HORIZONTE MINERALS

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

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INTERIM RESULTS

Horizonte Minerals Plc, (AIM: HZM, TSX: HZM) ('Horizonte' or 'the Company') the exploration and development company focussed in Brazil, announces its unaudited financial results for the six months ended 30 June 2014 and the Management Discussion and Analysis for the same period.

Both of the above have been posted on the Company's website at www.horizonteminerals.com and are also available on SEDAR at www.sedar.com.

Overview

- Significant progress has been made in advancing the 100% owned Araguaia Nickel Project ('Araguaia') as the next major nickel project in Brazil
- Strengthened balance sheet - raised £5.4 million in July 2014
- Pre-Feasibility Study ('PFS') completed March 2014 proving robust economics of Araguaia as a leading high grade nickel project based on excellent infrastructure and a proven and low risk pyro-metallurgical process using Rotary Kiln Electric Furnace technology ('RKEF')
    - Post tax NPV_8 of US$519 million and 20% IRR based on 900ktpa single line, 15,000tpa nickel ('Ni') in ferronickel ('Fe-Ni') product over 25 year life of mine ('LOM') (Base Case - preferred route)
    - Post tax NPV_8 of US$1.2 billion and 21% IRR based on 2.7Mtpa twin line plant, 40,000tpa Ni in Fe-Ni product ('2nd Option')
    - Low cost operation - C1 cash costs of US$4.16/lb (US$9,166/t) over LOM (first quartile of cost curve)
    - Significant free cash flow generation - projected generation of US$1.8 billion post tax over the 25 year LOM
    - High Grade - 1.76% Ni average feed grade for the first 10 years of production (Base Case)
    - Substantial NI 43-101 resource base consisting of 71.98Mt grading 1.33% Ni (Indicated) and 25.35Mt at 1.21% Ni (Inferred) at a 0.95% Ni cut-off grade allows operational flexibility and production ramp up
- Awarded the Seal of Priority from the local Pará State's Department of Industry, Commerce and Mining (SEICOM) to help fast-track the development of Araguaia
- Filed Social Environmental Impact Assessment ('SEIA') with Pará State Environmental Agency in Brazil – targeting issue of the Preliminary Licence by Q1 2015
- Positive nickel market; with the implementation of the Indonesian nickel ore ban the nickel price has increased in 2014 from US$13,200/t in January to current levels around US$19,000/t

Chairman's Statement

I am delighted to report on the exceptional progress your Company has made during the first half of 2014 in delivering on significant value accretive milestones as we continue to advance Brazil's next major nickel project, Araguaia. With a positive nickel market outlook ahead and a strong team both at Board and management level with proven track records in the South American mining and nickel space, it is our objective over the next 24 months to successfully fast-track Araguaia through to completed Feasibility Study.

To this end, we have had a highly active period which has seen us complete a 43-101 Pre-Feasibility Study in March 2014 on time and within budget which demonstrated the robust economics of Araguaia over two operational scenarios as a leading nickel development project globally; update our resource base to 71.98Mt grading 1.33% Ni (Indicated) and 25.35Mt at 1.21% Ni (Inferred) to provide operational flexibility and production ramp up potential; Complete and file our Social and Environmental Impact Study; and receive a 'Seal of Priority' from the local Pará State's Department of Industry, Commerce and Mining, which highlighted Araguaia as a project of strategic importance to the country and state and enlisted as part of an incentive plan to help fast-track the development of Araguaia.

In July 2014, post period end, a £5.4 million placing was successfully completed which has further strengthened both the balance sheet and, importantly, Horizonte's supportive shareholder base which includes Teck Resources, Henderson Global Investors and Anglo Pacific. This additional capital means we are well positioned to deliver on Araguaia's next development stages as we take it through to the Feasibility Study stage by early 2015.

Araguaia

Araguaia is a wholly owned advanced nickel project located in Pará State, south of the Carajas Mining District in northern Brazil. The project is ideally located in an established mining district, offering good road and rail networks with accessible transportation routes to port, access to low cost hydroelectric power and support from regional authorities.

