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Australian Securities Exchange Notice

28 April 2017

ILUKA 2017 ANNUAL GENERAL MEETING

Iluka Resources Limited (Iluka) today held its 62nd Annual General Meeting of Shareholders in Perth, Western Australia.

Shareholders voted on three resolutions: the re-election of two non-executive Directors (Jenny Seabrook and Marcelo Bastos) and the Remuneration Report. The results of the voting on these resolutions will be disclosed to the ASX separately.

A transcript of the addresses delivered by Chairman, Greg Martin and Managing Director, Tom O'Leary, are attached.

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Attachments:
Chairman's and Managing Director's Annual General Meeting Addresses, April 2017

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ILUKA RESOURCES LIMITED
2017 ANNUAL GENERAL MEETING
28 APRIL 2017, PERTH, WESTERN AUSTRALIA
CHAIRMAN'S AND MANAGING DIRECTOR'S ADDRESSES

Chairman's address

As in previous years, we will commence formal business with my Chairman's report to you. Tom O'Leary will then present Iluka's key activities for the past year, as well as his assessment of the priorities and strategic focus for the company moving forward.

Shareholders have been provided with the details of Iluka's 2016 financial and operating performance in the Full Year Results and the Iluka Review documents, which were issued on 23 February 2017.

A separate Sustainability Report was also issued by the company on 21 April 2017. This report outlines Iluka's business sustainability practices, including in the priority areas of health and safety; environmental management; and anti-bribery and corruption. It forms part of the company's commitment to align, progressively, with the International Council on Mining and Metals Framework for Sustainable Development – a decision taken by the Board in 2015 in light of Iluka's anticipated increasing international activities.

Copies of both the Iluka Review and the Annual Report are available here today and I would encourage shareholders yet to consult these documents to do so.

At last year's AGM, shareholders may recall that I made a number of observations on Iluka's position and outlook at that time. These included:

- the company's less than satisfactory financial performance;
- the strategic priority of resource and reserve additions;
- the imperative of a redoubled focus on health and safety outcomes; and
- the importance of continuity in Iluka's leadership and strong governance culture.

Judged by these criteria, 2016 was a year of further challenge, evolution and accomplishment. In turning to address these matters, it is regrettable that the one area that did not improve over the past 12 months was Iluka's financial performance. The company's results for 2016 reflected continuing subdued market conditions and, once again, fell short of the expectations of both the Board and Management.

Iluka's full year financial result was a statutory loss of $224 million. The loss included non-recurring items of $183 million after tax. Iluka's underlying operating results for 2016 reflected a further year of low-cycle market conditions for the minerals sands sector, with revenues declining 11.4 per cent, despite higher combined zircon/rutile and synthetic rutile sales, which were up 7.2 per cent. The primary culprit was zircon where the weighted average price received declined by nearly 20 per cent, year-on-year.

The $183 million, after tax, non-recurring items relate to outcomes arising from the new Managing Director's comprehensive review of the company, which commenced shortly after his appointment last September. These include non–cash impairments in relation to idled equipment and capitalised costs, as well as an increase in the rehabilitation provisions for Iluka's United States' operations and projects, which are now permanently closed.

In addition to these outcomes, the review is expected to deliver an approximate $20 million reduction in non-production cash costs in 2017, relative to 2016, on a like-for-like basis. Tom will speak shortly about the review and his priorities, which the Board fully endorses as an appropriate recalibration of business priorities and opportunities in expectation of improving market conditions.

In the context of the company's potential investment opportunities, including Cataby and Sierra Rutile expansion options; the higher net debt at year end; and meagre free cash flow generation in 2016 of $47.3 million, Directors determined that a final dividend for 2016 would not be declared.

This decision meant that total dividend payments for 2016 comprised the 3.0 cent, fully franked interim dividend. This level of dividend payment represented 27 per cent of 2016 free cash flow generation and lower than the Iluka dividend framework of a minimum of 40 per cent of free cash flow. This lower level should not be interpreted by shareholders as a change in or loss of Board support for Iluka's dividend framework but rather as a reflection of the anticipated use of free cash flow for balance sheet and capital expenditure requirements.

As for the strength and integrity of the balance sheet, the maintenance of a robust balance sheet remains a key focus for the Board.

This focus, combined with Iluka's strategy of being prepared to act counter-cyclically – that is, deploy capital where there is both strategic and financial merit at, or near, the bottom of the cycle – enabled the company to complete the acquisition of Sierra Rutile Limited in December 2016 for a total investment of $389.5 million, including transaction costs, plus the assumption of Sierra Rutile's net debt of US$59.3 million, resulting in a total cash outlay of $469.2 million.

