

Mineral and Financial Investment Limited  
( "MAFL " "M&FI " or the "Company ")

Update on Investment in TH Crestgate -  
Presence of Indium, Selenium at Lagoa Salgada Lead-Zinc Project,  
Portugal

HIGHLIGHTS:

- TH Crestgate completes Petrographic study on 4 holes at Lagoa Salgada
- Project showing significantly higher Indium and Selenium content than expected as well as the previously identified Zinc, Lead, Copper, Silver and Gold
- Petrographic Study was completed by University of Porto Geoscience Department
- Petrographic Study is part of a broader exploration program currently underway

TH Crestgate GmbH ( "TH Crestgate " ), a private Swiss investment company in which MAFL hold a 49% stake, has provided the following update on its activities:

TH Crestgate recently commissioned the University of Porto Geoscience Department to undertake a petrographic study on its 85% owned Lagoa Salgada Zinc-Lead project located on the Iberian Pyrite Belt in Portugal. The results of this study indicate significant showings in both Indium (In) and Selenium (Se) in addition to the known indications of Zinc, Lead, Copper, Silver and Gold.

The petrographic study focused on detailed descriptions of [rocks](#) and their composition. Analysis of microscopic [fluid inclusions](#) within mineral grains with a heating stage on a petrographic microscope provides clues to the temperature and pressure conditions existent during the mineral formation. The mineralization is mainly in Copper, Lead and Zinc, but TH Crestgate commissioned the study to assess the potential for Gold, Silver and Indium credits.

The study also identified indicator materials typically associated with Copper and Selenium systems containing higher grades in the Lagoa Salgada deposit. The deposit has now been shown to contain half micron discrete crystals of Indium mineralisation in chalcopyrite, associated with cassiterite, and on the contact with sphalerite, all them as inclusions of euedric arsenopyrite crystal.

Eighteen discrete Indium minerals are known, and these are found only in Indium-rich systems. The control of richness in Indium seems to be correlated with presence of Cu and Sn minerals in the neighbour.

The study covers existing holes: PX-01; PX-03; PX-04-A, AND PX-08. The following are some of the observations from some of the samples, the full details of which are set out below.

- Single sample returned values with three times more Indium content than the best value found on other deposits within the same ore body (Oliveira et al. [ see citation below])
- A breccia was sampled with 1.5-meter thickness (LS28\_2) and showed Copper (Cu) (1,01%), Lead (Pb) (4,46%) and Zinc (Zn) (5,23%) and 194 ppm of Selenium (Se).
- The average of three (3) samples with four (4) meter thicknesses on this borehole LS28 is 99 ppm Selenium, and the nearby borehole LS26 has 3 m sequence with 101 ppm in average.
- Additional holes located in the "Central Sector " of the LS-1 zone on the Lagoa Salgada property were previously analyzed and discussed in an academic study by Oliveira et al (2011).
  - o In the borehole LS5 Selenium ran as high as 146 ppm Se.
  - o Hole LS-28 showed Cu (1,01%), Pb (4,46%) and Zn (5,23%) with 194 ppm of Selenium over a 1.5m thickness.

- A sample of breccia with 1.5 meter thickness with Cu ( 1,01%), Pb (4,46%) and Zn (5,23%) has 194 ppm of Selenium. Hole LS-26 has 3 m sequence with 101ppm of Indium
- TH Crestgate has not independently verified these results.

Jacques Vaillancourt, Chairman of Mineral and Financial, commenting today, said: "The directors of TH Crestgate have advised us that now they have successfully vended the Spanish lead zinc assets from their portfolio they are now focusing on progressing value from the Portuguese lead zinc assets acquired from Portex in 2015. We believe Petrographic studies are an extremely cost effective way to make metallurgical determinations and we believe the results demonstrate very positive indications of credits from gold, indium and selenium. Combined with the Lead-Zinc resource and the belief that there is a copper-bearing zone in the "Central Sector ", which is about 1,000 meters south of the known LS1 Indicated and Inferred resource, TH Crestgate believes there is significant value that remains to be identified at Lagoa Salgada. TH Crestgate is now completing an Induced Polarity (IP) Study on the project to help it assess how to progress along one of the numerous pathways available to us from Lagoa Salgada. "

#### Sampling Results:

HOLE NUMBER	SAMPLES	FROM (METERS)	TO (METERS)	STRATIGRAPHY
PX01	PX01-01	167.55	168.15	Chert / Jaspe
	PX01-02			Chert / Jaspe
	PX01-03			Chert / Jaspe
	PX01-04	142.85	143.60	Gossan
PX03	PX03-05	145.00	145.80	Gossan
	PX03-06			Gossan
	PX03-07	152.95	153.70	Supergene
	PX03-08			Supergene
	PX03-09			Supergene
	PX03-10			Supergene
	PX03-11	157.70	158.70	Supergene
	PX03-12	168.00	169.10	Massive Sulfide
	PX03-13			Massive Sulfide
	PX03-14	168.00	169.10	Massive Sulfide
	PX04A	PX04A-15	173.75	174.30
PX04A-16		184.20	185.20	Massive Sulfide
PX04A-17		207.60	208.60	Massive Sulfide
PX08	PX08-18	150.80	151.80	Supergene
	PX08-19	165.85	166.70	Massive Sulfide
	PX08-20	202.90	204.85	Stock work

TH Crestgate's 100% owned subsidiary Redcorp [ full name] is the operator of the asset.

