

2022 Annual Report




HORIZONGOLD
L I M I T E D

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Chairman's Letter

Dear Shareholder,

It's been a busy and successful 12 months for Horizon Gold Limited. We have significantly increased the value of the Company's 100% owned Gum Creek Gold Project by expanding the JORC-compliant Mineral Resource Estimate (MRE) to 1.79 million ounces of gold and further broadening its development optionality. The revised MRE represents a 32% increase in contained gold, at a discovery cost of less than A\$14/oz.

The Company completed over 33,000 metres of RC and diamond drilling at 16 priority targets including two base metal targets, and is continuing to drill at high priority targets with the potential to further increase the gold resource base.

Regional geological interpretations and exploration targeting is poised to add new greenfields targets that will guide future exploration and Mineral Resource growth along the 80 kilometres of continuous prospective strike within the recently expanded 663 square kilometre landholding.

The Company has recently raised \$6.5m through a well-supported shareholder rights issue with the funds being used to undertake a planned 30,000 metres of RC and diamond drilling programs during 2023 to advance the high priority exploration targets at Gum Creek. Many of these targets occur proximal to the historic open pits and underground gold mines that have been subject to very little modern exploration, either for near-mine strike or depth extensions and represent significant brownfield opportunities.

The programs are well underway and assays have been slow coming through, however we expect a steady flow of results as the assay backlog is cleared and ongoing RC and diamond drilling continues.

The Board believes that Gum Creek represents a compelling development opportunity, and with the positive outlook for gold we are confident that our gold-focused strategy will add significant value for shareholders.

On behalf of the Board, I would like to thank our shareholders for their ongoing support as we look forward to sharing more exciting drilling results and exploration progress during the year ahead.

Yours sincerely



Peter Sullivan
Chairman

Review of Operations

Horizon Gold Limited (ASX:HRN) (Horizon or the Company) is focused on expanding its gold resources and unlocking the economic potential of its 100% owned Gum Creek Gold Project (Gum Creek or the Project) located in a world class gold province within the Yilgarn Craton in Western Australia.

Gum Creek has historically produced more than 1 million ounces of gold and hosts a current Mineral Resource Estimate (MRE) of 1.79 million ounces. The Project covers 663km² of contiguous tenure over the Gum Creek greenstone belt located within a well-endowed gold region that hosts multimillion-ounce deposits at Big Bell, Wiluna, Mt Magnet, Meekatharra and Agnew/Lawlers (Figure 1).

The Project not only represents a significant brownfields exploration opportunity, but also offers significant greenfields exploration upside along its 80km of prospective and continuous strike. All of the existing resources and most of the potential resource areas are located on granted Mining Leases. The Project also has significant infrastructure in place, including a 110-man camp, an operating airstrip, a 600,000tpa CIL processing facility (requiring refurbishment), extensive haul road network and a large tailings storage facility.

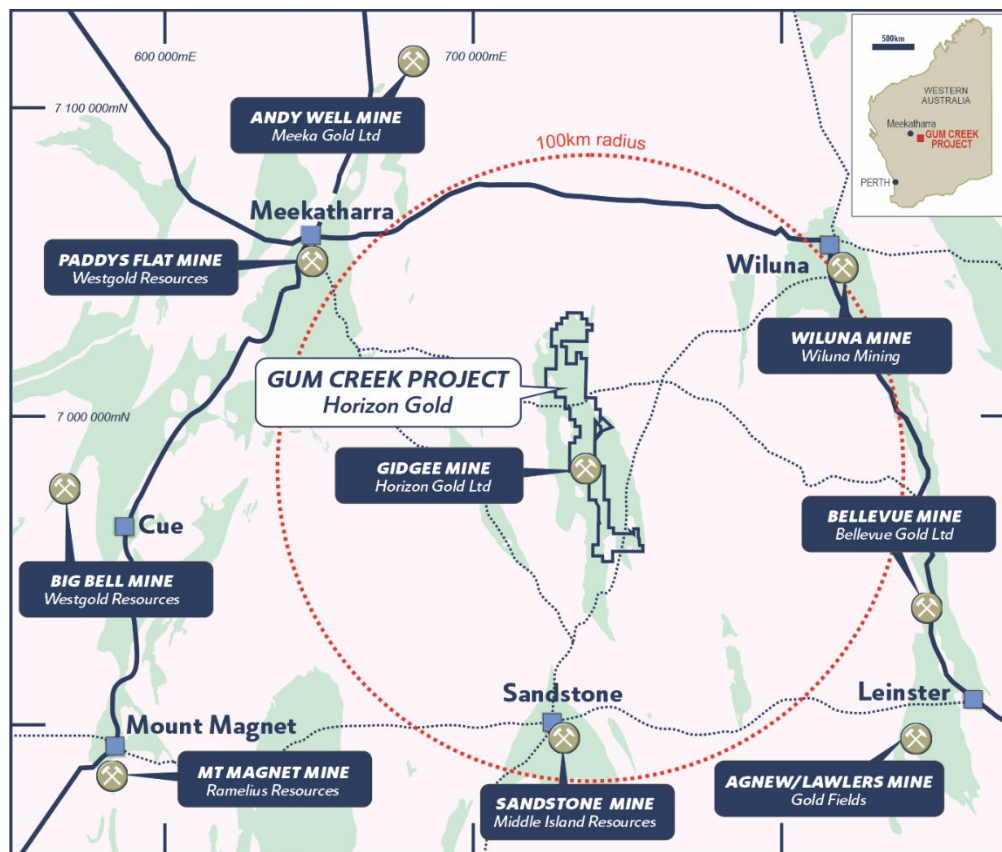


Figure 1: Gum Creek Gold Project and surrounding mines over simplified geology.

Project History

Gold was first discovered in the area at Jonesville (now part of the Swan deposit) in 1926, with first recorded gold production in 1931. More modern mining operations commenced in the 1980's and ceased in 2005 when the gold price was approximately A\$560/oz. To that time, more than one million ounces of gold was produced from over thirty open pits and three underground mines, with the main gold-producing areas being Swan-Swift, Kingfisher and Omega.

Unlocking Value at the Gum Creek Gold Project

During the reporting period the Company completed an extensive reverse circulation (RC) and diamond drilling program across 16 high priority gold prospects to upgrade the integrity of the open pit resources and to build on the existing MRE at Gum Creek. Numerous spectacular results were received from both existing resource and potential resource targets leading to the recent major MRE upgrade (1.79Moz). The Company's focus on drilling is continuing with ongoing RC and diamond drilling expected to further increase the MRE. A strong flow of drilling results is expected and as results are evaluated further updates to the Project's MRE will be reported.

A detailed geological interpretation of previous 1:10,000 scale mapping and geochemical targeting exercise along with reprocessing and merging of numerous geophysical data sets is almost complete. This work will be followed up with a detailed gold and base metal target review and ranking exercise that will guide future exploration and MRE growth within the Company's highly prospective Gum Creek Project.

Regional Geology

The Project covers the most prospective parts of the Gum Creek Greenstone Belt, located within the Southern Cross Province of the Youanmi Terrane, which forms part of the mineral rich Archaean Yilgarn Craton in Western Australia. The Gum Creek Greenstone Belt is an elongate, broadly sinusoidal formation about 110km long and 24km wide, dominated by mafic volcanic and sedimentary sequences, intruded by granitoids of various ages and composition (Figure 2). The margins of the belt are typically dominated by contact-metamorphosed basalts and banded iron formations (BIF).

Historically, gold at Gum Creek has been mined from structurally controlled Archean lode-gold deposits and associated near surface supergene gold enrichment zones. Deposits are hosted in a variety of rock types including mafic volcanics, BIF and fine-grained sediments. The Project contains numerous gold and lesser base metal prospects and deposits along its entire 80km strike length.

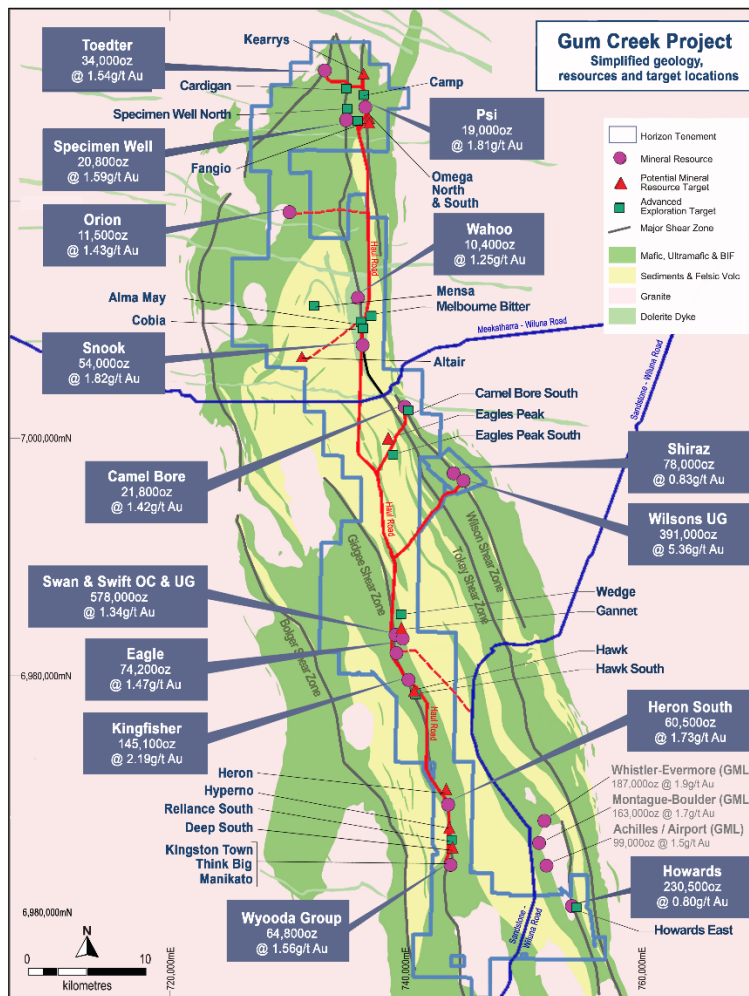


Figure 2: Gum Creek Gold Project current mineral resources and exploration targets over regional geology.

Mineral Resource Estimate

On 25 July 2022 the Company announced an updated MRE for the Gum Creek Gold Project of **36.83Mt @ 1.51g/t Au for 1.79 million ounces contained gold** (Table 1) reported in accordance with the JORC Code (2012 Edition) and based on documentation prepared by Competent Persons as defined by the JORC Code guidelines. The MRE includes updates to the Swan/Swift, Howards, Heron South, Specimen Well, and Kingfisher deposits, and maiden MRE's for the Kingston Town, Manikato, Think Big, Orion, Snook, Camel Bore, Psi, Eagle, and Wahoo prospects. A summary of the updated MRE is detailed in Table 1 below.

The revised MRE represents a **433,100oz (32%) increase** in Indicated and Inferred contained gold when compared with the February 2021 MRE (Table 2) at a **discovery cost of less than A\$14/oz**. The free milling portion of the MRE is **29.24Mt @ 1.26g/t Au for 1.19Moz** (Table 3), representing over 66% of the total resource ounces and a 46% increase to the 2021 MRE free milling ounces. **The Indicated resource ounces in the updated MRE represent 64% of the total MRE.**

A comparison of the MRE compared to the previous year is detailed in the 'Additional ASX Shareholder Information' at the end of this report. The MRE contains 19 discrete deposit areas that are a mixture of open cut and underground resources. No Ore Reserves have been declared for the Gum Creek Gold Project. A geological map of the belt and project resource locations are shown in Figure 2.

Table 1: Mineral Resource Statement as at 25 July 2022¹

Resource	Resource Date	Cut-off grade (g/t Au)	Indicated			Inferred			Total		
			Tonnes	Au (g/t)	Gold (oz)	Tonnes	Au (g/t)	Gold (oz)	Tonnes	Au (g/t)	Gold (oz)
Swan/Swift OC	Jul-22	0.4	9,980,000	1.09	349,500	2,735,000	0.96	84,600	12,715,000	1.06	434,100
Swan UG	Jul-22	2.5/3.0*	301,000	6.91	66,900	226,000	7.10	51,600	527,000	6.99	118,500
Swift UG	Jul-22	3.0	-	-	-	138,000	5.72	25,400	138,000	5.72	25,400
Wilsons UG	Jul-13	1.0	2,131,000	5.33	365,000	136,000	5.95	26,000	2,267,000	5.36	391,000
Howards	Jul-22	0.4	7,556,000	0.82	199,100	1,359,000	0.72	31,400	8,915,000	0.80	230,500
Kingfisher	Jul-22	0.8	318,000	1.91	19,500	1,745,000	2.24	125,600	2,063,000	2.19	145,100
Shiraz	Jul-13	0.4	2,477,000	0.84	67,200	439,500	0.76	10,800	2,916,500	0.83	78,000
Eagle	Jul-22	0.8	184,000	2.08	12,300	1,390,000	1.39	61,900	1,574,000	1.47	74,200
Wyooda**	Jul-22	0.8	430,000	1.56	21,600	862,000	1.56	43,200	1,292,000	1.56	64,800
Heron South	Jul-22	0.8	280,000	1.58	14,200	807,000	1.78	46,300	1,087,000	1.73	60,500
Snook	Jul-22	0.8	75,000	2.57	6,200	846,000	1.76	47,800	921,000	1.82	54,000
Toedter	Aug-16	0.5	-	-	-	688,800	1.54	34,000	688,800	1.54	34,000
Camel Bore	Jul-22	0.8	379,000	1.47	17,900	100,000	1.21	3,900	479,000	1.42	21,800
Specimen Well	Jul-22	0.8	-	-	-	408,000	1.59	20,800	408,000	1.59	20,800
Psi	Jul-22	0.8	100,000	2.08	6,700	226,000	1.69	12,300	326,000	1.81	19,000
Orion	Jul-22	0.8	69,000	1.49	3,300	182,000	1.40	8,200	251,000	1.43	11,500
Wahoo	Jul-22	0.8	-	-	-	258,000	1.25	10,400	258,000	1.25	10,400
Total			24,280,000	1.47	1,149,400	12,546,300	1.60	644,200	36,826,300	1.51	1,793,600

* cut-off grades are 2.5g/t Au for Swan Underground (UG) Indicated, and 3.0g/t Au for Swan UG Inferred.

** Wyooda includes the Kingston Town, Think Big and Manikato resources which are within 600m and 200m of each other respectively.

Note: Figures have been rounded.

Table 2: Gum Creek Mineral Resources February 2021/ July 2022 Comparison

Resource Category	2021 Gum Creek MRE			2022 Gum Creek MRE			Variance		
	Tonnes	Au (g/t)	Ounces	Tonnes	Au (g/t)	Ounces	Tonnes	Au (g/t)	Ounces
Indicated	13,932,000	2.2	986,000	24,280,000	1.47	1,149,400	74%	-33%	17%
Inferred	4,654,000	2.5	374,500	12,546,300	1.60	644,200	170%	-36%	72%
Total	18,586,000	2.3	1,360,500	36,826,300	1.51	1,793,600	98%	-34%	32%

Note: Figures have been rounded.

Table 3: Gum Creek Mineral Resources by Metallurgical Category as at 25 July 2022

Material Type	Indicated			Inferred			Total		
	Tonnes	Au (g/t)	Ounces	Tonnes	Au (g/t)	Ounces	Tonnes	Au (g/t)	Ounces
Free Milling	19,334,000	1.12	694,400	9,904,300	1.54	491,300	29,238,300	1.26	1,185,700
Refractory	4,946,000	2.86	455,000	2,642,000	1.80	152,900	7,588,000	2.49	607,900
Total	24,280,000	1.47	1,149,400	12,546,300	1.60	644,200	36,826,300	1.51	1,793,600

Notes: Figures have been rounded.

¹ Refer to Horizon Gold ASX Announcement dated 25 July 2022 titled "32% Increase in Resources at Gum Creek Gold Project". CP's R. Maddocks, J. Abbott, S. Carras, L. Ryan.

Exploration and Resource Drilling

During the year the Company completed a total of 262 RC holes for 31,087 metres at 16 high priority targets including the Think Big, Manikato, Kingston Town, Heron South, Kingfisher, Camel Bore, Snook, Wahoo, Orion, Specimen Well, Psi, Omega North, Hawk, and Shiraz prospects, and the Altair and Mensa Zn-Cu targets (Figure 2). The majority of holes were successful in defining shallow strike extensions and down plunge extensions to interpreted gold shoots and confirming current geological models and interpretations.

The Company also completed 18 diamond holes for 2,046.8 metres at 12 high priority target areas including Swift, Eagle, Gannett, Heron South, Howards, Kingfisher, Kingston Town, Manikato, Omega North, Snook, Specimen Well and Camel Bore prospects (Figure 2). Seventeen holes were diamond core “tails” extending previously drilled RC pre-collars, whilst one hole was drilled from surface at Kingfisher. The diamond holes were designed to intercept gold mineralisation within fresh rock towards the centre of each of the 12 prospects to provide lithostructural information and possible controls on mineralisation. Structural consultants (Model Earth Pty Ltd) completed geological logging of the diamond holes late in the year, and the information gained has been of significant assistance to resource modelling and planning of future drill programs at each prospect.

Swift Mineralised Trend (Vigilant-Swift-Gannet)

The Swift deposit is located 1.2km east of the historic Gidgee mill. The recently updated MRE for the Swan and Swift open cut deposit is **12.72Mt @ 1.06g/t Au for 434,100oz**, whilst the current MRE for the Swift underground deposit is **0.14Mt @ 5.72g/t Au for 25,400oz**.

Late in 2021, four pre-collared diamond ‘tails’ for a total of 296.6 metres of core were drilled beneath the Swift open pit (Figure 3). A number of significant intercepts were returned including:

- **9m @ 2.9g/t Au from 161m** including **3m @ 7.6g/t Au from 161m** (SWRC004D)
- **6m @ 2.7g/t Au from 250m** including **4m @ 3.8g/t Au from 251m** (SWRC004D)
- **12m @ 1.0g/t Au from 146m** including **5m @ 2.0g/t Au from 151m** (SWRC004D)
- **18m @ 1.3g/t Au from 127m** including **4m @ 3.0g/t Au from 133m** (SBRC100D)

The drilling confirmed the locations of previously interpreted high-grade plunging gold shoots, and the presence of broad zones of potentially open pittable gold mineralization, which remains open along the Swift mineralised trend. Additional infill and extension RC drilling along this trend has been planned.



Figure 3: Swift-Swan-Eagle prospects drill location plan showing 2021 drilling intercepts.

Swan Mineralised Trend

The Swan Mineral Resource is located 700m east of the historic Gidgee mill. The recently updated MRE for the Swan and Swift open cut deposit is **12.72Mt @ 1.06g/t Au for 434,100oz**. The revised MRE for the Swan underground deposit is **0.53Mt @ 6.99g/t Au for 118,500oz**.

Eagle Prospect

The Eagle Prospect is located just 1.4km south of the Gidgee mill. After completing RC drilling, one diamond core ‘tail’, rock density measurements, and preliminary metallurgical work, a maiden MRE of **1.57Mt @ 1.47g/t Au for 74,200oz** was determined for the Eagle Prospect.

Assays from an RC extension to EARC005 returned **29m @ 2.7g/t Au from 156m** including **11m @ 6.1g/t Au from 156m** from the northern gold shoot, and assays from the pre-collared diamond hole (EARC004D) returned **13m @ 1.5g/t Au from 112m** including **6m @ 2.9g/t Au from 112m** from the southern gold shoot (Figures 3 & 4). Both intercepts support the interpretation of steep south plunging high-grade ore shoots that remain open at depth beneath the partially mined supergene mineralisation.

Gold mineralisation has a strike length of ~350m and is associated with carbonate-sericite-pyrite altered amygdaloidal basalt located within the steeply west dipping Gidgee Shear Zone. The deposit has excellent potential for defining both shallow open cut and deeper underground resources well beyond the current open pit.

Recently 14 RC holes for 2,224m including one diamond hole pre-collar were drilled (Figure 4) to test the potential for down plunge and strike extensions to the mineralization at Eagle. All results are pending.

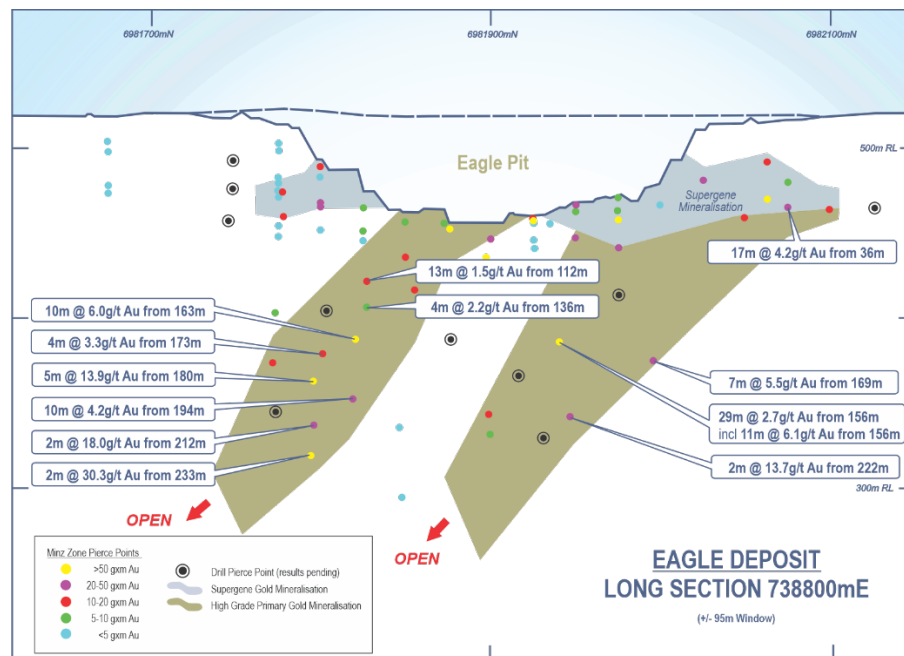


Figure 4: Eagle Prospect long section showing interpreted high-grade gold lodes, gold intercept Gram x Metre (GxM) pierce points (i.e. average intercept Grade (g/t Au) multiplied by downhole intercept width in Metres), Horizon drill intercepts, historic drill intercepts >25 GxM that remain open at depth (labelled) and 2022 drill targets.

