



ILUKA

DELIVER
**SUSTAINABLE
VALUE.**



2022

TAX TRANSPARENCY REPORT

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About this report

The 2022 Tax Transparency Report is published on a voluntary basis in line with the Company's Corporate Governance framework as part of Iluka's ongoing commitment to high standards of corporate governance and transparency. The disclosures in this report are consistent with those recommended for a "large" taxpayer under the Australian Voluntary Tax Transparency Code, which Iluka has adopted since 2016.

As a significant global entity, Iluka also complies with country-by-country reporting, which is reported to the Australian Tax Office (ATO) in accordance with the ATO's notification requirements.

The Report should be read together with Iluka's 2022 Annual Report, which is available on the company's website: www.iluka.com

A description of technical terms used in this Report and information regarding the approach adopted in compiling the data presented can be found in the Basis of Preparation and the Glossary of Terms.

All dollar figures in this Report are in Australian dollars (A\$), unless otherwise stated.

In this Report, the collective expressions "we", "us", "our", "ourselves", "the company", "the Group", "Iluka" and "the Iluka Group" are used where reference is made, in general, to Iluka Resources Limited and its respective subsidiaries. The use of those terms is for convenience only and used where no useful purpose is served by identifying any particular company or companies.

Iluka's Executive team and Board of Directors review this Report.

ABOUT ILUKA

Iluka Resources Limited (Iluka) is an international critical minerals company with expertise in exploration, project development, mining, processing, marketing and rehabilitation.

The company's objective is to deliver sustainable value.

With over 70 years' industry experience, Iluka is a leading producer of zircon and high-grade titanium feedstocks (rutile and synthetic rutile). Via the company's development of Australia's first fully integrated rare earths refinery at Eneabba in Western Australia, Iluka is set to become a globally material supplier of separated rare earth oxides.

Iluka's products are used in an array of applications including technology, construction, medical, lifestyle, defence and industrial uses.

As the world moves towards a smarter, safer and more sustainable future, Iluka's high quality, Australian critical minerals products are in increasing demand.

Alongside the company's Australian production base and development pipeline, Iluka has a globally integrated marketing network. Exploration activities are conducted internationally; and Iluka is actively engaged in the rehabilitation of previous activities in the United States and Australia.

Headquartered in Perth, Western Australia, Iluka is listed on the Australian Securities Exchange (ASX). Iluka holds a 20% stake in Deterra Royalties, the largest ASX-listed resources focused royalty company.



REPORT BOUNDARY

This report covers Iluka's operations globally.



United States

- » Marketing and distribution
- » Rehabilitation

Europe

- » Marketing and distribution

Asia

- » Marketing and distribution

AUSTRALIA

Western Australia

- » Narngulu processing
- » Cataby mining and concentrating
- » Eneabba rare earths refinery development
- » Capel synthetic rutile processing
- » South West deposits project
- » Corporate support centre
- » Rehabilitation

New South Wales

- » Balranald project
- » Euston project

Victoria

- » Wimmera project
- » Rehabilitation
- » Hamilton processing (idle)

South Australia

- » Jacinth-Ambrosia mining and concentrating
- » Atacama project
- » Rehabilitation

2022 CONTRIBUTION

Total Employees

950

Group Underlying Effective Tax Rate

26.7%

Australian Underlying Effective Tax Rate

28.9%

Total taxes paid and collected

\$150.8 million

Australian taxes paid and collected

\$134.7 million

Corporate Income Taxes¹
\$104.1m

Royalties¹
\$43.6m

Payroll Taxes¹
\$8.9m

Other taxes and payments¹
\$5.5m

Employee payroll taxes collected¹
\$43.4m

Net Taxes (refunded)¹
\$70.8m

¹Represents taxes paid and refunded in Australia only

MESSAGE FROM THE CHIEF FINANCIAL OFFICER

For over 70 years Iluka has mined, processed and marketed critical minerals. Over this time the company has exemplified safe, sustainable and secure operations for our employees and contractors, the communities in which we operate and our customers.

