MINERAL COMMODITIES LTD

2019 Financial Results

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Nothing in these materials shall under any circumstances create an implication that there has been no change in the affairs of MRC since the date of this presentation. The information, if any, in this presentation which relates to Exploration Results, Mineral Resources or Ore Reserves for Tormin is based on information compiled by Mr Bahman Rashidi, who is a member of the Australian Institute of Mining and Metallurgy (“AusIMM”) and the Australian Institute of Geoscientists (“AIG”). Mr Rashidi is Exploration Manager and a full-time employee of the Company and has over 22 years of exploration and mining experience in a variety of mineral deposits and styles. Mr Rashidi has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person in accordance with the JORC Code 2012.

The information from Mr Bahman Rashidi was prepared under the JORC Code (2012). Mr Rashidi consents to inclusion in the report of the matters based on this information in the form and context in which it appears

The information, if any, in this presentation which relates to Mineral Resources for Munglinup is based on information compiled by Mr Chris De Vitry who is a member of the AusIMM and an independent consultant to the Company. Mr De Vitry is the Director and Principal Geologist of Manna Hill GeoConsulting Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined by the JORC Code (2012). The information from Mr De Vitry was prepared under the JORC Code (2012). Mr De Vitry consents to inclusion in the presentation of the matters based on this information in the form and context in which it appears.

The information, if any, in this presentation which relates to the Ore Reserve for Munglinup is based on information compiled by Mr Daniel Hastings, who is a Member of the AusIMM. Mr Hastings is an employee of Hastings Bell Pty Ltd and a consultant to the Company. Mr Hastings has sufficient experience relevant to the type of deposit under consideration to qualify as a Competent Person as defined by the JORC Code (2012). Mr Hastings consents to the inclusion in the presentation of the matters based on the reviewed information in the form and context in which it appears.

The information, if any, in this presentation which relates to Exploration Results, Mineral Resources or Ore Reserves for Xolobeni is based on information compiled by Mr Allen Maynard, who is a Member of the Australian Institute of Geosciences (“AIG”), a Corporate Member of the AusIMM and independent consultant to the Company. Mr Maynard is the Director and Principal Geologist of Al Maynard & Associates Pty Ltd and has over 38 years of exploration and mining experience in a variety of mineral deposit styles. Mr Maynard has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves (“JORC Code (2004)”). This information was prepared and first disclosed under the JORC Code (2004). It has not been updated to comply with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (“JORC Code (2012)”) on the basis that the information has not materially changed since it was last reported. Mr Maynard consents to inclusion in the presentation of the matters based on this information in the form and context in which it appears.

The supporting information relating to the Skaland foreign estimate has not materially changed since the initial market announcement (4 April 2019 – MRC Acquires World’s Highest Grade Flake Graphite Operation). Foreign estimates are not reported in accordance with the JORC code and a competent person has not done sufficient work to classify the foreign estimates as mineral resources or ore reserves in accordance with the JORC code. It is uncertain that following further work that the foreign estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC code.

MINERAL COMMODITIES
GLOBAL OVERVIEW

Skaland

Flake Graphite

Production – 10ktpa Flake Graphite Concentrate

Tormin

Mineral Sands

Production - 2.6Mtpa Processing facility producing: garnet, ilmenite, zircon and rutile concentrates

Xolobeni

Mineral Sands Development - JORC Compliant Resource 346Mt @ 5% THM

Perth

Corporate Headquarters

"With the acquisition of Skaland MRC operates two production centres, Tormin and Skaland, while advancing development at Munglinup and progressing ongoing downstream graphite studies from Perth"

Munglinup

Graphite Development

Ore Reserve (Probable) of 4.24Mt at 12.8% TGC supporting mine life of 14 years with anticipated production of ~52ktpa of >95% purity graphite concentrate. Mineralisation open in all directions

