HORIZON MINERALS LTD

2019

ANNUAL REPORT

CONTENTS

About Horizon Minerals Limited

Horizon is an emerging mid-tier gold producer with high quality projects located in the heart of the West Australian goldfields. The Company is led by a Board and Management team with deep experience developing and operating successful gold mines within the Kalgoorlie region.

Horizon has a large tenement holding which hosts over a million ounces of gold in Resources and has significant open cut and underground growth potential.

Corporate Governance

The Company has adopted the 3rd Edition of the ASX Corporate Governance Recommendations. A summary statement which has been approved by the Board together with current policies and charters is available on the Company website at the following address www.horizonminerals.com.au.

CORPORATE PARTICULARS

BOARD OF DIRECTORS

Chairman	Peter Bilbe
Managing Director	Jonathan Price
Non-Executive Director	Ashok Parekh
Non-Executive Director	Jeff Williams

CHIEF OPERATING OFFICER

Grant Haywood

COMPANY SECRETARY

Bianca Taveira

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

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PO Box 1104
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SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 11
172 St Georges Terrace
PERTH WA 6000

Telephone 1300 787 272

AUDITORS

Rothsay Auditing
Level 1, Lincoln House
4 Ventnor Avenue
WEST PERTH WA 6005

Telephone 08 9486 7094

STOCK EXCHANGE LISTING

Australian Securities Exchange
Home Exchange: Perth
Code: HRZ (formerly IRC)

CHAIRMAN AND MANAGING DIRECTOR'S REVIEW

Dear Shareholder

The 2019 financial year has been one of significant growth for the Company and a year with improving sentiment and commodity prices for the resources sector in general.

With continuing concerns around the global economy, trade wars and increased geopolitical tension, the safe haven of gold has seen a marked increase in the US$ gold price and record A$ gold prices with the decrease in the Australian dollar. Sentiment has improved across the sector with the larger producers reaching all time high share prices and investment interest now turning to the emerging producers and quality explorers.

Locally, Western Australia and the goldfields region has had another exceptional year with the mid-tier producers reporting continued record production, cash balances and performance metrics putting them well and truly on the world stage. Whereas organic growth had been the focus in 2018, more corporate activity is now clearly evident with the larger cashed up companies completing major acquisitions both domestically and overseas. The trend of the larger companies entering joint ventures with smaller developers and explorers has also continued in what remains a challenging capital market for juniors.

The Company has made significant progress during the year with the successful merger with MacPhersons Resources Limited and a number of successful drilling campaigns across the portfolio. On the back of the merger, the Company has re-branded itself to Horizon Minerals Limited with the goal of becoming the regions next gold producer. No capital raisings were required during the year and the Company remains in a strong financial position to self-fund future organic growth.

A number of highly successful drilling campaigns totalling 37,356m were completed across the Company's existing and newly acquired tenure and our Resource position has grown 54% to 667,500 ounces. With the addition of the large scale Boorara project 15km east of Kalgoorlie from the merger, Horizon's Resource now totals over 1.2Moz.

Drilling was completed at the Anthill, Teal, Blister Dam, Olympia, Scotia and Windanya prospects with excellent results culminating in both resource growth, new maiden resources and successful testing of high priority new regional targets. This has enabled mine evaluation work to be completed as part of the consolidated Feasibility Study due in mid-2020 and provided a number of follow up targets for drilling in FY20.

The Company continued to work on the potential acquisition of the Coolgardie gold project after entering an Exclusivity Deed with Focus Minerals in February 2019. A number of divestments were also completed including the sale of our interest in Lehman's to Saracen for A$2.5 million in cash and a royalty. Subsequent to year end, the Menzies and Goongarrie gold projects were also divested for a total consideration of A$8 million.

Existing joint ventures with AXF Vanadium and Mithril Resources progressed during the year as did discussions with new potential partners that can provide mutual benefit. The Joint Venture with AXF covering the world class 2.6Bt Richmond Vanadium project has generated considerable excitement with the development of Vanadium redox flow batteries and we look forward to AXF completing detailed metallurgical testwork to advance the project to commercialisation.

We'd like to take the opportunity to thank all our Board members, staff, contractors and you, our shareholders, for your support during the year. We would also like to acknowledge Peter Hunt's retirement as a director, after providing outstanding service to the company spanning a 30 year period, and wish him well in his future endeavours. A special thank you and welcome to our new Board members Ashok Parekh and Jeff Williams and the MacPhersons team on site at Boorara.

The Horizon team look forward to keeping you fully informed as the business grows in what will be another very exciting year ahead.

JON PRICE	***PETER BILBE***
Managing Director	***Chairman***

27 September 2019, Perth, WA

OPERATIONS REPORT

CORPORATE

ISSUED CAPITAL

At 30 June 2019, Horizon Minerals Limited had 427,975,200 fully paid ordinary shares on issue.

COMPANY INVESTMENTS

At 30 June 2019, Horizon held 7,151,109 fully paid ordinary shares and 595,926 listed options exercisable at 24 cents on or before 30 June 2021 (ASX: RWDOA) in Reward Minerals Ltd (ASX: RWD) valued at approximately $605,461.

At 30 June 2019, the Company had cash on hand of approximately $5.086M.

MERGER WITH MACPHERSONS RESOURCES LTD

As announced to the ASX on 11 and 14 December 2018, Horizon (formerly Intermin) and MacPhersons Resources Limited (MacPhersons) (ASX: MRP) executed a Merger Implementation Agreement (MIA) to combine the two companies by way of a Scheme of Arrangement, subject to MacPhersons shareholder and court approval.

This Scheme of Arrangement was approved by MacPhersons shareholders on 31 May 2019 and the Supreme Court of Victoria on 6 June 2019, and was implemented on 14 June 2019.

As a result, MacPhersons is now a wholly owned subsidiary of Horizon (formerly Intermin), with the transaction enabling the creation of a new emerging mid-tier gold production business named Horizon Minerals Limited (as approved by Intermin shareholders on 24 July 2019) with a significant asset portfolio and an expedited pathway to production. The consolidation of the baseload Boorara project (Figure 2), with approvals in place and the higher grade surrounding projects within easy trucking distance provides the critical mass to underpin an expedited mine development and production pathway.

In accordance with the Scheme, Horizon (formerly Intermin) has issued 192,586,736 fully paid ordinary shares ("shares") as consideration for the transfer of MacPhersons shares under the scheme to Horizon (formerly Intermin). Out of those 192,586,736 Horizon (formerly Intermin) shares issued, 2,754,384 were issued to the sale agent to sell on behalf of ineligible foreign shareholders (refer to the Scheme Booklet released to the ASX by MacPhersons on 17 April 2019 for further details). This process is now complete.

Normal trading of these new Horizon (formerly Intermin) shares commenced on Monday 17 June 2019.

Horizon (formerly Intermin) has also granted 2,743,184 unlisted options, each exercisable at $0.2912 on or before 9 December 2019 and 219,456 unlisted options, each exercisable at $0.6988 on or before 28 February 2020, in consideration for the cancellation of all MacPhersons options that were on issue as at 14 June 2019.

Following the completion of the merger, Horizon (formerly Intermin) has commenced integration of the assets into a consolidated Feasibility Study due for completion in the first half of 2020. As part of the Study, an updated independent Mineral Resource estimate for Boorara is being compiled together with mine optimisation and design work to generate Ore Reserves and an initial mine development and production plan.

POTENTIAL ACQUISITION OF THE COOLGARDIE GOLD PROJECT

As announced to the ASX on 11 February 2019, the Company entered into an Exclusivity Deed for the potential acquisition of the Coolgardie gold project from Focus Minerals including the 1.2Mtpa Three Mile Hill processing plant currently on care and maintenance. At year end, both companies continued to progress formal documentation and required approvals and, as announced to the ASX on 2 July 2019, extended the exclusivity period by 3 months.

As the potential transaction remains subject to the negotiation of, and entry into, formal documentation and the receipt of necessary approvals, there remains no assurance that the potential transaction will proceed. Neither Focus nor Horizon is under any obligation to proceed with the potential transaction or to enter into the formal documentation unless they are satisfied in all respects with the terms and conditions of the formal documentation.

OPERATIONS REPORT

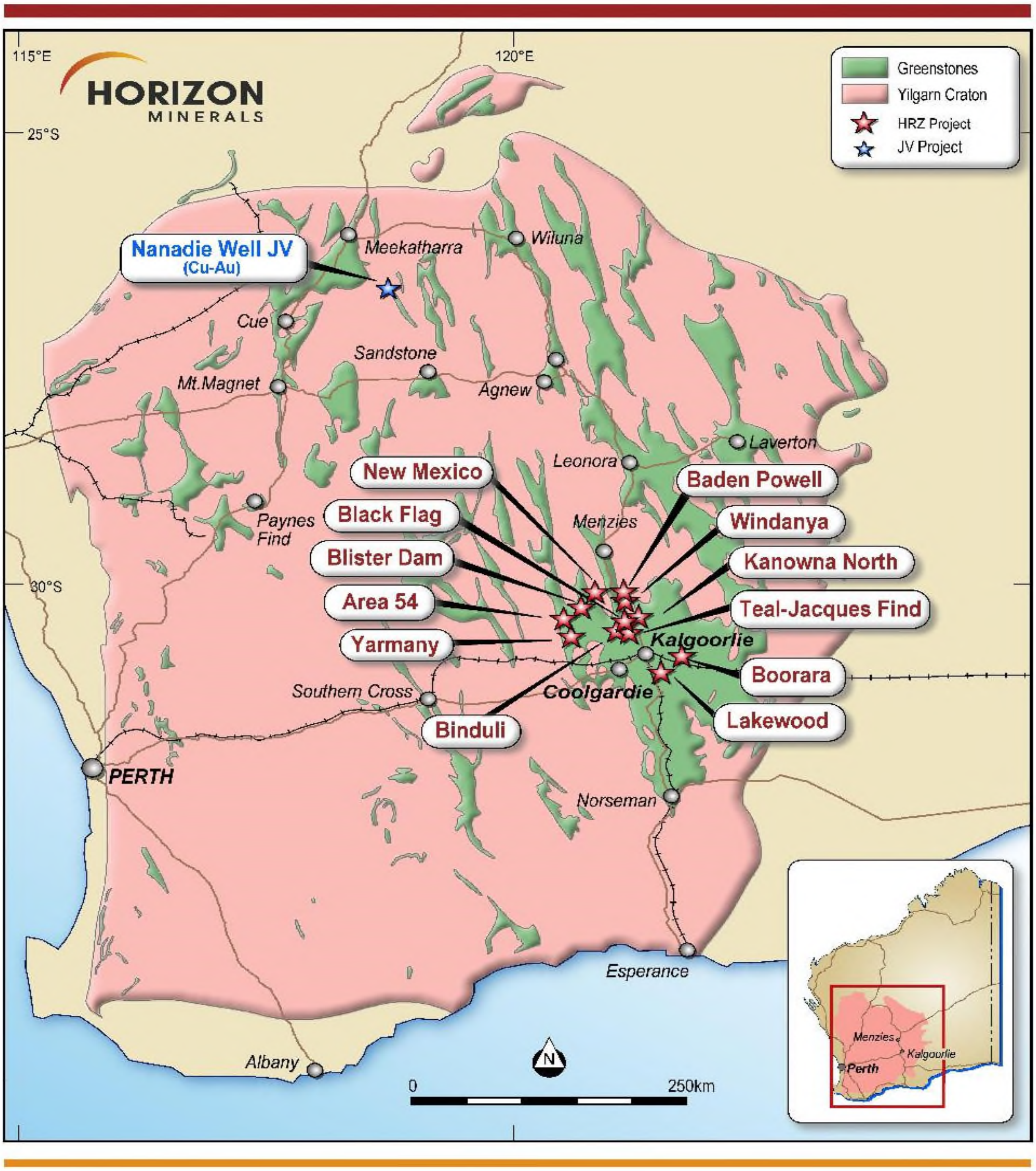
EXPLORATION AND DEVELOPMENT

OVERVIEW

The Company continued to advance and build up its gold project portfolio in Western Australia. In addition, the Company's joint venture partners were active across multiple earn in projects including the exciting Richmond vanadium project in Queensland. This year, self-funded mine evaluation and exploration were the main focus as part of the consolidated Feasibility Study post-merger and the regional drilling programs across the portfolio.

The locations of all WA projects are shown in Figure 1.

Figure 1
Horizon Minerals Ltd WA Projects 2019

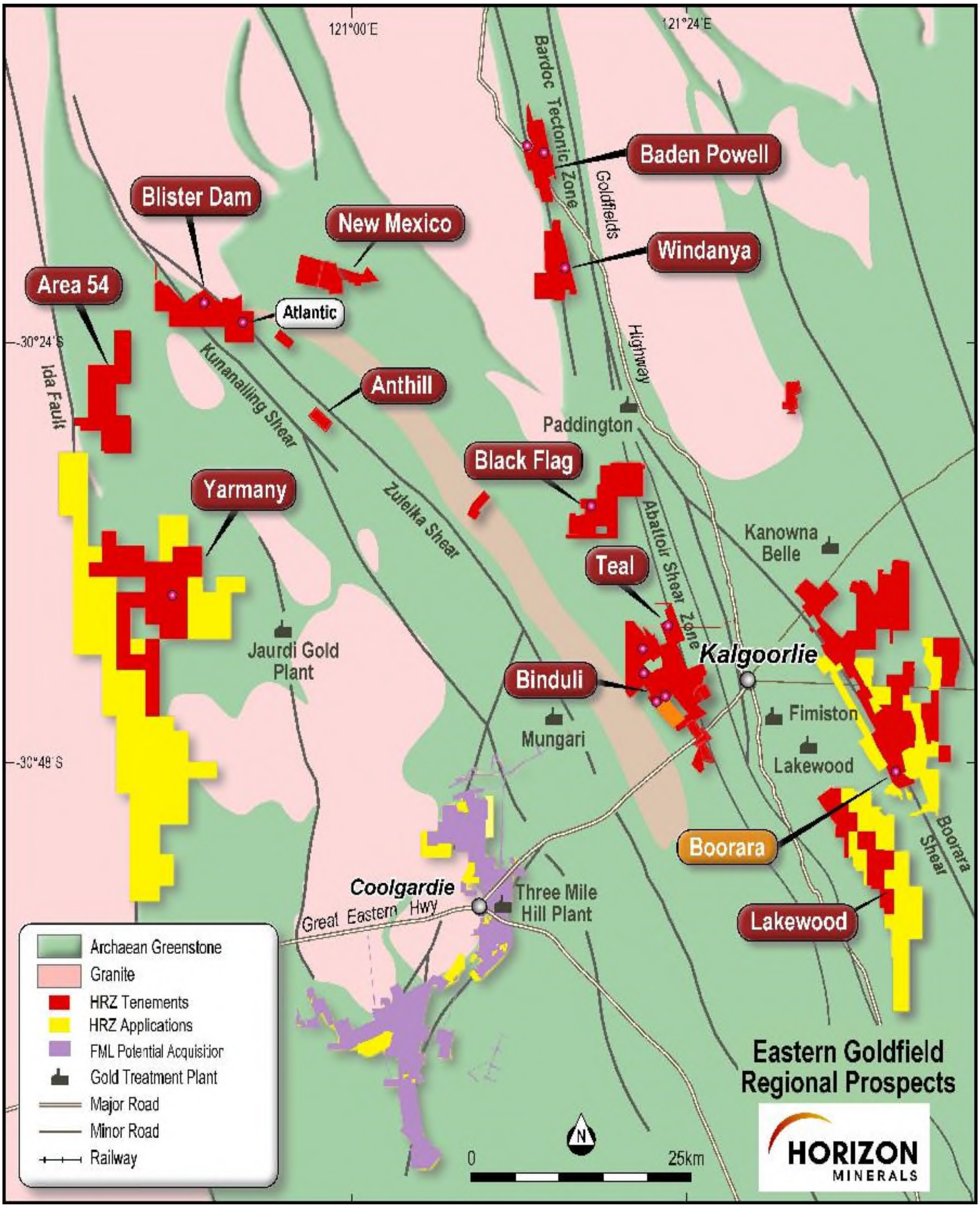


OPERATIONS REPORT

The Company operates 100% owned gold projects in the Kalgoorlie and Coolgardie Regions and has earn-in joint ventures at the Nanadie Well copper-nickel project and the Richmond vanadium project located in Queensland. Over 37,350m of drilling was completed during the 2019 financial year.

New gold acquisitions to expand the Kalgoorlie and Coolgardie area portfolio included the Lakewood, Yarmany and Boorara gold projects (Figure 2). Technical programs on these projects included data compilation, exploration targeting and geological modelling. Key activities conducted during the year are outlined below.

Figure 2
Horizon Minerals Ltd Kalgoorlie Area Gold Projects Location Map



OPERATIONS REPORT

TEAL GOLD PROJECT AREA

The Teal project area comprises the 100% owned Teal gold mine and Peyes Farm development project and the new Jacques Find, Yolande and Wills Find discoveries. During the year, activities focussed on resource extension drilling and new discovery drilling beyond existing resource envelopes.

TEAL GOLD PROJECT – MINING AND DEVELOPMENT

The Teal gold mine is located 12km northwest of Kalgoorlie in Western Australia (Figure 2). Mining commenced in October 2016 and was completed in March 2018. Final ore processing was completed in June 2018 with mine site rehabilitation and mine closure in July 2018 (Figure 3).

Figure 3
Horizon Minerals Ltd Waste dump rehabilitation and seeding at the Teal gold mine

TEAL GOLD PROJECT AREA – EXPLORATION

Horizon (formerly Intermin) undertook a comprehensive resource RC drill program in 2018 at Teal, Jacques Find, Peyes Farm and Yolande. Drilling activities at Teal were concluded June 2018. In total 23,510m were drilled as part of the planned 55,000m program. A final summary of results from the programs were announced to the ASX on 19 September 2018 and shown below:

- *10m @ 6.70g/t Au from 60m and 8m @ 5.70g/t Au from 64m*
- *8m @ 5.28g/t Au from 64m and 6m @ 6.69g/t Au from 91m*
- *3m @ 10.28g/t Au from 102m and 8m @ 10.31g/t Au from 123m*
- *13m @ 2.78g/t Au from 90m and 11m @ 2.77g/t Au from 73m*
- *6m @ 4.72g/t Au from 54m and 6m @ 4.34g/t Au from 42m*
- *37m @ 2.16g/t Au from 90m and 9m @ 4.45g/t Au from 118m*
- *7m @ 4.47g/t Au from 34m and 12m @ 2.33g/t Au from 105m*

Subsequent to this, 555m of resource extension/new discovery drilling was then completed as part of the 11,000m 2019 campaign.

