



Iluka Resources Limited 澳禄卡资源有限公司

TZMI Congress 2014

Matthew Blackwell, Head of Marketing – Mineral Sands

November 2014

Disclaimer – Forward Looking Statements



Forward Looking Statements

This presentation contains certain statements which constitute “forward-looking statements”. These statements include, without limitation, estimates of future production and production potential; estimates of future capital expenditure and cash costs; estimates of future product supply, demand and consumption; statements regarding future product prices; and statements regarding the expectation of future Mineral Resources and Ore Reserves.

Where Iluka expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and on a reasonable basis. No representation or warranty, express or implied, is made by Iluka that the matters stated in this presentation will in fact be achieved or prove to be correct.

Forward-looking statements are only predictions and are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks and factors include, but are not limited to:

- changes in exchange rate assumptions;
- changes in product pricing assumptions;
- major changes in mine plans and/or resources;
- changes in equipment life or capability;
- emergence of previously underestimated technical challenges; and
- environmental or social factors which may affect a licence to operate.

Except for statutory liability which cannot be excluded, Iluka, its officers, employees and advisers expressly disclaim any responsibility for the accuracy or completeness of the material contained in this presentation and exclude all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission there from.

Iluka does not undertake any obligation to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date of this presentation, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Non-IFRS Financial Information

This presentation uses non-IFRS financial information including mineral sands EBITDA, mineral sands EBIT, Group EBITDA and Group EBIT which are used to measure both group and operational performance. A reconciliation of non-IFRS financial information to profit before tax is included in the supplementary slides. Non-IFRS measures have not been subject to audit or review.

Presentation Today 今天的报告

- Our Business 我们的业务情况
- Industry Landscape 产业的展望
- Announcement of exciting initiatives 宣布令人激动的初步行动



Business is Mineral Sands 业务是矿砂产品

- Activities are centered on Mineral Sands – no distractions
业务活动集中在矿砂产品上-没有动摇
- Track record of delivering on promises (projects)
兑现承诺的业绩（项目）
- Dependable partner with a strong Balance Sheet
可信赖的合作伙伴-具有强健的资产负债表
- Committed employees
忠诚的雇员
- Focus on Customers
着眼于客户们



- Certified as complying with ISO 9001: 2008
通过ISO9001-2008认证
- All product shipped in last 12 months in conformance with specification
过去12个月发运的所有货物质量都满足规格要求
- Offer full range of TiO_2 feedstock grades and zircons for all applications
为各种应用供应全系列二氧化钛原料和锆英砂
- Warehouse network reduces risk to customer - less reliant on shipping
仓储网络为客户减少了风险-更少依赖于船运
- Inventory of HMC ready for supply response
重矿物的库存可响应供应的需求



Investing to Supply You Tomorrow 为了未来供应而投资



- Pipeline of organic growth projects (Balranald, Cataby, Hickory, Aurelian, Eucla)
在进行中的有组织的项目 (Balranald, Cataby, Hickory, Aurelian, Eucla)
- Continued global exploration when others cutting back
继续在全球进行勘探，而有些公司已经削减
- Re-acquired Puttalam tenements in Sri Lanka
在斯里兰卡再次获得Puttalam租赁权
- Joint venture with Vale in Brazil
在巴西与淡水河谷的合资企业

