10 July 2018

TIZIR SHAREHOLDER UPDATE

TiZir Limited ('TiZir' or the 'Company') owns 90% of the Grande Côte mineral sands operation ('GCO') in Senegal, West Africa and 100% of the TiZir Titanium & Iron ilmenite upgrading facility ('TTI'), in Tyssedal, Norway. TiZir is jointly owned and managed by ERAMET SA and Mineral Deposits Limited.

Further to TiZir's announcement dated 30 April 2018, the Company notes the recent public disclosure of Mineral Deposits Limited, available via the following link and attached to this announcement, which contains certain information that is material to TiZir:

Mineral Deposits Limited: https://www.asx.com.au/asx/share-price-research/company/MDL

For further information in relation to this release, please contact:

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MINERAL DEPOSITS LIMITED

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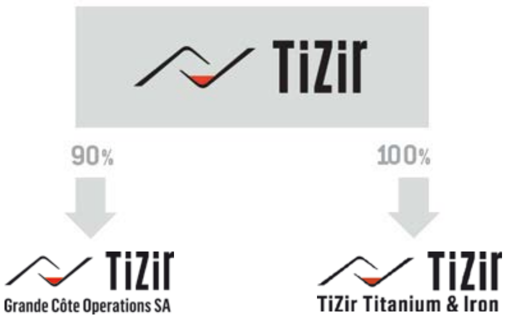
ABOUT TIZIR

TiZir Limited (OBX: TIZ02) is an integrated mineral sands company comprising two operating assets – the Grande Côte mineral sands operation ('GCO') in Senegal, West Africa and the TiZir Titanium & Iron ilmenite upgrading facility ('TTI') in Tyssedal, Norway. TiZir is jointly owned and managed by ERAMET SA and Mineral Deposits Limited.

GCO is a large-scale, cost competitive mineral sands operation that is fully integrated from mine-to-ship, using owned or controlled infrastructure. GCO commenced mining activities in March 2014 and, over an expected mine life currently projected to 2050, will primarily produce high-quality zircon and ilmenite. A majority of GCO's ilmenite is sold to TTI. GCO also produces small amounts of rutile and leucoxene. The government of the Republic of Senegal is a valued project partner, holding a 10% interest in Grande Côte Operations SA.

TTI upgrades GCO ilmenite to produce high-quality titanium feedstocks, primarily sold to pigment producers, and a high-purity pig iron, a valuable co-product, which is sold to ductile iron foundries. TTI benefits from access to cheap and clean power, and excellent logistics, in particular, year-round shipping capacity and customer proximity.



FORWARD LOOKING STATEMENTS

Certain information contained in this report, including any information on TiZir's plans or future financial or operating performance and other statements that express management's expectations or estimates of future performance, constitute forward-looking statements.

Such statements are based on a number of estimates and assumptions that, while considered reasonable by management at the time, are subject to significant business, economic and competitive uncertainties. TiZir cautions that such statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of TiZir to be materially different from the Company's estimated future results, performance or achievements expressed or implied by those forward-looking statements. These factors include the inherent risks involved in mining and mineral processing operations, exploration and development of mineral properties, financing risks, changes in economic conditions, changes in the worldwide price of zircon, ilmenite and other key inputs, changes in the regulatory environment and other government actions, changes in mine plans and other factors, such as business and operational risk management, many of which are beyond the control of TiZir.

Except as required by applicable regulations or by law, TiZir does not undertake any obligation to publicly update, review or release any revisions to any forward-looking statements to reflect new information, future events or circumstances after the date of this report.

Nothing in this report should be construed as either an offer to sell or a solicitation to buy or sell TiZir bonds.

Mineral Deposits Limited

ACN 064 377 420

First Supplementary Target's Statement in relation to Eramet's Offer

1. INTRODUCTION

This document is the first supplementary target's statement (**First Supplementary Target's Statement**) given by Mineral Deposits Limited (**MDL** or the **Company**) under section 644 of the *Corporations Act 2001* (Cth) (**Corporations Act**).

This First Supplementary Target's Statement relates to and supplements MDL's Target's Statement dated 22 May 2018 in response to Eramet's Offer and should be read with that document.

