HIGH-GRADE RESULTS AND NEW INLAND STRANDLINE DISCOVERY AT TORMIN

- **Up to 62% THM[1] intersected at Inland Strandline**
- **Drilling confirms Western strandline open along continuous strike of 5500m, 200m wide and up to 23m thick mineralised layer**
- **Near surface high-grade Total Heavy Mineral (THM) grades and Valuable Heavy Mineral (VHM) assemblage consistent with original Tormin Beach deposit**
- **1971m of air core drilling from 121 holes completed (33%) of 6000m program**
- **Discovery of a second high grade 'Eastern Strandline' running semi-parallel with existing 'Western Strandline'**

Mineral Commodities Ltd ("MRC" or "the Company") and its empowerment partner Blue Bantry Investments 255 (Pty) Ltd are pleased to provide an update on drilling results from Prospecting Right (WC 30/5/1/1/2/10262PR) that is also subject to an expanded mining application owned by the Company's 50% South African subsidiary, Mineral Sands Resources (Pty) Ltd ("MSR"). The resource definition drilling is targeting the Inland Strandline areas adjacent to the existing Tormin mining operations, in the Western Cape province of South Africa.

Notable drill holes from the resource definition drilling located only **200 metres north of the current Tormin Processing Plant** (all from surface) include:

- Hole L11-11) **4m @ 61.34% THM** and **7m @ 49.99% THM** from 10m
- Hole L11-12) **5m @ 62.52% THM** and **8m @ 48.50% THM** from 11m
- Hole L11-13) **6m @ 58.81% THM** from 12m
- Hole L11-8) **7m @ 43.29% THM** from 9m

600 metres south of the current Tormin Processing Plant (all from surface) include:

- Hole L6-4) **2m @ 57.41% THM** from 7m
- Hole L6-5) **3m @ 53.11% THM** from 6m

1- Hole L11-12) 5m @ 62.52% THM and 8m @ 48.50% THM from 11m for further information refer to JORC Table 1 and Appendix 2 of this Announcement.

Executive Chairman Mark Caruso said, "*The drilling results are outstanding and extremely encouraging, indicating a world class heavy mineral sands deposit that demonstrates Tormin could host one of the highest grade inland mineral sands resources in the world. Based on the recent permitting approvals and these drilling results, the expansion of our world class operations at Tormin is imminent*".

In January 2020[2], the Company received registered Prospecting Right 10262PR to explore approximately 12km in length over the Inland Strandline area covering 1741 hectares of the coastal area immediately adjacent to the existing mining operations on the Company-owned farm Geelwal Karoo 262.

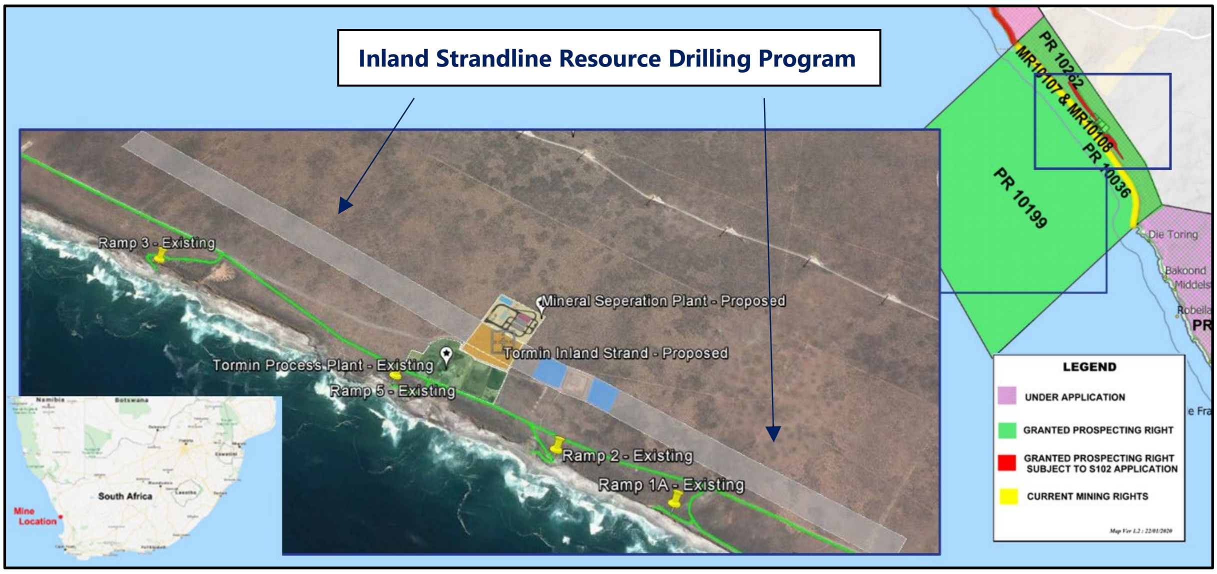

Figure 1 – Prospective Inland Strandline area straddling existing processing infrastructure at Tormin

The Inland Strandline is a palaeo-marine strandline 35m above mean sea-level in an area which has undergone historical exploration since the 1930s. The historical resource work and estimates are not JORC compliant as previously reported to the ASX.[2] Geophysics indicate that the Inland Strandline runs contiguously along the coastline of the Company's entire granted mining and prospecting tenure as well as areas under application.

In February 2020, the Company commenced a 7000m resource definition drilling program targeting the Inland Strandline and adjoining Northern Beaches. To date, 1971m of drilling from 121 aircore holes have been completed on the Inland Strandline with 1612 samples analysed. The drilling has been conducted with drill fence lines 250m apart on 20m spacings.

The high-grade THM mineralisation and VHM mineral assemblage observed in the laboratory results (1612 HLS and XRD analysis) of the drilling confirm the historical resource grades and are similar to the grades encountered in the first years of mining the high-grade Tormin Beach areas. The reported VHM contains high constituent zircon, rutile ilmenite, garnet assemblage as well as anatase and magnetite.

2- 30 January 2020 ASX Announcement - MRC RECEIVES REGISTERED PROSPECTING RIGHTS AT TORMIN

The exploration holes drilled in fence lines are indicated in Figure 2 , together with the historical drill hole locations (white).

