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Tom O'Leary: Good morning and thank you for joining the call. With me are Adele Stratton, CFO and Head of Development and Matthew Blackwell Head of Project and Marketing. I'll begin by giving an overview of our full year results before handing Adele to go through the financials. I'll then provide some comments on how our business is placed to deliver sustainable value this year and into the future.

Slide 3 of the presentation gives a snapshot of our position. Fundamentally, Iluka has delivered a disciplined performance in the face of the extraordinary challenges presented last year by COVID-19. Our operational market and financial response to the pandemic enabled the Company to maintain margins and preserve the strength of our balance sheet. Equally significant was that we made important progress on our major project pipeline. As a result of the Company's disciplined performance we're well placed as we begin 2021 with the flexibility to respond to changes in demand as the global economy moves towards recovery. We have positive indicators in key markets and a maturing portfolio of significant development options. That portfolio includes an emerging position in rare earths – a market Iluka re-entered during the year.

On the headline numbers, mineral sands EBITDA was \$342 million. Underlying net profit was \$151 million. Free cash flow was \$36 million and we were in a net cash position of \$50 million as at 31 December. Our markets were significantly impacted by COVID-19 particularly in the first half. Widespread restrictions led to factory shutdowns and end product demand also suffered in line with the broader economy.

The zircon market benefited from a modest recovery over the remainder of the year though full year sales were nonetheless down. Deterioration in the pigment market lagged that of zircon but was followed by a solid rebound with conditions showing marked improvement over the second half.

Iluka's sales of synthetic rutile was significantly impacted by the contractual dispute with a major customer Chemours as we've flagged previously. While the dispute remains the subject of litigation, sales to Chemours recommenced in line with the contract in January 2021.

Operationally we adjusted production settings in line with demand back in April last year and removed around 10% of global zircon supply. Our Australian sites performed well and once again demonstrated their flexibility and adaptability. The synthetic rutile kiln which

underwent a major overhaul in 2019 achieved record production in 2020 at 227 thousand tonnes.

At Sierra Rutile production was impacted throughout the year by downtime events and reduced throughput. The impact of the pandemic has been considerably more severe in Sierra Leone than Australia with lockdowns, quarantine and travel restrictions impeding Iluka's ability to sustain specialised skillsets typically provided by ex-patriate resources.

While obviously a disappointing result from a production perspective, that we were able to maintain operational continuity at Sierra Rutile in these circumstances is an achievement not to be underestimated. Major project milestones in 2020 included the commissioning of Phase 1 at Eneabba which is now the world's highest grade rare earth's operation.

The third field trial at Balranald was completed concerning the effectiveness of a potentially transformative underground mining technology. Our work at Wimmera remains focused on validating a zircon processing solution where we are making pleasing progress. And while field works on Sembehun were not possible last year we're now moving ahead with a trial of hydraulic mining which will occur in the first half of this year.

On corporate development, November saw the demerger of our royalty business and the listing of Deterra Royalties. This created the ASX's largest resource base royalty company in which Iluka retains a 20% stake. Deterra released it's first results yesterday and we wish the team every success in the future.

Slide 5 covers some of our sustainability achievements. Health and safety are always our first focus, heightened further given the potential impacts of COVID-19 on our people and communities. After an increase in serious potential incidents in 2019 we have seen improvements in this area and it remains a target for ongoing improvement. With that I'll hand over to Adele to go through the financials.

Adele Stratton: Thanks Tom and good morning everyone. Slide 7 outlines our financial results. Reported net profit was \$2.4 billion. This includes a \$2.2 billion one off non cash, non-taxable gain from the demerger of the Royalties business. This gain reflects the difference in the market value of Deterra when it listed on the ASX in November compared to the negligible value it was carried at prior to demerger.

We've now reset our carrying value as required by the accounting standards to show our 20% stake at the 5 day VWAP post listing, being \$452 million. We did release an ASX

announcement back in December to try and help explain the demerger accounting treatment.

Coming back to our underlying result, underlying net profit was \$151 million reflecting the discipline Tom has just outlined. Mineral sands revenue was \$947 million and included in this is \$106 million of ilmenite and other revenue which grew 65% and includes the commencement of monazite sales from our Eneabba's operations.

Mineral sands EBITDA was \$342 million representing a strong margin of 36%. Group EBITDA was \$423 million including \$81 million contribution from the Mining Area C royalty and the subsequent earnings from Iluka's stake in Deterra. Bearing in mind Deterra Q4 result included transaction costs associated with the demerger and obviously these are not ongoing.

