



NOTICE OF ANNUAL GENERAL MEETING & PROXY FORM

Mineral Deposits Limited (**MDL**, the **Company**) is pleased to provide the Notice of Annual General Meeting 2018 and Proxy Form for the Company's Annual General Meeting to be held on Friday, 25 May 2018 at 10.30am (Melbourne time) at the office of MinterEllison, Level 23, 525 Collins Street, Melbourne, Victoria.

The Notice of Annual General Meeting, Proxy Form, Annual Report 2017 and Business Review 2017 will be mailed or emailed to all shareholders who have elected to receive printed or electronic copies of those documents. The documents are also available on the MDL website: mineraldeposits.com.au.

MDL encourages shareholders to elect to receive Company communications, such as those above, electronically. To go paperless, shareholders may visit the [Computershare Investor Centre](#), create an account or login (if an existing user) and update their communications preferences to receive future communications via email.

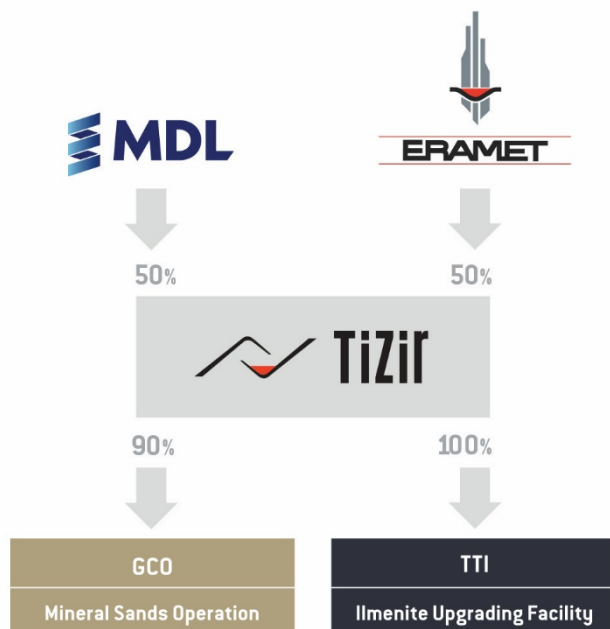
ABOUT MDL

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 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 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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NOTICE OF ANNUAL GENERAL MEETING 2018



MINERAL DEPOSITS LIMITED
ABN 19 064 377 420

Notice is hereby given that the Annual General Meeting of Shareholders of Mineral Deposits Limited (**MDL** or the **Company**) will be held on:

Friday, 25 May 2018 at 10.30am (Melbourne time)

At the office of MinterEllison
Level 23, 525 Collins Street, Melbourne, Victoria, Australia

The Explanatory Notes that accompany and form part of this Notice of Annual General Meeting describe the various matters to be considered.

BUSINESS

To receive and consider the consolidated financial statements of the Company and its controlled entities for the year ended 31 December 2017 together with the reports of the Directors and the auditor as set out in the annual report for the year.

Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, pass the following Resolution:

'THAT the Remuneration Report for the year ended 31 December 2017, submitted as part of the directors' report for the year ended 31 December 2017, be adopted.'

It should be noted that the vote on this Resolution 1 is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

Voting exclusions apply to Resolution 1. Please see section 6.1 of the Explanatory Notes.

Resolution 2: Re-election of Mr Martin Ackland as a Director

To consider and, if thought fit, pass the following Resolution:

'THAT Mr Martin Ackland, a Director retiring in accordance with clause 62 of the Company's Constitution, being eligible for re-election and having signified his candidature for the office, be re-elected as a Director of the Company.'

Resolution 3: Grant of Performance Rights to Mr Robert Sennitt as a long-term incentive

To consider and, if thought fit, pass the following Resolution:

'THAT for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval be given to the grant, allotment and issue to Mr Robert Sennitt of up to 288,791 Performance Rights to acquire fully paid ordinary shares upon exercise for no monetary consideration in accordance with the terms and conditions of the Plan and on the terms and conditions as more particularly specified in the Explanatory Notes.'

Voting Exclusion Statement

Voting exclusions apply to Resolution 3. Please see section 6.1 of the Explanatory Notes.

By order of the Board
23 April 2018

Michaela Evans
Company Secretary

EXPLANATORY NOTES

1. Introduction

These Explanatory Notes have been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting (**AGM**) of the Company to be held at 10.30am (Melbourne time) on Friday, 25 May 2018 at the office of MinterEllison, Level 23, 525 Collins Street, Melbourne, Victoria, Australia. These Explanatory Notes form part of the Notice of AGM and should be read together with that Notice.

2. Financial Statements and Reports

At the AGM, Shareholders will be given an opportunity to ask questions and comment on the directors' report, financial statements and independent auditor's report for the year ended 31 December 2017. The financial statements and reports are not subject to a Shareholder vote other than Resolution 1, being the adoption of the Remuneration Report for the year ended 31 December 2017.

A copy of the annual report, including the consolidated financial statements and the auditor's report, will be tabled at the AGM and can be accessed on the Company's website at mineraldeposits.com.au.