BALRANALD
Murray Basin, New South Wales



HICKORY
Virginia, United States



AURELIAN SPRINGS
North Carolina, United States

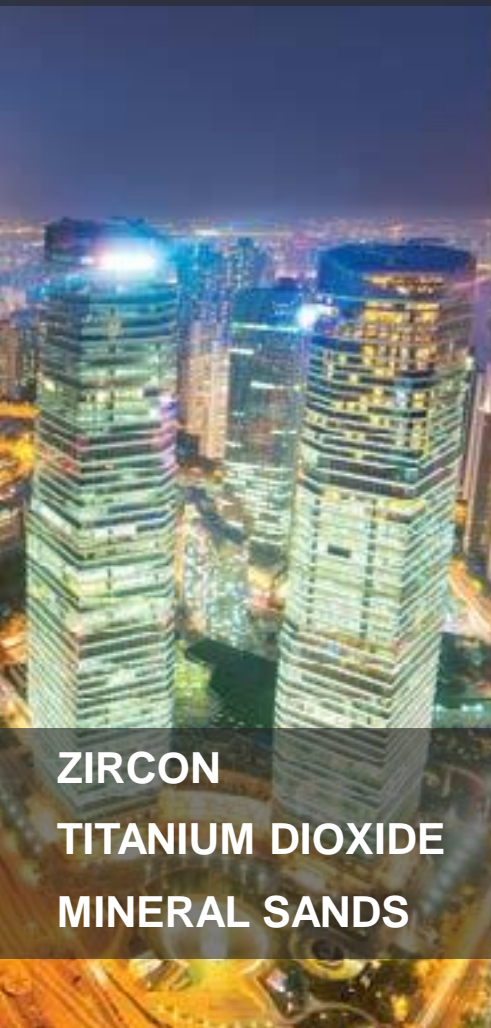


EUCLA BASIN
South Australia



Industry Context - Robust Demand Long Term

Urbanisation



Consumption based growth



Array of applications



ZIRCON

TITANIUM DIOXIDE

MINERAL SANDS



ceramics, range of chemical and consumer applications



pigment



paint, plastics



coatings



Mid-to-late cycle demand characteristics; consumption/GDP related

Increasing Array of Applications

不断增长的应用排列



Zircon Applications

锆的应用

Catalytic converters

触媒转化器

Nuclear fuel rods

核燃料棒

Oxygen and pressure sensors

氧气和压力传感器

Fibre optics

光导纤维

Electrical motherboards and capacitors

电气主板和电容器

Titanium Dioxide Applications 钛的应用

3D printing applications

3D打印应用

Desalination plants

海水淡化工厂

Offshore oil and gas components

海上油气组件

Power plant cooling systems

发电站冷却系统

Aerospace / defence

航空/国防

Nanotechnologies

纳米科技



VHM Grade / Assemblage decline

- Global decline in VHM/ assemblage characteristics
全球重矿物/矿含量下降
- Increasing trash – adverse to VHM component
废物增加-不利于重矿物的组成部分
- TiO₂ abundant but higher sulphate ilmenite assemblage
二氧化钛很多但更多的是硫酸法钛铁矿含量
- Zircon and rutile credits critical to project economics
锆英砂和金红石含量对于项目是否经济至关重要
- Technical challenges of new supply
新供应的技术挑战

Medium to longer term supply challenge

- Limited known high quality deposits
已知的高质量矿藏很有限
- Poorer resources, often in higher risk jurisdictions
贫瘠的资源,常常在更高风险的管辖区
- Supply issue in context of:
 - increased intensity of demand (e.g. pigment in China)
需求紧张增加(如中国钛白粉)
- Urbanisation 城市化
- Consumerism 消费
- new applications 新应用

Maturing ore bodies / fresh capital required

- Major players operating within mature ore bodies
主要供应商使用成熟的矿体进行运作
- Significant capital required to sustain production levels and bring on supply to meet market demand over medium term
需要大量资金来维持生产水平。中期来看为了市场需求带来供应
- Shareholder return consideration
考虑股东回报

Higher prices required to incentivise supply?

