Horizon Minerals Limited

Initiation Report

Can a refurb lead to riches?

Horizon Minerals Limited (ASX:HRZ) is an emerging junior gold producer with 1.8moz of gold resources located around the Kalgoorlie and Coolgardie regions of Western Australia. HRZ is currently engaged in two mining campaigns which will be toll treated or sold under ore sale and toll agreements with three mill operators in and around Kalgoorlie and Coolgardie. In the current gold price environment, we expect these mining campaigns to generate significant cash flows in FY26 which can support HRZ's longer-term goal of becoming a standalone gold producer. In CY24, HRZ made two significant acquisitions being Greenstone Resources Ltd (ASX:GSR) and Poseidon Nickel Ltd (ASX:POS) which bring in another source of core feed with the Burbanks gold mine and the Black Swan plant that is currently on care and maintenance but could be refurbished to produce gold. Looking forward, HRZ will be focusing on delivering positive outcomes from the two mining campaigns underway which will help fund a large drilling campaign and feasibility studies into the refurbishment and restart of the Black Swan plant. In our preliminary assessment of a restart, we think HRZ can deliver a five-year mine plan that can support a throughput of 1.5mpta producing ~85kozpa which if delivered should create significant value for shareholders.

Business Strategy

HRZ has a history of exploring, acquiring, divesting and periodically producing gold under toll treatment agreements which has generated cash flow to fund the company's operations and reduce its reliance on external equity funding. As detailed in the Business Strategy section of this report, HRZ has made a concerted shift in the company's strategy towards becoming a standalone producer after the acquisitions of GSR and POS in CY24.

Post-acquisition, HRZ highlighted the potential to refurbish and restart the Black Swan plant, which previously was used to produce nickel, to produce gold. This concept has been floated before by POS in 2014 and 2017. HRZ has highlighted a target to produce at a throughput rate of between 1.0-1.5mpta with an aspiration to produce up to ~100kozpa for five years. Based on our analysis of the existing resource base, we think HRZ can achieve the top end of the throughput range and produce ~85kozpa for at least the next five years.

Alongside the push to become a significant standalone producer, HRZ is conducting a 50km+ exploration programme through to mid-CY26 which will predominantly focus on resource definition drilling to improve the existing resource base to support the Black Swan restart. In addition, the exploration programme will also cover brownfield and greenfield exploration drilling which aims to expand the resource base. Success on all fronts may enhance the Black Swan mine plan pushing it closer towards the aspiration target.

Beyond this, the gold sector is quite buoyant with prices trading near all-time highs on a nominal basis, which provides a supportive tailwind for HRZ to execute its strategy of becoming a standalone gold producer.

Valuation of HRZ

We have utilised a Sum-of-The-Parts (SoTP) approach to construct a valuation for HRZ with the key valuation drivers being the current mining campaigns, the Black Swan restart and the residual gold resources (i.e. gold not included in the mine plan). The valuation for the mining campaigns (~$50m) and Black Swan (~$296m) are derived from the Net Present Value (NPV) of their cash flows whilst the residual gold resources (~$107m) are valued from a peer analysis using the medium EV$/oz from a cohort of 27 peers. The May 2025 capital raise in essence brings forward the future equity requirements under the restart option with a small residual equity gap limiting future dilution. The Net Asset Value (NAV) of our SoTP values HRZ at $0.169/share on a fully diluted basis, which is a premium of 239%.

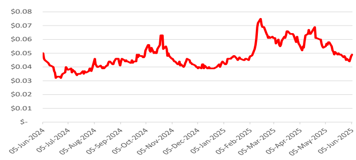
Gold

06 June 2025

Share details

ASX Code	HRZ
Share price	$0.049
Market Capitalisation	$141.6M
Shares on issue	2,888.9M
Net cash at 31/05/2025	-$28.0M
Free float	~79.26%

Share performance (12-months)



Upside Case

- Gold price continues to rise
- Black Swan Plant capable of producing at throughput rates above 1.5mpta
- Exploration expands existing resources or uncovers new discoveries that can positively impact the Black Swan mine plan

Downside Case

- Gold price experiences a material correction
- Technical challenges affecting the scale or ability to refurb Black Swan
- Resource definition drilling downgrades resources that are key to the Black Swan mine plan

Board of Directors

Ashok Parekh	Non-Executive Chairman
Grant Haywood	Managing Director/CEO
Warrant Hallen	Non-Executive Director
Rob Waugh	Non-Executive Director

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Research as a Service

Horizon Minerals Limited

Horizon Minerals Limited (ASX:HRZ) was created from the merger of Intermin Resources Limited (ASX:IRC) and MacPhersons Resources Limited (ASX:MRP) which formed a gold-focused junior with ~1.15moz of gold, ~20moz in silver and ~104kt of zinc around the Kalgoorlie and Coolgardie area. Since then, HRZ has continued to explore, do periodic mining campaigns and acquire assets to build up to the current ~1.8moz gold resource with the prospect to become a standalone producer in the medium term which is capable of producing at least 85kozpa over five years. In May 2025, HRZ raised $30m at $0.043/share with $13m going towards exploration and $17m towards stockpile management at Boorara, engineering work at Black Swan, working capital and potential debt retirement. We think the capital raise is appropriate given the working capital drag under the ore sale agreement has been longer than expected. However, once the cash flows from Boorara are realised in FY26, this raise in essence is a pull forward of a future raise that would have been required to complete the funding package for the refurbishment of Black Swan.

Investment Case

In our view, HRZ has the opportunity to be successful for the following reasons:

- HRZ has built up a resource base of ~1.80moz of gold that can support a standalone production operation at Black Swan which can deliver outcomes that broadly align with the stated aspirational target of 100kozpa for five years. We currently model a mining operation that can produce ~85kozpa for five years at an All-In Sustaining Cost (AISC) of ~$2,429/oz which delivers a post-tax NPV_{15} of ~$296m using a gold price of A$4,500/oz. With a total funding requirement of ~$111m to restart Black Swan, this presents HRZ with what appears to be an attractive investment decision.
- A total funding requirement of ~$111m for the restart of Black Swan is modest in the context of an equivalent new build, which would likely cost closer to $200m all in. This highlights the key advantage of a brownfield restart compared to a new build. In addition, other benefits include a shorter timeline to production which accelerates the potential to drive a step change in HRZ's profitability and cash-flow generation due to a lower scope of works as well as streamlined permitting requirements.
- We believe HRZ has an organisational capacity capable of delivering the restart plan as evidenced by its ability to bring mines into operation, noting the current production rate at Boorara is broadly in-line with the scale required to feed a mill the size of Black Swan. This capability also means that HRZ could embark on another mining campaign to generate further cash flow to go towards funding the Black Swan restart, reducing the future need for debt and/or equity.
- HRZ's tenement package retains plenty of exploration potential and whilst the majority of the proposed 50km+ of drilling through to mid-CY26 will go towards resource definition to support the mine plan to underpin the Black Swan restart, significant metres will still go towards expanding existing resources as well as greenfield targets. As an example, resources such as Crake & Coote have the potential to increase materially in size and become core, relatively low-cost open pit feed sources for Black Swan.
- The current environment for gold is very positive with the gold price around all-time highs in nominal terms, which provides HRZ with a favourable back drop to execute on the restart of Black Swan to become a significant standalone producer.

Valuation

Our primary valuation methodology is a SoTP which constructs a NAV based on the key operations and assets owned by HRZ. Current and future mining operations are valued using an NPV derived from the net post-tax cash flows expected to be produced from them. The residual gold resource is valued using a peer comparison analysis whilst we generate values for other key assets and subtract for one year's forward spending and debt. Post the capital raise in May 2025, future dilution should be limited. This results in a NAV of $0.169/share which is a premium of 239% to the current share price.

Company Background

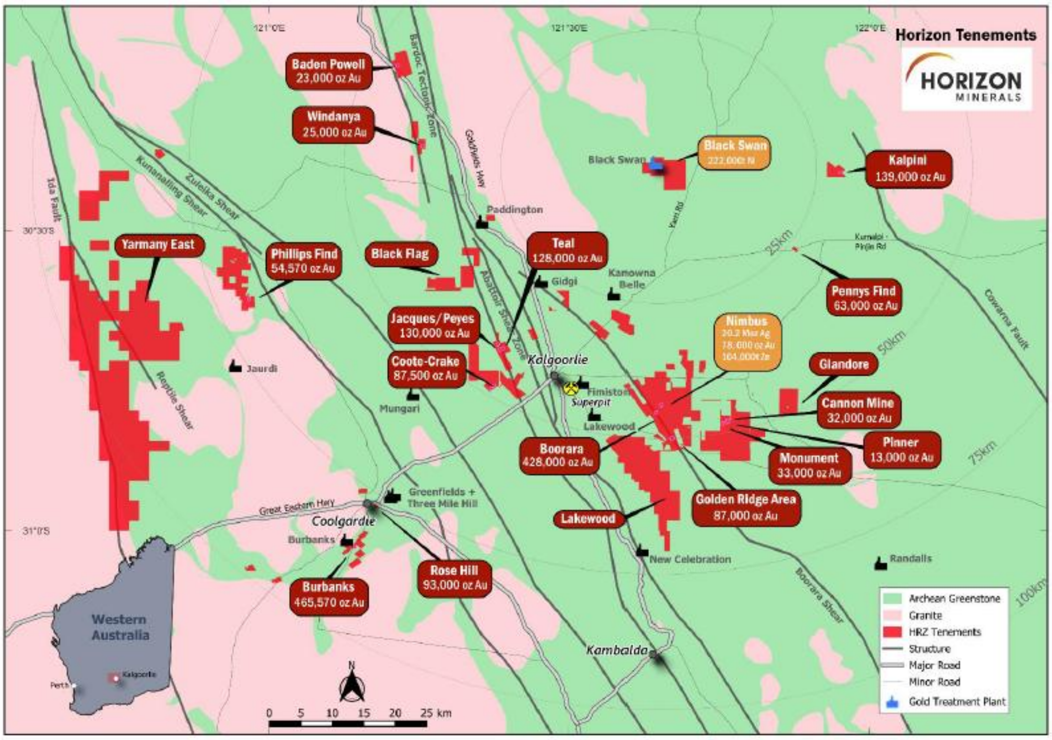
Horizon Minerals Limited (ASX:HRZ) is an emerging gold producer that operate in the prolific gold producing regions of Kalgoorlie and Coolgardie, Western Australia. HRZ was created through the merger of Intermin Resources Limited (ASX:IRC) and MacPhersons Resources Limited (ASX:MRP) which at the time combined to create a gold-focused junior with ~1.15moz of gold, ~20moz in silver and ~104kt of zinc around the Kalgoorlie and Coolgardie area.

Through ongoing exploration and acquisitions, HRZ has built up a current resource base of ~1.8moz in gold which is complimented by ~20moz of silver, ~104kt of zinc and ~422kt of nickel. In 2024, HRZ made two material acquisitions being Greenstone Resource (ASX:GSR, Feb 2024) and Poseidon Nickel (ASX:POS, October 2024). GSR held the Burbanks and Phillips Find gold projects which combined for 6.8mt at 2.4gpt for 520koz, whilst the acquisition of POS centred around its Black Swan plant, which can be converted to process gold from nickel (historically used to produce nickel concentrate) and enables HRZ to process a larger proportion of its gold resources as a standalone producer.

We note that HRZ has had a history of completing small mining campaigns which have brought in cash to the company which has allowed it to fund ongoing exploration and make incremental project acquisitions over the past ~eight years.

HRZ recently commenced mining at two projects, Boorara and Phillips Find in late CY24 which will be mostly processed through two ore tolling and ore sale agreements at mills around the Kalgoorlie and Coolgardie areas. We expect cash flow from these two mining campaigns will enable the company to make a major investment into exploration as well as support the refurbishment of the Black Swan plant, which would enable HRZ to monetise and create value from a larger proportion of its current gold resources by becoming a standalone producer.

Exhibit 1: Map of HRZ's resources



Source: Company presentation May 2025

Resource & Asset Base

As noted previously, HRZ currently has a resource base of ~1.8moz in gold, ~20moz in silver, ~104kt in zinc and ~422kt of nickel. The gold resources are hosted across 16 deposits/project areas in and around the Kalgoorlie and Coolgardie area, the silver and zinc resources are contained with the Nimbus Project, whilst the nickel resource are held at Black Swan and HRZ's 50/50 joint venture over the Mt Thirsty Project, WA. Within the gold resource, HRZ has defined reserves of ~101koz across three deposits. In addition to the inground metal, a key asset held by HRZ is the Black Swan plant which is currently being evaluated for a refurbishment to produce gold.

