

24 July 2018

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 JUNE 2018

Key Points

- **Exploration Targets reported for the Premium Lode and Butcherbird Shear. Diamond drilling to test these Targets has commenced**
- Final 1m assay results from resampling of anomalous 4m preliminary samples from RC drilling at Psi Prospect received. Better results include:
 - **6m @ 3.58g/t Au from 149m in GWRC486**
 - **3m @ 3.14g/t Au from 129m in GWRC489**
 - **1m @ 5.71g/t Au from 155m in GWRC483**
- Air Core drilling program (87 holes) completed at Toedter West
- Air Core drilling program (90 holes) due to commence at Wahoo East
- **Cash of \$7.1 million at 30 June 2018**, ensuring a strong balance sheet to fund exploration at Gum Creek, and the evaluation of other development opportunities

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*). The funds raised from the IPO in December 2016 are being used to fund an aggressive exploration program and development studies at Gum Creek.

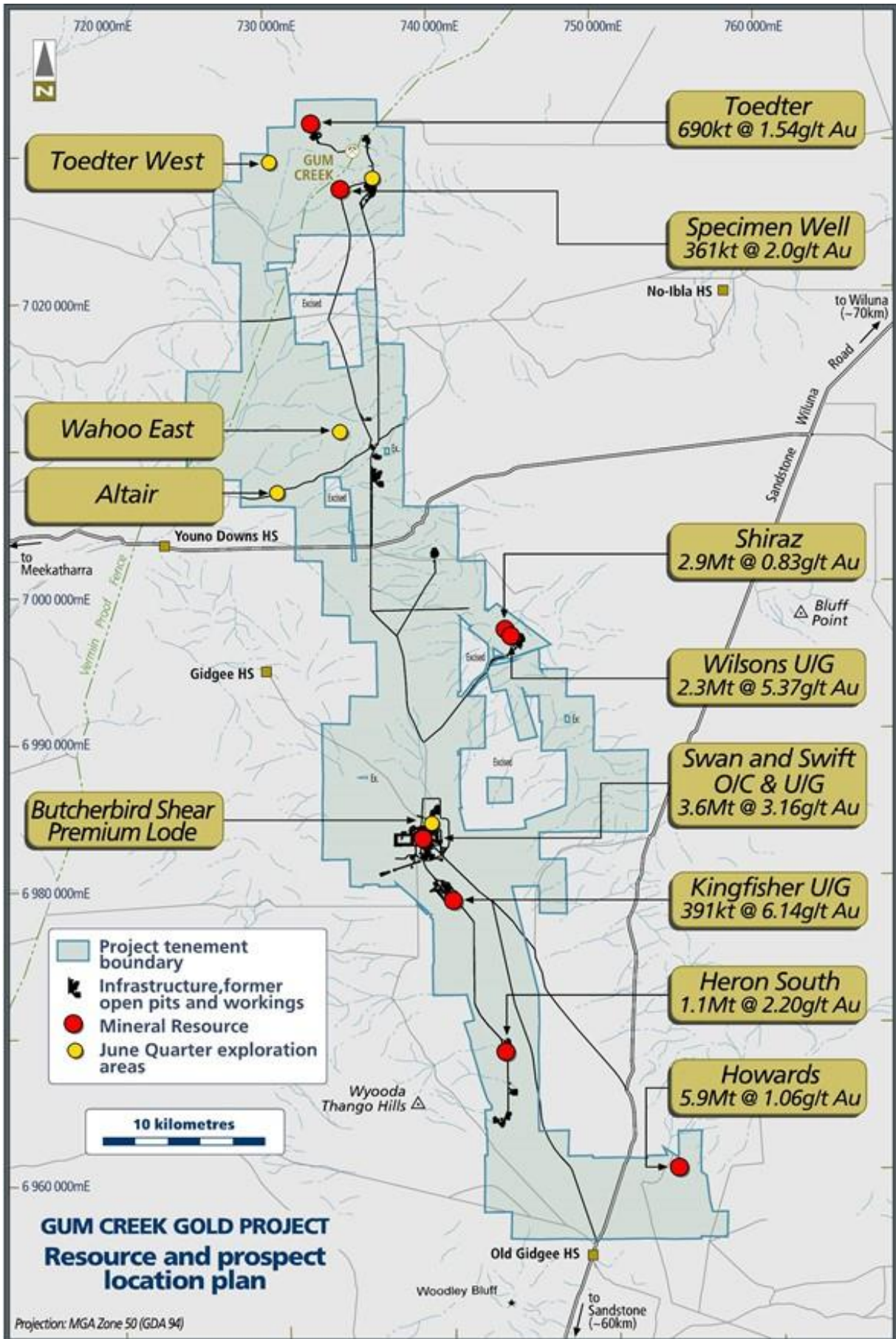
Work Completed - Exploration

The following exploration activities were undertaken during the June 2018 quarter:

- Exploration Targets estimated for Premium Lode and Butcherbird Shear;
- Diamond drilling to test the Premium Lode and Butcherbird Shear Targets commenced, with two holes for 894 metres completed as at 12 July 2018;
- Air Core (AC) drilling at Toedter West completed (87 holes for 2,775 metres);
- Receipt of final 1m assay results from anomalous 4m composite samples received from reverse circulation (RC) drilling at Psi Prospect; and
- Assessment of geochemical drill targets selected by GCXplore Pty Ltd, following a review of the Gum Creek geochemical database.

