

26 April 2019

## **QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 MARCH 2019**

### **Key Points**

- **Twelve-hole diamond drill program completed at the Altair zinc-copper Prospect. Better drill intercepts include:**
  - 26.1m @ 1.93% Zn and 0.25% Cu from 244.0m and 43.5m @ 2.96% Zn and 0.50% Cu from 274.2m in ALDD012
  - 78.0m @ 1.90% Zn and 0.32% Cu from 288.0m in ALDD014, including
    - 14.0m @ 2.34% Zn and 0.51% Cu from 342.0m
  - 35.6m @ 2.44% Zn and 0.43% Cu from 120.0m in ALDD016, including
    - 19.0m @ 3.42% Zn and 0.54% Cu from 129.0m
  - 36.0m @ 2.58% Zn and 0.41% Cu from 344.0m in ALDD017, including
    - 21.0m @ 3.10% Zn and 0.55% Cu from 358.0m
  - 62.6m @ 2.45% Zn and 0.42% Cu from 262.0m in ALDD019, including
    - 19.0m @ 3.09% Zn and 0.53% Cu from 297.0m
- **Metallurgical test-work to be undertaken on Altair drill core**
- **Six-hole follow-up drill program completed on the high-grade Butcherbird Shear / Premium Lode gold system at Swan. Better drill intercepts include:**
  - 3.8m @ 13.73g/t Au from 114.0m and 6.9m @ 6.70g/t Au from 121.8m and 2.0m @ 9.42g/t Au from 254.5m in SBDD083
  - 1.0m @ 5.87g/t Au from 239.4m and 3.3m @ 3.23g/t Au from 251.3m in SBDD084, and
  - 6.0m @ 4.92g/t Au from 156.0m in SBDD086
- **New Mineral Resource modelling and evaluation studies have commenced on mining the Swan deposit**
- **Cash of \$2.7 million at 31 March 2019**

### **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.

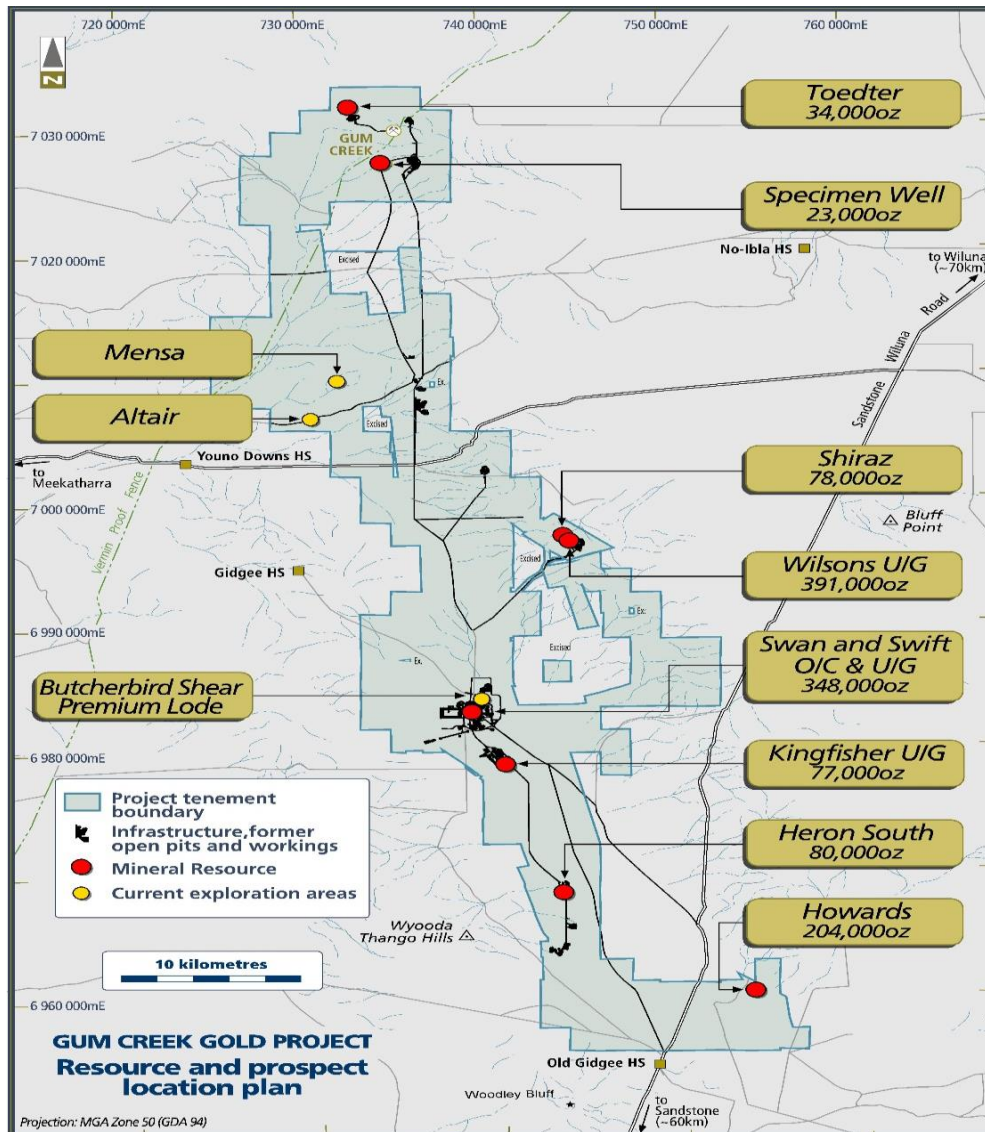
## Work Completed - Exploration

The following exploration activities were undertaken during the March 2019 quarter:

- Final assay results for the eight-hole (2,648 drill metres) Altair follow-up reverse circulation (RC) / diamond drill program completed in late 2018 were received and reported during the quarter<sup>1</sup>;
- A second (Stage 2) drill program at the Altair zinc-copper Prospect was completed between 23 January 2019 and 5 March 2019, consisting of twelve RC / diamond drill holes for a total of 4,184 drill metres. All assay results for the Stage 2 drill program were reported during the quarter<sup>2</sup>.
- A six-hole follow-up RC / diamond drill program to test the high-grade Butcherbird Shear / Premium Lode gold system was also completed during the quarter for a total of 1,799.7 drill metres. Details of the program, including all assay results were reported during the quarter<sup>3</sup>.

The prospect locations referred to in this report are shown in Figure 1.

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



<sup>1</sup> Refer to the Company's ASX announcement of 13 February 2019

<sup>2</sup> Refer to the Company's ASX announcements of 26 March 2019 and 2 April 2019

<sup>3</sup> Refer to the Company's ASX announcement of 26 March 2019

### *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 that a follow-up drill program of close-spaced holes around ALDD002, would commence in the December 2018 quarter, aimed at providing a clearer understanding of the geological setting, orientation and extent of the Altair mineralisation. The follow-up drill program, of eight holes (ALDD003 to ALDD010) for 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. Final assay results for the program, together with a comprehensive summary of the drill program were reported in the Company's ASX announcement of 13 February 2019.

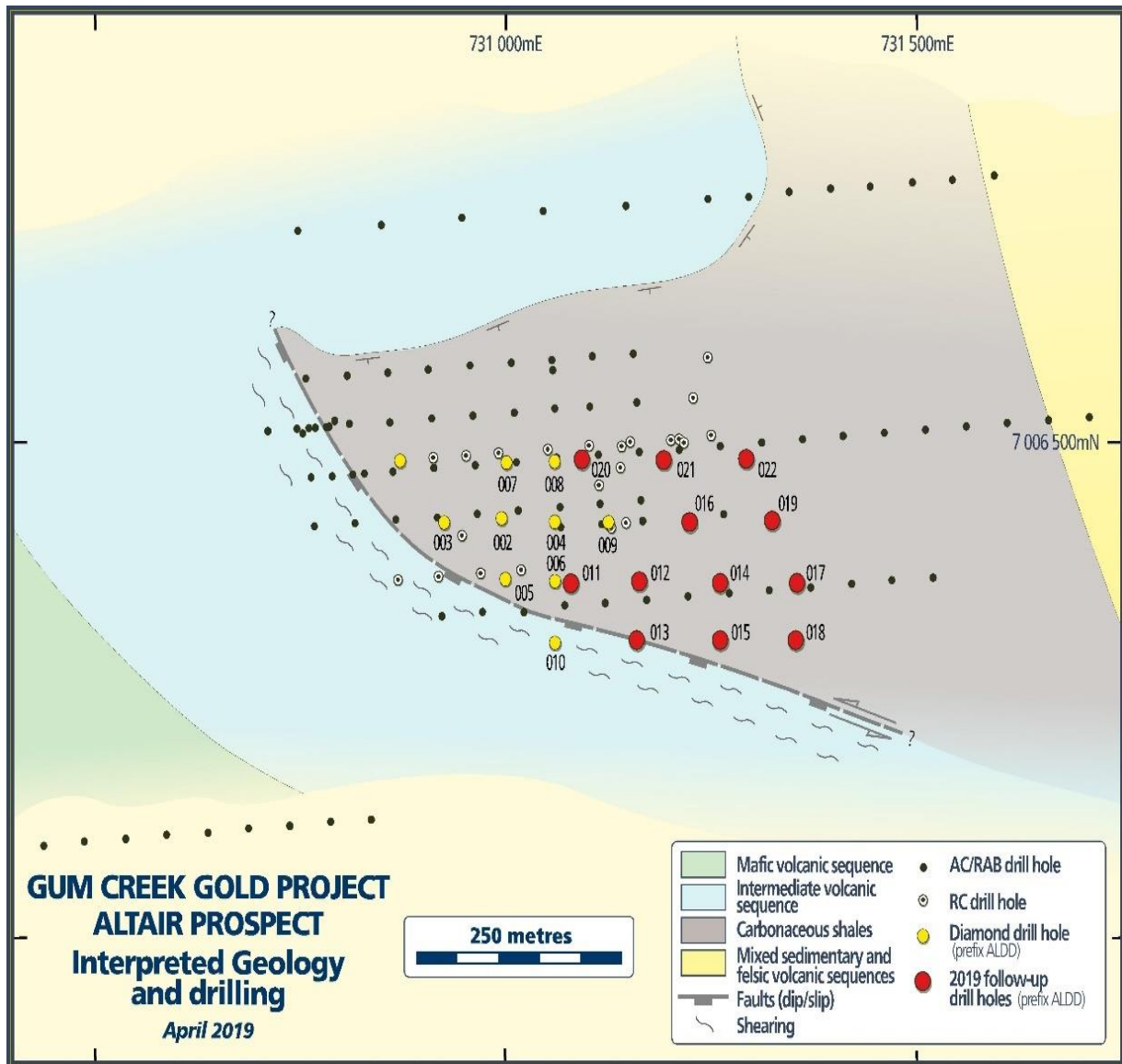
A second (Stage 2) drill program, consisting of twelve RC / Diamond drill holes (ALDD011 to ALDD022) for a total of 4,184m was completed between 23 January 2019 and 5 March 2019 (*Figure 2*). The aim of the Stage 2 drill program was to test the continuation of the Altair mineralisation along the interpreted down plunge direction towards the east-south east. Portable XRF data collected on the drill cores and RC samples indicated seven of the twelve holes intersected broad zones of anomalous zinc mineralisation. Full assay results for this program were reported in the Company ASX announcements of 26 March 2019 and 2 April 2019.

