



Keysbrook - A high value mineral sand mine in a low cost location

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Trevor Matthews – Managing Director

What makes MZI and Keysbrook compelling

- MZI is the world's newest producer of high value Zircon and TiO_2 products
- Focused on the Keysbrook Project, 70km from Perth
- Keysbrook is a high-margin long-life project with strong growth potential
- Construction completed and production commenced on budget and ahead of schedule
- Keysbrook will be the world's biggest primary producer of Leucoxene

Robust Economics*

Low LOM Operating costs
Premium quality products
Potential+30 year life, subject to land access and further approvals.

Low Risk

100%-owned Australian Project
Construction complete
Production underway
Soft environmental footprint

High Value Products*

38 ktpa 88% TiO_2
29 ktpa 70% TiO_2
29 ktpa Zircon Concentrate
(56% ZrO_2 + 11% Rutile Grade TiO_2)

Growth Potential

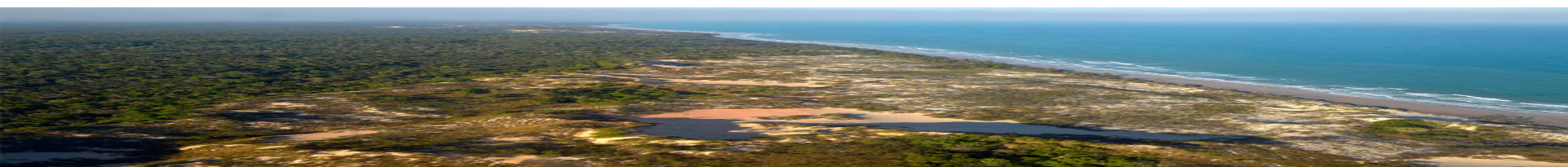
Significant potential to grow Resources through exploration
Project expansion studies underway

Committed Sales

Offtakes cover +70% of output
 TiO_2 products L88 and L70 sale agreements with Chemours
Zircon concentrate contract with Tricoastal/Wensheng

Strong Board and Management

Over 100 years of mineral sands experience within the company



Prime Australian Location

Keysbrook Project (100% MZI)

- High quality product mix
- HMC production commenced October 2015
- Potential multi-decade producer



70km from Perth

Western Australia

- Australia's largest minerals exporting State
- Major global producer of mineral sands
- Established workforce and infrastructure
- Broad community support for mining



The Keysbrook location advantage

- Mine located 70km south of Perth
- Near large population, mining and industrial centres
- No need for employee transport, accommodation or catering
- Connected to grid power, high standard road transport, product storage and port facilities
- Basic wet processing at mine site
- Dry processing de-risked via toll treatment agreement to utilise Doral plant at Picton



Sustainable with a soft environmental footprint

- Only small areas (30ha) opened for mining at any one time, average mining depth 2.2m
- No comminution of mined sand and chemical free processing
- Recycle >85% of annual water requirements
- No residual waste from processing
- After processing, sand and clay material is returned to the mined area
- Stockpiled topsoil is replaced and mine rehabilitation is complete within 2 to 3 growing seasons and returned to previous land use
- Disturbed areas revegetated to better than pre-mining state
- Comprehensive noise, dust, water and transport management plans in place



Nearby post-mining rehabilitated pasture



Rehabilitation progress at MZI's Tiwi Islands project

Keysbrook: a platform for reliable long life supply



- 155Mt Global Mineral Resource*, including Ore Reserves of 72Mt*, with significant exploration upside
- High value product mix and potential +30* years LoM at initial planned production rate
- Low cost mining – free dig sand, average depth 2.2m with nil strip ratio
- Low slimes
- Simple conventional processing flowsheet
- Offtake agreements for +73% of 2016 production under five year sale agreements with Chemours and Tricoastal-Wensheng
- LOI with Jinzhou Titanium regarding potential L88 supply

Keysbrook: Delivered early and on Budget

- ✓ Siteworks commenced February 2015 with total capital development budget of \$75.6m
- ✓ Mining and wet processing commenced late October 2015, ahead of schedule and on budget
- ✓ First HMC concentrate produced late October 2015
- ✓ Dry plant commissioning commenced and first saleable zircon and leucoxene produced November 2015
- ✓ Nameplate throughput capacity attained December 2015
- ✓ First sales completed ahead of schedule December 2015
- ✓ Operations officially opened on 4 April 2016

Operational performance ramping up

- Nameplate throughput achieved at WCP and MSP in December 2015, within 7 weeks of start-up
- Operating costs tracking to plan, benefiting from lower power and fuel costs
- Production volumes ramping up:

| | | December Quarter 2015 |
|--------------------|----------|--------------------------|
| Ore Mined | (tonnes) | 618,480 |
| WCP Ore Processed | (tonnes) | 599,369 |
| HMC Production | (tonnes) | 16,008 |
| MSP HMC Processed | (tonnes) | 9,011 |
| Zircon concentrate | (tonnes) | 1,775 |
| L70 production | (tonnes) | 2,316 |
| L88 production | (tonnes) | 1,795 |

- Initial commissioning priority was achieving nameplate throughput
- Focus now on achieving planned HM recoveries

Project delivered on budget and ahead of schedule



✓ *Continuous mining commenced October 2015*

Project delivered on budget and ahead of schedule



✓ *First ore fed into Keysbrook MFU October 2015*

Project delivered on budget and ahead of schedule



✓ *HMC production commenced at Keysbrook October 2015*

Project delivered on budget and ahead of schedule



✓ *HMC processing commenced at Picton MSP November 2015*

Shipping volumes gathering steam

- Zircon concentrate sales commenced December 2015
- +5,500t zircon concentrate shipped to date
- Leucoxene sales commenced – first L70 shipment (6,800t) exported March 2016
- L88 shipping to commence in current quarter



Expansion potential

- Potential for cost effective recovery improvements to increase production
- Full suite of options considered from debottlenecking to significant increase in processing capacity
- Large resource base and exploration upside provides substantial scope to increase annual production rate
- Expansion/optimisation studies underway



