



TAKEOVER UPDATE

Mineral Deposits Limited (**MDL** or the **Company**) notes the release of Eramet's Fourth Supplementary Bidder's Statement on 13 June 2018.

The MDL Board unanimously recommends that shareholders REJECT Eramet's increased offer of A\$1.75 cash per MDL share (**Revised Offer**) and take no action on the basis that the Revised Offer continues to undervalue MDL shares. In particular, it:

- remains below the Independent Expert's fair value range of A\$2.04 to A\$2.52 per share; and
- remains conditional.

Commenting on the Revised Offer, MDL Chairman Nic Limb said:

"While the Board welcomes an increase in the offer price, your Directors maintain their view that the Revised Offer still does not reflect the true value of the Company.

The Board believes the Revised Offer continues to undervalue MDL's shares, where its joint venture assets are operating at or near current capacity as the mineral sands commodity cycle continues to improve."

The Revised Offer has been declared by Eramet as last and final, in the absence of any alternative or competing proposal, and will remain open until at least 13 July 2018 (unless extended or withdrawn).

Your Directors will continue to review Eramet's Revised Offer and keep shareholders apprised of any material developments.

To reject the Revised Offer, shareholders are advised to do nothing and take no action.

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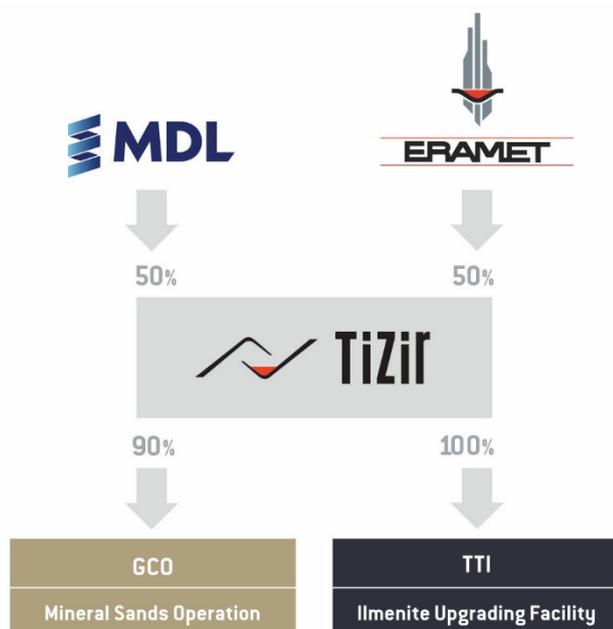
About MDL

Mineral Deposits Limited (ASX: **MDL**) is an established, ASX-listed, integrated mining company which jointly owns and manages TiZir Limited (**TiZir**) in partnership (50/50) with Eramet SA (**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 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 currently projected to 2050, 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. The government of the Republic of Senegal is a valued project partner, holding a 10% interest in Grande Côte Operations SA.

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 release, 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.

Any past performance information given in this release is given for illustrative purposes only and is not necessarily a guide to future performance. No representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward-looking statements, forecast financial information or other forecast. Nothing contained in this release is, or shall be relied upon as, a promise, representation, warranty or guarantee as to MDL's past, present or future performance.

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 release.

Information in this release should be read in conjunction with other announcements made by MDL to the ASX.

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

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