



Successful Critical Minerals Grant Application for Developing an Australian Integrated Ore-to-Battery Anodes Business

- MRC successful in funding application under the Commonwealth Government's Critical Minerals Acceleration Initiative
- Grant of \$3,942,854 to advance commercialisation of a new graphite ore-to-battery anodes business based on Munglinup Graphite Project (MGP)
- Grant to support MRC's mine to battery anodes business development including: process piloting for anode materials production, product qualification, and delivery of an integrated ore-to anodes Definitive Feasibility Study based on MGP

Mineral Commodities Ltd (ASX: MRC) (**MRC**) is delighted to announce that its application for grant funding under the Commonwealth Government's Critical Mineral Acceleration Initiative (**CMAI**) has been successful.

The Commonwealth Government will contribute up to \$3.94M to support the development of an integrated graphite ore-to-battery anodes business based on MRC's Munglinup Graphite Project in Western Australia.

The grant directly supports Stage 1 of the overall project of developing an integrated ore-to-battery anode materials business. Stage 1 includes:

- Process optimisation and pilot scale processing of MGP ore to deliver concentrate for the downstream pilot plant.
- Development, commissioning and operations of a downstream pilot plant including:
 - Optimisation of the spheronisation process (flake graphite concentrate shaping process).
 - Purification of the spherical graphite based on the non-HF purification process developed under the CRC-P Project.^{1,2}
 - Development of a coating process to produce high-margin coated purified spherical graphite (**CPSG**).
 - Electrochemical testing on batteries made with CPSG.
- Supply of larger-scale customer qualification samples to secure offtake agreements.
- Definitive Feasibility Study (**DFS**) on integrated ore-to-anode materials development, including updated MGP DFS aligned with qualification and commercialisation.

¹ Refer ASX Announcement entitled '[MRC Leads Successful CRC-P Application to Develop Commercial Scale Process for Producing High Purity Graphite \(>99.95%\)](#)' dated 12 August 2019.

² Refer ASX Announcement entitled '[Active Anode Materials Plant \(AAMP\) Purification Success](#)' dated 13 September 2021.

Furthermore, the acceleration of Stage 1 will help bring forward MGP development as Stage 2 of the overall project.

MRC's Skaland Graphite AS' operations and its laboratory-scale downstream activities highlight the significant benefits of an integrated ore-to-battery anode approach to anode materials supply from technical, quality management and business profitability perspectives. This approach allows for optimisation across the whole supply chain to continuously achieve the tight product specifications required for graphitic anode materials supply for lithium-ion batteries.

Developing an integrated ore-to-battery anodes business in this project is strongly aligned with CMAI program objectives of:

- (a) helping Australian Critical Minerals projects contribute to supply chains of strategic importance, and
- (b) supporting and lowering risks associated with critical development activities to help progress towards offtake qualification and seeking debt financing to proceed to production.

In particular, the downstream pilot plant operations and testing on MGP concentrate will support the acceleration of MGP development.

MRC's Managing Director, Mr Jacob Deysel said, *"We are delighted with our successful grant application under the Critical Minerals Acceleration Initiative. This is an important program for supporting value-adding and accelerated development of Australia's critical mineral resources and MRC is proud to be an active participant in the CMAI program.*

This is a very significant step towards accelerating our active anode material production strategy. It allows MRC to not just accelerate advancement of our non-HF purification process developed as part of our CRC-P Project, it also allows MRC to accelerate development of our Munmlinup Graphite Project.

The grant will support our mine to anode materials optimisation of the overall value-chain currently underway and include, graphite concentrate, spheronisation, purification and coating to produce anode materials. Customer qualification of anode material is underway. The CMAI project will de-risk our commercial-scale development and deliver larger qualification samples that will support and secure offtake agreements.

MRC has two Tier 1 graphite projects in the Munmlinup Graphite Project in Western Australia, and the Skaland Graphite operations in Norway. We are actively transitioning these projects into integrated mine-to-anode materials operations to diversify natural graphite-based anode materials supply with lower environmental impacts and enhanced shareholder value.

We expect to announce an update on the CRC-P Project and collaboration partners on this CMAI project shortly."

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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.