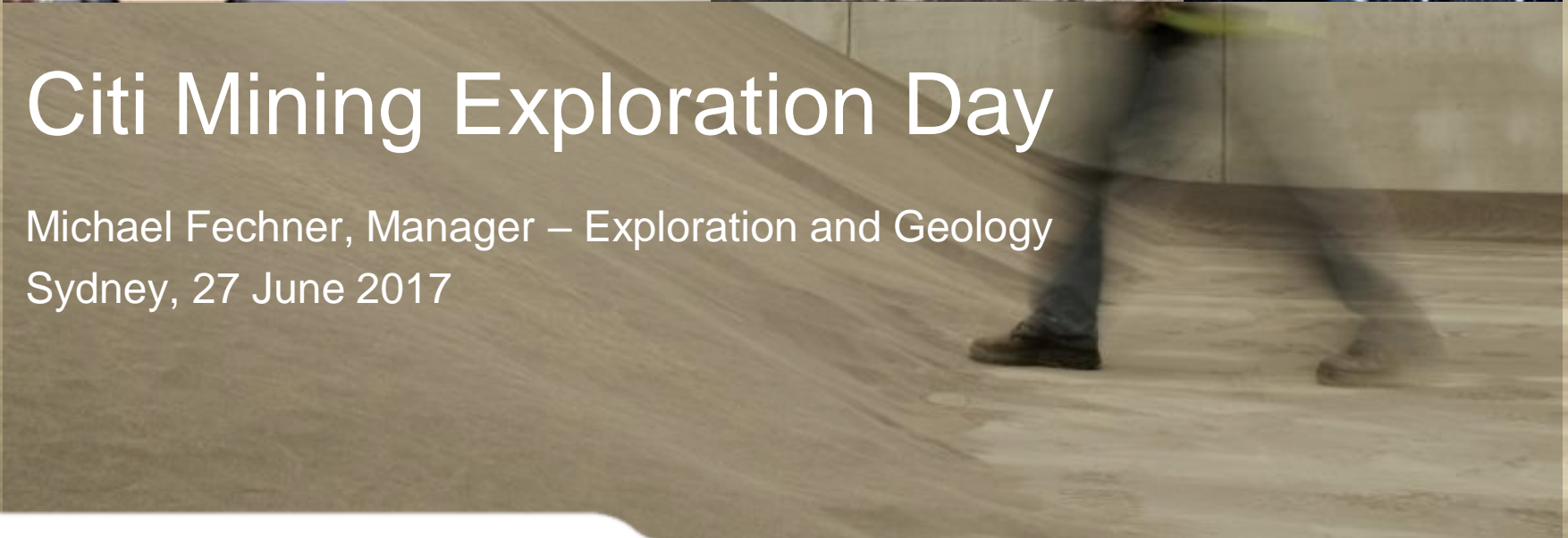


Iluka Resources Limited



Citi Mining Exploration Day

Michael Fechner, Manager – Exploration and Geology
Sydney, 27 June 2017



Disclaimer – Forward Looking Statements



Forward Looking Statements

This presentation contains certain statements which constitute “forward-looking statements”. These statements include, without limitation, estimates of future production and production potential; estimates of future capital expenditure and cash costs; estimates of future product supply, demand and consumption; statements regarding future product prices; and statements regarding the expectation of future Mineral Resources and Ore Reserves.

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- changes in product pricing assumptions;
- major changes in mine plans and/or resources;
- changes in equipment life or capability;
- emergence of previously underestimated technical challenges; and
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This presentation may use non-IFRS financial information including mineral sands EBITDA, Underlying Group EBITDA and Group EBIT, Free Cash Flow, and net debt. These measures are used internally by management to assess the performance of our business, make decisions on the allocation of resources and assess operational management. Non-IFRS measures have not been subject to audit or review and should not be considered as an indication of or alternative to an IFRS measure of profitability, financial performance or liquidity.

Mineral Resources Estimates

The information in this presentation that relates to Mineral Resources estimates previously announced to ASX. Iluka confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed. Iluka confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcements.

