

15 August 2011

Horizonte Minerals plc ('Horizonte' or 'the Company')

Interim Results

Horizonte, the AIM and TSX quoted exploration and development company focused in Brazil, announces its results for six months to 30 June 2011.

Overview

- Nickel and gold exploration and development company focused in Brazil with the support of two mining majors Teck Resources and AngloGold Ashanti
- Fast-tracking development of flagship Araguaia nickel project - defined a maiden resource of 76.6 million tonnes grading 1.35% Ni
- Consolidated land position around Araguaia nickel project via the acquisition of the Vila Oito and Floresta nickel projects – creating the potential for a 100Mt resource with grades comparable to other leading nickel projects in Brazil
- Six drill rigs active on the resource drilling programme at Araguaia nickel project – programme due to be completed by Q4 2011 with the aim of upgrading the maiden resource
- Commenced 3,000 metre diamond drilling programme at Falcao gold project in south Carajas, Brazil with partner AngloGold Ashanti
- Strong cash position - £8.25 million fundraising completed January 2011 for the development of Araguaia nickel project
- Successfully dual listed on the TSX in June 2011 – opening up North American capital markets and institutional following

Chairman's Statement

Horizonte has made exceptional progress in terms of developing its portfolio of nickel and gold assets in the world-class Carajas mining province in northern Brazil in the first half of 2011. We have the support of two major mining companies; Teck Resources ('Teck') as a significant equity holder and AngloGold Ashanti ('AngloGold') as a JV partner. Both groups share our objectives of building resources and developing projects with economic production potential in the region.

During the period under review we have delivered a number of significant milestones,, at our flagship Araguaia nickel project in Brazil ('Araguaia') we defined a maiden resource of 76.6 million tonnes grading 1.35% Ni; consolidated our position within the Araguaia region via the acquisition of the Vila Oito and Floresta nickel projects; commenced a 3,000 metre drilling programme at our Falaco gold project with AngloGold; strengthened our balance sheet through a significant raising of £8.25 million; and successfully listed on the Toronto Stock Exchange in June 2011 which forms part of the overall growth strategy to see Horizonte gain enhanced market exposure in the North American capital markets.

Since the acquisition of Araguaia we made progress in defining a maiden resource in March 2011, coupled with the recent fundraising we have been able to increase the number of drill rigs at Araguaia to six and

expand the resource drilling programme from an initial 8,000 metres, with the objective of upgrading the resource in Q4 2011.

Within the main target areas at Araguaia, there are a number of high grade zones as defined by intercepts received from the current drilling campaign which we have reported to the market. Best intersections are detailed below:

- PCA-DD-0586 - 18.6 metres grading 2.42% Ni
- PCA-DD-0599 - 17.3 metres grading 2.25% Ni
- PCA-DD-0528 - 10.4 metres grading 2.08% Ni
- PCA-DD-0603 - 15.6 metres grading 1.97% Ni

These intersections are important as part of defining an Indicated resource over the higher grade portion the resource at Araguaia.

Post period end we finalised the acquisition of the Vila Oito and Floresta nickel laterite projects from Canadian-listed Lara Exploration Ltd which further consolidated our position around Araguaia. The consideration equated to approximately C\$2 million which was settled to be 8.5 million new shares in the Company being issued.

The Vila Oito target has a non-compliant NI 43-101 potential resource at a 1% Ni cut off of between 10 and 11Mt grading 1.3 to 1.4 % Ni. The target represents the western extension of one of the principal target areas at Araguaia, from which we see immediate resource targets to follow up. In addition, the Floresta target has a well-defined geochemical anomaly that also requires follow up work. As part of the ongoing resource drilling programme these new areas will be evaluated with the aim of adding additional resources to the greater Araguaia project.

We intend to compile the upgraded resource for Araguaia in the fourth quarter of 2011. Other aspects of the project are also advancing, with initiation of various metallurgical testworks, community development, and environmental base line studies that will all contribute to the finalisation of the Preliminary Economic Assessment ('PEA'). This study is being overseen by leading mining consultants Wardell Armstrong International Ltd.

Horizonte has built a strong technical team around the Araguaia project led by Roger Billington. The hard work of Chris Masurenko and the field teams is also acknowledged. We have bolstered the team further with the appointment of Paul Nagerl as General Manager in Brazil to oversee the country activities and assist CEO Jeremy Martin in taking the Araguaia project along the value-added curve to PEA, Pre-Feasibility Study and subsequent Feasibility Study stages. We look forward to meeting these milestones as the project develops and keeping the market informed of all developments of this major project.