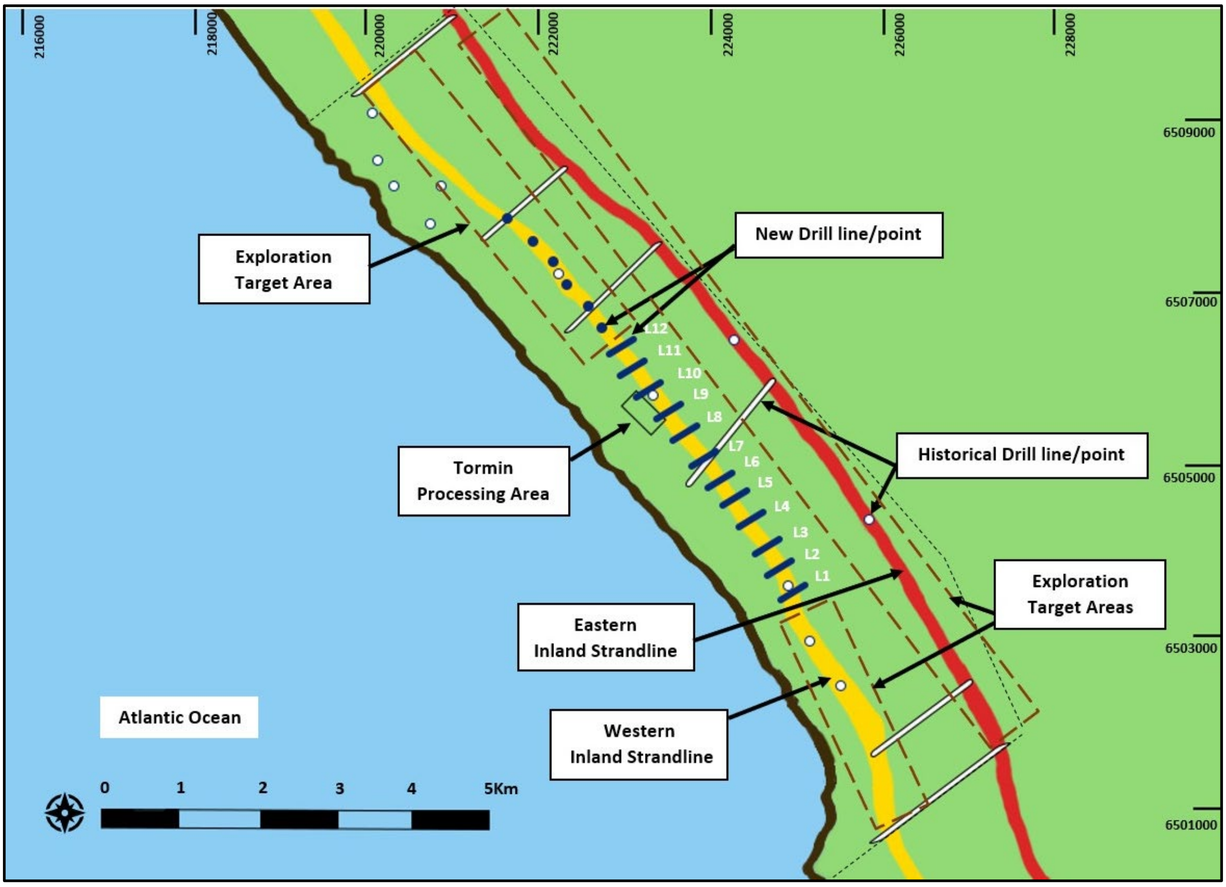

Figure 2 – Location map of historical and current exploration holes over prospecting area

Figure 3 – Drilling over the Western Inland Strandline

The current drilling targeted a geophysical aeromagnetic anomaly previously identified as a buried palaeo-strandline by MSR in 2014 (Figure 4).

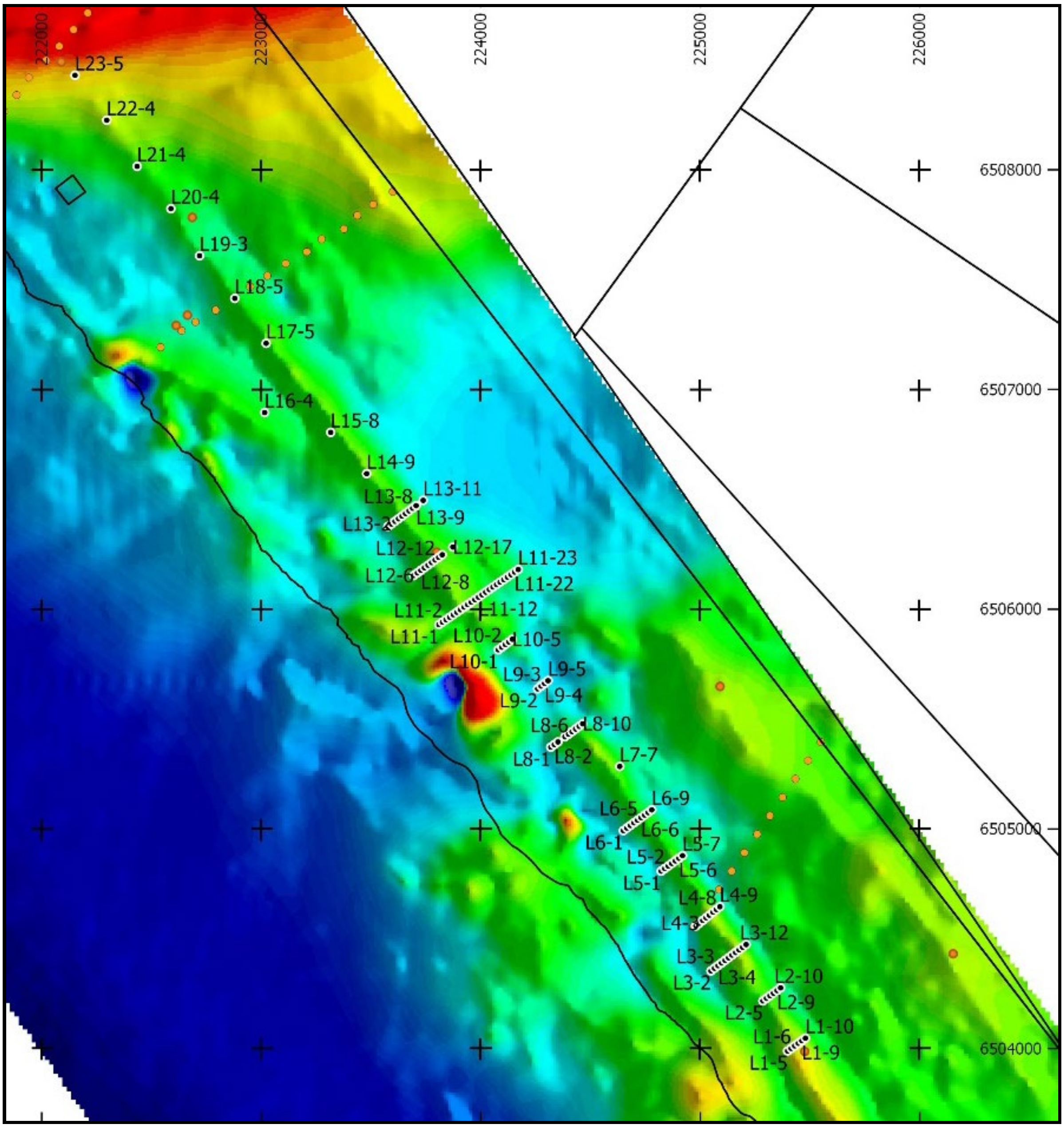

Figure 4 – Location map current exploration holes plotted over aeromagnetic anomaly (strandline)

A cross-section over the widest identified part of the Western Strandline (Drill Fence Line 11), indicates the near surface nature and high grade of the deposit (Figure 5).

