

## ILUKA SIMPLIFIED PROFIT AND LOSS MODEL

2017

This model has been prepared to assist those interested in modelling Iluka's 2017 financials. The model should be used as a tool in conjunction with briefing papers and guidance information provided in the links below.

As has been previously disclosed, Iluka provides guidance on cash and non-cash costs of production, as well as finished goods production volumes, which in periods of low and stable inventory levels will be a surrogate for COGS. However, in periods of draw-down from large inventory balances, the unit cost of inventory drawn has a more significant influence on COGS, than current year production costs. Based on guided production settings, Iluka expects significant drawdown in 2017.

In such periods of large expected movements in inventory, it can be simpler to model COGS on a unit basis, with the unit COGS (\$/t) multiplied by the expected Z/R/SR sales volumes (kt). This model (along with information provided in briefing papers) provides a method of undertaking this calculation and hence, along with own assumptions on prices, sales, fx and some other parameters, provides a tool for estimating Iluka's 2017 financial results.

Iluka Simplified  
Profit & Loss Model  
2017 (Excel  
Spreadsheet)



Iluka Briefing Paper  
Modelling  
Methodology, June  
2016



Key Physical &  
Financial  
Parameters 2017



Iluka Briefing Paper  
Zircon Products  
Pricing, June 2016



**For further information, please contact:**

Dr Robert Porter, General Manager, Investor Relations

Phone: +61 3 9225 5008

Mobile: + 61 (0) 407 391 829

Email: [robert.porter@iluka.com](mailto:robert.porter@iluka.com)

## Disclaimer

This briefing paper contains information that is based on projected and/or estimated expectations, assumptions and outcomes. These forward-looking statements are subject to a range of risk factors associated, but not exclusive, with potential changes in:

- exchange rate assumptions
- product pricing assumptions
- mine plans and/or resources
- equipment life or capability
- current or new technical challenges
- market conditions
- management decisions

Iluka makes no representation that any or all of the production options referred to in this briefing paper will occur nor that the indicative cash and capital costs will apply, being subject as indicated to further evaluation and ultimate investment decision making. While Iluka has prepared this information based on its current knowledge and understanding and in good faith, there are risks and uncertainties involved which could cause results to differ from projections. Iluka shall not be liable for the correctness and/or accuracy of the information nor any differences between the information provided and actual outcomes, and furthermore reserves the right to change its projections from time to time. Except for statutory liability which cannot be excluded, Iluka, its officers, employees and advisers expressly disclaim any responsibility for the accuracy or completeness of the material contained in this presentation and exclude all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission there from.

Iluka accepts no responsibility to update any person regarding any inaccuracy, omission or change in information in this presentation or any other information made available to a person nor any obligation to furnish the person with any further information.

All currency referred to is Australian denominated unless otherwise indicated.