ASX RELEASE

ASX: MRC

20 July 2021

HIGH GRADE DRILLING RESULTS AT TRÆLEN GRAPHITE MINE

- **Up to 44.5%[1] Total Graphitic Carbon ("TGC") intersected at Trælen confirming it as one of the world's highest grade operating flake graphite mines**
- **Infill and step-out drilling along strike confirms continuity of the high-grade Trælen mineralisation and the potential to upgrade the Mineral Resource tonnes/classification**
- **2,315m (~72%) of diamond drilling from 14 holes completed of 3,000m program**
- **Updated JORC Resource of Trælen Graphite Mine to be delivered by end of Q3 2021**

Mineral Commodities Ltd ("**MRC**" or "**the Company**"), through its 90% owned subsidiary, Skaland Graphite AS ("**Skaland**"), is pleased to announce the results of a down dip resource drilling program at the Trælen Graphite Mine ("**Trælen**"), at the Skaland Graphite Operation located on the island of Senja, Norway.

Significant results (minimum interval of 5m) from the diamond drilling program at Trælen included:

- TR2021_01) **15.7m @ 30.6% TGC** from 99.9m and **7.3m @ 21% TGC** from 122.9m
- TR2021_02) **9.5m @ 28% TGC** from 132.2m
- TR2021_03) **14.5m @ 27.1% TGC** from 210m
- TR2021_04) **27.7m @ 35.6% TGC** from 63.2m, including **5m @ 44.5% TGC** from 81m
- TR2021_05) **7.1m @ 37.7% TGC** from 141.5m and **26.3m @ 38.2% TGC** from 151m, including **11.7m @ 41.5% TGC** from 153m
- TR2021_06) **16.8m @ 35.3% TGC** from 80m, including **5.5m @ 40.7% TGC** from 89m
- TR2021_10) **21.3m @ 30.2% TGC** from 162m

Acting Chief Executive Russell Tipper said "*These drilling results confirm that the very high grade graphite mineralisation at Trælen continues along strike, down dip of historical mining operations. We are looking forward to an upgraded mineral resource estimate, targeting an upgrade to the current resource, as well as Skaland's first Ore Reserve estimate after the drilling campaign is completed. Skaland continues to be the foundation of MRC's graphite operations and we look forward to evaluating expansion options for it to support European decarbonisation and mobility electrification*".

1- Drill hole TR2021_04) 5m @ 44.5% TGC. Refer to Appendix 1 and JORC Table 1 of this Announcement.

Mineralisation is observed to be increasing in grade when compared to historically mined up-dip levels and graphite flake size is reported as medium to large.

In March 2021, the Company commenced a 3,000m drilling program including 17 holes from the existing development on level +25mRL, focused on resource expansion down dip. To 30 June, 2,167m of drilling from 14 holes have been completed down-dip at Trælen, with the drilling program expected to be finished in August 2021.

This drilling has confirmed Trælen to be a continuous steep, west-northwest dipping ore body with the mineralised horizon isoclinally folded. The thickest, most continuous mineralisation occurs as lens-shaped bodies oriented parallel to the main fold axis. This horizon contains economically interesting instances of graphite, with drilling from this program intersecting ore zones up to 27 metres wide.

Assay results from infill and step-out drilling along strike confirm continuity of the Trælen mineralisation and the potential to upgrade the Mineral Resource tonnes/classification confirming Trælen as one of the world's highest-grade operating graphite mines.