Kingfisher Prospect

The Kingfisher deposit lies approximately 3.5 kilometres south of the historic Gidgee mill. The recently updated MRE for the Kingfisher deposit is **2.06Mt @ 2.19g/t for 145,100oz** gold.

Gold mineralisation occurs within two southwest-dipping continuous, planar gold lodes (East Lode and West Lode) within a 60m wide, 1.2 kilometre long zone of intense shearing that remains open to the north, south and at depth.

Significant results were received from the initial RC drilling program at Kingfisher (12 RC holes for 2,381m) including:

- **30m @ 0.7g/t Au from 149m** including **7m @ 1.1g/t Au from 164m** (KFRC007) and
- **6m @ 1.9g/t Au from 232m** including **3m @ 2.8g/t Au from 234m** (KFRC007)
- **31m @ 0.6g/t Au from 124m** including **5m @ 1.4g/t Au from 148m** (KFRC010) and
- **13m @ 0.9g/t Au from 196m** including **5m @ 1.7g/t Au from 196m** (KFRC010)
- **15m @ 1.1g/t Au from 152m** including **3m @ 3.0g/t Au from 155m**(KFRC006)
- **13m @ 1.3g/t Au from 166m** including **4m @ 1.9g/t Au from 171m** (KFRC009)

The results further confirm the presence of East and West Lodes over good widths below 100m.

One pre-collared diamond hole (KFRC008D) was drilled to a depth of 220m and a second diamond hole (KFDD001) was drilled from surface to a depth of 577m. Significant gold intercepts were returned from both East and West Lodes in KFRC008D including **10m @ 8.9g/t Au from 190m** including **3m @ 15.4g/t Au from 191m** (East Lode), and **10.6m @ 1.9g/t Au from 121.4m** (West Lode) (Figure 5). Both lodes were also intercepted in KFDD001, however mineralisation was encountered far deeper in the hole than expected, and was interpreted to have only intersected the margins of the lodes, returning **2m @ 2.1g/t Au from 537m** (West Lode) and **4m @ 0.8g/t Au from 558m** (East Lode). Fault breccias intercepted immediately above the West Lode suggests gold mineralisation has been offset at depth.

Nine additional RC holes (including five diamond pre-collars) for 1,638m were recently completed to test down plunge of both high-grade lodges. All RC results are pending and diamond drilling has commenced.

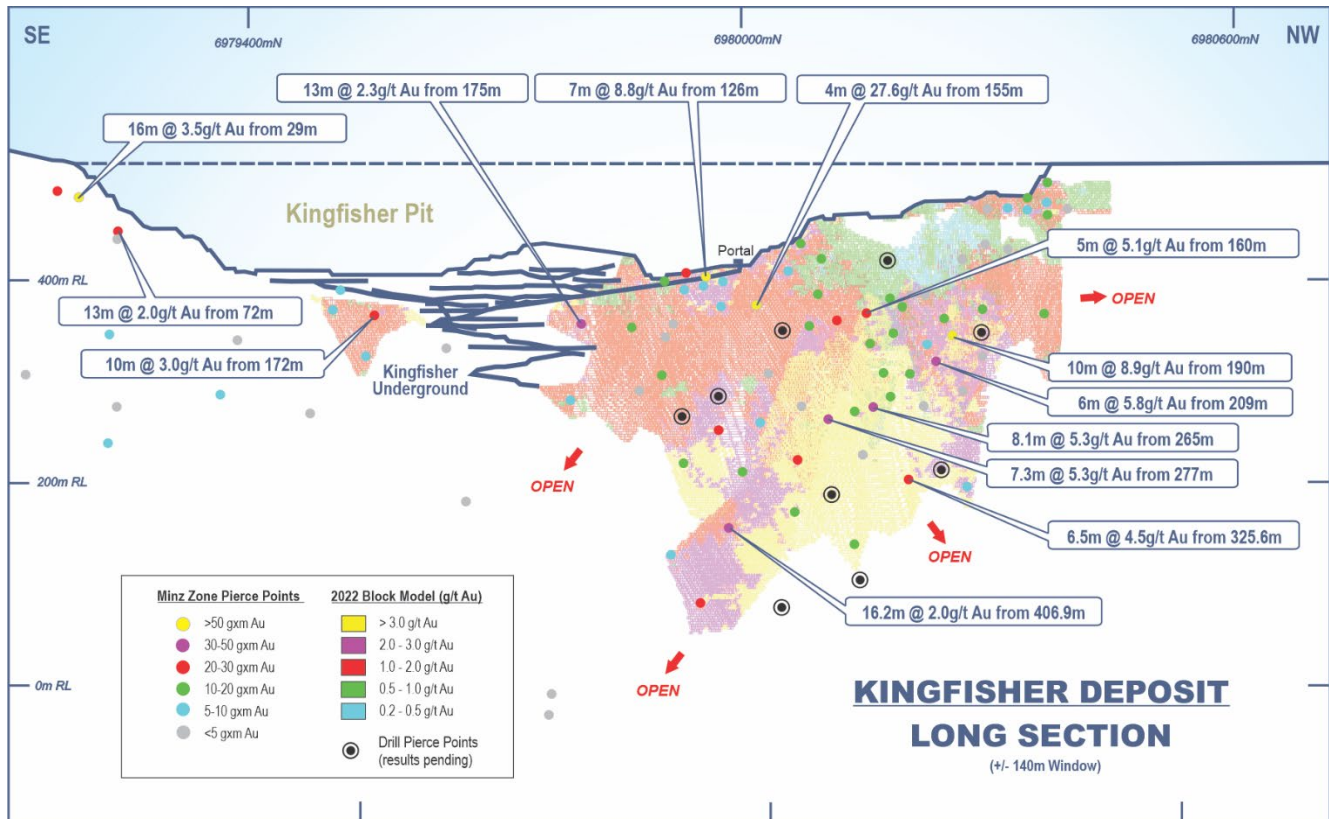


Figure 5: Kingfisher Prospect long section showing historic and 2021 gold intercept GxM pierce points (west lode) with >25 GxM intercepts labelled, historical open pit and current MRE block model coloured by gold grade.

Heron South Prospect

The Heron South deposit is located 15km south-southeast of the historic Gidgee mill and has previously been mined by open cut methods. The recently updated MRE for the Heron South deposit is **1.09Mt @ 1.73g/t Au for 60,500oz**.

Seventeen RC holes for 2,656m were drilled at the prospect, returning numerous shallow gold intercepts including; **21m @ 1.7g/t Au from 110m** including **14m @ 2.1g/t Au from 114m** (HERC006) and **11m @ 2.7g/t Au from 149m** including **7m @ 4.0g/t Au from 149m** (HERC005) from a gap in historic drilling near the centre of the resource, **20m @ 1.7g/t Au from 100m** including **3m @ 4.4g/t Au from 112m** (HERC004), **10m @ 1.8g/t Au from 82m** including **4m @ 3.4g/t Au from 84m** (HERC004), and **20m @ 1.6g/t Au from 74m** including **9m @ 3.1g/t Au from 78m** (HERC001) from strike extensions to the existing resource, and **7m @ 2.7g/t Au from 125m** including **3m @ 5.9g/t Au from 128m** (HERC017) from an interpreted north plunging high grade gold shoot that remains open to the north (Figure 6).

One RC pre-collared diamond hole (HERC007D) was drilled to a depth of 225.1 metres to intercept gold mineralisation at depth towards the centre of the deposit. Assay results included **16m @ 1.8g/t Au from 169m** including **6m @ 3.6g/t Au from 175m** from an interpreted south plunging high grade gold shoot that remains open to the south (Figures 6 and 7).

Gold mineralisation at Heron South is located within shallow flat lying supergene zones, and within interpreted moderate south plunging gold shoots in a bifurcating east dipping shear zone.

Additional infill and extension resource drilling is being planned along strike to the north and south of the existing resource.

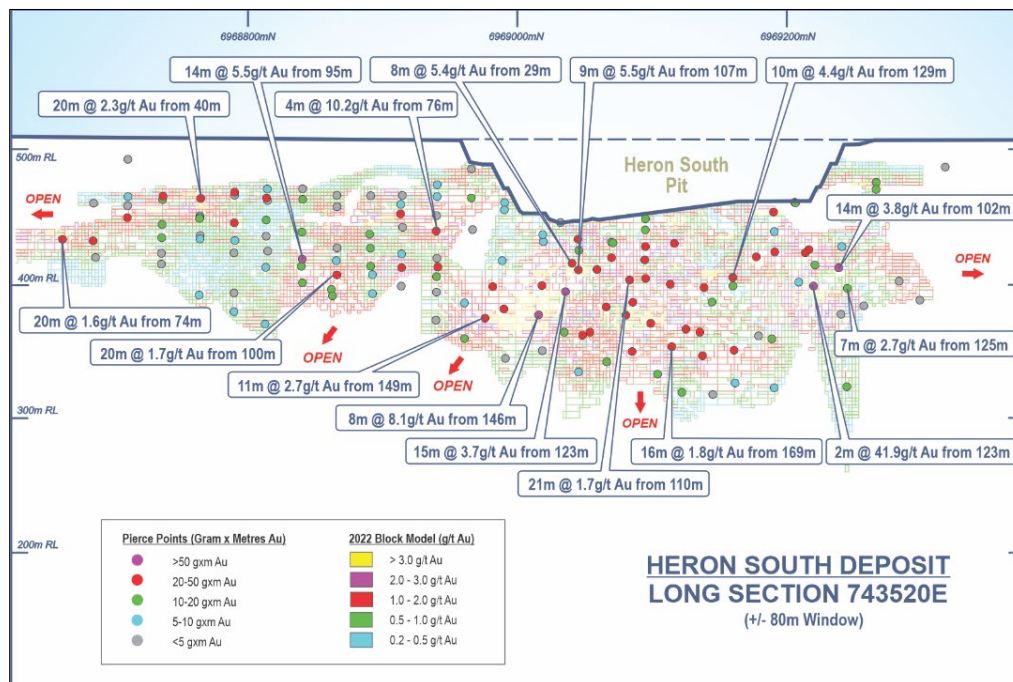


Figure 6: Heron South Prospect long section showing gold intercept GxM pierce points with historic intercepts (>40 GxM labelled), 2021 drill intercepts (>18 GxM labelled) and current MRE block model coloured by gold grade.

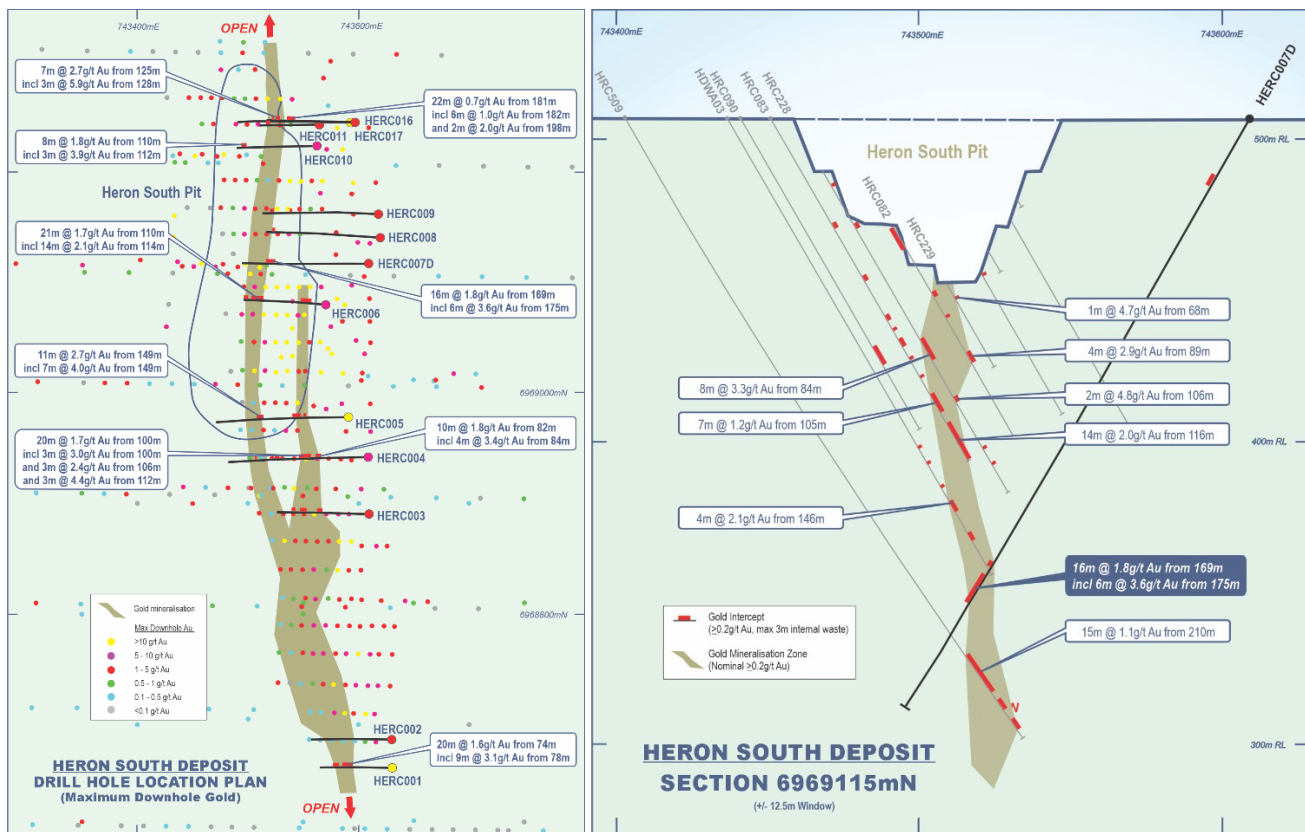


Figure 7: Left - Heron South Prospect drill hole collar plan coloured by maximum downhole gold with all 2021 drilling intercepts >14 GxM labelled and mineralised envelope (shaded gold). Right - Heron South Prospect cross section showing mineralised envelope, 2021 diamond drill intercept (blue text) and historic drill intercepts (grey text).

Wyooda Area (Think Big, Manikato and Kingston Town Prospects)

The Think Big, Manikato and Kingston Town deposits are located 20km south of the historic Gidgee mill and have previously been mined by open cut methods. After completing 73 RC holes (5,460m), 2 diamond holes (137.1m), numerous rock density measurements and preliminary metallurgical work during 2021, a maiden MRE of **1.29Mt @ 1.56g/t Au for 64,800oz** was determined for the Wyooda Area.

Think Big Prospect

During the year 37 RC holes for 2,431m were completed at the prospect with several shallow gold intercepts returned from areas immediately along strike to the north and south of the Think Big open pit including: **16m @ 2.87g/t Au from 19m** including **4m @ 9.24g/t Au from 24m** (TBRC035), **17m @ 1.77g/t Au from 24m** including **10m @ 2.84g/t Au from 30m** (TBRC021), **6m @ 3.38g/t Au from 37m** including **3m @ 5.72g/t Au from 38m** (TBRC029), **5m @ 5.47g/t Au from 19m** (TBRC032), and **9m @ 2.07g/t Au from 21m** including **5m @ 3.53g/t Au from 22m** (TBRC034). Other significant gold intercepts received included **13m @ 1.05g/t Au from 17m** (TBRC026), and **8m @ 1.1g/t Au from 51m** (TBRC008) from a separate mineralised zone approximately 100m to the northeast of the prospect (Figure 8).

Gold mineralisation at the Think Big Prospect is located within gently plunging, dextral, east dipping shear zones and quartz-carbonate-sulphide shear veins within pillow basalts. Additional drilling is planned along this mineralised trend and also along strike to the north and south of the Think Big pit.

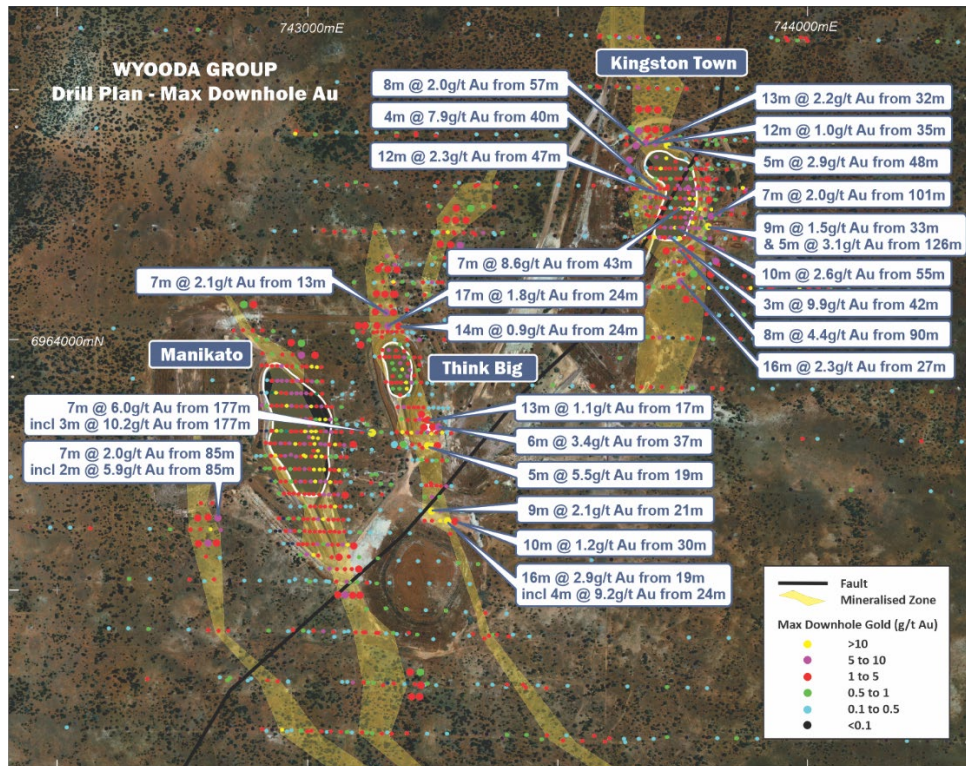


Figure 8 Wyooda Area (Kingston Town - Think Big - Manikato prospects) drill hole collar plan coloured by maximum downhole gold (larger dots for recent drilling), gold mineralisation (shaded gold), and all Horizon RC intercepts >10 GxM labelled.

Manikato Prospect

During the year 27 RC holes for 2,469m were completed returning significant shallow gold intercepts from an area immediately along strike to the south of the Manikato open pit including **6m @ 1.42g/t Au from 20m** including **3m @ 2.57g/t Au from 22m** (MNRC007), **6m @ 1.02g/t Au from 24m** including **4m @ 1.42g/t Au from 24m** (MNRC010), **4m @ 1.45g/t Au from 107m** (MNRC019), and **9m @ 0.89g/t Au from 18m** including **2m @ 2.35g/t Au from 25m** (MNRC011) (Figure 8).

Other significant intercepts included **7m @ 2.01g/t Au from 85m** including **2m @ 5.91g/t Au from 85m** (MNRC018), **6m @ 1.11g/t Au from 24m** (MNRC016), and **3m @ 2.24g/t Au from 71m** and **4m @ 1.22g/t Au from 79m** (MNRC014) were returned from a newly interpreted zone of mineralisation, approximately 200m to the west of Manikato (Figure 8).

One diamond drill tail aimed at testing the shallow east dipping shear zone beneath the Mankato open pit returned **7m @ 6.0g/t Au from 177m** including **3m @ 10.2g/t Au from 177m** (MNRC021D) (Figure 8).

Gold mineralisation at Manikato is also associated with gently plunging, dextral, east dipping shear zones and quartz-carbonate-sulphide shear veins within pillow basalts. Additional drilling is planned along strike to the south of the Manikato pit.

Kingston Town Prospect

Significant shallow gold intercepts were returned from 9 RC holes (560m) drilled immediately along strike to the north and south of the Kingston Town open pit including; **7m @ 1.60g/t Au from 23m** including **3m @ 3.27g/t Au from 23m** (KTRC025), **4m @ 1.65g/t Au from 25m** including **2m @ 2.95g/t Au from 26m** (KTRC022), **2m @ 3.90g/t Au from 22m** (KTRC024), **11m @ 0.87g/t Au from 29m** including **3m @ 1.61g/t Au from 36m** (KTRC029), **3m @ 1.97g/t Au from 27m** (KTRC027), and **4m @ 1.30g/t Au from 24m** (KTRC021) (Figure 8).

One diamond drill to test shallow east dipping shear zones beneath the open pit returned **7m @ 1.6g/t Au from 120m** including **1m @ 6.5g/t Au from 120m** (KTRC020D) (Figure 8).

RC and diamond drilling at the Kingston Town Prospect has now defined significant gold mineralisation within 3 sub-parallel east dipping shear zones containing quartz-carbonate-sulphide veined albite-sericite-carbonate altered leucoxene-rich dolerite. Additional drilling is being planned along strike to the north and south of the Kingston Town pit.

Drilling at the Think Big, Manikato, and Kingston Town prospects has confirmed five zones of potentially open pit gold mineralisation with a combined strike of over 4.5km. Mineralisation appears to be spatially associated with a north-east trending dextral fault zone (Figure 8), with all zones open to the north, south and at depth, and all zones retaining the potential to add significant ounces to the Wyooda MRE.

Howards Prospect

The Howards deposit is located in the southern portion of the Gum Creek Greenstone Belt, 28km southeast of the historic Gidgee mill. The recently updated MRE for the Howards deposit is **8.92Mt @ 0.80g/t Au for 230,500oz**. Broad zones of potentially open pit gold mineralisation have been defined over a continuous strike of over 1.3km, with mineralisation remaining open to the north, south and at depth within the northern, southern and central lodes (Figure 9).

During the year the Company completed two RC pre-collared diamond holes for a total of 192.0 metres. Both holes were designed to intercept gold mineralisation towards the centre of the central lode and help determine the controls on mineralisation. The drilling returned best intercepts of **11m @ 0.5g/t Au from 108m** (HWRC237D) and **24m @ 0.5g/t Au from 78m** (HWRC245D). HWRC237D steepened considerably and may not have reached the proposed target depth.

Further strike extension and down dip resource drilling is planned.