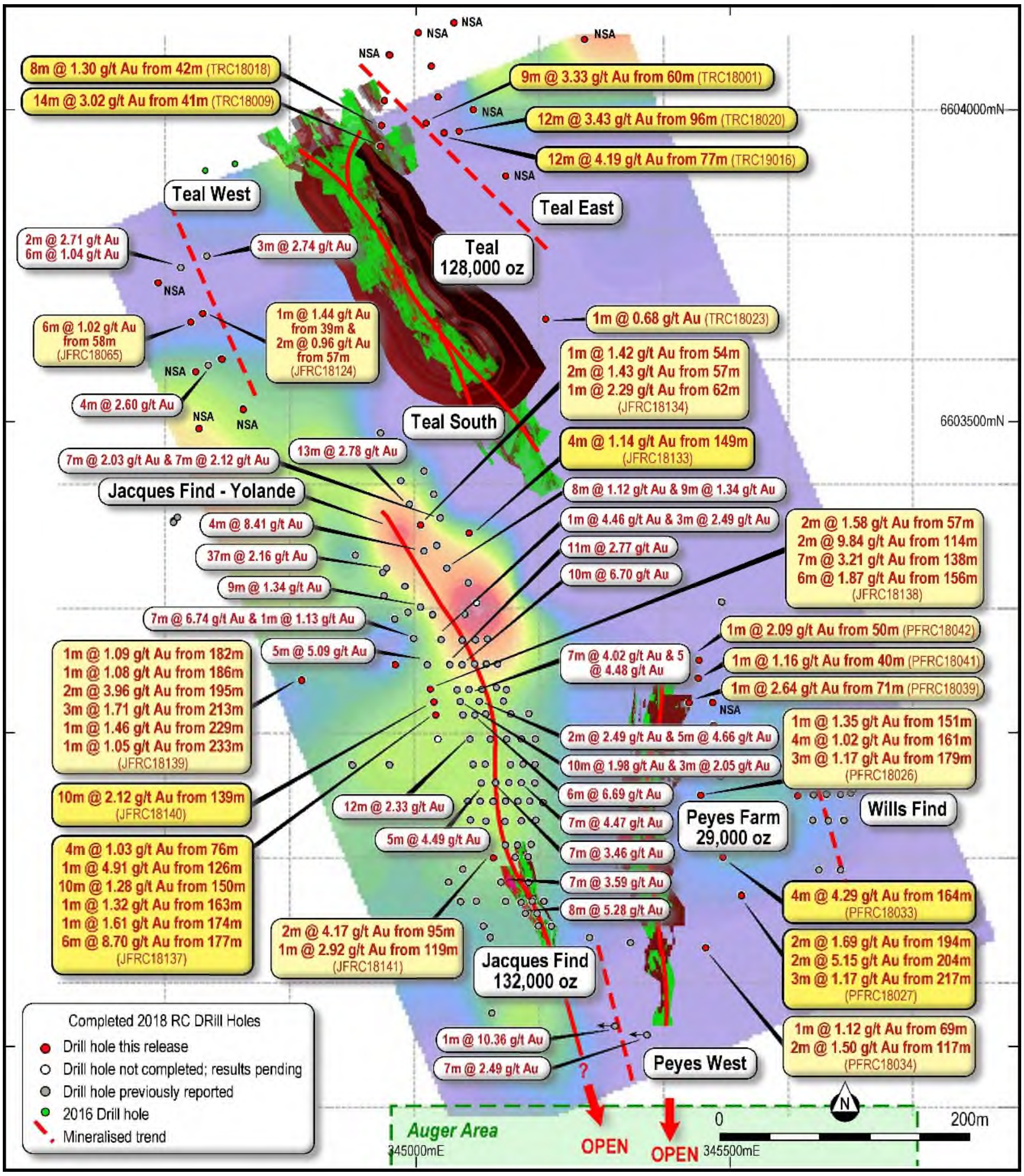
The drilling programs have been highly successful in extending mineralisation both along strike and at depth with four parallel mineralised structures identified along a 2km strike zone. Mineralisation remains open in all directions with new targets identified from a large scale auger program to the south. Reconnaissance drilling intercepted mineralisation to both the east and west of the Teal open pit and will be followed up in FY20.

As announced to the ASX on 19 September 2018, the new data was used to compile a detailed independent Mineral Resource Estimate which is compliant with the JORC 2012 Code.

The updated Mineral Resource Estimate for the Teal project area stands at 4.25Mt grading 2.11g/t Au for 289,000 ounces (at a 1g/t Au lower cut-off grade) (see Table 1 and Competent Persons Statement on Page 13).

Figure 4

Horizon Minerals Ltd Location Plan Teal-Jacques-Yolande drilling showing recent results



ANTHILL GOLD PROJECT – EXPLORATION AND RESOURCE DEVELOPMENT

The 100% owned Anthill project is located 54km northwest of Kalgoorlie – Boulder on the highly prospective Zuleika shear zone (Figures 2 and 5). In total, 16,778m of resource extension and new discovery drilling was completed at Anthill during the year as part of the 55,000m 2018 program.

A final summary of results from the program was announced to the ASX on 18 December 2018 and included:

- *23m @ 4.16g/t Au from 61m and 18m @ 3.13g/t Au from 70m*
- *31m @ 3.28g/t Au from 112m and 19m @ 2.70g/t Au from 57m*
- *10m @ 2.79g/t Au from 80m and 21m @ 1.94g/t Au from 33m*
- *25m @ 2.53g/t Au from 132m and 23m @ 3.22g/t Au from 174m*

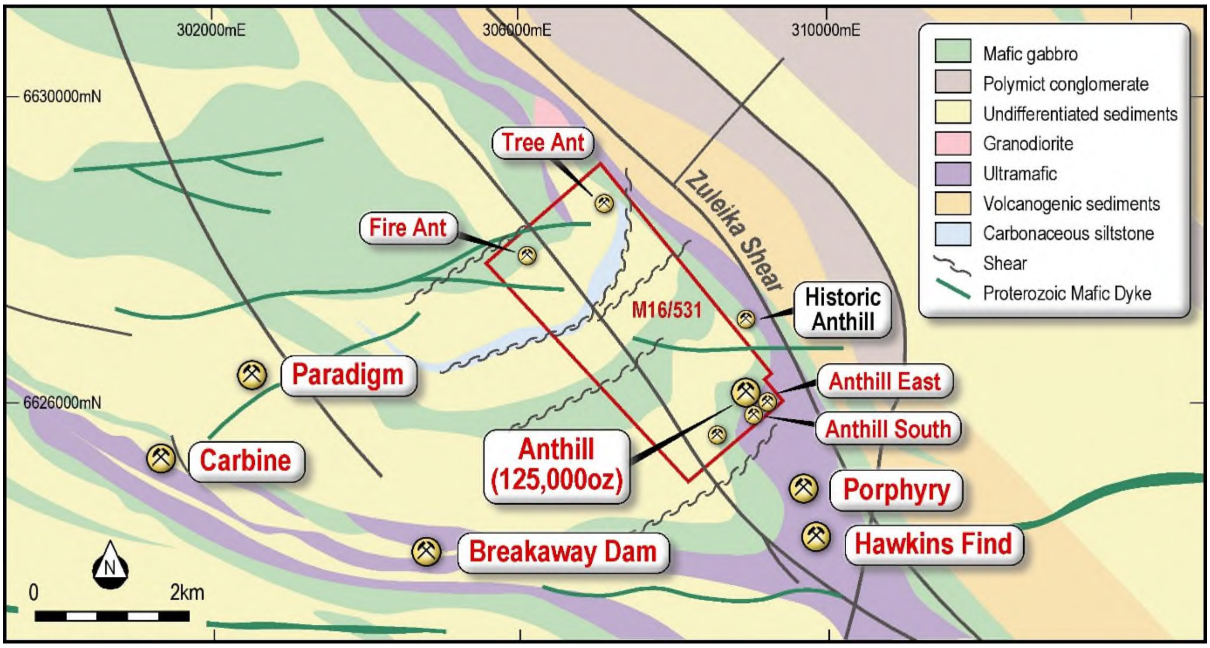
The drilling programs have been highly successful in extending mineralisation to the south and extending the strike length by over 200m. New mineralisation was also intercepted to the east of the resource envelope and aligned with the dominant NW "Zuleika Shear" stratigraphy. Mining studies at Anthill commenced during the period with expected completion in mid-2020 as part of the consolidated Feasibility Study. Further extensional drilling is also planned.

OPERATIONS REPORT

As announced to the ASX on 18 December 2018, the new data was used to compile a detailed independent Mineral Resource Estimate which is compliant with the JORC 2012 Code.

The updated Mineral Resource Estimate for the Anthill project stands at 2.28Mt grading 1.71g/t Au for 125,500 ounces (at a 1g/t Au lower cut-off grade) (see Table 1 and Competent Persons Statement on Page 13).

Figure 5
Horizon Minerals Ltd Anthill gold project



BINDULI GOLD PROJECT AREA – EXPLORATION

The Binduli project is located 9km west of Kalgoorlie – Boulder immediately adjacent to the Company's Teal project area (Figures 2 and 6). In March 2018, the Binduli joint venture tenements were returned to Horizon (formerly Intermin) on a 100% basis with the Company commencing an initial 5,000m RC program at the Crake prospect shortly thereafter.

During 2018, Horizon (formerly Intermin) drilled 8,108m (including 2,620m drilled prior to FY 2019) into the Crake prospect to assist in building an initial JORC compliant resource. Following on from this another 1,098m was drilled at Crake from June to July 2019 and was designed to improve the confidence level of the resource plus follow up, shallow open ended mineralisation. Another 3,512m were drilled at regional prospects at Coote, Darter and Honeyeater.

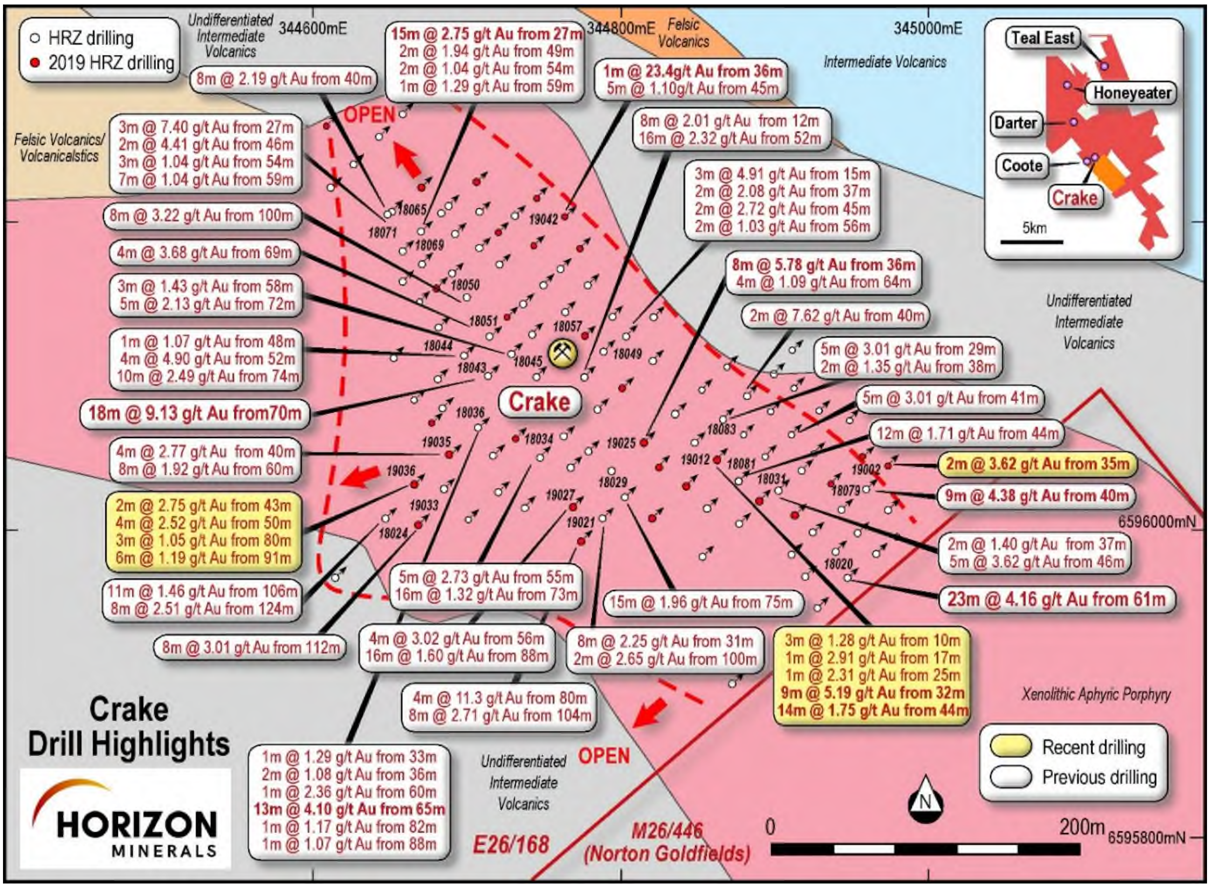
Results from Crake were announced to the ASX on 12 March and 25 June 2019 and included:

- *23m @ 4.16g/t Au from 61m including 3m @ 20.73g/t Au from 66m*
- *13m @ 4.10g/t Au from 65 including 2m @ 18.53g/t Au from 75m*
- *18m @ 3.13g/t Au from 70m and 15m @ 2.75g/t Au from 27m*
- *9m @ 4.38g/t Au from 39m and 15m @ 1.96g/t Au from 75m*
- *12m @ 1.75g/t Au from 45m and 8m @ 2.51g/t Au from 106m*
- *4m @ 11.3g/t Au from 80m and 8m @ 2.71g/t Au from 104m*
- *8m @ 5.78g/t Au from 36m and 16m @ 2.32g/t Au from 52m*
- *8m @ 3.01g/t Au from 112m and 12m @ 1.71g/t Au from 44m*

Results from the drilling show significant gold mineralisation over a 450m strike length and remains open along strike and at depth. Follow up drilling continues at Crake with a further 5,000m planned to test further extensions and test new high priority targets at Coote, Honey Eater and Darter (Figure 3).

Given the success to date at Binduli, the project has been elevated to one of the top four core projects being advanced by the Company in the Kalgoorlie region as part of the consolidated Feasibility Study.

Figure 6
Horizon Minerals Ltd Binduli gold project area showing recent drilling results



As announced to the ASX on 12 March 2019, the new data was used to compile a detailed independent Mineral Resource Estimate which is compliant with the JORC 2012 Code.

The maiden Mineral Resource Estimate for the Crake project stands at 1.12Mt grading 1.59g/t Au for 57,700 ounces (at a 1g/t Au lower cut-off grade) (see Table 1 and Competent Persons Statement on Page 13).

BLISTER DAM GOLD PROJECT – EXPLORATION

The Blister Dam project is located 70km northwest of Kalgoorlie – Boulder on the Zuleika and Kunanulling shear zones (Figures 2 and 7). Since acquisition in 2016, the Company has completed a detailed review of the large geological data base comprising geochemical, geophysical and historic drilling datasets in order to prioritise targets for ranking and drill testing. An Induced Polarisation ("IP") survey, geological mapping and rock chip sampling were also completed and 21 high priority targets generated.

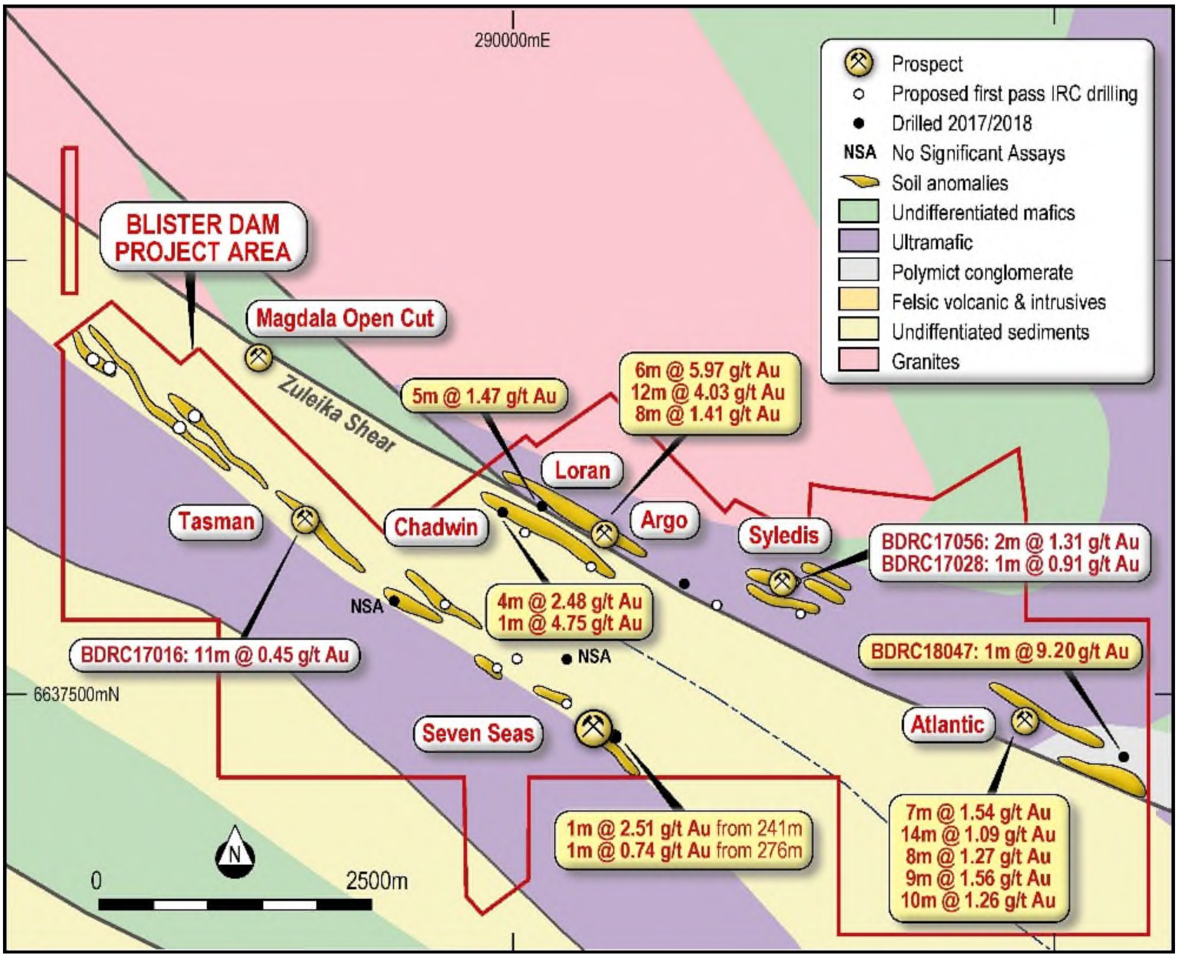
Of the 21 targets identified at Blister Dam, nine of these were subject to first pass drilling. The program was completed in December 2017 with 46 Reverse Circulation ("RC") holes drilled for 4,180m to an average depth of 150m. In 2018, the Company conducted follow up drilling at Atlantic, Argo, Seven Seas, Chadwin and Loran with 6,954m completed.

Results from the programs were announced to the ASX on 6 February and 20 December 2018 and included:

- *6m @ 5.97g/t Au from 66m and 12m @ 4.03g/t Au from 16m (Argo)*
- *5m @ 4.12g/t Au from 46m and 1m @ 19.90g/t Au from 24m (Argo)*
- *1m @ 36.00g/t Au from 35m and 4m @ 3.33g/t Au from 43m (Seven Seas)*
- *7m @ 1.54g/t Au from 59m and 9m @ 1.56g/t Au from 69m (Atlantic)*

Follow up RC and diamond drilling is planned for the Blister Dam area in FY2020 with a focus on follow up drilling at Argo, Atlantic and Loran to test strike and depth extensions.

Figure 7
Horizon Minerals Ltd Blister Dam gold project



KALGOORLIE REGIONAL GOLD PROJECTS – EXPLORATION

During the year, exploration drilling continued on our regional projects with 1,619m drilled at the Menzies, Olympia, Baden Powell-Scotia and Windanya prospects (Figure 2). In addition, significant field work, rock chip sampling, historic mine mapping, geochemical and geophysical reviews were undertaken to identify priority targets for drilling in FY2020. These prospects included Kanowna north, Lakewood, Yarmany, Windanya, Black Flag, Scotia, Broads Dam and Area 54.

Work completed on new acquisitions at Boorara, Lakewood and Yarmany included data compilation, data base review and desk top geological studies. The resultant drilling programs will commence in FY2020 pending final granting of the leases. The low cost acquisitions have increased the Company's tenure to approximately 1,100km^2.

MENZIES AND GOONGARRIE GOLD PROJECT

As announced to the ASX on 7 February 2019, the Company agreed to a Deed of Settlement and Termination with Eastern Goldfields Ltd covering the Menzies and Goongarrie farm in joint venture with the projects returning to Horizon on a 100% basis.