Significant exploration and development work has been undertaken by Horizonte since 2010 when we acquired the project from Teck Resources. We have completed 35,200m of resource drilling and metallurgical testwork which has demonstrated that Araguaia ore can be processed using the proven Rotary Kiln Electric Furnace ('RKEF') process in order to produce a saleable ferronickel product that meets the requirements of international stainless steel plants. A Preliminary Economic Assessment completed in 2012 highlighted the exciting potential of Araguaia as a world-class nickel deposit.

With the above in mind, Horizonte completed a PFS at Araguaia in March 2014, which further confirmed the excellent economics and mining potential of the Company's flagship project. In line with the demands of the market, the study focussed on maximising returns while minimising financial and technical risk and as such two operational scenarios were evaluated which demonstrated that Araguaia offers flexibility to be developed at multiple scales. Our selected route to production is the smaller Base Case with an after tax NPV_8 of US$519 million and a IRR of 20%, which utilises a single line Rotary Kiln Electric Furnace ('RKEF') plant, a proven process route, running at 900,000tpa with 15,000t targeted annual production of nickel in Fe-Ni product. The large scale Option offers production upside with an NPV_8 of US$1.2 billion and 21% IRR based on 2.7Mtpa twin line 40,000 Fe-Ni product RKEF process plant. Importantly the Base Case option brings the project to a capital level which is within reach of a junior mining company such as ours, whilst demonstrating the considerable upside that future expansion could bring.

The strong project economics of Araguaia are also supported by the high nickel grades demonstrated at Araguaia, with an average feed grade for the first 10 years of 1.76% Ni, placing the deposit in the upper quartile for grade globally. Add to this the extremely low C1 cash costs of US$4.16/lb (US$9,166/t) and significant free cash flow generation projected to be US$1.8 billion post tax over the 25 year LOM on the Base Case Scenario, it is clear that Araguaia offers a compelling investment case.

Having now completed our PFS our next major development objective is to advance Araguaia through to the Feasibility Study Stage during 2015. With this in mind we successfully filed our Social and Environmental Impact Assessment ('SEIA') in June 2014. The completion and filing marked a significant de-risking step for the project, as we worked with local stakeholders, communities and government agencies. The report is currently being reviewed by the Pará State Environmental Agency, and post the public hearing, we should receive full approval in Q4 2014/Q1 2015.

The work programmes that will be completed in preparation for the Feasibility Study include infill drilling to define a Measured Resource, the collection of a bulk sample for feed into a large scale continuous pilot plant tests for further de-risking the project and optimising the RKEF process flow sheet, the incorporation into the bulk sampling of a trail mining programme, advanced engineering, geotechnical and water management studies.

Nickel

Having reached a two year high of almost US$22,000 a tonne in May 2014 nickel is the best performing metal this year to date. This increase from c.US$13,000/t at the beginning of the year follows the ban on direct shipping nickel ore from Indonesia, as well as concerns regarding Russian supply. If the ban in Indonesia continues to be fully implemented it is expected to remove 18% to 20% of world nickel supply from the market resulting in bullish forecasts on nickel futures, with the Bank of America Merrill Lynch forecasting prices easily reaching US$25,000 per tonne in 2015.

With this in mind, Horizonte is in a strong position to deliver its Feasibility Study during 2015 and deliver significant value uplift over the next 24 months as it progresses the project towards development at a time when our high-grade Araguaia ore will be in demand in a favourable nickel market.

Outlook

Araguaia is a leading nickel project globally in terms of size and grade which offers strong economics, a proven process route, and excellent infrastructure. Your company is led by an experienced Board and management team with significant experience in both South America and the nickel resource space and has the ability to bring Araguaia into production at a crucial time for the nickel market when demand will outstrip supply.

I am delighted that Horizonte has a solid track record of delivering milestones on time and on budget and having already completed the PFS this year which demonstrated robust economics we are well funded following our recent placing to move into the Full Feasibility stage. I would like to take this opportunity to thank the dedicated Horizonte Board of Directors, Management team and shareholders for your continued support and I look forward to providing further updates as we continue to develop Brazil’s next major nickel mine.

