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HORIZONTE

MINERALS

Pre-Feasibility Study Presentation
2016



Forward Looking Statements

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Due to the uncertainty that may be attached to inferred mineral resource estimates, it cannot be assumed that all or any part of an inferred mineral resource estimate will be upgraded to an indicated or measured mineral resource estimate as a result of continued exploration. Confidence in an inferred mineral resource estimate is insufficient to allow meaningful application of the technical and economic parameters to enable an evaluation of economic viability sufficient for public disclosure, except in certain limited circumstances set out in National Instrument 43-101 – Standards of Disclosure for Mineral Projects. The economic analysis contained in the Company's technical report is based on probable mineral reserve estimates.

[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 and on SEDAR at www.sedar.com. Mineral resources that are not reserves do not have demonstrated economic viability.]

Overview



Investment Highlights

- The Araguaia nickel project is a Tier 1 asset in terms of size and grade, one of the largest undeveloped saprolite resources globally
- New PFS demonstrates strong economics, viable at current nickel price
- De-risked process route - ferronickel product
- Located in mining region with existing infrastructure and low cost hydro power
- Roadmap to commercial production
- Delivery on all milestones to date
- Strengthening nickel market fundamentals - the medium term/long term outlook is positive

New PFS Highlights



Key Indicators	Value	
Nickel price	US\$12,000/t	US\$14,000/t
NPV ₈ post tax	US\$328M	US\$581M
IRR post tax	19.3%	26.4%
C1 costs	US\$3.15/lb (US\$6,948/t)	US\$3.15/lb (US\$6,948/t)
Free cash flow over LOM (after capital payback)	US\$1.3B	US\$1.9B
Average annual production	~ 14,500tpa	~ 14,500tpa

Asset Overview



COMBINED ARAGUAIA PROJECT 100% OWNED BY HORIZONTE

Tier 1 nickel asset

~US\$100M spend to date

Proven process route (RKEF) ferronickel

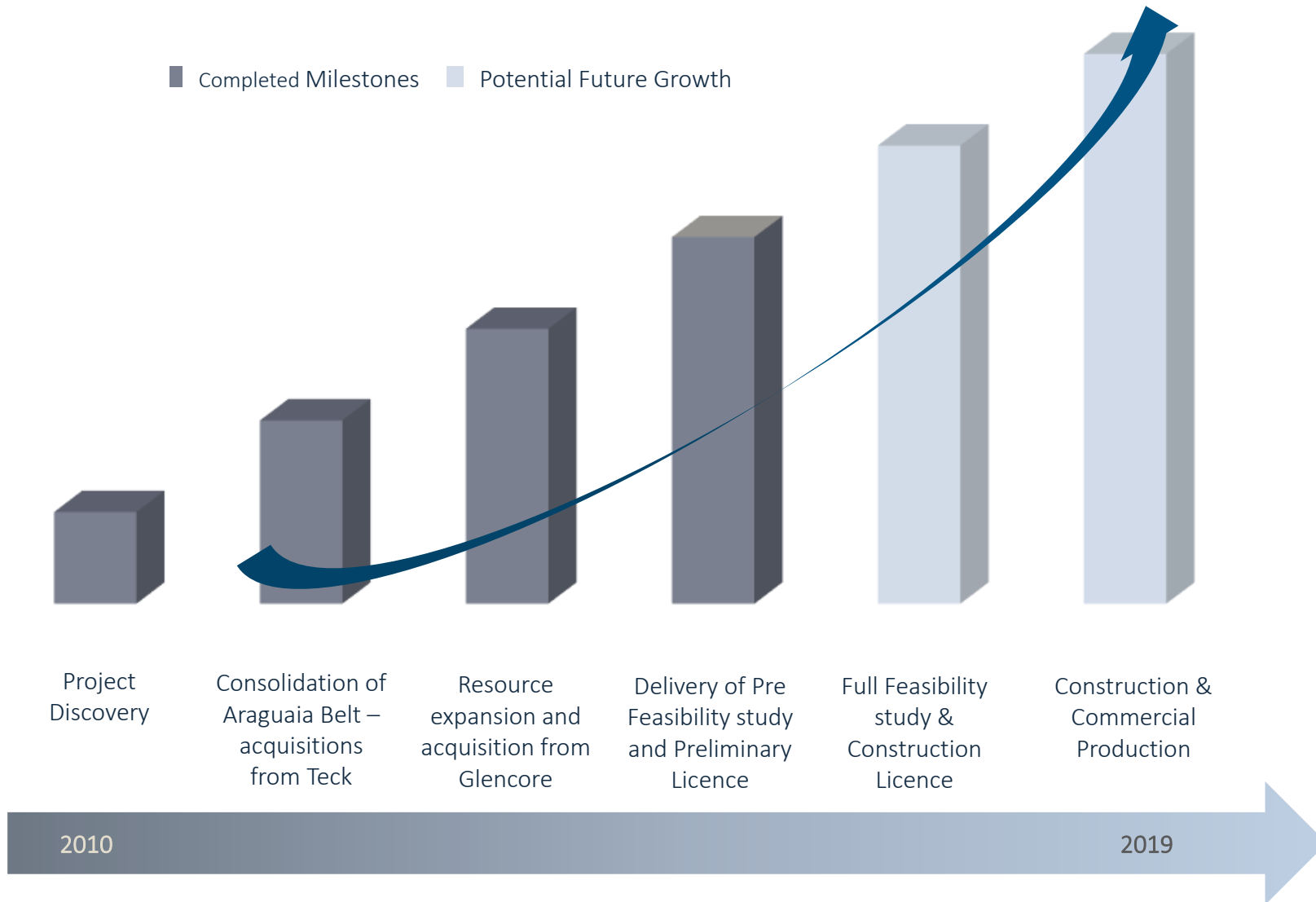
High grade saprolite Resource

Long mine life (>28 years)

Located in a mining region

Potential to increase reserves

Discovery to Development



A Team to Deliver



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, development and executive management experience in South America and Europe. Involved in the formation of a number of AIM and TSX listed resources companies .



Owen Bavinton

Non Executive Director

Previously Group Head of Exploration and Geology at Anglo American.



Alexander N Christopher

Non Executive Director

Over 30 years of experience in mineral exploration and mining. Senior Vice President of Exploration for Teck and project development.



William Fisher

Non Executive Director

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



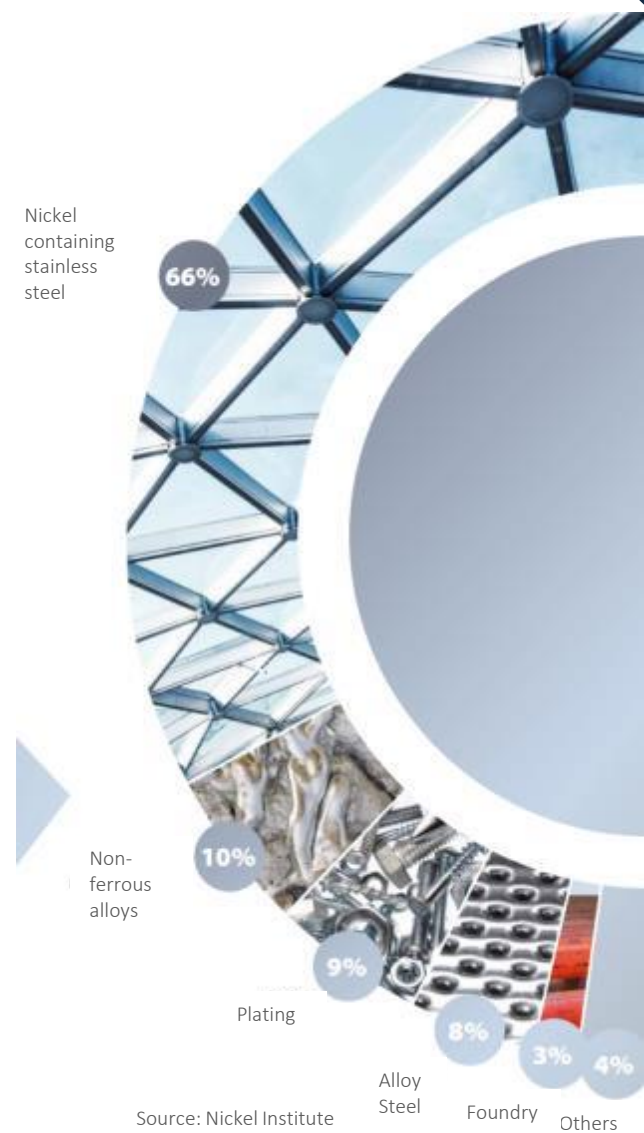
Allan M Walker

Non Executive Director

Over 30 years of experience in energy and natural resources project finance. Previous experience includes running Credit Suisse's project finance team in Brazil and board member of Brazil's largest wind farm company. Fluent in Portuguese.

Nickel

- **Use** – 66% of nickel goes into stainless steel. Overall there are over 3,000 nickel-containing alloys in everyday use. US\$30 billion per year industry
- **Nickel Prices** – in Q1 2016 nickel hit a 13 year low of US\$7,550 on LME. Prices have since increased to US\$10,500 but still remain at multiyear lows. In 2007 nickel reached an intra day record of US\$54,050
- **Cost Profile** – nickel industry C1 cost demonstrates 50% of operations produce at US\$9,873/tonne (US\$4.48/lb) around 40 to 50% of operations sub-economic today
- **Growth To Date** – global demand for nickel has grown at an average of 6.3% since 2010, estimated between 2.4 – 4.4% growth for 2016. The market returned to balance in Q4 2015 and is expected to show 100,000 tonne deficit by end of 2016



Nickel Views

Morgan Stanley

Morgan Stanley has chosen nickel as its “most preferred metal” in 2016
Forecast at US\$16,775 long term real

CREDIT SUISSE

Nickel is a top pick for Credit Suisse Group in 2016

 **UBS**

“Nickel one of our most-preferred commodity exposures”
Forecast at US\$13,228 in 2018 and US\$19,621 by 2020

**Wood
Mackenzie**

“The optimistically resurgent Chinese stainless market has led to an increase in our world nickel demand forecasts, with 8% growth now expected in 2016, to 1.99Mt, and the total rising to 2.25Mt in 2025”

**Macquarie Research
Commodities**

Nickel use in batteries could more than double over the next 10 years from around 70kt to close to 160-170kt

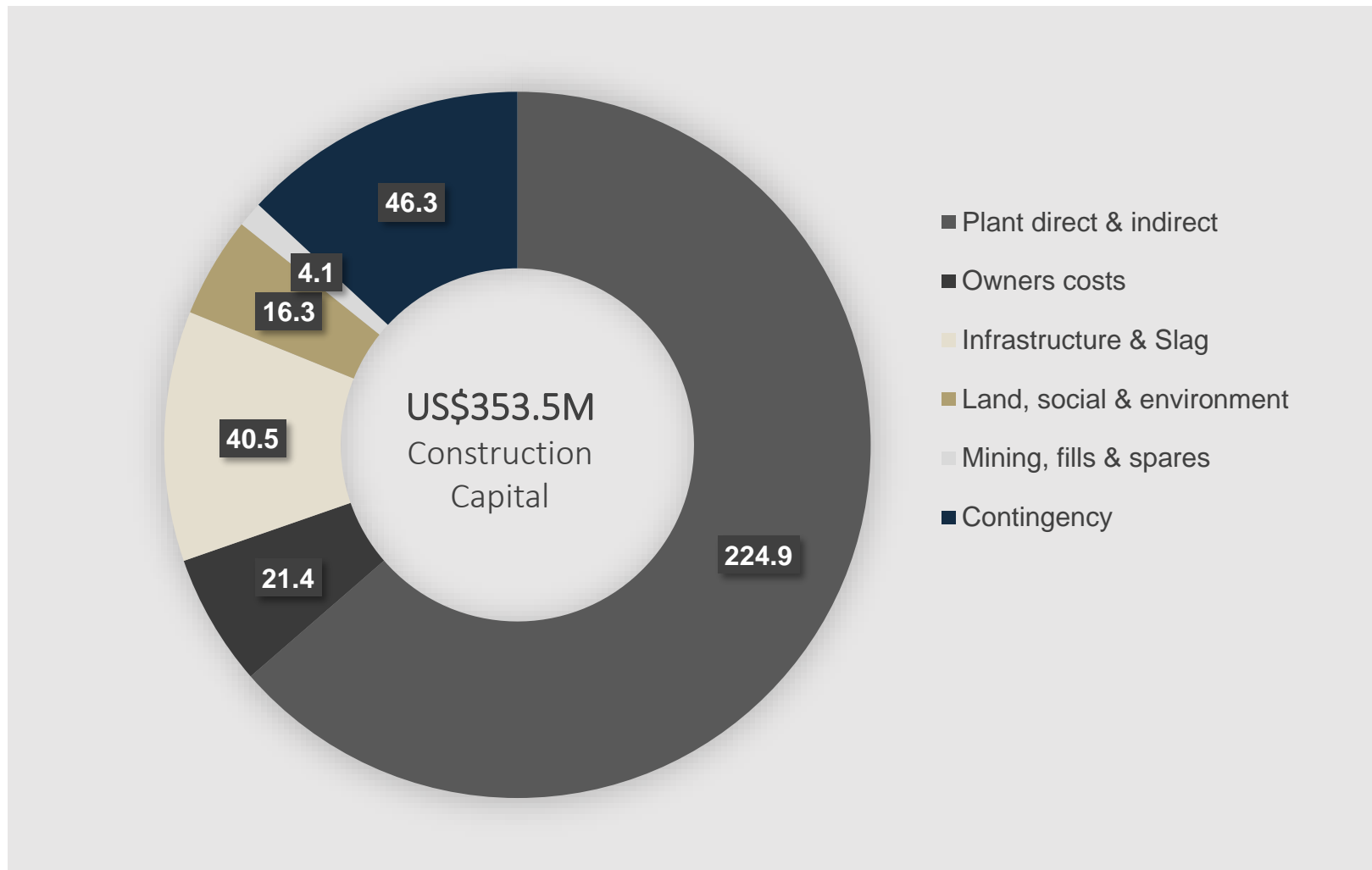


Economics

Robust PFS Economics

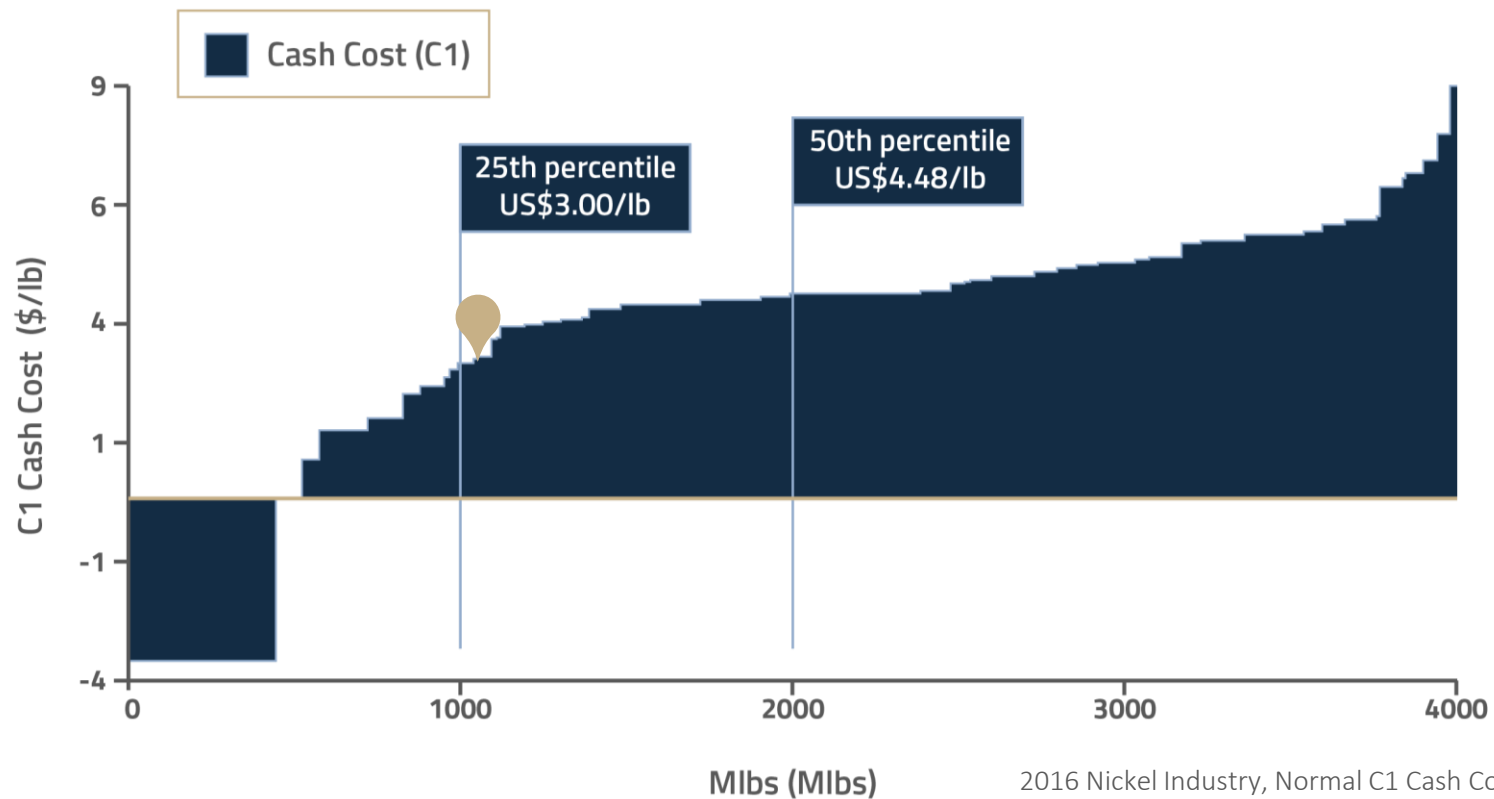
Key Indicators	Value	
Nickel price	US\$12,000/t	US\$14,000/t
NPV ₈ post tax	US\$328M	US\$581M
IRR post tax	19.3%	26.4%
Initial mine life	28	28
Capital costs – pre-production	US\$354M	US\$354M
C1 costs	US\$3.15/lb (US\$6,944/t)	US\$3.15/lb (US\$6,944/t)
Free cash flow over LOM (after capital payback)	US\$1.3B	US\$1.9B
Payback period (after taxation)	4.5 years	3.4 years
Breakeven Ni price on NPV ₈ post tax	US\$9,426/t	US\$9,426/t
Average annual production	~ 14,500tpa	~ 14,500tpa
Average Ni grade – Year 1 to 10	1.96%	1.96%
Product grade quality	30% Fe Ni	30% Fe Ni

PFS: Pre-Production Capital Costs



Tier 1 Project: Low Cost & High Grade

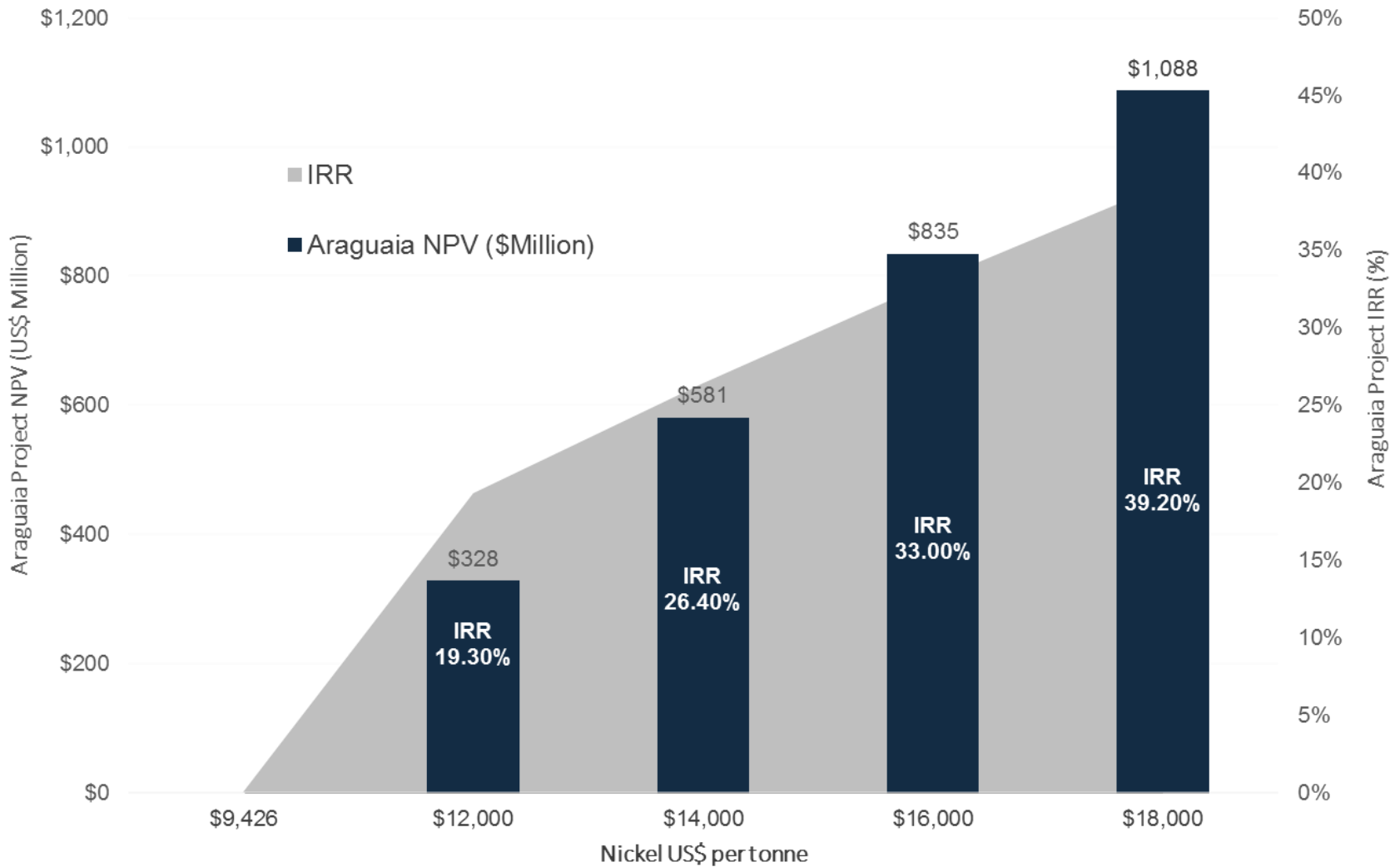
Araguaia C1 cost of US\$3.15/lb (US\$6,944/tonne)



2016 Nickel Industry, Normal C1 Cash Cost
Grouped by Operation & ranked by Cash Cost (C1)
Existing operations & Base Case

Source: Wood Mackenzie Ltd, Dataset: Q1 2016

Geared for Growth





Geology & Resources

Long Life Scalable Resource

Araguaia	Category	Material type	Tonnage (kT)	Bulk density (t/m ³)	Contained Ni metal (kT)	Ni (%)	Co (%)	Fe (%)	MgO (%)	SiO ₂ (%)
Total	Measured	All	18,168	1.35	261	1.44	0.05	16.26	17.51	39.91
Total	Indicated	All	101,893	1.30	1,272	1.25	0.06	19.40	16.87	36.24
Total	Measured + Indicated	All	120,061	1.30	1,533	1.28	0.06	18.93	16.97	36.80
Total	Inferred	All	13,435	1.30	161	1.20	0.06	20.12	14.94	36.83

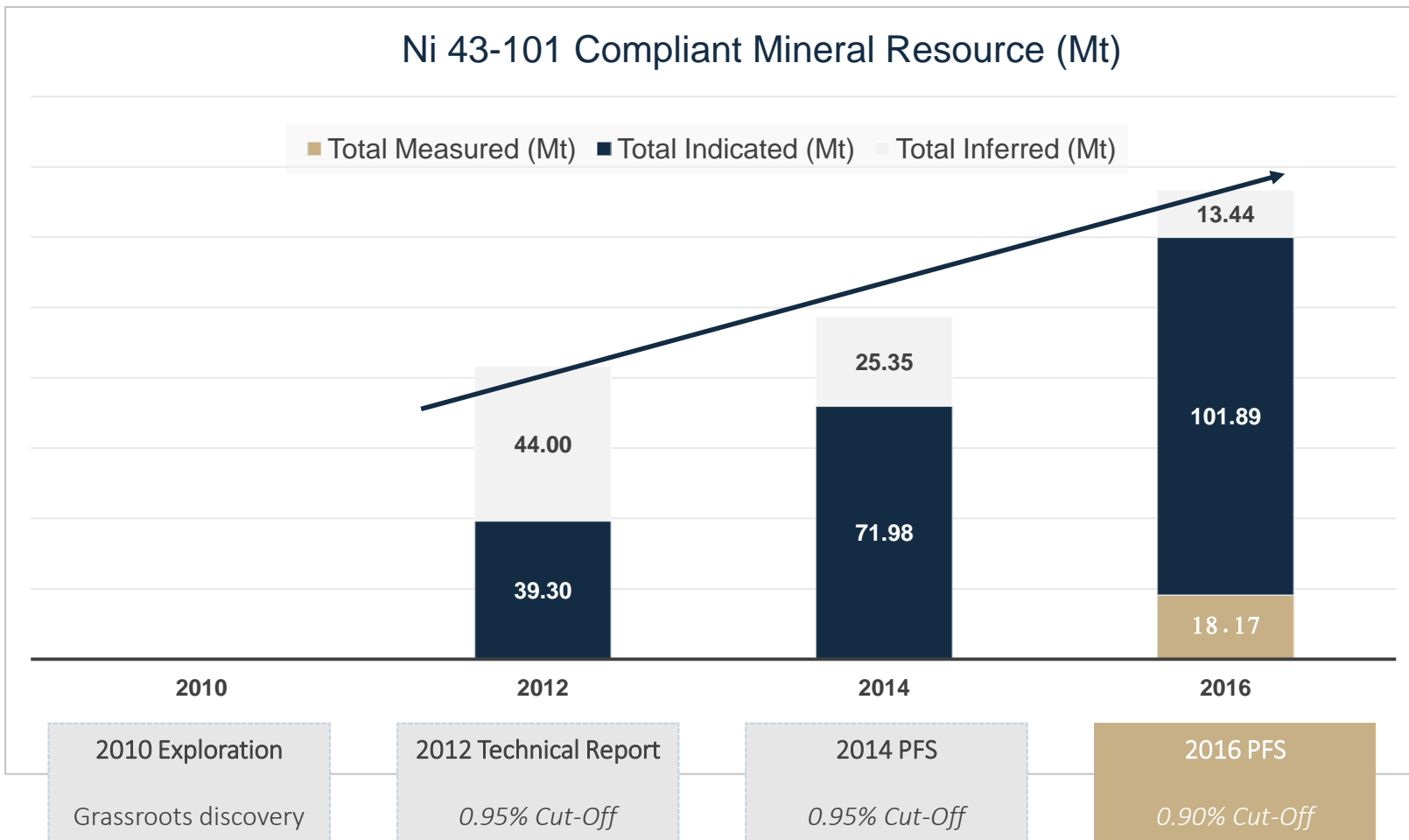
Note: Totals may not add due to rounding. Mineral Resources are inclusive of Mineral Reserves. Mineral resource estimate at 0.9% nickel cut-off (Source: HZM 2016 Pre Feasibility Study)

