

AGM PRESENTATION MAY 2015



MINE ► INTEGRATE ► TRANSFORM



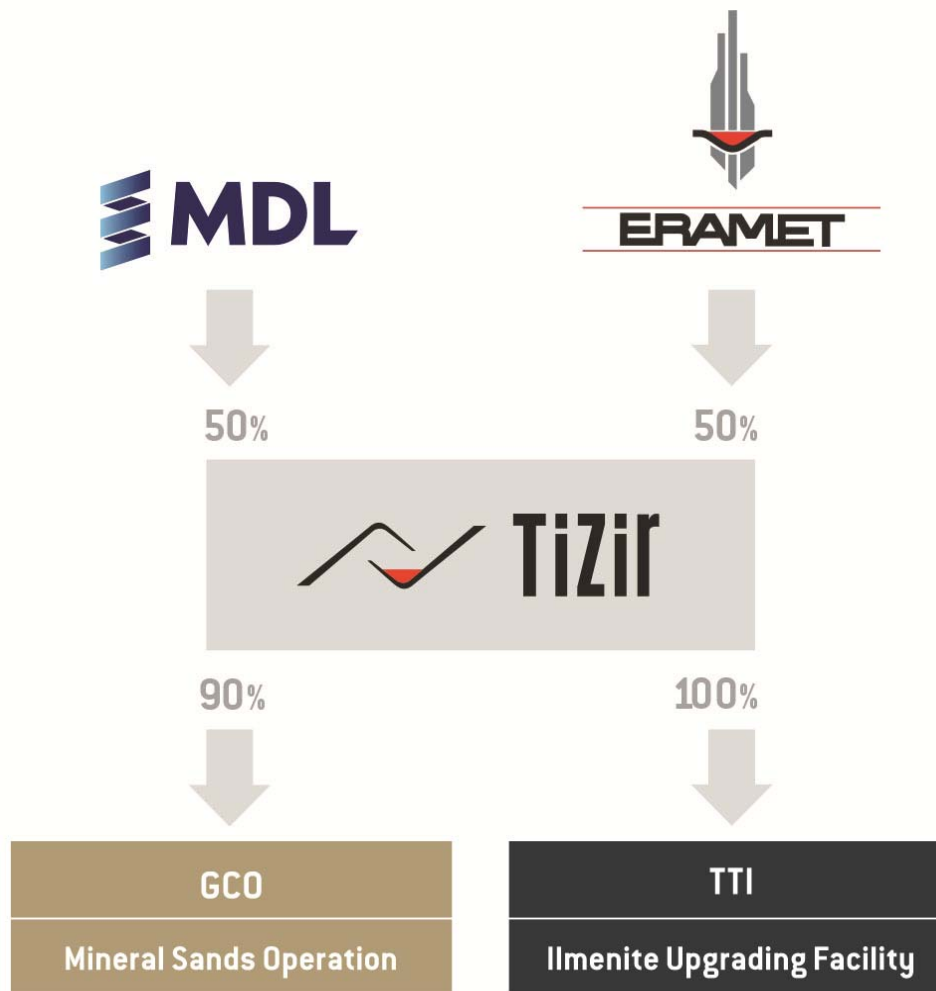
STATEMENTS

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 operations of minerals processing facilities, exploration and development of mineral properties, changes in economic conditions, changes in the worldwide price of zircon, ilmenite and other key inputs, changes in the regulatory environment and other government actions, changes in mine plans and other factors, such as business and operational risk management, many of which are beyond the control of MDL. Except as required by applicable regulations or by law, MDL does not undertake any obligation to publicly update, review or release any revisions to any forward looking statements to reflect new information, future events or circumstances after the date of this report.
- Nothing in this report should be construed as either an offer to sell or a solicitation to buy or sell MDL securities.

MDL OWNS 50% OF THE TIZIR JOINT VENTURE

THE TIZIR VISION WILL BE REALISED IN 2015



- Well located, high quality assets
- Strategy to introduce production flexibility aimed at increasing optionality and maximising shareholder value
- Vertical integration improves cost efficiencies
- By end 2015, capex spend to be complete and operations to be largely de-risked
- Quality partner in ERAMET