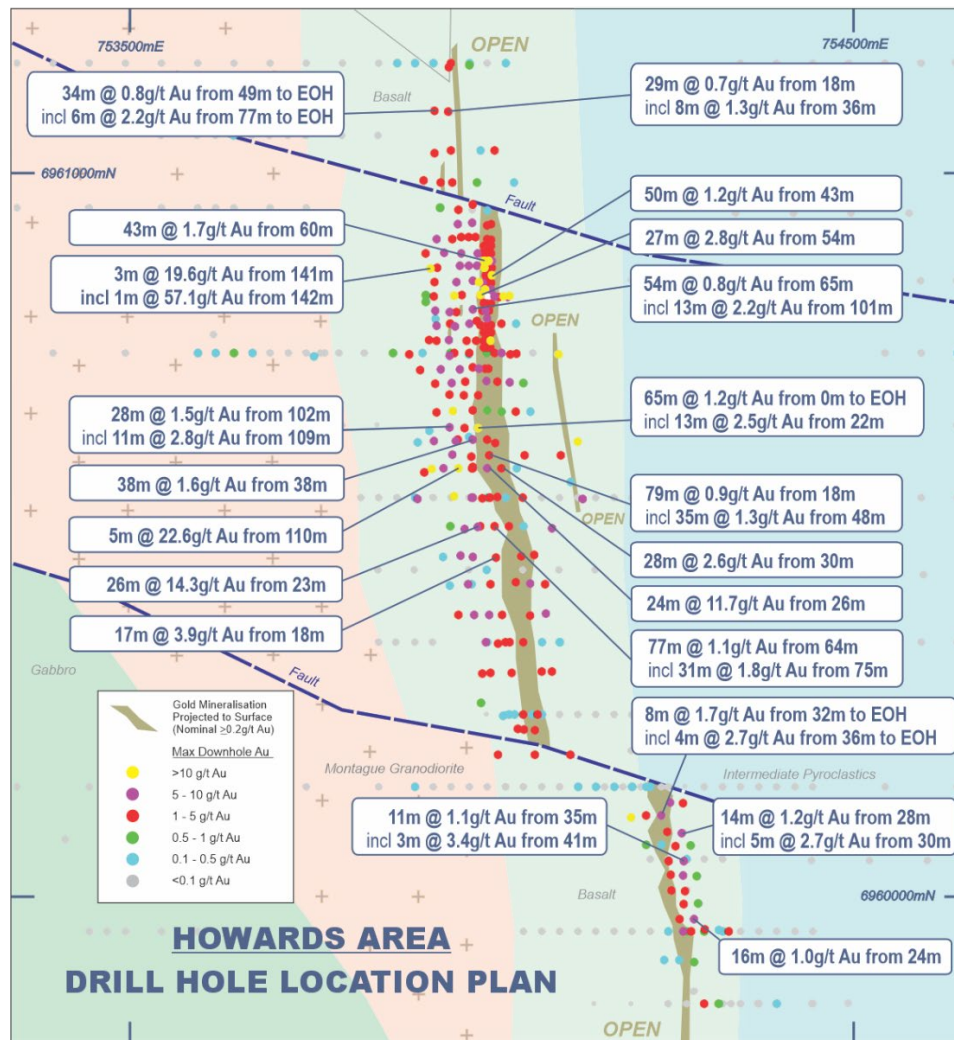


Figure 9: Howards drill hole location plan showing gold mineralisation projected to surface, and all recent Horizon Gold RC intercepts >20 GxM labelled.

Snook Prospect

The Snook deposit is located 24km north of the historic Gidgee mill and has previously been mined by open cut methods from the Snook North and Snook South pits. Subsequent to RC and diamond drilling, numerous rock density measurements and preliminary metallurgical work, a maiden MRE of **0.92Mt @ 1.82g/t Au for 54,000oz** was completed for the Prospect.

Several significant gold intercepts were returned from initial RC drilling (13 RC holes for 2,257m) targeting plunging gold shoots beneath the Snook North and Snook South pits (Figure 10), including:

- **24m @ 1.9g/t Au from 119m** including **9m @ 2.8g/t Au from 133m** (SKRC004)
- **8m @ 5.2g/t Au from 144m** including **3m @ 11.6g/t Au from 144m** (SKRC001)
- **26m @ 0.9g/t Au from 154m to EOH** including **2m @ 3.4g/t Au from 156m** (SKRC003)
- **12m @ 1.3g/t Au from 168m** including **3m @ 2.2g/t Au from 170m** (SKRC013)
- **5m @ 3.0g/t Au from 142m** (SKRC009)
- **4m @ 3.2g/t Au from 145m** (SKRC003)

Two RC pre-collared diamond holes (SKRC002D and SKRC010D) were drilled to 205 metres and 214 metres respectively, to intercept high-grade plunging gold shoots beneath the centre of both the Snook South and Snook North open pits. Excellent gold intercepts were returned from beneath both pits (Figures 10 & 11), including:

- **25m @ 4.3g/t Au from 151m including 8m @ 11.8g/t Au from 157m (SKRC010D)**
- **26m @ 1.5g/t Au from 180m including 7m @ 2.1g/t Au from 197m (SKRC010D)**
- **36m @ 1.6g/t Au from 133m including 7m @ 3.5g/t Au from 155m (SKRC002D)**

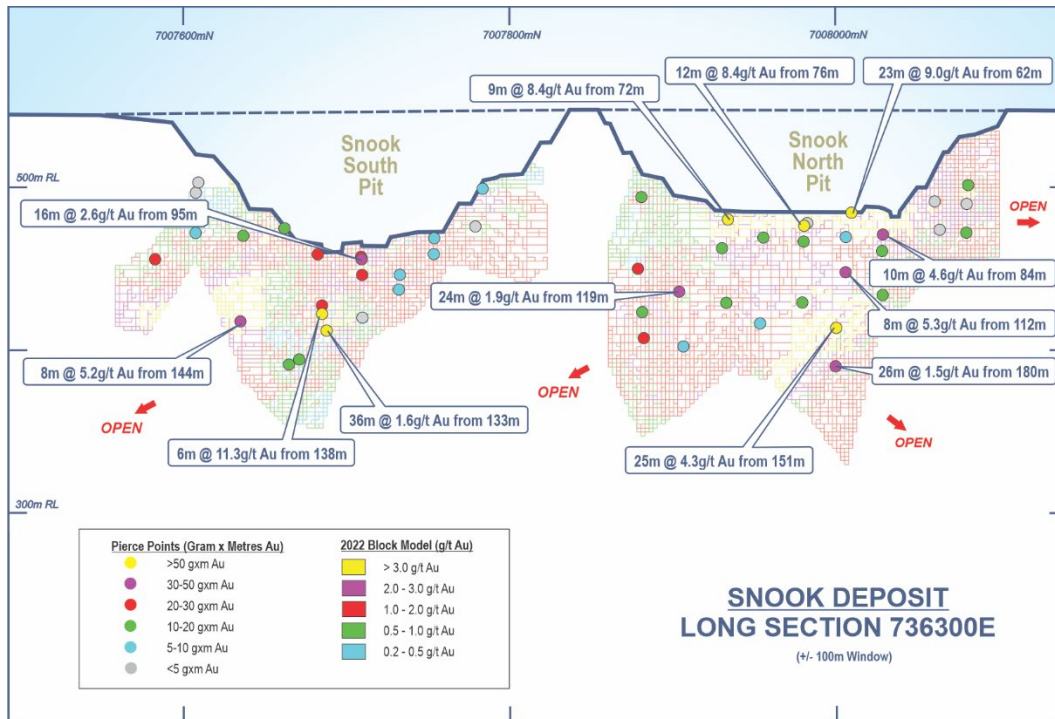


Figure 10: Snook Prospect long section showing gold intercept GxM pierce points with historic pierce points >40 GxM labelled, 2021 RC intercepts and diamond core intercepts >35 GxM labelled, and current MRE block model coloured by gold grade.

RC and diamond drill results extended the interpreted southerly plunge to high grade gold mineralisation at Snook North and South, confirmed the potential for additional significant gold grades and intercept widths at depth beneath the Snook North and South pits, and additionally highlighted the potential for north plunging high grade gold mineralisation at Snook North (Figure 10). Additional drilling is planned to test the down plunge extensions of all three high-grade gold shoots.

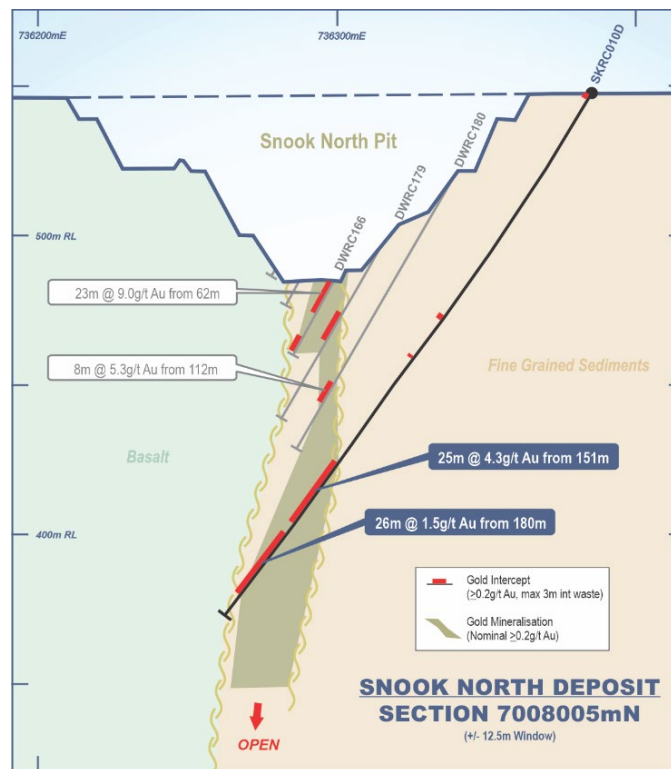


Figure 11: Snook North cross section showing historic and 2021 diamond drilling intercepts (labelled blue).

Camel Bore Prospect

The Camel Bore deposit is located 19km north of the historic Gidgee mill and has previously been mined by open cut methods. Subsequent to RC and diamond drilling, rock density measurements and preliminary metallurgical work during the year, a maiden MRE of **0.48Mt @ 1.42g/t Au for 21,800oz** was completed for the Prospect.

Significant shallow gold intercepts were returned from initial RC drilling (22 holes for 2,538m) along strike to the north and south of the Camel Bore pit including:

- **24m @ 1.6g/t Au from 103m** including **8m @ 4.0g/t Au from 108m** (CBRC005)
- **11m @ 1.9g/t Au from 36m** including **4m @ 2.5g/t Au from 37m** (CBRC015)
- **20m @ 0.9g/t Au from 83m** including **8m @ 2.0g/t Au from 86m** (CBRC006)
- **18m @ 0.7g/t Au from 48m** including **9m @ 1.2g/t Au from 54m** (CBRC014) and
- **5m @ 2.0g/t Au from 145m** (CBRC003) including **3m @ 3.1g/t Au from 146m**

One diamond tail (CBRC007D) was drilled to a depth of 132.4 metres at Camel Bore (Figure 12) to intercept gold mineralisation down plunge to the north of the pit. Assay results included a best intercept of **2m @ 1.35g/t Au from 120m**.

The existing geological model predicting a moderately north plunging high grade gold shoot controlled by the intersection of the host dolerite unit and mineralised shear zone is to be reviewed. Additional drilling is required down plunge and along strike to the north of the Camel Bore pit.

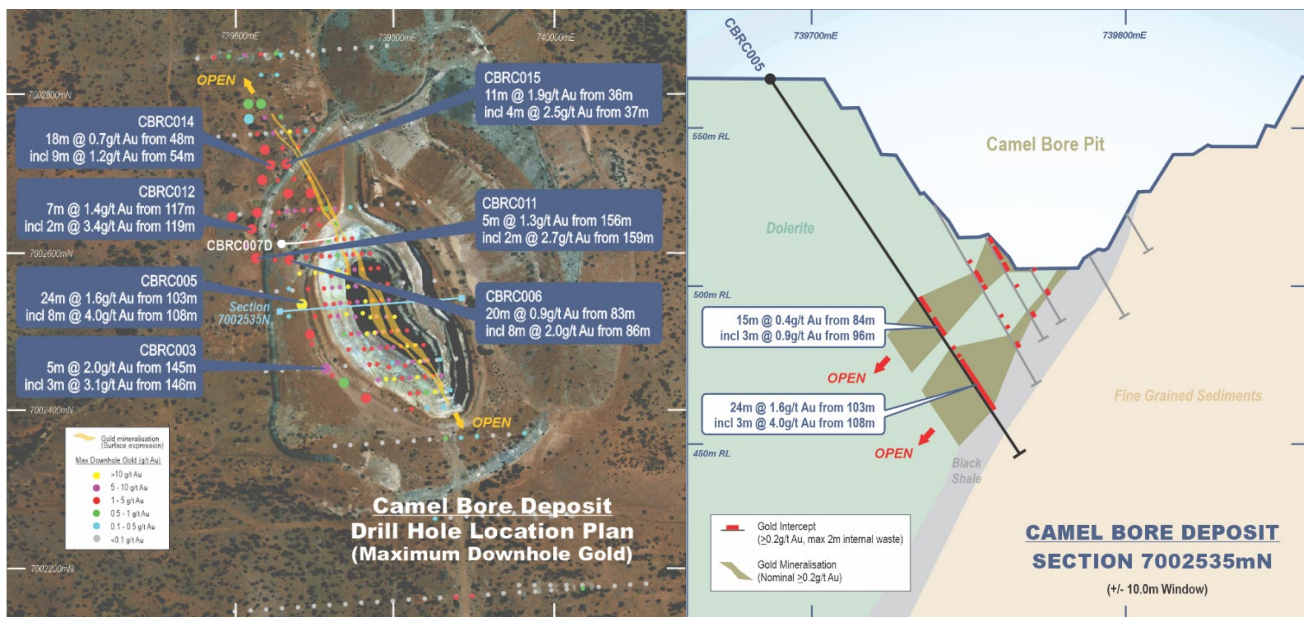


Figure 12: Left - Camel Bore Prospect drill hole collar plan coloured by maximum downhole gold (larger dots for recent drilling), gold mineralisation (shaded gold), and all 2021 RC intercepts >9 GxM labelled, Right - Camel Bore Prospect cross section showing geology, mineralised envelope, and recent intercepts.

Orion Prospect

The Orion deposit is located 37km north of the historic Gidgee mill and has not been previously mined. Following initial RC drilling and preliminary metallurgical work, a maiden MRE of **0.25Mt @ 1.43g/t Au for 11,500oz** was completed for the Prospect.

Numerous shallow gold intercepts were returned from RC drilling at Orion (32 RC holes for 2,320m), including **16m @ 6.2g/t Au from 10m** including **4m @ 9.5g/t Au from 20m** (ONRC028), **15m @ 2.2g/t Au from 46m** including **3m @ 8.0g/t Au from 52m** (ONRC024), **12m @ 2.5g/t Au from 47m to EOH** including **7m @ 3.9g/t Au from 52m to EOH** (ONRC003), **3m @ 8.6g/t Au from 94m** including **1m @ 24.7g/t Au from 94m** (ONRC021), **11m @ 1.9g/t Au from 26m** including **5m @ 3.7g/t Au from 31m** (ONRC016), **14m @ 1.3g/t Au from 45m** including **2m @ 3.5g/t Au from 57m** (ONRC022), **9m @ 1.9g/t Au from 28m** including **5m @ 3.0g/t Au from 32m** (ONRC019), **8m @ 2.1g/t Au from 6m** including **2m @ 3.0g/t Au from 6m** (ONRC011), **11m @ 1.5g/t Au from 53m** including **4m @ 2.4g/t Au from 53m** (ONRC020), and **7m @ 2.2g/t Au from 40m** including **3m @ 3.7g/t Au from 40m** (ONRC008) (Figures 13 & 14).

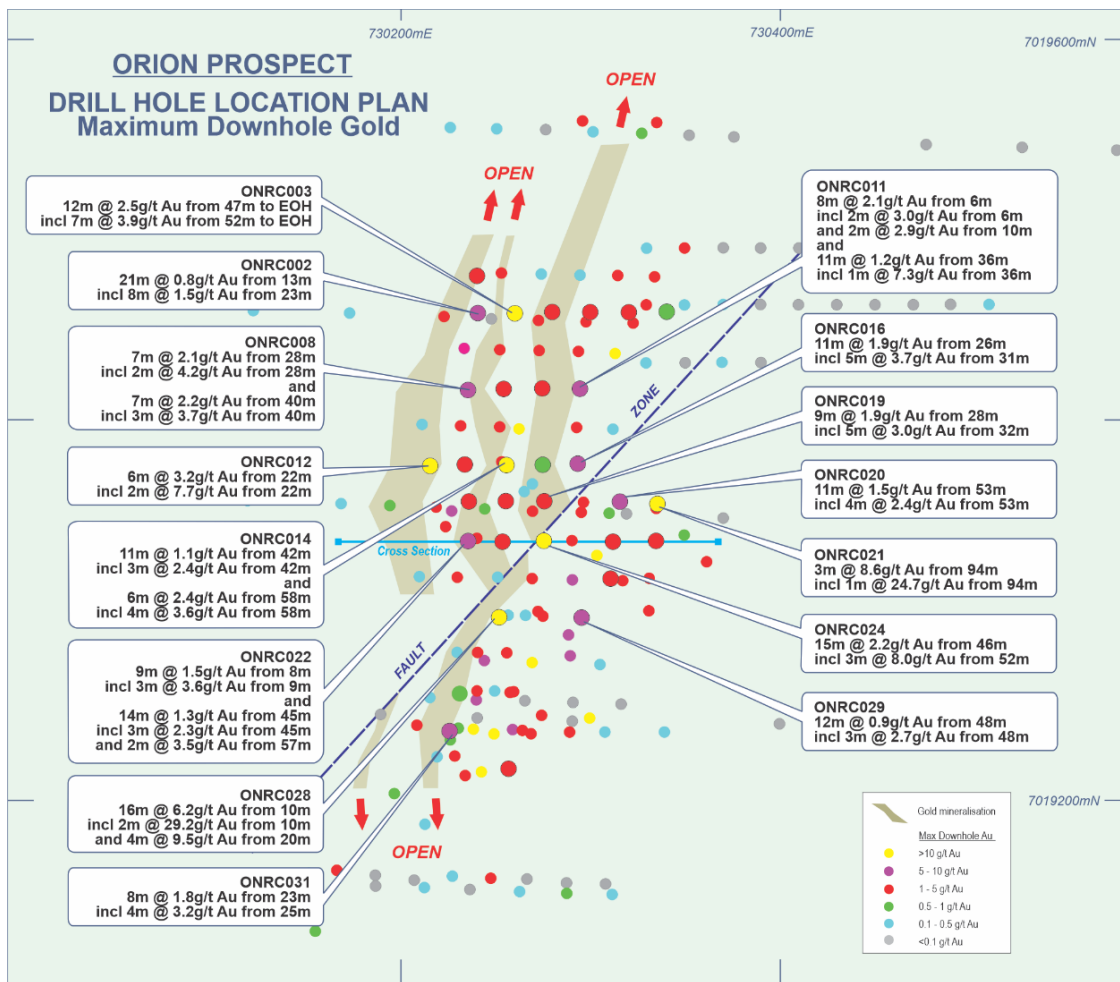


Figure 13: Orion Prospect drill hole collar plan coloured by maximum downhole gold (larger dots for recent drilling), 520m RL gold mineralisation (shaded gold), and all 2021 RC drilling intercepts >10 GxM labelled.

The initial RC program at Orion has confirmed and extended previously delineated shallow supergene and primary gold mineralisation. Mineralisation is continuous over a 300 metre strike, is up to 15 metres wide in each of three sub-parallel mineralised zones, and is currently defined to a maximum vertical depth of approximately 80 metres. The higher gold grades are currently interpreted to be associated with a dextral north-east trending fault zone and a distinct magnetic high located towards the southern end of the deposit. This magnetic anomaly is yet to be drill tested.

There is excellent potential to define additional gold resources at Orion and drilling is planned at depth, up dip, and along strike to the north and south of the prospect.

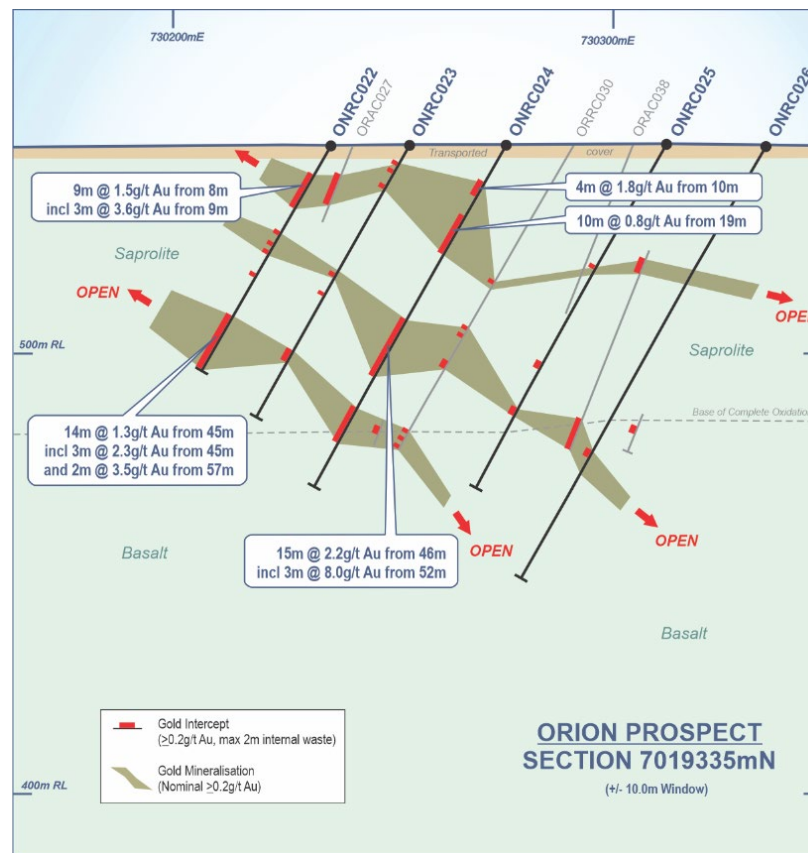


Figure 14: Orion Prospect cross section showing mineralised envelopes, and 2021 RC drill intercepts >5 GxM labelled.

