

NEWS RELEASE  
09 May 2018

## **HORIZONTE ANNOUNCES VERMELHO MINERAL RESOURCE CONFIRMING SIGNIFICANT NICKEL AND COBALT INVENTORY**

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09 May 2018 – Horizonte Minerals Plc, (AIM: HZM, TSX: HZM) ('Horizonte' or 'the Company') the nickel development company focused in Brazil which is developing the Araguaia nickel project as Brazil's next ferro-nickel mine, is pleased to announce an initial NI 43-101 Mineral Resource Estimate for the recently acquired Vermelho nickel/cobalt project.

### **Highlights**

- The Vermelho Nickel-Cobalt Mineral Resources, in the Measured and Indicated category, are **167.8 million tonnes grading 1.01% nickel and 0.06% cobalt** (at 0.9% nickel equivalent cut off)
- The Measured and Indicated mineral resources categories are estimated to contain 1.68 million tonnes (3,700 million lbs) of nickel and 94,000 tonnes (207 million lbs) of cobalt
- The Mineral Resource Estimate places the Vermelho project as one of the largest, highest grade undeveloped laterite nickel – cobalt resources globally
- Significant portion of high grade saprolite within the deposit is amenable to the Rotary Kiln Electric Furnace process route to produce ferronickel being developed at the Araguaia project
- Test work planned to confirm the Vermelho mineralisation is suitable to produce nickel and cobalt sulphate for the EV battery Market

**Horizonte's CEO Jeremy Martin said,** "This NI 43-101 Mineral Resource covering the Vermelho nickel-cobalt project is an exciting development for the Company. The resource is high grade, at around 1.34% NiEq% and places the project on the upper end of the global grade curve as well as being scalable, adding over 1.6 million tonnes of contained nickel and over 90,000 tonnes of contained cobalt to the Company's substantial global metal inventory.

The next phase of work at Vermelho will focus on advancing the work that Vale completed as part of their Feasibility Study, taking the mixed hydroxide product (MHP) and upgrading to nickel and cobalt sulphate suitable for use in the evolving EV battery market. The acquisition of the Vermelho nickel – cobalt project means that Horizonte now has the potential to supply both high grade ferro-nickel from the Araguaia project to the stainless steel market and nickel/cobalt products from Vermelho that can be used in both the EV battery market or the metals space as we work towards becoming a leading nickel development company.

The current focus at the Araguaia ferro-nickel project is the completion of the Feasibility Study and the work related to the award of the construction licence. We look forward to keeping the market updated as we advance both projects against a backdrop of strengthening nickel and cobalt prices, where recent nickel prices have been in the US\$ 6-7/lb range and cobalt prices continue to trade above US\$40/lb, driven by a combination of growing demand, as highlighted by recent Chinese EV

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numbers and concern around cobalt supply restrictions in the DRC”

## Further details

Horizonte’s 100% owned Vermelho Nickel–Cobalt project was acquired from Vale in late 2017, it is located in the eastern part of the Carajas mining district and approximately 80 kilometres north west of the Company’s Araguaia North ferro-nickel project.

At a 0.90% nickel-equivalent cut-off grade the estimated Nickel-Cobalt mineral resources in the Vermelho (‘V1’) and Vermelho (‘V2’) deposits are presented in Table 1. The Mineral Resource is reported by a series of nickel equivalent cut-offs in 2018 from Gemcom mining software. The basis of the nickel equivalent calculation is the equation  $NiEq\% = Ni\% + (6 \times Co\%)$ , based upon the relative average cash prices for nickel and cobalt metals, as reported on the London Metal Exchange for the six-month period 2<sup>nd</sup> November 2017 to 3<sup>rd</sup> April 2018. The nickel equivalent calculation assumes similar nickel and cobalt recoveries as obtained by the test work carried out by Vale in the Feasibility Study.

Mr. Andrew F. Ross MSc, FAusIMM, an Independent Qualified Person as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (‘NI 43-101’) employed by Snowden Mining Industry Consultants, has completed a review of this Mineral Resource Estimate and has recommended to Horizonte that this Mineral Resource Estimate is suitable for reporting by Horizonte as the current Mineral Resource Estimate. These Mineral Resources were reported to Horizonte as current Mineral Resource Estimates, after Snowden reviewed the historic mineral resource estimates described in the NI 43-101 Technical Report dated 1<sup>st</sup> February 2018. The mineral resource categories (Measured, Indicated, Inferred) conform to the requirements of the JORC Code (2012) which is a permitted reporting code under NI 43-101.

