

HORIZON MINERALS CORP.

FORM 10-Q (Quarterly Report)

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended: **March 31, 2017**

Or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: **333-176798**

HORIZON MINERALS CORP.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

41-2281448

(I.R.S. Employer Identification No.)

9101 West Sahara Avenue

Suite 105 - 197

Las Vegas, Nevada 89117

(Address of principal executive offices)

(587) 984-2321

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the issuer (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☐ No ☒

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.:

Large accelerated filer ☐

Non-accelerated filer ☐ (Do not check if a smaller reporting company)

Accelerated filer ☐

Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Common Stock, \$0.0001 par value
(Class)

96,571,589 shares
(Outstanding as at May 15, 2017)

HORIZON MINERALS CORP.

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PART I - FINANCIAL INFORMATION

Item 1. Unaudited Financial Statements

The accompanying unaudited interim financial statements have been prepared in accordance with generally accepted accounting principles for interim financial reporting and pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). While these statements reflect all normal recurring adjustments which are, in the opinion of management, necessary for fair presentation of the results of the interim period, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. For further information, refer to the financial statements and footnotes thereto, which are included in the Company's Annual Report on Form 10-K, previously filed with the Securities and Exchange Commission on March 31, 2017.

HORIZON MINERALS CORP.
Balance Sheets
(Expressed In US Dollars)

	March 31, 2017	December 31, 2016
	(Unaudited)	
Assets		
Current assets		
Cash	\$ 395	\$ 456
Prepays	12,788	8,333
Total current assets	13,183	8,789
Unproved mineral properties	500,000	500,000
Total assets	<u>\$ 513,183</u>	<u>\$ 508,789</u>
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 10,274	\$ 20,812
Accrued liabilities	27,857	38,999
Due to related party	19,038	10,038
Notes payable	91,338	40,273
Total liabilities	148,507	110,122
Commitments and contingencies		
Stockholders' equity		
Common stock, par value \$0.0001 per share, 200,000,000 shares authorized, 96,571,589 shares issued and outstanding as of March 31, 2017 and December 31, 2016	9,657	9,657
Additional paid-in capital	755,935	755,935
Deficit	(400,916)	(366,925)
Total stockholders' equity	364,676	398,667
Total liabilities and stockholders' equity	<u>\$ 513,183</u>	<u>\$ 508,789</u>

The accompanying notes are an integral part of these unaudited interim financial statements.

HORIZON MINERALS CORP.
Statements of Operations
(Expressed In US Dollars)
(Unaudited)

	For the three months ended March 31,	
	2017	2016
Expenses:		
Filing fees	\$ 9,419	\$ 3,434
General and administrative	2,607	42
Professional fees	22,688	16,665
Total expenses	34,714	20,141
Loss from operations	(34,714)	(20,141)
Other item:		
Foreign currency transaction gain	723	4,830
Total other item	723	4,830
Net and comprehensive loss	\$ (33,991)	\$ (15,311)
Loss per common share:		
Loss per common share - basic and diluted	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding - basic and diluted	96,571,589	66,063,880

The accompanying notes are an integral part of these unaudited interim financial statements.

HORIZON MINERALS CORP.
Statements of Stockholders' Equity
(Expressed In US Dollars)
(Unaudited)

	Common Stock		Additional	Accumulated	
	Shares	Amount	Paid-in	Deficit	Totals
			Capital		
Balance, December 31, 2015	66,063,880	\$ 6,606	\$ 129,234	\$ (235,817)	\$ (99,977)
Net loss	-	-	-	(15,311)	(15,311)
	66,063,880	6,606	129,234	(251,128)	(115,288)
Balance, March 31, 2016					
Common stock issued for mineral property	30,000,000	3,000	497,000	-	500,000
Common stock issued for debt	507,709	51	129,701	-	129,752
Net loss	-	-	-	(115,797)	(115,797)
Balance, December 31, 2016	96,571,589	9,657	755,935	(366,925)	398,667
Net loss	-	-	-	(33,991)	(33,991)
Balance, March 31, 2017	96,571,589	\$ 9,657	\$ 755,935	\$ (400,916)	\$ 364,676

The accompanying notes are an integral part of these unaudited interim financial statements.