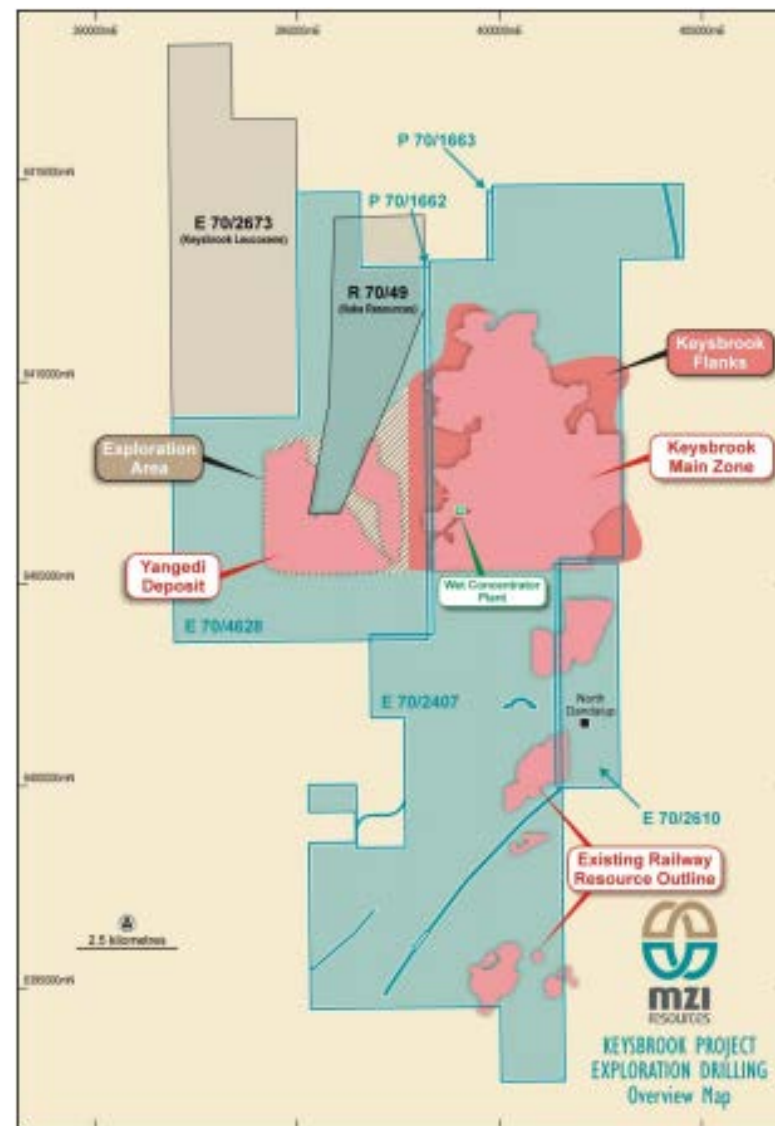
Keysbrook WCP



Picton MSP

Expanding resources a platform for growth

- Keysbrook Global Mineral Resource increased by **68%** to **155Mt @ 2.0% HM** in August 2015¹
- Total contained HM increased to **3.1Mt** in the Keysbrook, Yangedi and Railway deposits
- Keysbrook Deposit increased **14%** to **90Mt @ 2.2% HM** containing **2.0Mt HM**
- Maiden Mineral Resource estimate for Yangedi Deposit of **51Mt @ 1.5% HM** containing **0.79Mt HM**
- Total Ore Reserves increased by **177%** to **72Mt @ 2.2% HM²** in March 2016, equivalent to **+15 years**
- Mineralisation remains open to the west, north and south
- Mineral Resources equivalent to **+30¹ years** of life at initial production rates, subject to land access and further approvals
- Increased resource base positive for ongoing capacity expansion studies



1 Refer ASX release dated 7 August 2015, and slides 25-26

2 Refer ASX release dated 23 March 2016 and slides 25-26

- ✓ Market for premium mineral sands products remains relatively stable compared with other commodities
- ✓ Modest mid term price growth forecast
- ✓ Broad demand for products used in everyday life

Zircon

- The zircon price has eased over the past year with premium grades currently selling for ~US\$950 pmt.
- Producers are reducing supply in response to soft market conditions
- Global consumption is currently assumed to be ~1.0 million tonnes per year, with demand growing in step with global GDP.

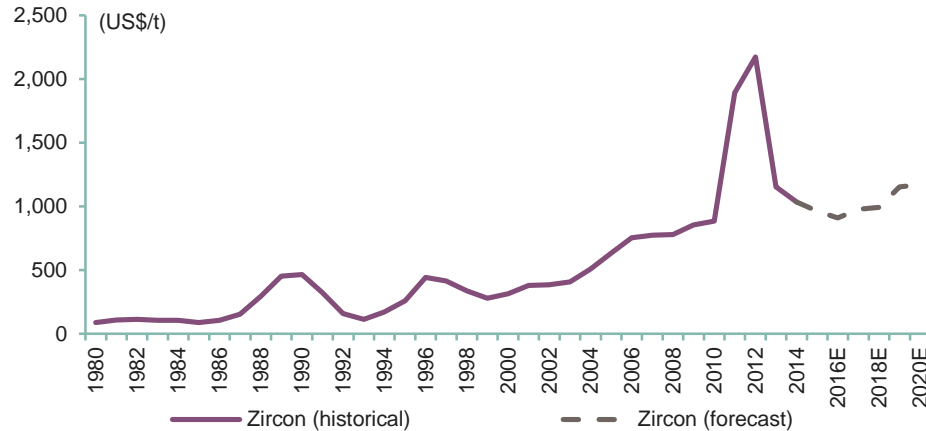
Titanium Dioxide

- Demand for chloride TiO_2 feedstock remains stable with conditions expected to improve through 2016.
- Modest price growth anticipated post 2016.



Market Outlook – Prices

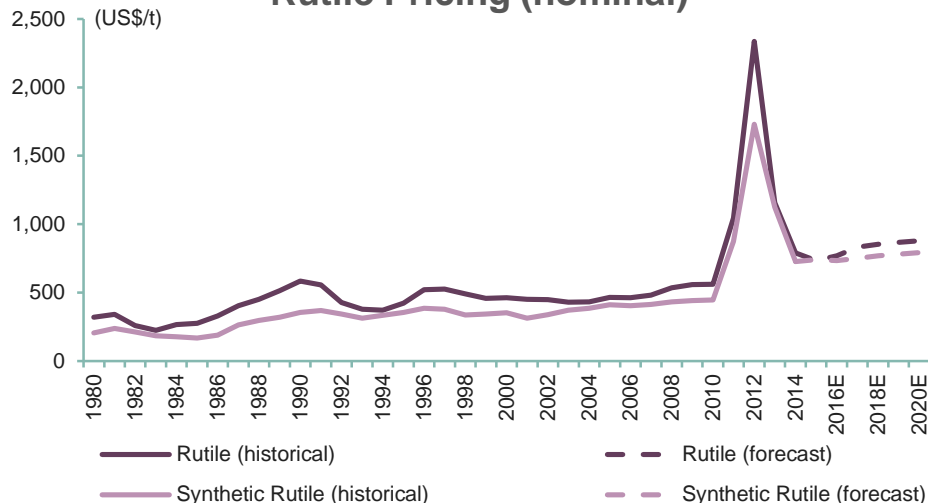
Zircon Pricing (nominal)



- Prices have entered a post-correction phase, and are expected to return to the long term trend

- Moderate price improvement is anticipated post 2016

Rutile Pricing (nominal)



- Leucoxene prices are linked to rutile based on TiO_2 content – L88 typically expected to receive 80-85% of rutile price

Source: Deutsche Bank, TZMI

Zircon

- Architectural ceramics (tiles, bathroom fixtures)
- High performance refractories (kiln/furnace linings)
- Friction abrasives (brakes)
- Precision casting (auto manufacturing)
- Digital printing inks
- Zirconium metal (nuclear fuel rods)



TiO₂

- Leucoxene (L88 and L70) is a high value source of TiO₂
- Everyday pigments (paints, plastics, paper etc)
- Industrial uses (welding rods)
- Titanium metal applications (aerospace, industrial, medical)



Summary: MZI a rare gem in today's resources sector



- ✓ Keysbrook project construction completed and commissioning commenced on budget and ahead of schedule
- ✓ First production of saleable products achieved November 2015, first sales completed December 2015
- ✓ Globally competitive low cost producer
- ✓ Positive price/demand outlook for Keysbrook-type products
- ✓ Focused on higher-value end of mineral sands market: **Zircon, Leucoxene88, Leucoxene70**
- ✓ Five year offtake contracts with blue chip customers (Chemours and Tricoastal/Wensheng)
- ✓ Discussions with multiple parties for uncommitted volumes
- ✓ Long life asset with significant growth/expansion potential

Important Notice



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This presentation contains forward looking statements concerning the projects owned by MZI Resources Ltd. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-Looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward Looking statements are based on Management's beliefs, opinions and estimates as of the dates the forward looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Data and amounts shown in this presentation relating to capital costs, operating costs and project timelines are internally generated best estimates only. All such information and data is currently under review as part of MZI Resources Ltd's ongoing development and feasibility studies. Accordingly, MZI Resources Ltd cannot guarantee the accuracy and/or completeness of the figures or data included in the presentation until the feasibility studies are completed.

Competent Person's Statement – Exploration Results

The information in this report that relates to exploration results is based on information compiled or reviewed by Mr Stephen Harrison BSc (Hons) who is a member of the Australia Institute of Geoscientists. Stephen Harrison is a full time employee of MZI Resources Ltd. Stephen Harrison has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Stephen Harrison consents to the inclusion of this information in the form and context in which it appears in this report.

