ILUKA RESOURCES LIMITED

ABN 34 008 675 018

INTERIM REPORT

FOR THE HALF-YEAR ENDED 30 JUNE 2024

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CONTENTS

RESULTS FOR ANNOUNCEMENT TO THE MARKET

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Provided below are the results for announcement to the market in accordance with Australian Securities Exchange (ASX) Listing Rule 4.2A and Appendix 4D for the Consolidated Entity comprising Iluka Resources Limited (Iluka) and its controlled entities for the half-year ended 30 June 2024 (the 'current period') compared with the half-year ended 30 June 2023 (the 'corresponding period').

This report should be read in conjunction with the Annual Report for the year ended 31 December 2023, and public announcements made by Iluka during the half-year ended 30 June 2024 in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the *ASX Listing Rules*.

All currencies shown in this report are Australian dollars unless otherwise indicated.

Revenue from ordinary activities	Down 16% to \$629.7m
Net profit after tax for the period from ordinary activities	Down 34% to \$133.7m
Net profit after tax for the period attributable to equity holders of the parent	Down 34% to \$133.7m

Dividends

2024 interim: 4 cents per ordinary share (100% franked), to be paid in September 2024
2023 final: 4 cents per ordinary share (100% franked), paid in March 2024
2023 interim: 3 cents per ordinary share (100% franked), paid in September 2023

Key ratios	**1st Half 2024**	**1st Half 2023**
Basic profit per share (cents)	31.3	48.3
Diluted profit per share (cents)	31.0	47.8
Free cash flow per share (cents)[1]	(11.1)	(3.7)
Net tangible assets per share (\$)	4.12	3.57

[1] Free cash flow is determined as cash flow before refinance costs, proceeds/repayment of borrowings and dividends paid in the period.

DIVIDEND REINVESTMENT PLAN (DRP)

The current Dividend Reinvestment Plan (DRP) was approved by the Board of Directors. Under the plan, eligible shareholders can reinvest either all or part of their dividend payments into additional fully paid Iluka shares. The DRP remains active for the 2024 interim dividend.

The Directors have determined that no discount will apply for the DRP in respect of the 2024 interim dividend. Shares allocated to shareholders under the DRP for the 2024 interim dividend will be allocated at an amount equal to the average of the daily volume weighted average market price of ordinary shares of the Company traded on the ASX over the period of 10 trading days commencing on 9 September 2024. The last date for receipt of election notices for the DRP is 5 September 2024.

INDEPENDENT AUDITOR'S REVIEW REPORT

The Condensed Consolidated Financial Statements upon which this Appendix 4D is based have been reviewed.

The Directors of Iluka Resources Limited present their report together with the financial statements of the Group for the half-year ended 30 June 2024 and the auditor's review report thereon.

REVIEW OF RESULTS

- Net profit after tax of $133.7 million
- Underlying mineral sands EBITDA of $252.2 million
- Underlying mineral sands EBITDA margin of 42%
- Free cash outflow of $47 million, bringing net cash to $154 million
- Interim dividend of 4 cents per share declared

REVENUE

Zircon sales volumes were in line with H1 2023 at 133 thousand tonnes, with some price erosion from record highs achieved in H1 2023. Weighted average zircon sand prices achieved were US$1,892 per tonne in H1 2024 (H1 2023: US$2,073 per tonne).

Synthetic rutile sales volumes were 27% lower than H1 2023 at 86 thousand tonnes, although prices achieved were comparable at US$1,232 per tonne (H1 2023: US$1,266 per tonne). Synthetic rutile sales are second-half weighted and Iluka has take-or-pay long term contracts for ~200 thousand tonnes per annum of synthetic rutile through to the end of 2026, which provides a degree of revenue certainty from our titanium feedstock production.

The lower zircon price and lower synthetic rutile volumes led to mineral sands revenue decreasing to $606 million.

Sales (kt)	1st Half 2024	1st Half 2023	% change
Zircon	132.9	134.3	(1.0)
Rutile	23.6	26.8	(11.9)
Synthetic rutile	85.8	117.0	(26.7)
Total Z/R/SR sales	**242.3**	**278.1**	**(12.9)**
Ilmenite	71.1	82.1	(13.4)
Total sales volumes	**313.4**	**360.2**	**(13.0)**
Z/R/SR revenue ($m)	560.2	661.8	(15.4)
Ilmenite and other revenue ($m)	46.0	50.5	(8.9)
Total mineral sands revenue[1] ($m)	**606.2**	**712.3**	**(14.9)**
Revenue per tonne of Z/R/SR sold[2] ($/t)	2,312	2,380	(2.8)

[1] Mineral sands revenue includes revenue derived from other materials not included in production volumes, including activated carbon products and iron concentrate.
[2] Calculated as revenue from the sale of zircon, rutile and synthetic rutile (Z/R/SR) products divided by Z/R/SR sales volumes.

EARNINGS

Iluka recorded a profit after tax for the half-year ended 30 June 2024 of $134 million (2023: $204 million). Iluka's H1 2024 sales mix was more heavily weighted to higher margin zircon sales.

Earnings continued to benefit from a favourable AUD:USD foreign exchange rate as economic uncertainty and high interest rates supported a strong USD and maintained downward pressure on the AUD, with favourable results for USD-denominated sales.

Iluka's underlying mineral sands EBITDA decreased to $252.2 million (2023: $353 million) with a lower but robust EBITDA margin of 42% (2023: 50%). Cash production costs were impacted by inflationary cost pressures, predominantly higher fuel, consumables, and labour costs, though inflationary impacts have slowed throughout the half after significant cost increases through FY23, especially in H2.