At the meeting, the chairman will take Shareholders' questions and comments about the management of the Company. The auditor of the Company will be available to take Shareholders' questions about the

conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the AGM, written questions to the auditor about the content of the auditor's report or the conduct of the audit of the annual consolidated financial statements to be considered at the AGM may be submitted not less than five business days before the AGM to:

The Company Secretary
Mineral Deposits Limited
Level 17, 530 Collins Street
Melbourne Victoria 3000
Australia
Facsimile: (+61 3) 9621 1460
Email: companysecretary@mineraldeposits.com.au

Copies of any questions received will be made available at the AGM. The chairman of the AGM will allow the auditor to answer written questions submitted to the auditor before the AGM. If the auditor has prepared a written answer to a question, the chairman of the AGM may permit the auditor to table that written answer. A written answer tabled at the AGM will be made reasonably available to Shareholders as soon as practicable after the AGM.

3. Resolution 1 – Adoption of Remuneration Report for the year ended 31 December 2017

In accordance with the Corporations Act, Resolution 1 puts to the vote of Shareholders at the AGM that the Company's Remuneration Report be adopted.

The Remuneration Report is contained within the directors' report in the Company's annual report for the year ended 31 December 2017. It sets out the remuneration policy for the Company and reports the remuneration arrangements in place for executive Directors, specified executives and non-executive Directors.

The vote on Resolution 1 is advisory only and does not bind the Directors or the Company. Accordingly, the Company will not be required to alter any arrangements detailed in the Remuneration Report should the Remuneration Report not be adopted. However, notwithstanding this strict legal position, the Board has determined that it will take the outcome of the vote and comments made by Shareholders on the Remuneration Report into consideration when determining the remuneration policy of the Company.

In accordance with the Corporations Act, if 25% or more of the votes cast on Resolution 1 are against adoption of the Remuneration Report, then:

- if comments are made on the Remuneration Report at the AGM, the Company's Remuneration Report for the financial period ending 31 December 2018 will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this; and
- if, at the Company's 2019 annual general meeting, 25% or more of the votes cast on the resolution for the adoption of the Remuneration Report for the financial year ending 31 December 2018 are against its adoption, the Company must put to its Shareholders a resolution proposing that an extraordinary general meeting (**Spill Meeting**) be held within 90 days of the date of the 2019 annual general meeting. Where a Spill Resolution is carried (i.e. more than 50% of the votes cast on the Spill Resolution are in favour of the Spill Resolution), all of the Directors in office at the 2019 annual general meeting (other than a managing director of the Company who may, in accordance with ASX Listing Rules, continue to hold office indefinitely without being re-elected to the office) will cease to hold office immediately before the end of the Spill Meeting unless they are re-elected at the Spill Meeting.

Voting exclusions apply to Resolution 1. For further details of the relevant voting exclusions, please see section 6.1. The Company recommends that members who submit proxies should consider giving 'how to vote' directions to their proxyholder on each Resolution, including this Resolution 1.

The chairman of the AGM intends to vote all undirected proxies in favour of the Resolutions to be voted on at the AGM, including Resolution 1. In other words, if you complete a proxy form that authorises the chairman of the AGM to vote on your behalf as a proxyholder and you do not mark any of the boxes 'for' or 'against' or 'abstain' so as to give the chairman directions about how your vote should be cast in respect of Resolution 1, then:

- your proxy will automatically be directed in favour of the Resolution to adopt the Remuneration Report and the chairman will vote accordingly; and
- you acknowledge that you will be expressly authorising the chairman to exercise your proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the chairman of the AGM.

If you wish to appoint the chairman of the AGM as your proxyholder but you do not want to put the chairman in the position to cast your vote in favour of Resolution 1, you should complete the appropriate box on the proxy form directing the chairman to vote against or abstain from voting on Resolution 1.

An opportunity to discuss the Remuneration Report will be provided at the AGM.

Board recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 1.

4. Resolution 2 – Re-election of Director

4.1 Background

The Constitution provides that no Director of the Company may hold office for a continuous period in excess of three years or until the third annual general meeting following the Director's appointment or election, whichever is the longer, without submitting for re-election. If no such Director would be required to submit for re-election but the ASX Listing Rules require an election of Directors to be held, the Director to retire will be the Director who has been longest in office since his or her last election, but, as between persons who became Directors on the same day, the one to retire will (unless they otherwise agree among themselves) be determined by lot.

Last re-elected in 2015, Resolution 2 seeks approval for the election of Mr Martin Ackland as a Director with effect from the end of the AGM.

Mr Martin Ackland – Mr Ackland is a non-executive director of the Company, a role he transitioned to in June 2017 following a 14 year period as MDL's technical executive director. He is a qualified metallurgist who has spent over 50 years in the resources industry in a variety of roles that involved the creation of major resource groups from small capital bases. He has served as a director of a number of listed mining companies involved in gold, uranium and base metal production. From 1987 to 1995, Mr Ackland was an executive director of Tior Limited (formerly Minproc Holdings Limited) where he was responsible for the successful implementation of the Tiwest Project – the world's only integrated mineral sands mine, synthetic rutile and TiO₂ pigment operation. His experience ranges from project development through to finance and capital raising.

