

14 January 2019

## **QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018**

### **Key Points**

- **Eight-hole diamond drill program completed at the Altair Zinc-Copper Prospect. Assay results were received for first four holes and include:**
  - **39.0m @ 2.34% Zn and 0.48% Cu from 160.0m in ALDD004 and**
  - **35.0m @ 2.64% Zn and 0.52% Cu from 251.0m in ALDD006.**
- **Further drilling at Altair is planned to commence early in the March 2019 quarter.**
- **Follow-up drilling testing the high-grade gold mineralisation in the Butcherbird Shear/Premium Lode system at Swan commenced in December 2018 and is set to resume in mid-January 2019.**
- **Cash of \$4.1 million at 31 December 2018.**

### **Details**

Horizon Gold Limited (ASX Code: HRN) (Horizon or the Company) is a gold company focussed on exploration and development activities at the 100% owned Gum Creek Project in Western Australia. Gum Creek has historically produced over one million ounces of gold and hosts **JORC 2012 Resources of 17.3 million tonnes averaging 2.25g/t gold for 1.25 million ounces of gold** (*refer to the Company's IPO Prospectus submitted to ASIC on 21 October 2016 and Appendix 1*). The proceeds from the IPO in December 2016 are being used to fund aggressive exploration programs and development studies at Gum Creek.

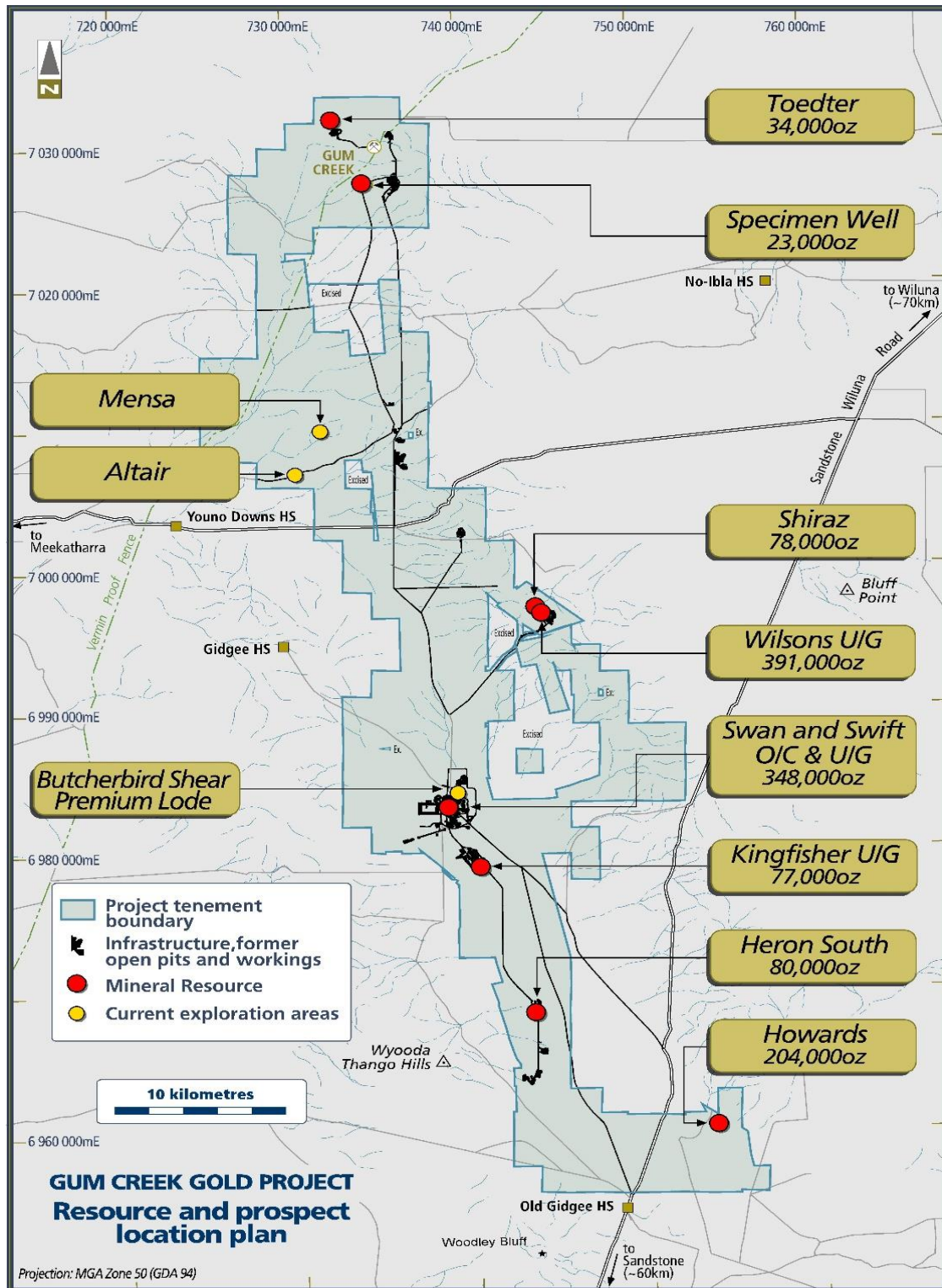
### **Work Completed - Exploration**

The following exploration activities were undertaken during the December 2018 quarter:

- An eight-hole (2,648 drill metres) follow-up RC/diamond drill program was completed at the Altair Zinc-Copper Prospect;
- Trials involving various geophysical techniques (including gravity, magnetics and downhole EM, gamma and conductance) were commenced during the quarter to determine which techniques are best suited for detection of the Altair style of mineralisation; and
- An initial two RC/diamond drill holes (577 drill metres) were completed at Swan as part of a seven-hole follow-up program to test the high-grade Butcherbird Shear / Premium Lode system. Assays are pending. Drilling has resumed.