David J. Hall
Chairman

Horizonte Minerals plc

Condensed Consolidated Interim Financial Statements for the six months ended 30 June 2014

Condensed consolidated statement of comprehensive income

	Notes	6 months ended 30 June 2014 Unaudited £	6 months ended 30 June 2013 Unaudited £	3 months ended 30 June 2014 Unaudited £	3 months ended 30 June 2013 Unaudited £
Continuing operations					
Revenue		-	-	-	-
Cost of sales		-	-	-	-
Gross profit		-	-	-	-
Administrative expenses		(654,545)	(670,241)	(396,452)	(304,739)
Charge for Share Options granted		(34,351)	(114,087)	(29,631)	(57,071)
Change in value of contingent consideration		525,763	-	95,808	-
Project impairment		(31,989)		-	-
Loss on foreign exchange		(31,960)	(37,919)	(22,099)	(109,986)
Loss from operations		(227,082)	(822,247)	(352,374)	(471,796)
Finance income		9,980	23,049	3,758	9,268
Finance costs		(86,952)	(94,593)	(43,476)	(47,296)
Loss before taxation		**(304,054)**	**(893,791)**	**(392,092)**	**(509,824)**
Taxation		-	-	-	-
Loss for the year from continuing operations		**(304,054)**	**(893,791)**	**(392,092)**	**(509,824)**
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Change in value of available for sale financial assets		(768)	(147,717)	224	(27,477)
Currency translation differences on translating foreign operations		863,047	(330,867)	(45,919)	(2,274,165)
Other comprehensive income for the period, net of tax		**862,279**	**(478,584)**	**(45,695)**	**(2,301,642)**
Total comprehensive income for the period attributable to equity holders of the Company		**558,225**	**(1,372,375)**	**(437,787)**	**(2,811,466)**
Earnings per share from continuing operations attributable to the equity holders of the Company					

Basic and diluted (pence per share)	8	**(0.076)**	**(0.244)**	**(0.098)**	**(0.139)**

Condensed consolidated statement of financial position

	Notes	30 June 2014 Unaudited £	31 December 2013 Audited £
Assets			
Non-current assets			
Intangible assets	6	21,872,008	20,041,937
Property, plant & equipment		85,210	107,451
Deferred tax assets		5,571,538	5,373,634
		27,528,756	25,523,022
Current assets			
Trade and other receivables		48,997	62,127
Other current financial assets		21,961	22,729
Cash and cash equivalents		1,373,176	3,091,880
		1,444,134	3,176,736
Total assets		**28,972,890**	**28,699,758**
Equity and liabilities			
Equity attributable to owners of the parent			
Issued capital	7	4,011,395	4,011,395
Share premium	7	26,997,998	26,997,998
Other reserves		2,001,829	1,139,550
Accumulated losses		(8,679,743)	(8,410,040)
Total equity		24,331,479	23,738,903
Liabilities			
Non-current liabilities			
Contingent consideration		2,038,499	2,477,310
Deferred tax liabilities		2,421,505	2,335,492
		4,460,004	4,812,802
Current liabilities			
Trade and other payables		181,407	148,053
Total liabilities		4,641,411	4,960,855
Total equity and liabilities		**28,972,890**	**28,699,758**

Condensed statement of changes in shareholders' equity

	Attributable to the owners of the parent				
	Share capital £	Share premium £	Accumulated losses £	Other reserves £	Total £
As at 1 January 2013	**3,600,462**	**24,384,527**	**(5,868,096)**	**5,438,899**	**27,555,792**
Comprehensive income					
Loss for the period	-	-	(893,791)	-	(893,791)
Other comprehensive income					
Change in value of available for sale financial assets	-	-	-	(147,717)	(147,717)
Currency translation differences	-	-	-	(330,867)	(330,867)
Total comprehensive income	-	-	(893,791)	(478,584)	(1,372,375)

Transactions with owners					
Issue of ordinary shares	410,933	2,671,066	-	-	3,081,999
Issue costs	-	(47,595)	-	-	(47,595)
Share based payments	-	-	114,087	-	114,087
Total transactions with owners	410,933	2,623,471	114,087	-	3,148,491
As at 30 June 2013	**4,011,395**	**27,007,998**	**(6,647,800)**	**4,960,315**	**29,331,908**

