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REGISTRATION OF SCHEME BOOKLET WITH ASIC

Poseidon Nickel Limited (ASX: POS) (**POS**) and Horizon Minerals Limited (ASX: HRZ) (**HRZ**) refer to the announcements on:

- 25 October 2024 in relation to the proposed merger between POS and HRZ to be conducted by way of schemes of arrangement under the *Corporations Act 2001* (Cth), whereby HRZ will acquire 100% of the fully paid ordinary shares in POS (**Share Scheme**) and 100% of the options in POS under the code "POSAAB" (**Option Scheme**, and together with the Share Scheme, the **Schemes**), subject to the satisfaction of various conditions; and

- 23 December 2024 regarding the issuance of orders made by the Supreme Court of Western Australia approving dispatch of the Scheme Booklet to POS securityholders and the convening of the meetings of POS shareholders and POSAAB option holders, respectively, to consider and vote on the proposed Schemes (**Scheme Meetings**).

POS and HRZ are pleased to advise that Australian Securities and Investments Commission (**ASIC**) has registered the Scheme Booklet relating to the Schemes.

The Independent POS Directors[1] unanimously recommend that POS securityholders vote in favour of the Schemes, in the absence of a superior proposal, and subject to the Independent Expert continuing to opine that the Schemes are in the best interests of POS securityholders. The Independent POS Directors intend to vote all POS shares and POSAAB options held by them in favour of the Schemes, in the absence of a superior proposal and subject to the Independent Expert continuing to opine that the Scheme is in the best interests of POS securityholders.

DISPATCH OF SCHEME BOOKLET

The Scheme Booklet will be dispatched to POS securityholders on 2 January 2025.

POS securityholders who have elected to receive communications electronically will receive an email containing instructions on how the Scheme Booklet can be viewed or downloaded, as well as instructions on how to lodge their proxy form for the Scheme Meetings online.

POS securityholders who have not elected to receive communications electronically will be sent a notice of access and instructions on how the Scheme Booklet and proxy form can be viewed or downloaded online.

[1] The POS directors who consider themselves to be independent of HRZ are Mr Peter Harold (Non-Executive Chairman) and Mr Peter Muccilli (Non-Executive Director) (**Independent POS Directors**). Mr Warren Hallam is a Non-Executive Director of both HRZ and POS. As a result of his common directorship between POS and HRZ and the nature of the benefit proposed to be received by him if the Schemes are implemented, Mr Hallam removed himself from negotiations and deliberations concerning the Schemes (including, the decision by the Independent POS Directors to enter into the Scheme Implementation Deed).

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POS securityholders may request a printed copy of the Scheme Booklet and proxy form by calling POS' company secretary, Ms Andrea Betti, on +61 8 6167 6600, or via email at admin@poseidon-nickel.com.au.

A copy of the Scheme Booklet will be available for viewing and downloading on the POS' website at www.poseidon-nickel.com.au/scheme and POS' and HRZ's ASX Announcement platform at www.asx.com.au (ASX:POS | ASX:HRZ).

Steinepreis Paganin is acting as legal advisors to POS and Allen Overy Shearman Sterling are acting as legal advisors to HRZ.

This announcement has been approved for release by the Board of Directors of Horizon Minerals Limited and Poseidon Nickel Limited.

For further information, please contact:

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POSEIDON NICKEL LIMITED

ACN 060 525 206

Scheme Booklet

for a scheme of arrangement in relation to the proposed acquisition of all your fully paid ordinary shares in Poseidon Nickel Limited by Horizon Minerals Limited and related option scheme of arrangement

Your Independent POS Directors recommend[1] that, in the absence of a Superior Proposal, you

VOTE IN FAVOUR

of the Merger with

Horizon Minerals Limited

ACN 007 761 186

The Independent Expert has concluded that, in the absence of a Superior Proposal, the Share Scheme is not fair but reasonable and is in the best interests of POS Shareholders and that the Option Scheme is not fair but reasonable and is in the best interests of POS Optionholders.

This is an important document and requires your prompt attention. You should read it in its entirety before you decide how to vote on the Schemes. If you are in doubt as to what you should do, you should consult your legal, financial or other professional adviser.

Legal Adviser to POS

STEINEPREIS PAGANIN

Legal Adviser to HRZ

A&O SHEARMAN

[1] In respect of the recommendations of Mr Harold and Mr Muccilli, POS Securityholders should have regard to the fact that, if the Schemes are implemented, Mr Harold and Mr Muccilli will each receive various personal benefits as further detailed in the Section titled “Important Information Regarding Directors’ Interests and Common Directorship” on page v of this Scheme Booklet.

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Important information

This Scheme Booklet contains important information

The purpose of this Scheme Booklet is to explain the terms of the Schemes, the manner in which the Schemes will be considered and implemented (if the Scheme Conditions are satisfied or waived), and to provide such information as is prescribed or otherwise material for POS Securityholders when deciding whether or not to vote in favour of the Schemes. This document includes the explanatory statement required by section 412(1) of the Corporations Act in relation to the Schemes. You should read this document in its entirety before making a decision on whether or not to vote in favour of the Schemes.

Investment decisions

This Scheme Booklet is for POS Securityholders collectively and does not take into account an individual's investment objectives, financial situation, taxation position or other particular needs.

This Scheme Booklet should not be relied upon as the sole basis for any investment decision in relation to the Schemes, POS Securities or HRZ Securities. If you are in any doubt about what you should do, you should seek independent legal, financial or other professional advice before making any investment decision in relation to the Schemes.

Responsibility for information

The information concerning the POS Group contained in this Scheme Booklet, including financial information and information as to the views and recommendations of the Independent POS Directors, has been provided by POS and is the responsibility of POS. Neither HRZ, nor its advisers, nor the advisers of POS assume any responsibility for the accuracy or completeness of that information.

The HRZ Information has been provided by HRZ and is the responsibility of HRZ. Neither POS, nor its advisers, nor the advisers of HRZ assume any responsibility for the accuracy or completeness of that information.

BDO Corporate Finance Australia Pty Ltd has prepared the Independent Expert's Report set out in Annexure A of this Scheme Booklet and takes responsibility for that report. HRZ, POS and their respective advisers do not assume any responsibility for the accuracy or completeness of the Independent Expert's Report.

Role of ASIC, ASX, and the Court

A copy of this Scheme Booklet has been examined by ASIC pursuant to section 411(2)(b) of the Corporations Act and lodged with, and registered by, ASIC under section 412(6) of the Corporations Act. POS has requested ASIC provides statements, in accordance with section 411(17)(b) of the Corporations Act, that ASIC has no objection to the Schemes. If ASIC provides those statements, they will be produced to the Court on the Second Court Date.

A copy of this Scheme Booklet has been lodged with ASX.

Neither ASIC, ASX nor any of their officers takes any responsibility for the contents of this Scheme Booklet.

The Court is not responsible for the contents of this Scheme Booklet and, the fact that under section 411(1) of the Corporations Act the Court ordered on 23 December 2024 that meetings of POS Securityholders be convened by POS to consider and vote on the Schemes and has approved the Scheme Booklet does not mean that the Court:

(a) has formed any view as to the merits of the proposed Schemes or as to how POS Securityholders should vote (on this matter, POS Securityholders must reach their own decision); and

(b) has prepared, or is responsible for, the content of this Scheme Booklet.

Forward-looking statements

This Scheme Booklet contains both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. The statements contained in this Scheme Booklet about the advantages and disadvantages expected to result from the Schemes are forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of POS, HRZ and/or the Combined Group to be materially different from future results, performance or achievements expressed or implied by such statements. The operations and financial performance of POS, HRZ and/or the Combined Group and the change of a Scheme Participant's ownership of POS securities and HRZ securities are subject to various risks that are summarised in Section 10 of this Scheme Booklet and that may be beyond the control of POS, HRZ and/or the Combined Group.

As a result, POS' actual results of operations and earnings and those of HRZ and the Combined Group following implementation of the Schemes, as well as the actual advantages and disadvantages of the Schemes, may differ significantly from those that are anticipated in respect of timing, amount or nature and may never be achieved.

The forward-looking statements included in this Scheme Booklet reflect views only as of the date of this Scheme Booklet. None of POS, HRZ, the POS Directors or the HRZ Directors or any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Scheme Booklet will actually occur and you are cautioned not to place undue reliance on such forward-looking statements.

All written and oral forward-looking statements attributable to POS or HRZ or any person acting on their behalf are qualified by this cautionary statement. Subject to any continuing obligations under the ASX Listing Rules or the Corporations Act, neither POS nor HRZ give any undertaking to update or revise any such statements after the date of this Scheme Booklet to reflect any change in expectations in relation thereto or any change in events, conditions or circumstances on which any such statement is based.

Notice to POS Shareholders in New Zealand

This Scheme Booklet is not a New Zealand disclosure document and has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the Financial Markets Conduct Act 2013 or any other New Zealand law. The offer of New HRZ Shares under the Share Scheme is being made to existing shareholders of POS in reliance upon the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 and, accordingly, this Scheme Booklet may not contain all the information that a disclosure document is required to contain under New Zealand law. It is a term of the offer of the New HRZ Shares to New Zealand resident shareholders of POS that such offer will comply with the laws of Australia and other requirements relating to the offer of the New HRZ Shares applicable in Australia.

Notice to POS Optionholders in New Zealand

This Scheme Booklet and the information contained in or accompanying this Scheme Booklet: (i) are not, and are under no circumstances to be construed as, an offer of New HRZ Options to any person who requires disclosure under Part 3 of the Financial Markets Conduct Act 2013 (the **FMC Act**); and (ii) are not a product disclosure statement or disclosure document under the FMC Act and do not contain all the information that a product disclosure statement is required to contain under New Zealand law. This Scheme Booklet and the information contained in or accompanying this Scheme Booklet, or any other product disclosure statement, prospectus or similar offering or disclosure document, have not been registered, filed with or reviewed or approved by any New Zealand regulatory authority or under or in accordance with the FMC Act.

Any offer or sale of any New HRZ Options described in this Scheme Booklet and the information contained in or accompanying this Scheme Booklet in New Zealand will be made only in accordance with the FMC Act to a person who: (a) is an investment business as specified in clause 37 of Schedule 1 of the FMC Act; (b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act; (c) is large as defined in clause 39 of Schedule 1 of the FMC Act; (d) is a government agency as defined in clause 40 of Schedule 1 of the FMC Act; or (e) is an eligible investor as defined in clause 41 of Schedule 1 of the FMC Act and has provided HRZ with an eligible investor certificate in compliance with 41, 43 and 46 of Schedule 1 of the FMC Act.

Each person in New Zealand who receives this Scheme Document or acquires any New HRZ Options under the Options Scheme represents and agrees that it: (a) meets the criteria set out in paragraphs (a), (b), (c) or (d) above, and it has provided a safe harbour certificate to HRZ in compliance with clauses 44 and 46 of Schedule 1 of the FMC Act; or (b) meets the criteria set out in paragraph (e) above, and that it has provided an eligible investor certificate to HRZ in compliance with clauses 41, 43 and 46 of Schedule 1 of the FMC Act; and (c) has not distributed and will not distribute, directly or indirectly, the Scheme Booklet, the information contained in or accompanying this Scheme Booklet or offering materials or advertisement in relation to any offer of New HRZ Options.

Ineligible Foreign Shareholders

This Scheme Booklet has been prepared having regard to Australian disclosure requirements. Other countries may have different legislative and regulatory requirements.

Neither this Scheme Booklet nor the Schemes constitute, or are intended to constitute, an offer of securities in any place in which or to any person to whom, the making of such an offer would not be lawful under the laws of any jurisdiction outside Australia and its external territories or New Zealand. POS Shareholders who are not residents of Australia and its external territories or New Zealand should refer to Sections 5.7 and 5.8 of this Scheme Booklet for further information.

No action has been taken to register or qualify the New HRZ Securities or otherwise permit a public offer of such securities in any jurisdiction outside Australia.

Based on the information available to POS, POS Shareholders whose addresses are shown in the register on the record date for the Schemes as being in Australia and New Zealand, and any other jurisdiction in respect of which HRZ reasonably believes that it is not prohibited and not unduly onerous or impractical to issue New HRZ Shares to a POS Shareholder with a registered address in such jurisdiction, will be entitled to receive the Scheme Booklet and have New HRZ Shares issued to them under the Share Scheme.

Nominees, custodians and other POS Securityholders who hold POS Securities on behalf of a beneficial owner resident outside of Australia and New Zealand may not forward this Scheme Booklet (or any accompanying document) to anyone outside these countries without the consent of POS.

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Privacy and Entitlement to inspect POS Registers

Personal information may be collected by POS and HRZ in the process of implementing the Schemes. This information may include the name, contact details, security holding details of POS Securityholders, and the names of individuals appointed to act as proxy, attorney or corporate representative by a POS Securityholder at the Share Scheme Meeting and/or Option Scheme Meeting (as the case may be). The primary purpose for collecting this personal information is to assist POS and HRZ to conduct the Share Scheme Meeting and Option Scheme Meeting and implement the Schemes.

Any personal information collected may be disclosed to POS' and HRZ's respective share registries, advisers, print and mail service providers and related bodies to the extent necessary to effect the Schemes. POS Securityholders are entitled under section 173 of the Corporations Act to inspect and obtain copies of personal information collected. POS Securityholders should contact Automic Pty Ltd (**Automic**) in the first instance if they wish to access their personal information.

Defined terms

Capitalised terms and certain other terms used in this Scheme Booklet are defined in the Glossary of defined terms in Section 15.

The Independent Expert's Report set out in Annexure A has its own defined terms and those terms are sometimes different to the defined terms in the Glossary.

Currency

All references in this Scheme Booklet to "$", "AUD" or "dollar" are references to Australian currency unless otherwise indicated.

Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Scheme Booklet are subject to the effect of rounding. Accordingly, their actual calculation may differ from the calculations set out in this Scheme Booklet.

Reference to time

All references in this document to time relate to the time in Perth, Western Australia, unless otherwise specified.

Date of this document

This document is dated 24 December 2024.

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IMPORTANT INFORMATION REGARDING DIRECTOR INTERESTS AND COMMON DIRECTORSHIP[2]

Summary of the benefits received by POS Directors if the Schemes are implemented:

DIRECTOR	NEW HRZ SHARES	NEW HRZ OPTIONS	IMPLIED VALUE OF NEW HRZ SHARES (based on Horizon's last closing price on the Last Practicable Date)	IMPLIED VALUE OF NEW HRZ OPTIONS (based on HRZ last closing price on the Last Practicable Date)	TOTAL IMPLIED VALUE OF NEW HRZ SHARES AND NEW HRZ OPTIONS (based on the preferred value of a New HRZ Option calculated in Section 14.1 of the Independent Expert's Report)	PERCENTAGE SHAREHOLDING IN HRZ (ON A FULLY DILUTED BASIS)
Mr W Hallam	154,133	12,845	$6,011	$539	6,551	0.01%
Mr P Harold	591,178	49,265	$23,056	$2,069	25,125	0.03%
Mr P Muccilli	132,114	11,010	$5,152	$462	5,615	0.01%

In considering whether to vote in favour of the Schemes, POS Securityholders should have regard to the relationship that the POS Directors have with HRZ and the fact that Mr Warren Hallam is a Non-Executive Director of both HRZ and POS. As set out in Section 6.9 below, Mr Hallam and his associates have a relevant interest in 1,333,334 POS Shares and 111,112 POS Options and no POS Incentive Options or POS Performance Rights (equating to approximately 0.03% of POS on an undiluted basis and 0.03% of POS on a fully diluted basis). Mr Hallam will receive 154,133 New HRZ Shares and 12,845 New HRZ Options if the Schemes are implemented. As a result of his common directorship between POS and HRZ, Mr Hallam removed himself from negotiations and deliberations concerning the Schemes (including, the decision by the Independent POS Directors (defined below) to enter into the Scheme Implementation Deed). Following shareholder approval at HRZ's annual general meeting held on 29 November 2024, on 3 December 2024 Mr Hallam acquired 1,111,111 HRZ Shares in the second tranche of the Horizon placement. Mr Hallam will continue in his position as a Non-Executive Director of HRZ post implementation of the Schemes and will receive directors fees of $70,000 per annum plus superannuation. Mr Hallam does not, and will not, receive any performance-related incentives related to his position as a Non-Executive Director of HRZ.

The POS Directors who consider themselves to be independent of HRZ are Mr Peter Harold (Non-Executive Chairman) and Mr Peter Muccilli (Non-Executive Director) (the **Independent POS Directors**) and the Independent POS Directors make a recommendation on the Schemes. The Independent POS Directors have had significant regard to the conclusion of the Independent Expert in making their recommendation.

The interests of each of the Independent POS Directors in POS and HRZ are set out below and in further detail in Section 6.9 of this Scheme Booklet.

Mr Harold and his associates have a Relevant Interest in 5,113,998 POS Shares, 6,000,000 POS Incentive Options, 426,168 POS Options and 2,481,390 vested POS Performance Rights which are expected to be vested and exercised in full in connection with the Share Scheme (equating to approximately 0.12% of POS on an undiluted basis and 0.32% of POS on a fully diluted basis). It is

[2] The percentage interests in POS are as at the Last Practicable Date (unless noted otherwise).

proposed that the POS Incentive Options held by Mr Harold will be cancelled prior to the Implementation Date for a nominal amount of $6.02.

Mr Muccilli and his associates have a Relevant Interest in 1,142,858 POS Shares, 95,239 POS Options (equating to approximately 0.03% of POS on an undiluted basis and 0.03% of POS on a fully diluted basis). Mr Muccilli holds no POS Incentive Options nor any POS Performance Rights.

Together, the Independent POS Directors hold an aggregate of 6,256,856 POS Shares, 521,407 POS Options, 6,000,000 POS Incentive Options and 2,481,390 vested POS Performance Rights (equating to approximately 0.15% of POS on an undiluted basis and 0.34% of POS on a fully diluted basis).

POS notes that the Independent POS Directors do not have a Relevant Interest in any HRZ Shares. Accordingly, and considering materiality, the Independent POS Directors have determined that they can and should, if they wish to do so, make a recommendation on the Schemes notwithstanding the nature of the benefits which will be received by the Independent POS Directors by virtue of being POS Securityholders if the Schemes are implemented (being the receipt of an aggregate of 723,293 New HRZ Shares and 60,275 New HRZ Options).

It is proposed that all POS Directors will resign from the POS Board on implementation of the Schemes, and neither of the Independent POS Directors will join the board of the Combined Group.

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Reasons to vote in favour of or against the Schemes

As further described in the *"Important Information Regarding Common Directors"* statement on page iv, only two out of three POS Directors (being Mr Harold and Mr Muccilli) consider themselves to be independent of HRZ and are providing a recommendation on the Schemes. After careful consideration and having regard to multiple factors, the Independent POS Directors recommend that POS Securityholders vote in favour of the Schemes, in the absence of a Superior Proposal.

Reasons to vote in favour of the Schemes

- **The Independent POS Directors recommend that POS Securityholders vote in favour of the Schemes in the absence of a Superior Proposal.**
- **The Independent Expert has concluded that, in the absence of a Superior Proposal, the Schemes are not fair but reasonable and are in the best interests of POS Securityholders.**
- **Logical consolidation of complementary assets allows material and immediate exposure to gold with a potential standalone production pathway, whilst retaining multi-commodity optionality (gold, nickel, silver, lithium and zinc).**
- **Schemes represent the opportunity to become a shareholder in an emerging gold producer in the WA Goldfields at a time when the gold price is at all-time highs.**
- **Shared focus and ambition to become the next mid-tier gold producer.**
- **The conversion of the Black Swan plant could unlock the latent value in the Combined Group's portfolio and open up the region for toll milling and further consolidation, with a substantial resource base and regional tenure across multiple commodities (gold, nickel, silver, lithium, and zinc).[3]**
- **Potential for re-rating based on enhanced scale and market relevance.**
- **POS Securityholders will become part of a larger company with improved corporate capability, new management and a higher level of liquidity.**
- **Strategically positioned and permitted infrastructure at POS's Black Swan and Lake Johnston projects with significant nickel resources and exploration portfolio held by Combined Group.**
- **Stronger pro forma balance sheet of Combined Group with enhanced funding capability removes immediate funding uncertainty and mitigates risk of significant dilution.**
- **Reduction of POS Securityholder exposure to risks with standalone entity, diversification with exposure to other commodities, in particular gold, and potential to process multiple commodities through POS's processing infrastructure.**
- **POS Shares may trade at a lower price if the Schemes are not implemented and no Superior Proposal emerges, in the absence of favourable market conditions. No Superior Proposal has emerged as at the date of this Scheme Booklet.**
- **If you are an Australian resident for taxation purposes and receive New HRZ Shares, you should generally be able to obtain capital gains tax (CGT) roll-over relief. In addition, eligible POS Shareholders will also avoid brokerage costs on the transfer of their POS Shares to HRZ under the Scheme.**

These reasons are discussed in more detail in Section 1.

[3] The proposed refurbishment and conversion of the Black Swan processing plant is subject to completion of a feasibility study in late 2025. The proposed feasibility study involves certain risks and uncertainties including as to the assurance of any potential economic scenario or study outcomes. These factors will be beyond the control of the Combined Group and its Directors. Whilst the Combined Group will seek to ensure all material assumptions will be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of possible study outcomes will ever materialise or be achieved.

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Reasons why you may choose to vote against the Schemes

- **You may not agree with the Independent POS Directors' recommendation and the Independent Expert's conclusion and you may consider the Schemes to be neither fair nor reasonable.**
- **The exposure of POS Securityholders to POS' assets is diluted in the Combined Group.**
- **The risk profile of the Combined Group will be different to the current risk profile of Poseidon, which you may consider to be disadvantageous to you.**
- **A Superior Proposal for POS may emerge in the foreseeable future, if POS were to continue as a stand-alone entity. However, since announcement of the Schemes and up to the date of this Scheme Booklet, no other proposal has been received, nor are the POS Directors aware of any such intention of a party to make such a proposal.**
- **The value of the Scheme Consideration upon implementation of the Schemes is not certain.**
- **The tax consequences of the Schemes being implemented may not suit your current financial position or tax circumstances.**

These reasons are discussed in more detail in Section 2.

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Overview of this document

What is the proposal?

As jointly announced by Horizon Minerals Limited (**HRZ**) and Poseidon Nickel Limited (**POS**) on 25 October 2024, the parties have entered into a binding Scheme Implementation Deed, under which the two companies will merge by way of a recommended court-approved scheme of arrangement between POS and its Shareholders (**Share Scheme**). The parties have also agreed terms as to a separate scheme of arrangement pursuant to which the outstanding POS Options will be transferred to HRZ or cancelled, in exchange for new unlisted options in HRZ (**Option Scheme**). The Option Scheme and the Share Scheme (together, the **Schemes**) are inter-conditional.

The Schemes will be implemented via a Court-supervised process, under which POS Securityholders have the opportunity to vote for or against the proposed Schemes.

If the Schemes are approved by POS Securityholders and by the Court, subject to satisfaction or waiver of the Scheme Conditions:

- the Schemes will be binding on POS and all POS Securityholders;
- all existing POS Performance Rights that have vested will be exercised before the Record Date so that the holders of those POS Performance Rights can participate as Scheme Shareholders in the Share Scheme;
- all existing POS Performance Rights that are not exercised prior to the Record Date will be cancelled on the Record Date;
- all existing POS Incentive Options are either exercised before the Record Date or, if there are POS Incentive Options that exist after the Record Date, these are cancelled or transferred to HRZ for the POS Incentive Option Consideration by no later than the Implementation Date;
- all of the POS Shares will be acquired by HRZ in exchange for the Share Scheme Consideration (being 0.1156 New HRZ Shares for every 1 POS Share held) which will be provided to the Scheme Shareholders;
- all of the POS Options will be transferred to HRZ or cancelled, in exchange for the Option Scheme Consideration (being 0.1156 New HRZ Options for every 1 POS Option held) which will be provided to the Scheme Optionholders; and
- POS will become a wholly-owned subsidiary of HRZ and POS will be delisted from the ASX.

If the Schemes (or either of them) are not approved, the Merger will not proceed and POS will continue to operate as a stand-alone entity, listed on the ASX.

What is this document for?

The Schemes are subject to the approval of POS Securityholders. This Scheme Booklet contains information relevant to the decision of POS Securityholders as to whether to vote for or against the Schemes.

The Share Scheme Meeting to consider the Share Scheme will be held at the Conference Room, Level 2, QV1, 250 St Georges Terrace, Perth at 11:00am (AWST) on 31 January 2025.

The Option Scheme Meeting to consider the Option Scheme will also be held on 31 January 2025 at the Conference Room, Level 2, QV1, 250 St Georges Terrace, Perth at the later of 12:00pm (AWST) or at the conclusion of the Share Scheme Meeting**.**

Why should you vote?

As a POS Securityholder, you have a say in whether the Schemes are implemented or not – this is your opportunity to play a role in deciding the future of the company in which you have a stake.

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Are the Schemes in the best interests of POS Securityholders?

The Independent Expert has concluded that, in the absence of a Superior Proposal, the Share Scheme is not fair but reasonable and in the best interests of POS Shareholders and that the Option Scheme is not fair but reasonable and in the best interests of POS Optionholders.

The Independent POS Directors recommend that, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Schemes are in the best interests of POS Securityholders:

- POS Shareholders vote in favour of the Share Scheme; and
- POS Optionholders vote in favour of the Option Scheme.

Before making a decision about the Schemes, POS Securityholders should read this Scheme Booklet in its entirety and if you are in doubt about what action you should take, contact your financial, legal, taxation or other professional adviser. For further details regarding the recommendation of the Independent POS Directors, please refer to Section 5.4.

What you should do next:

Step 1: Read this document in full

You should read and carefully consider the information included in this Scheme Booklet in full to help you make an informed decision as to how to vote in relation to the Schemes. If you have any doubt as to what action you should take, please contact your financial, legal, taxation or other professional adviser immediately.

Step 2: Vote on the Schemes

As a POS Securityholder, it is your right to vote on whether the Schemes should be approved, and therefore, whether the Schemes should proceed. You should note that the Schemes are subject to the Scheme Conditions. Even if POS Securityholders approve the Schemes, it is possible that the Schemes will not be implemented if the other Scheme Conditions have not been satisfied.

You can vote in person at the Share Scheme Meeting scheduled for 11:00am (AWST) and the Option Scheme Meeting scheduled for the later of 12:00pm (AWST) or at the conclusion of the Share Scheme Meeting on 31 January 2025, or by returning a validly completed proxy voting form so it is received by not later than 11:00am (AWST) on 29 January 2025 for the Share Scheme Meeting or 12:00pm (AWST) on the same date for the Option Scheme Meeting. Full details of how to vote are set out in pages 13 to 14 of this document.

For further information

If you have any questions after reading this document, please call the POS Scheme Information Line on 1300 441 607 (from within Australia) or +61 2 7250 6677 (from outside Australia) between 7.00am – 4.00pm (AWST) Monday to Friday.

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Important dates and times

Key events and the expected timing in relation to the approval and implementation of the Schemes are set out in the table below.

EVENT	DATE
Latest time and date for lodgement of completed proxy forms for the Scheme Meetings **Share Scheme Meeting** **Option Scheme Meeting**	 11:00am (AWST) on 29 January 2025 12:00pm (AWST) on 29 January 2025
Time and date for determining eligibility to attend and vote at the Scheme Meetings **Share Scheme Meeting** **Option Scheme Meeting**	 4:00pm (AWST) on 29 January 2025 4:00pm (AWST) on 29 January 2025
Scheme Meetings to be held at the Conference Room, Level 2, QV1, 250 St Georges Terrace, Perth, Western Australia **Share Scheme Meeting** **Option Scheme Meeting**	11:00am (AWST) on 31 January 2025 The later of 12:00pm (AWST) or at the conclusion of the Share Scheme Meeting on 31 January 2025.
If the Schemes are approved by the Requisite Majority of POS Securityholders, the expected timetable for implementing the Schemes is:	
Second Court Date for approval of the Schemes	7 February 2025
Effective Date of the Schemes and last day of trading of POS Shares on ASX	10 February 2025
Suspension of trading of POS Shares on ASX	Close of trading on 10 February 2025
Record Date for determining entitlements to the Scheme Consideration	12 February 2025
Implementation Date for the issue of Scheme Consideration to Scheme Participants	19 February 2025
Termination of official quotation of POS Shares	5:00pm (AWST) on 19 February 2025 (or as otherwise determined by ASX)

The above dates and times are indicative only and, amongst other things, are subject to the time at which each Scheme Condition is satisfied and the dates on which all necessary Court and regulatory approvals are obtained. POS has the right to vary any or all of these dates and times, subject to the approval of such variation by ASX, the Court and HRZ, where required.

Any variation to the above dates and times will be announced to ASX (and accordingly, details of any variations will be available on ASX's website (www.asx.com.au) and will be published on Poseidon's website (www.poseidon-nickel.com.au/).

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Letter from POS

Dear POS Securityholder

Introduction

I am pleased to provide you with this Scheme Booklet in relation to the proposal that was jointly announced on 25 October 2024 by POS and HRZ proposing that all the shares and unlisted options in POS (other than the POS Incentive Options) would be acquired by HRZ for new shares and options in HRZ under members' schemes of arrangement between POS and its Shareholders and the POS Optionholders, respectively.

The Option Scheme and the Share Scheme are inter-conditional.

Under the Schemes, POS Shareholders will be issued 0.1156 New HRZ Shares for every 1 POS Share held on the Record Date and 0.1156 New HRZ Options for every 1 POS Option held on the Record Date. If the Schemes are approved and implemented, POS Securityholders will hold approximately 24.91% of the Combined Group (on a fully diluted basis)[4] and approximately 25.52% of the Combined Group (on an undiluted basis).

This Scheme Booklet contains full details of the Schemes. The POS Board encourages you to consider the information in this Scheme Booklet carefully to help you determine whether or not to vote in favour of the Schemes.

The decision of the Independent POS Directors to proceed with the Schemes followed an extensive examination of growth options with a wide range of potential partners and corporate scenarios for POS Securityholders conducted over a considerable period, with the assistance of a corporate advisor.

The proposed merger will consolidate Horizon's large gold resources (1.8Moz) which are proximal to Poseidon's Black Swan processing infrastructure in the Kalgoorlie-Coolgardie districts[5], along with the other assets of Horizon and Poseidon.

After considerable deliberation, the boards from both companies believe that the combination of these two companies offers significant potential future upside and provides a compelling strategic rationale for the proposed Schemes.

POS Board Recommendation

The Independent POS Directors recommend that, in the absence of a Superior Proposal and on the basis that the Independent Expert continues to conclude that the Schemes are in the best interests of POS Securityholders:

- POS Shareholders vote in favour of the Share Scheme; and
- POS Optionholders vote in favour of the Option Scheme.

Subject to these qualifications, each Independent POS Director intends to vote in favour of the Schemes in respect of their own holdings in Poseidon.

The reasons for the Independent POS Directors recommendation are set out in Section 1 of this Scheme Booklet.

In summary, the Independent POS Directors believe that the Schemes will provide POS Securityholders with a number of benefits including:

[4] Assumes 1,429,670,213 Horizon Shares are on issue as at the date of this Scheme Booklet, that no other Horizon Shares are issued and assuming: (i) the exercise of all options and vesting and exercise of all performance rights on issue in Horizon post implementation of the Schemes; and (ii) that the Nebari Convertible Loan Facility is repaid on the maturity date (see Section 7.9(e)).

[5] The proposed refurbishment and conversion of the Black Swan processing plant is subject to completion of a feasibility study in late 2025. The proposed feasibility study involves certain risks and uncertainties including as to the assurance of any potential economic scenario or study outcomes. These factors will be beyond the control of the Combined Group and its Directors. Whilst the Combined Group will seek to ensure all material assumptions will be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of possible study outcomes will ever materialise or be achieved.

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- Logical consolidation of complementary assets in the Western Australian Goldfields.
- Material and immediate exposure to gold with a pathway to becoming a mid-tier producer, with substantial resource base optionality and regional tenure across multiple commodities (gold, nickel, silver, lithium and zinc), while still retaining exposure to POS's assets.
- The opportunity to become a shareholder in an emerging gold producer in the WA Goldfields at a time when the gold price is at all-time highs.
- A shared focus and ambition to become the next mid-tier gold producer.
- Diversification with exposure to other commodities, in particular gold, and potential to process multiple commodities through POS's processing infrastructure.
- Potential for a further share price re-rating over time based on enhanced scale and market relevance.
- POS Securityholders will become part of a larger company with improved corporate capability, new management and a higher level of liquidity.
- Strategically positioned and permitted infrastructure at POS's Black Swan and Lake Johnston projects with significant nickel resources and exploration portfolio held by Combined Group.
- Stronger pro forma balance sheet of Combined Group with enhanced funding capability removes immediate funding uncertainty and mitigates risk of significant dilution.
- Reduction of POS Securityholder exposure to risks with standalone entity, diversification with exposure to other commodities, in particular gold, and potential to process multiple commodities through POS's processing infrastructure.
- Stronger balance sheet with positive cash flows forecasted from HRZ's ongoing toll treating gold operations.
- Enhanced financial flexibility for exploration and development.
- Potential CGT roll-over relief on capital gains for Australian tax residents.

The Independent POS Directors have recommended that POS Securityholders vote in favour of the Schemes in the absence of a Superior Proposal.

The Independent POS Directors also note a number of disadvantages associated with the Schemes as outlined in Section 2 of this Scheme Booklet, which include:

- you may not agree with the Independent POS Directors' recommendation and the Independent Expert's conclusion, and you may consider the Schemes to be neither fair nor reasonable;
- the exposure of POS Securityholders to Poseidon's assets is diluted in the Combined Group;
- the risk profile of the Combined Group will be different to the current risk profile of Poseidon, which you may consider to be a disadvantage;
- you may prefer not to be diversified and to remain predominately exposed to the nickel market and prices;
- a Superior Proposal for POS may emerge in the future, if POS were to continue as a stand-alone entity. However, since announcement of the Schemes and up to the date of this Scheme Booklet, no other proposal has been received, nor are the POS Directors aware of any such intention of a party to make such a proposal;
- the value of the Scheme Consideration upon implementation of the Schemes are not certain; and

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- the tax consequences of the Schemes being implemented may not suit your current financial position or tax circumstances.

The Independent POS Directors believe that the benefits of the Schemes significantly outweigh the potential disadvantages and risks associated with the Schemes.

Summary of risks associated with an investment in the Combined Group and risks to POS Securityholders if the Schemes do not proceed

The specific risks associated with an investment in the Combined Group, and the risks to POS Securityholders if the Schemes do not proceed are outlined in Sections 10.2 and 10.3 respectively of this Scheme Booklet. These risks have the potential to have a significant adverse impact on the Combined Group and may affect the Combined Group's financial position, prospects and price of its listed securities.

Specific risks of the Combined Group include:

- **Mining risk and mineral resource estimates**: mining and mineral processing projects are relatively high risk. No assurance can be given that any particular level of recovery of gold or other minerals will in fact be realised or that an identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be economically exploited. Further, by their very nature, Mineral Resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate.
- **Operational risk:** The Combined Group's exploration and development activities will be subject to numerous operational risks, many of which are beyond the Combined Group's control.
- **Future capital requirements and financing risks:** The cash reserves of the Combined Group will not be sufficient funding to cover the anticipated expenditure that will be required for the development of the Combined Group's operations, further exploration, feasibility studies and development activities. The Combined Group may need to raise additional debt and/or equity funds in the future.

Risks to POS Securityholders if the Schemes do not proceed include:

- **POS's going concern risks:** as at 30 June 2024, POS had net current assets of $382,746 and has historically incurred operating cash outflows of between $7-10 million. If the Schemes do not proceed, POS will need to raise further funds in a short time frame in order to repay the Facility Agreement (within 90 days as set out below) and ensure sufficient funding for the continuation of the business (which POS anticipates will include actions such as the assessment of strategic options, review of potential asset divestment opportunities and meeting costs incurred in the process of other corporate transactions).
- **Transaction costs:** estimated transaction costs of $630,000 will be incurred by POS even if the Schemes do not proceed (refer to page 47 of the Independent Expert's Report), which will have a negative impact on POS' financial position.
- **Facility Agreement:** POS is obliged to repay any monies drawn down from its $2,000,000 loan facility with HRZ within 90 days of being issued a notice of default pursuant to the Facility Agreement, in the event the Schemes are not approved by POS Securityholders. As at the date of this Scheme Booklet, POS has drawn down $500,000 pursuant to the loan facility.

Please refer to Section 10.2 and 10.3 of this Scheme Booklet for further disclosure in relation to the above risks.

Independent Expert

BDO Corporate Finance Australia Pty Ltd, the Independent Expert, engaged by the POS Board, has concluded that the Schemes are not fair but reasonable and in the best interests of POS Securityholders, in the absence of a Superior Proposal. The POS Board encourages you to read

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and consider the Independent Expert's Report, which is contained in Appendix A to this Scheme Booklet.

Next steps

Your vote is important and I encourage you to vote either by attending the Share Scheme Meeting to be held at **11:00am** (AWST) on **31 January 2025**, followed by the Option Scheme Meeting to be held at **the later of the conclusion of the Share Scheme Meeting** and **12:00pm** (AWST) on **31 January 2025**, or by completing and returning the attached Proxy Form so that it is received at the address shown on the Proxy Form by **11:00am** (AWST) on **29 January 2025** for the Share Scheme Meeting and by **12:00pm** (AWST) on **29 January 2025** for the Option Scheme Meeting. We encourage you to lodge your proxy online in accordance with the instructions on the Proxy Form.

I encourage you to read this Scheme Booklet which contains important information in relation to the Schemes. If you have any questions in relation to the Schemes, please call the POS Scheme Information Line on 1300 441 607 (from within Australia) or +61 2 7250 6677 (from outside Australia) between 7.00am – 4.00pm (AWST) Monday to Friday or contact your legal, financial, taxation or other professional adviser.

On behalf of the POS Independent Directors, I recommend the Schemes to you and would like to take this opportunity once again to thank you for your support of POS.

Your sincerely,

Peter Harold
Non-Executive Chairman

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Letter from Horizon

Dear POS Securityholder

The HRZ Board and management are pleased to provide you with the opportunity to participate in the Schemes which we believe will see the creation of a stronger, larger and more diversified company. We believe the Scheme Consideration, and the strategic rationale for the combination of HRZ and POS, is compelling to POS Securityholders.

The Independent POS Directors unanimously recommend that, in the absence of a Superior Proposal and on the basis that the Independent Expert continues to conclude that the Schemes are in the best interests of POS Securityholders:

- POS Shareholders vote in favour of the Share Scheme; and
- POS Optionholders vote in favour of the Option Scheme.

Each of the Independent POS Directors has also indicated that they intend to vote their POS Shares in favour of the Share Scheme and, if applicable, their POS Options in favour of the Option Scheme, in the absence of a Superior Proposal.

By combining HRZ and POS, you, as a securityholder in the Combined Group, will gain exposure to HRZ's assets and will benefit from:

- the logical consolidation of the companies' complementary assets, including consolidation of Horizon's large gold resource and Poseidon's Black Swan processing infrastructure in the Kalgoorlie-Coolgardie districts[6]; and
- a pathway for steady state, long-term gold production and cashflow as an independent mid-cap producer.

HRZ believes the Merger provides a number of benefits to both POS and HRZ securityholders that are detailed in this Scheme Booklet, including the creation of a Combined Group that provides a strong foundation to achieve steady stategold production to create long-term value for Horizon shareholders. We are optimistic that the combination of HRZ and POS will add value and create benefits for shareholders, employees and communities engaged with the Combined Group.

This Scheme Booklet provides detailed information about the Schemes, including the reasons for POS Securityholders to vote in favour of, or against, the Schemes, and the risks of holding HRZ Securities (refer to Section 10 in particular).

POS Securityholders are encouraged to read this Scheme Booklet carefully in order to understand the potential disadvantages of the Schemes being accepted, which are discussed in Section 2 in this Scheme Booklet, which include

- you may not agree with the Independent POS Directors' recommendation and the Independent Expert's conclusion, and you may consider the Schemes to be neither fair nor reasonable;
- the exposure of POS Securityholders to Poseidon's assets is diluted in the Combined Group;
- the risk profile of the Combined Group will be different to the current risk profile of Poseidon, which you may consider to be a disadvantage;
- you may prefer not to be diversified and to remain predominately exposed to the nickel market and prices;

[6] The proposed refurbishment and conversion of the Black Swan processing plant is subject to completion of a feasibility study in late 2025. The proposed feasibility study involves certain risks and uncertainties including as to the assurance of any potential economic scenario or study outcomes. These factors will be beyond the control of the Combined Group and its Directors. Whilst the Combined Group will seek to ensure all material assumptions will be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of possible study outcomes will ever materialise or be achieved.

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- a Superior Proposal for POS may emerge in the future, if POS were to continue as a stand-alone entity;
- the value of the Scheme Consideration upon implementation of the Schemes is not certain; and
- the tax consequences of the Schemes being implemented may not suit your current financial position or tax circumstances.

Summary of risks associated with an investment in the Combined Group and risks to POS Securityholders if the Schemes do not proceed

The specific risks associated with an investment in the Combined Group, and the risks to POS Securityholders if the Schemes do not proceed are outlined in Sections 10.2 and 10.3 respectively of this Scheme Booklet. These risks have the potential to have a significant adverse impact on the Combined Group and may affect the Combined Group's financial position, prospects and price of its listed securities.

Specific risks of the Combined Group include:

- **Mining risk and mineral resource estimates:** mining and mineral processing projects are relatively high risk. No assurance can be given that any particular level of recovery of gold or other minerals will in fact be realised or that an identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be economically exploited. Further, by their very nature, Mineral Resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate.
- **Operational risk:** The Combined Group's exploration and development activities will be subject to numerous operational risks, many of which are beyond the Combined Group's control.
- **Future capital requirements and financing risks:** The cash reserves of the Combined Group will not be sufficient funding to cover the anticipated expenditure that will be required for the development of the Combined Group's operations, further exploration, feasibility studies and development activities. The Combined Group may need to raise additional debt and/or equity funds in the future.

Risks to POS Securityholders if the Schemes do not proceed include:

- **POS's going concern risks:** as at 30 June 2024, POS had net current assets of $382,746 and has historically incurred operating cash outflows of between $7-10 million. If the Schemes do not proceed, POS will need to raise further funds in a short time frame in order to repay the Facility Agreement (within 90 days as set out below) and ensure sufficient funding for the **continuation** of the business (which POS anticipates will include actions such as the assessment of strategic options, review of potential asset divestment opportunities and meeting costs incurred in the process of other corporate transactions.
- **Transaction costs:** estimated transaction costs of $630,000 will be incurred by POS even if the Schemes do not proceed (refer to page 47 of the Independent Expert's Report), which will have a negative impact on POS' financial position.
- **Facility Agreement:** POS is obliged to repay any monies drawn down from its $2,000,000 loan facility with HRZ within 90 days of being issued a notice of default pursuant to the Facility Agreement, in the event the Schemes are not approved by POS Securityholders. As at the date of this Scheme Booklet, POS has drawn down $500,000 pursuant to the loan facility.

Please refer to Section 10.2 and 10.3 of this Scheme Booklet for further disclosure in relation to the above risks.

It is our pleasure to invite you to participate in this opportunity and we look forward to your vote in favour of the Schemes at the Scheme Meetings either in person at the meetings or by proxy or representative. Assuming the Schemes are approved and successfully implemented, we also look

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forward to welcoming you as a securityholder of the Combined Group and to embarking on an exciting new chapter for all securityholders of the Combined Group.

Yours sincerely,

Ashok Parekh
Non-Executive Chairman
Horizon Minerals Limited

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Meeting details and how to vote

Voting on the Schemes

For the Share Scheme to be implemented, it is necessary that the Requisite Majority of POS Shareholders vote in favour of the resolution to approve the Share Scheme at the Share Scheme Meeting.

For the Option Scheme to be implemented, it is necessary that the Requisite Majority of POS Optionholders vote in favour of the resolution to approve the Option Scheme at the Option Scheme Meeting.

POS Securityholders may vote at the Scheme Meetings either in person, by proxy, attorney or, in the case of a corporation, by corporate representative.

Details on how to vote are set out briefly in the table below. Further details are set out in the Notice of Share Scheme Meeting (attached at Annexure F) and the Notice of Option Scheme Meeting (attached at Annexure G).

HRZ excluded from voting

HRZ is excluded from voting on the Schemes by reason of the fact that it is the proponent of the Schemes. Other than Mr Hallam, as at the date of the Scheme Booklet, neither HRZ nor any of its Associates hold any POS Shares or POS Options.

Voting instructions

MEANS	VOTING INSTRUCTIONS
In Person	If you wish to vote in person, you must attend the relevant Scheme Meeting**.** All persons entitled to vote must register their attendance by disclosing their name at the point of entry to the relevant Scheme Meeting.
By Proxy	To appoint a proxy to vote on your behalf in respect of the Schemes, you can complete the enclosed personalised Proxy Form in accordance with the instructions and return it to Automic. We encourage you to lodge your proxy online in accordance with the instructions on the Proxy Form. If your proxy is signed by an attorney, please also enclose the authority under which the proxy is signed (or a certified copy of the authority). Proxy Forms and powers of attorney must be received by Automic by no later than 11:00am (AWST) for the Share Scheme Meeting and 12:00pm (AWST) for the Option Scheme Meeting on 29 January 2025 (or if the Scheme Meetings are adjourned, at least 48 hours before the resumption of the relevant Scheme Meeting). Proxy Forms and powers of attorney received after this time will not be valid. Accordingly, you should ensure that it is posted, delivered or lodged online in sufficient time for it to be received by Automic by that time. If you are entitled to cast two or more votes, you may appoint two proxies. You must specify the names and the proportion or the number of votes that each proxy is appointed to exercise. If numbers or proportions of votes are not specified, each proxy may exercise half of the votes you are entitled to cast. Fractions of votes will be disregarded. If you hold POS Securities jointly with one or more other persons, in order for your proxy appointment to be valid, each of you must sign the Proxy Form. Appointing a proxy will not preclude you from attending the Scheme Meetings in person and voting at the Scheme Meetings instead of your proxy. In this scenario the appointment of your proxy is not revoked but your proxy must not speak or vote at the meeting while you are so present.

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MEANS	VOTING INSTRUCTIONS
By Power of Attorney	Your vote may be cast by a duly authorised attorney. An attorney need not be a POS Securityholder. If you intend to appoint an attorney to attend a Scheme Meeting and vote on your behalf, you may do so by providing a power of attorney duly executed by you in the presence of at least one witness, and specifying your name, the company (that is, Poseidon Nickel Limited), and the attorney, and also specify the meeting at which the appointment may be used. The appointment may be a standing one. A certified copy of the power of attorney must be received by Automic by no later than 11.00am (AWST) in respect of the Share Scheme Meeting and 12.00pm (AWST) in respect of the Option Scheme Meeting on Wednesday, 29 January 2025. A certified copy of the power of attorney must be attached to the proxy form and delivered to the registry in accordance with the instructions set out the proxy form. Your appointment of an attorney does not preclude you from attending in person and voting at the relevant Scheme Meeting. The appointment of your attorney is not revoked merely by your attendance and taking part in the relevant Scheme Meeting, but if you vote on a resolution, the attorney is not entitled to vote, and must not vote, as your attorney on that resolution.
By Corporate Representative	A POS Securityholder that is a body corporate may appoint an individual to act as its representative at the relevant Scheme Meeting. To vote by corporate representative at a Scheme Meeting, a corporate POS Securityholder should obtain an "Appointment of Corporate Representative" form from Automic and complete that form in accordance with its instructions. Corporate representative appointment forms should be provided to Automic by no later than 11.00am (AWST) in respect of the Share Scheme Meeting and 12.00pm (AWST) in respect of the Option Scheme Meeting on Wednesday, 29 January 2025, or alternatively brought to the relevant Scheme Meeting.
Poseidon Nickel Limited Scheme Information Line	For further information, you can call Automic on 1300 441 607 (within Australia) or +61 2 7250 6677(outside Australia).

Address for return of voting forms

POS Securityholders should mail or fax their proxy forms, power of attorney forms and corporate representative forms to Automic (Poseidon's share registry) at the following address or fax number:

By Mail: **Automic**

GPO Box 5193

Sydney NSW 2001

By Email: **meetings@automicgroup.com.au**

Online: **https://investor.automic.com.au/#/loginsah**

Fax: **+61 2 8583 3040**

Proxy forms, power of attorney forms and corporate representative forms must be received by 11:00am (AWST) in respect of the Share Scheme Meeting and 12:00pm (AWST) in respect of the Option Scheme Meeting, on 29 January 2025.

Alternatively, POS Securityholders can vote using one of the following methods by 11.00am (AWST) in respect of the Share Scheme Meeting and 12.00pm (AWST) in respect of the Option Scheme Meeting, on 29 January 2025:

Online: Use your computer or smartphone to appoint a proxy at https://investor.automic.com.au/#/loginsah

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Questions on this Scheme Booklet

POS Securityholders with any questions in relation to the Schemes, should call the POS Scheme Information Line: 1300 441 607 (from within Australia) or +61 2 7250 6677 (from outside Australia) between 7.00am – 4.00pm (AWST) Monday to Friday, or consult their legal, financial or other professional adviser.

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1. Key reasons to vote in favour of the Schemes

This Section summarises the key reasons why the Independent POS Directors recommend that POS Securityholders vote in favour of the Schemes.

This Section should be read in conjunction with Sections 2, 3 and 10, which describe the disadvantages and risks associated with the Schemes; implications if the Schemes do not proceed; and risk factors associated with an investment in New HRZ Shares and New HRZ Options.

1.1 The Independent POS Directors recommend that POS Securityholders vote in favour of the Schemes in the absence of a Superior Proposal

Before agreeing to implement the Schemes in accordance with the Scheme Implementation Deed, the Independent POS Directors considered:

- **the strategic benefits of a consolidation of complementary assets allows the material and immediate exposure to gold with a pathway to becoming a mid-tier gold producer;**
- **future funding requirements of POS and the associated dilutionary impact to POS Securityholders if further equity raises are required during current depressed nickel markets;**
- **the potential forecasted positive cash flows from Horizon's ongoing toll treating gold operations;**
- **the increased scale, liquidity and capital markets profile of the merged entity, driving enhanced financial flexibility for exploration and development and the potential for further share price re-rating over time;**
- **the advantages to POS Securityholders associated with a being part of a larger company with improved corporate capability, new management and a higher level of liquidity;**
- **diversification with exposure to multiple commodities (gold, nickel, silver, lithium and zinc), and potential to process multiple commodities through Poseidon's processing infrastructure (gold, nickel, silver, lithium and zinc);**
- **a significantly larger exploration asset base giving a broader opportunity within the region and scope for discovery; and**
- **no Superior Proposal having emerged as at the date of this Scheme Booklet.**

The Independent POS Directors consider that the potential benefits and reasons to vote in favour of the Schemes outweigh the potential disadvantages and reasons to vote against the Schemes. Therefore, the Independent POS Directors recommend that, in the absence of a Superior Proposal, POS Securityholders vote in favour of the Schemes.

As per POS's announcement dated 25 October 2024, all Independent POS Directors intend to vote their respective POS Shares and POS Options (as applicable) in favour of the Schemes, in the absence of a Superior Proposal.

The decision of the Independent POS Directors to recommend the Merger follows an assessment of strategic options for POS over the past six months in regard to various corporate and asset transactions and financial options available to POS to enhance value for POS Securityholders. The Independent POS Directors consider that the Schemes will deliver greater benefits to POS Securityholders than any other alternatives currently available, including POS continuing as a standalone entity.

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Now that the Independent Expert has concluded that the Schemes are not fair but reasonable and are in the best interests of POS Securityholders, each Independent POS Director intends, in the absence of a Superior Proposal, to vote to approve the Schemes in respect of any POS Shares and POS Options they own or control.

1.2 The Independent Expert has concluded that, in the absence of a Superior Proposal, the Schemes are not fair but reasonable and are in the best interests of POS Securityholders.

BDO Corporate Finance Australia Pty Ltd as Independent Expert, has considered the terms of the Schemes and has concluded that, in the absence of a Superior Proposal, the Schemes are not fair but reasonable and are in the best interests of POS Securityholders.

The advantages and disadvantages of the Schemes (as identified by the Independent Expert) are summarised in Section 2.5 of the Independent Expert's Report and discussed in greater detail in Section 16 of the Independent Expert's Report.

The Independent Expert's Report is set out in Annexure A to this Scheme Booklet. The POS Directors recommend that POS Securityholders read the Independent Expert's Report in full.

1.3 Logical consolidation of complementary assets in the Western Australian Goldfields

The Merger will consolidate HRZ's large gold resource and Poseidon's Black Swan processing infrastructure in the Kalgoorlie-Coolgardie districts.

The combination provides a pathway for steady state, long-term gold production and cashflow as an independent mid-cap producer.

In the longer term, the combined resources in other commodities such as nickel or zinc/silver may also be processed through Black Swan, extending the life of this asset and providing a processing solution for these resources within the combined group.[7]

1.4 The Schemes represent the opportunity to become a shareholder in an emerging gold producer in the WA Goldfields at a time when the gold price is at all-time highs

Horizon expects to generate significant cashflow from mining operations at Boorara and Phillips Find, with first gold production from Boorara expected in the current quarter and first gold production from Phillips Find expected during the March 2025 quarter.

1.5 Shared focus and ambition to become the next mid-tier gold producer

The proposed conversion of the Black Swan processing plant to process gold ore can provide a significantly faster, lower capital cost pathway to gold production compared to building a new gold processing plant in the region. Furthermore, the ounces processed through Black Swan are likely to generate a stronger operating margin than under a toll treatment arrangement.[7]

Horizon's 465koz Burbanks and 428koz Boorara gold resources form the cornerstone assets in a project pipeline aiming to deliver a 5-year mine plan to fill the Black Swan processing plant.

1.6 The proposed conversion of the Black Swan plant will unlock the latent value in the Combined Group's portfolio and open up the region for toll milling and further

[7] The proposed refurbishment and conversion of the Black Swan processing plant is subject to completion of a feasibility study in late 2025. The proposed feasibility study involves certain risks and uncertainties including as to the assurance of any potential economic scenario or study outcomes. These factors will be beyond the control of the Combined Group and its Directors. Whilst the Combined Group will seek to ensure all material assumptions will be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of possible study outcomes will ever materialise or be achieved.

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consolidation.[8] The Combined Group will have a substantial resource base and regional tenure across multiple commodities (gold, nickel, silver, lithium and zinc)

Combined JORC Mineral Resources of ~2Moz gold at an average grade of 1.5g/t Au, 422,700t nickel at an average grade of 1% Ni, 20.2Moz silver at an average grade of 52g/t Ag and 104,000t zinc at an average grade of 0.9% Zn.

Combined tenure of 1,309km^2 in an attractive geological position in the WA Goldfields.

A strong pipeline of production sources, Mineral Resource growth opportunities, advanced brownfield exploration targets and greenfield exploration opportunities[9].

1.7 Potential for re-rating based on enhanced scale and market relevance

The Combined Group will have a larger market capitalisation, and therefore enhanced market presence and relevance, which is likely to drive stronger liquidity in the trading of the shares compared to either company on a standalone basis.

Enhanced trading liquidity, scale and market relevance, will help grow investor appeal and improve future access to capital.

1.8 Significant holding in an enlarged entity with material ongoing exposure

On completion of the Merger, POS Shareholders will hold a pro forma shareholding of 25.52% (on an undiluted basis) in the Combined Group, with POS Securityholders holding approximately 24.91% of the Combined Group on a fully diluted basis.[10]

1.9 Strategically positioned and permitted infrastructure at POS's Black Swan and Lake Johnston projects

In addition to the Combined Group's Kalgoorlie-Coolgardie gold assets, Lake Johnston and Windarra present highly strategic assets that have the ability to deliver further shareholder value.

Situated in the southern Goldfields, the permitted Lake Johnston 1.5Mtpa processing plant and associated infrastructure presents an opportunity to develop a lithium processing hub in this emerging lithium province.

Despite the current depressed nickel prices the combined entity holds significant nickel resources that could be quickly brought into production with an improvement in the nickel market.

Located in Laverton, Windarra's gold tailings, where studies are underway to retreat under an arrangement with Encore Minerals, present highly strategic assets.

The Combined Group holds significant nickel resources and exploration portfolio. If a sufficient and sustained nickel price returns, these nickel assets could be quickly brought into production based on the feasibility studies previously undertaken.

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[8] The proposed refurbishment and conversion of the Black Swan processing plant is subject to completion of a feasibility study in late 2025. The proposed feasibility study involves certain risks and uncertainties including as to the assurance of any potential economic scenario or study outcomes. These factors will be beyond the control of the Combined Group and its Directors. Whilst the Combined Group will seek to ensure all material assumptions will be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of possible study outcomes will ever materialise or be achieved.

[9] Refer to announcement titled "Horizon and Poseidon Merging to create Mid Cap Producer" released to Poseidon and Horizon's ASX Platforms dated 25 October 2024.

[10] Assumes 1,429,670,213 Horizon Shares are on issue as at the date of this Scheme Booklet, that no other Horizon Shares are issued and assuming: (i) the exercise of all options and vesting and exercise of all performance rights on issue in Horizon post implementation of the Schemes; and (ii) that the Nebari Convertible Loan Facility is repaid on the maturity date (see Section 7.9(e)).

1.10 Stronger pro forma balance sheet with enhanced funding capability removes immediate funding uncertainty and reduces the risk of potential dilution

The Combined Group of HRZ and POS will be pursuing its growth strategy from a position of greater market scale, underpinned by an estimated pro-forma cash and listed investments balance of ~$21 million and lower consolidated cost base.[11]

With the downturn in nickel prices, POS has unfortunately not been able to progress as quickly as the POS Board would have liked in recent years, in a large part due to the inability to raise sufficient equity capital for exploration or development, and the difficult market conditions for small cap base metal companies.

To continue advancing Black Swan, Lake Johnston and Windarra on a standalone basis, POS would be required to raise significant new capital for care and maintenance, exploration activities and ongoing working capital needs, which would likely require a steep discount to recent trading prices to enable POS to raise funds in a highly competitive market for risk-capital. This would lead to significant equity dilution of existing POS Shareholders, to the extent they do not participate.

HRZ has the ability to fund further exploration and working capital requirements with its existing strong balance sheet, free cashflow generation and ability to raise a greater amount of capital on better financing terms than is possible for POS.

1.11 Reduce POS Securityholder exposure to risks associated with a standalone entity

Poseidon Securityholders will continue to have exposure to the future upside associated with Poseidon's Black Swan, Lake Johnston and Windarra assets as well as gaining exposure to Horizon's highly complementary Kalgoorlie and Coolgardie Gold projects, while mitigating risk associated with POS remaining a standalone entity.

1.12 No Superior Proposal has emerged as at the Date of this Scheme Booklet

Over several months the POS Directors have assessed various options to maximise shareholder value in Poseidon. In July 2024, the POS Board engaged Euroz Hartleys to undertake a process to canvass the market for potential interest in Poseidon and/or its assets, which saw Euroz Hartleys and Poseidon have discussions with several potential counterparties for various transaction structures. Of all the potential transactions considered, Horizon's offer at a premium, and with the high probability of strong cashflow from Horizon's gold operations was considered to provide a strong platform for the growth and future exploration and potential development of Poseidon's assets.

As at the date of this Scheme Booklet, no Superior Proposal has emerged that would cause the Independent POS Directors to reconsider their current recommendation, nor is there any suggestion that a Superior Proposal is expected.

If a competing transaction for Poseidon emerges, the Independent POS Directors will carefully consider the proposal to determine whether it is a Superior Proposal and will inform you of any material developments which may affect the Independent POS Directors' views that the Schemes are presently the most favourable proposal for all your POS Securities.

1.13 Scheme Participants may be eligible for CGT roll-over relief

If the Schemes are implemented, Scheme Participants may benefit from Australian CGT roll-over relief, provided they qualify. You are urged to seek professional taxation advice in relation to your own personal circumstances.

For further detail regarding the general Australian tax consequences of the Schemes, please refer to Section 11 of this Scheme Booklet. Taxation laws in Australia are complex

[11] This figure comprises HRZ's recent capital raising net proceeds of $13,160,000; $2,144,271 in cash and cash equivalents of the Combined Group; and $5,954,733 in financial assets at fair value through profit or loss. Refer Section 8.9 for further details.

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and you are encouraged to read Section 11 carefully and seek independent professional advice about your individual circumstances.

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2. Reasons why you may choose to vote against the Schemes

This Section summarises the potential disadvantages and risks to POS Securityholders if the Schemes become Effective and the Merger occurs.

The Independent POS Directors consider that these disadvantages and risks are outweighed by the advantages of the Schemes (as set out in Section 1), and that the Schemes are in the best interests of POS Securityholders.

Further details of the following potential disadvantages and risks, and other potential risks, are set out in Section 10.

2.1 You may disagree with the recommendation by the Independent Expert and the Independent POS Directors and you may consider the Schemes to be neither fair nor reasonable

Notwithstanding the Independent POS Directors recommendation, and the conclusion reached by the Independent Expert that, in the absence of a Superior Proposal, the Schemes are not fair but reasonable and are in the best interests of POS Securityholders, you may believe that the Schemes are neither fair nor reasonable and not in your best interests or believe that the Scheme Consideration is inadequate.

2.2 The exposure of POS Securityholders to POS' assets is diluted in the Combined Group.

Although the Merger is expected to provide advantages through the combination of the two businesses, given the fully diluted proportional shareholding of POS Shareholders in the Combined Group following implementation of the Schemes of 24.91%[12], the larger portion of this value will flow to current HRZ Shareholders. However, while a larger share of the benefits will flow to existing HRZ Shareholders, in the absence of the Merger, no value from potential benefits or advantages of the Combined Group will arise for POS Securityholders.

2.3 The risk profile of the Combined Group will be different to the current risk profile of Poseidon, which you may consider to be disadvantageous to you

The risk profile and risk of investment for POS Securityholders will change and you may consider the risk profile and risk of investment of the Combined Group, which includes risks relating to both the HRZ business and the POS business, to be a disadvantage relative to that of POS as a standalone entity.

The operations and financial performance of POS, HRZ and/or the Combined Group and the change of a Scheme Participant's ownership of POS Shares and POS Options into New HRZ Shares and New HRZ Options are subject to various risks that are summarised in Section 10 of this Scheme Booklet and that may be beyond the control of POS, HRZ and/or the Combined Group.

2.4 You may consider that there is the potential for a Superior Proposal to emerge for POS in the foreseeable future

You may believe that there is a possibility that a Superior Proposal could emerge in the foreseeable future. The implementation of the Merger would mean that POS Securityholders would not be able to obtain the benefit of any such Superior Proposal. However, since the Announcement Date and up to the date of this Scheme Booklet, no Superior Proposal has been received, nor are the POS Directors aware of any such intention of a party to make such a proposal.

It is important to note that shareholders in the Combined Group will still have an opportunity to realise a control premium in the event of any future change of control transaction for the Combined Group.

[12] Assumes 1,429,670,213 Horizon Shares are on issue as at the date of this Scheme Booklet, that no other Horizon Shares are issued and assuming: (i) the exercise of all options and vesting and exercise of all performance rights on issue in Horizon post implementation of the Schemes; and (ii) that the Nebari Convertible Loan Facility is repaid on the maturity date (see Section 7.9(e)).

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2.5 The exact value of the Scheme Consideration upon implementation of the Schemes is not certain

The exact value of the Scheme Consideration that would be realised by individual POS Securityholders upon implementation of the Schemes is not certain, as it will depend on the price at which the New HRZ Shares trade on ASX.

The Share Scheme Consideration is fixed at a ratio of 0.1156 New HRZ Shares for every 1 POS Share held and the Option Scheme Consideration is fixed at a ratio of 0.1156 New HRZ Options for every 1 POS Option held. As the New HRZ Shares will be traded on ASX, this exposes POS Securityholders to the risk that the effective value they receive for their POS Securities may move adversely from the market value of the Scheme Consideration on the date of the Scheme Meetings. Alternatively, if there is an increase in the relative price of HRZ Shares then the effective value they receive for their POS Securities may move favourably from the market value of the Scheme Consideration on the date of the Scheme Meetings.

In addition, under the Share Scheme, the Sale Agent will be issued the New HRZ Shares that would otherwise be issued to Ineligible Shareholders (which comprise 0.16% of POS Shareholders) and will sell them on market as soon as reasonably practicable after the Implementation Date (refer to Sections 5.7 and 5.8). Although the quantum of these sales is expected to be limited, it is possible that such sales may exert downward pressure on the Combined Group's share price during the applicable period.

2.6 The tax consequences of the Schemes may not suit your current financial position

If the Schemes are implemented, you may incur a tax liability on the transfer of your POS Shares. Please refer to Section 11 for further information on the tax implications.

All POS Securityholders are strongly advised to seek independent professional tax advice about their particular circumstances including, for foreign tax resident POS Securityholders, the foreign tax consequences.

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3. Implications if the Schemes are not implemented

This Section outlines potential implications for POS and POS Securityholders if the Schemes are not implemented.

Should the Schemes not be implemented, POS Securityholders will not receive the benefits of any or all of the reasons to vote in favour of the Schemes as outlined in Section 1.

3.1 You will not receive the Scheme Consideration

Each POS Securityholder will retain their POS Shares and/or POS Options and will not receive any New HRZ Shares and/ or New HRZ Options.

3.2 Future capital requirements to fund development of Poseidon's projects

If the Schemes are not implemented, then in order for POS to develop or enhance its project portfolio and maintain its infrastructure assets on care and maintenance, it would need to raise considerable additional funds, which are likely to include an equity issue at a steep discount to the share price of POS now and prior to the Announcement Date. There can be no assurance that such funding will be available on satisfactory terms, or at all.

If POS pursues an equity issue to raise additional funds, any POS Shareholder who does not participate in such equity issue will have their holding in POS diluted. The extent of any such dilution risk will depend upon the quantum sought to be raised and the issue price of POS Shares under any future equity issue.

3.3 POS will remain listed on ASX and continue to operate as a standalone entity

If the Schemes are not implemented, POS will remain listed on ASX and will continue to run its business in the same manner in which it is currently operating. POS Securityholders will therefore continue to be exposed to the risks and benefits of owning POS Securities, including many of the risks set out in Section 10.

3.4 Repayment of Facility Agreement

If the Schemes are not implemented, POS will be required to repay the loan provided by HRZ under the Facility Agreement, to the extent drawn. As at the Last Practicable Date, the amount advanced to POS under the Facility Agreement is $500,000.

3.5 Transaction costs will be incurred

If the Schemes are not implemented, POS' transaction costs of approximately $630,000 will be borne by POS and POS may also be liable to pay the Reimbursement Fee.

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4. Frequently asked questions

This Section provides summary answers to some basic questions that POS Securityholders may have in relation to the Schemes. This Section should be read in conjunction with the whole Scheme Booklet.

What is a scheme of arrangement and why has this Scheme Booklet been made available to you?	A scheme of arrangement is a statutory procedure that is commonly used to enable one company to acquire or merge with another. This Scheme Booklet has been made available to assist you in deciding how to vote (should you wish to) on the proposed Share Scheme and Option Scheme.
What is the Share Scheme and Option Scheme?	The Share Scheme is a scheme of arrangement pursuant to which POS is asking the POS Shareholders to consider and vote on a proposal that HRZ will acquire all of the POS Shares held by POS Shareholders as at the Record Date in exchange for the Share Scheme Consideration. The Option Scheme is a scheme of arrangement pursuant to which POS is asking the POS Optionholders to consider and vote on a proposal that their POS Options held by POS Optionholders as at the Record Date will be transferred to HRZ or cancelled, in exchange for the Option Scheme Consideration. The Schemes will effect the Merger. If the Schemes are approved and implemented, Scheme Participants (other than Ineligible Shareholders, being Ineligible Foreign Shareholders and/ or Unmarketable Parcel Shareholders as defined in Section 15) will be issued the Scheme Consideration. The Option Scheme and the Share Scheme are inter-conditional. *Refer to Sections 5 and 12 for further information*.
What consideration will I be paid if the Schemes are implemented?	The Share Scheme Consideration is fixed at a ratio of 0.1156 New HRZ Shares for every 1 POS Share held. The Option Scheme Consideration is fixed at a ratio of 0.1156 New HRZ Options for every 1 POS Option held. If you are an Ineligible Shareholder (that is, an Ineligible Foreign Shareholder and/ or an Unmarketable Parcel Shareholder as defined in Section 15) a Sale Agent will be issued the New HRZ Shares that you would otherwise be issued and the Sale Agent will sell them on market as soon as reasonably practicable after the Implementation Date. *Refer to Sections 5 and 12 for further information*.
What is the effect of the Schemes?	If the Schemes become Effective: • the Schemes will be binding on POS and all POS Securityholders; • all existing POS Performance Rights that have vested will be exercised before the Record Date so that the holders of those POS Performance Rights can participate as a Scheme Shareholder in the Share Scheme; • all existing POS Performance Rights that are not exercised prior to the Record Date are cancelled on the Record Date; • all existing POS Incentive Options are either exercised before the Record Date or, if there are POS Incentive Options that exist after the Record Date, these are cancelled or transferred to HRZ for the POS Incentive Option Consideration by no later than the Implementation Date; • POS will become a wholly-owned subsidiary of HRZ and POS will be delisted from the ASX; • all Scheme Participants (other than Ineligible Shareholders) will be issued the Scheme Consideration irrespective of whether they voted for or against the Schemes; and

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	• Ineligible Shareholders will be paid the Net Sale Proceeds instead of New HRZ Shares as their Share Scheme Consideration, irrespective of whether they voted for or against the Share Scheme. *Refer to Sections 5.1 and 5.7 for further information*.
How will fractional elements be treated	Any entitlements to a fraction of a New HRZ Share or New HRZ Option arising under the calculation of Scheme Consideration will be rounded to the nearest whole number (with any fractional entitlement equal to or above 0.5 to be rounded up). If the fractional entitlement is less than 0.5, it will be rounded down to zero.
What does the Independent Expert say about the Schemes?	The Independent Expert has considered the Share Scheme and Option Scheme and concluded that: • the Share Scheme is not fair but reasonable and in the best interests of POS Shareholders; and • the Option Scheme is not fair but reasonable and in the best interests of POS Optionholders. *The Independent Expert's Report set out in Annexure A to this Scheme Booklet and you are encouraged to read it in full.*
What do the Independent POS Directors recommend?	The Independent POS Directors recommend that, in the absence of a Superior Proposal, POS Shareholders vote in favour of the Share Scheme and that POS Optionholders vote in favour of the Option Scheme. Each Independent POS Director who holds or controls POS Shares and/or POS Options intends to vote in favour of the Schemes, in the absence of a Superior Proposal. *Refer to Sections 1 to 3 for further information on the reasons for the Independent POS Directors' recommendation.*
Who is entitled to participate in the Share Scheme?	POS Shareholders on the POS Share Register as at 5.00pm (AWST) on the Record Date are entitled to participate in the Share Scheme. If the Share Scheme is approved and implemented, Scheme Shareholders (other than Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders) will be issued New HRZ Shares as their Share Scheme Consideration, at the Transaction Ratio. Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders will not receive New HRZ Shares, but will instead be paid the Net Sale Proceeds as their Scheme Consideration after their proportional share of brokerage and other costs are deducted from the proceeds of New HRZ Shares sold under the Sale Facility. Net Sale Proceeds will be either paid to the bank account recorded in POS' Register for the respective Ineligible Foreign Shareholders or by cheque sent to the registered address, except in the case of Ineligible Foreign Shareholders who have returned mail notations on their holding. HRZ is excluded from voting on the Share Scheme by reason of the fact that it is the proponent of the Schemes. As at the date of the Scheme Booklet, neither HRZ nor any of its Associates hold any POS Shares. *Refer to Sections 5.2 and 5.7 for further information.*
Who is entitled to participate in the Option Scheme?	POS Optionholders on the POS Option Register as at 5.00pm (AWST) on the Record Date are entitled to participate in the Option Scheme. If the Option Scheme is approved and implemented, Option Scheme Participants will be issued New HRZ Options as their Option Scheme Consideration, at the Transaction Ratio. HRZ is excluded from voting on the Option Scheme by reason of the fact that it is the proponent of the Schemes. As at the date of the Scheme Booklet, neither HRZ nor any of its Associates hold any POS Options. *Refer to Section 5.2 for further information.*

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What happens to the POS Options?	POS has a total of 163,447,197 POS Options on issue, of which 632,519 are held by POS Directors. On the Implementation Date, in consideration for the cancellation and extinguishment of each POS Option, each POS Optionholder will be entitled to receive the Option Scheme Consideration in respect of each of their POS Options in accordance with the terms of the Option Scheme. *Refer to Section 5.9 for further information.*
What happens to the POS Incentive Options?	POS has a total of 21,000,000 POS Incentive Options on issue of which 6,000,000 are held by POS Director, Mr Harold. All existing POS Incentive Options that have not been exercised by the POS Incentive Optionholders to result in the issue of POS Shares before the Record Date so that the POS Incentive Optionholder can participate as a Scheme Shareholder in the Share Scheme, will be cancelled or transferred to HRZ in consideration for the POS Incentive Option Consideration, in accordance with the terms of the POS Incentive Option Deeds. It is proposed that the POS Incentive Options held by Mr Harold will be cancelled prior on the Implementation Date for a nominal amount of $6.02. *Refer to Section 5.9 for further information.*
What happens to the POS Performance Rights?	POS has a total of 5,949,598 POS Performance Rights on issue, of which 2,481,390 are held by POS Director, Mr Peter Harold. In addition, POS intends to issue 41,200,000 POS LTI Performance Rights as detailed in Section 5.11. All POS Performance Rights that have vested prior to the Record Date will be convertible into POS Shares so that the holders of those POS Performance Rights can participate as Scheme Shareholders in the Share Scheme. All POS Performance Rights that are not exercised prior to the Record Date will cancelled on the Record Date. *Refer to Section 5.10 and Section 5.11 for further information.*
Who is HRZ?	Horizon Minerals Limited (ASX:HRZ) is an ASX listed emerging mid-tier gold producer with high quality projects located in the heart of the West Australian goldfields. *Refer to Section 7 for further information.*
Why has the Merger been structured as a scheme of arrangement?	Effecting the transaction via the Schemes is believed to be the most efficient structure to implement the Merger and also reflects the co-operative nature of the Merger. *Refer to Sections 1 and 2 for the key reasons to vote in favour of the Schemes and the reasons why you may choose to vote against the Schemes respectively.*
What is the timetable of the Merger?	The Share Scheme Meeting is currently scheduled to be held at 11:00am (AWST) on 31 January 2025 and the Option Scheme Meeting is currently scheduled to be held at the later of 12:00pm (AWST) or at the conclusion of the Share Scheme Meeting on the same date. If POS Securityholders approve the Schemes and Court approval is obtained, the Merger is expected to be implemented on 19 February 2025. This is based on the current scheduled timetable of key dates as set out on page 5 of this Scheme Booklet, which is subject to possible change. *Refer to the important dates and times on page 5 of this Scheme Booklet for further information.*
Under what scenarios can POS or HRZ terminate the Merger?	The Scheme Implementation Deed provides for situations where either POS or HRZ have the right to terminate it and the Merger. These include the Schemes not being approved by the Requisite Majority of POS Securityholders, the Court refusing to approve the Schemes and if the remainder of the Scheme Conditions are not satisfied by the relevant time. *Refer to Section 13.8 for further information.*

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What happens if the Schemes are not approved?	As the Schemes are interconditional, if either of the Schemes is not approved, the Merger will not proceed and: • POS will continue to operate as a stand-alone entity, listed on ASX; • you will not receive your Scheme Consideration; • your POS Shares and POS Options will not be transferred to HRZ and/or cancelled (as the case may be); • you will continue to be exposed to the risks of holding POS Shares and POS Options that are set out in Sections 10.3 and 10.4; • the price of POS Shares may fall; and • POS will have incurred significant transaction costs (including legal and accounting fees and those paid to the Independent Expert) and utilised significant management time for no outcome. *Refer to Section 3 for further information.*
When and where will the Scheme Meetings be held?	The Share Scheme Meeting is scheduled to be held at the Conference Room, Level 2, QV1, 250 St Georges Terrace, Perth, Western Australia at 11:00am (AWST) on 31 January 2025. The Option Scheme Meeting is scheduled to be held at the later of 12:00pm (AWST) or at the conclusion of the Share Scheme Meeting on the same date (on 31 January 2025). *Refer to the Notice of Share Scheme Meeting set out in Annexure F of this Scheme Booklet and Notice of Option Scheme Meeting set out in Annexure G of this Scheme Booklet for further information.*
Who is entitled to vote on the Share Scheme?	POS Shareholders who are recorded as the holder of POS Shares on the POS Share Register as at 11:00am (AWST) on 29 January 2025, are entitled to vote at the Share Scheme Meeting. *Refer to the meeting details and how to vote on page 14 of this Scheme Booklet for further information.*
Who is entitled to vote on the Option Scheme?	POS Optionholders who are recorded as the holder of POS Options on the POS Option Register as at 12:00pm (AWST) on 29 January 2025, are entitled to vote at the Option Scheme Meeting. *Refer to the meeting details and how to vote on page 14of this Scheme Booklet for further information.*
Is voting compulsory?	Voting is not compulsory. However, your vote is important in deciding whether the Schemes are approved. POS Securityholders are strongly encouraged to vote. POS Securityholders who cannot attend the Scheme Meetings may complete and return the personalised proxy form (enclosed with this Scheme Booklet) or alternatively appoint a representative with a power of attorney. *Refer to the meeting details and how to vote on page 14of this Scheme Booklet for further information.*
How do I vote?	Details of how to vote are set out on pages 10 and 11 of this Scheme Booklet and are also included in the Notice of Share Scheme Meeting set out in Annexure F and Notice of Option Scheme Meeting set out in Annexure G of this Scheme Booklet. *Refer to the meeting details and how to vote Section on page 14 and 15of this Scheme Booklet for further information.*
What voting majority is required to approve the Schemes?	For the Share Scheme to be approved by POS Shareholders, votes in favour of the Share Scheme must be received from: • a majority in number (more than 50%) of POS Shareholders present and voting at the Share Scheme Meeting (in person, by

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	proxy, by attorney or, in the case of corporate POS Shareholder, by corporate representative); and • POS Shareholders who together hold at least 75% of the total number of votes cast on the Share Scheme Resolution. For the Option Scheme to be approved by POS Optionholders, votes in favour of the Option Scheme must be received from: • a majority in number (more than 50%) of POS Optionholders present and voting at the Option Scheme Meeting (in person, by proxy, by attorney or, in the case of corporate POS Optionholder, by corporate representative); and • POS Optionholders who together hold at least 75% of the total number of votes cast on the Option Scheme Resolution. *Refer to the meeting details and how to vote Section on page 10 of this Scheme Booklet for further information.*
What happens if I do not vote or vote against the Schemes?	Even if you do not vote, or if you vote against the Schemes, the Schemes will still be implemented if they are approved by the Requisite Majorities of POS Shareholders, POS Optionholders and the Court and all other conditions precedent to the Schemes are satisfied (or, if applicable, waived).
What are the Scheme Conditions?	The Scheme Conditions that have not already been satisfied are described in Sections 12.2. The Schemes will only be implemented if, amongst other things: • the Requisite Majority of POS Securityholders approve the Schemes; • the Court approves the Schemes; and • the remainder of the Scheme Conditions are satisfied. At the date of this Scheme Booklet the POS Directors are not aware of any Scheme Condition that is likely to prevent the Schemes becoming Effective and the Merger progressing. *Refer to Section 12.2 for further information.*
Exclusivity and Reimbursement Fee	The Scheme Implementation Deed includes: • exclusivity arrangements which apply from the date of the Scheme Implementation Deed until the earlier of 24 April 2025, the Implementation Date or the termination of the Scheme Implementation Deed; and • a liquidated amount (or break fee) of $250,000 which may become payable by POS or HRZ to the other party in certain circumstances (the break fee is not payable if the Schemes do not proceed merely because POS Securityholders do not vote in favour of the Schemes in sufficient numbers to meet the legal tests). *Further information in relation to the exclusivity arrangements and break fee is set out in Sections 13.2 to 13.7.*
What happens after the Scheme Meetings?	Even if the applicable resolutions approving the Schemes are passed at the Scheme Meetings, the Schemes remain subject to approval of the Court and to satisfaction (or, if applicable, waiver) of any other conditions that remain outstanding on the date of the Scheme Meetings.
What happens if one or more of the Scheme Conditions are not satisfied or waived?	The Schemes will not be implemented, and POS and HRZ will continue as separate entities, with each company bearing its own costs incurred as a result of the Merger. *Refer to Section 3 for further information*.
What if I am an Ineligible Shareholder?	New HRZ Shares will not be issued to Ineligible Shareholders under the Share Scheme. You will be an Ineligible Shareholder if:

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	• you are a POS Shareholder whose address (as shown in the POS Share Register as at 5.00pm (AWST) on the Record Date) is a place outside Australia or its external territories or New Zealand; or • you are a POS Shareholder who, based on your holding of Scheme Shares, would be entitled to receive less than a marketable parcel (as that term is defined in the Listing Rules) of New HRZ Shares as Share Scheme Consideration. New HRZ Shares that would otherwise have been issued to Ineligible Shareholders will instead be issued to the Sale Agent who will then sell these shares on ASX, and HRZ will pay the Ineligible Shareholders their proportion of the Net Sale Proceeds by either deposit into your nominated bank account or by cheque. *Refer to Section 5.7 for further information*.
Am I required to give any assurances by participating in the Schemes?	If the Schemes are implemented, each POS Securityholder is deemed to have warranted to HRZ, and appointed and authorised POS as its attorney and agent to warrant to HRZ, that: • all their POS Shares (including any rights and entitlements attaching to those POS Shares) transferred to HRZ under the Share Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances and interests of third parties of any kind and that they have full power and capacity to sell and transfer their POS Shares under the Share Scheme; and • all of their POS Options (including any rights and entitlements attaching to those POS Options) which are cancelled and extinguished under the Option Scheme will, at the date of cancellation and extinguishment, be free from all mortgages, pledges, charges, liens, encumbrances and security interests and other interests of third parties of any kind and they have full power and capacity to agree to the cancellation and extinguishment of their Scheme Options under the Option Scheme. *Refer to Section 12.7 for further information*.
Will I have to pay brokerage fees or stamp duty?	Scheme Participants will not be required to pay brokerage or stamp duty on the transfer of their POS Shares or the cancellation of their POS Options including the subsequent issue of New HRZ Shares and New HRZ Options. Brokerage fees will however be incurred by Ineligible Shareholders whose attributable New HRZ Shares will be issued to and sold by the Sale Agent, and the Net Sale Proceeds remitted to them. *Refer to Section 5.7 for further information*.
When will I receive my Scheme Consideration?	If the Schemes become Effective, New HRZ Shares and New HRZ Options will be issued on the Implementation Date, which is expected to be on 19 February 2025. Ineligible Shareholders will be paid the Net Sale Proceeds by cheque to the registered address or payment to their nominated bank account as soon as practicable after the Implementation Date. *Refer to Sections 5.2 and 12.6 for further information*.
Can I sell my POS Shares now?	POS Shareholders may sell their POS Shares at the prevailing market price, on-market at any time before the close of trading on ASX on the Effective Date, which is expected to be 1:00pm (AWST) on 10 February 2025.

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	If POS Shareholders sell their POS Shares before the Effective Date (the last day ASX quotes a market in POS Shares before suspension) they will not receive New HRZ Shares or New HRZ Options (as the case may be). *Refer to the Share Scheme of Arrangement set out in Annexure B of this Scheme Booklet for further information.*
Can I exercise my POS Options now?	POS Optionholders may elect to exercise their Options at any time prior to 5 Business Days prior to the Record Date, which is expected to be 5:00pm (AWST) on 12 February 2025. Any POS Optionholders who exercise their POS Options 5 Business Days prior to the Record Date, in accordance with the terms of the applicable POS Options, will be issued POS Shares and will be eligible to participate in the Share Scheme (provided the relevant POS Shares are still held at the Record Date). *Refer to the Option Scheme of Arrangement set out in Annexure C of this Scheme Booklet for further information.*
When can I start trading my New HRZ Shares and New HRZ Options on ASX?	Deferred settlement trading of the New HRZ Shares is expected to be available from 11 February 2025. Trading on ASX of New HRZ Shares is expected to commence on a normal settlement basis on market open on 20 February 2025. *Refer to Sections 12.8 and 12.9 for further information.*
Will the Schemes be a taxable transaction for Australian tax purposes?	Section 11 provides a description of the general Australian tax consequences of the Schemes for certain Scheme Participants. You should consult with your own tax adviser regarding the consequences of disposing of POS Shares and/ or POS Options under the Schemes, in light of current tax laws and your particular personal circumstances. *Refer to Section 11 for further information*.
What are the benefits of HRZ acquiring POS to form the Combined Group?	The benefits of combining POS and HRZ to form the Combined Group include potential benefits or advantages at both a corporate and project level. These potential benefits include strengthened financial position, enhanced exploration potential, improved capability, asset diversification and potential for greater capital markets rating and liquidity. *Logical consolidation of complementary assets in the Western Australian Goldfields* • The proposed transaction will consolidate Horizon's large gold resource and POS's Black Swan processing infrastructure in the Kalgoorlie-Coolgardie districts. • The combination provides a pathway for steady state, long-term gold production and cashflow as an independent mid-cap producer. • In the longer term, the combined resources in other commodities such as nickel or zinc/silver can be processed through Black Swan extending the life of this asset.[13] *Substantial resource base and regional tenure across multiple commodities (gold, nickel, silver, zinc, lithium)* • Combined JORC Mineral Resources of ~1.8Moz gold at an average grade of 1.84g/t Au and 422,700t nickel at an average grade of 1% Ni, 20.2Moz silver at an average grade of 52g/t and 104,000t zinc at an average grade of 0.9%.

[13] The proposed refurbishment and conversion of the Black Swan processing plant is subject to completion of a feasibility study in late 2025. The proposed feasibility study involves certain risks and uncertainties including as to the assurance of any potential economic scenario or study outcomes. These factors will be beyond the control of the Combined Group and its Directors. Whilst the Combined Group will seek to ensure all material assumptions will be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of possible study outcomes will ever materialise or be achieved.

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- Combined tenure of 1,309km^2 in an attractive geological position in the WA Goldfields.
- A strong pipeline of production sources, Mineral Resource growth opportunities, advanced brownfield exploration targets and greenfield exploration opportunities.

Aligned strategy of using POS's Black Swan infrastructure to fast-track gold production from processing HRZ's 1.8Moz Au resource, which is proximal to Black Swan

- Refurbishment of the front end of the Black Swan processing plant and conversion of the back end to facilitate gold production presents a significantly faster, lower capital pathway to gold production compared to building a new gold processing plant in the region.[14]
- HRZ's 465koz Burbanks and 428koz Boorara gold deposits form the cornerstone assets in a project pipeline aiming to deliver a 5-year mine plan to fill the Black Swan processing plant.
- Conversion of the Black Swan processing plant to a gold plant with throughput optionality will unlock latent value in Horizon's portfolio and open up the region for toll milling and further consolidation.[13]

Shared focus and ambition to become the next mid-tier gold producer

- HRZ aims to become a steady state, 100kozpa standalone producer following the merger and conversion and recommissioning of the Black Swan processing plant. [14]

Strategically positioned and permitted infrastructure at POS's Black Swan and Lake Johnston projects

- In addition to the combined entity's Kalgoorlie-Coolgardie gold assets, Lake Johnston and Windarra present highly strategic assets that have the ability to deliver further shareholder value.
- Situated in the southern Goldfields, the permitted Lake Johnston 1.5Mtpa processing plant and associated infrastructure presents an opportunity to develop a lithium processing hub in this emerging lithium province.
- Located in Laverton, Windarra's gold tailings present a highly strategic asset.

HRZ is projected to generate positive cash flows from existing mining operations at Boorara and Phillips Find through tolling arrangements at 3rd party mills, which can be invested in refurbishment of infrastructure at Black Swan and future exploration activities

- HRZ projected to generate free cash flow of more than $30M from existing toll treatment agreements mining gold ores from the Boorara and Phillip's Find projects.
- Projected positive cash flows to fund HRZ's growth strategy including any future development of the Black Swan infrastructure.[14]

Potential for re-rating based on enhanced scale and market relevance

- Enhanced trading liquidity and scale to drive increased market relevance, grow investor appeal and improved access to capital.
- Lower combined corporate overheads to enable greater focus on asset investment.

Refer to Section 1 for the reasons why the Independent POS Directors recommend that you vote in favour of the Schemes and Section 8 for a profile of the Combined Group.

[14] The proposed refurbishment and conversion of the Black Swan processing plant is subject to completion of a feasibility study in late 2025. The proposed feasibility study involves certain risks and uncertainties including as to the assurance of any potential economic scenario or study outcomes. These factors will be beyond the control of the Combined Group and its Directors. Whilst the Combined Group will seek to ensure all material assumptions will be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of possible study outcomes will ever materialise or be achieved.

What will be the strategy of the Combined Group?	If the Schemes are implemented, it is intended that the business of POS will be integrated into HRZ's existing business and will be continued substantially in the same manner as it is presently being conducted. The Combined Group will continue to review all aspects of the assets and operations to identify ways to maximise value for all shareholders. The key projects of the Combined Group are described in Section 8. The Merger will allow the two companies to potentially realise advantages and benefit from the combination of their Western Australian gold projects. *Refer to Section 9 for further information*.
What will the Combined Group be called?	The Combined Group will operate under the name of "Horizon Minerals Limited" and POS will be a wholly owned subsidiary of HRZ. *Refer to Section 9.1 for further information.*
Who will be the Managing Director of the Combined Group?	Existing HRZ Managing Director, Grant Haywood, will be the Managing Director of the Combined Group. *Refer to Section 9.3 for further information.*
Who will be on the Combined Group Board?	The Combined Group Board will comprise Grant Haywood, Ashok Parekh and Warren Hallam. *Refer to Section 9.3 for further information.*
Are there expected to be any changes to staffing as a result of the Merger?	It is the present intention of HRZ: • to continue the business of POS; • not to make any major changes to the business of POS; • to continue existing exploration, feasibility study and development programs for the assets of POS; and • to maintain the employment of the majority of POS' existing employees. *Refer to Sections 9.3 and 9.5 for further information.*
What will the dividend policy of the Combined Group be?	The Combined Group Board will review the amount of any future dividends to be paid to shareholders having regard to the Combined Group's profits, its financial position and the Board's assessment of the capital required to grow the Combined Group's business. *Refer to Section 9.6 for further information.*
What other information is available?	For further information, contact the Poseidon Nickel Limited Scheme Information Line between 7.00am – 4.00pm (AWST) Monday to Friday: Within Australia 1300 441 607 Outside Australia: +61 2 7250 6677

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5. Overview of the Schemes

5.1 Summary of the proposed Schemes

A scheme of arrangement is a statutory procedure that is commonly used to enable one company to acquire or merge with another. The Schemes are the mechanism by which POS Securityholders may approve the Merger.

If implemented, the Share Scheme will have the following effect:

(a) all POS Shares will be transferred from existing POS Shareholders to HRZ in return for the Share Scheme Consideration;

(b) POS will become a wholly-owned subsidiary of HRZ, and POS will be de-listed from the ASX;

(c) Scheme Shareholders (other than Ineligible Shareholders) will become shareholders in HRZ;

(d) Ineligible Shareholders will be paid the Net Sale Proceeds of the sale of the New HRZ Shares that would otherwise be issued to them net of brokerage and other costs; and

(e) the strategic direction for the development of POS' existing projects will be determined by the post-Scheme HRZ Board.

POS is also undertaking a separate scheme of arrangement with the POS Optionholders which, if implemented, will result in the cancellation of the POS Options and the Scheme Optionholders becoming holders of New HRZ Options.

The Option Scheme and the Share Scheme are inter-conditional.

Implementation of the Schemes are subject to the Scheme Conditions being satisfied, including the condition that the Schemes may only be implemented if POS Securityholders vote in favour of the Schemes by the Requisite Majorities at the Scheme Meetings. A summary of the Scheme Conditions which have not already been satisfied and the steps necessary to implement the Scheme appears in Section 12.2.

5.2 Scheme Consideration

Share Scheme

If the Share Scheme becomes Effective, each Scheme Shareholder (other than Ineligible Shareholders), will be issued 0.1156 New HRZ Shares for every 1 POS Shares they hold as at 5.00 pm (AWST) on the Record Date. The Share Scheme Consideration will be issued by HRZ on the Implementation Date, which is expected to be on 19 February 2025.

The New HRZ Shares issued as Share Scheme Consideration will be fully paid and, from the date of their issue, will rank equally with existing HRZ Shares. A summary of the rights attaching to New HRZ Shares is set out in Section 14.5.

Ineligible Shareholders will not be issued with New HRZ Shares. Instead, the New HRZ Shares that would otherwise have been issued to them will be issued to the Sale Agent on their behalf and they will be sold on ASX. The proceeds of the sale of these New HRZ Shares less brokerage and other costs, taxes and charges will then be paid to the Ineligible Shareholders.

Further details of the Scheme Consideration for Ineligible Shareholders are set out at Section 5.7.

Option Scheme

If the Option Scheme becomes Effective, each Scheme Optionholder will be issued 0.1156 New HRZ Options for every 1 POS Option they hold, as at 5.00 pm (AWST) on the Record

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Date. The Option Scheme Consideration of New HRZ Options will be issued by HRZ on the Implementation Date, which is expected to be on 19 February 2025.

Each New HRZ Option:

(a) may be exercised at any time prior to 5.00pm AWST on 3 September 2026;

(b) shall have an exercise price equal to $0.0519; and

(c) will otherwise be issued on the terms set out in Section 14.6.

By way of example, if a Scheme Optionholder held 1,000 Scheme Options at the Record Date, that Scheme Optionholder would receive 116 New HRZ Options exercisable at $0.0519 on or before 3 September 2026 (and otherwise on the terms set out in Section 14.6).

The New HRZ Options will be issued on terms that are equivalent (in all material respects) to the POS Options they are replacing, or otherwise on terms that are no less favourable to POS Optionholders.

5.3 Scheme Meetings

On 23 December 2024, the Court ordered that the Scheme Meetings be convened in accordance with the Notice of Share Scheme Meeting and Notice of Option Scheme Meeting.

The Share Scheme Meeting will be held at the Conference Room, Level 2, 250 St Georges Terrace, Perth, Western Australia at 11:00am (AWST) on 31 January 2025 and the Option Scheme Meeting will be held at the later of 12:00pm (AWST) or at the conclusion of the Share Scheme Meeting on the same date.

The fact that the Court has ordered that the Scheme Meetings to be convened is not an endorsement of, or expression of opinion on, the Schemes by the Court and is no indication that the Court has a view as to the merits of the Schemes or as to how POS Securityholders should vote at the Scheme Meetings. On these matters, POS Securityholders must make their own decision.

5.4 Independent POS Directors' recommendation

The Independent POS Directors recommend that, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Schemes are in the best interests of POS Securityholders:

(a) POS Shareholders vote in favour of the Share Scheme; and

(b) POS Optionholders vote in favour of the Option Scheme.

The Independent POS Directors believe that the potential benefits and reasons for POS Securityholders to vote in favour of the Schemes outweigh the potential disadvantages and reasons to vote against the Schemes. Each Independent POS Director who holds POS Securities or on whose behalf POS Securities are held at the time of the Scheme Meetings intends, in the absence of a Superior Proposal, to vote in favour of the Schemes.

In making their recommendation and determining how to vote on the Schemes, the Independent POS Directors have considered:

(a) the advantages and disadvantages of the Schemes, as summarised in Section 1 and Section 2 respectively;

(b) the implications of the Schemes not being approved, as summarised in Section 3;

(c) the opinion of the Independent Expert (refer to Section 5.5), that the Schemes are not fair but reasonable to POS Securityholders and are in the best interests of POS Securityholders; and

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(d) the alternative arrangements to the Schemes that might have otherwise been available to POS.

5.5 Independent Expert's conclusion

POS commissioned the Independent Expert, BDO Corporate Finance Australia Pty Ltd, to prepare a report on whether the Schemes are in the best interests of POS Securityholders.

The Independent Expert has concluded that, in the absence of a Superior Proposal:

(a) the Share Scheme is not fair but reasonable to POS Shareholders; and

(b) the Option Scheme is not fair but reasonable to POS Optionholders.

The Independent Expert has concluded that the Schemes are in the best interests of POS Securityholders.

The Independent Expert's Report is set out in Annexure A to this Scheme Booklet. The Independent POS Directors recommend that POS Securityholders read the Independent Expert's Report in full.

5.6 Tax consequences of the Schemes and trading and holding New HRZ Shares and New HRZ Options for Australian resident POS Securityholders

A general guide to the Australian tax consequences for the Schemes for certain Scheme Participants who are Australian tax residents is set out in Section 11. This guide is not intended to provide specific tax advice in respect of the individual circumstances of any Scheme Participant. Accordingly, Scheme Participants should seek their own independent professional tax advice.

5.7 Ineligible Shareholders

HRZ is not obliged to issue New HRZ Shares as consideration to any foreign Scheme Shareholder, being a Scheme Shareholder whose address in the POS Share Register is in a jurisdiction other than Australia or its external territories or New Zealand), unless HRZ is satisfied that the laws of a particular foreign Scheme Shareholder's country of residence (as shown in the POS Share Register) would permit the issue of New HRZ Shares to that foreign Scheme Shareholder, either unconditionally or after compliance with conditions which HRZ in its sole discretion regards as acceptable and not unduly onerous.

HRZ is also not obliged to issue New HRZ Shares as consideration to any Unmarketable Parcel Shareholder (being a Scheme Shareholder (other than an Ineligible Foreign Shareholder) who, based on their holding of Scheme Shares would, on implementation of the Share Scheme, be entitled to receive less than a marketable parcel (as that term is defined in the Listing Rules) of New HRZ Shares (assessed by reference to the price of HRZ Shares on ASX at the close of trading on the trading day prior to the Record Date) as Share Scheme Consideration.

The New HRZ Shares that would have been issued to these Ineligible Shareholders will be issued to the Sale Agent on the Implementation Date and dealt with in the manner described in Section 5.8.

Ineligible Shareholders will not receive New HRZ Shares but will instead receive the Net Sale Proceeds as their Share Scheme Consideration after brokerage and GST and any applicable stamp duty and taxes.

This Scheme Booklet does not constitute an offer of HRZ securities in any jurisdiction in which it would be unlawful. In particular, this Scheme Booklet may not be distributed to any person, and the HRZ securities may not be offered or sold, in any country outside Australia and its external territories and New Zealand.

POS Shareholders whose address as shown on the POS Share Register is outside of the aforementioned jurisdictions should refer to the Important Information Section of this Scheme Booklet.

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5.8 Sale Agent

Ineligible Foreign Shareholders will not receive New HRZ Shares under the Share Scheme. Instead, the New HRZ Shares that would otherwise have been issued to them will be issued to the Sale Agent (or to a nominee of the Sale Agent) on the Implementation Date.

HRZ will:

(a) procure that, as soon as reasonably practicable (and in any event not more than 20 days of the date on which the New HRZ Shares are capable of being traded on ASX after the Implementation Date), the Sale Agent sells (for an appointment fee paid by HRZ of $5,000) the New HRZ Shares issued to the Sale Agent at such price and on such other terms as the Sale Agent determines in good faith; and

(b) promptly after all of the sale proceeds have been remitted to HRZ by the Sale Agent, pay each Ineligible Shareholder an amount in Australian dollars equal to the proportion of the Net Sale Proceeds (that is, after deduction of a 1% brokerage fee (plus GST) and other applicable stamp duty and other taxes and charges) received by HRZ which that Ineligible Shareholder is entitled to receive in full satisfaction of their entitlement to receive Scheme Consideration.

POS, HRZ and the Sale Agent give no assurance as to the price that will be achieved for the sale of New HRZ Shares described above. The Net Sale Proceeds that Ineligible Shareholders will receive may be more or less than the current market value of the New HRZ Shares after deducting any applicable brokerage and other costs. Further details about the Sale Facility are set out below.

Further details regarding the Sale Facility are as follows:

(a) HRZ has appointed the Sale Agent (who holds an Australian Financial Services Licence);

(b) the market price of HRZ Shares is subject to change from time to time. Up-to-date information on the market price of HRZ Shares is available from www.asx.com.au (using the code “HRZ”);

(c) all New HRZ Shares attributable to Ineligible Shareholders will be issued to the Sale Agent, who will pool those New HRZ Shares and sell them on market (in one transaction or a number of transactions). All of the proceeds of those sales will be pooled and then (after deduction of brokerage and other costs) the Net Sale Proceeds will be divided by the total number of New HRZ Shares issued to the Sale Agent. The resultant amount will be paid to each Ineligible Shareholder in respect of each New HRZ Share to which they would otherwise have been entitled (subject to rounding); and

(d) the amount of the Net Sale Proceeds received by Ineligible Shareholders may be less than the actual proceeds received by the Sale Agent (or the nominee of the Sale Agent) for that person’s New HRZ Shares.

5.9 Treatment of POS Incentive Options

POS has a total of 21,000,000 POS Incentive Options on issue, of which 6,000,000 are held by POS Director, Mr Harold.

In accordance with the Scheme Implementation Deed, POS must take such action as is necessary to ensure that subject to the Scheme becoming Effective, that all outstanding POS Incentive Options are either:

(a) exercised in accordance with their terms by no later than the Business Day before the Record Date; or

(b) to the extent the POS Incentive Options are not exercised before the Record Date, be cancelled or transferred to HRZ in consideration for the POS Incentive Option Consideration, in accordance with a POS Incentive Option Deed by no later than the

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Implementation Date. It is proposed that the POS Incentive Options held by Mr Harold will be cancelled prior to the Implementation Date for a nominal amount of $6.02.

5.10 Treatment of POS Performance Rights

POS has a total of 5,949,598 POS Performance Rights on issue, of which 2,481,390 are held by POS Director, Mr Harold.

In accordance with the Scheme Implementation Deed, POS must take such action as is necessary to ensure that:

(a) subject to the Schemes becoming Effective, all vested POS Performance Rights will convert into POS Shares prior to the Record Date; and

(b) before 8.00am on the Second Court Date binding arrangements have been put in place to deal with the POS Performance Rights such that no POS Performance Rights are in existence on the Record Date.

The classes of POS Performance Rights on issue at the date of this Scheme Booklet are set out below:

ITEM #	CLASSIFICATION	NO. ON ISSUE	NO. VESTED	NO. UNVESTED
1.	POS Performance Rights expiring 30 June 2026[1]	2,481,390	2,481,390	Nil
2.	POS Performance Rights expiring 12 December 2028[2]	3,468,208	Nil	3,468,208

Notes:

1. These POS Performance Rights were issued to Mr Harold on 18 December 2023 under the POS Employee Incentive Plan and vested immediately, upon achievement of POS' long-term incentive (**LTI**) measure for the financial year ended 30 June 2022.
2. These POS Performance Rights were issued to a POS employee on 19 December 2023 and will vest in accordance with their terms and be converted into POS Shares prior to the Record Date.

5.11 POS LTI Performance Rights

In addition to the POS Performance Rights noted in Section 5.10 above, it is proposed that an additional 41,200,000 POS Performance Rights (equal to the aggregate value of $206,000) will be issued to POS employees and key management personnel pursuant to POS' long term incentive plan (**LTI Participants**), which provides the opportunity for LTI Participants to receive Performance Rights or a cash bonus for achievement of long-term company goals over a 36 month period (**POS LTI Performance Rights**).

The LTI for the financial year ended 30 June 2025 included the following Key Performance Indicator (**KPI**):

LTI KPI	DETAIL
TSR	Relative total POS shareholder return, benchmarked against a list of 12 ASX-listed exploration peers (having a similar market capitalisation and similar commodity focus).

In light of the Schemes, the POS Board completed an assessment of Relative Total Shareholder Return (**TSR**) against a list of 12 ASX-listed exploration peer group companies as at 25 October 2024, being the date that entry into the Scheme Implementation Deed was announced. Through this analysis, POS determined that the above described KPI had been met, as POS fell within the top 25th percentile of this peer group. The POS Board is of the view that, although it is not possible to determine what the final outcome of the TSR would be if the Schemes did not proceed, based on the above analysis, the LTI Participants would be entitled to 100% of the above KPI, representing 50% of the overall LTI. Given the above,

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the POS LTI Performance Rights will be issued and immediately vest upon the Court making orders under section 411(4)(b) of the Corporations Act approving the Schemes.

The quantum of the POS LTI Performance Rights proposed to be issued has been determined by dividing the LTI to be paid to the LTI Participants by a deemed POS Share price of $0.005, which is the VWAP of POS Shares over the 20 trading days prior to 21 November 2024. The POS LTI Performance Rights are proposed to be issued under the POS Employee Securities Incentive Plan.

5.12 Fractional entitlements

If, pursuant to the Schemes, a Scheme Participant becomes entitled to a fraction of a New HRZ Share and/or New HRZ Option, the number of New HRZ Shares and/or New HRZ Options issued (or, in the case of Ineligible Shareholders, the number of New HRZ Shares and/or New HRZ Options the Sale Agent will receive for sale on their behalf) will be rounded to the nearest whole number (with any fractional entitlement equal to or above 0.5 to be rounded up). If the fractional entitlement is less than 0.5, it will be rounded down to zero.

5.13 Warning against POS Share and POS Option splitting

If HRZ reasonably believes that a Scheme Participant has been a party to the splitting or division of a shareholding or optionholding in an attempt to obtain an advantage in relation to the rounding referred to in Section 5.12, then HRZ reserves the right to round the entitlement of such holdings so as to provide only the number of New HRZ Shares and/or New HRZ Options that would have been received but for the splitting or division.

5.14 Warranties given by POS Securityholders

If the Schemes are implemented, each POS Securityholder is deemed to have warranted to HRZ, and appointed and authorised POS as its attorney and agent to warrant to HRZ, that:

(a) all their POS Shares (including any rights and entitlements attaching to those POS Shares) transferred to HRZ under the Share Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances and interests of third parties of any kind and that they have full power and capacity to sell and transfer their POS Shares under the Share Scheme; and

(b) all of their POS Options (including any rights and entitlements attaching to those POS Options) which are cancelled and extinguished under the Option Scheme will, at the date of cancellation and extinguishment, be free from all mortgages, pledges, charges, liens, encumbrances and security interests and other interests of third parties of any kind and they have full power and capacity to agree to the cancellation and extinguishment of their Scheme Options under the Option Scheme.

5.15 If the Schemes do not proceed

If the Schemes do not proceed, POS Securityholders will continue to hold POS Shares and/or POS Options. In the absence of any Superior Proposal to the Schemes, POS will continue as a standalone entity. POS Securityholders will be exposed to the risks relating to Poseidon's business set out in Section 10. POS Securityholders may, in addition to the normal risks it faces, be exposed to the additional risks as described in Section 3.

Depending on the reasons why the Schemes do not proceed, POS or HRZ may be liable to pay the Reimbursement Fee of $250,000 to the other party. The Reimbursement Fee is not payable if the Schemes do not proceed merely because POS Securityholders do not vote in favour of the Schemes in sufficient numbers to meet the legal tests. Further information in relation to the Reimbursement Fee is set out in Section 13.7.

POS will also be required to repay the Facility Agreement, to the extent drawn, as well as being liable to pay certain transaction costs in relation to the Schemes, regardless of whether or not the Schemes are implemented. If the Schemes do proceed, additional costs will be incurred.

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6. Profile of Poseidon

This Section of the Scheme Booklet contains information in relation to POS as at the date of the Scheme Booklet. Additional information is included in the Independent Expert's Report set out in Annexure A to this Scheme Booklet.

6.1 Introduction

Poseidon Nickel Limited (ASX Code: POS) is an ASX listed company incorporated in Western Australia on 24 June 1993. Poseidon owns three resource exploration and mine development projects, all located within a 300km radius of Kalgoorlie in the Goldfields region of Western Australia. Poseidon's strategy is focused on targeted exploration and business development to grow reserves and resources for the eventual restart of its established processing operations in Western Australia with the aim of being a profitable and steady state producer.

Poseidon has two wholly owned subsidiaries, Poseidon Nickel Atlantic Operations Pty Ltd and Western Nickel Limited.

Further information can be found at www.poseidon-nickel.com.au/about/company-overview/ and Poseidon's quarterly and annual reports released to the ASX.

6.2 Overview of Poseidon's operations

Poseidon owns the Black Swan, Windarra Nickel and Lake Johnston Projects. The mines and infrastructure across all projects, including two concentrators at Black Swan and Lake Johnston, with a total combined throughput of 3.7Mtpa, present near term development options for Poseidon and peer companies that have mineral resources proximal to these projects without their own established processing infrastructure.

Poseidon has a combined nickel resource of over 400,000 tonnes of contained metal and 180,000 ounces of gold in tailings.

Further information on each of Poseidon's projects are set out below.

Black Swan

The Black Swan Nickel Project is situated 55km north-east of Kalgoorlie and is located on granted mining leases. The project commenced operations in 1997 and operated continuously until 2008, with production from the Black Swan Open Pit of 5.9Mt @ 0.7% Ni for 41kt Ni and Silver Swan Underground of 2.7Mt @ 5.1% Ni for 138kt Ni (Total production 179kt Ni in concentrate). Poseidon acquired the project from Norilsk in March 2015. The operations include the Silver Swan underground mine, Black Swan open pit, a 2.2Mtpa nickel sulphide concentrator and associated infrastructure.

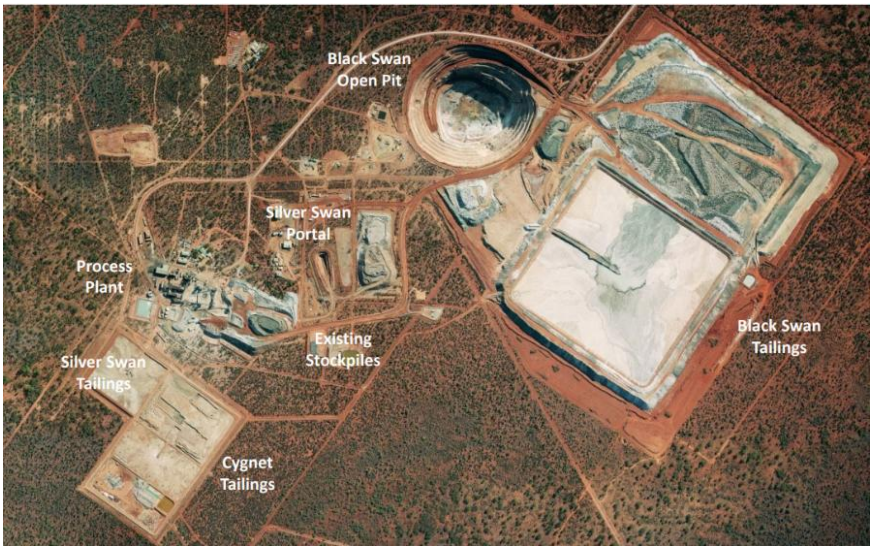


Figure 1: Black Swan Site Map Noting Significant Infrastructure

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The project has a combined nickel resource of 222kt Ni contained. Total nickel resources are presented in the following table:

Black Swan Nickel Resources Statement			
	Tonnes (kt)	Ni% Grade	Ni Metal (t)
Measured			
Black Swan	800	0.78	7,000
Silver Swan	-	-	-
Golden Swan	-	-	-
Silver Swan Tailings	675	0.92	6,200
Stockpiles	-	-	-
Indicated			
Black Swan	15,100	0.73	111,000
Silver Swan	138	9.00	12,450
Golden Swan	112	4.70	5,200
Silver Swan Tailings	-	-	-
Stockpiles	1,200	0.49	5,900
Inferred			
Black Swan	10,400	0.69	71,000
Silver Swan	8	6.00	490
Golden Swan	48	2.20	1,050
Silver Swan Tailings	-	-	-
Stockpiles	400	0.53	1,900
Total			
Black Swan	26,300	0.72	189,000
Silver Swan	146	8.80	12,940
Golden Swan	160	3.90	6,250
Silver Swan Tailings	675	0.92	6,200
Stockpiles	1,600	0.50	7,800
Total	**28,881**	**0.77**	**222,190**

Table 1: Black Swan Nickel Projects Resources Statement

Bankable Feasibility Study

The Black Swan nickel project Bankable Feasibility Study (**BFS**) was completed in November 2022 (see ASX announcement "Positive Black Swan Feasibility Study" dated 21 November 2022). The study assumed a 1.1Mtpa feed to produce smelter grade concentrate scenario. The study highlighted a financially robust project with an NPV of $167.3 million and IRR of 86% using the discounted cashflow valuation method. The BFS assumed an average nickel price forecast of US$10.73/lb (A$15.55/lb) and an average exchange rate of USD:AUD $0.69.

These estimates are based on the following economic outputs as set out Table 6 of the announcement released to Poseidon's ASX platform on 21 November 2022 titled "Positive Black Swan Feasibility Study":

ECONOMIC OUTPUTS	BASE CASE
Revenue	$809M
Operating Costs	$483M
Capital Expenditure[1]	$99M

ECONOMIC OUTPUTS	BASE CASE
Net Cash Flow	$227M
Pre-tax NPV_8[2]	$167M
IRR	86%
Payback Period[3]	1.3 years
C1 Cash Cost[4]	US$4.56/lb
AISC Cash Cost[5]	US$4.90/lb
Average Ni price	US$11.6/lb
Average FX (USD/AUD)	0.69

Notes:

1. *Capital expenditure includes $50 million of pre-production capital expenditure with the remainder of capital expenditure incurred post first ore production.*
2. *NPV is based on real cash flow forecasts and represents value as at projected start date of concentrator refurbishment being 1 July 2023.*
3. *Period post completion of concentrator refurbishment.*
4. *C1 cash costs include operating cash costs including mining, processing, geology, OHSE, site G&A, concentrate transport, less by-product divided by nickel in concentrate produced (100% basis before smelter deductions). Excludes development and sustaining capex, pre-production costs and royalties.*
5. *AISC – are C1 cash costs plus royalties and sustaining capital. Excludes development capital and preproduction costs.*

Following the release of the BFS the nickel price declined significantly, which combined with the poor nickel market outlook led the Company to defer the Black Swan Project restart during July 2023. With current nickel price levels around US$7.10/lb (A$11/lb) the project remains uneconomic.

A large portion of the work completed as part of the BFS will assist in any studies for gold processing potential at Black Swan. The BFS combined with work undertaken by Poseidon over 2017 (refer to ASX announcement "Poseidon and Aphrodite Move Closer to Gold Production" dated 10 July 2017) that considered the processing of gold at Black Swan will help progress the studies for the proposed strategy of the Combined Group to process Horizon's gold resources at the project.

Nickel Exploration

Exploration reviews undertaken during late 2024 confirmed two prospective near surface nickel exploration targets at Black Swan. These targets present lower cost exploration targets compared to those deep underground and have been under-explored in the past. Any new high-grade nickel discovery can potentially add to reserves for any future restart and could decrease unit costs, further improving the project economics.

For further information on recent nickel exploration at Black Swan refer to ASX announcement "Near Surface Exploration Targets at Black Swan" dated 30 May 2024.

Gold Exploration

Since the deferral of the Black Swan nickel project Poseidon has focused on the exploration of other commodities at Black Swan. Review of historical drilling data and the discovery of a number of gold nuggets near to the existing nickel mines supported the company completing early stage exploration works focused on gold.

The project is situated west of the Mt Monger Fault amongst a series of interpreted secondary structures emanating from the primary fault which are commonly associated with gold mineralisation. The secondary structures are similar to those controlling the Golden Valley and Kanowna Sequence which hosts a number of large gold deposits including Kanowna Belle and Gordon Sirdar (see Figure 2).

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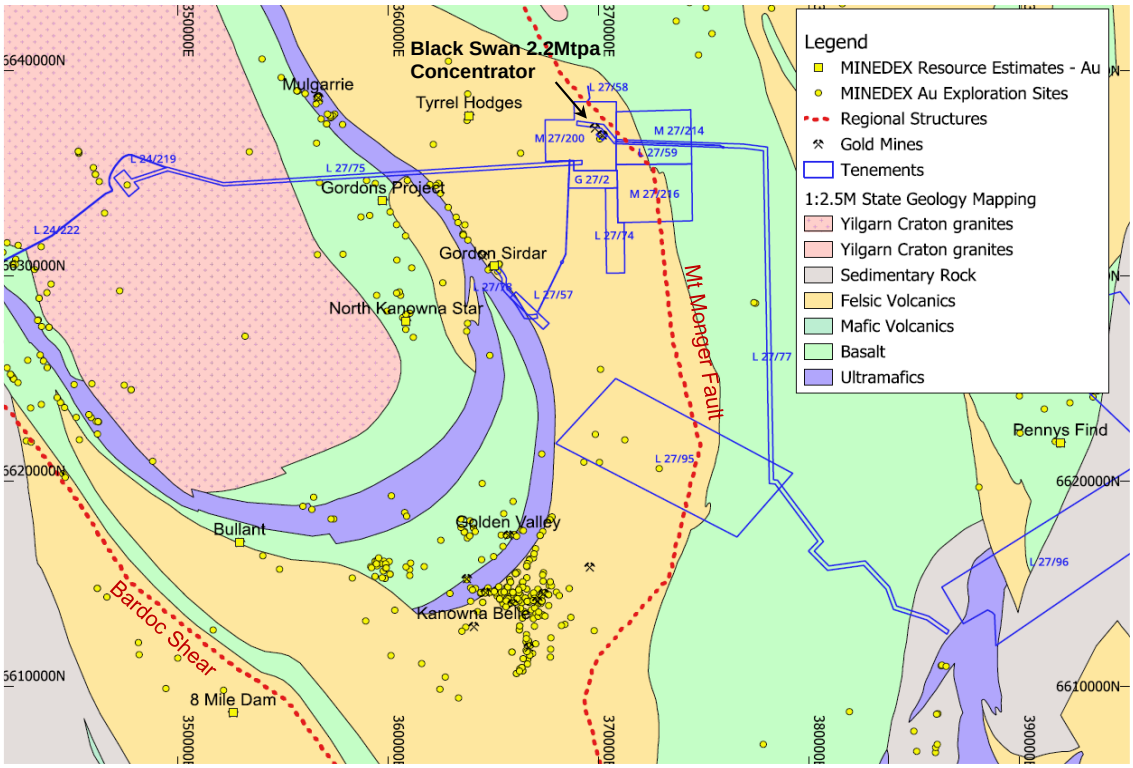


Figure 2: Black Swan Regional Geology Map & Tenement Locations

Due to the historical focus on nickel at Black Swan, there has been very limited gold exploration despite being located within a major gold producing region. A total of 5% of all prior drilling intersections were assayed for gold. Poseidon recently reported the discovery of 67 gold nuggets at Black Swan with a combined weight of 22.6g (see ASX announcements “Gold Prospectivity Enhanced at Black Swan and Lake Johnston”, re-released 16 August 2024, and “Further Validation of Gold Potential at Company Projects”, dated 26 August 2024). The discovery of these gold nuggets combined with the lack of previous exploration for gold at Black Swan upgraded Poseidon’s view on prospectivity for gold at the project.

Most recently Poseidon has completed soil sampling programs to further define the gold opportunity. During August 2024 Poseidon completed a wide spaced reconnaissance soil sampling program across the entire landholding at Black Swan which was assayed for the full suite of elements. The soil assay results from 362 samples noted four promising gold in soil anomalies. This program was followed by infill soil sampling completed during September 2024 which collected a further 326 samples focused on the three most prospective, being Wilson’s, Ellison and Wattle soil anomalies, identified to date. Results

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from this program further enhanced each of the three anomalies tested, returning higher and more consistent results.

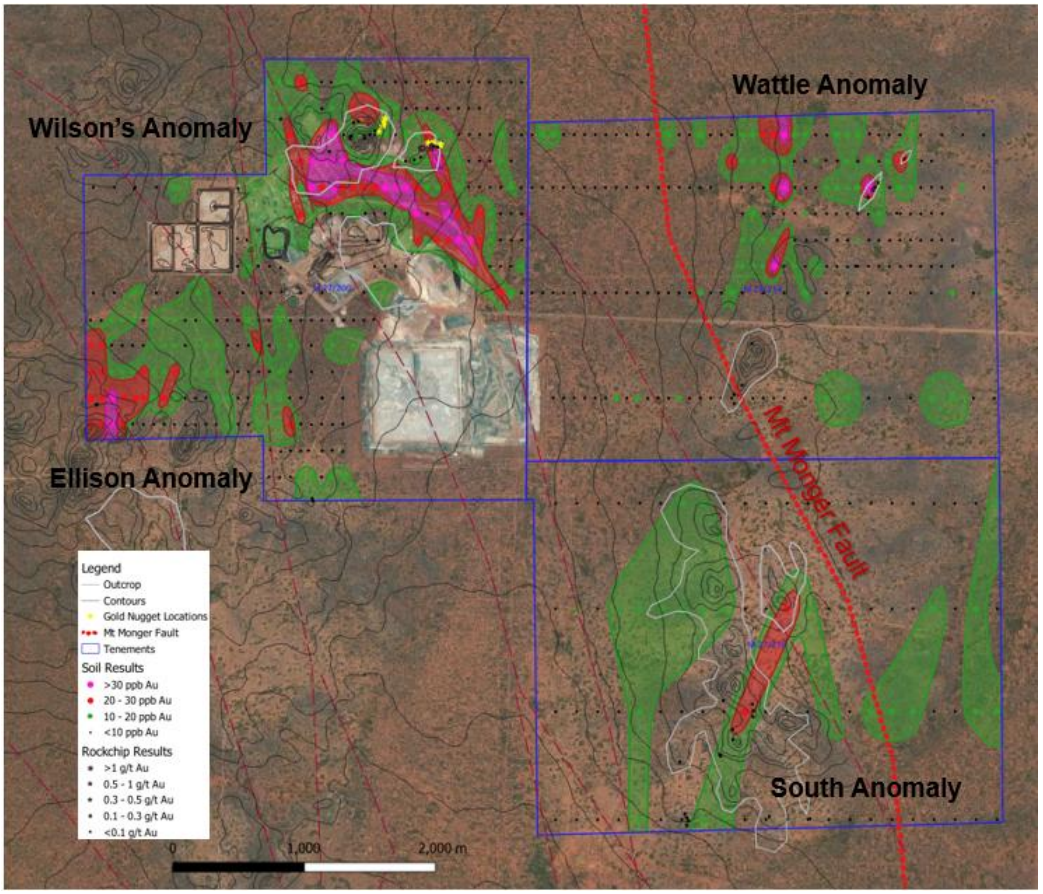


Figure 3: Black Swan gold in soil anomalies (all soil samples)

The strongest and most coherent gold in soil anomaly is located at the Wilson's Prospect. The anomaly is 2.5km x 1.5km in size and remains open on the southern margin due to the lack of sampling in areas where previous mining activity has disturbed the ground.

The Wilsons's soil anomaly peaks at 79ppb Au and encompasses the reported locations of gold nuggets, anomalous rock chip samples and anomalous gold intersections in drilling results (refer to ASX Announcement "Gold Potential Builds at Black Swan, dated 24 September 2024). Historic drilling at Black Swan focused on the basal contact of the Black Swan Komatiite, primarily on the western extent of the recently identified gold in soil anomaly or were not assayed for gold. Much of the Wilson's Prospect remains untested by drilling for gold (Figure 4).

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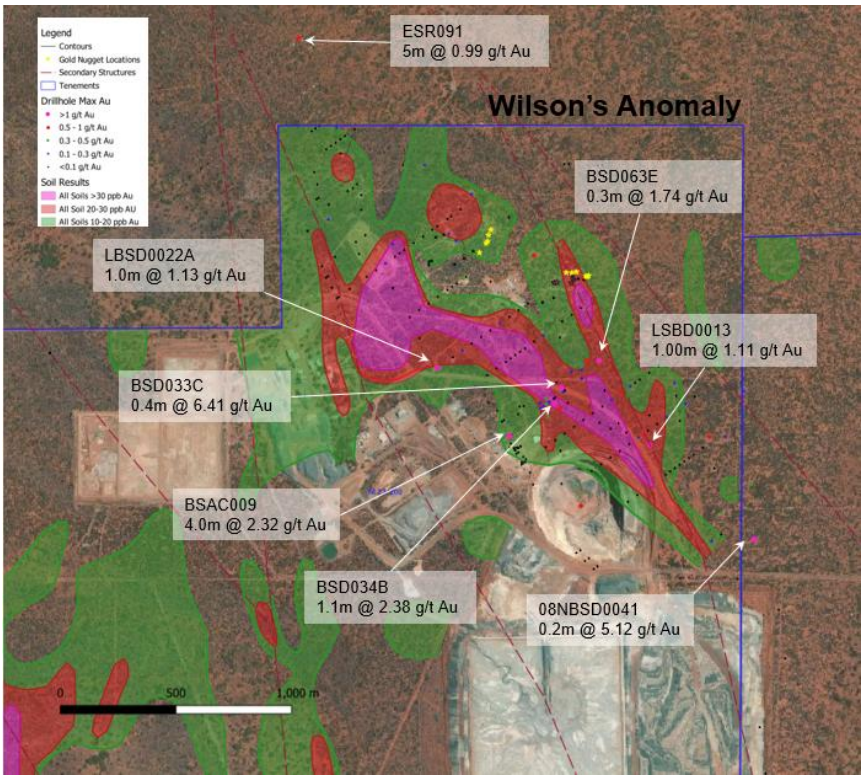


Figure 4: Wilson's Prospect defined anomaly Gold in soil contours, rock chips and gold nugget locations, and Nickel Drillhole Collar locations with gold drill intersections >1 g/t Au

Any gold resource discovery at Black Swan will be highly leveraged to the existing plant and infrastructure.

Lake Johnston

The Lake Johnston project is situated 117km west of Norseman, accessed via the Hyden-Norseman Road, with the infrastructure and mines located on granted mining leases. Poseidon acquired the asset from Norilsk in November 2014 which includes the Maggie Hays underground mine, 1.5Mtpa nickel sulphide concentrator, windy hill camp and associated infrastructure. Operating between 2001 and 2014 Lake Johnston mined and processed 11.5Mt of ore to produce over 100kt of nickel contained in concentrate.



Figure 5: Lake Johnston Site Map Noting Significant Infrastructure

The project has a resource of 3.5Mt @ 1.5% Ni for 52kt nickel contained in the Maggie Hays deposit.

Lake Johnston Nickel Resources Statement			
	Tonnes (kt)	Ni% Grade	Ni Metal (t)
Measured			
Maggie Hays	-	-	-
Indicated			
Maggie Hays	2,600	1.60	41,900
Inferred			
Maggie Hays	900	1.17	10,100
Total			
Maggie Hays	**3,500**	**1.49**	**52,000**

Table 2: Lake Johnston Nickel Projects Resources Statement

Mantis Farm-in Agreement

In December 2023, Poseidon entered into a Farm-in Agreement with Mantis Resources Pty Ltd (Mantis) to earn up to a 100% interest in exploration licences 63/2244 and 63/2256 which are located in close proximity to Lake Johnston These tenements contain high grade lithium bearing pegmatites, with composite samples from outcropping pegmatite exposures returning assay results grading from 2.80% to 3.85% Li_2O. These outcropping lithium pegmatites were, at the time, within exploration license E63/1067 which was formerly registered to Poseidon and was subsequently compulsory surrendered.

Over the past 18 months Poseidon has progressed exploration works across three target commodities, nickel, lithium and gold. This exploration has identified drill ready targets across these commodities with Poseidon currently planning preparatory works for drilling of the Billy Ray copper-gold anomaly.

Nickel Exploration

During 2023 Poseidon completed an aircore (AC) and shallow reverse circulation (RC) drilling programs to progress several highly promising greenfields targets along the Western Ultramafic Unit (WUU) (refer to ASX Announcement “Exploration & Gold Tailings Update” dated 18 December 2023). The drilling defined a priority target area at Maggie Hays West which was considered highly prospective for nickel sulphide mineralisation.

The drilling program defined a standout greenfields nickel sulphide target at Maggie Hays West with a coherent Ni-Cu-PGE regolith anomaly confirmed in shallow AC drilling over 1km sitting over the basal contact within the WUU. The best drill interval returned up to 2.37% Ni, 624ppm Cu and 353ppb Pt+Pd over 1m and provides a compelling target.

Testing of the Maggie Hays West anomaly and associated WUU “channel-like” zone warrants further exploration efforts.

Copper-Gold Exploration

Over the past 12 months Poseidon completed an assessment for other commodities at Lake Johnston. Gold exploration has historically been sporadic at Lake Johnston, with several gold in soil targets identified in the 1980’s and followed up by shallow drilling at the time. Since then, numerous soil programs were completed but with a strong focus and bias towards progressing only nickel targets.

Most recently Poseidon completed a soil sampling program dedicated for gold collecting 135 samples to test extensions of the Billy Ray Prospect, evaluate the gold potential at the Norfolk Prospect and to define additional exploration targets across the Mantis tenement

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(E63/2244). The program line spacing, ranging from 200m near Billy Ray to 400m and 800m further north, utilised UltraFine+ technique and provided a comprehensive suite of elemental data including gold, copper and lithium.

Gold results from the soil program are presented below in Figure 6, which also notes the extensive areas across the Lake Johnston tenements which have not previously been tested for gold, lithium and base metals that are outside the historic nickel exploration areas. For further information refer to ASX announcement “Copper-Gold and Lithium targets at Lake Johnston enhanced” dated 8 October 2024.

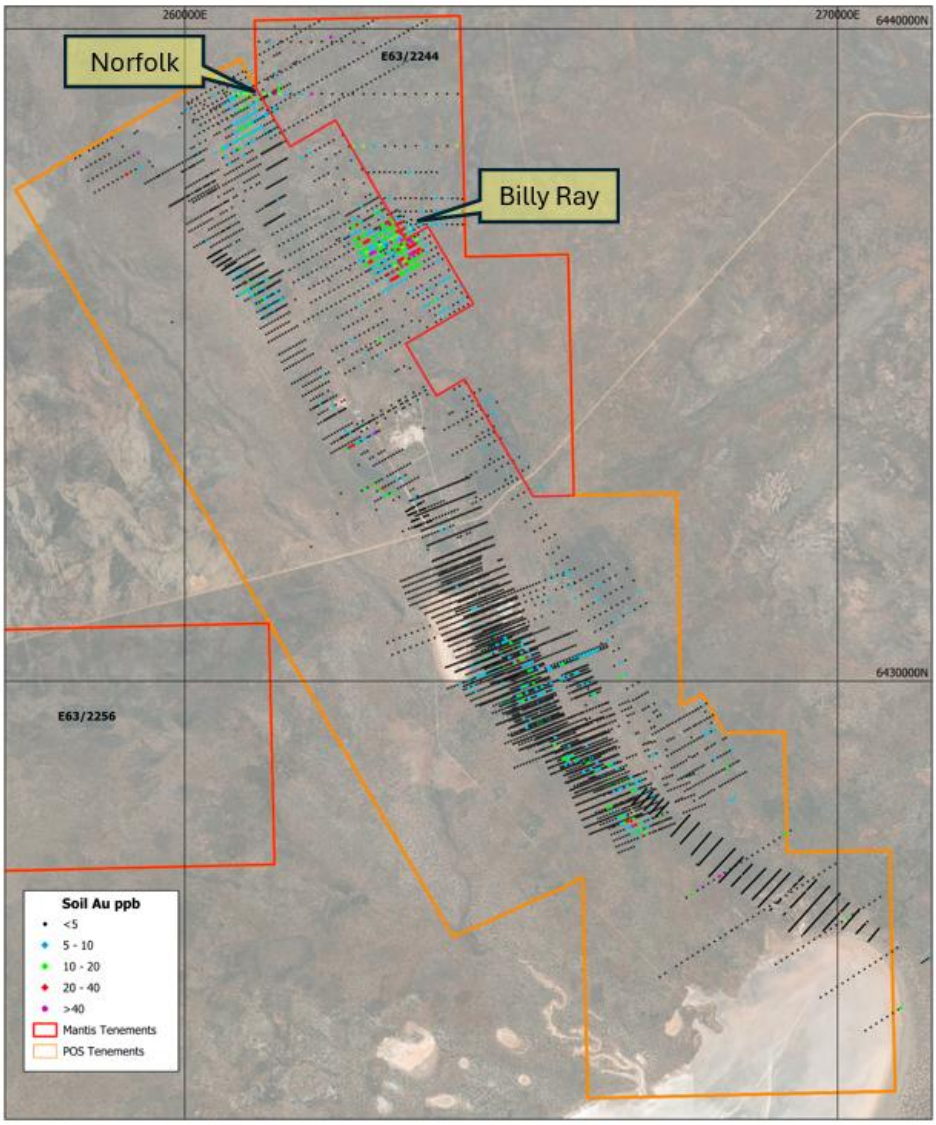


Figure 6: Lake Johnston Gold in soil anomalies and coverage of previously untested area across the tenements

Soil programs have confirmed a large coherent gold in soil anomaly (greater than 10ppb) measuring 1.0km by 1.2km at the Billy Ray Prospect. The eastern section of the anomaly represents the strongest copper-gold association with peak values of 71ppb Au and 141ppm Cu and aligns with the interpreted cross cutting structure. Further to this the Billy Ray anomaly has previously been drill tested along the eastern extent noting Cu-Au mineralisation in drillhole LJPD0032 with best intersection grading 2.36% Cu and 2.26g/t Au from 149.62m (refer to ASX Announcement “Update on Gold Exploration Programs” dated 30 July 2024), see Figure 6. The eastern extent of the anomaly has not been previously drill tested and Poseidon is currently undertaking preparation activities to apply for a program of work (POW) to complete shallow reconnaissance aircore (AC) or reverse circulation (RC) drilling at Billy Ray.

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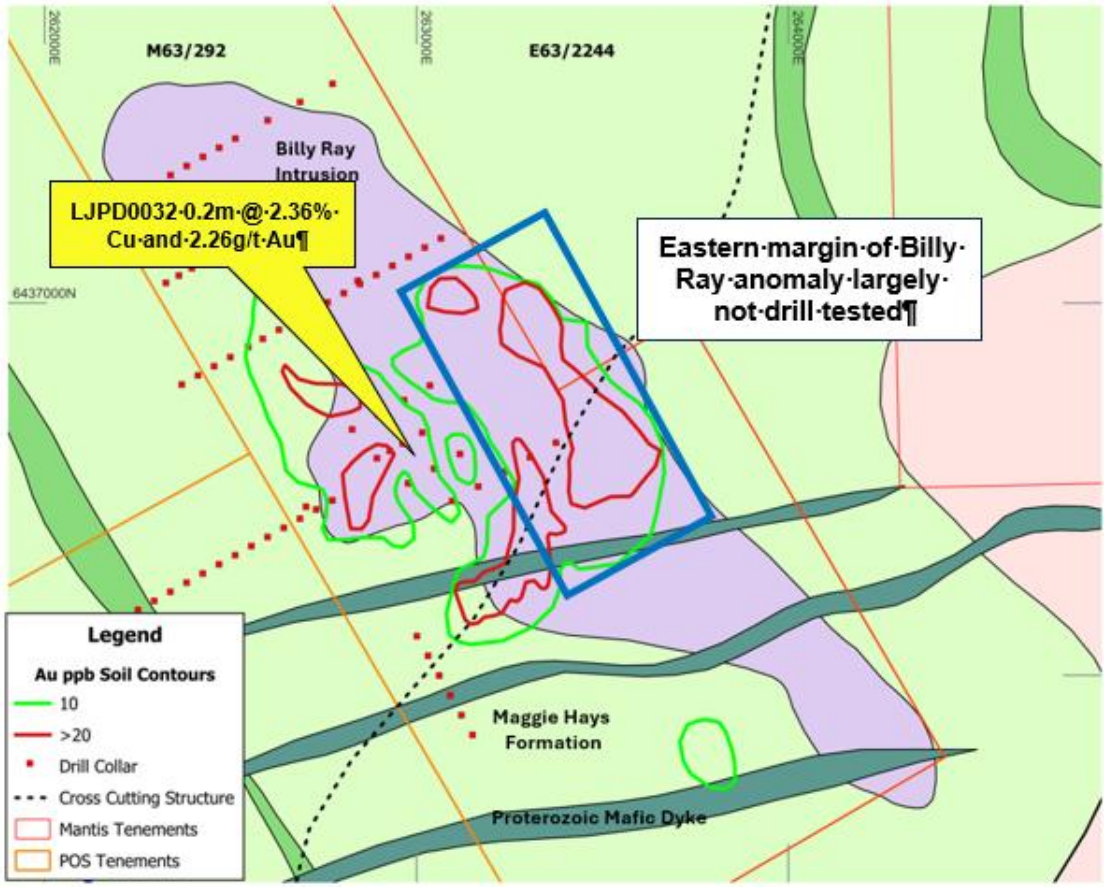


Figure 7: Billy Ray copper-gold anomaly largely not drill tested on eastern extent

A second gold in soil anomaly has also been confirmed at Norfolk following historical anomalous gold results noted in the area. The soil assay results substantiated the historical results and returned a maximum gold value of 66pb Au, extending the anomalism 500m to the east (refer to ASX announcement "Copper-Gold and Lithium targets at Lake Johnston enhanced" dated 8 October 2024). Norfolk requires further soil sampling to further define the gold targets and test the area extending through to Billy Ray.

Lithium Exploration

During 2024, Poseidon commenced a review of lithium potential at Lake Johnston. Data from five regional soil sampling programs completed during 2023 were re-examined with a focus on trace elements for lithium bearing pegmatites. The standout area was the southern-most program where in-situ soils confirmed broad anomalous lithium values with corresponding rubidium (Rb) and caesium (Cs) anomalism in places over a strike length of 3km (see Figure 8). The coincident Rb in-soil anomalism may indicate the presence of lithium bearing pegmatites, and lithium levels in the soils were similar to those reported by other exploration companies in the Lake Johnston region. It is interpreted that there is a potential granite source associated with the pegmatites that are present to the west of the anomaly.

In May 2024 mapping within the previously identified soil anomalies revealed isolated outcrops of pegmatite, marking an important step in underpinning the likely source of the soil anomaly. The area, characterised by thin soils and transported cover, suggests hidden pegmatites might be widespread, offering ample opportunity for potential fractionation processes to occur and the development of spodumene zones within the targeted "goldilocks zones".

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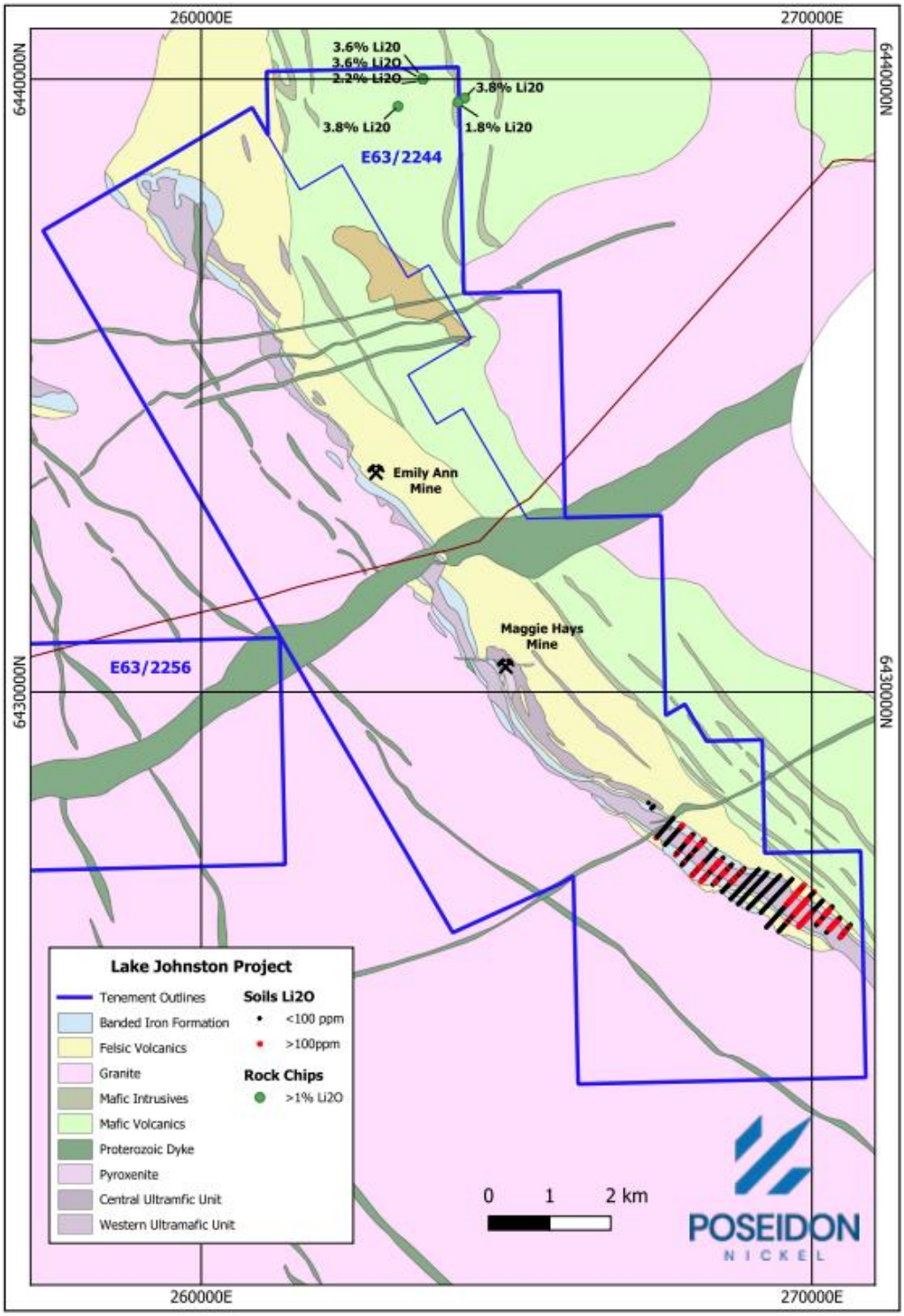


Figure 8: Regional geological plan showing the location of known Lithium occurrences at Lake Johnston

The recent wide-spaced soil sampling conducted on the northern section of tenement E63/2244 identified a large coherent Li_2O anomaly that is characterised by >100ppm Li_2O and extends south of previous composite rock chips that returned high grades from 2.80% up to 3.85% Li_2O (refer ASX Announcement "High Grade Lithium Bearing Pegmatites Located at Lake Johnston" dated 23 May 2016).

The central core of this anomaly, defined by >200ppm Li_2O, spans 0.95km by 2.3km and remains open to the west. Within this core zone, an outstanding maximum value of 495ppm Li_2O was recorded, coinciding with rubidium (117ppm Rb), caesium (31ppm Cs) and Tin (9ppm Sb).

Historical RC drilling targeted the northeast corner of the tenement, with one hole collared within the core of the anomaly. This hole did not intersect pegmatite and was not subsequently assayed, leaving the identified anomaly largely untested by drilling.

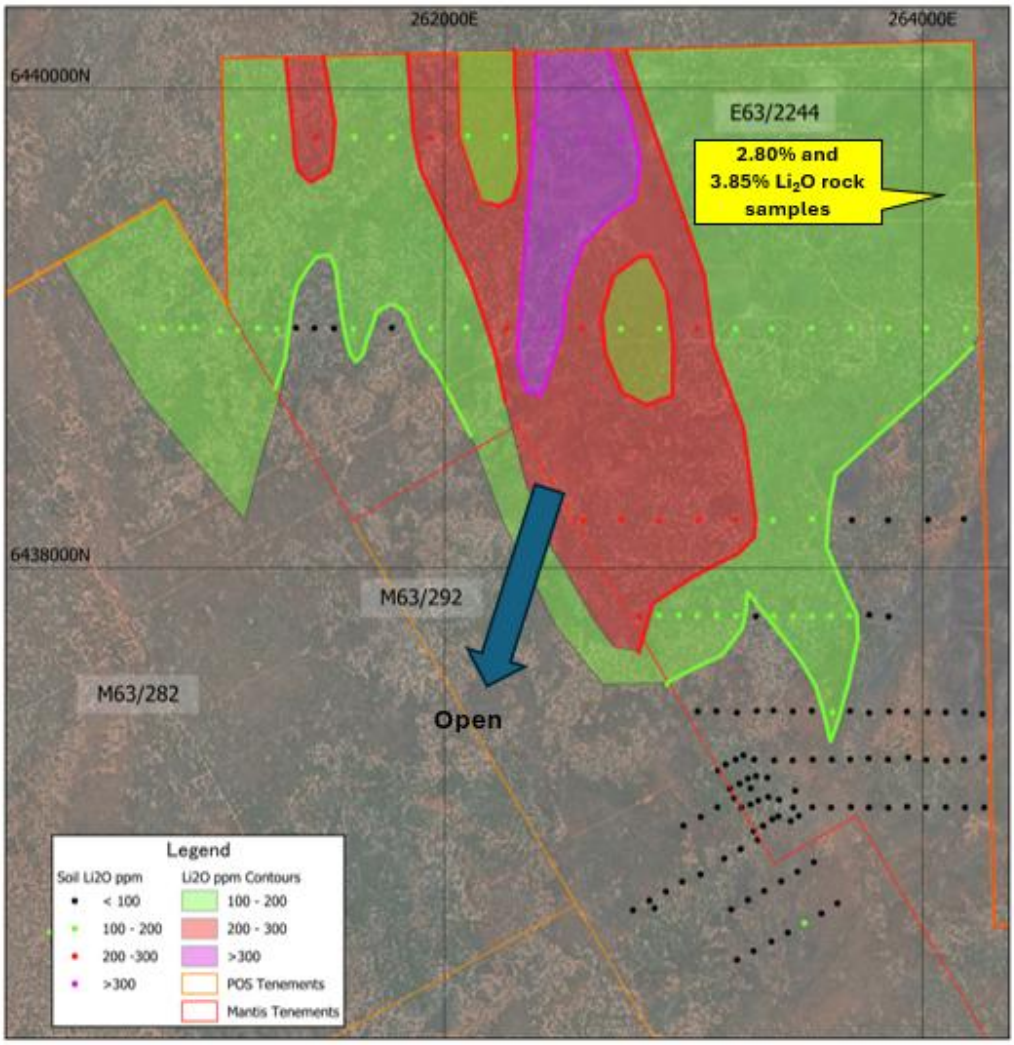


Figure 9: Lithium anomaly identified across the majority of the northern extent of tenement E63/2244

Any lithium bearing spodumene discovery at Lake Johnston would be leveraged to the processing facility and associated infrastructure. Poseidon has previously considered lithium processing at Lake Johnston, entering into a MOU with Kidman Resources Limited in 2016, as the concentrator is amenable to processing lithium spodumene ores through the flotation process (see ASX announcement “Poseidon & Kidman Move Closer to Lithium Production” dated 27 July 2016).

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Windarra

The Windarra project is located within the Mt Margaret Goldfields region of Western Australia and is situated approximately 25km west of Laverton.

Nickel Projects

The project contains three historic discoveries, two of which were subsequently mined at Mt Windarra and South Windarra. Western Mining Corporation (WMC) and the original Poseidon NL discovered nickel mineralisation in the belt in the late 1960's and up until the late 1980's had completed 15,180 drill holes for ~477km of drilling during ownership of the project. Mining occurred over the period 1974 – 1983 with 8Mt mined and processed producing 84kt Ni contained. The site was largely rehabilitated by WMC with the majority of processing and associated infrastructure removed.

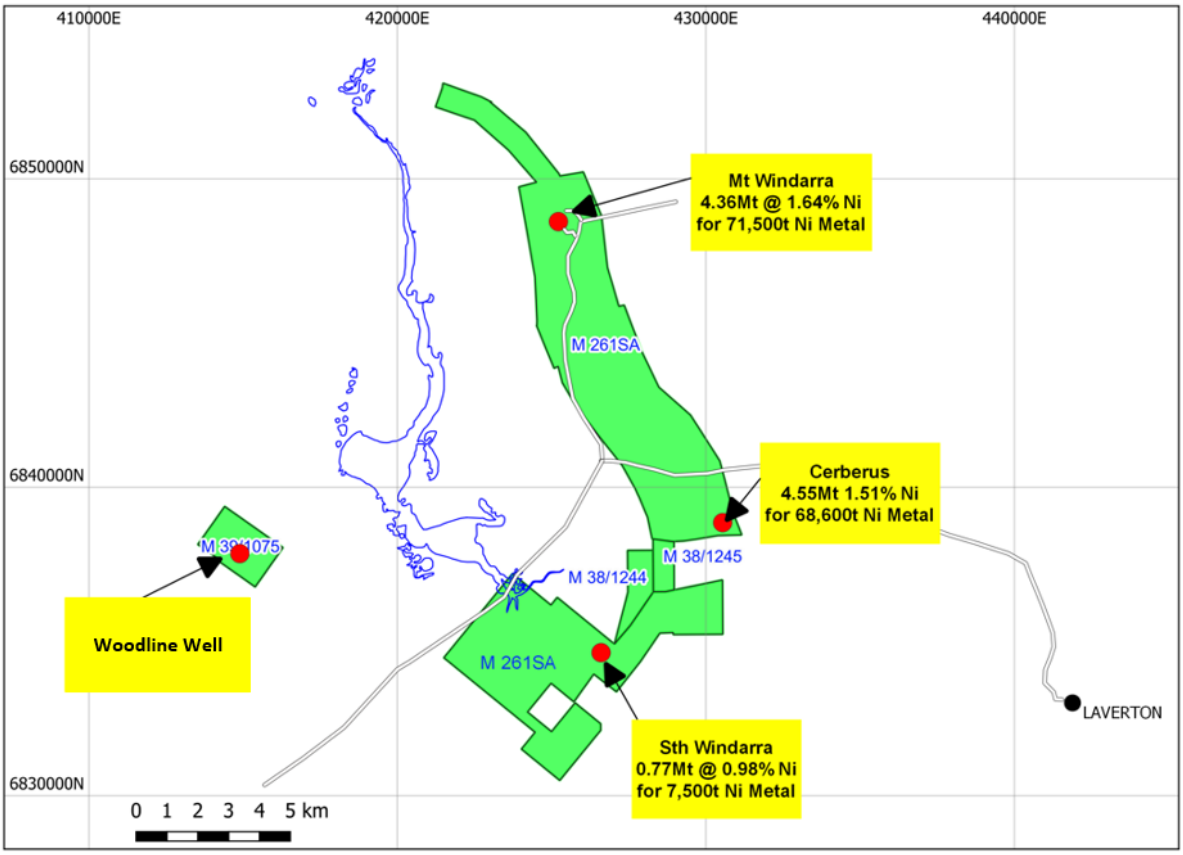


Figure 10: Windarra Site Map Noting Significant Nickel Resources

To date Poseidon has completed over 550 drill holes for ~70km of drilling on the project since 2008 in order to bring the historic mine resources into JORC compliant status, as well as the discovery and delineation of a new resource at Cerberus. The combined nickel resources at Windarra total 148.5kt Ni contained (Table 3).

Windarra Nickel Resources Statement			
	Tonnes (kt)	Ni% Grade	Ni Metal (t)
Measured			
Mt Windarra	-	-	-
South Windarra	-	-	-
Cerberus	-	-	-
Indicated			
Mt Windarra	922	1.56	14,000
South Windarra	722	0.98	8,000

Cerberus	2,773	1.25	35,000
Inferred			
Mt Windarra	3,436	1.66	57,500
South Windarra	-	-	-
Cerberus	1,778	1.91	34,000
Total			
Mt Windarra	4,358	1.64	71,500
South Windarra	772	0.98	8,000
Cerberus	4,551	1.51	69,000
Total	**9,681**	**1.53**	**148,500**

Table 3: Windarra Nickel Projects Resources Statement

POS notes that the Cerberus and South Windarra mineral resource estimates set out in the table above have both been reported in accordance with the 2004 edition of the JORC Code and have not been updated by Poseidon to be JORC 2012 compliant. Further work, which may include additional drilling, sampling, and technical studies, will be required to reclassify the JORC Code 2004 mineral resource estimates, and POS Securityholders are cautioned that there is no guarantee this work will result in a mineral resource estimate that is reported in accordance with the JORC Code 2012.

Windarra Gold Tailings Resources Statement				
Indicated				
	Tonnes (kt)	**Au (g/t)**	**Au (oz)**	**Ag (g/t)**
North Dam	3,902	0.78	98,000	1.9
South Dam	850	0.50	14,000	0.6
Total	4,752	0.73	112,000	1.7
Indicated				
	Tonnes (t)	**Au (g/t)**	**Au (oz)**	**Ag (g/t)**
Central Dam	6,198	0.37	74,000	n/a

Table 4: Windarra Gold Projects Resources Statement

Nickel Exploration

More recently the company completed a review of historical exploration data at Windarra assessing the northern 10km section of the project (being 10km of a total 21km strike at Windarra). The review assessed multi-commodity potential with six prospective channel structure trends now identified along the basal contact of the area assessed, a key setting to host nickel sulphides (see Figure 11 below). Two newly identified channel structures, NW05 and NW04, are both considered highly prospective and are poorly drill tested. Both targets are considered to have strong potential for shallow mineralisation.

For further information refer to ASX announcement “Exciting New Exploration Targets at Windarra” dated 14th February 2024.

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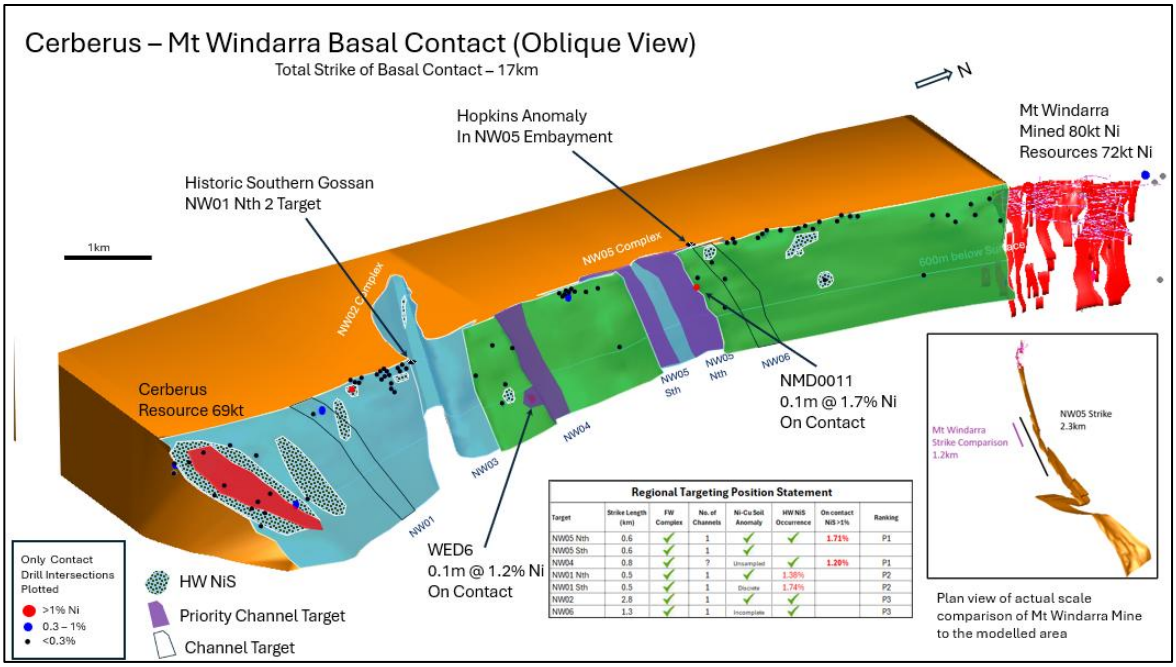


Figure 11: Oblique View (looking NNW) showing the modelled basal contact and only on-contact drillhole intersections plotted. Insert image highlights scale of prospective channel compared with historical strike length of Mt Windarra

Advanced Projects - Gold Tailings

Poseidon completed a feasibility study to retreat the Windarra gold tailing in 2021 (Refer to ASX announcement "Windarra Gold Tailings Feasibility Study Highlights Robust Project" dated 23 July 2021). From this study Mineral Resources were announced (Table 4).

During July 2024, Poseidon announced it has entered into an agreement with Encore Minerals Pty Ltd (Encore) to develop the Windarra gold and nickel tailings with Encore using proprietary Glycine Leaching Technology (GlyCatTM + GlyLeachTM). Encore will be responsible for the funding, development, operation, closure and rehabilitation of the Windarra tailings project. Consideration to be received by Poseidon includes a $250k non-refundable cash deposit (received in early August 2024), further payments totalling $1 million cash upon commencement of development and production, and a 3% net smelter return royalty once production commences.

Gold Exploration

Windarra is located in a major gold producing district with the mineralising trend in this region appearing to follow the margins of a large granitoid intrusive. The project is located on the western side of the granitoid, with the Beasley Creek group of mines (total endowment of 1.2Moz Au) on the southern edge and the Lancefield group of mines (total endowment of over 4Moz Au) on the eastern margin (see Figure 12).

With the termination of the Poseidon Nickel State Agreement Act 1971 in May 2022, Poseidon now has the right to mine for all metals and minerals, not just nickel. Whilst the State Agreement was in place, it was a key deterrent to carrying out sustained exploration for other commodities over a 50-year period (Refer to ASX announcement "Gold and Nickel Targets at Windarra" dated 6 June 2024).

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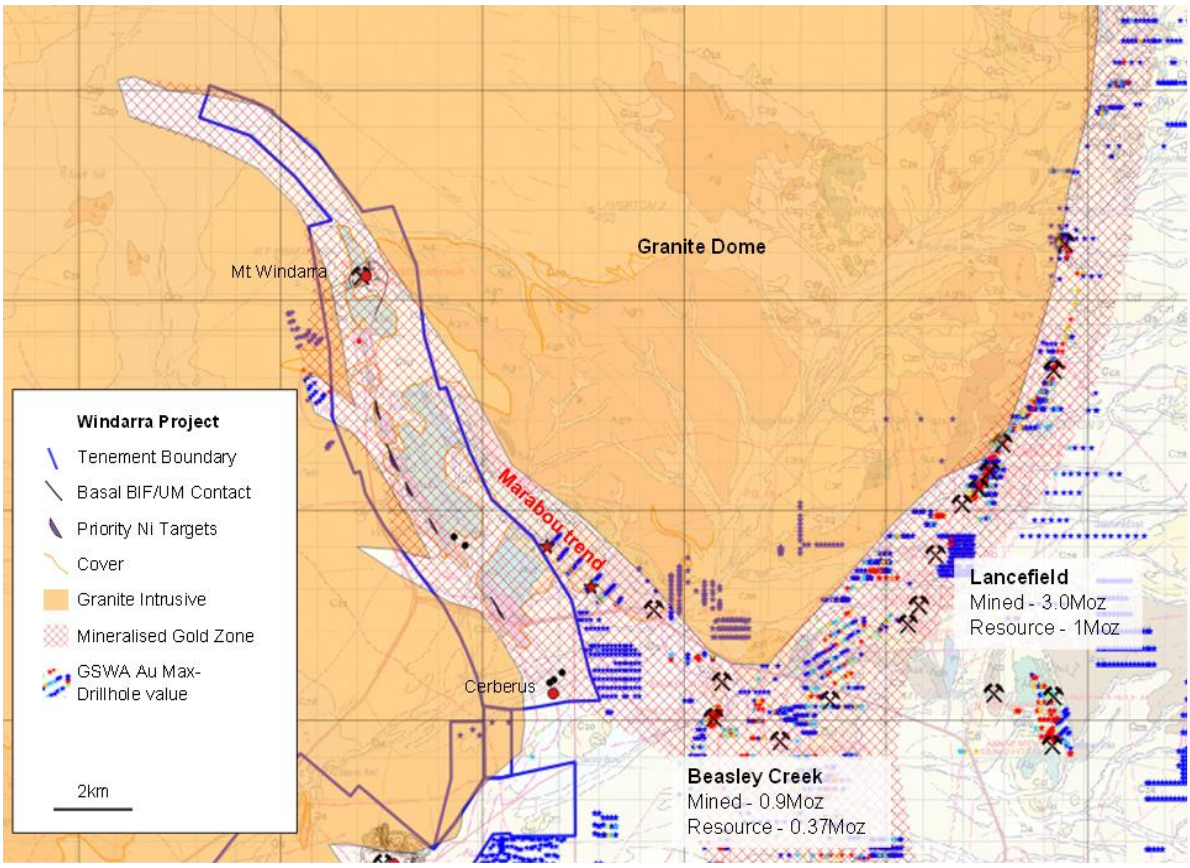


Figure 12: Plan view of the GSWA 250K geology mapping showing the structural relationship of the high priority Marabou gold trend and structural corridor hosting the Lancefield and Beasley Creek group of mines

Post termination of the State Agreement Poseidon has extended its geological assessment to consider other commodities. This assessment enhanced the significance of previously identified gold in soil anomalies and polymetallic high-grade lead-zinc-silver mineralisation.

The geological assessment identified the following gold in soil anomalies from a review of Poseidon's soil sampling program completed in 2010 for which only the nickel results were reported:

- the Western anomaly which occurs to the west and trends sub-parallel to the ultramafic/BIF contact. The anomaly extends over 6km x 0.7km (max Au 460ppb); and
- the Eastern anomaly is a 4km x 0.3km (max Au 16ppb) low order gold anomaly. No drilling for gold has occurred on this anomaly within the Windarra Project and it is open to the north.

Following identification of the gold in soil anomalies, rock chip sampling and ground checking conducted at Windarra along the gold soil anomalies returned peak results from the rock chips of 0.37g/t Au and 12.9g/t Ag and 0.22g/t Au and 2.1g/t Ag. These results are located along the western anomaly along strike from a shallow RC drill intercept of 1m @ 0.5g/t from 34m.

Poseidon plans to undertake further soil sampling across a number of commodities at Windarra and once results have been assessed Poseidon intends to progress planning for aircore and/or reverse circulation drilling programs to test the various exploration targets identified.