Mineral sands - part of everyday life

Iluka's products, titanium dioxide and zircon, are used in an increasing array of applications - home, workplace, medical, lifestyle and industrial uses



Roof /
Building /
Construction

Home /
Office

Bathroom /
Lifestyle

Kitchen /
Utilities

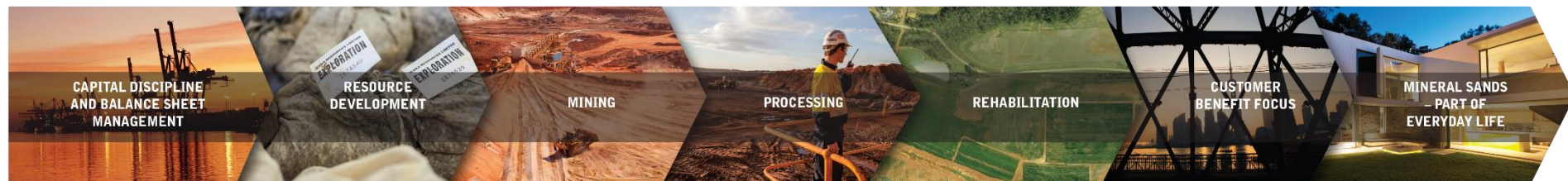
Automotive

Sporting
goods /
Recreation

Health care /
Medicine

Aircraft /
Industry

Iluka Overview

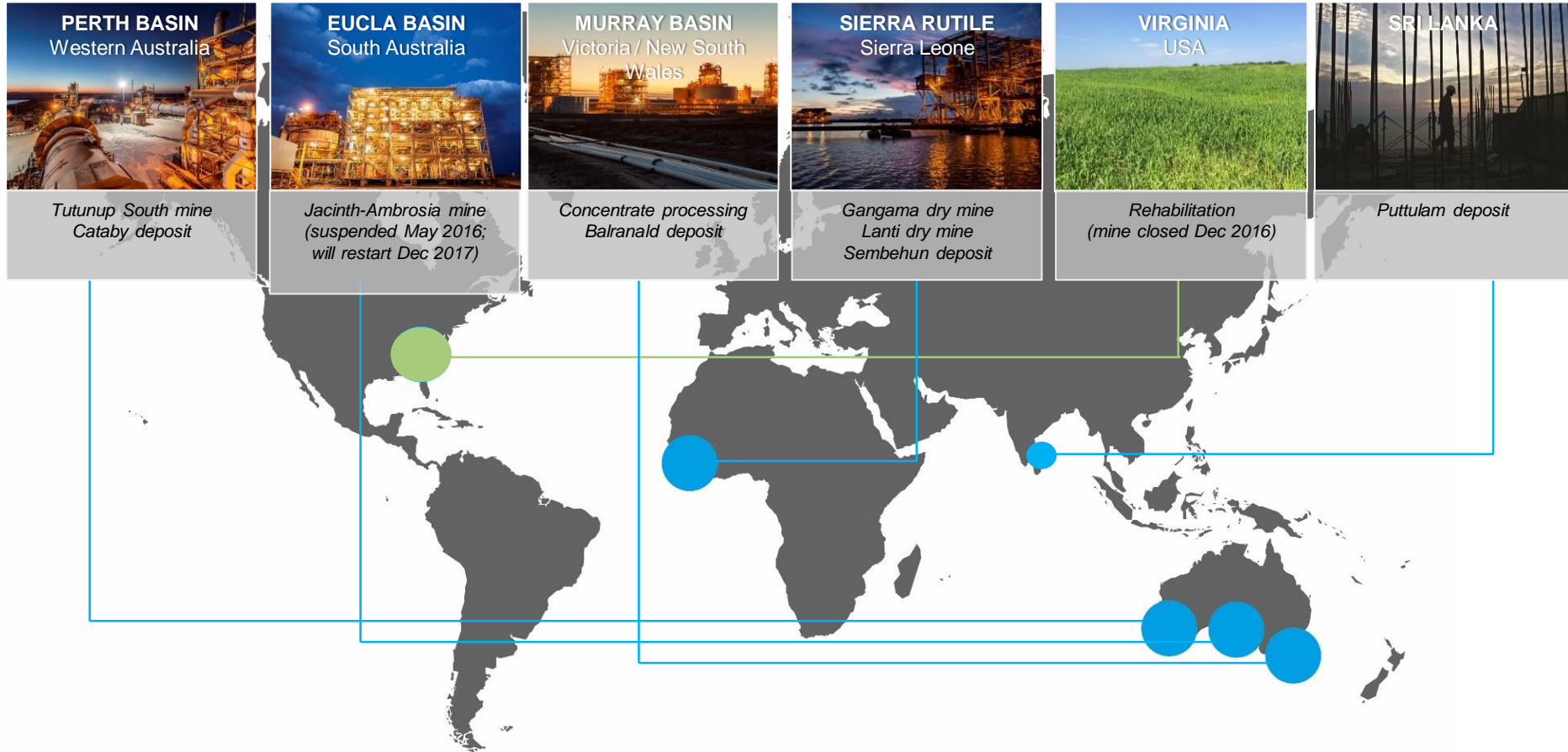


Objective – to create and deliver value for shareholders

Values – commitment, integrity and responsibility

- ~\$3.5 billion market capitalisation (listed on Australian Securities Exchange)
- Largest global producer of zircon; major producer of high grade titanium dioxide
- ~2,500 direct employees
- Production assets in Australia and Sierra Leone
- Long life iron ore royalty from BHP's Mining Area C in Western Australia
- Global customer base