2020 free cash flow was \$36 million with operating cash flow of \$183 million, down on the previous year due to lower revenue. \$71 million was invested in capital expenditure and \$98 million expended as a final tax payment in relation to 2019. Iluka received \$14 million in JobKeeper subsidies which will be returned voluntarily in 2021 as we noted in the quarterly review.

Our balance sheet is in a strong position with Iluka ending 2020 in a net cash position of \$50 million inclusive of the \$14 million contribution from JobKeeper. I'd also note that Iluka has \$500 million in debt facilities available. Iluka's Board has determined to pay a final dividend of 2 cents per share. This is in line with the Company's dividend framework to pay 40% of free cash flow not required for investment purposes or balance sheet activity.

The dividend equates to 40% of free cash flow after adjusting for our repayment of JobKeeper which as I've said will occur this year. With that, back to you Tom.

Tom O'Leary: Thanks Adele. Slide 23 covers our project pipeline where we're progressing developments that are potentially transformative. Eneabba which you see on slide 24 is the foundation of our position in the rare earths market. In April we began producing a monazite zircon concentrate and over the course of 2020 shipped 44 thousand tonnes of product. Phase 2 is in execute and is scheduled for completion on the first half 2022 enabling us to further upgrade the concentrate to a 90% monazite product, a direct feed for a rare earths refinery.

Iluka has longstanding plans to re-enter the rare earths market which represents a logical

and important diversification for the company. In Eneabba we have a unique world class asset from which to realise these plans while Wimmera is also a key element of our portfolio from both the rare earths and zircon perspective.

Consistent with our objective to deliver sustainable value, we've adopted an incremental approach to our diversification into rare earths. Phase 1 is operational and Phase 2 is under construction. Phase 3, and by which I mean a fully integrated refinery, that's cracking and leaching and solvent extraction and finishing, has been under active consideration for some time and, as noted in the release, we've commenced a feasibility study on this Phase 3.

Obviously there are opportunities and risks to consider at each stage. Phase 3 is not something we'll pursue at any cost and I note that Phase 2 will be a very attractive business in its own right. That said as I've mentioned previously the quality of the Eneabba asset does provide the potential for alignment between Iluka's commercial objectives and the policy objectives of governments.

We are exploring all opportunities on this front in line with our disciplined approach to capital allocation. Returning to traditional mineral sands we've completed the third trial of the company's novel underground mining approach at Balranald. This employs proprietary technology aimed at accessing Balranald's deep, high grade, predominantly rutile deposits.

The trial concerned the effectiveness of the mining method and validated key elements of the mining unit design. Attempts to undertake continuous backfilling of tailings into the mining void were not successful. However this is not considered a fatal flaw as the more traditional on-surface placement is the low risk alternative. We're now scoping the definitive feasibility study and a decision on whether to proceed with the DFS is expected by mid-year.

Wimmera is potentially a multi decade source of zircon and rare earths. The challenge with this project is like all of the fine grained deposits in Western Victoria. It's zircon contains higher levels of impurities rendering it ineligible for the ceramics market which is approximately 50% of global zircon demand. Our technical team has been working on validating a processing solution and we're sufficiently encouraged with results of this test work in relation to product purity. Our focus now is on refining the flow sheet to focus on value and on achieving efficiency.

Crucially both the mining technology we're developing at Balranald and the processing technology we're developing at Wimmera have potential applications beyond these

respective deposits. This underscores the industry's significance of each project in a post COVID world where international mobility may be more limited and overcoming technical challenges in mature jurisdictions may assume greater significance.

Slide 29 provides an outlook for 2021. As noted in our quarterly we've idled the synthetic rutile kiln in February for three to six months in response to high inventory levels, largely as a result of Chemours' failure to take product last year. Synthetic rutile production is guided at between 115 thousand and 175 thousand tonnes depending on the duration of the idle. We've adjusted operational settings at Narngulu to increase zircon production with 2021 guidance at 285 thousand tonnes and group rutile production is expected to be 200 thousand tonnes.

Our cautious optimism on mineral sands markets is reflected in the zircon price increase we announced today. I'll close by reiterating that Iluka will pursue the various opportunities at our disposal with the same discipline the Company demonstrated in 2020. With that I look forward to your questions.