TWO STRATEGIC MINERAL SANDS ASSETS

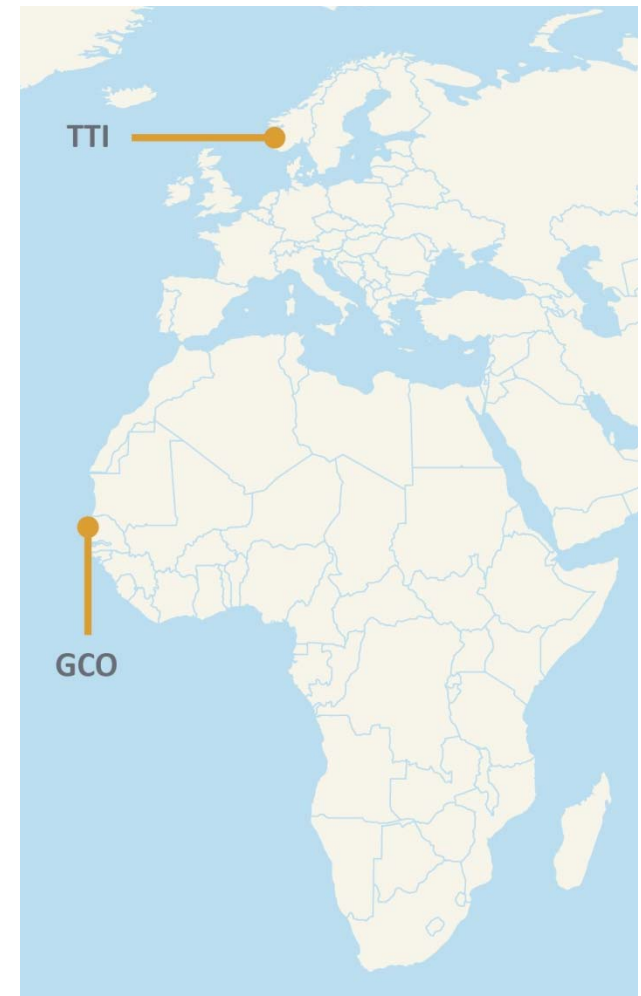
THE VERTICAL INTEGRATION OF GCO AND TTI CREATES SIGNIFICANT VALUE

GCO (Senegal) – A major new mineral sands mine

- Biggest single-dredge mineral sands operation in the world
- US\$650M construction cost, 11 million man hours – completed February 2014
- Production ramp-up on target to achieve nameplate capacity during 3Q 2015
- 85ktpa of zircon sold directly to global customers
- 575ktpa of ilmenite with a majority to be processed at TTI
- Mine life expectancy to 2043

TTI (Norway) – A high quality ilmenite upgrading facility

- Operational since 1986 with a consistent production history
- Produces a high grade TiO_2 titanium slag and high purity pig iron
- One of only five such operating assets globally (only one in Europe)
- Benefits from cheap, clean power and excellent logistics
- Refurbishment and expansion project to create production flexibility



THE VALUE OF VERTICAL INTEGRATION



Click [here](#) to view the integration video

GCO



RAMPING UP TO NAMEPLATE

CONVENTIONAL MINING & PROCESSING

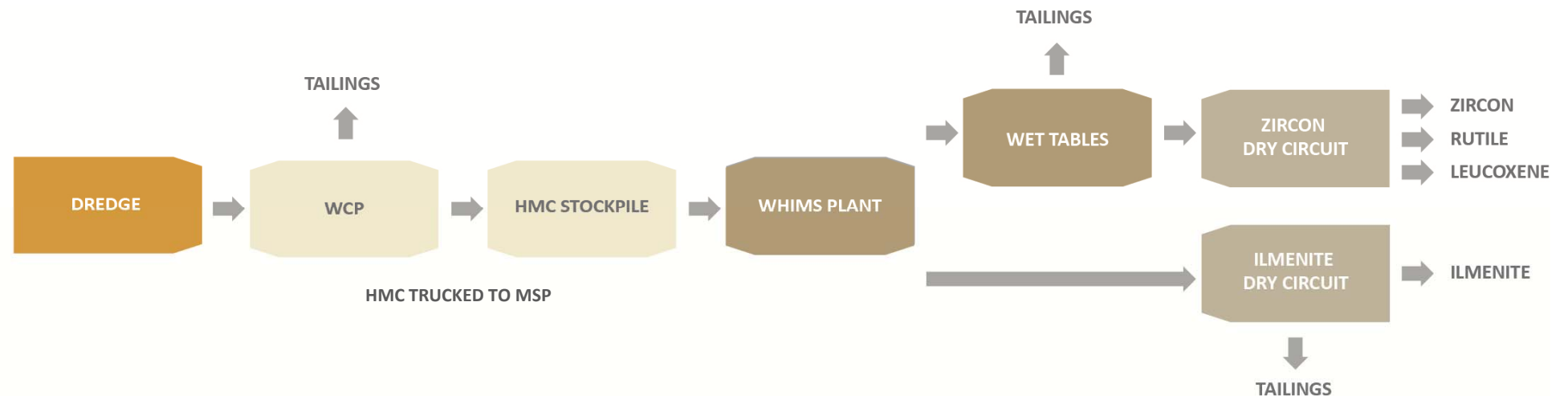
1 WET MINING –
DREDGE & FLOATING
CONCENTRATOR

