



# Australian Securities Exchange Notice

20 February 2014

## 2013 ORE RESERVES AND MINERAL RESOURCES

Iluka Resources Ltd (Iluka) today issued its 2013 Ore Reserves and Mineral Sources statement (refer Appendices).

The following provides a summary of the Ore Reserves and Mineral Resource movements for the year.

### Summary Ore Reserves and Mineral Resources

#### Ore Reserves

In Situ Heavy Mineral	Tonnes (millions)
Opening Reserves 2013	29.0
Production/Depletions	(2.5)
New Ore Reserves/Adjustments	0.1
Closing Ore Reserves	26.6
Ore Reserves Net Change	(2.3)

#### Mineral Resources

In Situ Heavy Mineral	Tonnes (millions)
Opening Resources 2013	122.7
Production/Depletions	(2.5)
New Mineral Resources/Adjustments	58.5
Closing Mineral Resources	178.7
Mineral Resources Net Change	56.0

Totals may not add due to rounding

The following are the main explanatory factors for the changes in Ore Reserves and Mineral Resources for the year:

- Ore Reserves decreased by 2.3 million tonnes of heavy mineral, following mining depletion and adjustments;
- Mineral Resources increased by 56.0 million tonnes of heavy mineral, net of mining depletion and adjustments (sale, relinquishment, exploration discovery and development and write-downs);
- Ore Reserves Cover (Ore Reserves divided by annual depletion) is approximately 10 years at 2013 depletion rates (a lower than usual year of depletions), while the amount of Mineral Resources (which is inclusive of Ore Reserves) is approximately six times the Ore Reserve level.

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The changes in Ore Reserves and Mineral Resources relating to individual Basins are described below.

#### **Eucla Basin, South Australia**

Eucla Basin Ore Reserves decreased by 0.7 million tonnes of heavy mineral, principally associated with mining depletion from the Jacinth deposit.

Eucla Basin Mineral Resources increased by 1.4 million tonnes of heavy mineral as mining depletion at Jacinth (0.7 million tonnes) and write downs were offset by increased inferred heavy mineral resources.

#### **Perth Basin, Western Australia**

Ore Reserves in the Perth Basin decreased by 0.2 million tonnes of heavy mineral, inclusive of mining depletion from the Eneabba and Tutunup South deposits. Perth Basin Mineral Resources decreased by 0.9 million tonnes due to mining and updated resource estimates at the Tutunup, Cataby and Scotts' deposits.

#### **Murray Basin, Victoria/ New South Wales**

Murray Basin Ore Reserves decreased by 1.1 million tonnes of heavy mineral due to mining depletion at the Wornack, Rownack, Pirro deposits (0.8 million tonnes of heavy mineral) and write offs.

Mineral Resources decreased by 0.8 million tonnes of heavy mineral with mining depletions and write offs partially offset by the addition of the Manly heavy mineral resource (0.6 million tonnes of heavy mineral).

#### **Atlantic Seaboard, Virginia/North Carolina, United States**

Ore Reserves in the United States decreased by 0.3 million tonnes of heavy mineral. Mining depletion (0.3 million tonnes) and write downs were offset slightly by 0.1 million tonnes of increased ore reserves at the Hickory deposit with the acquisition of additional leases.

Mineral Resources increased marginally. Mining depletions were largely offset by increased resources at Hickory, Old Hickory, Brink and Aurelian Springs deposits as a result of the additional leases and updated resource estimates.

#### **Sri Lanka**

An initial Mineral Resources of 56.2 million tonnes of heavy mineral was recorded as a result of Iluka being granted four Sri Lankan exploration tenements and acquiring Sri Lankan based PKD Resources (Pvt) Ltd, the holder of an additional exploration tenement.