SAFETY PERFORMANCE

2018	2019
0	0

Three month rolling Total Recordable Injury Frequency Rate at year end

1.3 million working hours since last Lost Time Injury incident

FINANCIAL PERFORMANCE

Full Year Highlights

	31-Dec-19 US$	Variance %
Revenue	**61,783,570**	**12%**
EBITDA	**16,483,385**	**12%**
Profit before income tax	**11,867,343**	**14%**
Profit after income tax	**7,828,231**	**-11%**
Diluted earnings per share	1.85	-11%
Dividends paid (AUD)	5,474,790	-
Operating Cashflow	13,269,945	-8%
Cash	8,092,614	-35%
Net Assets	45,988,549	9%

FULL YEAR FINANCIAL RESULTS

Tormin Mineral Sands Operation continued to generate positive cash flows

	31-Dec-19 US$	31-Dec-18 US$	Variance %
Revenue from continuing operations			
Sale of product	59,514,773	53,523,922	11%
Other revenue	2,268,797	1,875,241	21%
	61,783,570	**55,399,163**	**12%**

FY19 REVENUE UP 12%

- Higher sales revenue was due to the first year introduction of Skaland sales (US$1.2 million), and additional Tormin revenue (US$5.2 million). Higher Tormin revenue was due to a 103% (109,866 tonnes) increase in ilmenite concentrate volumes shipped during the current year, partially offset by a 41.87% (7,524 tonnes) decrease in zircon and rutile volumes shipped, lower garnet transport revenue due to 95,833 less garnet tonnes shipped and lower zircon and rutile pricing achieved in 2019.

	31-Dec-19 US$	31-Dec-18 US$	Variance %
Revenue from continuing operations	*61,783,570*	*55,399,163*	*12%*
Mining and processing costs	-39,888,234	-33,480,947	19%
Administration expenditure	-5,150,141	-6,823,773	-25%
Share based payments	-261,810	-441,253	-41%
Adjusted EBITDA	**16,483,385**	**14,653,190**	**12%**

EBITDA UP 12%

- The higher overall sales volumes and revenue (including Skaland), in-conjunction with lower corporate overheads translated into the higher reported EBITDA for the 2019 year, when compared to 2018 results. Mining and processing costs have increased in line with increased sales revenue. Corporate administration and share incentive expenses decrease over the prior year as a result of foreign exchange gain, corporate cost savings in lower travel costs and streamlining support services.

FULL YEAR FINANCIAL RESULTS

Tormin Mineral Sands Operation continued to generate positive cash flows

	31-Dec-19 US$	31-Dec-18 US$	Variance %
Profit before income tax	11,867,343	10,439,607	14%
Income tax expense	-4,039,112	-1,616,376	150%
Profit after income tax	**7,828,231**	**8,823,231**	**-11%**

NPAT DOWN 11%

- The profit before income tax expense ("NPBT") was 14% higher than the prior year, reflecting the improved sales performance at Tormin and lower administration costs in 2019. However, Profit after tax expense ("NPAT") decreased 11% due to an increase in the effective tax rate to 34% (2018: 15%), with the Group transitioning into a tax payable position in 2019, meaning capital losses that lowered the effective tax rate in the prior year have been fully utilised.

	31-Dec-19 $	31-Dec-18 $	Variance %
Diluted earnings per share	1.85	2.08	-11%
Payout ratio*	49%	43%	14%
Dividends paid (AUD)	**5,474,790**	**5,431,140**	**-**

