



5 January 2017

**MRC ENTERS INTO NEW SALES CONTRACTS FOR
83,000 TONNES OF ILMENITE CONCENTRATE**

REPAYMENT OF SHAREHOLDER LOANS

Mineral Commodities Ltd (“MRC” or “the Company”) is pleased to advise that its South African subsidiary Mineral Sands Resources (Pty) Ltd (“MSR”), the entity which owns and operates the Tormin Mineral Sands Operation, has contracted to sell on a CIF basis up to 83,000 tonnes of ilmenite concentrate in Q1 2017 to Chinese buyers.

The commencement of ilmenite concentrate shipping will begin in late January / early February 2017, with sales revenue being booked for Q1 2017. The company is expecting ilmenite concentrate sales for 2017 of approximately 200,000 tonnes.

Since commencement of mining operations in 2014, MSR has stockpiled approximately 200,000 tonnes of ilmenite concentrate in anticipation of increased pricing. The Company currently produces circa 20,000 tonnes of ilmenite concentrate per month from its Tormin Operations.

The Company is experiencing strong demand for its ilmenite concentrate due to a combination of the tightening of the global ilmenite supply chain as well as the curtailing of domestic sulphate ilmenite production within China due to environmental and economic cost of production factors. In addition, there has been an increased global demand for all downstream finished titanium products.

The Company is also seeing incremental quarter on quarter increases in sales pricing for its high grade non-magnetic zircon/rutile concentrate.

The Company is confident that it will be able to maximise further sales and pricing in 2017 for all of its product range.

Ilmenite concentrate sales will further enhance the existing sales revenue of zircon/rutile and garnet concentrate, which are expected to be in the order of 40,000 tonnes zircon/rutile concentrate and 300,000 tonnes garnet concentrate sales for the 2017 financial year.

Repayment of Shareholder Loans

The Company also advises that the Shareholder Loans from two of its largest shareholders Au Mining Ltd and Regional Management Ltd, a company associated with Mr Mark Caruso the Executive Chairman and CEO of the Company, totaling approximately US\$1.1 million have been repaid in full.

The Company would like to thank both shareholders for their support of the Company.

For enquiries regarding this report please contact:

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