Prospect locations referred to in this report are shown in Figure 1.

**Figure 1: Gum Creek Resource and Prospect Location Plan**



### Altair Zinc-Copper Prospect

On 23 October 2018, the Company reported on drill hole ALDD002 at Altair which returned the following **significant zinc-copper base metal intersection**:

- **55.0m @ 3.32% Zn and 0.52% Cu from 184.0m, including 9.0m @ 6.69% Zn and 1.00% Cu from 213.0m.**

The Company also announced at the time that a follow-up drill program, involving a pattern of close-spaced holes around ALDD002, would commence in the December 2018 quarter, with the aim to produce a clearer understanding of the geological setting, orientation and extent of the Altair mineralisation. For details of this and previous exploration results related to Altair, including JORC disclosure and compliance information, refer to the Company's ASX announcements of 4 October 2018, 23 October 2018 and 31 October 2018.

**The ALDD002 intercept is the most significant base metal drill result achieved at Altair and has many of the hallmarks of a polymetallic, hydrothermal VHMS/SEDEX mineralising event, being also anomalous in gold, silver, lead, cobalt, tin and other minor metals.**

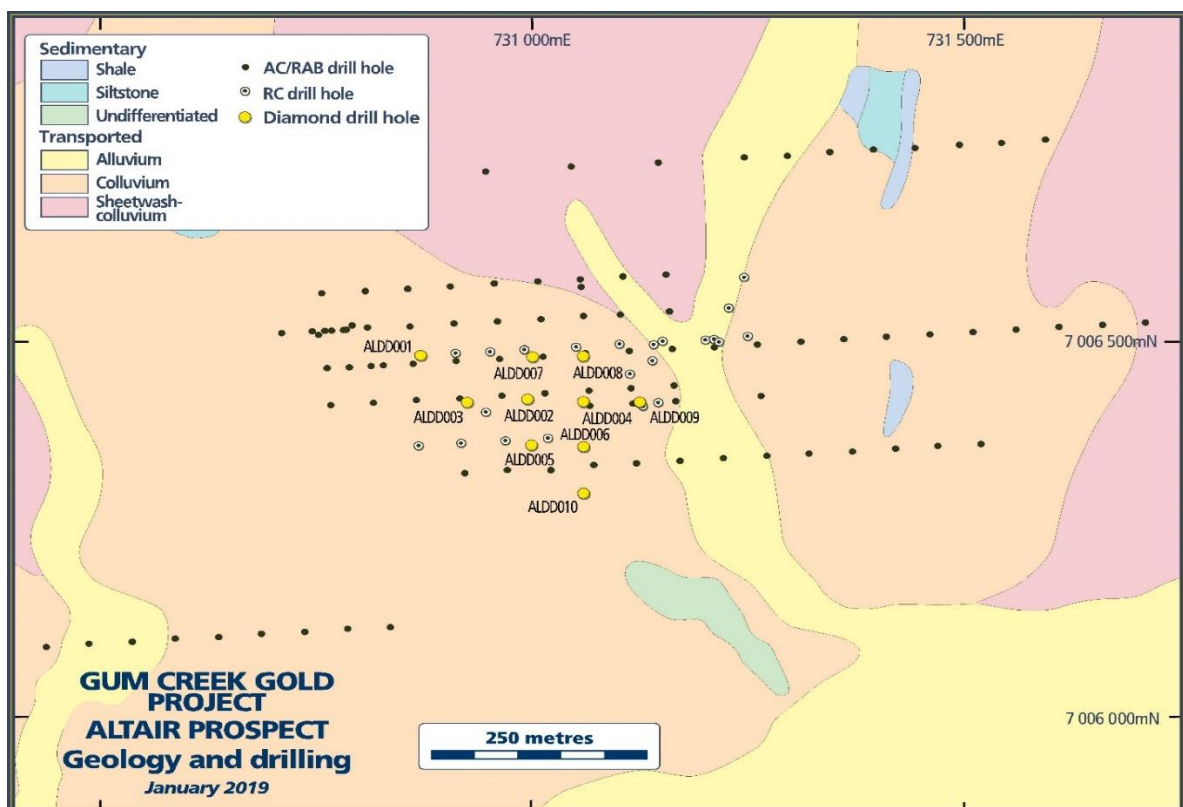
The follow-up drill program, which involved eight holes (ALDD003 to ALDD010) for a total of 2,648 drill metres, commenced on 6 November 2018 and was completed on 8 December 2018 (*details of the program, including JORC disclosure and compliance information are included in the Company's ASX announcement of 21 December 2018*).

