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[Unless otherwise indicated, the scientific and technical information contained in this investor presentation has been prepared by or under the supervision of Anthony Finch, P.Eng., MAusIMM (CP Mining), B.Eng., B.Econ., Harald Muller, B. Eng., (Chem), MBL, FAusIMM, FIChemE, FSAIChE, C.Eng., Pr.Eng. and Andrew Ross, B.Sc. (Hons), M.Sc., MAIG, FAusIMM, P.Geo., each of Snowden Mining Industry Consultants Pty Ltd. ("Snowden") and Peter Theron, Pr.Eng., SAusIMM, B.Eng. (Civil Eng), G.D.E., of Prime Resources (Pty) Ltd Environmental Consultants. All are Qualified Persons within the meaning of Canadian National Instrument 43-101 and have acted as consultants to the Company. For further details on the Araguaia project, please refer to the technical report entitled "NI 43-101 Technical Report, Prefeasibility Study (PFS) for the Araguaia Nickel Project, Pará State, Brazil", dated March 25, 2014, which is available on the Company's website at [www.horizonteminerals.com](http://www.horizonteminerals.com) and on SEDAR at [www.sedar.com](http://www.sedar.com). Mineral resources that are not reserves do not have demonstrated economic viability.]

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**Combination of Horizonte plus Glencore's projects create a Tier 1 nickel project in terms of size and grade, delivering strong project economics**



# Opportunity

- **Consolidating two adjacent projects** has created one of the largest undeveloped Tier 1 nickel saprolite projects in the world
- **Compelling discount** - HZM acquires for US\$2M in equity (total purchase price US\$8M)
- **High grade** - first 10 years potential grading 2%Ni
- **De-risked process** route - ferronickel product
- **High return on investment** with rapid capital repayment
- **Teck & Glencore** – HZM has two major mining company shareholders



# Transaction

HZM negotiated purchase  
of Glencore project for  
US\$8M

Initial purchase price of  
US\$2M in HZM equity

Timing on downstream  
payments driven by HZM

- US\$2M in HZM shares payable on closing (registration of the concessions in the name of HZM)
- US\$1M in HZM shares or cash, at the election of HZM on the issue of a joint feasibility study for the combined projects
- US\$5M in cash, as at the date of first commercial production from any of the resource areas within the Glencore project area

# Combined Project Resources

Operation	Mining Method	Ni cut-off grade	Measured Resources		Indicated Resources		Inferred Resources		Competent Person
			Mt	%Ni	Mt	%Ni	Mt	%Ni	
Glencore* (historic)	OC	0.90	16.1	1.44	89.0	1.31	18	1.3	SEK

Operation	Mining Method	Ni cut-off grade	Measured Resources		Indicated Resources		Inferred Resources		Competent Person
			Mt	%Ni	Mt	%Ni	Mt	%Ni	
HZM**	OC	0.95	NA	NA	72.0	1.33	25	1.2	Snowden

## Comparative Operation - Anglo American Barro Alto RKEF mine \*\*\* – Brazil:

Resources	OC	0.90	8.1	1.41	16.6	1.25	45	1.4
Reserves			Proved Reserves		Probable Reserves		Total Reserves	
			Mt	%Ni	Mt	%Ni	Mt	%Ni
	OC		15.3	1.67	24.1	1.42	39.3	1.52

\*GlencoreXstrata Resources & Reserves 2013 Report

\*\* Horizonte Minerals 2014 Pre-Feasibility Study by Snowden

\*\*\*<http://www.angloamerican.com/investors/annual-reporting>

# Positioned for Growth

## The Asset:

- The combination of HZM and Glencore projects create a Tier 1 nickel project
- High grade saprolite core – potentially 2% Nickel for 10 years
- Low power costs – Brazil hydro
- Proven process route – RKEF producing ferronickel