Subsequent to year end and as announced to the ASX on 9 July 2019, the Company reached agreement with Kingwest Resources Limited to divest the project for a total consideration of A$8 million enabling the Company to focus on its core projects in the Kalgoorlie and Coolgardie regions.

Horizon will become a substantial shareholder in Kingwest with Board representation and will have a right to process or purchase any ore from the sale tenements under standard commercial terms. For further details on the divestment, please see announcements of 9 July 2019 and 18 September 2019.

OPERATIONS REPORT

LEHMANS GOLD JV – EXPLORATION PROJECT

As announced to the ASX on 7 November 2018, the Company agreed to divest its interest in the Lehmans Gold Joint Venture to Saracen Mineral Holdings for A$2.5 million in cash and a capped royalty. Holding a non-core minority holding in a project in the North Eastern goldfields was considered a distraction from our focus of building a gold business in the Kalgoorlie region with the consideration strengthening the Company's financial position.

M26/446 (JANET IVY) GOLD PRODUCTION ROYALTY

Horizon owns a \$0.50/t mining royalty that relates to ore mined and treated from Mining Lease M26/446 located approximately 10km west of Kalgoorlie-Boulder in Western Australia (Figure 2). The Company entered into a Deed for the sale of M26/446 in 2001 and it is now owned by Norton Gold Fields Ltd ("NGF") which was delisted from the ASX on 1 July 2015.

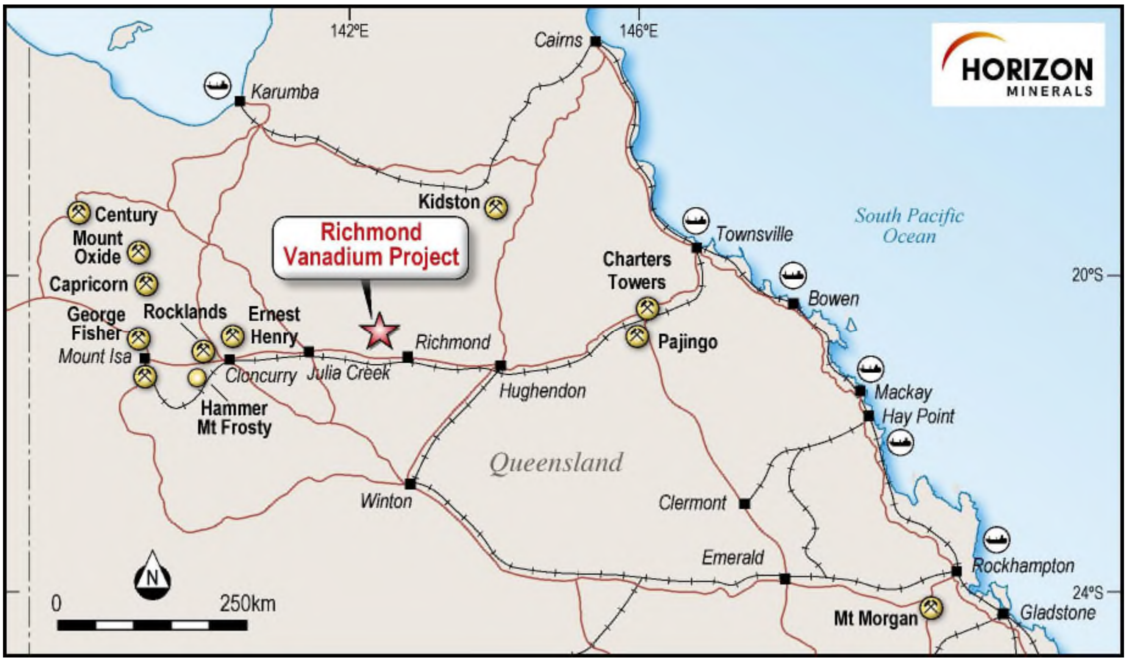
As part of the sale, the Company was prepaid \$1,380,000 of the royalty as part of the acquisition cost, equivalent to a mining and treatment tonnage of 2.76Mt (\$0.50/t). Mining has been conducted on a semi-continuous basis at the Janet Ivy deposit which is the largest of known deposits on M26/466 since 2009.

During the year, royalties received from the royalty tenement totalled \$395,000. Horizon anticipates further royalty payments on a quarterly basis for material scheduled by NGF to be treated.

RICHMOND VANADIUM JV – EXPLORATION PROJECT (IRC retains 25%)

In March 2017, the Company finalised a strategic development JV with AXF Vanadium Pty Ltd, now Richmond Vanadium Technologies Pty Ltd ("RVT"). The JV covers Horizon's 100% interest in the Richmond vanadium project in North West Queensland (Figures 8 and 9) which include metal rights at the nearby Julia Creek project which is owned by Global Oil Shale Plc. The project tenements cover 1,520km^2 of Cretaceous Toolebuc Formation hosting shallow oxide ore within marine sediments.

Figure 8
Horizon Minerals Ltd Richmond Vanadium Project location



Under the JV, RVT has earnt in to 25% of the project by spending A\$1 million and committed to spend a further \$5 million by March 2021 to earn in the remaining 50% inclusive of providing a pre-feasibility study.

In March 2018, the Company released an updated Mineral Resource estimate for the project to account for changes in tenement boundaries and to ensure compliance with the JORC Code (2012) The Mineral Resource for the Richmond Project area now stands at 2,579Mt at 0.32% V_2O_5 at a 0.29% lower cut-off grade (see Table 2 and Competent Persons Statement on Page 13).

OPERATIONS REPORT

During the year, RVT continued metallurgical test work in China focussed on optimising pre-concentration of the ore and downstream processing metallurgical testwork with preliminary results indicating encouraging upgrade potential.

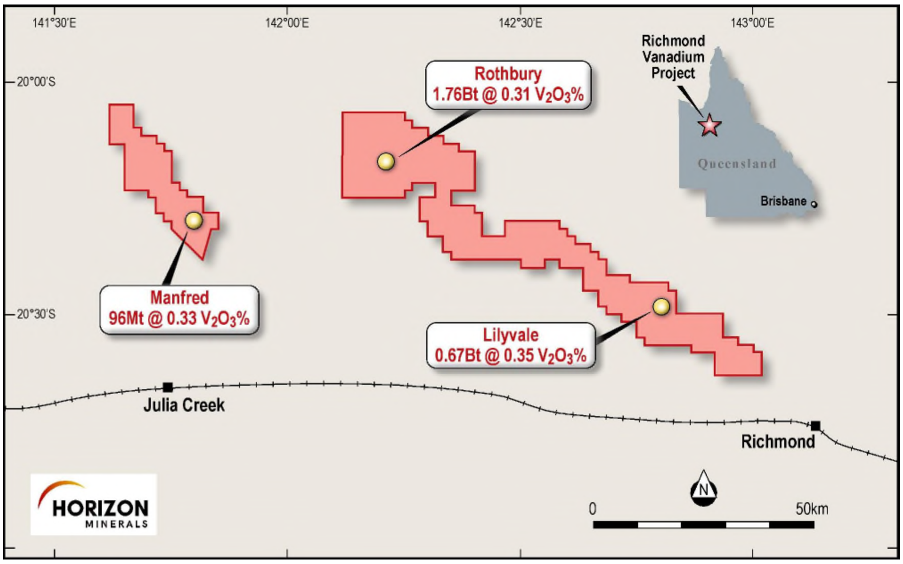
As announced to the ASX on 29 April 2019, physical separation resulted in 73% of the vanadium recovered into 21% of the original mass at a grade of 1.58% V_2O_5. This reduced mass and upgrade ratio enables a potentially smaller downstream processing plant at significantly reduced capital cost. In addition, the results show a much larger reduction in the calcium content than expected with only 4% reporting to the concentrate fraction. This low calcium content, if repeatable, enables both the acid digestion and roasting downstream pathways to be evaluated that can potentially lead to lower operating costs.

These results provided JV partner AXF with growing confidence in the quality of the project and formed the basis to move to the next stage where a further $5 million has been committed by AXF to further optimise pre-concentration, commence downstream processing test work and develop a pathway to commercial production.

During the year, a 3,303m infill and regional drilling program commenced across the property to test a number of priority targets and to upgrade the Lilyvale resource to the Measured and Indicated categories as part of the pre-feasibility study

Horizon sees significant potential of vanadium to play an increasing role in both the steel industry and the emerging battery storage space and for the Richmond oxide sediment resource to be a considerable provider of vanadium well into the next century. The drilling, updated resource model and the pre-feasibility study is expected to be completed in 2020, ahead of the contracted earn in period.

Figure 9
Horizon Minerals Ltd Richmond Vanadium tenement locations



NANADIE WELL Cu-Ni-Co-PGE-Au JV - EXPLORATION PROJECT (IRC retains 25%)

The Nanadie Well Project is located approximately 100km south east of Meekatharra in the Murchison Mineral Field of WA and covers an area of ~145km^2 (Figure 1). In December 2013, Horizon (formerly Intermin) entered into a Farm-in and Joint Venture agreement with Mithril Resources Ltd (ASX: MTH) ("Mithril") whereby Mithril could earn a 75% interest by spending $4M over 6 years. The project is highly prospective for Copper, gold, nickel, cobalt and platinum group elements.

The Project covers part of a northwest trending belt of Archean mafic and metasedimentary units with demonstrated prospectivity for both magmatic copper–nickel–PGE mineralisation and lode gold mineralisation. The project hosts the Nanadie Well copper deposit where a 2004 JORC Code Compliant Inferred Resource of 36.07Mt @ 0.42% copper (151,506 tonnes copper) was estimated by Horizon (formerly Intermin) in September 2013 (refer ASX announcement dated 19 September 2013).

During the year Mithril completed predominantly desktop work and some minor field work.

OPERATIONS REPORT

WHITE RANGE GOLD PROJECT (DISPOSED)

Horizon (formerly Intermin) has disposed of its White Range Gold Project in the Northern Territory to Red Dingo Corporation Pty Ltd. The Company is currently attending to some clean up issues at the site prior to making application for return of environmental bonds held by the Department of Primary Industry and Resources in respect of the White Range tenements.

MINERAL RESOURCES

Table 1: Horizon Minerals limited (formerly Intermin Resources Ltd) – Summary of Gold Mineral Resources (at a 1g/t Au cut-off grade)

Deposit	Measured			Indicated			Inferred			Total Resource		
(1g/t cut-off)	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
Teal				2.91	2.08	194,848	1.34	2.19	94,140	4.25	2.11	288,833
Menzies				0.77	2.52	62,400	1.65	2.14	108,910	2.42	2.20	171,310
Anthill				1.51	1.76	85,495	0.77	1.61	40,084	2.28	1.71	125,582
Goongarrie	0.17	2.62	14,000	0.10	2.15	6,900	0.04	2.14	3,000	0.31	2.40	23,900
Binduli				0.74	1.67	39,900	0.38	1.45	17,800	1.12	1.59	57,700
TOTAL	**0.17**	**2.62**	**14,000**	**6.03**	**2.00**	**389,500**	**4.18**	**1.96**	**264,000**	**10.38**	**2.00**	**667,500**

Table 2: Horizon Minerals limited (formerly Intermin Resources Ltd) – Summary of V_2O_5 / Mo Resources (at a 0.29% V_2O_5 cut-off grade)

Category	Tonnage (Mt)	Grade % V_2O_5	Grade g/t MoO_3	Notes
Inferred (1)	1,764	0.31	253	(1) Rothbury
Inferred (2)	671	0.35	274	(2) Lilyvale
Inferred (3)	96	0.33	358	(3) Manfred
Inferred (4)	48	0.31	264	(4) Burwood (100% metal rights)
TOTAL	**2,579**	**0.32**	**262**	

Notes:

1. **Competent Persons Statement** - The information in this report that relates to Exploration results, Mineral Resources or Ore Reserves is based on information compiled by Messrs David O'Farrell, Simon Coxhell and Andrew Hawker. All are Members of the Australasian Institute of Mining and Metallurgy and are consultants to Horizon Minerals Limited (formerly Intermin Resources Ltd). The information was prepared and first disclosed under the JORC Code 2004 and has been updated to comply with the JORC Code 2012. Messrs O'Farrell, Coxhell and Hawker have sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration, Results, Mineral Resource and Ore Reserves'. Messrs O'Farrell, Coxhell and Hawker consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.

2. **Forward Looking Statements** - No representation or warranty is made as to the accuracy, completeness or reliability of the information contained in this release. Any forward looking statements in this release are prepared on the basis of a number of assumptions which may prove to be incorrect and the current intention, plans, expectations and beliefs about future events are subject to risks, uncertainties and other factors, many of which are outside of Horizon Minerals Limited's (formerly Intermin Resources Ltd) control. Important factors that could cause actual results to differ materially from the assumptions or expectations expressed or implied in this release include known and unknown risks. Because actual results could differ materially to the assumptions made and Horizon Minerals Limited's (formerly Intermin Resources Ltd) current intention, plans, expectations and beliefs about the future, you are urged to view all forward looking statements contained in this release with caution. The release should not be relied upon as a recommendation or forecast by Horizon Minerals Limited (formerly Intermin Resources Ltd). Nothing in this release should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.

OPERATIONS REPORT

Macphersons Resources Limited (a 100% subsidiary of Horizon (formerly Intermin)) – Summary of Mineral Resources

Boorara Gold Resource (at a 0.5 g/t Au cut-off grade)

Category	Tonnes	Grade	Ounces
	Mt	Au (g/t)	(k'000)
Measured Resource	6.11	0.92	181
Indicated Resource	7.26	0.97	227
Inferred Resource	3.08	1.00	99
Total Resource	**16.45**	**0.96**	**507**

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

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

Nimbus high grade silver zinc resource (500 g/t Ag bottom cut and 2800 g/t Ag top cut)

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

Confirmation

The information is this report that relates to MacPhersons' Mineral Resources estimates on the Boorara Gold Project and Nimbus Silver Zinc Project is extracted from and was originally reported in Horizon's (formerly Intermin's) and MacPhersons' ASX Announcement "Intermin and MacPhersons Agree to Merge – Creation of a New Gold Company Horizon Minerals Ltd" dated 11 December 2018 and in MacPhersons' ASX announcements "Quarterly Activities Report" dated 25 October 2018, "BOORARA GOLD PROJECT TOTAL GOLD RESOURCE up 118% to 507,000 OUNCES" dated 6th March 2018, "New High Grade Nimbus Silver Core Averaging 968 g/t Ag" dated 10th May 2016, "Boorara Trial Open Pit Produced 1550 Ounces" dated 14 November 2016 and "Nimbus Increases Resources" dated 30th April 2015, each of which is available at www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed. The Company confirms that the form and context of the Competent Person's findings in relation to those Mineral Resources estimates have not been materially modified from the original market announcements.

FORWARD LOOKING AND CAUTIONARY STATEMENTS

Some statements in this report regarding estimates or future events are forward looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "could", "nominal", "conceptual" and similar expressions. Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward looking statements may be affected by a range of variables that could cause actual results to differ from estimated results, and may cause the Company's actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward looking statements. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain any additional mine licenses, permits and other regulatory approvals required in connection with mining and third party processing operations, competition for among other things, capital, acquisition of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rate, currency and interest fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, the ability to secure adequate financing and management's ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward looking statements will prove to be correct.

Statements regarding plans with respect to the Company's mineral properties may contain forward looking statements in relation to future matters that can only be made where the Company has a reasonable basis for making those statements.

This report has been prepared in compliance with the JORC Code (2012) and the current ASX Listing Rules.

The Company believes that it has a reasonable basis for making the forward looking statements in its reports and announcements, including with respect to any production targets and financial estimates, based on the information contained in this and previous ASX reports and announcements.

CORPORATE GOVERNANCE - RESERVES AND RESOURCES CALCULATIONS

Due to the nature, stage and size of the Company's existing operations, Horizon (formerly Intermin) is of the opinion there would be no efficiencies gained by establishing a separate Mineral Reserves and Resources committee responsible for reviewing and monitoring the Company's processes for calculating Mineral Reserves and Resources and for ensuring that the appropriate internal controls are applied to such calculations. However, the Company ensures that all Mineral Reserve and Resource calculations are prepared by competent, appropriately experienced geologists and are reviewed and verified independently by a qualified person.

Table 3
Tenement Schedule as at 30 June 2019

Project	Tenement	Registered Holders	Equity	Notes
BINDULI	L26/261	IRC	100%	
	M26/346	BMG	100%	
	M26/499	IRC	100%	
	M26/549	BMG	100%	
	M26/621	BMG	100%	
	P26/3888	BMG	100%	
	P26/4014	BMG	100%	
	P26/4056	BMG	100%	
	P26/4256	BMG	100%	
	P26/4316	BMG	100%	
	P26/4317	BMG	100%	
	P26/4321	BMG	100%	
	P26/4322	BMG	100%	
	P26/4324	BMG	100%	
	P26/4325	BMG	100%	
	P26/4330	BMG	100%	
	P26/4332	BMG	100%	
	P26/4333	BMG	100%	
	P26/4337	BMG	100%	
	P26/4338	BMG	100%	
	P26/4339	BMG	100%	
	P26/4340	BMG	100%	
	P26/4341	BMG	100%	
	P26/4342	BMG	100%	
	P26/4343	BMG	100%	
	P26/4344	BMG	100%	
	P26/4345	BMG	100%	
	ELA26/209	BMG	100%	
	PLA26/4229	BMG	100%	
	PLA26/4230	BMG	100%	
	PLA26/4231	BMG	100%	
	PLA26/4318	BMG	100%	
	PLA26/4319	BMG	100%	
	PLA26/4320	BMG	100%	
	PLA26/4323	BMG	100%	
	PLA26/4326	BMG	100%	
	PLA26/4327	BMG	100%	
	PLA26/4328	BMG	100%	
	PLA26/4329	BMG	100%	
	PLA26/4331	BMG	100%	
	PLA26/4334	BMG	100%	
	PLA26/4335	BMG	100%	
	PLA26/4336	BMG	100%	
	PLA26/4350	BMG	100%	

Table 3
Tenement Schedule as at 30 June 2019 (continued)

Project	Tenement	Registered Holders	Equity	Notes
WHITE FLAG	E26/168	BMG	100%	
	E26/197	BMG	100%	
	M26/616	IRC	100%	1
	P26/3576	IRC	100%	
	P26/3577	IRC	100%	
	P26/3922	BMG	100%	
	P26/3923	BMG	100%	
	P26/3988	IRC	100%	
	P26/3989	IRC	100%	
	P26/3990	IRC	100%	
	P26/4078	BMG	100%	
	P26/4079	BMG	100%	
	P26/4080	BMG	100%	
	P26/4081	BMG	100%	
KANOWNA	M27/487	BMG	100%	
	P27/2209	BMG	100%	
	P27/2215	BMG	100%	
	P27/2316	BMG	100%	
	P27/2317	BMG	100%	
	P27/2319	BMG	100%	
GOONGARRIE	E29/966	BMG	100%	
	E29/996	BMG	100%	
	L29/109	BMG	100%	
	M29/420	BMG	100%	
	P29/2380	BMG	100%	
	P29/2381	BMG	100%	
	P29/2412	BMG	100%	
	P29/2413	BMG	100%	
	ELA29/1054	BMG	100%	
	ELA29/1055	BMG	100%	
	ELA29/1062	BMG	100%	
	MLA29/430	BMG	100%	
MENZIES	E29/984	BMG	100%	
	L29/42	BMG	100%	
	L29/43	BMG	100%	
	L29/44	BMG	100%	
	M29/14	BMG	100%	
	M29/88	BMG	100%	
	M29/153	BMG	100%	
	M29/154	BMG	100%	
	M29/184	BMG	100%	
	M29/212	BMG	100%	
	M29/410	BMG	100%	
	P29/2251	BMG	100%	
	P29/2252	BMG	100%	
	P29/2253	BMG	100%	