#### **Investment market and media inquiries:**

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## APPENDIX - ORE RESERVES AND MINERAL RESOURCES STATEMENT

### Iluka Ore Reserves Breakdown by Country, Region and JORC category at 31 December 2013

#### Summary of Ore Reserves<sup>(1,2,3)</sup> for Iluka

Country	Region	Ore Reserve Category	Ore Tonnes Millions	In Situ HM Tonnes Millions	HM Grade (%)	HM Assemblage <sup>(4)</sup>			Change HM Tonnes Millions
						Ilmenite Grade (%)	Zircon Grade (%)	Rutile Grade (%)	
Australia	Eucla Basin	Proved	119.7	5.13	4.3	27	51	4	
		Probable	3.4	0.07	2.1	20	51	5	
	<b>Total Eucla Basin</b>	<b>123.1</b>	<b>5.20</b>	<b>4.2</b>	<b>27</b>	<b>51</b>	<b>4</b>	<b>(0.74)</b>	
	Murray Basin	Proved	4.5	1.30	28.6	54	11	18	
		Probable	11.1	1.70	15.2	46	14	19	
	<b>Total Murray Basin<sup>(5)</sup></b>	<b>15.7</b>	<b>3.00</b>	<b>19.1</b>	<b>49</b>	<b>13</b>	<b>19</b>	<b>(1.06)</b>	
Perth Basin	Proved	8.2	0.71	8.8	59	14	2		
	Probable	305.1	16.54	5.4	59	10	5		
<b>Total Perth Basin<sup>(6)</sup></b>	<b>313.3</b>	<b>17.26</b>	<b>5.5</b>	<b>59</b>	<b>10</b>	<b>5</b>	<b>(0.21)</b>		
USA	Atlantic Seaboard	Proved	8.4	0.42	5.0	68	15	–	
		Probable	16.4	0.75	4.6	57	18	–	
	<b>Total Atlantic Seaboard<sup>(7)</sup></b>	<b>24.8</b>	<b>1.17</b>	<b>4.7</b>	<b>61</b>	<b>17</b>	<b>–</b>	<b>(0.35)</b>	
	<b>Total Proved</b>	<b>140.8</b>	<b>7.56</b>	<b>5.4</b>	<b>37</b>	<b>39</b>	<b>6</b>		
	<b>Total Probable</b>	<b>336.1</b>	<b>19.06</b>	<b>5.7</b>	<b>58</b>	<b>11</b>	<b>6</b>		
	<b>Grand Total</b>	<b>476.9</b>	<b>26.62</b>	<b>5.6</b>	<b>52</b>	<b>19</b>	<b>6</b>	<b>(2.35)</b>	

(1) Competent Persons - Ore Reserves

Eucla Basin, Perth Basin and Murray Basin: C Lee (MAusIMM)  
Atlantic Seaboard: C Stilson (SME)

(2) Ore Reserves are a sub-set of Mineral Resources.

(3) Rounding may generate differences in last decimal place.

(4) Mineral assemblage is reported as a percentage of in situ HM content.

(5) Ilmenite currently has had no value ascribed in the reserve optimisation process for the Murray Basin. Metallurgical testwork and marketing studies are presently underway; the outcomes of which may see a revision of the Ore Reserves.

(6) Rutile component in Perth Basin South West operation is sold as a leucoxene product.

(7) Rutile is included in ilmenite for the Atlantic Seaboard region.

Ore Reserves and Mineral Resources are estimated using all available geological and relevant drill hole and assay data, including mineralogical sampling and test work on mineral recoveries and final product qualities. Reserve estimates are determined by the consideration of all of the "modifying factors" in accordance with the JORC Code 2012, and for example, may include but are not limited to, product prices, mining costs, metallurgical recoveries, environmental consideration, access and approvals. These factors may vary significantly between deposits. Resource estimates are determined by consideration of geology, HM cut-off grades, mineralisation thickness vs. overburden ratios and consideration of the potential mining and extraction methodology. These factors may vary significantly between deposits.

The statement of Mineral Resources and Ore Reserves presented in this report has been produced in accordance with the Australasian Code for Reporting Mineral Resources and Ore Reserves, December 2012 (the JORC Code).

The information in this report relating to Mineral Resources and Ore Reserves is based on information compiled by Competent Persons (as defined in the JORC Code). Each of the Competent Persons for deposits located outside Australia is a member of a Recognised Overseas Professional Organisations (ROPO) as listed by the ASX. Each of the Competent Persons had, at the time of reporting, sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity they were undertaking to qualify as a Competent Person as defined by the JORC Code. At the reporting date, each Competent Person listed in this report was a full-time employee of Iluka Resource Limited. Each Competent Person consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

All of the Mineral Resource and Ore Reserve figures reported represent estimates at 31 December 2013. All tonnes and grade information has been rounded, hence small differences may be present in the totals. All of the Mineral Resource information is inclusive of Ore Reserves (i.e. Mineral Resources are not additional to Ore Reserves).

## Iluka Ore Reserves Mined and Adjusted by Country and Region at 31 December 2013

### Summary of Ore Reserve Depletion<sup>(1)</sup>

Country	Region	Category	In Situ HM Tonnes Millions 2012	In Situ HM Tonnes Millions Mined 2013	In Situ HM Tonnes <sup>(2)</sup> Millions Adjusted 2013	In Situ HM Tonnes Millions 2013	In Situ HM Tonnes <sup>(3)</sup> Millions Net Change
<b>Australia</b>	Eucla Basin	Active Mines	3.99	(0.67)	(0.06)	3.25	(0.74)
		Non-Active Sites	1.95	–	–	1.95	–
	<b>Total Eucla Basin</b>		<b>5.94</b>	<b>(0.67)</b>	<b>(0.06)</b>	<b>5.20</b>	<b>(0.74)</b>
	Murray Basin	Active Mines	2.36	(0.82)	(0.24)	1.30	(1.06)
		Non-Active Sites	1.70	–	–	1.70	–
	<b>Total Murray Basin</b>		<b>4.05</b>	<b>(0.82)</b>	<b>(0.24)</b>	<b>3.00</b>	<b>(1.06)</b>
	Perth Basin	Active Mines	1.15	(0.17)	(0.03)	0.95	(0.21)
		Non-Active Sites	16.31	–	–	16.31	–
	<b>Total Perth Basin</b>		<b>17.47</b>	<b>(0.17)</b>	<b>(0.03)</b>	<b>17.26</b>	<b>(0.21)</b>
<b>USA</b>	Atlantic Seaboard	Active Mines	0.90	(0.32)	(0.16)	0.42	(0.48)
		Non-Active Sites	0.61	–	0.14	0.75	0.14
	<b>Total Atlantic Seaboard</b>		<b>1.51</b>	<b>(0.32)</b>	<b>(0.03)</b>	<b>1.17</b>	<b>(0.35)</b>
<b>Total Active Mines</b>			<b>8.40</b>	<b>(1.99)</b>	<b>(0.50)</b>	<b>5.91</b>	<b>(2.49)</b>
<b>Total Non-Active Sites</b>			<b>20.57</b>	<b>–</b>	<b>0.14</b>	<b>20.71</b>	<b>0.14</b>
<b>Total Ore Reserves</b>			<b>28.97</b>	<b>(1.99)</b>	<b>(0.36)</b>	<b>26.62</b>	<b>(2.35)</b>

