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*This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 ("MAR").*

**Terms used in this announcement have the same meaning given to them as defined in the Fundraise Announcement.**

For immediate release

5 October 2022

Horizonte Minerals Plc

("Horizonte", the "Company" or the "Group")

### **Results of oversubscribed Fundraise**

Horizonte Minerals Plc (AIM: HZM), the nickel development company focused on Brazil is pleased to announce the successful completion of the Placing as part of the Fundraise announced on 4 October 2022 (the "**Fundraise Announcement**").

Jeremy Martin, Chief Executive Officer of Horizonte, commented:

*"I am pleased to announce the completion of the Fundraise. I would like to thank all existing shareholders for their continued support and welcome our new shareholders as we work towards first production at Araguaia in Q1 2024 and in parallel progress feasibility work at Vermelho. Significant progress has been made since we broke ground at Araguaia in May and we remain well positioned to transition into a scalable Tier 1 nickel producer. We look forward to updating the market as construction advances at Araguaia."*

Following significant institutional demand in the bookbuild from existing and new investors, the Board decided to upsize the Placing, increasing the gross proceeds from approximately £61.7 million (approximately US\$70 million) to £70.5 million (approximately US\$80 million) and, to reduce the

participation by La Mancha from approximately £23.8 million (approximately US\$27 million) to £22.0 million (approximately US\$25.0 million) (before expenses).

A total of 77,945,627 new ordinary shares in the capital of the Company (the “**Fundraise Shares**”) have been conditionally placed with, or subscribed for by, new and existing investors at the Placing Price. The incremental Fundraise proceeds will be used for contingencies and general working capital purposes.

The Fundraise Shares will represent 40.9 per cent. of the issued ordinary share capital of the Company prior to the Fundraise.

The Placing was conducted by Peel Hunt LLP (“**Peel Hunt**”), BMO Capital Markets Limited (“**BMO**” and together with Peel Hunt, the “**Joint Bookrunners**”). Paradigm Capital Inc. acted as financial adviser to the Placing. The Fundraise Shares will be issued as fully paid and will rank *pari passu* in all respects with the existing ordinary shares from their admission to trading on AIM (“**Admission**”).

In connection with the Subscription, Jeremy Martin a director and Chief Executive Officer of the Company and Simon Retter a director of a subsidiary of the Company and Chief Financial Officer of the Company have each agreed to subscribe for 27,624 Subscription Shares at the Placing Price.

The Fundraise is conditional on, inter alia, the approval of Shareholders at a General Meeting, admission of the Fundraise Shares to trading on AIM becoming effective, receipt of conditional approval of the Toronto Stock Exchange, and the Placing Agreement not being terminated in accordance with its terms.

A Circular, containing details of the Fundraise and convening the General Meeting to consider the Resolutions to approve the issue of the Fundraise Shares, free of pre-emption rights, is expected to be posted by the Company to its shareholders on or before 14 October 2022 and subsequently filed on the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company’s website at [www.horizonteminerals.com](http://www.horizonteminerals.com). The General Meeting is expected to be held on 04 November 2022.

Application will be made to the London Stock Exchange for Admission and to the Toronto Stock Exchange (the “**TSX**”) to list the Fundraise Shares. Subject to, *inter alia*, the Placing Agreement not having been terminated in accordance with its terms as well as admission to AIM and shareholder approval, it is expected that admission to AIM of the Fundraise Shares will occur at 8:00 am on or around 8 November 2022 and admission to the TSX on or around 8 November 2022.

(\* calculated using the Bloomberg spot rate on 04 October 2022 for pounds sterling of £1.00 = US\$ 1.1349 , £ 1.00 = C\$ 1.5424 )

### **Related party transactions**

La Mancha Investments S.à r.l. (“**La Mancha**”), which holds shares representing approximately 19.9% of the Company’s share capital as at the date hereof, is a related party of the Company and will be participating in the Fundraise via the Placing agreeing to conditionally purchase 24,340,744 Placing Shares (the “**La Mancha Participation**”). This constitutes a related party transaction under Rule 13 of the AIM Rules for Companies.

Jeremy Martin as a director and Chief Executive Officer of the Company, and Simon Retter, as a director of a subsidiary of the Company and Chief Financial Officer of the Company are also considered to be a

related parties of the Company and their participation in the Fundraise also constitutes related party transactions under Rule 13 of the AIM Rules for Companies. Each of Jeremy Martin and Simon Retter have conditionally subscribed for 27,624 new ordinary shares at the Placing Price (the “**Director Participation**”).

As such William Fisher, Owen Bavinton and Gillian Davidson, who are not participating in the Fundraising and therefore considered to be independent for the purposes of the La Mancha Participation and the Director Participation consider, having consulted with the Company’s Nominated Adviser, Peel Hunt, that the terms of each of the La Mancha Participation and the Director Participation is fair and reasonable insofar as the Company’s shareholders are concerned.

Participation by La Mancha and Jeremy Martin and Simon Retter also constitutes a related party transaction under Canadian Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“**MI 61-101**”). The Company has determined that the participation in the Placing by the related parties is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 by virtue of the exemptions contained in Sections 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of securities issued to the related parties nor the consideration paid by the related parties exceeded 25 percent of the Company’s market capitalisation. The Company also intends to rely on the exemption in section 602.1 of the TSX Company Manual in respect of the Placing as an Eligible Interlisted Issuer.

**Enquiries:**

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*For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055 (as transposed into the laws of the United Kingdom), the person responsible for arranging for the release of this Announcement on behalf of the Company is Simon Retter, Chief Financial Officer.*

## **La Mancha Investments S.à r.l. and La Mancha Fund SCSp**

La Mancha Investments S.à r.l. (“**La Mancha**”) is a wholly-owned subsidiary of La Mancha Fund SCSp (the “**Fund**”), a Luxembourg based investment fund advised by La Mancha Resource Capital LLP that is focused on investments in the precious metals and energy transition space. La Mancha’s head office is located at 31-33 Avenue Pasteur L-2311 Luxembourg. La Mancha will file an early warning report in accordance with applicable Canadian securities laws, which will be available under the Company’s profile on the SEDAR website at [www.sedar.com](http://www.sedar.com), and may also be obtained by contacting Karim-Michel Nasr as provided for below.

### **About La Mancha Resource Capital LLP**

La Mancha Resource Capital LLP advises La Mancha Fund SCSp on strategic investments made in publicly listed and private exploration, royalty, and mining companies with a global outlook. La Mancha Resource Capital LLP is a long-term minded investment advisor, with a mandate to support mining companies to achieve sustained growth by providing long-term equity capital as well as operational and board level expertise, to further portfolio company performance and expansion. La Mancha Resource Capital LLP is an Appointed Representative of G10 Capital Limited, which is authorised and regulated by the Financial Conduct Authority (FRN 648953).

### **Additional Information**

For further information on La Mancha Resource Capital LLP, please visit the website at [www.lamanchacapitaladvisory.com](http://www.lamanchacapitaladvisory.com) or contact:

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### **About the La Mancha Participation**

On 4 October 2022, La Mancha participated in the Placing and agreed to conditionally purchase 24,340,744 Placing Shares at a price of 90.5 pence (C\$1.40) per Placing Share for aggregate cash consideration of approximately £22 million (approximately C\$34 million) (this is referred to above as the “**La Mancha Participation**”).

Subject to satisfaction or waiver of all closing conditions, the settlement of the La Mancha Participation is anticipated to occur on or before 8.00 a.m. on 8 November 2022. Prior to the La Mancha Participation, the Fund beneficially owned or had control or direction over 37,956,438 ordinary shares, representing approximately 19.99% of the then issued and outstanding ordinary shares of the Company. In addition, the Fund, via La Mancha Treasury Limited, holds a convertible note issued by the Company on 23 November 2021.

Following completion of the Placing, the Fund will beneficially own and have control and direction over an aggregate of 62,297,182 ordinary shares, representing approximately 23.21% of the then issued and outstanding ordinary shares of the Company.

All Canadian dollar equivalents are calculated using the daily average rate of exchange for GBP:CAD published by the Bank of Canada on 4 October 2022, being GBP1.00=CAD1.5504.

On 4 October 2022, La Mancha and the Company executed a deed of amendment and restatement which revises the investment agreement between La Mancha and the Company dated 23 November 2021, among other matters, to grant La Mancha the right to nominate a further director to the Board of the Company at any time when its holding in the issued share capital of the Company is twenty per cent (20%) or more.

The Placing Shares to be acquired by La Mancha on completion of the Placing will be acquired for investment purposes. In the future, La Mancha may, from time to time, increase or decrease its investment in the Company through market transactions, private arrangements, treasury issuances, or otherwise.

#### **IMPORTANT NOTICES**

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No action has been taken by the Company, Peel Hunt or BMO or any of their respective affiliates, or any of its or their respective directors, officers, partners, employees, advisers and/or agents (collectively, "**Representatives**") that would permit an offer of the Placing Shares or possession or distribution of this Announcement or any other publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons receiving this Announcement are required to inform themselves about and to observe any restrictions contained in this Announcement. Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Announcement should seek appropriate advice before taking any action. Persons distributing any part of this Announcement must satisfy themselves that it is lawful to do so.

#### **Investors Resident in the United Kingdom and the EEA**

This Announcement is directed at and is only being distributed to: (a) persons in member states of the European Economic Area who are "qualified investors", as defined in Article 2(e) of the Prospectus Regulation (Regulation (EU) 2017/1129) (the "**Prospectus Regulation**") ("**Qualified Investors**"), (b) persons in the United Kingdom, who are qualified investors, being persons falling within the meaning of Article 2(e) of Prospectus Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**"), and who (i) have professional experience in matters relating to investments who fall within the definition of "investment

professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") or are high net worth companies, unincorporated associations or partnerships or trustees of high value trusts as described in Article 49(2)(a) to (d) of the Order and (ii) are Qualified Investors, or (c) otherwise, persons to whom it may otherwise lawfully be communicated (each such person in (a), (b) and (c), a "**Relevant Person**"). No other person should act on or rely on this Announcement and persons distributing this Announcement must satisfy themselves that it is lawful to do so. By accepting the terms of this Announcement, you represent and agree that you are a Relevant Person. This Announcement must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this Announcement or the Placing relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

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No offering document or prospectus will be made available in any jurisdiction in connection with the matters contained or referred to in this Announcement or the Placing and no such prospectus is required (in accordance with either the Prospectus Regulation or the UK Prospectus Regulation) to be published.

