Horizonte Minerals plc / Index: AIM / Epic: HZM / Sector: Mining

7 September 2009

Horizonte Minerals plc ('Horizonte' or 'the Company')
Interim Results

Horizonte, the AIM quoted exploration and development company with assets in Brazil and Peru, is pleased to announce its interim results for the six months ended 30 June 2009.

Overview

Proven business model focussed on value uplift, strategic associations and a multi commodity strategy:

- New agreement with AngloGold Ashanti ('AngloGold') for target generation in Brazil with funding of up to US$5,300,000 by AngloGold
- 50:50 joint venture signed with LGA Mineração e Siderurgia Ltda. ('LGA') to finance the development of pipeline projects and identify and acquire suitable bolt-on mineral projects in Brazil - LGA funding US$441,000 over 12 months
- Joint venture partner Troy Resources NL ('Troy') making progress developing targets at the Tangara gold project ('Tangara Project') in Brazil
- Pararapa gold-silver project joint venture with Barrick Gold Corporation ('Barrick Gold') – development drilling programme to commence Q4 2009
- Lontra nickel discovery ('Lontra Project') - currently evaluating options to maximise the project's value

Horizonte CEO Jeremy Martin said, "Horizonte has made excellent progress during the last six months despite difficult market conditions. We have continued to add value to our portfolio of projects through exploration development and partnerships with mining majors. With three active joint venture partners now secured, namely AngloGold, Troy and LGA, together with approximately US$9 million of exploration expenditure under these agreements and a further agreement signed with Barrick Gold to develop the Pararapa Project in Peru, I believe we have a solid platform to generate significant value and deliver strong growth for our shareholders."

Chairman's Statement

The Company continues to develop its portfolio of gold, silver and base metals exploration projects in Brazil and Peru and build on its reputation as an exploration partner of choice for major mining companies operating in South America. Horizonte has continued to pursue its development strategy of generating and rapidly advancing exploration projects to joint venture out to mining companies. This also allows the Company to participate in potential project value upside whilst minimising Horizonte's exposure to development risk and limiting our own cash commitments going forward.

In line with this strategy, we are delighted that AngloGold, the third largest gold mining company in the world, has signed an agreement to partner Horizonte on a major new target generation programme in two areas of Brazil. Under the terms of the agreement, a first year commitment of US$900,000 has been funded by AngloGold and utilised for target generation and potential acquisitions. Provided exploration results continue successfully this will culminate in a total investment of US$5,300,000 by AngloGold and various joint ventures over a number of potential areas with Horizonte holding 49%. I believe this agreement acts as a further endorsement of our reputation for developing grass root discoveries in South America. AngloGold has been active in Brazil for over 25 years and is an ideal partner to advance any new discovery through to production.

In April 2009, we secured an agreement with LGA, establishing a 50:50 joint venture partnership to finance the development of pipeline projects and identify and acquire suitable bolt-on mineral projects in Brazil. This has given Horizonte additional funding of circa US$441,000. The funds will be utilised to advance Horizonte's early stage pipeline projects through to the drill stage and, in conjunction with LGA, to evaluate the many new project opportunities in Brazil.

On the Tangara Project, Troy has been making solid progress in terms of exploration and developing prospective targets. The recent soil programme completed across the Bezerro - Serrinha Trend in West Rio Maria yielded significant results with values of up to 1.98 g/t Au in soils and six zones above a highly anomalous threshold of 0.11 g/t Au. The results define a 3,000 metre long east-northeast striking anomalous trend up to 300 metres wide within which rock grab sampling of float and outcropping veins yielded values up to 36.75 g/t Au. Approximately 400 metres south of the main trend another anomalous zone was identified along 1,600 metres including four zones above 0.1 g/t Au with maximum of 0.81g/t Au in soils and rock chip returning up to 2.20 g/t Au.

Importantly, the Tangara Project is located in close proximity to Troy's operating plant at the Andhorinas gold mine which, subject to positive drilling results at the Tangara Project, could represent a rapid development target. Troy is currently progressing with underground development at its Andhorinas gold mine and the target on Horizonte's ground at the Tangara Project is ideally suited for an open pit feed to the mine facility.

To date, Troy has exceeded its earn-in requirement of US$2 million expenditure and the next critical point is for Troy to exercise its option. On exercise, Troy is required to pay Horizonte US$2 million and Horizonte is entitled to a US$30 oz royalty for every ounce of gold produced from the Tangara Project area up to a maximum of 500,000 oz. In the event of more than 500,000 oz being produced, a royalty of 1% NSR shall apply. This royalty will increase to 2% NSR in the event of production exceeding 1 million oz. Assuming that a target level of 500,000 oz production is achieved, the potential value to Horizonte could be circa US$15 million. We are working closely with Troy and will keep the market informed on any developments on this front.

