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Mineral & Financial Invest. Limited
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MINERAL AND FINANCIAL INVESTMENTS LIMITED

Investment Update: Ascendant Resources Announces an Additional US$4.0M of Funding for the Lagoa Salgada VMS Project in Portugal

HIGHLIGHTS:

- **Ascendant finalizing amendment of existing Stream Agreement with Sprott Streaming for an additional US$4M**
- **Ascendant progressing funding to further Optimize Development of Lagoa Salgada**
- **Ascendant's focus is currently on Improved Metallurgical Recoveries, Concentrate Qualities and Optimized Mine Plan and Plant Sizing**
- **Extension granted to M&F on its Put option and for EDM on its Option on Lagoa Salgada**

Camana Bay, Cayman Islands - 15 November 2023 - Mineral and Financial Investments Limited (LSE-AIM: MAFL) ("M&F" "MAFL" or the "Company") is pleased to provide an update of its investments in Redcorp Empreedimentos Mineros Lda ("**Redcorp**") and Ascendant Resources Inc. ("**Ascendant**") which are developing the Lagoa Salgada Polymetallic Project in Portugal. The Project is being funded and led by Ascendant. M&F owns a conditional 20% Carried Interest in Redcorp and Ascendant owns the balance (please see the announcement dated 28 November 2022 for further details).

Stream Agreement

Ascendant has announced that it is finalizing an amendment to the existing metals purchase and sale agreement (the "Agreement") with Sprott Resource and Streaming Royalty Corp. ("**Sprott Streaming**"), including an increased deposit of US$4 million against future production at its Lagoa Salgada VMS project ("**Lagoa Salgada**" or the "**Project**") in Portugal. The Agreement is being amended to increase the stream percentage to 2.75% of gross metals from 1.75%. To facilitate funding in advance of commercial production, the parties intend to amend the existing 10% secured note from US$15 million to US$19 million.

The amendments are expected to be completed and funded on or about 29 November 2023, although there is no assurance that the transactions will close, and the amendments are not legally binding until such time as definitive agreements are executed.

Proceeds will fund development works including metallurgical work aimed to further enhance both recoveries and concentrate qualities at Lagoa Salgada as well as optimizing the mine plan, production scheduling and plant size which are expected to improve Project Economics.

Extension of EDM's Option

Additionally, following a request by Empresa de Desenvolvimento Mineiro S.A. ("**EDM**"), the Portuguese State Mining Development Agency, for a 60-day extension to its existing option to participate in or sell up to a 15% interest in the Project by making its election by 3 February 2024 (previously 2 December 2023), Ascendant and the Company have agreed consequential amendments to the terms of their respective call and put options.

Under the amendments, EDM shall have the right and option, but not the obligation to participate in or sell up to a 15% interest in the Project by making its election to do so by 3 February 2024 (the previous agreement stated that this election need to be made by 2 December 2023) (the "**Election**"). Thereafter, in accordance with its existing terms, if EDM elects to exercise its option, then Ascendant is entitled to exercise its call option causing the transfer of a relevant portion of shares that M&F hold in Redcorp, to Ascendant such that Ascendant will continue to own an 80% interest in the Project. If EDM's elects not to participate then M&F's 20% Carried Interest ("CI") remain in place. If EDM's exercises its option and receives a 15% Working Interest, then M&F's interest is diluted to a 5% Carried Interest

Extension of M&F's Put Option

The amendments also change the timeframe of M&F's right, but not the obligation, to exercise its put option. This right to Put its interest to Ascendant now commences on the date on which EDM makes the Election and terminates four (4) months thereafter (the previous time frame was that M&FI's right commenced of the date the Definitive Feasibility Study on the Project was produced, and expired six months +10 days thereafter). If exercised the right requires Ascendant to purchase all of the Redcorp shares then held by M&FI, representing a 5% CI in Redcorp by paying the put price to M&FI. The put price would be an amount in US dollars, payable in cash, equal to 5% of the post-tax net present value of the Project provided in the then current feasibility study using a 10.5% discount rate (the "**Put Option**"). More details of this are set out in the announcement dated November 28, 2022.

FOR MORE INFORMATION:

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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.

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