As at 1 January 2014	**4,011,395**	**26,997,998**	**(8,410,040)**	**1,139,550**	**23,738,903**
Comprehensive income					
Loss for the period	-	-	(304,054)	-	(304,054)
Other comprehensive income					
Change in value of available for sale financial assets	-	-	-	(768)	(768)
Currency translation differences	-	-	-	863,047	863,047
Total comprehensive income	-	-	(304,054)	862,279	558,225
Transactions with owners					
Issue of ordinary shares	-	-	-	-	-
Issue costs	-	-	-	-	-
Share based payments	-	-	34,351	-	34,351
Total transactions with owners	-	-	34,351	-	34,351
As at 30 June 2014	**4,011,395**	**26,997,998**	**(8,679,743)**	**2,001,829**	**24,331,479**

HORIZONTE MINERALS

Condensed Consolidated Statement of Cash Flows

	6 months ended 30 June		3 months ended 30 June	
	2014	**2013**	**2014**	**2013**
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
	£	**£**	**£**	**£**
Cash flows from operating activities				
Loss before taxation	**(304,054)**	**(893,791)**	**(392,092)**	**(509,824)**
Interest income	**(9,980)**	**(23,049)**	**(3,758)**	**(9,269)**
Finance costs	**86,952**	**94,593**	**43,476**	**47,296**
Project impairment	**31,989**	**-**	**-**	**-**
Exchange differences	**31,960**	**37,918**	**22,099**	**109,986**
Employee share options charge	**34,351**	**114,087**	**29,631**	**57,071**
Change in fair value of contingent consideration	**(525,763)**	**-**	**(95,808)**	**-**
Depreciation	**2,041**	**2,090**	**980**	**1,113**
Operating loss before changes in working capital	**(652,504)**	**(668,152)**	**(395,472)**	**(303,627)**
Decrease/(increase) in trade and other receivables	**13,130**	**17,338**	**(18,346)**	**(9,224)**
Increase/(decrease) in trade and other payables	**48,551**	**(51,361)**	**77,110**	**14,747**
Net cash outflow from operating activities	**(590,823)**	**(702,175)**	**(336,708)**	**(298,104)**
Cash flows from investing activities				
Net purchase of intangible assets	**(1,105,901)**	**(2,519,718)**	**(606,238)**	**(1,300,773)**
Purchase of property, plant and equipment	**-**	**(37,681)**	**-**	**(1,360)**
Interest received	**9,980**	**23,049**	**3,758**	**9,269**
Net cash used in investing activities	**(1,095,921)**	**(2,534,350)**	**(602,480)**	**(1,292,864)**
Cash flows from financing activities				
Proceeds from issue of ordinary shares	**-**	**3,082,000**	**-**	**3,082,000**
Share issue costs	**-**	**(47,595)**	**-**	**(47,595)**
Net cash inflow from financing activities	**-**	**3,034,405**	**-**	**3,034,405**
Net (decrease)/increase in cash and cash equivalents	**(1,686,744)**	**(202,120)**	**(939,188)**	**1,443,437**
Cash and cash equivalents at beginning of period	**3,091,880**	**5,887,174**	**2,334,463**	**4,313,684**
Exchange loss on cash and cash equivalents	**(31,960)**	**(61)**	**(22,099)**	**(72,128)**
Cash and cash equivalents at end of the period	**1,373,176**	**5,684,993**	**1,373,176**	**5,684,993**

Notes to the Financial Statements

1. General information

The principal activity of the Company and its subsidiaries (together 'the Group') is the exploration and development of precious and base metals. There is no seasonality or cyclicality of the Group's operations.

The Company's shares are listed on the Alternative Investment Market of the London Stock Exchange (AIM) and on the Toronto Stock Exchange (TSX). The Company is incorporated and domiciled in the United Kingdom. The address of its registered office is 26 Dover Street London W1S 4LY.

2. Basis of preparation

The condensed interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards and in accordance with International Accounting Standard 34 *Interim Financial Reporting*. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2013, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The condensed interim financial statements set out above do not constitute statutory accounts within the meaning of the Companies Act 2006. They have been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) as adopted by the European Union. Statutory financial statements for the year ended 31 December 2013 were approved by the Board of Directors on 20 February 2014 and delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified.

The condensed interim financial statements of the Company have not been audited but have been reviewed by the Company's auditor, PKF Littlejohn LLP.

Going concern

The Directors, having made appropriate enquiries, consider that adequate resources exist for the Group to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the condensed interim financial statements for the period ended 30 June 2014.

Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Group's medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Group's 2013 Annual Report and Financial Statements, a copy of which is available on the Group's website: www.horizonteminerals.com. The key financial risks are liquidity risk, foreign exchange risk, credit risk, price risk and interest rate risk.

Critical accounting estimates and judgements

The preparation of condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in note 4 of the Group's 2013 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period.

3. Significant accounting policies

The condensed interim financial statements have been prepared under the historical cost convention as modified by the revaluation of certain of the subsidiaries' assets and liabilities to fair value for consolidation purposes.

The same accounting policies, presentation and methods of computation have been followed in these condensed interim financial statements as were applied in the preparation of the Group's Financial Statements for the year ended 31 December 2013, except for the impact of the adoption of the Standards and interpretations described below.

3.1. Changes in accounting policy and disclosures

New and amended standards adopted by the Group

Amendment to IAS 36, 'Recoverable Amount Disclosures for Non-Financial Assets', to reduce the circumstances in which the recoverable amount of assets or cash-generating units is required to be disclosed, clarify the disclosures required, and to introduce an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount (based on fair value less costs of disposal) is determined using a present value technique.

IFRS 10, 'Consolidated financial statements', builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess.

IFRS 11, 'Joint Arrangements' provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. There are two types of joint arrangement; joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and therefore accounts for its share of assets, liabilities, revenue and expenses. Joint ventures arise where the joint venture has rights to the net assets of the arrangement and therefore equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed.

4. Segmental reporting

The Group operates principally in the UK and Brazil, with operations managed on a project by project basis within each geographical area. Activities in the UK are mainly administrative in nature whilst the activities in Brazil relate to exploration and evaluation work. The reports used by the chief operating decision maker are based on these geographical segments.

2014	UK	Brazil	Other	Total
	6 months ended 30 June 2014 £	6 months ended 30 June 2014 £	6 months ended 30 June 2014 £	6 months ended 30 June 2014 £
Revenue	-	-	-	-
Administrative expenses	(382,878)	(269,104)	(2,563)	(654,545)
Project and fixed asset impairment	-	(31,989)	-	(31,989)
Profit / (Loss) on foreign exchange	(20,259)	(11,701)	-	(31,960)
Other operating income	-	-	-	-
Loss from operations per reportable segment	(403,137)	(312,794)	(2,563)	(718,494)
Inter segment revenues	-	310,265	33,033	343,298
Depreciation charges	(1,576)	(465)	-	(2,041)
Additions to non-current assets	-	1,111,645	-	1,111,645
Reportable segment assets	1,663,920	27,308,940	30	28,972,890
Reportable segment liabilities	2,129,423	2,511,988	-	4,641,411

2013	UK 6 months ended 30 June 2013 £	Brazil 6 months ended 30 June 2013 £	Other 6 months ended 30 June 2013 £	Total 6 months ended 30 June 2013 £
Revenue	-	-	-	-
Administrative expenses	(361,865)	(289,636)	(18,740)	(670,241)
Profit / (Loss) on foreign exchange	9,059	(46,842)	(136)	(37,919)
Other operating income	-	-	-	-
Loss from operations per reportable segment	(352,806)	(336,478)	(18,876)	(708,160)
Inter segment revenues	-	258,495	32,617	291,112
Depreciation charges	(1,343)	(747)	-	(2,090)
Additions to non-current assets	-	2,484,607	-	2,484,607
Reportable segment assets	6,066,758	27,873,444	812,878	34,753,080
Reportable segment liabilities	2,528,668	2,892,504	-	5,421,172

2014	UK	Brazil	Other	Total
	3 months ended 30 June 2014 £	3 months ended 30 June 2014 £	3 months ended 30 June 2014 £	3 months ended 30 June 2014 £
Revenue	-	-	-	-
Administrative expenses	(217,705)	(177,580)	(1,167)	(396,452)
Profit/(loss) on foreign exchange	(10,837)	(11,262)	-	(22,099)
Other operating Income	-	-	-	-
Loss from operations per reportable segment	(228,542)	(188,842)	(1,167)	(418,551)
Inter segment revenues	-	158,033	16,568	174,601
Depreciation charges	(788)	(192)	-	980
Additions to non-current assets	-	598,107	-	598,107

2013	UK	Brazil	Other	Total
	3 months ended 30 June 2013 £	3 months ended 30 June 2013 £	3 months ended 30 June 2013 £	3 months ended 30 June 2013 £
Revenue	-	-	-	-
Administrative expenses	(168,061)	(122,038)	(14,640)	(304,739)
Profit/(loss) on foreign exchange	(42,612)	(67,238)	(136)	(109,986)
Other operating Income	-	-	-	-
Loss from operations per reportable segment	(210,673)	(189,276)	(14,776)	(414,725)
Inter segment revenues	-	135,789	16,407	152,196
Depreciation charges	(714)	(398)	-	(1,112)
Additions to non-current assets	-	1,074,314	-	1,074,314

A reconciliation of adjusted loss from operations per reportable segment to loss before tax is provided as follows:

	6 months ended 30 June 2014 **£**	6 months ended 30 June 2013 **£**	3 months ended 30 June 2014 **£**	3 months ended 30 June 2013 £
Loss from operations per reportable segment	(718,494)	(708,160)	(418,551)	(414,725)
– Change in fair value of contingent consideration	525,763	-	95,808	-
– Charge for share options granted	(34,351)	(114,087)	(29,631)	(57,071)
– Finance income	9,980	23,049	3,758	9,268
– Finance costs	(86,952)	(94,593)	(43,476)	(47,296)
Loss for the period from continuing operations	(304,054)	(893,791)	392,092	(509,824)

5. Change in Fair Value of Contingent Consideration

Contingent consideration has a carrying value of £2,038,499 at 30 June 2014 (31 December 2013: £2,477,310). The contingent consideration arrangement requires the Group to pay the former owners of Teck Cominco Brasil S.A (subsequently renamed Araguaia Niquel Mineração Ltda) 50% of the tax effect on utilisation of the tax losses existing in Teck Cominco Brasil S.A at the date of acquisition, which was completed in August 2010. Under the terms of the acquisition agreement, tax losses that existed at the date of acquisition and which are subsequently utilised in a period greater than 10 years from that date are not subject to the contingent consideration arrangement.

The fair value of this potential consideration has been determined using the operating and financial assumptions in the cashflow model derived from the Araguaia project pre-feasibility study ("Pre-Feasibility Study") published by the Company in March 2014 in order to calculate the ability to utilise the acquired tax losses, together with the timing of their utilisation. These cash flows could be affected by upward or downward movements in several factors to include commodity prices, operating costs, capital expenditure, production levels, grades, recoveries and interest rates.

As at 30 June 2014, Management has reassessed the fair value of the potential contingent consideration in accordance with the Group's accounting policies. The cash flow model used to estimate the contingent consideration has been adjusted, taking into account changed assumptions in the timing of cash flows as derived from the Pre-Feasibility Study. The change in the fair value of contingent consideration has generated a credit to profit or loss of £525,763 in the six months ended 30 June 2014 (2013: £nil) due to changes in the exchange rate of the functional currency in which the liability is payable and in the timing of cash flows.

6. Intangible assets

Intangible assets comprise exploration and evaluation costs and goodwill. Exploration and evaluation costs comprise internally generated and acquired assets.

Group	Goodwill £	Exploration and evaluation costs £	Total £
Cost			
At 1 January 2014	287,378	19,754,559	20,041,937
Additions	-	1,111,645	1,111,645
Impairment	-	(31,989)	(31,989)
Exchange rate movements	10,584	739,831	750,415
Net book amount at 30 June 2014	297,962	21,574,046	21,872,008

7. Share Capital and Share Premium

Issued and fully paid	Number of shares	Ordinary shares £	Share premium £	Total £
At 1 January 2014	**401,139,497**	**4,011,395**	**26,997,998**	**31,009,393**
Issue of ordinary shares	-	-	-	-
Issue costs	-	-	-	-
At 30 June 2014	**401,139,497**	**4,011,395**	**26,997,998**	**31,009,393**

8. Dividends

No dividend has been declared or paid by the Company during the six months ended 30 June 2014 (2013: nil).

9. Earnings per share

The calculation of the basic loss per share of 0.076 pence for the 6 months ended 30 June 2014 (30 June 2013 loss per share: 0.244 pence) is based on the loss attributable to the equity holders of the Company of £ 304,054 for the six month period ended 30 June 2014 (30 June 2013: £893,791) divided by the weighted average number of shares in issue during the period of 401,139,497 (weighted average number of shares for the 6 months ended 30 June 2013: 365,927,463).

The calculation of the basic loss per share of 0.098 pence for the 3 months ended 30 June 2014 (30 June 2013 loss per share: 0.139 pence) is based on the loss attributable to the equity holders of the Company of £ 392,092 for the three month period ended 30 June 2014 (3 months ended 30 June 2013: £ 509,824) divided by the weighted average number of shares in issue during the period of 401,139,497 (weighted average number of shares for the 3 months ended 30 June 2013: 367,722,945).

The basic and diluted loss per share is the same, as the effect of the exercise of share options would be to decrease the loss per share.

Details of share options that could potentially dilute earnings per share in future periods are disclosed in the notes to the Group's Annual Report and Financial Statements for the year ended 31 December 2013 and in note 10 below.

10. Issue of Share Options

On 9 May 2014, the Company awarded 14,450,000 share options to Directors and senior management. All of the share options have an exercise price of 7.25 pence. One third of the options are exercisable from 8 November 2014, one third from 8 May 2015 and one third from 8 November 2015.

11. Ultimate controlling party

The Directors believe there to be no ultimate controlling party.

12. Related party transactions

The nature of related party transactions of the Group has not changed from those described in the Group's Annual Report and Financial Statements for the year ended 31 December 2013.

13. Events after the reporting period

On 31 July 2014 the Company announced that it had closed a public offering in Canada and a concurrent private placement offering in the United Kingdom, both of ordinary shares in the Company. A total of 50,000,000 shares were issued through the Canadian public offering, at a price of C$ 0.11 per share and a total of 41,287,608 shares were issued through the private placement, at a price of £ 0.06 per share.

Approval of interim financial statements

The Condensed interim financial statements were approved by the Board of Directors on 14 August 2014.

For further information visit www.horizonteminerals.com or contact:

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****ENDS****

About Horizonte Minerals:

Horizonte Minerals Plc is an AIM and TSX-listed nickel development company focussed in Brazil, which wholly owns the advanced Araguaia Project located to the south of the Carajas mineral district of northern Brazil.

The Corporation is developing the Araguaia Project as the next major nickel mine in Brazil, with targeted production by 2017.

The Araguaia Project, which has excellent infrastructure in place including rail, road, water and power, has a current Mineral Resource estimate of 71.98Mt grading 1.33% Ni (Indicated) and 25.4Mt at 1.21% Ni (Inferred), prepared in accordance with National Instrument 43-101 ("**NI 43-101**"). Included in the Mineral Resources is a Probable Mineral Reserve base of 21.2Mt at 1.66% Ni at a 0.95% Ni cut-off.

A Prefeasibility Study has been completed which underpins the robust economics of developing a mine with a targeted 15,000tpa nickel in ferronickel output with a 20% Fe-Ni product over a 25 year mine life utilising the proven pyrometallurgical process of Rotary Kiln Electric Furnace technology. At these production rates, the Araguaia Project has a post-tax NPV of US$519 million at a discount rate of 8% and an IRR of 20%, with a capital cost of US$582 million.

Horizonte has a strong shareholder structure, including Teck Resources Limited (38.3%), Henderson Global Investors (14.0%) and Anglo Pacific Group (7.5%).

The scientific and technical information contained in this news release has been reviewed and approved by David Hall, BSc, MSc, Fellow SEG PGeo, Chairman of Horizonte, a qualified person within the meaning of NI 43-101.

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 Corporation's website at horizonteminerals.com and on SEDAR at www.sedar.com.

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 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. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.