



2022 FULL YEAR RESULTS SUMMARY

Mineral Commodities (ASX: MRC) (the **Company** or **MRC**) announces its results for the year ended 31 December 2022, with the following highlights:

Operations

- Encouragingly, this year-end saw the three-month and the twelve-month rolling TRIFR at nil at both operating sites. There were no LTIs during the financial year. Importantly, the Company has maintained a no fatality track record across all of its operations since inception.

Tormin

- Record ore production during the year.
- Inland Strands testwork, design, construction and commissioning work ongoing during the financial year and has been completed subsequent to year end.
- The Company entered into a non-binding Offtake and Funding agreement with GMA Group that will support expanding our revenue base and profitability at Tormin. MRC agrees to supply GMA Group with 80ktpa-125ktpa finished garnet product over a ten year offtake agreement from 2024. GMA Group agrees to provide MRC with US\$10,000,000 in loan funding in 2023, repayable over 5 years from 1 January 2024, on commercial terms to fund the design and construction of a 250-300ktpa Garnet and Ilmenite MSPs in the Western Cape Region of South Africa. MRC expects finalisation of the Offtake and Funding agreement in Q1 2023. ¹
- Granted prospecting rights to the De Punt area, adjacent to the Geelwal Karoo area.² Commenced a 6,000 metres of air core drilling resource definition program targeting the areas along strike of the identified Inland Strands in airborne geophysical anomalies. The plan will target delineating a JORC Code compliant maiden Mineral Resource.³

Skaland

- Skaland operating results improved since 2021 and returned to historical performance expectations. One of the objectives of management is to stabilise operations at Skaland and return Skaland to profitability. The financial year results reflect that Skaland production has been above an annualised production rate of 10ktpa, which is the historical peak performance baseline for Skaland. The quality of Skaland concentrate has also been substantially improved post-acquisition from below 90% TGC to daily averages of up to 97%.

Development

¹ ASX Announcement entitled [‘MRC Non-Binding Offtake and Funding Term Sheet with GMA’](#) dated 14 September 2022.

² ASX Announcement entitled [‘MRC Granted De Punt Prospecting Right at South Tormin’](#) dated 28 July 2022.

³ ASX Announcement entitled [‘Strandline Extension Targets Identified at De Punt’](#) dated 25 August 2022.

- Cooperative Research Centres Projects successfully completed with battery grades achieved for both Munglinup and Skaland spherical graphite, using the CSIRO-development environmentally friendly purification process.⁴
- Successful grant application of AU\$3.94M to advance commercialisation of a new graphite ore-to-battery anode business based on the Munglinup graphite project including process piloting for anode materials production.⁵

Financial

Total revenue of US\$44.5 million

EBITDA loss of US\$3.6 million

NLAT of US\$11.5 million

Net Assets US\$47.2 million

- Company secured AU\$11.7 million from a placement and rights issue.⁶
- Earnings were below historical performance due to higher operating costs and a reduction in beach grades in comparison to last year. Higher operating costs reflect the spike in global diesel costs, ongoing high global shipping costs since the pandemic and higher transport costs this year of trucking greater HMC material produced at the Northern Beaches back to the GSP for processing.

Interim Chief Executive Officer Adam Bick commented: "2022 represented an important year in establishing the Five Year Strategic Plan⁷ for MRC, however many of the profitability objectives for the business have been deferred until 2023 (Inland Strand production, adding a third primary concentration circuit, mineral separation circuits) resulting in a below average performance in 2022. We aim to improve financial performance in 2023 through returning to production from an optimised Inland Strand in Q1, adding a third primary concentration circuit in Q4 to increase Tormin production capacity by up to 50% and maintaining cash generation at the Skaland operations. We would like to thank our shareholders for their continued support. We welcome 2023 as a year where we invest in income producing assets at Tormin aimed at returning to historic profitability and increasing the asset value of our battery business for the benefit of our shareholders."

ENDS

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⁴ ASX Announcement entitled '[CRC-P Project Completion and CSIRO Collaboration Update](#)' dated 30 May 2022.

⁵ ASX Announcement entitled '[Critical Minerals Grant Funding](#)' dated 26 September 2022.

⁶ ASX Announcement entitled '[Rights Issue Strongly Supported by Shareholders](#)' dated 30 December 2022.

⁷ ASX Announcement entitled '[MRC Unveils Five Year Strategic Plan 2022-2026](#)' dated 29 April 2022.

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 industrial and critical 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.

The Company owns and operates the Skaland Graphite Operation in Norway, the world's highest-grade operating flake graphite mine and is the only producer 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 ultimately aims to produce graphitic anode products and capitalise on the fast-growing demand for sustainably manufactured Lithium-Ion Batteries.

In April 2022, the Company released its Five-Year Strategic Plan 2022-2026 to delineate and implement its aspiration to become a leading vertically integrated diversified producer of graphitic anode materials and value added mineral products with a commitment to operate with a focus on the Environment, Sustainability and Governance.