HORIZON MINERALS CORP.
Statements of Cash Flows
(Expressed In US Dollars)
(Unaudited)

	For the three months ended March 31,	
	2017	2016
Operating activities		
Net loss	\$ (33,991)	\$ (15,311)
Non-cash items		
Accrued interest	787	-
Foreign exchange	(763)	201
Changes in net assets and liabilities:		
Prepays	(4,455)	-
Accounts payable	(9,775)	3,668
Accrued liabilities	(11,142)	2,406
Net cash used in operating activities	(59,339)	(9,036)
Financing activities		
Amounts due to related parties	9,000	9,000
Proceeds from third party loans	50,278	-
Net cash provided by financing activities	59,278	9,000
Net decrease in cash	(61)	(36)
Cash - beginning	456	287
Cash - ending	<u>\$ 395</u>	<u>\$ 251</u>
Supplemental disclosures:		
Interest paid	<u>\$ -</u>	<u>\$ -</u>
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these unaudited interim financial statements.

HORIZON MINERALS CORP.
Notes to Financial Statements
For The Three Months Ended March 31, 2017 and 2016
(Expressed In US Dollars)
(Unaudited)

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

Horizon Minerals Corp. (the “Company”) was incorporated under the laws of the State of Delaware on May 11, 2011. On October 4, 2016, the Company entered into an Asset Purchase Agreement (the “Agreement”) with an arms-length party to acquire 1,223 lithium mineral claims in Nevada and California (the “Claims”). The acquisition resulted in a shift of the Company’s business model to that of a mineral exploration.

The Company’s financial statements are prepared on a going concern basis in accordance with US generally accepted accounting principles (“GAAP”) which contemplate the realization of assets and discharge of liabilities and commitments in the normal course of business. The Company has funded its operations through the issuance of capital stock and debt. Management intends to obtain additional funding by borrowing funds from its directors and officers, issuing promissory notes and/or a private placement of common stock. There is no certainty that further funding will be available as needed. These factors raise substantial doubt about the ability of the Company to continue operating as a going concern. The Company’s ability to continue its operations as a going concern, realize the carrying value of its assets, and discharge its liabilities in the normal course of business is dependent upon its ability to raise new capital sufficient to fund its commitments and ongoing losses, and ultimately on generating profitable operations. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

NOTE 2 - BASIS OF PRESENTATION

The unaudited interim financial statements included herein have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X. They do not include all information and notes required by generally accepted accounting principles for complete financial statements. However, except as disclosed herein, there has been no material change in the information disclosed in the notes to the financial statements included in the Annual Report on Form 10-K of the Company for the year ended December 31, 2016. In the opinion of management, all adjustments (including normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three months ended March 31, 2017, are not necessarily indicative of the results that may be expected for the year ending December 31, 2017. For further information, these unaudited interim financial statements and the related notes should be read in conjunction with the Company’s audited financial statements for the year ended December 31, 2016, included in the Company’s report on Form 10-K.

Reclassifications

Certain prior period amounts in the accompanying unaudited interim financial statements have been reclassified to conform to the current period's presentation. These reclassifications had no effect on the results of operations or financial position for any period presented.

NOTE 3 - RELATED PARTY TRANSACTIONS

As at March 31, 2017, the Company was indebted to Mr. Robert Fedun, a director, CEO and CFO of the Company, in the amount of \$19,038 (December 31, 2016 - \$10,038). Of this balance, \$1,038 (December 31, 2016 - \$1,038) was associated with advances given to the Company by Mr. Fedun; and \$18,000 (December 31, 2016 - \$9,000) was associated with the services provided by Mr. Fedun. Amounts due to related party are due on demand, bear no interest, and are unsecured.

During the three months ended March 31, 2017, the Company accrued \$9,000 (March 31, 2016 - \$9,000) in consulting fees to Mr. Fedun. The consulting fees were recorded as part of professional fees on the Statement of Operations.

