

FINAL BOORARA MILLING CAMPAIGN GENERATES \$1.2 MILLION IN NET CASH FLOW

HIGHLIGHTS

- Final toll milling campaign completed successfully at the Lakewood processing facility, 7km west of the Boorara gold mine in the Western Australian goldfields
- Campaign comprised ore treatment from Regal East trial pit at Boorara and a parcel of low-grade ore to test grade allocation from the ore block models
- At Regal East, 14,962 dry tonnes were processed with a mill reconciled grade of 1.6g/t Au and calculated recovery of 94.2%, in line with expectations
- Low grade parcel reconciled 6% above the model with 17,334 dry tonnes processed with a mill reconciled grade of 0.9g/t Au and 92.0% calculated recovery
- Gold produced totalled 1,182 ounces generating A\$2.8 million in revenue at an average gold sales price of A\$2,356 per ounce
- Campaign generated A\$1.2 million in net cash after haulage and toll milling expenditure with all mining related costs expended in the September Quarter 2020
- Final geological and economic reconciliation from the Boorara trial now being completed and expected for release in the current March Quarter 2021 ¹
- All reconciliation data and pit mapping information being incorporated into an updated Mineral Resource Estimate expected for release early in the June Quarter 2021 ¹
- A maiden Ore Reserve for Boorara will then be compiled as part of the consolidated Feasibility Study assessing a larger scale development and a stand-alone mill ¹
- Cash at bank of A\$10 million plus A\$5.2 million in listed investments and no debt

Commenting on the final milling campaign, Horizon Managing Director Mr Jon Price said:

“The Boorara trial mining and toll milling exercise has provided a greatly improved geological understanding of this complex mineralised system and confirmed the presence of multiple flat lying cross cutting structures that will now be incorporated into an updated Resource model.”

“In addition, testing the ore through a mill gives us real time metallurgical recoveries, reagent consumptions and optimal plant design parameters and costs as we advance the consolidated Feasibility Study. Generating cash at the same time is the icing on the cake and we now look forward to releasing the updated resource and reserve in coming months.”

¹ See Cautionary and Forward-Looking Statements on Page 6

Overview

Horizon Minerals Limited (ASX: HRZ) (“Horizon” or the “Company”) is pleased to announce completion of the fourth and final milling campaign from trial mining at the Boorara Gold Mine, 10km east of Kalgoorlie-Boulder in the goldfields of Western Australia (Figure 1).

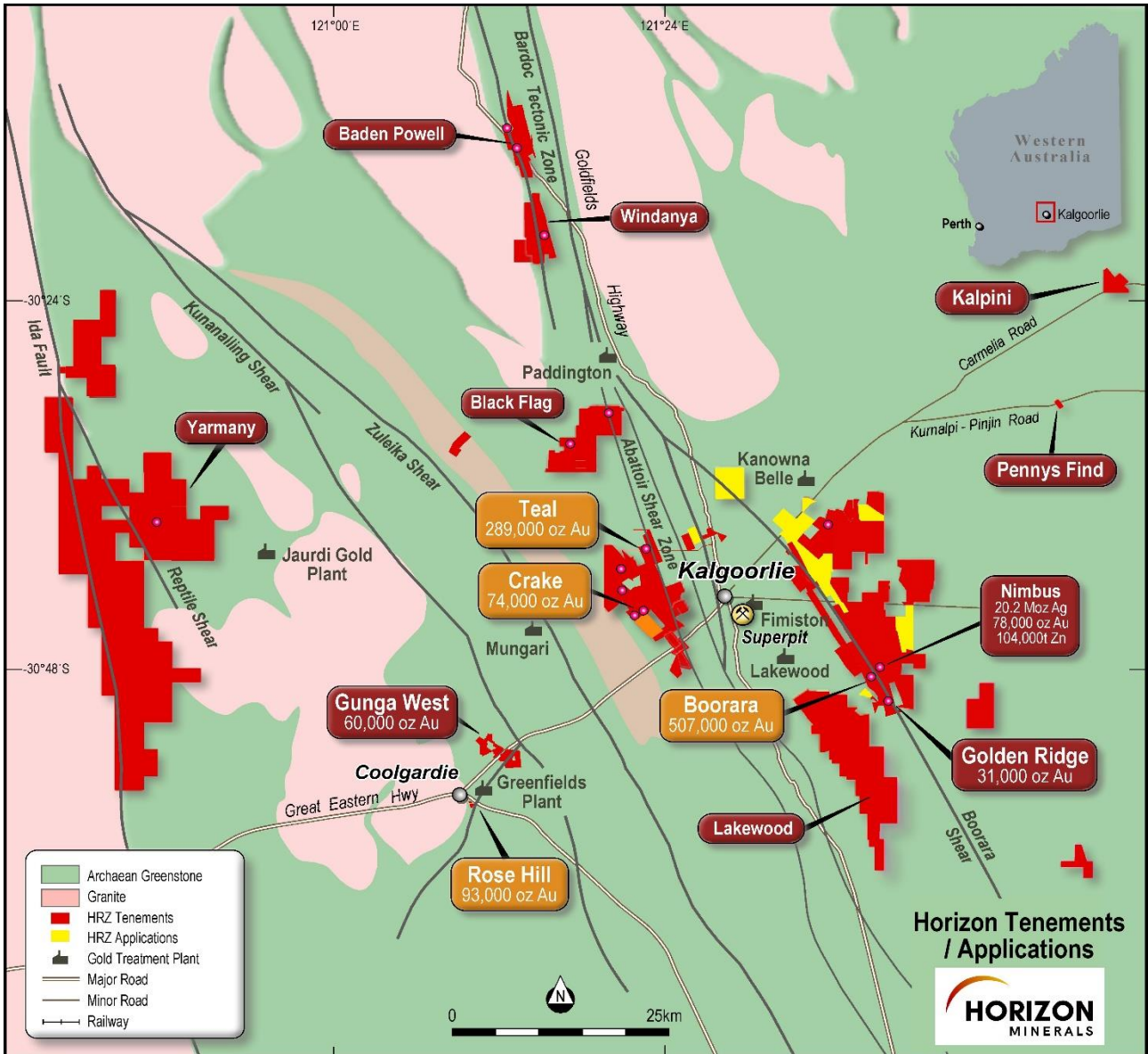


Figure 1: Horizon’s Project area location, resources and surrounding infrastructure

