

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

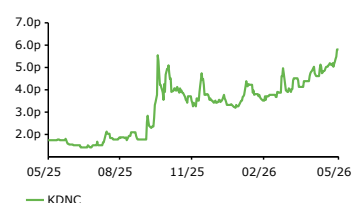
Metals and mining

8 May 2026

Price **5.80p**
Market cap **£25m**

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.

Analyst

Andrey Litvin +44 (0)20 3077 5700

mining@edisongroup.com

[Edison profile page](#)

Cadence Minerals is a research client of Edison Investment Research Limited

General disclaimer and copyright

This report has been commissioned by Cadence Minerals and prepared and issued by Edison, in consideration of a fee payable by Cadence Minerals. Edison Investment Research standard fees are £60,000 pa for the production and broad dissemination of a detailed note (Outlook) following by regular (typically quarterly) update notes. Fees are paid upfront in cash without recourse. Edison may seek additional fees for the provision of roadshows and related IR services for the client but does not get remunerated for any investment banking services. We never take payment in stock, options or warrants for any of our services.

Accuracy of content: All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently verified. Opinions contained in this report represent those of the research department of Edison at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

Exclusion of Liability: To the fullest extent allowed by law, Edison shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out of or in connection with the access to, use of or reliance on any information contained on this note.

No personalised advice: The information that we provide should not be construed in any manner whatsoever as, personalised advice. Also, the information provided by us should not be construed by any subscriber or prospective subscriber as Edison's solicitation to effect, or attempt to effect, any transaction in a security. The securities described in the report may not be eligible for sale in all jurisdictions or to certain categories of investors.

Investment in securities mentioned: Edison has a restrictive policy relating to personal dealing and conflicts of interest. Edison Group does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this report. However, the respective directors, officers, employees and contractors of Edison may have a position in any or related securities mentioned in this report, subject to Edison's policies on personal dealing and conflicts of interest.

Copyright 2026 Edison Investment Research Limited (Edison).

Australia

Edison Investment Research Pty Ltd (Edison AU) is the Australian subsidiary of Edison. Edison AU is a Corporate Authorised Representative (1252501) of Crown Wealth Group Pty Ltd who holds an Australian Financial Services Licence (Number: 494274). This research is issued in Australia by Edison AU and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by Edison AU is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a particular financial product you should read any relevant Product Disclosure Statement or like instrument.

New Zealand

The research in this document is intended for New Zealand resident professional financial advisers or brokers (for use in their roles as financial advisers or brokers) and habitual investors who are "wholesale clients" for the purpose of the Financial Advisers Act 2008 (FAA) (as described in sections 5(c) (1)(a), (b) and (c) of the FAA). This is not a solicitation or inducement to buy, sell, subscribe, or underwrite any securities mentioned or in the topic of this document. For the purpose of the FAA, the content of this report is of a general nature, is intended as a source of general information only and is not intended to constitute a recommendation or opinion in relation to acquiring or disposing (including refraining from acquiring or disposing) of securities. The distribution of this document is not a "personalised service" and, to the extent that it contains any financial advice, is intended only as a "class service" provided by Edison within the meaning of the FAA (i.e. without taking into account the particular financial situation or goals of any person). As such, it should not be relied upon in making an investment decision.

United Kingdom

This document is prepared and provided by Edison for information purposes only and should not be construed as an offer or solicitation for investment in any securities mentioned or in the topic of this document. A marketing communication under FCA Rules, this document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This Communication is being distributed in the United Kingdom and is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO") (ii) high net-worth companies, unincorporated associations or other bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to distribute it. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of persons and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this document.

This Communication is being supplied to you solely for your information and may not be reproduced by, further distributed to or published in whole or in part by, any other person.

United States

Edison relies upon the "publishers' exclusion" from the definition of investment adviser under Section 202(a)(11) of the Investment Advisers Act of 1940 and corresponding state securities laws. This report is a bona fide publication of general and regular circulation offering impersonal investment-related advice, not tailored to a specific investment portfolio or the needs of current and/or prospective subscribers. As such, Edison does not offer or provide personal advice and the research provided is for informational purposes only. No mention of a particular security in this report constitutes a recommendation to buy, sell or hold that or any security, or that any particular security, portfolio of securities, transaction or investment strategy is suitable for any specific person.
