

NEWS RELEASE

14 Sept 2017

### **ARAGUAIA NICKEL PROJECT - ANNOUNCES NICKEL/COBALT LIMONITE RESOURCES WITH POTENTIAL TO SUPPLY THE EV BATTERY MARKET**

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**14 Sept 2017 – Horizonte Minerals Plc, (AIM: HZM, TSX: HZM) ('Horizonte' or 'the Company')** the nickel development company focused in Brazil which is developing the Araguaia nickel project as Brazil's next ferro-nickel mine, is pleased to announce the resources estimate for the nickel/cobalt limonite portion of the deposit.

#### **Highlights**

- The limonite Mineral Resources, in the Measured and Indicated category, are **20.7 million tonnes grading 1.13% Nickel and 0.12% Cobalt** (0.9% nickel cut off)
- The limonite Measured and Indicated Resources are estimated to contain 233,200 tonnes (515 million pounds) of nickel and 25,580 tonnes (56 million pounds) of cobalt
- Resources do not form part of the mine schedule, nor the financial model for the RKEF plant currently the focus of the Feasibility Study ('FS')
- Additional potential within the overall project area to expand these limonite resources

**Horizonte CEO Jeremy Martin said,** "We are pleased to announce the limonite Resources at the Araguaia Project. The processing of these Resources is not part of the current mine plan in the Feasibility Study ('FS') for the Rotary Kiln Electric Furnace project ('RKEF'). In the FS, the plan is to extract and stockpile the limonite resources on the surface; however, the stockpile contains over 230,000 tonnes of nickel and 25,000 tonnes of cobalt which are not currently included in the cash flow model for the Araguaia RKEF project.

"We are mindful of the future potential value of this material so as part of the current mine plan it will be mined and stockpiled separately based on mineralogy and nickel / cobalt grades. The limonite cannot be processed using RKEF process so it will require an alternate process technology. The material will be located in a permitted mine site with all infrastructure in place so it represents a low cost source of nickel and cobalt that has the potential to add significant upside to the overall operation, and at the appropriate time, the Company may decide to advance economic studies on its nickel

/ cobalt production potential. The Company's current focus remains on the existing FS for the RKEF plant, but these limonite resources provide the potential to establish a second, complimentary project on the same site in due course. It should also be highlighted that there is potential within the overall project area to expand these preliminary limonite resources with additional exploration work.

“In other parts of the world, limonite resources are treated to produce products, such as nickel and cobalt hydroxides; suitable for supplying the electric vehicle (EV) battery market. Demand for nickel and cobalt is expected to accelerate over the next 5–10 years as EV battery production ramps up. China has the most ambitious EV growth goals in place, targeting 5 million EVs on the road by 2020 and production of 7 million by 2025. There are three principal battery types to consider when looking at the EV market: lithium-cobalt-oxide (LCO), nickel-manganese-cobalt (NMC) and nickel-cobalt-aluminium-oxide (NCA); all of which could utilize nickel or cobalt from Horizonte's limonite resource, given the right extraction and processing of these metals.

“This new development positions Horizonte with exposure to the fast-growing nickel/cobalt EV battery market. With our planned RKEF plant able to produce ferro nickel for traditional use in the stainless-steel industry, the limonite resources at Araguaia have the potential to supply substantial nickel and cobalt products into the EV battery sector.

“We are working towards publishing the Feasibility Study by the end of Q4 2017/Q1 2018, while we review process options for the limonite material and look at the upside that could be added to the advanced Araguaia Project.”

### **Further Details**

At a 0.90% nickel cut-off grade the estimated limonite mineral resources in the Ara South deposits (Baião, Pequizeiro, Pequizeiro West, Jacutinga, Vila Oito, Vila Oito West, Vila Oito East) and the Ara North deposit (Vale dos Sonhos) are estimated and reported in the Pre-Feasibility Study (PFS) (Sept 2016) are presented in Table 1.

The Mineral Resources reported in the September 2016 PFS, from which Table 1 is extracted, were prepared under the supervision of Mr. Andrew F. Ross BSc (Hons), MSc, FAusIMM, an Independent Qualified Person as defined in NI 43-101.

A total of 40,330 meters (1,494 holes) from ARA South and 28,860 meters (839 holes) from ARA North were used in the Mineral Resources Estimation reported in the PFS.

**TABLE 1**

CUTOFF (%Ni)	CATEGORY	HORIZON	Mt	% Ni	Contained Ni (t)	% Co	Contained Co (t)
0.90	MEASURED	LIMONITE	1.23	1.20	14,800	0.153	1,880
0.90	INDICATED	LIMONITE	19.47	1.12	218,400	0.122	23,700
0.90	MEASURED + INDICATED	LIMONITE	20.70	1.13	233,200	0.124	25,580
0.90	INFERRED	LIMONITE	2.84	1.08	30,600	0.104	2,960

*Note: Totals may not add due to rounding. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.*

### **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, in the Municipal 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 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 2020.

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",*

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*“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 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.*