



## MZI signs Letter of Intent and Cooperation to supply Keysbrook L88 to China

- Letter of Intent and Cooperation signed with one of China's largest chloride pigment producers
- Subject to positive test work, parties intend to enter into negotiations for supply of Keysbrook L88
- LOI complements existing offtake commitments for Keysbrook products

MZI Resources Ltd (ASX:MZI) is pleased to announce that it has signed a Letter of Intent and Cooperation (LOI) with Jinzhou Titanium Industry Co. Ltd ("Jinzhou") for an initial trial shipment of premium L88 leucoxene product from the Company's flagship Keysbrook Project, south of Perth.

Jinzhou is one of China's largest and most successful chloride titanium dioxide producers. Part of the CITIC Group, Jinzhou commenced titanium dioxide production in 1960 and established China's first chloride titanium dioxide production facility in 1990.

Subject to satisfactory test work results from trial processing of an initial small shipment Keysbrook L88 at Jinzhou's processing facilities in China, the parties intend to enter into commercial negotiations regarding a potential large scale offtake agreement to supply Jinzhou with Keysbrook L88.

Signing of the LOI follows successful testing of Keysbrook L88 samples by Jinzhou, and a visit to MZI's Perth office by senior Jinzhou executives in October 2015.

Currently, over 85% of Keysbrook's total production is committed under long term offtake agreements with blue-chip international customers\*. All zircon concentrate production (totalling approximately 29,000tpa) is committed under offtake agreements with China's largest zircon processor Tricoastal/Wensheng, while all L70 production (totalling approximately 29,000tpa) and two thirds of L88 production (25,000tpa of approximately 38,000tpa), is committed under offtake agreements with US-based Chemours (formerly DuPont).

MZI Managing Director Trevor Matthews said *"This initial letter of intent with Jinzhou, though preliminary, represents an important further acknowledgement of Keysbrook's emerging status as a producer of high value premium mineral sands products to the global market. We look forward to completing this trial shipment to Jinzhou as a first step toward establishing what we expect will ultimately become a mutually rewarding long term relationship between our two companies."*

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