



Company Overview

Iluka is a leading international mineral sands company with over 60 years' experience in exploration, development, mining, processing, marketing and rehabilitation. Iluka is a market leader in the supply of zircon and high grade titanium dioxide feedstocks (rutile and synthetic rutile). The company is also developing an emerging position in rare earth elements, which are a subset of mineral sands and present a logical and important diversification opportunity.

Iluka owns and operates mining and processing facilities in Australia and Sierra Leone and has historically operated in the US, where it retains a presence and assets. The company oversees a global marketing and logistics network, as well as international exploration activities. Environmental stewardship and sustainable mining are key to all aspects of operations and Iluka utilises industry leading rehabilitation practices.

Iluka also holds a royalty over iron ore sales revenues from BHP's Mining Area C hub in Western Australia.

The company's objective is to deliver sustainable value.

Securities exchange listing: Australian Stock Exchange (ASX), Code ILU

Direct employees: ~3000

Mining and Mineral Processing

The mineral sands industry involves the mining and processing of zircon and titanium dioxide products, including ilmenite, natural rutile and synthetic rutile. Mineral sands deposits typically contain both titanium dioxide mineral and zircon. Rare earth containing minerals, monazite and xenotime, are also often naturally occurring within mineral sands ore bodies. Iluka routinely produces monazite and xenotime as a by-product of the company's mineral sand processing activities.

Mining Operations

Jacinth-Ambrosia, South Australia

The world's largest zircon mine, also producing titanium dioxide products - rutile and ilmenite.

Commenced production 2009.

Located in state regional reserve with high environmental standards and rehabilitation requirements.

Sierra Rutile, Sierra Leone

The world's largest rutile mine. Commenced operations 1960s, acquired by Iluka 2016.

Mining and processing operations in close proximity to local villages and Iluka contributes to local health and education facilities. Rehabilitation undertaken with consideration of community needs including farming and housing.

A significant local employer and, on a revenue basis, accounts for ~3% of Sierra Leone GDP.

Cataby, Western Australia

Large chloride ilmenite mine, used as feed source for synthetic rutile; also produces zircon and rutile.

Commenced production 2019.

Located adjacent to farm land with need for sophisticated noise and dust monitoring and abatement.

Eneabba, Western Australia

Extraction, processing and marketing of a monazite concentrate recovered from a strategic stockpile accumulated from Iluka's historical mineral sands operations in the region. Monazite is a mineral containing rare earths, a subset of mineral sands.

Phase 1 commenced production in 2020.

Mineral Processing Facilities

Narngulu mineral separation plant, Geraldton, Western Australia

Processes material sourced from Jacinth-Ambrosia and Cataby to produce final mineral products for export from Port of Geraldton.

Synthetic rutile kilns, Capel, Western Australia

Two rotary kilns (one currently idled) convert ilmenite, predominantly from Cataby, to high-value synthetic rutile, an upgraded form of ilmenite.

Sierra Rutile mineral separation plant, Sierra Leone

Processes concentrate from Sierra Rutile mining operations to produce final mineral products for export from own port facilities.



Resource Development

Iluka has more than 60 years' experience and, over that time, has delivered a significant number of projects. The company has a proven track record of delivering projects on time and within budget and the resource development process encompasses a disciplined approach to capital management. Sustainability is central to all developments and they are delivered with regard to community, environmental and economic outcomes.

Iluka evaluates potential developments over a number of stages. Feasibility studies include cost estimates; schedule; project financials and customer samples, in addition to finalising project scope, design and deliverables for approval by the Board of Directors.

Recent Projects Delivered

Cataby, Western Australia: \$270 million development project capital expenditure plus \$35 million upgrade to kiln processing facilities.

Jacinth-Ambrosia, South Australia: \$390 million development project capital expenditure, including power, water, camp facilities, access roads and airstrip, as well as mining and processing equipment.

Gangama and Lanti mine expansions, Sierra Leone: Doubling of dry mining operations capacity.

Eneabba, Western Australia: Low risk, low cost, high return entry into rare earth market. \$10 million capital expenditure in Phase 1 of development.

Victoria: Completed in various stages from 2004 to 2012. Development capital expenditure of over \$500 million, including several mine developments and construction of a mineral processing plant at Hamilton.

Western Australia: Developed many relatively short life mineral sands deposits over many years including at Tutunup, Gingin, Cloverdale, Waroona, Yoganup and others. Mining at these deposits has now ceased and mining equipment repurposed at current operations or decommissioned. Former mine sites have been successfully rehabilitated with land returned for farming and other purposes.

