DSO Operations Update
Horseshoe Lights Copper Project WA

- **Direct Shipping Ore ('DSO') handheld XRF grade control work now underway to consolidate high-grade DSO stockpiles ready for immediate sale.**
- **XRF grade control results to be reported next week.**
- **Camp works underway enabling additional operations personnel to mobilise in early October and commence DSO stockpiling activities.**
- **Horseshoe will progressively prepare multiple 500-tonne DSO stockpiles for sale in Q4 2026 and into Q1 2027.**
- **Multiple non-binding indicative offers received from well-known potential offtake partners for DSO material; expected to be finalised near-term.**

Horseshoe Metals Limited (**ASX: HOR**) (the '**Company**') is pleased to provide an update on DSO preparation activities at its 100%-owned Horseshoe Lights Copper-Gold Project in Western Australia.

Technical personnel have mobilised to site to undertake initial handheld X-ray fluorescence (XRF) grade control sampling this week. This work will guide the identification of priority areas for scavenging and consolidation of high-grade DSO material within the existing surface stockpiles, prior to removal and placement into new DSO stockpiles.

Results from the grade control work will be reported next week.

After a short delay, final camp works are now underway to accommodate the extra workforce required during the scavenging process. Completion of these works by early next week will enable further operations personnel to mobilise to site this month to complete DSO stockpiling work.

Once the first minimum shipment amount of 500T is sorted at site, the material will be bagged and transported to Perth for further crushing, weighing, sampling and analysis. Bagged DSO material will then be loaded into containers and sealed prior to shipment to offtake customers.

These activities progress the DSO strategy outlined in the previous announcement dated 19 August 2026. Further progress updates will be reported at regular intervals over the coming weeks.

In parallel, Horseshoe can confirm that it is reviewing recently received multiple non-binding indicative offers from well-known potential offtake partners for its DSO material. Given the indicative and non-binding nature of these offers, the Company is not in a position to provide more information on terms until a binding agreement is signed with one party. This is expected to occur in the coming weeks once terms acceptable to Horseshoe and the relevant counterparty are agreed.

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HORSESHOE METALS LIMITED

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Non-Executive Director
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Offtake discussions and DSO operations are advancing side-by-side with DSO activities not linked to any outcome on a potential offtake agreement. The current strength in the copper price and the ability to supply high grade DSO copper material into the market today gives Horseshoe plenty of optionality with potential existing sales channels. Further development of heap leaching operations at HSL and the ability to define a larger mineral resource estimate with deeper drilling is also driving a lot of new third party interest.

For additional background on the Horseshoe Lights Project please refer to ASX releases:

12/09/2018	*"Exploration Update- Horseshoe Lights Project"*
06/08/2021	*"Horseshoe Lights Exploration Activities Update"*
10/09/2021	*"Horseshoe Lights Phase 1 Auger Programme Completed"*
13/09/2021	*"Horseshoe Lights Phase 1 RC Drilling Programme Completed"*
29/10/2021	*"Horseshoe Lights RC Drilling Results"*
26/11/2021	*"Horseshoe Lights Phase 1 Stockpile Results Received"*
21/02/2022	*"Horseshoe Metals Successful Relisting"*
03/03/2022	*"Horseshoe Lights Activities Update"*
11/03/2022	*"Horseshoe Lights Copper-Gold Resource Grade-Tonnage Review"*
21/04/2022	*"RC Drilling Underway at Horseshoe Lights Project"*
19/05/2022	*"RC Drilling Campaign Complete at HSL Project"*
11/08/2022	*"Significant Drilling Results in Copper-Gold Surface Material at Horseshoe Lights"*
31/08/2022	*"Outstanding Copper Results at Horseshoe Lights"*
11/10/2022	*"Review Confirms Broad Zones of Copper Mineralisation"*
27/10/2022	*"Broad Zones of Copper up to 8.3%"*
17/11/2022	*"RC Drilling Commences at Main Zone, Motters and North Dump"*
09/03/2023	*"Outstanding Copper Results – Main Zone and Motters at Horseshoe Lights"*
31/10/2023	*"High-Grade Surface Material Underpins DSO Strategy*
23/04/2024	*"DSO Strategy to Accelerate Horseshoe Lights Copper Project"*
26/05/2025	*"Infrastructure Recommissioning Well Advanced at HSL"*
28/11/2024	*"Horseshoe Lights Project Expanded – High-Grade Cu & Au Targets"*
20/01 2025	*"Horseshoe Lights Project Commercial Development""*
05/05/2025	*"Gold Surface Materials processing Update"*
26/05/2025	*"Infrastructure RecommissioOning Well Advanced at HSL"*
12/06/2025	*"Option Exercised – Gold Surface Materials Processing Rights"*
02/07/2025	*"DSO Mining Approval Granted for Horseshoe Lights"*
05/08/2025	*"Operations and Exploration Update Horseshoe Lights"*
11/08/2025	*"Appointment of General manager – Oxide Copper Operations"*
01/09/2025	*"RC Drilling Underway at Horseshoe Lights Copper-Gold Project*
30/10/2025	*"RC Drilling Confirms Motters Upside"*
06/11/2025	*"New Assays Confirm Shallow, Broad Copper at Motters Zone"*
12/11/2025	*"More Shallow, Broad Copper Zones at Horseshoe Lights"*
11/12/2025	*"Drilling Continues to Deliver More Broad Oxide Copper Zones"*
18/02/2026	*"New Copper Exploration Target – Motters Zone"*
28/04/2026	*"Precious Metal Credits Add Significant Value to Copper DSO"*
11/08/2026	*"Copper Exploration Target Highlights Large-Scale Potential"*
18/08/2026	*"DSO Operations to Commence at Horseshoe Lights project*