Unless the context otherwise requires, terms defined in the Target's Statement have the same meaning in this First Supplementary Target's Statement. To the extent there is any inconsistency between the Target's Statement and this First Supplementary Target's Statement, this First Supplementary Target's Statement will prevail.

A copy of this First Supplementary Target's Statement was lodged with ASIC and sent to Eramet on 10 July 2018. Neither ASIC, Eramet nor any of their respective officers takes any responsibility as to the contents of this First Supplementary Target's Statement.

This First Supplementary Target's Statement is an important document and requires your immediate attention. You should seek independent legal, financial and taxation advice before making a decision as to whether or not to accept Eramet's Offer.

2. MDL DIRECTORS RECOMMEND SHAREHOLDERS ACCEPT ERAMET'S OFFER

Mineral Deposits Limited notes the *Notice of change of interests of substantial holder* filed by Eramet SA (**Eramet**) on 10 July 2018 disclosing that Eramet now holds a relevant interest in 43.41% of the issued capital of MDL.

The MDL Directors had previously recommended that shareholders reject Eramet's Offer (as increased on 13 June 2018 from A$1.46 per share to A$1.75 per share) for the reasons outlined in MDL's Target's Statement.

The MDL Directors' recommendation to reject Eramet's Offer was underpinned by their belief that Eramet's Offer undervalued MDL's shares.

The MDL Directors have carefully considered their previous recommendation to MDL shareholders in light of the following developments as a whole:

- Eramet's Offer was declared unconditional on 5 July 2018;
- Eramet's Offer price of A$1.75 per share was declared as last and final (in the absence of any alternative or competing proposal) on 13 June 2018;
- although MDL has engaged with third parties regarding potential competing proposals, no such proposals have emerged as at the date of this First Supplementary Target's Statement; and
- Eramet's voting power in MDL is currently 43.41%.

The MDL Directors have also had regard to the fact that, although Eramet's voting power in MDL is currently less than 50%, Eramet is now the single largest MDL shareholder and, with a voting power of 43.41%, is effectively in a position where it has control of MDL.

The MDL Directors also believe that before the scheduled close of Eramet's Offer there is a high likelihood that Eramet's interest in MDL will have increased to more than 50%.

Even in the unlikely event that Eramet does not secure an interest in MDL of more than 50% before the close of Eramet's Offer, MDL shareholders should note that, beginning six months following the close of Eramet's Offer, the Corporations Act allows Eramet to increase its holding by up to 3% every six months without making a full takeover offer. Eramet could therefore obtain a controlling interest in MDL by acquiring additional MDL shares following the close of its Offer to bring its voting power in MDL to more than 50% in approximately 12 to 18 months, without making a full takeover offer and without paying a control premium to remaining MDL shareholders.

Given these developments, the MDL Directors, on balance, now unanimously recommend that shareholders **ACCEPT** Eramet's Offer. Each MDL Director intends to accept Eramet's Offer in respect of their own shareholding.

Key reasons why the Directors now recommend you accept Eramet's Offer

In making this recommendation, the MDL Directors have had regard to the fact that MDL shareholders who do not accept Eramet's Offer will remain as minority MDL shareholders. In particular:

1. Eramet is now the single largest shareholder of MDL and could potentially be in a position to control the MDL Board

Eramet is now the single largest shareholder of MDL with a voting power of 43.41%. Although this voting power is less than 50%, Eramet effectively now has control of MDL, allowing it to potentially control the composition of the MDL Board.

Eramet has said that if it controls more than 50% of MDL, it intends to seek to replace members of the MDL Board with nominees of Eramet, so that the board of MDL contains a majority of nominees of Eramet.[1] Eramet has further stated that, subject to the Corporations Act and MDL's constitution, if Eramet controls less than 50%, it would still intend to appoint a number of nominees to the MDL Board such that the proportion which Eramet nominees represent of the total number of directors on the MDL Board equals or exceeds Eramet's proportionate ownership interest in MDL.[2] Although the MDL Board is very optimistic about the future of MDL and its ability to create value for MDL shareholders, if Eramet reconstitutes the MDL Board, the current MDL Directors will not be in a position to guarantee that the present strategic direction of the Company will be maintained. Accordingly, the current Board cannot give any assurance about the future ability of MDL to create sustainable long-term value for MDL shareholders.

