REALISING THE TIZIR VISION – MINE > INTEGRATE > TRANSFORM

Investor Presentation
2 March 2017

MDL

STATEMENTS

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This presentation has been prepared by Mineral Deposits Limited (**MDL**) in relation to a placement (**Placement**) and pro rata accelerated non-renounceable entitlement offer of new fully paid ordinary shares in MDL (**Entitlement Offer**) (the Placement and the Entitlement Offer collectively, **Capital Raising**).

Defined terms and abbreviations used in this presentation are explained in the Glossary provided in Appendix 3.

Summary information

This presentation contains summary information about MDL and its associated entities and their activities current as at the date of this presentation. The information contained in this presentation is for information purposes only.

The information contained in this presentation is general background information and does not purport to include or summarise all information that an investor should consider when making an investment decision. It should be read in conjunction with MDL's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (**ASX**) which are available at www.asx.com.au.

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STATEMENTS (CONT'D)

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Financial data

All dollar values are expressed in United States dollars ($ or USD) unless otherwise stated. The Company has a 31 December financial year-end.

Investors should note that this information has not been audited and is based on management estimates and not on financial statements prepared in accordance with applicable statutory requirements. Accordingly, investors should treat this information with appropriate caution.

The pro forma financial information provided in this presentation is presented in an abbreviated form insofar as it does not include all the disclosures, statements or comparative information as required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act.

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation.

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COMPANY OVERVIEW AND OPERATIONAL UPDATE

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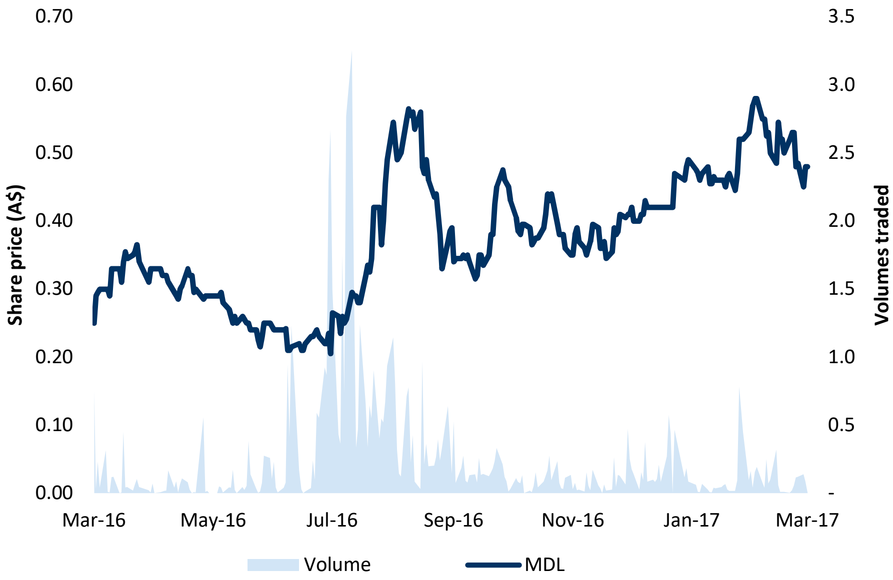
MDL OVERVIEW

EXPERIENCED MINERAL SANDS PRODUCER

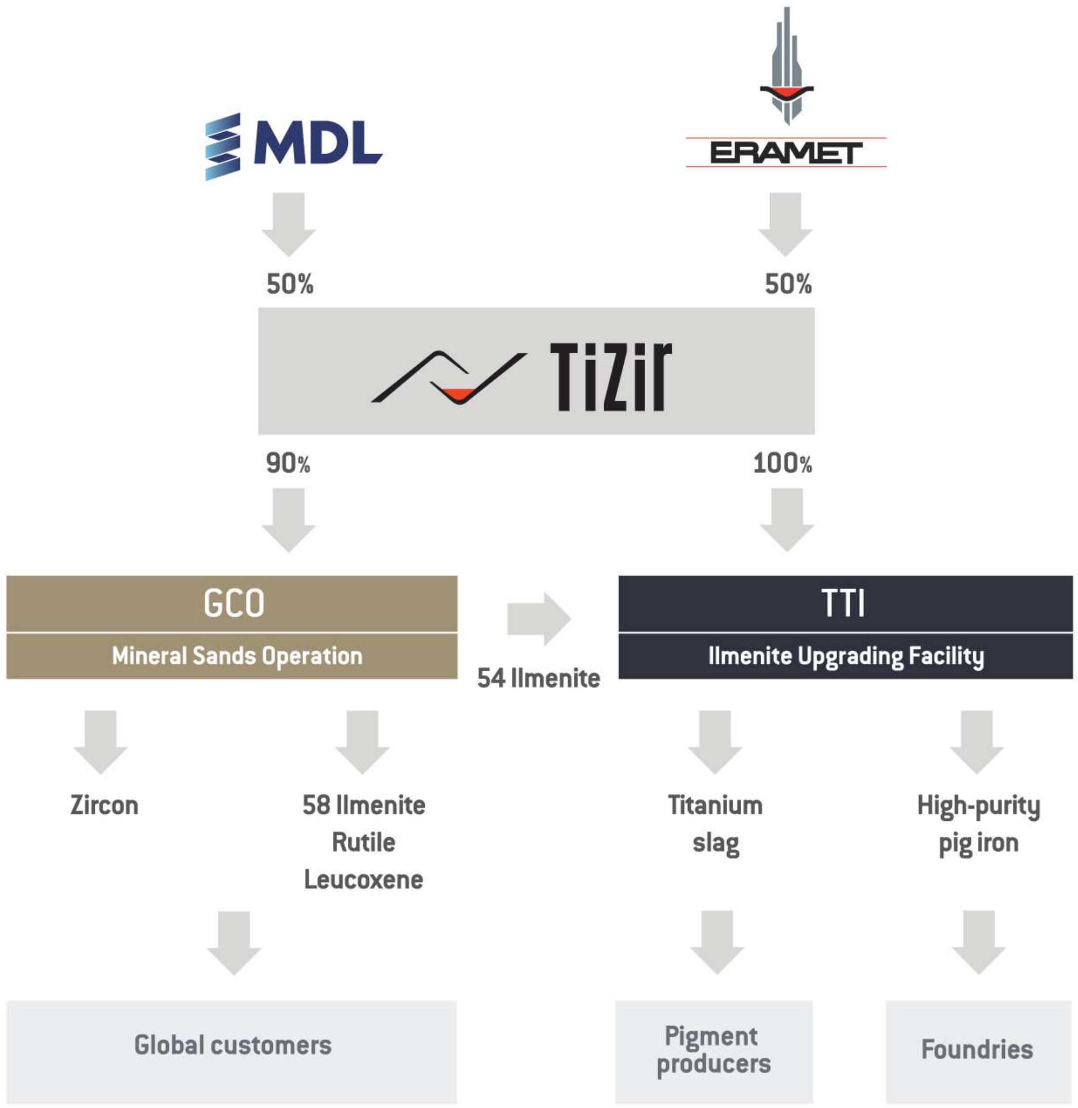
Share price (as at 1 March 2017)	A$0.48
Shares on issue	~103.7m
Market capitalisation	~A$49.8m
12 month high	A$0.62
12 month low	A$0.20