Prospect locations referred to in this report are shown in Figure 1.

Figure 1: Gum Creek Resource and Prospect Location Plan.



1. Premium Lode and Butcherbird Shear Exploration Targets

High-grade underground Mineral Resources at the Swan deposit currently total 85,800oz of gold (refer to the ASX announcement released by Panoramic Resources Limited (ASX: PAN) on 14 October 2016).

The Company has recently undertaken a reinterpretation of the geological controls on high-grade mineralisation in the Premium Lode and Butcherbird Shear at the northern end of the Swan system. This has **highlighted the potential to significantly increase the underground Mineral Resources in this area with additional exploration drilling.**

Following the geological reinterpretation, **the Company has estimated Exploration Targets of between 30,000oz to 100,000oz contained gold for the Premium Lode and 270,000oz to 800,000oz contained gold for the Butcherbird Shear** (refer to Table 1, Figures 2 and 3).

For details on the assumptions and methodologies used to derive the Exploration Targets, refer to the Company's ASX announcement of 7 June 2018.

Cautionary Statement

The Exploration Targets reported herein are not Mineral Resources. The potential quantity and grade of the Exploration Targets are conceptual in nature, there has been insufficient exploration to determine a Mineral Resource and there is no certainty that further exploration work will result in the determination of Mineral Resources.

Table 1: Premium Lode and Butcherbird Shear Exploration Target ranges and supporting assumptions

Structure	Model Case	Average Thickness (m)	Surpac Volume (m ³)	SG	Tonnage (Mt)	Au Grade (g/t)	Contained Au (koz)
Butcherbird Shear	LOW	4.0	600,000	2.8	1.7	5 - 9	270 - 490
Butcherbird Shear	MID	4.0	800,000	2.8	2.2	5 - 9	360 - 650
Butcherbird Shear	HIGH	4.0	1,000,000	2.8	2.8	5 - 9	450 - 810
Premium Lode	LOW	2.9	90,000	2.8	0.25	4 - 8	30 - 65
Premium Lode	MID	2.9	120,000	2.8	0.34	4 - 8	40 - 85
Premium Lode	HIGH	2.9	150,000	2.8	0.42	4 - 8	50 - 100

Figure 2: Cross-sectional view looking south of the Leapfrog™ 3D geological model showing the interpreted east dipping Premium Lode (green) and west dipping Butcherbird Shear (purple).

