

ASX ANNOUNCEMENT

RESTART OF FURNACE AT TTI

Mineral Deposits Limited ('MDL', 'the Company') is pleased to announce that the furnace at the TiZir Titanium and Iron ilmenite upgrading facility ('TTI') has been restarted following successful completion of a three month shutdown for works associated with the furnace reline and capacity expansion project.

This milestone represents the final step in the vertical integration of the Grande Côte mineral sands operation & TTI.

Production of chloride slag is expected to begin once the furnace reaches optimal temperature. At full capacity and utilisation, the Company expects TTI to produce over 200kt of upgraded titanium dioxide feedstock per annum.

MDL is also pleased to report that TTI has received the first tranche of the Enova funds as previously foreshadowed in the announcement released to the ASX on 12 November 2015.

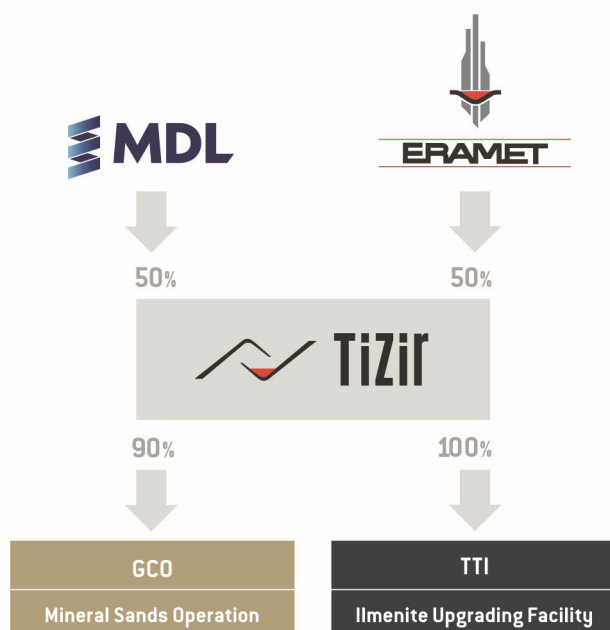
ABOUT MDL

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

MDL owns 50% of the TiZir joint venture in partnership with ERAMET of France. The TiZir joint venture comprises two integrated, operating assets – the Grande Côte mineral sands operation ('GCO') in Senegal, West Africa and the TiZir Titanium & Iron ilmenite upgrading facility ('TTI') in Tysseidal, Norway.

GCO commenced mining activities in March 2014 and is in the process of ramping up to full capacity. Over an expected mine life of at least 25 years, GCO will primarily produce high quality zircon and ilmenite. A majority of ilmenite production will be sold to TTI, thereby vertically integrating the operations. GCO also produces small amounts of rutile and leucoxene.

TTI smelts ilmenite to produce a high TiO₂ titanium slag which is sold to pigment producers and a high purity pig iron (a valuable co-product) which is sold to ductile iron foundries.



Forward looking statements

Certain information contained in this report, including any information on MDL's plans or future financial or operating performance and other statements that express management's expectations or estimates of future performance, constitute forward-looking statements.

Such statements are based on a number of estimates and assumptions that, while considered reasonable by management at the time, are subject to significant business, economic and competitive uncertainties. MDL cautions that such statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of MDL to be materially different from the Company's estimated future results, performance or achievements expressed or implied by those forward-looking statements. These factors include the inherent risks involved in mining and mineral processing operations, exploration and development of mineral properties, changes in economic conditions, changes in the worldwide price of zircon, ilmenite and other key inputs, changes in the regulatory environment and other government actions, changes in mine plans and other factors, such as business and operational risk management, many of which are beyond the control of MDL.

Except as required by applicable regulations or by law, MDL does not undertake any obligation to publicly update, review or release any revisions to any forward-looking statements to reflect new information, future events or circumstances after the date of this report.

Nothing in this report should be construed as either an offer to sell or a solicitation to buy or sell MDL securities.

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