Paul Young: (Goldman Sachs, Analyst) Thanks. Morning Tom, Adele and Matt. Thanks for the additional information on your growth pipeline Tom, that's well received. Tom, a question for yourself and Matt on the zircon market to begin with. Firstly, just on the zircon price increase of US\$70/tonne, can you confirm is that off - shall we be looking at the average for premium standard and is the increase off the 4Q achieved price or the average for 2020?

Matthew Blackwell: Think about it as the increase off the 4Q price.

Paul Young: (Goldman Sachs, Analyst) Okay thanks Matt and that is off the average premium and standard?

Matthew Blackwell: It's the premium and standard yes. It applies across the product portfolio.

Paul Young: (Goldman Sachs, Analyst) Great thanks. Second question on zircon production and sales outlook. First of all I guess noting that your peers out there signalled very strong demand already in the first quarter particularly from China and Europe. I'm just curious about, are you seeing the same uptick in demand from particularly those two regions?

Secondly your zircon production guide implies 100 thousand tonnes year on year lift. Sales were above production 2020 so can we imply that your base case is that sales will exceed

production again in 2021?

Matthew Blackwell: Let me address the second question first, it's easier, no you shouldn't imply that. We've given some guidance around production for 2021. That's probably your best steer Paul but we're not guiding sales.

Then going to the first question, we have certainly seen the momentum that we saw in Q4 continue into Q1 across the regions. We're just coming out of Chinese New Year now. We've had two weeks of little activity there and across most sectors. But I think the sentiment across the industry is certainly that buying continues to be very positive in Q4 and into Q1 and bodes well for the rest of the year.

Paul Young: (Goldman Sachs, Analyst) Okay thanks Matt. Can I ask a few questions about the rare earths strategy and starting with the feasibility study on Phase 3 at Eneabba and the refinery. Can you expand a little bit on the timing of those studies? How long you think the feasibility study will take and second to the scope, are you looking at combining potentially the monazite from both Wimmera and Eneabba Phase 2 into the cracking and leaching circuit?

And I'll throw a third one in while I'm at it, and that is just can you maybe just comment on any early stage discussions with offtake partners outside of China? Thanks.

Tom O'Leary: Yes sure, thanks Paul. On the timing, I expect the feasibility study will run for about a year. So early 2022. On the Wimmera product the Wimmera monazite is not dissimilar to the Eneabba monazite in the sense that it's coming from a mineral sands type deposit. So our test work indicates that a facility that can take Eneabba product can take Wimmera product and vice versa.

So yes it will be capable of taking that product. In terms of offtake partners, we're talking to a range of offtake partners and governments in a range of countries about our plans.

Paul Young: (Goldman Sachs, Analyst) Okay that's good information, thanks Tom. I've got a bunch of other questions but I'll pass it on and circle back. Thanks.

Tom O'Leary: Thanks Paul.

Jack Gabb: (Bank of America, Analyst) Thanks and morning Tom and Adele. Just following up. Another one on Eneabba quickly. Just given the run up in rare earths prices can you just comment on what monazite pricing you're seeing currently or say what you saw end of the year?

Then second one on Balranald, I guess middle of last year you were talking about first production in 2022. I'm just curious what's the updated timeline now just post the - that continuous backfilling of tailings that wasn't achieved. Do we assume it's pushed back six, 12 months? Thanks.

Tom O'Leary: Yes Jack I'll hand over to Matt to talk about Balranald in a moment. But it's important to note that the contracts that we entered into or the contract we entered into for - to support phase 1 facility at Eneabba was entered into several years ago now to support that capital expenditure and it was a fixed price agreed at the time. So you shouldn't be assuming current pricing of monazite but the guidance we've given around repayment profile for Phase 1 stands. So with that I'll hand over to Matt to talk about Balranald.

Matthew Blackwell: Yes Jack, we were pleased and encouraged by the - well let me step back. We went into the trial with a couple of key objectives. One was to test and confirm the viability of continuous underground mining and we were quite pleased and encouraged by the results that we saw from that.

There was a secondary objective which is to test whether we could continuously backfill underground. The results from that were not as encouraging. But it's not a fatal flaw and the reason I say that is that we had the opportunity to continue, and it was always contemplated, in the project that we could just place the inert tailings on the surface like we do at our other mineral sands operations.

