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Mineral & Financial Invest. Limited
30 September 2015

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Mineral & Financial Investments Limited
("MAFL" or "the Company")

Unaudited Interim Results for the Six Months Ended 30 June 2015

Mineral & Financial Investments Limited today announces its unaudited interim results for the six months ended 30 June 2015.

- Further rationalisation of investment portfolio
- Post-period acquisition of strategic investments in Spain and Portugal
- Further acquisitions under consideration
- Post-period repayment of £133,923 in outstanding debt

Chairman's Statement

The last few months have been busy for MAFL. Following the end of the period under review, the Company completed its first transaction. This investment has been completed during a very challenging and turbulent time for the mineral industry. The Company has long been on the side lines observing the gradual squeezing downwards of values due to lower metal prices, miserly capital markets and declining forecasts for emerging economies, notably China. However, we believe this situation has created excellent opportunities to finance and invest in high quality assets at, what we believe, will be cycle lows.

Global economic growth continues to be slower, but nevertheless positive. The International Monetary Fund's last World Economic Outlook Update identified what is now being acutely felt by commodity markets, that emerging markets are experiencing slower economic growth.

As a general rule, emerging economies consume more basic resources to evolve their economies upwards than developed economies. In both 2013 and 2014 world economic output grew by 3.4% and the IMF now estimates that world economic output will expand by 3.3% in 2015 and 3.8% in 2016. During this same time period emerging market growth has declined from 5.0% in 2013 to 4.6% in 2014 and is expected to be 4.2% in 2015. It is then forecast to increase to 4.7% in 2016.

Rising from a much lower base, developed economies experienced growth of 1.4% in 2013, 1.8% in 2014 and are expected to rise to 2.1% this year and forecast to expand by 2.4% in 2016. Equally important for commodities to the expansion of global demand is that it should lead to a reversal of the deflationary commodity price pressures felt over the past 12 months, led downwards by energy prices. Again, we believe that we are at, or very near, the cycle lows, and this has prompted us into action.

Commodity selection remains, as it always has been, very important. Our strategy is to avoid the over-heated, over-hyped commodity segments and focus on segments where our contribution to our investee companies can be relevant and productive. We are very cautious toward the lithium segment, for example. We believe that the zinc/lead markets will soon recover, and that the copper markets' fall in 2015 will lead to firmer markets in 2016.

The fundamentals of the precious metals sector generally, and the gold segment in particular is close to a turn. We understand gold production will be down year on year in 2015 and that gold projects have struggled to find funding, further limiting intermediate term supply growth. We also believe the industry is consolidating, as juniors are seeking to merge to create stronger combined entities and thatthe net result will be a smaller number of companies, somewhat stronger financially, and which are able to progress fewer projects. On the demand side, we understand that the selling pressures from gold ETF's is subsiding and is poised to play a less destabilising role in the pricing of gold. Additionally, we understand that virtually all government debt is on the rise and central bank balance sheets have exploded with "Quantitative Easing", therefore we believe gold's unpopularity as a "barbaric relic" should fade in 2016 as its price firms.

Since the end of the period under review, the Company has executed its first financing transaction with a private Swiss company TH Crestgate GmbH. Our investment in has resulted in M&FI owning 49% of TH Crestgate. TH Crestgate has purchased two advanced exploration assets and one early stage property. All three of these zinc/lead properties are located in Portugal and Spain. The two advanced stage exploration properties host significant resources that, we believe, have very real prospects for geological expansion. We have also appointed Jacques Vaillancourt to the board to manage this investment. TH Crestgate will be seeking a strategic partner that will take these exciting projects forward. Our intention is to roll MAFL's interest in TH Crestgate into the selected operating partner once the refurbishment of the assets has been completed.

We are also continuing our search to identify highly attractive geological assets to finance and in which to invest. We have evaluated several dozen opportunities, and our search continues. These opportunities must be underpinned by strong geological resource merits and be in commodities that we believe have attractive fundamentals. We expect 2016 will vindicate the decisions we are making now.

On behalf of the Board

Jacques Vaillancourt
Executive Chairman

Chief Investment Officer's Statement

The first half of 2015 was a testing time in mining equities and commodities markets, and the Company's NAV duly reflected that, dropping from 10.03p as at the end of June 2014 to a disappointing 8.52p as at the end of June 2015.

Continuing weakness from Glencore, combined with a slight dropping off in the valuation of stake in the oil explorer Cap Energy were the primary causes behind the decline in the value of our equity holdings.

However, our strategy of keeping a significant portion of our assets in cash proved prudent in two ways.

First, we were insulated in some measure from the further declines in mining equity valuations across the board.

Second and more significantly, we were able to move quickly post the period end, when the opportunity to acquire a stake in TH Crestgate arose.

We continue to evaluate other opportunities of this nature.

As far as outlook is concerned, we continue to favour zinc and copper, as well as gold, although the prospects of an eventual US rate rise do render a certain amount of uncertainty inevitable at this stage.

We will retain our cautious approach to equity investing, and note with interest recently reported comments from private equity company EMR Capital that junior miners are increasingly viewing a public listing as more of a liability than an advantage, as share prices have tended to be "smashed" in recent years.

This may yet be another signal that the ongoing process of capitulation is well advanced, but we believe that until the wider issues of oversupply are addressed at the macro level, the opportunities for juniors to prosper on the equity markets will remain limited.

Finally, post the period end we have elected to pay down the remaining debt owed to the Webb Funds which was incurred during the previous mining boom. The total amount paid was £133,923.