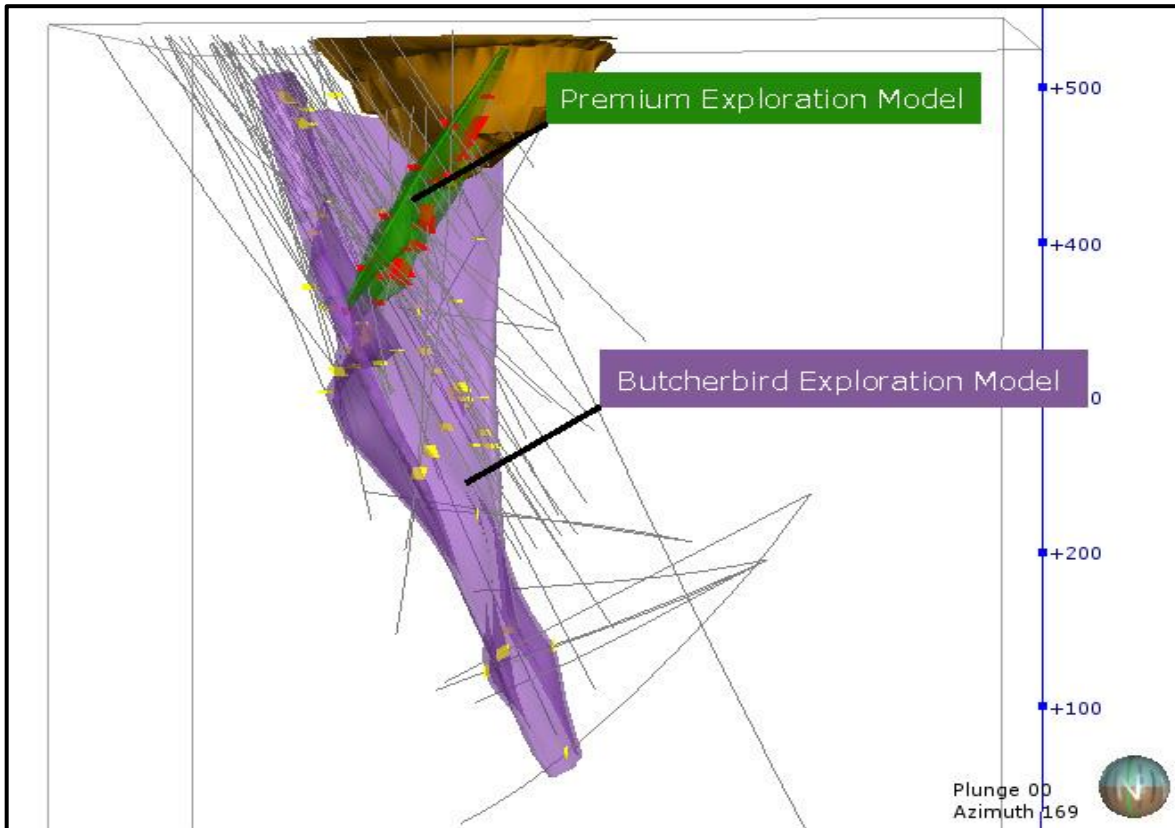
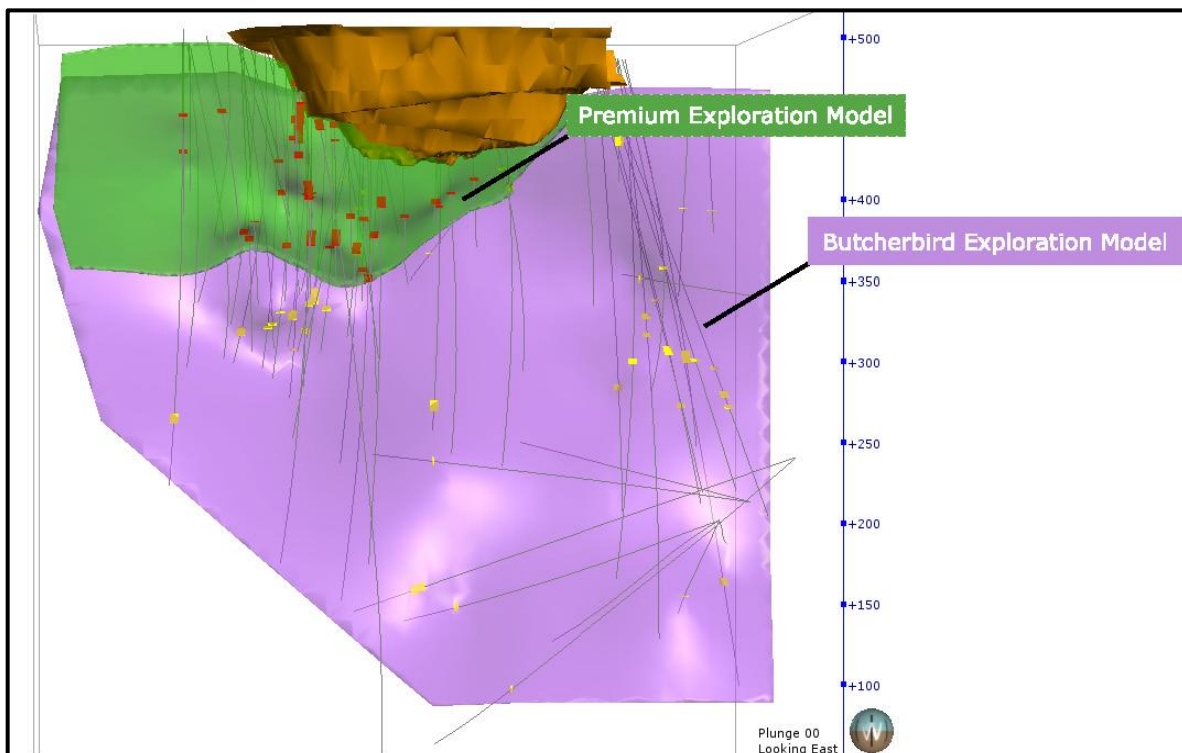


Figure 3: Long-section view looking east of the Leapfrog™ 3D geological model showing the interpreted east dipping Premium Lode (green) and west dipping Butcherbird Shear (purple).



