



ASX: MRC

18 January 2023

Skaland Graphite AS successful with EU Horizon Funding

- **€12.3M DINAMINE (“Digital and Innovative Mine of the Future”) Project approved for funding in Horizon Europe program, which includes €9.2M of grant funding support from the European Commission**
- **Skaland is one of two European mining operations in the project consortium where developed technologies will be scaled-up and tested**
- **Application of innovative and digitization technologies (robotics, artificial intelligence, automation, integrated mine-to-port management systems) to improve efficiencies and sustainability of small to medium European mines**
- **Holistic mine-to-port approach to optimising performance**
- **Project supports securing European raw materials supply**

MRC is very pleased to announce that its 90% owned subsidiary, Skaland Graphite AS (Skaland), is a member of the DINAMINE consortium which has been successful in a European Union grant application. The multidisciplinary consortium consists of 11 partners from 6 European countries including three leading research institutes as well as industry partners.

The €12.3M project, coordinated by the Norwegian Geotechnical Institute (NGI), targets improving the efficiency and sustainability of European small-to-medium mining enterprises through innovation and digitisation, including robotics, artificial intelligence, sensors and automation, and an innovative and holistic mine management system.

The project represents a step-change in process management at Skaland from the current, essentially manual operations. Beneficial applications for Skaland will include mine to port optimisation of the production process using: sensors, models and process control algorithms developed by the consortium to optimise plant production rates; semi-automated drilling and remote geotechnical monitoring at Trælen mine to reduce mining costs and improve mine safety; and evaluation of alternative tailings options aimed at reducing Skaland’s environmental footprint even further.

This will allow Skaland Graphite to maximise graphite concentrate production and support future certification requirements for graphite concentrate supply into the Lithium-ion battery supply chain.

MRC’s Interim Chief Executive Officer, Mr Adam Bick said, *“We are very pleased to receive the news of the successful application and grant agreement finalisation between the DINAMINE Consortium and Horizon Europe. The DINAMINE Project provides Skaland with access to not just innovative technologies and systems but also the highly skilled personnel working on this project from the project partners. Optimising Skaland Graphite performance through leading edge sensors, equipment and control systems will position it as the premium European supplier of natural graphite. The Skaland team looks forward to participating in the Project to further improve performance at our mining and process operations and support European supply of critical minerals.”*

The project further advances MRC's Battery Minerals Division strategy of becoming a battery anode supplier in Europe, leveraging the Skaland Graphite operations."

ENDS

**Issued by Mineral Commodities Ltd ACN 008 478 653 www.mineralcommodities.com
Authorised by the CEO and Company Secretary, Mineral Commodities Ltd**

For further information, please contact:

INVESTORS & MEDIA

Adam Bick

Interim CEO

T: +61 8 6373 8900

investor@mncom.com.au

CORPORATE

Katherine Garvey

Company Secretary

T: +61 8 6373 8900

investor@mncom.com.au

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.

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 aims to capitalise on the fast-growing demand for sustainably manufactured lithium-ion batteries.

In April 2022, the Company released its Five-Year Strategic Plan 2022-2026¹ 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.

¹ Refer ASX Announcement entitled '[MRC Unveils Five Year Strategic Plan 2022-2026](#)', dated 29 April 2022.

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.