

## Highlights

- **Tormin - Offtake agreement signed with GMA Group for 100,000 tonnes of garnet concentrate per annum commencing 1 January 2021 for three years with automatic renewals after that subject to a minimum six month termination period<sup>(1)</sup>**
- **Tormin – Record 1.4 million tonnes of material mined for the quarter**
- **Tormin – 10,000 metre second phase resource drilling program completed<sup>(2)</sup>**
- **Skaland – Commencement of decline development at Trælen Graphite Mine resulting in 482 development metres for the June quarter<sup>(3)</sup>**
- **COVID-19 – No material impact to Norwegian and South African operations. Supply chain logistics and markets largely unaffected**

(1) ASX release MRC and GMA finalise garnet agreements - 6 April 2021

(2) ASX releases High Grade Drilling Results at Tormin Inland Strand - 26 May 2021

(3) ASX release Commencement of Decline Mining at Trælen Graphite Mine – 11 June 2021

## Corporate and Cash

**Cash:** US\$4.5 million as at 30 June 2021

**Debt:** US\$9.2 million as at 30 June 2021

**Securities:** 480.5 million shares and 4.4 million performance rights as at date of this report

Mineral Commodities Ltd ("MRC" or "the Company") improved mining production rates at Tormin during the quarter and announced a new stage of mining at Trælen graphite mine, with the commencement of down-dip development for the first time in the mine's operational history.

The Company's Tormin operations have been unaffected by the unrest that has recently occurred in parts of South Africa, with the violence contained mainly to the east coast provinces of KwaZulu-Natal and Gauteng.

The ever-present challenges of COVID-19 warranted the Company's strict internal protocols, with any affected employee afforded medical care, isolated and contact traced to identify and limit the risk of further infection transmission. The Company is grateful that to date, all infected employees have made a full recovery and returned to work after testing negative and completing a period of isolation.

As in earlier reporting periods, the welfare of personnel and the financial and social impacts of the pandemic are constantly under review. The Company continues to monitor governments' advice within each operating jurisdiction and update people and procedures accordingly. As has been the case for most of the pandemic, sales at Tormin and Skaland remain largely unaffected by COVID-19 for the quarter, except for the inability to get personnel to site.

The Company continued to engage with the Department of Mineral Resources and Energy (“DMRE”) in respect to the Notice received under Section 93(1)(a) of the Mineral and Petroleum Resources Development Act, 2002 (“the Act”).

As announced in June 21, the Company’s South African 50% owned subsidiary Mineral Sands Resources (Pty) Ltd (“MSR”) has acknowledged the areas where improvement in compliance is required and has implemented proactive measures during the quarter to ensure ongoing compliance. Whilst the Section 93 Notice has not yet been formally lifted, positive feedback continues to be received from the DMRE, which will continue to monitor the ongoing implementation and adherence to the compliance measures before the Notice is removed.

MRC and GMA Group executed a garnet offtake agreement for 100,000 tonnes per annum of garnet concentrate commencing 1 January 2021 for a period of 3 years, with automatic renewals after that, subject to a minimum six month termination period. The offtake agreement with GMA Group forms the foundation of the revenue base at Tormin, with GMA's annual commitment representing 65% of 2020 garnet production.

During the quarter, a new stage of mining at Trælen graphite mine began with the commencement of down-dip development for the first time in the mine's operational history. The down-dip development provides access to graphite resources to support continued processing operations at Skaland. It also enables further exploration and infill drilling to target expanded resources and the statement of mineral reserves.

The second phase of step-out and infill drilling at the Inland Strand has been completed with a total of 9,831 metres drilled, consisting of 256 holes for 5,595 metres in the Western Strandline and 107 holes for 4,236 metres in the Eastern Strandline. The drilling program focused on resource definition outside the 162 and 163 Expanded Mining Right area in the Western Strandline as well as the Eastern Strandline. Extensional drilling on the Western Strandline to the south of the 162 and 163 Expanded Mining Right identified encouraging high-grade zones. Significant results from this extensional drilling include:

- Hole CI-01) 6m @ 40.5% THM1 from 34m;
- Hole CI-02) 6m @ 46.4% THM from 34m;
- Hole CI-05) 37m @ 21.9% THM from 11m (Including: 7m @ 42.1% THM from 31m and 3m @ 67.3% THM from 50m); and
- Hole CI-08) 18m @ 23.3% THM from 12m (Including: 5m @ 32.3% THM from 21m).