## The Opportunity:

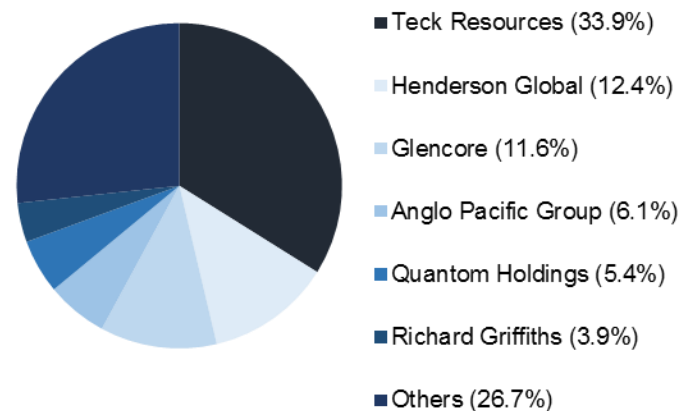
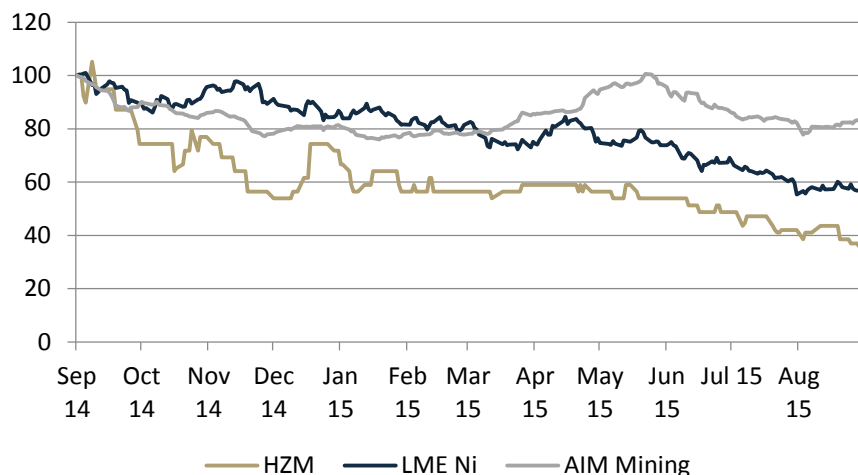
- The commodity cycles over the last 8 to 10 years has driven a number of low grade / high cost projects into the development pipeline – a significant number of which will never be mines
- We are now facing a new paradigm where only the highest quality projects (grade / cost/ economic returns) will be funded and developed – Araguaia is the next generation of Tier 1 nickel projects
- Now is the time to be developing the next generation projects at the low price range to create maximum value

## The Team:

- Experienced nickel development team

\*A Tier 1 asset is defined as a large, expandable, long life (>20 years) mine with favourable mineralogy and geographic location and in the lower half of the cost curve. Source: Anglo American

# Share Price & Company



(Estimated Glencore holding post closing and post placement based on £0.02 SP)

Ticker	AIM: HZM	TSX: HZM
Share price	1.55p	C\$0.04
Market Cap	£7.80m	C\$17.23m
Cash + Equivalents	£3.2m	(C\$4.7m) as at 30.06.15
52 week trading	AIM: 5.25p – 1.50p	(C\$0.09 – C\$0.03)
Nomad & Broker	finnCap	
Analyst coverage	Martin Potts (finnCap)	Paradigm Capital

(SP data from 24<sup>th</sup> September 2015)



## BOARD

**David J. Hall**  
Chairman

30 years in exploration & development on projects and mines in over 50 countries. Extensive South America and Brazil experience. Experience includes Minorco, Anglo American and AngloGold.

**Jeremy J. Martin**  
CEO and Director

Extensive exploration and executive management experience in South America and the Caribbean. Involved in the formation of a number of AIM and TSX listed companies and has completed several high value mineral project transactions.

**Owen Bavinton**  
Non Executive Director

Previously Group Head of Exploration and Geology at Anglo American.

**Alexander N Christopher**  
Non Executive Director

Over 25 years of experience in mineral exploration and mining. Vice President of Exploration for Teck.

**William Fisher**  
Non Executive Director

Extensive industry experience in both exploration and mining positions worldwide. Currently on the Boards of PC Gold, Goldquest and Treasury Metals.

**Allan M Walker**  
Non Executive Director

Over 30 years of experience in energy and natural resources project finance. Experience includes running Credit Suisse's project finance team in Brazil.

## MANAGEMENT

**Jeffrey Karoly**  
CFO

Degree in geology and is a Chartered Accountant with over 15 years experience in the mining industry. With Anglo American for 11 years and previously CFO of South American Ferro Metals.

**F. Roger Billington**  
Technical Director Nickel

Ex head of Falconbridge nickel laterite exploration worldwide.

**Dr. Philip Mackey**  
Metallurgical Advisor

Over 40 years of experience in non-ferrous metals processing. Previously at Falconbridge and Xstrata.

**Nic Barcza**  
Process Specialist

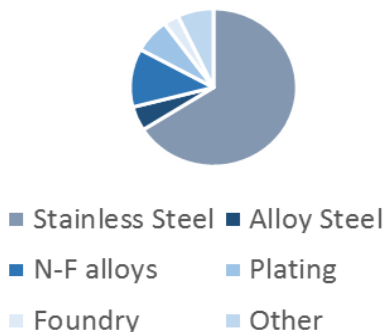
Over 40 years of experience mostly in ferrous metals processing. Previously General Manager at Mintek and CEO of Mindev (Pty) Ltd.

# Why Brazil?

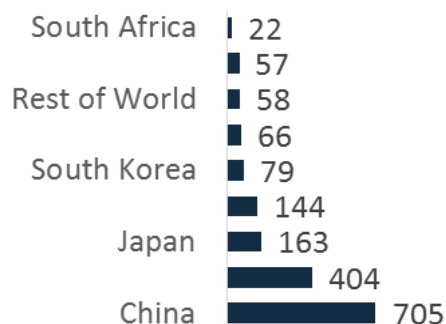
- Eighth largest economy in the world
- Standard & Poor's investment rating downgraded; however devalued currency gives greater purchasing power to HZM
- US\$64 billion in new infrastructure investments announced by federal government in June 2015
- High demand for new foreign investment opens doors for businesses that were previously closed

# Nickel Uses

2012 global primary nickel consumption by first use



Leading Nickel Consumers kt



Source: Wood Mackenzie

## Stainless Steel (typically 8-12% Ni)



- Construction: strong, corrosion-resistant structural and architectural components;
- High efficiency heating systems, food and beverage storage and production;
- Surgical Instruments.