Exhibit 2: HRZ's global gold resource

Project	Cutoff	Measured			Indicated			Inferred			Total		
	Au ppm	Mt	Au ppm	Ounces	Mt	Au ppm	Ounces	Mt	Au ppm	Ounces	Mt	Au ppm	Ounces
Boorara OP	0.5	1.12	1.22	43,700	6.85	1.28	281,100	2.56	1.26	103,500	10.53	1.27	428,300
Burbanks OP	0.5				1.43	2.02	92,800	3.43	1.86	204,900	4.86	1.90	297,700
Burbanks UG	2.5/2.0				0.12	4.26	16,700	1.07	4.39	151,200	1.19	4.38	167,900
Phillips Find OP	0.5				0.54	2.40	41,700	0.19	2.09	12,700	0.73	2.32	54,400
Phillips Find UG	2							0.00	2.27	208	0.00	2.27	208
Golden Ridge	1				0.48	1.82	27,900	0.05	1.71	2,800	0.53	1.81	30,700
Golden Ridge North	0.8				0.65	1.15	24,300	0.77	1.30	32,300	1.43	1.23	56,600
Cannon UG	1				0.19	4.80	28,600	0.05	2.28	3,500	0.23	4.29	32,100
Monument	0.5							0.92	1.11	32,800	0.92	1.11	32,800
Pinner	0.5				0.06	1.02	2,100	0.27	1.25	10,800	0.33	1.21	12,800
Pennys Find	1.5				0.31	5.19	51,000	0.12	3.02	12,000	0.43	4.57	63,000
Kalpini	0.8				1.40	2.41	108,600	0.47	2.03	30,700	1.87	2.31	139,300
Rose Hill UG	2				0.33	4.49	47,100	0.18	4.78	27,800	0.51	4.60	74,900
Rose Hill OP	0.5	0.19	1.96	12,300	0.09	2.05	6,100				0.29	1.99	18,300
Jacques-Peyes	0.8				0.97	2.59	80,700	0.77	1.98	49,200	1.74	2.32	129,800
Teal	1				1.01	1.96	63,700	0.80	2.50	64,500	1.81	2.20	128,100
Crake	0.8				1.33	1.47	63,100	0.08	1.27	3,400	1.42	1.46	66,500
Coote	1							0.42	1.54	21,000	0.42	1.54	21,000
Capricorn	0.5							0.66	1.20	25,500	0.66	1.20	25,500
Baden Powell	0.5							0.60	1.20	23,000	0.60	1.20	23,000
Total		1.31	1.33	55,900	15.75	1.85	935,300	13.43	1.88	811,600	30.49	1.84	1,802,900

Source: Company data (ASX release April 2025)

We note, mining licences (ML) are held extensively across HRZ's reserve and resource base which has enabled the company to be able to move quickly to conduct the current mining campaign whilst it reduces the risk and timeline to build out a mine plan to support the refurbishment and restart of the Black Swan plant.

Below, we run through the key resources which support the current mining campaigns that underpin the toll and ore sale agreements as well as those that we believe will underpin the mine plan for the refurbishment of the Black Swan plant.

Boorara

This is one of HRZ's core gold projects which was brought in through the Macphersons' side of the merger and since then it has undergone small-scale mining (e.g. 267kt at 1.23gpt for 10.6koz in CY20) prior to the current mining campaign. This mining campaign resulted in a remodelling of the resource from 16.5mt at 0.96gpt for 507koz to 11.0mt at 1.26gpt for 448koz in April 2021, noting that the trial mining helped redefine key inputs into the resource estimate under a Reasonable Potential for Eventual Economic Extraction (RPEEE) approach. Whilst tonnage and metal content were down, the grade uplifted materially and given the adjusted approach to modelling, it defines a resource that is more amenable to economic open-pit mining.

At present, Boorara currently hosts a resource of 10.53mt at 1.27gpt for 428.3koz, which is a downgrade to the prior change noted above in 2024, as when defining the ore reserve, HRZ noted a small error in a density assignment in the resource model. In July 2024 a mining inventory/reserve of 1.24mt at 1.24gpt for 49.5koz was declared alongside a decision to mine, with ore to be monetised via HRZ's ore sale agreement with Norton Goldfield Pty Ltd (Norton).

Using a gold price of A$3,300/oz, the development scenario at Boorara demonstrated a profitable operation that would mine 1.24mt at 1.24gpt for 49.5koz from four open pits and produce 45.8koz based on a recovery of 92.5%. Capex was minimal at $0.45m with net free cash flow estimated at $19.9m. In a release dated July 2024, HRZ noted that at A$3,600/oz, the development would produce $30.0m in net free cash flow.

Exhibit 3: Boorara project economics

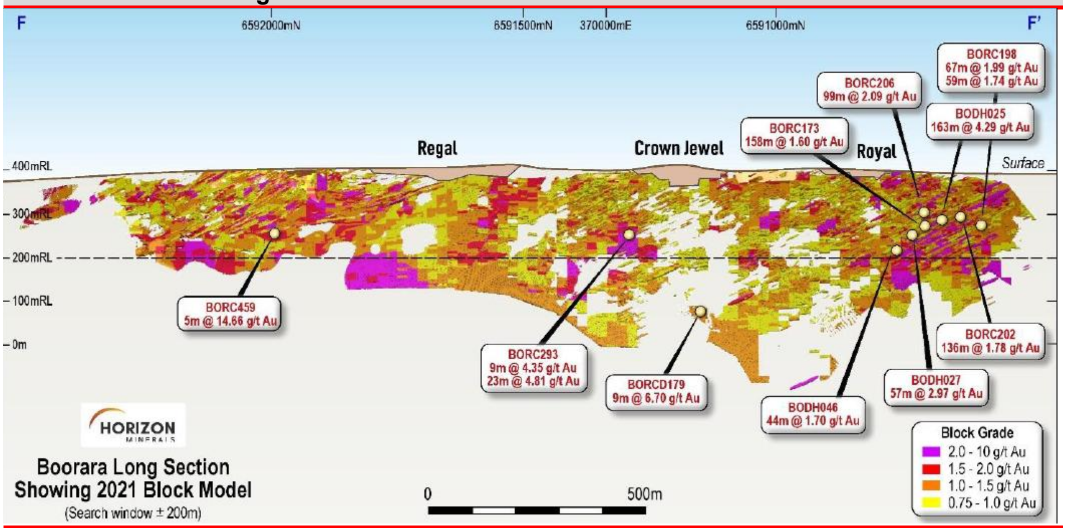
Measure	Ore Reserve Study @ A$3,300/oz [1]	Contract Pricing @ A$3,600/oz [2]
Total pit volume (MBCM)	4.37	4.37
Stripping ratio (waste: ore)	6.1	6.1
Mined ore (Mt)	1.24	1.24
Gold grade (g/t)	1.24	1.24
Milling recovery average (%)	92.5	92.5
Recovered gold (koz)	45.8	45.8
Capital costs (A$M)	0.45	0.45
Free Cashflow (A$M)	19.9	30.0

Source: HRZ release July 2024

After factoring mining depletion under the current mining campaign, we estimate Boorara will have a residual resource of ~9.3mt at 1.27gpt for ~379koz of which ~6.7mt at 1.27gpt for ~276koz is classified as indicated. We believe this residual resource can provide core feed to underpin the refurbishment at Black Swan.

The exploration potential at the project appears to be as much in testing the broader Boorara area with the existing Boorara deposit still having scope for expansion along strike and at depth/down plunge. The broader Boorara area consist of ~11km of structure along strike of the Boorara deposit which covers ~1.6km of this structure. Targets within the broader area will be the focus during CY25.

Exhibit 4: Boorara long section



Source: HRZ MRE Update April 2021

Burbanks

The Burbanks project was the main attraction of the acquisition of GSR and hosts an overall resource of 6.1mt at 2.39gpt for ~466koz. We note that the resource is split into an open-pit domain hosting 4.9mt at 1.90gpt for 298koz and an underground domain hosting 1.2mt at 4.40gpt for 168koz. Within the open-pit resource, this is further subdivided into a northern and southern sections.

The project contains attractive exploration potential, predominately testing extensions at depth along the known strike of the ore body, as illustrated in the long section below. Although we note the majority of the planned drilling activity at the project in CY25/26 will be focused on building up mining inventory rather than focused on resource expansion.

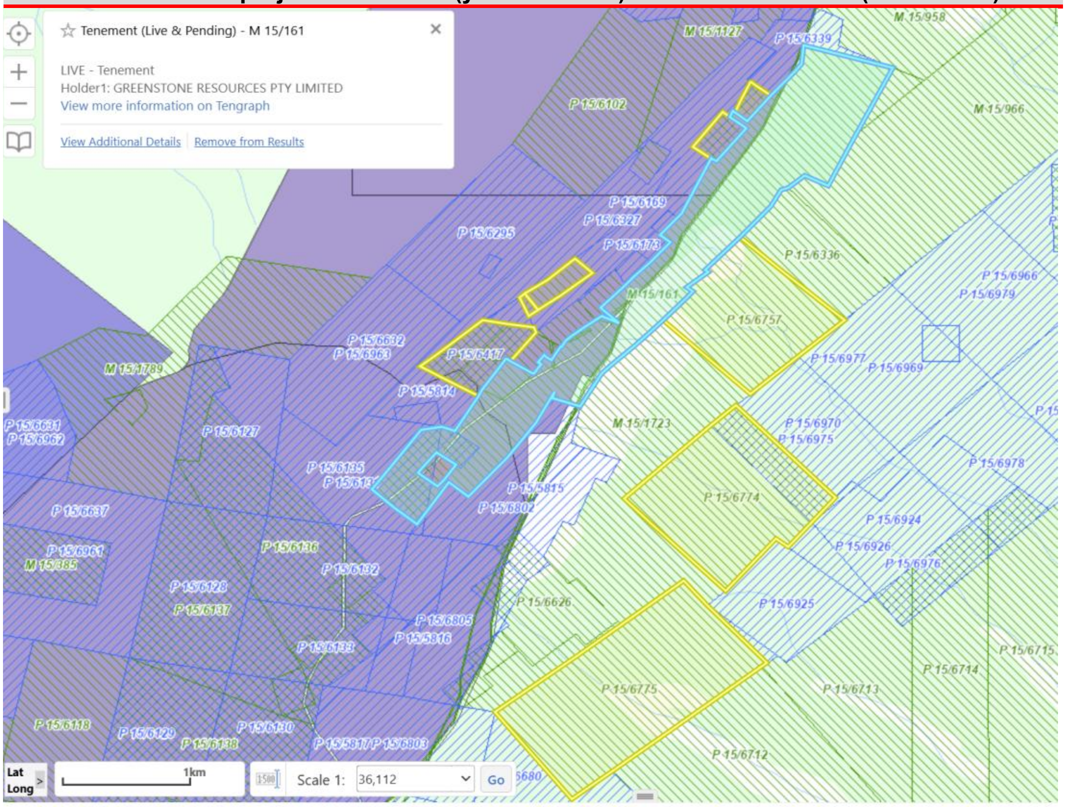
Exhibit 5: Burbanks long section

Source: HRZ presentation May 2025

We think Burbanks can be another core source of feed for the Black Swan restart, however, given the high proportion of the resource still classified as inferred, further drilling is required to build out a longer-term mining inventory at the project.

We also note that the southern portion of the resource that sits on the western side of Nepean Road sits within the Kangaroo Hills Timber Reserve which will require a conservation management plan (CMP) alongside the typical mining permitting approvals. This is a more involved process that would push out access to the open-pit mining zone at Burbanks South and there is a risk it may not be approved for mining. The bulk of the underground resource is largely defined around Burbanks Central (main lode) which extends towards the northern strike and we think it will not be impacted by CMP considerations given underground access is within an already cleared and disturbed area. We note the timber reserve was established in 1975 and has not previously impeded mining in the immediate project area as it has been periodically mined between the 1980s and 2010s, whilst GSR has been able to conduct drilling to define the Burbanks South resource in recent years, as have other junior explorers with tenements overlapping the area.

Exhibit 6: Burbanks project tenements (yellow outline) and timber reserve (blue shade)



Source: GeoView accessed May 2025

Phillips Find

Phillips Find is the other gold asset from the acquisition of GSR and hosts an open-pit resource of 0.73mt at 2.3gpt for 54.4koz of gold. Prior to the acquisition, GSR had flagged Phillips Find as a suitable deposit to be considered for campaign mining and toll treating. Subsequently, HRZ announced in August 2024 that mining will commence under a 50/50 joint venture (JV) with BML Ventures Pty Limited (BMLV).

BMLV has a proven track record in partnering under a JV with companies like HRZ to monetise smaller gold deposits through campaign mining and toll treating. Several of its prior JVs have been with other listed companies such as Auric Mining Limited (ASX:AWJ) and Brightstar Resources Limited (ASX:BTR) which both produced profitable outcomes.

Under a typical JV, BMLV will operate the entire mining operation through to haulage to the tolling mill in addition to providing all upfront capex and working capital. BMLV will get cost recovery and all surplus cash flows will then be split 50/50. These are the same terms under HRZ's JV for Phillips Find, however, ore will be tolled through HRZ's existing agreement with FMR Investments Pty Ltd (FMR) which has made available 200kt of processing capacity at its Greenfields Mill in Coolgardie.