This investment resulted in net debt of $506 million at year end. While the strong free cash flow generation in the first four months of the new year has reduced net debt to $403 million at the end of March, your Board will continue to carefully monitor the state of the balance sheet and level of indebtedness.

Tom will provide further context on current market conditions and how this may influence the business in 2017. However, let me observe now that there are a number of welcome and encouraging indications early in the new financial year that the market may be improving after five years of subdued demand and pricing conditions.

Total zircon, rutile and synthetic rutile sales volumes for Iluka in the March quarter have increased 130 per cent relative to the same period in 2016. Iluka has also been able to secure an average US$50 per tonne zircon price increase in the year to date.

Demand conditions for high grade feedstocks are favourable and one of the company's main customer groups, Western pigment producers, are displaying an encouraging recovery in their markets and business conditions, with price traction evident for pigment over the past 18 months.

Shareholders will be aware that on 7 December 2016 Iluka completed the acquisition of Sierra Rutile, which is located in the Southern Province of Sierra Leone. The acquisition provides Iluka with a large, long life rutile operation; and complements the company's position as a major producer of high grade titanium dioxide feedstocks, as well as the largest global producer of zircon.

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Iluka announced an inaugural rutile reserve for Sierra Rutile of 3.9 million tonnes in the company's reserve and resource statement, issued as part of the Annual Report. Depending on the level of production, this represents at least 15 years of mine life. In addition, further delineation drilling has the potential to add to the resource and reserves base to ensure Iluka has a long life operating asset producing a high value product.

With the production expansions and operational performance improvements planned, the Board expects that the financial performance of the operation in terms of cash flow and return on capital will meet Management's investment case. The Sierra Rutile acquisition may also provide the company with flexibility in terms of other development project options, including the timing for the large, rutile-dominant Balranald deposit, located in New South Wales, which is currently undergoing continued evaluation.

Sierra Rutile has operated in Sierra Leone since 1967. The skills and experience of its personnel combined with the operational and technical expertise Iluka is able to introduce to the business – as well as much needed capital for safety and operational improvements and for production expansions – will materially enhance the performance of the operation.

I know that the effective integration of Sierra Rutile is a key priority for Tom and his executive team. Iluka has placed some of its most experienced technical and operational personnel in Sierra Leone. Having personally visited the operation in March, I was both impressed and encouraged with the enthusiasm of the local workforce to develop the operation, as well as by the manner in which Iluka personnel have positively embraced the myriad requirements and actions necessary to operate effectively and successfully in what is a new country in a new continent for the company.

These activities have included developing key relationships at all levels of government, with local communities, including Paramount Chiefs, with non-governmental organisations as well as establishing initial links with international agencies that provide social and economic development support to the country.

The Sierra Rutile operation adds a new element to Iluka's and to the Board's governance and broader risk management and sustainability obligations. We are realistic in acknowledging the perceived higher risk exposure in relation to anti-bribery and corruption in Sierra Leone compared with our existing operations in Australia and elsewhere.

That being said, Iluka remains committed to its 'zero tolerance' approach to bribery and corruption regardless of the jurisdictions in which we operate or have a presence.

As part of our ongoing post-acquisition review, Iluka has sought to identify conduct which is inconsistent with its Code of Conduct; and reinforce its approach to responding to such matters. This includes the surrender of three exploration licences granted to Sierra Rutile prior to the acquisition under circumstances inconsistent with Iluka's Code of Conduct; and the re-application for those licences according to proper procedure.

Although these licences did not have value attributed to them during the acquisition process, and while the outcome of the re-application is not financially material to Iluka, the company considers it is vitally important to be 'walking the talk' in relation to expected standards of conduct. This action is an important practical demonstration of our genuine commitment to our Code of Conduct.

We have appreciated the positive engagement that we have had on this issue with the Sierra Leonean Government and regulatory authorities and Iluka will continue to work constructively with the appropriate regulatory bodies to deal with any implications arising from this matter.

A commitment to the highest standards and outcomes in terms of health, safety and environmental performance remains a core area of focus by the Board. Last year I reported an increase in Iluka's total recordable injury frequency rate to 6.7 from 3.6 in the previous year. This came following an extended period of improvement – and a low injury severity rate. However, as I reported to shareholders at last year's AGM, the reversal in the trend led to a redoubled focus and further company safety initiatives.

