

25 July 2006

**Horizonte Minerals plc ('Horizonte' or 'the Group')**

**TO DEVELOP BRAZILIAN GOLD PROSPECT  
WITH SERTÃO MINERAÇÃO LTDA A 70% OWNED SUBSIDIARY OF  
AUSTRALIAN MINER TROY RESOURCES**

Horizonte Minerals plc, the AIM listed exploration and development company focused on Brazil and Peru, has signed a Letter of Intent (LOI) with Australian gold producer Troy Resources NL's 70% owned local subsidiary Sertão Mineração Ltda ('SML') to advance Horizonte's Goiás Velho gold exploration project in Brazil. The concession area, that has yielded positive gold anomalies, is contiguous to SML's projects, which also includes the operating Sertão gold mine. It is the intention of the two parties to delineate further economic open-pit resources in close proximity to the mine.

The Goiás Velho project consists of seven contiguous exploration licenses totalling 13,300 ha covering the Santa Rita greenstone belt. This extends northwest from the town of Goiás Velho, an historical centre of colonial gold mining activity. A series of gold geochemical anomalies along the greenstone belt within the concession package have been defined by Horizonte through initial reconnaissance work, including soil and stream sediment sampling.

The ground to the north and east of the Goiás Velho project is already controlled by SML and totals 92,371 ha. The Sertão gold mine located 18km north of the Horizonte's project area, produced 69,580 ounces of gold at an average cost of US\$98 (A\$129) per ounce in 2004/05.

Troy has already defined targets 20km north west of the Sertão mine at the Antena Cluster, with an estimated resource of 860,000 tonnes at a grade of 2.12g/t Au for 58,700 oz. It also recently identified the Digo Digo prospect located to the east of the Horizonte ground, described as a 5.6 km long NW-trending gossan horizon.

Under the terms of the of the LOI, SML can earn up to a 70% interest in the Goiás Velho property by spending US\$650,000 on exploration within two years. Once expenditure levels have been reached a new Joint Venture company will be established to take the property through to production. This would be 30% owned by Horizonte and 70% by SML, and would function on a "contribute or dilute" basis. In the event that either parties participating interest is diluted below 10% it shall convert to a 2% net smelter return (NSR).

*Horizonte CEO Jeremy Martin said: "We are pleased to be working with SML on this project, they are an established mining company with a proven track record of gold discovery*

*in the district. The deal is in line with our strategy of identifying quality early stage projects before securing a partner to assume the high financial exposure of development and production, while maintaining upside for Horizonte.*

*“This model is particularly applicable to the Goias Velho project. Due to the nature and style of gold mineralisation found in the district, exploration drilling needs to be closely spaced, which is a costly process. SML, with the use of Troy’s drilling equipment, is able to test targets in a far more cost effective manner than using contract drillers. Importantly any discovery can be fast tracked through to production with ore treated at SML’s mine facility to the north of the project area, generating a revenue stream.”*

*“The deal also enables us to concentrate on our advanced projects in Brazil and Peru, which we believe have significant upside potential. This is emphasised by our recent announcement at El Agulia in Peru, outlining high grade silver values. We are currently undertaking further exploration work and will update the market as soon as possible.”*

The above information has been reviewed and verified by Mr. Jeremy Martin, a Director and Chief Executive of Horizonte, for the purposes of the Guidance Note for Mining, Oil and Gas Companies issued by the London Stock Exchange in March 2006. Mr. Martin, with six years of mining and management experience, graduated with a degree in geology from the Camborne School of Mines, and an MSc in mineral exploration from the University of Leicester and is a member in good standing with the Society of Economic Geologists and the Institute of Mining Analysts.

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For further information visit: [www.horizonteminerals.com](http://www.horizonteminerals.com)

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