NOTE 4 - UNPROVED MINERAL PROPERTIES

On October 4, 2016, the Company entered into the Agreement with an arms-length party (the “Vendor”) to acquire 423 twenty-acre lithium mineral claims situated in southern Nye County, Nevada and 600 twenty-acre lithium mineral claims located in California, for a total of 1,023 claims. As consideration for the Claims the Company agreed to issue the Vendor thirty million (30,000,000) restricted shares of the Company’s common stock, which shares were issued on October 4, 2016. The value recorded for this acquisition was determined based on the estimated fair value of the Claims. In addition to the above payment, the Company agreed to pay a 2.0% carried gross production royalty on any mineral or fluid production from the Claims.

On December 20, 2016, the Company amended the Agreement to increase the number of claims acquired by the Company from the Vendor from 1,023 claims to 1,365 claims, of which 306 claim units totaling 6,120 acres are fully registered and renewed and 1,059 claim units totaling 20,540 acres have been located, however, for which required fees have not been paid. To finalize the registration of the located units the Company will be required to pay the filing fees within 90 days from the date the claims were located.

During the three-month period ended March 31, 2017, the Company did not have any expenditures associated with exploration activities on the Claims.

NOTE 5 - THIRD PARTY NOTES PAYABLE

On November 1, 2016, the Company entered into a credit line agreement (the “Qinn Agreement”) with Qinn Media Limited (“Qinn Media”). Pursuant to the Qinn Agreement, the Company can use up to \$60,000 for a duration of one year, expiring on October 31, 2017 (the “Credit Line”). Principal borrowed under the Credit Line is unsecured, and accrues interest at 8% per annum compounded annually. As at March 31, 2017, the Company had borrowed \$39,850 (December 31, 2016 - \$39,850), and accrued \$1,209 in interest associated with the Credit Line (December 31, 2016 - \$423).

During the three-month period ended March 31, 2017, the Company borrowed \$50,278 from non-related parties in exchange for the notes payable. The amounts borrowed under the notes payable are due on demand, unsecured, and bear interest at 5% per annum compounded monthly.

Item 2. Management's Discussion and Analysis of Financial Condition and Plan of Operations

Forward-Looking Statements

This Quarterly Report contains forward-looking statements about our business, financial condition and prospects that reflect management's assumptions and beliefs based on information currently available. We can give no assurance that the expectations indicated by such forward-looking statements will be realized. If any of our management's assumptions should prove incorrect, or if any of the risks and uncertainties underlying such expectations should materialize, our actual results may differ materially from those indicated by the forward-looking statements.

Forward looking statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable at the date such statements are made.

We intend to discuss in our Quarterly Reports and Annual Reports any events or circumstances that occurred during the period to which such documents relate that are reasonably likely to cause actual events or circumstances to differ materially from those disclosed in this Quarterly Report. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on our business or the extent to which any factor, or combination of such factors, may cause actual results to differ materially from those contained in any forward looking statements.

We advise you to carefully review the reports and documents we file from time to time with the United States Securities and Exchange Commission (the "SEC"), particularly our periodic reports filed with the SEC pursuant to the Securities Exchange Act of 1934 (the "Exchange Act").

Overview

We were incorporated in Delaware on May 11, 2011. During the second quarter of our fiscal 2016 we decided to terminate our Share Purchase Agreement dated for reference April 6, 2015, to acquire all issued and outstanding shares of Boomchat Inc. and as such started evaluating other alternative business opportunities within mining industry. In August 2016 we engaged Gold Exploration Management Inc. a private Nevada corporation ("GEM") controlled by David A. Bending, M.Sc., P. Geo., providing mineral exploration project management services, to assist us with evaluation of several potential projects in Clayton Valley known for its potential to host lithium deposits.

On October 4, 2016, we entered into an asset purchase agreement (the "Agreement") with GEM to acquire a title to lithium mineral claims situated in the states of Nevada and California. As a result of our entry into the Agreement, we have ceased to be both a shell company and an issuer described in paragraph (i)(1)(i) of Rule 144 of the Securities Act.

Our business plan is to assemble a portfolio of mineral properties and to engage in the exploration and development of these properties.

Results of Operations

Summary of Financial Condition

The following table summarizes and compares our financial condition at March 31, 2017, to the year ended December 31, 2016.