Significant Stage 2 drill program intercepts include:

- **15.2m @ 2.33% Zn and 0.27% Cu from 136.0m in ALDD011, including**
  - **5.4m @ 3.84% Zn and 0.23% Cu from 137.0m**
- **26.1m @ 1.93% Zn and 0.25% Cu from 244.0m and 43.5m @ 2.96% Zn and 0.50% Cu from 274.2m in ALDD012**
- **78.0m @ 1.90% Zn and 0.32% Cu from 288.0m in ALDD014, including**
  - **14.0m @ 2.34% Zn and 0.51% Cu from 342.0m**
- **35.6m @ 2.44% Zn and 0.43% Cu from 120.0m in ALDD016, including**
  - **19.0m @ 3.42% Zn and 0.54% Cu from 129.0m**
- **36.0m @ 2.58% Zn and 0.41% Cu from 344.0m in ALDD017, including**
  - **21.0m @ 3.10% Zn and 0.55% Cu from 358.0m**
- **62.6m @ 2.45% Zn and 0.42% Cu from 262.0m in ALDD019, including**
  - **19.0m @ 3.09% Zn and 0.53% Cu from 297.0m**
- **30.0m @ 1.89% Zn and 0.34% Cu from 135.0m in ALDD022, including**
  - **13.0m @ 2.30% Zn and 0.43% Cu from 150.0m**

The location of the latest Altair drill holes in relation to ALDD002 and the 2018 drill program is shown in *Figure 2*. Schematic cross sections showing geology and latest drill results are shown in *Figures 3 to 5*.

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



The Company is extremely encouraged by the latest Altair drill results. Overall, the Stage 2 drill program achieved its aim of providing a much greater understanding of the geological setting, orientation and plunge of the Altair primary zinc-copper mineralisation.

The results continue to exhibit all the geological and geochemical hallmarks of a major polymetallic, hydrothermal VHMS/SEDEX mineralising system. **Drilling to date has confirmed, the broad continuous nature of the Altair zinc-copper mineralisation over a strike length of more than 450 metres and 350m down dip, and remains open to the east.**

Based on the results, the Company interprets the sulphidic black shale host to the Altair zinc-copper mineralisation, to occupy a steep-sided, trough-like depression in the underlying mafic volcanic sequence. The trough feature is interpreted to have formed by a combination of structure and possibly folding. In plan view, the trough has a gentle arcuate shape, which is open down plunge towards the east (*Figure 6*).