During his tenure as the Company's technical executive director, Mr Ackland played an important role in the development of the Grande Côte mineral sands operation (**GCO**) and Sabodala gold mine in Senegal, West Africa and participated in special projects at the TiZir Titanium & Iron ilmenite upgrading facility (**TTI**) in Tyssedal, Norway where he also represented MDL's interests on the TiZir Titanium & Iron AS board from 2011 to 2017. Mr Ackland continues to represent MDL's interests on the TiZir Limited (**TiZir**) board, a role he has performed since 2011. MDL's primary asset is its 50% interest in the TiZir joint venture, which owns 90% of GCO and 100% of TTI. ERAMET SA of France is MDL's 50% joint venture partner in TiZir.

Mr Ackland is a member of MDL's audit and risk committee.

4.2 Board recommendations

The Directors (other than Mr Ackland) recommend that you vote in favour of Resolution 2. Mr Ackland makes no recommendation to Shareholders. All of the Directors entitled to vote on Resolution 2 intend to vote in favour of the Resolution.

5. Resolution 3 – Grant of Performance Rights to Mr Robert Sennitt as a long-term incentive

5.1 Background

The Board recognises the importance of including a variable remuneration component in an executive's remuneration package that is only paid on the achievement of key objectives which the Board considers will deliver increased Shareholder value.

Proposed to be issued under the amended Performance Rights Plan approved by Shareholders on 4 May 2017, the provision of Performance Rights (being a right to receive a number of fully paid ordinary shares in the Company) for no monetary consideration to eligible executives subject to performance hurdles being satisfied comprises the equity component of the 'at risk'/'reward' opportunity for the 2018 year. Non-executive Directors will not participate in the Plan for the 2018 year. Further information on the remuneration of executives and non-executive Directors is set out in the Remuneration Report which forms part of the directors' report in the 2017 annual report of the Company.

Resolution 3 seeks, for the purposes of Rule 10.14 of the ASX Listing Rules and for all other purposes, approval for the grant, issue and allotment of Performance Rights to acquire Shares on exercise for no monetary consideration (subject to the satisfaction of performance hurdles) as a long-term incentive to the Company's Managing Director Mr Robert Sennitt. Subject to Shareholder approval, it is proposed to grant 288,791 Performance Rights to Mr Sennitt on terms and conditions summarised in these Explanatory Notes.

5.2 Proposed grant of Performance Rights and vesting conditions

Based on the details of the Company's remuneration policy set by the Board, Mr Sennitt's total potential remuneration structure includes an at-risk component provided by long-term incentives. The purpose of the long-term incentive is to provide Mr Sennitt with an appropriate incentive which is 'at risk' and aligned to the Company's long-term strategic plans and business objectives aimed at increased Shareholder return.

The Board-approved performance hurdles attaching to the Performance Rights are comprised as follows:

- **Absolute Total Shareholder Return** – Fifty percent of the Performance Rights will be subject to an absolute total shareholder return (TSR) hurdle over the three year performance period (being 1 February 2018 to 31 January 2021). Absolute TSR rights will vest according to the following schedule:

| Measure | Performance level to be achieved | Performance vesting outcome | Percentage of total grant that will vest | Maximum percentage of total grant |
|--------------|----------------------------------|-----------------------------|--|-----------------------------------|
| Absolute TSR | Above 25% CAGR | 100% | 50% | 50% |
| | Above 15% CAGR & up to 25% CAGR | Pro rata from 50%-100% | Between 25% & 50% | 50% |
| | At 15% CAGR | 50% | 25% | 25% |
| | Less than 15% CAGR | 0% | 0% | 0% |

CAGR = compound annual growth rate

Vesting will occur on a proportionate straight-line basis from 50% to 100% for performance between 15% and 25% CAGR.

- **Relative Total Shareholder Return** – Fifty percent of the Performance Rights will be subject to a relative TSR hurdle over the three year performance period (being 1 February 2018 to 31 January 2021). Relative TSR rights will vest according to the following schedule:

| Measure | Performance level to be achieved | Performance vesting outcome | Percentage of total grant that will vest | Maximum percentage of total grant |
|--------------|----------------------------------|-----------------------------|--|-----------------------------------|
| Relative TSR | P75 or above | 100% | 50% | 50% |
| | Between P50 & P75 | Pro rata from 50%-100% | Between 25% & 50% | 50% |
| | At P50 | 50% | 25% | 25% |
| | Below P50 | 0% | 0% | 0% |

P = percentile

Vesting will occur on a proportionate straight-line basis from 50% to 100% where the TSR performance is between 50% and 75% of the comparator group. The comparator group is the S&P/ASX Resources 300 Index. The comparator group is intended to reflect any competitors, companies and sectors where investors may choose to invest their money if not in MDL with particular regard to those companies of similar industry and market capitalisation.

In its absolute discretion, the Board may determine that no relative TSR Performance Rights will vest if the Company's TSR performance is negative.