This Announcement is not for publication or distribution, directly or indirectly, in or into the United States of America. This Announcement is not an offer of securities for sale into the United States. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and may not be offered or sold in the United States, except pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act. No public offering of the Fundraise Shares is being made in the United States or elsewhere.

### **Cautionary Statements Regarding Forward-Looking Information**

Certain statements in this Announcement are forward-looking statements with respect to the Company's expectations, intentions and projections regarding its future performance, strategic initiatives, anticipated events or trends and other matters that are not historical facts and which are, by their nature, inherently predictive, speculative and involve risks and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. All statements that address expectations or projections about the future, including statements about expected growth in nickel global demand, production potential, the results of the feasibility and pre-feasibility studies, including, without limitation, expected NPV, IRR, construction period, pay back period, mine life, expected costs, cash generation and operating performance and other metrics, the Company's expectations with respect to its financing package (including without limitation, ability to draw down under such funding package) and the timing of commencement of construction for Araguaia, the intended use of proceeds from the proposed Fundraise, strategic initiatives, objectives, market position, industry trends, general economic conditions, expected expenditures, expected cost savings and financial results, are forward - looking statements. Any statements contained in this Announcement that are not statements of historical fact are, or may be deemed to be, forward - looking statements. These forward-looking statements, which may use words such as "aim", "anticipate", "believe", "could", "intend", "estimate", "expect", "may", "plan", "project" or words or terms of similar meaning or the negative thereof, are not guarantees of future performance and are subject to known and unknown risks and uncertainties. There are a number of factors including, but not limited to, commercial, operational, economic and financial factors, that could cause actual results, financial condition, performance or achievements to differ materially from those expressed or implied by these forward looking statements. Many of these risks and uncertainties relate to factors that are beyond the Company's ability to control or estimate precisely, such as changes in taxation or fiscal policy, approval from senior lenders to draw down under existing debt facilities, future market conditions, currency fluctuations, the behaviour of other market participants, the actions of governments or governmental regulators, or other risk factors, such as changes in the political, social and regulatory framework in which the Company operates or in economic or technological trends or conditions, including inflation, recession and consumer confidence, on a global, regional or national basis. Given those risks and uncertainties, readers are cautioned not to place

undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of this Announcement. Each of the Company, Peel Hunt and/or BMO expressly disclaims any obligation or undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise unless required to do so by applicable law or regulation. The information in this Announcement is subject to change.

Peel Hunt and BMO, each which is authorised and regulated in the United Kingdom by the FCA, are acting exclusively for the Company and for no one else in connection with the Fundraise and will not regard any other person (whether or not a recipient of this Announcement) as a client in relation to the Fundraise or any other matter referred to in this Announcement and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for giving advice in relation to the Fundraise or any other matter referred to in this Announcement. Peel Hunt's responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person.

In connection with the Fundraise, Peel Hunt, BMO and any of their respective affiliates, acting as investors for their own account, may take up a portion of the shares in the Placing as a principal position and in that capacity may retain, purchase, sell, offer to sell for the own accounts or otherwise deal for their own account in such shares and other securities of the Company or related investments in connection with the Placing or otherwise. Accordingly, references to Placing Shares being offered, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or acquisition, placing or dealing by, Peel Hunt, BMO and any of their respective affiliates acting in such capacity. In addition, Peel Hunt, BMO and any of their respective affiliates may enter into financing arrangements (including swaps) with investors in connection with which Peel Hunt, BMO and any of their respective affiliates may from time to time acquire, hold or dispose of shares. Neither Peel Hunt nor BMO intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

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performance is not a guide to future performance. The contents of this Announcement are not to be construed as legal, business, financial or tax advice. Each investor or prospective investor should consult his or her or its own legal adviser, business adviser, financial adviser or tax adviser for legal, business, financial or tax advice.

Any indication in this Announcement of the price at which the Company's shares have been bought or sold in the past cannot be relied upon as a guide to future performance. Persons needing advice should consult an independent financial adviser. No statement in this Announcement is intended to be a profit forecast or profit estimate for any period and no statement in this Announcement should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Company for the current or future financial periods would necessarily match or exceed the historical published earnings, earnings per share or income, cash flow from operations or free cash flow for the Company.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the AIM Market of the London Stock Exchange and the TSX. The Fundraise Shares, will, when issued in accordance with the rules of the TSX, form part of the Ordinary Shares of the Company currently listed for trading on the TSX.

Members of the public are not eligible to take part in the Placing and no public offering of Placing Shares is being or will be made.

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