2 PROCESSING TO
SEPARATE
MINERALS

3 POWER

4 RAIL

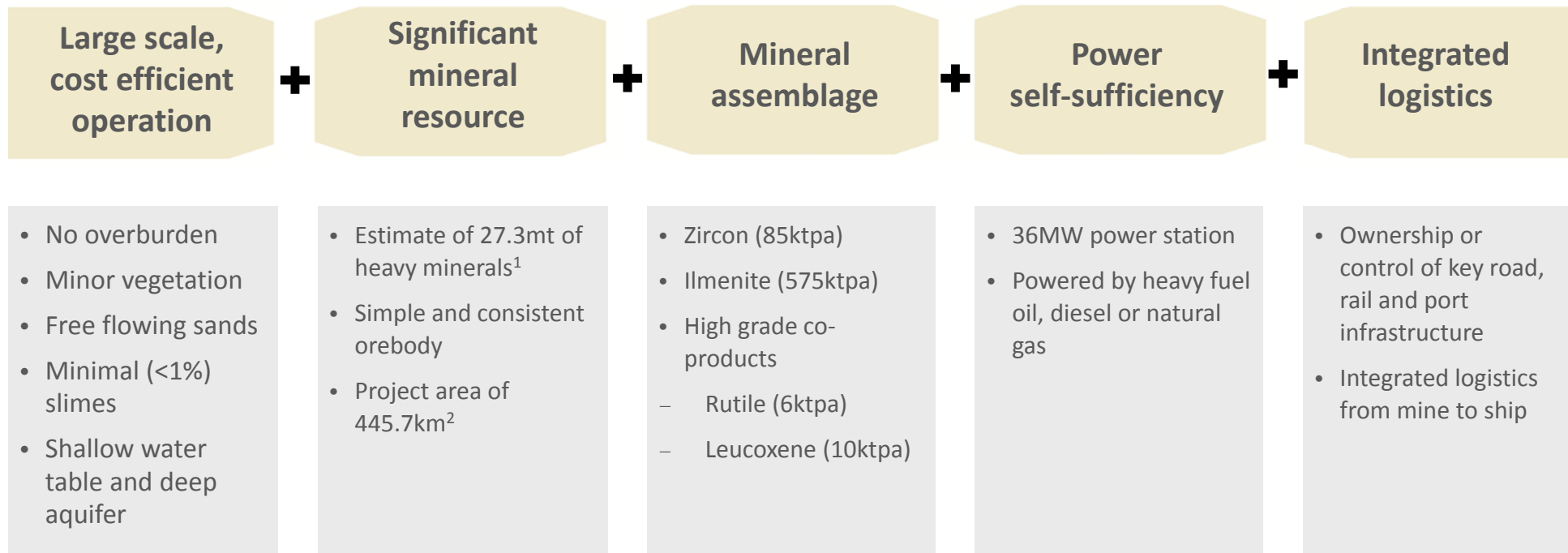
5 PORT &
SHIPPING



WCP : WET CONCENTRATOR PLANT
MSP : MINERAL SEPARATION PLANT
HMC : HEAVY MINERAL CONCENTRATE
WHIMS : WET HIGH INTENSITY MAGNETIC SEPARATION

