

ASX ANNOUNCEMENT

23 December 2014



Receipt of Funds gets Keysbrook Construction Underway

- US\$37.5 million received from RCF
- Keysbrook construction contractors commenced works
- Scheduled first production in December 2015
- Strong corporate and financial position.

MZI Resources Ltd (ASX:MZI) is pleased to announce it has received funds of US\$37.5 million from Resource Capital Fund VI L.P. (RCF) and commenced the development of the Keysbrook Project.

This has enabled the Company to repay its short term debt of approximately \$6.5 million and notify all Keysbrook constructors to commence works.

GR Engineering Services Limited (ASX:GNG) has commenced construction activities with a contract value of \$54.6 million, initially focussed on completing detailed engineering and equipment procurement. Site works will follow in February 2015. Transmin Engineering Pty Ltd have commenced work on the mine feed unit construction with a contract value of \$4.7 million and Western Power have also commenced grid power connection works to a value of \$3.9 million.

MZI has recently settled the acquisition of a Keysbrook property securing the location of the wet concentrator, project access road, borefields, power infrastructure and initial mining activities. Combined with two smaller properties previously acquired in the Keysbrook project area, this acquisition makes the Company a significant landholder in the Keysbrook area.

A further RCF funding drawdown will be made in the first quarter of 2015 as the Keysbrook development progresses. RMB Australia Holdings Limited (RMB) senior debt facilities (approximately US\$51 million) will be used to fund the completion of construction, commissioning and ramp up to full production.

The drawn and further available funding means the Keysbrook project is fully funded through to production with MZI's corporate costs also fully funded through to the completion of construction.

COMPANY DIRECTORS

Mal Randall
Non-Executive Chairman
Trevor Matthews
Managing Director
Peter Gazzard
Technical Director
Nathan Wong
Non-Executive Director

SENIOR MANAGEMENT

Keith Vuleta
Chief Financial Officer
Jamie Wright
Chief Development Officer
John Traicos
Legal Manager/Company
Secretary

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Under the current project schedule construction and commissioning is due to be completed by December 2015 with first product shipments and revenue expected soon thereafter.

The recent restructuring of the Company's share register which now includes a strong cornerstone investor in RCF and new institutional and high net worth shareholders alongside long term supportive shareholders such as Tricoastal Holdings Ltd, together with the debt funding support from RMB, places MZI in a strong corporate and financial position.

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