

ASX ANNOUNCEMENT

FINAL APPROVAL OF ENOVA GRANT FOR TTI ILMENITE UPGRADING FACILITY

TiZir Limited ('TiZir'), jointly owned by Mineral Deposits Limited ('MDL') and ERAMET of France, has received advice that its application for funding, by its wholly owned subsidiary TiZir Titanium & Iron ('TTI'), up to NOK122 million (approximately US\$14.2 million) has received final approval from the European Free Trade Association ('EFTA') Surveillance Authority.

The contribution from Enova, a Norwegian government agency which promotes energy efficiency and the use of environmentally friendly energy technology, was originally approved in early March 2015 (ASX release: 3 March 2015).

TiZir expects that the majority of the Enova funds will be received during 4Q 2015, with the remainder during 1Q 2016.

Harald Grande, CEO of TTI, commented:

We are delighted that the EFTA Surveillance Authority has approved the Enova support which in this first phase will result in energy savings calculated to 22GWh per year with a CO₂ reduction of 23,000 tonnes. This decision provides TTI with the opportunity to continue the development of an innovative, energy efficient and environmentally friendly process technology with the replacement of coal by hydrogen. The technology, if developed successfully, may contribute to a substantial reduction of both greenhouse gas emissions and energy consumption.

The president of the EFTA Surveillance Authority, Mr Sven Erik Svedman, noted that:

The EFTA Surveillance Authority fully supports the development of environmentally friendly production processes within the EEA (European Economic Area). If this new technology proves successful, it may be applied in the whole metallurgical industry and may contribute to important reductions in energy consumption and CO₂ emissions.

The full release of the EFTA Surveillance Authority is available via the following link:

<http://www.eftasurv.int/press--publications/press-releases/state-aid/aid-for-tizir-titan-iron-demonstration-project-approved>

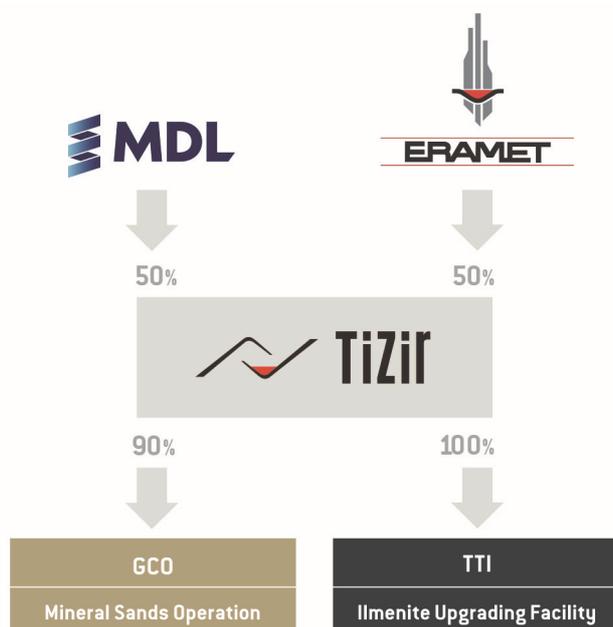
ABOUT MDL

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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