Iluka Resources

2023 Half Year Results Presentation

Tom O’Leary, Managing Director

Balranald, New South Wales

Disclaimer

This presentation has been prepared by Iluka Resources Limited (Iluka).

By accessing this presentation you acknowledge that you have read and understood the following statement.

This presentation includes forward-looking statements reflecting Iluka's current expectations. These statements are expressed in good faith and the expectations and beliefs are genuinely held but no representation or warranty is being made by Iluka that the matters stated in this presentation will in fact be achieved or prove to be correct. Readers should not place undue reliance on any forward-looking statement.

Forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that could cause the actual results or achievements of Iluka to differ materially from expectations. These risks and uncertainties include changes in exchange rate assumptions; changes in labour or product pricing assumptions; major changes in mine plans and/or resources; changes in equipment life or capability; emergence of previously underestimated technical challenges; increased costs and demand for production inputs; physical events that materially impact project timelines or production schedules; and environmental or social factors which may affect a licence to operate, including political risk.

This presentation includes non-IFRS information to reflect the Group's underlying performance. A reconciliation of non-IFRS information to statutory profit is provided on slide 23.

Iluka does not undertake to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this presentation, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

All figures are expressed in Australian dollars unless stated otherwise.

H1 2023 – key features

Financial

Sustainable approach to markets amid global macroeconomic uncertainty

Revenue $712 million
Zircon prices up 12% YoY
Rutile prices up 25% YoY

NPAT
$204 million

Net cash
$343 million

Interim dividend
3 cents per share fully franked in line with dividend framework

Strong margins

Mineral Sands EBITDA margin 50%

Investment in key projects

Capital expenditure $108m

Operational

Focus on optimising production and sustainable costs

Jacinth-Ambrosia and Cataby mines ran at maximum settings to optimise production and unit costs at Narngulu mineral separation plant

SR1 production pause for four months from 30 September

Disciplined operation of premium swing asset to match market conditions

SR1 workforce deployed to planned major maintenance at SR2, reducing costs by ~$4m

SR1 and SR2 to restart end of January 2024

Z/R/SR production of 368kt

Zircon 167kt
Rutile 31kt
Synthetic Rutile 170kt

Strategic

Key projects in Execute

Eneabba
FEED scheduled for completion in late 2023

Balranald
FID Feb 2023
EPCM contract awarded

Progress across project pipeline

Wimmera
DFS commenced, scheduled for completion in 2025

Tutunup
DFS approved

Atacama
Test pit approved

Rare earths metallisation study commenced

Strategically significant

Positions Iluka to service broader range of downstream customers

Jacinth Ambrosia, South Australia

H1 2023 – sustainability outcomes

Iluka's purpose is to deliver sustainable value

Zero fatalities and reduce injuries

5.1 SPIFR (**4.9** in FY 2022)
Priority on effective critical control management of key fatality risks

3.9 TRIFR down from **6.9** in FY 2022, primarily related to improvements in musculoskeletal, hand and finger injuries

Improve employee and Board diversity

50% women on Board

24% women employed in total Australian workforce

4% Aboriginal and Torres Strait Islander people employed in Australian workforce including **19%** at Jacinth-Ambrosia

Strengthen community relationships

Introduced Iluka's Indigenous Peoples Policy

Supporting Drive to the Future Program in Moora to help young people obtain their driver's licence

Optimise mine closure outcomes

158ha
rehabilitated across Australian and US sites

Progressing conservation management research of Carnaby's Cockatoos at Cataby

Set and deliver Iluka's decarbonisation pathway

Increased proportion of renewables

- design and construction of 9MW solar farm at Cataby
- analysis of renewable energy options for Southwest operations

Synthetic Rutile production process decarbonisation study underway

Priority on safe and respectful behaviours

Maturing Iluka's psychosocial safety and wellbeing programme and partnering with industry on its response to *Enough is Enough Report* (WA Government, 2022)

Pilot carbon farming project

On Iluka owned land at North Capel

Cataby, Western Australia

Results overview

$353m
Mineral Sands EBITDA
($450m H1 2022)

$204m
NPAT
($369m H1 2022)

$228m
Operating Cash Flow

3 cps
Interim dividend fully franked

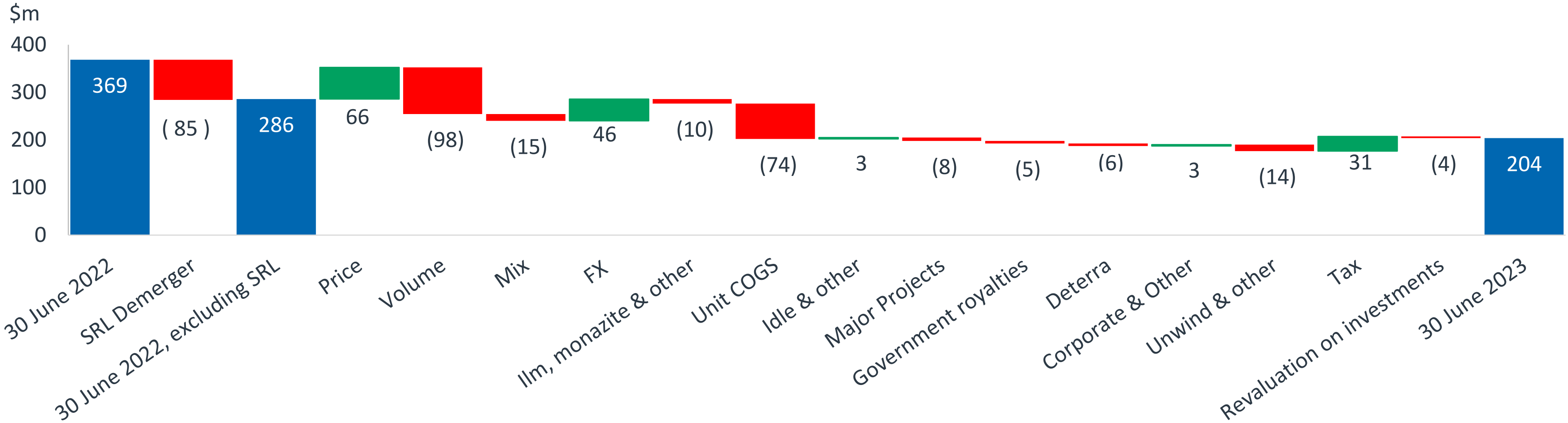
	Units	H1 2023	H1 2022[1]	*% Change*
Z/R/SR Production	kt	368	291	*26*
Z/R/SR Sales	kt	278	348	*(20)*
Mineral sands revenue	$m	712	789	*(10)*
Mineral sands EBITDA	$m	353	450	*(22)*
Mineral sands EBITDA margin	%	50	57	*(7)*
Share of profit in associate (Deterra)	$m	15	20	*(27)*
Underlying Group EBITDA[2]	$m	368	470	*(22)*
Unit cash costs of production[3]	$/t Z/R/SR	833	825	*1*
Unit cost of goods sold	$/t Z/R/SR	1,062	842	*26*
Profit for the period (NPAT)	$m	204	369	*(45)*
Operating cash flow	$m	228	481	*(53)*
Free cash flow[4]	$m	(55)	350	*(116)*
Interim dividend – fully franked	cps	3	25	*(88)*
		30 June 2023	**31 Dec 2022**	
Net (debt) cash	$m	343	489	*(30)*

1. H1 2022 numbers have been re-stated to exclude Sierra Rutile Ltd, which was demerged in August 2022.
2. Underlying group EBITDA excludes non-recurring adjustments including impairments and changes to rehabilitation provisions for closed sites, which are non-cash in nature.
3. Unit cash cost per tonne Z/R/SR produced is determined as cash costs of production less the cost of saleable ilmenite and by-products, divided by total Z/R/SR production volumes.
4. Free Cash Flow is determined as cash flow before refinance costs, proceeds/repayment of borrowings and dividends paid in the period.