- Projects in Australia, Sri Lanka and Sierra Leone
- Investment in exploration, market development, innovation and technology
- Sustainability focus: governance; health; safety; environmental and community outcomes

Iluka portfolio



Mineral Resources and Ore Reserves



Ore Reserves (proven and probable) as at 31 December, 2016

Area	Ilmenite Mt	Rutile Mt	Zircon Mt
Eucla Basin	1.1	0.2	1.9
Perth Basin	7.7	0.5	1.1
Sierra Leone	-	3.9	-
Total	8.8	4.6	3.0

Mineral Resources (inclusive of reserves) as at 31 December, 2016

Area	Ilmenite Mt	Rutile Mt	Zircon Mt
Eucla Basin	9.8	0.5	5.5
Perth Basin	32.3	2.8	5.6
Murray Basin	18.0	4.4	3.5
Sri Lanka	37.9	2.3	2.1
Sierra Leone	0.8	7.5	0.5
USA	3.4	0	0.6
Total	102.2	17.5	17.8

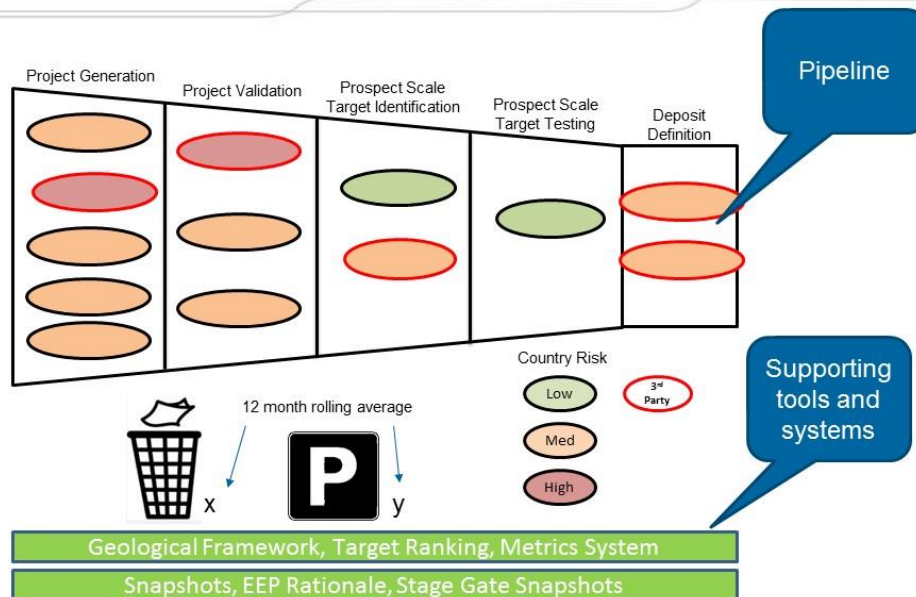
Source: Iluka Ore Reserves and Mineral Resource Statement, as at 31 December, 2016
Rounding may result in differences in total versus individual regions