INCOME STATEMENT ANALYSIS

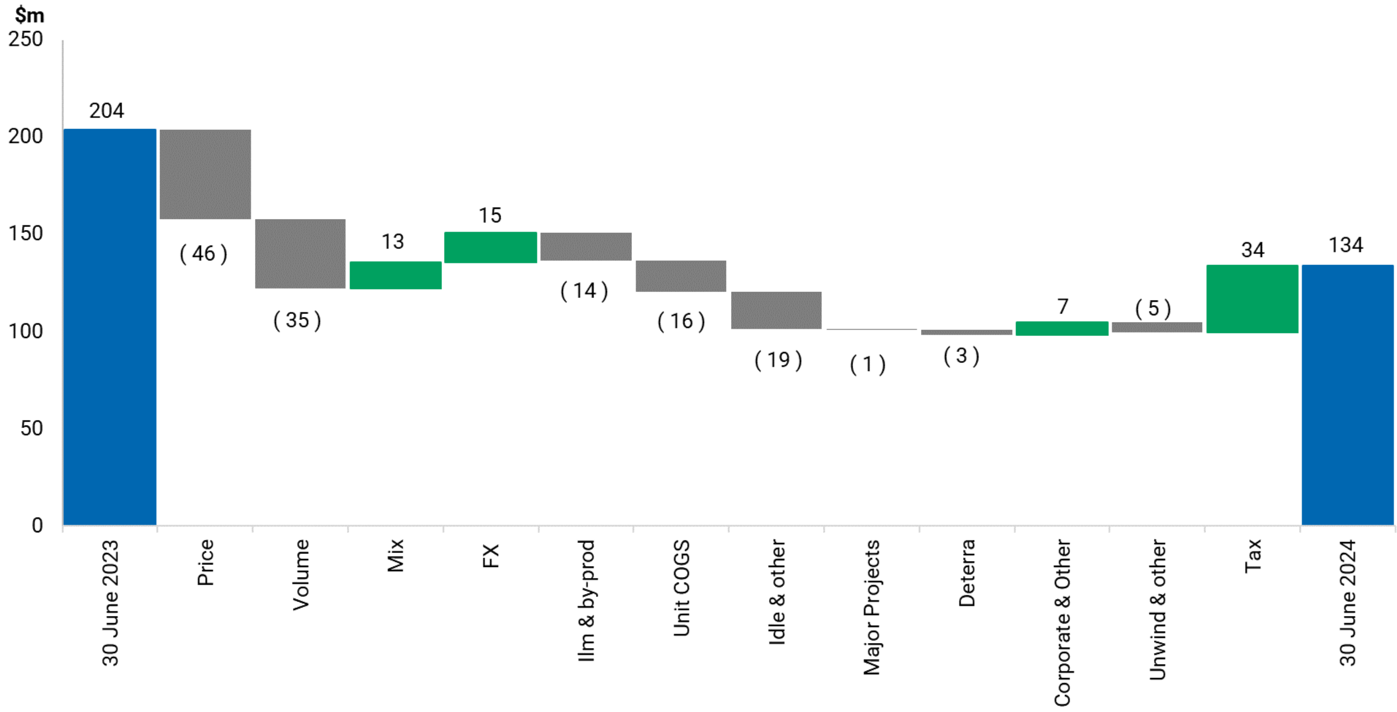
$ million	1st Half 2024	1st Half 2023	% change
Z/R/SR revenue	560.2	661.8	(15.4)
Ilmenite and other revenue	46.0	50.5	(8.9)
Mineral sands revenue	**606.2**	**712.3**	**(14.9)**
Cash costs of production[1]	(321.2)	(327.2)	1.8
By-product costs	(9.3)	(7.3)	(27.4)
Inventory movement - cash costs of production	64.4	57.0	13.0
Idle capacity charges	(19.0)	(7.2)	n/a
Government royalties	(18.6)	(26.1)	28.7
Marketing and selling costs[2]	(17.6)	(12.7)	(38.6)
Asset sales and other income	0.6	0.1	n/a
Major projects, exploration, and innovation	(20.5)	(20.0)	(2.5)
Corporate and other costs	(21.0)	(20.6)	(1.9)
Foreign exchange	8.2	5.1	60.8
Underlying mineral sands EBITDA	**252.2**	**353.4**	**(28.6)**
Share of profit of associate	12.1	14.7	(17.7)
Underlying Group EBITDA[3]	**264.3**	**368.1**	**(28.2)**
Depreciation and amortisation	(91.1)	(84.4)	(7.9)
Inventory movement - non-cash production costs	27.9	21.7	28.6
Rehabilitation costs for closed sites	-	(0.7)	n/a
Gain/(loss) on revaluation of investments	1.0	(3.5)	n/a
Group EBIT	**202.1**	**301.2**	**(32.9)**
Net interest and bank charges	4.3	6.7	(35.8)
Rehabilitation unwind and other finance costs	(19.4)	(16.5)	(17.6)
Profit before tax	**187.0**	**291.4**	**(35.8)**
Tax expense	(53.3)	(87.6)	39.2
Profit for the period (NPAT)	**133.7**	**203.8**	**(34.4)**
Average AUD/USD rate for the period (cents)	**65.9**	**67.6**	**(2.5)**

[1] The Company updated the methodology for corporate cost allocation from 1 January 2024. To enhance transparency and readability, affected comparatives for 2023 have been updated on the same allocation basis. Refer to page 13 for the 2023 reconciliation to prior year amounts.

[2] Freight revenue and expenses are included as a net number in marketing and selling costs.

[3] Underlying Group EBITDA excludes non-recurring adjustments including impairments and changes to rehabilitation provisions for closed sites, which are non-cash in nature.

MOVEMENT IN NPAT



The key drivers for the movement in NPAT were:

- Weighted average zircon sand prices reduced 9% from historic highs in H1 2023, down to US$1,892 per tonne; while synthetic rutile prices moderately reduced to US$1,232 per tonne, down 3% from H1 2023;
- Synthetic rutile sales were down 27% to 86 thousand tonnes, with annual sales volumes under take-or-pay contracts of 200 ktpa being second-half weighted in 2024;
- favourable product mix as a higher proportion of higher-priced zircon was sold;
- the Australian dollar exchange rate weakened slightly as the strong US economy kept the US dollar high and global uncertainty kept investors in the stable "safe haven" currency;
- lower ilmenite and activated carbon sales in H1 2024;
- higher unit cost of goods sold (COGS) of $1,214 per tonne in the first half of 2024. Higher zircon COGS was due to inflation in H2 2023, though the cost growth rate stabilised and reduced in H1 2024, while lower HMC production at Cataby in the second half of 2023 has contributed to higher unit costs. Sales mix also pushed up COGS as zircon sales made up a larger share of total sales than the corresponding comparative period;
- Idle and other costs were higher than the previous period with the idling of the Narngulu Mineral Separation Plant for the first 6 weeks of the year and the SR1 kiln for 2024;
- favourable variance in corporate services and marketing costs due to lower spend on growth initiatives;
- increased rehabilitation unwind costs relate to higher closure provisions at the end of 2023 as well as lower interest received on lower cash balances than the prior period.

CASH FLOW AND BALANCE SHEET

Operating cash flow for the 2024 half-year was $189 million, strengthening from the second half of 2023.

Cash capital expenditure was $173 million, with $49 million of spend on the Eneabba Rare Earths Refinery, and $66 million spent on Balranald, $42 million for sustaining capital and the SR2 major maintenance outage at the operations, with the remainder of capital spent on early development works for the Wimmera and Euston studies.

Tax payments represent income tax instalments based on the instalment rate provided by the Australian Tax Office (ATO).

During the half year, the Group expanded and extended its Multi Option Facility Agreement (MOFA), a series of five-year committed unsecured bilateral revolving credit facilities, to $800 million with maturity now in May 2029. At 30 June 2024, there were nil debt drawings (31 December 2023: nil) under the MOFA. There was $151 million drawn under the debt facility with Export Finance Australia, which includes capitalised interest.

Net cash decreased to $154 million from $225 million at 31 December 2023.

The directors declared an interim dividend of 4 cents per share, to be paid in September 2024. The dividend is in line with Iluka's dividend framework to pay 100% of dividends received from Deterra Royalties and a minimum of 40% of free cash flow from the mineral sands business not required for investing or balance sheet activity.