NPAT and net cash

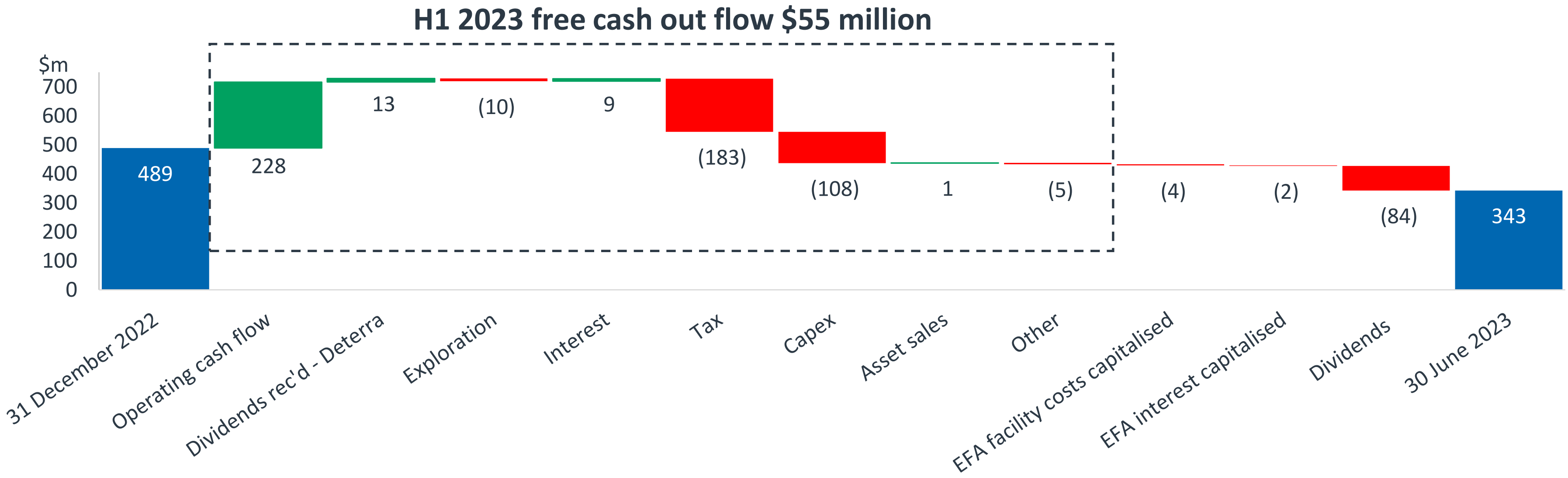
NPAT H1 2023 v H1 2022

- Lower sales volumes largely offset by higher prices across Iluka's products
- Higher unit cost of goods sold with increased cash costs of production in 2022 flowing through to COGS in H1 2023
- Weaker AUD/USD exchange rate



Net cash 31-Dec-22 to 30-Jun-23

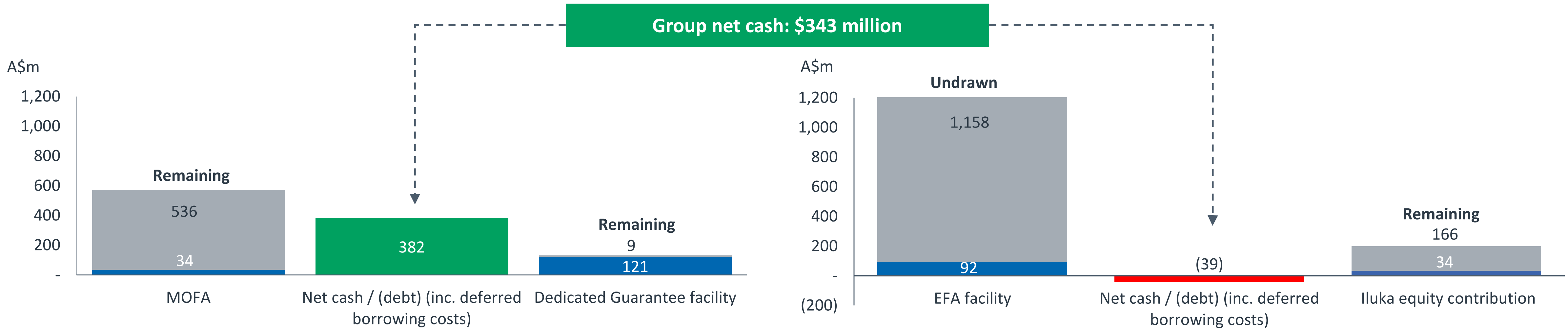
- Decrease in net cash to $343 million with free cash out flow of $55 million after capital expenditure of $108 million
  - free cash flow impacted by 2022 final tax payment of $127 million in June 2023
- Fully franked dividend of $13 million from Deterra, which distributed 100% of NPAT



Balance sheet and funding capacity

Iluka has significant funding capacity available for investment across its mineral sands and rare earths business units

Mineral Sands	**Rare Earths** (Eneabba Refinery)



- Undrawn Multi Option Facilities Agreement (MOFA) of $536 million
  - $34 million of bank guarantees committed from MOFA and $121 million committed from a dedicated guarantee facility
  - no debt drawings at 30 June 2023
  - maturity December 2027
- Net cash of $382 million at 30 June 2023 for mineral sands business unit
- Capital expenditure of $55 million in H1 2023

- Risk sharing agreement with the Australian Government
  - EFA: $1.25 billion non-recourse loan - up to 16 year term (ends 2038)
  - ILU: Eneabba rare earths stockpile, Phase 1 and 2 equipment and $200 million equity contribution
- Net debt of $39 million at 30 June 2023 for rare earths business unit
- Capital expenditure of $53 million in H1 2023

Capital expenditure guidance for FY 2023 has been reduced to $390 million, inclusive of $150 million for Eneabba refinery and $60 million for Balranald

Mineral sands operations

Iluka adjusts the operating settings of its portfolio to optimise production in response to market conditions, optimise costs and improve cash flow

Cataby / South West

Large chloride ilmenite mine in Western Australia, commissioned in 2019. Ilmenite feeds synthetic rutile kilns, located at Capel in the South West of WA. Cataby also produces zircon and rutile.