The ultimate aim of the trial mining and toll milling from Boorara is to verify the tonnage and grade uplift potential when compared to the current Boorara global resource model. Results to date have demonstrated this potential and will inform an updated Mineral Resource Estimate and a maiden Ore Reserve as part of the consolidated Feasibility Study ahead of a development decision inclusive of construction of a standalone processing facility at Boorara.

¹ See Cautionary and Forward-Looking Statements on Page 6

ASX ANNOUNCEMENT

The final milling campaign commenced on 19 January 2021 and ran for 17 days to 4 February 2021 with first gold poured on 28 January 2021. Milling performance has again been excellent with throughput averaging 87tph, gravity recoveries at 38% and reagent consumption within expectations. The campaign comprised treatment of the final high-grade ore from the Regal East pit and a parcel of low-grade material to test ore grade allocation from the mine block models.

Mill reconciliations have now been completed with a total of 32,296 dry tonnes processed at a reconciled mill grade of 1.22g/t Au. Regal East high-grade ore reconciled at 1.60g/t Au, in line with grade control modelled grades of 1.62g/t Au. The low-grade parcel reconciled at 0.90g/t Au, exceeding the claimed grades of 0.85g/t Au and providing valuable insight into the orebody and how the future grade allocation process can be improved for the larger scale development.

Overall gold recoveries exceeded expectations with a calculated recovery of 93.4%, above the modelled recoveries of 91.0%.

Gold produced from the campaign totalled 1,182 fine ounces with all gold sold at an average price of A\$2,356 per ounce generating revenue of A\$2.8 million. All mining and site costs were expended in the September Quarter with the third campaign generating A\$1.2 million in net cash after haulage and toll milling costs.

A full geological and economic summary is now being completed for release in the current March Quarter 2021.

Pit mapping and geological review of the mined trial pits is complete and will be used with the completed mill reconciliation data to update the Boorara geological model and Mineral Resource Estimate, expected for release early in the June Quarter 2021¹. A maiden Ore Reserve will then be compiled for the longer-term production plan being assessed as part of the consolidated Feasibility Study due for completion in the September Quarter 2021¹.

Authorised for release by the Board of Directors

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Horizon Minerals Limited – Summary of Gold Mineral Resources

Project	Cut-off Grade	Measured			Indicated			Inferred			Total Resource		
		Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
Teal	1.0				1.01	1.96	63,681	0.80	2.50	64,458	1.81	2.20	128,000
Jacques Find	1.0				1.60	2.24	114,854	0.32	1.68	17,135	1.91	2.14	131,970
Peyes Farm	1.0				0.31	1.65	16,313	0.22	1.77	12,547	0.53	1.70	28,860
Crake	1.0	0.46	1.85	27,459	0.48	1.49	22,569	0.33	2.22	23,792	1.27	1.82	73,820
Rose Hill OP	0.5	0.29	2.00	18,300							0.29	2.00	18,300
Rose Hill UG	2.0	0.05	4.5	6,700	0.28	4.50	40,500	0.18	4.80	27,800	0.51	4.60	75,000
Gunga west	0.6				0.71	1.60	36,435	0.48	1.50	23,433	1.19	1.56	59,869
Golden Ridge	1.0				0.47	1.83	27,921	0.05	1.71	2,797	0.52	1.82	30,718
TOTAL		0.79	2.05	52,459	4.85	2.07	322,273	2.38	2.24	171,962	8.02	2.12	546,537

Horizon Minerals Limited – Summary of Vanadium / Molybdenum Mineral Resources (at 0.29% V₂O₅ cut-off grade)

Project	Cut-off grade %	Tonnage	Grade			Metal content (Mt)		
		(Mt)	% V ₂ O ₅	ppm Mo	ppm Ni	V ₂ O ₅	Mo	Ni
Rothbury (Inf)	0.30	1,202	0.31	259	151	3.75	0.31	0.18
Lilyvale (Ind)	0.30	430	0.50	240	291	2.15	0.10	0.10
Lilyvale (Inf)	0.30	130	0.41	213	231	0.53	0.03	0.03
Manfred (Inf)	0.30	76	0.35	369	249	0.26	0.03	0.02
TOTAL		1,838	0.36	256	193	6.65	0.46	0.36

Confirmation

The information in this report that relates to Horizon’s Mineral Resources estimates or Ore Reserves estimates is extracted from and was originally reported in Horizon’s ASX announcements “Intermin’s Resources Grow to over 667,000 Ounces” dated 20 March 2018, “Crake Gold Project Continues to Grow” dated 10 December 2019, “Richmond – Julia Creek Vanadium Project Resource Update” dated 16 June 2020 and “Rose Hill firms as quality high grade open pit and underground gold project” dated 8 December 2020, 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 or Ore Reserves estimates have not been materially modified from the original market announcements.

Macphersons Resources Limited (a 100% subsidiary of Horizon) – 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 in 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 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 announcement 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 the announcement, including with respect to any production targets and financial estimates, based on the information contained in this and previous ASX announcements.