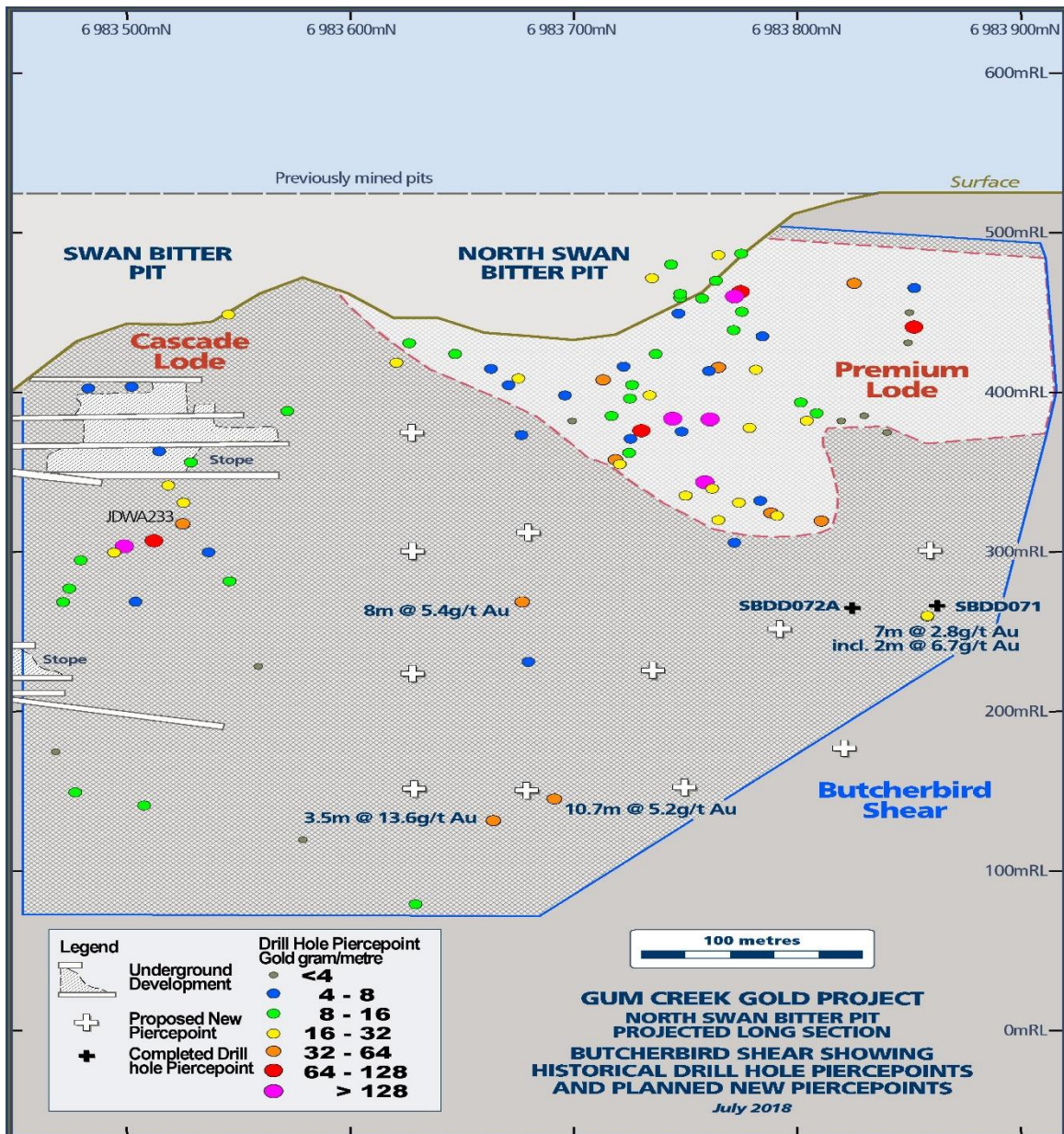
2. Diamond Drilling

An initial diamond drill program of 12 holes totalling 4,200m on the Premium Lode and Butcherbird Shear Exploration Targets commenced in late June 2018. The drill program is expected to take eight weeks to complete.

The aim of the program is to assess the validity of the Exploration Targets by drilling a broad spread of holes to test and support the predicted thickness and grade of the models in those areas.

As at 12 July 2018, two holes have been completed (SBDD071 and SBDD072A). Excessive deviation of the RC pre-collars on the first two holes resulted in these holes piercing the target position deeper than anticipated. Future hole set-ups will be adjusted to compensate for the expected additional deviation. Logging and sampling are in progress. Proposed and completed drill-hole locations are shown in Figure 4 and hole co-ordinates are reported in *Appendix 2 - Table 1*.

Figure 4: Long section looking west showing drill-hole pierce points testing the Butcherbird Shear and Premium Lode.



