

# ASX ANNOUNCEMENT

11 March 2016



## First Leucoxene sales at Keysbrook

### ■ First L70 shipment exported from Bunbury Port

MZI Resources Ltd (ASX:MZI) is pleased to announce that the first shipment of its L70 leucoxene product has departed the Port of Bunbury, bound for delivery to offtake customer Chemours in the United States where it will be used to manufacture pigment used in paints, plastics and other applications.

This marks the commencement of cash flow from Keysbrook's high value leucoxene products, and is a significant milestone for MZI and the Keysbrook Project.

Leucoxene is expected to account for approximately 70% of Keysbrook's annual sales, with this shipment totalling approximately 6,825 tonnes of L70.

MZI Managing Director Trevor Matthews said *"This shipment represents Keysbrook's arrival as the single biggest producer of high value leucoxene in the world, as we continue to ramp up cash flow generation and build value for Shareholders through high margin product sales."*

As indicated previously, approximately 73% of all planned 2016 production is currently committed under five year offtake agreements, comprising 100% of zircon concentrate and approximately 65% of all leucoxene products<sup>1</sup>. MZI continues to advance discussions with other prospective customers for Keysbrook leucoxene and expects to sell all available production in 2016.

The Company has also shipped over 3,800 tonnes of zircon concentrate to China's largest mineral sands processor, Tricoastal/Wensheng, under the five-year offtake agreement for 100% of Keysbrook's zircon concentrate production.

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<sup>1</sup> Refer ASX release dated 22 February 2015