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6.3 POS tenement overview

The following table summarises the details of each of the tenements in which POS holds an interest as at the Last Practicable Date:

TENEMENT	INTEREST (%)
WINDARRA NICKEL ASSETS	
M261SA	100%
G38/21	100%
L38/121	100%
L39/184	100%
L38/199	100%
L38/218	100%
L39/221	100%
WINDARRA SOUTH	
L38/119	100%
L38/122	100%
L38/220	100%
WOODLINE WELL	
M39/1075	100%
L39/224	100%
POOL WELL	
M38/1244	100%
M38/1245	100%
L38/118	100%
LAKE JOHNSTON NICKEL ASSETS	
G63/8	100%
G63/5	100%
L63/51	100%
L63/52	100%
L63/55	100%
L63/57	100%
M63/163	100%
M63/282	100%
M63/283	100%
M63/284	100%
M63/292	100%
M63/293	100%
M63/294	100%
M63/522	100%
M63/523	100%
M63/524	100%
E63/1784	80%

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TENEMENT	INTEREST (%)
BLACK SWAN NICKEL ASSETS	
G27/2	100%
M27/39	100%
M27/200	100%
M27/214	100%
M27/216	100%
L27/57	100%
L27/58	100%
L27/59	100%
L27/74	100%
L27/75	100%
L27/77	100%
L27/78	100%
L27/95	100%
L27/96	100%
L24/219	100%
L24/222	100%

6.4 Directors of Poseidon

The directors of POS as at the date of this Scheme Booklet are as follows:

Mr Peter Harold (Non-Executive Chairman and formerly Managing Director & CEO)	Mr Harold was appointed to the POS Board in March 2020 and was appointed as Chairman on 27 October 2023. Mr Harold is a process engineer with over 30 years' corporate experience in the minerals industry, specialising in financing, marketing, business development and general corporate activities. Mr Harold was previously the Managing Director of Panoramic Resources Ltd, a company he co-founded in 2001. Mr Harold has extensive experience in base metal mining project feasibility studies, financings, developments, operations and marketing. Mr Harold is currently the Managing Director and CEO of Rumble Resources Ltd. During the previous three years Mr Harold has not served as a director of any ASX listed company other than POS and Rare Foods Australia Limited (May 2017 to November 2024).
Mr Peter Muccilli (Independent Non-Executive Director)	Mr Muccilli was appointed to the POS Board on 3 August 2020. Mr Muccilli is a qualified geologist with over 30 years of extensive exploration, development and operations experience in the resources sector, particularly nickel, gold, zinc and lead. Mr Muccilli was the former Managing Director and CEO of Mincor Resources NL. During his 15 years at Mincor, Mr Muccilli led the exploration team responsible for much of Mincor's nickel exploration success, including the greenfield Cassini discovery, of which he was a recipient of the 2020 AMEC Prospector of the Year Award. Mr Muccilli is currently the Technical Director of ASX listed company Constellation Resources Ltd.

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	During the previous three years has not served as a director of any other ASX listed company, other than Constellation Resources Ltd and POS.
Mr Warren Hallam (Independent Non-Executive Director)	Mr Hallam was appointed to the POS Board on 1 June 2022. Mr Hallam is a highly experienced metallurgist and mineral economist with extensive operational and executive experience and expertise in financing, developing and operating of base metal and gold projects within Australia. Mr Hallam has considerable technical, managerial and financial experience across a broad range of commodities including gold, nickel, lithium, copper, tin, REE and iron ore and has held numerous board and senior executive positions within the resources sector. Mr Hallam has a Bachelor of Applied Science in Metallurgy, a Master of Science in Mineral Economics, and a Graduate Diploma of Business. Mr Hallam is currently the chairman of Kingfisher Mining Ltd and a director of St Barbara Ltd, HRZ and Aurora Energy Metals Ltd. During the previous three years Mr Hallam has served as Chairman of NiCo Resources Ltd (April 2021 to March 2023), Chairman of Nelson Resources Ltd (February 2019 to May 2022) and a director of Essential Metals Ltd (August 2020 to November 2023).

6.5 Financial information

The following information has been extracted from the audited consolidated financial statements of POS for the financial years ended 30 June 2024, 2023 and 2022.

The financial information has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards (including Australian Accounting Interpretations) adopted by the AASB and the Corporations Act. The financial information also complies with the recognition and measurement requirements of IFRS and interpretations issued by the International Accounting Standards Board.

The financial information presented in the tables below does not represent complete financial statements and should therefore be read in conjunction with the financial statements for the respective periods, including the description of accounting policies contained in those financial statements and the notes to those financial statements. Where appropriate, adjustments have been made to headings and classifications of historical data to provide a consistent basis of presentation.

In the interval between 30 June 2024 and the date of this Scheme Booklet, there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of Poseidon, to significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future financial years, other than as otherwise disclosed in the 30 June 2024 financial statements and subsequent filings on ASX.

Copies of Poseidon's financial statements for the financial years ended 30 June 2024, 2023 and 2022 are available on the POS website (www.poseidon-nickel.com.au/asx-announcements/).Copies will also be provided by Poseidon, free of charge, to any POS Securityholder who requests it before the Scheme Meeting.

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(a) Consolidated statement of financial position

		CONSOLIDATED FOR THE 12 MONTHS ENDED 2024	CONSOLIDATED FOR THE 12 MONTHS ENDED 2023	CONSOLIDATED FOR THE 12 MONTHS ENDED 2022
ASSETS				
Current Assets				
Cash and cash equivalents		1,433,695	5,701,016	11,088,933
Trade and other receivables		556,731	785,280	860,516
Total current assets		1,990,426	6,486,296	11,949,449
Non-current assets				
Plant & equipment		24,335,212	24,774,826	24,760,110
Right-of-Use-Assets		195,540	340,616	485,296
Exploration and Evaluation		56,828,349	106,242,111	99,939,849
Other		3,500,000	3,500,000	3,500,000
Total non-current assets		**84,859,101**	**134,857,553**	**128,685,254**
Total assets		**86,849,528**	**141,343,849**	**140,634,703**
LIABILITIES				
Current liabilities				
Trade and other payables		(1,234,143)	(1,591,042)	(1,890,662)
Loans and Borrowings		(109,024)	-	-
Lease Liabilities		(160,979)	(153,861)	(147,027)
Employee Benefits		(103,534)	(212,646)	(227,965)
Provisions		-	(1,200,000)	-
Interco Loans		0	(0)	(0)
Total current liabilities		(1,607,680)	(3,157,550)	(2,265,654)
Non-current liabilities				
Provisions		(63,350,124)	(61,935,250)	(62,467,133)
Lease Liabilities		(57,059)	(218,038)	(371,899)
Total non-current liabilities		(63,407,183)	(62,153,288)	(62,839,032)
Total liabilities		(65,014,863)	(65,310,838)	(65,104,687)
Net Assets		**21,834,664**	**76,033,012**	**75,530,017**
EQUITY				
Contributed equity		(282,494,126)	(276,572,795)	(265,071,514)
Reserves		(900,637)	(980,208)	(640,599)
Accumulated losses		201,519,991	190,182,097	178,473,666
Current year losses		60,040,108	11,337,894	11,708,431
Total Equity		**(21,834,664)**	**(76,033,012)**	**(75,530,017)**

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(b) Consolidated statement of comprehensive incomes

	YEAR TO DATE JUNE 2024	YEAR TO DATE JUNE 2023	YEAR TO DATE JUNE 2022
Other income	2,745,612	388,317	449,705
Depreciation expense	(408,869)	(445,036)	(394,698)
Impairment loss	(52,821,699)	-	-
Personnel expense	(2,830,151)	(4,053,808)	(3,121,630)
Exploration and evaluation costs expensed	(4,047,733)	(4,650,278)	(5,939,126)
Consultancy and advisor fees	(1,164,099)	(1,349,740)	(1,202,280)
Share based payments expense	(66,658)	(339,609)	(304,639)
Other expenses	(883,260)	(1,211,516)	(1,231,002)
Results from operating activities	**(59,476,858)**	**(11,661,671)**	**(11,743,669)**
Finance income	329,849	332,744	47,048
Finance costs	(893,099)	(8,968)	(11,810)
Net finance income/(costs)	**(563,251)**	**323,777**	**35,238**
Loss before income tax	**(60,040,108)**	**(11,337,894)**	**(11,708,431)**
Income tax benefit/(expense)	-	-	-
Total comprehensive loss	**(60,040,108)**	**(11,337,894)**	**(11,708,431)**
Total equity	**(21,834,664)**	**(76,033,012)**	**(75,530,017)**

(c) Consolidated statement of cash flows

	YEAR TO DATE JUN-2024	YEAR TO DATE JUN-2023	YEAR TO DATE JUN-2022
Statement of cashflows			
Cash flows from operating activities			
Sundry receipts	1,523,614	433,105	487,315
Payments to supplier and employees	(9,066,134)	(11,027,362)	(11,611,208)
Cash used in operations	(7,542,520)	(10,594,257)	(11,123,893)
Interest received	329,849	332,744	47,048
Net cash used in operating activities	**(7,212,672)**	**(10,261,513)**	**(11,076,845)**
Cash flows from investing activities			
Payments for property, plant and equipment	(82,991)	(384,319)	(348,100)
Payments for exploration and evaluation expenditure	(3,838,694)	(6,047,249)	(12,041,767)
Proceeds from sale of property, plant and equipment	502,000	-	-
Proceeds from non refundable deposit	1,000,000	-	-
Net cash used in investing activities	(2,419,685)	(6,431,569)	(12,389,866)
Cash flows from financing activities			
Proceeds from the issue of shares and options (net of costs)	5,775,103	11,461,159	26,805,020
Repayment of borrowings	(250,199)	-	-

	YEAR TO DATE JUN-2024	YEAR TO DATE JUN-2023	YEAR TO DATE JUN-2022
Repayment of lease liabilities	(159,868)	(155,995)	(152,233)
Net cash from (used in) financing activities	**5,365,036**	**11,305,164**	**26,652,787**
Net increase (decrease) in cash and cash equivalents	**(4,267,321)**	**(5,387,917)**	**3,186,075**
Cash and cash equivalents at opening	5,701,016	7,902,858	7,902,858
Effect of exchange rate fluctuations on cash held	-	-	
Cash and cash equivalents at closing	**1,433,694**	**2,514,941**	**11,088,933**

Material changes to the financial position of POS since 30 June 2024

The POS Financial Report for the financial year ended 30 June 2024 was released to ASX on 18 October 2024. To the knowledge of the POS Directors, the financial position of POS has not materially changed since 30 June 2024, as reported in Poseidon's Financial Report for that period.

The POS Financial Report for the financial year ended 30 June 2024 is available on the ASX's website www.asx.com.au under ASX code 'POS' or on Poseidon's website at www.poseidon-nickel.com.au/asx-announcements/.

6.6 Material events since 30 June 2024

Within the knowledge of the POS Directors and other than as disclosed in this Scheme Booklet, including the reviewed and audited consolidated financial statements contained in Section 6.5, there has not been any other material change in the financial position of POS since 30 June 2024.

Forecast Financial Information

POS has given careful consideration as to whether a reasonable basis exists to produce reliable and meaningful forecast financial information. POS has concluded that, as at the date of the Scheme Booklet, it would be misleading to provide forecast financial information, as a reasonable basis does not exist for providing financial forecasts that would be sufficiently meaningful and reliable as required by applicable law, policy and market practice.

6.7 Poseidon's issued securities

As at the date of this Scheme Booklet, POS has the following securities on issue:

SECURITY	TOTAL ON ISSUE
Shares	**4,203,875,492**
Options	
POSAH : OPTION EXPIRING 31-MAR-2029 EX $0.0105	5,000,000
POSAI : OPTION EXPIRING 31-MAR-2029 EX $0.0123	5,000,000
POSAJ : OPTION EXPIRING 31-MAR-2029 EX $0.014	5,000,000
POSAAB : OPTION EXPIRING 03-SEP-2026 EX $0.006	163,447,197
POSAE : OPTION EXPIRING 03-MAR-2025 EX $0.0375	3,000,000
POSAF : OPTION EXPIRING 03-MAR-2025 EX $0.0525	3,000,000
Total Options	**184,447,197**
Performance Rights	**5,949,598**

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SECURITY	TOTAL ON ISSUE
Performance Rights proposed to be issued[1]	**41,200,000**

Notes:

1. It is proposed that POS will issue an additional 41,200,000 POS LTI Performance Rights to POS employees and key management personnel. Refer to Section 5.11 for further details.

6.8 Poseidon's substantial shareholders

Based on information lodged with ASX or known to Poseidon, POS had the following substantial shareholders as at the date of this Scheme Booklet:

POS SHAREHOLDER	NUMBER OF POS SHARES HELD	PERCENTAGE OF ISSUED POS SHARES
Edison Metals Pty Ltd	363,878,823	8.66

The shareholdings listed in this section are as disclosed to POS by POS Shareholders in substantial holding notices or are otherwise known to POS as at the date of this Scheme Booklet. Information regarding substantial holdings that arise, change or cease after the date of the substantial holding notices disclosed to POS, or in respect of which the relevant announcement is not available on the ASX's website (www.asx.com.au), is not included above.

6.9 Interests of POS Directors and HRZ Directors in POS securities

The POS Directors have Relevant Interests in the following POS Securities.

DIRECTOR	NUMBER OF POS SHARES	NUMBER OF POS INCENTIVE OPTIONS	NUMBER OF POS OPTIONS	NUMBER OF POS PERFORMANCE RIGHTS	POS PERCENTAGE INTEREST (UNDILUTED)
Mr W Hallam	1,333,334	-	111,112	-	0.03
Mr P Harold	5,113,998	6,000,000	426,168	2,481,390	0.12
Mr P Muccilli	1,142,858	-	95,239	-	0.03

Other than Mr Hallam, no HRZ Director has a Relevant Interest in any POS Securities.

6.10 POS Share trading history

The last recorded sale price of POS Shares traded on ASX before the announcement of the Merger on 25 October 2024 was $0.006 (as at closing on 24 October 2024).

On the Last Practicable Date, the closing price of POS Shares on ASX was $0.004.

During the three month period up to and including the Last Practicable Date, the highest and lowest recorded sale prices of POS Shares on ASX were, respectively, $0.007 on 17 October 2024 and $0.003 on 17 September 2024 to 30 September 2024, 2 October 2024, 7 October 2024, and 10 October 2024 to 14 October 2024.

Set out below is the volume weighted average price (**VWAP**) of POS Shares for various periods up to and including the Last Practicable Date:

	10 DAYS	20 DAYS	30 DAYS	90 DAYS
VWAP	0.004	0.0044	0.00445	0.0043

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6.11 Secured Facility Agreement

As announced on 25 October 2024, HRZ and POS entered into a secured facility agreement pursuant to which HRZ agreed to provide POS with a $2,000,000 loan facility (**Facility Agreement**). As at the Last Practicable Date, the amount advanced to POS under the Facility Agreement is $500,000.

The material terms of the Facility Agreement are set out below:

Facility Amount	$2,000,000, unless increased in accordance with the terms of the agreement or reduced by any cancellation or permanent reduction in the facility in accordance with the terms of the agreement
Interest	Poseidon must pay accrued interest in arrears at an interest rate of 4.00% per annum on all advances made under the agreement on the repayment date
Purpose	POS must apply all advances under the Facility Agreement towards meeting liabilities then due and payable to its creditors, substantially in accordance with a cash and creditor position statement to be prepared and updated fortnightly by POS and provided to HRZ in connection with the Merger, other than any redundancy payment.
Conditions Precedent	Provision of the loan facility was conditional on due execution of the Scheme Implementation Deed. While this condition has been satisfied, any advance under the Facility Agreement is subject to the following conditions: (a) POS providing a drawdown notice in the agreed form; (b) POS providing an updated fortnightly statement of its cash and creditor position that is approved by HRZ and that, in HRZ's opinion, supports the requirement for the advance; (c) no event of default or potential event of default is continuing or would result from the proposed advance; (d) the representations and warranties given by POS in the Facility Agreement are true; and (e) the proposed drawdown date, being a date within the agreed 'availability period' (effectively the 6 month period from the date of the Facility Agreement or such later date as HRZ and POS may agree).
Repayment Date	The repayment date is the earlier to occur of: (a) 31 December 2025; (b) the date upon which Poseidon completes a capital raising of not less than $3,000,000; (c) the date upon which Horizon issues a notice to Poseidon upon the occurrence of an event of default, at which time, the outstanding monies will become immediately due and payable, other than in the event the Schemes are not approved by Poseidon's shareholders or unlisted option holders, in which case the outstanding monies will become due and payable within 90 days of the notice date; and (d) 45 days from the date upon which Horizon issues a notice to Poseidon upon Poseidon making a change of control announcement other than in respect to the Schemes.
Repayment	All advances to POS under the Facility Agreement, together with all other debts and liabilities of POS to HRZ (including interest) must be fully and finally repaid on the 'Repayment Date' (see paragraph above).
Events of Default	The Facility Agreement includes customary events of default (including failure to pay, insolvency events, termination). Events of default also include if POS Securityholders do not approve the Schemes or if the Scheme Implementation Deed is terminated for any reason.

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Other terms	The Facility Agreement is otherwise on terms customary for an agreement of this nature including a negative pledge restricting POS from disposing of its assets other than in the ordinary course of business.
Governing law	The Facility Agreement is governed by the laws of Western Australia.

6.12 General Security Deed

POS and HRZ also entered into a general security deed in connection with the Facility Agreement which creates a security interest over the assets and undertakings of POS in favour of HRZ and secures Poseidon's obligations and liabilities under the Facility Agreement. The general security deed is on customary market terms.

6.13 POS announcements and reports

As a disclosing entity, POS is subject to the periodic and continuous disclosure and reporting requirements of the Corporations Act and ASX Listing Rules. Specifically, as a listed company, POS is subject to the ASX Listing Rules which require continuous disclosure of any information POS has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

POS announcements are available on its website (www.poseidon-nickel.com.au/) as well as the ASX website (www.asx.com.au). Further announcements concerning developments at POS may be made and placed on these websites after the date of this Scheme Booklet.

In addition, POS is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC in relation to POS may be obtained from, or inspected at, an ASIC office.

POS will provide a copy of each of the following documents, free of charge, to anyone who asks for them before the Schemes are approved by the Court. The following documents can also be obtained from the ASX website (www.asx.com.au) or from the POS website (www.poseidon-nickel.com.au/):

(a) the annual financial report of POS for the year ended 30 June 2024 (being the annual financial report most recently lodged with ASIC by POS before lodgement of a copy of this Scheme Booklet with ASIC for registration); and

(b) any continuous disclosure announcements made by POS after the date of the lodgement of the annual report referred to above and before the lodgement of a copy of this Scheme Booklet with ASIC for registration.

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules, and which is required to be set out in this Scheme Booklet.

The following table summarises material announcements made by POS to ASX since 18 October 2024 (being the date of lodgement of the annual report referred to in paragraph (a)).

DATE LODGED	DESCRIPTION OF DOCUMENT (ASX ANNOUNCEMENT HEADER)
20 November 2024	Results of Meeting
20 November 2024	2024 AGM Presentation
20 November 2024	Chairman's Address to Shareholders
11 November 2024	Black Swan Gold Targets expanded and remain open
6 November 2024	Windarra Tailings Project agreement now unconditional
31 October 2024	Quarterly Activities/ Appendix 5B Cash Flow Report
25 October 2024	Horizon & Poseidon Merger Presentation

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DATE LODGED	DESCRIPTION OF DOCUMENT (ASX ANNOUNCEMENT HEADER)
25 October 2024	Poseidon and Horizon announces Merger Transaction
25 October 2024	HRZ: Horizon & Poseidon Merging to create Mid Cap Producer
23 October 2024	Trading Halt

6.14 Risk factors

Risk factors relating to POS and its business are discussed in Section 10.

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7. Profile of Horizon

This Section of the Scheme Booklet contains information in relation to HRZ as at the date of the Scheme Booklet. Additional information is included in the Independent Expert's Report set out in Annexure A to this Scheme Booklet.

7.1 Introduction to HRZ

Horizon is an emerging mid-tier gold producer with an extensive portfolio of highly prospective gold projects located in the heart of the world class Western Australian goldfields.

In June 2019 Horizon (then named Intermin Resources Limited) finalised its merger with MacPhersons Resources Limited and in June 2024 Horizon finalised its merger with Greenstone Resources Limited. As a result of those mergers, Horizon now has a total MRE of 30.5Mt @ 1.84g/t Au for 1.8Moz, including near-surface MRE of 428koz @ 1.27g/t Au at Boorara, near term underground MRE of 32koz @ 4.29g/t Au at Cannon and 298koz @ 1.9 g/t au near surface and 168koz @ 4.38 g/t Au underground at Burbanks; and 54koz @ 2.32 g/t au near surface at Phillips Find.

Horizon is actively exploring for new discoveries in the heart of the Western Australian Goldfields for gold and other commodities including Nickel-Cobalt, Silver-Zinc, Platinum Group Elements and Lithium across its extensive land holdings.

Horizon controls a number of prospective tenements within the:

- **Kalgoorlie Regional Area**, including Boorara, Cannon, Lakewood, Binduli-Teal project area, Kalpini, Balagundi-Kanowna South and Black Flag; and
- **Coolgardie Regional Area**, including Rose Hill, Brilliant North and East Yarmany.

Overviews of these projects are set out in Section 7.2.

Horizon also holds an 8.94% interest in Richmond Vanadium Technology Limited, which owns one of Australia's largest vanadium projects. RVT was listed on ASX in December 2022, following an in-specie distribution of RVT shares by Horizon to Horizon shareholders. Horizon remains a substantial shareholder of RVT post listing. Further information in relation to RVT is set out in Section 7.2(q).

7.2 Overview of HRZ's mineral projects

(a) Boorara gold project

The Boorara gold project is located 15km east of Kalgoorlie-Boulder (Figure 13), 12km west of the Super Pit, and 1km southwest of the Nimbus Silver-Zinc Project site where established offices are connected to mains power and existing water supplies. The Boorara project contains over 1.5km of gold mineralisation striking north-west at 330 degrees. The project is divided into three project areas, Royal (Southern), Crown Jewel (Central) and Regal (Northern) deposits.

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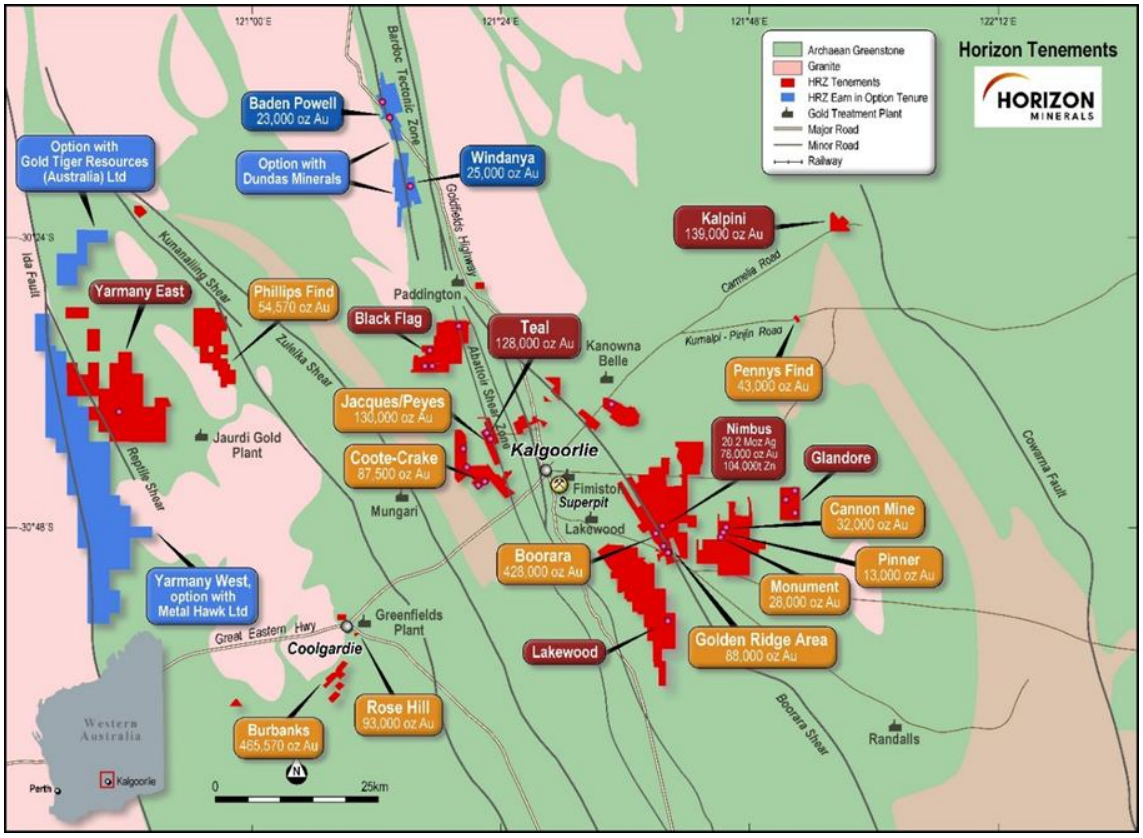


Figure 13: Horizon's project locations, regional geology and surrounding infrastructure

The deposit is hosted in a quartz dolerite comprising a sheeted quartz vein array system with bounding shear zones and late-stage cross faults. Mineralisation occurs as northwest dipping sheeted and stockwork quartz-carbonate vein arrays within the quartz dolerite host rocks, and steeply dipping zones along sheared geological contacts trending to the north-northwest.

The Mineral Resource Estimate for Boorara is shown in Table 5 below (ASX:HRZ 01/08/2024):

Table 5: Boorara at 0.5 g/t Au lower cut-off grade and above 200mRl			
Resource category	Tonnes (Mt)	Grade (g/t Au)	Gold metal (oz)
Measured	1.12	1.22	44,000
Indicated	6.85	1.28	281,000
Inferred	2.56	1.26	103,000
Total	**10.5**	**1.27**	**428,000**

A Proved and Probable reserve of 49,500 ounces of gold has been defined at Boorara. Mining has commenced at Boorara with the first ore parcel scheduled for delivery in December 2024 (see Table 6 below).

Table 6: Boorara Ore Reserve			
Resource category	Tonnes (kt)	Grade (g/t Au)	Gold metal (koz)
Proved	636.8	1.25	25.7
Probable	602.3	1.23	23.8
Total	**1,239.1**	**1.24**	**49.5**

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(b) **Burbanks**

The Burbanks Gold Project is located on a granted mining lease 9.0km south of Coolgardie, Western Australia and is supported by a network of existing infrastructure including grid power, sealed roads and several neighbouring toll treatment plants, all of which will serve to expedite any future production decisions.

The Project includes the Burbanks Mining Centre and over 5.0km of the highly prospective Burbanks Shear Zone, historically the most significant gold producing structure within the Coolgardie Goldfield.

The Burbanks Mining Centre comprises the Birthday Gift and Main Lode underground gold mines. The recorded historical underground production at Burbanks (1885-1961) totalled 444,600t at 22.7 g/t Au for 324,479oz predominantly from less than 140m below the surface. Intermittent open pit and underground mining campaigns between the early 1980's to present day has seen total production from the Burbanks Mining Centre now exceed 420,000oz. Importantly, less than 30% of the Burbanks system down to 500 metres has been explored, highlighting the potential for future resource growth (Figure 14).

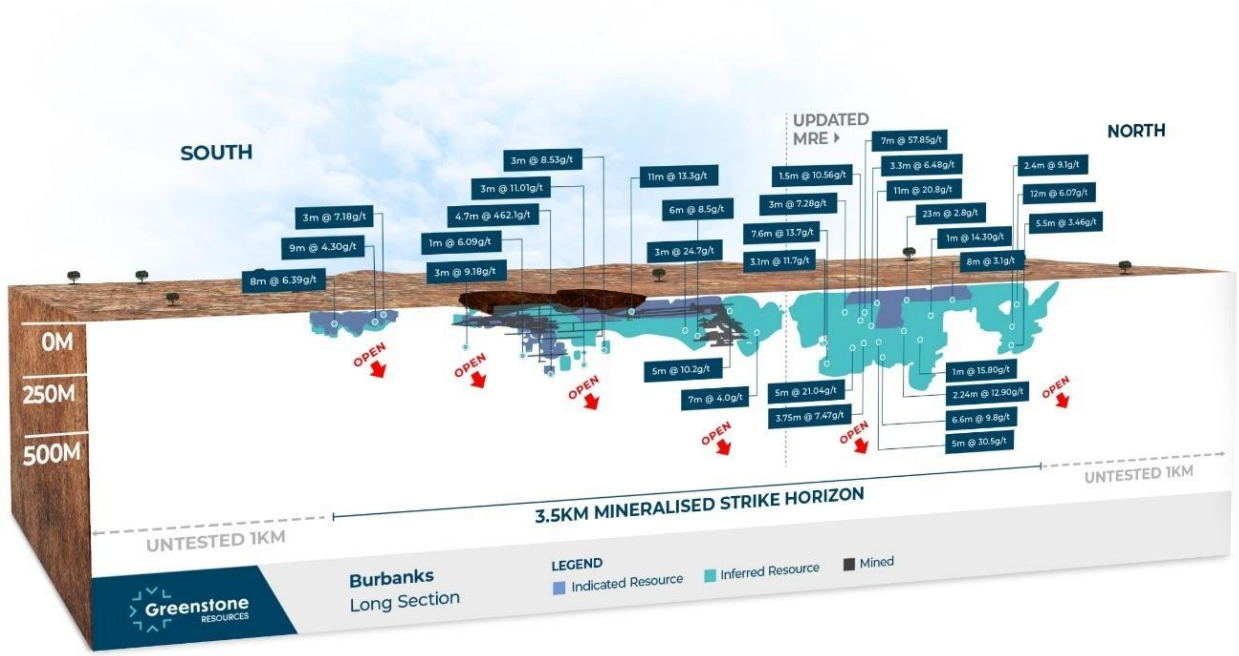


Figure 14: Burbanks long-section

An updated mineral resource estimate for Burbanks of 6,052,889t @ 2.4g/t gold for 465,567 ounces of contained gold was reported in July 2023 (Indicated and Inferred) (see Tables 7, 8 and 9 below).

Table 7: Burbanks at 0.5 g/t Au lower cut-off grade and above 150mRI			
Resource category	Tonnes (Mt)	Grade (g/t Au)	Gold metal (oz)
Measured	-	-	-
Indicated	1.43	2.0	93,000
Inferred	3.43	1.9	205,000
Total	**4.86**	**1.9**	**298,000**

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Table 8: Burbanks at 2.5/3.0 g/t Au lower cut-off grade and below 150mRl			
Resource category	Tonnes (Mt)	Grade (g/t Au)	Gold metal (oz)
Measured	-	-	-
Indicated	0.13	4.3	17,000
Inferred	1.07	4.4	151,000
Total	**1.19**	**4.4**	**168,000**

Table 9: Burbanks Total			
Resource category	Tonnes (Mt)	Grade (g/t Au)	Gold metal (oz)
Measured	-	-	-
Indicated	1.55	2.2	110,000
Inferred	4.50	2.5	356,000
Total	**6.05**	**2.4**	**465,000**

(c) **Phillips Find**

The Phillips Find Gold Project is situated located 45km northwest of Coolgardie, Western Australia and is supported by a network of existing infrastructure including road access and several neighbouring toll treatment plants.

The project covers over 10 kilometres of strike over prospective greenstone stratigraphy and includes the Phillips Find Mining Centre where approximately 33,000 ounces of gold was produced between 1998 and December 2015 from three open-pit operations; Bacchus Gift, Newhaven and Newminster. The three open-pits have collectively produced a combined total of 310,567t at 3.29g/t Au for 32,839oz Au from largely the upper 50 metres, serving to demonstrate the high-grade and high-potential nature of this ore system. The three pits and their resources sit within a granted mining lease.

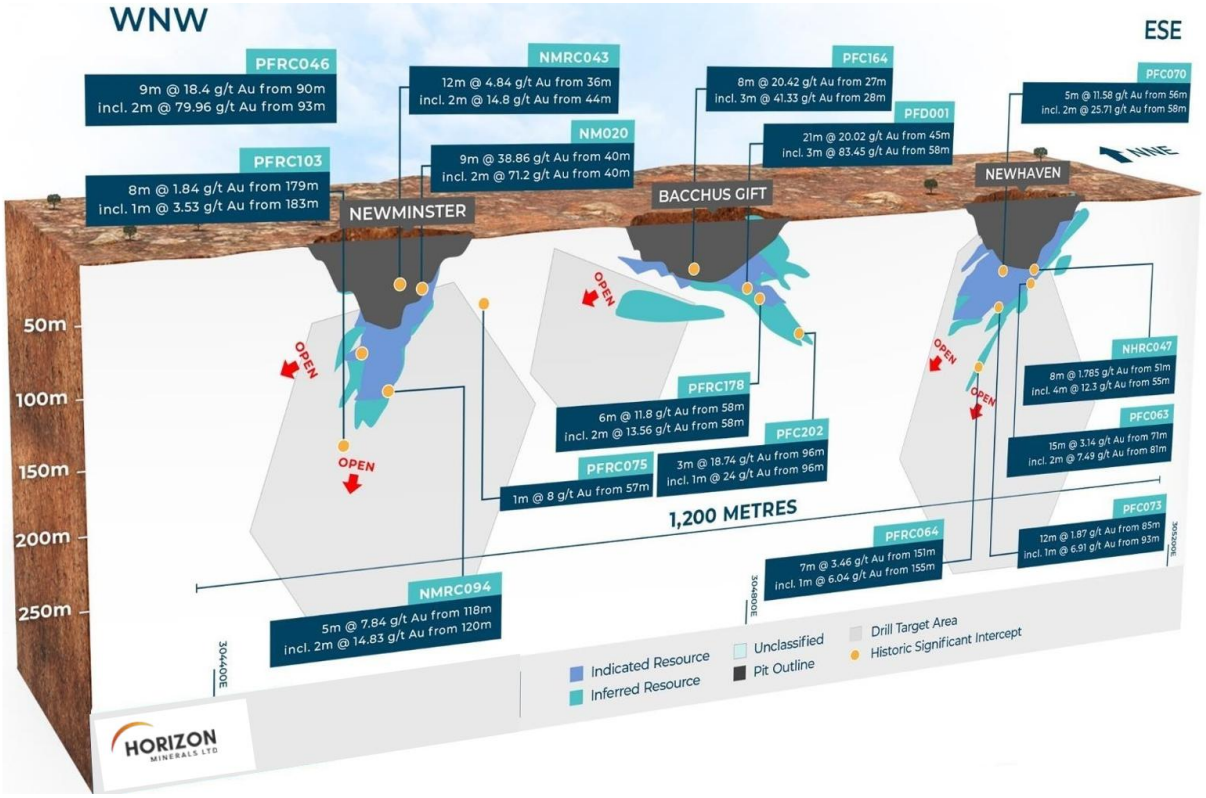


Figure 15: Long sections through the three PFMC pits.

Exploration potential within the project area is excellent with numerous targets defined by auger geochemical anomalies, aeromagnetic interpretation and drilling.

In late 2022, Greenstone declared a JORC (2012) Mineral Resource of 732,960t at 2.3g/t Au for 54,567 ounces of contained gold (Indicated & Inferred). See Tables 10 and 11 below.

Table 10: Philips Find at 0.5 g/t Au lower cut-off grade and above 320mRl

Resource category	Tonnes (Mt)	Grade (g/t Au)	Gold metal (oz)
Measured	-	-	-
Indicated	0.54	2.4	42,000
Inferred	0.19	2.1	13,000
Total	**0.73**	**2.3**	**54,000**

Table 11: Philips Find at 2.0 g/t Au lower cut-off grade and below 320mRl

Resource category	Tonnes (kt)	Grade (g/t Au)	Gold metal (oz)
Measured	-	-	-
Indicated	-	-	-
Inferred	2.8	2.3	208
Total	**2.8**	**2.3**	**208**

Mining commenced at Phillips Find in October 2024 with 93,000 bcm moved to mid-November 2024. The operation is a Joint Venture (JV) Agreement executed with BML Ventures Pty Limited (**BML**) to develop and mine two open pits at Phillips Find.

Ore processing at FMR's Greenfields mill will be undertaken for a period of eight months under the Toll Milling Agreement. First gold production is planned for the March 2025 quarter.

(d) **Cannon underground development**

Cannon is in the western part of the Bulong ultramafic complex in the Boorara Domain. The Bulong complex consists of 5km thick sequence of komatiitic lava flows made up of a thick serpentinised peridotite in the centre of the complex, flanked by thin spinifex-textured komatiitic flows at the top of the sequence. High-Mg basalts and interflow sediments are intercalated with the thin flow facies komatiites. Komatiitic basalt and high-Mg basalts have a variety of textures which include pillowed, pyroxene spinifex and variolitic.

The Cannon mineralisation is structurally controlled and strikes north-easterly, dipping steeply to the north-west; higher grade zones within the mineralised envelope appear to have a steep northerly plunge. Gold-related alteration consists of biotite-calcite-chlorite-pyrite alteration with an inner core of albite-silica-carbonate-biotite-pyrite-gold replacement of the high Mg basalt and intermediate intrusions. The Cannon gold deposit is hosted within a sequence of ultramafic and high-Mg basaltic rocks intruded by a mafic-intermediate suite of lamprophyre dykes, and rarer dacitic dykes.

Open pit mining was completed in June 2017 with 576,400 tonnes mined at 2.98 g/t for 55,143 ounces, almost a 100% reconciliation back to the resource. An adit at Cannon was mined in the east pit wall below the ramp to recover a parcel of ore that became inaccessible via open pit mining. Development of the adit began in May 2017 and production was completed in June 2017.

A total of 10,640 t at 9.15g/t Au for 3,131 ounces were recovered from the adit, a significant improvement on the MRE physicals of 13,313 t at 6.92 g/t Au for 2,962 ounces.

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The Cannon project consists of the Cannon underground project and the Monument, Pinner and Homerton prospects located within 1km of Cannon.

A Probable reserve of 17,680 ounces of gold has been defined at Cannon (see Table 12 below).

Table 12: Cannon Underground Ore Reserve			
Resource category	Tonnes (kt)	Grade (g/t Au)	Gold metal (koz)
Proved	0	0	0
Probable	135.0	4.1	17.68
Total	**135.0**	**4.1**	**17.68**

Discussions with the Marlinyu Ghoorlie native title claim group are ongoing and a heritage survey was conducted at Monument. No major issues were noted. Botanica Consulting Pty Ltd also conducted detailed (Level 2) flora and reconnaissance (Level 1) fauna surveys at Monument during the December 2023 quarter to assist in applications for mining proposal approvals.

(e) **Penny's Find underground development**

The 100% owned Penny's Find gold project is located 50km northeast of Kalgoorlie-Boulder in the heart of the Western Australian goldfields (Figures 1 and 4).

The high-grade gold mineralisation at Penny's Find is hosted in thin quartz veins at the contact between footwall sediments including black shale and siltstone and a hangingwall basalt. The quartz veins dip about 60° to the northeast and collectively average 1m to 5m true width.

Additional drilling in 2023 was included in an MRE update completed during the December 2023 quarter which estimated a 63,000oz underground resource for Penny's Find, as shown in Table 13 below (ASX:HRZ 31/05/2023; 05/12/2023):

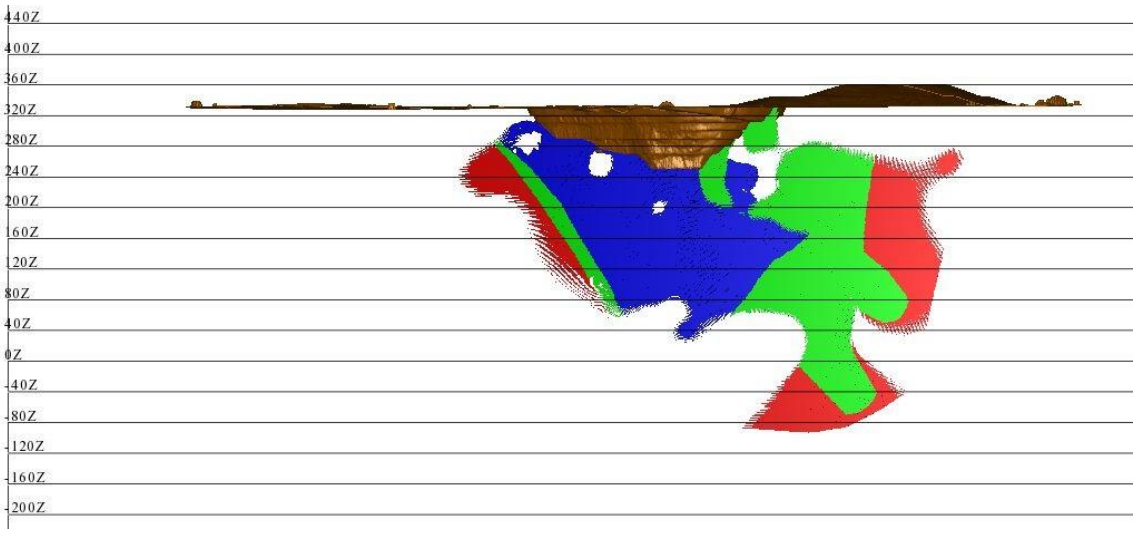


Figure 16: Long Section view of Penny's Find by Resource Classification (blue = Indicated, Green = Inferred, Red = unclassified)

Table 13: Penny's Find underground (<260m RL) at 1.5g/t Au cut-off grade			
Resource category	Tonnes (t)	Grade (g/t Au)	Gold metal (oz)
Indicated	305,000	5.19	51,000

Inferred	123,000	3.02	12,000
Total	**429,000**	**4.57**	**63,000**

There was no Measured Mineral Resources category beneath the current open pit. The economics involved in a significant cut back mining operation for a relatively small amount of resources at high strip ratios made it more economic to consider underground operations only.

A Probable reserve of 33,400 ounces of gold has been defined at Penny's Find (see Table 14 below).

Table 14: Penny's Find Underground Ore Reserve

Resource category	Tonnes (kt)	Grade (g/t Au)	Gold metal (koz)
Proved	0	0	0
Probable	328.3	3.2	33.4
Total	**328.3**	**3.2**	**33.4**

(f) **Golden Ridge**

The historic Golden Ridge underground gold mine developed from around 1901 produced 240,000 long tons at 17.3g/t Au by 1920. More recent open cut mining from 1998-2004 produced 1.78Mt @ 1.98g/t Au for 113,520oz for a total of 253,000oz Au. The current depleted resource at Golden Ridge is 31,000oz at 1.82g/t with most of the mineral resources beneath the historical pit. The northern portion of the Golden Ridge deposit was mined by Blue Tiger Mines Pty Ltd in 2018 who extracted 32,476t at a recovered grade of 1.38g/t Au for 1,444oz Au.

Gold mineralisation at Golden Ridge is associated with the north-south trending, sub vertical quartz-feldspar porphyry located between shales and cherts to the west and ultramafic (talc-carbonate) sequences to the east. Mineralisation is similar to Boorara where gold is observed in flat lying vein arrays and thicker, steeper dipping contact style lodes. The flat lodes are the most dominant. The regional Boorara shear appears to control a number of prospects in the Boorara-Golden Ridge corridor.

At Golden Ridge North, HRZ progressed discussions with the Marlinyu Ghoorlie native title claimant group in December 2023 and a heritage survey was conducted. No major issues were noted. Botanica Consulting Pty Ltd also conducted detailed (Level 2) flora and reconnaissance (Level 1) fauna surveys at Golden Ridge during the December 2023 quarter. HRZ considers that these discussions and surveys will assist its aspiration for potential future open cut mining and transport of ROM grade stockpiles located at Golden Ridge.

(g) **Kanowna South**

The Kanowna South prospect is located 5km south of the Kanowna Belle gold mine and within the late-stage Panglo Basin where polymictic conglomerates, shales and sandstone dominate the local stratigraphy. Late-stage basin settings are becoming better understood with recent work highlighting the Invincible Deposit at St Ives near Kambalda as occurring in the Merougil Basin.[15]

Historical artisanal dryblowing sites and shallow workings are somewhat common at Kanowna South, but there has only been modest modern exploration with no economic mineralisation discovered to date. This is likely due to the perceived low prospectivity of the Panglo Basin. Recent work by HRZ suggests that there is

[15] https://www.sciencedirect.com/science/article/abs/pii/S0169136819301040

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evidence of mineralisation, but further work is needed to further unlock the prospectivity.

(h) **Lakewood**

The Lakewood project is located 20km southeast of Kalgoorlie - Boulder in the heart of the Western Australian goldfields and immediately south of the Superpit (Figures 1 and 5).

The Lakewood project is extensively covered by playa lake sediments, aeolian deposits derived from desiccated playas and other transported Cainozoic material. Only a small portion of the project area is covered by in-situ soils, and there is virtually no outcrop. Lakewood typically comprises a thin veneer of soils overlying plastic clays that vary in thickness from 2m - 40m. Below this are unconsolidated clays and sands and then bedrock. Sandy grey clay filled paleochannels exist within the central project area. There has been no mining activity on the tenure.

The interpreted geology of the Lakewood project is a late-stage sedimentary basin dominated by metamorphosed sedimentary rocks and felsic volcanic/intrusive rocks of the Black Flag Formation, together with a sequence of sediments, basalts, mafic and ultramafic intrusives on the eastern edge.

Recent interpretative gravity work in 2021 by Nordic Geoscience Pty Ltd has shown that this linear zone of mafic/ultramafic intrusives is located on a regional scale (~10mGal), deep seated (+1,600m) north-by-northwest trending, vertical dipping litho-boundary. This could potentially be a key driver as many of the nickel and platinum group metals occurrences in the Eastern Goldfields are sited close to deep crustal structures.

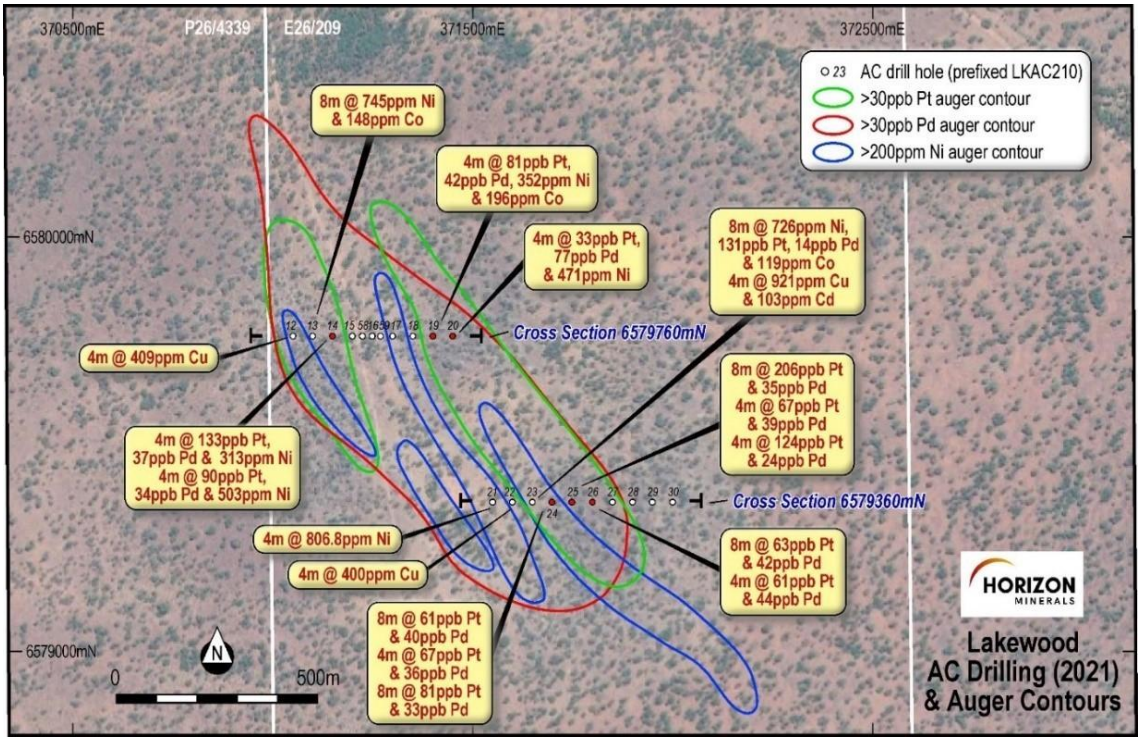


Figure 17: Lakewood drilling highlights

Further work completed in 2022 and 2023 included petrography on the ultramafic and mafic rocks encountered during the AC drill program and reprocessing of a 2006 airborne electromagnetic 'EM' and magnetic survey over Lakewood. Further ground EM is planned over several conductors.

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(i) **Binduli**

The Binduli area is located 9km west of Kalgoorlie – Boulder and is accessible by existing sealed and unsealed roads (Figure 18). The project area contains the core satellite projects Crake and Coote in the south of the tenement package and the Honeyeater, Kestrel and Falcon prospects in the north.

The geology at Binduli is dominated by the Black Flag Group – a sequence of intermediate and felsic volcanics, sedimentary rocks and porphyry intrusives. Typically, the area is covered by major north-by-northwest shear zones cutting across the historic Binduli goldfield. Close to West Kalgoorlie are the Crake and Coote deposits which are similar to the 390,000oz Janet Ivy open pit, located 1.5km south, where the gold is hosted in a structurally controlled pink feldspar porphyry. At the nearby Fort William and Fort Scott open pits, where over 100,000oz have been produced to date, gold is hosted within sheared units of volcanics and clastic sediments. Results from recent drilling programmes can be seen in Figure 18.

A royalty of A$1 per tonne of ore mined and treated from M26/616 is payable to Pamela Jean Buchhorn.

The Mineral Resource Estimate for the Crake deposit is shown in Table 15 below (ASX:HRZ 28/09/2022):

Table 15: Crake at 0.8 g/t Au lower cut-off grade

Resource category	Tonnes (Mt)	Grade (g/t Au)	Gold metal (oz)
Indicated	1.33	1.47	63,150
Inferred	0.09	1.27	3,300
Total	**1.42**	**1.46**	**66,500**

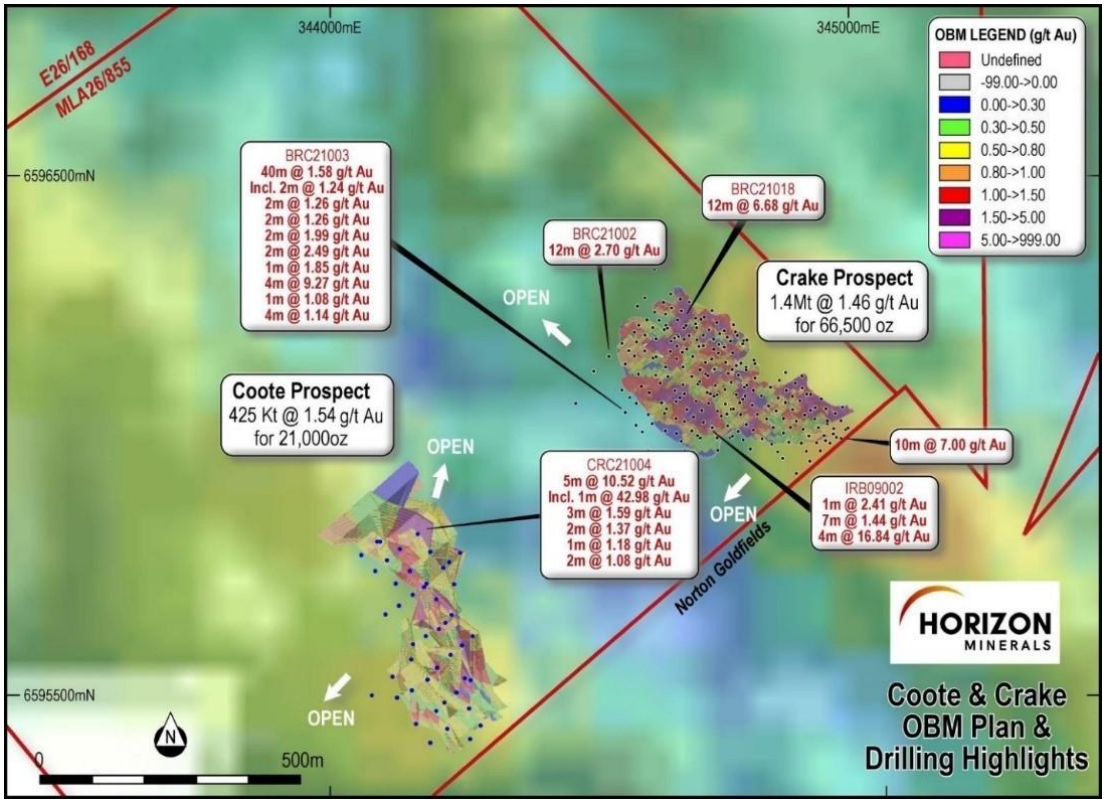


Figure 18: Magnetic Image with drilling highlights at Coote and Crake

The Mineral Resource Estimate for the Coote deposit is shown in Table 16 below (ASX:HRZ 28/09/2022):

Table 16: Coote at 1.0 g/t Au lower cut-off grade			
Resource category	Tonne (Mt)	Grade (g/t Au)	Gold metal (oz)
Inferred	0.43	1.54	21,000
Total	**0.43**	**1.54**	**21,000**

The local geology at Honeyeater is dominated by the Black Flag Group – a north-by-northwest trending sequence of intermediate and felsic volcanics, sedimentary rocks and porphyry intrusives. The regional Janet Ivy Shear Zone meanders and gently cuts across the stratigraphy to the N-NW of Honeyeater. Late-stage NE faults have created significant offsets and form important structures for the gold mineralisation.

The gold mineralisation is typically found in a shear zone with quartz veins, minor pyrite, and various amounts of silica-carbonate-sericite-chlorite alteration. The saline environment and strong weathering profile at Honeyeater has resulted in a 25m depletion zone from the surface.

At the Honeyeater prospect (Figure 19), 13 RC holes for 1,063m in 2022 intersected significant new high-grade mineralisation intercepted. The mineralisation at Honeyeater spans a 200m strike length and remains open to the north, south and at depth. During the September 2023 quarter, a small AC and RC program totalling 345m was conducted to infill with the aim of progressing towards a preliminary resource model (ASX:HRZ 23/08/2022).

Follow up drilling at Kestrel was also undertaken during the September 2023 quarter. 12 AC holes for 642m and 5 RC holes for 536m were drilled to test the lateral extents of the deposit. Results were announced to ASX on 5 December 2023 (ASX:HRZ 05/12/2023). HRZ also progressed discussions with native title claimants and completed a heritage survey clearance during the December 2023 quarter, which will assist with the application for a mining lease in respect of MLA26/855 over the Crake and Coote projects.

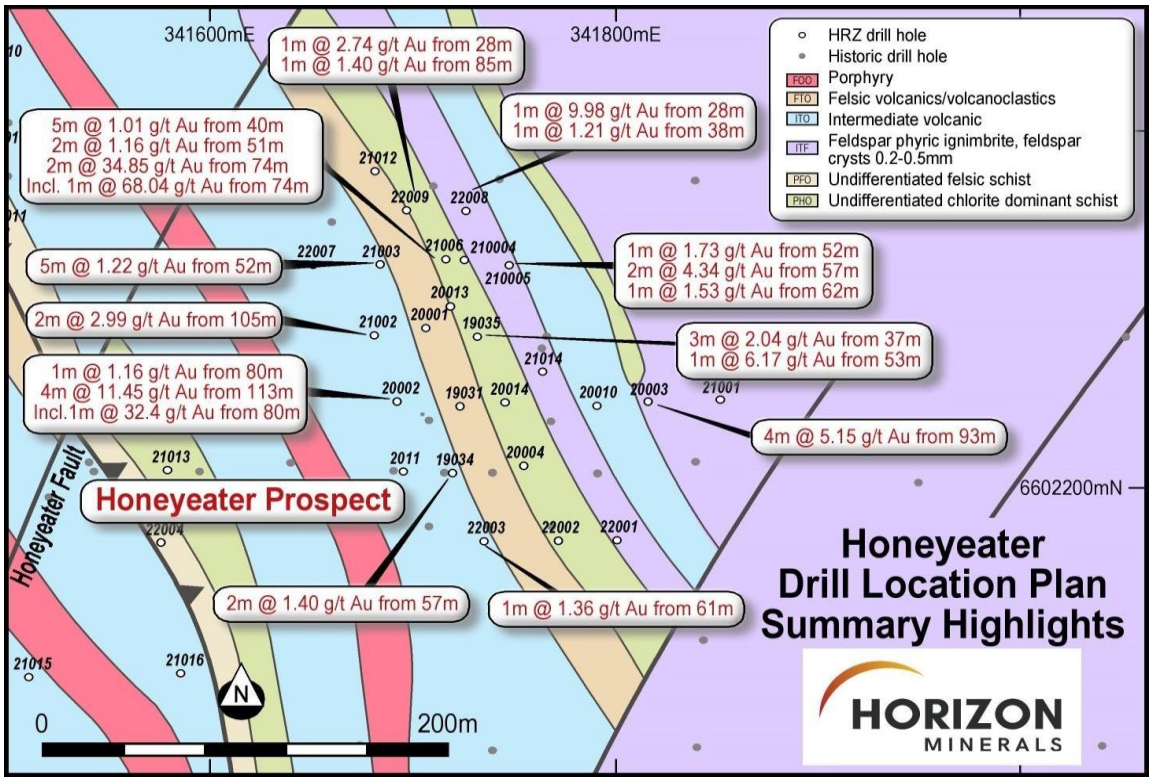


Figure 19: Honeyeater prospect geology and drilling highlights

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(j) **Kalpini**

Kalpini is located approximately 65km northeast of Kalgoorlie in the Eastern Goldfields of Western Australia (Figures 13 and 20) and 50km by existing roads to HRZ's 100% owned Boorara gold project. The project comprises granted mining lease M27/485 and miscellaneous lease L27/88 and covers approximately 585 hectares. The main deposits within the project are Gambia, Atlas and Camelia (Figure 20).

Stage 1 of the open pit was completed in 2019 and produced approximately 39,000oz with a mill reconciled grade of 2.62g/t Au and calculated gold recovery of 95.1%.

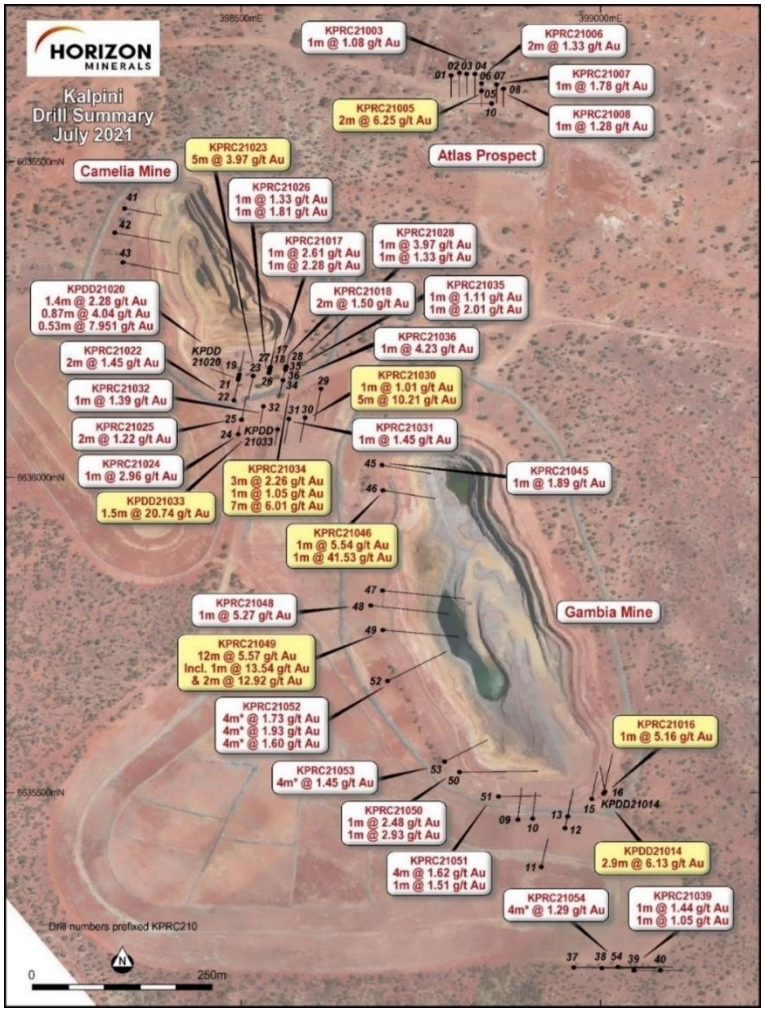


Figure 20: Kalpini project drilling results to date

The mineralisation package at Kalpini extends over a 1,500m strike length through Gambia and Camelia. The Atlas deposit, offset from the main Kalpini lodes, has been identified over a 360m strike length. Kalpini is Archaean gold mineralisation located within mafic rocks. The mineralisation is believed to be hosted within a series of north-northwest trending shear zones. The mineralisation is typically in thin 1m to 2m thick flat lying small quartz veins with variable amounts of sulphide mineralisation.

Importantly, all drilling along the Gambia-Camelia trend has focussed on the flat dipping lodes which are located on the central portion of the gabbro, with no drilling targeting the contact with the intermediate volcanoclastic rocks. Both the hanging and footwall contacts of the gabbro may provide the locus for shear hosted gold mineralisation, the flat narrow high-grade lodes being perhaps brittle link lodes.

The Mineral Resource Estimate for Kalpini is shown in Table 17 below (ASX:HRZ 28/09/2021):

Table 17: Kalpini at 0.8g/t Au lower cut-off grade			
Resource category	Tonnes (Mt)	Grade (g/t Au)	Gold metal (oz)
Indicated	1.40	2.43	108,000
Inferred	0.47	2.04	31,000
Total	**1.87**	**2.33**	**139,000**

During the June 2023 quarter, an internal review of the geological model and recent drilling results have highlighted both the open pit and underground potential of the deposit and work continued on compiling a new resource model on this basis.

Planning work also commenced on a potential drill program in the Atlas area (Figure 20) for the potential of defining an open pit resource for future mining.

(k) **Yarmany**

Yarmany project is located 40km north-west of Coolgardie in Western Australia and covers an area of 282km^2. The tenure has 50km of strike potential along the Ida Fault and is considered prospective for both nickel sulphide and lithium mineralisation. HRZ entered into a 2 year option with Metal Hawk Limited (ASX:MHK) in July 2023 to purchase the western Yarmany tenements.

A joint venture exists over two Yarmany tenements E16/492 and E16/499 in which Gold Tiger Resources (Australia) Limited has earned a 75% interest, leaving HRZ with a remaining 25% interest in each of these tenements. Gold Tiger are continuing to expend on the tenements (currently earning in Stage 4 interest) and are actively seeking interested parties to acquire their portion.

(l) **Rose Hill gold project**

Rose Hill is situated in the historical Coolgardie goldfields, 0.5km southeast of Coolgardie and 35km west of Kalgoorlie-Boulder, within the Coolgardie Greenstone Belt and on the western margin of the volcano-sedimentary sequence of the Norseman-Wiluna greenstone belt.

The current strategy for Rose Hill is to develop an open pit (box cut) mining out the oxide and transitional material to establish a portal location within fresh rock. Underground development and mining would then commence to extract the underground resource and drill test depth extensions from underground cuddy locations.

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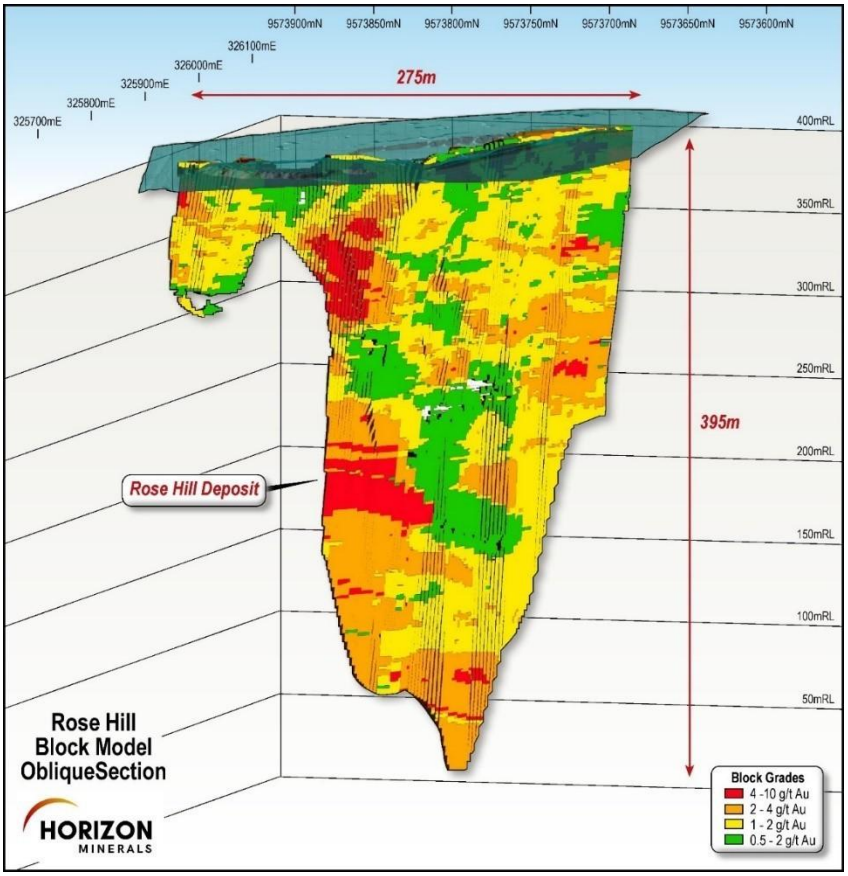


Figure 21: Rose Hill block model

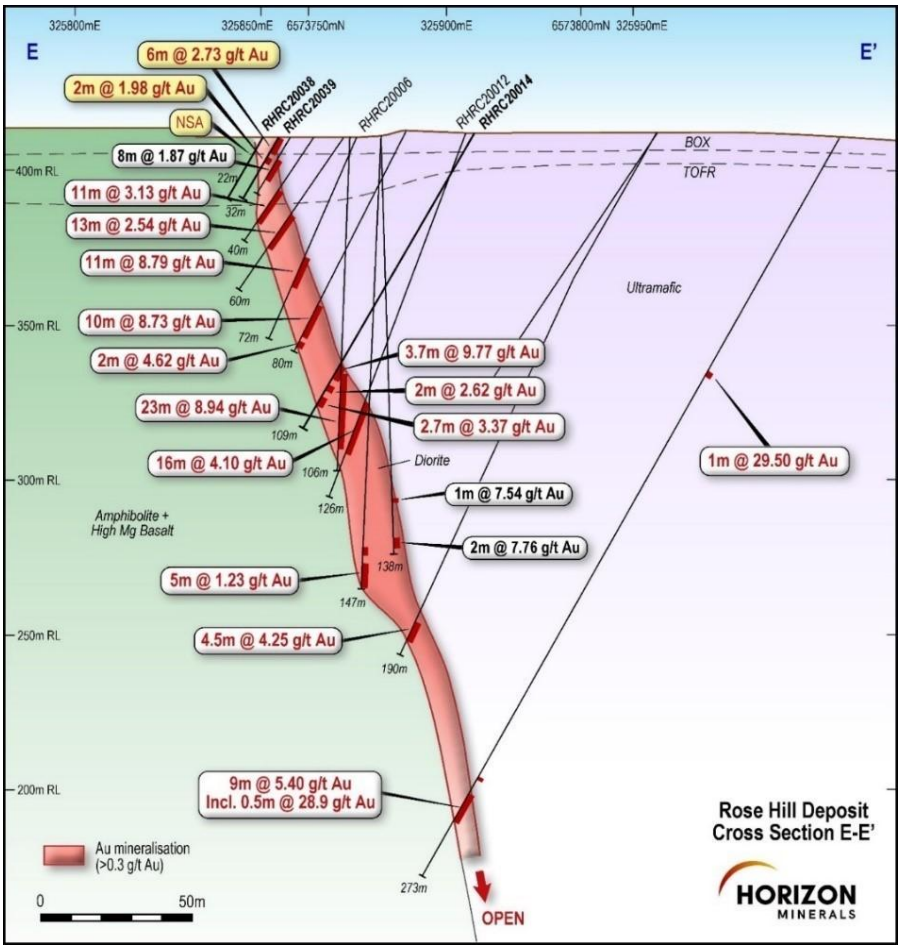


Figure 22: Rose Hill deposit cross section E – E

The Mineral Resource Estimate for Rose Hill open pit is shown in Table 18 below (ASX:HRZ 28/09/2022):

Table 18: Rose Hill Open Pit at 0.5 g/t Au lower cut-off grade			
Resource category	Tonnes (Mt)	Grade (g/t Au)	Gold metal (oz)
Measured	0.19	2.00	12,300
Indicated	0.09	2.00	6,100
Inferred	-	-	-
Total	**0.29**	**2.00**	**18,400**

The Mineral Resource Estimate for Rose Hill underground is shown in Table 19 below (ASX:HRZ 28/09/2022):

Table 19: Rose Hill Underground at 2.0 g/t Au lower cut-off grade			
Resource category	Tonnes (Mt)	Grade (g/t Au)	Gold metal (oz)
Indicated	0.33	4.50	47,100
Inferred	0.18	4.80	27,800
Total	**0.51**	**4.60**	**74,900**

There is also the potential to develop the nearby Brilliant North deposit as an open pit. There is no quoted resource at present and further drilling is required to test historical drilling results. The area is complicated due to the onsite Coolgardie State Battery which requires remediation of the tailings and relocation due to its historical significance. Liaison with the Perth Mint (owner of the battery) was re-instigated during the September 2023 quarter with the aim of working through a mutual solution to exploit this potential resource. HRZ has lodged two miscellaneous licence application adjacent to the Rose Hill and Brilliant North leases for infrastructure and access purposes. This can then enable a combined project approach in this area.

(m) **Teal – Jacques-Peyes**

The Teal gold deposit comprises a well-defined supergene blanket located above shears and quartz within structurally controlled felsic schists, tuffs and porphyry rocks at depth. Mineralisation is influenced by flexures along the northwest-southeast striking Peyes Farm Shear zone which trends parallel to the regional geology. Gold mineralization is developed in an upper flat lying oxide supergene deposit located between 30-55 metres vertical depth and in primary mineralisation in a sub vertical west and east dipping shear zones. The mineralisation trends north-by-northwest over a strike length of approximately 650 metres.

The Mineral Resource Estimate for Teal is shown in Table 20 below:

Table 20: Teal at 1.0 g/t Au lower cut-off grade			
Resource category	Tonnes (Mt)	Grade (g/t Au)	Gold metal (oz)
Indicated	1.01	1.96	63,500
Inferred	0.80	2.50	64,500
Total	**1.81**	**2.2**	**128,000**

The Jacques Find gold deposit comprises a well-defined supergene blanket located above shears and quartz within structurally controlled felsic schists, tuffs, sediments, and porphyry rocks at depth. Mineralisation is influenced by cross cutting structures and stratigraphy to the north to northwest striking shear zone which trends parallel to the regional geology. Gold mineralisation is developed in a flat lying oxide supergene deposit located between 35-55 metres vertical depth

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and in primary mineralisation within a sub vertical shear zone. The mineralisation trends north-by-northwest over a strike length of approximately 800 metres. For the Mineral Resource Estimate, Jacques incorporates the prospects known as Yolande and Teal West (Figure 23).

The Peyes Farm gold deposit comprises a moderately developed supergene blanket located above shears and quartz within structurally controlled felsic schists, tuffs, sediments, and porphyry rocks at depth. Mineralisation is influenced by cross cutting structures and contacts. Peyes Farm is located within a north striking shear zone which trends parallel to the regional geology. Gold mineralisation is poorly developed in the flat lying oxide supergene deposit located between 20-40 metres vertical depth. Peyes primary mineralisation dips east at about 600. The mineralisation spans approximately 600 metres.

Primary mineralisation at depth exhibits semi-refractory properties and optimal recoveries are achieved through ultrafine grinding, pressure oxidation or roasting. The shallow oxide supergene mineralisation is similar to the Teal gold mine where recoveries of over 94% were achieved.

The Mineral Resource Estimate for Jacques-Peyes is shown in Table 21 below:

Table 21: Jacques-Peyes at 0.8 g/t Au lower cut-off grade

Resource category	Tonnes (Mt)	Grade (g/t Au)	Gold metal (oz)
Indicated	0.97	2.59	81,000
Inferred	0.77	1.98	49,000
Total	**1.74**	**2.32**	**130,000**

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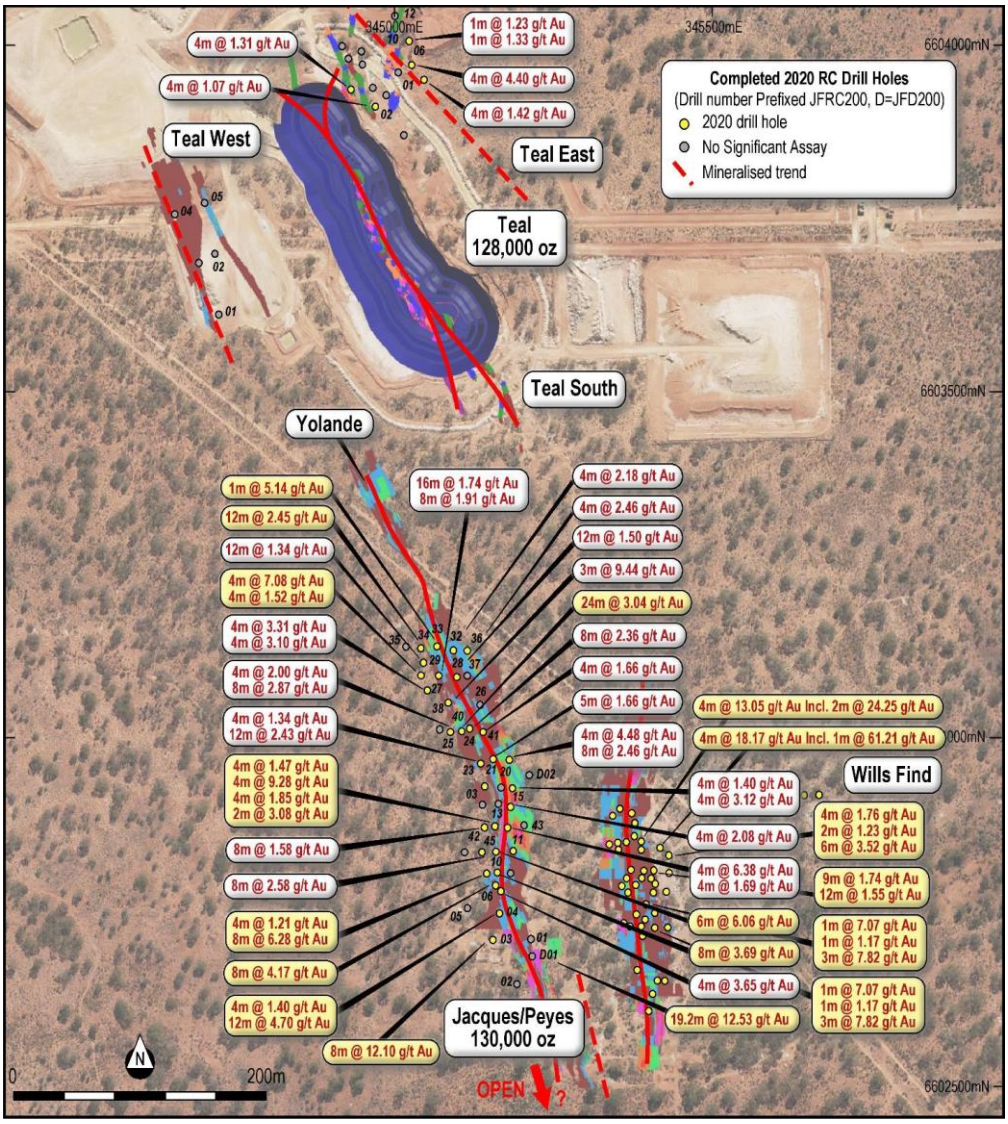


Figure 23: Teal – Jacques-Peyes location and related historical drilling results

(n) Nimbus Silver-Zinc project

The Nimbus Silver-Zinc Project lies adjacent to the Boorara gold mine (Figure 24) and was placed on care and maintenance in 2007 after producing 3.6 Moz of silver from 318 kt of ore processed at a grade of 353 g/t Ag. The old plant has since been removed and the area rehabilitated. The mine office and other infrastructure is still in place and operational.

The current project hosts a high-grade silver zinc resource of 256 kt @ 773 g/t Ag and 13% Zn as part of the global Nimbus resource of 12.1Mt @ 52 g/t Ag, 0.9% Zn and 0.2 g/t Au for a total of 20 Moz Ag and 104kt Zn and 78koz Au (ASX:HRZ 28/08/2024).

Nimbus is a shallow-water and low-temperature VHMS deposit with epithermal characteristics (i.e., a hybrid bimodal felsic deposit), which is consistent with its position near the margin of the Kalgoorlie Terrane. The current Discovery and East pits have been subject to extensive drilling highlighting significant potential to extend mineralisation along strike and at depth below 400m. Regional exploration has been limited to the north and south and is considered highly prospective for further precious and base metal deposits.

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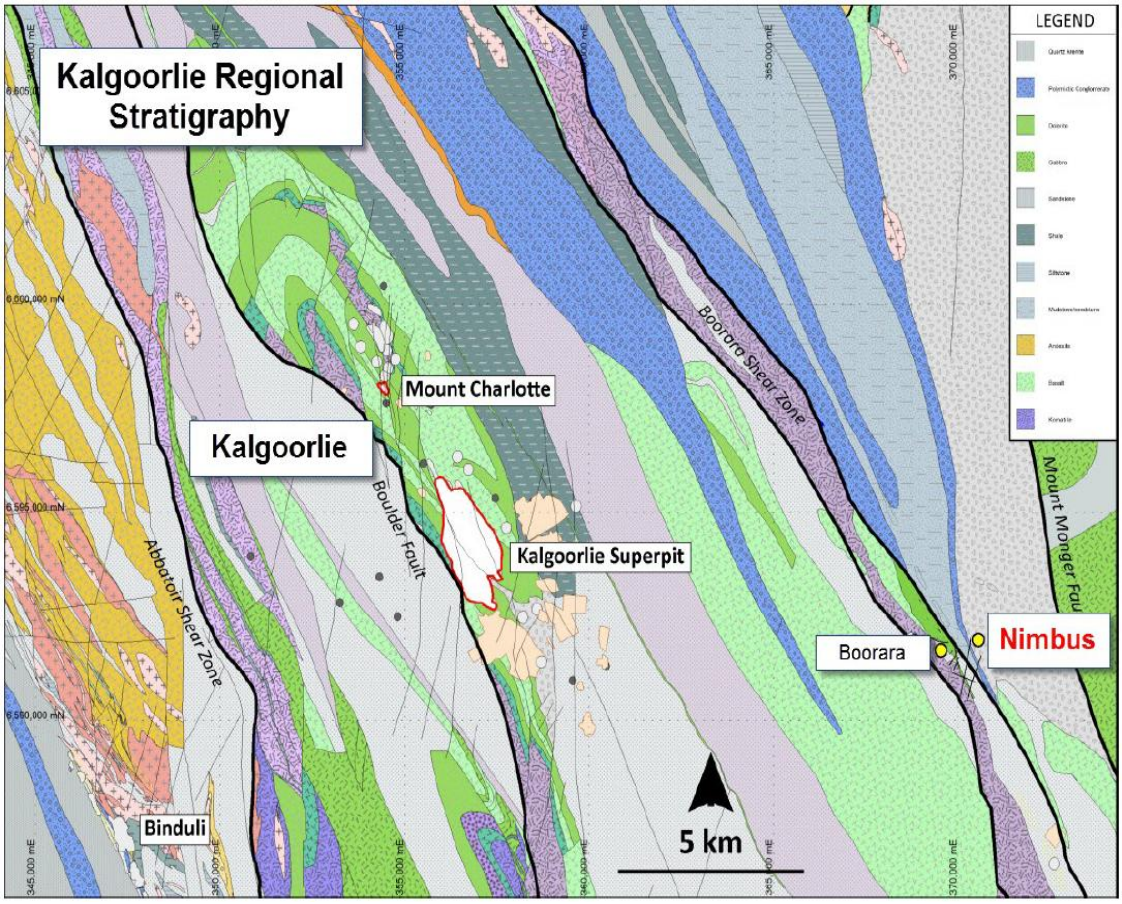


Figure 24: Nimbus project location and regional geology

Extensive metallurgical test work has been completed on Nimbus ore with the Feasibility Study put on hold in 2016. In light of increasing silver and zinc prices and as announced to the ASX on 11 February 2021, HRZ will retain the project and subject to available funding engage an independent technical team to review and update the Feasibility Study in 2024/2025.

As announced to the ASX on 24 March 2022, the review highlighted the potential of the project through underground mining the fresh higher-grade ore below the historic Discovery pit and generating a silver and a zinc concentrate for sale to potential offtake partners. A gold concentrate was also assessed to improve overall life of mine given the need for additional tonnage to underpin a concentrator at site.

Given the drilling success to date along the Gretel-Nimbus-Brindabella trend and the potential for repeat high grade lenses at Nimbus deeps and along strike, a focussed drilling campaign has been planned to commence in 2025. Exploration target drilling zones identified below the Nimbus pits are shown below (Figure 25).

HRZ has reviewed and updated resource models and has formed a view that there is a potential VHMS (Zn – Ag – Pb) exploration target, inclusive of oxide silver and primary Zn-Ag-Pb sulphide mineralisation, of between 550,000 tonnes and 700,000 tonnes with a grade range of 3.4 – 3.6% Zn, and 140 – 210g/t Ag, with minor Pb (0.45 – 0.65%).[16] To date these exploration targets have not been drilled (ASX:HRZ 24/03/2022).

[16] The potential quantity and grade of this exploration target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and there is no certainty that further exploration will result in the estimation of a Mineral Resource. See the basis of exploration targets and Compliance Statement at Section 14.22(b)(ii).

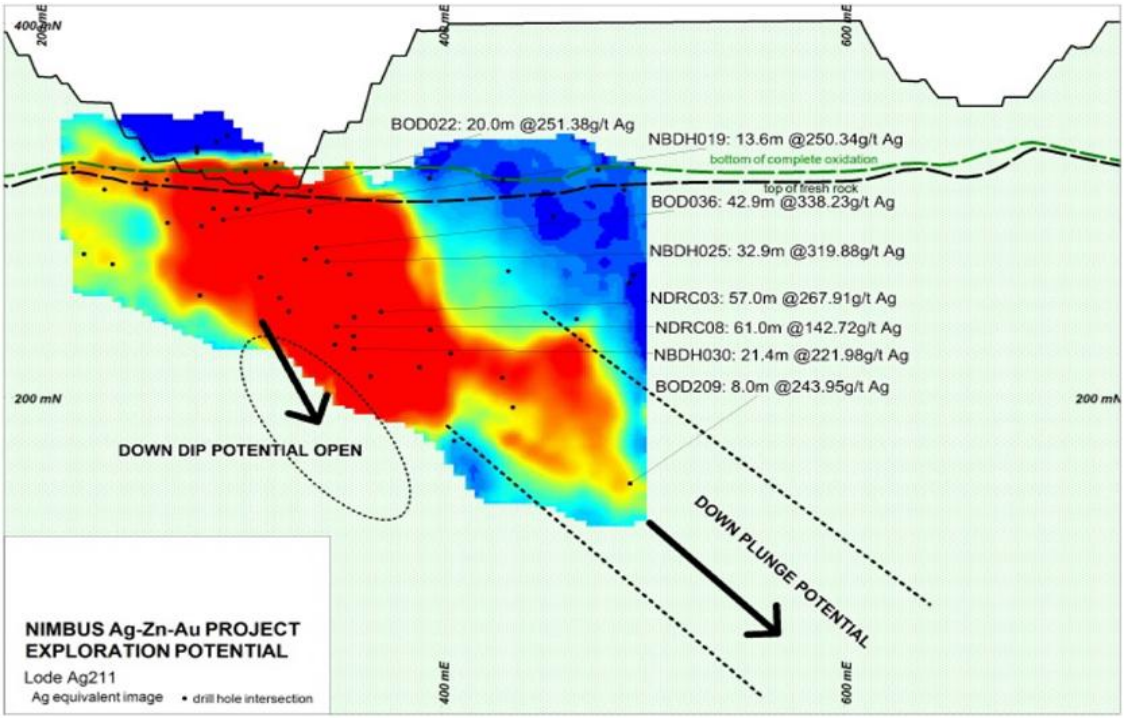


Figure 25: Nimbus Long section through Ag Lode 211 showing down dip/plunge extension

(o) **Bridgetown-Greenbushes project**

The Bridgetown-Greenbushes prospects are located north and southwest of Bridgetown and less than 20km from the world class Greenbushes Lithium Mine, in the south of Western Australia. The prospects are found within the Balingup Metamorphic Belt which has been intruded by numerous pegmatite dykes including the Greenbushes pegmatite. Greenbushes is also closely related to the regional Bridgetown-Donnybrook shear zone which extends through E70/5981 and offers enhanced prospectivity. The Greenbushes region in general has been subject to increased levels of exploration due to the lithium boom over the last few years.

First pass rock chip and soil sampling has been undertaken on the granted tenure at HRZ's Bridgetown-Greenbushes lithium projects (See ASX:HRZ | 01/12/2023). Some weathered pegmatite outcrops were noted on, or adjacent to, HRZ's tenure and provide visual confirmation of the prospectivity. Early encouragement was noted on E70/5981 where a micaceous felsic schist sample (MRP049763) recorded elevated pathfinder values of 150ppm Be, 227ppm Rb and 128ppm Sn. Lithium was 3ppm only.

33 soil samples were taken on roadside verges within the granted tenure. The highest lithium values were located on E70/5980 North of Bridgetown and 8km southeast of Greenbushes (ASX:HRZ 01/03/2024).

(p) **Mt Thirsty JV Project**

The Mt Thirsty Cobalt-Nickel-Manganese Project is a large laterite hosted resource, held in a 50:50 joint venture by Greenstone Resources and Conico Ltd (ASX:CNJ). The Project is located 16 km from the historic mining town of Norseman, Western Australia (Figure 26). One hundred and eighty kilometres to the north lies Kalgoorlie, the epicentre of the West Australian mining industry, and 195km to the south is the port of Esperance. Access to the site is primarily via the sealed Coolgardie–Esperance Highway, which runs north-south from Esperance to Kalgoorlie.

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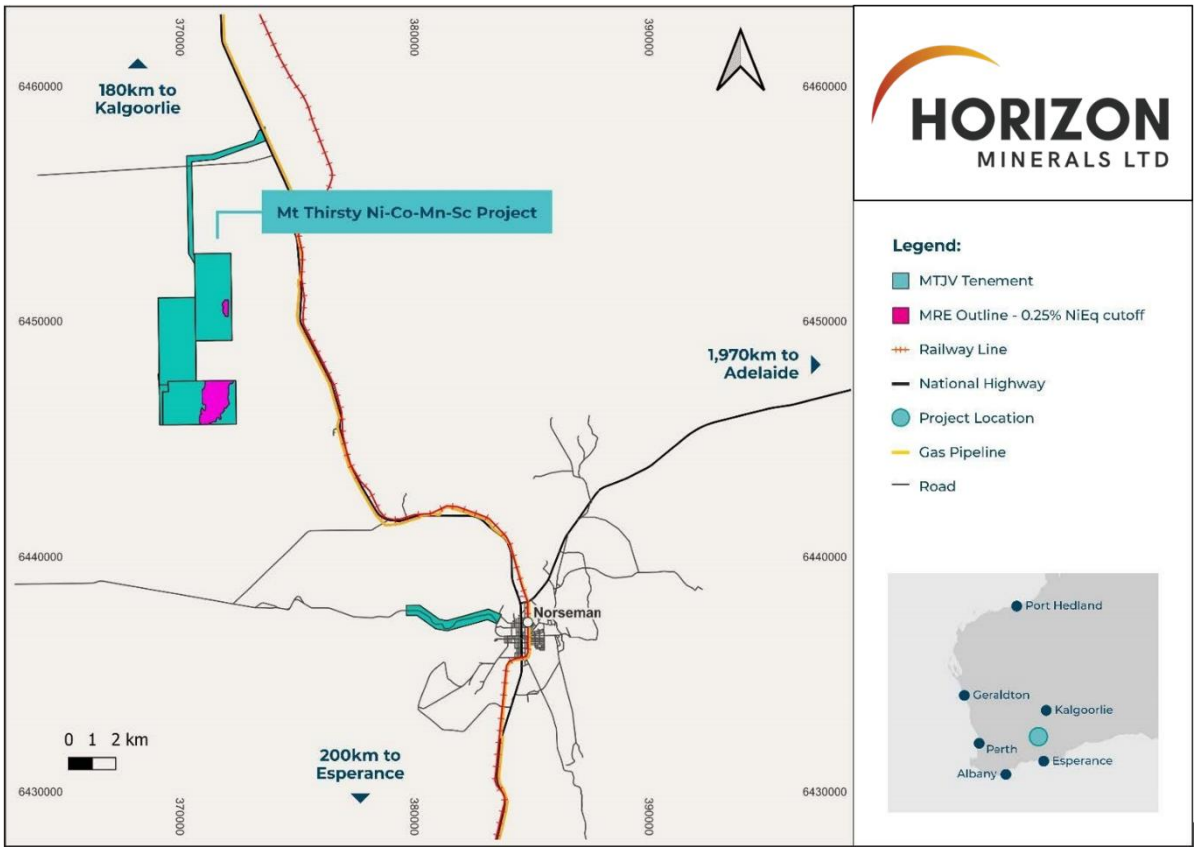


Figure 26. Mt Thirsty JV Project

The Mt Thirsty Project has a JORC (2012) resource of 66.2Mt at 0.43% Ni, 0.06% Co, and 0.45% Mn, for a total metal content of 283.7 Kt Ni, 40.5 Kt Co, and 297.1 Kt Mn, which the Joint Venture completed in 2023, and constituted a 146% increase over the previous MRE (see Table 22). The mineralisation starts from surface, and is laterally extensive and flat lying, hosted in soft oxide material.

The resource is split between Mt Thirsty North, and Mt Thirsty Main deposits. The deposits are hosted in a strongly weathered ultramafic peridotite rock, located between a sediment-ultramafic-basalt sequence to the west and a thick gabbro-pyroxenite unit to the east. Weathering and supergene enrichment processes have produced the deposit which is enriched in cobalt, nickel and manganese.

Table 22: Mt Thirsty Resource, calculated using a 0.25% NiEq cutoff within an optimised pit shell.
NiEq = (Ni% x Ni Recovery % x Ni Payability %) + ((Co% x Co Price x Co Recovery % x Co Payability %) / Ni Price) + ((Mn% x Mn Price x Mn Recovery % x Mn Payability %) / Ni Price)

			Grade			Contained Metal		
	NiEq % CutOff	Mt (Dry)	Ni %	Co %	Mn %	Ni kt	Co kt	Mn kt
Mt Thirsty Main								
Indicated	0.25	30.2	0.51	0.1	0.69	154	29.3	208.4
Inferred	0.25	31.9	0.35	0.03	0.24	111.7	9.3	76.6
Total	0.25	62.1	0.43	0.06	0.46	265.7	38.5	284.9

			Grade			Contained Metal		
	NiEq % CutOff	Mt (Dry)	Ni %	Co %	Mn %	Ni kt	Co kt	Mn kt
Mt Thirsty North								
Indicated	-	-	-	-	-	-	-	-
Inferred	0.25	4.2	0.43	0.05	0.29	18.1	2	12.2
Total	0.25	4.2	0.43	0.05	0.29	18.1	2	12.2
Total	0.25	66.3	0.43	0.06	0.45	283.7	40.5	297.1

(q) **Richmond Vanadium Technology Limited**

The Richmond Vanadium Project is now 100% owned by RVT and is located 650km west of Townsville and 250km east of Mt Isa in NW Queensland (Figure 27) with HRZ now owning 8.94% of the ordinary shares in RVT.

The project tenements cover ~1,400km2 of Cretaceous Toolebuc Formation and the advanced Lilyvale deposit north of Richmond.

RVT completed its IPO raising $25 million (before costs) and listed on ASX in December 2022. As part of the IPO, eligible HRZ shareholders received 20 million RVT shares via an in-specie distribution. HRZ retained 19.8 million RVT shares, representing 8.94% of RVT's issued capital.

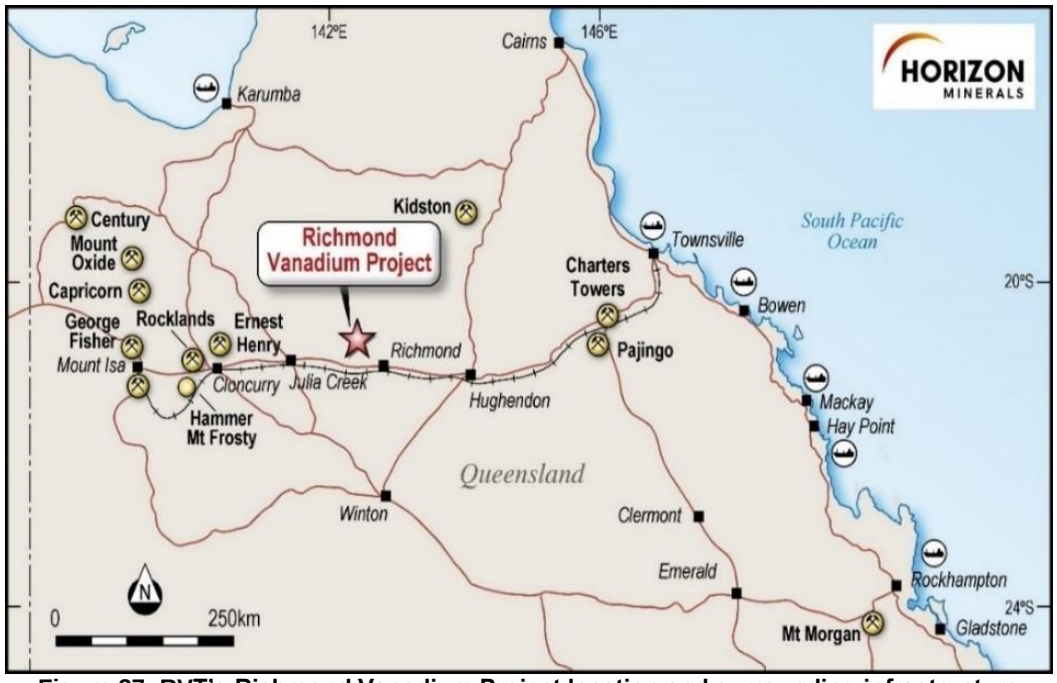


Figure 27: RVT's Richmond Vanadium Project location and surrounding infrastructure

(r) **HRZ Mineral Resources JORC Resources Tables**

(i) **Summary of Gold Mineral Resources**

Project	Cutoff	Measured			Indicated			Inferred			Total		
	Au g/t	Mt	Au g/t	Oz	Mt	Au g/t	Oz	Mt	Au g/t	Oz	Mt	Au g/t	Oz
Boorara OP	0.5	1.12	1.22	44,000	6.85	1.28	281,000	2.56	1.26	103,000	10.53	1.27	**428,000**
Burbanks OP	0.5				1.43	2.00	92,780	3.43	1.90	204,870	4.86	1.9	**297,650**
Burbanks UG	2.5/2.0				0.12	4.30	16,730	1.07	4.40	151,190	1.19	4.40	**167,920**

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Project	Cutoff	Measured			Indicated			Inferred			Total		
	Au g/t	Mt	Au g/t	Oz	Mt	Au g/t	Oz	Mt	Au g/t	Oz	Mt	Au g/t	Oz
Phillips Find OP	0.5				0.54	2.40	41,650	0.19	2.10	12,700	0.73	2.30	**54,360**
Phillips Find UG	2							0.03	2.30	210	0.03	2.30	**210**
Golden Ridge	1				0.47	1.83	27,920	0.10	1.70	2,800	0.52	1.82	**30,720**
Golden Ridge North	0.8				0.65	1.15	24,260	0.77	1.30	32,340	1.42	1.23	**56,600**
Cannon UG	1				0.19	4.80	28,620	0.10	2.30	3,450	0.23	4.29	**32,070**
Monument	0.5							0.92	1.11	33,000	0.92	1.11	**33,000**
Pinner	0.5				0.06	1.02	2,091	0.27	1.25	10,753	0.33	1.21	**12,844**
Pennys Find	1.5				0.30	5.19	51,000	0.12	3.00	12,000	0.43	4.57	**63,000**
Kalpini	0.8				1.40	2.43	108,000	0.50	2.00	31,000	1.87	2.33	**139,000**
Rose Hill UG	2				0.33	4.50	47,100	0.20	4.80	27,800	0.51	4.6	**74,900**
Rose Hill OP	0.5	0.19	2.00	12,300	0.09	2.00	6,100				0.29	2	**18,400**
Jacques-Peyes	0.8				0.97	2.59	81,000	0.80	2.00	49,000	1.74	2.32	**130,000**
Teal	1				1.01	1.96	63,680	0.80	2.50	64,460	1.81	2.2	**128,140**
Crake	0.8				1.33	1.47	63,150	0.10	1.30	3,300	1.42	1.46	**66,450**
Coote	1							0.40	1.50	21,000	0.42	1.54	**21,000**
Capricorn	0.5							0.70	1.20	25,500	0.7	1.2	**25,500**
Baden Powell	0.5							0.60	1.20	23,000	0.6	1.2	**23,000**
Total		**1.31**	**1.34**	**56,300**	**15.74**	**1.85**	**935,081**	**13.66**	**1.85**	**811,373**	**30.55**	**1.84**	**1,802,764**

(ii) **Nimbus** All Lodes (bottom cuts 12g/t Ag, 0.5% Zn, 0.3g/t Au)

Category	Tonnes	Grade	Grade	Grade	Ounces	Ounces	Tonnes
	Mt	Ag (g/t)	Au (g/t)	Zn (%)	Ag (Moz)	Au ('000oz)	Zn ('000t)
Measured Resource	3.62	102	0.09	1.2	**11.9**	10	**45**
Indicated Resource	3.18	48	0.21	1.0	**4.9**	21	**30**
Inferred Resource	5.28	20	0.27	0.5	**3.4**	46	**29**
Total Resource	12.08	52	0.20	0.9	**20.2**	77	**104**

(iii) **Nimbus** high grade silver zinc resource (500g/t Ag bottom cut and 2,800g/t Ag top cut)

Category	Tonnes	Grade	Grade	Ounces	Tonnes
	Mt	Ag (g/t)	Zn (%)	Ag (Moz)	Zn ('000t)
Measured Resource	0	0	0	**0**	**0**
Indicated Resource	0.17	762	12.8	**4.2**	**22**
Inferred Resource	0.09	797	13.0	**2.2**	**11**
Total Resource	0.26	774	12.8	**6.4**	**33**

(i) **Mt Thirsty Ni Co Resource**

				Grade			Contained Metal	
	NiEq% CutOff	Mt (Dry)	Ni %	Co %	Mn %	Ni kt	Co kt	Mn kt
Mt Thirsty Main								

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				Grade			Contained Metal	
	NiEq% CutOff	Mt (Dry)	Ni %	Co %	Mn %	Ni kt	Co kt	Mn kt
Indicated	0.25	30.2	0.51	0.1	0.69	154	29.3	208.4
Inferred	0.25	31.9	0.35	0.03	0.24	111.7	9.3	76.6
Total	**0.25**	**62.1**	**0.43**	**0.06**	**0.46**	**265.7**	**38.5**	**284.9**
Mt Thirsty North								
Indicated	-	-	-	-	-	-	-	-
Inferred	0.25	4.2	0.43	0.05	0.29	18.1	2	12.2
Total	**0.25**	**4.2**	**0.43**	**0.05**	**0.29**	**18.1**	**2**	**12.2**
Total	**0.25**	**66.3**	**0.43**	**0.06**	**0.45**	**283.7**	**40.5**	**297.1**

(s) **HRZ JORC Ore Reserve Tables**

(i) **Summary of Gold Ore Reserves**

Location	Reserve Category	Tonnes (kt)	Grade (g/t Au)	Gold Metal (kOz)
Boorara Open Pit	Proved	636.8	1.25	25.7
	Probable	602.3	1.23	23.8
	Total	**1,239.1**	**1.24**	**49.5**
Cannon Underground	Proved	0	0.00	0
	Probable	135.0	4.1	17.68
	Total	**135.0**	**4.1**	**17.68**
Pennys Find Underground	Proved	0	0.00	0
	Probable	328.3	3.2	33.4
	Total	**328.3**	**3.2**	**33.4**
Total Ore Reserves	**TOTAL**	**1,702.4**	**1.84**	**100.6**

7.3 HRZ tenement overview

Schedule 1 summarises the details of each of the tenements in which HRZ holds an interest as at the Last Practicable Date.

7.4 Directors of HRZ

The directors of HRZ as at the date of this Scheme Booklet are as follows:

Ashok Parekh (Non-Executive Chairman) *B.Bus, AIMM, CTA, FNTAA, FTIA, FCA*	Mr Parekh is a chartered accountant, of over 40 years' experience, who owns a large accounting practice in Kalgoorlie, which he has operated for 35 years. He was awarded the Centenary Medal in 2003 by the Governor General of Australia and was recently awarded the Meritorious Service Award by the Institute of Chartered Accountants, the highest award granted by the institute in Australia. Mr Parekh has over 35 years' experience in providing advice to mining companies and service providers to the mining industry. Mr Parekh has spent many years negotiating with public listed companies and prospectors on mining deals which have resulted in new IPOs and the commencement of new gold mining operations. He has also been involved in the management of gold mining and milling companies in the Kalgoorlie region and has been the Managing Director of some of these companies. He is well known in the West Australian mining industry and has a very successful background in the ownership of numerous businesses in the Goldfields. Mr Parekh was appointed to the HRZ Board on 14 June 2019. He was also appointed a Non-Executive Director of Kingwest Resources Limited on 2

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	May 2022 (see ASX:KWR announcement 2/5/2022). Mr Parekh resigned as a director leading up to the completion of the merger with Brightstar Resources Limited in 2023 During the past three years, Mr Parekh has been a director of Kingwest Resources Limited (ASX: KWR) (Appointed 2 May 2022).
Grant Haywood Managing Director/CEO *BEng (Mining Engineering) Hons, MSc (Minerals Economics), Dip Bus (Frontline Management), GAICD, FAusIMM, WA* *First Class Mine Managers Certificate*	Mr Haywood is a mining engineer with over 30 years' experience in underground and open cut mining operations and is a graduate of the Western Australian School of Mines (WASM). Mr Haywood also attained his Masters in Mineral Economics from WASM, holds a First Class Mine Managers Certificate and is also a Graduate of the Australian Institute of Company Directors and a Fellow of the Australian Institute of Mining and Metallurgy. Mr Haywood has managed mining projects in senior leadership positions from feasibility through to development and operations predominantly in the Western Australian goldfields for junior and multinational gold mining companies including Phoenix Gold, Saracen Mineral Holdings and Gold Fields. It is proposed that Mr Haywood remain Managing Director and Chief Executive Officer of HRZ upon implementation of the Schemes. During the past three years, Mr Haywood has not held any other directorships of public companies, nor any other board/committee positions.
Warren Hallam, Non-Executive Director *BSc (Env Science), Grad Dip (Extractive Metallurgy), MSc (Mineral Economics), MAusIMM, MAICD*	Mr Hallam has a built a strong track record of over 35 years in operations, corporate and senior leadership roles across multiple commodities. This includes previous Managing Director roles at Metals X Limited, Millenium Metals Limited and Capricorn Metals Limited. Mr Hallam is a metallurgist who also holds a Masters in Mineral Economics from Curtin University. Mr Hallam has considerable technical, managerial and financial experience across a broad range of commodities being predominantly gold, nickel, copper, tin, lithium, rare earth elements and iron ore. As Executive Director and Managing Director of Metals X, Mr Hallam played a critical role in the development of Metals X into a leading global tin and top-10 gold producer. Directorships held in other listed companies in the past 3 years: • St Barbara Limited (ASX: SBM) (Appointed 7 September 2023) • Poseidon Nickel Limited (ASX: POS) (Appointed 1 June 2022) • Kingfisher Mining Limited (ASX: KFM) (Appointed 4 December 2018) • Chair of Nelson Resources Limited (ASX:NES) (1 February 2019 – 31 May 2022) • Chair of NiCo Resources Limited (ASX:NC1) (29 April 2021 – 27 March 2023) • Director Essential Metals Ltd (1 August 2020 to 6 November 2023).

Refer to Section 9.3 for details of the directors of HRZ following implementation of the Schemes.

7.5 Historical financial information

The historical financial information provided in this Scheme Booklet has been derived from HRZ's audited financial statements as contained in HRZ's Annual Financial Reports for the financial years ended 30 June 2024, 30 June 2023 and 30 June 2022 (**HRZ Annual Financial Reports**).

The HRZ Annual Financial Reports have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). The historical financial information also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The historical financial information presented in the tables below is in an abbreviated form and does not contain all the presentation, comparative information and disclosures that are provided in complete annual financial reports and should therefore be read in conjunction with the annual financial reports of the respective periods, including the description of

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accounting policies contained in those financial reports and notes to the financial statements contained in those financial reports.

Where appropriate, adjustments have been made to headings and classifications of historical financial information to provide a consistent basis of presentation. In the interval between 30 June 2024 and the date of this Scheme Booklet, there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of HRZ, to significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future financial years.

Material changes to the financial position of HRZ since 30 June 2024 are disclosed in section 7.6 of this Scheme Booklet.

Copies of HRZ's audited Annual Financial Reports for the financial years ended 30 June 2024, 30 June 2023 and 30 June 2022 are available on the HRZ website (www.horizonminerals.com.au). Copies will also be provided by HRZ, free of charge, to any POS Securityholder who requests it before the date of the Scheme Meetings.

(a) Consolidated statement of financial position

HRZ's consolidated statement of financial position as at 30 June 2024, 30 June 2023 and 30 June 2022 is set out below.

IN AUD ($)	30 JUNE 2024	30 JUNE 2023	30 JUNE 2022
Current assets			
Cash and cash equivalents	4,290,214	5,623,808	5,406,635
Trade and other receivables	586,589	533,485	1,264,542
Total current assets	**4,876,803**	**6,157,293**	**6,671,177**
Non-current assets			
Financial assets at fair value through profit or loss	5,954,733	8,170,784	2,328,475
Other assets	278,927	257,927	257,927
Property, plant and equipment	1,246,250	384,410	427,808
Exploration and evaluation expenditure	46,541,297	29,733,516	29,377,548
Right-of-use assets	33,093	31,610	79,024
Investments accounted for using the equity method	-	-	7,336,127
Total non-current assets	**54,054,300**	**38,578,247**	**39,806,909**
Total assets	**58,931,103**	**44,735,540**	**46,478,086**
Current liabilities			
Trade payables and accruals	1,971,725	378,706	4,466,961
Lease liability	33,093	35,516	50,686
Convertible note liability and derivative	8,194,908	6,929,786	-
Employee entitlements	421,109	316,057	346,173
Total current liabilities	**10,620,835**	**7,660,065**	**4,863,820**
Non-current liabilities			
Lease liability	-	-	35,516
Rehabilitation provisions	1,838,617	1,601,117	1,454,400
Employee entitlements	196,788	182,750	124,350

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IN AUD ($)	30 JUNE 2024	30 JUNE 2023	30 JUNE 2022
Total non-current liabilities	**2,035,405**	**1,783,867**	**1,614,266**
Total liabilities	**12,656,240**	**9,443,932**	**6,478,086**
Net assets	**46,274,863**	**35,291,608**	**40,000,000**
Equity			
Contributed equity	80,559,064	66,211,489	70,089,303
Reserves	93,177	-	835,750
Accumulated losses	(34,377,378)	(30,919,881)	(30,925,053)
Total equity	**46,274,863**	**35,291,608**	**40,000,000**

(b) **Consolidated statement of comprehensive income**

HRZ's consolidated statement of comprehensive income for the year ended 30 June 2024, 30 June 2023 and 30 June 2022 is set out below.

IN AUD ($)	30 JUNE 2024	30 JUNE 2023	30 JUNE 2022
Other income	**6,936,046**	**9,104,710**	**13,026,272**
Cost of sales	-	(627)	(2,062,288)
Exploration and evaluation expenditure	(1,197,463)	(2,946,794)	(1,776,781)
Depreciation expenses	(39,923)	(77,175)	(331,347)
Net change in fair value of financial assets at fair value through profit or loss	(3,840,772)	(535,889)	(1,846,000)
Employee benefits expense	(1,604,559)	(2,123,402)	(2,043,609)
Share based payments	-	(179,132)	(296,135)
Building and occupancy costs	(51,825)	(101,513)	(93,011)
Consultancy and professional fees	(512,168)	(631,138)	(508,039)
Impairment provision	(418,961)	(3,003,901)	(31,017,868)
Interest expenses and finance charges	(1,690,704)	(689,861)	(44,176)
Impairment of receivables	-	(11,598)	-
Share of losses of associates accounted for using the equity method	-	-	(116,897)
Other expenses	(536,933)	(652,199)	(919,504)
Fair value (loss) / gain on derivative liability	(500,235)	838,809	-
Loss from continuing operations before income tax	**(3,457,497)**	**(1,009,710)**	**(28,029,383)**
Income tax (expense)	-	-	-
(Loss) / profit for the year	**(3,457,497)**	**(1,009,710)**	**(28,029,383)**
Other comprehensive income for the year, net of tax	**-**	**-**	**-**
Loss for the year and total comprehensive income attributable to owners of HRZ	**(3,457,497)**	**(1,009,710)**	**(28,029,383)**
Basic earnings / (loss) per share	(0.48) cents	(0.16) cents	(4.93) dollars

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IN AUD ($)	30 JUNE 2024	30 JUNE 2023	30 JUNE 2022
Diluted earnings / (loss) per share	(0.48) cents	(0.16) cents	(4.93) dollars

(c) **Consolidated statement of cash flows**

HRZ's consolidated statement of cash flows for the year ended 30 June 2024, 30 June 2023 and 30 June 2022 is set out below.

In AUD ($)	30 June 2024	30 June 2023	30 June 2022
Cash flows from operating activities			
Receipts from customers	130,730	255,595	269,955
Payments to suppliers and employees	(3,406,595)	(2,737,714)	(2,152,809)
Interest received	143,394	20,036	8,942
Payments for exploration and evaluation expenditure	(1,077,905)	(4,430,268)	(1,776,781)
Payments for trial mine production costs	(11,185)	(627)	(2,062,288)
Proceeds for trial mine production sales	-	81,882	3,321,121
Withholding tax expense	(74,518)	-	-
Income tax expense	-	-	-
ATO cash flow boost	-	-	-
Net cash inflow / (outflow) from operating activities	**(4,296,079)**	**(6,811,096)**	**(2,391,860)**
Cash flows from investing activities			
Payments for property, plant and equipment	(856,780)	(36,500)	(282,528)
Proceeds from sale of property, plant and equipment	104,091	36,182	5,000
Payments for purchase of tenements	(75,000)	(3,226,800)	(2,500,000)
Proceeds from sale of tenements	3,450,000	475,000	475,000
Payments for capitalised exploration and evaluation expenditure	(1,969,283)	(2,962,447)	(7,549,115)
Payments for acquisition of assets (net of cash acquired)	112,854	-	-
Payments for mine production costs	-	-	-
Payments for purchase of investments	-	-	(754,065)
Dividends received	24,547	-	-
Proceeds from sale of investments	2,957,727	1,758,071	3,473,075
Net cash inflow / (outflow) from investing activities	**3,748,156**	**(3,956,494)**	**(7,132,633)**
Cash flows from financing			

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In AUD ($)	30 June 2024	30 June 2023	30 June 2022
activities			
Proceeds from issue of convertible notes	-	7,254,309	-
Proceeds from issues of shares	-	4,004,579	4,000,000
Share issue costs	-	(105,593)	(337,096)
Repayment of borrowings	-	-	-
Interest paid	(749,351)	(6,715)	-
Borrowing costs	-	(111,131)	-
Payments for lease liability	(36,320)	(50,686)	(47,741)
Net cash (outflow)/inflow from financing activities	**(785,671)**	**10,984,763**	**3,615,163**
Net increase/(decrease) in cash and cash equivalents	**(1,333,594)**	**217,173**	**(5,909,330)**
Cash and cash equivalents at the beginning of the financial year	5,623,808	5,406,635	11,315,965
Cash and cash equivalents at the end of the financial year	**4,290,214**	**5,623,808**	**5,406,635**

7.6 Material changes to the financial position of HRZ since 30 June 2024

The HRZ Financial Report for the year ended 30 June 2024 was released to ASX on 30 September 2024. To the knowledge of the HRZ Directors, the financial position of HRZ has not materially changed since 30 June 2024, as reported in HRZ's Annual Financial Report for that period, other than:

(a) on 31 October 2024, HRZ issued 155,729,127 HRZ Shares at $0.045 per HRZ Share to sophisticated and institutional investors under HRZ's available capacity pursuant to Listing Rule 7.1, resulting in aggregate proceeds of $7.07 million being received by HRZ; and

(b) on 3 December 2024, HRZ issued 155,381,984 HRZ Shares at $0.045 per HRZ Share to sophisticated and institutional investors in accordance with HRZ shareholder approval received at HRZ's Annual General Meeting on 29 November 2024, resulting in aggregate proceeds of $6.99 million being received by HRZ;

(c) as disclosed in this Scheme Booklet or as otherwise disclosed to the ASX by HRZ; and

(d) in accordance with generally known market conditions.

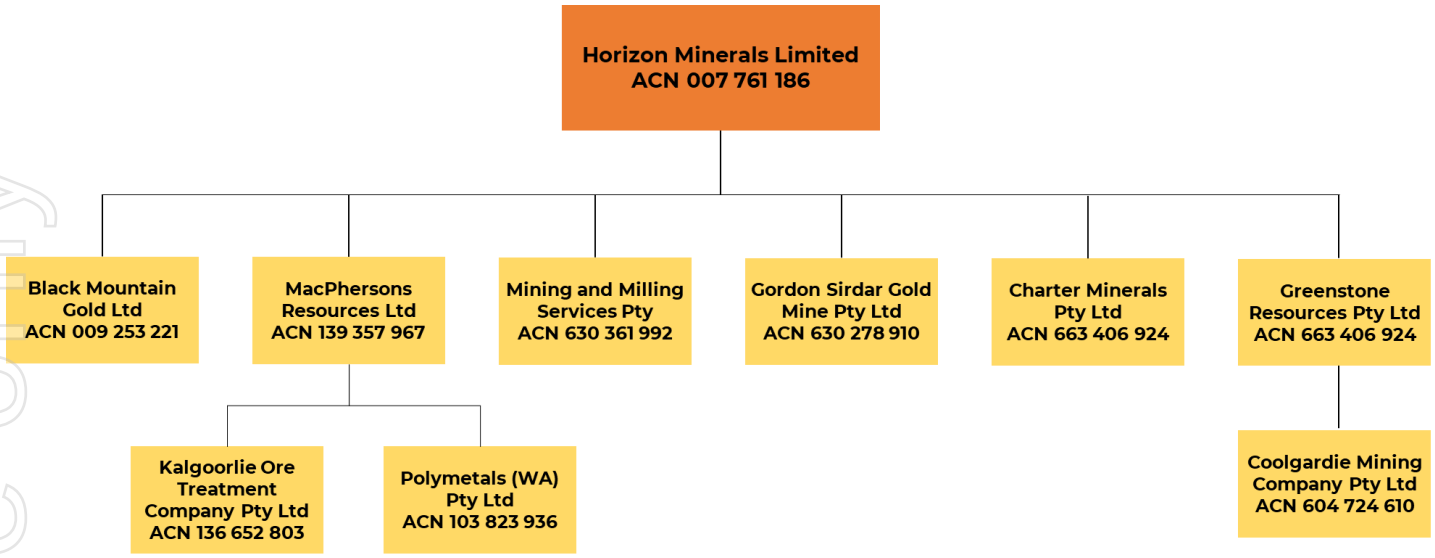
An electronic copy of HRZ's Financial Report for the period ended 30 June 2024 is available on the ASX's website www.asx.com.au under ASX code 'HRZ' or on HRZ's website at www.horizonminerals.com.au.

7.7 Forecast financial information

HRZ has given careful consideration as to whether a reasonable basis exists to produce reliable and meaningful forecast financial information. HRZ has concluded that, as at the date of the Scheme Booklet, it would be misleading to provide forecast financial information, as a reasonable basis does not exist for providing financial forecasts that would be sufficiently meaningful and reliable as required by applicable law, policy and market practice.

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7.8 HRZ's corporate structure



SUBSIDIARY	PLACE OF INCORPORATION	DATE OF INCORPORATION	PERCENTAGE EQUITY INTEREST
Black Mountain Gold Ltd	Western Australia	30 June 1987	100%
MacPhersons Resources Ltd	Western Australia	9 September 2009	100%
Kalgoorlie Ore Treatment Company Pty Ltd	Western Australia	11 May 2009	100% (indirect)
Polymetals (WA) Pty Ltd	Western Australia	21 February 2003	100% (indirect)
Mining and Milling Services Pty Ltd	Western Australia	3 December 2018	100%
Gordons Sirdar Gold Mine Pty Ltd	Western Australia	28 November 2018	100%
Charter Minerals Pty Ltd	Western Australia	26 October 2022	100%
Greenstone Resources Pty Limited	Western Australia	20 June 2000	100%
Coolgardie Mining Company Pty Ltd	Western Australia	12 March 2015	100% (indirect)

7.9 HRZ's issued securities

(a) Capital structure

As at the date of this Scheme Booklet, HRZ has the following securities on issue:

SECURITY	TOTAL ON ISSUE
Fully paid ordinary shares	1,429,670,213
Listed Options, exercise price $0.097 expiring 30 June 2025 (HRZOB)	51,871,015
Listed Options, exercise price $0.087 expiring 21 September 2025 (HRZO)	26,723,171
Class A HRZ Performance Rights	8,693,200

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SECURITY	TOTAL ON ISSUE
Class B HRZ Performance Rights	8,693,200
Class C HRZ Performance Rights	8,693,200
Convertible Notes	1 convertible note (see Section 7.9(c) below for conversion details)

Note:

1. The rights and liabilities attaching to HRZ Shares are described in Section 14.5.
2. The terms of the HRZ Performance Rights are described in Section 7.10.

(b) Horizon Options

The HRZ Options are comprised of the following:

OPTION	NUMBER OF OPTIONS	EXERCISE PRICE	EXPIRY DATE
Listed Options (HRZOB)	51,871,015	$0.097	30 June 2025
Listed Options (HRZO)	26,723,171	$0.087	21 September 2025

(c) HRZ Performance Rights

HRZ has a total of 8,693,200 HRZ Class A Performance Rights, 8,693,200 Class B Performance Rights and 8,693,200 Class C Performance Rights on issue. As at the date of this Scheme Booklet none of the HRZ Performance Rights have vested.

(d) Company Investments

As at the date of this Scheme Booklet, HRZ held the following share investments:

COMPANY	SECURITIES	CODE	NUMBER	VALUE AT 31 OCTOBER 2024
Dundas Minerals Limited	Shares	ASX:DUN	3,234,327	$109,967
Metal Hawk Limited	Shares	ASX:MHK	1,134,430	$192,853
Ora Banda Limited	Shares	ASX:OBM	1,063,0942[1]	$993,993
Richmond Vanadium Technology Limited	Shares	ASX:RVT	19,833,363[2]	$5,751,675
			TOTAL	**$7,048,488**

Note**:**

1. Voluntary escrow to 9 January 2025.
2. In mandatory escrow for 24 months to 13 December 2024

(e) Convertible Notes

On 23 November 2022 HRZ and other members of the HRZ Group entered into a loan agreement with Nebari Gold Fund 1, LP (**Nebari**) for the provision to HRZ of loans for a total amount of up to US$5,102,041, as amended by letter of amendment dated 11 November 2024 between Nebari, HRZ and other member of HRZ Group (**Convertible Loan Facility**).

The principal terms of the Convertible Loan Facility are set out below:

(i) (**Lender**) The Lender is Nebari Gold Fund 1, LP.

(ii) (**Borrower and guarantors**) the borrower is HRZ and the guarantors are the subsidiaries of HRZ.

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(iii) (**Election to convert**) The Lender may elect to convert into HRZ Shares some or all of the outstanding convertible principal amount plus any accrued and unpaid interest at any time prior to the maturity date.

(iv) (**Drawn down amounts**) the conditions precedent to drawdown of the loan have been satisfied and the full amount of the loan has been drawn down.

(v) (**Security**) the Convertible Loan Facility is secured by a first-ranking charge over the assets and undertakings of the HRZ Group, with the Baden Powell and Windanya tenements being excluded.

(vi) (**Maturity date**) the maturity date is 29 November 2025, being 42 months from drawdown of the first tranche loan amount.

(vii) (**Interest**) interest is payable on the principal amount at a 3-month term SOFR reference rate determined on the first day of each calendar month less 3% (provided the rate is not less than 0%) plus 7%. Interest is currently payable monthly in cash (having been capitalised and added to the outstanding amount for the first 8 months following draw down).

(viii) (**Use of funds by Borrower**) the first tranche of US$2,000,000 was used by HRZ to repay a prior secured loan and the second tranche of US$3,000,000 was primarily used to support the capital development of the Cannon underground mine.

(ix) (**Conditions to conversion**) there are no conditions to conversion. The Lender is able to request the conversion of the outstanding amounts under the Convertible Loan Facility into HRZ Shares at any time.

(x) (**Conversion Price**) The current 'Conversion Price' is A$0.042.

The Conversion Price is subject to adjustment (in specified circumstances) to take account of certain events including a rights issue, a bonus issue, a reorganisation, or a significant event (such as merger, dissolution, or spin off) which is likely to affect the value of Horizon's securities.

Example of number of HRZ Shares to be issued on conversion, based on the loan position as of 30 June 2024:

(A) the current principal amount (including capitalised interest) outstanding of US$5,223,604;

(B) a conversion price of A$0.042 (4.2 cents);

(C) a US$/A$ exchange rate of 1:1.522;

(D) an assumption that all interest has been paid in cash (noting that under the facility, the first 8 months interest is to be capitalized); and

(E) no default,

the maximum number of HRZ Shares that may be issued is 187,640,436 HRZ Shares (US$5,223,604 x 1.522 = A$7,950,325.29) (representing 9.1% of the share capital of HRZ on a fully diluted basis)[17] subject to US$/A$ exchange rate changes and to be satisfied by the issue of HRZ Shares at A$0.042 (4.2 cents).

[17] Assumes that 1,925,533,157 HRZ Shares are on issue post-Implementation of the Schemes, that no other HRZ Shares are issued and assuming the exercise of all options and performance rights on issue in HRZ post-implementation of the Schemes.

The maximum number of HRZ Shares that may be issued will increase if the conversion price decreases and may increase or decrease in line with changes in the exchange rate. The maximum number of HRZ Shares that may be issued will also increase if the conversion price is required to be adjusted as a result of the Schemes. As noted above, this would be the case if the Schemes are likely to affect the value of HRZ Securities.

(xi) (**Other anti-dilution arrangements**)

(A) If HRZ makes a bonus issue of HRZ Shares, then the number of HRZ Shares the Lender is entitled to receive on conversion will be increased by the number of HRZ Shares that the Lender would have received if the conversion had occurred immediately before the record date for the bonus issue.

(B) If there is a reorganisation of the capital of HRZ, then from the reorganisation taking effect, the conversion price will be reconstructed in the manner specified in the Listing Rules (even if Horizon is no longer listed on the ASX) or if the reorganisation is not able to be dealt with under the Listing Rules adjustment mechanisms, then the reconstruction of the conversion price will be determined in such a manner that the amount available to be converted is convertible into the same percentage of HRZ's Shares as the percentage into which it would have converted before the reorganisation.

(C) If HRZ:

(1) makes a distribution to its shareholders other than a cash dividend; or

(2) any of its subsidiaries are involved in a merger, dissolution, spin-off or other transaction which is likely to affect the value of its securities,

then with effect from such event the conversion right, including the conversion price, must be adjusted as necessary so that the amount available to be converted is convertible into the same percentage of HRZ's Shares as the percentage into which it would have converted before the event.

(xii) (**Horizon's right to prepay and obligation to issue options to the Lender**) HRZ has the right to prepay a loan sum subject to the amount being a minimum of US$500,000 (unless it is the outstanding principal amount) and the Lender still has the ability to exercise its conversion right prior to the prepayment date. On the date of any prepayment, HRZ must issue options to acquire HRZ Shares to the Lender in a number and value equal to 100% of the prepayment amount, with an exercise price equal to the conversion price and an expiry date of the later of 18 months and the maturity date.

(xiii) (**No voting rights**) the loan of the moneys by the Lender does not provide it with any voting rights.

(xiv) (**Event of Default**) the principal sum outstanding and any unpaid accrued interest is immediately payable upon an event of default and the security can be enforced.

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(xv) (**Representations, warranties and undertakings by Horizon**) the HRZ Group makes a number of representations and warranties and undertakings in favour of the Lender as is customary for an agreement of this kind.

(xvi) (**Governing Law**) the Convertible Loan Facility is governed by the laws of Western Australia and of the Commonwealth of Australia.

(f) **Additional securities if Schemes become effective**

On the assumption that:

- the Schemes become Effective; and
- no other POS Shares or HRZ Shares are issued,

then HRZ will have approximately a further 495,862,944 HRZ Shares on issue following the Share Scheme being implemented and approximately 18,894,496 New HRZ Options on issue following the Option Scheme being implemented.

7.10 HRZ Performance Rights

The terms of the HRZ Performance Rights are as follows:

CLASS OF HRZ PERFORMANCE RIGHTS	SERVICE CONDITION	PERFORMANCE CONDITION
HRZ Class A Performance Rights	The holder or the holder's representative remains engaged as an employee or director until the performance condition is satisfied.	Prior to 30 November 2027, 50,000 oz gold is produced from tenements held by the HRZ group.
HRZ Class B Performance Rights	The holder or the holder's representative remains engaged as an employee or director until the performance condition is satisfied.	Prior to 30 November 2027, Horizon increases its organic resource growth to resources of >2.5 Moz gold resource or other commodity converted to be equivalent.
HRZ Class C Performance Rights	The holder or the holder's representative remains engaged as an employee or director until the performance condition is satisfied.	Prior to 30 November 2027, the volume weighted average price of HRZ Shares over 10 consecutive trading days on which the HRZ Shares trade is 10 cents or more.

The HRZ Performance Rights are issued under the terms of Horizon's employee incentive plan. Other particular terms of the HRZ Performance Rights are:

(a) (Conversion) Upon satisfaction of the relevant performance condition, each HRZ Performance Right will, at the election of the holder, vest and convert into one HRZ Share.

(b) (No Consideration payable) No consideration will be payable upon the vesting and conversion of the HRZ Performance Rights.

(c) (No Voting rights) A HRZ Performance Right does not entitle a holder to vote on any resolutions proposed at a general meeting of HRZ Shareholders.

(d) (No dividend rights) A HRZ Performance Right does not entitle a holder to any dividends.

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(e) (No rights on winding up) A HRZ Performance Right does not entitle the holder to participate in the surplus profits or assets of Horizon upon winding up of Horizon.

(f) (Not transferable) A HRZ Performance Right is not transferable.

(g) (Reorganisation of capital) If there is a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the issued capital of Horizon, the rights of a holder will be varied, as appropriate, in accordance with the Listing Rules which apply to reorganisation of capital at the time of the reorganisation.

(h) (Quotation of Shares on conversion) An application will be made by Horizon to ASX for official quotation of the Shares issued upon the conversion of each HRZ Performance Right within the time period required by the Listing Rules. Horizon will not apply for quotation of the HRZ Performance Rights on ASX.

(i) (No participation in entitlements and bonus issues) A HRZ Performance Right does not entitle a holder to participate in new issues of capital offered to holders of HRZ Shares, such as bonus issues and entitlement issues.

(j) (No other rights) A HRZ Performance Right does not give a holder any other rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

(k) (Lapse) If the performance condition relevant to a HRZ Performance Right has not been satisfied by the relevant expiry date, then the HRZ Performance Rights will automatically lapse.

7.11 HRZ's substantial shareholders

Based on information lodged with ASX or known to HRZ, HRZ had the following substantial shareholder as at the date of this Scheme Booklet:

HRZ SHAREHOLDER	NUMBER OF HRZ SHARES HELD	PERCENTAGE OF ISSUED HRZ SHARES
Sparta Invest AG and Delphi Unternehmensberatung Aktiengesellschaft	79,440,397	5.56%

The shareholding listed in this section is as disclosed to HRZ by HRZ Shareholders in substantial holding notices or are otherwise known to HRZ as at the date of this Scheme Booklet. Information regarding substantial holdings that arise, change or cease after the date of the substantial holding notices disclosed to HRZ, or in respect of which the relevant announcement is not available on the ASX's website (www.asx.com.au), is not included above.

7.12 Interests of HRZ Directors and POS Directors in HRZ's securities

No POS Directors have a Relevant Interest in HRZ, other than as set out in the table below.

The HRZ Directors have a Relevant Interest in the following HRZ securities.

DIRECTOR	HRZ SHARES	PERCENTAGE OF ISSUED HRZ SHARES[1]	HRZ OPTIONS	HRZ PERFORMANCE RIGHTS
Ashok Parekh	24,884,407	1.74%	-	None
Grant Haywood	2,825,600	0.19%	527,822	2,500,000 HRZ Class A Performance Rights, 2,500,000 HRZ Class B Performance Rights and 2,500,000 HRZ Class C Performance Rights
Warren Hallam	1,111,111	0.077%	None	None

Notes:

1. Assumes that 1,429,670,213 HRZ Shares are on issue as at the date of this Scheme Booklet and that no other HRZ Shares are issued.

7.13 HRZ Share trading history

The last recorded sale price of HRZ Shares traded on ASX before the announcement of the Merger on 25 October 2024 was $0.063 (as at closing on 24 October 2024).

On the Last Practicable Date, the closing price of HRZ Shares on ASX was $0.039.

During the three month period up to and including the Last Practicable Date, the highest and lowest recorded sale prices of HRZ Shares on ASX were, respectively, $0.063 on 22 October 2024 and $0.039 on 3 December 2024 to 5 December 2024, 9 December 2024 to 10 December 2024, 12 December 2024, 16 December 2024, 17 December 2024, and 19 December 2024 to 20 December 2024.

Set out below is the volume weighted average price (VWAP) of HRZ Shares for various periods up to and including the Last Practicable Date:

	10 Days	20 days	30 days	90 days
VWAP	$0.04	$0.041	$0.041	$0.046

The HRZ Share prices given above should not be taken as necessarily being an indication of the likely HRZ Share price following implementation of the Schemes.

The current price of HRZ Shares on ASX can be obtained from the ASX website (www.asx.com.au).

7.14 Rights attaching to HRZ Shares

The rights and liabilities attaching to HRZ Shares (and New HRZ Shares that form part of the Scheme Consideration) are described in Section 14.5.

7.15 HRZ's announcements and reports

As a disclosing entity, HRZ is subject to the periodic and continuous disclosure and reporting requirements of the Corporations Act and ASX Listing Rules. Specifically, as a listed company, HRZ is subject to the ASX Listing Rules which require continuous disclosure of any information HRZ has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

HRZ announcements are available on its website https://horizonminerals.com.au/) as well as ASX's website (www.asx.com.au). Further announcements concerning developments at HRZ may be made and placed on these websites after the date of this Scheme Booklet.

In addition, HRZ is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC in relation to HRZ may be obtained from, or inspected at, an ASIC office.

HRZ will provide a copy of each of the following documents, free of charge, to any person on request prior to the Scheme Meeting. Alternatively, these documents can be obtained from ASX's website (www.asx.com.au) or from the HRZ website (https://horizonminerals.com.au/):

(a) the annual financial report of HRZ for the year ended 30 June 2024 (being the annual financial report most recently lodged with ASIC by HRZ before the Last Practicable Date); and

(b) the half-year financial report of HRZ for the year ended 31 December 2023 lodged with ASX by HRZ after the date of the lodgement of the annual financial report referred to above and before the lodgement of a copy of this Scheme Booklet with ASIC for registration; and

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(c) any continuous disclosure announcements made by HRZ after the date of the lodgement of the annual financial report referred to above and before the lodgement of a copy of this Scheme Booklet with ASIC for registration.

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules, and which is required to be set out in this Scheme Booklet.

The following table summarises material announcements made by HRZ to ASX since 30 September 2024 (being the date of lodgement of the annual financial report referred to in paragraph (a)).

DATE LODGED	DESCRIPTION OF DOCUMENT (ASX ANNOUNCEMENT HEADER)
18 December 2024	Pennys Find Prefeasibility Study and Ore Reserve
10 December 2024	First Ore To Be Processed - Boorara Gold Project
5 December 2024	Change of Director's Interest Notice
5 December 2024	Change of Director's Interest Notice
4 December 2024	Change in substantial holding
3 December 2024	Notification regarding unquoted securities - HRZ
3 December 2024	Notification regarding unquoted securities - HRZ
3 December 2024	Notification of cessation of securities - HRZ
3 December 2024	Cleansing Notice
3 December 2024	Application for quotation of securities – HRZ
29 November 2024	Results of Meeting
29 November 2024	AGM Presentation November 2024
29 November 2024	Chairman’s Address – 2024 AGM
22 November 2024	Ceasing to be a substantial holder
13 November 2024	Phillips Find Mining Update
7 November 2024	Change of Director's Interest Notice
4 November 2024	Change of Director's Interest Notice
1 November 2024	Notification regarding unquoted securities - HRZ
31 October 2024	Application for quotation of securities – HRZ
31 October 2024	Cleansing Notice
29 October 2024	Notice of Annual General Meeting/Proxy Form
29 October 2024	Letter to Shareholders AGM 2024
28 October 2024	Quarterly Cash Flow Report 30 September 2024
28 October 2024	Quarterly Activities Report 30 September 2024
25 October 2024	Proposed issue of securities - HRZ
25 October 2024	Horizon & Poseidon Merger Presentation
25 October 2024	POS: Poseidon and Horizon announce Merger Transaction
25 October 2024	Horizon & Poseidon Merging to create Mid Cap Producer
23 October 2024	Trading Halt
8 October 2024	Phillips Find Approved, Mobilisation Underway

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DATE LODGED	DESCRIPTION OF DOCUMENT (ASX ANNOUNCEMENT HEADER)
3 October 2024	Change in substantial holding
3 October 2024	First Ore Mined at Boorara Gold Project
2 October 2024	Notice Required Under ASX Listing Rule 3.13.1
30 September 2024	Corporate Governance Statement 2024
30 September 2024	Appendix 4G
30 September 2024	Annual Report 2024

7.16 Risk factors

Risk factors relating to HRZ and its business are discussed in Section 10.

7.17 Material events since 30 June 2024

Except as disclosed elsewhere in this Scheme Booklet, there is no other information material to the making of a decision in relation to the Schemes, being information that is within the knowledge of any HRZ Directors, at the date of this Scheme Booklet which has not previously been disclosed to POS Securityholders.

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8. Profile of the Combined Group

This Section of the Scheme Booklet contains information in relation to HRZ if the Schemes are implemented.

The proposed Merger will create an ASX-listed Australian gold developer focussed on near-term cash flow generation through the development of Poseidon's existing infrastructure to process Horizon's large proximal gold resource.

Logical consolidation of complementary assets in the Western Australian Goldfields

- The proposed transaction will consolidate Horizon's large gold resource and Poseidon's Black Swan processing infrastructure in the Kalgoorlie-Coolgardie districts.[17]
- The combination provides a pathway for steady state, long-term gold production and cashflow as an independent mid-cap producer.
- In the longer term, the combined resources in other commodities such as nickel or zinc/silver can be processed through Black Swan extending the life of this asset.[18]

Substantial resource base and regional tenure across multiple commodities (Gold, Nickel, Silver, Zinc, Lithium)

- Combined JORC Mineral Resources of ~2.0Moz gold at an average grade of 1.5g/t Au and 422,700t nickel at an average grade of 1% Ni, 20.2Moz silver at an average grade of 52g/t and 104,000t zinc at an average grade of 0.9%.
- Combined tenure of 1,309km2 in an attractive geological position in the WA Goldfields.
- A strong pipeline of production sources, Mineral Resource growth opportunities, advanced brownfield exploration targets and greenfield exploration opportunities.

Aligned strategy of using Poseidon's Black Swan infrastructure to fast-track gold production from processing Horizon's 1.8Moz Au resource, which is proximal to Black Swan

- Refurbishment of the front end of the Black Swan processing plant and conversion of the back end to facilitate gold production presents a significantly faster, lower capital pathway to gold production compared to building a new gold processing plant in the region.[17]
- Horizon's 465koz Burbanks and 428koz Boorara gold deposits form the cornerstone assets in a project pipeline aiming to deliver a 5-year mine plan to fill the Black Swan processing plant.
- Conversion of the Black Swan processing plant to a gold plant with throughput optionality will unlock latent value in Horizon's portfolio and open up the region for toll milling and further consolidation. [17]

Shared focus and ambition to become the next mid-tier gold producer

- Horizon aims to become a steady state, 100kozpa standalone producer following the merger and conversion and recommissioning of the Black Swan processing plant. [17]

[18] The proposed refurbishment and conversion of the Black Swan processing plant is subject to completion of a feasibility study in late 2025. The proposed feasibility study involves certain risks and uncertainties including as to the assurance of any potential economic scenario or study outcomes. These factors will be beyond the control of the Combined Group and its Directors. Whilst the Combined Group will seek to ensure all material assumptions will be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of possible study outcomes will ever materialise or be achieved.

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Poseidon's Lake Johnston and Windarra projects present longer term value for the Combined Group

- In addition to the combined entity's Kalgoorlie-Coolgardie gold assets, Lake Johnston and Windarra present highly strategic assets that have the ability to deliver further shareholder value.
- Situated in the southern Goldfields, the permitted Lake Johnston 1.5Mtpa processing plant and associated infrastructure presents an opportunity to develop a lithium processing hub in this emerging lithium province.
- Located in Laverton, Windarra's gold tailings present a highly strategic asset

Horizon is projected to generate positive cash flows from existing mining operations at Boorara and Phillips Find through tolling arrangements at 3rd party mills, which can be invested in refurbishment of infrastructure at Black Swan and future exploration activities

- Horizon projected to generate free cash flow of more than $30M from existing toll treatment agreements mining gold ores from the Boorara and Phillip's Find projects.
- Projected positive cash flows to fund Horizon's growth strategy including any future development of the Black Swan infrastructure.

Potential for re-rating based on enhanced scale and market relevance

- Enhanced trading liquidity and scale to drive increased market relevance, grow investor appeal and improved access to capital.
- Lower combined corporate overheads to enable greater focus on asset investment.

The initial focus of the Combined Group will be on progressing studies on the development of a gold processing operation at Poseidon's Black Swan project with ore feed from Horizon's large proximal gold resource.

Following implementation of the Schemes, the Combined Group will have the key operations/projects outlined below.

8.1 HRZ's Key Projects

HRZ owns a significant landholding in the Kalgoorlie and Coolgardie goldfields region hosting a global gold resource of 1.8 Moz Au (See ASX:HRZ | 01/08/24). These resources are in an established mining district surrounded by well maintained haul roads, and close to existing toll treatment mills. HRZ's flagship project is the Boorara Project, which contains 10.53 Mt at 1.27 g/t Au, for a total of 428.000 oz Au (See ASX:HRZ | 01/08/24), and sits 10km east of the Kalgoorlie Super Pit. Over 75% of the 428 koz resource is in the measured and indicated categories. This project has been historically mined underground in the early 1900s, and contains three small pits, one of which is a trial pit completed in 2020, which extracted 6,568oz at a 94.5% recovery.

10km east of Boorara and 20km from Kalgoorlie is the 100% owned Cannon Project, which was mined as recently as 2017. It currently has a resource of 0.23 Mt at 4.29 g/t Au for 32,070 oz (See ASX: HRZ | 01/08/24) and is located 20km from Kalgoorlie. The orebody is steeply dipping, and remains open at depth, with potential for some underground exploration once mining has started. HRZ is currently processing approvals and tenders to progress the project into production.

Fifty kilometres to the northeast of Kalgoorlie lies HRZ's 100% owned Penny's Find Project, which is on a granted mining lease. The Penny's Find project hosts a resource of 0.43 Mt at 4.57g/t for 63,000 oz Au (See ASX: HRZ | 29/12/2023). Open pit mining at Penny's Find was completed in 2018, which recovered 18,300oz Au at 4.7 g/t, at a recovery of 92.4%. Conceptual underground studies have been undertaken, which focused on the continuous and steeply dipping orebody, which is hosted in quartz veins at a basalt-sediment contact.

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Further southwest near Coolgardie lies the Rose Hill Project, which is 0.5km from Coolgardie and 35km west of Kalgoorlie. The deposit been subject to small scale mining operations since 1898, with production of 5,000 t at 8.3 g/t for 1,340oz, up until 1983. It contains a resource of 0.8 Mt at 3.7 g/t for 93,200 oz Au (See ASX:HRZ | 09/12/2020). The orebody is at the contact of an ultramafic and porphyry unit, and is very continuous, steep, and well constrained, and remains open at depth. It is surrounded by existing infrastructure, and 70% of the resource sits in the Measured and Indicated categories.

HRZ owns the Burbanks Gold Project which is located 9.0 kilometres southeast of Coolgardie, Western Australia. The Project includes the Burbanks Mining Centre and over 5.0 kilometres of the highly prospective Burbanks Shear Zone, historically the most significant gold producing structure within the Coolgardie Goldfield. The Burbanks Mining Centre comprises the Birthday Gift and Main Lode underground gold mines. The recorded historic underground production at Burbanks (1885-1961) totalled 444,600t at 22.7 g/t Au for 324,479 oz predominantly from above 140m below the surface. Intermittent open pit and underground mining campaigns between the early 1980s to present day has seen total production from the Burbanks Mining Centre now exceed 420,000oz. The total Indicated and Inferred Mineral Resource for Burbanks is 6,052,889 t @ 2.4 g/t gold for 465,567 ounces of contained gold (Indicated and Inferred).

HRZ also owns the Phillips Find Gold Project which is located 45km northwest of Coolgardie and 50km west of Kalgoorlie, Western Australia. The project covers over 10 kilometres in strike of prospective greenstone stratigraphy and includes the Phillips Find Mining Centre where approximately 33,000 ounces of gold was produced between 1998 and 2015 from three open-pit operations namely, Bacchus Gift, Newhaven and Newminster. Exploration potential within the project is promising, with numerous targets defined by auger geochemical anomalism, mapping and past drilling. Mineralisation below all three pits remains open at depth. The total Indicated and Inferred Mineral Resource for the Coolgardie Mining Centre is 732,960 t @ 2.3 g/t gold for 54,557 ounces of contained gold (Indicated and Inferred).

8.2 Poseidon's Key Projects

POS owns the Black Swan, Windarra Nickel and Lake Johnston Projects. The mines and infrastructure across all projects, including concentrators at Black Swan and Lake Johnston with a total combined throughput of 3.7Mtpa, present near term development options for POS and peer companies that have mineral resources proximal to POS projects but without their own established processing infrastructure.

POS has a combined nickel resource of over 400kt of contained metal and 180,000 ounces of gold in tailings.

Black Swan Project

The Black Swan Project is situated 55km north-east of Kalgoorlie and is located on granted mining leases. The project commenced operations in 1997 and operated continuously until 2008, with production from the Black Swan Open Pit of 5.9Mt @ 0.7% Ni for 41kt Ni and Silver Swan Underground of 2.7Mt @ 5.1% Ni for 138kt Ni (Total production 179kt Ni in concentrate). The operations include the Silver Swan underground mine, Black Swan open pit, a 2.2Mtpa nickel sulphide concentrator and associated infrastructure, and has a combined nickel resource of 222kt Ni contained.

A Bankable Feasibility Study (BFS) was completed in November 2022 and assumed a 1.1Mtpa feed to produce smelter grade concentrate (refer ASX announcement "Positive Black Swan Feasibility Study" dated 21 November 2022). The study highlighted a financially robust project with an NPV of $167.3 million and IRR of 86% using the discounted cashflow valuation method. The BFS assumed an average nickel price forecast of US$10.73/lb (A$15.55/lb) and an average exchange rate of USD:AUD $0.69. For the full assumptions underlying these estimates, please refer to Section 6.1 and the announcement released to Poseidon's ASX platform on 21 November 2022 titled "Positive Black Swan Feasibility Study".

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A large portion of the work completed as part of the BFS will assist any future studies on the gold processing potential at Black Swan. Combined with work undertaken by POS over 2017 to consider processing of gold at Black Swan, studies to progress the proposed strategy of the Combined Group to process Horizon's gold resources at the project will benefit from work already completed.

Due to the historical focus on nickel at Black Swan, there has been very limited gold exploration despite being located within a primary gold mining region. Following the discovery of gold nuggets at Black Swan during 2024, POS completed soil sampling programs to define gold in soil anomalies. Collecting a total of 688 samples the soil assay results noted four promising gold in soil anomalies, with the most coherent located at Wilson's Prospect which graded up to 79ppb Au (refer ASX Announcement "Black Swan Gold Targets Expanded and Remain Open" dated 11 November 2024). The gold anomaly at Wilson's Prospect, which neighbours the existing Black Swan nickel deposits and infrastructure, is 2.5km x 1.5km in size and remains open on the southern margin due to the lack of sampling in areas where previous mining activity has disturbed the ground. The Wilson's Prospect gold anomaly extents capture the locations of the announced gold nugget discoveries, gold bearing rock structures and previous drill intersections assayed for gold, with the best intersection being BSD033C 0.4m @ 6.41g/t Au (refer ASX announcement "Gold Potential Builds at Black Swan" dated 24 September 2024).

Lake Johnston

The Lake Johnston project is situated 117km west of Norseman, accessed via the Hyden-Norseman road, with the infrastructure and mines located on granted mining leases. The project includes the Maggie Hays underground mine, 1.5Mtpa nickel sulphide concentrator, windy hill camp and associated infrastructure. Operating between 2001 and 2014 Lake Johnston mined and processed 11.5Mt of ore to produce over 100kt of nickel contained in concentrate. The project has a resource of 3.5Mt @ 1.5% Ni for 52kt nickel contained in the Maggie Hays deposit.

In December 2023, Poseidon entered into a Farm-in Agreement with Mantis Resources Pty Ltd (Mantis) to earn up to a 100% interest in exploration licences 63/2244 and 63/2256 which are located in close proximity to Lake Johnston. These tenements contain high grade lithium bearing pegmatites, with composite samples from outcropping pegmatite exposures returning assay results grading from 2.80% to 3.85% Li_2O (refer ASX announcement "Strategic Farm-In Agreement Over Lithium Bearing Pegmatites" dated 21 December 2023).

During FY24 Poseidon progressed exploration works across three target commodities, nickel, lithium and gold. This exploration has identified drill ready targets across these commodities.

Exploration drilling during 2023 defined a standout greenfields nickel sulphide target at Maggie Hays West with a coherent Ni-Cu-PGE regolith anomaly confirmed in shallow AC drilling over 1km sitting over the basal contact within the WUU. The best drill interval returned up to 2.37% Ni, 624ppm Cu and 353ppb Pt+Pd over 1m and provides a compelling target (refer ASX announcement "Exploration and Gold Tailings Update" dated 18 December 2023).

Soil sampling programs completed during September 2024 tested a copper-gold target at the Billy Ray Prospect, evaluated the gold potential at the Norfolk Prospect and defined lithium exploration targets across the Mantis tenement (E63/2244) (refer ASX announcement "Copper-Gold and Lithium targets at Lake Johnston enhanced" dated 8 October 2024).

Soil programs confirmed a large coherent copper-gold in soil anomaly (greater than 10ppb) measuring 1.0km by 1.2km at the Billy Ray Prospect. The eastern section of the anomaly represents the strongest copper-gold association with peak values of 71ppb Au and 141ppm Cu and aligns with the interpreted cross cutting structure. Further to this the Billy Ray anomaly has previously been drill tested along the eastern extent noting Cu-Au

mineralisation in drillhole LJPD0032 with best intersection grading 2.36% Cu and 2.26g/t Au from 149.62m. The eastern extent of the anomaly has not been previously drill tested.

A second gold in soil anomaly has also been confirmed at Norfolk following historical anomalous gold results noted in the area. The soil assay results substantiated the historical results and returned a maximum gold value of 66pb Au, extending the anomalism 500m to the east.

Wide-spaced soil sampling conducted during September 2024 also identified a large coherent Li_2O anomaly that is characterised by >100ppm on the northern section of tenement E63/2244 and extends south of previous composite rock chips that returned high grades from 2.80% up to 3.85% Li_2O (refer ASX announcement "High Grade Lithium Bearing Pegmatites Located at Lake Johnston" dated 23 May 2016). The central core of this anomaly, defined by >200ppm Li_2O, spans 0.95km by 2.3km and remains open to the west, with a maximum value of 495ppm Li_2O recorded.

Windarra

The Windarra project is located within the Mt Margaret Goldfields region of Western Australia and is situated approximately 25km west of Laverton. The project contains three historic discoveries, two of which were subsequently mined at Mt Windarra and South Windarra. Mining occurred over the period 1974 – 1983 with 8Mt mined and processed producing 84kt Ni contained. The site was largely rehabilitated by previous owner Western Mining Corporation with the majority of processing and associated infrastructure removed. The combined nickel resources at Windarra total 148.5kt Ni contained.

Poseidon recently completed a review of historical exploration data at Windarra assessing the northern 10km section of the project (being 10km of a total 21km strike at Windarra). The review assessed multi-commodity potential, however for nickel two new exciting high priority embayed basal contact channel structures were identified. These new targets are included in a total of six prospective channel structure trends now identified along the basal contact of the area assessed and are poorly drill tested (refer ASX announcement "Exciting New Exploration Targets at Windarra" dated 14th February 2024).

Due to the Windarra State Agreement previously being in place, there has been limited historical exploration for other commodities. With the termination of the Windarra State Agreement in early 2022, Poseidon now has the right to mine for all metals and minerals, not just nickel. The above mentioned historical exploration review enhanced the significance of previously identified gold in soil anomalies and polymetallic high-grade lead-zinc-silver mineralisation (refer ASX announcement "Gold and Nickel Targets at Windarra" dated 6 June 2024).

The gold in soil anomalies identified are the Western anomaly which extends over 6km x 0.7km (max Au 460ppb) and the Eastern anomaly which is a 4km x 0.3km in size (max Au 16ppb). The trend of the anomalies matches the regional geological control of structural fluid flow and the mineralising trend around a large granitoid intrusive. This relationship produces a favourable setting for gold mineralisation as granitoid intrusives are significant to control the gold mineralisation by directing and focusing mineralising fluids along the intrusive margins .

During July 2024 Poseidon announced it had entered into an agreement with Encore Minerals Pty Ltd (Encore) to develop the Windarra gold and nickel tailings with Encore using proprietary Glycine Leaching Technology (GlyCatTM + GlyLeachTM). Encore will be responsible for the funding, development, operation, closure and rehabilitation of the Windarra tailings project. Consideration to be received includes staged payments totalling $1.25 million cash and a 3% net smelter return royalty once production commences (refer ASX announcement "POS enters agreement to develop Windarra Tailings Project" dated 31 July 2024).

8.3 Capital structure

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HRZ will issue HRZ Shares to Argonaut PCF Limited for fees related to financial advisory services in connection with the Merger. Fees to the value of $500,000 will be paid, $300,000 in cash and $200,000 will be paid in HRZ Shares.

The HRZ capital structure is described in Section 7.9(a). If the Schemes become Effective:

(a) approximately 491,418,500 New HRZ Shares will be issued as Share Scheme Consideration in respect of the POS Shares to be acquired under the Scheme (ignoring the effects of rounding and assuming that no further POS Shares are issued before the Record Date) plus 4,444,444 HRZ Shares for financial advisory fees to Argonaut PCF to the value of $200,000; and

(b) approximately 18,894,496 New HRZ Options will be issued as Option Scheme Consideration in respect of the POS Options to be acquired under the Option Scheme (ignoring the effects of rounding and assuming that no further POS Options are issued before the Record Date).

The Combined Group will have approximately 1,925,533,157 HRZ Shares on issue following implementation of the Scheme (assuming no further HRZ Shares are issued).

New HRZ Shares will be issued as Scheme Consideration and will, accordingly, represent approximately 25.52% (on an undiluted basis) of the total number of HRZ Shares on issue following implementation of the Schemes. On a fully diluted basis, the New HRZ Shares and New HRZ Options would together represent approximately 24.91%[19] of the total number of HRZ Shares on issue.

8.4 Substantial shareholdings

Based on information lodged with ASX or known to HRZ (in respect of HRZ substantial shareholders) or set out in Section 7.11 (in respect of POS substantial shareholders), and assuming that:

(a) the substantial shareholders of HRZ and POS as at the date of this Scheme Booklet continue to hold their existing holdings in HRZ and POS (respectively); and

(b) none of those substantial shareholders hold shares in both HRZ and Poseidon; and

(c) no further HRZ Shares or POS Shares are issued except pursuant to the Schemes,

there will be no substantial shareholders in HRZ following implementation of the Schemes.

8.5 Acquisitions and divestments

HRZ regularly examines new acquisition opportunities which may relate to existing or new areas of operation for HRZ. This may lead to changes in the source of HRZ's operating results over time. From time to time, HRZ may receive unsolicited approaches from interested buyers for assets or businesses operated by HRZ. These approaches are evaluated on their merits. Other than in respect of the Merger, there are no discussions presently being undertaken in relation to acquisitions or divestments that are sufficiently advanced or sufficiently material to HRZ's earnings that HRZ considers warrant disclosure in this Scheme Booklet.

8.6 Quotation of New HRZ Shares

HRZ will use its best endeavours to procure that the New HRZ Shares to be issued as Share Scheme Consideration are quoted on the ASX with effect from the Business Day following the Implementation Date. HRZ will issue holding statements to holders of the New HRZ Shares as soon as possible following the Implementation Date.

8.7 Quotation of New HRZ Options

[19] Assumes 1,429,670,213 Horizon Shares are on issue as at the date of this Scheme Booklet, that no other Horizon Shares are issued and assuming: (i) the exercise of all options and vesting and exercise of all performance rights on issue in Horizon post implementation of the Schemes; and (ii) that the Nebari Convertible Loan Facility is repaid on the maturity date (see Section 7.9(e)).

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HRZ will not apply for quotation of the New HRZ Options to be issued as Option Scheme Consideration. HRZ will issue holding statements to holders of the New HRZ Options as soon as possible following the Implementation Date.

8.8 Rights attaching to New HRZ Shares and New HRZ Options

The rights and liabilities attaching to the New HRZ Shares that form part of the Share Scheme Consideration are the same as the existing HRZ Shares on issue as at the date of this Scheme Booklet. Further information is set out in Section 14.5.

The rights and liabilities attaching to the New HRZ Options that form part of the Option Scheme Consideration are set out in Section 14.6.

8.9 Financial overview of the Combined Group

The Combined Group pro forma historical financial information provided in this Scheme Booklet comprises:

(a) the audited historical consolidated statement of financial position of HRZ as at 30 June 2024;

(b) the audited historical consolidated statement of financial position of POS as at 30 June 2024; and

(c) The pro forma historical consolidated statement of financial position for the Combined Group as at 30 June 2024 (**Pro Forma Historical Financial Information**).

Basis of preparation

The historical consolidated Statement of Financial Position of HRZ has been derived from HRZ's Annual Financial Report for the year ended 30 June 2024, which was audited by PKF. PKF issued an unmodified audit opinion in relation to the Financial Report for the year ended 30 June 2024.

The historical consolidated Statement of Financial Position of POS has been derived from POS's Annual Financial Report for the year ended 30 June 2024, which was audited by KPMG. KPMG issued an unmodified audit opinion in relation to the Annual Financial Report for the year ended 30 June 2024.

The pro forma historical financial information has been prepared:

- in accordance with the recognition and measurement principles of the Australian Accounting Standards and in accordance with HRZ's accounting policies, as set out in HRZ's annual report for the financial year ended 30 June 2024;
- in respect of POS has been prepared on the basis of historical cost;
- in respect of HRZ has been prepared on the basis of historical cost basis as modified by the revaluation of available-for-sale financial assets.

All amounts are presented in Australian dollars, unless otherwise noted.

The Combined Group pro forma historical financial information has been derived from the historical consolidated statements of financial position of HRZ and POS as at 30 June 2024 adjusted for the effects of certain events and transactions (the Pro-Forma Adjustments) as if those events and transactions had occurred at 30 June 2024. The Pro Forma Adjustments relate to the implementation of the Scheme.

The Combined Group pro forma historical financial information is presented in an abbreviated form and does not contain all the presentation, comparative information and disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act. In particular, it does not include the notes to and forming part of the financial statements of HRZ and POS.

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The Combined Group pro forma historical financial information is provided for illustrative purposes only and is prepared on the assumption that the Scheme had been implemented on 30 June 2024 and POS became a wholly owned subsidiary of HRZ on that date. Due to its nature, the Combined Group pro forma historical financial information does not represent HRZ's or the Combined Group's actual or prospective financial position.

Acquisition accounting

Australian Accounting Standards require the Merger to be accounted for as an in-substance acquisition, with HRZ deemed to be the acquirer. For the purposes of preparing the Combined Group pro forma historical financial information, the Merger has been accounted for as an asset acquisition.

The value of the consideration for the acquisition of the POS Shares under the Schemes will be measured based upon the value of the HRZ Shares at close of trading on the Implementation Date. For the purposes of the Combined Group pro forma historical financial information, a value of $0.051 per New HRZ Share has been assumed, being the 30-day VWAP of HRZ Shares up to and including 22 October 2024 (the last trading day before the Announcement Date). Consequently, the value of the purchase consideration for accounting purposes may differ from the amount assumed in the Combined Group pro forma historical financial information due to future changes in the market price of HRZ Shares.

Pro forma financial information

Pursuant to the terms of the Scheme Implementation Deed:

- each POS Shareholder will receive 0.1156 HRZ shares for every 1 POS Share held;
- each POS Optionholder will receive 0.1156 new HRZ Options for every 1 POS Option held; and
- POS, HRZ and each holder of POS Incentive Options will enter into the POS Incentive Option Deed and each holder of POS Incentive Options will receive POS Incentive Option Consideration. The POS Incentive Options are not subject to the Option Scheme.

Material changes to the financial position of the Combined Group post 30 June 2024

The Combined Group pro forma historical financial information has been derived from the historical consolidated statements of financial position of HRZ and POS as at 30 June 2024 adjusted for the effects of certain events and transactions (the Pro-Forma Adjustments) as if those events and transactions had occurred at 30 June 2024.

The following subsequent events occurred post 30 June 2024:

(a) on 31 October 2024, HRZ issued 155,729,127 HRZ Shares at $0.045 per HRZ Share to sophisticated and institutional investors under HRZ's available capacity pursuant to Listing Rule 7.1, resulting in aggregate proceeds of $7.07 million being received by HRZ; and

(b) on 3 December 2024, HRZ issued 155,381,984 HRZ Shares at $0.045 per HRZ Share to sophisticated and institutional investors in accordance with HRZ shareholder approval received at HRZ's Annual General Meeting on 29 November 2024, resulting in aggregate proceeds of $6.99 million being received by HRZ.

Combined Group pro forma historical statement of financial position – 30 June 2024

The following pro forma adjustments to the Pro Forma Historical Financial Information have been made in order to present the Combined Group pro forma historical financial information:

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In AUD ($)	Historical Consolidated Statement of Financial Position of HRZ 30/6/2024	Historical Consolidated Statement of Financial Position of POS 30/6/24	Notes	Pro Forma Adjustments and Material Subsequent Events	Combined Group Pro Forma Historical Statement of Financial Position
Current assets					
Cash and cash equivalents	4,290,214	1,433,695	A	(3,579,638)	2,144,271
Trade and other receivables	586,589	556,731			1,143,320
Total current assets	**4,876,803**	**1,990,426**		**(3,579,683)**	**3,287,591**
Non-current assets					
Financial assets at fair value through profit or loss	5,954,733	-			5,954,733
Other financial assets	278,927	3,500,000			3,778,927
Property, plant and equipment	1,246,250	24,335,212			25,581,462
Exploration and evaluation expenditure	46,541,297	56,828,349	B	6,312,493	109,682,139
Right-of-use assets	33,093	195,540			228,633
Total non-current assets	**54,054,300**	**84,859,101**		**6,312,493**	**145,225,894**
Total assets	**58,931,103**	**86,849,527**		**2,732,855**	**148,513,485**
Current liabilities					
Trade payables and accruals	1,971,725	1,234,143			3,205,868
Lease liability	33,093	160,979			194,072
Convertible note liability and derivative	8,194,908	-			8,194,908
Loans and borrowings	-	109,024			109,024
Employee entitlements	421,109	103,534			524,643
Total current liabilities	**10,620,835**	**1,607,680**			**12,228,515**
Non-current liabilities					
Rehabilitation provisions	1,838,617	63,350,124			65,188,741
Employee entitlements	196,788	-			196,788
Lease liability	-	57,059			57,059
Total non-current liabilities	**2,035,405**	**63,407,183**			**65,442,588**
Total liabilities	**12,656,240**	**65,014,863**			**77,671,103**
Net assets	**46,274,863**	**21,834,664**		**2,732,855**	**70,842,382**
Equity					
Contributed equity	80,559,064	282,494,126	A, B, C	(257,049,958)	106,003,232
Reserves	93,177	900,637	B, C	(547,286)	446,528
Accumulated losses	(34,377,378)	(261,560,099)	A, B, C	260,330,099	(35,607,378)
Total equity	**46,274,863**	**21,834,664**		**2,732,855**	**70,842,382**

Notes to the Combined Group pro forma historical statement of financial position

Note A – Net of HRZ Capital Raise & Estimated transaction costs

The adjustment to cash and cash equivalents is based on estimated HRZ transaction costs associated with the merger relating to advisory fees, legal fees and stamp duty $(2,030,460); payments under the POS Incentive Option Deeds $(45,006.02) (see further below); and performance incentive payments $(274,300). The adjustment to cash and cash

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equivalents also relates to POS transaction costs associated with the merger of $(1,230,000).

In accordance with the POS Incentive Option Deeds HRZ will pay $45,006.02 to holders of POS Incentive Options representing the POS Incentive Option Consideration. It is assumed that the payment to be made by HRZ as POS Incentive Option Consideration represents the fair value of the POS Incentive Options at the Scheme Implementation Date, and this cost has also been added to the estimated cost of the acquisition.

Note B – Acquisition of POS by HRZ

The Combined Group's pro forma historical statement of financial position provided in this Scheme Booklet comprises a pro forma consolidated reviewed statement of financial position as at 30 June 2024 which is based on HRZ's audited consolidated statement of financial position as at 30 June 2024 and POS's audited consolidated statement of financial position as at 30 June 2024.

This adjustment reflects the acquisition of POS by HRZ in accordance with the Scheme. For the purposes of preparing the Combined Group pro forma historical financial information, the Merger has been accounted for as an asset acquisition and the transaction has been measured at cost with reference to the estimated fair value of the Scheme Consideration and the fair value of the net assets of POS acquired.

The fair value of the Scheme Consideration has been determined on a provisional basis. Subsequent to the Implementation of the Scheme, HRZ will perform a full analysis of the accounting treatment of the acquisition in accordance with the relevant Australian Accounting Standards, and this exercise may give rise to a material difference in value.

The Combined Group notes that any material differences in value that may arise post-Implementation would only occur as a result of any unforeseen events between the date of this Scheme Booklet and Implementation of the Schemes. As at the date of this Scheme Booklet, the Combined Group does not expect there to be any material differences.

The acquisition of POS by HRZ in accordance with the Scheme will result in the issuance of approximately 496 million New HRZ Shares and the issuance of approximately 19 million New HRZ Options.

For the purposes of the Combined Group pro forma historical financial information, a value of $0.0513 per New HRZ Share has been assumed, being the 30-day VWAP of HRZ Shares up to and including 22 October 2024 (the last trading day before the Announcement Date).

The estimated fair value of the Scheme Consideration, including valuation of New HRZ Options, has been calculated as $25,597,519.

As the basis of the pro forma is an asset acquisition, the estimated transaction costs (see Note A) have been added to the estimated Scheme Consideration to determine the total cost of the acquisition, being $28,147,157.