## Electronics



- Critical component of rechargeable batteries, including hybrid cars;
- Layering of hard drives;
- Electromagnetic shielding: aircraft / hospitals.

## Transport



- Nickel alloys in jet engines and airframes;
- Passenger rail cars;
- High strength nickel cobalt steels in gears and drives.

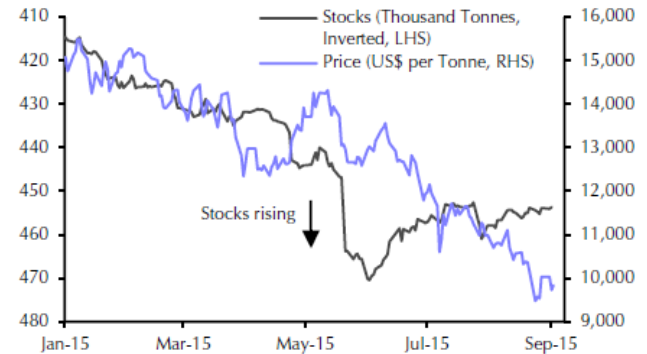
## Energy



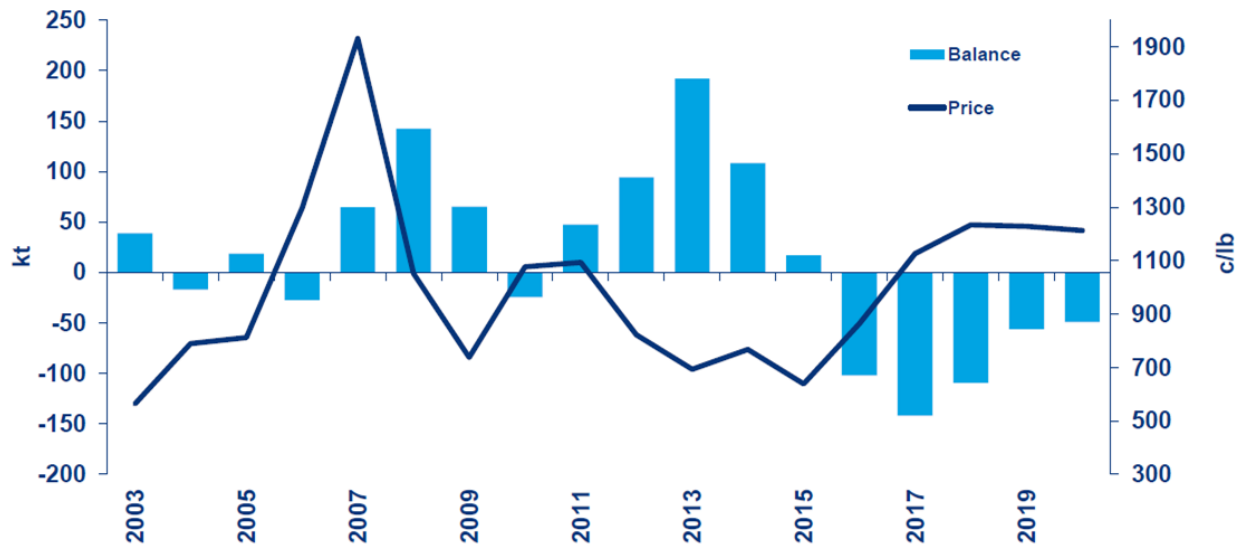
- Coal scrubbing systems;
- Gearing in wind turbines Power station turbine blades and pipework.

