



## GMA CONTRACT UPDATE

Mineral Commodities Ltd (“the Company”) provides the following update on the dispute with GMA Garnet (USA) Corporation and its related entities (“GMA Group”).

As referred to in our announcements on 12 June 2020, 23 July 2020 and 10 August 2020, a series of technical and general disputes has arisen with GMA Group regarding inter alia, independently surveyed stockpiled inventory quantities and other obligations under the life-of-mine Offtake Agreement and related agreements between the parties.

The Company remains of the opinion that the GMA Group had no entitlement to terminate the Offtake Agreement. The Company has now notified GMA Group that GMA Group’s refusal to continue to be bound by the terms of the Offtake Agreement constitutes a repudiation of the Offtake Agreement and the Company has terminated the Offtake Agreement in its own right.

The Company has otherwise reserved all of rights.

Notwithstanding the termination and repudiation of the contract the Company is entitled to and will continue engage in the contractual dispute resolution processes that apply to the current matters.

The Company remains focused on commissioning its Northern Beach and Inland Strand mining operations the subject of our recently granted Section 102 Expanded Mining Right.

The Company has one of the highest grade garnet mining operations in the world, and has received strong interest for the offtake of its future garnet production.

**ENDS**

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Authorised by the Executive Chairman and Company Secretary

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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 deposits within the Mineral Sands and Battery Minerals sectors.

The Company is a leading producer of zircon, rutile, garnet and ilmenite concentrates through its 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 Batteries.