

LA MANCHA DEPLOYS US\$86 MILLION VIA STRATEGIC INVESTMENT IN HORIZONTE MINERALS PLC

Luxembourg, 29 November 2021 - La Mancha Fund SCSp ("La Mancha") is pleased to announce that it has deployed a total of US\$86 Million via a strategic investment in Horizonte Minerals Plc (AIM: HZM, TSX: HZM) ("Horizonte" or the "Company").

The investment comprises a US\$71 Million equity investment and a US\$15 Million convertible loan note (together, the "Horizonte Investment"). The Horizonte Investment forms part of the broader US\$633 Million funding package Horizonte announced on 24 November 2021 (the "Funding Package").

The Horizonte Investment represents the first investment that La Mancha has made since it announced the creation of a fund structure open to outside capital in July 2021. Horizonte intends using the Funding Package proceeds to develop its 100% owned nickel project in northern Brazil. The Investment marks a significant further step towards fulfilling La Mancha's ambition of diversifying its precious metals portfolio. La Mancha's investment in Horizonte is its first equity investment into Latin America and the base and EV metals space. In addition, Horizonte, being a construction stage asset, complements and reinforces La Mancha's current portfolio composition of production, royalty and exploration assets.

In line with La Mancha's policy of providing strategic and operational support to its portfolio companies, La Mancha will be at Horizonte's disposal with the advice and expertise of its team of full-time professionals, comprising: geologists, mining engineers and investment professionals with extensive operational experience in the mining sector.

Karim Nasr, Chief Executive Officer of La Mancha, commented: *"Our investment in Horizonte represents La Mancha's first deployment of newly raised capital since transitioning into a fund last June, and our first direct investment into the base and EV metals space."*

"La Mancha seeks to acquire significant stakes in junior mineral resource companies with strong managerial and geological potential and the ability to implement a long term value creation strategy. Horizonte clearly falls into that category."

"Throughout our extensive diligence, we were impressed not only by the quality of Horizonte's assets, but also by its team and the very high standard of work they've carried out to date. We were attracted to the business's organic growth potential, coupled with the longer-term nickel product optionality to sustainably supply both the stainless steel and battery markets. We are delighted, therefore, to be able to support and accelerate Horizonte's team on their journey toward becoming a globally significant and responsible nickel producer."

PLACEMENT AND TOTAL FINANCING PACKAGE

The Company announced the Horizonte Investment on 24 November 2021 in connection with its US\$633 Million funding package, which Horizonte expects to fulfil the capital requirements to construct the Araguaia project. The Funding Package comprises:

- US\$197 Million in new equity consisting of (i) strategic investments from La Mancha in the amount of US\$71 Million and Orion Mine Finance Fund III LP (“Orion”) in the amount of US\$50 Million and (ii) approximately US\$76 Million of newly issued ordinary shares. La Mancha’s investment will result in it acquiring 759,128,764 ordinary shares at a price of GBP0.07 per share
- US\$65 Million in convertible loan notes, that La Mancha and Orion have conditionally agreed to subscribe for in the amounts of US\$15 Million and US\$50 Million respectively
- US\$25 Million in a cost overrun debt facility
- US\$346.2 Million in a proposed senior debt facility

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About La Mancha

La Mancha is a Luxembourg based investment fund focusing on opportunities primarily in the precious metals mining sector across multiple geographies. La Mancha is a long-term investor that supports its investments with further capital and expertise to fund their growth and expansion plans. For more information, please visit www.lamancha.com.

About Horizonte Minerals

Horizonte Minerals is a nickel development company with operations in Brazil that is listed on the Alternative Investment Market of the London Stock Exchange and the Toronto Stock Exchange. The Company is developing two, 100% owned nickel projects in Pará State, northern Brazil. With both Araguaia and Vermelho projects in operation, Horizonte will become a major nickel producer supplying the stainless steel and battery markets.

Horizonte has indicated it will apply funds from the Funding Package to bring the Araguaia project into production, which will produce ferronickel for the stainless steel market using the relatively lower-risk RKEF process. Araguaia comprises a high-grade scalable resource, located just south of the established Carajás Mining District (Para State) in an area of well-developed

infrastructure (incl. roads, rail and hydropower) as well as access to a technically and operationally skilled workforce.

Production will be phased in two stages. First production with 14.5ktpa Nickel capacity expected in 2024 with a phase 2 expansion expected to double production to approximately 28ktpa Nickel capacity.

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