



QUARTERLY ACTIVITIES REPORT

QUARTER ENDED 30 September 2024

Horseshoe Metals Limited (ASX: HOR) (**Horseshoe, HOR or Company**) is pleased to present its Quarterly Activities Report for the period ending 30 September 2024.

HIGHLIGHTS

- **Horseshoe continues to advance its Horseshoe Lights Project in Western Australia – near-term cash flow opportunities to be unlocked from extensive gold and copper surface stockpiles**
- **Discussions advancing with potential partner following approach to process extensive gold surface tailings at Horseshoe Lights:**
 - **Considerable gold surface materials available for processing**
 - **Horseshoe preparing proposal including upfront payment and payments per tonne processed**
 - **Cash from gold processing agreement will support further copper exploration / development work at HSL**
- **Significant early cash flow opportunity from DSO sales of existing high-grade copper stockpiles**
- **Discussions ongoing with several potential copper concentrate offtake partners**
- **Horseshoe has identified several new areas of oxide and sulphide copper targets within 200km radius of Horseshoe Lights**
- **Horseshoe Lights Copper-Gold Project existing resource base includes:**
 - **Current in situ resource 128,000 t Cu metal @ 1.0% (0.5% cut-off)**
 - **Current M15 stockpile resource 2650 t Cu metal @ 1.1%**
 - **Current Flotation tailings resource 6,800 t Cu metal @ 0.48% and 15,300oz Au at 0.34 g/t**
- **Horseshoe is considering potential divestment of part of its South Australia gold asset to provide additional funding – update expected Q4 2024**

Commenting on Horseshoe's copper and gold potential, Director Kate Stoney said: "Horseshoe remains extremely well positioned to capitalise on its significant copper and gold inventory at the Horseshoe Lights Project in WA. In what continues to be a supportive market for gold and copper players, Horseshoe has been working hard behind the scenes to advance discussions with strategic partners to finalise offtake and processing agreements for the considerable surface stockpiles. We are also in the process of divesting our gold project in South Australia which will provide additional near-term funding to assist with our operational plans.

As previously reported, our technical team continues to identify new gold and copper opportunities located within 200km of HSL, and we look forward to providing a detailed update on these targets in the near-term. We remain of the view that there is strong potential for further consolidation of quality assets in this region and we are excited by these opportunities."

BOARD OF DIRECTORS

Ms Kate Stoney
Non-Executive Director,
Chief Financial Officer &
Joint Company Secretary

Mr Seldon Mart
Non-Executive Director

Mr Peter Walker
Non-Executive Director

Mr Josh Merriman
Joint Company Secretary

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Exploration & Development Summary

Western Australia

Horseshoe Lights Copper-Gold Project, Western Australia (HOR: 100%)

Project Summary

The Horseshoe Lights Copper-Gold Project is the original Cu/Au VMS discovery in the Bryah Basin and is located approx. 60 km west of DeGrussa Copper Mine owned by Sandfire Resources (ASX: SFR).

Past production from Horseshoe Lights includes around **316,000 oz Au & 55 kt Cu metal** in two phases of mining and the deposit contains a current in situ resource **128 kt Cu metal @ 1.0% (0.5% cut-off) and 36,000 oz Au** (refer Table 1).

