

MINERAL DEPOSITS CEO SUCCESSION

The Board of Mineral Deposits Limited (“MDL”) announces today that Jeff Williams will retire from his position as Managing Director and Chief Executive Officer with effect from 1 July 2011 and that Rick Sharp has been appointed to succeed him. Jeff will remain as an Advisor to the Company and has been contracted until 30 June 2012.

Rick has been employed by MDL as Chief Financial Officer since mid 2009. His role at MDL has been broadly focused; covering finance, strategy, business planning and review, and all commercial functions. Prior to joining MDL, Rick spent more than 15 years in corporate advisory and investment banking, specialising in both M&A and equity capital market transactions for emerging companies, and six years in chartered accounting. Rick is a member of the Institute of Chartered Accountants in Australia and Financial Services Institute of Australasia (FINSIA), and has a Bachelor of Economics from Monash University.

MDL Chairman Nic Limb said “Jeff has made an enormous contribution to MDL since first being appointed to the position of Managing Director and Chief Executive over 14 years ago. In particular, his persistence in the early years was instrumental to the Company being in the position it is today. On behalf of the Board we thank him for his considerable input.”

Jeff Williams said “during my 14 years with MDL we have gone from a grassroots exploration company to developing, operating and subsequently demerging the Sabodala gold mine in Senegal, and are now in ramp-up mode for the development of the Grande Côte Mineral Sands Project, also in Senegal. I believe now is the right time to hand the reins to Rick, who combined with Nic, can lead MDL through the next phase of growth and development. To this end, the proposed joint venture with Eramet is an absolute win-win for both parties and makes enormous strategic sense to MDL. I look forward to staying on in an advisory capacity and watching the company’s growth”.

A summary of Mr Sharp’s new employment terms from 1 July 2011 is attached.

For further details please contact:

Nic Limb, Executive Chairman

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About MDL

Mineral Deposits Limited (ASX: MDL; TSX: MDM), is a Melbourne, Australia based mining company developing the world class Grande Côte Mineral Sands Project in Senegal, West Africa.

Grande Côte is located on the coast of Senegal starting approximately 50 kilometres north of Dakar and extends northwards for more than 100 kilometres. Over an expected mine life of at least 20 years, Grande Côte is anticipated to produce on average approximately 85 ktpa of zircon and 575 ktpa of ilmenite (and small amounts of rutile and leucoxene), making it one of only a few major new projects globally that can take advantage of the significant supply deficit emerging in the mineral sands sector. The large scale of the ore body, combined with the simplicity of its mining (as a result of the free-flowing sands with no overburden and minimal slimes), will make the Project top quartile on a revenue/cost basis.



Mr Rick Sharp

Summary of Key Terms and Conditions of Employment

Term of appointment

Mr Sharp will be appointed Managing Director and Chief Executive Officer on an ongoing basis from 1 July 2011.

Notice

The employment agreement may be terminated in the circumstances described below with the remuneration consequences noted.

1. Resignation by Mr Sharp by giving three months' written notice.
2. Termination by the company by giving twelve months' written notice. If the company elects to make a payment in lieu of notice, the company will pay base salary to the end date of the notice period, plus annual leave, long service leave and superannuation entitlements in accordance with law (to the extent permitted by the *Corporations Act 2001* (Cth)).
3. Termination by the company without notice for serious misconduct or other circumstances justifying summary dismissal. In this event, the company will only pay salary to the date of termination, plus annual leave, long service leave and superannuation entitlements in accordance with law.

On termination, any entitlements held under the company's long-term and short-term incentive plans will be treated (and may be retained or forfeited) in accordance with the applicable plan rules from time to time. Details of these plans are set out in the Company's Remuneration Report each year.

Remuneration

Remuneration payable to Mr Sharp will be:

- ▶ a fixed total cost of employment component of A\$550,000 subject to annual review on 1 July each year;
- ▶ short-term incentive (STI) in accordance with STI plan conditions that apply from time to time; and
- ▶ long-term incentive (LTI) in accordance with LTI plan conditions that apply from time to time.