For the purposes of calculating the absolute and relative TSR performance over the duration of the performance period, the Board has determined that the price for MDL Shares will be calculated on the basis of the 20 trading day VWAP preceding 1 February 2018 (A\$1.0821 as at 1 February 2018).

Except as detailed below, no testing or vesting of these Performance Rights will occur before the last day of the performance period, being 31 January 2021. There will be no entitlement to the Performance Rights for which performance criteria have not been met at the end of the performance period and no MDL Shares will be issued in respect of those lapsed rights.

The vesting date of the Performance Rights will be the earliest to occur of:

- 31 January 2021, being three years from the date the Board agreed, subject to Shareholder approval, to grant the Performance Rights to Mr Sennitt (subject to the satisfaction of performance hurdles outlined in these Explanatory Notes);

- the date of a Change of Control Event of the Company whereby if the Change of Control Event occurs during the vesting period, the amount of rights that will vest will be calculated in accordance with the following schedule:

| Measure | Performance level to be achieved | Performance vesting outcome | Percentage of total grant that will vest |
|--------------|----------------------------------|-----------------------------|--|
| Absolute TSR | Above 25% CAGR | 100% | 100% |
| | Above 15% CAGR & up to 25% CAGR | Pro rata from 50%-100% | Between 50% & 100% |
| | At 15% CAGR | 50% | 50% |
| | Less than 15% CAGR | 0% | 0% |

Vesting will occur on a proportionate straight-line basis from 50% to 100% for performance between 15% and 25% CAGR. For the purposes of calculating the CAGR over the duration of the relevant performance period, being, in these circumstances, from 1 February 2018 to the determined Change of Control Event date:

- the Board has determined that the price for MDL Shares as at 1 February 2018 is A\$1.0821 (calculated on the basis of the 20 day trading VWAP preceding 1 February 2018); and
- the price for MDL Shares as at the determined Change of Control Event date will be the price per MDL Share (as applicable) approved by Shareholders, or paid by the acquirer of the MDL Shares obtaining the relevant control, the subject of the Change of Control Event.

In these circumstances, the vested Performance Rights expire on the earlier of:

- five business days after the occurrence of a Change of Control Event; and
- if the Board determines that it expects a Change of Control Event to occur, the date determined by the Board (in which case the Company must give the participant notice that the Board has determined the Performance Rights will expire in these circumstances at least five business days prior to the determined date for expiry, per the relevant Plan rules).

In these circumstances regarding a Change of Control Event, the opportunity for the Performance Rights to vest may be taken away from the participants. For this reason, the Board considers that the above Change of Control Event provisions provide an appropriate outcome on the basis that the Change of Control Event would likely have been approved or sufficiently supported by Shareholders;

- the date where employment ceases in circumstances where the participant is a Good Leaver as defined in the Plan. Good Leaver arises where the participant ceases employment:
 - because of death (except for death which arises as a result of the participant's criminal act or intentional self-harm); or
 - because of sickness, disability or incapacity (other than sickness, disability or incapacity which arises as a result of the participant's criminal act or intentional self-harm) which renders the participant incapable of continued full-time employment in his or her current position with any MDL group company; or
 - because of redundancy or where employment terminates due to the expiry of his/her fixed contractual term; or
 - because the MDL group company by which he or she is employed ceases to be a MDL group company; or
 - because the business or part of any business of any MDL group company by which he or she is employed is transferred to a person other than any MDL group company and the participant transfers his or her employment to that other person with the consent of the Company; or
 - otherwise in circumstances where the Board agrees that the participant is to be treated as a Good Leaver for the purposes of the Plan.

In these circumstances a proportion of the retained Performance Rights will vest, with such proportion being equal to the number of days which have elapsed from 1 February 2018, being the commencement date of the performance period in respect of the Performance Rights, until the date of cessation of employment as a proportion of the total number of days in the relevant three year performance period. For example, if cessation of employment occurs at a time when 18 months of a three year performance period have elapsed, 50% of the Performance Rights will vest.

- Where a participant is a Bad Leaver as defined in the Plan:
 - all unvested Performance Rights held by that participant will immediately lapse; and
 - all vested Performance Rights will expire within five business days after the participant ceases to be employed.

With the exception of Performance Rights that vest due to a Change of Control Event and unless otherwise determined by the Board, vested Performance Rights will expire two years after the date of vesting. Rights that vest due to a Change of Control Event will expire in accordance with the Plan rules.

No exercise price is payable in respect of the exercise of any Performance Rights referred to above which have vested.