Table 3
Tenement Schedule as at 30 June 2019 (continued)

Project	Tenement	Registered Holders	Equity	Notes
MENZIES	P29/2254	BMG	100%	
	P29/2344	BMG	0%	
	P29/2345	BMG	0%	
	P29/2346	BMG	100%	
	P29/2366	BMG	100%	
	P29/2367	BMG	100%	
	P29/2383	BMG	100%	
	P29/2384	BMG	100%	
	P29/2385	BMG	100%	
	P29/2386	BMG	100%	
	P29/2387	BMG	100%	
	P29/2450	BMG	100%	
	PLA29/2448	BMG	100%	
	PLA29/2451	BMG	100%	
	PLA29/2488	BMG	100%	
ANTHILL	L16/92	BMG	100%	
	M16/531	BMG	100%	
BLACK FLAG	P16/2820	BMG	100%	
	P16/2821	BMG	100%	
	P24/5143	BMG	100%	
	P24/5144	BMG	100%	
	P24/5145	BMG	100%	
	P24/5146	BMG	100%	
	P24/5147	BMG	100%	
	P24/5148	BMG	100%	
	P24/5149	BMG	100%	
	P24/5150	BMG	100%	
	P24/5151	BMG	100%	
	P24/5152	BMG	100%	
	P24/5153	BMG	100%	
	P24/5154	BMG	100%	
	P24/5155	BMG	100%	
	P24/5156	BMG	100%	
	P24/5157	BMG	100%	
	P24/5158	BMG	100%	
	P24/5159	BMG	100%	
	P24/5160	BMG	100%	
CHADWIN	P16/3121	BMG	100%	
	P24/5186	BMG	100%	
COOLGARDIE	PLA15/6380	BMG	100%	
SEVEN SEAS	E24/148	BMG	100%	
	P16/2973	BMG	100%	
	P16/2974	BMG	100%	
	P16/2975	BMG	100%	
	P16/2976	BMG	100%	
	P16/2977	BMG	100%	
	P16/2997	BMG	100%	

Table 3
Tenement Schedule as at 30 June 2019 (continued)

Project	Tenement	Registered Holders	Equity	Notes
SEVEN SEAS	P16/3002	BMG	100%	
	P16/3003	BMG	100%	
	P16/3004	BMG	100%	
	P16/3005	BMG	100%	
	P16/3006	BMG	100%	
	P16/3007	BMG	100%	
	P24/5107	BMG	100%	
	MLA24/970	BMG	100%	
LAKEWOOD	PLA26/4360	BMG	100%	
	PLA26/4361	BMG	100%	
	PLA26/4362	BMG	100%	
	PLA26/4363	BMG	100%	
	PLA26/4364	BMG	100%	
	PLA26/4365	BMG	100%	
	PLA26/4366	BMG	100%	
	PLA26/4367	BMG	100%	
	PLA26/4368	BMG	100%	
	PLA26/4369	BMG	100%	
	PLA26/4370	BMG	100%	
NEW MEXICO	P24/4767	BMG	100%	
	P24/4768	BMG	100%	
	P24/4769	BMG	100%	
	P24/5099	BMG	100%	
	P24/5100	BMG	100%	
	P24/5101	BMG	100%	
	P24/5102	BMG	100%	
	P24/5229	BMG	100%	
	P24/5230	BMG	100%	
	P24/5231	BMG	100%	
	P24/5232	BMG	100%	
	P24/5233	BMG	100%	
YARMANY	E16/470	BMG	100%	
	E16/471	BMG	100%	
	E16/492	BMG	100%	
	E16/493	BMG	100%	
	E16/494	BMG	100%	
	E16/497	BMG	100%	
	E16/499	BMG	100%	
	E16/503	BMG	100%	
	E16/510	BMG	100%	
	ELA15/1655	BMG	100%	
	ELA15/1723	BMG	100%	
	ELA16/506	BMG	100%	
	ELA16/507	BMG	100%	
	ELA16/519	BMG	100%	

Table 3
Tenement Schedule as at 30 June 2019 (continued)

Project	Tenement	Registered Holders	Equity	Notes
YARMANY	ELA16/521	BMG	100%	
	ELA16/525	BMG	100%	
	ELA16/526	BMG	100%	
	PLA16/3212	BMG	100%	
	PLA16/3213	BMG	100%	
WINDANYA	M24/919	BMG	100%	
	M24/959	BMG	100%	
	P24/4702	BMG	100%	
	P24/4703	BMG	100%	
	P24/4817	BMG	100%	
	P24/4897	BMG	100%	
	P24/5046	BMG	100%	
	P24/5047	BMG	100%	
	P24/5048	BMG	100%	
	P24/5049	BMG	100%	
	P24/5050	BMG	100%	
	P24/5051	BMG	100%	
	P24/5052	BMG	100%	
	P24/5053	BMG	100%	
	P24/5054	BMG	100%	
	P24/5055	BMG	100%	
	P24/5056	BMG	100%	
	P24/5057	BMG	100%	
	P24/5058	BMG	100%	
	P24/5059	BMG	100%	
	P24/5106	BMG	100%	
	P24/5108	BMG	100%	
	P24/5116	BMG	100%	
	P24/5165	BMG	100%	
	P24/5166	BMG	100%	
	P24/5167	BMG	100%	
NIMBUS/BOORARA	E25/511	KOTC	100%	2
	L25/32	KOTC	100%	2
	L25/35	KOTC	100%	2
	L25/36	KOTC	100%	2
	L26/240	POLY	100%	2
	L26/252	KOTC	100%	2
	L26/266	POLY	100%	2
	L26/270	POLY	100%	2
	L26/274	POLY	100%	2
	L26/275	KOTC	100%	2
	M25/355	KOTC	100%	2
	M26/29	POLY	100%	2
	M26/161	POLY	100%	2
	M26/277	POLY	100%	2
	M26/318	POLY	100%	2

Table 3
Tenement Schedule as at 30 June 2019 (continued)

Project	Tenement	Registered Holders	Equity	Notes
NIMBUS/BOORARA	M26/490	KOTC	100%	2
	M26/598	KOTC	100%	2
	P25/2247	KOTC	100%	2
	P25/2261	KOTC	100%	2
	P25/2292	KOTC	100%	2
	P25/2322	KOTC	100%	2
	P25/2393	KOTC	100%	2
	P25/2394	KOTC	100%	2
	P25/2403	KOTC	100%	2
	P25/2404	KOTC	100%	2
	P25/2405	KOTC	100%	2
	P25/2450	KOTC	100%	2
	P25/2467	KOTC	100%	2
	P25/2468	KOTC	100%	2
	P25/2469	KOTC	100%	2
	P25/2470	KOTC	100%	2
	P25/2471	KOTC	100%	2
	P25/2472	KOTC	100%	2
	P25/2473	KOTC	100%	2
	P25/2474	KOTC	100%	2
	P25/2475	KOTC	100%	2
	P25/2526	KOTC	100%	2
	P25/2551	KOTC	100%	2
	P25/2552	KOTC	100%	2
	P26/4020	KOTC	100%	2
	P26/4035	POLY	100%	2
	P26/4036	POLY	100%	2
	P26/4053	KOTC	100%	2
	P26/4054	KOTC	100%	2
	P26/4055	KOTC	100%	2
	PLA26/4199	KOTC	100%	2
	PLA26/4200	KOTC	100%	2
	PLA26/4201	KOTC	100%	2
	PLA26/4202	KOTC	100%	2
	PLA26/4203	KOTC	100%	2
	PLA26/4204	KOTC	100%	2
	PLA26/4205	KOTC	100%	2
	PLA26/4206	KOTC	100%	2
	PLA26/4207	KOTC	100%	2
	PLA26/4208	KOTC	100%	2
	P26/4297	KOTC	100%	2
	P26/4298	KOTC	100%	2
	P26/4299	KOTC	100%	2
	P26/4300	KOTC	100%	2
	P26/4301	KOTC	100%	2
	P26/4302	KOTC	100%	2

Table 3
Tenement Schedule as at 30 June 2019 (continued)

Project	Tenement	Registered Holders	Equity	Notes
NIMBUS/BOORARA	P26/4381	KOTC	100%	2
	P26/4382	KOTC	100%	2
	P26/4383	KOTC	100%	2
	P26/4384	KOTC	100%	2
	P26/4385	KOTC	100%	2
	P26/4386	KOTC	100%	2
	PLA26/4405	KOTC	100%	2
	PLA26/4431	KOTC	100%	2
	PLA26/4432	KOTC	100%	2
	PLA26/4478	KOTC	100%	2
	PLA26/4479	KOTC	100%	2
	P27/2318	KOTC	100%	2
	P27/2139	KOTC	100%	2
	P27/2140	KOTC	100%	2
	P27/2141	KOTC	100%	2
	P27/2142	KOTC	100%	2
	P27/2146	KOTC	100%	2
	P27/2147	KOTC	100%	2
	P27/2148	KOTC	100%	2
	P27/2265	KOTC	100%	2
	P27/2266	KOTC	100%	2
	P27/2267	KOTC	100%	2
	P27/2268	KOTC	100%	2
	P27/2269	KOTC	100%	2
	P27/2270	KOTC	100%	2
	P27/2271	KOTC	100%	2
	P27/2272	KOTC	100%	2
	P27/2273	KOTC	100%	2
	P27/2274	KOTC	100%	2
	P27/2275	KOTC	100%	2
	P27/2276	KOTC	100%	2
	PLA27/2408	KOTC	100%	2

Joint Ventures				
Nanadie Well JV	E51/1040	HRZ/MTH	HRZ 100%	3
Richmond JV	EPM25163	HRZ/RVT	HRZ 75%/RVT 25%	4
	EPM25164	HRZ/RVT	HRZ 75%/RVT 25%	4
	EPM25258	HRZ/RVT	HRZ 75%/RVT 25%	4
	EPM26425	HRZ/RVT	HRZ 75%/RVT 25%	4
	EPM26426	HRZ/RVT	HRZ 75%/RVT 25%	4
Royalties				
Janet Ivy	M26/446	NGF	HRZ 0%	5
	M26/833	NGF	HRZ 0%	5
Otto Bore	M36/177	PLT	HRZ 0%	6
Julia Creek	EPM17775	Xtract Oil Ltd	HRZ 0%	-
	MDL396	GOS	HRZ 0%	7
	EPM19830	GOS	HRZ 0%	7

OPERATIONS REPORT

Abbreviations

BMG	Black Mountain Gold Ltd	**MTH**	Mithril Resources Ltd
GOS	Global Oil Shale	**NGF**	Norton Gold Fields Ltd
HRZ	Horizon Minerals Limited	**PLT**	Plutonic Operations Ltd (subsidiary of Barrick Asia Pacific Ltd)
IRC	Intermin Resources Limited	**POLY**	Polymetals (WA) Pty Ltd
KOTC	Kalgoorlie Ore Treatment Company Pty Ltd	**RVT**	Richmond Vanadium Technology Pty Ltd (formerly AXF Vanadium Pty Ltd)

Notes

(1) Royalty of $1 per tonne of ore mined and treated from M26/616 is payable to Pamela Jean Buchhorn.

(2) Merger with MacPhersons Resources Limited completed on 14 June 2019.

(3) Farmin and JV with Mithril Resources Ltd whereby Mithril can earn an initial 60% interest by expending $2,000,000 within 4 years. Mithril may earn an additional 15% (75% total) by expending a further $2,000,000 over two years.

(4) An earn-in JV whereby RVT can earn 25% of the project area by spending A$1M within a 1 year period and maintaining the project in good standing – completed February 2018. RVT to solely contribute to further expenditure of $5m on the projects to earn a further 50% over a 3 year period.

(5) Royalty of $0.50 per tonne of ore mined payable to HRZ after the first 2.76 million tonnes (prepaid).

(6) HRZ is entitled to a royalty of 3% gold recovered from the Otto Bore tenements.

(7) Global Oil Shale has 100% ownership of the Julia Creek block of tenements subject to a right by Horizon to recover metal values from oil shale mineralisation outlined and from any tailings or residues produced by GOS as a result of oil or hydrocarbon production from the Julia Creek tenements.

DIRECTORS' REPORT

Your Directors have the pleasure in presenting their report together with the financial statements of the Group (hereafter referred to as the Group) for the financial year ended 30 June 2019 and the auditor's report thereon.

DIRECTORS

The following persons held office as Directors of Horizon Minerals Limited (formerly Intermin Resources Limited) during the financial year and up to the date of this report:

- Peter Bilbe
- Jonathan Price
- Ashok Parekh (Appointed 14 June 2019)
- Jeffrey Williams (Appointed 14 June 2019)
- Peter Hunt (Resigned 14 June 2019)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

INFORMATION ON DIRECTORS AND OFFICERS

Peter Bilbe, B.Eng. (Mining) (Hons), MAusIMM, Chairman and Independent Non-Executive Director (Appointed 1 July 2016, Appointed Chairman 21 November 2016)

Mr Bilbe is a Mining Engineer with over 40 years' experience in the Australian and International mining industry at the operating, corporate and business level. He has comprehensive experience in all facets of open pit and underground mining and processing operations including exploration, feasibility studies, construction and provision of mining contract services.

Directorships held in other listed companies in the past 3 years:

- Independence Group NL (ASX: IGO) (Appointed 6 April 2009)
- Adriatic Metals PLC (ASX ADT): (Appointed 16 February 2018)
- Northern Iron Limited (Appointed 5 November 2007, Resigned 16 May 2016)

Jonathan Price, Managing Director (Appointed 1 January 2016)

Mr Price has over 25 years' experience in Australia and overseas across all aspects of the industry including exploration, development, construction and mining operations in the gold and advanced minerals sectors. Jon graduated as a metallurgist and holds a Masters in Mineral Economics from the Western Australian School of Mines. He then worked in various gold and advanced mineral operations including general manager of the Paddington gold and St Ives gold operations in the Western Australian goldfields.

More recently, Jon was the founding Managing Director of Phoenix Gold Ltd, acquired by Evolution Mining Ltd. During his tenure, Jon oversaw the reconsolidation of underexplored tenure in the Western Australian goldfields and realised significant exploration success.

Directorships held in other listed companies in the past 3 years:

- Nil

Ashok Parekh, Non-Executive Director (Appointed 14 June 2019)

Mr Ashok Parekh is a chartered accountant, of over 40 years' experience, who owns a large accounting practice in Kalgoorlie, which he has operated for 33 years. He was awarded the Centenary Medal in 2003 by the Governor General of Australia, and was recently awarded the Meritorious Service Award by the Institute of Chartered Accountants, the highest award granted by the institute in Australia.

Mr Parekh has over 33 years' experience in providing advice to mining companies and service providers to the mining industry. He has spent many years negotiating with public listed companies and prospectors on mining deals which have resulted in new 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, and has been the Managing Director of some of these companies. He is well known in the West Australian mining industry and has a very successful background in the ownership of numerous businesses in the Goldfields.

Directorships held in other listed companies in the past 3 years:

- MacPhersons Resources Limited (Appointed 9 September 2009 – 13 June 2019 upon delisting)

INFORMATION ON DIRECTORS AND OFFICERS (CONTINUED)

Jeffrey Williams, Non-Executive Director (Appointed 14 June 2019)

Mr Jeffrey Williams has over 40 years' industry experience, with 16 years' experience as a professional mining engineer in Australia and seven years in the stockbroking industry, and is a Fellow of the Australasian Institute of Mining and Metallurgy. His mining experience ranges from mine planning, underground management and feasibility studies through to mine development.

Mr Williams was the Managing Director of Mineral Deposits Ltd for 15 years and departed in late 2011. He secured the Sabodala gold and Grande Cote zircon projects in Senegal in West Africa, and commenced gold production in March 2009. Mr Williams has since been involved in other smaller mining companies on the ASX to develop exploration plans, mostly in Australia.

Directorships held in other listed companies in the past 3 years:

- Alice Queen Limited (Appointed 16 March 2012, Resigned 10 August 2016)
- World Titanium Resources Limited (Appointed January 2012, Resigned 9 September 2016)
- Herencia Resources plc (Appointed 31 March 2017)
- MacPhersons Resources Limited (Appointed 9 September 2009 – 13 June 2019 upon delisting)

Peter Hunt, Independent Non-Executive Director (Resigned 14 June 2019)

Mr Hunt has been a Non-Executive Director of Intermin Resources Ltd since 25 October 1989 and is a Chartered Accountant and Consultant to BDO Adelaide. He was a former partner of PKF Adelaide, Chartered Accountants, which merged with BDO Adelaide in 2012. He has broad experience as an independent director and chairman of ASX listed and private companies.

Directorships held in other listed companies in the past 3 years:

- UXA Resources Ltd (ASX: UXA), Non-Executive Chairman, Appointed 26 August 2014
- Xped Limited (ASX: XPE), Non-Executive Director, Appointed 4 September 2017
- Metaliko Resources Limited, Non-Executive Director, Appointed 28 June 2012, Resigned 12 January 2017

Bianca Taveira, Company Secretary

Mrs Taveira is an experienced company administrator and manager who has acted as Company Secretary to a number of unlisted public and ASX listed natural resource companies for over two decades. During this time Mrs Taveira has been involved in a number of initial public offerings, reverse takeover transactions, corporate transactions and capital raisings. Mrs Taveira has a corporate and compliance background and is experienced with administration of the shareholder registry, the ASX Listing Rules, mining tenement management and the Department of Mines regulations. Mrs Taveira is currently also the Company Secretary of Reward Minerals Ltd (ASX: RWD) and Yandal Resources Limited (ASX: YRL).

CORPORATE INFORMATION

Horizon Minerals Limited is a Company limited by shares that is incorporated and domiciled in Australia.

PRINCIPAL ACTIVITIES

The principal continuing activities during the year of the Group, constituted by Horizon Minerals Limited and the entities it controlled during the year, consisted of exploration for and mining of gold and other mineral resources.

OPERATING RESULTS

The net loss of the Group for the year ended 30 June 2019, after providing for income tax, amounted to $3,134,895 (2018: Profit $3,521,141).

REVIEW OF OPERATIONS

Exploration Activity

Please refer to the Exploration and Development Activities of the Operations Report for detailed information on the Group's exploration activities over the past year.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

- On 1 August 2018 the Company issued 4,250,000 shares upon exercise of unlisted options by Jon Price and Peter Bilbe for a total sum of $406,250.
- On 3 September 2018 the Company advised that a total of 3,226,345 shares were issued after receiving final option exercise forms and payments totalling $548,478 which related to the options expiring on 31 August 2018 at an exercise price of 17 cents.
- On 20 November 2018 the Company divested its 100% interest in the Lehmann's Well Gold Joint Venture for a cash payment of $2,500,000 plus 2.5% Net Smelter Royalty once Saracen has produced 42,000 ounces of gold from the transaction tenements and ending once Saracen has produced 100,000 ounces from the transaction tenements.
- On 11 December 2018 the Company executed a Merger Implementation Agreement to progress the merger between MacPhersons Resources Limited and Horizon Minerals Limited (formerly Intermin Resources Ltd) through a Scheme of Arrangement.
- On 19 December 2018 the Company reached a full and final settlement with mining contractor Resource Mining Pty Ltd over claims relating to the completed Teal gold mine Stages 1 and 2.
- On 7 February 2019 the Company's Menzies and Goongarrie Gold Projects were returned on a 100% basis after a Deed of Settlement and Termination with Eastern Goldfields (Administrators appointed) was executed. In addition, Horizon (formerly Intermin) arranged for an off market sale of the remaining shares held by EGS which was taken up by existing HRZ (formerly IRC) shareholders.
- On 11 February 2019 the Company signed an Exclusivity Deed with Focus Minerals Limited for the potential acquisition of the Coolgardie Gold Project which includes the 1.2Mtpa Three Mile Hill processing plant.
- On 14 June 2019 the Company announced the Scheme of Arrangement was implemented completing the merger of MacPhersons Resources Limited. A total of 192,586,736 shares, 2,743,184 Unlisted Options with an exercise price of $0.2912 expiring 9 December 2019 and 219,456 Unlisted Options with an exercise price of $0.6988 expiring 28 February 2020 were issued in exchange for a 100% interest in MacPhersons Resources Limited and its controlled entities.
- On 14 June 2019 Mr Ashok Parekh and Mr Jeffrey Williams were appointed to the Board
- On 14 June 2019 Mr Peter Hunt stepped down from the Board.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

(a) Subsequent to year end, 3,300,000 Class D Performance Rights lapsed and 500,000 unlisted options with an exercise price of $0.25 expired on 31 August 2019.