Against a backdrop of falling nickel prices we halted development work at the Lontra Project in Brazil. However we consider the Lontra Project to be an important new nickel laterite discovery, with significant potential value upside for Horizonte. The Company is currently evaluating options to maximise the Lontra Project's value in the future when nickel prices recover.

In Peru, further exploration of the Pararapa gold-silver project and the silver El Aguila project has been put on hold, however we are planning to re-commence drilling at Pararapa in the near future depending on timing and funding. The El Aguila project will be re-evaluated with its core data to be reviewed by a leading economic geological consultant to determine its potential and plan further work or outright sale in the improving zinc-silver-lead market.

In summary we now have three active joint venture partners; AngloGold, Troy and LGA with circa US$9 million already committed by these partners to exploration initiatives generated by Horizonte as well as a further agreement signed with Barrick Gold to develop the Pararapa Project in Peru. The current project development includes resource definition on three core gold and nickel projects as well as the Lontra grass roots discovery in 2008 which is now close to resource definition. Additionally we have a generative pipeline of projects in prospective mineral terrains with existing ore deposits.

I believe we have a proven business model that demonstrates value uplift with strategic associations and a multi commodity exposure hedging the Company's risk. We are continually assessing opportunities for the Company and I believe we are well placed to deliver on our growth objectives.

It remains for me to thank you on behalf of the Board and management for your support and also personally to thank my fellow members of the Board and the Horizonte management team for their excellent work and support during what has been a difficult time for the mining industry as a whole.

David J.Hall
Non-Executive Chairman

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Interim Results

Consolidated Income Statement

	Note	*Period 1-Jan-09 30-Jun-09 Un-audited* £	*Period 1-Jan-08 30-Jun-08 Un-audited* £	*Period 1-Jan-08 31-Dec-08 Audited* £
Revenue		-	-	-
Cost of Sales		-	-	-
Gross Profit		-	-	-
Operating Expenses		(418,977)	*(316,890)*	*(1,011,054)*
Project Impairment		-	-	*(545,310)*
Gain/(Loss) on Foreign Exchange		795	*(3,477)*	*(9,073)*
Loss from Operations		(418,182)	*(320,367)*	*(1,565,437)*
Finance Income		2,492	*43,915*	*68,124*
Loss before Taxation		(415,690)	*(276,452)*	*(1,497,313)*
Taxation		-	-	-
Retained Loss for the Period attributable to Equity Shareholders		(415,690)	*(276,452)*	*(1,497,313)*
Loss per share (pence) – Basic and Diluted	4	(1.02)	*(0.68)*	*(3.70)*

Consolidated Balance Sheet

	30-Jun-09 Un-audited £	*30-Jun-08 Un-audited* £	*31-Dec-08 Audited* £
ASSETS			
Non-Current Assets			
Intangible Assets	2,424,167	*2,720,988*	*2,380,528*
Property, Plant and Equipment	1,278	*1,645*	*1,638*
	2,425,445	*2,722,633*	*2,382,166*
Current Assets			
Trade and Other Receivables	3,058	*3,249*	*4,600*
Cash and Cash Equivalents	557,676	*1,781,064*	*1,043,502*
	560,734	*1,784,313*	*1,048,102*
Total Assets	2,986,179	*4,506,946*	*3,430,268*

EQUITY AND LIABILITIES

Equity			
Issued Capital	404,477	*404,477*	*404,477*
Share Premium	5,771,728	*5,771,728*	*5,771,728*
Other Reserves	(1,048,100)	*(1,048,100)*	*(1,048,100)*
Retained Earnings	(2,401,063)	*(826,706)*	*(1,995,264)*
Total Equity	2,727,042	*4,301,399*	*3,132,841*
Current Liabilities			
Trade and Other Payables	259,137	*205,547*	*297,427*
Total Liabilities	259,137	*205,547*	*297,427*
Total Equity and Liabilities	2,986,179	*4,506,946*	*3,430,268*

Consolidated Statement of Changes in Equity

	Share Capital £	*Share Premium* £	*Accumul-ated Losses* £	*Other Reserves* £	*Total* £
As at 1 January 2008	404,477	5,771,728	(618,755)	(1,048,100)	4,509,350
Share options – value of employee services	-	-	68,501	-	68,501
Loss for the period	-	-	(276,452)	-	(276,452)
As at 30 June 2008	404,477	5,771,728	(826,706)	(1,048,100)	4,301,399
As at 1 January 2009	404,477	5,771,728	(1,995,264)	(1,048,100)	3,132,841
Share options – value of employee services	-	-	9,891	-	9,891
Loss for the period	-	-	(415,690)	-	(415,690)
As at 30 June 2009	404,477	5,771,728	(2,401,063)	(1,048,100)	2,727,042