Iluka's Exploration Advantage

1. Focus and rigour - Iluka Discovery System

- » Drives early decisions, collaboration and challenge of ideas
- » Prospectivity, time and cost and strategic alignment

Iluka Discovery System



Exploration Decision Framework



- Target products aligned to business needs
- IDS tools ensure only the best targets are pursued
- Efficient capital use requires early decisions
- Weighed against Prospectivity
- Targets must have bona fides for expected mine developments
- Target portfolio balance

Iluka's Exploration Advantage

2. Track record of delivering significant organic growth

- » Target HM province scale discoveries
- » Opened up the Murray Basin and Eucla Basin
- » Sierra Rutile Limited...our next opportunity to add Reserves



Discovery Hole at Jacinth, South Australia, 2004



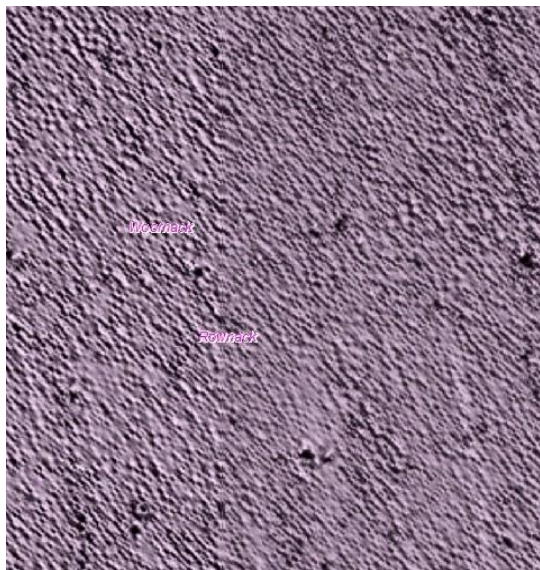
Jacinth Mine Site – opened 2009

Iluka's Exploration Advantage

3. Focused funding of project generation and innovation (>25 years)



- » Experienced, specialised HM exploration team
- » 25+ year global exploration database and continuous learning
- » Focus on Innovation that delivers discovery of mines