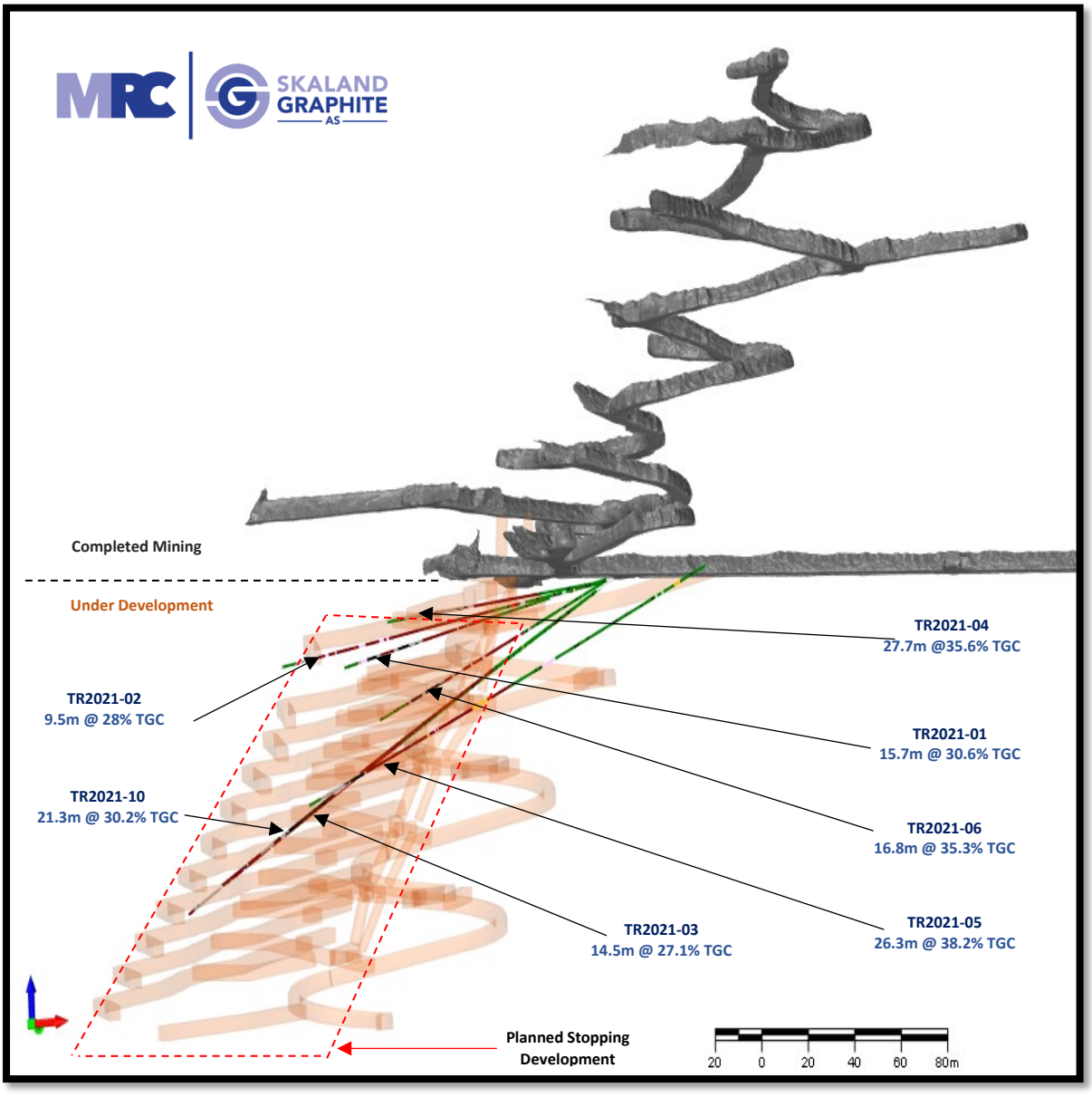

Figure 1 – View of long section of Trælen Graphite Mine showing assay results from diamond drilling in down dip

All diamond holes have been drilled by an underground rig - Diamec Smart 6, with a core diameter of 47.6mm NQ. The program has been designed to provide sufficient geological and assay data to allow for an update to the current JORC Mineral Resource (1.76 million tonnes at 22% TGC using a 10% cut-off)[2] by the end of Q3/2021. Significant graphite bearing intersections in the diamond core have been sampled by splitting the core longitudinally, with the mineralised zone sampled every metre, except for boundaries where a longer or shorter interval was taken, and samples submitted to an accredited laboratory. In addition, duplicates, blanks and CRMs have been inserted randomly for at least every 20 samples for QA/QC purposes.

Already, a total of 179 samples collected from 7 holes (Figures 1 and 2) have been assayed at the ALS laboratory in Sweden ("**ALS Scandinavia**") for Total Graphitic Carbon ("**TGC**"), Total Carbon ("**TC**"), and Total Sulphur ("**TS**") by LECO furnace and infrared spectroscopy. Figure 2 also shows historical drilling into the main down-dip lodes at Skaland.

