

23 March 2016

The Manager
Company Announcements Office
Australian Securities Exchange ("ASX")

PUBLIC ANNOUNCEMENT 2016 – ILUKA RESOURCES LIMITED

Please find attached the following documents in relation to Iluka Resources Limited's 2016 Annual General Meeting to be held at 9:30am (WST) on Wednesday, 18 May 2016 in the River View Room 5 at the Perth Convention and Exhibition Centre, 21 Mounts Bay Road, Perth, Western Australia:

1. Notice of Annual General Meeting; and
2. Proxy Form.

The 2015 Annual Report, Iluka Review 2015, Notice of Annual General Meeting and Proxy Form will be shortly mailed to shareholders who have elected to receive printed copies of these documents. Copies of the documents have been lodged with the ASX today and are available on the company's website: www.iluka.com.

Yours sincerely



Cameron Wilson
Company Secretary



Iluka
Resources
Limited

2016

Notice of Annual General Meeting

For personal use only

NOTICE OF ANNUAL GENERAL MEETING

DEAR SHAREHOLDER

I am pleased to provide you with the Notice of Meeting for Iluka's 2016 Annual General Meeting. Details of the business of the meeting are contained from page 6. The immediately following pages include a summary of the key elements of the 2015 year, a financial summary and information on the balance sheet and your Company's capital management approach. More detailed information is available from Iluka's Annual Report and the Iluka Review accessible at www.iluka.com



The mineral sands industry experienced the challenges of another year of lower and variable demand and flat to eroding product prices which impacted Iluka's financial performance for the year.

While the Board is less than satisfied with the current financial performance of the Company, your directors are pleased that Iluka's balance sheet and capacity has been further strengthened over recent years; the Company continued to generate free cash flow, maintained solid margins and was able to pay an increased dividend of 25 cents per share for the full year. As importantly, the Company continued to invest in and retain internal production and other growth options, as well as evaluating and advancing other inorganic investment options. In 2015, the latter was evidenced by the proposed offer for Kenmare Resources Plc; ultimately not progressed due to the inability of the Kenmare Board to deliver a necessary pre-condition in the form of shareholder irrevocable undertakings.

The activities just described are characteristic of the approach Iluka adopts: to seek to harvest the rewards for shareholders through periods of high cycle conditions and ensure the Company has the capability, through its balance sheet management and judicious investments, to be able to play the long game patiently – and with discipline – including taking advantage of appropriate organic and inorganic opportunities. In this manner, the Board believes the Company will be best positioned for the inevitable upswing in demand and the mineral sands price cycle. The Company retains its bias towards the deployment of capital in these continuing bottom of the cycle market conditions.

Return on capital and return on equity were below target, but sales volumes increased, unit cash costs of production declined and margins were preserved at a time of low demand. These are positive indicators of future performance.

In facing another year which may have similar characteristics to 2015, various options to enhance performance are under consideration, including continuing cost performance improvement across the business.

The health and safety of Iluka's people remains a key focus of the Company and the Board. Safety performance has improved markedly in recent years as a result of a company-wide Safe Production Leadership Program implemented in 2011. The increase in total recordable injuries in 2015 is a reminder of the need for constant vigilance and the redoubling of efforts in this all-important aspect of the Company's performance.

As part of Iluka's broader sustainability commitment, the Company's land management and rehabilitation credentials are a widely recognised area of strength and capability. The work undertaken in the rehabilitation of former or currently mined areas, as exemplified at Jacinth-Ambrosia in South Australia, in the Murray Basin in Victoria and also at Green Cove Springs in Virginia, USA, involving multi-faceted elements of environmental management and rehabilitation, are all good examples of Iluka's commitment to the highest standards of sustainable mining practices. A similar commitment is evident in other areas of environmental management including biodiversity.

The composition and capability of your Board remained an area of focus during the year. In December 2015 the Board was pleased to announce the appointment of Dr Xiaoling Liu as an independent non-executive director, effective from 19 February 2016. With an impressive executive background, including serving as President and CEO of Rio Tinto Minerals, Xiaoling's extensive experience and knowledge of the industrial minerals sector will complement the existing skill set around the Iluka Board table.

On behalf of the Board, I would like to thank Wayne Osborn for his contribution to the Iluka Board over the past six years, including serving as Chairman of the People and Performance Committee. Wayne's extensive and detailed experience in mineral processing has added a valuable technical contribution to Board deliberations. Wayne announced in December his intention to retire as a director at the 2016 Annual General Meeting.