Based on asset acquisition accounting, the total cost of the acquisition is allocated to the individual identifiable assets and liabilities acquired. For the purposes of preparing the Combined Group pro forma historical financial information it is assumed that other than exploration and evaluation assets, that all other assets and liabilities in the historical consolidated statement of financial position of POS as at 30 June 2024 have a fair value equivalent to their carrying value.

Accordingly, the uplift in the carrying value of exploration and evaluation assets amounts to $6,312,493 being the difference between the cost allocated to exploration and evaluation assets above and the carrying value of these assets at 30 June 2024.

The allocation of the total cost of the acquisition to the net assets of POS has been determined on a provisional basis. The actual cost of the acquisition will be determined at the acquisition date. Subsequent to the Implementation of the Scheme, HRZ will perform a full analysis of the accounting treatment of the acquisition in accordance with the relevant

Australian Accounting Standards. This exercise may give rise to material differences in value and may result in values being attributed to other assets and liabilities on the Combined Group pro forma consolidated statement of financial position.

Note C - Elimination of POS's pre-acquisition contributed equity, reserves and accumulated losses

The adjustment to contributed equity of $(257,049,958) eliminates POS's pre-acquisition equity of $(282,494,126) at 30 June 2024, and accounts for the acquisition of POS for $25,244,168 and payment of HRZ transaction costs associated with the merger of $200,000.

The adjustment to reserves of $(547,286) eliminates POS's pre-acquisition reserves of $(900,637) at 30 June 2024 and accounts for the issue of options by HRZ for the acquisition of POS $353,351.

The adjustment to accumulated losses of $260,330,099 includes the elimination of POS's pre-acquisition accumulated losses of $261,560,099 at 30 June 2024, and accounts for the estimated transaction costs for POS of $(1,230,000) associated with implementing the Schemes.

Financial forecasts

HRZ and POS have given careful consideration to whether forecast financial statements (including any internally created valuation models) can and should be included in the Scheme Booklet in respect of the Combined Group. In particular, HRZ and POS have considered whether there is a reasonable basis for the preparation and disclosure in the Scheme Booklet of reliable and useful forecast financial statements in this regard. HRZ and POS have concluded that forecast financial statements for the Combined Group cannot be provided in the Scheme Booklet as they do not have a reasonable basis for such forecasts as required by applicable law and practice, and therefore the forecasts would not be meaningful or material to POS Securityholders.

POS Securityholders should refer to the Independent Expert's Report set out in Annexure A for the expert's conclusions regarding valuations of HRZ and Poseidon.

Following completion of the Merger, the Combined Group Board will determine the optimal financing for, and amounts to be made available for, the activities of the Combined Group. The Combined Group Board will consider the best way forward for ensuring that adequate capital is available to maintain appropriate levels of exploration and production.

8.10 Risks associated with the Combined Group

There are a number of risks associated with the Combined Group. These are summarised in Section 10.

8.11 Combined Group's register of securityholders

In accordance with Australian law, HRZ's register of shareholders and optionholders will be maintained in Australia by its Australian registry, being:

Computershare Investor Services Pty Limited
Level 7,
221 St Georges Terrace
PERTH WA 6000

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9. Intentions of HRZ and the Combined Group

9.1 Overview

This Section sets out the intentions in relation to HRZ and the Combined Group, assuming the Schemes are implemented. The statements set out in this Section are formed on the basis of publicly available information as at the date of this Scheme Booklet as well as information made available in the course of due diligence carried out by POS on the business of HRZ.

The statements set out in this Section are statements of current intention only, which may change as new information becomes available, as circumstances change or as the Combined Group further develops its strategic focus and outlook.

9.2 Conduct of business of Combined Group

If the Schemes are implemented and subject to the matters set out below, it is intended that the business of POS will be integrated into HRZ's existing business and will be continued substantially in the same manner as it is presently being conducted.

The Combined Group will continue to review all aspects of the assets and operations to identify ways to maximise value for all shareholders. The key projects of the Combined Group are described in Sections 8.1 and 8.2.

The Merger will allow the two companies to potentially realise advantages and benefits from the combination of their Western Australian resource projects.

Post the completion of the Merger a revised corporate strategy will be adopted with an initial focus on the generation of immediate, low-capital cash flow through toll processing and mining contractor or joint ventures to ultimately support the expedited development of the combined long-life cornerstone assets. While the Combined Group may need to raise additional capital (Refer to *Future capital requirements and financing risks* at Section 10.2 below), the focus on immediate cash flow generation referred to above will also serve to minimise future shareholder dilution.

9.3 Directors, management and employees of the Combined Group

Following the implementation of the Schemes, HRZ will be led by Managing Director and Chief Executive Officer, Grant Haywood. The balance of the HRZ board shall comprise existing HRZ directors, Ashok Parekh and Warren Hallam. HRZ Chief Financial Officer & Company Secretary Julian Tambyrajah will continue in his roles. POS Chief Executive Officer, Brendan Shalders has agreed to remain with the Combined Group in a consulting capacity for at least 3 months to assist with the transition post-merger. Existing POS Directors, Peter Harold and Peter Muccilli propose to resign on implementation of the Schemes.

9.4 Corporate matters in relation to POS

Following implementation of the Schemes, it is intended that:

(a) POS be removed from the official list of ASX; and

(b) as POS will be a wholly owned subsidiary of HRZ, the POS Board will be reconstituted so that it comprises persons nominated by the HRZ Board.

9.5 Business, assets and employees

Other than as set out in this Section 9 and elsewhere in this Scheme Booklet, it is the present intention of HRZ:

(a) to continue the business of Poseidon;

(b) not to make any major changes to the business of Poseidon;

(c) to continue existing study and development projects of Poseidon; and

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(d) to maintain the employment of the majority of Poseidon's existing employees.

9.6 Dividend policy

The Combined Group Board will review the amount of any future dividends to be paid to shareholders having regard to the Combined Group's profits, its financial position and the Board's assessment of the capital required to grow the Combined Group's business.

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10. Potential risk factors

10.1 Overview

Under the Schemes, Scheme Participants (other than Ineligible Shareholders) will acquire New HRZ Shares and/or New HRZ Options and consequently there will be a change to their overall investment risk profile. This Section outlines a number of the risks that may affect the performance of the Combined Group and the value of its securities. These risks include:

(a) risks relating to the Combined Group;

(b) risks to POS Securityholders if the Schemes do not proceed;

(c) general risks that are common to the existing POS and HRZ businesses; and

(d) risks affecting the general economy and stock market.

The outline of risks in this Section 10 is a summary only and should not be considered exhaustive. No assurances or guarantees are given in relation to the future performance of, profitability of, or payment of dividends by Poseidon, HRZ or the Combined Group.

10.2 Specific risks of the Combined Group

The following risks have been identified as being key risks specific to an investment in the Combined Group. These risks have the potential to have a significant adverse impact on the Combined Group and may affect the Combined Group's financial position, prospects and price of its listed securities.

Mining Risk and Mineral Resource Estimates

When compared with many industrial and commercial operations, mining and mineral processing projects are relatively high risk. This is particularly so where new technologies are employed. Each orebody is unique. The nature of mineralisation, the occurrence and grade of the ore, as well as its behaviour during mining and processing can never be wholly predicted.

The Mineral Resource estimates contained in this Scheme Booklet are estimates only and no assurance can be given that any particular level of recovery of gold or other minerals will in fact be realised or that an identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be economically exploited.

Estimations of the tonnes, grade and overall mineral content of a deposit are not precise calculations but are based on interpretation of samples from drilling, which even at close drill hole spacing, represent a very small sample of the entire orebody. Mineral Resource estimates are therefore expressions of judgement based on knowledge, experience and industry practice. Though the estimates may be accurate global approximations of gold content, localised grade variability may exist, which could result in short term deviations from production expectations.

By their very nature, Mineral Resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Reported estimates, which were valid when originally estimated, may alter significantly when new information or techniques become available. As the Combined Group obtains new information through additional drilling and analysis, Mineral Resource estimates are likely to change. This may result in alterations to the Combined Group's exploration, development and production plans which may, in turn, positively or negatively affect the Combined Group's operations and financial position.

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Operational Risk

The Combined Group's exploration and development activities will be subject to numerous operational risks, many of which are beyond the Combined Group's control. The Combined Group's operations may be curtailed, delayed or cancelled as a result of factors such as adverse weather conditions, mechanical difficulties, shortages in or increases in the costs of consumables, spare parts, plant and equipment, external services failure (such including energy and water supply), industrial disputes and action, difficulties in commissioning and operating plant and equipment, IT system failures, mechanical failure or plant breakdown, and compliance with governmental requirements.

Hazards incidental to the mining, exploration and development of mineral properties such as unusual or unexpected geological formations may be encountered by the Combined Group. Industrial and environmental accidents could lead to substantial claims against the Combined Group for injury or loss of life, and damage or destruction to property, as well as regulatory investigations, clean up responsibilities, penalties and the suspension of operations.

The Combined Group will endeavour to take appropriate action to mitigate these operational risks (including by ensuring legislative compliance, properly documenting arrangements with counterparties, and adopting industry best practice policies and procedures) or to insure against them, but the occurrence of any one or a combination of these events may have a material adverse effect on the Combined Group's performance and the value of its assets.

Future capital requirements and financing risks

The cash reserves of the Combined Group will not be sufficient funding to cover the anticipated expenditure that will be required for the development of the Combined Group's operations, further exploration, feasibility studies and development activities.

HRZ remains open to debt and equity raising opportunities during the next 12 months that may assist it to execute its strategy, subject at all times to complying with the restraints on raising equity imposed by Chapter 7 of the ASX Listing Rules to minimise shareholder dilution. Specifically, the Combined Group may need to do so to finance the proposed refurbishment of the front end of the Black Swan processing plant and conversion of the back end to facilitate gold production.[20] A feasibility study in respect of the Black Swan refurbishment and gold conversion will be commissioned following implementation of the Schemes. The estimated costs projection for the refurbishment and conversion of the Black Swan processing plant will be disclosed to shareholders on completion of this feasibility study. There is no assurance that the Combined Group will be able to obtain debt or equity funding when required, or that the terms associated with that funding will be acceptable to the Combined Group. Debt financing, if available, may involve restrictions on financing and operating activities and may have a material adverse effect on the Combined Group's financial position and prospects. Any additional equity financing that the Combined Group may undertake in the future may dilute existing shareholdings. Horizon will also seek to minimise future shareholder dilution through the generation of low-capital cash flow through toll processing and joint ventures.

Securing funding for projects or other forms of financing for operations may depend on a number of factors, including commodity prices, interest rates, economic conditions, debt market conditions, share market conditions and country risk issues. Inability to obtain financing or refinancing or other factors could cause delays in the development of exploration opportunities or increase financing costs and thus adversely affect the financial condition and performance of the Combined Group.

[20] The proposed refurbishment and conversion of the Black Swan processing plant is subject to completion of a feasibility study in late 2025. The proposed feasibility study involves certain risks and uncertainties including as to the assurance of any potential economic scenario or study outcomes. These factors will be beyond the control of the Combined Group and its Directors. Whilst the Combined Group will seek to ensure all material assumptions will be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of possible study outcomes will ever materialise or be achieved.

The Combined Group may need to raise additional debt and/or equity, or reduce the scope of its anticipated development, which could adversely affect its business, financial condition and operating results, and its ability to continue as a going concern or its ability to pay its debts as and when they fall due. Any additional equity financing may be dilutive to shareholders, and debt financing (including lease financing of equipment), if available, may involve restrictions on financing and operating activities. There is no assurance that the Combined Group will be able to obtain or access additional funding when required, or that the terms associated with that funding will be acceptable or favourable to the Combined Group or permissible given any legal restrictions. In such circumstances, if the Combined Group is unable to secure refinancing (including to finance the proposed refurbishment and conversion of the Black Swan processing plant), or refinancing on favourable terms, this may have a material adverse effect on the Combined Group.

The Combined Group's ability to secure funding in amounts sufficient to meet its financial needs could be adversely affected by many factors beyond its control, including economic conditions and the state of the capital markets. If the Combined Group is unable to raise the necessary funds, it will have to revise its planned capital expenditure and may be required to reduce the scope of its anticipated activities. Such possible reduction could adversely affect the Combined Group's ability to complete the development of existing projects and the Combined Group's exploration opportunities.

The Combined Group's ability to service its debt will depend on its future performance and cash flows, which will be affected by many factors, some of which are beyond the Combined Group's control.

10.3 Risks to POS Securityholders if the Schemes do not proceed

POS Securityholders should be aware that if the Schemes do not proceed, POS Securityholders will retain their POS Securities and will not receive any form of Scheme Consideration. POS Securityholders may, in addition to the normal risks POS faces, be exposed to the additional risks as described in Section 3.

If the Merger does not proceed, and no Superior Proposal for POS is received, the POS Directors will consider a number of alternative strategies for the operation and ownership of Poseidon's assets, as well as other growth initiatives. These alternatives would take time to implement.

If the Merger does not proceed, POS will continue to operate its current businesses as a stand-alone entity. POS will still incur a relative proportion of the transaction and other costs of the Merger. In those circumstances, it is likely that Poseidon's management would seek to continue to progress activities on the Poseidon's projects and continue to maximise value for POS Securityholders. POS Shares may trade below their current market price (or the value attributed by the Independent Expert) if the Merger is not implemented. This may occur if, for example, investors consider that Poseidon's growth prospects are lower in the absence of the Merger.

If the Merger does not proceed, and no Superior Proposal for POS is received, POS will need to raise further funds through equity or debt financing, asset sales, joint ventures or other means. In addition to the funds required to implement its growth plan, POS will also be required to repay the Facility Agreement, if drawn.

10.4 General risks common to an investment in POS, HRZ and the Combined Group

The operating and financial performance of POS, HRZ and the Combined Group is (or will be) influenced by the general business and economic variables that impact upon all entities listed on a stock exchange including changes in business and economic factors, such as interest rates, exchange rates, inflation, changes in national demographics, changes in governmental policy and changes to accounting or reporting standards.

The price and volume of trade at which POS Shares and HRZ Shares will trade on ASX can be affected by a range of external factors over which neither Poseidon, nor HRZ, have any control. Key risks are discussed below.

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Exploration and development

Exploration is a high risk activity that requires large amounts of expenditure over extended periods of time. The Combined Group's exploration activities would be subject to all the hazards and risks normally encountered in the exploration of minerals, including climatic conditions, hazards of operating vehicles and plant, risks associated with operating in remote areas and other similar considerations. Conclusions drawn during exploration and development are subject to the uncertainties associated with all sampling techniques and to the risk of incorrect interpretation of geological, geochemical, geophysical, drilling and other data.

There can be no assurance that any exploration or development activity in regard to the Combined Group's properties, or any properties that may be acquired in the future, will result in the discovery or exploitation of an economic resource.

The success of the Combined Group depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of mineral commodities, securing and maintaining title to the Combined Group's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities. Even if an apparently viable resource is identified, there is no certainty that it can be economically exploited.

Mineral exploration, development and mining/extraction may be hampered by circumstances beyond the control of the Combined Group.

Operational and technical risks

The operations of the Combined Group may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades and/or resources in exploration and mining, operational and technical difficulties encountered in mining and extraction, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical or recovery problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes, and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

Such difficulties also include weather (including flooding) and natural disasters, geotechnical issues, failure to convert Mineral Resources to Ore Reserves as expected, failure to delineate additional Mineral Resources and Ore Reserves, unexpected maintenance or technical problems, failure of key equipment, depletion of the Combined Group's future Ore Reserves (if delineated), increased or unexpected reclamation costs and interruptions due to transportation delays.

These unforeseen geological and operating difficulties could cause a loss of revenue due to lower production than expected, higher operating and maintenance costs and/or ongoing unplanned capital expenditure to meet gold production targets.

A failure to obtain access (whether under a contractual arrangement or otherwise) to an adequate supply of capital equipment or consumables for use in the Combined Group's operations could result in reduced production rates, and/or increased costs of the Combined Group's projects.

It is common in new mining operations to experience unexpected problems and delays during development, construction and mine start-ups which delay the commencement of mineral production.

Accordingly, there is no assurance that the Combined Group's exploration and development activities will develop into profitable mining operations.

Mine development

Possible future development of a mining operation at any of the Combined Group's projects would be dependent on a number of factors including, but not limited to, the acquisition

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and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Combined Group commenced production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Combined Group would achieve commercial viability through the development or mining of its projects and treatment of ore.

Commodity price fluctuations

In the event of exploration and development success, any future revenue derived through any future sales of valuable minerals exposes the potential income of the Combined Group to commodity price risks. Commodity prices fluctuate and are affected by numerous factors beyond the control of the Combined Group. These factors include world demand for commodities, forward selling by producers and the level of production costs in major commodity-producing regions. Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, commodities.

Environmental risks

The operations and activities of the Combined Group are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Combined Group's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. Such impact can give rise to substantial costs for environmental rehabilitation, damage, control and losses. Further, if there are environmental rehabilitation conditions attaching to the mining tenements of the Combined Group, failure to meet such conditions could lead to forfeiture of these tenements.

Tenure risks

The Combined Group cannot guarantee additional applications for tenements made by the Combined Group will ultimately be granted, in whole or in part. Further the Combined Group cannot guarantee that renewals of valid tenements will be granted on a timely basis, or at all.

Native title and Aboriginal Heritage risks

It is possible that there may be areas over which legitimate common law native title rights of Aboriginal Australians exist in relation to the tenements that the Combined Group has, or may acquire, an interest in. Where native title exists, the ability of the Combined Group to obtain the consent of any relevant land owner, or to progress from the exploration phase to the development and mining phases of the operation, may be adversely affected.

It is possible that there will exist on the Combined Group's Australian mining tenements, areas containing sacred sites or sites of significance to Aboriginal people subject to the provisions of the relevant legislation, or areas subject to the *Native Title Act 1993* (Cth) in Australia. The existence of Aboriginal heritage and cultural sites within the tenements may lead to restrictions on the areas that the Combined Group will be able to explore and mine.

Joint venture partners and contractors

The Combined Group would rely significantly on strategic relationships with other entities

and also on a good relationship with regulatory and government departments and other interest holders. The Combined Group would also rely on third parties to provide essential contracting services. There can be no assurance that its existing relationships will continue to be maintained or that new ones will be successfully formed and the Combined Group could be adversely affected by changes to such relationships or difficulties in forming new ones.

Key personnel

POS and HRZ are reliant on a number of key senior management staff. Loss of such personnel may have an adverse impact on performance. However, this risk is mitigated by the fact that the gold sector is international in nature and has a significant depth of suitably qualified alternative personnel. Notwithstanding this, there may be periods of time where a particular position remains vacant while a suitable replacement is identified and appointed.

Litigation risks

The Combined Group is exposed to possible litigation risks including contractual disputes and employee claims. Further, the Combined Group may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven may impact adversely on the Combined Group's operations, financial performance and financial position. As at the date of this Scheme Booklet, neither POS nor HRZ are aware of any current, impending or threatened litigation that may have a material impact on the Combined Group.

Equity market conditions

Securities listed on the stock market, and in particular securities of gold producing companies, can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of securities may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

General factors that may affect the market price of securities include economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

Changes in government policy and legislation

Any material adverse changes in relevant government policies or legislation of Australia may affect the viability and profitability of the Combined Group, and consequent returns to investors. The activities of the Combined Group will be subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

Regulatory risks

The Combined Group's research and development activities would be subject to extensive laws and regulations relating to numerous matters including taxation, employee relations, health and worker safety, waste disposal, protection of the environment and other matters. The Combined Group would require permits from regulatory authorities to authorise the Combined Group's operations.

Obtaining necessary permits can be a time-consuming process and there is a risk that the Combined Group would not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Combined Group from proceeding with the development of a project or the operation or

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development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Combined Group's activities or forfeiture of one or more of its tenements.

Going Concern

HRZ's auditor included an emphasis of matter relating to a material uncertainty for HRZ to continue as a going concern, in its audit reports for the years ended 30 June 2023 and 30 June 2024. Since 30 June 2024, HRZ has undertaken a recent capital raise raising net proceeds of $13,160,000.

POS' auditor included an emphasis of matter relating to a material uncertainty for POS to continue as a going concern, in its audit reports for the year ended 30 June 2023 and 30 June 2024.

With respect to the Combined Group's ongoing capital requirements, please refer to the risk factor titled "Future capital requirements" in Section 10.2 above. In the event the Combined Group is unable to raise additional working capital to meet the Combined Group's ongoing operational and exploration commitments as and when required, this may have an adverse effect on the Combined Group's financial position and prospects and cast doubt over the ability of the Combined Group to continue as a going concern.

Climate Change

There are a number of climate-related factors that may affect the operations and proposed activities of the Combined Group. The climate change risks particularly attributable to the Combined Group include:

(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Combined Group may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Combined Group and its business viability. While the Combined Group will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Combined Group will not be impacted by these occurrences; and

(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Combined Group, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Combined Group operates.

Other

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Combined Group.

10.5 Scheme and Merger implementation specific risks

The following risks have been identified as being key risks specific to an investment in the Combined Group. These risks have the potential to have a significant adverse impact on the Combined Group and may affect the Combined Group's financial position, prospects and price of its listed securities.

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Integration risk

The long term success of the Combined Group will depend, amongst other things, on the success of management in integrating the respective businesses and the strength of management of the Combined Group. There is no guarantee that the businesses of the Combined Group will be able to be integrated successfully within a reasonable period of time. There are risks that any integration of the businesses of POS and HRZ may take longer than expected and that anticipated efficiencies and benefits of that integration may be less than estimated. These risks include possible differences in the management culture of the two groups, inability to achieve synergy benefits and cost savings, and the potential loss of key personnel.

Any failure by the Combined Group to ensure implementation costs remain below those anticipated may have a material adverse effect on the financial performance and position, and prospects, of the Combined Group.

Change in risk profile and risks of investment in the Combined Group

If the Merger is implemented, there will be a change in the risk profile to which POS Securityholders are exposed. POS Securityholders are currently exposed to various risks as a result of their investment in POS. If the Schemes are approved, POS will become a wholly owned subsidiary of HRZ and POS Securityholders will be issued New HRZ Shares and/or New HRZ Options (as the case may be).

As a consequence, POS Securityholders will be exposed to risk factors relating to HRZ, and to certain additional risks relating to the Combined Group and the integration of the two companies. In many cases, those risks are different from or additional to those currently faced by POS Securityholders. The change in risk profile may be seen to be a disadvantage by some POS Securityholders.

Satisfaction or waiver of conditions precedent

Completion of each Scheme is subject to a number of conditions precedent. There can be no certainty, nor can POS provide any assurance, that these conditions will be satisfied or waived (where applicable), or if satisfied or waived (where applicable), when that will occur. In addition, there are a number of conditions precedent to each Scheme which are outside the control of POS, including, but not limited to, approval of each Scheme by the Requisite Majority of POS Securityholders and required regulatory and third party approvals and consents (refer to Section 12.2).

If for any reason the conditions to both Schemes are not satisfied or waived (where applicable) and the Schemes are not completed, the market price of POS Shares may be adversely affected.

Termination rights

POS and HRZ each have the right to terminate the Scheme Implementation Deed in the circumstances described in Section 13.8 of this Scheme Booklet. As such, there is no certainty that the Scheme Implementation Deed will not be terminated before the Schemes are implemented.

If the Scheme Implementation Deed is terminated, POS can provide no assurances that another party would be willing to offer the same or greater price for POS Shares and POS Options (as the case may be) than that which is offered under the Scheme Implementation Deed and the Schemes.

Issue of New HRZ Shares

If the Schemes are implemented, a significant number of New HRZ Shares will be available for trading in the public market. The increase in the number of HRZ Shares may lead to sales of such shares or the perception that such sales may occur, either of which may adversely affect the market price of HRZ Shares.

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The exact value of the Scheme Consideration is not certain

Under the terms of Schemes, POS Shareholders (other than Ineligible Shareholders) will be issued 0.1156 New HRZ Shares for every 1 POS Share they hold and POS Optionholders will be issued 0.1156 New HRZ Options for every 1 POS Option they hold at the Record Date. As the New HRZ Shares will be traded on ASX, the exact value of the Share Scheme Consideration that would be realised by individual POS Shareholders will be dependent on the price and volume at which the New HRZ Shares trade on ASX after the Implementation Date.

In addition, the Sale Agent (and/or a nominee of the Sale Agent) will be issued New HRZ Shares attributable to certain Ineligible Shareholders and will sell them on market as soon as reasonably practicable after the Implementation Date. It is possible that such sales may exert downward pressure on the Combined Group's share price during the applicable period. In any event, there is no guarantee regarding the prices that will be realised by the Sale Agent or the future market price of the New HRZ Shares. As the New HRZ Shares will be traded on ASX, future market prices of the New HRZ Shares may be either above or below current or historical market prices of HRZ Shares.

Risks of trading during deferred settlement trading period

Scheme Participants will not necessarily know the exact number of New HRZ Shares or New HRZ Options (due to rounding) that they will be issued (if any) as Scheme Consideration until a number of days after those shares can be traded on the ASX on a deferred settlement basis. POS Securityholders who trade New HRZ Shares on a deferred settlement basis, without knowing the number of New HRZ Shares they will be issued as Scheme Consideration may risk adverse financial consequences if they purport to sell more New HRZ Shares than they receive.

Transaction and other costs

Transaction and other costs incurred (or which are expected to be incurred) borne by POS in relation to the successful implementation of the Merger are currently estimated at $1.23 million (exclusive of GST and excluding payments to POS employees), comprising adviser, legal, accounting, expert fees and various other costs.

Contract risk

The Share Scheme may be deemed under contracts to which POS or HRZ or their Subsidiaries are a party, to result in a change of share ownership event in respect of POS or HRZ that allows the counterparty to review or terminate the contract as a result of the change or the issue of shares by HRZ, upon implementation of the Schemes. If the counterparty to any such contract were to validly seek to renegotiate or terminate the contract on that basis, this may have a material adverse effect on the financial performance of the Combined Group, depending on the relevant contracts.

Accounting risk

In accounting for the Merger, the Combined Group will need to perform a fair value assessment of all POS' assets, liabilities and contingent liabilities. The Combined Group will also be subject to the usual business risk that there may be changes in accounting policies which have an adverse impact on the Combined Group.

A Superior Proposal for POS may yet emerge

It is possible that a Superior Proposal for POS, which is more attractive for POS Securityholders than the Merger, may materialise in the future. The implementation of the Merger would mean that POS Securityholders would not obtain the benefit of any such proposal.

The POS Board is not currently aware of any such proposal and notes that since POS and HRZ announced the Merger, there has been a significant period of time and ample opportunity for an alternative proposal for POS which provides a different outcome for POS

Securityholders to emerge.

Since the Announcement Date, no alternative proposal has emerged and the Independent POS Directors have decided that the Merger is the best option available at the date of this Scheme Booklet. In addition, shareholders in the Combined Group will still have an opportunity to realise a full premium in the event of any future change of control transaction for the Combined Group.

Tax consequences for Scheme Participants

If the Merger proceeds, there may be tax consequences for Scheme Participants which may include tax payable on any gain on the disposal of Scheme Shares. However, Scheme Participants should seek their own professional advice regarding the individual tax consequences applicable to them. Refer to Section 11 for a summary of potential taxation implications.

Rights, obligations and break fee under Scheme Implementation Deed

Under the Scheme Implementation Deed entered into between POS and HRZ, a liquidated amount (or break fee) of $250,000 may become payable by one party to the other in certain circumstances (refer to Section 13.7 for further details). The Scheme Implementation Deed also sets out various other rights and obligations of POS and HRZ in relation to the Merger.

Other risks

Additional risks and uncertainties not currently known to POS or HRZ may also have a material adverse effect on POS or HRZ's business and that of the Combined Group and the information set out above does not purport to be, nor should it be construed as representing, an exhaustive list of the risks of POS, HRZ or the Combined Group.

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11. Australian tax implications

The following section addresses the income tax consequences of the proposed Scheme to POS Securityholders.

11.1 Introduction

This section provides a summary of the Australian taxation consequences for POS Securityholders who enter into the Schemes (note: this includes holders of both POS Shares and POS Options). This overview is limited to Australian income tax matters. It is intended as a guide only and does not constitute tax advice. It is based on Australian tax law available and in effect as at the date of this Scheme Booklet. It is not intended to be binding legal advice for individual POS Securityholders and should not be relied upon as taxation advice. This is not an exhaustive list of all tax considerations applicable to POS Securityholders entering into the Schemes. POS Securityholders should be aware that changes to Australian tax law subsequent to this Scheme Booklet may affect the taxation treatment and outcomes as detailed below.

The tax consequences outlined below are applicable to POS Securityholders that are individuals, trusts, companies and complying superannuation funds, who hold their shares on capital account for the purpose of Australian income tax. For the avoidance of doubt, the below summary does not apply to POS Securityholders who:

- Hold their POS Securities as trading stock, revenue assets or assets used in carrying on a business/part of a profit-making undertaking or scheme;
- Are financial institutions, insurance funds, tax exempt organisations or sovereign entities;
- Are subject to the taxation of financial arrangements provisions in Division 230 of the Income Tax Assessment Act 1997 (Cth) ("Tax Act") or the investment manager regime in Subdivision 842-I of the Tax Act;
- Changed their tax residency while holding POS Securities;
- Are partnerships, or individuals who are partners of such partnerships;
- Are under a legal disability;
- Are temporary residents as defined in section 995-1(1) of the Tax Act;
- Acquired their POS Securities under an employee share scheme;
- Are non-residents of Australia who hold their Securities as an asset in a business that is carried on, at or through a permanent establishment in Australia; or
- Are Australian tax residents but hold their Securities as part of a business carried on, at, or through, a permanent establishment in a foreign country.

There is no acceptance of a duty of care to any other person or entity, outside of the specified POS Securityholders.

POS Securityholders who are a resident for tax purposes of a country other than Australia, should consider the tax consequences of the Schemes in their relevant country of residence.

As the tax consequences from participating in the Schemes can vary due to individual POS Securityholder's circumstances, POS Securityholders are encouraged to seek their own professional advice regarding their individual circumstances and the corresponding taxation implications in relation to this Schemes.

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11.2 Tax implications of disposal

Australian Tax Resident Securityholders

For Australian income tax purposes the disposal of Securities under the Schemes will result in a capital gains tax ("CGT") event. At the time the POS Securityholder disposes of their Security under the Scheme the CGT event will occur. However, CGT roll-over relief may be available to POS Securityholders, which results in capital gain from the CGT event being disregarded.

Calculating the capital gain or loss

Ignoring CGT roll-over relief (discussed below), a capital gain or loss may arise for Australian income tax purposes, on the disposal of the Securities. A gain will arise if the market value of the HRZ Securities, being the capital proceeds received under the Schemes, exceed the cost base of the POS Securities disposed of. Alternatively, a capital loss will arise should the POS Securities reduced cost base be less than the market value of the HRZ Securities received.

The cost base varies for each individual POS Securityholder, but will generally include the consideration paid to acquire the Securities, together with any additional incidental costs of acquisition or disposal, including brokerage fees. The reduced cost base of an asset is equal to the cost base disregarding any costs incurred in owning the asset (e.g. insurance premiums).

Where the POS Securityholder has held, or has been taken to have held, their Securities for 12 months (excluding the days of acquisition and disposal), or greater, at the time of disposal, the discount CGT provisions may apply. The discount rate applicable for different entity types is as follows:

- 50% for individuals and potentially trusts;
- 33 1/3 % for complying superannuation entities; and
- Companies are not entitled to any CGT discount.

The CGT discount rules that relate to trusts can be complicated. Provided relevant requirements are satisfied, the capital amounts may flow through to the trust beneficiaries. The individual beneficiaries will be required to determine their eligibility to access the CGT discount in their own right. As such, we recommend trustees, and trust beneficiaries seek their own independent advice on the implication of the CGT discount rules and how they apply to them specifically.

Prior to applying the discount to the capital gain, the POS Securityholder should first consider whether there are any eligible capital losses (current or carried forward from prior years) to offset some or all of the capital gain. These losses are applied to the undiscounted capital gain, before applying the discount.

Further, should a capital loss arise on the disposal, this should be offset against any current year capital gains of the Securityholder, or carried forward to future years (subject to the satisfaction of specific rules) to offset future capital gains derived by the Securityholder. Note capital loss amounts cannot be carried back to offset prior-year capital gains, nor used to offset ordinary income derived in the current year, or future years.

Individual POS Securityholders should seek independent tax advice to determine the capital gain or loss calculation based on their individual circumstances.

CGT Roll-over Relief

POS Securityholders may be eligible to apply CGT roll-over relief, under Subdivision 124-M of the Tax Act, for the capital gain that arises on disposal of their Securities under the Schemes. This is subject to the satisfaction of key conditions, which includes, but is not limited to, the following:

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The original POS Security (i.e. Shares or Options) is exchanged for similar interests in HRZ (being Shares for Shares or Options for Options);

The exchange occurred as part of a single arrangement where 80% or greater of POS voting Shares are acquired by HRZ; and

All Shareholders with a voting interest in POS can participate in the Scheme on substantially the same terms.

Generally, CGT roll-over relief allows POS Securityholders to disregard the capital gain from the disposal of their Security.

CGT Roll-over Relief under 124-M of the Tax Act, is not available where a capital loss is generated from the CGT event.

Eligible POS Securityholders can elect to apply roll-over relief. This choice is required to be made prior to lodging the POS Securityholders Australian income tax return for the period in which the CGT event occurred. Extensions to this time frame may be made available by the ATO under certain circumstances. The Securityholder should complete their return in a manner consistent with their choice and no further documentation of their choice is required.

Should the holder elect to apply CGT roll-over relief the general treatment that should apply is outlined below.

Capital gain amounts arising from the CGT event will be disregarded for Australian income tax purposes. The POS Securityholder should, therefore, not include this amount when calculating their net capital gain for inclusion in their Australian income tax return.

The cost base of the HRZ Securities received by POS Securityholders will equal the cost base of the POS Securities disposed of. Further, the acquisition date of the HRZ Securities is taken to be the date the POS Securities were acquired by the Securityholder. This will be relevant for determining eligibility for the CGT discount should the HRZ Securities be subsequently disposed of by the Securityholders.

CGT roll-over relief is not compulsory. Securityholders can choose to elect it to apply. As such, independent tax advice should be sought by Securityholders to determine whether roll-over relief should be elected.

Non-Australian Tax Resident Securityholders

Non-Australian residents are generally not subject to CGT on the disposal of shares, unless the POS Securities:

- have been used in carrying on a business in Australia through a permanent establishment; or
- are classified as Taxable Australian Property ("TAP").

TAP includes shares in companies that primarily hold Australian real property (referred to as the "principal assets test" – discussed further below), and only if the non-Australian resident, together with its associates, owns 10% or more of Poseidon at the time of disposal, or for at least 12 months during the two (2) years proceeding the disposal.

POS will satisfy the "principal asset test" where 50% or more of the market value of POS's assets, either directly or indirectly relate to taxable Australian real property. Of note, this includes mining, quarrying and prospecting rights in respect of materials situated in Australia.

The CGT implications for non-Australian resident Securityholders with an interest in TAP are generally the same as those for Australian residents as outlined above. The CGT discount is not available for Securities acquired after 8 May 2012 by non-resident Securityholders. Independent advice should be sought on the ramification of this for the individual Securityholder circumstances.

CGT roll-over relief should be available to non-resident POS Securityholders, provided the HRZ Securities are considered TAP.

Independent advice should be sought by non-Australian resident POS Securityholders based on their circumstances to determine the implication of the disposal of their POS Securities.

11.3 Goods and Service Tax

POS Securityholders should not be liable for GST on the disposal of POS Securities, or acquisition of HRZ Securities under the Scheme, regardless of whether the POS Securityholder is registered for GST.

Costs incurred in relation to the Scheme by POS Securityholders may include GST. The ability for POS Securityholders to claim input tax credits or reduced input tax credits may be limited depending on the individual circumstances of the POS Securityholder.

Independent GST advice should be sought by POS Securityholders in relation to their specific circumstances.

11.4 Stamp Duty

POS Securityholders should not be liable for Australian stamp duty on their disposal of POS Securities, or the acquisition of HRZ Securities, under the Schemes.

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12. Implementing the Schemes

This Section provides an overview of the Scheme Conditions, the Scheme Meeting, and other steps required to implement the Schemes.

12.1 Actions already undertaken by POS and HRZ

POS and HRZ entered into the Scheme Implementation Deed on 24 October 2024 in which they agreed (among other things) their respective obligations in implementing the Schemes. The key terms of the Scheme Implementation Deed not otherwise addressed in this Section, are summarised in Section 13. A full copy of the Scheme Implementation Deed was released on ASX on 25 October 2024 and is available on Poseidon's website: www.poseidon-nickel.com.au/. Since signing the Scheme Implementation Deed, POS and HRZ have undertaken the following activities to progress the implementation of the Schemes.

(a) **Appointment of Independent Expert**

POS commissioned the Independent Expert, BDO Corporate Finance Australia Pty Ltd, to prepare a report on whether the Schemes are in the best interest of POS Securityholders.

The Independent Expert has concluded that, in the absence of a Superior Proposal, the Schemes are not fair but reasonable and are in the best interests of POS Securityholders.

The Independent Expert's Report is set out in Annexure A of this Scheme Booklet.

(b) **Lodgement of draft Scheme Booklet with ASIC**

On 3 December 2024, POS lodged a draft of this Scheme Booklet with ASIC pursuant to section 411(2)(b) of the Corporations Act. On 23 December 2024, ASIC registered the Scheme Booklet for the purposes of section 412(6) of the Corporations Act.

POS has requested ASIC provide a statement, in accordance with section 411(17)(b) of the Corporations Act, that ASIC has no objection to the Schemes. If ASIC provides that statement, it will be produced to the Court at the time of the Second Court Hearing.

POS has also lodged a copy of this Scheme Booklet with ASX.

Neither ASIC, ASX nor any of their officers takes any responsibility for the contents of this Scheme Booklet.

(c) **First Court Hearing**

On 23 December 2024, the Supreme Court of Western Australia ordered POS to convene a meeting of POS Shareholders to consider and vote on the Share Scheme and a meeting of POS Optionholders to consider and vote on the Option Scheme.

The Share Scheme Meeting to consider the Share Scheme will be held at the Conference Room, Level 2, QV1, 250 St Georges Terrace, Perth, Western Australia on 31 January 2025. The Share Scheme Meeting will commence at 11:00am (AWST).

The Option Scheme Meeting to consider the Option Scheme will be held on 31 January 2025. The Option Scheme Meeting will commence at the later of 12:00pm (AWST) or at the conclusion of the Share Scheme Meeting.

For the Share Scheme to proceed, the Share Scheme Resolution must be passed at the Share Scheme Meeting in the Requisite Majority.

For the Option Scheme to proceed, the Option Scheme Resolution must be passed

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at the Option Scheme Meeting in the Requisite Majority.

Details of how to vote at the Scheme Meetings are set out at the beginning of this Scheme Booklet in the Section entitled “Meeting details and how to vote”.

A copy of the Notice of Share Scheme Meeting is set out in Annexure F of this Scheme Booklet.

A copy of the Notice of Option Scheme Meeting is set out in Annexure G of this Scheme Booklet.

The fact that under section 411(1) of the Corporations Act the Court ordered on 23 December 2024 that meetings of POS Securityholders be convened by POS to consider and vote on the Schemes and has approved the Scheme Booklet does not mean that the Court:

(i) has formed any view as to the merits of the proposed Schemes or as to how POS Securityholders should vote (on this matter, POS Securityholders must reach their own decision); and

(ii) has prepared, or is responsible for, the content of this Scheme Booklet.

12.2 Scheme Conditions

Implementation of the Schemes are subject to satisfaction of the applicable Scheme Conditions. The Scheme Conditions are set out in clause 2.1 of the Scheme Implementation Deed.

Certain of the Scheme Conditions set out in the Schemes and the Scheme Implementation Deed have already been satisfied. The Scheme Conditions that remain outstanding as at the date of this Scheme Booklet are set out in the table below.

	SCHEME CONDITION
1.	**ASIC and ASX approvals**: before 8.00am on the Second Court Date, ASIC and ASX issue or provide such consents, approvals, modifications or waivers as are necessary or which HRZ and POS agree are desirable to implement the Schemes, either unconditionally or on conditions that do not impose unduly onerous obligations upon either party (acting reasonably), and such consent, approval or other act has not been withdrawn, cancelled or revoked as at 8.00am on the Second Court Date.
2.	**Other approvals**: before 8:00am on the Second Court Date all regulatory approvals other than those referred to in Scheme Condition 1, which are required by law, or by any government agency, or which the parties agree are desirable, to implement the Schemes have been issued or received (as applicable) either unconditionally or on conditions that do not impose unduly onerous obligations upon either party (acting reasonably) and such regulatory approvals remain in full force and effect in all respects and have not been withdrawn, cancelled or revoked as at 8.00am on the Second Court Date.
3.	**No restraints**: no judgment, order, decree, statute, law, ordinance, rule of regulation, or other temporary restraining order, preliminary or permanent injunction, restraint or prohibition, entered, enacted, promulgated, enforced or issued by any court or other government agency of competent jurisdiction remains in effect as at 8.00am on the Second Court Date that prohibits, materially restricts, makes illegal or restrains the completion of the Schemes.
4.	**POS Shareholder approval**: POS Shareholders (other than Excluded Shareholders) agree to the Share Scheme at the Share Scheme Meeting by the requisite majorities under the Corporations Act.
5.	**POS Optionholder approval**: POS Optionholders (other than Excluded Optionholders) agree to the Option Scheme at the Option Scheme Meeting by the requisite majorities under the Corporations Act.
6.	**POS Incentive Options:** before 8.00am on the Second Court Date each holder of POS Incentive Options as at the Record Date has entered into a POS Incentive Option Deed.

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	SCHEME CONDITION
7.	**POS Performance Rights:** before 8.00am on the Second Court Date binding arrangements have been put in place to deal with the POS Performance Rights such that no POS Performance Rights are in existence on the Record Date.
8.	**Independent Expert's Report**: the Independent Expert's Report concludes that each of the Share Scheme and the Option Scheme are in the respective best interests of POS Shareholders and POS Optionholders (as applicable) and, upon consideration of all available relevant information from time to time, the Independent Expert does not change that conclusion or withdraw its report prior to 8.00am on the Second Court Date.
9.	**Court approval of the Share Scheme**: the Court makes orders under section 411(4)(b) of the Corporations Act approving the Share Scheme and any conditions imposed by the Court under section 411(6) of the Corporations Act are acceptable to the parties acting reasonably.
10.	**Court approval of the Option Scheme**: the Court makes orders under section 411(4)(b) of the Corporations Act approving the Option Scheme and any conditions imposed by the Court under section 411(6) of the Corporations Act are acceptable to the parties acting reasonably.
11.	**No POS Prescribed Event**: from the date of this Deed until 8.00am on the Second Court Date, no POS Prescribed Event occurs.
12.	**No HRZ Prescribed Event**: from the date of this Deed until 8.00am on the Second Court Date, no HRZ Prescribed Event occurs.
13.	**No POS Material Adverse Change**: from the date of this Deed until 8.00am on the Second Court Date, no POS Material Adverse Change occurs.
14.	**No HRZ Material Adverse Change**: from the date of this Deed until 8.00am on the Second Court Date, no HRZ Material Adverse Change occurs.
15.	**No breach of POS Representations and Warranties**: the POS Representations and Warranties are true and correct in all material respects as at the date of this Deed and as at 8:00am on the Second Court Date.
16.	**No breach of HRZ Representations and Warranties**: the HRZ Representations and Warranties are true and correct in all material respects as at the date of this Deed and as at 8:00am on the Second Court Date.

For the Schemes to be implemented, each Scheme Condition must be satisfied by the due date (if any) fixed for its satisfaction as set out in the above table (or otherwise waived to the extent it is capable of waiver).

As at the date of this Scheme Booklet, POS is not aware of any circumstances that would cause the Scheme Conditions to not be satisfied. POS Securityholders will receive an update on the status of the Scheme Conditions at the Scheme Meetings.

POS will also announce to ASX any relevant matter that affects the Schemes or the likelihood of a Scheme Condition being satisfied or not being satisfied, in accordance with Poseidon's continuous disclosure obligations. These details will be published on ASX's website (www.asx.com.au) and will also appear on Poseidon's website (www.poseidon-nickel.com.au/).

12.3 Court approval

In accordance with section 411(4)(b) of the Corporations Act, in order to become Effective, the Schemes (with or without modification) must be approved by an order of the Court. If the Schemes are approved at the Scheme Meetings, POS intends to apply to the Court on the Second Court Date (expected to be 7 February 2025) for the necessary orders to give effect to the Schemes.

The Court may refuse to grant the orders referred to above even if the Schemes are approved by the Requisite Majority of POS Securityholders.

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Each POS Shareholder or POS Optionholder (as applicable) has the right to appear at Court at the hearing of the application by POS for orders approving the Share Scheme or Option Scheme (as applicable). Any POS Securityholder who wishes to object to a Scheme at that Court hearing or make a complaint to ASIC about a Scheme should note that the Court hearing for approval of the Schemes is expected to be held on 7 February 2025. The Court has an overriding discretion regarding whether or not to approve the Schemes, even if the Schemes are approved by the Requisite Majority of POS Securityholders at the Scheme Meeting.

12.4 Scheme Meetings

The Court has ordered that POS convene the Scheme Meetings for the purposes of the POS Securityholders voting on the Schemes. The order of the Court to convene the Scheme Meetings is not, and should not be treated as, an endorsement by the Court of (or any other expression of opinion by the Court on) the Schemes.

For the Share Scheme to proceed, the Share Scheme Resolution must be passed at the Share Scheme Meeting in the Requisite Majority.

For the Option Scheme to proceed, the Option Scheme Resolution must be passed at the Option Scheme Meeting in the Requisite Majority.

12.5 Steps after approval of the Schemes by POS Securityholders at the Scheme Meetings but before the Second Court Date

If the Requisite Majority of POS Securityholders approve the Schemes at the Scheme Meetings, POS will, as soon as possible after the Scheme Meetings are held, announce the results of the POS Securityholders' votes to ASX and will publish the results on Poseidon's website (www.poseidon-nickel.com.au/).

12.6 Steps after Court approval at the Second Court Hearing

POS and HRZ have agreed that, if the Court makes orders approving the Schemes, POS and HRZ will take or procure the taking of the steps required for the Schemes to proceed, including:

(a) **Record Date**

POS Securityholders will be entitled to receive the Scheme Consideration under the Schemes if they are registered as holders of POS Shares and/or POS Options (as applicable) at 5.00pm (AWST) on the Record Date. The Record Date is expected to be on 12 February 2025.

As from the Record Date (and other than for HRZ following the Implementation Date), the POS Share Register will close for transfers and all certificates and holding statements for POS Shares and POS Options will cease to have effect as documents of title. Each entry on the POS Share Register and POS Option Register at 5.00pm (AWST) on the Record Date will cease to have any effect other than as evidence of entitlement to the Scheme Consideration.

(b) **Effective Date**

If the Court approves the Schemes, POS will (pursuant to section 411(10) of the Corporations Act) lodge with ASIC the office copy of the Court orders approving the Schemes. POS intends to lodge the office copy of the Court orders with ASIC on the Effective Date, which is expected to be on 10 February 2025.

If the Scheme Conditions are satisfied or waived, the Schemes will legally come into effect on the Effective Date.

If a Scheme has not become Effective or the relevant Scheme Conditions have not been satisfied or waived by 25 April 2025, or such later date as POS and HRZ agree in writing, the Schemes will lapse and be of no further force or effect.

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(c) **Suspension of trading of POS Shares**

POS will apply to ASX for suspension of trading of POS Shares on ASX after the close of trading on ASX on the Effective Date. It is expected that the suspension will commence on the first Business Day after the day on which POS notifies ASX of the Schemes becoming Effective.

(d) **Transfer of POS Shares and cancellation of POS Options**

If the Schemes become Effective, on the Implementation Date:

(i) all POS Shares held by Scheme Participants will be transferred to HRZ and all POS Options will be cancelled, without any further action required by Scheme Participants;

(ii) POS will enter the name of HRZ into the POS Share Register in respect of the POS Shares; and

(iii) POS will become a wholly-owned subsidiary of HRZ and the POS Board will be reconstituted so that it comprises persons nominated by the HRZ Board.

(e) **Issue of New HRZ Shares**

If the Schemes become Effective, on the Implementation Date the New HRZ Shares to which Scheme Shareholders are entitled under the Share Scheme will be issued to Scheme Shareholders (other than Ineligible Shareholders). It is expected that:

(i) holding statements and CHESS confirmation advices for Scheme Shareholders' entitlements to New HRZ Shares will be despatched to Scheme Shareholders after the Implementation Date;

(ii) HRZ will enter the name and address of the Scheme Shareholder into HRZ's Register as the holder of New HRZ Shares; and

(iii) a market will be quoted in New HRZ Shares on ASX initially on a deferred settlement basis from 11 February 2025 and thereafter on a normal settlement basis from market open on 20 February 2025.

For further information regarding the New HRZ Shares to be issued as Share Scheme Consideration, refer to Sections 12.8 and 14.5. No New HRZ Shares will be issued on the basis of this Scheme Booklet after the date which is 13 months after the date of this Scheme Booklet, being the expiry date of this Scheme Booklet.

(f) **Grant of New HRZ Options**

If the Schemes become Effective, on the Implementation Date the New HRZ Options to which Scheme Optionholders are entitled under the Option Scheme will be issued to Scheme Optionholders. It is expected that:

(i) holding statements for Scheme Optionholders' entitlements to New HRZ Options will be despatched to Scheme Optionholders after the Implementation Date; and

(ii) HRZ will enter the name and address of the Scheme Optionholder into HRZ's Register as the holder of New HRZ Options.

For further information regarding the New HRZ Options to be issued as Option Scheme Consideration, refer to Sections 12.9 and 14.6. No New HRZ Options will be issued on the basis of this Scheme Booklet after the date which is 13 months after the date of this Scheme Booklet, being the expiry date of this Scheme Booklet.

(g) **De-listing of POS**

After the Implementation Date, POS will apply for termination of the official quotation of POS Shares and have itself removed from the official list of ASX.

(h) **Payments to Ineligible Shareholders**

New HRZ Shares to which the Ineligible Shareholders would otherwise be entitled will be sold by the Sale Agent as soon as practicable (and in any event not more than 20 days after the date on which HRZ Shares are capable of being traded on ASX) and the proceeds of the sale shall be promptly remitted back to the relevant Ineligible Shareholders to the bank account recorded in the POS Register, or be sent by cheque to the registered holding address.

For more information refer to Sections 5.7 and 5.8.

12.7 Warranties by Scheme Participants under the Schemes

The effect of the Share Scheme is that all Scheme Shareholders, including those who vote against the Share Scheme and those who do not vote, will be deemed to have warranted to Poseidon, both in its own right and for the benefit of HRZ, that their POS Shares are fully paid and not subject to any of the encumbrances specified in the Share Scheme. The terms of the warranty are set out in clause 6.5 of the Share Scheme. The Share Scheme of Arrangement is set out in Annexure B.

The effect of the Option Scheme is that all Scheme Optionholders, including those who vote against the Option Scheme and those who do not vote, will be deemed to have warranted to Poseidon, both in its own right and for the benefit of HRZ, that their POS Options are not subject to any of the encumbrances specified in the Option Scheme. The terms of the warranty are set out in clause 6.5 of the Option Scheme. The Option Scheme of Arrangement is set out in Annexure C.

12.8 New HRZ Shares

A summary of the rights attaching to New HRZ Shares is set out in Section 14.5.

It is expected that:

(a) all Scheme Participants who receive New HRZ Shares will have their names entered on the HRZ Register on the Implementation Date;

(b) holding statements for Scheme Participants' entitlements to New HRZ Shares will be despatched to Scheme Participants after the Implementation Date; those holding statements will be sent by prepaid post to the Scheme Participants' addresses in the POS Share Register as at 5.00pm (AWST) on the Record Date; and

(c) New HRZ Shares are expected to commence trading on ASX initially on a deferred settlement basis (ASX:HRZ) from 11 February 2025 and thereafter on a normal settlement basis from market open on 20 February 2025.

Each holder of New HRZ Shares is responsible for confirming their holding before selling their New HRZ Shares on a deferred settlement basis. Any sale of New HRZ Shares before receipt of a holding statement is at the risk of the holder of those securities. To the extent permitted by law, Poseidon, HRZ and Automic disclaim all liability, whether in negligence or otherwise, to persons who sell their New HRZ Shares before receiving their holding statement, whether on the basis of a confirmation of allocation provided by Poseidon, HRZ, Automic, a broker or otherwise.

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12.9 New HRZ Options

A summary of the rights attaching to New HRZ Options is set out in Section 14.6.

It is expected that:

(a) all Scheme Participants who receive New HRZ Options will have their names entered on the HRZ Register on the Implementation Date; and

(b) holding statements for Scheme Participants' entitlements to New HRZ Options will be despatched to Scheme Participants after the Implementation Date; those holding statements will be sent by prepaid post to the Scheme Participants' addresses in the POS Option Register as at 5.00pm (AWST) on the Record Date.

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13. Key terms of the Scheme Implementation Deed

POS and HRZ entered into the Scheme Implementation Deed on 24 October 2024.

The Scheme Implementation Deed sets out the obligations of POS and HRZ in relation to the Schemes.

The Independent POS Directors consider that the Scheme Implementation Deed was entered into on arm's length commercial terms having regard to the fact that POS undertook an assessment of any alternative strategic options available to it.

In making the above statement, the Independent POS Directors note that POS Securityholders are being given the opportunity to consider and vote on whether the Merger is implemented at the Scheme Meetings.

This Section sets out a summary of the key terms and conditions of the Scheme Implementation Deed that are not otherwise addressed in this Scheme Booklet.

13.1 Scheme Conditions under the Scheme Implementation Deed

The Schemes are subject to the fulfilment or, in certain cases, waiver of the Scheme Conditions. Refer to Section 12.2 for further details.

13.2 No-shop restriction

The Scheme Implementation Deed includes exclusivity arrangements which apply from the date of the Scheme Implementation Deed until the earlier of 25 April 2025, the Implementation Date or termination of the Scheme Implementation Deed (**Exclusivity Period**).

During the Exclusivity Period, each of POS and HRZ must not, and must procure that each of its respective Representatives do not, directly or indirectly:

(a) solicit, invite, encourage or initiate any Competing Proposal or potential Competing Proposal with any third party; or

(b) assist, encourage, procure or induce any person to do any of the things referred to in Section 13.2(a) above on its behalf.

13.3 No-talk restriction

Subject to a fiduciary exception, during the Exclusivity Period, each of POS and HRZ must not, and must procure that each of its respective Representatives do not, directly or indirectly:

(a) enter into facilitate, participate in or continue any negotiations or discussions with any third party in relation to a Competing Proposal or any potential Competing Proposal,;

(b) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding a Competing Proposal or potential Competing Proposal;

(c) communicate to any person an intention to do anything referred to in the preceding paragraphs in this section; or

(d) assist, encourage, procure or induce any person to do any of the things referred to in this section on its behalf,

even if the Competing Proposal or potential Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by POS or HRZ or any of its representatives or has been publicly announced.

13.4 No due diligence restriction

Subject to a fiduciary exception, during the Exclusivity Period, each of POS and HRZ must not, and must procure that each of its respective Representatives do not, directly or indirectly:

(a) solicit, initiate, invite, encourage, facilitate or permit any third party to undertake due diligence investigations in respect of POS or HRZ or any member of the POS Group or the HRZ Group (as applicable) or any of their respective businesses, affairs or operations;

(b) make available to any third party, or cause or permit any third party (other than a government agency that has the right to obtain that information and has sought it) to receive, any non-public information relating to POS or HRZ or any of its Related Body Corporate that may reasonably be expected to assist such third party in formulating, developing or finalising a Competing Proposal or a potential Competing Proposal; or

(c) assist, encourage, procure or induce any person to do any of the things referred to in the preceding paragraphs of this Section 13.4 on its behalf.

13.5 Notification obligations

(a) During the Exclusivity Period, POS must as soon as possible, and in any event within 1 Business Day, notify HRZ in writing if it or any of its representatives become aware of:

(i) any offer or request to do any of the things referred to in the not talk or no due diligence restrictions;

(ii) any approach, inquiry, expression of interest, discussion, proposal or other communication made by any person to it or any of its representatives, to initiate any discussions or negotiations, or any intention to make such approach, that concern a Competing Proposal or potential Competing Proposal; or

(iii) any request made by any person to it or any of its representatives, for any non-public information relating to it, its Related Bodies Corporate, or any of their businesses and operations, in connection with such person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal or potential Competing Proposal,

in each case whether direct or indirect, whether solicited or unsolicited and whether oral or in writing.

(b) Subject to a fiduciary exception, a notice given in respect to this clause, must be accompanied by all material terms and conditions (including price, form of consideration, conditions precedent, proposed deal protection arrangements, timetable and break free if any) to the extent then known to Poseidon, and the identity of the proponent of the Competing Proposal or potential Competing Proposal.

(c) During the Exclusivity Period, POS must immediately (and in any event within 1 Business Day) provide HRZ party with:

(i) in the case of written materials, a copy of; or

(ii) in any other case, a written statement of or reasonable access to,

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any material non-public information regarding the operations of its Group made available by it to any person in connection with such person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal or potential Competing Proposal and which has not previously been provided to HRZ.

13.6 Response to competing Proposal and Counter Proposal

(a) If POS or HRZ is permitted by virtue of its fiduciary obligations to engage in activity that would otherwise breach of its no-talk or no due diligence restrictions, it must enter into a confidentiality agreement with the person who has made the applicable Competing Proposal or potential Competing Proposal on customary terms.

(b) POS must not and must procure that each of its representatives do not enter into any agreement, commitment, arrangement or understanding (whether or not in writing) relating to any Competing Proposal (other than a confidentiality agreement) unless each of the following conditions is satisfied:

(i) the POS Directors acting in good faith, have determined that the Competing Proposal is a Superior Proposal and that the failure to take an action would likely breach the statutory or fiduciary duties of the members of the POS Board;

(ii) POS has given HRZ written notice (**Relevant Notice**) of the proposal to enter into the relevant agreement, commitment, arrangement or understanding;

(iii) POS has given HRZ all information that would be required by its notification obligations, together with the identity of the proponent of the Competing Proposal;

(iv) for at least 5 Business Days after the date of the provision of the information, POS and HRZ negotiate, to enable HRZ to provide an equivalent or superior proposal to the terms of the Competing Proposal; and

(v) by the expiry of any negotiation period, if the POS Board has received a written proposal to POS from HRZ to improve the Share Scheme Consideration and/or the Option Scheme Consideration or otherwise alter the terms of the Merger (**HRZ Counterproposal**) and has determined within 4 Business Days of receiving the HRZ Counterproposal, that the HRZ Counterproposal would not produce an equivalent or superior outcome for POS Shareholders (when considered as a whole) as compared to the Competing Proposal, taking into account all terms and conditions and other aspects of the HRZ Counterproposal and the Competing Proposal.

(c) If HRZ provides a HRZ Counterproposal, and POS considers the HRZ Counterproposal and determines, within 4 Business Days of receiving the HRZ Counterproposal, the HRZ Counterproposal would provide an equivalent or superior outcome to POS Shareholders (when considered as a whole) as compared with the Competing Proposal. Following that determination, POS must:

(i) procure that the POS Board promptly notifies HRZ of the determination in writing, stating reasons for that determination;

(ii) for a period of not less than 2 Business Days use their best endeavours to agree the transaction documentation required to implement the HRZ Counterproposal as soon as reasonably practicable; and

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(iii) procure that the Independent POS Directors recommend that POS Shareholders vote in favour of the HRZ Counterproposal subject to the Independent Expert concluding, and continuing to conclude, that the HRZ Counterproposal is in the best interests of POS Shareholders and there being no further Superior Proposal.

Any and each successive material modification or variation to any Competing Proposal will be deemed to be a new Competing Proposal with the effect that the provisions regarding a Competing Proposal in Scheme Implementation Deed will apply.

13.7 Reimbursement fee

POS has agreed to pay HRZ a Reimbursement Fee of $250,000 as compensation for costs and expenses incurred by HRZ if:

(a) any Independent POS Director fails to make the recommendation in support of the Schemes, or prior to the Second Court Date, withdraws or adversely modifies his or her support of the Schemes or his or her recommendation that POS Securityholders vote in favour of the Schemes, or makes a public statement indicating that they no longer support the Merger or that they support a Competing Proposal, other than as a result of;

(i) any matter giving POS the right to terminate the Scheme Implementation Deed, resulting from HRZ's material breach;

(ii) failure of a Scheme Condition which is for the benefit of POS or both POS and HRZ, other than as a result of a breach by POS; or

(iii) the Independent Expert provides a report to POS (either initially or in any updated report) which concludes that:

(A) the Share Scheme is not in the best interests of POS Shareholders; and/or

(B) the Option Scheme is not in the best interest of POS Optionholders,

other than because of a Competing Proposal;

(b) during the Exclusivity Period, POS or any of its Representatives, directly or indirectly, was aware of, becomes aware of or receives from a third party an approach in relation to an actual, proposed or potential Competing Proposal and that Competing Proposal (or any related Competing Proposal or Competing Proposal arising out of that Competing Proposal) is completed at any time prior to the first anniversary of the date of the public announcement of such Competing Proposal;

(c) during the Exclusivity Period, POS receives or publicly announces a Superior Proposal and POS terminates the Scheme Implementation Deed;

(d) POS breaches its exclusivity obligations under the Scheme Implementation Deed; or

(e) HRZ is entitled to terminate the Scheme Implementation Deed, resulting from Poseidon's material breach, and has provided appropriate notice.

In addition, HRZ has also agreed to pay POS a Reimbursement Fee of $250,000 as compensation for costs and expenses incurred by POS if:

(a) all of the following circumstances arise:

(i) a Competing Proposal for HRZ is received or announced by a third party before the Second Court Date;

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(ii) the HRZ directors conclude that that Competing Proposal is a Superior Proposal; and

(iii) HRZ terminates the Scheme Implementation Deed;

(b) during the Exclusivity Period, HRZ or any of its representatives, directly or indirectly, was aware of, becomes aware of or receives from a third party an approach in relation to an actual, proposed or potential Competing Proposal and that Competing Proposal (or any related Competing Proposal or Competing Proposal arising out of that Competing Proposal) is completed at any time prior to the first anniversary of the date of the public announcement of such Competing Proposal; or

(c) POS is entitled to terminate the Scheme Implementation Deed, resulting from HRZ's material breach, and has provided appropriate notice.

HRZ or POS (as applicable) must pay the Reimbursement Fee to the other within 10 business days after receiving a written demand for payment of the Reimbursement Fee following the occurrence of an event described above in paragraph 13.7.

13.8 Termination

The Scheme Implementation Deed (and hence the Schemes) may be terminated:

(a) by either POS or HRZ, if, before the date or time specified in the Scheme Implementation Deed for or, if no date or time is specified, 8:00am on the Second Court Date (subject to extension) (**Relevant Date**), a condition under the Scheme Implementation Deed cannot be satisfied and is not waived by the time required;

(b) by either POS or HRZ, if after the Relevant Date applicable to a condition solely or jointly for its benefit, that condition has not been satisfied or waived at that time;

(c) by either POS or HRZ, if the Effective Date has not occurred by the End Date;

(d) by HRZ before the Second Court Date if any Independent POS Director publicly changes (including by attaching qualifications to) or withdraws (including by abstaining) their statement that they consider the Schemes to be in the best interests of POS Securityholders or their recommendation that POS Securityholders approve the Schemes;

(e) by either HRZ or Poseidon, if a Competing Proposal for the other is received and the relevant board publicly announces that it has determined that the Competing Proposal is a Superior Proposal, provided there has not been a material breach of exclusivity obligations by the party purporting to terminate;

(f) before the Second Court Date:

(i) by HRZ – if POS is in breach of the Scheme Implementation Deed and that breach is material and is not remedied by POS within 10 Business Days (or such shorter period ending at 5:00pm on the Business Day before the Second Court Date) of POS receiving notice from HRZ of the details of the breach and its intention to terminate; and

(ii) by POS – if HRZ is in breach of the Scheme Implementation Deed and that breach is material and is not remedied by HRZ within 10 Business Days (or such shorter period ending at 5:00pm on the Business Day before the Second Court Date the Second Court Date) of HRZ receiving notice from POS of the details of the breach and its intention to terminate,

provided that neither party will be entitled to terminate the Scheme Implementation Deed for a breach of a representation to the extent that the facts, matters and circumstances giving rise to the breach:

(iii) are disclosed in the Scheme Implementation Deed; or

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(iv) have been fully and fairly disclosed to the other party in their respective due diligence materials prior to the date of the Scheme Implementation Deed, or in public filings of HRZ or POS (as applicable) with ASX since 30 June 2024 and prior to the date of the Scheme Implementation Deed;

(g) by HRZ, with immediate effect, at any time prior to 8:00am on the Second Court Date by notice in writing to POS if:

(i) a Independent POS Director (including any new POS Director appointed following execution of the Scheme Implementation Deed):

(A) withdraws, changes or modifies his or her support of the Schemes or his or her recommendation that POS Securityholders vote in favour of the Schemes; or

(B) recommends, endorses or supports any Competing Proposal for Poseidon;

(ii) a Competing Proposal in respect of POS is received or announced and the Competing Proposal requires as a condition that the Merger not be implemented, and a majority of the POS Directors make a public statement to the effect that they no longer support the Merger or that they recommend the Competing Proposal; or

(iii) a third party that does not have a 20% or more relevant interest in POS at the date of the Scheme Implementation Deed obtains a relevant interest in POS of 20% or more (or if a third party that has a relevant interest of 20% or more in POS at the date of the Scheme Implementation Deed increases their relevant interest in POS by more than 1%); or

(h) by Poseidon, with immediate effect, at any time prior to 8:00am on the Second Court Date by notice in writing to HRZ if:

(i) a HRZ Director (including any new HRZ Director appointed after the date of the Scheme Implementation Deed) makes a public statement to the effect that they no longer support the Merger or that they support, endorse or otherwise wish to pursue the Superior Proposal;

(ii) a Competing Proposal for HRZ is publicly announced and the Competing Proposal requires as a condition that the Merger not be implemented and any HRZ Director makes a public statement to the effect that they no longer support the Merger or that they recommend the Superior Proposal; or

(iii) a third party that does not have a 20% or more relevant interest in HRZ at the date of the Scheme Implementation Deed obtains a relevant interest in HRZ of 20% or more (or if a third party that has a relevant interest of 20% or more in HRZ at the date of the Scheme Implementation Deed increases their relevant interest in HRZ by more than 1%).

13.9 Amendments to the Scheme

The Scheme Implementation Deed may only be varied by document signed by or on behalf of each of POS and HRZ.

13.10 Representations and warranties

Each of POS and HRZ have given representations, warranties and covenants to the other that are considered to be standard for an agreement of this kind. The representations, warranties and covenants given by each of POS and HRZ are set out in full at schedules 3 and 4 of the Scheme Implementation Deed.

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14. Additional information

14.1 Introduction

This Section 14 sets out additional information required to be disclosed to POS Securityholders pursuant to the Corporations Act and the Corporations Regulations, together with other information that may be of interest to POS Securityholders.

14.2 Interests of POS Directors

As at the date of lodgement of this Scheme Booklet with ASIC:

(a) POS Directors held interests in marketable securities of POS as set out in Section 6.9; and

(b) other than as set out in Section 7.12, no POS Director has any interest in marketable securities of HRZ.

No POS Directors have acquired or disposed of a Relevant Interest in POS Shares and/or POS Options in the four-month period ending on the date immediately before the date of this Scheme Booklet.

POS Directors who are Scheme Participants will be entitled to receive New HRZ Shares and/or New HRZ Options (as applicable) in accordance with the terms of the Schemes.

14.3 Interests of HRZ Directors

As at the date of lodgement of this Scheme Booklet with ASIC:

(a) HRZ Directors held interests in marketable securities of HRZ as set out in Section 7.12; and

(b) no HRZ Director has any interest in marketable securities of POS (as set out in Section 6.9).

HRZ Directors have acquired or disposed of a Relevant Interest in any HRZ Shares in the four-month period ending on the date immediately before the date of this Scheme Booklet as set out in the table below:

Director	Date	Number of HRZ Shares acquired	Value/Consideration
Ashok Parekh	14 August 2024	500,000	$20,430
	1 November 2024	300,000	$14,730
Grant Haywood	6 November 2024	420,000	$20,135
Warren Hallam	3 December 2024	1,111,111	$50,000

No other HRZ Director has acquired or disposed of a Relevant Interest in any HRZ Shares in the four-month period ending on the date immediately before the date of this Scheme Booklet.

14.4 Interests of HRZ and POS

As at the date of lodgement of this Scheme Booklet with ASIC, neither POS nor any of its Associates has a Relevant Interest in any HRZ Shares or any other marketable securities of HRZ, other than Mr Warren Hallam who was issued 1,111,111 HRZ Shares following shareholder approval being obtained at HRZ's annual general meeting held on 29 November 2024.

As at the date of lodgement of this Scheme Booklet with ASIC, neither HRZ nor any of its Associates has a Relevant Interest in any POS Shares or any other marketable securities of Poseidon.

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During the four months before the date of this document neither HRZ nor any Associate of HRZ has:

(a) provided, or agreed to provide, consideration for any POS Shares; or

(b) given or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person, or an Associate, to vote in favour of the Scheme or dispose of POS Securities which benefit is not offered to all POS Securityholders under the Schemes.

14.5 Rights attaching to New HRZ Shares

If the Share Scheme become Effective, each Scheme Shareholder (other than Ineligible Shareholders), will be issued 0.1156 New HRZ Shares for every 1 POS Share they hold as at 5.00pm (AWST) on the Record Date.

The New HRZ Shares issued as Share Scheme Consideration will be fully paid and, from the date of their issue, will rank equally with existing HRZ Shares.

The following is a summary of the principal rights attaching to HRZ Shares. This summary does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of shareholders of HRZ, which can involve complex questions of law arising from the interaction of the constitution of HRZ, statutory and common law and the ASX Listing Rules. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to HRZ Shares are set out in the constitution, a copy of which is available for inspection at the HRZ's registered office during normal business hours.

(a) **Quotation on ASX**

Quotation is not guaranteed or automatic on such application, but quotation is expected in the ordinary course as HRZ is already admitted to the official list of ASX and shares of the same class as those to be issued as the consideration under the Share Scheme have been granted official quotation by ASX.

It is expected that ASX will quote a market in the New HRZ Shares initially on a deferred settlement basis, on 11 February 2025. It is the responsibility of each Scheme Shareholder to determine their entitlement to New HRZ Shares under the Share Scheme before trading those shares to avoid the risk of selling shares that they do not own. Normal trading of the New HRZ Shares issued pursuant to the Share Scheme is expected to commence on market open on 20 February 2025.

(b) **General meetings**

Subject to the rights of the holders of HRZ Shares issued on special terms and conditions, HRZ Shareholders are entitled to receive:

(i) notice of every annual general meeting, or general meeting or meeting; and

(ii) all notices, accounts and other documents required to be sent under the constitution or the Corporations Act.

(c) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of HRZ Shares, at a general meeting of HRZ, every HRZ Shareholder who is entitled to vote and who is present in person or by proxy, attorney or representative has one vote on a show of hands and one vote on a poll for each HRZ Share held by that HRZ Shareholder. Voting at meetings will be on a show of hands, unless a poll is demanded either before the vote or immediately upon the

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declaration of the result of the vote on a show of hands. A poll may be demanded by:

(i) at least five HRZ Shareholders, who are present in person or by proxy, attorney or representative and entitled to vote;

(ii) any one or more HRZ Shareholders who are present holding HRZ Shares constituting at least 5% of the total votes that may be cast on the resolution to be passed; or

(iii) the chairman of the meeting.

The chairman has a casting vote in addition to any votes to which the chairman may be entitled as a HRZ Shareholders, proxy, attorney or representative.

(d) **Dividend rights**

Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference HRZ Shareholders and to the rights of the holders of any HRZ Shares created or raised under any special arrangement as to dividend, the HRZ directors may from time to time decide to pay a dividend to the HRZ Shareholders entitled to the dividend which shall be payable on all HRZ Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such HRZ Shares. The HRZ directors may rescind a decision to pay a dividend if they decide, before the payment date, that the HRZ's financial position no longer justifies the payment.

The HRZ Directors may from time to time pay to the HRZ Shareholders any interim dividends that they may determine.

No dividend shall carry interest as against HRZ.

(e) **Winding-up**

In a winding up, the liquidator may, with the authority of a special resolution of HRZ, divide among HRZ Shareholders in kind the whole or any part of the property of HRZ and may for that purpose set aside such value as the liquidator considers fair on any property to be so divided and may determine how the division is to be carried out as between the HRZ Shareholders or different classes of HRZ Shareholders.

(f) **Transfer of shares**

Subject to the Corporations Act, Listing Rules and ASX Settlement Operating Rules, HRZ Shareholders may transfer all or any HRZ Shares by a written transfer form in the usual form or in any form approved by the HRZ Directors. In certain circumstances, the HRZ Directors may refuse to register a transfer of HRZ Shares, including where the transfer is not registrable or where the refusal is permitted or required by the Listing Rules or the transfer is a transfer of restricted securities which is or might be in breach of the Listing Rules or any escrow agreement entered into by HRZ in relation to such restricted securities pursuant to the Listing Rules.

(g) **Issue of further shares and other securities**

Subject to any restrictions imposed by the Corporations Act or the Listing Rules, the HRZ Directors may issue HRZ Shares with any preferential, deferred or special rights, privileges or conditions or with any restrictions (whether in regard to dividend, voting, return of share capital or otherwise) as the HRZ Directors determine.

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(h) **Variation of rights**

Subject to the Corporations Act, the Listing Rules and their terms of issue, the rights attaching to any class of HRZ Shares may be varied with the written consent of holders of at least 75% of the HRZ Shares issued in that class or with the approval of a special resolution passed at a meeting of the holders of the HRZ Shares of that class.

(i) **Alteration of HRZ constitution**

The Constitution may only be amended by a special resolution passed by at least 75% of the votes cast by HRZ Shareholders entitled to vote on the resolution. At least 28 days' written notice specifying the intention to propose the resolution must be given to HRZ Shareholders.

(j) **HRZ Directors – Term of office, appointment and removal**

Subject to the Corporations Act, Listing Rules and the Constitution, a HRZ Director, other than the Managing Director, must retire from office or seek re-election by no later than the third annual general meeting following his or her appointment or election, or 3 years, whichever is longer. The HRZ Directors may also appoint a HRZ Director to fill a casual vacancy on the HRZ Board or in addition to the existing HRZ Directors, who will then hold office until the next annual general meeting, at which time he or she will be eligible for re-election.

HRZ may, by resolution of the members in a general meeting, remove a HRZ Director from office and appoint another person as a HRZ Director in that HRZ Director's place.

14.6 Rights Attaching to New HRZ Options

If the Option Scheme becomes Effective, each Scheme Optionholder will be issued 0.1156 New HRZ Options for every 1 POS Option they hold as at 5.00 pm (AWST) on the Record Date.

The New HRZ Options will be subject to the following terms and conditions:

(a) Each New HRZ Option entitles the holder to one HRZ Share upon exercise of the New HRZ Option.

(b) The New HRZ Options may be exercised at any time prior to 5:00pm AWST on 3 September 2026 (**Expiry Date**).

(c) The exercise price of the New HRZ Options is A$0.0519 each.

(d) The New HRZ Options are freely tradeable under Australian law.

(e) HRZ will provide to each New HRZ Option holder a notice that is to be competed when exercising the New HRZ Options (**Notice of Exercise**). New HRZ Options may be exercised by the New HRZ Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Secretary of HRZ to be received prior to the Expiry Date. The Notice of Exercise must, among other things, state the number of New HRZ Options exercised, the consequent number of Shares to be allotted and the identity of the proposed allottee. The Notice of Exercise by a New HRZ Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share.

(f) Within five Business Days after the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the exercise price for each New HRZ Option being exercised in cleared funds, HRZ will issue the number of Shares required under these terms and conditions in respect of the number of New HRZ Options specified in the Notice of Exercise.

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(g) All Shares issued upon the exercise of the New HRZ Options will rank equally in all respects with HRZ's then issued Shares. HRZ will apply to the ASX in accordance with the Listing Rules for all Shares issued pursuant to the exercise of New HRZ Options to be admitted to quotation.

(h) There are no participating rights or entitlements inherent in the New HRZ Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the New HRZ Options. Thereby, the New HRZ Option holder has no rights to a change in the exercise price of the New HRZ Option or a change to the number of underlying securities over which the New HRZ Option can be exercised (except for a bonus issue). HRZ will ensure, for the purposes of determining entitlements to any issue, that New HRZ Option holders will be notified of a proposed issue after the issue is announced. This will give New HRZ Option holders the opportunity to exercise their New HRZ Options prior to the date for determining entitlements to participate in such issues.

(i) If there is a bonus issue (**Bonus Issue**) to Shareholders, the number of Shares over which a New HRZ Option is exercisable will be increased by the number of Shares which the holder would have received if the New HRZ Option had been exercised before the record date for the Bonus Issue (**Bonus Shares**). The Bonus Shares must be paid up by HRZ out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.

(j) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of HRZ, all rights of the New HRZ Option holder shall be reconstructed (as appropriate) in accordance with the Listing Rules.

(k) The New HRZ Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

14.7 Disclosure of payments and benefits to Directors, secretaries and officers of POS

POS notes that Mr Brendan Shalders, POS Chief Executive Officer, will receive:

(a) a payment of 6 months' salary ($182,500) in connection with retirement from office upon implementation of the Scheme; and

(b) $44,871.97 in consideration for the cancellation of 15,000,000 POS Incentive Options held by him, based on the Black-Scholes option valuation methodology.

Upon the Court making orders under section 411(4)(b) of the Corporations Act approving the Share Scheme and Option Scheme, Mr Shalders will also receive:

(a) 29,200,000 POS LTI Performance Rights (refer to Section 5.11 for further details); and

(b) a short-term incentive payment of up to $189,800 (subject to satisfaction of certain key performance indicators).

In addition to the above, Mr Peter Harold, POS Non-Executive Chairman, will receive a nominal amount of $6.02 for the cancellation of 6,000,000 POS Incentive Options held by him, based on the Black-Scholes option valuation methodology.

Other than as disclosed in this Scheme Booklet, there is no current proposal for a payment or other benefit to be made or given to a director, secretary or executive officer of POS or any Related Body Corporate of POS as compensation for the loss of, or as consideration for or in connection with his or her retirement from office in POS or any Related Body Corporate of POS as a result of the Schemes.

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14.8 Remuneration of POS Directors

The POS Directors are entitled to be paid fees for their services as directors of POS and have been paid the following fees in the past two financial years (inclusive of superannuation entitlements):

POS DIRECTOR	FY 2025 (to date)[1]	FY 2024
Mr W Hallam	$23,229.19[2]	$61,941[5]
Mr P Harold	$51,104.19[3]	$527,912[6]
Mr P Muccilli	$23,229.19[4]	$61,941[7]

Notes:

1. Fees accrued up to 30 November 2024.
2. Comprising $20,833.35 in Directors' fees and $2,395.84 in superannuation payments.
3. Comprising $45,833.35 in Directors' fees and $5,270.84 in superannuation payments.
4. Comprising $20,833.35 in Directors' fees and $2,395.84 in superannuation payments.
5. Comprising $55,803 in Directors' fees and $6,183 in superannuation payments.
6. Comprising $415,133 in Directors' fees, $46,130 in superannuation payments, $64,260 in the value of Performance Rights and $2,389 in other long term benefit payments. Mr Harold transitioned from MD/CEO on 2 October 2023 and commenced as the Non-Executive Chairman on 27 October 2023. His salary and fees for 2024 comprised of $341,633 in salary as MD/CEO and $73,500 in director fees. As part of his transition from MD/CEO to Non-Executive Chairman, Mr Harold received a severance payment of $206,250 which was equal to four and a half months of his salary.
7. Comprising $55,803 in Directors' fees and $6,138 in superannuation payments.

14.9 Payments to non-executive HRZ Directors

The HRZ Constitution provides that non-executive directors of HRZ may be paid, as remuneration for their services as directors of HRZ, a sum determined from time to time by HRZ Shareholders in a general meeting, with that sum to be divided amongst the non-executive directors in such manner and proportion as they agree.

As at the date of this Scheme Booklet, the aggregate maximum remuneration for non-executive HRZ Directors is $250,000 per annum.

14.10 Disclosure of payments and benefits to POS Directors, secretaries and executive officers

No POS Director, secretary or executive officer of POS (or any of its Related Bodies Corporate) has agreed to receive, or is entitled to receive, any payment or benefit from HRZ which is conditional on, or is related to, the Scheme other than in their capacity as a POS Securityholder or as set out in Section 14.7.

14.11 Disclosure of interests

Except as disclosed below or elsewhere in this Scheme Booklet, no:

(a) POS Director or proposed director of Poseidon;

(b) HRZ Director or proposed director of HRZ;

(c) person named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet; or

(d) promoter or underwriter of HRZ or the Combined Group,

(together "**Interested Persons**") holds, or held at any time during the two years before the date of this Scheme Booklet any interests in:

(e) the formation or promotion of HRZ or the Combined Group;

(f) property acquired or proposed to be acquired by HRZ in connection with the formation or promotion of HRZ or the Combined Group; or

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(g) the offer of New HRZ Shares or New HRZ Options under the Schemes.

14.12 Disclosure of fees and other benefits

Except as disclosed elsewhere in this Scheme Booklet, neither HRZ nor POS has paid or agreed to pay any fees, or provided or agreed to provide any benefit to:

(a) a director or proposed director of HRZ to induce them to become or qualify as a director of HRZ; or

(b) any Interested Person for services provided by that person in connection with:

(i) the formation or promotion of HRZ or the Combined Group; or

(ii) the offer of New HRZ Shares or New HRZ Options under the Schemes.

14.13 Creditors of Poseidon

The Schemes, if implemented, will not affect the interests of creditors of Poseidon.

POS has paid and is paying all its creditors within normal terms of trade. It is solvent and is trading in an ordinary commercial manner.

14.14 Right to inspect Share Register and Option Register

POS Shareholders have the right to inspect the POS Share Register which contains the name and address of each POS Shareholder and certain other prescribed details relating to POS Shareholders, without charge.

POS Optionholders have the right to inspect the POS Option Register which contains the name and address of each POS Optionholder and certain other prescribed details relating to POS Optionholders, without charge.

POS Securityholders also have the right to request a copy of the POS Share Register or POS Option Register (as applicable), upon payment of a fee (if any) up to a prescribed amount.

POS Securityholders have these rights by virtue of section 173 of the Corporations Act.

14.15 Regulatory relief – ASX

On 14 November 2024, POS obtained confirmation from ASX granting its application for a waiver of ASX Listing Rule 6.23.2 in respect of the cancellation of the POS Incentive Options.

14.16 No administrator

It is not proposed that any person be appointed to manage or administer the Schemes.

14.17 No relevant restrictions in the constitution of Poseidon

There are no restrictions on the right to transfer POS Securities in Poseidon's constitution.

14.18 No unacceptable circumstances

The POS Directors do not believe that the Schemes involve any circumstances in relation to the affairs of any member of POS that could reasonably be characterised as constituting "unacceptable circumstances" for the purposes of section 657A of the Corporations Act.

14.19 POS Securityholders in jurisdictions outside Australia and New Zealand

This Scheme Booklet and the Schemes are subject to Australian disclosure requirements that may be different to those applicable in other jurisdictions. This Scheme Booklet and the Schemes do not in any way constitute an offer of securities in any place in which, or to any person to whom, it would not be lawful to make such an offer.

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Any POS Securityholder whose address as shown in the POS Share Register as applicable at 5.00pm (AWST) on the Record Date is outside of Australia or its external territories or New Zealand will be an Ineligible Foreign Shareholder for the purposes of the Share Scheme, other than a POS Shareholder in respect of whom HRZ is satisfied that the laws of that holder's country of residence (as shown in the POS Share Register) would permit the issue of New HRZ Shares either unconditionally or after compliance with conditions which HRZ in its sole discretion regards as acceptable and not unduly onerous.

HRZ will not issue New HRZ Shares to an Ineligible Foreign Shareholder. If you are an Ineligible Foreign Shareholder, you should refer to Section 5.7 for further information.

14.20 Privacy and personal information

POS and HRZ, their respective share registries and investor relations advisers may collect personal information about you in the process of implementing the Schemes. The personal information may include the names, contact details and details of the security holdings of POS Securityholders, and the names of individuals appointed by POS Securityholders as proxies, corporate representatives or attorneys at the Scheme Meeting.

The personal information is collected for the primary purpose of implementing the Schemes. The personal information may be disclosed to Poseidon's and HRZ's share and option registries and investor relations advisers, to securities brokers and to print and mail service providers.

POS Securityholders who are individuals and the other individuals in respect of whom personal information is collected as outlined above have certain rights to access the personal information collected in relation to them. Such individuals should contact POS Scheme Information Line on 1300 441 607 (from within Australia) or +61 2 7250 6677 (from outside Australia) between 7.00am – 4.00pm (AWST) Monday to Friday, in the first instance if they wish to request access to that personal information.

POS Securityholders who appoint an individual as their proxy, corporate representative or attorney to vote at the Scheme Meeting should inform that individual of the matters outlined above.

14.21 Supplementary information

POS will issue a supplementary document to this Scheme Booklet if it becomes aware of any of the following between the date of lodgement of this Scheme Booklet for registration by ASIC and the date of the Scheme Meeting:

(a) a material statement in this Scheme Booklet that is false or misleading;

(b) a material omission from this Scheme Booklet;

(c) a significant change affecting a matter included in this Scheme Booklet; or

(d) a significant new matter arising that would have been required to be included in this Scheme Booklet if it had arisen before the date of lodgement of this Scheme Booklet for registration by ASIC.

The form of the supplementary document and whether a copy will be sent to each POS Securityholder will depend on the nature and timing of the new or changed circumstances. Any such supplementary document will be made available on Poseidon's website (www.poseidon-nickel.com.au/).

Any such supplementary document will also be released to ASX and accordingly will be available from ASX's (www.asx.com.au).

14.22 Compliance Statements

(a) POS Compliance Statement

(i) Poseidon's Nickel Mineral Resources

The information in this Scheme Booklet that relates to Poseidon's Mineral Resources estimates is extracted from and was originally reported in Poseidon's ASX announcements "Updated Resource provides more Nickel at Black Swan" released 7 June 2023, "Updated Silver Swan Resource underpins significant increase in high-grade Indicated resource base" released 27 April 2022, "Golden Swan Maiden Resource" released 27 October 2021, "Silver Swan Tailings – Maiden Resource Estimate" released 15 September 2021, "Poseidon Announces Black Swan Mineral Resource" released 4 August 2014, "50% Increase in Indicated Resources at Lake Johnston" released 17 March 2015, "Poseidon Announces Revised Mt Windarra Resource" released 7 November 2014) and "Resource Increase of 25% at Windarra Nickel Project" released 1 December 2011, each of which is available at www.asx.com.au or www.poseidon-nickel.com.au.

Poseidon confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed. Poseidon confirms that the form and context of the Competent Person's findings in relation to those Mineral Resources estimates or Ore Reserves estimates have not been materially modified from the original market announcements.

(ii) Gold Tailings Mineral Resource

The information is this Scheme Booklet that relates to Poseidon's Mineral Resources estimates on the Windarra Gold Tailings Project is extracted from and was originally reported in Gold Tailings Resource at Windarra updated to JORC 2012 Indicated" released 22 Jun 2020 which is available at www.asx.com.au or www.poseidon-nickel.com.au.

Poseidon confirms that the form and context of the Competent Person's findings in relation to those Mineral Resources estimates have not been materially modified from the original market announcements.

(b) HRZ Compliance Statement

(i) Horizon's Gold Mineral Resources

The information in this Scheme Booklet that relates to Horizon's estimates of exploration results and Mineral Resources at all of Horizon's gold projects other than Burbanks and Phillips Find (see below) is extracted from, and was originally reported in, Horizon's ASX announcements: "Intermin's Mineral Resources Grow 30% to over 560,000 Ounces" (ASX:IRC) (Teal) dated 19 September 2018; "Gold resources increase to 1.24moz" (Coote, Capricorn, Baden Powell) dated 28 September 2022; "Rose Hill firms as quality high grade open pit and underground gold project" dated 8 December 2020; "Penny's Find Drilling Shows Growth Potential" dated 31 May 2023, "Gold Exploration Update" dated 5 December 2023, "Pennys Find Resource Update" dated 29 December 2023; "Updated Crake Resource improves in quality" dated 7 September 2021; "Jacques Find- Peyes Farm Mineral Resource update" dated 15 September 2021; "Asset Swap with Northern Star Completion" dated 20 December 2019; "Investor Presentation June 2022" dated 31 May 2022; "Maiden Resources for Monument and Golden Ridge North" dated 19 July

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2023; “Kalpini Gold Project Mineral Resource Update” dated 28 September 2021; “Group Minerals Resources Statement” dated 25 July 2024, “Encouraging Results at Honeyeater and Black Flag” dated 23 August 2022.

The information in this Scheme Booklet that relates to Horizon’s estimates of Mineral Resources at Burbanks is extracted from, and was originally reported by Greenstone Resources (GSR) in “Global Gold Resource Increases 57% to 520,134oz” dated 5 July 2023.

The information in this Scheme Booklet that relates to Horizon’s Mineral Resources at Phillips Find is extracted from, and was originally reported by, Greenstone Resources (GSR) in “Interim Update Increases Resource by 128% to 332,114oz dated 20 September 2022.

Each of the announcements referenced above are available at www.asx.com.au.

Horizon confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements, in the case of estimates of Mineral Resources, and that all material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed. Horizon confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcements.

(ii) **Non-gold Mineral Resources**

The information in this Scheme Booklet that relates to Horizon’s exploration targets at the Nimbus Silver Zinc Project is based on information compiled by Mr Stephen Godfrey. Mr Godfrey is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM #110542) and a Member of the Australian Institute of Geoscientists (MAIG #3993). Mr Godfrey is a full-time employee of Horizon as Resource Development Manager. Mr Godfrey has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2012 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves’. Mr Godfrey consents to the inclusion in this Scheme Booklet of the matters based on his information in the form and context in which it appears.

The information in this Scheme Booklet that relates to Horizon’s exploration results and estimates of Mineral Resources at the Nimbus Silver Zinc Project is extracted from, and was originally reported in, Intermin’s and MacPhersons’ ASX announcement “Intermin and MacPhersons Agree to Merge – Creation of a New Gold Company Horizon Minerals Ltd” dated 11 December 2018 and in MacPhersons’ ASX announcements “Quarterly Activities Report” dated 25 October 2018; “New High Grade Nimbus Silver Core Averaging 968 g/t Ag” dated 10th May 2016; and “Nimbus Increases Resources” dated 30 April 2015, and “Group Mineral Resources Statement - Amended” dated 1 August 2024.The information in this Scheme Booklet that relates to Horizon’s estimates of Mineral Resources at Mt Thirsty is extracted from, and was originally reported by Greenstone Resources (GSR) in, “Mt Thirsty Mineral Resource Increases by Over 145%”, on 26 April 2023.

Each of the announcements referenced above are available at www.asx.com.au.

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Horizon confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed.

Horizon confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

(iii) **Gold Ore Reserves**

The information in this Scheme Booklet that relates to Horizon's estimates of Ore Reserves is extracted from and was originally reported in Horizon's ASX announcements, in the case of estimates of Ore Reserves, "Positive Results for Cannon Underground Gold Project and Feasibility Study Update", (ASX:HRZ) (Cannon) dated 29 March 2022, "Boorara Ore Reserve Supports Development" (Boorara) dated 1 August 2024, and "Pennys Find Pre-Feasibility Study and Ore Reserve" dated 18 December 2024 each of which is available at www.asx.com.au.

Horizon confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed. Horizon confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

14.23 Advisers and experts

(a) **Roles of advisers and experts**

The persons named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the Scheme or the preparation or distribution of this Scheme Booklet are:

NAME	ROLE	ESTIMATE OF FEES (EX. GST)
BDO Corporate Finance Australia Pty Ltd	Independent Expert	$75,000
Valuation and Resource Management Pty Ltd	Independent Technical Assessment	$65,000
Steinepreis Paganin	Legal adviser to Poseidon	$250,000

(b) **Consents of advisers and experts**

BDO Corporate Finance Australia Pty Ltd has given its consent to the inclusion of its Independent Expert's Report in this Scheme Booklet in the form and context in which it appears in Annexure A of this Scheme Booklet and has not withdrawn that consent before the date of this Scheme Booklet. BDO Corporate Finance Australia Pty Ltd takes no responsibility for the contents of the Scheme Booklet other than the Independent Expert's Report. The interests of BDO Corporate Finance Australia Pty Ltd in its capacity as Independent Expert are disclosed in the Independent Expert's Report.

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Valuation and Resource Management Pty Ltd has given its consent to the inclusion in the Independent Expert's Report in this Scheme Booklet of technical information relating to POS and HRZ in the form and context in which the information appears and has not withdrawn that consent before the date of this Scheme Booklet.

HRZ has given its consent to the inclusion of the HRZ Information in the form and context in which it appears and has not withdrawn that consent before the date of this Scheme Booklet.

Steinepreis Paganin has given its consent to be named in this Scheme Booklet as legal adviser to POS in the form and context in which it appears and has not withdrawn that consent before the date of this Scheme Booklet. '

Allen Overy Shearman Sterling has given its consent to be named in this Scheme Booklet as legal adviser to HRZ in the form and context in which it appears and has not withdrawn that consent before the date of this Scheme Booklet.

Botanica Consulting Pty Ltd has given its consent to the inclusion in this Scheme Booklet of references to and information from flora and fauna surveys conducted by Botanica Consulting Pty Ltd at Horizon's Monument and Golden Ridge prospects, in the form and context in which the information appears, and has not withdrawn that consent before the date of this Scheme Booklet.

Nordic Geoscience Pty Ltd has given its consent to the inclusion in this Scheme Booklet of references to its interpretative gravity work conducted in 2021 in respect of Horizon's Lakewood prospect, in the form and context in which the information appears, and has not withdrawn that consent before the date of this Scheme Booklet.

Automic has given its consent to be named in this Scheme Booklet as POS's share registry in the form and context in which it appears and has not withdrawn that consent before the date of this Scheme Booklet.

Computershare Investor Services Pty Ltd has given its consent to be named in this Scheme Booklet as HRZ's share registry in the form and context in which it appears and has not withdrawn that consent before the date of this Scheme Booklet.

Each person named in Section 14.23(a) has given, and before the time of registration of this Scheme Booklet with ASIC, has not withdrawn, their consent to being named in this Scheme Booklet in the capacity indicated next to their name.

This Scheme Booklet also includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX. Under the terms of *ASIC Corporations (Takeover Bids) Instrument 2023/683*, the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Scheme Booklet. If you would like to receive a copy of any of those documents, or the relevant parts of the documents containing the statements, free of charge, prior to the Record Date, and within 2 Business Days of the request, please contact the POS Scheme Information Line on 1300 441 607 (from within Australia) or +61 2 7250 6677 (from outside Australia) between 7.00am – 4.00pm (AWST) Monday to Friday.

As permitted by *ASIC Corporations (Consents to Statements) Instrument 2016/72*, this Scheme Booklet may include or be accompanied by certain statements:

- fairly representing a statement by an official person; or
- from a public official document or a published book, journal or comparable publication.

In addition, as permitted by *ASIC Corporations (Consents to Statements) Instrument 2016/72*, this Scheme Booklet contains share price trading data sourced from the ASX official website.

(c) **Disclaimers of responsibility**

Each person named in Section 14.23(a) as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet:

(i) has not authorised or caused the issue of this Scheme Booklet or the making of the offer of New HRZ Shares and New HRZ Options under the Schemes;

(ii) does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based, other than a statement included in this Scheme Booklet with the written consent of that person as stated in Section 14.23(b); and

(iii) makes no representations regarding, and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for, any statements in or omissions from any part of this Scheme Booklet, other than a reference to its name and any statement or report that has been included in this Scheme Booklet with the consent of that person.

(d) **Fees**

Each person named in Section 14.23(a) as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet will be entitled to receive professional fees charged in accordance with their normal basis of charging. The estimated fees payable to these parties are set out in Section 14.23(a).

14.24 Effects of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Scheme Booklet including but not limited to those in respect of the Scheme Consideration, are subject to the effect of rounding. Accordingly, the actual calculations of these figures may differ from the figures set out in this Scheme Booklet.

14.25 Data in charts, graphs and tables

Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the Last Practicable Date. Any discrepancies in any chart, graph or table between totals and sums of amounts presented or listed therein or to previously published financial figures are due to rounding.

14.26 ASIC Relief

In respect of the Option Scheme, in accordance with ASIC Regulatory Guide 60 (specifically paragraphs RG 60.61 to RG 60.64) POS has applied on behalf of POS for:

(a) an exemption by ASIC under subregulation 5.1.01(1) of the Corporations Regulations in the form set out in Pro Forma 191 (Information to option/debenture holders); and

(b) an exemption by ASIC under subregulation 5.1.01(1) of the Corporations Regulations in the form set out in Pro Forma 192 (Names and 'debts' to option holders).

POS has requested ASIC provide written waivers in the form of Pro Forma 191 and 192, allowing POS to send an explanatory statement that does not:

(c) state the matters set out in clauses 8201(a), 8201(b), 8201(c), 8201(d) and 8201(e); nor

(d) contain or have annexed to the explanatory statement the reports and copies of documents referred to in paragraphs 8203(a) and 8203(b), of Part 2 of Schedule 8 to the Corporations Regulations.

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POS expects to receive a response from ASIC in relation to these waivers prior to dispatch of the Scheme Booklet.

14.27 No other material information

Other than as set out in this Scheme Booklet, including the Annexures to this Scheme Booklet, there is no information material to the making of a decision in relation to the Scheme or a decision by a POS Securityholder whether or not to vote in favour of the Schemes, being information that is within the knowledge of any POS Directors or of a Related Body Corporate of POS and which has not previously been disclosed to POS Securityholders.

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15. Glossary of defined terms

The following defined terms used throughout this Scheme Booklet have the meaning set out below unless the context otherwise requires.

A$ or $	The lawful currency of Australia.
AASB	The Australian Accounting Standards Board, being the Australian Regulatory Authority responsible for developing and issuing accounting standards applicable to Australian entities and the "care and maintenance" of the body of standards as set out in the *Australian Securities and Investments Commission Act 2001* (Cth).
AASB Standards	The Australian Accounting Standards issued by the AASB.
Annexure	An annexure of this Scheme Booklet.
Announcement Date	25 October 2024, being the date of announcement of the Merger.
ASIC	The Australian Securities and Investments Commission.
Associate	Has the meaning given to it in section 12 of the Corporations Act.
ASX	ASX Limited (ACN 008 624 691) or the financial products market Australian Securities Exchange as the context applies.
ASX Listing Rules	The listing rules of ASX.
ASX Settlement Operating Rules	The settlement rules of ASX Settlement Pty Limited (ACN 008 504 532).
ATO	Australian Taxation Office.
Automic	Automic Pty Ltd (ACN 152 260 814)
Business Day	A day as defined in the Listing Rules other than any day which banks are not open for general banking business in Perth, Western Australia.
CGT	Capital Gains Tax, as defined in the *Income Tax Assessment Act 1997* (Cth).
Combined Group	The corporate group comprising HRZ Group and the POS Group, if the Schemes are implemented.
Combined Group Board	The board of directors of HRZ, after the implementation of the Schemes.
Competing Proposal	A transaction or agreement or arrangement (whether by way of takeover offer, scheme of arrangement, shareholder approved acquisition, capital reduction or buy back, sale, purchase or assignment of shares or assets, lease, joint venture, strategic alliance, partnership dual-listed company structure (or other economic or synthetic merger), or combination or other transaction or arrangement) pursuant to which a Third Party (or Third Parties) will, if the transaction, agreement or arrangement is entered into or completed: (a) acquire (whether directly or indirectly) or become the holder of, or otherwise acquire, have a right to acquire or have an economic interest in all or a substantial part of the business conducted by or assets or property of the POS Group or the HRZ Group (as applicable); (b) acquire (whether directly or indirectly) or have a right to acquire control (as determined in accordance with section 50AA of the Corporations Act) of POS or HRZ or any member of the POS Group or the HRZ Group (as applicable); (c) acquire (whether directly or indirectly) or have a right to acquire a relevant interest (as determined in accordance with sections 608 and 609 of the Corporations Act) in 20% or more of the POS Shares or HRZ Shares or the share capital of any

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	member of the POS Group or the HRZ Group (as applicable); or (d) require POS or HRZ (as applicable) to abandon, or otherwise fail to proceed with, the Schemes
Computershare	Computershare Investor Services Pty Limited (ACN 078 279 277).
Corporations Act	The *Corporations Act 2001* (Cth).
Corporations Regulations	The *Corporations Regulations 2001* (Cth).
Court	The Supreme Court of Western Australia, or such other court of competent jurisdiction as agreed in writing by HRZ and Poseidon.
Deed Polls	The Share Scheme Deed Poll and the Option Scheme Deed Poll.
Effective	When used in relation to the Schemes, means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under sections 411(4)(b) and 411(6) in relation to the Schemes.
Effective Date	The date on which the Schemes become Effective.
End Date	25 April 2025 or such other date as POS and HRZ may agree in writing.
Excluded Optionholder	Any POS Optionholder who is a member of the HRZ Group or any POS Optionholder who holds any POS Options on behalf of or for the benefit of, any member of the HRZ Group.
Excluded Securityholder	An Excluded Shareholder and/or Excluded Optionholder (as applicable).
Excluded Shareholder	Any POS Shareholder who is a member of the HRZ Group or any POS Shareholder who holds any POS Shares on behalf of or for the benefit of, any member of the HRZ Group.
Exclusivity Period	Has the meaning given in Section 13.2.
Exploration Results	Has the meaning given in the JORC Code.
Facility Agreement	Has the meaning given in Section 6.11.
HRZ Board	The board of HRZ Directors.
HRZ Directors	The directors of HRZ.
HRZ Employment Incentive Plan	Horizon Minerals Limited Employee Incentive Plan.
HRZ Group	HRZ and its subsidiaries.
HRZ Information	The information concerning HRZ and the Combined Group provided by HRZ (to the extent relating to HRZ) to POS in writing for inclusion in this Scheme Booklet.
HRZ Material Adverse Change	Has the meaning given to the term 'HRZ Material Adverse Change' in clause 1.1 of the Scheme Implementation Deed.
HRZ Option	An option to acquire a HRZ Share.
HRZ or **Horizon**	Horizon Minerals Limited (ACN 007 761 186).
HRZ Class A Performance Rights	A right to acquire an HRZ Share subject to the satisfaction of applicable vesting conditions applicable to that class as summarised in Section 7.10.
HRZ Class B Performance Rights	A right to acquire a HRZ Share subject to the satisfaction of applicable vesting conditions applicable to that class as summarised in Section 7.10.
HRZ Class C	A right to acquire a HRZ Share subject to the satisfaction of applicable

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Performance Rights	vesting conditions applicable to that class as summarised in Section 7.10.
HRZ Performance Rights	The HRZ Class A Performance Rights, the HRZ Class B Performance Rights and the HRZ Class C Performance Rights, as the context requires.
HRZ Prescribed Event	Has the meaning given to the term 'HRZ Prescribed Event' in clause 1.1 of the Scheme Implementation Deed.
HRZ Register	The register of HRZ Securityholders maintained by Computershare in accordance with the Corporations Act.
HRZ Representation and Warranties	Has the meaning given to the term 'HRZ Representations and Warranties' in clause 1.1 of the Scheme Implementation Deed.
HRZ Share	A fully paid ordinary share in the capital of HRZ.
Implementation Date	The date that is the fifth Business Day after the Record Date.
Independent Expert	BDO Corporate Finance Australia Pty Ltd ABN 70 050 038 170 AFS Licence No 247 420
Independent Expert's Report	The report of the Independent Expert in relation to the Schemes as set out in Annexure A of this Scheme Booklet.
Independent POS Directors	Mr Peter Harold and Mr Peter Muccilli.
Ineligible Foreign Shareholder	A POS Shareholder whose address as shown in the POS Share Register at 5.00pm (AWST) on the Record Date is a place outside Australia or its external territories or New Zealand, other than one in respect of whom HRZ is satisfied that the laws of the POS Shareholder's country of residence (as shown in the POS Share Register) would permit the issue and allotment of New HRZ Shares, either unconditionally or after compliance with conditions which HRZ in its sole discretion regards as acceptable and not unduly onerous.
Ineligible Shareholder	An Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder.
Interested Person	A person named in Section 14.11.
JORC Code or **JORC 2012**	The 2012 edition of the Australasian Code for Reporting Exploration Results, Minerals Resources and Ore Reserves.
Last Practicable Date	20 December 2024, being the last practicable date before the finalisation of this Scheme Booklet.
Merger	The proposed merger of POS with HRZ on the terms and conditions summarised in this Scheme Booklet.
Mineral Resource	Has the meaning given to it in the JORC Code.
Net Sale Proceeds	The sale proceeds of New HRZ Shares sold under the Sale Facility by the Sale Agent in respect of Ineligible Shareholders, less any applicable brokerage, selling costs, stamp duty and other taxes and charges.
New HRZ Option	A HRZ Option to be issued under the Option Scheme as the Option Scheme Consideration, on the terms set out in Section 14.6.
New HRZ Share	A HRZ Share to be issued under the Share Scheme as the Share Scheme Consideration.
Option Scheme	The scheme of arrangement under Part 5.1 of the Corporations Act between POS and the Scheme Optionholders, the form of which is set out in Annexure C, under which Scheme Optionholders will receive the Option Scheme Consideration, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by HRZ and Poseidon.

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Option Scheme Consideration	The consideration to be provided to the Scheme Optionholders under the terms of the Option Scheme, for the cancellation and extinguishment of their Scheme Options, comprising such number of New HRZ Options as determined by applying the Transaction Ratio, with such New HRZ Options to have an exercise price equal $0.0519 to be exercised on or before 3 September 2026. The New HRZ Options will otherwise be issued on the terms set out in Section 14.6.
Option Scheme Deed Poll	The deed poll dated 12 December 2024 executed by HRZ whereby, among other things, HRZ covenants to carry out its obligations under the Option Scheme, as set out in Annexure E.
Option Scheme Meeting	The meeting of POS Optionholders ordered by the Court to be convened under section 411(1) of the Corporations Act. The notice convening the Option Scheme Meeting is contained in Annexure G.
Option Scheme Resolution	The resolution set out in the Notice of Option Scheme Meeting set out in Annexure G.
POS Board	The board of POS Directors.
POS Directors	The directors of Poseidon.
POS Employee Securities Incentive Plan	The employee securities incentive plan approved by POS Shareholders at the POS annual general meeting held on 24 November 2022.
POS Group	POS and its subsidiaries.
POS Incentive Option	An option to acquire a POS Share issued by POS to a POS Incentive Optionholder (or their respective nominees), which have the ASX codes POSAH, POSAI, POSAJ, POSAE and POSAF.
POS Incentive Optionholder	Each person who holds a POS Incentive Option.
POS Incentive Option Consideration	The value ascribed to the POS Incentive Option as set out in Schedule 5 of the Scheme Implementation Deed.
POS Incentive Option Deed	A deed between POS, a POS Incentive Optionholder and HRZ (in a form acceptable to HRZ, acting reasonably) under which those parties agree to cancel (or transfer to HRZ or its nominee) all of that POS Incentive Optionholder's POS Incentive Options with effect on the Implementation Date, conditional on the Schemes becoming Effective, for the POS Incentive Option Consideration.
POS Independent Board	The POS Board excluding Mr Warren Hallam.
POS Material Adverse Change	Has the meaning given to the term 'POS Material Adverse Change' in clause 1.1 of the Scheme Implementation Deed.
POS Option	means an unlisted option to acquire a POS Share issued by POS other than a POS Incentive Option, all of which have the ASX code POSAAB.
POS Option Register	The register of persons who from time to time is the holder of a POS Option as maintained by Automic in accordance with the Corporations Act.
POS Optionholder	Each person who is registered in the POS Option Register from time to time as the holder of a POS Option.
POS Performance Rights	Means an entitlement granted by POS for the holder to be allocated a POS Share subject to the satisfaction of any applicable vesting conditions.
POS LTI Performance Rights	Has the meaning given to it in Section 5.11.

POS Prescribed Event	Has the meaning given to the term 'POS Prescribed Event' in clause 1.1 of the Scheme Implementation Deed.
POS Representation and Warranties	Has the meaning given to the term 'POS Representations and Warranties' in clause 1.1 of the Scheme Implementation Deed.
POS Security	A POS Share or a POS Option.
POS Securityholder	A POS Shareholder and/or POS Optionholder (as applicable).
POS Share	A fully paid ordinary share in the capital of POS.
POS Share Register	The register of POS Shareholders maintained by Automic in accordance with the Corporations Act.
POS Shareholder	Each person who is registered in the POS Share Register from time to time as the holder of a POS Share.
Poseidon, POS or **Company**	Poseidon Nickel Limited (ACN 060 525 206).
Record Date	The date that is the second Business Day after the Effective Date.
Regulatory Authority	Includes: (a) ASX; (b) ASIC; (c) the Takeovers Panel; (d) a government or governmental, semi-governmental or judicial entity or authority; (e) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and (f) any regulatory organisation established under statute.
Reimbursement Fee	$250,000, payable in certain circumstances as prescribed under clause 13 of the Scheme Implementation Deed, representing a genuine and reasonable estimate of cost and loss that would be suffered by POS or HRZ (as applicable) if the Schemes are not implemented.
Related Body Corporate	The meaning given to it in the Corporations Act.
Relevant Interest	The meaning given to it in sections 608 and 609 of the Corporations Act.
Representative	In respect of a party or its subsidiaries, each director, officer, employee, advisor, agent or representative of that party or Related Body Corporate.
Requisite Majority	(a) In respect of the Share Scheme, approval by: (i) more than 50% in number of POS Shareholders present and voting (whether in person, by proxy, by attorney or, in the case of a corporation, by corporate representative); and (ii) at least 75% of the total number of votes cast on the Share Scheme Resolution by POS Shareholders. (b) In respect of the Option Scheme, approval by: (i) more than 50% in number of POS Optionholders present and voting (whether in person, by proxy, by attorney or, in the case of a corporation, by corporate representative); and (ii) at least 75% of the total number of votes cast on the Option Scheme Resolution by POS Optionholders.
Sale Agent	A person (or that person's nominee) appointed by HRZ to sell the New HRZ Shares that would otherwise be issued to or for the benefit of Ineligible Shareholders under the terms of the Share Scheme. HRZ has

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	appointed Argonaut Securities Pty Ltd as the Sale Agent.
Sale Facility	The mechanism by which Ineligible Shareholders receive the Net Sale Proceeds of any sale of New HRZ Shares they would otherwise receive, as described in Section 5.8.
Scheme Booklet	This booklet that comprises the explanatory statement in respect of the Schemes to be approved by the Court and despatched to POS Securityholders and includes the Annexures to this booklet.
Scheme Conditions	The conditions for implementation of the Schemes as set out in clause 2.1 to the Scheme Implementation Deed as detailed at Section 12.2.
Scheme Consideration	The Share Scheme Consideration and/or Option Scheme Consideration (as the context requires).
Scheme Implementation Deed	The Scheme Implementation Deed dated 24 October 2024 between POS and HRZ relating to the implementation of the Schemes.
Scheme Meetings	The Share Scheme Meeting and/or Option Scheme Meeting (as applicable).
Scheme Option	A POS Option held by a Scheme Optionholder at 5:00pm (AWST) on the Record Date.
Scheme Optionholder	A holder of POS Options recorded in the POS Option Register as at 5:00pm (AWST) on the Record Date.
Scheme Participants	Scheme Shareholders and Scheme Optionholders.
Scheme Shareholder	A holder of POS Shares (other than Excluded Shareholders) recorded in the POS Share Register as at 5:00pm (AWST) on the Record Date.
Schemes	The Share Scheme and the Option Scheme as set out in Annexure B and Annexure C, respectively.
Second Court Date	The first day of the Second Court Hearing.
Second Court Hearing	The hearing of the application made to the Court for an order pursuant to sections 411(4)(b) and 411(6) of the Corporations Act approving the Schemes.
Section	A section of this Scheme Booklet.
Share Scheme	The scheme of arrangement under Part 5.1 of the Corporations Act between POS and the Scheme Shareholders, the form of which is set out in Annexure B, under which Scheme Shareholders will receive the Share Scheme Consideration, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by HRZ and Poseidon.
Share Scheme Consideration	The consideration to be provided to Scheme Shareholders under the terms of the Share Scheme, for the transfer of their Scheme Shares, comprising the Transaction Ratio.
Share Scheme Deed Poll	The deed poll dated 12 December 2024 executed by HRZ whereby, among other things, HRZ covenants to carry out its obligations under the Share Scheme, as set out in Annexure D.
Share Scheme Meeting	The meeting of POS Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act to consider and vote on the Share Scheme and includes any meeting convened following any adjournment or postponement of that meeting. The notice convening the Share Scheme Meeting is contained in Annexure F.
Share Scheme Resolution	The resolution set out in the Notice of Share Scheme Meeting set out in Annexure F.
Subsidiaries	Has the meaning it has in the Corporations Act.

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Superior Proposal	A bona fide Competing Proposal (and not resulting from a breach by POS of its obligations under the Scheme Implementation Deed including, without limitation clause 12 of the Scheme Implementation Deed), which the board of the receiving party, acting in good faith, and after taking written advice from its legal and (if applicable) financial advisors, determines: (a) is reasonably capable of being valued and completed within a reasonable timeframe; and (b) if completed substantially in accordance with its terms, is more favourable to its shareholders (as a whole) than the Schemes, in each case taking into account all aspects of the Competing Proposal and the identity and reputation of the person making it, including without limitation all legal, regulatory and financial matters (including the value and type of consideration, funding, any timing considerations, any conditions precedents or other matters affecting the probability of the Competing Proposal being completed).
Takeovers Panel	The Australian Takeovers Panel constituted under the *Australian Securities and Investments Commission Act 2001* (Cth).
Transaction Ratio	In the case of the Share Scheme, the transaction ratio is 0.1156 New HRZ Shares for every 1 POS Share held. In the case of the Option Scheme, the Transaction Ratio is 0.1156 New HRZ Options for every 1 POS Option held.
Unmarketable Parcel Shareholder	A Scheme Shareholder (other than an Ineligible Foreign Shareholder) who, based on their holding of Scheme Shares would, on implementation of the Share Scheme, be entitled to receive less than a marketable parcel (as that term is defined in the Listing Rules) of New HRZ Shares (assessed by reference to the price of HRZ Shares on ASX at the close of trading on the trading day prior to the Record Date) as Share Scheme Consideration.

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Schedule 1 – HRZ Tenements

PROSPECT/TENEMENT	INTEREST (%)
BINDULI	
L 26/261	100%
M 26/346	100%
M 26/499	100%
M 26/549	100%
M 26/621	100%
M 26/855 [PENDING]	100%
P 26/4256	100%
P 26/4579	100%
P 26/4580	100%
P 26/4318 [PENDING]	100%
BLACK FLAG	
E 26/220	100%
P 24/5143	100%
P 24/5144	100%
P 24/5145	100%
P 24/5146	100%
P 24/5147	100%
P 24/5148	100%
P 24/5149	100%
P 24/5150	100%
P 24/5151	100%
P 24/5152	100%
P 24/5153	100%
P 24/5154	100%
P 24/5155	100%
P 24/5156	100%
P 24/5157	100%
P 24/5158	100%
P 24/5159	100%
P 24/5160	100%
P 24/5348	100%
P 24/5415	100%

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PROSPECT/TENEMENT	INTEREST (%)
P 24/5637	100%
P 24/5638	100%
P 24/5639	100%
P 24/5640	100%
BRIDGETOWN-GREENBUSHES	
E 70/5980	100%
E 70/5981	100%
E 70/6551	100%
E 70/6552 [PENDING]	100%
E 70/6553 [PENDING]	100%
E 70/6554	100%
E 70/6555 [PENDING]	100%
BURBANKS	
M 15/161	100%
M 15/731	100%
M 15/1845 [PENDING]	100%
M 15/1860 [PENDING]	100%
P 15/5249	100%
P 15/5412	100%
P 15/6314	100%
P 15/6417 [PENDING]	100%
P 15/6549 [PENDING]	100%
P 15/6757	100%
P 15/6774	100%
P 15/6775	100%
CANNON GOLD MINE	
E 25/349	100%
E 25/543	100%
E 25/564	100%
L 25/43	100%
L 25/48	100%
L 25/50	100%
L 25/51	100%
M 25/182	100%
M 25/327	100%

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PROSPECT/TENEMENT	INTEREST (%)
M 25/329	100%
M 25/330	100%
M 25/333	100%
M 25/357	100%
P 25/2365	100%
P 25/2449	100%
P 25/2633	100%
P 25/2670	100%
P 25/2733	100%
P 25/2748	100%
P 25/2755	100%
P 25/2761	100%
CHADWIN	
P 16/3121	100%
COOLGARDIE	
E 16/589	100%
E 16/590	100%
E 16/591	100%
E 16/592	100%
L 15/429 [PENDING]	100%
L 15/430 [PENDING]	100%
GOLDEN RIDGE	
M 26/41	100%
M 26/433	100%
M 26/534	100%
GIBRALTER	
P 15/6381	100%
KALPINI	
L 27/88	100%
M 27/485	100%
KANOWNA BELLE (NIMBUS)	
P 26/4156	100%
P 26/4535	100%
P 27/2380	100%
P 27/2381	100%

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PROSPECT/TENEMENT	INTEREST (%)
LAKEWOOD	
E 26/209	100%
P 26/4316	100%
P 26/4317	100%
P 26/4319	100%
P 26/4320	100%
P 26/4321	100%
P 26/4322	100%
P 26/4323	100%
P 26/4324	100%
P 26/4325	100%
P 26/4326	100%
P 26/4327	100%
P 26/4328	100%
P 26/4329	100%
P 26/4330	100%
P 26/4331	100%
P 26/4332	100%
P 26/4333	100%
P 26/4334	100%
P 26/4335	100%
P 26/4336	100%
P 26/4337	100%
P 26/4338	100%
P 26/4339	100%
P 26/4340	100%
P 26/4341	100%
P 26/4342	100%
P 26/4343	100%
P 26/4344	100%
P 26/4345	100%
P 26/4350	100%
PENNY'S FIND	
G 27/1	100%
L 27/90	100%

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PROSPECT/TENEMENT	INTEREST (%)
L 27/91	100%
L 27/92	100%
L 27/93	100%
M 27/156	100%
PHEONIX	
M 15/119	100%
PHILLIPS FIND	
M 16/130	100%
M 16/133	100%
M 16/168	100%
M 16/171	100%
M 16/242	100%
M 16/258	100%
M 16/550	100%
M 16/556 [PENDING]	100%
P 16/2985	100%
P 16/2986	100%
P 16/2987	100%
P 16/2988	100%
P 16/2998	100%
P 16/2999	100%
P 16/3037	100%
P 16/3038	100%
P 16/3039	100%
P 16/3040	100%
P 16/3041	100%
P 16/3042	100%
P 16/3043	100%
P 16/3084	85%
P 16/3085	85%
P 16/3086	85%
P 16/3087	85%
P 16/3088	100%
P 16/3358	100%
ROSE HILL	

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PROSPECT/TENEMENT	INTEREST (%)
M 15/1204	100%
M 15/652	100%
P 15/6380	100%
WHITE FLAG	
E 26/168	100%
M 26/616[21]	100%
P 26/4079	100%
WINDANYA	
M 24/919	100%
M 24/959	100%
P 24/4817	100%
P 24/5046	100%
P 24/5059	100%
P 24/5464	100%
P 24/5507	100%
P 24/5508	100%
M 24/1004 [PENDING]	100%
YARMANY	
E 15/1655	100%
E 15/1723	100%
E 16/470	100%
E 16/471	100%
E 16/493	100%
E 16/494	100%
E 16/497	100%
E 16/503	100%
E 16/506	100%
E 16/507	100%
E 16/510	100%
E 16/519	100%
E 16/521	100%
E 16/525	100%
E 16/526	100%

[21] Royalty of A$1 per tonne of ore mined and treated from M26/616 is payable to Pamela Jean Buchhorn.

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PROSPECT/TENEMENT	INTEREST (%)
P 16/3212	100%
P 16/3213	100%
NIMBUS/BOORARA	
E 25/511	100%
L 25/32	100%
L 25/35	100%
L 25/36	100%
L 26/240	100%
L 26/252	100%
L 26/266	100%
L 26/270	100%
L 26/274	100%
L 26/275	100%
M 25/355	100%
M 26/29	100%
M 26/161	100%
M 26/277	100%
M 26/318	100%
M 26/490	100%
M 26/598	100%
P 25/2393	100%
P 25/2394	100%
P 25/2403	100%
P 25/2404	100%
P 25/2405	100%
P 25/2450	100%
P 25/2469	100%
P 25/2470	100%
P 25/2471	100%
P 25/2472	100%
P 25/2473	100%
P 25/2474	100%
P 25/2475	100%
P 25/2526	100%
P 25/2551	100%

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PROSPECT/TENEMENT	INTEREST (%)
P 25/2552	100%
P 25/2643	100%
P 25/2644	100%
P 25/2645	100%
P 25/2646	100%
P 25/2647	100%
P 25/2697	100%
P 25/2732	100%
P 26/4199	100%
P 26/4204	100%
P 26/4205	100%
P 26/4206	100%
P 26/4207	100%
P 26/4208	100%
P 26/4299	100%
P 26/4300	100%
P 26/4301	100%
P 26/4302	100%
P 26/4381	100%
P 26/4382	100%
P 26/4383	100%
P 26/4384	100%
P 26/4385	100%
P 26/4386	100%
P 26/4405	100%
P 26/4431	100%
P 26/4432	100%
P 26/4505	100%
P 26/4509	100%
P 26/4510	100%
P 26/4518	100%
P 26/4582	100%
P 27/2265	100%
P 27/2266	100%
P 27/2267	100%

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PROSPECT/TENEMENT	INTEREST (%)
P 27/2269	100%
P 27/2429	100%
P 27/2466	100%
P 27/2467	100%
JOINT VENTURES	
MT THIRSTY[22]	
E 63/1267	50%
E 63/1790	50%
L 63/80	50%
L 63/81	50%
L 63/91	50%
P 63/2045	50%
R 63/4	50%
M63/669 (PENDING)	50%
G63/9 (PENDING)	50%
YARMANY – GOLD TIGER RESOURCES (AUS) LIMITED[23]	
E 16/492	25%
E 16/499	25%

[22] Refer to Section 7.2(p) above.

[23] Refer to Section 7.2(k) above.

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Annexure A – Independent Expert's Report

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Poseidon Nickel Limited

Independent Expert's Report

18 December 2024

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Australia

FINANCIAL SERVICES GUIDE

Dated: 18 December 2024

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This Financial Services Guide (**FSG**) helps you decide whether to use any of the financial services offered by BDO Corporate Finance Australia Pty Ltd (**BDO Corporate Finance, we, us, our**).

The FSG includes information about:

- Who we are and how we can be contacted
- The services we are authorised to provide under our Australian Financial Services Licence, Licence No: 247420
- Remuneration that we and/or our staff and any associates receive in connection with the financial services
- Any relevant associations or relationships we have
- Our complaints handling procedures and how you may access them.

FINANCIAL SERVICES WE ARE LICENSED TO PROVIDE

We hold an Australian Financial Services Licence which authorises us to provide financial product advice to retail and wholesale clients about securities and certain derivatives (limited to old law securities, options contracts, and warrants). We can also arrange for customers to deal in securities, in some circumstances. Whilst we are authorised to provide personal and general advice to retail and wholesale clients, we only provide *general* advice to retail clients.

Any general advice we provide is provided on our own behalf, as a financial services licensee.

GENERAL FINANCIAL PRODUCT ADVICE

Our general advice is typically included in written reports. In those reports, we provide general financial product advice that is prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of the general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

FEES, COMMISSIONS AND OTHER BENEFITS THAT WE MAY RECEIVE

We charge fees for providing reports. These fees are negotiated and agreed to with the person who engages us to provide the report. Fees will be agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. In this instance, the Company has agreed to pay us $132,500 for preparing the Report.

Except for the fees referred to above, neither BDO Corporate Finance, nor any of its directors, employees, or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of general advice.

All our employees receive a salary. Our employees are eligible for bonuses based on overall company performance but not directly in connection with any engagement for the provision of a report.

REFERRALS

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

ASSOCIATIONS AND RELATIONSHIPS

BDO Corporate Finance is a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The general financial product advice in our report is provided by BDO Corporate Finance and not by BDO or its related entities. BDO and its related entities provide services primarily in the areas of audit, tax, consulting, and financial advisory services.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business.

In April 2024, BDO Corporate Finance (WA) Pty Ltd was engaged to prepare an independent expert's report for the scheme of arrangement between Greenstone and Horizon. The fee received for our work was approximately $50,000 (excluding GST).

BDO Corporate Finance Australia Pty Ltd has also provided option valuation services to Poseidon over the past two years for total fees of approximately $4,500 (excluding GST).

COMPLAINTS RESOLUTION

We are committed to meeting your needs and maintaining a high level of client satisfaction. If you are unsatisfied with a service we have provided you, we have avenues available to you for the investigation and resolution of any complaint you may have.

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Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001
Email: info@afca.org.au
Phone: 1800 931 678
Fax: (03) 9613 6399
Interpreter service: 131 450
Website: http://www.afca.org.au

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You may provide us with instructions using the details set out at the top of this FSG or by emailing - cf.ecp@bdo.com.au

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Appendix 1 – Glossary and copyright notice

Appendix 2 – Valuation Methodologies

Appendix 3 – Discount rate

Appendix 4 - Independent Technical Assessment Report prepared by VRM

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18 December 2024

The Directors
Poseidon Nickel Limited
Level 1, 3 Ord Street
WEST PERTH WA 6005

Dear Directors

INDEPENDENT EXPERT'S REPORT

1. Introduction

On 25 October 2024, Poseidon Nickel Limited ('**Poseidon**' or '**the Company**') announced that it had entered into a binding Scheme Implementation Deed ('**SID**') with Horizon Minerals Limited ('**Horizon**'), under which Horizon will acquire 100% of the issued shares in Poseidon by way of a scheme of arrangement under the *Corporations Act 2001* (Cth) ('**Corporations Act**' or '**the Act**') ('**Share Scheme**').

Under the terms of the Share Scheme, the shareholders of Poseidon ('**Shareholders**') will receive 0.1156 shares in Horizon for every Poseidon share held on the Share Scheme record date ('**Share Scheme Consideration**'). The Share Scheme Consideration represents a share in the combined group, comprising the combined assets and liabilities of Poseidon and Horizon ('**Combined Group**').

Pursuant to the SID, Poseidon and Horizon have also proposed a scheme of arrangement under which Horizon will acquire 100% of the unlisted Poseidon options under the code POSAAB ('**Poseidon Options**') ('**Option Scheme**'). Under the terms of the Option Scheme, each Poseidon unlisted optionholder ('**Optionholders**') will receive 0.1156 new Horizon options for every Poseidon option held ('**Option Scheme Consideration**').

Together, the Share Scheme and the Option Scheme are referred to as '**the Schemes**'.

The Option Scheme and the Share Scheme are inter-conditional. The other conditions precedent for the Schemes are detailed in Section 4 of our Report and in the scheme booklet ('**Scheme Booklet**').

All figures are quoted in Australian dollars ('**AUD**' or '**$**') unless otherwise stated.

2. Summary and opinion

2.1 Requirement for the report

The directors of Poseidon have requested that BDO Corporate Finance Australia Pty Ltd ('**BDO**') prepare an independent expert's report ('**our Report**') to express an opinion as to whether the Share Scheme and the Option Scheme are in the best interests of the Shareholders and Optionholders, respectively,

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Our Report is prepared pursuant to section 411 of the *Corporations Act 2001* (**'Section 411'**) and is to be included in the scheme booklet for Poseidon to assist Shareholders and Optionholders in their decisions whether to approve the Share Scheme and Option Scheme, respectively.

2.2 Approach

Our Report has been prepared having regard to Australian Securities and Investments Commission (**'ASIC'**) Regulatory Guide 60 'Schemes of arrangements' (**'RG 60'**), Regulatory Guide 111 'Content of expert reports' (**'RG 111'**), Regulatory Guide 112 'Independence of experts' (**'RG 112'**), Regulatory Guide 170 'Prospective financial information' (**'RG 170'**) and Information Sheet 214: Mining and Resources: Forward-looking statements (**'IS 214'**).

In arriving at our opinion, we have assessed the terms of the Schemes as outlined in the body of this report. We have considered:

- How the value of a Poseidon share prior to the Share Scheme (on a controlling interest basis) compares to the value of the Share Scheme Consideration (on a minority interest basis), being 0.1156 shares in the Combined Group following the implementation of the Share Scheme.
- How the value of a Poseidon Option prior to the Option Scheme (on a controlling interest basis) compares to the value of the Option Scheme Consideration (on a minority interest basis), being 0.1156 new unlisted options in the Combined Group following the implementation of the Option Scheme.
- The likelihood of an alternative offer being made to Poseidon.
- Other factors which we consider to be relevant to the Shareholders and Optionholders in their assessment of the Schemes.
- The position of Shareholders and Optionholders should the Schemes not proceed.

2.3 Information announced following provision of Draft Report

On 18 December 2024, Horizon announced results of a pre-feasibility study (**'PFS'**) and maiden Ore Reserve for the Penny's Find Project.

This information was released by Horizon following the provision of our final draft Report. We have considered the new information, together with consultation with the technical specialist, Valuation and Resource Management Pty Ltd (**'VRM'**), that prepared the independent technical assessment and valuation report ('ITAR') found in Appendix 4.

We confirm the new information did not constitute any variation from our final draft Report to the following:

- Valuation approach adopted by VRM;
- Fairness assessment outlined in this Report; or
- Opinion outlined in this Report.

Further information on the Penny's Find Project can be found in Section 6.9 of this Report.

2.4 Opinion

2.4.1. Share Scheme

We have considered the terms of the Share Scheme as outlined in the body of this Report and have concluded that, in the absence of a superior proposal, the Share Scheme is not fair but reasonable and in the best interest of Shareholders.

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2.4.2. Option Scheme

We have considered the terms of the Option Scheme as outlined in the body of this Report and have concluded that, in the absence of a superior proposal, the Option Scheme is not fair but reasonable and in the best interest of Optionholders.

2.5 Fairness

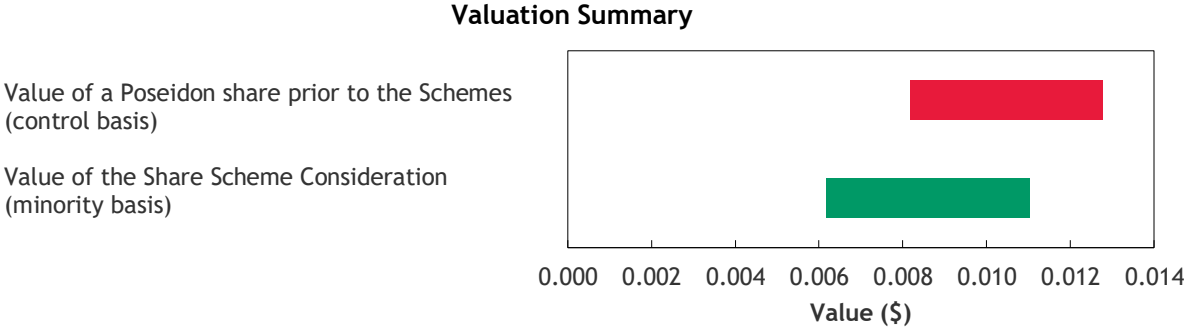
2.5.1. Share Scheme

The value of a Poseidon share prior to the Share Scheme (on a controlling interest basis) and the value of the Share Scheme Consideration (on a minority interest basis), being 0.1156 shares in the Combined Group following the implementation of the Share Scheme, are compared below:

	Ref	Low $	Preferred $	High $
Value of a Poseidon share prior to the Schemes (control basis)	11	0.008	0.010	0.013
Value of the Share Scheme Consideration (minority basis)	12	0.006	0.008	0.011

Source: BDO analysis

The above valuation ranges are graphically presented below:



Under RG 111.11 an offer is 'fair' if the value of the offer price or consideration is equal to or greater than the value of the securities the subject of the offer. The above pricing indicates that, in the absence of a superior proposal, the Share Scheme is not fair for Shareholders.

2.5.2. Option Scheme

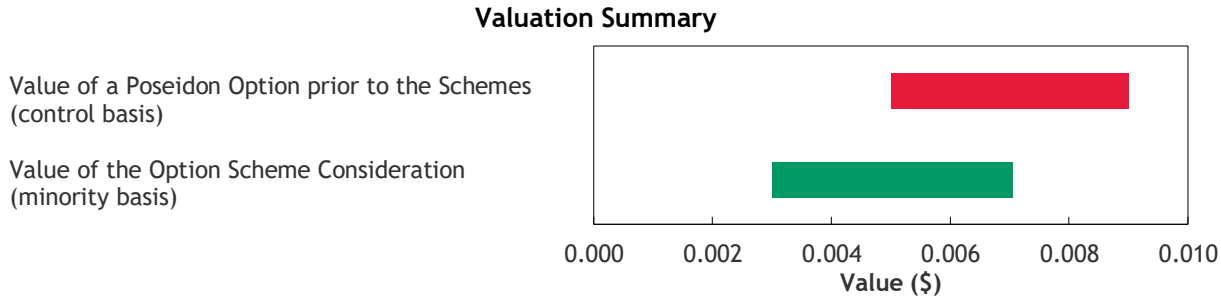
The value of a Poseidon Option prior to the Option Scheme (on a controlling interest basis) and the value of the Option Scheme Consideration (on a minority interest basis), being 0.1156 new unlisted options in the Combined Group following the implementation of the Option Scheme., are compared below:

	Ref	Low $	Preferred $	High $
Value of a Poseidon Option prior to the Schemes (control basis)	13	0.005	0.007	0.009
Value of the Option Scheme Consideration (minority basis)	14	0.003	0.005	0.007

Source: BDO analysis

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The above valuation ranges are graphically presented below:



Under RG 111.11 an offer is 'fair' if the value of the offer price or consideration is equal to or greater than the value of the securities the subject of the offer. The above pricing indicates that, in the absence of a superior proposal, the Option Scheme is not fair for Optionholders.

2.6 Reasonableness

We have considered the analysis in Section 14 of this Report, in terms of the following:

- Advantages and disadvantages of the Schemes.
- Other considerations, including the position of Shareholders and Optionholders if the Schemes do not proceed and the consequences of not approving the Schemes.

In our opinion, the position of Shareholders and Optionholders, if the Schemes are approved, is more advantageous than the position if the Schemes are not approved. Accordingly, in the absence of any other relevant information and/or an alternate proposal we consider that the Schemes is reasonable for Shareholders and Optionholders

The respective advantages and disadvantages considered are summarised below:

ADVANTAGES AND DISADVANTAGES			
Section	Advantages	Section	Disadvantages
16.2.1	Strategic benefits through the consolidation of complementary assets	16.3.1	Dilution of Shareholders' interests and exposure to Poseidon's projects
16.2.2	Exposure to Horizon's near-production gold assets and a larger more diversified exploration portfolio with a strong regional presence	16.3.2	Change in Risk Profile
16.2.3	The Combined Group will have a larger market presence which may result in greater liquidity and ability to raise capital	16.3.3	Value of the Scheme Consideration is variable
16.2.4	Creates a group with a strong balance sheet and access to Horizon's cash reserves	16.3.4	Horizon may raise capital to fund conversion of Black Swan infrastructure

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ADVANTAGES AND DISADVANTAGES			
Section	Advantages	Section	Disadvantages
16.2.5	Value accretive on a like-for-like basis		

Other key matters we have considered include:

Section	Description
16.4	Consequences of not approving the Schemes
16.4.1	Potential decline in share price
16.4.2	Transaction costs will be incurred by Poseidon
16.4.3	Poseidon will be required to raise capital
16.5	Tax implications

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3. Scope of the Report

3.1 Purpose of the Report

The Schemes are to be implemented pursuant to section 411 of the Corporations Act. Part 3 of Schedule 8 to the *Corporations Regulations 2001* ('**Regulations**') prescribes the information to be sent to shareholders in relation to schemes of arrangement pursuant to Section 411.

An independent expert's report must be obtained by a scheme company if:

- There is one or more common directors; or
- The other party to the scheme holds 30% or more of the voting shares in the scheme company.

The expert must be independent and must state whether or not, in his or her opinion, the proposed scheme is in the best interest of the members of the company the subject of the scheme and set out the reasons for that opinion.

There is a common director of Poseidon and Horizon. Accordingly, there is a requirement for this Report pursuant to Section 411 and the directors of Poseidon have requested that BDO prepare this report as an independent expert's report pursuant to Section 411 to provide an opinion as to whether the Schemes are fair and reasonable and in the best interests of Shareholders and Optionholders, respectively.

The requirement for an independent expert's report is also a condition precedent to the Schemes, which states that, for the Schemes to proceed, the independent expert must conclude that the Schemes are in the best interests of Shareholders and Optionholders.

3.2 Regulatory guidance

Neither the Corporations Act nor the Regulations defines the term 'in the best interests of'. In determining whether the Scheme is in the best interests of Shareholders and Optionholders, we have had regard to the views expressed by ASIC in RG 111. This regulatory guide provides guidance as to what matters an independent expert should consider to assist security holders to make informed decisions about transactions.

A key matter under RG 111 that an expert needs to consider when determining the appropriate form of analysis is whether or not the effect of the transaction is comparable to a takeover bid and is therefore representative of a change of 'control' transaction.

In the circumstance of a scheme that achieves the same outcome as a takeover bid, RG 111 suggests that the form of the analysis undertaken by the independent expert should be substantially the same as for a takeover. Independent expert reports required under the Act in the circumstance of a takeover are required to provide an opinion as to whether or not the takeover bid is 'fair and reasonable'. While there is no definition of 'fair and reasonable', RG 111 provides some guidance as to how the terms should be interpreted in a range of circumstances.

RG 111 suggests that an opinion as to whether transactions are fair and reasonable should focus on the purpose and outcome of the transaction, that is, the substance of the transaction rather than the legal mechanism to effect the transaction.

Schemes of arrangement pursuant to Section 411 can encompass a wide range of transactions. Accordingly, 'in the best interests' must be capable of a broad interpretation to meet the particular circumstances of each transaction. This involves a judgment on the part of the expert as to the overall commercial effect of the transaction, the circumstances that have led to the transaction and the alternatives available. The expert must weigh up the advantages and disadvantages of the proposed

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transaction and form an overall view as to whether shareholders are likely to be better off if the proposed transaction is implemented than if it is not. This assessment is the same as that required for a 'fair and reasonable' assessment in the case of a takeover. If the expert would conclude that a proposal was 'fair and reasonable' if it was in the form of a takeover bid, the expert will also be able to conclude that the scheme is in the best interests of shareholders. An opinion of 'in the best interests' does not imply the best possible outcome for shareholders.

3.3 Adopted basis of evaluation

RG 111 states that a transaction is fair if the value of the offer price or consideration is equal to or greater than the value of the securities subject of the offer. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid.

Having regard to the above, BDO has completed this comparison in four parts:

- A comparison between the value of a Poseidon share (on a controlling interest basis) and the value of the Share Scheme Consideration, being 0.1156 new Combined Group shares (on a minority interest basis) (fairness – see Section 15.1).
- A comparison between the value of a Poseidon Option (on a controlling interest basis) and the value of the Option Scheme Consideration, being 0.1156 new Horizon options (on a minority interest basis) (fairness – see Section 15.2).
- An investigation into other significant factors to which Shareholders and Optionholders might give consideration, prior to approving the Schemes, after reference to the values derived above (reasonableness – see Section 16 'Are the Schemes reasonable?').
- A consideration of whether the Schemes are in the best interests of Shareholders and Optionholders.

RG 111 states that if a transaction is fair and reasonable then the expert can conclude that the transaction is in the best interests of shareholders; if a transaction is not fair but reasonable an expert can still conclude that the transaction is in the best interests of shareholders; if a transaction is neither fair nor reasonable then the expert would conclude that the transaction is not in the best interests of shareholders.

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services' ('**APES 225**').

A Valuation Engagement is defined by APES 225 as follows:

'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Member is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Member at that time.'

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

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4. Outline of the Scheme

On 25 October 2024, Poseidon announced that it had entered into a binding SID with Horizon, under which Horizon will acquire 100% of the issued shares in Poseidon and 100% of the Poseidon Options by way of the Schare Scheme and the Option Scheme.

Following implementation of the Schemes, the Combined Group will continue as Horizon Minerals Limited. Horizon shareholders will own 74.5% of the Combined Group while Poseidon Shareholders will own the remaining 25.5%.

Share Scheme

Under the Share Scheme, subject to the satisfaction of various conditions, Horizon will acquire 100% of the shares in Poseidon and Poseidon Shareholders will receive 0.1156 new Horizon shares for every Poseidon share held on the record date ('**Record Date**').

Option Scheme

Under the Option Scheme, subject to the satisfaction of various conditions, Horizon will acquire 100% of the Poseidon Options (options under the code POSAAB). Poseidon Optionholders will receive 0.1156 new Horizon options (with an exercise price of $0.0519 each expiring 3 September 2026) for every one Poseidon Option held on the Record Date. Poseidon has a total of 163,447,197 Poseidon Options on issue which are exercisable at $0.006 each on or before 3 September 2026. These Poseidon Options are the subject of the Option Scheme.

Additionally, and pursuant to the terms of the SID, Poseidon, Horizon and each holder of Poseidon Incentive Options ('**Poseidon Incentive Options**') will enter into a deed under which all of the relevant Poseidon Incentive Options will be cancelled (or transferred to Horizon or its nominee) for cash consideration, with effect from the Schemes Implementation Date and conditional on the Schemes becoming effective ('**Poseidon Incentive Option Deed**'). However, the Poseidon Incentive Options may be exercised before the Record Date, in which case a Poseidon Incentive Option Deed will not be required.

The Poseidon Incentive Options are not subject to the Option Scheme.

Conditions precedent

The Schemes are subject to the following conditions precedent:

- approval of the Share Scheme by a majority in number of Poseidon Shareholders who vote at the Share Scheme Meeting and at least 75% of all votes cast at the Share Scheme Meeting.
- approval of the Option Scheme by a majority in number of Poseidon optionholders who vote at the Option Scheme Meeting and at least 75% of all votes cast at the Option Scheme Meeting.
- an independent expert concluding (and continuing to conclude) that the Schemes are in the best interests of Poseidon shareholders and Poseidon optionholders respectively.
- before 8.00am on the Second Court Date each holder of Poseidon Incentive Options as at the Record Date has entered into a Poseidon Incentive Option Deed.
- before 8.00am on the Second Court Date binding arrangements have been put in place to deal with the Poseidon performance rights such that no Poseidon performance rights are in existence on the Record Date.
- no Poseidon material adverse change/Horizon material adverse change and Poseidon prescribed event/Horizon prescribed event occurring (each as defined in the SID).
- Court approval; and
- other customary conditions.

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Performance rights

Poseidon has a total of 5,949,598 performance rights on issue, of which 2,481,390 are held by Poseidon Director, Mr Peter Harold. All Poseidon performance rights that have vested prior to the Record Date will be convertible into Poseidon shares so that the holders of those Poseidon performance rights can participate as Shareholders in the Share Scheme. All Poseidon performance rights that are not exercised prior to the Record Date will be cancelled on the Record Date.

It is proposed that an additional 41,200,000 Poseidon Performance Rights (equal to the aggregate value of $206,000) will be issued to Poseidon employees and key management personnel (**'KMP'**) pursuant to Poseidon's long term incentive plan (**'LTI Participants'**), which provides the opportunity for LTI Participants to receive performance rights or a cash bonus for achievement of long-term company goals over a 36-month period (**'Poseidon LTI Performance Rights'**).

The Poseidon LTI Performance Rights will be issued and immediately vest upon the Court making orders under section 411(4)(b) of the Corporations Act approving the Schemes and are proposed to be issued under the Poseidon employee securities incentive plan.

Additionally, a cash payment of $274,300 will be paid out to Poseidon employees and KMP pursuant to Poseidon's employee securities incentive plan.

Break fees

Under the terms of the SID, Poseidon agrees to pay Horizon a $250,000 break fee, and Horizon agrees to pay Poseidon a $250,000 reverse break fee under various customary circumstances. The complete set of circumstances under which the break fees are payable are detailed in the Scheme Booklet.

Interim funding arrangements

Horizon and Poseidon have entered into a secured loan agreement, under which Horizon has agreed to provide Poseidon with a $2.0 million secured loan facility (**'Loan Facility'**). The Loan Facility is intended to assist Poseidon with costs incurred in connection with the Schemes and payment of other liabilities due during the transaction implementation, along with commencing studies on the refurbishment and repurpose of the plant at the Black Swan project.

The material terms of the Loan Facility are set out in further detail in the Scheme Booklet:

Terms	Details
Loan Facility amount	The Loan Facility is $2.0 million, unless increased in accordance with the terms of the agreement or reduced by any cancellation or permanent reduction in the Loan Facility in accordance with the terms of the agreement.
Repayment	The repayment date is the earlier to occur of: • 31 December 2025; • the date upon which Poseidon completes a capital raising of not less than $3.0 million; • the date upon which Horizon issues a notice to Poseidon upon the occurrence of an event of default, at which time, the outstanding monies will become immediately due and payable, other than in the event the Schemes are not approved by Poseidon's Shareholders or Optionholders, in which case the outstanding monies will become due and payable within 90 days of the notice date; and • 45 days from the date upon which Horizon issues a notice to Poseidon upon Poseidon making a change of control announcement other than in respect to the Schemes.

Terms	Details
Interest	Poseidon must pay accrued interest in arrears at an interest rate of 4.00% per annum on all advances made under the agreement on the repayment date.

Placement

Horizon has received firm commitments from investors to raise $14.0 million at $0.045 per share (before costs) via a two-tranche placement (‘**Placement**’). The Placement comprises:

- unconditional placement to raise approximately $7.0 million through the issue of 155,729,127 new fully paid ordinary shares in Horizon (‘**Tranche 1**’); and
- conditional placement to raise approximately $7.0 million through the issue of 155,381,984 new fully paid ordinary shares in Horizon shares subject to shareholder approval at Horizon’s annual general meeting (‘**Tranche 2**’).

The Placement is not conditional on the completion of the Schemes. On 31 October 2024, Tranche 1 of the Placement was completed.

Capital Structure if the Schemes are implemented

A summary of the share structure of the Combined Group upon implementation of the Schemes is set out in the table below.

Share structure following implementation of the Schemes	
Number of Poseidon shares on issue as at the date of our Report	4,203,875,492
Number of Poseidon shares to be issued on vesting of Poseidon performance rights on issue as at the date of this report	5,949,598
Number of Poseidon shares to be issued on vesting of Poseidon’s 2024 LTIP Performance Rights	41,200,000
Total number of Poseidon shares subject to the Share Scheme	**4,251,025,090**
Number of Combined Group shares that Poseidon Shareholders will receive for every share they hold in Poseidon	0.1156
Shares in the Combined Group to be issued to Poseidon Shareholders following the Schemes	**491,418,500**
Number of Horizon shares on issue as at 30 October 2024	1,118,559,102
Number of Horizon shares issued as part of Tranche 1 of the Placement	155,729,127
Number of Horizon shares to be issued as part of Tranche 2 of the Placement	155,381,984
Lead Advisor Shares to be issued as part of Schemes	4,444,444
Total ordinary shares on issue in the Combined Group following the implementation of the Schemes	1,925,533,157
Percentage of the Combined Group to be held by Poseidon Shareholders	25.52%
Percentage of the Combined Group to be held by Horizon shareholders	74.48%

Source: BDO Analysis

Please refer to the Scheme Booklet for details of the Lead Advisor Shares to be issued to Argonaut PCF Limited.

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A summary of the option structure of the Combined Group upon implementation of the Schemes is set out in the table below.

Option structure following implementation of the Schemes	
Number of Poseidon Options as at the date of our Report	**163,447,197**
Number of Combined Group options that Poseidon Optionholders will receive for every Poseidon Option they hold	0.1156
Number of options in the Combined Group to be issued to Poseidon Optionholders	**18,894,496**
Number of options held by Horizon option holders as at the date of our report	78,144,186
Total options on issue in the Combined Group following the implementation of the Schemes	**97,038,682**
Percentage of the Combined Group options to be held by Poseidon Optionholders	19.47%
Percentage of the Combined Group options to be held by Horizon option holders	80.53%

Source: BDO Analysis

A summary of the share structure of the Combined Group upon dilution of the options and performance rights to be held by Horizon shareholders and option holders in the Combined Group and upon full dilution of all the options and performance rights in the Combined Group is set out in the table below.

Share structure of the Combined Group upon the dilution of Combined Group options and performance rights	
Shares in the Combined Group to be held by Horizon Shareholders following the Schemes	1,429,670,213
Shares in the Combined Group to be held by Poseidon Shareholders following the Schemes	491,418,500
Shares in the Combined Group to be held by the Lead Advisor following the Schemes	4,444,444
Total ordinary shares on issue in the Combined Group following the implementation of the Schemes	**1,925,533,157**
Number of options held by Horizon option holders as at the date of our report	78,144,186
Number of Horizon performance rights on issue as at the date of our report	26,079,600
Total ordinary shares on issue in the Combined Group following dilution of Horizon options and performance rights	**2,029,756,943**
Percentage of the Combined Group to be held by Poseidon Shareholders assuming dilution of Horizon options and performance rights	24.21%
Percentage of the Combined Group to be held by Horizon shareholders assuming dilution of Horizon options and performance rights	75.57%
Number of options in the Combined Group to be held by Poseidon Optionholders	18,894,496
Total ordinary shares on issue in the Combined Group following dilution of all Combined Group options and performance rights	**2,048,651,439**
Percentage of the Combined Group to be held by Poseidon Shareholders assuming full dilution of Combined Group options and performance rights	24.91%
Percentage of the Combined Group to be held by Horizon shareholders assuming full dilution of Combined Group options and performance rights	74.87%

Source: BDO Analysis

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5. Profile of Poseidon

5.1 Overview

Poseidon is an Australian Securities Exchange ('**ASX**') listed nickel exploration and development company with projects located in Western Australia ('**WA**'). Poseidon wholly owns three projects, namely, the Black Swan Nickel Project ('**Black Swan**'), the Lake Johnston Mine ('**Lake Johnston**'), and the Windarra Nickel Project ('**Windarra**'), all located within a 300 kilometre ('**km**') radius of Kalgoorlie in the Goldfields region of WA. Poseidon was formerly known as Niagara Mining Limited and changed its name to Poseidon Nickel Limited in 2007. Poseidon was incorporated in 1993 and listed on the ASX in 1999. The Company is based in West Perth, WA.

The current Board of Directors and senior management of Poseidon comprise:

- Brendan Shalders – Chief Executive Officer
- Andrea Betti – Company Secretary
- Peter Harold – Non-Executive Chairman
- Peter Muccilli – Non-Executive Director
- Warren Hallam – Non-Executive Director.

5.2 Black Swan

The Black Swan project is located approximately 600 km east of Perth and 55 km north-east of Kalgoorlie. The Black Swan project comprises the Silver Swan ('**Silver Swan**') and Golden Swan ('**Golden Swan**') underground mines, as well as the Black Swan open pit, which hosts a 2.2 million tonnes per annum ('**Mtpa**') nickel processing plant, along with other associated and supporting infrastructure.

The Black Swan project was previously mined from 1997 to 2009, over which period, the Black Swan open pit yield approximately 41 kilo-tonnes ('**kt**') of nickel and the Silver Swan deposit yielded approximately 138kt of nickel, with a total production of approximately 179kt nickel concentrate. Black Swan entered care and maintenance in 2009.

In July 2014, Poseidon announced it had agreed to acquire Black Swan from OJSC MMC Norilsk Nickel ('**Norilsk**'). In August 2014, announced a Mineral Resource Estimate ('**MRE**') for Black Swan, in compliance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – 2012 Edition ('**JORC Code**'). Additionally, in November 2014, Poseidon announced an ore reserve estimate ('**ORE**') for Black Swan. Poseidon's acquisition of Black Swan from Norilsk was completed in March 2015.

In July 2018, Poseidon announced the completion of a definitive feasibility study ('**DFS**') for the restart of Silver Swan and the Black Swan open pit mine and processing plant, demonstrating the economic and technical viability the project.

In March 2019, Poseidon announced the recommencement of exploration drilling at Black Swan. In March 2020, Poseidon announced high grade nickel intercepts at the Golden Swan deposit, located within the Black Swan project area. After extensive drilling campaigns throughout the remainder 2020 and 2021, Poseidon released its maiden MRE for the Golden Swan deposit in October 2021.

In November 2022, Poseidon announced the completion of a Bankable Feasibility Study ('**BFS**') for Black Swan. The BFS included a mine plan aimed to deliver approximately to 1.1 Mtpa of feed to the processing plant to produce nickel concentrate.

In July 2023, Poseidon announced that it would defer the restart of Black Swan, due to unfavourable movements in nickel prices coupled with a bearish outlook for the nickel market

During financial year 2024 ('**FY24**') operations at Black Swan remained in care and maintenance. The Final Investment Decision ('**FID**') to restart production at Black Swan was again deferred. Poseidon completed a PFS for a 2.2 Mtpa expansion case at Black Swan, however, the study was not released on the back of a bearish outlook regarding nickel prices.

Poseidon is aiming to restart production at Black Swan once nickel sentiment shifts to a position where positive project economics are feasible. Given the current negative market sentiment towards nickel, Poseidon has rather focused on growing the resource base at Black Swan, in nickel or other commodities, through exploration or business development.

In August 2024, Poseidon announced that it had identified several gold bearing structures and anomalous gold samples throughout the project area. In September 2024, Poseidon announced the completion of soil sampling where several prospective gold anomalies were identified, namely the Wilson's, Wattle and Ellison prospects. The most prominent being the Wilson's Prospect, located slightly north of the existing Black Swan mines and infrastructure. Given the current nickel operating conditions, coupled with bullish market sentiment surrounding gold and recent gold discoveries within the Black Swan project area, Poseidon has outlined its willingness to potentially divest the project.

Further information on Black Swan can be found in the independent technical assessment and valuation report prepared by Valuation and Resource Management Pty Ltd ('**VRM**') ('**ITAR**') in Appendix 4 of our Report.

5.3 Lake Johnston

The Lake Johnston project is located approximately 117km west of the town of Norseman, WA. Lake Johnston comprises the Maggie Hays ('**Maggie Hays**') and Emily Ann ('**Emily Ann**') deposits, with a 1.5 Mtpa processing plant and other associated infrastructure.

The Emily Ann deposit was mined and processed between 2001 and 2007, with 1.5 million tonnes ('**mt**') of nickel ore mined over this period, and subsequently, the Maggie Hays deposit was mined and processed between 2008 to 2013, with 10mt of nickel being produced over this period. However, the Lake Johnston processing plant and mine was placed on care and maintenance in April 2013 due to low nickel prices.

In November 2014, Poseidon completed the acquisition of Lake Johnston from Norilsk. Subsequently, in May 2015, Poseidon announced the completion of a BFS, which confirmed the economic and technical feasibility of the restart of mine and processing plant at Lake Johnston.

However, amidst fluctuating nickel prices and growth in lithium demand, Poseidon diversified its exploration activities, exploring for lithium potential at Lake Johnston. In May 2016, Poseidon announced that it had discovered lithium-bearing pegmatites at Lake Johnston.

In August 2018, Poseidon announced the commencement of drilling at the Abi Rose nickel discovery ('**Abi Rose**') which is located north of Emily Ann. Abi Rose was first discovered in January 2016, but further exploration was placed on hold due to suppressed nickel prices. The drilling campaign discovered nickel-copper bearing sulphides and was completed in November 2018. After the drilling campaign Lake Johnston was placed back on care and maintenance.

In January 2022, Poseidon announced that they had commissioned GR Engineering Services Limited to undertake a scoping study on the estimated capital and operating costs for the refurbishment and operation of the Lake Johnston processing plant and associated infrastructure.

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In October 2022, Poseidon announced that its application to the WA State Government grant under the Exploration Incentive Scheme for a planned drilling program on the Western Ultramafic Unit ('**WUU**') for new nickel sulphides at Lake Johnston was successful, with a grant of $180,000 being awarded. Poseidon announced drilling results throughout 2023, revealing nickel intersections at both the WUU and Maggie Hays West prospects, alongside positive lithium anomalies identified through soil sampling.

In December 2023, Poseidon entered a farm-in agreement with Mantis Resources to explore tenements ('**Mantis Tenements**') adjacent to the Lake Johnston project. The farm-in agreement allows Poseidon to gain up to a 100% interest in these Mantis tenements, which host lithium-bearing pegmatites.

In March 2024, Poseidon entered a Binding Heads of Agreement ('**HoA**') with Mineral Resources Limited ('**MinRes**') to divest the Lake Johnston Project. However, in May 2024, Poseidon received a notice of termination from MinRes in respect of the HOA. Further details regarding the HoA are outlined in Section 5.5 of our Report. Subsequently, Poseidon recommenced exploration activities at Lake Johnston.

Despite Lake Johnston being held in care and maintenance since 2013, Poseidon has progressed studies and exploration activities, with intent to restart production and facilitate an additional processing hub to Black Swan. Poseidon is currently undertaking preparatory works for future drilling at the newly discovered Billy-Ray prospect, a copper-gold anomaly, and has identified the Norfolk prospect, a gold target trending on to the Mantis Tenement. Additionally, soil sampling programs at Lake Johnston have revealed a further lithium anomaly across the Mantis Tenement, which will be explored contingent on progress at Norfolk.

Further information on Lake Johnston can be found in the ITAR prepared by VRM in Appendix 4 of our Report.

5.4 Windarra

Windarra is located in the Mt Margaret Goldfields, which is 25km west of Laverton, in WA. Three deposits are present within Windarra, being Mt Windarra and South Windarra, both of which have been previously mined, as well as the newly founded Cerberus ore deposit ('**Cerberus**').

Nickel mineralisation was initially discovered in the late 1960's, where 15,180 drill holes were completed from discovery through to the late 1980's, comprising approximately 477km of drilling throughout this period. However, limited exploration had been conducted at Windarra from thereon. In 2008, following the completion of resource drilling at Mt Windarra, Poseidon recommenced exploration activities at the tenements, opting to fund a regional exploration programme, resulting in the subsequent discovery of Cereberus.

In June 2020, Poseidon released a JORC Code compliant MRE on the gold tailings project at Windarra ('**Windarra Gold Tailings Project**'). Additionally, Poseidon released a PFS for Windarra Gold Tailings Project, with production estimates expected to reach approximately 44 kilo-ounces ('**koz**') gold, assisted by utilising the 1.5 Mtpa processing facility at Windarra.

In July 2021, Poseidon released a DFS for its Windarra Gold Tailings Project. The DFS outlined capability for the Windarra Gold Tailings Project to produce between 53.5koz and 55.2koz of gold over a 45-month period.

In July 2024, Poseidon announced that it had entered into an agreement with Encore Minerals Pty Ltd ('**Encore**') to develop the gold and nickel tailings at the Windarra Gold Tailings Project. In November 2024, Poseidon announced that all conditions precedent set out in the agreement had been satisfied or waived. The rights to develop the Windarra Gold Tailings Project and ultimately process gold and nickel

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tailings at Windarra had been divested by Poseidon. Further details surrounding the agreement with Encore are discussed in Section 5.5.

Further information on Windarra can be found in the ITAR prepared by VRM in Appendix 4 of our Report.

5.5 Recent Corporate Events

On 7 August 2023, Poseidon announced it had received firm commitments to raise $6.0 million (before costs) through the placement of 297.5 million new fully paid ordinary shares to sophisticated and professional investors at an issue price of $0.02 per share. This placement was used as funding for exploration drilling at Black Swan and Lake Johnston and for Black Swan prestart activities.

On 18 March 2024, Poseidon announced that it had entered a HoA with MinRes, subject to certain conditions precedent and other terms, to divest Lake Johnston for $15 million cash and a 0.75% free on board ('**FOB**') royalty on lithium and 1.5% net smelter royalty ('**NSR**') on all other minerals extracted from the Lake Johnston tenements. However, on 9 May 2024, Poseidon announced that it had received a notice of termination from MinRes on the HoA. Poseidon received a $1.0 million non-refundable signing consideration from MinRes, although the remaining consideration receivable, including cash consideration of $14.0 million, was waived following the termination.

On 31 July 2024, Poseidon announced that it had entered into an agreement with Encore to develop the gold and nickel tailings at the Windarra Gold Tailings Project. On 6 November 2024, Poseidon announced that all conditions precedent set out in the agreement had been satisfied or waived. Pursuant to the agreement, Poseidon will receive a total of $1.25 million, an NSR royalty of 3% on production and $1.6 million towards the existing rehabilitation bond. The funding, development, operation, closure and rehabilitation of the project will be the responsibility of Encore.

On 1 August 2024, Poseidon announced a pro-rata non-renounceable entitlement offer of one new fully paid ordinary share for every three shares held by eligible shareholders at an issue price of $0.003 per share with intent to raise up to $3.7 million. As part of this agreement, the shareholders of Poseidon would also be offered the opportunity to acquire one option for every three new shares subscribed. This offer closed on 27 August 2024, with completion occurring on 3 September 2024, where the Company raised $1.4 million.

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5.6 Historical Statements of Financial Position

Statement of Financial Position	Audited as at 30-Jun-24 $'000	Audited as at 30-Jun-23 $'000	Audited as at 30-Jun-22 $'000
CURRENT ASSETS			
Cash and cash equivalents	1,434	5,701	11,089
Trade and other receivables	557	785	861
TOTAL CURRENT ASSETS	**1,991**	**6,486**	**11,950**
NON-CURRENT ASSETS			
Property, plant and equipment	24,336	24,775	24,760
Right-of-Use Assets	195	341	485
Exploration and evaluation expenditure	56,828	106,242	99,940
Other	3,500	3,500	3,500
TOTAL NON-CURRENT ASSETS	**84,859**	**134,858**	**128,685**
TOTAL ASSETS	**86,850**	**141,344**	**140,635**
CURRENT LIABILITIES			
Trade and other payables	1,234	1,591	1,891
Loans and borrowings	109	-	-
Lease liabilities	161	154	147
Provisions	-	1,200	-
Employee benefits	104	213	228
TOTAL CURRENT LIABILITIES	**1,608**	**3,158**	**2,266**
NON-CURRENT LIABILITIES			
Provisions	63,350	61,935	62,467
Lease liabilities	57	218	372
TOTAL NON-CURRENT LIABILITIES	**63,407**	**62,153**	**62,839**
TOTAL LIABILITIES	**65,015**	**65,311**	**65,105**
NET ASSETS	**21,835**	**76,033**	**75,530**
EQUITY			
Share capital	282,494	276,573	265,071
Reserves	901	980	641
Accumulated losses	(261,560)	(201,520)	(190,182)
TOTAL EQUITY	**21,835**	**76,033**	**75,530**

Source: Poseidon's audited financial statements for the years ended 30 June 2022, 30 June 2023 and 30 June 2024

Commentary on Historical Statements of Financial Position

- Cash and cash equivalents decreased from $5.70 million as at 30 June 2023 to $1.43 million as at 30 June 2024. The decrease of approximately $4.27 million was primarily the result of payments to suppliers and employees of $9.07 million and exploration and evaluation payments of $3.84 million. This was partially offset by proceeds from the issue of shares of $5.78 million.
- Property, plant and equipment (**'PP&E'**) of $24.34 million as at 30 June 2024 primarily comprised mine site plant and equipment of $23.61 million.
- Exploration and evaluation expenditure decreased from $106.24 million as at 30 June 2023 to $56.83 million as at 30 June 2024. This decrease was primarily due to an impairment charge of $52.82 million on exploration and evaluation assets. This charge was recognised as a result of the decline in the value of Poseidon's exploration assets due to the decrease in nickel price.
- Other non-current assets of $3.50 million as at 30 June 2024 comprised a cash collateralised security deposit in recognition of an on-going commitment to the environmental rehabilitation of the Windarra mine site.

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- The current provision liability of $1.20 million as at 30 June 2023 related to the remedial work required at Lake Johnston concerning the control of dust from the tailings facility, which was completed during FY24.
- Non-current provisions of $63.4 million as at 30 June 2024 relate to the Company's ongoing obligation for the environmental rehabilitation of the Black Swan, Lake Johnston and Windarra projects.

5.7 Historical Statements of Profit or Loss and Other Comprehensive Income

Statement of Profit or Loss and Other Comprehensive Income	Audited for the year ended 30-Jun-24 $'000	Audited for the year ended 30-Jun-23 $'000	Audited for the year ended 30-Jun-22 $'000
Other income	2,746	388	450
Gross profit	**2,746**	**388**	**450**
Depreciation expense	(409)	(445)	(395)
Impairment expense	(52,822)	-	-
Personnel expenses	(2,830)	(4,054)	(3,122)
Exploration and evaluation costs expensed	(4,048)	(4,650)	(5,939)
Consultancy and advisor fees	(1,164)	(1,350)	(1,202)
Share based payment expense	(67)	(339)	(305)
Other expenses	(883)	(1,212)	(1,231)
Profit/(loss) from operating activities	(59,477)	(11,662)	(11,744)
Finance Income	330	333	47
Finance costs	(893)	(9)	(12)
Net finance income/(costs)	(563)	324	35
Profit/loss before income tax	**(60,040)**	**(11,338)**	**(11,709)**
Income tax benefit	-	-	-
Loss for the year from continuing operations	**(60,040)**	**(11,338)**	**(11,709)**
Other comprehensive income	-	-	-
Total comprehensive loss for the year, net of tax	**(60,040)**	**(11,338)**	**(11,709)**

Source: Poseidon's audited financial statements for the years ended 30 June 2022, 30 June 2023 and 30 June 2024

Commentary on Historical Statements of Profit or Loss and Other Comprehensive Income

- Other income increased from $0.39 million for the year ended 30 June 2023 to $2.75 million for the year ended 30 June 2024, due to a $1.0 million non-refundable deposit received for the proposed sale of the Lake Johnston asset, income received from the rental of camp facilities of $0.51 million, and sundry income of $0.53 million, comprising refundable fuel tax credits and proceeds from the sale of miscellaneous equipment.
- Impairment expense of $52.82 million for the year ended 30 June 2024 was driven by the material decline in nickel prices which, coupled with a bearish outlook on the commodity, led to a reduction in the carrying value of the Company's exploration and evaluation assets. The impairment expense comprises a $29.80 million expense recognised on the Black Swan cash generating unit ('**CGU**'), a $12.40 million expense recognised on the Windarra CGU, and a $10.60 million expense recognised on the Lake Johnston CGU.

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- Finance costs increased from $0.09 for the year ended 30 June 2023 to $0.89 million for the year ended 30 June 2024. This increase was largely driven by the unwinding of the discount on the Company's provisions, totalling approximately $0.88 million.

5.8 Capital structure

The share structure of Poseidon as at 18 November 2024 is outlined below:

	Number
Total ordinary shares on issue	4,203,875,492
Top 20 shareholders	1,250,714,711
Top 20 shareholders - % of shares on issue	29.75%

Source: Poseidon share registry as at 18 November 2024

The range of shares held in Poseidon as at 18 November 2024 is as follows:

Range of shares held	No. of ordinary shareholders	No. of ordinary shares	Percentage of issued shares (%)
1 - 1,000	239	77,007	0.00%
1,001 - 5,000	555	2,170,996	0.05%
5,001 - 10,000	1,525	12,679,159	0.30%
10,001 - 100,000	5,997	252,784,325	6.01%
100,001 - and over	3,775	3,936,164,005	93.63%
TOTAL	**12,091**	**4,203,875,492**	**100.00%**

Source: Poseidon share registry as at 18 November 2024

The ordinary shares held by the most significant shareholders as at 18 November 2024 are detailed below:

Name	No. of ordinary shares	Percentage of issued shares (%)
Edison Metals Pty Ltd	363,878,823	8.66%
Ms Danielle Sharon Tudehope	118,000,000	2.81%
Citicorp Nominees Pty Limited	92,550,933	2.20%
Mr Kenneth Joseph Hall	63,000,000	1.50%
Subtotal	**637,429,756**	**15.16%**
Others	3,566,445,736	84.84%
Total ordinary shares on Issue	**4,203,875,492**	**100.00%**

Source: Poseidon's share registry as at 18 November 2024

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The options on issue in Poseidon as at 18 November 2024 are outlined below:

Description	No. of Options/Rights	Exercise price ($)	Expiry Date
Unlisted options	3,000,000	0.0375	03-Mar-25
Unlisted options	3,000,000	0.0525	03-Mar-25
Unlisted options	163,447,197	0.0060	03-Sep-26
Unlisted options	5,000,000	0.0105	31-Mar-29
Unlisted options	5,000,000	0.0123	31-Mar-29
Unlisted options	5,000,000	0.0140	31-Mar-29
Total number of unlisted options	**184,447,197**		

Source: Poseidon's share registry as at 18 November 2024

The performance rights on issue in Poseidon as at 18 November 2024 are outlined below:

Description	No. of Options/Rights	Exercise price ($)	Expiry Date
Performance Rights	2,481,390	Nil	30-Jun-26
Performance Rights	3,468,208	Nil	12-Dec-28
Total number of Performance Rights	**5,949,598**		

Source: Poseidon's share registry as at 18 November 2024

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6. Profile of Horizon Minerals Limited

6.1 Overview

Horizon is an ASX listed company focused on gold exploration and development through several projects based in WA. Horizon's flagship project is its 100% owned Boorara Gold Project ('**Boorara**') located on the eastern edge of Kalgoorlie-Boulder, WA. Horizon also controls prospective tenements in regional Kalgoorlie ('**Kalgoorlie Regional**') and in Coolgardie ('**Coolgardie Regional**'). Following its merger with Greenstone Resources Limited ('**Greenstone**') in June 2024, Horizon acquired the Mt Thirsty Project ('**Mt Thirsty**') located north-west of Norseman and the Phillips Find Gold Project ('**Phillips Find**') located north-west of Coolgardie. Additionally, Horizon owns the Nimbus Silver-Zinc Project ('**Nimbus**') located east of Kalgoorlie and is a substantial holder of Richmond Vanadium Technology Ltd.

Horizon was formerly known as Intermin Resources Limited and changed its name to Horizon Minerals Limited in 2019. Horizon was incorporated in 1974, listed on the ASX in 1994 and is based in West Perth, WA.

The current Board of Directors and senior management of Horizon comprise:

- Grant Haywood – Managing Director & Chief Executive Officer;
- Ashok Parekh – Non-Executive Chairman;
- Warren Hallam – Non-Executive Director;
- Julian Tambyrajah – Chief Financial Officer and Company Secretary;

6.2 Boorara Project

The 100% owned Boorara is 10km east of Kalgoorlie's Super Pit gold mine located on the eastern edge of the city of Kalgoorlie-Boulder, WA. The project is divided into three project areas being Royal (Southern), Crown Jewel (Central) and Regal (Northern) deposits. The area is well serviced by common use infrastructure with a network of roads, the Kalgoorlie airport and an established mining supply network.

Following grade control drilling in 2016, a trial pit was completed in the Royal deposit with ore treated at the FMR Greenfields treatment plant. A total of 30,000 dry tonnes at a grade of 1.73g/t produced 1,525 ounces of gold. Subsequent to this, mining commenced in April 2020 and was completed in August 2020, with total ore mined of 267,000 tonnes at a mine claimed grade of 1.23g/t gold for 10,560 ounces mined. Gold production from the trial totalled in 6,568 ounces at 94.55% recovery generating A$16.8 million in revenue at an average sale price of $2,551/oz.

Results from a Stage 1 Feasibility Study ('**FS**') for Boorara was announced on 10 February 2020, focussing on the Regal and Crown Jewel deposits. This feasibility study continued to advance throughout 2020 and 2021, with an updated MRE being released on 27 April 2021. However, the FS was placed on hold in early 2022 due to short-term volatility in capital and operating costs due to labour shortages, materials cost inflation and supply shortages. During these times, Horizon aimed to develop smaller scale, higher grade underground projects through a toll milling facility and intended to recommence the study when the economy is more stable.

After an extended period of study, planning and preparation, Horizon entered into a binding ore sale agreement ('**OSA**') in May 2024 with Paddington Gold Pty Ltd ('**Paddington Gold**') to treat 1.4 Mt of gold ore from Boorara, enabling Horizon to commence gold production once regulatory approval and subsequent development had been finalised. More information surrounding the binding OSA can be found in Section 6.10. Subsequently, on 29 July 2024, Horizon announced the decision to approve the final

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investment decision ('**FID**') for the development of Boorara, however, once the mine design and schedule was completed, the tonnes of gold to be processed was reduced to 1.24 Mt.

On 3 October 2024, Horizon announced that it had mined first ore from Boorara and outlined that the ore is on track for delivery to Norton Gold Fields' Paddington processing plant in fourth quarter of 2024. Mining at Boorara is expected to occur over 14 months across four open pits.

Further information on Boorara can be found in the ITAR prepared by VRM in Appendix 4 of our Report.

6.3 Phillips Find Project

Phillips Find is 100% owned by Horizon and is located 45km north-west of Coolgardie, WA. Phillips Find covers over 10km of strike over three open-pit operations, being Bacchus Gift, Newhaven and Newminster. Horizon acquired Phillips Find from Greenstone as part of a merger in June 2024. More information surrounding the Horizon and Greenstone merger can be found in Section 6.10.

Horizon entered into a joint venture ('**JV**') agreement with BML Ventures Pty Limited ('**BML**') in August 2024 to progress development and transition into production at Phillips Find. The Company notes that the JV was entered into with the intention of commencing mining in the September 2024 quarter, with subsequent production of gold planned for the December 2024 quarter. However, the timeline was contingent upon the approval of a mining proposal submitted by the Company to the Department of Energy, Mines, Industry Regulation and Safety ('**DEMIRS**') to finalise development at Phillips Find. This permit was pending at the time of this announcement. More information surrounding the JV can be found in Section 6.10.

In September 2024, Horizon released an update on the development progress at Phillips Find in which outlined that, despite not having received final permitting from the DEMIRS, pre-production planning has fully advanced, with site establishment crews and a 200-tonne excavator having been made available to mobilise from mid-September.

Mining at Phillips Find was approved by the DEMIRS on 8 October 2024 and is expected to commence in late 2024, given site mobilisation and development is nearing completion. Ore stockpiles are expected to develop from late 2024 into early 2025, with first ore processing from Phillips Find expected to occur from February to June 2025.

Further information on Phillips Find can be found in the ITAR prepared by VRM in Appendix 4 of our Report.

6.4 Mt Thirsty

Mt Thirsty is located 16km north-west of Norseman, WA, and is owned by Horizon in a JV with Conico Limited ('**Conico**'), where each partner owns a 50% stake. Horizon acquired its interest in Mt Thirsty following its merger with Greenstone in June 2024, whom in which were initially engaged in the JV with Conico.

Mt Thirsty contains a cobalt-nickel oxide deposit, with a PFS having been completed on 20 February 2020. Additionally, potential for nickel sulphide mineralisation has been identified at greater depths within Mt Thirsty. In April 2023, a MRE for Mt Thirsty was released by Greenstone which supported the economic viability and technical feasibility of the project.

Further information on Mt Thirsty can be found in the ITAR prepared by VRM in Appendix 4 of our Report.

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6.5 Kalgoorlie Regional Projects

Horizon controls a number of prospective tenements within the Kalgoorlie region with these project areas including the Greater Boorara-Cannon project area, Lakewood, Binduli-Teal ('**Binduli**'), Kalpini, Balagundi-Kanowna South ('**Balagundi**') and Black Flag. Together, these projects fall under Kalgoorlie Regional.

Further information on the Kalgoorlie Regional projects can be found in the ITAR prepared by VRM in Appendix 4 of our Report.

6.6 Burbanks Project

The Burbanks Project ('**Burbanks**') is a gold exploration project situated 9km south-east of Coolgardie, and comprises two main gold mines, namely the Birthday Gift and the Main Lode. Additionally, Burbanks comprises over 5km of the Burbanks Shear Zone, the most significant gold producing structure within the Coolgardie Goldfields. Burbanks was acquired by Horizon in 2024 as part of its merger with Greenstone.

Burbanks was historically mined, firstly from 1885 through to 1961, and subsequently from the early 1980's through to present day. Over these periods, the Burbanks has produced approximately 420,000oz of gold.

In July 2023, a MRE for Burbanks was released by Greenstone, for the Main Lode, Birthday Gift, Burbanks North and Burbanks South zones.

Further information on Burbanks can be found in the ITAR prepared by VRM in Appendix 4 of our Report.

6.7 Cannon Underground Gold Project

The Cannon Underground Gold Project ('**Cannon**') is a gold development project located 10km east of Boorara and is wholly owned by Horizon.

Open pit operations at Cannon began in August 2015 by Westgold Resources Limited. Mining concluded in June 2017, which over this time period 576,400t of ore was mined. After a period of care and maintenance, Horizon acquired Cannon in October 2021.

In March 2022, Horizon completed a PFS on Cannon. Currently, Cannon remains in the early development phase.

Further information on Cannon can be found in the ITAR prepared by VRM in Appendix 4 of our Report.

6.8 Coolgardie Regional Projects

Horizon holds various prospective tenements within the Coolgardie region including Rose Hill ('**Rose Hill**'), Brilliant North ('**Brilliant North**') and Yarmany ('**Yarmany**'), known collectively as Coolgardie Regional.

Further information on the Coolgradie Regional projects can be found in the ITAR prepared by VRM in Appendix 4 of our Report.

6.9 Penny's Find Project

Penny's Find Project is an exploration project wholly owned by Horizon. It is located approximately 50km north-east of Kalgoorlie in the eastern Goldfields within close proximity to Kalpini. Penny's Find is currently in the advanced underground planning stage, with a PFS completed in December 2024. The PFS details an underground mine design and schedule producing 33,500oz of gold over an approximate two year life of mine. A maiden Ore Reserve at the Penny's Find Project was announced at the time of completion of the PFS.

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Further information on Penny's Find can be found in the ITAR prepared by VRM in Appendix 4 of our Report.

6.10 Nimbus Silver Zinc Project

Nimbus is 100% owned by Horizon and is located 15km east of Kalgoorlie-Boulder.

Polymetals Resources Limited undertook a two-stage mining program at Nimbus, with Stage 1 spanning from January 2004 through to April 2005, while Stage 2 occurred from November 2005 through to May 2006. However, after producing 3.6Moz of silver and processing 318kt of ore, Nimbus was placed in care and maintenance in 2007. This phase was sustained until Horizon acquired Nimbus in June 2019, where Nimbus was subsequently put on hold and impending regulatory review.

An independent review of Nimbus was commissioned in 2022, in which highlighted the potential surrounding Nimbus. This technical review and subsequent concept studies confirmed the potential of mining higher-grade lenses and the ability to generate a silver and zinc concentrate, with interest for potential offtakes having been expressed. Ultimately, Horizon announced in August 2024 that a Programme of Work had been approved by DEMIRs, with drilling expected to be undertaken at Nimbus in the first half of 2025.

Further information on Nimbus can be found in the ITAR prepared by VRM in Appendix 4 of our Report.

6.11 Richmond Vanadium Project

The Richmond Vanadium Project lies on the Flinders Highway and Great Northern railway, 500km east of Townsville port and 250km east of Mt Isa. The project comprises of four main prospects in the Richmond and Julia Creek districts covering an area of 1,520km^2.

Horizon entered into a strategic development joint venture with Richmond Vanadium Technology Pty Ltd ('**RVT**') in March 2017. The joint venture (25% HRZ and 75% RVT) owns 100% of five Mineral Exploration Permits covering 481 blocks near Richmond and 100% of the metal rights to Global Oil Shale Plc's Julia Creek (Burwood).

The scale of the vanadium project places it as one of the largest undeveloped vanadium resources in the world, with the project included in the Australian Government's Critical Minerals Prospectus in 2020 and 2021.

In December 2022, Horizon demerged the Richmond Vanadium Project to create RVT, which commenced trading on ASX following the successful IPO, raising $25 million (before costs). Horizon currently holds 19,833,363 RVT shares which are escrowed until 13 December 2024.

Further information on the Richmond Vanadium Project can be found in the ITAR prepared by VRM in Appendix 4 of our Report.

6.12 Recent Corporate Events

Horizon announced in October 2022 and November 2022 that the Company had executed financial agreements with Nebari LLC ('**Nebari**') for a US$5.10 million convertible loan facility in two tranches of US$2.00 million and US$3.10 million to advance Cannon. The first tranche was drawn down in November 2022 and partially used to pay the final deferred payment of $2.10 million for the Cannon Project. The second tranche of US$3.10 million was drawn down in June 2023 for capital and development costs to bring the Cannon Project into production.

As described above in Section 6.7, Horizon commenced the restructure of its 25% ownership in the Richmond Vanadium Project followed by the IPO of RVT on the ASX, which completed by December 2022.

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In July 2023, Horizon entered into a binding option and sale deed with Metal Hawk Limited (**'Metal Hawk'**) to purchase an interest in seven exploration licenses within Metal Hawk's Yarmany project area. Metal Hawk paid $0.40 million non-refundable option fee comprising of $0.20 million in cash and $0.20 million in Metal Hawk shares.

Horizon entered into a binding Asset Sale Agreement (**'ASA'**) and royalty deed with Northern Star Resources Limited (**'NST'**) to purchase 62 tenements within Horizon's eastern Kalgoorlie project area. The payment terms for the ASA included NST paying $3.10 million in cash at completion and additional deferred payments such as discovery payments of $20/ounce for any JORC compliant MRE located on the tenements, capped at 2.0 million ounces and a Net Smelter Royalty of 0.5% on all metals and minerals extracted from the tenements. The completion of divestment to Northern Star for $3.10 million in cash was received in October 2023.

On 12 February 2024, Horizon announced that it had agreed to merge by way of schemes of arrangement with Greenstone, whereby Horizon acquired 100% of the fully paid ordinary shares in Greenstone and 100% of the listed Greenstone options. On 31 May 2024, Greenstone held a share scheme meeting, where Greenstone shareholders approved the acquisition by Horizon. The scheme implementation deed was released on 18 June 2024, where Greenstone was subsequently delisted from the ASX and became a wholly owned subsidiary of Horizon. As consideration Greenstone shareholders were issued 0.2868 Horizon shares for every Greenstone share held on the record date and Greenstone option holders were issued 0.2868 new Horizon options for every Greenstone Listed Option held on the record date. The total consideration for the acquisition was $15.72 million.

On 6 May 2024, Horizon entered into a binding OSA for the treatment of 1.24Mt of Boorara ore at the 3.8 mtpa Paddington Mill with Paddington Gold Pty Ltd, a wholly owned subsidiary of Norton Gold Fields Ltd. The Paddington Mill is a processing plant located approximately 56km from Boorara. An FID was reached on 25 July 2024 following the satisfaction of the conditions precedent in the OSA.

On 13 May 2024, Horizon executed a binding Toll Milling Agreement (**'TMA'**) with FMR Investments Pty Ltd (**'FMR'**), for treatment of 200kt of ore at the Greenfields mill near Coolgardie. The TMA will commence in the December 2024 quarter, where 200kt of ore is required to be processed across the eight-month period following commencement date.

On 7 August 2024, Horizon announced the JV with BML to facilitate the development of two open pits at Phillips Find, where BML is required to undertake all management, technical, operational and maintenance roles associated with this project. Additionally, the JV required BML to sole fund all project costs, with cashflow, following payment of operating costs and an asset recovery, to be evenly distributed between BML and Horizon. The ore will be processed at the Greenfields Mill in Coolgardie, in which Horizon will utilise the Toll Mining Agreement for 200kt with FMR Investments Pty Ltd. On 13 November 2024, Horizon announced that it expected first ore from Phillips Find to be treated at the Greenfields Mill from February 2025 to June 2025.

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6.13 Historical Statements of Financial Position

Statement of Financial Position	Audited as at 30-Jun-24 $	Audited as at 30-Jun-23 $	Audited as at 30-Jun-22 $
CURRENT ASSETS			
Cash and cash equivalents	4,290,214	5,623,808	5,406,635
Trade and other receivables	586,589	533,485	1,264,542
TOTAL CURRENT ASSETS	**4,876,803**	**6,157,293**	**6,671,177**
NON-CURRENT ASSETS			
Financial assets at fair value through profit or loss	5,954,733	8,170,784	2,328,475
Other assets	278,927	257,927	257,927
Property, plant and equipment	1,246,250	384,410	427,808
Exploration and evaluation expenditure	46,541,297	29,733,516	29,377,548
Right of use assets	33,093	31,610	79,024
Investments accounted for using the equity method	-	-	7,336,127
TOTAL NON-CURRENT ASSETS	**54,054,300**	**38,578,247**	**39,806,909**
TOTAL ASSETS	**58,931,103**	**44,735,540**	**46,478,086**
CURRENT LIABILITIES			
Trade and other payables	1,971,725	378,706	4,466,961
Lease liability	33,093	35,516	50,686
Convertible note liability and derivative	8,194,908	6,929,786	-
Employee entitlements	421,109	316,057	346,173
TOTAL CURRENT LIABILITIES	**10,620,835**	**7,660,065**	**4,863,820**
NON-CURRENT LIABILITIES			
Lease liability	-	-	35,516
Rehabilitation provisions	1,838,617	1,601,117	1,454,400
Employee entitlements	196,788	182,750	124,350
TOTAL NON-CURRENT LIABILITIES	**2,035,405**	**1,783,867**	**1,614,266**
TOTAL LIABILITIES	**12,656,240**	**9,443,932**	**6,478,086**
NET ASSETS	**46,274,863**	**35,291,608**	**40,000,000**
EQUITY			
Contributed equity	80,559,064	66,211,489	70,089,303
Reserves	93,177	-	835,750
Accumulated losses	(34,377,378)	(30,919,881)	(30,925,053)
TOTAL EQUITY	**46,274,863**	**35,291,608**	**40,000,000**

Source: Horizon's audited financial statements for the years ended 30 June 2022, 30 June 2023 and 30 June 2024

Commentary on Historical Statements of Financial Position

- Cash and cash equivalents decreased slightly from $5.62 million as at 30 June 2023 to $4.29 million as at 30 June 2024. This was primarily driven by increased expense such as payments to suppliers and employees of $3.41 million, payments for capitalised exploration and evaluation expenditure of $1.97 million, and payments for exploration and evaluation expenditure of $1.08 million, in which was partially offset by proceeds from the sale of tenements of $3.45 million, primarily comprising a $3.10 million divestment of non-core tenements to NST, and proceeds from the sale of investments of $2.96 million, primarily comprising a $2.93 million divestment of shares in Vox.
- Financial assets at fair value through profit or loss of $5.95 million as at 30 June 2024 relates to shares and options in listed companies at market value, comprising shares held in RVT valued at $4.76 million, shares held in Ora Banda Mining Limited ('**Ora Banda**') valued at $1.07 million, shares held in Metal Hawk at $0.58 million, and shares held in Dundas Minerals Limited ('**Dundas**') valued at $0.68 million, each valued as at 30 June 2024.

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- Exploration and evaluation expenditure of $46.54 million as at 30 June 2024 primarily comprises the carrying amount of $29.73 million from financial year 2023, as well as the purchase of Greenstone for $14.90 million on 18 June 2024, as described in Section 6.10. Additionally, this amount comprises an additional $2.49 million of exploration expenditure capitalised and $0.23 million in tenements purchased during the period, partially offset by $0.39 million in sale of tenements.
- Convertible note liability and derivatives of $8.19 million as at 30 June 2024 relates to the agreement entered into with Nebari in which it issued convertible notes and derivatives during the period, as described in Section 6.10.

6.14 Historical Statements of Profit or Loss and Other Comprehensive Income

Statement of Profit or Loss and Other Comprehensive Income	Audited for the year ended 30-Jun-24 $	Audited for the year ended 30-Jun-23 $	Audited for the year ended 30-Jun-22 $
Gold sales	-	81,882	3,321,121
Interest income	143,314	20,105	8,954
Initial recognition of investment in association	-	-	6,328,245
Gain on demerger	-	8,663,873	-
Other income	6,792,732	338,850	3,367,952
Gross profit	**6,936,046**	**9,104,710**	**13,026,272**
Cost of sales	-	(627)	(2,062,288)
Exploration and evaluation expenditure	(1,197,463)	(2,946,794)	(1,776,781)
Depreciation expense	(39,923)	(77,175)	(331,347)
Net change in fair value of financial assets at fair value through profit or loss	(3,840,772)	(535,889)	(1,846,000)
Employee benefits expense	(1,604,559)	(2,123,402)	(2,043,609)
Share-based payments	-	(179,132)	(296,135)
Building and occupancy costs	(51,825)	(101,513)	(93,011)
Consulting and professional fees	(512,168)	(631,138)	(508,039)
Impairment provision	(418,961)	(3,003,901)	(31,017,868)
Interest expenses and finance charges	(1,690,704)	(689,861)	(44,176)
Impairment of receivables	-	(11,598)	-
Shares of losses of associates accounted for using the equity method	-	-	(116,897)
Other expenses	(536,933)	(652,199)	(919,504)
Fair value (loss)/gain on derivative liability	(500,235)	838,809	-
Loss before income tax	**(3,457,497)**	**(1,009,710)**	**(28,029,383)**
Income tax benefit	-	-	-
Loss for the year from continuing operations	**(3,457,497)**	**(1,009,710)**	**(28,029,383)**
Other comprehensive income	-	-	-
Other comprehensive income for the year, net of tax	**-**	**-**	**-**
Total comprehensive loss for the year, net of tax	**(3,457,497)**	**(1,009,710)**	**(28,029,383)**

Source: Horizon's audited financial statements for the years ended 30 June 2022, 30 June 2023 and 30 June 2024

Commentary on Historical Statements of Profit or Loss and Other Comprehensive Income

- Gold sales of $3.32 million for the year ended 30 June 2022 and $0.08 million for the year ended 30 June 2023 relates to temporary low-grade trial mine production at the Boorara deposit. There were no gold sales for the year ended 30 June 2024, as Horizon ceased trials and recommenced exploration activities at its projects.
- Other income increased from $0.34 million for the year ended 30 June 2023 to $6.79 million for the year ended 30 June 2024. This was primarily driven by profit on sale of tenement interests of $3.61 million and royalty income of $3.00 million.
- Net loss in fair value of financial assets decreased from $0.54 million as at 30 June 2023 to $3.84 million as at 30 June 2024, due to a decrease in the net market value of shares and options held in listed companies.
- The impairment provision of $3.00 million for the year ended 30 June 2023 resulted from the Kalpini Project having little potential of being.

6.15 Capital structure

The share structure of Horizon as at 30 October 2024 is outlined below:

	Number
Total ordinary shares on issue	1,118,559,102
Top 20 shareholders	356,558,795
Top 20 shareholders - % of shares on issue	31.88%

Source: Horizon's share registry as at 30 October 2024

The range of shares held in Horizon as at 30 October 2024 is as follows:

Range of shares held	No. of ordinary shareholders	No. of ordinary shares	Percentage of issued shares (%)
1 - 1,000	174	44,830	0.00%
1,001 - 5,000	492	1,759,399	0.16%
5,001 - 10,000	751	6,113,831	0.55%
10,001 - 100,000	3,440	128,954,178	11.53%
100,001 - and over	1,207	981,686,864	87.76%
TOTAL	**6,064**	**1,118,559,102**	**100.00%**

Source: Horizon's share registry as at 30 October 2024

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The ordinary shares held by the most significant shareholders as at 30 October 2024 are detailed below:

Name	No. of ordinary shares	Percentage of issued shares (%)
Sparta AG	42,200,000	3.77%
Shipbark Pty Limited	41,953,662	3.75%
FMR Investments Pty Ltd	27,731,119	2.48%
BNP Paribas Nominees Pty Ltd	24,410,232	2.18%
Subtotal	**136,295,013**	**12.18%**
Others	982,264,089	87.82%
Total ordinary shares on Issue	**1,118,559,102**	**100.00%**

Source: Horizon's share registry as at 30 October 2024

The options and performance rights on issue in Horizon as at the date of our report are outlined below:

Description	No. of Options/Rights	Exercise price ($)	Expiry date
Listed Options	51,871,015	0.0977	30-Jun-25
Listed Options	26,273,171	0.0870	21-Sep-26
Class A Performance Rights	8,693,200	Nil	30-Nov-27
Class B Performance Rights	8,693,200	Nil	30-Nov-27
Class C Performance Rights	8,693,200	Nil	30-Nov-27
Total number of options and performance rights	**104,223,786**		

Source: Horizon's share registry

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7. Profile of the Combined Group

Upon implementation of the Share Scheme, the Combined Group will represent the operations of Horizon and Poseidon. Horizon will become the parent company of the Combined Group and Poseidon will become a wholly owned subsidiary of Horizon.

Following implementation of the Share Scheme, Horizon shareholders will own 74.4% of the Combined Group's shares while Poseidon shareholders will own the remaining 25.6% of shares.

7.1 Combined Operations

Following implementation of the Schemes, Horizon's major assets will become:

- Gold assets:
  - Boorara
  - Burbanks
  - Phillips Find
  - Penny's Find
  - Other regional gold projects located in Kalgoorlie and Coolgardie.
- Other commodity assets:
  - Nimbus
  - Mt Thirsty
  - Black Swan
  - Lake Johnston
  - Windarra.

Horizon has announced its intention to consolidate its gold assets in the Kalgoorlie-Coolgardie region with Poseidon's existing processing infrastructure at Black Swan. Horizon is planning the refurbishment and conversion of the Black Swan processing plant to facilitate gold production, providing a faster and lower cost alternative to building a new gold processing plant in the region.

Additionally, the Combined Group's merged nickel, silver and battery mineral assets position shareholders to benefit from future price increases in these commodities.

7.2 Board of Directors

Following the implementation of the Schemes, the board of directors is intended to comprise the existing directors of Horizon. Poseidon's chief executive officer, Brendan Shalders, has agreed to remain with the Combined Group in a consulting capacity for at least three months for a transition period following the implementation of the Schemes.

7.3 Stock Exchange Listing

If the Share Scheme is implemented, Poseidon will become a subsidiary of Horizon, and the Combined Group will continue to be listed on the ASX, under Horizon's ASX code, HRZ. Poseidon will be removed from the Official List of the ASX.

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8. Economic analysis

Poseidon and Horizon are primarily exposed to the risks and opportunities of the Australian market through their operations and listings on the ASX. As such, we have presented an analysis on the Australian economy to the extent that it relates to considerations for our assessment.

8.1 Australia

At the November 2024 Monetary Policy Decision meeting, the Reserve Bank of Australia ('**RBA**') left the cash rate unchanged at 4.35%. Since the November 2023 meeting, the RBA has kept interest rates at the highest level since it began increasing them in April 2022, in line with the post-COVID-19 deflationary policy. The current monetary policy is aimed at returning inflation to the RBA's target of 2-3% within a reasonable timeframe, noting that indicators such as a strengthening of the labour market and growing labour and non-labour costs pose upside risks to inflation. For the year ended September 2024, the trimmed mean consumer price index ('**CPI**') was 3.5%, as forecast, but still above the 2.5% midpoint of the inflation target. In line with the September 2024 Statement of Monetary Policy, the RBA's forecasts indicate that inflation will not return sustainably to the midpoint of the target until 2026.

The inflation forecast reflects resilient consumer demand, combined with the RBA's assessment that the economy is weaker than previously forecast based on less capacity to meet economic demand. In addition, indicators of household consumption and economic activity appear to be slowing with a gradual rise in the unemployment rate, which is at 4.1% in September 2024, up from the trough of 3.5% in late 2022.

Economic recovery appears to be slower than estimated headlined by disruptions to the economic position of Australia's main trading partner. In China, property woes have led to weaker consumption and commodity prices such iron ore. Public authorities in China have responded to the weak outlook for economic activity by implementing more expansionary policies, although the impact of these measures remains to be seen. In the United States, growth has been robust however there remains uncertainty about the inflation and growth outlook following the re-election of Donald Trump.

Based on the most recent data, household and public consumption led to a strengthening of domestic demand, although the net effect of import growth and softer exports have had a negative effect on gross domestic product ('**GDP**') growth. For the year ended June 2024, GDP growth was 1.0%, which is lower than the forecast outcome from May 2024 of 1.2%.

Since late 2022, equity prices in Australia have continued to increase, following suit from the United States equity market. The rise in equity prices has largely been driven by increased expectations of future earnings growth, most notably in the technology sector, although in the recent weeks, markets have seen significant pullbacks due to lower than expected earnings of some large technology companies and scepticism over the convertibility of investment in artificial intelligence into earnings. More recently, global equities were significantly set back by a rise in interest rates by the Bank of Japan as the policy setters looked to support a struggling Yen, causing a sell off of both Japanese and global equities, including in Australia.

Among other major economies around the world, the rebound from the COVID-19 pandemic waned throughout 2022 which contributed to a significant slowdown in the global economy. In Australia, as in many advanced economies, persistent systemic inflation and energy prices have weighed on demand. For the remainder of 2024, it is anticipated that GDP growth in Australia's key trading partners will continue to fall below expectations.

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Outlook

The economic outlook remains highly uncertain, and according to the RBA, recent data indicates that the process of returning inflation to target is unlikely to be smooth and may take longer than previously expected. To date, medium-term inflation expectations have been consistent with the inflation target and the RBA emphasised the importance of this remaining the case. While headline inflation has declined substantially, the RBA still consider underlying inflation, which is more indicative of inflation momentum, to be too high. Services price inflation remains high, as observed overseas, but it is expected to gradually decline as domestic inflationary pressures moderate and growth in labour and non-labour costs ease.

Conditions in the labour market are expected to further ease to align broadly with full employment conditions that can be sustained over time without contributing to inflationary pressures in the coming years. Nominal wage growth is expected to remain strong in the near term and then gradually decline in line with labour market easing.

Economic growth in Australia is forecast to remain subdued as earlier interest rate hikes and inflation continue to weigh on consumption, albeit at a gradual pace. Growth is expected to gradually increase from late 2024 as inflation declines and household income pressure eases. However, the full impact of policy tightening on household consumption is uncertain and seems to be lagging behind. Household consumption is expected to experience growth to levels seen pre-pandemic by around mid-2025 supported by increases in real income growth due to tax cuts and declining inflation.

Considering that economic growth of Australia's trading partners has been slower than expected, domestic growth expectations have been pushed out. However, there remains a high level of uncertainty around the Chinese economic outlook and the implications of the conflicts in Ukraine and the Middle East, which may have significant implications for supply chains.

Source: www.rba.gov.au Statement by the Reserve Bank Board: Monetary Policy Decision dated 5 November 2024 and prior periods, Statement on Monetary Policy November 2024 and prior periods, Minutes of the Monetary Policy Meeting of the Reserve Bank Board 24 September 2024 and prior periods.

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9. Industry analysis

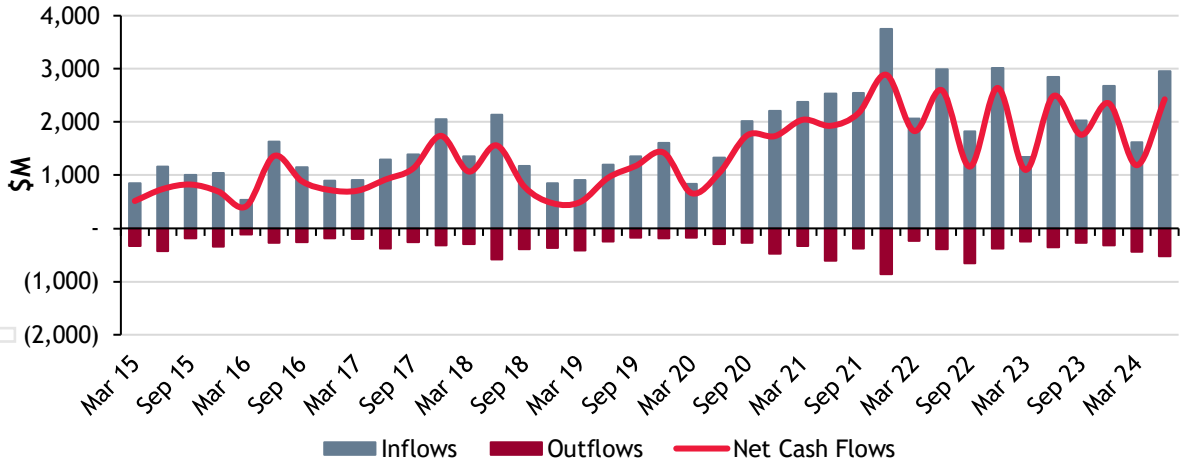
Poseidon is a nickel exploration and development company, and Horizon is a gold exploration and development company. As such, we have presented an overview of the Australian exploration sector, as well as an industry analysis on the nickel and gold industries, to the extent that it relates to considerations for our assessment.

9.1 Exploration sector

BDO reports on the financial health and cash positions of ASX-listed exploration companies based on the quarterly Appendix 5B reports lodged with the ASX. ASX-listed mining and oil and gas exploration companies are required to lodge an Appendix 5B report each quarter, outlining the company's cash flows, their financing facilities available and management's expectation of future funding requirements. BDO's report for the June quarter of 2024 reveals explorer resilience despite broader macroeconomic uncertainty. Explorers experienced a healthy quarter of fundraising, flowing through to an increase in both exploration and investing expenditure, compared to the March 2024 quarter, signalling a rebound in sector activity.

Financing cash inflows increased by 82% to $2.95 billion in the June 2024 quarter, which follows the 39% drop in funds raised in the previous quarter. In addition, financing inflows averaged $3.81 million per company, which is 30% greater than the two-year average of $2.94 million (since June 2022). Despite a 20% increase in financing cash outflows, net financing cash flows increased 104% from the March 2024 quarter. The 82% increase in financing inflows in the June 2024 quarter indicated a notable improvement in capital market conditions, albeit from a low base in the March 2024 quarter. Additionally, the chart below is able to highlight a seasonal trend we have observed in the period post COVID-19, in that the June quarter tends to be a high capital raising quarter.

ASX Explorers' Financing Cash Flows ($M)



In the June 2024 quarter, a total of 47 companies raised capital in excess of $10 million (which we have termed '**Fund Finders**'), representing a 24% increase from the 38 companies recorded in the preceding quarter. This quarter's Fund Finders were dominated by 16 gold companies. The remaining 31 companies were split across 15 commodities, broadly consisting of copper, oil & gas, uranium, lithium, rare earth metals, silver and diversified metals. Equity remained the main source of investment, accounting for 87% of total funds raised. The total funds raised through equity funding over the June 2024 quarter was the second largest since the inception of our Fund Finder analysis.

Gold reclaimed its crown in the June 2024 quarter, surpassing uranium to become the leading commodity in our Fund Finders for the first time since the June 2023 quarter. Over the June 2024 quarter, Fund Finders

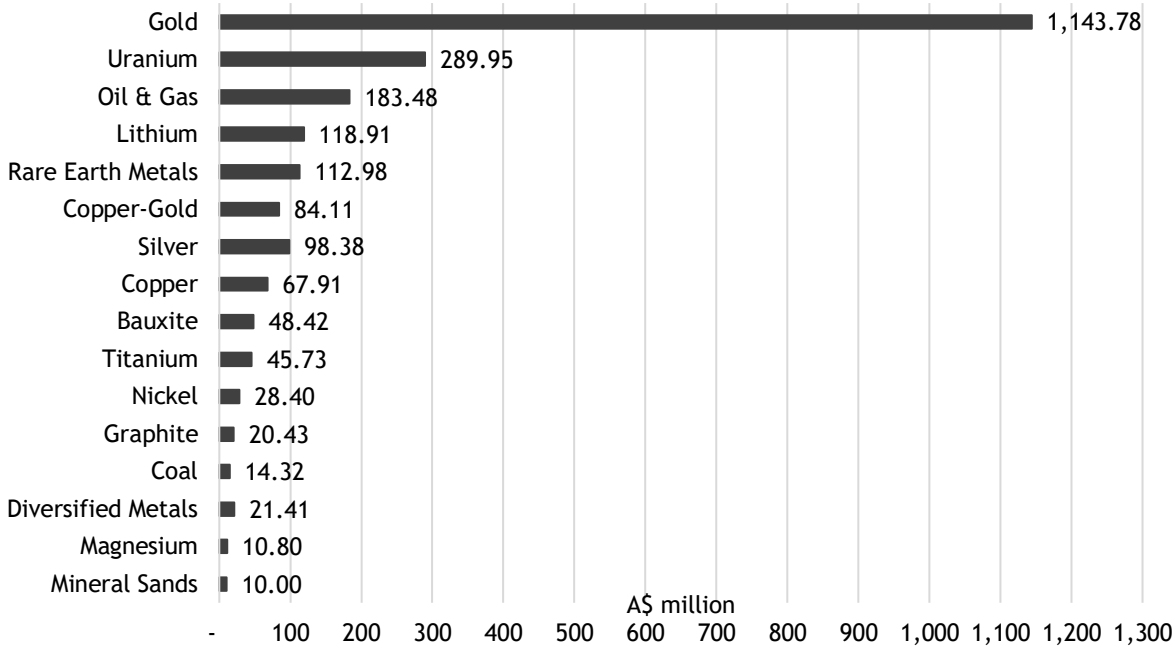
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operating within the gold sector raised a total of $1.14 billion, representing the largest single commodity Fund Finder raise since the start of our Fund Finder analysis in June 2019.

Gold's prominence speaks to the macroeconomic environment of the global economy, with gold Fund Finders accounting for approximately 50% of all funds raised by Fund Funders in the June 2024 quarter. The story of macroeconomic challenges experienced over prior quarters has continued, which has seen continued investor support for gold companies. This also corresponded with the gold price reaching a then all time high of US$2,425/oz during the quarter, supporting the increased investor appetite for gold which is shining through in these Fund Finder statistics.

Uranium maintains its radiance, securing the second spot in our Fund Finder analysis. Uranium Fund Funders raised a combined $290 million, albeit from only three explorers, with Deep Yellow and Peninsula contributing approximately $216 million between them. Although trailing significantly behind gold, it's worth noting that uranium exposure on the ASX is relatively small due to Federal and State Governments' stance on uranium mining.

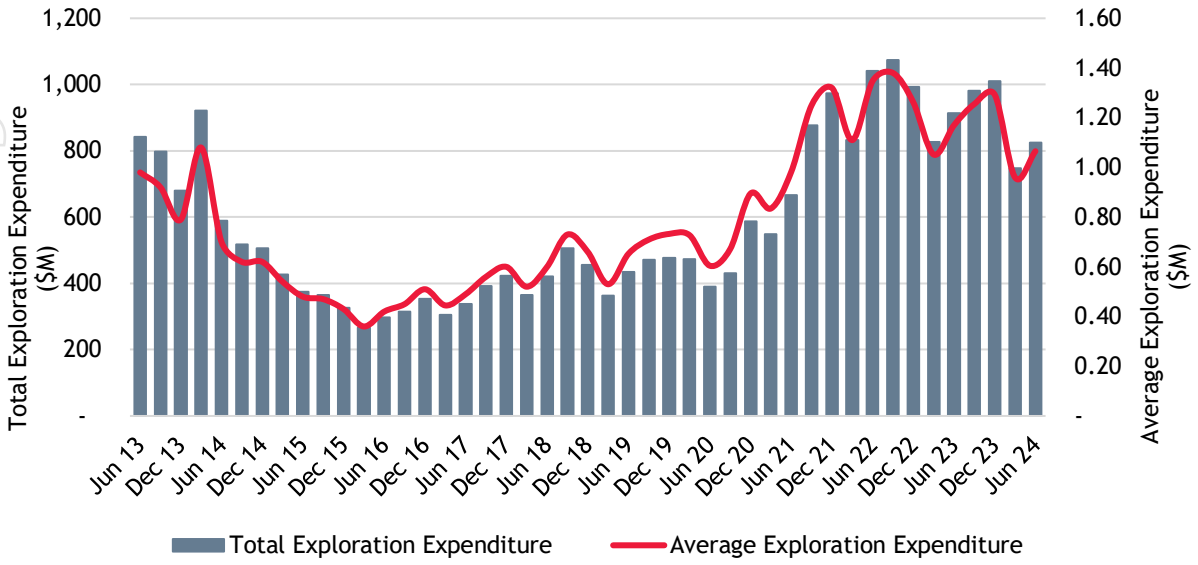
Financing Inflow by Commodity - Top 47 Explorers
June Quarter 2024



The total exploration spend of $826 million in the June 2024 quarter represented a 10% increase from the two-year low seen in the March 2024 quarter. Additionally, the average exploration spend per company rose to $1.07 million, up from $0.96 million in the March 2024 quarter. As shown in the graph below, the first two quarters of 2024 highlight that explorers are in a period of cash preservation amidst the inflationary and uncertain economic environment. However, with the anticipated lowering of interest rates in major economies in 2025, we expect explorers to further increase their exploration activities.

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ASX Explorers' Total Exploration Expenditure ($M)



The top ten exploration spends, totalling $178 million, comprised four oil and gas companies, four lithium companies, one gold company and one coal company. Typically, gold has a significant presence in the top 10 exploration spends, however, the prevalence of lithium and oil and gas aligns with the narrative of the importance of optimising both traditional and modern energy sources in the context of the energy transition.

The results from the June 2024 quarter show gold as the shining light, demonstrating once again its reliability as a 'safe haven asset' during a period of macroeconomic uncertainty, securing $1.14 billion in funding. Financing cash inflows surged, reflecting improved capital market conditions from a low base in March. Rising exploration expenditure in lithium and oil & gas highlights the energy transitions' growing influence on both traditional and modern energy sources.

Source: BDO Explorer Quarterly Cash Update: June 2024 and prior releases.

9.2 Nickel

Nickel is primarily sold for consumption as a refined metal in the form of cathode, powder, or briquette. It is also sold as a ferronickel, and over 70% of nickel consumed in the developed world is used to make austenitic stainless steel and non-ferrous alloys. It is widely regarded for its corrosion resistance and is commonly used in super-alloys for fabrication of critical engine components and for other performance products and industries. Other uses include rechargeable batteries, catalysts, plating and foundry products.

Nickel provides a key cathode material used in the production of electric vehicle batteries. As electric vehicles batteries are expanded in scale to increase the distances electric vehicles can travel, and their performance, more nickel will be needed per battery. With growing electric vehicle production, and greater demand for large batteries, nickel demand and prices are projected to increase rapidly. The rechargeable batteries market is anticipated to grow significantly over the coming years, with the sector's consumption forecasted to near 35% by 2030. As global trends will move towards a lower-carbon future, there will be a significant increase in demand for nickel to produce cleaner energy technologies.

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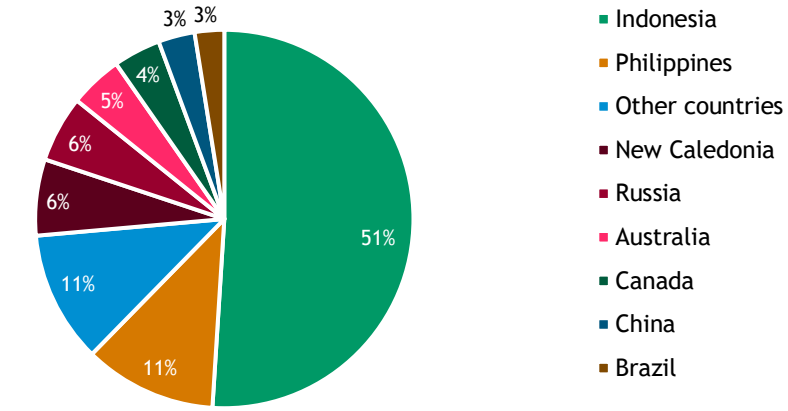
Nickel production and reserves

In 2023, the majority of the world's nickel was produced in Indonesia (51%), the Philippines (11%), New Caledonia (6%) and Russia (6%). Throughout 2023, estimated global nickel production increased by about 10%, with most of the increased production attributed to Indonesia, which continues to be aided by the ongoing commission of integrated stainless-steel projects and nickel pig iron.

Indonesia has been increasing their output to produce battery-grade nickel sulphate primarily in China, contributing to the recent oversupply in the global market, which was furthered by volatility in global demand. Despite this, initiatives that support the adoption of electric vehicles are expected to stabilise these conditions and drive an increase in nickel demand over the long term.

The graphs below illustrate estimated production output for 2023 and nickel reserves by country:

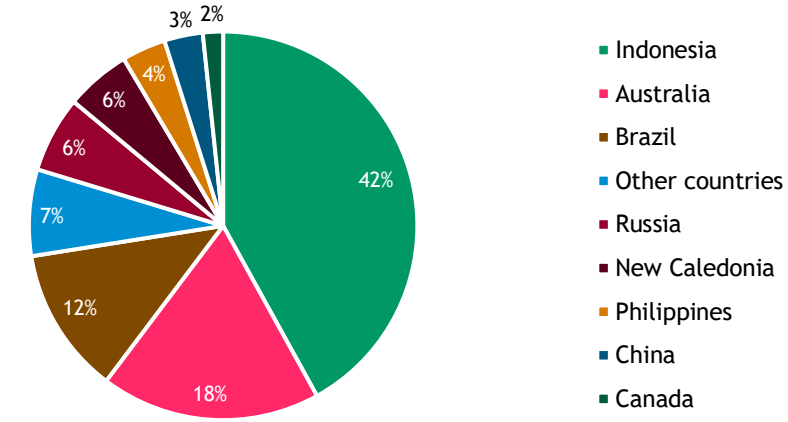
Nickel Production by Country 2023



Source: United States Geological Survey, January 2024

A figure illustrating the world's nickel reserves is illustrated below:

Nickel Reserves by Country 2023

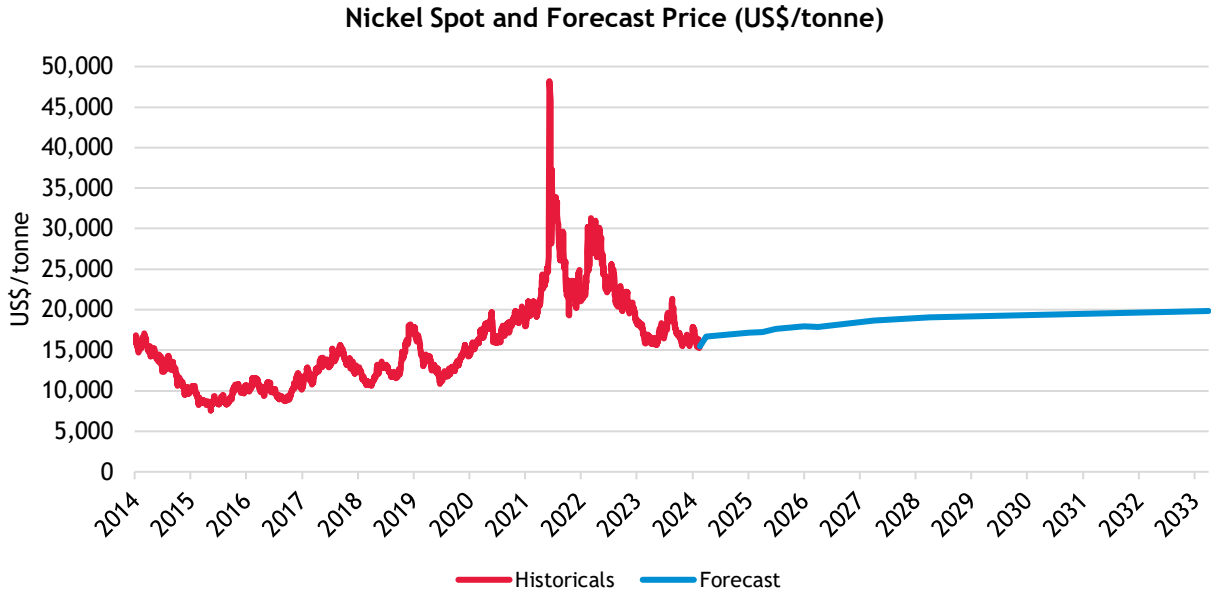


Source: United States Geological Survey, January 2024

As the graphs above indicate, notwithstanding Indonesia's dominance in global nickel production and reserves, Australia's nickel reserves are significant compared to other countries. IBISWorld forecasts Australia's output to continue increasing over the next five years as new mines start production and existing mines expand output, despite a recent hiatus in expansion due to the latest decline in nickel prices.

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Nickel prices



Source: Bloomberg and Consensus Economics Survey dated 18 November 2024

The figure above illustrates the historical fluctuations in the nickel spot prices from October 2014 to November 2024 and the consensus economics forecast for nickel prices for the remainder of 2024 through to 2033.

Between 2014 and 2017, the nickel price steadily trended downwards, with the exception of a significant, short-lived price spike in mid-2014 resulting from the Indonesian government's ban on nickel exports, with concerns of future supply shortages. Indonesia is the world's largest nickel producer, and while the ban was relaxed in 2017 following the budget deficit in 2016, the government had plans to reimpose the ban in 2022. However, in 2019 the nickel price surged as the government brought the export ban forward to January 2020. The COVID-19 pandemic had a relatively marginal impact on the nickel industry, with prices dipping slightly in 2020. Although global consumption of nickel contracted in 2020 as production in the stainless steel and the automotive sectors were curtailed due to lockdown measures, China's demand for nickel for use in stainless steel remained relatively high throughout, resulting in a large increase in Chinese net exports of stainless steel for the year.

Nickel prices were particularly volatile early in 2022. In March 2022, after the onset of the conflict between Russia and Ukraine, prices surged, which disrupted nickel trading on the LME for approximately two weeks. Monthly average prices peaked in March 2022, but began to decline through July 2022, and stabilised for the remainder of the year. In 2023, nickel prices have been negatively impacted by China's delayed recovery from the COVID-19 pandemic, with reduced steel production hindering demand.

According to the Consensus Economics Survey, nickel prices fell approximately 46.5% during 2023, and in December 2023, prices hit a three year low of US$15,865 per tonne. This was due to weak demand from electric vehicle producers, stemming from increases in the cost of living in developed countries, in addition to slow economic growth in China. This decrease in prices was further impacted by an oversupply of nickel resulting from ongoing expansion of production in Indonesia, driven by their anticipation of increased demand from electric vehicle producers.

Early 2024 saw major producers in Australia and Russia having to halt production in response to excess supply in the market. Meanwhile, Indonesia maintained strong output levels, driven by the newly elected President

remaining committed to the strategy of bolstering domestic production in preparation for the global energy transition. The average nickel price from October 2014 through October 2024 was US$15,484 per tonne, ranging from a low of US$7,562 per tonne on 11 February 2016 to a high of US$48,201 per tonne on 7 March 2022.

According to Consensus Economics, the medium-term forecast nickel price from 2026 to 2028 is expected to range between approximately US$17,640 per tonne and US$19,030 per tonne, with the long term (2029-2033) nominal forecast at approximately US$19,840 per tonne.

Source: Bloomberg, Consensus Economics, IBISWorld and United States Geological Survey, January 2024

9.3 Gold

Gold is a soft malleable metal which is highly desirable due to its rarity, permanence, and unique mineral properties. Gold has been used in jewellery and as a form of currency for thousands of years. More recently, there has been increasing demand for its use in the manufacture of electronics, dentistry, medicine, and aerospace technology.

In addition to its practical applications, gold also serves as an international store of monetary value. Gold is widely regarded as a monetary asset as it is considered less volatile than world currencies, and therefore, provides a safe haven investment during periods of economic uncertainty.

The mining and mineral processing techniques applied to gold is determined by the nature of the ore deposit. Gold contained in oxide ore deposits are typically of low grade and are simple to extract and readily amenable by cyanidation. Consequently, highly disseminated gold can be contained within sulphide minerals which require mining, crushing, grinding and to be followed by gravity separation to recover the gold, subject to flotation to concentrate the sulphide mineral fraction containing the gold. Inherently, the costs associated with the treatment of oxide ore are significantly less than of sulphide ores.

Once mined, gold continues to exist indefinitely and is often melted down and recycled to produce alternative or replacement products. Consequently, demand for gold is supported by both gold ore mining and gold recycling. A summary of the recent historical supply of gold is provided in the table below.

Gold supply (tonnes)	2017	2018	2019	2020	2021	2022	2023
Mine production	3,576	3,656	3,596	3,482	3,589	3,625	3,644
Net producer hedging	(26)	(12)	6	(39)	(7)	(13)	17
Recycled gold	1,112	1,132	1,276	1,293	1,136	1,140	1,237
Total supply	**4,662**	**4,776**	**4,878**	**4,736**	**4,718**	**4,752**	**4,899**

Source: World Gold Council Statistics, 31 January 2024

The World Gold Council expects gold to remain supported with the development of new mines in North America, Asia and Australia scheduled for 2024. Heightened geopolitical tension during a key election year for many major economies and ongoing financial uncertainty from weakening global economic conditions should see gold experience persisting strong demand. Continued purchases by major central banks and concerns about a global recession is anticipated to offer further backing for the commodity. However, the risk of tighter monetary policy or an economic soft landing, particularly concerning the USA economy, could result in gold divestment.

Gold ore mining is a capital intensive and high-cost process, which becomes increasingly difficult and more expensive as the quality of ore reserves diminish. The industry also incurs many indirect costs related to exploration, royalties, overheads, marketing, and native title law. Typically, many of these costs are fixed in the short term as a result of industry operators' inability to significantly alter cost structures once a mine commences production.

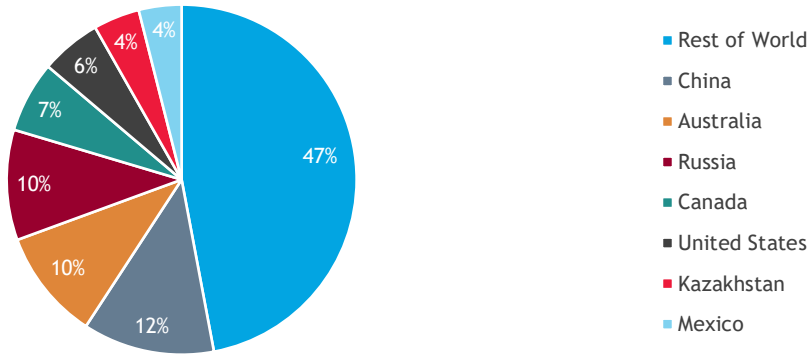
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The gold industry is geographically diverse as China, Australia and Russia lead global gold production. According to the USGS, total estimated global gold ore mined for 2023 was approximately 3,000 metric tonnes. The charts below illustrate the estimated global gold production and reserves by country for 2023.

Gold production and reserves

The USGS estimates that overall global gold production in 2023 remained relatively unchanged from 2022 as production decreases in Peru and Mali were more than offset by production increases in Kazakhstan, South Africa and Tanzania.

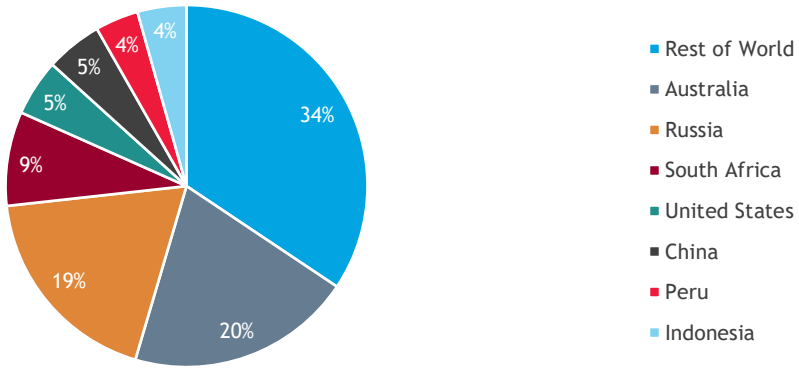
Gold Production by Country 2023



Source: U.S. Geological Survey, January 2024

Despite China leading global gold production in 2023, Australia, Russia and South Africa hold the largest known gold reserves globally. As depicted below, the USGS estimates that collectively, these three countries account for approximately 48% of global gold reserves.

Gold Reserves by Country 2023



Source: U.S. Geological Survey, January 2024

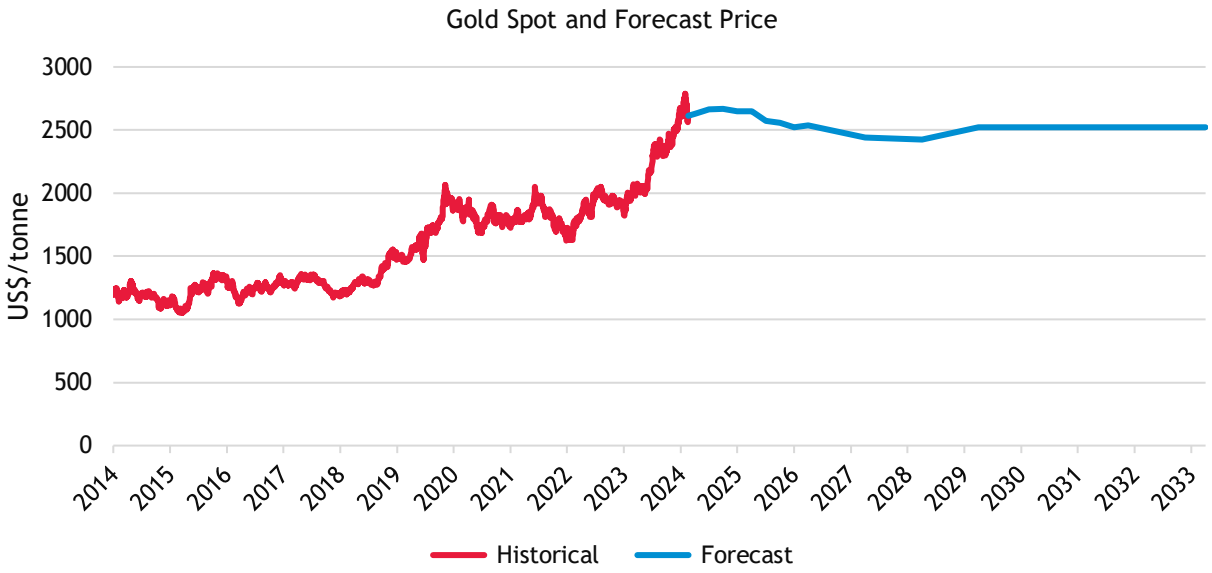
According to USGS, Australia's gold reserves amount to 12,000 tonnes, representing over 20% of global reserves and the largest held by any one country.

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Australian gold producers

The Australian gold mining industry exhibits a moderate concentration comprising several large producers such as Newmont Corporation (Australia), Gold Fields and Northern Star Resources Limited, as well as many mid-tier gold producers.

Gold prices



Source: Bloomberg, Consensus Economics Survey dated 18 November 2024, and BDO analysis

The figure above illustrates the historical fluctuations in the gold spot prices from October 2014 to November 2024 as well as forecasts for gold prices from the remainder of 2024 to 2030 based on forecast data from Bloomberg, Consensus Economics and BDO analysis.

Over the period from 2014 through to 2019, the gold price fluctuated primarily between US$1,100/oz and US$1,400/oz. Throughout 2020, gold prices fluctuated significantly. Demand for gold increased in response to the uncertainty created by the pandemic, as investors prioritised safe haven assets. In late March 2020, the increasing demand for gold was interrupted by a panic selloff as investors began to realise their profits amidst growing uncertainty. Gold spot prices fell to a yearly low of US$1,471/oz, before rallying in late July and early August to exceed US$2,000/oz. COVID-19 was the primary driver of the increase in gold price, as central banks injected billions of dollars into financial markets and investors flocked to safe assets. Additionally, the prevailing low interest rate environment at the time increased access to capital, which further spurred investment in gold.

Through to early January 2021, the price of gold increased due to further fallout from the US Election, climbing back over US$1,900/oz after remaining in the US$1,800s/oz through most of December 2020. For the rest of 2021, the price of gold traded between US$1,600/oz and US$1,900/oz as demand fluctuated throughout the year. Rising US treasury yields initially threatened gold's appeal as an inflation hedge by increasing the opportunity cost of holding the precious metal. However, concerns regarding the spread of the Delta Variant of COVID-19 increased gold's appeal as a safe-haven asset. The price of gold exceeded US$1,800/oz in early July 2021. However, this was quickly reversed in the following months as the US Federal Reserve signalled policy tightening, which coming sooner than anticipated, drove US treasury yields and a stronger US dollar. Towards the end of the year, gold prices strengthened following the US Federal Reserve's announcement to reduce purchases of Government bonds, as well as the release of US inflation data which revealed an annualised inflation rate of 6.2%, its highest level since 1990.

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The invasion of Ukraine by Russia in February 2022 saw gold prices climb above US$1,900/oz and peak at US$2,039/oz during March, in response to several economic sanctions on Russia and the release of US inflation data which indicated an annualised inflation rate of 8.5%. In May 2022, the price of gold weakened to US$1,800/oz following the US Federal Reserve's aggressive monetary tightening to control rising inflation. The gold price continued to decline until September 2022, before it staged a recovery driven by a combination of slowing US inflation, depreciation of the US dollar, and increased gold demand by central banks for reserve diversification.

In the first quarter of 2023, several financial institutions, such as the Credit Suisse Group AG and the Silicon Valley Bank, faced liquidity and investor confidence issues. A lack of confidence in some parts of the banking sector supported the gold price. Early April 2023 saw gold prices surpass US$2,000/oz as investors speculated a nearing of the end of interest rate tightening in the US.

During January and February of 2024, gold continued to largely trade above US$2,000/oz. However, in March, the gold price rapidly increased to over US$2,400/oz. The rise in the gold price was attributed to several factors including geopolitical instability from conflicts in Ukraine and the Middle East, global inflation, and an increased holding in gold by central banks in developing countries. In late October 2024, gold prices increased to a 10-year high, rising above US$2,700/oz. The continuing uncertainty in the Middle East, as well as the upcoming US presidential election contributed to the increase, which is furthered by US economic data which supports the case for interest rate cuts.

According to Consensus Economics, Bloomberg forecasts and BDO analysis, the gold price is expected to continue to trade below current levels in the near term before gradually weakening over 2026 to 2029. From 2026 to 2029, the gold price is expected to range between around US$2,420/oz and US$2,580/oz. The long-term nominal forecast from 2029 onwards is expected to remain within this range at approximately US$2,500/oz.

Source: Bloomberg, Consensus Economics, IBISWorld, World Gold Council and Reuters

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10. Valuation approach adopted

There are a number of methodologies which can be used to value a business or the shares in a company. The principal methodologies which can be used are as follows:

- Capitalisation of future maintainable earnings ('**FME**')
- Discounted cash flow ('**DCF**')
- Quoted market price basis ('**QMP**')
- Net asset value ('**NAV**')
- Market based assessment, such as a Resource Multiple.

A summary of each of these methodologies is outlined in Appendix 2 of our Report.

Different methodologies are appropriate in valuing particular companies, based on the individual circumstances of that company and available information.

It is possible for a combination of different methodologies to be used together to determine an overall value, where separate assets and liabilities are valued using different methodologies. When such a combination of methodologies is used, it is referred to as a 'sum-of-parts' valuation ('**Sum-of-Parts**').

The approach using Sum-of-Parts involves separately valuing each asset and liability of the company. The value of each asset may be determined using different methodologies as described above. The component parts are then valued using the NAV methodology, which involves aggregating the estimated fair market value of each component part.

10.1 Valuation of a Poseidon share prior to the Schemes

In our assessment of the value of a Poseidon share prior to the Schemes, we have chosen to employ the following methodologies:

- Sum-of-Parts as our primary methodology, which estimates the fair market value of a company by assessing the realisable value of each of its component parts. The value of each component part may be determined using different methodologies and the component parts are then aggregated using the NAV methodology. The value derived from this methodology reflects a control value.
- QMP as our secondary methodology, which represents the value that a Shareholder may receive for a Poseidon share if it were sold on market prior to the announcement of the Scheme. The value derived from this methodology reflects a minority interest value. Given our valuation assessment of Poseidon prior to the Scheme is on a controlling interest basis, we have applied a premium for control to our QMP value.

We have employed the Sum-of-Parts methodology in estimating the fair market value of a Poseidon share prior to the Schemes, by aggregating the fair market values of its underlying assets and liabilities. We have considered the following component parts in our valuation of Poseidon:

- The value of Poseidon's mineral assets, having reliance on the valuation performed by VRM, an independent technical specialist.
- The value of Poseidon's other assets and liabilities, using the cost approach under the NAV valuation methodology.

We have chosen these methodologies for the following reasons:

- The core value of Poseidon lies in the future cash flows to be generated from its mineral assets. Based on discussions with VRM, and in accordance with RG 170 and IS 214, we do not consider there to be

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sufficient reasonable grounds to estimate the future cash flows to be generated from Poseidon's mineral assets. Therefore, we do not consider the application of a DCF approach to be appropriate.

- The FME methodology is most commonly applicable to profitable businesses with steady growth histories and forecasts. Further, the FME methodology is not considered appropriate for valuing finite life assets, such as mining assets. Therefore, we do not consider the application of the FME approach to be appropriate.
- As Poseidon's mineral assets are currently non-producing or under care and maintenance, and there are no revenues or cash flows currently generated by its projects, we have engaged VRM to value Poseidon's mineral assets. Therefore, we consider the Sum-of-Parts approach to be an appropriate methodology to use in assessing the value of Poseidon prior to the Schemes.
- We have adopted the QMP methodology as our secondary approach. The QMP basis is a relevant methodology to consider because the shares of Poseidon are listed on the ASX, therefore reflecting the value that a Shareholder will receive for a share sold on market prior to the announcement of the Schemes. This means there is a regulated and observable market where the shares of Poseidon can be traded. However, in order for the QMP methodology to be considered appropriate, the listed shares should be liquid, and the market should be fully informed of the Company's activities. We have analysed the liquidity of Poseidon's shares in assessing whether the application of the QMP methodology is appropriate.

Independent Technical Expert

In performing our valuation of a Poseidon Share prior to the Schemes, we have relied on the ITAR prepared by VRM, which includes an assessment of the market value of Poseidon's mineral assets and any exploration tenure.

The ITAR has been prepared in accordance with the Australasian Code for Public Reporting of Technical Assessments and Valuation of Mineral Assets (2015 Edition) ('**VALMIN Code**') and the JORC Code. We are satisfied with the valuation methodologies adopted by VRM, which we believe are in accordance with industry practices and are compliant with the requirements of the VALMIN Code.

The specific valuation methodologies used by VRM are referred to in the respective sections of our Report and further detailed in the ITAR contained in Appendix 4.

10.2 Valuation of the Share Scheme Consideration

As detailed in Section 4 of our Report, the Share Scheme Consideration comprises 0.1156 shares in the Combined Group. In valuing the Share Scheme Consideration, we have considered the following approaches:

- Sum-of-Parts of the Combined Group as our primary methodology. The value derived from this methodology reflects a control value, to which we then apply a minority interest discount; and
- QMP as our secondary methodology, utilising post-announcement pricing of Horizon. The value derived from this methodology reflects a minority interest value.

Under RG 111.34, it is noted that if, in a scrip bid, the target is likely to become a controlled entity of the bidder, the bidder's securities can also be valued using a notionally combined entity. However, it should still be noted that the accepting holders are likely to hold minority interests in that combined entity. Therefore, on the basis that Shareholders will become minority interest holders in the Combined Group, our valuation of a share in the Combined Group is on a minority interest basis.

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We have chosen these methodologies for the following reasons:

- The core value of the Combined Group lies in the future cash flows to be generated from Poseidon and Horizon's mineral assets. Based on discussions with VRM, and in accordance with RG 170 and IS 214, we consider there to be sufficient grounds to estimate the future cash flows to be generated from Horizon's Boorara Project and Phillips Find Project. These cash flows are most appropriately valued using a DCF approach, however there are other assets and liabilities of the Combined Group that are not suited to a DCF valuation approach. Where different approaches are used to value different assets or components of a business, a Sum-of-Parts approach is the most appropriate valuation methodology to employ.
- The value of the Combined Group's interest in the Residual Resources and exploration potential of Poseidon and Horizon's mineral assets not included in the respective DCF valuations, have been valued using alternative valuation methodologies by an independent technical specialist, as contained in the ITAR in Appendix 4.
- The FME methodology is most commonly applicable to profitable businesses with steady growth histories and forecasts. The cash flows from the Boorara Project and Phillips Find Project have finite lives and these cash flows may vary substantially from year to year. The FME methodology is also not considered appropriate for valuing finite life assets, such as mining assets, rendering the Boorara Project and Phillips Find Project not suitable for an FME valuation.
- We have adopted QMP as our secondary approach, utilising post-announcement pricing of Horizon. The market price of Horizon shares in the period following the announcement of the Schemes is considered an indicator of the value of the Combined Group because market participants are fully informed as to the terms of the Schemes, with the price reflecting the market's view of value. We note that there are other market factors which may influence the Horizon share price following the announcement of the Schemes. As such, we have also conducted an analysis of movements in the ASX All Ordinaries Index, as a proxy for the market and the S&P/ASX 300 Metals and Mining index as a proxy for the industry in which Poseidon and Horizon operates in, over the same post-announcement period. Further, we note that market pricing can be volatile and as such, we have also assessed post-announcement pricing on a volume weighted average price ('**VWAP**') over a number of different time periods.

Therefore, we consider the Sum-of-Parts approach to be an appropriate methodology to use in assessing the value of the Combined Group following the implementation of the Scheme, and in turn, the Scheme Consideration.

Independent Technical Expert

In performing our valuation of a Combined Group, and thus the Share Scheme Consideration, we have relied on the ITAR prepared by VRM.

In performing our valuation of Horizon's Boorara Project and Phillips Find Project using the DCF methodology we have relied on VRM's review of the technical project assumptions contained in the cash flow model. Additionally, we have relied on VRM's valuation of Horizon's and Poseidon's mineral assets, and any exploration tenure not included in the DCF valuations, outlined in the ITAR.

The ITAR has been prepared in accordance with the VALMIN Code and the JORC Code. We are satisfied with the valuation methodologies adopted by VRM, which we believe are in accordance with industry practices and are compliant with the requirements of the VALMIN Code.

The specific valuation methodologies used by VRM are referred to in the respective sections of our Report and further detailed in the ITAR contained in Appendix 4.

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10.3 Valuation of the Option Scheme

As detailed in Section 4, the Poseidon Options are subject to the Option Scheme, with the Option Scheme Consideration comprising 0.1156 new options in the Combined Group. We have valued the Poseidon Options prior to Schemes and the Option Scheme Consideration following the Schemes.

The Poseidon Options are unlisted and therefore there is no regulated and observable market on which they are traded. In addition, the Poseidon Options do not have any vesting conditions attached. Options without vesting conditions can be exercised at any time up to the expiry date, and as such are more suitably valued using the Black-Scholes option pricing model.

The underlying share price input is derived from our valuation of Poseidon prior to the Schemes (Section 11), with other key inputs to the Black Scholes model readily available and set out in Section 13.

Therefore, we have used the Black-Scholes option pricing model to value the Poseidon Options. We note that our assessment of the value of the Poseidon Options reflects a controlling interest value.

10.4 Valuation of the Option Scheme Consideration

Following the implementation of the Option Scheme, we have again used the Black Scholes model to value the Option Scheme Consideration.

The Option Scheme Consideration will be unlisted and therefore there is no regulated and observable market on which they are traded. In addition, the Option Scheme Consideration do not have any vesting conditions attached. Options without vesting conditions can be exercised at any time up to the expiry date, and as such are more suitably valued using the Black-Scholes option pricing model.

The underlying share price input is derived from our valuation of the Combined Group (Section 12), with other key inputs to the Black Scholes model readily available and set out in Section 14.

Therefore, we have used the Black-Scholes option pricing model to value the Option Scheme Consideration. We note that our assessment of the value of the Option Scheme Consideration reflects a minority interest value.

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11. Valuation of a Poseidon share prior to the Share Scheme

11.1 Sum-of-Parts valuation

We have employed the Sum-of-Parts methodology in estimating the fair market value of a Poseidon share on a controlling interest basis, by aggregating the estimated fair market values of its underlying assets and liabilities, having consideration to the following:

- The value of Poseidon's mineral assets
- The value of other assets and liabilities.

Our Sum-of-Parts valuation of a Poseidon share is set out in the table below:

Sum-of-Parts valuation of a Poseidon share	Ref	Low $'000	Preferred $'000	High $'000
Value of Poseidon's mineral assets	11.1.1	26,900	36,500	46,200
Value of other assets and liabilities	11.1.2	8,137	8,137	8,137
Transaction costs	11.1.3	(630)	(630)	(630)
Total value of Poseidon prior to the Schemes (control)		**34,407**	**44,007**	**53,707**
Number of Poseidon shares on issue prior to the Schemes	11.1.4	4,203,875,492	4,203,875,492	4,203,875,492
Value of a Poseidon share prior to the Schemes (control) ($/share)		**0.008**	**0.010**	**0.013**

Source: BDO Analysis

Based on the above, we have assessed the value of a Poseidon share (on a controlling interest basis) to be in the range of $0.008 to $0.013, with a preferred value of $0.010.

11.1.1. Value of Poseidon's mineral assets

In performing our valuation of Poseidon's mineral assets, we have relied on the ITAR prepared by VRM. We instructed VRM to perform an independent market valuation of Poseidon's mineral assets including any exploration potential. VRM determined the fair market value of Poseidon's mineral assets including any exploration potential to be in the range of $26.9 million to $46.2 million, with a preferred value of $36.5 million.

The breakdown of VRM's valuation of Poseidon's mineral assets is set out in the table below:

Value of the Poseidon's mineral assets	Low $'000	Preferred $'000	High $'000
Black Swan	14,000	18,700	23,300
Lake Johnston	3,300	4,500	5,600
Windarra	7,100	9,400	11,800
Windarra Gold Tailings Project 3% NSR	2,000	2,600	3,300
Exploration potential	500	1400	2,200
Value of Poseidon's mineral assets	**26,900**	**36,500**	**46,200**

Source: ITAR prepared by VRM

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Poseidon has significant plant and equipment mostly consisting of the Black Swan and Lake Johnston nickel processing plants and accompanying on-site infrastructure. We note that there is also significant rehabilitation provisions attached to these projects. The valuations determined by VRM, outlined in the table above, have been assessed including the value of the onsite infrastructure and the rehabilitation provisions.

For further information on VRM's approach and conclusions, refer to the ITAR, which is included as Appendix 4 of our Report.

11.1.2. Value of other assets and liabilities

The other assets and liabilities of Poseidon represent the assets and liabilities that have not been specifically addressed elsewhere in our Sum-of-Parts valuation. From our discussions with the management of Poseidon and our analysis of the other assets and liabilities outlined in the table below, we do not consider there to be a material difference between book value and fair value, unless an adjustment has been noted.

The table below represents a summary of the assets and liabilities identified:

Statement of Financial Position	Notes	Audited as at 30-Jun-24 $'000	Adjusted Value $'000
CURRENT ASSETS			
Cash and cash equivalents	a)	1,434	3,224
Trade and other receivables		557	557
TOTAL CURRENT ASSETS		**1,991**	**3,781**
NON-CURRENT ASSETS			
Property, plant and equipment	b)	24,336	726
Right-of-Use Assets		195	195
Exploration and evaluation expenditure	c)	56,828	-
Other	d)	3,500	5,100
TOTAL NON-CURRENT ASSETS		**84,859**	**6,021**
TOTAL ASSETS		**86,850**	**9,802**
CURRENT LIABILITIES			
Trade and other payables		1,234	1,234
Loans and borrowings		109	109
Lease liabilities		161	161
Employee benefits		104	104
TOTAL CURRENT LIABILITIES		**1,608**	**1,608**
NON-CURRENT LIABILITIES			
Provisions	e)	63,350	-
Lease liabilities		57	57
TOTAL NON-CURRENT LIABILITIES		**63,407**	**57**
TOTAL LIABILITIES		**65,015**	**1,665**
NET ASSETS		**21,835**	**8,137**

Source: Poseidon's audited financial statements for the year ended 30 June 2024, Poseidon's management accounts for the period ended 30 September 2024 and BDO analysis

We have been advised that there have not been any significant changes to the net assets of Poseidon since 30 June 2024 and that the above assets and liabilities represent their fair market values apart from the

adjustments detailed below. Where the above balances differ materially from the audited position at 30 June 2024, we have obtained supporting documentation to validate the adjusted values used.

We note the following in relation to the above valuation of Poseidon's other assets and liabilities:

Note a) Cash and cash equivalents

We have adjusted the book value of cash and cash equivalents of $1.43 million as at 30 June 2024 to reflect Poseidon's cash and cash equivalents based on the Company's 30 September 2024 quarterly cash flow report, being $2.22 million.

We have also made an adjustment for the cash received from the sale of the tailing rights at the Windarra Gold Tailings Project. As detailed in Section 5.5 of our Report, consideration comprised a 3% NSR royalty (included in VRM's valuation of Poseidon's mineral assets), $1.60 million towards the rehabilitation bond and $1.25 million of cash, of which, a $0.25 million non-refundable payment was received in July 2024. The agreement became unconditional in November 2024, as such, we have adjusted cash for the remaining $1.0 million received after 30 September 2024.

These adjustments are set out in the table below.

Cash and cash equivalents	$000s
Cash and cash equivalents as at 30-Sep-24	2,224
Add: cash received from the sale of the tailing rights at the Windarra Gold Tailings Project	1,000
Poseidon's adjusted cash and cash equivalents balance ('000)	**3,224**

Source: Poseidon's audited financial statements for the year ended 30 June 2024, Poseidon's 30 September 2024 quarterly cash flow report and BDO analysis.

Note b) Plant and equipment

The book value of plant and equipment of $24.34 million as at 30 June 2024 primarily comprises plant and equipment used for mining related activities of $23.61 million. We have made an adjustment to exclude the plant and equipment used for mining related activities, as it is reflected within the valuation of Poseidon's mineral assets, which has been valued separately in Section 11.1.1 of our Report.

Note c) Exploration and evaluation assets

The book value of exploration and evaluation assets relates to capitalised historical expenditure. We have adjusted the book value of exploration and evaluation assets to nil, as this value is reflected within the valuation of Poseidon's mineral assets, which has been valued separately in Section 11.1.1 of our Report.

Note d) Other non-current assets

The other non-current assets of $3.50 million as at 30 June 2024 comprised a cash collateralised security deposit in recognition of an on-going commitment to the environmental rehabilitation of the Windarra mine site. As part of the consideration for the sale of the tailing rights at the Windarra Gold Tailings Project, Encore has agreed to pay Poseidon $1.60 million towards the existing rehabilitation bond, which we have added to the other non-current assets.

Note e) Non-current provisions

The book value of non-current provisions of $63.35 million as at 30 June 2024 comprised solely the ongoing obligation for the environmental rehabilitation of the Black Swan, Lake Johnston and Windarra projects. We have adjusted the book value of non-current provisions to nil, as they are accounted for separately in VRM's valuations of Poseidon's mineral assets, which have been valued separately in Section 11.1.1 of our Report.

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11.1.3. Transaction costs

In performing our valuation of Poseidon prior to the Scheme, we have reflected the transaction costs that are expected to be incurred by Poseidon following 30 September 2024, but prior to the implementation of the Scheme, regardless of whether the Scheme proceeds.

The transaction costs to be incurred by Poseidon have been estimated to be $0.63 million.

11.1.4. Number of shares outstanding

As set out in Section 4, the number of shares on issue that we have used in our valuation of Poseidon prior to the Scheme is 4,203,875,490.

11.2 QMP valuation

To provide a comparison to the valuation of Poseidon in Section 11.1, we have also assessed the QMP of a Poseidon share.

The quoted market value of a company's shares is reflective of a minority interest. A minority interest is an interest in a company that is not significant enough for the holder to have an individual influence in the operations and value of that company.

RG 111.43 suggests that when considering the value of a company's shares for the purposes of a control transaction the expert should consider a premium for control. An acquirer could be expected to pay a premium for control due to the advantages they will receive should they obtain 100% control of another company. These advantages include the following:

- Control over decision making and strategic direction.
- Access to underlying cash flows.
- Control over dividend policies.
- Access to potential tax losses.

Therefore, our calculation of the QMP of a Poseidon share including a premium for control has been prepared in two parts. The first part is to calculate the QMP of a Poseidon share on a minority interest basis. The second part is to add a premium for control to the minority interest value to arrive at a QMP value that includes a premium for control.

Minority interest value

Our analysis of the QMP of a Poseidon share is based on the pricing prior to the announcement of the Scheme (25 October 2024). This is because the value of a Poseidon share after the announcement may include the effects of any change in value as a result of the Scheme. However, we have considered the value of a Poseidon share following the announcement when we have considered reasonableness in Section 16.

Information on the Scheme was announced to the market on 25 October 2024. Therefore, we have assessed the QMP of a Poseidon share over the period from 20 October 2023 to 22 October 2024. The following chart provides a summary of the closing share price movements and trading volume over the 12 months to 22 October 2024, which was the last trading day prior to the announcement.

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Source: Bloomberg and BDO analysis

The closing price of a Poseidon share over the period from 20 October 2023 to 22 October 2024 ranged from a low of $0.003 on 27 September 2024 to a high of $0.018 on 15 November 2023. The largest day of single trading over the assessed period was 18 December 2023, when 150,507,783 shares were traded.

During this period a number of announcements were made to the market. The key announcements are set out below:

Date	Announcement	Closing Share Price Following Announcement			Closing Share Price Three Days After Announcement		
		$	(movement)		$	(movement)	
09/11/2023	Company Update	0.017	▲	5.8%	0.016	▼	5.5%
18/12/2023	Exploration & Gold Tailings Update	0.009	▼	28.1%	0.011	▲	19.6%
21/12/2023	Gold Tailings Trial and Windarra Water Access Agreement	0.011	▲	8.9%	0.011	▶	0.0%
21/12/2023	Strategic Farm-In Agreement Over Lithium Bearing Pegmatites	0.011	▲	8.9%	0.011	▶	0.0%
14/02/2024	Exciting New Exploration Targets at Windarra	0.006	▶	0.0%	0.007	▲	14.1%
18/03/2024	Binding Heads of Agreement for the Sale of Lake Johnston	0.007	▶	0.0%	0.006	▼	12.3%
19/03/2024	Leadership transition to follow new funding	0.006	▼	12.3%	0.006	▶	0.0%
30/04/2024	Update on proposed sale of Lake Johnston	0.006	▼	14.1%	0.006	▲	16.4%
09/05/2024	Update on Proposed Sale of Lake Johnston	0.005	▼	16.4%	0.005	▶	0.0%
17/05/2024	Lake Johnston Project Update	0.006	▲	48.6%	0.006	▲	16.4%
30/05/2024	Near Surface Exploration Targets at Black Swan	0.006	▼	14.1%	0.006	▲	16.4%
06/06/2024	Gold and Nickel Targets at Windarra	0.006	▲	16.4%	0.006	▶	0.0%
30/07/2024	Update on Gold Exploration Programs	0.005	▲	24.3%	0.004	▼	10.9%
31/07/2024	POS enters agreement to develop Windarra Tailings Project	0.005	▶	0.0%	0.003	▼	34.8%

Date	Announcement	Closing Share Price Following Announcement			Closing Share Price Three Days After Announcement		
		$ (movement)			$ (movement)		
01/08/2024	Prospectus - Non-Renounceable Entitlement Issue	0.004	▼	10.9%	0.003	▼	26.8%
01/08/2024	Entitlement Offer to Accelerate Exploration Activities	0.004	▼	10.9%	0.003	▼	26.8%
15/08/2024	Extension of Entitlement Offer Closing Date	0.003	▼	25.0%	0.004	▲	33.3%
15/08/2024	Gold prospectivity enhanced at Black Swan and Lake Johnston	0.003	▼	25.0%	0.004	▲	33.3%
16/08/2024	Gold Prospectivity Enhanced - re-lodgement of Announcement	0.004	▲	33.3%	0.004	▼	12.5%
26/08/2024	Further validation of gold potential at Company projects	0.004	▶	0.0%	0.004	▶	0.0%
02/09/2024	Windarra Tailings Project and Water Access Agreement Update	0.004	▶	0.0%	0.003	▼	25.0%
03/09/2024	Completion of Entitlement Offer	0.004	▶	0.0%	0.004	▼	12.5%
24/09/2024	Gold Potential Builds at Black Swan	0.004	▲	16.7%	0.003	▼	14.3%
08/10/2024	Copper-Gold and Lithium targets at Lake Johnston enhanced	0.004	▶	0.0%	0.004	▶	0.0%

Source: Bloomberg and BDO analysis

On 18 December 2023, the Company released an update on its exploration progress and gold tailings across its three projects, particularly outlining positive drill results at the Maggie Hays West prospect, as well as detailing the recently identified lithium potential at Lake Johnston. On the day of the announcement, the Company's share price decreased by 28.1% to close at $0.009, before increasing 19.6% over the subsequent three-day trading period to close at $0.011.

On 18 March 2024, the Company announced that it had entered into a Binding HoA to divest Lake Johnston to MinRes for consideration totalling approximately $15 million, in which Poseidon would use to progress activities at Black Swan. On the day of the announcement, the Company's share price did not change. However, over the subsequent three-day trading period, the Company's share price decreased by 12.3% to close at $0.006.

On 30 April 2024, the Company released an update on its Binding HoA with MinRes, where the Company detailed MinRes' reluctancy to abide by the initial HoA, and MinRes' insistence on renegotiated terms in which the Company deems to be inconsistent with the best interests of shareholders. On the day of the announcement, the Company's share price decreased by 14.1% to close at $0.006, before increasing by 16.4% over the subsequent three-day trading period to close at $0.006.

On 9 May 2024, the Company announced that it had received a note of termination from MinRes with regards to the Binding HoA entered into by both parties pursuant to the Company's announcement on 18 March 2024. On the day of the announcement, the Company's share price decreased by 16.4% to close at $0.005. There was no movement in the Company's share price over the subsequent three-day trading period.

On 17 May 2024, the Company released an update on Lake Johnston, detailing its recommencement of exploration activities and study at Lake Johnston following the breakdown of the Binding HoA with MinRes. On the day of the announcement, the Company's share price increased by 48.6% to close at $0.006, before increasing a further 16.4% over the subsequent three-day trading period to close at $0.006.

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On 30 July 2024 the Company released an update on its gold exploration programs, outlining the potential for other commodities outside of nickel at its projects. The Company specifically emphasised that it had identified gold rock chip samples at Windarra and a large gold anomaly at Lake Johnston, as well as the discovery of a prospective gold corridor at Black Swan. On the day of the announcement, the Company's share price increased by 24.3% to close at $0.005, before decreasing 10.9% over the subsequent three-day trading period to close at $0.004.

On 31 July 2024, the Company announced that it had entered into an agreement with Encore Minerals to develop gold and nickel tailings at Windarra, in which Poseidon would receive cash and royalty consideration. On the day of the Announcement, the Company's share price did not change, before decreasing by 34.8% over the subsequent three-day trading period to close at $0.003.

On 1 August 2024, the Company announced a non-renounceable entitlement offer of one new share for every three shares held by eligible shareholders, plus one free-attaching option for every three new shares issued. The Company outlined its intent to raise up to $3.7 million through this entitlement offer, in which would be used to fund exploration activities across its projects. On the day of the announcement, the Company's share price decreased by 10.9% to close at $0.004, before decreasing further by 16.4% over the subsequent three-day trading period to close at $0.003.

On 15 August 2024, the Company released an update surrounding gold prospectivity and the progress of exploration programs across its three projects. The Company outlined favourable gold prospects at Black Swan, and the exhibition of copper-gold systems at Lake Johnston, as well as highlighted prospective gold mineralisation at Windarra. Furthermore, the Company released an announcement on this date detailing an extension to the closing date of the entitlement offer announced on 1 August 2024. On the day of the announcement, the Company's share price decreased by 25.0% to close at $0.003, before increasing by 33.3% over the subsequent three-day trading period to close at $0.004.

On 26 August 2024, the Company released an update surrounding its gold exploration programs at Black Swan and Lake Johnston. Horizon highlighted results from its rock chip sampling at Black Swan, confirming gold bearing bedrocks at the project, as well as the extension of previously identified copper-gold anomalies at Lake Johnston. On the day of the announcement, the Company's share price did not change to close at $0.004. Over the subsequent three-day trading period, the Company's share price remained unchanged.

On 24 September 2024, the Company released an update on the gold exploration programs at Black Swan, in which outlined the completion of reconnaissance soils sampling at Black Swan, resulting in the identification of several gold anomalies. The Company detailed a highly prospective anomaly, namely Wilson's Prospect, as its main exploration target within Black Swan. On the day of the announcement, the Company's share price increased by 16.7% to close at $0.004, before decreasing by 14.3% over the subsequent three-day trading period to close at $0.003.

To provide further analysis of the QMP of a Poseidon share, we have also considered the VWAP for 10-day, 30-day, 60-day and 90-day periods to 22 October 2024.

Share price per unit	22-Oct-24	10 days	30 days	60 days	90 days
Closing price	$0.006				
Volume-weighted average price (VWAP)		$0.005	$0.004	$0.004	$0.004

Source: Bloomberg and BDO analysis

The above VWAPs are prior to the date of the announcement of the Scheme, to avoid the influence of any movements in the price of Poseidon shares that have occurred since the Scheme was announced.

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An analysis of the volume of trading in Poseidon shares for the twelve months to 22 October 2024 is set out below:

Trading days	Share price low	Share price high	Cumulative volume traded	As a % of issued capital
1 day	$0.005	$0.006	2,424,042	0.06%
10 days	$0.003	$0.007	164,581,708	3.91%
30 days	$0.003	$0.007	307,828,841	7.32%
60 days	$0.003	$0.007	505,640,483	12.03%
90 days	$0.003	$0.007	720,775,541	17.15%
180 days	$0.003	$0.007	1,569,3174,309	37.33%
1 year	$0.003	$0.018	2,485,882,885	59.13%

Source: Bloomberg and BDO analysis

This table indicates that Poseidon's shares display a moderate level of liquidity, with 59.13% of the Company's issued capital being traded in a twelve-month period. RG 111.86 states that for the quoted market price methodology to be an appropriate methodology there needs to be a 'liquid and active' market in the shares and allowing for the fact that the quoted price may not reflect their value should 100% of the securities not be available for sale. We consider the following characteristics to be representative of a liquid and active market:

- Regular trading in a company's securities.
- Approximately 1% of a company's securities are traded on a weekly basis.
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company.
- There are no significant but unexplained movements in share price.

A company's shares should meet all of the above criteria to be considered 'liquid and active', however, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares cannot be considered relevant.

In the case of Poseidon, we consider the shares to display a moderate level of liquidity, on that basis that greater than 1% of securities have been traded weekly on average, with 37.33% and 59.13% of Poseidon's current issued capital being traded over a 180-day period and twelve-month period, respectively, prior to the announcement of the Scheme. Of the 52 weeks in which our analysis is based on, the trading volume of the Company's securities exceeded 1% of total issued capital in 18 separate weeks.

Our assessment is that a range of values for a Poseidon share based on market pricing, after disregarding post-announcement pricing, is between $0.004 and $0.006.

Control premium

We have reviewed the control premiums on completed transactions, paid by acquirers of ASX-listed non-ferrous metals companies, ASX-listed general mining companies and all ASX-listed companies over the 10-year period from January 2014 to October 2024. In assessing the appropriate sample of transactions from which to determine an appropriate control premium, we have excluded transactions where an acquirer obtained a controlling interest (20% and above) at a discount (i.e., less than a 0% premium) and at a premium in excess of 100%. We have summarised our findings below:

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ASX-listed non-ferrous metal companies

Year	Number of Transactions	Average Deal Value ($m)	Average Control Premium (%)
2024	2	50.82	58.67
2023	0	-	-
2022	2	167.36	12.75
2021	0	-	-
2020	0	-	-
2019	1	56.93	52.48
2018	0	-	-
2017	0	-	-
2016	0	-	-
2015	1	28.13	34.66
2014	2	7.45	23.51

Source: Bloomberg, BDO analysis

ASX-listed general mining companies

Year	Number of Transactions	Average Deal Value ($m)	Average Control Premium (%)
2024	10	542.62	28.83
2023	14	162.16	30.31
2022	9	1,929.90	22.67
2021	6	1,235.14	29.89
2020	5	592.06	35.90
2019	9	182.08	41.27
2018	6	68.30	28.27
2017	4	9.28	39.86
2016	10	72.56	50.15
2015	6	318.69	58.37
2014	4	15.39	32.20

Source: Bloomberg, BDO analysis

All ASX-listed companies

Year	Number of Transactions	Average Deal Value ($m)	Average Control Premium (%)
2024	49	954.63	27.38
2023	35	421.28	27.41
2022	39	3,199.03	23.39
2021	28	1,095.24	35.17
2020	16	367.97	40.43
2019	29	4,165.55	32.83
2018	26	1,571.79	30.07
2017	24	1,168.71	36.75
2016	28	490.46	38.53
2015	28	948.39	33.53
2014	12	464.40	38.70

Source: Bloomberg and BDO analysis

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The mean and median of the entire data sets comprising control transactions from 2014 onwards for ASX-listed non-ferrous metal companies, ASX-listed general mining companies, and all ASX-listed companies are set out below:

Entire Data Set Metrics	ASX-Listed Non-Ferrous Metal Companies		ASX-Listed Mining Companies		All ASX-Listed Companies	
	Deal Value ($m)	Control Premium (%)	Deal Value ($m)	Control Premium (%)	Deal Value ($m)	Control Premium (%)
Mean	67.04	34.62	490.39	35.62	1,449.28	31.67
Median	39.51	34.19	56.12	30.42	145.10	27.36

Source: Bloomberg and BDO analysis

In arriving at an appropriate control premium to apply, we note that observed control premiums can vary due to the:

- Nature and magnitude of non-operating assets
- Nature and magnitude of discretionary expenses
- Perceived quality of existing management
- Nature and magnitude of business opportunities not currently being exploited
- Ability to integrate the acquiree into the acquirer's business
- Level of pre-announcement speculation of the transaction
- Level of liquidity in the trade of the acquiree's securities.

When performing our control premium analysis, we consider completed transactions where the acquirer held a controlling interest, defined at 20% or above, pre-transaction or proceed to hold a controlling interest post-transaction in the target company.

We have removed transactions for which the announced premium was in excess of 100%. We have removed these transactions because we consider it likely that the acquirer in these transactions would be paying for special value and/or synergies in excess of the standard premium for control. Whereas the purpose of this analysis is to assess the premium that is likely to be paid for control, not specific value to the acquirer.

The table above indicates that the long-term average control premium by acquirers of ASX-listed non-ferrous metals companies, ASX-listed general mining companies and all ASX-listed companies is approximately 34.62%, 35.62%, and 31.67% respectively. However, in assessing the transactions included in the table above, we noted that control premiums appeared to be positively skewed.

In population where the data is skewed, the median often represents a superior measure of central tendency compared to the mean. We note that the median announced control premium over the assessed period was approximately 34.19% for ASX-listed non-ferrous metals companies, 30.42% for ASX-listed general mining companies, and 27.36% for ASX-listed companies.

Based on the above, we consider an appropriate premium for control to be between 25% and 35%.

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QMP including control premium

Applying a control premium to Poseidon's quoted market share price results in the following QMP value including a premium for control:

QMP valuation of a Poseidon share	Low $	Preferred $	High $
QMP	$0.004	$0.005	$0.006
Control premium	25%	30%	35%
QMP valuation including a premium for control	**$0.005**	**$0.007**	**$0.008**

Source: BDO analysis

Therefore, our valuation of a Poseidon share based on the QMP methodology and including a premium for control is between $0.005 and $0.008, with our preferred QMP value of a Poseidon share being a rounded midpoint value of $0.007.

11.3 Assessment of the value of a Poseidon share

The results of the valuations performed are summarised in the table below:

Valuation of a Poseidon share	Ref	Low $	Preferred $	High $
Sum-of-Parts (controlling interest basis)	11.1	0.008	0.010	0.013
QMP (controlling interest basis)	11.2	0.005	0.007	0.008

Source: BDO analysis

We consider the Sum-of-Parts approach to be the most appropriate valuation methodology to value a Poseidon share, as the core value of the Company lies in its mineral assets, which have been independently valued by VRM, an independent technical specialist, in accordance with the VALMIN Code, JORC Code, and ASIC's Regulatory Guides. Notwithstanding, we consider the QMP approach to be relevant for the purposes of a broad cross-check to our valuation under the Sum-of-Parts approach. Based on the values above, we consider the valuation under the QMP approach to be broadly supportive of the valuation under the Sum-of-Parts approach.

The different results of our valuation approaches are explained by:

- the technical and economic assumptions made by VRM in assessing the value of Poseidon's mineral assets may vary from those made by the market;
- given the current nickel market conditions, the market price might be influenced by the negative sentiment towards nickel exploration and development companies and may take a less optimistic view on the value of Poseidon's mineral assets; and
- as determined by our liquidity analysis in Section 11.2, Poseidon's shares display a moderate level of liquidity, therefore the market price may not reflect the underlying value of a Poseidon share.

Based on the results above we consider the value of a Poseidon share to be between $0.008 and $0.013, with a preferred value of $0.010.

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12. Valuation of the Share Scheme Consideration

The Share Scheme Consideration comprises 0.1156 new Horizon shares for every Poseidon share held. In valuing the Share Scheme Consideration, we have adopted the Sum-of Parts valuation methodology to assess the value of 0.1156 new Horizon shares (representing shares in the Combined Group). The value derived from this methodology reflects a controlling value, to which we have applied a minority interest discount.

12.1 Sum-of Parts valuation of a share in the Combined group

We have valued the Combined Group using a Sum-of-Parts approach, with our valuation including the:

- Value of Poseidon prior to the Schemes
- Value of the Boorara Project
- Value of Horizon's interest in the Phillips Find Project
- Value of Horizon's other mineral assets
- Value of Horizon's other assets and liabilities
- Present Value of Horizon's corporate overhead costs
- Transaction costs borne by the Combined group.

The summary of our Sum-of-Parts valuation is set out in the table below.

Sum-of-Parts valuation of the Combined Group	Ref	Low	Preferred	High
		$'000	$'000	$'000
Value of Poseidon prior to the Schemes	11.1	34,407	44,007	53,707
Value of the Boorara Project	12.1.2	11,800	13,100	14,400
Value of Horizon's interest in the Phillips Find Project	12.1.3	5,500	6,250	9,000
Value of Horizon's other mineral assets	12.1.4	85,900	118,100	150,400
Value of Horizon's other assets and liabilities	12.1.5	8,476	8,476	8,476
Present value of Horizon's corporate costs	12.1.6	(4,504)	(3,941)	(3,378)
Transaction costs	12.1.7	(2,630)	(2,630)	(2,630)
Total value of the Combined Group (control)		**138,948**	**183,361**	**229,974**
Number of Combined Group shares	12.1.8	1,925,533,157	1,925,533,157	1,925,533,157
Value of a Combined Group share post the Schemes (control) ($/share)		**0.0722**	**0.0952**	**0.1194**
Minority interest discount	12.1.9	26%	23%	20%
Value of a Combined Group share post the Schemes (minority) ($/share)		**0.053**	**0.073**	**0.096**

Source: BDO analysis

Based on the above, we have assessed the value of a Combined Group share post the Schemes (on a minority interest basis) to be in the range of $0.053 to $0.096, with a preferred value of $0.073.

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12.1.1. Value of Poseidon prior to the Schemes

We have relied on the valuation of Poseidon calculated in Section 11.1 of this Report. This incorporates valuations of Poseidon's mineral assets, processing infrastructure and rehabilitation provisions provided by the technical specialist, VRM.

We note any synergistic value uplift in Poseidon's mineral assets and processing infrastructure that may eventuate as part of the merger with the Horizon assets under the implementation of the Schemes has not been considered in the Combined Group Sum-of-Parts valuation. Specifically, Horizon's planned refurbishment and conversion of the Black Swan nickel processing infrastructure to a gold processing facility has not yet had the required feasibility studies completed for us to have a reasonable basis to quantify the value uplift. Nor do any of Horizon's current mineral asset valuations, outlined below, rely on the Black Swan processing facility being ready for use in the short term. Horizon has advised this scoping study is likely to be completed in the second half of 2025 with first gold production from Black Swan currently targeted for mid-2026. As such we have not increased the value of Poseidon's assets to reflect any potential increase in value that may arise from the implementation of the Schemes.

12.1.2. Value of the Boorara Project

We elected to use the DCF approach in valuing the Boorara Project. The DCF approach estimates the fair market value by discounting the future cash flows arising from the Boorara Project to their net present value. Performing a DCF valuation requires the determination of the following:

- The expected future cash flows that the Boorara Project is expected to generate; and
- An appropriate discount rate to apply to the cash flows of the Boorara Project to convert them to present value equivalent.

12.1.2.1. Future cash flows

A detailed cash flow model of the Boorara Project was prepared by the management of Horizon ('**the Boorara Model**'). The Boorara Model estimates the future cash flows expected from gold production at the Boorara Project. The Boorara Model depicts forecasts of real post-tax cash flows over the 21-month life of mine on a monthly basis from August 2024. We have reviewed the Boorara Model and material assumptions that underpin it.

BDO has made certain adjustments to the Boorara Model where it was considered appropriate to arrive at an adjusted model ('**Adjusted Boorara Model**'). We have adjusted the Boorara Model to reflect any changes to technical assumptions as a result of VRM's review and any changes to the economic and other input assumptions from our research. We have also adjusted the Boorara Model by converting the cash flows to be on a nominal basis. We have also adopted a valuation date of 30 September 2024.

The Boorara Model was prepared based on estimates of a production profile, operating costs and start-up and sustaining capital expenditure. The main assumptions underlying the Adjusted Boorara Model include:

- Mining and production volumes;
- Commodity prices;
- Operating costs;
- Start-up and sustaining capital expenditure;
- Foreign exchange rates;
- Royalties;
- Corporate tax; and
- Discount rate.

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We undertook the following analysis of the Boorara Model:

- Appointed VRM as a technical expert to review, and where required, provide changes to the technical assumptions underlying the Boorara Model;
- Analysed the Boorara Model to confirm its integrity and mathematical accuracy;
- Conducted independent research on certain economic and other inputs such as commodity prices, exchange rates, inflation and discount rate applicable to the future cash flows of the Boorara Project;
- Held discussions with Horizon's management regarding the preparation of the forecasts in the Boorara Model and its views; and
- Performed a sensitivity analysis on the value of the Boorara Project as a result of flexing selected assumptions and inputs.

We have not undertaken a review of the cash flows in accordance with the Standard on Assurance Engagements ASAE 3450 'Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information' and do not express an opinion on the reasonableness of the assumptions or their achievability. However, nothing has come to our attention as a result of our procedures to suggest that the assumptions on which the Adjusted Boorara Model has been based have not been prepared on a reasonable basis.

Appointment of technical expert

VRM was engaged to prepare the ITAR which includes a technical assessment of the assumptions underpinning the Boorara Model. VRM's assessment involved the review and provision of input on the assumptions adopted in the Boorara Model, including but not limited to:

- Mining physicals (including volume mined, recovery and grade);
- Processing assumptions (including products and recovery);
- Operating expenditure (comprising direct operating expenditure and certain fixed costs);
- Capital expenditure (development and sustaining capital expenditure required); and
- Other relevant assumptions.

A copy of VRM's ITAR is included in Appendix 4.

Limitations

Since forecasts relate to the future, they may be affected by unforeseen events and they depend, in part, on the effectiveness of management's actions in implementing the plans on which the forecasts are based. Accordingly, actual results may vary materially from the forecasts included in the Model, as it is often the case that some events and circumstances frequently do not occur as expected, or are not anticipated, and those differences may be material.

Economic assumptions

Inflation

We note that all cash flows contained in the Boorara Model were calculated on a real basis.

The Boorara model was prepared by management of Horizon in August 2024, as such, we have assumed that costs in CY24 are on a real basis. We have applied the forecast inflation rate to the operating costs in CY25 and CY26 in the Adjusted Boorara Model to convert them to nominal cash flows.

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The Boorara Model forecasts operating costs in Australian Dollars, therefore we consider the Australian inflation rate to be the most appropriate inflation rate to apply to the cash flows in the Adjusted Boorara Model.

In forming our assessment of the forecast inflation rate, we have had regard to consensus views of forecast inflation as sourced from Bloomberg, as well as consideration of the recent trend of inflation in Australia. The inflation assumptions we have adopted in the Adjusted Boorara Model are set out below.

Australian inflation rate	CY24	CY25	CY26
Average inflation rate	3.30%	2.80%	2.70%

Source: Bloomberg and BDO analysis

Foreign exchange

The forecast gold pricing we have adopted in the Adjusted Boorara Model is denominated in US dollars. As we are assessing the value of Horizon, an Australian company, we have converted all the cash flows in the Adjusted Boorara Model to Australian Dollars. In our assessment of foreign exchange rates, we have considered historical exchange rates as well as forecasts prepared by economic analysts and other publicly available information.

The forecast exchange rates we have adopted in the Adjusted Boorara Model are set out below.

AUD:USD Exchange Rate	Q42024	Q12025	Q22025	Q32025	Q42025	Q12026	Q22026
AUD:USD	0.68	0.69	0.70	0.70	0.71	0.73	0.73

Source: Bloomberg and BDO analysis

Gold prices

The Company will receive revenue from the sale of gold produced at the Boorara Project. In assessing the forecast gold prices, we have considered the Consensus Economics price forecasts as at November 2024.

The future gold prices (in nominal terms) we have adopted in the Adjusted Boorara Model are set out below.

Gold prices	Q42024	Q12025	Q22025	Q32025	Q42025	Q12026	Q22026
Gold price (US$/oz)	2,630	2,665	2,670	2,650	2,650	2,575	2,555

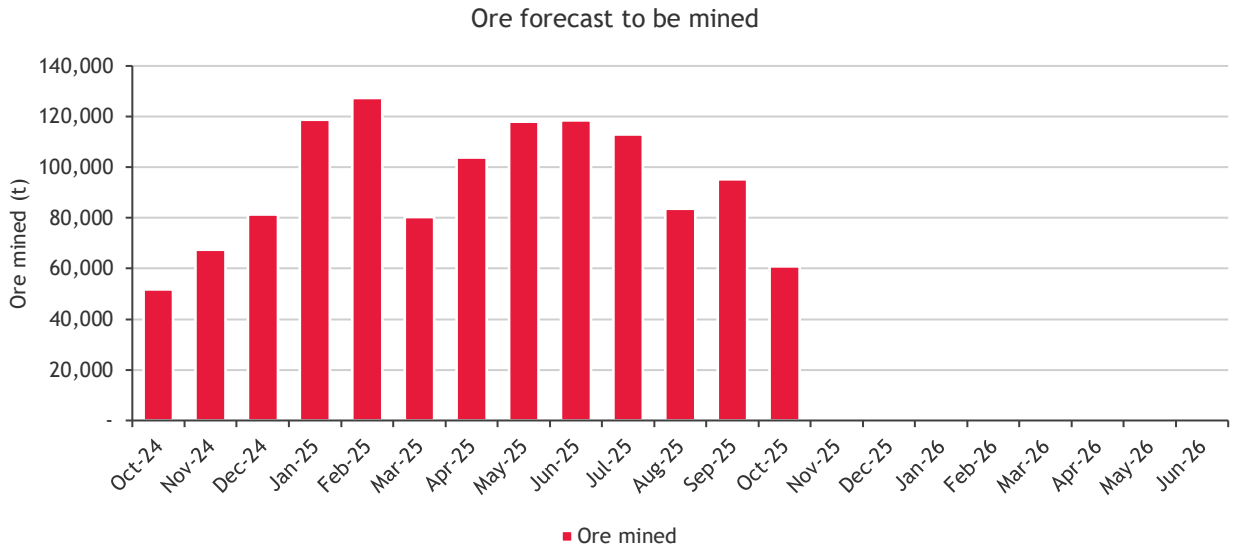
Source: Consensus Economics and BDO analysis

Mining physicals

The proposed production outlook of the Boorara Project is approximately 21 months. The graph below shows the forecast ore to be mined over the Adjusted Boorara Model's forecast period. We note that the graphs in this section have been prepared on a monthly basis.

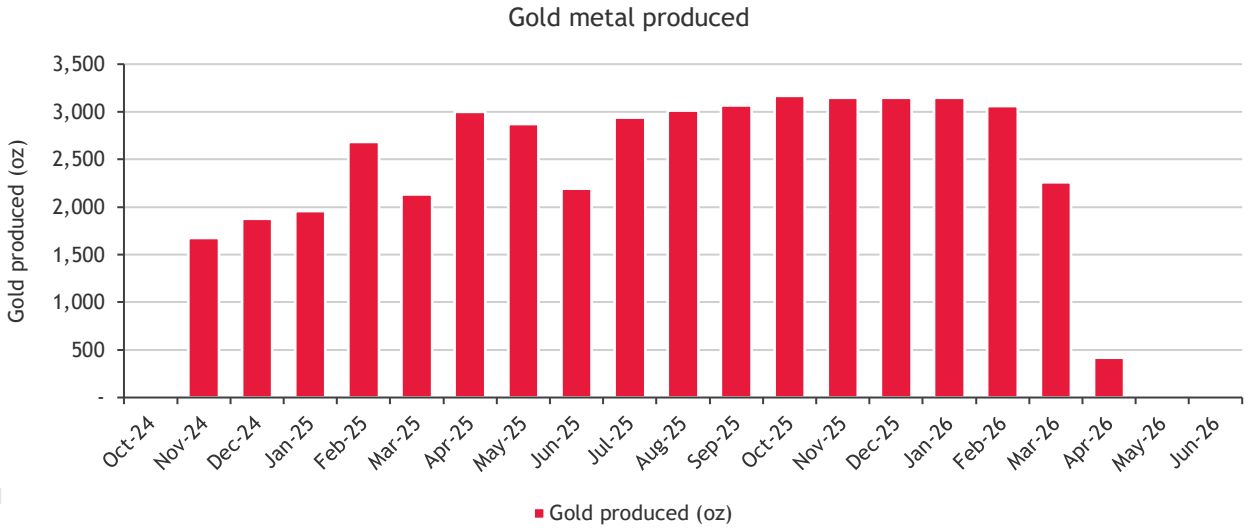
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Source: Adjusted Boorara Model and BDO analysis

The mined ore is then processed for sale. We note that the processing of the Boorara gold ore is contracted to take place via toll treatment at the neighbouring Paddington Mill. The graphs below show the forecast gold produced over the Adjusted Boorara Model's forecast period.

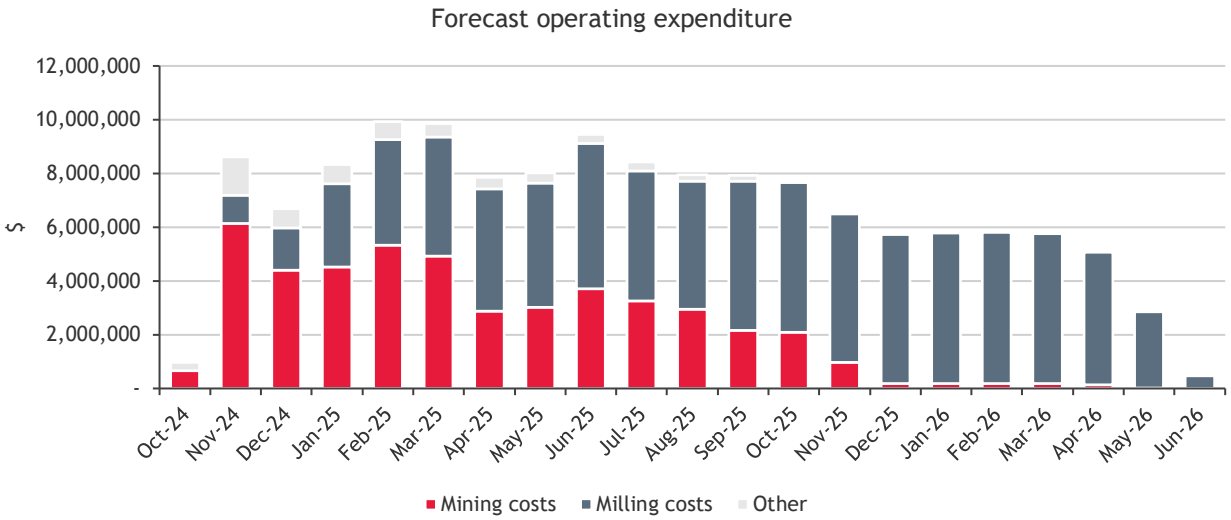


Source: Adjusted Boorara Model and BDO analysis

Operating expenditure

The operating expenditure (**'OpEx'**) included in the Adjusted Boorara Model consists of mining, milling and other expenditure. In preparing the Adjusted Boorara Model, we have applied our assessed forecast inflation rate to the forecast operating expenditure for CY25 and CY26 cash flows. VRM has confirmed the reasonableness of the forecast operating expenditure assumptions having considered such costs incurred historically at similar projects and by assessing the forecast operating costs per tonne in the context of their experience with gold mining projects.

The graph below outlines the forecast operating expenditure for the Boorara Project on a nominal basis over the life of mine.



Source: Adjusted Boorara Model and BDO analysis

Capital expenditure

The Boorara Model assumes no upfront or sustaining capital expenditure (**'CapEx'**) over the life of mine for the Boorara Project. Horizon management have advised this is due to the Boorara Project being a short-term discrete mining project. In preparing the Adjusted Boorara Model, we have relied on CapEx assumptions in the Boorara Model, which VRM has confirmed is reasonable as the production at the Boorara Project will use existing infrastructure, including haul roads, and the ore will be processed at an existing processing plant.

Royalties

Horizon is subject the following royalties on the Boorara Project:

- A 2.5% royalty on revenue at the Boorara Project payable to the Western Australian government
- A 1.5% royalty on gold sales at the Boorara Project payable to Western Reef
- A 1.5% royalty on gold sales at the Boorara Project payable to Fimiston Mining NL
- A $18,000 upfront royalty payable to New Hampton.

We have applied the above rates in the Adjusted Boorara Model.

Depreciation

The Boorara Model has no CapEx, as such there is no depreciation over the life of mine in the Adjusted Boorara Model.

Receivables and payables

We have not reflected the receivables and payables balances as at 30 June 2024 in the Adjusted Boorara Model as these balances are considered separately in our Sum-of-Parts valuation.

Taxation

We have modelled income tax within the Adjusted Boorara Model assuming no available carried forward tax losses as at 30 September 2024. In modelling income tax, we have reflected our assumptions on corporate costs when assessing taxable income. The Australian corporate tax rate of 30% is then applied in the calculation of taxes payable.

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We have considered tax advice provided to Horizon relating to the availability of tax losses upon the acquisition of Poseidon. We note that Horizon is likely to have an available fraction of tax losses that will be utilisable against future profits, however a definitive available fraction will not be determined until after the Schemes are finalised. For the avaiodance of doubt, we have not considered any availability of tax losses and consider any potential tax savings to be immaterial when assessing aginst the value of the Combined Group in its entirety.

12.1.2.2. Discount Rate

In our assessment of an appropriate discount rate to apply to the Boorara Project, we consider the most appropriate discount rate to be Horizons' weighted average cost of capital. We note that its weighted average cost of capital includes reference to a portion of debt, as Horizon currently has the Nebari convertible debt facility drawn down.

We have selected a nominal after tax weighted average cost of capital in the range of 11% to 13% per annum to discount the cash flows of the Boorara Project to its present value. We have used a rounded discount rate of 12% in our base case.

In selecting this range of discount rates, we have considered the following:

- the rate of return for comparable ASX listed gold producing companies; and
- the risk profile of Horizon as compared to the comparable companies identified.

A detailed consideration of how we arrived at our adopted discount rate range is shown in Appendix 3.

12.1.2.3. Sensitivity analysis

We have analysed the key assumptions adopted in the Adjusted Boorara Model and have prepared sensitivities on the post-tax NPV. The sensitivity analysis considers the value of the Boorara Project under various pricing scenarios, in applying:

- A change of +/- 10% to the gold price;
- A change of +/- 10% to the operating costs;
- A change of +/- 10% to the capital costs;
- A change of +/- 10% to the USD:AUD foreign exchange rates;
- A change of +/- 1% to the inflation rate; and
- A discount rate in the range of 10% to 14%.

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These sensitivities have been prepared to assist Shareholders in considering the potential impact on the value of the Boorara Project if our base case assumptions change.

Sensitivity Analysis of the Boorara Project's DCF Valuation	$'000s	$'000s	$'000s
Percentage change	**Gold price (US$/oz)**	**Exchange rate (AUD/USD)**	**Operating costs**
10%	23,592,054	3,487,455	3,835,665
8%	21,496,317	5,272,018	5,693,352
6%	19,398,085	7,121,774	7,548,759
4%	17,299,793	9,038,261	9,399,577
2%	15,200,745	11,028,045	11,248,499
0%	**13,095,052**	**13,095,052**	**13,095,052**
-2%	10,986,705	15,243,691	14,938,924
-4%	8,875,743	17,474,651	16,775,879
-6%	6,762,320	19,799,885	18,612,213
-8%	4,644,523	22,225,269	20,447,675
-10%	2,522,361	24,756,353	22,281,252

Source: Adjusted Boorara Model and BDO analysis

Sensitivity analysis of the DCF valuation of the Boorara Project to the inflation rate					
Inflation rate	-1%	-0.5%	0%	+0.5%	+1%
Value ($'000)	13,613,773	13,354,349	13,095,052	12,835,881	12,576,835

Source: Adjusted Boorara Model and BDO analysis

Sensitivity analysis of the DCF valuation of the Boorara Project to the discount rate					
Discount rate	10.00%	11.00%	12.00%	13.00%	14.00%
Value ($'000)	13,679,392	13,382,020	13,095,052	12,817,959	12,550,248

Source: Adjusted Boorara Model and BDO analysis

In considering the above sensitivities, Shareholders should note the following:

- the variables described above may have compounding or offsetting effects and are unlikely to move in isolation;
- the variables for which we have performed sensitivities are not the only variables which are subject to deviation from the forecast assumptions; and
- the sensitivities performed do not cover the full range of possible variances from the base case assumptions used (i.e. variances could be greater than the percentage increases or decreases set out in this analysis).

We have presented the above sensitivities to highlight the sensitivity of the value of the Boorara Project to changes in pricing and other assumptions.

Considering the valuation outcomes above, we estimate the value of the Boorara Project to be in the range of $11.80 million and $14.40 million, with a preferred value of $13.10 million.

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12.1.3. Value of Horizon's interest in the Phillips Find Project

We elected to use the DCF approach in valuing Horizon's interest in the Phillips Find Project. The DCF approach estimates the fair market value by discounting the future cash flows arising from the Phillips Find Project to their net present value. Performing a DCF valuation requires the determination of the following:

- The expected future cash flows that the Phillips Find Project is expected to generate; and
- An appropriate discount rate to apply to the cash flows of the Phillips Find Project attributable to Horizon to convert them to present value equivalent.

12.1.3.1. Future cash flows

A detailed cash flow model of the Phillips Find Project was prepared by the management of Horizon (**'the Phillips Find Model'**). The Phillips Find Model estimates the future cash flows expected from gold production at the Phillips Find Project. The Phillips Find Model depicts forecasts of after tax, monthly cash flows on a real and 100% interest basis, over the 12-month life of mine from September 2024. We have reviewed the Phillips Find Model and material assumptions that underpin it.

BDO has made certain adjustments to the Phillips Find Model where it was considered appropriate to arrive at an adjusted model (**'Adjusted Phillips Find Model'**). We calculated the cash flows attributable to Horizon, based on the terms of the JV with BML. We have also adjusted the Phillips Find Model to reflect any changes to technical assumptions as a result of VRM's review and any changes to the economic and other input assumptions from our research. We have adopted a valuation date of 30 September 2024.

The Phillips Find Model was prepared based on estimates of a production profile, operating costs and start-up and sustaining capital expenditure. The main assumptions underlying the Adjusted Phillips Find Model include:

- Mining and production volumes;
- Commodity prices;
- Operating costs;
- Start-up and sustaining capital expenditure;
- Foreign exchange rates;
- Royalties;
- Corporate tax; and
- Discount rate.

We undertook the following analysis of the Phillips Find Model:

- Appointed VRM as a technical expert to review, and where required, provide changes to the technical assumptions underlying the Phillips Find Model;
- Analysed the Phillips Find Model to confirm its integrity and mathematical accuracy;
- Conducted independent research on certain economic and other inputs such as commodity prices, exchange rates, inflation and discount rate applicable to the future cash flows of the Phillips Find Project;
- Held discussions with Horizon's management regarding the preparation of the forecasts in the Phillips Find Model and its views; and
- Performed a sensitivity analysis on the value of the Phillips Find Project as a result of flexing selected assumptions and inputs.

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We have not undertaken a review of the cash flows in accordance with the Standard on Assurance Engagements ASAE 3450 'Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information' and do not express an opinion on the reasonableness of the assumptions or their achievability. However, nothing has come to our attention as a result of our procedures to suggest that the assumptions on which the Adjusted Model has been based have not been prepared on a reasonable basis.

Appointment of technical expert

VRM was engaged to prepare the ITAR which includes a technical assessment of the Phillips Find Project assumptions underpinning the Phillips Find Model. VRM's assessment involved the review and provision of input on the assumptions adopted in the Phillips Find Model, including but not limited to:

- Mining physicals (including volume mined, recovery and grade);
- Processing assumptions (including products and recovery);
- Operating expenditure (comprising direct operating expenditure and certain fixed costs);
- Capital expenditure (development and sustaining capital expenditure required); and
- Other relevant assumptions.

A copy of VRM's ITAR is included in Appendix 4.

Limitations

Since forecasts relate to the future, they may be affected by unforeseen events and they depend, in part, on the effectiveness of management's actions in implementing the plans on which the forecasts are based. Accordingly, actual results may vary materially from the forecasts included in the Adjusted Phillips Find Model, as it is often the case that some events and circumstances frequently do not occur as expected, or are not anticipated, and those differences may be material.

Economic assumptions

Inflation

We note that all cash flows contained in the Phillips Find Model were calculated on a real basis.

The Phillips Find model was prepared by management of Horizon in September 2024, as such, we have assumed that costs in CY24 are on a real basis. We have applied the forecast inflation rate to the operating costs in CY25 in the Adjusted Phillips Find Model to convert them to nominal cash flows.

The Phillips Find Model forecasts operating costs in Australian Dollars, therefore we consider the Australian inflation rate to be the most appropriate inflation rate to apply to the cash flows in the Adjusted Phillips Find Model.

In forming our assessment of the forecast inflation rate, we have had regard to consensus views of forecast inflation as sourced from Bloomberg, as well as consideration of the recent trend of inflation in Australia. The inflation assumptions we have adopted in the Adjusted Phillips Find Model are set out below.

Australian inflation rate	CY24	CY25
Average inflation rate	3.30%	2.80%

Source: Bloomberg and BDO analysis

Foreign exchange

The forecast gold pricing we have adopted in the Adjusted Phillips Find Model is denominated in US dollars. As we are assessing the value of Horizon, an Australian company, we have converted all the cash

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flows in the Adjusted Model to Australian Dollars. In our assessment of foreign exchange rates, we have considered historical exchange rates as well as forecasts prepared by economic analysts and other publicly available information.

The forecast exchange rates we have adopted in the Adjusted Phillips Find Model are set out below.

AUD:USD Exchange Rate	Q42024	Q12025	Q22025	Q32025
AUD:USD	0.68	0.69	0.70	0.70

Source: Bloomberg and BDO analysis

Gold prices

The Company will receive revenue from the sale of gold produced at the Phillips Find Project. In assessing the forecast gold prices, we have considered the Consensus Economics price forecasts as at November 2024.

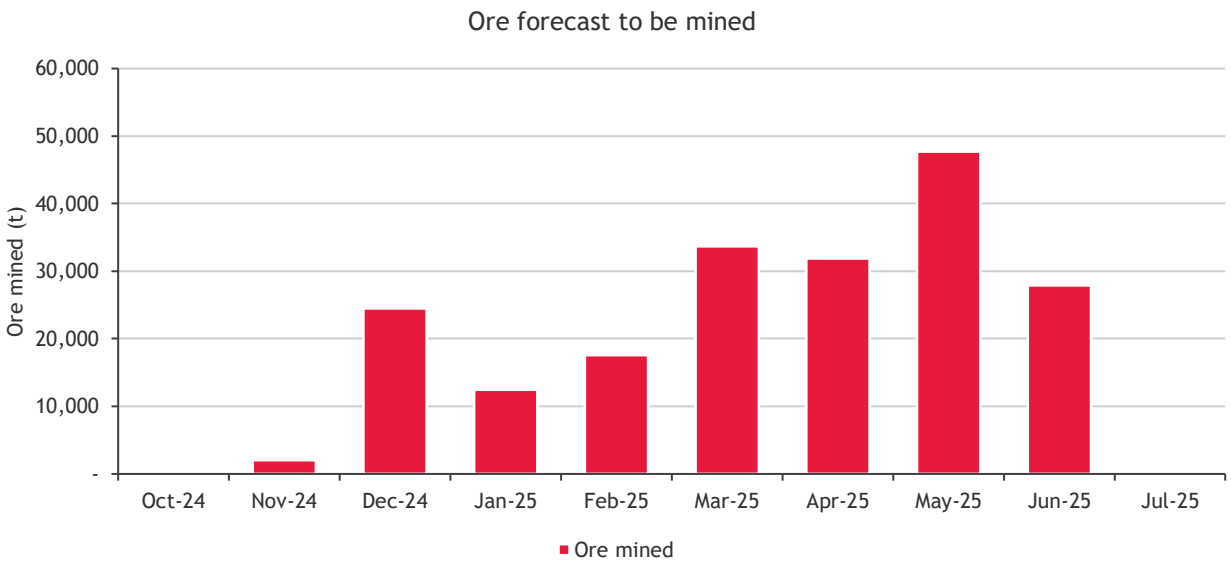
The future gold prices (in nominal terms) we have adopted in the Adjusted Phillips Find Model are set out below.

Gold prices	Q42024	Q12025	Q22025	Q32025
Gold price (US$/oz)	2,630	2,665	2,670	2,650

Source: Consensus Economics and BDO analysis

Mining physicals

The proposed production outlook of the Phillips Find Project is approximately 12 months. The graph below shows the forecast ore to be mined over the Adjusted Phillips Find Model's forecast period. We note that the graphs in this section have been prepared on a monthly basis.



Source: Adjusted Phillips Find Model and BDO analysis

Horizon has advised publicly in November 2024 that the gold ore is on track to be toll treated at FMR's Greenfields mill from February 2025 to June 2025.

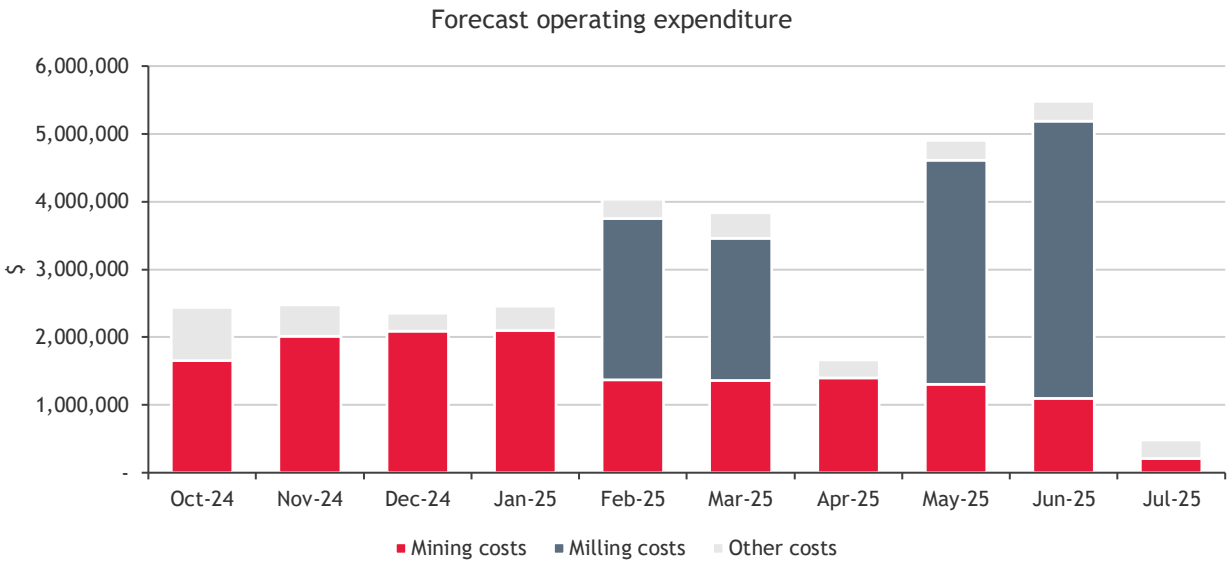
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Operating expenditure

The OpEx included in the Adjusted Phillips Find Model consists of mining, milling and other expenditure. In preparing the Adjusted Phillips Find Model, we have applied our assessed forecast inflation rate to the forecast operating expenditure in CY25. VRM has confirmed the reasonableness of the forecast operating expenditure assumptions having considered such costs incurred historically at similar projects and by assessing the forecast operating costs per tonne in the context of their experience with gold mining projects.

The graph below outlines the projected operating expenditure for the Phillips Find Project on a nominal basis over the life of mine.



Source: Adjusted Phillips Find Model and BDO analysis

Capital expenditure

The Phillips Find Model assumes no upfront or sustaining CapEx, over the life of mine for the Phillips Find Project, which Horizon management has advised is due to the Phillips Find Project being a short-term discrete mining project, with existing infrastructure already in place. In preparing the Adjusted Phillips Find Model, we have relied on CapEx assumptions in the Phillips Find Model, which VRM has confirmed is reasonable.

Royalties

The Phillips Find Project is subject to a 2.5% royalty on revenue, payable to the Western Australian government, which is reflected in the Adjusted Phillips Find Model.

In addition to the state royalty, Phillips Find Project is subject to two further royalties:

- royalty on M16/130 of $3/t up to a maximum of 500,000t; and
- royalty on M16/168 for $10/oz on ounces in excess of 40,000oz and up to a maximum of $1.0 million.

The royalties above are reflected Adjusted Phillips Find Model.

Depreciation

The Phillips Find Model has no CapEx, as such, there is no depreciation over the life of mine in the Adjusted Phillips Find Model.

Receivables and payables

We have not reflected the receivables and payables balances as at 30 June 2024 in the Adjusted Phillips Find Model as these balances are considered separately in our Sum-of-Parts valuation.

Taxation

As outlined in Section 6 of our Report, under the terms of the Phillips Find Project JV, BML is required to fund all project costs, with the net cash flow after asset recovery and repayment of costs being split 50/50 between Horizon and BML.

Given BML is bearing the project costs and initial negative cash flows, tax losses generated through the development and early production stages of the life of mine in the Adjusted Phillips Find Model can be utilised against forecast taxable income for BML. Horizon will not be able to utilise the tax losses generated through the development and early production stages. For the cash flows attributable to Horizon throughout the life of mine, we have modelled corporate tax at the Australian corporate tax rate of 30%.

As at the Valuation date, Horizon does not have any carried forward tax losses available to utilise against future taxable income at the Phillips Find Project.

As noted above, we have not considered any availability of tax losses and consider any potential tax savings to be immaterial when comparing to the value of the Combined Group in entirety.

12.1.3.2. Discount Rate

In our assessment of an appropriate discount rate to apply to the Phillips Find Project, we consider the most appropriate discount rate to be Horizon's weighted average cost of capital.

We have selected a nominal after tax weighted average cost of capital in the range of 11% to 13% per annum to discount the cash flows of the Phillips Find Project to its present value. We have used a rounded discount rate of 12% in our base case.

In selecting this range of discount rates, we have considered the following:

- the rate of return for comparable ASX listed gold producing companies; and
- the risk profile of Horizon as compared to the comparable companies identified.

A detailed consideration of how we arrived at our adopted discount rate range is shown in Appendix 3.

12.1.3.3. Horizon's beneficial interest in the Phillips Find Project

As outlined in Section 6 of our Report, Horizon is in a JV with BML to facilitate the development of the two open pits at the Philips Find Project. BML is required to fund all project costs, with the net cash flow after asset recovery and repayment of costs to be split 50% Horizon and 50% BML.

The Phillips Find Model reflects cash flows of the Phillips Find Project on a 100% basis. Therefore, we have adjusted the cash flows to reflect Horizon's beneficial interest in the Phillips Find Project over the life of mine. For the purposes of the valuation, we have assumed all positive cash flows generated from the Phillips Find Project will be used firstly to repay BML for the project costs, before being split 50/50 by Horizon and BML.

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12.1.3.4. Horizon's beneficial interest in the Phillips Find Project

We have analysed the key assumptions adopted in the Adjusted Phillips Find Model and have prepared sensitivities on the post-tax NPV. The sensitivity analysis considers the value of the Phillips Find Project under various pricing scenarios, in applying:

- A change of +/- 10% to the gold price;
- A change of +/- 10% to the operating costs;
- A change of +/- 10% to the capital costs;
- A change of +/- 10% to the USD:AUD foreign exchange rates;
- A change of +/- 1% to the inflation rate; and
- A discount rate in the range of 10% to 14%.

These sensitivities have been prepared to assist Shareholders in considering the potential impacts on the value of the Phillips Find Project if our base case assumptions change.

Sensitivity Analysis of Phillips Find Project's DCF Valuation	$'000s	$'000s	$'000s
Percentage change	**Gold price (US$/oz)**	**Exchange rate (AUD/USD)**	**Operating costs**
10%	9,208,169	5,345,417	5,896,510
8%	8,946,706	5,513,642	5,967,975
6%	8,685,242	5,688,216	6,039,440
4%	8,423,779	5,869,504	6,110,905
2%	6,453,687	6,057,901	6,182,370
0%	**6,253,835**	**6,253,835**	**6,253,835**
-2%	6,053,983	6,457,765	6,325,300
-4%	5,854,131	8,445,568	8,094,509
-6%	5,654,279	8,735,310	8,191,337
-8%	5,454,427	9,037,649	8,288,165
-10%	5,254,575	9,353,426	8,384,993

Source: Adjusted Phillips Find Model and BDO analysis

Sensitivity analysis of the DCF valuation of the Phillips Find Project to the inflation rate					
Inflation rate	-1%	-0.5%	0%	+0.5%	+1%
Value ($'000)	6,270,145	6,261,979	6,253,835	6,245,711	6,237,607

Source: Adjusted Phillips Find Model and BDO analysis

Sensitivity analysis of the DCF valuation of the Phillips Find Project to the discount rate					
Discount rate	10.00%	11.00%	12.00%	13.00%	14.00%
Value ($'000)	6,416,717	6,334,013	6,253,835	6,176,062	6,100,581

Source: Adjusted Phillips Find Model and BDO analysis

In considering the above sensitivities, Shareholders should note the following:

- Given the structure of the JV with BML, Horizon has limited downside risk, and greater upside reward, around the preferred valuation figure, as evidenced by the asymmetrical sensitivity swings in the tables above;

- the variables described above may have compounding or offsetting effects and are unlikely to move in isolation;
- the variables for which we have performed sensitivities are not the only variables which are subject to deviation from the forecast assumptions; and
- the sensitivities performed do not cover the full range of possible variances from the base case assumptions used (i.e. variances could be greater than the percentage increases or decreases set out in this analysis).

We also note that we have presented the above sensitivities to highlight the sensitivity of the value of the Phillips Find Project to changes in pricing and other assumptions.

Considering the valuation outcomes above, and the asymmetrical sensitivity swings as a result of the JV structure, we estimate the value of Horizon's interest in the Phillips Find Project to be in the range of $5.50 million and $9.00 million, with a preferred value of $6.25 million.

12.1.4. Value of Horizons other mineral assets

We instructed VRM to provide an independent market valuation of the other mineral and exploration assets held by Horizon. The range of values for Horizon's projects as assessed by VRM is set out below:

Value of Horizon's other mineral assets	Low $'000	Preferred $'000	High $'000
Gold MRE's	80,600	107,500	134,400
Mt Thirsty	1,000	1,300	1,600
Nimbus	700	1,000	1,300
Metal Tiger JV	-	-	100
Metal Hawk Option	300	400	400
Greenbushes	800	1,000	1,300
Exploration potential	2,500	6,900	11,300
Value of Horizon's other mineral assets	**85,900**	**118,100**	**150,400**

Source: VRM'S ITAR and BDO analysis

Additional detail on the valuation approaches adopted and the valuation assumptions can be found in the ITAR in Appendix 4.

12.1.5. Value of Horizon's other assets and liabilities

The other assets and liabilities of Horizon represent the assets and liabilities that have not been specifically addressed elsewhere in our Sum-of-Parts valuation. From our discussions with management of Horizon and our analysis of the other assets and liabilities outlined in the table below, we do not consider there to be a material difference between book value and fair value, unless an adjustment has been noted below.

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The table below represents a summary of the assets and liabilities identified:

Statement of Financial Position	Notes	Audited as at 30-Jun-24 $'000	Adjusted Value $'000
CURRENT ASSETS			
Cash and cash equivalents	a)	4,290	14,988
Trade and other receivables		587	587
TOTAL CURRENT ASSETS		**4,877**	**15,575**
NON-CURRENT ASSETS			
Financial assets at fair value through profit or loss	b)	5,955	6,907
Other assets		279	279
Property, plant and equipment	c)	1,246	-
Exploration and evaluation expenditure	d)	46,541	-
Right of use assets		33	33
TOTAL NON-CURRENT ASSETS		**54,054**	**7,219**
TOTAL ASSETS		**58,931**	**22,794**
CURRENT LIABILITIES			
Trade and other payables		1,972	1,972
Lease liability		33	33
Convertible note liability and derivative		8,195	8,195
Employee entitlements		421	421
TOTAL CURRENT LIABILITIES		**10,621**	**10,621**
NON-CURRENT LIABILITIES			
Rehabilitation provisions	e)	1,839	3,500
Employee entitlements		197	197
TOTAL NON-CURRENT LIABILITIES		**2,035**	**3,697**
TOTAL LIABILITIES		**12,656**	**14,318**
NET ASSETS		**46,275**	**8,476**

Source: Horizon's audited financial statements for the year ended 30 June 2024, Horizon's management accounts for the period ended 30 September 2024 and BDO analysis

We have been advised that there have not been any significant changes to the net assets of Horizon since 30 June 2024 and that the above assets and liabilities represent their fair market values apart from the adjustments detailed below. Where the above balances differ materially from the audited position at 30 June 2024, we have obtained supporting documentation to validate the adjusted values used.

We note the following in relation to the above valuation to Horizon's other assets and liabilities:

Note a) Cash and cash equivalents

We have adjusted the book value of cash and cash equivalents of $4.29 million as at 30 June 2024 to reflect Horizon's cash and cash equivalents based on Horizon's 30 September 2024 quarterly cash flow report, being $1.25 million.

We have also made an adjustment for the cash received from the sale of Ora Banda shares, subsequent to 30 September 2024; 1,063,094 Ora Banda shares were sold at $0.86 per share on 23 October 2024. We have adjusted for the cash received net of brokerage and tax.

We have also made an adjustment for the cash received and to be received from the Placement. As detailed in Section 4, Horizon has completed Tranche 1 of the Placement, issuing 155,729,127 new fully paid ordinary shares at an issue price of $0.045. Tranche 2 was completed following shareholder approval

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at Horizon's annual general meeting on 29 November 2024, with the proposed issue of 155,381,984 new fully paid ordinary shares at an issue price of $0.045. We have adjusted Horizon's cash balance for the $14.0 million to be received from the Placement and the 6% placement fee.

Additionally, we have made an adjustment for the cash to be paid under the Poseidon Incentive Option Deed and to be paid to Poseidon employees and KMP pursuant to Poseidon' employee securities incentive plan. As detailed in Section 4, the Poseidon Incentive Options are to be cancelled for cash upon the Schemes becoming effective. We have adjusted Horizon's cash balance for the Poseidon Incentive Option consideration and the payment pursuant to Poseidon's employee securities incentive plan.

These adjustments are set out in the table below.

Cash and cash equivalents	$000s
Cash and cash equivalents as at 30-Sep-24	1,253
Add: cash received from the sale of Ora Banda shares	894
Add: cash to be received from proceeds of the Placement	14,000
Less: cash to be paid for the 6% Placement fee	(840)
Less: cash to be paid under the Poseidon Incentive Option Deed	(45)
Less: cash to be paid under Poseidon's employee securities incentive plan	(274)
Horizon's adjusted cash and cash equivalents balance ('000)	**14,988**

Source: Horizon's 30 September 2024 quarterly cash flow report and BDO analysis.

Note b) Financial assets at fair value through profit or loss

We have adjusted the value of Horizon's investment in financial assets, namely shares in RVT, Ora Banda, Metal Hawk and Dundas to reflect their recent quoted market prices on the ASX.

We have assessed the value of the holding at a recent date (and not prior to the announcement of the Schemes) because the Schemes are between Horizon and Poseidon and are unlikely to have an impact on the market value of these investments. The investments are currently recorded on Horizon's balance sheet using the equity method, i.e. they are initially recognized at cost and subsequently increased or decreased to recognize Horizon's share of profit and loss of the associate and for impairment losses as well as any dividends received after the initial recognition date.

In assessing the fair values of Horizon's investment in financial assets, we have had regard to International Financial Reporting Standards 13 *Fair Value Measurement*, which gives the highest priority to unadjusted quoted prices in active markets and does not allow for premia or discounts that reflect size as a characteristic of the entity's holding. Although the QMP is reflective of a minority interest, we have not applied a premium to reflect Horizon's potential to influence the operations of its investment. We note that although the entities exhibit varying levels of trading liquidity, we consider it to be sufficient for us to be able to rely on their quoted market prices for our assessment.

Set out below are our valuations for Horizon's interests in RVT, Ora Banda, Metal Hawk and Dundas based on the quoted market price method. For the purposes of our valuation assessment, we have adopted the preferred valuation points for all, resulting in a total adjusted value of $6.91 million.

Horizon's shares in Richmond Vanadium Technology Limited

In our analysis of the market prices for a RVT share, we have considered the weighted average market price for 10, 30, 60 and 90 day periods to 22 November 2024.

Share price per unit	22-Nov-24	10 days	30 days	60 days	90 days
Closing price	$0.285				
VWAP		$0.269	$0.313	$0.312	$0.310

Source: Bloomberg, BDO analysis

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Our assessment is that a range of values for a RVT share based on market pricing, is between $0.270 and $0.310, with a preferred value being the midpoint of the range. Our valuation of Horizon's shares in RVT is set out below:

Value of Horizon' shares held in RVT	Low	Preferred	High
Number of RVT shares held by Horizon	19,833,363	19,833,363	19,833,363
QMP value of a RVT share ($/share)	0.270	0.290	0.310
Total value of the RVT shares held by Horizon ($'000)	**5,355**	**5,752**	**6,148**

Source: Bloomberg, BDO analysis

Therefore, our valuation of Horizon's holding in RVT, based on the quoted market price method, is between $5.36 million and $6.15 million, with our preferred value being a midpoint of $5.75 million.

Horizon's shares in Ora Banda Limited

In our analysis of the market prices for an Ora Banda share, we have considered the weighted average market price for 10, 30, 60 and 90 day periods to 22 November 2024.

Share price per unit	22-Nov-24	10 days	30 days	60 days	90 days
Closing price	$0.745				
VWAP		$0.722	$0.782	$0.727	$0.673

Source: Bloomberg, BDO analysis

Our assessment is that a range of values for an Ora Banda share based on market pricing, is between $0.670 and $0.780, with a preferred value being the midpoint of the range. Our valuation of Horizon's shares in Ora Banda is set out below:

Value of Horizon' shares held in Ora Banda	Low	Preferred	High
Number of Ora Banda shares held by Horizon	1,063,094	1,063,094	1,063,094
QMP value of an Ora Banda share ($/share)	0.670	0.725	0.780
Total value of the Ora Banda shares held by Horizon ($'000)	**712**	**771**	**829**

Source: Bloomberg, BDO analysis

Therefore, our valuation of Horizon's holding in Ora Banda, based on the quoted market price method, is between $0.71 million and $0.83 million, with our preferred value being a midpoint of $0.77 million.

Horizon's shares in Metal Hawk Limited

In our analysis of the market prices for a Metal Hawk share, we have considered the weighted average market price for 10, 30, 60 and 90 day periods to 22 November 2024.

Share price per unit	22-Nov-24	10 days	30 days	60 days	90 days
Closing price	$0.280				
VWAP		$0.274	$0.222	$0.180	$0.165

Source: Bloomberg, BDO analysis

Our assessment is that a range of values for a Metal Hawk share based on market pricing, is between $0.170 and $0.280, with a preferred value being the midpoint of the range. Our valuation of Horizon's shares in Metal Hawk is set out below:

Value of Horizon' shares held in Metal Hawk	Low	Preferred	High
Number of Metal Hawk shares held by Horizon	1,134,430	1,134,430	1,134,430
QMP value of a Metal Hawk share ($/share)	0.170	0.225	0.280
Total value of the Metal Hawk shares held by Horizon ($'000)	**193**	**255**	**318**

Source: Bloomberg, BDO analysis

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Therefore, our valuation of Horizon's holding in Metal Hawk, based on the quoted market price method, is between $0.19 million and $0.32 million, with our preferred value being a midpoint of $0.26 million.

Horizon's shares in Dundas Minerals Limited

In our analysis of the market prices for a Dundas share, we have considered the weighted average market price for 10, 30, 60 and 90 day periods to 22 November 2024.

Share price per unit	22-Nov-24	10 days	30 days	60 days	90 days
Closing price	$0.034				
VWAP		$0.032	$0.035	$0.035	$0.048

Source: Bloomberg, BDO analysis

Our assessment is that a range of values for a Dundas share based on market pricing, is between $0.032 and $0.048, with a preferred value being the midpoint of the range. Our valuation of Horizon's shares in Dundas is set out below:

Value of Horizon' shares held in Dundas	Low	Preferred	High
Number of Dundas shares held by Horizon	3,234,327	3,234,327	3,234,327
QMP value of a Dundas share ($/share)	0.032	0.040	0.048
Total value of the Dundas shares held by Horizon ($'000)	**103**	**129**	**155**

Source: Bloomberg, BDO analysis

Therefore, our valuation of Horizon's holding in Dundas, based on the quoted market price method, is between $0.10 million and $0.16 million, with our preferred value being a midpoint of $0.13 million.

Note c) Plant and equipment

The book value of plant and equipment of $1.25 million as at 30 June 2024 solely related to plant and equipment used for mining related activities. Therefore, we have adjusted the book value of plant and equipment to nil as this value is reflected in the valuation of Horizon's mineral assets which have been valued separately in Sections 12.1.1, 12.1.2 and 12.1.3 of our Report.

Note d) Exploration and evaluation assets

The book value of exploration and evaluation assets relates to capitalised historical expenditure. We have adjusted the book value of exploration and evaluation assets to nil, as it is reflected in the valuation of Horizon's mineral assets, which has been valued separately in Sections 12.1.1, 12.1.2 and 12.1.3 of our Report.

Note e) Rehabilitation provisions

The book value of rehabilitation provisions of $1.84 million as at 30 June 2024 relates to environmental rehabilitation provisions at Horizon's mineral assets. As part of the engagement with VRM, the technical specialist, VRM considers $3.50 million to be an appropriate rehabilitation provision for Horizon's mineral assets. Therefore, we have adjusted the book value of rehabilitation provisions to $3.50 million.

12.1.6. Present value of corporate costs of the Combined Group

Corporate costs have not been included in the valuation of Horizon's mineral assets. Corporate costs consist of all corporate administration costs that cannot be directly attributable to operations at Horizon's mineral assets. We have deducted the present value of corporate costs separately in our Sum-of-Parts valuation.

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As part of our analysis, we have considered the corporate costs that Horizon has incurred historically. Set out below are the corporate costs incurred by Horizon and Poseidon for the years ended 30 June 2022, 30 June 2023 and the year ended 30 June 2024.

	Actual year ended 30-Jun-24 $'000	Actual year ended 30-Jun-23 $'000	Actual year ended 30-Jun-22 $'000
Corporate costs of Horizon	2,117	2,934	2,848
Corporate costs of Poseidon	1,490	2,034	1,837

Source: Audited financial statements of Horizon and Poseidon for the years ended 30 June 2022, 30 June 2023 and 30 June 2024

Horizon's mineral assets are to be developed through to production. Therefore, we have considered the corporate costs of comparable companies because we would expect that the corporate costs of Horizon are likely to increase once its mineral assets commence production, and therefore, the historical level of corporate costs incurred by Horizon are unlikely to reflect the future corporate costs to be incurred. We also note the additional administrative function required to manage an expanding portfolio of exploration, development and production assets upon the acquisition of Poseidon's mineral assets and infrastructure is likely to increase corporate overheads.

The comparable companies selected for our analysis are companies of a similar size, scale and nature of operations to those operations that are included in the forecast. A summary of the companies selected and the average corporate costs incurred over the most recent two reporting periods are set out below.

Company Name	Commodity	Revenue for the year ended 30 June 2024 ($m)	Market Capitalisation ($m)	Average Corporate Costs for the years ended 30 June 2023 and 30 June 2024 ($'000)
Horizon Minerals Limited	Gold	-	70.5	2,525
Poseidon Nickel Limited	Nickel	-	25.2	1,762
Barton Gold Holdings Limited	Gold	-	59.0	1,484
Beacon Minerals Limited	Gold	82.9	90.2	1,865
Brightstar Resources Limited	Gold	1.1	160.5	2,914
Calidus Resources Limited*	Gold	80.5	93.7	7,901
Focus Minerals Limited^	Gold	33.1	54.4	3,615
Patronus Resources Limited	Gold	-	116.3	1,361
Rox Resources Limited	Gold	-	78.0	2,258
Alkane Resources Ltd	Gold	173.0	369.1	10,783
Aurelia Metals Limited	Gold	309.9	321.4	15,206
Saturn Metals Limited	Gold	-	91.1	2,477
Kaiser Reef Limited	Gold	24	42.9	2,875
Mean (excluding outliers)		**70.6**	**379.4**	**2,972**
Median (excluding outliers)		**23.7**	**93.7**	**2,477**

Source: Company annual reports and BDO analysis

^Focus Minerals Limited have a 31 December year end. Therefore, corporate cost figures have been used for the years ended 31 December 2022 and 31 December 2023, and the half-year ended 30 June 2024.

*Calidus Resources Limited has not released its Annual Report for the year ended 30 June 2024. Therefore, corporate cost figures have been used for the years ended 30 June 2022, 30 June 2023, and the half-year ended 31 December 2023.

Based on the above analysis of corporate costs incurred by comparable ASX-listed companies and having consideration for the corporate costs incurred by Horizon historically, we have assessed the real corporate costs of Horizon to be in the range of $3.0 million to $4.0 million per annum, in real terms. We note that Horizon's corporate costs over the forecast period should be reflective of a company that is in the late

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development and near-production stage of the mining life cycle. As such, our assessed range has been weighted more towards the historical corporate costs of the comparable companies that are in the late development or early-production phase.

We have applied our assessed forecast inflation rates as set out in Section 12.1.2.1 of our Report to the corporate costs over the forecast period and have discounted these cash flows at our assessed cost of equity 12%, as detailed in Appendix 3. We have also reduced the corporate cost cash flows to incorporate the tax shield received by Horizon for incurring these corporate costs.

Based on the above, we consider the present value of corporate costs to be in the range of $3.38 million and $4.50 million, with a midpoint value of $3.94 million.

12.1.7. Transaction costs

In conjunction with the Schemes, Horizon and Poseidon have estimated transaction-related costs including advisory, legal fees and stamp duty. The transaction costs to be incurred by the Combined Group in relation to advisory and legal fees is estimated at $1.10 million and the estimate for stamp duty to be incurred by the Combined Group is $1.53 million.

Based on the above, we consider transaction costs to be $2.63 million, which we have deducted from the value of the Combined Group as transaction costs related to the Schemes.

12.1.8. Number of shares in Combined Group

The number of shares in the Combined Group following the implementation of the Schemes is summarised below:

Share structure following implementation of the Schemes	
Number of Horizon shares on issue prior to implementation of the Schemes	1,429,670,213
Number of Horizon shares issued as Share Scheme Consideration	491,418,500
Number of Horizon shares to be issued as Lead Advisor Shares	4,444,444
Shares on issue in the Combined Group following the implementation of the Schemes	**1,925,533,157**

Source: BDO analysis

12.1.9. Minority interest discount

The value of a Combined Group share derived under the Sum-of-Parts approach is reflective of a controlling interest. This suggests that the acquirer obtains an interest in the company which allows them to have an individual influence on the operations and value of that company. However, if the Schemes are approved, Shareholders will be minority holders in the Combined Group, meaning that their individual holding will not be considered significant enough to have an individual influence in the operations of that company.

Therefore, we have adjusted our valuation of a Combined Group share following the Schemes to reflect the minority interest holding. The minority discount is based on the inverse of the control premium and is calculated using the formula 1-(1/(1+control premium)).

Based on our analysis in Section 11.2, we consider an appropriate control premium to be in the range of 25% to 35% with a midpoint of 30%. This assessed control premium range gives rise to a rounded minority discount in the range of 20% to 26%, with a rounded midpoint of 23%.

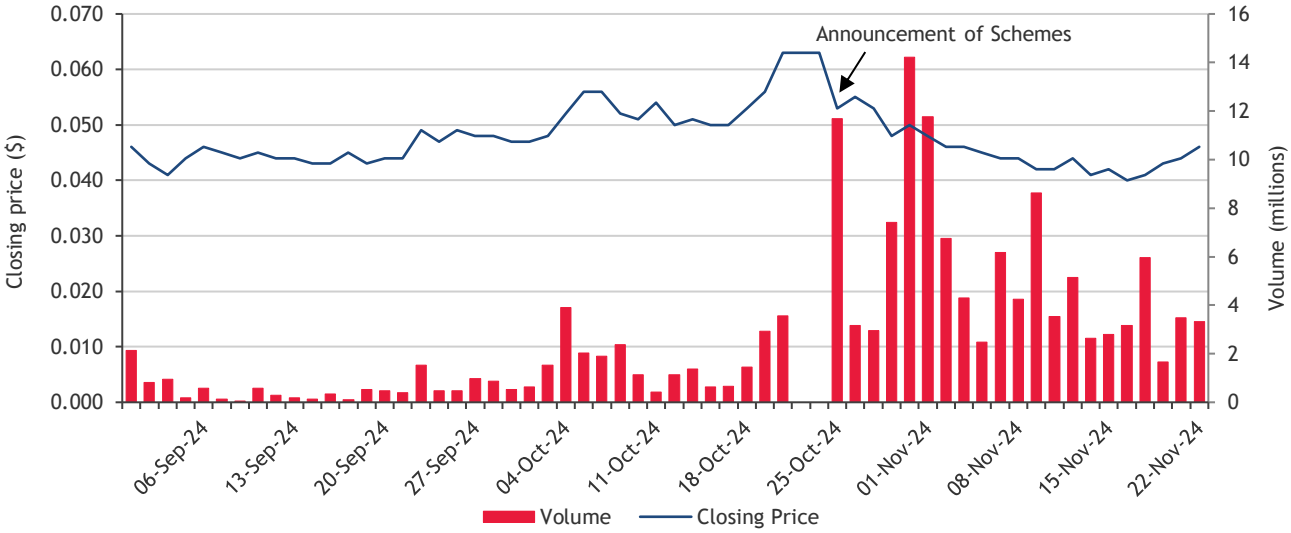
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12.2 Quoted market price of a Horizon share based on post-announcement pricing

Given that we are valuing the Scheme Consideration, being the shares in the Combined Group that are to be received by Shareholders, we have considered the market pricing of Horizon shares following the announcement of the Schemes as a proxy for value of the Combined Group. The market price of Horizon shares in the period following the announcement of the Schemes can be considered as an indicator of the value of the Combined Group because market participants are fully informed as to the terms of the Schemes, with the price reflecting the market's view of the value of a share in the Combined Group following the implementation of the Schemes.

We have analysed movements in Horizons' share price since the Schemes were announced. A graph of Horizons' share price and trading volume leading up to and following the announcement of the Schemes are set out below.

Horizon post announcement pricing and trading volume



Source: Bloomberg, BDO analysis

The Share Scheme was announced on 25 October 2024. On the date that the Share Scheme was announced, Horizon's share price closed at $0.053, down from a closing price of $0.063 on the previous trading day. On the day of the announcement, 11,682,170 shares were traded, representing approximately 1.04% of Horizon's issued capital. Following the announcement of the Share Scheme, the closing share price of Horizon has fluctuated between a low of $0.040 on 18 November 2024 to a high of $0.055 on 28 October 2024.

To provide further analysis of the market prices for a Horizon share post the announcement of the Share Scheme, we have also considered the weighted average market price for the below periods following the announcement up to 22 November 2024:

Share Price per unit	22-Nov-24	5 Days	10 Days	15 Days	21 Days
Closing price	$0.046				
Volume weighted average price (VWAP)		$0.050	$0.049	$0.048	$0.047

Source: Bloomberg, BDO analysis

In accordance with the guidance in RG 111, we also consider it appropriate to assess the liquidity of Horizon shares before utilising the QMP methodology to value a share in the Combined Group. The table

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below sets out the liquidity of Horizon shares as proxied by the volume traded as a percentage of the number of shares on issue. We have this analysis over the twelve months prior to the announcement of the Share Scheme, in order to determine whether there is sufficient trading in Horizon shares historically in order to rely on a QMP approach.

Trading days	Share price low	Share price high	Cumulative volume traded	As a % of issued capital
1 day	$0.053	$0.063	4,801,399	0.38%
10 days	$0.050	$0.063	22,196,230	1.74%
30 days	$0.041	$0.063	47,390,695	3.72%
60 days	$0.035	$0.063	102,225,286	8.02%
90 days	$0.031	$0.063	140,388,401	11.02%
180 days	$0.030	$0.063	190,430,186	14.94%
1 year	$0.029	$0.063	220,249,960	17.28%

Source: Bloomberg, BDO analysis

The table above indicates that Horizon's shares display a low level of liquidity, with 17.28% of Horizon's current issued capital being traded in a twelve-month period. RG 111.86 states that for the quoted market price methodology to be an appropriate methodology there needs to be a 'liquid and active' market in the shares and allowing for the fact that the quoted price may not reflect their value should 100% of the securities not be available for sale. We consider the following characteristics to be representative of a liquid and active market:

- Regular trading in a company's securities;
- Approximately 1% of a company's securities are traded on a weekly basis;
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company; and
- There are no significant but unexplained movements in share price.