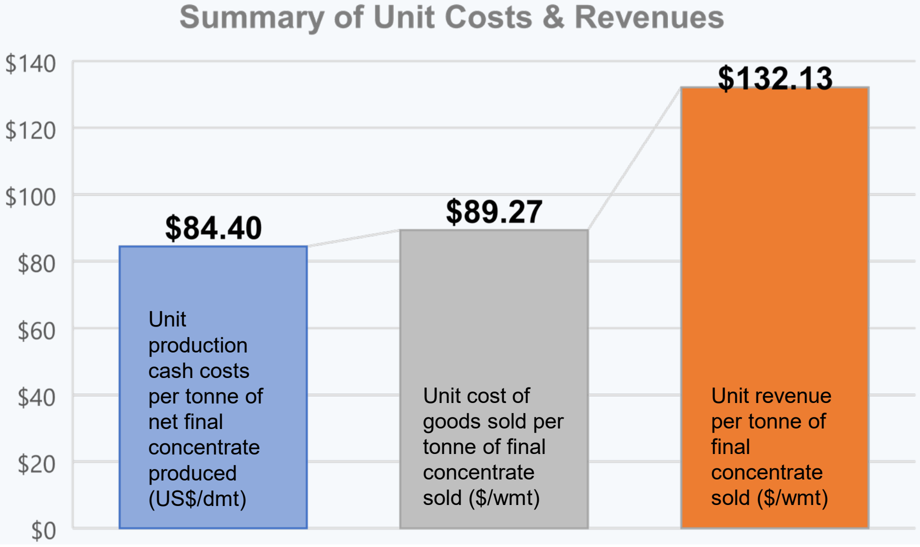
DIVIDEND

- Dividend payment strategy to provide cash returns to shareholders continued, with a further US$3.8 million (2018: $3.8 million) distributed in dividends during 2019. The Board of the Company was pleased to declare and pay during the year a 0.7 Australian cent per share final dividend in respect of the 2018 year, followed by an interim dividend for the half year ended 2019 of 0.6 Australian cent per share. The Directors have deferred a decision on declaring a final dividend for the year ended 31 December 2019.

* - USD-AUD .70c - FY19 NPAT AUD$11,183,187, FY18 NPAT AUD$12,604,616

FULL YEAR FINANCIAL RESULTS

Tormin Mineral Sands Operation continued to generate positive cash flows



UNIT COSTS & REVENUES

- Unit production cash costs were impacted by the change in mined tonnes and grades, with the current year's US$84.40/t for 238,933 concentrate tonnes produced higher than the FY18 US$57.68/t for 403,831 concentrate tonnes produced.
- The total unit cost of goods sold of US$89.27/t for the year for 440,210 concentrate tonnes sold improved on the prior year's US$110.08/t for 337,999 final concentrate tonnes sold. The improved performance was driven by increased relative volumes of bulk shipment products.
- Unit revenue per tonne of final concentrate sold reduced for the year (FY18 $156.95) reflecting the reduction in zircon and rutile sales during the current year, partially offset by improved ilmenite pricing and sales.

Summary of Unit Costs & Revenues	Full Year to 31-Dec-19	Full Year to 31-Dec-18	Variance %
Revenue to Cost of Goods Sold Ratio	1.48	1.43	3%

