

Horizonte Minerals plc ('Horizonte' or 'the Company')
Positive Initial Drill Results, Falcao Gold Project, Brazil

Horizonte, the AIM and TSX quoted exploration and development company focused on Brazil, is pleased to announce positive results from seven holes of a ten hole first phase 3,000 meter diamond drilling programme on the Falcao gold project ('Falcao' or 'the Project') located in the southern part of the Carajas District, Northern Brazil in joint venture with AngloGold Ashanti Limited ('AngloGold').

Highlights

- DDH-001 returned 11.1m grading 1.21 g/t Au from 59m
- DDH-002 returned 48.9m grading 0.93g/t Au from 172m including 15.76m grading 1.65g/t Au
- DDH-003 returned a high grade interval of 1.67m grading 27.70 g/t Au.
- DDH-005 returned a high grade interval of 1m grading 20.26g/t Au

Horizonte CEO Jeremy Martin said, "These initial results from the first phase of drilling at Falcao are highly encouraging, highlighting not only the presence of several target zones within the main anomaly but also determining the controls and style of mineralisation. The drill programme was designed to test a large surface soil anomaly that extends for over 3 kilometres in length and varies in width from 200 to 400m. To date six of the seven holes received have intersected zones of gold mineralisation ranging from broad zones of near surface disseminated gold mineralisation, as shown in DDH-001 and DDH-002, to high grade intervals such as DDH-003 which returned 1.67 metres grading 27.70 g/t gold. This latter zone had high grade silver along with copper, lead and zinc indicating a different style of mineralisation not present in the other drill holes.

"We are now positioned to focus on the main target zone around holes one, two and three and are currently drilling an additional five holes between 1,100 metres and 1,200 metres in the target area. These results, in conjunction with the results from the remaining holes from the preliminary 3,000m campaign, will be used to determine the 2012 follow up drill programme with AngloGold. Ongoing soil sampling to the east, combined with ground geophysics, will extend our coverage over the open gold anomaly and we look forward to updating the market on this exciting gold project."

Detailed Information

The diamond drilling campaign just completed by Servitec Sondagem Geologica comprised of 10 holes spaced over a strike extent of 2,900 metres. Three drill fences were aimed at intersecting the main east west trending anomaly. The mineralisation is associated with the upper contact of a thick mafic volcanic package. Within the upper contact zone there are a series of intercalations of clastic sediments which are the dominant hosting lithology. Drill targets were defined by surface gold-in-soil geochemistry and integrated with a detailed aerogeophysical survey flown by the Company.

Initial observations indicate that the Main Trend is associated with fine disseminated sulphides, principally pyrite, within a package of fine to coarse clastic sediments. The mineralisation is associated with sheared quartz and sulphide veinlets stretched into a strong tectonic fabric. These zones are associated with metric to decimetric packages of very fine disseminated pyrite. Initial observations suggest that there may have been overprinting of this syn-tectonic event by a later stage event in a more brittle environment in which quartz and sulphides (pyrite and chalcopyrite), have been introduced. The zones of disseminated sulphides hosting the gold mineralisation have had no historic artisanal (garimpeiro) mining activity over the area as this style of mineralisation is not amenable to artisanal production.

It is considered that the results to date are highly encouraging given the large number of intercepts and the wide drill hole spacing. This has justified the continuation of the drill programme. This year it is anticipated that in addition to the first phase 10 hole programme just completed, an additional five holes, between 1,100 and 1,200 metres, will be drilled with the objective of testing the downward and lateral continuation of the mineralisation intersected by DDH-001 and DDH-002.

Table 1: Significant drill intercepts at the Falcao Project.

Drill Hole	Depth	Depth To	Intersected width	Au g/t
FAL-DDH-001	19.00	19.26	0.26	10.65
	59.09	88.44	29.35	0.68
Including:	59.09	70.19	11.10	1.21
FAL-DDH-002	172.00	220.90	48.90	0.93
Including:	205.14	220.90	15.76	1.65
with:	172.00	174.00	2.00	3.03
	189.00	190.00	1.00	2.36
	205.14	208.00	2.86	3.50
	216.00	217.00	1.00	12.1
also	13.00	13.88	0.88	1.25
	50.00	55.00	5.00	0.80
	68.00	70.00	2.00	1.10
	83.00	85.00	2.00	0.91
	287.00	288.22	1.22	2.30

	332.00	333.00	1.00	0.93
FAL-DDH-003	28.00	29.00	1.00	8.14
	170.75	172.42	1.67	27.70
	179.25	180.80	1.55	0.72
FAL-DDH-004	25.00	28.00	3.00	0.84
	84.00	85.00	1.00	4.16
	91.00	92.00	1.00	0.74
	142.00	143.00	1.00	1.24
FAL-DDH-005	37.00	38.00	1.00	2.64
	182.30	183.30	1.00	2.09
	253.00	254.00	1.00	20.26
FAL-DDH-006	163.00	164.00	1.00	0.79
FAL-DDH-007	2.00	3.30	1.33	1.11
	85.00	92.64	7.64	0.90
	86.25	94.00	2.93	1.94
	158.00	159.00	1.00	4.63

*Intervals are drill intercepts and may not represent true widths.

