

Key Matters

Skaland:

- Conditions precedent satisfied in relation to the Share purchase agreement (“SPA”) entered into for sale of 100% of Skaland Graphite AS to Norge Mineraler Holding AS.
- Norge Mineraler Holding AS in default of SPA, despite partial payment.
- Saleable production 2,115 tonnes.

Munglinup:

- Discussions continued with JV partner regarding a formal agreement for binding transaction to settle the dispute and increase interest in Munglinup Project to 100%.

Tormin:

- South African business placed in provisional liquidation.

Corporate:

- Agreement reached with GMA to vary the conditions of a standstill agreement ongoing.

Corporate and Cash

- **Available Cash:** US\$71k as at 31 March 2025 (US\$1.2 million as at 31 December 2024).
- **Borrowings:** US\$7.2 million as at 31 March 2025 (US\$6.9 million as at 31 December 2024).
- **Securities:** 984.5 million shares, 17.6 million performance rights and 240,000,000 options on issue as at the date of this report.

Advancing Battery Mineral Projects and Assets

The Company remains committed to building the asset value of the Battery Minerals Division. Achievements during the quarter and up to the date of this report include:

- Continued engagement with Mitsubishi Chemical Corporation on its technical collaboration;
- Commissioning of the pilot scale battery anode plant has continued, including minor electrical repairs, with encouraging preliminary results;
- The Critical Minerals Accelerator Initiative (CMAI) project timeline has been extended to 31 March 2026; and
- Discussions continue towards securing 100% of the Munglinup Graphite Project.

Munglinup (51%)

During the quarter, the Company continued negotiations for a formal sale agreement (“**Formal Agreement**”) between MRC Graphite Pty Ltd (“**MRCG**”) and Gold Terrace Pty Ltd (“**Gold Terrace**”), its joint venture partner in the Munglinup Graphite Project (“**Munglinup**”), to settle a dispute and for MRCG to acquire the remaining 49% interest in Munglinup. The Company currently holds an existing 51% interest in Munglinup. Upon acquiring the remaining 49% interest, the Company will become the 100% owner of Munglinup.

Gold Terrace has agreed to not pursue any legal claims in respect of the joint venture agreement until completion of the Formal Agreement.

Payment terms (originally based on three (3) tranches totaling A\$ 7.5M as announced 25 June 2024) are currently the subject of good faith discussions between the parties, taking account of MRC’s changed circumstances and potential funding arrangements.

The Formal Agreement has not yet been executed.

Completion will be subject to market standard conditions precedent to completion, including regulatory approvals such as Foreign Investment Review Board Approval and ministerial consent, Gold Terrace agreeing to withdraw certain caveats against the Company’s tenements, and any shareholder approval associated with the potential provision of funding from another party to the Company (if required).

Upon completion of the sale, the joint venture agreement between the Company and Gold Terrace will terminate and Gold Terrace will release the Company from claims in relation to the joint venture agreement on a no-fault basis.

Obtaining environmental approvals and advancing studies remain the priorities for the Munglinup graphite development and are expected to be achieved by the December 2025 quarter, following some delays in the process.

The Munglinup Graphite Project remains a crucial asset in the Company’s overall goal to supply natural graphite into the key high-demand battery anode markets, with the DFS (2020) outlining a graphite asset able to produce approximately 52,000tpa of ore over 14 years at an average grade of 12.8%.

It is MRC’s strategy to reposition the Company as being focused on graphite only, with integrated assets.

Active Anode Plant Project (100%)

As previously advised, commissioning of the pilot-scale graphite anode pilot plant has delivered encouraging preliminary results with the achievement of battery grade overall purity in a single pass (without optimization) using 898 flake material. The pilot plant is partly financed by the Australian government Critical Minerals Acceleration Initiative (“**CMAI**”) Project. An application to extend the project timeline to 31 March 2026 was approved during February 2025.

The Company also continues to advance its collaboration with Mitsubishi Chemical Corporation and CSIRO (the Australian government research organisation).

Tormin

The Company previously reported that Mineral Sands Resources (Pty) Ltd ("**MSR**"), the owner of Tormin has been placed into provisional liquidation.

