

NEWS RELEASE
23 MAY, 2012

HEADS OF TERMS SIGNED WITH MAGELLAN MINERALS OVER HORIZONTE'S AGUA AZUL GOLD PROJECT IN NORTHERN BRAZIL

23 May 2012 – Horizonte Minerals Plc, (AIM: HZM, TSX: HZM) ('Horizonte' or 'the Company') the exploration and development company focussed in Brazil, announces the signing of Heads of Terms between Magellan Minerals Ltd ('Magellan Minerals'), a Canadian gold exploration company (TSX-V: MNM), and the Company's wholly owned subsidiary HM do Brasil Ltda ('HM'). The Heads of Terms, which remain subject to definitive binding documentation, provide Magellan Minerals with an option to earn up to a 70% interest in the Company's 1,553 ha Agua Azul do Norte gold property ('Agua Azul' or 'the Property'), located in the Carajas mining region, northern Brazil.

Overview

- Magellan have the option to earn an initial 51% interest in the Agua Azul project for a total cash consideration of US\$320,000 staggered over a 36 month period, together with a minimum exploration expenditure;
- Minimum exploration expenditure is US\$1,500,000 over the 36 month period including a minimum of 2,000m drilling

Upon earning a 51% interest, Magellan has the option to increase its ownership in Agua Azul to 70% upon completion of a National Instrument 43-101 compliant Pre-Feasibility Study together with a further cash payment of US\$500,000 to Horizonte.

If Magellan has earned to 70% of Agua Azul, both companies will contribute to ongoing development costs as per their respective interests. If HM's interest drops below 10% its interest will be converted to a 1% net smelter royalty on any production arising from resources discovered within the Property area.

Magellan Minerals will fund all exploration and will manage day to day operations on the Agua Azul Project.

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Horizonte CEO, Jeremy Martin said “This latest JV with Magellan is part of our strategy of monetising our gold assets and maximising additional value uplift from our gold portfolio for shareholders at no cost to Horizonte. We have a strong cash position of £4.8 million and have the continued support of two major mining companies Teck Resources, a major shareholder in the Company, and AngloGold Ashanti as a JV partner on the Falcao gold project.

“Our current focus is the delivery of the Preliminary Economic Assessment on our flagship Araguaia Nickel Project by the end of Q2 2012, and all work streams are on target to achieve this milestone. Later in the year we plan to start the pilot plant trials as we move into the Pre-Feasibility stage.”

****ENDS****

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About Horizonte Minerals:

Horizonte Minerals plc is a leading exploration and development company in Brazil with two committed major mining partners – Teck Resources and AngloGold. The Company’s wholly owned flagship nickel project, Araguaia, is located south of the world-class Carajas Mineral district in northern Brazil. The Company has released an updated 43-101 Mineral Resource Estimate of 39.3 million tonnes grading 1.39% nickel in the Indicated category and 60.9 million tonnes averaging 1.22% Ni in the Inferred category, which places the project in the upper quartile of developing global nickel assets in terms of size and grade.

During the past year Horizonte has delivered on key milestones within budget and on schedule. 2012 will be active in terms milestone delivery adding value to the Company as it continues to develop Araguaia towards production.

The Company is also active with gold exploration in northern Brazil which it is successfully developing with its JV partner AngloGold Ashanti Limited, giving Horizonte a second commodity focus and adding further value to the Company with minimum capital risk exposure.

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 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

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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.