Wahoo Prospect

The Wahoo deposit is located 28km north of the historic Gidgee mill and has previously been mined by open cut methods. Following RC and diamond drilling and preliminary metallurgical work, a maiden MRE of **0.26Mt @ 1.25g/t Au for 10,400oz** was completed for the Prospect.

Significant gold intercepts were received from RC drilling completed at Wahoo (14 RC holes for 1,714m). These results included: **8m @ 2.3g/t Au from 99m** including **2m @ 8.3g/t Au from 104m** (WARC012), **6m @ 3.1g/t Au from 17m** including **2m @ 7.9g/t Au from 19m** (WARC010), **9m @ 1.7g/t Au from 62m** including **5m @ 2.2g/t Au from 65m** (WARC010), **6m @ 2.6g/t Au from 60m** including **2m @ 6.8g/t Au from 60m** (WARC007), and **7m @ 1.5g/t Au from 49m** including **4m @ 2.51g/t Au from 52m** (WARC003) (Figure 15).

The RC drilling has confirmed the vertical continuity of the two main gold lodes to the south of the pit, and also extended mineralisation along strike to the south. Mineralisation is continuous over a 400 metre strike, up to 8 metres wide in the main eastern lode, up to 5 metres wide in each of two western lodes (Figure 15), and is currently defined to a maximum vertical depth of approximately 90 metres.

Additional drilling is planned along strike to the north and south of the current drilling at Wahoo.

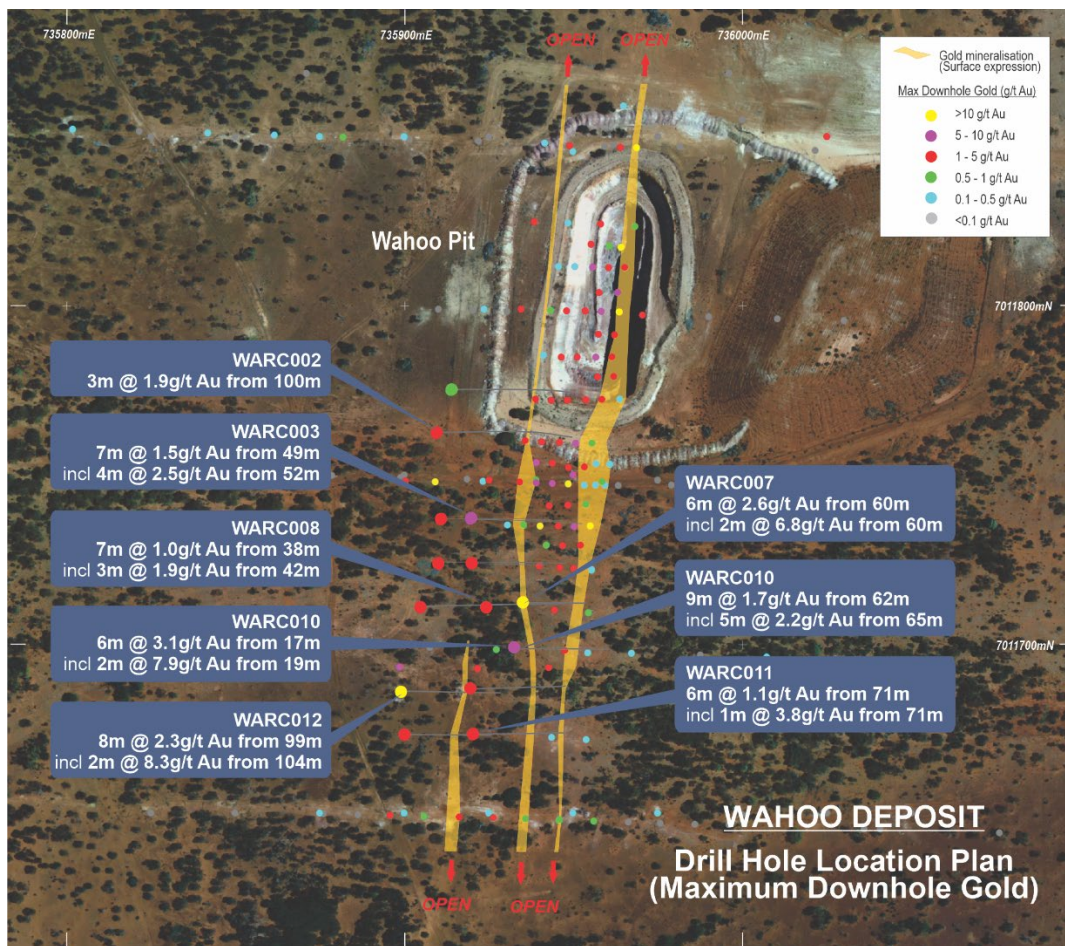


Figure 15: Wahoo Deposit drill hole collar plan coloured by maximum downhole gold (larger dots for recent drilling), surface projection of gold mineralisation (shaded gold), and 2021 RC intercepts >5 GxM labelled.

PSI and Omega Prospects

The PSI and Omega North deposits are located 44 kilometres north of the old Gidgee mill and have been mined previously by open cut methods. Subsequent to RC drilling, rock density measurements and preliminary metallurgical work, a maiden MRE of **0.33Mt @ 1.81g/t Au for 19,000oz** was completed for the Psi Prospect only.

Significant gold intercepts were returned from all three initial RC holes (438m) at Psi including: **9m @ 2.6g/t Au from 136m** including **3m @ 4.0 g/t au from 136m** (PSRC001), **12m @ 2.2g/t Au from 126m** including **4m @ 3.5g/t Au from 127m** (PSRC002) and **11m @ 2.4g/t Au from 120m** including **2m @ 8.8g/t Au from 128m** (PSRC003), confirming previous consistent gold grade and widths to primary mineralisation and extending previously interpreted south plunging gold lodes beneath the Psi open pit (Figures 16 & 17).

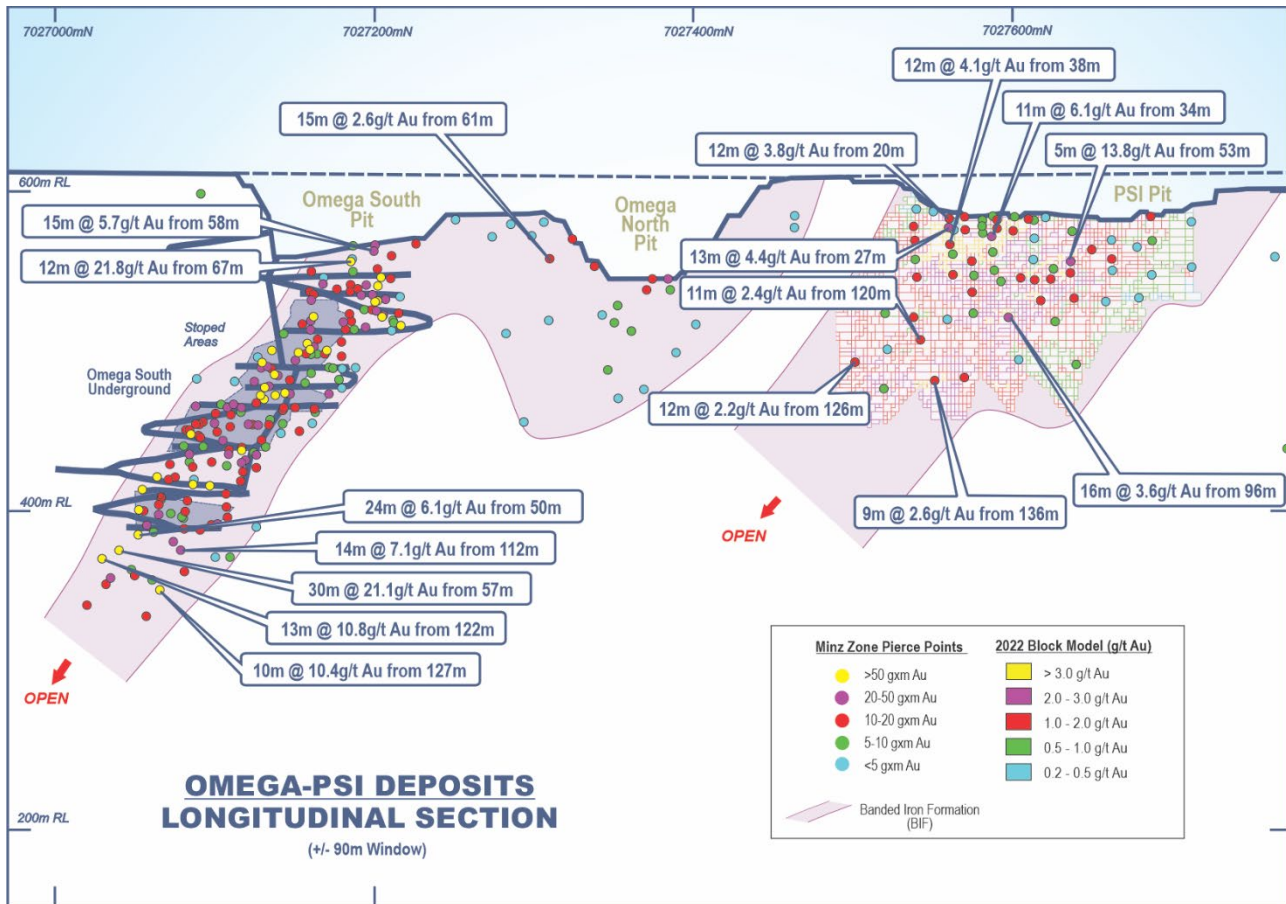


Figure 16: Omega-PSI prospects long section showing historic and 2021 gold intercept GxM pierce points coloured by gold, historic open pits, underground infrastructure, high-grade ore shoots (hosted by BIF), and current MRE block model coloured by gold grade.

Shallow RC drilling at Omega North (4 holes for 595m) returned a best result of 11m @ 0.4g/t Au from 30m including 1m @ 2.2g/t Au from 35m from OMRC004. Results from a single pre-collared diamond hole (OMRC001D) returned 1m @ 6.67g/t Au from 156m. The diamond hole steepened significantly and intercepted the Banded Iron Formation (BIF) host rock well below the intended target RL. 3D modelling of the BIF and mineralised quartz veins at Omega is planned prior to designing the next drill program.

Additional drilling is planned along strike to the south of the current drilling at PSI and at depth beneath the Omega South underground workings where significant historical intercepts including 30m @ 21.1g/t Au have been identified. There is no MRE for the Omega Prospect.

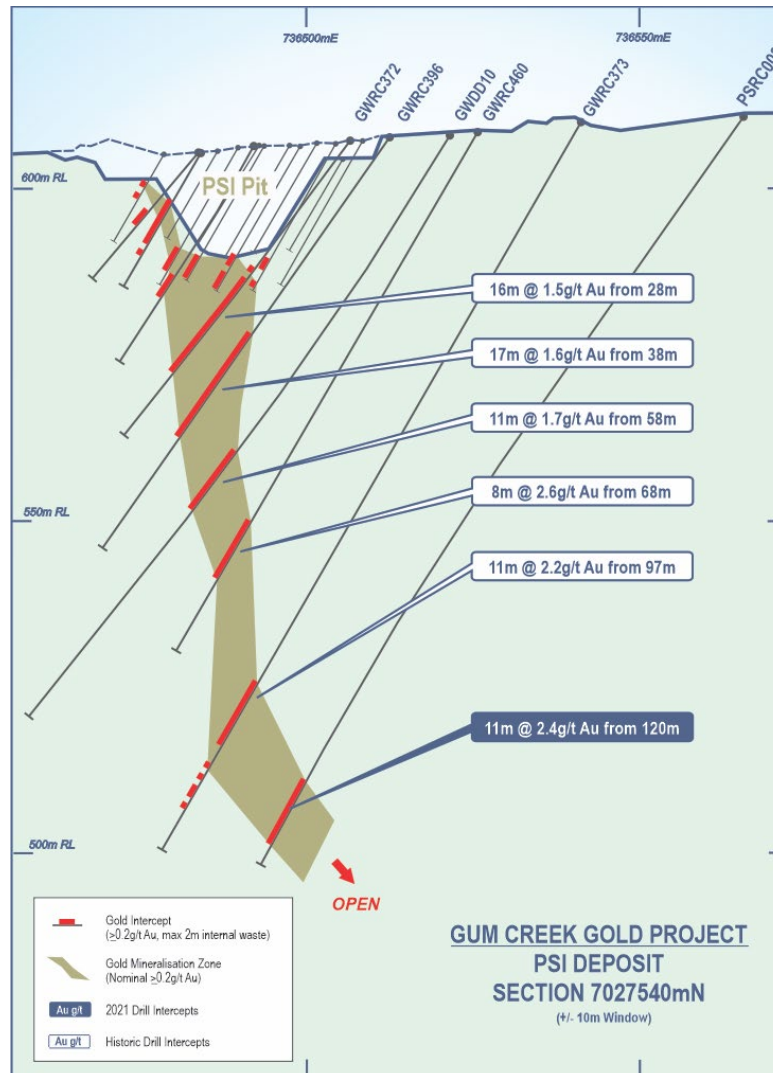


Figure 17: PSI Prospect cross section showing mineralised envelope, >18 GxM previous intercepts, and 2021 RC drill intercept (labelled blue).

Specimen Well Prospect

The Specimen Well deposit is located 44 kilometres north of the historic Gidgee mill and has not been mined previously. The recently updated MRE for the Specimen Well deposit is **0.48Mt @ 1.59g/t Au for 20,800oz**.

An initial RC program (15 holes for 1,477m) confirmed broad, shallow, high grade gold mineralisation at the prospect, returning **22m @ 2.1g/t Au from 55m** including **14m @ 3.0g/t Au from 56m** (SPRC005) up plunge of previous significant gold intercepts (Figure 18), and **11m @ 1.6g/t Au from 47m** including **4m @ 3.9g/t Au from 52m** (SPRC010) approximately 400m along strike to the north of the Specimen Well resource area. SPRC010 is in a sparsely drilled area that requires extensive follow-up drilling.

Whilst no significant results were returned from the pre-collared diamond hole SPRC002D (Figure 18) geological logging and diamond core structural measurements are being used to review the current geological model and help determine the controls of the previously defined high grade gold mineralisation.

Additional RC drilling has been planned along strike to the north of the Specimen Well resource area where previous wide spaced aircore and RC drilling has encountered consistent shallow gold mineralisation over a 700 metre strike.

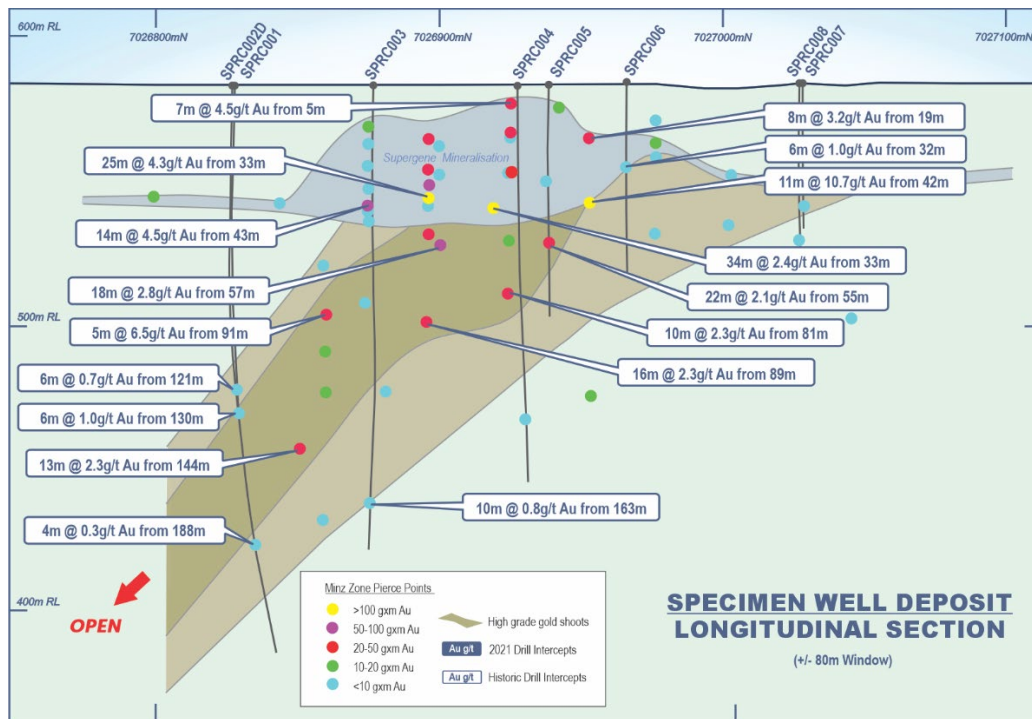


Figure 18: Specimen Well long section showing gold intercept GxM pierce points (>30 GxM labelled) supergene mineralisation and interpreted high-grade ore shoot.

Hawk Prospect

The Hawk Prospect is located 5km southeast of the historic Gidgee mill and has previously been mined by open cut methods. Sixteen RC holes for 2,464m were recently completed to test the down plunge and down dip extensions to previously delineated shallow gold mineralisation beneath and along strike of the Hawk open pit.

Gold mineralisation at Hawk is located within two sub-parallel steeply west dipping shear zones within quartz veined limonitic saprolite and pyritic silicified basalt. Mineralisation is continuous over a 450 metre strike, and is currently defined to a maximum vertical depth of approximately 120 metres. The prospect area is deeply weathered with the base of complete oxidation between 80m and 130 metres below surface. All RC results are pending.

There is no current MRE for the Hawk Prospect.

Shiraz Prospect

The Shiraz deposit is located 15km northeast of the historic Gidgee mill and has previously been mined by open cut methods. The current MRE for the Shiraz deposit is **2.92Mt @ 0.83g/t Au for 78,000oz**. Ten RC holes for 1,631m were recently completed to test the down plunge and down dip extensions to previously delineated gold mineralisation beneath and along strike of the Shiraz open pit.

Gold mineralisation at Shiraz is associated with a broad moderate to steeply west dipping quartz veined pyrite-pyrrhotite-rich quartz dolerite unit. Mineralisation is continuous over a 700 metre strike, and is currently defined to a maximum vertical depth of approximately 140 metres. All RC results are pending.

An updated MRE will be completed once the limits of the mineralisation are defined.

Wilsons Prospect

The Wilsons deposit is located 15km northeast of the historic Gidgee mill and has previously been mined by open cut methods. The current MRE for the Wilsons deposit is **2.27Mt @ 5.36g/t Au for 391,000oz**.

The deposit includes three high grade plunging lodes that have formed within structural jogs on a dolerite/sediment contact. Outstanding historic drill intercepts have been identified beneath the existing pits with gold mineralisation open down plunge below all three lodes (Figure 19).

In June 2016 metallurgical testwork on the Wilsons ore returned positive results including an overall gold recovery of 87-90% using mild conditions to oxidise a flotation concentrate, and subsequently the company is planning to review the controls on mineralisation and potentially complete additional drilling at depth in the near term.

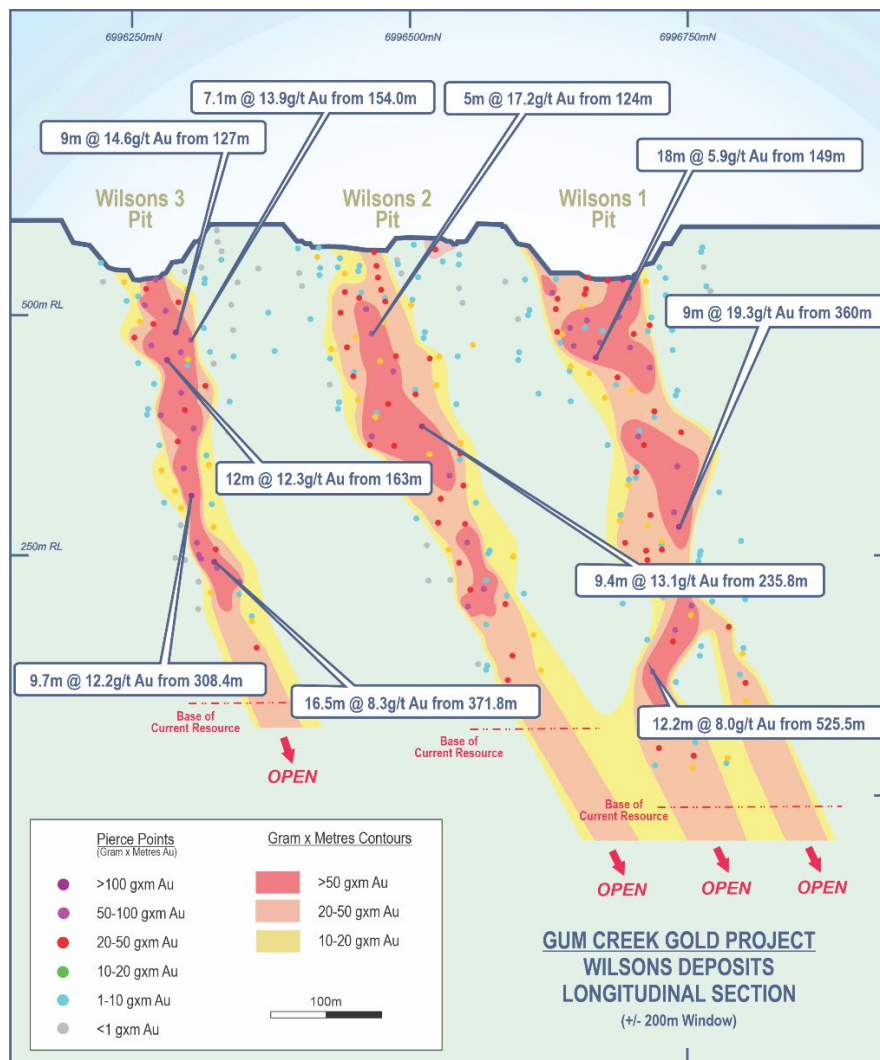


Figure 19: Wilsons long section showing gold intercept GxM pierce points (>95 GxM labelled) and interpreted high-grade ore shoots.

Altair and Mensa Zn-Cu Prospects

The Altair and Mensa prospects are located within a conductive sedimentary sequence, which forms a large open fold, extending over five kilometres from Altair to Mensa. Both targets exhibit the geological and geochemical hallmarks of a major polymetallic VMS / SEDEX system and could potentially form part of a district-scale VMS camp similar to the Teutonic Bore group of deposits (Figure 20).