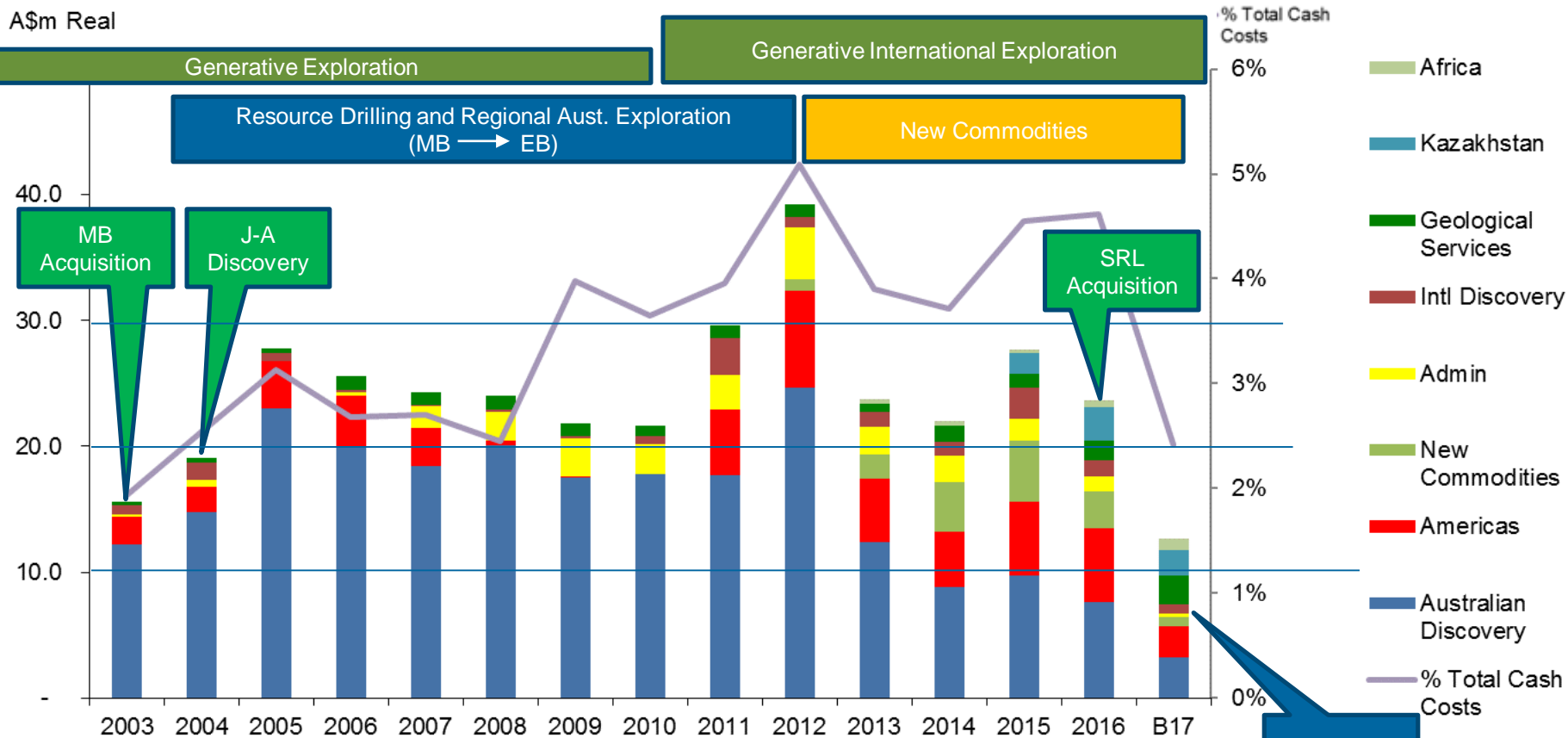
Aeromagnetic image over the Woorneck deposit



Mining at Woorneck, targeted and discovered through aeromagnetics

Historical Exploration Expenditure

Historical Exploration Expenditure - \$ Real (2017)



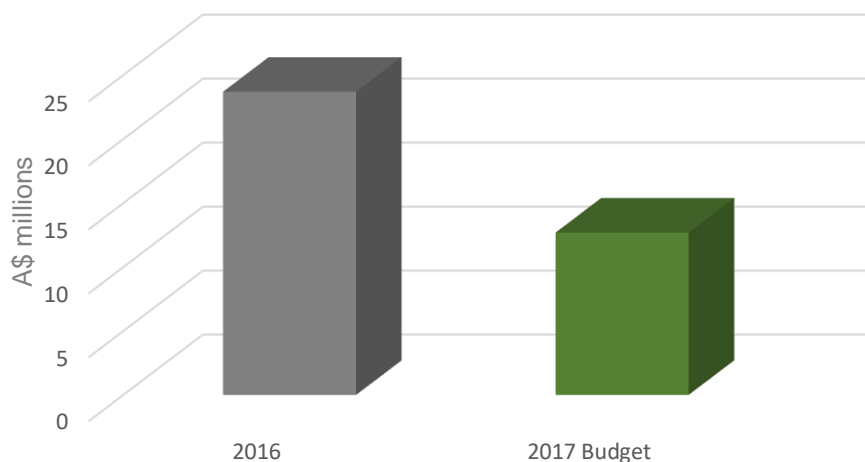
- Discoveries result in significant activity (drilling) and spend
- Most Australian spend was resource related drilling (~60%)

