

16 December 2016

MINERAL & FINANCIAL INVESTMENTS LIMITED
("Mineral & Financial", "MAFL", or the "Company")

NET ASSET VALUE UPDATE

MAFL, the AIM quoted resources Investment Company, today announces an NAV and operations update on its activities for the period ended 30 September 2016.

HIGHLIGHTS:

- Net Asset Value of 6.57p per share (unaudited)
- Completion of an equity raise, through the issuance and sale of 10 million shares to investors
- Uplift in valuation of gold and silver ETFs
- Continued progress on 49%-owned TH Crestgate's Iberian asset portfolio
- Continuing to seek further strategic investments in improving mining markets

CHAIRMAN'S STATEMENT

I believe this year has challenged and defeated the conventional wisdom held by the "man on the street" that their vote does not matter. Populism, and jingoism, made a return in the USA. President elect Donald Trump's promise to "Make America Great Again" is already having an effect on markets. It is impossible to accurately predict what a Trump presidency will yield over the next four years, other than perhaps unpredictability. However, first indications suggest that it will be focused on domestic growth through infrastructure programs and lowered corporate taxes, which is highly achievable with the Republican Party controlling both houses of Congress. The imponderables are how will a Trump White House respond to complex crosswinds of international politics.

The US dollar is up to levels not seen in 13 years; the Dow Jones Industrial Index is at an all time high, and optimism for a new presidency, as is usual, is peaking prior to the swearing in ceremony. The hard graft of leadership still lies ahead.

The cornerstone of Trump's electoral victory was to "Make America Great Again", largely with US job creation. This will be at odds with a strong US dollar luring US productive capacity offshore. A strong US dollar makes non-US economies more competitive versus the USA and makes Trump's electoral promise that much more difficult. The needed counter-weight to a strong US dollar is global economic growth and stability.

In Europe - Brexit, I believe an exhausted ECB monetary policy and growing reactionary populism in Italy, and elsewhere, continue to defer European stability. Asia, led by China, is trying to recover its growth momentum. The Shanghai CSI 300 is still 37.5% below its highs of 2012 and its YTD performance is down 10.5%. We expect that the US dollar will remain strong for at least another quarter, until other economies are in a position to begin following the US rate rises, but a step, or two behind. Precious metals during this period of US dollar strength will complete their correction, and be ready for rises in 2017. Base metals will retain their position of out-performance for the next 3 to 5 months, partly due to optimism, but largely due to fundamentals.

M&FI's NAV overall is now £1,558,156. (the NAV per share is 6.57p), up 1.5% since the beginning of the year. We almost doubled the number of shares outstanding through a capital raise this summer..

CAP Energy, one of our investments, has made good progress de-risking its projects, which we expect will lead to a strategic partner investing in its projects. Our carrying value is 28% below CAP's most recent equity financing level in April this year. If we carried this oil and gas investment at its most recent financing level, our NAV would be £1,788,156, or 7.50p, or a 16% increase in our NAV per share since January 1, 2016. Another way of looking at it is that our NAV per share would be down only 1.1% from our June 30, 2016 level, despite increasing our number of shares outstanding by 71.3%

We anticipated that zinc would be one of the strongest performing metals in 2016 by positioning M&FI through an equity and loan investment in TH Crestgate GmbH, a private Swiss investment company. TH Crestgate had 3 zinc/lead projects (Toral, Lago and Lagoa Salgada).

Toral and Lago have been sold to Ferrum Crescent for shares and cash for a significant profit.

Lagoa Salgada is developing into an exciting copper exploration play in addition to its zinc. TH Crestgate is completing an exploration program while seeking to find a partner to drive Lagoa Salgada. We believe that when we have crystalized the value in TH Crestgate we will have created significant value for our shareholders. We continue to review various investment opportunities to further deploy your capital profitably.

Jacques Vaillancourt

CHIEF INVESTMENT OFFICER'S STATEMENT

It has been pleasing to see further strength in the mining and metals markets in the third and fourth quarters of this year in the wake of Donald Trump's victory in the US Presidential elections and renewed optimism about the Chinese economy.

The value of our holding in Glencore has improved as a direct result, and in due course we expect further read-across to our 49%-holding in TH Crestgate, which owns the Lagoa Salgada zinc-copper project in Portugal.

The dip in the gold price since the Trump victory has taken some of the shine off this otherwise improving mining and metals market, with investors now pricing in a Federal Reserve rate rise for this month. In addition the apparent uncertainty of a Trump Presidency has now been transformed into a confidence in renewed economic strength in the US, leading to a decline in the attractiveness of gold as a safe haven.

How long this will last remains to be seen, as the President-elect's hawkish statements towards China and likely rapprochement with Russia may lead to a realignment of the fault lines of global conflict. In addition, the return of OPEC as an apparent force in global politics and economics may serve to heighten global uncertainty in the medium term.

At the period end, our ETF holdings in both silver and gold were showing double-digit percentage gains and we remain comfortable holding these metals.

Having sold our zinc EFT earlier in the year to provide more of a balanced portfolio we continue to evaluate the potential of other metals as pure play investments.

We note recent developments at Ferrum Crescent, in which TH Crestgate holds 109 million shares, and look forward to the results of the ongoing exploration work at the Toral lead-zinc project in Spain.

Finally, after consultations with the board of Cap Energy, we have concluded that positive progress there justifies a further small increase in the valuation of our holding, which remains steeply discounted to the price at which Cap last raised money.

We continue to assess opportunities at all levels, both in terms of the strategic and the tactical portfolio.

Alastair Ford

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Notes: The net asset value calculation is subject to audit and is made on the basis that the Company has 24,034,562 shares in issue. All listed investments, including investments on ISDX, are valued at the closing bid price as at 30 September 2016. The Company has an investment in one unquoted gold company that is currently valued at the price at which the gold company in question last raised money, although this is subject to review. The Company also has an investment in one unquoted zinc and base metals company, the valuation of which is subject to quarterly review and is currently recognized at cost.