

# Cadence Minerals

## Azteca moves into execution phase

**Cadence Minerals has announced that DEV Mineração, owner and operator of the Amapá iron ore project in Brazil, has received the installation licence (LI) from the Amapá State Environmental Agency. The approval authorises refurbishment, construction and installation works at the Amapá site, including those required for the restart of the Azteca plant. This moves Azteca from engineering, funding and regulatory preparation into site mobilisation and delivery, with commissioning still targeted for end-June 2026, subject to licence-condition compliance, execution progress and receipt of the operating licence (LO).**

| Year end | Revenue (£m) | PBT (£m) | EPS (£) | DPS (£) | P/E (x) | Yield (%) |
|----------|--------------|----------|---------|---------|---------|-----------|
| 12/23    | 0.0          | (3.0)    | (0.02)  | 0.00    | N/A     | N/A       |
| 12/24    | 0.0          | (3.3)    | (0.02)  | 0.00    | N/A     | N/A       |
| 12/25e   | 0.0          | (1.4)    | (0.00)  | 0.00    | N/A     | N/A       |

Note: PBT and EPS as reported

The LI is a significant regulatory milestone for Amapá and the key approval required to move the Azteca restart into execution. Cadence confirmed that detailed mechanical and electrical engineering has been completed and that the refurbishment execution programme is in place. Initial activities will focus on contractor mobilisation, work sequencing, activation of funding drawdowns and commencement of approved works in accordance with licence conditions. The subsequent LO will be required for commercial operations and shipments, with the process expected to focus principally on demonstrating satisfaction of the LI conditions and implementation of the approved environmental control measures.

Azteca represents Cadence's near-term operational focus within its staged redevelopment strategy. The plant is expected to process existing stockpiles and produce c 380ktpa of 65% Fe concentrate, providing the first operating platform and early cash flows for the broader Amapá redevelopment. The restart is fully funded through the previously announced US\$4.6m prepayment and working capital facility provided by Cadence and its offtake partner, comprising c US\$3.45m for licencing, refurbishment and commissioning, plus c US\$1.15m of working capital for logistics and the first shipment. Repayment is linked to future iron ore shipments, and Cadence reiterated that no further equity is currently expected to be required from the company to bring Azteca into production.

The broader Amapá project remains Cadence's main long-term value driver. It is a fully integrated iron ore operation with established mine, rail, port and beneficiation infrastructure, a JORC-compliant resource of 276Mt at 38% Fe and a proven and probable reserve of 195.8Mt at 39.3% Fe. The updated pre-feasibility study in 2024 confirmed the potential to produce 5.5Mtpa of 67.5% Fe direct reduction grade concentrate over a 15-year mine life. In our January report, we valued Amapá at US\$458m on an unrisks basis at 35.7% ownership to Cadence. Including Azteca at US\$10m and deducting Cadence's pro rata share of joint venture creditor obligations, our total attributable valuation was US\$432m. Adjusting for Cadence's increased 36.2% ownership gives a valuation of US\$437m, or £322m. We view the LI grant as a significant de-risking event and positive catalyst, although the LO, commissioning, execution and broader project financing remain key sensitivities. We expect the next key milestones to be site mobilisation, refurbishment progress and receipt of the LO ahead of first production and shipments.

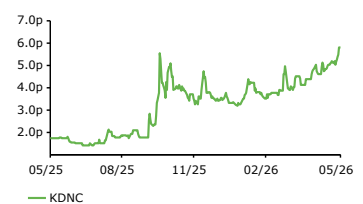
## Project licencing update

Metals and mining

8 May 2026

|                              |              |
|------------------------------|--------------|
| <b>Price</b>                 | <b>5.80p</b> |
| <b>Market cap</b>            | <b>£25m</b>  |
| Net cash/(debt) at end FY25e | £2.0m        |
| Shares in issue              | 427.6m       |
| Code                         | KDNC         |
| Primary exchange             | AIM          |
| Secondary exchange           | N/A          |

### Share price performance



### Business description

Cadence Minerals is an early-stage investment and development company in the mining space. Its main asset is a 35.7% interest in the integrated Amapá iron ore project in Brazil.

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