As reported in the Company's ASX announcement of 21 December 2018, assay results for the first four holes of the program have been received and include:

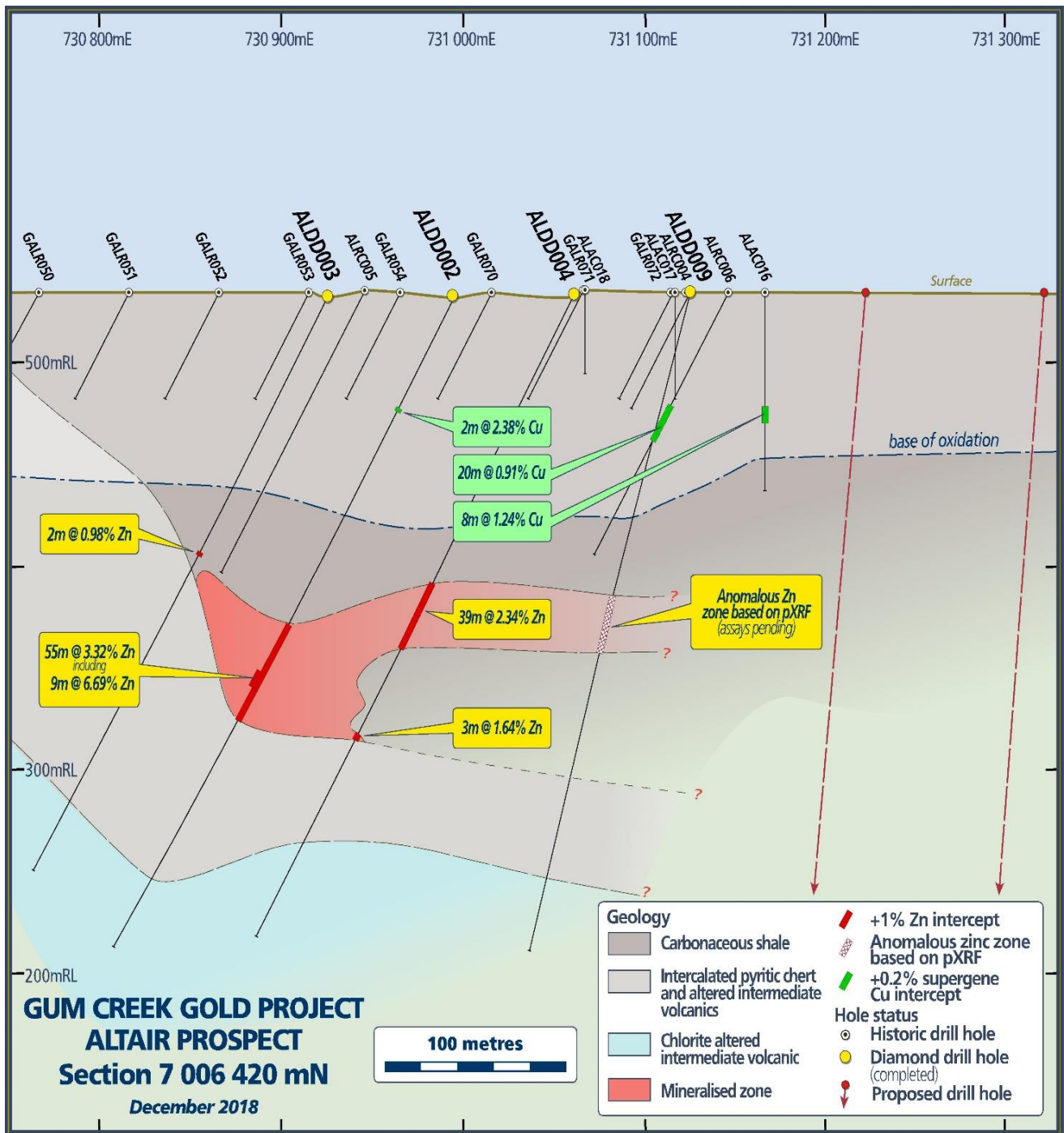
- **39.0m @ 2.34% Zn and 0.48% Cu from 160.0m in ALDD004; and**
- **35.0m @ 2.64% Zn and 0.52% Cu from 251.0m in ALDD006.**

The location of the latest Altair drill holes in relation to ALDD002 is shown in Figure 2. Schematic cross sections showing geology and latest drill results are shown in Figures 3 to 5.

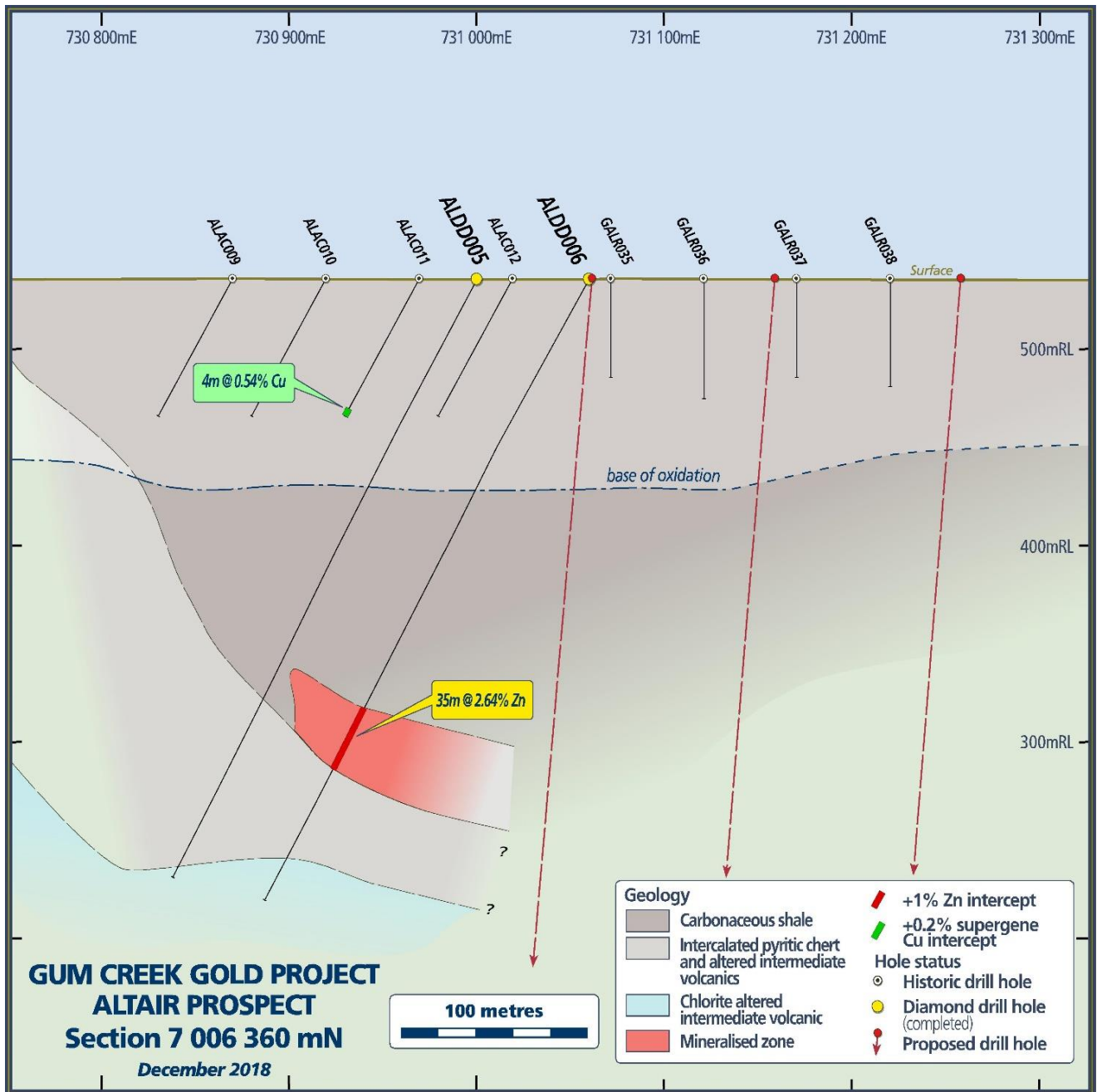
**Figure 2: Altair Prospect - drill hole location plan showing position of current and historic drill holes**