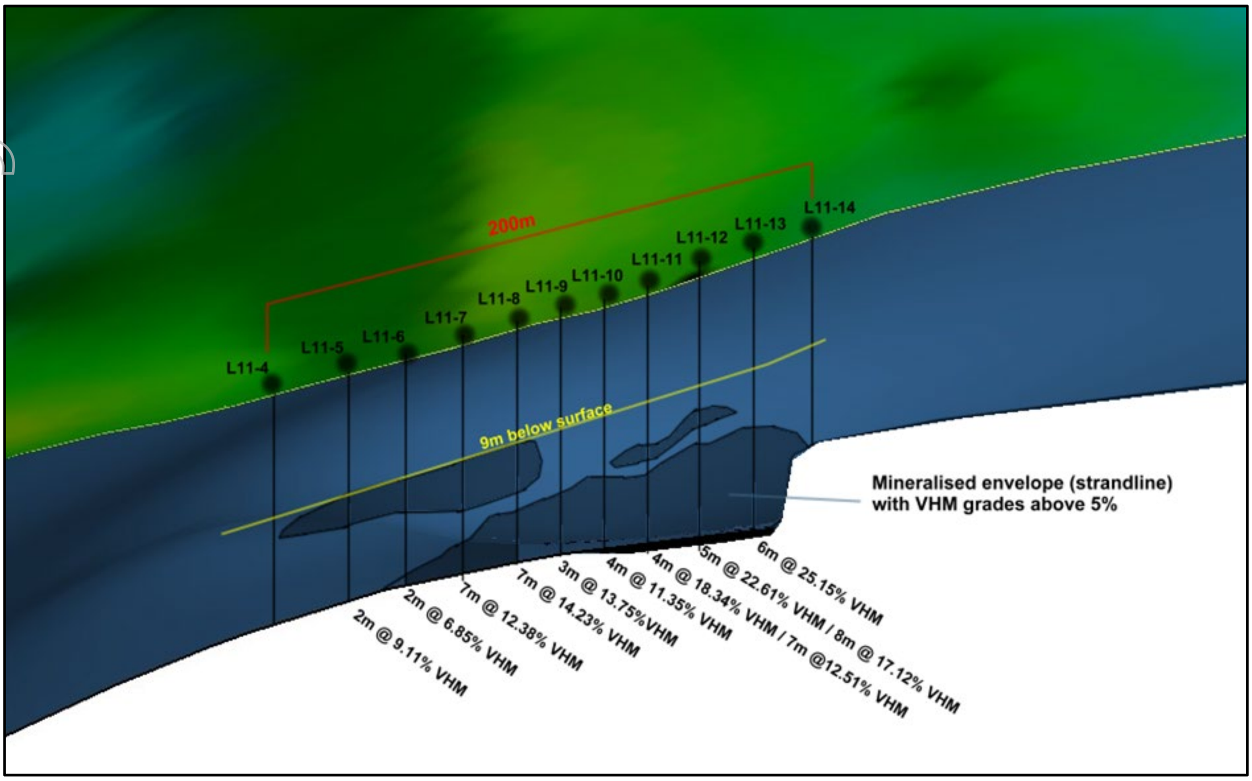

Figure 5 – Mineralised section Line 11 drill results underneath aeromagnetic anomaly

Another cross section of the central area of the Western Strandline drilled (Fence Line 6) further supports the well-developed and near surface nature of this deposit (Figure 6).

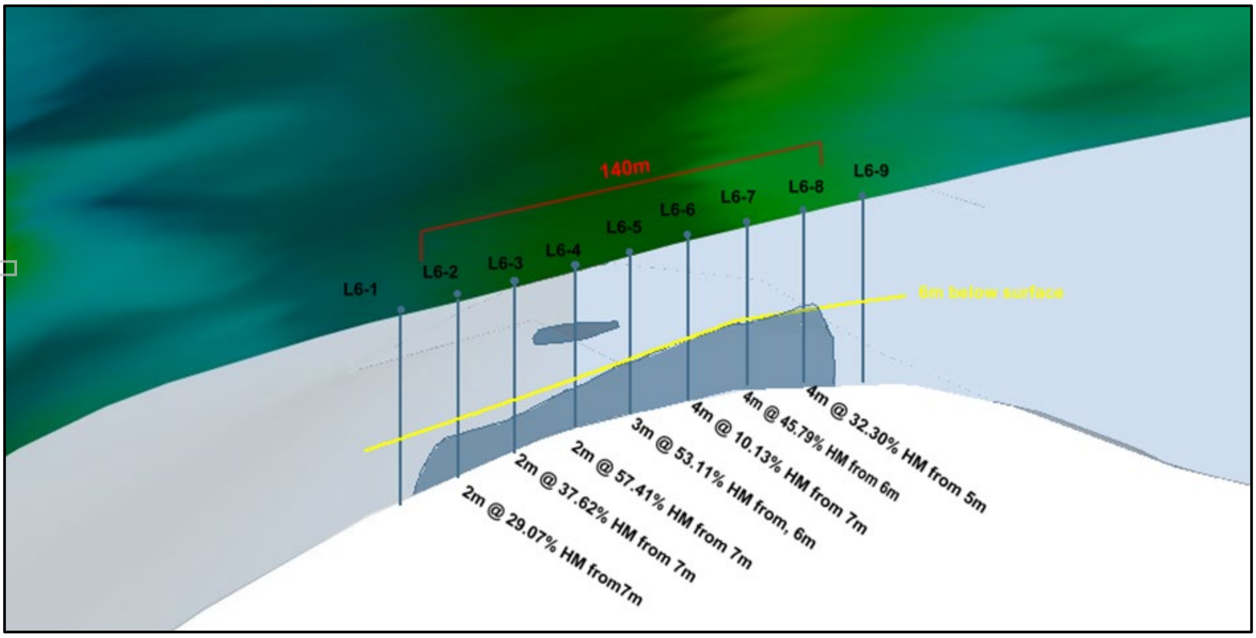

Figure 6 – Mineralised section Line 6 drill results underneath aeromagnetic anomaly

Intersections with grades above 10% THM or above 5% VHM are reported to indicate the high-grade strandline zones.

Of the 1612 samples analysed, 29.5% (475 samples) had significant grades above 10% THM. The highest 10% of 1612 samples analysed, 29.5% (475 samples) are reported in Table 1 below.

Table 1 – Significant grades intersected during drilling

Hole ID	From (m)	To (m)	THM[3] (%)	VHM[4] (%)	Zircon (%)	Rutile (%)	Anatase (%)	Ilmenite (%)	Garnet (%)	Magnetite (%)
GRC L6-7	9	10	**86.63**	63.79	**7.54**	**1.82**	0.15	**27.07**	**26.08**	1.13
GRC L3-10	11	12	**90.02**	61.90	2.84	1.31	0.29	42.47	15.00	0.00
GRC L4-7	6	7	**84.69**	58.93	**5.01**	**1.68**	0.20	**34.61**	16.46	0.96
GRC L11-13	16	17	**83.42**	54.56	3.95	1.15	0.21	21.70	**26.75**	0.80
GRC L11-7	9	10	**83.68**	53.51	2.56	1.20	0.24	20.83	**27.65**	1.04
GRC L22-4	24	25	**90.43**	52.10	1.84	0.62	0.10	17.63	**29.92**	1.98
GRC L4-8	6	7	61.22	47.81	**5.22**	1.18	0.11	**28.26**	12.02	1.03
GRC L3-8	9	10	72.45	47.55	3.46	0.90	0.19	**31.94**	10.15	0.91
GRC L1-6	23	24	79.63	47.14	2.83	1.04	0.22	**33.49**	8.62	0.93
GRC L3-7	9	10	**81.93**	46.50	**4.08**	1.13	0.18	**28.64**	11.78	0.69
GRC L4-7	7	8	70.18	45.99	**4.38**	1.17	0.15	20.16	19.28	0.85
GRC L5-3	6	7	69.32	45.68	**4.21**	1.12	0.19	**28.77**	10.85	0.53
GRC L2-7	15	16	73.28	45.02	**4.93**	1.33	0.14	23.13	14.50	1.00
GRC L5-5	9	10	67.74	44.75	3.65	1.03	0.14	19.55	19.90	0.49
GRC L4-5	4	5	66.13	44.42	3.51	1.42	0.22	**28.86**	9.97	0.43
GRC L3-9	10	11	76.11	44.03	3.68	1.29	0.22	23.97	13.95	0.91
GRC L6-5	8	9	58.43	43.80	3.36	0.99	0.12	22.20	16.66	0.47
GRC L1-7	23	24	75.25	42.46	**4.12**	0.99	0.14	**25.83**	10.41	0.96
GRC L4-5	4	5	74.88	42.29	3.73	1.28	0.19	**26.30**	10.36	0.43
GRC L5-5	8	9	68.02	42.05	**4.29**	1.14	0.18	21.36	14.20	0.88
GRC L6-4	7	8	61.71	40.87	2.80	1.24	0.21	22.64	13.56	0.42
GRC L14-9	23	24	**85.77**	40.51	0.75	0.46	0.09	5.50	**32.81**	0.89
GRC L4-7	5	6	66.40	40.49	3.27	0.90	0.22	**25.24**	10.52	0.35
GRC L12-12	19	20	66.80	40.08	1.21	0.45	0.05	11.60	**25.96**	0.80
GRC L11-8	10	11	73.43	40.08	2.24	0.81	0.19	17.87	18.09	0.87
GRC L22-4	23	24	**80.05**	39.94	0.76	0.60	0.11	8.81	**28.62**	1.03
GRC L5-5	7	8	68.83	39.46	3.30	1.11	0.12	22.39	11.93	0.61
GRC L11-13	15	16	75.22	39.14	2.66	0.95	0.16	18.40	16.43	0.55
GRC L21-4	28	29	**80.27**	37.61	0.42	0.17	0.02	2.50	**34.07**	0.43
GRC L6-5	7	8	75.78	37.43	2.97	1.21	0.18	18.21	14.34	0.52
GRC L4-6	5	6	66.26	36.73	1.97	1.11	0.19	**25.10**	7.86	0.49
GRC L21-4	27	28	66.51	36.59	0.50	0.34	0.02	4.40	**30.86**	0.48
GRC L2-8	15	16	51.13	35.80	**4.88**	0.98	0.11	17.00	12.02	0.82
GRC L12-10	17	18	71.92	35.71	1.17	0.56	0.11	9.39	23.93	0.55
GRC L4-6	6	7	73.26	35.53	3.23	0.95	0.17	21.02	9.63	0.53
GRC L3-7	10	11	67.92	34.31	2.93	0.77	0.14	19.80	9.82	0.86
GRC L1-6	22	23	71.28	33.92	1.95	1.08	0.35	21.23	8.67	0.63
GRC L3-5	10	11	73.38	33.82	2.76	0.98	0.21	19.38	10.15	0.34
GRC L9-3	7	8	69.66	33.78	2.70	0.91	0.13	16.34	13.14	0.56

Hole ID	From (m)	To (m)	THM[3] (%)	VHM[4] (%)	Zircon (%)	Rutile (%)	Anatase (%)	Ilmenite (%)	Garnet (%)	Magnetite (%)
GRC L10-6	10	11	60.59	32.80	2.36	0.80	0.17	14.70	14.52	0.25
GRC L3-10	10	11	70.53	32.64	1.79	0.63	0.14	20.06	9.31	0.71
GRC L5-4	6	7	67.07	31.79	2.80	0.93	0.15	16.91	10.46	0.54
GRC L9-4	6	7	66.49	31.32	2.58	0.98	0.15	17.55	9.70	0.37
GRC L5-7	0	1	50.24	31.09	3.20	1.59	0.34	18.53	7.04	0.39
GRC L8-7	5	6	**80.65**	30.98	2.64	0.83	0.13	15.79	11.10	0.50
GRC L4-5	5	6	**82.41**	30.61	2.27	0.87	0.15	15.46	11.32	0.54
GRC L4-8	7	8	43.79	30.14	3.08	0.62	0.08	18.06	7.81	0.50
GRC L3-6	7	8	41.42	29.72	1.53	0.33	0.08	15.72	10.69	1.38
GRC L8-9	6	7	53.21	29.61	2.32	0.68	0.12	11.71	14.40	0.39
GRC L6-7	8	9	46.47	29.58	2.54	0.77	0.11	12.53	13.20	0.43

3- THM includes all minerals that report as sink during heavy liquid separation at SG of 2.96 (TBE) after desliming, within the 45 micron to 1mm size fraction as a percentage of the total material.
4- VHM include Zircon, Rutile, Anatase, Ilmenite, Garnet, Magnetite

The current drilling program is targeting only 5.5km of the identified 12km long Western Strandline on Prospecting Right 10262PR. To date, drilling has intersected mineralisation across the entire strike extent of 5500m, at a width of up to 200m (Drill Fence Line 11) and to a maximum depth of 23m Strandline and Orange Feldspathic Sands Mineralisation (Hole GRC L14-9, 5-28m depth). Additional drilling planned this quarter is targeting a maiden JORC resource to an Indicated and Measured category, as well as target a newly identified Eastern Strandline.

Eastern Strandline Discovery

In addition to these outstanding drilling result, there is also substantial data reflecting the presence of multiple palaeo strandlines running semi-parallel to the coastline and within the current Inland Strand prospecting tenure. Two palaeo-marine strandlines have been identified, the known Western Inland Strandline (35m above mean sea-level) and an Eastern Inland Strandline located at an average height of 86m above mean sea level (indicated in purple in Figure 8). Historical drilling (non-JORC compliant) has reportedly intersected this strandline at a depth of 31m below surface. Aeromagnetic data clearly identifies the Eastern Strandline and the Company intends to drill the Eastern Strandline as part of the ongoing drilling program at Tormin.

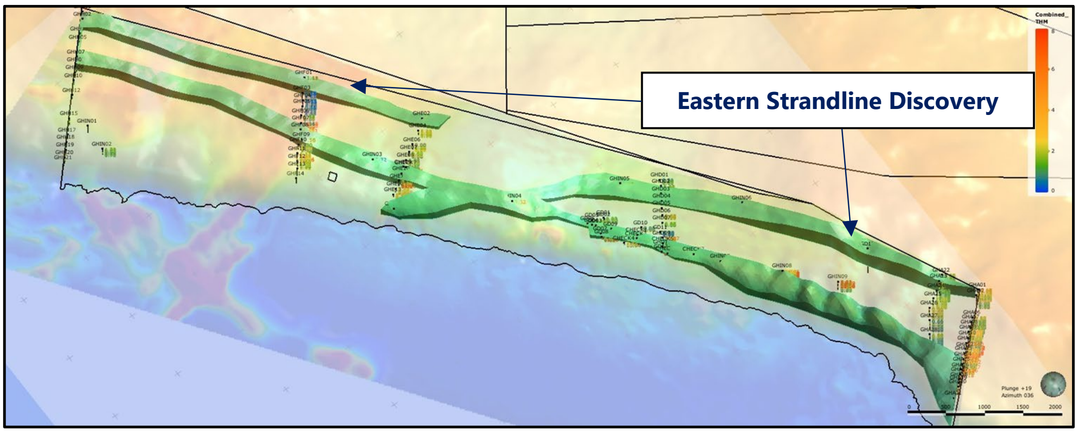

Figure 7 – Defined western and eastern strandlines plotted over aeromagnetics.

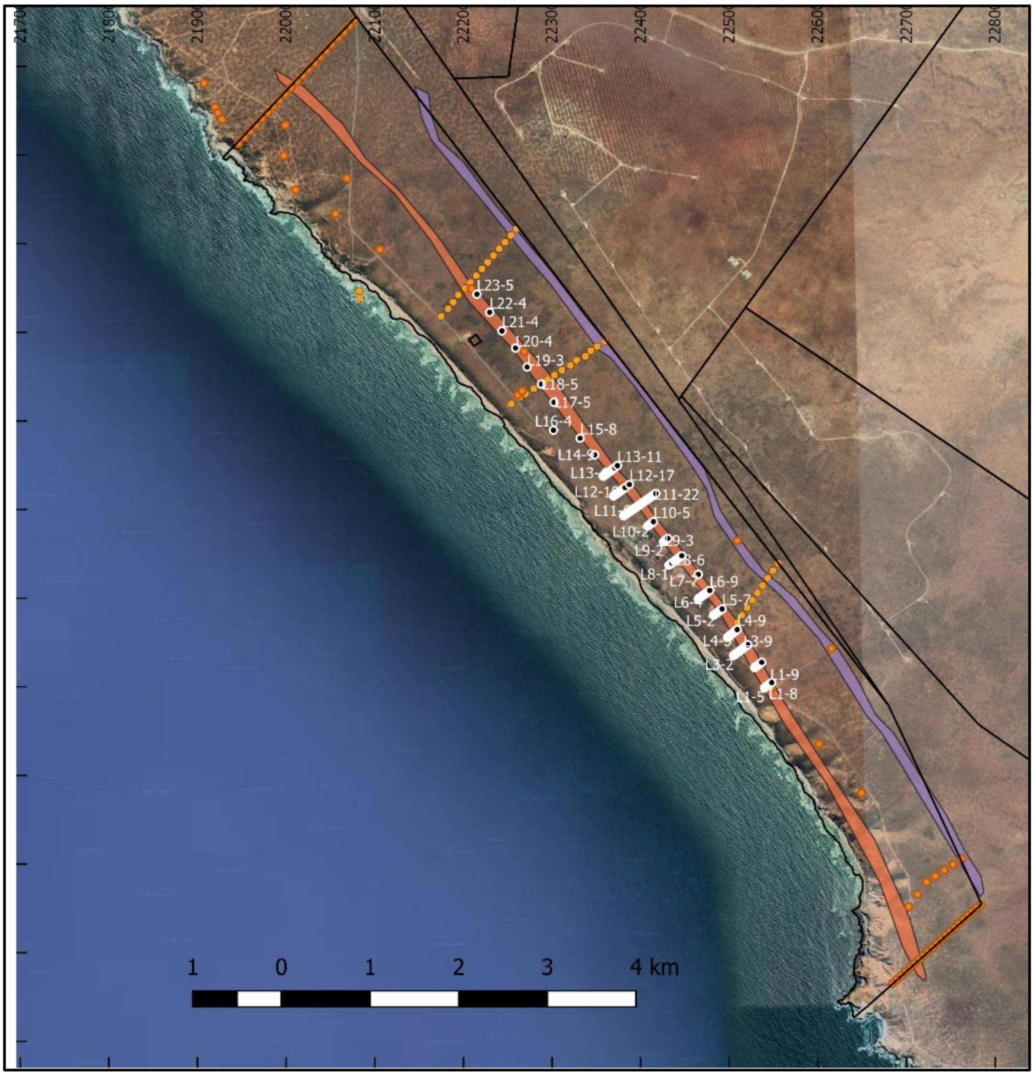

Figure 8 – Drill holes located over target strandlines

Although the main target is the high grade 35m Western strandline (Figure 9), the overburden horizons above the strandline, in the form of Aeolian facies (Orange Feldspathic Sand), Erosion surface facies (Dorbank, Silcrete, Calcrete) and Red Aeolian Sands deflation zones (RAS) have also been confirmed to be mineralised. These overburden facie grades have a high variance in heavy mineral concentrations and further resource modelling is required to confirm their heavy mineral grades which is present in some drill holes from surface.

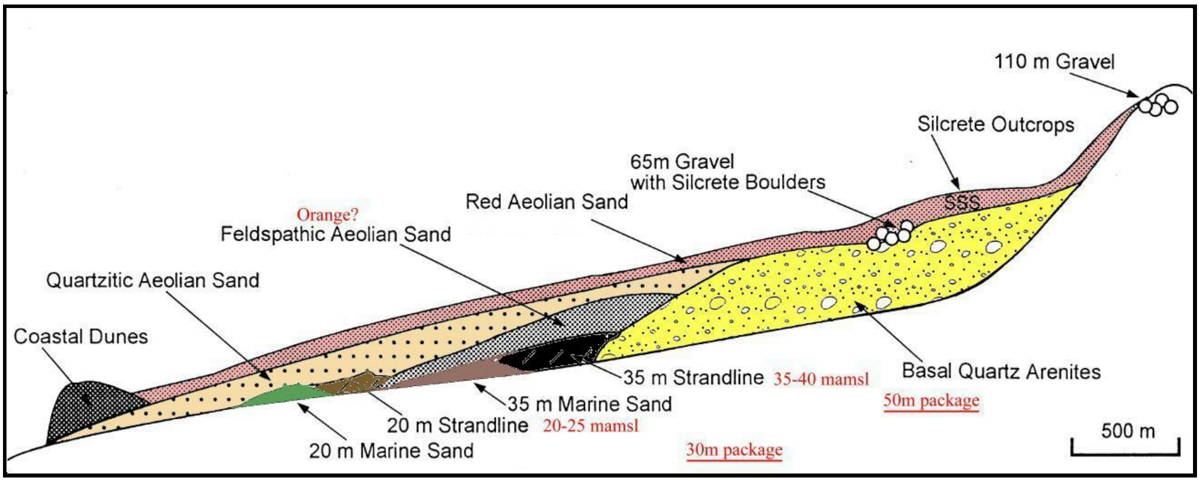

Figure 9 – Conceptual geological model of West Coast Heavy Mineral deposits

Drilling activities are scheduled to recommence in mid-April after the COVID-19 lockdown period in South Africa, targeting an Indicated and Measured JORC (2012) compliant Resource. The Company is confident that it may be in a position to release an Indicated and Measured Resource on the Inland Strand area by the end of the June Quarter.

The drilling activities at the Northern Beaches are ongoing with results also expected in this coming quarter.

Drill collar locations from completed exploration holes to date are outlined in Appendix 2.

END

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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 battery 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. In October 2019, the Company completed the acquisition of Skaland Graphite AS, the owner 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.

Cautionary Statement

This report contains certain 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 several factors could cause actual results or expectations to differ materially from the results expressed or implied in the forward-looking statements.

Competent Persons Statement

The information in this Announcement related to Exploration Results is based on information compiled and has been approved for release by Mr Bahman Rashidi, who is a member of the Australian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG). Mr Rashidi is Exploration Manager and a full-time employee of the Company and has over 22 years' of exploration and mining experience in a variety of mineral deposits and styles. Mr Rashidi has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person in accordance with the JORC Code 2012.

The information from Mr Bahman Rashidi was prepared under the JORC Code (2012). Mr Rashidi consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The following table provides a summary of important assessment and reporting criteria used for the Tormin Operation in accordance with the Table 1 checklist in The Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2012 Edition). Criteria in each section apply to all preceding and succeeding sections.

Appendix1
JORC TABLE 1
Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code Explanation	Commentary
• ***Sampling techniques***	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Sampled exclusively by vertical aircore. • One-metre air core drill samples from a cyclone were collected in 20-25kg plastic bags. • Each bag was riffle split into two pre-numbered calico bags of ~5kg each and the remainder of the samples collected in a large plastic bag. • 5 kg sample were submitted directly to the Tormin mine laboratory to be analysed for oversize, slimes and heavy minerals. • The laboratory sample was dried, de-slimed (removal of -45 micron fraction) and screen. • 200 gm of sample split to use for heavy liquid separation using TBE with density range between 2.92 and 2.96 g/ml to define THM content.
• ***Drilling techniques***	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Air core drilling was used, air core drilling is considered a standard industry drilling method for HMS mineralisation. • 76 mm drill bits and rods were used. • All holes were drilled vertical.
• ***Drill sample recovery***	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• No sample loss or cavitation were experienced. • Sample recovery was very good. • The twin tube air core drilling provides high quality samples from the face of the drill hole.
• ***Logging***	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Each hole was logged by a geologist on pre-printed log sheets. • Geological and lithological observations per depth were recorded together with field sections and hand drawn down-the-hole logs. • Special attention was given to heavy minerals intersected as a guide to potential marine strandlines and marine diamond deposits • Percentage HMS was recorded from visual observations as well as the magnetic content of each metre by handheld pen magnet. • Marine gravels and contact with basement bedrock recorded as maximum depth of mineralisation. • Each 1m sample were washed and sieved to obtain a representative sample stored in numbered chip trays.
• ***Sub-sampling techniques and sample preparation***	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Sampling over 1m down the hole intervals as determined by 1m marks on the rig mast. • Technicians undertaking the splitting are supervised by mine site geologist to ensure sampling quality. • Duplicate samples were riffled for the Tormin mine laboratory external QA/QC checks.
• ***Quality of assay data and laboratory tests***	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including*	• All sample analyses were undertaken by the Tormin mine laboratory. • The mine owns and operates a state of the art heavy liquid separation lab with Panalytical XRD machines. All grades reported are from XRD results on heavy liquid sink. • Industrial laboratory XRF machines (Panalytical Epsilon 3 ED)

Criteria	JORC Code Explanation	Commentary
	instrument make and model, reading times, calibrations factors applied and their derivation, etc. • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	are used by Tormin mine as a grade verification check on the XRD zircon content. • The Tormin mine laboratory completed its own internal QA/QC check that's include CRMs, duplicates and blanks. • External sampling checks (one out of every 20 samples) by either XRD Analytical and Consulting in Pretoria (Dr Sabine Verryn) or Mintek.
• ***Verification of sampling and assaying***	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All sampling was done by mine site personnel overseen by a qualified and experienced mine site geologist. • All sample preparation was done by qualified staff, supervised by chemists and lab manager. • The lab results and logging have been reviewed by external consultants to MSR as well as internally by MRC exploration manager. • A number of twin drill holes are planned to be drilled. • No adjustment to assay data results were done outside the standard XRD calibration software being used.
• ***Location of data points***	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Hole collars were surveyed by DGPS accurate to within centimetres by mine surveyors. • Down hole survey for shallow vertical air core holes are not required. • WGS 84 datum and UTM/ zone 35S coordinate system is used.
• ***Data spacing and distribution***	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Grade spacing was used in the drilling program is 250m x 20m. • Each drill fence line is 250m apart along the strandline strike. • Each drill hole is spaced 20m apart along each drill line perpendicular to the strandline inferred strike. • Some historical drill holes were twinned with the current air core holes. • Additional twin holes in the form of sonic core drilling is planned.
• ***Orientation of data in relation to geological structure***	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Vertical drilling to intersect sub-horizontal strata. • Orientation of the drill holes will not result in sampling bias.
• ***Sample security***	• *The measures taken to ensure sample security.*	• Sampling were done using pre-printed calico bags to prevent mis-labelling. • All sample bag numbers were logged against the drill hole by the site geologist. • Three samples per metre drilled were produced. One stored securely in a bag farm for reference, one for external QA/QC use and one were sent directly to the mine lab at the end of each days drilling in a secure area. • The Tormin mine laboratory inspected the submitted samples and did not report any missing or error of the samples against the sample lists.
• ***Audits or reviews***	• *The results of any audits or reviews of sampling techniques and data.*	• The lab results and logging have been reviewed by external consultants to MSR and internally as part of normal validation processes by MRC. • Verification and comparison of current drill results to the historical non-JORC compliant exploration results are planned.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	Explanation	Commentary
• ***Mineral tenement and land tenure status***	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The area has a granted prospecting right (WC 30/5/1/1/2/10262 PR) in the name of Mineral Sands Resources (Pty) Ltd a subsidiary of ASX listed Mineral Commodities Ltd (ASX: MRC). • This prospecting Right (Inland Strand) incorporates an area approximately 12km in length covering 1741 hectares of coastal area immediately adjacent to the existing mining operations on the Company-owned farm Geelwal Karoo 262.
• ***Exploration done by other parties***	• *Acknowledgment and appraisal of exploration by other parties.*	• The general area has been investigated and mined for heavy mineral deposits as far back as the 1930s (Haughton, 1931). Subsequent geological surveys and exploration programs investigated the distribution, mineralogy and economic potential of the heavy mineral sands along the coastline of Geelwal Karoo (Toerien & Groeneveld 1957, Abele 1989, Swart 1990, Barnes 1998) and Trans Hex 1989-1991). • During 1999, Trans Hex conducted additional onshore drilling of strandlines and identified the inland raised beach deposits containing heavy minerals. Trans Hex subsequently bulk sampled the material by digging several trenches in 1999-2000.
• ***Geology***	• *Deposit type, geological setting and style of mineralisation.*	• The heavy mineral sand deposits occur in a current active beach environment (e.g. Tormin mine) as well as in older palaeo-beach raised strandlines found inland (inland strandlines) eg. Tronox Namakwa Sands. • Apart from the mid-Jurassic, Cretaceous and Tertiary (Paleogene) sediments along the coast, numerous small fossiliferous, marine and terrestrial deposits of Neogene age outcrop along the coastal zone. • The Neogene deposits are host to the commercially important diamondiferous and HMS raised beach terraces.
• ***Drill hole Information***	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *Easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• A summary of the 121 aircore drilling (1971 m) is reflected in the text of this release. • The minimum hole length is 3m, maximum 36m and average depth of drilling is 16.28 metres. • East collar ranges – 222,151mE to 225,480mE • North collar ranges – 6,503,989mN to 6,508,430mN • Azimuth ranges/ Dip ranges – vertical drilling
• ***Data aggregation methods***	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No weighting or cutting of HM values, other than averaging of grades intersected were reported. • As all samples are 1 metre in length, no length weighting is required in averaging grades.
• ***Relationship between mineralisation widths and intercept lengths***	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The strandline mineralisation is sub-horizon in nature and the air core drilling intercepts are vertical. • Thickness of intercept reported is therefore true thickness of the mineralisation.

Criteria	Explanation	Commentary
• ***Diagrams***	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Maps, sections and plan view are provided in this report.
• ***Balanced reporting***	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Intersection with grades above 10% THM (Total Heavy Minerals) or above 5% VHM (Valuable Heavy Minerals) have been reported in this release to indicate the high-grade strandline zones.
• ***Other substantive exploration data***	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Historical drill data is not reported as it is classified as historical foreign estimates that are non-JORC compliant.
• ***Further work***	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• 81% of current drilling lab results have been received to date. • Only 33% of the planned 6000m of drilling has been completed to date. • Further drilling is planned to produce an indicated and measured resource over the Western Inland Strandline and an inferred Resource over the Eastern Inland Strandline. • The drilling activities in the Northern Beaches is ongoing, targeting Indicated Resource.

Appendix 2

Drill hole information on holes completed up to date

HOLE ID	EASTING WGS 84-UTM	NORTHING WGS 84-UTM	DEPTH (m)	DIP (degrees)	AZIMUTH (Degrees)	TARGET
GRC L1-5	225398.5	6503989	24	-90	0	Western Inland Strandline
GRC L1-6	225414.8	6504000	25	-90	0	Western Inland Strandline
GRC L1-7	225431	6504012	25	-90	0	Western Inland Strandline
GRC L1-8	225447.3	6504024	25	-90	0	Western Inland Strandline
GRC L1-9	225463.6	6504035	23	-90	0	Western Inland Strandline
GRC L1-10	225479.8	6504047	19	-90	0	Western Inland Strandline
GRC L2-5	225286.2	6504216	14	-90	0	Western Inland Strandline
GRC L2-6	225302.2	6504228	15	-90	0	Western Inland Strandline
GRC L2-7	225318.3	6504240	16	-90	0	Western Inland Strandline
GRC L2-8	225334.4	6504252	18	-90	0	Western Inland Strandline
GRC L2-9	225350.5	6504264	16	-90	0	Western Inland Strandline
GRC L2-10	225366.6	6504276	18	-90	0	Western Inland Strandline
GRC L3-2	225049.6	6504353	11	-90	0	Western Inland Strandline
GRC L3-3	225065.7	6504365	12	-90	0	Western Inland Strandline
GRC L3-4	225081.7	6504377	11	-90	0	Western Inland Strandline
GRC L3-5	225097.7	6504389	11	-90	0	Western Inland Strandline
GRC L3-6	225113.7	6504401	14	-90	0	Western Inland Strandline
GRC L3-7	225129.7	6504413	11	-90	0	Western Inland Strandline
GRC L3-8	225145.7	6504425	11	-90	0	Western Inland Strandline
GRC L3-9	225161.7	6504437	12	-90	0	Western Inland Strandline
GRC L3-10	225177.8	6504449	12	-90	0	Western Inland Strandline
GRC L3-11	225193.8	6504461	12	-90	0	Western Inland Strandline
GRC L3-12	225209.8	6504473	12	-90	0	Western Inland Strandline
GRC L4-2	224980.7	6504558	6	-90	0	Western Inland Strandline
GRC L4-3	224996.3	6504570	3	-90	0	Western Inland Strandline
GRC L4-4	225011.9	6504583	8	-90	0	Western Inland Strandline
GRC L4-5	225027.5	6504595	8	-90	0	Western Inland Strandline
GRC L4-6	225042.1	6504607	8	-90	0	Western Inland Strandline
GRC L4-7	225058.8	6504620	8	-90	0	Western Inland Strandline
GRC L4-8	225074.4	6504633	8	-90	0	Western Inland Strandline
GRC L4-9	225090	6504645	9	-90	0	Western Inland Strandline
GRC L5-1	224822.6	6504807	10	-90	0	Western Inland Strandline
GRC L5-2	224838.8	6504819	10	-90	0	Western Inland Strandline
GRC L5-3	224855	6504831	10	-90	0	Western Inland Strandline
GRC L5-4	224871.2	6504842	8	-90	0	Western Inland Strandline
GRC L5-5	224887.4	6504854	10	-90	0	Western Inland Strandline
GRC L5-6	224903.6	6504866	8	-90	0	Western Inland Strandline
GRC L5-7	224919.8	6504878	9	-90	0	Western Inland Strandline
GRC L6-1	224650.3	6504992	6	-90	0	Western Inland Strandline
GRC L6-2	224666.5	6505004	9	-90	0	Western Inland Strandline