Updated strategy and structure

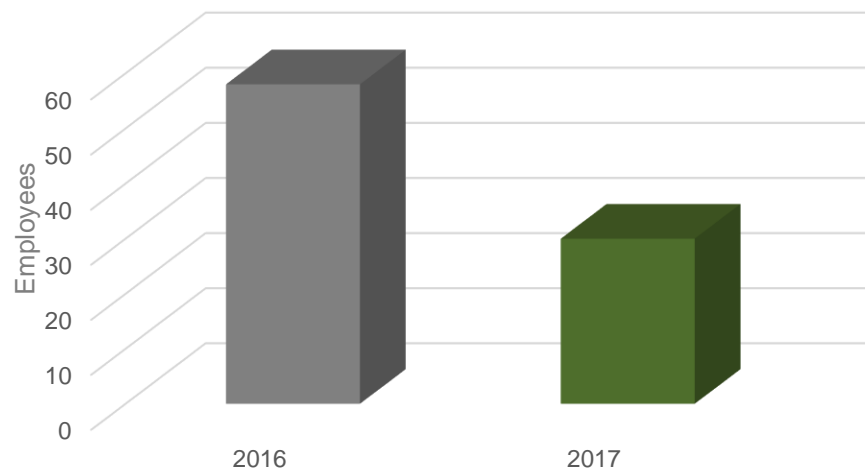
Exploration 2017 – a year of transition

- Team has transitioned to a more focused, leaner model
- Aligned with Strategic Business Review (late 2016)
- Approximately half the budget and headcount c.f. 2016

