

30 July 2020

Dear Shareholder

HORIZON GOLD LIMITED ENTITLEMENT OFFER – NOTICE TO INELIGIBLE SHAREHOLDERS

On 29 July 2020 Horizon Gold Limited (**Company** or **HRN**) announced a renounceable pro rata entitlement offer of new fully paid ordinary shares in the Company (**New Shares**) to raise approximately \$3.3 million (before costs) (**Entitlement Offer**) with an offer price of \$0.30 per New Share (**Offer Price**).

This letter is to inform you about the Entitlement Offer and to explain to you that as at today's date, as a Shareholder with a registered address not in Australia, New Zealand or Bermuda, you will not be able to subscribe for New Shares under the Entitlement Offer. If your registered address remains the same on the Record Date of 4 August 2020, you will not be eligible to participate in the Entitlement Offer.

This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. **You are not required to do anything in response to this letter.**

Entitlement Offer Overview

The Entitlement Offer consists of an offer to eligible shareholders (as described below, Eligible Shareholders) to subscribe for one (1) New Share for every seven (7) existing fully paid ordinary shares held in the Company (**Entitlement**) at 5.00pm (Perth time) on Tuesday, 4 August 2020 (**Record Date**) at the Offer Price of \$0.30 per New Share. The Entitlement Offer will not be underwritten.

The Entitlement Offer is being made in accordance with section 708AA of the *Corporations Act 2001 (Cth)* (**Corporations Act**) as modified by the *Australian Securities and Investments Commission (ASIC) Corporations (Non-Traditional Rights Issues) Instrument 2016/84*, meaning that no prospectus needs to be prepared. New Shares issued under the Entitlement Offer will rank equally with existing fully paid ordinary shares in the Company from issue.

An information booklet in relation to the Entitlement Offer (**Information Booklet**) has been lodged with ASX and will be despatched to Eligible Shareholders on or around 7 August 2020.

Eligibility criteria

Eligible Shareholders are shareholders of the Company who:

1. are registered as holders of existing fully paid ordinary shares in the Company as at 5.00pm (Perth time) on the Record Date (being Tuesday, 4 August 2020);
2. have a registered address on the Company's share register in Australia, New Zealand or Bermuda;
3. are not in the United States and are not acting (including as nominee or custodian) for the account or benefit of a person in the United States (to the extent such persons hold Shares for the account or benefit of a person in the United States); and
4. are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus to be lodged or registered.

Shareholders who are not Eligible Shareholders are **Ineligible Shareholders**.

The restrictions upon eligibility under the Entitlement Offer arise because of the legal and regulatory requirements in countries other than Australia, New Zealand or Bermuda and the potential costs to the Company of complying with these legal and regulatory requirements compared with the relatively small number of shareholders in those countries, the relatively small number of existing HRN ordinary shares they hold and the relatively low value of New Shares to which those shareholders would otherwise be entitled.

The Company has determined, pursuant to Rule 7.7.1(a) of the ASX Listing Rules and section 9A(3)(a) of the Corporations Act, that it would be unreasonable to make or extend offers to shareholders in certain countries under the Entitlement Offer.


Unfortunately, according to our records, as at the date of this letter, you do not satisfy the eligibility criteria for an Eligible Shareholder stated above. If your registered address remains unchanged on the Record Date, you will not be eligible to participate in the Entitlement Offer. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3)(b) of the Corporations Act, the Company wishes to advise you that it will not be extending the Entitlement Offer to you and you will not be able to subscribe for New Shares under the Entitlement Offer. You will not be sent the documents relating to the Entitlement Offer.

Although you will not be entitled to participate in the Entitlement Offer, the Company will appoint a sale nominee to arrange for the sale of the entitlements that would otherwise have been offered to Ineligible Shareholders had they not been Ineligible Shareholders. The Company will transfer the entitlements of each Ineligible Shareholder to the sale nominee who will account to that Ineligible Shareholder for the net proceeds (if any) of the sale of the entitlements attributable to that Ineligible Shareholder. In your case and with respect to any net proceeds, a cheque in Australian dollars will be sent to your address as it appears in the records of the Company's share registry. The sale nominee will have absolute and sole discretion to determine the price for which the entitlements of Ineligible Shareholders may be sold so that a premium over the expenses of their sale can be made, as well as the timing and manner of such sale. Neither the Company nor the sale nominee will be subject to any liability to Ineligible Shareholders for failure to sell the Ineligible Shareholder entitlements or to sell them at a particular price.

If as a result of the sale nominee offering to sell or being invited to sell the entitlements of Ineligible Shareholders, the sale nominee forms the reasonable opinion that there is not a viable market for the entitlements or a surplus of sale proceeds over expenses from the sale cannot be obtained for the entitlements that would otherwise have been offered to the Ineligible Shareholders then the unexercised entitlements will be allowed to lapse. In such circumstances, no money will be payable to Ineligible Shareholders and you will be informed accordingly in writing.

If you have any queries in relation to the Entitlement Offer, please do not hesitate to contact the Company Secretary +61 8 9336 3388.

Yours faithfully



Trevor O'Connor

Company Secretary

Important Notices

This notice is issued by Horizon Gold Limited. This notice is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation or recommendation to subscribe for, retain or purchase any securities in HRN in any jurisdiction. This letter does not constitute financial product advice and does not and will not form part of any contract for the acquisition of HRN ordinary shares.

This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or any other country. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia, New Zealand or Bermuda. In particular, the New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold to persons in the United States except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

The provision of this document is not, and should not be considered as, a securities recommendation or financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. Before acting on the information, you should consider the appropriateness of the information, having regard to your objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your stockbroker, accountant, taxation adviser, financial adviser or other professional adviser.

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