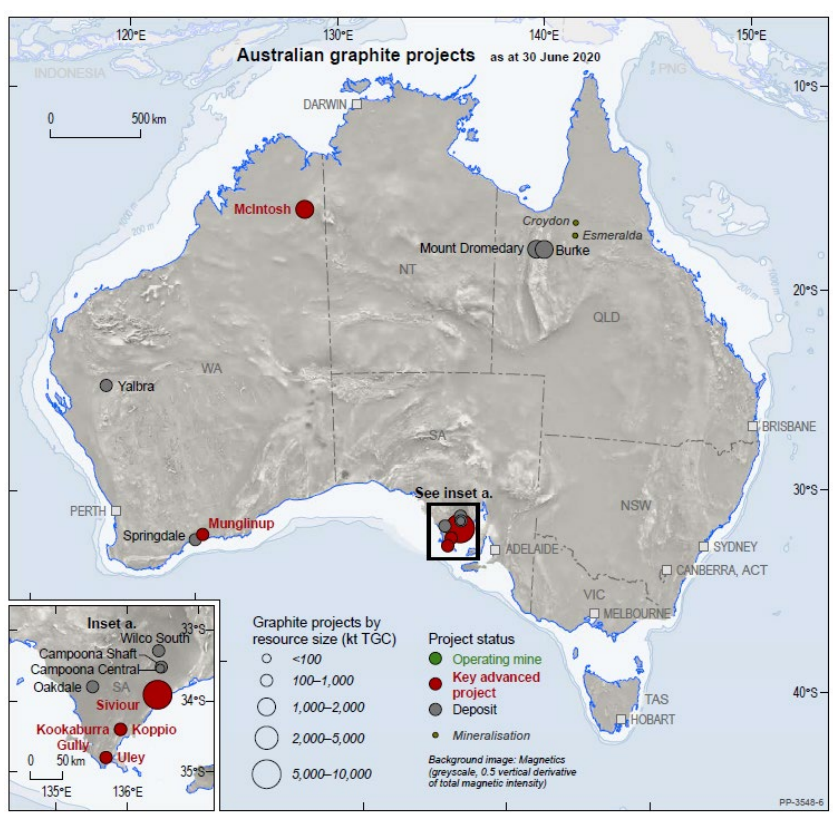


MUNGLINUP GRAPHITE PROJECT CLASSIFIED AS A CRITICAL MINERAL PROJECT IN AUSTRALIA

Mineral Commodities Ltd (“MRC” or “the Company”) is pleased to announce the Munglinup Graphite Project has been classified by the Australian Government as a Critical Mineral Project and included in the Australian Critical Minerals Prospectus 2020.

The Australian Critical Minerals Prospectus and Critical Minerals Projects in Australia publications were first published by Australian Trade & Investment Commission (“Austrade”) in early 2019, and have been effective tools in helping to promote Australian Critical Minerals projects to an international audience. In January 2020, the Australian Government established a Critical Minerals Facilitation Office to identify strategic critical mineral projects, facilitate investment locally and internationally, and secure the new investment and commitments to the future products (strategic offtake agreements).

In the 2020 prospectus, Munglinup graphite is one of the key advanced graphite projects on the Australian Critical Minerals list. Here is the link to the 2020 Australian Critical Minerals publication: <https://www.austrade.gov.au/australian-critical-minerals-prospectus>



MRC has recently released a Pre-Feasibility Study (“PFS”)¹ on the production of low CO2 emission, environmentally friendly, active anode material without using highly toxic hydrofluoric acid (“HF”). The study investigates the optimal approach to producing active

anode material for batteries in EVs and stationary uses at a dedicated Active Anode Materials Plant (“AAMP”) in Norway, using low cost, renewable energy in the fastest growing battery manufacturing region globally.

The AAMP will initially produce up to 10,000tpa of active anode materials, using high quality graphite concentrate from MRC’s Skaland operations in Norway. Production at Skaland will ramp-up from ~10,000tpa in 2020-2022 towards the 16,000tpa limit in 2023 to supply ‘Module 1’ of the AAMP.

The AAMP will be expanded (in 20,000 tonne modules) to process graphite concentrate from MRC’s Munmlinup operations in Australia.

The project could deliver an NPV of between \$US1B and \$US1.07B with an IRR of between 58 and 67 percent depending on the purification process selected.

Commencement of first production from the single train (2GWh) is planned for mid-2022 with initial production from the first full module in the September quarter 2023.

Under the PFS, Munmlinup is scheduled for construction in 2024 with first production in 2025.

Minister for Trade, Tourism and Investment Simon Birmingham said, “*Australia is lucky to have an abundance of critical minerals, our next challenge is to attract the necessary overseas investment to get projects up and running, including in high-value activities such as processing and manufacturing*”.

Chief Executive Officer Mark Caruso said, “*We thank Austrade and WA Geological Survey team for this initiative and we’re very happy to have Munmlinup included in this effort by the Commonwealth to attract more investment into critical minerals projects in Australia*”.

1- ASX Release - MRC DELIVERS ACTIVE ANODE MATERIALS PLANT PRE-FEASIBILITY STUDY, 21 September 2020

-ENDS-

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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 mineral 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.

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