amended Accounting Standards and Interpretations Adopted*

The consolidated entity has adopted all new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

#### *Going concern*

The general purpose interim financial statements have been prepared on the basis of going concern which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. As disclosed in the interim financial statements, the Company incurred a profit of \$1,407,595 (31 December 2022: profit of \$1,747,375) and had cash outflows from operating activities of \$1,780,218 for the period ended 31 December 2023 (31 December 2022: outflows of \$3,046,737). As at that date, the Company had net current liabilities of \$2,404,149 (30 June 2023: net current liabilities of \$1,502,772) and continues to incur expenditure on its exploration tenements drawing on its cash balances. As at 31 December 2023 the Group had \$5,520,388 (30 June 2023: \$5,623,808) in cash and cash equivalents.

The ability of the Company and the Group to continue to pay its debts as and when they fall due is dependent upon the Company successfully raising additional share capital and ultimately developing its mineral properties.

The accounts have been prepared on the basis that the Company can meet its commitments as and when they fall due and can therefore continue normal business activities, and the realisation of assets and liabilities in the ordinary course of business. The Directors believe that they will continue to be successful in securing additional funds through equity issues as and when the need to raise working capital arises.

## Notes to the Financial Statements

### 2 Profit/(Loss) for the Half Year

The following income and expense items are relevant in explaining the financial performance for the interim period:

**(a) Other Income:**

Recovery of administration costs	50,732	224,219
Profit on sale of tenement interests	3,619,440	300,000
Profit/(loss) on sale of investments	-	(15,000)
Royalty income	3,000,000	-
Other income/(loss)	114,247	(19,960)

**6,784,419**

**489,259**

**(b) Expenses**

Cost of sales		
Mining & processing costs	-	-

Cost of sales	-	-
---------------	---	---

Depreciation	(17,666)	(48,035)
Exploration and evaluation expenditure	(641,967)	(894,842)
Defined contribution superannuation expense	(55,376)	(66,192)

**(c) Significant Items:**

Net change in fair value of financial assets		
Increase/ (decrease) in net market value of shares and options in listed companies	(2,854,093)	(3,972,224)

**December  
2023  
\$**

**June  
2023  
\$**

### 3 Financial Assets at Fair Value Through Profit or Loss

Shares and options in listed companies at market value

8,736,787

8,170,784

#### Movements in Financial Assets at Fair Value Through Profit or Loss

Opening balance	8,170,784	2,328,475
Shares acquired	-	15,999,999
Additions	3,450,000	150,000
Disposals	(29,904)	(9,771,801)
Net change in fair value	(2,854,093)	(535,889)

**Closing balance**

**8,736,787**

**8,170,784**

## Notes to the Financial Statements

	December 2023 \$	June 2023 \$
<b>4 Exploration, Evaluation, Development and Production Expenditure</b>		
During the half year ended 31 December 2023, the Group incurred and capitalised the following exploration, evaluation and development expenditure:		
<b>Exploration and evaluation phase</b>		
Carrying amount at beginning of period	29,733,516	29,377,548
Capitalised during the period	1,398,658	2,545,842
Purchase of tenements via acquisition of Charter Minerals Pty Ltd	224,810	-
Purchases of other tenements	-	950,000
Sale of tenements	(390,220)	(135,973)
Impairment	-	(3,003,901)
<b>Carrying amount at end of period</b>	<b>30,966,764</b>	<b>29,733,516</b>
<b>Mine properties</b>		
Carrying amount at beginning of the period	-	-
Reclassification of mine properties	-	-
<b>Carrying amount at end of period</b>	<b>-</b>	<b>-</b>
<b>Mine production expenditure</b>		
Carrying amount at beginning of the period	-	-
Capitalised during the period	-	-
Mine production costs expensed	-	-
<b>Carrying amount at end of period</b>	<b>-</b>	<b>-</b>
<b>Total exploration and mine properties</b>	<b>30,966,764</b>	<b>29,733,516</b>
The ultimate recoupment of these costs is dependent on successful development and commercial exploration, or alternatively, the sale of the respective areas.		
<b>5 Trade and Other Receivables</b>		
<b>Current</b>		
Trade receivables	102,984	367,306
Other receivables – ATO receivables	-	-
Other receivables – sale of tenement – deferred payment*	125,000	-
Prepayment and other receivables	271,582	149,000
Accrued interest	18,058	79
Term deposit – bonds & credit card security deposit	17,100	17,100
	<b>534,724</b>	<b>533,485</b>

## Notes to the Financial Statements

### 5 Trade and Other Receivables (continued)

#### \*Receivable – Sale of Tenement – Deferred Payment

During the period to 31 December 2023, the Company recognised a deferred receivable of \$125,000 for the 100% divestment of its interest in the Baden-Powell/Windanya Project to Dundas Minerals Ltd (ASX: DUN).

