

April 17, 2023

Horizon Copper Announces Financing Terms and Provides Update on Sandstorm Transaction Closing

Horizon Copper Corp. (TSX-V: HCU) (“**Horizon Copper**”, “**Horizon**”, or the “**Company**”) is pleased to announce additional details regarding its proposed financing of US\$20 million pursuant to the second part (“**RTO Part B**”) of the previously announced reverse takeover transaction with Sandstorm Gold Ltd. (“**Sandstorm**”) whereby Horizon will acquire a 1.66% net profits interest on the low-cost, high-grade Antamina copper mine (the “**Antamina NPI**”).

The financing (the “**RTO Part B Financing**”) is expected to be completed via a combination of a non-brokered private placement financing and the issuance of a convertible debenture. The proceeds from the RTO Part B Financing will be used to satisfy the US\$20 million cash component (the “**Cash Consideration**”) payable to Sandstorm to complete the acquisition of the Antamina NPI.

Private Placement Financing & Timing

The private placement portion (the “**Private Placement**”) of the RTO Part B Financing will be completed through the issuance of subscription receipts at a price of C\$0.80 per subscription receipt (the “**Subscription Receipts**”). The funds from the Subscription Receipts will be held in escrow by the Company until the closing of RTO Part B and the satisfaction of certain escrow release conditions (collectively, the “**Release Conditions**”). Each Subscription Receipt, upon satisfaction of the Release Conditions, will automatically convert into one (1) common share of the Company and one half (1/2) of one (1) non-transferable share purchase warrant (a “**Warrant**”), subject to adjustment in certain events.

Each Warrant will entitle the holder thereof to purchase one common share at an exercise price of C\$1.10 (or US\$ equivalent) per share for a period of four (4) years following the escrow release date. The Private Placement will be conducted on a non-brokered private placement basis and finder’s fees may be paid on all or a portion of the Private Placement.

Closing of the Private Placement is anticipated to occur in or around April 2023 on a date to be determined by the Company.

Convertible Debt Financing & Timing

The remainder of the Cash Consideration is expected to be provided through a concurrent secured convertible debt financing (the “**Convertible Debt**”) for approximately US\$15 million subject the holder’s



ownership not exceeding 19.5% of the outstanding shares of the Company on a partially diluted if-converted basis. The Company has signed a non-binding term sheet for the Convertible Debt which includes a coupon rate of 8.0%, a 5-year term, and a conversion option with an exercise price of the US\$ equivalent of C\$1.00 per share.

The Private Placement and the Convertible Debt remain subject to acceptance by the TSX Venture Exchange (“TSX-V”).

Trading in the common shares of Horizon has been halted since the initial announcement of the reverse takeover transaction in 2022. It is anticipated that trading in the common shares of Horizon will resume after the completion of RTO Part B, which is expected to close in the first half of 2023.

Horizon Copper’s Portfolio

Following completion of RTO Part B, Horizon will hold a 1.66% NPI on the Antamina copper mine in addition to the two existing assets in its portfolio: a 30% non-operating interest in the Hod Maden copper-gold project in Turkey, and a 25% equity stake in Entrée Resources Ltd, (“**Entrée**”) which holds a 20% carried interest on a portion of the Oyu Tolgoi copper project in Mongolia.

Antamina

The Antamina Copper mine is an open-pit operation located in the Andes Mountain range of Peru. The mine is operated by Compañía Minera Antamina (“**CMA**”), a top-tier operator jointly owned by major stakeholders BHP Billiton plc (33.75%), Glencore plc (33.75%), Teck Resources Limited (22.5%), and Mitsubishi Corporation (10%). It is the world’s third-largest copper mine¹ 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.

For details regarding the Antamina NPI, please refer to the Horizon’s news release dated May 2, 2022, available on SEDAR at www.sedar.com under the Company’s issuer profile.