In 2016, the number of total recordable injuries decreased by a welcome 34 per cent with a frequency rate of 4.4 recorded. This excludes Sierra Rutile, where the company gained control at the end of the year. Clearly, and in the context of the much larger workforce at Sierra Rutile, the company is well aware that it has to remain highly vigilant in this area - for reasons Tom will elaborate upon in his address.

One of the integration priorities for Sierra Rutile is the introduction of Iluka's safety and risk management frameworks, as well as its Code of Conduct, to ensure alignment with Iluka's high standards of business practice and conduct.

Insofar as environmental management is concerned, a highlight for 2016 was the relinquishment of all regulatory obligations for two rehabilitated mining tenements in the South West of Western Australia. This is something few Australian resource companies have been able to achieve and is a reflection of the calibre of Iluka's rehabilitation professionals and the resources allocated by the company to this important area of Iluka's licence to operate. Iluka continues to invest in rehabilitation activities and in 2016 over 800 hectares of land were rehabilitated. This brings the amount of land rehabilitated by the company over the last three years to 1,800 hectares. The quality of some of the company's rehabilitation efforts can be seen in the images you have just viewed.

In relation to other governance matters, Board evolution continued during the year with the retirement in December of Gavin Rezos, who had served as a Non-Executive Director since 2006 and since 2014 as an Iluka appointed Director to the Board of Metalysis, the UK-based titanium technology company in which Iluka has a significant shareholding. On behalf of my fellow Director's, I would like to acknowledge and thank Gavin for his valuable contribution to Board deliberations over an extended period of time.

A process is well in train to find a suitable replacement for Gavin. In light of Director tenure, as well as the evolution of Iluka's business activities, the Board is undertaking a comprehensive review of its skills and competency inventory to ensure its suitability to the discharge of the Board's governance obligations and to serving the best interests of the company and its shareholders.

Whilst speaking about governance matters, the Board has requested the People and Performance Committee work with the Managing Director to review the company's executive remuneration and incentive arrangements. While the Board believes the current system, developed under the previous Managing Director, has served the company well - and has most of the features expected of contemporary executive incentive arrangements – this review will afford the Board and Managing Director the opportunity to provide "fresh eyes" input into Iluka's incentive plans. This is an area of rapid evolution, and quite varied views amongst shareholders, not to mention much external scrutiny, as it should be, making a fresh review warranted.

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As shareholders will observe when the proxies are displayed later, the company has had a significant level of proxies lodged against supporting the 2016 Remuneration Report. Hutch, as Chairman of the People and Nominations Committee, will speak to this when he introduces the resolution for a non-binding vote on the Remuneration Report. From discussions with shareholders and proxy advisers, it is clear there are concerns about the level of termination benefits paid to the previous MD.

While these benefits were approved by shareholders in 2011, the Board acknowledges that these payments were above those which would be either offered or paid in today's contemporary remuneration environment. However, after taking advice, the Board found itself in a situation where there was a clear shareholder approved contractual obligation to pay with little to no latitude to do otherwise. In reviewing the proxy advisers' research reports, it is pleasing to see that Iluka's current remuneration practices, including the contractual arrangements for the new MD, are generally supported.

In conclusion, I would like to acknowledge the support, counsel and contribution over the past 12 months of my fellow Director's as well as Tom, his management team and the wider Iluka workforce. I also wish to record my appreciation for the continuing support of our shareholders, both large and small.

Thank you, Ladies and Gentlemen for your attention.

Prior to introducing the Managing Director for his first AGM address, I would like to take this opportunity to acknowledge a long serving member of Iluka's senior management team – one who is well known to many if not most of our shareholders. Dr Rob Porter commenced his tenure with Iluka in November 2005. In his near 12 years of service to the company as General Manager, Investor Relations and Corporate Affairs, Rob has been Iluka's trusted conduit to the equity market during key developments in the company's history. This includes the development of the Murray Basin Stage 2 deposits; Jacinth-Ambrosia; and most recently the acquisition of Sierra Rutile, to name but a few.

Rob will be departing Iluka in July and we of course look forward to farewelling him in his own, accustomed style. However, I do think it is appropriate for those shareholders and colleagues present – at this, Rob's twelfth Iluka Annual General Meeting – to join me in thanking him for his extended and first-class contribution to the company.