Rare Earths Project Pipeline

Eneabba, Western Australia: Extraction, processing and marketing of a monazite-rich strategic stockpile. Phase 1 involves sale of monazite-zircon concentrate requiring minimal capital and processing and is operational. Further development is being fast tracked that will see additional processing to produce a higher-value monazite product. Iluka is also actively exploring the potential for downstream processing.

The phased approach to development allows Iluka to gain an increased understanding of the market and industry and proceed in a low risk manner.

Current Status: Phase 1 operational. Phase 2 feasibility study underway.

Wimmera, Victoria: Mining and beneficiation of a fine grained mineral sands ore body, for long term supply of zircon and rare earths. Current project parameters incorporate refining of zircon for market eligibility and rare earth products beyond that which currently occurs in Australia on industrial scale.

Current status: Feasibility study – pilot plant test work underway, environmental baseline studies

Mineral Sands Project Pipeline

Atacama, South Australia: Satellite deposit to Iluka's mine at Jacinth-Ambrosia. Potential to add zircon production by utilising existing infrastructure.

Current status: Feasibility study.

Balranald, New South Wales: Large, deep, rutile-rich deposits to be mined by internally-developed directional drilling and backfilling system.

Current status: Executing \$40m third field trial.

Synthetic rutile kiln 1 (SR1) restart, Western Australia: Restart of kiln adjacent to current operations to add supply of synthetic rutile.

Current status: Approval subject to satisfactory arrangements in relation to ilmenite feedstock supply and market outlook.

Sembehun, Sierra Leone: Large, long life deposit 30 kilometres from Iluka's Sierra Rutile mining operations.

Current status: Feasibility study.

Exploration and Technical Innovation

Iluka has an international exploration programme targeting high quality mineral sands deposits. The company also maintains a strong technical capability in mineral sands development, mining and processing, including product testing facilities to continually improve processing efficiencies and advance product development.



Capital Management

Iluka maintains a strong balance sheet and allocates capital in a disciplined manner. Investment opportunities and projects are evaluated with consideration to a range of factors, including funding arrangements, shareholder returns, current and future industry dynamics and portfolio capability to deliver.

The company currently has a modest net debt and gearing level with significant funding headroom. Iluka has a balance sheet and dividend framework that include targeting credit metrics consistent with an investment grade credit profile and paying a minimum dividend of 40% of free cash flow not required for balance sheet and investing activities. These frameworks provide a degree of certainty for shareholders while allowing flexibility for project execution to deliver sustainable value.

Environment, Social and Governance

Sustainability is central to everything Iluka does. The key pillars of Iluka's sustainability approach are health and safety; people; social performance; environmental sustainability; and economic responsibility and governance.

Rehabilitation and Closure Outcomes: Land management and rehabilitation are a major focus and significant part of operational activities. Iluka has a strong track record over several decades of leading environmental and socially responsible practices. Iluka uses a progressive rehabilitation approach to minimise the final closure footprint; assist with understanding and evaluating closure risks; identify knowledge gaps and inform research and development programmes; and refine closure provision estimates.

Waste and Radiation Management: Waste resulting from the mineral sands process is handled, stored and disposed of according to their properties, environmental factors, regulations and international best practice. Many wastes are returned to the mine void to enable landform restoration similar to the pre-mining environment.

Mineral sands, like other minerals, contain low levels of natural occurring radioactive material. Iluka's radiation management practices are aligned with internationally accepted standards to minimise the risk to human health and the environment. Iluka maintains a strong record of environmental management in all aspects of mineral sands mining, processing and product and waste handling.

Mineral Sands Marketing

The unique properties of zircon and titanium dioxide are used in a vast and increasing array of lifestyle and industrial applications, including pigments, ceramics, titanium metal and electronic componentry. The two product categories have different properties, prices and distinct end use markets. Mineral sands products are not exchange traded commodities and are typically sold via direct contracts with customers.

Iluka has a globally integrated marketing network with sales offices located around the world including Shanghai, Amsterdam, Singapore and the US. Iluka undertakes a high level of industry analysis in current and prospective markets the company operates in and has been a market leader in establishing new contracting and price setting mechanisms in the mineral sands industry to deliver sustainable returns.

Due to the nature of mineral sands products and industry, Iluka has direct relationships its customers. This allows the company to deliver products that meet individual customer technical requirements and maintain a degree of product stewardship.

Company Leadership

Chairman

Greg Martin
Joined Iluka 2013

Summary of experience

Murchison Metals, The Australian Gas Light Company, Santos, Western Power.

Managing Director

Tom O'Leary
Joined Iluka 2016

Summary of experience

Wesfarmers Chemicals, Energy & Fertilisers, Wesfarmers, Nikko, Nomura, Allen & Overy, Clayton Utz.