$ Million	1st Half 2023	2nd Half 2023	1st Half 2024
Opening net cash	**488.7**	**342.9**	**225.3**
Operating cash flow	227.6	119.1	189.2
Exploration	(9.8)	(9.0)	(7.2)
Interest (net)	9.0	8.2	7.0
Tax	(183.2)	(72.3)	(76.2)
Capital expenditure	(55.4)	(105.3)	(123.8)
Principal element of lease payments	(4.3)	(4.1)	(3.4)
Asset sales	0.6	9.5	0.2
Free cash flow - Mineral Sands	**(15.5)**	**(53.9)**	**(14.2)**
Dividends received -Deterra	12.7	17.8	15.7
Eneabba Rare Earths - Capital expenditure	(52.6)	(68.1)	(48.7)
Free cash flow - Group	**(55.4)**	**(104.2)**	**(47.2)**
Dividends	(84.4)	(12.6)	(16.7)
Net cash flow	**(139.8)**	**(116.8)**	**(63.9)**
Exchange revaluation of USD net debt	0.2	(0.8)	1.0
EFA facility costs capitalised to refinery	(4.0)	4.0	(0.1)
EFA interest capitalised to refinery	(1.8)	(3.5)	(5.4)
Amortisation of deferred borrowing costs	(0.4)	(0.5)	(2.7)
Increase in net cash/(debt)	**(145.8)**	**(117.6)**	**(71.1)**
Closing net cash/(debt)	**342.9**	**225.3**	**154.2**

PRODUCTION

Production (kt)	1st Half 2024	1st Half 2023	% change
Zircon	98.2	166.6	(41.1)
Rutile	35.6	30.8	15.6
Synthetic rutile	94.7	170.2	(44.4)
Total Z/R/SR production	**228.5**	**367.6**	**(37.8)**
Ilmenite	190.9	302.3	(36.9)
Total Mineral Sands Production	**419.4**	**669.9**	**(37.4)**
HMC produced	510	448	13.8
HMC processed	324	530	(38.9)
Cash costs of production, excluding ilmenite and by-products ($m)	**321.2**	**327.2**	**(1.8)**
Unit cash cost per tonne of Z/R/SR produced excluding by-products[1] ($/t)	1,406	890	57.9
Unit cost of goods sold per tonne of Z/R/SR sold ($/t)	1,214	1,062	14.3

[1] Unit cash cost per tonne of Z/R/SR produced is determined as cash costs of production less the cost of saleable ilmenite and by-products, divided by total Z/R/SR production volumes.

AUSTRALIAN OPERATIONS

The Jacinth-Ambrosia mine in South Australia produced 145kt of heavy mineral concentrate (HMC), down slightly from 154kt in H1 2023 as higher-grade ore processed in Q2 made up for lower grades in Q1, in line with the planned mining sequence. Lower ore volumes treated compared to H1 2023 were a result of lower runtime due to a planned maintenance outage.

In Western Australia, the Cataby mine produced 366kt of HMC, up from 294kt in the comparative period. Mined ore grade was higher, combined with an increase in ore treated volumes following the commissioning of a new mining unit in December 2023 and the second additional new mining unit commissioned in April 2024. These units increase ore processing rates and deliver an associated increase in material fed to Cataby's wet concentrator plant.

The Narngulu Mineral Separation Plant was offline for the first 6 weeks of 2024, restarting in mid-February with processing Jacinth-Ambrosia material and progressing to both Jacinth-Ambrosia and Cataby material in Q2, producing a total of 98kt of zircon (including ZIC) and 35kt of rutile in the half.

The SR2 kiln restarted in late January following the planned major maintenance outage and operated at full capacity, producing 95kt of synthetic rutile. The synthetic rutile produced from SR2 services the ~200ktpa of long term contracts Iluka has in place. The SR1 kiln, the Group's synthetic rutile swing production asset, remained offline in the half as planned, though work in progress (HMC) inventory increased by 196kt in the first half, including 160kt of ilmenite-bearing concentrate from Cataby, which underpins the capability to restart the SR1 kiln when market conditions warrant.

JACINTH-AMBROSIA/MID WEST

		1st Half 2024	1st Half 2023	% change
Production volumes				
Zircon	kt	63.8	139.5	(54.3)
Rutile [1]	kt	7.3	13.6	(46.3)
Total Z/R/SR production	**kt**	**71.1**	**153.1**	**(53.6)**
Ilmenite	kt	23.3	54.9	(57.6)
Total production volume	**kt**	**94.4**	**208.0**	**(54.6)**
HMC produced	kt	145	154	(6.0)
HMC processed	kt	118	229	(48.5)
Unit cash cost of production - Z/R/SR [2]	($/t)	1,353	726	86.3
Mineral sands revenue	**$m**	**270.7**	**357.5**	**(24.3)**
Cash costs of production	$m	(96.2)	(111.2)	13.5
By-product costs	$m	(1.8)	-	n/a
Inventory movements - cash costs of production	$m	4.4	0.3	n/a
Idle capacity charges	$m	(6.0)	(0.8)	n/a
Government royalties	$m	(8.4)	(17.2)	51.2
Marketing and selling costs [3]	$m	(6.4)	(3.2)	n/a
Asset sales and other income	$m	(0.1)	-	n/a
EBITDA	**$m**	**156.2**	**225.4**	**(30.7)**
Depreciation and amortisation	$m	(26.2)	(26.0)	(0.8)
Inventory movement - non-cash production costs	$m	1.3	3.5	(62.9)
Rehabilitation costs for closed sites	$m	-	(0.2)	n/a
EBIT	**$m**	**131.3**	**202.7**	**(35.2)**

[1] Includes the lower value titanium dioxide product, HyTi
[2] Calculated as cash costs of production, including by-product costs divided by Z/R/SR production
[3] Freight revenue and expenses are included as a net number in marketing and selling costs.

Heavy Mineral Concentrate (HMC) produced was marginally lower than the prior comparative period at 145 thousand tonnes. The grades at JA were comparable at 3.3% (H1 2023: 3.4%). HMC processed was significantly lower at 118 thousand tonnes (H1 2023: 229kt), resulting in a build of work-in-progress inventory and lower finished goods production.

Production of zircon and rutile was 54% lower than the prior comparative period as the Narngulu Mineral Separation Plant was offline for the first 6 weeks of 2024 and processed both Jacinth-Ambrosia and Cataby HMC, in line with plan.

Mineral sands revenue decreased to $271 million (2023: $358 million). Cash costs of production were 13% lower reflecting lower production, but unit costs were impacted by the lower production as well as increased fuel, consumables, and labour costs. Inflation levelled off through H1 2024 but prices remained elevated from 2023.

The inventory movement reflected a build in Jacinth-Ambrosia HMC inventory offset by a draw down in finished goods. Total inventory balances (WIP and finished goods) remained flat from 31 December 2023, at $292 million at 30 June 2024.

