

ASX ANNOUNCEMENT

13 November 2014



Keysbrook Project Finance documents executed

MZI Resources Ltd (ASX:MZI) is pleased to announce the execution of finance agreements for the Keysbrook Minerals Sands Project in Western Australia.

Finance agreements have been executed by the Company and its wholly owned subsidiary Keysbrook Leucoxene Pty Ltd with the finance providers RMB Australia Holdings Limited (RMB) and Resource Capital Fund VI L.P. (RCF).

The project funding package totals approximately US\$110 million.

The Project Debt Facilities include:

- US\$40.5 million of senior debt and working capital facilities
- A\$11.0 million bank guarantee facility
- foreign exchange hedging facilities to protect the project from adverse US\$:A\$ exchange rate movements

All of the above facilities are provided by RMB and arranged by RMB Resources.

In addition a US\$58 million Funding Package is provided by RCF.

Details of the project funding package were provided in an announcement to ASX on 3 September 2014.

The RCF Funding Package recently received approval from MZI shareholders at a general meeting held on 7 November 2014.

Commenting on the execution of the Keysbrook Project Finance documents, MZI CEO Trevor Matthews said: "The project funding package put in place by MZI provides the forecast cash required to complete the construction, commissioning and ramp up of the company's Keysbrook mineral sands project through to full production and positive cash flow. The package also ensures MZI will have sufficient funds to meet its corporate costs through the construction phase."

Drawdown of the funding package is expected to commence shortly upon satisfaction of the remaining prerequisites, which include the execution of an offtake agreement and other conditions that are customary for facilities of this nature.

The Project Debt Facilities have been arranged with the assistance of BurnVoor Corporate Finance.

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