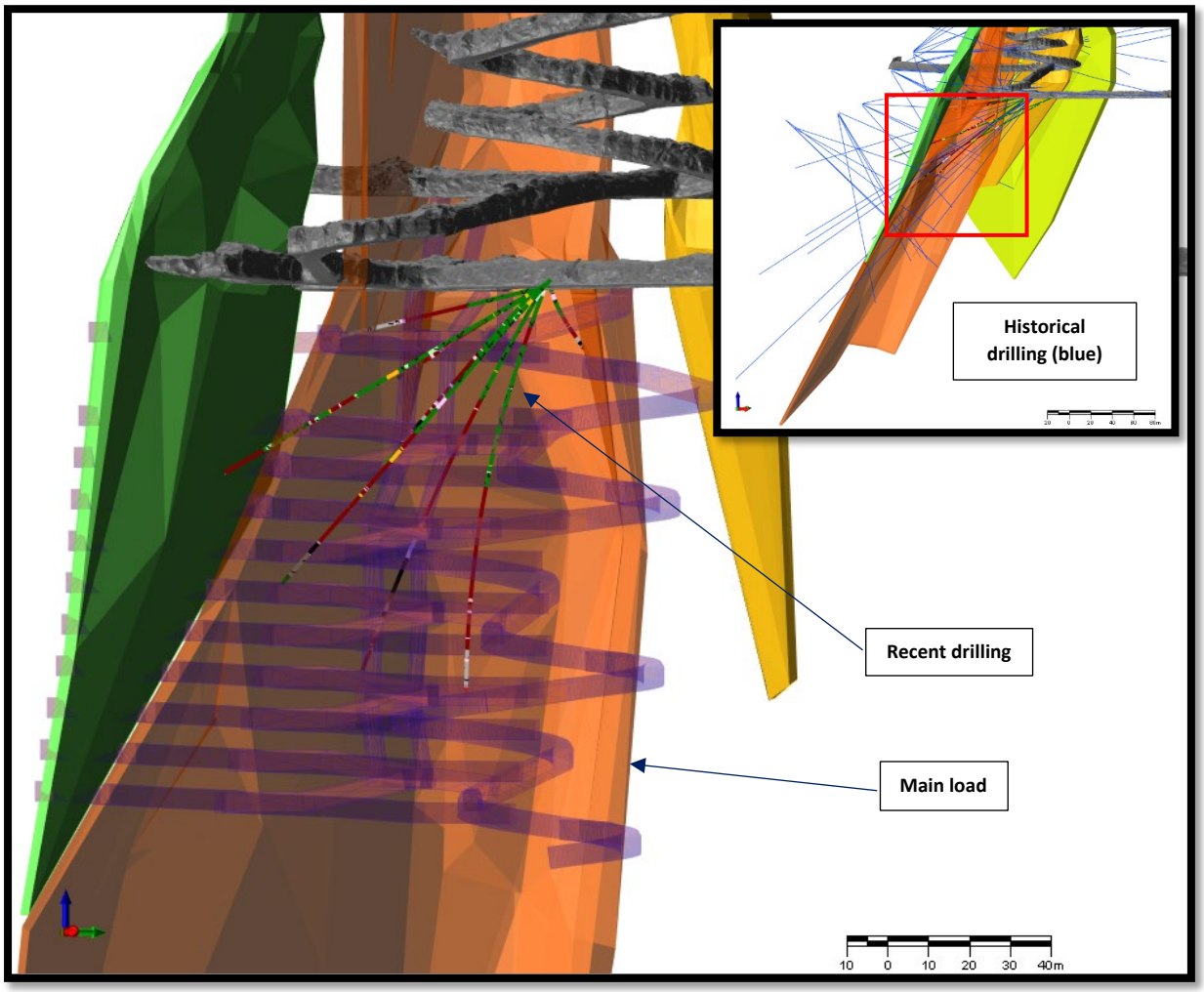

Figure 2 – Trælen Graphite Mine showing historical (blue) and recent drilling holes in down dip

2- ASX Release – ANNUAL MINERAL RESOURCE AND ORE RESERVES STATEMENT, 26 February 2021.