The historical, Canadian Institute of Mining (CIM) compliant, resource estimate, completed in 2012 by Paul Daigle, P.Geo, is summarized below:

Category	Gross					Net Attributable				
	Tonnes	Mineral	Grade	Contained Metal	Units	Tonnes	Mineral	Grade	Contained Metal	Units
Indicated	2,942,000	Pb (%)	2.94	190,686,436	Lbs.	2,500,700	Pb (%)	2.94	162,083,471	Lbs.
		Zn (%)	3.40	220,521,729	Lbs.		Zn (%)	3.40	187,443,469	Lbs.
		Cu (%)	0.34	22,052,173	Lbs.		Cu (%)	0.34	18,744,347	Lbs.
		Ag (g/t)	54.72	5,175,824	Oz.		Ag (g/t)	54.72	4,399,450	Oz.
		Au (g/t)	0.82	77,562	Oz.		Au (g/t)	0.82	65,927	Oz.
Inferred	1,554,000	Pb (%)	2.50	85,648,710	Lbs.	1,320,900	Pb (%)	2.50	72,801,404	Lbs.
		Zn (%)	1.80	61,667,071	Lbs.		Zn (%)	1.80	52,417,011	Lbs.
		Cu (%)	0.35	11,990,819	Lbs.		Cu (%)	0.35	10,192,196	Lbs.
		Ag (g/t)	51.00	2,548,073	Oz.		Ag (g/t)	51.00	2,165,862	Oz.

		Au (g/t)	0.78	38,971	Oz.		Au (g/t)	0.78	33,125	Oz.
Total	4,496,000	Pb (%)	2.79	276,335,146	Lbs.	3,821,600	Pb (%)	2.79	234,884,874	Lbs.
		Zn (%)	2.85	282,188,800	Lbs.		Zn (%)	2.85	239,860,480	Lbs.
		Cu (%)	0.34	34,042,992	Lbs.		Cu (%)	0.34	28,936,543	Lbs.
		Ag (g/t)	53.43	7,723,897	Oz.		Ag (g/t)	53.43	6,565,313	Oz.
		Au (g/t)	0.81	116,532	Oz.		Au (g/t)	0.81	99,052	Oz.

Source: Tetra Tech Wardrop

### Asset Description

The Lagoa Salgada resource is focused on one gravimetric anomaly called LS-1. There are a total of 17 gravimetric anomalies on the property that remain to be fully tested. The petrographic study focused the LS-1 area of the Lagoa Salgada property. The ore body is composed of a central stock work zone –a more than 700 m thick volcano-sedimentary complex –and a massive sulphide lens in the northwest. It is covered by more than one hundred meters of sediments of the Sado Tertiary basin (Lima et al., 2013, see below).

References in this announcement to exploration results and resource updates have been approved for release by Joao Barros, BSc (Engineering), MSc (Geology) who has more than 13 years of relevant experience in the field of activity concerned Mr Barros is a Member of the Portuguese Engineers Association. Mr. Barros, who is employed by Redcorp Empreendimentos Mineiros, Lda a wholly owned subsidiary of TH Crestgate GmbH, has consented to the inclusion of the material in the form and context in which it appears

This report should be seen as indicative of possible mineral content and not definitive as the sample group is insufficient to arrive at any economic conclusions.

Reference: "Report on the Ore Mineralogy of Samples from the Lagoa Salgada, Volcanogenic Massive Sulphide (VMS) Deposit, Southern Portugal" conducted by the University of Porto's Department of Geosciences (Antonio Guerner Dias, Alexandre Lima, Sara Leal, and J. Barros).

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### Notes to editors

Indium (Chemical symbol: In) is a relatively rare mineral and trades at around USD \$700 per Kg. Indium produced in industry comes as the by-product of smelting zinc and lead sulfide ores, some of which can contain 1% indium. World production comes mainly from Canada and is around 75 tonnes per year, reserves of the metal are estimated to exceed 1,500 tonnes. Most indium is used to make indium tin oxide (ITO), which is an important part of touch screens, flatscreen TVs and solar panels. This is because it conducts electricity, bonds strongly to glass and is transparent. Indium nitride, phosphide and antimonide are semiconductors used in transistors and microchips. Indium metal sticks to glass and can be used to give a mirror finish to

windows of tall buildings, and as a protective film on welders' goggles. It has also been used to coat ball bearings in Formula 1 racing cars because of its low friction. An indium alloy has been used for fire-sprinkler systems in shops and warehouses because of its low melting point.

Selenium (Chemical symbol: Se) rarely occurs in its elemental state or as pure ore compounds in the Earth's crust and trades at around USD \$60 per Kg. Commercial quantities of selenium are recovered as a byproduct of the electrolytic refining of copper where it accumulates in anode residues. Growth in consumption was driven by the development of new uses, including applications in rubber compounding, steel alloying, and selenium rectifiers. By 1970, selenium in rectifiers had largely been replaced by silicon, but its use as a photoconductor in plain paper copiers had become its leading application. During the 1980s, the photoconductor application declined (although it was still a large end-use) as more and more copiers using organic photoconductors were produced. In 1996, continuing research showed a positive correlation between selenium supplementation and cancer prevention in humans, but widespread direct application of this important finding did not add significantly to demand owing to the small doses required. In the late 1990s, the use of selenium (usually with bismuth) as an additive to plumbing brasses to meet no-lead environmental standards became important.