	December 2023 \$	June 2023 \$
<b>6 Right-of-use Asset and Lease Liability</b>		
<i>Amounts recognised in the consolidated statement of financial position</i>		
<b>Right-of-use asset</b>		
<i>Property – head office lease</i>		
Opening balance	31,610	79,024
Amortisation	(23,708)	(47,414)
Closing balance	7,902	31,610
<b>Lease liability</b>		
Opening balance	35,516	86,202
Lease payments	(27,240)	(54,479)
Interest expense	736	3,793
Closing balance	9,012	35,516
Current lease liability	9,012	35,516
Total lease liability	9,012	35,516
<i>Amounts recognised in the consolidated statement of profit or loss</i>		
<b>Amortisation of right-of-use asset</b>		
<i>Property – office lease amortisation</i>	23,708	47,414
	<b>23,708</b>	<b>47,414</b>

The total cash outflow for the lease in the six months to 31 December 2023 was \$27,240.

On 1 July 2019, the Company held one lease for the head office based in Nedlands. The lease was renewed on 22 February 2020 for a further two year period and then extended for another two years thereafter.

## Notes to the Financial Statements

	<b>December 2023</b>	<b>June 2023</b>
	<b>\$</b>	<b>\$</b>
<b>7 Convertible Note Liability and Derivative</b>		
Convertible note liability	5,873,671	5,752,850
Convertible note derivative	1,078,626	1,176,936
	<b>6,952,297</b>	<b>6,929,786</b>

On 23 November 2022 the Company entered into an agreement with Nebari Gold Fund 1, LP pursuant to which it issued convertible notes with an aggregate principal value of USD\$5,102,040 in two tranches. The first tranche of USD\$2,040,816 was received on 29 November 2022 equivalent to a drawdown amount of AUD\$2,983,294 and the second tranche of USD\$3,061,224 was received on 13 June 2023 equivalent to a drawdown amount of AUD\$4,425,431. The convertible note has a 30-month maturity term.

The convertible note can be converted into shares in the Company at the option of the Lender, in multiple parts, and at any time prior to the 29 May 2025 or to the principal amount being repaid, whichever is realised first.

If the notes are converted, the conversion price will be an amount equal to a 25% premium to the 15-day VWAP of the Company's share price at the lowest of:

- 29 September 2022;
- the completion date of the loan agreement between the Company and Nebari Gold Fund 1, LP, executed on 23 November 2002; and
- 19 October 2022.

The interest rate on the notes each month is:

- If no event of default subsists, the rate per annum determined by the lender to be the three-month term Secured Overnight Financing Rate less 3.0%, or 0% (whichever is greater), on the first day of each month, plus 7.0% per annum; or
- If an event of default subsists, the rate per annum of 17.5% per annum.

The convertible note derivative was valued at 31 December 2023 using the Black Scholes option pricing model under the following assumptions:

Spot price:	\$0.042
Exercise price:	\$0.067
Expiry date:	29 May 2025
Expected future volatility:	75%
Risk-free rate:	3.42%

## Notes to the Financial Statements

### 8 Contributed Equity

	December 2023 No.	June 2023 No.	December 2023 \$	June 2023 \$
<b>(a) Share capital</b>				
Opening Balance	696,983,676	612,419,645	66,211,489	70,089,303
Issue of shares due to acquisition	4,000,000	-	150,000	-
Placement	-	74,137,461	-	3,336,186
Share Purchase Plan	-	7,426,570	-	668,393
Labyrinth Resources Ltd	-	3,000,000	-	223,200
In-species return of capital – RVT	-	-	-	(8,000,000)
Capital raising costs	-	-	-	(105,593)
<b>Total Contributed Equity</b>	<b>700,983,676</b>	<b>696,983,676</b>	<b>66,361,489</b>	<b>66,211,489</b>

<b>(b) Options</b>	<b>Listed Options No.</b>
<b>Exercise Price</b>	\$0.11
<b>Expiry date</b>	30 Jun 2025
Balance at 1 July 2023	51,871,015
Expired during the period	-
Exercised during the period	-
<b>Balance at 31 Dec 2023</b>	<b>51,871,015</b>

## Notes to the Financial Statements

### 8 Contributed Equity (continued)

	Unlisted Options No.	Unlisted Options No.	Total No.
<b>Exercise Price</b>	\$0.12	\$0.16	
<b>Expiry date</b>	30 Sep 2022	30 Sep 2022	
Balance at 1 July 2022	12,000,000	12,000,000	24,000,000
Expired during the year	(12,000,000)	(12,000,000)	(24,000,000)
Exercised during the year	-	-	-
<b>Balance at 30 June 2023 and 31 December 2023</b>	-	-	-

On 30 September 2022, the expiry of 24,000,000 options originally issued as an addition to external financing obtained during the year ending 30 June 2020 resulted in a reclassification of \$581,877 to reserves.

### (c) Performance Rights

As at 31 December 2023, there were nil performance rights on issue.

