

Management's Discussion and Analysis

For The Period Ended June 30, 2025

This management's discussion and analysis ("MD&A") for Horizon Copper Corp. and its subsidiary entities (collectively "Horizon", or the "Company") should be read in conjunction with the unaudited condensed consolidated interim financial statements of Horizon for the three months and six months ended June 30, 2025 and related notes thereto, which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards" or "IFRS"), applicable to the preparation of interim financial statements including International Accounting Standard 34 – Interim Financial Reporting. Readers are encouraged to refer to the Company's audited consolidated financial statements for the year ended December 31, 2024 and the corresponding notes to the financial statements which are available on SEDAR+ at www.sedarplus.ca. The information contained within this MD&A is current to July 31, 2025 and all figures are stated in U.S. dollars unless otherwise noted.

Company Highlights

CORPORATE

Royal Gold to Acquire Horizon Copper for C\$2.00 per share

Transaction Summary

On July 6, 2025, the Company entered into a definitive arrangement agreement with Royal Gold, Inc. ("Royal Gold"), pursuant to which Royal Gold will acquire all of the issued and outstanding common shares of Horizon Copper (the "Horizon Shares"), other than those held by Sandstorm Gold Ltd. ("Sandstorm"). When accounting for the Horizon Shares and all other securities of the Company, the all-cash transaction is valued at approximately US\$196 million (the "Horizon Transaction"). Horizon Copper shareholders will receive C\$2.00 for each Horizon Share held, implying an 85% premium to the 20-day volume weighted average price ("VWAP") of the Horizon Shares, and a 72% premium to the closing price of the Horizon Shares on the TSX Venture Exchange (the "TSX-V") on July 4, 2025. Holders of Horizon warrants and options will receive a cash payment equal to the amount by which the consideration of C\$2.00 exceeds the exercise price of such warrant or option, as applicable, for each warrant or option held, as applicable, and holders of Horizon restricted share rights will receive C\$2.00 for each right held.

Concurrent with the Horizon Transaction, Royal Gold entered into a definitive arrangement agreement with Sandstorm, pursuant to which Royal Gold will acquire all of the issued and outstanding common shares of Sandstorm in an all-share transaction (the "Sandstorm Transaction"). For full details of the Sandstorm Transaction, refer to the Royal Gold and Sandstorm press releases dated July 7, 2025. Each of the Horizon Transaction and the Sandstorm Transaction is conditional upon completion of the other transaction, which may be waived by Royal Gold.

Subject to receiving the requisite court approval, regulatory approval and Horizon securityholder approval, as well as the closing of the Sandstorm Transaction as described above, the Horizon Transaction is expected to close in the fourth quarter of 2025. In connection with and subject to the

closing of the Horizon Transaction, it is expected that the Horizon Shares will be delisted from the TSX-V, and Horizon will cease to be a reporting issuer under Canadian securities laws.

OPERATING RESULTS

Revenue from Antamina NPI

Horizon holds a net profits interest in the Antamina mine (the "Antamina NPI"). The Company generated revenue of \$3.5 million and \$6.5 million from the Antamina NPI during the three and six-month periods ended June 30, 2025 compared to \$5.7 million and \$7.4 million in the comparable periods in 2024. The decrease from the prior year was primarily driven by lower production, partially offset by higher commodity prices. However, in both six-month periods, working capital adjustments reduced the amount of the Antamina NPI payment (by \$4.6 million and \$2.0 million respectively). While fluctuations in working capital balances impact the quarterly Antamina NPI payment, these changes relate to timing differences which reverse as the working capital is converted into cash.

PORTFOLIO UPDATES

Hugo North Extension Underground Development Update

In February 2025, following a partial final award made by the three-member international arbitration Tribunal appointed in connection with Entrée Resources Ltd.'s ("Entrée") binding arbitration proceedings against Oyu Tolgoi LLC ("OTLLC"), Entrée LLC and OTLLC executed License Transfer Agreements to govern the transfer of the Shivee Tolgoi and Javkhlant mining licenses (the "Licenses"). The parties jointly lodged the License Transfer Agreements and supporting documentation with the Mongolian tax authority for the assessment of tax on the transfer of the Licenses in accordance with applicable laws of Mongolia. The Entrée/Oyu Tolgoi JV partners continue to work diligently and cooperatively with the Mongolian tax authority, however, to date no assessment has been delivered. The methodology of calculation must be confirmed by the Mongolian tax authority and taxes paid before the documentation necessary to affect the transfer of the Licenses may be submitted to the Mineral Resources and Petroleum Authority of Mongolia ("MRPAM") for registration.

In June 2025, Entrée announced that the Entrée/Oyu Tolgoi joint venture (the "Entrée/Oyu Tolgoi JV") had paused Oyu Tolgoi Lift 1 Panel 1 underground lateral development work on the Shivee Tolgoi mining license in Mongolia. The work commenced in October 2024 in rock classified as waste. As at May 30, 2025, ~230 equivalent metres of lateral development primarily on the return air level had been completed by OTLLC. Under the 2025 Oyu Tolgoi Mine Plan approved by MRPAM, work in the Hugo North Extension ("HNE") deposit footprint was conditionally scheduled to commence in June 2025 but cannot proceed until the Licenses have been transferred from Entrée's Mongolian subsidiary to OTLLC as Manager on behalf of the Entrée/Oyu Tolgoi JV participants.

At this time, while the Entrée/Oyu Tolgoi JV partners remain hopeful that any delay will be brief, the parties are unable to determine how long the pause will be due to ongoing uncertainty about timing for completion of the License transfers.

Hod Maden Advancing Early-Works Construction in 2025

In March 2025, the operator of the Hod Maden Project, SSR Mining Inc. ("SSR Mining"), announced the expected capital expenditure in 2025 for early-works construction at Hod Maden to be between \$60–\$100 million on a 100% basis. Development activities have been ongoing throughout the second quarter of 2025 focused on advancing the project's critical path items, including progress towards road and tunnel construction, as the operator works towards a formal investment decision.

Overview

Horizon is a resource company with a portfolio of high-quality cash-flowing and development stage copper assets.

Key Assets

Antamina

Antamina is an open-pit copper mine located in the Andes Mountain range of Peru, 270 kilometres north of Lima. It is the world's fourth-largest copper mine on a copper equivalent ("CuEq") basis, producing approximately 560,000 CuEq tonnes per annum. Antamina has been in consistent production since 2001, including a throughput expansion completed in 2012 to the mine's current operating capacity of 145,000 tonnes per day. The asset operates in the first cost quartile of copper mines.

On June 15, 2023, the Company acquired the Antamina NPI representing a 1.66% net profits interest on the Antamina copper mine. Part of the purchase consideration for the Antamina NPI included a silver stream with Sandstorm referenced to silver production from the Antamina mine (the "Antamina Silver Stream") whereby the Company will sell to Sandstorm silver ounces equal to 1.66% of all silver produced at the Antamina mine at a price equal to 2.5% of the silver spot price. In addition, Sandstorm retained a residual royalty on Antamina with payments equal to one-third (1/3) of the total Antamina NPI after deducting the Antamina Silver Stream servicing commitments (the "Residual Royalty").

The substance of the Antamina NPI is that of a royalty on the Antamina mine. The Antamina NPI is paid 45 days after each calendar quarter end by a Canadian affiliate of Teck Resources Limited ("Teck") and is guaranteed by Teck. The Antamina NPI is calculated as 1.66% of the net proceeds (gross revenue less operating and capital expenses) of the entity which owns and operates the Antamina mine, Compañía Minera Antamina S.A. ("CMA"), adjusted for changes in working capital and movements in provisions such as asset retirement obligations. CMA is jointly owned by the subsidiaries of major stakeholders BHP Billiton plc (33.75%), Glencore plc (33.75%), Teck (22.5%) and Mitsubishi Corporation (10%).

Since 2006, the Antamina NPI has paid between \$7 million–\$42 million per year, with an average annual payment of \$19 million. The amount attributable to Horizon, net of the Antamina Silver Stream obligation and Residual Royalty, is expected to average approximately 50–60% of the gross amount received.

Hod Maden

The Company has a 30% equity interest in the entity which holds the Hod Maden copper-gold project, which is located in Artvin Province, northeastern Türkiye. Assuming the terms of the earn-in milestone payments are fulfilled (\$150 million in earn-in structured cash milestone payments, linked to construction and commercial production milestones at Hod Maden), SSR Mining will hold a 40% operating interest in Hod Maden, with the remaining passive ownership held by Lidya Madencilik Sanayi ve Ticaret A.S. ("Lidya") (30%) and Horizon (30%). SSR is now the project operator and it is anticipated that SSR will lead the development of the project to a formal construction decision and commercial production.

In October 2021, the Hod Maden project received the final approval of the Environmental Impact Assessment ("EIA") for the project from the Ministry of Environment and Urbanization of Türkiye.

In November 2021, a Feasibility Study was released. The results demonstrate a Proven and Probable Mineral Reserve of 2.5 million ounces of gold and 129,000 tonnes of copper being mined over a 13-year mine life (8.7 million tonnes at 8.8 grams per tonne gold and 1.5% copper or 11.1 grams per tonne gold equivalent using a breakeven cut-off value of \$82 per tonne and incremental cut-off values of \$63 per tonne for stopes and \$40 per tonne for development). The study projects a pre-tax net present value (5% discount rate) of \$1.3 billion and an internal rate of return of 41%. It is estimated that copper will be produced at an all-in sustaining cost ("AISC")¹ on a co-product basis of \$1.12 per pound.

With the approval of the EIA, the release of the Feasibility Study and the receipt of key permits (with the award of the final permit from the Ministry of Forestry in 2022), Hod Maden moved into the next stage of development including detailed engineering and mine design. Early-works construction activities at Hod Maden are ongoing and have been focused on site access and earthworks, power supply construction and the land expropriation process.

The Company entered into a gold stream on Hod Maden as part of the consideration paid to acquire the asset. Under the terms of the stream, the Company will purchase and deliver to Sandstorm 20% of all gold produced from Hod Maden (on a 100% basis) for ongoing payments of 50% of the gold spot price until 405,000 ounces of gold are delivered (the "Delivery Threshold"). Once the Delivery Threshold has been reached, the Company will deliver 12% of the gold produced for the life of the mine for ongoing payments of 60% of the gold spot price.

1) Refer to section on non-IFRS and other measures of this MD&A.

Oyu Tolgoi (Hugo North Extension & Heruga)

The Company has an approximate 24% equity interest in Entrée which holds a 20% interest in the Hugo North Extension and Heruga deposits of the Oyu Tolgoi copper mine located in Mongolia (the “Hugo North Extension” and “Heruga”, respectively).

