



HERBERT
SMITH
FREEHILLS

The Manager
Market Announcements Office
ASX Limited

13 June 2018

Dear Sir / Madam

**Takeover bid by ERAMET SA for Mineral Deposits Limited
Fourth Supplementary Bidder's Statement
Notice of Variation – extension of offer period and increase of offer
consideration**

We act for ERAMET SA (**ERAMET**).

We attach, by way of service pursuant to section 647(3)(b) of the *Corporations Act 2001* (Cth) (**Corporations Act**), ERAMET's fourth supplementary bidder's statement dated 13 June 2018, which includes:

- pursuant to section 650D and section 630(2)(b) of the Corporations Act, a notice of variation increasing the offer consideration in relation to the takeover bid and extending the period during which the offer will remain open; and
- a copy of the letter to MDL shareholders accompanying the notice.

A copy of the fourth supplementary bidder's statement has today been lodged with ASIC and sent to MDL.

Yours sincerely

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This document is a supplementary bidder's statement under section 643 of the Corporations Act 2001 (Cth). It is the fourth supplementary bidder's statement (**Fourth Supplementary Bidder's Statement**) issued by ERAMET SA (French company No. 632 045 381) (**ERAMET**) in relation to its off market takeover bid for all the fully-paid ordinary shares in Mineral Deposits Limited ABN 19 064 377 420 (**MDL**). This Fourth Supplementary Bidder's Statement supplements, and should be read together with, ERAMET's replacement bidder's statement dated 14 May 2018 (**Replacement Bidder's Statement**), first supplementary bidder's statement dated 14 May 2018, second supplementary bidder's statement dated 16 May 2018 and third supplementary bidder's statement dated 30 May 2018. A copy of this Fourth Supplementary Bidder's Statement has been lodged with ASIC. Neither ASIC nor any of its officers take any responsibility for its contents. Unless the context otherwise requires, terms defined in the Replacement Bidder's Statement have the same meaning as in this Fourth Supplementary Bidder's Statement.

ERAMET's Offer increased to A\$1.75 as last and final¹

- **Increased Offer Price at a 59% premium to the 1-month volume weighted average price²**
- **The Offer will be declared unconditional if ERAMET reaches 50.01%³**
- **Accelerated 7 business day payment of the cash consideration**
- **Offer Period extended to close on 13 July 2018 (unless extended or withdrawn)**

ERAMET has today announced an increase to its all-cash Offer for MDL to A\$1.75 per MDL Share (**Improved Offer**).

ERAMET also intends to declare the Offer free from all conditions if it acquires a relevant interest in at least 50.01% of all MDL Shares (on a fully diluted basis)⁴.

The Improved Offer of A\$1.75 per MDL Share is last and final and will not be increased in the absence of any alternative or competing proposal. Therefore, unless there is an alternative or competing proposal in relation to MDL or TiZir, ERAMET will not increase the Offer Price any further.

The Improved Offer is highly compelling for MDL shareholders

The Improved Offer provides MDL shareholders with a number of significant benefits.

- The increased Offer Price of A\$1.75 delivers up-front value at a substantial premium of:
 - 51% to A\$1.16, the closing price of MDL Shares on the last trading day prior to the announcement of the Offer on 27 April 2018 (**Announcement Date**);
 - 59% to A\$1.10, the one-month volume weighted average price of MDL Shares up to and including the last trading day prior to the Announcement Date; and
 - 317% to A\$0.42, the issue price per share under MDL's capital raising in March 2017.

¹ The Offer Price will not be increased in the absence of any alternative or competing proposal.

² Of MDL Shares up to and including 26 April 2018, being the last trading day prior to the announcement of the Offer.

³ ERAMET reserves the right to waive any or all of the conditions to the Offer at any time in all other circumstances.

⁴ This is subject to there being no breaches of any conditions to the Offer, and no events, matters or circumstances occurring that would, or would be reasonably likely to, prevent the fulfilment of any conditions to the Offer, on or prior to ERAMET acquiring a relevant interest in at least 50.01% of all MDL Shares (on a fully diluted basis).

- The Offer provides the certainty of cash compared to the risks of remaining an MDL shareholder, including TiZir's operational risks and high financial leverage, MDL's lack of diversification in its asset portfolio and limited trading liquidity, and the overall volatility in the mineral sands industry.
- ERAMET's Offer is the only offer available given no competing proposals have emerged.
- MDL's share price may fall significantly if ERAMET's Offer lapses.

Accelerated payment terms

In addition, if the Offer becomes unconditional, ERAMET will pay the cash consideration due to MDL shareholders that validly accept the Offer within 7 business days after the later of the date of the Offer becoming unconditional and the shareholder's valid acceptance of the Offer being received.

Offer period extension

The Offer Period has been extended by three weeks and will now close at 7.00pm (Sydney time) on 13 July 2018 (unless extended or withdrawn).