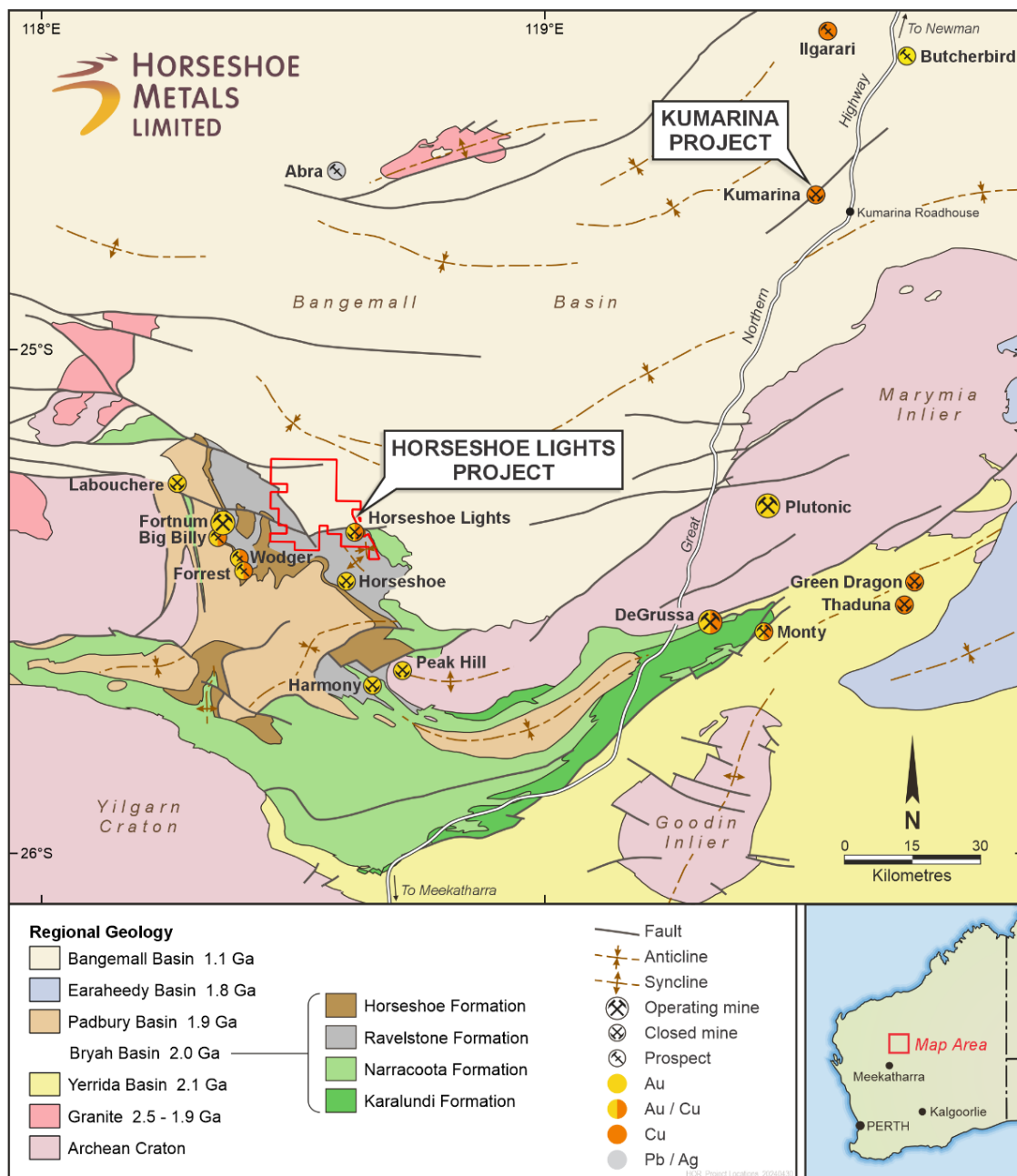


Figure 1: Location of Horseshoe Lights and Kumarina Projects, WA

September quarter activity update: focus on extracting value from surface gold and copper

During the September quarter, Horseshoe continued to advance several key workstreams that will support the re-commencement of development activities at the Horseshoe Lights ('HSL') copper-gold system in WA.

The company has been approached by a party regarding the potential processing of the gold surface materials (including tailings) at HSL and the Company looks forward to updating on this opportunity shortly.

Horseshoe's technical team also continued to assess several project opportunities located within an approx. 200km radius from the Horseshoe Lights Project, with a view to potentially consolidating new high quality regional assets and exploration targets.

A summary of the key activities completed during the quarter and planned activities for the remainder of 2024 and early 2025 is outlined below.

Update on Copper Offtake and Funding Discussions

Horseshoe is pleased to report that positive discussions continue to be held with parties that have expressed interest in offtake of the DSO and potential future concentrates, including copper cement and/or concentrate produced at HSL. A data room is being prepared for detailed assessment and will be made available following execution of confidentiality agreements.

In addition, non-dilutive staged offtake funding is being considered to provide capital for the proposed development sequence including:

1. Scavenging of remnant coarse DSO material, bagging and transport
2. Heavy Media Separation of fine DSO material from select stockpiles
3. Small Scale Heap/Vat Leach of surface oxide material followed by cementation
4. Large Scale Heap/Vat leach of surface oxide material followed by cementation

Significantly the copper phase of mining included early DSO copper production that has left subgrade and rehandle DSO material around the site. Areas identified and assessed as having future DSO potential include, M15, Subgrade and C20 stockpiles along with rehandle and surface pimple dumps located on the North Waste dump, Gold tailings and Southern low-grade stockpile (see release dated 31 October 2023).