The Hugo North Extension is a copper-gold porphyry deposit and Heruga is a copper-gold-molybdenum porphyry deposit. Both projects are located in the South Gobi Desert of Mongolia, approximately 570 kilometres south of the capital city of Ulaanbaatar and 80 kilometres north of the border with China. The Hugo North Extension and Heruga are part of the Oyu Tolgoi mining complex and are managed by Oyu Tolgoi LLC, a subsidiary of Rio Tinto plc, with a 34% minority interest owned by the Government of Mongolia.

In 2021, Entrée announced the completion of an updated Feasibility Study on its interest in the Entrée/Oyu Tolgoi joint venture property. The updated report aligns Entrée's disclosure with that of other Oyu Tolgoi project stakeholders on development of the first lift of the underground mine which will be mined as three panels (Panel 0, Panel 1 and Panel 2). Entrée further announced that optimization studies on Panel 1 of the underground block cave were planned (subsequently completed in the second quarter of 2023) which have the potential to further improve Lift 1 economics for the Entrée/Oyu Tolgoi joint venture.

Underground production has commenced at Oyu Tolgoi with over 124 drawbells blasted since January 2022 and the first sustainable production from the underground mine achieved in the first quarter of 2023 on the area of the mine wholly owned by Oyu Tolgoi LLC. In January 2025, Rio Tinto announced that the Oyu Tolgoi Lift 1 underground mine continues to successfully ramp-up. Oyu Tolgoi is set to become the world's fourth largest copper mine by 2030 with the operation expected to deliver average mined copper production of ~500,000 tonnes per annum between 2028 and 2036.

The Lift 1 mine plan incorporates the development of three panels, and in order to reach the full sustainable production rate of 95,000 tonnes per day from the underground operations all three panels need to be in production. The Mongolian regulatory acceptance process for Oyu Tolgoi LLC's 2023 Oyu Tolgoi Feasibility Study for the Lift 1 underground mine is ongoing. The Hugo North Extension deposit on the Entrée/Oyu Tolgoi joint venture property is located at the northern portion of Panel 1.

The Company is not required to contribute any further capital, exploration, or operating expenditures to Entrée and Entrée has a carried joint venture interest in the Hugo North Extension and Heruga.

Summary of Quarterly Results

Quarters Ended

In \$000s (except for per share amounts in \$)	Jun. 30, 2025	Mar. 31, 2025	Dec. 31, 2024	Sep. 30, 2024
Total revenue	3,491	2,999	59	5,302
Net loss	(26,131)	(17,125)	(4,101)	(33,259)
Adjusted EBITDA ¹	1,892	662	(1,066)	4,371
Basic loss per share	(0.30)	(0.20)	(0.05)	(0.38)
Diluted loss per share	(0.30)	(0.20)	(0.05)	(0.38)
Cash flows from operating activities	2,112	81	5,423	5,864
Total assets	517,737	512,514	513,411	518,585
Total long-term liabilities	596,195	565,725	557,678	553,403

In \$000s (except for per share amounts in \$)	Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2023	Sep. 30, 2023
Total revenue	5,672	1,748	503	2,959
Net loss	(3,485)	(16,334)	(31,077)	(4,048)
Adjusted EBITDA ¹	4,623	562	(1,066)	2,004
Basic loss per share	(0.04)	(0.19)	(0.36)	(0.05)
Diluted loss per share	(0.04)	(0.19)	(0.36)	(0.05)
Cash flows from operating activities	1,606	303	2,908	766
Total assets	517,976	516,811	520,245	525,398
Total long-term liabilities	522,935	521,051	504,465	478,816

1) Refer to section on non-IFRS and other measures of this MD&A.

Quarterly Commentary

Three Months Ended June 30, 2025 Compared to the Three Months Ended June 30, 2024

For the three months ended June 30, 2025, net loss was \$26.1 million, compared with net loss of \$3.5 million for the comparable period in 2024. The increase in net loss is primarily attributable to the following:

- A non-cash fair value loss of \$19.7 million on the Hod Maden Gold Stream obligation during the three months ended June 30, 2025 compared to a non-cash fair value gain of \$5.9 million in the comparable period. The non-cash fair value loss of \$19.7 million during the three months ended June 30, 2025 was primarily due to an increase in forward gold prices which ranged from \$3,322 to \$4,640 per ounce (March 31, 2025 — \$3,175 to \$4,396 per ounce) used to value the liability at the end of the period. The corresponding asset associated with the gold stream obligation is accounted for as an investment in associate under the equity method and is not revalued based on increases in the forward gold price.
- A \$2.2 million decrease in revenue from the Antamina NPI earned during the three months ended June 30, 2025 when compared to the comparable period. The decrease in revenue was primarily driven by negative working capital adjustments and a decrease in production at Antamina during the three months ended June 30, 2025 when compared to the comparable period, partially offset by higher commodity prices.

Partially offset by:

- A non-cash fair value loss of \$5.1 million on the Antamina Silver Stream obligation during the three months ended June 30, 2025 compared to a non-cash fair value loss of \$9.2 million in the comparable period. The non-cash fair value loss of \$5.1 million during the three months ended June 30, 2025 was primarily due to an increase in forward silver prices, which ranged from \$36.17 to \$52.73 per ounce (March 31, 2025 — \$35.09 to \$50.74 per ounce), used to value the liability at the end of the period. The corresponding asset associated with the Antamina Silver Stream obligation is accounted for as a mineral property at cost less depletion and is not revalued based on changes in the forward silver price.
- A \$1.1 million decrease in depletion expense during the three months ended June 30, 2025 when compared to the comparable period due to lower production with respect to the Antamina NPI.

Adjusted EBITDA¹ was \$1.9 million for the three months ended June 30, 2025 compared to \$4.6 million and for the comparable period in 2024. The decrease in Adjusted EBITDA for the three months ended June 30, 2025 is primarily due to a \$2.2 million decrease in revenue earned from the Antamina NPI and \$0.6 million of transaction costs related to the Horizon Transaction.

1) Refer to section on non-IFRS and other measures of this MD&A.

Six Months Ended June 30, 2025 Compared to the Six Months Ended June 30, 2024

For the six months ended June 30, 2025, net loss was \$43.3 million, compared with net loss of \$19.8 million for the comparable period in 2024. The increase in net loss is primarily attributable to the following:

- A non-cash fair value loss of \$37.2 million on the Hod Maden Gold Stream obligation during the six months ended June 30, 2025 compared to a non-cash fair value gain of \$0.9 million in the comparable period. The non-cash fair value loss of \$37.2 million during the six months ended June 30, 2025 was primarily due to an increase in forward gold prices which ranged from \$3,322 to \$4,640 per ounce (December 31, 2024 — \$2,692 to \$4,218 per ounce) used to value the liability at the end of the period. The corresponding asset associated with the gold stream obligation is accounted for as an investment in associate under the equity method and is not revalued based on increases in the forward gold price.
- A non-cash fair value gain of \$2.9 million as a result of changes in the estimated timing of cash flows related to the Company's Antamina and Hod Maden promissory notes compared to a \$4.3 million gain in the comparable period.
- The Company's share of loss in associate was \$2.8 million during the six months ended June 30, 2025 compared to \$1.6 million in the comparable period, primarily related to the Entrée investment in associate.
- A \$0.9 million decrease in revenue from the Antamina NPI earned during the six months ended June 30, 2025 when compared to the comparable period. The decrease in revenue was primarily driven by negative working capital adjustments and a decrease in production at Antamina during the six months ended June 30, 2025 when compared to the comparable period, partially offset by higher commodity prices.

Partially offset by:

- A non-cash fair value loss of \$3.5 million on the Antamina Silver Stream obligation during the six months ended June 30, 2025 compared to a non-cash fair value loss of \$20.8 million in the comparable period. The non-cash fair value loss of \$3.5 million during the six months ended June 30, 2025 was primarily due to an increase in forward silver prices, which ranged from \$36.17 to \$52.73 per ounce (December 31, 2024 — \$29.56 to \$46.08 per ounce), used to value the liability at the end of the period, partially offset by changes in the estimated timing and amount of future silver deliveries based on the most recently filed technical report related to Antamina. The corresponding asset associated with the Antamina Silver Stream obligation is accounted for as a mineral property at cost less depletion and is not revalued based on changes in the forward silver price.
- A \$1.6 million decrease in depletion expense during the six months ended June 30, 2025 when compared to the comparable period due to lower production with respect to the Antamina NPI.

Adjusted EBITDA¹ was \$2.6 million for the six months ended June 30, 2025 compared to \$5.2 million and for the comparable period in 2024. The decrease in Adjusted EBITDA for the six months ended June 30, 2025 is primarily due to a \$1.2 million increase in the share of loss in associates, a \$0.9 million decrease in revenue earned from the Antamina NPI and \$0.6 million of transactions costs related to the Horizon Transaction.

1) Refer to section on non-IFRS and other measures of this MD&A.

Three Months Ended June 30, 2025 Compared to the Other Quarters Presented

When comparing net loss of \$26.1 million for the three months ended June 30, 2025 with net loss for the other quarters presented, the following items impact comparability:

- The amount of revenue attributable to the Antamina NPI. The Antamina NPI fluctuates each quarter as a result of the operational performance of the Antamina mine (which is impacted by factors such as production quantities, commodity prices and operating and capital expenditures). More significant quarterly fluctuations have arisen as a result of changes in working capital and movements in provisions such as asset retirement obligations at Antamina. Increases to the asset retirement obligation provision specifically reduced the Antamina NPI payments in the fourth quarter of 2023 and 2024 as accounting adjustments were recorded to reflect updates related to the Antamina mine plan.
- The recognition of non-cash fair value gains and losses with respect to revaluation of the Company's stream obligations (see tables below). Significant losses related to the revaluation of the Company's stream obligations are primarily due to increases in forward commodity prices used to value the liability at the end of each period.
- The recognition of non-cash gains and losses with respect to changes in the estimated timing of cash flows of the Company's promissory notes (see tables below):

In \$ millions	Jun. 30, 2025	Mar. 31, 2025	Dec. 31, 2024	Sep. 30, 2024
Gain (loss) on revaluation of stream obligations	(24.7)	(16.0)	1.2	(32.1)
Gain (loss) from change in estimated timing of cash flows of promissory notes	0.6	2.3	0.1	(0.9)

In \$ millions	Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2023	Sep. 30, 2023
Gain (loss) on revaluation of stream obligations	(3.3)	(16.7)	(26.4)	(0.9)
Gain (loss) from change in estimated timing of cash flows of promissory notes	—	4.3	1.2	(0.4)

Change in Total Assets

The decrease in total assets during the quarterly periods presented was primarily a result of i) cash used to satisfy silver deliveries under the Antamina Silver Stream obligation, ii) interest payments related to the Antamina promissory note, iii) depletion of the Antamina NPI, and iv) the Company's share in net loss of associates, partially offset by increases to the loan to associate related to Hod Maden.