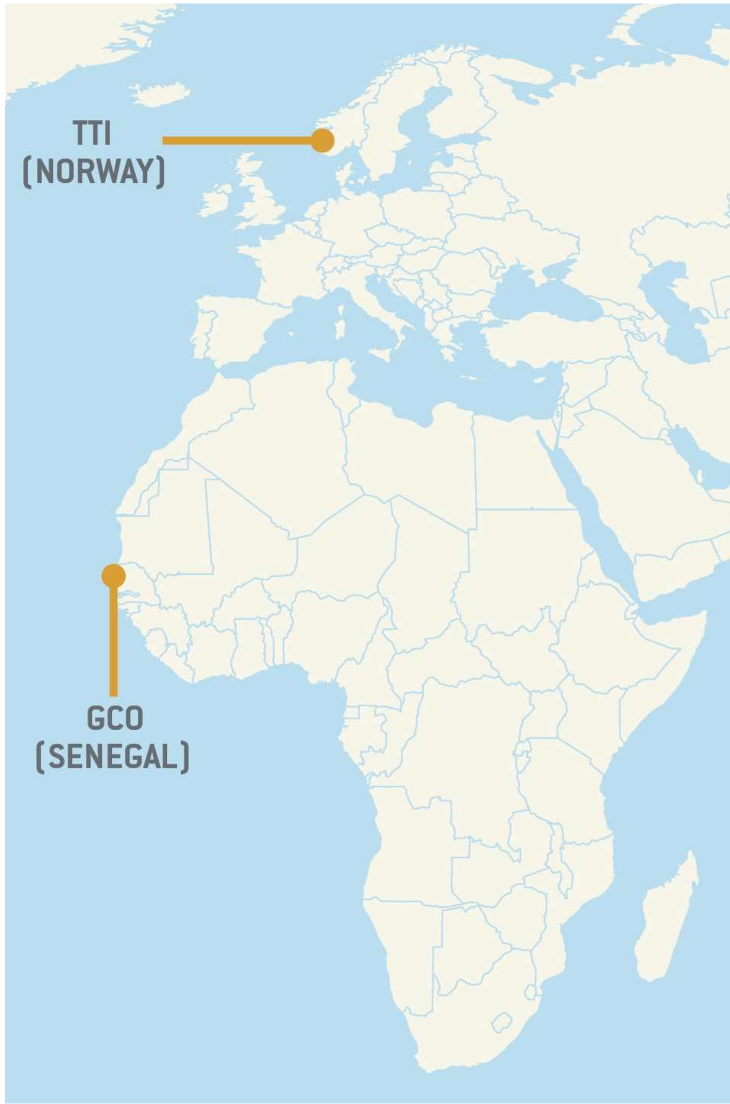


- Significant mineral sands industry experience
  - acquisition of Hawks Nest operation from BHP in 1998
- Key asset is the TiZir Joint Venture (50% interest), including:
  - Grande Côte mineral sands operation (**GCO**), Senegal
  - TiZir Titanium & Iron ilmenite upgrading facility (**TTI**), Norway
- Share register transitioning
  - top 10 beneficial shareholders own 58.2%
  - major shareholder is Allan Gray Australia Pty Ltd (~17.4%)
- 4Q 2016 result sets strong platform for 2017
- MDL vision:
  - capitalise on scale and quality of asset base
  - deliver on substantial value leverage

THE TIZIR JOINT VENTURE

MDL OWNS 50% OF TIZIR – AN INTEGRATED PRODUCER OF HIGH-GRADE ZIRCON AND TITANIUM SLAG





THE TIZIR ADVANTAGE

INTEGRATION IS THE KEY

GCO

- Long life mine
- Low cost dredge mining
- High-quality product suite
- Owned and operated power and water infrastructure
- Ownership or control of key mine to port infrastructure