Gold Surface Materials – Cash flow opportunity

As previously advised (see ASX releases dated 11 August 2022, 18 March 2022 and 26 November 2021) significant gold surface materials (including tailings) remain on site with potential for future retreatment to recover gold.

As outlined above the Company has been approached with respect to processing of this material and a site visit is planned by the interested party mid-November.

Surface Material Resource Estimate Underway

A surface material resource assessment utilising historic sampling, drilling and detailed drone survey data is underway. Wireframing of the various stockpiles has been completed and is being integrated with available assay data from previous auger and RC drilling to determine grade distribution with the surface materials not currently the subject of historic resource assessments (M15 stockpile and copper sulphide tailings). The assessment includes all surface copper and gold stockpiles, dumps and vat material.

HSL Copper Strategy: Next steps

The following activities are planned to further investigate the surface materials:

- *Additional RC and/or auger drilling of the North Dump, gold stockpiles, copper Low-grade oxide and Low-grade sulphide stockpile stockpiles*
- *Auger drilling of the gold and copper rehandle areas*
- *Acid leaching test work on oxide copper stockpiles and targets*
- *Gravity recovery test work on Copper Flotation and CIP tailings*
- *Detailed assessment of the recovery of high-grade chalcocite, digenite and covellite DSO remnant from the historic mining phases via mechanical scavenging and/or heavy media separation.*

Updates on the above activities will be provided as they progress this quarter.

Kumarina Copper Project, Western Australia

(HOR: 100%)

The Kumarina Project consists of a mining lease and mining lease application covering approximately 3.2 km². The Project is located 95 km north of Sandfire Resources NL's DeGrussa copper-gold mine in the Gascoyne region of Western Australia. The Company has applied for a mining lease (MLA52/1078) to cover the Rinaldi resource, contiguous with M52/27. The Company continues to progress a Project Agreement as part of the application process with the Native Title Party and its lawyers.

No active field work was undertaken during the September quarter.

South Australia

Glenloth Gold Project, South Australia

(EL6301)

The Glenloth Project is located in the Central Gawler Craton of South Australia. The project consists of a single exploration licence, EL 6301, which comprises two areas totalling 107 km². The larger eastern block *Glenloth* covers 81 km² and includes the Glenloth Goldfield and part of the Harris Greenstone Belt. The smaller western block *Old Well* takes in the northern trend of the 1.5M oz Tunkillia gold deposit located 6 km to the south, under development by Barton Gold Holdings Ltd (ASX:BGD). The Company also holds the rights to explore and develop ML 5848, ML 5849, ML 5885 and MPL 62 within the eastern block of EL 6301.

At Glenloth gold occurrences typically consist of relatively thin (ca. 1 m width), high-grade mineralised quartz veins, hosted by sheared and fractured Archaean to Paleoproterozoic Glenloth Granite, and contacts with dolerite dykes. A shallow Hiltaba Suite batholith has been proposed as the source of mineralisation. Six kilometres south of Old Well, the Tunkillia deposits (Areas 223, 191, 51) are characterised by a large hydrothermal system associated with the Yarlbirinda Shear Zone, which passes into the Old Well tenure.

Following on from the technical evaluation of the "Old Well" area completed last quarter consideration is being given to potential options with respect to advancement of this compelling target. No active field work was undertaken during the September quarter.

Corporate

Listing Rule 5.3.5 disclosures

No payments were made to related parties and their associates during the quarter. Payments to related parties and their associates have been deferred to later quarters as the Company seeks to preserve capital.

The Board of Directors of HOR has authorised this announcement to be given to the ASX.

-ENDS-

Contacts

For more information, please contact:

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Non-Executive Director & Company Secretary

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About Horseshoe Metals Limited

Horseshoe Metals Limited (ASX:HOR) is a copper and gold-focused company with a package of tenements covering approximately 500 km² in the highly prospective Peak Hill Mineral Field, located north of Meekatharra in Western Australian and mineral interests in South Australia. The Company manages the Horseshoe Lights Project and the Kumarina Project in Western Australia, and the Glenloth Gold Project in South Australia.