(b) On 24 July 2019, the Company changed its name from Intermin Resources Limited to Horizon Minerals Limited.

(c) **Kingwest Resources Limited**
On 9 July 2019, the Group announced it reached an agreement with Kingwest Resources Limited (ASX: KWR) (Kingwest) to divest its Menzies and Goongarrie gold projects for a total consideration of $8,000,000 on the following terms:

- Initial cash deposit of $750,000 (received) of which $250,000 is non-refundable.
- On settlement:
  - A further $1,000,000 in cash; and
  - Issue 20 million ordinary shares in Kingwest to Horizon at a deemed issue price of $0.15 per share and subject to voluntary escrow from issue until the earlier of;
    - 18 months following settlement; and
    - 3 months following the payment/issue of the deferred consideration.
- A deferred payment no later than 18 months after settlement of:
  - A further $1,625,000 in cash; and
  - $1,625,000 in value of ordinary shares in Kingwest at a deemed issue price being the lower of $0.15 per share and a 30 day VWAP (subject to shareholder approval and Horizon not exceeding 19.9% ownership in Kingwest).

Settlement is subject to the following key conditions precedent:
- Completion of due diligence by Kingwest;
- Kingwest completing a minimum $4,000,000 capital raising;
- Shareholder approval of the issue of the upfront consideration shares and shares under the capital raising; and
- A Horizon nominee director to be appointed to the Kingwest Board.

The divestment comprises 38 mining, prospecting and exploration licences with a current JORC resource of 195,000 ounces.

On 18 September 2019, the Group announced that the divestment of Horizon's interest in the Menzies and Goongarrie gold projects were completed. All conditions precedent including provision of signed transfers, all mining information and statutory consents have been completed or waived, Jon Price was appointed as Non-Executive Director of Kingwest and the settlement payment and share issue received from Kingwest.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR (continued)

(d) **Coolgardie Gold Project**

During the year ended 30 June 2019, Horizon entered into an Exclusivity Deed with Focus Minerals Limited (ASX: FML) (Focus) relating to the potential acquisition by Horizon of Focus' Coolgardie Gold Project.

The Exclusivity Deed includes "no shop" and "no talk" restrictions in favour of Horizon as well as notification and matching rights in respect of any competing proposals for the Coolgardie Gold project, subject to customary fiduciary carve outs of Focus' benefit.

Subsequent to year end, Horizon exercised its matching right under the Exclusivity Deed in response to a superior competing non-binding proposal to purchase the Coolgardie Gold Project received by Focus from a third party and has submitted a non-binding counter proposal. The counter proposal increases the proposed consideration from $40 million to $55 million comprising $12 million in fully paid ordinary shares (based on 20 day VWAP) and $43 million in cash, payable in tranches. This proposal remains subject to negotiation and entry into formal binding written documentation and obtaining necessary approvals.

(e) **Asset Swap with Northern Star Resources**

On 12 September 2019 the Group announced it had reached agreement with Northern Star Resources Limited to a tenement exchange in the WA Goldfields for nil cash consideration.

The transaction would see Horizon divest its 100% interest in the Anthill, Blister Dam, New Mexico, White Flag and Kanowna North tenements and acquire 100% interest in Northern Star's Rosehill, Brilliant North and Gunga West projects in Coolgardie and the Golden Ridge, Balagundi, Abattoir and Mt Monger projects in Kalgoorlie.

There are no other matters or circumstances that have arisen since 30 June 2019 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial periods.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

In the opinion of the Directors it would prejudice the interests of the Group to provide additional information, beyond that reported in this Annual Report, relating to likely developments in the operations of the Group and the expected results of those operations in financial years subsequent to 30 June 2019.

DIVIDENDS PAID OR RECOMMENDED

Since the end of the previous financial year, no amount has been paid or declared by way of dividend. The Directors do not recommend that any dividend be paid.

MEETINGS OF DIRECTORS

The number of directors' meetings (including meetings of committees of Directors) held and attended by each of the Directors of the Group during the year were:

	Full Meetings of Directors		Remuneration Committee	
Directors	**Eligible To Participate**	**Number Attended**	**Eligible To Participate**	**Number Attended**
Peter Bilbe	5	5	1	1
Jonathan Price	5	5	-	-
Ashok Parekh	-	-	-	-
Jeff Williams	-	-	-	-
Peter Hunt	5	5	1	1

DIRECTORS INTERESTS

As at the date of this report interests of the Directors in the shares of the Company were:-

	Ordinary Shares		Unlisted Options	Total Holdings	
Directors	**Direct Interest**	**Indirect Interest**	**Exercise Price $0.2912 Expiry 9 Dec 2019**	**Shares**	**Unlisted Options**
Peter Bilbe	-	1,980,000	-	**1,980,000**	-
Jonathan Price	4,500,000	-	-	**4,500,000**	-
Ashok Parekh	8,908,873	14,155,480	-	**23,064,353**	-
Jeffrey Williams	-	2,367,578	1,371,592	**2,367,578**	**1,371,592**

SHARES UNDER OPTION

Unissued ordinary shares of Horizon Minerals Limited under option as at the date of this report are as follows:

Nature	Expiry Date	Exercise Price of Options	Number under Option
Unlisted Options	9 December 2019	29.12 cents	2,743,184
Unlisted Options	28 February 2020	69.88 cents	219,456

Option holders do not have any rights to participate in any issues of shares or other interests in the Company or any other entity.

There have been no unissued shares or interests under option of any controlled entity within the Group during or since the end of the reporting period.

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

AUDITED REMUNERATION REPORT

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

REMUNERATION GOVERNANCE

The role of the Remuneration Committee has been assumed by the full Board. The Board's policy for determining the nature and amount of remuneration for board members and senior Executives of the Company is as follows:

The objective of the Company's policy is to provide remuneration that is competitive and appropriate. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

(i) competitiveness and reasonableness;
(ii) acceptability to shareholders;
(iii) transparency;
(iv) and capital management.

(a) Details of Remuneration

The remuneration of the key management personnel of the Group are set out in the following tables:

The key management personnel of the Consolidated Entity consisted of the following directors of Horizon Minerals Limited:

- Peter Bilbe – Chairman and Independent Non-Executive Director
- Jonathan Price – Managing Director
- Ashok Parekh – Non-Executive Director (appointed 14 June 2019)
- Jeff Williams – Non-Executive Director (appointed 14 June 2019)
- Peter Hunt – Independent Non-Executive Director (resigned 14 June 2019)
- David Hughes (Lorry) – Executive Director (resigned 31 January 2018)

And the following persons:
- Grant Haywood – Chief Operating Officer

(a) Details of Remuneration (continued)

		Short Term Benefits			Long Term Benefits		
Name		**Salary & Wages $**	**Directors' Fee $**	**Share based payments $**	**Post Employment Superannuation $**	**Total $**	**Performance Related %**
Peter Bilbe	**2019**	**-**	**65,000**	**39,054**	**6,175**	**110,229**	**35.4**
(Chairman)	2018	-	60,000	45,364	5,700	111,064	40.8
Jonathan Price	**2019**	**385,496**	**-**	**97,635**	**29,932**	**513,063**	**19.0**
(Managing Director)	2018	295,000	-	155,848	28,025	478,873	32.5
Ashok Parekh	**2019**	**-**	**5,812**	**-**	**552**	**6,364**	**-**
(Non-Executive Director)	2018	-	-	-	-	-	-
Jeff Williams	**2019**	**-**	**5,812**	**-**	**552**	**6,364**	**-**
(Non-Executive Director)	2018	-	-	-	-	-	-
Peter Hunt	**2019**	**-**	**40,000**	**39,054**	**6,000**	**85,054**	**45.9**
(Non-Executive Director – resigned 14 June 2019)	2018	-	40,000	45,364	6,000	91,364	49.7
Lorry Hughes	**2019**	-	-	-	-	-	-
(Executive Director – resigned 31 January 2018)	2018	142,617	-	25,500	13,549	181,666	14.0
Other KMP							
Grant Haywood	**2019**	**327,004**	**-**	**48,817**	**29,491**	**405,312**	**12.0**
(COO)	2018	228,000	-	93,324	21,660	342,984	27.2
Total	**2019**	**712,500**	**116,624**	**224,560**	**72,702**	**1,126,386**	
Total	2018	665,617	100,000	365,400	74,934	1,205,951	

The Company has no formal policy regarding the provision of Directors' remuneration. Directors' fees in total are determined by the shareholders in a general meeting. No cash bonuses have been issued to Directors.

Shareholders have approved Directors' Fees in total up to $250,000 per annum.

Directors are not under written contracts. Directors that are not on a salary may be paid consulting fees for specialist services beyond normal duties at commercial rates calculated according to the amount of time spent on Company business. In the year ended 30 June 2019 the directors have received share-based compensation for services as directors of the Company. Full details are included below.

The share price of the Company has fluctuated with the markets and has also been influenced by the Company's investments in other ASX listed companies. Over the past five years the directors' fees have relatively remained static and have not been influenced by the fluctuating share price.

DIRECTORS' REPORT

(b) Interests in the Shares of the Company

Shares

The number of shares in the Company held during the financial year by key management personnel of Horizon Minerals Limited, including their personally related parties, is set out below:

2019	Balance at the start of the year	Balance held at appointment	Shares sold	Performance Rights Vested	Exercise of Options	Balance held at resignation	Balance at the end of the year
Peter Bilbe	230,000	-		-	1,750,000	-	1,980,000
Jonathan Price	2,368,493	-	(300,000)	-	2,750,000	-	4,818,493
Ashok Parekh	-	23,064,353	-	-	-	-	23,064,353
Jeffrey Williams	-	2,367,578	-	-	-	-	2,367,578
Peter Hunt	6,411,699	-	-	-	-	(6,411,699)	-
Other KMP							
Grant Haywood	1,250,000	-	-	-	62,500	-	1,312,500
TOTAL	**10,260,192**	**25,431,931**	**(300,000)**	**-**	**4,562,500**	**(6,411,699)**	**33,542,924**

2018	Balance at the start of the year	Balance held at appointment	Performance Rights Vested	Exercise of Options	Balance held at resignation	Balance at the end of the year
Peter Bilbe	80,000	-	150,000	-	-	230,000
Jonathan Price	1,701,826	-	666,667	-	-	2,368,493
Peter Hunt	6,261,699	-	150,000	-	-	6,411,699
Lorry Hughes	2,527,253	-	150,000	150,000	(2,827,253)	-
Other KMP						
Grant Haywood	-	800,000	450,000	-	-	1,250,000
TOTAL	**10,570,778**	**800,000**	**1,566,667**	**150,000**	**(2,827,253)**	**10,260,192**

(c) Interests in the Options of the Company

2019	Balance at the start of the year	Balance held at appointment	Options exercised during year	Balance held at resignation	Options lapsed during the year	Balance at 30/06/19	Bal. vested and exercisable at 30/06/19
	No.	No.	No.	No.	No.	No.	No.
Peter Bilbe	1,790,000	-	(1,750,000)	-	(40,000)	-	-
Jonathan Price	2,750,000	-	(2,750,000)	-	-	-	-
Ashok Parekh	-	-	-	-	-	-	-
Jeffrey Williams	-	1,371,592	-	-	-	1,371,592*	1,371,592
Peter Hunt	-	-	-	-	-	-	-
Other KMP							
Grant Haywood	62,500	-	(62,500)	-	-	-	-
TOTAL	**4,602,500**	**1,371,592**	**(4,562,500)**	**-**	**(40,000)**	**1,371,592**	**1,371,592**

*Options are exercisable at $0.2912 on or before 9 December 2019

(c) Directors' Interests in the Options of the Company (continued)

2018	Balance at the start of the year	Balance held at appointment	Options exercised during year	Balance held at resignation	Balance at 30/06/18	Bal. vested and exercisable at 30/06/18
	No.	No.	No.	No.	No.	No.
Peter Bilbe	1,790,000	-	-	-	1,790,000	1,790,000
Jonathan Price	2,750,000	-	-	-	2,750,000	2,750,000
Peter Hunt	-	-	-	-	-	-
Lorry Hughes	2,625,000	-	(150,000)	(2,475,000)	-	-
Other KMP						
Grant Haywood	-	62,500	-	-	62,500	62,500
TOTAL	**7,165,000**	**62,500**	**(150,000)**	**(2,475,000)**	**4,602,500**	**4,602,500**

(d) Share-Based Compensation

(i) Performance Rights Issued November 2017

In the year ended 30 June 2018, the Company provided benefits to employees (including directors) of the Company in the form of share-based payment transactions, whereby performance rights convertible to ordinary shares were granted at nil consideration as an incentive to improve Director and shareholder goal congruence. See Note 21 for details.

Details of performance rights over ordinary shares in the Company provided as remuneration to the Directors' of Horizon Minerals Limited are set out below. When vesting conditions are met, each right is convertible into one ordinary share of Horizon Minerals Limited.

Year ended 30 June 2019

Directors	Balance at beginning of year unvested		Vested		Lapsed/ cancelled	Balance at end of year unvested		
	No.	Value to be expensed* $	No.	Value to be expensed* $	No.	No.	Value expensed in 2018/19 $	Value to be expensed* $
Peter Bilbe	800,000	54,741	-	-	-	800,000	39,054	15,687
Jonathan Price	2,000,000	136,851	-	-	-	2,000,000	97,635	39,216
Peter Hunt	800,000	54,741	-	-	-	800,000	39,054	15,687
Other KMP								
Grant Haywood	1,000,000	68,426	-	-	-	1,000,000	48,817	19,609
TOTAL	**4,600,000**	**314,759**	**-**	**-**	**-**	**4,600,000**	**224,560**	**90,199**

Year ended 30 June 2018

Directors	Granted		Vested		Lapsed/cancelled		Balance at end of year unvested		
	No.	Value $	No.	Value $	No.	Value $	No.	Value expensed in 2017/18 $	Value to be expensed* $
Peter Bilbe	1,025,000	112,855	150,000	21,825	75,000	12,750	800,000	23,539	54,741
Jonathan Price	3,000,000	349,367	666,667	97,000	333,333	56,667	2,000,000	58,849	136,851
Peter Hunt	1,025,000	112,855	150,000	21,825	75,000	12,750	800,000	23,539	54,741
Lorry Hughes	1,450,000	167,000	150,000	25,500	1,300,000	141,500	-	-	-
Other KMP									
Grant Haywood	1,750,000	212,750	450,000	63,900	300,000	51,000	1,000,000	29,423	68,426
TOTAL	**8,250,000**	**954,827**	**1,566,667**	**230,050**	**2,083,333**	**274,667**	**4,600,000**	**135,350**	**314,759**

* Maximum value to be expensed in future periods if all vesting conditions are met.

DIRECTORS' REPORT

The performance rights were issued in classes with varying performance and vesting conditions (refer Note 21). Details of the number of rights issued per class are as follows:

Directors	Class A	Class B	Class C	Class D	Class E	Class F	Class G	Total
	No.	No.	No.	No.	No.	No.	No.	No.
Peter Bilbe	75,000	75,000	75,000	400,000	400,000	-	-	1,025,000
Jonathan Price	333,333	333,333	333,334	1,000,000	1,000,000	-	-	3,000,000
Peter Hunt	75,000	75,000	75,000	400,000	400,000	-	-	1,025,000
Lorry Hughes	150,000	150,000	150,000	500,000	500,000	-	-	1,450,000
Other KMP								
Grant Haywood	150,000	150,000	150,000	500,000	500,000	150,000	150,000	1,750,000
TOTAL	**783,333**	**783,333**	**783,334**	**2,800,000**	**2,800,000**	**150,000**	**150,000**	**8,250,000**

Performance Rights

Further details on the performance and valuations attaching to the performance rights are included in Note 21a to the Financial Statements.

The fair value of the rights was determined using a Hoadley's Barrier 1 model. A total amount of $273,377 is included in the Statement of Financial Performance and Statement of Changes in Equity for the year ended 30 June 2019 (2018 - $458,725), of which $224,560 (2018 - $365,400) is attributable to KMP.

The assessed fair value at grant date of performance rights granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Hoadley's Barrier 1 model that takes into account the vesting condition of the rights, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the rights.

(ii) Options

During the year ended 30 June 2019, the following options were exercised by Directors. These options were issued in October 2016 as part of share based compensation.

Director	Number of Options	Date options exercised	Exercise Price	Total
Peter Bilbe	1,750,000	31 July 2018	$0.125	$218,750
Jonathan Price	2,500,000	25 July 2018	$0.075	$187,500
TOTAL	**4,250,000**			**$406,250**

(e) Other Transactions with Key Management Personnel

There were no other transactions with Key Management Personnel during the year.

This is the end of the Audited Remuneration Report.

DIRECTORS' REPORT

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Group maintained an insurance policy which indemnifies the Directors and Officers of Horizon Minerals Limited in respect of any liability incurred in connection with the performance of their duties as Directors or Officers of the Group. The Group's insurers have prohibited disclosure of the amount of the premium payable and the level of indemnification under the insurance contract.

NON-AUDIT SERVICES

The Directors are satisfied that the provision of non-audit services, during the year, by the auditor or a related practice of the auditor is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

No non-audit services have been provided by the Company's auditors in year ended 30 June 2019. Remuneration paid to the Company's auditors is detailed in Note 18 of this report.

AUDITOR'S INDEPENDENCE DECLARATION

In accordance with section 307C of the Corporations Act 2001, the Directors have obtained a Declaration of Independence from Rothsay Auditing, the Group's auditor, as presented on page 34 of this Annual Report.

ENVIRONMENTAL REGULATION

The Group's exploration and mining operations are subject to environment regulation under the laws of the Commonwealth and the States. The Company holds exploration/mining tenements in Western Australia, Northern Territory and Queensland and thus is subject to the Mining Acts of these states, each with specific conditions relating to environmental management. In some instances bonds are held by the Company's bank in favour of the Minister for Mines to be released to the Company when the Minister is satisfied that conditions imposed on tenement licences have been met. In some jurisdictions Cash Bonds must be lodged with the relevant Department until conditions are fulfilled. Bonds currently in place in respect of the Company's tenement holdings are tabulated below.

Tenement Number	Tenement Name	Bond Held $
MLs150, 151	White Range	257,927*

*Pursuant to the White Range Mining Tenement Sale Agreement dated 18 January 2013 the Purchaser Red Dingo Corporation Pty Ltd is required to replace the Security Bond allowing refund of the current $257,927 to Horizon Minerals Limited.

The Directors advise that during the year ended 30 June 2019, no claim has been made by any competent authority that any environmental issues, no condition of license or notice of intent has been breached, and no claim has been made for increase of bond.

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. For the measurement period 1 July 2018 to 30 June 2019 the directors have assessed that there are no current reporting requirements, but may be required to do so in the future.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Group was not a party to any such proceedings during the year.