A company's shares should meet all of the above criteria to be considered 'liquid and active', however, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares cannot be considered relevant.

In the case of Horizon, we consider the shares to display a low level of liquidity, on the basis that less than 1% of securities have been traded weekly on average. Of the 52 weeks in which our analysis is based on, there were two weeks where more than 1% of Horizon's securities had been traded.

We have also analysed the liquidity of Horizon shares, as proxied by the volume traded as a percentage of the number of shares on issue, over the post announcement period up to 22 November 2024. We conduct this analysis in order to determine whether we consider the Horizon shares to be liquid and active in the period following the announcement of the Share Scheme.

Trading days	Closing price low	Closing price high	Cumulative volume traded	As a % of issued capital
1 day	$0.053	$0.053	11,682,170	1.04%
5 days	$0.048	$0.055	39,467,590	3.53%
10 days	$0.044	$0.055	70,921,890	6.34%
15 days	$0.041	$0.055	95,126,780	8.50%
21 days up to 22-Nov-24	$0.040	$0.055	115,542,410	10.33%

Source: Bloomberg, BDO analysis

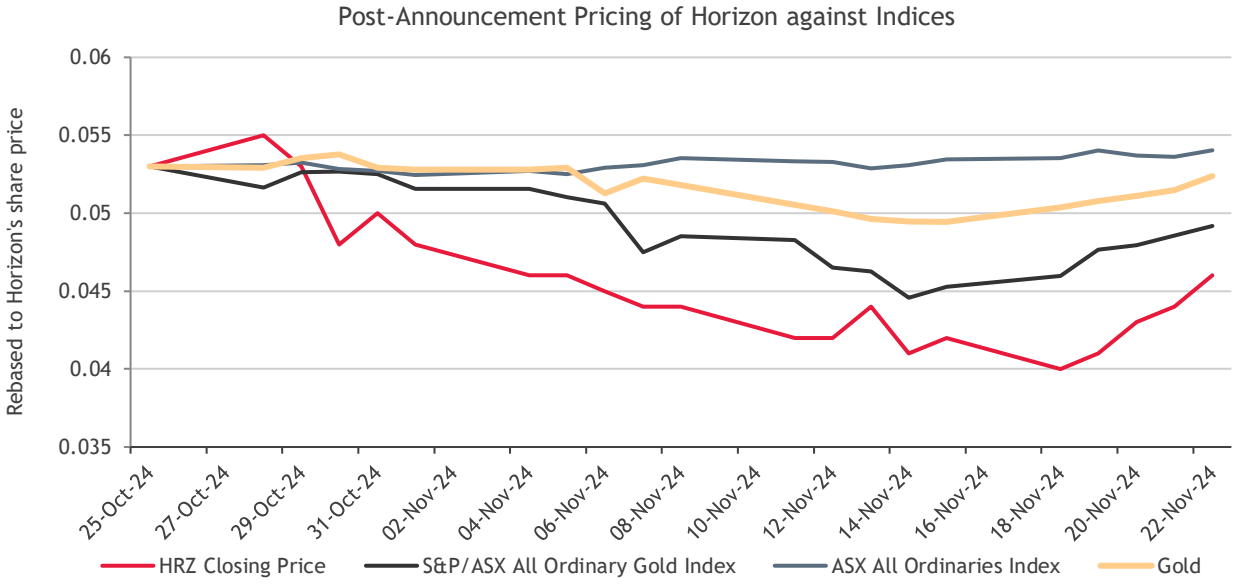
We consider the trading following the announcement of the Share Scheme to show high levels of liquidity with 10.33% of Horizon's shares being traded in the period (21 trading days) following the announcement

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of the Share Scheme. However, we consider the share price over the period following the announcement of the Share Scheme to display high levels of volatility, with the closing share price ranging from $0.040 to $0.055 in the period up to 22 November 2024, reflecting a maximum 27% movement in the closing share price. This could typically indicate uncertainty in the market about the potential transaction.

We have considered whether there are other market factors which could influence the Horizon share price following the announcement of the Share Scheme by analysing movements in the ASX All Ordinaries Index, as a proxy for the market, the S&P/ASX All Ordinaries Gold Index, as a proxy for Horizon's industry, and the gold spot pricing, over the same post-announcement period.

Our analysis is depicted in the graph below, with each factor rebased to Horizon's share price following the announcement of the Share Scheme in order to illustrate the relative performance of the indices, gold prices and Horizon.



Source: Bloomberg, BDO analysis

We note the performance of the ASX All Ordinaries Index has remained relatively stable over the period following the announcement of the Share Scheme. The S&P/ASX All Ordinaries Gold Index and the gold price has trended downwards over the period following the announcement of the Share Scheme, albeit with some recent upward pressure. We consider that the decrease in the Horizon share price may have been affected by market conditions and gold price fluctuations, rather than the operations of Horizon, following the announcement of the Share Scheme.

Based on the above analysis, we consider there to be sufficient liquidity in Horizon's shares in order to utilise post-announcement pricing as an approach to valuing the Share Scheme Consideration. We note the decline in the gold price, and market wide decline in ASX listed gold companies, that has occurred between the announcement of the Scheme and the date of our Report may distort our assessment of the impact of the Share Scheme on the value of a Combined Group share. We also note that the high volatility in the Horizon share price over the post-announcement period may indicate uncertainty about the potential effect of the Scheme on the valuation of Horizon as a proxy for the Combined Group.

Our assessment of the value of a Horizon share, utilising the QMP of Horizon's shares following the announcement of the Share Scheme, which is reflective of the value of a share in the Combined Group (on a minority interest basis), is between $0.035 and $0.045, with a rounded midpoint value of $0.040.

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12.3 Assessment of the value of a Combined Group share

The results of the valuations performed are summarised in the table below:

Valuation of a Combined Group share	Ref	Low $	Preferred $	High $
Sum-of-Parts (minority interest basis)	12.1	0.053	0.073	0.096
QMP (minority interest basis)	12.2	0.035	0.040	0.045

Source: BDO analysis

We consider the Sum-of-Parts approach to be the most appropriate valuation methodology to value the Combined Group as the core value lies in the Poseidon and Horizon mineral assets and associated infrastructure, which has been independently valued by VRM, an independent technical specialist, in accordance with the VALMIN Code, JORC Code, and ASIC's Regulatory Guides. Notwithstanding, we consider the QMP approach to be relevant for the purposes of a broad cross-check to our valuation under the Sum-of-Parts approach. Based on the values above, we consider the valuation under the QMP approach to be broadly supportive of the valuation under the Sum-of-Parts approach.

The different results of our valuation approaches may be explained by the following:

- Technical and economic assumptions made by VRM in assessing the value of Horizon's and Poseidon's mineral assets varying from those made by the market;
- Low market sentiment toward the global nickel market that may be suppressing the Horizon share price following the announcement of the Scheme.
- Recent uncertainty in the global gold prices may be suppressing the Horizon share price on market.
- Historically low liquidity of the Horizon shares may be suppressing the value of the Horizon share.

Based on the results above we consider the value of a Combined Group share to be between $0.053 and $0.096, with a preferred value of $0.073, on a minority interest basis.

12.4 Assessment of the Share Scheme Consideration

Based on the above, our valuation of the Share Scheme Consideration is set out in the table below:

Valuation of the Share Scheme Consideration	Low $	Preferred $	High $
Value of a share in the Combined Group (minority interest basis)	0.053	0.073	0.096
Number of Horizon shares that Shareholders will receive for each share held in Poseidon	0.1156	0.1156	0.1156
Valuation of the Share Scheme Consideration (minority interest basis)	**0.006**	**0.008**	**0.011**

Source: BDO analysis

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13. Valuation of the Poseidon Options

Under the Option Scheme, the Poseidon's Options will be converted to the Option Scheme Consideration, being new Horizon Options.

As outlined in Section 4, Poseidon had the following options on issue as at the date of this Report with the key terms outlined below:

Description	Number of options	Exercise price	Expiry date
Poseidon Options	163,447,197	0.006	03-Sep-26

We note that our assessment of the value of the Poseidon Options reflects a controlling interest value. We have valued the above options as follows.

Valuation methodology

The Poseidon Options are unlisted and therefore there is no regulated and observable market on which they are traded. In addition, the Poseidon Options do not have any vesting conditions attached. Options without vesting conditions can be exercised at any time up to the expiry date, and as such are more suitably valued using the Black-Scholes option pricing model. Therefore, we have used the Black-Scholes option pricing model to value the Poseidon Options.

Under AASB 2 *Share-based Payment* and option valuation theory, no discount is made to the fundamental value derived from the option valuation model for unlisted options over listed shares.

We have made the following assumptions in performing our valuation of the Poseidon Options:

Valuation Date

We have valued the Poseidon Options as at 1 February 2025, being the indicative Scheme Implementation Date, as set out in the SID (**'Valuation Date'**). We have assumed this date as our Valuation Date, as it best represents the time value of the options when the Optionholders will receive the new Combined Group Options for their Poseidon Options held.

Value of the underlying share

We have adopted a range of values for the underlying value of a Poseidon share, based on our assessment of a Poseidon share in Section 11. The range of values we have adopted as the underlying value of a Poseidon share is summarised below:

Value of a Poseidon share	Low $	Preferred $	High $
Value of a Poseidon share (control)	$0.008	$0.010	$0.013

Source: BDO analysis

Exercise price

The exercise price is the price at which the underlying ordinary shares will be issued. According to the terms of the Poseidon Options, each Poseidon Option will be exercisable at $0.006.

Life of the Poseidon Options

We have estimated the life of the Poseidon Options for the purpose of our valuation. The minimum life of the Poseidon Options is the length of any vesting period, and the maximum life is based on the expiry date. Under AASB 2 *Share-based Payment*, the expected life of the options needs to reflect the potential for early exercise. The potential for early exercise tends to reduce the effective life, and consequently

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the value of options. There are many factors that determine the rationale for exercising options and therefore, the effective life of those options.

There is a limited track record of options being exercised early. Generally, early exercise occurs:

- If the options are deep in the money as it is profitable for the holder of the options to exercise the options.
- If the stock pays a dividend as the opportunity cost of holding the options is high.
- If the volatility of the underlying share price is low as the probability of the options becoming deeper in the money is low relative to a highly volatile stock.
- When the options are held by junior level employees. Senior employees are more likely to continue their employment with the company and therefore there is no incentive to exercise their options.

For the purpose of valuing the Poseidon Options, we have estimated an exercise date as the expiry date. We have assessed the life of the Poseidon Options based on the Valuation Date, being the indicative implementation date of the Schemes, as set out in the SID. The effective life of the Poseidon Options which we have used as an input in our option pricing models is 1.59 years.

Volatility

Expected volatility is a measure of the amount by which a price is expected to fluctuate during a period. The measure of volatility used in option pricing models is the annualised standard deviation of the continuously compounded rates of return on the share over a period of time.

A summary of the techniques we use that can be applied in determining volatility is set out below:

- The square root of the mean of the squared deviations of closing prices from a sample. This can be calculated using a combination of the opening, high, low, and closing share prices each day the underlying security trades, for all days in the sample time period chosen.
- The exponential weighted moving average model adopts the closing share price of the Company in a given time period. This model estimates a smoothing constant using the maximum likelihood method, which estimates volatility assuming that volatility is not a constant measure and is predicted to change in the future.
- The generalised autoregressive conditional heteroscedasticity model. This model takes into account periods of time where volatility may be higher than normal and/or lower than normal, as well as the tendency for the volatility to run at its long run average level after such periods of abnormality. The model will calculate the rate at which this is likely to occur from the sample of prices thereby enabling estimates of future volatility by time to be made.

The recent volatility of the share price of Poseidon was calculated for one, two and three-year periods, using historical data extracted from Bloomberg. For the purpose of our valuation, we have used a future estimated volatility level of 100% for the share price of Poseidon.

Risk-free rate of interest

We have used the Australian Government bond rate as at the closest date available prior to our Report, as a proxy for the risk-free rate over the effective life of the Poseidon Options. We have used the 2-year bond rate of 4.203% as at the closest date available prior to our Report as an input in our option pricing model.

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Dividend yield

Latin Resources is currently unlikely to pay a dividend during the life of the Poseidon Options. Therefore, we have assumed a dividend yield of nil in our option pricing model.

Conclusion

Our conclusion as to the value of the Poseidon Options is set out below:

Item	Poseidon Options		
	Low	Preferred	High
Valuation date	01-Feb-25	01-Feb-25	01-Feb-25
Value of the underlying share	$0.008	$0.010	$0.013
Exercise price	$0.006	$0.006	$0.006
Expiry date	03-Sep-26	03-Sep-26	03-Sep-26
Life of the Options (years)	1.59	1.59	1.59
Volatility	100%	100%	100%
Risk-free rate	4.20%	4.20%	4.20%
Dividend yield	n/a	n/a	n/a
Valuation per Option	**$0.005**	**$0.007**	**$0.009**

Source: BDO Analysis

The value of the Poseidon options is in the range of $0.005 and $0.009 with a preferred value of $0.007.

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14. Valuation of Option Scheme Consideration

14.1 Value of the Combined Group Options

Under the Option Scheme, Poseidon's outstanding options will be converted to the Option Scheme Consideration (new Combined Group Options).

As outlined in Section 4, the terms of the Option Scheme Consideration are as follows:

Description	No. of Options	Exercise price ($)	Expiry Date
Combined Group Options	18,894,496	0.0519	03-Sep-26

Source: BDO Analysis

Valuation methodology

The Combined Group Options are unlisted and therefore there is no regulated and observable market on which they are traded. In addition, the Combined Group Options do not have any vesting conditions attached. Options without vesting conditions can be exercised at any time up to the expiry date, and as such are more suitably valued using the Black-Scholes option pricing model. Therefore, we have used the Black-Scholes option pricing model to value the Combined Group Options.

Under AASB 2 *Share-based Payment* and option valuation theory, no discount is made to the fundamental value derived from the option valuation model for unlisted options over listed shares.

We have made the following assumptions in performing our valuation of the Combined Group Options:

Valuation Date

We have valued the Combined Group Options as at 1 February 2025, being the indicative Scheme Implementation Date, as set out in the SID (**Valuation Date**).

We have used this date as this is the date we used in valuing the Poseidon Options prior to the implementation of the Schemes and therefore the Option Scheme Consideration valuation has the same input for time to expiry as the Poseidon Options, making it a like for like comparison of the Options Scheme prior to and following their implementation.

Value of the underlying share

We have adopted a range of values for the underlying value of a Combined Group Share, based on our assessment of a Combined Group Share in Section 12. The range of values we have adopted as the underlying value of a Combined Group share is summarised below:

Value of a Combined Group share	Low $	Preferred $	High $
Value of a Combined Group share	$0.053	$0.073	$0.096

Source: BDO analysis

Exercise price

The exercise price is the price at which the underlying ordinary shares will be issued. According to the terms of the Combined Group Options, each Combined Group Option will be exercisable at $0.0519.

Life of the Combined Group Options

We have estimated the life of the Combined Group Options for the purpose of our valuation. The minimum life of the Combined Group Options is the length of any vesting period, and the maximum life is based on

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the expiry date. Under AASB 2 *Share-based Payment*, the expected life of the options needs to reflect the potential for early exercise. The potential for early exercise tends to reduce the effective life, and consequently the value of options. There are many factors that determine the rationale for exercising options and therefore, the effective life of those options.

There is a limited track record of options being exercised early. Generally, early exercise occurs:

- If the options are deep in the money as it is profitable for the holder of the options to exercise the options.
- If the stock pays a dividend as the opportunity cost of holding the options is high.
- If the volatility of the underlying share price is low as the probability of the options becoming deeper in the money is low relative to a highly volatile stock.
- When the options are held by junior level employees. Senior employees are more likely to continue their employment with the company and therefore there is no incentive to exercise their options.

For the purpose of valuing the Combined Group Options, we have estimated an exercise date as the expiry date. We have assessed the life of the Combined Group Options based on the Valuation Date, being a recent date prior to the date of our report. The effective life of the Combined Group Options which we have used as an input in our option pricing models is 1.59 years.

Volatility

Expected volatility is a measure of the amount by which a price is expected to fluctuate during a period. The measure of volatility used in option pricing models is the annualised standard deviation of the continuously compounded rates of return on the share over a period of time.

A summary of the techniques we use that can be applied in determining volatility is set out below:

- The square root of the mean of the squared deviations of closing prices from a sample. This can be calculated using a combination of the opening, high, low, and closing share prices each day the underlying security trades, for all days in the sample time period chosen.
- The exponential weighted moving average model adopts the closing share price of the Company in a given time period. This model estimates a smoothing constant using the maximum likelihood method, which estimates volatility assuming that volatility is not a constant measure and is predicted to change in the future.
- The generalised autoregressive conditional heteroscedasticity model. This model takes into account periods of time where volatility may be higher than normal and/or lower than normal, as well as the tendency for the volatility to run at its long run average level after such periods of abnormality. The model will calculate the rate at which this is likely to occur from the sample of prices thereby enabling estimates of future volatility by time to be made.

The recent volatility of the share price of Poseidon and Horizon was calculated for one, two and three-year periods, using historical data extracted from Bloomberg. On this basis, we consider a future estimated volatility level of 100% to be reasonable for the Combined Group, which we have used as an input in our pricing model.

Risk-free rate of interest

We have used the Australian Government bond rate as at the closest date available prior to our Report, as a proxy for the risk-free rate over the effective life of the Combined Group Options. We have used the 2-

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year bond rate of 4.203% as at closest date available prior to our Report as an input into our option pricing model.

Dividend yield

The Combined Group is currently unlikely to pay a dividend during the life of the Combined Group Options. Therefore, we have assumed a dividend yield of nil in our option pricing model.

Conclusion

Our conclusion as to the value of the Combined Options is set out below:

Item	Combined Group Options		
	Low	Preferred	High
Valuation date	01-Feb-25	01-Feb-25	01-Feb-25
Value of the underlying share	$0.053	$0.073	$0.096
Exercise price	$0.0519	$0.0519	$0.0519
Expiry date	03-Sep-26	03-Sep-26	03-Sep-26
Life of the Options (years)	1.59	1.59	1.59
Volatility	100%	100%	100%
Risk-free rate	4.20%	4.20%	4.20%
Dividend yield	n/a	n/a	n/a
Valuation per Option	**$0.027**	**$0.042**	**$0.061**

Source: BDO Analysis

The value of the Combined Group Options is in the range of $0.027 and $0.061 with a preferred value of $0.042.

14.2 Value of the Option Scheme Consideration

Pursuant to the Schemes, Optionholders will receive 0.1156 Combined Group Options for every Poseidon Option held. Therefore, we multiply our valuation of the Combined Group Options by 0.1156 to derive the valuation of the Option Scheme Consideration to assess whether the Option Scheme is fair for Optionholders, as calculated below:

Valuation of the Option Scheme Consideration	Low $	Preferred $	High $
Value of a new option in the Combined Group (minority interest basis)	$0.027	$0.042	$0.061
Number of new Horizon options that Optionholders will receive for each Poseidon Option held	0.1156	0.1156	0.1156
Valuation of the Option Scheme Consideration (minority interest basis)	**$0.003**	**$0.005**	**$0.007**

Source: BDO Analysis

Based on the results above we consider the value of a share in the Option Scheme Consideration to be between $0.003 and $0.007, with a preferred value of $0.005.

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15. Are the Schemes fair?

15.1 Share Scheme

The value of a Poseidon share prior to the implementation of the Schemes, on a control basis, and the value of 0.1156 shares in the Combined Group to be received by Shareholders as consideration under the Share Scheme, on a minority interest basis, is compared below:

	Ref	Low $	Preferred $	High $
Value of a Poseidon share prior to the Schemes (control basis)	11	0.008	0.010	0.013
Value of 0.1156 shares in the Combined Group (minority basis)	12	0.006	0.008	0.011

Source: BDO analysis

The above pricing indicates that, in the absence of a superior proposal, the Share Scheme is not fair for Shareholders. We consider the Share Scheme to be not fair for Shareholders because the value of the Share Scheme Consideration on a minority interest basis is less than the value of a Poseidon share prior to the Scheme on a controlling interest basis when a direct comparison is made between the corresponding low, preferred and high values.

15.2 Option Scheme

The value of a Poseidon Option prior to the implementation of the Schemes, on a control basis, and the value of 0.1156 new Combined Group Options to be received by Optionholders as consideration under the Option Scheme, on a minority interest basis, is compared below:

	Ref	Low $	Preferred $	High $
Value of a Poseidon Option prior to the Schemes (control basis)	13	0.005	0.007	0.009
Value of 0.1156 Combined Group Options (minority basis)	14	0.003	0.005	0.007

Source: BDO analysis

The above pricing indicates that, in the absence of a superior proposal, the Option Scheme is not fair for Optionholders. We consider the Option Scheme to be not fair for Optionholders because the value of the Option Scheme Consideration on a minority interest basis is less than the value of a Poseidon Option prior to the Scheme on a controlling interest basis when a direct comparison is made between the corresponding low, preferred and high values.

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16. Are the Schemes reasonable?

We have considered the analysis below, in terms of the following:

- Advantages and disadvantages of the Scheme.
- Other considerations, including the position of Shareholders and Optionholders if the Schemes do not proceed and the consequences of not approving the Schemes.

In our opinion, the position of Shareholders and Optionholders if the Schemes are approved is more advantageous than the position if the Schemes are not approved. Accordingly, in the absence of any other relevant information and/or an alternate proposal we consider that the Schemes are reasonable for Shareholders and Optionholders.

16.1 Alternative proposal

We are unaware of any alternative proposal that might offer the Shareholders or Optionholders of Poseidon a premium over the value resulting from the Schemes.

16.2 Advantages of approving the Schemes

We have considered the following advantages in our assessment of whether the Schemes is reasonable.

16.2.1. Strategic benefits through the consolidation of complementary assets

The Schemes will consolidate Horizon's gold resource and Poseidon's Black Swan processing infrastructure located in the Kalgoorlie-Coolgardie districts. The consolidation provides a pathway for the Combined Group to pursue their target of becoming an independent mid-tier gold producer. The conversion of the Black Swan processing plant to a gold plant presents a significantly faster, lower capital pathway to gold production compared to building a new gold processing plant in the region. Additionally, the ounces processed through Black Swan are likely to generate a stronger operating margin than under a toll treatment arrangement.

Upon Implementation of the Schemes, Shareholders will continue to benefit from exposure to the upside associated with Poseidon's projects as well as gaining exposure to Horizon's complementary Kalgoorlie and Coolgardie Gold projects. In the longer term, the combined resources in other commodities such as nickel or zinc/silver may also be processed through Black Swan, extending the life of this asset and providing a processing solution for these resources within the Combined Group.

16.2.2. Exposure to Horizon's near-production gold assets and a larger more diversified exploration portfolio with a strong regional presence

The mineral assets of Poseidon are currently in the exploration and development phase, or have recently been placed into care and maintenance given the fall in global nickel prices in the first half of 2024. Poseidon Shareholders and OptionHolders currently have no immediate exposure to a cash generating asset. Horizon has two near-production gold assets, with the Boorara Project and the JV at the Phillips Find Project forecast to generate positive cash flows in the next 12 months. Upon implementation of the Schemes, Poseidon Shareholders and OptionHolders will benefit from the exposure to near term cash generating assets, with proceeds planned to be invested in refurbishment of infrastructure at Black Swan and future exploration and consolidation activities.

Additionally, the Combined Group will hold mineral assets with Mineral Resources of approximately 1.8 Moz of gold, 422,700 t of nickel, 20.2 Moz of Siver and 104,000 t of Zinc and a strong regional position

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with 1,309 km^2 of exploration tenure. Shareholders and Optionholders will benefit from the exposure to exploration assets across of a wide array of commodities. The diversification of the asset portfolio of the Combined Group reduces single commodity risk, as well as reducing volatility of the overall asset portfolio against market conditions that have the potential to impact negatively on individual commodities.

16.2.3. The Combined Group will have a larger market presence which may result in greater liquidity and ability to raise capital

If the Schemes are implemented, the Combined Group's enlarged scale positions it to benefit from increased analyst coverage and improved liquidity. We note in our assessment of liquidity, Poseidon's shares prior to the announcement of the Schemes display a moderate level of liquidity, whilst Horizon's shows in the post-announcement period display a high level of liquidity. Poseidon's Shareholders will benefit from the improved liquidity, as it may increase the attractiveness of the Combined Group's shares, leading to an improvement in its ability to raise capital, should it be required, as well as a potential re-rating from the market.

16.2.4. Creates a group with a strong balance sheet and access to Horizon's cash reserves

If the Schemes are implemented, Poseidon Shareholders and Optionholders will hold an interest in the Combined Group, which will have increased net assets, be larger in size and have an increased market capitalisation compared to Poseidon. The Combined Group will also have combined cash and cash equivalents of $15.63 million (based on the adjusted cash balances set out in Section 12.1.5 of our Report. This will provide the Combined Group a working capital buffer, whilst allowing it to fund exploration and development at the Combined Group's suite of mineral assets.

Poseidon has struggled with an inability to raise sufficient equity capital for exploration or development of its projects with the downturn in nickel prices. To continue the development of Poseidon's mineral assets, Poseidon would be required to raise capital, which would likely be highly dilutive for Poseidon Shareholders. Horizon's strong balance sheet, cash flow generation and the Combined Group's improved ability to raise capital will remove the immediate funding uncertainty and risk of significant dilution.

16.2.5. Value accretive on a like-for-like basis

In our assessment of whether the Share Scheme is fair, we have assessed the value of a Poseidon share prior to the Share Scheme on a control basis compared to the value of the Share Scheme Consideration on a minority interest basis. However, we note that on a like-for-like basis, where the value of a Poseidon share and the Share Scheme Consideration are both measured on a minority basis, the Share Scheme is value accretive under the high valuation, as outlined below:

	Low $	Preferred $	High $
Value of a Poseidon Share prior to the Share Scheme (minority)	0.006	0.008	0.010
Value of the Share Scheme Consideration (minority)	0.006	0.008	0.011

Source: BDO analysis

This analysis also indicates that whilst Horizon is paying a premium for control of Poseidon it is not a full control premium. Our analysis of control premiums is detailed further in Section 11.2 and is based on historical premiums paid by ASX-listed companies as well as company-specific factors.

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16.3 Disadvantages of approving the Schemes

We have considered the following disadvantages in our assessment of whether the Schemes is reasonable.

16.3.1. Dilution of Shareholders' interests and exposure to Poseidon's projects

Following the implementation of the Share Scheme, Shareholders' interests will be diluted from holding 100% of the assets of Poseidon to holding approximately 25.6% of Horizon. Therefore, Shareholders' ability to participate in the potential upside of Poseidon's projects, should they materialise, will be considerably reduced upon implementation of the Scheme.

16.3.2. Change in Risk Profile

Although we considered the exposure to a nearer term producing asset and diversification of commodities to be an advantage for Shareholders and Optionholders more broadly, it may be considered a disadvantage to particular Shareholders and Optionholders, if their risk preferences do not align with holding shares and options in the Combined Group.

16.3.3. Value of the Scheme Consideration is variable

If the Schemes are approved, Shareholders and Optionholders will no longer solely hold shares or options in an exploration company with interest in Poseidon's mineral assets, but instead hold shares and options in the Combined Group. This means that the value of the Share Scheme Consideration and Option Scheme Consideration will vary over time based on the performance of the Combined Group. Therefore, following implementation of the Schemes, Shareholders and Optionholders will be exposed to the risks of the Combined Group and to changes in the value of Combined Group.

The risks of the Combined Group are detailed in Section 10 of the Scheme Booklet.

16.3.4. Horizon may raise capital to fund conversion of Black Swan infrastructure

Horizon is yet to complete a feasibility study that will provide detailed information on the costs and timing of the refurbishment and conversion of the Black Swan processing infrastructure from nickel to gold.

Through discussions with Horizon management and VRM, we consider that converting Black Swan's processing infrastructure to ably process gold is a cost and time effective strategy when comparing to building a gold processing plant from start to finish. However, the refurbishment and conversion process will still require a significant capital injection. Depending on the quantum of the refurbishment, Horizon may need to source funding in addition to its current cash balance and forecast free cash flows. This may be dilutive to Shareholders.

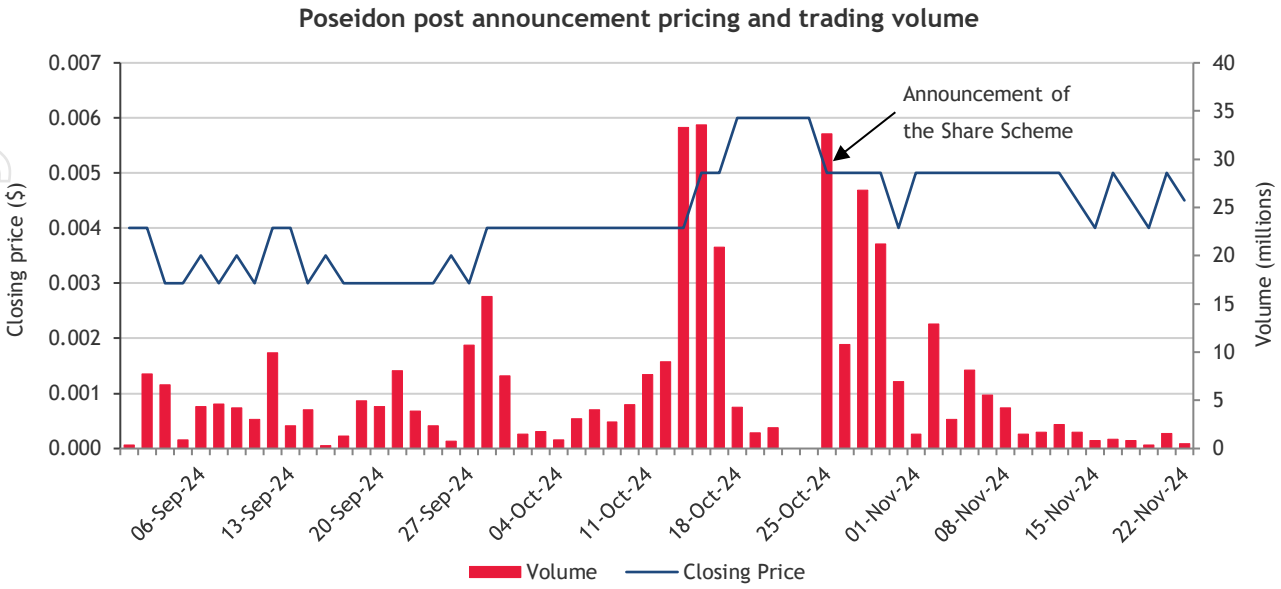
16.4 Consequences of not approving the Scheme

16.4.1. Potential decline in share price

We have analysed movements in Poseidon's share price since the Scheme was announced. A graph of Poseidon's share price and trading volume leading up to and following the announcement of the Transaction is set out below.

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Source: Bloomberg, BDO Analysis

The closing price of a Poseidon share from 2 September 2024 to 22 November 2024 ranged from a low of $0.003 on 27 September 2024 to a high of $0.006 on 24 October 2024.

The Schemes were announced on 25 October 2024. On the date that the Schemes were announced, the share price closed at $0.005, down from closing price of $0.006 on the previous trading day. On that day, 32,668,000 shares were traded, representing approximately 0.78% of Poseidon's current issued capital. Following the announcement of the Schemes, the share price of Poseidon has fluctuated from a low of $0.004 to a high of $0.005.

Given the above analysis it is not clear how the approval of the Schemes may impact Poseidon's share price.

16.4.2. Transaction costs to be incurred by Poseidon

Regardless of the outcome of the Schemes, transaction costs of approximately $0.63 million will be borne by Poseidon. Further, a potential break fee of $0.25 million may be payable in certain circumstances. The conditions around the payment of the break fee are detailed in the Scheme Booklet.

16.4.3. Poseidon will be required to raise capital

If the Schemes are not implemented, Poseidon will be required to raise capital in order to fund its future operations and the significant ongoing running costs of its two plants at Black Swan and Lake Johnston currently in care and maintenance. If Shareholders do not participate in the capital raising, their interests will be diluted. Further, the terms of such a fund raising may be disadvantageous to the Company, and to Shareholders, given the current share price levels.

Additionally, Poseidon will have to repay any drawdown on the Loan Facility within 90 days, which further supports the requirement for Poseidon to raise capital if the Schemes are not implemented.

If the company is unable to raise capital to satisfy these requirements then it may no longer be able to continue as a going concern and this may have a significant impact on the value of Shareholders' interest in Poseidon.

16.5 Tax Implications

Shareholders and Optionholders are directed to Section 11 of the Scheme Booklet for a more detailed explanation of the tax implications of the Schemes for Shareholders and Optionholders. We emphasise that the tax circumstances of each security holder can differ significantly, and individual security holders are advised to obtain their own specific advice.

17. Conclusion

We have considered the terms of the Schemes as outlined in the body of this report and have concluded that, in the absence of a superior proposal, the Schemes are not fair but reasonable and in the best interests to the Shareholders and Optionholders of Poseidon.

18. Sources of information

This report has been based on the following information:

- Draft Notice of General Meeting and Explanatory Statement on or about the date of this report;
- Audited financial statements of Poseidon and Horizon for the years ended 30 June 2022, 2023 and 2024;
- Unaudited management accounts of Poseidon and Horizon for the period ended 30 September 2024
- Financial models prepared by Horizon management for Boorara and Phillips Find
- Independent technical assessment and valuation report dated 18 December 2024 performed by Valuation and Resource Management Pty Ltd
- Scheme Implementation Deed
- Financial data sourced from S&P Capital IQ, Bloomberg and Consensus Economics;
- Reserve Bank of Australia
- United States Geological Survey
- Share registry information
- ASX announcements made by Poseidon and Horizon
- Information in the public domain
- Discussions with Directors and Management of Poseidon and Horizon.

19. Independence

BDO Corporate Finance Australia Pty Ltd is entitled to receive a fee of $132,500 (excluding GST and reimbursement of out of pocket expenses). The fee is not contingent on the conclusion, content or future use of this Report. Except for this fee, BDO Corporate Finance Australia Pty Ltd has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

BDO Corporate Finance Australia Pty Ltd has been indemnified by Poseidon in respect of any claim arising from BDO Corporate Finance Australia Pty Ltd's reliance on information provided by Poseidon, including the non-provision of material information, in relation to the preparation of this report.

Prior to accepting this engagement BDO Corporate Finance Australia Pty Ltd has considered its independence with respect to Poseidon and Horizon and any of their respective associates with reference to ASIC Regulatory Guide 112 'Independence of Experts'. In BDO Corporate Finance Australia Pty Ltd's opinion it is independent of Poseidon, and Horizon, and their respective associates.

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A draft of this report was provided to Poseidon, Horizon and their advisors for confirmation of the factual accuracy of its contents. No significant changes were made to this report as a result of this review.

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20. Qualifications

BDO Corporate Finance Australia Pty Ltd has extensive experience in the provision of corporate finance advice, particularly in respect of takeovers, mergers and acquisitions.

BDO Corporate Finance Australia Pty Ltd holds an Australian Financial Services Licence issued by the Australian Securities and Investments Commission for giving expert reports pursuant to the Listing rules of the ASX and the Corporations Act.

The persons specifically involved in preparing and reviewing this report were Sherif Andrawes and Adam Myers of BDO Corporate Finance Australia Pty Ltd. They have significant experience in the preparation of independent expert reports, valuations and mergers and acquisitions advice across a wide range of industries in Australia and were supported by other BDO staff.

Sherif Andrawes is a Fellow of the Institute of Chartered Accountants in England & Wales and a Fellow of Chartered Accountants Australia & New Zealand. He has over 35 years' experience working in the audit and corporate finance fields with BDO and its predecessor firms in London and Perth. He has been responsible for over 700 public company independent expert's reports under the Corporations Act or ASX Listing Rules and is a CA BV Specialist. These expert's reports cover a wide range of industries in Australia with a focus on companies in the natural resources sector. Sherif Andrawes is the Corporate Finance Practice Group Leader of BDO in Western Australia, the Global Head of Natural Resources for BDO and a former Chairman of BDO in Western Australia.

Adam Myers is a Fellow of Chartered Accountants Australia & New Zealand and a member of the Joint Ore Reserves Committee. Adam's career spans over 25 years in the audit and corporate finance areas. Adam is a CA BV Specialist and has considerable experience in the preparation of independent expert reports and valuations in general for companies in a wide number of industry sectors.

21. Disclaimers and consents

This report has been prepared at the request of Poseidon for inclusion in the Scheme Booklet which will be sent to all Shareholders and Optionholders. Poseidon engaged BDO Corporate Finance Australia Pty Ltd to prepare an independent expert's report to consider the proposed scheme of arrangement under which Horizon will acquire 100% of the issued shares in Poseidon, where Poseidon shareholders will receive 0.1156 shares in Horizon for every Poseidon share held as consideration.

BDO Corporate Finance Australia Pty Ltd hereby consents to this report accompanying the above Scheme Booklet. Apart from such use, neither the whole nor any part of this report, nor any reference thereto may be included in or with, or attached to any document, circular resolution, statement, or letter without the prior written consent of BDO Corporate Finance Australia Pty Ltd.

BDO Corporate Finance Australia Pty Ltd takes no responsibility for the contents of the Scheme Booklet other than this report.

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We have no reason to believe that any of the information or explanations supplied to us are false or that material information has been withheld. It is not the role of BDO Corporate Finance Australia Pty Ltd acting as an independent expert to perform any due diligence procedures on behalf of the Company. The Directors of the Company are responsible for conducting appropriate due diligence in relation to Horizon. BDO Corporate Finance Australia Pty Ltd provides no warranty as to the adequacy, effectiveness, or completeness of the due diligence process.

The opinion of BDO Corporate Finance Australia Pty Ltd is based on the market, economic and other conditions prevailing at the date of this report. Such conditions can change significantly over short periods of time.

The forecasts provided to BDO Corporate Finance Australia Pty Ltd by Poseidon, Horizon and their advisers are based upon assumptions about events and circumstances that have not yet occurred. Accordingly, BDO Corporate Finance Australia Pty Ltd cannot provide any assurance that the forecasts will be representative of results that will actually be achieved. We note that the forecasts provided do not include estimates as to the effect of any future emissions trading scheme should it be introduced as it is unable to estimate the effects of such a scheme at this time.

With respect to taxation implications, it is recommended that individual Shareholders obtain their own taxation advice, in respect of the Scheme, tailored to their own particular circumstances. Furthermore, the advice provided in this report does not constitute legal or taxation advice to the shareholders of Poseidon, or any other party.

BDO Corporate Finance Australia Pty Ltd has also considered and relied upon independent valuations for mineral assets held by Poseidon.

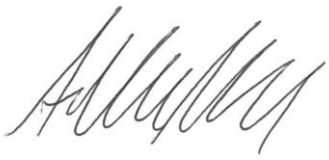
The statements and opinions included in this report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of this engagement are such that BDO Corporate Finance Australia Pty Ltd is required to provide a supplementary report if we become aware of a significant change affecting the information in this report arising between the date of this report and prior to the date of the meeting or during the offer period.

Yours faithfully

BDO CORPORATE FINANCE AUSTRALIA PTY LTD





Sherif Andrawes
Director

Adam Myers
Director

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Appendix 1 – Glossary of Terms

Reference	Definition
Abi Rose	Abi Rose nickel discovery
Adjusted Boorara Model	The BDO adjusted Boorara Model
Adjusted Phillips Find Model	The BDO adjusted Phillips Find Model
APES 225	Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services'
ASA	Asset Sale Agreement
ASIC	Australian Securities and Investments Commission
ASX	Australian Stock Exchange
AUD or $	Australian dollars
Balagundi	Balagundi-Kanowna South Project
BDO	BDO Corporate Finance Australia Pty Ltd
BFS	Bankable feasibility study
Binduli	Binduli-Teal Project
Black Swan	Black Swan Nickel Project
BML	BML Ventures Pty Limited
Boorara	Boorara Gold Project
Brilliant North	Brilliant North Project
Burbanks	Burbanks Project
Cannon	Cannon Underground Gold Project
CapEx	Capital expenditure
CAPM	Capital asset pricing model
Cerberus	Cerberus ore deposit
CGU	Cash generating unit
Combined Group	Group comprising the combined assets and liabilities of Poseidon and Horizon following implementation of the Scheme
Conico	Conico Limited
Coolgardie Regional	Prospective tenements owned by Horizon in Coolgardie
Corporations Act	The Corporations Act 2001 Cth

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Reference	Definition
CPI	Consumer price index
DCF	Discounted Future Cash Flows
DEMIRS	Department of Energy, Mines, Industry Regulation and Safety
DFS	Definitive feasibility study
Dundas	Dundas Minerals Limited
Emily Ann	Emily Ann deposit at Lake Johnston
Encore	Encore Minerals Pty Ltd
FID	Final investment decision
FME	Future Maintainable Earnings
FMR	FMR Investments Pty Ltd
FOB	Free on board
FS	Feasibility Study
FY24	Financial year 2024
GDP	Gross Domestic Product
Golden Swan	Golden Swan underground mine
Greenstone	Greenstone Resources Limited
HoA	Heads of Agreement
Horizon	Horizon Resources Limited
IS 214	Information Sheet 214 Mining and Resources - Forward Looking Statements
ITAR	Independent technical assessment and valuation report
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition)
JV	Joint venture
Kalgoorlie Regional	Prospective tenements owned by Horizon in Kalgoorlie
Km	Kilometres
KMP	Key management personnel
Koz	Kilo-ounces
Kt	Kilo-tonnes
Lake Johnston	Lake Johnston Mine

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Reference	Definition
Loan Facility	A $2 million secured loan facility provided by Horizon to Poseidon
LTI Participants	Recipients of Poseidon performance rights that are to be issued to Poseidon employees and key management personnel pursuant to Poseidon's long term incentive plan
Maggie Hays	Maggie Hays deposit at Lake Johnston
Mantis Tenements	Tenements adjacent to Lake Johnston owned by Mantis Resources and Poseidon as part of a farm-in agreement
Metal Hawk	Metal Hawk Limited
MinRes	Mineral Resources Limited
MRE	Mineral Resource Estimate
Mt	Million tonnes
Mt Thirsty	Mt Thirsty Project
Mtpa	Million tonnes per annum
NAV	Net Asset Value
Nebari	Nebari LLC
Nimbus	Nimbus Silver-Zinc Project
Norilsk	OJSC MMC Norilsk Nickel
NSR	Net smelter royalty
NST	Northern Star Resources Limited
OpEx	Operating expenditure
Option Scheme	The scheme of arrangement between Horizon and Poseidon, pursuant to which Horizon will acquire all of the unlisted options in Poseidon under the code POSAAB
Option Scheme Consideration	Consideration paid to Poseidon optionholders of 0.1156 new Horizon options for every Poseidon option held
Optionholders	Holders of unlisted options in Poseidon
Ora Banda	Ora Banda Mining Limited
ORE	Ore Reserves Estimate
OSA	Ore sale agreement
our Report	This Independent Expert's Report prepared by BDO
Paddington Gold	Paddington Gold Pty Ltd
PFS	Pre-feasibility study
Phillips Find	Phillips Find Gold Project
Placement	A two-tranche placement from investors for Horizon to raise $14.0 million

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Reference	Definition
Poseidon	Poseidon Nickel Limited
Poseidon Incentive Option Deed	A Deed under which all of the relevant Poseidon Incentive Options will be cancelled or transferred to Horizon for cash consideration subsequent to the Schemes becoming effective
Poseidon Incentive Options	Incentive options issued by Poseidon
Poseidon LTI Performance Rights	Performance rights or a cash bonus for achieivement of long-term company goals issued to LTI Participants
Poseidon Options	Unlisted Poseidon options under the code POSAAB
PP&E	Property, plant and equipment
QMP	Quoted market price
RBA	Reserve Bank of Australia
Record Date	The date on which the respective schemes become effective, or such other date as Horizon and Poseidon agree
Regulations	Corporations Act Regulations 2001 (Cth)
RG 111	Content of expert reports (March 2011)
RG 112	Independence of experts (March 2011)
RG 170	Prospective Financial Information (March 2011)
RG 60	Schemes of arrangement (September 2011)
Rose Hill	Rose Hill Project
RVT	Richmond Vanadium Technology Pty Ltd
Scheme Booklet	Booklet outlining the Schemes to assist Shareholders and Optionholders in their decisions whether to approve the Schemes
Section 411	Section 411 of the Corporations Act
Share Scheme	The scheme of arrangement between Horizon and Poseidon, pursuant to which Horizon will acquire all of the shares in Poseidon
Share Scheme Consideration	Consideration paid to Poseidon shareholders of 0.1156 new Horizon shares for every Poseidon share held
Shareholders	Shareholders of Poseidon
SID	Scheme Implementation Deed
Silver Swan	Silver Swan underground mine
Sum-of-Parts	A combination of different methodologies used together to determine an overall value where separate assets and liabilities are valued using different methodologies
The Act	The Corporations Act 2001 Cth
The Boorara Model	A detailed cash flow model of the Boorara Project prepared by the management of Horizon
The Company	Poseidon Nickel Limited
The Phillips Find Model	A detailed cash flow model of Phillips Find prepared by the management of Horizon

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Reference	Definition
TMA	Toll Milling Agreement
Tranche 1	Unconditional placement to raise approximately $7.0 million through the issue of 155.7 million new fully paid ordinary shares in Horizon
Tranche 2	Conditional placement to raise approximately $7.0 million through the issue of 155.4 million fully paid ordinary shares in Horizon shares subject to shareholder approval at Horizon's annual general meeting
VALMIN Code	Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (2015 Edition)
Valuation Date (of the Poseidon Options and Option Scheme Consideration)	1 February 2025
VRM	Valuation and Resource Management Pty Ltd
VWAP	Volume weighted average price
WA	Western Australia
Windarra	Windarra Nickel Project
Windarra Gold Tailings Project	Gold tailings project at Windarra
WUU	Western Ultramafic Unit
Yarmany	Yarmany Project

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Appendix 2 – Valuation Methodologies

Methodologies commonly used for valuing assets and businesses are as follows:

1 *Net asset value*

Asset based methods estimate the market value of an entity's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- Orderly realisation of assets method
- Liquidation of assets method
- Net assets on a going concern method

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to entity holders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not be appropriate. The net assets on a going concern method estimates the market values of the net assets of an entity but does not take into account any realisation costs.

Net assets on a going concern basis are usually appropriate where the majority of assets consist of cash, passive investments or projects with a limited life. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Often the FME and DCF methodologies are used in valuing assets forming part of the overall Net assets on a going concern basis. This is particularly so for exploration and mining companies where investments are in finite life producing assets or prospective exploration areas.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when an entity is not making an adequate return on its assets, a significant proportion of the entity's assets are liquid or for asset holding companies.

2 *Quoted market price basis*

A valuation approach that can be used in conjunction with (or as a replacement for) other valuation methods is the quoted market price of listed securities. Where there is a ready market for securities such as the ASX, through which shares are traded, recent prices at which shares are bought and sold can be taken as the market value per share. Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a security displays regular high volume trading, creating a liquid and active market in that security.

3 *Capitalisation of future maintainable earnings*

This method places a value on the business by estimating the likely FME, capitalised at an appropriate rate which reflects business outlook, business risk, investor expectations, future growth prospects and other entity specific factors. This approach relies on the availability and analysis of comparable market data.

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The FME approach is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as earnings before interest and tax or earnings before interest, tax, depreciation and amortisation. The capitalisation rate or 'earnings multiple' is adjusted to reflect which base is being used for FME.

4 *Discounted future cash flows*

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows, discounted to their present value at an appropriate discount rate (often called the weighted average cost of capital). This discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

Considerable judgement is required to estimate the future cash flows which must be able to be reliably estimated for a sufficiently long period to make this valuation methodology appropriate.

A terminal value for the asset or business is calculated at the end of the future cash flow period and this is also discounted to its present value using the appropriate discount rate.

DCF valuations are particularly applicable to businesses with limited lives, experiencing growth, that are in a start-up phase, or experience irregular cash flows.

5 *Market-based assessment*

The market based approach seeks to arrive at a value for a business by reference to comparable transactions involving the sale of similar businesses. This is based on the premise that companies with similar characteristics, such as operating in similar industries, command similar values. In performing this analysis it is important to acknowledge the differences between the comparable companies being analysed and the company that is being valued and then to reflect these differences in the valuation.

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Appendix 3 – Discount Rate of Horizon's Gold Projects

Determining an appropriate discount rate, or cost of capital, for a project requires the identification and consideration of a number of factors that affect the returns and risks of a project, as well as the application of widely accepted methodologies for determining the returns of a project.

The discount rate applied to the forecast cash flows from a project represents the financial return that will be required before an investor would be prepared to acquire (or invest in) the project.

In our assessment of the appropriate discount rate to be adopted in both the Adjusted Boorara Model and the Adjusted Phillips Find Model, we consider the most appropriate discount rate to be the post-tax WACC.

In our initial assessment of the appropriate discount rate, we have considered comparable ASX-listed gold companies that were in the late-developmental or early-stage production phase of the mining life cycle as at the Valuation Date.

Cost of Equity and Capital Asset Pricing Model

The capital asset pricing model ('**CAPM**') is commonly used in determining the market rates of return for equity type investments and project evaluations. In determining a business' WACC, the CAPM results are combined with the cost of debt funding. WACC represents the return required on the business, whilst CAPM provides the required return on an equity investment.

CAPM is based on the theory that a rational investor would price an investment so that the expected return is equal to the risk-free rate of return plus an appropriate premium for risk. CAPM assumes that there is a positive relationship between risk and return, that is, investors are risk averse and demand a higher return for accepting a higher level of risk.

CAPM calculates the cost of equity and is calculated as follows:

CAPM	
K_e	$= R_f + \beta \times (R_m - R_f)$
Where:	
K_e	= expected equity investment return or cost of equity in nominal terms
R_f	= risk free rate of return
R_m	= expected market return
$R_m - R_f$	= market risk premium
β	= equity beta

The individual components of CAPM are discussed below.

Risk Free Rate (R_f)

The risk-free rate is typically approximated by reference to a forecast long term government bond rate with a maturity approximately equivalent to the timeframe over which the returns from the assets are expected to be received.

In determining an appropriate five-year bond rate to use as a proxy for the risk-free rate, we have considered the two-year Australian Government bond rate and projections of the two-year Australian Government bond rate, based on forecasts sourced from Bloomberg as at the Valuation Date. We have

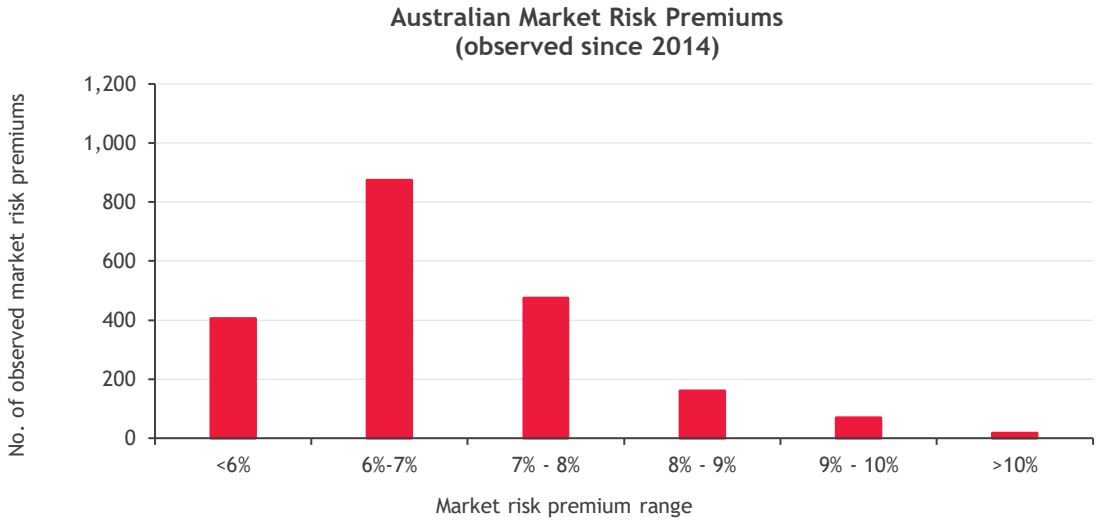
considered the Australian Government bond rate as a proxy for the risk-free rate as the Adjusted Boorara Model and the Adjusted Phillips Find Model forecasts cash flows generated in Australian dollar terms.

Based on our analysis, we have used a risk-free rate of approximately 3.58% in our discount rate assessment.

Market Risk Premium ($R_m - R_f$)

The market risk premium represents the additional return that investors expect from an investment in a well-diversified portfolio of assets. It is common to use a historical risk premium, as expectations are not observable in practice. In order to determine an appropriate market risk premium in Australia, we have analysed historical data. Our sample of data included the daily historical market risk premiums in Australia over the last ten years.

The market risk premium is derived on the basis of capital weighted average return of all members of the S&P/ASX 200 Index minus the risk free rate, which is dependent on the 10-year Australian Government Bond rate.



Source: Bloomberg and BDO analysis

The graph above illustrates the frequency of observations of the Australian market risk premium over the past ten years. The graph indicates that a high proportion of the sample data for Australian market risk premiums lie in the range of 6% to 8%. This is supported by the long term historical average market risk premium of between 6% and 8%, which is commonly used in practice.

In addition to the above historical analysis, we maintain a database of market risk premiums adopted by other valuation practitioners. This database indicates that 6% is the median market risk premium adopted by reputable valuation practitioners in Australia, with the mean being 6.1%.

Based on the above analysis and our professional judgement, we have used a market risk premium of 6% in our assessment.

Equity Beta

Beta is a measure of volatility or systematic risk of an investment relative to the market. A beta greater than one implies that an investment's return will outperform the market's average return in a bullish market and underperform the market's average return in a bearish market. On the other hand, a beta less than one implies that the business will underperform the market's average return in a bullish market and outperform the market's average return in a bearish market.

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Equity betas are normally estimated using either an historical beta or an adjusted beta. The historical beta is obtained from the linear regression of a stock's historical data and is based on the observed relationship between the security's return and the returns on an index. An adjusted beta is calculated based on the assumption that the relative risk of the past will continue into the future, and is hence derived from historical data. It is then modified by the assumption that a stock will move towards the market over time, taking into consideration the industry risk factors, which make the operating risk of the company greater or less risky than comparable listed companies.

It is important to note that it is not possible to compare the equity betas of different companies without having regard to their gearing levels. It is generally accepted that a more valid analysis of betas can be achieved by 'ungearing' the equity beta to derive an asset beta (βa) by applying the following formula:

Asset beta (β_a)	
β_a	= β / (1+(D/E x (1-t))
Where:	
β_a	= ungeared or asset beta
β	= equity beta
D	= value of debt
E	= value of equity
t	= corporate tax rate

Selected Equity Beta (β)

In order to assess the appropriate equity beta for Horizon's Gold Projects, we have had regard to the equity beta of ASX-listed gold developers nearing production and early-stage producers. The ASX-listed companies identified have similar operations to Horizon, in respect of commodity exposure, stage of development, and geographic location of operations.

The betas below have been assessed over a two-year period using weekly returns against the S&P/ASX All Ordinaries Index.

The list of comparable companies we selected are set out below:

Company	Market cap. 30-Sep-24 (A$m)	Geared Beta (β)	Gross D/E (%)	Ungeared Beta (βa)	R^2
Horizon Minerals Limited (ASX:HRZ)	51.00	1.13	13%	1.03	0.05
Beacon Minerals Limited (ASX:BCN)	97.20	0.83	14%	0.75	0.04
Brightstar Resources Limited (ASX:BTR)	171.20	0.90	4%	0.88	0.02
Calidus Resources Limited (ASX:CAI)	93.68	0.90	0%	0.90	0.01
Capricorn Metals Ltd (ASX:CMM)	1,804.60	1.57	27%	1.32	0.19
Gold Road Resources Limited (ASX:GOR)	1,907.90	1.41	14%	1.29	0.17
Ora Banda Mining Limited (ASX:OBM)	1,352.90	1.48	32%	1.21	0.07
Ramelius Resources Limited (ASX:RMS)	2,194.50	1.30	1%	1.29	0.10
Regis Resources Limited (ASX:RRL)	1,926.50	1.73	27%	1.46	0.23
Westgold Resources Limited (ASX:WGX)	1,146.20	1.62	8%	1.54	0.15
Mean	**1,074.57**	**1.29**	**12.64%**	**1.17**	**0.10**
Median	**1,249.55**	**1.35**	**10.77%**	**1.25**	**0.09**

Source: Bloomberg and BDO analysis

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Descriptions of the identified comparable companies are provided at the end of this appendix.

In selecting an appropriate equity beta for Horizon's Gold Projects, we have considered the similarities and differences of Horizon's Gold Projects compared to the set of comparable companies as set out above. The similarities and differences noted are:

- the comparable companies are all exposed to either the gold industry in Australia;
- the comparable companies are all listed on the ASX with head offices based in Australia;
- the flagship assets of the comparable companies are located in Australia;
- the comparable companies are all at a similar stage of project development, being developers nearing production, or early-stage producers.
- the comparable companies are of differing sizes based on market capitalisations which as at 30 September 2024, ranged between $94 million and $2.19 billion.

In selecting an appropriate ungeared beta for Horizon's Gold Projects, we have considered the ungeared betas of the comparable companies along with the above factors. As set out in the table above, the ungeared betas of the comparable companies, based on the weekly returns over a two-year period, ranges from 0.75 to 1.54, with a mean and median of 1.17 and 1.25, respectively.

We have also considered the evident step change in the increased levels of beta in the larger comparable companies, and the fact that the R^2 are also broadly higher in the larger comparable companies.

We consider the larger comparable companies may portray more liquid and actively traded shares, resulting in more reliable share price data than the smaller comparable companies, and therefore more reliable share price betas may come from the larger comparable companies.

However, we note that these larger comparable companies are evidently larger by market capitalisation, which may indicate they are also operationally more diversified with greater scale and therefore pose, holistically, lower business risks when compared to Horizon.

Based on our analysis, we consider an appropriate ungeared equity beta to be in the range of 1.30 to 1.50 for Horizon's Gold Projects.

Gearing

The discount rate assessment requires an assessment of the proportion of funding provided by debt and equity (i.e. gearing ratio) over the forecast period.

The gearing ratio should represent the level of debt that the asset can reasonably sustain (i.e. the higher the expected volatility of cash flows, the lower the debt levels that can be supported). The optimum level of gearing will differentiate between assets and will include:

- The variability in earnings streams.
- Working capital requirements.
- The level of investment in tangible assets.
- The nature and risk profile of tangible assets.

We have assumed a gross debt to equity ratio of 10% having consideration to the capital structure of Horizon and the proposed Combined Group. We have regeared our adopted ungeared beta range based on the adopted gearing ratio, which derived a regeared beta range of between 1.42 and 1.64.

Cost of equity

We have assessed the cost of equity of a hypothetical acquirer of Horizon's Gold Projects to be in the range of 12.11% to 13.42%, with our preferred rate being a rounded midpoint of 12.77%.

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Input	Value adopted	
	Low	High
Risk free rate of return	3.58%	3.58%
Equity market risk premium	6.00%	6.00%
Beta (regeared)	1.42	1.64
Cost of Equity	12.11%	13.42%

Source: Bloomberg and BDO analysis

Cost of debt

We have considered the cost of debt of the above comparable companies, applying greater weighting to Horizon's cost of debt, and consider a cost of debt range of 8.00% to 10.00% to be appropriate.

Tax rate

We have adopted an effective tax rate of 30%, based on the Australian corporate tax rate.

WACC (Post-tax)

The WACC represents the market return required on the assets by debt and equity providers. The WACC is used to assess the appropriate commercial rate of return on the capital invested in the business, acknowledging that normally funds invested consist of a mixture of debt and equity funds. Accordingly, the discount rate should reflect the proportionate levels of debt and equity relative to the level of security and risk attributable to the investment.

The commonly used WACC formula is the post-tax WACC, without adjustment for dividend imputation, which is detailed in the below table:

WACC	
WACC	$= \frac{E}{E+D} Ke + \frac{D}{D+E} Kd\ (1-t)$
Where:	
Ke	= expected return or discount rate on equity
Kd	= interest rate on debt (pre-tax)
T	= corporate tax rate
E	= market value of equity
D	= market value of debt
(1- t)	= tax adjustment

Using the inputs discussed above results in a post-tax WACC in the range of 12.11% to 13.42%, as set out in the table below:

WACC	Value adopted	
	Low	High
Cost of Equity (Ke)	12.11%	13.42%
Cost of Debt (Kd) (1-t)	8.00%	10.00%
Proportion of Equity (E/(E+D)	88.24%	88.24%
Proportion of Debt (D/(E+D)	11.76%	11.76%
WACC - Post-Tax	**11.35%**	**12.67%**
WACC - Pre-Tax	**16.21%**	**18.10%**

Source: Bloomberg, BDO analysis

Based on this range, we consider a rounded post-tax WACC of 12.00% to be appropriate for the purpose of our valuation of Horizon's Gold Projects.

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Set out below are the company descriptions of the companies we considered in our comparable company analysis.

Company Name	Business Description
Horizon Minerals Limited (ASX:HRZ)	Horizon Minerals Limited engages in the exploration and development of mineral properties in Australia. It primarily explores for gold, nickel, cobalt, silver, and zinc deposits. The company was formerly known as Intermin Resources Limited and changed its name to Horizon Minerals Limited in July 2019. Horizon Minerals Limited was incorporated in 1974 and is based in West Perth, Australia.
Beacon Minerals Limited (ASX:BCN)	Beacon Minerals Limited, together with its subsidiaries, engages in the mineral exploration, development, and production activities in Western Australia. It primarily explores for gold. The company was incorporated in 2006 and is based in Boulder, Australia.
Brightstar Resources Limited (ASX:BTR)	Brightstar Resources Limited, together with its subsidiaries, explores for and develops mineral properties in Australia. The company primarily explores for gold deposits. The company was incorporated in 2002 and is based in Subiaco, Australia.
Calidus Resources Limited (ASX:CAI)	Calidus Resources Limited engages in the exploration and exploitation of gold minerals in Australia. Calidus Resources Limited was incorporated in 1986 and is headquartered in West Perth, Australia.
Capricorn Metals Ltd (ASX:CMM)	Capricorn Metals Ltd engages in the evaluation, exploration, development, and production of gold properties in Australia. The company was incorporated in 2006 and is based in West Perth, Australia.
Gold Road Resources Limited (ASX:GOR)	Gold Road Resources Limited, together with its subsidiaries, engages in the exploration of gold properties in Western Australia. Gold Road Resources Limited was incorporated in 2004 and is based in West Perth, Australia.
Ora Banda Mining Limited (ASX:OBM)	Ora Banda Mining Limited engages in the exploration, operation, and development of mineral properties in Australia. It primarily explores for gold, nickel, copper, lithium, and base metal deposits, as well as sells gold. Ora Banda Mining Limited was incorporated in 2002 and is based in Subiaco, Australia.
Ramelius Resources Limited (ASX:RMS)	Ramelius Resources Limited engages in the exploration, evaluation, mine development and operation, production, and sale of gold. It holds a portfolio of projects in Australia. The company was incorporated in 1979 and is based in East Perth, Australia.
Regis Resources Limited (ASX:RRL)	Regis Resources Limited, together with its subsidiaries, engages in the exploration, evaluation, and development of gold projects in Australia. Regis Resources Limited was incorporated in 1986 and is based in Subiaco, Australia.
Westgold Resources Limited (ASX:WGX)	Westgold Resources Limited engages in the exploration, operation, development, mining, and treatment of gold and other assets primarily in Western Australia. Westgold Resources Limited was incorporated in 1987 and is based in Perth, Australia.

Source: S&P Capital IQ and BDO analysis

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Appendix 4 – Independent Technical Assessment Report

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POSEIDON AND HORIZON INDEPENDENT TECHNCIAL ASSESSMENT REPORT

Presented To: Poseidon Nickel Limited



Date Issued: 18/12/2024

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Executive Summary

Valuation and Resource Management Pty Ltd (VRM) was engaged by Poseidon Nickel Limited (Poseidon or the Company) but instructed by BDO Corporate Finance (WA) Pty Ltd (BDO) to prepare an Independent Technical Assessment Report (Report or ITAR), including valuation for the Mineral Assets of Poseidon and Horizon Minerals Limited (Horizon). The ITAR is prepared to assist BDO in completing their Independent Expert Report (IER) in relation to the proposed Scheme of Arrangement (SoA) between Poseidon and Horizon (Proposed Transaction).

This Report has been prepared as a public document, in the format of an independent specialist's report and in accordance with the guidelines of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – the 2015 VALMIN Code (VALMIN) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (JORC, 2012).

VRM understands that BDO will include the Report within its IER relating to the Proposed Transaction.

This Report is a technical review and valuation opinion of the Mineral Assets of Poseidon and Horizon. Applying the principles of the VALMIN Code, VRM has used several valuation methods to determine the value for the mineral assets. Importantly, as neither the principal author nor VRM hold an Australian Financial Securities Licence, this valuation is not a valuation of Poseidon or Horizon but rather an asset valuation of the companies' mineral properties.

The Valuation Date is 31 October 2024 and applies commodity prices at that date, the Valuation remains current as at 18 December 2024. VRM provided a draft report of the technical sections of the Report to BDO on 11 November 2024 for factual accuracy checking by the companies. This report includes updated technical information associated with the factual accuracy checking conducted by the companies.

As commodity prices, exchange rates and cost inputs fluctuate this valuation is subject to change over time. The valuation derived by VRM is based on information provided by Poseidon and Horizon along with publicly available data including ASX releases and published technical information. VRM has made reasonable endeavours to confirm the accuracy, validity and completeness of the technical data which forms the basis of this Report. The opinions and statements in this Report are given in good faith and under the belief that they are accurate and not false nor misleading.

The default currency is Australian dollars (unless otherwise stated). As with all technical valuations the valuation included in this Report is the likely value of the mineral projects and not an absolute value. A range of likely values for the various mineral assets is provided with that range indicating the accuracy of the valuation.

Valuation Opinion

VRM has estimated the value of the Poseidon and Horizon Projects considering the technical information available as at the valuation date as described further in the body of this report.

There are declared Ore Reserve estimates and Mineral Resource estimates within the Projects owned by Poseidon and Horizon which have been prepared applying the guidelines of the Australasian Code for Reporting of Exploration Targets, Mineral Resources and Ore Reserves - The JORC Code 2012 Edition (JORC).

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It is uncertain whether future exploration will result in the definition of any further Ore Reserve estimate or Mineral Resource estimates on any of the Poseidon and Horizon projects.

The Projects that host Ore Reserves that are considered to be current or on a reasonable basis were primarily valued using an income approach, specifically a DCF valuation. VRM was engaged by BDO to undertake a reasonableness assessment of the technical inputs into the DCF model. VRM has not valued the current Ore Reserves as they have been valued by BDO.

The Projects that host Mineral Resources were primarily valued using a comparable transaction method based on resource multiples with additional value added using the geoscientific / Kilburn method for the exploration on the adjacent tenements.

Secondary valuations for the Mineral Resource Projects were determined using the Yardstick Method for the Mineral Resources and adding additional value via the Prospectivity Enhancement Multiplier (PEM) method for the exploration tenements which contained no Mineral Resources.

Where there has been a recent transaction on one of the Mineral Assets, VRM has considered if that transaction accurately reflects the market value of the Mineral Assets. If it is considered that the recent transaction reflects the market value of the Mineral Asset, then that value has been used as the primary valuation method. Where a transaction was announced but subsequently withdrawn then the value of the Proposed Transaction is assumed to be the upper value of the asset. Where appropriate VRM has normalised these transactions to the price of the targeted commodity.

This report documents the technical aspects of the tenements along with explaining valuations for the properties applying the principles and guidelines of the VALMIN and JORC Codes.

Conclusions

Considering the Mineral Resources, and exploration potential of the 100% Poseidon owned Black Swan, Lake Johnson and Windarra Nickel Projects, in VRM's opinion, the Mineral Assets have a market value of between A$26.9 million and A$46.2 million with a preferred value of A$36.5 million.

In VRM's opinion, considering the Mineral Resources, and exploration potential of the various gold, silver (and zinc) and lithium Projects all 100% owned by Horizon and Joint Ventures, where Horizon are assessed to have between a 10% and 20% equity, have a market value of between A$85.9 million and A$150.4 million with a preferred value of A$118.1 million. These valuations and the value of the combined assets is summarised in Table 1 below.

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Table 1 Primary Valuations of the Poseidon and Horizon Mineral Assets

Company	Asset	Method	Lower Valuation	Preferred Valuation	Upper Valuation
Horizon Projects	Gold MRE's	Trimmed Comparable (A$66.89/oz)	80.6	107.5	134.4
	Mt Thirsty	Comparable Transactions (A$/t)	1.0	1.3	1.6
	Nimbus MRE High Grade	Comparable Transaction	0.7	1.0	1.3
	Exploration	Geoscientific	2.5	6.9	11.3
	Metal Tiger JV	Actual transactions	0.0	0.0	0.1
	Metal Hawk Option	Actual transactions	0.3	0.4	0.4
	Greenbushes	Actual transactions	0.8	1.0	1.3
Horizon	**Total**	**Various**	**85.9**	**118.1**	**150.4**
Poseidon Projects	Black Swan	Selected Comparable Transactions (A$/t)	14.0	18.7	23.3
	Lake Johnson	Selected Comparable Transactions (A$/t)	3.3	4.5	5.6
	Windarra	Selected Comparable Transactions (A$/t)	7.1	9.4	11.8
	Exploration	Geoscientific	0.5	1.4	2.2
	Windarra Royalty	Comparable Royalty Transactions	2.0	2.6	3.3
Poseidon	**Total**	**Various**	**26.9**	**36.5**	**46.2**
Combined		**Preferred Valuation**	**112.7**	**154.6**	**196.6**

Note the totals may not add due to rounding in the valuations.

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1. Introduction

Valuation and Resource Management Pty Ltd (**VRM**) was engaged by Poseidon Nickel Limited (**Poseidon** or the **Company**) but instructed by BDO Corporate Finance (WA) Pty Ltd (**BDO**) to prepare an Independent Technical Assessment Report (Report or ITAR), including valuation for the Mineral Assets of Poseidon and Horizon Minerals Limited (**Horizon**). The ITAR is prepared to assist BDO in completing their Independent Expert Report (**IER**) in relation to the proposed Scheme of Arrangement (**SoA**) between Poseidon and Horizon (**Proposed Transaction**).

The mineral assets of Poseidon are the Black Swan nickel deposit, and associated infrastructure, including a 2.2mtpa processing plant, the Lake Johnston nickel deposit and infrastructure including a 1.5mtpa processing facility, a 200 person camp and airstrip and the Windarra nickel deposits. The mines and mills are currently on care and maintenance. The nickel resources contain a total 422,700 t of nickel in Measured, Indicated and Inferred Resources. Associated with the three main nickel projects are surrounding exploration tenements which are also prospective for other commodities such as gold and lithium.



Figure 1 Location of the Mineral Assets owned by Poseidon

The Mineral Assets of Horizon comprises multiple gold-focussed Projects with reported Mineral Resource Estimates (MRE's) prepared following the guidelines of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (JORC). All Projects are located in Western Australia (WA), and include the Boorara, Golden Ridge, Golden Ridge North, Cannon, Monument, Pennys Find, Kalpini, Burbanks, Phillips Find, Rose Hill, Jacques Find - Peyes Farm, Teal, Crake, Coote, Capricorn and Baden Powell Projects. The Company also holds a two WA base and

precious metals Project with reported MRE's at Nimbus (Ag-Zn-Pb-Au) and Mt Thirsty (Ni-Co), and a number of Regional Tenements, again distributed throughout WA. Figure 2 presents the distribution of Horizon's Gold Projects in Western Australia around Kalgoorlie and the Mt Thirsty Nickel-Cobalt (Ni-Co) (Figure 3).

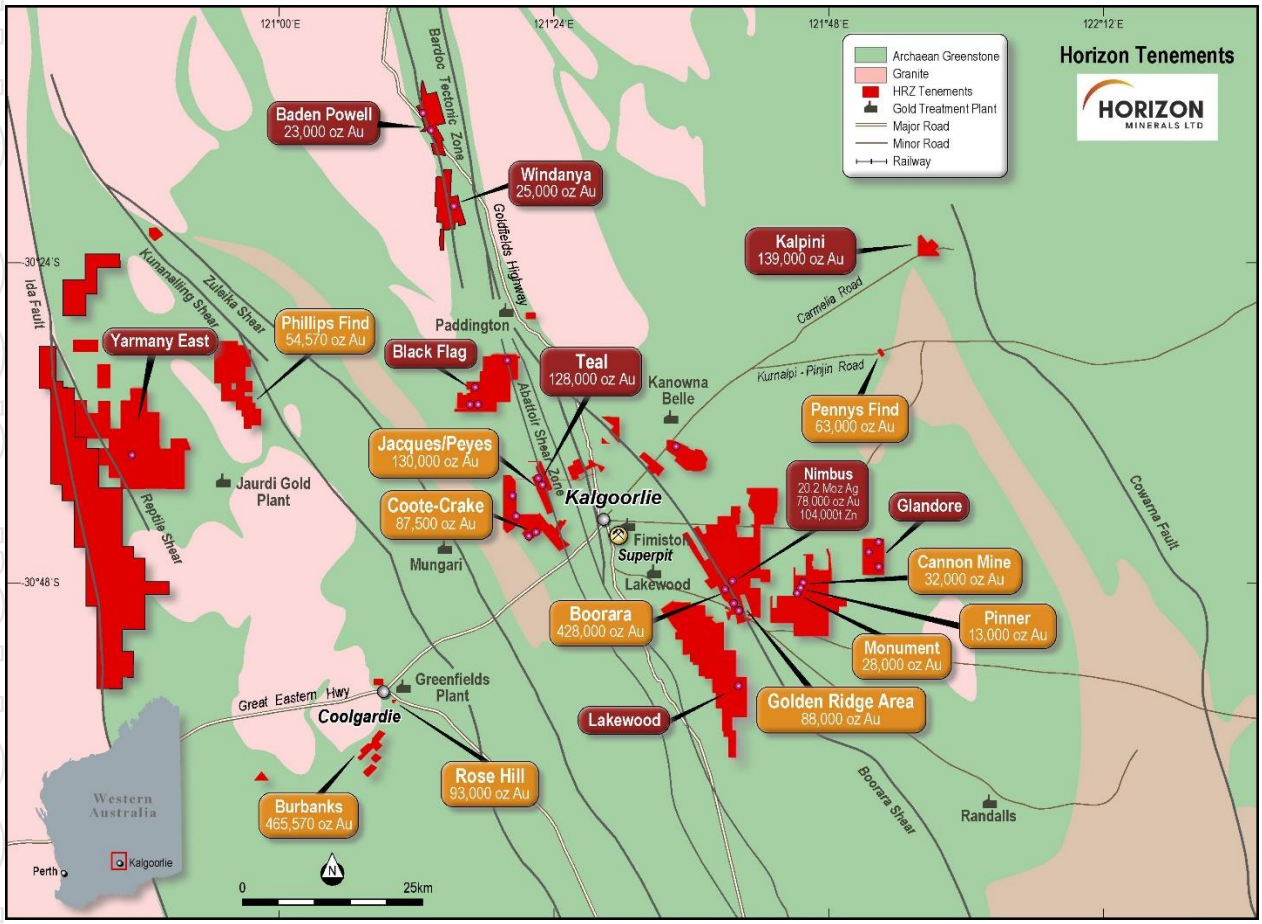


Figure 2: Location of Horizon's Projects in the Kalgoorlie Region of Western Australia

Source: Horizon

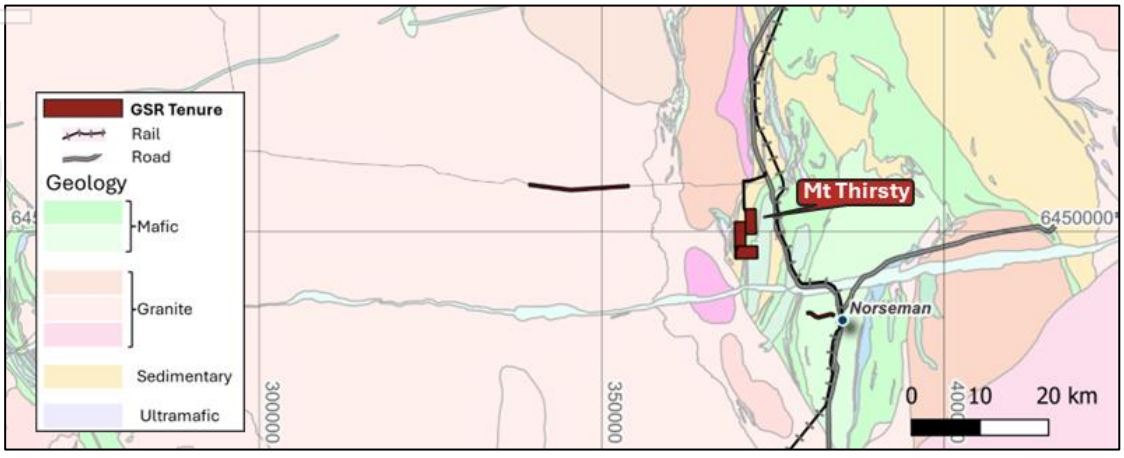


Figure 3: Location of Horizon's Mt Thirsty Ni Project in Western Australia

Source: Greenstone

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1.1 Compliance with the JORC and VALMIN Codes and ASIC Regulatory Guides

In preparing the ITAR, VRM has applied the guidelines and principles of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – 2015 VALMIN Code (VALMIN) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (JORC). Both industry codes are mandatory for all members of the Australasian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG). These codes are also requirements under Australian Securities and Investments Commission (ASIC) rules and guidelines and the listing rules of the Australian Securities Exchange (ASX).

This ITAR is a Public Report as described in the VALMIN Code (Clause 5) and the JORC Code (Clause 9). It is based on, and fairly reflects, the information and supporting documentation provided by Horizon and Poseidon and previous owners and associated Competent Persons as referenced in this ITAR and additional publicly available information.

1.2 Scope of Work

VRM's primary obligation in preparing this ITAR is to independently describe and value the Mineral Assets of each company applying the guidelines of the JORC and VALMIN Codes. These require that the Report contains all the relevant information at the date of disclosure, which investors and their professional advisors would reasonably require in making a reasoned and balanced judgement regarding the Projects.

VRM has compiled the Report based on the principle of reviewing and interrogating both the documentation of the companies involved and their consultants, and other previous exploration within the area. This Report is a summary of the work conducted, completed, and reported by the companies from pegging or acquisition of the Projects to the end of October 2024, based on information supplied to VRM by both companies, and other information sourced in the public domain, to the extent required by the VALMIN and JORC Codes.

VRM understands that its review and report will be included in the Scheme Booklet and as such, it is understood that VRM's review will be a public document. Accordingly, this report has been prepared in accordance with the requirements of the 2015 VALMIN Code.

1.3 Statement of Independence

VRM was engaged to undertake an ITAR of the Projects that comprise the asset portfolio of Horizon and Poseidon. This work was conducted applying the principles of the JORC and VALMIN Codes, which in turn reference ASIC Regulatory guide 111 Content of expert reports (RG111) and ASIC Regulatory guide 112 Independence of Experts (RG112).

Ms Lynda Burnett, Mr Paul Dunbar and Ms Rebecca Morgan of VRM have not, other than preparing an independent technical assessment of the Mineral Assets of Horizon and Greenstone Resources Limited as a part of an experts report associated with a SoA prepared in early 2024, within the past two years had any association with Poseidon or Horizon, its individual employees, or any interest in the securities of Poseidon and Horizon or potential interest, nor are they expected to be employed by either Company after the Proposed Transaction, which could be regarded as affecting their ability to give an independent, objective, and unbiased opinion. VRM will be paid a fee for this work based on standard commercial rates for professional services. The fee is not contingent on the results of this review and is estimated to be approximately $65,000.

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1.4 Competent Persons Declaration and Qualifications

Mr Paul Dunbar and Ms Lynda Burnett prepared separate sections of this Report as the primary authors of specific sections. Both Ms Burnett and Mr Dunbar peer reviewed sections of the report that they did not prepare.

The Report and information that relates to mineral asset valuation, Mineral Resources and exploration potential was completed by Mr Paul Dunbar, BSc (Hons), MSc, a Competent Person who is a member of the AusIMM and the AIG. Mr Dunbar is a Principal of VRM and has sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 JORC Code and a Specialist under the 2015 VALMIN Code. Mr Dunbar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Report and information that relates to geology is based on information compiled by Ms Lynda Burnett, B. Sc (Hons) a Competent Persons. Ms Burnett is a member of the AusIMM and an associate of VRM and has sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 JORC Code.

Portions of the Report were peer reviewed by Ms Lynda Burnett or Mr Paul Dunbar.

Between 25 October 2024, being the date that the Proposed Transaction was announced and the date of this Report, nothing has come to the attention of VRM unless otherwise noted in the Report that would cause any material change to the conclusions. The valuation date for the report is 31 October 2024.

1.5 Reliance on Experts

The authors of this Report are not qualified to provide extensive commentary on the legal aspects of the tenure of the mineral properties or the compliance with the legislative environment and permitting in Western Australia. In relation to the tenement standing, VRM has relied on the information publicly available on the Western Australian Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) website. On this basis VRM has confirmed the tenements which constitute the Projects held by Horizon and Poseidon, located in WA are in good standing. Both companies have confirmed their respective tenement status.

In respect of the information contained in this Report, VRM has relied on Information and Reports obtained from Horizon and Poseidon or the public domain including but not limited to:

- Presentation material including several cross sections and plans.
- Various ASX releases of both companies, including previous owner exploration results and MRE's where applicable.
- Annual Technical Reports for the tenements.
- WAMEX Reports for each of the Western Australian Project areas.
- Horizon and Poseidon's internal reports.
- Various Horizon and Poseidon ASX releases including but not limited to,

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- ASX announcement of the Scheme of Arrangement on 25 October 2024 which includes the details of the various Mineral Resource estimates,
- Annual Reports
- Quarterly Reports
- ASX releases detailing any initial and updates to the Mineral Resource estimates.
- ASX releases detailing exploration activities.
- Various ASX releases from previous owners and neighbouring companies.

- Publicly available information including several publications on the regional geology and tectonic evolution of the Goldfields Region by the Geological Survey of Western Australia; and
- Government Regional datasets, including geological mapping and explanatory notes.

All information and conclusions within this Report are based on information that VRM requested from Horizon and Poseidon to assist with this Report and other relevant publicly available data to 31 October 2024. Reference has been made to other sources of information, published and unpublished, including government reports and reports prepared by previous interested parties and joint venturers to the areas, where it has been considered necessary. VRM has, as far as possible and making all reasonable enquiries, attempted to confirm the authenticity and completeness of the technical data used in the preparation of this Report and to ensure that it had access to all relevant technical information. VRM has assessed the content of these reports and information and confirm that the contents are reasonable and that they meet the Reasonable Grounds Requirements. VRM has relied on the information contained within the reports, articles and databases provided by Horizon and Poseidon as detailed in the reference list. A draft of this Report was provided to BDO for provision to the companies, for the purpose of identifying and addressing any factual errors or omissions prior to finalisation of the Report. The valuation sections of the Report were not provided to the companies until the technical aspects were validated and the Report was declared final.

This ITAR contains statements attributable to third parties. These statements are made or based upon statements made in previous technical reports that are publicly available from either government departments or the ASX. The authors of these previous reports have not consented to the statements' use in this report, and these statements are included in accordance with ASIC Corporations (Consent to Statements) Instrument 2016/72.

1.6 Site visit

A site visit to the Projects was not undertaken for this ITAR.

The Independent Competent Persons who undertook the Mineral Resource estimates for all of the Projects have previously visited the Projects. VRM considers that these independent consultants who have visited site have accurately represented the aspects on the sites and therefore does not believe that undertaking a site visit would provide any additional information that would materially change the opinions, conclusions or valuation contained within this Report.

Additionally, both Ms Burnett and Mr Dunbar have, during their careers, conducted research, exploration and evaluation of various projects in the region including the Mineral Assets which are subject to this report and consider that the findings of this report would not materially change if a site visit were conducted as a part of this report.

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2. Mineral Tenure

2.1 Poseidon Tenure

The Projects of Poseidon Nickel Limited comprise three 100% owned and operated nickel, lithium and gold Projects (Figure 4). The Projects are located in the Kalgoorlie region of Western Australia, northeast to Laverton and southwest to Lake Johnston (Figure 4) and include three mines on care and maintenance (two of which have intact processing infrastructure), exploration stage projects and advanced Projects with reported current Mineral Resource Estimates. An Ore Reserve estimate has been announced on the Black Swan Project however in VRM's opinion that estimate is not a current Ore Reserve due to the time between the preparation of the estimate and the significant reduction in the nickel price used in estimation of the Ore Reserve. A list of tenements and conditions is presented in Appendix B.

The Miscellaneous and General Purpose Licences do not allow for exploration or exploitation therefore these are detailed in the tenure section only and are not valued as a part of this report.

The Windarra tenements on which the gold tailings reside were up until early 2022 located on Special Mining Lease MSA261 granted pursuant to the Poseidon Nickel Agreement 1971, under a State Agreement. The State Agreement was an Act of the Western Australia Parliament that prescribes the legislative processes and requirements for approval and development of the mining project at Windarra. The Poseidon Nickel State Agreement was a key deterrent to carrying out sustained exploration for other commodities over a 50-year period. The 1971 Act, which only considered the mining of nickel ores, was successfully terminated when the "Poseidon Nickel Agreement Amendment (Termination) Bill 2021" was passed by the WA State Government in early 2022.

The subsequent transition of the Windarra tenure to mining leases resulted in Poseidon having the right to mine for all metals, minerals and processing of tailings, subject to normal permitting conditions.

The 100% owned Poseidon Licences include:

- Eighteen (18) granted Mining Leases (ML's; total area of 15,614.19 Ha).
- Three (3) Exploration Licenses (EL's; total of 45 Blocks) all of which are granted.
- Twenty five (25) granted Miscellaneous Licences (MSL's; total area of 22,232.21 Ha) and
- Four (4) granted General Purpose Licences (GP; 300.32 Ha)

The 100% Poseidon tenements have been validated by VRM by reviewing the tenement information provided by the Company and comparing this with the tenement register from DEMIRS on 6 November 2024. The granted tenements are listed by DEMIRS as being in good standing and are held under numerous names as presented in Appendix B.

VRM is not qualified or a specialist in the mining tenure or Mining Act 1978 and as such no warranty, actual or implied is made regarding the validity or security of the tenure listed in Appendix B.

2.2 Horizon Tenure

The Projects of Horizon cover an extensive list of two hundred and thirty three (233) Licences of varying type as listed in Appendix B. The Projects are located in the Kalgoorlie region of Western Australia, variably within 25-35 km of the town of Kalgoorlie (Figure 4) and include early exploration stage and more advanced Projects, some with reported MRE's.

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The 100% owned Horizon Licences include:

- One hundred and fifty four (154) Prospecting Licences (PL's; total area of 23,283.35 Ha), of which all but one are granted
- Thirty eight (38) granted Mining Licences (ML's; total area of 10,238.05 Ha) with three (3) pending
- Twenty six (26) Exploration Licenses (EL's; total of 170 Blocks) all of which are granted.
- Twenty one (21) Miscellaneous Licences (MSL's; total area of 974.44 Ha) of which two (2) remain pending and
- One (1) General Purpose Licence (GP; 19.3 Ha)

The Miscellaneous and General Purpose Licences do not allow for exploration or exploitation therefore these are detailed in the tenure section only and are not valued as a part of this report.

The Horizon tenements have been validated by VRM by reviewing the tenement information provided by the Company and comparing this with the tenement register from the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) on 31 October 2024. The granted tenements are listed by DEMIRS as being in good standing and are held under numerous names as presented in Appendix B.

VRM is not qualified or a specialist in the mining tenure or Mining Act 1978 and as such no warranty, actual or implied is made regarding the validity or security of the tenure listed in Appendix B and shown in Figure 4.

The Projects which are under option or Joint Venture which Horizon has an interest include:

- Eleven (11) granted Exploration Licences (113 Blocks total area)
- Six (6) granted Prospecting Licence for a total of 601.45 Ha
- Three (3) granted Miscellaneous Licences for a total area of 954.2 Ha
- One (1) granted Retention Licence 570.4 Ha in size
- Four (4) Mining Leases (two granted and two pending) for a total area of 1,151.9 Ha, and
- One General Purpose Licence application (596.4 Ha).

Several of the pending applications overlap with existing tenure.

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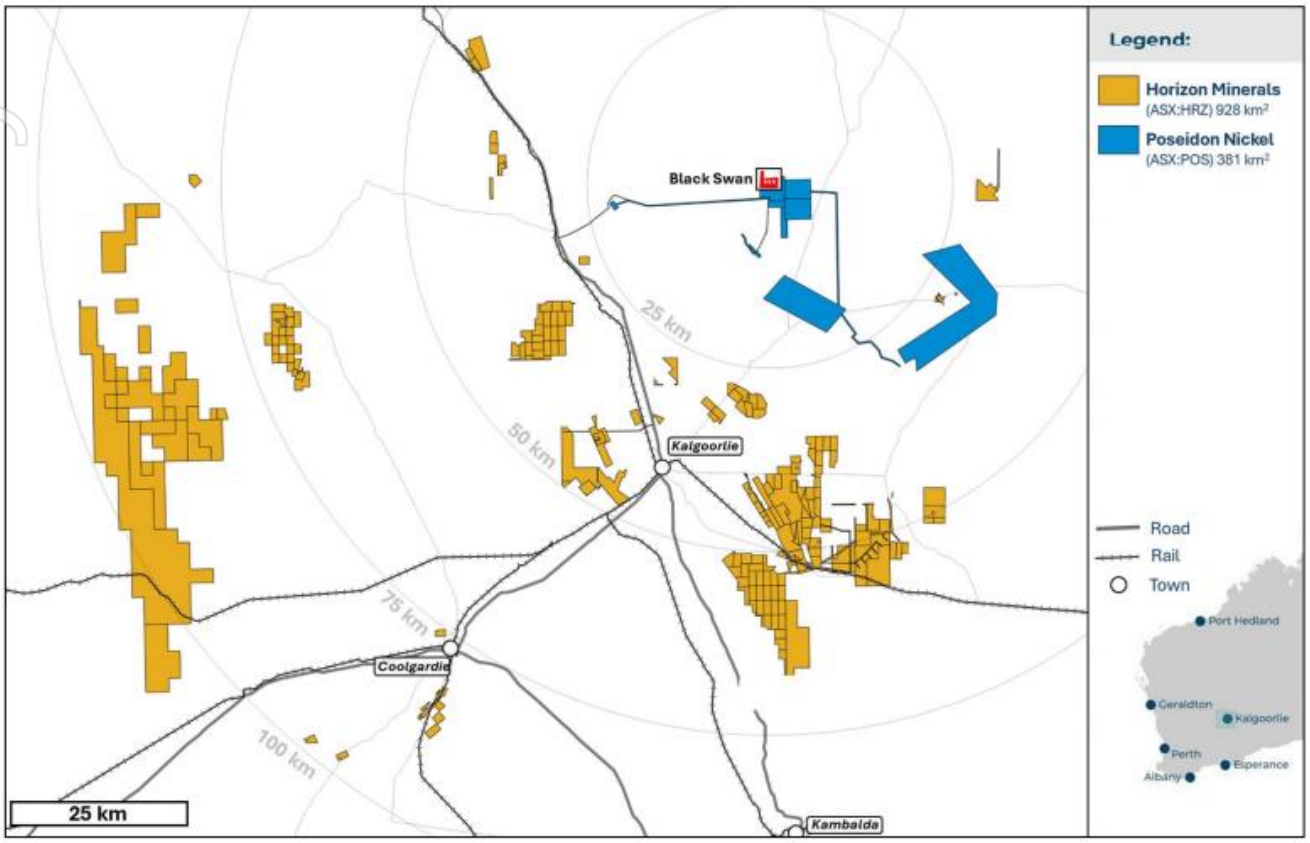


Figure 4: Location of Horizon and Poseidon's Projects in the Kalgoorlie region of Western Australia.

Source: Horizon Ltd ASX Announcement 25 October 2024.

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3. Poseidon Nickel Gold and Lithium Assets

3.1 Black Swan Nickel and Gold Project

The project is located around 43 km north northeast of Kalgoorlie and 580 km east of Perth with access via a partly sealed all weather road.

3.1.1 Local Geology and Mineralisation

The Project comprises a group of massive and disseminated nickel sulphide deposits with a discovery history dating back to the early 1970s. The deposits are located within the Black Swan Ultramafic Complex within the Gindalbie Formation of the Boorara domain of the Archean Kalgoorlie Terrane. The deposits lie along the steeply east-facing eastern limb of the Kanowna-Scotia Anticline (Barnes et al 2004 and 2017). As described by Barnes et al 2017, the anticline forms the core of a series of thrust sheets made up of basalt, komatiite and felsic volcanics. Metamorphic grade is lower greenschist, talc carbonate facies.

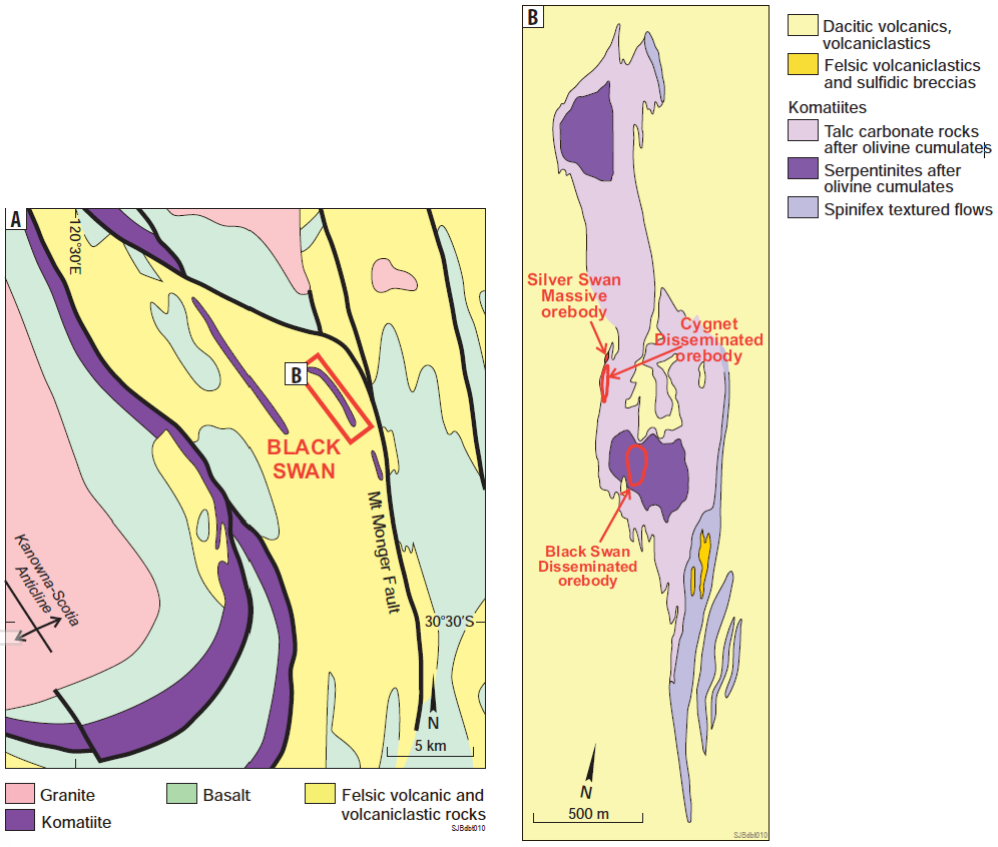


Figure 5: a. Regional Geology of Black Swan and b. distribution of alteration and deposit types

Source: Barnes et al 2004

Locally, the Black Swan Komatiite Complex (**BSKC**) comprises intercalated komatiite sills, dacitic flows and pyroclastic rocks and sulphidic volcanogenic sediments. Dating indicates synchronicity with the Kambalda Domain at 2705 Ma (Blewett et al 2010). The prospective package is 700 m thick and around 2.5 km long (Figure 5). The geology comprises a Lower Felsic Unit, an upper Eastern and lower Western Ultramafic Unit. The Western Ultramafic unit hosts the bulk of the high grade massive and disseminates

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ores. The most economically significant deposit is the Silver Swan massive sulphide deposit which is associated with the basal contact of the komatiite succession. The deposit is 5-20 m wide and 75 m along strike with over 1.5 km of vertical plunge to depth. The disseminated Cygnet deposit is interpreted to be re-deposited and transported clasts and inclusion of massive sulphide, whereas the Black Swan disseminated deposit is interpreted to have formed in-situ as suspended droplets within the lava. Since Poseidon acquired the Project in 2015 further discovery at Golden Swan, down plunge of Black Swan disseminated and down plunge at Silver Swan has occurred (Figure 6).

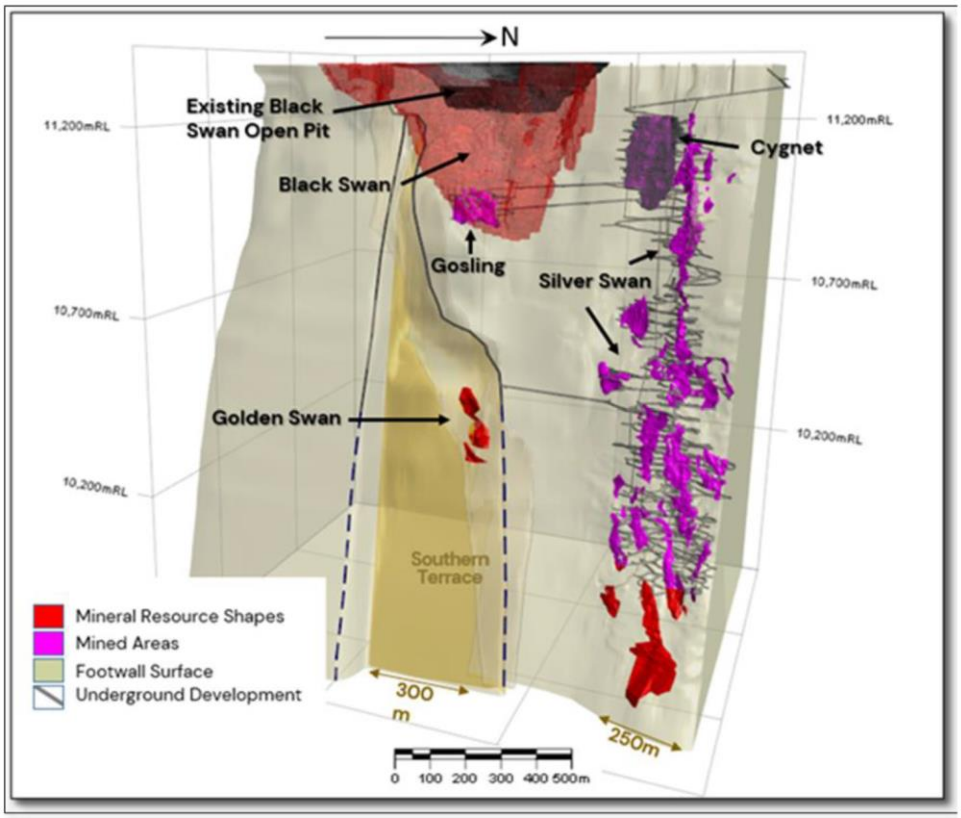


Figure 6: 3D Spatial distribution of Black Swan Project Mineral Resources

Source: ASX: POS 21 November 2022 Bankable Feasibility Study

Detailed deposit descriptions are as follows from Poseidon's 21 November 2022 Bankable Feasibility Study (ASX: POS 21 November 2022). The Black Swan Disseminated (**BSD**) sulphide deposit is located 0.5 km south of the Silver Swan portal. It forms part of the Cygnet-Black Swan disseminated sulphide horizon, a more-or-less continuous zone, comprising several disseminated sulphide horizons between mine grid 11800 mN and 11000 mN. Overlying the deposit is a zone of oxidised ultramafic, residual and transported ferruginous clays between 24 m and 42 m thick.

Near surface, the greater portion of the Black Swan resource is hosted by the Black Swan serpentinite. Talc–carbonate (magnesite and dolomite) altered rocks enclose the serpentinite to the north and south and at depth. Primary igneous textures comprising ortho- to meso-cumulate textured olivine pseudomorphs between 1 mm and 10 mm in diameter are well preserved in the serpentinite. Igneous textures in the enclosing carbonate-altered rock types have generally been destroyed.

The BSD disseminated sulphide mineralisation forms between 2-10% of the host rock. They generally consist of composite grains of pyrite – millerite – magnetite ± violarite in serpentinite areas with vaesite

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- polydymite becoming significant in the surrounding talc-carbonate altered rocks. Two textural sulphide types are recognised:

- Fine grained interstitial composite grains between olivine pseudomorphs; and
- Coarse grained blebby or droplet composites similar in size to the olivine pseudomorphs.

The fine-grained composites are more widely distributed, defining a broad, low grade mineralised horizon consisting of several discrete lenses. The coarser grained composites are much less widely distributed, forming small discrete, higher-grade zones within the sulphide rich lenses. They are also unique to the Black Swan deposit and are generally restricted to the disseminated sulphide lenses developed between 11200 mN and 11450 mN. The majority of the BSD sulphide mineralisation is contained within a central 'main' lens which is up to 50 m thick and contains most of the coarser grained blebby sulphides.

The high-grade Silver Swan massive-sulphide nickel deposit consists of a series of discrete, steeply east dipping (70 - 90°) thin (<1 m to 10 m) short strike length lens-shaped shoots situated on the basal contact of the BSKC (Figure 6). Individual shoots include Silver Swan, White Swan, Goose, Fledgling-Canard, Odette, Trumpeter, Peking Duck and Tundra Mute. This mineralisation plunges steeply towards the north along the southern flank of a substrate topographical high referred to as the Silver Swan footwall dome.

Silver Swan massive sulphides are typically coarse grained without any consistent compositional layering. Two textural types are generally recognised. The more dominant 'lattice' or 'trellis' texture consists of alternating stringers and sub-parallel lenses of pentlandite and pyrrhotite with minor to trace amounts of violarite, chalcopyrite, pyrite and gersdorffite. Individual pentlandite lenses are typically 2 - 5 mm thick and several centimetres long and consist of 0.1 – 2 mm diameter granular pentlandite crystals. The pyrrhotite lenses consist of coarse granular aggregates of pyrrhotite with minor stringers and flames of pentlandite and pyrite. The other less widely distributed textural type is 'leopard' texture. It consists of coarse-grained circular pentlandite crystals (up to 10 mm in diameter) in a pyrrhotite matrix.

Gold

Located within Gindalbie Formation of the Boorara domain and the steeply east-facing eastern limb of the Kanowna-Scotia Anticline, the area also hosts a number of gold mines including the nearby Kanowna Belle, Mulgarrie and Gordon Sirdar projects (Figure 7). The Black Swan area hosts north, and northwest tending structures interpreted to be of similar orientation and origin and are hence prospective for gold. Recent surface exploration on the tenements has confirmed the prospectivity of the tenements for gold

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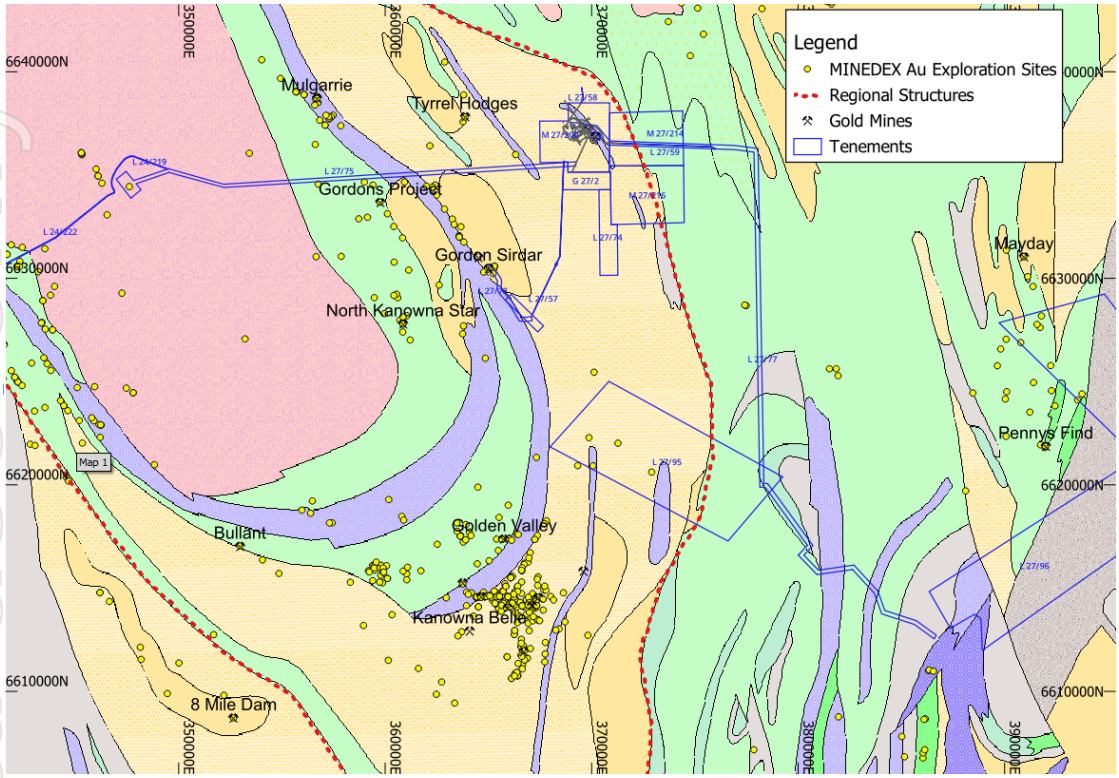


Figure 7: Geology of the Black Swan area showing Mt Monger (right) and Bardoc (left) Structures.

Source: Minedex, GSWA Geology

Nickel Discovery History

The Black Swan disseminated deposit was discovered in the late 1960s early 1970s during the WA nickel boom. With Anglo American defining the first resource in 1972 which was uneconomic and ultimately the land was relinquished (Porter Geo). The tenements were acquired by the MPI Mines and Outokumpu Exploration Ventures Joint Venture in 1995 who used Anglo's previous work from the GSWA's WAMEX open file database and discovered the Silver Swan massive sulphide deposit in the second drillhole. They also defined the White Swan, Cygnet and Gosling Deposits.

In May 1997, the first underground ore was mined from Silver Swan and in February 2004 the first open pit ore was mined at Black Swan. In 2004 the operation was acquired by LionOre Australia (Nickel) Ltd which was subsequently taken over by Norilsk Nickel Limited. In 2009 the mine and processing plant was put on care and maintenance as a result of low nickel prices. Poseidon purchased the operation from Norilsk in late 2014.

In 2019 following refurbishment of the Silver Swan decline, underground exploration drilling commenced testing down-hole electro-magnetic conductors outside the known massive sulphide resource / trends and also to test extensions to the Black Swan disseminated deposit. On 26 March 2020, the discovery of a new nickel sulphide lode called Golden Swan was announced (Figure 8).

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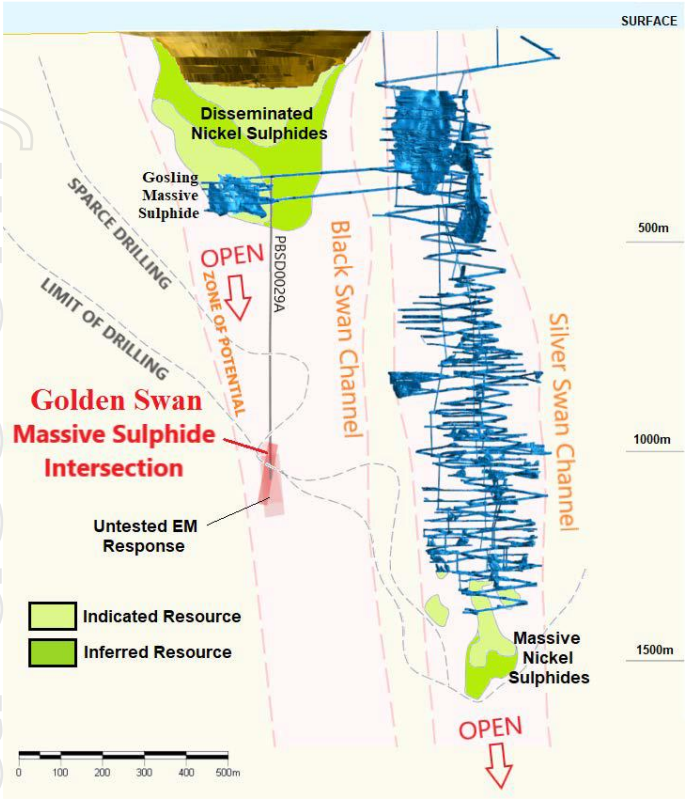


Figure 8: DHEM plate and Golden Swan discovery drillhole within Black Swan Channel.

Source ASX: POS 26 March 2020

By the end of 2020, then Golden Swan drill drive had been approved and commenced to further delineate this discovery with an initial Indicated and Inferred resource estimate announced on 27 October 2021 of 160,000 t at 3.9% Ni for 6,250 t Ni. Further down plunge drilling was also completed below the Silver Swan workings. By mid-2022 (ASX: POS 4 July 2022), the company stated that they had proved up 35% more Ni tonnes than when the project was first acquired in 2014 with most of the material coming from the low grade Black Swan disseminated deposit. Further drilling in late 2022 and early 2023 resulted in further increases to the Black Swan disseminated resources and an increase in the indicated category from inferred (Figure 9). By September 2023, a decision to put the project on hold was made due to the low prevailing nickel prices and global uncertainty. The project remains on care and maintenance and the mine has now stopped being dewatered.

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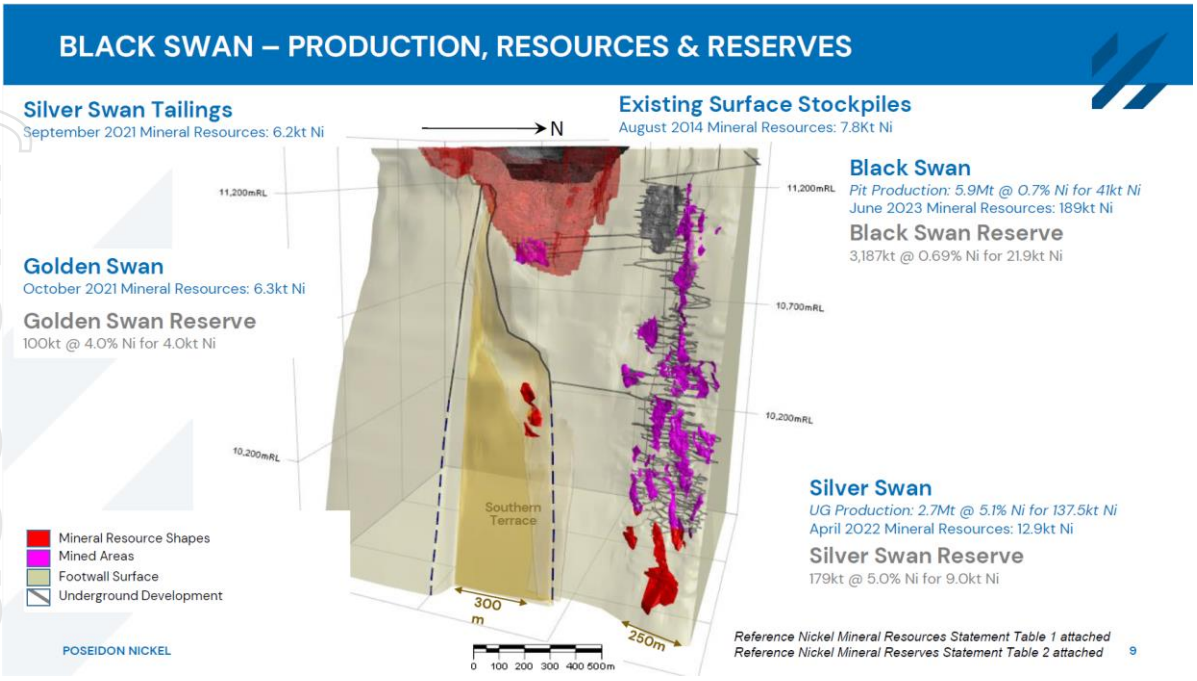


Figure 9: Black Swan Resources as at August 2023

Source: ASX: POS 8 August 2023

3.1.2 Mineral Resource Estimates

The Black Swan Project consists of the Black Swan, Silver Swan, and Golden Swan nickel deposits.

Black Swan

An updated JORC (2012) MRE for the Black Swan deposit was announced by Poseidon Nickel (Poseidon) in June 2023. The MRE update includes an additional 10,845 m from a 112 Reverse Circulation (RC) infill program drilled between December 2022 and March 2023 resulting in a 48% increase in the Black Swan disseminated Measured and Indicated MRE. The reported MRE for the Black Swan deposit is 26.3 Mt at 0.72% nickel for 189,000 t contained nickel at a cut-off grade of 0.4% Ni (Table 2 and ASX Announcement 7 June 2023 and CP statement therein). The latest MRE update was prepared for Poseidon by independent resource consultants WSP Australia Pty Limited (WSP), using all available assay data as of May 2023.

Lithology wireframes were modelled by WSP in Vulcan using the sectional interpretations provided by Poseidon. Mineralisation domains were interpreted and implicitly modelled using Leapfrog Geo. Samples were composited to 2 m downhole and constrained within the mineralised domains (i.e. hard boundaries were used). Search restrictions (instead of top-cuts) were applied for high-grade outliers to limit the spatial influence of these values during estimation. Nickel, sulphur, arsenic, iron, magnesium oxide, non-sulphide nickel (NsNi), cobalt, copper, talc content and density were estimated using Ordinary Kriging (OK).

The MRE is reported above 10,900 RL which WSP considers to adequately satisfy RPEEE based on the 2022 evaluation undertaken. An open pit optimisation using optimistic economic, mining, and processing parameters was previously undertaken on the 2022 MRE to evaluate RPEEE resulting in a pit shell with a lower limit of 10,765 RL.

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Metallurgical recovery of nickel was assigned based on metallurgical test work and data calculated by the Black Swan mill whilst mining operations were in progress. Metallurgical recovery to a nickel concentrate is dependent on multiple factors including intensity of talc alteration, with high talc material having lower Ni recovery.

The CPs for the information that relates to the Estimation and Reporting of the Black Swan Mineral Resource is based upon information compiled by Mr Richard Gaze and Mr Drew Luck who were fulltime employees of WSP. WSP has previously visited the Black Swan site prior to the 2014 MRE and did not consider a site visit was required to support the 2023 Mineral Resource update.

Silver Swan

An updated JORC (2012) MRE for the Silver Swan deposit was announced by Poseidon Nickel (Poseidon) in April 2022. The reported MRE for the Silver Swan deposit is 146,000 t at 9.5% nickel for 12,940 t contained nickel at a cut-off grade of 1.0% Ni (Table 2 and ASX Announcement 27 April 2022 and CP statement therein). The Silver Swan MRE was prepared for Poseidon by independent resource consultants Snowden Optiro Pty Ltd (Snowden Optiro) following the completion of the 38 hole, 8,179 m exploration and resource drilling programme.

The 2022 Mineral Resource Update has focussed on the four mineralised lenses, Goose, Fledgling-Canard, Tundra-Mute, and Peking Duck. Goose contains remnant mineralisation, the top 15 m of the Fledgling Canard shoot has been mined, whilst the Peking Duck and Tundra-Mute shoots are unmined, other than some limited development in the upper portions of Tundra-Mute. Following completion of the exploration drilling in Q4 2021, the mineralisation interpretations were updated by Snowden Optiro using logged lithology and rock geochemistry.

Samples were composited to 1 m length-density weighted and constrained within the mineralised domains (i.e. hard boundaries were used). Top-cuts were applied to arsenic only. Nickel, sulphur, arsenic, iron, magnesium oxide, cobalt, copper, and density were estimated using OK. The maximum distance of extrapolation applied was 35 m. No assumptions regarding the mining SMU have been used.

The current Silver Swan mineralisation commences approximately 1,360 m below surface and is exclusively an underground Mineral Resource. The 2019 Mineral Resource supported a positive feasibility study (announced on 18 July 2018), which demonstrated reasonable prospects for eventual economic extraction at the time.

The CP for the information that relates to the Estimation and Reporting of the Silver Swan Mineral Resource is based upon information compiled by Mr Ian Glacken of Snowden Optiro. Mr Glacken conducted a site visit on 4 August 2021, whilst exploration drilling was being conducted for the Golden Swan prospect. Exploration of the Silver Swan and Golden Swan prospects used the same exploration and database systems and protocols.

Golden Swan

A maiden JORC (2012) MRE for the Golden Swan deposit was announced by Poseidon Nickel (Poseidon) in October 2021 (Table 2). The Golden Swan MRE was prepared for Poseidon by independent Resource consultants Optiro Pty Ltd following the completion of drilling programs (69 holes totalling 22,000 m) undertaken by Poseidon since the discovery of the deposit in 2020. The reported MRE for the Golden Swan deposit is 160,000 t at 3.9% nickel for 6,250 t of contained nickel at a cut-off grade of 1.0 % Ni (Table 25 and ASX Announcement 27 October 2021 and CP statement therein).

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Mineral Resources at Golden Swan have been estimated for three (3) contact lenses (C10460, C10360 and C10300) and two (2) hanging wall mineralised lenses (U10450 and U10370). The contact mineralisation consists predominantly of massive to semi-massive sulphide, whilst the hanging wall mineralisation occurs as disseminated sulphides. The C10460 and C10360 lenses have a mix of massive/semi-massive and matrix/disseminated sulphide mineralisation. To constrain the two styles of mineralisation, a categorical indicator (CI) approach was implemented.

Block grades for nickel, cobalt, copper, iron, magnesium oxide, sulphur, arsenic and measured density were estimated using OK into mineralisation lenses, with lenses C10460 and C10360 using the CI subdomains. All boundaries were treated as hard. Estimation was undertaken using 1.0 m composite samples. The grades of variable populations exhibited low variability and did not require top-cutting.

The information which relates to the Golden Swan Mineral Resource is based on, and fairly represents, information compiled by Mr Andrew Pearce, Exploration Manager, who was a full-time employee at Poseidon Nickel, and is a Member of The Australian Institute of Geoscientists and Mr Ian Glacken who is a full time employee of Optiro Pty Ltd and is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Glacken conducted a site visit on 4 August 2021, whilst exploration drilling was underway.

Silver Swan Tailings

A maiden JORC (2012) MRE for the Silver Swan Tailings (SST) was announced by Poseidon Nickel (Poseidon) in September 2021 (Table 2). A Block Model was generated by Poseidon in 2018 following a sonic drilling program over the SST facility. In August 2021, Poseidon engaged Optiro Pty Ltd (Optiro) to review the Block Model, drilling QAQC, and carry out a site visit to the SST. The Block Model was validated against the drilling for the key elements and the QAQC data was processed. Optiro endorsed the Block Model as being representative of the drilling and has reported and classified the tailings according to the JORC Code (2012) as a Measured Mineral Resource.

The SST dam was divided into three (3) zones based chemistry and estimation using ID2 was carried out from the composited sample data for Ni, Cu, Co, As, MgO, Fe, S, Al2O3, CaO, MnO, SiO2, moisture, and in situ (dry) SG.

At the time of the SST MRE announcement, Poseidon intended to 'co-process' (blend) the SST (at a relatively low proportion) with the higher MgO Black Swan disseminated material to increase the Fe:MgO ratio in the final combined flotation concentrate. Given the relatively low cost of recovering the tailings, noting the SST are already at the required grind size for flotation, and the relatively low cost to reclaim and transport the SST to the plant (only 300m), the CP considered there to be Reasonable Prospects of Eventual Economic Extraction, allowing the SST to be classified as a Mineral Resource according to the guidelines of the JORC Code (2012).

The CP for the SST MRE is Mr Ian Glacken, who is a fulltime employee of Optiro Pty Ltd The reported MRE for the SST is 675,000 t at 0.92% nickel for 6,200 t of contained nickel (Table 25 and ASX Announcement 27 October 2021 and CP statement therein).

Stockpiles

The Black Swan stockpiles MRE was prepared by Golder Associates Pty Ltd (Golders) for Poseidon and was reported according to JORC (2012). The reported MRE for the Black Swan Stockpiles is 1.6 Mt at 0.50% nickel for 7,800 t of contained nickel at a 0.4% Ni cut-off (Table 2 and ASX Announcement 4 August 2014 and CP statement therein).

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The CP for the Black Swan Stockpiles MRE is Mr Andrew Weeks, was a fulltime employee of Golder who were purchased by WSP.

No additional information regarding the input data or estimation methodology is included in the related ASX announcement.

Table 2: Nickel Projects Mineral Resource Statement

Nickel Sulphide Resources	JORC Compliance	Cut Off Grade	MINERAL RESOURCE CATEGORY															
			MEASURED			INDICATED			INFERRED			TOTAL						
			Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Co% Grade	Co Metal (t)	Cu% Grade	Cu Metal (t)
BLACK SWAN PROJECT																		
Black Swan	2012	0.4%	800	0.78	7,000	15,100	0.73	111,000	10,400	0.69	71,000	26,300	0.72	189,000	0.02	4,000	0.03	7,900
Silver Swan	2012	1.0%	-	-	-	138	9.00	12,450	8	6.00	490	146	8.80	12,940	0.16	240	0.36	530
Golden Swan	2012	1.0%	-	-	-	112	4.70	5,200	48	2.20	1,050	160	3.90	6,250	0.08	120	0.30	480
Silver Swan Tailings	2012	NA	675	0.92	6,200	-	-	-	-	-	-	675	0.92	6,200	0.07	460	0.04	270
Stockpiles	2012	0.4%	-	-	-	1,200	0.49	5,900	400	0.53	1,900	1,600	0.50	7,800	NA	NA	NA	NA
LAKE JOHNSTON PROJECT																		
Maggie Hays	2012	0.8%	-	-	-	2,600	1.60	41.900	900	1.17	10,100	3,500	1.49	52,000	0.05	1,800	0.10	3,400
WINDARRA PROJECT																		
Mt Windarra	2012	0.9%	-	-	-	922	1.56	14,000	3,436	1.66	57,500	4,358	1.64	71,500	0.03	1,200	0.13	5,700
South Windarra	2004	0.8%	-	-	-	722	0.98	8,000	-	-	-	772	0.98	8,000	NA	-	NA	-
Cerberus	2004	0.75%	-	-	-	2,773	1.25	35,000	1,778	1.91	34,000	4,551	1.51	69,000	NA	-	NA	-
TOTAL																		
Total Ni, Co, Cu Resources	2004 &2012		1,475	0.84	13,200	23,600	0.98	233,500	17,000	1.03	176,000	42,100	1.00	422,700	0.02	7,800	0.05	18,300

Note: totals may not sum exactly due to rounding. NA = Information Not Available from reported resource model.

Source: Poseidon ASX Annual Report 18 October 2024

VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resources within the Black Swan Project and has not identified any material areas of concern aside from the lack of details surrounding the stockpile MRE. VRM Considers these Mineral Resource estimates as being reported on a reasonable basis. However, VRM has not verified the underlying geological databases or completed a full review of the Mineral Resource Estimates and all associated input data, and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review which is limited to publicly available ASX releases.

Details of the estimate are outlined in ASX Announcements and JORC Table 1 therein, and the reader is directed there for further details.

3.1.3 Project Status, Technical and Economic Studies

The Black Swan nickel project originally operated as a joint venture between MPI Mines and Outokumpu. Exploration first began at Black Swan during the nickel boom of the late 1960s when Australian Anglo American Ltd (AAA) discovered disseminated sulphide nickel mineralisation associated with what would become the Cygnet and Black Swan deposits. During the early 1990s exploration by the MPI Mines Outokumpu JV focussed on the massive/semi-massive sulphide deposits of the adjacent Silver Swan, Gosling, Cygnet and White Swan orebodies.

Underground mining and plant construction began in 1996, with first ore extracted from underground in May 1997. Open pit mining of the Black Swan disseminated sulphide deposit commenced in 2004 and continued until February 2009 when the mine was placed on care and maintenance. Underground access was reinstated in 2019, and an exploration drive across to Golden Swan completed in 2020. The dewatering

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of the underground access ceased during 2024. Poseidon Nickel acquired the project from Norilsk Nickel in July 2014.

Poseidon reported the results of a Feasibility Study on 21 November 2022 (ASX: POS 21 November 2022) which included Ore Reserves for a re-start at Black Swan. While there was additional work completed in progressing the re development activities have since ceased and the Ore Reserves are not considered by VRM to be on a reasonable basis due to additional costs and the inflationary environment since the completion of the feasibility study and also the material decrease in the nickel price compared to the assumed price used to define the Ore Reserves. On that basis VRM considers that the Ore Reserves are no longer current.

3.1.4 Exploration Potential

Black Swan Nickel

Given the underground infrastructure has been closed and dewatering stopped, currently only near surface nickel targets can be accessed. In addition, due to the low nickel price a focus back onto high grade targets has been stated

Two near surface high-grade nickel targets identified at Gosling South and Cygnet South are not yet drilled or included in the recent BFS (Figure 10).

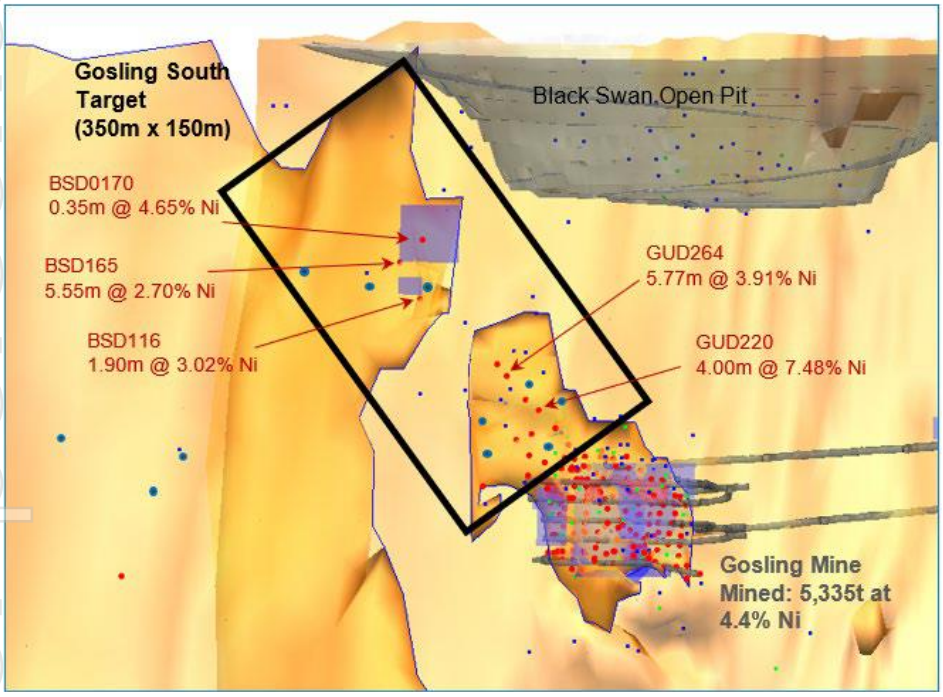


Figure 10: An example of untested EM plates near surface at Black Swan

Source ASX: POS 30 May 2024

Further Down Hole Electro-Magnetic (DHEM) targets are outboard and down plunge of known resources (Figure 11). Target 5 has been tested by drilling and did not intersect mineralisation and DHEM did not confirm the surface Electro-Magnetic (EM) plates. These targets are unable to be accessed at present.

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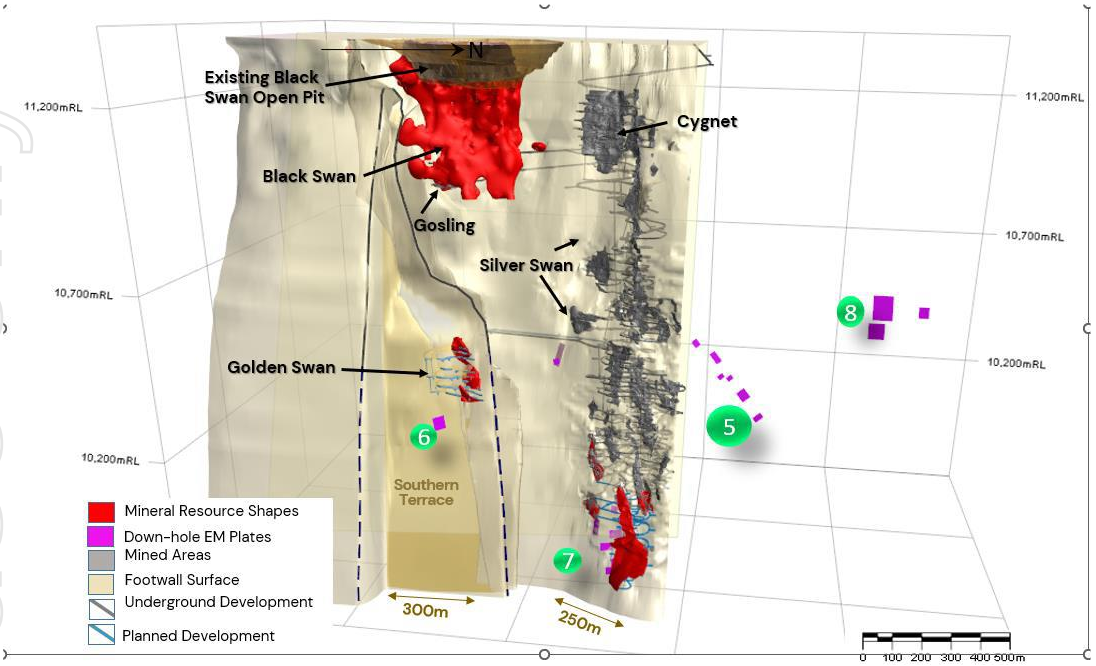


Figure 11: Black Swan DHEM plates representing massive sulphide exploration upside

Source ASX: POS 17 July 2023

Black Swan Gold

The tenement package has only recently been a focus for gold but is in an area of multiple gold deposits the largest and nearest being Kanowna Belle ~20 km to the south west. In 2024 a program of soil sampling defined several coherent gold in soil anomalies, the most significant being the North Anomaly (also known as Wilsons). The soils grade up to 79ppb Au and present four distinct gold in soil anomalies spread across the Black Swan tenements (Figure 12) (ASX: POS 6 November 2024). Importantly these anomalies are interpreted by Poseidon to correlate to the interpreted secondary structural corridors off the larger north striking Mt Monger Fault (see Figure 12 for interpreted location of Mt Monger Fault). The yellow spots on Figure 12 also show the location of gold nuggets. Historic drilling returned a best intersection of 0.4 m at 6.4 g/t Au from 421.6 m above Silver Swan (ASX: POS 30 July 2024), however much of the drilling did not assay for gold and concentrated on the Basal ultramafic contact.

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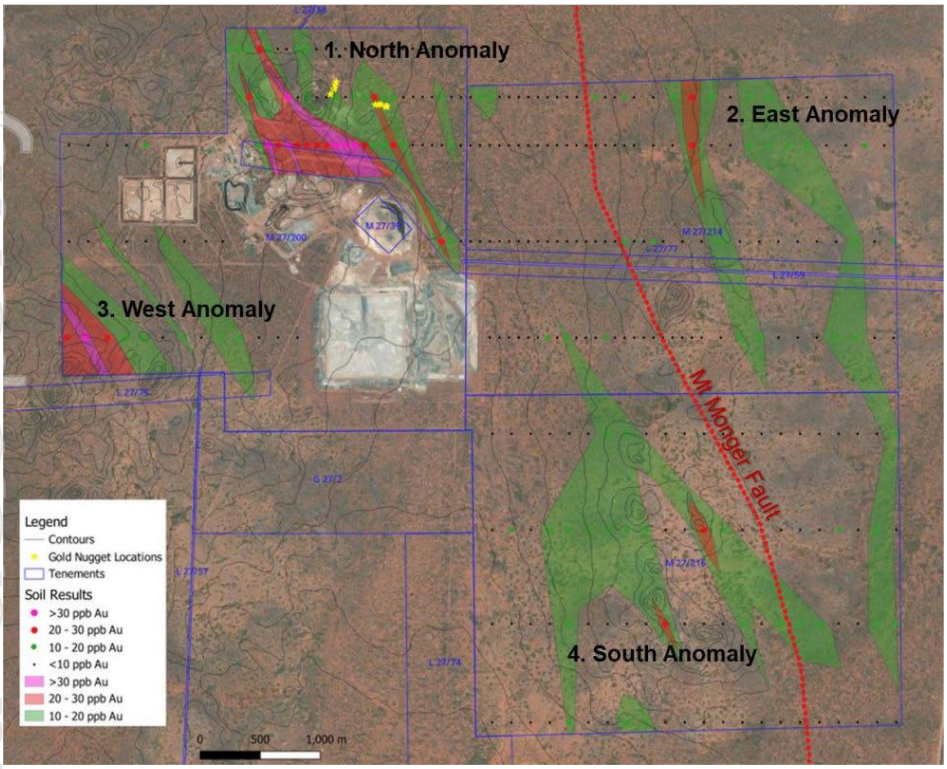


Figure 12: 2024 Soil sampling location and results, Black Swan surrounds

3.2 Lake Johnston Nickel Project

The Lake Johnston project is located in the South-Eastern Goldfields of Western Australia. Access from Perth is via the Brookton Highway from Perth east to Hyden and then via the Hyden-Norseman Road. Alternatively, access is via the sealed Great Eastern Highway to Southern Cross then south via the Marvel Loch-Forrestania Road until the road intersects the Hyden Norseman Road.

3.2.1 Local Geology and Mineralisation

Located within the Southern Cross Domain of the Youanmi Super terrane of the Yilgarn Craton, the Lake Johnston projects are within the Lake Johnston Greenstone Belt which is approximately 100 km long trending north north-west and varies in width from 20 km to 2 km wide. The Youanmi Terrane is bounded by the Eastern Goldfields Domain to the east and the South Western Terrane to the west. Nd isotopic data collected from the Kalgoorlie and Youanmi Terranes is consistent with the interpretation that the Eastern Goldfields Terranes represent younger crustal growth onto the pre-existing Youanmi Terrane (Champion and Sheraton, 1997; Cassidy et al., 2005).

Further, the Lake Johnston Greenstone Belt is thought to have more similarities to the Forrestania-Southern Cross Belt than to the Norseman Wiluna greenstone belt based on the continuous extent of banded iron formation (BIF), and a similar metamorphic grade.

Geologically, the Lake Johnston Greenstone Belt consists of three main stratigraphic units originally defined by Gower and Bunting (1976). These units are described from oldest to youngest:

Maggie Hays Formation: a thick package of pillowed and massive basalt with an overlying package of basaltic flows interlayered with thin quartz rich sedimentary interbeds towards the top of the unit. The

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mafic rocks are intruded by ultramafic rocks, dolerite sills, and aligned pods and sills of pyroxenite, gabbro, and leucogabbro.

Honman Formation: a sequence of clastic metasedimentary rocks, Banded Iron Formation (BIF) and felsic volcanics.

Glasse Formation: massive to fine grained basalt.

There are three ultramafic horizons recognised within the stratigraphy; the Eastern within the Maggie Hays Formation, the Central within the Honman Formation, and the Western ultramafic within the Glasse Formation. All of the known economic nickel endowment is located in the Central Ultramafic unit. Disseminated and low tenor nickel mineralisation is known from the other ultramafic units (Buck et al 1998)

The two main ultramafic units recognised in the Emily Ann — Maggie Hays area, are the Western Ultramafic Unit (WUU) and the Central Ultramafic unit (CUU). A thinner, less explored unit further to the east, the Eastern Ultramafic Unit (EUU) is also known but poorly understood. The WUU and the CUU are separated by a persistent banded iron formation unit which forms a prominent magnetic high ridge. The stratigraphically lower CUU, which hosts the Maggie Hays mineralisation, is dominated by high MgO cumulate facies ultramafic rocks ranging in composition from olivine ortho-cumulate to olivine meso-cumulate. Minor pyroxenites and mafic differentiates are recognised. The WUU is dominated by thin flow, spinifex textured low MgO ultramafic rocks, though in places smaller units of higher MgO rocks are recognised. The stratigraphic relationships between the Eastern and Central/Western ultramafic units are not certain because of the early thrust faulting (WAMEX A115161).

The Emily Ann nickel mineralisation is considered to be post emplacement of the Maggie Hays intrusion and the sulphide remobilised (ASX: POS 25 January 2016).

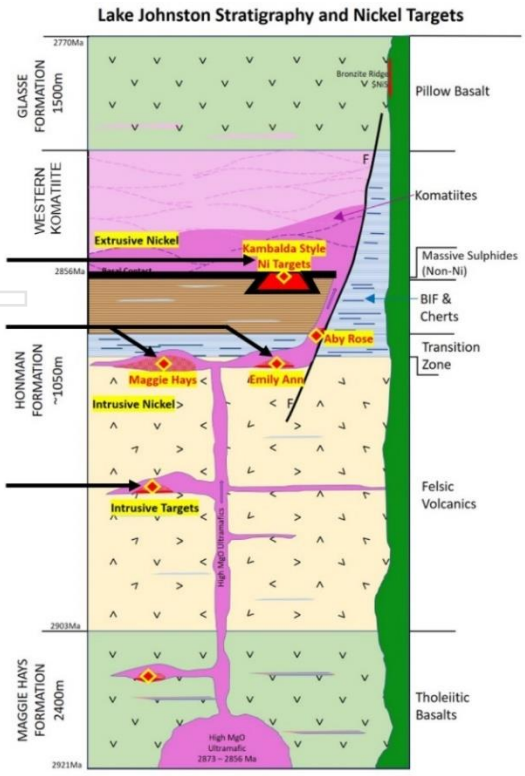


Figure 13: Lake Johnston Stratigraphy and Nickel Targets

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The age of the belt comes directly from the dating by Wang (1996) of two volcanic units from the Maggie Hays nickel prospect. A sample from the footwall to the komatiites that host the nickel mineralisation gives an age of 2921 ± 4 Ma, whereas a sample from the hanging wall gives an age of 2903 ± 5 Ma. These results constrain the age of the primary nickel mineralisation and the host komatiites, both of which appear older than the dates from the Norseman area.

Granitic rocks in the area consist of two phases dated from around 2770 Ma and 2720-2710 Ma and are considered part of the Lake Johnston zone. The granite domes have axes of intrusion parallel to the Lake Johnston belt trend, intrude into the greenstone package and in places form anticlinal cores to the stratigraphy. Later post kinematic granites are dated at younger than 2660 Ma.

Discovery History

Nickel

Prospecting in the 1960s and early 1970s led to the discovery of nickel at Maggie Hays South during the nickel boom by the Union Miniere-Laporte Mining JV, now known as the Maggie Hays South deposit. The Maggie Hays South deposit is the only known outcropping mineralisation in the belt. It is 400 m south of the Maggie Hays "Main" mine. The deposit consists of low grade (0.9% average Ni), disseminated sulphides above the eastern contact of the Central Ultramafic Unit (CUU).

The Maggie Hays nickel deposit was first drilled by Amoco in 1981 but delineated by LionOre Australia in from 1993-1996. Underground mining commenced in 2001 until 2009 and continued from 2011 to 2013. Norilsk Nickel took over ownership of LionOre in 2007 and closed the mine in 2013 due to low nickel prices. In 2014 Poseidon Nickel purchased the mine from owner Norilsk (ASX: POS 3 September 2014 and 13 November 2014).

In total, Emily Ann (a high grade massive sulphide satellite deposit north of Maggie Hays) produced 1.507 Mt at 3.8% Ni for 57,206 t of nickel metal (2001-2007), and Maggie Hays produced 10 Mt at 0.6% Ni for ~60,000 t of nickel metal (2008-2013). The current resources for the mining centre are stated at 3.5 Mt at 1.5% Ni for 52,000 t of nickel metal (Maggie Hays) (ASX: POS 17 March 2015).

Lithium

In 2016 the Company identified historical samples in the DMP's MINEDEX and WAMEX system (Amax Australian Ltd, Mt Day Tantalum Prospect, Dec 1981) which were collected from the northeast of the project within E63/1067. Beryl crystals were historically dug from exploratory pits at Mt Day and tantalum mineralisation was noted at the time. Amax identified outcropping tantalite and lepidolite bearing pegmatites which were noted to be 10-15 m in width and up to 500 m long. Amax assayed for Ta, Li, Nb, Sn and Sn, however no significant tantalum mineralisation was identified and no further work completed.

During early 2016 Poseidon undertook lithium exploration activities in the northeast area of the Lake Johnston Project. These activities discovered high grade lithium bearing pegmatites with composite samples from outcropping pegmatite exposures focussed on a zone approximately 30 m wide of sub cropping lithium bearing pegmatite veins which strike northeast to southwest for around 160 m before disappearing under cover and returned assay results grading from 2.80% to 3.85% Li_2O (ASX: POS 23 May 2016) (Figure 14). These outcropping lithium pegmatites were, at the time, within exploration license E63/1067 which was formerly registered to Poseidon and was subsequently surrendered due to Mines Department requirements.

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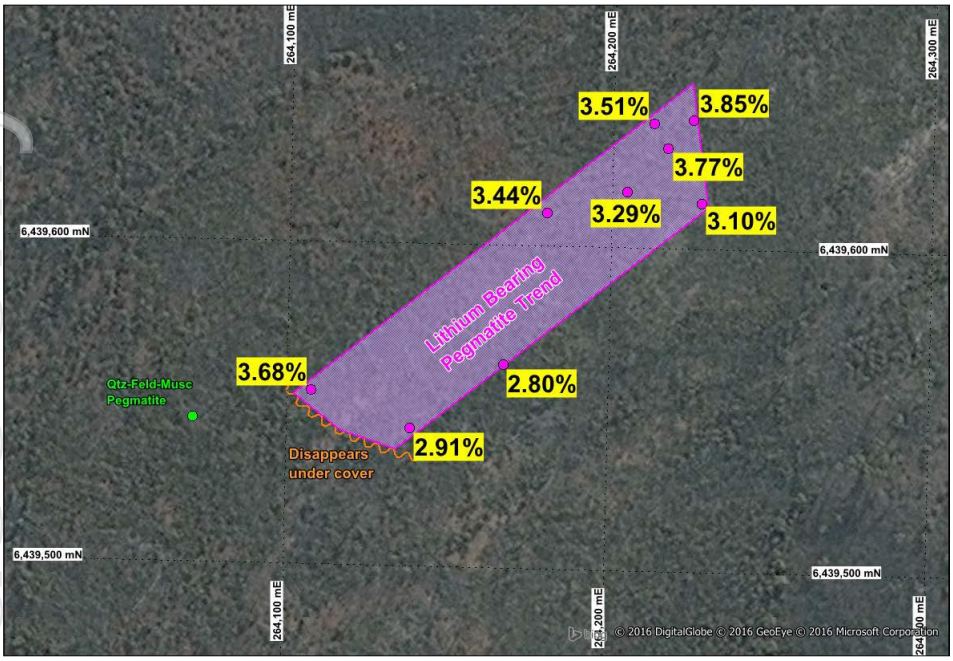


Figure 14: Pegmatite sample locations and Li_2O assays results

In December 2023, Poseidon entered a Farm-in agreement for two exploration tenements adjoining the Lake Johnston tenements. E63/2244 includes the previously identified lithium bearing pegmatites (Figure 14).

Historic drill core from Emily Ann and Maggie Hays has intersected abundant thick pegmatite dykes which Poseidon selectively sampled with assay result up to 0.41% Li_2O

3.2.2 Mineral Resource Estimates

Maggie Hays

An updated JORC (2012) MRE for the Maggie Hays deposit was announced by Poseidon Nickel (Poseidon) in March 2015. The reported MRE for the Maggie Hays deposit is 3.5 Mt at 1.49% nickel for 52,000 t contained nickel at a cut-off grade of 0.8% Ni for disseminated zones and no cut-off applied to massive sulphide domains (Table 2 and ASX Announcement 17 March 2015 and CP statement therein). The Maggie Hays MRE was prepared for Poseidon by independent resource consultants Golder Associates (Golder), who are now WSP following the located of 100 missing drillholes and the resampling and assaying of 29 drillholes.

Golder created sections through the disseminated mineralisation wireframes that were developed during the period the mine was in operation. The sections were then reinterpreted and snapped to drill holes using assay grades and lithological logging as a guide. The North Shoot mineralisation was re-interpreted by Poseidon using the updated survey information for drill holes and utilising the corrected underground face mapping positioning. Poseidon interpreted the North Shoot to be a single unit of massive sulphide containing some splayed lenses. Due to the re-positioning of drill holes and face mapping from updated survey information, North Shoot mineralisation is considered of higher confidence than in previous estimates. Another massive sulphide mineralisation zone was also modelled by Poseidon south of the North Shoot in an area known as the Suture Zone. The sections were interpreted and snapped to drill holes using assay grades and lithological logging as a guide.

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The database includes 1,092 RC and diamond drillholes, of which 989 were used in the MRE. Samples were composited to 2 m downhole for disseminated ore and host rock domains, and composited to 1 m downhole intervals for narrow, massive, sulphide mineralisation. Top-cuts were not applied. Spatial constraining was used to limit the influence of high grade sample intersections in "waste" domains to prevent excessive extrapolation of ore grade mineralisation. Nickel, sulphur, arsenic, iron, magnesium oxide, cobalt, and copper were estimated using OK. Historical mine workings were depleted from the model.

Golder used default assumed densities for each domain based on the rock type, mineralisation and information from previous work by McDonald Speijers. These densities assume a dry density and do not include moisture.

The CP for the information that relates to the Estimation and Reporting of the Maggie Hays Mineral Resource is based upon information compiled by Mr Andrew Weeks, who was a fulltime employee of Golder (now WSP). Golder undertook a site visit in August 2014 to view the surface and underground workings and infrastructure. Another site visit was undertaken in January 2015.

VRM Comment

VRM has conducted a review of the reasonableness of the Maggie Hays Mineral Resources and has not identified any material areas of concern. However, VRM has not verified the underlying geological databases or completed a full review of the Mineral Resource Estimates and all associated input data, and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review which is limited to publicly available ASX releases.

Details of the estimate are outlined in ASX Announcements and JORC Table 1 therein, and the reader is directed there for further details.

3.2.3 Project Status, Technical and Economic Studies

The project contains two historical underground nickel sulphide mines (Emily Ann and Maggie Hays), a 1.5mtpa processing plant, a 200 person village, airstrip, tailing storage facility and associated infrastructure.

3.2.4 Exploration Potential

In 2018 Poseidon successfully drilled massive sulphide nickel and copper mineralisation in three diamond holes drilled at the Abi Rose prospect discovered in 2015 (assisted by EIS co-funding for holes PLJD0001-3). In plan view, the mineralisation is 200 m north of the Emily Ann underground workings and appears to be a fault offset of Emily Ann (Figure 16). The six drill intersections are.

- PLJD0001 0.2 m at 10.2% Ni % & 0.25% Cu from 435.4 m
- PLJD0002 10.48 m at 3.2% Ni from 432 m, including 5.72 m at 4.66% Ni and 1.29 m at 10.22% Ni
- PLJD0003 1.13 m at3.35% Ni from 446.1 m, including 0.26 m at 8.67% Ni
- PLJD0004 1.54 m at 1.82% Ni & 0.18% Cu from 465.7 m Including 0.47 m at 4.36% Ni & 0.46% Cu
- PLJD0005 1.54 m at 3.39% Ni & 0.37% Cu from 450 m Including 0.79 m at 5.72% Ni & 0.63% Cu
- PLJD0006 0.18 m at 7.89% Ni & 0.19% Cu from 465 m

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Figure 15: Lake Johnston Process Plant

Source ASX: POS 17 February 2021

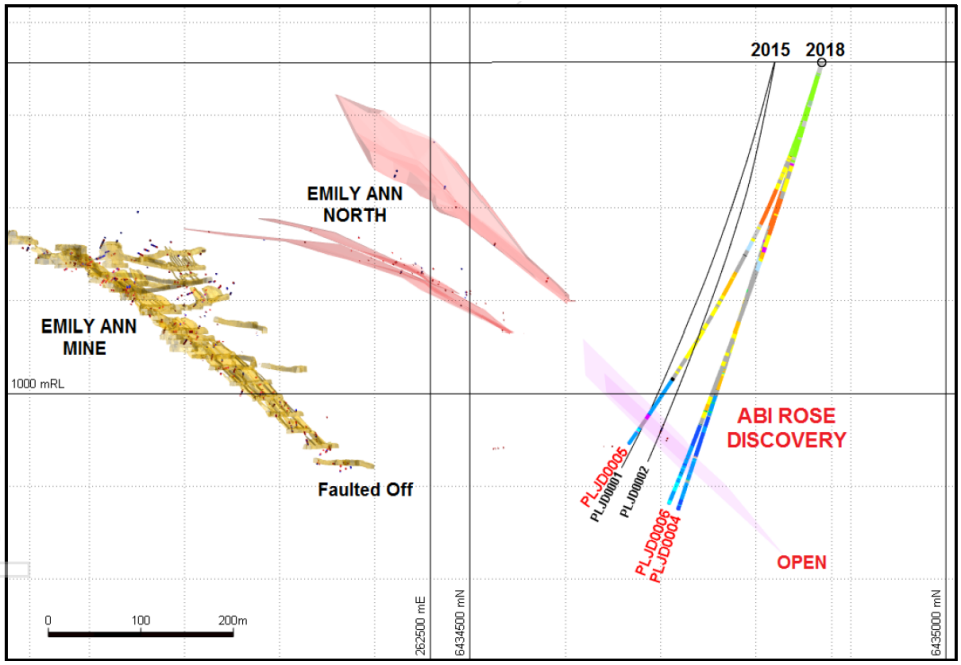


Figure 16: Abi Rose section showing 2015 and 2018 drilling.

During 2022 the Lake Johnston project received a co-funded EIS grant to drill the basal contact of the regionally extensive Western Ultramafic Unit (WUU). This unit has had less exploration conducted on it given that both the Maggie Hays and Emily Ann are located on the Central Ultramafic Unit (CUU). Reconnaissance nickel drill intersections lie along this unit and Poseidon holds 18 km of strike of this poorly tested setting.

The basal contact of the WUU is considered a high priority target for potential economic nickel sulphide mineralisation. Although sparsely drilled with a distinct lack of effective drilling in the near surface environment, historical nickel sulphide intersections drilled by previous explorers throughout the belt

prove the fertility of the unit and have had little follow-up. Coupled with this, ground EM has failed to produce distinct conductive responses as the BIF response has swamped the data.

Figure 17 below shows the interpreted basal contact position of the western ultramafic overlaying magnetics with highlighted areas of potential nickel sulphide fertility identified from historic drilling conducted by previous owners, and not publicly reported.

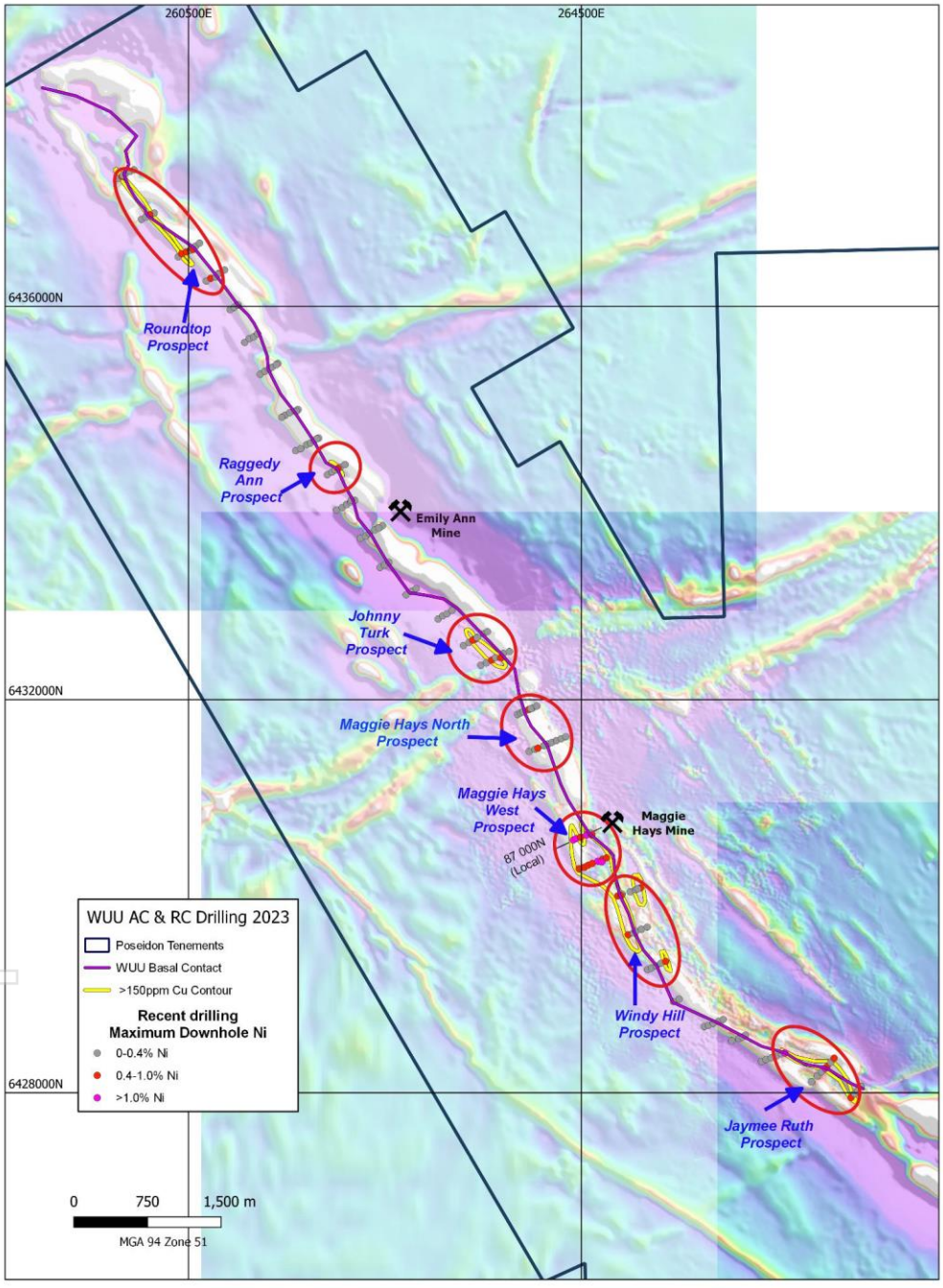


Figure 17: Basal contact of WUU drill tested in EIS aircore and RC drill program

On 3 July 2023, Poseidon published drilling results which confirmed a coherent nickel copper regolith over 300 m trend at Maggie Hays West with previous nickel sulphide drilling results such as LJD0003A

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1.70 m at 1.59% Ni, 810 ppm Cu from 329.30 m and MHUD0551 2.55 m at 1.92% Ni, 1,344 ppm Cu from 235.45 m located down dip of this anomaly (Figure 18).

The drilling also confirmed the thickening of the WUU to 300 m on drill line 82700N (local grid) and the development of an embayed contact due to a possible channel feature.

Two new prospects identified at Windy Hill and Jaymee Ruth with highly anomalous Ni: Cu values alongside the West Ultramafic Unit. Anomalous zones within the weathering profile were also identified at Roundtop, Raggedy Ann, Johnny Turk, Maggie Hays North.

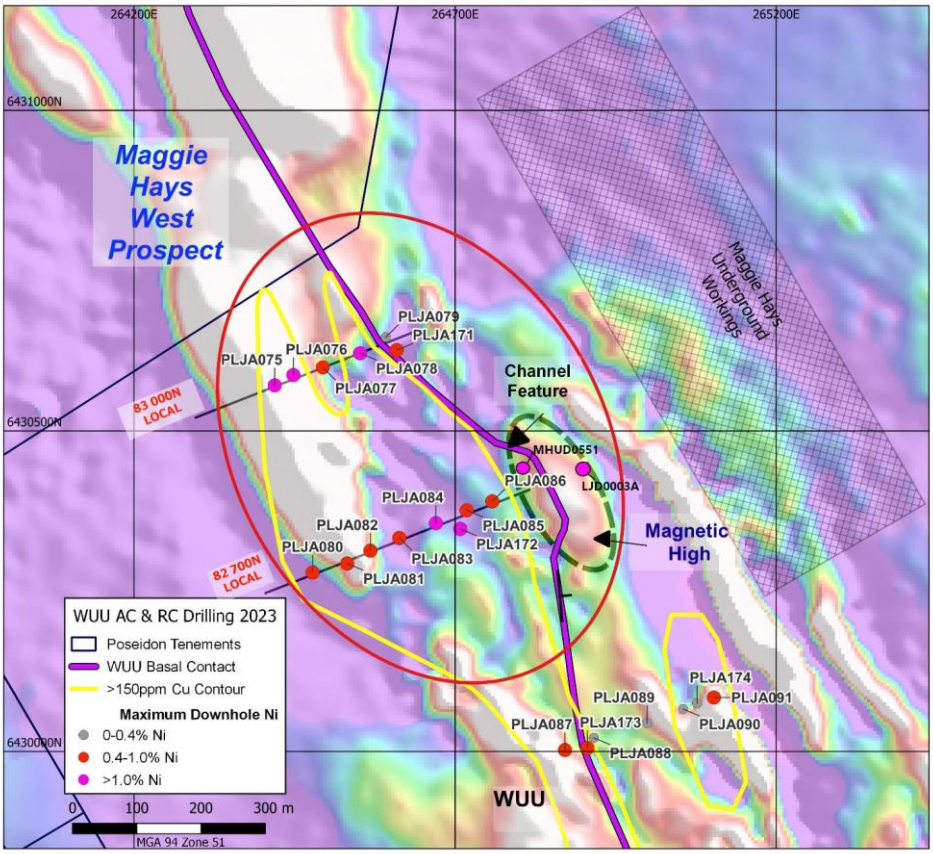


Figure 18: Drilling results at Maggie Hays West over 1VD Magnetics

Lithium

As described in Section 4.2.1 the tenements contain high grade lithium mineralised pegmatites and evidence of pegmatite mineralisation within the footprint of the Emily Ann and Maggie Hays deposits. Further, in recent years, TG Metals has explored and defined a pegmatite hosted lithium target of 15-20 Mt at around 1% Li_2O 30 km to the south of Maggie Hays at the Burmeister Project (ASX: TGM 1 May 2024) defining potentially economic mineralisation in the Lake Johnstone Belt for the first time.

The potential for further discovery on these tenements is considered high.

3.3 Mt Windarra Nickel and Gold Project

The Windarra Nickel deposits are 260 km north northeast of major mining town of Kalgoorlie, and about 15 km west and 20 km northwest of the town of Laverton, in the northern Goldfields region of Western Australia.

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3.3.1 Local Geology and Mineralisation

The nickel deposits are typical Archean komatiite hosted restricted lava channels which have flowed over an older rock type below. The komatiites at Mount Windarra and South Windarra lie over the Windarra BIF which has a sulphide facies towards the top providing a sulphur source for the nickel mineralisation. Mt Windarra is situated on the east limb of the Margaret anticline and South Windarra lies on the shallow plunging fold nose of the anticline.

Gold mineralisation is locally hosted by folded sediments around the Margaret Anticline which is cored by granite. The Beasley Creek gold deposit around 10 km along the structural trend to the south east is hosted in ferruginous zones within black shale.

Nickel

The Mount Windarra deposit was discovered by the original Poseidon NL in 1969 (famous due to the most extreme share price appreciation during the 1969-1970 mining boom (see Sykes, 1978)) by surface prospecting. The South Windarra deposit was discovered by drilling testing of a magnetic anomaly under transported cover.

Underground production at Mount Windarra commenced under Poseidon NL in 1974 and in 1975 following financial failure Western Mining took over management and part ownership until the mine closed in 1990. An open pit commenced at South Windarra in 1974 and then from underground in 1988 until 1991. A total tonnage of nickel ore was mined and processed on site to produce approximately 84 kt Ni. The plant treated nickel ore and later gold ore from Lancefield until it was dismantled in 1995.

3.3.2 Mineral Resource Estimates

Nickel

Prior to the Company's acquisition of Windarra, previous holders had completed 15,180 drillholes for around 477 km. Since 2008, Poseidon has completed over 550 drillholes for around 70,000 m to update existing mineralisation to JORC 2012 status and delineate new Mineral Resources such as Cerberus (Figure 19).

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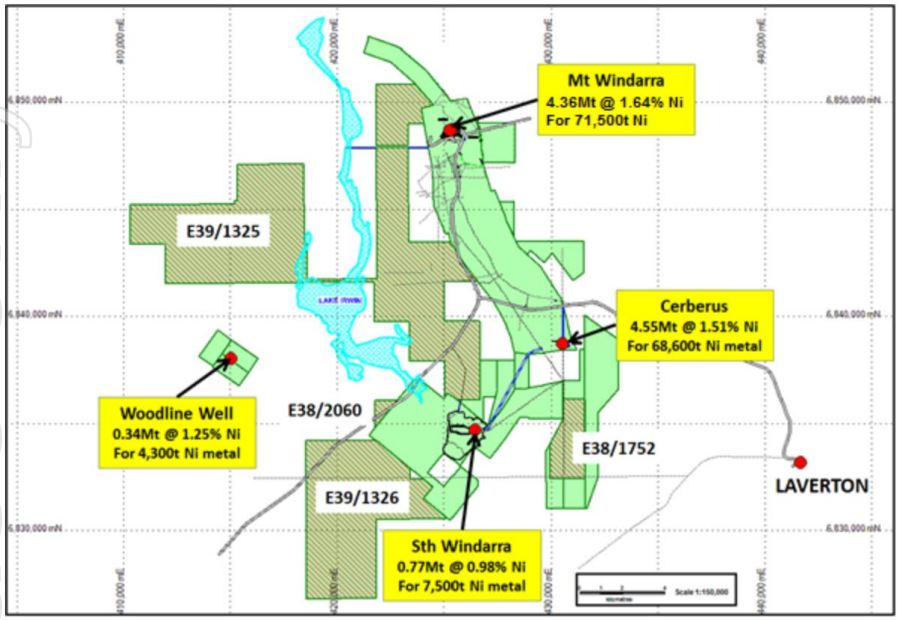


Figure 19: Windarra Project, tenements and resource locations

Source: Poseidon Website

Mt Windarra

A revised JORC (2012) MRE for the Mt Windarra deposit was announced by Poseidon Nickel (Poseidon) on 7 November 2014. The reported MRE contains 4.358 Mt at 1.64% Ni for 71,500 t contained nickel at a cut-off grade of 0.9% Ni (Table 2 and ASX Announcement 7 November 2014 and CP statement therein). The Mt Windarra MRE was prepared for Poseidon by independent resource consultants Optiro Pty Ltd (Optiro).