3. Air Core (AC) Drilling

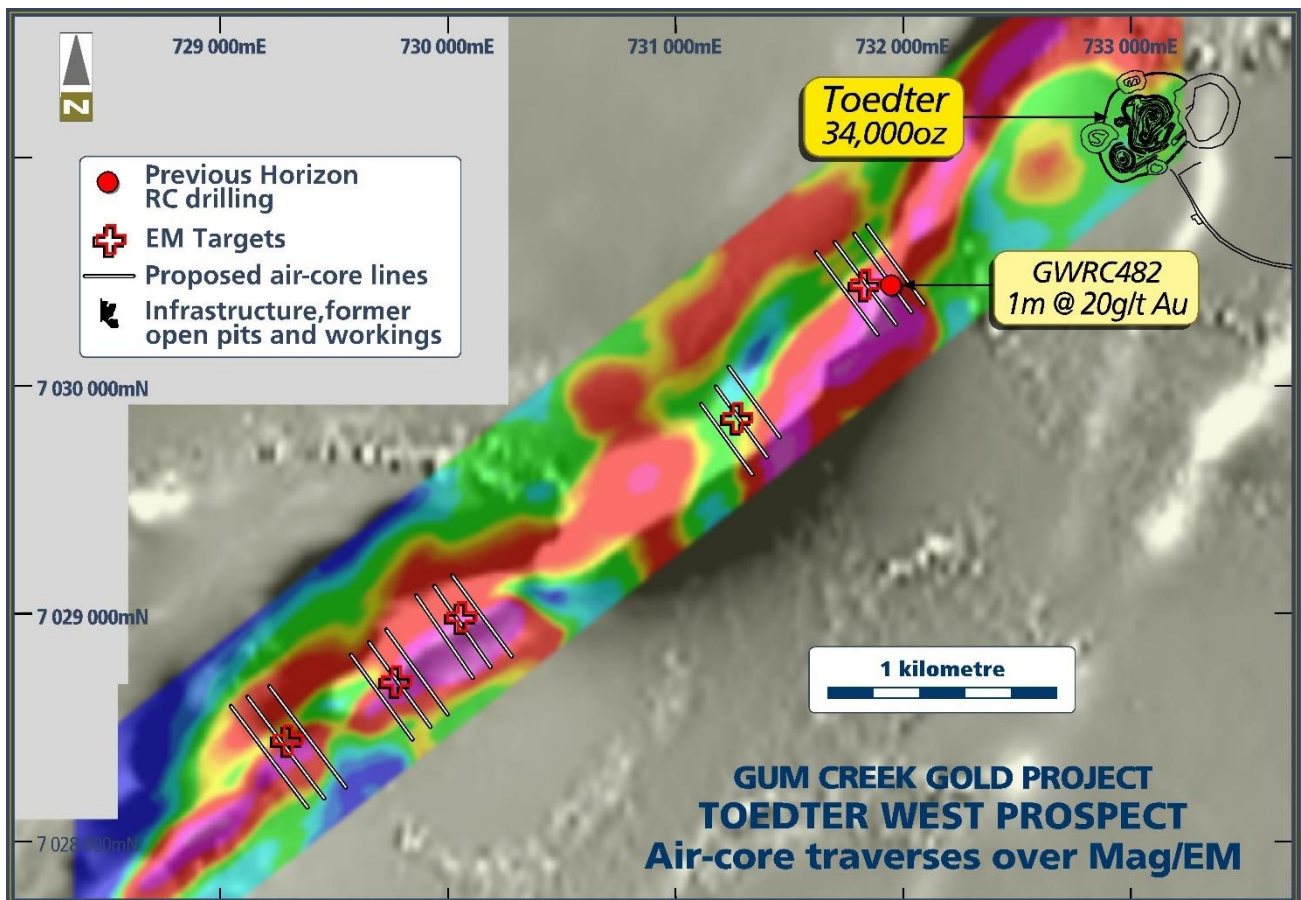
An AC drilling program of the Toedter West prospect area commenced on 21 June 2018 and was completed on 11 July 2018. Toedter West is a series of small coincident magnetic and electromagnetic geophysical targets over a strike length of 6km. These targets were interpreted by the Company to be possible sulphide-bearing banded iron formations (BIF) prospective for gold mineralisation.

A single RC hole (GWRC482) drilled at Toedter West by the Company in 2017 intersected **1m @ 20.6g/t Au from 133m** (refer to the Company's ASX announcement of 21 December 2017). At the eastern end of the target is the Toedter prospect, which has an existing Mineral Resource of 34,200oz (refer to the Company's IPO Prospectus submitted to ASIC on 21 October 2016).

A total of 87 holes for 2,775 drill metres was completed at Toedter West in the current program. Samples have been submitted for analysis, with results expected in late July 2018. Drill hole traverse locations are shown in Figure 5 and hole co-ordinates are reported in *Appendix 2 - Table 2*.

An AC drilling program is about to commence at the Wahoo East prospect; interpreted from magnetics as an untested shear zone that has been intruded by a late granitic body. A total of 90 drill holes are planned to test this target. Drilling is expected to take three weeks, with assay results expected by mid-August.

Figure 5: Plan of Toedter West Prospect showing air-core drilling traverses on coloured EM conductivity and greyscale magnetics