Non-IFRS and Other Measures

The Company has included, throughout this document, Adjusted EBITDA and all-in sustaining costs ("AISC") per copper pound as non-IFRS performance measures. The presentation of these non-IFRS performance measures is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These non-IFRS measures do not have any standardized meaning prescribed by IFRS, and other companies may calculate these measures differently.

- i. Adjusted EBITDA is a non-IFRS financial measure used to evaluate the operating and financial performance of the Company and make strategic decisions based on forecasts for assets which are not yet cash-generating. Adjusted EBITDA is calculated by taking net income (loss) and adding (deducting) finance expense, (finance income), tax expense, depletion, stock-based compensation, non-cash losses (gains) on revaluation of stream obligations and non-cash losses (gains) from changes in estimated timing of cash flows of promissory notes. EBITDA is frequently utilized and reported by investors and lenders as a key measure of a company's operational performance, its capacity to take on and manage debt, and as a tool for valuation. The Company computes Adjusted EBITDA to eliminate items that do not impact the operating performance of our assets in order to provide long-term valuation metrics and assist in the assessment of the Company's capacity to incur or manage debt. Figure 1.1 provides a reconciliation of Adjusted EBITDA:

Figure 1.1 In \$000s	3 Months Ended Jun. 30, 2025	3 Months Ended Jun. 30, 2024	6 Months Ended Jun. 30, 2025	6 Months Ended Jun. 30, 2024
Net loss	\$ (26,131)	\$ (3,485)	\$ (43,256)	\$ (19,819)
Add (Deduct):				
Finance expense	3,018	2,828	5,962	5,627
Finance income	(481)	(373)	(899)	(706)
Income tax expense	44	16	76	27
Depletion	1,083	2,210	2,436	4,057
EBITDA	\$ (22,467)	\$ 1,196	\$ (35,681)	\$ (10,814)
Add (Deduct):				
Stock based compensation and other	184	148	385	313
Gain from change in estimated timing of cash flows of promissory notes	(571)	—	(2,877)	(4,262)
Loss on revaluation of stream obligations	24,746	3,279	40,727	19,948
Equals:				
Adjusted EBITDA	\$ 1,892	\$ 4,623	\$ 2,554	\$ 5,185

- ii. The Company has also used the non-IFRS measure of AISC per copper pound on a co-product basis. AISC per copper pound on a co-product basis is a non-IFRS financial ratio that uses AISC on a co-product basis, a non-IFRS financial measure, as a component. With respect to the Hod Maden project, AISC on a co-product basis is calculated by summing certain costs (operating costs, royalties, treatment, refining & transport costs, sustaining capital, G&A, and other costs) associated with the copper produced. The resulting figure is then divided by the payable copper pounds produced. The Company presents AISC per copper pound as it believes that certain investors use this information to evaluate the Company's investment in Hod Maden in comparison to other companies in the mining industry. Figure 1.2 provides a reconciliation of AISC per copper pound using information from the Hod Maden Project Feasibility Study with an effective date of February 28, 2021.

Figure 1.2**In \$ millions (except for ounces and per ounce amounts)****AISC on a co-product basis**

Operating Costs	\$	135
Royalties		53
Treatment, Refining and Transport Costs		42
Sustaining Capital		23
G&A		19
Other Costs		13
All-in sustaining costs	\$	285
Divided by:		
Payable Copper Pounds (Mlbs)		255
Equals:		
All-in sustaining cost per copper pound	\$	1.12
Historical all-in sustaining cost per copper pound	\$	—

Liquidity and Capital Resources

As of June 30, 2025, the Company had cash and cash equivalents of \$2.3 million (December 31, 2024 — \$12.2 million) and a working capital deficit (current assets less current liabilities) of \$7.2 million (December 31, 2024 — working capital of \$5.6 million). Excluding the expected settlement of promissory notes and stream obligations (which are funded through proceeds from the Antamina NPI), the Company had working capital of \$6.6 million as at June 30, 2025 (December 31, 2024 — \$12.5 million). The Company can also access up to \$30 million, plus an uncommitted accordion of up to \$20 million, under its Revolving Facility. As at June 30, 2025, \$5 million was drawn on the Revolving Facility. In addition, the Company can access up to \$150 million, in certain circumstances, under a revolving credit facility with Sandstorm. No amounts had been drawn under the revolving credit facility with Sandstorm as at June 30, 2025. Subsequent to the period end, the Company made a draw of \$8 million under the revolving facility with Sandstorm.

During the six months ended June 30, 2025, the Company generated cash flows from operating activities of \$2.2 million compared with cash flows from operating activities of \$1.9 million during the comparable period in 2024. The cash inflows during the six months ended June 30, 2025 were primarily a result of \$2.3 million of royalty revenue received from the Antamina NPI and \$0.4 million of interest income offset by general and administrative expenses, compared to cash inflows in the comparable period in 2024 being generated from \$1.9 million of royalty revenue received from the Antamina NPI and \$0.6 million of interest income offset by general and administrative expenses.

During the six months ended June 30, 2025, the Company had cash outflows from investing activities of \$13.9 million related to \$12.9 million of shareholder loans to fund the Company's share of cash calls for ongoing development costs at Hod Maden and \$1.0 million related to the Company's participation in Entrée's private placement. During the six months ended June 30, 2024, the Company had cash

outflows from investing activities of \$1.6 million related to \$3.5 million of shareholder loans to fund the Company's share of cash calls for ongoing development costs at Hod Maden, partially offset by receipt of \$1.9 million from the Company's receivable from Sandstorm acquired in 2022.

During the six months ended June 30, 2025, the Company had net cash inflows from financing activities of \$1.7 million due to a \$5 million draw under the Company's revolving facility, partially offset by \$3.2 million of Antamina Silver Stream servicing payments. During the six months ended June 30, 2025 it was agreed with Sandstorm to defer the interest payments on the Antamina Promissory Note due during the period to 2026. There were no principal repayments on the Antamina Promissory Note during the period. During the six months ended June 30, 2024, the Company had net cash outflows from financing activities of \$4.5 million primarily from interest payments on the Antamina Promissory Note and Antamina Silver Stream servicing payments.

Share Capital

As of July 31, 2025, the Company had 90,365,433 common shares outstanding.

A summary of the Company's stock options as of July 31, 2025 is as follows:

Date of expiry	Number outstanding	Vested	Exercise price per option (CAD)	Weighted average exercise price per option (CAD) ¹
June 2028	3,850,000	2,566,667	0.80	0.80

1) Weighted average exercise price of options that are exercisable.

A summary of the Company's warrants as of July 31, 2025 is as follows:

Date of expiry	Number outstanding	Exercisable	Exercise price per warrant (CAD)	Weighted average exercise price per warrant (CAD) ¹
September 2027	33,744,228	33,744,228	0.80	0.80
June 2027	3,274,525	3,274,525	1.10	1.10
	37,018,753	37,018,753		0.83

1) Weighted average exercise price of warrants that are exercisable.

As of July 31, 2025, the Company had 1,570,000 restricted share rights outstanding.

Related Party Transactions

Sandstorm is a related party as a result of it having significant influence through its 34% equity interest in the Company. As part of the consideration for the acquisition of the Company's assets, Horizon holds gold and silver stream obligations, the Hod Maden promissory note, a revolving credit facility (the "SSL RCF"), and the Antamina promissory note with Sandstorm. In March 2025, the Company and Sandstorm entered into certain amendments to the Hod Maden promissory note, the SSL RCF, and the Antamina promissory note. The principal terms are summarized below:

Term	Hod Maden Promissory Note	Sandstorm Revolving Credit Facility	Antamina Promissory Note
Principal amount (as at June 30, 2025)	\$95 million	Nil ¹ (undrawn availability up to \$150 million)	\$145.1 million
Maturity date	August 31, 2032	August 31, 2032	June 15, 2033
Maturity extension option	Note maturity can be extended in two-year intervals at Horizon's option		
Cash sweep rate²	75% (100% if any maturity extension option is elected)	100%	100%
Interest rate	SOFR + 2.0%–3.5%	SOFR + 2.0%–3.5%	3.0% until maturity date SOFR + 2.5%–3.5% if any maturity extension option is elected
Interest holiday	Until January 1, 2030	N/A	N/A

- Subsequent to the period end, the Company made a draw of \$8 million under the revolving facility with Sandstorm.
- The cash sweep represents the amounts of excess cash flow (as defined in the Note agreements) from (i) the Hod Maden Project in connection with the Hod Maden Promissory Note and Sandstorm Credit Facility; and (ii) the Antamina NPI in connection with the Antamina Promissory Note, which is applied to the principal amount outstanding.

The Company has entered into a services agreement with Sandstorm for CAD6,500 per month from January to May 2025 and CAD6,900 per month effective June 2025 for general administrative services including rent and other shared office costs. The amount outstanding related to this agreement as at June 30, 2025 was CAD19,900.

Entrée is a related party as a result of the Company having significant influence through its approximate 24% interest in Entrée. In January 2025 the Company, through its wholly owned subsidiary, 1363013 B.C. Ltd., subscribed for 625,202 units in Entrée Resources Ltd. ("Entrée") via a non-brokered private placement at a price of CAD2.21 per unit for total consideration of CAD1.4 million. Each unit consists of one common share and one-half of one non-transferable common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the Company to purchase one additional common share of

Entrée at a price of CAD3.00 per share for a period of two years following the date of issuance. The acquisition of the shares in this private placement maintains the Company's current proportionate interest in Entrée.

Artmin Madencilik San. ve Tic. A.S. ("Artmin"), the entity which holds the Hod Maden project, is a related party as a result of the Company having significant influence through its indirect 30% ownership interest. During the six months ended June 30, 2025, the Company advanced \$12.9 million of shareholder loans to fund the Company's share of cash calls for ongoing development costs at Hod Maden. Subsequent to the quarter ended June 30, 2025, the Company advanced an additional \$7.5 million shareholder loan to fund the Company's share of cash calls for ongoing development costs at Hod Maden. The loans bear interest at 4% plus the credit default swap rate of Türkiye at the start of each quarterly period and have five-year terms.

Key Management Compensation

The remuneration of directors and those persons having authority and responsibility for planning, directing, and controlling activities of the Company is as follows:

In \$000s	3 Months Ended Jun. 30, 2025	3 Months Ended Jun. 30, 2024	6 Months Ended Jun. 30, 2025	6 Months Ended Jun. 30, 2024
Salaries and benefits	\$ 63	56	\$ 123	\$ 112
Share-based payments	171	148	338	313
Special committee fees ¹	88	—	88	—
Total key management compensation expense	\$ 322	\$ 204	\$ 549	\$ 425

1) Fees related to the Horizon Special Committee in connection with the Horizon Transaction.