Increased cash consideration is fully funded

As a result of the Improved Offer, the maximum cash payable under the Offer has increased.

If all the MDL performance rights vest and are exercised into MDL Shares during the Offer Period, the maximum number of MDL Shares that could be acquired by ERAMET under the Offer is 184,200,215⁵ MDL Shares. Therefore, the maximum cash amount that ERAMET would be required to pay to settle acceptances under the Improved Offer would be approximately A\$322 million (**Increased Maximum Offer Amount**).

ERAMET will fund the Increased Maximum Offer Amount and any associated costs from ERAMET's existing cash reserves. As at the date of this Fourth Supplementary Bidder's Statement, ERAMET's existing cash reserves are well in excess of the Increased Maximum Offer Amount⁶.

ACCEPT the increased and final¹ Offer

ERAMET encourages MDL shareholders to accept this compelling Offer by following the instructions set out in the acceptance forms that have been sent to shareholders.

A copy of the notice of variation in relation to the increase in consideration offered and extension of offer period, and the accompanying letter to shareholders, is set out in Attachment 1.

If MDL shareholders have any questions or require a new acceptance form, they should contact the Offer Information Line on 1800 218 694 (within Australia) or +61 1800 218 694 (outside Australia).

Signed for and on behalf of ERAMET following a resolution of the directors of ERAMET.

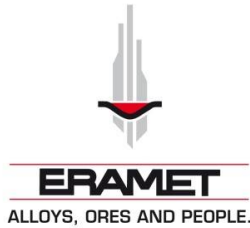


Christel Bories
Chairman and CEO

13 June 2018

⁵ This number excludes the 15,826,332 MDL Shares held by ERAMET and is based on MDL having 196,985,649 shares and 3,040,898 unvested performance rights on issue as at the date of this document (see MDL's Appendix 3B dated 25 May 2018).

⁶ For further details regarding ERAMET's cash reserves, see section 5.2 of ERAMET's Replacement Bidder's Statement.



13 June 2018

Dear MDL shareholder

ERAMET increases offer price and extends offer period

ERAMET SA (French company No. 632 045 381) (**ERAMET**) has varied the terms of its offer for all the fully-paid ordinary shares in Mineral Deposits Limited ABN 19 064 377 420 (**MDL**) by:

- increasing the offer consideration from \$1.46 to \$1.75 for each MDL share; and
- extending the period during which the offer will remain open so that the offer will now close at 7:00pm (Sydney time) on 13 July 2018 (unless extended or withdrawn).

A formal notice of variation required by the *Corporations Act 2001* (Cth) is enclosed.

If you have already accepted ERAMET's offer you need not take any action as you are automatically entitled to receive the increased offer consideration of \$1.75 per MDL share that you have accepted. If you have not, I strongly urge you to accept the improved offer without delay.

If you have any queries in relation to how to accept the offer or any other matter relating to the takeover bid, please contact ERAMET's offer information line on 1800 218 694 (within Australia) or +61 1800 218 694 (from outside Australia).



Christel Bories
Chairman and CEO

A copy of this notice was lodged with ASIC on 13 June 2018. ASIC takes no responsibility for the contents of this notice.

ERAMET SA (French company No. 632 045 381)

Takeover offer for Mineral Deposits Limited ABN 19 064 377 420

Notice of variation – Increase in consideration offered and extension of offer period

To: Australian Securities and Investments Commission (**ASIC**)

ASX Limited

Mineral Deposits Limited ABN 19 064 377 420 (**MDL**)

Each MDL shareholder and other person referred to in section 650D(1)(c) and section 650D(2) of the Corporations Act 2001 (Cth) (as modified by ASIC Class Order [13/521])

ERAMET SA (French company No. 632 045 381) (**ERAMET**) gives notice for the purposes of s650D of the *Corporations Act 2001* (Cth) (**Corporations Act**) that its takeover offers for all of the fully-paid ordinary shares in MDL contained in its replacement bidder's statement dated 14 May 2018 (**Bidder's Statement**) are varied by:

- increasing the offer consideration from \$1.46 to \$1.75 for each MDL share; and
- extending the period during which the offer will remain open so that the offer will now close at 7:00pm (Sydney time) on 13 July 2018 (unless extended or withdrawn).

In addition, for the purposes of section 630(2)(b) of the Corporations Act, ERAMET gives notice that its takeover offers for all of the fully-paid ordinary shares in MDL contained in its Bidder's Statement are varied such that the new date for the purposes of giving notice of status of defeating conditions will be 5 July 2018.

As at the date of this notice none of the defeating conditions to the offers in section 9.7 of the Bidder's Statement have been freed or, so far as ERAMET knows, fulfilled and, accordingly, the offers remain subject to those defeating conditions.

date 13 June 2018 _____

Signed for and on behalf of

ERAMET SA

by

sign here ►



Christel Bories
Chairman, CEO & Director