2. Liquidity of MDL shares is likely to be substantially reduced

Now that Eramet has obtained effective control of MDL, the liquidity of MDL shares is likely to be substantially reduced. As a result, the number of MDL shares traded on the ASX in the future could decline significantly, thereby potentially lessening the value of the shares held by MDL shareholders who do not accept Eramet's Offer.

There is also the risk that MDL could be fully or partially removed from certain S&P/ASX market indices due to the lack of free float and/or liquidity. In addition, many research analysts are likely to cease coverage of the Company, reducing the information available to shareholders.

3. Eramet intends to seek to have MDL removed from the official list of the ASX

Eramet has stated that it intends to seek to have MDL removed from the official list of the ASX if it obtains voting power of more than 50% in MDL.[3] Eramet has further stated that if Eramet obtains less than 50% acceptances, it would maintain MDL's listing, subject to the requirements for listing (including a sufficient spread of investors) continuing to be satisfied.[4]

As set out in MDL's Target's Statement, the MDL Directors consider that it is highly unlikely that MDL faces immediate delisting given the legal protections outlined in Section 5.5 of MDL's Target's Statement.

However, 12 months after the close of Eramet's Offer, the ASX is likely to approve an application for MDL to be removed from the official list of the ASX, in accordance with ASX guidance, provided that the approval of MDL shareholders is obtained. Eramet would be entitled to vote its MDL shares on this resolution.

Accordingly, MDL shareholders should note the likelihood that MDL shares will not be able to be traded on the ASX 12 months after the close of Eramet's Offer.

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[1] See section 6.4 of Eramet's Bidder's Statement.

[2] See section 6.5 of Eramet's Bidder's Statement.

[3] See section 6.4 of Eramet's Bidder's Statement.

[4] See section 6.5 of Eramet's Bidder's Statement.

If MDL is delisted, MDL shareholders who do not accept Eramet's Offer will hold shares in an unlisted company for which there may be no liquid market, unless either Eramet or MDL provides an alternative mechanism for shareholders to sell their shares, before or after any delisting (e.g. a new takeover offer, a share buy-back or the introduction of an over-the-counter trading facility).

4. Unconditional cash offer provides certainty following the effective change of control

The opportunity for MDL shareholders to receive the certainty of A$1.75 per share in cash may be attractive compared to the uncertainties associated with Eramet's ultimate level of control of MDL.

As Eramet's Offer is now unconditional, the uncertainty that was inherent in Eramet's Offer has now been removed.

Eramet has stated that it will pay the cash consideration due to MDL shareholders who validly accept the Offer within seven business days after the shareholder's valid acceptance of the Offer is received.[5]

MDL shareholders should have regard to their own personal circumstances when deciding whether or not to accept Eramet's Offer and should seek their own professional advice. The MDL Directors acknowledge that some shareholders with a greater appetite for risk, longer investment horizon or more aggressive investment strategies may wish to continue to hold their MDL shares. Those shareholders should be mindful of the risks of remaining a minority shareholder of MDL, noted in this First Supplementary Target's Statement and as more fully set out in Sections 5.3 to 5.6 of the Target's Statement.

Eramet's Offer is currently scheduled to close at 7.00pm (Sydney time) on 13 July 2018 (unless extended further). In this regard, you should note that if Eramet's interest in MDL increases to above 50% before 13 July 2018, Eramet's Offer will be automatically extended by law so that it will close 14 days after the day that Eramet's interest in MDL increases to above 50%.

3. CONSENTS

As permitted by ASIC Class Order 13/521, this First Supplementary Target's Statement contains statements which are made, or based on statements made, in documents lodged with ASIC or given to the ASX. In accordance with this class order, the consent of Eramet is not required for the inclusion of such statements in this First Supplementary Target's Statement. Any MDL shareholder who would like to receive a copy of any of those documents may obtain a copy (free of charge) during the Offer Period by contacting MDL.

4. APPROVAL

This First Supplementary Target's Statement has been approved by resolution passed by the directors of MDL under section 645(3)(a) of the Corporations Act.

This First Supplementary Target's Statement is dated 10 July 2018.

[5] See Eramet's Fourth Supplementary Bidder's Statement.