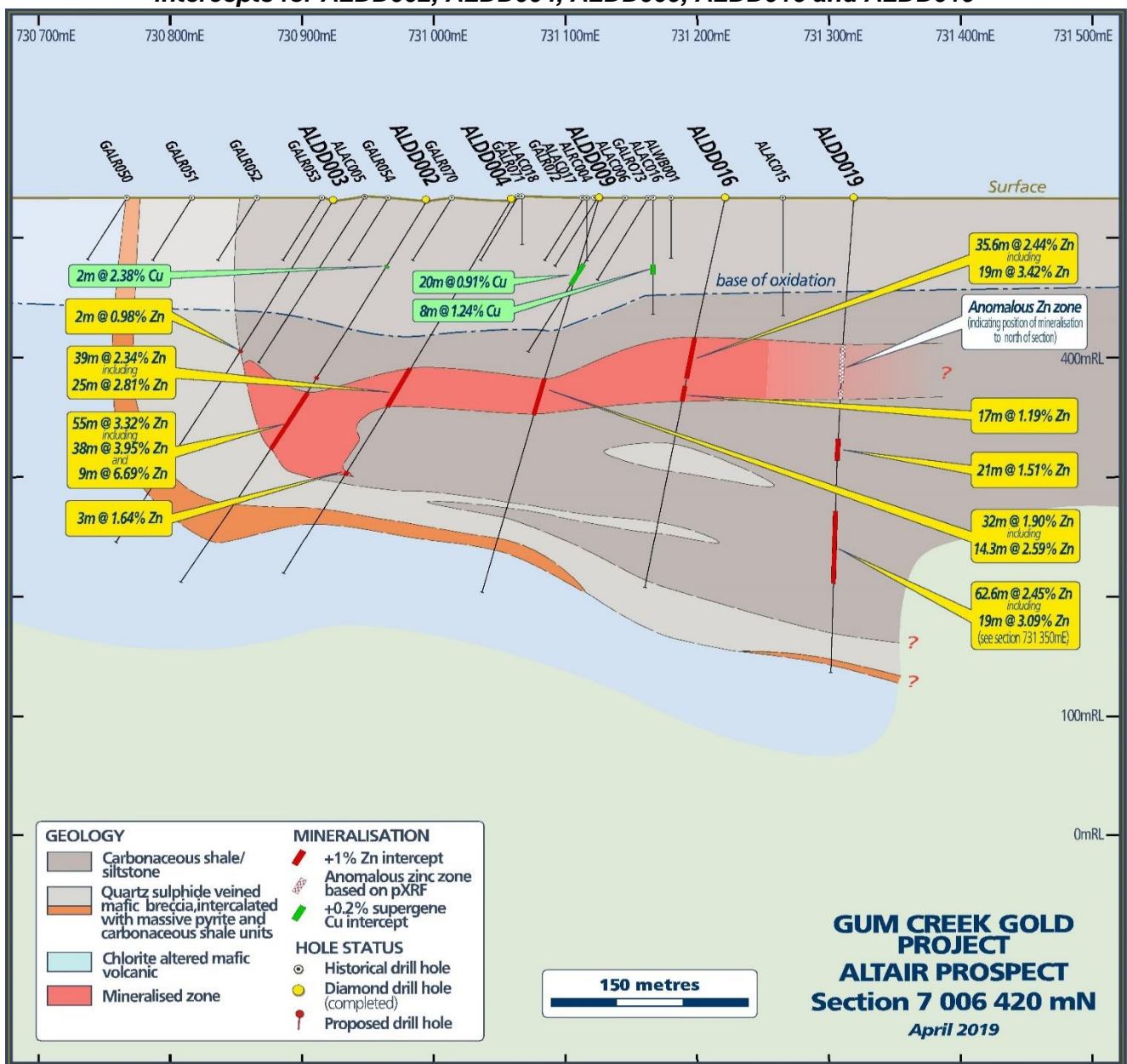
Within the trough filled host shale sequence, the Altair primary zinc-copper mineralisation forms a thick, steeply south dipping, contiguous lens of mineralisation that mirrors the trend of the trough described above (*Figure 7*). The mineralisation appears to be thicker and slighter higher grade when in proximity with the underlying mafic volcanic sequence at the base of the trough feature.

From the base of the trough, the mineralisation rises steeply towards the north, into the saprolitic clay zone developed above the fresh rock interface.

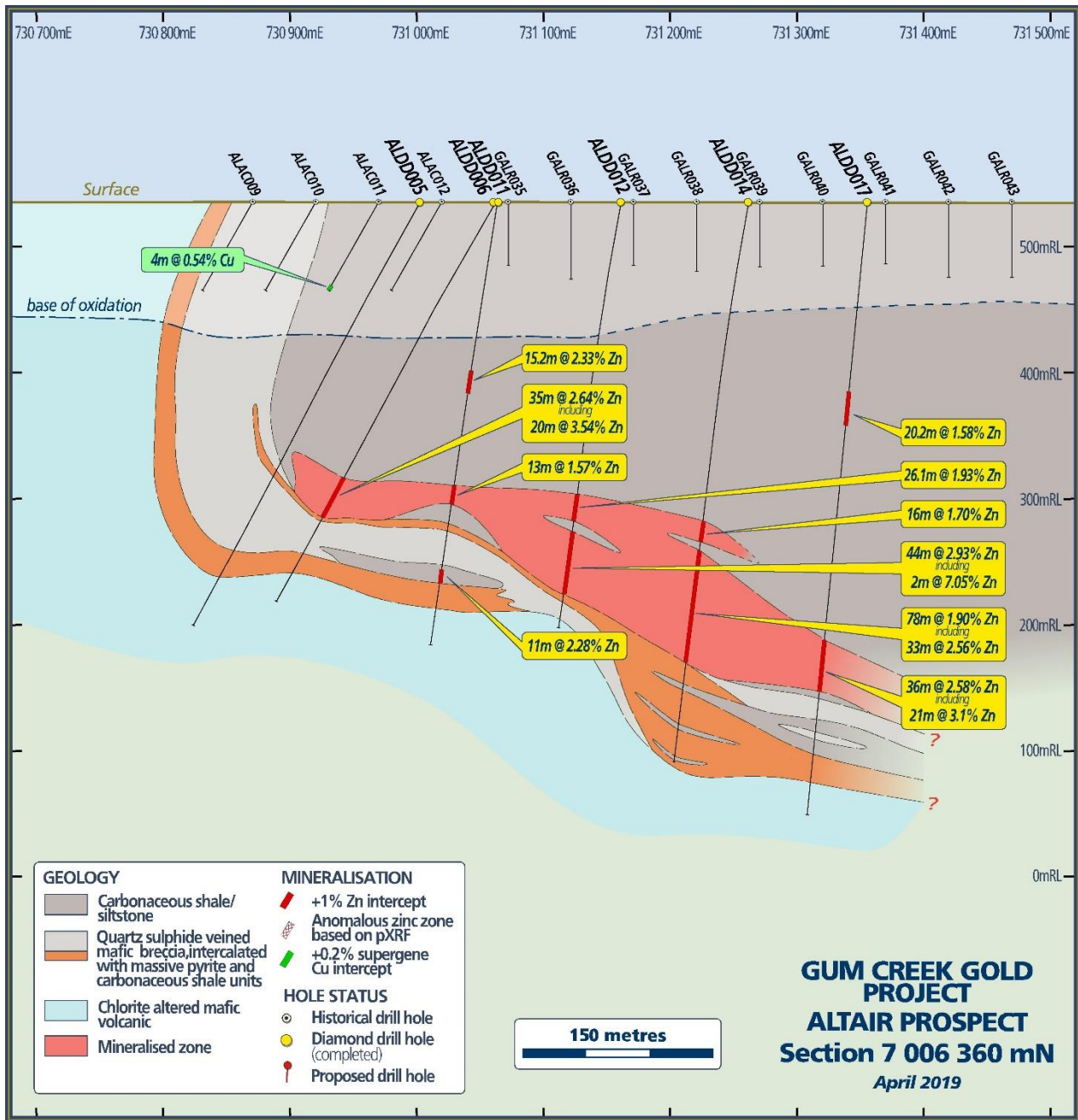
**The Altair zinc-copper mineralisation and trough feature described above remains open to the east and northeast.** The latest drill results, particularly those for holes ALD017, 019 and 022, also indicate that the mineralisation and trough feature appear to be turning and adopting a north-easterly trend (Figure 6).