Key Points

- One of the largest and highest grade undeveloped nickel saprolite resources globally
- Long life operation with 28 year Life of Mine – potential to double LOM
- Longer term potential for step-change in production from...
 - Second production line, which if implemented, would effectively double capacity
 - Potential to increase reserves



Resource Growth: Trebled in 4 Years



205% increase from 2012 to 2016 in Indicated and Measured Mineral Resource

High Grade Potential



Reserve Profile Comparison



Araguaia Mineral Reserve Estimate

Class	Ore dry mass (kT)	Contained Ni metal (kt)	Ni (%)
Total Proven	0	0	
Total Probable	24,646	436	1.77
Total Proven & Probable	24,646	436	1.77

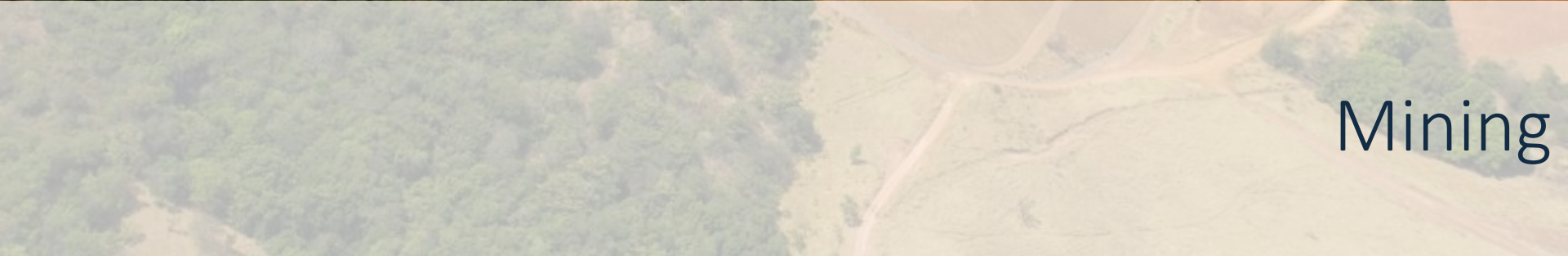
Source: Mineral reserve estimate (H2M 2016 PFS)

Barro Alto 2015 Mineral Reserve Estimate (Extrapolated)

Class	Ore dry mass (kT)	Contained Ni metal (kt)	Ni (%)
Total Proven	13,200	225	1.70
Total Probable	22,300	304	1.36
Total Proven & Probable	35,500	529	1.49

Source: Anglo American Annual Report, Ore Reserves & Mineral Resources, 31 December 2015





Mining



Mining

MINING ACTIVITIES

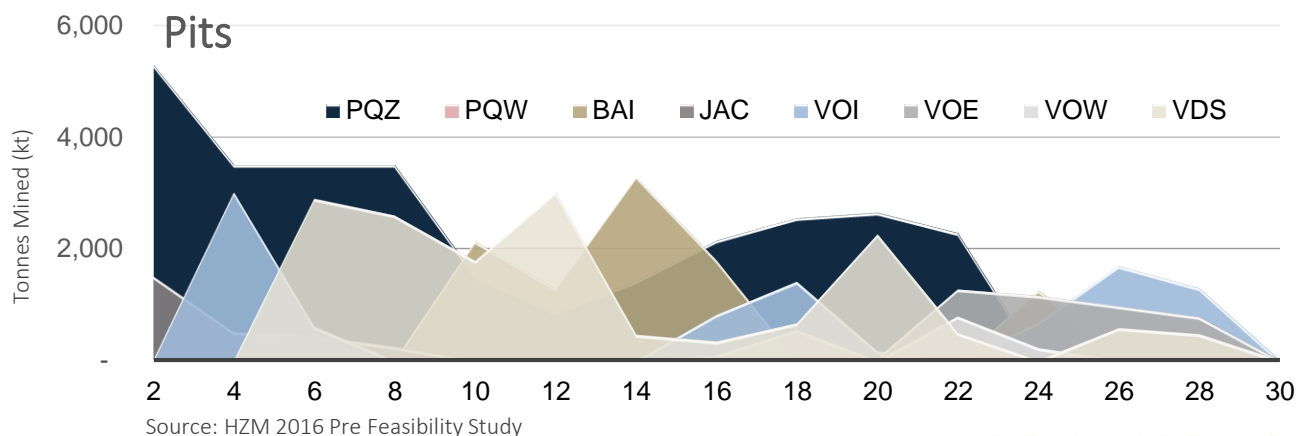
- Shallow open pit mining (max depth 25m)
 - 7 pits in South, 1 pit in North
 - 3 – 5 pits open at any given time
 - Do not expect explosives required
- Total 30 year schedule
 - 2 year pre-production
 - 28 year LOM
- Ramp-up over 13 months
- Contract mining

HIGH GRADE ORE TO ENSURE RAPID PAYBACK

- Targeted high grade nickel feed in early production years:

Years	Average Grade
1 to 5	2.0% Ni
6 to 10	1.9% Ni
11 to 28	1.7% Ni

Araguaia Mine Profile:



Source: HZM 2016 Pre Feasibility Study

Mining: North

PLANNED VALE DOS SONHOS PIT



Mining: North

PLANNED VALE DOS SONHOS PIT

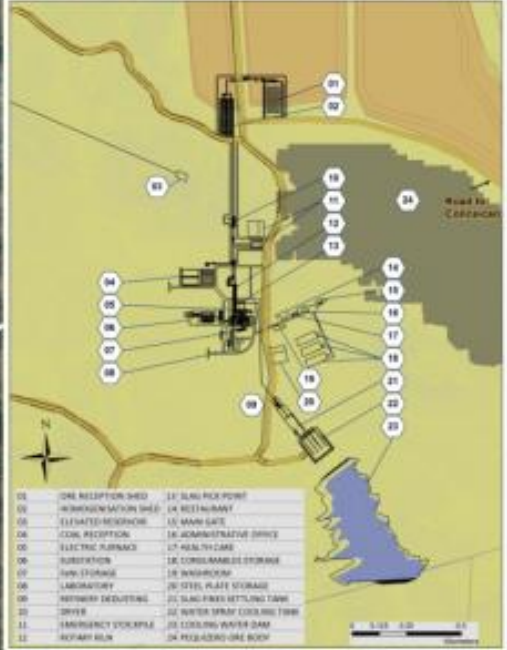


Process



Southern Area & Process Plant

PLANNED PITS & PROCESS PLANT IN ARAGUAIA SOUTH



Proven Process: RKEF

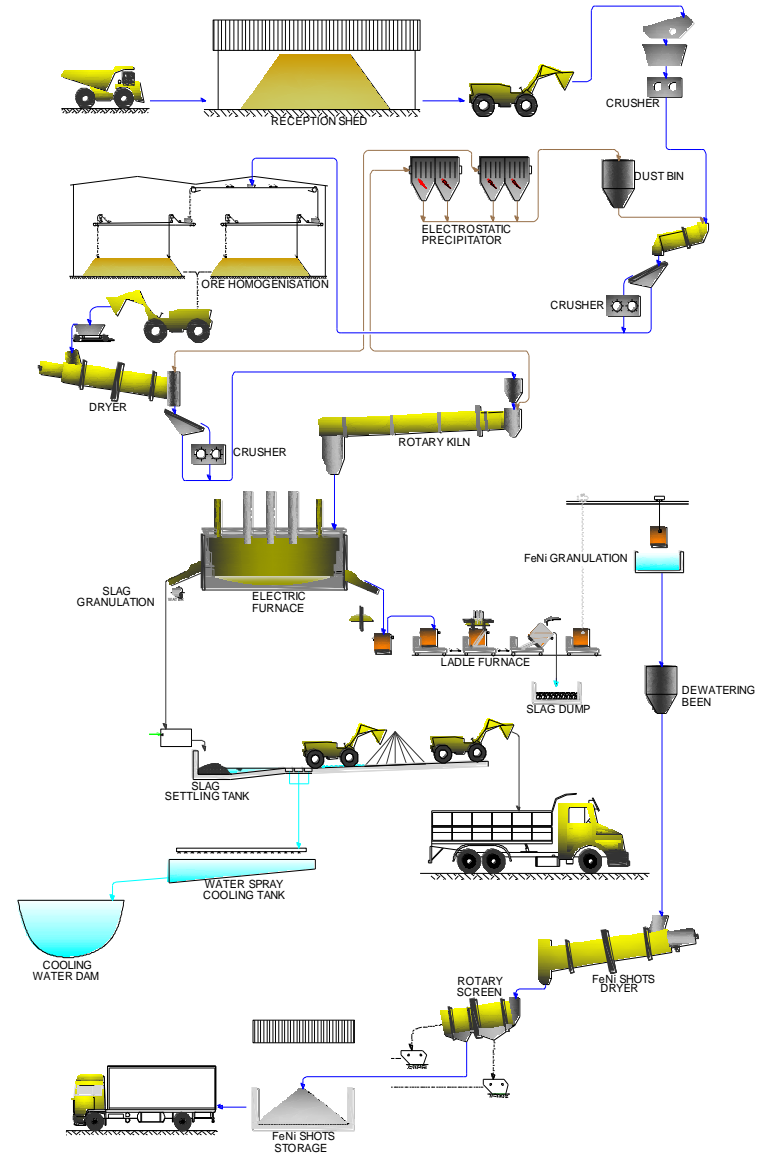


4 operations in Brazil utilise the RKEF process. Image shows Anglo American's Barro Alto mine



HZM FeNi 30 produced at the Morro Azul RKEF facility in Brazil – June 2015

- RKEF is a proven nickel saprolite processing technology in operation for over 60 years
- Over 20 operational RKEF plants worldwide in 2016. With the most recent built by the Chinese in Indonesia in 2016
- Successful pilot programme completed allowing process flow sheet design to be finalised



Ferro-Nickel Product

PRODUCT



Ferronickel granules produced from Araguaia ore 2015

ARAGUAIA FERRONICKEL

Element	Content (% Max)
Nickel (Ni)	28-32
Cobalt (Co)	0.80
Copper (Cu)	0.06
Silicon (Si)	0.04
Phosphorus (P)	0.03
Sulphur (S)	0.04
Carbon (C)	0.04
Iron (Fe)	Balance

High grade FeNi30 product to commercial specification with low impurities

PHYSICAL CHARACTERISTICS & PACKAGING



- FeNi granules: 2-50mm
- Final product to be supplied in bulk or big bags



Brazil & Pará State Infrastructure



Why Brazil, Why Now?