	March 31, 2017	December 31, 2016
Working capital deficit	\$ 135,324	\$ 101,333
Current assets	\$ 13,183	\$ 8,789
Total liabilities	\$ 148,507	\$ 110,122
Unproved mineral properties	\$ 500,000	\$ 500,000
Common stock and additional paid in capital	\$ 765,592	\$ 765,592
Deficit	\$ 400,916	\$ 366,925

Selected Financial Results

Three Months Ended March 31, 2017 and 2016

	Three Months Ended March 31,		Percentage Increase / (Decrease)
	2017	2016	
Operating expenses			
Filing fees	\$ 9,419	\$ 3,434	174.3%
General and administrative	2,607	42	6107.1%
Professional fees	22,688	16,665	36.1%
Net operating expenses	34,714	20,141	72.4%
Foreign currency transaction gain	(723)	(4,830)	(85.0)%
Net and comprehensive loss	\$ 33,991	\$ 15,311	122.0%

Revenues

We did not generate any revenue during the three-month periods ended March 31, 2017 and 2016. Due to the exploration stage of our operations, we do not expect to have significant operating revenue in the foreseeable future.

Operating Expenses

During the three months ended March 31, 2017, our expenses increased by \$14,573 or 72.4% from \$20,141 for the three months ended March 31, 2016, to \$34,714 for the three months ended March 31, 2017. The increase in our operating expenses was mainly associated with the acquisition of the mineral properties and change in our business operations, as well as with 15-day temporary halt trade order initiated by Alberta Securities Commission (the “ASC”) as a result of unauthorized promotional activities related to our stock. As such, our professional fees increased by \$6,023, or 36.1%, from \$16,665 we incurred during the three months ended March 31, 2016, to \$22,688 we incurred during the three-month period ended March 31, 2017. Our general and administrative expenses increased by \$2,565, from \$42 we incurred during the three-month period ended March 31, 2016, to \$2,607 we incurred during the three-month period ended March 31, 2017; and our filing fees increased by \$5,985, or 174.3%, from \$3,434 we incurred during the three-month period ended March 31, 2016, to \$9,419 we incurred during the three-month period ended March 31, 2017.

Net Loss

Our net loss for the three-month period ended March 31, 2017, increased by \$18,680 from \$15,311 we incurred during the three-month period ended March 31, 2016, to \$33,991 we incurred during the three months ended March 31, 2017. The increase was mainly associated with overall increase in our operating expenses as discussed above, which was augmented by the decrease in foreign currency transaction gains.

We anticipate incurring ongoing operating losses and cannot predict when, if at all, we may expect these losses to plateau or narrow.

Liquidity and Capital Resources

Cash Flows

	Three Months Ended March 31, 2017	Three Months Ended March 31, 2016
Cash used in operations	\$ (59,339)	\$ (9,036)
Cash provided by financing activities	59,278	9,000
Net decrease in cash during the period	\$ (61)	\$ (36)

During the three months ended March 31, 2017, we used \$59,339 in our day-to-day operating activities. We used \$33,967 to cover our cash operating costs and \$4,455 to increase our prepaid expenses. These uses of cash were further increased by \$9,775 decrease in our accounts payable and by \$11,142 decrease in accrued liabilities. During the three-month period ended March 31, 2017, we borrowed \$50,278 from an unrelated parties in exchange for unsecured promissory notes, which are due on demand and bear interest at 5% per annum compounded monthly. During the same period we recorded \$9,000 owed to our President and a director for services he performed during the first quarter of our Fiscal 2017.

During the three months ended March 31, 2016, we used \$9,036 in our day-to-day operating activities. We used \$15,110 to cover our cash operating costs, which was offset by an increase in our accounts payable of \$3,668 and by an increase in our accrued liabilities of \$2,406. During the three-month period ended March 31, 2016, we recorded \$9,000 owed to our President and a director for services he performed during the first quarter of our Fiscal 2016.

We do not have sufficient funds to maintain our operations and support our exploration initiatives for the next twelve months, as such, we continue with our ongoing efforts to raise additional capital by conducting additional issuances of our equity and debt securities for cash. The sale of additional equity securities will result in dilution to our stockholders. The incurrence of indebtedness will result in increased debt service obligations and could require us to agree to operating and financial covenants that could restrict our operations or modify our plans to grow the business. Financing may not be available in amounts or on terms acceptable to us, if at all. Any failure by us to raise additional funds on terms favorable to us, or at all, will limit our ability to expand our business operations and could harm our overall business prospects. We cannot assure you that any financing can be obtained or, if obtained, that it will be on reasonable terms. As such, our management has expressed doubt about our ability to continue as a going concern because we have limited operations and have not fully commenced planned principal operations.

