



Australian Securities Exchange
Company Announcements Office

16 November 2018

PROSPECTING RIGHT APPLICATION UPDATE

Mineral Commodities Ltd (ASX: MRC) ("the Company" or "MRC") advises that it has received notification from the Department of Mineral Resources in South Africa ("DMR"), of the refusal of an Environmental Authorisation Application ("EAA") for the Prospecting Right Application over the Klipvley Karookop area.

The Klipvley Karookop Prospecting Right Application covers the inland farm area to the north of the current Tormin operations. The granting of the EAA was the final step for the granting of the Prospecting Right to this area. This area is not core to the current mining operations and planned expansion permitting covered under the Section 102 Extended Mining Rights Application ("Section 102 Application").

The Company has filed an Appeal and believes it has strong technical and legal grounds for the Appeal to be successful.

The notification does not affect the Company's current mining operations at Tormin.

The renewal applications for both the current Mining Rights (162 and 163) were submitted to the DMR in August 2018. The Company is able to continue to operate whilst the renewal application process takes its course.

As previously reported, the Company has lodged a Section 102 Application for the adjoining northern beaches and the inland strand deposits located on the Company owned freehold farm land. In addition, the Section 102 Application incorporates the construction of a Mineral Separation Plant ("MSP") to produce final products from the Company's concentrates. The Section 102 Application includes the preparation and submission of a full Mining Work Programme, which details a minimum 10-year mine life program on the expanded areas covered under the application.

The Company has now concluded all aspects of the Section 102 Application public participation process and the final submission of the Environmental Impact Assessment ("EIA") and Environmental Management Programme ("EMP") reports, with all public comments, was submitted on the 13th November 2018. The DMR now has 107 days to hand down a final decision. The Company expects a final decision on the Section 102 Application in early to mid-2019.

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About Mineral Commodities Ltd:

Mineral Commodities Ltd (ASX: MRC) is a global exploration and mining company with a primary focus on the development of high-grade mineral deposits within the industrial minerals, base metals, bulk commodities and precious metals sectors.

The Company is a leading producer of zircon, rutile, garnet and ilmenite concentrates through its Mineral Sands Operation at Tormin, located on the west coast of South Africa. The planned development of the Munglinup Graphite Project, located near Esperance in Western Australia, is consistent with the Company's strategy to capitalise on the fast growing sustainable renewable energy storage and electric vehicle revolution as well as downstream vertically integrated value-adding.

The Company has also secured first-mover advantage in Iran, considered the most prospective and underdeveloped mineral resource country in the world, and has also entered into agreements and applied for tenements over a number of prospective areas in Western Australia targeting vanadium, lithium, channel iron ore and gold/copper.

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

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