

Horizon Gold Risk Management Policy

Horizon Gold Limited (“Horizon” or “the Company”) is committed to fostering a strong risk culture in all levels of its business. Through the application of high-quality, integrated risk analysis and risk management **our employees, directors and associates will manage and control risk to enhance opportunities, reduce threats and in so doing, enable our business to grow profitably into the future.**

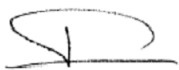
Risk is inherent in all aspects of our business. As a consequence, all employees, directors and associates shall be responsible for managing the risks that relate to their particular area of work and input. Risks shall be managed in a way that derives the best outcomes for the Company and for all our internal and external stakeholders.

The Company recognises that an enterprise-wide *Risk Management Framework* (“RMF”) is a central pillar in identifying, managing and reducing risk across the Company. Developing a dynamic RMF and having a regularly updated and Board approved *Risk Management Guideline* (“Guideline”) is a high priority of the Horizon directors and management.

The aim of this Policy is not to eliminate risk completely at any cost, but to assist all employees and associates to manage the risks involved in all our activities; to maximise the opportunities from putting in place controls and to minimise the adverse consequences of high levels of inherent risk. This aim is supported by the following guiding principles for all our employees, **whereby employees, directors and associates shall at all times:**

- Consider all forms of risk in decision-making;
- analyse and evaluate potential risk at all levels of business activity in order to achieve the best outcome for the Company as a whole;
- Support the future development of an enterprise-wide RMF;
- Retain ownership and accountability for risk management at all levels of the business and recognise that risk management does not defer accountability to others;
- Strive to achieve best practices in risk management;
- Adhere and monitor compliance with current and future risk management policies and procedures ; and
- Accept that enterprise-wide risk management is mandatory, not optional.

In conclusion, Horizon is committed to managing all levels of risk in a proactive and effective manner. This requires high-quality risk analysis to be conducted at all levels of the business. To support this commitment, the future development of an enterprise wide *Risk Management Framework* is one of the earliest and highest priorities for the Company and for its soon to be wholly owned subsidiary, Panoramic Gold Pty Ltd.



Peter Harold
Chairman
Horizon Gold Limited

6 September 2016