GCO – A HIGHLY COMPETITIVE MINERAL SANDS MINE

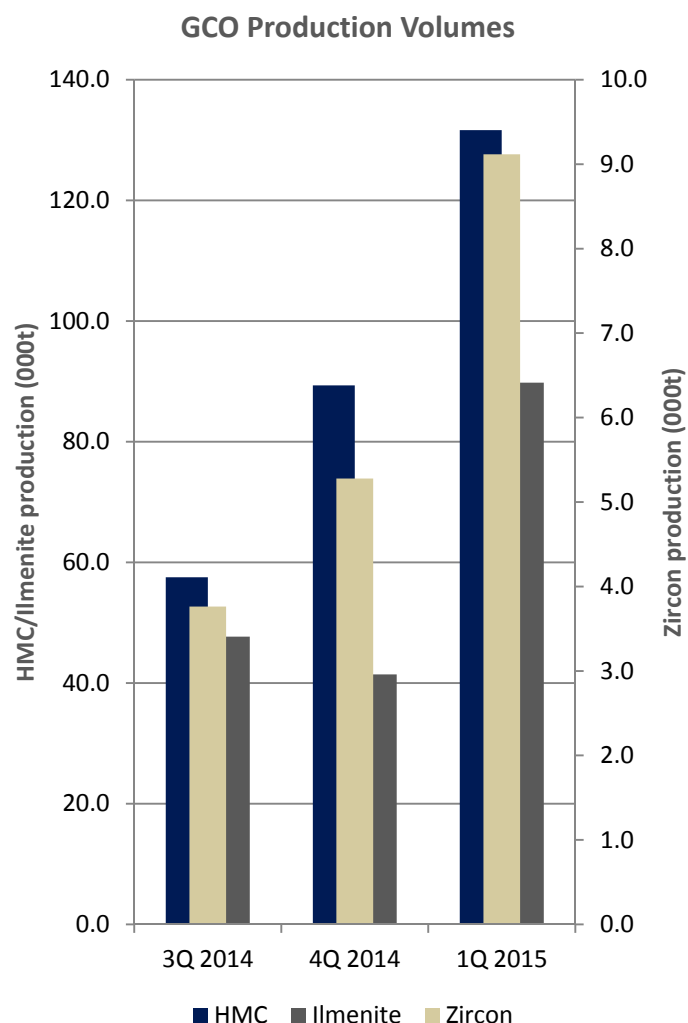
GCO HAS A NUMBER OF ATTRIBUTES WHICH ENSURE A ROBUST OPERATION



1: ASX release – 19 February 2015

GCO – STATUS REPORT

EVEN AT THE CURRENT STAGE OF THE MINERAL SANDS PRICING CYCLE, GCO IS EBITDA POSITIVE



- Commissioning continues on schedule with nameplate capacity expected to be achieved during 3Q 2015
- March 2015 represented the first month of positive EBITDA despite continuing soft market conditions due to significant savings from cost efficiency initiatives and continuing pressure on oil prices and exchange rates
- Current issues being encountered are 'typical' of a mine ramp-up process
- Wet plant and ilmenite circuit of the dry plant operating at design feed rates
 - Majority of budgeted ilmenite production for 2015 contracted for sale to external customers
- Zircon recoveries improving
 - Customer demand continuing to outstrip supply
- Increase in mineral reserve and resource – life of mine extended to 2043¹