# Nickel Future

1. LME Nickel Prices & Stocks

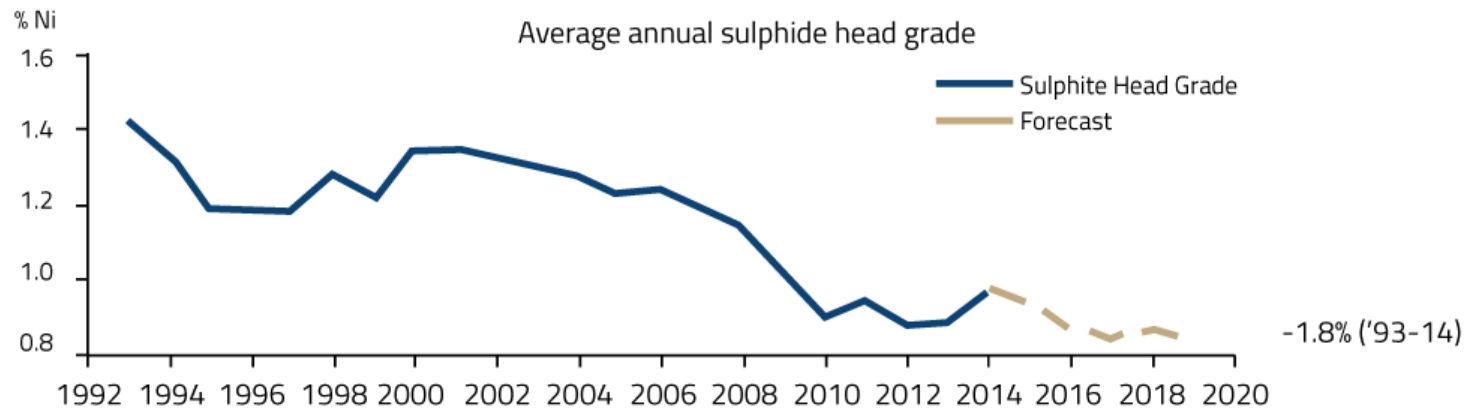
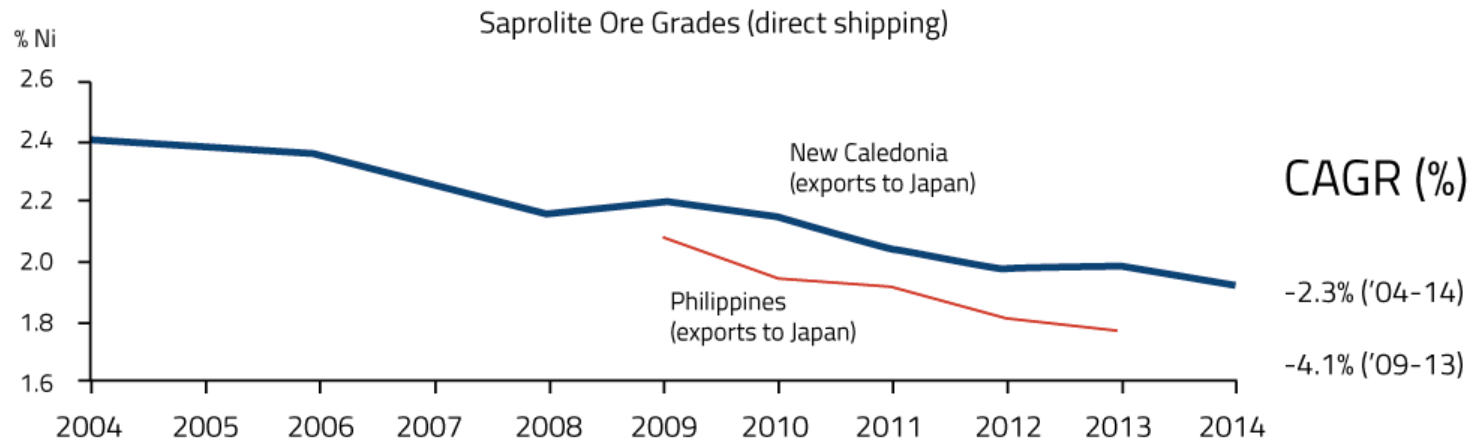


Price target US\$12/lb (\$2015)



Source: Wood Mackenzie

# Future Nickel Grades Declining



Source: DIMENC, Nickel Asia Corp, Wood Mackenzie, Vale analysis  
 \* Represents Nickel Asia exports



# Nickel Future

- Nickel margins are at/near historic lows - a key influence has been Chinese de-stocking of refined nickel ore
- With falling NPI production, nickel market is anticipated to shift to small deficit late 2015
- In H1 2015, Chinese refined nickel and ferronickel imports have surged as high grade Indonesian laterite nickel ore stockpiles are largely depleted
- New Indonesia projects not expected to start until 2017 – higher cost operations
- There are very few alternatives for high grade saprolite ore outside Indonesia and New Caledonia only exports ore to partners in Japan and Korea – principle driver for Araguaia
- The fundamental issue facing the nickel industry from 2015 to 2018 is the lack of new global projects