Some shareholders may not be aware that, prior to joining Iluka, Rob published a biography of one of Australia's and indeed Western Australia's most significant political figures, Sir Paul Hasluck – a book that I understand remains one of the definitive works on the subject. Rob, on behalf of the Board of Directors, we wish you well in your future endeavours, wherever they may take you – including hopefully new additions to the Robert Porter literary catalogue.

Let me now introduce Tom O'Leary to the meeting. Shareholders will recall that Tom's appointment was announced to the market in June 2016. He commenced as Chief Executive Officer on 5 September and was confirmed as a Director, and hence Managing Director, on 13 October 2016.

Tom has a depth of business development, major transactional and capital deployment experience; and has also led complex operating businesses. Importantly, Tom will provide continuity in terms of disciplines regarding capital allocation decisions. He has already tackled a range of strategic and operationally important issues early on in his tenure and I am very pleased to introduce him and ask him to now address you at this, his first Iluka Annual General Meeting. Thank you Tom.

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Managing Director's Address

Thank you Greg.

It's a pleasure to be here at my first but the company's 62nd AGM.

Reflecting on what I might speak to you about this morning, I felt it was important to be clear about what you should expect to see from me:

- first, you will see me focused on safety and the environment;
- second, on capital discipline and improving financial performance;
- and third, on embedding a culture that will achieve these.

I'd like to start with Safety and Environment. Rightly, shareholders expect us to provide employees with a safe working environment. And, while I'm excited about the opportunity to generate attractive shareholder returns from the recent acquisition of Sierra Rutile, a recent incident underscores the challenges we knew we'd face from a safety perspective.

It was at the dredge in Sierra Leone and three of our employees were seriously injured. A rope anchoring the dredge had been obstructed, and, when it was freed of the obstruction, stored energy as a consequence of the rope having been under tension caused the rope to move, rapidly in a lateral direction.

The rope struck all three men and each man suffered several open fractures to his lower left leg. They were initially taken by ambulance to hospital in Freetown and were later medevacked out of Sierra Leone for further treatment. Fortunately, the men are responding well and will return to work in due course.

We have implemented measures to ensure such an incident will be avoided in the future. But it's an illustration of the potential for harm in our operations, as well as the potential to improve the safety of our operations. I'm confident that with Iluka's systematic approach and relentless focus on safety there are significant safety improvements we can bring to Sierra Rutile.

In our Australian operations Iluka has made significant improvements in safety performance since 2009, reducing the total recordable injury frequency rate from a clearly unacceptable 17.5, to 4.4 in 2016.

I believe Iluka has effective systems and a strong reporting culture around safety. However, incidents continue to occur in our operations; so there's no room for complacency either here in Australia or wherever we are operating.

Shareholders also expect companies to conduct operations in a manner where environmental management, both during the operational phase and in rehabilitating former mined areas, is undertaken in full compliance with regulatory requirements. I am confident that Iluka and its personnel embrace the importance of these matters and that the company takes its obligations and responsibilities in these areas seriously.

The Chairman has addressed the 2016 financial results so I won't add to his observations.

The 2017 financial year has commenced more favourably, as shareholders may have seen in last week's Quarterly Production Report. In essence:

- sales volumes and revenues have more than doubled by comparison to first quarter 2016;
- prices in the first quarter for both zircon and rutile were higher than average 2016 levels;
- and your company has generated strong free cash flows over the quarter, which have been applied to the repayment of debt, which has reduced from $506 million at 31 December to $403 million.[1]

In terms of my approach as Managing Director, I subscribe fully to Iluka's stated focus on the creation and delivery of shareholder value; on a strong capital discipline framework; on a willingness to invest counter-cyclically; on a framework of returning funds to shareholders when not required for investing or balance sheet purposes; and on the company's approach to flexing production – meeting demand rather than forcing tonnes into the market is logical and respects the value of inventory and the scarcity of the resource.

Taking the focus of shareholder value further, I believe that capital disciplines are not optimised without a rigorous process of post investment review to assess the extent to which projected cash flows and benefits have been realised. This is in order that lessons can be learned and then applied in future investment decisions. This cycle of investing, reviewing, learning and then applying lessons is central to my approach; and it will become part of the capital expenditure cycle for Iluka's projects.

Shortly after I joined Iluka in September, we began a review of the business. Shareholders will be aware of asset impairments, increased rehabilitation provisions, and adjustments to reserves announced earlier in the year which were outcomes of that review.

