



ASX: MDL



STATEMENTS

MDL OVERVIEW

- MDL's primary asset is a 50% interest in the TiZir joint venture, which owns the Grande Côte mineral sands operation in Senegal, West Africa and the TiZir Titanium & Iron ilmenite upgrading facility in Tyssedal, Norway. ERAMET of France is MDL's 50% joint venture partner in TiZir.

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MDL UPDATE

MDL OWNS 50% OF THE TIZIR JOINT VENTURE

Share price (as at 18 July)	A\$0.695
Shares on issue	~197.0m
Market capitalisation	~A\$136.9m
12 month high	A\$0.81
12 month low	A\$0.26



Building platform to deliver shareholder returns

- Operations
 - Record run times and improved production consistency at GCO
 - Successful furnace upgrade and commissioning at TTI
 - Focus on safety and risk management
 - Implementation of cost efficiencies
- Financing
 - MDL recapitalisation complete
 - TiZir bond refinanced

Improving market conditions

- Zircon market strengthening: higher prices and volumes realised across all markets
- High-grade titanium feedstock market tightening: returning to normal inventory levels

THE TIZIR JOINT VENTURE – A SNAPSHOT

AN INTEGRATED PRODUCER OF HIGH GRADE ZIRCON AND TITANIUM SLAG

GCO mine

- High-quality zircon, ilmenite (largely consumed by TTI), rutile and leucoxene
- 25 year expected mine life

TTI facility

- Current capacity of 230ktpa chloride titanium slag and 100ktpa of high-purity pig iron
- Valuable technology and IP

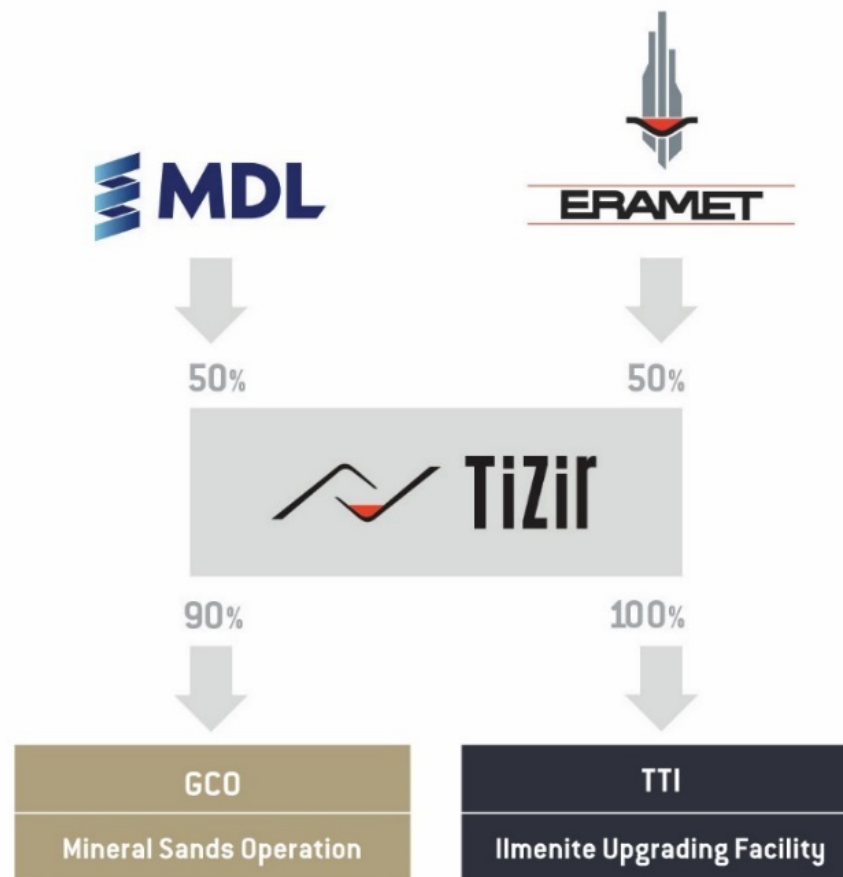
Capital expenditure program complete

- GCO ~US\$650m mine construction
- TTI ~US\$70m furnace upgrade and expansion

Balance sheet

- Total assets of US\$933m at 31 December 2016
- Funded by: corporate bond (US\$300m), working capital facilities (drawn to US\$38m) and shareholder loans (US\$210m)