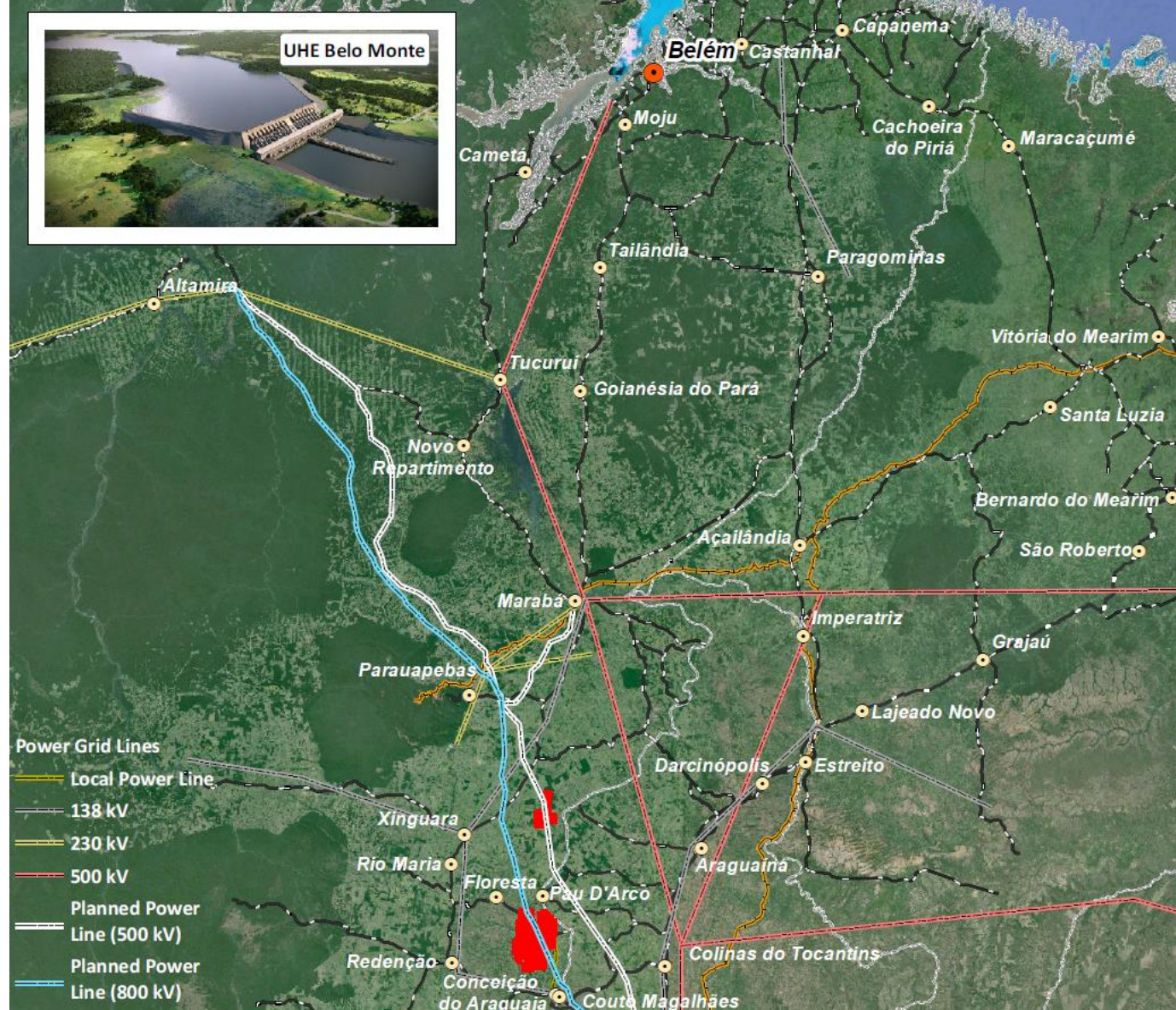


# Pará State Infrastructure





- Well-established infrastructure with good regional roads, access to rail, low-tariff hydroelectric power, and water
- Access to port of Vila de Conde in Belém - primary supply chain facility for in-bound and out-bound logistics for bulk material handling of coal and potentially Fe-Ni product



# Pre - Acquisition Project Economics

## HZM Araguaia PFS cash flow

<b>NPV<sub>8</sub> (after taxation)</b>	US\$519 M
<b>IRR (after taxation)</b>	20%
<b>Initial mine life</b>	25+ years
<b>Capital Costs (Pre-Production)</b>	US\$582 M
<b>Cash costs C1</b>	US\$4.16/lb US\$9,166/t
<b>Net cash flow over LOM</b>	US\$1,766 M
<b>Payback period (after taxation)</b>	4.4 years
<b>Targeted production per annum</b>	15,000 tpa Ni in Fe-Ni
<b>Average Ni grade – years 1 to 10</b>	1.76% Ni
<b>Product grade quality</b>	20% Fe-Ni
<b>Single line RKEF Plant</b>	900 ktpa

\*Nickel price used for PFS calculations - US\$19,000/t  
Taxation comprises Brazilian corporation taxes and royalties



Results shown are from the Horizonte Minerals Pre-Feasibility Study by Snowden published in 2014