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, receivables, trade and other payables, loans to associate, promissory notes, and stream obligations. The fair value of cash and cash equivalents, receivables, and trade and other payables, approximate their carrying values as at June 30, 2025 due to the short-term nature of these instruments. The fair value of the loans to associate, which are measured using level 2 inputs, approximates their carrying value as the effects of changes in interest rates and the associate's credit spread have not had a significant impact since origination of the loans. The fair value of the Company's revolving facility, which is measured using level 2 inputs, approximates its carrying value due to its market-based rate of interest. The stream obligations are measured at fair value as at June 30, 2025 based on a model which utilized level 3 inputs. The fair value of the Hod Maden Promissory Note was \$56.2 million as at June 30, 2025 (\$55.3 million — December 31, 2024) based on a discounted cash flow model which utilized level 2 inputs. The fair value of the Antamina Promissory Note was \$118.0 million as at June 30, 2025 (\$116.4 million — December 31, 2024) based on a discounted cash flow model which utilized level 2 inputs.

Credit Risk

The Company's credit risk is limited to cash and cash equivalents, the loan to associate and the amount of any receivable outstanding at period end from the Antamina NPI which is paid by a subsidiary of Teck. In order to mitigate its exposure to credit risk, the Company closely monitors its financial assets and maintains its cash deposits in several high-quality financial institutions. The impact of expected credit losses on trade receivables and financial assets held at amortized cost is not material.

Currency Risk

The Company does not have any financial instruments denominated in currencies other than the U.S. dollar that materially impact its net income (loss).

Liquidity Risk

The Company manages liquidity risk through a planning and budgeting process, which is reviewed and updated on a regular basis, to help determine future funding requirements. As at June 30, 2025, the Company had cash and cash equivalents of \$2.3 million available to settle its accounts payable and accrued liabilities, as well as its short-term funding obligations related to its equity interest in Hod Maden.

Under the terms of the Revolving Facility, the Company can access up to \$30 million, with an additional uncommitted accordion of up to \$20 million, for total potential availability of up to \$50 million. Amounts drawn on the Revolving Facility are subject to interest at SOFR plus a variable spread of between 2.50%–3.75%. As at June 30, 2025, \$5 million had been drawn under the revolving facility.

Under the terms of the Hod Maden promissory note with Sandstorm, the Company can also access up to \$150 million, in certain circumstances, under a revolving credit facility. Interest is payable quarterly at a rate of the greater of (a) SOFR + 2.0%; or (b) the cost of funds of Sandstorm under its revolving credit facility, commencing the earlier of (a) January 1, 2030; or (b) when Horizon receives dividends from its investment in Hod Maden. No amounts had been drawn under this facility as at June 30, 2025. Subsequent to the period end, the Company made a draw of \$8 million under this facility with Sandstorm.

The following table shows the Company's undiscounted contractual obligations as they fall due as at June 30, 2025 and December 31, 2024:

In \$000s	Within 1 year		2–5 years		Over 5 years		Total Jun. 30, 2025	Total Dec. 31, 2024
Accounts payable	\$	729	\$	—	\$	—	729	\$ 164
Promissory notes ¹		2,815		25,486		211,764	240,065	240,065
Promissory note interest ²		6,100		17,413		50,575	74,088	59,316
Revolving facility ³		—		5,000		—	5,000	—
Revolving facility interest ⁴		358		771		—	1,129	—
Total	\$	10,002	\$	48,670	\$	262,339	\$ 321,011	\$ 299,545

- 1) Amounts payable within the next five years are estimated based on assumptions of expected future proceeds from the Antamina NPI.
- 2) As the applicable interest rate for the Hod Maden Promissory Note is floating in nature, the interest charges are estimated based on market forward interest rate curves at the end of the reporting period. Promissory note interest for both the Hod Maden and Antamina Promissory Notes are based on expected future principal balances.
- 3) Amounts payable within the next five years are estimated on the assumption that no prepayments are made and the entire balance outstanding as of June 30, 2025 is repaid at maturity.
- 4) The amounts drawn on the Revolving Facility are subject to interest at SOFR plus 2.50%–3.75% per annum, and the undrawn portion of the Revolving Facility is subject to a standby fee of 0.56%–0.84% per annum, both of which are dependent on the Company's leverage ratio. The interest charges in the table above have been estimated based on assumptions of the Company's future leverage ratio and on market forward interest rate curves at the end of the reporting period.

The amount expected to be settled under the Antamina Silver Stream within the next year is \$8.9 million. Settlements of the Company's stream obligations in 2026 and beyond will be based on the future production of silver (Antamina) and gold (Hod Maden).

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the Company's loans to associate, which bear interest at the credit default swap rate of Türkiye + 4%, the Company's revolving facility which bears interest at SOFR + 2.0%–3.75%, the Hod Maden Promissory note which bears interest at SOFR + 2.0%–3.5%, commencing from the earlier of January 1, 2030 or when Horizon has started to receive dividends from its equity interest in Hod Maden, and the Company's Antamina Promissory note which currently bears interest at a fixed rate of 3%, but will bear interest after June 15, 2033 at SOFR + 2.5%–3.5% if Horizon elects to extend the maturity date of the note. Changes in interest rates also have an impact on the discount rate used to determine the fair value of the Company's stream obligations.

Other Risks to Horizon

The primary risk factors affecting Horizon are set forth in the Company's Annual Information Form dated March 31, 2025, which is available on www.sedarplus.ca.

Additional risk factors with respect to the Horizon Transaction include: (i) the possibility that the Horizon Transaction or the Sandstorm Transaction will not be completed on their terms and conditions, or on the timing, currently contemplated, and that they may not be completed at all, due to a failure to obtain or satisfy, in a timely manner or otherwise, required regulatory, shareholder and court approvals and other conditions to the closing of the Horizon Transaction or the Sandstorm Transaction or for other reasons; (ii) the Sandstorm Transaction being completed in a circumstance where the Horizon Transaction is terminated; (iii) the negative impact that the failure to complete the Horizon Transaction for any reason could have on the price of the Horizon Shares or on its business; (iv) Royal Gold's failure to pay the consideration at closing of the Horizon Transaction; (v) the failure to realize the expected benefits of the Horizon Transaction; (vi) the restrictions imposed on Horizon while the Horizon Transaction is pending; (vii) significant transaction costs or unknown liabilities; and, (viii) risks related to the diversion of management's attention from Horizon's ongoing business operations while the Horizon Transaction is pending.

Other

Critical Accounting Estimates

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenditures during the periods presented. The critical accounting estimates used in the preparation of the condensed consolidated interim financial statements of Horizon for the three and six months ended June 30, 2025 are the same as the key sources of estimation uncertainty disclosed in Note 3 of the Company's 2024 annual consolidated financial statements.

New Accounting Standards and Amendments Issued But Not Yet Effective

The IASB has issued classification and measurement and disclosure amendments to IFRS 9 and IFRS 7 with an effective date for years beginning on or after January 1, 2026 with earlier application permitted. The amendments clarify the date of recognition and derecognition of some financial assets and liabilities and introduce a new exception for some financial liabilities settled through an electronic payment system. Other changes include a clarification of the requirements when assessing whether a financial asset meets the solely payments of principal and interest criteria and new disclosures for certain instruments with contractual terms that can change cash flows (including instruments where

cash flows changes are linked to environment, social or governance (ESG) targets). These amendments are not expected to have a material impact on the Company.

IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18) is a new standard that will provide new presentation and disclosure requirements and replace International Accounting Standard 1, *Presentation of Financial Statements* (IAS 1). IFRS 18 introduces changes to the structure of the income statement; provides required disclosures in financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and provides enhanced principles on aggregation and disaggregation in financial statements. Many other existing principles in IAS 1 have been maintained. IFRS 18 is effective for years beginning on or after January 1, 2027, with earlier application permitted. The Company has not yet commenced the evaluation of the impact of this new standard.

Disclosure Controls and Procedures

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the financial statements for the interim period ended June 30, 2025 and this accompanying MD&A.

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company along with the consolidated financial statements and MD&A on SEDAR+ at www.sedarplus.ca.

Forward Looking Statements

Certain statements contained in this MD&A constitute forward-looking information under applicable Canadian securities laws. These statements relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may contain forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions.

The forward-looking information contained herein may include, but is not limited to, information with respect to: statements with respect to management's beliefs, plans, estimates and intentions, and similar statements concerning the Horizon Transaction, the ability to complete the Horizon Transaction and the other transactions contemplated by the Horizon Arrangement Agreement (including the Sandstorm Transaction) and the timing thereof, including the parties' ability to satisfy the conditions to the consummation of the Horizon Transaction, the receipt of the required securityholder approvals, regulatory approvals and court approval and other customary closing conditions, the possibility of any termination of the Horizon Arrangement Agreement in accordance with its terms or the Sandstorm Transaction, and the expected benefits to Horizon and its securityholders, the state of the financial markets for Horizon's securities; the state of the natural resources sector; recent market volatility and potentially negative capital raising conditions; Horizon's ability to be fully able to implement its business strategies; the ability of the Hod Maden Project to obtain project level financing or on terms that are acceptable and the residual amount of equity financing to be provided by the Company; the projected capital costs and development timelines for the Hod Maden Project; SSR Mining's ability to fulfil its role as operator of the Hod Maden Project, including social and regulatory license to operate; the expectation that the terms of the earn-in milestone payments of SSR Mining's agreement to acquire a 40% operating interest in the Hod Maden Project will be fulfilled, including the related expectation of benefits to the overall development of the project with SSR Mining as the operator; the expected production at Antamina and amount of the Antamina NPI, the intention and ability to increase processing capacity at Antamina and that the investment will be made to extend the mine life and the timing of those investments; the expected timing of underground development on the Entrée/Oyu Tolgoi JV Property and timing and amount of subsequent cash flows attributable to Entrée; Entrée's ability to transfer the Shivee Tolgoi and Javhlant mining licenses to OTLLC either in conjunction with finalization and execution of an alternative agreement(s) with OTLLC, or enforcement of certain provisions of the Equity participation and Earn-in Agreement and related Joint Venture Agreement pursuant to binding arbitration proceedings; timing and status of Oyu Tolgoi underground development; the expected timing of development work on the Shivee Tolgoi mining license and the potential for delay if the Shivee Tolgoi mining license cannot be transferred to OTLLC in a timely fashion; the nature of the ongoing relationship and interaction between OTLLC and Rio Tinto and the Government of Mongolia and Erdenes Oyu Tolgoi LLC with respect to the continued operation and development of Oyu Tolgoi; discussions with the Government of Mongolia, Erdenes Oyu Tolgoi LLC, Rio Tinto, and OTLLC on a range of issues including Entrée's interest in the Entrée/Oyu Tolgoi joint venture property, the Shivee Tolgoi and Javhlant mining licenses and certain material agreements; potential actions by the Government of Mongolia with respect to the Shivee Tolgoi and Javhlant mining licenses and Entrée's interest in the Entrée/Oyu Tolgoi joint venture property; Entrée's ability to reach an agreement related to the additional claims for specific performance, equitable damages, and costs that remain outstanding; the future price and demand of gold, copper, and other metals; the estimation of Mineral Reserves and Mineral Resources; realization of Mineral Reserve estimates, business prospects and strategies; anticipated trends and challenges in Horizon's business and the markets in which it operates; Horizon's financial position; the expectation that trading on OTCQB will enhance the visibility and accessibility of the Company to U.S. investors and other risks and factors that Horizon is unaware of at this time. By identifying such information and statements in this manner, Horizon is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Horizon to be materially different from those expressed or implied by such information and statements.

