

Grande Côte Update

Mineral Deposits Limited (“MDL”) advises that due to the failure of successive impellers within the main dredge pump, mining operations at Grande Côte in Senegal are currently suspended pending a site investigation early next week. It is anticipated that mining will be restarted at that time and proceed on a reduced basis.

The last of the currently available spare impellers is showing signs of failure. Extensive work is being undertaken in conjunction with suppliers and Eramet’s Research and Development personnel to determine the cause of the failures and to manage the lifespan of the present impellor in order to sustain mining operations. At this stage it is not known whether the failures are due to a casting fault, a design fault or an operational fault. It is however, unlikely that the current impellor will last until early October when the first of a number of pre-ordered replacement impellers is expected on site.

Rick Sharp, Managing Director of MDL, commented: “Given the significant progress that has been made with the ramp-up of Grande Côte, the impellor failures are obviously a disappointing setback. We are confident, however, that the underlying problem will be identified and resolved.”

For further details please contact:

Rick Sharp, Managing Director
T: +61 3 9618 2500
E: rick.sharp@mineraldeposits.com.au

About MDL

Mineral Deposits Limited (ASX: MDL) is an Australian based mining company in the business of finding, mining and processing mineral sands resources.

MDL owns 50% of TiZir Limited which owns the Grande Côte mineral sands mine in Senegal, West Africa and an ilmenite upgrading facility in Tyssedal, Norway.

Grande Côte is anticipated to produce on average approximately 85ktpa of zircon and 575ktpa of ilmenite (and small amounts of rutile and leucoxene) when in full production over an expected mine life of at least 20 years.

The Tyssedal ilmenite upgrading facility smelts ilmenite to produce a high-TiO₂ titanium slag which is sold to pigment producers and a high purity pig iron which is sold as a valuable co-product to ductile iron foundries. The facility currently produces approximately 200ktpa of titanium slag and 110ktpa of high-purity pig iron.

Once Grande Côte reaches expected average production rates, TiZir will be producing approximately 7% of both global zircon and titanium feedstock supply.