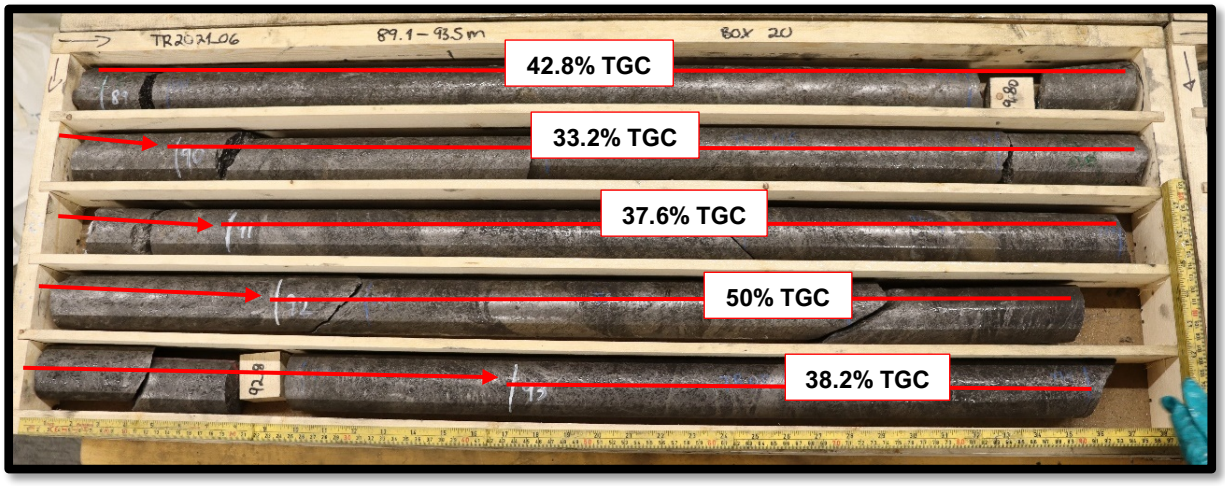

Figure 3 – Excellent grade graphite (up to 50% TGC) intersected in hole TR2021_06 from 89-93.5m.

High grade graphite has been intersected in all holes (see Figure 3), but only intervals of greater than 20% TGC and more than 5m in length have been reported in this release given the prevalence of high-grade graphite zones throughout the results.

Table 1 – Significant drill intercepts from Trælen graphite mine

HOLE ID	EASTING WGS 84-UTM	NORTHING WGS 84-UTM	HEIGHT (m)	DEPTH (m)	AZIMUTH (degrees)	DIP (degrees)	DRILL HOLE INTERSECTS
TR2021_01	12659.94	1281504	25.58	144	287.9	-7	15.7m @ 30.6% TGC from 99.9m and 7.3m @ 21% TGC from 122.9m
TR2021_02	12659.54	1281503	24.56	150	269.9	-6	9.5m @ 28% TGC from 132.2m
TR2021_03	12661.1	1281503	25,08	228	275.0	-23	14.5m @ 27.1% TGC from 210m
TR2021_04	12661.78	1281502	24.71	98	249.4	-7	27.7m @ 35.6% TGC from 63.2m, including 5m @ 44.5% TGC from 81m
TR2021_05	12660.98	1281503	24.99	200	268.7	-26	7.1m @ 37.7% TGC from 141.5m and 26.3m @ 38.2% TGC from 151m, including 11.7m @ 41.5% TGC from 153m
TR2021_06	12660.84	1281502	25.5	111	246.9	-15	16.8m @ 35.3% TGC from 80m, including 5.5m @ 40.7% TGC from 89m
TR2021_10	12705.47	1281492	25.18	189	261.9	-23	21.3m @ 30.2% TGC from 162m

Diamond drilling was oriented perpendicular to the general strike of the mineralised zones where possible; all intercepts are downhole widths and not necessarily indicative of true width.

Drill collar information and assay results of drilling are outlined in Appendix 1.

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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 industrial and battery minerals sectors.

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.

Cautionary Statement

This report contains certain 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.

Competent Persons Statement

The information in this Announcement related to Exploration Results is based on information compiled and approved for release 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 fulltime employee of the Company. 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). Mr Rashidi is a shareholder of Mineral Commodities Ltd.

The information from Mr Bahman Rashidi was prepared under the Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves ("**JORC Code (2012)**"). Mr Rashidi consents to the inclusion in the report of the matters based on this information in the form and context in which it appears. The following table provides a summary of important assessment and reporting criteria used for the Traelen graphite exploration in accordance with the Table 1 checklist in the JORC Code, 2012. Criteria in each section apply to all preceding and succeeding sections.