On behalf of my fellow directors, I would like to acknowledge the contribution and efforts of David Robb and his executive team and the broader contribution of Iluka's people under challenging market conditions. And, of course, I would like to thank shareholders for their continuing interest and support.

Greg Martin
Chairman

KEY ELEMENTS OF ILUKA'S APPROACH - 2015

■ Safety

- Continued organisational and cultural focus on maintaining a safe work environment
- Total recordable injury frequency rate of 6.7, compared with 3.6 in 2014; higher year-on-year, but still a material improvement on levels before the Company's Safe Production Leadership initiative in 2011
- Stable lost time injury frequency rate of 0.9

■ Environment

- No major environmental incidents, with 88% of incidents level one (lowest severity)
- Continued focus on high standards of environmental management
- 3rd consecutive year of reducing "open" area via land rehabilitation activities

■ People

- Continued focus on organisational diversity
- Awarded 2015 AIM WA, West Business Pinnacle Award for Workplace Diversity Excellence

■ Ore Reserves and Mineral Resources

- Ore Reserves decreased by 1.8 million tonnes to 23.0 million tonnes, mainly reflecting depletions and adjustments
- Approximately 12 years reserve cover at 2015 depletion rate
- Mineral Resources of 173 million tonnes (inclusive of Ore Reserves)

■ Financial performance

- Mineral sands revenue of \$820 million, a 13% increase from 2014
- Mining Area C iron ore royalty EBIT of \$61.6 million, an 8% decrease
- Net earnings after tax of \$53.5 million
- Mineral sands EBITDA margin of 33%
- Free cash flow of \$155 million
- Net cash of \$6 million, compared with net debt of \$59 million as at 31 December 2014

■ Operational flexibility

- Combined 2015 zircon, rutile and synthetic rutile production of 690 thousand tonnes, up 29%
- Woorneck, Rownack, Pirro operation, Murray Basin, Victoria – mining ceased as planned
- Synthetic rutile kiln 2, Western Australia – successfully recommenced
- Tutunup South mine, Western Australia – successfully reactivated as ilmenite feedsource for synthetic rutile kiln 2
- Virginia operation, USA idled at year end
- Iluka's three mineral separation plants continued to operate at reduced utilisation rates
- Suspension of mining and concentrating activities at Jacinth-Ambrosia from 16 April 2016, announced 16 February 2016

■ Shareholder returns

- Total dividend of 25 cents per share fully franked 6 cents interim dividend 19 cents final dividend, fully franked
- Share price performance – 3.0% increase for the year vs 19.5% decrease for S&P/ASX 200 Materials Index
- 3 year total return of -32.0% vs S&P/ASX 200 Materials Index of -33.7%

■ Mineral sands projects

- Balranald, New South Wales – 1st stage definitive feasibility study near completion; Stage 2 commencing in 2016
- Cataby, Western Australia – definitive feasibility study completed
- Sonoran, Eucla Basin – pre-feasibility study completed
- Puttalam, Sri Lanka – scoping study completed; pre-feasibility study planned for 2016
- Hickory and Aurelian Springs, USA – studies suspended given idling of Virginia operation

■ Growth options

- 28.8% interest in Metalysis – UK-based technology company seeking to commercialise titanium powder production
- Phase 1 evaluation of large Tapira deposit, Brazil, in combination with Vale S.A.
- Detailed evaluation, due diligence related to potential acquisition of Kenmare Resources Plc

NOTICE OF ANNUAL GENERAL MEETING

FINANCIAL SUMMARY

MINERAL SANDS REVENUE	MINERAL SANDS EBITDA	MINING AREA C EBITDA	GROUP EBITDA
\$820 million	\$271 million	\$62 million	\$275 million (including Mining Area C)
▲ 13%	▲ 13%	▼ 8%	▲ 7%
<p>\$m</p> <p>2011 2012 2013 2014 2015</p>	<p>\$m</p> <p>2011 2012 2013 2014 2015</p>	<p>\$m</p> <p>2011 2012 2013 2014 2015</p>	<p>\$m</p> <p>2011 2012 2013 2014 2015</p>
<p>Minerals sands revenue increased by 13.1% reflecting higher zircon/rutile/synthetic rutile (Z/R/SR) sales volume (up 5.6%), offset in part by lower ilmenite and by-product sales. Despite lower weighted average received USD prices, Iluka recorded a higher revenue per tonne of \$1,136 (2014: \$1,030/tonne), mainly reflecting currency translation benefits associated with the lower AUD: USD (2015 average of 75.2 cents compared with 90.3 cents in 2014).</p>	<p>Mineral sands EBITDA was 13.4% higher year-on-year.</p> <p>Iluka continues to demonstrate a solid Mineral sands EBITDA margin.</p>	<p>Iluka's Mining Area C iron ore royalty contributed \$61.6 million, lower than 2014 reflecting lower prevailing USD iron ore prices, higher capacity payments, (\$3.0 million) and a one-off receipt of US\$8.0 million (A\$10.4 million) following the modification to the royalty arrangement.</p>	<p>Higher Group EBITDA reflects factors referred to previously.</p>
<p>EBITDA ■</p> <p>EBITDA Margin ■</p>	<p>EBITDA ■</p> <p>EBITDA Margin ■</p>	<p>EBITDA ■</p> <p>EBITDA Margin ■</p>	<p>EBITDA ■</p> <p>EBITDA Margin ■</p>

BALANCE SHEET AND CAPITAL MANAGEMENT

Debt, Gearing and Debt Facilities Profile

As at 31 December 2015 Iluka had total facilities of ~A\$1,010 million.

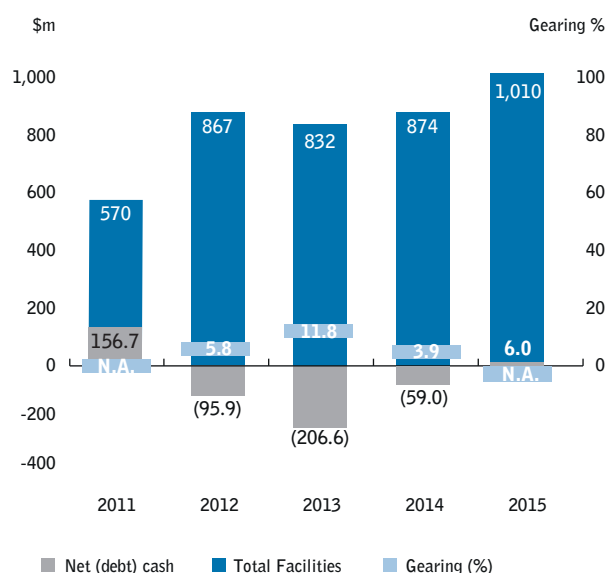
Iluka recorded a net cash position of \$6.0 million.

Iluka has a Multi Optional Facility Agreement (MOFA) which comprises a series of unsecured bilateral revolving credit facilities with several domestic and foreign institutions, totalling A\$1,010 million.

Iluka increased the size of its Multi Optional Facility Agreement (MOFA) facilities by \$160 million to \$1,010 million, through the addition of a new bilateral facility to May 2020 and expansion of the existing facilities.

Note 16 of Iluka's Annual Report provides details of the maturity profile and interest rate exposure.

DEBT, GEARING AND DEBT FACILITIES PROFILE



NET PROFIT AFTER TAX	CASH FLOW (Operating & FCF)	NET CASH (DEBT)	ROC AND ROE																																																																		
\$54 million	\$222 million	\$6 million	3.8% ROE 6.8% ROC																																																																		
▲	▼ 13% Operating ▼ 21% FCF	▼ Lower net debt	▲																																																																		
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<p>Iluka's NPAT is inclusive of a \$25.3 million pre-tax non-cash accounting adjustment (\$17.7 million after tax) related to an increase in rehabilitation provisions associated with a sustained decline in the 15 year Australian Government Bond rate, which is used in determining the Australian rehabilitation provision. Iluka's effective tax rate in 2015 was 38.2%, higher due to minimal tax benefits recognised for the US losses of \$34.5 million incurred during the year. 2014 NPAT was inclusive of a non-cash impairment charge of \$86.5 million after tax, relating to the decision to cease mining and processing operations in the United States.</p>	<p>Operating cash flow in 2015 was \$222.2 million, with a full year free cash flow of \$155.0 million.</p> <p>Operating cash flow in 2015 was lower reflecting the timing of cash collections with receipts from customers down \$9 million, despite higher revenues.</p>	<p>Iluka had net cash as at 31 December 2015 of \$6.0 million. This compares with net debt of \$59.0 million as at 31 December 2014.</p>	<p>Return on shareholders' equity was 3.8% and return on capital was 6.8%.</p>																																																																		
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Dividend framework and approach

Iluka's dividend framework is to pay a minimum of 40 per cent of free cash flow, not required for investing or balance sheet activity. The Company also seeks to distribute the maximum franking credits practicable.

From the end of 2010 and inclusive of the 2015 dividend, Iluka has paid out a cumulative 68 per cent of free cash flow. In the same period, Iluka's gearing (net debt/net debt + book equity) has reduced from 21.8 per cent to a net cash position at 31 December 2015.

	2014	2015
Payout Ratio % FCF	40	68
Cumulative dividend payout ratio (from 2010)%	68	68

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 61st Annual General Meeting of Shareholders of Iluka Resources Limited ABN 34 008 675 018 (Iluka or Company) will be held in the River View Room 5 at the Perth Convention and Exhibition Centre, 21 Mounts Bay Road, Perth, Western Australia on **Wednesday, 18 May 2016** commencing at 9.30am (WST).

A map and transport instructions are included with this Notice of Meeting.

An Explanatory Memorandum accompanies and forms part of this Notice of Meeting. The Explanatory Memorandum describes the various matters to be considered in relation to the business to be conducted at the Annual General Meeting. This Notice of Meeting should be read in conjunction with the Explanatory Memorandum.

AGENDA

FINANCIAL REPORTS

To receive and consider the annual financial report, Directors' report and auditor's report for the Company and its controlled entities for the year ended 31 December 2015.

ORDINARY RESOLUTIONS

1. Election of Director – Xiaoling Liu

To consider and, if thought fit, to pass the following ordinary resolution:

That Xiaoling Liu, having been appointed by the Board as an additional Director on 19 February 2016, retires in accordance with Article 16.4(b)(ii) of the Company's Constitution and being eligible offers herself for election, be elected as a Director.

2. Re-election of Director – Gregory Martin

To consider and, if thought fit, to pass the following ordinary resolution:

That Gregory Martin, who retires in accordance with Article 17.1 of the Company's Constitution and being eligible offers himself for re-election, be re-elected as a Director.

3. Re-election of Director – James (Hutch) Ranck

To consider and, if thought fit, to pass the following ordinary resolution:

That James (Hutch) Ranck, who retires in accordance with Article 17.1 of the Company's Constitution and being eligible offers himself for re-election, be re-elected as a Director.

4. Adoption of Remuneration Report

To consider and, if thought fit, to pass the following ordinary resolution:

That the Remuneration Report for the year ended 31 December 2015 be adopted by the Company.

In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting exclusion: the Company will disregard any votes cast on Resolution 4:

- (in any capacity) by or on behalf of either a member of the Key Management Personnel whose remuneration details are included in the 2015 Remuneration Report or their closely related parties (which includes their spouse, child, dependent, other family members and any controlled company); or
- as a proxy by a person who is a member of the Key Management Personnel at the date of the Meeting or their closely related parties,

unless the vote is cast as a proxy for a person who is entitled to vote on Resolution 4 in accordance with their directions on the Proxy Form or by the Chairman of the Meeting pursuant to an express authorisation to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of the Company's Key Management Personnel.

PROXY AND VOTING ENTITLEMENT INSTRUCTIONS

A Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint up to two individuals to act as proxies to attend and vote on that Shareholder's behalf. Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion or number of the Shareholder's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes.

The Proxy Form (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be delivered to or sent by facsimile transmission to the Company's share registry, **Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001 Australia, facsimile number 1800 783 447 and outside Australia +61 (3) 9473 2555** or to the Company's registered office at Level 23, 140 St Georges Terrace, Perth, Western Australia, 6000, facsimile number +61 (8) 9360 4777, by no later than **9.30am (WST), Monday, 16 May 2016** (i.e. at least 48 hours prior to the Meeting).

Alternatively, you may register your proxy instructions electronically at the share registry website www.investorvote.com.au or on your mobile device by scanning the QR code on the Proxy Form by **9.30am (WST), Monday, 16 May 2016**. For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

The Proxy Form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the Corporations Act. The proxy may, but need not, be a Shareholder.

In the case of Shares jointly held by two or more persons, all joint holders must sign the Proxy Form.

Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite the Resolutions. All your shareholding will be voted in accordance with such a direction unless you indicate only a proportion of voting rights are to be voted on the Resolutions by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes with respect to a Resolution, your proxy may vote as he or she chooses with respect to that Resolution, subject to any voting exclusions that apply to your appointed proxy. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

Voting restrictions that may affect your proxy appointment

Due to the voting exclusions that may apply to Resolution 4, the Key Management Personnel and their closely related parties will not be able to vote your proxy on Resolution 4 unless you have directed them how to vote or, in the case of the Chairman, if you expressly authorise him to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of the Company's Key Management Personnel.

Chairman voting undirected proxies

In accordance with the express authorisation on the Proxy Form, the Chairman intends to vote undirected proxies on, and in favour of, all of the proposed Resolutions.

Corporate representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry, Computershare Investor Services, before the Meeting or at the registration desk on the day of the Meeting. Certificates of appointment of corporate representative are available at www.investorcentre.com or on request by contacting Computershare Investor Services on telephone number 1300 733 043 or +61 3 9415 4801 (outside Australia).

Voting entitlement (snapshot date)

For the purposes of determining voting and attendance entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at **5pm (WST) on Monday, 16 May 2016**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Questions from Shareholders

At the Meeting, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company and the Remuneration Report.

Mr Nick Henry of PricewaterhouseCoopers, as the auditor responsible for preparing the auditor's report for the year ended 31 December 2015 (or his representative), will attend the Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- (a) the conduct of the audit;
- (b) the preparation and content of the auditor's report;
- (c) the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have in writing no later than **9.30am (WST), Wednesday, 11 May 2016**:

In person: 23rd Floor, 140 St Georges Terrace, Perth WA 6000

By mail: Company Secretary, Iluka Resources Limited
GPO Box U1988, Perth WA 6845

By fax: (08) 9360 4777 (within Australia)
+61 8 9360 4777 (outside Australia)

At the Meeting, the Company will make available copies of a list setting out the questions directed to the auditor received in writing by **9.30am (WST), Wednesday, 11 May 2016** and which are questions which the auditor considers relevant to the content of the auditor's report or the conduct of the audit of the financial report for the year ended 31 December 2015. The Chairman will allow reasonable opportunity to respond to the questions set out on this list.

BY ORDER OF THE BOARD



CAMERON WILSON
Company Secretary

Dated: 23 March 2016

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information and benefit of Shareholders in relation to the business to be conducted at the Company's Annual General Meeting. The purpose of this Explanatory Memorandum is to provide Shareholders with all information known to the Company which may be material to a decision on how to vote on the Resolutions in the accompanying Notice of Meeting. This Explanatory Memorandum should be read in conjunction with the Notice of Meeting.

Unless the context otherwise requires, capitalised terms used in this Explanatory Memorandum have the same meaning given to them in the Glossary to this Explanatory Memorandum.

FINANCIAL REPORTS

The Corporations Act requires the annual financial report of the Company for the year ended 31 December 2015 (comprising the financial statements, notes to the financial statements and Directors' declaration) as well as the Directors' report and auditors' report to be tabled at the Annual General Meeting.

Iluka's 2015 Annual Report (which includes the annual financial report, Directors' report and auditor's report) has been sent to those Shareholders who requested it. The 2015 Annual Report can also be found on the Company's website (www.iluka.com/investors-media/asx-disclosures/annual-reports).

Neither the Corporations Act nor the Constitution requires a vote of Shareholders on the reports or financial statements.

During this item, there will be an opportunity for Shareholders to ask questions about, or comment on, the reports and the management and performance of the Company.

Ordinary Resolutions

1. Resolution 1 – Election of Director – Xiaoling Liu

Xiaoling Liu, PhD (Extractive Metallurgy), BEng (Extractive Metallurgy), GAICD, FAusIMM

Xiaoling Liu was appointed to the Board on 19 February 2016. Pursuant to Article 16.4(b)(ii) of the Constitution, a Director appointed as an addition to the Board must not hold office without re-election past the next Annual General Meeting.

In accordance with Article 16.4(b)(ii) of the Constitution, Dr Liu retires and, being eligible, offers herself for election as a Director.

Dr Liu is a former President and Chief Executive Officer of Rio Tinto Minerals, and is currently a non-executive Director of Newcrest Mining Limited and Board member of Melbourne Business School. Her previous non-executive roles included: Board member of the California Chamber of Commerce; Vice President of the Board of Australian Aluminium Council and member of the University Council of the University of Tasmania.

Over Dr Liu's twenty six years with the Rio Tinto Group she held various positions in smelting operational management through to President and CEO of Rio Tinto Minerals. Prior to joining Rio Tinto, she worked as a Research Fellow of City University (London).

Dr Liu is an independent non-executive Director and a member of the Audit and Risk Committee and the Nominations Committee.

The Board (other than Dr Liu) recommends that Shareholders vote in favour of the resolution to elect Dr Liu.

2. Resolution 2 – Re-election of Director – Gregory Martin

Gregory Martin, BEc, LLB, FAIM, MAICD

Gregory Martin retires under the director rotation provisions of Article 17.1 of the Company's Constitution. Mr Martin, being eligible, has offered himself for re-election as a Director.

Mr Martin was appointed to the Board in January 2013 and as Chairman in December 2013. He has over 35 years' experience in the energy, utility and infrastructure sectors, having spent 25 years with The Australian Gas Light Company Ltd (AGL), including five years as CEO and Managing Director. After leaving AGL, Mr Martin was CEO of the infrastructure division of Challenger Financial Services Group and, subsequently, Managing Director of Murchison Metals Limited. He is currently Chairman of Prostar Investments (Australia) Pty Ltd, Chairman of Sydney Desalination Plant Pty Limited, Deputy Board Chair of Western Power and a non-executive director of Santos Ltd.

Mr Martin is an independent non-executive Director and is Chairman of the Board and the Nominations Committee. He is also a member of the Audit and Risk Committee and the People and Performance Committee.

The Board (other than Mr Martin) recommends that Shareholders vote in favour of the resolution to re-elect Mr Martin.

EXPLANATORY MEMORANDUM

3. Resolution 3 – Re-election of Director – James (Hutch) Ranck

James (Hutch) Ranck, BSE (Econ), FAICD

James (Hutch) Ranck retires under the director rotation provisions of Article 17.1 of the Company's Constitution. Mr Ranck, being eligible, has offered himself for re-election as a Director.

Mr Ranck was appointed to the Board in January 2013. He has held senior management positions with DuPont, both in Australia and internationally in finance, chemicals, pharmaceuticals and agriculture for over 30 years. He also served as a Director of DuPont's Hong Kong based subsidiary, Titanium Technologies, for seven years. Mr Ranck retired as Managing Director of DuPont Australia and New Zealand and Group Managing Director of DuPont ASEAN in May 2010. He is currently Chairman of Elders Limited and a director of CSIRO.

Mr Ranck is an independent non-executive Director and a member of the Audit and Risk Committee, People and Performance Committee and the Nominations Committee.

The Board (other than Mr Ranck) recommends that Shareholders vote in favour of the resolution to re-elect Mr Ranck.

4. Resolution 4 – Adoption of Remuneration Report

The Remuneration Report is set out in the Directors' report in the Company's Annual Report.

The Remuneration Report:

- describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between the remuneration of Key Management Personnel and the Company's performance; and
- sets out the remuneration arrangements in place for each Director and for the Managing Director and other Key Management Personnel.

The Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. In accordance with section 250R(3) of the Corporations Act, the vote on Resolution 4 is advisory only and does not bind the Directors or the Company.

A voting exclusion applies to Resolution 4 in the terms set out in the Notice of Meeting. Key Management Personnel and their closely related parties may not vote on this Resolution and may not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote or the proxy is given to the Chairman and expressly authorises the Chairman to exercise the proxy. The Chairman intends to vote all available proxies in favour of Resolution 4.

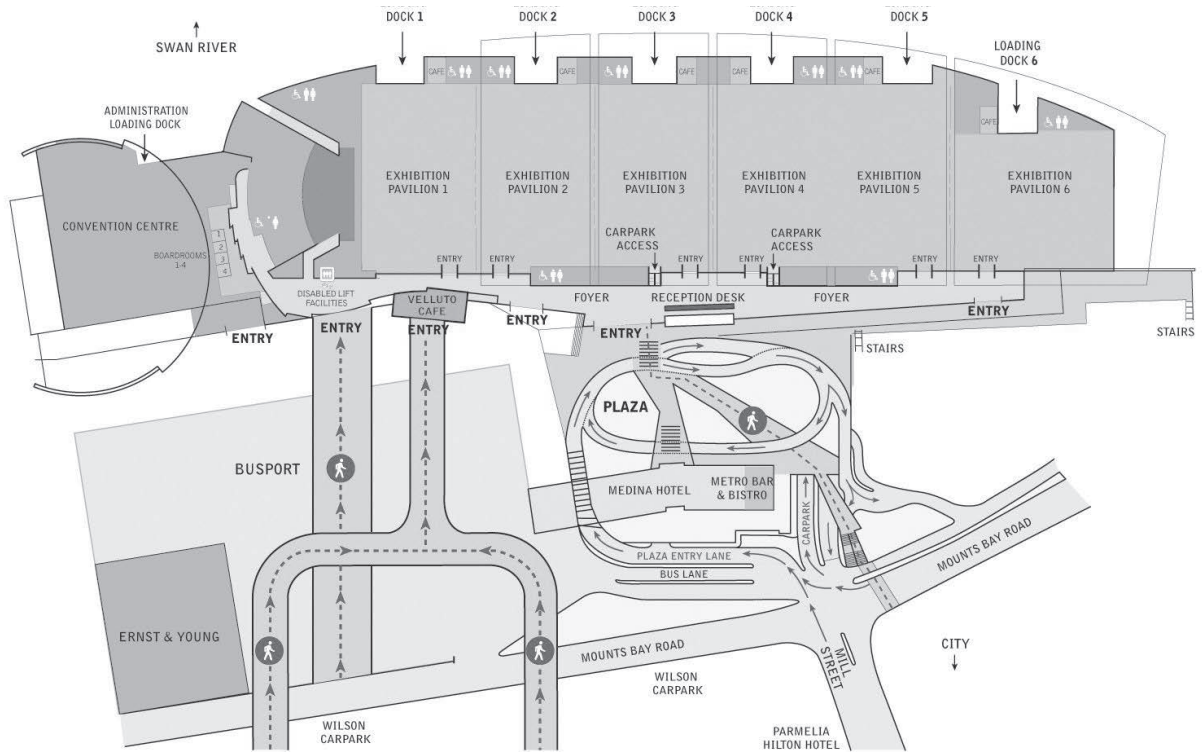
The Board recommends that Shareholders vote in favour of the resolution to adopt the Remuneration Report.

5. Glossary

In this Explanatory Memorandum, the following terms have the following meaning unless the context otherwise requires:

Annual General Meeting or Meeting	The Annual General Meeting of Shareholders or any meeting adjourned thereof, convened by the Notice.
Annual Report	The Company's annual report including the reports of the Directors and the auditor and the annual financial report of the Company for the year ended 31 December 2015, which can be downloaded from the Company's website at www.iluka.com/investors-media/asx-disclosures/annual-reports .
Board	The Board of Directors of the Company.
Chairman	The Chairman of the Board, Mr Gregory Martin, or such other Director who chairs the Meeting from time to time.
Company or Iluka	Iluka Resources Limited ACN 008 675 018.
Company Secretary	Either or both of the Company Secretaries of the Company at the time of the Annual General Meeting, being Mr Cameron Wilson and Mr Nigel Tinley.
Constitution	The Company's constitution.
Corporations Act	The Corporations Act 2001 (Cth).
Director	A director of the Company.
Explanatory Memorandum	This explanatory memorandum which accompanies and forms part of the Notice of Meeting.
Key Management Personnel	Those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Managing Director	The Managing Director of the Company, Mr David Robb.
Notice and Notice of Meeting	The notice of Annual General Meeting which accompanies this Explanatory Memorandum.
Proxy Form	The proxy form accompanying this Notice.
Remuneration Report	The Remuneration Report appearing in the Annual Report.
Resolution	A resolution referred to in the Notice of Meeting.
Share	A share in the Company.
Shareholder	A registered holder of a Share.
WST	Western Standard Time, being the time in Perth, Western Australia.

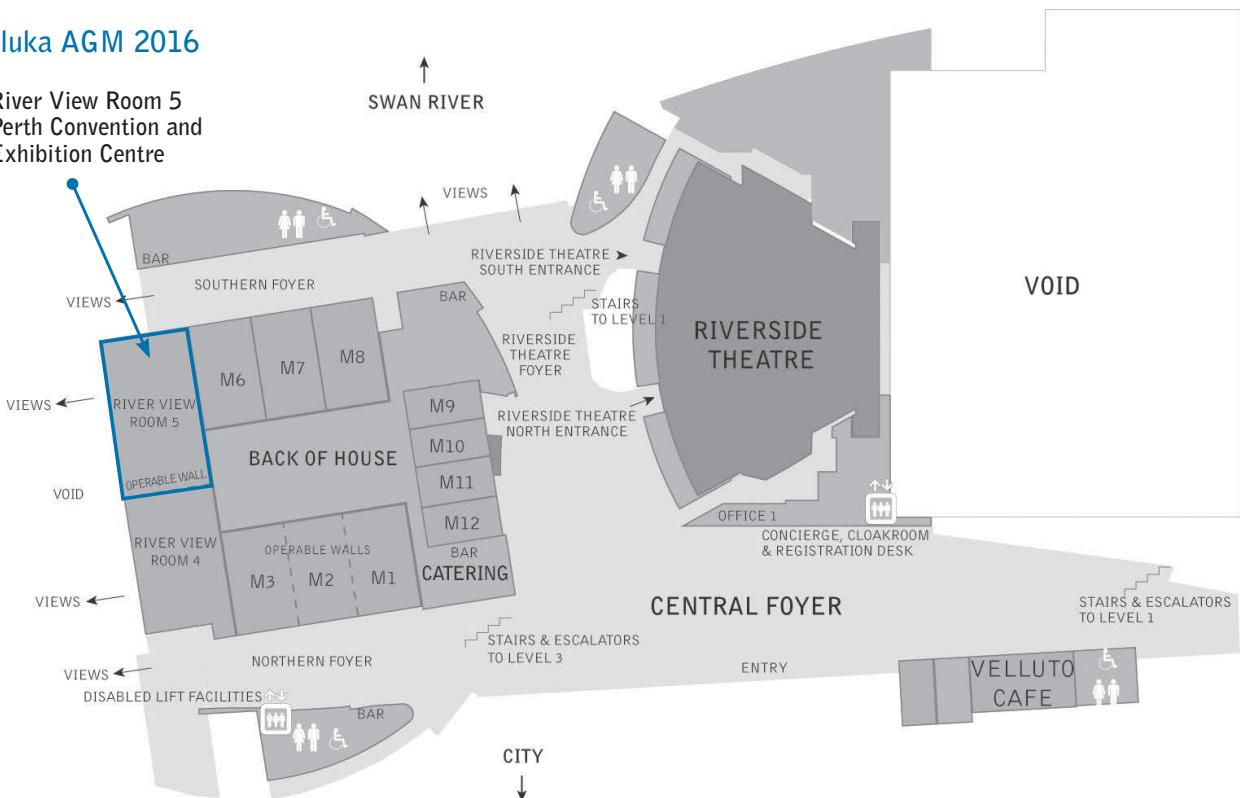
Perth Convention and Exhibition Centre – Access



Perth Convention and Exhibition Centre – Level 2

Iluka AGM 2016

River View Room 5 Perth Convention and Exhibition Centre



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ILUKA

Iluka Resources Limited

ABN 34 008 675 018

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ILUKA

Iluka Resources Limited

ABN 34 008 675 018

ILU

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:

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Proxy Form



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



For your vote to be effective it must be received by 9:30am (WST) Monday, 16 May 2016

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Appointing the Chairman of the Meeting as proxy: If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you leave Step 1 blank, or your named proxy does not attend the Meeting or does not vote on a poll in accordance with your instructions, the Chairman of the Meeting will be your proxy.

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

Voting restrictions for members of the key management personnel (KMP): Please note that if you appoint a member of the KMP or one of their closely related parties as your proxy, they will not be able to vote your proxy on Resolution 4, unless you direct them how to vote or you appoint the Chairman of the Meeting as your proxy. If the Chairman of the Meeting is or becomes your proxy, but you do not mark a voting box for Resolution 4, then by completing and returning this form, you will be expressly authorising the Chairman of the Meeting to exercise your proxy on Resolution 4 as he thinks fit, even though the resolution is connected with the remuneration of the Company's KMP.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you sign this form under Power of Attorney and have not already lodged the Power of Attorney with Computershare, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or corporate proxy is to attend the Meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

This Document is printed on Greenhouse Friendly™ ENVI Laser Carbon Neutral Paper

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Iluka Resources Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Iluka Resources Limited to be held in the River View Room 5, at the Perth Convention and Exhibition Centre, 21 Mounts Bay Road, Perth, Western Australia on Wednesday, 18 May 2016 at 9:30am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolution: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman of the Meeting becomes my/our proxy by default), by completing and returning this form, I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy on Resolution 4 (except where I/we have indicated a different voting intention below), even though Resolution 4 is connected directly or indirectly with the remuneration of the Company's key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 4 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Election of Director – Xiaoling Liu	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Gregory Martin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Director – James (Hutch) Ranck	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /