

NEWS RELEASE

6 November 2014

**INFILL DRILLING COMMENCED TO SUPPORT A FEASIBILITY STUDY ON THE  
ARAGUAIA NICKEL PROJECT**

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**6 November 2014 – Horizonte Minerals Plc, (AIM: HZM, TSX: HZM) ('Horizonte' or 'the Company')** the nickel development company focussed in Brazil, is pleased to announce that it has awarded a contract for an additional 13,500m (Phase 4 Programme) of HQ3 diamond drilling to support a Feasibility Study ('FS') on its 100%-owned Araguaia Nickel Project ('Araguaia' or 'the Project') located south of the Carajas mining district in Pará State, northern Brazil.

Horizonte Minerals' CEO Jeremy Martin said, "We are pleased to announce the start of this seven rig diamond drilling programme at Araguaia, this work is a key component of the forthcoming Feasibility Study. The drill programme has a number of objectives: to upgrade a portion of the current Indicated Mineral Resources over the core mining areas to the Measured category; to complete a number of additional geotechnical holes across the proposed open pit sites, the proposed process plant site and slag dump; to confirm overall ground conditions across these areas; and finally, close spaced drilling of four bulk sample collection sites to confirm grade continuity within the bulk sample. The bulk sample will be collected early in Q1 2015 and will be used to feed a continuous large scale pilot plant campaign scheduled to commence late Q1, the results of which will assist in finalising the engineering design of the furnace.

"We are also currently evaluating proposals received from several major consulting groups with regards to selecting and awarding the Feasibility Study contract in Q4 2014. We look forward to updating shareholders with progress over the coming months as we look to develop Brazil's next major nickel project, at a time when nickel market fundamentals and consensus price forecasts are positive moving into 2015."

**Further Information**

Araguaia has a current NI 43-101 compliant Mineral Resource of 71.98Mt grading 1.33% Ni (Indicated) and 25.4Mt at 1.21% Ni (Inferred at a 0.95% nickel cut-off); included in the resource is a Probable Mineral Reserve of 21.2Mt at 1.66%Ni..

The drilling contract has been awarded to SERVITEC (Servitec Foraco Sondagem SA.) for an additional 13,500m drilling programme. Servitec has provided seven drill rigs

for the programme which will extend over five months to be completed by the end of March 2015. The programme consists of three parts:

- **Infill Mineral Resource Drilling:** Comprising 12,000m over 400 holes this drilling will infill, on 50m x 50m grids, selected parts of the Pequizeiro, Baião, Jacutinga and Vila Oito deposits with the objective of converting the current Indicated Mineral Resources in these areas to the Measured category. These Measured Mineral Resources should convert to Mineral Reserves to support a Feasibility Study to commence in Q1 2015. The areas selected for this drilling contain the mining panels outlined in the Prefeasibility Study ('PFS'), completed in March 2014, that provide the scheduled ore feed to the plant for the first eight years of production.
- **Additional Geotechnical Drilling:** 20 geotechnical holes comprising 596 meters were completed to support the PFS. An additional 500 meters of geotechnical drilling within the proposed pits and on the plant and slag dump sites is planned to support the Feasibility Study.
- **Testing of Selected Bulk Sample Sites:** Preparations are in hand to collect a 200 tonne (dry) bulk sample to provide feed for continuous RKEF pilot plant metallurgical testwork planned for Q1 2015. Drilling of 1,000 meters of core to verify the suitability of the selected sites prior to bulk sampling is included in this drilling programme.

### ***Araguaia Nickel Project***

Horizonte Minerals recently announced the results of a Pre-Feasibility study ('PFS') at its flagship Araguaia Nickel Project in Brazil (see press release 25 March 2014), which demonstrates the robust economics of the project which is being developed as the next major nickel project in Brazil. The project is now moving forward to the Feasibility Study ('FS') stage. Selection of qualified consultants is currently underway with the study due to start in Q1 2015 and conclude around Q3 2015.

Production, which is targeted for 2017, is initially targeting 15,000tpa nickel with a 20% Ferro Nickel product over a 25 year mine life utilising the proven pyrometallurgical process of Rotary Kiln Electric Furnace ('RKEF') technology. At these production rates, the project has a Net Present Value of US\$519 million and an Internal Rate of Return of 20%, with a capital cost of US\$582 million, which puts this project in the lowest quartile of the cost curve.

The strong project economics of Araguaia are also supported by the high nickel grades, with an average feed grade for the first 10 years of 1.76% Ni, placing the deposit in the upper quartile for grade globally. Furthermore Araguaia is located in a

world class mining region with pre-existing infrastructure in place including rail, road, water and power.

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For further information visit [www.horizonteminerals.com](http://www.horizonteminerals.com) or contact:

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**About Horizonte Minerals:**

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

The Project is located in a region with good infrastructure including; rail, road, water and power, has a current NI 43-101 compliant Mineral Resource of 71.98Mt grading 1.33% Ni (Indicated) and 25.4Mt at 1.21% Ni (Inferred) at a 0.95% nickel cut-off; included in Resources is a Probable Reserve base of 21.2Mt at 1.66%Ni.

A Pre-Feasibility Study has been completed which underpins the robust economics of developing a mine with a targeted 15,000tpa nickel in ferro-nickel 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 project has a post-tax NPV of US\$519m at a discount rate of 8% and an IRR of 20%, with a capital cost of US\$582m which puts this project in the lowest quartile of the cost curve.

Horizonte's shareholder structure includes Teck Resources Limited (38.3%) and Henderson Global Investors (14.1%).

**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.*