These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Company believes that the expectations reflected in its forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information included in this MD&A should not be unduly relied upon. These statements speak only as of the date of this MD&A. The Company does not intend, and does not assume any obligation, to update these forward-looking statements except as required by applicable law. These forward-looking statements involve risks and uncertainties relating to, among other things, the possibility that the Horizon Transaction or the Sandstorm Transaction will not be completed on their terms and conditions, or on the timing, currently contemplated, and that they may not be completed at all, due to a failure to obtain or satisfy, in a timely manner or otherwise, required regulatory, shareholder and court approvals and other conditions to the closing of the Horizon Transaction or the Sandstorm Transaction or for other reasons; the Sandstorm Transaction being completed in a circumstance where the Horizon Transaction is terminated; the negative impact that the failure to complete the Horizon Transaction for any reason could have on the price of the Horizon Shares or on its business; Royal Gold's failure to pay the consideration at closing of the Horizon Transaction; the failure to realize the expected benefits of the Horizon Transaction; the restrictions imposed on Horizon while the Horizon Transaction is pending; significant transaction costs or unknown liabilities; and risks related to the diversion of management's attention from Horizon's ongoing business operations while the Horizon Transaction is pending; the state of the financial markets for

Horizon's securities; the state of the natural resources sector; recent market volatility and potentially negative capital raising conditions; Horizon's ability to be fully able to implement its business strategies; the ability of the Hod Maden Project to obtain project level financing or on terms that are acceptable and the residual amount of equity financing to be provided by the Company; the projected capital costs and development timelines for the Hod Maden project; SSR Mining's ability to fulfil its role as operator of the Hod Maden Project, including social and regulatory license to operate; the expectation that the terms of the earn-in milestone payments of SSR Mining's agreement to acquire a 40% operating interest in the Hod Maden Project will be fulfilled, including the related expectation of benefits to the overall development of the project with SSR Mining as the operator; the expected production at Antamina and amount of the Antamina NPI, the intention and ability to increase processing capacity at Antamina and that the investment will be made to extend the mine life and the timing of those investments; the expected timing of underground development on the Entrée/Oyu Tolgoi JV Property and timing and amount of subsequent cash flows attributable to Entrée; the future price and demand of gold, copper, and other metals; the estimation of Mineral Reserves and Mineral Resources; realization of Mineral Reserve estimates; the need for additional financing; the relative speculative and illiquid nature of an investment in Horizon; the volatility of Horizon's share price; Horizon's ability to generate sufficient revenues and cash flows from operations; dependence on the operations, assets and financial health of investee companies; limited ability to exercise control or direction over investee companies; potential defaults by investee companies; Horizon's ability to enforce on any default by an investee company; competition with other investment entities; tax matters; reliance on key personnel; dilution of shareholders' interest through future financings; and general economic and political conditions; as well as the risks discussed above under the heading "Other Risks to Horizon" Actual results may differ materially from those expressed or implied by such forward-looking statements or forward-looking information.

To the extent any forward-looking statements constitute future-oriented financial information or financial outlooks, as those terms are defined under applicable Canadian securities laws, such statements are being provided to describe the current anticipated potential of the Company and readers are cautioned that these statements may not be appropriate for any other purpose, including investment decisions.

Condensed Consolidated Interim Financial Statements

(Unaudited)

For The Period Ended June 30, 2025

Condensed Consolidated Interim Statements of Financial Position

Expressed in U.S. Dollars (\$'000s)

	Note	June 30, 2025	December 31, 2024
Assets			
Current			
Cash and cash equivalents		\$ 2,266	\$ 12,221
Receivables and other current assets		5,025	394
		\$ 7,291	\$ 12,615
Non-Current			
Loans to associate	4	\$ 30,689	\$ 17,789
Hod Maden and Entrée investments in associates	4	251,904	252,645
Mineral interests	5	227,197	229,633
Other long term assets		656	729
Total assets		\$ 517,737	\$ 513,411
Liabilities			
Current			
Trade and other payables		\$ 729	\$ 164
Expected settlement of promissory notes	6	4,852	2,199
Expected settlement of stream obligations	8	8,876	4,647
		\$ 14,457	\$ 7,010
Non-Current			
Promissory notes	6	\$ 189,687	\$ 189,439
Stream obligations	8	401,508	368,239
Revolving facility	7	5,000	—
Total liabilities		\$ 610,652	\$ 564,688
Equity			
Share capital	9	\$ 37,304	\$ 37,188
Reserves		8,169	7,838
Retained deficit		(141,916)	(98,660)
Accumulated other comprehensive income		3,528	2,357
Total equity		\$ (92,915)	\$ (51,277)
Total liabilities and equity		\$ 517,737	\$ 513,411

Subsequent event (Note 13)

On Behalf of the Board: “Clark Hollands”, Director

“Erfan Kazemi”, Director

Condensed Consolidated Interim Statements of Income (Loss)

Expressed in U.S. Dollars (\$000s)
Except for per share amounts

	Note	3 Months Ended Jun. 30, 2025	3 Months Ended Jun. 30, 2024	6 Months Ended Jun. 30, 2025	6 Months Ended Jun. 30, 2024
Revenue					
Royalty revenue		\$ 3,491	\$ 5,672	\$ 6,490	\$ 7,420
Depletion	5	1,083	2,210	2,436	4,057
Gross profit		\$ 2,408	\$ 3,462	\$ 4,054	\$ 3,363
Operating expenses					
Transaction costs		\$ 573	\$ —	\$ 573	\$ —
Administration expenses		288	299	525	578
Stock based compensation		178	148	352	313
Exploration expenses		9	23	15	42
Operating income		\$ 1,360	\$ 2,992	\$ 2,589	\$ 2,430
Other expenses (income)					
Loss on revaluation of stream obligations	8	\$ 24,746	\$ 3,279	\$ 40,727	\$ 19,948
Share of loss in associates	4	729	721	2,822	1,603
Gain from change in estimated timing of cash flows of promissory notes	6	(571)	—	(2,877)	(4,262)
Finance expense		3,018	2,828	5,962	5,627
Finance income		(481)	(373)	(899)	(706)
Foreign exchange and other		6	6	34	12
Net loss before taxes		\$ (26,087)	\$ (3,469)	\$ (43,180)	\$ (19,792)
Current income tax expense		44	16	76	27
Net loss for the period		\$ (26,131)	\$ (3,485)	\$ (43,256)	\$ (19,819)
Basic loss per share	9(e)	\$ (0.30)	\$ (0.04)	\$ (0.50)	\$ (0.23)
Diluted loss per share	9(e)	\$ (0.30)	\$ (0.04)	\$ (0.50)	\$ (0.23)
Weighted average number of common shares outstanding					
Basic		86,563,087	86,324,332	86,514,699	86,212,292
Diluted		86,563,087	86,324,332	86,514,699	86,212,292

Condensed Consolidated Interim Statements of Comprehensive Income (Loss)

Expressed in U.S. Dollars (\$000s)

	Note	3 Months Ended Jun. 30, 2025	3 Months Ended Jun. 30, 2024	6 Months Ended Jun. 30, 2025	6 Months Ended Jun. 30, 2024
Net loss for the period		\$ (26,131)	\$ (3,485)	\$ (43,256)	\$ (19,819)
Other comprehensive loss for the period					
Items that may subsequently be reclassified to net loss:					
Currency translation differences		(19)	383	1,171	63
Total comprehensive loss for the period		\$ (26,150)	\$ (3,102)	\$ (42,085)	\$ (19,756)

Condensed Consolidated Interim Statements of Cash Flow

Expressed in U.S. Dollars (\$000s)

Cash flow from (used in):	Note	3 Months Ended Jun. 30, 2025	3 Months Ended Jun. 30, 2024	6 Months Ended Jun. 30, 2025	6 Months Ended Jun. 30, 2024
Operating Activities					
Net loss for the period		\$ (26,131)	\$ (3,485)	\$ (43,256)	\$ (19,819)
Items not affecting cash:					
Depletion expense	5	\$ 1,083	\$ 2,210	\$ 2,436	\$ 4,057
Share-based payments		178	148	352	313
Share of loss in associates	4	729	721	2,822	1,603
Loss on revaluation of stream obligations	8	24,746	3,279	40,727	19,948
Gain from change in estimated timing of cash flows of promissory notes	6	(571)	—	(2,877)	(4,262)
Finance expense		3,018	2,828	5,962	5,627
Unrealized foreign exchange loss and other		6	6	34	12
Changes in non-cash working capital	10	(946)	(4,101)	(4,007)	(5,570)
		\$ 2,112	\$ 1,606	\$ 2,193	\$ 1,909
Investing Activities					
Loans to associate	4	\$ (9,300)	\$ (3,530)	\$ (12,900)	\$ (3,530)
Investment in Entrée private placement		—	—	(963)	—
Proceeds from Hod Maden receivable recorded on acquisition		—	1,918	—	1,918
		\$ (9,300)	\$ (1,612)	\$ (13,863)	\$ (1,612)
Financing Activities					
Revolving facility draw down	7	\$ 5,000	\$ —	\$ 5,000	\$ —
Settlement of stream obligations	8	(1,577)	(1,373)	(3,229)	(2,499)
Interest paid		(42)	(1,010)	(95)	(2,031)
Warrant exercise proceeds		72	—	95	—
Stock option proceeds		—	48	—	48
Deferred financing costs		—	(26)	(55)	(26)
		\$ 3,453	\$ (2,361)	\$ 1,716	\$ (4,508)
Effect of exchange rate changes on cash and cash equivalents		—	(3)	(1)	(10)
Net decrease in cash and cash equivalents		\$ (3,735)	\$ (2,370)	\$ (9,955)	\$ (4,221)
Cash and cash equivalents — beginning of the period		6,001	16,415	12,221	18,266
Cash and cash equivalents — end of the period		\$ 2,266	\$ 14,045	\$ 2,266	\$ 14,045

Supplemental cash flow information (Note 10)

Condensed Consolidated Interim Statements of Changes in Equity

Expressed in U.S. Dollars (\$000s)

	Note	Number	Amount	Share Options, Warrants and Restricted Share Units	Retained Deficit	Accumulated Other Comprehensive Income (Loss)	Total
At January 1, 2024		86,100,252	\$ 37,102	\$ 7,393	\$ (41,481)	\$ 2,365	\$ 5,379
Share-based payments		—	—	313	—	—	313
Options exercised		334,521	75	(27)	—	—	48
Vesting of restricted share rights		20,000	11	(11)	—	—	—
Total comprehensive loss		—	—	—	(19,819)	63	(19,756)
At June 30, 2024		86,454,773	\$ 37,188	\$ 7,668	\$ (61,300)	\$ 2,428	\$ (14,016)
Share-based payments		—	—	170	—	—	170
Total comprehensive loss		—	—	—	(37,360)	(71)	(37,431)
At December 31, 2024		86,454,773	\$ 37,188	\$ 7,838	\$ (98,660)	\$ 2,357	\$ (51,277)
Share-based payments		—	—	352	—	—	352
Warrants exercised	9(b)	188,332	116	(21)	—	—	95
Total comprehensive loss		—	—	—	(43,256)	1,171	(42,085)
At June 30, 2025		86,643,105	\$ 37,304	\$ 8,169	\$ (141,916)	\$ 3,528	\$ (92,915)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

June 30, 2025 | Expressed in U.S. Dollars

1. Nature of Operations

Horizon Copper Corp. was incorporated under the Business Corporations Act of British Columbia on March 17, 2011.

