



MRC EXPANDS BATTERY MATERIALS STRATEGY WITH WA LITHIUM AND TANTALUM ACQUISITION

HIGHLIGHTS

- Acquisition of mining lease and recent grant of exploration licences over Mt Edon Felsic pegmatite suite and Wydgee Greenstone belt pegmatites located near Paynes Find, Western Australia.
- Known Lithium-Tantalum rich pegmatites including local historical tantalum production on a granted Mining Lease.
- Historical grades of up to 2.2% Li₂O₅ from within the Mt Edon tenement package that hosts numerous Lithium-Cesium-Tantalum (LCT) pegmatites with Lithium rich zones.
- Historical Beryl working on the Wydgee Pegmatite tenement.
- Located close to excellent existing infrastructure in a globally significant jurisdiction of hard rock Lithium operations.
- Tenement acquisitions complement MRC's existing Yandeyarra Lithium Project and further expands the company's large strategic Lithium footprint in Western Australia.

Mineral Commodities Ltd (ASX: MRC), through its wholly owned subsidiary MRC Exploration Australia Pty Ltd, ("MRC" or "the Company") is pleased to announce it has entered into a term sheet with Mr. Angelo Levissianos to acquire a tenement package within an area of known lithium-tantalum rich pegmatites in Western Australia. The Mt Edon felsic pegmatite suite is located just southeast of Paynes Find and the Wydgee pegmatites is located about 50km north of Paynes Find (Fig. 1).

The tenement package comprises M59/714 (which is currently the subject of a transfer to Mr. Levissianos), E59/2325 and E59/2326 (both of which are currently held by MRC Exploration Australia Pty Ltd having been introduced to the Company by Mr. Levissianos).

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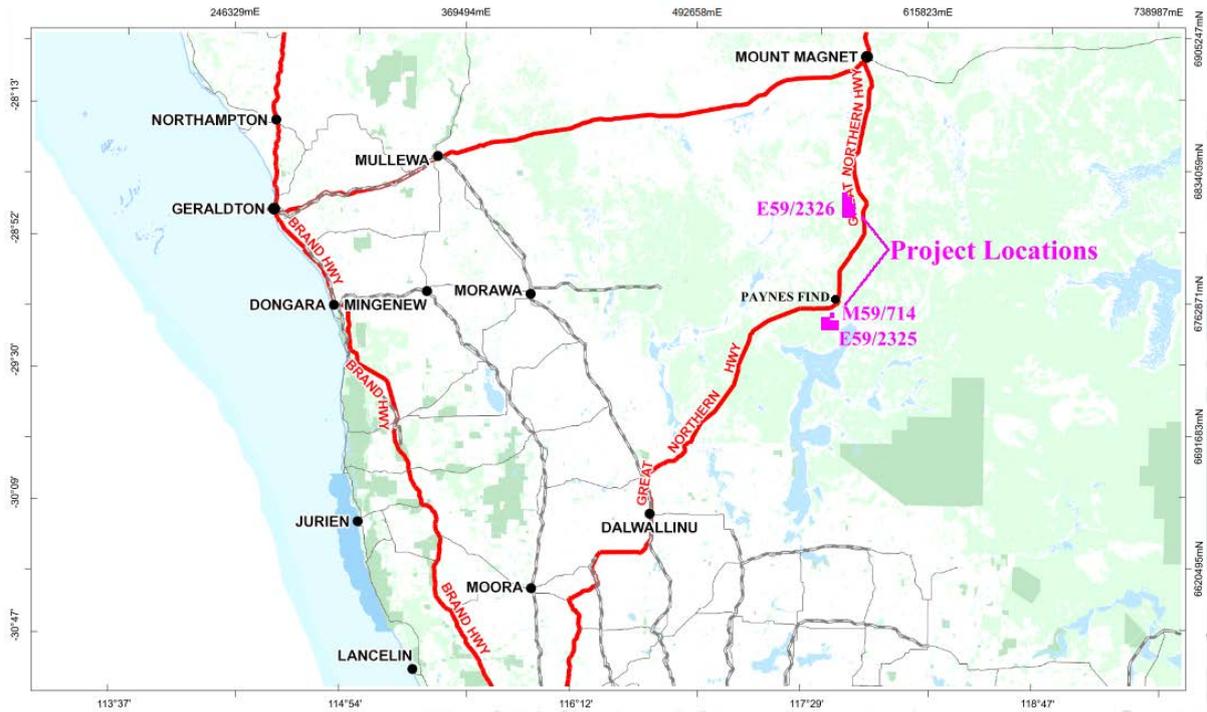