Whilst neither GSR or HRZ have released a detailed mining plan or feasibility study on Phillips Find, we detail later how a mining operation extracting ~190kt at ~2.00-2.10gpt can be profitable at prices above A$3,000/oz.

Pennys Find

The Pennys Find project was originally picked up under a JV deal in November 2020 for $1.5m upfront and $1.0m in pre-development expenditure. HRZ ultimately acquired the project outright in December 2021 for $1.2m in upfront and deferred cash and script in addition to a royalty. Since securing the JV, HRZ has drilled and built up the resource, refining it under the economic constraints of an underground mining operation whereby it currently stands at 430kt at 4.57gpt for 63.0koz. Alongside a Pre-Feasibility Study (PFS) released in December 2024, an ore reserve of 328kt at 3.20gpt for 33.4koz was declared.

The PFS highlighted a profitable underground mining operation which would generate $24.0m at a gold price of A$3,600/oz. The mining operation would extract 330kt of ore at 3.20gpt for 33.5koz, which would be processed via toll treating to produce 29.8koz (recovery of ~89%). Capex and opex were estimated at $23.8m and $59.5m respectively which would result in net cash-flow generation of $24.0m and a NPV5 of $21.40.

Exhibit 7: Pennys Find project economics

Measure	Outcome
Lateral development (m)	4,775
Vertical development (m)	1,847
Development ore (kt)	99.5
Stoping ore (kt)	230.4
Total ore mined (kt)	329.9
Gold grade (g/t Au)	3.2
Milling recovery (%)	88.9%
Recovered gold (oz Au)	29,812
Total revenue (A$M at A$3,600/oz)	107.3
Capital costs (A$M including development)	23.8
Operating costs (A$M)	59.5
All in sustaining costs (A$/oz recovered)	2,794
Free cashflow (A$M at A$3,600/oz)	24.0
NPV (A$M at 5% discount rate)	21.4

Source: HRZ release December 2024

The sensitivity analysis in the PFS noted that net cash flow would increase to ~$44m based on a 20% increase in the gold price (A$4,320/oz). Considering that current gold prices are around A$5,000/oz, it suggests that this proposed mining operation could potentially produce $60m+ of cash flow. Having a current PFS on Pennys Find provides HRZ with the optionality to consider a third mining operation to take advantage of the current mining environment, whilst it can be retained as a satellite feed option for the Black Swan plant.

Cannon

Cannon was another acquired project which came in an acquisition of a package of projects in May 2021 and currently hosts an underground resource of 232kt at 4.29gpt for 32.1koz with a reserve of 135kt at 4.1gpt for 17.7koz. A feasibility study on the project was released in March 2022 which detailed an operation that would extract 135kt at 4.1gpt for 17.7koz which would produce 15.9koz at a recovery of 90%. Capex to start the mining operations was estimated at $4.3m whilst total opex is estimated to be $27.0m which results in net cash flow of $10.1m using a gold price of A$2,600/oz.

Exhibit 8: Cannon project economics

Measure	PFS Outcome
Lateral Development (m)	1,264
Vertical Development (m)	131
Development Ore (kt)	15.0
Stoping Ore (kt)	120
Total Mined Ore (kt)	135
Gold grade (g/t)	4.1
Stope Mining Recovery	95%
Milling Recovery (%)	90%
Recovered Gold (oz)	15,910
Capital Costs (incl development) (A$m)	4.3
C1 Costs (A$/oz)	1,644
All in Sustaining Costs (A$/oz)	1,873
Free Cashflow at A$2,600/oz Au Price (A$m)	10.1

Source: HRZ release March 2022

After the release of the feasibility study, HRZ announced as part of a deal with FMR that it would secure access to 200kt of toll treating capacity which would ultimately be made available for ore from the Cannon mine. In October 2022, HRZ announced a US$5m senior secured funding facility from Nebari Partners LLC (Nebari) to fund the development of the Cannon mine.

In 2023, HRZ continued to progress plans to develop the mine which included raising equity capital, drawing down on tranche 2 of the Nebari facility and commencing initial works such as clearing and dewatering. However, in late 2023, FMR advised HRZ that it was not in a position to proceed with the JV transaction due to internal business requirements. Whilst HRZ continued with initial works and retendered work packages to update project economics, work ultimately slowed as the focus pivoted towards other projects with near-tem production potential. Despite departing from the JV, FMR still honoured the 200kt capacity allotment, which would ultimately be utilised to support the development of Phillips Find.

Despite the derailment of the prior development timeline, Cannon remains an option for HRZ to reconsider monetising through toll treating to capitalise on the current high gold price environment, however, we think it can also be retained as a satellite feed option for the Black Swan plant.

Kalpini

Kalpini was acquired in October 2020 for cash consideration of $2.75m with HRZ going on to define the current resource of 1.87mt at 2.33gpt for 139koz in September 2021. Not uncommon post-HRZ acquisition, the resource was downgraded at the headline level, however, for Kalpini it was updated for depletion from mining that was conducted in 2019, a higher cut-off of 0.8gpt was used vs. 0.5gpt previously whilst it was generally brought up to the standard of JORC 2012 (previously JORC 2004). In essence the resource shrunk but arguably into a higher-grade resource that can be considered more economic. We believe tightening of the resource model is required given the nature of the orebody and inherently high strip ratio of the remaining resource to support economic mining. We note that the mining campaign in 2019 proposed to mine 199.5k bcm of ore with total movement including pre-strip of 4,513.6k bcm which was a planned strip ratio of ~22.6x or ~14.6x excluding an estimated pre-strip of ~1,600k bcm.

Kalpini has been flagged by HRZ as an option for the development pipeline to mine and toll treat whilst it has also potential as a satellite feed source for the Black Swan plant, however, given the relatively high strip ratio, value is best maximised in periods of high gold prices like in the current time.

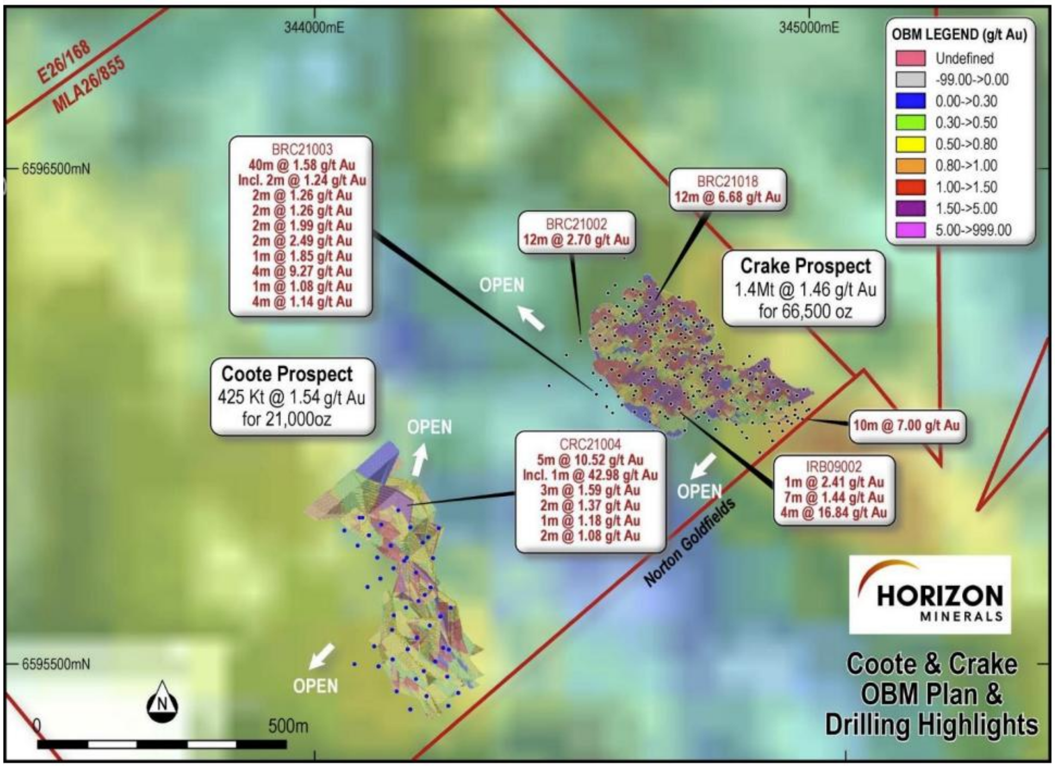
Coote And Crake

These resources sit within an area referred to as the Binduli project area and extend from the tenement boundary shared with Norton which hosts its Janet Ivy deposit ~1.5km away. Crake is the larger and more well defined of the two with a resource of 1.42mt at 1.46gpt for 66.5koz of which 63.2koz sits within the indicated category. Crake has a resource of 0.42mt at 1.54gpt for 21.0koz.

These deposits differ a little as they are hosted in a feldspar porphyry unit. At Crake, gold is in contained veins of 0.5-12m thickness which stack into thicknesses of up to 50m. Nineteen mineralised domains/lodes have been defined which dip moderately to the south-west along a strike of 470m. At Coote, 16 mineralised domains/lodes have been defined with individual thickness ranging from 2-20m which moderately dip to the south-west along a strike length of 550m.

The geometry of these deposits likely lends themselves to low strip open-pit mining. Both deposits start at the tenement boundary with Norton and extend north-west whilst they remain open in several directions which provides exploration upside potential.

Exhibit 9: Coote and Crake aerial view



Source: HRZ release September 2022

Given the nature of these deposits, we think they can provide relatively low-strip and higher-grade open pit ore as satellite feed to the Black Swan Plant.

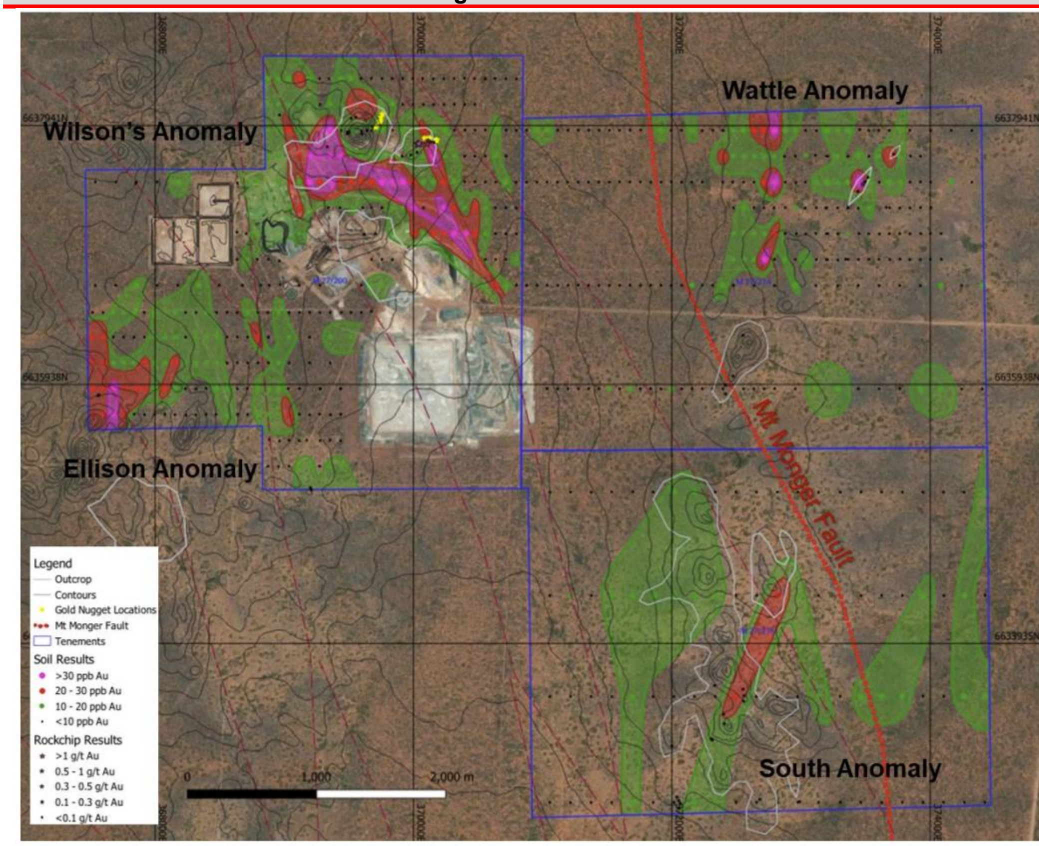
Poseidon and Black Swan

The Black Swan Plant itself is the cornerstone of the POS acquisition and can be refurbished to produce gold instead of nickel. The plant has been on care and maintenance since 2009 and hosts a nameplate processing capacity of ~2.2mpta with around half of the throughput capacity coming from each of the SAG and ball mills. POS last released a feasibility study in November 2022 which outlined a profitable restart to produce ~44kt of nickel in concentrate, however, in the intervening period, the nickel price and sentiment towards the commodity fell away which put another restart attempt on the back burner. This is something that has occurred repeatedly with POS since it announced the acquisition of the project in July 2014. We note that the 2022 study has value as it gives an indication on costings that will still be associated with a refurbishment.