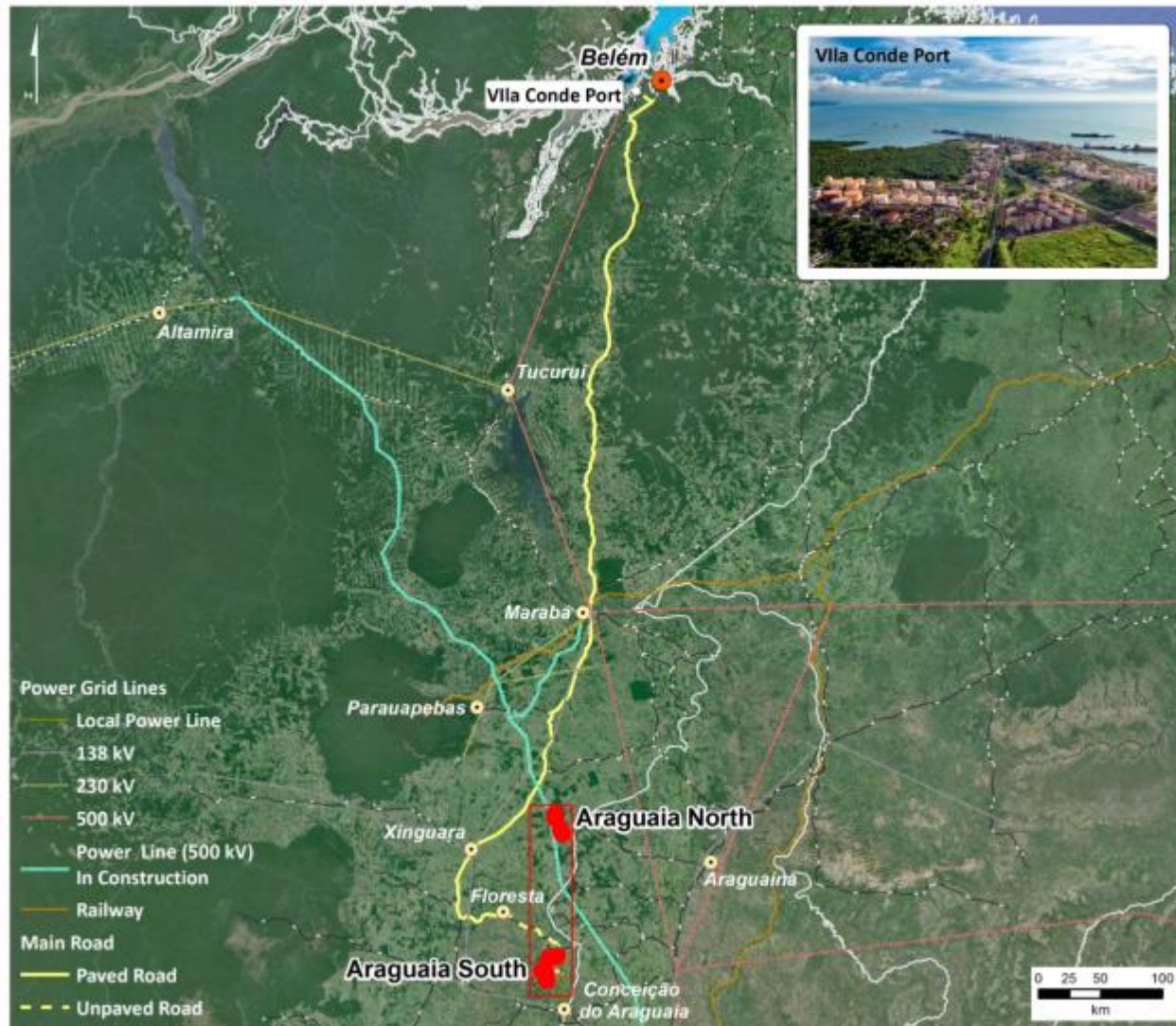


Brazil & Mining Today

INVESTMENT FLOWING BACK IN

- Following 2 years of macro challenge – the Brazilian economy shows signs of recovery
 - IMF says “confidence in the Brazilian economy is slowly reawakening” and forecasts positive growth in 2017
 - The country’s benchmark equity index has risen ~60% to date in 2016 and investment returned to 2009 level
 - US\$64 billion in new infrastructure investments announced by federal government in June 2015, China expected to invest more than US\$50 billion
-
- Well established regulatory system for mining
 - Devalued currency increases purchasing power for miners
 - Production costs falling, such as labour and real-estate (Itau Bank)
 - Brazil one of the main drivers of LATAM investment in mining (BMI Research)

Power and Infrastructure



Environmental & Social



Environmental & Social

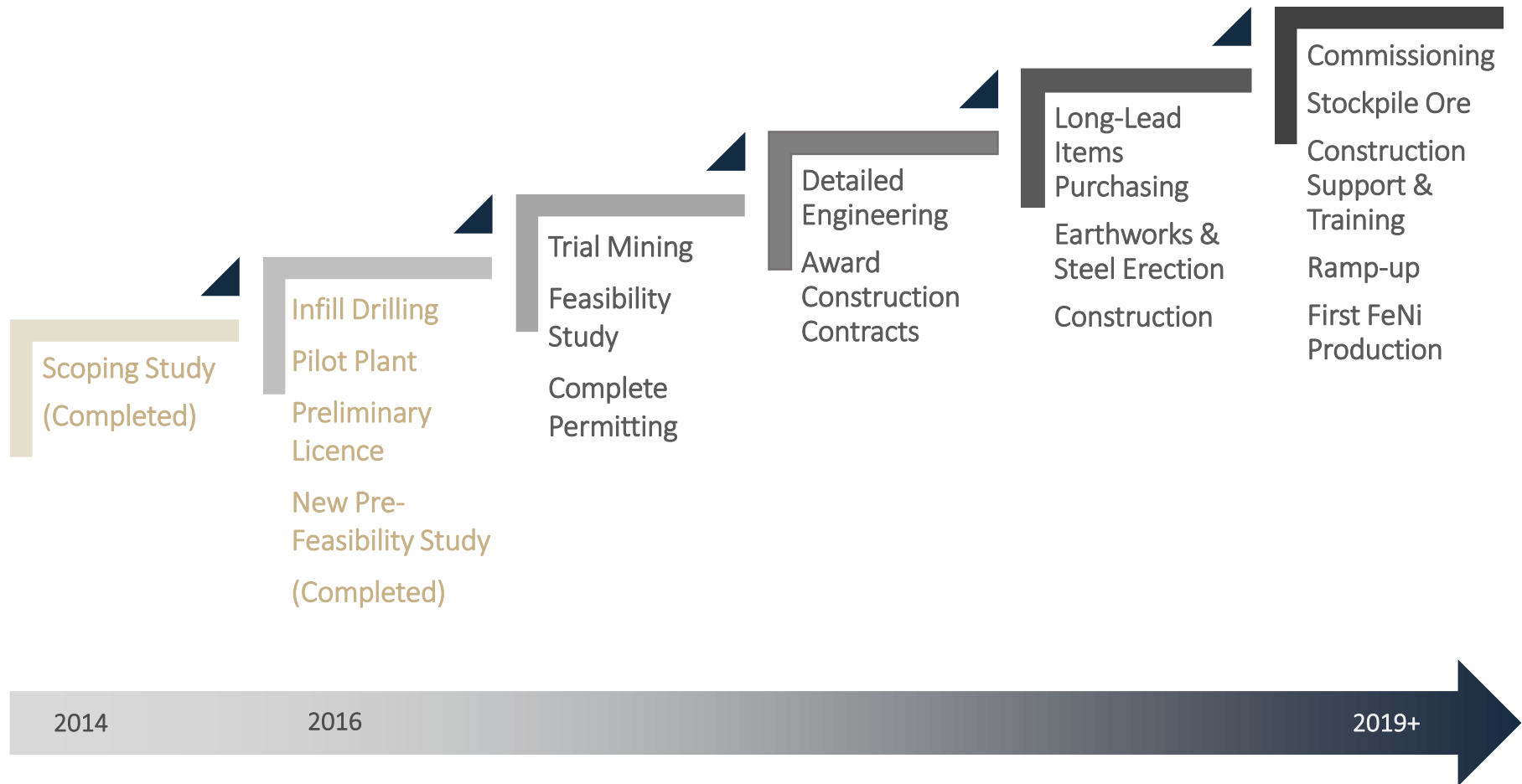
- Environmental Preliminary Licence (LP) for mine and plant awarded for Araguaia project in May 2016
- Fully compliant Social and Environmental Impact Assessment completed and approved
- Araguaia project viewed as regional economic driver by State Government
- Limited population density across area of influence
- Consultations undertaken with 3,000+ community members to date – positive support for project
- Positive water balance in the region
- Over 80% of water planned to come from recycled sources
- Mine closure plans & provisions in place
- Slag tested and classified as inert, no tailings dams
- Multiple years of baseline data recorded