- Nature of declining grades and assemblages - challenging economics
等级和含量自然下降-挑战经济
- Costs increasing and jurisdictional challenges more pronounced
成本上升和明显的管辖权挑战

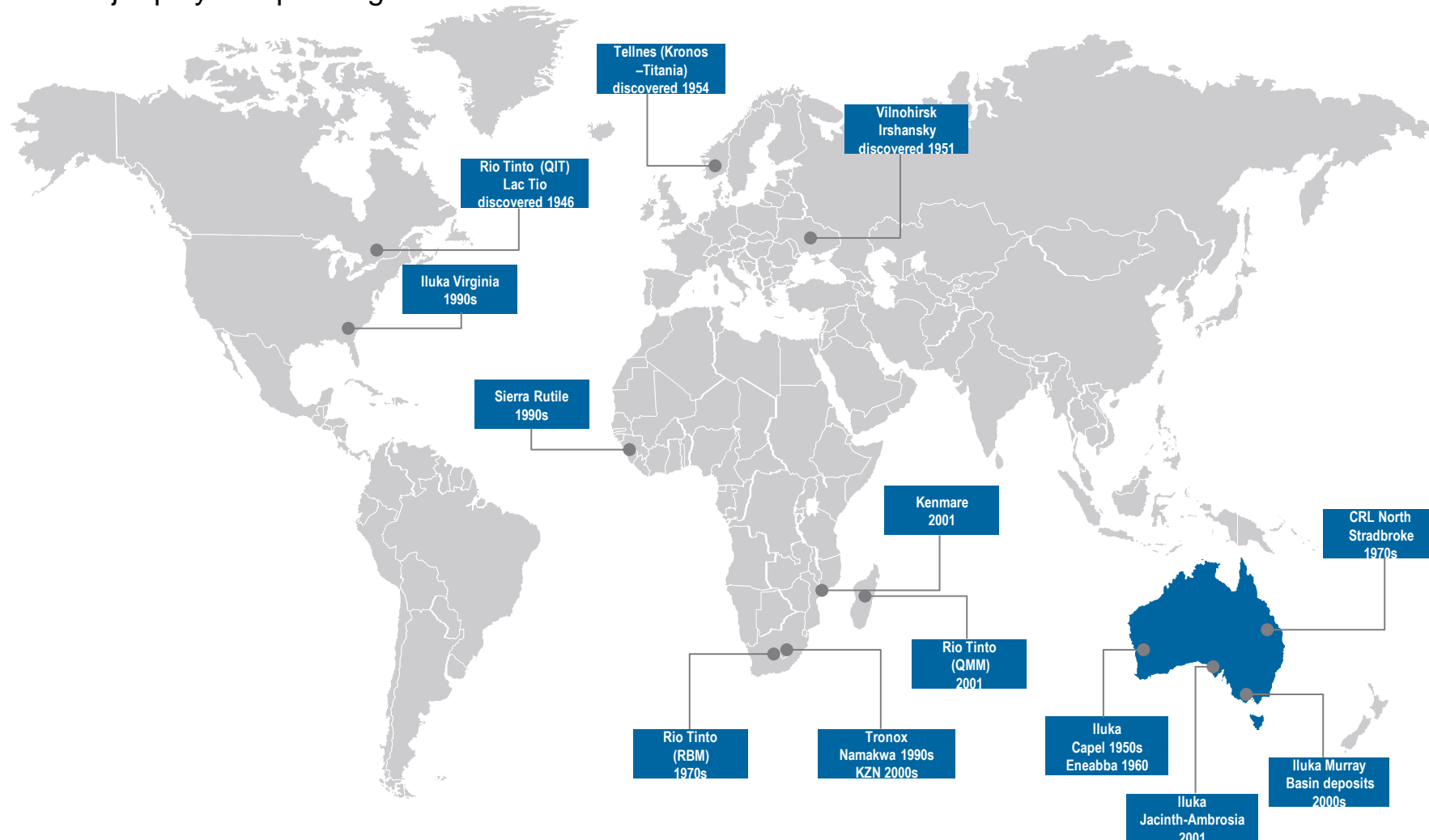
Rise of China – sulphate and chloride pigment

- China's consumption of TiO₂ is expected to continue growing
预计中国二氧化钛消耗量仍会增长
- Production to date predominately sulphate
到现在硫酸法生产仍是主流
- China chloride pigment industry encouraged
中国氯化法钛白粉产业受到鼓励
- Requirement for imported feedstocks
需要进口原料
- Higher grade feedstock imports/ilmenite for domestic upgrading
更高等级原料进口/钛铁矿在国内提炼升级

