

NEWS RELEASE

19 May 2017

## **HORIZONTE MINERALS SUSTAINABILITY TEAM ADVANCES TOWARDS INSTALLATION LICENCE SUBMISSION FOR ARAGUAIA NICKEL PROJECT**

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**19 May 2017 – Horizonte Minerals Plc, (AIM: HZM, TSX: HZM) ('Horizonte' or 'the Company')** the nickel development company focussed in Brazil, is pleased to provide an update on the significant advancements the sustainability team has made towards the Installation Licence ('LI') submission for its 100% owned Araguaia Nickel Project ('Araguaia' or 'the Project') which is being developed as the next major nickel project in Brazil.

### **Highlights**

- The award of the LI together with mining concessions would permit construction of the Project
- Increased sustainability team with experts from a range of fields, including specialists sourced from within the Pará State for fauna & flora campaigns
- Flora studies and programmes are being prioritised with a 25-day field work programme currently in progress
- Discussions held with Para's Federal University to look at options regarding the uses of slag product from Araguaia
- Socio-economic activities progressing positively – ongoing engagement with the local community and social, economic and resettlement specialists have visited the site
- Focused on managing water requirements in the most sustainable way possible - catchment scale hydrology and hydrogeology model being produced

**Horizonte CEO, Jeremy Martin said,** "Horizonte is taking the appropriate steps to ensure it builds a resilient long term nickel business and that it plays a positive wider role in the Araguaia region. By drawing on the experience and talent of our team, we are implementing quality procedures during this development stage of the Project to provide a strong operational platform as we move towards the construction stage. The community continues to demonstrate a strong interest in the Project's progress, which is perceived as a key social and economic driver in a region where the average wage is low.

“I look forward to providing an update on the further progressions towards the Installation Licence in due course.”

## **About the Project and Sustainability Activities**

Araguaia, which is 100% owned by Horizonte, is located on the eastern margin of the State of Pará, north-eastern Brazil, to the north of the town 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 Company is focused on delivering a 14,500 tonnes per annum nickel operation and anticipates a life of mine of 28 years. With this in mind the objective of the sustainability programme is to lay the foundations for a robust, long-term nickel mine. Specifically, the team aims to integrate the Vale dos Sonhos deposit into the advanced permitting schedule; obtain the Installation Licence and progress all other permits/licences which enable the Company to commence construction.

The Brazilian mine permitting process with environmental agencies has three key stages:

1. The preliminary licence ('LP'), which confirms government approval for the viability of the project;
2. The LI, which permits the start of construction;
3. Finally the licence to operate (LO) awarded after construction is complete.

The LP for Araguaia was approved in May 2016 with consideration of the terms set out in the Company's Social & Environmental Impact Assessment, and conditions outlined by the State Environmental Agency. Once the LI is awarded in parallel with the mining concession, construction may start.

## **Recent Activities**

The Company is pleased to report that its safety track record during the Project's development to date, is good with no lost time hours.

In terms of its sustainability team, the Company has hired new specialists in environmental and social disciplines. They bring a wealth of experience to the Project, including involvement in both Vale's Onca Puma nickel mine and Anglo American's

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Barro Alto and Codemin nickel mine. Local interns from State training and university institutions have also commenced work at the Project.

Additionally, the team has been bolstered with regional experts from the Pará State, including fauna & flora specialists hired through the Emilio Goeldi Museum of Belém, a research institution linked to the Brazilian Ministry of Science, Technology and Innovation. The institution also plays an important educational role in the country through the dissemination of knowledge and research of regional flora and fauna.

An environmental team including biologists from Pará State are on site for a 25-day work programme to complement flora collections previously undertaken in the region. The flora team will also conduct the inventory for flora suppression required to commence mine and plant construction. New fauna inventories are expected to commence in June/July 2017.

In parallel the socio-economic team conducted numerous community presentations throughout 2017 in rural areas where the deposits are located.

Consultants have also met with Para's Federal University to commence studies on possible uses of Araguaia's slag product. Air and gas monitoring has been collated over a 12-month period.

Finally, a catchment-scale model has been created by Environmental Resources Management ('ERM') hydrology specialists in the United Kingdom in conjunction with Horizonte and ERM teams in Brazil. ERM is one of the leading independent environment and social consultants in the world and is highly experienced in preparing key environmental permits for mines in Brazil. This includes environmental impact assessments, environmental control plans and studies to support permits for large-scale projects. ERM supports the development and financing of hundreds of major projects around the globe every year and helps projects meet international environmental and social standards, including those of the IFC, the World Bank, Equator Principles, and the Inter-American Development Bank (IDB) amongst others.

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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 2019.

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 13.8%, JP Morgan 8.98%, Hargreave Hale 6.84% 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", "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*

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*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.*