

Murray Basin Newsletter



ILUKA

May 2018

About Iluka

Iluka Resources is involved in the exploration, project development, operations and marketing of mineral sands products.

Iluka is a major producer of zircon globally and a large producer of the high-grade titanium dioxide products - rutile and synthetic rutile.



Hamilton Mineral Separation Plant

Following a review of the company's processing capacity in October 2017, the Hamilton plant was taken offline and entered into a care and maintenance phase. Iluka worked closely with all internal and external stakeholders during the idling of the plant to ensure the transition was as smooth as possible for employees, contractors and the broader community.

There may be some truck movements between Hamilton and Portland during 2018 as Iluka clears the last of the finished product stored at the Hamilton Plant and Portland Port. Iluka is also transporting mineral sands product directly from the former Woorack, Rownack, Pirro (WRP) mine site near Ouyen to the Port of Portland by trucks.

Iluka is now evaluating the future of the Hamilton site and other associated infrastructure such as the Hopetoun Rail Loading Facility. Iluka will ensure relevant stakeholders are engaged during this process.



Rehabilitation



WRP and Kulwin

Significant rehabilitation activity will continue across the previously mined WRP and Kulwin sites throughout 2018. Iluka will continue to operate the Ouyen camp site to accommodate our rehabilitation teams with approximately 40 people Iluka and contractor staff utilising the facility throughout the year.

Decommissioning of the plant and equipment at these sites is ongoing, with some equipment to be transferred to other Iluka sites at Jacinth-Ambrosia (SA) and Cataby (WA) for use in those operations.

Key rehabilitation and environmental activities for 2018 include;

- WRP will see the continued establishment of topsoil across approximately 356ha and sowing of first year crops in the area south of the Calder Highway
- Overburden backfill (replacing earth which was stored during mining) works will be conducted in the area north of the Calder Highway
- Continued rehabilitation of key native vegetation areas at McBains Reserve and Kulwin Bushland Reserve
- Establishment of approximately 250ha of second year crop at the Pirro and Wornack sites
- Cropping approximately 500ha of previously rehabilitated land at Kulwin
- Continued enhancement of roadside reserves supporting the Regent Parrot corridor program
- Ongoing environmental monitoring and reporting.





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Douglas and Echo

Ongoing environmental monitoring and rehabilitation remains a key focus for the Douglas and Echo sites. Management of crops and pastures on rehabilitated areas and implementation of an irrigation system to support surface water management are the main activities in 2018.

Iluka will continue with the operation of the pit 23 by-products disposal facility in accordance with conditions of the Horsham Rural City Council Planning Permit and Environmental Management Plan.

Landform remediation work will also be conducted in some areas in conjunction with landholders and regulators.

Pit 5 subsoil surface has been replaced and will be monitored during 2018 to enable organic matter development in the subsoil and ensure a stable surface prior to the top soil being reinstated.

The rehabilitation of some pits and the Tailings Storage Facility at Douglas are aligned with the future use of the Hamilton Mineral Separation. The timelines on final rehabilitation of those pits will become clearer when the final land use option for Hamilton has been developed.

Decommissioning of the plant at Douglas will continue during 2018 with some equipment from the site to be transferred to other Iluka projects at Jacinth-Ambrosia (SA) and Cataby (WA) for use in those operations.

Iluka is currently working with land holders and regulators to establish the land relinquishment process with a site at "Echo North" identified as a trial area. Work on this process will be finalised and the land relinquishment process will commence during 2018.

Iluka is also working through the decommissioning of redundant groundwater monitoring bores at the Echo site. The process of obtaining the appropriate regulatory approvals for this work has commenced.

Iluka has also recently commenced discussions with GWM Water to review the future use of the Rocklands – Douglas piping infrastructure and the water licence allocation.

The Environmental Review Committees for the Douglas and Echo, and WRP and Kulwin sites continue to meet quarterly as a way of providing information back to stakeholders on the status of each site. Further information on the role of the Committees can be found at <http://earthresources.vic.gov.au/earth-resources-regulation/information-for-community-and-landholders/community-engagement-resources/environmental-review-committee>



Balranald Project

The Balranald project is located in the northern Murray Basin adjacent to the township of Balranald, New South Wales. Iluka is progressing a staged study into an innovative mining technique for this project.

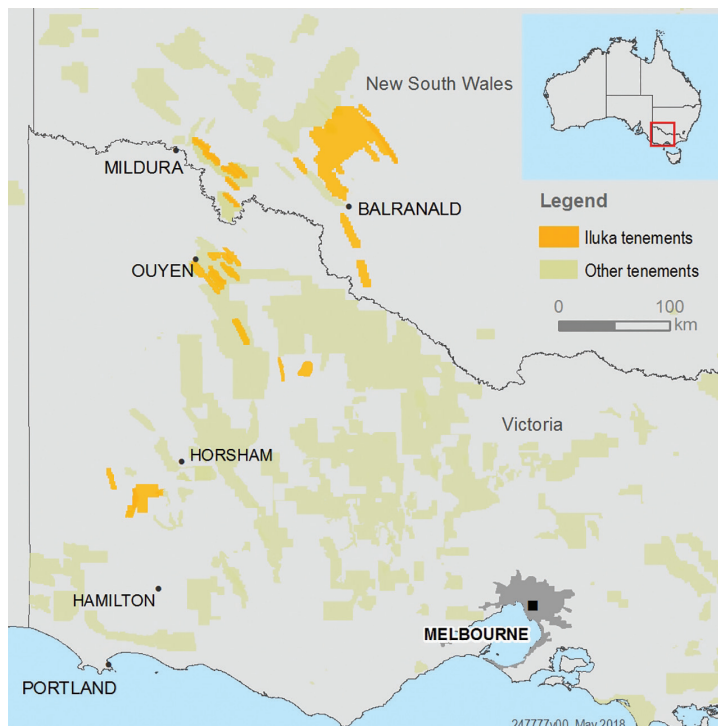
Work on the unconventional mining development continues with planning for a potential final field trial later in 2018. The proposed final trial is designed to demonstrate that the technical work packages advanced from the previous trial are effective in continuous mining and processing operations.

Tenements

Iluka retains significant tenement holdings in the Murray Basin, both in Victoria and New South Wales. Drilling programmes and survey works will occur on selected tenements throughout 2018 for the purposes of retaining current tenements in accordance with Victorian government requirements, and further defining and understanding the characteristics of these resources.

Additional work will be undertaken on selected tenements to prioritise their standing for future development and the potential to progress them to the mining pre-feasibility stage. Planning for the development of a test pit is also being conducted to progress the development of prospective new technologies for the fine mineral tenements. The location of this pit is yet to be finalised.

Engagement with landowners and relevant stakeholders on these programmes has commenced, and will continue throughout 2018 as development options progress.



Stakeholder Perception Survey

Iluka is conducting a community and stakeholder perception survey across all Australian activities from May to September 2018. The findings of this survey will guide engagement activities into the future.

Engagement with community and stakeholders via face to face interviews and phone conversations will be undertaken as a part of this survey. If you are invited to participate in this survey your assistance would be greatly appreciated.

For more information:

Contact the Iluka Community Feedback line on 1800 201 113 for more information about any of our activities.

www.iluka.com