Mineral Sands - Major Deposit Discoveries

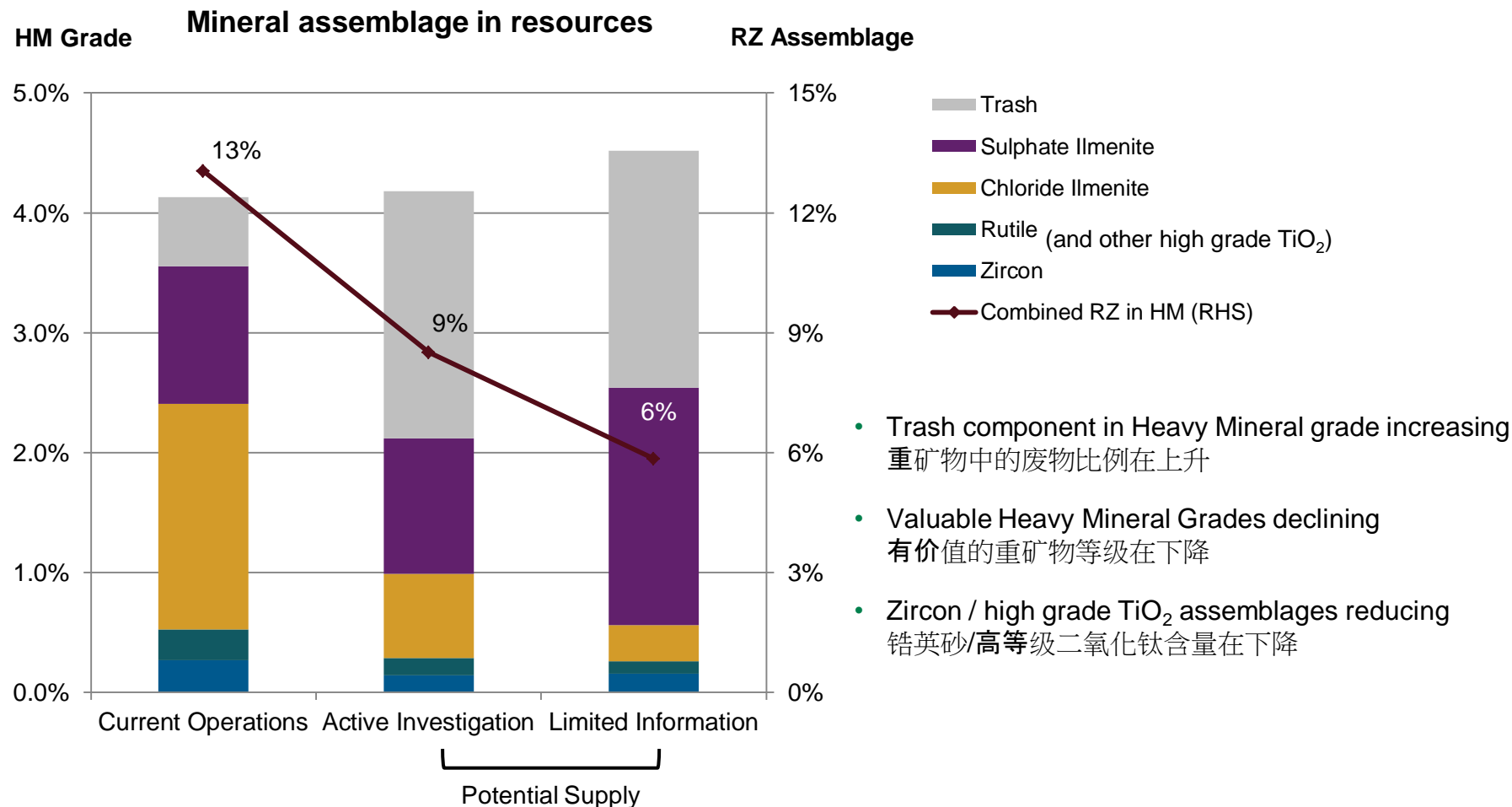
矿砂业务-主要发现的矿藏

- Major players operating within mature ore bodies.