The changing trend of the mineralisation and trough feature described above explains the apparent termination of mineralisation between holes ALDD016 and ALDD019 on Section 6420N and the intersection of the main primary zinc-copper mineralisation deeper down in hole ALDD019 (Figure 5). It also explains the interpreted intersection of the mineralisation within the saprolite zone above the base of oxidation in holes ALDD020 and ALDD021 on Section 6480N and the re-emergence of the mineralisation, deeper down in hole ALDD022 on that Section (Figure 6).

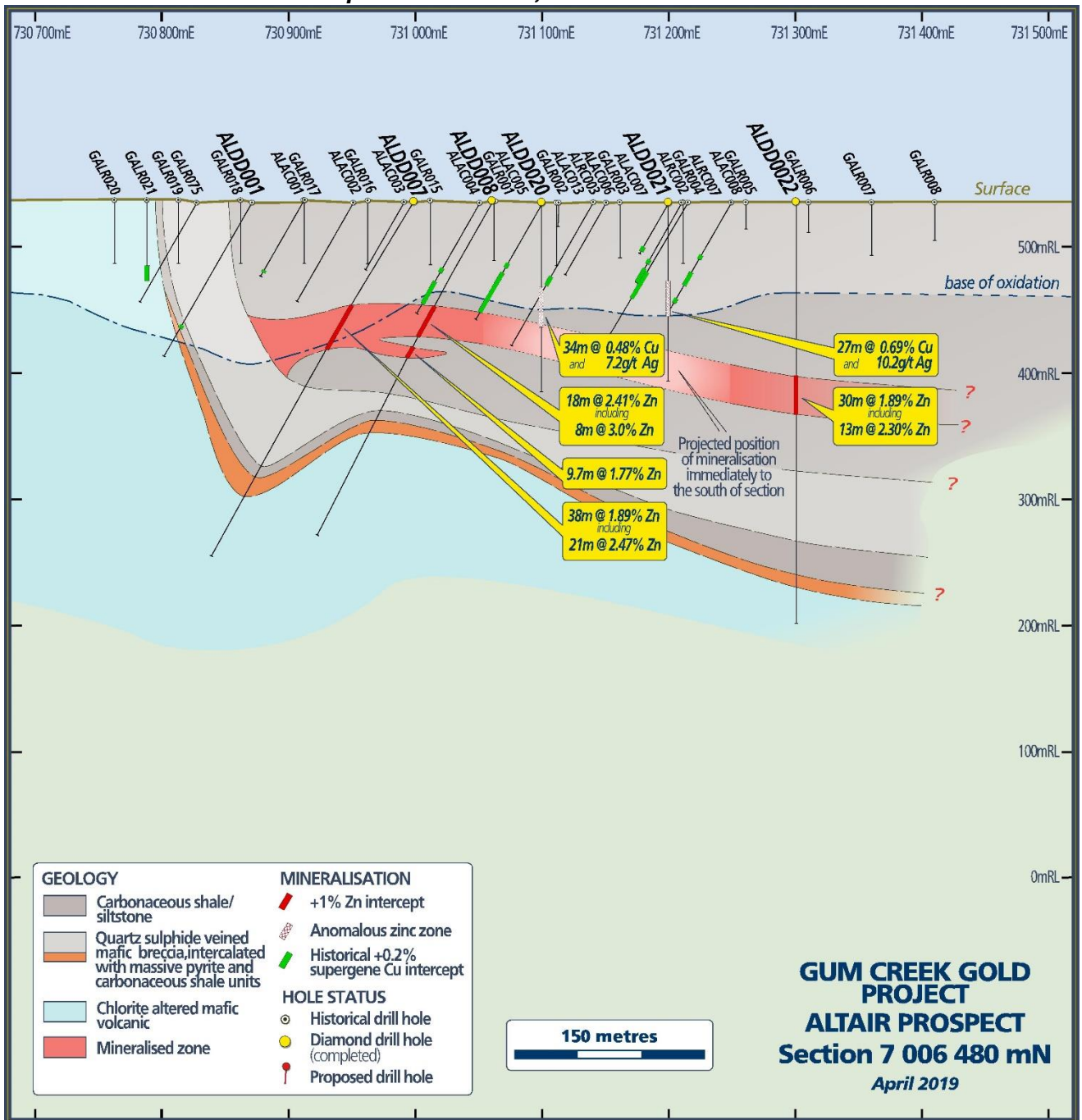
**Figure 3: Altair Zn-Cu Prospect – Cross section 7006420mN (± 20m) showing significant zinc intercepts for ALDD002, ALDD004, ALDD009, ALDD016 and ALDD019**