Key features H1 2023

- Produced 170kt of synthetic rutile, 27kt of zircon and 17kt of rutile
- SR1 and SR2 operational in H1 2023
- SR2 will be offline for four months from October 2023 for planned major maintenance outage (MMO)
- SR1 production paused from October 2023, workforce reallocated
- Both kilns to be operational from January 2024

Jacinth-Ambrosia / Mid West

Jacinth-Ambrosia in South Australia is one of the world's largest zircon mines; operating since 2009. Located in the Mid West of WA, the Narngulu mineral separation plant processes Jacinth-Ambrosia and Cataby zircon and rutile products.

Key features H1 2023

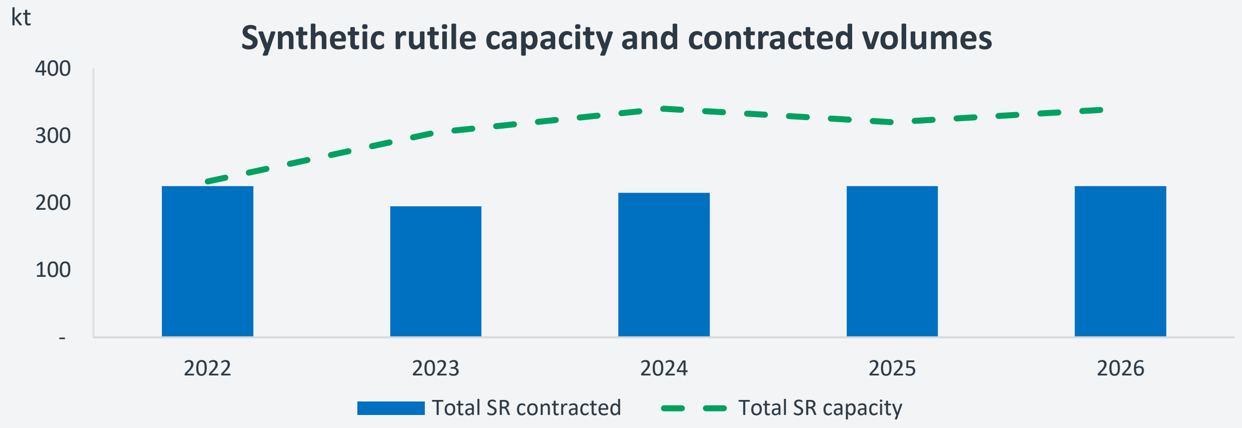
- Produced 140kt of zircon and 14kt of rutile
  - includes ZIC production of 32kt
- Lower production in line with planned mining sequence at Jacinth-Ambrosia

Narngulu, Western Australia

Synthetic rutile – production update

Four-month production pause at synthetic rutile kiln 1 (SR1) from October 2023

- SR1 is a premium swing production asset, operated to match market conditions
- At present, global macroeconomic uncertainty is leading to more subdued levels of demand for mineral commodities, including high grade titanium feedstocks
- Accordingly, SR1 will pause production from 30 September, coinciding with the planned major maintenance outage (MMO) at SR2
  - Iluka will leverage the expertise of our SR1 workforce to undertake MMO works at SR2, reducing external services costs by ~$4 million
  - SR2 MMO to be completed over extended four-month period
  - both SR1 and SR2 will restart at the end of January 2024
- 2023 synthetic rutile production guidance revised to 255kt (from 305kt), with a commensurate reduction of ~$20 million in cash production costs
- Iluka has ~200ktpa of synthetic rutile production under 'take or pay' arrangements for the next four years
  - recent customer feedback for additional volumes in 2024 is positive



Synthetic rutile kilns 1 and 2

Markets

Geraldton Port, Western Australia

Markets – zircon

Price stability in H1 2023 reflects favourable long term industry dynamics, despite uncertain global macroeconomic outlook

Result

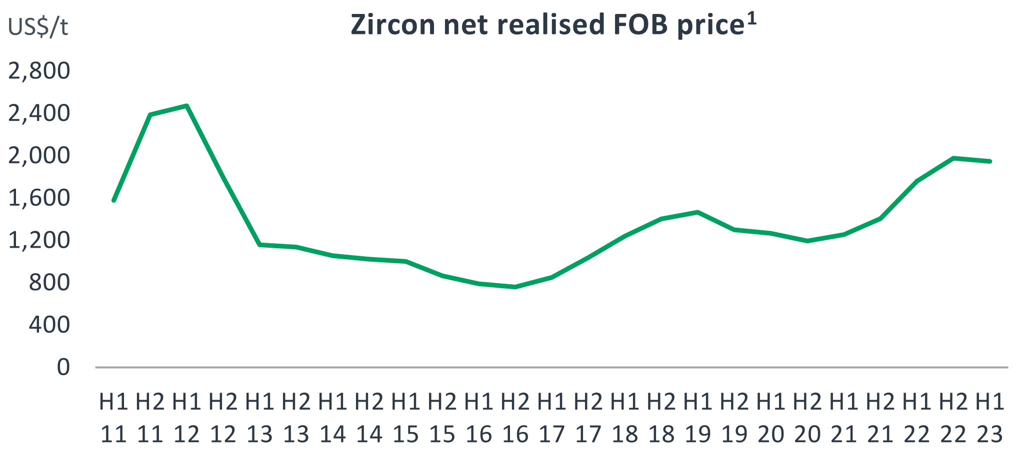
- H1 2023 sales 134 kt (H1 2022: 187 kt)
  - 97kt of zircon sand and 38 kt of zircon in concentrate (ZIC)

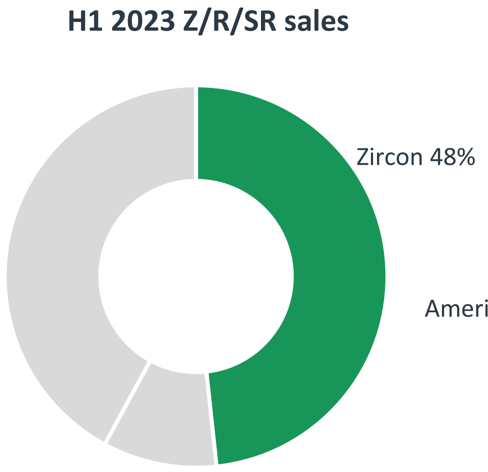
Pricing

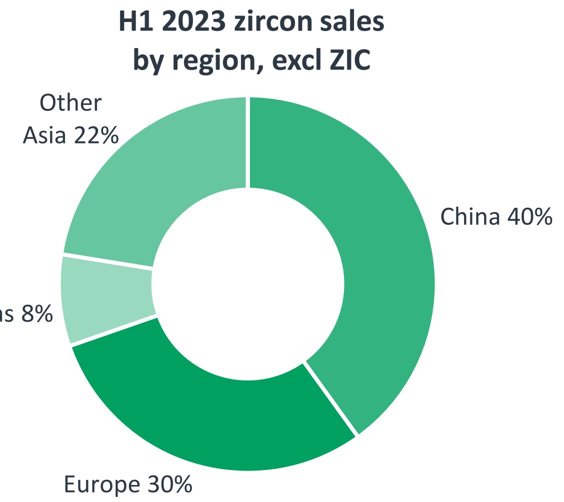
- Q2 2023 weighted average received zircon (premium and standard) price US$2,088/t
  - up 7% from FY 2022
  - continued focus on sustainable pricing, with flat pricing in Q3