It has been an extraordinary year for our company, most notable for our diversification into rare earths. The technical advancements and de-risked investment opportunities Iluka has been able to deliver, are significant achievements. Iluka achieved record mineral sands revenue in 2022 of \$1,727 million, underpinned by strong operational performance.

With scarcity, security and reliability of supply becoming increasingly prominent considerations for many downstream customers, Iluka's portfolio offering of high grade, high quality critical minerals products produced in Australia sees the company well placed. In April, Iluka concluded a \$1.25 billion strategic risk sharing agreement with the Australian Government to establish Australia's first fully integrated rare earths refinery, which marks the beginning of the development of a substantial new business for the company.

Following the demerger of Sierra Rutile in 2022, our primary revenue generating operations are now in Australia, where the majority of our tax liabilities arise and are paid. Our continued growth as a company is seeing a corresponding increase in our contributions to the Australian economy and to a lesser extent, other jurisdictions in which we operate. We are proud to support the communities in which we operate, and the economic contribution we make through taxes paid, represents a significant, though not exclusive part of our contribution.

In 2022, Iluka contributed and collected a total of \$150.8 million (net) in taxes globally, which included government payments borne by Iluka of \$168.5 million. Our Group underlying effective tax rate was 26.7%. Details of our broader economic contribution can be found in our annual Sustainability Report.

Our approach to taxation is underpinned by our core values. We are proud to be a signatory to the Australian Board of Taxation voluntary Tax Transparency Code, and our annual Tax Transparency Report reflects our continued commitment to providing enhanced levels of transparency.



Adele Stratton

Chief Financial Officer and Head of Development

STRATEGY AND BUSINESS MODEL

Our Values

- INTEGRITY
- RESPECT
- COURAGE
- ACCOUNTABILITY
- COLLABORATION

Our Purpose

Iluka's purpose is to deliver sustainable value. The company aims to achieve this by:

- » ensuring the safety, health and wellbeing of our employees;
- » optimising shareholder returns through prudent capital management and allocation;
- » developing a robust business that can maintain and grow returns over time;
- » providing a competitive offering to our customers;
- » managing our impact on the environment;
- » supporting the communities in which we operate; and
- » building and maintaining an engaged, diverse and capable workforce.

OUR PURPOSE
DELIVER SUSTAINABLE VALUE



OUR APPROACH TO TAX

Our Approach to Tax – a public statement communicating Iluka's global tax strategy, is subject to annual review and approval by Iluka's Board of Directors. This strategy, which is aligned to Iluka's Values and Purpose, is implemented in accordance with our Principles of Tax Risk Governance and Management. Iluka's Approach to Tax Statement is published on our website at www.iluka.com.

Tax Risk Framework and Governance

Iluka is committed to conducting its business in accordance with the highest standards of corporate governance through its policies and processes that align with our Purpose and Values. Our Principles of Tax Risk Governance Management underpin our approach to managing tax risks across the Group. Our process for tax risk management is aligned to the Group's Risk Management Policy and Framework.

The Iluka Board retains ultimate responsibility for Iluka's tax governance, with oversight and management of tax risks delegated to the Iluka Audit and Risk Committee. Tax risks are regularly reported to and considered by the Audit and Risk Committee.

Iluka's Tax Risk Policy ("the Policy"), is the primary governance and control framework applicable across the entire Group by which the Group's tax risks are managed. The Policy establishes the accountability, reporting and escalation framework for managing Iluka's tax risks and is reviewed by the Board on an annual basis to ensure that it remains fit for purpose and aligns to the Group's strategic direction and values.

This involves identifying tax risks at the earliest opportunity, quantifying and assessing the potential impact of these risks and, where appropriate, implementing risk mitigation strategies. Iluka has a low risk appetite for tax risk. This means a low tolerance for non-compliance with tax obligations and unnecessary disputes with tax authorities. Management of Iluka's tax affairs is also undertaken in compliance with Iluka's Anti-Bribery and Corruption Policy and Procedure.

We employ qualified and experienced tax personnel to manage our tax affairs and utilise external tax advisors to support technical positions, as and when required. Independent external tax advice and, where appropriate, guidance from the tax authorities is sought to assist in clarifying our position when it is necessary to determine the intention of the law where ambiguity, uncertainty or differing interpretations exist. Tax is also included in Iluka's internal audit plan.

We have in place a whistleblower policy and procedures for the reporting of concerns about unlawful or unethical behaviour and strongly encourage the reporting by both employees and business partners of instances of actual or suspected misconduct, including any breach of the law or company Code of Conduct. Various channels, including a global STOPline, allow employees and business partners to report violations, including any misconduct in respect of tax matters.



Principles of Tax Risk Governance and Management

The management of Iluka's tax risks takes place in adherence to the following principles adopted by the Group and aligned to the Group's Values and Code of Conduct:



Act with INTEGRITY

- » Iluka will act with integrity and engage with regulatory authorities in an open and respectful manner and seek to build sustainable relationships with such authorities;
- » Iluka will assess its tax positions taking into account, inter alia, the potential impact to Iluka's reputation and objective of delivering sustainable value;
- » Iluka will maintain documented policies and procedures, supported by appropriate internal and external controls, with respect to managing its tax risks; and
- » Iluka is transparent about the ownership of group entities world-wide.



Show COURAGE

- » Iluka will consider availing itself of tax benefits, incentives and concessions as long as they are justified in law and contribute to the creation of business value;
- » Iluka will defend itself and avail itself of all remedies available in respect of tax positions that are enshrined in the law recognising, however, that resolution of any disputes by way of litigation is the least preferred option; and
- » Iluka will not pay taxes that have no basis in law or that are claimed on an unjustified basis.



Demonstrate RESPECT

- » Iluka will comply with prevailing tax law and, where appropriate, seek independent professional advice on interpretation of the law;
- » Iluka will meet its tax compliance and payment obligations on time; and
- » Iluka will price transactions in its global value chain according to the arm's length principle and in compliance with the OECD guidelines.



Take ACCOUNTABILITY

- » Iluka will only consider transactions that are commercially sound and are supported by economic substance on both a pre and post- tax basis;
- » Iluka will not knowingly participate in or facilitate tax evasion;
- » Iluka will not enter into artificial transactions without business purpose; and
- » Iluka will not adopt tax positions that are not defensible under full disclosure.



COLLABORATE

- » Iluka builds mutual trust through transparent, open and honest communications with Tax Authorities and other external stakeholders; and
- » Where appropriate to do so, Iluka engages with external stakeholders in public policy advocacy on tax to responsibly contribute to the development of relevant tax policies, laws and disclosures.

Tax Authorities

Iluka interacts with tax authorities on an ongoing basis in the countries in which we operate. Iluka believes that such dealings should be based on full disclosure of the facts and mutual trust and respect.

Iluka is currently part of the ATO's Top 1000 Combined Assurance Review program, having completed the last review in 2021. We are committed to maintaining an open and transparent relationship with the ATO and other relevant tax authorities. As part of the demerger of Sierra Rutile, Iluka sought a private ruling and a class ruling from the ATO to confirm the tax outcomes for Iluka and its shareholders under the demerger.

International Related Party Dealings

Iluka's principal activities are exploration, project development, mining, processing, and marketing of critical minerals (mineral sands and rare earths), and rehabilitation. Following the demerger of Sierra Rutile, Iluka's operations are currently Australian focused.

The limited activities undertaken in select countries across the globe through companies and branches, are considered international related party dealings. The Group is currently comprised of 56 legal entities. None of these entities are in jurisdictions that are considered to be "no or only nominal tax jurisdictions" per OECD guidelines.

All international related party transactions take place in accordance with the arm's length principles contained in the OECD guidelines and local laws i.e. the price that would have been charged by an unrelated party for the same transaction and in accordance with the Group's Transfer Pricing Standard and Procedures, which are reviewed on an annual basis.

Iluka obtains independent advice from transfer pricing experts to ensure that the transactions are compliant with local legal and tax requirements and are priced on an arm's length basis with appropriate supporting documentation, as required by the tax laws of each respective jurisdiction. We disclose international related party transactions through the lodgement of tax returns and detailed country by-country reports.



Payments Made to Government by Country

This information has been prepared on the basis set out in the Basis of Preparation section of this Report. The majority of taxes paid are attributable to Australia, followed by Sierra Leone (when Sierra Rutile was part of the group) and the US respectively. All other jurisdictions are grouped together.

Country and level of government (AU\$ millions)	Corporate Income Tax	Royalties	Licence Fees	Employer Payroll Taxes	Other Taxes and payments	Total Government payments borne	Employee payroll taxes (not borne)	Net Taxes collected / (refunded)
Australia								
Government of Australia	104.1	0.0	0.0	0.0	0.2	104.3	43.4	(70.8)
State of Queensland	0.0	0.0	0.1	0.0	0.0	0.1	0.0	0.0
State of South Australia	0.0	18.9	0.8	0.9	0.0	20.6	0.0	0.0
State of New South Wales	0.0	0.0	0.4	0.0	0.1	0.5	0.0	0.0
State of Victoria	0.0	1.2	0.4	0.2	0.1	1.9	0.0	0.0
State of Western Australia	0.0	23.5	1.7	7.8	1.7	34.7	0.0	0.0
Australia Total	104.1	43.6	3.4	8.9	2.1	162.1	43.4	(70.8)
Sierra Leone								
Government of Sierra Leone	1.0	0.9	2.1	0.2	1.2	5.4	6.4	0.0
Sierra Leone Total	1.0	0.9	2.1	0.2	1.2	5.4	6.4	0.0
United States of America								
Government of United States of America	0.0	0.0	0.0	0.4	0.0	0.4	1.8	0.0
State of Virginia	0.0	0.0	0.0	0.0	0.3	0.3	0.0	0.0
State of Florida	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0
United States Total	0.0	0.0	0.0	0.4	0.4	0.8	1.8	0.0
Other Countries								
Other	0.1	0.0	0.0	0.1	0.0	0.2	1.7	(0.2)
Other total	0.1	0.0	0.0	0.1	0.0	0.2	1.7	(0.2)
Total Payments to Governments	105.2	44.5	5.5	9.6	3.7	168.5	53.3	(71.0)

Reconciliation of Income Tax Expense to Corporate Income Tax Paid

Income tax expense represents corporate income tax payable on accounting profits adjusted for non-temporary differences. Non-temporary differences reflect amounts where the tax treatment will always be different to accounting and not just in the timing of when tax should be paid/refunded. The difference between income tax expense and corporate income tax paid is attributable to a combination of temporary differences and the timing of cash tax payments pursuant to the tax administration laws of the respective jurisdiction. Temporary differences represent amounts that are assessable / deductible for tax purposes but the timing of which is different to what is recognised for accounting purposes. For example, the tax depreciation rate in Australia pursuant to the Australian tax rules is different to accounting.

Iluka's income tax expense is provided at page 14 which details Iluka's underlying income tax expense and effective tax rate.