INTEGRATION BENEFITS

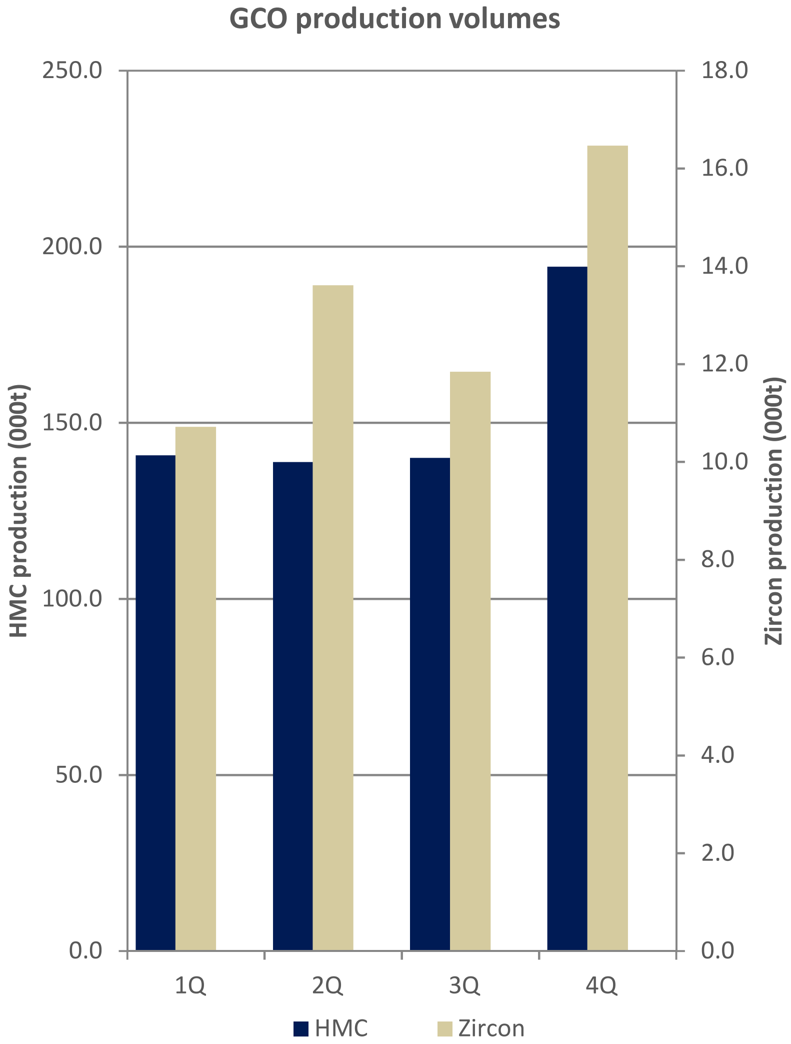
- Production flexibility
- Minimise risk profile
- Maximise margins

TTI

- Operating for over 30 years
- Valuable intellectual property
  - technology/knowledge
  - operational expertise
- Abundant, hydro sourced electric power
- Recent capacity upgrade

4Q 2016 UPDATE

PLATFORM SET FOR 2017



GCO

- Strong result in 4Q 2016
  - multiple production records
  - record dredge and WCP utilisation
- Second successive quarter of positive free cash flows
- Mine optimisation study – focus on maximising cash flow

TTI

- Furnace restart ahead of schedule
  - ramp up well underway
- Insurance proceeds received
- Product shipments expected to resume in early April

TIZIR

- External borrowings (excluding shareholder loans) by TiZir amounted to US$322.4 million (at 31 Dec 2016):
  - $275m senior secured bonds due September 2017
  - amounts drawn under TTI's and GCO's working capital facilities
- Working on bond refinancing options

MINERAL SANDS MARKET UPDATE

INDUSTRY MARKET DYNAMICS



INDUSTRY CHARACTERISTICS

- Demand and global GDP/urbanisation strongly correlated
- Opaque product pricing
- Emergence of China in 2010

RECENT INDUSTRY DEVELOPMENTS

- Pricing remains below inducement levels
- Industry response by major producers
  - match production to demand
  - mine closures
  - inventory destocking
- Greenfield & brownfield investment cancelled or deferred
- Environmental pressure driving rationalisation in China

INDUSTRY OUTLOOK

- Demand growth driven by improving fundamentals
- TiO_2 market
  - recovery underway
  - pigment producers have seen several price increases since end 2015, with more anticipated
- Zircon market remains stable

SIGNIFICANT LEVERAGE FOR SHAREHOLDERS & NEW INVESTORS IN MDL

STRONG PLATFORM TO GROW SHAREHOLDER WEALTH

☑ **Improving sector outlook**

☑ **Value leverage**

- Present market value of MDL is not reflective of current industry fundamentals and asset replacement value

☑ **Substantial five year capital program complete**

- GCO ~$650 million mine construction; TTI ~$70 million furnace reline and capacity expansion project

☑ **Integrated operations maximising margin and minimising risk**

☑ **Improving operational and financial performance**

☑ **50/50 Partnership with ERAMET, a major global player in manganese and nickel mining & smelting**

PLACEMENT AND ENTITLEMENT OFFER OVERVIEW

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DETAILS OF PLACEMENT AND ENTITLEMENT OFFER

PLACEMENT AND ENTITLEMENT OFFER TO RAISE GROSS PROCEEDS OF APPROXIMATELY A$39.2M

Placement	• Fully underwritten Placement of ~15.6m New Shares at A$0.42 to raise gross proceeds of ~A$6.5m (US$5.0m[1])
Entitlement Offer	• Fully underwritten pro rata, accelerated, non-renounceable Entitlement Offer of 3 New Shares for every 4 existing Shares at $0.42 to raise a total of ~A$32.7m (US$25.0m[1]) comprising: – Institutional Entitlement Offer – Retail Entitlement Offer with a Top Up Offer
Pricing	• Fixed issue price of A$0.42 per New Share represents: – 12.5% discount to MDL's closing share price on 1 March 2017 (A$0.48) – 7.0% discount to TERP (A$0.45)
Offer Securities	• Mineral Deposits Limited (ASX: MDL) fully paid ordinary shares • Rank equally with existing Shares
Use of Proceeds	• Repay outstanding debt to ERAMET (maximum US$14.1m subject to timing of repayment) • Provide funding to TiZir, if required, to fulfil the company's obligations with respect to the TiZir Committed Facility, where up to US$6.2m (for TiZir bond interest) may be required in March 2017 • Pay transaction costs with any remaining balance towards TiZir and MDL general working capital
Post Raising	• ~A$25.6m (US$19.6m[1]) cash on hand after repayment of outstanding ERAMET debt • ~197.0m Shares on issue

