

30 September 2022

SRL DEMERGER - FINAL CLASS RULING FROM ATO

The demerger of Iluka Resources Limited (ASX: ILU) and Sierra Rutile Limited (ASX: SRX) was implemented on 4 August 2022. The demerger separated Iluka's Australian critical minerals business from its business in Sierra Leone.

Under the demerger, 100% of the issued Sierra Rutile shares were transferred to eligible shareholders on a one-for-one basis. The number of Iluka shares on issue on 4 August 2022 was 424,236,447. Iluka did not retain a shareholding in Sierra Rutile.

On 28 September 2022, The Australian Taxation Office (ATO) published the final class ruling regarding tax treatment of the demerger. The full ruling can be found here: [ATO - Iluka Resources Class Ruling](#)

Cost Base Apportionment

The cost base of Iluka shareholders' pre-demerger holdings should be apportioned between their Iluka and Sierra Rutile shareholdings based on the following percentage:

- Iluka – 96.52%
- Sierra Rutile – 3.48%

This reflects the Volume Weighted Average Prices (VWAP) for the two entities in the 5 trading days after the listing of Sierra Rutile on 28 July 2022 of \$9.52 and \$0.34 for Iluka and Sierra Rutile respectively.

Further information on calculation of cost bases in a demerged entity is available from the Australian Taxation Office: [Demergers | Australian Taxation Office \(ato.gov.au\)](#)

This document was approved and authorised for release to the market by Iluka's Managing Director.

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