So that's not a show stopper. In terms of timing we're still working through all the data. There's lots - five terabytes of data generated in the trial and we will work through that but we've said that we're looking to make a decision on whether we proceed to DFS later in the year.

Jack Gabb: (Bank of America, Analyst) Okay thanks and so I guess following that, how long would the DFS potentially take for Balranald?

Matthew Blackwell: We're scoping the DFS at the moment. These things normally can take somewhere between 12 and 18 months. I'm not going to put an exact timeframe on it. As I've said we're working through the data at the moment. One of the outputs of that is what things you need to firm up or what assumptions you can take with a high degree of confidence into the DFS. We'll work through that. We'll scope the DFS based on that information and then we will progress from there Jack. I just can't give you an exact time frame at the moment.

Jack Gabb: (Bank of America, Analyst) That's all right. Thanks though, that's helpful. Just last one from me, just on Sembehun, I guess it's been quite a while now since you've sent the project back to the drawing board a little bit. Can you give us a bit more of an update in terms of what you're thinking in terms of scale and in terms of timeline?

I appreciate there's been a delay and also you haven't been able to get as much people on site but just curious what you're currently thinking on that. I guess the clock is ticking a little bit in terms of how long Lanti and Gangama can keep on going before you need to have Sembehun in construction. So just curious to what you're currently thinking. Thanks.

Matthew Blackwell: Yes Jack, there's probably two parts to that question. The first, in terms of scale, last year we talked about going back and rethinking about a less capital intensive approach to Sembehun. At that time we talked about something that was more in line with expected current nameplate capacity of the MSP which was at 175 thousand tonnes of rutile circuit per annum.

You might recall previously we'd talked about doubling the capacity. But in our discussions with the market last year we talked about more like 175. That remains the focus with some optimisations around that. That's what the team has been working towards. We think that's the right capital intensity for that approach.

Now in terms of gap, there's two parts to that story, one is how quickly can you develop the project and the other is how long SRL continues to operate. And in terms of depletion of Area 1 there is work looking at that to – are there are opportunities to extend Area 1. We need to work through all of those activities and the team is very mindful of looking for ways to execute the project in a prudent but expeditious manner.

Jack Gabb: (Bank of America, Analyst) Perfect that's really helpful.

Tom O'Leary: Yes Jack the only thing I'd add is that we've continued to see somewhat disappointing operational performance there and as I said before we're going to need to see improved performance before we're prepared to invest further in Sierra Rutile and at Sembehun.

Jack Gabb: (Bank of America, Analyst) Perfect thanks Tom, thanks Matt, I'll pass it on.

Operator: Our next question comes from Hayden Bairstow at Macquarie. Please go ahead.

Hayden Bairstow: (Macquarie, Analyst) Morning guys. Just a couple from me. Tom, firstly I'm just trying to work out through the CapEx cycle here. I mean the guidance for CapEx is pretty low for this year. Are all these projects lining up to come at once between 2023 and

2025 or will there be some - have to be some sort of ranking and scheduling of these things, you can't do everything at once. I just want to understand how you're thinking about that.

Then the broader business itself. I mean if you look back before last year, I mean, around 340 thousand tonnes of zircon and basically 400 thousand of rutile-synthetic rutile was the run rate on sales. Is that something that's achievable again or do you think the market has shifted a bit and other producers have come in? And how are you thinking about medium term targets and how important is rare earths providing an effective zircon credit coming back in longer term as part of that strategy? Thanks.

Tom O'Leary: Yes, thanks Hayden. Yes just in terms of ranking and scheduling of projects, our approach is to continue to mature these potential projects to a point where they are genuinely investable. So we'll continue to do that and then make decisions around ranking and approach to financing and I'll come back to that in a moment, at the appropriate time when those feasibility studies are complete and we have an investable case.

In terms of financing, in particular the rare earths project, you'll note no doubt that we've mentioned that we're talking to governments and that we're going to approach this with discipline around capital allocation. It may well be that the coincidence of interest around the governments critical minerals policy and our own commercial interests coincide. So I think you need to bear that in mind when thinking about the capital requirements there. On the second question around production going forward, Matt.

Matthew Blackwell: Yes and particularly the markets and sales, let me just talk about the markets. Hayden, look I don't think - well certainly we think that there's less demand last year as you'd expect in zircon. But we have not seen a fundamental shift down in zircon demand or any sort of market structural change since what occurred back in 2012 with the advent of different tile production technologies.

So we would expect over time and our long term view is that that market would continue to grow. With respect to synthetic rutile, we demonstrated last year kiln capacity of more than 220 thousand tonnes per annum. We wouldn't be doing that if we didn't think there wasn't market opportunities for that.

With rutile and zircon, given they're a natural product, the story there is depleting mines, no new production that's come on for either of those two products recently. In fact mines have closed, if you think like Sibelco's operation that's come out, taken 40 thousand tonnes of rutile out of the market. There is opportunity for us to capture some of that

market position and I think we're best prepared and able to do that when you look across the industrial landscape.

Hayden Bairstow: (Macquarie, Analyst) Okay great and just a follow up on the rare earths side of things. I mean obviously once you get to, I guess, an oxide type product through a refinery, I mean, are you looking to go even further than that because I mean everything ends up in China anyway, effectively, from a downstream processing point of view. Is that going to be part of the study whether you can get beyond oxide and further downstream?

Tom O'Leary: No it's not going to be part of the study work formally but there are certainly opportunities to go further. We're, as I've mentioned, talking to a range of potential offtake partners as well as governments about our plans and we'll explore opportunities like that in time Hayden.

Hayden Bairstow: (Macquarie, Analyst) Okay great thanks, I'll leave it there. Thanks guys.

Paul McTaggart: (Citigroup, Analyst) Good morning. Just - I wanted to get a confirmation of a couple of things. Firstly, it was very handy the Eneabba stuff you provided on slide 21 in terms of payback. Can I confirm, when you say payback, is that - in your definition, is that after tax, cashflows, pre-tax? I just wanted to confirm that.

Secondly IFC, it was a bit unclear - in the most recent release when you said they'd increased their stake but I wanted to get a sense, did they pay - what did they pay for that? Because it looked when I last read the release, it was a bit unclear. Looked like they might not have paid anything.

Lastly on your refinery, very different skillset. Do you feel you've got the skillset in house to run a refinery compared to what you've been doing historically which is a relatively simple kind of processing operation?

Adele Stratton: Yes hi Paul, it's Adele. Just in terms of the Eneabba and the payback period, we look at that in terms of the CapEx and the cashflows that that project will obviously generate. You'd think in terms of the quantum of those numbers, we haven't been overly specific in terms of less than a year for Phase 2. So I'd be thinking of those on a revenue less costs basis.

Paul McTaggart: (Citigroup, Analyst) Okay thanks.

Tom O'Leary: Yes okay. So, Paul thanks for the questions. Just on the Eneabba skillset, I'd be the first to admit that we don't have all skillsets required to do all pieces of the Eneabba refinery. We're certainly not arrogant enough to think that we can step into a new process

and do it all on our own from our existing skillsets. Nonetheless we have in-house a range of people who have relevant expertise and we have engaged some of the best in the world consultants to help us on that score.

On the IFC, you read the quarterly correctly and there was no additional sum paid for the increase to 10%. That reflects the importance of IFC as a strategic partner and the approach that they took to the investment in the first instance. That was very much focused on Sembhun and so we thought that was an appropriate step to take.

Paul McTaggart: (Citigroup, Analyst) Thanks guys.

Tom O'Leary: Thanks Paul.

Glyn Lawcock: (UBS, Analyst) Good morning Tom. Just wanted to talk a little bit about the Eneabba Phase 3. I mean everyone is focused on you building a kiln and the technology but just wondering what's going to feed it? I mean Wimmera sounds like it's got its challenges and Eneabba by the time you get a kiln up the current Eneabba will probably have processed I guess a third of your current resource.

Just if you could help me understand the feed source for the kiln. You put the South West deposits in there. Do they like Eneabba contain quite a bit of monazite in the deposit that when they come through that could be a feed source as well? So could you just help me understand how much you need to justify a kiln if it's not too early to ask that question. Like do you need Wimmera and South West deposits or whatever?

Then the second question is just around Atacama. I think 12 months ago you talked about impurities in the ilmenite being an impediment to development. Just wondered if you can give us an update because I notice it's still on the timeline as the next cab off the rank for Eucla. So just trying to understand that.

Then final question is just you've said you've returned to full operations at Narngulu MSP, I think I read, and you've only got zircon production at 285. So should I marry the two to say that given your current grade feeds you're a 285 thousand tonne zircon producer because you're saying Narngulu is at full operating rates. Thanks.

