

## **MINERAL AND FINANCIAL INVESTMENTS LIMITED**

### **Investment Update: Ascendant/Redcorp Announce Potential Export Credit Agency Support for Project Finance at the Lagoa Salgada Project in Portugal**

#### **Highlights:**

- UKEF, the UK Export Credit Agency, selected from group of 4 compliant Expressions of Interest
- Potentially up to US\$190 million in Export Credit Agency ("ECA") support via long term ECA Project Finance to cover up to 70% of pre-production costs plus additional support to cover Interest During Construction and Insurance Premium Costs
- UKEF's Expression of Interest will encourage a UK-led sourcing strategy while allowing flexibility for sourcing from other countries. Support available subject to standard project finance terms and successful due diligence.
- Process to appoint Mandated Lead Arranger(s) to commence shortly.

**Camana Bay, Cayman Islands - 5 July 2023** - Mineral and Financial Investments Limited (LSE-AIM: MAFL) ("M&F" "MAFL" or the "Company") announces that its joint venture partner, Ascendant Resources Inc. ("Ascendant"), has received and accepted an Expression of Interest ("EOI") from UK Export Finance ("UKEF") to support a potential export credit facility for the Company's Lagoa Salgada Project ("Lagoa Salgada" or the "Project") located in Portugal.

The EOI provides support for up to US\$190 million for the Project representing 70% of total capital expenditure, interest payable during construction, the political risk insurance premium as well as other approved expenditures for the Project.

MAFL currently has a 50% interest in the Lagoa Salgada project through its holding in Redcorp Empreendimentos Mineiros Lda, with Ascendant holding the other 50% although Ascendant has an earn-in opportunity to increase its interest in the project to 80% of the Lagoa Salgada project through the completion of a feasibility by the agreed deadline of 3 August 2023.

Jacques Vaillancourt, President & CEO of M&FI commented *"We are very pleased with Ascendant's progress to possibly partner with UKEF to bring Lagoa Salgada into development. Whilst there can be no guarantee that this ECA will complete, we believe the support of the UK Government and UKEF is a testament to the attractiveness of the Lagoa Salgada Project, and we look forward to providing more updates, as Ascendant works with UKEF and any future appointed MLA to complete project financing."*

UKEF is a department of the UK Government and is the UK's official Export Credit Agency ("ECA"). UKEF operates under an Act of Parliament to support UK exports, predominately through the provision of 100% unconditional guarantees backed by the UK Government.

UKEF's engagement with the project is at an early stage. UKEF's EOI is not a legally binding commitment and is subject to a series of standard project finance terms and due diligence, including, among others, suitable structured offtake contracts, the successful completion of the Definitive Feasibility Study (DFS), and an Environmental and Social Impact Assessment (ESIA) to Equator Principles. The EOI provides an indication of currently available country limits, an indication of the attractiveness of the project, and it covers, in principle, the level of financial support, their flexibility and desired conditions.

UKEF's EOI is in line with the OECD Arrangements for Officially Supported Export Credits and stipulates minimum UK content requirements whilst enabling equipment to be sourced locally and from other countries.

As previously announced on April 17, 2023, Ascendant appointed SD Capital Advisory Ltd and GKB Ventures Ltd ("S&G") to solicit interest for Export Credit Agency backed Project Financing. As a result of this process Ascendant received 4 expressions of interest from ECAs around the world. Ascendant also received an expression of interest from an additional ECA on an untied basis which may be used to complement UKEF support. The directors of MAFL are pleased with the level of support and interest from the ECA market which highlights the potential for success of Lagoa Salgada.

The Directors understand that Ascendant selected UKEF based on numerous factors related to the terms of the Expression of Interest and unique aspects of the capital spend at the Lagoa Salgada Project.

Together with S&G, Ascendant will now be soliciting interest from Project Finance Banks to act as Mandated Lead Arranger ("MLA") for the transaction. Ascendant has advised MAFL that they expect to appoint an MLA by the end of July 2023. Once an MLA has been appointed, detailed due diligence will commence with the aim of

the end of July 2023. Once an M&A has been approved, detailed due diligence will commence with the aim of receiving final terms for the ECA backed Project Financing at Lagoa Salgada towards the end of the year. Further updates will be provided in due course as appropriate.

**FOR MORE INFORMATION:**

Jacques Vaillancourt, Mineral & Financial Investments Ltd.	+44 780 226 8247
Katy Mitchell and Sarah Mather, WH Ireland Limited	+44 207 220 1666
Jon Belliss, Novum Securities Limited	+44 207 382 8300

*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 (MAR) as in force in the United Kingdom pursuant to the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via Regulatory Information Service (RIS), this inside information is now considered to be in the public domain.*

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact [ms@seg.com](mailto:ms@seg.com) or visit [www.ms.com](http://www.ms.com).

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

MSCGIGDRBSGDGXU