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

- ENDS -

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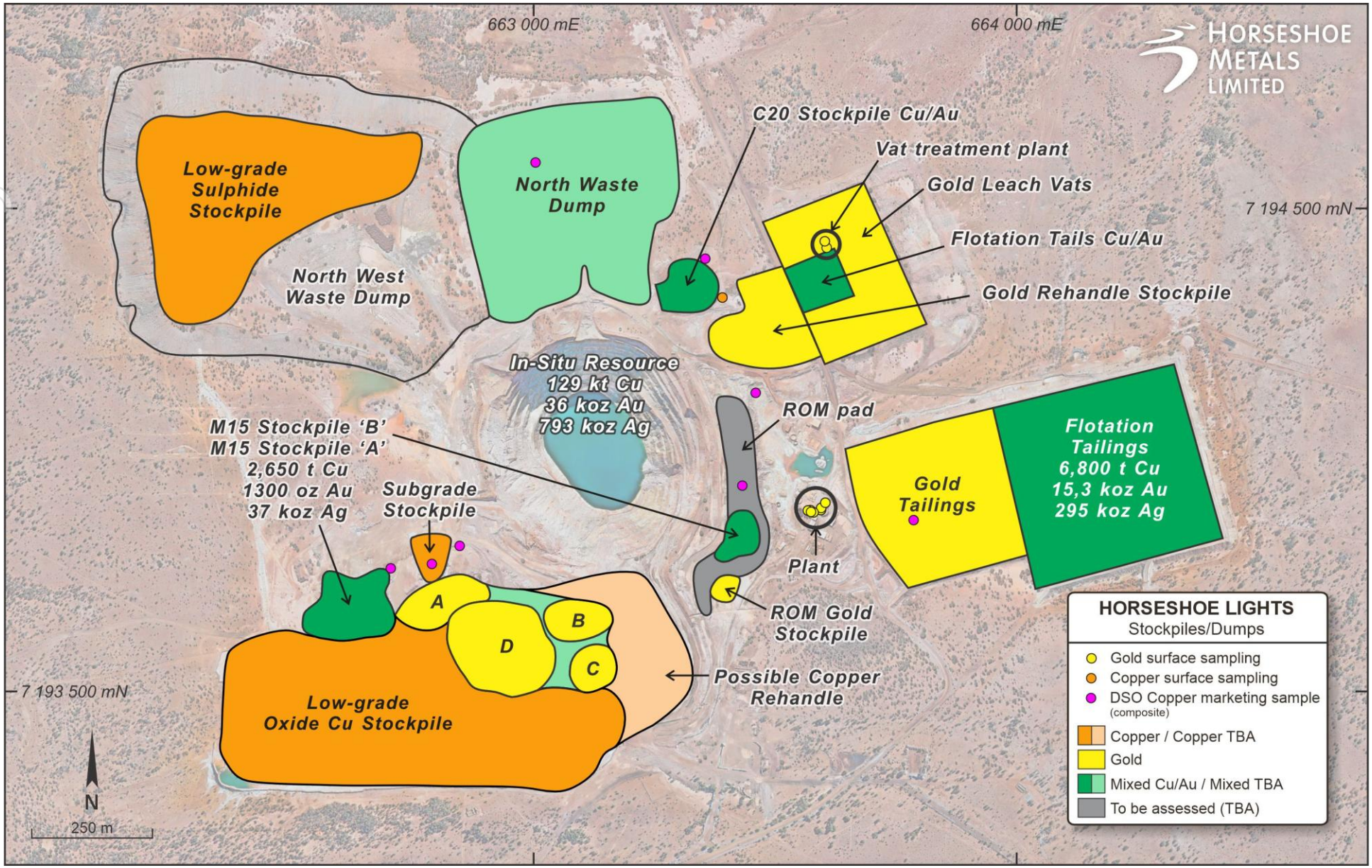


Figure 1 – Surface Stockpiles and Dumps showing Sample Locations

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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 500km^2 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.