During the year two RC precollars for a total of 402m were completed for diamond core “tails” at the Altair Prospect. The diamond drilling is designed to help define the controls on zinc-copper mineralisation at Altair, and to test the strong gravity and conductor plates modelled at depth beneath and down plunge of the currently defined Altair Zn-Cu-Ag mineralisation. Diamond drilling has been completed with all assay results pending.

Three RC holes (892m) were also completed at the Mensa Prospect with each hole testing modelled electromagnetic conductor plates that are coincident with elevated magnetics and anomalous geochemistry (Figure 20). All results are pending.

Downhole electromagnetic surveying is planned at the completion of the Altair and Mensa drilling to help identify possible late time off-hole conductive anomalies that may represent further base metal drill targets.

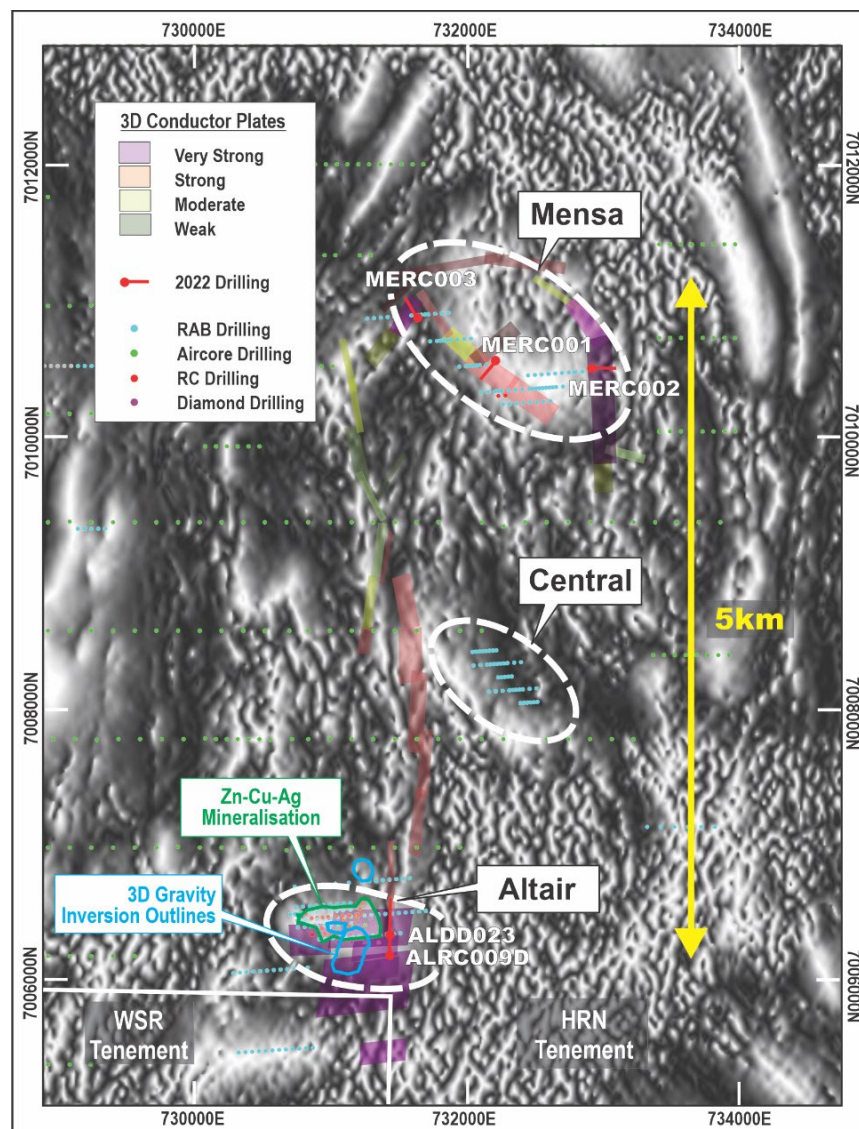


Figure 20: Altair- Mensa: modelled 3D conductor plates, historic drillhole collars and 2022 drilling (red) over a greyscale derivative aeromagnetic image.

Future Work / Current and Planned Drilling

Infill and extension RC drilling is continuing at Gum Creek with drilling planned at 13 prospects including Heron, Heron South, Hyperno, Deep South, Think Big, Howards, Wedge, Eagles Peak, Fangio, Kearrys, Beta, Specimen Well, and Melbourne Bitter. All target areas have the potential to add significant new ounces to the current 1.79Moz @ 1.51g/t Au Gum Creek global MRE.

Metallurgical sampling and sighter testwork, specific gravity measurements, and resource estimation work will commence as assay results for all prospects including the nine potential maiden gold resource areas, are received. Metallurgical sampling is already underway at the Hawk and Shiraz prospects, and rock density measurements on diamond core from all potential resource areas will commence shortly.

A regional gold and base metal target review and ranking exercise based on a detailed lithostructural interpretation and geochemical targeting exercise will also be completed in the near term. This work will help guide future regional exploration and mineral resource growth within the Company's highly prospective Gum Creek Project.

Corporate

Renounceable Entitlement Issue

On 28 April 2022, the Company announced a one for 5.2 Renounceable Entitlement Issue ("the Issue") at \$0.35 per share, to raise approximately \$7,200,000.

The Company received acceptances in respect to 17,013,023 shares, representing an 83% take up of the Issue. Total funds of approximately \$5,954,558 was received in June 2022. Subsequent to financial year end, on 30 August 2022 the Company announced it had placed 1,476,602 shortfall shares at \$0.35 in relation to the Issue raising an additional \$516,811.

Capital Management

As part of the Company's ongoing capital management strategy, Horizon agreed to deposit surplus cash funds of \$5,400,000 with Zeta Resources Limited (**Zeta**) (the Company's largest shareholder, holding 71.4%) as short-term loans. The loans are unsecured, repayable on call by the Company and accrue interest at a rate of 5.00% per annum.

The \$5,400,000 deposit funds are temporarily surplus to the Company's cash requirements and are to be recalled as needed for the Company's ongoing exploration programs over the next ~12 months. The short-term loans enable the Company to earn a significantly higher interest rate on these surplus cash funds compared to the interest rate earned on bank term deposits. At financial year end the full \$5,400,000 remained on deposit with Zeta.

All funds previously lent to Zeta as per the Company's 4 June 2021 ASX Announcement titled "Capital Management" were repaid in full, including interest, so the only outstanding balance from Zeta going forward, is that as described above.

Directors' Report

30 June 2022

The directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Horizon Gold Limited ("Company" or "Horizon") and the entity it controlled at the end of, or during, the year ended 30 June 2022.

Directors

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows (directors were in office for the entire period unless otherwise stated):

Peter Sullivan B.Eng, MBA (Non-Executive Chairman)

Appointed 7 July 2020

Peter Sullivan is an engineer with extensive experience as a non-executive director and in senior executive roles, including in chief executive officer and operational roles. He brings wide-ranging and global experience working in listed and unlisted resource companies.

Peter has valuable insight and experience in engineering and construction, investment banking and capital markets and managing mining operations in Australia and internationally.

Peter has over 30 years' experience working with ASX-listed companies and has a broad strategic perspective and understanding of the long-term cyclical nature of the resources industry.

Peter has been closely involved with the strategic development of resource projects and companies with input across technical, financial, regulatory and governance matters. He has worked across multiple jurisdictions including countries in Africa, North America, Europe and Asia.

During the past three years, Peter has served as a director of the following listed companies:

- Zeta Resources Limited (appointed 2013)
- Panoramic Resources Limited (appointed 2015)
- Copper Mountain Mining Corporation (appointed 2020)
- GME Resources Limited (appointed 1996)
- Resolute Mining Limited (appointed 2001, resigned 2021)

Leigh Ryan B.Sc.(Geol), Grad. Cert. Min. Econ., MAIG (Managing Director)

Appointed 14 December 2020

Leigh Ryan is a qualified geologist with 30 years of experience in the exploration and resource industry, which has included various project evaluation, exploration management and executive management roles throughout Australia and Africa. He has worked extensively in WA, Queensland, NSW, Zambia, Tanzania, Burkina Faso, Mali, and Cote d'Ivoire, has been involved in the discovery and resource definition of numerous gold and base metal deposits.

Leigh was previously Resolute Mining Limited's Group Exploration Manager for Africa and Australia prior to becoming the Managing Director of Boss Resources Limited in 2011, Managing Director of Chrysalis Resources Limited in 2013, and Managing Director of Alchemy Resources Limited in 2017. He is a member of the Australian Institute of Geoscientists and has completed a graduate certificate in Mineral Economics at the Curtin School of Business, Western Australia.

During the past three years, Leigh has served as a director of the following listed companies:

- Alchemy Resources Limited (appointed 2017, resigned 2020)
- Peppermint Innovation Limited (formerly Chrysalis Resources Limited) (appointed 2014, resigned 2020)

Directors' Report

30 June 2022

James Sullivan (Non-Executive Director)

Appointed 9 April 2020.

Jamie Sullivan has over 30 years' experience in commerce, providing services to the mining and allied industries. This includes over 15 years in corporate roles with ASX-listed mining and exploration companies, including the successful IPO of Kumarina Resources Limited (now Zeta) in November 2011.

Jamie is currently the Managing Director of GME Resources Limited.

During the past three years, Jamie has also served as a director of the following listed companies:

- GME Resources Limited (appointed October 2004)

Dugald Morrison BCA (Hons) (Non-Executive Director)

Appointed 9 April 2020.

Dugald Morrison is General Manager, ICM NZ Limited. ICM Limited is the investment manager of Zeta Resources Limited.

Dugald is an experienced investment analyst having worked in stockbroking, investment banking and investment management firms in New Zealand, the United Kingdom, and the United States. Dugald has held a number of governance roles, including non-executive director of Resimac Financial Services Limited, Pan Pacific Petroleum NL and Bligh Resources Limited.

During the past three years, Dugald has not served as a director of any other listed companies.

Peter Venn BSc (Geo)(Hons), MAIG, MAICD (Non-Executive Director)

Appointed 31 August 2016

Mr Venn is a geologist with more than 32 years' resources industry experience and achievement. He has established and led highly successful teams and been closely involved in the exploration, acquisition, evaluation, and development of more than 10 mining operations, including Syama, Golden Pride, Obotan in Africa and Ravenswood, Chalice, Higginsville, Marymia and Mertondale in Australia.

His most recent managerial positions have been as Technical and Managing Director of Margosa Graphite Limited, an explorer and emerging producer of high grade vein graphite in Sri Lanka, and Chief Business Development Officer with Resolute Mining Limited, where his role included supervision of all technical aspects of exploration, resource development, feasibility, and oversight during design/construction/commissioning of a 1.5Mtpa Oxide Processing Facility at the Syama Gold Project in Mali, West Africa.

During the past three years, Peter has also served as a director of the following listed company:

- Rumble Resources Limited (appointed 2021)

Company Secretary

Trevor O'Connor B.Bus(Acc), FGIA FCG (CS,CGP), CA

Appointed 9 April 2020

Trevor O'Connor is a Chartered Accountant and Chartered Company Secretary with over 25 years' corporate experience. He has over 15 years' experience in the mining and energy industries operating both in Australia and overseas.

Directors' Report

30 June 2022

Trevor is currently also CFO / Company Secretary for CZR Resources Ltd and was recently CFO / Company Secretary of Exore Resources Ltd and before that Kasbah Resources Limited for 6 years until October 2017.

Meetings of Directors

The number of meetings of directors held during the year ended 30 June 2022 and the number of meetings attended by each director during the year are as follows:

	Number of Meetings Eligible to Attend	Number of Meetings Attended
Total number of meetings held during the year	6	-
Peter Sullivan	6	6
Leigh Ryan	6	6
Dugald Morrison	6	6
Jamie Sullivan	6	6
Peter Venn	6	6

Committee Membership

Due to the size of the Board, there are currently no separate committees of the Board as at the date of this report.

Directors' Interests

The relevant interest of each director in the share capital as notified by the directors to the Australian Securities Exchange in accordance with S205G(1) of the Corporations Act 2001, at the date of signing is as follows:

Name of Director	Ordinary Shares		Options	
	Direct	Indirect	Direct	Indirect
Peter Sullivan	-	2,131,244	-	-
Leigh Ryan	-	60,000	-	1,000,000
Jamie Sullivan	66,892	1,429,997	-	-
Dugald Morrison	-	-	-	-
Peter Venn	-	450,449	-	-

Principal Activities

The principal activities of the consolidated entity during the course of the financial year consisted of exploration, evaluation and development of the Gum Creek Gold Project (previously known as the Gidgee Gold Project), situated in the Central Murchison region of Western Australia.

The consolidated entity operates in only one segment, being exploration in Australia.

Operating and Financial Review

Operating Result for the Year

The consolidated entity recorded a net loss after tax for the financial year ending 30 June 2022 of \$487,000 (2021: \$1,072,000 net loss after tax).

Directors' Report

30 June 2022

Financial Performance

The Group's performance during the 2022 financial year and for the four previous financial years, are set out in the table below after noting the basis of preparation of the financial results as in the notes to the consolidated financial statements. The financial results shown below were all prepared under Australian Accounting Standards.

Year Ended 30 June	2022	2021	2020	2019	2018
Income (\$'000)	136	17	30	105	224
Corporate and administration costs (\$'000)	(545)	(620)	(553)	(542)	(562)
Care and maintenance expenses (\$'000)	(150)	(486)	(866)	(760)	(774)
Share based payments (\$'000)	(134)	(160)	-	-	-
Gain / (Loss) on remeasurement of liability (\$'000)	418	230	(497)	(377)	-
Reversal of / (impairment) of assets (\$'000)	-	-	7,006	-	(12,569)
Finance costs (\$'000)	(166)	(34)	(108)	(101)	(464)
Exploration expenditure written-off	(7)	(19)	(432)	(901)	(619)
Right of use amortisation	(39)	-	-	-	-
Profit / (loss) before tax (\$'000)	(487)	(1,072)	4,580	(2,576)	(14,764)
Income tax benefit (expense)	-	-	-	-	-
Net profit/(loss) after tax (\$'000)	(487)	(1,072)	4,580	(2,576)	(14,764)
Earnings/(loss) per share (\$)	(0.005)	(0.01)	0.06	(0.03)	(0.19)
Market capitalisation (\$'000)	43,297	42,677	35,204	13,393	11,862
Closing share price (\$ per share)	0.35	0.400	0.460	0.175	0.155

Income

Income of \$136,000 (2021: \$17,000) was made up of interest revenue of \$105,000 (2021: \$13,000) and sundry income of \$31,000 (2021: \$4,000).

Corporate and Administration Costs

Corporate and administration costs of \$545,000 (2021: \$620,000) were incurred by the Company, a 12% decrease from the previous financial year.

Care and Maintenance (C&M) Costs

Care and maintenance costs at the Gum Creek Gold Project totaling \$150,000 (2021: \$486,000) a 69% decrease from the previous financial year.

Exploration expenditure written off

Exploration expenditure written off during the year was \$7,000 (\$2021: \$19,000). These relate to previously capitalised exploration and evaluation assets on tenements relinquished or areas of interest abandoned.

Income Tax Benefit

There was no tax benefit booked on the consolidated entity's loss for the financial year as the corresponding equivalent deferred tax asset was not recognised in the consolidated statement of financial position at 30 June 2022.

Directors' Report

30 June 2022

Review of Financial Condition

Balance Sheet

Net Working Capital - current assets less current liabilities

The consolidated entity's net working capital position is in surplus by \$4,760,000 (2021: \$5,141,000).

Cash Flows

The operating activities of the consolidated entity resulted in a net cash outflow of \$637,000 (2021: \$1,254,000).

Net cash outflows from investing activities of \$6,370,000 (2021: \$7,033,000) included \$5,545,000 expenditure on exploration and evaluation activities at the Gum Creek Gold Project.

There were net cash inflows from financing activities of \$5,945,000 (2021: \$9,383,000) which was principally a result of an equity raising through a rights issue raising \$5,955,000.

At 30 June 2022, the consolidated entity had cash and cash equivalents of \$211,000 (2021: \$1,273,000). This does not include \$5,416,000 (2021: \$4,506,000) of funds deposited with Zeta Resources Limited (the Company's ultimate parent) as a short-term loan which is repayable on call.

Net Tax Balances

At balance date, the consolidated entity had an unrecognised net deferred tax asset of \$5,205,000 (2021: \$5,108,000). Due to the Gum Creek Gold Project being in a stage of exploration and development and not profit generating, the net deferred tax asset has not been recognised in the consolidated statement of financial position as at 30 June 2022.

Net Assets/Equity

The net asset position of the consolidated entity increased 22% to \$30,468,000 (2021: \$24,879,000) due principally to capital raisings in the form of rights issues raising \$5,955,000.

Financial and Business Risks

The business, assets and operations of the consolidated entity have the potential to influence the operating and financial performance of the consolidated entity in the future. The Board aims to manage these risks by carefully planning its activities and implementing risk mitigation measures. A list of the key business and financial risks of the consolidated entity, include:

- *Exploration* - the tenements comprising the Gum Creek Gold Project are prospective for gold and polymetallic mineral resources, however the prospects within the Project are at various stages of exploration. Mineral exploration is a high-risk undertaking, and there is a risk that the contemplated extensional and infill resource drilling programs, or the regional exploration activities to generate new gold and polymetallic resources will not be successful;
- *Development Studies* - there is a risk that the contemplated metallurgical and process investigations on the known mineralisation types at the Gum Creek Gold Project may not lead to a viable processing route. Furthermore, there is a risk that the contemplated development studies may not lead to a project that is economically viable;
- *Licences, permits and approvals* - the Gum Creek Gold Project has the necessary statutory operational and environmental licences, permits and approvals to conduct current exploration activities at the project. However, the consolidated entity may be required to obtain certain authorisations in future to undertake new exploration and development on the Gum Creek Gold Project tenements. These requirements include Program of Work (POW) approvals and Aboriginal heritage clearances (in certain circumstances). Delays in obtaining, or the inability to obtain, required authorisations may significantly impact on the consolidated entity's operations;

Directors' Report

30 June 2022

- *Management Team* - the Company does not have a full management team and relies heavily on contractors and consultants to perform key technical, commercial, managerial and administrative services. The Company will continue to assess this structure as the Project develops;
- *Commodity prices and foreign exchange rate fluctuations* - the value and profitability of the Gum Creek Gold Project and any other assets developed or acquired by the Company in the future may be adversely affected by fluctuations in commodity prices and foreign exchange rate fluctuations, in particular the price of gold;
- *Government Legislation changes* - changes in state and federal legislation and regulations may adversely affect ownership of mineral interests, taxation, royalties, land access, native title, labour relations and the mining and exploration activities of the consolidated entity;
- *COVID-19* - The global economic outlook continues to face uncertainty in relation to the COVID-19 pandemic, which has been having, and is likely to continue to have, a significant impact on global capital markets, commodity prices and foreign exchange rates (including the USD / AUD rate);
The virus has not had any material impact on the Company's operations, however, significant changes to infection rates within Western Australia or Australia as a whole may result in the Company's operations being suspended or otherwise disrupted for an unknown period of time, which may have an adverse impact on future cash flows and financial condition;
Supply chain disruptions resulting from the COVID-19 pandemic and measures implemented by governmental authorities around the world to limit the transmission of the virus (such as travel bans and quarantining) may, in addition to the general level of economic uncertainty caused by the COVID-19 pandemic, also adversely impact the Company's operations, financial position and prospects; and
The Company has implemented a COVID-19 management plan across its business at all locations in order to minimise the risk of infection for individuals. This includes encouraging employees to undertake vaccinations, non-essential travel bans for personnel and working from home when necessary. The COVID-19 management plan is reviewed and updated based on the latest guidance from health professionals and the government as the situation develops.

Dividends

No final dividend has been declared for the financial year ended 30 June 2022 (2021: nil).

Review of Operations

Refer to Review of Operations on Pages 4-29.

Corporate

The Company is limited by shares and is domiciled and incorporated in Australia.

Employees

At the end of the financial year, the Group had 1 permanent, full time employee (2021: 1).

Significant Changes in the State of Affairs

During the financial year the Company undertook a significant capital raising:

- 1) on 7 June 2022 the Company issued 17,013,023 shares in relation to a 1 share for every 5.2 shares Rights Issue at 35 cents each to raise \$5,954,558 before costs;

There were no other significant events of the consolidated entity during the financial period.

Directors' Report

30 June 2022

Matters subsequent to the end of the financial year

On 30 August 2022, the Company announced that it had completed a placement of 1,476,602 shortfall shares at \$0.35 raising \$516,811 relating to the renounceable entitlement issued to shareholders which was announced on 28 April 2022 and closed on 31 May 2022.

In the interval between the end of the financial year and the date of this report, other than the event mentioned above, there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operation and results of the consolidated entity or the state of affairs of the consolidated entity, in future financial years.

Business Strategies and Prospects (incorporating likely developments and expected results)

The Company's short to medium term focus is to deliver safe and cost effective exploration programs aimed at increasing its gold resources.

Increased resources provide the Company greater optionality in relation to its goal to develop a standalone gold operation at Gum Creek.

Share Options

At the date of this report, there are 1,000,000 unissued ordinary shares of the Company under Option which are exercisable at 45.3 cents and expire on 14 December 2023 (2021: 1,000,000 share options).

Directors' Report

30 June 2022

Remuneration Report (Audited)

This remuneration report outlines the remuneration arrangements in place for the key management personnel of the Company and the Group in accordance with the *Corporations Act 2001* and its *Regulations* (the Act). The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

(a) Basis of Disclosure

For the purposes of this report, Key Management Personnel (“KMP”) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Company.

(b) Key Management Personnel disclosed in this Report

(i) Directors

Peter Sullivan	Chairman (Non-Executive) (appointed 7 July 2020)
Leigh Ryan	Managing Director (appointed 14 December 2020)
Dugald Morrison	Director (Non-Executive) (was Chairman from 21 April 2020 to 7 July 2020)
Jamie Sullivan	Director (Non-Executive) (was Executive Director from 21 April 2020 to 31 January 2021)
Peter Venn	Director (Non-Executive)

(ii) Other Senior Executives

Trevor O'Connor	Company Secretary
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(c) Remuneration Committee

Due to the size of the Board, the Board of Directors of the Company has determined there are no efficiencies, at this time, of establishing a separate remuneration committee.