1. Based on AUD/USD exchange rate of 0.7655

INDICATIVE TIMETABLE

RETAIL ENTITLEMENT OFFER CLOSES ON 20 MARCH 2017*

Description	Date
ASX Announcement of Placement and Entitlement Offer and trading halt	2 March 2017
Institutional Entitlement Offer and Placement bookbuild opens	2 March 2017
Institutional Entitlement Offer bookbuild and Placement bookbuild closes	3 March 2017
Lodgement of Retail Offer Document with ASX Shares recommence trading on an 'ex' entitlements basis Record Date to determine entitlements to participate in the Entitlement Offer[#]	6 March 2017
Retail Entitlement Offer opens Retail Offer Document and Entitlement and Acceptance Forms dispatched to Eligible Retail Shareholders	9 March 2017
Settlement of New Shares issued under the Placement and Institutional Entitlement Offer	10 March 2017
Allotment and commencement of trading of New Shares issued under the Placement and Institutional Entitlement Offer*	13 March 2017
Retail Entitlement Offer closes (5.00 pm Melbourne, Australia time)*	20 March 2017
Settlement of New Shares issued under Retail Entitlement Offer*	24 March 2017
Allotment of New Shares issued under Retail Entitlement Offer*	27 March 2017
Commencement of normal trading of New Shares issued under the Retail Entitlement Offer*	28 March 2017

*[#] As at 7.00pm Melbourne, Australia time; * The dates marked with an * are indicative only and are subject to change*

PRO FORMA CAPITAL STRUCTURE

TOTAL SHARES ON ISSUE FOLLOWING PLACEMENT AND ENTITLEMENT OFFER WILL BE APPROXIMATELY 197.0M

The table below illustrates the impact of the Placement and Entitlement Offer on the capital structure of the Company:

Description	Number[1]
Existing Shares on issue	103,676,341
New Shares to be issued – Placement	15,551,451
New Shares to be issued – Entitlement Offer	77,757,256
Total Shares on issue post Placement and Entitlement Offer[2]	**196,985,048**

1. *The exact number of New Shares to be issued under the Entitlement Offer depends on fractional entitlements on the Record Date.*
2. *This figure does not include any Shares which may be issued on the vesting of existing performance rights currently on issue or any proposed performance rights relating to the 2017 long term incentives which are yet to be granted to executives of the Company. The Company intends to issue up to 1,168,209 performance rights to various MDL executives and will be seeking shareholder approval at the Company's upcoming annual general meeting in respect of the proposed issue of up to 499,234 performance rights to Mr R Sennitt.*

Director participation in the Entitlement Offer

- All of the Company's Directors hold Shares in MDL
- Each Director intends to take up his full entitlement under the Entitlement Offer
- In compliance with the Listing Rules, participating Directors will not be applying for New Shares under the Top Up Offer applicable to the Retail Entitlement Offer

PRO FORMA BALANCE SHEET

FOLLOWING THE PLACEMENT AND ENTITLEMENT OFFER, MDL WILL BE DEBT FREE WITH NET ASSETS OF US$271.8M

US$'000	Audited 31 Dec 2016	Proceeds from capital raising[1]	ERAMET debt repayment[2]	Pro forma Unaudited
Current assets				
Cash and cash equivalents	4,893	28,811	(14,089)	19,615
Other current assets	510	-	-	510
Total current assets	5,403	28,811	(14,089)	20,125
Total non-current assets	253,056	-	-	253,056
Total assets	258,459	28,811	(14,089)	273,181
Liabilities				
Loan from ERAMET	13,813	-	(13,813)	-
Other liabilities	1,444	-	-	1,444
Total liabilities	15,257	-	(13,813)	1,444
Net assets	243,202	28,811	(276)	271,737
Equity				
Issued capital	390,255	28,811	-	419,066
Reserves & accumulated losses	(147,053)	-	(276)	(147,329)
Total equity	243,202	28,811	(276)	271,737

1. Proceeds from the capital raising relate to gross proceeds of US$30.0m (A$39.2m translated at AUD/USD exchange rate of 0.7655) less estimated costs associated with the offer of US$1.2m (A$1.6m).

2. ERAMET debt repayment of US$14.1m includes outstanding debt of $13.8m (as at 31 December 2016) plus forecast interest accrued to 31 March 2017 of $0.3m. Cash outflow may differ from the above if the repayment(s) is made on a date other than 31 March 2017.

APPENDIX 1 – KEY RISKS

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KEY RISKS

THERE ARE INHERENT RISKS ASSOCIATED WITH INVESTING IN A MINING COMPANY

Introduction

New Shares offered under the Placement and Entitlement Offer are considered speculative because of the inherent risks associated with a mining company. In addition, there are risks inherent in investing in the share market in general.

The Directors have considered and identified in this Appendix 1 – Key Risks, the critical areas of risk associated with investing in the Shares of MDL. The risks identified by the Directors are not exhaustive. Accordingly, potential investors should read this Appendix in full and obtain professional advice if they require further information on material risks when deciding whether to subscribe for New Shares in MDL.

This investment is regarded as speculative. Neither the Company nor any of its directors or any other party associated with the preparation of this presentation guarantees that any specific objectives of the Company will be achieved or that any particular performance of the Company or of its Shares, including those offered under the Placement and Entitlement Offer, will be achieved.

Risks associated with the Company's business/assets

MDL faces a range of risks in its business activities, including financing, strategic, operational, environmental, compliance, financial reporting, sustainability and other market risks. Where considered appropriate, these risks are insured against as well as being integrated into risk management practices. There are a number of risks, both specific and general in nature, to MDL, TiZir and the entities within TiZir which may, either individually or in combination, affect the future operational and financial performance of the Company.

The summary of Key Risks set out below is not, and should not be considered to be, an exhaustive list of all the risks relevant to the Company and its 50% equity investment in TiZir. MDL, however, considers that these risks represent key Company risks, particularly risks to an investment in the Company. Additional risks and uncertainties that the Company is unaware of, or that the Company considers to be immaterial, may also become key risks and material. The risk factors outlined below omit how each is managed and may be mitigated and should be read in connection with the forward-looking statements and the disclaimers in this presentation.