# Combined Optimised Project Economics

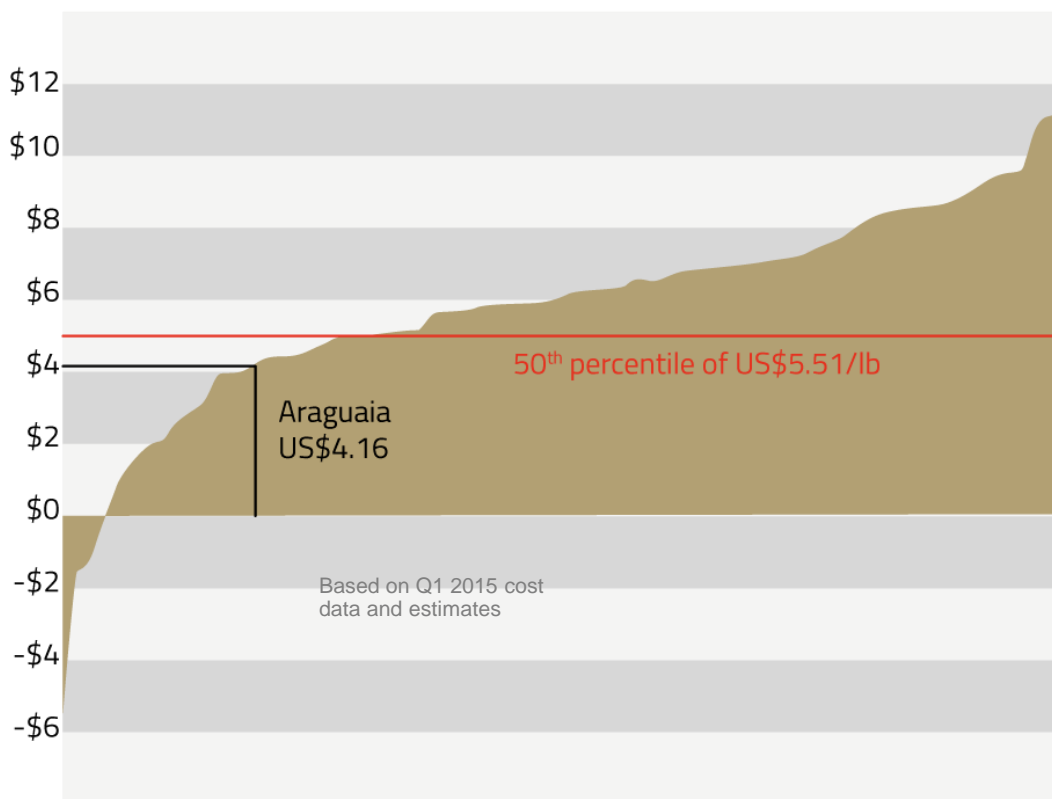
- Optimized mining schedule targeting first 10 years grading + 2%Ni
- Targeting lower break even nickel price with increased NPV and IRR
- Reduced CAPEX from US\$580 to U\$520M
- Further CAPEX/OPEX reductions anticipated due to currency devaluation (Pre-Feasibility Study Brazilian Real conversion of BRL\$2.2 to US\$1 used in model yet today is BRL\$3.8 to US\$1)
- Objective to increase product grade to 30%, which will lower OPEX

***Rapid capital repayment with lower break-even nickel price***



# Cost Profile

Analysis of published cost data suggests that at a market price of US\$5.51/lb (US\$ 12,144/t) nickel, approximately half of the current nickel operations are cash flow negative on a C1 basis



Source Sherritt

# Proven Process

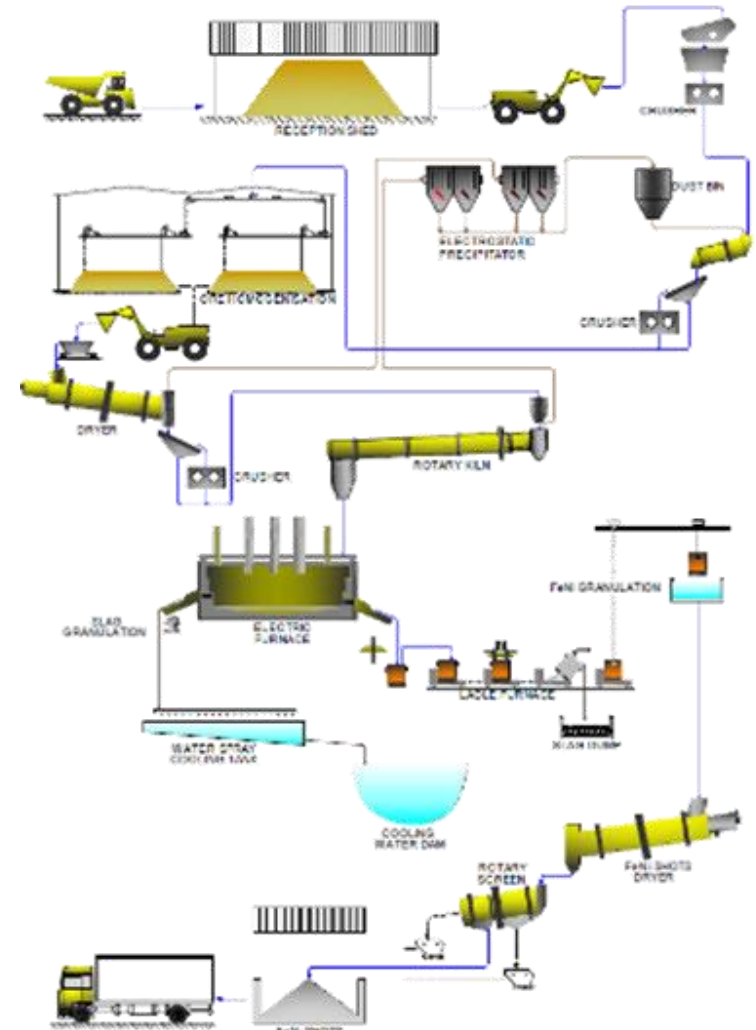


4 operations in Brazil utilise the RKEF process. Image shows Anglo American's Barro Alto mine



