



Rights Issue Strongly Supported by Shareholders

HIGHLIGHTS

- **Rights Issue and Shortfall Offer strongly supported by eligible shareholders, with an acceptance rate of over 70%.**
- **Issue price for new shares subscribed under the Offer (\$0.075) is approximately 9% higher than the last share price on the closing date of the Offer.**
- **This successful result highlights the strong support the Company has from its shareholders and is a clear endorsement of the Company's growth strategy as outlined in its Five Year Strategic Plan 2022-2026 (Strategic Plan)¹.**

Mineral Commodities Ltd (ASX:MRC) (**MRC** or **the Company**) is very pleased to announce it has successfully closed its pro rata non-renounceable rights issue to eligible shareholders announced on 7 October 2022. The Company's offer of one (1) New Share for every three (3) existing Shares held at an issue price of \$0.075 per New Share (**Rights Issue**) was strongly supported by eligible shareholders. The Rights Issue was partially underwritten for an amount of up to \$100,000 by non-executive director Mr Guy Walker (**Underwriter**).

As set out in the Company's supplementary offer document dated 7 December 2022 (**Supplementary Offer Document**), eligible shareholders were entitled to apply for additional New Shares under a 'Shortfall Offer' (**Shortfall Shares**). The issue price for each Shortfall Share was also \$0.075, being the price at which New Shares were offered under the Rights Issue. As the Rights Issue and Shortfall Offer (**Offer**) were not fully subscribed, items of expenditure will be prioritised in the order set out in the Supplementary Offer Document.

The Company received over 70% in valid acceptances under the Offer totaling approximately A\$9.85 million at the issue price of A\$0.075 per share, which was approximately 9% above the closing price of \$0.069 per share at the closing date of the Offer on 23 December 2022.

Commenting on the positive take up of the Offer **MRC's Managing Director and CEO, Jacob Deysel**, said:

"MRC has received excellent support for the Offer from its existing shareholders, which include committed and discerning retail investors. The Board is delighted to see this support reflected in a strong and encouraging response to the Offer. The Board thanks shareholders for their endorsement and validation of MRC's Strategic Plan and looks forward to continuing to deliver on our strategic vision in 2023."

The successful response to the Offer means that a total of 129,840,186 New Shares will be issued under the Rights Issue. 1,462,840 Shortfall Shares have been applied for as at the Closing Date and a further 1,333,333 New Shares are expected to be issued to the Underwriter. The aggregate amount of 132,636,359 Shares to be issued together represents approximately 23.74% of MRC's existing ordinary shares on issue prior to the Offer.

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

The Company plans to ensure funds received from the Offer are applied to near term cash flow generative and future growth strategies within the Company's Heavy Minerals Division as follows:

1. 3rd Primary Concentration Plant (PCP), increasing overall plant capacity targeting an increase in concentrate production.
2. Downstream integration transitioning into higher value finished products, targeting enhanced profitability, utilising GMA negotiated funding².
3. Studies for future bulk mining unit targeting significant increase in production profile aimed at ensuring all available minerals are mined.
4. Resource and reserve development to support larger production footprint.

Funding for medium term growth strategic projects within the Company's Battery Minerals Division will be deferred, pending the Company receiving additional funding either through applications for additional Shortfall Shares or alternative funding initiatives subsequent to the Rights Issue.

The Company's substantial holders participation in the Offer are set out in the table below.

Substantial Holder	Prior to the Rights Issue			Rights Issue	Post the Rights Issue	
	Shares ¹	Voting Power (%)	Entitlement	Shares Subscribed For	Shares	Voting Power (%) ²
AU Mining Limited	174,002,880	31.14	58,000,960	58,000,960	232,003,840	33.55
HSBC Custody Nominees (Australia) Limited	117,883,318	21.10	39,294,439	37,693,914	155,577,232	22.50
Citicorp Nominees Pty Limited	81,163,089	14.52	27,054,363	26,699,677	107,862,766	15.60
Simto Resources Pty Ltd	55,401,497	9.91	18,467,166	-	55,401,497	8.01

Notes:

1. The table above is based on publicly available information and otherwise as disclosed in the most recent substantial holder notices released by these entities. The Company notes the voting power disclosure set out above may not be current and accurate.
2. Reflects inclusion of Shortfall Share applications received at Closing Date and Underwritten shares.

ENDS

² Refer to ASX Announcement entitled '[MRC Transitioning Into Higher Value Finished Products at Tormin](#)' dated 14 September 2022.

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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 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 2022-2026¹ 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.