

ASX ANNOUNCEMENT

6 November 2015



Keysbrook achieves saleable product milestone

- Production of saleable products achieved at Picton Mineral Separation Plant
- L88, L70 and zircon concentrate production achieved one month ahead of schedule
- Targeting full production in the December quarter
- First sales targeted for December 2015

MZI Resources Ltd (ASX:MZI) is pleased to announce that it has produced its first batch of L88, L70 and Zircon Concentrate from the Doral Mineral Separation Plant (MSP) at Picton.

Following the commencement of Heavy Mineral Concentrate (HMC) production at the Keysbrook mine site last week, first HMC has now been processed through the MSP at Picton on a trial basis to produce initial quantities of L88, L70 and Zircon Concentrate.

First production has been achieved one month ahead of the original project schedule and the project remains on budget. The Company now aims to achieve full production during the current quarter and is targeting first sales to customers by December 2015, ahead of the original early 2016 target date.

MZI Managing Director Trevor Matthews said *“Achieving the milestone of first production heralds MZI’s emergence as a producer of high quality mineral sands products. The Keysbrook Project continues to perform above expectations as we ramp up to full production and commence sales.”*

Commissioning activities are now well underway and ahead of schedule at both the Keysbrook Wet Concentrator Plant and Picton MSP.

The following page has images from the processing of Keysbrook HMC and final products.

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Figure 1: First load of Keysbrook HMC being fed to the MSP



Figure 2: First saleable Keysbrook product samples (left to right zircon concentrate, L70, and L88)