Figure 1 : Location map of project area

This acquisition complements MRC’s strategic focus on ‘battery minerals’ which includes development of the Munglinup Graphite Project located near Esperance, as well as the existing Yandeyarra Lithium Project southeast of the Pilgangoora lithium field being mined and developed near Port Hedland.

The Mt Edon pegmatite field hosts numerous lithium-cesium-tantalum (LCT) pegmatites and is strategically located close to existing infrastructure making it an excellent exploration and mine development target.

The mining lease area hosts historical lithium rich zones associated with the pegmatites, as well as historical mining for tantalum (manganotantalite and alluvial deposits: 1969-1974 Mt Edon by Alfredo Pieri), beryl and microcline feldspar (Goodingnow pits: 1975-1978 by Mark Calderwood). The zonal nature of this pegmatite field has previously been defined with microcline feldspar (including amazonite) in the east (historically mined) and more complex albite rich zones containing niobium and lithium in the west (the current Mining Lease area). Lepidolite-Zinnwaldite (lithium mica) rich pegmatites have been previously identified. Historical reported Lithium grades of up to 2.2% Li₂O₅ have been found on the Mining Lease (M59/714, Pancontinental Mining, 1980’s, and Haddington Resources/Australian Tantalum Ltd, 2002).

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Previous exploration was limited to only a few drill holes, all of them being located outside of the tenement package (Fig. 3). Numerous pegmatites on the mining tenements have anomalous concentrations of tantalum, rubidium and cesium, which are indicative elements for well fractionated lithium rich (LCT) pegmatites.

The northern Wydgee tenement E59/2326 has had no lithium exploration work done on it. It has a known beryl bearing pegmatite that was exposed and mined for beryl in 1971 over a 35m long and 3m wide area. The pegmatite is hosted with a coarse grained quartz monzonite on the southern end of the Wydgee-Meekatharra Greenstone belt.