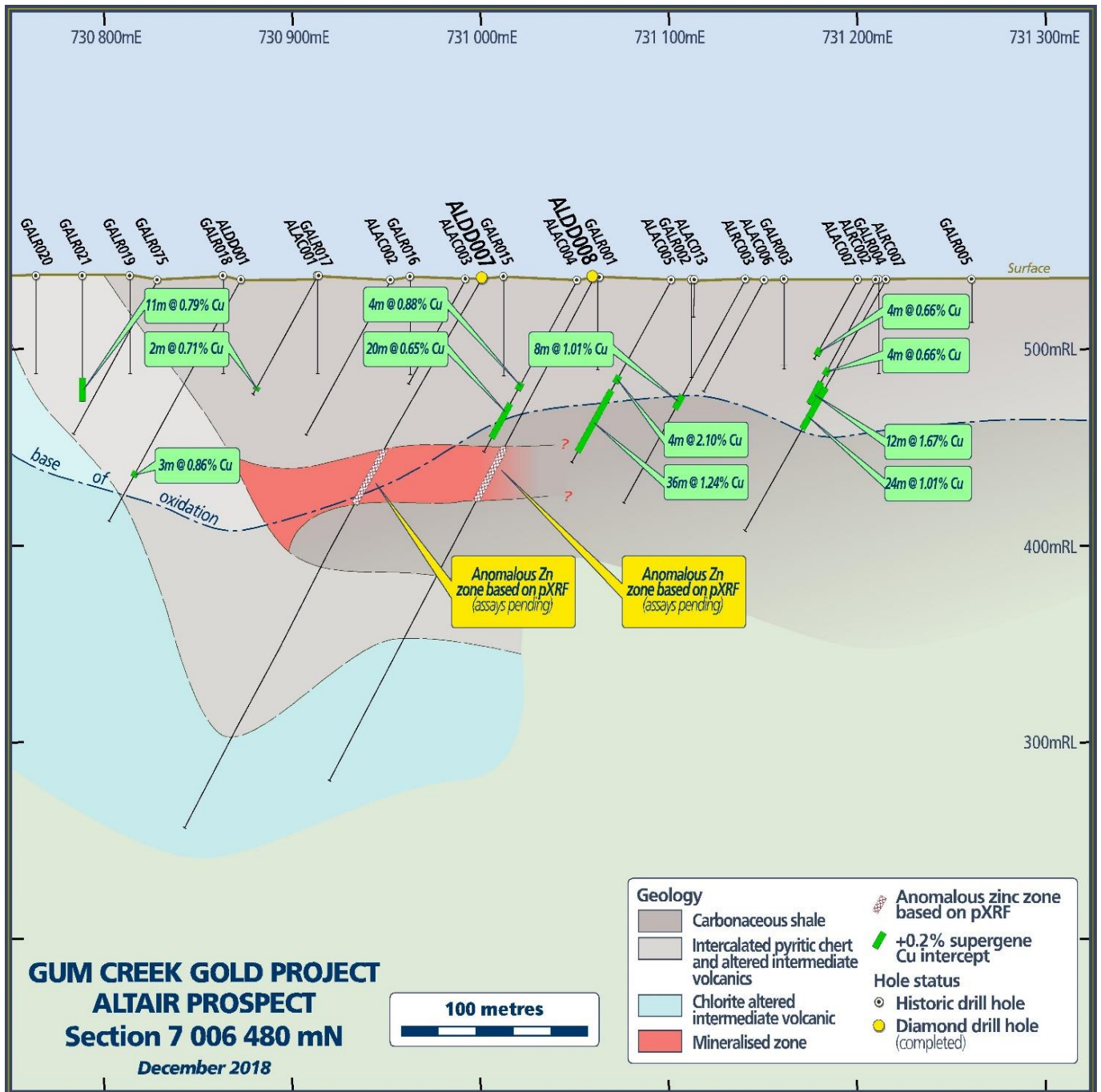
**Figure 3: Altair Prospect – Cross section 7006420mN (± 20m) showing significant zinc intercepts for ALDD002 and ALDD004 plus proposed holes**