(a) Current and future funding arrangements

TiZir's operations involve capital investment and financial risk. Continuance of mining and mineral processing activities as well as the Company's realisation of the value of its investment in TiZir depends on TiZir's ability to obtain funding as and when required, whether through internal positive cash flows, debt financing, equity funding or other financing means. No assurance can be given that any financing arrangements will be available or available on terms acceptable to TiZir. If such alternatives are not available, MDL may be required to provide funding to TiZir or to deliver all or a portion of its assets to TiZir's lenders as satisfaction of any outstanding amounts due.

KEY RISKS (CONT'D)

THERE ARE INHERENT RISKS ASSOCIATED WITH INVESTING IN A MINING COMPANY

Risks associated with the Company's business/assets (cont'd)

(b) MDL cash flow risks

If TiZir is unable to meet its financial obligations either through cash flow generation or its ability to secure finance, it may need to seek financial support from its shareholders (including MDL).

In addition to these general cash flow risks, certain specific risks outlined in this Appendix 1 – Key Risks have the potential to generate a cash flow shortfall at the TiZir level that may require funding from third party financiers or its shareholders (including MDL). There can be no assurances that MDL will not be required to contribute further funding to the TiZir Joint Venture to assist with meeting any cash flow shortfalls associated with these specific risks. Additionally, there is no guarantee that MDL will have sufficient capital to meet its ongoing joint venture obligations nor is there a guarantee that the Capital Raising will result in MDL having sufficient funding to cover any potential cash flow risks. The Company may need to raise additional funds, which would have a consequential impact on the share capital structure of the Company.

From December 2015 and up to the date of the release of this presentation, ERAMET has made funding available to MDL such that MDL is able to continue to meet its obligations to the joint venture. Notwithstanding current arrangements, the availability of future funding from ERAMET to MDL is not assured and, if available, increases the risk that MDL's investment in the TiZir Joint Venture could be diluted should it not be in a position to repay any financing made available under the terms of the TiZir shareholders' agreement.

(c) General market risks in relation to products

Commodity price risk

The prices for titanium feedstocks and zircon fluctuate widely and are affected by numerous factors beyond the control of MDL including, but not limited to, supply/demand balances, strategies of major producers, worldwide inflation and deflation, interest and currency exchange rates, price and availability of substitutes, actions taken by governments and global economic and political developments. Future production from MDL's mining and processing assets is primarily dependent upon the prices for titanium feedstocks and zircon being adequate to make these operations economic. There is no assurance that, even as commercial quantities of titanium feedstocks and zircon are produced, a profitable market will exist for them.

Demand fluctuations

MDL is reliant on demand for its joint venture products. Changes in demand due to economic downturn or customers sourcing alternative suppliers, amongst other factors, could adversely impact financial performance.

KEY RISKS (CONT'D)

THERE ARE INHERENT RISKS ASSOCIATED WITH INVESTING IN A MINING COMPANY

Risks associated with the Company's business/assets (cont'd)

(d) Uncertainty of resource and reserve estimates

Mineral resource and reserve estimates are estimates only and no assurance can be given that: anticipated tonnages and grades will be achieved; the indicated level of recovery will be realised; or reserves can be mined or processed profitably. Assumptions informing reserve estimates may change over time resulting in revisions to their economic viability and a consequent need to restate.

(e) Operational risks

The operations of both TTI and GCO are reliant on critical equipment, such as the furnace and pre-reduction kiln at TTI as well as the mineral sands dredge, wet concentrator plant, mineral separation plant and power plant at GCO. Equipment may incur downtime as a result of unanticipated failures or other events, such as fire, loss of power supply and the unavailability of spare parts. Any downtime, delays or difficulties in mining, processing and production, even whether covered in whole or in part by insurance, may adversely impact product delivery and production optimisation, thereby impacting on the financial performance of the Company.

The operations in which MDL is invested are also vulnerable to a wide range of difficulties and interruptions, including:

- natural events such as storm, flood, drought, fire, and the possible effects of climate change;
- restricted access to key transport networks (reliable roads, rail, ports), power generation and transmission, and water supplies;
- limitations or interruptions in transport, power or water infrastructure;
- extended failure or damage to critical information technology infrastructure or systems;
- a loss of control process that could lead to a release of hazardous materials; and
- supply chain failures.

Such events and their consequences, even whether covered in whole or in part by insurance, may be detrimental to the Company's activities and profitability.

Production at TTI is currently in ramp up phase following an operational incident that occurred in August 2016 and the subsequent completion of furnace repairs and reline between August 2016 and early January 2017. While a full and final insurance settlement was received by TTI in December 2016 in relation to this incident, there are inherent operational risks related to ramp up, which may result in the ramp up of production not proceeding in a manner or in accordance with the expected timeframe. Such risks may have an adverse impact on the financial position of TiZir and MDL. Further, no assurances can be given that an incident of a similar nature will not reoccur in the future.

KEY RISKS (CONT'D)

THERE ARE INHERENT RISKS ASSOCIATED WITH INVESTING IN A MINING COMPANY

Risks associated with the Company's business/assets (cont'd)

(f) Asset realisation risks

The Company's capacity to realise the value of its investment in TiZir is dependent on GCO and TTI operating successfully and generating forecast cash flow.

In the event that ERAMET provides funding to TiZir on behalf of MDL to assist TiZir in meeting its obligations, there is an increase in the risk that MDL's investment in the joint venture could be diluted should the Company not be in a position to repay any financing made available under the terms of the TiZir shareholders' agreement.

Dilution of the Company's investment in TiZir may have the following impacts including, but not limited to: loss of ability to influence TiZir's management and operations, potential delays in the timing and quantum of the Company's investment returns, and loss of equal voting rights on the strategic direction of the joint venture.

(g) Dependence on key personnel

MDL and TiZir and their business activities (including operations) are reliant on key personnel (either employed or engaged), the loss of whom may have a material adverse impact on operational and financial performance of both entities. Failure to recruit and retain qualified, high-performing personnel at MDL or at TiZir's operations may impact on Company performance.