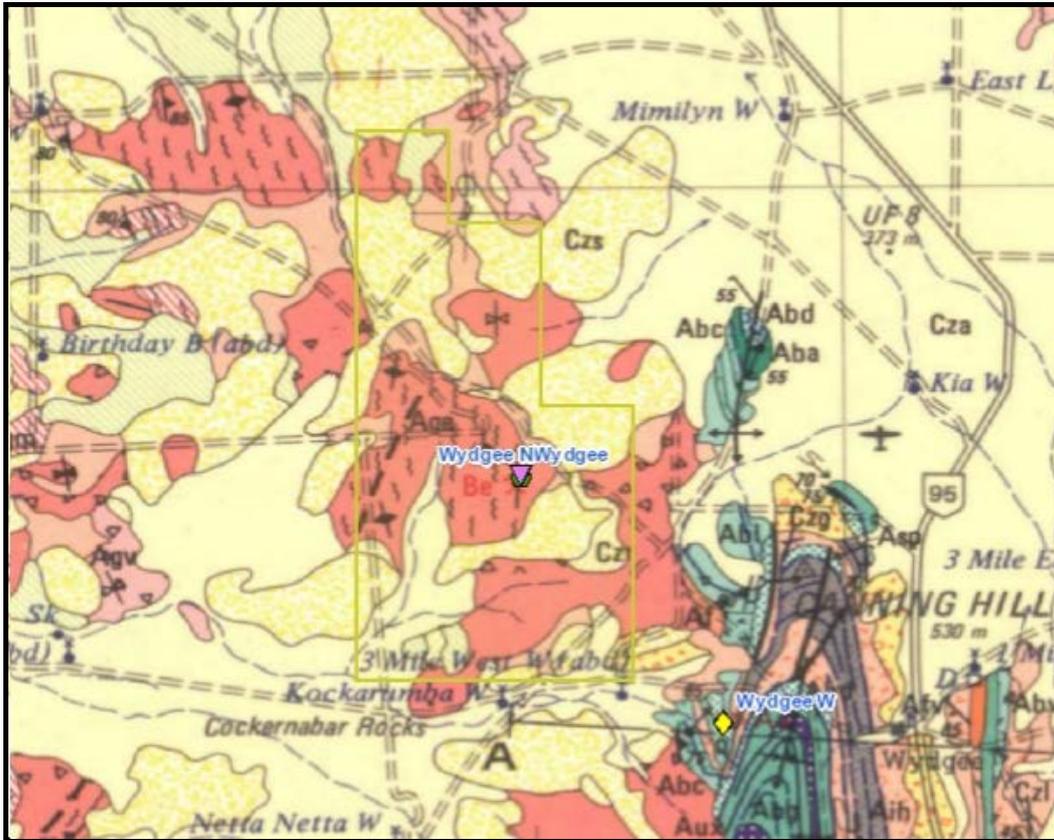


Figure 2 : Historical Beryl Mining Location on E59/2326 (source Tengraph/Geoview 2019)

The immediate exploration strategy will be to identify albite-spodumene rich zones and verify the occurrence of anomalous lithium within these targeted zones.

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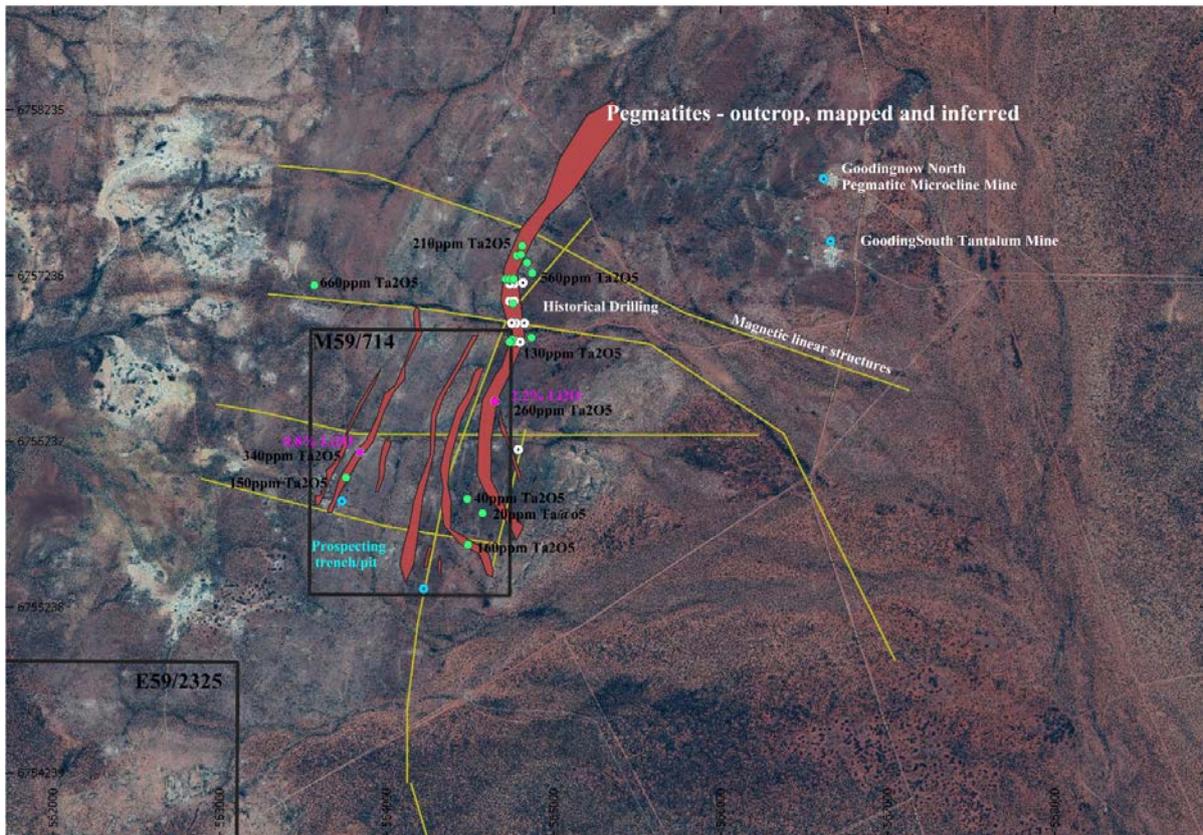