	Total Group	Australia	SRL	USA	Other
Profit/(loss) before taxation	801.3	714.2	90.1	(4.0)	1.0
Australian corporate tax rate	30%				
Tax @30%	240.4	214.3	27.0	(1.2)	0.3
Non-Temporary Adjustments					
Deterra equity accounted share of profit	(8.9)	(8.9)	0.0	0.0	0.0
Non-assessable income	(0.5)	0.0	0.0	0.0	(0.5)
Non-deductible expenses/assessable income	1.8	1.6	0.0	0.0	0.2
Accounting impact of demerger	4.5	4.5	0.0	0.0	0.0
Losses not recognised by overseas operations	1.2	0.0	0.0	1.2	0.0
Other Items	(25.7) ²	1.3	(27.0)	0.0	0.0
Total Non-Temporary Adjustments	(27.6)	(1.5)	(27.0)	1.2	(0.3)
Income Tax (Benefit)/Expense	212.8	212.8	0.0	0.0	(0.0)
Temporary Adjustments					
Fixed assets	(3.0)	(3.0)	0.0	0.0	0.0
Consumables & Trading stock	(2.1)	(2.1)	0.0	0.0	0.0
Accrued income/expenses	0.2	0.2	0.0	0.0	0.0
Provisions	(1.8)	(1.8)	0.0	0.0	0.0
Other Items	2.3	2.3	0.0	0.0	0.0
2022 Income Tax Payable	208.4	208.4	0.0	0.0	(0.0)
Less: Amounts Payable in 2023 (Current Tax Payable)	(135.3)	(135.3)	0.0	0.0	0.0
Current Tax Paid in 2022	73.1	73.1	0.0	0.0	(0.0)
Add: Tax payments/(refunds) in 2022 relating to prior years	32.1	31.0 ³	1.0	0.0	0.1
Corporate Tax Paid/(Refunded)	105.2	104.1	1.0	0.0	0.1

² Relates primarily to the adjustment of SRL's profit for the period it was part of the group, and for which no tax is attributable to the group.

³ Refer to page 15 for reconciliation to ATO tax transparency disclosure.



Effective Tax Rate

The effective tax rate is calculated as income tax expense/(benefit) divided by profit/(loss) before income tax.

Income tax expense/(benefit) captures income tax on profits and excludes all other taxes such as transactional taxes in connection with supplies, taxes on property and taxes borne as an employer. The effective tax rate will differ from the corporate tax rate due to non-temporary differences, explained previously.

	Total Group	Australia	SRL	USA	Other
Australian Corporate tax rate	30%				
Profit/(loss) before income tax	801.3	714.2	90.1	(4.0)	1.0
Income tax expense/(benefit)	212.8	212.8	0.0 ⁴	0.0	0.0
Effective tax rate	26.6%	29.8%	0.0%	0.0%	(2.7%)

Underlying Effective Tax Rate

The underlying effective tax rate adjusts the profit / (loss) before income tax to remove non-recurring material accounting adjustments that are non-taxable transactions. The non-recurring adjustments relate to the demerger of Sierra Rutile in 2022.

	Total Group	Australia	SRL	USA	Other
Profit/(Loss) Before Income Tax	801.3	714.2	90.1	(4.0)	1.0
Non-recurring adjustments					
- Accounting loss on SRL demerger and transaction costs	23.6	23.6	0.0	0.0	0.0
- Impairment of SRL assets	(26.3)	0.0	(26.3)	0.0	0.0
Underlying Profit/(Loss) Before Income Tax	798.6	737.8	63.8	(4.0)	1.0
Income Tax Expense/(Benefit)	212.8	212.8	0.0	0.0	(0.0)
Non-recurring adjustments					
- Demerger transaction costs	0.7	0.7	0.0	0.0	0.0
Underlying Income Tax Expense/(Benefit)	213.5	213.5	0.0⁴	0.0	(0.0)
Underlying Effective Tax Rate	26.7%	28.9%	0.0%	0.0%	(2.7%)

⁴ No Sierra Leone tax is attributable to the Iluka Group following the demerger of SRL during the 2022 financial year. Details of SRL's 2022 tax disclosures can be found in SRL's 2022 Annual Report available on SRL's website.