Tom O'Leary: Yes thanks Glyn. I'll talk a little bit about Eneabba feed and I'll hand over to Matt to talk about Atacama and Adele can talk about Narngulu a little bit. So on feed, the premise of the question I think, and the concern around feed was, based on that, by the time a Phase 3 refinery might be complete we would have exported a range of product for several years from Phase 2. Now that's not necessarily the case. It may be that we don't

export that product from Phase 2, but store it instead. So that's one assumption that you need to reflect on a little bit.

The other is Wimmera as a product, as I've said, we've got sufficient confidence around purity of zircon now and the focus of that technical work is around cost, achieving efficiency and so on. So we're getting more and more confident about Wimmera as time goes by. So that could well be a supplemental feed for an Eneabba refinery. But we also contemplate feeds from other sources as well, and I'm not so much suggesting the South West deposits but there are other potential producers in Australia.

With that Matt on Atacama.

Matthew Blackwell: Sure thanks Tom. G'day Glyn. So, Atacama what we've done over the course of the last year there is worked on a technical solution around the impurities in the ilmenite. We've said previously that we need both the ilmenite and the zircon to be comfortable with that investment, as saleable products. That work is ongoing and - but the progress has been good over the last year and we continue to work on that.

After we lockdown the process flow sheet - if we come to a landing on the process flowsheet and then we lock that down on solving the impurities in Atacama on the ilmenite then it's a pretty straightforward PFS, DFS mine development from there. But that work is ongoing and when we've locked that down, we'll advise people.

Adele Stratton: Thanks Matt and Glyn just in terms of zircon production. So as you said we've guided the 285 thousand tonnes for this year and that includes 60 thousand tonnes of zircon in concentrate. Can the plant do more than that? Short answer is yes. So we're processing Cataby and JA material as batches through plant 1 and 2 at that site. But there is an ability to increase that run rate for that plant.

Glyn Lawcock: (UBS, Analyst) Okay that's great. So sorry just Tom, could you clarify, just going back to the first question, do the South West deposits actually contain a monazite stream like you're already processing for Eneabba? Is there additional resource in there as well?

Tom O'Leary: Yes there is but it's not significant in the context we're talking about.

Glyn Lawcock: (UBS, Analyst) Okay so it really would be Wimmera and third party feed needed for the kiln - for the rare earths refinery.

Tom O'Leary: Correct.

Glyn Lawcock: (UBS, Analyst) All right, thanks very much.

Tom O'Leary: Yes sorry just to clarify, depending on size, it's Eneabba and Wimmera and beyond that third party feed.

Glyn Lawcock: (UBS, Analyst) Do you have a concept of size then Tom? You just - you mentioned that - you threw the size out there?

Tom O'Leary: Sorry I beg your pardon? Well we didn't throw the size out there I don't think but no we...

Glyn Lawcock: (UBS, Analyst) Sorry you just said...

Tom O'Leary: Depending on size...

Glyn Lawcock: (UBS, Analyst) Yes so do you have a concept size in mind?

Tom O'Leary: Yes we do but we'll be exploring that during our feasibility study and I won't be disclosing information on that at this point.

Glyn Lawcock: (UBS, Analyst) Okay that's fine. Thanks Tom.

Tom O'Leary: Thanks Glyn.

Operator: Our next question comes from Rahul Anand at Morgan Stanley. Please go ahead.

Rahul Anand: (Morgan Stanley, Analyst) Hi guys, thanks for the opportunity. Can I please perhaps start with Sierra Leone? We obviously talked about the 10% stake allotted already but I guess I wanted to touch a bit on the future of the asset as a whole. I mean what happens if Sembehun does not go ahead?

You're looking at hydraulic mining at Lanti and Gangama as well. I mean are there any other opportunities you'd extend the mine life at those two? How long can you go there? And hydraulic mining, I mean you need more water I presume for that. That seems to be a pretty scarce commodity in that part of the world. How are you thinking about these things? Thanks.

Tom O'Leary: Yes Rahul, the life at Area 1 is somewhat limited and we've talked a little bit about that before. There are resources there for a couple of years depending on how that - how we approach the mine plan. And beyond that in the absence of Sembehun, we'd move into closure. So the opportunities that we are exploring around area - in Area 1 but around Gangama and Lanti are - could potentially extend that. But in the absence of Sembehun it expires, it's depleted. So Matt just on...