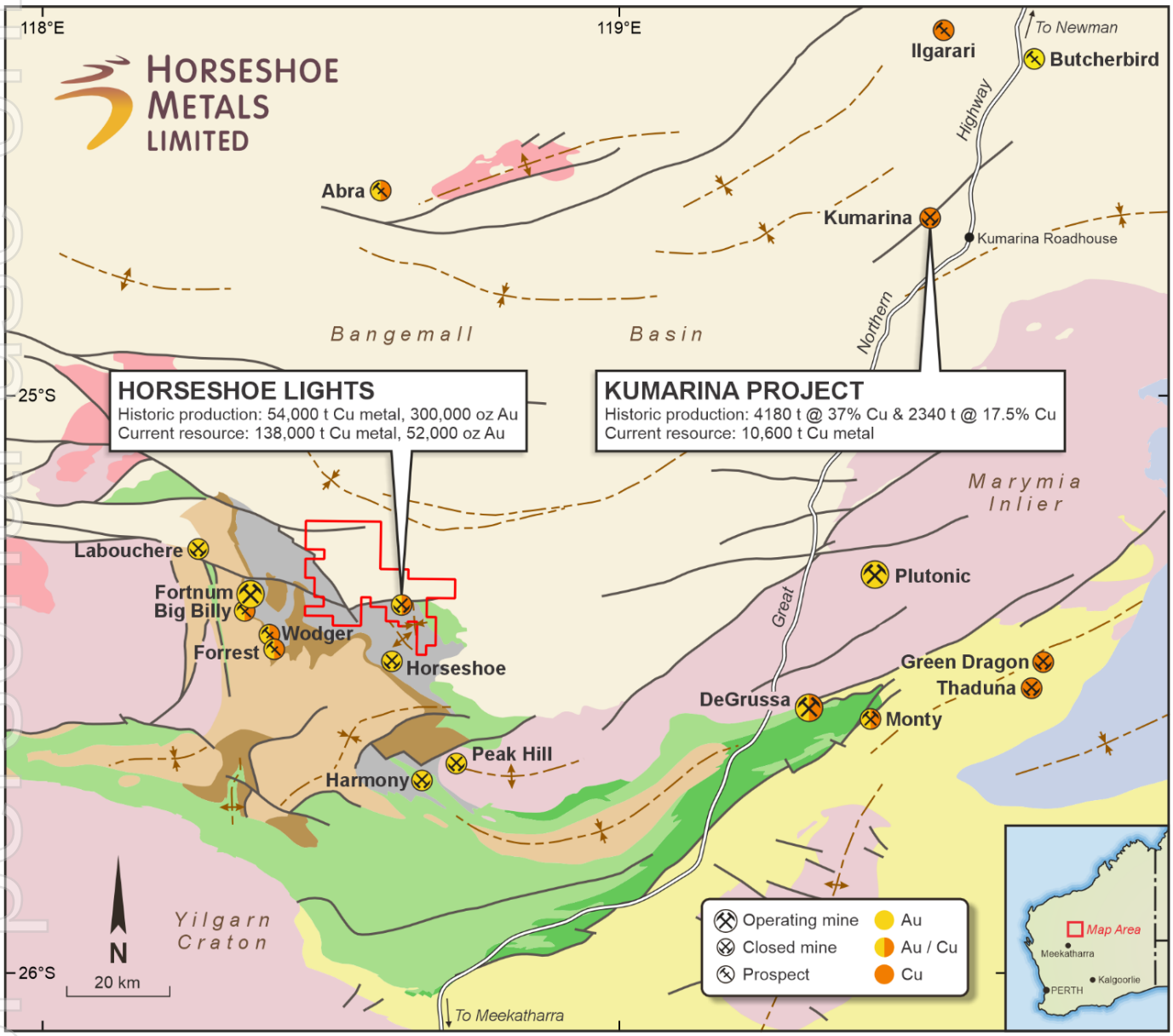


Figure 2: Location of Horseshoe Lights Copper-Gold Project and Kumarina Project in the Murchison, WA

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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. Table 1 summarises the total Mineral Resources for the Horseshoe Lights Project.

TABLE 1
HORSESHOE LIGHTS PROJECT
SUMMARY OF MINERAL RESOURCES
AS AT 30 June 2026

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 200m in the upper levels and for about 100m 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 481t of copper ore at a high-grade of 37.0% Cu and 2,340t 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 is shown in Table 2 below.

TABLE 2 KUMARINA PROJECT SUMMARY OF MINERAL RESOURCES AS AT 30 June 2026				
Location	**Category**	**Tonnes (t)**	**Cu (%)**	**Cu metal (tonnes)**
Rinaldi Prospect (0.5% Cu cut-off)	*Measured*	*415,000*	*1.46*	*6,100*
	Indicated	*307,000*	*1.16*	*3,500*
	Inferred	*114,000*	*0.9*	*1,000*
	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 Reserves"

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, Exploration Targets 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 Mining and Metallurgy. 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 information in the form and context in which it appears.

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, who 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 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 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 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.

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