**Figure 4: Altair Prospect – Cross section 7006360mN (± 20m) showing significant zinc intercept in hole ALDD006 plus proposed holes**



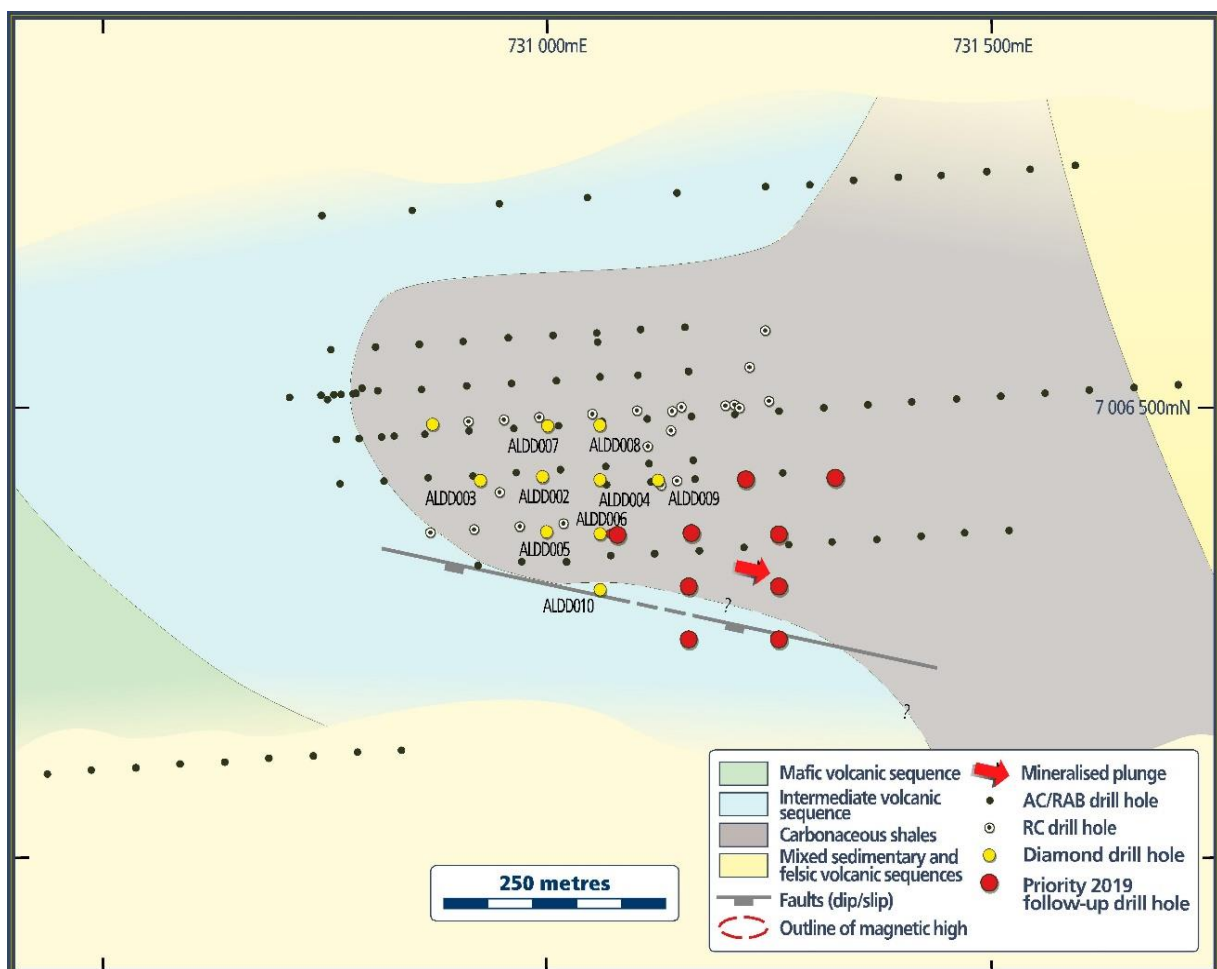
**Figure 5: Altair Prospect – Cross section 7006480mN (± 20m) showing interpreted zinc mineralised zones in ALDD007 and ALDD008**



The Company is very pleased by the latest drill results from Altair. The follow-up drill program achieved its aim of providing additional understanding of the geological setting, orientation and plunge of the primary zinc mineralisation. **Based on this latest drill data, the Company interprets the area of +1% zinc mineralisation to be open to the east with a down-plunge direction towards the east-southeast.** A plan demonstrating the interpreted geological setting is shown in Figure 6.

The Company has designed a second drill program comprising at least seven holes to test the continuation of the Altair mineralisation to the east (*Figure 6*). This program is scheduled to commence in the March 2019 quarter following the completion of drilling currently underway at Butcherbird Shear/Premium Lode testing for high-grade gold mineralisation. The Company will also commence testing along strike to the north of the Altair discovery towards the Mensa Prospect, 5km to the north-northeast of Altair, where shallow historical drilling has identified anomalous copper and zinc mineralisation in a similar geological setting to Altair. To facilitate these plans, the Company is currently trialling a series of geophysical techniques (including gravity, magnetics and downhole EM, gamma and conductance) at Altair to determine which techniques are best suited for detection of this style of mineralisation.