Rahul Anand: (Morgan Stanley, Analyst) So I guess the testing you're doing in stage 1 is basically to test hydraulic mining for Sembehun then. Is that right?

Tom O'Leary: Yes that's right, that's the purpose of that trial, yes.

Rahul Anand: (Morgan Stanley, Analyst) Okay and the second part is the water intensity? Thanks.

Matthew Blackwell: Yes so look you do - with hydraulic mining yes you do use water but you recycle a bit and one thing I just - two things to bear in mind, first of all the average rainfall in Sierra Leone is 2.6 metres. So there's a reasonable amount of rain per annum. It tends to come in a period of time and then you store it. But there's quite a lot.

Then secondly, it's not that much more intensive than what we currently do because when we mine, even if you dry mine, the way we take that material from the mining face or from the mining unit to the plant is by slurring it up and moving that material and then you have to use water to transport it and then liberate the tails. So from a water balance perspective that's not the driver at all in determining whether it's a viable mining method.

Rahul Anand: (Morgan Stanley, Analyst) Okay just a couple of follow ups if I may. So Sembehun and Balranald, are these two mutually exclusive decisions in your mind or are you viewing this as offsets perhaps for each other?

Tom O'Leary: No they're not mutually exclusive. They could both go ahead. The amount of rutile being produced in the world is - at the moment is very very low and declining.

Rahul Anand: (Morgan Stanley, Analyst) Okay. I guess just one quick one for Adele. Adele you talked about Narngulu to Glyn's question. I guess my question is around throughput. I mean what's the throughput capacity of the plant if I had to put the question a different way?

Adele Stratton: Yes it really does depend on obviously what material you're putting through that plant Rahul. As we said if we look historically that plant produced well in excess of 300 thousand tonnes of zircon a year. If you think back when we look at what our outlook has been, we've always moved towards that type of number.

We're at 285 this year but again as we've said consistently we do have zircon in concentrate that we can use to supply into the market. So I wouldn't be drawn further on that. It does depend on feed source and the different limitations throughout that plant depending on the material that goes in.

Rahul Anand: (Morgan Stanley, Analyst) Okay all right final question then or perhaps two there. Utilisation rates in the pigment market perhaps if you can chat a bit about that, that'd be great. You did mention that in the presentation. Then finally for Tom also SR1 kiln restart, any progression on the ilmenite sources for that? Thanks.

Tom O'Leary: Yes look I'll hand to Matt to talk about pigment operating rates and then we'll perhaps come back to SR1.

Matthew Blackwell: Rahul what we have seen across the globe is a ramp up in pigment rates, utilisation rates and there are two parts that drive the capacity of a pigment plant. One is the head grade into the plant and the other is utilisation rates.

So, what we're seeing at our customers is an increase in the utilisation rate or running - they're continuing to run hard. They're not doing their scheduled maintenance. Then the other thing is that we're seeing customers increasing their head grade. What that means is that concentration of TiO_2 that goes into the chlorinator. To do that you have to buy more high grade feedstock or use more high grade feedstock and therefore buy that.

So, we think that's - that portends well for the high grade feedstock market going into 2021, 2022. And in fact on Venator's earnings call this morning one of the analysts asked their CEO how are you guys set because we see pigment going into a two year, a very strong bullish two year period? So that's how some of the commodities people are thinking about pigment demand over the next couple of years.

Tom O'Leary: Thanks Matt and just the other question you touched on SR1. To be candid with SR2 in idle at the moment and our inventories very high in synthetic rutile, SR1 is not the highest priority but it does remain ready and able to be activated in a relatively short timeframe.

Rahul Anand: (Morgan Stanley, Analyst) Okay but I just wanted to understand if there's any movement on where you're going to source the ilmenite for that, if it does happen?

Tom O'Leary: Well it really depends on the time it happens. So for example, we have a range of ilmenite sources potentially coming on in the years ahead with Balranald, the South West site deposits and Atacama but it really depends on the timing of it coming on.

Rahul Anand: (Morgan Stanley, Analyst) Okay. No that's very helpful. Thank you everyone. I'll pass it on.

Tom O'Leary: Thanks Rahul.

Paul Young: (Goldman Sachs, Analyst) Yes Tom rounding back on the market again and particularly the rutile market, again Matt's comments on pigment demand improving. Certainly seeing that from all the participants in the market. Also some of your peers talking about rutile price rises, there's no commentary on the rutile price outlook. I'm just curious if maybe Matt can comment on that in light of his comments on pigment producers using higher grade feedstock.

Then secondly your synthetic retail sales, have you signed up new customers and any update on the Chemours dispute. It just seems to me that they might have shot themselves in the foot here with the market turning - the pigment market turning.

Tom O'Leary: I'll hand over to Matt in a moment to talk about SR sales and so on. But just on rutile pricing, historically we used to give guidance as to pricing at this point in the year. But now that almost all of our high grade feedstocks are under longer term contracts, the pricing under which is confidential, we've moved to really providing guidance historically, after the event. But I'll hand over to Matt to talk about anything else you might want to say about that Matt and SR sales to new customers and perhaps I'll come back and talk about Chemours at the end.

Matthew Blackwell: Yes, Paul the bulk - as Tom said the bulk of our rutile is under contract. Some of it does go into the welding market and as we indicated in the fourth quarter we had record sales for us. Although not huge sales but - in term of quantum, but they - nonetheless record sales for us in that market and that market continues to be a very positive market for us. That'd be the first thing I'd say.

Secondly in terms of the rutile market more broadly, rutile is a good sweetener for people as is high grade SR. SRs considerably higher in TiO₂ units than say the main competition which is slag. So we think that, as I said bodes well for the market going forward.

You asked about new customers. We've signed up substantial new account this year - I wouldn't call it long term contract but reasonable volumes to a new customer for this year in SR. So that's I think a sign of, I guess the longer term marketing efforts and also a sign of the times.

Then finally to the matter of Chemours I'm not going to comment on their individual or their choices as a business but you will note in the commentary that we've opened a dialogue with Chemours about finding a potential path forwards to the current situation.

Paul Young: (Goldman Sachs, Analyst) Okay I appreciate all that. Can I ask a further

question about partnerships and particularly around the rare earths refinery. Then also on Sembehun development. First just on the rare earths refinery, just wondering if you could give any comments around potential government involvement - I understand very early stages, but are we talking potentially things like direct ownership, providing funding and maybe tax benefits or tax breaks?

Then on Sierra rutile are you saying you've commenced a process to identify third parties that might be willing to invest in the next phase of growth. Are we talking, the logical one is investors here, will it be offtake partners and the current major offtake partner from that operation. Would that be the best starting point?

Tom O'Leary: Well taking the rare earths question first, Paul, I've mentioned that we're talking to governments and I don't really want to be drawn further on the nature of those discussions but just assume that we're pursuing all appropriate alternatives there. And also taking account of our disciplined approach to capital allocation.

So on the Sembehun process, it may well be that that would be a logical outcome but we're open to - in terms of a customer cooperation. But we're open to all structures that maximise both the potential to develop Sembehun for the benefit of all stakeholders and also the value of Iluka's interest in Sierra Rutile. But we'll provide further updates on that as appropriate.

Paul Young: (Goldman Sachs, Analyst) Okay thanks Tom, thanks Adele, thanks Matt.

Tom O'Leary: Cheers Paul, thank you.

Sam Webb (CS, Analyst) Thanks Tom, just two quick ones. Coming back to SRL if we can. In the event that Sembehun didn't go ahead - I'm not saying that's the case, but what are the closure costs there? Second one is depending how this pipeline of projects fall, is the stake in Deterra a potential funding mechanism to the extent that you'd need it to fund the capital required?

Tom O'Leary: Yes, Sam I wouldn't give any guidance on closure costs at this point. There are provisions obviously but - on the second question around the stake, again, I wouldn't be drawn on our approach to that stake.

Adele Stratton: Yes look I think Sam just in terms of, if you look at rehabilitation which obviously is your representation of closure in Sierra rutile. On the balance sheet they've got a closure provision of about \$70 million. So, there's always degrees of conservatism and estimates that you put in there in relation to that.

Then just building on Tom's comment on Deterra as we said when we did the demerger, we see that as a long term investment to provide financial strength. So I'd think of it in that light.

Sam Webb (CS, Analyst) Okay thanks Adele.

Tom O'Leary: Thank you. Look I just say that we've entered 2021 well placed and we can respond to changes in demand as the global economy moves towards recovery. We see positive indicators in our key markets and we're looking forward to developing our emerging position in rare earths. I think it's going to be a pretty exciting year coming up. So with that, have a good day all. Thank you.

End of Transcript