Hod Maden

Hod Maden is a high-grade copper-gold project located in northeastern Turkey. A Feasibility Study on the project was filed by Sandstorm in 2021 that envisions a mine with average annual production of 19.6 million pounds of copper and 156,000 ounces of gold per year over a 13-year mine life. The Feasibility Study showed robust project economics, with a post-tax internal rate of return exceeding 35% at \$1,599/oz gold and \$3.19/lb copper. The Environmental Impact Assessment was granted by the Turkish government in the second half of 2021 and the forestry permit was obtained in 2022. Several long lead time construction items have commenced and early-works and pre-construction activities are expected to continue throughout 2023. The Company is working with the majority shareholder and operator of the project, Lidya Madencilik, to (i) obtain project level debt financing to fund a portion of the development capital; (ii) update projected capital and operating costs to take into account the impact of inflation since the Feasibility Study was completed; and (iii) update the projected timeline for development and progression towards first production.

For details regarding the Hod Maden Project, please refer to Horizon’s news releases dated February 17, 2022 and May 2, 2022, and the Feasibility Study, which are all available on SEDAR at www.sedar.com under the Company’s issuer profile.

Oyu Tolgoi (Hugo North Extension & Heruga)

Horizon has a 25% equity interest in Entrée, which holds a 20% joint venture interest in the Hugo North Extension and Heruga deposits—part of one of the world’s largest copper-gold projects, the Oyu Tolgoi project located in Mongolia.

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 and the Government of Mongolia.

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.

QUALIFIED PERSON

Imola Götz (M.Sc., P.Eng.), Sandstorm’s Vice President, Mining & Engineering is a Qualified Person as defined by Canadian National Instrument 43-101. She has reviewed and approved the scientific and technical information in this news release.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release does not constitute an offer to sell and is not a solicitation of an offer to buy any securities in the United States. The securities of the Company have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to “U.S. Persons” (as defined in the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration.

Notes

1. BMO Capital Markets & S&P Capital IQ; Antamina mine’s 2022 estimated production ranks #3 on a copper equivalent basis.

For more information about Horizon Copper, please visit www.horizoncopper.com or contact:

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ABOUT HORIZON COPPER

Horizon Copper is a premier copper company holding unique non-operating interests in high-grade, low-cost copper assets. Upon completion of the Part A and Part B of the Transaction described in the Company's Management Information Circular dated July 26, 2022, Horizon will hold a portfolio of unparalleled copper assets including a 30% interest in the copper-gold Hod Maden project, exposure to the Oyu Tolgoi copper mine through a 25% equity ownership in Entrée Resources Ltd., and a 1.66% net profits interest on the Antamina copper mine. Horizon plans to actively grow its portfolio of assets with a focus on copper projects.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This press release contains forward-looking information within the meaning of Canadian securities laws. Such information includes, without limitation, information regarding the terms of the RTO Part B Financing and the timing of completion of RTO Part B. Although Horizon believes that such information is reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking information is typically identified by words such as: "believe", "expect", "anticipate", "intend", "estimate", "postulate" and similar expressions, or are those, which, by their nature, refer to future events. The Company cautions investors that any forward-looking information provided by Horizon is not a guarantee of future results or performance, and that actual results may differ materially from those in forward looking information as a result of various factors, including, but not limited to: Horizon's ability to complete RTO Part B; delays involved in completing RTO Part B; Horizon's ability to complete, or delays in completing, the Private Placement and the Convertible Debt financing; Horizon's ability to receive TSX-V approval for the RTO Part B Financing; the state of the financial markets for Horizon's securities; the state of the natural resources sector in the event the RTO Part B is completed; Horizon's ability to raise the necessary capital or to be fully able to implement its business strategies; the ability of the Company to consummate the Convertible Debt financing as disclosed or obtain necessary approval from the TSX-V; the ability of the Hod Maden Project to obtain project level financing or on terms that are acceptable; the projected capital costs and development timelines for the Hod Maden project; and other risks and factors that the Company is unaware of at this time. The forward-looking statements contained in this press release are made as of the date of this press release. Horizon disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The securities referred to in this press release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements.