



WATER STORAGE DAM - TORMIN MINERAL SANDS

Mineral Commodities Ltd (“**MRC**” or “**the Company**”) (ASX:MRC) wishes to provide information regarding damage to a water storage dam at the Tormin Mine in South Africa held by the Company’s 50% owned subsidiary, Mineral Sands Resources (Pty) Ltd (“**MSR**”) and potential impact on production.

Dam liner damage

Management at Tormin has reported that there has been damage to the liner of the main sea-water storage dam that provides water for processing. The damaged liner has allowed water ingress underneath the liner causing some minor erosion and the tensioning of the liner resulting in minor cracking adjacent to the liner edge.

Immediate actions

Action has been immediately taken to begin draining the dam. This will prevent further tensioning and damage to the liner. It will also allow close inspection of the extent of the damage and assessment of the repair work that will be necessary. The dam is also being monitored closely for signs of deterioration or movement. There was no indication of any damage to the dam wall in an inspection on 21st March 2024.

External expertise has been sourced including geotechnical specialists and a local contractor with expertise in dam liner repair / replacement. While draining the dam will take a few days, it is difficult to predict accurately at this early stage how long it will take for repairs to be made.

The overriding objective of the action taken and planned is to prevent further deterioration or damage to the dam, while limiting production impacts.

Potential production impacts

While the investigation, inspection and assessment of repairs are being conducted, alternative water arrangements are being planned to allow production to continue with every effort being made to minimise the impact on volumes. Options being assessed include diverting seawater intake to the lower capacity settlement ponds, processing beach material and reprocessing of mined grade coarse tailings and beach / garnet material through the GSP.

The Company’s Chief Executive Officer, Mr Scott Lowe commented: *“This is obviously disappointing news. However, I know the management and staff at Tormin will give this matter urgent priority and take action to prevent further deterioration, repair the dam and to return to normal operations as soon as possible. A further market update will be provided in the near future as more information becomes available.”*

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About Mineral Commodities Ltd

Mineral Commodities Ltd is a mining and development company with a primary focus on the production of high-grade Natural Flake Graphite Mineral Sands and Mineral Sand from operations in Norway and South Africa, along with a down-stream graphite project.

The Company is a 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.

The Company's aspiration is 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.