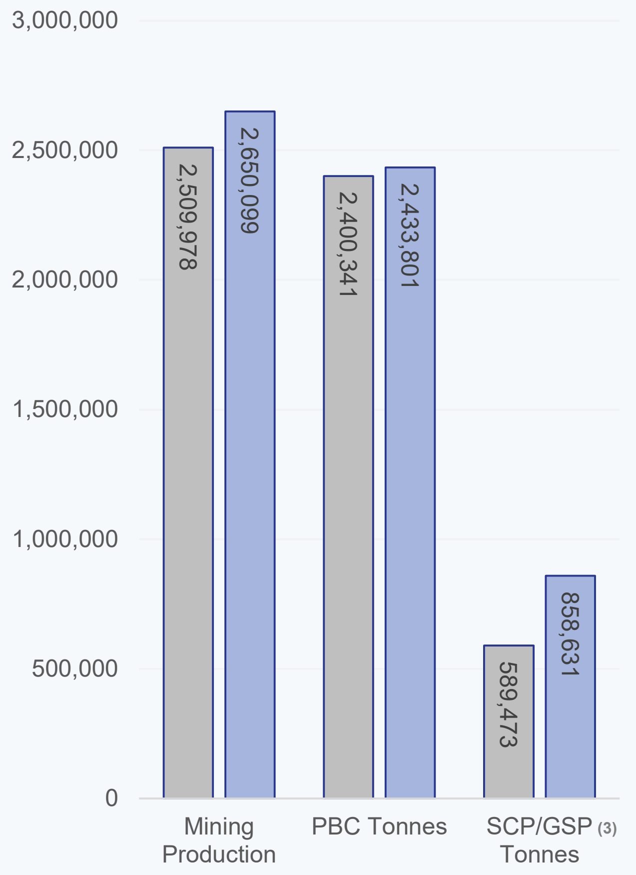
REVENUE TO COST OF GOODS SOLD RATIO

- Improved revenue to cost of goods sold ratio for the year in comparison to the prior period reflects lower unit costs in 2019, partially offset by lower unit revenue.

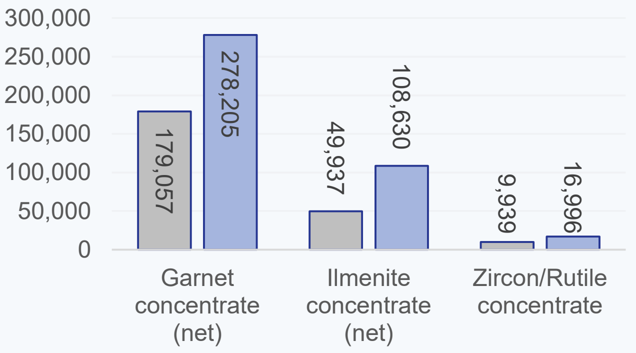
TORMIN - PRODUCTION & SALES

Production and Sales Performance FY2019

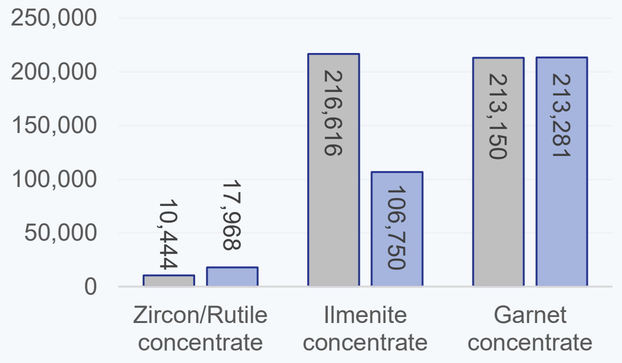
TONNES MINED / PROCESSED



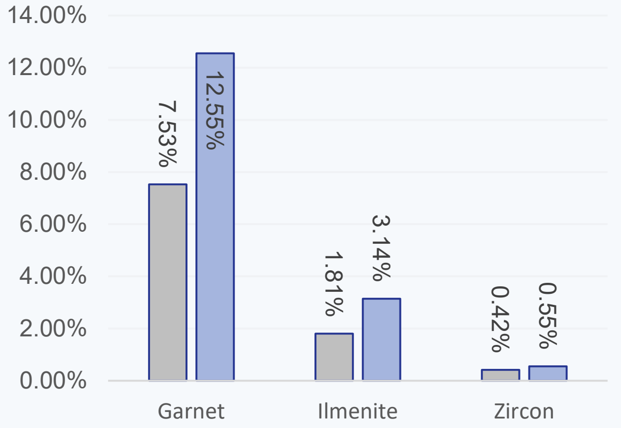
CONCENTRATE TONNES PRODUCED (1)



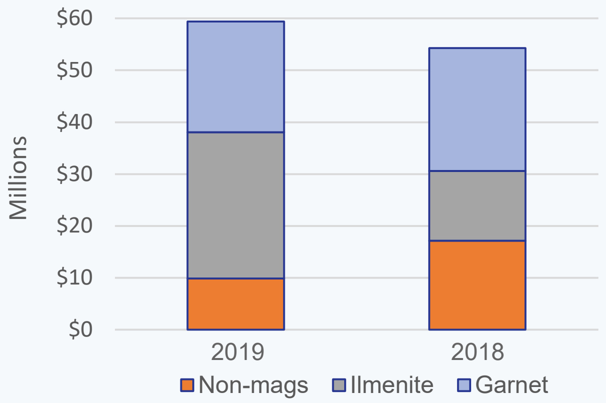
CONCENTRATE TONNES SOLD (2)