Figure 3 : Map of mining tenement with historical sampling and work done

In addition, accessory minerals like Beryl (aquamarine) have been noted in the Mt Edon pegmatite field, as well as coarse green muscovite – a strong indicator of “fertile” granitic parent rocks.

Some of the surrounding tenements are held by Sayona Mining (ASX:SYA) who have identified more than 70 pegmatites with rock chip samples assaying up to 1.5% Li₂O being reported (ASX release dated 16/03/2016).

The extension of the known Mt Edon LCT pegmatites towards the south into the Company’s exploration licence E59/2325 will also be investigated (Fig. 4). To achieve this, a new phase of field mapping and sampling is planned for early 2019, with targets to be identified for a follow up drill program during the second quarter of 2019.

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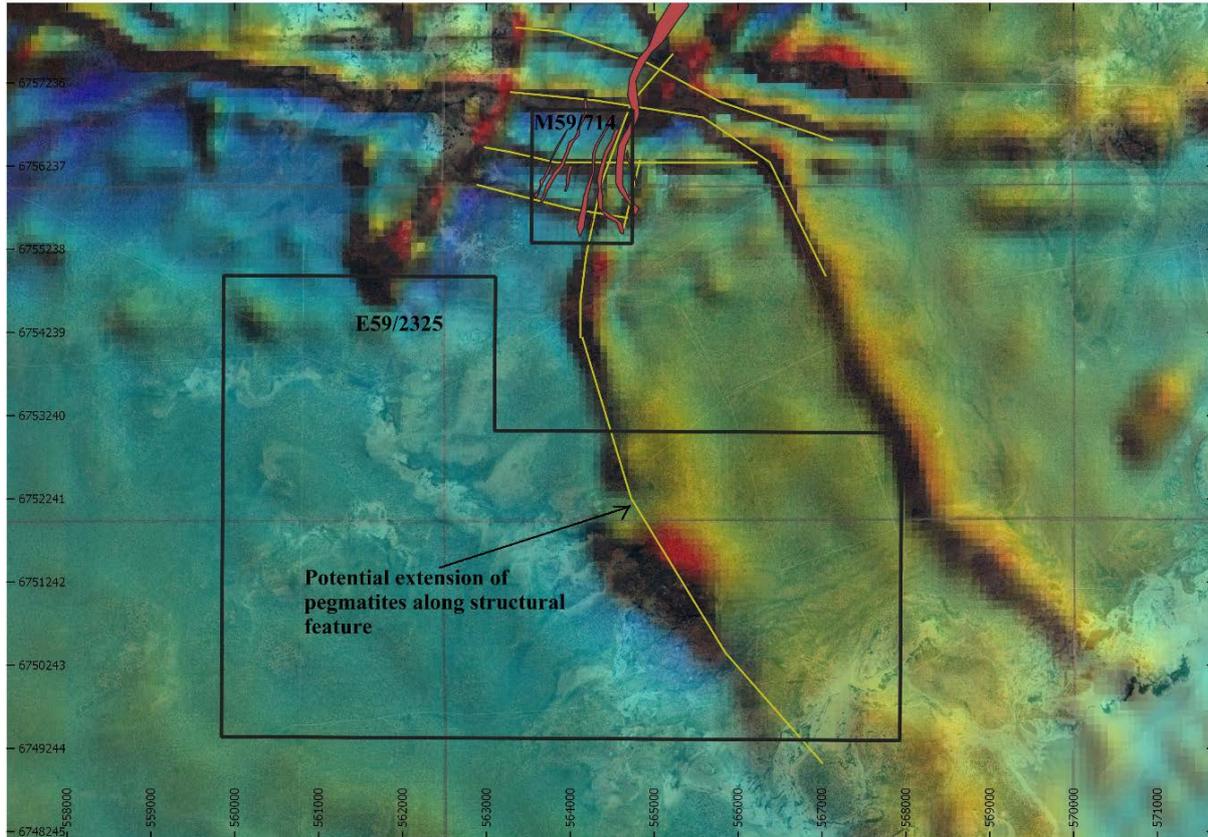


Figure 4 : Aeromagnetic map of area

Executive Chairman Mark Caruso said, *“The Company continues to build a portfolio of advanced stage exploration and near-term production assets in the battery minerals sector that are focused in Tier 1 jurisdictions.”*

Commercial Terms

The Company has negotiated a right to earn a 90% interest in the tenement package in exchange for cash consideration of \$45,000 and undertaking at its sole expense all exploration work, including the drilling of up to eight exploration holes within a two year period. Mr. Levissianos will retain a 10% free carried interest up until a decision to mine or may elect to convert to a 2% net smelter royalty. MRC may withdraw from the term sheet at any time by giving 30 days’ notice.

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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 a number of factors could cause actual results, or expectations to differ materially from the results expressed or implied in the forward-looking statements.

- ENDS -

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Competent Persons Statements

The information in this report that relates to Exploration, is based on information compiled by Mr Daniel Hastings, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. 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 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012 Edition). Mr Hastings consents to the inclusion in the report of the matters based on the reviewed information in the form and context in which it appears.

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(JORC Code, 2012 Edition – Table 1 report)

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
Sampling techniques	<ul style="list-style-type: none">No new samples have been collected.
Drilling techniques	<ul style="list-style-type: none">No new drilling have been done.
Drill sample recovery	<ul style="list-style-type: none">Not applicable – no drilling has been done.
Logging	<ul style="list-style-type: none">Not applicable – no drilling has been done.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none">Not applicable – no drilling has been done.
Quality of assay data and laboratory tests	<ul style="list-style-type: none">Not applicable – no drilling has been done.
Verification of sampling and assaying	<ul style="list-style-type: none">No verification of historical sampling reported have been done
Location of data points	<ul style="list-style-type: none">Historical coordinates as reported by Haddington International Resources Ltd, Annual Report to the Department of Minerals and Petroleum Resources. Combined Tenement Group No. 47/2002. Dated 12 July 2002.Grid system used is Australian Geodetic MGA Zone 50 - GDA94.
Data spacing and distribution	<ul style="list-style-type: none">None on the tenement.
Orientation of data in relation to geological structure	<ul style="list-style-type: none">Not applicable – no drilling has been done.

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Criteria	Commentary
Sample security	<ul style="list-style-type: none">• Not applicable – no drilling has been done.
Audits or reviews	<ul style="list-style-type: none">• The new field program is planned to verify historical results.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none">• M59/714 is currently registered in the name of Alliance Mineral Assets Ltd but is in the process of being transferred to Mr Angelo Levissianos.• E59/2325 and E59/2326 are registered in the name of MRC Exploration Australia Pty Ltd.
Exploration done by other parties	<ul style="list-style-type: none">• Pancontinental - 1980's• Chip-channel sampling of the Mt Edon North Pegmatite in the 1980s by Pancontinental Mining Limited (Exploration & Production Division) gave results up to 20m at 560ppm Ta₂O₅ and 20m at 760ppm Ta₂O₅ on two sample traverses 400m apart. An intervening sample traverse reported 5m at 330ppm and 4m at 110ppm Ta₂O₅.• Haddington Resources - 2002/2003• Early in May a first round of drilling to commence testing the economic potential of the Paynes Find pegmatites targeted 500m of the largest pegmatite in a swarm of approximately 20 pegmatite dykes. The target area was selected on the basis of encouraging surface rock chip sample results and also the very large tonnage potential it represented.• A total of 425m was drilled on the margin of the current lease in 14 RC holes of which 11 intersected the pegmatite in the depth range 0-50m. The drilling showed the dyke to be a thick tabular body (up to 42m), continuous over the 500m drilled, and inclined to the east at an angle of 40deg. Assay results show the overall Ta₂O₅ grade to be too low to be considered a potential resource.• The drilling intersected a total of 222m of pegmatite and each metre was analysed for Ta₂O₅, Nb₂O₅ and other elements indicative of zonation patterns; namely rubidium (Rb), cesium (Cs) and lithium (Li).

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Criteria	Commentary
Geology	<ul style="list-style-type: none">Numerous pegmatites are found located within the southern portion of the Paynes Find greenstone belt, South Murchison. These pegmatites have not been previously assessed for their lithium potential but have been prospected for tantalum.The pegmatites, referred to as the "Mount Edon North Pegmatites" are part of a dyke swarm in low ridges and hills of greenstones that extend in a north-northeasterly direction from Mt Edon for a distance of about 3km.Historical reports state that the geology traversed in the area consists of a swarm of layer parallel and later cross cutting pegmatite dykes with mafic to ultramafic amphibolites. Alteration was evident at the margins of pegmatites with narrow epidotised felsic bands and zones of Fuchsite schist. Pegmatites have variable compositions with K feldspar being dominant along the eastern side of the belt, with many being Aplitic pegmatites. Small pods (<10m) of Lepidolite - Zinnawaldite – greisen mineralization was identified within pegmatites of albite-quartz-mica-kspars composition this secondary mineralisation does give Ta₂O₅ values up to 660 ppm. Potential for higher grade zones exist west of the main pegmatite, surface outcrops are small; systematic prospect scale mapping and sampling of these pegmatites are required.Several traverses were previously completed over E59/833 by Haddington geologists in 2002. The southern area of pegmatites were narrow with similar small Lepidolite - greisen/hybridised pegmatite zones. The northern traverse again discovered an area of pegmatites that were of a hybrid type with larger zones of aplitic granite.The pegmatites being referred to as the Wydgee pegmatites are found ~50km north of Paynes Find near the Wydgee Homestead. These beryl bearing pegmatites are located in the Murchison granite-greenstone province and run parallel to stratigraphy and in places cross cut the north-northwest metamorphic foliation in an east-west orientation.
Drill hole Information	<ul style="list-style-type: none">Not applicable – no drilling has been done.
Data aggregation methods	<ul style="list-style-type: none">Not applicable – no drilling has been done.



Criteria	Commentary
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none">• Not applicable – no drilling has been done.
<i>Diagrams</i>	<ul style="list-style-type: none">• Historical drill collar location plans are included in this release.
<i>Balanced reporting</i>	<ul style="list-style-type: none">• This is the first release on the newly acquired tenements.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none">• Relevant historical results and drill intercepts have been included in this release.
<i>Further work</i>	<ul style="list-style-type: none">• Field mapping, sampling and drilling is planned for 2019.

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