HOLE ID	EASTING WGS 84-UTM	NORTHING WGS 84-UTM	DEPTH (m)	DIP (degrees)	AZIMUTH (Degrees)	TARGET
GRC L6-3	224682.6	6505015	9	-90	0	Western Inland Strandline
GRC L6-4	224698.8	6505027	9	-90	0	Western Inland Strandline
GRC L6-5	224715	6505039	9	-90	0	Western Inland Strandline
GRC L6-6	224731.1	6505051	11	-90	0	Western Inland Strandline
GRC L6-7	224747.3	6505063	10	-90	0	Western Inland Strandline
GRC L6-8	224763.5	6505074	9	-90	0	Western Inland Strandline
GRC L6-9	224779.6	6505086	8	-90	0	Western Inland Strandline
GRC L7-7	224651	6505268	27	-90	0	Western Inland Strandline
GRC L8-1	224319.7	6505372	7	-90	0	Western Inland Strandline
GRC L8-2	224335.8	6505384	9	-90	0	Western Inland Strandline
GRC L8-3	224352	6505395	8	-90	0	Western Inland Strandline
GRC L8-5	224384.2	6505419	8	-90	0	Western Inland Strandline
GRC L8-6	224400.4	6505431	10	-90	0	Western Inland Strandline
GRC L8-7	224416.5	6505443	8	-90	0	Western Inland Strandline
GRC L8-8	224432.6	6505454	8	-90	0	Western Inland Strandline
GRC L8-9	224448.8	6505466	8	-90	0	Western Inland Strandline
GRC L8-10	224464.9	6505478	13	-90	0	Western Inland Strandline
GRC L9-2	224259.9	6505637	12	-90	0	Western Inland Strandline
GRC L9-3	224275.6	6505650	9	-90	0	Western Inland Strandline
GRC L9-4	224291.4	6505662	9	-90	0	Western Inland Strandline
GRC L9-5	224307.1	6505674	9	-90	0	Western Inland Strandline
GRC L10-1	224080.6	6505815	12	-90	0	Western Inland Strandline
GRC L10-2	224096.6	6505827	8	-90	0	Western Inland Strandline
GRC L10-3	224112.6	6505839	8	-90	0	Western Inland Strandline
GRC L10-4	224128.6	6505851	11	-90	0	Western Inland Strandline
GRC L10-5	224144.6	6505863	13	-90	0	Western Inland Strandline
GRC L10-6	224160.6	6505875	13	-90	0	Western Inland Strandline
GRC L11-1	223809.8	6505929	21	-90	0	Western Inland Strandline
GRC L11-2	223826.2	6505941	15	-90	0	Western Inland Strandline
GRC L11-3	223842.6	6505952	15	-90	0	Western Inland Strandline
GRC L11-4	223859	6505963	16	-90	0	Western Inland Strandline
GRC L11-5	223875.5	6505975	15	-90	0	Western Inland Strandline
GRC L11-6	223891.9	6505986	19	-90	0	Western Inland Strandline
GRC L11-7	223908.3	6505998	15	-90	0	Western Inland Strandline
GRC L11-8	223924.8	6506009	16	-90	0	Western Inland Strandline
GRC L11-9	223941.2	6506020	17	-90	0	Western Inland Strandline
GRC L11-10	223957.6	6506032	15	-90	0	Western Inland Strandline
GRC L11-11	223974	6506043	17	-90	0	Western Inland Strandline
GRC L11-12	223990.5	6506055	17	-90	0	Western Inland Strandline
GRC L11-13	224006.9	6506066	17	-90	0	Western Inland Strandline
GRC L11-14	224023.3	6506077	13	-90	0	Western Inland Strandline
GRC L11-15	224039.7	6506089	17	-90	0	Western Inland Strandline
GRC L11-16	224056.2	6506100	13	-90	0	Western Inland Strandline
GRC L11-17	224072.6	6506112	12	-90	0	Western Inland Strandline

HOLE ID	EASTING WGS 84-UTM	NORTHING WGS 84-UTM	DEPTH (m)	DIP (degrees)	AZIMUTH (Degrees)	TARGET
GRC L11-18	224089	6506123	14	-90	0	Western Inland Strandline
GRC L11-19	224105.5	6506134	17	-90	0	Western Inland Strandline
GRC L11-20	224121.9	6506146	15	-90	0	Western Inland Strandline
GRC L11-21	224138.3	6506157	25	-90	0	Western Inland Strandline
GRC L11-22	224154.7	6506169	21	-90	0	Western Inland Strandline
GRC L11-23	224171.2	6506180	20	-90	0	Western Inland Strandline
GRC L12-6	223695.5	6506153	17	-90	0	Western Inland Strandline
GRC L12-7	223711.7	6506165	18	-90	0	Western Inland Strandline
GRC L12-8	223727.8	6506177	22	-90	0	Western Inland Strandline
GRC L12-9	223744	6506188	22	-90	0	Western Inland Strandline
GRC L12-10	223760.2	6506200	23	-90	0	Western Inland Strandline
GRC L12-11	223776.4	6506212	19	-90	0	Western Inland Strandline
GRC L12-12	223792.6	6506224	25	-90	0	Western Inland Strandline
GRC L12-13	223808.7	6506236	27	-90	0	Western Inland Strandline
GRC L12-14	223824.9	6506247	26	-90	0	Western Inland Strandline
GRC L12-17	223873.5	6506283	23	-90	0	Western Inland Strandline
GRC L13-1	223577.6	6506376	25	-90	0	Western Inland Strandline
GRC L13-2	223593.7	6506388	23	-90	0	Western Inland Strandline
GRC L13-3	223609.8	6506400	27	-90	0	Western Inland Strandline
GRC L13-4	223625.8	6506412	25	-90	0	Western Inland Strandline
GRC L13-5	223641.9	6506423	29	-90	0	Western Inland Strandline
GRC L13-6	223658	6506435	30	-90	0	Western Inland Strandline
GRC L13-7	223674	6506447	31	-90	0	Western Inland Strandline
GRC L13-8	223690.1	6506459	31	-90	0	Western Inland Strandline
GRC L13-9	223706.1	6506471	31	-90	0	Western Inland Strandline
GRC L13-10	223722.2	6506483	36	-90	0	Western Inland Strandline
GRC L13-11	223738.3	6506495	27	-90	0	Western Inland Strandline
GRC L14-9	223480.6	6506616	28	-90	0	Western Inland Strandline
GRC L15-8	223316.9	6506804	27	-90	0	Western Inland Strandline
GRC L16-14	223016	6506895	26	-90	0	Western Inland Strandline
GRC L17-5	223022.7	6507210	25	-90	0	Western Inland Strandline
GRC L18-5	222879.7	6507415	24	-90	0	Western Inland Strandline
GRC L19-3	222719.4	6507608	24	-90	0	Western Inland Strandline
GRC L20-4	222588.9	6507823	27	-90	0	Western Inland Strandline
GRC L21-4	222434.7	6508015	29	-90	0	Western Inland Strandline
GRC L22-4	222296.4	6508226	29	-90	0	Western Inland Strandline
GRC L23-5	222152	6508430	33	-90	0	Western Inland Strandline