The main drivers were:

- impairments which reflected mainly idled equipment not expected to be utilised in future;
- increased rehabilitation provisions arising from an external audit of the Australian remediation provision, and from a change to the status of the US operations from being regarded as idled, to being closed; and finally
- the reclassification of approximately 27 per cent of Iluka's Ore Reserves to resources following an external audit and taking account of the company's mine plans following the acquisition of Sierra Rutile.

Another outcome of the review was that Iluka had a support cost structure that I considered unsustainable. We made the difficult decision to make 90 roles redundant out of a total of 440 support roles. As a consequence of these changes, Iluka's 2017 non production cash costs (excluding Sierra Rutile) are expected to be approximately $20 million lower on a like-for-like basis compared to 2016. Just as importantly, we're now resourced more appropriately for key business priorities over the coming years, and there will be a continued focus on lowering the cost base of the company.

Regarding our portfolio of assets and future opportunities, in the interests of time, I will touch on our Jacinth Ambrosia operation – the largest global source of zircon – and Sierra Rutile, and then the Cataby opportunity.

[1] Of this $403 million reduction in debt, $80 million is attributable to free cash flow in the first quarter; and the remainder is due to the revaluation of USD denominated debt in a strengthening AUD environment.

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Mining and concentrating activities at Jacinth-Ambrosia were suspended in May 2016. This was to allow the drawdown of concentrate inventories at site. Given the re-stocking in zircon markets and recovery in underlying demand, plans are well underway for the restart of mining at Jacinth-Ambrosia. A decision to re-commence production is likely before year end.

The acquisition of Sierra Rutile marks an important milestone for Iluka. Before I talk about integration, I will provide some background on the country and company.

Sierra Leone is a constitutional democracy located in West Africa. Its post-colonial history includes civil war, which ended in 2002; followed by democratic transition and a period of economic growth – owing in large part to foreign investment in the resources sector.

Clearly, Sierra Rutile represents a new and challenging environment for Iluka. In today's resources sector, accessing new resources typically entails higher risk. With Sierra Rutile, this is mitigated to some extent by Iluka having acquired an established operation, with an established position in the market.

I have visited Sierra Leone three times since August and during those visits I've met with the President of Sierra Leone, as well as a number of ministers and senior officials. What's clear is the extent to which the Government regards foreign investment as critical to the country's future development.

Sierra Rutile has operated in Sierra Leone since 1967. It provides direct or indirect employment to more than 3,000 people, with over 95 per cent Sierra Leonean – which means the operation is also a significant national employer. Both the Sierra Leonean Government and people – particularly those in the communities where the operation is located – have a strong, shared interest in Iluka's ability to enhance the performance of Sierra Rutile and operate successfully in the country.

Turning to integration, our Quarterly Production Report covered the integration activities as well as areas of focus:

- to improve the safety arrangements for the operation;
- to commence a process whereby, in conjunction with the workforce, operational improvements can be achieved in production throughputs and improved recoveries in mining, concentrating and processing.

I would emphasise that Iluka has sent a high quality, technically proficient team of some of our best people to Sierra Leone, to complement the skills of the existing workforce. The integration activities and the implementation of a range of safety and operational initiatives are in train. This includes a focus on aligned mine planning processes; a detailed metallurgical work plan; an assessment of the maintenance systems; and a detailed review of rehabilitation practices with a view to introducing Iluka experience and methods where appropriate.

Many people ask me how the workforce and surrounding community in Sierra Leone have responded to the arrival of Iluka on site. My assessment from my visits, which Rob Hattingh, our CEO of Sierra Rutile has confirmed, is that the people of Sierra Rutile and Sierra Leone have welcomed Iluka warmly and there is a genuine preparedness to engage in the changes Iluka is implementing and a genuine desire to improve the operation.

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Sierra Rutile is a large, long life and scalable mining and processing operation. There are three main mine expansion options available to Iluka: Lanti dry mining; Gangama dry mining and the Sembehun mine. Each will be subject to detailed feasibility studies, which have commenced for Lanti Dry and Gangama. These will be phased, depending on technical and economic assessment and market demand conditions. As I mentioned at the full year results, the Board has already approved expenditure on an in-pit mining unit for the Lanti dry mine and fabrication of the unit is occurring and is scheduled to be installed by year end.