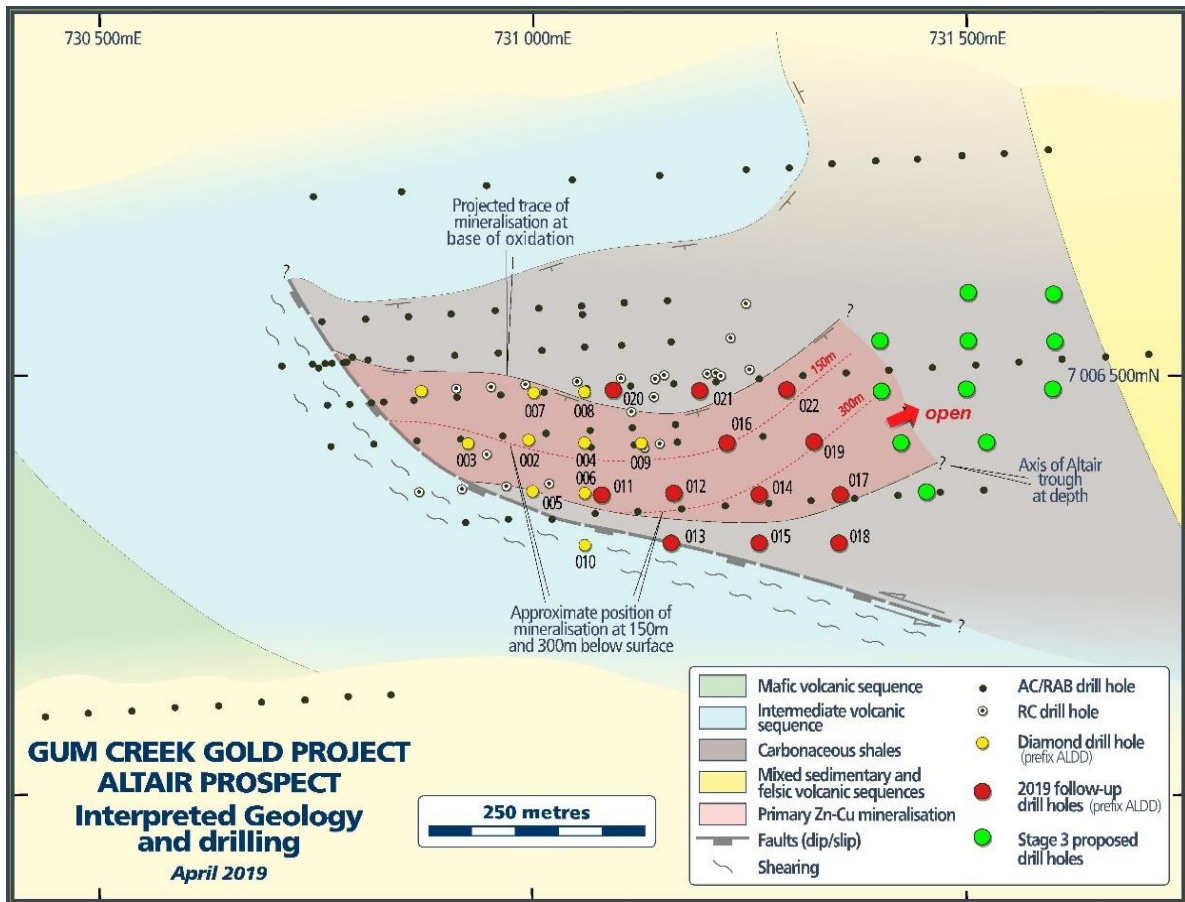
**Figure 4: Altair Zn-Cu Prospect – Cross section 7006360mN ( $\pm 20$ m) showing significant zinc intercept for holes ALDD006, ALDD011, ALDD012, ALDD014 and ALDD017**