About the Horseshoe Lights Project

The Horseshoe Lights Project includes the historic open pit of the Horseshoe Lights copper-gold mine which operated up until 1994, producing over 300,000 ounces of gold and 54,000 tonnes of contained copper including over 110,000 tonnes of Direct Shipping Ore (DSO) which graded between 20-30% copper.

The Horseshoe Lights ore body is interpreted as a deformed Volcanogenic Hosted Massive Sulphide (VMS) deposit that has undergone supergene alteration to generate the gold-enriched and copper-depleted cap that was the target of initial mining. The deposit is hosted by quartz-sericite and quartz-chlorite schists of the Lower Proterozoic Narracoota Formation.

Past mining was focused on the Main Zone, a series of lensoid ore zones, which passed with depth from a gold-rich oxide zone through zones of high-grade chalcocite mineralisation into massive pyrite-chalcopyrite. To the west and east of the Main Zone, copper mineralisation in the Northwest Stringer Zone and Motters Zone consists of veins and disseminations of chalcopyrite and pyrite and their upper oxide copper extensions. The table below summarises the total Mineral Resources for the Horseshoe Lights Project at the reporting date.

TABLE 1 HORSESHOE LIGHTS PROJECT SUMMARY OF MINERAL RESOURCES as at 30 September 2024									
Location	Category	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu metal (tonnes)	Au metal (oz)	Ag metal (k oz)	
In-situ Deposit (0.5% Cu cut-off grade)	Measured	1.73	1.04	0.0	0.5	18,000	1,900	28.8	
	Indicated	2.43	0.95	0.0	0.7	23,200	3,400	52.2	
	Inferred	8.69	1.01	0.1	2.6	87,400	30,700	712.4	
	Total	12.85	1.00	0.1	1.9	128,600	36,000	793.4	
Flotation Tailings	Inferred	1.421	0.48	0.34	6.5	6,800	15,300	294.8	
M15 Stockpiles	Inferred	0.243	1.10	0.17	4.7	2,650	1,300	36.7	
Note: At 0% Cu cut-off grade unless otherwise stated						TOTAL	138,050	52,600	1,124.9

The above Mineral Resource Estimates all meet the reporting requirements of the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

About the Kumarina Project

The copper deposits at the Kumarina Project were discovered in 1913 and worked intermittently until 1973. The workings extend over nearly 5km as a series of pits, shafts and shallow open cuts. At the main Kumarina Copper Mine, the workings are entirely underground with drives from the main shaft extending for some 200 m in the upper levels and for about 100 m in the lower levels at a depth of 49m below surface.

Incomplete records post-1960s make it difficult to estimate the total copper production from the workings. However, indications are that the Kumarina Copper Mine was the second largest producer in the Bangemall Basin group of copper mines. Recorded production to the late 1960s is 481 t of copper ore at a high-grade of 37.0% Cu and 2,340 t at a grade of 17.51% Cu. An initial Mineral Resource Estimate for the Rinaldi deposit was completed by the Company in 2013 (see 30 June 2013 Quarterly Report announced on 31 July 2013). The total Measured, Indicated and Inferred Mineral Resource Estimate at the reporting date is shown in the table below.

TABLE 2
KUMARINA PROJECT
SUMMARY OF MINERAL RESOURCES
as at 30 September 2024

Location	Category	Tonnes (t)	Cu (%)	Cu metal (tonnes)
Rinaldi Prospect (0.5% Cu cut-off)	<i>Measured</i>	<i>415,000</i>	<i>1.46</i>	<i>6,100</i>
	<i>Indicated</i>	<i>307,000</i>	<i>1.16</i>	<i>3,500</i>
	<i>Inferred</i>	<i>114,000</i>	<i>0.9</i>	<i>1,000</i>
	Total	835,000	1.3	10,600

The Mineral Resource Estimate meets the reporting requirements of the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve

Forward Looking Statements

Horseshoe Metals Limited has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Horseshoe Metals Limited, its directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it. This announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this announcement nor anything in it shall form the basis of any contract or commitment whatsoever. This announcement may contain forward-looking statements that are subject to risk factors associated with gold exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

Competent Persons Statement

The information in this report that relates to the Exploration Results and Mineral Resources at the Horseshoe Lights and Kumarina Projects is based on information reviewed by Mr Michael Fotios, who is a member of the Australian Institute of Geoscientists. Mr Fotios is a consultant to Horseshoe Metals Limited and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)’. Mr Fotios consents to the inclusion of the data in the form and context in which it appears.