(h) Employment and labour relations

MDL and TiZir and their employees may be affected by changes in labour laws and regulations which may be introduced by governments in jurisdictions of operation. Such changes may adversely affect business activities. MDL and TiZir may experience difficulties in employing and retaining suitably qualified personnel, particularly given the location of current operations. Malaria and other infectious diseases represent a threat and an ongoing healthcare challenge to maintaining a skilled workforce in West Africa. Pandemics may also impact on operations and the ability to maintain sufficient numbers of a skilled workforce. Labour disputes, resulting in strike action or work stoppages, may result in decreased production and increased costs. Labour agreement renegotiations may also result in elevated operating costs.

KEY RISKS (CONT'D)

THERE ARE INHERENT RISKS ASSOCIATED WITH INVESTING IN A MINING COMPANY

Risks associated with the Company's business/assets (cont'd)

(i) Inadequate insurance coverage

MDL is exposed to a number of business risks and insurance may not be sought, obtainable or adequate for all risks. In addition, insurance coverage may not be sufficient to cover business interruption losses or liability. The manifestation of an inadequately insured risk could adversely impact the Company's business.

Some key MDL assets, in particular GCO in Senegal, West Africa, are located in countries where political risks are potentially higher than in more developed regions. The MDL board has considered the benefits and cost of political risk insurance and has determined that, at this time, the Company will not maintain political risk insurance on the equity component of its investment in TiZir or its interest in Senegal or any of its other assets or interests.

In respect of MDL operational risks, insurance policies are entered into by TiZir, GCO and TTI rather than MDL.

(j) Input costs, inflation and foreign exchange rates

Changes to input costs, inflation and foreign exchange rates could increase TiZir's operating and capital costs. While in some cases such cost increases may be controlled or offset by increased selling prices, there is no assurance that this will eventuate. Operating margins and necessary capital costs may be adversely impacted by a failure to contain unanticipated cost increases.

(k) Repatriation of earnings

There is no assurance that Senegal, Norway or any other foreign country wherein MDL has interests will not impose restrictions on the repatriation of earnings to foreign entities.

(l) Licences and permits

TiZir's exploration, mining and processing activities are dependent upon the granting, maintenance and renewal of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn, not granted or made subject to limitations or new conditions. Risks regarding licences and permits that may impact on TiZir may have a material adverse impact on MDL.

KEY RISKS (CONT'D)

THERE ARE INHERENT RISKS ASSOCIATED WITH INVESTING IN A MINING COMPANY

Risks associated with the Company's business/assets (cont'd)

(m) Health, safety, security, environment and community

MDL and TiZir's sustainable development policies and activities, covering health, safety, security, environment and community issues, are subject to government laws, regulations and standards as well as stakeholder expectations. These regulatory frameworks and expectations may change over time and may have a material adverse effect on the Company's operations and reputation.

Failure to comply with applicable health, safety, security, environment and community laws, regulations and permitting requirements may result in enforcement actions including fines, penalties, compensation claims, corrective measures requiring capital expenditure, or the ceasing of operations, amongst others.

Environmental hazards may exist on MDL and/or TiZir properties which are currently unknown and which could have been caused by previous owners or operators. It is possible that MDL and/or TiZir would be required to remedy such hazards or that such hazards may affect the Company's future operations.

(n) Closure, reclamation and rehabilitation costs

While currently expected closure, reclamation and rehabilitation works necessary to return operating sites to local communities are budgeted for, changes over time to legislation, standards and techniques or the introduction of new legislation, standards and techniques may result in unanticipated or higher than expected costs. Over time, events may arise or changes may occur that vary the life of an operation and, consequently, the timing of expenditure with respect to closure, reclamation and rehabilitation of operating sites may also change.

KEY RISKS (CONT'D)

THERE ARE INHERENT RISKS ASSOCIATED WITH INVESTING IN A MINING COMPANY

Risks associated with the Company's business/assets (cont'd)

(o) Political and foreign operations risks

The operations of TiZir are currently conducted in Senegal and Norway and, as such, are exposed to various levels of political, economic and other natural and man-made risks and uncertainties over which MDL has limited or no control.

These risks and uncertainties may include, but are not limited to: economic, social or political instability; terrorism; hostage taking; military repression; labour unrest; community disputes; the risks of war or other forms of civil unrest; expropriation and nationalisation; renegotiation, nullification or adoption of new laws or regulations concerning existing concessions, licences, permits and/or contracts; high rates of inflation; changes in taxation policies; restrictions on foreign exchange and repatriation; validity of export rights and payment of duties; changing political conditions; currency controls; customs regulations policies; changes or adoption of new laws affecting foreign ownership; government participation or control of working conditions; changes to regulations associated with greenhouse gas emissions and the introduction of carbon pricing mechanisms; and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure could result in the loss, reduction or expropriation of entitlements. The occurrence of these various factors and uncertainties cannot be accurately predicted and, even whether covered in whole or in part by insurance, could have an adverse effect on the operations of TiZir or profitability of MDL.

(p) Joint venture risks

Through a joint venture arrangement with ERAMET SA, MDL owns 50% of TiZir which owns 90% of GCO and 100% of TTI. The joint venture is governed by a shareholders' agreement. A breakdown in the joint venture relationship or a contravention of the TiZir shareholders' agreement could have a material adverse effect on the Company's investment in the joint venture. Additionally, the joint venture structure impacts on the Company's capacity to manage, mitigate or avoid TiZir's risks independently.

(q) Litigation risks

MDL may be the subject of complaints or litigation by customers, suppliers, employees or officers, shareholders, government agencies, regulatory authorities or other third parties. Changes in laws and regulations can heighten litigation risk. Litigation and other proceedings may be taken against MDL that could divert management's attention from the business and materially adversely affect the business or financial performance or condition of MDL. If such proceedings were brought against MDL, considerable time and cost may be incurred to defend those proceedings (even if successful), with the potential for damages and costs awarded against MDL if unsuccessful.

KEY RISKS (CONT'D)

THERE ARE INHERENT RISKS ASSOCIATED WITH INVESTING IN A MINING COMPANY

Risks associated with the Company's business/assets (cont'd)

(r) Constraints on company growth

MDL's ability to grow its existing capacity and extend the life of TiZir's operations is dependent on a number of factors which may or may not materialise as expected or planned. Additionally, MDL competes with other companies for future business opportunities.