Experienced management teams at GCO & TTI



TIZIR – AN INTEGRATED PRODUCER OF TITANIUM FEEDSTOCK

KEY BENEFITS OF INTEGRATION DELIVERED

GCO

- Long life mine
- Low cost dredge mining
- High-quality product suite
- Owned and operated power and water infrastructure
- Ownership or control of key mine to port infrastructure

INTEGRATION BENEFITS

- Production flexibility
- Minimise risk profile
- Maximise margins
- Lower logistics costs

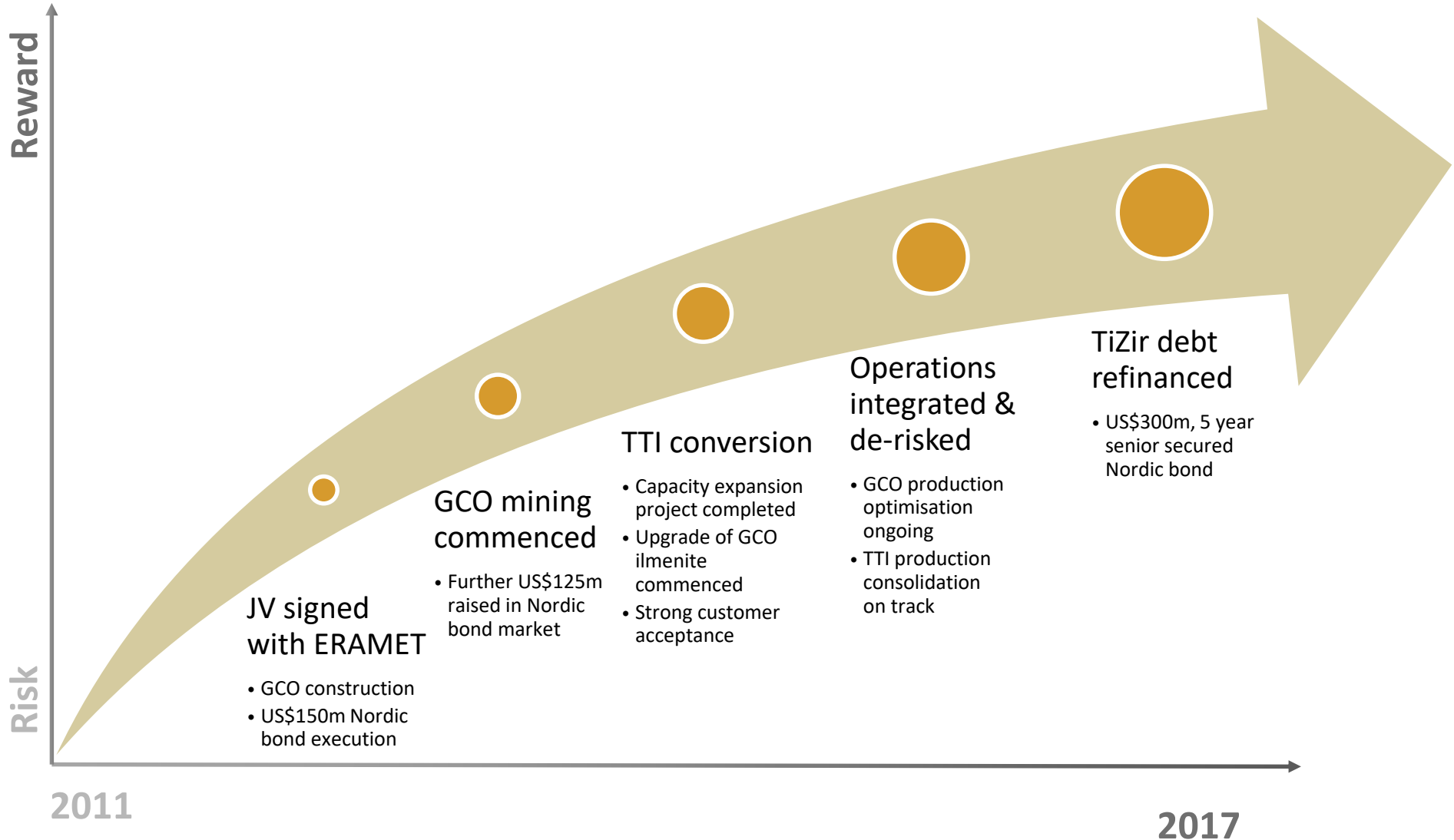
TTI

- Operating for over 30 years
- Valuable intellectual property
 - technology/knowledge
 - operational expertise
- Low cost, hydro-sourced electric power
- Recent capacity upgrade