There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material impact on our revenues from continuing operations.

We have not paid for expenses on behalf of our directors. Additionally, we believe that this fact shall not materially change.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

Going Concern Consideration

Our financial statements have been prepared assuming that we will continue as a going concern. This means that there is substantial doubt that we can continue as an on-going business for the next twelve months unless we obtain additional capital to pay our bills and meet our other financial obligations. This is because we have not generated any revenues and no revenues are anticipated in the near future. Accordingly, we must raise capital from sources other than the actual sale of the product. We must raise capital to implement our project and stay in business.

Unproved Mineral Properties

On October 4, 2016, we entered into an asset purchase agreement with Gold Exploration Management Inc. ("GEM"). Pursuant to the Agreement, GEM agreed to sell to us its title to 220 twenty-acre Crystal Basin Claims, 203 twenty-acre claim units entitled the Scotty's Southeast Claims, 400 twenty-acre Cholla Claims, and 200 twenty-acre North Limb Claims (collectively the "Claims" or "Portfolio"). As consideration for the sale of the Claims, we issued thirty million (30,000,000) restricted shares of our common stock to GEM. Furthermore, we agreed to appoint David A. Bending to the Board of Directors.

On December 20, 2016, we amended the Agreement to reflect the change in the Portfolio we negotiated with GEM. Pursuant to the Agreement, as amended, the number of claims had changed as follows: the Crystal Basin Claims increased to 245 claims from the original 220 claims, the Scotty's Southeast Claims increased from the original 203 claims to 312 claims, the Cholla Claims increased from the original 400 claims to 424 claims, and the North Limb Claims were decreased from the original 200 claims to 160 claims. North Limb claims were also renamed as North Lobe claims. In addition we added 224 twenty-acre generative claims that are located in the area of our interest, however, which have not been assigned to any specific group of claims.

As of the date of the filing of this Quarterly Report on Form 10-Q, our Claims consist of 306 fully registered and renewed claim units totaling 6,120 acres and 1,059 claim units totaling 20,540 acres that have been located, however, for which required fees have not been paid. To finalize the registration of the located units we will be required to pay the filing fees within 90 days from the date they were located or re-located.

As part of our Agreement, as amended, we agreed to assume all financial liabilities of the Claims including registration fees and taxes payable to federal, state, and county government agencies.

The mineral titles are subject to payment of annual maintenance fees as of August 31, 2017, and the Company is fully prepared to meet these requirements as warranted by the results of the exploration work. No minimum field or assessment expenditures are required by either the US Bureau of Land Management ("BLM") or the Agreement. Exploration work is planned purely on the basis of the financial capacity and objectives of the Company, save and except the annual maintenance fees but Horizon plans an efficient and focused effort to rank and advance the targets to the discovery stage or decisions to negotiate farm out transactions or termination.

Crystal Basin Claims

The Crystal Basin Claims consist of 245 twenty-acre unpatented mining claims located in Southern Nye County. 154 of the 245 original claims have been filed and renewed with the BLM and will expire on September 1, 2017, if we do not renew the claims. The Crystal Basin Claims are held in irrevocable trust by GEM based on the terms of the Agreement, as amended, with 91 claims pending filing. They are 100% controlled by Horizon without underlying obligations or encumbrances save and except a 2% Gross Production Royalty to GEM.