Supply/ Demand

- Subdued economic activity in China impacting demand
  - tile makers are limiting the use of opacifier from premium grade zircon sand in favour of lower-grade opacifiers
  - Iluka has rebalanced its sales over recent years to a more balanced geographic mix
- Europe remains relatively stable; activity is expected to ease during the seasonally slower summer months
- North American market requires premium products







Note: 1. Zircon prices reflect the weighted average price for zircon premium, zircon standard and zircon in concentrate. The prices for each product vary considerably, as does the mix of such products sold period to period. In H1 2023 the split of zircon sand and concentrate by zircon sand-equivalent was approximately 72%:28% (2022 full year: 70%:30%).

Markets – high-grade titanium feedstocks

~200ktpa of synthetic rutile over next four years under take-or-pay contracts, providing a high degree of revenue certainty

Result

- H1 2023 synthetic rutile sales 117 kt (H1 2022: 136 kt)
- H1 2023 rutile sales 27 kt (H1 2022: 26 kt, excluding SRL)

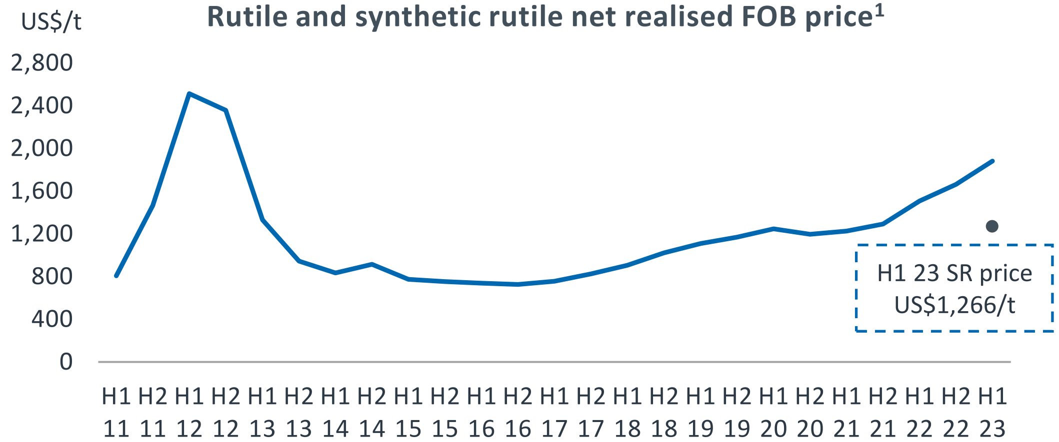
Pricing

- H1 2023 synthetic rutile price US$1,266/t
- H1 2023 rutile price[1] US$1,882/t, up 21% from FY 2022

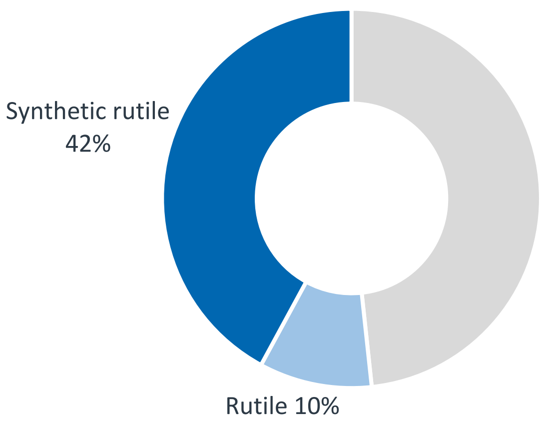
Supply/ Demand

- Pigment market remains soft, with paints and coatings producers experiencing lower levels of activity
- Pigment prices remain resilient as major producers reduce operating rates to match production to demand
- Chloride capacity continuing to grow in China
- Positive Q2 results in coatings industry, market outlook evolving
- Demand from the welding and metals markets continues to be strong

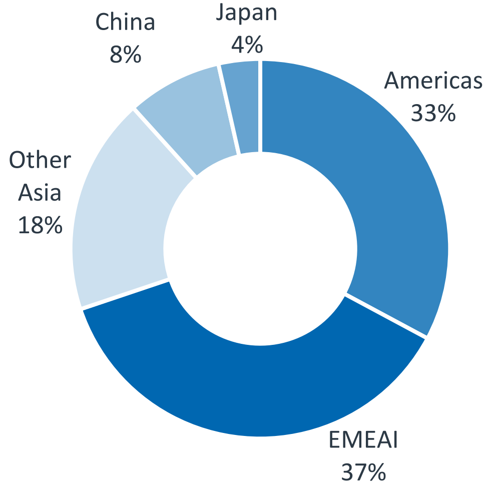
Rutile and synthetic rutile net realised FOB price[1]



H1 2023 Z/R/SR sales



H1 2023 TiO_2 sales by region



Note: 1. Excluded from sales prices is a lower value titanium dioxide product, HYTI, that typically has a titanium dioxide content of 70-90%. This product sells at a lower price than rutile, which typically has a titanium dioxide content of 95%.