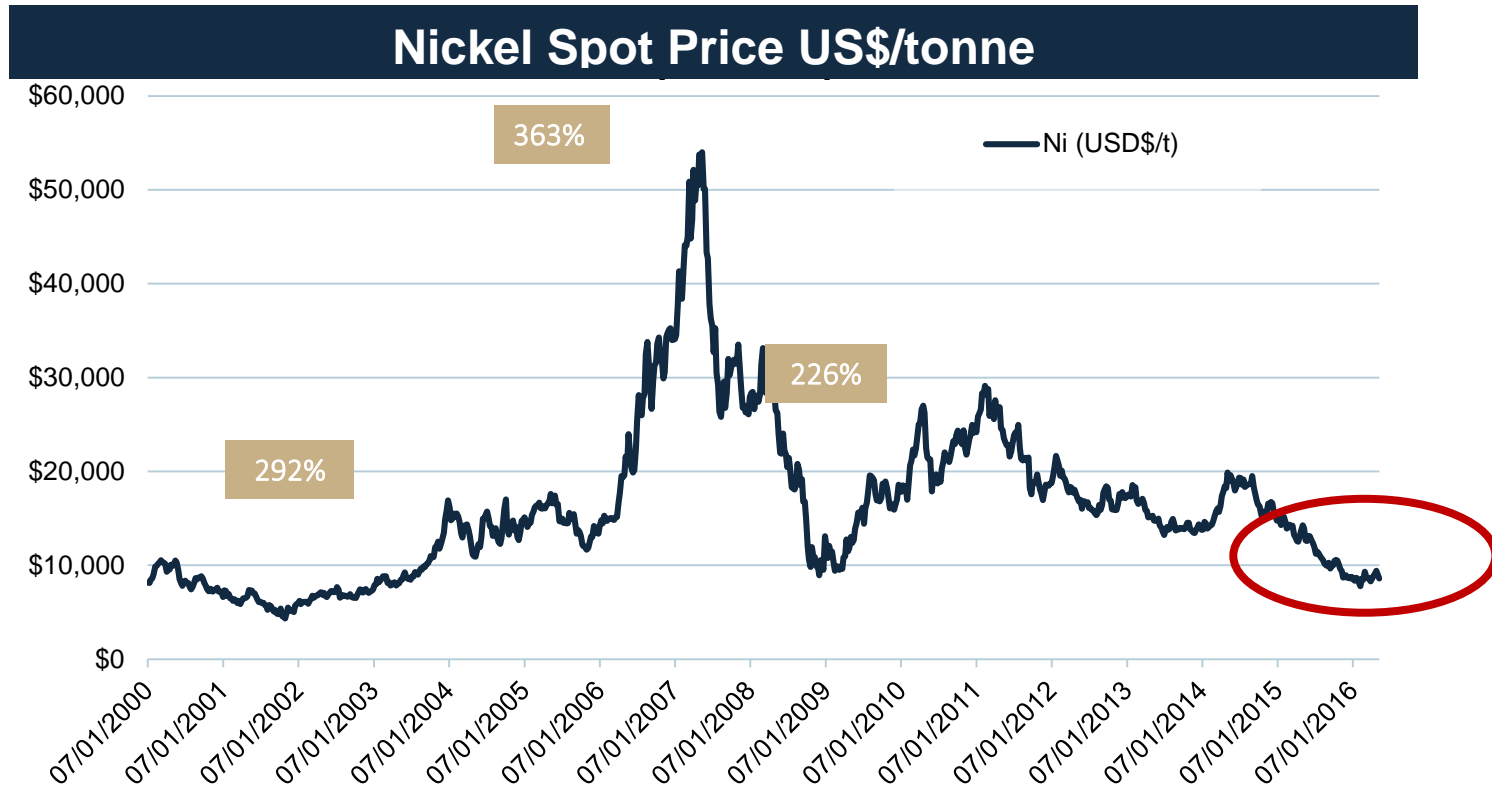


Investment Case

Project Development Pathway



Nickel



- Nickel price rises from 2000 to date vary from 200% – 350%
- Historical averages: 15 years ~US\$17,000/t; 10 years ~US\$20,000/t
- Massive upside leverage from current unsustainable price point

Investment Highlights

- The Araguaia nickel project is a Tier 1 asset in terms of size and grade, one of the largest undeveloped saprolite resources globally
- New PFS Strong economics – profitable at today's nickel prices
 - Post-Tax NPV₈ of US\$328M with IRR of 19.3% at US\$12,000
 - Post-Tax NPV₈ US\$581M with IRR of 26.4% at US\$14,000
- High grade reserve to support initial 28 year mine life with significant potential to expand allowing increased production
 - 10 years of mining >1.96% Ni – upper quartile of the global grade curve
- Roadmap to commercial production
- Strengthening nickel market fundamentals - the medium term/long term outlook is positive, Araguaia is well aligned to maximise value for shareholders

Horizonte offers leveraged exposure to one of the world's next major nickel mines

The background image shows an industrial setting with large, horizontal cylindrical machinery. Several workers wearing hard hats and safety glasses are visible, some in the foreground and others in the background. The scene is dimly lit, suggesting an indoor or shaded industrial environment.

Contact

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St Brides Partners Ltd

Lottie Brocklehurst

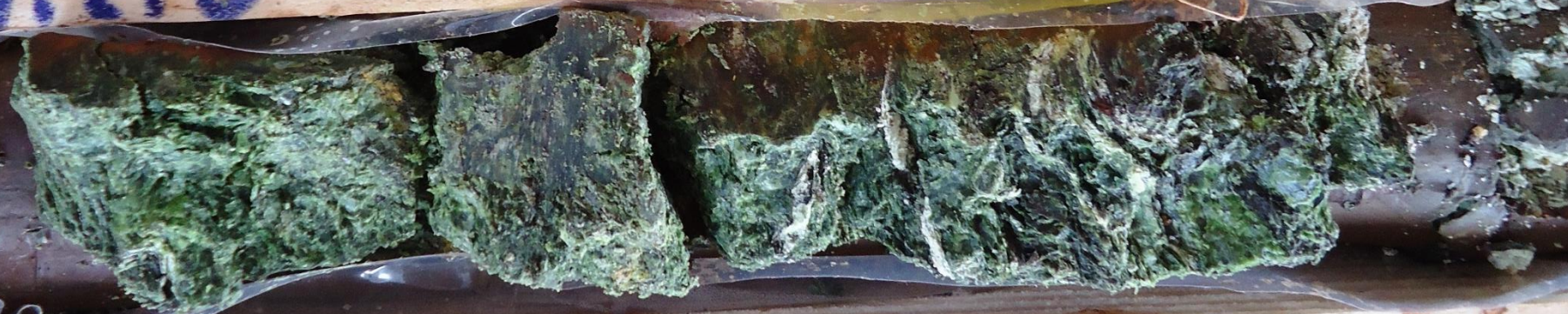
Elisabeth Cowell

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www.stbridespartners.co.uk

Appendix

Inicio



Key Data

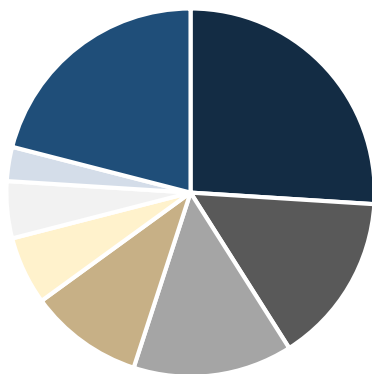
Strong institutional backing endorses Horizonte's asset and team





Key Shareholders

- Teck Resources 26%
- Henderson Global Investors 15%
- Richard Griffiths 14%
- Glencore 10%
- City Financial 6%
- Anglo Pacific Group 5%
- Quantum Holdings 4%
- Other 20%



(Rounding applied. The Directors are aware of the above substantial interests or holdings in 3% or more of the Company's ordinary called up share capital as at 3 August 2016.)

Ticker	AIM: HZM	TSX: HZM
Share price	2.075p	C\$0.04
Market Cap	£15.08M	C\$28.90M
Cash + Equivalents	£1.6M	(C~\$2.7M) at 30.06.15
52 week trading	AIM: 3.00p – 1.40p	(C\$0.06 – C\$0.02)
Nomad & Broker	finnCap	
Analyst coverage	finnCap	Paradigm Capital

(SP data from 30.09.16)

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