This report is made in accordance with a resolution of directors, and signed for on behalf of the board by:

JON PRICE
Managing Director

Perth, WA
27 September 2019

AUDITOR'S INDEPENDENCE DECLARATION

ROTHSAY

Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone (08) 9486 7094 www.rothsayresources.com.au

The Directors
Horizon Minerals Ltd
PO Box 1104
Nedlands WA 6909

Dear Sirs

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

i) no contraventions of the auditor independence requirements of the Act in relation to the audit of the 30 June 2019 financial statements; and

ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Rolf Garda (Lead auditor)

Rothsay Auditing

Dated 27 September 2019

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DIRECTORS' DECLARATION

The Directors of the Company declare that, in the opinion of the Directors:

1. The financial statements, comprising the consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows and accompanying notes, set out on pages 36 to 66 are in accordance with the *Corporations Act 2001* including:

(a) complying with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements;

(b) giving a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the Group; and

2. The Company has included in the notes to the financial statements an explicit and unreserved Statement of Compliance with International Financial Reporting Standards.

3. The Directors have been given the declaration by the Managing Director required by Section 295A.

4. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

JON PRICE
Managing Director

Perth, WA
27 September 2019

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 $	2018 $
Continuing Operations			
Gold sales		-	26,729,648
Gold royalty		241,406	480,506
Interest income	2	58,557	16,916
Other income	3	2,758,203	249,198
Total revenue from Continuing Operations		**3,058,166**	**27,476,268**
Cost of sales	4	(1,719,380)	(21,477,387)
Exploration and evaluation expenditure		(46,816)	(147,181)
Depreciation expenses		(26,262)	(23,685)
Net decrease in fair value of financial assets at fair value through profit or loss	9	(622,146)	(208,574)
Employee benefits expense		(471,051)	(484,615)
Share based payments	21	(273,377)	(458,725)
Building and occupancy costs	4	(86,303)	(69,117)
Loss on sale of property, plant & equipment		(983)	(3,174)
Consultancy and professional fees		(400,956)	(185,078)
Impairment loss on tenements	12	(194,099)	(452,065)
Scheme of arrangement transaction costs	4	(1,734,427)	-
Other expenses		(617,261)	(445,526)
Profit/(Loss) from continuing operations before income tax		**(3,134,895)**	**3,521,141**
Income tax (expense)/benefit	6	-	-
Profit/(Loss) for the year		**(3,134,895)**	**3,521,141**
Profit/(Loss) for the year and total comprehensive income attributable to owners of Horizon Minerals Limited		**(3,134,895)**	**3,521,141**

		2019	2018
Basic earnings/loss per share	17	(1.29) cents	1.78 cents
Diluted earnings/loss per share	17	(1.29) cents	1.78 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 30 JUNE 2019

	Note	2019 $	2018 $
Current assets			
Cash and cash equivalents	7	4,951,288	10,297,176
Trade and other receivables	8	557,218	725,481
Total current assets		**5,508,506**	**11,022,657**
Non-current assets			
Financial assets at fair value through profit or loss	9	605,461	1,013,074
Other assets	10	257,927	257,927
Property, plant and equipment	11	2,694,350	203,156
Exploration, evaluation and development expenditure	12	37,210,890	13,812,610
Total non-current assets		**40,768,628**	**15,286,767**
Total assets		**46,277,134**	**26,309,424**
Current liabilities			
Trade and other payables	13	990,214	2,541,350
Total current liabilities		**990,214**	**2,541,350**
Non-current liabilities			
Provisions	14	2,257,424	100,000
Total non-current liabilities		**2,257,424**	**100,000**
Total liabilities		**3,247,638**	**2,641,350**
Net assets		**43,029,496**	**23,668,074**
Equity			
Contributed equity	15a	49,746,534	27,523,594
Reserves	16a	1,166,406	893,029
Accumulated losses	16b	(7,883,444)	(4,748,549)
Total equity		**43,029,496**	**23,668,074**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

Group	Contributed Equity $	Asset Revaluation Reserve $	Share based payment Reserve $	Accumulated Losses $	Total Equity $
Balance at 1 July 2017	26,848,742	144,976	539,327	(8,269,690)	19,263,355
Shares issued during the year	441,292	-	-	-	441,292
Performance rights issued during the year	293,949	-	164,776	-	458,725
Shares issue costs	(60,389)	-	-	-	(60,389)
Options issued during the year	-	-	43,950	-	43,950
Total comprehensive profit/(loss) for the year	-	-	-	3,521,141	3,521,141
Balance at 30 June 2018	**27,523,594**	**144,976**	**748,053**	**(4,748,549)**	**23,668,074**
Balance at 1 July 2018	27,523,594	144,976	748,053	(4,748,549)	23,668,074
Shares issued during the year	22,261,670	-	-	-	22,261,670
Performance rights issued during the year	-	-	273,377	-	273,377
Shares issue costs	(38,730)	-	-	-	(38,730)
Options issued during the year	-	-	-	-	-
Total comprehensive profit/(loss) for the year	-	-	-	(3,134,895)	(3,134,895)
Balance at 30 June 2019	**49,746,534**	**144,976**	**1,021,430**	**(7,883,444)**	**43,029,496**

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 $	2018 $
Cash flows from operating activities			
Receipts from customers		699,036	33,566,998
Payments to suppliers and employees		(5,504,354)	(20,540,135)
Interest received		57,463	17,666
Security bonds		-	55,000
Net cash inflow/(outflow) from operating activities	20a	(4,747,855)	13,099,529
Cash flows from investing activities			
Payments for property, plant and equipment		(10,451)	(1,725)
Payments for purchase of tenements		-	(20,000)
Proceeds from sale of property, plant and equipment		-	18,000
Proceeds from sale of tenements		2,500,000	-
Payments for exploration, evaluation and mine development expenditure		(4,504,280)	(6,253,541)
Cash gained on merger with MacPhersons Resources Ltd		592,832	-
Payments for purchase of investments		(214,533)	-
Net cash inflow/(outflow) from investing activities		(1,636,432)	(6,257,266)
Cash flows from financing activities			
Proceeds from issues of shares		-	441,292
Proceeds from options exercised		1,077,128	-
Share issue costs		(38,729)	(16,439)
Net cash (outflow)/inflow from financing activities		1,038,399	424,853
Net increase/(decrease) in cash and cash equivalents		(5,345,888)	7,267,116
Cash and cash equivalents at the beginning of the financial year		10,297,176	3,030,060
Cash and cash equivalents at the end of the financial year	7	**4,951,288**	**10,297,176**

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

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity
This financial report of Horizon Minerals Limited ('the Company') for the year ended 30 June 2019 comprises the Company and its subsidiary (collectively referred to as 'the Consolidated Entity or the Group'). Horizon Minerals Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The financial report was authorised for issue in accordance with a resolution of Directors dated 27 September 2019.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report.

1a Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the *Corporations Act 2001*. The functional and presentation currency of Horizon Minerals Limited is in Australian Dollars.

Compliance with IFRSs
The financial statements of Horizon Minerals Limited also comply with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

New Accounting Standards and Interpretations
In the year ended 30 June 2019, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2018.

Adoption of new and amended accounting standards

A number of new or amended standards became applicable for the current reporting period and the Company had to change its accounting policies as a result of the adoption of the following standards:

- AASB 9 *Financial Instruments*; and
- AASB 15 *Revenue from Contracts with Customers*.

The impact of the adoption of these standards and the new accounting policies are disclosed below. The impact of these standards, and the other new and amended standards adopted by the Company, has not had a material impact on the amounts presented in the Company's financial statements.

AASB 9 Financial Instruments - Impact of Adoption
AASB 9 replaces the provisions of AASB 139 that relate to the recognitions, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of AASB 9 from 1 July 2018 resulted in no material changes in accounting policies and adjustments to the amounts recognised in the financial statements. The Company assessed which business models apply to the financial assets held by the Company and has classified its financial instruments into the appropriate AASB 9 categories.

There was no impact on the amounts recognised in the financial statements as a result of adoption.

AASB 15 Revenue from Contracts with Customers - Impact of Adoption
The Company has adopted AASB 15 from 1 July 2018 which has no material impact to the amounts recognised in the financial statements.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2019. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Standards and Interpretations not yet mandatory or early adopted (continued)

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The company will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the Company.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2019. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Company accounting policies.

Historical Cost Convention
These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets.

Critical Accounting Estimates
The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 30.

1b Principles of consolidation

(i) Subsidiaries

The consolidated financial statements comprise the financial statements of Horizon Minerals Limited and its controlled entities, Black Mountain Gold Ltd and MacPhersons Resources Limited. MacPhersons Resources Limited was acquired on 14 June 2019 pursuant to a Scheme of Arrangement (refer to Note 22) including its subsidiaries (refer Note 25). As at 30 June 2019, Horizon Minerals Limited and its subsidiaries together are referred to in this financial report as the Consolidated Entity or the Group.

Control exists where the Company has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with the Company to achieve the objectives of the Company. All inter-company balances and transactions between entities in the Group, including any unrealised profits and losses have been eliminated on consolidation. Non-controlling interests in the results and equity of the consolidated entities are shown separately in the consolidated statement of comprehensive income and consolidated statement of financial position respectively.

Where control of an entity is obtained during a financial year, its results are included in the consolidated statement of comprehensive income from the date on which control commences. They are de-consolidated from the date that control ceases.

(ii) Joint ventures

Joint ventures entered into are not separate legal entities but rather are contractual arrangements between the participants for the sharing of costs and output and do not in themselves generate revenue and profit. Details of the joint ventures are set out in Note 30.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1c Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in other comprehensive income/equity are also recognised directly in other comprehensive income/equity.

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the reporting date.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

The Group is consolidated for income tax purposes effective 1 July 2016.

1d Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and amounts collected on behalf of third parties. Revenue is recognised for major business activities as follows:

(i) Sale of gold

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Revenue is recognised when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably and the amount of revenue can be measured reliably.

(ii) Interest income

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(iii) Other services

Other debtors are recognised at the amount receivable and are due for settlement within 30 days from the end of the month in which services were provided.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1e Mineral prospects and exploration expenditure thereon

The Group's policy with respect to exploration expenditure is to write off all costs unless the directors and management are of the view that there is a reasonable prospect that the costs may be recovered in future income years. Costs that may reasonably be expected to be recovered are capitalised to the statement of financial position as a non-current asset and accumulated separately for each area of interest. Such expenditure comprises net direct cash and where applicable, an apportionment of related overhead expenditure.

Each area of interest is limited to a size related to a known or probably mineral resource capable of supporting a mining operation. Expenditure is not carried forward in respect of any area of interest unless the Group's right to tenure to that area of interest is current.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. At 30 June 2019, the Directors considered that the carrying value of the mineral tenement interests of the Group was as shown in the accounts and did not need adjusting.

Exploration and evaluation assets are transferred to Development Phase assets once technical feasibility and commercial viability of an area of interest is demonstrable. Exploration and evaluation assets are tested for impairment, and any impairment loss is recognised, prior to being reclassified.

1f Mine properties and mining assets

Mine properties represents the acquisition cost and/or accumulated exploration, evaluation and development expenditure in respect of areas of interest in which mining has commenced.

Mine development costs are deferred until commercial production commences. When commercial production is achieved mine development is transferred to mine properties, at which time it is amortised on a unit of production basis based on ounces mined over the total estimated resources related to this area of interest.

Significant factors considered in determining the technical feasibility and commercial viability of the project are the completion of a feasibility study, the existence of sufficient resources to proceed with development and approval by the board of Directors to proceed with development of the project.

Deferred stripping costs

Stripping is the process of removing overburden and waste materials from surface mining operations to access the ore. Stripping costs are capitalised during the development of a mine and are subsequently amortised over the life of mine on a units of production basis, where the unit of account is ounces of gold sold.

1g Non-derivative financial assets existing on or acquired after 1 July 2009

The classification and measurement model for financial assets existing on or acquired after 1 July 2009, the date the Group adopted AASB 9, is outlined below.

Financial assets at amortised cost and the effective interest rate method

A financial asset is measured at amortised cost if the following conditions are met:

- the objective of the Group's business model is to hold the asset to collect contractual cash flows;
- the contractual cash flows give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding; and
- the group does not irrevocably elect at initial recognition to measure the instrument at fair value through profit or loss to minimise an accounting mismatch.

Amortised cost instruments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition the carrying amount of amortised cost instruments is determined using the effective interest method, less any impairment losses.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1g Non-derivative financial assets existing on or acquired after 1 July 2009 (continued)

Financial assets at fair value through profit or loss

Financial assets other than equity instruments that do not meet the above amortised cost criteria are measured at fair value through profit or loss. This includes financial assets that are held for trading and investments that the Group manages based on their fair value in accordance with the Group's documented risk management and/or investment strategy.

Equity instruments are measured at fair value through profit or loss unless the Group irrevocably elects at initial recognition to present the changes in fair value in other comprehensive income as described below.

Upon initial recognition, financial assets measured at fair value through profit or loss are recognised at fair value and any transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

1h Impairment of assets

Mining tenements assets and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash flows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

1i Plant and equipment

Plant and equipment is stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit and loss during the financial period in which they are incurred.

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of plant and equipment over its expected useful life to the Group. The expected useful lives are as follows:

Plant and equipment 5 - 10 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 1h).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit and loss.

1j Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off. An allowance account (provision for impairment of trade receivables) is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is recognised in the profit and loss.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1k Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid, together with assets ordered before the end of the financial year. The amounts are unsecured and are usually paid within 30 days of recognition.

1l Employee benefits

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Annual leave has been accrued as at 30 June 2019.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experiences of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Long service leave has been accrued as at 30 June 2019.

(iii) Share-based payments

Share-based compensation benefits are provided to directors through the granting of options and performance rights.

The fair value of options and performance rights granted by the Group are recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options and performance rights granted, which includes any market performance conditions but excludes the impact of any service and non-market performance vesting conditions and the impact of any non-vesting conditions.

Non-market vesting conditions are included in assumptions about the number of options and performance rights that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

1m Cash and cash equivalents

For statement of cashflows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid instruments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

1n Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not incremental costs relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1o Leases

Leases of property, plant and equipment where the entity has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases, including hire purchase agreements, are capitalised at the lease's inception at the lower of fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit and loss on a straight-line basis over the period of the lease.

1p Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the current bid price: the appropriate quoted market price for financial liabilities is the current ask price.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

1q Goods and services tax

Revenues, expenses and assets are recognised net of the amount of associated goods and services tax (GST), unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority, are presented as operating cash flows.

1r Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of acquisition as part of the purchase consideration.

If the entity reacquires its own equity instruments, e.g. as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

1s Provisions

Provisions for legal claims recognised when the Group has a present legal obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1s Provisions (continued)

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

1t Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the steering committee that makes strategic decisions.

1u Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the assets for its intended use or sale. Other borrowing costs are expensed.

1v Earnings per share

(i) Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share
Diluted earnings per share adjusted the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

1w Rehabilitation costs

The Group’s mining, extraction and processing activities give rise to obligations for site rehabilitation. Rehabilitation obligations can include facility decommissioning and dismantling; removal or treatment of waste materials; land rehabilitation; and site restoration. The extent of work required and the associated costs are estimated based on feasibility estimates using current restoration standards and techniques. Provisions for the cost of each rehabilitation program are recognised at the time that environmental disturbance occurs.

Rehabilitation provisions are initially measured at the expected value of future cash flows required to rehabilitate the relevant site.

At each reporting date the rehabilitation liability is re-measured to account for any new disturbance, updated cost estimates, changes to the estimated lives of operations and new regulatory requirements.

1x Business combinations

The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or business under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred, and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre−existing equity interest in the subsidiary. Acquisition−related costs are expensed as incurred. Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The excess of the consideration transferred, the amount of any non−controlling interest in the acquiree and the acquisition−date fair value of any previous equity interest in the acquiree over the fair value of the Group’s share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1x Business combinations (continued)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. These provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

	2019 $	2018 $
2 INTEREST INCOME	**58,557**	**16,916**
3 OTHER INCOME		
Profit on sale of tenement interest	2,500,000	-
Recovery of administration costs	120,526	89,834
Other income	137,677	159,364
	2,758,203	**249,198**
4 EXPENSES		
Profit/(loss) before income tax includes the following specific expenses:		
Cost of sales		
Mining and processing costs*	1,719,380	17,447,391
Amortisation	-	4,029,996
Cost of sales	1,719,380	21,477,387
Building and occupancy costs		
Rental expense related to office lease	70,495	69,117
Other	15,808	-
Building and occupancy costs	86,303	69,117
Scheme of Arrangement transaction costs (refer Note 22)	1,734,427	-

* Mining and processing costs for year ended 30 June 2019 includes balance of monies paid in settlement of mining dispute as per ASX announcement dated 19 December 2018, net of amounts previously set aside. Refer to Note 26(d).

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

5 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 activities. As such there are two reportable segments being Vanadium/Molybdenum tenements and Gold tenements.

2019	Vanadium/ Molybdenum $	Gold $	Total $
Revenue	-	241,406	241,406
Profit/(loss) before income tax	-	(2,571,306)	(2,571,306)
Total segment assets	**756,367**	**44,915,306**	**45,671,673**

2018	Vanadium/ Molybdenum $	Gold $	Total $
Revenue	-	27,210,154	27,210,154
Profit/(loss) before income tax	-	3,463,601	3,463,601
Total segment assets	**756,367**	**24,539,983**	**25,296,350**

	2019 $	2018 $
5a Segment revenue		
Segment revenue reconciles to revenue from continuing operations as follows:		
Segment revenue	241,406	27,210,154
Interest revenue	58,557	16,916
Other revenue	2,758,203	249,198
Revenue from continuing operations	**3,058,166**	**27,476,268**
5b Segment profit/(loss)		
Segment profit/(loss) reconciles to total comprehensive income as follows:		
Segment profit/(loss) before income tax	(2,571,306)	3,463,601
Interest revenue	58,557	16,916
Net decrease in value of financial assets at fair value through profit & loss	(622,146)	(208,574)
Unallocated costs net of other revenue	-	249,198
Profit/(Loss) after income tax	**(3,134,895)**	**3,521,141**

		2019 $	2018 $
5	**SEGMENT INFORMATION (CONTINUED)**		
5c	**Segment assets**		
	Segment assets reconcile to total assets as follows:		
	Segment assets	45,671,673	25,296,350
	Unallocated assets	605,461	1,013,074
Total assets		**46,277,134**	**26,309,424**

5d **Segment liabilities**

The Group's liabilities are not reported to management on an individual segment basis, but rather reported on a consolidated basis.

6 **INCOME TAX**

6a The prima facie income tax expense on pre-tax accounting loss reconciles to the income tax expense in the financial statements as follows:

	2019 $	2018 $
Profit/(Loss) from continuing operations before income tax expense	(3,134,895)	3,521,141
Income tax expense/(benefit) calculated at 27.5% (2018: 30%)	(862,096)	1,056,342
Capital raising cost allowable	(36,776)	(37,796)
	(898,872)	1,018,546
Movements in unrecognised timing differences	308,278	111,753
Expenses that are not deductible in determining taxable profit	325,532	-
Movement in share revaluations	171,090	62,572
Tax losses recouped	-	(1,192,871)
Unused tax losses not recognised as a deferred tax asset	93,972	-
Income tax benefit reported in the Statement of Profit or Loss and Other Comprehensive Income	**-**	**-**

6b Unrecognised deferred tax balances:

The following deferred tax assets (2019: 27.5%, 2018: 30%) have not been brought to Account:

	2019 $	2018 $
Unrecognised deferred tax asset – tax losses	3,073,250	3,108,944
Unrecognised deferred tax asset – capital losses	15,563	16,978
Unrecognised deferred tax liability – capitalised exploration expenses	(3,592,398)	(3,918,979)
Unrecognised deferred tax asset/(liability) – share investments	234,698	69,390
Unrecognised deferred tax asset – other temporary differences	88,246	69,195
Net deferred tax assets/(liability) not brought to account	**(180,641)**	**(654,472)**

		2019 $	2018 $
6	**INCOME TAX (CONTINUED)**		
6c	The taxation benefits of tax losses and timing not brought to account will only be obtained if: • assessable income is derived of a nature and of amount sufficient to enable the benefit from the deductions to be realised; • conditions for deductibility imposed by the law are complied with; and • no changes in tax legislation adversely affect the realisation of the benefit from the deductions.		
6d	In June 2019, Horizon acquired 100% of the issued capital of MacPhersons Resources Ltd and its subsidiaries – Refer Note 22 for details. As at that date, it is estimated that MacPhersons Resources Ltd and its subsidiaries had approx. $17m of unrecognised tax losses that have not been brought to account as an asset. The group is currently assessing these losses to determine the extent to which these losses are available to be recouped from future assessable income.		
7	**CASH AND CASH EQUIVALENTS**		
	Cash at bank and on hand	4,951,288	10,297,176 *
	Reconciliation to cash at the end of the year The above figures are reconciled to cash at the end of the financial year as shown in the cash flow statement as follows:		
	Balances as above	4,951,288	10,297,176
Balances per statement of cash flows		**4,951,288**	**10,297,176**

* Included within this amount are the IRC & RM Joint Venture Accounts totalling $7,823,573, payments from which require authorisation by each of the joint venture parties and as such may be termed restricted cash. This account is to be used to pay out the profit share of the Teal project to the joint venture parties (refer notes 13, 26(d) and 31).