5.3 Information required by ASX Listing Rule 10.15A

In accordance with the requirements of Listing Rule 10.15A, the following information is provided to Shareholders in respect of Resolution 3 to allow them to assess the proposed grant of Performance Rights to Mr Sennitt, the managing director of the Company:

- The maximum number of Performance Rights to be granted to Mr Sennitt is 288,791.
- There is no monetary consideration payable by Mr Sennitt in respect of the proposed grant of Performance Rights pursuant to the offer made.
- 999,234 Performance Rights have previously been granted and issued to Mr Sennitt for no monetary consideration under the:
 - Performance Rights Plan approved by Shareholders at MDL's annual general meeting held on 20 May 2016 (500,000 performance rights); and
 - Amended Performance Rights Plan approved by Shareholders at MDL's annual general meeting held on 4 May 2017 (499,234 performance rights).
- In accordance with the Company's current remuneration policy, Mr Sennitt (the Company's only executive director) is the only person referred to in Listing Rule 10.14 who is entitled to participate in the Plan. The current proposed participant Director is the managing director, Mr Sennitt. All other eligible employees of the Company entitled to participate in the Plan are not Directors of the Company, nor associates of Directors of the Company, however, details of the participants, the number of Performance Rights that will be allocated under the Plan in 2018, and the performance conditions of the Performance Rights are provided in Appendix 1 accompanying this Notice of AGM.
- A voting exclusion statement is included in the Notice of AGM of which these Explanatory Notes form part (please see section 6.1).
- No loans exist in relation to the proposed grant of Performance Rights to Mr Sennitt.
- Mr Sennitt is prohibited from hedging the share price exposure in respect of the Performance Rights during the performance period applicable to those Performance Rights.
- Details of any Performance Rights granted under the Plan will be published in each annual report of the Company relating to the relevant period in which the Performance Rights were granted, and that approval for the grant of the Performance Rights was obtained under Listing Rule 10.14.
- Any additional persons referred to in Listing Rule 10.14 who become entitled to participate in the Plan after Resolution 3 is approved and who were not named in the Notice of AGM will not participate in the Plan until approval is obtained under ASX Listing Rule 10.14.
- The date by which the Company will grant to Mr Sennitt the Performance Rights referred to above must be no later than three years after the date of the AGM at which Resolution 3 is approved. The Company will comply with this requirement.

Mr Sennitt's details are set out below:

Appointed by the Board as managing director in April 2016, Mr Sennitt joined MDL in late-January 2015 in the position of business development manager and was appointed chief executive officer of the Company on 1 June 2015. Mr Sennitt brings with him almost 25 years' experience in investment banking where he spent most of that time advising companies in the natural resources sector on financial and strategic initiatives. Prior to joining MDL, he was a managing director at RBC Capital Markets, an executive director at Macquarie Capital and he also worked with J.P. Morgan in Australia.

Mr Sennitt is responsible for managing the day to day business of the Company, both corporate and operational; preparing and implementing the Company's annual strategic plan; maintaining relations with joint venture partners, investors, analysts, brokers and advisors; identifying and managing material business risks; ensuring appropriate resource deployment; and evaluating new business opportunities.

In fulfilling his duties, Mr Sennitt performs an active role in the management of the TiZir joint venture. In addition to serving on the boards of TiZir, Grande Côte Operations SA and TiZir Titanium & Iron AS he is also a member of the TiZir joint operating committee, finance committee (chair) and strategy & risk committee where he has significant involvement in delivering projects managed by these bodies.

5.4 Board recommendation

The Directors (other than Mr Sennitt, who has an interest in Resolution 3 and therefore makes no recommendation) recommend that you vote in favour of Resolution 3.

6. Voting and Proxies

6.1 Voting Exclusion Statements

Resolution 1

The Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company's key management personnel (**KMP**), details of whose remuneration are included in the Remuneration Report; or a closely related party of a KMP whether the votes are cast as a Shareholder, proxy or in any other capacity.

However, the Company will not disregard a vote cast by a member of the KMP (**KMP member**) or a closely related party of a KMP member if:

- the vote is cast as a proxy; the proxy is appointed by writing that specifies how the proxy is to vote on Resolution 1; and the vote is not cast on behalf of a KMP member or a closely related party of a KMP member; or
- the vote is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

KMP members are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

If you are a KMP member or a closely related party of a KMP member (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as described above), you may commit an offence by breaching the voting restrictions that apply to you under the Corporations Act.

A 'closely related party' of a KMP member is defined in the Corporations Act and includes the following:

- a spouse or child of the KMP member;
- a child of the KMP member's spouse;
- a dependant of the KMP member or the KMP member's spouse;
- anyone else who is one of the KMP member's family and may be expected to influence the KMP member, or be influenced by the KMP member, in the KMP member's dealing with the Company;
- a company the KMP member controls; or
- a person prescribed by regulations.

The proxy form accompanying this Notice of AGM contains instructions regarding how to complete the proxy form if a Shareholder wishes to appoint the chairman as his or her proxy and to expressly authorise the chairman to vote on the Resolution to adopt the Remuneration Report. You should read those instructions carefully.

Resolution 3

Pursuant to section 250BD of the Corporations Act, the Company will disregard any votes cast in favour of Resolution 3 by or on behalf of a KMP member or a closely related party of a KMP member where the votes are cast as a proxy.