Our strategy for generating a satisfactory return from Sierra Rutile is to invest in increasing its capacity from current levels of about 150,000 tonnes per annum to over 240,000 tonnes per annum, to drive down unit costs to improve margins. This increase will come at a capital expenditure cost estimated at ~US$220 million for the three mine expansion projects. This is inclusive of the US$60 million planned to be spent in 2017 and 2018 on improving safety and efficiency; and increased capacity at the mineral separation plant. We are confident we can achieve the reduction in unit cash costs Iluka has guided, with the prospect of robust margins and cash flows. Given the size of the reserve, the company will have a competitive source of rutile for many, many years to come.

Moving to Cataby, Iluka is sufficiently advanced in its planning to commit to the mine development today. Our approach, however, has been to seek a level of contractual underpinning for synthetic rutile volumes before a commitment is made. Discussions with existing and potential customers are progressing.

Shareholders will be aware that continued synthetic rutile production will ultimately be dependent on ilmenite from the Cataby development. So, depending on timing, there is the possibility that continuity in synthetic rutile production may not occur. Clearly, this is not our preference. While we expect to have some inventories available to meet customer demand during any pause in production – we would prefer to be in a position to maintain continuity of supply to all of our customers.

In the 2017 capital expenditure guidance of approximately $260 million, approximately $150 million related to Cataby. While a proportion of this – approximately $20 million – will be spent on detailed engineering work and land access arrangements in 2017, the expenditure of the remaining amount will depend on the timing of a development commitment.

I'll now turn to mineral sands market conditions which are showing clear signs of improvement – the market is stronger and demand more robust than the company has seen for some years.

In zircon, we've had two consecutive quarters of strong sales, in an environment where prices have increased. Our sales volumes for the six months' ending 31 March are the largest for that period since 2010/11.

The US$50 per tonne increase on contracted tonnes, effective mid-February, has been accepted by customers and provided support for spot sale prices materially higher. Demand for Iluka's zircon products is strong, with customers turning to the company to support their re-stocking. We are focused on supplying genuine demand; and will resist taking a short-term approach. Our marketing personnel will be engaging with customers in June in relation to third quarter contractual arrangements.

In relation to high grade titanium dioxide feedstocks, industry characteristics amongst our largest customer segment – Western pigment producers – continue to be favourable. These characteristics include: higher plant operating regimes; inventory draw down and spot shortages; price increases; and evidence of tightening of supply beyond our customers.

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With the exception of a proportion of Sierra Rutile production which is contracted to the end of 2017, most of our rutile available for delivery in the second half is uncontracted and therefore subject to market pricing movements.

In the welding market, Iluka has achieved up to US$50 per tonne price increases, in some regions, for the second quarter.

While all of this demonstrates improving market conditions in pigment and continued leanness in the pigment and titanium feedstocks supply chain, prices will need to show further strength to incentivise new production into the market.

Turning to the Mining Area C iron ore royalty, shareholders will know that it's based on a high quality iron ore province in Western Australia, operated by BHP Billiton. This slide shows the contribution from the royalty since production began in 2002 – $680 million EBIT.

BHP Billiton stated publicly on 29 March and I'll quote: *"Our Yandi mine…is currently operating at 80 million tonnes per annum but will be depleted over the next five to 10 years. We are looking at options to replace this production. South Flank is the preferred long-term solution, subject to Board approvals being obtained."*

If this occurs, there is the potential for valuation uplift for the Mining Area C royalty based on higher production, for which Iluka receives a $1 million payment per 1 million tonne capacity increase, and the revenue from a higher production base.

Iluka has, for many years, considered a range of alternatives to maximise value for shareholders from this royalty. These have included an in specie distribution and establishment and spin off of a royalty company. I have reviewed these options and the issues in pursuing such courses of action. Let me assure all Iluka's shareholders that, while these options remain open to us, at this stage, particularly in light of the BHP Billiton's plans with South Flank, we will not act precipitously.

Finally, as I mentioned earlier, a critical part of my role is to embed a culture that will enable Iluka to achieve its goals for safety and environmental performance; and a culture that will also deliver the results of disciplined capital allocation, being improved financial performance.

I am encouraged by the level of commitment I see in Iluka's people and their preparedness to strive to achieve the company's objective. I believe it's the efforts of teams that create and deliver value for shareholders. And, with my executive team, I am committed to creating an environment where our people can perform to their potential.

Before closing I'd like to thank our employees, here in Australia, in Sierra Leone and all our locations for their ongoing efforts. Iluka has the benefit of a depth of expertise which is valued and appreciated by myself and by the Board. I also acknowledge the Directors of Iluka for their advice and guidance. And, finally, I thank you our shareholders for your support. With that, I will hand you back to the Chairman.