Inventory position

Strong production in H1 2023

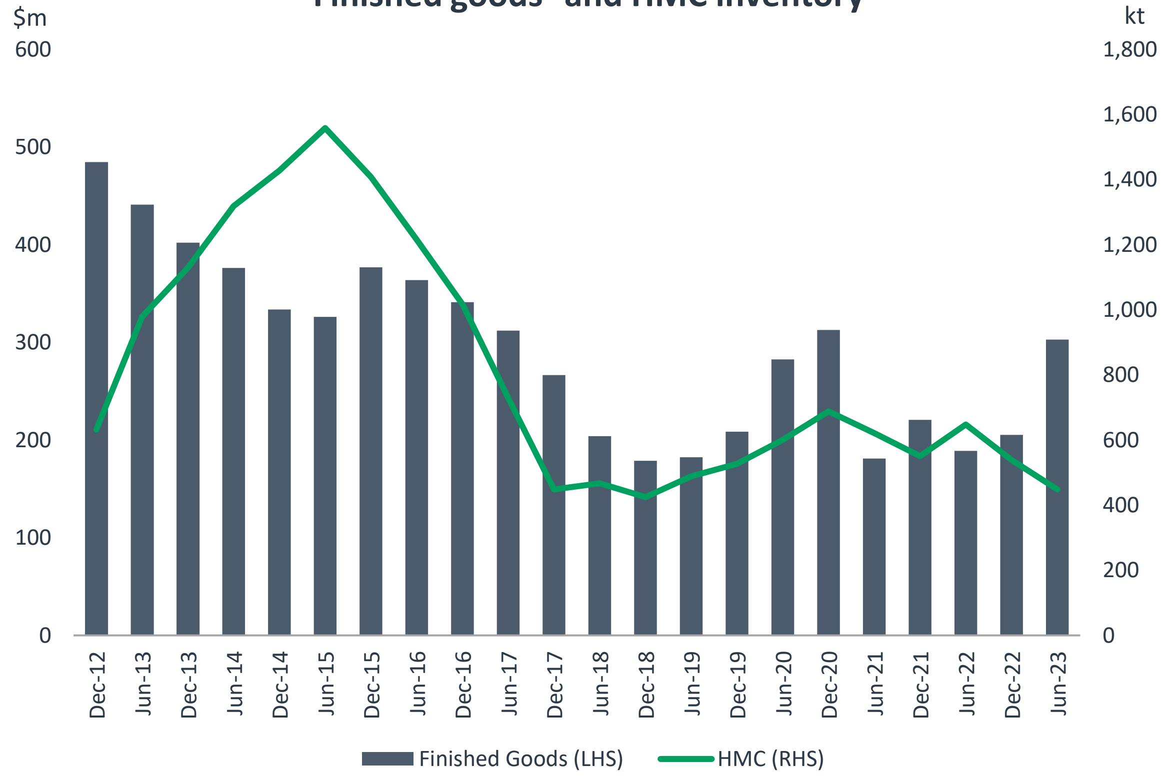
Iluka's inventory

- Elevated finished goods inventory value, in part driven by higher inventory unit costs
  - increased finished goods inventory volume due to additional synthetic rutile production capacity
- Heavy mineral concentrate (HMC) inventory of 449kt and finished goods inventory of $303 million at June 2023
  - HMC stockpiles continue to decline

Industry update

- Disciplined responses in downstream supply chain
  - pigment manufacturers reducing production to meet demand
  - zircon customers holding low levels of inventory
- Iluka prepared to build some inventory to respond to market conditions

Finished goods[1] and HMC inventory



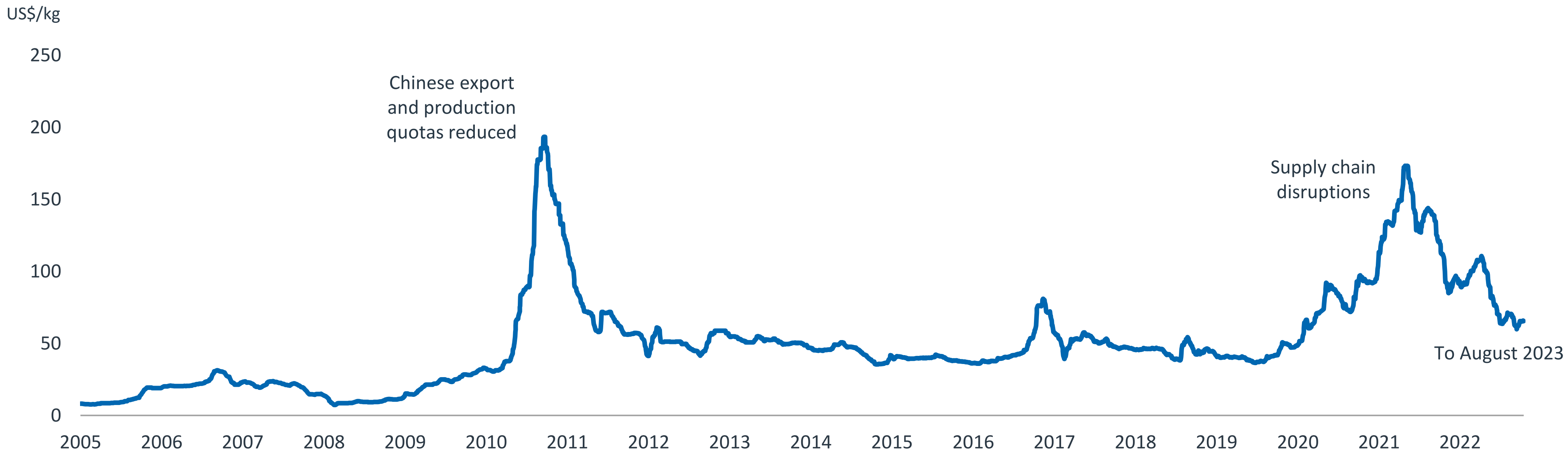
Notes: 1.Total finished goods includes by-products

Rare earths market

To deliver sustainable value from Iluka's rare earths business, the company's offtake strategy is focussed on achieving recognition of strong ESG credentials and the traceable provenance of products to be refined at Eneabba

- Asian Metal index price quoted as market benchmark price for non-Chinese producers
- Fluctuations not indicative of long-term market fundamentals
- Iluka working to promote reliability and transparency in establishing new supply chains and pricing approaches independent of traditional indices

Historical (daily) NdPr oxide price



Source: Asian Metals (price ex works China), US Federal Reserve

Average EV motor contains 1.5-2kg of NdFeB magnets (or ~0.5-0.75kg NdPr oxide)

~14 million passenger EVs sold in 2022[1]

Forecast 35-40 million sales by 2030[2]