HEAVY MINERAL GRADE



REVENUE BY CONCENTRATE



(1) Dry Metric Tonnes
(2) Wet Metric Tonnes
(3) Includes 151,031 of garnet re-feed

FY 2019 FY 2018

MRC

COMMITMENT TO COMMUNITY

ZAR8.25 million

Spent on Historically Disadvantaged South Africans Social Labour Plan, including bursaries, scholarships, traineeships, apprenticeships, adult basic education programs.

The Company completed an internal and external refurbishment and fit-out of the Nuwerus High School Hostels. The hostels will accommodate 60 more learners from neighboring settlements. The total value committed to this project was ZAR2.1 million.

The year ended successfully with the reported attendance of 224 high school learners participating in the Company-sponsored Maths & Science Spring School during October and November. In addition to this, the Company collaborated with the Matzikama Local Municipality on phase one of the Doornbay Slipway Project, targeting the challenge of poverty in the small fishing town of Doornbay.

SKALAND - PRODUCTION & SALES

Production and Sales Performance FY 2019 – *MRC took operational control of Skaland Graphite AS on 1 October 2019*

Processing	Dec-19 Quarter	Year to Date 31- Dec-19
Ore Processed	10,112	37,088
Throughput (tph)	6.9	7.8
Ore Grade (%C)	28.4	26.1
C Recovery (%)	93.3	91.7
Concentrate Grade (%)	90.7	91.2
Concentrate Produced (t)	2,945	9,780

Product Category (wmt)	Dec-19 Quarter		31-Dec-19 Year to Date	
	Sales	PSD %	Sales	PSD %
Flake/Medium	776	39%	2,467	34%
Fine-Medium/Powder	1,231	61%	4,808	66%
Total	2,007		**7,275**	

Unit Costs & Revenues	Dec-19 Quarter	Year to Date 31-Dec-19
Unit production cash costs[1]	$405.18	$417.41
Unit cost of goods sold [2]	$356.50	$476.28
Unit revenue per tonne [3]	$582.48	$639.13

