

A S X R E L E A S E

08 June 2022

CAPITAL MANAGEMENT

Horizon Gold Limited (ASX:HRN) (**Horizon** or the **Company**) is pleased to announce that as part of its capital management strategy it has agreed to deposit surplus cash funds of \$5,400,000 with Zeta Resources Limited (**Zeta**) (the Company's largest shareholder, holding 72.2%) as short-term loans. The loans are unsecured, repayable on call by the Company and accrue interest at a rate of 5.00% per annum.

The \$5,400,000 deposit funds are temporarily surplus to the Company's cash requirements and as such will be loaned to Zeta and recalled as needed for the Company's ongoing exploration programs over the next ~12 months. The short-term loans enable the Company to earn a significantly higher interest rate on these surplus cash funds compared to the interest rate that can be earned on Australian bank term deposits.

The Company advises that all funds lent to Zeta as per the Company's 4 June 2021 ASX Announcement titled "Capital Management" have now been repaid in full, including interest, so the only outstanding balance from Zeta going forward, will be as described above.

As at 31 May 2022, Zeta Resources Limited had Net Tangible Assets of \$304.2 million.

This ASX announcement was authorised for release by the Horizon Board.

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