Requiring 17.5-30kt NdPr oxide for EVs

Eneabba rare earth refinery capacity of ~4ktpa NdPr oxide

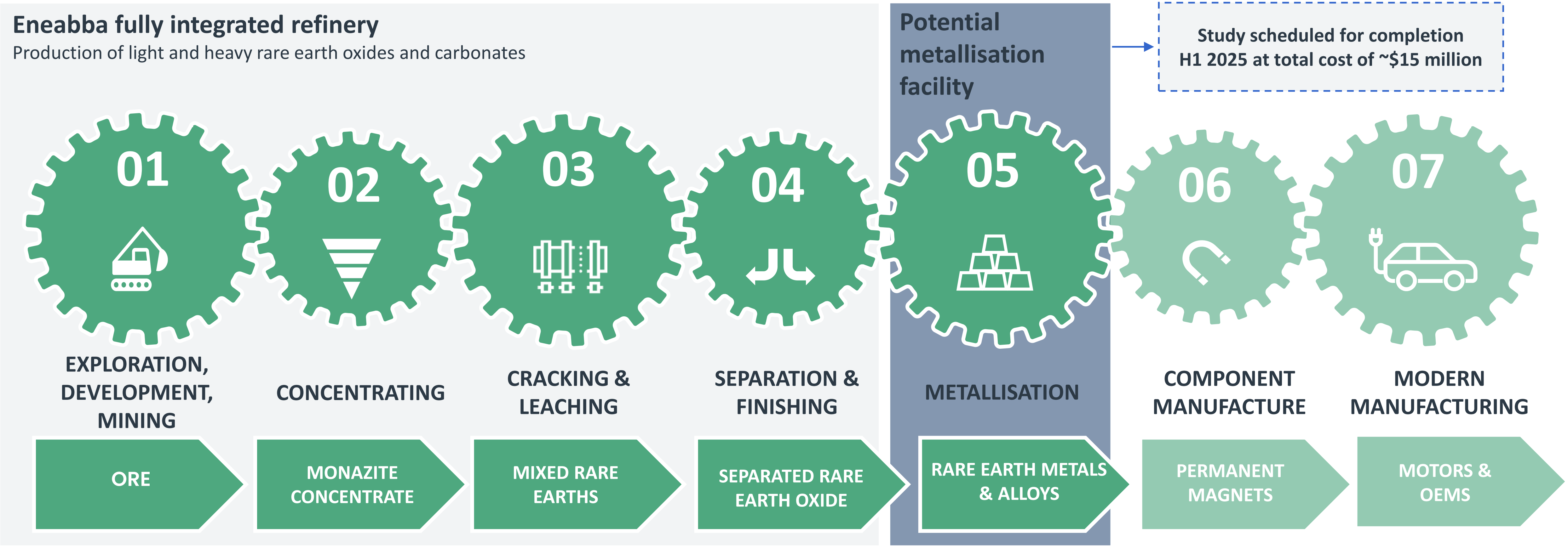
1. Adamas Intelligence EV Motor Materials July 2023 2. IEA (2023), Global EV Data Explorer, IEA, Paris https://www.iea.org/data-and-statistics/data-tools/global-ev-data-explorer

Projects

Euston, New South Wales

Metallisation – feasibility study

Iluka has commenced a study to evaluate the economic and technical viability of a commercial scale rare earth metallisation facility. If commissioned the facility would be one of very few globally and enable Iluka to service a broader range of downstream customers



Balranald – project update

Balranald is a rutile-rich critical minerals development located in the Riverina district of south western New South Wales. Owing to its relative depth, Iluka is developing Balranald via a novel, internally developed, remotely operated underground mining technology

Project update

- Iluka's Board approved the final investment decision in February 2023
- Secondary environmental approvals in place – construction to commence August 2023
- Awarded contracts for EPCM and fabrication and supply of mining units
- H1 2023 capital expenditure of $13m and full year 2023 guidance reduced to $60 million

Key project metrics[1]

Initial mine life	9.5 years
Capital cost	$480m
NPV	$400m
IRR	23%
Payback period	3 years

Indicative annual Z/R/SR production[2]

Balranald, New South Wales

Note: 1. As per slide 21 of Iluka's FY 2022 results presentation. 2. Synthetic rutile production is the mid-point of 50-70ktpa, assuming chloride ilmenite production is upgraded to SR at blending ratio of 18.5%-24%. Iluka also expects to sell some chloride ilmenite to customers directly.

Eneabba rare earths refinery – project update

Australia's first fully integrated refinery producing separated light and heavy rare earth oxides. Final investment decision taken April 2022 following agreement of risk sharing arrangement with the Australian Government, including a $1.25 billion non-recourse loan

Project update

- Front End Engineering Design (FEED) continues, with finalisation expected in late 2023
- No update to project capital cost guidance pending finalisation of FEED
  - challenging project environment in WA
  - FEED includes value optimisation measures, as well as operational efficiency improvements (see below)
- Bulk earth works and ground improvement activities expected to conclude Q4 2023
- Accommodation camp upgrade completed; construction of operational camp commenced (pictured)
- Capital expenditure in 2023 is expected to be $150 million

Operational efficiency improvements

- Operational efficiency improvements added to plant scoping and design to support long-term cost competitiveness by reducing expected operating costs and site CO_2 emissions, including:
  - reverse osmosis ammonia recovery process improvement
  - boiler exhaust carbon capture and re-use
  - on-site ferric sulfate production
- Demonstrates Iluka's focus on delivering value and longevity through a globally competitive, multi-generational refinery

Eneabba, Western Australia

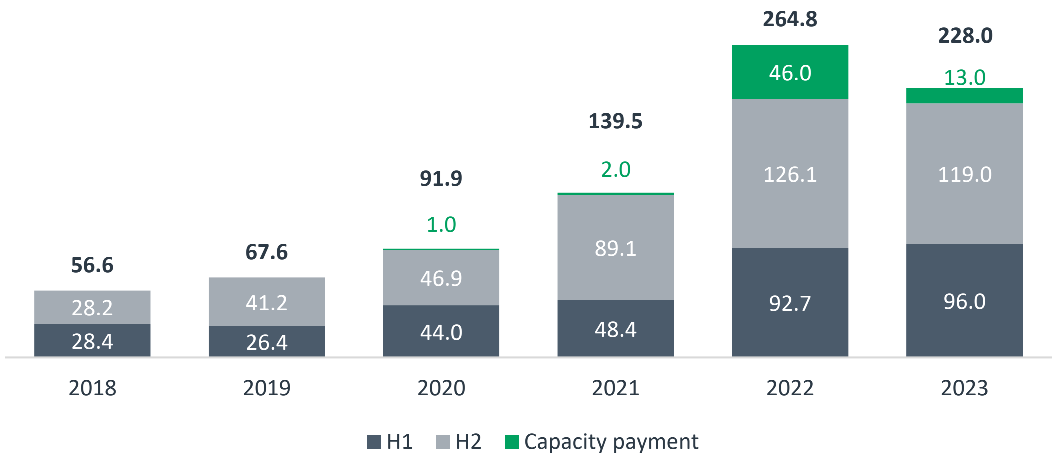
Supplementary Information

Jacinth-Ambrosia, South Australia

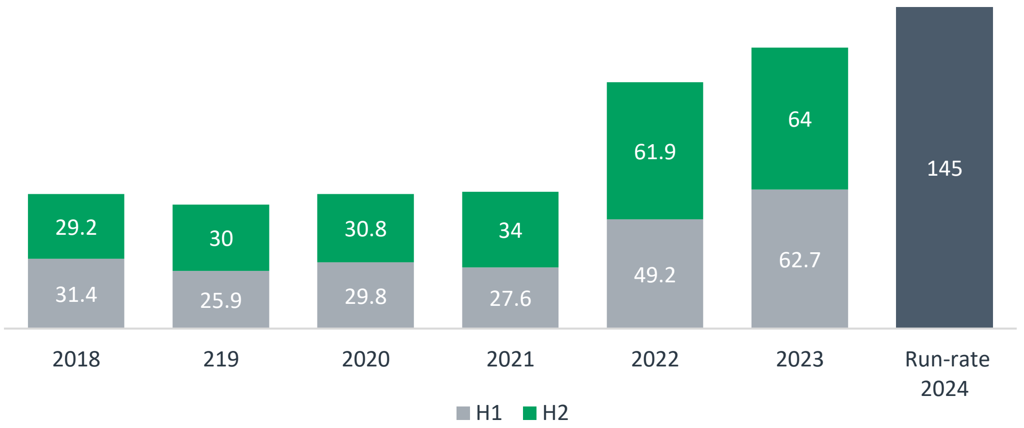
Deterra Royalties

Iluka's 20% interest in ASX listed Deterra Royalties, provides Iluka with an additional source of long-term financial strength