The information in this report that relates to the Horseshoe Lights Project In-situ Mineral Resources is based on information originally compiled by Mr Dmitry Pertel, an employee of CSA Global Pty Ltd, and reviewed by Mr Fotios. This information was originally issued in the Company’s ASX announcement “40% increase in Copper Resource at Horseshoe Lights Copper/Gold Project”, released to the ASX on 5 June 2013, and first disclosed under the JORC Code 2004. This information was subsequently disclosed under the JORC Code 2012 in the Company’s ASX release “Quarterly Report Period Ended 30 June 2013”, released on 31 July 2013. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements.

The information in this report that relates to the Horseshoe Lights Project surface stockpile Mineral Resources is based on information compiled by a previous employee of Horseshoe Metals Limited and reviewed by Mr Fotios. The information was previously issued in announcements released to the ASX on 26 February 2015 and 9 March 2015. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements.

The information in this report that relates to the Kumarina Project (Rinaldi Prospect) Mineral Resources is based on information compiled by or under the supervision of Mr Robert Spiers, an independent consultant to Horseshoe Metals Limited and a then full-time employee and Director of H&S Consultants Pty Ltd (formerly Hellman & Schofield Pty Ltd), and reviewed by Mr Fotios. The information was originally issued in the Company’s ASX announcement “Horseshoe releases Maiden Mineral Resource Estimate for Kumarina”, released to the ASX on 4 March 2013, and first disclosed under the JORC Code 2004. This information was subsequently disclosed under the JORC Code 2012 in the Company’s ASX release “Quarterly Report Period Ended 30 June 2013”, released on 31 July 2013. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements.

Appendix 1: Tenement Schedule (ASX Listing Rule 5.3.3)

SUMMARY OF MINING TENEMENT INTERESTS					
AS AT					
30 June 2024					
Location	Tenement No.	Interest At Beginning Of Quarter (%)	Interests relinquished, reduced or lapsed (%)	Interests acquired or increased (%)	Interest At End Of Quarter (%)
Horseshoe Lights, WA	M52/743	100% ¹	-	-	100% ¹
Horseshoe Lights, WA	L52/42	100%	-	-	100%
Horseshoe Lights, WA	L52/43	100%	-	-	100%
Horseshoe Lights, WA	L52/44	100%	-	-	100%
Horseshoe Lights, WA	L52/45	100%	-	-	100%
Horseshoe Lights, WA	L52/66	100%	-	-	100%
Horseshoe Lights, WA	P52/1542	100%	-	-	100%
Horseshoe Lights, WA	P52/1543	100%	-	-	100%
Horseshoe Lights, WA	P52/1544	100%	-	-	100%
Horseshoe Lights, WA	P52/1545	100%	-	-	100%
Horseshoe Lights, WA	P52/1546	100%	-	-	100%
Horseshoe Lights, WA	P52/1547	100%	-	-	100%
Horseshoe Lights, WA	P52/1548	100%	-	-	100%
Horseshoe Lights, WA	P52/1549	100%	-	-	100%
Horseshoe Lights, WA	P52/1550	100%	-	-	100%
Horseshoe Lights, WA	E52/3759	100%	-	-	100%
Horseshoe West, WA	E52/3906	100%	-	-	100%
Horseshoe West, WA	E52/3908	100%	-	-	100%
Horseshoe West, WA	E52/3909	100%	-	-	100%
Horseshoe West, WA	E52/3939	100%	-	-	100%
Horseshoe West, WA	E52/4229	100%	-	-	100%
Horseshoe West, WA	E52/4230	100%	-	-	100%
Kumarina, WA	M52/27	100%	-	-	100%
Kumarina, WA	MLA52/1078	0% ²	-	-	0% ²
Glenloth, SA	EL6301	100%	-	-	100%

Notes:

1. Vox Royalty Australia Pty Ltd, a wholly owned subsidiary of Vox Royalty Corporation (TSE:VOXR), retains a 3% net smelter return royalty in respect to all production derived from M52/743.
2. The Company has applied for a Mining Lease to cover the Rinaldi resource within E52/1998, contiguous with M52/27.