However, the Company will not disregard a vote cast by a KMP member or a closely related party of a KMP member if it is cast as a proxy and either of (i) or (ii) below applies:

- (i) the proxy is appointed by writing that specifies how the proxy is to vote on the Resolution proposed; or
- (ii) the proxy is the chairman of the meeting and the chairman's appointment expressly authorises the chairman to exercise the proxy even though the Resolution is connected with the remuneration of a KMP member.

If you are a KMP member (other than the chairman of the meeting acting as a proxy) or a closely related party of a KMP member (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

KMP members and their closely related parties are as described in the voting restrictions statement for Resolution 1.

Pursuant to Listing Rule 14.11, the Company will also disregard any votes cast in favour of Resolution 3 by any Director of the Company who is eligible to participate in the Performance Rights Plan, and any associate of those Director(s).

However, the Company need not disregard a vote in respect of Resolution 3 if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

6.2 Voting

The Company has determined, in accordance with regulation 7.11.37 of the Corporations Act, that the Company's Shares quoted on ASX at 7.00pm (Melbourne time) on Wednesday, 23 May 2018 are taken, for the purposes of the AGM, to be held by the persons who held them at that time. Accordingly, only those persons are entitled to attend and vote (if not excluded) at the AGM.

6.3 Appointment of proxies

A form of proxy for use at the meeting is enclosed with this Notice of AGM.

A Shareholder submitting a proxy may appoint one proxy if the Shareholder is only entitled to one vote; or one or two proxies if the Shareholder is entitled to more than one vote. A proxy need not be a Shareholder. A proxy may be an individual or a body corporate. A Shareholder may appoint a proxy other than the person designated by default in the enclosed form of proxy by inserting the full name of the desired person in the blank space provided for that purpose on the form of proxy.

If a Shareholder appoints one proxy, that proxy may vote on a show of hands. If a Shareholder appoints two proxies, neither proxy may vote on a show of hands. Where the Shareholder appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not do so, each proxy may exercise one-half of the votes, and any fraction of votes will be disregarded.

A proxy will not be valid for the AGM unless it is signed by the Shareholder or the Shareholder's attorney duly authorised in writing or, if the Shareholder is a corporation, executed by a duly authorised officer or officers in accordance with the instructions on the enclosed form of proxy. The proxy to be acted upon and completed in accordance with the instructions on the form must be delivered, together with the power of attorney or other authority (if any) under which it is signed or authenticated (or a certified copy thereof) prior to 10.30am (Melbourne time) on Wednesday, 23 May 2018 by:

- Online: www.investorvote.com.au
- Custodian voting – for Intermediary Online subscribers only: www.intermediaryonline.com
- Hand delivery to: Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067, Australia
- Fax: C/- Computershare Investor Services Pty Limited
1800 783 447 (within Australia), +61 3 9473 2555 (outside Australia)
- Post the addressed reply paid envelope enclosed
(GPO Box 242, Melbourne Victoria 3001)

6.4 Revocation of proxies

A Shareholder executing and delivering a proxy has the power to revoke it. However, such revocation will not be effective unless an instrument in writing evidencing the revocation, and executed by the Shareholder or by his or her attorney authorised in writing, is received by the Company before the start or resumption of the meeting at which the proxy votes.

6.5 Voting of proxies

A proxy may decide whether to vote on any motion, except where the proxy is required by law or under the Company's Constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with that direction. If a proxy is not directed how to vote on an item of business, a proxy may vote as he or she thinks fit.

If a Shareholder appoints the chairman of the meeting as the Shareholder's proxy and does not specify how the chairman is to vote on an item of business, the chairman will vote, as proxy for that Shareholder, in favour of each Resolution on a show of hands or a poll, unless the chairman is prohibited from doing so under the Corporations Act.

The chairman of the AGM, the Directors of the Company and all other KMP members (being the chief operating officer, chief financial officer and company secretary) intend to vote all undirected proxies given to them by Shareholders (who are eligible to vote in favour of the Resolutions) **IN FAVOUR OF** the Resolutions to be voted on at the AGM, even though one or more of those Resolutions is or may be connected directly or indirectly with the remuneration of a member of the KMP and even though the chairman is a member of the KMP.

If you complete a proxy form that authorises the chairman of the AGM to vote on your behalf as a proxyholder, and you do not mark any of the boxes 'for' or 'against' or 'abstain' in respect of a Resolution so as to give the chairman directions about how your vote should be cast, your proxy will automatically be directed in favour of that Resolution and the chairman will vote accordingly. If you do not want to authorise the chairman to vote in favour of a Resolution, you should mark the appropriate box directing your proxy to vote against or abstain from voting on that Resolution.

6.6 Voting by corporate representative

Corporate Shareholders or proxies wishing to vote by corporate representative should obtain an appointment of corporate representative form from the share registry and complete and sign the form in accordance with the corporate Shareholder's constitution or by a duly authorised attorney.

The corporate representative form and the power of attorney or other authority (if any) under which it is signed (or a certified copy thereof) must be received by the Company before the start or resumption of the meeting at which the representative is to vote, by:

- fax to: Mineral Deposits Limited
C/- Computershare Investor Services Pty Limited on:
1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)
- post the addressed reply paid envelope enclosed
(GPO Box 242, Melbourne Victoria 3001)
- hand delivery to: Mineral Deposits Limited
C/- Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067, Australia

If you require an additional Proxy Form, Computershare will supply it on request.

