



MRC AND NORWAY-BASED FREYR TO COLLABORATE IN BATTERY CELL DEVELOPMENT

- **MRC signs MOU with FREYR to evaluate the supply of battery anode material from natural graphite for future production of battery cells**
- **MRC and FREYR to collaborate, share and review research and development relating to the raw material sector of the battery value chain**
- **MRC and FREYR to negotiate a potential investment by MRC into FREYR or FREYR's subsidiaries**

Mineral Commodities Limited ("MRC" or "the Company") is delighted to announce that the Company has executed a binding, non-exclusive Memorandum of Understanding ("MOU") with Norway-based Battery Cell developer FREYR AS ("FREYR") (together "the Companies").

The Companies have agreed to evaluate the manufacture and supply of sustainably sourced anode material from MRC's subsidiary Skaland's natural flake graphite concentrate as a potential raw material input into the future production of FREYR's battery cells. MRC acquired Skaland Graphite, a supplier of Norwegian quality graphite to the world markets in October this year.

Where possible and permitted, the Companies have agreed to share information on the manufacture and production of energy storage systems to enable MRC to meet FREYR's future demand requirements. MRC will also provide review and advice to FREYR on the raw material sector of the battery value chain.

MRC's obligation under the MOU is to conduct research and development and, at MRC's sole discretion, invest in a downstream process that can meet FREYR's demand requirements with regard to the quality and quantity of material required.

FREYR has agreed to evaluate a commitment to purchase a minimum number of tonnes of Skaland Battery Anode precursor or active anode material, on the assumption that the natural graphite battery anode material is competitive on price, quality and meets industry specifications.

FREYR and MRC have also agreed to negotiate in good faith with an intent to enable MRC to participate and invest in FREYR, or FREYR's subsidiary company responsible for the production of FREYR's batteries.

FREYR's Chief Executive Officer, Mr Tom Jensen, said "We are solidifying all parts of our value chain as we continue to execute our green battery cell manufacturing development plans. Entering into this agreement with MRC is another step forward and we are especially pleased to collaborate with a supportive feedstock supplier like MRC, with potential for world-class local supply from Skaland Graphite, that share our belief in significant and competitive green battery cell production in Norway".

Mineral Commodities Executive Chairman, Mr Mark Caruso, said "The opportunity to partner with FREYR a Norway-based company planning to build one of Europe's first battery gigafactories in the fastest adoptive global Electric Vehicle Battery Market, Norway, is a logical next step in MRC's world-class Skaland Graphite mine acquisition objectives, which include a vertically downstream integrated Battery Business Development Strategy. The chance to partner with a local world-class executive team and leverage their energy, conviction and ambition for their project is a wonderful chance for MRC to further our goal of supplying sustainable, high-quality natural anode material into the fast-growing European Battery market, a market that is undeniably the fastest growing battery market in the world. "

About FREYR

FREYR is a Norwegian incorporated company developing a combined 2+32GWh lithium-ion battery facility and a 600 MW onshore wind-park in Rana and Nesna municipalities in Norway.

The Company's products will target the rapidly expanding marine and EV markets in Europe and develop additional markets in the stationary storage, short-haul aviation and offshore segments through cluster-based R&D initiatives with leading Norwegian and European institutions and companies.

In June 2019, FREYR secured €7.25 million investment commitment from EIT InnoEnergy, an independent EU body, to build a battery cell gigafactory in Norway based on proven in-licensed technology.

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About Mineral Commodities Ltd

Mineral Commodities Ltd (ASX: MRC) is a global mining and development company with a primary focus on the development of high-grade mineral deposits within the industrial minerals and battery minerals sectors.

The Company is a leading producer of zircon, rutile, garnet and ilmenite concentrates through our Tormin Mineral Sands Operation, located on the Western Cape of South Africa. In October 2019, the Company completed the acquisition of Skaland Graphite AS, the owner of the world's highest-grade operating flake graphite mine and one of the only producers in Europe. The planned development of the Munglinup Graphite Project, located in Western Australia builds on the Skaland acquisition and is a further step toward an integrated, downstream value-adding strategy which aims to capitalise on the fast-growing demand for sustainably manufactured Lithium-Ion Battery cells.

Cautionary Statement

This report may contain forward-looking statements. Any forward-looking statements reflect management's current beliefs based on information currently available to management and are based on what management believes to be reasonable assumptions. It should be noted that several factors could cause actual results or expectations to differ materially from the results expressed or implied in the forward-looking statements.