		2019 $	2018 $
8	**TRADE AND OTHER RECEIVABLES**		
	Trade receivables	423,690	483,553
	Other receivables – GST refund	76,740	205,977
	Prepayment and other receivables	38,367	18,624
	Accrued interest	1,321	227
	Term deposit – bonds & credit card security deposit	17,100	17,100
		557,218	**725,481**

	2019 $	2018 $

8 TRADE AND OTHER RECEIVABLES (CONTINUED)

There are no receivables past due but not impaired.

There are no impaired trade receivables or any allowance for impairment against trade receivables.

Term deposits

The deposits have maturity periods of between 3 and 12 months, but can be readily convertible to cash at short notice, at interest rates between 2.4% and 2.5% (2018: 2.4% and 2.5%). Refer to Note 27 regarding risk exposures. Term deposits with a maturity over three months are included in current receivables.

Effective interest rates and credit risk

Information concerning the effective interest rate and credit risk of both current and non-current receivables is set out below.

Interest rate risk

All receivable balances are non-interest bearing.

Credit rate risk

There is no concentration of credit risk with respect to current and non-current receivables. Refer to Note 27 for further information on the Group's risk management policies. Due to short term nature, fair value approximates carrying value.

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2019 $	2018 $
Shares in listed companies at market value	605,461	1,013,074
	605,461	**1,013,074**

Included is $605,461 (2018: $1,013,074) of shares and options held in Reward Minerals Ltd.

The net change in fair value on financial assets at fair value through profit or loss for the year was a loss of $622,146 (2018 Loss: $208,574).

All financial assets at fair value through profit or loss are denominated in Australian currency. Refer to Note 27 for further information concerning the price and foreign currency risk.

10 OTHER ASSETS

	2019 $	2018 $
Security deposits	257,927	257,927
	257,927	**257,927**

The security deposits arise from monies held in trust accounts or lodged with appropriate authorities in relation to mining tenements held. The Group has restricted access to these funds, but they are expected to be reimbursed in the future

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

		2019 $	2018 $
11	**PROPERTY, PLANT & EQUIPMENT**		
	Plant and equipment at cost	4,532,147	1,171,840
	Accumulated depreciation and impairment	(2,190,256)	(1,062,230)
	Total plant and equipment	2,341,891	109,610
	Property at cost	518,054	96,348
	Accumulated depreciation and impairment	(210,989)	(2,802)
	Total property	307,065	93,546
	Motor vehicles – at cost	324,544	-
	Accumulated depreciation	(279,150)	-
	Total motor vehicles	45,394	-
		2,694,350	**203,156**

		2019 $	2018 $
	RECONCILIATIONS		
11a	**Plant and equipment**		
	Carrying amount at beginning of the year	109,610	152,249
	Additions	10,452	1,725
	Additions acquired under Scheme of Arrangement	2,253,892	-
	Disposals	(9,877)	(20,679)
	Depreciation	(22,186)	(23,685)
Carrying amount at end of year		**2,341,891**	**109,610**
11b	**Property**		
	Carrying amount at beginning of the year	93,546	94,040
	Additions acquired under Scheme of Arrangement	216,889	-
	Depreciation	(3,370)	(494)
Carrying amount at end of year		**307,065**	**93,546**
11c	**Motor Vehicle**		
	Carrying amount at beginning of year	-	-
	Additions	-	-
	Additions acquired under Scheme of Arrangement	46,100	-
	Depreciation	(706)	-
Carrying amount at end of year		**45,394**	**-**

		2019 $	2018 $
12 EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE			
During the year ended 30 June 2019, the Group incurred and capitalised the following exploration, evaluation and development expenditure:			
Exploration and evaluation phase			
Carrying amount at beginning of the year		12,717,664	9,630,270
Capitalised during the year		3,736,124	3,519,459
Transferred to production phase		-	-
Tenements acquired under Scheme of Arrangement		19,115,999	
Purchases of tenements		-	20,000
Impairment loss on tenements		(194,099)	(452,065)
Carrying amount at end of year		**35,375,688**	**12,717,664**
Mine properties			
Carrying amount at beginning of the year		1,094,946	4,535,863
Transfer from exploration and evaluation phase		-	-
Capitalised during the year		740,256	589,079
Amortised during the year		-	(4,029,996)
Carrying amount at end of year		**1,835,202**	**1,094,946**
Total exploration and mine properties		**37,210,890**	**13,812,610**

Impairment of mining tenements
An impairment loss of $194,099 (2018: Loss $452,065) has been recorded against the mining tenements as at 30 June 2019 to reduce the carrying value to what is anticipated to be at least the market value of the tenements.

The ultimate recoupment of expenditure above relating to the exploration and evaluation phase is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

		2019 $	2018 $
13 TRADE AND OTHER PAYABLES			
Trade payables		669,320	298,343
Accrued expenses		155,992	180,726
Amount payable under profit share agreement	26d & 31	-	1,931,355
Accrued employee entitlements		164,902	130,926
		990,214	**2,541,350**

		2019 $	2018 $
14 PROVISIONS			
Rehabilitation of mine site		1,057,424	100,000
Stamp duty		1,200,000	-
		2,257,424	**100,000**

	2019 No.	2018 No.	2019 $	2018 $
15 CONTRIBUTED EQUITY				
15a Share capital				
At the beginning of the year	227,192,119	218,412,952	27,523,594	26,848,742
Shares issued under Scheme of Arrangement	192,586,736	-	21,184,541	-
Options conversion	8,196,345	3,345,834	1,077,129	331,292
Shares issued for performance rights	-	2,016,667	-	293,949
Part payments for subscription of shares*	-	3,416,666	-	110,000
Capital raising costs	-	-	(38,730)	(60,389)
Total Contributed Equity	**427,975,200**	**227,192,119**	**49,746,534**	**27,523,594**

* During the year ended 30 June 2017 Intermin and AXF Resources Pty Ltd (AXF) executed a Joint Venture agreement under which AXF is to subscribe for $430,000 Intermin shares at 12 cents as announced on 13 December 2016. As at 30 June 2017 $300,000 had been received with 166,667 shares issued. Intermin issued the remaining 3,416,666 shares when final payment of $110,000 was received.

15b Terms and conditions of contributed equity

Ordinary shares

Ordinary shares have no par value. Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

15c Options

	Listed Options No.	Unlisted Options No.	Unlisted Options No.	Unlisted Options No.	Unlisted Options No.	Unlisted Options No	Total No.
Exercise Price	$0.17	$0.075	$0.125	$0.25	$0.2912	$0.6988	
Expiry date	31 Aug 2018	31 Jul 2018	31 Jul 2018	31 Aug 2019	9 Dec 2019	28 Feb 2020	
Balance at 1 July 2018	24,620,579	2,500,000	1,750,000	500,000	-	-	29,370,579
Issued under Scheme of Arrangement	-	-	-	-	2,743,184	219,456	2,962,640
Expired during the year	(20,674,234)	-	-	-	-	-	(20,674,234)
Exercised during the year	(3,946,345)	(2,500,000)	(1,750,000)	-	-	-	(8,196,345)
Balance at 30 June 2019	**-**	**-**	**-**	**500,000**	**2,743,184**	**219,456**	**3,462,640**
Balance at 1 July 2017	23,674,747	5,000,000	1,750,000	-	-	-	30,424,747
Issued during the year	1,791,666	-	-	500,000	-	-	2,291,666
Exercised during the year	(845,834)	(2,500,000)	-	-	-	-	(3,345,834)
Balance at 30 June 2018	**24,620,579**	**2,500,000**	**1,750,000**	**500,000**	**-**	**-**	**29,370,579**

15d Performance Rights

As at 30 June 2019, there were 5,600,000 performance rights on issue that, if the vesting conditions are met, could result in the issue of 5,600,000 ordinary shares in the Company. Further details are contained in Note 21.

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	2019 $	2018 $
16 RESERVES AND ACCUMULATED LOSSES		
16a (i) Asset revaluation reserve		
Opening balance	144,976	144,976
Closing Balance	**144,976**	**144,976**
(ii) Share based payments reserve		
Opening balance	748,053	539,327
Performance rights issued during the year	273,377	458,725
Performance rights converted to issued capital upon vesting	-	(293,949)
Options placement in lieu of services provided	-	43,950
Closing Balance	**1,021,430**	**748,053**
Total Reserves	**1,166,406**	**893,029**
16b Accumulated losses		
Opening balance	(4,748,549)	(8,269,690)
Profit/ (loss) for the year	(3,134,895)	3,521,141
Closing balance	**(7,883,444)**	**(4,748,549)**

Asset Revaluation Reserve
The Asset Revaluation Reserve is used to record increments and decrements on the revaluation of non-current assets.

Share Based Payments Reserve
The Share Based Payments Reserve is used to recognise the fair value of shares, options and performance rights granted as remuneration.

	2019 $	2018 $
17 EARNINGS PER SHARE		
Operating profit/(loss) after tax attributable to members of Horizon Minerals Limited	(3,134,895)	3,521,141
Basic earnings (loss) per share	(1.29) cents	1.78 cents
Diluted earnings (loss) per share	(1.29) cents	1.78 cents
	Number	**Number**
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share.	243,487,887	198,201,638

	2019 $	2018 $
18 REMUNERATION OF AUDITORS		
Remuneration for audit services and review of the financial reports of the parent entity or any entity in the Group to Rothsay Auditing. No other fees were paid or payable for services provided by the auditor of the parent, related practices or non-related audit firms.		
Rothsay Auditing	41,500	35,750
	41,500	**35,750**

		2019 $	2018 $
19	**KEY MANAGEMENT PERSONNEL DISCLOSURES**		
19a	**Details of remuneration**		
	Short-term benefits	829,124	765,617
	Post-employment benefits	72,702	74,934
	Share based payments	224,560	365,400
		1,126,386	**1,205,951**

		2019 $	2018 $
20	**STATEMENT OF CASH FLOWS**		
20a	**Reconciliation of net cash from operating activities to Profit/(Loss) after income tax**		
	Operating Profit/(Loss) after income tax	(3,134,895)	3,521,141
	Depreciation	26,262	23,685
	Amortisation of mine development expenditure	-	4,029,996
	Net change in fair values of financial assets at fair value through profit or loss	622,146	208,574
	Profit on sale of tenement	(2,500,000)	-
	(Gain)/loss on disposal of plant and equipment	983	3,174
	Impairment loss on tenements	194,099	452,065
	Share based payment	273,377	458,725
	Other	(20,257)	-
	Movement in assets and liabilities:		
	Provisions	1,154,728	-
	Receivables	307,712	5,902,420
	Prepayments	(841)	(2,316)
	Security Bonds	-	55,000
	Trade creditors and accruals	(1,671,169)	(1,552,935)
Net cash inflow/(outflow) from operating activities		**(4,747,855)**	**13,099,529**

21 SHARE BASED PAYMENTS

21a Year ended 30 June 2019

In November 2017, directors and employees were granted 10,000,000 performance rights.

The performance rights were granted at nil consideration, do not have an exercise price and will lapse if the vesting conditions are not met.

The Performance Rights are issued under the Intermin Resources Employee Incentive Scheme (EIS) approved by shareholders at the General Meeting held of 17 October 2016. The issue to Directors was approved at the Annual General Meeting on 23 November 2017.

Each Performance Right will, at the election of the holder, vest and convert to one fully paid ordinary share, subject to the satisfaction of certain Performance Conditions.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

21a Year ended 30 June 2019 (continued)

The Performance Conditions are:

1. Class A Performance Rights – Prior to 1 July 2018 a feasibility study on the Goongarrie Lady Project is completed projected to deliver more than $8,000,000 net cash flow and the total JORC resource increases to result in an estimate of more than 710,000 ounces of gold.
2. Class B Performance Rights – Prior to 1 January 2018 the volume weighted average price of the Company's Shares over 5 consecutive trading days on which the Shares trade is 15 cents or more.
3. Class C Performance Rights – Prior to 1 July 2018 the volume weighted average price of the Company's Shares over 5 consecutive trading days on which the Shares trade is 20 cents or more.
4. Class D Performance Rights – Prior to 1 July 2019 the volume weighted average price of the Company's Shares over 20 consecutive trading days on which the Shares trade is 25 cents or more.
5. Class E Performance Rights – Prior to 1 July 2020 the volume weighted average price of the Company's Shares over 20 consecutive trading days on which the Shares trade is 30 cents or more.
6. Class F Performance Rights – Prior to 1 July 2018 the volume weighted average price of the Company's Shares over 5 consecutive trading days on which the Shares trade is 18 cents or more.
7. Class G Performance Rights – Delivery of gold production and cashflow for the Teal Gold Project in accordance with market guidance by 31 March 2018.

Set out below is a summary of the performance rights granted.

	Class A	Class B	Class C	Class D	Class E	Class F	Class G	Total
Number granted	933,333	933,333	933,334	3,300,000	3,300,000	300,000	300,000	**10,000,000**
Grant date	23-Nov-17	23-Nov-17	23-Nov-17	23-Nov-17	23-Nov-17	23-Nov-17	23-Nov-17	
Expiry date of milestone achievements	01-Jul-18	01-Jan-18	01-Jul-18	01-Jul-19	01-Jul-20	01-Jul-18	31-Mar-18	
Share price hurdle	Commercial hurdle	15 cents	20 cents	25 cents	30 cents	18 cents	Commercial hurdle	
Fair value per right*	0.17	0.17	0.121	0.0938	0.1019	0.135	0.17	
Total fair value that would be recognised over the vesting period if rights are vested	0	158,667	94,783	262,640	285,320	40,500	0	**841,910**
Number cancelled at 30 June 2018	150,000	0	150,000	500,000	500,000	0	0	**1,300,000**
Number expired at 30 June 2018	783,333	0	0	0	0	0	300,000	**1,083,333**
Number vested at 30 June 2018	0	933,333	783,334	0	0	300,000	0	**2,016,667**
Number remaining at 30 June 2018	0	0	0	2,800,000	2,800,000	0	0	**5,600,000**
Number remaining at 30 June 2019	0	0	0	2,800,000	2,800,000	0	0	**5,600,000**
Amount expensed in prior year	0	158,667	94,783	98,770	66,005	40,500	0	**458,725**
Amount expensed in current year	0	0	0	163,870	109,507	0	0	**273,377**
Amount to be expensed in future periods if all vesting conditions met	0	0	0	0	109,808	0	0	**109,808**

21a Year ended 30 June 2019 (continued)

The fair value of the rights was determined using Hoadley's Barrier 1 model that takes into account the vesting condition of the rights, and was based on the following inputs:

Assumptions	Rights						
	Class A	Class B	Class C	Class D	Class E	Class F	Class G
Spot price	$0.170	n/a	$0.166	$0.135	$0.135	n/a	n/a
Vesting hurdle	n/a	$0.15	$0.20	$0.25	$0.30	$0.18	n/a
Exercise price	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expiry period (years)	1-Jul-18	1-Jan-18	1-Jul-18	1-Jul-19	1-Jul-20	1-Jul-18	31-Mar-18
Expected future volatility	90%	90%	90%	90%	90%	90%	90%
Risk free rate	1.79%	1.79%	1.79%	1.79%	1.91%	1.79%	1.79%
Dividend yield	Nil	Nil	Nil	Nil	Nil	Nil	Nil

During the year ended 30 June 2019, $273,377 was recognised as a share based payment made to directors, with the fair value being recognised over the vesting period.

22 BUSINESS COMBINATION

Acquisition
On 14 June 2019, Horizon acquired 100% of MacPhersons Resources Limited and its subsidiaries' Kalgoorlie Ore Treatment Company Pty Ltd and Polymetals (WA) Pty Ltd under a Scheme of Arrangement, under which Horizon issued 192,586,736 ordinary shares to MacPhersons Resources' shareholders. The Company also issued 2,962,640 unlisted replacement options to MacPhersons Resources' option holders with various exercise prices and expiry dates.

The total cost of the combination was $21,184,541 and comprised an issue of shares and options. The consolidated entity issued 192,586,736 ordinary shares with a fair value of 11 cents each, based on the quoted price of the share on Horizon Minerals Ltd on the Implementation Date of the Scheme of Arrangement. The 2,962,640 unlisted replacement options were valued based with the Black-Scholes valuation method. Key variables in the option valuation include the price of date of issue of 11 cents, a risk free rate of 1.5% and volatility of 75%.

Consideration transferred
On the acquisition date, 14 June 2019, the fair value of consideration transferred was recorded as:

	$
Shares issued, at fair value	21,184,541
Options issued, Black-Scholes valuation	-
Total purchase consideration	**21,184,541**

Assets acquired and liabilities assumed at the date of acquisition
The Consolidated Entity recognised the fair values of the identifiable assets and liabilities of MacPhersons Resources as follows.

	$
Cash	592,832
Trade and other receivables	69,944
Exploration	19,117,827
Property, plant and equipment	2,517,630
Trade and other payables	(110,996)
Provisions	(1,002,696)
Net identifiable assets acquired	**21,184,541**

Net cash inflow from transaction

Net cash acquired under scheme of arrangement	592,832
Net cash inflow	**592,832**

Impact of acquisition on the results of the consolidated entity
If the business combination had taken place at the beginning of the year, the loss of the Consolidated Entity would have been $5,547,173 and the revenue from continuing operations would have been $3,163,143.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

23 COMMITMENTS FOR EXPENDITURE

23a Coolgardie Gold Project

During the year ended 30 June 2019, Horizon entered into an Exclusivity Deed with Focus Minerals Limited (ASX: FML) (Focus) relating to the potential acquisition by Horizon of Focus' Coolgardie Gold Project.

The Exclusivity Deed includes "no shop" and "no talk" restrictions in favour of Horizon as well as notification and matching rights in respect of any competing proposals for the Coolgardie Gold project, subject to customary fiduciary carve outs of Focus' benefit.

Subsequent to year end, Horizon exercised its matching right under the Exclusivity Deed in response to a superior competing non-binding proposal to purchase the Coolgardie Gold Project received by Focus from a third party and has submitted a non-binding counter proposal. The counter proposal increases the proposed consideration from $40 million to $55 million comprising $12 million in fully paid ordinary shares (based on 20 day VWAP) and $43 million in cash, payable in tranches. This proposal remains subject to negotiation and entry into formal binding written documentation and obtaining necessary approvals.

23b Lease commitments

Finance leases

The Group has no finance lease commitments.

Operating leases

The Group has one office lease which commenced on 22 February 2016 and expires on 21 February 2020.