The idea of converting the plant to produce gold has been floated before, as POS, after completing a study evaluating a restart for nickel in August 2014, also considered the addition of a CIL circuit ($8m for 1.5mpta capacity). The potential to convert the plant gained a little more momentum several years later as POS entered MOUs with Aphrodite Gold Limited (ASX:AQQ) and Northern Star Resources Ltd (ASX:NST) in August 2017 stating plans to process between 2.0-2.5mtpa of gold ores on a toll treatment basis. POS had entered a couple of other MOUs for toll treatment which further supported the case to go ahead with the refurbishment, however, those plans faded away by early 2018 as POS refocused on nickel.

Gold exploration potential has always existed at the project with POS spending time in 2024 conducting mapping, rock chips and soil sampling to assess the gold potential and generate anomalies/targets for future follow up. The Wilson's Prospect was the most prominent anomaly generated by the exploration work. Sampling at this project identified quartz veining and even some nuggets. The prospect appears to have been missed previously as the geological controls appear different to the nickel mineralisation whilst most prior drilling was not assayed for gold; thus the anomaly remains mostly untested by drilling.

Exhibit 10: Black Swan aerial view and gold anomalies



Source: POS release November 2024

Despite several attempts at restarting Black Swan to produce nickel, the fundamentals of nickel have deteriorated over the past few years, leaving POS open to being acquired by HRZ as it would otherwise have limited prospects to internally create value without a major revival in the nickel market. For HRZ, opportunity is created as it acquires an asset that can streamline the pathway for it to becoming a standalone gold producer.

Other Portfolio Notables

Other deposits or assets of note include:

- Rose Hill hosts a resource of 0.80mt at 3.63gpt for 93.3koz whereby 0.51mt at 4.61gpt for 74.9koz is contained within the underground domain. This resource adds potential to fill out the back end of a mine plan for Black Swan.
- Jaques and Teal host a combined resource of 258koz at 2.2-2.32gpt. Whilst a good grade, the gold is refractory in the fresh rock thus would require extra capex at Black Swan to process. Tolling potential remains an option at Jaques through the supergene oxide and transitional ore, which HRZ similarly took advantage of at Teal in 2018.
- Nimbus is a VMS-style deposit that sits within the Boorara project area and hosts a resource of 12.1mt at 52gpt for ~20Moz silver and 0.9% for 104kt zinc which includes a high-grade lense of 0.26Mt at 774gt for 9.4Moz and 12.8% for 33kt zinc. Work on Nimbus has been limited for a while as it had been classified as a contaminated site since 2006, however, after the merger, the site was remediated in 2022. A concept study was released in August 2024 which highlighted the exploration potential of the resource which detailed an exploration target of 550-700kt at 3.4-3.6% Zn and 140-210gpt Ag. A programme of work was approved by the regulator at the same time which enables HRZ to drill at Nimbus in due course.
- The 224kt of nickel resources associated with Black Swan retain optionality in the right nickel price environment. The 2022 restart study from POS highlighted a profitable mining operation with a pre-tax NPV8 of A$167m using a nickel price of US$11.60/lb (currently ~US$7.0/lb). Whilst we ascribe little value to these resources, a rebound in the nickel market could change the perceived value of these nickel resources quickly, particularly if HRZ has the plant operating to process gold as it can operate nickel as a parallel through the floatation circuit.
- Lake Johston plant. There is limited value in reassessing for nickel but it has demonstrated value as an option to convert into a lithium processing plant, noting that POS came close to selling the plant to Mineral Resources Ltd (ASX:MIN) for $15m cash and a royalties in March 2024.
- The Windarra project is another nickel asset that came with the POS acquisition, however, the potential here lays within building on the prior gold exploration programmes as the tenements are just west of Laverton. Gold prospectivity has been demonstrated with several anomalies identified whilst at the nickel mine, the tailings are estimated to contain ~180koz of gold. In July 2024, POS entered a JV with Encore Minerals to process the mine tailings to produce gold. Given the tailings are a by-product of nickel processing, the metallurgy is more complex with Encore utilising a proprietary leaching technology to produce gold. Encore is responsible for the entirety of the project with POS (now HRZ) receiving a total consideration of $1.25m cash, a 3% NSR royalty and $1.6m towards the existing rehabilitation bond.
- HRZ holds a portfolio of listed investments [(ASX:RVT), (ASX:MHK) and (ASX:DUN)] which is currently valued at ~$3.3m whereby RVT is valued at ~$2.7m. HRZ has a history of creating investments from divesting non-core projects.

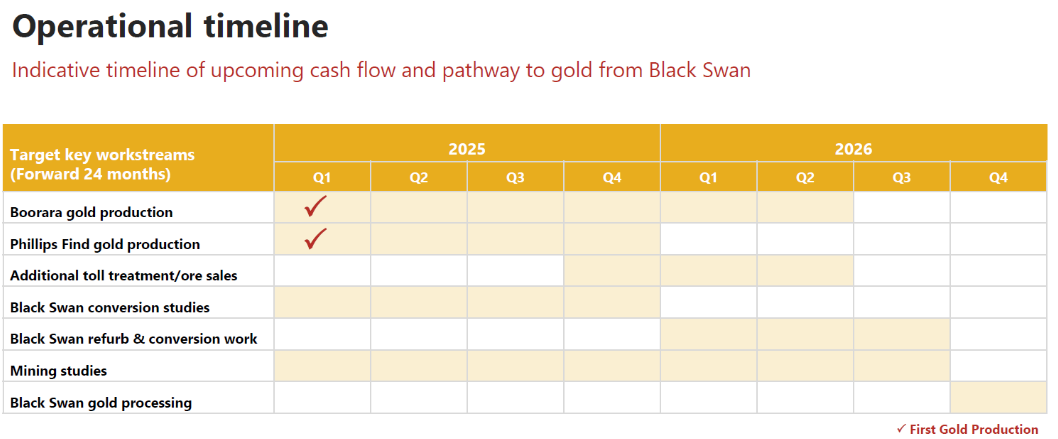
Business Strategy

HRZ has a history, extending beyond the merger, of doing campaign mining to generate cash flow to support ongoing exploration and asset acquisitions, however, we note that the scale of mining at Boorara and Phillips Find exceeds that of prior campaigns and takes fuller advantage of the current higher gold price environment. In addition, HRZ has several other projects which are advanced and able to be brought online to also take advantage of the current gold price environment.

A key step change made by the company to become a standalone producer will be through the refurbishment of the Black Swan plant which is the core asset from the acquisition of POS in October 2024. HRZ acquired POS in an all-script deal which valued the company at ~$30m. As a prelude to justify/support the bigger bite that was the POS acquisition and restart plan, HRZ acquired GSR in February 2024 in an all-script deal which valued GSR at $13.9m. GSR held the Burbanks and Phillips Find projects with Burbanks a key piece given the resource is expected to provide core feed to any restart at Black Swan.

As we detail further below, the mining campaigns at Boorara and Phillips Find are likely to generate significant pre-tax cash flows of ~$62m (post-tax ~$45m) combined (at a gold price of A$4,500/oz) which enables HRZ to ramp up exploration activities whilst also providing a serious contribution to the funding of the Black Swan refurbishment. Exhibit 11 provides HRZ's current indicative operation timeline which covers the strategic steps towards becoming a standalone producer.

Exhibit 11: Boorara project economics



Source: HRZ presentation May 2025

In May 2025, HRZ raised $30m at $0.043/share with $13m going towards exploration and $17m towards stockpile management at Boorara, engineering work at Black Swan, working capital and potential debt retirement. The need to provide further working capital at Boorara is a function of the longer-than-expected working capital lag and payment cycle post processing at Paddington. Once the cash-flow lag catches up from ongoing mining and processing at Boorara, this capital will be recycled to provide funding towards the refurbishment of Black Swan, thus in essence this raise is bringing forward the future raise we would have modelled as part of the funding requirement for the refurbishment of the Black Swan plant. Whilst drilling was also initially expected to be covered by the cash flows from Boorara and Phillips Find, there is limited scope to be further delay the planned exploration program, in particular resource/reserve definition drilling, as it would risk delaying the work streams for the Black Swan feasibility.

Toll/Ore Sale Campaigns

Boorara

Supporting the development of mining Boorara is the agreement with Norton which was announced in May 2024 and provides HRZ with access to a total processing capacity of 1.4mt over a period of 22 months at Norton's Paddington Mill. HRZ plans to mine 1.24mt at 1.24gpt for 49.5koz, whilst haulage from the mine to the mill is approximately 56kms.

Exhibit 12 details the key financial metrics of the mining campaign at Boorara based on the initial mine plan of 1.24mt at various gold prices. The key assumptions modelled are a mining cost of $10.0/bcm ($5.0/t), haulage rate of $0.21c per km per tonne, site G&A of $3.0/t, whilst royalties are calculated at their various rates. We note that based on the economics provided by HRZ at A$3,300/oz and A$3,600/oz, it appears that the processing rate charged increases with the gold price (i.e. not a single flat rate), thus as the gold price rises, the margins for HRZ also increase but at a slightly lower rate. We have created our own calculation which we think approximates the variable rate charged by Norton under the ore sale agreement.

Exhibit 12: Boorara project economics

	A$m	A$/t	A$m	A$/t	A$m	A$/t	A$m	A$/t
Gold Price	3300		3600		4250		5000	
Gross Revenue	151.0	121.9	164.8	133.0	194.5	157.0	228.8	184.7
Mining	44.0	35.5	44.0	35.5	44.0	35.5	44.0	35.5
Processing	62.2	50.2	65.6	52.9	80.3	64.8	94.2	76.0
Haulage	14.6	11.8	14.6	11.8	14.6	11.8	14.6	11.8
G&A	3.7	3.0	3.7	3.0	3.7	3.0	3.7	3.0
Royalties	6.0	4.9	6.5	5.2	7.5	6.0	8.6	6.9
Capex	0.5	0.4	0.5	0.4	0.5	0.4	0.5	0.4
Total Cost	130.9	105.6	134.8	108.8	150.5	121.5	165.5	133.6
AISC/oz	*2,860*		*2,945*		*3,288*		*3,617*	
Net Pre-Tax CFs	20.1	16.2	30.0	24.2	44.0	35.5	63.3	51.1
Net to HRZ	20.1		30.0		44.0		63.3	

Source: Company data, RaaS estimates

Given the delayed start and ramp up of mining compared to initial plans and our assumptions around mining rate, we estimate mining will conclude during the March 2026 quarter whilst processing and final cash flows will occur by the end of the June 2026 quarter, noting that processing has been condensed to a period of ~18 months vs. 22 months. All 1.24mt of mined ore was planned to be treated at Paddington, however, due to a gap in the ore tolling schedule with FMR, HRZ will divert 80kt of Boorara ore to that mill. Commentary from HRZ in March and April 2025 indicated to us that a portion of this 80kt is additional to the mine plan comprising of lower-grade ore that would otherwise have been stockpiled.

Post the raising in May 2025, which includes funding for stockpile management, we estimate an extra +/-100kt of ore to be processed at a grade of ~0.6-07gpt, thus adding a potential extra ~2koz of production. This means total production from Boorara will likely end up at 1.34mt for ~47.8koz versus the planned 1.24mt for 45.8koz. The low-grade stockpiles are generated through mining already; thus the mining cost is already sunk, with only haulage, processing and royalty costs to apply against the extra ore, making it quite profitable in this gold price environment. Key will be securing a processing option whereby we understand toll treaters can take discrete packages of low-grade ore from time to time otherwise HRZ could blend it with high grade to get it away.

This reshuffling still leaves a gap of ~180kt under HRZ's available capacity at Paddington. Whilst a reduced total can be mutually negotiated, it provides HRZ with the flexibility to further utilise existing stockpiles built up under the current mining campaign or to mine additional ore whether it is sourced from Boorara or elsewhere.

We note that if stockpiles can't be processed via tolling, they will be retained for processing at Black Swan post-refurbishment.

A mining operation at Boorara has the potential to be highly profitable at a range of gold prices, particularly if the gold price remains at current levels by the last processing run in Q2 '26. Assuming an average received price of A$4,500/oz, we expect mining at Boorara to generate ~$52m in net pre-tax cash flow to HRZ or ~$39m on a post-tax basis. This expected cash flow would enable HRZ to ramp up exploration spend over the course of the year whilst it would also make a material contribution to the funding requirements of the Black Swan plant. Should HRZ be able to monetise the low-grade stockpiles, this would add incrementally to our cash-flow estimates detailed above.

Phillips Find

In August 2024, HRZ announced the commencement of mining at Phillips Find under a JV with BMLV with mined ore to be processed through HRZ's existing toll agreement with FMR. No feasibility was released on the mining operation at Phillips Find but we note that mining is expected to extract around ~190kt at a grade of 2.00-2.10gpt for ~12.5koz (~11.3koz recovered) with haulage to the mill of ~60kms.

Exhibit 13 details the key financial metrics of the mining campaign at Phillips Find based on the initial mine plan of 192kt at various gold prices. The key assumptions modelled are a mining cost of $10.75/bcm ($5.0/t), haulage rate of $0.21c per km per tonne, site G&A of $3.0/t, whilst royalties are calculated at their various rates. Processing rates with both FMR and FML are generally at a flat rate with some penalties based on delivery rates and ore characteristics. We believe these rates range between $50.0-60.0/t and model $60.0/t.

Exhibit 13: Phillips Find project economics

	A$m	A$/t	A$m	A$/t	A$m	A$/t	A$m	A$/t
Gold Price	3300		3600		4250		5000	
Gross Revenue	38.0	197.7	41.4	215.6	48.9	254.6	57.5	299.5
Mining	13.5	70.3	13.5	70.3	13.5	70.3	13.5	70.3
Processing	11.5	60.0	11.5	60.0	11.5	60.0	11.5	60.0
Haulage	2.4	12.6	2.4	12.6	2.4	12.6	2.4	12.6
G&A	0.6	3.0	0.6	3.0	0.6	3.0	0.6	3.0
Royalties	1.6	8.2	1.7	8.6	1.8	9.6	2.1	10.7
Capex	4.0	20.6	4.0	20.6	4.0	20.6	4.0	20.6
Total Cost	33.5	174.7	33.6	175.2	33.8	176.1	34.0	177.3
AISC/oz	*2,917*		*2,924*		*2,941*		*2,959*	
Net Pre-Tax CFs	4.4	22.9	7.8	40.5	15.1	78.4	23.5	122.2
Net to HRZ	2.2		3.9		7.5		11.7	

Source: Company data, RaaS estimates

Mining commenced in October 2024 and is expected to run through the Q3 '25, whilst processing at FMR will be conducted over eight months and conclude in June 2025. We note that due to a change in mining schedule which will see mining of the resource take longer than previously planned, the last 70kt will be re-routed to the Focus Minerals Limited (ASX:FML) Three Mile Hill Mill (Coolgardie) in Sept/Oct 2025. As mentioned previously, the gap at FMR will be filled with ore from Boorara, thus HRZ is expected to meet its commitment to deliver 200kt.

As Exhibit 13 above shows, the mining operation at Boorara has the potential to be quite profitable in this higher gold price environment (~A$5,000/oz) and is better positioned to capture higher prices given the last processing run is in ~5 months' time. Assuming an average received price of A$4,500/oz, we expect mining at Phillips Find to generate ~$9m and ~$6m in pre- and post-tax net cash flow to HRZ respectively.

Optionality

HRZ retains shorter-term optionality to capture higher gold prices through additional mining campaigns which can be done by extending mining at Boorara and/or Phillips Find or by exploring options to monetise Cannon, Pennys Find or Kalpini. The decision to toll/ore sale further resources will be considered against building out a mine plan for the Black Swan plant (i.e. is it more valuable or strategically helpful to mine more today than to hold off to mine in the future at Black Swan?) However, this would require HRZ to secure additional processing capacity which it has not indicated at this stage it is seeking but the potential to do it was flagged in HRZ's presentation dated May 2025.

As noted, Cannon and Pennys Find have had feasibility studies on mining operations which based on the same cost assumptions and a gold price of A$4,500/oz could produce pre-tax cash flows of ~$39m and ~$49m respectively. Whilst Kalpini has not had a study disclosed on a mining campaign, a conceptual study estimated by RaaS based on a mining inventory of 250kt at ~2.30gpt indicates an operation of this size could produce pre-tax cash flow of $25m+ at A$4,500/oz.

Black Swan Refurbishment

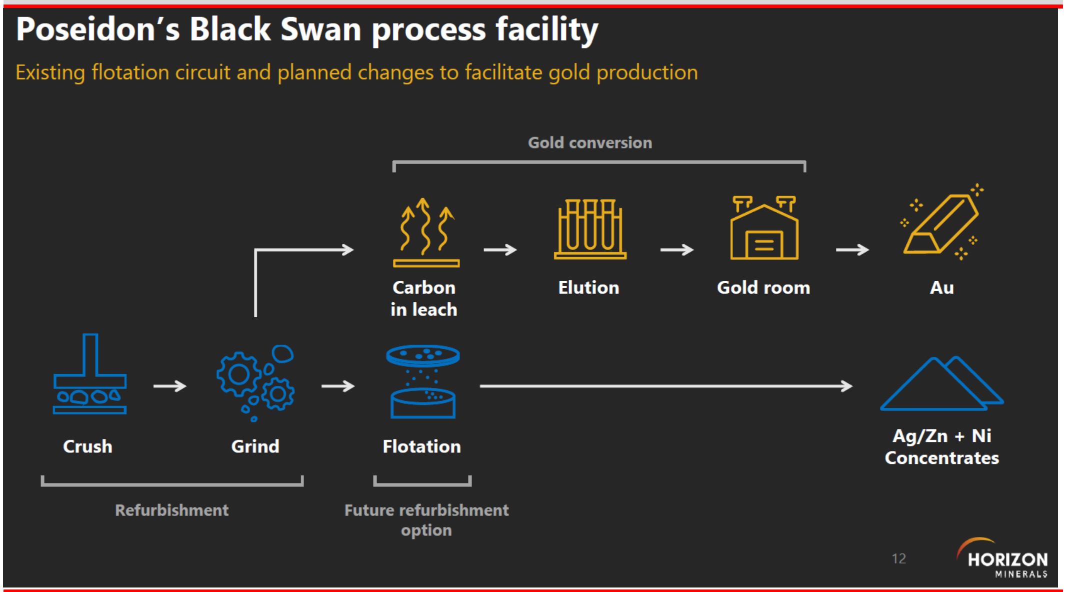
The proposed refurbishment of the Black Swan plant is the key for HRZ to turn itself into a standalone gold producer with the company highlighting at the time of the POS acquisition, an aspirational target to produce 100kozpa for five years with first production targeted in Q4 '26.

At that time, HRZ indicated an initial throughput range of 1.0-1.5mpta will be considered, which in a simplistic analysis using a head grade of 1.84gpt (equal to the global resource base) and recovery of 90% gives production ranges of 53-80kozpa. We think that with the current resource base, HRZ can readily achieve a production rate higher than the top of that range based on a throughput of 1.5mpta. Our expectation from the study work that is underway with GR Engineering is that HRZ will aim to build out a mine plan that supports a throughput of 1.5mpta with a feed grade of 1.80gpt+.

A key question that may be asked is how can HRZ achieve throughput of 1.5mpta when the rate for either the SAG mill or ball mill were each quoted as 1.1mpta by POS in prior studies? Nickel ore is generally harder and at Black Swan specifically it had a bond work index rating of ~30-31kWh/t (very hard). HRZ's gold ore, which is typical of the region, ranges between 15-20kWh/t which lowers the intensity of grinding required and allows the mill to process ore faster, thus increasing the nameplate capacity from ~1.1mpta to ~1.5mpta. We note that the crusher at the front end has a nominal rated throughput of up to 2.6mpta (~300tph) depending on the desired crush size, thus can accommodate the higher potential throughput of the mill.

With no bottlenecks at the front end, the limitation on throughput will be the scale at which HRZ designs the backend gold circuit which we think will be targeted for 1.5mtpa, the top end of the quoted target range. This section of the flow sheet is fairly standard, will be entirely brand new and run parallel to the nickel-specific flotation circuit. The refurbishment flowsheet is illustrated in Exhibit 14.

Exhibit 14: Black Swan refurb flow sheet



Source: HRZ release May 2025

The refurbishment of a plant such as Black Swan has several benefits to going ahead with a standalone build, which are:

- Lower capex requirements as large proportion of capital is already sunk in the plant (i.e. crusher and mill) and associated site infrastructure (i.e. foundation, steel works and tailings dam).
- Shorter lead time to production as key long lead items such as the crusher and mills are already on site.
- Reduced timeframe for permitting as situation of a disturbed site previously approved for operating.
- Lower capex means lower reserve base/mining inventory hurdle to justify the investment.
- In the right environment, potential to fully equity fund development, resulting in lower dilution and avoiding costs and hassle with mining debt, hedging, etc.

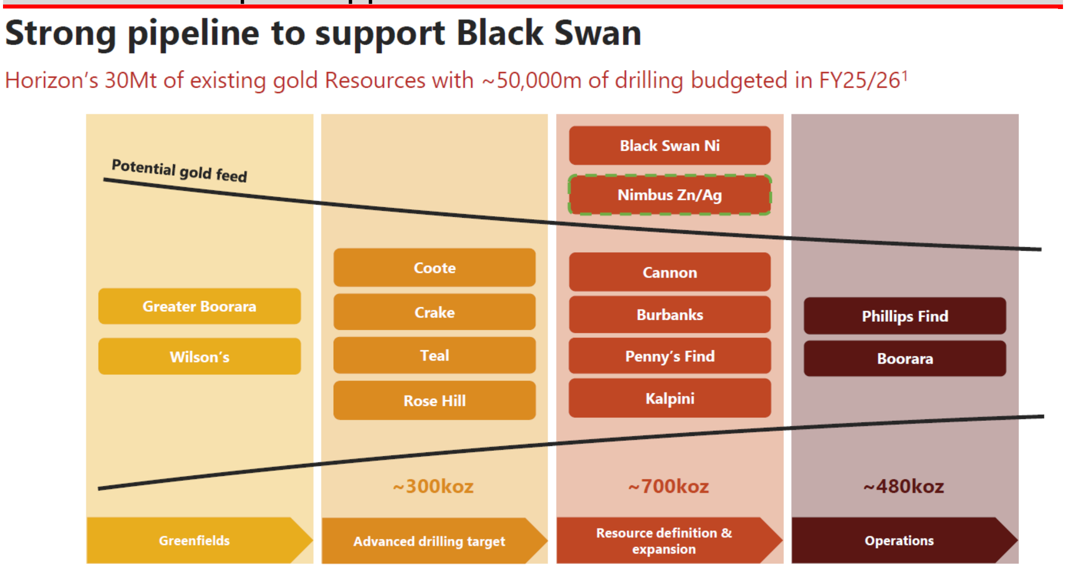
Exploration in FY25/26

To support the development of a five-year mine plan to underpin the refurbishment of Black Swan, HRZ is making a large investment back into exploration, which is funded by the cash flow generated by mining at Boorara and Phillips Find. HRZ has stated plans to complete ~50km of drilling through to mid-CY26 which will be skewed towards bringing up the quality of the resource base across key projects which are expected to underpin the restart. The key targets and objectives of the exploration program are as follows:

- Burbanks: a key part of the programme will be to conduct extensive drilling (~20km) at Burbanks with an aim to expand and upgrade the resource base, with more emphasis on the latter to build up the open-pit inventory in addition to better defining the initial underground resource. This is key to supporting the mine plan for Black Swan, hence the large proportion of the drilling going into this project.
- Coote and Crake, Pennys and Kalpini: these projects have been flagged as important feed sources for the restart with drilling comprising a mix of infill and extensional drilling to shore up and potentially expand mining inventory. We think extensional drilling at Coote and Crake has the important resource expansion potential which could add low cost open-pit mining inventory to the Black Swan mine plan. The level of success at this project has the potential to make it a core rather than satellite ore source and close the gap towards achieving the aspiration production target.
- Resource definition and expansion drilling at Kalpini, Cannon and Pennys Find to further support the mine plan to underpin Black Swan.

- Whilst Boorara remains open along strike and at depth, exploration will also focus more broadly in the project area. As noted before, the current Boorara deposit comprises ~1.6km of 11km+ of a structural trend. These regional targets include Golden Ridge and Chapel.
- Wilsons: A key greenfield gold target highlighted in the early-stage exploration work for gold in the Black Swan project area.

Exhibit 15: HRZ's exploration pipeline



HRZ presentation May 2025

M&A & JVs

HRZ has a history of M&A with 2024 being a major step up in scale. Whilst we don't think that scale of deal will continue near term, a successful restart at Black Swan would enable HRZ to continue to be a consolidator around the Kalgoorlie and Coolgardie regions or effectively within a range of up to 200kms from the plant in this gold price environment. M&A or JVs could complement exploration in accelerating the build-up of the Black Swan mine plan that can deliver the 100kozpa at five years aspirational target. Alternatively, if HRZ can prove processing capacity of above 1.5mtpa+ (i.e. run the SAG and ball mills parallel), the company could turn the tables and offer toll/ore sale options to juniors in the region.

Valuation

Modelling

Toll/Ore Sale Agreements

We model the Boorara and Phillips Find projects in-line with the stated timelines from HRZ and its toll/ore sale agreements which are Q3 '25 and Q2 '26 respectively. At Boorara we include the extra 40kt of low-grade stockpiles that will be processed bringing the total mining inventory to 1.28Mt at 1.23gpt for 50.7koz. All costings are in-line with those detailed in Exhibits 12 and 13. We use a LOM average gold price of A$4,500/oz which results in combined estimated pre- and post-tax cash flows of ~$62m and ~$45m. As of Q2 '25, with the ramp-up costs largely sunk, we estimate post-tax net cash flows of ~$57m going forward which will be mostly realised in FY26. We discount Boorara by 10% given a duration of ~1.25 years whilst Phillips Find is undiscounted given the duration of ~0.5 years to the final payout at the conclusion of the JV in Q3 '25.

Research as a Service

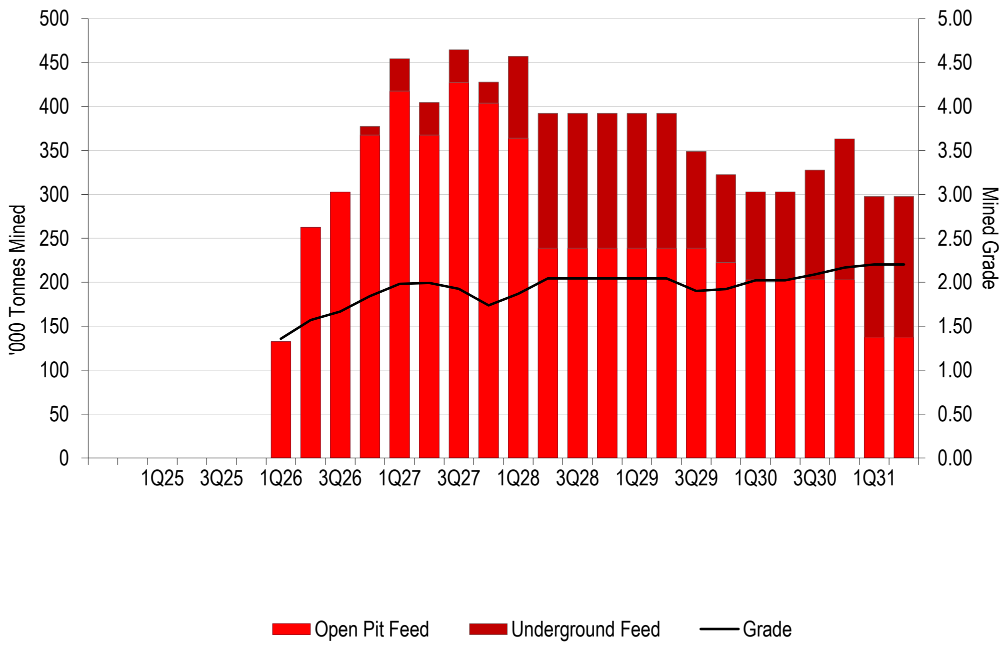
Black Swan

We have created our own five-year mine plan which comprises of core feed from Boorara and Burbanks with satellite feed contributions from Kalpini, Cannon, Coote and Crake, Pennys and Rose Hill (OP & UG).Total LOM feed is ~7.8mt at 1.96gpt for ~492koz which is split between open-pit inventory of ~5.8mt at 1.54gpt for ~288koz and underground inventory ~2.0mt at 3.14gpt for ~204koz. Mining commences in Q2 '26 starting with pre-strip and first ore in Q3 '26 which builds up ROM pad inventory prior to commissioning in Q4 '26.

Boorara contributes a consistent mining feed of ~550ktpa at 1.27gpt whilst Burbanks sources open-pit ore of ~1.1mt at ~1.90gpt for the first ~2.5 years at the north, then south pits before moving to the underground which is modelled at ~400ktpa at ~3.1gpt. Total core feed is ~5.4mt at 1.84gpt for 320koz or ~74% of the mine plan.

The satellite feeds are schedule to ensure an overlap of open-pit and underground feed is contributed to the mine plan with sequencing based on our view of maximising the value of higher gold price sensitive deposits upfront. Satellite feed contributes a total of ~2.4mt at ~2.2gpt for 172koz of ~26% of the total mine plan.

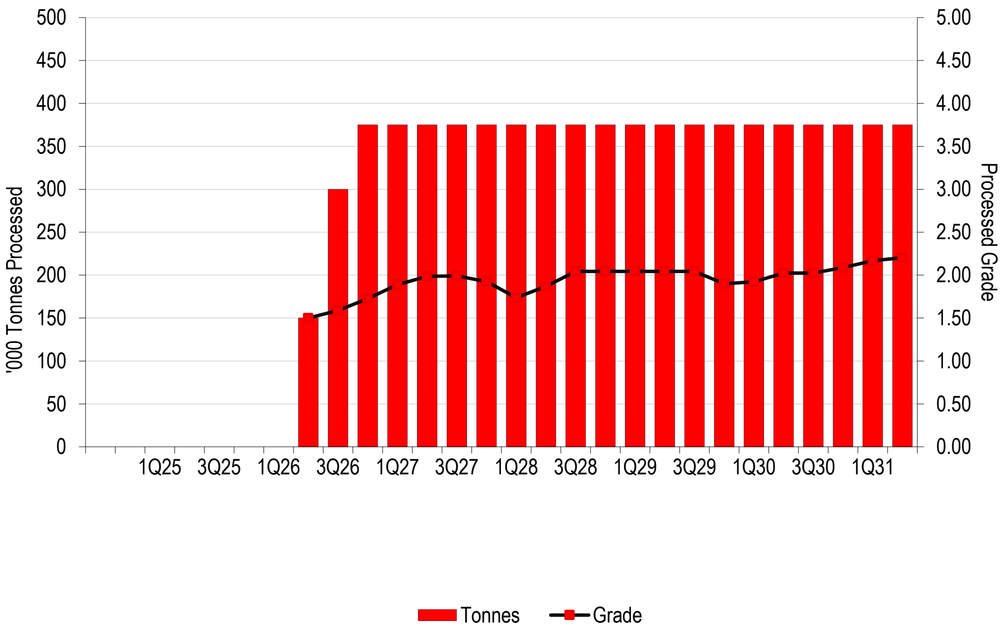
Exhibit 16: Black Swan mine plan



Source: RaaS estimates

We model at an annualised run-rate of 1.5mtpa with a ramp-up period of three-six months starting 4Q26 after a nine-month refurbishment period commencing in 1Q26. This results in total processed ore of ~7.6mt at 1.96gpt for ~477koz with excess ROM pad inventory of ~233kt at 1.99gpt for ~15koz at the end of the period. Whilst several of the ore sources have demonstrated recoveries in the low 90% range, given the multi-mine sourced and blended ore approach in our modelling, we assume an average recovery of 90% which results in total produced ounces of ~429koz or ~85kozpa over five years.

Exhibit 17: Black Swan processing schedule



Source: RaaS estimates

As previously noted Kalpini, Pennys Find and Cannon have the optionality to be toll treated in the near term and if that were to occur, it would require us to rejig our modelled mine plan. However, as our mine plan has a peak inventory level in late year three of ~670kt, the impact would be limited to a change in the average grade based on which deposit is brought forward and can be offset by introducing another deposit to the mine schedule such as Golden Ridge.

Exhibit 18: Black Swan mining physicals summary

OP Total Movment	*kt*	45,919	
OP Mined Ore	*kt*	5,787	*74%*
UG Mined Ore	*kt*	2,021	*26%*
Total Mined Ore	*kt*	7,808	
Mined Grade	*gpt*	1.96	
Mined Ounces	*koz*	491.6	
Processed Ore	*kt*	7,575	
Processed Grade	*gpt*	1.96	
Recovery		90.0%	
Produced Ounces	*koz*	429.0	

Source: RaaS estimates

Capex for the refurbishment is broken up into two parts being the 'front end' comprising the crushing and grinding, and the 'back end' which comprises the gold circuit. POS's 2022 feasibility study quoted $38m to refurbish the front end which was only planning to utilise the SAG mill and not the ball mill but we assume a similar costing to refurbish that in lieu, noting at this stage HRZ's study work will evaluate whether the SAG or ball mill will be most appropriate to use. Escalating for 25% inflation, this gives a costing of $45.6m for the front end. The gold back end has been sourced from benchmark costings provided by relevant peers in recent gold studies which is cross checked against escalating the 2014/17 metrics from POS. We estimate the back end to cost ~$17m including first fills. This brings our capex estimate to $62.6m. We add a buffer of $9.4m (15%) as a contingency to compensate for the comparative nature of our analysis. This brings total capex to $72.0m and is consistent when compared with recent general brownfield refurbishment capital intensities.

Working capital for pre-production largely comprises of capitalised opex to commence mining at Boorara, Burbanks North, Kalpini and six months of commissioning cost at the plant. We estimate the working capital requirement to be $39.0m net of capitalised revenue of $29.3m.

This brings the total estimated pre-production capital requirement to $111.1m which is spent between Q1 '26 and Q1 '27.

Operating cost estimates for the plant are sourced from the POS 2022 study and benchmarking of projects of a similar scale whilst mining costs are a mix of costings implied from HRZ's current mining, recent studies and benchmark costings from open-pit and underground mines of similar scale. We use an open-pit mining cost of $11.0/bcm or $4.58/t moved for ~$36.4/t mined, an underground mining cost of $140.00/t, haulage cost of $16.73/t, a processing cost of $35.00/t, G&A of $7.17/t and sustaining capex of $4.26/t. Royalties are calculated on a site-by-site basis but average to a LOM of $8.20/t at A$4,500/oz. This brings the LOM total cost to a total of ~$135.1/t or an AISC of $2,429/oz.

Exhibit 19 details a financial summary of the mining operation at Black Swan with our modelling indicating a post-tax cash flow of $564.4m and a post-tax NPV15 of $295.9m based on a LOM gold price of A$4,500/oz.

Exhibit 19: Black Swan mining financial summary

	A$m	A$/t	A$/oz	
Revenue	1,930.5	254.85	4,500	Per T Milled
Open Pit	*1,128.8*	*201.09*		Per T Milled
Underground	*802.3*	*409.30*		Per T Milled
Mining Cost				
Open Pit	210.5	36.37	839	Per T Mined
Per tonne moved		*4.58*		
Strip LOM		*6.93*		
Underground	282.9	140.00	1,587	Per T Mined
LOM Mining	493.4	63.19	1,150	Per T Mined
Haulage	130.6	16.73	304	Per T Mined
Processing	269.3	35.55	628	Per T Milled
G&A	54.3	7.17	127	Per T Milled
Sustaining Capex	32.3	4.26	75	Per T Milled
Royalties	62.1	8.20	145	Per T Milled
LOM Total Costs (AISC)	1,042.0	135.10	2,429	
Open Pit	*617.1*	*108.28*	*2,460*	Per T Milled
Underground	*424.9*	*211.91*	*2,383*	Per T Milled
Total Costs (AIC)	1,187.5	153.96	2,768	Per T Milled
LOM Capex (incl upfront)	*145.5*	*18.86*	*339*	*Per T Milled*
Mine Cashflows	888.5	119.75	2,071	Per T Milled
Capex LOM	145.5			
Funding	16.2			
Pre-Tax Cashflows	726.8			
Tax	162.4			
Post-Tax Cashflows	564.4			
Post-Tax NPV15	295.9			

Source: RaaS estimates

The funding model starts with forward net existing cash of ~$28m which assumes the remained of the Nebari facility is repaid and most of the May 2025 capital raise is effectively recycled. From 2Q25 onwards, which is when the cash-flow inflection comes through for Boorara, we estimate a combined post-tax cash flow of ~$57m from the mining campaigns which will be able to contribute to the equity funding for the Black Swan refurbishment. Estimated corporate G&A, exploration spend and interest costs of ~$17m through to end of CY25 leaves ~$40m in forward cash generation that can go towards project funding. We model a debt contribution of ~$67m which is ~60% of total the funding requirement. This brings the total debt and equity funding to ~$136m versus a total funding requirement of ~$111m. The surplus of ~$25m will cover another year of corporate G&A, exploration spend and interest costs which we estimate to be $20m+. We note that a total funding requirement of ~$111m offers a favourable capital intensity compared to a new build, which based on our database comprising the feasibility metrics of 38 projects, would likely cost closer to $200m.

Sum of the Parts

We think the best valuation approach to valuing HRZ is a Sum-of-the-Parts (SoTP) calculation as it enables us to value assets and projects that do not currently fit into the existing mining plans. We value HRZ at a NAV (net asset value) of $0.169/share which is 239% higher than the current share price, with ~70% of the valuation attributable to mining at Boorara, Phillips Find and the restart of Black Swan (~$346m combined). Another ~22% of the valuation is attributable to the gold resources which fall outside of our Black Swan mine plan, with the ~$107m value derived from 1.26moz at $85/oz based on the median EV/oz of the peer set comprised of emerging producers, late-stage developers, and juniors with gold resources that also have monetisation routes through toll treating or are exploring in the goldfields of WA. We cover the peer group later in this report. We note that the NPVs from all the gold mining operations are modelled using a LOM average gold price of A$4,500/oz which is ~13% below spot. Given the May 2025 capital raise brings forward the future equity requirement we would have modelled, no further future dilution is expected beyond the outstanding options on issue bringing the total future shares on issue to ~2,914m.

Exhibit 20: NAV summary

	A$m	A$/sh	*Notes*
Boorara OS	44.2	0.015	*From 2Q25, post-tax, discounted 10% over 1.25yrs*
Philips JV	5.9	0.002	*Paid out 3Q25, post-tax, undiscounted*
Black Swan Refurb	295.9	0.102	*Post-tax NPV, incl debt funding & tax losses*
Gold Resource	107.4	0.037	*$85/oz On residual 1.26moz*
BS Nickel Resource	16.7	0.006	*10% of POS22 NPV*
Mt Thirsty	2.0	0.001	*Mcap of JV partner*
Nimbus	11.8	0.004	*A$0.90/oz AgEq peers discounted by 67%*
Regional Exploration	0.0	0.000	*N/A at this stage*
Investments	3.3	0.001	
Corporate G&A	-22.4	-0.008	*1yr fwd incl exploration, interest & C&M*
Cash	34.2	0.012	
Debt	-5.8	-0.002	
Total	493.3	0.169	
Variance to SP		239%	

Source: RaaS estimates

Sensitivities

In resources investing, we think sensitivity analysis is an important tool for investors to assess the range of outcomes from changes in the key assumptions that drive the value of resources companies. Below we show the sensitivity to the gold price, discount rate, and FX rate for Black Swan and NAV.

Exhibit 21: Gold price vs. discount rate sensitivity for Black Swan

Gold USD	2,050	2,200	2,350	2,500	2,650	2,800	2,925	3,100	3,250	3,400	3,550	3,700	3,850
Gold AUD	3,154	3,385	3,615	3,846	4,077	4,308	4,500	4,769	5,000	5,231	5,462	5,692	5,923
10%	63.9	115.1	166.3	217.5	268.6	319.8	362.5	422.2	473.4	524.5	575.7	626.9	678.1
11%	59.8	109.2	158.6	207.9	257.3	306.6	347.7	405.3	454.7	504.0	553.4	602.7	652.1
12%	56.0	103.6	151.2	198.9	246.5	294.1	333.8	389.3	437.0	484.6	532.2	579.8	627.4
13%	52.4	98.3	144.3	190.3	236.2	282.2	320.5	374.1	420.1	466.1	512.1	558.0	604.0
14%	48.9	93.3	137.7	182.1	226.5	270.9	307.9	359.7	404.1	448.5	492.9	537.3	581.7
15%	45.7	88.6	131.5	174.4	217.3	260.2	295.9	346.0	388.9	431.8	474.7	517.6	560.5
16%	42.7	84.1	125.6	167.1	208.5	250.0	284.6	332.9	374.4	415.9	457.3	498.8	540.3
17%	39.8	79.9	120.0	160.1	200.2	240.3	273.7	320.5	360.6	400.7	440.8	480.9	521.0
18%	37.1	75.9	114.7	153.5	192.3	231.1	263.4	308.7	347.5	386.3	425.1	463.8	502.6
19%	34.5	72.1	109.6	147.2	184.7	222.3	253.6	297.4	334.9	372.5	410.0	447.6	485.1
20%	32.1	68.5	104.8	141.2	177.6	213.9	244.2	286.6	323.0	359.3	395.7	432.1	468.4

Source: RaaS estimates

Exhibit 22: Gold price vs. FX rate sensitivity for Black Swan

Gold USD	2,050	2,200	2,350	2,500	2,650	2,800	2,925	3,100	3,250	3,400	3,550	3,700	3,850
Gold AUD	3,154	3,385	3,615	3,846	4,077	4,308	4,500	4,769	5,000	5,231	5,462	5,692	5,923
0.60	94.6	141.0	187.5	234.0	280.5	326.9	365.6	419.9	466.3	512.8	559.3	605.7	652.2
0.61	84.2	129.9	175.6	221.3	267.0	312.7	350.8	404.1	449.8	495.5	541.2	587.0	632.7
0.62	74.1	119.1	164.0	209.0	254.0	298.9	336.4	388.9	433.9	478.8	523.8	568.8	613.7
0.63	64.3	108.6	152.8	197.1	241.4	285.6	322.5	374.1	418.4	462.6	506.9	551.2	595.4
0.64	54.9	98.4	142.0	185.6	229.1	272.7	309.0	359.8	403.4	447.0	490.5	534.1	577.7
0.65	45.7	88.6	131.5	174.4	217.3	260.2	295.9	346.0	388.9	431.8	474.7	517.6	560.5
0.66	36.8	79.1	121.3	163.6	205.8	248.1	283.3	332.6	374.8	417.0	459.3	501.5	543.8
0.67	28.2	69.8	111.4	153.1	194.7	236.3	271.0	319.5	361.1	402.8	444.4	486.0	527.6
0.68	19.9	60.9	101.9	142.9	183.9	224.9	259.0	306.9	347.9	388.9	429.9	470.9	511.9
0.69	11.7	52.1	92.6	133.0	173.4	213.8	247.5	294.6	335.0	375.4	415.8	456.2	496.6
0.70	3.8	43.7	83.5	123.3	163.2	203.0	236.2	282.7	322.5	362.3	402.2	442.0	481.8

Source: RaaS estimates

Exhibit 23: Gold price vs. discount rate sensitivity for HRZ NAV

Gold USD	2,050	2,200	2,350	2,500	2,650	2,800	2,925	3,100	3,250	3,400	3,550	3,700	3,850
Gold AUD	3,154	3,385	3,615	3,846	4,077	4,308	4,500	4,769	5,000	5,231	5,462	5,692	5,923
10%	0.068	0.088	0.107	0.128	0.150	0.176	0.192	0.214	0.234	0.253	0.272	0.291	0.310
11%	0.067	0.086	0.105	0.125	0.147	0.171	0.187	0.209	0.227	0.246	0.264	0.283	0.302
12%	0.066	0.084	0.102	0.122	0.143	0.167	0.182	0.203	0.221	0.239	0.257	0.275	0.293
13%	0.065	0.083	0.100	0.119	0.140	0.163	0.178	0.198	0.216	0.233	0.250	0.268	0.285
14%	0.064	0.081	0.098	0.117	0.136	0.159	0.173	0.193	0.210	0.227	0.244	0.261	0.277
15%	0.063	0.080	0.096	0.114	0.133	0.155	0.169	0.188	0.205	0.221	0.237	0.254	0.270
16%	0.062	0.078	0.094	0.112	0.131	0.152	0.165	0.184	0.200	0.215	0.231	0.248	0.263
17%	0.061	0.077	0.093	0.110	0.128	0.148	0.162	0.180	0.195	0.210	0.226	0.241	0.257
18%	0.060	0.076	0.091	0.108	0.125	0.145	0.158	0.175	0.191	0.205	0.220	0.236	0.250
19%	0.059	0.075	0.089	0.106	0.123	0.142	0.155	0.172	0.186	0.201	0.215	0.230	0.244
20%	0.059	0.073	0.088	0.104	0.120	0.139	0.152	0.168	0.182	0.196	0.210	0.225	0.238

Source: RaaS estimates

Peer Comparison

We have constructed a peer set of 27 ASX-listed companies which comprises of emerging producers, similar scale developers and juniors with gold resources that also have the potential to monetise resources through toll treating or ore sale agreements.

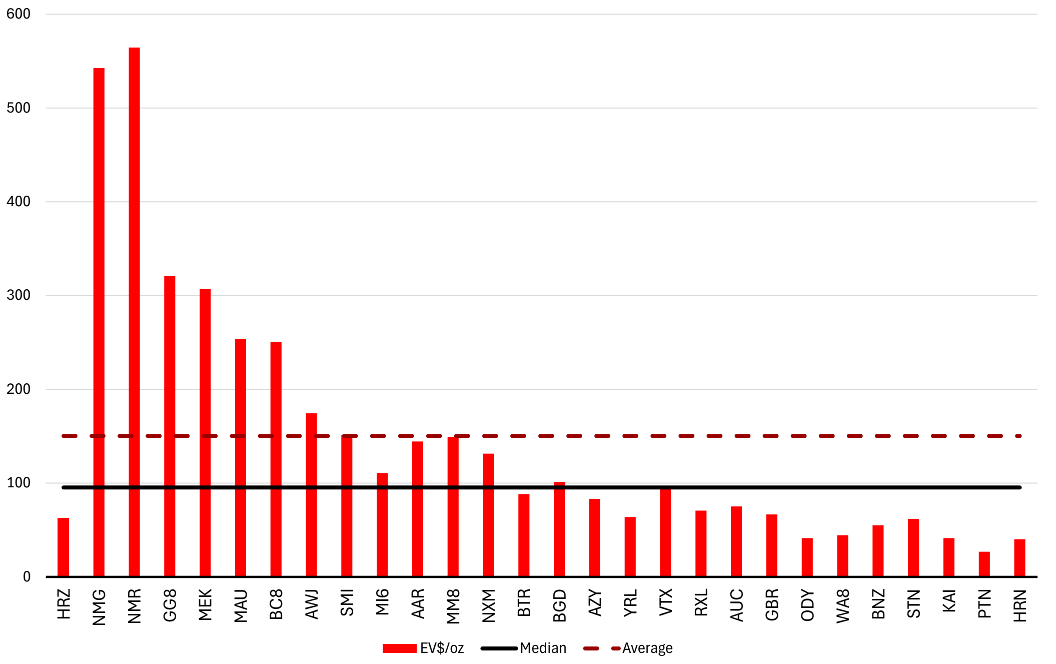
The median and average EV$/oz multiple on a global resource basis (M&I+I) is $85/oz and $136/oz respectively which is a premium to HRZ which trades on an overall multiple of $63/oz (assuming zero for non-gold resources).

We note that the cohort of companies that sit above the median and average comprise companies which have successfully produced via tolling [i.e. (ASX:AWJ)] or are in the construction phase of similar scale operations [i.e. (ASX:MEK) and (ASX:BC8)] or have resources with a higher proportion of measured and indicated resources. As such, we think the multiple ascribed to HRZ will increase as the company improves the quality of the resources through definition drilling and moves closer towards becoming a standalone producer via

Black Swan. For reference, we also note that since 2020 the average M&A multiple for ASX-listed gold is ~$88/oz (average is ~$140/oz).

We use the median in our SoTP valuation as it removes the skew in the average thus offering a more conservative value of HRZ's gold resources outside of the Black Swan mine plan.

Exhibit 24: EV/oz peer comparison



Source: LSEG prices as at 5 June, RaaS analysis

SWOT Analysis

In our view, the strengths and opportunities for HRZ outweigh the weaknesses and threats as detailed in Exhibit 25.

Exhibit 25: SWOT

Strengths	Opportunities
Proven ability to take advantage of high gold prices	Exploration funded can drive resource conversion & expansion
Streamlined pathway to become a standalone producer	Further M&A opportunities
Operates in a top tier mining jurisdiction	

Weaknesses	Threats
Gold resources comprised of smaller relatively higher cost mines	Strategy requires gold prices remaining relatively higher for longer
Near term cashflows reliant on third party groups	

Source: RaaS analysis

Key Risks

Gold Market & Price

The price cycle for gold can be volatile and experience deep and prolonged drawdowns that can result in reduced profitability, investment flows and mine closures. Given current dynamics, gold pricing is widely expected to remain elevated compared to history which should create a favourable window for HRZ to transform itself into a standalone producer through the restart of the Black Swan plant.

Exploration & Mining Risk

There is a risk that the mining outcomes of HRZ gold resources may differ to that expected from resource modelling in the MRE which would impact the sourcing and sequencing of a mine plan to underpin the Black Swan restart. We note HRZ is derisking this through the company's current FY25/26 exploration programme which will focus on infill and resource-definition drilling.

Cost Risks

Mining cost inflation for both capex and opex has been significant in the past four years and whilst it appears to have moderated within the last year, there remains a risk of further inflation, particularly as the gold sector is going through a period of elevated activity due to the higher gold price. Further and unexpected future inflation in costs would likely have a negative impact on the economics for further toll mining campaigns or the restart of the Black Swan plant.

Capital Market & Financing Risk

Whilst the sentiment of capital markets towards gold is improving there is no guarantees this will persist for a long period of time, particularly if the gold price were to go through a substantial correction. In the event sentiment was to change, this would make it harder and/or more expensive to secure both equity and debt funding, which could hamper the ability of the company to fund the restart of the Black Swan plant.

Development Risk

There is a risk that the restart of the Black Swan plant may not go smoothly resulting in a blowout in the timeline and cost to the refurbishment, which would result in delays to production and further capital required to complete the refurbishment. In recent years, WA has been a tougher region to develop projects on time and on budget, although this risk may be somewhat reduced given the reduction of activity in other commodities such as nickel and lithium.

Technical Risk

The Black Swan plant has only produced nickel in its history and whilst prior study work has suggested it can be converted to produce gold, there is no guarantee that future study work will draw the same conclusion that it can be done, thus impacting HRZ's goal to become a standalone gold producer. The case may be that the mill cannot achieve the targeted nameplate capacity of 1.5mtpa which would reduce the scale and profitability of gold production.

Political Risk

Whilst a low risk, every so often there is a discussion about adjusting state royalty rates. The WA state government last considered lifting the gold royalty from 2.5% to 3.75% in 2017. This risk can manifest in legislation changes such as WA's recent change to native title rules which requires new negotiated agreements. This has the challenge of increasing the costs to get to mining as well as potentially driving further royalty payments to native title groups. In an extreme, the inability to negotiate may slow or stop the progress of project development.

Board and Management

Directors

Ashok Parekh, Non-Executive Chairman, is a chartered accountant, with over 40 years' experience and has owned and operated a large accounting practice in Kalgoorlie for 33 years. He has over 33 years' experience in providing advice to operators across the mining industry in addition to negotiating with public listed companies and prospectors on mining deals which have resulted in IPOs and the commencement of new gold mining operations. He has also been involved in the management of gold mining and milling companies in the Kalgoorlie region including as Manging Director. Ashok was the Executive Chairman of ASX-listed A1 Consolidated Gold Limited (ASX:AYC) from 2011 to 2014 and was appointed Chairman of OzAurum Resources Ltd (ASX:OZM) in May 2025.

Warren Hallam, Non-Executive Director, is highly-experienced metallurgist and mineral economist with extensive operational and executive experience and expertise in financing, developing and operating of base metal (copper, nickel, tin) and gold projects within Australia. He has held numerous board and senior executive positions within the resources sector including directorships, notably with Westgold Resources Limited (ASX:WGX) and Metals X Limited (ASX:MLX).

Rob Waugh, Non-Executive Director, has more than 35 years' experience in the resources sector with the majority in gold and base metals, which includes senior exploration management roles at major mining companies. Most notably, Rob was previously the Managing Director of Musgrave Minerals Ltd (ASX:MGV) which made several gold discoveries and was ultimately acquired by Ramelius Resources Ltd (ASX:RMS) in late 2023 for $200m. Rob is currently a Non-executive Director with Future Battery Minerals Ltd (ASX:FMB) and Caprice Resources Ltd (ASX:CRS).

Grant Haywood, Managing Director and CEO, is a mining engineer with over 30 years' experience in underground and open-cut mining operations and has managed mining projects in senior leadership positions from feasibility through to development and operations predominantly in the Western Australian goldfields for junior and multinational gold mining companies including Phoenix Gold, Saracen Mineral Holdings and Gold Fields Ltd. Prior to becoming MD and CEO in 2023, Grant was HRZ's COO.

Management

Julian Tambyrajah, CFO and Co-Sec , is a global mining finance executive with over 25 years' experience including 18 years at the CFO and Company Secretary level and has covered several areas of finance/commercial areas such as treasury, financing, accounting, systems, supply and logistics, business development, M&A, investor relations, project evaluation, feasibility studies, construction and operations management for small and large companies. He is a qualified Accountant (CPA) and Chartered Company Secretary (ACIS/AGIA).

Stephen Guy, Chief Geologist, is a geologist with over 25 years of experience in the mining industry, specialising in exploration, production and project start-ups for both open-pit and underground operations covering a diverse range of commodities, including gold, copper, nickel, base metals and iron ore. His experience has predominately been within Australia working for both large and junior mining companies.

Exhibit 26: Financial Summary

HORIZON MINERALS LIMITED		HRZ		
YEAR END		Dec		
NAV	A$mn	493		
SHARE PRICE	A$cps	0.049	*Last close*	5-Jun
MARKET CAP	A$mn	142		
ORDINARY SHARES Fd	M	2,889		
OPTIONS & RIGHTS	M	122		

nm = not meaningful
na = not applicable

PROFIT & LOSS	A$000s	2024	2025F	2026F	2027F
Revenue		0	25,719	170,953	146,360
Cost of sales		0	(28,412)	(106,977)	(68,301)
Gross Profit		**0**	**(2,692)**	**63,977**	**78,059**
Other revenue		0	0	0	0
Other income		6,936	410	797	2,870
Exploration		(1,197)	(2,726)	(11,534)	(13,000)
Finance costs		(1,691)	(1,468)	(699)	(4,538)
Impairment		(419)	0	0	0
Other expenses		(7,086)	(7,528)	(9,090)	(23,089)
EBIT		(1,767)	(12,536)	44,150	44,840
Profit before tax		**(3,457)**	**(14,004)**	**43,451**	**40,303**
Taxes		0	(1,696)	(11,936)	(12,584)
NPAT Reported		**(3,457)**	**(15,700)**	**31,515**	**27,718**
Underlying Adjustments		(4,260)	1,309	0	0
NPAT Underlying		**802**	**(17,009)**	**31,515**	**27,718**
CASHFLOW	**A$000s**	**2024**	**2025F**	**2026F**	**2027F**
Operational Cash Flow		**(4,365)**	**(7,468)**	**62,704**	**34,495**
Net Interest		143	208	229	410
Tax Expense		(75)	(80)	(6,816)	(12,260)
Other		0	0	0	0
Net Operating Cashflow		**(4,296)**	**(7,339)**	**56,117**	**22,646**
Exploration		(1,969)	(1,124)	0	0
PP&E		(857)	(313)	(44,679)	(27,340)
Capitalised Mining		0	0	(14,577)	(53,743)
Net Asset Sales/Other		6,574	1,055	0	0
Net Investing Cashflow		**3,748**	**(382)**	**(59,256)**	**(81,082)**
Dividends Paid		0	0	0	0
Net Debt Drawdown		0	0	30,644	26,023
Equity Issues/(Buyback)		0	24,172	17,108	0
Other		0	(808)	(765)	(4,603)
Net Financing Cashflow		**0**	**23,364**	**46,987**	**21,420**
Net Change in Cash		**(548)**	**15,643**	**43,847**	**(37,017)**
BALANCE SHEET	**A$000s**	**2,024**	**2025F**	**2026F**	**2027F**
Cash & Equivalents		4,290	19,933	63,780	26,764
Inventories		0	16,358	0	0
Total Assets		**58,931**	**103,914**	**187,660**	**224,800**
Debt		8,195	7,235	37,879	66,511
Total Liabilities		**37,089**	**16,450**	**49,532**	**84,692**
Total Net Assets/Equity		**21,842**	**87,464**	**138,128**	**140,108**
Net Cash/(Debt)		(3,905)	12,697	25,901	(39,747)

PRODUCTION METRICS		2024	2025F	2026F	2027F
Gold	koz	0.0	10.1	36.7	39.0
Other		0	0	0	0
TOTAL	**koz**	**0**	**10**	**37**	**39**
Product Revenue	A$mn	0.0	25.7	165.1	175.6
AISC	A$mn	0.0	(23.9)	(107.0)	(107.0)
Ave Price Realised	A$/oz	0.0	2,549.4	4,500.0	4,500.0
AISC	A$/oz	0.0	-2,367.5	-2,916.3	-2,742.6
Margin		**0.0**	**181.9**	**1,583.7**	**1,757.4**

COMMODITY ASSUMPTIONS		2024	2025F	2026F	2027F
Realised gold price	US$/oz	2,078	2,831	2,925	2,925
Realised gold price	A$/oz	3,170	4,374	4,500	4,500
Exchange Rate	A$:US$	0.6556	0.6472	0.6500	0.6500

RESOURCES		Measured	Indicated	Inferred	Total
Kal Gold	Tonnes (Mt)	1.31	15.74	13.66	30.71
	Grade (gpt)	1 .34	1.85	1.85	1.83
	Ounces (koz)	56.3	935.1	811.4	1802.8
Nimbus	Tonnes (Mt)	3.62	3.18	5.28	12.08
	Grade (AgEq gpt)	143.5	93.2	61.5	94.4
	Ounces (Moz)	16.7	9.5	10.4	36.7
Nickel	Tonnes (Mt)	1.48	20.10	15.20	36.78
	Grade (NiEq%)	0.84%	0.98%	1.03%	1.00%
	Tonnes (NiEq kt)	13.2	148.6	142.0	345.7

PRODUCTION		2024	2025F	2026F	2027F
Kal Gold	Mined Tonnes (Mt)	0.0	519.4	720.0	1,075.0
	Processed Tonnes (Mt)	0.0	350.6	928.4	825.0
	Grade (gpt)	0.00	0.97	1.33	1.63
	Recovery	0.0%	92.5%	92.5%	90.0%
	Ounces (koz)	0.0	10.1	36.7	39.0

EQUITY VALUATION		Low	Base	High
Gold price (A$)		3,615	4,500	5,462
Black Swan		131.5	295.9	474.7
Toll & Ore Sale		30.2	50.1	70.1
Residual Gold Resource		85.9	107.4	102.0
Other Assets		25.5	33.9	50.6
Corporate G&A		-22.4	-22.4	-22.4
Net Cash		28.4	28.4	28.4
Total		279.1	493.3	703.3
Per Share		0.097	0.171	0.243
Shares on Issue Fd	2,889 mn			

RATIO ANALYSIS		2024	2025F	2026F	2027F
Shares Outstanding (WAV)	M	714	1,801	2,889	2,914
EPS Stat		(0.48)	(0.87)	1.09	0.95
EPS Adj	cps	0.11	(0.94)	1.09	0.95
PER	x	43.6x	na	4.5x	5.2x
OCFPS	cps	(0.61)	(0.41)	2.17	1.18
CFR	x	na	na	2.3x	4.1x
BVPS	cps	na	na	na	na
Price/Book	x	na	na	na	na
ROE	%	-16%	-18%	23%	20%
ROA	%	-6%	-15%	17%	12%
Gross Profit/share	Acps	6.6	3.7	22.1	26.8
EBITDA	A$M	2.5	(15.5)	46.3	58.9
EBITDA Ratio	%	na	-60.1%	27.1%	40.2%

Source: Company data, RaaS estimates for 2025f-2027f

FINANCIAL SERVICES GUIDE

RaaS Research Group Pty Ltd

ABN 99 614 783 363

Corporate Authorised Representative, number 1248415, of

BR SECURITIES AUSTRALIA PTY LTD; ABN 92 168 734 530; AFSL 456663

Effective Date: 26th March 2024

About Us

BR Securities Australia Pty Ltd (BR) is the holder of Australian Financial Services License ("AFSL") number 456663. RaaS Research Group Pty Ltd (RaaS) is an Authorised Representative (number 1248415) of BR.

This Financial Service Guide (FSG) is designed to assist you in deciding whether to use RaaS's services and includes such things as who we are, our services, how we transact with you, how we are paid, and complaint processes

Contact Details, BR and RaaS

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RaaS is the entity providing the authorised AFSL services to you as a retail or wholesale client.

What Financial Services are we authorised to provide? RaaS is authorised to

- provide general advice to retail and wholesale clients in relation to
  - Securities

The distribution of this FSG by RaaS is authorized by BR.

Our general advice service

Please note that any advice given by RaaS is general advice, as the information or advice given will not take into account your particular objectives, financial situation or needs. You should, before acting on the advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a particular financial product you should read any relevant Prospectus, Product Disclosure Statement or like instrument. As we only provide general advice we will not be providing a Statement of Advice. We will provide you with recommendations on securities.

How are we paid?

RaaS earns fees for producing research reports about companies we like, and/or producing a financial model as well. When the fee is derived from a company, this is clearly highlighted on the front page of the report and in the disclaimers and disclosures section of the report. Sometimes we write reports using our own initiative.

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BR, RaaS, its directors and related parties have no associations or relationships with any product issuers other than when advising retail clients to invest in managed funds when the managers of these funds may also be clients of BR. RaaS's representatives may from time to time deal in or otherwise have a financial interest in financial products recommended to you but any material ownership will be disclosed to you when relevant advice is provided.

Complaints

If you have a complaint about our service, you should contact your representative and tell them about your complaint. The representative will follow BR's internal dispute resolution policy, which includes sending you a copy of the policy when required to. If you aren't satisfied with an outcome, you may contact AFCA, see below.

BR is a member of the Australian Financial Complaints Authority (AFCA). AFCA provide fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au; Email: info@afca.org.au; Telephone: 1800931678 (free call)

In writing to: Australian Financial Complaints Authority, GPO Box 3, Melbourne, VIC, 3001.

Professional Indemnity Insurance

BR has in place Professional Indemnity Insurance which satisfies the requirements for compensation under s912B of the Corporations Act and that covers our authorized representatives.

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Assessment of risk can be subjective. Portfolios of equity investments need to be well diversified and the risk appropriate for the investor. Equity investments in listed or unlisted companies yet to achieve a profit or with an equity value less than $50 million should collectively be a small component of a balanced portfolio, with smaller individual investment sizes than otherwise.

The science of climate change is common knowledge and its impacts may damage the global economy. Mitigating climate change may also disrupt the global economy. Investors need to make their own assessments and we disclaim any liability for the impact of either climate change or mitigating strategies on any investment we recommend.

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