On 5 July 2021, the Company announced it had received binding commitments for a placement (“Placement”) to sophisticated and institutional investors of 22,850,000 fully paid ordinary shares in the Company at an issue price of 14 cents, to raise approximately A\$3.2 million. Following completion of the Placement, the Company announced a fully underwritten non-renounceable rights issue on 5 July, 2021 to raise up to A\$7.5 million (Rights Issue). The Offer Document for the Rights Issue was announced to shareholders on 9 July 2021, with the Offer Document and Offer open from 21 July 2021.

## **SAFETY, ENVIRONMENT AND COMMUNITY**

The Group incurred no recordable injuries during the quarter. The Group's 12-month TRIFR declined from 8.17 in the March 2021 quarter to 7.12 in this period.

## Tormin

COVID-19 continues to present a health and safety risk to employees. Four employees tested positive for COVID-19 during the quarter. Employees testing positive are isolated with contact tracing carried out immediately to limit the risk of further transmission. COVID-19 temperature testing of all employees by site security remains in place.

Under the Company's Social Labour Plan ("SLP"), the Company has invested circa ZAR2.3 million in 2021 into various learnerships, internships and bursary programs to benefit both employees and community students.

## Skaland

COVID-19 continues to present a health and safety risk to employees. No employee at Skaland has been diagnosed with COVID-19.

## TORMIN OPERATIONS

The Company improved mining production rates during the quarter, resulting in a record quarter for total material mined. The annualised processing rate during the quarter of 1.92Mtpa produced 52,077 tonnes of final concentrates. Total material mined for the quarter was 1,404,173 tonnes, including 741,967 tonnes of ore and 662,206 tonnes of waste from the Inland Strand.

## Mining

Mining	30-Jun-21 Quarter	31-Mar-21 Quarter	30-Jun-20 Quarter	Year to Date 30-Jun-21	Year to Date 30-Jun-20
Material Mined - Tonnes (dmt)	<b>1,404,173</b>	1,010,852	610,215	<b>2,415,025</b>	1,225,966
Ore Mined - Tonnes (dmt)	<b>741,967</b>	744,030	610,215	<b>1,485,998</b>	1,225,966
Waste Mined – Tonnes (dmt)	<b>662,206</b>	266,822	-	<b>929,027</b>	-
Grade (VHM)	<b>15.19%</b>	15.01%	6.80%	<b>15.11%</b>	7.22%
- Garnet	<b>8.08%</b>	8.86%	5.57%	<b>8.47%</b>	5.57%
- Ilmenite	<b>5.64%</b>	4.78%	0.77%	<b>5.21%</b>	1.15%
- Zircon	<b>1.02%</b>	0.97%	0.30%	<b>1.00%</b>	0.32%
- Rutile	<b>0.45%</b>	0.40%	0.10%	<b>0.43%</b>	0.11%

Production from the Inland Strand began in the June quarter 2021. VHM grade for the June quarter was 15.11% in comparison to the previous quarter of 15.01%. The improved VHM grade reflects the higher-grade ores mined from Inland Strand and Northern Beaches during the quarter, with mining from the Tormin Beaches slowed during the quarter to allow replenishment of that placer beach deposit.

Run of Mine ("ROM") processing volumes were maintained in the quarter at circa 3.0Mtpa. Significant Inland Strand ROM stockpiles have been built during the quarter in anticipation of further optimisation of the primary beach concentration circuit in the September 2021 quarter. Ore production during the quarter from the Northern Beaches, Tormin Beaches and Inland Strand is shown below:

Mining	30-Jun-21 Quarter		
	Northern Beaches	Tormin Beaches	Inland Strand
Ore Mined - Tonnes (dmt)	<b>356,341</b>	<b>85,240</b>	<b>300,387</b>
Grade (VHM)	<b>12.03%</b>	<b>7.02%</b>	<b>19.75%</b>
- Garnet	<b>8.56%</b>	<b>6.44%</b>	<b>6.87%</b>
- Ilmenite	<b>2.43%</b>	<b>0.26%</b>	<b>10.70%</b>
- Zircon	<b>0.74%</b>	<b>0.16%</b>	<b>1.53%</b>
- Rutile	<b>0.30%</b>	<b>0.16%</b>	<b>0.66%</b>