Mineralisation envelopes were created by Poseidon in Surpac using a cut-off grade of 0.75% nickel for shoots A, B, C, F, G, and H, and a cut-off grade of 0.45% for shoot D. Nickel and copper grades in Shoots A and B were estimated using a ID2 algorithm. All the other shoots used were estimation using OK within Surpac or Datamine software. Shoots C, D and F had eight (8) elements estimated by OK (nickel, copper, cobalt, arsenic, magnesium, magnesium oxide, iron and sulphur), whilst Shoots G and H had a total of 17 elements estimated using a combination of OK, average grade assignment and via regression equations. All samples were composited to 1 m downhole intervals and top cuts were assigned on a domain basis. The composites for shoots C, D, F, G and H were density weighted.

Multi-element analysis was conducted on the density weighted composites. Mineralisation domains for each shoot were treated as hard boundaries, while orientation domains were treated as soft boundaries in the estimation process. No minimum mining assumptions were made during the resource wire framing or estimation process. No metallurgical factors or assumptions were made, and no assumptions were made regarding recovery of any by-products. No selective mining units were assumed in this estimate.

A nickel grade vs. density regression formula was used to assign SG values to the block model. For Shoots A, B, G and H the WMC regression formula of "SG = 1/((-0.0118*Ni%) + 0.3417)" was used. For Shoots C, D and F a fixed SG of 2.88 was applied from 0 to less than 0.8% nickel, followed by the application of the linear regression "SG = (0.132*Ni% + 2.856)" from 0.8% nickel and above.

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The CP for the information that relates to the Estimation and Reporting of the Mt Windarra Mineral Resource is based upon information compiled by Mr Neil Hutchison, who was a fulltime employee of Poseidon, and Mr Ian Glacken who is a full-time employee of Optiro.

Details of the estimate are outlined in ASX Announcements and JORC Table 1 therein, and the reader is directed there for further details.

Cerberus

The Cerberus MRE was last updated and reported in December 2011. The reported MRE for the Cerberus deposit, being 4.551 Mt at 1.51% nickel for 68,600 t contained nickel at a cut-off grade of 0.75% was estimated in accordance with JORC 2004 (Table 2 and ASX Announcement 17 March 2015 and CP statement therein). Due to the MRE being reported in accordance with JROC2004 VRM has discounted the estimate by 50% for the Resource Multiple valuation and lowered the classification for the MRE for the Yardstick valuation.

The CP for the information that relates to the Estimation and Reporting of the Mt Windarra Mineral Resource is based upon information compiled by Mr Neil Hutchison, who was a fulltime employee of Poseidon, and Mr Ian Glacken who is a full-time employee of Optiro.

South Windarra

The South Windarra MREs was last reported in December 2011. The reported MRE for the South Windarra deposit of 0.772 Mt at 0.98% nickel for 7,500 t contained nickel at a cut-off grade of 0.8% was estimated in accordance with JORC 2004 (Table 2 and ASX Announcement 17 March 2015 and CP statement therein). Due to the MRE being reported in accordance with JROC2004 VRM has discounted the estimate by 50% for the Resource Multiple valuation and lowered the classification for the MRE for the Yardstick valuation.

The CP for the information that relates to the Estimation and Reporting of the Mt Windarra Mineral Resource is based upon information compiled by Mr Neil Hutchison, who was a fulltime employee of Poseidon, and Mr Ian Glacken who is a full-time employee of Optiro.

VRM Comment

VRM has conducted a review of the reasonableness of the Mt Windarra, Cerberus, and South Windarra Resources and has not identified any material areas of concern albeit the Cerberus and South Windarra MRE's are both JORC 2004 and have not been updated by Poseidon to JORC 2012.

VRM has not verified the underlying geological databases or completed a full review of the Mineral Resource Estimates and all associated input data, and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review which is limited to publicly available ASX releases.

3.3.3 Windarra and Lancefield Gold Tailings

The 2024 Poseidon Annual Report contains Mineral Resource estimates for gold tailings at Windarra and Lancefield. On 31 July 2024 Poseidon announced that it has entered an agreement with Encore Minerals to develop the tailings, with that agreement announced as being unconditional on 6 November 2024. As such VRM has not valued the Windarra and Lancefield tailings in this report and valuation but has valued the royalty associated with the Project that Poseidon holds.

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The Agreement entered with Encore Minerals to develop the Windarra Gold and Nickel Tailings using Draslovka's Glycine Leaching Technology

- Encore Minerals intends to use proprietary Glycine Leaching Technology (GlyCatTM + GlyLeachTM) to process the Windarra gold and nickel tailings and potentially the Lancefield gold tailings
- Under the Agreement Encore Minerals is responsible for the funding, development, operation, closure and rehabilitation of the Windarra tailings project, subject to various conditions precedent and milestones being met
- Consideration to Poseidon includes:

  A$250,000 non-refundable cash payment upon execution of the Agreement.

  Further payments totalling $1 million cash, payable upon commencement of the development period and the production period.

  3% Net Smelter Return royalty, once the Project is in production.

  Encore Minerals to pay $1.6 million to Poseidon to partially cover the $3.5 million environmental bond held by Poseidon for the Windarra project.

On 6 November 2024 Poseidon announced the agreement with Encore Minerals was unconditional, therefore VRM has not valued the Mineral Resources contained in the Windarra or Lancefield tailings, VRM has however undertaken an assessment of the value of the 3% Net Smelter Return (NSR) royalty as at the Valuation Date on the future reprocessing of the tailings.

3.3.4 Exploration Potential

Gold

Exploration for gold has only been considered since the termination of the 1971 Windarra State Agreement. Soil sampling for nickel in 2010 also assayed for gold as part of a 36 element 0.5 g Aqua regia digest technique. A series of gold anomalies were identified terminating in areas of cover, with the interpretation that these anomalies are probably continuous under the cover.

The trend of the anomalies matches the regional geological mineralising trend around a large granitoid intrusive. The Windarra Project is located on the western side of the large granitoid, with the Beasley Creek group of mines (total endowment of 1.2 Moz Au) on the southern margin and the Lancefield group of mines (total endowment of over 4 Moz Au) on the eastern margin (Figure 20).

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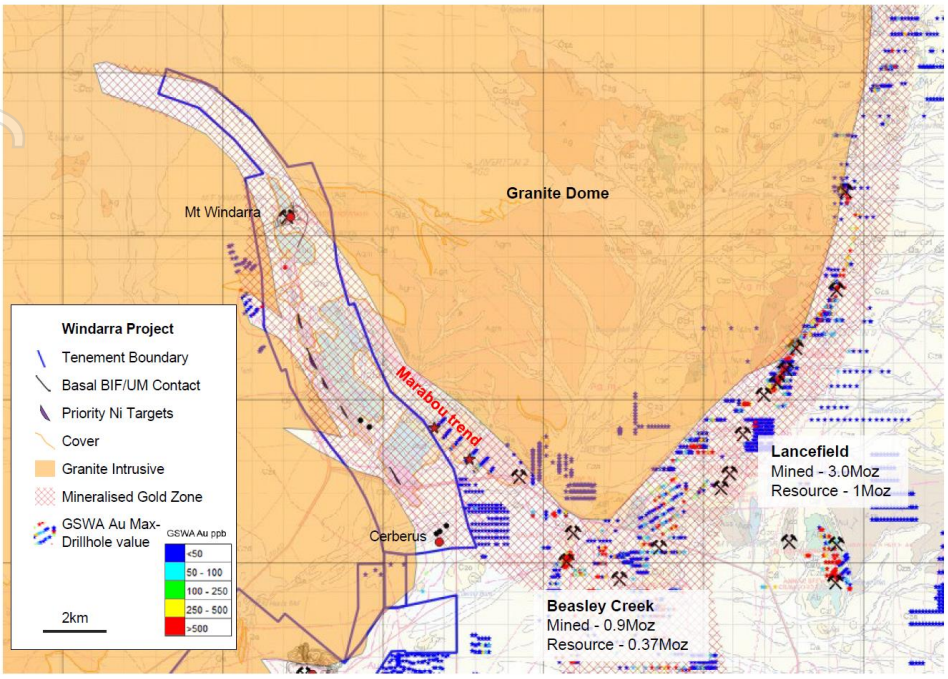


Figure 20: Interpreted geology showing drilling and occurrences around granite margin

Source: ASX: POS 6 June 2024, GSWA data

Some exploration has been completed to the east of and leading into the Windarra Group of tenements with the last reported work from Magnetic Resources noting gold mineralisation in drilling, including hole LJA0035 – 2 m at 110g/t Au from 38 m (drilled by Metex Resources Limited in 2005, see Magnetic Resources (ASX: MAU) ASX announcement "*Bonanza Grades of 2m at110g/t Gold from Historical Drilling at the Marabou Project*" dated 18 April 2016). The structure hosting the mineralisation extends into the Windarra Project with coincident gold and multi-element soil geochemical support along an observed aeromagnetic feature that extends for over 15 km through the Windarra Project (Figure 21).

Figure 21 shows the identified gold anomalies which remain undrilled:

- The larger anomaly, the Western anomaly, occurs to the west and trends sub-parallel to the ultramafic/BIF contact. The anomaly extends over 6 km x 0.7 km (max Au 460 ppb); and
- The Eastern anomaly is a 4 km x 0.3 km (max Au 16 ppb) low order gold anomaly. No drilling for gold has occurred on this anomaly within the Windarra Project and it is open to the north

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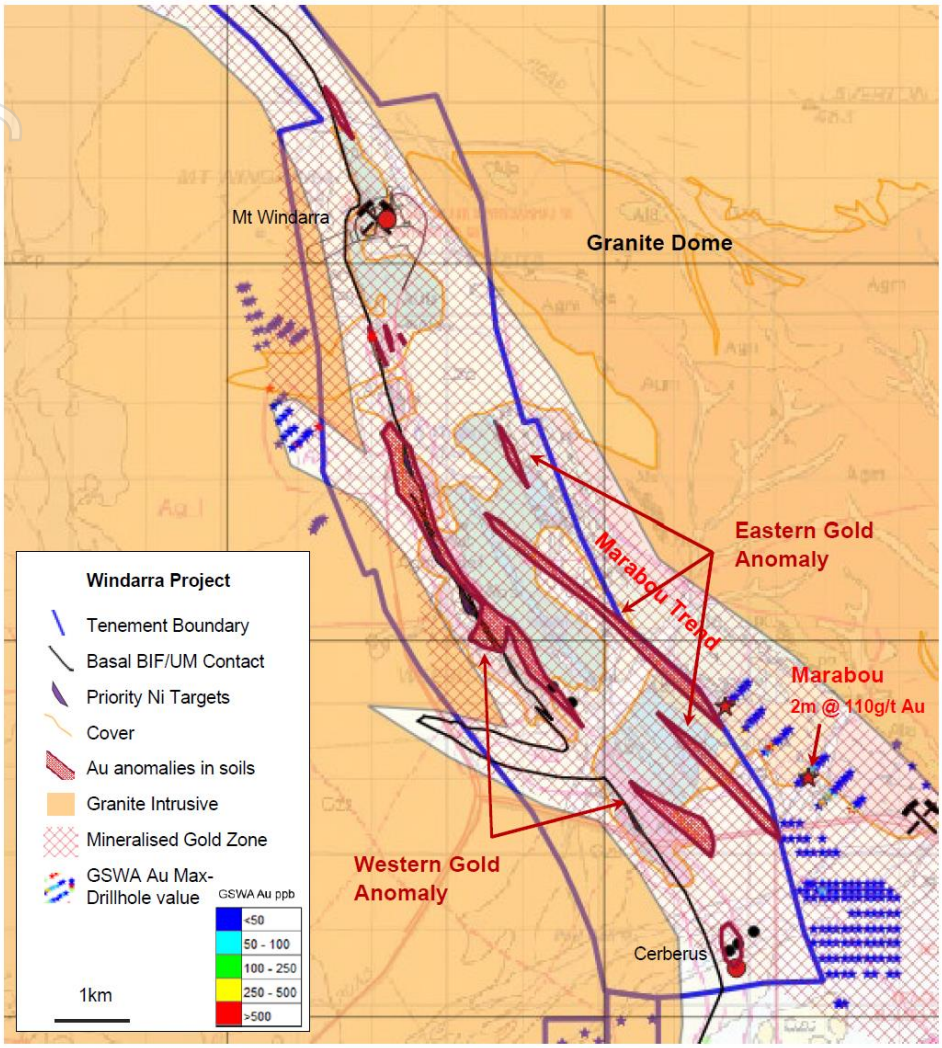


Figure 21: Gold in soils at Mt Windarra showing mineralised Marabou Trend.

Source: ASX: POS 6 June 2024

Nickel

The result of a detailed exploration review in February 2024 (ASX: POS 14 February 2024) revealed two new basal contact channel structures and a total of six prospective channel structures along the basal contact of the ultramafic complex (Figure 22). Less than 4 km of the 21 km belt has had focused and detailed exploration activities completed according to Poseidon.

The two newly identified channel structures named NW05 and NW04 are both considered highly prospective, with:

- The recognition of a thick high magnesium basal flow unit overlying these embayed channel structures
- Resampling of diamond hole NMD0011 in NW05 returned mineralisation on the basal contact which confirms the critical process that nickel sulphides are accumulating at the base of the fertile ultramafic
- Historical surface geochemistry shows elevated coincident Ni: Cu

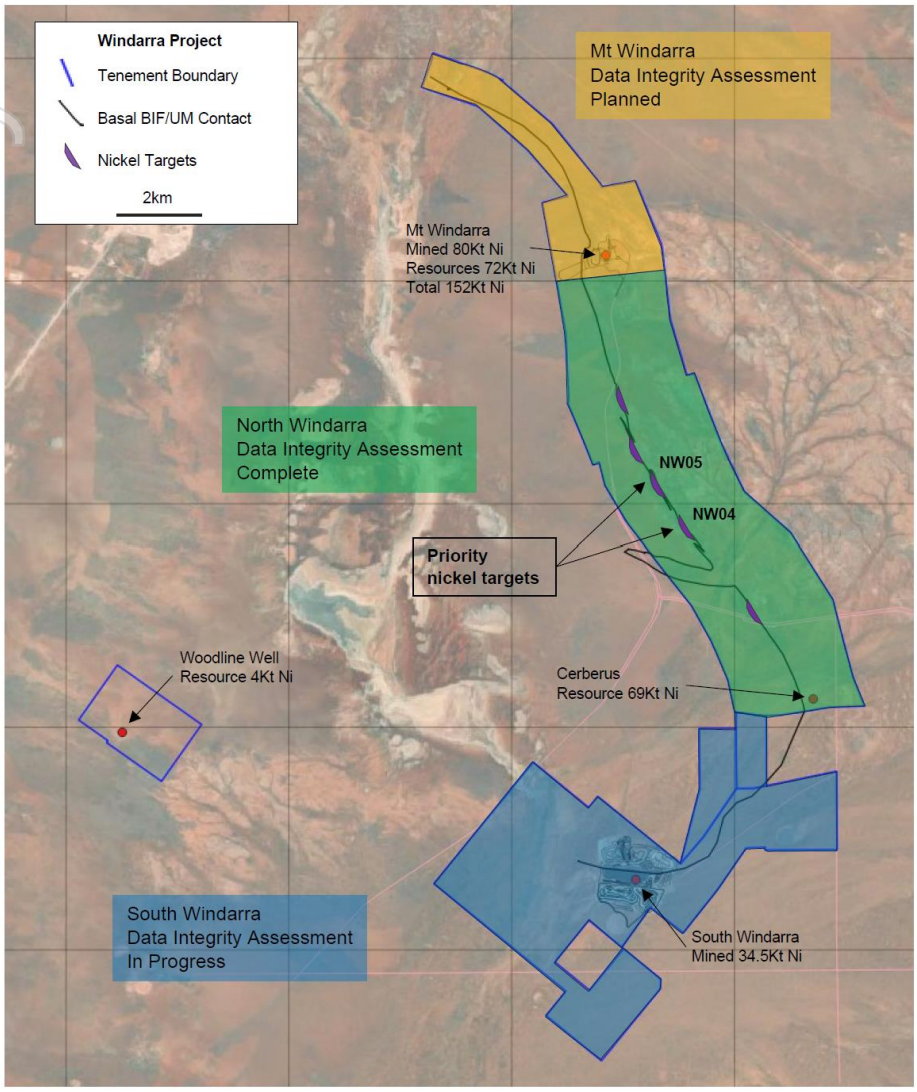


Figure 22: Nickel prospectivity between Cerberus and Mt Windarra

Source: ASX: POS 6 June 2024

The updated basal model identified six discrete embayed channel structure targets based on drillhole coding and geological interpretations. These channel surfaces were named in order from south (Cerberus) to the north (Mt Windarra) as NW01 to NW06. Four of the channel structural trends where historically recognised and include the NW01 (formerly known as Crazy Diamond), NW02 (Weebo Well Embayment), NW03 (Weebo Well) and NW06 (Mt Windarra South).

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4. Horizon Assets

4.1 Location and Access

The Horizon Projects are broadly centred around the City of Kalgoorlie-Boulder in the Eastern Goldfields of Western Australia and extend as far west as 65 km for the Yarmany Project (Figure 23). Given the spatial distribution of the Projects, locations of each are outlined under each Project description.

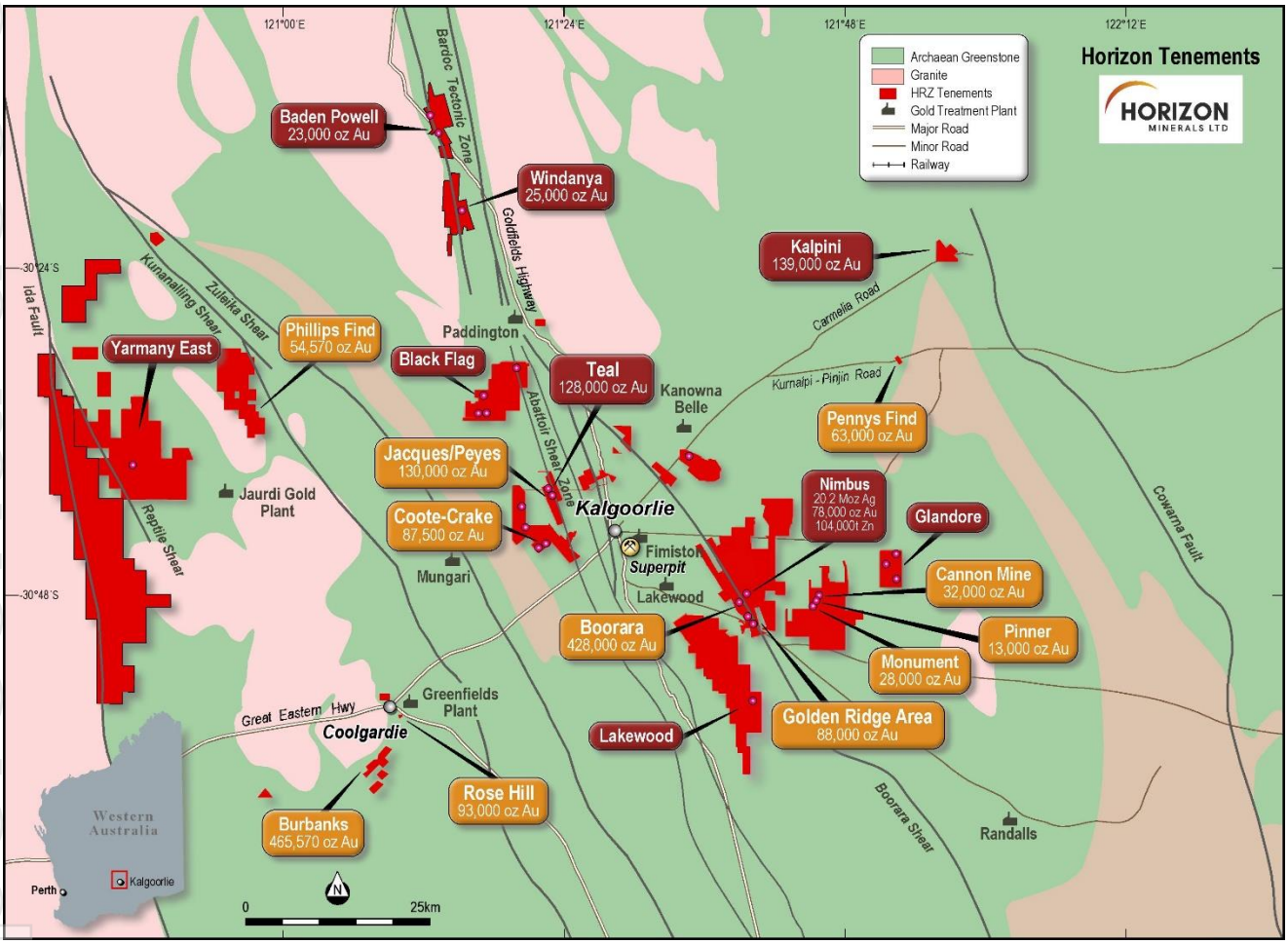


Figure 23: Horizon Project Location, Access and geology.

Source: Horizon.

4.2 Regional Geological Setting

Horizon's Projects are located within the Kalgoorlie Terrain of the Eastern Goldfields of Western Australia (Figure 23). The Kalgoorlie terrain is distinctly different to the other regions of the Eastern Goldfields Province of the Yilgarn Craton in that there is a lack of banded iron formations (BIF) that are common in other Terrains. The four main domains and two smaller domains that constitute the Kalgoorlie Terrain all have similar stratigraphic sequences (with minor differences) and have a similar deformational history (see Swager & Griffin, 1990). The six (6) domains that form the Kalgoorlie Terrain are the Boorara Domain, the Kambalda Domain, the Ora Banda Domain, the Coolgardie Domain with the smaller

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Bullabulling and Parker domains. All are separated by regionally extensive fault or shear systems with a complex fault history.

The characteristic stratigraphic sequence consists of a lower basalt unit overlain by a komatiite unit, which is in turn overlain by an upper basalt unit followed by a unit of felsic volcanic and sedimentary rocks. There are differentiated mafic sills at multiple different stratigraphic levels. The Coolgardie and Boorara Domains have very similar successions however the upper basalt unit is either lacking or poorly preserved / developed resulting in the komatiite being directly overlain by felsic volcanic and sedimentary rocks. The Coolgardie Domain is characterized by a repetition of the mafic – ultramafic stratigraphy. This repetition is interpreted by Martyn (1987) and Swager (1989a) as being due to structural repetition based on regional stratigraphic comparisons.

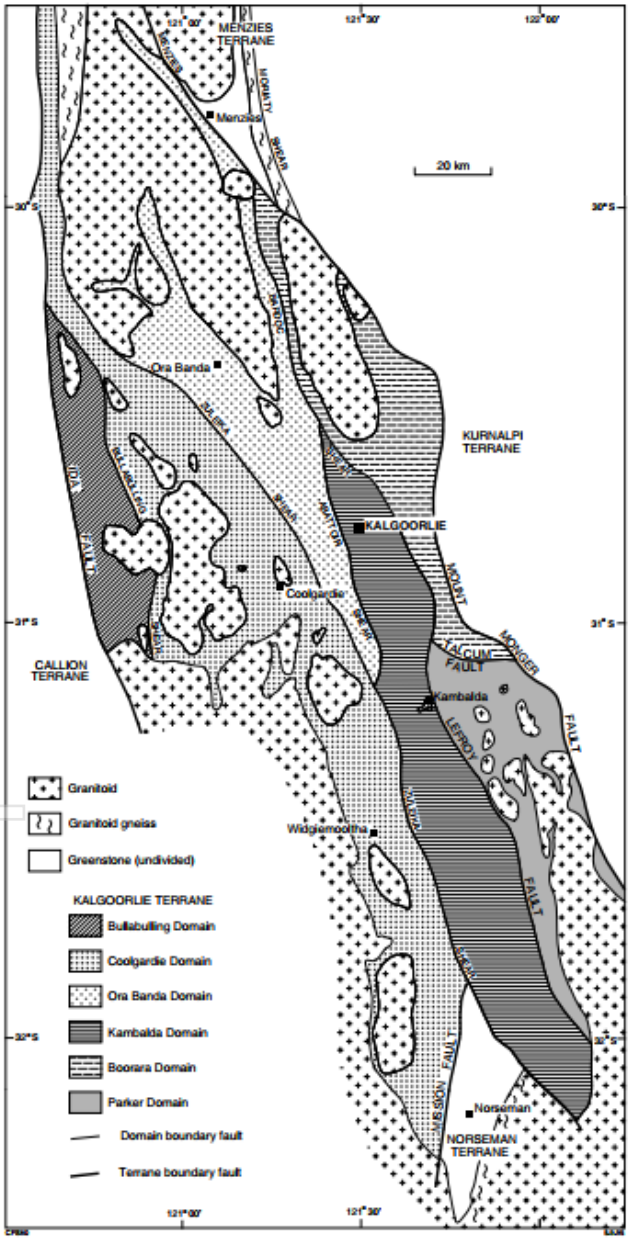


Figure 24: Regional geological setting in the Kalgoorlie Terrain hosting Horizon Projects.

Source: Swager & Griffin (1990)

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The Kalgoorlie Terrain is separated from the adjacent terrains by either granitic intrusions or by regionally extensive fault systems. The western boundary between the Callion Terrain is dominated by the Ida Fault while the eastern boundary between the Kalgoorlie Terrain and the Kurnalpi Terrain is the Mount Monger – Moriarty Shear Zone.

In the Menzies region the Ora Banda Domain is in separated from the Menzies Terrain by the Menzies shear zone. The Kalgoorlie Terrain is separated from the Norseman Terrain to the south by the extension of the Zulieka Shear (which to the north separates the Ora Banda and the Coolgardie domains) while the Mission fault separates the Coolgardie Domain and the Norseman Terrain.

Gold mineralisation is generally interpreted as associated with subsidiary structures related to major regionally bounding and defining shear zones within the various geological Domains of the Kalgoorlie Terrain (see Groves et al., 1998 and 2018).

4.3 Boorara Gold Project

The Boorara Project is located in the Eastern Goldfields region of Western Australia, approximately 15 km east-southeast of Kalgoorlie within Mining Licences M 26/29, M 26/277 and M 26/318 (Figure 25). Access to the project is through the bituminised Bulong Road from Kalgoorlie, then south by the unsealed Nimbus Mine access road for approximately 10 km.

4.3.1 Local Geology and Mineralisation

The Boorara deposit is divided into three project areas, namely Royal (Southern), Crown Jewel (Central) and Regal (Northern) deposits (Figure 25). The Project is proximal to the Boorara Shear Zone (BSZ), a major tectonic feature of the Kalgoorlie Terrain that contains a number of ultramafic, mafic-volcanic and sedimentary units, with the host Boorara Dolerite package extending over 4 km in strike length (see Tripp, 2017).

Locally, ultramafic rocks are stratified with interflow chert layers and consist of spinifex komatiite, dunite, pyroxenite and talc-chlorite-carbonate schists. Sedimentary units include chert, sandstone, black shales and mudstones intercalated with mafic and ultramafic rocks. Dolerite intrusive units are present as sills of variable thickness, with differentiation of quartz rich dolerite, pyroxene rich dolerite and gabbro sills noted. The quartz dolerite is identified to be the preferential host for sheeted quartz vein arrays and stockworks (Tripp, 2017).

Gold mineralisation is hosted in a series of stacked quartz vein arrays that dip at 40-45° to the northwest. The true thickness of the arrays is up to 50 metres vertical, and they are hosted within the quartz dolerite which dips at 73° to the northeast. The mineralised dolerite has a true width of up to 40 m and within the mineralised Boorara dolerite high grade localised ore shoots consist of vein arrays up to 20 m in width.

The deposit has been drilled on a close-spaced grade control pattern in 2016, and a trial pit was developed in the Royal deposit with ore treated at the FMR Greenfields treatment plant at Coolgardie. A total of 30,000 t (dry) at a head grade of 1.73 g/t produced 1,525 oz of gold, which the Company reports reconciled well with the grade control model (HRZ ASX Announcement 27 April, 2021). The trial open pit was excavated to a final depth of 20 m exposing the quartz veining which was mapped in detail and formed the basis of a subsequent 18,000 m grade control drilling program in 2019. Further trial mining commenced in April 2020 and was completed in August 2020 with total material movement of 513,000 BCM (267,000 t of ore) at a mine claimed grade of 1.23 g/t Au for 10,560 oz mined (ASX Announcement

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27 April, 2021). Toll-treatment was through the Lakewood processing facility and comprised 138 kt of higher-grade material processed over four toll milling campaigns with a reconciled mill feed grade of 1.45 g/t Au and a gold recovery of 94.7% (HRZ ASX Announcement 27 April, 2021). A 17 kt parcel of lower grade was also milled to test grade allocation processes. Gold production from the trial totalled 6,568 oz at 94.5% recovery (HRZ ASX Announcement 27 April, 2021).



Figure 25: Boorara Gold Project showing deposit locations included in the MRE.

Source: Horizon ASX Announcement 27 April, 2021.

4.3.2 Mineral Resource Estimates

Horizon reported a MRE update for Boorara in July 2024 of the 2021 MRE undertaken by Optiro (Optiro April 2021), which was itself an update of the 2018 MRE by CSA Global and Cube Consulting (see CSA Global, 2018 and Cube, 2018, respectively).

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The Boorara Mineral Resource was estimated by Snowden Optiro Pty Ltd (Snowden Optiro) and is reported at a 0.5g/t Au cut-off grade and totals 10.53 Mt of Measured, Indicated, and Inferred Resources at 1.27 g/t Au for 428,000 oz (Table 3).

Table 3: Boorara 2024 Mineral Resource Estimate

Boorara at 0.5 g/t lower cut-off grade			
Resource category	**Tonnes (Mt)**	**Grade (g/t Au)**	**Gold Metal (Oz)**
Measured	1.12	1.22	44,000
Indicated	6.85	1.28	281,000
Inferred	2.56	1.26	103,000
Total	**10.53**	**1.27**	**428,000**

Source ASX: HRZ 25 July 2024

The Boorara deposit is divided into three (3) areas, Regal, Crown Jewel, and Royal based on deposit characteristics. Mineralisation at Regal is dominantly hosted in stockworks within quartz dolerites or on the margins of sedimentary units, whilst mineralisation at Crown Jewel is hosted within a moderately north-east dipping zone within the quartz dolerite, and mineralisation at Royal occurs as well-developed steeply north-east dipping zones containing high frequency vein arrays developed proximal to shears at the upper and lower contacts of the dolerite unit.

The Boorara MRE is based on 337 RC holes, 50 Diamond Drill holes (DDH), and 812 Grade Control RC (GCRC) holes totalling 133,695 m, 8,537 m and 22,978 m, respectively. Aircore, RAB, and trench data were excluded from the MRE. Boorara mineralisation was domained as two (2) mineralisation sets (termed the "Contact" Lodes and "Flat" Lodes), which were estimated as separate block models that were then joined together (with the Contact lode model overprinted onto the Flat Lode model). Contact Lode mineralisation model relates to the vein stockworks contained within steeply dipping granophyric dolerites, and Flat lode mineralisation relates to sheeted extensional quartz vein arrays that are developed between the contact lodes at Regal, and mainly on the footwall side of the Crown Jewel and Royal deposits.

The 2024 Boorara MRE is an update to the 2021 Boorara MRE (ASX Announcement dated 27 April 2021), which resulted in a 4.4% reduction reported gold metal content due to a density assignment error in the 2021 MRE. Mr Mark Drabble (of Snowden Optiro) continues to be the CP for the MRE and the remainder of the parameters and modelling are reported to be the same.

Geological and mineralisation wireframes were generated in Leapfrog using a nominal lower cut-off grade of 0.4 g/t Au. Samples were composited to 1 m downhole and constrained within the mineralised domains (i.e. hard boundaries were used). Top-cuts varied between 8 g/t and 43 g/t Au and for the Contact Lodes were selected on a lode-by-lode basis and top-cuts for the Flat Lodes were selected on a domain grouping basis. Low grade subdomains within the Contact Lodes were all top cut to 2 g/t Au. Top-cuts were applied to composites prior to estimation. Gold grades were interpolated by Ordinary Kriging (OK).

The Competent Person (CP) for the information that relates to the Estimation and Reporting of Gold Mineral Resources is based upon information compiled by Mr Mark Drabble, a Principal Geological Consultant at Snowden Optiro Pty Ltd. an independent consultant to Horizon. Mr Drabble undertook a site visit to the Boorara Project on May 29, 2019. The areas covered during this visit were the drilling

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information and exposures of geology and mineralisation visible in outcrops, pits and underground workings. CSA Global completed a review in early 2015 of the sampling protocols as part of their MRE work, and were satisfied that the adequacy of sample preparation, sample security and analytical procedures are of industry standard. This procedure has been adopted by Horizon, and Mr Drabble carried out a desktop review of the sampling and QAQC during 2019 and did not identify any issues.

Drill hole data was provided to Optiro by the Company, and Snowden Optiro did not complete a review of the Boorara QAQC data. However, the historical database was previously validated by CSA Global in 2016 and 2018, and by Cube Consulting in 2018., for this reason, Horizon has assumed responsibility and Competent Persons' (CP) signoff for the database and data quality for the Boorara MRE, with Optiro assuming CP signoff for the MRE.

The MRE is reported under the guidelines of JORC (2012) and is constrained to above 200mRL which is the limit to Reasonable Prospects of Eventual Economic Extraction (RPEEE) for open pit mining scenarios based on optimisations carried out by the Company. All mineralisation below this limit is unclassified and is not reported as a Mineral Resource but demonstrates prospectivity potential at depth.

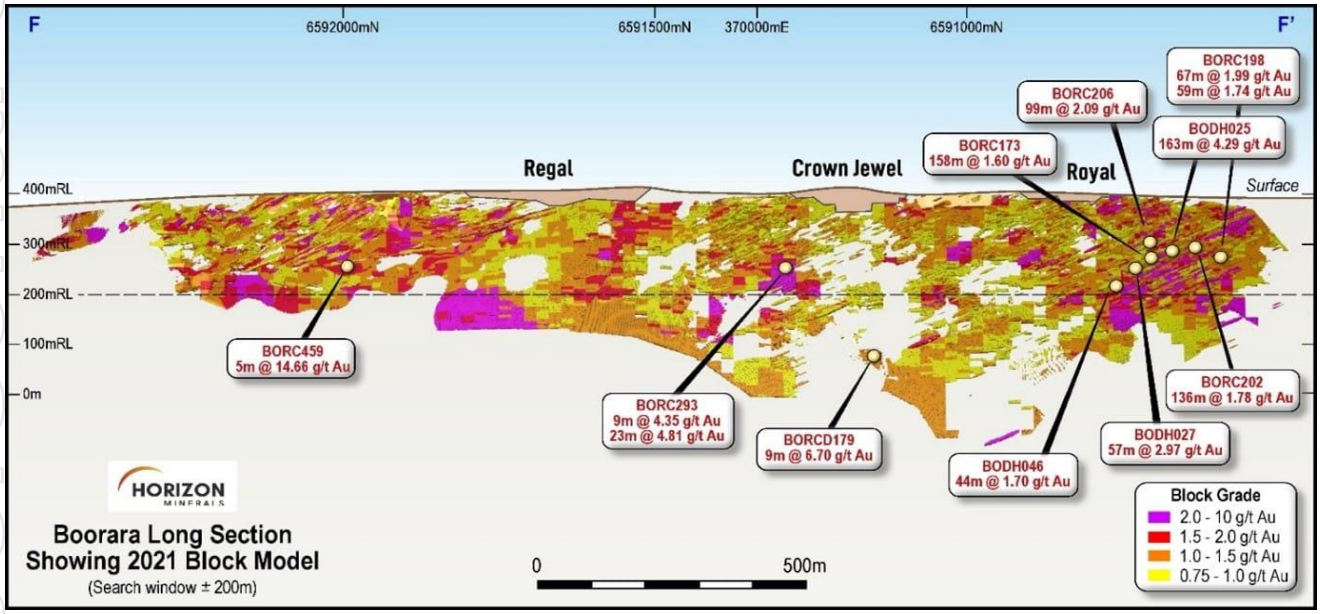


Figure 26: Boorara Gold Project long section with block model from the 2021 Optiro MRE.

Source: Horizon ASX Announcement 27 April 2021

VRM Comment

VRM has conducted a review of the quality and reasonableness of the Mineral Resources within the Boorara Project as required by the VALMIN Code and has not identified any material areas of concern.

Details of the estimate are outlined in ASX: HRZ 1 August 2024, and Optiro (2021). The reader is directed to the ASX release of 27 April 2021 where the MRE was first reported. VRM notes that CP signoff for the drilling data Quality Assurance and Quality Control (QAQC) that supports the estimate has been assumed by the Company, while the CP signoff for the estimate has been assumed by Optiro. VRM considers that this does not impact on the reasonableness of the Mineral Resource as reported.

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4.3.3 Ore Reserve Estimates

On 6 May 2024 Horizon announced a binding sale agreement for Ore up to 1.4mt to be treated through the Paddington Mill.

Based on that processing agreement Horizon engaged an independent consultant, AMC Consultants to update Ore Reserve estimates for the project. The updated estimate, detailed in the Horizon ASX release of 26 July 2024 and Table 4 below, totals 1.24Mt at 1.24g/t Au for 49,500 oz of gold within four separate open pits.

Table 4: Boorara Ore Reserve Statement July 2024

Pit	Reserve Category	Tonnes (kt)	Grade (g/t Au)	Gold Metal (kOz)
	Proved	0.0	0.00	0.0
Pit 1	Probable	18.4	2.22	1.3
	Total	18.4	2.22	1.3
	Proved	352.5	1.28	14.5
Pit 2	Probable	339.2	1.18	12.9
	Total	691.7	1.23	27.3
	Proved	27.0	1.21	1.1
Pit 3	Probable	30.1	1.06	1.0
	Total	57.1	1.13	2.1
	Proved	257.2	1.22	10.1
Pit 4	Probable	214.7	1.25	8.6
	Total	471.9	1.23	18.7
	Proved	636.8	1.25	25.7
Total Mineral Reserve	Probable	602.3	1.23	23.8
	Total	**1,239.1**	**1.24**	**49.5**

Source: ASZ: HRZ 26 July 2024

The Study was based on the following key parameters:

- Gold price of A$3,300/oz
- Open pit mining operations and road haulage conducted by contractors
- Ore processing through Paddington's 3.8Mtpa Mill, located ~56 km by road from Boorara
- Project implementation and oversight by Horizon's own team in conjunction with contractors

Table 5 below summarises the key outcome of the study.

Table 5: Key outcomes of AMC Consultants Boorara Ore Reserve Study

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Measure	Outcome
Total pit volume (MBCM)	4.37
Stripping ratio (waste: ore)	6.1
Mined ore (Mt)	1.24
Gold grade (g/t)	1.24
Milling recovery average (%)	92.5
Recovered gold (koz)	45.8
Capital costs (A$M)	0.45
Free cashflow (A$M)	19.9

Source: ASX: HRZ 26 July 2024

The Boorara Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Boorara Ore Reserves that can be economically mined by open pit mining methods. The Ore Reserves make up 100% of the production in the study.

Mr Adrian Jones was the Competent Person for the 25 July 2024 Boorara Ore Reserve Estimate as announced to the ASX on 26th July 2024 and supervised preparation of the estimate with assistance from specialists in each area of the estimate. Mr Jones is a Member of the AusIMM and is employed by AMC Consultants Pty Ltd. He has sufficient experience relevant to the style of mineralization, type of deposit under consideration, and in open pit mining activities, to qualify as a Competent Person as defined in the JORC Code. Mr Jones consented to the inclusion of this information in the form and context in which it appears in the announcement.

The information compiled by Mr Jones was prepared by specialists under direction of the responsible people identified within this Study report. Mr Jones is satisfied that the work of the specialists is acceptable for the purposes of Ore Reserve estimation. Each person has accepted responsibility for this report in their area of expertise.

The Proved Ore Reserve estimate is based on Mineral Resources classified as Measured, after consideration of all mining, metallurgical, social, environmental, statutory and financial aspects of the project. The Probable Ore Reserve estimate is based on Mineral Resources classified as Indicated, after consideration of all mining, metallurgical, social, environmental, statutory and financial aspects of the project.

VRM Comment

VRM has conducted a review of the quality and reasonableness of the Ore Reserve estimates within the Boorara Project and has not identified any material areas of concern. Details of the estimate were initially announced on 26 July 2024 and are included in an amended ASX release on 1 August 2024 and JORC Table 1s therein (ASX: HRZ 26 July 2024 and HRZ 1 August 2024).

VRM's undertook a review of the technical reports and assumptions and aspects of the Ore Reserves (and Mineral Resources) with that review being conducted on the mining schedule, including the tonnes of Ore and Waste, the mine life as proposed in the financial model with the ore being transported to the third party processing facility. In addition to the mining schedule (ore and waste) in the model, VRM has

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also reviewed the financial model especially associated with the Operating Costs including the mining costs including drilling and blasting, grade control, staffing and administrative costs, processing costs and haulage costs.

Capital Costs associated with the development of Boorara are minimal as the development will use existing infrastructure including haul roads, there will be negligible pre development costs, and the Ore will be processed at an existing processing plant. VRM considers this reasonable. At the valuation date most of the capital costs would have been sunk as the project is currently hauling ore to the third party processing infrastructure.

There is no rehabilitation included in the financial model. As the initial production is considered a staged development with a later possible development being undertaken using a processing facility owned by Horizon potentially at the Black Swan Project if the Proposed Transaction completes. There are no Ore Reserves associated with the second stage of exploitation of the Boorara Mineral Resources due to the modifying factors associated with the second phase of development being poorly defined at this stage. As it is considered likely that there would be a second stage of development, rehabilitation at the end of the first stage would likely be minimal. VRM considers that an additional allowance for rehabilitation should be included in the financial model. This would likely be determined based on an additional Mining Rehabilitation Fund (MRF). The existing MRF estimates a Rehabilitation Liability estimate (RLE) for Boorara is approximately $0.90 million while the existing REL associated with the previous Nimbus mining operation is approximately $0.76 million. Horizon has provided an estimate for the rehabilitation based on the RLE, a 10% contingency, cost escalation, inflation, a discount rate of 8% and an expected six year timeframe until the rehabilitation is completed to generate discounted rehabilitation liability of $1.53 million. It is considered reasonable to double the total RLE to approximately $3.0 million in the financial model. The increase is due to the additional disturbance, being the four open pits and associated waste dumps at the Boorara Project.

This review has identified that all technical aspects included in the Ore Reserves and as included in the financial model that underpin the Ore Reserves are reasonable and satisfy the reasonableness requirements.

VRM has depleted the Mineral Resources associated with the current development and valued the residual Mineral Resources using appropriate methods as detailed in this Report.

The Ore Reserves have been valued by BDO using an income approach which in VRM's opinion is appropriate for the Boorara Ore Reserves.

4.3.4 Project Status, Technical and Mining

During the September Quarter 2024 the Ore Purchase Agreement with Paddington Gold Pty Ltd was signed and an Ore Reserve Study estimating 45,800 oz of gold recovered, completed to support the approval of the commencement of mining with open pit operations underway.

Mining is to occur over the course of 14 months and processing at Paddington over 19 months.

In VRM's opinion the studies into the modifying factors associated with the Project are reasonable and an income approach is considered reasonable.

Notwithstanding the details associated with the studies VRM considers that there are risks associated with the project these include a lower than expected metallurgical recovery however the risk is mitigated by Horizon being paid on an agreed grade of the stockpiles with the expected metallurgical recovery (based on the metallurgical recovery from the 2015 trial) pit being factored into the total that the

Company will be paid for the Ore delivered to the processing plant. Additional risks include the Mineral Resource to Ore Reserve reconciliation with this mitigated by the previous mining of a portion of the Mineral Resource in 2016 where there was reasonable reconciliation between the Mineral Resource and the material within the test pit. Finally, there are risks associated with a higher than expected dilution of the mineralisation during mining which would decrease the grade of the Ore being delivered to the Processing plant.

One opportunity for the Project is the currently high gold price of A$4,184 (at the valuation date) which is approximately $880 above the price assumed in the Ore Reserve of A$3,300. This price is considered reasonable for the short duration of the operation.

In VRM's opinion Horizon has done what would be expected to be undertaken to mitigate the risks associated with the development of the Project however notes that this phase of a development is typically the highest risk of any mining operation.

4.3.5 Exploration Potential

In VRM's opinion there is additional exploration potential within the greater Boorara Project along with potential adjacent to the currently delineated MRE. The majority of the gold exploration potential is adjacent to and to the west of the Boorara Shear, the domain bounding structure that hosts the Boorara Mineral Resource and other significant mineral systems to the north and south of the Project.

4.4 Phillips Find Gold Project

4.4.1 Local Geology and Mineralisation

The Phillips Find Gold Project is located ~45 km NNW of Coolgardie in WA, positioned across granted Mining Leases M 16/130 and M 16/168 with access via the Coolgardie North Road, and then the Dunnsville Rd (Figure 27). The Project area is within the Coolgardie Domain proximal to the NE boundary with the adjacent Kalgoorlie Domain which is demarcated by the NW trending high strain zone referred to as the Kunanalling Shear Zone (see Swager, 1994). This structure potentially joins at depth with the Ida Fault to the west, and variably deforms stratigraphy and older structures within the Coolgardie Domain. These structures are interpreted as regional deep-seated systems that may act as conduits for ore forming fluids and are documented as both associated with and sometimes host major gold deposits in the region (see reviews by Groves et al., 1998 and 2018).

Regionally, the lithostratigraphic sequences bound by the Ida Fault and the Kunanalling Shear Zone are characterised by low to mid amphibolite facies metamorphic grades and generally display more pervasive ductile deformation in comparison to the Kalgoorlie Domain. It is interpreted that intrusions related to the surrounding granitoid domains was likely synchronous with much of the deformation in the belt (Swager, 1994).

Three (3) major granite intrusions are interpreted to underlie the immediate Phillips Find area, being the Dunnsville Granodiorite, the Doyle Dam Granodiorite, and the Bali Monzogranite (Figure 4). Based on cross-cutting relationships, Swager (1994) interpreted the absolute timing of the granitoids is debated, but it is interpreted that all contributed to the localisation of gold mineralisation from either a ground preparation or reactivation of gold-related structures perspective.

Locally, the geology and mineralisation styles identified to date vary throughout the tenements in the main three prospect areas (Figure 28). The Bacchus Gift deposit area is characterised by a package of

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interflow volcano-sedimentary rocks (including carbonaceous shales, mafic sedimentary rocks, chert, and felsic volcanics), basalt and gabbro/dolerite. Mineralisation is associated with intense silica alteration with accompanying pyrite and minor pyrrhotite and sphalerite and occurs predominantly in the sedimentary sequence and along porphyry contacts as multiple lodes.

The Newhaven prospect consists mainly of fine-grained massive basalt (the Dunnsville Basalt), overlain by a NE-striking, NW-dipping, tightly folded carbonaceous black shale. A series of late felsic intrusive rocks crosscut the sequence, with mineralisation associated with two shear zones. The highest grade gold mineralisation is associated with the intersection of the shears, and is characterised by pyrite, minor arsenopyrite, and chalcopyrite-bearing veins.

At Newminster, historic mining was focussed on a sheared dolerite adjacent to the contact with the Dunnsville-Doyle Granodiorite, with minor intercalated black shale in areas. The sequence has further been intruded by multiple quartz-feldspar porphyry's, interpreted as originating from the nearby Doyle's granodiorite. Gold mineralisation is interpreted as associated with a cross-cutting broadly north-striking fault / shear.

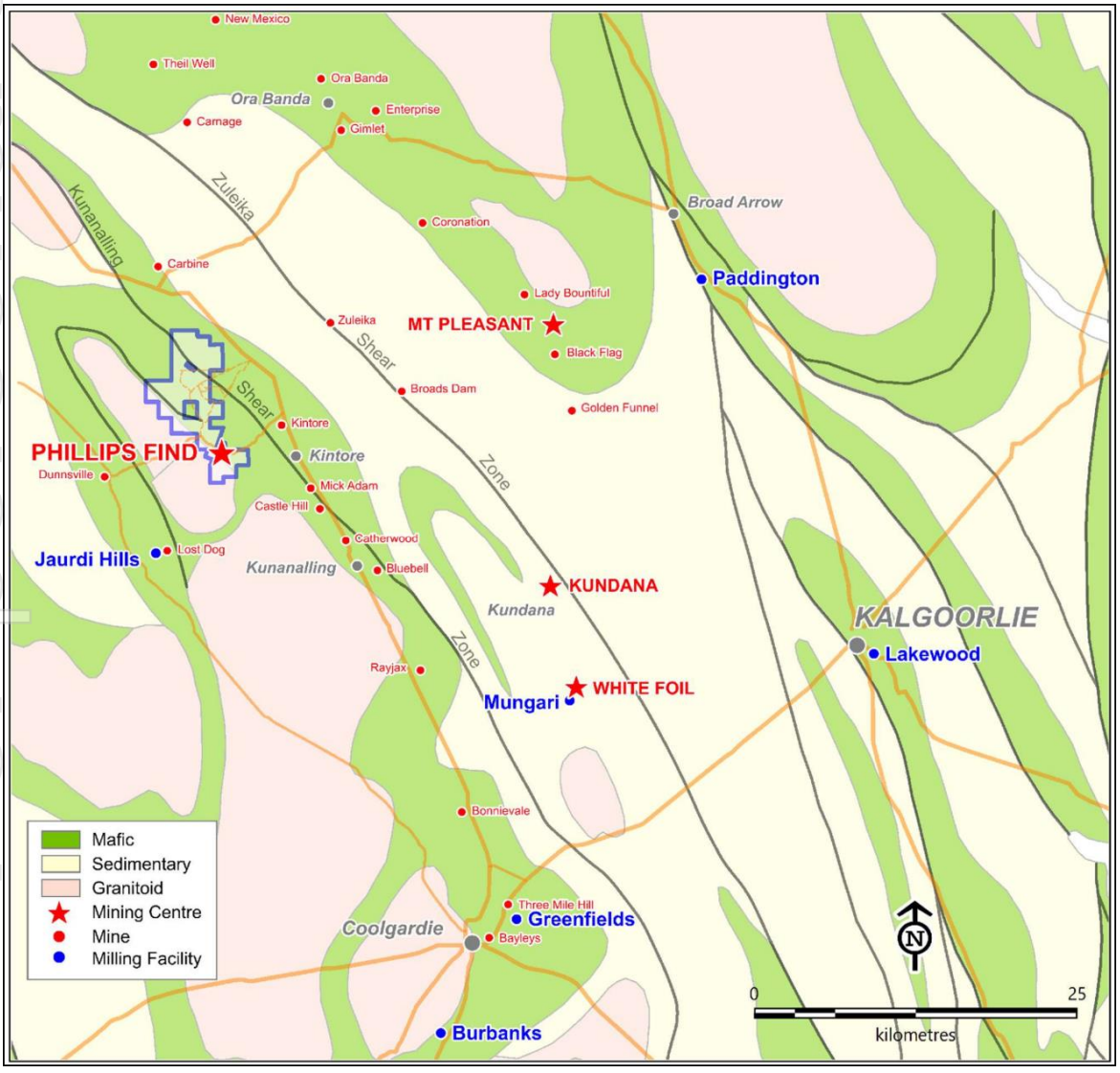


Figure 27: Phillips Find Gold Project reginal geology and location.

Source: Greenstone Resources 2023.

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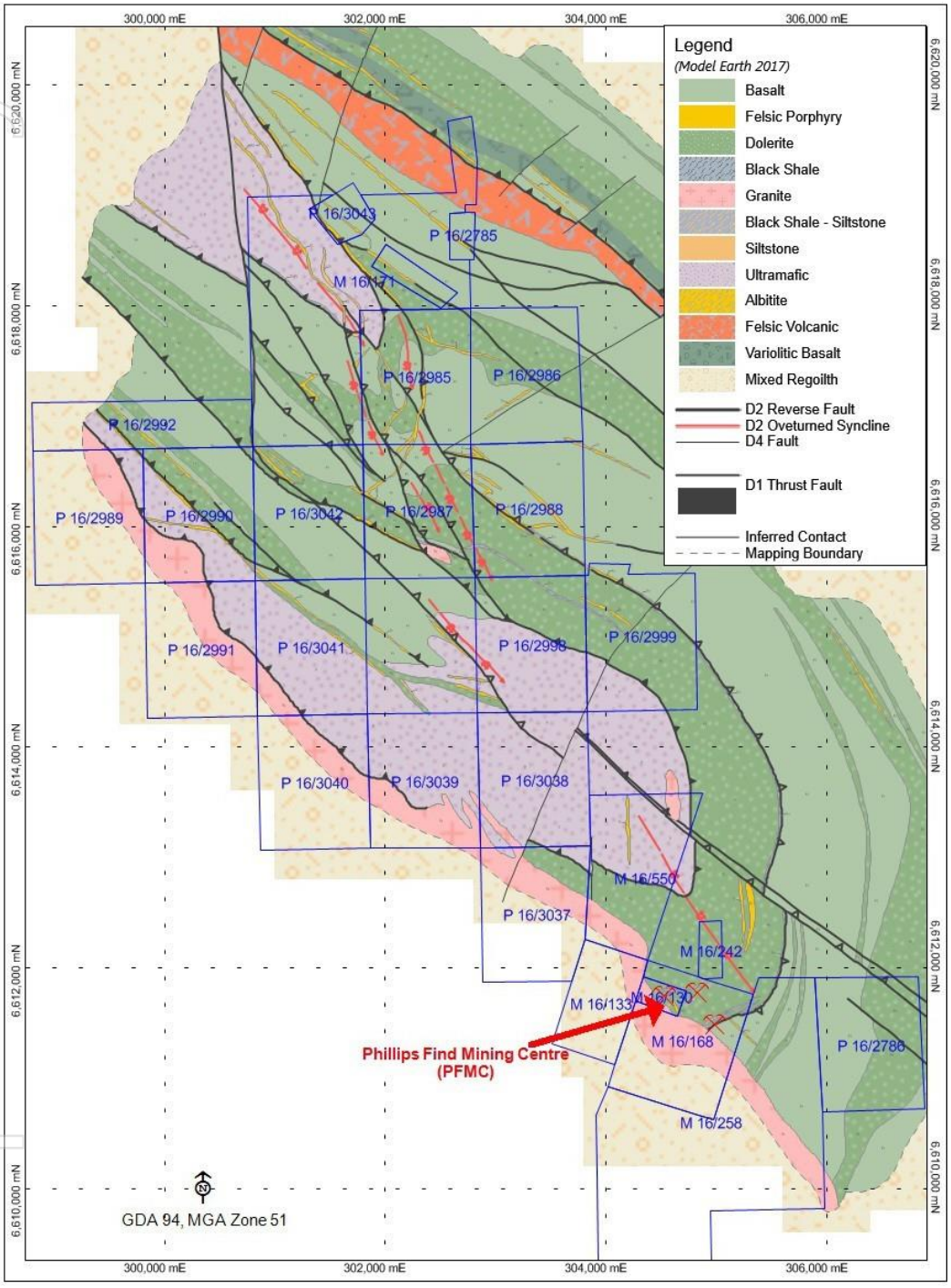


Figure 28: Phillips Find local geology.

Source: Greenstone Resources 2023.

4.4.2 Mineral Resource Estimates

The Mineral Resource Statement for the Phillips Find Gold MRE was prepared according to JORC (2012). by Greenstone Resources Limited (now Horizon) and announced in September 2022. The Phillips Find MRE totals 0.73 Mt of Indicated and Inferred Mineral Resources at 2.3 g/t Au for 54,567 oz Au at a 0.5 g/t Au cut-off grade (open pit), and at a 2.0 g/t Au cut-off grade (underground). Between 1998 and 2015 approximately 310,567 t at 3.29 g/t Au for 32,839oz was produced from three (3) open-pit operations (Bacchus Gift, Newhaven and Newminster) with the most recent mining activity between 2013 and 2015 at Newminster where 111,082t at 2.53g/t Au for 9,018oz was produced (see Greenstone IM, December 2023).

The current MRE is informed by a total of 25,734 m of drilling from 384 drill holes across three (3) deposits (Bacchus Gift, New Haven and Newminster) which are collectively referred to as the Phillip Finds deposits. Most of the drilling dates back to 2008 and is supplemented by an additional 1,628 m of drilling from 26 RC holes completed in 2021 by Greenstone. The historic drilling and mining activity in conjunction with detailed mapping by independent consultants formed the basis of the geological interpretation for the MRE (Table 6; see ASX Announcement 20 September 2022 and CP statement therein). The MRE has been depleted for historical mining.

Mineralisation wireframes for Phillips Find were based on proximity of reducing black shale units, historical mineralisation interpretations, and a nominal 0.3 g/t Au lower cut-off grade. Samples were composited to 1 m downhole, top-cut, and constrained within the mineralised domains (i.e. hard boundaries were used). Gold grades were interpolated using OK.

The CP for the information that relates to Exploration Results and geological interpretation and estimation and reporting of global gold Mineral Resources at Phillips Find is based on information compiled by Mr Glenn Poole was an employee of Greenstone Resources Limited. Mr Poole has reportedly visited site numerous times and inspected the drilling and sampling protocols of Greenstones programs.

Table 6: Phillips Find Mineral Resource Estimate at 0.5g/t cut-off grade.

	Cut-Off Grade (gpt)	Indicated Tonnes (000's)	Indicated Grade (gpt)	Indicated Ounces (000's)	Inferred Tonnes (000's)	Inferred Grade (gpt)	Inferred Ounces (000's)	Total Tonnes (000's)	Total Grade (gpt)	Total Ounces (000's)
PHILLIPS FIND										
Near Surface	0.5	540,669	2.4	41,654	189,439	2.1	12,705	730,108	2.3	54,359
Underground	2.0	–	–	–	2,852	2.3	208	2,852	2.3	208
Total		**540,669**	**2.4**	**41,654**	**192,291**	**2.1**	**12,914**	**732,960**	**2.3**	**54,567**

Source: Greenstone Resources (now Horizon), ASX Announcement 20 September 2022.

VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resources within the Phillips Find Project and acknowledges that a history of mining that has been considered in the MRE. VRM notes that bulk densities are based on only two (2) drillholes at Phillips Find which impacts the confidence of the reported tonnes for the MRE.

In addition, it is noted that several agreements encumber the tenements covering the Phillips Find MRE, notably for M 16/130 and M 16/168 as follows:

- The "Royalty Agreement" between Central Kalgoorlie Gold Mines (CKGM), Radisich and Mason dated 30/01/1992 that affects M16/130 only and includes a royalty of $3/dmt treated capped at 500,000dmt (referred to as "Radisich Royalty").

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- The "Phillips Find Assumption Deed" between Barra, Barminco, Archaean Gold and KCGM dated 1/07/2002 that affects M16/130, M16/168, M16/242, M16/258 and M16/550 and includes a royalty of $10/fine ounce after the first 40,000oz of production and capped at $1,000,000 (KCGM 49%, Archaean 51% royalty interest); and
- The "Deed of Assignment and Assumption Phillips Find Royalty" between Royal Gold Inc and Archaean Gold Pty Ltd dated 1/10/2008 that affects M16/130, M16/168, M16/242, M16/258 and M16/550 and includes a royalty of $10/fine ounce after the first 40,000 oz of production and capped at $1,000,000 (Royal Gold interest 51% only).

Details of the estimate are outlined in ASX Announcement 20 September 2022 and JORC Table 1 therein, and the reader is directed there for further details. VRM notes that CP signoff for the estimate has been assumed by the Company, and in VRM's view, the Phillips Find MRE should be considered as a global estimate. VRM has not verified the underlying geological databases or completed a full review of the MRE. The review has been to determine the quality and reasonableness of the MRE as required by the VALMIN Code.

4.4.3 Project Status, Technical and Mining

On the 7 August 2024, Horizon announced a joint venture agreement with BML Ventures Ltd to develop and mine the Newminster and Newhaven open pits at Phillips Find. There was prior mining at both the Newminster and Newhaven open pits..

No Ore Reserves have been reported however the Project is currently being exploited or commercial operations are due to commence shortly.

BML is funding all project costs with net cashflow to the split 50/50 between Horizon and BML after the asset recovery and repayment of costs. The material is scheduled to be processed at FMR's Greenfields Mill under the existing Toll Miling Agreement (TMA) treated between February and June 2025.

As the modifying factors associated with the delineation of an Ore Reserves typically documented in feasibility studies are uncertain, VRM has compared the assumed costs provided in a financial model under the JV with comparable projects in the area, including the modifying factors included in delineating the Boorara Ore Reserves.

Overall, the technical inputs into the financial model used in the valuation of the Project are considered reasonable and in line with comparable projects, the material movement (both ore and waste), the drill and blast, operating, administration, staffing and haulage costs that are used in the financial model are all considered reasonable. As is typical in open pit operations mining and drill and blast costs have been assigned and escalate according to the depth of the pit and increase at a rate that is reasonable and expected. VRM does note that some of the costs in the financial model are higher than expected, especially the staffing costs however as the other inputs are somewhat uncertain or have a larger uncertainty, overall, the financial model is considered reasonable.

While VRM has not been able to review the modifying factors associated with the Project there is no risk to Horizon, therefore the use of an income method is considered to be a reasonable valuation approach.

Risks associated with the project including higher dilution of the mineralisation during mining, poor reconciliation between the MRE and the produced gold, incorrect density determination in the MRE and lower than expected metallurgical recovery could reduce the financial return estimated in the financial model of the project.

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Importantly there is no allowance for rehabilitation in the financial model. Rehabilitation, while required, it is expected to be minimal as there would be no onsite processing and while topsoil spreading, seeding of waste dumps and stockpile pads, ripping of new roads and ensuring appropriate bonding around the expanded open pits would be required these costs would be minimal and could be done with the mining equipment at the end of the extraction of the mineralisation ,therefore reducing the rehabilitation costs. In VRM's opinion an allowance for $500,000 would be reasonable.

VRM is unable to detail the residual Mineral Resources after the current mining operation has ceased. Therefore, VRM considers that the project should be valued only by the income approach and no valuation has been undertaken for the residual Mineral Resources, however the exploration potential away from the mining operation and reported Mineral Resources has been valued in this report by appropriate methods.

4.4.4 Exploration Potential

In VRM's opinion there is reasonable exploration potential within the greater Phillips Find Gold Project specifically around the multiple gold occurrences identified by previous exploration and prospecting activities. Specific targets exist at the Truth and Diablo prospects where there is historical drilling with maximum gold in hole in excess of 1 g/t gold in multiple drillholes.

4.5 Golden Ridge Gold Projects

The Golden Ridge Projects include the Golden Ridge and Golden Ridge North deposits, located immediately adjacent to the historic Golden Ridge open pit mine, located approximately 5 km south of Boorara and 20 km to the southeast of Kalgoorlie in the Western Australian goldfields in Mining Lease M26/534 and M26/41 (Figure 29).

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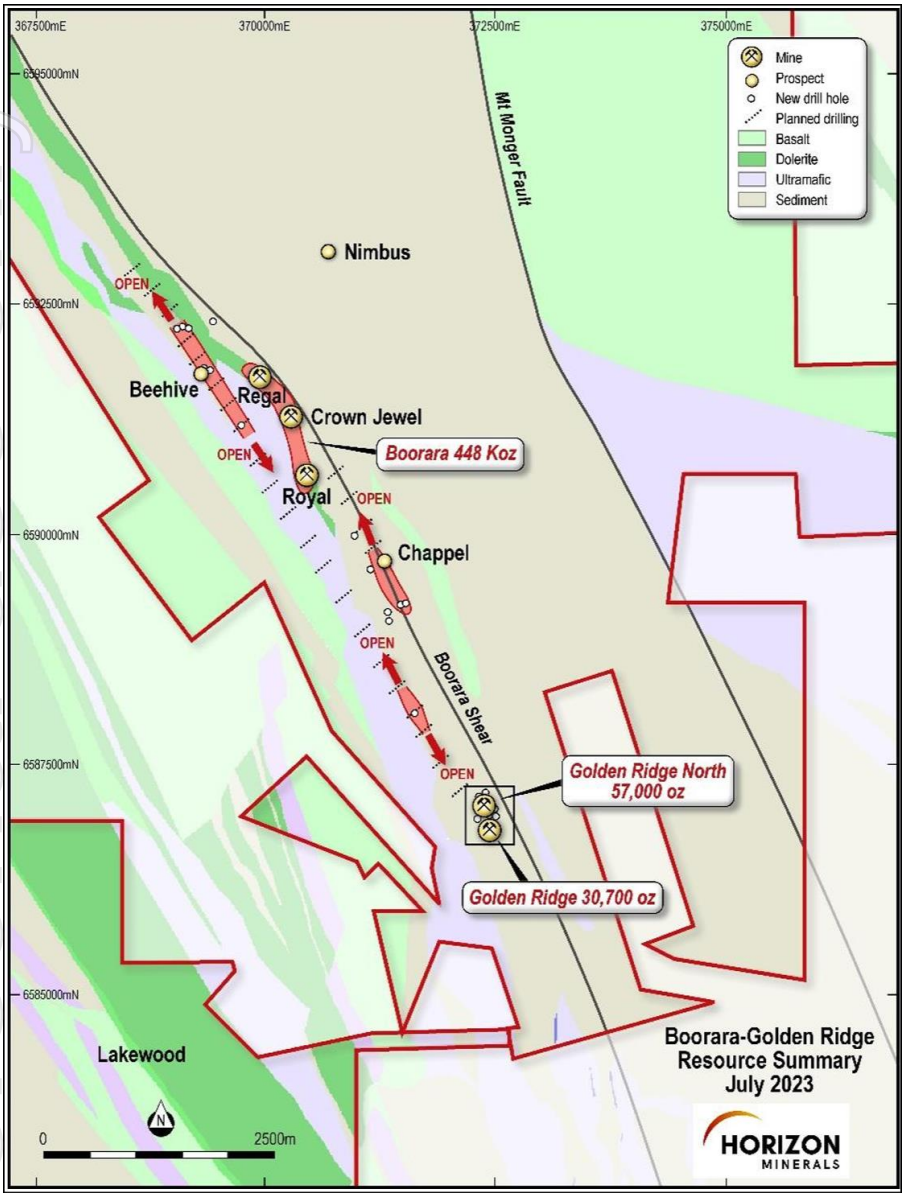


Figure 29: Golden Ridge Gold Project geology and location.

Source: Horizon ASX Announcement 19 July 2023. Note the MRE totals in this figure are outdated.

4.5.1 Local Geology and Mineralisation

Mineralisation in the Golden Ridge area is positioned within and proximal to the BSZ, within a lenticular northwest-southeast trending sub vertical quartz-feldspar porphyry unit. This unit is interpreted to be the lateral equivalent to felsic schists which also host gold mineralisation at Boorara to the north (ASX Announcement 19 July 2023). The porphyry unit is fault bounded to the east by a package of chlorite serpentinite sheared ultramafic and to the west by metasedimentary units including shale, graphitic shale and chert. The porphyry is interpreted as intrusive in the immediate vicinity of the mine area but extrusive to the north towards Boorara, with the presence of visible flow textures in that locality. In both locations, the felsic porphyry unit hosts mineralisation in quartz veining and faults / shears, which recessively weather relative to the porphyry unit. Heavily oxidised porphyry is reduced to kaolin clays

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with varying amounts of limonite and goethite, and where fresh, textural features have been obliterated by strong pervasive sericite ± silica alteration (ASX Announcement 19 July 2023).

Gold mineralisation is manifested as flat lying vein arrays and thicker, steeper dipping contact style lodes at the margins of the porphyry. The flat lodes are the most dominant, with the differing competency contrasts between the local lithologies producing brittle fracturing within the porphyry unit.

4.5.2 Mineral Resource Estimates

The Golden Ridge MRE was modelled in 2003 and validated and re-reported by Westgold Resources in 2017. It is reported at a 1.0 g/t Au cut-off grade and totals 0.52 Mt of Indicated, and Inferred Resources at 1.82 g/t Au for 30,720 oz (Table 7). The maiden MRE for the Golden Ridge North deposits was completed by Horizon internally in 2023 (ASX Announcement 19 July 2023). The Company has assumed CP responsibility for both MRE's and report the estimates following the JORC (2012) guidelines. The Golden Ridge North MRE is reported as 1.42Mt at 1.23g/t Au for 57koz Au at a 0.8g/t Au cut-off grade (Table 7; see ASX Announcement 19 July 2023 and CP statement therein).

VRM notes that the estimates have been compiled using data largely from previous owners (i.e. Westgold ASX: WGX), supplemented with limited geological data generated by Horizon. Golden Ridge and Golden Ridge North are not differentiated in the provided JORC Table 1, and some key estimation parameters are not described (e.g. total number of holes used in each estimate).

Underground mining took place at Golden Ridge between 1901 and 1927 which produced 249,356t at 17.1g/t Au for 139,546oz, and open pit mining took place at Golden Ridge between 1998 and 2004 which produced 1.78Mt at 1.98g/t Au for 113,520oz for a total of 253,000oz Au. Blue Tiger Mines Pty Ltd mined the Golden Ridge North deposit in 2018 and extracted 32,476t at a recovered grade of 1.38g/t Au for 1,444oz Au.

Mineralisation wireframes for Golden Ridge North were generated based on a combination of gold grades, lithological units and geological structures. Samples were composited to 1 m downhole, top-cut, and constrained within the mineralised domains (i.e. hard boundaries were used). Gold grades were interpolated using OK. No metallurgical assumptions were made. The MRE has been classified and reported at a 0.8 g/t Au cut off on the basis that the resource, if economic, will be mined by open pit methods.

The CP for the information that relates to the Estimation and Reporting of Gold Mineral Resources is based upon information compiled by Mr Stephen Godfrey, the Resource Development Manager for Horizon. Mr Godfrey visited the site on several occasions, including during the last drilling campaign and has reviewed and approved all drilling and sampling procedures related to Horizon drill programs.

Table 7: Golden Ridge and Golden Ridge North Mineral Resource Estimates*

Project	Cutoff	Measured			Indicated			Inferred			Total		
	Au g/t	Mt	Au g/t	Oz	Mt	Au g/t	Oz	Mt	Au g/t	Oz	Mt	Au g/t	Oz
Golden Ridge	1.0				0.47	1.83	27,920	0.1	1.7	2,800	0.52	1.82	**30,720**
Golden Ridge North	0.8				0.65	1.15	24,260	0.77	1.30	32,340	1.42	1.23	**56,600**

Source: Horizon ASX Announcement 19 July 2023.

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Notes: The Golden Ridge North MRE is reported at a 0.8g/t Au cut-off grade; The Golden Ridge MRE was originally modelled in 2003 and re-reported in 2017 in an internal company report (Cossom and Russell, 2017). Golden Ridge MRE is reported at a 1.0g/t Au cut-off grade.

VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resources within the Golden Ridge and Golden Ridge North Projects and has identified inconsistencies with the reporting of the Golden Ridge estimate in particular. For both estimates, there is limited information available on historic QAQC procedures, and the CP notes that WGX generally accepted the available data at face value with no independent sampling / assaying undertaken by Horizon. In addition, VRM has not verified the underlying geological databases or completed a full review of the Mineral Resource Estimates and all associated input data, and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review which is limited to publicly available ASX releases.

The reader is directed to the ASX release of 19 July 2023 where the Mineral Resources were reported. In VRM's view, the Golden Ridge North MRE appears to be the focus of the JORC Table 1 and can be considered reasonable as a global estimate notwithstanding the lack of data outlining QAQC procedures for the drilling that supports the estimate. One aspect that could be better documented is the Golden Ridge MRE, which may be better considered as an Exploration Target given the age of the estimate and opacity regarding data support.

4.5.3 Exploration Potential

As with the Boorara Project to the north the majority of the gold potential is associated with the extent of the regionally significant Boorara Shear. Additional exploration is justified within the Project.

4.6 Cannon, Monument and Pinner Gold Projects

4.6.1 Local Geology and Mineralisation

The Cannon, Monument and Pinner deposits are located 30 km east-southeast of Kalgoorlie in the Eastern Goldfields region of Western Australia, in granted Mining Licence M 25/333 and M25/357 (Figure 30).

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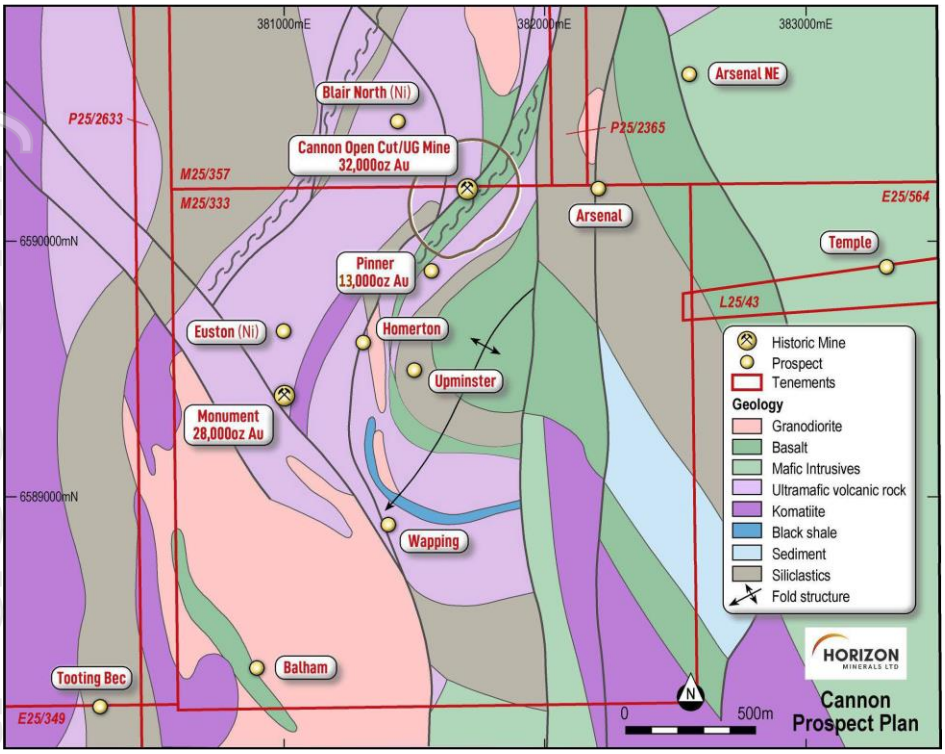


Figure 30: Cannon, Monument and Pinner local geology

The Cannon deposit is hosted within a sequence of ultramafic and high-Mg basaltic rocks intruded by a mafic-intermediate suite of lamprophyre dykes, and rarer dacitic dykes. Regionally, the hosting Poseidon sequence strikes N-S and dips steeply west, with intrusions broadly strike NNE-SSW striking with variable dips to the west and east (Southern Gold, 2017).

Early shear structures and veins dip steeply to the WNW, and these are folded and overprinted by a strong foliation that is axial planar to the regional folds, and dips moderate to the NW. In zones of intense foliation, the earlier formed fabrics become strongly crenulated, dismembered and ultimately transposed. Early talc, carbonate, and quartz-carbonate veins developed within these shear zones are interpreted as formed as sets of extension veins, oriented normal to the shear zone. Younger brittle fault events are also noted.

Gold mineralisation is structurally controlled in the brittle-ductile shear zone that broadly strikes NE, and dips steeply to the north-west. Multiple arrays of short-range, moderately west-dipping, tensile veins with symmetrical alteration halos are developed within the broader shear, with vein-type mineralisation almost exclusively located in mafic rocks. More brittle ductile deformation-hosted gold mineralisation incorporates mafic and ultramafic rocks in a breccia zone. Minor gold mineralisation occurs in late intrusive dykes. Albeit structurally complex, mineralisation is best described in three (3) settings: 1. hosted in a zone of steeply dipping brittle-ductile deformation; 2. mineralisation located in moderately dipping tensile veins and 3. mineralisation hosted in intrusive dykes. All styles of mineralisation contribute to the reported Mineral Resource inventory; however, the dyke-hosted mineralisation is of relative low significance volumetrically.

Pinner lies immediately south of Cannon and has been interpreted as an extension of the Cannon mineralisation. Mineralisation is hosted within fine grained basaltic and ultramafic rocks and display discrete alteration associated with quartz veining and lesser amounts of carbonate veining. Petrological examination has identified an alteration assemblage of albite-quartz-biotite-pyrite with carbonate

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associated with the gold mineralisation. Minor gold mineralisation is also associated with thin felsic porphyry intrusives.

The Monument deposit is 1 km southwest of the Cannon Deposit. The local area is characterised by predominantly fine grained ultramafic rocks, high-MgO basalts and minor komatiites. There are also several black shale units which may represent interflow sedimentary horizons between the mafic and ultramafic flows. A small granitoid intrudes these lithologies, as does a series of narrow, NNW-trending felsic dykes into a package of predominantly komatiitic ultramafic units with minor basaltic flows.

Gold mineralisation consists of two main zones of mineralisation in the north and south and a smaller zone within a faulted region near the middle of the deposit. In the northern zone, the lodes are NNW and dip steeply to the west. In the south the lodes are N-S trending and dip steeply to the west. The best mineralisation occurs within or on the margins of felsic intrusive units. Anomalous intercepts are also associated with other felsic units and interpreted cross-cutting NE trending faults. The competency contrast between volcano-sedimentary and more competent felsic intrusive units is interpreted as the main control for the localisation of mineralisation.

4.6.2 Mineral Resource and Ore Reserve Estimates

Cannon

An initial Mineral Resource estimate for the Cannon Gold Deposit was completed during December 2012 by Runge Pincock Minarco Limited (RPM) for Southern Gold, and consisted of Indicated and Inferred Resources totalling 812,200t at 3.9 g/t for 100,400 oz at a 0.5 g/t Au cut-off (see ASX Announcement 29 March 2022 and CP statement therein). Subsequently, open pit mining commenced in August 2015 under a profit-sharing arrangement with Westgold / Metals X, with mining completed in June 2017 with 576,400t mined at 2.98 g/t for 55,143 oz (ASX Announcement 29 March 2022).

A 30 hole RC drill program was undertaken by Southern Gold from the base of the Cannon pit and ramp in July 2017, and was included in a total of 107 RC holes accompanied by 19 diamond holes to support the most recent MRE by Horizon in 2022 of 226kt at 4.4g/t Au for 32,330 oz at a 1.0g/t Au cut-off following the guidelines of JORC (2012) (Table 8 see ASX Announcement 29 March 2022 and CP statement there). Details of the MRE are outlined in a JORC Table 1 which accompanies ASX Announcements on 3 November 2021 and updated in February 2022. It is noted by VRM that the current estimate utilises all geological data collected during mining of the Cannon open pit, mining reconciliations and additional drilling from the pit floor and ramp. As such, the estimate is well-supported in terms of geological and assay data, which was historically managed by Runge and Cube consultants.

Samples were composited to 1 m downhole, top-cut, and constrained within the mineralised domains (i.e. hard boundaries were used). Gold grades in the Main Lodes were estimated by OK, and by Inverse distance weighting (IDW) to power of 2 (ID2) to estimate the less informed minor lodes.

The CPs for the information related to the Cannon MRE is based on work completed by Mr Dave O'Farrell and Mr Stephen Godfrey (Resource Development Manager for Horizon). Mr O'Farrell was responsible for database and data quality at the Cannon deposit, and Mr Godfrey was responsible for the development of the geological model, mineralisation interpretations, MRE, classification, and reporting.

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Table 8: Cannon Mineral Resource Estimate reported at 1.0 g/t Au cut-off.

Classification	Tonnes	g/t Au	Ounces
Indicated	176,000	5.1	28,580
Inferred	51,000	2.3	3,750
Total	226,000	4.4	32,330

Source: Horizon ASX Announcement 29 March 2022.

On the 13 May 2024 Horizon announced a binding sale agreement for ore up to an agreed amount of 200,000 t to be treated through the FMR Investments Pty Ltd (FMR) Greenfields Mill. This TMA was initially expected to be used for processing Ore from Cannon however it is now being used for Phillips Find.

VRM notes that all Horizon ASX announcements from June 2022 onwards report a slightly different MRE for Cannon of 230 kt at 4.29 g/t Au for 32,070 oz at a 1.0g/t Au cut-off (Table 9). VRM notes that the minor change in the MRE was subsequent to an updated MRE which was considered by Horizon to be immaterial and as such was not re-reported. VRM agrees with this assessment.

Table 9: Horizon Minerals Limited – Summary of Gold Mineral Resources

Project	Cutoff	Measured			Indicated			Inferred			Total		
	Au g/t	Mt	Au g/t	Oz	Mt	Au g/t	Oz	Mt	Au g/t	Oz	Mt	Au g/t	Oz
Boorara OP	0.5	1.12	1.22	44,000	6.85	1.28	281,000	2.56	1.26	103,000	10.53	1.27	**428,000**
Burbanks OP	0.5				1.43	2.00	92,780	3.43	1.90	204,870	4.86	1.90	**297,650**
Burbanks UG	2.5/2.0*				0.12	4.30	16,730	1.07	4.40	151,190	1.19	4.40	**167,920**
Phillips Find OP	0.5				0.54	2.40	41,650	0.19	2.10	12,700	0.73	2.30	**54,360**
Phillips Find UG	2							0.03	2.30	210	0.03	2.30	**210**
Golden Ridge	1				0.47	1.83	27,920	0.10	1.70	2,800	0.52	1.82	**30,720**
Golden Ridge North	0.8				0.65	1.15	24,260	0.77	1.30	32,340	1.42	1.23	**56,600**
Cannon UG	1				0.19	4.80	28,620	0.10	2.30	3,450	0.23	4.29	**32,070**
Monument	0.5							0.92	1.11	33,000	0.92	1.11	**33,000**
Pinner	0.5				0.06	1.02	2091	0.27	1.25	10,753	0.33	1.21	**12,844**
Pennys Find	1.5				0.30	5.19	51,000	0.12	3.00	12,000	0.43	4.57	**63,000**
Kalpini	0.8				1.40	2.43	108,000	0.50	2.00	31,000	1.87	2.33	**139,000**
Rose Hill UG	2				0.33	4.50	47,100	0.20	4.80	27,800	0.51	4.60	**74,900**
Rose Hill OP	0.5	0.19	2.00	12,300	0.09	2.00	6,100				0.29	2.00	**18,400**
Jacques-Peyes	0.8				0.97	2.59	81,000	0.80	2.00	49,000	1.74	2.32	**130,000**
Teal	1				1.01	1.96	63,680	0.80	2.50	64,460	1.81	2.20	**128,140**
Crake	0.8				1.33	1.47	63,150	0.10	1.30	3,300	1.42	1.46	**66,450**
Coote	1							0.40	1.50	21,000	0.42	1.54	**21,000**
Capricorn	0.5							0.70	1.20	25,500	0.70	1.20	**25,500**
Baden Powell	0.5							0.60	1.20	23,000	0.60	1.20	**23,000**
Total		**1.31**	**1.34**	**56,300**	**15.74**	**1.85**	**935,081**	**13.66**	**1.85**	**811,373**	**30.55**	**1.84**	**1,802,764**

Source: Horizon ASX Announcement 1 August 2024.

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Monument

The Monument MRE was updated by Horizon in July 2024. The updated JORC (2012) MRE contains a total of 0.92 Mt of Inferred Resources at 1.11 g/t Au for 33,000 oz at a 0.5 g/t Au cut-off grade (Table 9).

The monument geological model was constructed using Seequent Leapfrog Geo using RC, RAB, and diamond drill holes. RAB holes were not used during grade interpolation. Gold grades were estimated using OK with hard boundaries applied to each domain. Bulk densities were reportedly assigned based on values used in the 2020 Canon MRE.

No metallurgical assumptions, economic or other modifying factors have been applied to the MRE. The Competent Person (CP) for the information that relates to the Estimation and Reporting of Gold Mineral Resources is based upon information compiled by Mr Stephen Godfrey, the Resource Development Manager with Horizon Minerals.

Table 10: Monument Mineral Resource Estimate reported at 0.5g/t Au cut-off

Monument at 0.5 g/t lower cut-off grade			
Resource category	**Tonnes (Mt)**	**Grade (g/t Au)**	**Gold Metal (Oz)**
Measured	-	-	-
Indicated			
Inferred	0.92	1.11	33,000
Total	**0.92**	**1.11**	**33,000**

Source: Horizon ASX Announcement 25 July 2024.

Pinner

Pinner lies immediately to the south of Cannon and is interpreted to be an extension of the Cannon deposit. Horizon announced a JORC (2012) maiden MRE for the Pinner deposit in July 2024 which totals 0.33 Mt of Indicated, and Inferred material at 1.21 g/t Au for 12,844 oz (Table 11). The Pinner Mineral Resource was estimated by Horizon and is reported at a 0.5 g/t Au cut-off grade.

Three (3) mineralisation trends were identified at Pinner which were modelled in Seequent Leapfrog Geo using AC, RC and diamond drill holes only. RAB holes were excluded from the MRE. Gold grades were estimated using Inverse Distance Squared (ID2) with hard boundaries applied to each domain. Bulk densities were reportedly assigned based on values used in the 2020 Canon MRE.

No metallurgical assumptions, economic or other modifying factors have been applied to the MRE. The Competent Person (CP) for the information that relates to the Estimation and Reporting of Gold Mineral Resources is based upon information compiled by Mr Stephen Godfrey, the Resource Development Manager with Horizon Minerals.

Table 11: Pinner Mineral Resource Estimate reported at 0.5g/t Au lower cut-off

Pinner at 0.5 g/t lower cut-off grade			
Resource category	**Tonnes (Mt)**	**Grade (g/t Au)**	**Gold Metal (Oz)**
Measured	-	-	-
Indicated	0.06	1.02	2,091
Inferred	0.27	1.25	10,753
Total	**0.33**	**1.21**	**12,844**

Source: Horizon ASX Announcement 25 July 2024.

VRM Comment

The Company has assumed CP responsibility for the three (3) MRE's and report the estimates following the JORC (2012) guidelines. The CP for the information that relates to the Estimation and Reporting of Gold Mineral Resources is based upon information compiled by Mr Stephen Godfrey, the Resource Development Manager for Horizon. It is reported that Mr Godfrey visited the site on a number of occasions, including during the last drilling campaign and has reviewed and approved all drilling and sampling procedures related to Horizon drill programs.

The JORC Table 1 outlines the estimation procedures and parameters. It is noted that the drilling database was used as provided by Southern Gold, and the veracity of the QAQC governing the assay data is not detailed by Horizon.

VRM has conducted a review of the reasonableness of the Mineral Resources within the Cannon, Monument and Pinner Deposits and has not identified any material areas of concern. However, VRM has not verified the underlying geological databases or completed a full review of the Mineral Resource Estimates and all associated input data, and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review which is limited to publicly available ASX releases.

The reader is directed to the ASX releases of 3 November 2021 and updated on 29 March 2022, and 24 July 2024 where the Mineral Resources and Ore Reserves were reported with detailed JORC Table 1 provided.

4.6.3 Project Status, Technical and Economic Studies

A Pre-Feasibility Study (PFS) was completed on the Cannon deposit in 2022 (ASX release 29 March 2022) which envisaged an underground development with ore processing at the nearby Lakewood Processing Plant. Subsequent to the study an agreed toll milling allocation for 200,000t of material was secured at the FMR Greenfields mill.

VRM does not consider the 2022 study as current due to the uncertain nature of the costs associated with the development, especially given the high inflationary environment in Australia over the past two years. Additionally, there is no processing option that has been executed for the material identified as Ore in the 2022 study. There was one potential agreement for processing material from Cannon however this is now being used for the Phillips Find mineralisation and no longer available to treat the mineralised material from Cannon.

This is potentially offset by the current very high gold price as the 2022 PFS used a gold price of A$2,600/oz while the current gold price is over A$4,000/oz.

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Preproduction activities continued for the Cannon Underground Gold Project with dewatering due to be completed in the December 2024 quarter. Due to reprioritising Phillips Find through the Greenfields Mill the Cannon project has been placed on hold and the Cannon Ore Reserve is therefore not considered current.

VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resources within the Cannon, Monument and Pinner Projects and has not identified any material areas of concern notwithstanding limited information for QAQC of the supporting assay data. Details of the estimate are outlined in ASX Announcements 19 July 2023, 25 July 2024 and JORC Table 1s therein, and the reader is directed there for further details. VRM notes that CP signoff for the estimate has been assumed by the Company.

4.7 Burbanks Gold Project

4.7.1 Local Geology and Mineralisation

The Burbanks Project encompasses a single mineralised system with multiple historic working along a shear zone, located ~45 km NNW of Coolgardie in WA, positioned across granted Mining Lease M 15/161 with access via the Coolgardie North Road (Figure 31). The Project is located within the southern extents of the N-S trending Burbanks shear zone, with the stratigraphy composed of a sequence of steeply dipping to sub-vertical fine grained high MgO basalts and massive-ophitic dolerites. Intruding this sequence are a series of fine to medium grained, garnetiferous diorite bodies.

Mineralised zones at Burbanks are characterised by NE striking, laminated and highly boudinaged, steeply dipping quartz - carbonate lodes, with both mafic and intermediate (diorite) rocks being hosts to mineralisation. Mineralisation is often mantled by a moderate to strong biotite –amphibole – chlorite – carbonate alteration assemblage with lesser (1 – 5%) pyrrhotite. In total, the Burbanks Project covers approximately 5.0 kilometres of strike of the prospective Burbanks shear zone (Figure 32).

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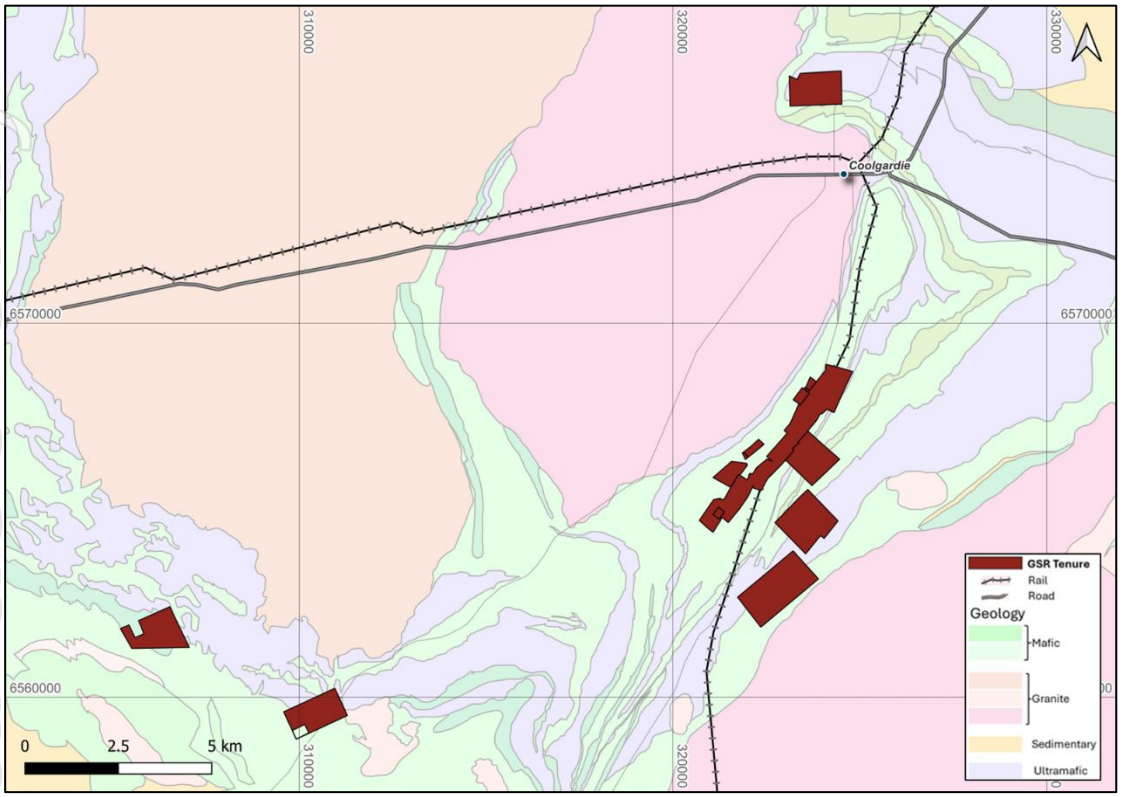


Figure 31: Burbanks Gold Project geology and location.

Source: Greenstone.

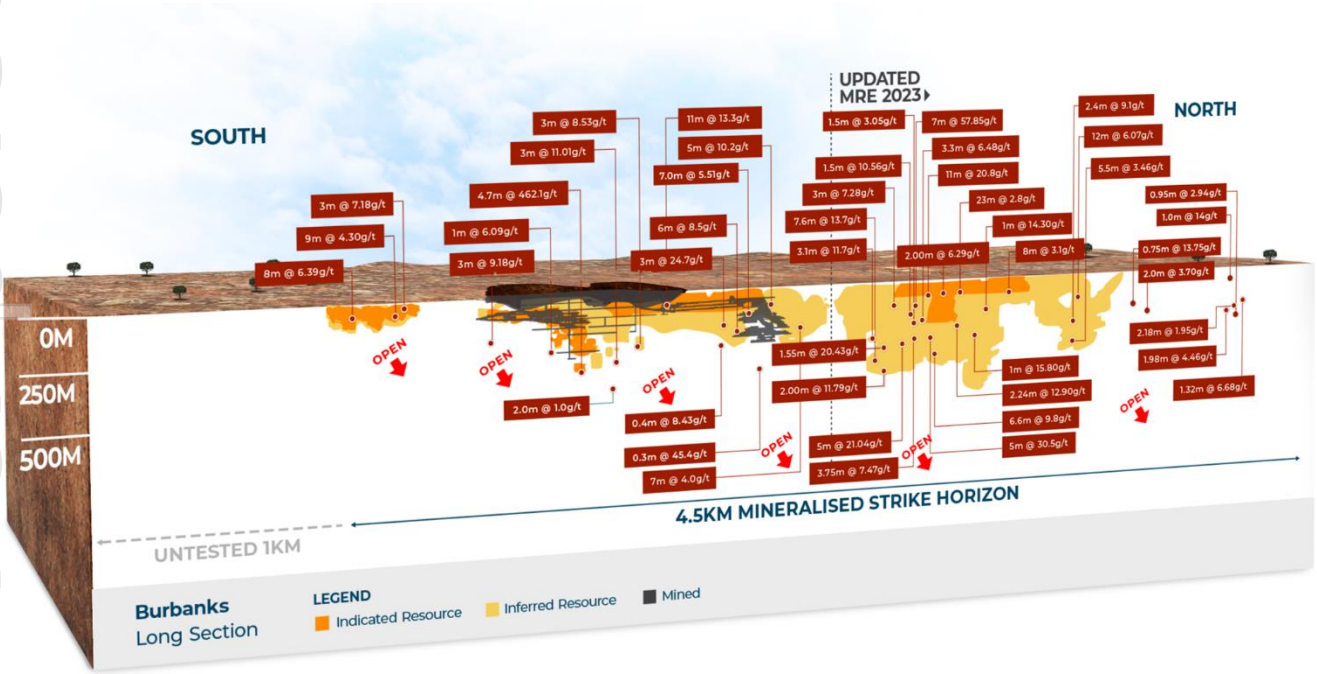


Figure 32: Schematic long section along the Burbanks Gold Project and Shear.

Source: Greenstone Resources ASX Announcement 9 May 2023.

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4.7.2 Mineral Resource Estimates

The Burbanks global JORC (2012) MRE, which includes Main Lode, Burbanks North, Birthday Gift, and Burbanks South zones, was announced by Greenstone Resources in July 2023. The Burbanks MRE contains a total of 6.05 Mt of Indicated and Inferred Resources at 2.4 g/t Au for 465 Koz (Table 12). Open pit (near surface) resources are reported at a 0.5 g/t Au cut-off grade, and underground resources are reported at a 2.5 g/t Au cut-off grade at Burbanks North and Main Lode, and at a 2.0 g/t Au cut-off grade at Birthday Gift. The Main Lode and Birthday Gift have been mined historically with the MRE depleted to reflect this.

The mineralisation for the current MRE is informed by a total of 237 RC, 81 RC with diamond tail and 7 DD holes although the total holes used for grade estimation is unclear. The Company reports 10,000 m of recent drilling is included in the MRE (see ASX Announcement 5 July 2023 and CP statement therein). The total Burbanks Indicated and Inferred MRE as 6,052,889t at 2.4 g/t Au for 465,567 oz at various cut-off grades dependant on the deposit and depth of the MRE (Table 12; see ASX Announcement 5 July 2023 and CP statement therein). The MRE has been depleted for historic mining activities.

Mineralisation wireframes for Main Lode and Burbanks North were generated in Leapfrog Geo using all available validated drillhole data and a nominal 0.5 g/t Au cut-off grade. Samples were composited to 1 m downhole, top-cut, and constrained within the mineralised domains (i.e. hard boundaries were used). Gold grades were interpolated using OK. Only RC, RCD and DD samples were used in the MRE with all AC and RAB samples excluded. Mineralisation wireframes Burbanks South and Birthday Gift were generated in Maptek's Vulcan software using a nominal 0.5 g/t Au cut-off grade. Samples were composited to 1 m downhole, and top cut. Gold grades were estimated using ID2.

The MRE's have been classified as Indicated and Inferred. No recovery factors have been applied and all material (if mined) is assumed to be trucked and toll treated. Mineral resources above 150 m and at a 0.5 g/t are reported on the basis that the resource, if economic, will be mined by open pit methods. The Main Lode and Burbanks North deposits are reported at a 2.5 g/t Au cut-off grade and are planned to be mined using underground mining methods. Birthday Gift is reported at a 2.0 g/t Au cut-off grade and is planned to be mined using underground mining methods.

The CP for the information that relates to geological interpretation and estimation and reporting of global gold Mineral Resources at Burbanks is based on information compiled by Mr Glenn Poole an employee of Greenstone Resources Limited. Mr Poole has reportedly visited site numerous times and inspected the drilling and sampling protocols of Greenstones programs.

Table 12: Burbanks Mineral Resource Estimate

	Cut-Off	Indicated			Inferred			Total		
	Grade	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces
BURBANKS										
Near Surface	0.5	1,430,026	2.0	92,780	3,430,244	1.9	204,870	4,860,270	1.9	297,649
Underground	2.5/2.0*	122,197	4.3	16,726	1,070,422	4.4	151,192	1,192,619	4.4	167,918
Total		**1,552,223**	**2.2**	**109,506**	**4,500,666**	**2.5**	**356,062**	**6,052,889**	**2.4**	**465,567**

Notes: 0.5g/t cut-off grade above 150 m b.s.l, 2.5g/t cut-off below 150 m b.s.l. for Main Lode/Burbanks North, 2.0g/t cut-off below 150 m b.s.l. for Birthday Gift.

Source: Greenstone Resources, ASX Announcement 5 July 2023.

VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resources within the Burbanks Project and acknowledges a history of mining that has been considered / decremented in the MRE's. However,

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VRM has not verified the underlying geological databases or completed a full review of the Mineral Resource Estimates and all associated input data, and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review which is limited to publicly available ASX releases.

VRM notes that no bulk density work has been completed at Burbanks, with densities assumed in the estimate (see ASX Announcement 5 July 2023 and CP statement therein). This impacts the confidence of the reported tonnes for the MRE. VRM further notes that production from the Birthday Gift Gold Mine is subject to a royalty of A$20/oz, capped at A$1.1M. The royalty is payable to Kidman Resources Limited on any production from the Birthday Gift Mine Area only.

Details of the Burbanks MRE are outlined in ASX Announcement 5 July 2023 and JORC Table 1 therein, and the reader is directed there for further details. VRM notes that CP signoff for the estimate has been assumed by the Company, and in VRM's view, the Burbanks MRE should be considered as a global estimate

4.7.3 Exploration Potential

In VRM's opinion the exploration potential within the Project is limited to the down dip extent of the currently delineated Mineral Resources. There has been limited drilling at depth which provides a significant opportunity to expand the mineralisation.

4.8 Pennys Find Gold Project

4.8.1 Local Geology and Mineralisation

The Pennys Find deposit lies within the Gindalbie Domain of the Kurnalpi Terrane, approximately 50 km northeast of Kalgoorlie on Mining Lease M 27/156 (Figure 23). The Gindalbie Domain is a layered sequence of supracrustal rocks comprised of three units, that have been deformed, metamorphosed and intruded by granitic rocks. The basal unit consists of a tholeiitic suite comprising basalt, komatiite and calc-alkaline volcanic rocks and is the same basal unit that occurs in the adjacent Kurnalpi Domain. This unit is unconformably overlain by a bimodal suite of mafic and felsic volcanic rocks referred to as the Gindalbie Volcanics. Both the basal suite and the Gindalbie Volcanics have been intruded by mafic to intermediate sills and dykes.

Deformation has occurred during several events and has resulted in complex refolding of earlier folds and extensive shearing and faulting at local and regional scales. Gold mineralisation is interpreted as forming during a late deformational event, associated with splays off the Emu Fault, a major regional structure that extends approximately 200 km northwards to the Leonora region, where it merges with the Keith-Kilkenny Fault.

Gold mineralisation is contained within a shear zone informally referred to as the Pennys Find Shear Zone, with the best mineralisation positioned in a 230 m section close to the contact between volcanic rocks (hanging wall) and shale (footwall). The mineralised zone has an average thickness of 9 m and contains a number of mineralised quartz veins varying from 30 cm to 11 m in thickness.

4.8.2 Mineral Resource Estimates

The Penny's Find JORC (2012) MRE update was announced by Horizon in December 2023 and totals 429,000 t of Indicated and Inferred Mineral Resources at 4.57 g/t Au for 63,000 oz at a 1.5g/t Au cut-off

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grade (Table 13; see ASX Announcement 29 December 2023 and CP statement therein).. The MRE is informed by 338 drillholes totalling 28,898 m. The MRE update includes an additional 3,456 m of drilling from 12 RC and Diamond holes completed in 2023 by HRZ, and 24 historical RC holes (2,794 m) drilled by Brimstone in 2012. RAB drilling data was used to inform the geology model but was not used in grade estimation. The MRE is reported excluding all historical mining activity, surveyed up to 23 April 2018 and the depth from surface to the current vertical limit of the Mineral Resources is approximately 380 m. The Pennys Find deposit open pit was mined to completion in 2018 and consists of an excavation of approximately 85 m in depth.

Mineralisation wireframes were generated in Leapfrog Geo using all available geological information on lithology and quartz veining, historical interpretations, and a nominal 1.5 g/t Au cut-off grade. RC and DD samples were composited to the full width of the domain intercept and gold grades were interpolated using a two-dimensional (2D) OK approach. The RC and DD samples were composited for the full width of the domain intercept, followed by trigonometric calculation of TW using the orientations of the drill hole intercept and ore domain. A gold accumulation variable was then calculated by multiplying the intercept grade by TW. OK grade interpolation of the top cut gold accumulation and TW was undertaken in pseudo-2D space using OK (GEOVIA Surpac™) at the parent cell size of 10Y m × 10Z m. Hard boundaries were used for volume delineation.

Once the interpolation was optimised and validated, gold parts per million (ppm) values for each block were calculated by dividing interpolated gold accumulation by interpolated TW, whereby for each block the Block gold ppm = Block gold accumulation value/Block TW value. The block model was coded with density, geology, depletions, and classification, prior to global, local validations and evaluation for Mineral Resource reporting. Validation of the gold accumulation, TW estimations and gold ppm back-calculation was completed by statistical and visual inspections in 2D, and 3D space

A total of 227 bulk density measurements were collected from 24 diamond drillholes and used to assign average densities to the block model. The MRE consists of an underground resource, from 85 m to approximately 300 m below surface, which was constrained both laterally, and at depth, by the available drill hole spacing outlined for Inferred classification. No dilution or cost factors were applied to the estimate.

The CP for the information that relates to the Estimation and Reporting of Gold Mineral Resources is based upon information compiled by Mr Stephen Godfrey, the Resource Development Manager of Horizon. Mr Godfrey undertook a site visit to the Penny's Find in February 2021 to inspect the prospect and has regularly reviewed and inspected the drilling and sampling protocols and practice during Horizon Drill programs.

Table 13: Pennys Find Underground Mineral Resource Estimate at 1.5 g/t Au cut-off.

Project Area	Resource Category	Tonnes (kt)	Gold (g/t)	Gold Ounces (kOz)
Pennys Find	Indicated	305	5.19	51
	Inferred	123	3.02	12
Total		429	4.57	63

Source: Horizon ASX Announcement 29 December 2023.

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VRM notes the ASX release of 18 December 2024 where Horizon announced the results of a Pre-Feasibility Study (PFS) and initial ore Reserves for the Pennys Find Project. VRM has undertaken a high level review of the reported Ore Reserves. The Ore Reserves are reported on a reasonable basis for technical reporting of the PFS and the Ore Reserves, however in VRM's opinion as there are no agreements for the processing of the Ore at any third party processing facilities the Ore Reserves are not considered to be on a reasonable basis for the Mineral Asset valuation due to the uncertainty in the timeframe for any processing and the financial aspects of the third party toll milling agreements are at this stage unknown. This is consistent with the approach undertaken for the Cannon Ore Reserves. Therefore, VRM has not used the information in the 18 December 2024 ASX release for the valuation of the Pennys Find Project and has undertaken a comparable transaction valuation based on the reported Mineral Resources.

VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resources within the Pennys Find Project and has not identified any material areas of concern notwithstanding limited information for QAQC of the supporting assay data. However, VRM has not verified the underlying geological databases or completed a full review of the Mineral Resource Estimates and all associated input data, and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review which is limited to publicly available ASX releases.

Details of the estimate are outlined in ASX Announcement 29 December 2023 and JORC Table 1 therein, and the reader is directed there for further details. VRM notes that CP signoff for the estimate has been assumed by the Company.

4.8.3 Exploration Potential

Due to the limited extent of the tenement that hosts the Pennys Find deposit the exploration potential is limited to down plunge extensions to the known mineralisation.

4.9 Kalpini Gold Project

4.9.1 Local Geology and Mineralisation

The Kalpini Project is located approximately 65 km north-east of Kalgoorlie in the Eastern Goldfields of Western Australia on Mining Lease M 27/485, with access via the Yarri Road from Kalgoorlie to Kanowna and then along the Kurnalpi-Pinjin and Carmelia Roads to the Kalpini Mine site (Figure 23).

The main identified lithology at Kalpini is a dolerite-gabbro unit, which exhibits noticeable differences in colour due to strong carbonate alteration, chlorite alteration, and epidote or zoisite alteration. Saussuritic alteration is sometimes present, as is coarse leucoxene disseminated throughout the groundmass.

In Gambia South maghemite and clay rich alluvium is present between depths of 1 m and 10 m. This generally deepens to the south and to the east. Hematite rich and goethite in-situ laterite is present usually to approximately 20 m depth. This is often underlain by a small, mottled zone before grading into scapolite. The depth of saprolite generally varies between 15 m and 40 m vertical depth.

Gold mineralisation along the Gambia-Camelia trend has been defined over at least 1,500 m strike length and is confined to multiple stacked narrow (0.5-5 m) high grade flat dipping lodes hosted within

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gabbro. The lodes are characterised by arsenopyrite-sericite-carbonate quartz breccia's that have a limited leucoxene-chlorite-carbonate alteration halo in the host gabbro. All drilling along the Gambia-Camelia trend has focussed on the flat dipping lodes in the central portion of the gabbro, with no drilling targeting the contact with the intermediate volcanoclastic rocks, which represent potentially favourable competency contrast positions for gold mineralisation development. Both the hanging and footwall contacts of the gabbro are interpreted as potential loci for shear hosted gold mineralisation, with the flat narrow high-grade lodes being potential brittle-ductile linking lodes. Additional mineralisation occurs primarily within subparallel, structurally controlled lodes in a porphyry host unit.

4.9.2 Mineral Resource Estimates

The Mineral Resource Statement for the Kalpini Gold MRE was prepared during September 2021 and is reported under the guidelines of JORC (2012). The MRE is an update of a previous estimate and includes an additional 5,677 m of drilling from 49 Reverse Circulation (RC) holes and 3 Diamond Drillholes (DD) completed in 2021 by Horizon. The depth from surface to the current vertical limit of the Mineral Resource is approximately 200m, and a total of 108,104.4 m of drilling from 1,836 drill holes was available for the MRE. Drilling comprised 11 DDH, 520 RC drill holes, 974 RC Grade Control drill holes and 331 RC drill holes with diamond tails. Mineralisation interpretations were informed by 1,401 RC drill holes and 7 DD drillholes. The Kalpini MRE is reported as 1.87 Mt at 2.33 g/t Au for 139,000 oz at a 0.8 g/t Au cut-off grade (Table 14; see ASX Announcement 28 September 2021 and CP statement therein).

Mineralisation wireframes were generated using a nominal 0.3 g/t Au cut-off grade and a total of 55 mineralisation domains were interpreted at the Kalpini deposit. Samples were composited to 1 m downhole, top-cut, and constrained within the mineralised domains (i.e. hard boundaries were used). Gold grades were interpolated using OK. Average bulk densities were assigned to the model backed on a total of 276 bulk density measurements of which just 13% were from within mineralised zones.

Historical mining within the Kalpini tenement area includes both underground and open pit workings. Underground mining from the 'Man o War' shaft (Atlas) reportedly produced 7,806 oz of gold from 15,218 t at an average grade of 16.5 g/t Au, and open pit mining of the Gambia Pit reportedly milled 485,000 t at a reconciled grade of 2.62 g/t Au, and a gold recovery of 95% for 38,800 oz. Kalpini MRE is reported by Horizon at a 0.8 g/t Au cut-off grade and above 150 mRL. No metallurgical recovery factors were applied to the Mineral Resources or Mineral Resource tabulations.

The CPs for the information related to the Kalpini MRE is based on work completed by Mr Dave O'Farrell and Mr Stephen Godfrey (Resource Development Manager for Horizon). Mr O'Farrell was responsible for drilling, sampling and data quality at the Kalpini deposits. Mr Godfrey was responsible for the development of the geological model, mineralisation interpretations, MRE, classification, and reporting.

Table 14: Kalpini Gold Project Mineral Resource Estimate at 0.8 g/t Au cut-off

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Material	Class	Tonnes	Au g/t	Ounces
Oxide	Indicated	24,600	1.78	1,570
	Inferred	5,300	1.40	240
Transition	Indicated	204,900	1.83	12,000
	Inferred	18,300	1.17	680
Fresh	Indicated	1,168,100	2.55	95,000
	Inferred	448,100	2.08	29,700
Grand Total		**1,872,000**	**2.33**	**139,000**

Source: Horizon ASX Announcement 28 September 2021.

VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resources within the Kalpini Project and has not identified any material areas of concern. However, VRM has not verified the underlying geological databases or completed a full review of the Mineral Resource Estimates and all associated input data, and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review which is limited to publicly available ASX releases.

Details of the estimate are outlined in ASX Announcement 28 September 2021 and JORC Table 1 therein, and the reader is directed there for further details. VRM notes that CP signoff for the estimate has been assumed by the Company.

4.9.3 Exploration Potential

The exploration potential within the Kalpini Project is limited to the mafic extensions to the currently delineated mineralisation and two additional mafic bodies to the east and west of the main Mineral Resource. The exploration potential is limited due to the small extent of the tenement.

4.10 Rose Hill Gold Project

4.10.1 Local Geology and Mineralisation

Rose Hill is situated in the historic Coolgardie goldfields, 0.5 km southeast of Coolgardie and 35 km west of Kalgoorlie-Boulder, within the Coolgardie Greenstone Belt in Mining Lease M 15/652 in Western Australia (Figure 33).

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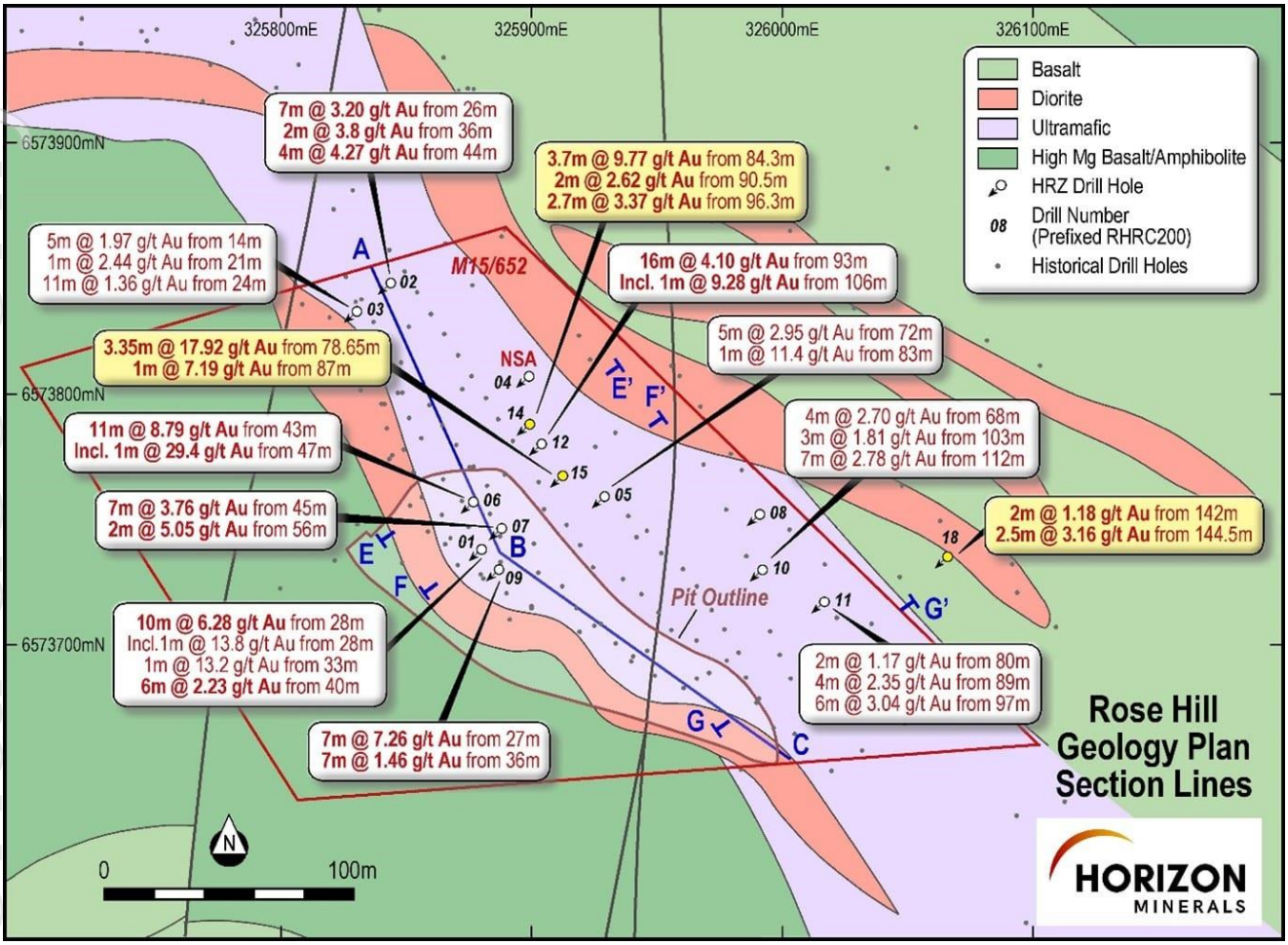


Figure 33: Rose Hill Gold Project geology and location.

Source: Horizon ASX Announcement 9 December 2020.

The Coolgardie Greenstone Belt consists of an arcuate series of complexly deformed mafic-ultramafic rocks, with minor interbedded sedimentary rocks and felsic volcaniclastic rocks. The sequence has been metamorphosed to amphibolite facies and has been intruded by a suite of porphyritic units. With a protracted deformation history, the region is characterised by at least three major structural events, with the second event (D2) largely attributed as synchronous to gold mineralisation. The D2 structures consist of N to NE trending doubly-plunging, tight to open folds and NE to E plunging, tight to open folds that refold earlier folds and fabrics. Later NE and NW trending brittle-ductile shear zones and east trending shear zones cut the lithostratigraphic sequence. Mineralisation is located mostly along the sheared porphyry-ultramafic contacts.

4.10.2 Mineral Resource Estimates

The JORC (2012) compliant MRE update for Rose Hill was prepared by Horizon and announced in December 2020. The Rose Hill Open Pit (OP) Mineral Resource is reported as 286 kt at 2.0g/t Au for 18,300 oz at a 0.5 g/t Au cut-off grade, with the Underground (UG) Mineral Resource reported as 507 kt at 4.6g /t Au for 75,000 oz at a 2 g/t Au cut-off grade (Table 15; see ASX Announcement 9 December 2020 and CP statement therein).

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The updated resource models show a reduction in tonnage offset by a 47% increase in grade as a result of a higher cut-off grade for underground mining and more tightly constrained model parameters. The MRE includes an additional 2,497 m of drilling to compliment historic drilling, consisting of 42 RC and 3 Diamond holes, drilled in 2020. The MRE is reported excluding all historical and mining activity, surveyed up to the 12 November 2020. A total of 22,080 m of drilling from 284 drill holes was available for the MRE.

Mineralisation wireframes were generated based on lithology, veining, sulphides, and a nominal 0.3 g/t Au cut-off grade, and a nominal 1.5 g/t Au cut-off grade (for the delineation of high grade domains). Samples were composited to 1 m downhole, top-cut, and constrained within the mineralised domains (i.e. hard boundaries were used). Gold grades were interpolated in Surpac using dynamic anisotropy OK. Bulk density values at Rose Hill were derived from 87 measurements taken from three (3) diamond drillholes. The model was coded with density, depletions, weathering and classification prior to evaluation for Mineral Resource reporting. No dilution, cost factors, or metallurgical recovery factors were applied to the MRE.

Open pit resources were constrained to a depth nominally 50 m below the surface, and underground resources were constrained at depth by the available drill hole spacing outlined for inferred classification, nominally 400 m below the surface. The Rose Hill deposit open pit was mined in the 1980's and consists of a small laterite excavation of approximately 2 to 5 m in depth with two historic underground workings.

The CP for the information that relates to Sampling Techniques and Data Quality underpinning the MRE is based on information compiled by Mr David O'Farrell, a full-time employee of Horizon. The CP for the information that relates to the Estimation and Reporting of Gold Mineral Resources is based upon information compiled by Ms Christine Shore, a Principal Geological Consultant at Entech Pty Ltd (Entech) and an independent consultant to Horizon.

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Table 15: Rose Hill OP and UG Mineral Resource Estimates at 0.5 and 2.0 g/t gold cut-off, respectively.

Project	Cut-off	Measured			Indicated			Inferred			Total Resource		
	Grade	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
Rose Hill OP	0.5	0.19	2.00	12,300	0.09	2.00	6,100				0.29	2.00	18,300
Rose Hill UG	2.0				0.33	4.50	47,100	0.18	4.80	27,800	0.51	4.60	74,900
TOTAL		0.19	1.97	12,300	0.42	3.96	53,200	0.18	4.78	27,800	0.79	3.65	93,200

Source: Horizon ASX Announcement 9 December 2020.

Notes: Open pit Resource defined as surface (~412 m RL) to 367.5 m RL, UG resource defined by <367.5 m RL.

VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resources within the Rose Hill Project and has not identified any material areas of concern notwithstanding limited information for QAQC of the supporting assay data and minimal density data. However, VRM has not verified the underlying geological databases or completed a full review of the Mineral Resource Estimates and all associated input data, and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review which is limited to publicly available ASX releases.

Details of the estimate are outlined in ASX Announcement 9 December 2020 and JORC Table 1 therein, and the reader is directed there for further details. VRM notes that CP signoff for the data that supports the estimate has been assumed by the Company, with responsibility for the MRE assumed by the independent consultant.

4.10.3 Exploration Potential

The tenements that constitute the Rose Hill Project are very limited in their extent therefore the exploration potential is limited to the immediate extension to the known mineralisation.

4.11 Binduli Gold Project

4.11.1 Local Geology and Mineralisation

The Binduli Gold Project is located in the Eastern Goldfields of Western Australia and covers numerous granted Mining Leases (M 26/499, M 26/621, M 26/346, M 26/549) and Miscellaneous Licence L 26/261. The Project areas is approximately 8-10 km northwest of Kalgoorlie and comprises three main deposits: Teal, Jacques Find and Peyes Farm (Figure 34).

The Project area sits within the NW-trending Binduli / Mt Pleasant Domes that form part of the Ora Banda Domain within the Archaean Kalgoorlie Terrain. The regional geology is represented by a complex zone of felsic and intermediate volcanic rocks, with minor black shales and mafic units. The regional northwest striking Abattoir Shear zone bounds this package of highly deformed rocks with the Peyes Farm shear is located within the Abattoir corridor.

Locally, the geology is dominated by sedimentary units belonging to the Black Flag Group, with felsic to intermediate volcanic and volcaniclastic rocks of the Gibson-Honman Formation, and andesitic rocks of

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the White Flag Formation. Lesser amounts of porphyry and intermediate volcanic rocks are also noted in the area.

Gold mineralisation varies slightly at each deposit location, but is typically associated with quartz and sulphides, with faulting displacing and pinching out some of the mineralisation. Narrow quartz-carbonate veins are reportedly visible in diamond core and show steep orientations parallel to stratigraphy. The Peyes Farm deposit veining is hosted within a felsic porphyry unit with an interpreted package of 11 primary (fresh) veins that dip steeply to the east and four oxide domains. The Jacques Find deposit veining is hosted within an arcuate package of felsic volcaniclastics bounded by felsic porphyry units with intercalated black shale units.

At Teal, primary mineralisation at depth exhibits semi-refractory properties and optimal recoveries are reportedly achieved through ultra-fine grinding, pressure oxidation or roasting. The shallow oxide supergene mineralisation at all three (3) deposits exhibit recoveries above 93% (ASX Announcement 15 September 2021).

Open pit mining of Stage 1 commenced in late 2016 at the Teal deposit, and Stage 2 commencing in September 2017, with mining of both stages completed in March 2018 with final gold production occurring in the June 2018 quarter. The mine performed strongly against the feasibility study metrics with tonnes, grade, recovery and ounces up, resulting in a large increase in revenue.

Following a substantial amount of drilling in 2018, resources have continued to grow at Teal, Jacques Find and Peyes Farm.

The independent JORC (2012) Mineral Resource for the Project, after depletion from mining Teal Stages 1 and 2, stands at a combined 3.55 Mt at 2.30 g/t Au for 258,140 oz at a 1.0 and 0.8 g/t Au lower grade cut-off for Teal and Jacques Find / Peyes Farm, respectively (Table 9).

Further stages of the Teal project shall focus on open pit development for extraction of the supergene and transitional ore as part of the mining production pipeline for conventional milling. In addition, an assessment of the deeper sulphide mineralisation is being undertaken in conjunction with the Nimbus Silver-Zinc Project 20 km to the east. The aim of this assessment is to evaluate the potential to treat the deeper Teal ore and generate a gold concentrate for sale to potential offtake partners along with a sliver and zinc concentrate from Nimbus utilising the same concentrate plant.

4.11.2 Mineral Resource Estimates

Teal Deposit

The JORC (2012) compliant MRE update for Teal was prepared by Intermin Resources Limited (Intermin) (subsequently known as Horizon following a name change on 25 July 2019) and announced in September 2018. The Teal MRE totals 1.81 Mt at 2.20 g/t Au for 128,000 oz at a 1.0 g/t Au cut-off grade (Table 16; see ASX Announcement 19 September 2018 and CP statement therein).

The current Teal Mineral Resource was announced on 19 September 2018 as detailed in below. Mineralisation has been modelled based on 260 RC (30,327 m), 32 AC (1,529 m), and six (6) DDH (1,260 m) drillholes on a nominal 20 m by 20 m initial grid spacing to a maximum depth of 400 m. The MRE has been depleted for the previous open pit mining.

Mineralisation wireframes were generated based on a nominal 0.2 g/t Au cut-off grade with up to 2 m of internal dilution. Samples were composited to 1 m downhole, top-cut, and constrained within the mineralised domains (i.e. hard boundaries were used). Gold grades were interpolated in Surpac using OK.

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The maximum depth of the Teal model extends to 300 m below surface with 25% of the resource located within 100 m of the surface.

The JORC tables associated with the Mineral Resource indicate that the metallurgical recoveries from the primary mineralisation are highly variable and range from 30% to 90%. VRM has reviewed more recent metallurgical results which suggest the metallurgical recoveries by cyanide leach are between 30% and 70%. While the breakdown of the oxide, transitional and fresh (or primary) mineralisation is not reported as the Mineral Resource is the remnant Mineralisation post the mining of the Teal open pit VRM assumes that over 80% of the Mineral Resource is fresh material with high variable recovery. This is supported by one development option that was investigated where the primary mineralisation from Teal was processed to generate a gold rich concentrate. For valuation purposes VRM considers that it is prudent, based on metallurgical results observed that the Teal Mineral Resource be discounted by 40% to account for the low cyanide gold recoveries.

Table 16: Teal Mineral Resource Estimate at 1g/t Au cut-off

Deposit	Indicated			Inferred			Total Resource		
(1g/t cut-off)	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
Teal	1.01	1.96	63,681	0.80	2.50	64,458	1.81	2.20	128,000

Source: Intermin ASX Announcement 19 September 2018.

Jacques Find – Peyes Farm Deposit

The Mineral Resource Statement for the Jacques Find and Peyes Farm Gold JORC (2012) MRE was prepared by independent consultant Optiro Pty Ltd during July 2021. The reported MRE for Jacques Find - Peyes Farm is 1.74 Mt at 2.32 g/t Au for 130,000 oz at a 0.8 g/t Au cut-off grade (Table 17; see ASX Announcement 15 September 2021 and CP statement therein).

Mineralisation wireframes were generated in Leapfrog Geo based on lithology, veining, and a nominal 0.3 g/t Au cut-off grade. Samples were composited to 1 m downhole, top-cut, and constrained within the mineralised domains (i.e. hard boundaries were used). Gold grades were interpolated using OK. The search ellipses were aligned to the mineralised trend of each domain using DA.

Historical mining is documented within the project area. Production records are only available for 1919 to 1920 where 34.54 t of material was mined at 10.8 g/t Au. The MRE is reported by Horizon at a 0.8 g/t Au cut-off grade and above 150 mRL. Material at depth is reported to be refractory.

The CP for the information that relates to the Estimation of Gold Mineral Resources is based upon information completed by Mr David O'Farrell, who was a full time employee of Horizon and Mr Mark Drabble, a Principal Geological Consultant at Optiro Pty Ltd, an independent consultant to Horizon. Mr O'Farrell was responsible for database and data quality at the Jacques Find and Peyes Farm deposits. Mr Drabble was responsible for the development of the geological model, mineralisation interpretations, Resource estimation, classification and reporting. It is reported that Mr Drabble did not visit the Jacques Peyes prospects as only drill collars are visible and there is no significant outcrop. Drill core and RC chip tray photos were reviewed as part of the analysis and interpretation. Mr Drabble has significant experience in eastern Goldfields orogenic gold deposits and considers the datasets to be representative of this style of mineralisation.

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Table 17: Jacques Find - Peyes Farm Mineral Resource Estimate at 0.8 g/t Au cut-off.

Classification	Tonnes (Kt)	Grade (g/t)	Ounces
Measured			
Indicated	968	2.59	81,000
Inferred	774	1.98	49,000
Grand Total	**1,742**	**2.32**	**130,000**

Source: Horizon ASX Announcement 15 September 2021.

VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resources within the Teal and Jacques Find – Peyes Farm deposits and considers they are a reasonable representation of the global gold Mineral Resources. VRM has not identified any material areas of concern other than the potential refractory nature of the ore. One area that would benefit from further clarification is additional information for any QAQC data regarding historic drilling prior to Horizon that is included in the estimate. However, VRM has not verified the underlying geological databases or completed a full review of the Mineral Resource Estimates and all associated input data, and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review which is limited to publicly available ASX releases.

Details of the estimate are outlined in ASX Announcements dated 19 September 2018 and 15 September 2021 and JORC Table 1 therein, and the reader is directed there for further details. VRM notes multiple CP signoffs including the Company and their independent consultant.

4.11.3 Project Status, Technical and Economic Studies

Horizon has undertaken several studies into the exploitation of the remaining Mineral Resources within the Teal and adjacent deposits. These are primarily associated with the open pit mining of the oxide and transitional material to be processed via CIL processing facility, likely to be toll treated at one of the processing plants in the region. The primary material specifically at Teal is understood to be metallurgically challenging and is more likely to be refectory in nature. Due to the refractory mineralisation Horizon had investigated generating a gold rich sulphide rich concentrate. The initial studies included linking the development of the primary mineralisation at Teal to the development of the Nimbus Silver – Zinc deposit via a high-grade underground development. The Nimbus Silver – Zinc deposit would generate a silver – zinc concentrate with the expectation that the primary mineralisation at Teal could be processed after the Nimbus mineralisation is depleted. These studies are ongoing and have not been advanced to a feasibility study stage.

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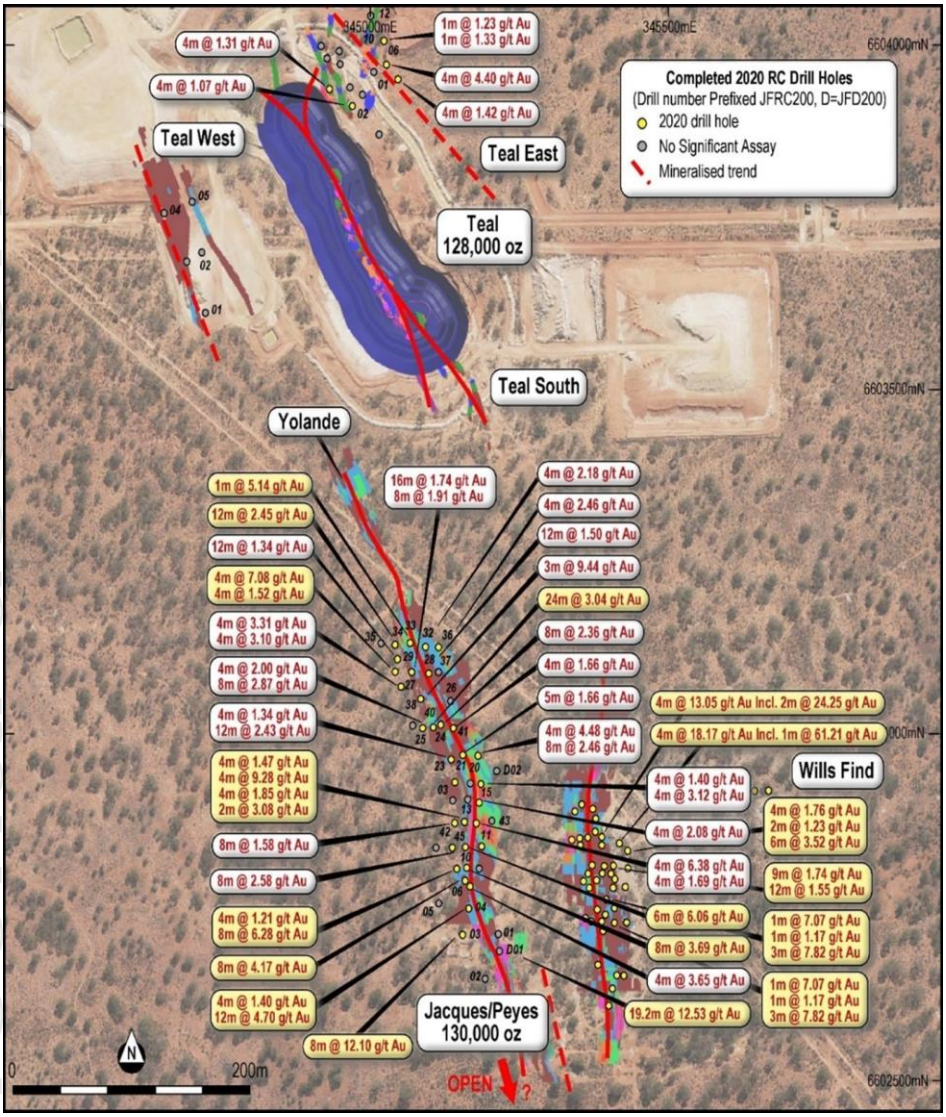


Figure 34: Teal and Jacques – Peyes Farm deposits.

Source: Horizon ASX Announcement 15 September 2021.

4.11.4 Exploration Potential

As has been demonstrated by the delineation of the Teal and Jacques – Peyes Farm mineralisation and sub parallel mineralisation there is exploration potential adjacent to the currently delineated Mineral Resources. The Abattoir shear zone is a regionally significant structure which extends to the north and south of the Teal mineralisation. In VRM's opinion there is reasonable exploration potential within the tenements that host the Teal and Jacques – Peyes Farm deposits.

4.12 Crake and Coote Gold Project

4.12.1 Local Geology and Mineralisation

The Crake and Coote Gold Project is situated Eastern Goldfields of Western Australia, approximately 8 km west of Kalgoorlie–Boulder on the western margin of the Archaean Norseman-Menzies Greenstone Belt in Mining Lease application M 26/855 (Figure 23). Regionally, the Project is positioned within the

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Binduli/Mount Pleasant domes that form part of the Ora Banda Domain within the Archaean Kalgoorlie Terrain.

The local geology is dominated by intermediate volcaniclastic rocks with less extensive mafic and felsic pyroclastic and dacitic to andesitic volcanic units. The volcanic pile also comprises interflow sedimentary units and is intruded by subvolcanic rhyodacite porphyry, all part of the Black Flag Group. Within the Crake Project area, the Black Flag Group rocks include shales and siltstones, felsic to intermediate volcaniclastic units, rhyolitic to andesitic lava flows and porphyritic rhyodacite or trondhjemite intrusive rocks. This sequence is covered by extensive aeolian and alluvial deposits commonly 2 – 4 m thick and up to 15 m thick in areas.

Gold mineralisation at Crake occurs primarily within subparallel, structurally controlled lodes in a porphyry host unit, with minor mineralisation occurrences extending into the footwall contact with volcaniclastic sedimentary rocks. Gold mineralisation is primarily focused within minor shears and quartz veins.

4.12.2 Crake Mineral Resource Estimates

Crake

The Mineral Resource Statement for the Crake MRE was prepared by independent consultant Entech during July 2021 and was reported according to JORC (2012) (see ASX Announcement 7 September 2021 and CP statement therein). The MRE is an update of previous estimates and includes an additional 5,183.9 m of drilling from 57 RC holes (including 5 with diamond tails) completed in 2020 by Horizon. The depth from surface to the current vertical limit of the Mineral Resources is approximately 140m. The reported MRE for the Crake deposit is 1.42 Mt at 1.46 g/t Au for 66,500 oz at a 0.8 g/t Au cut-off grade (Table 18; see ASX Announcement 7 September 2021 and CP statement therein).

Mineralisation wireframes were generated based on geology, and a nominal 0.5 g/t Au cut-off grade. Samples were composited to 1 m downhole, top-cut, and constrained within the mineralised domains (i.e. hard boundaries were used). Gold grades were interpolated in Surpac using OK. Bulk density values were assigned to be model based on 117 measurements. No dilution, cost factors, or metallurgical recovery factors were applied to the MRE.

The CP for the information that relates to the Estimation and Reporting of Gold Mineral Resources is based upon information compiled by Ms Jill Irvin, a Principal Geological Consultant at Entech and an independent consultant to Horizon. Entech undertook a site visit to the Crake deposit on 2 October 2020 to inspect and review drilling and sampling processes in relation to the MRE. In the opinion of Entech, the resource evaluation reported herein is a reasonable representation of the global gold Mineral Resources within the Crake deposit, based on sampling data from RC and diamond (DD) drilling available as of 9 March 2021. The Indicated and Inferred Mineral Resources comprise oxidised, transitional and fresh rock.

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Table 18: Crake Mineral Resource Estimate at 0.8 g/t Au cut-off.

Material	Class	Tonnes	Au g/t	Ounces
Oxide	Indicated	69,244	1.45	3,223
Transition	Indicated	194,685	1.47	9,202
	Inferred	758	1.22	30
Fresh	Indicated	1,070,493	1.47	50,675
	Inferred	81,589	1.27	3,330
Grand Total		**1,416,783**	**1.46**	**66,450**

Source: Horizon ASX Announcement 7 September 2021.

VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resources within the Crake Project and has not identified any material areas of concern. In VRM's view, the Coote MRE can be considered reasonable as a global estimate. However, VRM has not verified the underlying geological databases or completed a full review of the Mineral Resource Estimates and all associated input data, and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review which is limited to publicly available ASX releases.

Details of the estimate are outlined in ASX Announcement 7 September 2021 and JORC Table 1 therein, and the reader is directed there for further details.

Coote

The Mineral Resource Statement for the Coote Gold MRE was prepared by Horizon during September 2022 and is reported according to JORC (2012). The Coote Inferred Mineral Resource contains 425 kt at 1.54 g/t Au for 21,000 oz at a 1.0g/t Au grade cut-off grade (Table 19; see ASX Announcement 28 September 2022 and CP statement therein).

Mineralisation interpretation is informed by 189 RAB, AC, RC and Diamond drillholes for 11,340 m of drilling. Approximately 50% of this drilling has been undertaken by Horizon or its predecessor, Intermin Resources, between 2009 and 2021. RAB drilling comprises 20% of the drilling, which was used to inform the geology model but was not used in grade estimation. A total of 59 RC and one (1) Diamond drill hole inform the grade estimation. The depth from surface to the current vertical limit of the Mineral Resources is approximately 150m.

Mineralisation wireframes were generated based on a nominal 0.3 g/t Au cut-off grade. Samples were composited to 1 m downhole, top-cut, and constrained within the mineralised domains (i.e. hard boundaries were used). Gold grades were estimated in Surpac using ID2. Bulk density values were assigned to be model based on 117 measurements from the nearby Crake deposit.

The CP for the information that relates to the Estimation and Reporting of Gold Mineral Resources is based upon information compiled by Mr Stephen Godfrey, the Resource Development Manager of Horizon. Mr Godfrey undertook a site visit to the Coote deposit on 19 July 2022 to inspect the prospect and has regularly reviewed and inspected the drilling and sampling protocols and practice during Horizon Drill programs.

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Table 19: Coote Inferred Mineral Resource Estimate at 1.0 g/t Au cut-off.

Material	Tonnes	Au g/t	Ounces
Oxide	67,500	1.81	3,900
Transition	37,600	1.37	1,700
Fresh	319,600	1.50	15,400
Total	**424,800**	**1.54**	**21,000**

Source: Horizon ASX Announcement 28 September 2022.

VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resources within the Coote Project and has not identified any material areas of concern. However, VRM has not verified the underlying geological databases or completed a full review of the Mineral Resource Estimates and all associated input data, and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review which is limited to publicly available ASX releases.

Details of the estimate are outlined in ASX Announcement 28 September 2022 and JORC Table 1 therein, and the reader is directed there for further details. VRM notes that CP signoff for the estimate has been assumed by Horizon, and in VRM's view, the Coote MRE can be considered reasonable as a global estimate.

4.12.3 Exploration Potential

In VRM's opinion there is additional exploration potential within the tenements. This exploration potential is both adjacent to the current Mineral Resources and regionally specifically associated with structural intersections with felsic volcanics which have a higher competency contrast when compared to the Black Flag sediments that dominate the majority of the tenements.

4.13 Nimbus Ag-Zn-Pb-Au

4.13.1 Local Geology and Mineralisation

The Nimbus Project lies within the Eastern Goldfields Province of the Archaean Yilgarn Craton, in the Kalgoorlie Terrain adjacent to the terrane boundary between the Kalgoorlie and Kurnalpi Terranes (Figure 35). The deposit is hosted in felsic units of the Boorara Domain and is the only known silver – zinc deposit in the Eastern Goldfields. Mineralisation is associated with volcanic hosted massive sulphides and consists of multiple zones of oxide silver/gold mineralisation, supergene silver/gold mineralisation and deeper primary silver/gold/zinc sulphide zones. Supergene-enriched oxide silver mineralisation overlies southeast plunging shoots of disseminated to massive Fe-Zn-Pb-As sulphides with associated elements including Ag, Sb, Bi and Cd, and also with high Hg content. The deposit is considered to be an Unconventional Volcanogenic Hosted Massive Sulphide (VHMS) deposit.

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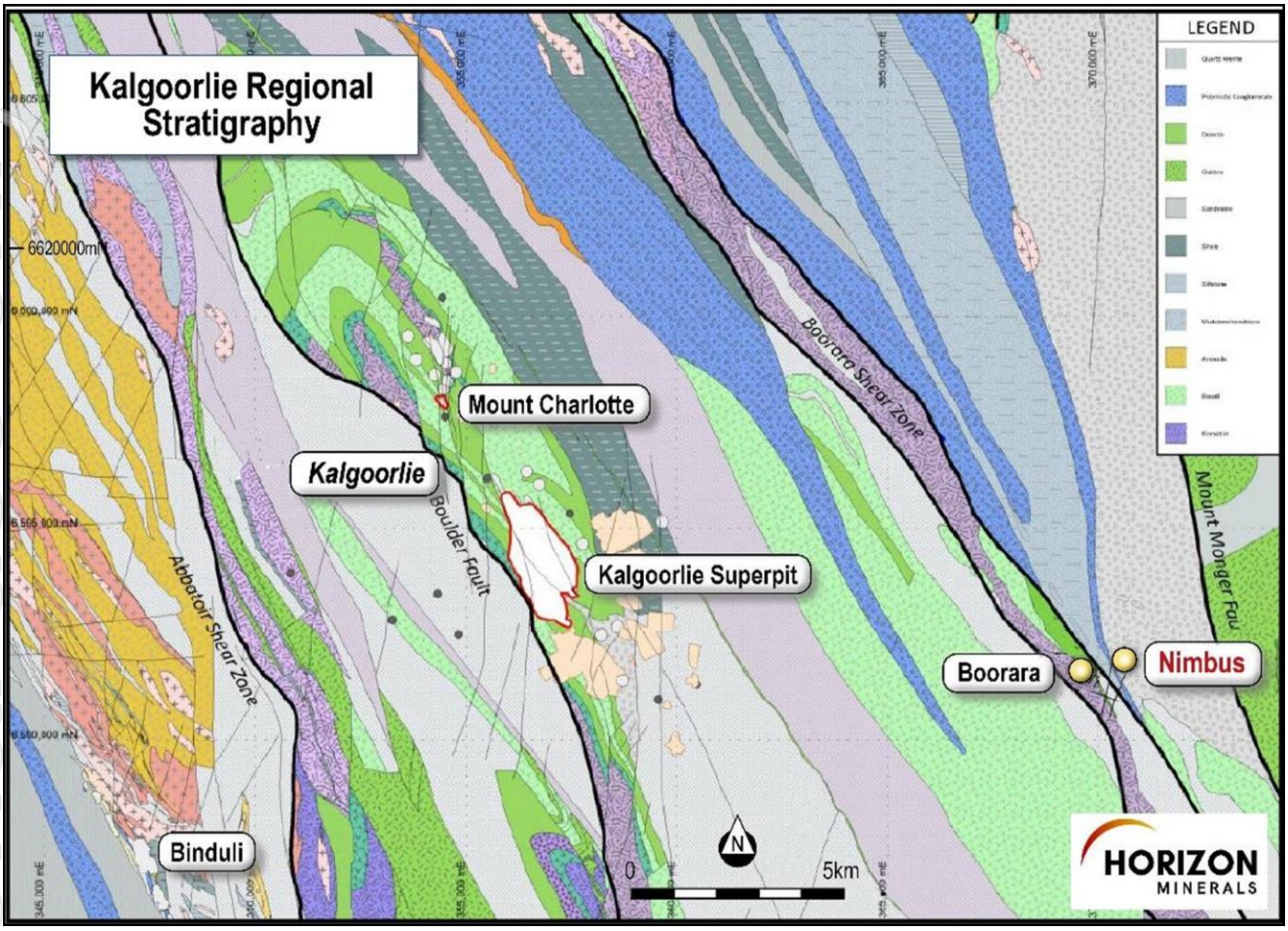


Figure 35: Nimbus Ag-Zn-Pb-Au Project geology and location.

Source: Horizon, ASX Announcement 11 February 2021.

4.13.2 Mineral Resource Estimates

The MRE for the Nimbus Ag-Zn-Pb-Au was first reported by MacPhersons Resources Ltd (MRP) (now a subsidiary of Horizon) in April 2015 (see ASX Announcement 30 April 2015 and CP statement therein) and has subsequently been re-reported in numerous ASX announcements. As of August 2024. the reported MRE for the Nimbus deposit is 12.1 Mt at 52 g/t Ag, 0.2 g/t Au, and 0.9% Zn containing 20.2 Moz of Ag, 77 koz of Au, and 104 kt of Zn (Table 20; see ASX Announcement 11 February 2021 and CP statement therein). The Mineral Resource is reported above cut-off grades of 25 ppm Ag, 1% Zn, and 0.5 g/t Au and classified as Measured, Indicated, and Inferred in accordance with JORC (2012).

In 2015, mineralisation wireframes were generated for Ag, Zn, and Au in Surpac by MRP based on a nominal 12 g/t Ag, 0.5% Zn, and 0.3 g/t Au cut-off grade and using 2 m down hole composites. A total of 37 zones of Ag mineralisation, 34 zones of Zn mineralisation, and 17 zones of Au mineralisation were modelled. In 2016, a high-grade sub-set of the mineralisation was modelled and estimated within the global Nimbus MRE by MRP on the basis of a 500 g/t Ag cut-off, minimum 2m drill width, a nominal 2 m internal dilution, and a 10% Zn cut-off, and a minimum 2 m drill width.

The 2015 MRE was completed by independent consultants CSA Global, and is based upon historical drill hole data, and drill hole data sourced from MacPhersons' drilling programmes between 2011 and late 2014. Grade estimation was based on only RC and DD samples (except for some historical RC and DD

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holes which were excluded) with samples from RAB and other hole types excluded. Samples were composited to 1 m downhole, top-cut, and constrained within the mineralised domains (i.e. hard boundaries were used). The base of complete oxidation (BOCO) was also used as a hard boundary during grade interpolation. Grades in the 2015 model were interpolated using OK. Grade estimation in the 2016 "high grade" model was by ID2. Bulk density measurements were reviewed by CSA in 2012, and unreliable measurements were excluded from the database. Density values were assigned to be model based on rock type and weathering.

The mineral resource has been depleted by the volume of the two (2) open pits present within the project area (Discovery Pit and East Pit).

In addition, two (2) MRE's of tailings deposits (located under the waste dump and within the East Pit) were also separately modelled and reported in 2013. These are included within the global Nimbus MRE (Table 21).

The CP for the 2013 TSF and the 2015 MRE is Mr David Williams of CSA Global Pty Ltd, an independent consulting company to MRP. The CP for the 2016 High Grade MRE is Mr Mark Rigby of MRP. The CP for the information that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Morrie Goodz who was a full-time officer of MRP.

Table 20: Global Nimbus Mineral Resource Estimate – All lodes and High-Grade

Nimbus All Lodes (bottom cuts 12 g/t Ag, 0.5% Zn, 0.3g/t Au)

Category	Mt	Ag (g/t)	Au (g/t)	Zn (%)	Ag (Moz)	Au (kt)	Zn (kt)
Measured Resource	3.62	102	0.09	1.2	11.9	10	45
Indicated Resource	3.18	48	0.21	1.0	4.9	21	30
Inferred Resource	5.28	20	0.27	0.5	3.4	46	29
Total Resource	**12.08**	**52**	**0.20**	**0.9**	**20.2**	**77**	**104**

Nimbus high grade silver zinc resource (500g/t Ag bottom cut and 2,800g/t Ag top cut)

Category	Mt	Ag (g/t)	Zn (%)	Ag (Moz)	Zn (kt)
Measured Resource	-	-	-	-	-
Indicated Resource	0.17	762	12.8	4.2	22
Inferred Resource	0.09	797	13.0	2.2	11
Total Resource	**0.26**	**774**	**12.8**	**6.4**	**33**

Source: Horizon, ASX Announcement 25 October 2024.

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Table 21: Global Nimbus Mineral Resource. Estimations for TSF1 and TSF2

Material	Classification	Tonnes	Ag	Au	Zn	Ag	Au	Zn
		Mt	(ppm)	(ppm)	(%)	(MOzs)	(KOzs)	(Kt)
oxide	Measured	0.355	84	0.04		0.96	0.46	
	Indicated	0.071	9	0.97		0.02	2.21	
	Inferred	0.009		1.43			0.41	
trans	Measured	0.614	83	0.13		1.64	2.57	
	Indicated	0.270	62	0.40		0.54	3.47	
	Inferred	0.006		1.25			0.24	
fresh	Measured	2.428	113	0.08	1.80	8.82	6.24	43.70
	Indicated	2.841	47	0.17	1.10	4.29	15.53	31.25
	Inferred	5.142	20	0.27	0.60	3.31	44.64	30.85
TSF1	Measured	0.082	61	0.14	0.03	0.16	0.37	0.02
	Indicated							
	Inferred	0.126	57	0.13	0.03	0.23	0.53	0.04
TSF2	Measured	0.133	63	0.05	0.15	0.27	0.21	0.20
	Indicated							
	Inferred							
Total	Measured	3.61	102	0.08	1.22	11.85	9.85	43.93
	Indicated	3.18	47	0.21	0.98	4.85	21.21	31.25
	Inferred	5.28	21	0.27	0.58	3.54	45.82	30.89
	Total	12.08	52	0.20	0.88	20.24	76.88	106.07

Source: Horizon, ASX Announcement 28 August 2024.

On 28 August 2024 Horizon announced an exploration target down plunge of the discovery pit of 550,000 to 700,000 t with a grade range of 3.4 to 3.6% Zn, and 140 to 210 g/t Ag, with minor (0.45 to 0.65%) Pb.

VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resources within the Nimbus Project and has not identified any material areas of concern. Details of the estimate are originally outlined in MRP ASX Announcement 30 April 2015 and JORC Table 1 therein, and the reader is directed there for further details. However, VRM has not verified the underlying geological databases or completed a full review of the Mineral Resource Estimates and all associated input data, and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review which is limited to publicly available ASX releases.

VRM notes that it is not clear how complementary the 2016 MRE is to the 2015 MRE. The 2015 MRE is considered to be a MRE of the total (in situ) Nimbus deposit, whilst the 2016 MRE is a high-grade subset of the 2015 MRE, albeit with different wireframes generated at different cut-off grades. The 2015 MRE used a parent cell size of 10 m E by 4 m N by 5 m RL, and the 2016 MRE used a parent cell size of 10 m E by 4 m N by 2 m RL. Ideally the parent block sizes in the two (2) models should be the same or a block size that is dividable by the other. In this case the block size in the Z direction is 5 m in the 2015 model

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and 2 m in the 2016 model meaning that the blocks would not align if the models were added together (assuming the two (2) models had the same origin). A block size of 5 m or 2.5 m in the 2016 would have been a better option. Given the way the two models have been generated, blocks within the 2015 model would have been informed by samples used in the 2016 model. Depending on the search parameters used it may mean that some blocks within the 2015 model are overestimated. It is recommended that future updates consider updating the whole deposit as one MRE (which has high grade domains) instead of two (2) standalone models.

4.13.3 Project Status, Technical and Economic Studies

The Nimbus Silver-Zinc Project was placed on care and maintenance in 2007 after producing 3.6 Moz of silver from 318 kt of ore processed at a grade of 353 g/t Ag.

In 2006, Nimbus was classified as a contaminated site by the Department of Water and Environmental Regulation (DWER) as Contaminated – Remediation Required under the Contaminated Sites Act from the historic mining and processing of ore which restricted some activities. Following the merger with MacPherson Resources in 2019, Horizon undertook a Mandatory Review Audit process under the Contaminated Sites Act to carry out cleanup works to reclassify the site. The Company completed the clean-up in 2022, and the MAR report is nearing completion to submit to DWER to reclassify the site. The old plant was removed and the area rehabilitated. The mine office and other infrastructure is still in place, operational, and on grid power.

There have been multiple studies including a Definitive Feasibility Study completed in 2015 for the combined Boorara and Nimbus Project.

Additional studies including an analysis of concentrate that could be produced from the Nimbus Project and potential marketing of the concentrates was undertaken in 2021. The study into the potential concentrates from Nimbus included the processing of the primary or fresh material from the Teal Gold deposit.

An independent review by Australian Mining Consultants (AMC) and Sedgmen was commissioned in 2022 to assess the historic data, mine optimisations and metallurgical work to evaluate the optimal pathway forward for the project. The review highlighted the potential of the project through underground mining the fresh higher-grade ore below the historic Discovery pit and generating a silver and a zinc concentrate for sale to potential offtake partners. A gold concentrate was also assessed to improve overall life of mine given the need for additional tonnage to underpin a concentrator at site.

4.13.4 Exploration Potential

In VRM's opinion there is additional exploration potential within the tenements. This exploration potential is both adjacent to the current Mineral Resources and regionally. One specific target is adjacent to and associated with the high-grade silver zinc mineralisation which has been assessed for possible development options. In March 2022 (ASX release 24 March 2022) Horizon announced an update on the Nimbus Project which included an Exploration Target of between 550,000 t and 700,000 t at a grade of between 140 g/t and 210 g/t Ag and 3.4% and 3.6% zinc along with minor lead. VRM cautions that this Exploration Target is conceptual in nature and that there has been insufficient work to allow the estimation of a Mineral Resource, and it is uncertain whether additional work will result in the delineation of a Mineral Resource.

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4.14 Eastern Goldfields Exploration Projects

4.14.1 Balagundi, Kanowna South and Black Flag

The Balagundi-Kanowna South areas are also highly prospective for gold with the local geology dominated by a sedimentary sub-basin comprising shale, siltstone and greywackes that have been intruded by gabbroic sills and felsic porphyry dykes which provide additional exploration opportunities. Data review, including recent seismic data has indicated some prospective targeting of future drill programs in the area.

The Black Flag project is located about 35 km NNW of Kalgoorlie and overlies part of the highly prospective Abattoir Shear Zone (Teal-Jacques-Gimlet Deposits) and arguably, the south-eastern edge of Mt Pleasant anticline. The geology is dominated by the Black Flag volcanics, sediments and porphyry intrusives.

Much of the historical (drilling) work at Black Flag was completed by Centaur Mining (1996-1998) and Placer Dome (2003-2006). This work resulted in an improved geological understanding of the area which was mostly covered by sheet wash and lake clays. There are few, if any, historical drill holes of note, the best result being 1 m at 1.24 g/t (38 m) and 1 m at 4.46 g/t (46 m) from BFLA553 near the interpreted Abattoir Shear.

Late in 2019, Horizon conducted a first pass 4 hole RC program at Black Flag aimed at helping improve the regolith profile understanding as well as testing selected areas where the historical drilling had discovered minor, but anomalous, levels of gold. Significant results achieved included:

- 1 m at 2.84 g/t Au from 41 m; and
- 1 m at 1.07 g/t Au from 23 m.

Follow up drilling in 2021-2022 also discovered new prospects at Black Flag with an encouraging shallow intercepts of:

- 8 m at 2.19 g/t Au from 30 m including 5 m at 3.03 g/t Au from 30 m (BFAC21013); and
- 1 m at 0.55 g/t Au from 14 m and 1 m at 2.74 g/t Au from 26 m (BOH, BFAC21026).

Further drilling is planned in 2024.

The Kanowna South prospect, located 5 km south of the Kanowna Belle gold mine, has progressed with further encouraging gold results highlighted by recent drilling that comprised eight AC holes for 465 m and twelve RC holes for 1,270 m during 2023. Significant results to date include:

- 1 m at 5.91 g/t Au from 66 m in KSRC23008. Strong arsenopyrite and fuchsite mineralisation was observed.
- 1 m at 4.40 g/t Au from 46 m in KSAC23002.
- 21 m at 0.44 g/t Au from 54 m in KSRC23002 including 3 m at 0.74 g/t Au from 55 m.

4.14.2 Lakewood

Lakewood is located 20 km southeast of Kalgoorlie – Boulder, adjacent to Boorara and only 8 km southeast of Kalgoorlie's super pit within the Black Flag Formation with influence from the Gidji and Boorara shears, the Golden Mile dolerite and the Boulder-Lefroy fault.

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The Lakewood project is extensively covered by Playa Lake sediments, aeolian deposits derived from desiccated playas and other transported Cainozoic material. Only a small portion of the Project area is covered by in-situ soils, and there is virtually no outcrop. Lakewood typically comprises a thin veneer of soils overlying plastic clays that vary in thickness from 2 m – 40 m. Below this are unconsolidated clays and sands and then bedrock. Sandy grey clay filled paleochannels exist within the central Project area, some of which host small amounts of alluvial gold. There has been no mining activity on the tenure.

The interpreted geology of the Lakewood project is a late-stage sedimentary basin dominated by metamorphosed sedimentary rocks and felsic volcanic/intrusive rocks of the Black Flag Formation, together with a sequence of sediments, basalts, mafic and ultramafic intrusives on the eastern edge.

Recent interpretative gravity work in 2021 by an external consultant has shown that this linear zone of mafic/ultramafic intrusives is located on a regional scale (~10 mGal), deep seated (+1,600 m) NNW trending, vertical dipping litho-boundary. This could be a potentially key driver as many of the Ni and Platinum Group Metals (PGM) occurrences in the Eastern Goldfields are sited close to deep crustal structures.

The Company has completed a first pass reconnaissance program comprising 59 AC holes for 3,002 m testing four priority targets for nickel-cobalt and platinum group metals over a mafic/ultramafic intrusives and sediments. Initial assays were received from drilling over a mafic/ultramafic intrusive and sediments returning shallow, highly anomalous Pt-Pd-Ni-Co mineralisation in the weathered profile.

Significant composite results received to date from the key targets include:

- 8 m at 206 ppb Pt & 35 ppb Pd from surface (PGM 2E 0.24 g/t), 4 m at 67 ppb Pt and 39 ppb Pd from 8 m (PGM 2E 0.11g/t) 3 and 4 m at 124 ppb Pt and 24 ppb Pd from 24 m (PGM 2E 0.14 g/t) (LKAC21025)
- 4 m at 133 ppb Pt & 37 ppb Pd from 20 m (PGM 2E 0.17 g/t), and 4 m at 90 ppb Pt, 34 ppb Pd and 503 ppm Ni from 24 m (LKAC21014)
- 8 m at 131 ppb Pt, 14 ppb Pd (PGM 2E 0.14g/t), 726 ppm Ni, 119 ppm Co from 20 m and 4 m at 102 ppm Cd from 64 m, 4 m at 921 ppm Cu from 68 m (to end of hole) (LKAC21023)
- 4 m at 33 ppb Pt & 77 ppb Pd (PGM 2E 0.11g/t), and 417 ppm Ni from 32 m (LKAC21020)

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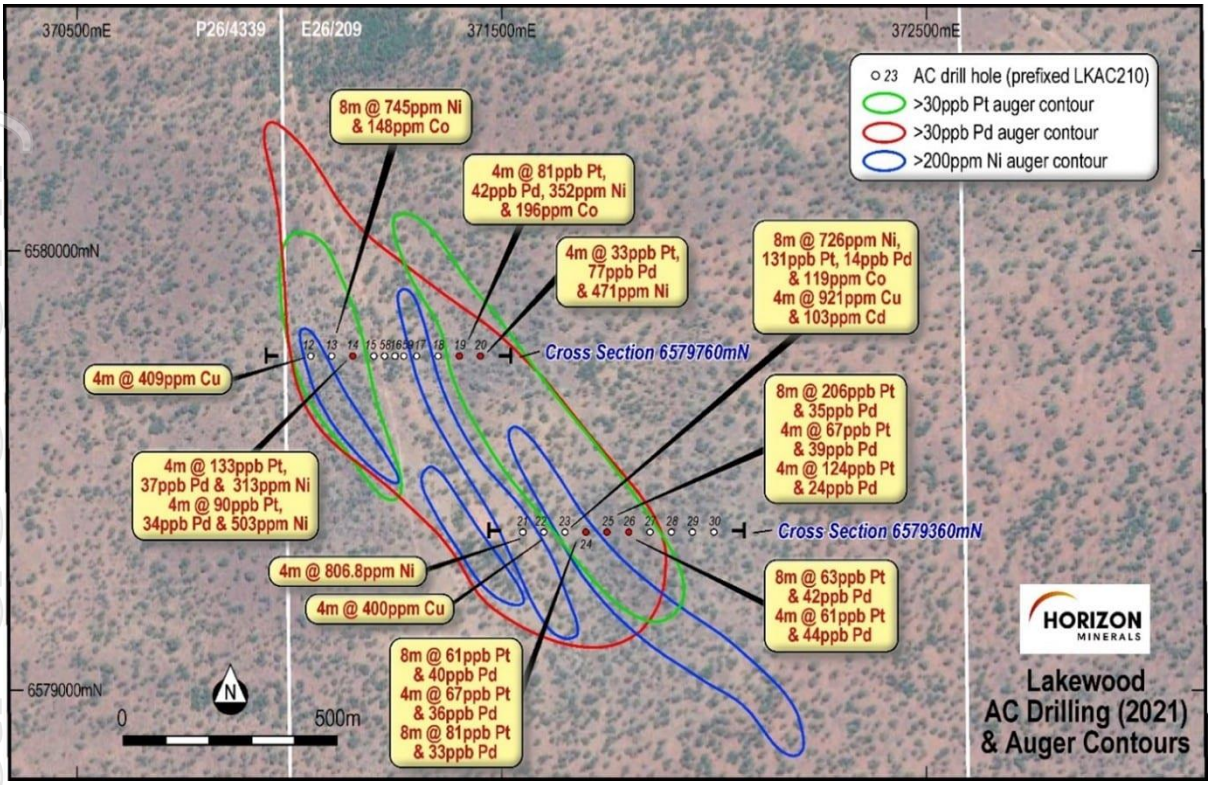


Figure 36 Lakewood AC drilling

Source: Horizon, 2024.

Very little Ni-PGM information is available on the GSWA-WAMEX website relating to the historical exploration in this anomalous area (Figure 36) and, in particular, the mafic/ultramafic intrusives. Field inspection prior to drilling identified encouraging but occasional ironstone gossan float trails and shallow (gossan) pitting within a weathered ultramafic host. Both areas were drill tested with the AC rig.

Maximum 4 m composite results of 259 ppb Pt, 77 ppb Pd, 807 ppm Ni, and 162 ppm Co are encouraging and combined with elevated Ag (6.58 g/t), As (188 ppm), Au (47 ppb), Cd (102 ppm), Cu (921 ppm), Pb (0.12%) and Zn (0.16%) suggests that the Lakewood intrusive/sedimentary complex has a genuine polymetallic signature1. Single samples have been collected and submitted for confirmation multi-element analysis.

A gravity map is shown in Figure 37 and highlights several 'red' gravity highs at Lakewood. Gravity maps typically demonstrate the variations between rock density units below the surface. Higher density rocks (e.g. mafic dolerite or ultramafic intrusive rocks) produce a higher gravity reading compared to low density rocks (e.g. clays, shales, siltstone). The gravity trend extends for 9 km. Gravity highs in the central or western portion of Lakewood possibly represent large intrusive buried beneath the sedimentary cover. The gravity highs to the east of the litho-boundary structure also have a strong and disrupted magnetic signature. Other deep structures are clearly visible and provide a number of new and

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essentially untested drill targets.

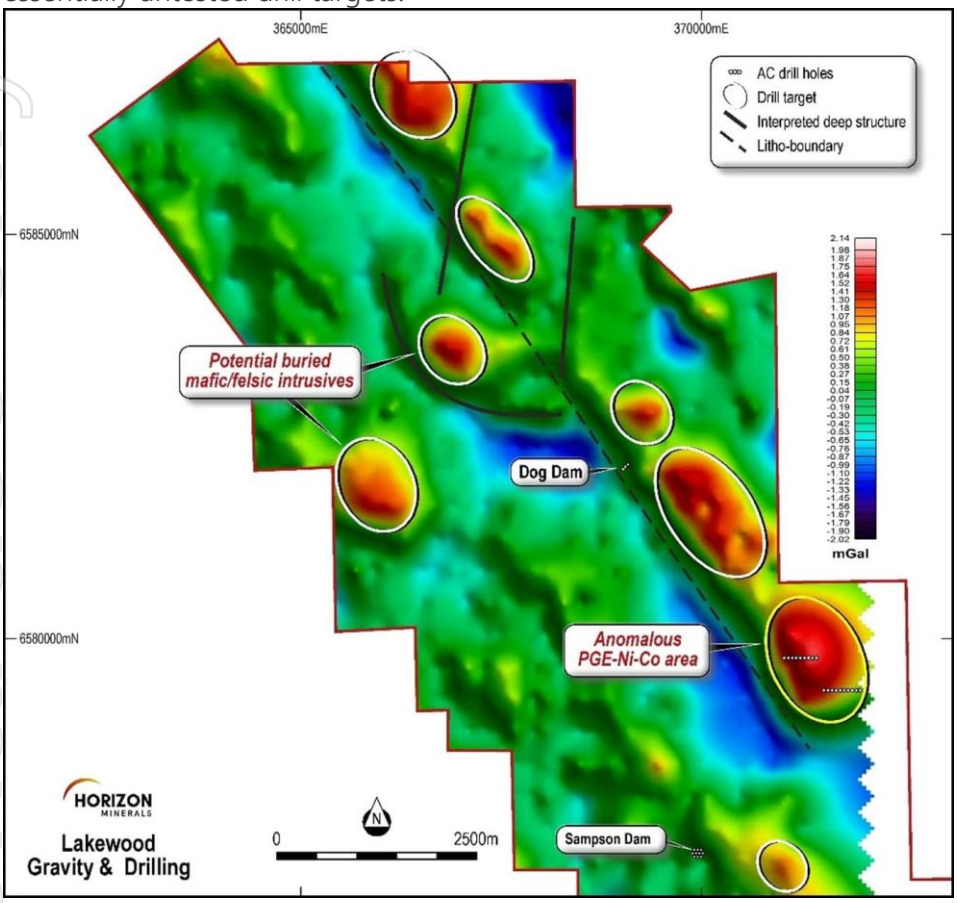


Figure 37 Gravity anomalies within the Lakewood Project

Source: Horizon, 2024.

4.14.3 Yarmany East

The Yarmany East gold-lithium project is located ~50 km northwest of Coolgardie. Due to limited outcrop in 2021 and 2022 Horizon undertook first pass soils sampling (321 samples) and auger sampling (976 samples), with differing sampling and analytical techniques and at a variable sample spacing. Soils were typically taken on a 100 m x 100 m grid over prospective gold targets in 2021 while the augers were part of the 2022 regional multi-element sampling program that covered the entire Yarmany tenure.

Horizon retained the Yarmany East tenure while in 2023 the western portion was optioned to Metal Hawk Limited (ASX: MHK) (Metal Hawk) (ASX release 5 July 2023). Metal Hawk has undertaken early stage nickel and lithium exploration, as detailed below.

The eastern portion contains an approximately >14 km linear trend coincident to the Reptile Shear with anomalous gold and lithium soils/auger holes that contains spot highs of Li (up to 118 ppm), Cs (up to 13.5 ppm) and Rb (up to 197 ppm). The anomalous lithium trend averages widths of 100 m-300 m. One of the individual anomalies located to the west and perpendicular to the shear is approximately 1.5 km long and is orientated east-west. Regionally and within the Project the Reptile Shear has demonstrated gold mineralisation but has had negligible lithium exploration (Figure 38 and Figure 39).

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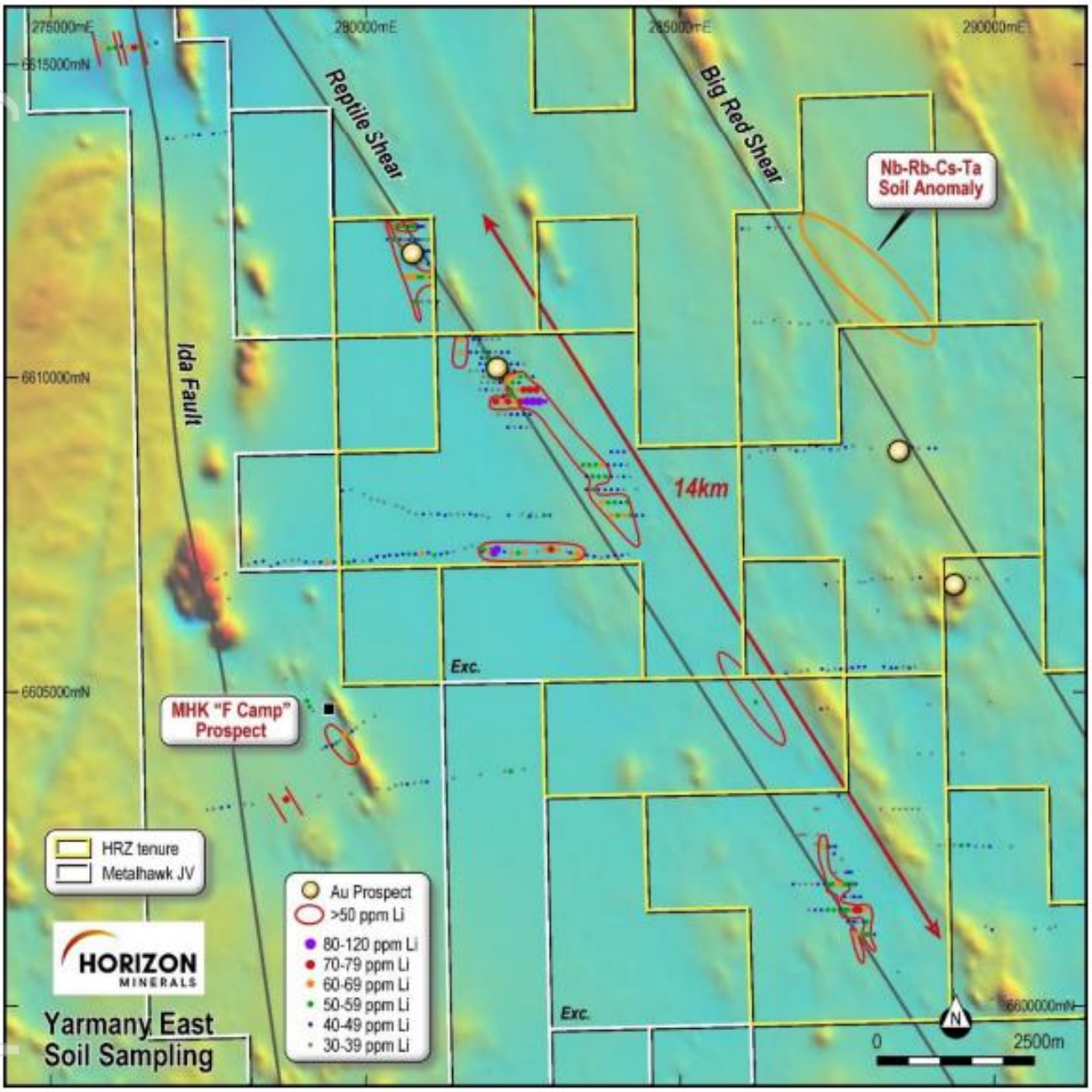


Figure 38 Yarmany East lithium soil and auger sampling

Source Horizon ASX release 1 December 2023

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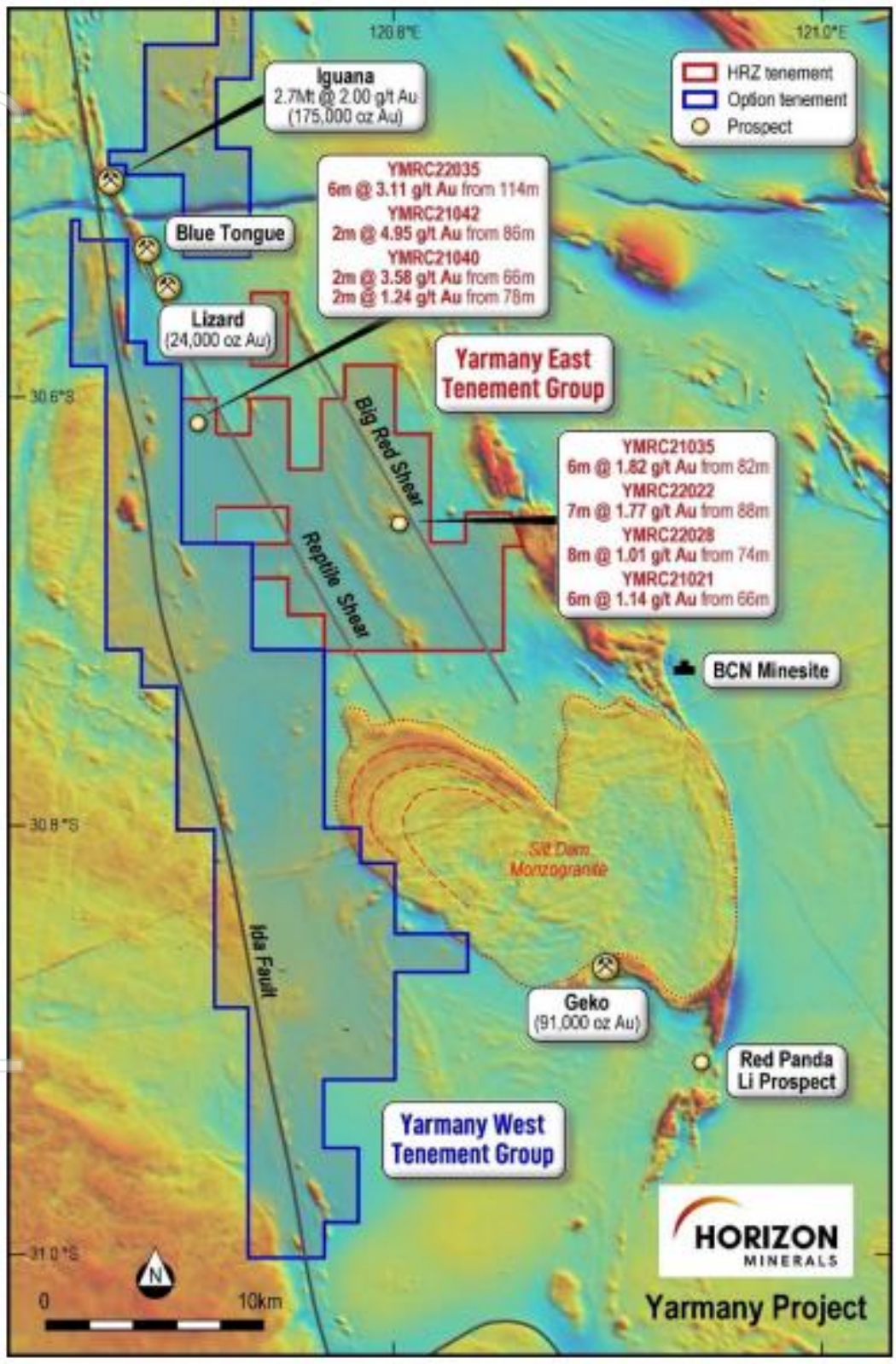


Figure 39 Yarmany East gold anomalism

Source Horizon ASX release 1 December 2023. Note The tenement outline and status are outdated.

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4.15 Bridgetown - Greenbushes Lithium Project

Horizon purchased two tenements and pegged five additional tenements to form the Bridgetown - Greenbushes Lithium Project in October 2023 (ASX release 5 October 2023). The two purchased tenements, E70/5980 and E70/5981 are located 5 km north and 10 km southwest of Bridgetown in southern Western Australia.

The regionally significant Bridgetown – Donnybrook Shear Zone which hosts the Greenbushes Lithium Mine. The majority of the lithium pegmatite occurrences occur to the west or close to the interpreted location of the shear zone. In most of the tenements are located between 2.5 and 6 km to the east of the main shear zone. VRM does note however that while there is a spatial association between the shear zone and the pegmatite intrusions from the research reviewed the source of the Greenbushes pegmatite body is uncertain and the spatial association of the shear may not a critical vector to fertile pegmatite bodies.

Additionally, the tenements are all located either close to or within state forests or cover small freehold farms or houses. While this does not preclude exploration activities it does significantly impact the timeframe to conduct any exploration with either high levels of environmental regulation to explore within state forests or extensive community / stakeholder engagement prior to undertaking significant exploration activities.

Horizon announced in December 2023 (ASX release 29 November 2023, re-released 1 December 2023) that it has undertaken preliminary field work consisting of rock chip sampling and roadside verge soil sampling. Assay results from this sampling released on 1 March 2024 indicated that there was some low-level anomalism within the samples with lithium assay results up to 91.9 ppm Li within a background of around 20-40 ppm Li. Additional work is required to determine the significance of these results.

4.16 Windanya and Baden Powell Project Option

The Windanya and Baden Powell Gold Projects are subject to an option agreement, announced on 30 August 2023 (HRZ ASX release 30 August 2023) whereby Dundas Minerals Limited (ASX: DUN) (Dundas) can exercise the option to acquire up to 85% of the project by paying $1 million. The option fee was $0.5 million on signing and an additional fee of $125,000 payable 12 months from the anniversary of the execution date. Dundas is required to incur a minimum exploration expenditure of $0.5 million. If the option is exercised, then Horizon will be free carried at 15% to a decision to mine. Combined, the Projects cover 3,230 hectares.

For the valuation in this report VRM has assumed that Dundas will exercise the option, and that Horizon holds a 15% free carried interest with the valuation contained in this report based on Horizon having 15% equity in the Project.

4.16.1 Windanya Gold Project

4.16.1.1 Local Geology and Mineralisation

The Windanya Gold Project is located ~45 km north of Kalgoorlie in the Eastern Goldfields of Western Australia and is covered by Prospecting Licence P 24/5057 (Figure 40). The Project hosts the Capricorn Gold Mineral Resource estimate.

The geology of the area consists of typical Archaean greenstone belt lithologies of the Norseman-Wiluna Belt and is positioned between two granite masses. The broadly NW-trending host sequences

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include basalt, dolerite, ultramafic units (komatiite and peridotite) and sedimentary rocks (shale, siltstone, graywacke and conglomerate), cut by east-west trending Proterozoic dolerite / gabbro dykes. The local stratigraphy at Capricorn consists of a series of altered tholeiitic and ultramafic lavas. The ultramafic rocks are represented by strongly foliated talc-chlorite-tremolite-ilmenite schists that dip at 50° to the east and contains a well-developed graphite bearing shear. This shear zone is interpreted as the structural feature that hosts the Capricorn gold mineralisation.

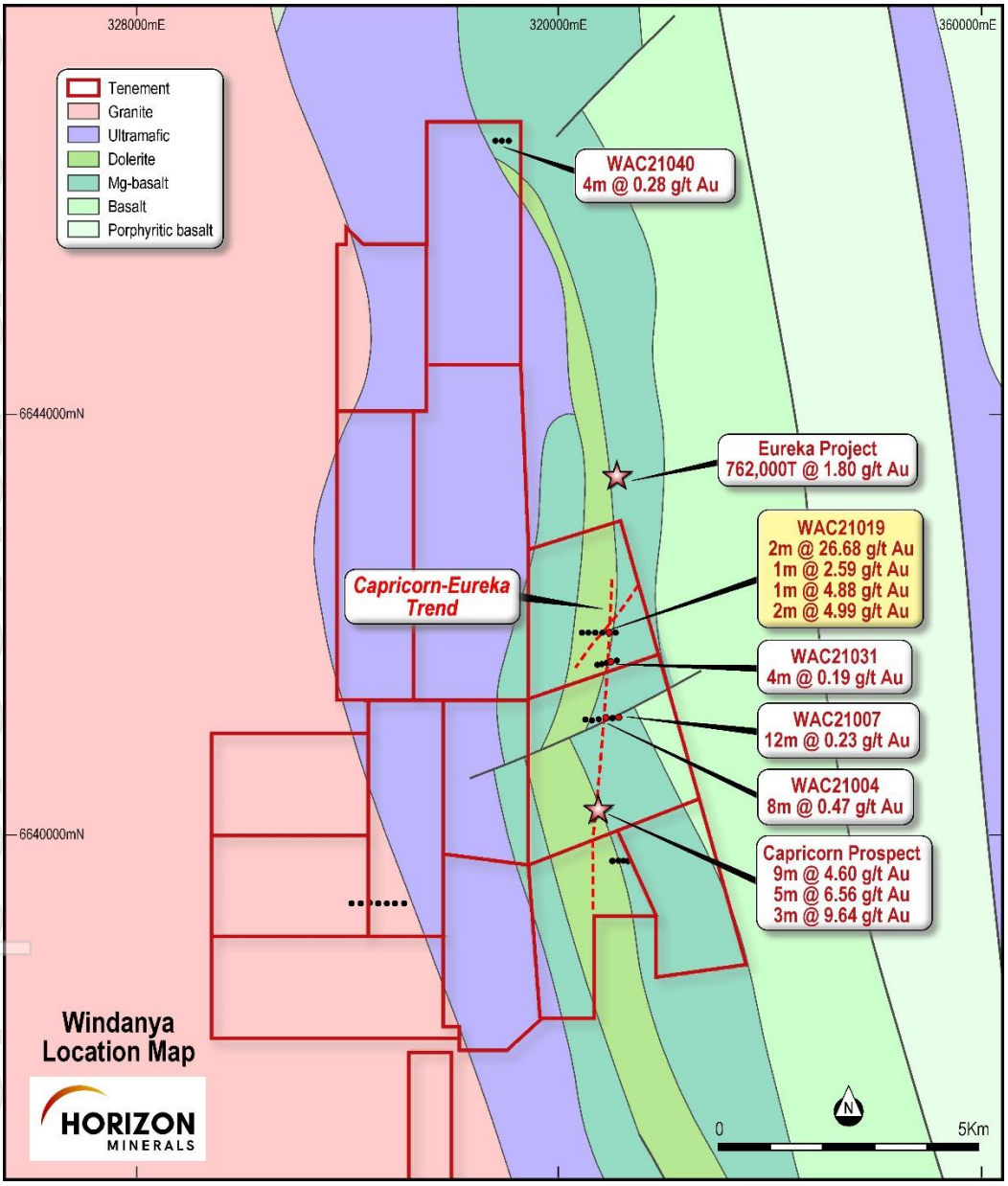


Figure 40: Capricorn Gold Project geology and location.

Source: Horizon

4.16.1.2 Mineral Resource Estimates

The maiden MRE of the Capricorn project was undertaken by Horizon and announced in September 2022 and totalled 659,300 t of Inferred Mineral Resources at 1.20 g/t Au for 25,500 oz at a 0.5 g/t Au cut-off

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(Table 22; see ASX Announcement 28 September 2022 and CP statement therein). The geology and mineralisation interpretation is based on 66 RAB, RC, and DDH for a total of 5,458 m of drilling. Approximately 60% of this drilling was undertaken by Horizon in 2019 and 2021. RAB drilling comprises 10% of the drilling but was only used to inform the geology model but was not used for grade estimation.

Samples were composited to 1 m downhole, top-cut, and constrained within the mineralised domains (i.e. hard boundaries were used). Gold grades were interpolated in Surpac using ID2. No density measurements have been collected at Capricorn. Bulk density values were assigned to be model based on published data for the nearby Bardoc Zoroastrian Resource. No dilution, cost factors, or metallurgical recovery factors were applied to the MRE.

The CP for the information that relates to the Estimation and Reporting of Gold Mineral Resources is based upon information compiled by Mr Stephen Godfrey, the Resource Development Manager of Horizon. Mr Godfrey undertook a site visit to the Capricorn deposit on 21 May 2021 to inspect the prospect and has regularly reviewed and inspected the drilling and sampling protocols and practice during Horizon Drill programs.

Table 22: Capricorn Inferred Mineral Resource Estimate by material type at 0.5 g/t Au cut-off.

Material	Tonnes	Au g/t	Ounces
Oxide	313,100	1.23	12,400
Transition	138,800	1.24	5,500
Fresh	207,400	1.13	7,500
Total	**659,300**	**1.20**	**25,500**

Source: Horizon ASX Announcement 28 September 2022.

VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resources within the Capricorn Project and has not identified any material areas of concern. Details of the estimate are outlined in ASX Announcement 28 September 2022 and JORC Table 1 therein, and the reader is directed there for further details. VRM notes that CP signoff for the estimate has been assumed by the Company, and in VRM's view, the Capricorn MRE can be considered reasonable as a global estimate.

4.16.2 Baden Powell Gold Project

4.16.2.1 Local Geology and Mineralisation

The Baden Powell Gold Project is located ~60 km North of Kalgoorlie-Boulder, Western Australia covering multiple tenements over an approximate area of 32 km^2. A MRE has been completed for the Baden Powell deposit that is located within Mining Lease M 24/959 (Figure 41).

The majority of the Project area occurs within greenstone rocks near the western margin of the Bardoc Tectonic Zone. The Baden Powell gold deposit mineralisation is typically hosted within moderate to steep dipping shears along lithological contacts, with historic mining developed along narrow (0.1 m – 3.0 m) quartz reefs which pinch and swell along strike and dip. A northwest-trending sub-vertical shear zone which is parallel to the strike of the host rocks can be traced for at least 3 to 4 km and is interpreted as a primary structural control to mineralisation.

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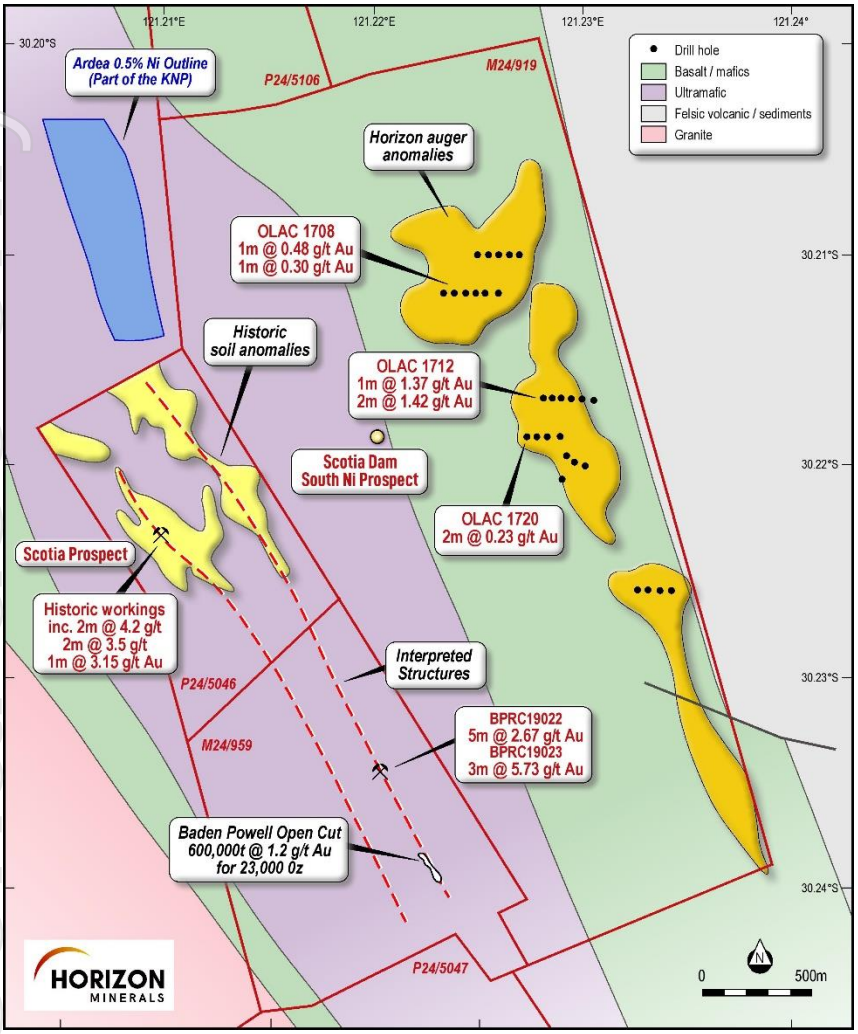


Figure 41: Baden Powell Gold Project geology and location.

Source: Horizon

4.16.2.2 Mineral Resource Estimates

The maiden MRE of the Badel Powell project was undertaken by Horizon and announced in September 2022 and totalled 595,000 t of Inferred Mineral Resources at 1.20 g/t Au for 23,000 oz at a 0.5 g/t Au cut-off (Table 23; see ASX Announcement 28 September 2022 and CP statement therein). The geology and mineralisation interpretation is based on 106 RAB, RC and DDH for 7,930 m of drilling. Approximately 87% of this drilling was undertaken by Horizon or its predecessor, Intermin Resources, between 2011 and 2021. RAB drilling comprises 12% of the drilling. RAB data was used to inform the geology model but was not used in grade estimation. A total of 51 RC and 4 DDH tails inform the grade estimation.

Mineralisation wireframes were generated based on a nominal 0.3 g/t Au cut-off grade. Samples were composited to 1 m downhole, top-cut, and constrained within the mineralised domains (i.e. hard boundaries were used). Gold grades were interpolated in Surpac using OK. No density measurements have been collected at Baden Powell. Bulk density values were assigned to be model based on published data for the nearby Bardoc Zoroastrian Resource. No dilution, cost factors, or metallurgical recovery factors were applied to the MRE.

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The CP for the information that relates to the Estimation and Reporting of Gold Mineral Resources is based upon information compiled by Mr Stephen Godfrey, the Resource Development Manager of Horizon. Mr Godfrey undertook a site visit to the Baden Powell deposit on 21 May 2021 to inspect the prospect and has regularly reviewed and inspected the drilling and sampling protocols and practice during Horizon Drill programs.

Table 23: Baden Powell Inferred Mineral Resource Estimate by material type at 0.5 g/t Au cut-off.

Material	Tonnes	Au g/t	Ounces
Oxide	75,000	1.19	2,900
Transition	61,000	1.04	2,000
Fresh	459,500	1.22	18,000
Total	**595,000**	**1.20**	**23,000**

Source: Horizon, ASX Announcement 28 September 2022.

Between 1906 to 1911, 581 t at an average grade of 35.6 g/t Au were mined from the Baden Powell leases. In June 1985 5,000 t of material from part of the main Baden Powell shear was mined to provide a bulk sample for metallurgical evaluation. Approximately 855 t was shipped to Pancontinental Mining's Paddington plant for processing. The grade was reported as being between 3 and 4.51 g/t Au.

VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resources within the Baden Powell Project and has not identified any material areas of concern. However, VRM has not verified the underlying geological databases or completed a full review of the Mineral Resource Estimates and all associated input data, and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review which is limited to publicly available ASX releases.

Details of the estimate are outlined in ASX Announcement 28 September 2022 and JORC Table 1 therein, and the reader is directed there for further details. VRM notes that CP signoff for the estimate has been assumed by the Company, and in VRM's view, the Baden Powell MRE can be considered reasonable as a global estimate.

4.16.3 Exploration Potential

In VRM's opinion there is additional exploration potential within the tenements that are subject to the option agreement. This exploration potential is both adjacent to the current Mineral Resources and regionally.

4.17 Mt Thirsty Ni-Co Joint Venture

The Mt Thirsty JV is a 50%-50% Joint Venture between Horizon and Conico Limited (Conico). The Project is currently contained within retention licence R63/4, with Mining Lease application M63/670 currently in place over R63/4 and E63/1267, with Mining Lease application M63/669 covering the exploration lease.

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4.17.1 Local Geology and Mineralisation

The Project is underlain by the Archaean Mt Kirk Formation which outcrops at the southern end of the Norseman-Wiluna greenstone belt. The Mt Kirk Formation comprises a metamorphosed sequence of sediments, peridotite, pyroxenite, gabbro and mafic-felsic volcanic rocks which are intruded by granite and pegmatite dykes on its western side and in faulted contact with the Woolyeenyer Formation on its eastern side. Drilling indicates the pegmatite dykes in the local area are relatively flat lying.

The Mt Thirsty Cobalt-Nickel Deposit has formed within intensely weathered ultramafic peridotite orthocumulate rocks overlain by a Tertiary laterite capping. The host peridotite is sandwiched between a sediment–ultramafic-basalt sequence to the west and a pyroxenite unit to the east. The pyroxenite unit is interpreted to form the base of the Mt Thirsty Sill.

Deep chemical weathering and supergene enrichment processes associated with high rainfall in the Tertiary period have produced a relatively flat lying supergene blanket style deposit within the weathered profile beneath a ferruginous laterite cap. The laterite cap is up to 15 m thick but has been partly or completely eroded on the eastern side of the deposit forming several half mesas with steep slopes on their eastern sides and gentle slopes to the west. Oxidation of the peridotite extends down to almost 100 m below surface in some places where weathering processes have been focused down fractures.

The deposit is enriched in cobalt, nickel and manganese. The manganese and cobalt contents are particularly high compared to most nickel laterite deposits located in Western Australia. Most of the cobalt and some of the nickel is contained in the secondary manganese oxide mineral asbolane. Most of the nickel however is contained in goethite and some also occurs in silicate minerals in the lower saprolite horizon.

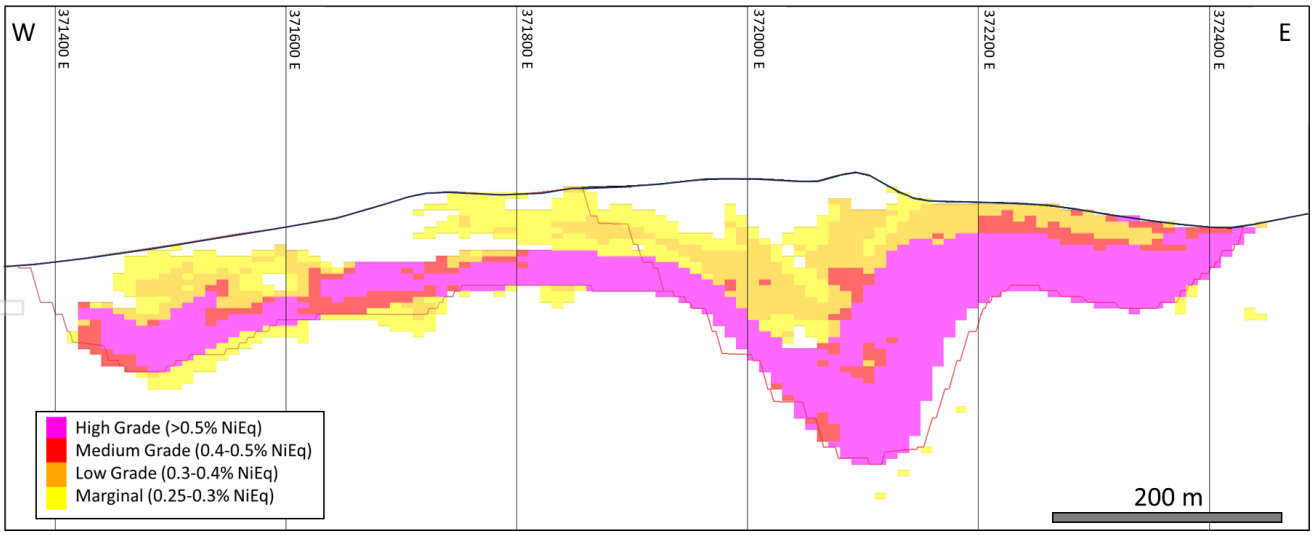


Figure 42: Cross section of the Mt Thirsty Ni-Co Deposit.

Source: Greenstone Resources, ASX Announcement 26 April 2023.

4.17.2 Mineral Resource Estimate

The Mineral Resource Statement for the Mt Thirsty MRE update was released by GSR in April 2023 and includes Mt Thirsty Main (MTTM) and Mt Thirsty North (MTTN). The total Mt Thirsty MRE includes 66.2 Mt of Indicated and Inferred Mineral Resources at a grade of 0.43% Ni, 0.06% Co, and 0.45% Mn (Table

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25; (see ASX Announcement 26 April 2023 and CP statement therein). The MRE is reported on a dry metric tonne basis at a Nickel Equivalent (NiEq) cut-off grade of 0.25%.

For MTTM, the majority of samples supporting the MRE have been obtained by the largely historic drilling of 686 vertical AC holes to maximum depths of about 100 m. Additional RC (8 holes), RAB (21 holes) and Sonic (7 holes) drilling was completed for confirmatory drilling, density sampling and metallurgical test work. All holes were drilled between 2006 – 2018. Drilled over the same period, the majority of MTTN samples were from AC drilling of 30 vertical holes to ~50 m.

Mineralisation wireframes were generated in Leapfrog based on geological and mineralisation hard copy cross section interpretation and Kmeans clustering analysis results. Grades for Co, Ni, Mn, Fe, Mg, Zn, and Al were estimated using OK in WSP proprietary software using samples that were composited to 1 m downhole, top-cut, and constrained using hard boundaries. Wet bulk density, moisture, and dry bulk density was assigned to each regolith horizon. The wet bulk density values were derived from sonic drill hole samples, and the moisture and dry bulk density values were obtained in 2018 from 142 core samples.

The Mineral Resources were reported within a RPEEE optimised pit shell which assumed mining costs of US$3.50/ t processing costs of US$55.50 t, and price and recoveries as listed in Table 24.

Table 24: Parameters used in the RPEEE optimised pit shell.

	Price (US$/t)	Recovery (%)	Payable Metal (%)
Nickel	63,600	92.0	85.0
Cobalt	27,600	92.0	70.0
Manganese	2,400	75.0	70.0

Source: Greenstone Resources, ASX Announcement 26 April 2023.

The CP for the information that relates to Mineral Resources is based on information provided to and compiled by Richard Gaze, who was a full-time employee of WSP Australia Pty Ltd, an independent consultant to Greenstone (now Horizon).

Table 25: Mt Thirsty MRE reported at a 0.25% Nickel Equivalent (NiEq) cut-off grade*.

Mt Thirsty (Cut-off Grade 0.25% NiEq%)

Category	Tonnes	Grade			Contained Metal		
	Mt	Ni (%)	Co (%)	Mn (%)	Ni ('000t)	Co ('000t)	Mn ('000t)
Mt Thirsty Main (MTTM)							
Measured Resource	-	-	-	-	-	-	-
Indicated Resource	30.2	0.51	0.10	0.69	154.7	29.3	207.8
Inferred Resource	31.9	0.35	0.03	0.24	110.4	9.3	76.6
Total Resource	62.1	0.43	0.06	0.46	265.1	38.5	284.4
Mt Thirsty North (MTTN)							
Measured Resource	-	-	-	-	-	-	-
Indicated Resource	-	-	-	-	-	-	-
Inferred Resource	4.2	0.43	0.05	0.29	17.9	2.0	11.8
Total Resource	4.2	0.43	0.05	0.29	17.9	2.0	11.8
TOTAL RESOURCE	**66.2**	**0.43**	**0.06**	**0.45**	**283.0**	**40.5**	**296.2**

Source: Horizon ASX Announcement 25 October 2024.

Notes: * NiEq = (Ni% x Ni Recovery % x Ni Payability %) + ((Co% x Co Price x Co Recovery % x Co Payability %) / Ni Price) + ((Mn% x Mn Price x Mn Recovery % x Mn Payability %) / Ni Price)

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VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resources within the Mt Thirsty Project and has not identified any material areas of concern not withstanding that the MRE is mostly based on historic drilling not managed by Horizon. However, VRM has not verified the underlying geological databases or completed a full review of the Mineral Resource Estimates and all associated input data, and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review which is limited to publicly available ASX releases.

Details of the estimate are outlined in ASX Announcement 26 April 2023 and JORC Table 1 therein, and the reader is directed there for further details. VRM notes that CP signoff for the data supporting the estimate has been assumed by the Company, with independent consultant WSP assuming responsibility for the MRE.

4.17.3 Project Status, Technical and Economic Studies

There have been several studies into the viability of the Mt Thirsty Project including a Pre-Feasibility study completed in 2020 (ASX release 20 February 2020) and an additional updated study, now being completed and classified as a Scoping Study with both studies proposing a High-Pressure Acid Leach (HPAL) process. The updated study proposes to produce a precursor Cathode Active Material (pCAM) which is reported to attain a higher payability than the previous study.

VRM considers that the updated processing methodology while technically achievable there are high capital costs associated with the proposed processing plant which VRM considers will cause challenges to assessing development options for the Mt Thirsty JV, therefore the viability of the project is difficult to determine.

VRM does also note that the more recent HPAL plants being built in Indonesia are reported to be able to progress from feasibility study to construction and ramp-up to commercial operations in a short timeframe. It is also reported that the construction costs of the new fifth generation HPAL plants in Indonesia are around US$30,000 – US$35,000/annual tonne of nickel compared to the previous generation HPAL plants costing close to US$100,000 /annual tonne of nickel.

4.17.4 Exploration Potential

The deposits are constrained by the distribution of the causative and hosting ultramafic unit, which at MTTM is limited to the north and south by the tenement boundaries, with minor scope to define the ultramafic unit to the west (Figure 43). Albeit still largely unconstrained by drilling, moderate scope exists to define additional ultramafic along and across strike of the currently defined lithostratigraphy that hosts the mineralisation at MTTN.

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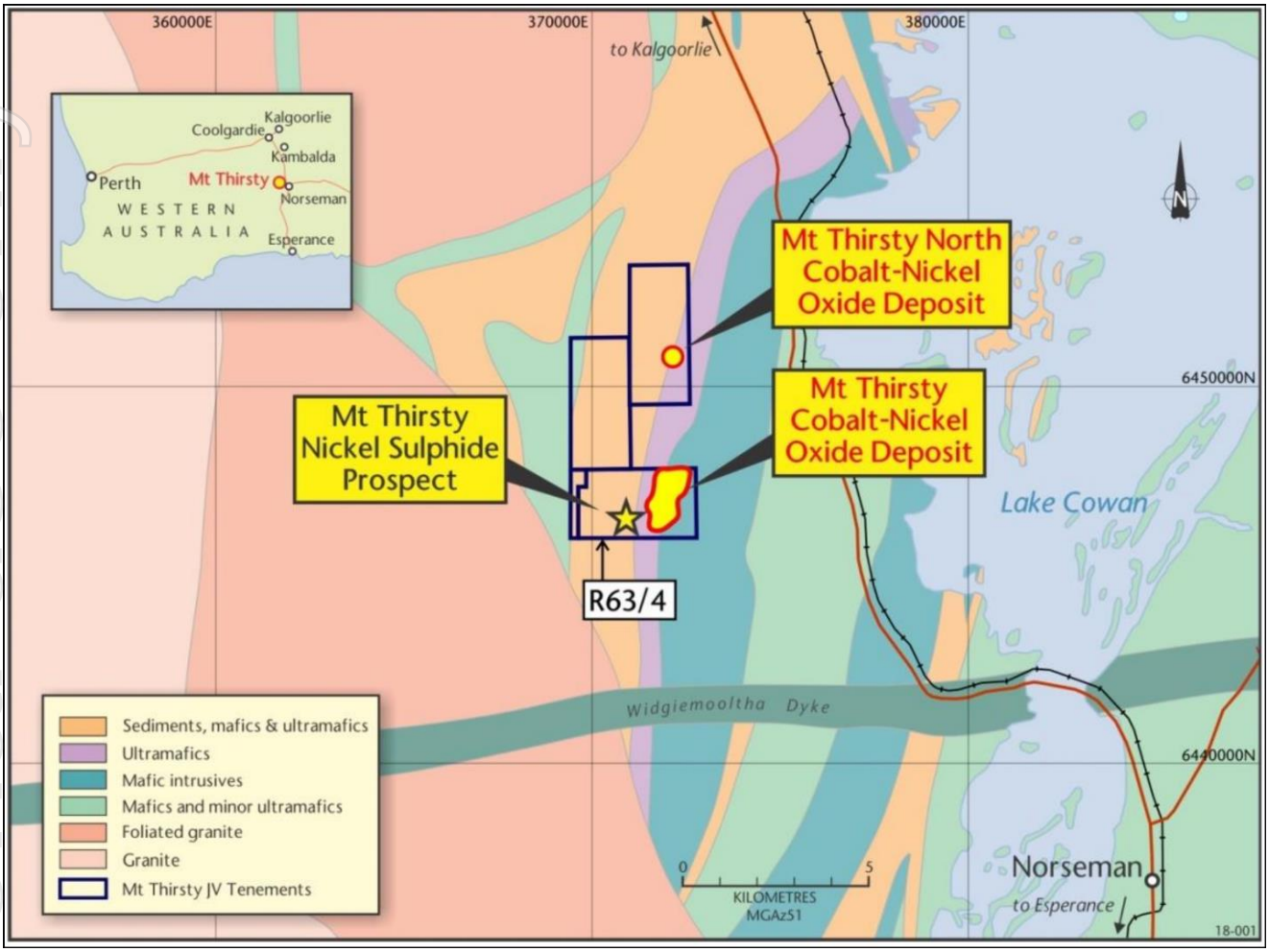


Figure 43: Aerial extent of the Mt Thirsty Ni-Co Deposits and hosting ultramafic unit.

Source: Barra Resources, ASX Announcement 20 February 2020.

4.18 Yarmany West Option – Metal Hawk

Metal Hawk has entered into an option agreement to potentially acquire 100% of seven tenements which form part of Horizon's Yarmany Project. The tenements are adjacent to the Ida Fault and have both nickel and lithium (pegmatite) potential. Under the option agreement Metal Hawk can acquire 100% of the tenements by paying $1 million. The option fee was $0.4 million on signing which consisted of $0.2 million in cash and $0.2 million in Metal Hawk shares. Metal Hawk is required to incur a minimum exploration expenditure of $0.5 million. Prior to exercising the option Metal Hawk is required to spend $1 million within 24 months of exercising the option agreement. To acquire 100% of the tenements Metal Hawk is required to pay $1 million in shares or cash (at Metal Hawk's election) however Horizon can forgo this payment and retain a 20% free carried interest to a decision to mine. For the valuation in this report VRM has assumed that Metal Hawk will exercise the option and that Horizon elects to retain the 20% free carried interest in the tenements.

Metal Hawk has undertaken exploration on the option tenements with the identification of several EM anomalies in stratigraphic positions that are prospective for nickel mineralisation. Additionally, Metal Hawk has undertaken lithium drilling and identifying thick pegmatite occurrences however no significant lithium assays were received. In VRM's opinion additional exploration is justified within the Project.

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A Metal Hawk ASX release of 16 April 2024 detailed several drill results from Aircore drilling undertaken in February and March 2024. There were anomalous nickel and lithium drill results and minor gold drill results from selected samples. Metal Hawk has announced that it intends to undertake additional drill testing of selected targets once heritage clearances are completed.

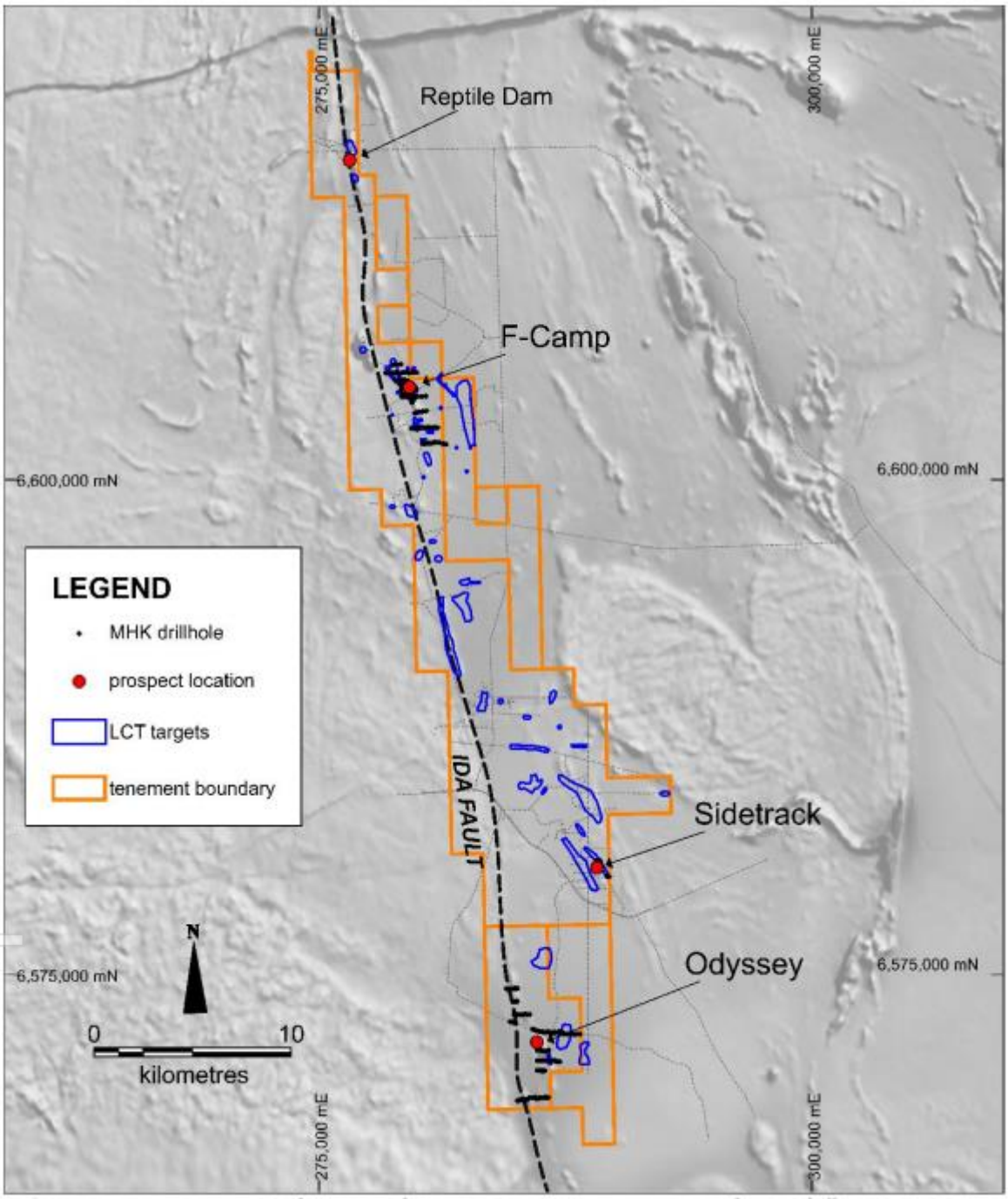


Figure 44 Metal Hawk Yarmany East Lithium Prospects and targets

Source Metal Hawk ASX release 16 April 2024

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5. Valuation Methodology

The VALMIN Code outlines various valuation approaches that are applicable for properties at various stages of the development pipeline. These include valuations based on market-based transactions, income or costs as shown in Table 26 and provides a guide as to the most applicable valuation techniques for different assets.

Table 26: VALMIN Code 2015 valuation approaches suitable for mineral properties.

Valuation Approaches suitable for mineral properties				
Valuation Approach	**Exploration Projects**	**Pre-development Projects**	**Development Projects**	**Production Projects**
Market	Yes	Yes	Yes	Yes
Income	No	In some cases	Yes	Yes
Cost	Yes	In some cases	No	No

In accordance with the definitions used in the VALMIN Code the Projects with Mineral Resource estimates are best described as Operating, Development, pre-development and Advanced Exploration projects while the other projects are early stage Projects. There are MRE's within all the Projects which are reported under JORC 2012. There are also JORC 2012 Ore Reserves for some of the projects however VRM only considers the Boorara Ore Reserves as current.

As there are current Ore Reserves for the Boorara Project this is best valued using an income approach. Additionally the Phillips Find Project is also either in production or pre-production (with production imminent) even though there are no Ore Reserves, it is reasonable to value the it on an income approach as there are negligible risks for the Shareholders of Horizon (or the merged entity should the transaction complete) due to the costs being incurred by the JV partner in the development.

In VRM's opinion, all the Projects with Mineral Resources should be valued using a comparable transaction method based on Resource Multiples as a primary valuation method (with appropriate discounts applied), with a secondary valuation being a yardstick approach. Additional valuations, being a Geoscientific or Kilburn approach and a prospectivity enhancement multiplier (PEM) have been used to determine the value of the exploration potential within the tenements but distal from the currently estimated Mineral Resources. Where there has been a recent transaction on the subject Mineral Assets being valued, VRM considers that this is likely to reflect the market value of the Mineral Asset.

VRM notes the Horizon ASX release of 18 December 2024 which includes the details of a Pre-Feasibility Study, and the initial Ore Reserves for the Pennys Find Project. While VRM concludes that these Ore Reserves are on a reasonable basis for technical reporting they are not on a reasonable basis for the valuation due to the lack of a third party toll milling agreement and the uncertainty of the timeframe and aspects of the toll milling agreement. Additionally, the PFS has a reported margin of error of ±15% which is expected for a PFS however it is considered to be too large to use the inputs in an income valuation approach. This is the same as the approach that VRM has undertaken for the Cannon Ore Reserves. Therefore, the Cannon and Pennys Find projects have not been valued based on an income approach but have been valued using a comparable transaction approach based on the reported Mineral Resource estimates.

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Overall VRM has undertaken an assessment of the reasonableness of the technical aspects of the projects and the valuation below and concludes that the technical information is reasonable and meets the required reasonableness requirements.

5.1 Previous Valuations

VRM is aware of two separate valuations of the Mineral Assets of Horizon. These are.

- The Scheme of Arrangement between Horizon Minerals Limited and Greenstone Resources Limited which was announced on 13 February 2024 (ASX: HRZ 13 February 2024) with Horizon being the surviving entity. VRM prepared an ITAR for inclusion in a BDO IER which was appended to the Scheme of Arrangement ASX release 1 May 2024. That transaction completed on 18 June 2024.
- The second valuation was undertaken in 2019 by Dunbar Resource Management an entity associated with Mr Paul Dunbar a Director and Founder of VRM. That transaction which was announced on 11 December 2018 was where Intermin Resources Limited and MacPhersons Resources Limited merged to form Horizon.

The reader is directed to the Horizon – Greenstone Scheme Booklet (ASX release 1 May 2024) and the Intermin – MacPhersons Scheme Booklet (ASX release 17 April 2019) for further details.

5.2 Valuation Subject to Change

The valuation of any mineral property is subject to several critical inputs most of these change over time and this valuation is using information available as of 31 October 2024 being the valuation date of this Report and considering information up to 18 December 2024. This valuation is subject to change due to updates in the geological understanding, variable assumptions and mining conditions, climatic variability that may impact on the development assumptions, the ability and timing of available funding to advance the properties, the current and future metal prices, exchange rates, political, social, environmental aspects of a possible development, a multitude of input costs including but not limited to fuel and energy prices, steel prices, labour rates and supply and demand dynamics for critical aspects of the potential development like mining equipment. While VRM has undertaken a review of several key technical aspects that could impact the valuation there are numerous factors that are beyond the control of VRM.

As at the date of this Report in VRM's opinion there have been no significant changes in the underlying inputs or circumstances that would make a material impact on the outcomes or findings of this Report.

5.3 General Assumptions

The Mineral Assets of Horizon and Poseidon are valued using appropriate methodologies as described in Table 26 and in the following sections. The valuation is based on several specific assumptions detailed above, including the following general assumptions.

- That all information provided to VRM is accurate and can be relied upon.
- The valuations only relate to the Mineral Assets located within the tenements controlled by the respective Companies, and not the Companies, their shares or market value.
- That the mineral rights, tenement security and statutory obligations were fairly stated to VRM and that the mineral tenements will remain active.

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- That all other regulatory approvals for exploration and mining are either active or will be obtained in the required and expected timeframe.
- That the owners of the Mineral Assets can obtain the required funding to continue exploration activities.
- The Au, Ag, Zn and Pb prices assumed (where it is used / considered in the valuation) is as at 31 October 2024, being (source S&P Capital IQ)
  - Gold US$2,740.75/oz
  - Nickel US$15,452.64/t
  - Silver US$33.59/oz
  - Zinc US$3,031.23/t
- The US$ - AUS$ exchange rate of 0.65496 (www.xe.com).
- All currency in this report are Australian Dollars or AUS, unless otherwise noted, if a particular value is in United States Dollars, it is prefixed with US$.

5.4 Commodity Market Analysis

Below are several charts of the commodity prices contained within the various Mineral Projects.

5.4.1 Gold

The gold price has had a significant increase over the past twelve months with an increase of around 32% since the start of 2024. On the basis of this price increase VRM considers that a premium be applied to the technical valuations for the gold projects, in particular the Geoscientific valuations.



Figure 45: Gold Five Year Spot Price in US$/oz.

Source: S&P Global

5.4.2 Nickel and Cobalt

Nickel has settled back to below 20,000 US per tonne after being above this mark from 2021 to mid-2023. Inflation and rising costs have affected margins locally and the mass production of low grade Indonesian Ni laterites into battery grade nickel funded by Chinese interests has ensured that the local industry cannot compete on a cost basis. As a consequence, the western Australian nickel industry has

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almost closed completely including the 50 year old Kalgoorlie nickel smelter. Cobalt on relative terms to nickel has also fared badly.

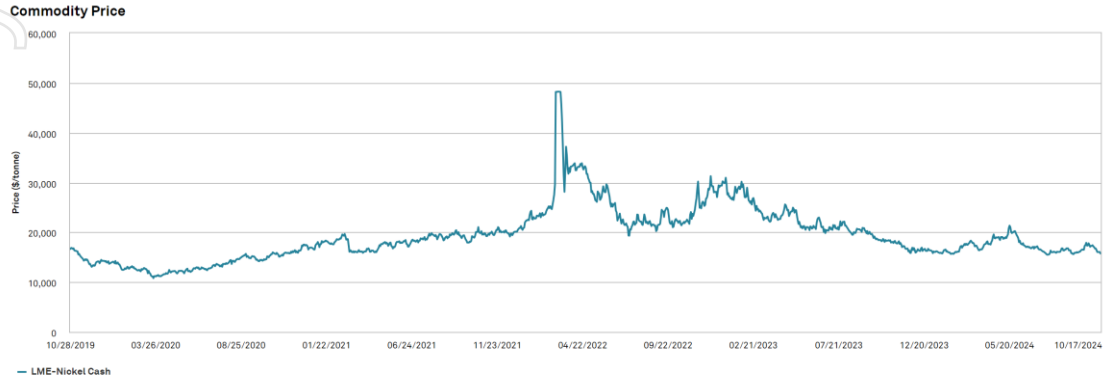


Figure 46: Five Year Spot Price for nickel in US$/t

Source: S&P Global

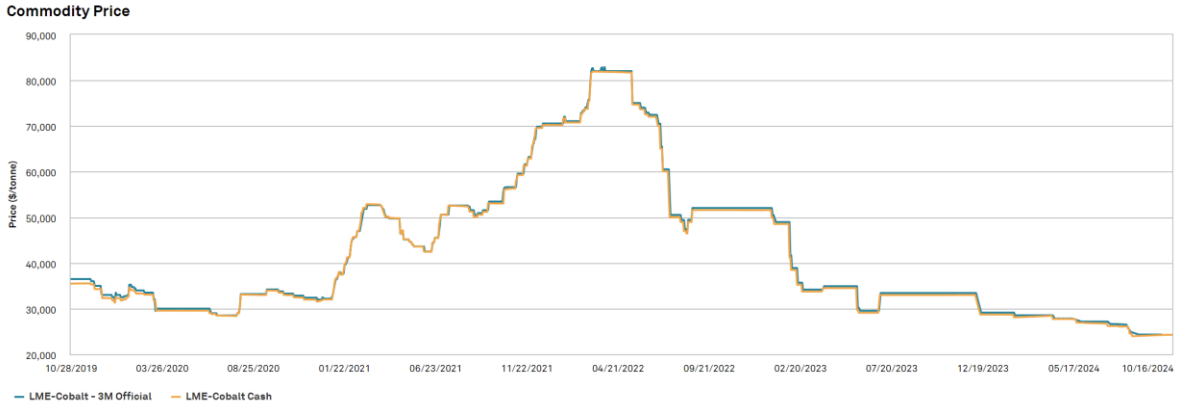


Figure 47: Five Year Spot Price for cobalt in US$/t

Source: S&P Global

5.4.3 Silver-Zinc-Lead

In contrast to nickel, silver like gold is at a ten year high, with similar fundamentals to gold, however, silver has additional industrial uses such as in photographic and the electronics industries.

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Figure 48: Five Year Silver Price in US$/oz

Source: S&P Global

The zinc price has appreciated strongly in 2024 based on supply chain concerns and issues with production out of Russia due to sanctions. Zinc is heavily used in industrial applications.

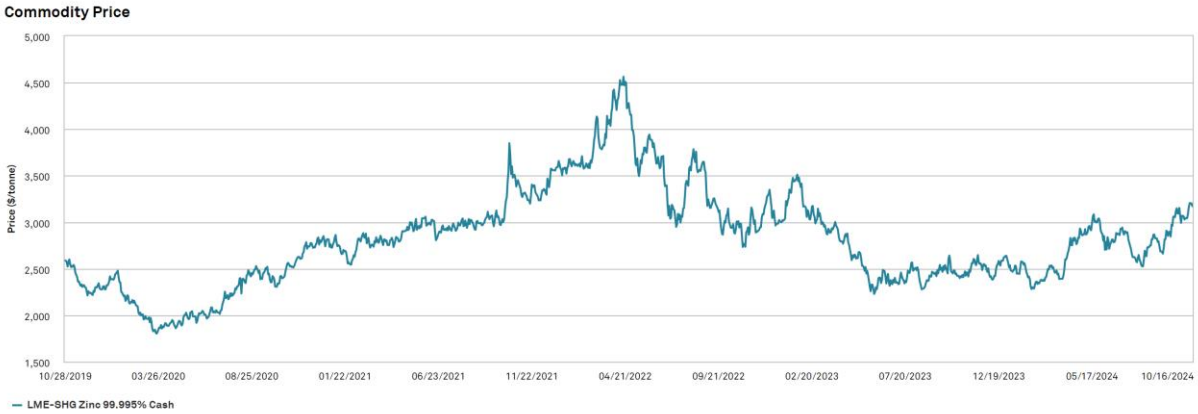


Figure 49: Five Year Zinc Price in US$/t

Source: S&P Global

The main use for lead is in conventional batteries. It is interesting to observe that the price of lead has moved upwards in the past year in an almost counter cyclical move to lithium. This observation may suggest and confirm that the switch to lithium based batteries for electric cars has not been as dramatic as first predicted, and that lead is a winner out of the situation.

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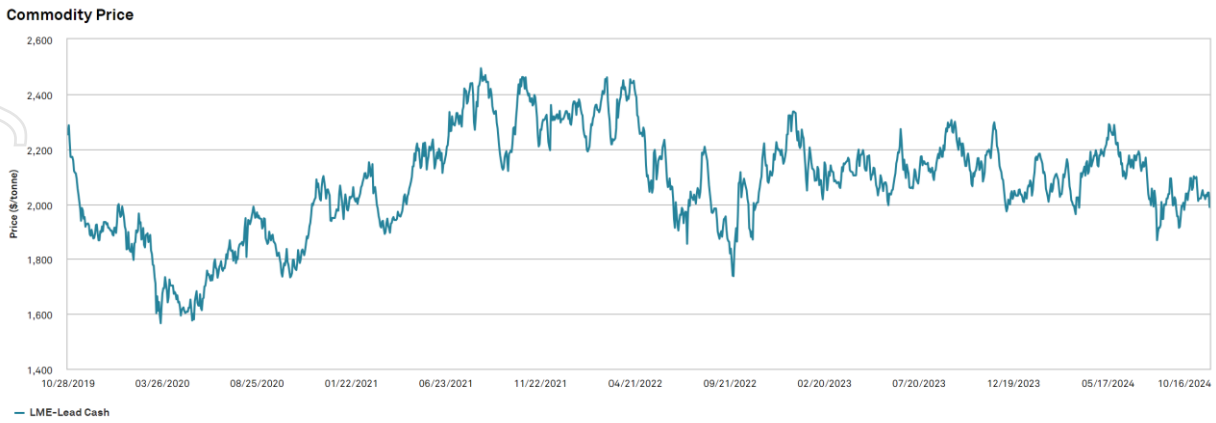


Figure 50: Five Year Lead Price in US$/t

Source: S&P Global

The lithium price has been drastically affected by increased supply globally and decreased demand due to the slower than expected update of lithium dependent battery powered electric vehicles. New supply and production which was planned to increase in 2023 has been delayed indefinitely or mothballed with only the highest grade and lowest cost operations able to produce economically at the current price of around $10,000 tonne Li CO_3.

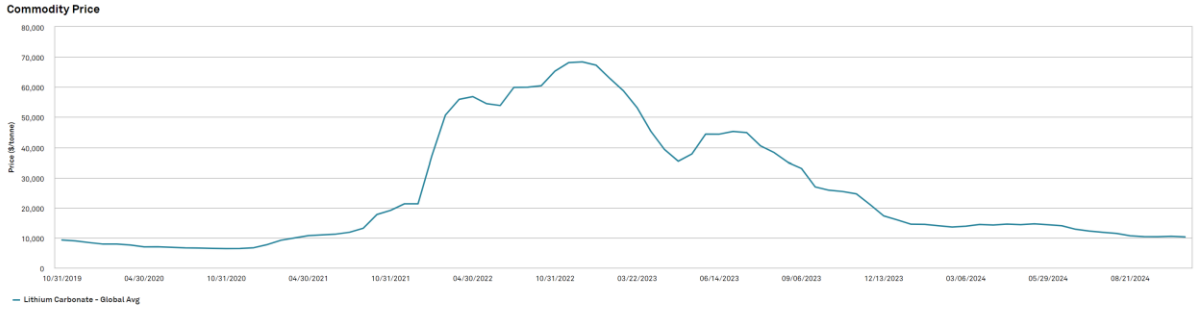


Figure 51: Five Year Lithium Price in US$/t

Source: S&P Global

5.5 Valuation of Advanced Properties

There are several valuation methods that are suitable for advanced Properties including the following:

- Financial modelling including discounted cash flow (DCF) valuations (generally limited to Properties with published Ore Reserves),
- Comparable Market Based transactions including Resource and Reserve Multiples
- Joint Venture Transactions
- Yardstick valuations

At the Valuation Date there are Ore Reserves that VRM considers current and on a reasonable basis. An income valuation approach is recommended for the Boorara Project, additionally the Phillips Find Project is suitable for valuation using an income approach, even though there are no Ore Reserves, as

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there are negligible risks for the Shareholders of Horizon (or the merged entity should the transaction complete) due to the costs being incurred by the JV partner in the development.

5.5.1 Comparable Market Based Transactions – Resource Based

A comparable transactional valuation is a simple and easily understood valuation method which is broadly based on the real estate approach to valuation. It can be applied to a transaction based on the contained metal for projects with Mineral Resource Estimates reported. Advantages of this type of valuation method include that it is easily understood and applied, especially where the resources or tenement area is comparable, and the resource or exploration work is reported according to an industry standard (like the JORC Code or NI43-101).

However, it is not as robust for projects where the resources are either historic in nature, reported according to a more relaxed standard, or are using a cut-off grade that reflects a commodity price that is not justified by the current market fundamentals. If the projects being valued are in the same or a comparable jurisdiction, then it removes the requirement for a geopolitical adjustment. Finally, if the transaction being used is recent then it should reflect the current market conditions.

Difficulties arise when there are a limited number of transactions, where the projects have subtle but identifiable differences that impact the economic viability of one of the projects. For example, the requirement for a very fine grind required to liberate gold from a sulphide rich ore or where the ore is refractory in nature and requires a non-standard processing method.

The information for the comparable transactions has been derived from various sources including the ASX and other securities exchange releases associated with these transactions, a database compiled by VRM for exploration stage projects (with resources estimated) and development ready projects.

This valuation method is the primary valuation method for exploration or advanced (pre-development) projects where Mineral Resources have been estimated. More advanced projects would typically be valued using an income approach due to the modifying factors for a mining operation being better defined.

The preference is to limit the transactions and resource multiples to completed transactions from the past two to five years in either the same geopolitical region or same geological terrain. The comparable transactions have been compiled where Mineral Resources and in some cases Ore Reserves have been estimated. Appendix C details the Resource Multiples for a series of transactions that are considered at least broadly comparable with the Projects.

5.5.2 Yardstick Valuation

A yardstick valuation is undertaken as a check of the comparable transactions. This yardstick valuation is based on a rule of thumb as supported by a large database of transactions where resources and reserves at various degrees of confidence are multiplied by a percentage of the spot commodity price. The yardstick valuation factors used in this report are in line with other yardstick valuation factors commonly used by other independent specialists and used in other VALMIN reports. The US$-AUS$ exchange rate and commodity price as of 29 March 2024 and documented above have been used to determine the yardstick valuation.

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Table 27: Typical Yardstick Multiples used for gold projects

Resource or Reserve Classification	Lower Yardstick Multiple (% of Spot Price)	Upper Yardstick Multiple (% of Spot Price)
Ore Reserves	5%	10%
Measured Resources (less Proved Reserves)	2%	5%
Indicated Resources (less Probable Reserves)	1%	2%
Inferred Resources	0.5%	1%

5.6 Exploration Asset Valuation

To generate a value of an early-stage exploration Property or the exploration potential away from a mineral deposit it is important to value all the separate parts of the mineral assets under consideration. In the case of the advanced Properties the most significant value drivers for the overall Property are the declared Mineral Resources or Ore Reserves, while for earlier stage Properties a significant contributor to the Property's value is the exploration potential. There are several ways to determine the potential of pre-resource Properties, these being:

- A Geoscientific (Kilburn) Valuation.
- Comparable transactions (purchase) based on the Properties' area or Mineral Resource estimates (both current and historic).
- Joint Venture terms based on the Properties' area; and
- A prospectivity enhancement multiplier (PEM).

The methodology to determine the Comparable transactions based on a projects area is undertaken using the same methodology as that described for the Comparable transactions' valuation for advanced projects section; however transactional value is applied to the project's area rather than the Mineral Resources or Ore Reserves. The Joint Venture terms valuation is similar to the comparable transactions based on the project area, other than a discount to the Joint Venture terms is applied to account for the time value of money (an appropriate discount rate is applied) and a discount to the earn-in expenditure to account for the chance that the Joint Venture earn-in expenditure is not completed in the agreed timeframe.

VRM considers a Geoscientific or Kilburn valuation as a robust valuation method. The area based comparable transaction multiples can also be useful in valuations but are strongly related to the projects tenement area so can be conservative for small areas and overstated for large areas. It is the view of VRM that the least transparent and most variable valuation method is a PEM valuation as this depends on an assessment of the effectiveness of the expenditure.

5.6.1 Geoscientific (Kilburn) Valuation

One valuation technique that is widely used to determine the value of a project that is at an early exploration stage without any Mineral Resources or Ore Reserve estimates was developed and is

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described in an article published in the CIM bulletin by Kilburn (1990). This method is widely termed the geoscientific method where a series of factors within a project are assessed for their potential.

While this technique is somewhat subjective and open to interpretation it is a method that when applied correctly by a suitably experienced specialist enables an accurate estimate of the value of the project. There are five critical aspects that need to be considered when using a Kilburn or Geoscientific valuation, these are the base acquisition cost, which put simply is the cost to acquire and continue to retain the tenements being valued. The other aspects are the proximity to both adjacent to and along strike of a major deposit (Off Property Factors), the occurrence of a mineral system on the tenement (On Property Factors), the success of previous exploration within the tenement (Anomaly Factors) and the geological prospectivity of the geological terrain covered by the mineral claims or tenements (Geological Factors). In early-stage projects often the anomaly factors and geological factors have limited information.

While this valuation method is robust and transparent it can generate a very wide range in valuations, especially when the ranking criteria are assigned to a large tenement. This method was initially developed in Canada where the mineral claims are generally small therefore reducing the potential errors associated with spreading both favourable and unfavourable ranking criteria to be spread over a large tenement. Therefore, VRM either values each tenement or breaks down a larger tenement into areas of higher and lower prospectivity.

Table 28 documents the ranking criteria that were used in conjunction with the base acquisition cost (BAC) for the project tenements to determine the technical valuation of the project.

VRM determines the BAC based on the holding cost of maintaining the tenement for the next year. That cost is determined by the minimum exploration commitment required on the tenement. For the Horizon and Poseidon tenements the BAC has been determined using the exploration commitments for the tenement and the annual rent payments. These commitments were either provided and confirmed from the original tenement certificates or DEMIRS for the tenements in Western Australia.

The technical valuation derived from the Kilburn ranking factors are frequently adjusted to reflect the geopolitical risks associated with the location of the project and the current market conditions toward a specific commodity or geological terrain. These adjustments can either increase or decrease the technical value to derive the fair market valuation.

Using the ranking criteria from Table 28 along with the base acquisition costs tabulated in the appendices an overall technical valuation is determined.

Table 28: Ranking Criteria used to determine the geoscientific technical valuation

Geoscientific Ranking Criteria				
Rating	Off-property factor	On-property factor	Anomaly factor	Geological factor
0.1				Generally unfavourable geological setting
0.5			Extensive previous exploration with poor results	Poor geological setting
0.9			Poor results to date	Generally unfavourable geological setting, under cover

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1.0	No known mineralisation in district	No known mineralisation within	No targets defined	Generally favourable geological setting
1.5	Mineralisation identified	Mineralisation identified	Target identified; initial indications positive	
2.0	Resource targets identified	Exploration targets identified		Favourable geological setting
2.5			Significant intersections – not correlated on section	
3.0	Along strike or adjacent to known mineralisation	Mine or abundant workings with significant previous production		Mineralised zones exposed in prospective host rocks
3.5			Several significant ore grade intersections that can be correlated	
4.0	Along strike from a major mine(s)	Major mine with significant historical production		
5.0	Along strike from world class mine			

The total technical valuation was adjusted to derive a market valuation by making a market factor adjustment and a locational adjustment. A market factor was derived to account for the status of the market which is currently elevated as shown in Figure 45. On that basis, the technical valuations are increased by 30 % for the gold projects and decreased by 30% for the nickel project. These premia/discounts were based on the currently very high gold prices which is at (or near) an all-time high.

A 5% reduction was applied for permitting, environmental and heritage risks in Western Australia.

For early-stage Projects (where there are no Mineral Resources estimated), VRM considers the Geoscientific (Kilburn) Valuation method to be the most robust and is commonly the primary valuation method used for the surrounding exploration potential.

5.6.2 Prospectivity Enhancement Multiplier (PEM) Valuation

As outlined in Table 26 and in the VALMIN Code a cost – based or appraised value method is an appropriate valuation technique for early-stage exploration Properties. Under this method, the previous exploration expenditure is assessed as either improving or decreasing the potential of the Property. The prospectivity enhancement multiplier (PEM) involves a factor which is directly related to the success of the exploration expenditure to advance the Property. There are several alternate PEM factors that can be used depending on the specific Property and commodity being evaluated. Onley, (1994) included several guidelines for the use and selection of appropriate PEM criteria. The PEM ranking criteria used in this report are outlined in Table 29 below. VRM considers the PEM valuation method as a secondary valuation method. In the opinion of the author, it is preferable to use resource multiples for comparable transactions once a JORC 2012 resource has been estimated however if there are no comparable transactions then a PEM is a viable valuation method.

Table 29: Prospectivity Enhancement Multiplier (PEM) ranking criteria

PEM Ranking Criteria	
Range	Criteria
0.2 – 0.5	Exploration downgrades the potential

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PEM Ranking Criteria	
0.5 – 1	Exploration has maintained the potential
1.0 – 1.3	Exploration has slightly increased the potential
1.3 – 1.5	Exploration has considerably increased the potential
1.5 – 2.0	Limited Preliminary Drilling intersected interesting, mineralised intersections
2.0 – 2.5	Detailed Drilling has defined targets with potential economic interest
2.5 – 3.0	A Mineral Resource has been estimated at an Inferred category

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6. Valuation of the Mineral Assets

The principal Mineral Assets valued in this ITAR are the Projects containing MRE's and Ore Reserves, Mining Infrastructure including processing facilities and other Projects that do not contain MRE's but have exploration potential within the tenements owned by Horizon and Poseidon.

The assets owned by Poseidon are the Black Swan, Lake Johnson and Windarra Nickel Projects, which all contain nickel sulphide Mineral Resource estimates. There is processing infrastructure including processing plants at both Black Swan and Lake Johnson with both Projects also having significant rehabilitation liabilities. In addition to the Projects listed above, Poseidon holds a 3% NSR royalty on the Windarra and Lacefield tailings re-processing Projects.

In addition to the valuation of the Mineral resources, exploration potential within the Projects and as detailed below VRM has reviewed the rehabilitation liabilities associated with the Projects and the reported value of the infrastructure including the nickel processing facilities at both Black Swan and Lake Johnson. The rehabilitation liabilities have been reported by Poseidon based on an estimate of the disturbed areas and the costs the cost to rehabilitate the tailings dams, waste dumps, roads, processing plant site, final abandonment bunds around the existing pits and underground workings. VRM has reviewed these reports and considers that the reported rehabilitation liabilities are reasonable with the liability associated with Black Swan being approximately $28 million while the liability for Lake Johnson is estimates as $21.8 million. The value of the assets at Black Swan are reported as being approximately $10.2 million while assets associated with Lake Johnson are estimated at $14 million. There is a bond held for the Windarra Project of $3.5 million however as a part of the sale of the Windarra Gold Tailings facility Encore Minerals is to pay $1.6 million to partly cover this liability. There are also minor tangible assets associated with the Windarra Project of ~$0.8 million. Overall based on the documents reviewed by VRM the value of the assets associated with the Projects is approximately $25 million including the processing facilities, fixed assets and additional equipment while the rehabilitation is estimated at approximately $51.3 million.

Horizon's Projects are all 100% owned with gold MRE's reported on the Boorara, Phillips Find, Burbanks, Golden Ridge, Golden Ridge North, Cannon, Monument, Pennys Find, Kalpini, Rose Hill, Jacques Find - Peyes Farm, Teal, Crake, and Coote deposits. Horizon has also reported Ore Reserve estimates for the Boorara, Cannon and Pennys Find Gold Projects. VRM considers the Boorara Ore Reserves to be current while the Cannon and Pennys Find Ore Reserves are not considered current or on a reasonable basis for valuation purposes. Within the Boorara gold project Horizon also owns the Nimbus (Ag-Zn-Pb) deposit. Horizon also holds a 50% interest in the Mt Thirsty Nickel-Cobalt Project, 15% of the Capricorn and Baden Powell MRE's and the associated exploration tenure and up to 20% of the Yarmany West project which is under option to Metal Hawk. In addition, Horizon also holds a number of tenements that are prospective for gold, lithium, nickel and other commodities which are valued within this report.

VRM has undertaken a valuation on a sum of the parts of each of Mineral Assets. Where a portion of one of the assets was considered to be immaterial to the overall value of the projects that portion was not included in the valuation. The valuations are based on several techniques, these being, Recent transactions on the subject Mineral Assets, a Comparable Transaction (Resource Multiplier) method, a Yardstick approach, a Geoscientific (or Kilburn) valuation and a Prospectivity Enhancement Multiplier (PEM) method.

For Projects with reported Mineral Resource estimates these were valued by a Comparable Transaction (resource multiple) approach as the primary method with a yardstick method used as a cross check. Any

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exploration tenure has been valued a Geoscientific valuation method and a Prospectivity Enhancement Multiplier (PEM) method as a supporting approach. These are described further below.

All valuations have been completed on an equity basis with the maximum possible retained interest being assumed in the various option or JV agreements.

6.1 Income Valuation Approach

VRM has reviewed the technical inputs in a discounted cashflow (DCF) model that was provided by Horizon via BDO.

From the information provided and the various ASX releases associated with the Horizon Projects, VRM considers that an income valuation approach is reasonable for the declared Ore Reserves for Boorara and the Mineral Resources at Phillips Find. The DCF that was provided included other Projects that in VRM's opinion are not reasonable to value using an income approach due to the lower level of detail in the modifying factors associated with those Projects. While the Phillips Find Project has not had any feasibility studies reported and no Ore Reserves estimated for the development, which is underway, given the structure of the Joint Venture where the costs are paid by the JV partner and the profits after all costs are shared on a 50/50 basis VRM considers that there is minimal risk to Horizon and therefore it is reasonable to value the Phillips Find Project using an income approach.

The technical inputs for the Boorara Project are all considered to be reasonable.

VRM has reviewed and considers that the Mineral Resources associated with Boorara and Phillips Find are reasonable. For the Boorara Ore Reserves including mining plan, schedule, processing recovery, operating costs and capital costs (which are now mostly sunk costs) are all considered to be reasonable and comply with the reasonableness requirements.

VRM therefore concludes that only the Boorara and Phillips Find Projects should be valued by an income approach.

6.2 Comparable Transactions – Resource Multiples

6.2.1 Gold Projects

For the Projects with gold Mineral Resources, an analysis of completed project-based gold transactions was compiled for projects that are considered possibly comparable in Western Australia, of similar geology and possible development scenario, assumed to be a conventional open pit mining operation with an onsite processing facility producing a gold dore.

The final set of data used to derive the valuation included 36 transactions involving gold Mineral Resources, as detailed in Appendix C. The comparable transactions used for the valuation are mostly compiled from projects with no feasibility studies. The resource multiples based on the comparable transactions have been normalised to the gold price at the transaction date with that normalised against the gold price, in US$ at 31 October 2024. In VRM's opinion normalising the transactions to the US$ gold price is more robust than normalising to the A$ gold price as the A$ gold price is also impacted by the exchange rate which does not relate to the overall market sentiment which is dominated by the US$ gold price.

Applying this methodology, which is the same as was undertaken in 29 March 2024 (Horizon ASX release 1 May 2024), the average normalised multiples are A$79.53 compared to the multiple from the 29 March 2024 valuation of A$59.25/oz. Due to the significant increase in the gold price since April

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2024 VRM identified that there was a significant change in the normalised transaction multiples of over A$20/oz, this increase was considered to be unrealistic. An additional statistical analysis was undertaken which showed that a smaller sub set of transactions could be considered to be a single population of transactions. That population of transactions generated a lower average normalised multiples of A$66.89/oz which VRM considers a better representation of the market for pre-production gold Mineral Resources. The higher multiple and associated valuation is also presented in this report for comparison between the March 2024 valuation and the preferred valuation presented in this Report.

Overall, in VRM's opinion the resource multiples used are valid and reasonable for the gold Projects as they are currently outlined, however if and when the re-configuration of the nickel processing plant at Black Swan is completed it would be likely that the resource multiples at that time would be more aligned with a more advanced comparable transaction dataset. At the Valuation date VRM considers the multiples used in this report are reasonable. The timeframe for a potential resource multiple uplift in for Projects with a gold processing facility is uncertain.

VRM considers that a range should be determined and based on the comparable transactions has elected to determine the range as +/- 25% from the preferred resource multiple. This range is considered reasonable due to the uncertainty in the modifying factors associated with Mineral Resources prior to the reporting of Ore Reserves, should they be estimated.

The resource multiples detailed above and supported by the information in Appendix C have been used along with the MRE's discussed above to derive the value of the Mineral Resources within the tenements that contain Mineral Resources. The contained gold in the Mineral Resources has been calculated by VRM based on the reported Resource tonnage and grades, and results in a slightly different contained gold for the Horizon and Greenstone Projects compared to the declared MRE's. This variation is due to rounding in the estimates.

For the Teal Mineral Resource estimates a 40% discount to the Resource Multiples has been applied due to the low gold recoveries associated with industry standard cyanide extraction process flowsheets for the fresh and transitional metallurgical samples. This has resulted in a preferred normalised resource multiple for the Teal Mineral Resource of A$40.13/oz for the smaller transaction population and A$47.72/oz if the entire dataset of comparable transactions were used.

The Phillips Find Project was excluded from the Comparable Transaction valuation as it is being valued on an income basis. As there are declared Ore Reserves for the Boorara Project the residual Mineral Resources, being the total Boorara Mineral Resource less the Ore Reserves have been valued by this method.

The exploration potential within the tenements away from the MRE's, where appropriate, has been determined by a Geoscientific and PEM method.

Table 30 summarises the valuation of the Gold Mineral Resources owned by Horizon based on the average of the Comparable transaction resource multiples for the full dataset of potentially comparable projects.

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Table 30: Comparable transaction valuation of the Gold Mineral Resources.

Project	Equity	Resources (oz) (Total)	Preferred Multiple	Lower Valuation (-25%) (A$ M)	Preferred Valuation (A$ M)	Upper Valuation (+25%) (A$ M)
Boorara OP	100%	379,206	79.53	22.6	30.2	37.7
Burbanks OP	100%	297,650	79.53	17.8	23.7	29.6
Burbanks UG	100%	167,920	79.53	10.0	13.4	16.7
Phillips Find OP		54,360	79.53	-	-	-
Phillips Find UG		210	79.53	-	-	-
Golden Ridge	100%	30,720	79.53	1.8	2.4	3.1
Golden Ridge North	100%	56,600	79.53	3.4	4.5	5.6
Cannon UG	100%	32,070	79.53	1.9	2.6	3.2
Monument	100%	33,000	79.53	2.0	2.6	3.3
Pinner	100%	13,000	79.53	0.8	1.0	1.3
Pennys Find	100%	63,000	79.53	3.8	5.0	6.3
Kalpini	100%	139,000	79.53	8.3	11.1	13.8
Rose Hill UG	100%	74,900	79.53	4.5	6.0	7.4
Rose Hill OP	100%	18,400	79.53	1.1	1.5	1.8
Jacques-Peyes	100%	130,000	79.53	7.8	10.3	12.9
Teal	100%	128,140	47.72	4.6	6.1	7.6
Crake	100%	66,450	79.53	4.0	5.3	6.6
Coote	100%	21,000	79.53	1.3	1.7	2.1
Capricorn	15%	25,500	79.53	0.2	0.3	0.4
Baden Powell	15%	23,000	79.53	0.2	0.3	0.3
Total Gold Mineral Resources				95.9	127.8	159.8

Note appropriate rounding has been applied to the valuation totals. A 40% reduction has been applied to the Teal multiple due to low metallurgical recovery. As the Phillips Find Project is valued based on an income approach and the size of the residual Mineral Resource is uncertain, the equity of that project has been removed from the valuation. The residual Mineral Resource for the Boorara Project is the total MRE less the Ore Reserves which are valued in the income approach.

VRM considers that the Horizon gold Projects with MRE's have a market value, based on the average of the entire potentially comparable transactions as detailed in Table 30 above, of between $95.9 million and $159.8 million with a preferred valuation of $127.8 million. This valuation only just overlaps with the supporting Yardstick valuation and is therefore considered to be an upper range of the potential valuations.

Table 31 summarises the valuation of the Gold Mineral Resources owned by Horizon based on the average of the smaller population of potentially comparable transactions.

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Table 31: Preferred Comparable transaction valuation of the Gold Mineral Resources.

Project	Equity	Resources (oz) (Total)	Preferred Multiple	Lower Valuation (-25%) (A$ M)	Preferred Valuation (A$ M)	Upper Valuation (+25%) (A$ M)
Boorara OP	100%	379,206	66.89	19.0	25.4	31.7
Burbanks OP	100%	297,650	66.89	14.9	19.9	24.9
Burbanks UG	100%	167,920	66.89	8.4	11.2	14.0
Phillips Find OP		54,360	66.89	-	-	-
Phillips Find UG		210	66.89	-	-	-
Golden Ridge	100%	30,720	66.89	1.5	2.1	2.6
Golden Ridge North	100%	56,600	66.89	2.8	3.8	4.7
Cannon UG	100%	32,070	66.89	1.6	2.1	2.7
Monument	100%	33,000	66.89	1.7	2.2	2.8
Pinner	100%	13,000	66.89	0.7	0.9	1.1
Pennys Find	100%	63,000	66.89	3.2	4.2	5.3
Kalpini	100%	139,000	66.89	7.0	9.3	11.6
Rose Hill UG	100%	74,900	66.89	3.8	5.0	6.3
Rose Hill OP	100%	18,400	66.89	0.9	1.2	1.5
Jacques-Peyes	100%	130,000	66.89	6.5	8.7	10.9
Teal	100%	128,140	40.13	3.9	5.1	6.4
Crake	100%	66,450	66.89	3.3	4.4	5.6
Coote	100%	21,000	66.89	1.1	1.4	1.8
Capricorn	15%	25,500	66.89	0.2	0.3	0.3
Baden Powell	15%	23,000	66.89	0.2	0.2	0.3
Total Gold Mineral Resources				80.6	107.5	134.4

Notes

- the Mineral Resource for Boorara above is reported exclusive of the Ore Reserves which is considered to be the residual Mineral Resource.
- The Phillips Find Project has not been valued by this method due to the project being valued using an income approach.
- The contained gold may vary slightly from the reported contained metal due to the contained metal in the table above being calculated by VRM.
- Appropriate rounding has been applied to the Mineral Resource estimates and valuation.
- The equity for the Capricorn and Baden Powell Mineral Resources have been assumed to be 15%,
- A 40% reduction in the Teal Mineral Resource valuation multiple due to the poor metallurgical recovery from test work.

VRM considers this valuation to be higher than the market is likely to pay for Mineral Resources at a pre-development stage as such the preferred market valuation is based on the smaller dataset of potentially comparable transactions which results in a market value of between **$80.6 million** and **$134.4 million** with a preferred valuation of **$107.5 million**. This valuation overlaps with the yardstick secondary

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valuation as detailed below and is therefore considered to be a more reliable estimate of the market value than the valuation included in Table 30.

6.2.2 Nickel Sulphide Projects

VRM undertook a search of nickel sulphide project transactions and Joint Ventures within Australia some of which include processing infrastructure and has identified six asset based transactions that may be potentially comparable to the Black Swan, Lake Johnson and Windarra nickel sulphide Projects.

There are two distinct sub sets of these potentially comparable transactions with one group of three transactions being for assets that do not include any processing infrastructure or environmental liabilities which are at a significantly higher normalised transaction multiple per tonne of contained nickel than for the three projects with processing infrastructure and environmental liabilities. The average of all six transactions is considered by VRM to potentially represent a value of the underlying Mineral Resources from which environmental liabilities should be deducted with the likely value of the processing infrastructure being added to the value of the Mineral Resources. If the average of the three transactions which have processing infrastructure and environmental liabilities imbedded in the transaction multiples are used, then the average of these transactions would provide an overall asset value without the requirement to add for the processing infrastructure or deduct the expected rehabilitation costs.

On a normalised basis the average of all six potentially comparable transactions is of A$172.80/t of contained nickel, for the three transactions with processing infrastructure and rehabilitation liabilities the average normalised resource multiple is $85.70/t of contained nickel. VRM considers that the multiple of $85.70/t represents the most likely market value of the Mineral Assets if the associated infrastructure and rehabilitation liabilities were imbedded in the project valuations. If the rehabilitation liabilities and processing infrastructure were not included in the comparable transactions then the $172.80/t is considered the most likely multiple to generate the value of the Mineral Asset however to generate the market value the rehabilitation would need to be subtracted from the value and the value of the infrastructure would need to be added to the multiple valuation to generate the total market value of the Mineral Assets. As this generates uncertainty in the valuation approach in VRM's opinion using a multiple of $85.70 is reasonable. This multiple was reduced by 50% for the South Windarra and Cerbeus Mineral Resources due to those resources being reported under the 2004 JORC code and they have not been updated to comply with JORC 2012.

Based on these resource multiples, the reported Mineral Resource estimates VRM has estimated the market value of the nickel sulphide Projects (Table 32).

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Table 32 Comparable Transaction Valuation, Poseidon Nickel Sulphide Projects

Project	Equity	Resources (t) (Total)	Preferred Multiple	Lower Valuation (-25%) (A$ M)	Preferred Valuation (A$ M)	Upper Valuation (+25%) (A$ M)
Black Swan	100%	189,000	$85.70	$12.1	$16.2	$20.2
Silver Swan	100%	12,940	$85.70	$0.8	$1.1	$1.4
Golden Swan	100%	6,250	$85.70	$0.4	$0.5	$0.7
Silver Swan Tailings	30%	6,200	$85.70	$0.1	$0.2	$0.2
Stockpiles	100%	7,800	$85.70	$0.5	$0.7	$0.8
Black Swan Total				$14.0	$18.7	$23.3
Maggy Hays	100%	52,000	$85.70	$3.3	$4.5	$5.6
Mt Windarra	100%	71,500	$85.70	$4.6	$6.1	$7.7
South Windarra	100%	8,000	$42.85	$0.3	$0.3	$0.4
Cerbeus	100%	69,000	$42.85	$2.2	$3.0	$3.7
Windarra Total				$7.1	$9.4	$11.8
Total				$24.4	$51.2	$64.0

Note: totals may not add due to rounding, appropriate rounding has been applied to the valuation and the multiples for the South Windarra and Cerbeus Mineral Resources are reduced by 50% as the estimates have not been updated to comply with JORC 2012.

This valuation is based on resource multiples for projects that are considered by VRM to be similar to the Poseidon nickel assets with the projects that are considered comparable all have existing processing infrastructure (assets) including nickel processing facilities that are on care and maintenance and rehabilitation liabilities.

VRM considers, when appropriate rounding is applied that a market value of Poseidon's equity in the Black Swan, Lake Johnson and Windarra nickel projects is, based on comparable transactions to be between **$24.4 million** and **$64.0 million** with a preferred valuation of **$51.2 million**.

6.2.3 Nickel Laterite Projects

VRM undertook a search of Ni-Co laterite project transactions and Joint Ventures within Australia which do not include processing infrastructure and has identified eight any asset based transactions that may be potentially comparable to the Mt Thirsty Project. The average of these transactions occurred on a normalised basis of A$9.00/t of contained nickel.

Based on this resource multiple of A$9.00/t of contained nickel, reported Mineral Resource estimate of ~283,730t of nickel and the 50% equity position that Horizon holds in the Project VRM has estimated the market value of the Project.

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Table 33 Comparable Transaction Valuation Mt Thirsty Nickel Laterite Project

Project	Equity	Resources (t) (Total)	Preferred Multiple A$/t	Lower Valuation (-25%) (A$ M)	Preferred Valuation (A$ M)	Upper Valuation (+25%) (A$ M)
Mt Thirsty Main (MTTM)	50%	265,670	9.00	0.90	1.20	1.49
Mt Thirsty North (MTTN)	50%	18,060	9.00	0.06	0.08	0.10
Total		283,730		0.96	1.28	1.60

VRM considers, when appropriate rounding is applied that the market value of Horizon's 50% equity in the Mt Thirsty nickel laterite project, based on comparable transactions to be between **$1.0 million** and **$1.6 million** with a preferred valuation of **$1.3 million**.

6.2.4 Silve-Zinc-Lead Projects

VRM undertook an extensive search of Australian Ag-Zn project transactions in the past five years.

Only one transaction was identified as being potentially comparable. This transaction which completed on 29 March 2021 was for the Webs and Conrads silver zinc copper lead Projects in New South Wales. Thompson Resources Limited acquired the projects from Silver Mines Limited for a total of $1.069 million in cash and 70 million Thompson Resources shares which were trading at $0.125 at the time. The total consideration equates to $9.819 million. VRM however notes that Thompson Resources were suspended from trading on the ASX on 8 March 2023 and last traded at $0.005.

While this transaction was for a similar size deposits at the time the transaction was announced there were no JORC 2012 Mineral Resources estimated for the two projects that were acquired. Additionally, the Resource estimates when announced in accordance with JORC approximately six months later were almost three times higher in silver grade than Nimbus and averaged around 1% copper. If the Mineral Resources were assumed to be known at the time of the transaction, then this transaction completed for approximately $9.819 million for approximately 35Moz of silver equivalent which results in a Resource multiple of $0.28/oz.

VRM does has not calculated a silver equivalent in accordance with the JORC code which would require an assessment of the potential metallurgical recovery for the Nimbus deposit as there has been insufficient public reporting of this information. VRM has calculated a silver Metal Ratio to estimate the relative value in each of the commodities that have been estimated in the Mineral Resource. VRM has, based the Metal Ratio on the silver and zinc prices to calculates the silver Metal Ratio contained in the Nimbus high grade MRE to be approximately 9.37 million oz of silver. The Metal Ratio value calculation is only for the purposes of this valuation and does not attempt to estimate the metal tonnes likely to be recovered as required under the JORC Code. In VRM's opinion, this approach is consistent the methodology a potential purchaser would undertake in assessing a project and therefore is considered a valuation under market value concept In VRM's opinion the transaction multiple detailed above should be adjusted for the different silver grade with a 50% discount considered reasonable. Based on this transaction the contained silver Metal Ratio in the high-grade MRE the Nimbus deposit would be valued at $1.3 million.

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Given the high-grade MRE only contains 0.26Mt of material VRM considers the size to be too low to viably extract and process due to the high expected cost of a processing facility, therefore in VRM's opinion significant additional mineralisation would need to be discovered for the Nimbus deposit to be exploitable. Therefore, this value is considered to be an upper valuation of the Nimbus deposit.

To generate a range VRM considers that the preferred value would be 25% lower than the $1.32 million determined by the comparable transaction above and the lower valuation should be 25% lower than the preferred valuation.

Therefore, in VRM's opinion the Nimbus deposit has a likely market value of between $0.7 million and $1.3 million with a preferred valuation of $1.0 million

6.3 Yardstick Method

As detailed above the yardstick method can also be considered as a valuation approach, particularly as a cross check or supporting valuation technique to support the valuation generated by a comparable transaction method. This method is typically used as a supporting approach for valuation of Ore Reserves and / or Mineral Resources and is based on a percentage of the current metal price.

For Mineral Resource estimates, a common yardstick value for gold Mineral Resources would be between 0.5% and 5% of the current commodity price, dependent on the Mineral Resource classification as at the valuation date. For lower classification levels such as Inferred Mineral Resources this percentage is lower reflecting the higher uncertainty compared to Indicated or Measured categories. The risks relating to the resources described above have been incorporated into the Yardstick approach. The yardstick multiples are commonly used for gold transactions and has been developed by the valuation industry as a basis of possible project valuations based on a large dataset of gold transactions.

VRM has applied a range of percentage values, corresponding to the classification of the Mineral Resources within the Projects and the gold (US$/oz) prices at the valuation date in order to value the resources within the Projects. The gold MRE valuations are summarised in Table 34.

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Table 34: Yardstick Valuation Summary of Mineral Resources in the Horizon Gold Projects.

Project	Total Resource (oz)	Low (A$ million)	Preferred (A$ million)	High (A$ million)
Boorara OP	378,500	14.5	22.1	29.7
Burbanks OP	297,650	8.2	12.3	16.5
Burbanks UG	167,920	3.9	5.8	7.7
Phillips Find OP	54,360	-	-	-
Phillips Find UG	210	-	-	-
Golden Ridge	30,720	1.3	1.9	2.5
Golden Ridge North	56,600	1.7	2.5	3.4
Cannon UG	32,070	1.4	2.1	2.8
Monument	33,000	0.7	1.0	1.4
Pinner	13,000	0.3	0.5	0.6
Pennys Find	63,000	1.4	2.1	2.8
Kalpini	139,000	5.2	7.9	10.5
Rose Hill UG	74,900	2.6	4.0	5.3
Rose Hill OP	18,400	1.3	2.2	3.0
Jacques-Peyes	130,000	4.5	6.7	8.9
Teal	128,140	2.4	3.6	4.8
Crake	66,450	2.7	4.1	5.4
Coote	21,000	0.4	0.6	0.8
Capricorn	*25,500*	*0.1*	*0.1*	*0.2*
Baden Powell	*23,000*	*0.1*	*0.1*	*0.1*
Total Horizon Gold Mineral Resources		52.6	79.5	106.4

Notes –

- The Yardstick Valuation based on gold price of A$4,184.59/oz,
- For Boorara the Mineral Resources above are reported exclusive of the Ore Reserves.
- The Phillips Find Project has not been valued by this method due to the project being valued using an income approach.
- The contained gold may vary slightly from the reported contained metal due to the contained metal in the table above being calculated by VRM.
- Appropriate rounding has been applied to the Mineral Resource estimates and valuation.
- The equity for the Capricorn and Baden Powell Mineral Resources have been assumed to be 15%,
- A 40% reduction in the Teal Mineral Resource valuation due to the poor metallurgical recovery from test work.

VRM considers the gold Mineral Resource estimates within the Horizon Projects as detailed above to be valued, based on a yardstick approach, at between **$52.6 million** and **$106.4 million** with a preferred valuation of **$79.5 million**.

As was undertaken for the gold Mineral Resources VRM has applied the same range of percentage values, corresponding to the classification of the Mineral Resources within the Projects, the nickel (A$/t) prices at the valuation date and applied a 50% discount to that valuation due to the likely product from

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the nickel sulphide projects being a nickel sulphide concentrate which has additional costs including refining costs, treatment charges, additional shipping and insurance costs and higher Western Australian State Royalties in order to determine the market value the nickel Mineral Resources within the Projects. The nickel MRE valuations are summarised in Table 35.

Table 35: Yardstick Valuation Summary of Mineral Resources in the Poseidon Nickel Projects.

Project	Total Resource (t)	Low (A$ million)	Preferred (A$ million)	High (A$ million)
Black Swan	189,000	18.7	28.4	38.2
Silver Swan	12,940	1.5	2.2	3.0
Golden Swan	6,250	0.7	1.0	1.4
Silver Swan Tailings	6,200	0.4	0.8	1.1
Stockpiles	7,800	0.8	1.2	1.6
Total Black Swan		**22.1**	**33.7**	**45.2**
Maggy Hays	**52,000**	**5.5**	**8.3**	**11.1**
Mt Windarra	71,500	5.1	7.6	10.1
South Windarra	8,000	0.4	0.6	0.8
Cerbeus	69,000	2.0	3.1	4.1
Total Windarra		**7.5**	**11.3**	**15.0**
Total Nickel Mineral Resource Valuation		**35.2**	**53.3**	**71.3**

Notes –

- The Yardstick Valuation based on a nickel price of A$23,593.18/t. a 50% discount due to the Projects likely to produce a concentrate,
- The contained nickel may vary slightly from the reported contained metal due to the contained metal in the table above being calculated by VRM.
- Appropriate rounding has been applied to the valuation and totals may not add due to rounding.

VRM considers the nickel Mineral Resource estimates within the Poseidon Projects as detailed above to be valued, based on a yardstick approach, at between $35.2 million and $71.3 million with a preferred valuation of $53.3 million. These values are prior to the additional of the value of the processing infrastructure and deducting for the rehabilitation liability associated with the projects.

Once the likely value of the total of the assets (~$25 million) is added and the total of the rehabilitation liability (~$51.3 million) for each of the projects (above) is deducted the likely market value of the nickel Mineral Resources is considered by VRM, after appropriate rounding, to be between $8.8 million and $45.0 million with a preferred value of $26.9 million. The broad range is due to the large rehabilitation liabilities associated with the Lake Johnson and Black Swan Projects.

6.4 Geoscientific Valuation

In assessing which tenements to value using a Geoscientific or Kilburn approach VRM has assessed the location, size and scale of the Mineral Resources and the projects used in the Comparable Transaction

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valuation above. For tenements that are considered outside the Comparable Transaction (Resource Multiple) valuation above VRM has undertaken a valuation using a Geoscientific or Kilburn approach.

There are several specific inputs that are critical in determining a valid geoscientific or Kilburn valuation, these are ensuring that the specialist undertaking the valuation has a good understanding of the mineralisation styles within the overall region, the tenements and has access to all the exploration and geological information to ensure that the rankings are based on a thorough knowledge of the project. In addition to ensuring the rankings are correct deriving the base acquisition costs (BAC) is critical as that is the primary driver of the final value. In this case the BAC is derived by the exploration commitment to maintain the tenement in good standing. The costs of tenement applications and targeting have not been included.

The Geoscientific rankings were derived for each of the ranking criteria with the Off-Property Criteria considered to be between 1.0 and 4.0, the On-Property Criteria between 1.0 and 3.0, the Anomaly Factor between 1.0 and 4.0 while the Geology Criteria are considered to be between 0.5 and 4.0. When these ranking criteria are combined with the base acquisition cost, as detailed in Appendix B, this has determined the technical value. A premium of 20% has been applied to the gold projects while a discount of 20% has been applied to the nickel cobalt and lithium projects has been applied to the technical value to account for the current market conditions. A 5% discount has been applied for the heritage and environmental aspects and the current inflationary pressures on projects in Western Australia

The Technical and Market Values are shown in Table 36. The technical valuation is the base acquisition cost multiplied by the ranking factors outlined in Appendix D while the Market Value is the Technical Value multiplied by the geopolitical risk and market adjustment.

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Table 36: Geoscientific valuation of the Horizon and Poseidon Projects.

Company	Projects	Equity	Technical Valuation (AUS$M)			Fair Market Valuation (AUS$M)		
			Lower	Preferred	Upper	Lower	Preferred	Upper
Horizon	Mt Thirsty	50%	1.1	2.2	3.3	0.8	1.7	2.5
	Bridgetown-Greenbushes	100%	0.12	0.31	0.51	0.09	0.24	0.38
	Total non-Gold		**1.20**	**2.49**	**3.79**	**0.91**	**1.89**	**2.88**
	Phillips Find & Burbanks	100%	0.17	0.50	0.83	0.20	0.57	0.94
	Black Flag & Binduli	100%	0.10	0.35	0.59	0.11	0.39	0.68
	Cannon Gold Mine	100%	0.44	1.23	2.01	0.51	1.40	2.29
	Kalgoorlie North	100%	0.04	0.09	0.14	0.04	0.10	0.16
	Lakewood	100%	0.26	0.80	1.33	0.30	0.91	1.52
	Nimbus, Boorara, White Flag, Rose Hill	100%	0.33	1.00	1.67	0.38	1.14	1.90
	Yarmany East	100%	0.81	2.10	3.39	0.92	2.39	3.86
	Total Gold		**2.16**	**6.05**	**9.95**	**2.46**	**6.90**	**11.35**
	Yarmany West Metal Hawk Option	20%	0.12	0.30	0.47	0.09	0.23	0.36
	Yarmany Metal Tiger JV	25%	0.03	0.09	0.15	0.03	0.10	0.17
	Total Exploration		**3.51**	**8.94**	**14.37**	**3.50**	**9.13**	**14.76**
Poseidon	Black Swan	100%	0.29	0.80	1.30	0.33	0.91	1.48
	Lake Johnston	100%	0.14	0.40	0.66	0.11	0.30	0.50
	Windarra	100%	0.07	0.20	0.33	0.05	0.15	0.25
	Total Exploration	**100%**	**0.49**	**1.39**	**2.29**	**0.49**	**1.36**	**2.24**
Combined	**All Exploration assets**		**4.00**	**10.33**	**16.66**	**3.98**	**10.49**	**17.00**

Appropriate rounding to the total valuation has been undertaken.

The value of exploration potential within the Horizon Projects as determined by the Geoscientific approach, after appropriate rounding, has a market value of between **$3.5 million** and **$14.8 million** with a preferred value of **$9.1 million**.

The value of exploration potential within the Poseidon Projects as determined by the Geoscientific approach, after appropriate rounding, has a market value of between **$0.5 million** and **$2.2 million** with a preferred value of **$1.4 million**.

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6.5 Prospectivity Enhancement Multiplier (PEM) Valuation

VRM has undertaken a PEM valuation of the tenements based on the exploration expenditure either provide by the company or extracted from the DMIRS online tenement database Mineral Titles Online with the expenditure being limited to the exploration portion of the statutory annual tenement expenditure reports (Form 5). In addition to the reported expenditures VRM has assumed that the exploration commitment for the current tenement year has already been spent. Project acquisitions costs were excluded from the analysis as these are considered sunk costs and not contributing to geological / prospectivity knowledge.

This expenditure has been multiplied by the Prospectivity Enhancement Multiplier as detailed in Table 29. To generate a range in the PEM valuation VRM has assessed the effectiveness of the exploration expenditure and therefore used an upper and lower PEM multiple to generate a range of likely values of the Projects. The preferred valuation is the average of the upper and lower PEM valuation. Table 37 details the expenditure, the PEM multiples, and the valuations for the both the Horizon and Greenstone Projects. The individual tenement expenditures and assigned PEM multiples are detailed in the appendices to this report. While the Mt Thirsty Joint Venture is documented in the appendices to the report in VRM's opinion this method does not reflect the value of the Project due the low required exploration expenditure on the to the two main mining lease applications which cover a retention licence (with no exploration requirement) and a small two block exploration licence.

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Table 37: PEM Valuation by Project.

Company	Project	Equity	PEM Valuation (A$M)		
			Low	Mid-Point	High
Horizon	Mt Thirsty	50%	7.9	9.2	10.5
	Bridgetown-Greenbushes	100%	0.06	0.07	0.08
	Total non-Gold Projects		**7.92**	**9.23**	**10.55**
	Phillips Find & Burbanks	100%	0.83	0.95	1.08
	Black Flag & Binduli	100%	0.85	0.98	1.10
	Cannon Gold Mine	100%	1.01	1.16	1.31
	Kalgoorlie North	100%	0.05	0.05	0.06
	Lakewood	100%	1.13	1.30	1.47
	Nimbus, Boorara, White Flag, Rose Hill	100%	2.95	3.40	3.84
	Yarmany East	100%	1.40	1.61	1.82
	Total Gold Projects		**8.22**	**9.45**	**10.68**
	Yarmany West Metal Hawk Option	20%	0.43	0.50	0.56
	Yarmany Metal Tiger JV	25%	0.31	0.35	0.40
	Total Horizon Projects		**16.88**	**19.54**	**22.20**
Poseidon	Black Swan	100%	0.11	0.12	0.14
	Lake Johnston	100%	0.25	0.29	0.33
	Windarra	100%	0.09	0.10	0.12
	Total	**100%**	**0.45**	**0.52**	**0.58**
Combined	**All Exploration assets**		**17.33**	**20.05**	**22.78**

Note Appropriate rounding has been undertaken.

For the Horizon exploration Projects or tenements adjacent to the Mineral Resources valued above, the fair market valuation as determined by the PEM valuation method, after appropriate rounding, has resulted in a value between **$16.9 million** and **$22.2 million** with a preferred valuation of **$19.5 million**. However, it should be noted that a significant portion of this value is generated by the Mt Thirsty nickel laterite project which in VRM's opinion is best valued by other methods as the PEM valuation generates an unrealistic value of the Project is only a secondary valuation approach.

The value of exploration potential within the Poseidon Projects as determined by the PEM valuation method has a market value of between **$0.5 million** and **$0.6 million** with a preferred value of **$0.5 million**. The reason for the low value is due to the exploration potential being largely included in the comparable transaction resource multiple valuation of the Projects.

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6.6 Previous transactions on the Subject Mineral Assets

VRM has reviewed several Option transactions and agreements that Horizon has entered into during late 2023 and where these are recent transactions have used these transactions as the preferred valuations for the subject Mineral Assets.

On 30 August 2023 Horizon executed an option agreement with Dundas Minerals Limited (Dundas) covers the Bayden Powell and Windanya gold projects to the north of Kalgoorlie including the reported MRE's. This option agreement as detailed in the Horizon ASX release of 20 August 2023, had several required payments and requirements on Dundas, including a non-refundable option fee totalling $0.5, a second payment after 12 months of $0.125 million, a minimum expenditure of $0.5 million and an option exercise fee of $1.0 million. The second payment and exercise fee have not yet been paid and are therefore added to the value of the retained 15% of the project assuming that the option is executed. Assuming the option is exercised then the retained 15% of the project will be free carried. VRM has determined that the market value of the retained equity of the project has a market value of $0.375 million, excluding the additional payments that are required to be paid should Dundas exercise the option.

A second option, on the Western portion of the Yarmany tenements was detailed in the Horizon ASX release of 5 July 2023. Under this option agreement Metal Hawk Limited (Metal Hawk) can acquire 100% of the project by spending $1 million on exploration within the tenements and paying an exercise fee of $1.0 million to Horizon. There was an option fee of $0.4 million paid on entering into the option agreement. Horizon has the right to retain a 20% interest in the project if it elects to forgo the completion payment of $1.0 million. VRM has assumed that Horizon will maintain its maximum interest in the project and will forgo the completion payment. Based on this option agreement, as detailed in the Horizon ASX release of 5 July 2023, VRM has determined that the market value of the 20% of the Yarmany West tenements that VRM assumes Horizon will retain, has at the valuation date, a value of $0.35 million. While this is clearly below the $1.0 million completion payment, VRM considers that it is reasonable to assume that Metal Hawk will increase the value of the Project to a point that retained 20% to will have a value greater than $1.0 million prior to electing to exercise option. Metal Hawk are actively exploring the project with several geophysical anomalies that require testing and has been actively drilling pegmatite intrusions targeting lithium mineralisation. The option has a 24 month term.

VRM has been unable to identify any details of the final Joint venture with Gold Tiger Resources (Australia) Limited (Gold Tiger). The first mention of the JV was in the tenement schedule contained in the Horizon Quarterly Activities Report from 30 September 2020 (ASX release 20 October 2020). That release details that the agreement with Gold Tiger covers two tenements, located to the north of the Yarmany tenements, where Gold Tiger can earn 90% over four one-year stages by spending $0.3 million and paying Horizon $0.12 million. In reviewing the form 5 expenditure VRM believes that Gold Tiger will reach that expenditure commitment prior to the end of the September quarter 2024. VRM has been unable to determine the date that the agreement was signed and assumes it was near the end of the 2020 September quarter. This expenditure and the low retained equity in the project results in a valuation of the retained 10% interest in the project of $50,000.

In VRM's opinion the range in valuations for the equity that VRM assumes that Horizon will retain these three transactions will be ±25% of the transaction prices determined above, therefore the Table 38 below details the valuation range and preferred value of these three projects.

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Table 38 Recent Transactions on the Subject Assets

Project	Company	Equity Retained by Horizon	Lower Valuation (-25%) (A$M)	Preferred Valuation (A$M)	Upper Valuation (+25%) (A$M)
Baden Powell & Windanya Projects including Gold MRE's	Dundas	15%	0.28	0.38	0.47
Yarmany West	Metal Hawk	20%	0.26	0.35	0.44
Yarmany Gold Tiger	Gold Tiger	10%	0.04	0.05	0.04

Note appropriate rounding has been applied.

6.7 Royalty Valuation – Windarra Gold Tailings Project

As a part of the unconditional transaction where Poseidon divested the Windarra Tailings re processing Project and the associated right to treat the Lancefield gold tailings Poseidon was granted a 3% NSR royalty on future production from the Project.

VRM has undertaken a valuation of the 3% NSR royalty based on the gold Mineral Resources contained within the Windarra tailings. This valuation was undertaken using a comparable transactions methodology where the comparable projects were at an early exploration stage with defined Mineral Resources but without any processing infrastructure and where the project was not a near term development option. This assessment is based on VRM's opinion of the status of the recently divested Windarra Tailings Project.

Overall VRM has calculated the percentage of the face value of the gold royalty based on the gold price at the time the royalty transaction was announced and an estimate of the contained gold within the project that was subject to the royalty transaction and the price paid for the transacted royalty. There were a total of eight western Australian royalty transactions identified as comparable since 2020. These comparable transactions were completed on an average of 11% of the face value of the royalty.

The Windarra gold tailings Project has a contained Mineral Resource of approximately 185,000oz of gold, this in conjunction with the 3% NSR royalty and the gold price at the Valuation date and an average royalty transaction face value percentage of 11% has determined the preferred value of the 3% NSR royalty on the Windarra Tailings Project. The range in the likely royalty valuation is considered to be within a broad range of ± 25% from the preferred royalty valuation.

This methodology has resulted in a likely royalty value of the 3% NSR royalty to be between $2.0 million and $3.3 million with a preferred value of $2.6 million.

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7. Risks and Opportunities

7.1 General Risks and Opportunities

There are JORC 2012 Mineral Resource and Ore Reserve estimates within the Projects considered in this Valuation.

Mineral exploration, by its very nature has significant risks, particularly for early-stage projects, of which many of the Project areas are considered. Based on the industry-wide exploration success rates it is possible that no additional significant economic mineralisation will be located within any of the Projects. Even in the event significant mineralisation does exist within the Projects, factors both in and out of the control of the Company may prevent the identification or development of such mineralisation.

There are often environmental, safety and regulatory risks associated with exploration. This may include, but is not limited to, factors such as community consultation and agreements, as well as environmental considerations. Once more advanced, Projects are assessed for risks associated with mining, metallurgical and processing facilities requirements and services, ability to develop infrastructure appropriately, and mine closure processes. Assessment of these risks would be addressed in successive technical-economic studies, which generally commence once a Project has initiated Mineral Resource definition drilling and estimation activities. A risk exists that fatal flaws may be identified during these studies, that impede project development.

The data included in this Report and the basis of the interpretations herein have been derived from a compilation of data included in annual and quarterly technical reports and ASX releases sourced from the companies and other public data. In addition, company presentations and academic literature has been utilised to evaluate the historic exploration data, and to ascertain the prospectivity potential and possible mineralisation systems present within the tenement holdings.

There are two potential sources of uncertainty associated with this type of information compilation; 1. significant material information may not have been identified in the data compilation, and 2. There is a potential risk associated with the timely release of the exploration reports related to the areas of interest. That is, under the current regulations associated with annual technical reporting, any report linked to a current tenement that is less than five years old remains confidential and the company can also make submissions to ensure the reports remain confidential for longer periods. In addition, historical reports are not all digitally available. Therefore, obtaining the historical reports often requires extremely time-consuming and costly searches. There could also be duplication and compilation errors associated with several of the publicly available data compilations; this is commonly associated with multiple reporting of the exploration activities by different tenement managers using different grid references for the exploration activities. As such, these data may not be available and may have material errors that could have a material impact on potential exploration decisions.

Often the historical exploration reports do not include or discuss the use of quality assurance and quality control (QAQC) procedures as part of the sampling programs. Therefore, it is difficult to determine the validity and reliability of much of the historical samples, even where original assays are reported. The inability to properly validate all the exploration data reported herein, which has an impact on the proposed exploration, increases the exploration risk.

Global economics such as changes to commodity prices and access to capital to fund exploration can be considered as both risks and opportunities. These are factors that are outside of the control of the Company, as are broader societal issues. For example, at the time of drafting this Report, the impact of

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post COVID-19 associated supply chain issues is being felt globally and inflationary pressure are leading to uncertainty in the investment environment. There has also been a recent increase in the recognition of the need for a rapid transition of the global energy requirements and there has been a significant push toward a change toward a lower carbon intensity power generation. This shift has dramatically changed the demand profile for several "green" or "future facing" commodities including lithium, nickel, copper. While this recognition is recognised as having an impact on the demand there has been a dramatic decrease in the price of several of these critical "future facing" commodities over the past 3 – 6 months.

7.2 Project Specific Risks and Opportunities

All the projects have additional exploration potential adjacent to or along strike of the current Mineral Resources and regional exploration targets that require evaluation, assessment and more exploration. These Resource extensions are a material opportunity on each of the projects.

For the regional Projects there are the typical risks associated with early-stage exploration projects. While there are risks that no additional material that may be exploitable would be delineated, VRM considers that these risks are minimal and that there is a significant opportunity associated with the potential to delineate additional mineralisation within the Projects.

One significant project risk is associated with most of the Mineral Resources where the QAQC associated with the assay results and technical information is either poorly documented or the Mineral Resources are reliant on data where the QAQC reporting has been poorly documented. It is possible that there are no areas of concern with respect to the QAQC within the Mineral Resources however most of the Mineral Resources have been estimated either by a competent person employed by the company or an external consultant however in all cases where an external party has estimated the Mineral Resource the a company representative has taken responsibility for the underlying technical database and geological information.

For several of the Projects considered in this Report there are specific risks and opportunities that have a material impact on the value to the Shareholders of each of the companies and also the combined group should the Proposed Transaction complete. These risks and opportunities are readily identifiable however the value or financial impact of these risks and opportunities is not readily or reasonably defined at this stage. The opportunities include

- The merged company has proposed a reconfiguration of the Black Swan nickel Processing facility to create a standard gold processing facility, the exact costs to re-configure the existing plant are unknown however there were initial studies undertaken in 2018 but Poseidon.
- The Black Swan and Lake Johnson nickel projects are currently on care and maintenance while those projects do require ongoing expenditure associated with the care and maintenance of the processing facility, they are also currently approved and permitted projects. Therefore any the time to permit and re-start of the Projects, either as nickel Projects or the re configuration of the nickel processing plants to treat gold mineralisation in the case of Black Swan or as a lithium processing facility for Lake Johnson, would be significantly reduced compared to permitting a new processing facility and associated tailings storage facilities.
- There are significant synergies associated with the re configuration of the nickel processing facility to enable the treatment of gold mineralisation.

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- A reduced rehabilitation liability, especially at Black Swan should the nickel processing plant be re-configured to allow the processing of non-sulphide gold mineralisation which would cover and reduce the rehabilitation of the nickel sulphide tailings that are currently on the site and require rehabilitation
- The rehabilitation liability and costs to rehabilitate the sites, especially for the Black Swan Project would likely be significantly delayed and could be undertaken as a part of the gold processing therefore reducing the current value of the rehabilitation liability.
- One aspect that while measurable the financial impact is uncertain is the value of the nickel tailings at Black Swan and the value of the stockpiles. These two items have been valued at between $1.2 million and $2.1 million with a preferred valuation of $1.6 million. In VRM's opinion the stockpiles would likely have a materially lower recovery of nickel due to weathering and oxidation of the nickel sulphides in the stockpiles which have been on surface for at least 10 years. In addition to the expected lower nickel recovery if the nickel processing facility is re configured to provide a processing option for the gold mineralisation the depositing of the gold tailings onto the Back Swan or Silver Swan tailings facilities would sterilise and result in the nickel tailings Mineral Resource as having no value. In VRM's opinion for the merged entity it would be reasonable to remove the value of the Black Swan nickel tailings and the Black Swan stockpiles.

Additional Project specific opportunities include the lack of gold exploration within the Windarra Project due to the previous tenure only allowing for nickel exploration and exploitation, the Windarra Project area has several high priority gold targets and additional work is required. There are several earlier stage gold targets within the Black Swan Project while the Lake Johnson Project has significant lithium potential as evidenced by exploration success of TG Metals Limited and Charger Metals Limited on adjacent projects. Additional exploration is recommended for mineralisation that was previously overlooked or unable to be targeted. These are high priority exploration targets within the Projects.

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8. Preferred Valuations

Based on the valuation techniques detailed above, Table 39 provides a summary of the valuations derived for the Mineral Resources and the exploration potential within the projects by the various techniques. Figure 52 graphically shows the valuation range and preferred valuation for the Mineral Resources and exploration potential within the projects and the combined valuation range and preferred valuation for the mineral assets.

VRM's preferred valuation is based on the comparable transaction approach recognising that most of the value in the Projects are attributed to the Mineral Resources estimates. The comparable transaction valuation is supported by the yardstick approach.

The Geoscientific method is considered the preferable method to value the exploration potential adjacent to the Mineral Resources. The geoscientific method is supported by the PEM method where the expenditures are based on the last five years expenditure and the proportion of the minimum exploration expenditure since the last tenement anniversary.

Where there has been a recent transaction on the subject Mineral Assets, VRM has assessed if that transaction is an accurate reflection of the market value of the Mineral Asset. If the transaction is an accurate reflection of the value, then that has been used as the preferred valuation of the Mineral Asset. The recent transactions have been normalised to the target commodity price.

Based on the rationale outlined in the body of this Report, VRM is of the view that the Mineral Resource estimates is most appropriately valued considering a comparable transaction approach, while the exploration potential is most appropriately valued applying a Geoscientific or Kilburn valuation method.

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Table 39: Valuation Summary Projects by method

Company	Asset	Method		Lower Valuation	Preferred Valuation	Upper Valuation
Horizon	Gold MRE's	Trimmed Comparable (A$66.89/oz)	**Primary**	**80.6**	**107.5**	**134.4**
		Comparable Transactions (A$79.53/oz)	Supporting	95.9	127.8	159.8
		Yardstick	Supporting	52.6	79.5	106.4
	Mt Thirsty	Comparable Transactions (A$/t)	**Primary**	**1.0**	**1.3**	**1.6**
		Yardstick	Supporting	0.5	0.8	1.0
		Geoscientific	Supporting	0.8	1.7	2.5
		PEM	Supporting	7.9	9.2	10.5
	Nimbus MRE High	Comparable Transaction	**Primary**	**0.7**	**1.0**	**1.3**
	Exploration	Geoscientific	**Primary**	**2.5**	**6.9**	**11.3**
		PEM	Supporting	8.2	9.5	10.7
	Metal Tiger JV	Actual transactions	**Primary**	**0.0**	**0.0**	**0.1**
		Geoscientific	Supporting	0.0	0.1	0.2
		PEM	Supporting	0.3	0.4	0.4
	Metal Hawk Option	Actual transactions	**Primary**	**0.3**	**0.4**	**0.4**
		Geoscientific	Supporting	0.1	0.2	0.4
		PEM	Supporting	0.4	0.5	0.6
	Greenbushes	Actual transactions	**Primary**	**0.8**	**1.0**	**1.3**
		Geoscientific	Supporting	0.1	0.2	0.4
Horizon	**Total**	**Various**	**Primary**	**85.9**	**118.1**	**150.4**
Poseidon	**Black Swan**	**Selected Comparable Transactions (A$/t)**	**Primary**	**14.0**	**18.7**	**23.3**
		All Comparable		28.2	37.6	47.1
		All Comparable less rehab plus	Supporting	10.7	20.1	29.5
		Yardstick		22.1	33.7	45.2
		Yardstick less Rehab plus assets	Supporting	4.6	16.2	27.7
	Lake Johnson	**Selected Comparable Transactions (A$/t)**	**Primary**	**3.3**	**4.5**	**5.6**
		Comparable		6.7	9.0	11.2
		All Comparable less rehab plus	Supporting	-1.1	1.2	3.4
		Yardstick		5.5	8.3	11.1
		Yardstick less Rehab plus assets	Supporting	-2.3	0.5	3.2
	Windarra	**Selected Comparable Transactions (A$/t)**	**Primary**	**7.1**	**9.4**	**11.8**
		Comparable		14.3	19.0	23.8
		All Comparable less rehab plus	Supporting	13.3	18.0	22.8
		Yardstick		7.5	11.3	15.0
		Yardstick less Rehab plus assets	Supporting	6.5	10.3	14.1
	Exploration	Geoscientific	**Primary**	**0.5**	**1.4**	**2.2**
		PEM	Supporting	0.5	0.5	0.6
	Windarra Royalty	**Comparable Royalty Transactions**	**Primary**	**2.0**	**2.6**	**3.3**
Poseidon	**Total**	**Various**	**Primary**	**26.9**	**36.5**	**46.2**
Combined		**Preferred Valuation**		**112.7**	**154.6**	**196.6**

Note the totals may not add due to rounding in the valuations.

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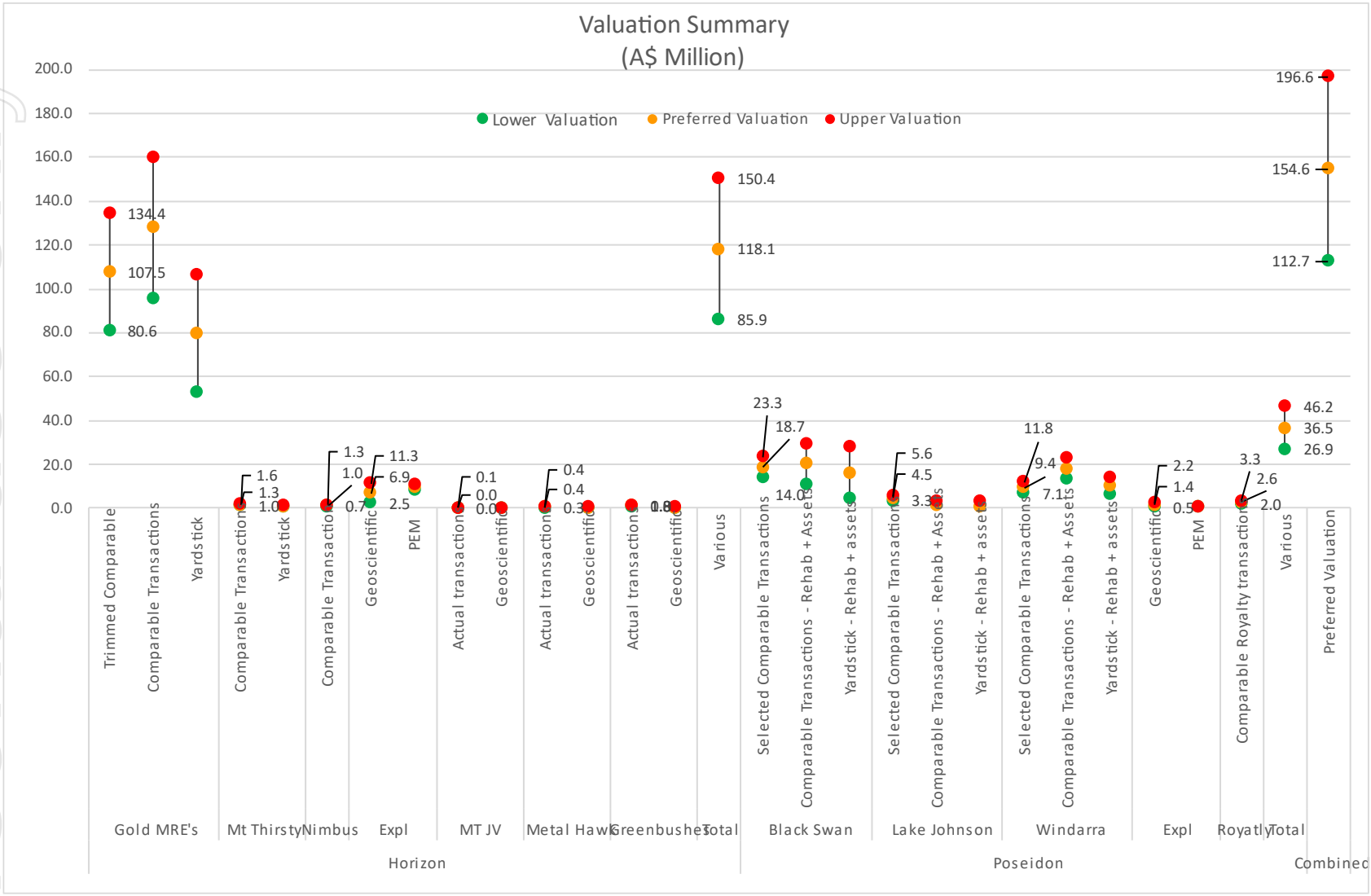


Figure 52: Valuation range and preferred valuation for the Horizon and Poseidon Mineral Assets

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9. References

The reference list below includes public domain and unpublished company reports obtained either directly from the Company or ASX releases of previous Joint Venture holders or previous holders of the tenements.

The Annual Technical Reports lodged with the DMIRS and subsequently made public either after five years or when the tenement was surrendered are listed in the Project specific references section below.

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Appendix A Poseidon Tenement Schedule

Project	Tenement Number	Grant Date	End Date	Total Area (HA)	Equity	Status
Black Swan	G27/2	9/09/2019	9/08/2040	206.14	100%	Live
Black Swan	L24/219	26/08/2016	25/08/2037	13	100%	Live
Black Swan	L24/222	26/08/2016	25/08/2037	29	100%	Live
Black Swan	L27/57	20/02/1997	19/02/2027	100.7	100%	Live
Black Swan	L27/58	20/02/1997	19/02/2027	1.28	100%	Live
Black Swan	L27/59	22/05/1997	21/05/2027	96.148	100%	Live
Black Swan	L27/74	27/06/2005	26/06/2026	307.9469	100%	Live
Black Swan	L27/75	20/10/2005	19/10/2026	450.1464	100%	Live
Black Swan	L27/77	20/11/2007	19/11/2028	768	100%	Live
Black Swan	L27/78	17/08/2012	16/08/2033	72.93	100%	Live
Black Swan	L27/95	20/07/2021	19/07/2042	3,933.98	100%	Live
Black Swan	L27/96	3/03/2022	3/02/2043	8,534.80	100%	Live
Black Swan	M27/200	25/01/1995	24/01/2037	933.65	100%	Live
Black Swan	M27/214	7/08/1997	7/07/2039	930.8	100%	Live
Black Swan	M27/216	7/08/1997	7/07/2039	996.15	100%	Live
Black Swan	M27/39	30/10/1986	29/10/2028	11.095	100%	Live
Lake Johnston	E63/1784	13/10/2017	10/12/2027	12BL	80%	Live
Lake Johnston	E63/2244	9/05/2023	9/04/2027	8 BL	100%	Live
Lake Johnston	E63/2256	9/05/2023	9/04/2027	25 BL	100%	Live
Lake Johnston	G63/5	14/05/2007	13/05/2028	8.998	100%	Live
Lake Johnston	G63/8	12/06/2016	12/05/2037	81.67	100%	Live
Lake Johnston	L63/51	8/07/2000	8/06/2042	345	100%	Live
Lake Johnston	L63/52	8/02/2000	8/01/2042	255	100%	Live
Lake Johnston	L63/55	3/04/2004	3/03/2025	26	100%	Live
Lake Johnston	L63/57	3/08/2006	3/07/2027	0.86	100%	Live
Lake Johnston	M63/163	27/10/1987	26/10/2029	931.25	100%	Live
Lake Johnston	M63/282	16/03/1995	15/03/2037	980.25	100%	Live
Lake Johnston	M63/283	16/03/1995	15/03/2037	986.3	100%	Live
Lake Johnston	M63/284	8/11/1994	8/10/2036	36.625	100%	Live
Lake Johnston	M63/292	4/08/1999	4/07/2041	335.05	100%	Live
Lake Johnston	M63/293	18/02/2008	17/02/2029	345.15	100%	Live
Lake Johnston	M63/294	18/02/2008	17/02/2029	105	100%	Live
Lake Johnston	M63/522	23/06/2009	22/06/2030	365.6	100%	Live
Lake Johnston	M63/523	23/06/2009	22/06/2030	994	100%	Live
Lake Johnston	M63/524	23/06/2009	22/06/2030	970.1	100%	Live
Pool Well	L38/118	6/12/2008	6/11/2029	458	100%	Live
Pool Well	M38/1244	14/11/2008	13/11/2029	185.886	100%	Live
Pool Well	M38/1245	14/11/2008	13/11/2029	112.282	100%	Live
Windarra Nickel	G38/21		27/12/2036	3.508	100%	Live
Windarra Nickel	L38/121		20/07/2029	2,320.00	100%	Live
Windarra Nickel	L38/199		13/10/2032	283.6	100%	Live
Windarra Nickel	L38/218		27/09/2033	41	100%	Live
Windarra Nickel	L39/184		20/01/2029	22.956	100%	Live
Windarra Nickel	L39/221		3/04/2034	16.1	100%	Live
Windarra Nickel	M261SA		12/10/2027	6,038.00	100%	Live
Windarra South	L38/119		4/08/2029	388	100%	Live
Windarra South	L38/122		20/07/2029	3,716.00	100%	Live
Windarra South	L38/220		12/06/2033	16	100%	Live
Woodline Well	L39/224		25/11/2034	35.76	100%	Live
Woodline Well	M39/1075		28/10/2033	357	100%	Live

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Appendix B Horizon Tenement Schedule

Project	Tenement Number	Grant Date	End Date	Total Area (HA)	Equity	Status
Binduli	L26/261	9/03/2012	9/02/2033	69	100%	Live
Binduli	M26/346	8/03/1990	8/02/2032	9.005	100%	Live
Binduli	M26/499	12/04/2008	12/03/2029	558.6	100%	Live
Binduli	M26/549	12/04/2008	12/03/2029	8.3305	100%	Live
Binduli	M26/621	12/04/2008	12/03/2029	187.55	100%	Live
Binduli	M26/855			247	100%	Pending
Binduli	P26/4256	18/02/2020	17/02/2028	54	100%	Live
Binduli	P26/4318			198	100%	Pending
Binduli	P26/4579	6/04/2021	6/03/2025	10.0457	100%	Live
Binduli	P26/4580	6/04/2021	6/03/2025	2.79918	100%	Live
Black Flag	E26/220	14/04/2023	13/04/2028	4 BL	100%	Live
Black Flag	P24/5143	20/04/2017	19/04/2025	195	100%	Live
Black Flag	P24/5144	20/04/2017	19/04/2025	195	100%	Live
Black Flag	P24/5145	29/09/2017	28/09/2025	191	100%	Live
Black Flag	P24/5146	9/12/2017	9/11/2025	191	100%	Live
Black Flag	P24/5147	20/04/2017	19/04/2025	200	100%	Live
Black Flag	P24/5148	20/04/2017	19/04/2025	200	100%	Live
Black Flag	P24/5149	20/04/2017	19/04/2025	200	100%	Live
Black Flag	P24/5150	9/12/2017	9/11/2025	200	100%	Live
Black Flag	P24/5151	20/04/2017	19/04/2025	195	100%	Live
Black Flag	P24/5152	20/04/2017	19/04/2025	194	100%	Live
Black Flag	P24/5153	20/04/2017	19/04/2025	200	100%	Live
Black Flag	P24/5154	20/04/2017	19/04/2025	154	100%	Live
Black Flag	P24/5155	9/01/2017	31/08/2025	194	100%	Live
Black Flag	P24/5156	9/01/2017	31/08/2025	187	100%	Live
Black Flag	P24/5157	9/01/2017	31/08/2025	189	100%	Live
Black Flag	P24/5158	9/01/2017	31/08/2025	169	100%	Live
Black Flag	P24/5159	20/04/2017	19/04/2025	196	100%	Live
Black Flag	P24/5160	7/04/2017	7/03/2025	141	100%	Live
Black Flag	P24/5348	8/11/2020	8/10/2024	140.92461	100%	Live
Black Flag	P24/5415	9/08/2020	9/07/2024	176.28998	100%	Live
Black Flag	P24/5637	20/09/2023	19/09/2027	199.96783	100%	Live
Black Flag	P24/5638	20/09/2023	19/09/2027	199.96461	100%	Live
Black Flag	P24/5639	20/09/2023	19/09/2027	200	100%	Live
Black Flag	P24/5640	20/09/2023	19/09/2027	199.96788	100%	Live
Bridgetown-Greenbushes	E70/5980	2/10/2022	2/09/2027	7 BL	100%	Live
Bridgetown-Greenbushes	E70/5981	2/10/2022	2/09/2027	4 BL	100%	Live
Bridgetown-Greenbushes	E70/6551	17/11/2023	16/11/2028	1 BL	100%	Live
Bridgetown-Greenbushes	E70/6552			1 BL	100%	Pending
Bridgetown-Greenbushes	E70/6553			2 BL	100%	Pending
Bridgetown-Greenbushes	E70/6554	9/04/2024	9/03/2029	2 BL	100%	Live
Bridgetown-Greenbushes	E70/6555			69 BL	100%	Pending
Burbanks	M15/161	11/05/1985	11/04/2027	303.35	100%	Live
Burbanks	M15/1845			4.97	100%	Pending
Burbanks	M15/1860			9.41	100%	Pending
Burbanks	M15/731	16/03/1995	15/03/2037	4.836	100%	Live
Burbanks	P15/5249	16/06/2010	15/06/2018	4.9	100%	Live
Burbanks	P15/5412	2/03/2011	2/02/2019	9.4	100%	Live
Burbanks	P15/6314	3/03/2022	3/02/2026	9.98952	100%	Live
Burbanks	P15/6381	11/12/2019	11/11/2027	118.35883	100%	Live
Burbanks	P15/6382	11/12/2019	11/11/2027	112.12499	100%	Live
Burbanks	P15/6675	12/05/2023	12/04/2027	199.9817	100%	Live
Burbanks	P15/6757	19/04/2023	18/04/2027	106.34548	100%	Live
Burbanks	P15/6774	12/05/2023	12/04/2027	146.11784	100%	Live
Cannon Gold Mine	E25/349	20/03/2008	19/03/2026	4 BL	100%	Live
Cannon Gold Mine	E25/543	21/09/2016	20/09/2026	5 BL	100%	Live

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Cannon Gold Mine	E25/564	14/01/2019	13/01/2029	8 BL	100%	Live
Cannon Gold Mine	L25/43	1/09/2015	1/08/2036	148.1815	100%	Live
Cannon Gold Mine	L25/48	21/07/2015	20/07/2036	159.51	100%	Live
Cannon Gold Mine	L25/50	6/05/2015	6/04/2036	16.1231	100%	Live
Cannon Gold Mine	L25/51	6/05/2015	6/04/2036	12.9325	100%	Live
Cannon Gold Mine	M25/182	3/03/2009	3/02/2030	429	100%	Live
Cannon Gold Mine	M25/327	5/11/2011	5/10/2032	122	100%	Live
Cannon Gold Mine	M25/329	5/11/2011	5/10/2032	456	100%	Live
Cannon Gold Mine	M25/330	5/11/2011	5/10/2032	703	100%	Live
Cannon Gold Mine	M25/333	29/03/2010	28/03/2031	399.1	100%	Live
Cannon Gold Mine	M25/357	18/08/2015	17/08/2036	117	100%	Live
Cannon Gold Mine	P25/2365	18/10/2016	17/10/2024		100%	Dead
Cannon Gold Mine	P25/2449	18/05/2018	17/05/2026	21.3143	100%	Live
Cannon Gold Mine	P25/2633	13/02/2020	2/12/2028	53.03725	100%	Live
Cannon Gold Mine	P25/2670	9/08/2020	9/07/2024	109.98479	100%	Live
Cannon Gold Mine	P25/2733	19/04/2023	18/04/2027	3.49566	100%	Live
Cannon Gold Mine	P25/2755	20/09/2023	19/09/2027	121.20191	100%	Live
Cannon Gold Mine	P25/2761	11/09/2023	11/08/2027	188.45389	100%	Live
Cannon Gold Mine	P25/748	21/07/1987	20/07/1989		100%	Dead
Chadwin	P16/3121	4/01/2019	31/03/2027	194	100%	Live
Coolgardie	E16/589	17/04/2023	16/04/2028	2 BL	100%	Live
Coolgardie	E16/590	17/04/2023	16/04/2028	2 BL	100%	Live
Coolgardie	E16/592	17/04/2023	16/04/2028	1 BL	100%	Live
Coolgardie	L15/429			2.84	100%	Pending
Coolgardie	L15/430			1.96	100%	Pending
Golden Ridge (Nimbus)	M26/41	1/04/1984	1/03/2026	32.14	100%	Live
Golden Ridge (Nimbus)	M26/433	14/12/1993	13/12/2035	5.675	100%	Live
Golden Ridge (Nimbus)	M26/534	10/03/1997	10/02/2039	417.75	100%	Live
Kalpini	L27/88	13/09/2013	9/12/2034	84.2	100%	Live
Kalpini	M27/485	15/11/2012	14/11/2033	584.65	100%	Live
Kanowna Belle (Nimbus)	P26/4156	9/10/2020	9/09/2024	85	100%	Live
Kanowna Belle (Nimbus)	P26/4535	6/03/2021	6/02/2025	198.07741	100%	Live
Kanowna Belle (Nimbus)	P27/2380	2/04/2019	2/03/2027	179	100%	Live
Kanowna Belle (Nimbus)	P27/2381	2/04/2019	2/03/2027	185	100%	Live
Lakewood	E26/209	12/11/2019	12/12/2029	11 BL	100%	Live
Lakewood	P26/4316	2/05/2019	2/04/2027	197	100%	Live
Lakewood	P26/4317	2/05/2019	2/04/2027	197	100%	Live
Lakewood	P26/4319	23/08/2019	22/08/2027	182	100%	Live
Lakewood	P26/4320	23/08/2019	22/08/2027	164	100%	Live
Lakewood	P26/4321	2/05/2019	2/04/2027	188	100%	Live
Lakewood	P26/4322	2/05/2019	2/04/2027	198	100%	Live
Lakewood	P26/4323	23/08/2019	22/08/2027	198	100%	Live
Lakewood	P26/4324	2/05/2019	2/04/2027	198	100%	Live
Lakewood	P26/4325	2/05/2019	2/04/2027	199	100%	Live
Lakewood	P26/4326	23/08/2019	22/08/2027	199	100%	Live
Lakewood	P26/4327	23/08/2019	22/08/2027	199	100%	Live
Lakewood	P26/4328	23/08/2019	22/08/2027	184	100%	Live
Lakewood	P26/4329	23/08/2019	22/08/2027	171	100%	Live
Lakewood	P26/4330	2/05/2019	2/04/2027	194	100%	Live
Lakewood	P26/4331	10/05/2021	10/04/2025	199.04193	100%	Live
Lakewood	P26/4332	2/05/2019	2/04/2027	199	100%	Live
Lakewood	P26/4333	2/05/2019	2/04/2027	199	100%	Live
Lakewood	P26/4334	23/08/2019	22/08/2027	199	100%	Live
Lakewood	P26/4335	17/02/2020	16/02/2028	191.71291	100%	Live
Lakewood	P26/4336	17/02/2020	16/02/2028	198.88079	100%	Live
Lakewood	P26/4337	2/05/2019	2/04/2027	199	100%	Live
Lakewood	P26/4338	2/05/2019	2/04/2027	199	100%	Live
Lakewood	P26/4339	2/05/2019	2/04/2027	199	100%	Live

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Lakewood	P26/4340	2/05/2019	2/04/2027	182	100%	Live
Lakewood	P26/4341	2/05/2019	2/04/2027	199	100%	Live
Lakewood	P26/4342	2/05/2019	2/04/2027	199	100%	Live
Lakewood	P26/4343	2/05/2019	2/04/2027	194	100%	Live
Lakewood	P26/4344	2/05/2019	2/04/2027	196	100%	Live
Lakewood	P26/4345	15/03/2019	14/03/2027	194	100%	Live
Lakewood	P26/4350	23/08/2019	22/08/2027	199	100%	Live
Mt Thirsty JV	E63/1267	28/04/2010	27/04/2020	2 BL	100%	Live
Mt Thirsty JV	E63/1790	23/02/2017	22/02/2027	2 BL	50%	Live
Mt Thirsty JV	G63/9			596.43	50%	Pending
Mt Thirsty JV	L63/80	14/08/2019	13/08/2040	595.4496	50%	Live
Mt Thirsty JV	L63/81	14/08/2019	13/08/2040	177.7616	50%	Live
Mt Thirsty JV	L63/91	15/06/2020	14/06/2041	180.95693	50%	Live
Mt Thirsty JV	M63/669			581.47	50%	Pending
Mt Thirsty JV	P63/2045	16/02/2017	15/02/2021	33	50%	Live
Mt Thirsty JV	R63/4	7/01/2016	30/06/2019	570.44	50%	Live
Nimbus/Boorara	E25/511	3/09/2015	3/08/2025	1 BL	100%	Live
Nimbus/Boorara	L25/32	21/03/2011	20/03/2032	19.6	100%	Live
Nimbus/Boorara	L25/35	8/04/2014	8/03/2035	97.2	100%	Live
Nimbus/Boorara	L25/36	8/01/2014	31/07/2035	149	100%	Live
Nimbus/Boorara	L26/240	20/08/2012	19/08/2033	39	100%	Live
Nimbus/Boorara	L26/252	21/03/2011	20/03/2032	42	100%	Live
Nimbus/Boorara	L26/266	24/10/2013	23/10/2034	1	100%	Live
Nimbus/Boorara	L26/270	26/04/2016	25/04/2037	20.46	100%	Live
Nimbus/Boorara	L26/274	3/09/2016	3/08/2037	83	100%	Live
Nimbus/Boorara	L26/275	21/10/2016	20/10/2037	7	100%	Live
Nimbus/Boorara	M25/355	13/06/2014	6/12/2035	1,773.00	100%	Live
Nimbus/Boorara	M26/161	12/02/1987	12/01/2029	329.45	100%	Live
Nimbus/Boorara	M26/277	22/05/1989	21/05/2031	215.35	100%	Live
Nimbus/Boorara	M26/29	31/05/1983	30/05/2025	212.15	100%	Live
Nimbus/Boorara	M26/318	16/03/1990	15/03/2032	696.9	100%	Live
Nimbus/Boorara	M26/490	27/02/2001	26/02/2043	306.15	100%	Live
Nimbus/Boorara	M26/598	10/11/2004	10/10/2025	28.595	100%	Live
Nimbus/Boorara	P25/2393	24/01/2017	23/01/2025	180	100%	Live
Nimbus/Boorara	P25/2394	24/01/2017	23/01/2025	126	100%	Live
Nimbus/Boorara	P25/2403	4/12/2017	4/11/2025	200	100%	Live
Nimbus/Boorara	P25/2404	4/12/2017	4/11/2025	200	100%	Live
Nimbus/Boorara	P25/2405	4/12/2017	4/11/2025	193	100%	Live
Nimbus/Boorara	P25/2450	17/09/2018	16/09/2026	200	100%	Live
Nimbus/Boorara	P25/2469	11/07/2018	11/06/2026	188	100%	Live
Nimbus/Boorara	P25/2470	11/07/2018	11/06/2026	147	100%	Live
Nimbus/Boorara	P25/2471	11/07/2018	11/06/2026	200	100%	Live
Nimbus/Boorara	P25/2472	11/07/2018	11/06/2026	144	100%	Live
Nimbus/Boorara	P25/2473	11/07/2018	11/06/2026	6.62	100%	Live
Nimbus/Boorara	P25/2474	11/07/2018	11/06/2026	122	100%	Live
Nimbus/Boorara	P25/2475	11/07/2018	11/06/2026	44	100%	Live
Nimbus/Boorara	P25/2526	30/01/2019	29/01/2027	167	100%	Live
Nimbus/Boorara	P25/2551	30/01/2019	29/01/2027	150	100%	Live
Nimbus/Boorara	P25/2552	30/01/2019	29/01/2027	181	100%	Live
Nimbus/Boorara	P25/2643	9/01/2020	31/08/2028	112.96821	100%	Live
Nimbus/Boorara	P25/2644	9/10/2020	9/09/2024	200	100%	Live
Nimbus/Boorara	P25/2645	9/10/2020	9/09/2024	118.04644	100%	Live
Nimbus/Boorara	P25/2646	9/10/2020	9/09/2024	174.91826	100%	Live
Nimbus/Boorara	P25/2647	9/10/2020	9/09/2024	199.08357	100%	Live
Nimbus/Boorara	P25/2697	22/04/2022	21/04/2026	124.51045	100%	Live
Nimbus/Boorara	P25/2732	19/08/2022	18/08/2026	195.99712	100%	Live
Nimbus/Boorara	P26/4199	1/03/2017	1/02/2025	109.96302	100%	Live
Nimbus/Boorara	P26/4204	18/02/2020	17/02/2028	56.53832	100%	Live

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Nimbus/Boorara	P26/4205	18/02/2020	17/02/2028	58.26037	100%	Live
Nimbus/Boorara	P26/4206	18/02/2020	17/02/2028	52.15865	100%	Live
Nimbus/Boorara	P26/4207	18/02/2020	17/02/2028	120.12135	100%	Live
Nimbus/Boorara	P26/4208	18/02/2020	17/02/2028	113.87256	100%	Live
Nimbus/Boorara	P26/4299	30/01/2019	29/01/2027	175	100%	Live
Nimbus/Boorara	P26/4300	30/01/2019	29/01/2027	149	100%	Live
Nimbus/Boorara	P26/4301	30/01/2019	29/01/2027	115	100%	Live
Nimbus/Boorara	P26/4302	11/07/2018	11/06/2026	93	100%	Live
Nimbus/Boorara	P26/4381	2/01/2019	31/01/2027	191	100%	Live
Nimbus/Boorara	P26/4382	2/01/2019	31/01/2027	183	100%	Live
Nimbus/Boorara	P26/4383	2/01/2019	31/01/2027	101	100%	Live
Nimbus/Boorara	P26/4384	2/01/2019	31/01/2027	198	100%	Live
Nimbus/Boorara	P26/4385	2/01/2019	31/01/2027	200	100%	Live
Nimbus/Boorara	P26/4386	20/02/2019	19/02/2027	199	100%	Live
Nimbus/Boorara	P26/4405	7/10/2019	7/09/2027	185	100%	Live
Nimbus/Boorara	P26/4431	18/07/2019	17/07/2027	76	100%	Live
Nimbus/Boorara	P26/4432	6/01/2023	31/05/2027	55.36222	100%	Live
Nimbus/Boorara	P26/4505	30/10/2020	29/10/2024	92.29318	100%	Live
Nimbus/Boorara	P26/4509	9/10/2020	9/09/2024	123.63771	100%	Live
Nimbus/Boorara	P26/4510	15/09/2020	14/09/2024	192.08146	100%	Live
Nimbus/Boorara	P26/4518	15/09/2020	14/09/2024	184.02545	100%	Live
Nimbus/Boorara	P26/4582	6/03/2021	6/02/2025	27.24167	100%	Live
Nimbus/Boorara	P27/2265	4/03/2017	4/02/2025	36	100%	Live
Nimbus/Boorara	P27/2266	4/03/2017	4/02/2025	198	100%	Live
Nimbus/Boorara	P27/2267	4/03/2017	4/02/2025	197	100%	Live
Nimbus/Boorara	P27/2269	4/03/2017	4/02/2025	200	100%	Live
Nimbus/Boorara	P27/2429	21/10/2020	20/10/2024	116.42377	100%	Live
Nimbus/Boorara	P27/2466	8/04/2021	8/03/2025	199.53083	100%	Live
Nimbus/Boorara	P27/2467	8/04/2021	8/03/2025	193.4393	100%	Live
Penny's Find	G27/1	19/02/2016	18/02/2016	19.27	100%	Live
Penny's Find	L27/90	12/04/2015	12/03/2036	1.05	100%	Live
Penny's Find	L27/91	28/07/2016	27/07/2037	8.8	100%	Live
Penny's Find	L27/92	28/07/2016	27/07/2037	5.67	100%	Live
Penny's Find	L27/93	14/03/2017	13/03/2038	5.9125	100%	Live
Penny's Find	M27/156	22/08/1991	21/08/2033	50.17	100%	Live
Phillips Find	M16/130	28/11/1989	27/11/2031	9.6925	100%	Live
Phillips Find	M16/133	28/11/1989	27/11/2031	59.405	100%	Live
Phillips Find	M16/168	2/04/1991	2/03/2033	110.3	100%	Live
Phillips Find	M16/171	14/05/1991	13/05/2033	304.95	100%	Live
Phillips Find	M16/242	23/08/2000	22/08/2042	10.865	100%	Live
Phillips Find	M16/258	23/08/2000	22/08/2042	331.45	100%	Live
Phillips Find	M16/550	7/04/2017	7/03/2038	114.2	100%	Live
Phillips Find	P16/2985	10/10/2017	10/09/2025	121.18	100%	Live
Phillips Find	P16/2986	10/10/2017	10/09/2025	122.04	100%	Live
Phillips Find	P16/2987	20/03/2017	19/03/2025	120.17	100%	Live
Phillips Find	P16/2988	20/03/2017	19/03/2025	122.54	100%	Live
Phillips Find	P16/2998	19/04/2017	18/04/2025	122.6	100%	Live
Phillips Find	P16/2999	19/04/2017	18/04/2025	126.21	100%	Live
Phillips Find	P16/3037	27/07/2017	26/07/2025	114.28	100%	Live
Phillips Find	P16/3038	27/07/2017	26/07/2025	121.33	100%	Live
Phillips Find	P16/3039	27/07/2017	26/07/2025	121.61	100%	Live
Phillips Find	P16/3040	27/07/2017	26/07/2025	121.43	100%	Live
Phillips Find	P16/3041	27/07/2017	26/07/2025	121.42	100%	Live
Phillips Find	P16/3042	27/07/2017	26/07/2025	121.43	100%	Live
Phillips Find	P16/3043	27/07/2017	26/07/2025	18.3	100%	Live
Phillips Find	P16/3084	7/02/2019	7/01/2027	186.85	85%	Live
Phillips Find	P16/3085	7/02/2019	7/01/2027	155.2	85%	Live
Phillips Find	P16/3086	7/02/2019	7/01/2027	194.29	85%	Live

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Phillips Find	P16/3087	7/02/2019	7/01/2027	182.33	85%	Live
Phillips Find	P16/3088	11/04/2019	11/03/2027	135.23088	100%	Live
Phillips Find	P16/3358	7/01/2022	30/06/2026	164.64808	100%	Live
Phoenix	M15/119	9/05/1984	9/04/2026	118.5	100%	Live
Rosehill	M15/1204	6/02/1998	6/01/2040	15.95	100%	Live
Rosehill	M15/652	2/02/1993	2/01/2035	5.26	100%	Live
Rosehill	P15/6380	11/06/2019	11/05/2027	0.16474	100%	Live
White flag	E26/168	3/09/2015	3/08/2025	8 BL	100%	Live
White flag	M26/616	3/01/2013	28/02/2034	946.35	100%	Live
White flag	P26/4079	15/02/2017	14/02/2025	60	100%	Live
Windanya	M24/1004			262	100%	Pending
Windanya	M24/919	4/05/2011	4/04/2032	747.35	100%	Live
Windanya	M24/959	7/12/2017	7/11/2038	192.8	100%	Live
Windanya	P24/4817	30/01/2015	29/01/2023	15.20733	100%	Live
Windanya	P24/5046	7/04/2017	7/03/2025	130	100%	Live
Windanya	P24/5464	6/04/2021	6/03/2025	111.85564	100%	Live
Windanya	P24/5507	22/04/2022	21/04/2026	163.87941	100%	Live
Windanya	P24/5508	7/12/2022	7/11/2026	147.51256	100%	Live
Yarmany	E16/471	12/10/2015	12/09/2025	7BL	100%	Live
Yarmany	E16/493	31/03/2017	30/03/2027	7 BL	100%	Live
Yarmany	E16/494	31/03/2017	30/03/2027	1 BL	100%	Live
Yarmany	E16/497	7/06/2017	7/05/2027	1 BL	100%	Live
Yarmany	E16/510	3/07/2019	3/06/2029	6 BL	100%	Live
Yarmany	E16/519	22/11/2019	21/11/2024	3 BL	100%	Live
Yarmany	E16/525	2/10/2020	2/09/2025	5 BL	100%	Live
Yarmany	E16/526	2/10/2020	2/09/2025	5 BL	100%	Live
Yarmany	P16/3212	2/03/2020	2/02/2028	138.73598	100%	Live
Yarmany	P16/3213	2/03/2020	2/02/2028	192.88663	100%	Live
Yarmany	E16/470	12/02/2015	12/01/2025	3 BL	100%	Live
Yarmany JV	E16/492	31/03/2017	30/03/2027	9 BL	25%	Live
Yarmany JV	E16/499	16/10/2017	15/01/2027	2 BL	100%	Live
Yarmany Metal Hawk	E15/1655	17/07/2020	16/07/2025	70 BL	100%	Live
Yarmany Metal Hawk	E15/1723	22/01/2020	21/01/2025	12 BL	100%	Live
Yarmany Metal Hawk	E16/503	13/12/2018	12/12/2028	11 BL	100%	Live
Yarmany Metal Hawk	E16/506	2/06/2020	2/05/2025	1 BL	100%	Live
Yarmany Metal Hawk	E16/507	2/06/2020	2/05/2025	1 BL	100%	Live
Yarmany Metal Hawk	E16/521	22/11/2019	21/11/2024	1 BL	100%	Live
Yarmany Metal Hawk	E16/591	17/04/2023	16/04/2028	2 BL	100%	Live

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Appendix C Comparable Transactions – Gold

Buyer Name Target Name	Date	R&R Eq Acquired	Value (A$)	Project Acquired	Equity Acquired	Au Price at transaction date	Normalisation Ratio	Resource Multiple A$/oz	Normalised A$/oz
Horizon Minerals Limited/Bulong South, Glandore and Cowarna projects	18/05/2021	23,580	5.00	Bulong South, Cowarna, Glandore	100.00	1868.10	1.4671324	212.04	311.10
Valor Resources Limited/Radio project	3/02/2020	21,450	3.54	Radio	75.00	1576.06	1.7389884	164.98	286.90
Northern Star Resources Limited/Millrose project	23/06/2023	346,000	59.45	Millrose	100.00	1924.05	1.4244692	171.82	244.75
Aurenne Group Holdings Pty Ltd/Australian exploration assets	5/08/2019	23,580	2.50	Bulong South, Cowarna, Glandore	100.00	1457.49	1.8804589	106.02	199.37
Red Dirt Metals Limited/Mount Ida project	13/09/2021	141,000	15.00	Mount Ida	100.00	1795.24	1.5266761	106.38	162.41
Torque Metals Limited/Paris project	29/07/2020	32,700	3.55	Paris	100.00	1955.46	1.4015884	108.56	152.16
Northern Star Resources Limited/Kurnalpi Project	**17/03/2021**	**189,400**	**18.00**	**Kurnalpi**	**100.00**	**1727.24**	**1.5867801**	**95.04**	**150.80**
Saracen Mineral Holdings Limited/Box Well and Deep South mining leases and 18 tenements	**18/04/2019**	**206,800**	**13.50**	**Box Well, Deep South**	**100.00**	**1275.31**	**2.1490853**	**65.28**	**140.29**
Rumble Resources Limited/Western Queen project	**1/08/2019**	**21,000**	**1.10**	**Western Queen**	**100.00**	**1413.94**	**1.9383779**	**52.38**	**101.53**
Linden Gold Alliance Pty Ltd/Linden project	**26/08/2020**	**138,699**	**9.00**	**Second Fortune**	**100.00**	**1940.06**	**1.412714**	**64.89**	**91.67**
Odyssey Energy Limited/Tuckanarra project	**13/10/2020**	**80,739**	**5.00**	**Tuckanarra**	**80.00**	**1891.63**	**1.4488827**	**61.93**	**89.73**
Nu-Fortune Gold Limited/Radio project	**14/04/2020**	**26,813**	**1.50**	**Radio**	**93.75**	**1731.06**	**1.5832785**	**55.94**	**88.57**
Kingwest Resources Limited/Menzies and Goongarrie projects	**9/07/2019**	**195,210**	**7.67**	**Goongarrie, Goongarrie Lady, Menzies**	**100.00**	**1397.13**	**1.9617001**	**39.29**	**77.07**
Westgold Resources Limited/Albury Heath project	**23/04/2020**	**27,000**	**1.30**	**Albury Heath**	**100.00**	**1737.64**	**1.577283**	**48.15**	**75.94**
Red 5 Limited/Mining Lease M37/54	**2/04/2020**	**62,100**	**2.50**	**Wild-Viper**	**100.00**	**1606.88**	**1.7056345**	**40.26**	**68.66**
Beacon Minerals Limited/MacPhersons Reward project	**23/08/2021**	**347,000**	**14.00**	**Coolgardie**	**100.00**	**1802.35**	**1.5206536**	**40.35**	**61.35**
Karora Resources Inc./Spargos Reward project	**15/05/2020**	**177,000**	**6.53**	**Spargos Reward**	**100.00**	**1744.07**	**1.5714679**	**36.86**	**57.93**
Genesis Minerals Limited/Kookynie project	**12/01/2021**	**414,000**	**14.51**	**Kookynie**	**100.00**	**1845.49**	**1.4851069**	**35.04**	**52.04**
Beacon Minerals Limited/Mt Dimer Mining Tenements	**18/10/2023**	**82,000**	**3.00**	**Mt Dimer**	**100.00**	**1941.40**	**1.411739**	**36.59**	**51.65**
Horizon Minerals Limited/Penny's Find project	**15/03/2021**	**47,000**	**1.50**	**Penny's Find**	**50.00**	**1729.58**	**1.5846333**	**31.91**	**50.57**
Warriedar Mining Pty Limited/Eureka project	**31/08/2020**	**43,100**	**1.40**	**Eureka**	**100.00**	**1967.93**	**1.3927071**	**32.48**	**45.24**
Strickland Metals Limited/Millrose project	**17/12/2021**	**346,000**	**10.00**	**Millrose**	**100.00**	**1803.45**	**1.5197261**	**28.90**	**43.92**
Twenty Seven Co. Limited/Mt Dimer and Trident project	**8/10/2020**	**18,000**	**0.45**	**Mt Dimer**	**100.00**	**1889.49**	**1.4505237**	**25.00**	**36.26**
Nu-Fortune Gold Ltd/Lindsays project	**4/12/2020**	**215,100**	**5.00**	**Lindsays**	**100.00**	**1833.94**	**1.49446**	**23.25**	**34.74**
Brightstar Resources Limited/Rights of Eastern Montague Project	**1/08/2024**	**526,000**	**14.00**	**Montague**	**100.00**	**2446.35**	**1.1203426**	**26.62**	**29.82**
Horizon Minerals Limited/Penny's Find project	**20/12/2021**	**40,000**	**0.75**	**Penny's Find**	**50.00**	**1795.30**	**1.5266251**	**18.75**	**28.62**

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Buyer Name Target Name	Date	R&R Eq Acquired	Value (A$)	Project Acquired	Equity Acquired	Au Price at transaction date	Normalisation Ratio	Resource Multiple A$/oz	Normalised A$/oz
Strickland Metals Limited/Horse Well project	**5/05/2021**	**95,090**	**1.75**	**Horse Well**	**37.00**	**1783.33**	**1.536872**	**18.40**	**28.28**
Platina Resources Limited/Xanadu project	15/06/2021	78,000	1.13	Xanadu	100.00	1860.65	1.4730067	14.44	21.26
Red 5 Limited/Cables and Mission deposits	15/05/2020	185,527	2.50	Mission/Cables	100.00	1744.07	1.5714679	13.48	21.18
SI6 Metals Limited/Monument Project	26/07/2021	50,000	0.55	Monument	100.00	1799.95	1.5226812	11.00	16.75
Horizon Minerals Limited/Kalpini project	12/10/2020	255,600	2.75	Kalpini	100.00	1921.98	1.4260034	10.76	15.34
Rox Resources Limited/OYG Joint venture	21/06/2019	833,420	5.34	Youanmi	70.00	1393.47	1.9668525	6.40	12.59
Corona Resources Limited/Spargos Reward project	3/06/2019	18,900	0.05	Spargos Reward	15.00	1319.82	2.0766089	2.65	5.49
Black Cat Syndicate Limited/Trojan, Slate Dam and Clinker Hill projects	7/10/2020	155,000	0.50	Clinker Hill, Slate Dam, Trojan	100.00	1883.72	1.4549668	3.23	4.69
Specrez Pty Ltd/Leonora project tenements	10/08/2020	104,000	0.19	Leonora	100.00	2036.19	1.3460188	1.83	2.46
Rock Solid Mining Services Pty Ltd/Cue Project	26/04/2023	136,000	0.20	Cue	100.00	1995.05	1.3737751	1.47	2.02

Statistics All Transactions

Statistics	Non Normalised A$/t	Normalised A$/t
Average	$50.34	$79.53
Median	$35.81	$51.84
Maximum	$212.04	$311.10
Minimum	$1.47	$2.02
75th Percentile	$64.15	$99.07
25th Percentile	$15.43	$23.02
Count	36	36

Statistic Single Population (bold in table above

Statistics	Non Normalised A$/t	Normalised A$/t
Average	$41.78	$66.89
Median	$36.86	$57.93
Minimum	$95.04	$150.80
Maximum	$18.40	$28.28
75th Percentile	$54.16	$89.15
25th Percentile	$27.76	$40.09
Count	21	21

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Appendix D Comparable Transactions – Nickel Sulphide