1: ASX Release – 19 February 2015

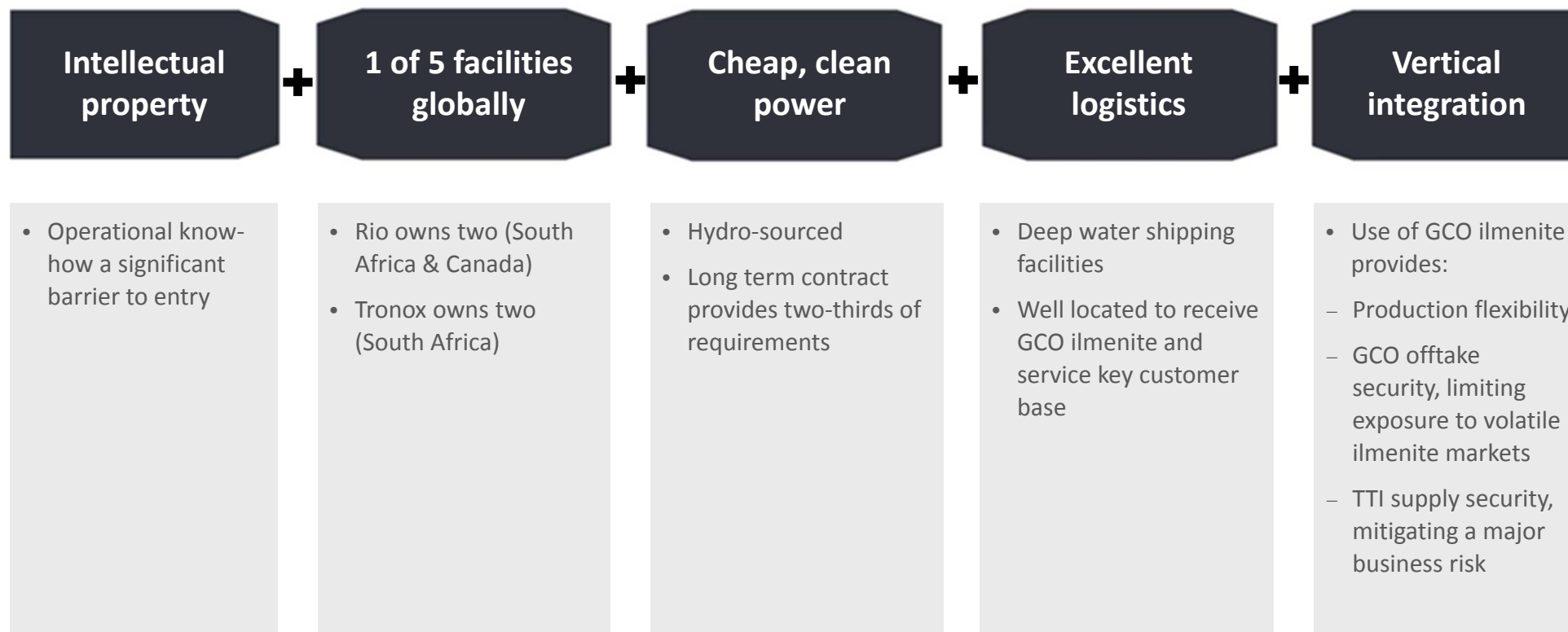
TTI



PRODUCTION FLEXIBILITY

TTI – A HIGH QUALITY UPGRADING FACILITY

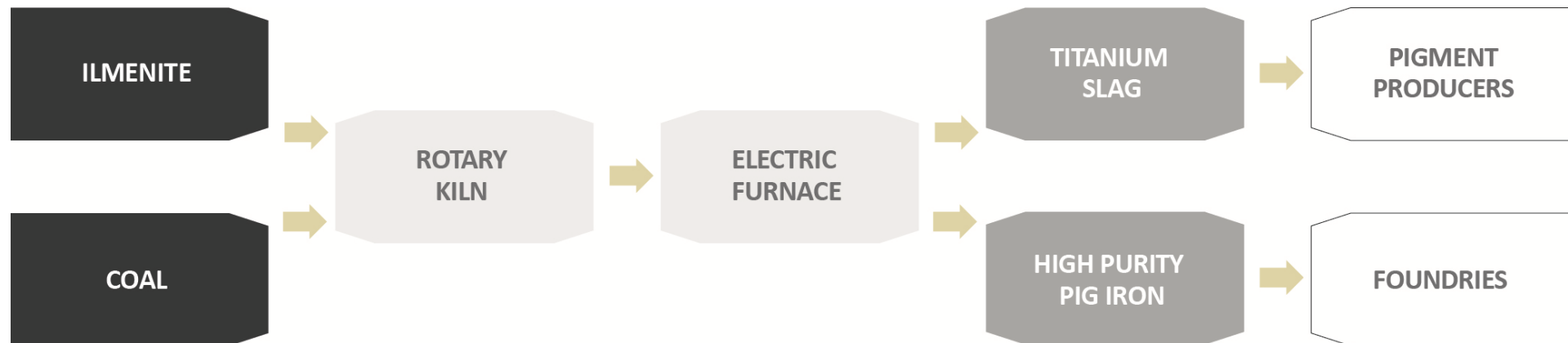
TTI IS A HIGH QUALITY FACILITY PROVIDING A NUMBER OF SIGNIFICANT ADVANTAGES



TTI IS ALREADY A SIGNIFICANT PRODUCER OF TITANIUM FEEDSTOCK

THE EXPANSION AND UPGRADE PROJECT WILL PROVIDE PRODUCTION FLEXIBILITY

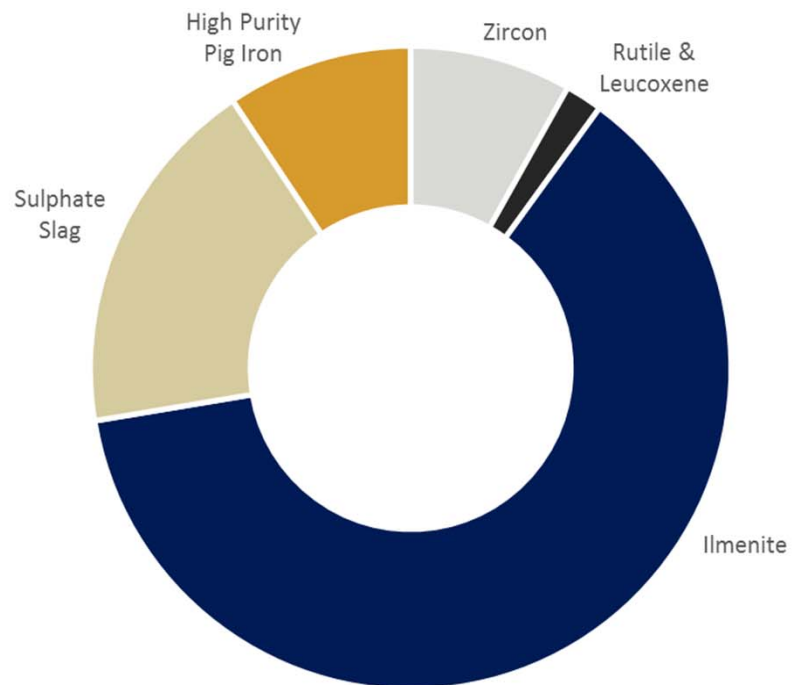
6 INPUT **7** PRE-REDUCTION **8** SMELTING **9** OUTPUTS **10** CUSTOMERS