Marketing and selling costs increased on lower freight recoveries from customers compared to H1 2023. Government royalties dropped to $8 million as HMC haulage volumes decreased and HMC inventory built at the mine site (royalty is charged when HMC leaves the mine gate, regardless of timing of sale).

Higher idle costs reflect the 6 week outage in early 2024.

CATABY/SOUTH WEST

		1st Half 2024	1st Half 2023	% change
Production volumes				
Zircon	kt	34.4	27.1	26.9
Rutile	kt	28.3	17.2	64.5
Synthetic rutile	kt	94.7	170.2	(44.4)
Total Z/R/SR production	**kt**	**157.4**	**214.5**	**(26.6)**
Ilmenite	kt	167.6	247.4	(32.3)
Total production volume	**kt**	**325.0**	**461.9**	**(29.6)**
HMC produced	kt	366	294	24.3
HMC processed	kt	206	302	(31.8)
Unit cash cost of production - Z/R/SR [1]	($/t)	1,407	977	44.0
Mineral sands revenue	**$m**	**335.5**	**354.8**	**(5.4)**
Cash costs of production	$m	(221.4)	(209.5)	(5.7)
By-product costs	$m	(6.9)	(7.3)	5.5
Inventory movements - cash costs of production	$m	55.9	51.1	9.4
Idle capacity charges	$m	(6.0)	(0.2)	n/a
Government royalties	$m	(9.9)	(8.6)	(15.1)
Marketing and selling costs [2]	$m	(10.4)	(5.9)	(76.3)
Asset sales and other income	$m	0.1	(0.2)	n/a
EBITDA	**$m**	**136.9**	**174.2**	**(21.4)**
Depreciation and amortisation	$m	(62.8)	(56.5)	(11.2)
Inventory movement - non-cash production costs	$m	26.6	18.2	46.2
Rehabilitation costs for closed sites	$m	-	(0.4)	n/a
EBIT	**$m**	**100.7**	**135.5**	**(25.7)**

[1] Calculated as cash costs of production, including by-product costs divided by Z/R/SR production.

[2] Freight revenue and expenses are included as a net number in marketing and selling costs.

HMC production increased 24% to 366 thousand tonnes compared to the previous corresponding period. The new mining units introduced at Cataby have improved run time and throughputs.

Total Z/R/SR production decreased 27% predominantly due to idling of Synthetic Rutile kiln 1 in Q4 2023, which continued through H1 2024 as planned.

Mineral sands revenue decreased 5% from the previous corresponding period to $336 million (2023: $355 million) reflecting lower synthetic rutile sales volumes, though prices were flat compared to H1 2023.

Cash costs of production were 6% higher than the previous corresponding period, primarily due to increased mining and concentrating costs on higher HMC production.

Government royalties increased 15% on higher zircon and rutile sales, somewhat mitigated by lower ilmenite feed royalty costs. Increased marketing and selling costs reflect increased freight costs due to Red Sea shipping interruptions and toll processing costs for some of the Group's material.

The inventory movement reflects an increase in HMC as well as a build of synthetic rutile compared to the previous corresponding period. Total inventory balances (WIP and finished goods) increased to $539 million at 30 June 2024 (31 December 2023: $372 million).

MARKETING

Zircon

Zircon sand sales in H1 2024 were 108kt, up 12% from the first half of 2023. Total zircon sales, including zircon in concentrate (ZIC), were 133kt.

The Chinese ceramics sector is still underperforming due to the subdued real estate market. The Chinese government announced in May a commitment of US$41 billion to fund loans for state-owned companies to purchase excess property for conversion to subsidised housing, though it will likely take some time for this policy to have a material impact on the ceramic industry. Iluka has taken deliberate steps to diversify the company's zircon sales base and this sector now accounts for less than 16% of the company's global zircon sand sales.

The fused zirconia market is stable, with favourable demand for premium zircon sand. Foundries in China have started to recover momentum with new orders, and refractories remain stable. Zirconium chemicals and derivatives have experienced a modest increase in production, while exports for the sector remain at similar levels to 2023.

European zircon demand remains stable with tile manufacturers enjoying reduced energy prices and reduced competition from Southeast Asian and Turkish ceramic industries. US industrial activity is also stable, although some customers are expressing caution amid uncertainty over the future path of inflation and interest rates.

With the general election concluded, Indian customers expect the market to recover, with additional support from the government in the infrastructure and construction sectors. Indian tile companies have reported that orders from the US have halted after the announcement of the petition to impose an anti-dumping duty – they are now aggressively looking at other export markets.

Titanium Dioxide Feedstocks

Sales of synthetic rutile in H1 2024 were 86kt and sales of rutile (including HyTi) were 24kt.

Iluka has take-or-pay long term contracts in place for ~200ktpa of synthetic rutile through to the end of 2026.

The titanium pigment industry accounts for ~90% of titanium feedstock demand. There have been several recent developments that have the potential to impact industry dynamics, with legacy, higher cost facilities closing and increased protectionism evident.

Demand for pigment remains above 2023 levels. After reporting improved seasonal demand in Q1, and with lead times for some pigment grades of 30-45 days, a number of producers pursued price increases, but production issues at multiple facilities have created further uncertainty in North America and Europe. Several major titanium pigment producers faced temporary production halts due to various issues, including Chemours' Altamira plant, INEOS' Ashtabula facility, and Tronox's Stallingborough plant. Compounding these disruptions, Venator permanently closed two sulphate pigment plants in Europe, following earlier shutdowns by Kronos and Venator, collectively reducing the region's titanium pigment capacity by approximately 325ktpa due to high costs and poor financial performance.

Chinese exports of welding-grade rutile into a subdued market have put pressure on welding-grade rutile prices in Asia, though Iluka's sales volumes are not expected to be impacted.

US$/tonne FOB	FY23	Q4 23	Q1 24	Q2 24	H1 24
Zircon premium and standard	2,066	2,045	1,873	1,907	1,892
Zircon (all products, including zircon in concentrate)	1,849	1,658	1,753	1,801	1,780
Rutile (excluding HYTI)	1,887	1,871	1,828	1,690	1,747
Synthetic rutile	1,258	1,241	1,282	1,194	1,232

CAPITAL AND MAJOR PROJECTS

Eneabba, Western Australia

Iluka is building Australia's first fully integrated refinery for the production of separated rare earth oxides at Eneabba, Western Australia.

This is taking place via a strategic partnership between Iluka and the Australian Government, including a $1.25 billion non-recourse loan to Iluka under the Critical Minerals Facility administered by Export Finance Australia.

The focus in H1 2024 has been progression of major engineering packages, conclusion of camp accommodation works and preparation for commencing the next phase of site works.

The majority of long lead engineering packages have been awarded. Activity is progressing across all work packages at various stages of awarding, tendering and review. The upgrade of the water bore and pipework infrastructure is complete and detailed earthworks will start in August.

Capital guidance for the project is $1.7-1.8 billion and discussions with government continue in relation to funding arrangements.

