

MINERAL AND FINANCIAL INVESTMENTS LIMITED

Investment Update: Golden Sun Resources Ltd.

HIGHLIGHTS:

- **Golden Sun Resources and Sprott Resource Streaming and Royalty Corp. have closed a US\$10M financing to build 400 TPD Carbon In Leach Plant at BellaVista.**
- **M&FI Converted its Convertible Loan Notes into common shares to facilitate completion of Financing**
- **M&FI's Note investment in GSR have returned +153% to conversion face value**
- **Project construction at Golden Sun began in December 2022 and should be completed in March 2024**

Camana Bay, Cayman Islands - 15 February 2023 - Mineral and Financial Investments Limited (LSE-AIM: MAFL) ("M&FI" "MAFL" or the "Company") is pleased to provide an update on its investment in Golden Sun Resources Ltd. (GSR) investment. GSR operates the Bellavista Mine, located near Miramar in Costa Rica. Terrasun Resources Inc, GSR's exploration subsidiary, holds a portfolio over a dozen exploration projects that have historic resources or are highly prospective. Terrasun is a wholly owned subsidiary and the intention is that the subsidiary will be spun-out to GSR shareholders, further updates on this will be provided in due course as this progresses. GSR combined with Terrasun, is the largest mining and exploration group in Costa Rica.

GSR and Sprott Resource Streaming and Royalty Corp ("**Sprott**") have entered into a US\$10.0M Streaming based financing package to expand the BellaVista operations from a small scale Pilot Plant heap leach operation to a full mining and milling operation (the "**Financing Package**"). The financing package will fund several initiatives, and the construction of a 400 tonnes per day Carbon in Leach (CIL) mill. The mill construction and expansion is expected to be completed by March 2024.

To facilitate the execution of the Financing Package M&FI has agreed to convert its existing secured convertible loan notes (known as the Series B Notes (issued on 30 June 2019), the Series C Notes (issued on 31 January 2020) and the Series D Notes (issued on 26 May 2021) (together the "**Secured Convertible Notes**") into common shares of Golden Sun Resources. All the Secured Convertible Notes accrued interest at 20% per annum, and had a maturity date of 30 April 2024. The agreement reached with GSR and Sprott meant that the Secured Convertible Notes have been converted into common shares in GSR with immediate effect. However, the accrued value utilised was at a 30% premium to the accrued face value as at 18 December 2022. The share conversion price of US\$1.2677 per GSR share, This premium reflects the loss of the interest accruals up to the maturity date of each note. Accordingly, M&FI now holds 922,955 common shares in GSR representing 5.2% of the issued common shares of GSR.

A summary of that conversion is set out below:

(All currency values in USD)	Original Investment	Face Value @ Conversion	Appreciation on Face Value	Resulting # of GSR shares now held
Series B Notes	\$250,000	\$655,880	+162.4%	524,704
Series C Notes	\$208,161	\$395,978	+90.2%	316,783
Series D Notes	\$75,000	\$117,295	+56.4%	81,469
Sub-Total	\$463,161	\$1,169,988	+152.4%	922,955

In addition to the Secured Convertible Notes, M&FI had provided two small Bridge Loans to GSR totalling US\$175,000.. The first loan of US\$75,000 was for general working capital to ensure timely pre-construction funding until the Sprott Financing closed, and was repaid upon the execution of the Financing Package. The second loan of US\$100,000 was used by GSR to repurchase a royalty on the Bellavista Mine (the "Second Loan"), This Second Loan has now been repaid, however the associated loan documentation contained a commitment from GSR to grant M&FI a 6% share of a 2% Net Smelter Royalty (NSR) on BellaVista . This has not yet been granted but further updates will be provided in due course as appropriate.

In M&FI's 30 June, 2022 year end Net Asset Value (see RNS of 23/12/2022) M&FI recognised the value of the GSR Secured Convertible Notes at US\$819,517, the then estimated value of these notes at their face value plus their accruals. The agreed to final value of the Secured Convertible Notes, as set out above, is 42.5% higher than the last reported value of the notes. GSR's most recent equity financing valuation in January 2023 indicates a US\$1.75 per share value for Golden Sun Resources, or an estimated current value of \$1,615,172. However, as GSR is a private company, this information is provided for guidance purposes only. There is no guarantee that M&FI will be able to

utilise this valuation for reporting purposes or that this value can be realised until the investment is monetised.

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ABOUT MINERAL AND FINANCIAL INVESTMENTS LIMITED:

Mineral and Financial Investments Limited is a Cayman Island based investment company quoted on AIM, a market of the London Stock Exchange. M&FI has in excess of 25 investments in the natural resource sectors, the majority in the metals and minerals. M&FI's Net Asset Value per share (NAVPS) is 20.04p, as of 30 June, 2022. M&FI's NAVPS has risen at a Compound Annual Growth Rate (CAGR) of 27.9% since 30 June, 2018.

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