A total of 77,575 metres (1,383 holes) from V1 and 51,165 metres (877 holes) from V2 were used in the evaluation of the deposits and Mineral Resource Estimates reported in the Vermelho Feasibility Study.

**Table 1** Combined Classified Mineral Resource Report for Vermelho by Nickel Equivalent cut-offs

Cut-off NiEq%	Million Tonnes	NiEq%	Ni %	Ni metal ktonnes	Co %	Co metal ktonnes	Fe <sub>2</sub> O <sub>3</sub> %	SiO <sub>2</sub> %	MgO %
Measured									
0.8	185.4	1.28	0.96	1,781	0.05	99	31.53	43.14	9.58
<b>0.9</b>	<b>161.4</b>	<b>1.34</b>	<b>1.01</b>	<b>1,629</b>	<b>0.06</b>	<b>90</b>	<b>31.46</b>	<b>42.58</b>	<b>9.95</b>
1.0	138.5	1.41	1.06	1,469	0.06	81	31.42	42.05	10.24
1.2	92.7	1.56	1.19	1,098	0.06	59	31.33	40.86	10.92
Indicated									
0.8	7.7	1.22	0.88	68	0.06	4	27.15	50.56	7.21
<b>0.9</b>	<b>6.4</b>	<b>1.29</b>	<b>0.93</b>	<b>59</b>	<b>0.06</b>	<b>4</b>	<b>27.52</b>	<b>50.32</b>	<b>6.85</b>
1.0	5.2	1.37	0.99	51	0.06	3	27.91	49.89	6.61
1.2	3.3	1.54	1.11	36	0.07	2	28.06	49.04	6.73
Measured and Indicated									
0.8	193.1	1.28	0.96	1,848	0.05	103	31.36	43.43	9.49
<b>0.9</b>	<b>167.8</b>	<b>1.34</b>	<b>1.01</b>	<b>1,688</b>	<b>0.06</b>	<b>94</b>	<b>31.31</b>	<b>42.87</b>	<b>9.83</b>
1.0	143.7	1.41	1.06	1,520	0.06	84	31.29	42.33	10.11

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Cut-off NiEq%	Million Tonnes	NiEq%	Ni %	Ni metal ktonnes	Co %	Co metal ktonnes	Fe <sub>2</sub> O <sub>3</sub> %	SiO <sub>2</sub> %	MgO %
1.2	96.0	1.56	1.18	1,135	0.06	61	31.22	41.14	10.77
Inferred									
0.8	3.8	1.13	0.87	33	0.04	2	24.23	41.75	15.27
<b>0.9</b>	<b>2.8</b>	<b>1.23</b>	<b>0.94</b>	<b>27</b>	<b>0.05</b>	<b>1</b>	<b>25.86</b>	<b>41.83</b>	<b>13.47</b>
1.0	2.1	1.33	1.01	21	0.05	1	27.25	41.84	11.92
1.2	1.2	1.51	1.13	13	0.06	1	28.65	41.49	10.66

*Note: Totals may not add due to rounding. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues. The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them to the Indicated or Measured mineral resource category.*

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

**\*\* ENDS \*\***

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 focused in Brazil. The Company is developing the Araguaia Project as the next major ferro-nickel mine in Brazil. With the Vermelho nickel-cobalt project being advanced with the aim of being able to supply nickel and cobalt to the EV battery market. Both projects are 100% owned.

Horizonte shareholders include; Teck Resources Limited, Canaccord Genuity Group, JP Morgan, Lombard Odier Asset Management (Europe) Limited, City Financial, Richard Griffiths and Glencore.

In accordance with the AIM Note for Mining and Oil and Gas Companies, Horizonte discloses that Mr. Andrew F. Ross, an employee of Snowden, is the qualified person that has reviewed the technical information contained in this announcement. Mr. Ross MSc, FAusIMM and is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr. Ross consents to the inclusion of the information in this announcement in the form and context in which it appears.

**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.*

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*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.*

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