

**Mineral and Financial Investments Limited**  
 (“MAFL” or the “Company”)

**Disposal by Investment Company**

**HIGHLIGHTS:**

- *Earn-in transaction agreed between TH Crestgate and Ascendant Resources Inc on Lagoa Salgada zinc-copper project located in Portugal*
- *Initial 25% of Lagoa Salgada sold for US\$2.45 million in cash and shares in Ascendant*
- *Ascendant may increase its ownership to 50% by investing US\$9.0 million within 48 months and paying TH Crestgate US\$3.5 million*
- *Ascendant can increase its ownership to 80% by completing a feasibility study and making a US\$2.5 million cash payment to TH Crestgate*
- *TH Crestgate, assuming a full earn-in, will have secured cash payments totaling US\$8.6 million, and a full feasibility study on Lagoa Salgada inside 54 months*
- *The agreement, if fully exercised, would leave TH Crestgate with a carried interest to production.*

Mineral & Financial Investments is pleased to confirm that TH Crestgate GmbH (“Crestgate”), a company in which MAFL hold a 49% investment stake, and a private Swiss-based investment company has entered an agreement with Ascendant Resources Inc (“Ascendant”) for the sale of 25% of its 100% owned subsidiary Redcorp Empreendimentos Mineiros Lda. (“Redcorp”) and simultaneously agreed to an Earn-in Option agreement.

Redcorp owns and operates the Lagoa Salgada zinc-copper project in Portugal.

**Summary of the Transaction for TH Crestgate**

In the first part of the transaction Ascendant acquired an initial effective 25% interest for an upfront payment of US\$2.45 million composed of US\$800,000 in cash (US\$400,000 on closing of the transaction and US\$400,000 on July 15, 2018) and US\$1.65 million in Ascendant shares. The second part of the Agreement is an Earn-in Option which has a minimum total value, if fully exercised, of US\$15.0 million. Earn-in transaction terms are as follows:

- Ascendant has the right to earn a further effective 25% interest via staged payments and funding obligations as outlined below:
  - Investing a minimum of US\$9.0 million directly in the operating company, Redcorp within 48 months of the closing date, to fund exploration drilling, metallurgical test work, economic studies and other customary activities for exploration and development, and
  - Making payments totaling US\$3.5 million to Crestgate according to the following schedule or earlier:
    - 6 months after the closing date: US\$0.25 million
    - 12 months after the closing date: US\$0.25 million
    - 18 months after the closing date: US\$0.5 million
    - 24 months after the closing date: US\$0.5 million
    - 36 months after the closing date: US\$1.0 million
    - 48 months after the closing date: US\$1.0 million
- Ascendant then has the option to earn an additional 30%, totaling an 80% interest in Redcorp, the operating subsidiary, by completing a Feasibility study within 54 months and making a further payment of US\$2.5 million to Crestgate.
- Ascendant will fund all development and future construction costs and recoup Crestgate’s share of investment through cash flow until repaid.
- First-Right of refusal, ‘tag-along’, ‘drag-along’ and other sale and exit provisions.

- Additional terms as standard in such transactions.
- The Redcorp board composition will be 50/50 to the full earn-in of 80%
- An operating committee will lead Redcorp's operations. The operating committee will be composed by Ascendant and will report to the Redcorp Board of Directors.

### **Impact of the transaction on MAFL**

Prior to the transaction, Mineral and Financial directly held 550,000 shares of Ascendant Resources common shares as part of its investment strategy (approximately 0.7% of then issued share capital). Following this transaction, in which TH Crestgate have acquired a shareholding in Ascendant Resources, the combined direct and indirect interests in Ascendant Resources by MAFL is now 2.2%. At this stage there is no further impact on Mineral & Financial.

Jacques Vaillancourt, Chairman of Mineral and Financial, stated that - *"We are very pleased that TH Crestgate has entered into this partnership with Ascendant Resources Inc, a growing zinc mining company, in which Lagoa Salgada represents a highly synergistic zinc development asset. Ascendant's leadership team has a track record of creating significant value for shareholders. This partnership ticks all of the boxes for TH Crestgate and Ascendant."*

### **About TH Crestgate**

TH Crestgate GmbH, is a private Swiss investment company in which MAFL hold a 49% stake. TH Crestgate owns and operates Lagoa Salgada Zinc project 100km SE of Lisbon, through its Portuguese subsidiary Redcorp Empreendimentos Mineiros Lda. The deposit's resource tonnage was increased by 114% to 9.62Mt in January 2018, on in-fill drilling at LS-1 and new resource at LS-1 Central Sectors. Lagoa Salgada is now the 3rd largest known zinc-lead-copper deposit in Portugal, after the Neves Corvo and Aljustrel mines. The location of the Lagoa Salgada project on the Iberian Pyrite Belt (IPB), just north of the 250Mt Aljustrel mine and to the east of the old Lousal mine, that operated from 1900 to 1988, shows that the ore bodies in the area have very large scale and long life potential. The mineralogical study completed recently highlighted the presence of significant tin in the gossan cap of the LS-1 deposit. The Company is reviewing the resource potential of the high-grade tin assays in the gossan cap which overlies the LS-1 deposit.

### **About Ascendant Resources Inc.**

Ascendant (**ASND:TSX**) is a Toronto-based mining company focused on its 100%-owned producing El Mochito zinc, silver and lead mine in west-central Honduras, which has been in production since 1948. After acquiring the mine in December 2016, Ascendant implemented a rigorous optimization program aimed at restoring the historic potential of the El Mochito mine. In 2017, the Company successfully completed the operational turnaround it set out to achieve with sustained production at record levels and profitability restored. The Company now remains focused on cost reduction and further operational improvements to drive robust free cash flow in 2018 and beyond. Ascendant is also focused on expanding and upgrading known resources through extensive exploration work for near-term growth. With a significant land package of 11,000 hectares and an abundance of historical data there are several regional targets providing longer term exploration upside which could lead to further resource growth. The Company is also engaged in the evaluation of producing and development stage mineral resource opportunities, on an ongoing basis. The Company's common shares are principally listed on the Toronto Stock Exchange under the symbol "ASND". For more information on Ascendant Resources, please visit our website at [www.ascendantresources.com](http://www.ascendantresources.com).

### **For more information:**

Katy Mitchell, WH Ireland Limited	+44 161 832 2174
Jon Belliss, Novum Securities Limited	+44 207 399 9400
Jacques Vaillancourt, Mineral & Financial Investments Ltd.	+44 780 226 8247