(d) Use of remuneration consultants

Where appropriate, the Board seek advice from independent remuneration consultants to ensure the remuneration paid to the directors is appropriate and in line with the market. The Company did not receive independent remuneration advice during the financial year as defined under the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration)*.

(e) Non-executive director remuneration policy

(i) Fixed Remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders. Currently, there is no direct correlation between a non-executive director's fixed remuneration and the Company's financial performance as the Company does not have a project that is in production and earning income.

Structure

The Company's Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting of shareholders. An amount not exceeding the amount determined is then divided between the directors as agreed.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed from time to time. The Board considers fees paid to non-executive

Directors' Report

30 June 2022

directors of comparable companies when undertaking the review process. Each director receives a fee for being a director of the Company. This fee is inclusive for each Board committee on which a director sits, if applicable.

The fees paid to non-executive directors for the period ending 30 June 2022 are detailed in Table 1 on page 39 of this report. Fees for the non-executive directors are determined within an aggregate directors' fee pool limit of \$250,000, which was last approved by the Company's then sole shareholder on 31 August 2016.

(ii) Variable Remuneration

The Company does not reward non-executive directors with variable remuneration. Any shares in the Company that are held by non-executive directors at the date of this report are separately purchased and held by each director and have not been issued by the Company as part of each director's remuneration package.

(f) Executive Remuneration

(i) Fixed Remuneration

Objective

The Board aims to ensure that remuneration practices for executives are:

- competitive and reasonable, enabling the Company to attract and retain key talent;
- aligned to the Company's strategic and business objectives and the creation of shareholder value;
- transparent and easily understood; and
- acceptable to shareholders.

Structure

All executives receive director fees, consulting fees or a salary, part of which may be taken as superannuation. The Board reviews executive packages annually by reference to the executive's performance and comparable information from industry sectors and other listed companies in similar industries.

(ii) Variable Remuneration

From time to time, the Company may consider encompassing performance-based components into an executive's overall remuneration package. During the 2021 financial year period for the first time, options were issued to the Managing Director as part of his overall remuneration package. The Options provided are valued using a Black-Scholes option pricing model. The Company does not operate an employee share option plan.

(g) Service Agreements

(i) Non-Executive Directors

All non-executive directors are engaged under a contract with the Company and conduct their duties under the following terms:

- The appointment of a non-executive director is in accordance with the Constitution of the Company, the *Corporations Act 2001* and the Company's charters and policies.
- A non-executive director is currently unable to be remunerated by way of equity or other incentive based remuneration. However, remuneration may be provided to a non-executive director in such a manner that the Board of directors decide (including by way of contribution to a superannuation fund on behalf of the non-executive director) and if any part of the fees of any non-executive director is to be provided other than cash, the Board of directors may determine the manner in which the non-cash component of the fees is to be valued.
- A non-executive director is not remunerated by way of a commission on or a percentage of profits or a commission on or a percentage of operating revenue.

Directors' Report

30 June 2022

- All non-executive directors are entitled to be reimbursed for reasonable expenses incurred for performing their duties, including the cost of attending Board Meetings, travel, accommodation and entertainment where agreed to by the Company's Board of directors.
- A non-executive director may resign from his position and thus terminate his arrangement with the Company on written notice.
- The Company may ask for a non-executive director to resign, if, for any reason, the director becomes disqualified or prohibited by law from being or acting as a director or from being involved in the management of a company. Where termination with such cause occurs, the non-executive director is only entitled to that portion of remuneration which is fixed, and only up to the date of termination.

(ii) Managing Director – Leigh Ryan

Mr Ryan is remunerated pursuant to an ongoing Executive Service Agreement under which he is paid a base salary of \$200,000 plus superannuation. The Executive Service Agreement has no fixed term and either party can terminate the agreement (without cause) with three months' notice.

(h) Details of Remuneration

Table 1: Remuneration of Directors and Senior Executive Officers

The remuneration in Table 1 of each named person is the total of fixed remuneration (base salary, superannuation and non-monetary benefits) and variable remuneration (short term and long term incentives).

Excluding the cash component of remuneration, the total remuneration shown is the amount expensed by the Company and does not, in every case, represent what each named individual ultimately received in cash.

2022	Short-term benefits		Post-employment benefits	Long-term benefits				
Name	Cash salary and fees	Annual Leave Movement	Superannuation	Long Service Leave Movement	Share based payments	Termination / Resignation payments	Total	Performance related
	\$	\$	\$	\$	\$	\$	\$	%
Directors								
P Sullivan	60,000	-	-	-	-	-	60,000	-
L Ryan	200,000	13,000	20,000	1,520	133,709	-	368,229	-
D Morrison (i)	-	-	-	-	-	-	-	-
J Sullivan	31,818	-	3,182	-	-	-	35,000	-
P Venn	35,000	-	-	-	-	-	35,000	-
	326,818	13,000	23,182	1,520	133,709	-	498,229	-
Senior Executives								
T O'Connor	83,883	-	-	-	-	-	83,883	-
	410,701	13,000	23,182	1,520	133,709	-	582,112	-

i. Dugald Morrison has agreed to waive his director fees for the year ended 30 June 2022.

Directors' Report

30 June 2022

2021	Short-term benefits		Post-employment benefits	Long-term benefits				
	Cash salary and fees	Annual Leave Movement	Superannuation	Long Service Leave Movement	Share based payments	Termination / Resignation payments	Total	Performance related
Name	\$	\$	\$	\$	\$	\$	\$	%
Directors								
P Sullivan (i)	58,850	-	-	-	-	-	58,850	-
L Ryan (ii)	110,145	6,803	10,464	-	160,290	-	287,702	-
D Morrison (iii)	-	-	-	-	-	-	-	-
J Sullivan (iv)	77,245	-	7,338	-	-	-	84,583	-
P Venn	33,482	-	1,518	-	-	-	35,000	-
P Bennett (v)	516	-	49	-	-	-	565	-
	280,238	6,803	19,369	-	160,290	-	466,700	-
Senior Executives								
T O'Connor	112,665	-	-	-	-	-	112,665	-
	392,903	6,803	19,369	-	160,290	-	579,365	-

i. Appointed on 7 July 2020.

ii. Appointed on 14 December 2020.

iii. Dugald Morrison has agreed to waive his director fees for the year ended 30 June 2021.

iv. Executive director to 31 January 2021 and Non-executive director subsequent to this date.

v. Resigned 6 July 2020.

(i) Details of share-based compensation and bonuses

Options

No options for Horizon ordinary shares were granted during the 2022 financial year.

As a sign on incentive Leigh Ryan (Managing Director) was issued 1,000,000 options over unissued ordinary shares on 14 December 2020 as part of his remuneration package:

Grant Date	Issue Date	Exercise Price	Expiry Date	Fair Value	Vesting Condition
5 Oct 2020	14 Dec 2020	\$0.453	14 Dec 23	\$0.294	Upon 12 months of continuous employment or change of control

No options for Horizon ordinary shares were exercised during the 2022 financial year and 2021 financial year.

Performance Rights to Shares

No performance rights to Horizon ordinary shares were granted as compensation to key management personnel during both the 2022 and 2021 financial years.

Bonuses

No cash bonuses were paid as compensation to key management personnel during both the 2022 and 2021 financial years.

Directors' Report

30 June 2022

(j) Equity instrument disclosures relating to key management personnel

Share holdings

The number of shares in the Company held during the financial year by each director of Horizon Gold Limited and key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the reporting period as remuneration.

2022 Ordinary shares	Balance at the start of the year	Purchase / (Disposal) of Shares	Other changes during the year	Balance at end of the year
Directors				
P Sullivan	1,787,495	343,749	-	2,131,244
L Ryan	27,000	33,000	-	60,000
D Morrison	-	-	-	-
J Sullivan	1,255,456	241,433	-	1,496,889
P Venn	377,797	72,652	-	450,449
Senior Executives				
T O'Connor	25,000	4,807	-	29,807
	3,472,748	695,641	-	4,168,389

Option holdings

The number of options in the Company held during the financial year by each director of Horizon Gold Limited and key management personnel of the Group, including their personally related parties, are set out below:

2022 Options	Balance at the start of the year	Received as Compensation	Other changes during the year	Balance at end of the year
Directors				
P Sullivan	-	-	-	-
L Ryan	1,000,000	-	-	1,000,000
D Morrison	-	-	-	-
J Sullivan	-	-	-	-
P Venn	-	-	-	-
P Bennett	-	-	-	-
Senior Executives				
T O'Connor	-	-	-	-
	1,000,000	-	-	1,000,000

There were no loans to directors or other key management personnel at any time during the year ended 30 June 2022. There were no transactions involving key management personnel other than compensation and the issue of options in Horizon as discussed in the remuneration report.

This marks the end of the 2022 Remuneration Report.

Directors' Report

30 June 2022

Indemnifying Officers or Auditor

In accordance with the constitution, except as may be prohibited by the *Corporations Act 2001* every Officer, auditor or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as Officer, auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

Environmental regulation

The Gum Creek Gold Project is subject to significant environmental regulations under both Commonwealth and State legislation in relation to its exploration activities. The Company monitors compliance with the relevant environmental legislation. The directors are not aware of any breaches of the legislation during the period covered by this report.

Rounding of Amounts

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the Company under Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016.

Auditor's Independence Declaration

Section 307C of the *Corporations Act 2001* requires the Company's auditor, HLB Mann Judd, to provide the directors of Horizon Gold Limited with an Independence Declaration in relation to the audit of the financial report for the year ended 30 June 2022. This Independence Declaration is attached to the Directors' Report and forms a part of the Directors' Report.

Non-audit Services

No non-audit services were provided by the consolidated entity's auditor, HLB Mann Judd during the 2022 financial year.

Signed in accordance with a resolution of the directors.



Peter Sullivan
Chairman

Perth, 15 September 2022

A decorative gold line with a small cross-like mark at its center, extending from the top left towards the right.

Corporate Governance Statement

30 June 2022

The Board is committed to achieving and demonstrating the highest standards of corporate governance. As such Horizon Gold Limited has adopted the fourth edition of the Corporate Governance Principles and Recommendations which was released by the ASX Corporate Governance Council and became effective for financial years beginning on or after 1 July 2020.

The Company's Corporate Governance Statement for the financial year ending 30 June 2022 was approved by the Board on 15 September 2022. The Corporate Governance Statement can be located on the Company's website <https://horizongold.com.au/corporate-governance/>.

Directors' declaration

30 June 2022

In accordance with a resolution of the directors of Horizon Gold Resources Limited, I state that:

1. In the directors' opinion:

- (a) the financial statements and notes set out on pages 50 to 78 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Consolidated entity's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001.
- (b) subject to the achievement of the matters set out in Note 1(b), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with sections 295A of the *Corporations Act 2001* for the financial period ending 30 June 2022.

On behalf of the Board



Peter Sullivan
Chairman

Perth, 15 September 2022

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Horizon Gold Limited for the year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) any applicable code of professional conduct in relation to the audit.



Perth, Western Australia
15 September 2022

B G McVeigh
Partner

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INDEPENDENT AUDITOR'S REPORT
To the Members of Horizon Gold Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Horizon Gold Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (a) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (b) 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 those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Regarding Going Concern

We draw attention to Note 1 b) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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In addition to the matter described in the *Material Uncertainty Regarding Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
<p>Carrying Value of Exploration and Evaluation Assets Refer to Note 10</p>	
<p>In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, the Group capitalises exploration and evaluation expenditure and as at 30 June 2022 had an exploration and evaluation assets balance of \$31,767,000.</p> <p>Exploration and evaluation expenditure was determined to be a key audit matter as it is important to the users' understanding of the financial statements as a whole and was an area which involved the most audit effort and communication with those charged with governance.</p>	<p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> - Obtaining an understanding of the key processes associated with management's review of the carrying value of exploration and evaluation expenditure; - Considering the Directors' assessment of potential indicators of impairment in addition to making our own assessment; - Obtaining evidence that the Group has current rights to tenure of its areas of interest; - Considering the nature and extent of planned ongoing activities; - Substantiating a sample of expenditure by agreeing to supporting documentation; and - Examining the disclosures made in the financial report.

Information Other than the Financial Report and Auditor's Report Thereon

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 2022, 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 that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with 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 to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among 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 these 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 communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Horizon Gold Limited for the year ended 30 June 2022 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.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
15 September 2022



B G McVeigh
Partner

Consolidated Income Statement for year ended

30 June 2022

	Notes	2022 \$'000	2021 \$'000
Income	3	136	17
Corporate and administration costs		(545)	(620)
Exploration expenditure written-off	10	(7)	(19)
Gain / (Loss) on remeasurement of liability	18	418	230
Care and maintenance expenses		(150)	(486)
Share based payment expense	25	(134)	(160)
Right of use amortisation	12	(39)	-
Finance costs	4	(166)	(34)
Profit / (loss) before income tax		(487)	(1,072)
Income tax expense	5	-	-
Profit / (loss) for the year		(487)	(1,072)
Profit / (loss) for the year is attributable to the: Owners of Horizon Gold Limited		(487)	(1,072)
		Cents	Cents
Earnings / (loss) per share attributable to the ordinary equity holders of the Company:			
Basic earnings / (loss) per share	30	(0.5)	(1.2)
Diluted earnings / (loss) per share	30	(0.5)	(1.2)

The above consolidated income statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income for year ended

30 June 2022

	2022 \$'000	2021 \$'000
Profit / (loss) for the year	(487)	(1,072)
Other comprehensive income		
Other comprehensive income / (loss) for the year, net of tax	-	-
Total comprehensive income / (loss) for the year attributable to: Owners of Horizon Gold Limited	(487)	(1,072)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

as at

30 June 2022

	Notes	2022 \$'000	2021 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	6	211	1,273
Other assets	7	5,416	4,506
Trade and other receivables	8	129	161
Prepayments	9	39	47
Total current assets		5,795	5,987
Non-current assets			
Exploration and evaluation	10	31,767	26,118
Property, plant and equipment	11	4,367	4,339
Right of use assets	12	40	
Total non-current assets		36,174	30,457
Total assets		41,969	36,444
LIABILITIES			
Current liabilities			
Trade and other payables	14	975	839
Lease liability	15	40	-
Provisions	16	20	7
Total current liabilities		1,035	846
Non-current liabilities			
Provisions	18	10,466	10,719
Total non-current liabilities		10,466	10,719
Total liabilities		11,501	11,565
Net assets		30,468	24,879
EQUITY			
Contributed equity	19	45,632	39,690
Reserves	20	294	160
Accumulated losses		(15,458)	(14,971)
Total equity		30,468	24,879

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity for year ended

30 June 2022

	Contributed equity \$'000	Reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 July 2020	29,671	-	(13,899)	15,772
Loss for the year	-	-	(1,072)	(1,072)
Total comprehensive loss for the year	-	-	(1,072)	(1,072)
Issues of shares – rights issues	9,776	-	-	9,776
Issue of shares – settlement of debt	316	-	-	316
Share based payments	-	160	-	160
Transaction costs	(73)	-	-	(73)
Balance at 30 June 2021	39,690	160	(14,971)	24,879
	Contributed equity \$'000	Reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 July 2021	39,690	160	(14,971)	24,879
Loss for the year	-	-	(487)	(487)
Total comprehensive loss for the year	-	-	(487)	(487)
Issues of shares – rights issues	5,955	-	-	5,955
Share based payments	-	134	-	134
Transaction costs	(13)	-	-	(13)
Balance at 30 June 2022	45,632	294	(15,458)	30,468

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

for year ended

30 June 2022

	Notes	2022 \$'000	2021 \$'000
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of goods and services tax)		(667)	(1,265)
Interest received		2	7
Interest paid on leases		(3)	
Other receipts		31	4
Net cash outflow from operating activities	27	(637)	(1,254)
Cash flows from investing activities			
Payments for property, plant and equipment		(18)	(46)
Payments for exploration and evaluation expenditure		(5,545)	(2,481)
Loans to Zeta Resources Limited		(5,400)	(4,500)
Loans repayments from Zeta Resources Limited		4,593	-
Payments for security deposits		-	(11)
Receipt of security deposits		-	5
Net cash outflow from investing activities		(6,370)	(7,033)
Cash flows from financing activities			
Proceeds from issue of shares		5,955	9,266
Payments for issue costs		(10)	(73)
Proceeds from borrowings from related parties		-	190
Net cash inflow from financing activities		5,945	9,383
Net decrease in cash and cash equivalents		1,062	1,096
Cash and cash equivalents at the beginning of the financial period		1,273	177
Cash and cash equivalents at end of year	6	211	1,273

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements for year ended

30 June 2022

1 Summary of significant accounting policies

The financial report of Horizon Gold Limited (the Parent or the Company) and its subsidiaries (the Group) for the year ended 30 June 2022 was authorised for issue in accordance with a resolution of the directors on 15 September 2022.

Horizon Gold Limited (the Parent) is a for profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The Group's principal place of business and registered office is Suite 8, Level 3, 47 Havelock Street, West Perth WA 6005.

The principal activities of the Group during the course of the financial year consisted of exploration and evaluation of mineral deposits.

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards. The financial report has also been prepared on a historical cost basis. The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated, under the option available to the Company under Australian Securities and Investment Commission ("ASIC") (Rounding in Financial/Directors' Report) Instrument 2016/191. The Company is an entity to which the instrument applies.

The significant accounting policies adopted by the Company in the preparation of these financial statements are set out below. These accounting policies have been consistently applied to periods presented unless otherwise stated.

(b) Going concern basis

The Group incurred a net loss for the period ended 30 June 2022 of \$487,000 (2021: \$1,072,000) and a net cash outflow from operating activities of \$637,000 (2021: \$1,254,000). As at 30 June 2022, the Group had cash and cash equivalents of \$211,000 (2021: \$1,273,000) and a working capital surplus of \$4,760,000 (2021: \$5,141,000).

Based on the Group's cashflow forecast, the Group will require additional funding in the next 12 months to enable the Group to continue its normal business activities and to ensure the realisation of assets and extinguishment of liabilities as and when they fall due, including progression of its exploration and project development activities and meeting its annual premium tenement expenditure commitment.

The directors are satisfied that at the date of signing of the financial report, there are reasonable grounds to believe that the Group will be able to raise additional funding to continue to meet its debts as and when they fall due and it is appropriate for the financial statements to be prepared on a going concern basis.

Should the Group not achieve the funding outcomes set out above, there is a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. No adjustments have been made relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

Notes to the consolidated financial statements for year ended

30 June 2022

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiary as at 30 June 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income ("OCI") to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

(d) New or amended accounting standards and interpretations adopted by the Group

In the year ended 30 June 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the reporting period beginning on or after 1 July 2021. As a result of this review, the Directors have determined that there is no material impact of the Standard and Interpretations issued on the Group and, therefore, no change is necessary to its accounting policies.

(e) New accounting standards and interpretations not yet mandatory or early adopted

No other new standards, amendments to standards or interpretations are expected to affect the Group's financial statements for the annual reporting period ended 30 June 2022.

Notes to the consolidated financial statements for year ended

30 June 2022

(f) Significant accounting judgements, estimates and assumptions

The Directors evaluate estimates and judgements incorporated into the Financial Information based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained internally and externally.

(i) Determination of Mineral Resources and Ore Reserves

The Group estimates its Mineral Resources and Ore Reserves in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC code') as a minimum standard. The information on Mineral Resources and Ore Reserves was prepared by or under the supervision of Competent Persons as defined in the JORC code. The amounts presented are based on the Mineral Resources and Ore Reserves determined either under the 2012 or 2004 editions of the JORC code.

There are numerous uncertainties inherent in estimating Mineral Resources and Ore Reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Significant judgement is required in assessing the available reserves. Factors that must be considered in determining reserves and resources are the Company's history of converting resources to reserves and the relevant time frame, market and future developments.

Changes in the forecast prices of commodities, foreign currency exchange rates, production costs or recovery rates may change the economic status of reserves and may ultimately result in the reserves being restated. Such changes in reserves could impact on depreciation and amortisation rates, asset carrying values and provisions for decommissioning and restoration.

(ii) Impairment of capitalised exploration and evaluation expenditure

The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors which could impact the future recoverability include the level of proved and probable reserves and mineral resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

Capitalised exploration and evaluation expenditure that suffered an impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

Where a review for impairment is conducted, the recoverable amount is assessed by reference to the higher of 'value in use' ("VIU") and 'fair value less costs to dispose' ("FVLCD").

The FVLCD is determined based on transaction multiple for resources in comparable companies.

Variations to transaction multiples could result in significant changes to any impairment losses recognised, if any, which could in turn impact future financial results.

Notes to the consolidated financial statements for year ended

30 June 2022

(iii) Impairment of property, plant and equipment

The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. Significant judgment is involved in determining if there was an indicator that an impairment loss recognised in prior periods may either need to be reversed in full or in part or whether further impairment was required. Where a review for impairment or impairment reversal is conducted, the recoverable amount is assessed by reference to the higher of 'value in use' ("VIU") and 'fair value less costs to dispose' ("FVLCD").

(iv) Provision for decommissioning and rehabilitation

Decommissioning and restoration costs are a normal consequence of mining, and the majority of this expenditure is incurred at the end of a mine's life. In determining an appropriate level of provision consideration is given to the expected future costs to be incurred, the timing of these expected future costs (largely dependent on the life of the mine), and the estimated future level of inflation.

The ultimate cost of decommissioning and restoration is uncertain and costs can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques, discount rates or experience at other mine sites. The expected timing of expenditure can also change, for example in response to changes in reserves or to production rates.

The carrying amount of the provision as at 30 June 2022 was \$10,464,000 (2021: \$10,719,000), (see note 18 for provision for decommissioning and rehabilitation). The Group estimates that the costs would be realised towards the end of the respective mine lives and calculates the provision by discounting future cash flows based on expected costs to be incurred to rehabilitate the disturbed area. These costs are discounted at 3.77% (2021: 1.52%) and expected to be incurred post 2027 based on the current life of mine plans.

Changes to any of the estimates could result in significant changes to the level of provisioning required, which would in turn impact future financial results.

(v) Share-based payments

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of the options is determined by using a Black-Scholes model, with all assumptions detailed in note 25. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period, but may impact expenses and equity.

(g) Cash and cash equivalents

Cash on hand and in banks and short-term deposits are measured at amortised cost.

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in the banks short-term deposits with either original maturities not exceeding three months or, if greater than three months, principal amounts can be redeemed in full with interest receivable at the same cash rate from inception as per the agreement with each bank.

(h) Income tax

Income tax for the consolidated entity is accounted for using the full liability balance sheet method.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Notes to the consolidated financial statements for year ended

30 June 2022

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.
- Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:
- except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred tax assets and liabilities are reassessed at each balance sheet date and reduced to the extent that it is no longer probable that future taxable profit will allow the deferred tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Tax consolidation legislation

Horizon Gold Limited and its wholly-owned Australian controlled entities have resolved to implement tax consolidation as of 8 December 2016.

The head entity, Horizon Gold Limited, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right.

In addition to its own current and deferred tax amounts, Horizon Gold Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

Notes to the consolidated financial statements for year ended

30 June 2022

(i) Other taxes

Revenues, expenses and assets are recognised net of the amount of 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 an item 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 Consolidated Statement of Financial Position.

(j) Property, plant and equipment

Items of plant and equipment are stated at cost less accumulated depreciation and any impairment in value. The cost of plant and equipment constructed by the consolidated entity, where applicable, includes the cost of materials and direct labour. Other incidental costs directly attributable to its construction are also capitalised to the cost of plant and equipment.

Depreciation and amortisation

Depreciation and amortisation is calculated on a units of production basis.

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

The recoverable amount of plant and equipment is the greater of FVLCD and VIU.

Property, plant and equipment that suffered an impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

(k) Exploration, evaluation, development, mine properties and rehabilitation expenditure

(i) Exploration and evaluation expenditure

Expenditure on exploration and evaluation is accounted for in accordance with the 'area of interest' method.

Exploration and evaluation in the area of interest that have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or relating to, the area of interest are expensed as incurred.

Exploration and evaluation expenditure is capitalised provided the rights to tenure of the area of interest is current and the exploration and evaluation activities are expected to be recouped through successful development and exploitation of the area or, alternatively, by its sale. Similarly, the costs associated with acquiring an exploration and evaluation asset are also capitalised.

When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated and a decision to develop has been made, any capitalised exploration and evaluation expenditure is reclassified as capitalised mine development. Prior to reclassification, capitalised exploration and evaluation expenditure is assessed for impairment.

Notes to the consolidated financial statements for year ended

30 June 2022

Impairment

The carrying value of capitalised exploration expenditure is assessed for impairment whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

The recoverable amount of capitalised exploration and evaluation expenditure is the higher of FVLCD and VIU.

An impairment exists when the carrying amount of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount. Any impairment losses are recognised in the income statement.

Capitalised exploration and evaluation expenditure that suffered an impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

(ii) Provision for decommissioning and rehabilitation

The Group is required to decommission and rehabilitate mines and processing sites at the end of their producing lives to a condition acceptable to the relevant authorities.

The expected cost of any approved decommissioning or rehabilitation program, discounted to its net present value, is provided in the period in which obligation arise. The cost is capitalised when it gives rise to future benefits. Over time, the liability is increased for the change in net present value based on a risk adjusted pre-tax discount rate appropriate to the risk inherent in the liability. The unwinding of the discount is included in financing cost. Expected decommissioning and rehabilitation costs are based on detailed plans prepared for each site. Where there is a change in the expected decommissioning and rehabilitation costs, the value of the provision and any related asset are adjusted and the effect is recognised in the income statement on a prospective basis over the remaining life of the operation.

(l) Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost when the Group becomes obliged to make payments resulting from the purchase of goods and services. The amounts are non-interest-bearing, unsecured and are usually paid within 30 days of recognition.

(m) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payment less any lease incentives receivable, variable lease payments that depends on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

When adopting AASB 16 from 1 July 2019, the consolidated entity has applied the following practical expedients:

- Applying a single discount rate to the portfolio of leases with reasonably similar characteristics;
- Accounting for leases with a remaining lease term of 12 months as at 1 July 2019 as short-term leases;
- Excluding any initial direct costs from the measurement of right-of-use assets;
- Using hindsight in determining the lease term when the contract contains options to extend or terminate the lease; and
- Not apply AASB 16 to contracts that were not previously identified as containing a lease.

Notes to the consolidated financial statements for year ended

30 June 2022

(n) Employee benefits

(i) Short term benefits

Liabilities for short-term benefits expected to be wholly settled within 12 months of the reporting date are recognised in other payables in respect of employees services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(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, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms of maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(o) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown as a deduction from the equity proceeds.

(p) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at balance date.

(q) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the Parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the Parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(r) Share-based payment transactions

The Group provides benefits to employees (including directors and executives) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions').

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using a Black Scholes model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Horizon Gold Limited ('market conditions').

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

Notes to the consolidated financial statements for year ended

30 June 2022

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the directors of the Company, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so. Any award subject to a market condition is considered to vest irrespective of whether or not that market condition is fulfilled, provided that all other conditions are satisfied.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, other than forfeiture, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

2 Segment information

Description of segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

During the period, the Group operated predominantly in one business and geographical segment being exploration in Australia and accordingly as only one operating segment has been identified, no further disclosure is required in the notes to the consolidated financial statements.

3 Other income

	2022	2021
	\$'000	\$'000
Interest income	105	13
Sundry income	31	4
	136	17

Notes to the consolidated financial statements for year ended

30 June 2022

4 Expenses

	2022 \$'000	2021 \$'000
Loss before income tax includes the following specific expenses:		
Finance costs		
Unwinding of discount – rehabilitation	163	28
Interest on leased assets	3	-
Interest on borrowings	-	6
Total finance costs	166	34
Right of use amortisation	39	-
Breakdown of employee benefits expenses		
Salaries and wages	353	285
Payroll tax	53	-
Superannuation	35	22
	441	307
Share based payment expense	134	160

5 Income tax

(a) Numerical reconciliation of income tax benefit to prima facie tax

	2022 \$'000	2021 \$'000
Profit / (loss) from continuing operations before income tax benefit	(487)	(1,072)
Tax expense (benefit) at the Australian tax rate of 30% (2021 - 30%)	(146)	(322)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Other expenses not deductible for tax	40	48
Tax losses and timing differences for which no deferred tax assets has been recognised	106	274
Income tax expense (benefit)	-	-

Unrecognised deferred tax balances are disclosed in note 13.

Tax Consolidation

On 8 December 2016, the Group resolved to be treated as a single entity for income tax purposes. On 17 February 2017, the Company and Gum Creek Gold Mines Pty Ltd (100% owned subsidiary) executed a Tax Funding Agreement (TFA).

Notes to the consolidated financial statements for year ended

30 June 2022

6 Current assets - Cash and cash equivalents

	2022 \$'000	2021 \$'000
Cash at bank and on hand	191	1,253
Deposits at call	20	20
	<u>211</u>	<u>1,273</u>

(a) Reconciliation to cash at the end of the year

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

	2022 \$'000	2021 \$'000
Cash at bank and in hand and deposits at call	<u>211</u>	<u>1,273</u>

(b) Cash at bank and on hand

Cash at bank earns interest at floating rates based on daily bank deposit rates. The weighted average interest rate achieved for the year was 0.42% (2021: 0.34%).

(c) Deposits at call

The weighted average interest rate achieved for the year was 0.22% (2021: 1.05%).

(d) Fair value

Unless otherwise stated the carrying amounts of financial instruments approximates the fair value.

7 Current assets – Other Assets

	2022 \$'000	2021 \$'000
Unsecured loan to related party		
Loan to Zeta Resources Ltd (Funds on Deposit)	<u>5,416</u>	<u>4,506</u>

	Loan to Zeta \$'000
Year ended 30 June 2022	
Opening net book amount	4,506
Loans to Zeta	5,400
Interest capitalised (non-cash movement)	103
Loan repayments from Zeta	<u>(4,593)</u>
Closing net book value	<u>5,416</u>
Year ended 30 June 2021	
Opening net book amount	-
Loans to Zeta	4,500
Interest capitalised (non-cash movement)	6
Loan repayments from Zeta	<u>-</u>
Closing net book value	<u>4,506</u>

As part of the Company's capital management strategy, Horizon has agreed to deposit surplus cash funds with Zeta Resources Limited (the Company's ultimate parent, holding 71.4%) as short-term loans. The loans are unsecured, repayable on call by the Company and accrue interest at a rate of 5.00% per annum.

Notes to the consolidated financial statements for year ended

30 June 2022

The deposit funds are temporarily surplus to the Company's cash requirements and are to be recalled as needed for the Company's ongoing exploration programs. The short-term loans enable the Company to earn a much higher interest rate on these surplus cash funds compared to the interest rate earned on bank term deposits.

The Company expects no credit losses on this balance.

8 Current assets - Trade and other receivables

	2022	2021
	\$'000	\$'000
Other receivables - at amortised cost	<u>129</u>	<u>161</u>

These amounts relate to receivables for goods and services tax, diesel fuel rebates and sundry items. Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value.

9 Current assets - Prepayments

	2022	2021
	\$'000	\$'000
Prepayments	<u>39</u>	<u>47</u>

10 Non-current assets - Exploration and evaluation

	2022	2021
	\$'000	\$'000
Cost	69,989	64,340
Accumulated impairment	(38,222)	(38,222)
Net book value	<u>31,767</u>	<u>26,118</u>

	Exploration and Evaluation \$'000
Year ended 30 June 2022	
Opening net book amount	26,118
Additions	5,656
Written off to profit and loss	(7)
Closing net book value	<u>31,767</u>
Year ended 30 June 2021	
Opening net book amount	23,100
Additions	3,037
Written off to profit and loss	(19)
Closing net book value	<u>26,118</u>

The ultimate recoupment of costs carried forward for exploration and evaluation expenditure is dependent on the successful development and commercial exploitation or the sale of the respective mining areas.

Exploration expenditure written off during the year relates to previously capitalised exploration and evaluation assets on tenements relinquished or areas of interest abandoned.

Notes to the consolidated financial statements for year ended

30 June 2022

11 Non-current assets - Property, plant and equipment

	2022 \$'000	2021 \$'000
Plant and equipment		
Gross carrying amount - at cost	4,367	4,339
Accumulated depreciation and impairment	-	-
Net book value	<u>4,367</u>	<u>4,339</u>
		Plant and equipment \$'000
Year ended 30 June 2022		
Opening net book amount		4,339
Additions		28
Closing net book value		<u>4,367</u>
Year ended 30 June 2021		
Opening net book amount		4,303
Additions		26
Closing net book value		<u>4,339</u>

In accordance with accounting policy Note 1(j), depreciation is charged on a unit of production basis and as the condition of the assets continue to be maintained and as no units were produced during the period no depreciation has been recognised.

12 Non-current assets – Right of use assets

	2022 \$'000	2021 \$'000
Cost	79	-
Accumulated depreciation	(39)	-
Net book value	<u>40</u>	<u>-</u>
		Right of use asset \$'000
Year ended 30 June 2022		
Opening net book amount		-
Additions		79
Amortisation		(39)
Closing net book value		<u>40</u>

The Group leases office space for its corporate office at 47 Havelock Street, West Perth. The lease commenced for two years on 1 July 2021.

Assets and liabilities from a lease are initially measured on a present value basis. The lease payments are discounted using the Groups' incremental borrow rate of 6.0%.

Notes to the consolidated financial statements for year ended

30 June 2022

13 Non-current assets - Deferred tax assets

	2022 \$'000	2021 \$'000
The balance comprises temporary differences attributable to:		
Tax losses	9,983	7,852
Employee benefits	6	2
Provisions	3,139	3,216
Business related costs	16	17
Other	4	6
Deferred tax asset not recognised	<u>(5,205)</u>	<u>(5,108)</u>
	7,943	5,985
Set-off of deferred tax liabilities pursuant to set-off provisions (note 17)	<u>(7,943)</u>	<u>(5,985)</u>
Net deferred tax assets	<u>-</u>	<u>-</u>

As at 30 June 2022 the Company had \$33.3 million (2021: \$26.2 million) in unrecognised tax losses. These tax losses arose from Australian tax jurisdictions and can be carried forward indefinitely from the year of the loss based upon current tax legislation and provided conditions for deductibility are met.

14 Current liabilities - Trade and other payables

	2022 \$'000	2021 \$'000
Trade and other payables	645	708
Accrued expenses	330	131
	<u>975</u>	<u>839</u>

Trade and other payables are non interest bearing and are normally settled on 30 day terms.

Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

15 Current liabilities – Lease Liability

	2022 \$'000	2021 \$'000
Lease liability	40	-
	<u>40</u>	<u>-</u>

16 Current liabilities - Provisions

	2022 \$'000	2021 \$'000
Employee benefits - annual leave	20	7
	<u>20</u>	<u>7</u>

17 Non-current liabilities - Deferred tax liabilities

	2022 \$'000	2021 \$'000
The balance comprises temporary differences attributable to:		
Exploration and evaluation	6,891	4,919
Property, plant and equipment	1,052	1,052
Other	-	14
	<u>7,943</u>	<u>5,985</u>
Set-off of deferred tax liabilities pursuant to set-off provisions (note 13)	<u>7,943</u>	<u>5,985</u>

Notes to the consolidated financial statements for year ended

30 June 2022

Net deferred tax liabilities

-	-
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18 Non-current liabilities - Provisions

	2022 \$'000	2021 \$'000
Employee benefits - long service leave	2	-
Rehabilitation	10,464	10,719
	10,466	10,719

A provision for rehabilitation is recognised in relation to the mining activities for costs such as reclamation, waste site closure, plant closure and other costs associated with the rehabilitation of a mining site. Estimates of the rehabilitation are based on the anticipated technology and legal requirements and future costs, which have been discounted to their present value. In determining the restoration provision, the entity has assumed no significant changes will occur in the relevant Federal and State legislations in relation to rehabilitation of such mines in the future. Refer to note 1(f)(iv) for inputs used in determining the provision for rehabilitation.

Impact from the remeasurement of the rehabilitation liability has been recognised through the profit or loss given that the plant and equipment relating to this provision has been written down to its recoverable value.

(a) Movements in provisions

Movements in each class of material provisions during the financial year, other than employee benefits, are set out below:

2022	Rehabilitation \$'000
Carrying amount at start of year	10,719
- unwinding of discount	163
- remeasurement of liability	(418)
Carrying amount at end of year	10,464
<hr/>	
2021	Rehabilitation \$'000
Carrying amount at start of year	10,921
- unwinding of discount	28
- remeasurement of liability	(230)
Carrying amount at end of year	10,719

Notes to the consolidated financial statements for year ended

30 June 2022

19 Contributed equity

(a) Share capital

	2022 Shares	2021 Shares	2022 \$'000	2021 \$'000
Ordinary shares - issued and fully paid	123,705,039	106,692,016	45,632	39,690
Total contributed equity	123,705,039	106,692,016	45,632	39,690

(b) Movements in ordinary share capital

Date	Details	Number of shares	\$'000
1 July 2020	Opening balance	76,530,617	29,671
2 September 2020	Rights Issue	10,541,580	3,163
30 October 2020	Settlement of Panoramic Resources Ltd Debt	726,550	316
16 April 2021	Rights Issue	18,893,269	6,613
	Issue Costs for the period	-	(73)
30 June 2021	Balance	<u>106,692,016</u>	<u>39,690</u>
1 July 2021	Opening balance	106,692,016	39,690
7 June 2022	Rights Issue ¹	17,013,023	5,955
	Issue Costs for the period	-	(13)
30 June 2022	Balance	<u>123,705,039</u>	<u>45,632</u>

¹ On 7 June 2022 the Company issued 17,013,023 shares in relation to 1 share for every 5.2 shares Rights Issue at 35 cents each.

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(d) Capital management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

The Group is not subject to any externally imposed capital requirements.

Management considers that the total equity of the Group (contributed equity, reserves and retained earnings) plus borrowings (current and non-current) is what it manages as capital. At 30 June 2022 this was \$30.47 million (2021: \$24.88 million).

Notes to the consolidated financial statements for year ended

30 June 2022

20 Reserves

	2022 \$'000	2021 \$'000
Share based payment reserves	294	160
	<u>294</u>	<u>160</u>
		Share based payment reserve \$'000
Year ended 30 June 2022		
Opening net book amount		160
Share-based payment expense		134
Closing net book value		<u>294</u>
Year ended 30 June 2021		
Opening net book amount		-
Share-based payment expense		160
Closing net book value		<u>160</u>

The Share based payment reserve records the value of share options issued to Horizon's employees. Refer to Note 25 for further details.

21 Dividends

(a) Ordinary shares

No final dividend was paid for the year ended 30 June 2022 (2021: Nil)

(b) Dividends not recognised at the end of the reporting period

No dividend has been declared since the end of the reporting period.

22 Remuneration of auditors

	2022 \$	2021 \$
Fees to HLB Mann Judd:		
Fees for auditing the statutory financial report of the parent covering the group and auditing the statutory financial reports of any controlled entities	32,537	29,545
Fees for other services – tenement audits	-	1,500
Total fees to HLB Mann Judd	<u>32,537</u>	<u>31,045</u>
Fees to Ernst & Young (Australia):		
Fees for auditing the statutory financial report of the parent covering the group and auditing the statutory financial reports of any controlled entities	-	2,002
Fees for other services – tax compliance	-	-
Total fees to Ernst & Young (Australia)	<u>-</u>	<u>2,002</u>
Total Auditors Remuneration	<u>32,537</u>	<u>33,047</u>

Notes to the consolidated financial statements for year ended

30 June 2022

23 Contingencies

The Group had no contingent liabilities at 30 June 2022 (2021: nil).

24 Commitments

(a) Office lease expenditure commitments

On the 19 May 2021 the Company entered into an operating lease for a premise commencing 1 July 2021 with lease terms of two years with an option for a further year. Future minimum rentals payable under the non-cancellable lease as at 30 June is as follows:

	2022 \$'000	2021 \$'000
<i>Office Lease</i>		
Not later than one year	42	42
Later than one year but not later than five years	-	42
Later than five years	-	-
	42	84

The Company has also entered into an informal office sharing arrangement whereby 50% of the above costs will be borne by another party.

(b) Capital commitments

Capital expenditure contracted at the reporting date but not recognised as liabilities is as follows:

	2022 \$'000	2021 \$'000
<i>Mineral tenements expenditure commitments</i>		
Not later than one year	1,593	1,485
Later than one year but not later than five years	5,000	5,174
Later than five years	8,612	9,508
	15,205	16,167

25 Share based payments

	2022 \$'000	2021 \$'000
Share based payment expense	134	160
	134	160

As a sign on incentive, on 14 December 2020, Leigh Ryan (Managing Director) was issued 1,000,000 options over unissued ordinary shares as part of his remuneration package. The fair value of the Options were determined using the Black-Scholes option valuation methodology and applying the following inputs:

Grant Date	Issue Date	Exercise Price	Expiry Date	Risk Free Rate	Volatility	Fair Value per Option
5 Oct 2020	14 Dec 20	\$0.453	14 Dec 23	0.105%	100.96%	\$0.294

The Options vest after 12 months of continuous employment or in the event of a change of control.

Notes to the consolidated financial statements for year ended

30 June 2022

26 Related party transactions

(a) Ultimate parent

Zeta Resources Limited is the ultimate parent entity of the Company.

As part of the Company's capital management strategy, Horizon agreed to deposit surplus cash funds with Zeta Resources Limited as short-term loans. The loans are on an arms length basis and are unsecured, repayable on call by the Company and accrue interest at a rate of 5.00% per annum. During the 2022 financial year the Company loaned Zeta Resources \$5,400,000 (2021: \$4,500,000) and interest of \$102,959 was capitalised into the loan balance (2021: \$6,206). During the 2022 financial year Zeta Resources repaid \$4,592,891 (2021: Nil) to the Company which was inclusive of interest. See note 7 for further details.

On the 25 August 2020 the Company repaid a short-term funding facility from Zeta Resources Limited in full totalling \$509,247 through the offset of part of Zeta's contribution for its Rights Entitlement Issue. The Rights Issue closed on 2 September 2020 and was undertaken at 30 cents per share. In summary the terms of the facility was that it could be drawn up to a maximum of \$800,000, could be drawn in tranches of not less than \$5,000, was unsecured and interest was payable at 7.5% per annum. In addition, a facility fee of 1.5% of the total facility was payable.

(b) Compensation of key management personnel of the Group

The aggregate compensation made to the key management personnel of the Group is set out below:

	2022	2021
	\$	\$
Short-term employee benefits	423,701	399,706
Long-term employee benefits	1,520	-
Post-employment benefits	23,182	19,369
Share based payments	133,709	160,290
Total	582,112	579,365

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

Further details of compensation of the key management personnel of Horizon Gold Limited are set out in the Remuneration Report on page 37.

(c) Other Related Party Transactions

During the year the wife of Mr Ryan, the Managing Director, provided geological drafting and administration services to the value of \$44,940 (2021: \$15,990). The services were provided on normal commercial terms and conditions.

Notes to the consolidated financial statements for year ended

30 June 2022

27 Consolidated Statement of Cash Flows

(a) Reconciliation of profit / (loss) after income tax to net cash (outflow) / inflow from operating activities

	2022	2021
	\$'000	\$'000
Loss for the year	(487)	(1,072)
Interest capitalised into Loan deposit funds	(103)	-
Interest and borrowing costs settled through issue of equity	-	17
Unwinding of discount – rehabilitation liability	163	28
Exploration and evaluation assets written off	7	19
Lease depreciation	39	-
Share based payments	134	160
Gain on remeasurement of liability	(418)	(230)
Change in operating assets and liabilities:		
Decrease / (increase) in trade debtors and others	26	(159)
Increase in right of use assets	(79)	-
Increase in prepayments	(3)	(18)
Increase in trade creditors	28	46
Increase in lease liability	41	-
Increase / (decrease) in provisions	15	(45)
Net cash outflow from operating activities	(637)	(1,254)

28 Subsidiaries

(a) Significant investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following principal subsidiary in accordance with the accounting policy described in note 1(c):

Name of entity	Country of incorporation	Class of shares	Equity holding	
			2022 %	2021 %
Gum Creek Gold Mines Pty Ltd (formerly Panoramic Gold Pty Ltd)	Australia	Ordinary	100	100

29 Events occurring after the reporting period

On 30 August 2022, the Company announced that it had completed a placement of 1,476,602 shortfall shares at \$0.35 raising \$516,811 relating to the renounceable entitlement issued to shareholders which was announced on 28 April 2022 and closed on 31 May 2022.

