



## About Iluka

Iluka Resources is an international mineral sands company with expertise in exploration, development, mining, processing, marketing and rehabilitation. We have over 60 years' experience in the mineral sands industry and have operated in Victoria since 2004. We are currently rehabilitating former mine sites adjacent to Ouyen in northern Victoria and Douglas, near Horsham, with our mineral separation plant in Hamilton currently idled.

Iluka continues to hold exploration licences over a number of fine grained heavy minerals sands ore-bodies within the Victorian Murray Basin province. To date none of this style of deposit have been developed due to technical challenges associated with the purity and recovery of the valuable minerals.

Since 2014, we have been undertaking metallurgical test work on these ore-bodies. Based on the results of recent testing, we believe processing technologies to allow the development of these deposits have been identified. As such, in 2018 Iluka completed a scoping study and technology development program for these fine grained deposits as a further stage in their development. This work focused on the successful application of key processing technologies to enable the project to progress into a more advanced study stage. Following the successful completion of this work program, we commenced a pre-feasibility study in September 2018 for the WIM100 deposit, located approximately 40 kilometres south-west of

Horsham and 7.8 km north of the locality of Toolondo. The deposit is situated predominantly on freehold properties used for broad acre cropping and grazing, with some areas of public land associated with roads, roadside reserves, the Jallumba Marsh Reserve and the Redgum Swamp Reserve.

The pre-feasibility study will complete technical and engineering assessment of the deposit such that by the end of 2019, the mining method, metallurgical process, site infrastructure and project capital costs have been sufficiently defined to allow progression to the final study stage of a Definitive Feasibility Study. Iluka is currently anticipating the commencement of the Definitive Feasibility Study in January 2020, with completion scheduled for June 2021.

Subject to attainment of all necessary regulatory approvals, an Iluka Board decision as to whether the project progresses into construction and ultimately operations is expected in July 2021. Construction should occur over a two year period with the facility planned to be operational by mid 2023.



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If this project can be successfully developed, it has the potential to provide a long term supply of zircon into the market. Zircon is an opaque, hard wearing mineral with unique chemical resistance and thermal stability properties. Over half of all zircon is used in the production of ceramics where it provides whiteness, strength and corrosion resistance. The most common ceramic is floor and wall tiles with others including sinks, sanitary ware and tableware. Refractory linings and foundry castings also utilise zircon in their manufacturing to provide chemical and corrosion resistance. Emerging and specialty applications of zircon, based on its derivatives zirconia and zirconium chemicals, are key growth markets for the mineral.

There is a wide array of end uses in the industrial and electronics industries, including nuclear fuel rods, catalytic fuel converters, water and air purification systems, electronics componentry and fibre optics.

In addition, we are also investigating other value propositions associated with the deposit whereby certain rare earth mineral products are separated into tradable commodity forms. Rare earth elements are considered a critical input in a number of rapidly evolving markets and industrial and military applications. Rare earth minerals are commonly used in permanent magnets, such as electric cars, wind turbines and consumer electronics.

Further information on Iluka's products can be found at <https://www.iluka.com/products-markets/zircon-products>



### Pre Feasibility Study Test Pit

As a part of the initial phase of the Pre Feasibility Study, in October 2018 Iluka was granted regulatory approval to excavate a pit in the deposit to sample up to 1500 tonnes of ore for further metallurgical test work. The test pit site is located on the east side of the Hamilton Natimuk Road, approximately 1.4 kilometres north of the Jallumba-Mockinya Road intersection. Approximately 500 tonnes of ore was removed from the site and sent to Iluka's Metallurgical Testing Facility in Capel, Western Australia for further work.

Collection of the sample was completed prior to Christmas and the pit has now been backfilled to above the water table. The pit will remain as such while the metallurgical test work is conducted in the first half of 2019. Final backfilling of the pit will occur once it has been determined that no further ore is required for testing purposes. The approved work plan requires the pit to fully back filled by the end of Q1 2020.





## Drilling Program

An air-core drilling program is planned to commence in mid-February 2019 for a period of approximately 4 weeks. The program is designed to further define the resource and resource boundary, and provide greater information for the pre-feasibility study. Landholder engagement for the drilling program has been completed with agreements in place for the planned drilling schedule.

The test pit site will be used as a staging area for this, and further planned drilling programs during 2019.



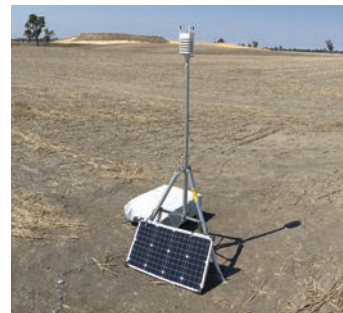
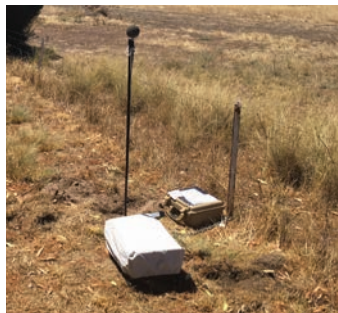


## Environmental Approvals

Iluka is undertaking environmental baseline studies and impact assessments to inform the environmental approvals process for this project. Environmental aspects considered include surface water, ground water, flora and fauna, air quality, noise, radiation, vibration, soil and cultural heritage. It is anticipated an Environmental Effects Statement (EES) will be required for the project and Iluka has engaged EMM Consulting to develop the referral documentation for a decision by the Minister to consider whether an EES is required. If required, EMM will also assist with development of the EES documentation. EMM Consulting is an environmental consulting group who has worked collaboratively with Iluka on a number of projects since 2011.

Further information on the approvals process can be obtained at: <https://www.planning.vic.gov.au/environment-assessment/what-is-the-ees-process-in-victoria>

There will be a number of engagement opportunities throughout the approvals process for interested parties to obtain further information on the project. Feedback from these opportunities will be considered in the development of approvals documentation. Timing of such engagement opportunities is yet to be identified, but will be widely advertised once determined.



As part of our commitment to providing opportunities for meaningful stakeholder engagement, Iluka has opened an Iluka Information Centre in Horsham to assist with enquiries relating to our activities. Located within the Horsham Real Estate office at 15 Firebrace Street, the office will be open between 9.30 am – 2.30 pm on Tuesdays and Fridays or by appointment 1800 305 993. Please feel free to come along and ask any questions you may have on the Fine Minerals Project or any of Iluka's other activities.

### For more information:

Contact the Iluka Community Feedback line on 1800 305 993 for more information about any of our activities.  
[www.iluka.com](http://www.iluka.com)