Balranald, New South Wales

Balranald is a rutile-rich critical minerals development located in the Riverina district of southwestern New South Wales. Owing to its relative depth, Iluka is developing Balranald via a novel, internally developed, remotely operated underground mining technology.

A final investment decision was approved in February 2023.

Engineering is approaching completion, and most of the long lead equipment has been ordered. Construction of the site access road is expected to complete in the second half of 2024 and the construction camp is operational. Site earthworks have commenced at the wet concentrator location and future accommodation village. Off-site construction of the concentrator is ~50% complete and assembly of the mining rigs are nearing completion in advance of off-site testing.

The project remains on track for commissioning in H2 2025.

Wimmera, Victoria

The Wimmera development involves the mining and beneficiation of a fine grained heavy mineral sands ore body in Western Victoria for the potential long term supply of rare earths and zircon.

A preliminary feasibility study (PFS) was completed in early 2023 and Iluka's Board approved $30 million funding for a definitive feasibility study (DFS) in February 2023. This was accompanied by the declaration of an Ore Reserve for the WIM 100 deposit in respect of the rare earths within the deposit (zircon revenue is not yet accounted for in Wimmera's Ore Reserve).

The field development programme that commenced and completed in H1 2024 included additional resource drilling, geotechnical test pits, cultural heritage test pits and further hydrogeological investigations.

Environmental approvals processes are progressing, alongside process engineering and mine design.

RECONCILIATION OF NON-IRFS FINANCIAL INFORMATION

A reconciliation of the statutory results to the segment and commentary presented in this 4D for the half-year ended 30 June 2024 is presented below:

$m	JA/MW	C/SW	RE	US/MB	Operations	Expl & Oth	Corp	Group
Mineral sands revenue	270.7	335.5	-	-	606.2	-	-	606.2
Freight revenue	12.3	11.2	-	-	23.5	-	-	23.5
Expenses	(126.8)	(209.8)	-	(9.0)	(345.6)	(4.9)	(14.2)	(364.7)
Share of profits in associate	-	-	-	-	-	-	12.1	12.1
FX	-	-	-	-	-	-	8.2	8.2
Corporate costs	-	-	-	-	-	-	(21.0)	(21.0)
Underlying EBITDA	**156.2**	**136.9**	**-**	**(9.0)**	**284.1**	**(4.9)**	**(14.9)**	**264.3**
Depn & Amort	(26.2)	(62.8)	-	(0.5)	(89.5)	(0.1)	(1.5)	(91.1)
Inventory movement - non-cash	1.3	26.6	-	-	27.9	-	-	27.9
Revaluation on investments	-	-	-	-	-	-	1.0	1.0
Underlying EBIT	**131.3**	**100.7**	**-**	**(9.5)**	**222.5**	**(5.0)**	**(15.4)**	**202.1**
Net interest costs	(0.2)	(0.6)	-	-	(0.8)	-	5.1	4.3
Rehab unwind and other finance costs	(6.0)	(8.5)	(0.3)	(1.7)	(16.5)	-	(2.9)	(19.4)
Profit Before tax	**125.1**	**91.6**	**(0.3)**	**(11.2)**	**205.2**	**(5.0)**	**(13.2)**	**187.0**
Segment result	**125.1**	**91.6**	**(0.3)**	**(11.2)**	**205.2**	**n/a**	**n/a**	**205.2**

$m	1st Half 2023	2nd Half 2023	1st Half 2024
Cash and cash equivalents (per condensed consolidated statement of financial position)	**432.1**	**364.9**	**299.6**
Non-current Interest bearing liabilities	(89.2)	(139.5)	(145.3)
Closing net cash	**342.9**	**225.3**	**154.2**

RECONCILIATION OF PRIOR YEAR CORPORATE COST ALLOCATIONS

Effective 1 January 2024, the Company updated its corporate cost allocation methodology to better reflect operational performance by further distributing corporate costs that are directly attributable to running each operation. To facilitate meaningful year-on-year comparisons, the 2023 figures presented in this *Review of Results and Operations* have been adjusted to align with the new allocation approach. This adjustment is limited to the *Review of Results and Operations* section and is intended to provide readers with a clearer understanding of underlying business performance, unaffected by changes in cost allocation practices. A reconciliation for the 2023 figures to the published results in the previous Interim Report is below.

$m	JA/MW	C/SW	RE	US/MB	Operations	Expl & other	Corp	Group
Previously published underlying EBITDA	**236.6**	**185.9**	**-**	**(4.5)**	**418.0**	**(29.5)**	**(20.4)**	**368.1**
Reallocated corporate costs based on updated drivers:								
Cash costs of production	(8.9)	(10.2)	(2.1)	-	(21.2)			(21.2)
Marketing and selling costs	(2.3)	(1.5)	-	-	(3.8)	-	3.9	0.1
Corporate and other costs					-	-	18.1	18.1
Major projects, exploration, and innovation	-	-	-	-	-	-	4.4	4.4
Idle capacity charges	-	-	-	(1.4)	(1.4)			(1.4)
Total reallocated costs	(11.2)	(11.7)	(2.1)	(1.4)	**(26.4)**	-	26.4	-
Underlying EBITDA	**225.4**	**174.2**	**(2.1)**	**(5.9)**	**391.6**	**(29.5)**	**6.0**	**368.1**

DIRECTORS' REPORT

The Directors of Iluka Resources Limited present their report together with the financial statements of the Group for the half-year ended 30 June 2024 and the auditor's review report thereon.

BOARD OF DIRECTORS

R Cole
T O'Leary (Managing Director and CEO)
M Bastos
S Corlett
L Saint
A Sutton
P Smith (appointed 28 June 2024)

PRINCIPAL ACTIVITIES

The principal activities and operations of the Group during the half year were the exploration, project development, mining operations, processing and marketing of mineral sands and rare earths, and rehabilitation. Iluka holds a 20% stake in Deterra Royalties Limited (Deterra), the largest ASX-listed resources focused royalty company.

REVIEW OF RESULTS AND OPERATIONS

The Review of Results and Operations is set out on pages 3 to 13, and forms part of the Directors' Report.

DIVIDENDS

The Board of Directors have determined a fully franked interim dividend of 4 cents per share, payable on 27 September 2024 with a record date of 4 September 2024.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 15.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in ASIC Corporations Instrument 2016/191 (Rounding in Financial/Directors' Reports). Amounts in the financial statements and Directors' Report have been rounded off in accordance with that Rounding Instrument to the nearest million dollars to one decimal place, or in certain cases, to the nearest dollar. All amounts are in Australian dollars, unless otherwise stated.

This report is made in accordance with a resolution of the Directors.

R Cole	T O'Leary
Chairman	Managing Director and CEO

Perth, 21 August 2024

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Iluka Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Iluka Resources Limited for the half-year ended 30 June 2024 there have been:

i. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

ii. No contraventions of any applicable code of professional conduct in relation to the review.

