

*This announcement contains inside information for the purposes of Article 7 of the UK version of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended ("MAR"). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.*

**Cadence Minerals Plc**

**("Cadence Minerals", "Cadence", or "the Company")**

**Progress on Environmental Licensing and Update on Strategic Development Pathway for the Amapá Iron Ore Project**

Cadence Minerals (AIM: KDNC) is pleased to provide an update on the progress made concerning the environmental permitting process and strategic development plans for its flagship Amapá Iron Ore Project in Brazil (the "Project").

**Staged Development Strategy and Initial Production Plan**

On 3 December 2024, the Amapá Project published an updated Pre-Feasibility Study ("PFS"), which significantly enhanced the project's economics. The revised PFS increased the Project's post-tax Net Present Value ("NPV") by 73% to US 1.97 billion, and a projected average annual free cash flow of US 342 million over a 15-year mine life. The new plan outlines a 5.5 Mtpa processing facility producing a high-quality 67.5% iron ("Fe") direct reduction ("DR") grade concentrate, with competitive free on board<sup>[1]</sup> ("FOB") cash costs of US 33.7/dry metric ton ("DMT") and a shortened payback period of three years.

Underpinned by ownership of the rail and port infrastructure and powered entirely by renewable energy, the Amapá Project is strategically positioned as a low-carbon, high-margin "green iron" operation, aligned with the global shift toward sustainable steelmaking.

To minimise execution risk and optimise capital efficiency, the Company is implementing a **staged development strategy**. This approach begins with the recommissioning of a small-scale processing plant and is followed by phased capital deployment and a gradual ramp-up of production for the DR-grade product. All development activities remain within the bounds of the current mining installation licences.

In 2025, the Company initiated detailed engineering studies to evaluate the feasibility of this staged development model. Initial findings suggest that the small-scale plant could be brought into production with materially lower upfront capital requirements, subject to receipt of the relevant mining installation licences and authorisation to utilise the existing tailings storage facility ("TSF").

Preparatory work on the TSF is in progress, including the deployment of remote monitoring systems to enhance environmental and operational oversight.

The Company will update shareholders as milestones are reached on these key components of the development strategy.

**Progress on Environmental Licensing**

Following the Company's update on 3 December 2024, Cadence is pleased to report significant advancement regarding the granting of the key installation licences for the mine, railway, and port infrastructure at Amapá.

As disclosed on 11 September 2023, the Project benefits from its previous operational status, with historical licences and data enabling the Amapá State Environmental Agency ("SEMA") to endorse an expedited permitting process. Generally, the licensing cycle comprises three years of environmental studies and up to two years of formal review. However, SEMA consented to a revised timeline, supported by an agreed Terms of Reference ("ToR") and the submission of an environmental control plan, due to the site's legacy and existing environmental footprint.

The Project has delivered all the documents on time and as requested under the ToR, anticipating receipt of the full grant of licences by the end of 2024. However, SEMA subsequently requested several additional documents and studies. The

incidences by the end of 2024. However, SEMA subsequently requested several additional documents and studies. The majority of these have now been completed or are in advanced stages of completion.

#### *Mining Installation License*

Most supplementary items have now been completed. The primary outstanding item is a request for a more detailed archaeological study. Other required studies, waivers, and permissions are either complete or at advanced stages.

#### *Railway Installation License*

Approximately 95% of the requirements for the railway installation licence have been fulfilled, with the final technical steps ongoing.

#### *Port Installation License*

The port's historical incident and redesign of loading mechanisms have resulted in a lengthened approval process. Cadence has maintained close coordination with SEMA and the state government, who continue to support the licensing process given the importance of the Project to regional development.

#### **Joint Venture and Strategic Partner Discussions**

Cadence continues to believe that the optimal pathway to complete development is through a strategic joint venture or sale. The Company is in active discussions with several potential partners, ranging from early-stage data review to site visits.

Further updates will be provided as discussions progress.

#### **Cadence Ownership**

As of the end of March 2025, Cadence's total investment in the Amapá Project is approximately US 14.7 million, and its equity stake in the project stands at 34.9%.

#### ***Kiran Morzaria, CEO of Cadence Minerals, commented:***

*"We're pleased with the continued progress on environmental licensing at the Amapá Project, which brings us closer to restarting operations. While some additional studies have been requested, we've made good headway in addressing these and remain broadly on track with the licensing process."*

*"Our phased development strategy allows us to target near-term production and cash flow while maintaining flexibility for full-scale development. With a low initial capex, competitive projected margins, and a relatively short lead time to production, we believe this approach will unlock meaningful value."*

*"Discussions with potential strategic partners are progressing, and securing the necessary financing remains a key focus. We believe that the combination of the project's fundamentals and the work completed so far puts us in a strong position as we move toward the next phase of development."*

For further information, contact:

<b>Cadence Minerals plc</b>	<b>+44 (0) 20 3582 6636</b>
Andrew Suckling	
Kiran Morzaria	

<b>Zeus Capital Limited (NOMAD &amp; Broker)</b>	<b>+44 (0) 20 3829 5000</b>
James Joyce	
Darshan Patel	
Gabriella Zwarts	

<b>Fortified Securities - Joint Broker</b>	<b>+44 (0) 20 3411 7773</b>
Guy Wheatley	

<b>Brand Communications</b>	<b>+44 (0) 7976 431608</b>
<b>Public &amp; Investor Relations</b>	
Alan Green	

#### **Qualified Person**

Kiran Morzaria B.Eng. (ACSM), MBA, has reviewed and approved the information contained in this announcement. Kiran holds a Bachelor of Engineering (Industrial Geology) from the Camborne School of Mines and an MBA (Finance) from CASS Business School.

#### **Cautionary and Forward-Looking Statements**

Certain statements in this announcement are or may be deemed to be forward-looking statements. Forward-looking statements are identified by their use of terms and phrases such as "believe", "could", "should", "envisage", "estimate", "intend", "may", "plan", "will", or the negative of those variations or comparable expressions including references to

assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the company's future growth results of operations performance, future capital, and other expenditures (including the amount, nature, and sources of funding thereof) competitive advantages business prospects and opportunities. Such forward-looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors. Many factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes actions by governmental authorities, the availability of capital markets reliance on key personnel uninsured and underinsured losses and other factors many of which are beyond the control of the company. Although any forward-looking statements contained in this announcement are based upon what the Directors believe to be reasonable assumptions. The company cannot assure investors that actual results will be consistent with such forward-looking statements.

---

<sup>[1]</sup>Free on Board is a shipping term that defines when the ownership and liability for the goods being transported transfer from the seller to the buyer

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

MSCEAEKEFSXSEFA