## Processing

ROM feed tonnes to the Primary Beach Concentrators ("PBC") was lower for the quarter at 480.1Kt, representing an average feed rate of 263tphr and 82% plant utilisation. Throughput reduced in comparison to the previous quarter, reflecting the lower feed rate of PBC2 to accommodate the feed from the Inland Strand ROM. PBC2 will be optimised in the September quarter 2021, aiming to bring the feed rate of Inland Strand material in line with beach material from the Northern and Tormin Beaches.

Heavy Mineral Concentrate ("HMC") production from the PBCs was 169,701 tonnes, compared to the prior quarter's 133,633 tonnes due to higher throughput from the Northern Beaches and the significant improvement in infeed grade from the Inland Strand, partially offset by the lower throughput from the Inland Strand prior to optimisation of the PBC Circuit in the September 2021 quarter.

GSP/SCP Production & Processing	30-Jun-21 Quarter	31 Mar-21 Quarter	30-Jun-20 Quarter	Year to Date 30-Jun-21	Year to Date 30-Jun-20
Tonnes processed (gross dmt)	<b>149,447</b>	130,251	113,760	<b>279,698</b>	232,231
Tonnes produced (dmt)					
- Garnet concentrate	<b>22,507</b>	31,725	43,426	<b>54,232</b>	63,686
- Ilmenite concentrate	<b>25,706</b>	24,576	3,978	<b>50,282</b>	15,675
- Zircon/Rutile concentrate	<b>3,864</b>	2,663	1,651	<b>6,528</b>	3,457
- Zircon in concentrate	<b>72.52%</b>	68.26%	67.52%	<b>70.39%</b>	67.69%
- Rutile in concentrate	<b>20.40%</b>	19.31%	16.50%	<b>19.86%</b>	16.10%

Total final concentrate production decreased 11% to 52,077 tonnes, compared to the March quarter, reflecting lower mineral recoveries in managing Inland Strand material prior to optimisation in the September 2021 quarter.

## Sales

Sales (wmt)	30-Jun-21 Quarter	31-Mar-21 Quarter	30-Jun-20 Quarter	Year to Date 30-Jun-21	Year to Date 30-Jun-20
- Garnet concentrate	<b>28,560</b>	27,575	53,288	<b>56,500</b>	106,575
- Ilmenite concentrate	<b>54,100</b>	-	-	<b>54,100</b>	-
- Zircon/Rutile concentrate	<b>4,004</b>	4,533	1,316	<b>8,540</b>	3,892

Tormin shipments/sales were 4,004 wet metric tonnes of zircon/rutile concentrate, 54,100 wet metric tonnes of ilmenite and 28,560 wet metric tonnes of garnet. The decrease in non-mags sales during the quarter resulted from shipping delays. Non-mags production in the June 2021 quarter was 45% higher than the previous quarter, but not all concentrates could be shipped to customers due to the challenging global shipping environment. The increase in garnet sales primarily reflects the second quarter of the garnet offtake agreement with GMA Group (25,000 tonnes). Ilmenite sales reflects one bulk ilmenite shipment in May 2021.

Product sales revenue was US\$13.9 million for a total 86,664 wet metric tonnes sold, in comparison to prior period revenue of US\$6.8 million for 32,108 wet metric tonnes sold. The increase reflects the first bulk ilmenite sale for 2021 during the June 2021 quarter.

## Unit Costs & Revenues

Summary of Unit Costs & Revenues	30-Jun-21 Quarter	31-Mar-21 Quarter	30-Jun-20 Quarter	Year to Date 30-Jun-21	Year to Date 30-Jun-20
Unit production cash costs per tonne of net final concentrate produced (US\$/dmt)	<b>135.79</b>	91.62	67.45	<b>112.51</b>	91.20
Unit cost of goods sold per tonne of final concentrate sold (US\$/wmt) <sup>(1)</sup>	<b>149.73</b>	157.38	(7.28)	<b>151.34</b>	29.44
Unit revenue per tonne of final concentrate sold (US\$/wmt)	<b>159.57</b>	210.40	103.42	<b>172.84</b>	111.81
Revenue to Cost of Goods Sold Ratio	<b>1.07</b>	1.34	(14.20)	<b>1.14</b>	3.80

Note (1) – Cost of goods sold includes production cash costs, product handling, transport and selling costs, royalties, stock movements and depreciation and amortisation. Excludes corporate and financing costs.

The June quarter's unit production cash costs were 48% higher than the previous quarter, reflecting a decrease in concentrate production and higher cash costs in the June quarter. Higher cash costs this quarter reflects the transition of mining and processing staff back to 24/7 production during the quarter and the higher cost of mining Inland Strand material, which includes overburden removal in comparison to beach mining.

The total unit cost of goods sold for the quarter was US\$149.73/t compared with US\$157.38/t in the previous quarter, reflecting the additional profitability of the bulk ilmenite shipment during the June 2021 quarter.

Unit revenue per tonne of final concentrate sold for the Quarter of US\$159.57/t is 24% below US\$210.40/t for the previous quarter, reflecting the higher proportion of ilmenite and garnet sales during the June 2021 quarter in comparison with the previous quarter.

Revenue to Cost of Goods Sold Ratio for the June 2021 quarter of 1.07 is below the previous quarter of 1.34. The unit revenue per tonne decrease in the quarter reflects the lower unit revenue per tonne of final concentrate sold.

## Tormin Exploration

A total of 1,305 metres were drilled in the Western Strandline in the June quarter 2021 and the second phase of step-out and infill drilling at the Inland Strand has been completed with a total of 9,831 metres drilled, consisting of 256 holes for 5,595 metres in the Western Strandline and 107 holes for 4,236 metres in the Eastern Strandline.

The drilling program focused on resource definition outside the 162 and 163 Expanded Mining Right area in the Western Strandline as well as the Eastern Strandline.

The latest resource drilling results for the Inland Strand are outlined in the ASX releases of 26 May 2021 (High Grade Drilling Results at Tormin Inland Strand).

## SKALAND OPERATIONS

Skaland improved mining and processing production for the June 2021 quarter with 50,051 tonnes mined, 482 metres of development completed, and 1,075 tonnes of graphite concentrate produced.

The Company sold 1,189 tonnes of graphite concentrate during the June 2021 quarter compared to 1,757 tonnes in the prior quarter, reflecting production during the quarter and minimal inventory available from the prior quarter.

### Mining

Mining	30-Jun-21 Quarter	31-Mar-21 Quarter	30-Jun-20 Quarter	Year to Date 30-Jun-21	Year to Date 30-Jun-20
Tonnes Mined	<b>50,051</b>	5,645	8,099	<b>55,697</b>	19,985
Ore Mined	<b>6,931</b>	3,343	612	<b>10,274</b>	6,604
Waste Mined	<b>43,120</b>	2,303	7,487	<b>45,423</b>	13,381
Ore Grade (%C)	<b>27</b>	25	28	<b>26</b>	28
Development Metres	<b>482</b>	33	96	<b>515</b>	191

Total tonnes mined for the quarter was 786% higher than the previous quarter, reflecting the mobilisation of mining contractors to develop the new decline to access down-dip ore resources. The decline development allows access to what is expected to be a consistently high-grade ore body. Ore production was 107% higher than the last quarter after significant downtime in the previous quarter. Higher development metres during the quarter were due the mobilisation of contract miners to undertake the down-dip development of the mine.

ROM feed to the processing plant for the quarter was 3,589 tonnes compared with 3,117 tonnes in the prior quarter, largely reflecting mine development ore. ROM inventory at 30 June was 4,552 tonnes in comparison to 754 tonnes at 31 March 2021.

### Processing

Graphite concentrate production of 1,075 tonnes was above the last quarter production of 773 tonnes due to the prior quarter shutdown resulting from the fire in the plant.

Processing	30-Jun-2021	31-Mar-2021	30-Jun-20	Year to Date	Year to Date
	Quarter	Quarter	Quarter	30-Jun-21	30-Jun-20
Ore Processed (t)	<b>3,589</b>	3,117	8,086	<b>6,706</b>	13,744
Throughput (tph)	<b>6</b>	6	7	<b>6</b>	7
Ore Grade (%C)	<b>27</b>	25	28	<b>26</b>	28
C Recovery (%)	<b>91</b>	87	94	<b>89</b>	94
Concentrate Grade (%)	<b>89</b>	88	89	<b>89</b>	89
Concentrate Produced (t)	<b>1,075</b>	773	2,354	<b>1,848</b>	4,010

## Sales

The Company sold 1,189 tonnes of graphite concentrate during the June 2021 quarter compared to 1,757 tonnes in the prior quarter, reflecting production during the quarter, with minimal inventory available from the prior quarter.

Product (wmt)	30-Jun-21		31-Mar-21		30-Jun-20		Year to Date		Year to Date	
	Sales	PSD %	Sales	PSD %	Sales	PSD %	Sales	PSD %	Sales	PSD %
Coarse/Medium	<b>293</b>	<b>25%</b>	539	31%	1,200	43%	<b>832</b>	<b>28%</b>	2,464	38%
Fine-Medium/Powder	<b>896</b>	<b>75%</b>	1,218	69%	1,575	57%	<b>2,114</b>	<b>72%</b>	4,047	62%
Total	<b>1,189</b>		1,757		2,775		<b>2,946</b>		6,511	

Sales revenue for the quarter was US\$0.7 million for a total of 1,189 tonnes sold.

## Unit Costs & Revenues

As a result of the shutdown of operations at Skaland, the quarter-on-quarter unit cost ratios are not reported for the quarter. The abnormal unit production cash costs and unit cost of goods sold for the quarter result from a primarily fixed operating cost base offset by low production and sales during the quarter because of the forced shutdown.

## Skaland Exploration

The Company continued a 3,000 metre diamond drilling program and 1,659 metres was drilled in the June 2021 quarter to upgrade the current resource of the Trælen deposit and to provide a subsequent Ore Reserve estimate after the drilling campaign. To 30 June, 2,167 metres (~72%) of the diamond drilling from 14 holes has been completed in the 3,000 metre program. The updated JORC Resource of the Trælen graphite mine is to be delivered by the end of the September 2021 quarter.

The Company entered into a Memorandum of Understanding with the European Union's Horizon 2020 Smart Exploration Project, to participate in a three-year €5.3 million initiative consisting of 27 partners and nine different countries, primarily focused on developing new, innovative methods and technologies for mineral exploration. MRC and the Smart Exploration consortium will initially collaborate to apply a high-resolution 2D surface seismic and UAV mag-EM survey for drilling target delineation over the Bukken, Hesten, and Vardfjellet graphite prospects by the end of September quarter.

For further details refer to the ASX Release – MRC to Collaborate with EU-Funded Smart Exploration Project on Senja, Norway – 14 May 2021.

## **DOWNSTREAM GRAPHITE**

During the quarter, the Company entered an exclusive non-binding Memorandum of Understanding ("MOU") to form a 50:50 Joint Venture with Superior Graphite Co. to purify natural flake graphite anode material for LiB battery manufacture at Superior's existing Sundsvall plant in Sweden. The Company conducted a due diligence on Superior's Sundsvall plant and the purification of natural flake graphite for anode production.

On 16 June 2021 the MOU between the Company and Superior Graphite Co. ended with the proposed joint venture not proceeding by mutual agreement.

MRC has continued with the development of its caustic-based and carbochlorination purification processes in the quarter, with the CRC-P project with CSIRO targeted for completion by the end of the year. An update of results from both processes is expected late in the September 2021 quarter. Progressing these two alternative pathways will allow MRC to develop a fit-for-purpose process for the development of the AAMP. It also allows MRC to capture 100% of the value from downstream value-adding.

The Company remains confident that the continued development of these downstream processes will allow it to realise maximum value from the development of its graphite assets in the near to medium term. In this regard, the Company will provide an update to shareholders on its vertical integration strategy in due course.

## **DEVELOPMENT**

### **Munglinup Graphite Project**

The EPA public review period started on 12 April 2021 and ended on 10 May 2021. The public response submissions were received from DWER on 10 June 2021. The Summary of Submission document has been forwarded to the EPA on 24 June and it has been formally agreed on 9 July. MRC will undertake the additional surveys and update the documents with key groups in the December 2021 quarter and then respond to the submission document for lodgement by the end of the March 2022 quarter.

The Company was granted \$145,000 co-funded drilling from the Western Australian Government's Exploration Incentive Scheme (EIS). Under the co-funded drilling programme, the Company will drill a single deep hole to test the extension of graphite mineralisation at depth. As a result, the Company will receive grant funding from the Department of Mines, Industry Regulation and Safety as a contribution towards 50% of direct drilling costs.

### **Australian Exploration**

Minimal activity occurred during the June quarter.

The Harvey Vanadium tenement (M70/888) was assessed as low prospectively and the earn-in agreement was terminated during the quarter.



## CORPORATE

The former Chief Executive Officer, Mark Caruso has commenced proceedings in the Supreme Court of Western Australia against the Company, seeking payment of \$808,915 (plus costs and interest) relating to a Long-Term Incentive Payment ("LTI") relating to the year ended 31 December 2020. As disclosed in the Company's Remuneration Report in the financial statements lodged with the Australian Securities Exchange on 1 April 2021, an LTI amount of \$803,032 was accrued in respect of Mr Caruso for the year ended 31 December 2020. The payment of the LTI remains subject to review by the Company. MRC intends to defend the proceedings. The Company does not propose to comment further given the matter is now before the Court.

The former Chief Executive Officer, Mark Caruso (together with an associated entity) has commenced further proceedings in the Supreme Court of Western Australia against the Company seeking payment of approximately \$2.2 million (plus costs and interest) relating to various amounts alleged to be payable in respect of Mr Caruso's services to the Company. The Company intends to vigorously defend the proceedings and notes that a number of the claims now being made date back as far as September 2000. The Company does not propose to comment further given the matter is now before the Court.

### Cash and Debt

As at 30 June 2021, the Company had US\$4.5 million in cash on hand compared to US\$3.6 million as at 31 March 2021. The net working capital position as at 30 June is US\$11 million. The movement in cash during the quarter reflects initial proceeds from a share placement to existing and new sophisticated and institutional investors during the quarter, prior to the rights issue announced on 5 July 2021, partially offset by operating losses at Skaland during the quarter, Skaland development drilling costs and capital investment to effectively process Inland Strand material.

Trade and other receivables as at 30 June 2021 decreased to US\$9.8 million from US\$10.3 million in the previous quarter. Borrowings as at 30 June 2020 were US\$9.2 million compared to US\$6.5 million in the previous quarter, reflecting additional leased mining equipment at Tormin, to support the increased total material movement required for Inland Strand material.

On 5 July 2021, the Company announced it had received binding commitments for a placement ("Placement") to sophisticated and institutional investors of 22,850,000 fully paid ordinary shares in the Company at an issue price of 14 cents to raise approximately A\$3.2 million. Following completion of the Placement, the Company announced a fully underwritten non-renounceable rights issue to raise up to A\$7.5 million (Rights Issue). The Offer Document for the Rights Issue was announced to shareholders on 9 July 2021, with the Offer Document and Offer open from 21 July 2021.

## Outlook

Tormin's zircon/rutile concentrate continues to attract strong pricing with high levels of demand expected to continue, with the overall zircon market improving in the June 2021 quarter. Ilmenite pricing remains strong and is expected to improve in the second half of 2021.

Updated concentrates production guidance for Tormin and Skaland in 2021 is provided below. The Company cautions it should be viewed in light of the ongoing COVID-19 pandemic risks.

<b>Final Concentrate Production - Tormin</b>	<b>June 2021 FY2021 Production Guidance Range</b>
Garnet Concentrate (dmt)	<b>120,000 – 150,000</b>
Ilmenite Concentrate (dmt)	<b>90,000 – 120,000</b>
Zircon/Rutile Concentrate (dmt)	<b>12,000 – 18,000</b>

<b>Final Concentrate Production - Skaland</b>	<b>June 2021 FY2021 Production Guidance Range</b>
Coarse / Medium Product (dmt)	<b>2,000 – 4,000</b>
Fine-Medium / Powder Product (dmt)	<b>3,000 – 5,000</b>
Micronised Fines	-

<b>Final Concentrate Sales - Tormin</b>	<b>June 2021 FY2021 Sales Guidance Range</b>
Garnet Concentrate (dmt)	<b>120,000 – 150,000</b>
Ilmenite Concentrate (dmt)	<b>100,000 – 140,000</b>
Zircon/Rutile Concentrate (dmt)	<b>14,000 – 20,000</b>

<b>Final Concentrate Sales - Skaland</b>	<b>June 2021 FY2021 Sales Guidance Range</b>
Coarse / Medium Product (dmt)	<b>2,000 – 4,000</b>
Fine-Medium / Powder Product (dmt)	<b>3,000 – 5,000</b>
Micronised Fines	-

As reported in the March Quarterly Activities Report, production and sales guidance for 2021 was to be reviewed after management and the Board reconsidered forecast production plans in light of year-to-date performance. As announced to the ASX on 11 June 2021, this review has resulted in a more measured expansion program at the Company's Tormin Mineral Sands Operation that will increase capacity for Inland Strand mining based on a new Mining Right, which the Company expects to submit in Q3 2021, covering the extended Inland Strand mineralisation on the Company owned Geewal Karoo farm.

Forecast production of ilmenite and non-mags for the full year to 31 December 2021 remains above FY20 levels, with garnet production expected within 10% of that for FY20, given the lower garnet grade of the Inland Strand. Forecast sales of non-mags for the full year to 31 December 2021 remain above FY20 levels in line with higher production. Forecast ilmenite sales for the full year to 31 December 2021 may be consistent with the results for FY20, dependent upon shipment timing. Forecast garnet sales in FY21 will be in line with forecast FY21 production, but below FY20 sales, given FY20 sales reflected the outcome of the settlement with the GMA Group, and the recognition of sales of 206,124 tonnes that were prepaid in prior periods.

## Securities on Issue

Issued securities at the date of this report comprise:

- 480,591,571 fully paid ordinary shares listed on the ASX.
- 1,000,000 Performance Rights exercisable on or before 1 October 2021, vesting on the 30-day Volume Weighted Average Price ("VWAP") of the Company's Shares trading on the ASX being at or above A\$0.20 post issue, and 333,333 vested on 1 October 2018, 333,333 vested on 1 October 2019 and 333,334 vesting on 1 October 2020. 1,000,000 Performance Rights are fully vested.
- 1,000,000 Performance Rights, 500,000 vesting on 1 September 2021 and 500,000 Vesting on 1 September 2022.
- 920,000 Performance Rights vesting on 25 November 2022, expiring on 25 November 2024.
- 1,380,000 Performance Rights vesting on 25 November 2023 and upon non-market measures a being achieved, expiring on 25 November 2025
- 100,000 Performance Rights exercisable on or before 28 February 2023, vesting on the 30-day VWAP of the Company's Shares trading on the ASX being A\$0.26 post issue, and 50,000 vested on 28 February 2021 and 50,000 vesting on 28 February 2022. 50,000 Performance Rights are fully vested.

- ENDS -

**Issue by: Mineral Commodities Ltd ACN 008 478 653**

**Authorised by: The Board of Mineral Commodities Ltd**

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## COMPETENT PERSONS STATEMENT

Tormin - The information in this statement which relates to Exploration Results and Mineral Resources for Tormin Beaches, Northern Beaches and Inland Strands is based on information compiled by Mr Bahman Rashidi, who is a member of the Australian Institute of Mining and Metallurgy ("AusIMM") and the Australian Institute of Geoscientists ("AIG"). Mr Rashidi is the Group Exploration Manager and a full-time employee of the Company. Mr Rashidi is also a shareholder of Mineral Commodities Ltd. He has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person in accordance with the JORC Code (2012). The information from Mr Rashidi was prepared under the JORC Code (2012). Mr Rashidi consents to inclusion in the report of the matters based on this information in the form and context in which it appears.