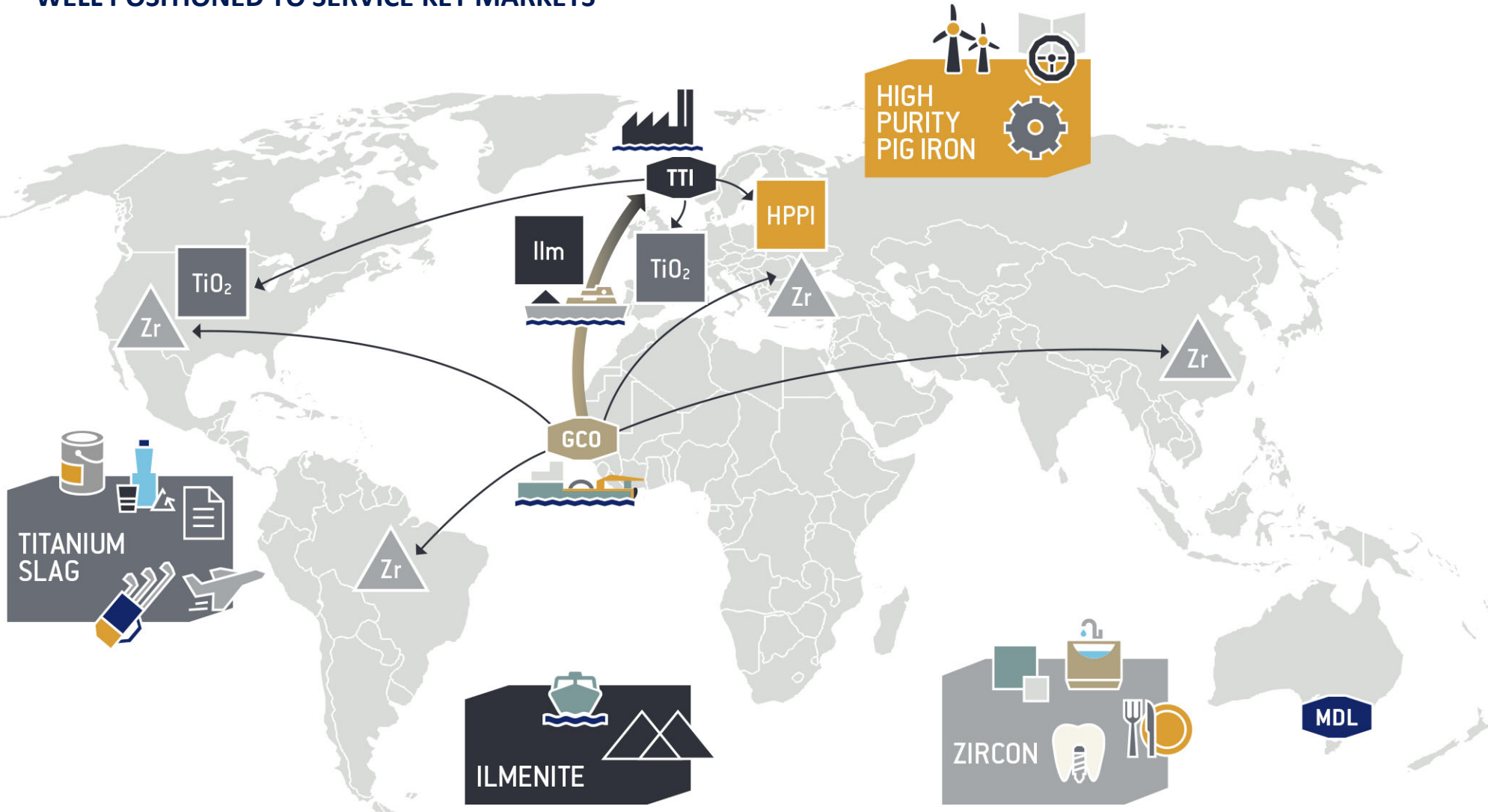
TIZIR DE-RISKED AS MAJOR MILESTONES ARE ACHIEVED

SINCE 2011 TIZIR HAS STEADILY PROGRESSED TOWARDS DELIVERING RETURNS TO SHAREHOLDERS



TIZIR LOCATIONS AND PRODUCTS

WELL POSITIONED TO SERVICE KEY MARKETS



MINERAL SANDS MARKET UPDATE

INDUSTRY MARKET DYNAMICS



INDUSTRY CHARACTERISTICS

- Demand and global GDP/urbanisation strongly correlated
- Opaque product pricing
- Emergence of China in 2010

IMPROVING MARKET CONDITIONS

- Demand growth driven by improving economic fundamentals
- Inventory destocking at all levels of supply chain
- Downtime events
- Investment deferrals
- Export restrictions (Vietnam, India)
- Environmental pressure driving rationalisation in China

INDUSTRY OUTLOOK

- Improving market dynamics
- Pigment
 - contract prices continue to increase
- High-grade titanium feedstock
 - restart of idled operations removing excess capacity
- Zircon
 - supply limitations point to further price recovery

SENEGAL – WEST AFRICA

AN INDUSTRY FRIENDLY LOCATION



Democratic republic based on French civil law system

Reputation as one of the most stable African democracies

- Three peaceful political transitions since independence in 1960
- Long history of participation in international peacekeeping and regional mediation

New development strategy targets ‘emerging economy’ status by 2035