### 9 Reserves

	December 2023 \$	June 2023 \$
Opening balance	-	7,066,667
Performance rights issued (cancelled) during the year	-	(7,066,667)
Share based payments reclassified to profit and loss	-	-
Options reclassified to profit and loss	-	-
	-	-

## Notes to the Financial Statements

### 10 Segment Information

Management has determined the operating segments based on the reports reviewed by the board that are used to make strategic decisions.

The board considers that the reportable segments are defined by the nature of the exploration and mining activities. As such there are two reportable segments being Vanadium/Molybdenum tenements and Gold tenements.

	Vanadium / Molybdenum \$	Gold \$	Total \$
<b>31 December 2023</b>			
Revenue	-	-	-
<b>Profit/(loss) before income tax</b>	<b>-</b>	<b>4,201,356</b>	<b>4,201,356</b>
<b>31 December 2022</b>			
Revenue	-	6,560	6,560
<b>Profit/(loss) before income tax</b>	<b>-</b>	<b>5,712,451</b>	<b>5,712,451</b>
<b>31 December 2023</b>			
<b>Total Segment Assets</b>	<b>241,920</b>	<b>32,613,768</b>	<b>32,855,688</b>
<b>30 June 2023</b>			
<b>Total Segment Assets</b>	<b>241,920</b>	<b>30,699,029</b>	<b>30,940,949</b>
<b>Segment profit/(loss)</b>		<b>December 2023 \$</b>	<b>December 2022 \$</b>
Segment profit/(loss) reconciles to profit/(loss) before income tax as follows:			
Segment profit/(loss) before income tax		4,201,356	5,712,451
Interest revenue		60,332	7,148
Unallocated costs net of other revenue consisting of:			
Net change in fair value on financial assets at fair value through profit and loss		(2,854,093)	(3,972,224)
<b>Profit/(loss) before income tax</b>		<b>1,407,595</b>	<b>1,747,375</b>
<b>Segment assets</b>		<b>Dec 2023</b>	<b>June 2023</b>
Segment assets reconcile to total assets as follows:			
		<b>32,855,688</b>	<b>30,940,949</b>
Unallocated assets		14,257,174	13,794,591
<b>Total assets</b>		<b>47,112,862</b>	<b>44,735,540</b>



## Notes to the Financial Statements

### 11 Contingent Liabilities

- (a) Native title claims have been made with respect to areas which include tenements in which Horizon and the controlled entity have interests. The entities are unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not, and to what extent, the claims may significantly affect them or their projects.
- (b) Security bonds are held with respect to tenements held in Northern Territory. Bonds are set by the Department of Primary Industry and Resources, however there is no certainty that such bonds will be adequate to cover any environmental damage. Horizon and its controlled entities are not able to determine the nature or extent of any further liability in view of changing environmental requirements.
- (c) Horizon has been advised of a potential liability arising as a result of the storage of laboratory waste material at the White Range project site and is currently awaiting approval from the NT Environmental Protection Authority to bury the material at White Range. As at the date of this report, the potential liability for the rectification remains unquantifiable.

### 12 Exploration Commitments

Commitments for minimum expenditure requirements on the mineral exploration assets it has an interest in are payable as follows:

Within one year

Later than one year but not later than five years

Later than five years

<b>December 2023</b>	<b>June 2023</b>
<b>\$</b>	<b>\$</b>
2,255,800	3,209,180
1,966,360	2,746,020
767,000	1,071,100
<b>4,989,160</b>	<b>7,026,300</b>

### 13 Subsequent Events

On 13 February 2024 the Company announced a merger with Greenstone Resources Limited (ASX: GSR) via a scheme of arrangement. A timetable was announced which included a GSR general meeting and two court hearings for approval of the merger.

There are no other matters or circumstances that have arisen since 31 December 2023 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial periods.

## Notes to the Financial Statements

### 14 Gain on Demerger of Associate

On 5 December 2022, Richmond Vanadium Technology Pty Ltd (RVT) was demerged from the Horizon Minerals Limited Consolidated Group (Horizon), following approval by Horizon Shareholders at the Annual General Meeting held on 17 November 2022. Existing Horizon shareholders received shares in RVT on a 1 RVT share for every 31.1391 Horizon shares held (in-specie distribution) resulting in an associated reduction in share capital of \$8,000,000. The number of shares issued with the in-specie distribution was 20,000,000 at the determined share price of \$0.40 per share (same as at initial public offering of RVT). The share price at demerger of RVT was determined to be \$0.40 per share (same as at initial public offering of RVT) resulting in a realised gain of \$8,663,873.

<b>Carrying value of net assets of demerged entity</b>	<b>31 December 2022</b>
<b>Assets</b>	
Cash and cash equivalents	23,365,839
Trade and other receivables	112,031
Other assets	30,001
Property, plant and equipment	97,083
Exploration and evaluation expenditure	26,219,055
	<b>49,824,009</b>
<b>Liabilities</b>	
Trade and other payables	(1,248,176)
Other liabilities	(155,396)
	<b>(1,403,572)</b>
<b>Net assets</b>	<b>48,420,437</b>