(s) Strategic investments, acquisitions or divestitures

No assurance can be given that MDL's current or possible future investments, acquisitions or divestitures can or will be completed successfully or favourably. MDL may be liable for past acts as well as anticipated and unanticipated liabilities procured through the Company's acquisition or investment activities.

Risks associated with the Entitlement Offer

(a) Market risk

The market price of MDL's Shares may fluctuate due to various factors including those outlined above. The above factors are not an exhaustive list of risks faced by MDL or by investors in MDL. The above factors, and others not specifically referred to in this presentation, may in the future materially affect the financial performance of MDL and the value of the New Shares. The market for mining industry securities has historically experienced significant fluctuations in price and trading volumes which may be unrelated to the performance of individual companies.

The market price of New Shares could trade on ASX at a price below their issue price. New Shares offered under the Placement and Entitlement Offer carry no guarantee in respect of profitability, dividends, return of capital or liquidity on the ASX. No assurances can be given that the New Shares will trade at or above the issue price under the Placement and Entitlement Offer. Neither MDL, its directors nor any other person guarantees the market performance of the New Shares.

(b) Dilution risk

If existing shareholders do not take up all or part of the New Shares offered to them under the Entitlement Offer, then their percentage shareholding in MDL will be diluted (in addition to the dilutionary impact resulting from the issue of New Shares under the Placement).

(c) Dividends

The payment of dividends by MDL is determined by the board of MDL from time to time at its absolute discretion, dependent on the profitability, gearing position (if applicable) and cash flow needs of MDL's business. There is no guarantee that any dividend will be paid by MDL.

KEY RISKS (CONT'D)

THERE ARE INHERENT RISKS ASSOCIATED WITH INVESTING IN A MINING COMPANY

Risks associated with the Entitlement Offer (cont'd)

(d) Taxation implications

Any future changes in taxation laws, including changes in the interpretation or application of those laws by the court or taxation authorities, may affect the taxation treatment of an investment in MDL's Shares, or the holdings and disposal of those Shares. As tax considerations may differ between shareholders, prospective investors and existing shareholders are encouraged to obtain professional tax advice in connection with an investment in New Shares.

(e) Underwriting risk

The Placement and Entitlement Offer is fully underwritten by Morgans Corporate Limited. The underwriting agreement is subject to customary termination events. If the underwriting agreement were to be terminated, the funds raised under the Placement and Entitlement Offer may be significantly less than the amount disclosed in this presentation. Any shortfall of funds expected to be raised from the Placement and Entitlement Offer could delay or suspend MDL's business strategy and could have a material adverse effect on MDL's activities and its ability to meets its contractual obligations (including any ongoing TiZir Joint Venture obligations).

General risks

(a) General economic climate

Factors such as inflation, currency fluctuations, interest rates, legislative changes, political decisions and industrial disruption have an impact on operating costs. The Company's future income, asset values and share price can be affected by these factors and, in particular, by the market price for any products or services that the Company may acquire or sell.

(b) Government policy changes

Any material adverse changes in government policies or legislation of any countries in which the Company may operate may affect the viability and profitability of MDL.

(c) Foreign currency and exchange rate fluctuations

Revenue, expenditure, interest, dividends and loan receipts of the Company may be domiciled in currencies other than Australian dollars and, as such, expose the Company to foreign exchange movements, which may have a positive or negative influence on the Australian dollar. The Company will appropriately monitor and assess such risks and may from time to time implement measures, such as foreign exchange currency hedging, to assist managing these risks. However, the implementation of such measures may not eliminate all such risks and the measures themselves may expose the Company to related risks.

KEY RISKS (CONT'D)

THERE ARE INHERENT RISKS ASSOCIATED WITH INVESTING IN A MINING COMPANY

General risks (cont'd)

(d) Taxation

Future changes in Australian taxation laws, including changes in interpretation or application of laws by the courts or taxation authorities in Australia, may affect taxation treatment of an investment in MDL Shares, or the holding and disposal of those Shares. Further changes in tax law or changes in the way tax law is expected to be interpreted in the various jurisdictions in which MDL, TiZir, GCO and/or TTI operates, may impact the future tax liabilities of MDL.

(e) Speculative nature of investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares offered under the Placement and Entitlement Offer.

Therefore, the New Shares to be issued pursuant to the Placement and Entitlement Offer carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Shares offered under the Placement and Entitlement Offer.

APPENDIX 2 – FOREIGN SELLING RESTRICTIONS

MINE > INTEGRATE > TRANSFORM

FOREIGN SELLING RESTRICTIONS

THE PLACEMENT AND ENTITLEMENT OFFER IS SUBJECT TO FOREIGN SELLING RESTRICTIONS

International Offer Restrictions

This document does not constitute an offer of New Shares of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the 'FMC Act').

Other than in the Entitlement Offer to be made under the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who (i) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act, (ii) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act, (iii) is large within the meaning of clause 39 of Schedule 1 of the FMC Act, (iv) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act or (v) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (the 'FSMA')) has been published or is intended to be published in respect of the offer. This document is issued on a confidential basis to 'qualified investors' (within the meaning of section 86(7) of the FSMA) in the United Kingdom and these securities may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may any of its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (the 'FPO'), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together, 'Relevant Persons'). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.

FOREIGN SELLING RESTRICTIONS (CONT'D)

THE PLACEMENT AND ENTITLEMENT OFFER IS SUBJECT TO FOREIGN SELLING RESTRICTIONS

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the 'SFO'). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to 'professional investors' (as defined in the SFO).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document you should obtain independent professional advice.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except to 'professional clients' (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

South Africa

This document does not, nor is it intended to, constitute a prospectus prepared and registered under the South African Companies Act and may not be distributed to the public in South Africa.

An entity or institution resident in South Africa may not implement participation in the offer unless (i) permitted under the South African Exchange Control Regulations or (ii) a specific approval has been obtained from an authorised foreign exchange dealer in South Africa or the Financial Surveillance Department of the South African Reserve Bank.