Horizon Copper Corp. and its subsidiary entities (collectively “Horizon” or the “Company”) is a resource-based company that holds interests in mining assets with a focus on copper.

The Company’s assets include a net profits interest on the Antamina copper mine in Peru (“Antamina NPI”), a 30% equity interest in the entity which holds the Hod Maden copper-gold project in Türkiye (“Hod Maden”) and an approximate 24% equity stake in Entrée Resources Ltd. (“Entrée”). The acquisition of these assets was partially funded by precious metal streams and promissory notes with Sandstorm Gold Ltd. (“Sandstorm”).

The head office, principal address and registered office of the Company are located at Suite 3200, 733 Seymour Street, Vancouver, British Columbia, V6B 0S6.

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors of the Company on July 31, 2025.

2. Summary of Material Accounting Policies

a) Statement of Compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards” or “IFRS”), as applicable to the preparation of interim financial statements including International Accounting Standard 34 – Interim Financial Reporting. Accordingly, certain disclosures included in annual financial statements prepared in accordance with IFRS have been condensed or omitted. These unaudited condensed consolidated interim financial statements should be read in conjunction with the Company’s audited financial statements for the year ended December 31, 2024.

The accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with those applied and disclosed in the Company's audited consolidated financial statements for the year ended December 31, 2024.

b) Basis of Presentation

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value.

The condensed consolidated interim financial statements are presented in United States dollars ("USD"), which is the Company's functional currency, and all values are rounded to the nearest thousand except as otherwise indicated.

c) New and Amended Accounting Standards

NEW ACCOUNTING STANDARDS AND AMENDMENTS ISSUED BUT NOT YET EFFECTIVE

The International Accounting Standards Board has issued classification and measurement and disclosure amendments to IFRS 9 and IFRS 7 with an effective date for years beginning on or after January 1, 2026 with earlier application permitted. The amendments clarify the date of recognition and derecognition of some financial assets and liabilities and introduce a new exception for some financial liabilities settled through an electronic payment system. Other changes include a clarification of the requirements when assessing whether a financial asset meets the solely payments of principal and interest criteria and new disclosures for certain instruments with contractual terms that can change cash flows (including instruments where cash flows changes are linked to environment, social or governance (ESG) targets). These amendments are not expected to have a material impact on the entity in future reporting periods.

IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18) is a new standard that will provide new presentation and disclosure requirements and replace International Accounting Standard 1, *Presentation of Financial Statements* (IAS 1). IFRS 18 introduces changes to the structure of the income statement; provides required disclosures in financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and provides enhanced principles on aggregation and disaggregation in financial statements. Many other existing principles in IAS 1 have been maintained. IFRS 18 is effective for years beginning on or after January 1, 2027, with earlier application permitted. The Company has not yet commenced the evaluation of the impact of this new standard.

3. Financial Instruments

Fair Value Estimation

The fair value hierarchy establishes three levels to classify the inputs of valuation techniques used to measure fair value. As required by IFRS 13, assets and liabilities are classified in their entirety based on

the lowest level of input that is significant to the fair value measurement. The three levels of the fair value hierarchy are described below:

Level 1 | Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities. Investments in common shares and warrants held that have direct listings on an exchange are classified as Level 1.

Level 2 | Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 | Inputs that are unobservable in markets (supported by little or no market activity).

The following table sets forth the Company's financial assets and liabilities measured at fair value on a recurring basis by level within the fair value hierarchy as at June 30, 2025 and December 31, 2024.

As at June 30, 2025:

In \$000s	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Current liabilities				
Expected settlement of stream obligations	\$ 8,876	\$ –	\$ –	\$ 8,876
Non-current liabilities				
Stream obligations	\$ 401,508	\$ –	\$ –	\$ 401,508
	\$ 410,384	\$ –	\$ –	\$ 410,384

As at December 31, 2024:

In \$000s	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Current liabilities				
Expected settlement of stream obligations	\$ 4,647	\$ –	\$ –	\$ 4,647
Non-current liabilities				
Stream obligations	\$ 368,239	\$ –	\$ –	\$ 368,239
	\$ 372,886	\$ –	\$ –	\$ 372,886

The fair value of the Company's other financial instruments including cash and cash equivalents, receivables and trade and other payables, approximate their carrying values at June 30, 2025 and December 31, 2024 due to their short-term nature. The fair value of the loans to associate, which are measured using level 2 inputs, approximates their carrying value as the effects of changes in interest rates and the associate's credit spread have not had a significant impact since origination of the loans. The fair value of the Company's revolving facility, which is measured using level 2 inputs, approximates its carrying value due to the nature of its market-based rate of interest. The fair value of the Hod Maden Promissory Note was \$56.2 million as at June 30, 2025 (\$55.3 million — December 31, 2024) based on a discounted cash flow model which utilized level 2 inputs. The fair value of the Antamina Promissory Note was \$118.0 million as at June 30, 2025 (\$116.4 million — December 31, 2024) based on a discounted cash flow model which utilized level 2 inputs.

There were no transfers between the levels of the fair value hierarchy during the period ended June 30, 2025 and the year ended December 31, 2024.

a) Credit Risk

The Company's credit risk is limited to cash and cash equivalents, the loans to associate and the amount of any receivable outstanding at period end from the Antamina NPI which is paid by a subsidiary of Teck Resources Limited. In order to mitigate its exposure to credit risk, the Company closely monitors its financial assets and maintains its cash deposits in several high-quality financial institutions. The impact of expected credit losses on receivables and financial assets held at amortized cost is not material.

b) Liquidity Risk

The Company manages liquidity risk through a planning and budgeting process, which is reviewed and updated on a regular basis, to help determine future funding requirements. As at June 30, 2025, the Company had cash and cash equivalents of \$2.3 million available to settle its accounts payable and accrued liabilities, as well as its short-term funding obligations related to its equity interest in Hod Maden.

The Company can access up to \$30 million, plus an uncommitted accordion of up to \$20 million, under its revolving facility. As at June 30, 2025, \$5 million had been drawn under the revolving facility (Note 7).

Under the terms of the Hod Maden Promissory Note with Sandstorm, the Company can also access up to \$150 million, in certain circumstances, under a revolving credit facility. Interest is payable quarterly at a rate of the greater of (a) Secured Overnight Financing Rate ("SOFR") + 2.0%; or (b) the cost of funds of Sandstorm under its revolving credit facility, commencing the earlier of (a) January 1, 2030; or (b) when Horizon receives dividends from its investment in Hod Maden. No amounts had been drawn under this facility as at June 30, 2025. Subsequent to the period end, the Company made a draw of \$8 million under this facility with Sandstorm.

The following table shows the Company's undiscounted contractual obligations as they fall due as at June 30, 2025 and December 31, 2024:

In \$000s	Within 1 year		2-5 years		Over 5 years		Total Jun. 30, 2025	Total Dec. 31, 2024
Accounts payable	\$	729	\$	—	\$	—	\$ 729	\$ 164
Promissory notes ¹		2,815		25,486		211,764	240,065	240,065
Promissory note interest ²		6,100		17,413		50,575	74,088	59,316
Revolving facility ³		—		5,000		—	5,000	—
Revolving facility interest ⁴		358		771		—	1,129	—
	\$	10,002	\$	48,670	\$	262,339	\$ 321,011	\$ 299,545

- 1) Amounts payable within the next five years are estimated based on assumptions of expected future proceeds from the Antamina NPI.
- 2) As the applicable interest rate for the Hod Maden Promissory Note is floating in nature, the interest charges are estimated based on market forward interest rate curves at the end of the reporting period. Promissory note interest for both the Hod Maden and Antamina Promissory Notes are based on expected future principal balances.
- 3) Amounts payable within the next five years are estimated on the assumption that no prepayments are made and the entire balance outstanding as of June 30, 2025 is repaid at maturity.
- 4) The amounts drawn on the Revolving Facility are subject to interest at SOFR plus 2.50%–3.75% per annum, and the undrawn portion of the Revolving Facility is subject to a standby fee of 0.56%–0.84% per annum, both of which are dependent on the Company's leverage ratio. The interest charges in the table above have been estimated based on assumptions of the Company's future leverage ratio and on market forward interest rate curves at the end of the reporting period.

The amount expected to be settled under the Antamina Silver Stream within the next year is \$8.9 million. Settlements of the Company's stream obligations in 2026 and beyond will be based on the future production of silver (Antamina) and gold (Hod Maden) as described in Note 8.

c) Market Risk

CURRENCY RISK

The Company does not have any financial instruments denominated in currencies other than USD that materially impact its net income (loss).

INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to cash flow interest rate risk through the Company's loans to associate, which bear interest at the credit default swap rate of Türkiye + 4%, the Company's revolving facility which bears interest at SOFR plus 2.50%–3.75%, the Hod Maden Promissory note which bears interest at SOFR + 2.0%–3.5%, commencing from the earlier of January 1, 2030 or when Horizon has started to receive dividends from its equity interest in Hod Maden, and the Company's Antamina Promissory note which bears interest after June 15, 2033 at SOFR + 2.5%–3.5% if Horizon elects to extend the maturity of the note. Changes in interest rates also have an impact on the discount rate used to determine the fair value of the stream obligations.

4. Hod Maden and Entrée Investments in Associates

The following table summarizes the changes in the carrying amount of the Company's investments in associates:

In \$000s		Hod Maden Interest		Entrée Resources Ltd.		Total Investments in Associates
At December 31, 2023	\$	225,613	\$	30,121	\$	255,734
Company's share of net loss of associate		(103)		(1,500)		(1,603)
Company's share of other comprehensive loss of associate		—		63		63
At June 30, 2024	\$	225,510	\$	28,684	\$	254,194
Company's share of net loss of associate		(433)		(1,045)		(1,478)
Company's share of other comprehensive loss of associate		—		(71)		(71)
At December 31, 2024	\$	225,077	\$	27,568	\$	252,645
Additional investment		—		910		910
Company's share of net loss of associate		(549)		(2,273)		(2,822)
Company's share of other comprehensive loss of associate		—		1,171		1,171
At June 30, 2025	\$	224,528	\$	27,376	\$	251,904

Loans to Associate

As at June 30, 2025, the Company had advanced \$30.7 million (\$17.8 million — December 31, 2024) of shareholder loans to fund the Company's share of cash calls for ongoing development costs at Hod Maden, of which \$9.3 million was advanced during the quarter ended June 30, 2025. Subsequent to the quarter ended June 30, 2025, the Company advanced an additional \$7.5 million shareholder loan to fund the Company's share of cash calls for ongoing development costs at Hod Maden. The loans bear interest at 4% plus the credit default swap rate of Türkiye at the start of each quarterly period and have five-year terms.

Entrée Private Placement

In January 2025, the Company, through its wholly owned subsidiary, 1363013 B.C. Ltd., subscribed to 625,202 units in Entrée Resources Ltd. ("Entrée") via a non-brokered private placement at a price of CAD2.21 per unit for total consideration of CAD1.4 million. Each unit consists of one common share and one-half of one non-transferable common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the Company to purchase one additional common share of Entrée at a price of CAD3.00 per share for a period of two years following the date of issuance. The acquisition of the shares in this private placement maintains the Company's current proportionate interest in Entrée.

5. Mineral Interests

The following table summarizes the changes in the carrying amount of the Company's mineral interests as of June 30, 2025:

	Cost			Accumulated Depletion			
		Net					
In \$000s	Jan. 1, 2025	Additions (Disposals)	Jun. 30, 2025	Jan. 1, 2025	Depletion	Jun. 30, 2025	Carrying Amount
Antamina NPI, Peru	\$ 241,456	\$ —	\$ 241,456	\$ 12,235	\$ 2,436	\$ 14,671	\$ 226,785
Peninsula Project, USA	412	—	412	—	—	—	412
Total	\$ 241,868	\$ —	\$ 241,868	\$ 12,235	\$ 2,436	\$ 14,671	\$ 227,197

The following table summarizes the changes in the carrying amount of the Company's mineral interests as of December 31, 2024:

	Cost			Accumulated Depletion			
		Net Additions					
In \$000s	Jan. 1, 2024	(Disposals)	Dec. 31, 2024	Jan. 1, 2024	Depletion	Dec. 31, 2024	Carrying Amount
Antamina NPI, Peru	\$ 241,456	\$ —	\$ 241,456	\$ 4,536	\$ 7,699	\$ 12,235	\$ 229,221
Peninsula Project, USA	412	—	412	—	—	—	412
Total	\$ 241,868	\$ —	\$ 241,868	\$ 4,536	\$ 7,699	\$ 12,235	\$ 229,633

6. Promissory Notes

The following table summarizes the changes in the carrying amount of the Company's promissory notes:

In \$000s	Antamina Promissory Note		Hod Maden Promissory Note		Total
At December 31, 2023	\$	120,465	\$	67,279	\$ 187,744
Impact of change in estimated timing of cash flows		(1,124)		(3,138)	(4,262)
Interest payments		(2,031)		—	(2,031)
Accretion expense		3,406		2,221	5,627
At June 30, 2024	\$	120,716	\$	66,362	\$ 187,078
Impact of change in estimated timing of cash flows		1,830		(1,059)	771
Interest payments		(2,030)		—	(2,030)
Accretion expense		3,555		2,264	5,819
At December 31, 2024	\$	124,071	\$	67,567	\$ 191,638
Impact of change in estimated timing of cash flows		(688)		(2,189)	(2,877)
Accretion expense		3,523		2,255	5,778
At June 30, 2025	\$	126,906	\$	67,633	\$ 194,539
Current portion	\$	4,852	\$	—	\$ 4,852
Long term portion		122,054		67,633	189,687
Total	\$	126,906	\$	67,633	\$ 194,539

Antamina Promissory Note

The Antamina Promissory Note had an original principal amount of \$149.1 million, of which \$145.1 million remains outstanding as of June 30, 2025 (\$145.1 million — December 31, 2024). Interest on \$135 million of the Antamina Promissory Note is to be paid quarterly at 3% with the remaining \$10.1 million principal amount being interest-free. Any excess cash flow from the Antamina NPI, after satisfying the silver stream and interest payments on the Antamina Promissory Note, will be used to repay principal on the promissory note and reduce the Company's debt, unless it is agreed with Sandstorm that these amounts can be retained and used for other corporate purposes. As of June 30, 2025, \$3.0 million of accrued interest remains outstanding (December 31, 2024 — \$1.0 million). If there has been a change in the equity of Horizon, the Antamina Promissory Note may be settled at any time in Horizon shares at the election of the holder based on a 20-day volume weighted average price ("VWAP") of the market price of the shares, unless the holder would beneficially own in excess of 34% of the number of common shares outstanding immediately after giving effect to such conversion or issuance. As at June 30, 2025, the holder owned 34% of the Company's outstanding common shares (34% — December 31, 2024). Horizon also has the option to settle the Antamina Promissory Note by issuing common shares based on the VWAP if it is above a floor of CAD0.60. The Antamina Promissory Note matures on June 15, 2033 and is secured against the Company's interest in the Antamina NPI.

In March 2025, the Company entered into certain amendments to the Antamina Promissory Note, which granted Horizon the option to extend the maturity date in two-year intervals if cash flows from the Antamina NPI are used to repay any remaining principal amounts. Interest is to be paid quarterly at SOFR + 2.5%–3.5% after June 15, 2033 if the extension option is elected.

Hod Maden Promissory Note

The Hod Maden Promissory Note has a principal amount of \$95 million and currently bears no interest. Interest on the Hod Maden Promissory Note is to be paid quarterly at SOFR + 2% commencing on the earlier of (i) January 1, 2030; or (ii) when Horizon receives dividends from its investment in Hod Maden. Prior to an amendment during the three months ended March 31, 2025, the commencement date for interest payments was the earlier of (i) January 1, 2029; or (ii) when Horizon receives dividends from its investment in Hod Maden. If there has been a change in the equity of Horizon, the Hod Maden Promissory Note may be settled at any time in Horizon shares at the election of the holder based on a 20-day VWAP of the market price of the shares, unless the holder would beneficially own in excess of 34% of the number of common shares outstanding immediately after giving effect to such conversion or issuance. As at June 30, 2025, the holder owned 34% of the Company's outstanding common shares (34% — December 31, 2024). Horizon also has the option to settle the Hod Maden Promissory Note by issuing common shares based on the VWAP if it is above a floor of CAD0.60. The Hod Maden Promissory Note matures on August 31, 2032 and is secured against the Company's interest in the Hod Maden Project and investment in Entrée.

In March 2025, the Company entered into certain amendments to the Hod Maden Promissory Note, which granted Horizon the option to extend the maturity date in two-year intervals if cash flows from the Company's interest in Hod Maden are used to repay any remaining principal amounts.

7. Revolving Facility and Deferred Financing Costs

On September 9, 2024, Horizon entered into a revolving credit agreement with National Bank of Canada and The Bank of Nova Scotia allowing the Company to borrow up to \$30 million with an additional uncommitted accordion of up to \$20 million, for total potential availability of up to \$50 million (the "Revolving Facility"). The Revolving Facility has a term of four years, maturing in September 2028 and is extendable subject to approval by the lenders. The Revolving Facility is for future asset acquisitions, the Company's funding requirements related to the development of the Hod Maden project and general corporate purposes. As of June 30, 2025, \$5 million was drawn on the Revolving Facility.

The amounts drawn on the Revolving Facility are subject to interest at SOFR plus 2.50%–3.75% per annum, and the undrawn portion of the Revolving Facility is subject to a standby fee of 0.56%–0.84% per annum, both of which are dependent on the Company's leverage ratio.

The Company is required to maintain a leverage ratio of net debt divided by EBITDA (as defined in the Revolving Facility) of less than or equal to 4.00:1.00, and an interest coverage ratio of greater than or equal to 3.00:1.00 for each fiscal quarter. In both cases, the calculations exclude amounts related to all existing obligations held by Sandstorm. The Company is also required to maintain a total interest

coverage ratio of greater than or equal to 1.10:1.00 for each fiscal quarter. The Company was in compliance with the debt covenants as at June 30, 2025.

The Revolving Facility is secured against the Company's assets, including the Company's mineral property interests and investments.

Deferred financing costs are amortized on a straight-line basis over the term of the Revolving Facility. At June 30, 2025, deferred financing costs, net of accumulated amortization, were \$0.6 million (December 31, 2024 — \$0.7 million).

8. Stream Obligations

The following table summarizes the changes in the carrying amount of the Company's stream obligations:

In \$000s	Antamina Silver Stream	Hod Maden Gold Stream	Total
At December 31, 2023	\$ 101,136	\$ 225,905	\$ 327,041
Stream deliveries	(2,209)	—	(2,209)
Change in fair value of stream obligations	20,802	(854)	19,948
At June 30, 2024	\$ 119,729	\$ 225,051	\$ 344,780
Stream deliveries	(2,811)	—	(2,811)
Change in fair value of stream obligations	3,969	26,948	30,917
At December 31, 2024	\$ 120,887	\$ 251,999	\$ 372,886
Stream deliveries	(3,229)	—	(3,229)
Change in fair value of stream obligations	3,537	37,190	40,727
At June 30, 2025	\$ 121,195	\$ 289,189	\$ 410,384
Current portion	\$ 8,876	\$ —	\$ 8,876
Long term portion	112,319	289,189	401,508
Total	\$ 121,195	\$ 289,189	\$ 410,384

Antamina Silver Stream

As part of the consideration for the acquisition of the Antamina NPI from Sandstorm, Horizon entered into a silver purchase agreement (silver stream) whereby it will be required to sell and deliver refined silver in the amount of 1.66% of the produced silver from the Antamina property. Sandstorm will pay 2.5% of the London Bullion Market Association ("LBMA") quoted price of silver for each ounce of silver delivered. There are no obligations for Horizon to sell and deliver silver ounces under the silver stream should there be no production from the Antamina mine.

The key assumptions used to determine the fair value of the silver stream as at June 30, 2025 include the production profile based on the Antamina life of mine plan and reserve information published by qualified

persons employed by a shareholder of the joint operator, silver prices using the forward curve (estimates ranged from \$36.17 to \$52.73 per ounce) and the discount rate. Changes in each of these key assumptions would have the following impact on the value of the stream obligation as at June 30, 2025:

Key assumption	Sensitivity applied to key assumption	In \$000s Impact on value of stream liability
Production profile and mineral reserves	5% increase in estimated number of silver ounces	\$ 5,269
Silver price — forward curve	\$1/oz increase in silver price	2,753
Discount rate	0.25% increase to discount rate	(2,942)

Hod Maden Gold Stream

As part of the consideration for the acquisition of the 30% interest in the Hod Maden project from Sandstorm, Horizon entered into a gold purchase agreement (gold stream) whereby it will be required to sell and deliver:

- 20% of the gold produced by the Hod Maden mine until 405,000 ounces have been sold and delivered;
- 12% of the gold produced by the Hod Maden mine thereafter.