**Figure 6: Altair Prospect – Showing interpreted geology and priority follow-up drill holes**



### **Butcherbird Shear / Premium Lode Drill Programs.**

In the September 2018 quarter, the Company reported on the first-pass, 12-hole diamond drill program to test the high-grade Butcherbird Shear/Premium Lode system at Swan. The program was completed on 22 August 2018 for a total of 4,897 drill metres. Details of the program, together with full JORC disclosure and compliance tables, were previously reported in the Company's ASX announcements of 31 August 2018, 24 September 2018 and 16 October 2018.

Significant results from the 12 drill-hole program include:

- 8.0m @ 19.7g/t Au from 297.0m in SBDD080;
- 6.6m @ 10.9g/t Au from 265.9m in SBDD076;
- 5.0m @ 10.6g/t Au from 257.0m in SBDD073;
- 6.0m @ 7.9g/t Au from 134.0m in SBDD076;
- 2.2m @ 9.6g/t Au from 128.55m in SBDD077;
- 3.0m @ 9.8g/t Au from 148.9m in SBDD080;
- 1.7m @ 9.7g/t Au from 122.0m in SBDD079; and
- 1.0m @ 12.6g/t Au from 232.0m in SBDD079.

**The Company considers the results of the drill program to be significant and worthy of additional drilling, especially in the vicinity of drill holes SBDD076 and SBDD080 (Figure 7).** A seven-hole follow-up diamond drill program was planned with the aim to:

1. improve the confidence in the controls to gold mineralisation in this area; and
2. demonstrate a potential link between the Premium Lode to the north and the cluster of high-grade historical Butcherbird Shear intercepts to the south.

Drilling commenced in December 2018, with two holes (SBDD083 and SBDD084) completed prior to the Christmas period. Assay results for the two completed holes are pending. Drilling of the remaining five holes of the program has commenced.

Once the follow-up drilling has been completed, the Company intends to undertake a Mineral Resource estimate of the Butcherbird Shear/Premium Lode. The Resource modelling is anticipated to be completed in the June 2019 quarter.

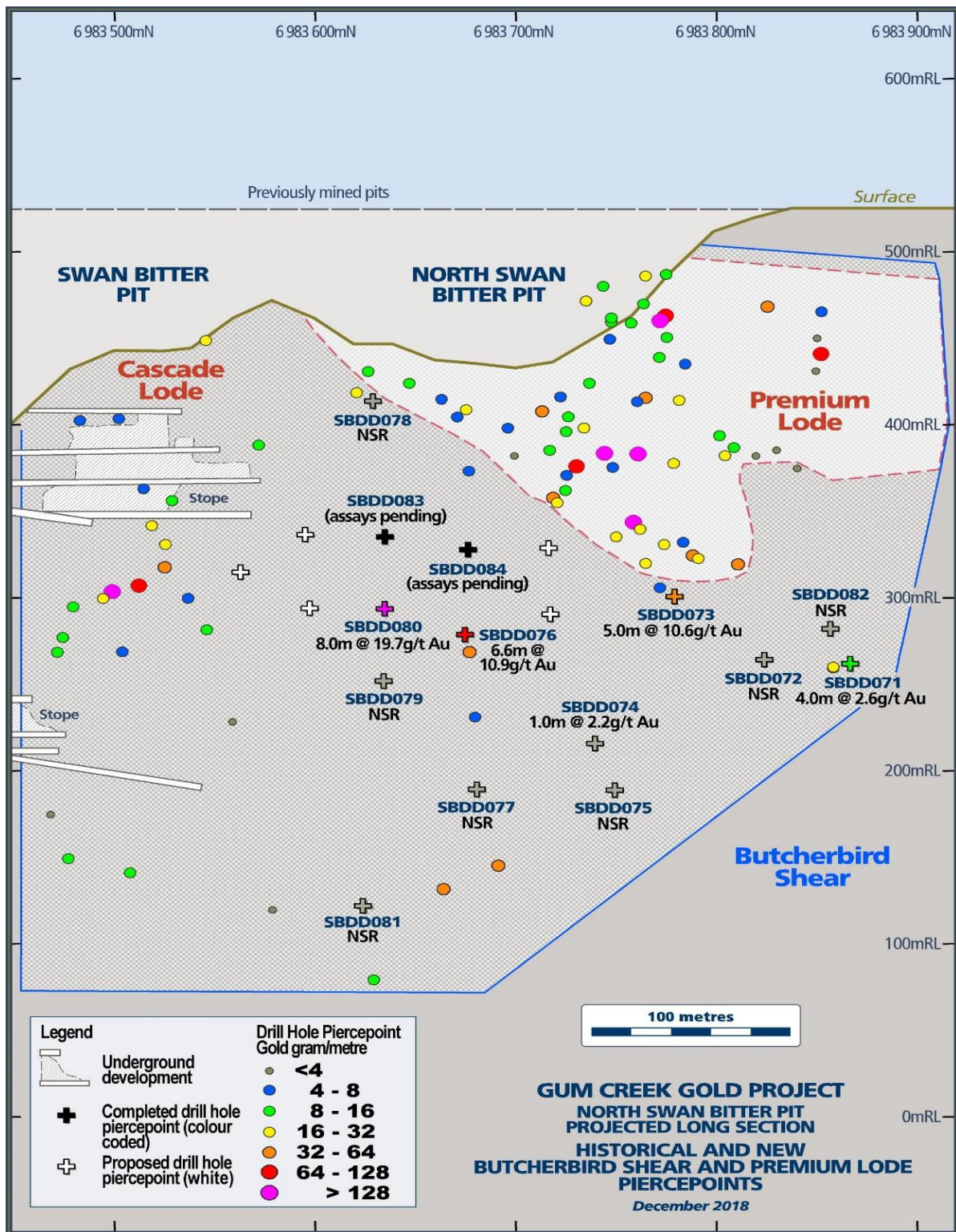
## Proposed Work – March 2019 Quarter

Priority work programs for the March 2019 quarter include:

- Complete the remaining five holes of the seven-hole drill program to follow-up the high-grade gold intersections in the Butcherbird Shear/Premium Lode system at Swan;
- Commence the next follow-up drill program of seven to ten holes at Altair;
- Complete the series of geophysical trials at Altair to determine which techniques are best suited for the detection of this style of mineralisation; and
- Commence testing of other Altair “lookalike” targets at Gum Creek.