All decisions regarding the operation of Tormin, dealing with its creditors and the future of the business, including ownership, are being made by the provisional liquidator in accordance with South African law. The Company understands the provisional liquidators are applying to the Court for an extension of their powers with a view to dispose of Tormin to a third party. The Company understands there are a number of interested buyers who have contacted the provisional liquidators. .

MRC continues to hold 50% of MSR and is also a major creditor of MSR as a result of intercompany loans between MSR and other entities in the wider MRC Group.

Safety, Environment and Community Q1 2025

The Company has experienced zero recordable Injuries at Skaland during the period.

Sale of Skaland

As previously announced, MRC Graphite Norway Pty Ltd ("**MRCGN**") (a wholly owned subsidiary of MRC) entered into a binding, conditional share purchase agreement ("**SPA**") with Norge Mineraler Holding AS ("**Norge Mineraler**"), for the sale of 100% of its shares in Skaland Graphite AS ("**Skaland**") to Norge Mineraler ("**Transaction**"). Shareholders approved the Transaction on 10 March 2025.

Subsequent to the end of the quarter, on 15 April 2025, MRC announced that Norge Mineraler had made a partial payment of USD500,000 that is non-refundable, and has also agreed that the previously refundable deposit of USD1,000,000 is now non-refundable.

However, despite the satisfaction of all conditions precedent to the SPA, Norge Mineraler remains in default of its obligation to complete the Transaction (partial payment notwithstanding).

MRC notified Norge Mineraler that it is in default under the SPA and has demanded that Norge Mineraler complete the transaction without delay. MRC reserved its rights against Norge Mineraler in relation to its default under the SPA and has commenced the process of taking enforcement action in accordance with Norwegian law.

Any such action will be withdrawn immediately upon final completion of the Transaction.

Norge Mineraler is required to pay MRCGN interest on overdue payments at a rate of 12.5% p.a.

Consistent with the Company's business objectives and strategy, if completed, the Transaction will allow the Company to focus its efforts and its capital on its high-quality Munghinup project and downstream active anode plans in Australia.

Skaland Operations

Graphite concentrate production during the quarter was 2,155 tonnes.

Skaland Mining and Processing

A rental drill rig was sourced and has been in operation since January to allow the re-commencement of mining.

Mining	31 Mar 25 Quarter	31 Dec 24 Quarter	31 March 24 Quarter	Year to Date 31 Mar 25	Year to Date 31 March 24
Material Mined	11,043	0	10,000	11,043	10,000
Ore Mined	10,257	0	10,000	10,257	10,000
Waste Mined	786	0	0	786	0
Ore Grade (%C)	27	0	29	27	29
Development Metres	18	0	-	18	-

Fresh ore supply allowed full scale procession operations to recommence by the middle of January. Processing rates were significantly improved for the remainder of the quarter.

Processing	31-Mar-2025 Quarter	31-Dec-24 Quarter	31-Mar-2024 Quarter	Year to date 31-Mar-25	Year to date 31-Mar-2024
Ore Processed (t)	9,236	3,560	5,120	9,236	5,120
Throughput (tph)	7	7	8	7	8
Ore Grade (%C)	27	28	28	27	28
C Recovery (%)	92	91	90	92	90
Concentrate Grade (%)	93	90	91	93	91
Concentrate Produced (t)	2,155	1,016	2,282	2,155	2,282

Skaland Sales

Graphite sales were 1,782 tonnes of graphite concentrate during the March 2025 quarter. Sales revenue for the March 2025 quarter was US\$1.15 million.

Product (wmt)	31-Mar-2025 Quarter		31-Dec-24 Quarter		31-Mar-2024 Quarter		Year to date 31-Mar-25		Year to date 31-Mar-2024	
	Sales	PSD %	Sales	PSD %	Sales	PSD %	Sales	PSD %	Sales	PSD %
Coarse/Medium	856	48%	615	45%	489	46%	856	48%	489	46%
Fine-Medium/Powder	926	52%	766	55%	579	54%	926	52%	579	54%
Total	1,782		1,381		1,068		1,782		1,068	

Skaland Unit Costs & Revenues

The quarterly variances in the metrics below primarily reflect variances in production and sales volumes over a cost base that has a significant fixed cost component.

Summary of Unit Costs & Revenues	31-Mar-2025 Quarter	31-Dec-24 Quarter	31-Mar-2024 Quarter	Year to date 31-Mar-25	Year to date 31-Mar-2024
Unit production cash costs per tonne of net final concentrate produced (US\$/dmt)	643.18	2,174.74	1,508.36	643.18	1,508.36
Unit cost of goods per tonne of final concentrate sold (US\$/wmt) ⁽¹⁾	837.23	1,977.48	1,656.44	837.23	1,656.44
Unit revenue per tonne of final concentrate sold (US\$/wmt)	804.83	739.23	917.01	804.83	917.01
Revenue to Cost of Goods Sold Ratio sold	0.96	0.37	0.55	0.96	0.55

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

Corporate and finance

GMA

During the quarter, Garnet International Resources Pty Ltd (“**GMA**”) agreed to an amendment to extend the standstill arrangement (“**Standstill Agreement**”).

The Standstill Agreement provides that GMA will take no action in relation to the parent guarantee granted by MRC in relation to a loan between GMA and MSR, entered into in May 2023. GMA will have a right to terminate the Standstill Agreement if the sale of Skaland has not completed by 5pm (AWST) on 5 May 2025 or any later date agreed to by GMA (in its absolute discretion).

MRC secured A\$2.4 million funding in convertible loan facilities

On 17 October 2024, the Company announced it had entered into convertible loan facility agreements with existing shareholders for a maximum of A\$2.4M. The funding was provided by five lenders, including the Company's largest shareholder, Au Mining Limited (Au Mining)(A\$2,000,000) and four other shareholders (A\$100,000 each).

The terms and conditions of the loans are set out in the announcements dated 17 October 2024, 18 October 2024 and 29 October 2024.

Munglinup

Discussions are also continuing with Gold Terrace regarding an updated transaction for MRC to acquire 49% of the Munglinup Project (see announcement 25 June 2024). The timing and conditions relating to this transaction are currently being discussed with Gold Terrace along with discussions in relation to finalisation of a binding agreement.

Yearly accounts and audit

Yearly accounts for 31 December 2024 remain under audit review and are expected to be completed and lodged in the June quarter.

AGM

Upon finalisation of the 2024 accounts, the Company will seek to hold the AGM .

Securities on Issue

Post quarter end:

- 1) 7,900,000 performance rights lapsed; and
- 2) 240,000,000 options, each exercisable at \$A0.015 and expiring on 9 April 2028 were issued

Issued securities at the date of this report comprise:

- 1) 984,472,599 fully paid ordinary shares listed on the ASX.
- 2) 1,866,666 Performance Rights vesting upon the 30-day VWAP of the Company's shares trading on the ASX being at or above A\$0.19, expiring on 30 June 2025.
- 3) 7,900,000 Performance Rights vesting on 11 March 2026 upon the 30-day VWAP being at or above A\$0.038 in the period prior to 11 March 2026, expiring on 11 March 2028.
- 4) 7,900,000 Performance Rights vesting on 11 March 2027 upon the 30-day VWAP being at or above A\$0.038 in the period prior to 11 March 2027, expiring on 11 March 2028.
- 5) 240,000,000 options, each exercisable at \$A0.015, expiring on 9 April 2028.

ENDS

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Cautionary Statement

This announcement contains 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 various factors may cause actual results or expectations to differ materially from the results expressed or implied in the forward-looking statements.

These forward-looking statements are not a guarantee of future performance and involve unknown risks and uncertainties, many of which are beyond MRC's control. This may cause actual results and developments to differ materially from those expressed or implied. These risks include but are not limited to, economic conditions, stock market fluctuations, commodity demand and price movements, access to infrastructure, timing of approvals, regulatory risks, operational risks, reliance on key personnel, Ore Reserve and Mineral Resource estimates, native title, foreign currency fluctuations, exploration risks, mining development, construction, and commissioning risk. Forward-looking statements in this announcement apply only at the date of issue and are subject to any continuing obligations under applicable law or regulations, MRC does not undertake to publicly update or revise any of the forward-looking statements in this announcement or to advise of any change in events, conditions, or circumstances on which any such statement is based. Readers are cautioned not to place undue reliance on any forward-looking statements contained in this announcement.