In the interval between the end of the financial year and the date of this report, other than the event above, there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operation and results of the consolidated entity or the state of affairs of the consolidated entity, in future financial years.

Notes to the consolidated financial statements for year ended

30 June 2022

30 Earnings / (loss) per share

	2022 Cents	2021 Cents
(a) Basic earnings / (loss) per share		
From continuing operations attributable to the ordinary equity holders of the Company	(0.5)	(1.2)
Total basic earnings / (loss) per share attributable to the ordinary equity holders of the Company	(0.5)	(1.2)

(b) Diluted earnings / (loss) per share

From continuing operations attributable to the ordinary equity holders of the Company	(0.5)	(1.2)
Total diluted earnings / (loss) per share attributable to the ordinary equity holders of the Company	(0.5)	(1.2)

(c) Reconciliation of earnings / (loss) used in calculating loss per share

	2022 \$'000	2021 \$'000
<i>Basic earnings / (loss) per share</i>		
Earnings / loss from continuing operations	(487)	(1,072)
Earnings / (loss) attributable to the ordinary equity holders of the Company used in calculating basic profit / (loss) per share	(487)	(1,072)
<i>Diluted profit / (loss) per share</i>		
Profit / (loss) from continuing operations	(487)	(1,072)
Profit / (loss) attributable to the ordinary equity holders of the Company used in calculating diluted earnings / (loss) per share	(487)	(1,072)

(d) Weighted average number of shares used as denominator

	2022 Number	2021 Number
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings / (loss) per share	107,764,070	89,589,692

Notes to the consolidated financial statements for year ended

30 June 2022

31 Parent entity financial information

(a) Summary financial information

The individual financial statements for the Parent entity show the following aggregate amounts:

	2022 \$'000	2021 \$'000
Balance sheet		
Current assets	5,713	5,763
Non-current assets	67	-
Total assets	<u>5,780</u>	<u>5,763</u>
Current liabilities	185	88
Non-current liabilities	2	-
Total liabilities	<u>187</u>	<u>88</u>
<i>Shareholders' equity</i>		
Contributed equity	45,632	39,690
Reserves	294	160
Accumulated losses	(40,333)	(34,175)
Capital and reserves attributable to owners of Horizon Gold Limited	<u>5,593</u>	<u>5,675</u>
Loss for the year	<u>(6,158)</u>	<u>(4,281)</u>
Total comprehensive loss	<u>(6,158)</u>	<u>(4,281)</u>

The accounting policies of the parent entity, which have been applied in determining the financial information shown above, are the same as those applied in the consolidated financial statements except as set out below.

Investments in subsidiaries are accounted for at cost less accumulated impairment. Dividends received from subsidiaries are recognised in profit or loss when a right to receive the dividend is established, provided that it is probable that the economic benefits will flow to the Parent and the amount of income can be measured reliably.

32 Financial risk management

The Group's principal financial instruments comprise of cash, short term deposits and funds on deposit with Zeta Resources Limited in the form of a loan. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the Group. The Group also holds other financial instruments such as trade receivables and trade payables which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate, credit and liquidity risk. The Group has in place a cash management policy ("Treasury Policy: Credit Risk") to ensure that up to 540 days (2021: 540 days) excess cash holdings are invested with a range of institutions and Zeta Resources Limited that have sufficient financial strength to ensure the security of the investment. The Board reviews and agrees this policy and other policies on an annual basis for managing each of these risks and they are summarised below:

(a) Interest rate risk

The Group is exposed to movements in market interest rates on short term deposits. The Directors monitor the Group's cash position relative to the expected cash requirements. Where appropriate, surplus funds are placed on deposits earning higher interest including funds loaned to Zeta Resources Limited as part of the groups cash management strategy. The Group's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out in the following table:

Notes to the consolidated financial statements for year ended

30 June 2022

2022	Floating rates at call \$'000	Fixed interest maturing in <1 year \$'000	Non interest bearing at call \$'000	Total \$'000
Financial Assets				
Cash and cash equivalents	191	20	-	211
Other assets	-	5,416	-	5,416
Trade and other receivables	-	-	129	129
	191	5,436	129	5,756
Weighted average interest rate	0.84%	4.99%	0.00%	4.74%
Financial Liabilities				
Trade and other payables	-	-	975	975
	-	-	975	975
Weighted average interest rate	0.00%	0.00%	0.00%	0.00%
2021				
	Floating rates at call \$'000	Fixed interest maturing in <1 year \$'000	Non interest bearing at call \$'000	Total \$'000
Financial Assets				
Cash and cash equivalents	1,253	20	-	1,273
Other assets	-	4,506	-	4,506
Trade and other receivables	-	-	161	161
	1,253	4,526	161	5,940
Weighted average interest rate	0.35%	4.99%	0.00%	3.88%
Financial Liabilities				
Trade and other payables	-	-	839	839
	-	-	839	839
Weighted average interest rate	0.00%	0.00%	0.00%	0.00%

Sensitivity

No reasonable possible movement in interest rates would result in a significant impact on profit/loss/equity.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

Notes to the consolidated financial statements for year ended

30 June 2022

As part of the Company's capital management strategy, the Company agreed to deposit surplus cash funds of with Zeta Resources Limited as short-term loans. The loans are unsecured, repayable on call by the Company and accrue interest at a rate of 5.00% per annum. The deposit funds are temporarily surplus to the Company's cash requirements and as such will be loaned to Zeta and recalled as needed for the Company's ongoing exploration programs over the next ~12 months. The short-term loans enable the Company to earn a significantly higher interest rate on these surplus cash funds compared to the interest rate earned on term deposits. The Company is satisfied that Zeta Resources Limited's strong net tangible asset position ensures credit risk is minimal.

Other than funds on deposit with Zeta the Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk is limited because the counterparties are banks with high credit ratings.

The maximum exposure to credit risk arises from the financial assets of the Group comprise of cash, cash equivalents, other assets in the form of loan deposit funds with Zeta Resources Limited and trade and other receivables.

(c) Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash are available to meet current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration and development, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required.

The financial liabilities of the Group are confined to trade and other payables and borrowings as disclosed in the Consolidated Statement of Financial Position. Trade and other payables are non-interest bearing and due within 2 months of balance date.

(d) Fair value measurements

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximate their respective fair value.

Additional ASX Shareholder Information

As at 13 September 2022

Stock Exchange Listing

Horizon Gold Limited shares are listed on the Australian Securities Exchange Limited. The Company's ASX code is HRN.

Substantial Shareholders (Holding Not Less Than 5%) in accordance with notices provided to the Company

Name of Shareholder	Total Number of Voting Shares in Horizon Gold Limited in which the Substantial Shareholders and its Associates Hold Relevant Interests	Percentage of Total Number of Voting Shares (%)
Zeta Resources Limited (and associates)*	89,375,449	71.40%

* Zeta Resources Limited (Zeta) lodged a Substantial Shareholder Notice on 9 June 2022 advising that they and their associates holds 89,375,449 shares (72.25% shareholding interest in Horizon). Zeta is not required to lodge an updated substantial shareholder notice as its % has not changed by more than 1% but the above figures have been restated to allow for changes in Zeta's shareholding interest since that date, including the placement of shortfall shares on 30 August 2022 which Zeta did not participate in.

Class of Shares and Voting Rights

There are 405 holders of 125,181,641 fully paid Ordinary shares of the Company. The voting rights attaching to the Ordinary shares are in accordance with the Company's Constitution being that:

- each Shareholder entitled to vote may vote in person or by proxy, attorney or Representative;
- on a show of hands, every person present who is a Shareholder or a proxy, attorney or Representative of a shareholder has one vote; and
- on a poll, every person present who is a Shareholder or a proxy, attorney or Representative of a Shareholder shall, in respect of each fully-paid share held by him, or in respect of which he is appointed a proxy, attorney or Representative have one vote for the share, but in respect of partly-paid shares, shall have such number of votes as bears the proportion which the paid amount (not credited) is of the total amounts paid and payable (excluding amounts credited).

There are no voting rights attached to unquoted equity securities (if applicable). Voting rights will be attached to the issued Ordinary shares when the unquoted equity securities have been exercised.

Unmarketable Shares

The number of parcels of shares with a value of less than \$500 was 40.

Distribution of Shareholders

Number of Shares Held	Number of Shareholders	Number of Fully Paid Shares
1 - 1,000	20	4,171
1,001 - 5,000	103	313,874
5,001 - 10,000	81	631,190
10,001 - 100,000	151	5,190,542
100,001 – 1,000,001	41	9,204,367
1,000,001 and over	9	109,837,497
Total	405	125,181,641

Additional ASX Shareholder Information

As at 13 September 2022

Listing of 20 Largest Shareholders

Name of Ordinary Registered Shareholder	Number of Shares Held	Percentage of Shares Held %
1. J P MORGAN NOMINEES AUSTRALIA LIMITED	89,055,422	71.14
2. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	6,572,621	5.25
3. BNP PARIBAS NOMINEES PTY LTD <DRP>	3,719,918	2.97
4. CITICORP NOMINEES PTY LIMITED	3,084,226	2.46
5. MR KWOK LEUNG FUNG + MS YUEN MAN MOK	2,071,450	1.65
6. HARDROCK CAPITAL PTY LTD	1,787,495	1.43
7. MR JAMES NOEL SULLIVAN + MRS GAIL SULLIVAN <SULLIVANS GARAGE S/F A/C>	1,296,212	1.04
8. NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	1,216,277	0.97
9. BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	1,033,876	0.83
10. LOTAKA PTY LTD	561,666	0.45
11. YELRIF INVESTMENTS PTY LIMITED <YELRIF INV P/L P/FUND A/C>	500,000	0.40
12. ONGAVA PTY LTD<PRH SUPER FUND A/C>	425,552	0.34
13. MR PAUL WILLIAM BENNETT + MR STUART HAMILTON BENNETT <SCP BENNETT INVESTMENT A/C>	422,857	0.34
14. MRS ALEXANDRA MAREE GILES	381,300	0.30
15. MJMD SUPER PTY LTD<MARK JM DITCHFIELD S/F A/C>	350,000	0.28
16. HARDROCK CAPITAL PTY LTD<CGLW NO2 SUPER FUND>	343,749	0.27
17. INSKO HOLDINGS PTY LTD	334,463	0.27
18. MISS STEPHANIE CARMELITA SAVILLE	323,499	0.26
19. INGOT CAPITAL INVESTMENTS PTY LTD	320,027	0.26
20. MS SUZAN WAGNER	283,219	0.23
TOTAL	114,083,829	91.13

Unquoted Equity Securities

Only the following Options are on issue:

Name of Optionholder	Number of Options	Exercise Price	Expiry Date
Mr Leigh Ronald Ryan and Mrs Sandra Kay Ryan <Ryan Super Fund A/C>	1,000,000	\$0.453	14 December 2023

Restricted Securities

There were no restricted securities

Additional ASX Shareholder Information

As at 13 September 2022

Schedule of Mining Tenements

Project	Tenement	Location	Status	Current	Area	Equity	Tenement Manager	Horizon Commitment	Current Registered Holders
Gum Creek	E51/1538	WA	Live	29	BL	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	E51/1844	WA	Live	23	BL	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	E53/1725	WA	Live	30	BL	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	E53/1955	WA	Live	34	BL	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	E57/1093	WA	Live	20	BL	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	E57/1100	WA	Live	5	BL	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	E57/1104	WA	Live	12	BL	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	E57/1105	WA	Live	25	BL	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	L51/93	WA	Live	5.82	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	L53/116	WA	Live	8.9025	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	L53/199	WA	Live	23.75	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	L53/46	WA	Live	60	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	L53/47	WA	Live	24	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	L53/95	WA	Live	71	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	L53/96	WA	Live	237	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	L57/20	WA	Live	6.67	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	L57/44	WA	Live	31.7	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	L57/47	WA	Live	36	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M51/104	WA	Live	36.805	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M51/105	WA	Live	117.35	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd

Additional ASX Shareholder Information

As at 13 September 2022

Project	Tenement	Location	Status	Current	Area	Equity	Tenement Manager	Horizon Commitment	Current Registered Holders
Gum Creek	M51/157	WA	Live	93.315	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M51/185	WA	Live	247.55	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M51/186	WA	Live	364.9	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M51/290	WA	Live	4.8595	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M51/410	WA	Live	353.75	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M51/458	WA	Live	619.95	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M53/10	WA	Live	9.6865	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M53/105	WA	Live	566.25	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M53/11	WA	Live	9.6875	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M53/153	WA	Live	916.5	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M53/251	WA	Live	170.45	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M53/500	WA	Live	390.15	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M53/716	WA	Live	254.1	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M53/904	WA	Live	8.3215	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M53/988	WA	Live	511.55	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M57/634	WA	Live	4,810.11	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	M57/635	WA	Live	1,443.00	HA	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	E51/2027	WA	Live	3	BL	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	E51/2028	WA	Live	4	BL	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	E53/2162	WA	Live	1	BL	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd

Additional ASX Shareholder Information

As at 13 September 2022

Project	Tenement	Location	Status	Current	Area	Equity	Tenement Manager	Horizon Commitment	Current Registered Holders
Gum Creek	E53/2168	WA	Live	1	BL	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd
Gum Creek	E57/1177	WA	Live	7	BL	100%	Horizon	100% of Commit, Rents & Rates	Gum Creek Gold Mines Pty Ltd

Annual Mineral Resource Statement as at 25 July 2022

(For more details see ASX Announcement titled “32% Increase in Resources at Gum Creek Gold Project” dated 25 July 2022)

Resource	Resource Date	Cut-off grade (g/t Au)	Indicated			Inferred			Total		
			Tonnes	Au (g/t)	Gold (oz)	Tonnes	Au (g/t)	Gold (oz)	Tonnes	Au (g/t)	Gold (oz)
Swan/Swift OC	Jul-22	0.4	9,980,000	1.09	349,500	2,735,000	0.96	84,600	12,715,000	1.06	434,100
Swan UG	Jul-22	2.5/3.0*	301,000	6.91	66,900	226,000	7.10	51,600	527,000	6.99	118,500
Swift UG	Jul-22	3.0	-	-	-	138,000	5.72	25,400	138,000	5.72	25,400
Wilsons UG	Jul-13	1.0	2,131,000	5.33	365,000	136,000	5.95	26,000	2,267,000	5.36	391,000
Howards	Jul-22	0.4	7,556,000	0.82	199,100	1,359,000	0.72	31,400	8,915,000	0.80	230,500
Kingfisher	Jul-22	0.8	318,000	1.91	19,500	1,745,000	2.24	125,600	2,063,000	2.19	145,100
Shiraz	Jul-13	0.4	2,477,000	0.84	67,200	439,500	0.76	10,800	2,916,500	0.83	78,000
Eagle	Jul-22	0.8	184,000	2.08	12,300	1,390,000	1.39	61,900	1,574,000	1.47	74,200
Wyooda**	Jul-22	0.8	430,000	1.56	21,600	862,000	1.56	43,200	1,292,000	1.56	64,800
Heron South	Jul-22	0.8	280,000	1.58	14,200	807,000	1.78	46,300	1,087,000	1.73	60,500
Snook	Jul-22	0.8	75,000	2.57	6,200	846,000	1.76	47,800	921,000	1.82	54,000
Toedter	Aug-16	0.5	-	-	-	688,800	1.54	34,000	688,800	1.54	34,000
Camel Bore	Jul-22	0.8	379,000	1.47	17,900	100,000	1.21	3,900	479,000	1.42	21,800
Specimen Well	Jul-22	0.8	-	-	-	408,000	1.59	20,800	408,000	1.59	20,800
Psi	Jul-22	0.8	100,000	2.08	6,700	226,000	1.69	12,300	326,000	1.81	19,000
Orion	Jul-22	0.8	69,000	1.49	3,300	182,000	1.40	8,200	251,000	1.43	11,500
Wahoo	Jul-22	0.8	-	-	-	258,000	1.25	10,400	258,000	1.25	10,400
Total			24,280,000	1.47	1,149,400	12,546,300	1.60	644,200	36,826,300	1.51	1,793,600

* cut-off grades are 2.5g/t Au for Swan Underground (UG) Indicated, and 3.0g/t Au for Swan UG Inferred.

** Wyooda includes the Kingston Town, Think Big and Manikato resources which are within 600m and 200m of each other respectively.

Notes. Figures have been rounded. The information that relates to the reporting of the Wilson’s, Shiraz, and Toedter Mineral Resources has been extracted from the Horizon Gold Limited ASX announcements titled “Gum Creek Gold Project Resource Update” dated 12 February 2021. The Company confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in the announcement continue to apply and have not materially changed.

Comparison of Mineral Resource Statement as compared to Previous Year

Following 34,700 metres of infill and extension reverse circulation (RC) and diamond drilling completed at 16 priority targets in 2021, the revised Mineral Resource Estimate (MRE) dated 25 July 2022 of 36.83Mt @ 1.51g/t Au for 1.79Moz gold for the Gum Creek Gold Project represents a 433,100oz (32%) increase in Indicated and Inferred gold when compared with the February 2021 MRE. The table below shows a comparison of the 2021 MRE as compared to the new 2022 MRE:

Additional ASX Shareholder Information

As at 13 September 2022

Resource	2021 Gum Creek MRE			2022 Gum Creek MRE			Variance		
	Tonnes	Au (g/t)	Gold (oz)	Tonnes	Au (g/t)	Gold (oz)	Tonnes	Au (g/t)	Ounces
Swan/Swift OC	4,158,000	2.4	323,000	12,715,000	1.06	434,100	206%	-56%	34%
Swan UG	514,000	7.0	115,000	527,000	6.99	118,500	3%	-0%	3%
Swift UG	181,000	5.9	35,000	138,000	5.72	25,400	-24%	-3%	-27%
Wilsons UG	2,267,000	5.4	391,500	2,267,000	5.36	391,000	0%	-1%	-0%
Howards	5,971,000	1.1	204,000	8,915,000	0.80	230,500	49%	-27%	13%
Kingfisher	391,000	6.1	77,000	2,063,000	2.19	145,100	428%	-64%	88%
Shiraz	2,916,000	0.8	78,000	2,916,500	0.83	78,000	0%	4%	0%
Eagle	-	-	-	1,574,000	1.47	74,200	N/A!	N/A!	N/A
Wyooda**	-	-	-	1,292,000	1.56	64,800	N/A	N/A	N/A
Heron South	1,137,000	2.2	80,000	1,087,000	1.73	60,500	-4%	-21%	-24%
Snook	-	-	-	921,000	1.82	54,000	N/A	N/A	N/A
Toedter	690,000	1.5	34,000	688,800	1.54	34,000	-0%	3%	0%
Camel Bore	-	-	-	479,000	1.42	21,800	N/A	N/A	N/A
Specimen Well	361,000	2.0	23,000	408,000	1.59	20,800	13%	-21%	-10%
Psi	-	--	-	326,000	1.81	19,000	N/A	N/A	N/A
Orion	-	-	-	251,000	1.43	11,500	N/A	N/A	N/A
Wahoo	-	-	-	258,000	1.25	10,400	N/A	N/A	N/A
Total	18,586,000	2.3	1,360,500	36,826,300	1.51	1,793,600	98%	-34%	32%

** Wyooda includes the Kingston Town, Think Big and Manikato resources which are within 600m and 200m of each other respectively.

Notes. Figures have been rounded. The information that relates to the reporting of the Wilson's, Shiraz, and Toedter Mineral Resources has been extracted from the Horizon Gold Limited ASX announcements titled "Gum Creek Gold Project Resource Update" dated 12 February 2021.

The updated MRE includes updates to the Swan/Swift, Howards, Heron South, Specimen Well, and Kingfisher deposits, maiden MRE's for the Wyooda, Orion, Snook, Camel Bore, Psi, Eagle, and Wahoo prospects, and no change (other than rounding) for Wilson's, Shiraz, and Toedter MRE's. As detailed in the Horizon Gold Limited ASX Announcement dated 25 July 2022, the change in MRE's for Swan/Swift, Howards, Heron South, Specimen Well, and Kingfisher deposits can be attributed to:

- the use of different resource estimation interpolation techniques,
- the use of different cut-off grades for mineralisation interpretations and block model reporting,
- resource reporting relating to optimised pit shells using different gold prices,
- limits and depth of the 2022 resource estimate being determined by the available drilling, and
- the use of additional drillhole results obtained from the 2021 drilling in the 2022 resource models.

Annual Mineral Resource Review

The Company's Mineral Resources Statement has been compiled in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code 2012 Edition) and Chapter 5 of the ASX Listing Rules and ASX Guidance Note 31.

An annual review of the Company's Mineral Resources was completed on 15 September 2022 and it was concluded there were no movements in resource estimation since its announcement titled "32% Increase in

Additional ASX Shareholder Information

As at 13 September 2022

Resources at Gum Creek Gold Project” dated 25 July 2022. For review purposes the MRE as at 25 July 2022 will be used, not the Mineral Resources as at 30 June 2022 as per the Company’s ASX Announcement dated 12 February 2021 titled “Gum Creek Gold Project Resource Update”, however the movement in Resources between 30 June 2022 and 25 July 2022 is explained above.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the 25 July 2022 announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Governance and Quality Control

The Company ensure all resources calculations are undertaken and reviewed by independent, internationally recognized industry consultants.

All drill hole data is stored in-house within a commercially available purpose designed database management system and subjected to industry standard validation procedures. Quality control on resource drill programs have been undertaken to industry standards with implementation of appropriate drilling type, survey data collection, assay standards, sample duplicates and repeat analyses.

Competent Person’s Statement - Geology

The information in this report that relates to Exploration Results is based on information compiled by Mr Leigh Ryan, who is a member of The Australasian Institute of Geoscientists. Mr Ryan is the Managing Director of Horizon Gold Limited and holds shares and options in the Company, Mr Ryan has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Ryan consents to the inclusion in the report of the matters based on information provided in the form and context in which it appears.



Corporate Directory

BOARD OF DIRECTORS

Peter Sullivan
Non-Executive Chairman

Leigh Ryan
Managing Director

Jamie Sullivan
Non-Executive Director

Dugald Morrison
Non-Executive Director

Peter Venn
Non-Executive Director

COMPANY SECRETARY

Trevor O'Connor

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SHARE REGISTRY

Computershare Investor Services
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