FOREIGN SELLING RESTRICTIONS (CONT'D)

THE PLACEMENT AND ENTITLEMENT OFFER IS SUBJECT TO FOREIGN SELLING RESTRICTIONS

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the 'SFA'), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an 'institutional investor' (as defined in the SFA) or (iii) a 'relevant person' (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

France

This document is not being distributed in the context of a public offering of financial securities (offre au public de titres financiers) in France within the meaning of Article L.411-1 of the French Monetary and Financial Code (Code monétaire et financier) and Articles 211-1 et seq. of the General Regulation of the French Autorité des marchés financiers (the 'AMF'). The New Shares have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.

This document and any other offering material relating to the New Shares have not been, and will not be, submitted to the AMF for approval in France and, accordingly, may not be distributed (directly or indirectly) to the public in France. Such offers, sales and distributions have been and shall only be made in France to qualified investors (investisseurs qualifiés) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2, D.411-1, L.533-16, L.533-20, D.533-11, D.533-13, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation.

Pursuant to Article 211-3 of the General Regulation of the AMF, investors in France are informed that the New Shares cannot be distributed (directly or indirectly) to the public by the investors otherwise than in accordance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French Monetary and Financial Code.

FOREIGN SELLING RESTRICTIONS (CONT'D)

THE PLACEMENT AND ENTITLEMENT OFFER IS SUBJECT TO FOREIGN SELLING RESTRICTIONS

Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of New Shares may be made to the public in Mauritius without the prior approval of the Mauritius Financial Services Commission. Accordingly this offer is being made on a private placement basis only and does not constitute a public offering. As such, this document has not been approved or registered by the Mauritius Financial Services Commission and is for the exclusive use of the person to whom it is addressed. The document is confidential and should not be disclosed or distributed in any way without the express written permission of the Company.

Saudi Arabia

Neither this document nor the New Shares have been approved or passed on in any way by the Capital Market Authority or any other governmental authority in the Kingdom of Saudi Arabia, nor has the Company received authorisation or licensing from the Capital Market Authority or any other governmental authority in the Kingdom of Saudi Arabia to market or sell New Shares within the Kingdom of Saudi Arabia. This document does not constitute and may not be used for the purpose of an offer or invitation. No services relating to the New Shares, including the receipt of applications, may be rendered by the Company within the Kingdom of Saudi Arabia.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ('SIX') or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to regulated financial intermediaries such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations.

Neither this document nor any other offering or marketing material relating to the New Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

This document is personal to the recipient only and not for general circulation in Switzerland.

APPENDIX 3 – GLOSSARY OF DEFINED TERMS

MINE > INTEGRATE > TRANSFORM

GLOSSARY OF DEFINED TERMS

DEFINED TERMS AND ABBREVIATIONS

ASIC means Australian Securities & Investments Commission.

ASX or **Australian Securities Exchange** means ASX Limited ACN 008 624 691 or the financial market it operates, as the context requires.

Capital Raising means collectively the Placement and Entitlement Offer.

Committed Facility means a US$60 million facility, put in place by ERAMET (US$30 million) and MDL (US$30 million) following discussions with TiZir bondholders in December 2015 and made available to TiZir primarily for the payment of interest up until maturity of the TiZir bond. The facility is fully underwritten by ERAMET.

Company or **MDL** means Mineral Deposits Limited ACN 064 377 420.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company.

Eligible Retail Shareholder means shareholders with a registered address in Australia or New Zealand (or such other jurisdictions determined by MDL in its absolute discretion) who hold Shares in the Company on the Record Date and meet the eligibility criteria set by MDL (and outlined in the Retail Offer Document).

Entitlement and Acceptance Form means an entitlement and acceptance form accompanying the Retail Offer Document pursuant to which an Eligible Retail Shareholder may apply for New Shares under the Retail Entitlement Offer.

Entitlement Offer means a fully underwritten accelerated non-renounceable offer to eligible shareholders to subscribe for 3 New Shares for every 4 Shares they hold on the Record Date.

ERAMET means ERAMET SA of France, MDL's 50% partner in the TiZir Joint Venture.

GCO means the Grande Côte mineral sands operation in Senegal, West Africa.

GDP means gross domestic product.

HMC means heavy mineral concentrate.

Institutional Entitlement Offer means an accelerated non-renounceable offer to eligible institutional shareholders to subscribe for 3 New Shares for every 4 Shares they hold on the Record Date.

Listing Rules means the official listing rules of ASX.

M or m means million.

GLOSSARY OF DEFINED TERMS

DEFINED TERMS AND ABBREVIATIONS

New Shares means Shares (including Shares under the Top Up Offer) offered and issued under the Placement and Entitlement Offer.

Placement means the placement of New Shares to institutional and professional investors as announced by the Company on 2 March 2017.

Q means a quarter in a calendar or financial year.

Record Date means 7.00pm (Melbourne, Australia time) on 6 March 2017 for the purpose of identifying the persons who are entitled to acquire New Shares pursuant to the Entitlement Offer.

Retail Entitlement Offer means a non-renounceable offer to Eligible Retail Shareholders to subscribe for 3 New Shares for every 4 Shares they hold on the Record Date.

Retail Offer Document means the document sent to Eligible Retail Shareholders inviting them to subscribe for New Shares under the Retail Entitlement Offer.

Share(s) means a fully paid ordinary share in the capital of the Company.

TERP means theoretical ex-rights price.

TiO_2 means titanium dioxide.

t means tonnes.

TiZir or **TiZir Joint Venture** means TiZir Limited a United Kingdom incorporated joint venture company that owns 90% of GCO and 100% of TTI. MDL and ERAMET hold an equal investment (50/50) in TiZir.

Top Up Offer means a facility to be offered to Eligible Retail Shareholders to subscribe for additional New Shares under the Retail Entitlement Offer.

TTI means the TiZir Titanium & Iron ilmenite upgrading facility in Tyssedal, Norway.

US Securities Act means U.S. Securities Act of 1933.

WCP means wet concentrator plant.

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