Appendix 1
Detailed assay results for drillhole at Trælen Graphite

HOLE ID	FROM (m)	TO (m)	INTERCEPT (m)	TGC %	SAMPLE TYPE
TR2021_01	99.9	101.2	1.3	31.6	Half Core
TR2021_01	101.2	102.5	1.3	29	Half Core
TR2021_01	102.5	103.8	1.3	27.1	Half Core
TR2021_01	103.8	105	1.2	23.7	Half Core
TR2021_01	105	106.3	1.3	32.2	Half Core
TR2021_01	106.3	107.6	1.3	26.6	Half Core
TR2021_01	107.6	108.9	1.3	29.5	Half Core
TR2021_01	108.9	110	1.1	32.7	Half Core
TR2021_01	110	111	1	34.4	Half Core
TR2021_01	111	112	1	33.2	Half Core
TR2021_01	112	113	1	34.4	Half Core
TR2021_01	113	114.3	1.3	32.3	Half Core
TR2021_01	114.3	115.6	1.3	31	Half Core
TR2021_01	122.9	124	1.1	9.52	Half Core
TR2021_01	124	125.1	1.1	7.03	Half Core
TR2021_01	125.1	126.4	1.3	23.5	Half Core
TR2021_01	126.4	127.7	1.3	31.6	Half Core
TR2021_01	127.7	129	1.3	23.8	Half Core
TR2021_01	129	130.2	1.2	31	Half Core
TR2021_01	131.6	132.9	1.3	25.2	Half Core
TR2021_01	133	134.2	1.2	20.5	Half Core
TR2021_02	132.55	133	0.45	19.1	Half Core
TR2021_02	133	134	1	43.2	Half Core
TR2021_02	134	135	1	50	Half Core
TR2021_02	135	136	1	23.8	Half Core
TR2021_02	136	137	1	22.7	Half Core
TR2021_02	137	138	1	21.9	Half Core
TR2021_02	138	139	1	22.4	Half Core
TR2021_02	139	140	1	26.7	Half Core
TR2021_02	140	141	1	25.7	Half Core
TR2021_02	141	142	1	24.9	Half Core
TR2021_03	203.3	204	0.7	12.8	Half Core
TR2021_03	204	205	1	12.65	Half Core
TR2021_03	205	206	1	18.9	Half Core
TR2021_03	206	207	1	12.35	Half Core
TR2021_03	207	208	1	17.3	Half Core
TR2021_03	210	211	1	23.3	Half Core
TR2021_03	211	212	1	22.8	Half Core
TR2021_03	212	213	1	38.2	Half Core
TR2021_03	213	214.1	1.1	31.8	Half Core
TR2021_03	214.1	215.4	1.3	29.4	Half Core
TR2021_03	215.4	216.7	1.3	24.4	Half Core
TR2021_03	216.7	218	1.3	24.7	Half Core
TR2021_03	218	219	1	18.55	Half Core
TR2021_03	219	220.1	1.1	23.8	Half Core
TR2021_03	220.1	221.4	1.3	27.2	Half Core
TR2021_03	221.4	222.7	1.3	30.3	Half Core

TR2021_03	222.7	224	1.3	33	Half Core
TR2021_03	224	224.55	0.55	26	Half Core
TR2021_04	0	1	1	12.1	Half Core
TR2021_04	1	2	1	5.21	Half Core
TR2021_04	2	3	1	16.15	Half Core
TR2021_04	63.2	64	0.8	34.5	Half Core
TR2021_04	64	65.3	1.3	27.3	Half Core
TR2021_04	66	67	1	29.2	Half Core
TR2021_04	67	68	1	7.92	Half Core
TR2021_04	68	69	1	24.9	Half Core
TR2021_04	69	70	1	29.6	Half Core
TR2021_04	70	71	1	34.1	Half Core
TR2021_04	71	73	2	31.8	Half Core
TR2021_04	73	74	1	36.8	Half Core
TR2021_04	74	75	1	32.5	Half Core
TR2021_04	75	76.3	1.3	34.2	Half Core
TR2021_04	76.3	77.5	1.2	44	Half Core
TR2021_04	78	79	1	35.6	Half Core
TR2021_04	79	80	1	38.3	Half Core
TR2021_04	80	81	1	34.9	Half Core
TR2021_04	81	82	1	47.6	Half Core
TR2021_04	82	83	1	45.9	Half Core
TR2021_04	83	84	1	39.9	Half Core
TR2021_04	84	85	1	39.4	Half Core
TR2021_04	85	86	1	50	Half Core
TR2021_04	86	87	1	39.7	Half Core
TR2021_04	87	88	1	39.7	Half Core
TR2021_04	88	89	1	41.6	Half Core
TR2021_04	89	90	1	33.4	Half Core
TR2021_04	90	90.9	0.9	38	Half Core
TR2021_05	141.5	142.5	1	32.1	Half Core
TR2021_05	142.5	143.8	1.3	31.7	Half Core
TR2021_05	143.8	145.1	1.3	37.1	Half Core
TR2021_05	145.1	146.4	1.3	46.3	Half Core
TR2021_05	146.4	147.3	0.9	35.6	Half Core
TR2021_05	147.3	148.6	1.3	43.8	Half Core
TR2021_05	151	152	1	40.1	Half Core
TR2021_05	152	153.3	1.3	33.4	Half Core
TR2021_05	153.3	154.6	1.3	50	Half Core
TR2021_05	154.6	155.9	1.3	40.9	Half Core
TR2021_05	155.9	157.2	1.3	40	Half Core
TR2021_05	157.2	158.5	1.3	40.3	Half Core
TR2021_05	158.5	159.8	1.3	46.3	Half Core
TR2021_05	160.7	162	1.3	39.8	Half Core
TR2021_05	162	163.3	1.3	37	Half Core
TR2021_05	164	165.3	1.3	35.7	Half Core
TR2021_05	165.3	166.6	1.3	44.3	Half Core
TR2021_05	166.6	167.9	1.3	26.1	Half Core
TR2021_05	167.9	169	1.1	43.8	Half Core
TR2021_05	169	170	1	46.8	Half Core
TR2021_05	170.3	171.6	1.3	39.8	Half Core
TR2021_05	171.6	172.9	1.3	38.7	Half Core