Consolidated Cash Flow Statement

	Period 1-Jan-09 30-Jun-09 Un-audited £	*Period 1-Jan-08 30-Jun-08 Un-audited* £	*Period 1-Jan-08 31-Dec-08 Audited* £
Cash flows from operating activities			
Loss before taxation	(415,690)	*(276,452)*	*(1,497,313)*
Interest income	(2,492)	*(43,915)*	*(68,124)*
Employee share options charge	9,891	*68,501*	*120,804*
Project impairment	-	-	*545,310*
Depreciation	360	*273*	*630*
Operating loss before changes in working capital	(407,931)	*(251,593)*	*(898,693)*
(Increase)/decrease in trade and other receivables	(1,744)	*101,303*	*103,238*
(Decrease)/increase in trade and other payables	(38,290)	*(66,258)*	*25,621*
Net cash outflow from operating activities	(447,965)	*(216,548)*	*(769,834)*
Cash flows from investing activities			
Net purchase of intangible assets	(43,639)	*(435,951)*	*(640,801)*

Purchase of property, plant and equipment	-	*(750)*	*(1,099)*
Interest received	5,778	*43,915*	*64,838*
Net cash used in investing activities	(37,861)	*(392,786)*	*(577,062)*
Cash flows from financing activities			
Proceeds from issue of ordinary shares	-	-	-
Net cash inflow from financing activities	-	-	-
Net(decrease)/increase in cash and cash equivalents	(485,826)	*(609,334)*	*(1,346,896)*
Cash and cash equivalents at beginning of period	1,043,502	*2,390,398*	*2,390,398*
Cash and cash equivalents at end of period	557,676	*1,781,064*	*1,043,502*
Consisting of:			
Group Cash	557,676	*1,781,064*	*1,043,502*

Notes to the unaudited financial statements

1. General information
The principal activity of Horizonte Minerals Plc ('the Company') and its subsidiaries (together 'the Group') is the exploration and development of precious and base metals in Brazil and Peru.

2. Basis of preparation
The interim financial statements of the Group for the six months ended 30 June 2009 have been prepared on a going concern basis in accordance with the recognition and measurement principles of International Financial Reporting Standards(IFRSs) as adopted by the European Union and on a basis consistent with the accounting policies set out in the Group's consolidated annual financial statements for the year ended 31 December 2008.They have not been audited, do not include all the information required for full annual financial statements, and should be read in conjunction with the Group's consolidated annual financial statements for the year ended 31 December 2008.The report of the auditors on those consolidated financial statements was unqualified. As permitted, the Company has chosen not to adopt IAS34 'Interim Financial Statements' in preparing these interim financial statements.

3.Significant accounting policies
A summary of the principal accounting policies applied in the preparation of the interim financial information are set out below.

Basis of consolidation
The consolidated financial statements present the results of the Company and its subsidiaries as if they formed a single entity. Intercompany transactions, balances and unrealised gains are therefore eliminated in full.

Intangible assets
The Group recognizes expenditure as exploration and evaluation assets when it determines that those assets will be successful in finding specific mineral resources. Expenditure included in the initial measurement of exploration and evaluation assets and which are classified as intangible assets relate to the acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and activities to evaluate the technical feasibility and commercial viability of extracting a mineral resource.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The assessment is carried out by allocating exploration and evaluation assets to cash generating units which are based on specific projects or geographical areas.

Whenever the exploration for and evaluation of mineral resources in cash generating units does not lead to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities of that unit, the associated expenditures will be written off to the Income Statement.

Share based incentives
Employee services received in exchange for the grant of share options are recognised as an expense. The total expense to be apportioned over the vesting period is determined by reference to the fair value of the options granted. At each balance sheet date the group revises its estimate of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

4. Loss per share
The loss per share is 1.02p (2008: 0.68p).
The loss per share is calculated by dividing the loss for the period of £415,690 (2008: £276,452) by 40,447,666 (2008:40,447,666) ordinary shares, being the weighted average number of shares in issue. There is no difference between the diluted loss per share and the loss per share shown.

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Independent review report to the Directors of Horizonte Minerals Plc

Introduction

We have been engaged by the Company to review the condensed set of Financial Statements in the half-yearly financial report for the six months ended 30 June 2009 which comprise the consolidated income statement, consolidated balance sheet, consolidated statement of changes in equity, consolidated cash flow statement and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the AIM Rules for Companies.

The annual Financial Statements of the Group are prepared in accordance with the recognition and measurement criteria of IFRSs as adopted by the European Union. The condensed set of Financial Statements included in this half-yearly financial report has been prepared in accordance with the AIM Rules for Companies.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of Financial Statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of the AIM Rules for Companies. We do not, in producing this report, accept or assume responsibility for any other purpose to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410''Review of Interim Financial Information Performed by the Independent Auditor of the Entity'' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of Financial Statements in the half-yearly financial report for the six months ended 30 June 2009 is not prepared, in all material respects, in accordance with the AIM Rules for Companies.

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