It must be noted that Horizonte is neither a single project company nor a one commodity business. In line with this, we have commenced drilling with our mining partners AngloGold at our Falcao gold project in northern Brazil. An initial scout drill programme of 3,000 metres is testing the large gold-in-soil anomaly. The aim of this programme will be to confirm the existence of a large alteration system along with

presence of gold over a large area that requires further detailed drilling. The results from this programme will provide further news flow in the coming months.

The regional US\$5.3 million Santana programme with AngloGold is focussed on the generation of new gold projects in two regional areas in north and south Brazil. New targets are being continually defined, followed up and reviewed. We aim to have targets moving to a drill phase subject to results by early 2012.

We believe Horizonte's investment case is currently stronger than ever. The current value of Horizonte at time of writing (share price circa 13p) values our nickel resource at some \$0.020 per pound ignoring our gold projects. Our peers still trade in the range of \$0.06 to \$0.10 per pound. This positions Horizonte at a significant discount to the current market peer group.

In terms of corporate developments in 2011 we successfully listed the Company onto the main board of the TSX (TSX-HZM) which has created a greater market exposure for Horizonte where nickel laterites and Brazil as an exploration region are well understood. In line with the TSX listing we have welcomed Bill Fisher to the Board. Bill is a well known mining professional and has an extensive network in Toronto as a result of a number of transactions including the sale of Aurelian to Kinross for US\$1.4 billion.

Finally, as Chairman and fellow shareholder of Horizonte I would like to extend my gratitude for the support we have received from our shareholders, and would also like to thank our excellent management team led by Jeremy Martin for its continued dedication as we progress as a leading exploration company in Brazil.

David J. Hall

Chairman

15 August 2011

Condensed Consolidated Interim Financial Statements for the six months ended 30 June 2011

Condensed consolidated statement of comprehensive income

	Notes	6 months ended June 30		3 months ended June 30	
		2011 Unaudited £	2010 Unaudited £	2011 Unaudited £	2010 Unaudited £
Continuing operations					
Revenue		-	-	-	-
Cost of sales		-	-	-	-
Gross profit		-	-	-	-
Administrative expenses		(895,396)	(531,241)	(394,236)	(251,861)
Acquisition costs expensed		-	(154,335)	-	(39,335)
Toronto Stock Exchange listing fees and associated costs		(190,353)	-	(190,353)	-
(Loss)/gain on foreign exchange		82,630	(2,875)	96,072	(9,886)
Other operating income	5	359,762	-	32,652	-
Loss from operations		(643,357)	(688,451)	(455,865)	(301,082)
Finance income		58,020	1,393	15,238	488
Finance costs		(91,296)	-	(45,648)	-
Loss before taxation		(676,633)	(687,058)	(486,275)	(300,594)
Taxation		-	-	-	-
Loss for the year from continuing operations		(676,633)	(687,058)	(486,275)	(300,594)
Other comprehensive income					
Exchange differences on translating foreign operations		657,561	-	942,032	-
Total comprehensive income for the period attributable to equity holders of the Company		(19,072)	(687,058)	455,757	(300,594)
Earnings per share from continuing operations attributable to the equity holders of the Company					
Basic and diluted (pence per share)	9	(0.25)	(1.16)	(0.17)	(0.51)

Condensed consolidated statement of financial position

		30 June 2011 Unaudited	31 December 2010 Audited
	Notes	£	£
Assets			
Non-current assets			
Intangible assets	6	19,445,103	16,918,202
Property, plant & equipment		193,126	168,223
Deferred taxation		8,369,118	8,079,087
		28,007,347	25,165,512
Current assets			
Trade and other receivables		372,051	72,314
Cash and cash equivalents		9,701,372	3,847,031
		10,073,423	3,919,345
Total assets		38,080,770	29,084,857
Equity and liabilities			
Equity attributable to owners of the parent			
Issued capital	7	2,795,600	2,465,605
Share premium	7	18,772,797	11,283,355
Other reserves		11,590,853	10,933,292
Accumulated losses		(2,767,767)	(2,184,252)
Total equity		30,391,483	22,498,000
Liabilities			
Non-current liabilities			
Contingent consideration		2,767,798	2,676,502
Deferred taxation		3,637,392	3,511,338
		6,405,190	6,187,840
Current liabilities			
Trade and other payables		1,284,097	399,017
		1,284,097	399,017
Total liabilities		7,689,287	6,586,857
Total equity and liabilities		38,080,770	29,084,857

Condensed statement of changes in shareholders' equity

	Attributable to the owners of the parent				
	Share capital £	Share premium £	Accumulated losses £	Other reserves £	Total £
As at 1 January 2010	590,191	6,811,399	(2,867,224)	(1,048,100)	3,486,266
Comprehensive income					
Loss for the period	-	-	(687,058)	-	(687,058)
Total comprehensive income	-	-	(687,058)	-	(687,058)
Transactions with owners					
Share based payments	-	-	8,479	-	8,479
Total transactions with owners			8,479		8,479
As at 30 June 2010	590,191	6,811,399	(3,545,803)	(1,048,100)	2,807,687
As at 1 January 2011	2,465,605	11,283,355	(2,184,252)	10,933,292	22,498,000
Comprehensive income					
Loss for the period	-	-	(676,633)	-	(676,633)
Other comprehensive income					
Currency translation differences	-	-	-	657,561	657,561
Total comprehensive income	-	-	(676,633)	657,561	(19,072)
Transactions with owners					
Issue of ordinary shares	329,995	7,919,880	-	-	8,249,875
Issue costs	-	(430,438)	-	-	(430,438)
Share based payments	-	-	93,118	-	93,118
Total transactions with owners	329,995	7,489,442	93,118	-	7,912,555
As at 30 June 2011	2,795,600	18,772,797	(2,767,767)	11,590,853	30,391,483

Condensed Consolidated Statement of Cash Flows

	6 months ended 30 June		3 months ended 30 June	
	2011	2010	2011	2010
	Unaudited	Unaudited	Unaudited	Unaudited
	£	£	£	£
Cash flows from operating activities				
Loss before taxation	(676,633)	(687,058)	(486,275)	(300,594)
Interest income	(58,020)	(1,393)	(15,238)	(488)
Finance costs	91,296	-	45,648	-
Exchange differences	(11,822)	-	(11,822)	-
Employee share options charge	93,120	8,479	46,560	4,240
Depreciation	2,644	6,545	411	4,764
Operating loss before changes in working capital	(559,415)	(673,427)	(420,716)	(292,078)
Increase in trade and other receivables	(299,737)	(134,575)	(290,987)	(42,638)
Increase in trade and other payables	885,077	354,345	889,755	146,198
Net cash inflow/(outflow) from operating activities	25,925	(453,657)	178,052	(188,518)
Cash flows from investing activities				
Net purchase of intangible assets	(1,984,628)	(101,175)	(1,267,380)	(18,412)
Purchase of property, plant and equipment	(64,343)	(44,720)	-	(2,596)
Interest received	58,020	1,393	15,238	488
Net cash used in investing activities	(1,990,951)	(144,502)	(1,252,142)	(20,520)
Cash flows from financing activities				
Net proceeds from issue of ordinary shares	8,249,875	-	-	-
Share issue costs	(430,438)	(190,710)	-	(190,710)
Net cash inflow from financing activities	7,819,437	(190,710)	-	(190,710)
Net increase/(decrease) in cash and cash equivalents	5,854,411	(788,869)	(1,074,090)	(399,748)
Cash and cash equivalents at beginning of period	3,847,031	1,281,410	10,775,560	892,289
Exchange (losses)/gains on cash and cash equivalents	(70)	-	(98)	-
Cash and cash equivalents at end of the period	9,701,372	492,541	9,701,372	492,541

Notes to the Financial Statements

1 General information

The principal activity of Horizonte Minerals Plc ('the Company') and its subsidiaries (together 'the Group') is the exploration and development of precious and base metals. There is no seasonality or cyclical nature of the Group's operations.

The Company's shares are listed on the Alternative Investment Market of the London Stock Exchange (AIM) and on the Toronto Stock Exchange (TSX). The Company is incorporated and domiciled in the United Kingdom. The address of its registered office is 26 Dover Street London W1S 4LY.

2 Basis of preparation

The condensed interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards and in accordance with International Accounting Standard 34 *Interim Financial Reporting*. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2010, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The condensed interim financial statements set out above do not constitute statutory accounts within the meaning of the Companies Act 2006. They have been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) as adopted by the European Union. Statutory financial statements for the year ended 31 December 2010 were approved by the Board of Directors on 3 March 2011 and delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified.

The condensed interim financial statements of the Company have not been audited but have been reviewed by the Company's auditor, Littlejohn LLP, whose independent review report is included in this Interim Report.

Going concern

The Directors, having made appropriate enquiries, consider that adequate resources exist for the Group to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the condensed interim financial statements for the period ended 30 June 2011.

Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Group's medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Group's 2010 Annual Report and Financial Statements, a copy of which is available on the Group's website: www.horizonteminerals.com. The key financial risks are liquidity risk, foreign exchange risk, credit risk, price risk and interest rate risk.

Critical accounting estimates

The preparation of condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in note 4 of the Group's 2010 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period.

3. Significant accounting policies

The condensed interim financial statements have been prepared under the historical cost convention as modified by the revaluation of certain of the subsidiaries' assets and liabilities to fair value for consolidation purposes.

The same accounting policies, presentation and methods of computation have been followed in these condensed interim financial statements as were applied in the preparation of the Group's financial statements for the year ended 31 December 2010, except for the impact of the adoption of the Standards and interpretations described below.

The preparation of condensed interim financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's Accounting Policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the condensed interim financial statements, are disclosed in Note 4 of the Group's 2010 Annual Report and Financial Statements.

3.1 Changes in accounting policy and disclosures

(a) New and amended standards, and interpretations mandatory for the first time for the financial year beginning 1 January 2011 but not currently relevant to the Group.

The following standards and amendments to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2011 or earlier periods, but not currently relevant to the Group.

A revised version of IAS 24 "Related Party Disclosures" simplified the disclosure requirements for government-related entities and clarified the definition of a related party. This revision was effective for periods beginning on or after 1 January 2011.

An amendment to IFRS 1 "First-time Adoption of International Financial Reporting Standards" relieved first-time adopters of IFRSs from providing the additional disclosures introduced in March 2009 by "Improving Disclosures about Financial Instruments" (Amendments to IFRS 7). This amendment was effective for periods beginning on or after 1 July 2010.

Amendments to IFRS 7 "Financial Instruments: Disclosures" were designed to help users of financial statements evaluate the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position. These amendments were effective for periods beginning on or after 1 January 2011 but are still subject to EU endorsement.

Amendments to IAS 32 "Financial Instruments: Presentation" addressed the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer. These amendments were effective for periods beginning on or after 1 February 2010.

IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments" clarified the treatment required when an entity renegotiates the terms of a financial liability with its creditor, and the creditor agrees to accept the entity's shares or other equity instruments to settle the financial liability fully or partially. This interpretation was effective for periods beginning on or after 1 July 2010.

An amendment to IFRIC 14 "IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction", on prepayments of a minimum funding requirement, applies in the limited circumstances when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendment permitted such an entity to treat the benefit of such an early payment as an asset. This amendment was effective for periods beginning on or after 1 January 2011.

(b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2011 and not early adopted

The Group's assessment of the impact of these new standards and interpretations is set out below.

IFRS 10 "Consolidated Financial Statements" builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. This standard is effective for periods beginning on or after 1 January 2013, subject to EU endorsement. The Directors are assessing the possible impact of this standard on the Group's Financial Statements.

IFRS 11 "Joint Arrangements" provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as is currently the case). The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities. This standard is effective for periods beginning on or after 1 January 2013, subject to EU endorsement. The Directors are assessing the possible impact of this standard on the Group's Financial Statements.

IFRS 12 "Disclosure of Interests in Other Entities" is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. This standard is effective for periods beginning on or after 1 January 2013, subject to EU endorsement. The Directors are assessing the possible impact of this standard on the Group's Financial Statements.

IFRS 13 "Fair Value Measurement" improves consistency and reduces complexity by providing, for the first time, a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. It does not extend the use of fair value accounting, but provides guidance on how it should be applied where its use is already required or permitted by other standards. This standard is effective for periods beginning on or after 1 January 2013, subject to EU endorsement. The Directors are assessing the possible impact of this standard on the Group's Financial Statements.

IAS 27 "Separate Financial Statements" replaces the current version of IAS 27 "Consolidated and Separate Financial Statements" as a result of the issue of IFRS 10 (see above). This revised standard is effective for periods beginning on or after 1 January 2013, subject to EU endorsement. The Directors are assessing the possible impact of this standard on the Group's Financial Statements.

IAS 28 "Investments in Associates and Joint Ventures" replaces the current version of IAS 28 "Investments in Associates" as a result of the issue of IFRS 11 (see above). This revised standard is effective for periods beginning on or after 1 January 2013, subject to EU endorsement. The Directors are assessing the possible impact of this standard on the Group's Financial Statements.

