

**ILUKA**

Australian Securities Exchange Notice

10 September 2020

ASX: ILU

Demerger of Iluka's royalty business, Deterra Royalties

Iluka Resources Limited (Iluka) has today released the Demerger Booklet containing information regarding the proposed Demerger of Deterra Royalties Limited (Deterra) from Iluka.

The demerger will result in two independent ASX-listed companies. Iluka will remain a global leader in the mineral sands industry and Deterra will be the largest independent royalty company listed on the ASX, with its royalty over Mining Area C in Western Australia's Pilbara region (which is operated by BHP) as its cornerstone asset.

Iluka shareholders will have the opportunity to vote on the demerger at a meeting on 16 October 2020. If the demerger proceeds, eligible shareholders will be entitled to receive one share in Deterra for every Iluka share held at the demerger record date (4.00pm AWST 26 October 2020). Iluka will retain a minority shareholding interest of 20 per cent in Deterra as a long-term investment.

Iluka's Chairman, Greg Martin said the Iluka Directors unanimously recommend that Iluka shareholders vote in favour of the proposed demerger.

The Independent Expert, Deloitte Corporate Finance Pty Limited, has concluded that the demerger is in the best interests of Iluka shareholders.

It is expected that the distribution of Deterra shares to Iluka shareholders will qualify for demerger tax relief. As is usual, this is subject to a final ruling being issued by the ATO post demerger implementation.

Detailed information relating to the demerger is included in the following documents which are being lodged with the ASX and posted on Iluka's website today:

- Chairman's Letter to shareholders
- Demerger Booklet
- Deterra and Iluka investor presentations
- Proxy Form – General Meeting
- Demerger Sale Facility Form

Subject to shareholder approval, it is expected that Deterra shares will commence trading on the ASX on a deferred settlement basis from 23 October 2020.

Demerger Booklet Webcast / Teleconference Details

A webcast and conference call for equity market participants will take place at **9.00am (AWST) on Monday, 14 September 2020**. Participants wishing to join the conference call are advised to **pre-register online** in order to receive the relevant details. Those wishing to join webcast only can do so by following the webcast link below.

[Conference call pre-registration link](#)

[Webcast link](#)

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