

## MINERAL AND FINANCIAL INVESTMENTS LIMITED

### Investment Update: Ascendant Resources/ Redcorp to Integrate Artificial Intelligence for exploration at Lagoa Salgada in Partnership with the University of Évora, Portugal

#### HIGHLIGHTS:

- Ascendant announces partnership to integrate hyperspectral technology, Artificial Intelligence ("AI") and machine learning for exploration as part of the Innovative HYPERMETAL Project.
- HYPERMETAL project is designed to revolutionize the efficiency and precision of polymetallic mineral exploration by enhancing the characterization of deposits.
- Redcorp advises program to be funded via application for Portugal 2030 Funding under the New Technologies Specialization Program.
- Redcorp (in agreement with Ascendant), grants an extension to EDM to acquire up to a 15% interest in the Lagoa Salgada Project

**Camana Bay, Cayman Islands - 19 September 2024** - Mineral and Financial Investments Limited (LSE-AIM: MAFL) ("M&F" "MAFL" or the "Company") is pleased to provide an update on its investments in Redcorp Empreendimentos Mineros Lda. ("**Redcorp**") and Ascendant Resources Inc. ("**Ascendant**") which are developing the Lagoa Salgada Polymetallic Project in Portugal (the **Project**). The Project is managed 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).

Redcorp, has entered into a partnership with the University of Évora, Portugal, in a joint application for funding under the Portugal 2030 program, in the area of New Technologies Specialization. The funding will support the development of the groundbreaking HYPERMETAL project, which aims to integrate advanced hyperspectral technology, AI and Machine Learning into traditional mineral exploration methods.

The HYPERMETAL project is designed to revolutionize the efficiency and precision of polymetallic mineral exploration by enhancing the characterization of deposits. By reinterpreting historical drill cores and combining traditional methods (Geochemistry and Mineralogy) with hyperspectral analyses, the project should generate an advanced Digital Twin of the orebody, significantly improving the understanding and development of new exploration targets through AI and machine learning systems, to continue to expand the known mineralization at Lagoa Salgada.

One of the Hypermetal project's key milestones will be the execution of a new drill hole, which will be studied using both conventional methodologies and hyperspectral technology. Through the application of Machine Learning and AI, the collected data will be classified to map ore occurrences, hydrothermal alteration halos, and key lithologies. The result will be a cutting-edge digital platform capable of processing hyperspectral images and generating precise visualizations of ore distribution and alteration zones throughout the drill hole.

Jacques Vaillancourt, President & CEO of M&F stated, *"We understand that the HYPERMETAL project and the integration of cutting-edge AI technologies represents a leap forward in mineral exploration technology. Redcorp's partnership with the University of Évora reflects a commitment to embracing new technologies, such as AI, and fostering innovation within the mining sector, enhancing Redcorp's exploration capabilities which we understand should contribute to the successful development of Lagoa Salgada"*.

Redcorp also advises that the joint application to the Portugal 2030 program (between Redcorp and the University of Évora), reinforces Redcorp's dedication to leveraging innovative technologies that align with the European Union's goals for sustainability and economic growth. Redcorp anticipate receiving the results of its application by the end of November 2024.

The Company is advised that the Portugal 2030 financial framework is structured around 12 distinct programs, with Compete 2030 focusing on innovation and digital transformation. This program is backed by €3.9 billion in funding from the European Regional Development Fund ("ERDF") and the European Social Fund Plus ("ESF+") and aims to drive development in Portugal's less advanced mainland regions and its Autonomous Regions. Its key goals include

boosting innovation, competitiveness, energy transition, and workforce skills. Under the "A More Competitive Portugal" initiative, the program emphasizes digitalization, research, innovation, and SME growth. The "A Greener Portugal" goal promotes decarbonization and renewable energy within businesses, while the "A More Social Portugal" objective helps workers and companies adapt to evolving circumstances. Compete 2030 aims to leverage available resources in a streamlined, collaborative, and effective way, adhering to principles of transparency, efficiency, and results-oriented strategies. The Portugal 2030 Partnership Agreement was officially approved on July 12, 2022 and signed two days later by the Portuguese Government and the European Commission, with all programs receiving approval by December 15, 2022.

### **EDM Option Extension**

In addition, the Company has been notified that Empresa de Desenvolvimento Mineiro ("EDM"), the Portuguese State Mining Development Agency, has been granted an extension to the term of its option agreement for up to a 15% interest in the Lagoa Salgada Project (the "Project"). The extension has been granted by Ascendant's 80% owned subsidiary, Redcorp, and extends the deadline for exercise from September 30, 2024 to 120 days from the date on which the following conditions are satisfied: (i) issuance of the Environmental Impact Statement on the Project, and (ii) completion of the optimization study of the Project's feasibility study clarifying technical and metallurgical matters (the "EDM Option").

If EDM exercises the EDM Option, then Ascendant is entitled to exercise call options causing the transfer from the Company of the 20% Carried Interest ("CI") free carried interest quotas of the Lagoa Salgada concessionaire, Redcorp, to Ascendant such that Ascendant would continue to own an 80% interest in the Project and MF&I would hold a net 5% CI. M&FI has the right, but not the obligation, to exercise a put option commencing on the date on which EDM makes its election and terminating four (4) months thereafter, for Ascendant to purchase all of the Redcorp quotas then held by 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 (at a 10.5% discount rate) of the Project provided in the then current feasibility study.

If the EDM Option is fully exercised and the Put Option is also exercised, Ascendant would hold an 85% interest in the Project and EDM would hold a 15% fully contributing interest, with each party required to contribute pro rata, subject to standard dilution clauses.

### **About the University of Évora (Geosciences Department)**

The Department of Geosciences at the School of Science and Technology, University of Évora, is a scientific and educational unit dedicated to ongoing research, teaching, community outreach, and offering specialized services to the public.

### **Review of Technical Information**

The scientific and technical information in this press release has been reviewed and approved by Joao Barros, BSc (Engineering), MSc (Geology), who has more than 18 years of relevant experience in the field of activity concerned. Mr. Barros is a Member of the Portuguese Engineers Association. Mr. Barros is employed by Redcorp Empreendimentos Mineiros, Lda., a 20% owned subsidiary of M&F, and has consented to the inclusion of the material in the form and context in which it appears.

The scientific and technical information contained in this release in relation to metallurgical test work has been approved and verified by Mr. David Castro López (MIMMM), who serves as Process Engineer at Minepro Solutions and is a "Qualified Person" in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects.

### **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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