	2019 $	2018 $
Commitments for minimum lease payments in relation to operating leases are payable as follows:		
Within one year	42,608	45,790
Later than one year but not later than two years	42,608	45,790
	85,216	**91,580**

23c Exploration expenditures

Commitments for minimum expenditure requirements on the mineral exploration assets it has an interest in are payable as follows:		
Within one year	3,700,000	2,250,000
Later than one year but not later than five years	4,000,000	2,800,000
Later than five years	4,500,000	2,800,000
	12,200,000	**7,850,000**

24 RELATED PARTY TRANSACTIONS

24a Directors / Key Management Personnel

Other transactions with Director related entities

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Disclosures relating to Key Management Personnel are set out in Note 19 and the Remuneration Report.

Natjo Nominees Pty Ltd Payments made to Natjo Nominees Pty Ltd, a Company in which Peter Hunt is a Director, for the reimbursement of expenditures paid for on behalf of Horizon Minerals Limited.	-	1,544
Closing balance	**-**	**-**

24b Subsidiaries

See Note 25 for further details regarding subsidiaries.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

25 INVESTMENT IN CONTROLLED ENTITIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1(b):

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding 2019 %	Equity Holding 2018 %
Direct Subsidiaries				
Black Mountain Gold Ltd	Australia	Ordinary	100	100
MacPhersons Resources Limited	Australia	Ordinary	100	0
CGP Minerals Pty Ltd	Australia	Ordinary	100	0
CGP Assets Pty Ltd	Australia	Ordinary	100	0
Indirect Subsidiaries				
Kalgoorlie Ore Treatment Company Pty Ltd	Australia	Ordinary	100	0
Polymetals (WA) Pty Ltd	Australia	Ordinary	100	0

MacPhersons Resources Limited was acquired on 14 June 2019 pursuant to a Scheme of Arrangement (refer to Note 22).

The indirect subsidiaries are direct subsidiaries of MacPhersons Resources Limited.

Horizon Minerals Ltd, incorporated in Australia, is the ultimate parent entity of the Group.

26 CONTINGENT LIABILITIES

26a Native title claims have been made with respect to areas which include tenements in which Horizon Minerals Limited 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.

26b 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 Minerals Limited and its controlled entities are not able to determine the nature or extent of any further liability in view of changing environmental requirements.

26c Horizon Minerals Limited 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.

26d The Company announced to the ASX on 30 April 2018, that it had received a purported cost variation claim from Resource Mining relating to the Teal Stage 1 project up until September 2017 and that it was working to resolve this and any additional claims that may be forthcoming from Resource Mining. The Company subsequently received a further purported cost variation claim from Resource Mining for Teal Stages 1 and 2 through to project completion. This further purported cost variation claim adopts a different methodology to the previous claim.

In December 2018, Horizon and Resource Mining agreed to a full and final settlement of this matter. The total disputed variation claims amount was split on a 50:50 basis, while the remaining net operating cash was split 75% to Intermin and 25% to Resource Mining as originally agreed under the mining contract between the parties.

27 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks; market risk (including fair value interest rate risk foreign currency risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by the Board of Directors, who identify, evaluate and manage financial risks as they consider appropriate.

27a Market risk

Price risk

The Group is exposed to equity securities price risk. This arises from investments held by the Group and classified on the statement of financial position as financial assets at fair value through profit and loss of $605,461 (2018: $1,013,074).

The investments assets are classified as financial asset at fair value through profit and loss and any changes to their value is recognised in profit and loss when incurred. The group have used an equity price change of 70% upper and lower representing a reasonable possible change based upon the weighted average historic share price volatility over the last 12 months on the investment portfolio held. If the value of the investments held had moved in accordance with the volatility, and all other factors kept constant, the impact on the profit and loss for the year ended 30 June 2019 would have been ± $423,823 (2018: ± $709,152).

Fair value interest rate risk

Refer to (e) below.

27b Credit risk

Credit risk is the risk of financial loss to the Group is a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Presently, the Group undertakes mining, exploration and evaluation activities exclusively in Australia. At the balance sheet date there were no significant concentrations of credit risk.

(i) Cash and cash equivalents
The Group limits its exposure to credit risk by only investing in liquid securities and only with major Australian financial institutions.

(i) Trade and other receivables
The Group's trade and other receivables relate to gold sales, GST refunds and other income.

The Group has determined that its credit risk exposure on all other trade receivables is low, as customers are considered to be reliable and have short contractual payment terms. Management does not expect any of these counterparties to fail to meet their obligations.

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Carrying Amount	
	2019	**2018**
	$	**$**
Cash and cash equivalents	4,951,288	10,297,176
Trade and other receivables	557,218	725,481
Total	**5,508,506**	**11,022,657**

27 FINANCIAL RISK MANAGEMENT (CONTINUED)

27c Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through the ability to raise further funds on the market and the ability to close-out market positions. Due to the dynamic nature of the underlying businesses, the Board aims at maintaining flexibility in funding through management of its cash resources.

Maturities of financial liabilities.

30 June 2019 Group	Less than 6 months	6 – 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying Amount (assets)/ liabilities
Non-derivatives	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Non-interest bearing payables	291,623	-	-	-	-	-	291,623
Fixed rate borrowings	-	-	-	-	-	-	-
Total non-derivatives	**291,623**	**-**	**-**	**-**	**-**	**-**	**291,623**

30 June 2018 Group	Less than 6 months	6 – 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying Amount (assets)/ liabilities
Non-derivatives	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Non-interest bearing payables	298,343	-	-	-	-	-	298,343
Fixed rate borrowings	-	-	-	-	-	-	-
Total non-derivatives	**298,343**	**-**	**-**	**-**	**-**	**-**	**298,343**

27d Cash flow and fair value interest rate risk

As the Group has no significant variable interest-bearing assets, the Group's income and operating cash flows are not exposed to changes in market interest rates.

27e Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

AASB 7 *Financial Instruments: Disclosures* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1),

(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

27e Fair value measurements (continued)

The following table presents the group's assets and liabilities measured and recognised at fair value at 30 June 2019 and 30 June 2018:

At 30 June 2019	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through profit or loss				
- Trading Securities	605,461	-	-	**605,461**
Other financial assets				
- Security deposits	257,927	-	-	**257,927**
Total assets	**863,388**	**-**	**-**	**863,388**

At 30 June 2018	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through profit or loss				
- Trading Securities	1,013,074	-	-	**1,013,074**
Other financial assets				
- Security deposits	257,927	-	-	**257,927**
Total assets	**1,271,001**	**-**	**-**	**1,271,001**

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments.

27f Capital risk management

In employing its capital (or equity as it is referred to on the statement of financial position) the Group seeks to ensure that it will be able to continue as a going concern and provide value to shareholders by way of increased market capitalisation. The Group has invested its available capital in intangible assets such as acquiring and exploring mining tenements and in investments. As is appropriate at this stage, the Group is funded predominantly by equity.

28 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Exploration & Evaluation Expenditure

The Group's accounting policy for exploration and evaluation is set out in Note 1(e). If, after having capitalised expenditure under this policy, the Directors conclude that the Group is unlikely to recover the expenditure by future exploration or sale, then the relevant capitalised amount will be written off to the Statement of Comprehensive Income.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

29 PARENT ENTITY FINANCIAL INFORMATION

	2019 $	2018 $
Current assets	7,459,106	13,598,415
Non-current assets	39,060,120	13,896,689
Total assets	**46,519,226**	**27,495,104**
Current liabilities	1,783,235	2,539,500
Non-current liabilities	100,000	100,000
Total liabilities	**1,883,235**	**2,639,500**
Net assets	**44,635,991**	**24,855,604**
Equity		
Contributed equity	49,746,534	27,523,594
Reserves	1,166,406	893,029
Accumulated losses	(6,276,949)	(3,561,019)
Total equity	**44,635,991**	**24,855,604**
Profit/(Loss) for the year	**(2,715,930)**	**3,524,416**

30 JOINT VENTURES

Horizon Minerals Limited and its controlled entity Black Mountain Gold Ltd (BMG) have interests in unincorporated joint ventures as follows:

Name of Joint Venture	Notes	Exploration For	2019	2018
Otto Bore	a	Gold	3% gross gold royalty	3% gross gold royalty
Nanadie Well	b	Copper	100%	100%
Richmond	c	Vanadium	75%	100%

A joint venture is not a separate legal entity. It is a contractual arrangement between the participants for the sharing of costs and output and does not in itself generate revenue and profit.

30a Barrick (PD) Australia Limited, through its subsidiary Barrick (Plutonic) Limited, earned a 75% interest in the Otto Bore Tenements. Horizon elected in 2000 to assign the tenements to Plutonic and revert to a 3% gross gold royalty.

30b In December 2013, Mithril Resources Ltd (MTH) and its wholly owned subsidiary Minex (West) Pty Ltd entered into a farm-in and joint venture agreement with Horizon Minerals Limited to acquire up to 75% interest of the Nanadie Well Gold Project. Minex may acquire a 60% interest in the Tenements by expending $2M, Minex may elect to acquire a further 15% interest (for a total 75% interest) by expending a further $2M in a two year period with a minimum ground exploration cost of at least $400,000 each year of the 2 year period.

30c In March 2017, the Company finalised a strategic development JV with Richmond Vanadium Technology Pty Ltd ("RVT") (formerly AXF Vanadium Pty Ltd), a wholly owned subsidiary of the AXF Group. The JV covers Horizon's 100% interest in the Richmond vanadium project in North West Queensland which include metal rights at the nearby Julia Creek project which is owned by Global Oil Shale Plc. The project tenements cover 1,520km^2 of Cretaceous Toolebuc Formation. In February 2018, RVT had committed to the second stage expenditure commitment of A$5 million over 3 years inclusive of a Feasibility Study.

31 JOINT OPERATIONS

A Mining and Finance Heads of Agreement was executed with Resource Mining Pty Ltd ("RM") on 7 October 2016 in relation to the development of the Teal Gold Project Stage 1 (TS1) as announced to the ASX on 19 July 2016.

Under the agreement, the net operating cash from mining operations was split 75% to Intermin and 25% to RM.

As at 30 June 2018, final ore processing at TS1 was completed, and profit shares due to RM had been included as payables at 30 June 2018. In December 2018, RM and Intermin agreed a further settlement of disputed amounts and all payments were made pursuant to the settlement agreement by 31 December 2018. Refer to Note 26(d) for further information.

32 EVENTS OCCURRING AFTER REPORTING DATE

(a) Subsequent to year end, 3,300,000 Class D Performance Rights lapsed and 500,000 unlisted options with an exercise price of $0.25 expired on 31 August 2019.

(b) On 24 July 2019, the Company changed its name from Intermin Resources Limited to Horizon Minerals Limited.

(c) **Kingwest Resources Limited**
On 9 July 2019, the Group announced it reached an agreement with Kingwest Resources Limited (ASX: KWR) (Kingwest) to divest its Menzies and Goongarrie gold projects for a total consideration of $8,000,000 on the following terms:

- Initial cash deposit of $750,000 (received) of which $250,000 is non-refundable.
- On settlement:
  - o A further $1,000,000 in cash; and
  - o Issue 20 million ordinary shares in Kingwest to Horizon at a deemed issue price of $0.15 per share and subject to voluntary escrow from issue until the earlier of;
    - 18 months following settlement; and
    - 3 months following the payment/issue of the deferred consideration.
- A deferred payment no later than 18 months after settlement of:
  - o A further $1,625,000 in cash; and
  - o $1,625,000 in value of ordinary shares in Kingwest at a deemed issue price being the lower of $0.15 per share and a 30 day VWAP (subject to shareholder approval and Horizon not exceeding 19.9% ownership in Kingwest).

Settlement is subject to the following key conditions precedent:
- Completion of due diligence by Kingwest;
- Kingwest completing a minimum $4,000,000 capital raising;
- Shareholder approval of the issue of the upfront consideration shares and shares under the capital raising; and
- A Horizon nominee director to be appointed to the Kingwest Board.

The divestment comprises 38 mining, prospecting and exploration licences with a current JORC resource of 195,000 ounces.

On 18 September 2019, the Group announced that the divestment of Horizon's interest in the Menzies and Goongarrie gold projects were completed. All conditions precedent including provision of signed transfers, all mining information and statutory consents have been completed or waived, Jon Price was appointed as Non-Executive Director of Kingwest and the settlement payment and share issue received from Kingwest.

(d) **Coolgardie Gold Project**
During the year ended 30 June 2019, Horizon entered into an Exclusivity Deed with Focus Minerals Limited (ASX: FML) (Focus) relating to the potential acquisition by Horizon of Focus' Coolgardie Gold Project.

The Exclusivity Deed includes "no shop" and "no talk" restrictions in favour of Horizon as well as notification and matching rights in respect of any competing proposals for the Coolgardie Gold project, subject to customary fiduciary carve outs of Focus' benefit.

Subsequent to year end, Horizon exercised its matching right under the Exclusivity Deed in response to a superior competing non-binding proposal to purchase the Coolgardie Gold Project received by Focus from a third party and has submitted a non-binding counter proposal. The counter proposal increases the proposed consideration from $40 million to $55 million comprising $12 million in fully paid ordinary shares (based on 20 day VWAP) and $43 million in cash, payable in tranches. This proposal remains subject to negotiation and entry into formal binding written documentation and obtaining necessary approvals.

(e) **Asset Swap with Northern Star Resources**
On 12 September 2019 the Group announced it had reached agreement with Northern Star Resources Limited to a tenement exchange in the WA Goldfields for nil cash consideration.

The transaction would see Horizon divest its 100% interest in the Anthill, Blister Dam, New Mexico, White Flag and Kanowna North tenements and acquire 100% interest in Northern Star's Rosehill, Brilliant North and Gunga West projects in Coolgardie and the Golden Ridge, Balagundi, Abattoir and Mt Monger projects in Kalgoorlie.

There are no other matters or circumstances that have arisen since 30 June 2019 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial periods.

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF HORIZON MINERALS LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Horizon Minerals Limited ("the Company") and its subsidiaries (the Group) which comprises the consolidated statement of financial position as at 30 June 2019, 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 year then ended on that date and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration of the Company.

In our opinion the financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of this report. We are independent of the Group 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* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001,* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter

Exploration and evaluation expenditure and Mine development expenditure

The Group has incurred significant exploration and evaluation expenditure and mine development expenditure which has been capitalised. As the carrying value of exploration and evaluation expenditure and mine development expenditure represents a significant asset of the Group we considered it necessary to assess whether facts and circumstances exist to suggest that the carrying amount of these assets may exceed their recoverable amount.

In doing so we carried out the following work in accordance with the guidelines set out in AASB 6 *Exploration for and Evaluation of Mineral Resources.* Our procedures included but were not limited to the following:

- We obtained evidence that the Group has valid rights to explore and mine in the areas represented by the capitalised exploration and evaluation expenditure and mine development expenditure by obtaining searches of a sample of the Group's tenement holdings;
- We enquired of management and reviewed work programs to ensure that further expenditure on exploration and development on the mineral resources in the Group's areas of interest was planned and cross referenced these discussions to ASX announcements and where applicable minutes of directors' meetings;
- We agreed the fair value of the tenements acquired as a result of the scheme of arrangement;
- We tested a sample of the additions to mine development to supporting documentation to ensure the amounts were capital in nature;
- We obtained an understanding of the key processes associated with management's review of the carrying values of capitalised exploration and evaluation expenditure and mine development expenditure and challenged management's assertion that the carrying amount of the capitalised expenditure was likely to be recovered in full from successful development or sale; and
- We critically assessed and evaluated management's assessment of impairment on tenements in the exploration and evaluation phase.

We have also assessed the appropriateness of the disclosures included in Notes 1, 12 and 22 to the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work we have performed we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the 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 control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/Home.aspx

We communicate with the directors regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe those matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2019.

In our opinion the remuneration report of Horizon Minerals Limited for the year ended 30 June 2019 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Rothsay

Rothsay Auditing

Dated 27 September 2019

Rolf Garda
Partner

SHAREHOLDER INFORMATION

Additional information required by the Australian Stock Exchange Limited Listing Rules, and not disclosed elsewhere in this report.

SHAREHOLDINGS

The numbers of ordinary shares held by the substantial shareholders as at 23 September 2019 were:

Michael Ruane	64,256,768
Orion Mine Finance (Master) Fund I LP	33,838,607
Ashok Aaron Parekh	23,064,353

UNQUOTED SECURITIES OPTIONHOLDINGS

Nature	Expiry Date	Exercise Price of Options	Number under Option	Number of Holders
Unlisted options	9 December 2019	29.12 cents	2,743,184	2
Unlisted options	28 February 2020	69.88 cents	219,456	2

The numbers of unlisted options with an exercise price $0.2912, expiring 9 December 2019 held by the substantial optionholders as at 23 September 2019 were:

Parkview Super Nominees Pty Ltd <Park View Super Fund A/C>	1,371,592 (50%)
Mr Andrew Pumphrey	1,371,592 (50%)

The numbers of unlisted options with an exercise price $0.6988, expiring 28 February 2020 held by the substantial optionholders as at 23 September 2019 were:

Ms Victoria Anne Thorpe	109,728 (50%)
Ms Lydia Alexandra Weeber	109,728 (50%)

CLASS OF SHARES AND VOTING RIGHTS

As at 23 September 2019 there were 2,599 holders of the ordinary shares and 4 holders of unlisted options of the Company. The voting rights attached to the shares are:

- at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and
- on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

DISTRIBUTION OF SHAREHOLDERS (as at 23 September 2019)

Category			Number of Shareholders
1	–	1,000	141
1,001	–	5,000	395
5,001	–	10,000	477
10,001	–	100,000	1,214
100,001	–	over	372
TOTAL HOLDERS			**2,599**

The number of shareholders holding less than a marketable parcel as at 23 September 2019 was 389.

SHAREHOLDER INFORMATION

TWENTY LARGEST SHAREHOLDERS (as at 23 September 2019)

Rank	Name	No of Shares	% of holding
1	CITICORP NOMINEES PTY LIMITED	37,909,369	8.86
2	TYSON RESOURCES PTY LTD	23,103,660	5.40
3	BILL BROOKS PTY LTD <BILL BROOKS SUPER FUND A/C>	20,500,000	4.79
4	KESLI CHEMICALS PTY LTD <RUANE S/F A/C>	20,028,153	4.68
5	KESLI CHEMICALS PTY LTD	13,634,783	3.19
6	GOLDFIELDS HOTELS PTY LTD <K M WRIGHT FAMILY A/C>	13,259,653	3.10
7	GOLDFIELDS HOTELS PTY LTD <PALACE INVESTMENT A/C>	13,259,653	3.10
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	11,891,512	2.78
9	BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD DRP	7,952,190	1.86
10	BOND STREET CUSTODIANS LIMITED <DAVKRE - D08642 A/C>	7,702,285	1.80
11	MR ASHOK PAREKH	6,720,799	1.57
12	HUNT CORPORATE INVESTMENTS PTY LTD <PETER HUNT SUPER FUND A/C>	6,261,699	1.46
13	MR WILLEM RAVESTEYN + MRS ROSEMARY ANNE RAVESTEYN <THE W RAVESTEYN S/FUND A/C>	6,250,000	1.46
14	MR JONATHAN PAUL PRICE	4,500,000	1.05
15	BOND STREET CUSTODIANS LIMITED <DAGOLL - D04766 A/C>	4,389,094	1.03
16	MR WILLEM RAVESTEYN + MRS ROSEMARY ANNE RAVESTEYN	4,300,000	1.00
17	MR MICHAEL ALAN ODDY	4,201,007	0.98
18	MR GODFREY WENNESS	3,600,000	0.84
19	MR RAYMOND GERARD NOLAN	3,581,835	0.84
20	J&D BANKS PTY LTD <J & D BANKS SUPER FUND A/C>	3,563,762	0.83
	Top 20 holders of FULLY PAID ORDINARY SHARES (Total)	**216,609,454**	**50.61**
	Total Remaining Holders Balance	**211,365,746**	**49.39**

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