Industry Grade and Assemblage Challenges

产业面临等级和矿含量的挑战

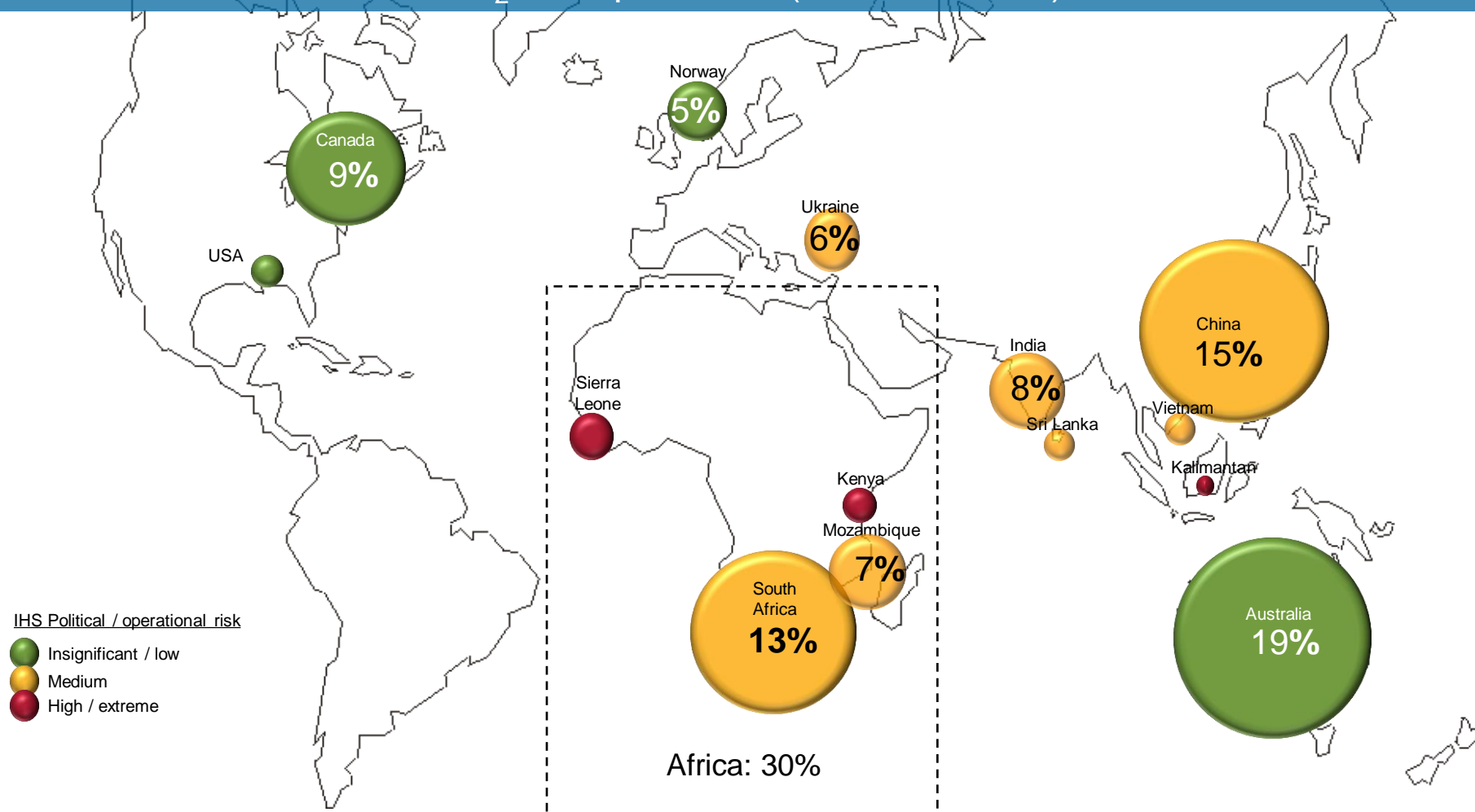


Source: Iluka analysis

Increasing Supply Chain Risk and Cost

供应链中的风险和费用不断增加

TiO₂ units produced (2020 Forecast)