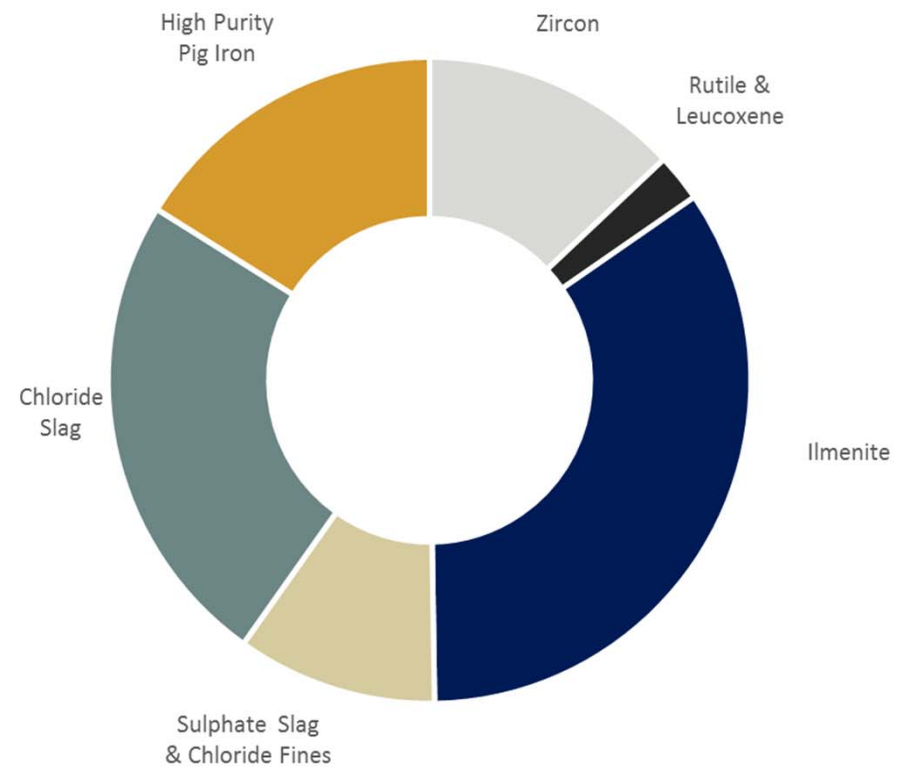
IMPACT OF THE TRANSITION

ABILITY TO PRODUCE SULPHATE OR CHLORIDE SLAG DEPENDING ON MARKET CONDITIONS

2015 Sales volume mix – a transition year

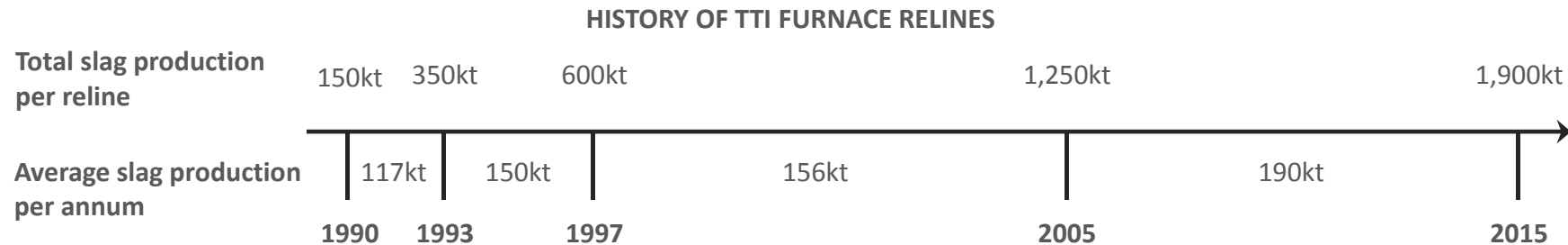


2016 Sales volume mix – post transition



PRODUCTION FLEXIBILITY PROVIDES OPTIONALITY

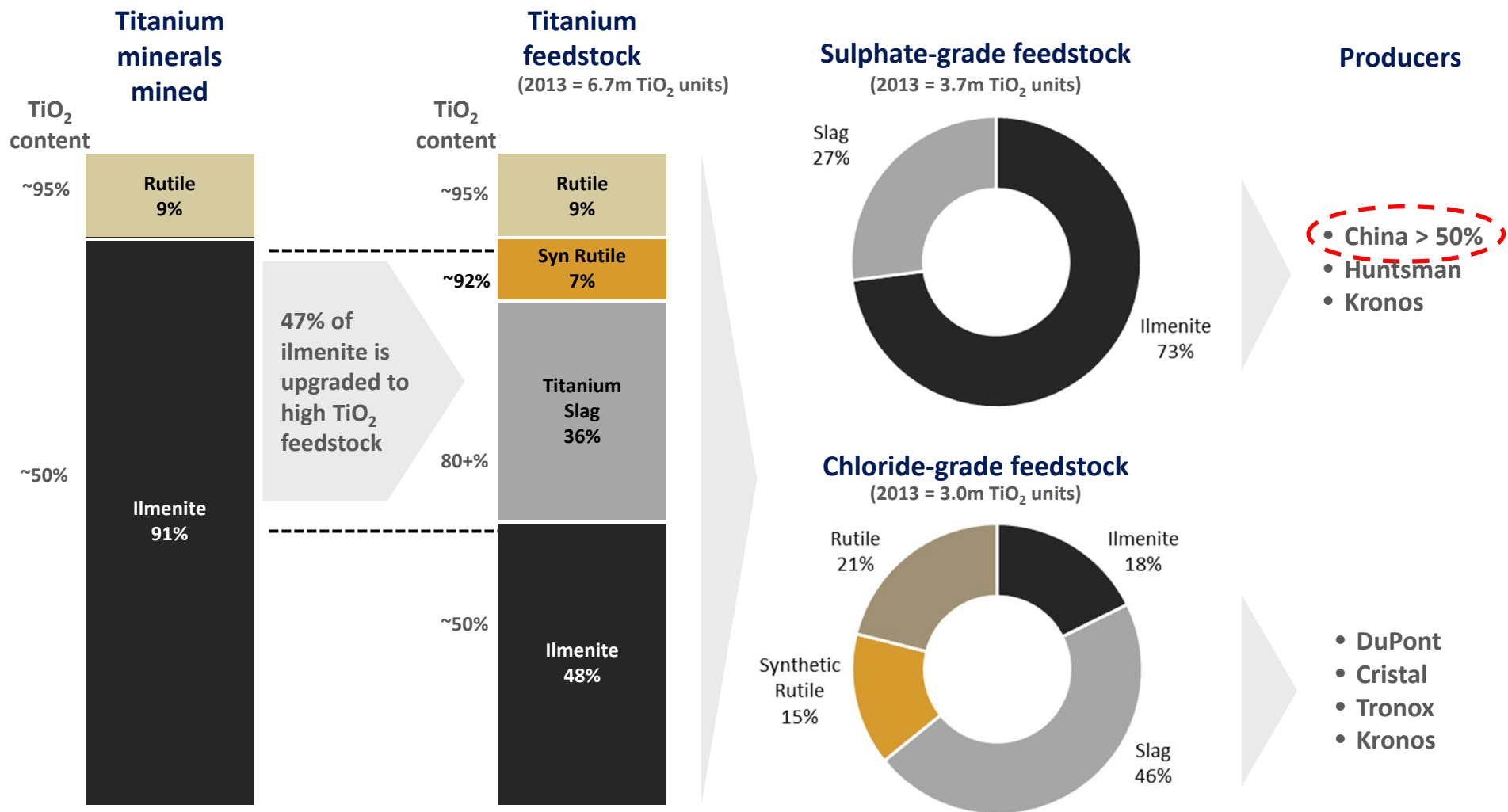
TTI EXPANSION AND UPGRADE PROJECT WILL ADD SIGNIFICANT VALUE



- TTI has been operating successfully since 1986, having undergone numerous relines and expansions
- As a result of the Expansion and Upgrade Project, TTI will:
 - vertically integrate with GCO
 - enhance flexibility to produce either chloride or sulphate slag and take advantage of market conditions
 - reduce emissions thereby improving performance and further enhancing its important environmental credentials
 - recognised by Enova (Norwegian Government Authority) in its recent funding support of TTI
 - expand production capacity by approximately 15%