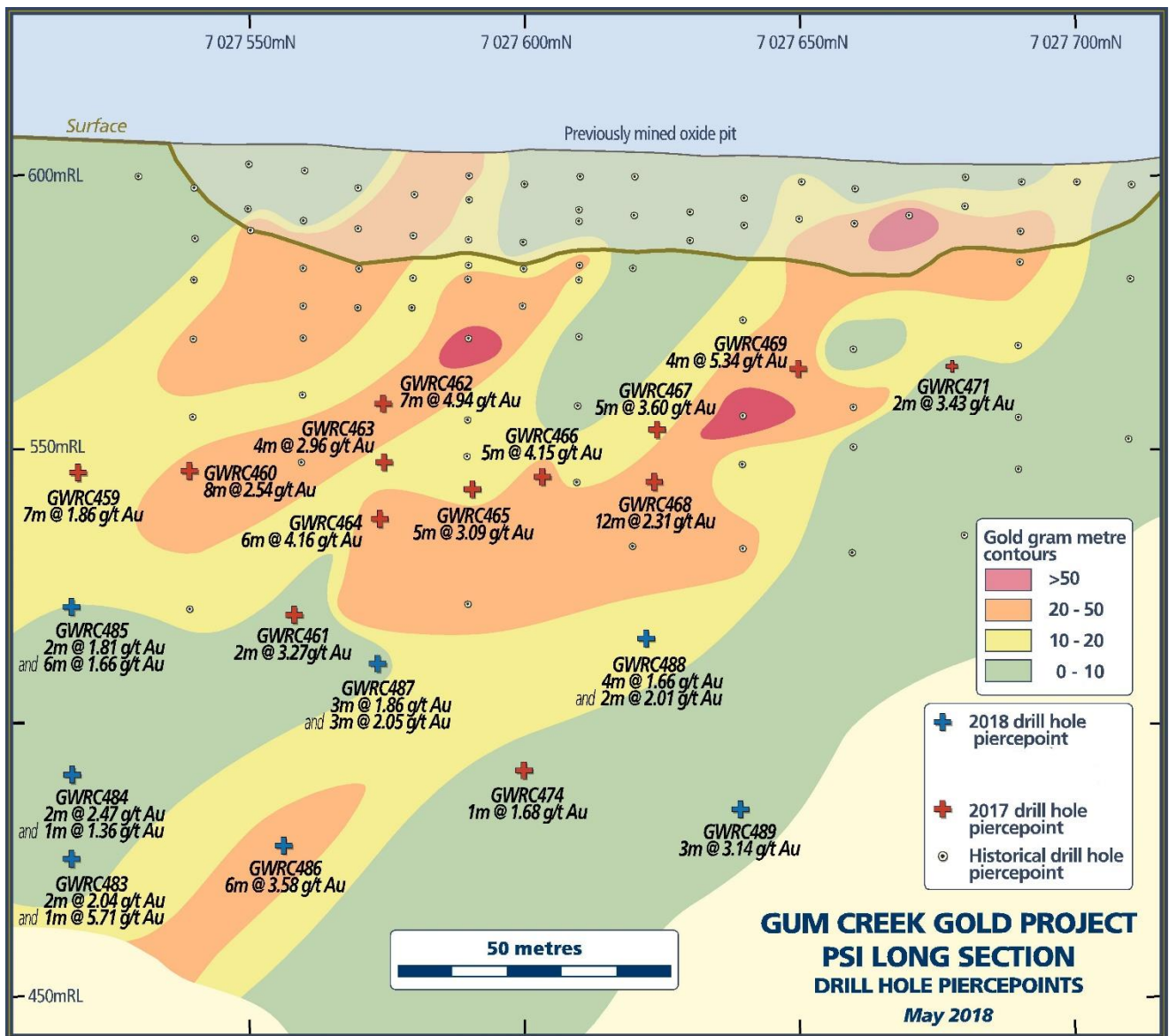
4. Reverse Circulation (RC) Drilling

In the March 2018 quarterly report (refer to the Company's ASX announcement of 26 April 2018), the Company released the 4m composite assay results for seven RC holes completed at Psi. Assay results for the 1m RC split samples that were submitted for analysis after receipt of anomalous 4m composite results were received and reported on 7 June 2018 (refer to the Company's ASX announcement of 7 June 2018). Better assay results for the RC drilling at Psi included:

- 6m @ 3.58g/t Au from 149m in GWRC486;
- 3m @ 3.14g/t Au from 129m in GWRC489; and
- 1m @ 5.71g/t Au from 155m in GWRC483.

These latest Psi drill results confirm the shallow southward plunge of the Psi mineralisation, with the mineralisation remaining open at depth and to the south (Figure 6).

Figure 6: Psi Prospect long-section looking west showing final 1m drill intercepts from the March 2018 quarter drill program.



5. Geochemical Review

In late 2017, GCXplore Pty Ltd conducted a comprehensive review of the Gum Creek geochemical database, which contains over 81,000 surface samples and 70,000 drill holes. In April 2018, GCXplore completed its review, which resulted in seven prioritised drill targets for future testing.

During the quarter, the Company completed its assessment of these targets and the cost estimate of an AC drill program (250 holes for 12,500 drill metres) to test these targets. The targets are not considered a high priority, and it was agreed to defer the drill program until a later date.

Proposed Work – September 2018 Quarter

Priority work programs for the September 2018 quarter include:

- Completing the diamond drilling program on the Premium and Butcherbird Shear Exploration Targets and incorporate results into a revised geological model;
- Completing the AC drilling program at Wahoo East;
- Analysing results from Wahoo East and Toedter West drill programs; and
- Generating additional gold and base-metal targets for testing.