KPMG

Jane Bailey

KPMG

Jane Bailey
Partner
Perth
21 August 2024

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE HALF-YEAR ENDED 30 JUNE 2024

	Notes	**Half Year 2024 $m**	Half Year 2023 $m
Revenue	3	**629.7**	745.4
Other gains	4	**15.8**	14.9
Expenses	5	**(448.5)**	(464.0)
Equity accounted share of profit - Deterra Resources		**12.1**	14.6
Interest and finance charges		**(5.7)**	(3.8)
Rehabilitation and mine closure provision discount unwind		**(16.4)**	(15.7)
Total finance costs	5	**(22.1)**	(19.5)
Profit before income tax		**187.0**	291.4
Income tax expense	6	**(53.3)**	(87.6)
Profit after income tax for the half-year		**133.7**	203.8

	Cents	Cents
Earnings per share attributable to the ordinary equity holders of the parent		
Basic earnings per share	**31.3**	48.3
Diluted earnings per share	**31.0**	47.8

The above condensed consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 30 JUNE 2024

	Half Year 2024 $m	Half Year 2023 $m
Profit for the half year	**133.7**	203.8
OTHER COMPREHENSIVE INCOME		
Items that may be reclassified subsequently to profit or loss		
Currency translation of foreign entities	**0.4**	(0.5)
Movements in foreign exchange cash flow hedges, net of tax	**(0.6)**	(1.5)
Total other comprehensive profit/(loss) for the year, net of tax	**(0.2)**	(2.0)
Total comprehensive income for the half-year:	**133.5**	201.8

The above condensed consolidated statement of comprehensive income should be read with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Notes	30 June 2024 $m	31 December 2023 $m
ASSETS			
Current assets			
Cash and cash equivalents		**299.6**	364.9
Receivables		**271.5**	283.1
Inventories		**751.4**	662.7
Derivative financial instruments	10	**0.2**	2.6
Total current assets		**1,322.7**	1,313.3
Non-current assets			
Property, plant and equipment	7	**1,436.7**	1,333.7
Right-of-use assets		**17.9**	18.4
Inventories		**146.1**	142.0
Investments accounted for using the equity method - Deterra		**442.7**	446.3
Financial assets at fair value through profit or loss - Northern Minerals		**16.0**	15.0
Derivative financial instruments	10	**1.6**	-
Deferred tax assets		**68.0**	62.1
Total non-current assets		**2,129.0**	2,017.5
Total assets		**3,451.7**	3,330.8
LIABILITIES			
Current liabilities			
Payables		**184.7**	177.0
Current tax payable		**20.5**	39.6
Provisions		**57.1**	62.7
Lease liabilities		**7.8**	8.4
Total current liabilities		**270.1**	287.7
Non-current liabilities			
Interest bearing liabilities	9	**145.3**	139.5
Provisions		**736.8**	729.3
Lease liabilities		**15.2**	15.8
Total non-current liabilities		**897.3**	884.6
Total liabilities		**1,167.4**	1,172.3
Net assets		**2,284.3**	2,158.5
EQUITY			
Contributed equity	11	**1,156.1**	1,143.2
Reserves		**17.7**	21.4
Retained earnings		**1,110.5**	993.9
Total equity		**2,284.3**	2,158.5

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 30 JUNE 2024

	Attributable to owners of Iluka Resources Limited			
	Share capital $m	Other reserves $m	Retained earnings $m	Total $m
Balance at 1 January 2023	1,129.6	16.6	748.6	1,894.8
Profit for the period	-	-	203.8	203.8
Other comprehensive loss	-	(2.0)	-	(2.0)
Total comprehensive income	-	(2.0)	203.8	201.8
Transactions with owners in their capacity as owners:				
Shares issued	10.6	-	-	10.6
Issue of treasury shares, net of tax	(7.6)	-	-	(7.6)
Transfer of shares to employees, net of tax	10.7	(10.7)	-	-
Share-based payments, net of tax	-	3.6	-	3.6
Dividends paid	0.6	-	(85.0)	(84.4)
	14.3	(7.1)	(85.0)	(77.8)
Balance at 30 June 2023	**1,143.9**	**7.5**	**867.4**	**2,018.8**

	Attributable to owners of Iluka Resources Limited			
	Share capital $m	Other reserves $m	Retained earnings $m	Total $m
Balance at 1 January 2024	1,143.2	21.4	993.9	2,158.5
Profit for the period	-	-	133.7	133.7
Other comprehensive loss	-	(0.2)	-	(0.2)
Total comprehensive income	-	(0.2)	133.7	133.5
Transactions with owners in their capacity as owners:				
Shares issued	13.7	-	-	13.7
Issue of treasury shares, net of tax	(9.7)	-	-	(9.7)
Transfer of shares to employees, net of tax	8.5	(8.5)	-	-
Share-based payments, net of tax	-	5.0	-	5.0
Dividends paid	0.4	-	(17.1)	(16.7)
	12.9	(3.5)	(17.1)	(7.7)
Balance at 30 June 2024	**1,156.1**	**17.7**	**1,110.5**	**2,284.3**

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 30 JUNE2024

	Half Year 2024 $m	Half Year 2023 $m
Cash flows from operating activities		
Receipts from customers	**660.8**	698.7
Payments to suppliers and employees	**(471.6)**	(471.1)
Operating cash flow	**189.2**	227.6
Interest received	**7.9**	9.9
Interest paid	**(0.9)**	(0.9)
Income taxes paid	**(76.2)**	(183.2)
Exploration expenditure	**(7.2)**	(9.8)
Net cash inflow from operating activities	**112.8**	43.6
Cash flows from investing activities		
Payments for property, plant and equipment	**(172.5)**	(108.0)
Sale of property, plant and equipment	**0.2**	0.6
Dividends received - Deterra Royalties	**15.7**	12.7
Net cash outflow from investing activities	**(156.6)**	(94.7)
Cash flows from financing activities		
Proceeds from borrowings	**-**	50.0
Dividends paid	**(16.7)**	(84.4)
Debt refinance costs	**(2.4)**	-
Principal element of lease payments	**(3.4)**	(4.3)
Net cash outflow from financing activities	**(22.5)**	(38.7)
Net increase (decrease) in cash and cash equivalents	**(66.3)**	(89.8)
Cash and cash equivalents at 1 January	**364.9**	516.2
Effects of exchange rate changes on cash and cash equivalents	**1.0**	5.7
Cash and cash equivalents at end of half-year	**299.6**	432.1

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes

1. BASIS OF PREPARATION

This condensed consolidated interim financial report for the half-year reporting period ended 30 June 2024 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 31 December 2023 and any public announcements made by Iluka Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and ASX Listing Rules.

a) Accounting policies

The accounting policies adopted and applied by the Group are consistent with those of the previous financial year and corresponding interim reporting period.

Where applicable, certain comparatives have been adjusted to conform with current year presentation.

(i) Financial instruments

In addition to the hedging related financial instruments outlined in note 10, the Group also holds an investment in Northern Minerals Limited. The investment is classified as at fair value through profit or loss. Its fair value is determined based on the closing share price of Northern Minerals on each reporting date (a level 1 input). At 30 June 2024, the investment had a fair value of $16.0 million (31 December 2023: $15.0 million).

b) Critical accounting estimates and judgements

Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and future periods affected.

(i) Rehabilitation and mine closure provisions

These provisions represent the discounted value of the present obligation to restore, dismantle and rehabilitate certain items of property, plant and equipment. The discounted value reflects a combination of management's assessment of the nature and extent of the work required, the future cost of performing the work required, the timing of the cash flows, and the discount rate. Changes to one or more of these assumptions is likely to result in a change to the provision and the related asset (for open sites), or a charge to profit or loss (for closed sites) in accordance with the Group's accounting policy.

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2. SEGMENT INFORMATION

a) Description of segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision-makers) in assessing performance and in determining the allocation of resources. The operating segments of the Group are:

Jacinth-Ambrosia/Mid West (JA/MW) comprises the mining operations at Jacinth-Ambrosia located in South Australia, and associated processing operations at the Narngulu mineral separation plant in mid-west Western Australia.

Cataby/South West (C/SW) comprises mining activities at Cataby and processing of ilmenite at Synthetic Rutile Kilns 1 and 2, located in Western Australia.

Rare Earths (RE) comprises the Eneabba Rare Earths Refinery currently being constructed in Western Australia and associated feasibility studies alongside Phase 1 and 2 of the Eneabba development, and the Group's investment in Northern Minerals Limited.

United States/Murray Basin (US/MB) comprises rehabilitation obligations in the United States (Florida and Virginia) where mining and processing activities were substantially completed in December 2015; the rutile-rich deposit at West Balranald (New South Wales), and certain idle assets located in Australia (Murray Basin).

Cash, debt and tax balances are managed at a group level, together with exploration and other corporate activities, and are not allocated to segments.

Where finished product capable of sale to a third party is transferred between operating segments, the transfers are made at arm's length prices. Any transfers of intermediate products between operating segments are made at cost. During the half-year ended 30 June 2024, $5.4 million of intermediate material was transferred from US/MB to C/SW, and $11.5 million was transferred from RE to C/SW. (2023: $5.3 million of intermediate material was transferred from RE to the C/SW segment).

b) Segment results

Half-year 2024	JA/MW $m	C/SW $m	RE $m	US/MB $m	Total $m
Total segment sales of critical minerals	270.7	335.5	-	-	606.2
Total segment freight revenue	12.3	11.2	-	-	23.5
Depreciation and amortisation expense	(26.2)	(62.8)	-	(0.5)	(89.5)
Total segment result	125.1	91.6	(0.3)	(11.2)	205.2
Segment assets - at 30 June 2024	723.9	1,280.4	258.3	327.4	2,590.0
Segment liabilities - at 30 June 2024	320.2	434.8	229.4	106.6	1,091.0
Segment capital expenditure	8.3	34.2	57.0	85.5	185.0

Half-year 2023	JA/MW $m	C/SW $m	RE $m	US/MB $m	Total $m
Total segment sales of critical minerals	357.5	354.8	-	-	712.3
Total segment freight revenue	19.4	13.7	-	-	33.1
Depreciation and amortisation expense	(26.0)	(56.5)	-	(0.4)	(82.9)
Changes in rehabilitation recognised in profit or loss	(0.2)	(0.4)	-	(0.1)	(0.7)
Total segment result	207.5	139.4	-	(7.4)	339.5
Segment assets - at 31 December 2023	734.9	1,236.3	212.0	243.0	2,426.2
Segment liabilities - at 31 December 2023	323.3	432.8	221.7	107.9	1,085.7
Segment capital expenditure	9.3	28.7	71.6	19.9	129.5

2. SEGMENT INFORMATION (CONTINUED)

b) Segment results (continued)

	Half Year 2024 $m	Half Year 2023 $m
Total segment result	**205.2**	339.5
Interest income	**7.0**	9.7
Marketing and selling	**(0.8)**	(7.0)
Corporate and other costs	**(21.0)**	(38.6)
Revaluation gain/(loss) on investment in Northern Minerals	**1.0**	(3.5)
Projects, innovation and exploration	**(18.3)**	(24.4)
Depreciation	**(1.6)**	(1.4)
Interest and finance charges	**(4.8)**	(2.6)
Net foreign exchange gain	**8.2**	5.1
Share of profits in associate	**12.1**	14.6
Profit before income tax from continuing operations	**187.0**	291.4

3. REVENUE

	Half Year 2024 $m	Half Year 2023 $m
Sale of goods	**606.2**	712.3
Freight revenue	**23.5**	33.1
	629.7	745.4

4. OTHER GAINS

	Half Year 2024 $m	Half Year 2023 $m
Interest income	**7.0**	9.7
Net foreign exchange gain	**8.2**	5.1
Net gain on sale of fixed assets	**0.6**	0.1
	15.8	14.9

5. EXPENSES

		Half Year 2024 $m	Half Year 2023 $m
Expenses			
Cash costs of production		**321.2**	306.1
Depreciation/amortisation		**79.3**	81.3
Inventory movement - cash costs of production	(a)	**(64.4)**	(57.0)
Inventory movement - non-cash production costs	(a)	**(27.9)**	(21.7)
Cost of goods sold		**308.2**	308.7
By-product costs		**9.3**	7.3
Depreciation (idle, corporate and other)		**11.8**	3.1
Idle capacity charges		**19.0**	5.8
Rehabilitation costs for closed sites		**-**	0.7
Government royalties		**18.6**	26.1
Marketing and selling costs		**41.1**	45.8
Corporate and other costs		**21.0**	38.6
Projects, exploration and innovation		**20.5**	24.4
Revaluation on investments - Northern Minerals		**(1.0)**	3.5
		448.5	464.0
Finance Costs			
Interest charges		**0.6**	0.5
Bank fees and similar charges		**2.1**	2.5
Amortisation of deferred borrowing costs		**2.7**	0.4
Lease borrowing costs		**0.3**	0.4
Rehabiliation and mine closure provision discount unwind		**16.4**	15.7
		22.1	19.5

a) Inventory movement

Inventory movement comprises the difference between inventory on hand at the end and beginning of the reporting period. A credit to inventory movement in the profit or loss in the period represents an increase in total inventory and a debit represents a net drawdown.

6. INCOME TAX

	Half Year 2024 $m	Half Year 2023 $m
Current tax	**61.5**	91.6
Deferred tax	**(7.4)**	(5.3)
(Over)/under provided in previous years	**(0.8)**	1.3
	53.3	87.6

Income tax expense for the half-year interim reporting period has been recognised based on the Group's estimate of the effective income tax rate expected to apply to the full year. The estimated effective income tax rate used for the Group in the interim reporting period is 28.5% (2023: 30.2%).