(1) Rounding may generate differences in last decimal place.

(2) Adjusted figure includes write-downs and modifications in mine design.

(3) Net change includes depletion by mining and adjustments.

## Iluka Mineral Resource Breakdown by Country, Region and JORC Category at 31 December 2013

### Summary of Mineral Resources(1,2,3) for Iluka

Country	Region	Mineral Resource Category	Material Tonnes Millions	In Situ HM Tonnes Millions	HM Grade (%)	HM Assemblage <sup>(4)</sup>			Change HM Tonnes Millions
						Ilmenite Grade (%)	Zircon Grade (%)	Rutile Grade (%)	
Australia	Eucla Basin	Measured	197.3	7.62	3.9	34	42	4	
		Indicated	107.7	3.40	3.2	42	36	3	
		Inferred	139.5	10.49	7.5	67	15	2	
	<b>Total Eucla Basin</b>		<b>444.5</b>	<b>21.51</b>	<b>4.8</b>	<b>51</b>	<b>28</b>	<b>3</b>	<b>1.41</b>
	Murray Basin	Measured	21.2	5.80	27.4	60	11	13	
		Indicated	114.4	20.31	17.7	55	11	13	
		Inferred	1.8	9.81	12.0	49	10	15	
	<b>Total Murray Basin</b>		<b>217.5</b>	<b>35.92</b>	<b>16.5</b>	<b>54</b>	<b>11</b>	<b>14</b>	<b>(0.77)</b>
	Perth Basin	Measured	531.1	31.02	5.8	59	10	5	
		Indicated	316.2	16.09	5.1	54	10	5	
Inferred		264.6	12.34	4.7	57	8	5		
<b>Total Perth Basin<sup>(5)</sup></b>		<b>1,111.8</b>	<b>59.44</b>	<b>5.3</b>	<b>57</b>	<b>10</b>	<b>5</b>	<b>(0.91)</b>	
USA	Atlantic Seaboard	Measured	37.3	1.44	3.9	63	17	–	
		Indicated	70.2	3.43	4.9	66	10	–	
		Inferred	20.9	0.73	3.5	62	10	–	
	<b>Total Atlantic Seaboard<sup>(6)</sup></b>		<b>128.4</b>	<b>5.60</b>	<b>4.4</b>	<b>65</b>	<b>12</b>	<b>–</b>	<b>0.03</b>
Sri Lanka	Sri Lanka	Measured	213.9	22.20	10.4	69	3	3	
		Indicated	69.9	6.06	8.7	67	3	3	
		Inferred	404.3	27.99	6.9	65	4	5	
	<b>Total Sri Lanka</b>		<b>688.2</b>	<b>56.25</b>	<b>8.2</b>	<b>67</b>	<b>4</b>	<b>4</b>	<b>56.25</b>
	<b>Total Measured</b>		<b>1,000.8</b>	<b>68.07</b>	<b>6.8</b>	<b>60</b>	<b>12</b>	<b>5</b>	
	<b>Total Indicated</b>		<b>678.5</b>	<b>49.29</b>	<b>7.3</b>	<b>56</b>	<b>11</b>	<b>8</b>	
	<b>Total Inferred</b>		<b>911.2</b>	<b>61.35</b>	<b>6.7</b>	<b>61</b>	<b>8</b>	<b>6</b>	
	<b>Grand Total</b>		<b>2,590.4</b>	<b>178.71</b>	<b>6.9</b>	<b>59</b>	<b>10</b>	<b>6</b>	<b>56.01</b>

(1) Competent Persons - Mineral Resources  
 Eucla Basin, Perth Basin and Sri Lanka: B Gibson (MAIG)  
 Murray Basin: R Cobcroft (MAIG)  
 Atlantic Seaboard: A Karst (SME)

(2) Mineral Resources are inclusive of Ore Reserves.

(3) Rounding may generate differences in last decimal place.

(4) Mineral assemblage is reported as a percentage of in situ HM content.

(5) Rutile component in Perth Basin South West operations is sold as a leucoxene product.

(6) Rutile is included in ilmenite for the Atlantic Seaboard region.