

NEWS RELEASE
29 August 2017

ARAGUAIA NICKEL PROJECT FEASIBILITY STUDY PROGRESS UPDATE

29 August 2017 – Horizonte Minerals Plc, (AIM: HZM, TSX: HZM) ('Horizonte' or 'the Company') the nickel development company focused in Brazil, is pleased to report the progress to date of the on-going Feasibility Study ('FS') on its 100%-owned Araguaia nickel project ('Araguaia' or 'the Project'). The Company is developing Araguaia as Brazil's next ferro-nickel mine.

Highlights: *FS is progressing on schedule and is over 60% complete, with targeted completion Q4 2017 into Q1 2018*

- ***Process Design and Engineering***
 - Major equipment packages issued to the market to assemble capital costs estimates
 - Power line route from national grid to plant substation finalised
 - Site layout work substantially complete and 3D model developed
 - Manning tables and organisational structure for future nickel operation concluded
- ***Geology and Mining***
 - Mine planning and design is at an advanced stage of completion
 - Geotechnical sampling and testwork completed to support engineering design in the process plant areas and appropriate pit design
- ***Social & Environmental***
 - Finalised environmental control plans for the Installation Licence ready to be submitted to the State Environmental Agency in Q3 2017
 - Sustainability team progressing towards the water pipeline and energy transmission line installation licences

Horizonte CEO Jeremy Martin said, "We are making good progress towards the completion of the Feasibility Study and with over 60% of the work streams complete to date the Feasibility Study remains on schedule to be completed on budget around the end of the year with targeted publishing in early 2018.

"The next major milestone and de-risking step for the Project will be the award of the Installation Licence, which allows construction to start. We are now in a position to

submit all the documentation for the Installation Licence to the environmental agency in Q3 2017 with a view to the award of the licence in Q1 2018.

“There has been a steady increase in the nickel price over the last eight weeks with prices now over US\$11,000 per tonne, this aligned with our project milestones over the next 12 months should see increased interest in the Company as we advance the project through to the construction stage.”

Further Details

Work completed for **Process Design and Engineering** segments of the Feasibility Study which are being undertaken by Worley Parsons Canada Services Ltd. (‘Worley Parsons’) includes the following:

- Major equipment packages issued to the market to assemble the capital cost estimates
- Mobilisation of construction team for contracting and execution strategy, construction strategy and overall implementation plan are progressing well
- Power line route coordinates were finalised from national grid substation to plant substation enabling a key piece of capital cost to be estimated
- Layout work is substantially complete, with the 3D model developed
- Manning tables and organizational structure for future operation have been concluded
- Consumables pricing have been received and are being reviewed for operating costs analysis
- Finalised the architectural design work for the ore drying area and the coal handling area
- P&ID’s from Ore Reception to the Dryer Feed were issued and PFDs are completed

Work completed or at an advanced stage of development in the **Geology and Mining** segments of the study being undertaken by Snowden Mining Industry Consultants (‘Snowden’) includes the following:

- A Trial Excavation of ~27,000 tonnes of overburden and ore was completed in May 2017. The programme was designed to test amongst other things the short scale variability in the ore horizons, the assessment of appropriate grade control sampling, facilitate a reconciliation exercise between the estimated

grades/tonnes and the as mined material, measure the granulometry of the ore, large scale measurement of the bulk density and give technical support for mining cost assumptions

- A conditional simulation exercise on three of the principal deposits to be mining in the first 10 years has been successfully completed. This gives quantitative support to the resource classification
- Mine planning and detailed design is at an advanced stage
- The development of a mine-to-mill strategy has been developed to ensure appropriate operational procedures to ensure the plant feed meets the chemical and physical requirements
- Preparation of detailed documentation for potential mine contractor quotations has been completed
- The estimation of the quantities of ferricrete suitable for use at sheeting in the mining areas has been completed

Social & Environmental Activities

Licensing:

- The Preliminary Licence ('LP') for Araguaia was approved in May 2016. Once the Installation Licence ('LI') is awarded in parallel with the mining concession, construction may start
- An environmental team of 15 fauna specialists completed a major work programme in July 2017, complementing fauna collections previously undertaken in the region
- Flora, physical and socio-economic studies were completed in June 2017
- All environmental control plans for the LI submission to SEMAS are complete. The sustainability team is now collating the package of documents required to submit the LI to SEMAS in Q3 2017
- With the bulk of work complete on the LI for the Araguaia South mine and plant, the Sustainability team is now progressing towards the supporting infrastructure licence submissions, including the water pipeline and energy transmission line
- A new flora study will take place in September 2017 to characterise the vegetation where the future water pipeline will be constructed

Additionally, Environmental Resources Management (ERM) consultants continue to progress the sustainability sections of the FS in line with Equator principles and IFC performance standards.

The Araguaia Nickel Project

Araguaia, which is 100% owned by Horizonte, is located on the eastern margin of the State of Pará, north-eastern Brazil, to the north of the town of Conceição do Araguaia (population of 46,206), south of the main Carajás Mining District.

The Project has good regional infrastructure including a network of Federal highways and roads, with access to low tariff hydro-electric power. The Carajás Mining District, situated approximately 200km northwest of Araguaia, is host to a number of major iron and copper mines operated by mining major Vale SA.

The PFS released in October 2016 considers open pit mining for the exploitation of nickel laterite to establish the production of run of mine ('ROM') from eight open pits to supply a targeted 0.9 million tonnes per annum ('Mt/a') of ore to a processing and smelter facility. This facility will use the proven RKEF process with the product being sold at free on board ('FOB') at the selected port of export.

A Base Case of 0.9 Mt/a production throughput was selected because of the Company's objective to minimise the capital expenditure and overall capital intensity, and to optimise overall cash flow, payback, and the economics of the Project.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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About Horizonte Minerals:

Horizonte Minerals plc is an AIM and TSX-listed nickel development company focused in Brazil, which wholly owns the advanced Araguaia nickel laterite project located to the south of the Carajás mineral district of northern Brazil. The Company is developing Araguaia as the next major nickel mine in Brazil, with targeted production by 2019.

The Project has good infrastructure in place including rail, road, water and power.

Horizonte has a strong shareholder structure including Teck Resources Limited 17.9%, Lombard Odier Asset Management (Europe) Limited 14.11%, Richard Griffiths 14.5%, JP Morgan 8.4%, Hargreave Hale 6.4% and Glencore 6.4%.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

Except for statements of historical fact relating to the Company, certain information contained in this press release constitutes "forward-looking information" under Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the potential of the Company's current or future property mineral projects; the success of exploration and mining activities; cost and timing of future exploration, production and development; the estimation of mineral resources and reserves and the ability of the Company to achieve its goals in respect of growing its mineral resources; and the realization of mineral resource and reserve estimates. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, and are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks related to: exploration and mining risks, competition from competitors with greater capital; the Company's lack of experience with respect to development-stage mining operations; fluctuations in metal prices; uninsured risks; environmental and other regulatory requirements; exploration, mining and other licences; the Company's future payment obligations; potential disputes with respect to the Company's title to, and the area of, its mining concessions; the Company's dependence on its ability to obtain sufficient financing in the future; the Company's dependence on its relationships with third parties; the Company's joint ventures; the potential of currency fluctuations and political or economic instability in countries in which the

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Company operates; currency exchange fluctuations; the Company's ability to manage its growth effectively; the trading market for the ordinary shares of the Company; uncertainty with respect to the Company's plans to continue to develop its operations and new projects; the Company's dependence on key personnel; possible conflicts of interest of directors and officers of the Company, and various risks associated with the legal and regulatory framework within which the Company operates.

Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.