Alastair Ford
Chief Investment Officer

For further information please call:

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Statement of comprehensive Income
for the 6 months ended 30 June 2015

	Note	UNAUDITED 6 months to 30 June 2015 £'000	UNAUDITED 6 months to 30 June 2014 £'000	AUDITED 12 months to 31 December 2014 £'000
Continuing operations:				
Investment income		1	–	2
Net (losses)/gains on investments		(137)	395	478
Total income		(136)	395	480
Operating expenses		(75)	(80)	(170)
Operating (loss)/profit		(211)	315	310
Finance cost		–	(4)	(8)
(Loss)/profit before taxation		(211)	311	302
Taxation expense		–	–	–
(Loss)/profit for the period attributable to owners of the Company		(211)	311	302
(Loss)/earnings per share attributable to owners of the Company during the period	3	pence	pence	pence
Basic:		(1.5)	2.3	2.2
Diluted:		(1.5)	2.2	2.1

Statement of Financial Position
as at 30 June 2015

	UNAUDITED 30 June 2015 £'000	UNAUDITED 30 June 2014 £'000	AUDITED 31 December 2014 £'000
CURRENT ASSETS			
Financial assets	721	943	990
Trade and other receivables	8	9	3
Cash and cash equivalents	655	636	596
	1,384	1,588	1,589
CURRENT LIABILITIES			
Trade and other payables	46	46	40
	46	46	40
NET CURRENT ASSETS	1,338	1,542	1,549
NON-CURRENT LIABILITIES			
Convertible unsecured loan notes	169	165	169
	169	165	169
NET ASSETS	1,169	1,377	1,380
EQUITY			
Share capital	2,882	2,882	2,882
Share premium	4,537	4,537	4,537
Loan note equity reserve	85	85	85
Share option reserve	12	–	12
Capital reserve	15,736	15,736	15,736
Retained earnings	(22,083)	(21,863)	(21,872)
Shareholders' equity	1,169	1,377	1,380

Statement of Changes in equity for the 6 months ended 30 June 2015

	Share capital £'000	Share premium £'000	Loan note reserve £'000	Share option reserve £'000	Capital reserve £'000	Accumulated losses £'000	Total equity £'000
At 31 December 2013	2,882	4,537	85	–	15,736	(22,174)	1,066
Loss for the 6 months to 30 June 2014	–	–	–	–	–	311	311
At 30 June 2014	2,882	4,537	85	–	15,736	(21,863)	1,377
Loss for the 6 months to 31 December 2014	–	–	–	–	–	(9)	(9)
Share options granted	–	–	–	12	–	–	12
At 31 December 2014	2,882	4,537	85	12	15,736	(21,872)	1,380
Profit for the 6 months to 30 June 2015	–	–	–	–	–	(211)	(211)
At 30 June 2015	2,882	4,537	85	12	15,736	(22,083)	1,169

Statement of Cash flow for the 6 months ended 30 June 2015

	UNAUDITED 6 months to 30 June 2015 £'000	UNAUDITED 6 months to 30 June 2014 £'000	AUDITED 12 months to 31 December 2014 £'000
OPERATING ACTIVITIES			
(Loss)/Profit before taxation	(211)	311	302
Adjustments for:			
			12
Loss on disposal of financial assets	131	489	513
Fair value adjustment to financial assets	6	(884)	(991)
Investment income	(1)	–	(2)
Finance costs	–	4	8
Operating cashflow before working capital changes	(75)	(80)	(158)
(Increase)/decrease in trade and other receivables	(5)	7	13
Increase/(decrease) in trade and other payables	6	(9)	(15)
Net cash outflow from operating activities	(74)	(82)	(160)
INVESTING ACTIVITIES			
Purchase of financial assets	–	(312)	(398)
Disposal of financial assets	132	233	355
Investment income	1	–	2
Net cash inflow/ (outflow) from investing activities	133	(79)	(41)
Net increase/(decrease) in cash and cash equivalents	59	(161)	(201)
Cash and cash equivalents at start of period	596	797	797
Cash and cash equivalents at end of period	655	636	596

Notes to the unaudited interim statement for the 6 months ended 30 June 2015

1. General information

The Company is a limited company quoted on AIM, a market of the London Stock Exchange, and is registered in the Cayman Islands.

The address of its registered office is 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005, Cayman Islands. The financial statements are presented in Pounds Sterling which is the Company's presentational currency.

2. Basis of preparation

The interim financial statements of Mineral & Financial Investments Limited have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and on the historical cost basis using the accounting policies which are consistence with those set out in the Company's Annual Report and Accounts for the year ended 31 December 2014.

This interim financial information for the six months to 30 June 2015 was approved by the board on 30 September 2015.

The unaudited interim financial information for the 6 months ended 30 June 2015 does not constitute statutory accounts. The comparative figures for the year ended 31 December 2014 are extracted from the statutory financial statements which contain an unqualified audit report.

3. Earnings per share

The basic and diluted earnings per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	6 months to 30 June 2015 £'000	6 months to 30 June 2014 £'000	12 months to 31 December 2014 £'000
Weighted average number of shares for calculating basic earnings per share	13,722,062	13,722,062	13,722,062
Weighted average number of shares for calculating fully diluted earnings per share	*13,722,062	14,240,354	14,240,354

*The diluted loss per share for the current period, the 6 months ended 30 June 2015, is the same as the basic loss per share as the losses in the period have an anti-dilutive effect. So the same number of shares has been used for calculating the diluted loss per share as the basic loss per share.