

RENOUNCEABLE ENTITLEMENT ISSUE – SHORTFALL ALLOCATION POLICY CLARIFICATION

Horizon Gold Limited ('HRN' or the 'Company') refers to its Renounceable Entitlement Issue Offer Booklet released on 29 July 2020 and provides the following clarification in relation to the allocation policy which will be applied to shortfall shares.

The Company reserves the right to allocate any entitlement not applied for under the renounceable entitlement offer ('Offer') at its absolute discretion (including to third parties who are not shareholders), subject to the Corporations Act and Listing Rules. The Company intends to apply the following allocation policy when allocating shortfall shares:

- (a) the shortfall shares will only be issued to the extent there are sufficient new shares from eligible shareholders who do not take up their full entitlements or from new shares that would have been offered to ineligible shareholders if they had been entitled to participate in the Offer;
- (b) where the directors consider it is in the best interests of the Company to allocate any portion of the shortfall shares to a particular applicant or to particular applicants in order to maximise the total funds raised from the Offer, the directors may do so;
- (c) subject to the above, the directors will generally endeavour to allocate the shortfall shares in a manner which is fair to applicants;
- (d) the directors will not allocate or issue shortfall shares, where it is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant legislation or law;
- (e) applications for shortfall shares may be scaled back on a pro rata basis, which will be applied by the Company at the Company's discretion; and
- (f) the directors may reject any application for shortfall shares or allocate fewer shortfall shares than applied for by applicants, in which case any excess application money will be refunded without interest.



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This announcement has been authorised for issue by Mr Trevor O'Connor, Company Secretary, Horizon Gold Limited.