**Figure 7: Long section looking west showing drill-hole pierce points testing the Butcherbird Shear and Premium Lode**



## Corporate

As at 31 December 2018, the Company's cash position was \$4.1 million.

The Company made payments during the quarter totalling \$0.9 million, as detailed in the accompanying Appendix 5B.

The Company remains fully funded for its exploration activities at Gum Creek and is in a solid financial position.

On 14 December 2018, the Company announced that it had agreed with Panoramic Resources Limited ("Panoramic") to extend the Management Agreement between the two companies for a further six months, from 22 December 2018 to 21 June 2019. Under the Agreement, Panoramic is responsible and accountable for the day to day running of the Horizon Group. The material terms of the Agreement are detailed in Horizon's IPO Prospectus submitted to ASIC on 21 October 2016.

The status of the Horizon Group mining tenements as at 31 December 2018 are detailed in Appendix 2.

## About the Company

Horizon Gold Limited (**ASX:HRN**) is an exploration company focused on its 100% owned Gum Creek Gold Project in Western Australia. The Gum Creek Gold Project hosts JORC 2012 Mineral Resources of **1.25 million ounces of gold** (refer Appendix 1). It is located within a well-endowed gold region that hosts multi-million ounce deposits including Big Bell, Wiluna, Mt Magnet, Meekatharra and Agnew/Lawlers. Horizon has identified multiple drill targets and is undertaking exploration and development studies with the aim of becoming a stand-alone gold producer.

For further information contact:  
**Peter Harold, Chairman**  
**+61 8 6266 8600**

## Previously reported information

This announcement contains references to exploration results and Mineral Resource estimates, which were disclosed in previous market announcements made by the Company, and/or other entities. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements 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.

## Competent Person's Statement

The information in this release that relates to Exploration Results is based on information compiled by John Hicks. Mr Hicks is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and is a full-time employee and shareholder of Panoramic Resources Limited. Mr Hicks also holds employee performance rights in relation to Panoramic Resources Limited.

Under a Management Agreement between Panoramic Resources Limited and Horizon Gold Limited, dated 21 October 2016 and extended, Mr Hicks is authorised to report on Horizon Gold Limited exploration activities.

The aforementioned has sufficient experience that is relevant to the style of mineralisation and type of target/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 Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hicks consents to the inclusion in the release of the matters based on the information in the form and context in which it appears.

## APPENDIX 1:

**Table 1: Gum Creek Project Mineral Resources Statement as at 30 June 2018**

(refer to the Company's ASX announcement of 28 September 2018)

Resource	Resource Date	Cut-off grade (g/t Au)	Mineralisation Type	Indicated		Inferred		Total		Contained Gold (oz)
				Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	
<b>Open Pit Resources</b>										
Swan OC	Jun-15	0.7	Free Milling	2,250,000	2.6	990,000	2.4	3,240,000	2.5	261,000
Heron South	Aug-16	0.5	Refractory	1,140,000	2.2	2,000	1.3	1,140,000	2.2	80,000
Howards	Jul-13	0.4	Free Milling	5,250,000	1.1	720,000	1.0	5,970,000	1.1	204,000
Specimen Well	Aug-16	0.5	Free Milling			360,000	2.0	360,000	2.0	23,000
Toedter	Aug-16	0.5	Free Milling			690,000	1.5	690,000	1.5	34,000
Shiraz	Jul-13	0.4	Refractory	2,480,000	0.8	440,000	0.8	2,920,000	0.8	78,000
<b>Underground Resources</b>										
Swan UG	Jun-15	4.0/6.0	Free Milling	210,000	8.7	80,000	11.3	280,000	9.4	86,000
Swift UG	Jun-15	6.0	Free Milling			50,000	10.3	50,000	10.3	15,000
Kingfisher UG	Aug-16	3.5	Free Milling			390,000	6.1	390,000	6.1	77,000
Wilson's UG	Jul-13	1.0	Refractory	2,130,000	5.3	140,000	6.0	2,270,000	5.4	391,000
<b>Total</b>				<b>13,450,000</b>	<b>2.2</b>	<b>3,850,000</b>	<b>2.5</b>	<b>17,300,000</b>	<b>2.2</b>	<b>1,250,000</b>

Total Mineral Resources as at 30 June 2018 are 17.3Mt @ 2.25g/t Au for 1.25 million ounces contained gold (Table 1), which is unchanged from the Resources reported in Horizon's IPO Prospectus dated 21 October 2016 and previously by Panoramic Resources Limited ("Panoramic") (refer Panoramic (ASX: PAN) ASX announcement of 14 October 2016 titled "Gum Creek Gold Project Mineral Resources at 30 September 2016").

Full details of the Resources, including Material Information Summaries for each deposit and JORC Table 1, Sections 1 and 3 are included in the announcement by Panoramic to the ASX on 14 October 2016. The announcement can be accessed via Panoramic's ASX announcements platform.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements 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.