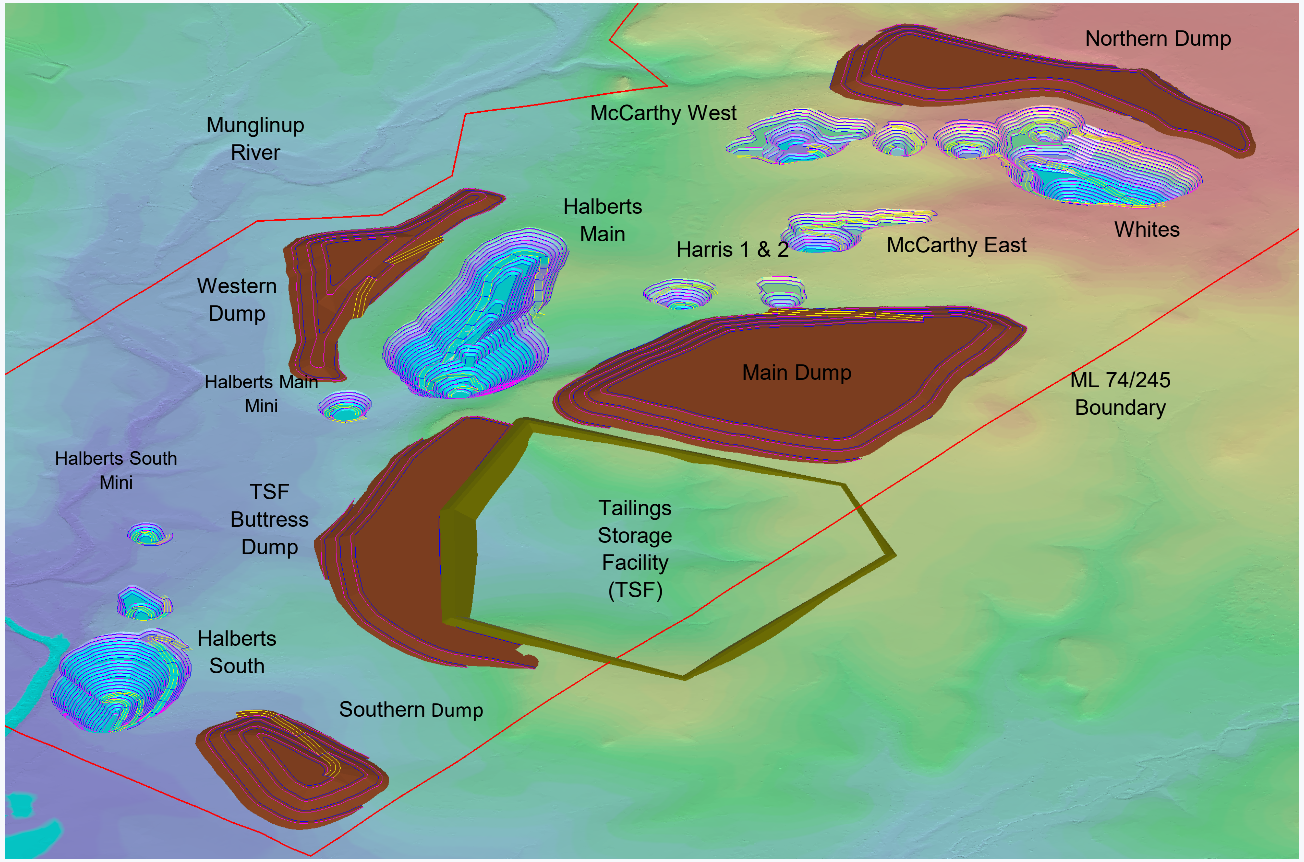
1- US$/dmt of net final concentrate produced
2- US$/wmt of net final concentrate sold
3- US$/wmt of final concentrate sold

MUNGLINUP – DFS

Robust economic outcome from Munglinup Definitive Feasibility Study

Key Results [1]	USD$
Post-tax - Net Present Value	$111M (7%)
Post-tax project - IRR	30%
Capex	$61M
Opex	$491/tonne
Life of Mine average EBITDA	$31M pa
Life of Mine net cash flow	$240M
Payback period	2.7 years
Life of Mine	14 years
Life of Mine processing throughput	Yr 1-6 400ktpa — Yr 7-14 500ktpa
Life of Mine average production	52ktpa
Average concentrate grade	>95% TGC
Ore Reserve	4.24 million tonnes @ average grade 12.8% TGC

Permitting - Final Environmental Permitting on the Project is expected in the third quarter 2020. A work program is underway with completion expected in second quarter 2020. The Federal-based DoEE and State-based EPA will then consider these studies in their assessment of the Project.



(1) - Refer to ASX Announcement Robust DFS Allows MRC to move to 90% ownership of Munglinup 8 Jan 2020

OBJECTIVE 2020

Significant positive catalysts ahead for FY 2020

TORMIN

- Secure S102 Expanded mining permitting and remaining prospecting tenure
- Deliver Phase 1 Northern Beaches expansion initiatives
- Optimise operating cost structure via Eskom renewable power connection a logistics initiatives
- Delineate Measured and Indicated JORC Resource of Inland Strand and Northern Beaches
- Continue to implement SLP and Sustainability Initiatives

SKALAND

- Optimise processing flowsheet to produce high grade fines and increased coarse flake production
- Delineate JORC compliant resource
- Advance 10-year LOM development plan that underpins downstream value-adding strategy
- Finalise vertically integrated downstream strategy to produce value added carbon products for battery anode production

MUNGLINUP

- Finalise equity position in JV
- Complete Environmental permitting process
- Finalise integrated downstream study work and development

CORPORATE

- Continuation of shareholder growth and returns through stringent capital management and project delivery