Amendments to IAS 1 "Presentation of Financial Statements" require items that may be reclassified to the profit or loss section of the income statement to be grouped together within other comprehensive income (OCI). The amendments also reaffirm existing requirements that items in OCI and profit or loss should be presented as either a single statement or two consecutive statements. These amendments are effective for periods beginning on or after 1 July 2012, subject to EU endorsement. The Directors are assessing the possible impact of these amendments on the Group's Financial Statements.

Amendments to IAS 19 "Employment Benefits" eliminate the option to defer the recognition of gains and losses, known as the "corridor method"; streamline the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in other comprehensive income; and enhance the disclosure requirements for defined benefit plans, providing better information about the characteristics of defined benefit plans and the risks that entities are exposed to through participation in those plans. These amendments are effective for periods beginning on or after 1 January 2013, subject to EU endorsement, and are not expected to have an impact on the Group's Financial Statements.

4 Segmental reporting

The Company operates in three geographical areas, UK, Brazil, and Peru, with operations managed on a project by project basis within each geographical area. Activities in the UK are mainly administrative in nature whilst the activities in Brazil and Peru relate to exploration and evaluation work. The reports used by the chief operating decision maker are based on these geographical segments.

2011	UK	Brazil	Peru	Total
	6 months ended 30 June 2011	6 months ended 30 June 2011	6 months ended 30 June 2011	6 months ended 30 June 2011
	£	£	£	£
Revenue	-	-	-	-
Administrative expenses	(949,231)	(127,070)	(9,448)	(1,085,749)
Profit / (Loss) on foreign exchange	82,630	-	-	82,630
Other operating income	359,762	-	-	359,762
Loss from operations per reportable segment	(506,839)	(127,070)	(9,448)	(643,357)
Inter segment revenues	-	80,007	25,921	105,928
Depreciation charges	(364)	(2,280)	-	(2,644)
Additions to non-current assets	-	2,085,769	-	2,085,769
Reportable segment assets	8,680,655	28,631,404	768,711	38,080,770
Reportable segment liabilities	(3,430,318)	(4,258,969)	-	(7,689,287)
2010	UK	Brazil	Peru	Total
	6 months ended 30 June 2010	6 months ended 30 June 2010	6 months ended 30 June 2010	6 months ended 30 June 2010
	£	£	£	£
Revenue	-	-	-	-
Administrative expenses	(326,039)	(154,546)	(50,656)	(531,241)
Profit / (Loss) on foreign exchange	(2,875)	-	-	(2,875)
Acquisition costs expensed	(154,335)	-	-	(154,335)
Loss from operations per reportable segment	(483,249)	(154,546)	(50,656)	(688,451)
Inter segment revenues	-	57,695	24,362	82,057
Depreciation charges	(264)	(6,281)	-	(6,545)
Additions to non-current assets	-	145,896	-	145,896
Reportable segment assets	651,860	2,036,950	812,305	3,501,115
Reportable segment liabilities	453,936	239,492	-	693,428

2011	UK	Brazil	Peru	Total
	3 months	3 months	3 months	3 months
	ended	ended	ended	ended
	30 June	30 June	30 June	30 June
	2011	2011	2011	2011
	£	£	£	£
Revenue	-	-	-	-
Administrative expenses	(503,324)	(77,820)	(3,445)	(584,589)
Profit/(loss) on foreign exchange	96,072	-	-	96,072
Other operating Income	32,652	-	-	32,652
Loss from operations per reportable segment	(374,600)	(77,820)	(3,445)	(455,865)
Inter segment revenues	-	47,215	13,026	60,241
Depreciation charges	(182)	(229)	-	(411)
Additions to non-current assets	-	1,287,550	-	1,287,550

2010	UK	Brazil	Peru	Total
	3 months	3 months	3 months	3 months
	ended	ended	ended	ended
	30 June	30 June	30 June	30 June
	2010	2010	2010	2010
	£	£	£	£
Revenue	-	-	-	-
Administrative expenses	(158,126)	(57,398)	(36,337)	(251,861)
Profit/(loss) on foreign exchange	(9,886)	-	-	(9,886)
Acquisition costs expensed	(39,335)	-	-	(39,335)
Other Operating Income	-	-	-	-
Loss from operations per reportable segment	(207,347)	(57,398)	(36,337)	(301,082)
Inter segment revenues	-	29,360	12,418	41,778
Depreciation charges	(50)	(4,714)	-	(4,764)
Additions to non-current assets	-	20,009	-	20,009

A reconciliation of adjusted loss from operations per reportable segment to profit/(loss) before tax is provided as follows:

	6 months	6 months	3 months	3 months
	ended	ended	ended	ended
	30 June	30 June	30 June	30 June
	2011	2010	2011	2010
	£	£	£	£
Loss from operations per reportable segment	(643,357)	(688,451)	(455,865)	(301,082)
– Finance income	58,020	1,393	15,238	488
– Finance costs	(91,296)	-	(45,648)	-
Loss for the period from continuing operations	(676,633)	(687,058)	(486,275)	(300,594)

5 Other operating income

Included in other operating income for the six months ended 30 June 2011 is US\$500,000 relating to an option payment received from Anglo Pacific Group plc. On 12 January 2011 the Company signed an option agreement with Anglo whereby Anglo received the option to acquire a Net Smelter Royalty (“NSR”) on future nickel revenues of the Araguaia project in exchange for the option payment.

If Anglo chooses to exercise the option, which is exercisable upon completion of a pre-feasibility study on the site, it will pay Horizonte US\$12.5m and shall receive a NSR. The NSR will be at a rate of 1.5% of nickel revenue produced up to 30,000 tonnes per annum, reduced by 0.02% for every 1,000 tonnes per annum above this rate. The rate will be fixed at a minimum rate of 1.1% for production of 50,000 tonnes per annum and above.

6 Intangible assets

Intangible assets comprise exploration and evaluation costs and goodwill. Exploration and evaluation costs comprise internally generated and acquired assets. Additions are net of amounts payable by the Group's strategic partners under various joint venture agreements, amounting to £ 388,940.

Group	Goodwill £	Exploration and evaluation costs £	Total £
Cost			
At 1 January 2011	435,751	16,482,451	16,918,202
Additions	-	2,021,425	2,021,425
Exchange rate movements	11,822	493,654	505,476
Net book amount at 30 June 2011	447,573	18,997,530	19,445,103

7 Share Capital

Issued and fully paid	Number of shares	Ordinary shares £	Share premium £	Total £
At 1 January 2011	246,560,480	2,465,605	11,283,355	13,748,960
Issue of ordinary shares	32,999,500	329,995	7,919,880	8,249,875
Issue costs	-	-	(430,438)	(430,438)
At 30 June 2011	279,559,980	2,795,600	18,772,797	21,568,397

8 Dividends

No dividend has been declared or paid by the Company during the six months ended 30 June 2011 (2010: nil).

9 Loss per share

The calculation of the basic loss per share of 0.249 pence for the 6 months ended 30 June 2011 (30 June 2010 loss per share: 1.16 pence) is based on the loss attributable to the equity holders of the Company of £676,633 for the six month period ended 30 June 2011 (30 June 2010: £687,058) divided by the weighted average number of shares in issue during the period of 272,084,955 (weighted average number of shares for the 6 months ended 30 June 2010: 59,019,096).

The calculation of the basic loss per share of 0.174 pence for the 3 months ended 30 June 2011 (30 June 2010 loss per share: 0.509 pence) is based on the loss attributable to the equity holders of the Company of £ 486,275 for the three month period ended 30 June 2011 (3 months ended 30 June 2010: £ 300,594) divided by the weighted average number of shares in issue during the period of 279,559,980 (weighted average number of shares for the 3 months ended 30 June 2010: 59,019,096).

The basic and diluted loss per share is the same, as the effect of the exercise of share options would be to decrease the loss per share.

Details of share options that could potentially dilute earnings per share in future periods are disclosed in the notes to the Group's Annual Report and Financial Statements for the year ended 31 December 2010.

10 Ultimate controlling party

The Directors believe there to be no ultimate controlling party.

11 Related party transactions

The nature of related party transactions of the Group has not changed from those described in the Group's Annual Report and Financial Statements for the year ended 31 December 2010.

12 Commitments

The Group had capital expenditure contracted for at the end of the reporting period but not yet incurred of £90,681 relating to intangible exploration assets. All other commitments remain as stated in the Group's Annual Financial Statements for the year ended 31 December 2010.

13 Events after the reporting period

On 12 July 2011 the Group entered into a definitive agreement to purchase the Vila Oito and Floresta projects. The consideration for the acquisition will be the issue of 8.5 million ordinary shares in the Company and will be subject to various lock-in agreements. The consideration shares in the Company will be issued and admitted to trading following the completion of certain transfer formalities in Brazil.

14 Approval of interim financial statements

The Condensed interim financial statements were approved by the Board of Directors on 12 August 2011.

****ENDS****