HZM Fe-Ni produced at the Morro Azul RKEF facility in Brazil – June 2015

- RKEF is a proven nickel laterite processing technology in operation for over 60 years
- 20 operational RKEF plants worldwide in 2015
- HZM Araguaia Pilot campaign - successful production of ferronickel



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# Social and Environmental

- Araguaia project viewed as regional economic driver by State Government
- Limited population density across area of influence
- Consultations undertaken with over 2000 community members to date – positive support for project
- No primary rainforest
- Positive water balance in region
- Over 80% of water expected to come from recycled sources
- Multiple years of baseline data recorded



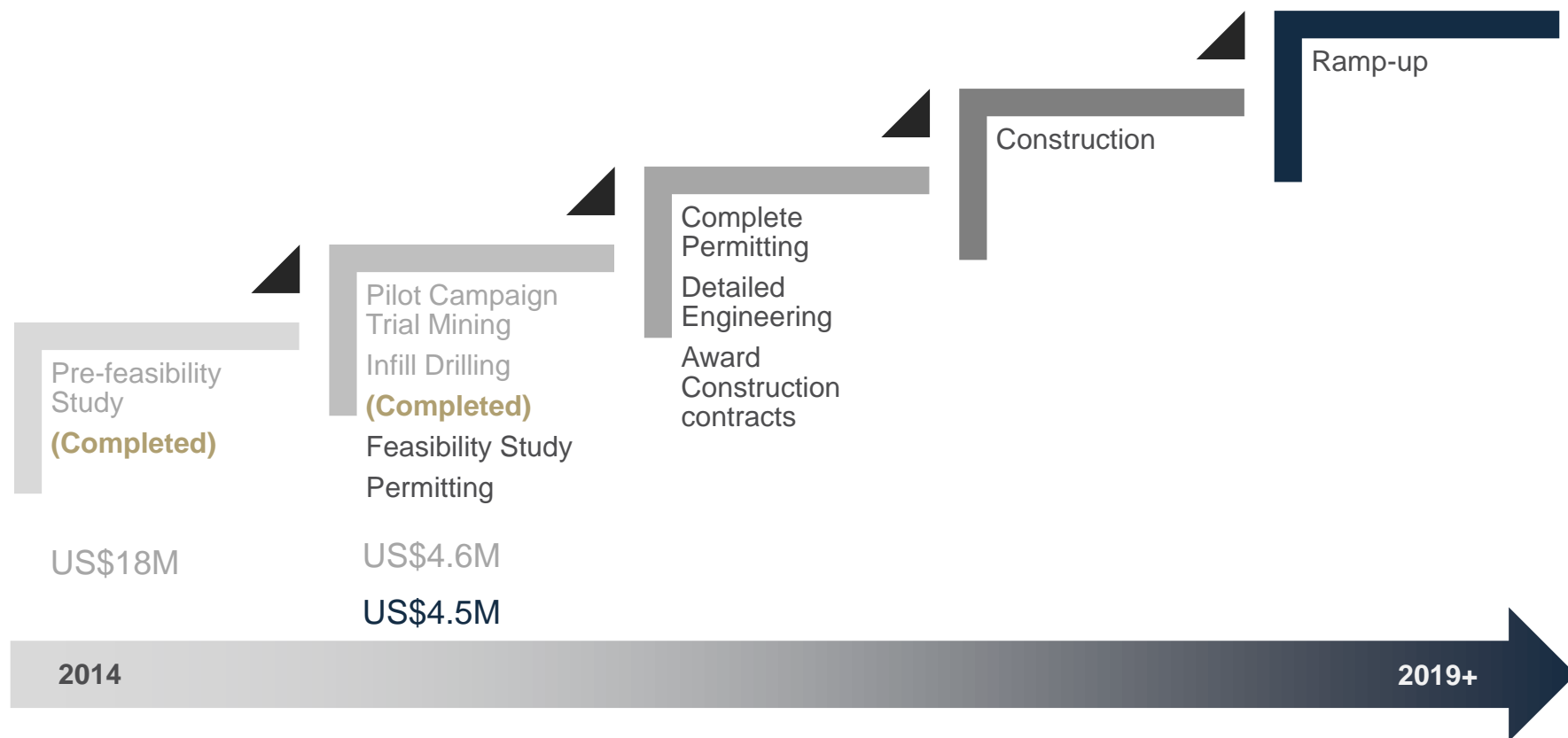


# Permits

- Environmental Operational Licence and exploration permits in place for exploration activities
- Full Social & Environmental Impact Assessment completed
- Public Hearing successfully undertaken in January 2015 with over 1,000 attendees – a key milestone for achieving the Preliminary Licence
- Targeting to receive full SEIA approval in H2 2015
- Priority Seal approval granted by State Government ensuring fast-track approvals
- Meetings with Vice-Governor and Environmental Minister in August 2015 – confirmed Araguaia Project a priority for Pará Government with state government backing