Appendix

MZI Corporate Overview



| ASX | MZI |
|------------------------------------|-------------------|
| Issued Capital | 203.8m FPO Shares |
| Current Price ¹ | \$0.31 |
| Market Capitalisation ¹ | \$63.2m |

Major Shareholders

| | |
|---------------------|-------|
| RCF | 41.9% |
| Accent Resources | 4.9% |
| Technical Investing | 3.5% |
| Slade Technologies | 2.3% |
| Xiang Lin | 1.7% |
| Tricoastal | 1.4% |

Funding Structure

| RCF | |
|---|-----------|
| Convertible Loan (fully drawn) | US\$21.0m |
| Bridge Facilities (US\$6.0m undrawn) ² | US\$8.0m |
| RMB | |
| Project Facility (fully drawn) | US\$37.5m |
| Working Capital (fully drawn) | US\$3.0m |
| Bank Guarantee Facility (A\$7.0m undrawn) | A\$11.5m |
| FX Hedge and Interest Rate Swap Facility | |

Board & Executive Management

| | |
|-----------------|-----------------------------------|
| Mal Randall | Chairman |
| Trevor Matthews | Managing Director |
| Maree Arnason | Non-Executive Director |
| Rod Baxter | Non-Executive Director |
| Stephen Ward | Non-Executive Director |
| Nathan Wong | Non-Executive Director |
| Mike Ferraro | Chief Operating Officer |
| Peter Gazzard | Technical Director |
| John Traicos | Legal Manager / Company Secretary |
| John Westdorp | Chief Financial Officer |
| Jamie Wright | Chief Development Officer |

Broker coverage

| Broker | Rating | 12m target |
|-------------|--------|--------------------|
| Argonaut | Buy | A\$0.70 (23/03/16) |
| Bell Potter | Buy | A\$0.53 (23/02/16) |
| Patersons | Buy | A\$0.48 (04/03/16) |

¹As at 11 April 2016

²As at 31 March 2016

Keysbrook Metrics*

| Item | Result |
|--------------------------------|---|
| Ore Mining Rate | 4.5Mtpa |
| Average mining depth | 2.2 metres |
| Strip Ratio | Nil |
| Mining Inventory | 72 million dry tonnes (Reserve) |
| Mine Life | 16 years (Reserve) +30 years (Resource) |
| Concentrator throughput | 4.0Mtpa (dry) |
| Concentrator Recovery | L70 – 90% L88 – 71% Zircon – 98% |
| HMC Produced | 111,000tpa (dry) |
| MSP contract | Toll treating – month on / month off |
| MSP throughput | 111,000tpa (dry) |
| MSP Recovery | L70 – 99% L88 – 90% Zircon – 98% |
| Final Product* | L70 – 28,800tpa (dry) L88 – 38,400tpa (dry) Zircon con – 29,000tpa (dry) |
| Zircon concentrate composition | 56% Zr, 11% L88 |



Keysbrook – A Simple Flowchart

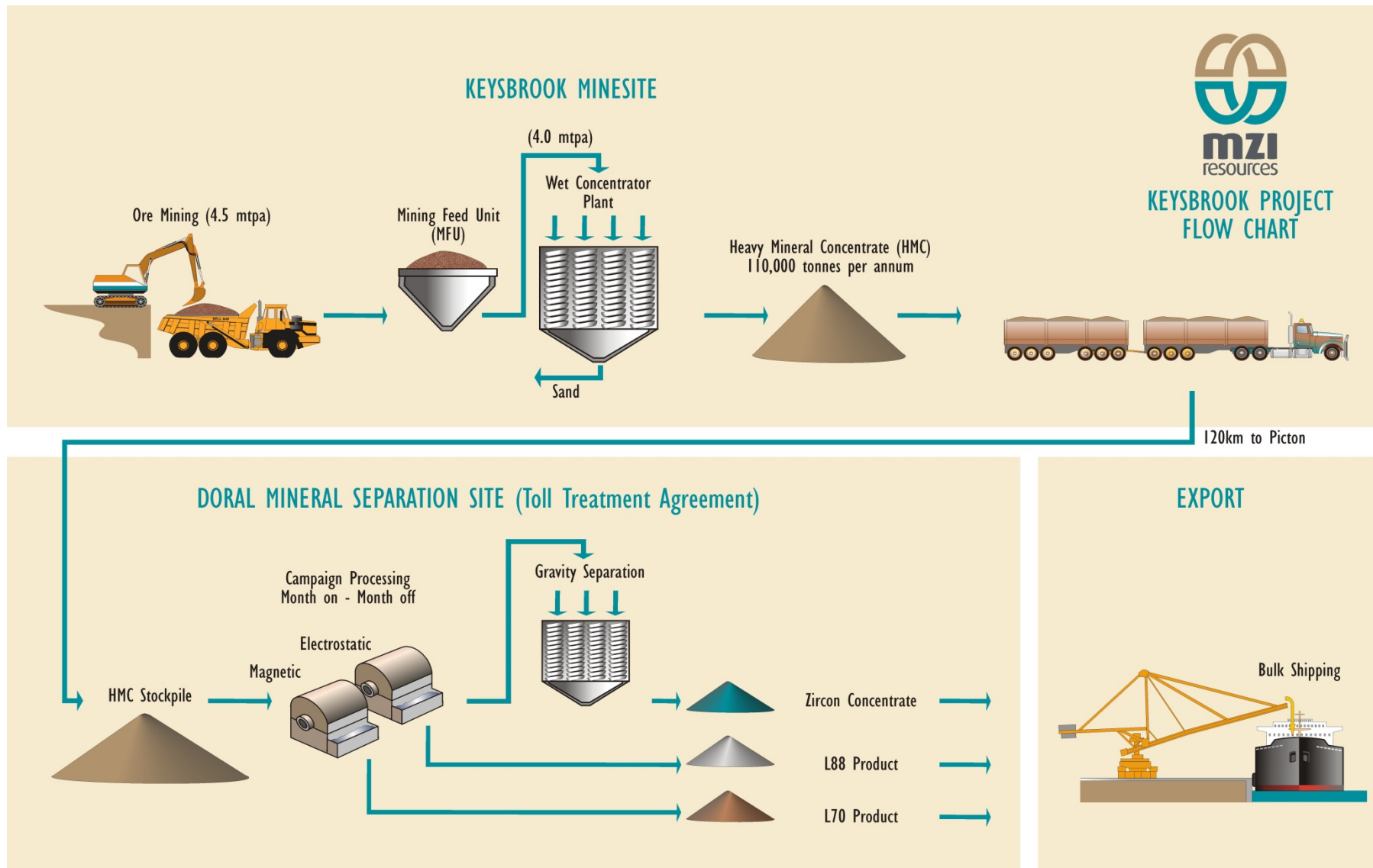


Table 1: Keysbrook Project –Global Mineral Resources (above a 1% THM cut-off grade and below a 20% slimes grade)

| Category | Tonnes (Mt) | Total Heavy Mineral (%) | Heavy Mineral (kt) | Clay Fines (-45um)% |
|--------------|--------------|-------------------------|--------------------|---------------------|
| Measured | 63.9 | 2.2 | 1,400 | 8.1 |
| Indicated | 29.2 | 2.2 | 655 | 10.5 |
| Inferred | 61.9 | 1.6 | 1,050 | 12.0 |
| Total | 155.0 | 2.0 | 3,105 | 10.1 |

Table 2: Keysbrook Project Component Resource Statement

| Category | Tonnes (Mt) | Total Heavy Mineral (%) | Heavy Mineral (kt) | Clay Fines (-45um) % | L70 % | L88 % | Zircon % |
|--------------------------|-------------|-------------------------|--------------------|----------------------|-------------|-------------|-------------|
| Keysbrook Deposit | | | | | | | |
| Measured | 63.9 | 2.2 | 1,400 | 8.1 | 26.1 | 50.1 | 13.6 |
| Indicated | 15.6 | 2.2 | 350 | 10.2 | 28.0 | 46.1 | 14.7 |
| Inferred | 10.8 | 2.4 | 260 | 11.9 | 26.4 | 48.7 | 14.3 |
| Total | 90.3 | 2.2 | 2,010 | 8.9 | 26.5 | 49.2 | 13.9 |
| Yangedi Deposit | | | | | | | |
| Inferred | 51.1 | 1.5 | 790 | 12.1 | 61.2 | 20.0 | 10.8 |
| Total | 51.1 | 1.5 | 790 | 12.1 | 61.2 | 20.0 | 10.8 |
| Railway Deposit | | | | | | | |
| Indicated | 13.6 | 2.2 | 305 | 11.0 | - | - | - |
| Total | 13.6 | 2.2 | 305 | 11.0 | - | - | - |

