

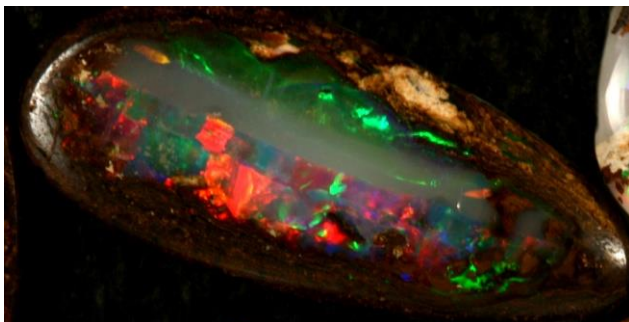
Newsletter to Shareholders - MAY 2017

Sale of Opal

Over the last few years we have recovered, through mining, approximately \$200 000 of finished and rough opal. Opal sales in 2016 amounted to approximately \$60,000 and we are aggressively continuing our efforts to convert the remaining stock into cash that can be used to fund our ongoing mining activities.

We are hopeful, based on the success of our recent mining efforts, that we will soon be able to fund all company activities based on our production. However, in the meantime, we continue to pursue various capital-raising strategies to accelerate our progress and to hopefully enable us to get back in the field for the upcoming mining season.

Opals mined by Opal Horizon Ltd ML95542



Office

We have settled in comfortably to our new office accommodation, which is turning out to give us precisely the right amount of space and resources in terms of technology and storage.

Following the office move last year Opal Horizon now has a single office, its own computer system, file and bulk storage area. This has resulted in reduced outgoings.

Drilling Rig Hire

Some good news regarding the Company drilling rig, which had lain idle for a period, as it was recommissioned and dry hired to a quarry company in Central Queensland for a month, generating much needed income for the company. It is now stored under cover in Clermont, from where we believe more ad hoc hiring may eventuate this year.

Website

This year, the Board commissioned an update to the Company's website, bringing it into line with modern access platforms that include desktop and laptop computers, tablets and smart phones. Site readability will be vastly improved, incorporating a system that can be readily updated and with the ability to include opal marketing options. It is hoped that the new site and possibly new company logo will be ready before the upcoming Annual Meeting.

Capital Raising

As mentioned earlier, the Company seeks a continuing injection of funds to allow exploration and mining to advance on its Queensland tenements. This remains our most important immediate challenge and over the past few months the Board has been in discussions with a number of potential investors; these matters are ongoing. The Preference Share offer of October 2015 was closed in March 2017.

Mining Operations

In December 2016, a decision was made to relinquish the Every Exploration Permit for Minerals (EPM) located west of Stonehenge. Reconnaissance in 2015 indicated that exploration costs would be high because of the terrain and thick vegetation.

The Company remains the sole registered holder of the Lina Glen Mining Lease along with three EPMs. The grant of a Mining Lease in Queensland can currently take around two years, with a considerable time taken up by Native Title procedures.

Since mid-2016 Opal Horizon has received approaches from operators in other parts of Queensland wanting to tribute mine our lease, and/or explore on our EPMs. These approaches are due to the fact that we are mining and recovering saleable opal from a currently approved Mining tenement, which by their standards is deemed underutilized. In the interests of shareholders, we aim to retain sole operatorship over any mining operations into the foreseeable future.

Opals mined by Opal Horizon ML95542



Opal Horizon as a company is standing the test of time. But all with “skin in the game” look forward to seeing Dave’s foresight and plans become a reality sooner rather than later.

The journey continues!

***David Hall, Walter Ife, John Siemon –
May 2017***

To ensure that we can minimise our office costs we ask that you consider receiving all future correspondence from OHZ electronically. Please email your contact detail to enquiries@opalhorizon.com