- Second fastest growing economy in West Africa, fourth fastest in Sub-Saharan Africa

Positive economic outlook¹

- Growth exceeded 6.5% in 2015 and 2016, 7% projected for 2018
- Fiscal deficit fell to 4.2% of GDP in 2016

2017 STRATEGY

DELIVERING SHAREHOLDER VALUE

MDL

- Capitalise on scale and quality of asset base
- Capture benefits from an improving market
- Deliver on substantial value leverage
- Identify and pursue growth opportunities

GCO

- Continue site optimisation
- Implement mine optimisation study projects
- Ongoing cost saving initiatives

TiZir







- Bond refinanced
- Maximise asset integration benefits
- Drive a culture of safety and risk management

TTI

- Steady state operations at expanded capacity
- Ongoing cost saving initiatives
- Continue to innovate and capitalise on unique IP

SIGNIFICANT LEVERAGE FOR MDL SHAREHOLDERS

STRONG PLATFORM TO GROW SHAREHOLDER WEALTH

-  Improving sector outlook
-  Value leverage
-  Substantial five year capital program complete
-  Integrated operations maximising margin and minimising risk
-  Operations largely de-risked as reflected in improving financial performance
-  50/50 Partnership with ERAMET, a major global player in manganese and nickel mining & smelting

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