Australian Corporate Tax Transparency Disclosure

The ATO publishes certain tax information of large taxpayers annually. The latest data published by the ATO relates to Iluka's 2020 tax year (being the year ended 31 December 2020). The information for the 2020 tax year was also reported in the 2021 Tax Transparency Report.

Iluka filed its 2021 year Australian income tax return in August 2022. The 2021 year corporate tax transparency disclosure will be released by the ATO late in calendar year 2023. To provide additional context to this Report, we have disclosed the tax information reported under the current ATO corporate tax transparency disclosure and taken from our 2021 Australian income tax return, and reconciled this to our 2021 and 2022 tax transparency reporting suite.

	2021 A\$ million
Group Profit before income tax – per Iluka 2021 Annual Report	505.0
Foreign subsidiaries	(38.0)
Consolidation eliminations	565.6
Profit/(Loss) before income tax – Australia	1,032.6
Total income	1,884.2
Total expenses	(851.6)
Profit/(Loss) before income tax – Australia	1,032.6
Non-temporary adjustments	28.4
Temporary adjustments	(533.0)
Total Taxable income	528.0
Tax on Taxable income	158.4
Less Tax offsets	9.2
Tax Payable	149.2
Net 2021 corporate income tax paid in 2021	118.2
Net 2021 corporate income tax paid in 2022	31.0

Basis of Preparation

The payments made to government has been prepared on the following basis:

- » the Report gives its readers an overview of the total payments made by Iluka to governments worldwide;
- » Iluka includes Iluka Resources Limited and subsidiaries (hereafter and above – “Iluka”, “Iluka Group” or “the Group”) for the period they form part of the Iluka Resources Limited accounting consolidated group; and
- » the scope of reporting is described further below.

The basis of preparation supports the following data for Iluka included in the Report:

- » total payments to governments borne;
- » employee payroll taxes; and
- » net taxes refunded.

All data, unless otherwise stated, is prepared for the year 1 January 2022 to 31 December 2022. The payments made by country and level of government are presented in this Report on a cash paid and cash received basis for the year ended 31 December 2022 for the period they form part of the Iluka Resources Limited accounting consolidated group.

Scope and Methodology of Reporting

Reporting Currency

All payments to governments have been reported in A\$ in line with the Iluka functional currency for consolidated accounting purposes. Payments denominated in currencies other than A\$ are translated for this Report at the average exchange rate for the year 1 January 2022 to 31 December 2022.

Organisational Reporting Boundaries

The "Payments made by country and level of government" section of the Report sets out taxes paid by Iluka to governments in the countries in which they operate, organised by material jurisdictions and named level of government. Payments are not reported where taxes paid to a government body are less than \$0.1 million.

Total Payments to Governments Borne

These are the taxes that the Group is obliged to pay to a government on its own behalf, or taxes that the Group is obliged to pay to a third party and that cannot be recovered from a government. The main taxes we have included in this category are:

CORPORATE INCOME TAXES PAID/(REFUNDED)

Payments to governments and refunds from governments based on taxable profits under legislated income tax rules. This also includes payments made to revenue authorities in respect of withholding taxes paid on dividends, interest or royalties. Generally, these taxes are reflected in the corporate income tax returns made to government and included as income taxes in the Consolidated Income Statement.

ROYALTIES

Payment to governments in respect of revenue or production related to extraction of minerals or metals. Typically, these taxes tend to become payable, and are paid, in the year to which they relate. These form part of operating costs.

FEES

Payments to governments in the form of fees typically levied on the initial or ongoing right to use a geographical area for exploration, development and/ or production. This includes licence fees, rental fees, entry fees and other payments for licences and/or concessions. Typically, these taxes tend to become payable, and are paid, in the year to which they relate. These form part of operating costs.

EMPLOYER PAYROLL TAXES

Payments to governments in relation to Iluka's capacity as an employer. These taxes are calculated as a percentage of salary, wages and on-costs and tend to be payable, and are paid, on a regular basis (often monthly) throughout the year, shortly after the submission of the return. These usually form part of operating costs.