TITANIUM FEEDSTOCK CHAIN

TITANIUM IS LARGELY USED IN THE PRODUCTION OF PIGMENT



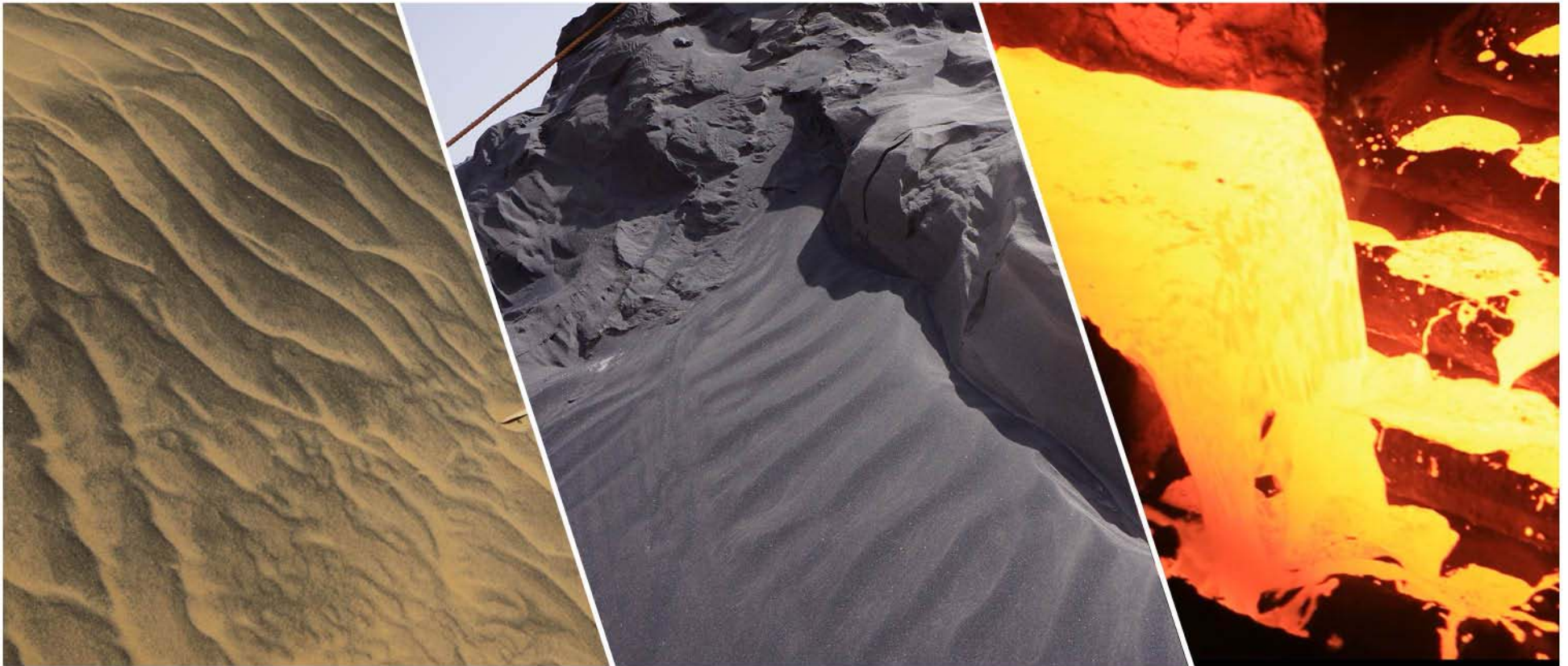
Source: TZMI & TiZir research

WHY THE NEED FOR FLEXIBILITY

THE ABILITY TO SERVICE CHLORIDE PIGMENT PRODUCERS OFFERS A NUMBER OF KEY ADVANTAGES

- Approximately 45% of global pigment supply is produced by way of the chloride process
 - Significant environmental benefits
 - Limited availability of technology – utilised by a small number of large western producers
 - A majority of pigment producers require beneficiated high grade feedstock
 - TiZir will be one of only two external producers of chloride slag feedstock
- China dominates the sulphate process
 - Freely available technology – utilised by numerous smaller producers in China
 - A significant proportion of ilmenite utilised by these plants is produced as a by-product of iron ore mining
 - With demand declining and margins decreasing, China has changed from being a net importer to a major exporter of sulphate pigment (particularly to Europe)
- Production of chloride slag enhances:
 - Cost efficiencies
 - Revenue generation

WHY MDL?



THE MDL INVESTMENT CASE



WHY MDL?

MDL IS ON TRACK TO DELIVER THE TIZIR VISION BY THE END OF 2015

- GCO on track to be operating at full capacity during Q3 2015
 - Capex spend completed in February 2014
 - Current commissioning issues appear limited to ‘typical’ issues
 - Dredge has operated above nameplate capacity for short periods during 2015
 - Wet plant and ilmenite circuit of dry plant are operating at design feed rates
 - Customer demand for zircon continues to outstrip supply
- TTI smelter expansion and upgrade to be completed during Q4 2015
 - Plant has been operating since 1986 (with numerous relines completed)
 - Capex expected to be in the order of US\$70-80m. Indications to date that project will be completed within budget
 - Advantages of vertical integration and product flexibility
- TiZir funded by cash of US\$8.4m (as at December 2014) along with available working capital facilities
 - TiZir’s application for funding of US\$16.2m was approved by Enova (subject to ESA approval), a Norwegian government agency promoting energy efficiency and the use of environmentally friendly energy technology
 - As at 31 March 2015, MDL had cash of US\$23.8m, no debt and no expected future cash commitments to TiZir

WHY MDL?

A STRONG PLATFORM TO GROW SHAREHOLDER VALUE

- ✓ When industry fundamentals improve, MDL is well positioned to benefit
- ✓ Well located, high quality assets
- ✓ Operational flexibility to adapt to changing market conditions to maximise returns for shareholders
- ✓ Vertical integration driving cost efficiencies and enhanced revenue generation
- ✓ By end 2015, capital spend expected to be complete and assets largely de-risked
- ✓ Partnership with ERAMET, a major global player in manganese and nickel mining & smelting

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