Buyer Name Target Name	Comparable (Y/N)	Date	R&R Acquired	Value (A$)	Project Acquired	Equity Acquired	Ni Price at transaction date	Normalisation Ratio	Resource Multiple A$/oz	Normalised A$/oz	Reason for not comparable
Mineral Resources Limited/Lake Johnston Project	Yes	15/03/2024	52,000	15.00	Lake Johnston	100.00	17,892.50	0.8636378			Exclude Withdrawn
Future Battery Minerals Limited/Kangaroo Hills project part of Nepean	No	7/08/2023	789	6.50	Nepean	20.00	20,863.00	0.740672			Exclude small unsure if MRE correct
Rocktivity Nepean Pty Ltd/Nepean Project	No	9/05/2023	3,945	10.00	Nepean	100.00	23,409.50	0.6601012			Exclude small unsure if MRE correct
Investor group/Nepean project	Yes	11/11/2020	13,008	2.50	Nepean	100.00	15,929.50	0.9700643	192.19	186.44	
Mincor Resources NL/Long Operation	Yes	23/05/2019	31,000	9.50	Long Complex	100.00	11,892.00	1.2994147	306.45	398.21	
Black Mountain Metals LLC/Lanfranchi project	Yes	13/09/2018	95,500	15.10	Lanfranchi	100.00	12,527.00	1.2335467	158.12	195.04	
Artemis Resources Limited/Radio Hill assets	Yes	28/04/2017	66,446	2.60	Radio Hill	100.00	9,404.00	1.6431986	39.19	64.40	
OZ Minerals Limited/West Musgrave Project	No	13/10/2016	574,770	36	West Musgrave	70.00	10,387.25	1.4876546			Exclude early stage and huge MRE
Dundas Mining Pty Limited/Avebury nickel mine	Yes	28/09/2016	259,400	25.00	Avebury	100.00	10,651.00	1.4508159	96.38	139.82	
Western Areas Limited/Cosmos nickel complex	Yes	19/06/2015	565,000	24.50	Cosmos	100.00	12,671.50	1.2194799	43.36	52.88	
Poseidon Nickel Limited/Lake Johnston nickel project	Yes	2/09/2014	126,400	1.01	Lake Johnston	100.00	18,473.00	0.8364987			Exclude Project changed since transaction
Poseidon Nickel Limited/Black Swan nickel project	Yes	4/07/2014	71,400	1.50	Black Swan	100.00	19,323.50	0.7996812			Exclude Project changed since transaction
QCG Resources Pty. Ltd./Avebury mine	No	15/04/2014	251,500	40.00	Avebury	100.00	17,609.00	0.8775422			Exclude newer transaction on the asset
Cassini Resources Ltd./West Musgrave project	No	3/04/2014	1,470,000	10.25	West Musgrave	100.00	16,257.00	0.9505222			Exclude newer transaction on the asset
Sirius Resources NL/Nova Bollinger project	Yes	14/02/2014	98,070	188.17	Nova-Bollinger	30.00	14,224.50	1.0863398			Exclude outlier & old

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Statistics	Non Normalised A$/t	Normalised A$/t
Average	$139.28	$172.80
Median	$127.25	$163.13
Maximum	$306.45	$398.21
Minimum	$39.19	$52.88
75th Percentile	$220.75	$245.83
25th Percentile	$42.32	$61.52
Count	6	6

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Appendix E Comparable Transactions – Nickel Laterite

Buyer Name Target Name	Comparable (Y/N)	Date	R&R Acquired	Value (A$)	Project Acquired	Equity Acquired	Ni Price at transaction date	Normalisation Ratio	Resource Multiple A$/oz	Normalised A$/oz	Reason for not comparable
POSCO/Ravensthorpe Nickel project	Laterite Yes	19/05/2021	570,660	308.14	Ravensthorpe	30.00	17,289.00	0.8937845	539.96	482.61	Outlier included a HPAL Processing Plant
Glencore Plc/Irwin-Coglia project	Laterite Yes	8/08/2018	76,800	1.70	Irwin-Coglia	40.00	13,967.50	1.1063283	22.14	24.49	
A-Cap Energy Limited/Wiluna project	Laterite Yes	20/12/2018	465,000	5.90	Wiluna	75.00	10,832.00	1.4265731	12.69	18.10	
Metals X Ltd/Claude Hills	Laterite Yes	13/12/2010	137,700	2.03	Claude Hills	51.00	24,470.00	0.6314933	14.75	9.31	Exclude? Old
Caeneus Minerals Limited/Pardoo project	Laterite Yes	13/06/2018	26,820	0.20	Pardoo-Highway	20.00	15,549.00	0.9938028	7.46	7.41	
Metals X Ltd/Claude Hills	Laterite Yes	17/08/2013	132,300	0.54	Claude Hills	49.00	14,928.50	1.03511	4.11	4.25	Exclude? Old
Clean TeQ Holdings Limited/Syerston project	Laterite Yes	23/11/2014	662,000	3.66	Clean TeQ Sunrise	100.00	16,573.00	0.9323985	5.52	5.15	
Caeneus Minerals Limited/Pardoo project	Laterite Yes	4/08/2015	107,280	0.16	Pardoo-Highway	80.00	10,780.00	1.4334545	1.44	2.07	
Carnavale Resources Limited/Grey Dam project	Laterite Yes	19/03/2018	102,000	0.11	Grey Dam	100.00	13,429.00	1.1506918	1.08	1.24	

Statistics	Non Normalised A$/t	Normalised A$/t
Average	$8.65	$9.00
Median	$6.49	$6.28
Maximum	$1.08	$1.24
Minimum	$22.14	$24.49
75th Percentile	$2.11	$2.62
25th Percentile	$14.23	$15.90
Count	8	8

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Appendix F Geoscientific Valuation

Tenement	BAC (AUS$)	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation (AUS$M)			Fair Market Valuation (AUS$M)		
		Low	High	Low	High	Low	High	Low	High	Lower	Preferred	Upper	Lower	Preferred	Upper
Mt Thirsty Project															
E63/1267	$50,000.00	1.0	1.5	2.0	3.0	3.5	4.0	3.0	3.5	0.53	1.05	1.58	0.40	0.80	1.20
E63/1790	$50,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.03	0.08	0.13	0.02	0.06	0.10
P63/2045	$2,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.01	0.00	0.00	0.00
R63/4	$50,000.00	1.0	1.5	2.0	3.0	3.5	4.0	3.0	3.5	0.53	1.05	1.58	0.40	0.80	1.20
M63/669	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total										**1.1**	**2.2**	**3.3**	**0.8**	**1.7**	**2.5**
Bridgetown-Greenbushes Project															
E70/5980	$20,000	2.0	2.5	1.0	1.5	1.0	1.5	1.0	1.5	0.04	0.10	0.17	0.03	0.08	0.13
E70/5981	$15,000	2.0	2.5	1.0	1.5	1.0	1.5	1.0	1.5	0.03	0.08	0.13	0.02	0.06	0.10
E70/6551	$10,000	2.0	2.5	1.0	1.5	1.0	1.5	1.0	1.5	0.02	0.05	0.08	0.02	0.04	0.06
E70/6552	-	2.0	2.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
E70/6553	-	2.0	2.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
E70/6554	$15,000	2.0	2.5	1.0	1.5	1.0	1.5	1.0	1.5	0.03	0.08	0.13	0.02	0.06	0.10
E70/6555	-	2.0	2.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
Total										**0.12**	**0.31**	**0.51**	**0.09**	**0.24**	**0.38**
Total non-Gold Projects										**1.20**	**2.49**	**3.79**	**0.91**	**1.89**	**2.88**
Burbanks & Phillips Find Projects															
M15/161	$30,400.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M15/731	$5,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M15/1845	-	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M15/1860	-	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P15/5249	$2,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P15/5412	$2,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P15/6314	$2,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P15/6381	$4,760.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P15/6382	$4,520.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P15/6757	$4,280.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.00	0.01	0.02
P15/6774	$5,880.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.03
P15/6775	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
M16/130	$10,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M16/133	$10,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M16/168	$11,100	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00

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Tenement	BAC (AUS$)	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation (AUS$M)			Fair Market Valuation (AUS$M)		
		Low	High	Low	High	Low	High	Low	High	Lower	Preferred	Upper	Lower	Preferred	Upper
M16/171	$30,500.00	1.0	1.5	1.0	1.5	1.5	2.0	1.0	1.5	0.05	0.13	0.21	0.05	0.14	0.23
M16/242	$10,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M16/258	$33,200.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M16/550	$11,500.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P16/2985	$4,880.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P16/2986	$4,920.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P16/2987	$4,840.00	1.0	1.5	1.0	1.5	1.5	2.0	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.04
P16/2988	$4,920.00	1.0	1.5	1.0	1.5	1.5	2.0	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.04
P16/2998	$4,920.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P16/2999	$5,080.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.03
P16/3037	$4,600.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P16/3038	$4,880.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P16/3039	$4,880.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P16/3040	$4,880.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P16/3041	$4,880.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P16/3042	$4,880.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P16/3043	$2,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.01	0.00	0.01	0.01
P16/3084	$7,480.00	1.0	1.5	1.0	1.5	1.5	2.0	1.0	1.5	0.01	0.03	0.04	0.01	0.03	0.05
P16/3085	$6,240.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.03
P16/3086	$7,800.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.04
P16/3087	$7,320.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.04
P16/3088	$5,440.00	1.0	1.5	1.0	1.5	1.5	2.0	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
P16/3358	$6,600.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.04
Total										**0.17**	**0.50**	**0.83**	**0.20**	**0.57**	**0.94**
Binduli and Black Flag Projects															
M26/346	$10,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M26/499	$55,900.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M26/549	$10,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M26/621	$18,800.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M26/855	-	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P26/4256	$2,160.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P26/4579	$2,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P26/4580	$2,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
E26/220	$15,000.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.01	0.03	0.05	0.01	0.03	0.05
P24/5143	$7,800.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5144	$7,800.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03

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Tenement	BAC (AUS$)	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation (AUS$M)			Fair Market Valuation (AUS$M)		
		Low	High	Low	High	Low	High	Low	High	Lower	Preferred	Upper	Lower	Preferred	Upper
P24/5145	$7,640.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5146	$7,640.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5147	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5148	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5149	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5150	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5151	$7,800.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5152	$7,760.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5153	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5154	$6,160.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.01	0.02
P24/5155	$7,760.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5156	$7,480.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5157	$7,560.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5158	$6,760.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.01	0.02
P24/5159	$7,840.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5160	$5,640.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.01	0.02
P24/5348	$5,640.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.01	0.02
P24/5415	$7,080.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.01	0.02
P24/5637	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5638	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5639	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
P24/5640	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.00	0.01	0.02	0.00	0.02	0.03
Total										**0.10**	**0.35**	**0.59**	**0.11**	**0.39**	**0.68**
Cannon Gold Mine and Golden Ridge Projects															
E25/349	$50,000	1.5	2.0	1.0	1.5	1.0	1.5	1.0	1.5	0.08	0.21	0.34	0.09	0.24	0.38
E25/543	$50,000	1.5	2.0	1.0	1.5	1.0	1.5	1.0	1.5	0.08	0.21	0.34	0.09	0.24	0.38
E25/564	$50,000	1.5	2.0	1.0	1.5	1.0	1.5	1.0	1.5	0.08	0.21	0.34	0.09	0.24	0.38
M25/182	$42,900	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M25/327	$12,200	1.0	1.5	1.0	1.5	1.5	2.0	1.0	1.5	0.02	0.05	0.08	0.02	0.06	0.09
M25/329	$45,600	1.0	1.5	1.0	1.5	1.5	2.0	1.0	1.5	0.07	0.19	0.31	0.08	0.21	0.35
M25/330	$70,300	1.0	1.5	1.0	1.5	1.5	2.0	1.0	1.5	0.11	0.29	0.47	0.12	0.33	0.54
M25/333	$40,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M25/357	$11,700	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P25/2449	$2,000.00	1.0	1.5	1.0	1.5	1.5	2.0	1.0	1.5	0.00	0.01	0.01	0.00	0.01	0.02
P25/2670	$4,400.00	1.0	1.5	1.0	1.5	1.5	2.0	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.03
P25/2733	$2,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.01	0.00	0.01	0.01

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Tenement	BAC (AUS$)	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation (AUS$M)			Fair Market Valuation (AUS$M)		
		Low	High	Low	High	Low	High	Low	High	Lower	Preferred	Upper	Lower	Preferred	Upper
P25/2755	$4,880.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P25/2761	$7,560.00	1.5	2.0	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.03	0.05	0.01	0.04	0.06
P25/2633	$2,160.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M26/41	$10,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M26/433	$10,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M26/534	$41,800	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
Total										**0.44**	**1.23**	**2.01**	**0.51**	**1.40**	**2.29**
Kalgoorlie North and Kalpini Projects															
P26/4156	$3,400.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.00	0.01	0.02
P26/4535	$7,960.00	3.0	3.5	1.0	1.5	1.0	1.5	1.5	2.0	0.04	0.08	0.13	0.04	0.09	0.14
M27/485	$58,500	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
Total										**0.04**	**0.09**	**0.14**	**0.04**	**0.10**	**0.16**
Lakewood Project															
E26/209	$30,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.03	0.09	0.15	0.03	0.10	0.17
P26/4316	$7,880.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4317	$7,880.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4318	-	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P26/4319	$7,280.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
P26/4320	$6,560.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.04
P26/4321	$7,520.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
P26/4322	$7,920.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4323	$7,920.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4324	$7,920.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4325	$7,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4326	$7,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4327	$7,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4328	$7,360.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
P26/4329	$6,840.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.04
P26/4330	$7,760.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
P26/4331	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4332	$7,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4333	$7,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4334	$7,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4335	$7,680.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
P26/4336	$7,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4337	$7,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05

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Tenement	BAC (AUS$)	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation (AUS$M)			Fair Market Valuation (AUS$M)		
		Low	High	Low	High	Low	High	Low	High	Lower	Preferred	Upper	Lower	Preferred	Upper
P26/4338	$7,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4339	$7,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4340	$7,280.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
P26/4341	$7,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4342	$7,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4343	$7,760.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
P26/4344	$7,840.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4345	$7,760.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
P26/4350	$7,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
Total										**0.26**	**0.80**	**1.33**	**0.30**	**0.91**	**1.52**
Nimbus/Boorara, Windaya, White Flag, Rosehill Projects															
P27/2380	$7,160.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.02	0.04
P27/2381	$7,400.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
M25/355	$177,300	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M26/161	$33,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M26/277	$21,600	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M26/29	$21,300	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M26/318	$69,700	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M26/490	$30,700	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M26/598	$10,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
E25/511	$20,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.02	0.06	0.10	0.02	0.07	0.12
P25/2393	$7,200.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.02	0.04
P25/2394	$5,040.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.03
P25/2403	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P25/2404	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P25/2405	$7,720.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
P25/2450	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P25/2469	$7,520.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
P25/2470	$5,880.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.03
P25/2471	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P25/2472	$5,760.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.03
P25/2473	$2,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.01	0.00	0.01	0.01
P25/2474	$4,880.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P25/2475	$2,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.01	0.00	0.01	0.01
P25/2526	$6,680.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.04

personal use only

Tenement	BAC (AUS$)	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation (AUS$M)			Fair Market Valuation (AUS$M)		
		Low	High	Low	High	Low	High	Low	High	Lower	Preferred	Upper	Lower	Preferred	Upper
P25/2551	$6,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.03
P25/2552	$7,240.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
P25/2643	$4,520.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P25/2644	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P25/2645	$4,760.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P25/2646	$7,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.02	0.04
P25/2647	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P25/2697	$5,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.03
P25/2732	$7,840.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4199	$4,400.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P26/4204	$2,280.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.01	0.00	0.01	0.01
P26/4205	$2,360.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.01	0.00	0.01	0.01
P26/4206	$2,120.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.01	0.00	0.01	0.01
P26/4207	$4,840.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P26/4208	$4,560.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P26/4299	$7,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.02	0.04
P26/4300	$5,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.03	0.01	0.02	0.03
P26/4301	$4,600.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P26/4302	$3,720.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.00	0.01	0.02
P26/4381	$7,640.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
P26/4382	$7,320.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
P26/4383	$4,040.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.00	0.01	0.02
P26/4384	$7,920.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4385	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4386	$7,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P26/4405	$7,400.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
P26/4431	$3,040.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.00	0.01	0.02
P26/4432	$2,240.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.01	0.00	0.01	0.01
P26/4505	$3,720.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.00	0.01	0.02
P26/4509	$4,960.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P26/4510	$7,720.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P26/4518	$7,400.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P26/4582	$2,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.01	0.00	0.01	0.01
P27/2265	$2,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.01	0.00	0.01	0.01
P27/2266	$7,920.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P27/2267	$7,880.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P27/2269	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05

personal use only

Tenement	BAC (AUS$)	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation (AUS$M)			Fair Market Valuation (AUS$M)		
		Low	High	Low	High	Low	High	Low	High	Lower	Preferred	Upper	Lower	Preferred	Upper
P27/2429	$4,680.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.01	0.02	0.01	0.02	0.03
P27/2466	$8,000.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.05
P27/2467	$7,760.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.02	0.04	0.01	0.03	0.04
M27/156	$10,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M15/1204	$10,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M15/652	$10,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P15/6380	$2,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
E26/168	$70,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M26/616	$94,700	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P26/4079	$2,400.00	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M24/1004	-	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M24/919	$74,800	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M24/959	$19,300	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P24/4817	$2,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P24/5046	$5,200	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P24/5464	$4,480	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P24/5507	$6,560	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
P24/5508	$5,920	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.00	0.00	0.00	0.00	0.00	0.00
Total										**0.33**	**1.00**	**1.67**	**0.38**	**1.14**	**1.90**
Yarmany East Project															
P16/3121	$7,760	1.5	2	1	1.5	1	1.5	1.5	2	0.02	0.04	0.07	0.02	0.05	0.08
M15/119	$11,900	1.5	2	1	2	1	1.5	1.5	2	0.03	0.08	0.14	0.03	0.10	0.16
E16/494	$20,000	1.5	2.0	1.0	1.5	2.0	2.5	1.0	1.5	0.06	0.14	0.23	0.07	0.16	0.26
E16/470	$50,000.00	1.0	1.5	1.0	1.5	2.0	2.5	1.0	1.5	0.10	0.26	0.42	0.11	0.30	0.48
E16/471	$70,000.00	1.0	1.5	1.0	1.5	2.0	2.5	1.0	1.5	0.14	0.37	0.59	0.16	0.42	0.67
E16/493	$70,000.00	1.0	1.5	1.0	1.5	2.0	2.5	1.0	1.5	0.14	0.37	0.59	0.16	0.42	0.67
E16/497	$20,000	1.5	2.0	1.0	1.5	2.0	2.5	1.0	1.5	0.06	0.14	0.23	0.07	0.16	0.26
E16/510	$50,000	1.0	1.5	1.0	1.5	2.0	2.5	1.0	1.5	0.10	0.26	0.42	0.11	0.30	0.48
E16/519	$20,000	1.0	1.5	1.0	1.5	2.0	2.5	1.0	1.5	0.04	0.10	0.17	0.05	0.12	0.19
E16/525	$30,000	1.0	1.5	1.0	1.5	2.0	2.5	1.0	1.5	0.06	0.16	0.25	0.07	0.18	0.29
E16/526	$20,000	1.0	1.5	1.0	1.5	2.0	2.5	1.0	1.5	0.04	0.10	0.17	0.05	0.12	0.19
P16/3212	$5,560.00	1.0	1.5	1.0	1.5	2.0	2.5	1.0	1.5	0.01	0.03	0.05	0.01	0.03	0.05
P16/3213	$7,720.00	1.0	1.5	1.0	1.5	2.0	2.5	1.0	1.5	0.02	0.04	0.07	0.02	0.05	0.07
Total										**0.81**	**2.10**	**3.39**	**0.92**	**2.39**	**3.86**

personal use only

Tenement	BAC (AUS$)	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation (AUS$M)			Fair Market Valuation (AUS$M)		
		Low	High	Low	High	Low	High	Low	High	Lower	Preferred	Upper	Lower	Preferred	Upper
Total Gold Tenure										**3.38**	**8.26**	**13.67**	**2.46**	**6.90**	**11.35**
Yarmany West Metal Hawk Option															
E15/1655	$105,000	1.5	2.0	2.5	1.5	2.0	1.0	1.5	1.5	0.06	0.15	0.24	0.05	0.11	0.18
E15/1723	$30,000	1.5	2.0	2.5	1.5	2.0	1.0	1.5	1.5	0.02	0.04	0.07	0.01	0.03	0.05
E16/503	$50,000	1.5	1.5	2.0	1.5	2.0	1.0	1.5	1.5	0.02	0.06	0.09	0.02	0.04	0.07
E16/506	$10,000	1.5	1.5	2.0	1.5	2.0	1.0	1.5	1.5	0.00	0.01	0.02	0.00	0.01	0.01
E16/507	$10,000	1.5	1.5	2.0	1.5	2.0	1.0	1.5	1.5	0.00	0.01	0.02	0.00	0.01	0.01
E16/521	$10,000	1.5	1.5	2.0	1.5	2.0	1.0	1.5	1.5	0.00	0.01	0.02	0.00	0.01	0.01
E16/591	$15,000	1.5	1.5	2.0	1.5	2.0	1.0	1.5	1.5	0.01	0.02	0.03	0.01	0.01	0.02
Total										**0.11**	**0.30**	**0.49**	**0.09**	**0.23**	**0.36**
Yarmany Metal Tiger JV															
E16/492	$70,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.02	0.05	0.09	0.02	0.06	0.10
E16/499	$50,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	0.01	0.04	0.06	0.01	0.04	0.07
Total										**0.03**	**0.09**	**0.15**	**0.03**	**0.10**	**0.17**
Total All Horizon Assets										**3.51**	**8.94**	**14.37**	**3.50**	**9.13**	**14.76**
Black Swan Nickel Assets															
M27/200	$93,400.0	1	1.5	1	1.5	1	1.5	1	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M27/214	$93,100.0	1	1.5	1	1.5	1.5	2	1	1.5	0.11	0.31	0.50	0.13	0.35	0.57
M27/216	$99,700.0	1	1.5	1	1.5	1.5	2	1	1.5	0.12	0.33	0.54	0.14	0.38	0.61
M27/39	$10,000.0	1	1.5	1	1.5	1	1.5	1	1.5	0.00	0.00	0.00	0.00	0.00	0.00
Total										**0.23**	**0.64**	**1.04**	**0.27**	**0.73**	**1.18**
Lake Johnston Nickel Assets															
E63/1784	$70,000.00	1	1.5	1	1.5	1	1.5	1	1.5	0.07	0.21	0.35	0.05	0.16	0.27
E63/2244	$20,000.00	1	1.5	1	1.5	1.5	2	1.5	2	0.05	0.11	0.18	0.03	0.09	0.14
E63/2256	$25,000.00	1	1.5	1	1.5	1	1.5	1	1.5	0.03	0.08	0.13	0.02	0.06	0.10
M63/163	$93,200.00	1	1.5	1	1.5	1	1.5	1	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M63/282	$98,100.00	1	1.5	1	1.5	1	1.5	1	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M63/283	$98,700.00	1	1.5	1	1.5	1	1.5	1	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M63/284	$10,000.00	1	1.5	1	1.5	1	1.5	1	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M63/292	$33,600.00	1	1.5	1	1.5	1	1.5	1	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M63/293	$34,600.00	1	1.5	1	1.5	1	1.5	1	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M63/294	$10,500.00	1	1.5	1	1.5	1	1.5	1	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M63/522	$36,600.00	1	1.5	1	1.5	1	1.5	1	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M63/523	$99,400.00	1	1.5	1	1.5	1	1.5	1	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M63/524	$97,100.00	1	1.5	1	1.5	1	1.5	1	1.5	0.00	0.00	0.00	0.00	0.00	0.00

personal use only

Tenement	BAC (AUS$)	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation (AUS$M)			Fair Market Valuation (AUS$M)		
		Low	High	Low	High	Low	High	Low	High	Lower	Preferred	Upper	Lower	Preferred	Upper
Total										**0.15**	**0.40**	**0.56**	**0.10**	**0.31**	**0.51**
Windarra Assets															
M38/1244	$18,600.00	1	1.5	1	1.5	1	1.5	1	1.5	0.02	0.06	0.09	0.01	0.04	0.07
M38/1245	$11,300.00	1	1.5	1	1.5	1	1.5	1	1.5	0.01	0.03	0.06	0.01	0.03	0.04
M261SA	$603,800.00	1	1.5	1	1.5	1	1.5	1	1.5	0.00	0.00	0.00	0.00	0.00	0.00
M39/1075	$35,700.0	1	1.5	1	1.5	1	1.5	1	1.5	0.04	0.11	0.18	0.03	0.08	0.14
Total										**0.07**	**0.20**	**0.33**	**0.05**	**0.15**	**0.25**
Total All Poseidon Exploration Assets										**0.45**	**1.24**	**1.93**	**0.42**	**1.18**	**1.94**
Total All Combined Exploration Assets										**4.00**	**10.33**	**16.66**	**3.98**	**10.49**	**17.00**

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Appendix G PEM Valuation

Tenement	Expenditure ($)	PEM Low	PEM High	Lower ($M)	Mid ($M)	High ($M)
Mt Thirsty Project						
E63/1267	146,340	3.0	4.0	0.44	0.51	0.59
E63/1790	105,738	3.0	4.0	0.32	0.37	0.42
P63/2045	94,060	3.0	4.0	0.28	0.33	0.38
R63/4	2,272,011	3.0	4.0	6.82	7.95	9.09
Total				**7.9**	**9.2**	**10.5**
Bridgetown-Greenbushes project						
E70/5980	36,791	1.0	1.3	0.04	0.04	0.05
E70/5981	24,696	1.0	1.3	0.02	0.03	0.03
E70/6551	-	1.0	1.3	0.00	0.00	0.00
E70/6552	-	1.0	1.3	0.00	0.00	0.00
E70/6553	-	1.0	1.3	0.00	0.00	0.00
E70/6554	-	1.0	1.3	0.00	0.00	0.00
E70/6555	-	1.0	1.3	0.00	0.00	0.00
Total				**0.06**	**0.07**	**0.08**
Total Non-Gold Assets				**7.92**	**9.23**	**10.55**
Burbanks & Phillips Find Projects						
P15/6757	5,714	1.0	1.3	0.01	0.01	0.01
P15/6774	5,880	1.0	1.3	0.01	0.01	0.01
P15/6775	8,000	1.0	1.3	0.01	0.01	0.01
M16/171	140,690	1.0	1.3	0.14	0.16	0.18
P16/2985	38,305	1.0	1.3	0.04	0.04	0.05
P16/2986	31,230	1.0	1.3	0.03	0.04	0.04
P16/2987	36,696	1.0	1.3	0.04	0.04	0.05
P16/2988	42,529	1.0	1.3	0.04	0.05	0.06
P16/2998	20,358	1.0	1.3	0.02	0.02	0.03
P16/2999	32,497	1.0	1.3	0.03	0.04	0.04
P16/3037	27,502	1.0	1.3	0.03	0.03	0.04

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Tenement	Expenditure ($)	PEM Low	PEM High	Lower ($M)	Mid ($M)	High ($M)
P16/3038	27,904	1.0	1.3	0.03	0.03	0.04
P16/3039	27,462	1.0	1.3	0.03	0.03	0.04
P16/3040	27,462	1.0	1.3	0.03	0.03	0.04
P16/3041	28,763	1.0	1.3	0.03	0.03	0.04
P16/3042	25,594	1.0	1.3	0.03	0.03	0.03
P16/3043	25,618	1.0	1.3	0.03	0.03	0.03
P16/3084	36,685	1.0	1.3	0.04	0.04	0.05
P16/3085	34,261	1.0	1.3	0.03	0.04	0.04
P16/3086	72,506	1.0	1.3	0.07	0.08	0.09
P16/3087	72,982	1.0	1.3	0.07	0.08	0.09
P16/3088	27,509	1.0	1.3	0.03	0.03	0.04
P16/3358	32,995	1.0	1.3	0.03	0.04	0.04
Total				**0.83**	**0.95**	**1.08**
Binduli and Black Flag Projects						
E26/220	13,901	1.0	1.3	0.01	0.02	0.02
P24/5143	34,568	1.0	1.3	0.03	0.04	0.04
P24/5144	30,218	1.0	1.3	0.03	0.03	0.04
P24/5145	31,839	1.0	1.3	0.03	0.04	0.04
P24/5146	97,476	1.0	1.3	0.10	0.11	0.13
P24/5147	30,572	1.0	1.3	0.03	0.04	0.04
P24/5148	30,569	1.0	1.3	0.03	0.04	0.04
P24/5149	36,881	1.0	1.3	0.04	0.04	0.05
P24/5150	36,180	1.0	1.3	0.04	0.04	0.05
P24/5151	37,280	1.0	1.3	0.04	0.04	0.05
P24/5152	36,936	1.0	1.3	0.04	0.04	0.05
P24/5153	37,288	1.0	1.3	0.04	0.04	0.05
P24/5154	28,328	1.0	1.3	0.03	0.03	0.04
P24/5155	60,646	1.0	1.3	0.06	0.07	0.08
P24/5156	75,865	1.0	1.3	0.08	0.09	0.10
P24/5157	72,431	1.0	1.3	0.07	0.08	0.09

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Tenement	Expenditure ($)	PEM Low	PEM High	Lower ($M)	Mid ($M)	High ($M)
P24/5158	31,533	1.0	1.3	0.03	0.04	0.04
P24/5159	56,266	1.0	1.3	0.06	0.06	0.07
P24/5160	27,066	1.0	1.3	0.03	0.03	0.04
P24/5348	21,247	1.0	1.3	0.02	0.02	0.03
P24/5415	22,516	1.0	1.3	0.02	0.03	0.03
P24/5637	-	1.0	1.3	0.00	0.00	0.00
P24/5638	-	1.0	1.3	0.00	0.00	0.00
P24/5639	-	1.0	1.3	0.00	0.00	0.00
P24/5640	-	1.0	1.3	0.00	0.00	0.00
Total				**0.85**	**0.98**	**1.10**
Cannon Gold Mine and Golden Ridge Projects						
E25/349	314,310	1.0	1.3	0.31	0.36	0.41
E25/564	139,774	1.0	1.3	0.14	0.16	0.18
M25/327	244,466	1.0	1.3	0.24	0.28	0.32
M25/329	41,884	1.0	1.3	0.04	0.05	0.05
M25/330	108,960	1.0	1.3	0.11	0.13	0.14
P25/2449	115,043	1.0	1.3	0.12	0.13	0.15
P25/2670	15,114	1.0	1.3	0.02	0.02	0.02
P25/2733	16,410	1.0	1.3	0.02	0.02	0.02
P25/2755	4,571	1.0	1.3	0.00	0.01	0.01
P25/2761	4,880	1.0	1.3	0.00	0.01	0.01
Total				**1.01**	**1.16**	**1.31**
Kalgoorlie North and Kalpini Projects						
P26/4156	22,166	1.0	1.3	0.02	0.03	0.03
P26/4535	23,149	1.0	1.3	0.02	0.03	0.03
Total				**0.05**	**0.05**	**0.06**
Lakewood Project						
E26/209	129,292	1.0	1.3	0.13	0.15	0.17
P26/4316	31,850	1.0	1.3	0.03	0.04	0.04
P26/4317	34,274	1.0	1.3	0.03	0.04	0.04

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Tenement	Expenditure ($)	PEM Low	PEM High	Lower ($M)	Mid ($M)	High ($M)
P26/4318		1.0	1.3	0.00	0.00	0.00
P26/4319	30,379	1.0	1.3	0.03	0.03	0.04
P26/4320	32,432	1.0	1.3	0.03	0.04	0.04
P26/4321	33,210	1.0	1.3	0.03	0.04	0.04
P26/4322	34,039	1.0	1.3	0.03	0.04	0.04
P26/4323	32,751	1.0	1.3	0.03	0.04	0.04
P26/4324	34,039	1.0	1.3	0.03	0.04	0.04
P26/4325	36,345	1.0	1.3	0.04	0.04	0.05
P26/4326	31,997	1.0	1.3	0.03	0.04	0.04
P26/4327	30,566	1.0	1.3	0.03	0.04	0.04
P26/4328	30,325	1.0	1.3	0.03	0.03	0.04
P26/4329	28,860	1.0	1.3	0.03	0.03	0.04
P26/4330	33,521	1.0	1.3	0.03	0.04	0.04
P26/4331	21,132	1.0	1.3	0.02	0.02	0.03
P26/4332	35,336	1.0	1.3	0.04	0.04	0.05
P26/4333	35,945	1.0	1.3	0.04	0.04	0.05
P26/4334	30,949	1.0	1.3	0.03	0.04	0.04
P26/4335	29,349	1.0	1.3	0.03	0.03	0.04
P26/4336	29,349	1.0	1.3	0.03	0.03	0.04
P26/4337	36,044	1.0	1.3	0.04	0.04	0.05
P26/4338	35,945	1.0	1.3	0.04	0.04	0.05
P26/4339	37,973	1.0	1.3	0.04	0.04	0.05
P26/4340	33,139	1.0	1.3	0.03	0.04	0.04
P26/4341	52,766	1.0	1.3	0.05	0.06	0.07
P26/4342	35,909	1.0	1.3	0.04	0.04	0.05
P26/4343	34,233	1.0	1.3	0.03	0.04	0.04
P26/4344	33,340	1.0	1.3	0.03	0.04	0.04
P26/4345	36,457	1.0	1.3	0.04	0.04	0.05
P26/4350	32,189	1.0	1.3	0.03	0.04	0.04
Total				**1.13**	**1.30**	**1.47**

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Tenement	Expenditure ($)	PEM Low	PEM High	Lower ($M)	Mid ($M)	High ($M)
Nimbus/Boorara, White Flag, Rosehill Projects						
P27/2380	36,238	1.0	1.3	0.04	0.04	0.05
P27/2381	35,853	1.0	1.3	0.04	0.04	0.05
E25/511	66,715	1.0	1.3	0.07	0.08	0.09
P25/2393	54,735	1.0	1.3	0.05	0.06	0.07
P25/2394	26,240	1.0	1.3	0.03	0.03	0.03
P25/2403	32,208	1.0	1.3	0.03	0.04	0.04
P25/2404	31,593	1.0	1.3	0.03	0.04	0.04
P25/2405	29,322	1.0	1.3	0.03	0.03	0.04
P25/2450	33,666	1.0	1.3	0.03	0.04	0.04
P25/2469	52,273	1.0	1.3	0.05	0.06	0.07
P25/2470	23,480	1.0	1.3	0.02	0.03	0.03
P25/2471	62,910	1.0	1.3	0.06	0.07	0.08
P25/2472	45,180	1.0	1.3	0.05	0.05	0.06
P25/2473	28,327	1.0	1.3	0.03	0.03	0.04
P25/2474	23,300	1.0	1.3	0.02	0.03	0.03
P25/2475	23,193	1.0	1.3	0.02	0.03	0.03
P25/2526	39,125	1.0	1.3	0.04	0.04	0.05
P25/2551	37,938	1.0	1.3	0.04	0.04	0.05
P25/2552	32,163	1.0	1.3	0.03	0.04	0.04
P25/2643	18,263	1.0	1.3	0.02	0.02	0.02
P25/2644	20,030	1.0	1.3	0.02	0.02	0.03
P25/2645	15,109	1.0	1.3	0.02	0.02	0.02
P25/2646	19,230	1.0	1.3	0.02	0.02	0.02
P25/2647	20,030	1.0	1.3	0.02	0.02	0.03
P25/2697	8,026	1.0	1.3	0.01	0.01	0.01
P25/2732	10,310	1.0	1.3	0.01	0.01	0.01
P26/4199	14,602	1.0	1.3	0.01	0.02	0.02
P26/4204	9,130	1.0	1.3	0.01	0.01	0.01
P26/4205	8,884	1.0	1.3	0.01	0.01	0.01

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Tenement	Expenditure ($)	PEM Low	PEM High	Lower ($M)	Mid ($M)	High ($M)
P26/4206	20,784	1.0	1.3	0.02	0.02	0.03
P26/4207	350,230	1.0	1.3	0.35	0.40	0.46
P26/4208	59,376	1.0	1.3	0.06	0.07	0.08
P26/4299	28,844	1.0	1.3	0.03	0.03	0.04
P26/4300	26,419	1.0	1.3	0.03	0.03	0.03
P26/4301	24,552	1.0	1.3	0.02	0.03	0.03
P26/4302	17,358	1.0	1.3	0.02	0.02	0.02
P26/4381	39,745	1.0	1.3	0.04	0.05	0.05
P26/4382	47,825	1.0	1.3	0.05	0.05	0.06
P26/4383	33,235	1.0	1.3	0.03	0.04	0.04
P26/4384	115,167	1.0	1.3	0.12	0.13	0.15
P26/4385	131,533	1.0	1.3	0.13	0.15	0.17
P26/4386	707,807	1.0	1.3	0.71	0.81	0.92
P26/4405	28,242	1.0	1.3	0.03	0.03	0.04
P26/4431	13,878	1.0	1.3	0.01	0.02	0.02
P26/4432	1,875	1.0	1.3	0.00	0.00	0.00
P26/4505	11,638	1.0	1.3	0.01	0.01	0.02
P26/4582	5,571	1.0	1.3	0.01	0.01	0.01
P27/2265	14,457	1.0	1.3	0.01	0.02	0.02
P27/2266	33,457	1.0	1.3	0.03	0.04	0.04
P27/2267	31,941	1.0	1.3	0.03	0.04	0.04
P27/2269	33,185	1.0	1.3	0.03	0.04	0.04
P27/2429	148,827	1.0	1.3	0.15	0.17	0.19
P27/2466	68,673	1.0	1.3	0.07	0.08	0.09
P27/2467	99,593	1.0	1.3	0.10	0.11	0.13
Total				**2.95**	**3.40**	**3.84**
Yarmany East Project						
P16/3121	49,194	1.0	1.3	0.05	0.06	0.06
M15/119	86,117	1.0	1.3	0.09	0.10	0.11
E16/494	179,501	1.0	1.3	0.18	0.21	0.23

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Tenement	Expenditure ($)	PEM Low	PEM High	Lower ($M)	Mid ($M)	High ($M)
E16/470	139,159	1.0	1.3	0.14	0.16	0.18
E16/471	194,318	1.0	1.3	0.19	0.22	0.25
E16/493	214,786	1.0	1.3	0.21	0.25	0.28
E16/497	58,558	1.0	1.3	0.06	0.07	0.08
E16/510	107,450	1.0	1.3	0.11	0.12	0.14
E16/519	64,108	1.0	1.3	0.06	0.07	0.08
E16/525	178,806	1.0	1.3	0.18	0.21	0.23
E16/526	62,717	1.0	1.3	0.06	0.07	0.08
P16/3212	31,084	1.0	1.3	0.03	0.04	0.04
P16/3213	36,719	1.0	1.3	0.04	0.04	0.05
Total				**1.40**	**1.61**	**1.82**
Total Gold Tenure				**8.22**	**9.45**	**10.68**
Yarmany West Metal Hawk Option						
E15/1655	1,464,441	1.0	1.3	0.29	0.34	0.38
E15/1723	395,549	1.0	1.3	0.08	0.09	0.10
E16/503	135,983	1.0	1.3	0.03	0.03	0.04
E16/506	46,110	1.0	1.3	0.01	0.01	0.01
E16/507	55,043	1.0	1.3	0.01	0.01	0.01
E16/521	46,205	1.0	1.3	0.01	0.01	0.01
E16/591	21,722	1.0	1.3	0.00	0.00	0.01
Total				**0.43**	**0.50**	**0.56**
Yarmany Metal Tiger JV						
E16/492	187,412	1.0	1.3	0.19	0.22	0.24
E16/499	120,541	1.0	1.3	0.12	0.14	0.16
Total				**0.31**	**0.35**	**0.40**
Total All Horizon Assets				**16.88**	**19.54**	**22.20**
Black Swan Nickel Assets						
M27/214	$56,528.32	1.0	1.3	0.06	0.07	0.07
M27/216	$49,578.43	1.0	1.3	0.05	0.06	0.06
Total				**0.11**	**0.13**	**0.13**

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Tenement	Expenditure ($)	PEM Low	PEM High	Lower ($M)	Mid ($M)	High ($M)
Lake Johnston Nickel Assets						
E63/1784	$202,340.43	1.0	1.3	0.20	0.23	0.26
E63/2244	$20,000.00	1.3	1.5	0.03	0.03	0.03
E63/2256	$25,000.00	1.0	1.3	0.03	0.03	0.03
Total				**0.26**	**0.29**	**0.32**
Windarra Assets						
M38/1244	$26,307.78	1.0	1.3	0.03	0.03	0.03
M38/1245	$24,737.85	1.0	1.3	0.02	0.03	0.03
M39/1075	$39,655.86	1.0	1.3	0.04	0.05	0.05
Total				**0.09**	**0.11**	**0.11**
Total All Poseidon Exploration Assets				**0.45**	**0.52**	**0.58**
Total All Combined Exploration Assets				**17.33**	**20.05**	**22.78**

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Glossary

Below are brief descriptions of some terms used in this report. For further information or for terms that are not described here, please refer to internet sources such as Webmineral [Mineralogy Database (webmineral.com)] and Wikipedia (Wikipedia).

The terms listed below are taken from the 2015 VALMIN Code (The VALMIN Code - 2015 Edition).

Annual Report means a document published by public corporations on a yearly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

Australasian means Australia, New Zealand, Papua New Guinea and their offshore territories.

Code of Ethics means the Code of Ethics of the relevant Professional Organisation or Recognised Professional Organisations.

Corporations Act means the *Australian Corporations Act 2001 (Cth)*.

Experts are persons defined in the Corporations Act whose profession or reputation gives authority to a statement made by him or her in relation to a matter. A Practitioner may be an Expert. Also see Clause 2.1 of the VALMIN Code.

Exploration Results is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to https://www.jorc.org/ for further information.

Feasibility Study means a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-feasibility Study.

Financial Reporting Standards means Australian statements of generally accepted accounting practice in the relevant jurisdiction in accordance with the Australian Accounting Standards Board (AASB) and the *Corporations Act*.

Independent Expert Report means a Public Report as may be required by the *Corporations Act*, the Listing Rules of the ASX or other security exchanges prepared by a Practitioner who is acknowledged as being independent of the Commissioning Entity. Also see ASIC Regulatory Guides RG 111 and RG 112 as well as Clause 5.5 of the VALMIN Code for guidance on Independent Expert Reports.

Information Memoranda means documents used in financing of projects detailing the project and financing arrangements.

Investment Value means the benefit of an asset to the owner or prospective owner for individual investment or operational objectives.

Life-of-Mine Plan means a design and costing study of an existing or proposed mining operation where all Modifying Factors have been considered in sufficient detail to demonstrate at the time of reporting that extraction is reasonably justified. Such a study should be inclusive of all development and mining activities proposed through to the effective closure of the existing or proposed mining operation.

Market Value means the estimated amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion. Also see Clause 8.1 of the VALMIN Code for guidance on Market Value.

Materiality or being **Material** requires that a Public Report contains all the relevant information that investors and their professional advisors would reasonably require, and reasonably expect to find in the report, for the purpose of making a reasoned and balanced judgement regarding the Technical Assessment or Mineral Asset Valuation being reported. Where relevant information is not supplied, an explanation must be provided to justify its exclusion. Also see Clause 3.2 of the VALMIN Code for guidance on what is Material.

Member means a person who has been accepted and entitled to the post-nominals associated with the AIG or the AusIMM or both. Alternatively, it may be a person who is a member of a Recognised Professional Organisation included in a list promulgated from time to time.

Mineable means those parts of the mineralised body, both economic and uneconomic, that are extracted or to be extracted during the normal course of mining.

Mineral Asset means all property including (but not limited to) tangible property, intellectual property, mining and exploration Tenure and other rights held or acquired in connection with the exploration, development of and production from those Tenures. This may include the plant, equipment and infrastructure owned or acquired for the development, extraction and processing of Minerals in connection with that Tenure.

Most Mineral Assets can be classified as:

(a) **Early-stage Exploration Projects** – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.

(b) **Advanced Exploration Projects** – Tenure holdings where considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological

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sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category.

(c) **Pre-Development Projects** – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken.

(d) **Development Projects** – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a Pre-Feasibility Study.

(e) **Production Projects** – Tenure holdings – particularly mines, wellfields and processing plants – that have been commissioned and are in production.

Mine Design means a framework of mining components and processes taking into account mining methods, access to the Mineralisation, personnel, material handling, ventilation, water, power and other technical requirements spanning commissioning, operation and closure so that mine planning can be undertaken.

Mine Planning includes production planning, scheduling and economic studies within the Mine Design taking into account geological structures and mineralisation, associated infrastructure and constraints, and other relevant aspects that span commissioning, operation and closure.

Mineral means any naturally occurring material found in or on the Earth's crust that is either useful to or has a value placed on it by humankind, or both. This excludes hydrocarbons, which are classified as Petroleum.

Mineralisation means any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralisation might occur, whether by class of deposit, mode of occurrence, genesis or composition.

Mineral Project means any exploration, development or production activity, including a royalty or similar interest in these activities, in respect of Minerals.

Mineral Securities means those Securities issued by a body corporate or an unincorporated body whose business includes exploration, development or extraction and processing of Minerals.

Mineral Resource is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to http://www.jorc.org for further information.

Mining means all activities related to extraction of Minerals by any method (e.g. quarries, open cast, open cut, solution mining, dredging, etc.).

Mining Industry means the business of exploring for, extracting, processing and marketing Minerals.

Modifying Factors is defined in the current version of the *Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code). Refer to https://www.jorc.org/ for further information.

Ore Reserve is defined in the current version of the *Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code). Refer to https://www.jorc.org/ for further information.

Petroleum means any naturally occurring hydrocarbon in a gaseous or liquid state, including coal-based methane, tar sands and oil-shale.

Petroleum Resources and **Petroleum Reserves** are defined in the current version of the Petroleum Resources Management System (PRMS) published by the Society of Petroleum Engineers, the American Association of Petroleum Geologists, the World Petroleum Council and the Society of Petroleum Evaluation Engineers. Refer to Society of Petroleum Engineers (SPE) | Oil & Gas Membership Association for further information.

Practitioner is an Expert as defined in the *Corporations Act,* who prepares a Public Report on a Technical Assessment or Valuation Report for Mineral Assets. This collective term includes Specialists and Securities Experts.

Preliminary Feasibility Study (Pre-Feasibility Study) means a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors that are sufficient for a Competent Person, acting reasonably, to determine if all or part of the Mineral Resources may be converted to an Ore Reserve at the time of reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.

Professional Organisation means a self-regulating body, such as one of engineers or geoscientists or of both, that:

(a) admits members primarily on the basis of their academic qualifications and professional experience.

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(b) requires compliance with professional standards of expertise and behaviour according to a Code of Ethics established by the organisation; and

(c) has enforceable disciplinary powers, including that of suspension or expulsion of a member, should its Code of Ethics be breached.

Public Presentation means the process of presenting a topic or project to a public audience. It may include, but not be limited to, a demonstration, lecture or speech meant to inform, persuade or build goodwill.

Public Report means a report prepared for the purpose of informing investors or potential investors and their advisers when making investment decisions, or to satisfy regulatory requirements. It includes, but is not limited to, Annual Reports, Quarterly Reports, press releases, Information Memoranda, Technical Assessment Reports, Valuation Reports, Independent Expert Reports, website postings and Public Presentations. Also see Clause 5 of the VALMIN Code for guidance on Public Reports.

Quarterly Report means a document published by public corporations on a quarterly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

Reasonableness implies that an assessment which is impartial, rational, realistic and logical in its treatment of the inputs to a Valuation or Technical Assessment has been used, to the extent that another Practitioner with the same information would make a similar Technical Assessment or Valuation.

Royalty or **Royalty Interest** means the amount of benefit accruing to the royalty owner from the royalty share of production.

Securities has the meaning as defined in the *Corporations Act*.

Securities Experts are persons whose profession, reputation or experience provides them with the authority to assess or value Securities in compliance with the requirements of the *Corporations Act*, ASIC Regulatory Guides and ASX Listing Rules.

Scoping Study means an order of magnitude technical and economic study of the potential viability of Mineral Resources. It includes appropriate assessments of realistically assumed Modifying Factors together with any other relevant operational factors that are necessary to demonstrate at the time of reporting that progress to a Pre-Feasibility Study can be reasonably justified.

Specialists are persons whose profession, reputation or relevant industry experience in a technical discipline (such as geology, mine engineering or metallurgy) provides them with the authority to assess or value Mineral Assets.

Status in relation to Tenure means an assessment of the security of title to the Tenure.

Technical Assessment is an evaluation prepared by a Specialist of the technical aspects of a Mineral Asset. Depending on the development status of the Mineral Asset, a Technical Assessment may include the review of geology, mining methods, metallurgical processes and recoveries, provision of infrastructure and environmental aspects.

Technical Assessment Report involves the Technical Assessment of elements that may affect the economic benefit of a Mineral Asset.

Technical Value is an assessment of a Mineral Asset's future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations.

Tenure is any form of title, right, licence, permit or lease granted by the responsible government in accordance with its mining legislation that confers on the holder certain rights to explore for and/or extract agreed minerals that may be (or is known to be) contained. Tenure can include third-party ownership of the Minerals (for example, a royalty stream). Tenure and Title have the same connotation as Tenement.

Transparency or being **Transparent** requires that the reader of a Public Report is provided with sufficient information, the presentation of which is clear and unambiguous, to understand the report and not be misled by this information or by omission of Material information that is known to the Practitioner.

Valuation is the process of determining the monetary Value of a Mineral Asset at a set Valuation Date.

Valuation Approach means a grouping of valuation methods for which there is a common underlying rationale or basis.

Valuation Date means the reference date on which the monetary amount of a Valuation in real (dollars of the day) terms is current. This date could be different from the dates of finalisation of the Public Report or the cut-off date of available data. The Valuation Date and date of finalisation of the Public Report must not be more than 12 months apart.

Valuation Methods means a subset of Valuation Approaches and may represent variations on a common rationale or basis.

Valuation Report expresses an opinion as to monetary Value of a Mineral Asset but specifically excludes commentary on the value of any related Securities.

Value means the Market Value of a Mineral Asset.

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Annexure B – Share Scheme of Arrangement

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POSEIDON NICKEL LIMITED
ACN 060 525 206

AND

SCHEME SHAREHOLDERS

SCHEME OF ARRANGEMENT – SHARE SCHEME

STEINEPREIS PAGANIN

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THIS SCHEME OF ARRANGEMENT UNDER SECTION 411 OF THE CORPORATIONS ACT 2001 (CTH)

is made on 2024

BETWEEN

POS	Name	Poseidon Nickel Limited
	ACN	060 525 206
	Address	Level 1, 3 Ord Street, West Perth, Western Australia 6005
	Email	Brendan.Shalders@poseidon-nickel.com.au
	Attention	Brendan Shalders
Scheme Shareholders	Each holder of POS Shares (other than Excluded Shareholders) recorded in the POS Share Register as at the Record Date.	

RECITALS

A. POS is a public company limited by shares incorporated in Australia and admitted to the official list of ASX.

B. HRZ is a public company limited by shares incorporated in Australia and admitted to the official list of ASX.

C. POS and HRZ have entered into the Scheme Implementation Deed, pursuant to which, amongst other things, POS has agreed to propose the Share Scheme to Scheme Shareholders, and each of POS and HRZ have agreed to take certain steps to give effect to the Share Scheme.

D. If this Share Scheme becomes Effective, then:

(a) all the Scheme Shares will be transferred to HRZ and the Share Scheme Consideration will be provided to the Scheme Shareholders in accordance with the terms of the Share Scheme: and

(b) POS will enter the name and address of HRZ in the POS Share Register as the holder of the Scheme Shares.

OPERATIVE PROVISIONS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Share Scheme:

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691).

ASX Settlement means ASX Settlement Pty Limited (ABN 008 504 532).

ASX Settlement Operating Rules means the settlement rules of the settlement facility operated by ASX Settlement.

Business Day means a day in Perth, Western Australia that is not a Saturday, Sunday or public holiday and on which banks and ASX are open for trading.

CHESS means the clearing house electronic sub-register system of share transfers operated by ASX Settlement.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Supreme Court of Western Australia or such other Court of competent jurisdiction under the Corporations Act agreed in writing between HRZ and POS.

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Effective means, when used in relation to the Share Scheme, the coming into effect under section 411(10) of the Corporations Act of the order of the Court made under section 411 (4)(b) of the Corporations Act in relation to the Share Scheme.

Effective Date means the date on which the Share Scheme becomes Effective.

Encumbrance means any security interest (within the meaning of section51A of the Corporations Act) and any options, right to acquire, right of pre-emption, assignment by way of security, trust arrangement for the purpose of providing security, retention arrangement, or other security interest of any kind, and any agreement to create any of the foregoing.

End Date means the date that is six months after the date of the Scheme Implementation Deed, or such other date as agreed between POS and HRZ in writing.

Excluded Optionholder means any holder of POS Options who is a member of the HRZ Group or who holds any POS Options on behalf of or for the benefit of, any member of the HRZ Group, and also includes the holders of POS Incentive Options.

Excluded Shareholder means any POS Shareholder who is a member of the HRZ Group or any POS Shareholder who holds any POS Shares on behalf of or for the benefit of, any member of the HRZ Group.

Government Agency means any foreign or Australian government or governmental semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any other federal, state, provincial, local or other government (foreign or Australian).

GST has the meaning given to that term in the *A New Tax System (Goods & Services Tax) Act 1999* (Cth).

HRZ means Horizon Minerals Limited (ACN 007 761 186).

HRZ Group means HRZ and each of its subsidiaries.

HRZ Share means a fully paid ordinary share in the capital of HRZ.

HRZ Share Register means the register of members of HRZ maintained in accordance with the Corporations Act.

Implementation Date means the fifth Business Day following the Record Date.

Ineligible Foreign Shareholder means a Scheme Shareholder whose address as shown in POS Share Register is located outside Australia and its external territories or New Zealand unless HRZ is satisfied that it is permitted to allot and issue New HRZ Shares to that Scheme Shareholder pursuant to the Share Scheme by the laws of that place, without having to comply with any governmental approval or other consent or registration, filing or other formality which HRZ regards as unduly onerous.

Ineligible Shareholder means an Ineligible Foreign Shareholder and an Unmarketable Parcel Shareholder.

New HRZ Shares means the HRZ Shares to be issued to Scheme Shareholders as consideration for their Scheme Shares under the Share Scheme.

Option Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between POS and the Scheme Optionholders, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by HRZ and POS.

Option Scheme Meeting means the meeting of POS Optionholders (other than Excluded Optionholders) ordered by the Court to be convened under section 411(1) of the Corporations Act.

POS means Poseidon Nickel Limited (ACN 060 525 206).

POS Option means an option to acquire one POS Share.

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POS Performance Right means an entitlement granted by POS for the holder to be allocated a POS Share subject to the satisfaction of any applicable vesting conditions.

POS Registry means Automic Pty Ltd (ACN 152 260 814).

POS Share means a fully paid ordinary share in the capital of POS.

POS Shareholder means a holder of POS Shares.

POS Share Register means the register of members of POS maintained in accordance with the Corporations Act.

POS Option means an unlisted option to acquire a POS Share issued by POS other than a POS Incentive Option, all of which are included in Schedule 5, Part 2 to the Scheme Implementation Deed under the code POSAAB.

POS Optionholder means each person who is registered as the holder of a POS Option.

POS Director means any or all of the directors of POS, as the context requires.

POS Incentive Option means an option to acquire a POS Share issued by POS to a POS Director (or his or her nominee) held as at the date of this Deed all of which are included in Schedule 5, Part 2 to the Scheme Implementation Deed under the codes POSAH, POSAI, POSAJ, POSAE and POSAF.

POS Option Register means the register of POS Optionholders maintained in accordance with the Corporations Act.

Record Date means 5:00pm on the second Business Day after the Effective Date.

Registered Address means the address of the Scheme Shareholder shown in the POS Share Register.

Sale Agent means a person appointed by HRZ, in consultation with POS, to sell the Share Scheme Consideration of Ineligible Shareholders pursuant to clause 5.7.

Sale Shares means the New HRZ Shares to which Ineligible Shareholders would have been entitled under the Share Scheme but for the operation of clause 3.5(a) of the Scheme Implementation Deed.

Scheme Booklet means the information to be approved by the Court and despatched to the POS Shareholders and POS Optionholders in relation to the Share Scheme and the Option Scheme, including an explanatory statement in relation to the Share Scheme and the Option Scheme complying with the requirements of the Corporations Act, the Corporations Regulations and RG60, the Independent Expert's Report, notices of meetings and proxy forms.

Scheme Implementation Deed means the scheme implementation deed between POS and HRZ dated 24 October 2024.

Scheme Meetings means the Share Scheme Meeting and the Option Scheme Meeting.

Scheme Optionholder means a holder of POS Options (other than Excluded Optionholder) recorded in the POS Option Register as at the Record Date.

Scheme Share means a POS Share held by a Scheme Shareholder.

Scheme Shareholder means a holder of POS Shares (other than an Excluded Shareholder) recorded in the POS Share Register as at the Record Date.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Share Scheme is heard.

Second Court Hearing means the hearing of the application made to the Court for the Share Scheme Order.

Share Sale Proceeds means the gross proceeds of sale of the Sale Shares under clause 5.7(a)(ii), less any applicable taxes and charges incurred by HRZ or the Sale Agent in connection with the sale of the Sale Shares under clause 5.7(a)(ii).

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Share Scheme Consideration means the consideration to be provided to Scheme Shareholders under the terms of the Share Scheme for the transfer of their Scheme Shares, comprising 0.1156 HRZ Shares for every 1 POS Share held.

Share Scheme Deed Poll means the deed poll executed by HRZ in favour of Scheme Shareholders, under which HRZ covenants in favour of each Scheme Shareholder to perform its obligations under the Share Scheme.

Share Scheme means this scheme of arrangement under Part 5.1 of the Corporations Act between POS and the Scheme Shareholders, under which all of the Scheme Shares will be transferred to HRZ and the Scheme Shareholders will be entitled to receive the Share Scheme Consideration, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by HRZ and POS.

Share Scheme Meeting means the meeting of POS Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act.

Share Scheme Order means the order of the Court made for the purposes of section 411(4)(b) of the Corporations Act in respect of the Share Scheme.

Share Scheme Transfer means for each Scheme Shareholder, a proper instrument of transfer of the Scheme Shares for the purposes of section 1071B of the Corporations Act, which may be a master transfer of all Scheme Shares.

Unmarketable Parcel Shareholder means a Scheme Shareholder (other than an Ineligible Foreign Shareholder) who, based on their holding of Scheme Shares would, on implementation of the Scheme, be entitled to receive less than a marketable parcel (as that term is defined in the ASX Listing Rules) of New HRZ Shares (assessed by reference to the price of HRZ Shares on the ASX at the close of trading on the trading day prior to the Record Date) as Share Scheme Consideration.

1.2 Interpretation

(a) Unless the contrary intention appears, a reference in this Share Scheme to:

(i) this Share Scheme or another document includes any variation or replacement of it despite any change in the identity of the parties;

(ii) one gender includes the others;

(iii) the singular includes the plural and the plural includes the singular;

(iv) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Agency or other entity includes any other of them;

(v) an item, recital, clause, subclause, paragraph, schedule or attachment is to an item, recital, clause, subclause, paragraph of, or schedule or attachment to, this Share Scheme and a reference to this Share Scheme includes any schedule or attachment;

(vi) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;

(vii) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re- enactments or replacements of any of them;

(viii) money is to Australian dollars, unless otherwise stated; and

(ix) a time is a reference to Perth time unless otherwise specified.

(b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.

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(c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.

(d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this Share Scheme.

(e) A provision of this Share Scheme must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this Share Scheme or the inclusion of the provision in this Share Scheme.

1.3 Business Days

(a) If anything under this Share Scheme must be done on a day that is not a Business Day, it must be done instead on or by the next Business Day.

(b) If an act is required to be done on a particular day, it must be done before 5:00pm on that day or it will be considered to have been done on the following day.

1.4 Parties

(a) If a party consists of more than one person, this Share Scheme binds each of them separately and any two or more of them jointly.

(b) An agreement, covenant, obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them separately.

(c) An agreement, covenant, obligation, representation or warranty on the part of two or more persons binds them jointly and each of them separately.

2. PRELIMINARY

2.1 POS

(a) POS is a public company limited by shares under section 112(1) of the Corporations Act.

(b) POS was incorporated in Western Australia on 24 June 1993 and has its registered office at Level 1, 3 Ord Street, West Perth, Western Australia 6005.

(c) As at the date of the Scheme Implementation Deed, POS had the following securities on issue:

(i) 4,203,875,492 POS Shares;

(ii) 163,447,197 POS Options;

(iii) 21,000,000 POS Incentive Options; and

(iv) 5,949,598 POS Performance Rights.

2.2 HRZ

(a) HRZ is a public company limited by shares under section 112(1) of the Corporations Act.

(b) HRZ was incorporated in South Australia on 24 May 1974 and has its registered office at Level 2, 16 Ord Street, West Perth WA 6005.

2.3 Scheme Implementation Deed

HRZ and POS have agreed, by executing the Scheme Implementation Deed, to implement the terms of the Share Scheme and to perform their respective obligations under the Share Scheme.

2.4 Share Scheme Deed Poll

HRZ has executed the Share Scheme Deed Poll in favour of Scheme Shareholders pursuant to which HRZ has covenanted to perform its obligations under the Share Scheme, including

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to provide to each Scheme Shareholder the Share Scheme Consideration to which the Scheme Shareholder is entitled under the Share Scheme.

2.5 Effect of the Share Scheme

If the Share Scheme becomes Effective:

(a) HRZ will provide to each Scheme Shareholder the Share Scheme Consideration in accordance with the terms of the Share Scheme;

(b) subject to HRZ's compliance with its obligations in clause 2.5(a), all of the Scheme Shares will be transferred to HRZ in accordance with clause 4.2; and

(c) POS will enter the name and address of HRZ in the POS Share Register as the holder of the Scheme Shares transferred to HRZ in accordance with the terms of the Share Scheme.

3. CONDITIONS

3.1 Conditions of the Share Scheme

The Share Scheme is conditional and will not come into effect unless and until each of the following conditions is satisfied:

(a) all of the conditions precedent in clause 2.1 of the Scheme Implementation Deed (other than the conditions precedent to the Court having approved the Share Scheme in accordance with section 411(4)(b) of the Corporations Act set out in clause 2.1(i) of the Scheme Implementation Deed) having been satisfied or waived in accordance with the terms of the Scheme Implementation Deed as at 8:00am on the Second Court Date;

(b) neither the Scheme Implementation Deed nor the Share Scheme Deed Poll having been terminated in accordance with their terms;

(c) the Share Scheme having been approved at the Share Scheme Meeting, with or without modification, by the requisite majority of POS Shareholders in accordance with section 411(4)(a) of the Corporations Act or, if the Share Scheme is not agreed to by the requisite majority of POS Shareholders, the Court orders otherwise in accordance with section 411(4)(a) of the Corporations Act;

(d) the Court having approved the Share Scheme pursuant to section 411(4)(b) of the Corporations Act, without modification or with modifications which are acceptable to both POS and HRZ or required by the Court under section 411(6) of the Corporations Act; and

(e) the coming into effect, pursuant to section 411(10) of the Corporations Act, of the orders of the Court made under section 411(4)(b) of the Corporations Act (and, if applicable, section 411(6) of the Corporations Act) in relation to the Share Scheme.

3.2 Effect of conditions

The fulfilment of the conditions in clause 3.1 is a condition precedent to the operation of the provisions of clauses 2.5, 4, 5, 6 and 7 of this Share Scheme.

3.3 Certificate

POS must provide to the Court on the Second Court Date a certificate which is signed by at least one director of POS (or such other evidence as the Court may request) confirming whether or not the conditions precedent to the Option Scheme have been satisfied or waived, subject to the terms of the Scheme Implementation Deed as at 8:00am on the Second Court Date.

3.4 Conclusive evidence

The giving of a certificate by POS in accordance with clause 3.3 will, in the absence of manifest error, be conclusive evidence of the matters referred to in the certificate.

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3.5 Termination of Scheme Implementation Deed or Share Scheme Deed Poll

Without limiting any rights under the Scheme Implementation Deed, if the Scheme Implementation Deed or Share Scheme Deed Poll is terminated in accordance with its respective terms before 8:00am on the Second Court Date, POS and HRZ are each released from:

(a) any further obligation to take steps to implement the Share Scheme; and

(b) any liability with respect to the Share Scheme,

provided that POS and HRZ retain the rights they have against each other in respect of any prior breach of the Scheme Implementation Deed.

3.6 Effective Date

The Share Scheme will take effect on the Effective Date.

3.7 End Date

The Share Scheme will lapse and be of no further force or effect if the Effective Date has not occurred on or before the End Date.

4. SHARE SCHEME

4.1 Lodgement of Court order

Following the approval of the Share Scheme by the Court in accordance with section 411(4)(b) of the Corporations Act, POS will, as soon as possible after the Share Scheme Order is made, and in any event by 12.00 pm on the first Business Day after the date which the Share Scheme Order is made or such later date as POS and HRZ may agree in writing, lodge with ASIC an office copy of the Share Scheme Order in accordance with section 411(10) of the Corporations Act.

4.2 Transfer of Scheme Shares

On the Implementation Date, in consideration of and subject to the provision by HRZ of the Share Scheme Consideration, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, will be transferred to HRZ without the need for any further acts by any Scheme Shareholder (other than acts performed by POS as attorney and agent for Scheme Shareholders under clause 6.3) by:

(a) POS duly completing, executing and delivering to HRZ a Share Scheme Transfer for all of the Scheme Shares, executed by POS as attorney for Scheme Shareholders; and

(b) HRZ duly executing and delivering the Share Scheme Transfer back to POS.

4.3 Transfer documentation

As soon as practicable after receipt by POS of the Share Scheme Transfer duly executed by HRZ as transferee pursuant to clause 4.2(b), but in any event on the Implementation Date, POS must register HRZ in the POS Share Register as the holder of all of the Scheme Shares.

4.4 Provision of Share Scheme Consideration

In consideration for the transfer of each Scheme Share to HRZ, HRZ must, on the Implementation Date, issue to each Scheme Shareholder the number of New HRZ Shares due to that Scheme Shareholder as Share Scheme Consideration in accordance with, and subject to, the terms of this Share Scheme and the Share Scheme Deed Poll.

4.5 Beneficial entitlement by HRZ

From the time of the provision of the Share Scheme Consideration to Scheme Shareholders in accordance with clause 4.4, HRZ will be beneficially entitled to the Scheme Shares (together with all rights and entitlements attached to the Scheme Shares) to be transferred to it under the Share Scheme pending the registration of HRZ in the POS Share Register as the holder of the Scheme Shares.

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4.6 Transfer free from Encumbrances

To the extent permitted by law, all Scheme Shares (including any rights and entitlements attaching to those shares) which are transferred to HRZ under this Scheme will, at the date of the transfer of them to HRZ, vest in HRZ free from all Encumbrances and interests of third parties of any kind, whether legal or otherwise, and free from any restrictions on transfer of any kind not referred to in this Scheme.

4.7 Enforcement of Share Scheme Deed Poll

POS undertakes in favour of each Scheme Shareholder to enforce the Share Scheme Deed Poll against HRZ on behalf of and as agent for the Scheme Shareholders.

5. SHARE SCHEME CONSIDERATION

5.1 Entitlement to Share Scheme Consideration

On the Implementation Date, in consideration of the transfer to HRZ of the Scheme Shares, each Scheme Shareholder will be entitled to receive the Share Scheme Consideration in respect of each of their Scheme Shares in accordance with, and subject to the terms of this Share Scheme and the Share Scheme Deed Poll.

5.2 Provision of Share Scheme Consideration (other than Ineligible Shareholders)

(a) HRZ will issue to each Scheme Shareholder (other than to Ineligible Shareholders) the number of New HRZ Shares due to that Scheme Shareholder (other than to Ineligible shareholders) as consideration under the Share Scheme by:

(i) on the Implementation Date, issuing each Scheme Shareholder (other than to Ineligible Shareholders) 0.1156 New HRZ Shares for every 1 Scheme Share registered in the Scheme Shareholder's name (with any fractional entitlement of less than 0.5 being rounded down to the nearest whole number of New HRZ Shares and any fractional entitlement equal to or above 0.5 to be rounded up to the nearest whole number of New HRZ Shares), which obligation will be satisfied by causing the name and Registered Address (at the Record Date) of that Scheme Shareholder to be entered into HRZ's Share Register as the holder of New HRZ Shares issued to that Scheme Shareholder; and

(ii) within 10 Business Days after the Implementation Date, procuring the dispatch to that Scheme Shareholder, if their New HRZ Shares are held on the issuer sponsored sub-register of HRZ, to their Registered Address (as at the Record Date), an uncertified holding statement in the name of that Scheme Shareholder relating to the number of New HRZ Shares issued to that Scheme Shareholder.

5.3 Status of New HRZ Shares

The New HRZ Shares to be issued in accordance with this Share Scheme will:

(a) be validly issued;

(b) be fully paid; and

(c) rank equally in all respects with all other HRZ Shares then on issue (other than in respect of any dividend already declared and not yet paid by HRZ, where the record date for entitlement to that dividend occurred prior to the Implementation Date).

5.4 Quotation of New HRZ Shares

HRZ will use its best endeavours to procure that the New HRZ Shares are quoted on ASX as soon as reasonably practicable after the Implementation Date.

5.5 Joint holders

In the case of Scheme Shares held in joint names, any uncertificated holding statements for New HRZ Shares to be issued to Scheme Shareholders will be issued in the names of the

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joint holders and will be forwarded to the holder whose name appears first in the POS Share Register on the Record Date.

5.6 Scheme Shareholders bound

Each Scheme Shareholder who is to receive New HRZ Shares under this Share Scheme agrees (for all purposes, including section 231 of the Corporations Act) to:

(a) become a member of HRZ and to accept the New HRZ Shares issued to them under this Share Scheme subject to, and to be bound by, HRZ's constitution and other constituent documents; and

(b) have their name and Registered Address entered into the HRZ Share Register.

5.7 Provision of Share Scheme Consideration to Ineligible Shareholders

(a) HRZ has no obligation under the Share Scheme to issue, and will not issue, any New HRZ Shares to any Ineligible Shareholder. Instead, HRZ must:

(i) on the Implementation Date, issue to the Sale Agent the New HRZ Shares to which any Ineligible Shareholder would otherwise have been entitled;

(ii) procure that as soon as reasonably practicable after the Implementation Date (and in any event within 20 days of the date on which the HRZ Shares are capable of being traded on ASX), the Sale Agent sells the New HRZ Shares issued to it in such manner, at such price and on such other terms as the Sale Agent determines in good faith;

(iii) procure that the Sale Agent, as soon as reasonably practicable after settlement of the sale of the Sale Shares (and in any event within 10 Business Days of such settlement) remits the Share Sale Proceeds to HRZ; and

(iv) promptly after all of the Share Sale Proceeds have been remitted to HRZ by the Sale Agent in accordance with clause 5.7(a)(iii)(following the last sale of such New HRZ Shares), pay each Ineligible Shareholder an amount in Australian dollars equal to the proportion of the Share Sale Proceeds received by HRZ pursuant to clause 5.7(a)(iii) to which that Ineligible Shareholder is entitled to receive in full satisfaction of their entitlement to receive Share Scheme Consideration.

(b) HRZ must appoint the Sale Agent on terms reasonably acceptable to POS at least 5 Business Days prior to the Scheme Meeting.

(c) None of POS, HRZ or the Sale Agent give any assurance as to the price that will be achieved for the sale of New HRZ Shares in accordance with this clause 5.7 and the sale of New HRZ Shares will be at the risk of the Ineligible Shareholder.

(d) Each Ineligible Shareholder appoints POS as its agent to receive on its behalf any financial services guide or other notices (including any updates of those documents) that the Sale Agent is required to provide to Ineligible Shareholders under the Corporations Act.

6. SCHEME SHAREHOLDERS

6.1 Authority given to POS

Each Scheme Shareholder will be deemed (without the need for any further act) to have irrevocably authorised POS (and each of its directors and officers, jointly and severally) as agent and attorney to do and execute all acts, matters, things and documents on the part of each Scheme Shareholder necessary to implement and give full effect to this Share Scheme and the transactions contemplated by it, including (without limitation):

(a) executing a proper instrument of transfer (including for the purposes of section 1071B of the Corporations Act) of their Scheme Shares in favour of HRZ, which may be a master transfer of some or all Scheme Shares; and

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(b) where Scheme Shares are held in a CHESS holding, causing a message to be transmitted to ASX Settlement in accordance with the ASX Settlement Operating Rules to transfer the Scheme Shares held by the Scheme Shareholder from the CHESS sub-register to the issuer sponsored sub-register operated by POS and subsequently completing a proper instrument of transfer under paragraph 6.1(a) above.

6.2 Appointment of sole proxy

Upon the Share Scheme Consideration being issued by HRZ, and until HRZ is registered as the holder of all Scheme Shares in the POS Share Register, each Scheme Shareholder:

(a) is deemed to have appointed HRZ as attorney and agent (and directed HRZ in such capacity) to appoint any director, officer, secretary or agent nominated by HRZ as its sole proxy and, where applicable, corporate representative, to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution, and no Scheme Shareholder may itself attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to this clause 6.2(a)); and

(b) must take all other actions in the capacity of a registered holder of Scheme Shares as HRZ reasonably directs.

6.3 Appointment of POS as sole attorney and agent

Each Scheme Shareholder, without the need for any further act, irrevocably appoints POS and each of the directors and officers of POS, jointly and severally, as the Scheme Shareholder's attorney and agent for the purpose of executing any document necessary or expedient to give effect to the Share Scheme (including executing a Share Scheme Transfer and any instrument appointing HRZ as sole proxy for or, where applicable, corporate representative of each Scheme Shareholder as contemplated by clause 6.2) or doing any other act necessary or desirable to give full effect to the Share Scheme and the transactions contemplated by it.

6.4 Scheme Shareholder's consent

Each Scheme Shareholder:

(a) consents to POS doing all things and executing all deeds, instruments, transfers or other documents as may be necessary, incidental or expedient to the implementation and performance of the Share Scheme and POS, as agent of each Scheme Shareholder, may sub-delegate its functions under this clause 6.4 to any of its directors and officers, severally; and

(b) agrees to the transfer of their Scheme Shares, together with all rights and entitlements attaching to those Scheme Shares to HRZ, in accordance with the Share Scheme.

6.5 Agreements and warranties by Scheme Shareholders

(a) Each Scheme Shareholder acknowledges and agrees that this Share Scheme binds POS and all Scheme Shareholders (including those who do not attend the Share Scheme Meeting and those who do not vote, or vote against this Share Scheme, at the Share Scheme Meeting).

(b) Each Scheme Shareholder is deemed to have warranted to POS, in its own right and for the benefit of HRZ, that:

(i) all of their Scheme Shares (including any rights and entitlements attaching to those shares as at the Implementation Date) which are transferred to HRZ under the Share Scheme will be transferred to HRZ fully paid and free from Encumbrances or other interests of third parties of any kind, whether legal or otherwise and from all other restrictions on transfer; and

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(ii) they have full power and capacity to sell and transfer their Scheme Shares to HRZ (including all rights and entitlements attaching to their Scheme Shares as at the Implementation Date).

(c) POS undertakes that it will provide the warranties in clause 6.5(a) to HRZ as agent and attorney of each Scheme Shareholder.

7. DEALINGS IN POS SHARES

7.1 Determination of Scheme Shareholders

(a) For the purpose of establishing the persons who are Scheme Shareholders, dealings in Scheme Shares will only be recognised if:

(i) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the POS Share Register as the holder of the relevant POS Shares at the Record Date; and

(ii) in all other cases, registrable transmission applications or transfers in registrable form in respect of those dealings are received at or before the Record Date at the place where the POS Share Register is kept.

(b) POS must register registrable transmission applications or transfers of the kind referred to in clause 7.1(a)(ii) by the Record Date.

(c) POS will not accept for registration or recognise for any purpose any transmission applications or transfers in respect of POS Shares received after the Record Date, other than a transfer to HRZ in accordance with the Share Scheme and any subsequent transfer by HRZ, or its successors in title.

(d) If the Share Scheme becomes Effective, a holder of POS Shares (and any person claiming through that holder) must not dispose of or purport to agree to dispose of any POS Shares or any interest in them after the Effective Date and any such disposal will be void and of no legal effect whatsoever.

7.2 Maintenance of POS Share Register

(a) For the purpose of determining entitlements to the Share Scheme Consideration, POS will, until the Share Scheme Consideration has been provided, maintain the POS Share Register in accordance with the provisions of this clause 7 and the POS Share Register in this form will solely determine entitlements to the Share Scheme Consideration.

(b) All certificates and holding statements for Scheme Shares (other than holding statements in favour of HRZ and its successors in title after the Implementation Date) will cease to have any effect from the Record Date as documents of title in respect of those Scheme Shares. Subject to provision of the Share Scheme Consideration by HRZ and registration of the transfer to HRZ of the Scheme Shares as contemplated by clauses 5.1 and 5.2, after the Record Date, each entry current at that date on the POS Share Register relating to Scheme Shares will cease to be of any effect other than as evidence of entitlement to the Share Scheme Consideration in respect of the Scheme Shares relating to that entry.

7.3 Information to be made available to HRZ

POS will procure that, as soon as reasonably practicable after the Record Date, details of the names, Registered Addresses and holdings of Scheme Shares of every Scheme Shareholder as shown in the POS Share Register as at the Record Date are made available to HRZ in such form as HRZ reasonably requires.

7.4 Instructions and elections

If not prohibited by law (and including where permitted or facilitated by relief granted by a Government Agency), all instructions, notifications or elections by a Scheme Shareholder to POS that are binding or deemed binding between the Scheme Shareholder and POS relating to POS or POS Shares, including instructions, notifications or elections relating to:

(a) whether dividends are to be paid by cheque or into a specific bank account;

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(b) payments of dividends on POS Shares; and

(c) notices or other communications from POS (including by email),

will be deemed from the Implementation Date (except to the extent determined otherwise by HRZ in its sole discretion), by reason of the Share Scheme, to be made by the Scheme Shareholder to HRZ and to be a binding instruction, notification or election to, and accepted by, HRZ in respect of the New HRZ Shares issued to that Scheme Shareholder until that instruction, notification or election is revoked or amended in writing addressed to HRZ at its registry.

8. NOTICES

8.1 General

Any notice, transfer, transmission, application, direction, demand, consent or other communication (**Notice**) given or made under this document must be in writing in English and signed by the sender or a person duly authorised by the sender.

8.2 Communications by post

Subject to clause 8.3, where a Notice referred to in this document is sent by post to POS, it will not be deemed to have been received in the ordinary course of post or on a date other than the date (if any) on which it is actually received at POS's registered office or at the POS Registry.

8.3 After hours communications

If a Notice is given:

(a) after 5:00pm in the place of receipt; or

(b) on a day which is a Saturday, Sunday or bank or public holiday in the place of receipt,

it is taken as having been given at 9:00am on the next day which is not a Saturday, Sunday or bank or public holiday in that place.

8.4 Omission to give notice

The accidental omission to give notice of the Share Scheme Meeting or the non-receipt of such notice by any POS Shareholder will not invalidate the Share Scheme Meeting or the proceedings of the Share Scheme Meeting, unless the Court makes an order to the contrary.

9. GENERAL

9.1 No liability when acting in good faith

Without prejudice to either party's rights under the Scheme Implementation Deed, neither HRZ nor POS nor any director, officer, secretary or employee of any of those companies will be liable for anything done or omitted to be done in the performance of this Share Scheme or the Share Scheme Deed Poll when the relevant entity or person has acted in good faith.

9.2 POS and Scheme Shareholders bound

The Share Scheme binds POS and all Scheme Shareholders (including Scheme Shareholders who do not attend the Share Scheme Meeting, do not vote at that meeting or vote against the Share Scheme) and will, for all purposes, to the extent of any inconsistencies and permitted by law, have effect notwithstanding any provision in the constitution of POS.

9.3 Further assurances

Subject to clause 9.4, POS will execute all documents and do all acts and things (on its own behalf and on behalf of each POS Shareholder) necessary or expedient for the implementation of, and performance of its obligations under, the Share Scheme and the

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Scheme Shareholders consent to POS executing all such documents and doing all such acts or things.

9.4 Alterations and conditions

POS may, with the consent of HRZ, by its counsel consent on behalf of all Scheme Shareholders to any modifications or conditions which the Court thinks fit to impose.

9.5 GST

POS must pay to the Scheme Shareholders an amount equal to any GST for which the Scheme Shareholders are liable on any supply by the Scheme Shareholders under or in connection with the Share Scheme, without deduction or set off of any other amount.

9.6 Costs

Any costs, and any stamp duty and any related fines, interest or penalties, which are payable on or in respect of this document or on any document referred to in this document will be paid as provided for in the Scheme Implementation Deed. For the avoidance of doubt, Scheme Shareholders do not have to pay any stamp duty, related fines, interest or penalties which are payable on or in respect of this document or any document referred to in this document.

9.7 Governing law and jurisdiction

(a) This document is governed by and is to be construed in accordance with the laws applicable in Western Australia.

(b) Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in Western Australia and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

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Annexure C – Option Scheme of Arrangement

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POSEIDON NICKEL LIMITED
ACN 060 525 206

and

SCHEME OPTIONHOLDERS

SCHEME OF ARRANGEMENT – OPTION SCHEME

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SCHEDULE 1 – TERMS AND CONDITIONS OF NEW HRZ OPTIONS 12

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THIS SCHEME OF ARRANGEMENT UNDER SECTION 411 OF THE CORPORATIONS ACT 2001 (CTH)

is made on 2024.

BETWEEN

POS	Name	Poseidon Nickel Limited
	ACN	060 525 206
	Address	Level 1, 3 Ord Street, West Perth, Western Australia 6005
	Email	Brendan.Shalders@poseidon-nickel.com.au
	Attention	Brendan Shalders
Scheme Optionholders	Each holder of POS Options (other than Excluded Optionholders) recorded in the POS Options Register as at the Record Date.	

RECITALS

A. POS is a public company limited by shares incorporated in Australia and admitted to the official list of ASX.

B. HRZ is a public company limited by shares incorporated in Australia and admitted to the official list of ASX.

C. POS and HRZ have entered into the Scheme Implementation Deed, pursuant to which, amongst other things, POS has agreed to propose the Option Scheme to Scheme Optionholders, and each of POS and HRZ have agreed to take certain steps to give effect to the Option Scheme.

D. If this Option Scheme becomes Effective, then:

(a) all Scheme Options, and all the rights and entitlements attaching to them as at the Implementation Date, will be cancelled and extinguished and POS will remove the names of all Scheme Optionholders from the POS Option Register; and

(b) the Option Scheme Consideration will be provided to the Scheme Optionholders in accordance with the terms of the Option Scheme.

OPERATIVE PROVISIONS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Option Scheme:

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691).

ASX Settlement means ASX Settlement Pty Limited (ABN 008 504 532).

ASX Settlement Operating Rules means the settlement rules of the settlement facility operated by ASX Settlement.

Business Day means a day in Perth, Western Australia that is not a Saturday, Sunday or public holiday and on which banks and ASX are open for trading.

CHESS means the clearing house electronic sub-register system of share transfers operated by ASX Settlement.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Supreme Court of Western Australia or such other Court of competent jurisdiction under the Corporations Act agreed in writing between HRZ and POS.

Effective Date means the date on which the Option Scheme becomes Effective.

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Effective means, when used in relation to the Option Scheme, the coming into effect under section 411(10) of the Corporations Act of the order of the Court made under section 411 (4)(b) of the Corporations Act in relation to the Option Scheme.

Encumbrance means any security interest (within the meaning of section 51A of the Corporations Act) and any options, right to acquire, right of pre-emption, assignment by way of security, trust arrangement for the purpose of providing security, retention arrangement, or other security interest of any kind, and any agreement to create any of the foregoing.

End Date means the date that is six months after the date of the Scheme Implementation Deed, or such other date as agreed between POS and HRZ in writing.

Excluded Optionholder means any holder of POS Options who is a member of the HRZ Group or who holds any POS Options on behalf of or for the benefit of, any member of the HRZ Group, and also includes the holders of POS Incentive Options.

Excluded Shareholder means any POS Shareholder who is a member of the HRZ Group or any POS Shareholder who holds any POS Shares on behalf of or for the benefit of, any member of the HRZ Group.

Government Agency means any foreign or Australian government or governmental semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any other federal, state, provincial, local or other government (foreign or Australian).

GST has the meaning given to that term in the *A New Tax System (Goods & Services Tax) Act 1999* (Cth).

HRZ Group means HRZ and each of its subsidiaries.

HRZ means Horizon Minerals Limited (ACN 007 761 186).

Implementation Date means the fifth Business Day following the Record Date.

New HRZ Option means an option to acquire a share in the capital of HRZ, exercisable at $0.0519 on or before 3 September 2026, to be issued to Scheme Optionholders under the Option Scheme.

Option Scheme Consideration means the consideration to be provided to the Scheme Optionholders under the terms of this Option Scheme, for the transfer of their Scheme Options to HRZ or the cancellation and extinguishment of their Scheme Options comprised of such number of New HRZ Options as determined by applying the Transaction Ratio.

Option Scheme Deed Poll means the deed poll executed by HRZ in favour of Scheme Optionholders, under which HRZ covenants in favour of each Scheme Optionholder to perform its obligations under the Option Scheme.

Option Scheme means this scheme of arrangement under Part 5.1 of the Corporations Act between POS and the Scheme Optionholders, under which all of the POS Options will be transferred to HRZ and the Scheme Optionholders will be entitled to receive the Option Scheme Consideration, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by HRZ and POS.

Option Scheme Meeting means the meeting of POS Optionholders (other than Excluded Optionholders) ordered by the Court to be convened under section 411(1) of the Corporations Act.

Option Scheme Order means the order of the Court made for the purposes of section 411(4)(b) of the Corporations Act in respect of the Option Scheme.

Optionholder means each person who is registered as the holder of a POS Option.

POS Director means any or all of the directors of POS, as the context requires.

POS Incentive Option means an option to acquire a POS Share issued by POS to a POS Director or his or her nominee held as at the date of this Deed all of which are included in

Schedule 5, Part 2 to the Scheme Implementation Deed under the codes POSAH, POSAI, POSAJ, POSAE and POSAF.

POS means Poseidon Nickel Limited (ACN 060 525 206).

POS Option means an unlisted option to acquire a POS Share issued by POS other than a POS Incentive Option, all of which are included in Schedule 5, Part 2 to the Scheme Implementation Deed under the code POSAAB.

POS Option Register means the register of POS Optionholders maintained in accordance with the Corporations Act.

POS Performance Right means an entitlement granted by POS for the holder to be allocated a POS Share subject to the satisfaction of any applicable vesting conditions.

POS Registry means Automic Pty Ltd (ACN 152 260 814).

POS Share means a fully paid ordinary share in the capital of POS.

POS Share Register means the register of members of POS maintained in accordance with the Corporations Act.

POS Shareholder means a holder of POS Shares.

Record Date means 5:00pm on the second Business Day after the Effective Date.

Registered Address means the address of the Scheme Optionholder shown in the POS Option Register.

Scheme Booklet means the information to be approved by the Court and despatched to the POS Shareholders and POS Optionholders in relation to the Share Scheme and the Option Scheme, including an explanatory statement in relation to the Share Scheme and the Option Scheme complying with the requirements of the Corporations Act, the Corporations Regulations and RG60, the Independent Expert's Report, notices of meetings and proxy forms.

Scheme Implementation Deed means the scheme implementation deed between POS a nd HRZ dated 24 October 2024.

Scheme Option means a POS Option held by a Scheme Optionholder.

Scheme Optionholder means a holder of POS Options (other than an Excluded Optionholder) recorded in the POS Option Register as at the Record Date.

Scheme Shareholder means a holder of POS Shares (other than an Excluded Shareholder) recorded in the POS Share Register as at the Record Date.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Option Scheme is heard.

Second Court Hearing means the hearing of the application made to the Court for the Option Scheme Order.

Share Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between POS and the Scheme Shareholders, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by HRZ and POS.

Transaction Ratio means 0.1156 New HRZ Options for every 1 POS Option held.

1.2 Interpretation

(a) Unless the contrary intention appears, a reference in this Option Scheme to:

(i) this Option Scheme or another document includes any variation or replacement of it despite any change in the identity of the parties;

(ii) one gender includes the others;

(iii) the singular includes the plural and the plural includes the singular;

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(iv) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Agency or other entity includes any other of them;

(v) an item, recital, clause, subclause, paragraph, schedule or attachment is to an item, recital, clause, subclause, paragraph of, or schedule or attachment to, this Option Scheme and a reference to this Option Scheme includes any schedule or attachment;

(vi) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;

(vii) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re- enactments or replacements of any of them;

(viii) money is to Australian dollars, unless otherwise stated; and

(ix) a time is a reference to Perth time unless otherwise specified.

(b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.

(c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.

(d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this Option Scheme.

(e) A provision of this Option Scheme must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this Option Scheme or the inclusion of the provision in this Option Scheme.

1.3 Business Days

(a) If anything under this Option Scheme must be done on a day that is not a Business Day, it must be done instead on or by the next Business Day.

(b) If an act is required to be done on a particular day, it must be done before 5:00pm on that day or it will be considered to have been done on the following day.

1.4 Parties

(a) If a party consists of more than one person, this Option Scheme binds each of them separately and any two or more of them jointly.

(b) An agreement, covenant, obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them separately.

(c) An agreement, covenant, obligation, representation or warranty on the part of two or more persons binds them jointly and each of them separately.

2. PRELIMINARY

2.1 POS

(a) POS is a public company limited by shares under section 112(1) of the Corporations Act.

(b) POS was incorporated in Western Australia on 24 June 1993 and has its registered office at Level 1, 3 Ord Street, West Perth, Western Australia 6005.

(c) As at the date of the Scheme Implementation Deed, POS had the following securities on issue:

(i) 4,203,875,492 POS Shares;

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(ii) 163,447,197 POS Options;

(iii) 21,000,000 POS Incentive Options; and

(iv) 5,949,598 POS Performance Rights.

2.2 HRZ

(a) HRZ is a public company limited by shares under section 112(1) of the Corporations Act.

(b) HRZ was incorporated in South Australia on 24 May 1974 and has its registered office at Level 2, 16 Ord Street, West Perth WA 6005.

2.3 Scheme Implementation Deed

HRZ and POS have agreed, by executing the Scheme Implementation Deed, to implement the terms of the Option Scheme and to perform their respective obligations under the Option Scheme.

2.4 Option Scheme Deed Poll

HRZ has executed the Option Scheme Deed Poll in favour of Scheme Optionholders pursuant to which HRZ has covenanted to perform its obligations under the Option Scheme, including to provide to each Scheme Optionholder the Option Scheme Consideration to which the Scheme Optionholder is entitled under the Option Scheme.

2.5 Effect of the Option Scheme

If the Option Scheme becomes Effective then:

(a) HRZ will provide to each Scheme Optionholder the Option Scheme Consideration in accordance with the terms of the Option Scheme;

(b) subject to HRZ's compliance with its obligations in clause 2.5(a), all of the Scheme Options will be cancelled and extinguished, in accordance with clause 4.2; and

(c) POS will remove the names of all Scheme Optionholders from the POS Option Register.

3. CONDITIONS

3.1 Conditions of the Option Scheme

The Option Scheme is conditional and will not come into effect unless and until each of the following conditions is satisfied:

(a) all of the conditions precedent in clause 2.1 of the Scheme Implementation Deed (other than the conditions precedent to the Court having approved the Option Scheme in accordance with section 411(4)(b) of the Corporations Act set out in clause 2.1(j) of the Scheme Implementation Deed) having been satisfied or waived in accordance with the terms of the Scheme Implementation Deed as at 8:00am on the Second Court Date;

(b) neither the Scheme Implementation Deed nor the Option Scheme Deed Poll having been terminated in accordance with their terms;

(c) the Option Scheme having been approved at the Option Scheme Meeting, with or without modification, by the requisite majority of POS Optionholders in accordance with section 411(4)(a) of the Corporations Act or, if the Option Scheme is not agreed to by the requisite majority of POS Optionholders, the Court orders otherwise in accordance with section 411(4)(a) of the Corporations Act;

(d) the Court having approved the Option Scheme pursuant to section 411(4)(b) of the Corporations Act, without modification or with modifications which are acceptable to both POS and HRZ, or required by the Court under section 411(6) of the Corporations Act; and

(e) the coming into effect, pursuant to section 411(10) of the Corporations Act, of the orders of the Court made under section 411(4)(b) of the Corporations Act

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(and, if applicable, section 411(6) of the Corporations Act) in relation to the Option Scheme.

3.2 Effect of conditions

The fulfilment of the conditions in clause 3.1 is a condition precedent to the operation of the provisions of clauses 2.5, 4, 5, 6 and 7 of this Option Scheme.

3.3 Certificate

POS must provide to the Court on the Second Court Date a certificate which is signed by at least one director of POS (or such other evidence as the Court may request) confirming whether or not the conditions precedent to the Option Scheme have been satisfied or waived, subject to the terms of the Scheme Implementation Deed as at 8:00am on the Second Court Date.

3.4 Conclusive evidence

The giving of a certificate by POS in accordance with clause 3.3 will, in the absence of manifest error, be conclusive evidence of the matters referred to in the certificate.

3.5 Termination of Scheme Implementation Deed or Option Scheme Deed Poll

Without limiting any rights under the Scheme Implementation Deed, if the Scheme Implementation Deed or Option Scheme Deed Poll is terminated in accordance with its respective terms before 8:00am on the Second Court Date, POS and HRZ are each released from:

(a) any further obligation to take steps to implement the Option Scheme; and

(b) any liability with respect to the Option Scheme,

provided that POS and HRZ retain the rights they have against each other in respect of any prior breach of the Scheme Implementation Deed.

3.6 Effective Date

The Option Scheme will take effect on the Effective Date.

3.7 End Date

The Option Scheme will lapse and be of no further force or effect if the Effective Date has not occurred on or before the End Date.

4. OPTION SCHEME

4.1 Lodgement of Court order

Following the approval of the Option Scheme by the Court in accordance with section 411(4)(b) of the Corporations Act, POS will, as soon as possible after the Option Scheme Order is made, and in any event by 12.00 pm on the first Business Day after the date which the Option Scheme Order is made or such later date as POS and HRZ may agree in writing, lodge with ASIC an office copy of the Option Scheme Order in accordance with section 411(10) of the Corporations Act.

4.2 Cancellation and extinguishment of Scheme Options

(a) On the Implementation Date, in consideration of and subject to the provision by HRZ of the Option Scheme Consideration, all of the Scheme Options, together with all rights and entitlements attaching to them as at the Implementation Date, must be cancelled and extinguished, without the need for any further act by any Scheme Optionholders (other than acts performed by POS as attorney and agent for Scheme Optionholders under clause 6.3), and each Scheme Optionholder:

(i) releases POS from all obligations in relation to those Scheme Options;

(ii) releases and waives any and all rights they may have had (including to be issued POS Shares) in relation to those Scheme Options in accordance with the terms of the relevant Scheme Options; and

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(iii) authorises POS to update the POS Option Register recording the cancellation and extinguishment of the Scheme Options,

and, in consideration for the cancellation and extinguishment of their Scheme Options, each Scheme Optionholder will be entitled to receive the Option Scheme Consideration in accordance with clause 5.

(b) Pursuant to clause 4.2(a), POS must ensure the cancellation and extinguishment of the Scheme Options.

4.3 Provision of Option Scheme Consideration

In consideration for the cancellation and extinguishment of each Scheme Option, HRZ must, on the Implementation Date, issue to each Scheme Optionholder the number of New HRZ Options due to that Scheme Optionholder as Option Scheme Consideration in accordance with, and subject to, the terms of this Option Scheme and the Option Scheme Deed Poll.

4.4 Enforcement of Option Scheme Deed Poll

POS undertakes in favour of each Scheme Optionholder to enforce the Option Scheme Deed Poll against HRZ on behalf of and as agent for the Scheme Optionholders.

5. OPTION SCHEME CONSIDERATION

5.1 Entitlement to Option Scheme Consideration

On the Implementation Date, in consideration for the cancellation and extinguishment of each Scheme Option, each Scheme Optionholder will be entitled to receive the Option Scheme Consideration in respect of each of their Scheme Options in accordance with, and subject to the terms of this Option Scheme and the Option Scheme Deed Poll.

5.2 Provision of Option Scheme Consideration

(a) HRZ will issue to each Scheme Optionholder the number of New HRZ Options due to that Scheme Optionholder as consideration under the Option Scheme by:

(i) on the Implementation Date, issuing each Scheme Optionholder 0.1156 New HRZ Options for every 1 Scheme Option registered in the Scheme Optionholder's name in the POS Option Register at the Record Date, rounded up or down to the nearest whole number (with any fractional entitlements of less than 0.5 being rounded down to the nearest whole number of New HRZ Options and any fractional entitlement equal to or above 0.5 to be rounded up to the nearest whole number of New HRZ Options), which obligation will be satisfied by causing the name and Registered Address (at the Record Date) of the Scheme Optionholder to be entered into HRZ's Option Register as the holder of New HRZ Options issued to that Scheme Optionholder; and

(ii) within 10 Business Days after the Implementation Date, procuring the dispatch to that Scheme Optionholder, if their New HRZ Options are held on the issuer sponsored sub-register of HRZ, to their Registered Address (as at the Record Date), an uncertified holding statement in the name of that Scheme Optionholder relating to the number of New HRZ Options issued to that Scheme Optionholder.

5.3 Status of New HRZ Options

The New HRZ Options to be issued in accordance with this Option Scheme will:

(a) be validly issued;

(b) be fully paid (other than any exercise price payable to exercise a New HRZ Option); and

(c) be free from any mortgage charge, lien, encumbrance or other security interest.

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5.4 Joint holders

In the case of Scheme Options held in joint names, any uncertificated holding statements for New HRZ Options to be issued to Scheme Optionholders will be issued in the names of the joint holders and will be forwarded to the holder whose name appears first in the POS Option Register on the Record Date.

5.5 Scheme Optionholders bound

Each Scheme Optionholder who is to receive New HRZ Options under this Option Scheme agrees to:

(a) accept the New HRZ Options issued to them under this Option Scheme subject to, and to be bound by, HRZ's constitution and other constituent documents upon the issue of any shares on exercise of those New HRZ Options; and

(b) have their name and Registered Address entered into the HRZ Option Register.

6. SCHEME OPTIONHOLDERS

6.1 Authority given to POS

Each Scheme Optionholder will be deemed (without the need for any further act) to have irrevocably authorised POS (and each of its directors and officers, jointly and severally) as agent and attorney to do and execute all acts, matters, things and documents on the part of each Scheme Optionholder necessary to implement and give full effect to this Option Scheme and the transactions contemplated by it, including (without limitation):

(a) the cancellation and extinguishment of the Scheme Options; and

(b) where Scheme Options are held in a CHESS holding, causing a message to be transmitted to ASX Settlement in accordance with the ASX Settlement Operating Rules to transfer the Scheme Options held by the Scheme Optionholder from the CHESS sub-register to the issuer sponsored sub-register operated by POS and subsequently completing the cancellation and extinguishment of the Scheme Options under paragraph 6.1(a) above.

6.2 Appointment of sole proxy

Upon the Option Scheme Consideration being issued by HRZ, and until all Scheme Options are cancelled and extinguished , each Scheme Optionholder:

(a) is deemed to have appointed HRZ as attorney and agent (and directed HRZ in such capacity) to appoint any director, officer, secretary or agent nominated by HRZ as its sole proxy and, where applicable, corporate representative, to attend optionholders' meetings, exercise the votes attaching to the Scheme Options (if any) registered in their name and sign any 'optionholders' resolution;

(b) must not itself attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 6.2(a)); and

(c) must take all other actions in the capacity of a registered holder of Scheme Options as HRZ reasonably directs.

6.3 Appointment of POS as sole attorney and agent

Each Scheme Optionholder, without the need for any further act, irrevocably appoints POS and each of the directors and officers of POS, jointly and severally, as the Scheme Optionholder's attorney and agent for the purpose of executing any document necessary or expedient to give effect to the Option Scheme (including the cancellation and extinguishment of the Scheme Options and any instrument appointing HRZ as sole proxy for or, where applicable, corporate representative of each Scheme Optionholder as contemplated by clause 6.2) or doing any other act necessary or desirable to give full effect to the Option Scheme and the transactions contemplated by it.

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6.4 Scheme Optionholder's consent

Each Scheme Optionholder consents to POS doing all things and executing all deeds, instruments, transfers or other documents as may be necessary, incidental or expedient to the implementation and performance of the Option Scheme and POS, as agent of each Scheme Optionholder, may sub-delegate its functions under this clause 6.4 to any of its directors and officers, severally.

6.5 Agreements and warranties by Scheme Optionholders

(a) Each Scheme Optionholder:

(i) agrees to the cancellation and extinguishment of their Scheme Options together with all rights and entitlements attaching to those Scheme Options, in accordance with the Option Scheme;

(ii) agrees to the bound by the terms of the New HRZ Options; and

(iii) acknowledges and agrees that this Option Scheme binds POS and all Scheme Optionholders (including those who do not attend the Option Scheme Meeting and those who do not vote, or vote against this Option Scheme, at the Option Scheme Meeting).

(b) Each Scheme Optionholder is deemed to have warranted to POS, in its own right and for the benefit of HRZ, that:

(i) all of their Scheme Options (including any rights and entitlements attaching to those options as at the Implementation Date) which are cancelled and extinguished under this Option Scheme will, at the date of cancellation and extinguishment, be free Encumbrances or other interests of third parties of any kind, whether legal or otherwise and from all other restrictions on transfer; and

(ii) they have full power and capacity to agree to the cancellation and extinguishment of their Scheme Options together with any rights attaching to those Scheme Options.

(c) POS undertakes that it will provide the warranties in clause 6.5(b) to HRZ as agent and attorney of each Scheme Optionholder.

7. DEALINGS IN POS OPTIONS

7.1 Exercise prior to Option Scheme Record Date

To establish the identity of the Scheme Optionholders, POS will not accept as valid, nor recognise for any purpose, any notice of exercise of a POS Option registered in the name of a POS Optionholder that is either or both:

(a) received after 5:00pm on the day which is the Business Day immediately before the Record Date; and

(b) not in accordance with the terms of grant of the POS Option.

7.2 Registration as holder of POS Options

POS will issue, and register the POS Optionholder as the holder of, a POS Share in respect of any valid exercise of a POS Option registered in the name of the POS Optionholder permitted by, and received by the time specified in, clause 7.1 and in accordance with the terms of grant of the POS Option, and the POS Optionholder acknowledges and agrees that, if the Share Scheme becomes Effective and the POS Optionholder has validly exercised a POS Option in accordance with the foregoing, the POS Optionholder will be bound by the terms of the Share Scheme in respect of each such POS Share and, accordingly, each such POS Share will be transferred to HRZ in accordance with the terms of the Share Scheme on the Implementation Date.

7.3 Maintenance of POS Options Register

(a) For the purpose of determining entitlements to the Option Scheme Consideration, POS will, until the Option Scheme Consideration has been

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provided, maintain the POS Option Register in accordance with the provisions of this clause 7and the POS Option Register in this form will solely determine entitlements to the Option Scheme Consideration.

(b) All certificates and holding statements for Scheme Options will cease to have any effect from the Record Date as documents of title in respect of those Scheme Options. Subject to provision of the Option Scheme Consideration by HRZ and the cancellation and extinguishment of the Scheme Options as contemplated by clauses 5.1 and 5.2, after the Record Date, each entry current at that date on the POS Option Register relating to Scheme Options will cease to be of any effect other than as evidence of entitlement to the Option Scheme Consideration in respect of the Scheme Options relating to that entry.

7.4 Information to be made available to HRZ

POS will procure that, as soon as reasonably practicable after the Record Date, details of the names, Registered Addresses and holdings of Scheme Options of every Scheme Optionholder as shown in the POS Option Register as at the Record Date are made available to HRZ in such form as HRZ reasonably requires.

7.5 Instructions and elections

If not prohibited by law (and including where permitted or facilitated by relief granted by a Government Agency), all instructions, notifications or elections by a Scheme Optionholder to POS that are binding or deemed binding between the Scheme Optionholder and POS relating to POS or POS Options, including instructions, notifications or elections relating to (if applicable):

(a) whether dividends are to be paid by cheque or into a specific bank account;

(b) payments of dividends on POS Options; and

(c) notices or other communications from POS (including by email),

will be deemed from the Implementation Date (except to the extent determined otherwise by HRZ in its sole discretion), by reason of the Option Scheme, to be made by the Scheme Optionholder to HRZ and to be a binding instruction, notification or election to, and accepted by, HRZ in respect of the New HRZ Options issued to that Scheme Optionholder until that instruction, notification or election is revoked or amended in writing addressed to HRZ at its registry.

8. NOTICES

8.1 General

Any notice, transfer, transmission, application, direction, demand, consent or other communication (**Notice**) given or made under this document must be in writing in English and signed by the sender or a person duly authorised by the sender.

8.2 Communications by post

Subject to clause 8.3, where a Notice referred to in this document is sent by post to POS, it will not be deemed to have been received in the ordinary course of post or on a date other than the date (if any) on which it is actually received at POS's registered office or at the POS Registry.

8.3 After hours communications

If a Notice is given:

(a) after 5:00pm in the place of receipt; or

(b) on a day which is a Saturday, Sunday or bank or public holiday in the place of receipt,

it is taken as having been given at 9:00am on the next day which is not a Saturday, Sunday or bank or public holiday in that place.

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8.4 Omission to give notice

The accidental omission to give notice of the Option Scheme Meeting or the non-receipt of such notice by any POS Optionholder will not invalidate the Option Scheme Meeting or the proceedings of the Option Scheme Meeting, unless the Court makes an order to the contrary.

9. GENERAL

9.1 No liability when acting in good faith

Without prejudice to either party's rights under the Scheme Implementation Deed, neither HRZ nor POS nor any director, officer, secretary or employee of any of those companies will be liable for anything done or omitted to be done in the performance of this Option Scheme or the Option Scheme Deed Poll when the relevant entity or person has acted in good faith.

9.2 POS and Scheme Optionholders bound

The Option Scheme binds POS and all Scheme Optionholders (including Scheme Optionholders who do not attend the Option Scheme Meeting, do not vote at that meeting or vote against the Option Scheme) and will, for all purposes, to the extent of any inconsistencies and permitted by law, have effect notwithstanding any provision in the constitution of POS.

9.3 Further assurances

Subject to clause 9.4, POS will execute all documents and do all acts and things (on its own behalf and on behalf of each POS Optionholder) necessary or expedient for the implementation of, and performance of its obligations under, the Option Scheme and the Scheme Optionholders consent to POS executing all such documents and doing all such acts or things.

9.4 Alterations and conditions

POS may, with the consent of HRZ, by its counsel consent on behalf of all Scheme Optionholders to any modifications or conditions which the Court thinks fit to impose.

9.5 GST

POS must pay to the Scheme Optionholders an amount equal to any GST for which the Scheme Optionholders are liable on any supply by the Scheme Optionholders under or in connection with the Option Scheme, without deduction or set off of any other amount.

9.6 Costs

Any costs, and any stamp duty and any related fines, interest or penalties, which are payable on or in respect of this document or on any document referred to in this document will be paid as provided for in the Scheme Implementation Deed. For the avoidance of doubt, Scheme Optionholders do not have to pay any stamp duty, related fines, interest or penalties which are payable on or in respect of this document or any document referred to in this document.

9.7 Governing law and jurisdiction

(a) This document is governed by and is to be construed in accordance with the laws applicable in Western Australia.

(b) Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in Western Australia and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

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SCHEDULE 1 – TERMS AND CONDITIONS OF NEW HRZ OPTIONS

The terms of the New HRZ Options are:

1. Each New HRZ Option entitles the holder to one fully paid ordinary share in HRZ (**Share**) upon exercise of the New HRZ Option.

2. The New HRZ Options may be exercised at any time prior to 5:00pm AWST on 3 September 2026 (**Expiry Date**).

3. The exercise price of the New HRZ Options is AU$0.0519 each.

4. The New NRZ Options are freely tradeable under Australian law.

5. HRZ will provide to each New HRZ Option holder a notice that is to be competed when exercising the New HRZ Options (**Notice of Exercise**). New HRZ Options may be exercised by the New HRZ Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Secretary of HRZ to be received prior to the Expiry Date. The Notice of Exercise must, among other things, state the number of New HRZ Options exercised, the consequent number of Shares to be allotted and the identity of the proposed allottee. The Notice of Exercise by a New HRZ Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share.

6. Within five Business Days after the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the exercise price for each New HRZ Option being exercised in cleared funds, HRZ will issue the number of Shares required under these terms and conditions in respect of the number of New HRZ Options specified in the Notice of Exercise.

7. All Shares issued upon the exercise of the New HRZ Options will rank equally in all respects with HRZ's then issued Shares. HRZ will apply to the ASX in accordance with the Listing Rules for all Shares issued pursuant to the exercise of New HRZ Options to be admitted to quotation.

8. There are no participating rights or entitlements inherent in the New HRZ Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the New HRZ Options. Thereby, the New HRZ Option holder has no rights to a change in the exercise price of the New HRZ Option or a change to the number of underlying securities over which the New HRZ Option can be exercised (except for a bonus issue). HRZ will ensure, for the purposes of determining entitlements to any issue, that New HRZ Option holders will be notified of a proposed issue after the issue is announced. This will give New HRZ Option holders the opportunity to exercise their New HRZ Options prior to the date for determining entitlements to participate in such issues.

9. If there is a bonus issue (**Bonus Issue**) to shareholders, the number of Shares over which a New HRZ Option is exercisable will be increased by the number of Shares which the holder would have received if the New HRZ Option had been exercised before the record date for the Bonus Issue (**Bonus Shares**). The Bonus Shares must be paid up by HRZ out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.

10. In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of HRZ, all rights of the New HRZ Option holder shall be reconstructed (as appropriate) in accordance with the Listing Rules.

11. The New HRZ Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

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Annexure D – Share Scheme Deed Poll

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HORIZON MINERALS LIMITED
ACN 007 761 186

DEED POLL – SHARE SCHEME

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THIS DEED POLL is made the day of 2024.

BY

HORIZON MINERALS LIMITED (ACN 007 761 186) of Level 2, 16 Ord Street, West Perth WA 6005.

IN FAVOUR OF

Each holder of POS Shares (other than Excluded Shareholders) recorded in the POS Register as at the Record Date.

RECITALS

A. HRZ and POS have entered into the Scheme Implementation Deed.

B. Pursuant to the terms of the Scheme Implementation Deed, POS has agreed to propose the Share Scheme.

C. Under the Share Scheme, all Scheme Shares held by Scheme Shareholders will be transferred to HRZ for the Share Scheme Consideration.

D. HRZ enters into this deed poll to covenant in favour of Scheme Shareholders to perform its obligations under the Share Scheme.

OPERATIVE PROVISIONS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this deed poll:

ASX means ASX Limited (ACN 008 624 691).

Business Day means a day in Perth, Western Australia that is not a Saturday, Sunday or public holiday and on which banks and ASX are open for trading.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Supreme Court of Western Australia or such other Court of competent jurisdiction under the Corporations Act agreed to in writing between the HRZ and POS.

Effective Date means the date on which the Share Scheme becomes Effective.

Effective means, when used in relation to the Share Scheme, the coming into effect under section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Share Scheme.

End Date means the date that is six months after the date of the Scheme Implementation Deed or as otherwise agreed between POS and HRZ in writing.

Excluded Optionholder means any holder of POS Options who is a member of the HRZ Group or who holds any POS Options on behalf of or for the benefit of, any member of the HRZ Group and also includes the holders of POS Incentive Options.

Excluded Shareholder means any POS Shareholder who is a member of the HRZ Group or any POS Shareholder who holds any POS Shares on behalf of or for the benefit of, any member of the HRZ Group.

HRZ Group means HRZ and each of its subsidiaries.

HRZ means Horizon Minerals Limited (ACN 007 761 186).

HRZ Share means a fully paid ordinary share in the capital of HRZ.

Implementation Date means the fifth Business Day following the Record Date.

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Ineligible Foreign Shareholder means a Scheme Shareholder whose address as shown in POS Share Register is located outside Australia and its external territories or New Zealand unless HRZ is satisfied that it is permitted to allot and issue New HRZ Shares to that Scheme Shareholder pursuant to the Share Scheme by the laws of that place, without having to comply with any governmental approval or other consent or registration, filing or other formality which HRZ regards as unduly onerous.

Ineligible Shareholder means an Ineligible Foreign Shareholder and an Unmarketable Parcel Shareholder.

Listing Rules means the official listing rules of ASX.

New HRZ Shares means a share in the capital of HRZ to be issued to Scheme Shareholders under the Share Scheme.

Option Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between POS and the Scheme Optionholders under which Scheme Optionholders will receive the Option Scheme Consideration (as defined in the Option Scheme), in the form attached as Annexure D to the Scheme Implementation Deed, or in such other form as the parties may agree in writing, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by HRZ and POS.

POS Director means any or all of the directors of POS, as the context requires.

POS Incentive Option means an option to acquire a POS Share issued by POS to a POS Director (or his or her nominee) held as at the date of this Deed all of which are included in Schedule 5, Part 2 of the Scheme Implementation Deed under the codes POSAH, POSAI, POSAJ, POSAE and POSAF.

POS means Poseidon Nickel Limited (ACN 060 525 206).

POS Option means an unlisted option to acquire a POS Share issued by POS other than a POS Incentive Option, all of which are included in Schedule 5, Part 2 to the Scheme Implementation Deed under the code POSAAB.

POS Option Register means the register of POS Optionholders maintained in accordance with the Corporations Act.

POS Optionholder means each person who is registered as the holder of a POS Option.

POS Share means a fully paid ordinary share in the capital of POS.

POS Share Register means the register of members of POS maintained in accordance with the Corporations Act.

POS Shareholder means a holder of POS Shares.

Record Date means 5:00pm on the second Business Day after the Effective Date.

Scheme Booklet means the information to be approved by the Court and despatched to the POS Shareholders and POS Optionholders in relation to the Share Scheme and the Option Scheme, including an explanatory statement in relation to the Share Scheme and the Option Scheme complying with the requirements of the Corporations Act, the Corporations Regulations and RG60, the Independent Expert's Report, notices of meetings and proxy forms.

Scheme Implementation Deed means the scheme implementation deed between POS and HRZ dated 24 October 2024.

Scheme Optionholder means a holder of POS Options (other than an Excluded Optionholder) recorded in the POS Option Register as at the Record Date.

Scheme Share means a POS Share held by a Scheme Shareholder.

Scheme Shareholder means a holder of POS Shares (other than an Excluded Shareholder) recorded in the POS Share Register as at the Record Date.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Schemes (as the context requires) is heard.

Share Scheme Consideration means the consideration to be provided to Scheme Shareholders under the terms of the Share Scheme, for the transfer of their Scheme Shares, comprising 0.1156 HRZ Shares for every 1 POS Share held.

Share Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between POS and the Scheme Shareholders, under which Scheme Shareholders will receive the Share Scheme Consideration, in the form attached as Annexure C to the Scheme Implementation Deed or in such other form as HRZ and POS have agreed in writing, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by HRZ and POS.

Unmarketable Parcel Shareholder means a Scheme Shareholder (other than an Ineligible Foreign Shareholder) who, based on their holding of Scheme Shares would, on implementation of the Share Scheme, be entitled to receive less than a marketable parcel (as that term is defined in the Listing Rules) of New HRZ Shares (assessed by reference to the price of HRZ Shares on the ASX at the close of trading on the trading day prior to the Record Date) as Share Scheme Consideration.

1.2 Interpretation

(a) Unless the contrary intention appears, a reference in this deed poll to:

(i) this deed poll or another document includes any variation or replacement of it despite any change in the identity of the parties;

(ii) one gender includes the others;

(iii) the singular includes the plural and the plural includes the singular;

(iv) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Body or other entity includes any other of them;

(v) an item, recital, clause, subclause, paragraph, schedule or attachment is to an item, recital, clause, subclause, paragraph of, or schedule or attachment to, this deed poll and a reference to this deed poll includes any schedule or attachment;

(vi) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;

(vii) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re-enactments or replacements of any of them;

(viii) money is to Australian dollars, unless otherwise stated; and

(ix) a time is a reference to Western Australia time unless otherwise specified.

(b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.

(c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.

(d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this deed poll.

(e) A provision of this deed poll must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this deed poll or the inclusion of the provision in this deed poll.

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1.3 Business Days

(a) If anything under this deed poll must be done on a day that is not a Business Day, it must be done instead on or by the next Business Day.

(b) If an act is required to be done on a particular day, it must be done before 5:00pm on that day or it will be considered to have been done on the following day.

1.4 Parties

(a) If a party consists of more than one person, this deed poll binds each of them separately and any two or more of them jointly.

(b) An agreement, covenant, obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them separately.

(c) An agreement, covenant, obligation, representation or warranty on the part of two or more persons binds them jointly and each of them separately.

2. NATURE OF DEED POLL

HRZ acknowledges that:

(a) this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms, even though Scheme Shareholders are not party to it; and

(b) under the Share Scheme, each Scheme Shareholder irrevocably appoints POS and any of POS' directors as its agent and attorney, inter alia, to enforce this deed poll against HRZ.

3. CONDITIONS PRECEDENT AND TERMINATION

3.1 Conditions precedent

The obligations of HRZ under clause 5 of this deed poll are subject to the Share Scheme becoming Effective.

3.2 Termination of deed

If:

(a) the Scheme Implementation Deed is terminated in accordance with its terms; or

(b) the Share Scheme does not become Effective on or before the End Date,

HRZ's obligations under this deed poll will automatically terminate, unless HRZ and POS otherwise agree in writing in accordance with the Scheme Implementation Deed, subject to clause 3.3(b), and the terms of this deed poll will be of no further force and effect.

3.3 Consequences of termination

If this deed poll is terminated under clause 3.2 then, in addition and without prejudice to any other rights, power or remedies available to Scheme Shareholders:

(a) HRZ is released from any obligation to further perform this deed poll; and

(b) each Scheme Shareholder retains any rights, power or remedies it has against HRZ in respect of any breach of this deed poll by HRZ which occurred before termination of this deed poll.

4. CERTIFICATE IN RELATION TO CONDITIONS

HRZ must provide to the Court on the Second Court Date a certificate which is signed by at least one director of HRZ (or such other evidence as the Court may request) stating, to the best of its knowledge, whether or not the conditions precedent to the Share Scheme have been satisfied or waived, subject to the terms of the Scheme Implementation Deed as at 8:00am on the Second Court Date.

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5. SHARE SCHEME CONSIDERATION

5.1 Performance of obligations generally

Subject to clause 3, in consideration of the transfer to HRZ of the Scheme Shares on the Implementation Date, HRZ undertakes in favour of each Scheme Shareholder to:

(a) provide or procure the provision of the Scheme Consideration to each Scheme Shareholder; and

(b) undertake all other actions, and give each acknowledgement, representation, warranty and indemnity attributed to it under the Share Scheme,

in each case in accordance with the terms of the Share Scheme.

5.2 Provision of Share Scheme Consideration

Subject to clauses 3 and 5.4, in consideration of the transfer of the Scheme Shares to HRZ, HRZ must:

(a) acquire all of the Scheme Shares from Scheme Shareholders, in accordance with the provisions of the Share Scheme;

(b) issue and allot the Share Scheme Consideration to each Scheme Shareholder (other than to Ineligible Shareholders who will be dealt with in accordance with clause 5.4); and

(c) otherwise do all things necessary or expedient on its part to implement the Share Scheme.

5.3 Satisfaction of obligation to provide Share Scheme Consideration

The obligation of HRZ to provide the Share Scheme Consideration referred to in clause 5.2(b) will be satisfied by HRZ:

(a) on the Implementation Date, entering in the register of members of HRZ the name of each Scheme Shareholder, in relation to the New HRZ Shares issued to that Scheme Shareholder as Share Scheme Consideration in accordance with the Share Scheme; and

(b) within 10 Business Days after the Implementation Date, dispatching to each Scheme Shareholder, if their New HRZ Shares are held on the issuer sponsored subregister of HRZ, to his or her address as recorded in the POS Share Register at the Record Date, an uncertificated holding statement in the name of that Scheme Shareholder representing the number of New HRZ Shares issued to that Scheme Shareholder.

5.4 Ineligible Shareholders

HRZ will be under no obligation under the Share Scheme to issue, and will not issue, any New HRZ Shares to an Ineligible Shareholder, and instead where a Scheme Shareholder is an Ineligible Shareholder, HRZ will comply with its obligations under clause 5.7 of the Share Scheme in respect of any New HRZ Shares to which an Ineligible Shareholder would otherwise be entitled.

5.5 Joint holders

In the case of Scheme Shares held by Scheme Shareholders in joint names:

(a) any entry in the register of members of HRZ required to be made must record the names and registered addresses of the joint holders; and

(b) any uncertificated holding statement for New HRZ Shares must be issued to Scheme Shareholders in the names of the joint holders and must be forwarded to the holder whose name first appears in the POS Share Register at the Record Date.

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6. QUOTATION OF NEW HRZ SHARES

HRZ will use its best endeavours to procure that the New HRZ Shares are quoted on ASX as soon as reasonably practicable after the Implementation Date.

7. REPRESENTATIONS AND WARRANTIES

HRZ represents and warrants that:

(a) it is a company limited by shares and validly existing under the Corporations Act;

(b) it has full legal capacity and power to enter into this deed poll and to carry out the transactions that this deed poll contemplates;

(c) it has taken all corporate action that is necessary or desirable to authorise its entry into this deed poll and it carrying out the transactions this deed poll contemplates: and

(d) this deed poll constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditor's rights generally) subject to any necessary stamping.

8. CONTINUING OBLIGATIONS

This deed poll is irrevocable and, subject to clause 3.1, remains in full force and effect until HRZ has completely performed its obligations under this deed poll or the earlier termination of this deed poll under clause 3.2.

9. NOTICES

9.1 Form

Any notice or other communication to or by any party must be:

(a) in writing and in the English language;

(b) addressed to the address of the recipient in clause 9.4 or to any other address as the recipient may have notified the sender; and

(c) be signed by the party or by an authorised officer of the sender.

9.2 Manner

In addition to any other method of service authorised by law, the notice may be:

(a) personally served on a party;

(b) left at the party's current address for service;

(c) sent to the party's current address for service by prepaid ordinary mail or if the address is outside Australia by prepaid airmail; or

(d) sent by electronic mail to the party's electronic mail address.

9.3 Time

If a notice is sent or delivered in the manner provided in clause 9.2 it must be treated as given to or received by the addressee in the case of:

(a) delivery in person, when delivered;

(b) delivery by post:

(i) in Australia to an Australian address, the second Business Day after posting; or

(ii) in any other case, on the tenth Business Day after posting; or

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(c) electronic mail, when the sender's computer reports that the message has been delivered to the electronic mail address of the addressee,

but if delivery is made after 5:00pm on a Business Day it must be treated as received on the next Business Day in that place.

9.4 Initial details

The addresses and numbers for service are initially:

Party	Address	Attention	E-mail
Poseidon Nickel Limited	Level 1, 3 Ord Street West Perth WA 6005	Brendan Shalders	Brendan.Shalders@poseidon-nickel.com.au
Horizon Minerals Limited	Level 2, 16 Ord Street, West Perth WA 6005	Grant Haywood and Julian Tambyrajah	md_ceo@horizonminerals.com.au cfo_cosec@horizonminerals.com.au

9.5 Changes

A party may from time to time change its address or numbers for service by notice to each other party.

10. GOVERNING LAW AND JURISDICTION

10.1 Governing law

This deed poll is governed by and construed in accordance with the laws of Western Australia.

10.2 Jurisdiction

Each party irrevocably:

(a) submits to the non-exclusive jurisdiction of the courts of Western Australia and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to this deed poll; and

(b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within paragraph10.2(a).

11. MISCELLANEOUS

11.1 Exercise rights

A single or partial exercise or waiver by a party of any right under or relating to this deed poll will not prevent any other exercise of that right or the exercise of any other right.

11.2 Merger

If the liability of a party to pay money under this deed poll becomes merged in any deed, judgment, order or other thing, the party liable must pay interest on the amount owing from time to time under that deed, judgment, order or other thing at the higher of the rate payable under this deed poll and that fixed by or payable under that deed, judgment, order or other thing.

11.3 Moratorium legislation

Any law which varies prevents or prejudicially affects the exercise by a party of any right, power or remedy conferred on it under this deed poll is excluded to the extent permitted by law.

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11.4 No assignment

A party must not assign, transfer or novate all or any part of its rights or obligations under or relating to this deed poll or grant, declare, create or dispose of any right or interest in it, without the prior written consent of each other party. Any purported dealing in contravention of this clause 11.4 is invalid.

11.5 Remedies cumulative

The rights and remedies under this deed poll are cumulative and not exclusive of any rights or remedies provided by law.

11.6 Severability

If a provision of this deed poll is illegal, invalid, unenforceable or void in a jurisdiction it is severed for that jurisdiction and the remainder of this deed poll has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected.

11.7 Further assurance

Each party must promptly at its own cost do all things (including executing and delivering all documents) necessary or desirable to give full effect to this deed poll and the transactions contemplated by it.

11.8 Costs

Each party is responsible for all its own costs incurred in the negotiation and performance of this deed poll including legal costs.

11.9 Taxes

In accordance with the terms of the Scheme Implementation Deed, HRZ must pay all stamp duties and any fines and penalties with respect to stamp duty in connection with the Share Scheme or its implementation, or on the transfer of the Scheme Shares and must indemnify each Scheme Shareholder against all losses damages, costs, expenses, charges, penalties and other liabilities (including legal and other professional fees) directly or indirectly incurred or suffered by the Scheme Shareholder arising out of or in connection with any failure by HRZ to make such payment.

11.10 Time

(a) Time is of the essence of this deed poll.

(b) If the parties agree to vary a time requirement, the time requirement so varied is of the essence of this deed poll.

(c) An agreement to vary a time requirement must be in writing.

11.11 Variation

A provision of this deed poll may be amended if:

(a) the amendment is agreed to by POS, which agreement POS may give or withhold in its absolute discretion and without reference to or approval by any Scheme Shareholder; and

(b) the Court indicates that the amendment would not of itself preclude approval of the Scheme,

in which event HRZ will enter into a further deed poll in favour of each Scheme Shareholder giving effect to the amendment.

11.12 Waiver

(a) A party's waiver of a right under or relating to this deed poll, whether prospectively or retrospectively, is not effective unless it is in writing and signed by that party.

(b) No other act, omission or delay by a party will constitute a waiver of a right.

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11.13 Counterparts

This deed poll may be executed in any number of counterparts each of which will be considered an original but all of which will constitute one and the same instrument. A party who has executed a counterpart of this deed poll may deliver it to, or exchange it with, another party by:

(a) faxing; or

(b) emailing a pdf (portable document format) copy of the executed counterpart to that other party.

11.14 Whole agreement

This deed poll:

(a) is the entire agreement and understanding between the parties relating to the subject matter of this deed poll; and

(b) supersedes any prior agreement, representation (written or oral) or understanding on anything connected with that subject matter.

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EXECUTED AS A DEED POLL

EXECUTED by **HORIZON MINERALS LIMITED ACN 007 761 186** in accordance with section 127 of the *Corporations Act 2001* (Cth):	))))

Signature of director	Signature of director/company secretary*
Name of director	Name of director/company secretary*

*please delete as applicable

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Annexure E – Option Scheme Deed Poll

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HORIZON MINERALS LIMITED
ACN 007 761 186

DEED POLL – OPTION SCHEME

STEINEPREIS PAGANIN

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THIS DEED POLL is made the day of 2024

BY

HORIZON MINERALS LIMITED (ACN 007 761 186) of Level 2, 16 Ord Street, West Perth WA 6005.

IN FAVOUR OF

Each holder of POS Options (other than Excluded Optionholders) recorded in the POS Options Register as at the Record Date.

RECITALS

A. HRZ and POS have entered into the Scheme Implementation Deed.

B. Pursuant to the terms of the Scheme Implementation Deed, POS has agreed to propose the Option Scheme.

C. Under the Option Scheme, all Scheme Options held by Scheme Optionholders will be cancelled and extinguished for the Option Scheme Consideration.

D. HRZ enters into this deed poll to covenant in favour of Scheme Optionholders to perform its obligations under the Option Scheme.

OPERATIVE PROVISIONS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this deed poll:

ASX means ASX Limited (ACN 008 624 691).

Business Day means a day in Perth, Western Australia that is not a Saturday, Sunday or public holiday and on which banks and ASX are open for trading.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Supreme Court of Western Australia or such other Court of competent jurisdiction under the Corporations Act agreed to in writing between the HRZ and POS.

Effective Date means the date on which the Option Scheme becomes Effective.

Effective means, when used in relation to the Option Scheme, the coming into effect under section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Option Scheme.

End Date means the date that is six months after the date of the Scheme Implementation Deed or as otherwise agreed between POS and HRZ in writing.

Excluded Optionholder means any holder of POS Options who is a member of the HRZ Group or who holds any POS Options on behalf of or for the benefit of, any member of the HRZ Group and also includes the holders of POS Incentive Options.

Excluded Shareholder means any POS Shareholder who is a member of the HRZ Group or any POS Shareholder who holds any POS Shares on behalf of or for the benefit of, any member of the HRZ Group.

HRZ Group means HRZ and each of its subsidiaries.

HRZ means Horizon Minerals Limited (ACN 007 761 186).

HRZ Option means an option to acquire a fully paid ordinary share in the capital of HRZ.

HRZ Option Register means the register of holders of HRZ Options maintained in accordance with the Corporations Act.

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Implementation Date means the fifth Business Day following the Record Date.

Ineligible Foreign Optionholder means a POS Optionholder whose address as shown in POS Option Register is located outside Australia and its external territories or New Zealand, unless HRZ is satisfied that it is permitted to grant New HRZ Options to that POS Optionholder pursuant to the Option Scheme by the laws of that place, without having to comply with any governmental approval or other consent or registration, filing or other formality which HRZ regards as unduly onerous.

New HRZ Options means an option to acquire a share in the capital of HRZ, exercisable at $0.0519 on or before 3 September 2026, to be issued to Scheme Optionholders under the Option Scheme.

Option Scheme Consideration means the consideration to be provided to the Scheme Optionholders under the terms of the Option Scheme, for the transfer of their Scheme Options to HRZ or the cancellation and extinguishment of their Scheme Options, comprising of such number of New HRZ Options as determined by applying the Transaction Ratio.

Option Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between POS and the Scheme Optionholders under which all Scheme Optionholders will receive the Option Scheme Consideration, in the form attached as Annexure D to the Scheme Implementation Deed, or in such other form as the parties may agree in writing, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by HRZ and POS.

POS Director means any or all of the directors of POS, as the context requires.

POS Incentive Option means an option to acquire a POS Share issued by POS to a POS Director (or his or her nominee) held as at the date of this Deed all of which are included in Schedule 5, Part 2 to the Scheme Implementation Deed under the codes POSAH, POSAI, POSAJ, POSAE and POSAF.

POS means Poseidon Nickel Limited (ACN 060 525 206).

POS Option means an unlisted option to acquire a POS Share issued by POS other than a POS Incentive Option, all of which are included in Schedule 5, Part 2 to the Scheme Implementation Deed under the code POSAAB.

POS Option Register means the register of POS Optionholders maintained in accordance with the Corporations Act.

POS Optionholder means each person who is registered as the holder of a POS Option.

POS Share means a fully paid ordinary share in the capital of POS.

POS Share Register means the register of members of POS maintained in accordance with the Corporations Act.

POS Shareholder means a holder of POS Shares.

Record Date means 5:00pm on the second Business Day after the Effective Date.

Scheme Booklet means the information to be approved by the Court and despatched to the POS Shareholders and POS Optionholders in relation to the Share Scheme and the Option Scheme, including an explanatory statement in relation to the Share Scheme and the Option Scheme complying with the requirements of the Corporations Act, the Corporations Regulations and RG60, the Independent Expert's Report, notices of meetings and proxy forms.

Scheme Implementation Deed means the scheme implementation deed between POS and HRZ dated 24 October 2024.

Scheme Option means a POS Option held by a Scheme Optionholder at the Record Date.

Scheme Optionholder means a holder of POS Options (other than an Excluded Optionholder) recorded in the POS Option Register as at the Record Date.

Scheme Shareholder means a holder of POS Shares (other than an Excluded Shareholder) recorded in the POS Share Register as at the Record Date.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Schemes (as the context requires) is heard.

Share Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between POS and the Scheme Shareholders, under which Scheme Shareholders will receive the Share Scheme Consideration, in the form attached as Annexure C to the Scheme Implementation Deed or in such other form as HRZ and POS have agreed in writing, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by HRZ and POS.

Transaction Ratio means 0.1156 New HRZ Options for every 1 POS Option held.

1.2 Interpretation

(a) Unless the contrary intention appears, a reference in this a deed poll to:

(i) this deed poll or another document includes any variation or replacement of it despite any change in the identity of the parties;

(ii) one gender includes the others;

(iii) the singular includes the plural and the plural includes the singular;

(iv) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Body or other entity includes any other of them;

(v) an item, recital, clause, subclause, paragraph, schedule or attachment is to an item, recital, clause, subclause, paragraph of, or schedule or attachment to, this deed poll and a reference to this deed poll includes any schedule or attachment;

(vi) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;

(vii) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re-enactments or replacements of any of them;

(viii) money is to Australian dollars, unless otherwise stated; and

(ix) a time is a reference to Western Australia time unless otherwise specified.

(b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.

(c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.

(d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this deed poll.

(e) A provision of this deed poll must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this deed poll or the inclusion of the provision in this deed poll.

1.3 Business Days

(a) If anything under this deed poll must be done on a day that is not a Business Day, it must be done instead on or by the next Business Day.

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(b) If an act is required to be done on a particular day, it must be done before 5:00pm on that day or it will be considered to have been done on the following day.

1.4 Parties

(a) If a party consists of more than one person, this deed poll binds each of them separately and any two or more of them jointly.

(b) An agreement, covenant, obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them separately.

(c) An agreement, covenant, obligation, representation or warranty on the part of two or more persons binds them jointly and each of them separately.

2. NATURE OF DEED POLL

HRZ acknowledges that:

(a) this deed poll may be relied on and enforced by any Scheme Optionholder in accordance with its terms, even though Scheme Optionholders are not party to it; and

(b) under the Option Scheme, each Scheme Optionholder irrevocably appoints POS and any of POS's directors as its agent and attorney, inter alia, to enforce this deed poll against HRZ.

3. CONDITIONS PRECEDENT AND TERMINATION

3.1 Conditions precedent

The obligations of HRZ under clause 5 of this deed poll are subject to the Option Scheme becoming Effective.

3.2 Termination of deed

If:

(a) the Scheme Implementation Deed is terminated in accordance with its terms; or

(b) the Option Scheme does not become Effective on or before the End Date,

HRZ's obligations under this deed poll will automatically terminate, unless HRZ and POS otherwise agree in writing in accordance with the Scheme Implementation Deed, subject to clause 3.3(b), and the terms of this deed poll will be of no further force and effect.

3.3 Consequences of termination

If this deed poll is terminated under clause 3.2 then, in addition and without prejudice to any other rights, power or remedies available to Scheme Optionholders:

(a) HRZ is released from any obligation to further perform this deed poll; and

(b) each Scheme Optionholder retains any rights, power or remedies it has against HRZ in respect of any breach of this deed poll by HRZ which occurred before termination of this deed poll.

4. CERTIFICATE IN RELATION TO CONDITIONS

HRZ must provide to the Court on the Second Court Date a certificate which is signed by at least one director of HRZ (or such other evidence as the Court may request) stating, to the best of its knowledge, whether or not the conditions precedent to the Option Scheme have been satisfied or waived, subject to the terms of the Scheme Implementation Deed as at 8:00am on the Second Court Date.

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5. OPTION SCHEME CONSIDERATION

5.1 Performance of obligations generally

Subject to clause 3, in consideration for the cancellation and extinguishment of each Scheme Option on the Implementation Date, HRZ undertakes in favour of each Scheme Optionholder to:

(a) provide or procure the provision of the Option Scheme Consideration to each Scheme Optionholder; and

(b) undertake all other actions, and give each acknowledgement, representation, warranty and indemnity attributed to it under the Option Scheme,

in each case in accordance with the terms of the Option Scheme.

5.2 Provision of Option Scheme Consideration

Subject to clauses 3 and 5.4, in consideration of the cancellation and extinguishment of the Scheme Options, HRZ must:

(a) provide, or procure the provision of, the Option Scheme Consideration to each Scheme Optionholder in accordance with the terms of the Option Scheme; and

(b) otherwise do all things necessary or expedient on its part to implement the Option Scheme.

5.3 Satisfaction of obligation to provide Option Scheme Consideration

The obligation of HRZ to provide the Option Scheme Consideration referred to in clause 5.2(a) will be satisfied by HRZ:

(a) on the Implementation Date, entering in the HRZ Option Register the name of each Scheme Optionholder, in relation to the New HRZ Options issued to that Scheme Optionholder as Option Scheme Consideration in accordance with the Option Scheme; and

(b) within 10 Business Days after the Implementation Date, dispatching to each Scheme Optionholder, if their New HRZ Options are held on the issuer sponsored subregister of HRZ, to his or her address as recorded in the POS Option Register at the Record Date, an uncertificated holding statement in the name of that Scheme Optionholder representing the number of New HRZ Options issued to that Scheme Optionholder.

5.4 Ineligible Foreign Optionholders

HRZ has no obligation under the Option Scheme to issue, and will not issue, any New HRZ Options to any Ineligible Foreign Optionholder. Instead, HRZ must comply with its obligations under clause 5.7 of the Option Scheme in respect of any New HRZ Options to which an Ineligible Foreign Optionholder would otherwise be entitled.

5.5 Joint holders

In the case of Scheme Options held by Scheme Optionholders in joint names:

(a) any entry in the HRZ Option Register required to be made must record the names and registered addresses of the joint holders; and

(b) any uncertificated holding statement for New HRZ Options must be issued to Scheme Optionholders in the names of the joint holders and must be forwarded to the holder whose name first appears in the POS Option Register at the Record Date.

6. REPRESENTATIONS AND WARRANTIES

HRZ represents and warrants that:

(a) it is a company limited by shares and validly existing under the Corporations Act;

(b) it has full legal capacity and power to enter into this deed poll and to carry out the transactions that this deed poll contemplates;

(c) it has taken all corporate action that is necessary or desirable to authorise its entry into this deed poll and it carrying out the transactions this deed poll contemplates: and

(d) this deed poll constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditor's rights generally) subject to any necessary stamping.

7. CONTINUING OBLIGATIONS

This deed poll is irrevocable and, subject to clause 3.1, remains in full force and effect until HRZ has completely performed its obligations under this deed poll or the earlier termination of this deed poll under clause 3.2.

8. NOTICES

8.1 Form

Any notice or other communication to or by any party must be:

(a) in writing and in the English language;

(b) addressed to the address of the recipient in clause 8.4 or to any other address as the recipient may have notified the sender; and

(c) be signed by the party or by an authorised officer of the sender.

8.2 Manner

In addition to any other method of service authorised by law, the notice may be:

(a) personally served on a party;

(b) left at the party's current address for service;

(c) sent to the party's current address for service by prepaid ordinary mail or if the address is outside Australia by prepaid airmail; or

(d) sent by electronic mail to the party's electronic mail address.

8.3 Time

If a notice is sent or delivered in the manner provided in clause 8.2 it must be treated as given to or received by the addressee in the case of:

(a) delivery in person, when delivered;

(b) delivery by post:

(i) in Australia to an Australian address, the second Business Day after posting; or

(ii) in any other case, on the tenth Business Day after posting; or

(c) electronic mail, when the sender's computer reports that the message has been delivered to the electronic mail address of the addressee,

but if delivery is made after 5:00pm on a Business Day it must be treated as received on the next Business Day in that place.

8.4 Initial details

The addresses and numbers for service are initially:

Party	Address	Attention	E-mail

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Poseidon Nickel Limited	Level 1, 3 Ord Street West Perth WA 6005	Brendan Shalders	Brendan.Shalders@poseidon-nickel.com.au
Horizon Minerals Limited	Level 2, 16 Ord Street, West Perth WA 6005	Grant Haywood and Julian Tambyrajah	md_ceo@horizonminerals.com.au cfo_cosec@horizonminerals.com.au

8.5 Changes

A party may from time to time change its address or numbers for service by notice to each other party.

9. GOVERNING LAW AND JURISDICTION

9.1 Governing law

This deed poll is governed by and construed in accordance with the laws of Western Australia.

9.2 Jurisdiction

Each party irrevocably:

(a) submits to the non-exclusive jurisdiction of the courts of Western Australia and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to this deed poll; and

(b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within paragraph9.2(a).

10. MISCELLANEOUS

10.1 Exercise rights

A single or partial exercise or waiver by a party of any right under or relating to this deed poll will not prevent any other exercise of that right or the exercise of any other right.

10.2 Merger

If the liability of a party to pay money under this deed poll becomes merged in any deed, judgment, order or other thing, the party liable must pay interest on the amount owing from time to time under that deed, judgment, order or other thing at the higher of the rate payable under this deed poll and that fixed by or payable under that deed, judgment, order or other thing.

10.3 Moratorium legislation

Any law which varies prevents or prejudicially affects the exercise by a party of any right, power or remedy conferred on it under this deed poll is excluded to the extent permitted by law.

10.4 No assignment

A party must not assign, transfer or novate all or any part of its rights or obligations under or relating to this deed poll or grant, declare, create or dispose of any right or interest in it, without the prior written consent of each other party. Any purported dealing in contravention of this clause 10.4 is invalid.

10.5 Remedies cumulative

The rights and remedies under this deed poll are cumulative and not exclusive of any rights or remedies provided by law.

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10.6 Severability

If a provision of this deed poll is illegal, invalid, unenforceable or void in a jurisdiction it is severed for that jurisdiction and the remainder of this deed poll has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected.

10.7 Further assurance

Each party must promptly at its own cost do all things (including executing and delivering all documents) necessary or desirable to give full effect to this deed poll and the transactions contemplated by it.

10.8 Costs

Each party is responsible for all its own costs incurred in the negotiation and performance of this deed poll including legal costs.

10.9 Taxes

In accordance with the terms of the Scheme Implementation Deed, HRZ must pay all stamp duties and any fines and penalties with respect to stamp duty in connection with the Option Scheme or its implementation, or on the transfer of the Scheme Options and must indemnify each Scheme Optionholder against all losses damages, costs, expenses, charges, penalties and other liabilities (including legal and other professional fees) directly or indirectly incurred or suffered by the Scheme Optionholder arising out of or in connection with any failure by HRZ to make such payment.

10.10 Time

(a) Time is of the essence of this deed poll.

(b) If the parties agree to vary a time requirement, the time requirement so varied is of the essence of this deed poll.

(c) An agreement to vary a time requirement must be in writing.

10.11 Variation

A provision of this deed poll may be amended if:

(a) the amendment is agreed to by POS, which agreement POS may give or withhold in its absolute discretion and without reference to or approval by any Scheme Optionholder; and

(b) the Court indicates that the amendment would not of itself preclude approval of the Option Scheme,

in which event HRZ will enter into a further deed poll in favour of each Scheme Optionholder giving effect to the amendment.

10.12 Waiver

(a) A party's waiver of a right under or relating to this deed poll, whether prospectively or retrospectively, is not effective unless it is in writing and signed by that party.

(b) No other act, omission or delay by a party will constitute a waiver of a right.

10.13 Counterparts

This deed poll may be executed in any number of counterparts each of which will be considered an original but all of which will constitute one and the same instrument. A party who has executed a counterpart of this deed poll may deliver it to, or exchange it with, another party by:

(a) faxing; or

(b) emailing a pdf (portable document format) copy of the executed counterpart to that other party.

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10.14 Whole agreement

This deed poll:

(a) is the entire agreement and understanding between the parties relating to the subject matter of this deed poll; and

(b) supersedes any prior agreement, representation (written or oral) or understanding on anything connected with that subject matter.

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EXECUTED AS A DEED POLL

EXECUTED by **HORIZON MINERALS LIMITED** **ACN 007 761 186** in accordance with section127 of the *Corporations Act 2001* (Cth):	))))

Signature of director	Signature of director/company secretary*
Name of director	Name of director/company secretary*

*please delete as applicable

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Annexure F – Notice of Share Scheme Meeting

Notice is hereby given that, by order of the Supreme Court of Western Australia (**Court**) made on 23 December 2024 pursuant to section 411(1) of the Corporations Act, a meeting of POS Shareholders will be held at the Conference Room at Level 2, QV1, 250 St Georges Terrace, Perth on 31 January 2025 commencing at 11:00am (AWST).

The Court has also directed that Toby Hicks act as chair of the Scheme Meeting, or failing him, Pia Drummond, and has directed the chair to report the result of the Scheme Meeting to the Court.

Purpose of the Share Scheme Meeting

The purpose of the Share Scheme Meeting is to consider and, if thought fit, to agree (with or without modification) to a scheme of arrangement proposed to be made between Poseidon and the POS Shareholders.

A copy of the Share Scheme and the explanatory statement required by section 412 of the Corporations Act in relation to the Share Scheme are contained in the Scheme Booklet of which this notice forms part. Terms and abbreviations used in this notice and in the Scheme Booklet are defined in the Scheme Booklet.

Resolution – Approval of Share Scheme

To consider, and if thought fit, to pass the following resolution:

> *"That pursuant to and in accordance with section 411 of the Corporations Act, the scheme of arrangement proposed between Poseidon and Scheme Shareholders, as contained in and more particularly described in the document of which the notice convening this meeting forms part, is approved (with or without modification as approved by the Supreme Court of Western Australia)."*

Majority Required

To pass the resolution approving the Share Scheme, votes in favour of the Share Scheme must be cast by:

- more than 50% in number of POS Shareholders present and voting (whether in person, by proxy, by attorney or, in the case of a corporation, by corporate representative); and
- at least 75% of the total number of votes cast on the resolution by POS Shareholders.

Voting at the Share Scheme Meeting will be by poll rather than by show of hands.

Horizon is excluded from voting on the Share Scheme by reason of the fact that it is the proponent of the Share Scheme. As at the date of the Scheme Booklet, neither Horizon nor any of its Associates hold any POS Shares.

How to Vote

POS Shareholders can vote in either of two ways:

- by attending the Share Scheme Meeting and voting in person or by attorney or, in the case of corporate POS Securityholders, by corporate representative; or
- by appointing a proxy to attend and vote on their behalf, using the proxy form enclosed with the Scheme Booklet.

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Voting in Person (or by Attorney or Corporate Representative)

POS Shareholders or their attorneys who plan to attend the Share Scheme Meeting are asked to arrive at the venue 30 minutes prior to the time designated for the Share Scheme Meeting so that the shareholding can be checked against the POS Share Register and attendances can be noted. If a POS Shareholder wishes to appoint an attorney, that POS Shareholder will need to provide Poseidon with an original or certified copy of the power of attorney under which they authorise the attorney to attend and vote at the Share Scheme Meeting at least 48 hours prior to the commencement of the Share Scheme Meeting. In order to vote in person at the meeting, a POS Shareholder which is a corporation may appoint an individual to act as its representative. The appointment must comply with the requirements of section 250D of the Corporations Act. A corporate POS Shareholder should obtain an "appointment of Corporate Representative" form from Automic and complete that form in accordance with its instructions. The representative should bring this form, duly completed, to the Share Scheme Meeting and any authority under which it is signed, unless this has already been provided and is kept at Automic.

Jointly Held POS Shares

If the POS Shares are jointly held, only one of the joint shareholders is entitled to vote. If more than one shareholder votes in respect of jointly held POS Shares, only the vote of the shareholder whose name appears first on the POS Share Register will be counted.

Proxy Instructions

- A POS Shareholder entitled to attend and vote at the Share Scheme Meeting is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Share Scheme Meeting.
- The appointment of a proxy may specify the proportion or the number of votes that the proxy may exercise. Where two proxies are appointed, unless the appointment specifies the proportion or number of the POS Shareholder's votes, each proxy may exercise half of the votes. Fractions of votes will be disregarded.
- A proxy may, but need not be, a POS Shareholder.
- If a proxy is instructed to abstain from voting on any item of business, that person is directed not to vote on the POS Shareholder's behalf on a poll and the POS Shares the subject of the proxy appointment will not be counted in computing the required majority.
- If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting, as that person thinks fit.
- POS Shareholders who return their proxy forms with a direction on how to vote but without nominating the identity of their proxy will be taken to have appointed the chairman of the Share Scheme Meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the Share Scheme Meeting, the chairman of the Share Scheme Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the chairman of the Share Scheme Meeting, the secretary or any director which do not contain a direction will, in the absence of a change in circumstances, be used to vote in favour of the Share Scheme.
- A vote given in accordance with the terms of a proxy is valid despite the revocation of the proxy, unless notice in writing of the revocation has been received by Poseidon or Automic before commencement of the Share Scheme Meeting.
- Appointing a proxy will not preclude you from attending the Share Scheme Meeting in person and voting at the Share Scheme Meeting instead of your proxy.
- Completed proxy forms may be lodged by:
    - using one of the reply paid envelopes enclosed with the Scheme Booklet;

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- by using the **AUTOMIC ONLINE VOTING** facility detailed on the proxy form; OR
- by posting, delivery or facsimile to the Poseidon share registry as follows:

  By Mail: Automic

  GPO Box 5193

  Sydney New South Wales 2001

  AUSTRALIA

  By Email: meetings@automicgroup.com.au

  Fax: +61 2 8583 3040

- To be valid for the Share Scheme Meeting, completed proxy forms (and any power of attorney under which they are signed) must be received by no later than 11:00am (AWST) on 29 January 2025**.**
- The proxy form must be signed by the POS Shareholder or the POS Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointor's attorney, a certified copy of the power of attorney, or the power itself, must be received by Automic at the above addresses or by facsimile transmission by 11:00am (AWST) on 29 January 2025. If facsimile transmission is used, the power of attorney must be certified.

POS Shareholders who are Entitled to Vote

Pursuant to section 411 of the Corporations Act and all other enabling powers, the Court has determined that the time for determining a person's entitlement to vote at the Share Scheme Meeting is 4:00pm (AWST) on 29 January 2025. Only those POS Shareholders entered on the POS Share Register as at that time will be entitled to attend and vote at the Share Scheme Meeting. Registrable transfers or transmission applications received after this time will be disregarded in determining entitlements to vote at the Share Scheme Meeting.

Court Approval

In accordance with section 411(4)(b) of the Corporations Act, the Share Scheme (with or without modification) will not be implemented unless it is approved by an order of the Court. If the resolution put to the Share Scheme Meeting is passed by the majority required, Poseidon intends to apply to the Court for the necessary orders to give effect to the Scheme.

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Proxy Voting Form

If you are attending the Scheme Meeting in person, please bring this with you for Securityholder registration.

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Your proxy voting instruction must be received by **11.00am (AWST) on Wednesday, 29 January 2025**, being **not later than 48 hours** before the commencement of the Scheme Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Scheme Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS
The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: **https://investor.automic.com.au/#/home** Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY
If you wish to appoint someone other than the Chair of the Scheme Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Scheme Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE SCHEME MEETING
Any directed proxies that are not voted on a poll at the Scheme Meeting will default to the Chair of the Scheme Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Scheme Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS
You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY
You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS
Individual: Where the holding is in one name, the Shareholder must sign.
Joint holding: Where the holding is in more than one name, all Shareholders should sign.
Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.
Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.
Email Address: Please provide your email address in the space provided.
By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Scheme Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES
If a representative of the corporation is to attend the Scheme Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at https://automicgroup.com.au.

Lodging your Proxy Voting Form:

Online
Use your computer or smartphone to appoint a proxy at https://investor.automic.com.au/#/loginsah or scan the QR code below using your smartphone
Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.

BY MAIL:
Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:
Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:
meetings@automicgroup.com.au

BY FACSIMILE:
+61 2 8583 3040

All enquiries to Automic:
WEBSITE:
https://automicgroup.com.au

PHONE:
1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

STEP 1 - How to vote

APPOINT A PROXY:

I/We being a Shareholder entitled to attend and vote at the Share Scheme Meeting of Poseidon Nickel Limited, to be held at **11.00am (AWST) on Friday, 31 January 2025 at Conference Room, Level 2, QV1, 250 St Georges Terrace, Perth WA 6000** hereby:

Appoint the Chair of the Scheme Meeting (Chair) OR if you are not appointing the Chair of the Scheme Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Unless indicated otherwise by ticking the "for", "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

STEP 2 - Your voting direction

Resolutions		For	Against	Abstain
1	Approval of Share Scheme - That pursuant to and in accordance with section 411 of the Corporations Act, the scheme of arrangement proposed between Poseidon and Scheme Shareholders, as contained in and more particularly described in the document of which the notice convening this meeting forms part, is approved (with or without modification as approved by the Supreme Court of Western Australia)."	☐	☐	☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 – Signatures and contact details

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name:

Email Address:

Contact Daytime Telephone

Date (DD/MM/YY) ☐☐ / ☐☐ / ☐☐

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible).

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Annexure G – Notice of Option Scheme Meeting

Notice is hereby given that, by order of the Supreme Court of Western Australia (**Court**) made on 23 December 2024 pursuant to section 411(1) of the Corporations Act, a meeting of POS Optionholders will be held at the Conference Room, Level 2, QV1, 250 St Georges Terrace, Perth commencing at the later of 12:00pm (AWST) or at the conclusion of the Share Scheme Meeting on 31 January 2025.

The Court has also directed that Toby Hicks act as chair of the Option Scheme Meeting, or failing him, Pia Drummond, and has directed the chair to report the result of the Option Scheme Meeting to the Court.

Purpose of the Option Scheme Meeting

The purpose of the Option Scheme Meeting is to consider and, if thought fit, to agree (with or without modification) to a scheme of arrangement proposed to be made between Poseidon and the Scheme Optionholders.

A copy of the Option Scheme and the explanatory statement required by section 412 of the Corporations Act in relation to the Option Scheme are contained in the Scheme Booklet of which this notice forms part. Terms and abbreviations used in this notice and in the Scheme Booklet are defined in the Scheme Booklet.

Resolution – Approval of Option Scheme

To consider, and if thought fit, to pass the following resolution:

> *"That pursuant to and in accordance with section 411 of the Corporations Act, the scheme of arrangement proposed between Poseidon and Scheme Optionholders, as contained in and more particularly described in the document of which the notice convening this meeting forms part, is approved (with or without modification as approved by the Supreme Court of Western Australia)."*

Majority Required

To pass the resolution approving the Option Scheme, votes in favour of the Option Scheme must be cast by:

- more than 50% in number of POS Optionholders present and voting (whether in person, by proxy, by attorney or, in the case of a corporation, by corporate representative); and
- at least 75% of the total number of votes cast on the resolution by POS Optionholders.

Voting at the Option Scheme Meeting will be by poll rather than by show of hands.

Horizon is excluded from voting on the Option Scheme by reason of the fact that it is the proponent of the Option Scheme. As at the date of the Scheme Booklet, neither Horizon nor any of its Associates hold any POS Options.

How to Vote

POS Optionholders can vote in either of two ways:

- by attending the Option Scheme Meeting and voting in person or by attorney or, in the case of corporate POS Optionholders, by corporate representative; or
- by appointing a proxy to attend and vote on their behalf, using the proxy form enclosed with the Scheme Booklet.

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Voting in Person (or by Attorney or Corporate Representative)

POS Optionholders or their attorneys who plan to attend the Option Scheme Meeting are asked to arrive at the venue 30 minutes prior to the time designated for the Option Scheme Meeting so that the Optionholding can be checked against the POS Option Register and attendances can be noted. If a POS Optionholder wishes to appoint an attorney, that POS Optionholder will need to provide Poseidon with an original or certified copy of the power of attorney under which they authorise the attorney to attend and vote at the Option Scheme Meeting at least 48 hours prior to the commencement of the Option Scheme Meeting. In order to vote in person at the meeting, a POS Optionholder which is a corporation may appoint an individual to act as its representative. The appointment must comply with the requirements of section 250D of the Corporations Act. A corporate POS Optionholder should obtain an "appointment of Corporate Representative" form from Automic and complete that form in accordance with its instructions. The representative should bring this form, duly completed, to the Option Scheme Meeting and any authority under which it is signed, unless this has already been provided and is kept at Automic.

Jointly Held POS Options

If the POS Options are jointly held, only one of the joint shareholders is entitled to vote. If more than one POS Optionholder votes in respect of jointly held POS Options, only the vote of the POS Optionholder whose name appears first on the POS Option Register as the holder of POS Options will be counted.

Proxy Instructions

- A POS Optionholder entitled to attend and vote at the Option Scheme Meeting is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Option Scheme Meeting.
- The appointment of a proxy may specify the proportion or the number of votes that the proxy may exercise. Where two proxies are appointed, unless the appointment specifies the proportion or number of the POS Optionholder's votes, each proxy may exercise half of the votes. Fractions of votes will be disregarded.
- A proxy may, but need not be, a POS Optionholder.
- If a proxy is instructed to abstain from voting on any item of business, that person is directed not to vote on the POS Optionholder's behalf on a poll and the POS Options the subject of the proxy appointment will not be counted in computing the required majority.
- If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting, as that person thinks fit.
- POS Optionholders who return their proxy forms with a direction on how to vote but without nominating the identity of their proxy will be taken to have appointed the chairman of the Option Scheme Meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the Option Scheme Meeting, the chairman of the Option Scheme Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the chairman of the Option Scheme Meeting, the secretary or any director which do not contain a direction will, in the absence of a change in circumstances, be used to vote in favour of the Option Scheme.
- A vote given in accordance with the terms of a proxy is valid despite the revocation of the proxy, unless notice in writing of the revocation has been received by Poseidon or Automic before commencement of the Option Scheme Meeting.
- Appointing a proxy will not preclude you from attending the Option Scheme Meeting in person and voting at the Option Scheme Meeting instead of your proxy.
- Completed proxy forms may be lodged by:

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- using one of the reply paid envelopes enclosed with the Scheme Booklet;
- by using the **AUTOMIC ONLINE VOTING** facility detailed on the proxy form; OR
- by posting, delivery or facsimile to the Poseidon share registry as follows:
  By Mail: Automic

  GPO Box 5193

  Sydney New South Wales 2001

  AUSTRALIA

  By Email: meetings@automicgroup.com.au

  Fax: +61 2 8583 3040

  To be valid for the Option Scheme Meeting, completed proxy forms (and any power of attorney under which they are signed) must be received by no later than 12:00pm (AWST) 29 January 2025**.**

- The proxy form must be signed by the POS Optionholder or the POS Optionholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointor's attorney, a certified copy of the power of attorney, or the power itself, must be received by Automic at the above addresses or by facsimile transmission by 12:00pm (AWST) on 29 January 2025. If facsimile transmission is used, the power of attorney must be certified.

POS Optionholders who are Entitled to Vote

Pursuant to section 411 of the Corporations Act and all other enabling powers, the Court has determined that the time for determining a person's entitlement to vote at the Option Scheme Meeting is 4:00pm (AWST) on 29 January 2025. Only those POS Optionholders entered on the POS Option Register as holders of POS Options as at that time will be entitled to attend and vote at the Option Scheme Meeting. Registrable transfers or transmission applications received after this time will be disregarded in determining entitlements to vote at the Option Scheme Meeting.

Court Approval

In accordance with section 411(4)(b) of the Corporations Act, the Option Scheme (with or without modification) will not be implemented unless it is approved by an order of the Court. If the resolution put to the Option Scheme Meeting is passed by the majority required, Poseidon intends to apply to the Court for the necessary orders to give effect to the Option Scheme.

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Proxy Voting Form

If you are attending the Scheme Meeting in person, please bring this with you for Securityholder registration.

Poseidon Nickel Limited | ABN 60 060 525 206

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Your proxy voting instruction must be received by **12.00pm (AWST) on Wednesday, 29 January 2025**, being **not later than 48 hours** before the commencement of the Scheme Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Scheme Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS
The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: **https://investor.automic.com.au/#/home** Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY
If you wish to appoint someone other than the Chair of the Scheme Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Scheme Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE SCHEME MEETING
Any directed proxies that are not voted on a poll at the Scheme Meeting will default to the Chair of the Scheme Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Scheme Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS
You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY
You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS
Individual: Where the holding is in one name, the Shareholder must sign.
Joint holding: Where the holding is in more than one name, all Shareholders should sign.
Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.
Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.
Email Address: Please provide your email address in the space provided.
By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Scheme Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES
If a representative of the corporation is to attend the Scheme Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at https://automicgroup.com.au.

Lodging your Proxy Voting Form:

Online
Use your computer or smartphone to appoint a proxy at https://investor.automic.com.au/#/loginsah or scan the QR code below using your smartphone
Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.

BY MAIL:
Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:
Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:
meetings@automicgroup.com.au

BY FACSIMILE:
+61 2 8583 3040

All enquiries to Automic:
WEBSITE:
https://automicgroup.com.au

PHONE:
1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

STEP 1 - How to vote

APPOINT A PROXY:

I/We being a Shareholder entitled to attend and vote at the Option Scheme Meeting of Poseidon Nickel Limited, to be held at the later of **12.00pm (AWST) or at the conclusion of the Share Scheme Meeting on Friday, 31 January 2025 at Conference Room, Level 2, QV1, 250 St Georges Terrace, Perth WA 6000** hereby:

Appoint the Chair of the Scheme Meeting (Chair) OR if you are not appointing the Chair of the Scheme Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Unless indicated otherwise by ticking the "for", "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

STEP 2 - Your voting direction

Resolutions		For	Against	Abstain
1	Approval of Option Scheme - That pursuant to and in accordance with section 411 of the Corporations Act, the scheme of arrangement proposed between Poseidon and Scheme Optionholders, as contained in and more particularly described in the document of which the notice convening this meeting forms part, is approved (with or without modification as approved by the Supreme Court of Western Australia)."	☐	☐	☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 – Signatures and contact details

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name:

Email Address:

Contact Daytime Telephone

Date (DD/MM/YY) ☐☐ / ☐☐ / ☐☐

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible).

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Corporate Directory

Poseidon Nickel Limited

Directors

Peter Harold
Peter Muccilli
Warren Hallam

Company Secretary

Andrea Betti

Registered & Principal Office

Level 1
3 Ord Street
WEST PERTH WA 6005

Solicitors

Steinepreis Paganin
Level 14, QV1 Building
250 St Georges Terrace
PERTH WA 6000

Auditor

KPMG Chartered Accountants
235 St Georges Terrace
PERTH WA 6000

Share Registry

Automic Registry Pty Ltd
Level 5
191 St Georges Terrace
PERTH WA 6000

Horizon Minerals Limited

Directors

Grant Haywood
Warren Hallam
Ashok Parekh

Company Secretary

Julian Tambyrajah

Registered & Principal Office

Level 2
16 Ord St
WEST PERTH WA 6005

Solicitors

Allen Overy Shearman Sterling
Level 12, Exchange Tower
2 The Esplanade
PERTH WA 6000

Auditor

PKF Perth
Level 8
905 Hay Street
WEST PERTH WA 6005

Share Registry

Computershare Investor Services Pty Limited
Level 17
221 St Georges Terrace
PERTH WA 6000

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