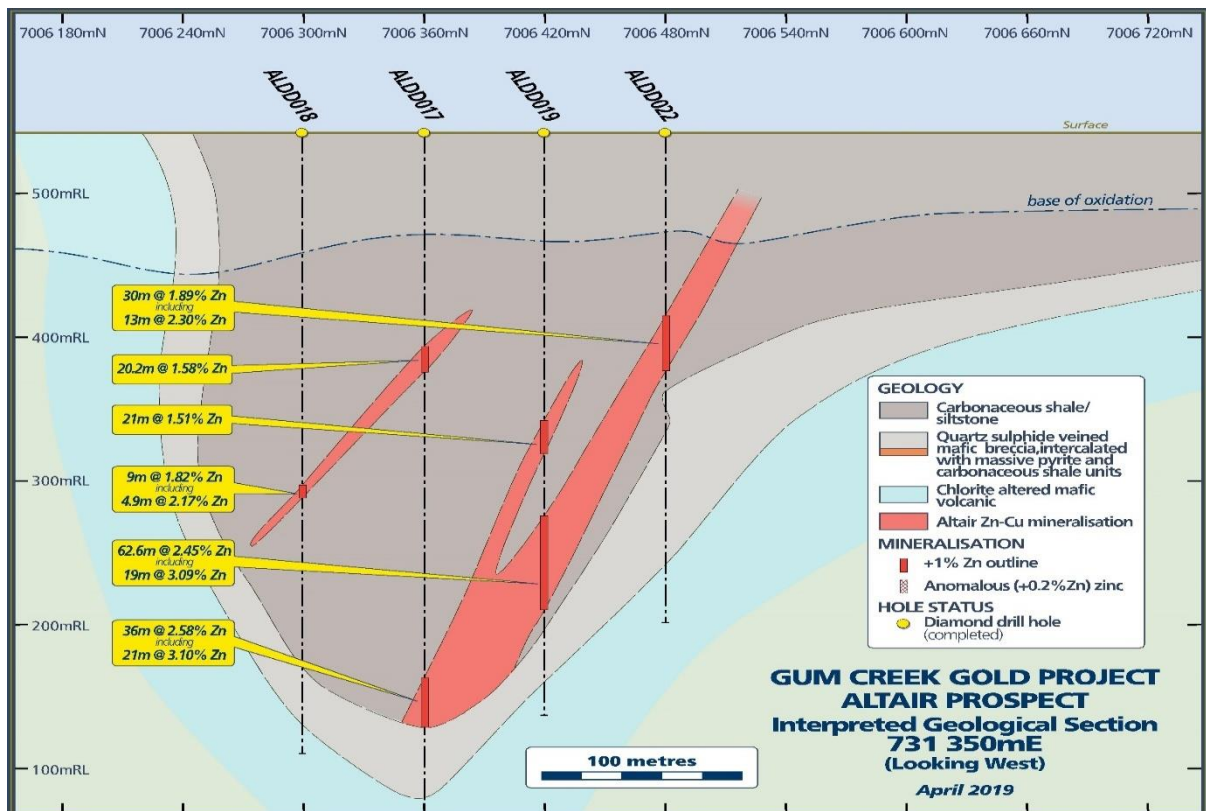
**Figure 5: Altair Zn-Cu Prospect – Cross section 7006480mN (± 20m) showing significant zinc intercepts for ALDD007, ALDD008 and ALDD022**



**Figure 6: Altair Zn-Cu Prospect plan – Showing position and interpreted trend of the primary Zn-Cu mineralisation**



**Figure 7: Altair Zn-Cu Prospect – Interpreted Geological Section 731 350mE (looking west)**





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

In the September 2018 quarter, the Company reported on the first-pass, twelve-hole diamond drill program to test the high-grade Butcherbird Shear/Premium Lode gold 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 considered 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 8).** A follow-up diamond drill program was planned for early 2019 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.

Following completion of the Altair diamond drill program in December 2018, the rig mobilised to Butcherbird Shear/Premium Lode at Swan to follow-up on the significant gold results reported from the August 2018 drill program, including **8.0m @ 19.7g/t Au from 297.0m in SBDD080 and 6.6m @ 10.9g/t Au from 265.9m in SBDD076<sup>4</sup>** (Figure 8). The first two holes of the program (SBDD083 and SBDD084) were completed just prior to Christmas.

The remaining portion of the program (involving four holes; SBDD085 to SBDD088) was completed in January 2019 for a program total of 1,799.7m. All assay results for the six-hole program have now been received and reported<sup>5</sup>. The nominated Butcherbird Shear target position for the six holes is shown on Figure 8, together with the nearest returned assay intercept for that position. **In addition to the mineralisation interpreted to be on the Butcherbird shear, several other significant quartz-sulphide structures were intersected.** Better assay results for these zones include:

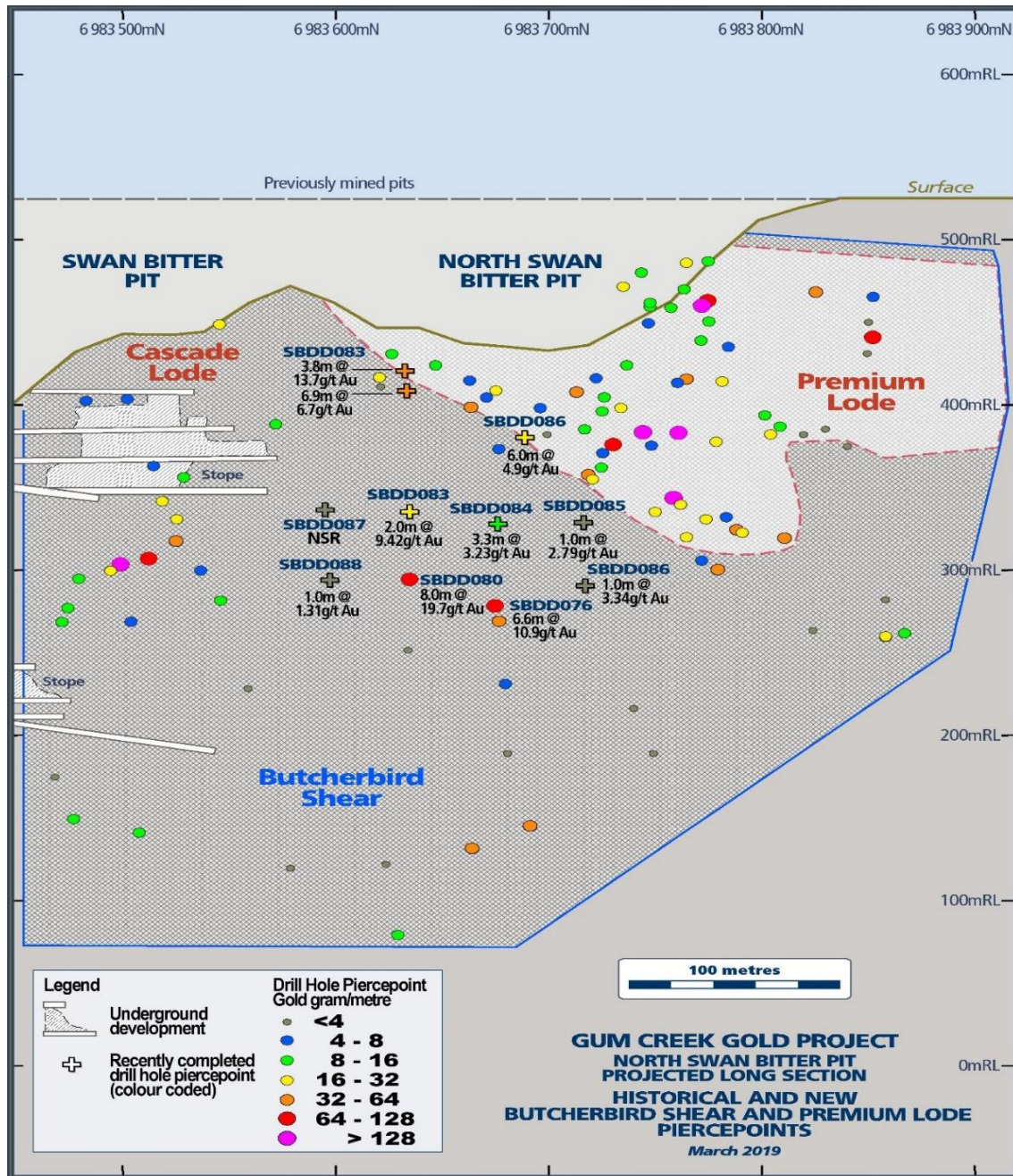
- **3.8m @ 13.73g/t Au from 114.0m and 6.9m @ 6.70g/t Au from 121.8m in SBDD083;**
- **1.0m @ 5.87g/t Au from 239.4m in SBDD084; and**
- **6.0m @ 4.92g/t Au from 156.0m in SBDD086.**

The intercepts in holes SBDD083 and SBDD086 are situated close to the interpreted junction between the Butcherbird Shear and Premium Lode, while the SBDD084 intercept is thought to be a minor off-set structure of the Butcherbird Shear.

<sup>4</sup> Refer to the Company's ASX announcement of 24 September 2018

<sup>5</sup> Refer to the Company's ASX announcement of 13 February 2019

**Figure 8: Long section looking west showing drill-hole pierce points testing the Butcherbird Shear and Premium Lode**



### Evaluation Studies

Concurrent to completing the 2018 Butcherbird Shear/Premium Lode drilling program, the Company commenced an evaluation study on the northern half of the Swan deposit where near surface high-grade gold mineralisation associated with the Butcherbird Shear and Premium Lode is located. As part of this study, Mining Plus Pty Ltd was engaged to undertake the re-interpretation and updated Mineral Resource Estimate (MRE) for this part of the Swan deposit using Leapfrog Geo and Datamine software on all available historical and recent drill-hole data.

The results showed that the updated resource model was too small to determine the open-pit reportable part of the MRE without expanding the model with additional waste blocks in the southern half of the deposit. To resolve this issue, it was agreed to construct an expanded geological / resource model across the entire Swan deposit, including the Swift, Gannet and Vigilant pits located 250m east of Swan.

As at the date of the report, the resource modelling work by Mining Plus on the “expanded” Swan open-pit deposit is ongoing. The latest Butcherbird Shear / Premium Lode assay results from the January 2019 drill program are also being incorporated into this expanded resource model.

Once completed, the resource models will form the basis for further open pit and underground evaluation studies on the Swan and Swift deposits during the June 2019 quarter.

## Proposed Work – June 2019 Quarter

Priority work for the June 2019 quarter include:

- Preliminary metallurgical test-work to determine comminution and flotation performance of composite samples taken from Altair zinc-copper drill core.
- Planning and costing a FY2020 drill program to test 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.
- Resource modelling and open pit / underground evaluation studies on the Swan and Swift deposits.

## Corporate

As at 31 March 2019, the Company’s cash position was \$2.7 million.

The Company made payments during the quarter totalling \$1.4 million, as detailed in the accompanying Appendix 5B.

The status of the Horizon Group mining tenements as at 31 March 2019 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 March 2019 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	Granted	14-Jan-2024	PAN GOLD	100%	All	
E57/1100	Gidgee	Gum Creek	Granted	21-Jan-2024	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
E57/1099 Gidgee	Application - Withdrawn	0%	0%

**(c) Beneficial percentage interest held in farm-in or farm-out during the March 2019 Quarter**

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