



RNS Miscellaneous

## Investment Update: Ascendant's Redcorp Interest

### MINERAL & FINANCIAL INVESTMENTS LIMITED

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## MINERAL & FINANCIAL INVESTMENTS LIMITED

### Investment Update: Ascendant's Interest in Redcorp Increased To 50% By Paying additional US\$1.0M & Completing US\$9.0M On Lagoa Salgada Project

#### HIGHLIGHTS:

- Ascendant Paid M&FI US\$1.0M and Completed US\$9.0M of Project Expenditures on The Lagoa Salgada Project
- First Phase of the 2018 Earn-In Agreement Fulfilled and Ascendant's Effective Interest in Lagoa Salgada Increases from 25% To 50%
- Total Payments Received to Date from Ascendant, Excluding Project Expenditures, Totals US\$5.95M
- Ascendant Expects to Pay an Additional US\$2.5M By December 22, 2022, to M&FI

**GEORGE TOWN, CAYMAN ISLANDS, May 25, 2022** - Mineral and Financial Investments Limited (LSE-AIM: MAFL) ("M&FI" or the "Company") is pleased to report an investment update from its investment in Redcorp Empreendimento Mineiros Lda. Ascendant Resources (ASND-TSX) ("Ascendant") has completed more than US\$9.0M of project related expenditures on the Lagoa Salgada Project and paid TH Crestgate, a wholly owned subsidiary of M&FI, an additional US\$1.0M on May 24, 2022. This thereby fulfills the first phase of the earn-in conditions to increase its effective ownership interest from 25% to 50% in the Lagoa Salgada VMS project (the "Project") in Portugal. Ascendant expects to fully satisfy the conditions of the Earn-In agreement and to increase its stake in the Project to 80% by year end, further updates will be provided at that time.

Jacques Vaillancourt, Mineral and Financial Investment Limited's President & CEO stated - *"We are thrilled by the outcomes of the development work conducted at Lagoa Salgada since Ascendant's involvement through its earn-in agreement reached in August 2018 with TH Crestgate, now a wholly owned subsidiary of M&FI. On the exploration front, we believe the yield of tonnage to resources has been exceptional which suggests significant resource growth still to come and on the technical front we are seeing better results than initially expected across the board. We remain optimistic that Lagoa Salgada will become a world class project."*

#### **Summary of Transaction**

As set out in the announcement of August 2, 2018, Ascendant has the option to earn an additional 30% (totaling an 80% effective interest in the Project), by completing a feasibility study by December 22, 2022 and making a final payment of US\$2.5 million to TH Crestgate. Ascendant have indicated they intend to progress that study, but at this stage there can be no guarantee that it will complete.

Ascendant originally paid a total of US\$2.45M in cash and shares to purchase 25% of Redcorp. Since that date, Ascendant has made further cash payments of US\$3.5M to TH Crestgate and incurred US\$9.0M of project expenditures on Redcorp and the Lagoa Salgada Project, bringing their investment for 50% of Redcorp to US\$14.95M. Accordingly, with immediate effect, Ascendant now holds 50% of the Lagoa Salgada project.

#### **Additional Update**

As previously reported on April 4, 2022, the feasibility study at the Project has now commenced. This study follows the completion of a NI 43-101 Preliminary Economic Assessment ("PEA") entitled "NI 43-101 Technical Report and PEA for the Lagoa Salgada Project", on September 13, 2021 (the "PEA Announcement"). The PEA is available on the Company's website and SEDAR. The PEA highlights a potential low capital-intensive project (a proposed Capex of US\$132 million) with a pre-tax Net Present Value<sup>@8%</sup> of US\$341 million and an IRR of 68.2% at conservative long term metal prices, further details of the PEA and the underlying assumptions behind the calculations are set out in the PEA Announcement. The PEA proposes a low capex, low operating cost, high margin underground mining operation with strong economics and the opportunity for significant benefit to the Company and the local stakeholders, it should also boost Portugal's economy through exports, taxes and local employment.

#### **FOR MORE INFORMATION:**

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