

ASX ANNOUNCEMENT

COMPLETION OF FULLY UNDERWRITTEN PLACEMENT & INSTITUTIONAL ENTITLEMENT OFFER

Mineral Deposits Limited (ASX: MDL) is pleased to announce the completion of the institutional component of its recently announced capital raising, with a total of A\$15.0 million raised from participating and eligible institutional investors.

The funds were raised through the institutional placement (**Placement**) and the institutional component of the 3 for 4 pro rata accelerated non-renounceable entitlement offer (**Institutional Entitlement Offer**) (collectively, **Institutional Offer**), which were priced at \$0.42 per new share.

The Institutional Offer enjoyed strong support from shareholders and a number of new investors.

MDL's Chairman Nic Limb said: "We are delighted with the results of the institutional component of the equity raising and I would like to thank our shareholders for their continued support. We now look forward to welcoming participation from our retail shareholders when the retail entitlement offer opens on Thursday, 9 March 2017."

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

Settlement of the Institutional Offer is scheduled for Friday, 10 March 2017, with new shares expected to be issued Monday, 13 March 2017 and trading to commence on ASX the same day.

MDL expects its trading halt to be lifted and its ordinary shares to recommence trading on an ex-entitlement basis from market open today.

FULLY UNDERWRITTEN RETAIL ENTITLEMENT OFFER

The retail component of the entitlement offer (**Retail Entitlement Offer**) opens on Thursday, 9 March 2017 and is expected to close at 5.00pm (Melbourne time) on Monday, 20 March 2017, raising up to approximately A\$24.2 million. The Retail Entitlement Offer is fully underwritten by Morgans Corporate Limited.

Retail shareholders (as at 7.00pm (Melbourne time) on the record date of Monday, 6 March 2017) who are eligible to participate under the terms of the Retail Entitlement Offer (**Eligible Retail Shareholders**) will have the opportunity to participate at the same price and offer ratio as provided under the Institutional Offer.

Eligible retail shareholders are encouraged to carefully read the Retail Offer Document for further details relating to the Retail Entitlement Offer. MDL expects to dispatch the Retail Offer Document and personalised entitlement and acceptance form to Eligible Retail Shareholders no later than Thursday, 9 March 2017.

If you are an Eligible Retail Shareholder and you have questions about the offer, the Company encourages you to contact the Mineral Deposits Limited Information Line on 1300 850 505 (for calls within Australia) and +61 3 9415 5000 (for calls outside Australia) between 8:30am and 5:00pm (Melbourne time) Monday to Friday during the Offer Period for further information. This line will open on Thursday, 9 March 2017.

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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.

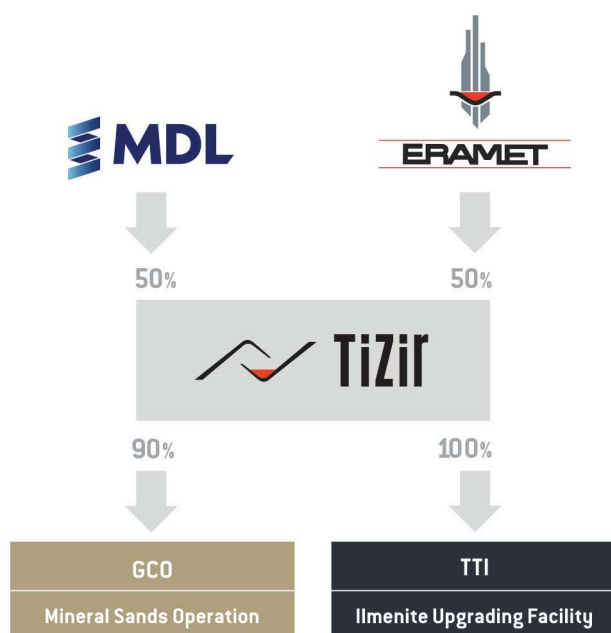
ABOUT MDL

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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