Corporate

As at 30 June 2018, the Company's cash position was \$7.1 million.

The Company made payments during the quarter totalling \$0.59 million, as detailed in the accompanying Appendix 5B.

The Company remains fully funded for its exploration activities at Gum Creek and is in a strong financial position to evaluate complementary project opportunities.

The status of the Horizon Group mining tenements as at 30 June 2018 are detailed in Appendix 1.

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**. 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.

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Previously reported information

This announcement contains references to exploration results, Exploration Targets 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 Targets and 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, 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:

(a) Horizon Group Mining Tenements held as at 30 June 2018

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	
E53/1273	Gidgee	Gum Creek	Granted	07-Jan-20	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	
E53/1955	Gidgee	Gum Creek	Granted	13-Jan-20	PAN GOLD	100%	All	
E57/1093	Gidgee	Gum Creek	Application	n/a	PAN GOLD	100%	All	17-Apr-18
E57/1094	Gidgee	Gum Creek	Application	n/a	PAN GOLD	100%	All	17-Apr-18
E57/1099	Gidgee	Gum Creek	Application	n/a	PAN GOLD	100%	All	27-Jun-18
E57/1100	Gidgee	Gum Creek	Application	n/a	PAN GOLD	100%	All	27-Jun-18
E57/676	Gidgee	Gum Creek	Granted	13-Jan-20	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	

Lease	Location	Area of Interest	Status	Expiry Date	Holder	Horizon's Interest	Mineral Rights	Application Date
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	
M53/252	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	
P53/1581	Gidgee	Gum Creek	Granted	04-Oct-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
E57/1093, Gidgee	Application	-	100%
E57/1094, Gidgee	Application	-	100%
E57/1099, Gidgee	Application	-	100%
E57/1100, Gidgee	Application	-	100%

(c) Beneficial percentage interest held in farm-in or farm-out during the June 2018 Quarter

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

Appendix 2

Table 1: Summary of diamond drilling results

Prospect	Hole ID	East	North	RL	Dip	Azi	EOH	From	To	Intercept
Premium / Butcherbird	SBDD071	739230	6983855		60.7	269	500.0			Results awaited
Premium / Butcherbird	SBDD072A	739286	6983820		57.7	270	393.7			Results awaited

Table 2: Summary of air core drilling results

Prospect	Hole ID	East	North	RL	Dip	Azi	EOH	From	To	Intercept
Toedter West	GPAC1348	731861	7030562		60	320	58.0			Results awaited
Toedter West	GPAC1349	731885	7030530		60	320	81.0			Results awaited
Toedter West	GPAC1350	731909	7030498		60	320	66.0			Results awaited
Toedter West	GPAC1351	731933	7030466		60	320	26.0			Results awaited
Toedter West	GPAC1352	731957	7030433		60	320	15.0			Results awaited
Toedter West	GPAC1353	731828	7030539		60	320	79.0			Results awaited
Toedter West	GPAC1354	731852	7030506		60	320	57.0			Results awaited
Toedter West	GPAC1355	731876	7030474		60	320	55.0			Results awaited
Toedter West	GPAC1356	731900	7030441		60	320	32.0			Results awaited
Toedter West	GPAC1357	731924	7030409		60	320	13.0			Results awaited
Toedter West	GPAC1358	731795	7030515		60	320	65.0			Results awaited
Toedter West	GPAC1359	731819	7030483		60	320	68.0			Results awaited
Toedter West	GPAC1360	731843	7030450		60	320	72.0			Results awaited
Toedter West	GPAC1361	731867	7030418		60	320	26.0			Results awaited
Toedter West	GPAC1362	731762	7030490		60	320	65.0			Results awaited
Toedter West	GPAC1363	731786	7030458		60	320	66.0			Results awaited
Toedter West	GPAC1364	731810	7030426		60	320	64.0			Results awaited
Toedter West	GPAC1365	731834	7030394		60	320	44.0			Results awaited
Toedter West	GPAC1366	731858	7030362		60	320	22.0			Results awaited
Toedter West	GPAC1367	731730	7030467		60	320	54.0			Results awaited
Toedter West	GPAC1368	731754	7030434		60	320	60.0			Results awaited
Toedter West	GPAC1369	731778	7030402		60	320	42.0			Results awaited
Toedter West	GPAC1370	731802	7030370		60	320	29.0			Results awaited
Toedter West	GPAC1371	731826	7030337		60	320	26.0			Results awaited
Toedter West	GPAC1372	731891	7030385		60	320	27.0			Results awaited
Toedter West	GPAC1373	731927	7030401		60	320	29.0			Results awaited
Toedter West	GPAC1374	731955	7030437		60	320	28.0			Results awaited
Toedter West	GPAC1375	731254	7029949		60	320	60.0			Results awaited