## APPENDIX 2:

### (a) Horizon Group Mining Tenements held as at 31 December 2018

PAN GOLD = Panoramic Gold Pty Ltd

Lease	Location	Area of Interest	Status	Expiry Date	Holder	Horizon's Interest	Mineral Rights	Application Date
E51/1538	Gidgee	Gum Creek	Granted	03-Feb-19	PAN GOLD	100%	All	
E51/1844	Gidgee	Gum Creek	Granted	22-Jan-23	PAN GOLD	100%	All	
E53/1725	Gidgee	Gum Creek	Granted	03-Jul-18	PAN GOLD	100%	All	
E53/1955	Gidgee	Gum Creek	Granted	18-Jan-23	PAN GOLD	100%	All	
E57/1093	Gidgee	Gum Creek	Application	n/a	PAN GOLD	100%	All	
E57/1094	Gidgee	Gum Creek	Dead	29-Oct-2018	PAN GOLD	100%	All	
E57/1099	Gidgee	Gum Creek	Dead	17-Dec-2018	PAN GOLD	100%	All	
E57/1100	Gidgee	Gum Creek	Application	n/a	PAN GOLD	100%	All	
L51/93	Gidgee	Gum Creek	Granted	24-Nov-34	PAN GOLD	100%	Infrastructure	
L53/46	Gidgee	Gum Creek	Granted	28-Feb-20	PAN GOLD	100%	Infrastructure	
L53/47	Gidgee	Gum Creek	Granted	26-Sep-20	PAN GOLD	100%	Infrastructure	
L53/95	Gidgee	Gum Creek	Granted	13-Dec-18	PAN GOLD	100%	Infrastructure	
L53/96	Gidgee	Gum Creek	Granted	13-Dec-18	PAN GOLD	100%	Infrastructure	
L53/116	Gidgee	Gum Creek	Granted	30-Jul-23	PAN GOLD	100%	Infrastructure	
L53/199	Gidgee	Gum Creek	Granted	29-Jul-36	PAN GOLD	100%	Infrastructure	
L57/20	Gidgee	Gum Creek	Granted	20-Jun-23	PAN GOLD	100%	Infrastructure	
L57/44	Gidgee	Gum Creek	Granted	12-Jun-33	PAN GOLD	100%	Infrastructure	
L57/47	Gidgee	Gum Creek	Granted	13-Aug-34	PAN GOLD	100%	Infrastructure	
M51/104	Gidgee	Gum Creek	Granted	11-May-29	PAN GOLD	100%	All	
M51/105	Gidgee	Gum Creek	Granted	09-May-31	PAN GOLD	100%	All	
M51/157	Gidgee	Gum Creek	Granted	09-Mar-30	PAN GOLD	100%	All	
M51/185	Gidgee	Gum Creek	Granted	18-Feb-30	PAN GOLD	100%	All	
M51/186	Gidgee	Gum Creek	Granted	18-Feb-30	PAN GOLD	100%	All	
M51/290	Gidgee	Gum Creek	Granted	09-May-31	PAN GOLD	100%	All	
M51/410	Gidgee	Gum Creek	Granted	10-Mar-34	PAN GOLD	100%	All	
M51/458	Gidgee	Gum Creek	Granted	09-Feb-35	PAN GOLD	100%	All	
M53/10	Gidgee	Gum Creek	Granted	24-Nov-25	PAN GOLD	100%	All	
M53/11	Gidgee	Gum Creek	Granted	24-Nov-25	PAN GOLD	100%	All	
M53/105	Gidgee	Gum Creek	Granted	29-Aug-30	PAN GOLD	100%	All	
M53/153	Gidgee	Gum Creek	Granted	28-Jun-32	PAN GOLD	100%	All	
M53/251	Gidgee	Gum Creek	Granted	02-Sep-34	PAN GOLD	100%	All	
M53/500	Gidgee	Gum Creek	Granted	21-May-21	PAN GOLD	100%	All	
M53/716	Gidgee	Gum Creek	Granted	07-Sep-19	PAN GOLD	100%	All	
M53/904	Gidgee	Gum Creek	Granted	28-Sep-21	PAN GOLD	100%	All	
M53/988	Gidgee	Gum Creek	Granted	12-Mar-24	PAN GOLD	100%	All	
M57/634	Gidgee	Gum Creek	Granted	14-Jul-35	PAN GOLD	100%	All	
M57/635	Gidgee	Gum Creek	Granted	01-Sep-35	PAN GOLD	100%	All	
P53/1577	Gidgee	Gum Creek	Granted	22-Aug-20	PAN GOLD	100%	All	
P53/1582	Gidgee	Gum Creek	Granted	04-Oct-20	PAN GOLD	100%	All	
P57/1304	Gidgee	Gum Creek	Granted	23-Aug-20	PAN GOLD	100%	All	

E= Exploration Licence(WA)

M = Mining Lease (WA)

P = Prospecting Licence (WA)

L = Miscellaneous Licence (WA)

**(b) Changes of Interest in mining tenements**

Tenement Reference and Location	Nature of Interest	Interest at beginning of Quarter	Interest at end of Quarter
E57/1094, Gidgee	Application - Withdrawn	100%	0%
E53/1273, Gidgee	Granted - Surrendered	100%	0%
E57/676, Gidgee	Granted - Surrendered	100%	0%

**(c) Beneficial percentage interest held in farm-in or farm-out during the December 2018 Quarter**

Tenement Reference and Location	Nature of Interest	Interest at beginning of Quarter	Interest at end of Quarter
Nil			
Nil			