Notes relevant to Tables 1 and 2:

1. Reported above a cut-off grade of 1% HM and below a cut-off of 20 % clay fines.
2. Stratigraphic units reported within the Mineral Resource are Yoganup Sand and Guildford Clay for Keysbrook, Bassendean Sand for Yangedi and Yoganup Sand for Railway.
3. Keysbrook Project resource is classified and reported in accordance with the guidelines of JORC Code 2012. Railway Deposit resource is classified and reported in accordance with the guidelines of JORC Code 2004.
4. HM is reported as a percentage of the +45um to -2mm size fraction reported as a percentage of the total material.
5. L70%, L88% and Zircon% are the proportion of the total HM.
6. The terms L70 and L88 refer to MZI products. L70 comprises minerals with an average titanium dioxide content of between 65% and 85% and L88 comprises minerals with an average titanium dioxide content between 85% and 95%.
7. Inconsistencies in totals are due to rounding.

Refer Slide 27 for Competent Persons Information

Keysbrook Proved and Probable Ore Reserves as at 31 December 2015

| Classification | Ore Million tonnes | In situ THM tonnes | THM grade % | L70 % | THM Assemblage L88 % | Zircon % | Other % |
|-----------------|--------------------|--------------------|-------------|-------------|----------------------|-------------|-------------|
| Proved | 54.1 | 1.2 | 2.2 | 25.5 | 50.2 | 13.4 | 10.6 |
| Probable | 18.0 | 0.4 | 2.2 | 28.5 | 46.4 | 14.1 | 10.9 |
| Total | 72.1 | 1.6 | 2.2 | 26.3 | 49.3 | 13.6 | 10.7 |

Notes accompanying the Ore Reserve Statement:

- Ore Reserves are based upon a cut-off grade of 1.0% THM and Mineral Resource material containing more than 20% slimes have been excluded from the Ore Reserves estimation*
- The Ore Reserves are based upon TZMI forecast pricing and offtake pricing*
- Mineral Resources have been reported as inclusive of Ore Reserves.*
- The Total Heavy Mineral (THM) assemblage is reported as a percentage of in situ THM content.*
- Tonnes and grade data have been rounded to one significant figure. Discrepancies in summations may occur due to rounding.*
- This Ore Reserve statement has been compiled in accordance with the guidelines of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code – 2012 Edition).*
- The Ore Reserves have been compiled by Jean-Pierre Adams (MAusIMM) of MZI, under the direction of Andrew Law of Optiro, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Law has sufficient experience in Ore Reserve estimation relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Mineral Resources and Ore Reserves”.*
- Mr Law consents to the inclusion in the report of the matters compiled by him in the form and context in which it appears.*

Refer Slide 27 for Competent Persons Information

Competent Person's Statements – Mineral Resources (Tables 1 and 2)

The information in this report which relates to Mineral Resources is based upon information compiled by Mrs Christine Standing (in relation to the Keysbrook Project) who is a Member of the Australasian Institute of Mining. Mrs Standing is an employee of Optiro Pty Ltd and has sufficient experience relevant to the style of mineralisation, the type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mrs Standing consents to the inclusion in the report of a summary based upon her information in the form and context in which it appears.

The information in this report which relates to Mineral Resources is based upon information compiled Mr John Baxter (in relation to the Railway Deposit) who is a Member of the Australasian Institute of Geoscientists. Mr Baxter is a Consulting Geologist with sufficient experience relevant to the style of mineralisation, the type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Baxter consents to the inclusion in the report of a summary based upon his information in the form and context in which it appears.

For supporting information on Keysbrook Mineral Resources, refer ASX release - *MZI increases Keysbrook Mineral Resources by 68%* - dated 7 August 2015.

Competent Person's Statements – Ore Reserves

The information in this report has been compiled by Jean-Pierre Adams (MAusIMM) of MZI, under the direction of Andrew Law of Optiro, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Law has sufficient experience in Ore Reserve estimation relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr Law consents to the inclusion in the report of the matters compiled by him in the form and context in which it appears.