Mining Area C royalty receipts (A$m)[1]



Mining Area C production (Mwmt)[2]



Features

- DRR market capitalisation of $2.36bn[3]
- Deterra's cornerstone asset is the BHP Mining Area C (MAC) royalty, including significant near term organic growth through the South Flank development
  - At full capacity MAC will be the largest single iron ore hub globally[4]
- Deterra dividend policy is to return all surplus cash, franked to the maximum extent possible[5]
  - Deterra has returned 100% of NPAT in fully franked dividends since its demerger from Iluka
  - Deterra achieved 96% EBITDA margin in FY 2023
- Iluka's dividend framework is to distribute 100% of all cash received from Deterra

Note: 1. Deterra FY 2023 Results Presentation. Financial Year relates to Deterra 30 June year-end. 2. BHP Operational Review for the period 30 June 2023 and similar prior Operational Reviews, BHP delivers first production from South Flank (20 May 2021) available at www.bhp.com 3. As at 15 August 2023 4. BHP Operational Review for the year ended 30 June 2021, 20 July 2021. 5. Deterra's approach to dividends will be determined by the Deterra Board at its discretion and may change over time.

Supplementary Information – Production, Sales, Revenue and Costs

	H1 2023	H1 2022	% change
Production			
Zircon kt	166.6	152.7	9.1
Rutile kt	30.8	23.6	30.5
Synthetic rutile kt	170.2	114.4	48.8
Total Z/R/SR production kt	**367.6**	**290.7**	**26.5**
Ilmenite – saleable and upgradeable kt	302.3	259.0	16.7
Monazite concentrate	-	-	n/a
Total production volume kt	**669.9**	**549.7**	**21.9**
Heavy mineral concentrate produced kt	448	384	16.6
Heavy mineral concentrate processed kt	530	459	15.4
Sales			
Zircon kt	134.3	186.5	(28.0)
Rutile kt	26.8	25.5	5.1
Synthetic Rutile kt	117.0	135.7	(13.8)
Total Z/R/SR kt	**278.1**	**347.7**	**(20.0)**
Ilmenite kt	82.1	98.1	(16.3)
Total sales volumes kt	**360.2**	**445.7**	**(19.2)**
Revenue and Costs			
Mineral sands revenue[1] $m	712.3	788.6	(9.7)
Revenue per tonne of Z/R/SR sold[2] $/t	2,380	2,086	14.1
Total cash cost of production excluding ilmenite and by-products $m	306.1	236.5	29.4
Unit cash cost per tonne of Z/R/SR produced excluding by-products[3] $/t	833	825	1.0
Unit cost of goods sold per tonne of Z/R/SR sold $/t	1,062	842	26.1

1. Mineral sands revenue includes revenue derived from other materials not included in production volumes, including activated carbon products and iron concentrate. 2022 also included some sales of monazite concentrate.
2. Calculated as revenue from the sale of zircon, rutile and synthetic rutile (Z/R/SR) products divided by Z/R/SR sales volumes.
3. Unit cash cost per tonne of Z/R/SR produced is determined as cash costs of production less the cost of saleable ilmenite and by-products, divided by total Z/R/SR production volumes.

Supplementary Information – Income Statement

A$ million	H1 2023	H1 2022	% change
Z/R/SR revenue	661.8	725.2	(8.7)
Ilmenite and other revenue	50.5	63.4	(20.3)
Mineral sands revenue	**712.3**	**788.6**	**(9.7)**
Cash costs of production	(306.1)	(238.8)	(28.2)
By-product costs	(7.3)	(8.8)	17.5
Inventory movement - cash costs of production	57.0	(4.3)	n/a
Idle capacity charges	(5.8)	(6.0)	3.3
Government royalties	(26.1)	(21.0)	(24.3)
Marketing and selling costs[1]	(12.7)	(15.2)	16.4
Asset sales and other income	0.1	0.3	(66.7)
Major projects, exploration, and innovation	(24.4)	(16.9)	(44.4)
Corporate and other costs	(38.7)	(41.4)	6.5
Foreign exchange	5.1	13.6	(62.5)
Underlying mineral sands EBITDA	**353.4**	**450.1**	**(21.5)**
Share of profit of associate - Deterra	14.7	20.1	(26.9)
Underlying Group EBITDA[2]	**368.1**	**470.2**	**(21.7)**
Depreciation and amortisation	(84.4)	(72.8)	(15.9)
Inventory movement - non-cash production costs	21.7	2.6	730.0
Rehabilitation costs for closed sites	(0.7)	(0.5)	(40.0)
Revaluation on investments	(3.5)	-	n/a
Group EBIT	**301.2**	**399.5**	**(24.6)**
Net interest and bank charges	6.7	(0.7)	n/a
Rehabilitation unwind and other finance costs	(16.5)	5.5	n/a
Profit before tax - continuing	**291.4**	**404.3**	**(27.9)**
Tax expense	(87.6)	(118.3)	26.0
Profit after tax - continuing	**203.8**	**286.0**	**(28.7)**
Profit after tax from discontinued operations	-	82.5	n/a
Profit for the period (NPAT)	**203.8**	**368.5**	**(44.7)**
Average AUD/USD rate for the period (cents)	**67.6**	**72.0**	**(6.1)**

1. Freight revenue and expenses are included as a net number in marketing and selling costs.
2. Underlying Group EBITDA excludes non-recurring adjustments including impairments and changes to rehabilitation provisions for closed sites, which are non-cash in nature.

Supplementary Information – Reconciliation of non-IFRS information

	JA/MW	C/SW	RE	US/MB[1]	Expl & Oth	Mineral Sands	Corp	Group
Mineral sands revenue	357.5	354.8	-	-	-	712.3	-	712.3
Freight revenue	19.4	13.7	-	-	-	33.1	-	33.1
Expenses	(140.3)	(182.6)	-	(4.5)	(29.5)	(356.9)	(1.5)	(358.4)
Share of profit in associate	-	-	-	-	-	-	14.7	14.7
FX	-	-	-	-	-	-	5.1	5.1
Corporate costs	-	-	-	-	-	-	(38.7)	(38.7)
EBITDA	**236.6**	**185.9**	**-**	**(4.5)**	**(29.5)**	**388.5**	**(20.4)**	**368.1**
Depn & Amort	(26.0)	(56.5)	-	(0.4)	(0.1)	(83.0)	(1.4)	(84.4)
Inventory movement - non-cash	3.5	18.2	-	-	-	21.7	-	21.7
Rehabilitation for closed sites	(0.2)	(0.4)	-	(0.1)	-	(0.7)	-	(0.7)
Impairment reversal	-	-	-	-	-	-	-	-
Revaluation on investments	-	-	-	-	-	-	(3.5)	(3.5)
EBIT	**213.9**	**147.2**	**-**	**(5.0)**	**(29.6)**	**326.5**	**(25.3)**	**301.2**
Net interest costs	(0.2)	(0.7)	-	-	-	(0.9)	7.6	6.7
Rehab unwind and other finance costs	(6.2)	(7.1)	-	(2.4)	-	(15.7)	(0.8)	(16.5)
Profit Before tax	**207.5**	**139.4**	**-**	**(7.4)**	**(29.6)**	**309.9**	**(18.5)**	**291.4**
Segment result	**207.5**	**139.4**	**-**	**(7.4)**	**n/a**	**339.5**	**n/a**	**339.5**

1. Includes discontinued operations in the Murray Basin and the United States. Revenue is derived from the depletion of zircon, rutile and ilmenite stockpiles.