OTHER TAXES AND PAYMENTS

Payments to and refunds from governments under other legislated rules where no specific service is attached, including fringe benefits tax, property tax, stamp duty, customs, import and excise duties and other levies/charges.

EMPLOYEE PAYROLL TAXES COLLECTED

This comprises payroll and employee taxes withheld from employee remuneration, and paid to governments on behalf of employees. Typically, these taxes would be reflected in payroll tax returns made to governments and tend to be payable, and are paid, on a regular basis (often monthly) throughout the year, shortly after the submission of the return.

Net Taxes Collected/(Refunded)

This comprises:

GOODS AND SERVICES TAX (GST), VALUE ADDED TAX (VAT) AND EXCISE DUTIES

These are net amounts refunded from governments that a company has paid to suppliers for in country purchases of goods, services and eligible fuel and collected in respect of certain sales. For example, Goods and Services Tax (GST), Value Added Tax (VAT) and fuel tax credits. Such a refund does not result in a net cost to governments. Typically these taxes become repayable and are repaid by governments regularly (often quarterly) throughout the year, shortly after the submission of the sales tax returns.

WITHHOLDING TAXES COLLECTED FROM SUPPLIERS

This comprises taxes that are required to be withheld in advance on payments made to suppliers. Typically, these taxes would be reflected in income tax returns made to governments and tend to be payable, and are paid, on a regular basis (often monthly) throughout the year or shortly after the submission of the return.

GLOSSARY OF TERMS

Corporate income taxes paid / (refunded)

Payments to governments and refunds from governments based on taxable profits under legislated income tax rules. This also includes payments made to revenue authorities in respect of withholding taxes paid on dividends, interest or royalties. Generally, these taxes are reflected in the corporate income tax returns made to government and included as income taxes in the Consolidated Income Statement.

For the purposes of allocating corporate income taxes to particular countries in the 'Payments made by country and level of government' in this Report, withholding taxes are allocated to the country to which the withholding taxes are remitted.

Current tax

The corporate income tax due in respect of taxable profits of an accounting period, as defined in the International Financial Reporting Standard IAS 12.

Deferred tax

The corporate income tax due in respect of temporary differences between accounting values and tax bases, as defined in the International Financial Reporting Standard IAS 12.

Effective Tax Rate

Income tax expense/(benefit) divided by Profit/(loss) before income tax.

Government

Any national, regional or local authority of a country and includes any department, agency or undertaking controlled by such an authority.

IFRS (International Financial Reporting Standards)

Accounting standards as issued by the IASB (International Accounting Standards Board).

Iluka or the Iluka Group or the Group

Iluka Resources Limited and its respective subsidiaries.

Income tax expense/ (benefit)

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current tax charge is calculated using the tax rates and tax laws enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Non-temporary Differences

Differences between taxable income or loss and profit/(loss) before income tax.

These differences arise as a result of particular expenses or revenue which under income tax legislation will never be included in the determination of taxable income or loss although they are recognised in the Profit/(loss) before income tax.

Payment

An amount paid whether in money or in kind.

Profit/(loss) before income tax

Accounting profit for a period before deducting a charge for corporate income taxes.

Report

The Report has been prepared for Iluka's financial year from 1 January 2022 to 31 December 2022.

Sierra Rutile

Sierra Rutile Limited, prior to the demerger in 2022, was a subsidiary of Iluka.

Temporary Differences

Differences between pre-tax statutory profit or loss and taxable income or loss for a given reporting period which arise because the reporting period in which some items of revenue and expense are included in the determination of the pre-tax statutory profit or loss does not coincide with the reporting period in which they are included in the determination of taxable income or loss.

Underlying effective tax rate

Income tax expense/(benefit) excluding exceptional items included in income tax expense divided by Profit/(loss) before income tax and exceptional items.



ILUKA

www.iluka.com