The Crystal Basin lies in southern Nye County at the SE corner of the Amargosa Valley in a structurally defined secondary closed basin between 2 and 10 km (1.24 to 6.21 miles) SW of Nevada highway 95, 70 km (43.50 miles) northeast of the City of Las Vegas and 25 km (15.53 miles) northwest of the unincorporated community of Pahrump, Nevada. The claims are traversed by roads developed for the adjoining complex of clay mining operations, power lines and a history of surface disturbance and prospecting. The clay deposits overlie the basinal sediments of interest and the surface is dominated by very young felsic ash deposits which have been altered to the commercially significant saponite, montmorillonite and zeolite deposits that have generated a local mining culture and infrastructure. The village of Crystal offers low cost lodging within 3.21 km (2 miles) of the subject property in this area. The elevation of the area is 609.6 to 640 meters (2000 to 2100 feet) above mean sea level, and the climate is typical of the Amargosa/ Mojave Desert with hot summers and cool dry winters. Annual rainfall is about 5 cm (1.97 inches) per year.

No exploration has been carried out by the Company on the Crystal Basin Claims to date and the Company has no immediate exploration plans.

Scotty's Southeast Claims

The Scotty's Southeast Claims consisted of 312 twenty-acre unpatented mining claims located in Central Nye County. The only retained interest the Company has in these claims are referred to as the SFE Property. The Scotty's Southeast Claims are held in irrevocable trust by GEM based on the terms of the Agreement and are 100% controlled by Horizon without underlying obligations or encumbrances save and except a 2% Gross Production Royalty to GEM.

The Scotty's Southeast Claims were located September 14 to 18, 2016, in south Central Nye County 24 KM (15 miles) south of Scotty's Junction Airport, two to four miles southwest of US Highway 95. The claims lie in south central Nye County, 16 to 32 km (10 to 20 miles) north of the mining community of Beatty, Nevada, 129 km (80 miles) south of Goldfield, 5 to 13 km (3 to 8 miles) west of Nevada Highway 95, and 249 km (155 miles) north of Las Vegas. The elevation of the area is 609.6 to 640 meters (2000 to 2100 feet) above mean sea level, and the climate is typical of the Amargosa/ Mojave Desert with hot summers and cool dry winters. Annual rainfall is about 5 cm (1.97 inches) per year.

The location and climate of these Claim areas permit exploration work at all times of the year, subject to very rare periods in which transient rainfall renders the salina or mudflat surface soft but still accessible to ATV and four wheel drive conventional vehicles.

With the exception of SFE Property, no exploration has been carried out by the Company on the Scotty's Southeast Claims to date and the Company has no immediate exploration plans.

Cholla Claims

The Cholla Claims consist of 424 unpatented twenty-acre claims located in eastern San Bernardino County between Barstow and Needles, California, which were located in September and October and relocated in the period December 2 to December 5 and further relocated on March 20, 2017. As of the date of the filing of this Quarterly Report on Form 10-Q Cholla Claims are yet to be filed with the BLM or San Bernardino County. We have until June 18, 2017, to file our Cholla Claims with San Bernardino County, and until June 16, 2017, to file the Cholla Claims with BLM at which time filings fees will be required to be paid. The funds to file these claims have not been available during this phase of work but the documentation is ready to be filed.

The Cholla Claims are held in irrevocable trust by GEM based on the terms of the Agreement and are 100% controlled by Horizon without underlying obligations or encumbrances save and except a 2% Gross Production Royalty to GEM.

The Cholla Claims consist of 53 association placer claim blocks, representing the equivalent of 424 claim units totaling 7,840 acres, in San Bernardino County, 3.2 to 9.7 km (two to six miles) south of the historic route 66, approximately midway between the communities of Barstow and Needles in the Mojave Desert in California. They are located in four discrete parcels called the Northwest, West, East and Turtle trend Blocks. Although the geological data available suggest that the prospective environment is far more extensive than the current land position most of the area selected for consolidation in early 2016 was alienated from mineral development by the new Mojave Trails National Monument. The claims which were relocated and retained for evaluation after systematic study of the area lie in the Bristol Basin east and northeast of the Bristol Lake Salt Flats.

No exploration has been carried out by the Company on the Cholla Claims to date and the Company has no immediate exploration plans.

North Lobe Claims

The North Lobe Claims originally called North Limb Claims consist of 160 unpatented twenty-acre claims located in northeastern Nevada in Elko County along the border with Utah, approximately 16 to 24 km (10 to 15 miles) north of Wendover, Nevada. The original package of 200 claims was reduced to 160 claim units, and lies 8 to 19 km (5 to 12 miles) north of U.S. Interstate Highway 80 and is accessible along unpaved roads and four-wheel-drive trails. As of the date of this filing we have yet to file these claims with Elko County and the BLM. In order to keep our interest in these claims we have to file them with both Elko County and BLM by mid June 2017.

The North Lobe Claims are held in irrevocable trust by GEM based on the terms of the Agreement and are 100% controlled by Horizon without underlying obligations or encumbrances save and except a 2% Gross Production Royalty to GEM.

The North Lobe Claims cover the eastern portion of a salt flat which is part of the Great Salt Lake north of Bonneville Salt Flats, an area in which drillhole data released by a joint publication of the USGS and the Nevada Bureau of Mines and Geology documented strongly anomalous lithium concentrations in brines.

The North Lobe Claims are similar in climate and topography to the other properties but lie at an elevation of 1,250 meters (4,100 feet) above mean sea level. Mean annual rainfall is 4.5 cm (1.77 inches) and mean daily temperatures range from 46.1°C (115°F) during July to -15°C (5°F) during December and January. Access to the area is generally good via Interstate Highway 80 which traverses the Great Salt Lake to the local population center of Wendover, at the frontier between Utah (Toole County) and Nevada (Elko County). Access to the salt and mud flats which cover the target areas is generally very good via local roads and trails, with the exception that after periods of rain or snowmelt the surface can become soft and surface travel uncertain. This is a factor primarily between February and May of each year.

No exploration has been carried out by the Company on the North Lobe Claims to date and the Company has no immediate exploration plans.

Generative Claims

In addition to the above Claims, during month of December 2016 we have located an additional 28 association placer claim blocks consisting of 224 claim units totalling 4,480 acres. These generative claims are located in Toole County, Utah and are in close proximity to our North Lobe Claims within the Great Salt Lake area. As of the date of the filing of this Quarterly Report on Form 10-Q, these claims have not been assigned to any specific group of claims.

As of the date of this filing we have yet to file these claims with Toole County and the BLM. In order to keep our interest in these claims we have to file them with both Toole County and BLM by mid June 2017.

The above generative claims are held in irrevocable trust by GEM based on the terms of the Agreement and are 100% controlled by Horizon without underlying obligations or encumbrances save and except a 2% Gross Production Royalty to GEM.

SFE Property

We are currently focusing our resources on the exploration of a section of the Scotty's Southeast Claims, described above, (the "SFE Property"). The SFE Property is located in southern Nevada, approximately 29 kms (18 miles) northwest of Beatty, Nevada. The Property centroid is UTM 501,449mE, 4,105,700mN (UTM WGS84, zone 11N) or Longitude 116.984° by Latitude 37.09761°. The claim block comprising the SFE Property lies within portions of the northwest quadrant of the Springdale SW, and the northeast quadrant of Bonnie Claire SE 7.5' (1:24,000 scale) US Geological Survey topographic base maps. The SFE Property is located approximately 11 kms (7 miles) north of the northern boundary of Death Valley National Monument.

The mineral claims comprising the SFE Property include 21 association placer claims accruing 2,229 acres covering portions of sections 36, T9S, R44E; section 31, T9S, R45E; sections 1, 12, T10S, R44E; and sections 5, 6, 7, 8, T10S, R45E of the Mount Diablo Base and Meridian.

As of the date of this Quarterly Report on Form 10-Q, of the 21 association placer claims, 16 claims have been located in the field and registered with full fees paid to Nye County and the BLM and renewed for the 2017 assessment year as valid, adjudicated, and active claims. The claims cover either 80 acres (4 - 20 acre units) or 160 acres (8 - 20 acre units). An additional five association placer claims have been located in the field with fees paid to Nye County. The required BLM fees have not yet been paid for these five claims, as such, the claims cannot be considered to be fully valid.

In addition to the 21 located association placer claims described above, an additional 20 association placer claims (160 acres each, 8 - 20 acre units), were located in the field on December 18, 2016. These claims have not yet been filed with Nye County or BLM, and fees required for full validation have not yet been paid.

Item 3. Quantitative and Qualitative Disclosure about Market Risks

Not applicable.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our Chief Executive Officer and Chief Financial Officer evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of the period covered by this Quarterly Report. Based on that evaluation, it was concluded that, due to limited segregation of duties, our disclosure controls and procedures are not effective in providing reasonable assurance that information we are required to disclose in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Controls over Financial Reporting

There were no changes in our internal controls over financial reporting that occurred during the period covered by this report, which have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

We are not a party to any material legal proceedings.

Item 1A. Risk Factors

Our significant business risks are described in our Annual Report on Form 10-K that we filed with the Securities and Exchange Commission on March 31, 2017.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

All Exhibits required to be filed with the Form 10-Q are included in this Quarterly Report or incorporated by reference to Horizon Mineral's previous filings with the SEC, which can be found in their entirety at the SEC website at www.sec.gov under SEC File Number 333-176798.

Exhibit Number	Name and/or Identification of Exhibit
<u>3.1</u>	Articles of Incorporation ⁽¹⁾
<u>3.2</u>	Bylaws ⁽¹⁾
<u>10.1</u>	Letter Agreement dated March 15, 2014, among Horizon Minerals Corp. and Boomchat Inc. ⁽²⁾
<u>10.2</u>	Share Purchase Agreement dated for reference April 6, 2015 among the Company, Dan Clayton, Boomchat Inc. and Robert Fedun ⁽³⁾
<u>10.3</u>	Asset Purchase Agreement by and between Gold Exploration Management Inc. and Horizon Minerals Corp. dated October 4, 2016 ⁽⁵⁾
<u>10.4</u>	Debt Settlement Agreement between Mr. Evan Tozer and Horizon Minerals Corp. dated October 8, 2016 ⁽⁶⁾
<u>10.5</u>	Debt Settlement Agreement between Mr. Robert Fedun and Horizon Minerals Corp. dated October 8, 2016 ⁽⁶⁾
<u>10.6</u>	Amendment No. 1 to Asset Purchase Agreement, dated December 20, 2016 ⁽⁷⁾
<u>31</u>	Rule 13a-14(a)/15d-14(a) Certification
<u>32</u>	Certification under Section 906 of the Sarbanes-Oxley Act (18 U.S.C. Section 1350)
99.1	Audit Committee Charter ⁽⁴⁾
101	Interactive Data File
	(INS) XBRL Instance Document
	(SCH) XBRL Taxonomy Extension Schema Document
	(CAL) XBRL Taxonomy Extension Calculation Linkbase Document
	(DEF) XBRL Taxonomy Extension Definition Linkbase Document
	(LAB) XBRL Taxonomy Extension Label Linkbase Document
	(PRE) XBRL Taxonomy Extension Presentation Linkbase Document

- (1) Incorporated by reference to the Registration Statement on Form S-1, previously filed with the SEC on September 13, 2011.
- (2) Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on March 20, 2014.
- (3) Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on April 13, 2015.
- (4) Incorporated by reference to the Annual Report on Form 10-K, previously filed with the SEC on May 9, 2016.
- (5) Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on October 12, 2016.
- (6) Incorporated by reference to the Quarterly Report on Form 10-Q, previously filed with the SEC on November 15, 2016.
- (7) Incorporated by reference to the Annual Report on Form 10-K, previously filed with the SEC on March 31, 2017.

SIGNATURES

Pursuant to the requirements of the Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HORIZON MINERALS CORP.
(Registrant)

Signature	Title	Date
<u>/s/ Robert Fedun</u> Robert Fedun	President (Chief Executive Officer, Chief Financial Officer and Principal Accounting Officer)	May 15, 2017

**Certification pursuant to
Rule 13a-14(a) of the Securities Exchange Act of 1934**

I, Robert Fedun, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Horizon Minerals Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 15, 2017

/s/ Robert Fedun

Robert Fedun

President

(Chief Executive Officer, Chief Financial Officer
and Principal Accounting Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. 1350**

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsection (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) the undersigned officer of Horizon Minerals Corp. (the “Company”) does hereby certify, to such officer’s knowledge, that:

- (a) The Quarterly Report on Form 10-Q for the period ended March 31, 2017, (the “Report”) of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (b) Information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 15, 2017

/s/ Robert Fedun

Robert Fedun

President

(Chief Executive Officer, Chief Financial Officer and Principal Accounting Officer)