GLOSSARY

In this Notice of AGM and Explanatory Notes, the following terms have the following meanings:

Annual General Meeting or **AGM** the annual general meeting of the Company which is the subject of this Notice of AGM and scheduled to be held on Friday, 25 May 2018.

ASX ASX Limited ABN 98 008 624 691 or, if the context requires, the financial market operated by it.

Board the board of directors of the Company.

CAGR compound annual growth rate.

Change of Control Event occurs:

- (a) when a 'Takeover Bid' (as defined in the Corporations Act) is made for the Shares which has the sufficient support of Shareholders which results in the bidder acquiring a 'Relevant Interest' (as defined in the Corporations Act) in at least 50% of the Shares; or
- (b) with the support of the Board either:
 - (i) pursuant to an application made by the Company to the court under section 411 of the Corporations Act, the court orders a meeting to be held in relation to a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company and that resolution is passed by the requisite majorities; or
 - (ii) the Company passes a resolution for a selective capital reduction or other transaction is initiated,

which has a similar effect to a 'Takeover Bid' made for the Shares which will result in a person (and its 'Related Bodies Corporate' (as defined in the Corporations Act)) being registered as the holder of more than 50% of the Shares.

Company or **MDL** Mineral Deposits Limited ABN 19 064 377 420.

Computershare Computershare Investor Services Pty Ltd ABN 48 078 279 277.

Constitution the constitution of the Company.

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

Director a director of the Company from time to time.

Executive Officer an employee holding a managerial or executive office in the Company or a related body corporate.

Explanatory Notes the explanatory notes contained in this Notice of AGM.

GCO Grande Côte mineral sands operation, Senegal, West Africa.

Good Leaver as defined under the Plan, in respect of the relevant participants, where employment ceases due to any one of the following occurring:

- (a) death (except for death which arises as a result of the relevant person's criminal act or intentional self-harm);
- (b) sickness, disability or incapacity (other than sickness, disability or incapacity which arises as a result of the participant's criminal act or intentional self-harm) which renders the participant incapable of full-time engagement in his or her current position with the Company (or a group company);
- (c) redundancy or where the engagement of the participant terminates due to the expiry of his/her fixed contractual term;
- (d) the group company by which he or she is engaged ceases to be a group company;
- (e) the business or part of any business of any group company by which he or she is engaged is transferred to a person other than any group company and the participant transfers their engagement to that other person with the consent of the Company; or
- (f) otherwise in circumstances where the Board agrees that the participant is to be treated as a Good Leaver for the purposes of the Plan.

In determining whether to exercise its discretion in a particular case in (f) above, the Board will take into account all relevant circumstances. Particular factors which the Board may consider relevant in an individual case may include the performance of the participant and the Company against applicable performance hurdles, as well as the participant's individual performance and the overall contribution they have made during their time with the Company and the time period lapsed since grant.

KMP the Company's key management personnel, being those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

KMP member a member of the KMP.

Listing Rules the listing rules of ASX (as amended from time to time).

LTI long-term incentive.

Nominee Holder as defined in section 6.1 of the Explanatory Notes.

P percentile.

Performance Rights a right to acquire Shares under the MDL Performance Rights Plan described in section 5 of these Explanatory Notes.

Plan or **Performance Rights Plan** MDL Performance Rights Plan (and as amended and approved by Shareholders at the annual general meeting of the Company held 4 May 2017).

Proxy Form a proxy form accompanying this Notice of AGM.

Remuneration Report the remuneration report of the Company included as part of the directors' report in the annual report.

Resolution a resolution referred to in the Notice of AGM.

S&P/ASX 300 Resources Index a sector sub-index of the S&P/ASX 300 Index, this index provides investors with a sector exposure to the Resources sector of the Australian equity market classified as members of the GICS® resources sector.

Share a fully paid ordinary share in the capital of the Company.

Shareholder a person registered on the Company's share register as a member of the Company.

Spill Meeting as defined in section 3 of the Explanatory Notes.

Spill Resolution as defined in section 3 of the Explanatory Notes.

TiZir as defined in section 4.1 of the Explanatory Notes.

Total Shareholder Return or **TSR** the return to a company's members over a period calculated by reference to share price appreciation as well as dividends and distributions on the relevant shares.

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

Voting Exclusion Statement the statements set out in section 6.1 of the Explanatory Notes.

VWAP volume weighted average price.