TR2021_05	172.9	174	1.1	37.7	Half Core
TR2021_05	175.1	176.4	1.3	33.7	Half Core
TR2021_05	176.4	177.7	1.3	36.7	Half Core
TR2021_05	177.7	179	1.3	26.4	Half Core
TR2021_05	179	180.3	1.3	25.5	Half Core
TR2021_05	186.7	187.7	1	28.2	Half Core
TR2021_05	188.4	189.7	1.3	28.4	Half Core
TR2021_06	68.2	69.5	1.3	37.3	Half Core
TR2021_06	71	72	1	28	Half Core
TR2021_06	75	76.3	1.3	10.75	Half Core
TR2021_06	80	81.3	1.3	20.2	Half Core
TR2021_06	81.3	82.6	1.3	11	Half Core
TR2021_06	82.6	83.9	1.3	39.3	Half Core
TR2021_06	83.9	85	1.1	36.3	Half Core
TR2021_06	85	86	1	42.2	Half Core
TR2021_06	86	87	1	35	Half Core
TR2021_06	87	88	1	39.8	Half Core
TR2021_06	88	89	1	38.4	Half Core
TR2021_06	89	90	1	42.8	Half Core
TR2021_06	90	91	1	33.2	Half Core
TR2021_06	91	92	1	37.6	Half Core
TR2021_06	92	92.8	0.8	50	Half Core
TR2021_06	92.8	93.5	0.7	38.2	Half Core
TR2021_06	93.5	94.5	1	42.7	Half Core
TR2021_06	94.5	95.5	1	34.6	Half Core
TR2021_06	95.5	95.8	0.3	29.2	Half Core
TR2021_06	96.2	97.2	1	30.1	Half Core
TR2021_10	162	163	1	26.3	Half Core
TR2021_10	163	164	1	36.1	Half Core
TR2021_10	164	165	1	47.4	Half Core
TR2021_10	165	166	1	41	Half Core
TR2021_10	166	167	1	32.4	Half Core
TR2021_10	167	168	1	29.7	Half Core
TR2021_10	168	169	1	23.6	Half Core
TR2021_10	170	171	1	24.4	Half Core
TR2021_10	171	172	1	28.7	Half Core
TR2021_10	172	173	1	31.5	Half Core
TR2021_10	173	174	1	32	Half Core
TR2021_10	174	175	1	29.8	Half Core
TR2021_10	175	176	1	29.8	Half Core
TR2021_10	176	177	1	27.7	Half Core
TR2021_10	177	178	1	30.7	Half Core
TR2021_10	179	180	1	25.6	Half Core
TR2021_10	180	181	1	30.2	Half Core
TR2021_10	181	182	1	27.8	Half Core
TR2021_10	182	183.3	1.3	20.1	Half Core

- Samples has been analysed at ALS Scandinavia for TGC by LECO furnace method (C-IR18).

Appendix 2
JORC TABLE 1
Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.*	• Diamond drilling mineralised zones were sampled every metre except for boundaries where a longer or shorter interval was taken. Unmineralised core was not sampled. • Sampling method is by core saw half core sampling of diamond drill core. • Pre-numbered calico bags used for samples ~4kg each. • Samples were submitted directly to ALS laboratory to be analysed for TGC,TC and TS.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Epiroc underground rig - Diamec Smart 6 has been used. All diamond drilling is NQ sized. • Core diameter is approximately 47mm. • Diamond drillholes drilled from underground have been downhole surveyed by electronic multi-shot survey tools at intervals of 3.0m. • Azimuths were measured for each hole.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• No sample loss or cavitation were experienced. • Sample recovery was very good. • A sampling bias has not been determined.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Each hole was logged by a geologist on pre-printed log sheets. • Geological and lithological observations per depth were recorded together with field sections and hand drawn down-the-hole logs. • Special attention was given to graphite intersected. • All diamond drillholes have been photographed in both dry and wet states.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representativity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Diamond core has been split longitudinally with core saw and half core sampled. • Duplicates have been sampled sporadically using the remaining half of the core. • Samples was sent to the ALS laboratory in Sweden (ALS Scandinavia) to complete the preparation and assaying. • ALS Sweden (“ALS”) prepares the sample by crushing, weighing, drying, fine crushing the entire sample to >70% passing 2mm, rotary splitting to 250g using a Boyd Rotary Splitter and finally pulverising the split to >85% passing 75µm. • The sample sizes are considered appropriate for the type of mineralisation under consideration.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• All samples were resubmitted to ALS to analyse both TC and TGC as well as TS by LECO furnace and infrared spectroscopy. • In these additional assays, duplicates, blanks and standard reference material (“CRM”) has been inserted every 20 samples. • 5 samples have been assayed for 48 rock forming elements using HF-HNO3-HClO4 acid digestion, HCl leach and a combination of ICP-MS and ICP-AES. This was done on a selection of graphite bearing and non-graphite bearing samples to help identify general rock chemistry and impurities. • The CRM, blank and duplicate sample results are within accepted limits. • No geophysical tools or handheld instruments were utilised in the sample analysis.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• TGC values are reasonably consistent, but the integer representing logged flake size can vary on a short scale. • No specific twinned holes have been drilled. However, closely spaced drillholes were reviewed for short scale variability. • The drillhole logs have been converted to electronically stored formats and stored in a database provided by Maxgeo (DataShed). This database is hosted on an offsite server supplied by Maxgeo and managed by their trained database staff.
Location of data points	• *Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Accuracy of surface collar points is assumed, as the collars have been lost. However, collar locations were picked up by company employed surveyors at the time of drilling using total station surveying. • The project lies in UTM zone 33. • Underground diamond drillholes have been surveyed using routine underground surveying methods (including Leica Total Station). • Downhole surveys applied for the underground diamond drillholes, and these have typically been surveyed every 3m. • Underground surveys are accurate for collar positions.
Data spacing and distribution	• *Data spacing for reporting of exploration results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*	• Drillholes were located in two drilling pads in fan. • Spacing becomes variable due to the fanned nature of the holes. • Through the main graphite zones, nominal 1m sampling has been applied where appropriate and sampled to geological boundaries elsewhere.

Criteria	JORC Code explanation	Commentary
	• *Whether sample compositing has been applied.*	
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The drillhole orientation is considered appropriate with the drillholes being drilled as close to perpendicular to the interpreted strike of the geological units and graphite mineralisation as possible. • Drill spacing and orientation are close to perpendicular in the centre of the mineralised domains and becomes more oblique as the drillholes target down dip.
Sample security	• *The measures taken to ensure sample security.*	• External laboratories have significant chain of command documents due to shipping the samples internationally.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• The lab results and logging have been reviewed externally by a consultant to Skaland Graphite AS and internally as part of normal validation processes by MRC.

Section 2 Reporting of Exploration Results
(Criteria in the preceding section apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• According to the Norwegian Minerals Act, graphite is owned by the landowner. • The Trælen Mine lies on cadastral numbers (property numbers) 6/1, 6/2 and 7/1. An agreement with the local landowner is in place and covers access (6/1 and 6/2) and mining (7/1). • All licences, permits and rights are granted in the name of Skaland Graphite AS, a subsidiary of ASX listed Mineral Commodities Ltd (ASX: MRC). • Skaland Graphite AS owns three properties (10/13, 10/108 and 10/164) which cover the current process plant, an old residence, an access road and the old Skaland Mine site. Skaland Graphite AS also owns 10/1/28 and 10/13/5 which comprise areas servicing the wharf and hardstand area and have been leased back to the Berg Municipality. • Skaland Graphite AS has also leased 10/1/19, 10/1/24 and 10/1/27 on which the current main office building and car park are located. • The Skaland Graphite AS operating licence for the Trælen Mine was renewed on 28 May 2019 for a duration of 10 years. • The Company was granted permission to increase production to 16,000t of graphite concentrate per year and the discharge of 40,000t of tailings per year. The licence was issued on 28 June 2019 and replaced the previous production licence dated 24 January 2002 and discharge permit dated 25 July 2019. • To the knowledge of Competent Person, all licences and permits are in good standing with no known impediments.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Exploration dates back to 1870, when graphite was first discovered in the area. • The Geological Survey of Norway has conducted extensive regional-scale exploration including geochemistry and geophysical surveys. • Six drillholes were completed in 1985, followed by a Pre-Feasibility Study of the Trælen deposit conducted in 1998. • In 2001, an additional drilling program was undertaken that comprised 15 drillholes for a total length of 2,103m. All holes intersected high grade graphite in the Boye-vein and 5 holes also intersected high grade graphite in the VLF-vein, which indicated a significant addition to the 1998 estimation. • In 2002, based on a total of 35 drillholes, two ruler shaped mineralised bodies, or veins, were drill indicated and a Mineral Resource evaluation was completed to estimate the contained tonnes and carbon in graphite grade. • By 2017, a total of 101 drillholes had been completed and comprised 40 probe holes for a total of 1,009m and 61 diamond holes for a total length of 7,506m.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Trælen deposit lies on the northern tip of the Skaland peninsula and consists of two main and related lithological units. The tectono-stratigraphically lower unit is a banded gneiss with alternating biotite rich and granitic bands (locally termed “Trælen Gneiss”) and an upper unit that consists of amphibolitic gneiss. These are heterogeneous hornblende gneisses with graphite horizons, possibly metamorphic greywacke and calciferous rocks. Both units contain granitic orthogneisses, possibly a result of partial melting of the surrounding rocks. Quartz diorites and different types of pegmatites occur as well, forming discontinuous intrusions. • The graphite found in the upper unit is assumed to be primarily syngenetic and later exposed to tectonic activity leading to its present textural, mineralogical, geochemical and geometric characteristics. • The mineralised horizon is isoclinally folded and the thickest, most continuous mineralisation occurs as lens-shaped bodies oriented parallel to the main fold axis. This horizon contains most economically interesting instances of graphite at Trælen, and can vary between centimetres and 12-14m thick. There is minor graphite found in faults and along shears. There are minor exploration targets to the south and west of the current

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		Trælen Deposit, which may represent either a further fold of the same horizon, or a second mineralised horizon. • The rocks in the area have been exposed to at least three phases of folding and deformations. D1 developed the main foliation, D2 is responsible for the majority of the large scale folding structures in the region and D3 which is the last folding phase responsible at Trælen for the folds with a fold axis dipping 30 to 90 degrees towards west-northwest.
Drillhole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all material drillholes:* o *easting and northing of the drillhole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• A summary of the 7 diamond drilling (1,120m) is reflected in this release. • Total number of drillholes – 7 (diamond drillholes). • The minimum hole length is 98m, maximum 228m and average depth of drilling is 160 metres. • East collar ranges – 12659.54mE to 12705.47mE. • North collar ranges – 1281491.63mN to 1281503.88mN. • Collar elevation ranges – 24.56mRL to 25.58mRL. • Azimuth ranges – Drill sections are orientated perpendicular to the general strike of the mineralised zones, ranges from 344° to 40°. • Dip ranges – The dip of the mineralised zones ranges from 55° to 75°. Drillholes are generally inclined to intersect perpendicular to the mineralisation.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• The samples have been aggregated using a length weighted average method. • Assay intervals of greater than 20% TGC were identified and where more than 5 continuous metres at greater than 20% TGC, with at least 1 metre greater than 20% TGC were recorded, the interval has been reported in Appendix 1 of this release. • Intervals reported as "incl." are intervals included in the proceeding reported intervals were assays are greater than 40% TGC and using the same sample aggregation methods as the greater than 20% TGC reported intervals.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Inclined diamond drilling was orientated perpendicular to the general strike of the mineralised zones where possible. • The dip of the mineralised zones ranges from 55° to 75°. Drillholes are generally inclined to intersect the mineralisation at appropriate angles to limit sampling bias. • Any reported mineralisation intercepts are downhole widths and not true widths, which are unknown at this time.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Appropriate section and data tabulations are included in the main body of the report.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practised to avoid misleading reporting of Exploration Results.*	• All intervals of greater than 20% TGC and more than 5m have been reported in this release to indicate the high-grade graphite zones.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• A substantial amount of work has been completed at the Project by historic explorers dating back to 1870. Work has included geophysical surveys, soil sampling, diamond and probe drilling. • A Pre-Feasibility Study for the Trælen deposit was prepared in 1998 following the drilling of 6 drillholes in 1985. • Significant geophysical studies has been done by NGU. • In 2001 and 2002, 50 drillholes were completed that culminated in a Mineral Resource evaluation completed to estimate the contained tonnes and carbon in graphite grade.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Drilling is ongoing, further detail will be announced in the near future. • Relevant cross-section is presented in the report but until the drill programme has been developed, it is not possible to present any meaningful diagrams.