7. PROPERTY, PLANT AND EQUIPMENT

The Group recognised $190 million of additions to property, plant and equipment during the half-year 30 June 2024 (2023: $131.1 million additions), of which $75.6 million related to Balranald (2023: $15.2 million), $57.0 million (including capitalised interest and accruals) related to the Eneabba Rare Earths Refinery (2023: $71.6 million), and the remainder related to other Group growth initiatives and studies, and sustaining capital spend on Australian Operations.

8. CAPITAL COMMITMENTS

Capital commitments at 30 June 2024 total $278.6 million and relates to the purchase of property, plant and equipment, of which $137.5 million is related to the Eneabba Rare Earths Refinery project. Of the total amount, $244.3 million is expected to be paid within one year and the remainder in more than one year but less than five years from the reporting date (30 June 2023: $170.5 million total capital commitments, of which $120.9 million was payable within one year and the remainder in more than one year but less than five years).

9. INTEREST BEARING LIABILITIES

		30 June 2024 $m	31 December 2023 $m
Non-current interest bearing liabilities			
Multi Optional Facility Agreement	(a)	**-**	-
Export Finance Australia (EFA) facility	(b)	**151.3**	145.9
Deferred borrowing costs		**(6.0)**	(6.4)
Total interest-bearing liabilities		**145.3**	139.5

The Group has access to the following facilities at the reporting date:

a) Multi Optional Facility Agreement (MOFA)

The Multi Optional Facility Agreement comprises a series of unsecured committed five year bilateral revolving credit facilities with several institutions. The agreement was renegotiated during the reporting period to a total of $800 million, expiring in 2029 (31 December 2023: $570.0 million expiring in 2027). No debt was drawn against this facility at 30 June 2024 (31 December 2023: no debt drawn).

b) Export Finance Australia (EFA) facility

With the risk sharing agreement between the Group and the Australian Government the Group has access to a loan facility to fund the construction and commissioning of the Eneabba Rare Earths Refinery. Total available funds under the facility amount to $1,250 million, is non-recourse to Iluka and has a variable interest rate equal to the BBSY + 3% with a term of up to 16 years expiring in 2038. At 30 June 2024, $151.3 million was drawn against the facility, leaving $1,098.7 million undrawn (31 December 2023: $145.9 million was drawn against the facility, $1,104.1 million undrawn).

10. HEDGING

Group is exposed to risk from movements in foreign exchange in relation to its forecast US dollar denominated sales and as part of the risk management strategy has entered into foreign exchange collar contracts.

a) Fair value of derivatives

Apart from the investment in Northern Minerals Limited referred to in note 1(a)(i), derivative financial instruments are the only assets and liabilities measured and recognised at fair value at 30 June 2024 and 31 December 2023, comprising the hedging instruments in (b) below. The fair value of hedging instruments is determined using valuation techniques with inputs that are observable market data (a level 2 measurement). The valuation of the options making up the collars is determined using forward foreign exchange rates, volatilities and interest rates at the balance date. The only unobservable input used in the calculations is the credit default rate, movements in which would not have a material effect on the valuation.

b) Hedge accounting

Cash flow hedges

The foreign exchange collars Iluka holds are classified as cash flow hedges. Hedges are classified as cash flow hedges when they hedge a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions.

Foreign exchange collar contracts in relation to expected USD revenue, predominantly from contracted sales to 31 December 2026, remain open at the reporting date. The foreign exchange collar hedges cover US$485.2 million of expected USD revenue to 31 December 2026 and comprise US$485.2 million worth of purchased AUD call options with a weighted average strike price of 68.8 cents and US$485.2 million of AUD put options at a strike price of 63.4 cents.

US$441.3 million in foreign exchange collar contracts were entered into during the half-year, consisting of US$441.3 million of bought AUD call options with weighted average strike prices of 68.5 cents, and US$441.3 million of sold AUD put options with weighted average strike prices of 63.2 cents. US$114.0 million in foreign exchange collar contracts matured during the half-year, consisting of US$114.0 million of bought AUD call options with weighted average strike prices of 69.2 cents and US$114.0 million of sold AUD put options with weighted average strike prices of 63.0 cents.

11. CONTRIBUTED EQUITY

a) Movements in ordinary share capital

On 23 February 2024, the Group issued 1,850,000 ordinary shares to the Iluka Employee Share Trust trustee at a price of $7.40 per share. The issued shares became treasury shares held by the trust on the same date and are included with treasury shares in (b), below.

On 28 March 2024, the Group issued 51,728 ordinary shares to shareholders at a price of $7.03 per share as part of the Dividend Reinvestment Plan, the terms of which are detailed in the ASX announcement dated 27 February 2018. As at 30 June 2024, 427,934,030 ordinary shares are on issue.

b) Movements in treasury shares

During the period 1,600,342 treasury shares were transferred to employees (2023: 1,387,657) and 1,850,000 treasury shares were acquired as outlined in (a), above (2023: 1,000,000 treasury shares were acquired). The total number of treasury shares on hand at 30 June 2024 is 349,301.

12. DIVIDENDS

	Half Year 2024 $m	Half Year 2023 $m
Final dividend		
for 2023 of 4 cents per share, fully franked	**17.1**	-
for 2022 of 20 cents per share, fully franked	**-**	85.0
Total Dividends	**17.1**	85.0

Of the total $17.1 million final dividend declared for 2023, $0.4 million was taken up by shareholders as part of the Dividend Reinvestment Plan as detailed in the announcement to the ASX dated 28 March 2024.

The Directors have determined that an interim dividend of 4 cents per share will be declared for the half-year ended 30 June 2024.

FRANKING CREDITS

The balance of franking credits available as at 30 June 2024 is $761.2 million (30 June 2023: $611.2 million). This balance is based on a tax rate of 30% (2023: 30%).

DIRECTORS' DECLARATION

In the directors' opinion:

(a) the interim financial statements and notes set out on pages 16 to 27 are in accordance with the Corporations Act 2001, including:

(i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

(ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the half-year ended on that date, and

(b) there are reasonable grounds to believe that Iluka Resources Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

R Cole
Chairman

T O'Leary
Managing Director

Independent Auditor's Review Report

To the shareholders of Iluka Resources Limited

Conclusion

We have reviewed the accompanying ***Interim Report*** of Iluka Resources Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Report of Iluka Resources Limited does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the ***Group's*** financial position as at 30 June 2024 and of its performance for the half-year ended on that date; and
- Complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001.*

The ***Interim Report*** comprises:

- Condensed consolidated statement of financial position as at 30 June 2024;
- Condensed consolidated statement of profit or loss, Condensed consolidated statement of comprehensive income, Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the half-year ended on that date;
- Notes 1 to 12 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

The ***Group*** comprises Iluka Resources Limited (the Company) and the entities it controlled at the half year's end or from time to time during the half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of the Directors for the Interim Report

The Directors of the Company are responsible for:

- The preparation of the Interim Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- Such internal control as the Directors determine is necessary to enable the preparation of the Interim Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the Interim Report

Our responsibility is to express a conclusion on the Interim Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance for the half-year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Jane Bailey

KPMG

Jane Bailey
Partner
Perth
21 August 2024