Exploration Budget 2016 vs 2017

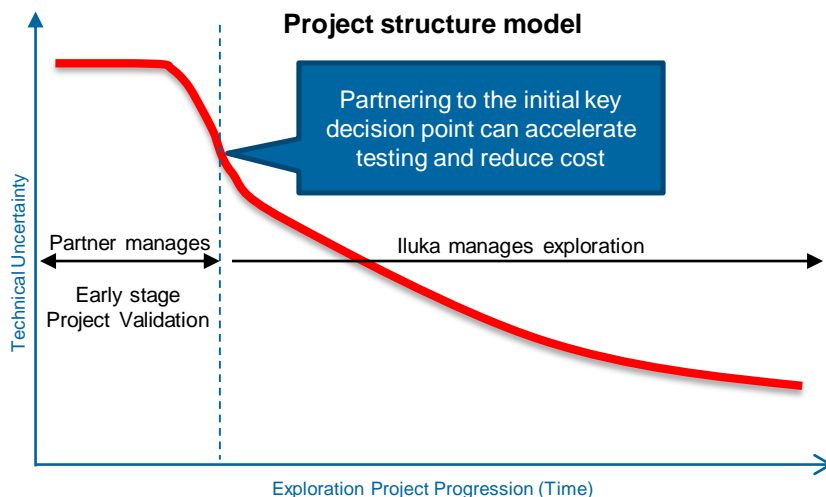


Geology Team numbers



Maintaining the Exploration Advantage

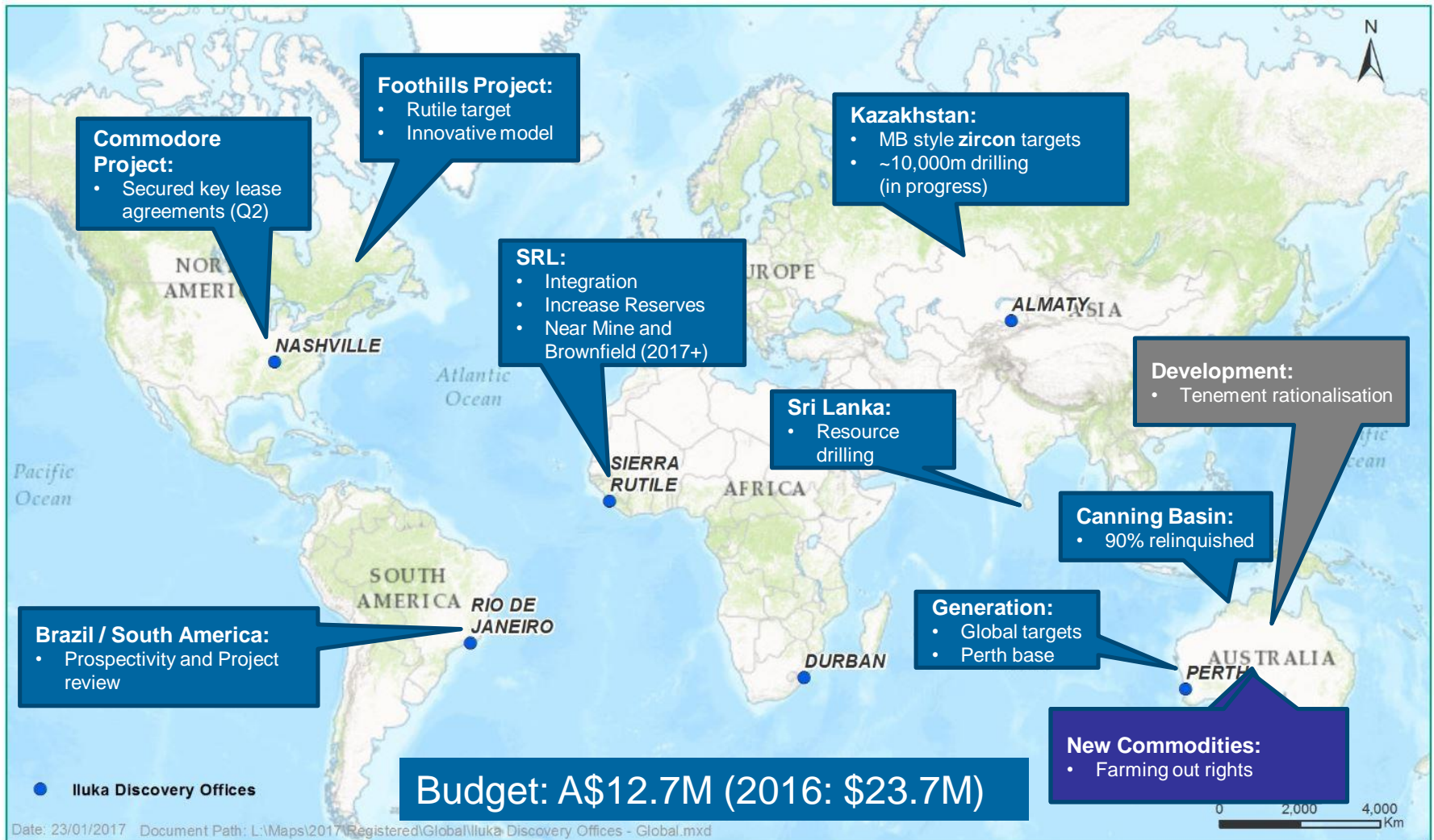
- Given the change, how have we preserved our Exploration advantage?
 - » Retained and funding only the best projects
 - » Core geological team and knowledge
 - » New approaches to early stage projects (partnering)
 - » Divesting non-core rights e.g. Gold, Base Metals



Iluka tenement position as at the end of 2016

Region	Square Kilometres
Eucla Basin (South Australia)	22,566
Murray Basin (South Australia, NSW, VIC)	6,801
Perth Basin (Western Australia)	570
Other – Australia	2,616
Kazakhstan	53,688
Brazil	243
Sri Lanka	164
Other	296
Total	86,944

Exploration Projects



Sierra Rutile Limited (SRL), Sierra Leone

- Excellent opportunity for Iluka
- World leading rutile deposits
- Integration of SRL team
- Shared learnings – 50 years knowledge
- Drive to add Ore Reserves (near mine)



Kazakhstan

- 66,000 km² of exploration search space
- Targeting a new zircon rich province
- Greenfield stage
- Drilling underway



Conclusions

- A specialised Exploration capability with a discovery track record
- Increased focus on core products and lean, efficient exploration
- Active globally in province scale greenfield projects
- Rare opportunity at SRL to improve Resources and add Reserves

Iluka Resources Limited



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