

ASX ANNOUNCEMENT

RESULTS OF FULLY UNDERWRITTEN RETAIL ENTITLEMENT OFFER

Mineral Deposits Limited (ASX: MDL) is pleased to announce the completion of the retail component of its 3 for 4 pro rata accelerated non-renounceable entitlement offer (**Retail Entitlement Offer**), with a total of approximately A\$24.2 million raised from the Retail Entitlement Offer.

Together with the institutional component of the entitlement offer and placement, the total amount raised under the capital raising, originally announced to ASX on 2 March 2017, is approximately A\$39.2 million.

Eligible retail shareholders subscribed for a total of approximately 32.3 million new shares (approximately A\$13.6 million), representing 56.1% of new shares offered under the Retail Entitlement Offer. This figure includes eligible retail shareholders who subscribed for their full entitlement and also applied for additional new shares under the top up facility (**Top Up Offer**). All applications to participate in the Top Up Offer were successful and not subject to scale-back.

All six of MDL's directors took up their full entitlement under the Retail Entitlement Offer.

Entitlements not taken up by eligible retail shareholders by the close of the Retail Entitlement Offer and entitlements which would otherwise have been offered to ineligible retail shareholders totalled approximately 25.3 million shares (**Shortfall Shares**).

The Shortfall Shares have been allocated in accordance with the terms of the agreement between the Company and the underwriter, Morgans Corporate Limited.

Settlement of the Retail Entitlement Offer (including Shortfall Shares) is scheduled for Friday, 24 March 2017 with new shares expected to be issued Monday, 27 March 2017 and trading to commence on ASX on Tuesday, 28 March 2017.

New shares issued under the Retail Entitlement Offer will rank equally with existing MDL shares.

MDL's Chairman Nic Limb said: "The Company is delighted with the support from the Company's retail shareholders through their participation in the retail offer which we feel provides a further indication of the intrinsic long-term value of the Company's assets."

Subsequent to the successful completion of the capital raising, the Company will have the following securities on issue:

- 196,985,649 ordinary fully paid shares
- 1,170,000 unlisted, unvested performance rights

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IMPORTANT NOTICES

This notice may not be released or distributed in the United States. This notice does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The entitlements and the new shares to be offered and sold in the Placement, Institutional Entitlement Offer and Retail Entitlement Offer have not been, and will not be, registered under the US Securities Act of 1933 (the **US Securities Act**) or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States unless they are offered and sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The information contained in this announcement does not constitute financial product advice (nor investment, taxation, accounting or legal advice), is not a recommendation to acquire MDL shares and is not intended to be used or relied upon as the basis for making an investment decision. This announcement has been prepared without taking into account the investment objectives, financial position or needs of any individuals. Before making any investment decisions, prospective investors should consider the appropriateness of the information having regard to their own investment objectives, financial situation and needs and should seek investment, legal, accounting and taxation advice appropriate to their jurisdiction. MDL is not licensed to provide financial product advice in respect of MDL shares. Cooling off rights do not apply to the acquisition of MDL shares pursuant to the Placement, Institutional Entitlement Offer and Retail Entitlement Offer.

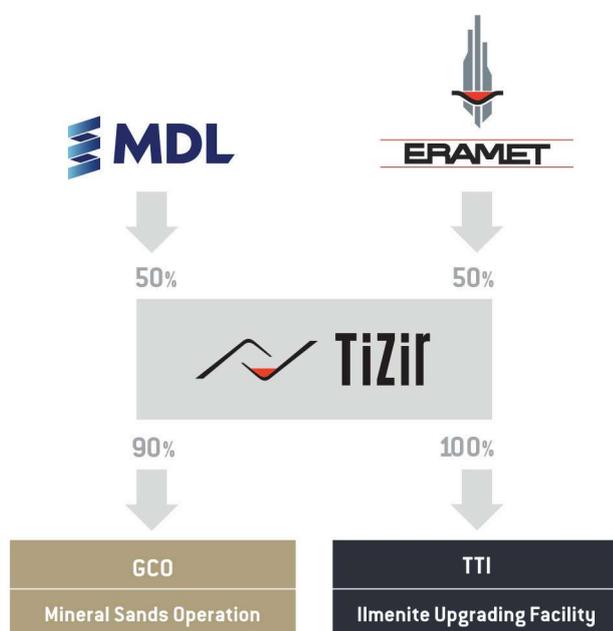
ABOUT MDL

Mineral Deposits Limited (ASX: MDL) is an established, ASX-listed, integrated mining company with a 50% equity interest in TiZir Limited ('TiZir') 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 Tyssedal, Norway.

GCO is a large-scale, cost competitive mineral sands operation located in Senegal that is fully integrated from mine-to-ship, using owned or controlled infrastructure. GCO commenced mining activities in March 2014 and, over an expected mine life of at least 25 years, will primarily produce high quality zircon and ilmenite. A majority of GCO's ilmenite is sold to TTI. GCO also produces small amounts of rutile and leucoxene.

TTI upgrades GCO ilmenite to produce high quality titanium feedstocks, primarily sold to pigment producers, and a high-purity pig iron, a valuable co-product, which is sold to ductile iron foundries. TTI benefits from access to cheap and clean power, and excellent logistics, in particular, year-round shipping capacity and customer proximity.



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, financing risks, 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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