

RENOUNCEABLE ENTITLEMENT ISSUE TO RAISE UP TO \$7.0M

HIGHLIGHTS

- Renounceable Entitlement Offer of one new share for every 4.4 shares held at a price of \$0.35 per share to raise up to A\$7.0M.
- Major shareholder, Zeta Resources Limited, and the Directors of Horizon, all intend to take up their Entitlements in full for a combined amount of approximately \$5.0M.
- Funds to be directed towards a major drill program at the Gum Creek Gold Project in WA which will commence early in the June quarter 2021.

Information about the use of proceeds from the Offer

Horizon Gold Limited (“**Horizon**” or the “**Company**”) is pleased to announce a one (1) for four point four (4.4) Renounceable Entitlement Issue (“**the Issue**”) at \$0.35 per share, to raise up to approximately \$7.0 million. Major shareholder, Zeta Resources Limited, and the Directors of Horizon, all intend to take up their Entitlements in full for a combined amount of approximately \$5.0M.

Horizon’s 100% owned Gum Creek Gold Project (“**Gum Creek**” or “**Project**”) presents as an attractive gold investment opportunity with excellent potential to increase the current 1.36Moz Au resource base through further exploration. The project covers over 620km² of continuous tenure within the highly prospective Gum Creek greenstone belt, located about 120 kilometres southeast of Meekatharra.

The Company has recently completed a thorough geological targeting review of previous work at Gum Creek. The review has confirmed the significant exploration opportunity and future development potential of the Project, outlining more than 40 drill targets across Horizon’s tenure.

The management team is implementing a strategy to deliver further value for Shareholders through the safe execution of cost effective exploration programs aimed at growing the existing gold resource base and increasing development optionality. An estimated 15,000m of initial drilling is planned across the top 10 ranked targets and a further 25,000m of drilling across selected targets. This drilling will commence early in the June quarter 2021.

Funds raised from the issue will be used to undertake multiple drilling programs on both greenfields and brownfields targets, further assess the resource development opportunities at Gum Creek and for general working capital purposes.

Key Terms

Key terms of the Offer are set out in the following table.

Nature of Offer	Renounceable Entitlement Issue of New Shares
New Share issue price	\$0.35 per new share
Offer ratio	1 new share for every 4.4 existing shares held on record date
Number of New Shares to be issued	Up to 19,954,260 new shares
Amount to be raised under the Renounceable Entitlement Issue	Up to approximately \$7.0 million before costs of the offer

Eligible Shareholders

Shareholders with registered addresses inside Australia, New Zealand or Bermuda who hold ordinary shares in the Company (“**Existing Shares**”) as at 5.00pm AWDT on 16 March 2021 (“**Eligible Shareholders**”) will be entitled to participate in the Issue.

All Eligible Shareholders will be offered 1 new ordinary share in the Company (“**New Share**”) for every 4.4 Existing Shares held by the Eligible Shareholder, at an issue price of \$0.35 per New Share (Offer). This represents a discount of approximately 14% to the volume weighted average price (VWAP) of Horizon’s shares for the ten trading days before the announcement of 40.47 cents and a discount of approximately 29% to the 30 day VWAP of 49.22 cents.

Key dates

Key dates for the Issue are set out in the following table. The dates are indicative only and Horizon reserves the right to vary them, subject to the Corporations Act 2001 (“**Act**”) and the ASX Listing Rules

Announcement of Renounceable Entitlement Issue and Cleansing Statement given to ASX	10 March 2021
Entitlement trading commences and Shares are quoted on a deferred settlement basis	15 March 2021
Record date for determining entitlements to New Shares	16 March 2021
Invitation to participate in Entitlement Issue and Entitlement Acceptance Forms dispatched to Eligible Shareholders	19 March 2021
Entitlement trading ends	31 March 2021
Closing Date and final time for receipt of Entitlement and Acceptance Forms and payment in full for New Shares	9 April 2021
Issue of New Shares	16 April 2021
Holding Statements dispatched to Shareholders and commencement of trading	19 April 2021

Information provided in relation to the Entitlement Issue

The Issue is being made without disclosure to investors under Part 6D.2 of the Act, in accordance with section 708AA of the Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84).

Eligible Shareholders will not receive a prospectus in relation to the Issue but will receive a written invitation providing details on how to take up their entitlement under the Offer. Any decision to acquire New Shares should only be made after making independent enquiries and consulting relevant professional advisers, such as stockbrokers, financial advisers, accountants or solicitors. Eligible Shareholders should have regard to publicly available information about Horizon before deciding whether or not to acquire New Shares.

Copies of the Company’s announcements to ASX can be obtained from its website www.horizongold.com.au or from the ASX website www.asx.com.au. The Company’s ASX code is HRN.

Capital structure on completion of the Offer

The exact number of New Shares to be issued may vary and will be dependant on the number of Eligible Shareholders and their entitlements, and the level of acceptances under the Entitlement Issue.



The following table shows the proposed capital structure of the Company on completion of the Entitlement Issue.

Shares	Number ¹
Existing Shares on issue at the date of this announcement	87,798,747
Maximum number of New Shares to be issued under the Offer	19,954,260
Maximum total shares on issue after the Offer ¹	107,753,007

¹ Assumes full acceptance of the offer

Options	Number
Existing Options on issue at the date of this announcement	1,000,000 ²
Maximum number of New Options to be issued under the Offer	-
Maximum total Options on issue after the Offer ¹	1,000,000

² Options are exercisable at 45.3 cents and expire on 14 December 2023

Additional information

New Shares, once issued, will rank equally with the Company's Existing Shares on issue.

The rights and obligations attached to shares in the Company are set out in Horizon's Constitution which may be examined free of charge by appointment between 9.00am and 5.00pm on normal business days at the registered office of the Company at Unit 5, 78 Marine Terrace, Fremantle WA and in certain circumstances, regulated by the Act, the ASX Listing Rules and the general law.

The Directors reserve the right to place sufficient of the shortfall at their absolute discretion (subject to the ASX Listing Rules) to meet the minimum requirements of the Company.

Foreign shareholders

Shareholders with registered addresses outside of Australia, New Zealand and Bermuda are not eligible to participate in the Offer ("**Ineligible Shareholders**").

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.

Enclosure

An Appendix 3B and a cleansing notice pursuant to s708AA(2)(f) of the Corporations Act (Cth) will be released in due course.

This ASX release was authorised by the Board of Horizon.

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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 **1.36 million ounces of gold** (refer to ASX Announcement dated 12 February 2021 titled “Gum Creek Gold Project Resource Update Addendum” to which the Company confirms there has been no changes). 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 with the aim of becoming a stand-alone gold producer.