# Development Plan





# Project Partners

## International Groups

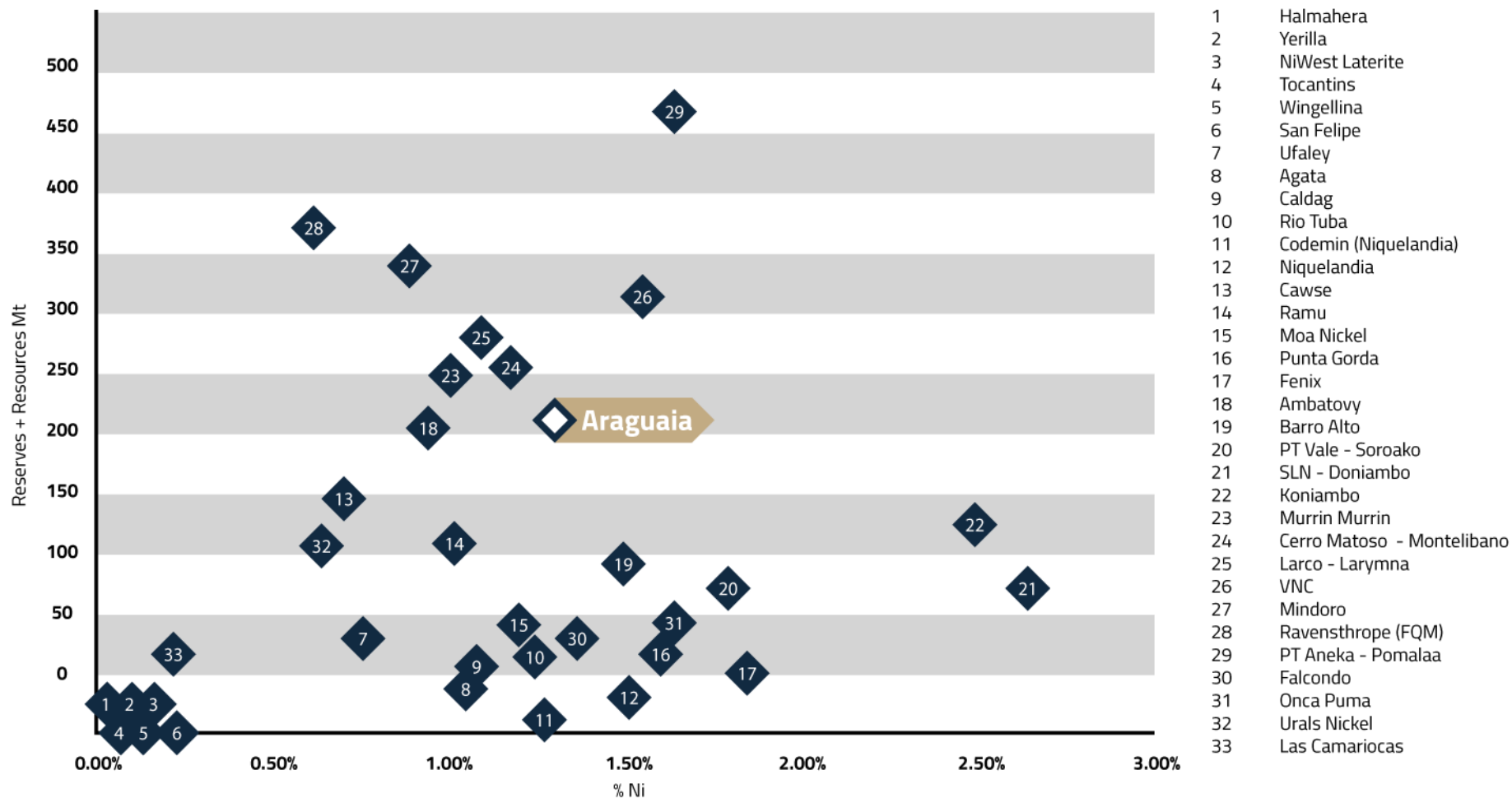


## Brazilian Groups



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## Nickel Laterites — Size vs Ni grade



Potential combined Araguaia resources plotted based on Wood MacKenzie global resource data

# Investment Highlights

- Creation of a Tier 1 asset and consolidation of a nickel district. High grade – potential 10 years feed at 2% Ni
- Proven de-risked process route – RKEF to produce ferronickel
- Strong project economics – low OPEX with rapid capital repayment
- Project in region with good infrastructure – low cost power, permits in process and good government support
- Team with capability to deliver
- Favourable Nickel market fundamentals in next 5 years

***Excellent opportunity for leveraged exposure to one of the world's next major nickel projects***



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