

JUNE 2021 HALF-YEAR RESULTS SUMMARY

Mineral Commodities Ltd (ASX: MRC) is pleased to announce its half-year results for the half-year ended 30 June 2021, with the following overview:

- New era with the mining and processing of ore from the Northern Beaches and Inland Strand deposits, part of the Section 102 Mining Right areas acquired in June 2020.
- Improved **total material mined production rate of 2.42 million tonnes up 97%** (1.23MT-HY20), **ore tonnes mined up 21%** to 1.49 million tonnes (1.23MT- HY20) and **grade up 109%** to 15.11% Total Heavy Minerals (“THM”) (7.22% THM-HY20) during the half-year.
- 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 down-dip development provides new access to graphite resources to support continued processing operations at Skaland and plans for expansion.
- Financial performance impacted by the transition back to a 24/7 operation and introduction of higher cost mining at Inland Strand (overburden removal in comparison to standard beach mining), increase in shipping costs and deferred shipping as a result of global supply chain issues, and appreciation of the Rand against the US Dollar at Tormin and low production and sales at Skaland due to plant shutdowns and operational downtime.

Financial

- Total revenue of US\$29.3 million up 62% (US\$18.1 million HY20)
- EBITDA of US\$5.7 million down 39% (US\$9.4 million HY20)
- NPAT from continuing operations of US\$ 0.7 million down 88% (US\$5.6 million HY20)
- Cash balance US\$4.5 million

Acting Chief Executive Officer Russell Tipper commented: “We continue to build capacity at Tormin through a return to 24/7 operations and expect that ongoing optimisation and plant upgrades will continue to improve processing outcomes. We expect that our ongoing resource drilling programs and study work will form the basis for a new Mining Right application to further expand access to the resources contained in the Inland Strand. At Skaland, we have accelerated the down-dip development at the Trælen Mine, which will now enable years of access to high-grade ore as we prepare for upgrades to the floatation circuit in anticipation of improved plant performance in the second half of 2021”.

ENDS

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About Mineral Commodities Ltd:

Mineral Commodities Ltd is a global mining and development company with a primary focus on the production of high-grade Mineral Sands and Natural Flake Graphite from operations in South Africa and Norway.

The Company is a leading producer of zircon, rutile, garnet, magnetite 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 one 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.

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