Sample preparation and analyses

HQ drill core is collected in the oxide zone and NQ on passing to fresh rock. After orientation, the core is split in the oxide zone and cut in the hardrock intervals to produce half core samples on a nominal 1m interval. These samples are despatched to the ACME Sample Preparation facility in Goiania where the drill core is crushed (whole sample) and then split (500g) and pulverised. The resultant pulps are analysed at the ACME laboratory in Vancouver, Canada, for Au, Pt & Pd using a 50g FA assay with AA finish. Over limit samples (10g/t) are re-assayed using a gravimetric determination. A package of 41 elements, including Au are analysed using a 15g charge and hot 4 acid dilution by ICP-MS. Full QA/QC procedures were implemented, including the insertion of standards, duplicates and blanks. Check samples representing approximately 5% of all the samples will be sent to another international laboratory for analysis by FA.

Non-Executive Chairman David J. Hall, Fellow of the Society of Economic Geologists and EurGeol is a Competent Person as defined by various international instruments and takes responsibility for the release of this information

Background: The Falcao Project

Falcao is located in southern Pará State, north central Brazil, host of the Carajas Mineral District and lies to the south of Horizonte's Tangara gold project. It is subject to an option/joint venture agreement with AngloGold.

Falcao was a BHP grassroots discovery that was identified by regional stream sediment sampling which defined several sample locations running anomalous gold, copper and silver

values, covering a 50 sq km land area. The stream sediment programme was followed-up by a regional soil grid and shallow auger drill programme on a 800m by 200m grid which defined the main area of interest as an open 6 km long anomalous gold trend and adjacent zinc/silver/gold zone.

BHP undertook a limited wide spaced reverse circulation ('RC') drilling campaign in September 1998. The final RC drill holes were located on a wide (2,400m by 400m) spacing along the 6 km anomalous trend. Despite the wide drill hole spacing a number of highly anomalous intersections were drilled including 9m at 4.8g/t gold from surface, 3m at 4g/t gold from 57m, and 24m at 0.5g/t gold including 3m at 2.8g/t gold. This latter result was from a hole which was drilled outside the main soil geochemical anomaly.

Under the terms of the earn-in agreement AngloGold has the right to earn up to a 51% participating interest in the project by funding the sum of US\$4.5 million on project expenditure within a 36 month period from the commencement date. The first year expenditure is US\$900,000, and has been met. The targeted second year expenditure is US\$1.6 million followed by a final amount in year three of US\$2 million. Horizonte will manage the project exploration during the earn-in period.

Upon successfully earning 51%, AngloGold may, in its absolute discretion, elect to earn an additional 19% participating interest in the Joint Venture, to bring its participating share to 70%, by sole funding and completing a pre-feasibility study within three years of the vesting date.

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Notes

Horizonte Minerals plc is an AIM quoted exploration and development company with a portfolio of nickel and gold projects in the Carajas District of Brazil. The Company is focused on creating value by generating and rapidly advancing exploration projects in tandem with joint ventures with major mining companies, providing mid-term cash flow which is then used to develop the business and pipeline projects.

Horizonte has two committed major mining partners: Teck Resources Limited, a strategic 44 per cent shareholder in the Company, and AngloGold Ashanti Limited, a JV partner on the gold portfolio.

Horizonte owns 100 per cent of the advanced Araguaia nickel project located to the south of the Carajas mineral district of northern Brazil; the project has a resource with size and grades comparable to other world-class projects in northern Brazil and currently hosts 76.6 Mt grading 1.35% Ni. Horizonte is working on an updated resource as well as undertaking a Preliminary Economic Assessment ('PEA').

In addition Horizonte recently reached agreement with Lara Exploration to acquire the Vila Oito project which has a potential resource of 10 to 11 Mt grading 1.3 to 1.4% Ni further consolidating the greater Araguaia district. Horizonte is well financed to advance the Araguaia project.