Prospect	Hole ID	East	North	RL	Dip	Azi	EOH	From	To	Intercept
Toedter West	GPAC1376	731278	7029916		60	320	59.0			Results awaited
Toedter West	GPAC1377	731302	7029884		60	320	60.0			Results awaited
Toedter West	GPAC1378	731326	7029852		60	320	56.0			Results awaited
Toedter West	GPAC1379	731350	7029820		60	320	26.0			Results awaited
Toedter West	GPAC1380	731222	7029924		60	320	61.0			Results awaited
Toedter West	GPAC1381	731246	7029892		60	320	49.0			Results awaited
Toedter West	GPAC1382	731270	7029860		60	320	56.0			Results awaited
Toedter West	GPAC1383	731294	7029828		60	320	46.0			Results awaited
Toedter West	GPAC1384	731318	7029796		60	320	39.0			Results awaited
Toedter West	GPAC1385	731190	7029900		60	320	60.0			Results awaited
Toedter West	GPAC1386	731214	7029868		60	320	50.0			Results awaited
Toedter West	GPAC1387	731238	7029836		60	320	48.0			Results awaited
Toedter West	GPAC1388	731262	7029804		60	320	50.0			Results awaited
Toedter West	GPAC1389	731286	7029772		60	320	70.0			Results awaited
Toedter West	GPAC1390	730044	7029068		60	320	3.0			Results awaited
Toedter West	GPAC1391	730068	7029036		60	320	15.0			Results awaited
Toedter West	GPAC1392	730092	7029004		60	320	21.0			Results awaited
Toedter West	GPAC1393	730116	7028972		60	320	3.0			Results awaited
Toedter West	GPAC1394	730140	7028940		60	320	5.0			Results awaited
Toedter West	GPAC1395	730012	7029044		60	320	14.0			Results awaited
Toedter West	GPAC1396	730036	7029012		60	320	18.0			Results awaited
Toedter West	GPAC1397	730060	7028980		60	320	7.0			Results awaited
Toedter West	GPAC1398	730084	7028948		60	320	2.0			Results awaited
Toedter West	GPAC1399	730108	7028916		60	320	2.0			Results awaited
Toedter West	GPAC1400	729980	7029021		60	320	7.0			Results awaited
Toedter West	GPAC1401	730004	7028988		60	320	29.0			Results awaited
Toedter West	GPAC1402	730028	7028956		60	320	11.0			Results awaited
Toedter West	GPAC1403	730052	7028924		60	320	8.0			Results awaited
Toedter West	GPAC1404	730076	7028891		60	320	3.0			Results awaited
Toedter West	GPAC1405	729764	7028788		60	320	28.0			Results awaited
Toedter West	GPAC1406	729788	7028756		60	320	14.0			Results awaited
Toedter West	GPAC1407	729812	7028724		60	320	13.0			Results awaited
Toedter West	GPAC1408	729836	7028692		60	320	4.0			Results awaited
Toedter West	GPAC1409	729860	7028660		60	320	9.0			Results awaited
Toedter West	GPAC1410	729732	7028764		60	320	34.0			Results awaited

Prospect	Hole ID	East	North	RL	Dip	Azi	EOH	From	To	Intercept
Toedter West	GPAC1411	729756	7028732		60	320	35.0			Results awaited
Toedter West	GPAC1412	729780	7028700		60	320	4.0			Results awaited
Toedter West	GPAC1413	729804	7028668		60	320	4.0			Results awaited
Toedter West	GPAC1414	729828	7028636		60	320	10.0			Results awaited
Toedter West	GPAC1415	729700	7028740		60	320	34.0			Results awaited
Toedter West	GPAC1416	729724	7028708		60	320	19.0			Results awaited
Toedter West	GPAC1417	729748	7028676		60	320	10.0			Results awaited
Toedter West	GPAC1418	729772	7028644		60	320	23.0			Results awaited
Toedter West	GPAC1419	729796	7028612		60	320	18.0			Results awaited
Toedter West	GPAC1420	729284	7028538		60	320	24.0			Results awaited
Toedter West	GPAC1421	729308	7028506		60	320	15.0			Results awaited
Toedter West	GPAC1422	729332	7028474		60	320	22.0			Results awaited
Toedter West	GPAC1423	729356	7028442		60	320	3.0			Results awaited
Toedter West	GPAC1424	729380	7028410		60	320	2.0			Results awaited
Toedter West	GPAC1425	729254	7028514		60	320	25.0			Results awaited
Toedter West	GPAC1426	729254	7028482		60	320	52.0			Results awaited
Toedter West	GPAC1427	729254	7028450		60	320	21.0			Results awaited
Toedter West	GPAC1428	729254	7028418		60	320	6.0			Results awaited
Toedter West	GPAC1429	729254	7028386		60	320	2.0			Results awaited
Toedter West	GPAC1430	729220	7028490		60	320	28.0			Results awaited
Toedter West	GPAC1431	729244	7028458		60	320	53.0			Results awaited
Toedter West	GPAC1432	729268	7028426		60	320	25.0			Results awaited
Toedter West	GPAC1433	729292	7028394		60	320	28.0			Results awaited
Toedter West	GPAC1434	729316	7028362		60	320	3.0			Results awaited