APPENDIX 1

Long-term incentive: 2018 cycle Performance Rights

Remuneration vehicle

Performance Rights which, as granted under the Plan, will carry no dividend or voting rights

Purpose and guidance

'At risk' remuneration to incentivise and provide competitive reward for continued service and achievement of long-term strategic/growth objectives aimed at increased Shareholder return

Grant structure

Long-term incentive (LTI) opportunity percentages relative to total fixed remuneration proposed for 2018:

| Employee | Maximum LTI opportunity % of total fixed remuneration |
|------------------------------------|--|
| MD & CEO (Robert Sennitt) | 50 |
| COO (Jozsef Patarica) | 40 |
| CFO (Greg Bell) | 40 |
| Company Secretary (Michaela Evans) | 30 |
| Other staff | >30 |

Number of Performance Rights based on maximum LTI opportunity:

| Employee | Number of Performance Rights |
|------------------------------------|---------------------------------|
| MD & CEO (Robert Sennitt) | 288,791 |
| COO (Jozsef Patarica) | 166,344 |
| CFO (Greg Bell) | 110,896 |
| Company Secretary (Michaela Evans) | 80,400 |
| Total other staff | 56,258 |

Performance conditions

Absolute Total Shareholder Return

50% of the Performance Rights will be subject to an absolute TSR hurdle over the three year performance period (being 1 February 2018 to 31 January 2021). Absolute TSR rights will vest according to the following schedule:

| Measure | Performance level to be achieved | Performance vesting outcome | Percentage of total grant that will vest | Maximum percentage of total grant |
|--------------|-------------------------------------|--------------------------------|---|--------------------------------------|
| Absolute TSR | Above 25% CAGR | 100% | 50% | 50% |
| | Above 15% CAGR & up to 25% CAGR | Pro rata from 50%-100% | Between 25% & 50% | 50% |
| | At 15% CAGR | 50% | 25% | 25% |
| | Less than 15% CAGR | 0% | 0% | 0% |

Note that for the purposes of calculating the CAGR over the duration of the performance period, the Board has determined that the price for MDL Shares will be calculated on the basis of the 20 trading day VWAP preceding 1 February 2018 (A\$1.0821 as at 1 February 2018).

Vesting will occur on a proportionate straight-line basis from 50% to 100% for performance between 15% and 25% CAGR.

Relative Total Shareholder Return

50% of the Performance Rights will be subject to a relative TSR hurdle over the three year performance period (being 1 February 2018 to 31 January 2021). Relative TSR rights will vest according to the following schedule:

| Measure | Performance level to be achieved | Performance vesting outcome | Percentage of total grant that will vest | Maximum percentage of total grant |
|--------------|-------------------------------------|--------------------------------|---|--------------------------------------|
| Relative TSR | P75 or above | 100% | 50% | 50% |
| | Between P50 & P75 | Pro rata from 50%-100% | Between 25% & 50% | 50% |
| | At P50 | 50% | 25% | 25% |
| | Below P50 | 0% | 0% | 0% |

Note that for the purposes of calculating the relative TSR performance over the duration of the performance period, the Board has determined that the price for MDL Shares will be calculated on the basis of the 20 trading day VWAP preceding 1 February 2018 (A\$1.0821 as at 1 February 2018).

Vesting will occur on a proportionate straight-line basis from 50% to 100% where the TSR performance is between 50% and 75% of the comparator group. The comparator group is the S&P/ASX Resources 300 Index. The comparator group is intended to reflect any competitors, companies and sectors where investors may choose to invest their money if not in MDL with particular regard to those companies of similar industry and market capitalisation.

In its absolute discretion, the Board may determine that no relative TSR Performance Rights will vest if the Company's TSR performance is negative.

Terms and conditions

Terms and conditions are as stipulated in the participant's offer letter and the Plan rules (as amended and approved by Shareholders at the annual general meeting of the Company held 4 May 2017).



MINERAL DEPOSITS LIMITED
ABN 19 064 377 420

MDL
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

XX



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 9999999

SRN/HIN: I9999999999

PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



For your vote to be effective it must be received by 10.30am (Melbourne time) on Wednesday, 23 May 2018

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the Company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** ➔

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Mineral Deposits Limited hereby appoint

☐

the Chairman
of the Meeting OR



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Mineral Deposits Limited to be held at the office of MinterEllison, Level 23, 525 Collins Street, Melbourne, Victoria, Australia on Friday, 25 May 2018 at 10.30am (Melbourne time) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related Resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 & 3 (except where I/we have indicated a different voting intention below) even though Resolutions 1 & 3 are connected directly or indirectly to the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 & 3 by marking the appropriate box in step 2 below.

STEP 2

Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

| | | For | Against | Abstain |
|--------------|---|--------------------------|--------------------------|--------------------------|
| Resolution 1 | Adoption of Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Re-election of Mr Martin Ackland as a Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Grant of Performance Rights to Mr Robert Sennitt as a long-term incentive | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any Resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

MD L

9 9 9 9 9 9 A

Computershare +



MINERAL DEPOSITS LIMITED
ABN 19 064 377 420

MDLRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030

Dear Securityholder,

We have been trying to contact you in connection with your securityholding in Mineral Deposits Limited. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notices of meeting.

Please note if you have previously elected to receive a hard copy Annual Report (including the financial report, directors' report and auditor's report) the dispatch of that report to you has been suspended but will be resumed on receipt of instructions from you to do so.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following:

- > Securityholder Reference Number (SRN);
- > ASX trading code;
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001
Australia

Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely,

Mineral Deposits Limited