Sandstorm will pay 50% of the LBMA quoted price of gold for each ounce of gold delivered (for the first 405,000 ounces) and 60% of the LBMA quoted price of gold for each ounce of gold delivered thereafter. There are no obligations for Horizon to sell and deliver gold ounces under the gold stream should there be no production from the Hod Maden mine.

The key assumptions used to determine the fair value of the gold stream as at June 30, 2025 include the production profile based on the published Hod Maden feasibility study and current estimates of the timeline to production, gold prices using the forward curve (estimates ranged from \$3,322 to \$4,640 per ounce) and the discount rate. Changes in each of these key assumptions would have the following impact on the value of the stream obligation as at June 30, 2025:

Key assumption	Sensitivity applied to key assumption	In \$000s Impact on value of stream liability
Production profile and mineral reserves	5% increase in estimated number of gold ounces	\$ 8,568
Gold price — forward curve	\$100/oz increase in gold price	7,284
Discount rate	0.25% increase to discount rate	(5,410)

9. Share Capital and Reserves

a) Authorized Share Capital

The Company is authorized to issue an unlimited number of common shares without par value.

b) Warrants

The Company issued warrants as part of units in private placement financings. A summary of the Company's warrants and the change for the period is as follows:

	Number of warrants	Weighted average exercise price per warrant (CAD)
Warrants outstanding at December 31, 2024	40,929,413	0.82
Exercised	(188,332)	0.70
Warrants outstanding at June 30, 2025	40,741,081	0.82

The weighted average remaining contractual life of the warrants as at June 30, 2025 was 2.09 years (year ended December 31, 2024 — 2.59 years). The weighted average share price, at the time of exercise, for those warrants that were exercised during the period ended June 30, 2025 was CAD1.13 per share.

A summary of the Company's warrants as of June 30, 2025 is as follows:

Date of expiry	Number outstanding	Exercisable	Exercise price per warrant (CAD)	Weighted average exercise price per warrant (CAD) ¹
July 2025	1,144,570	1,144,570	0.35	0.35
September 2027	35,407,261	35,407,261	0.80	0.80
June 2027	4,189,250	4,189,250	1.10	1.10
	40,741,081	40,741,081		0.82

1) Weighted average exercise price of warrants that are exercisable.

In July 2025, 1,144,570 warrants with an exercise price of CAD0.35, 1,663,033 warrants with an exercise price of CAD0.80, and 914,725 warrants with an exercise price of CAD1.10 were exercised.

c) Stock Options

The Company has an incentive stock option plan (the "Option Plan") whereby the Company may grant share options to eligible employees, officers, directors and consultants at an exercise price, expiry date, and vesting conditions to be determined by the Board of Directors. The maximum expiry date is 10 years from the grant date. All options are equity settled. The Option Plan permits the issuance of options which,

together with the Company's other share compensation arrangements, may not exceed 10% of the Company's issued common shares as at the date of the grant.

A summary of changes in stock options outstanding for the period is as follows:

	Number of options	Weighted average exercise price per share (CAD)
Options outstanding at December 31, 2024 and June 30, 2025	3,850,000	0.80

The weighted average remaining contractual life of the options as at June 30, 2025 was 2.96 years (year ended December 31, 2024 — 3.46 years).

Details of stock options outstanding as of June 30, 2025 are as follows:

Date of expiry	Number outstanding	Vested	Exercise price per option (CAD)	Weighted average exercise price per option (CAD) ¹
June 2028	3,850,000	2,566,667	0.80	0.80

1) Weighted average exercise price of options that are exercisable.

d) Restricted Share Units

The Company has a restricted share plan (the "Restricted Share Plan") whereby the Company may grant restricted share rights ("RSRs") to eligible employees, officers, directors and consultants at an expiry date to be determined by the Board of Directors. Each restricted share right entitles the holder to receive a common share of the Company without any further consideration. The Restricted Share Plan permits the issuance of up to a maximum of 8,610,025 restricted share rights, of which 6,962,555 were available for grant as at June 30, 2025.

As at June 30, 2025 the Company had 1,570,000 RSRs outstanding (December 31, 2024 — 1,570,000 RSRs).

e) Earnings Per Share

Basic and diluted earnings per share are calculated based on the following:

In \$000s (except for shares and per share amounts)	3 Months Ended Jun. 30, 2025	3 Months Ended Jun. 30, 2024	6 Months Ended Jun. 30, 2025	6 Months Ended Jun. 30, 2024
Net loss for the period	\$ (26,131)	\$ (3,485)	\$ (43,256)	\$ (19,819)
Basic and diluted weighted average number of shares	86,563,087	86,324,332	86,514,699	86,212,292
Basic and diluted loss per share	\$ (0.30)	\$ (0.04)	\$ (0.50)	\$ (0.23)

The following table lists the number of potentially dilutive securities excluded from the computation of diluted earnings per share because either their effect is not dilutive or the exercise prices exceeded the average market value of the common shares during the periods ended June 30, 2025 and June 30, 2024:

	3 Months Ended Jun. 30, 2025	3 Months Ended Jun. 30, 2024	6 Months Ended Jun. 30, 2025	6 Months Ended Jun. 30, 2024
Stock options	3,850,000	3,850,000	3,850,000	3,850,000
Warrants	40,741,081	40,929,413	40,741,081	40,929,413
Restricted share rights	1,570,000	330,000	1,570,000	330,000

The Company has a net loss for the three months ended June 30, 2025; however, if the Company had net earnings, 1,007,935 stock options, 11,250,993 warrants and 960,237 RSRs would have been included in the computation of diluted weighted average number of common shares as they would have been dilutive (79,977 stock options, 531,991 warrants and 206,658 RSRs in the comparable period).

The Company has a net loss for the six months ended June 30, 2025; however, if the Company had net earnings, 1,119,795 stock options, 12,443,278 warrants and 984,236 RSRs would have been included in the computation of diluted weighted average number of common shares as they would have been dilutive (157,375 stock options, 531,991 warrants and 208,417 RSRs in the comparable period).

10. Supplemental Cash Flow Information

In \$000s	3 Months Ended Jun. 30, 2025	3 Months Ended Jun. 30, 2024	6 Months Ended Jun. 30, 2025	6 Months Ended Jun. 30, 2024
Change in non-cash working capital:				
Trade receivables and other	\$ (1,542)	\$ (4,157)	\$ (4,631)	\$ (5,622)
Trade and other payables	596	56	624	52
Net decrease in cash	\$ (946)	\$ (4,101)	\$ (4,007)	\$ (5,570)
Other:				
Interest received	\$ 47	\$ 328	\$ 377	\$ 648

11. Related Party Transactions

a) Related Party Transactions

Sandstorm is a related party as a result of it having significant influence through its 34% equity interest in the Company. The amounts related to the promissory notes and stream obligations with Sandstorm are set out in Notes 6 and 8. Subsequent to the period end, the Company made a draw of \$8 million under the revolving facility with Sandstorm.

The Company has entered into a services agreement with Sandstorm for CAD6,500 per month from January to May 2025 and CAD6,900 per month effective June 2025 for general administrative services including rent and other shared office costs. The amount outstanding related to this agreement as at June 30, 2025 was CAD19,900.

Entrée is a related party as a result of the Company having significant influence through its approximate 24% interest in Entrée. The transactions with Entrée during the period are set out in Note 4.

Artmin Madencilik San. ve Tic. A.S. ("Artmin"), the entity which holds the Hod Maden project, is a related party as a result of the Company having significant influence through its indirect 30% ownership interest. The transactions with Artmin during the period are set out in Note 4.

b) Compensation of Key Management Personnel

The remuneration of directors and those persons having authority and responsibility for planning, directing and controlling activities of the Company are as follows:

In \$000s	3 Months Ended Jun. 30, 2025	3 Months Ended Jun. 30, 2024	6 Months Ended Jun. 30, 2025	6 Months Ended Jun. 30, 2024
Salaries and benefits	\$ 63	56	\$ 123	\$ 112
Share-based payments	171	148	338	313
Special committee fees ¹	88	—	88	—
Total key management compensation expense	\$ 322	\$ 204	\$ 549	\$ 425

1) Fees related to the Horizon Special Committee in connection with the Horizon Transaction.

12. Segmented Information

The Company's reportable operating segments are the Antamina NPI mineral interest and the investments in Hod Maden and Entrée. All of the Company's revenue and depletion is generated from the Antamina NPI, which results in a gross profit for the three and six months ended June 30, 2025 of \$2.4 million and \$4.1 million, respectively, compared with \$3.5 million and \$3.4 million for the comparable periods in 2024, which represents the measure of segment profit or loss. Details of the assets and

liabilities related to the investments in Hod Maden and Entrée and the Antamina NPI are included in Notes 4 and 5 respectively.

13. Subsequent Event

On July 6, 2025, the Company entered into a definitive arrangement agreement (the “Arrangement Agreement”) with Royal Gold, Inc. (“Royal Gold”), pursuant to which Royal Gold will acquire all of the issued and outstanding common shares of Horizon, other than those held by Sandstorm, in an all-cash transaction valued at approximately \$196 million (the “Horizon Transaction”). The Arrangement Agreement will be effected by way of a court-approved plan of arrangement. Under the terms of the Arrangement Agreement, Horizon shareholders (and holders of Horizon restricted share rights) will receive C\$2.00 for each Horizon share (and Horizon restricted share right) held. Holders of Horizon warrants and options will receive a cash payment equal to the amount by which the consideration of C\$2.00 exceeds the exercise price of such warrant and option, as applicable, for each warrant or option held, as applicable. In addition to shareholder approval, the completion of the Horizon Transaction is subject to satisfaction of certain conditions and applicable regulatory approvals, including but not limited to (i) completion of the Sandstorm Transaction pursuant to which Royal Gold will acquire all of the issued and outstanding common shares of Sandstorm in an all-share transaction (which can be waived by Royal Gold in its sole discretion), (ii) conditional acceptance by the TSX-V, (iii) approval under the Competition Act (Canada), and (iv) the satisfaction of certain other closing conditions customary for a transaction of this nature. The Sandstorm Transaction is also subject to satisfaction of certain conditions and applicable shareholder and regulatory approvals, including the completion of the Horizon Transaction (which condition can be waived by Royal Gold in its sole discretion). Subject to receiving the requisite court, regulatory and shareholder approvals as described above, the Horizon Transaction is expected to close in the fourth quarter of 2025.