Supplementary Information - Weighted average received prices

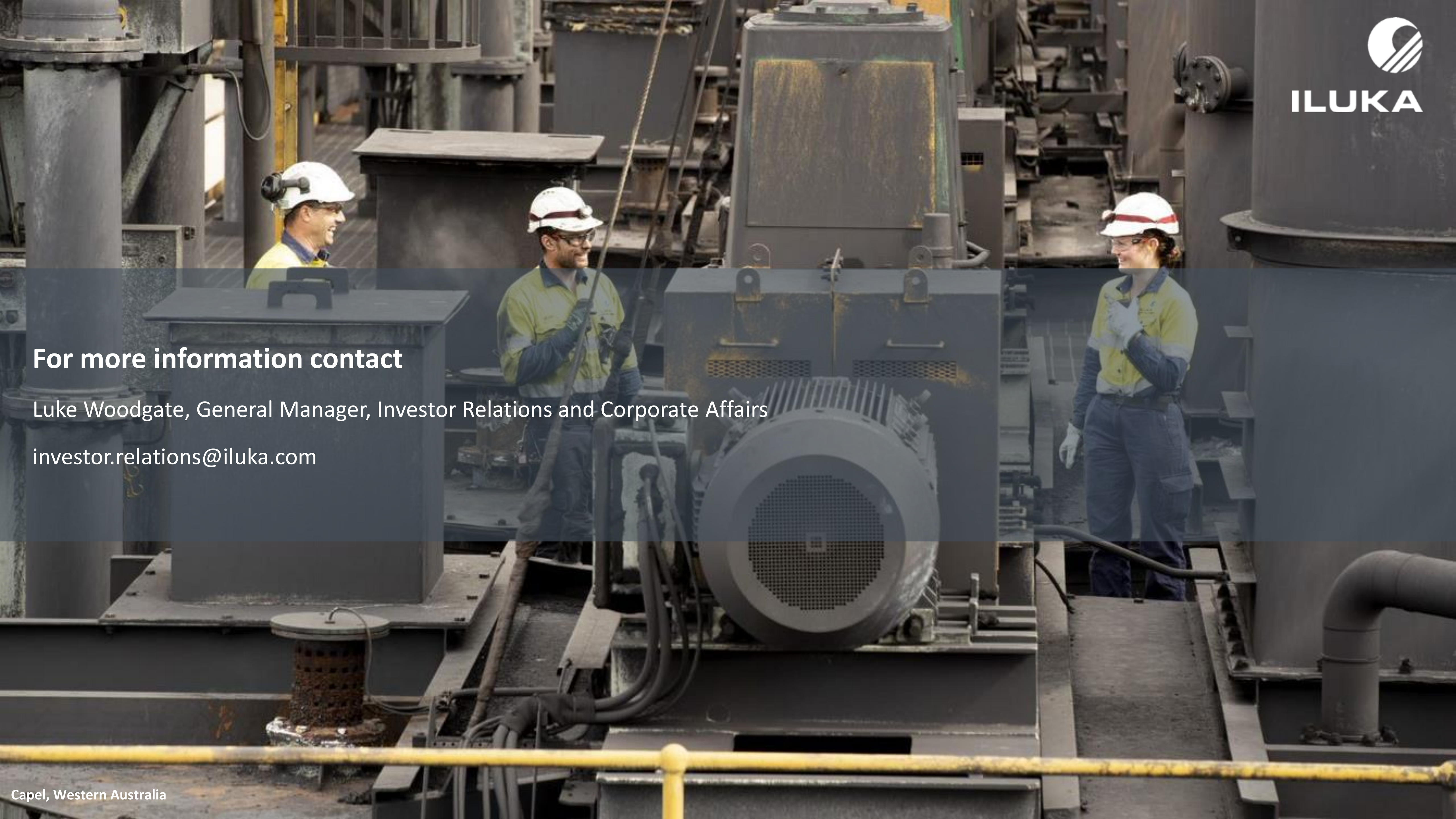
US$/tonne FOB	**H1 2022**	**H2 2022**	**FY 2022**	**Q1 2023**	**Q2 2023**	**H1 2023**
Zircon Premium and Standard	1,855	2,047	1,943	2,053	2,088	2,073
Zircon (all products including zircon in concentrate)[1]	1,757	1,975	1,850	2,053	1,897	1,946
Rutile (excluding HYTI)[2,3]	1,506	1,662	1,550	1,903	1,871	1,882
Synthetic rutile	Refer note 4			1,265	1,267	1,266

1. Zircon prices reflect the weighted average price for zircon premium, zircon standard and zircon-in-concentrate. The prices for each product vary considerably, as does the mix of such products sold period to period. In H1 2023 the split of zircon sand and concentrate by zircon sand-equivalent was approximately: 72%:28% (2022 full year: 70%:30%).
2. Rutile prices will vary quarter-on-quarter depending on the end market to which the product is supplied (e.g. pigment or welding). Post the demerger of Sierra Rutile Limited in H2 2022, rutile sales are a smaller contributor to Iluka's revenue.
3. HYTI is a lower value titanium dioxide product that typically has a titanium dioxide content of 70 to 90%. This product sells at a lower price than rutile, which typically has a titanium dioxide content of 95%.
4. From 2018-2022, the majority of Iluka's synthetic rutile sales were underpinned by three commercial offtake arrangements. The terms of those arrangements, including the pricing arrangements, were commercial in confidence and as such not disclosed by Iluka. Since the restart of SR1, synthetic rutile sales are made to a broader number of customers and Iluka will prospectively disclose the collective pricing outcome achieved from 1 January 2023; notwithstanding the pricing arrangements remain commercial in confidence. Quarterly pricing outcomes are impacted by many variables including but not limited to the timing of shipments sold under long term contract pricing mechanisms, bonus/penalty adjustments for product quality parameters and the proportion of spot sales. Synthetic rutile, due to its lower titanium dioxide content than rutile, is priced lower than natural rutile.

For more information contact

Luke Woodgate, General Manager, Investor Relations and Corporate Affairs

investor.relations@iluka.com



Capel, Western Australia