People and Product Closer to Customers

员工和产品更接近客户



Iluka Marketing Team 澳禄卡市场营销团队



"We are more than minerals"



Adapting to Better Serve Our Customers

自我调整来向客户提供更好的服务

- Split activities by product to enable laser focus on each sector
由产品划分成不同团队来聚焦于各个行业
- Recruited experts from industry
招募行业的专家
- Multilingual sales and support team
多语言的销售与支持团队



Recognise Need for Innovation

确认创新的需求

- Supply side – Technology for Resource to Reserve conversion
供应方面-科技用于把资源转变为储备
- Demand side - Champion for Zircon Industry Association, Metalysis, Acid Soluble SR
需求方面-拥护锆英砂产业协会，Metalysis,酸溶性人造金红石
- 8 new products launched in last 18 months
过去18个月里为市场投放8个新产品
- China Technical Centre
中国技术中心

Foundation Sponsor



Customers' growth needs



Champion for innovation



Iluka China Technical Centre 澳禄卡中国技术中心

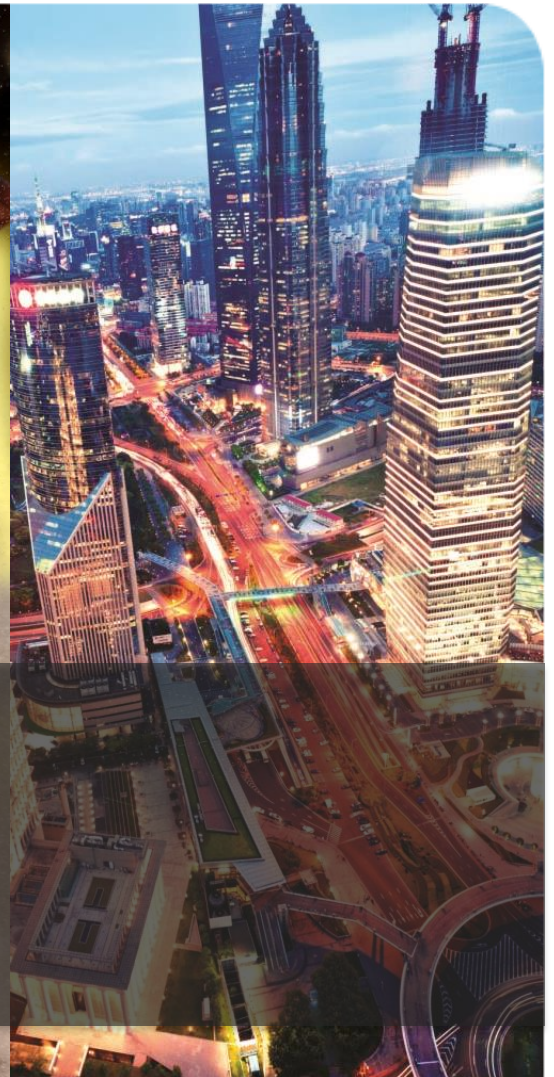


- Capability to service both TiO_2 and Zircon customers
有能力向二氧化钛和锆英砂客户提供服务
- Full-service laboratory with chlorinator
全面服务实验室配置有氯化炉
- Chinese and international experts
中国和国际专家
- Located near Shanghai
在上海附近
- Opening 2015
2015年启用



Iluka Resources Limited

澳祿卡資源有限公司



For more information contact:

Matthew Blackwell, Head of Marketing – Mineral Sands
matthew.blackwell@iluka.com

www.iluka.com