

29 August 2025

Horizon Minerals Ltd

Update confirms pre-feasibility study on track

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 released an update covering progress on the workstreams supporting the pre-feasibility study (PFS) on the restart of the Black Swan plant. The preliminary work is supportive of the plant being able to run at the targeted nameplate of 1.5mtpa based on the characteristics of the gold ore that will be processed through the plant. HRZ noted that it intends to declare a Final Investment Decision (FID) based on the outcomes of the PFS and scoping study work on Burbanks.

Business model

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 our [initiation 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. Since then, HRZ has shown the potential to refurbish the Black Swan plant to produce gold, targeting a throughput rate of ~1.5mtpa with an aspiration to produce up to ~100kozpa for five years.

The News: Black Swan pre-feasibility study update

HRZ released an [update](#) on the progress of the PFS work for Black Swan with several preliminary outcomes being detailed. On the plant side:

- A trade-off study identified three options for refurbishing the comminution circuit being single-stage crush and SAG (Semi-Autogenous Grinding), single-stage crush plus SAG and ball mill, and three-stage crush plus ball mill. Of the options, one and two are the most likely to be selected given both options can handle variable and blended ore feeds. We think that option two may end up being selected to maximise plant flexibility to process a wider variety of ores and support future expansion optionality.
- Initial work by GR Eng. Services has shown a throughput of 1.5mtpa is possible at the optimal grind size of 106 microns (P80). We note this grind level was the target output in POS's 2022 feasibility study and a grind size that the mill has operated at previously.
- Initial ore analysis from Orway Minerals Consultants showed that characteristics of HRZ's resources are typical of Kal-style gold (BWi <18kWh/t) and supportive of the of the plant being able to operate at a throughput of 1.5Mtpa.

On the mining side:

- The consultant, Mining Plus, has assessed and ranked the 24 mines that could supply ore to the plant, with a subset selected for more advanced analysis to design a mine plan optimising produced ounces processing at 1.5mtpa for five years.
- Burbanks remains the main "gap" in any mine plan and requires further drilling and metallurgical testing which is part of HRZ's current exploration on the project. The mining study for Burbanks will, for now, be the only one done to a scoping level.

HRZ's aim to declare FID based on the PFS and Burbanks' scoping study is consistent with our assumed timelines and would enable the plant to start operating by the end of CY26. Based on the update, we think the initial work continues to validate the case that HRZ can deliver a feasibility study that can support a mining operation of 1.5mtpa. With more comfort around the engineering outcomes for the plant, the key focus will be on the outcomes of the mine planning work and what level of gold production can be achieved.


Valuation remains unchanged at \$0.175/share

Post-update, we have not made any changes to our modelling assumptions and as such, we maintain our valuation of HRZ at \$0.175/share on a fully diluted basis, which is a premium of 249% to the current share price.

Share Details

ASX code	HRZ
Share price (28-Aug)	\$0.049
Market capitalisation	\$141.6M
Shares on issue	2,888.9M
Net cash at 30-Jun-25	PF \$27.1M
Free float	~79.3%
Avg. daily volume (12 mths)	5.1M

Share Price Performance (12-months)



Upside Case

- Gold price continues to rise
- Black Swan Plant capable of producing at throughput rates above 1.5mtpa
- 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

Catalysts

- Cash-flow inflection from mining at Boorara
- Ongoing drilling at Burbanks
- PFS for Black Swan refurbishment
- Further M&A or asset divestments

RaaS Initiation Report

[Horizon Minerals RaaS Initiation 6 June 2025](#)

RaaS Stock Take Webinar Link

[Horizon Minerals RaaS Stock Take Webinar](#)

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