
Application for Retention Licence RL006905 (WIM50)

Application for Retention Licence RL006905 is situated approximately 45km south-west of the town of Horsham, 5km south-west of the township of Toolondo and 3km north-east of the locality of Kanagulk in south-west Victoria.

The application covers an area of 4,665.7ha and was lodged on 18 January 2019 and accepted by the Department of Jobs, Precincts and Regions (DJPR) on 3 May 2021. Basin Minerals Holdings Pty Ltd has requested an initial term of 7 years.

Subject to other requirements being satisfied, a retention licence, if granted, entitles the holder of the licence to retain rights to a mineral resource, and explore and carry out other work to establish the economic viability of mining, but does not entitle the holder to undertake mining.

Proposed program of work:

The application for RL006905 has been lodged to establish economic viability of the WIM 50 Heavy Mineral Sands resource defined within the tenement boundaries. The project is moving toward a pre-feasibility (PFS) phase, subject to the outcomes of the defined 7 year work program.

Iluka is also undertaking technical studies that will inform the commercial viability of the project. This involves pursuing technical advancements in current processing techniques.

Staged work over the term of RL006905 is designed to include a range of activities, such as (but not limited to):

- Designing and enacting a community engagement plan (already initiated);
- Geological drilling, assessment, modelling and resource definition;
- Geotechnical investigations;
- License to Operate activities including preliminary environmental studies such as biodiversity and habitat, water catchment and hydrology, visual and environmental amenity, social impact and cultural heritage, and development and submission of an EES referral ;
- Feasibility studies, including mining and process optimisation and engineering design; and
- Economic Viability Assessment.

Appropriate approvals for field work will be sought from Earth Resources Regulation prior to field work commencing and will include detailed rehabilitation plans, monitoring and auditing.

Exploration may be accelerated or moderated dependent upon success, staff availability and funding.

As part of Iluka's planning processes, affected landowners will be consulted at all stages of the planning and execution phase, to ensure that the landowners' specific requirements are met and to ensure that any feedback is incorporated into the planning process.

The results of the PFS will determine if a Definitive Feasibility Study (DFS) to support future mining of the WIM50 resource will be undertaken. Any additional programs would only be completed after consultation with the landowners.

Local community consultation:

Iluka recognises that it's environmental and community footprint impacts the company's license to operate. Iluka is committed to operating in a sustainable manner and conducts its business in a way that minimises negative impacts, while at the same time delivering economic and social benefits for communities.

Iluka strives to develop and maintain robust relationships with its community stakeholders. From the outset of its activities, Iluka works to establish an open dialogue with all stakeholders, including landowners, occupiers, neighbours, community leaders, regulatory agencies, traditional and indigenous communities, and local businesses. The company consults with stakeholders regarding a variety of relevant issues including land access and impact, infrastructure, stock control, weed control, water, special local land issues, vehicle movements, sensitive flora and fauna and heritage sites.

Iluka recognises that engagement and consultation with stakeholders is integral to exploration activities and the company's exploration teams take pride in addressing the queries and concerns of those impacted.

Prior to any on ground activity Iluka will undertake a number of desktop assessments to identify affected stakeholders and to assess any potential impacts that any proposed exploration programs may have. Once affected stakeholders are identified an extensive engagement program will commence, which will include the negotiation of land access and compensation agreements.

Environment Strategy:

Iluka explores in many types of locations, each with unique environmental challenges which require varying environmental management approaches. Thorough planning ensures minimal disturbance to the surrounding environment and enables leading practice rehabilitation following exploration activities.

Factors taken into account in the design and execution of Iluka's exploration and drilling programs include the use of existing roads and tracks, current land use, weather patterns, ground and surface water systems, wildlife, vegetation, historical or heritage sites, and landholder input.

Exploration drilling will require the approval of a low impact exploration plan or work plan by Earth Resources Regulation, including detailed rehabilitation plans and reporting.

Areas impacted upon by drilling are kept to a minimum, and holes are immediately backfilled and plugged following completion. Drill sites are raked clean and any remaining cuttings are buried or dispersed. All litter and materials are removed, and drilling sites are relatively indistinguishable once the program is complete. Ground water intersected during drilling is recorded and surplus water controlled. Environmental management and rehabilitation activities conducted by the exploration teams are tailored depending on the natural environment.

Further details of Iluka's management of community and environment impacts can be found by following the link <https://www.iluka.com/sustainability> .

For further details please contact Marcus Little, Principal Environmental Advisor - Wimmera on (03) 55512360 or email marcus.little@iluka.com.



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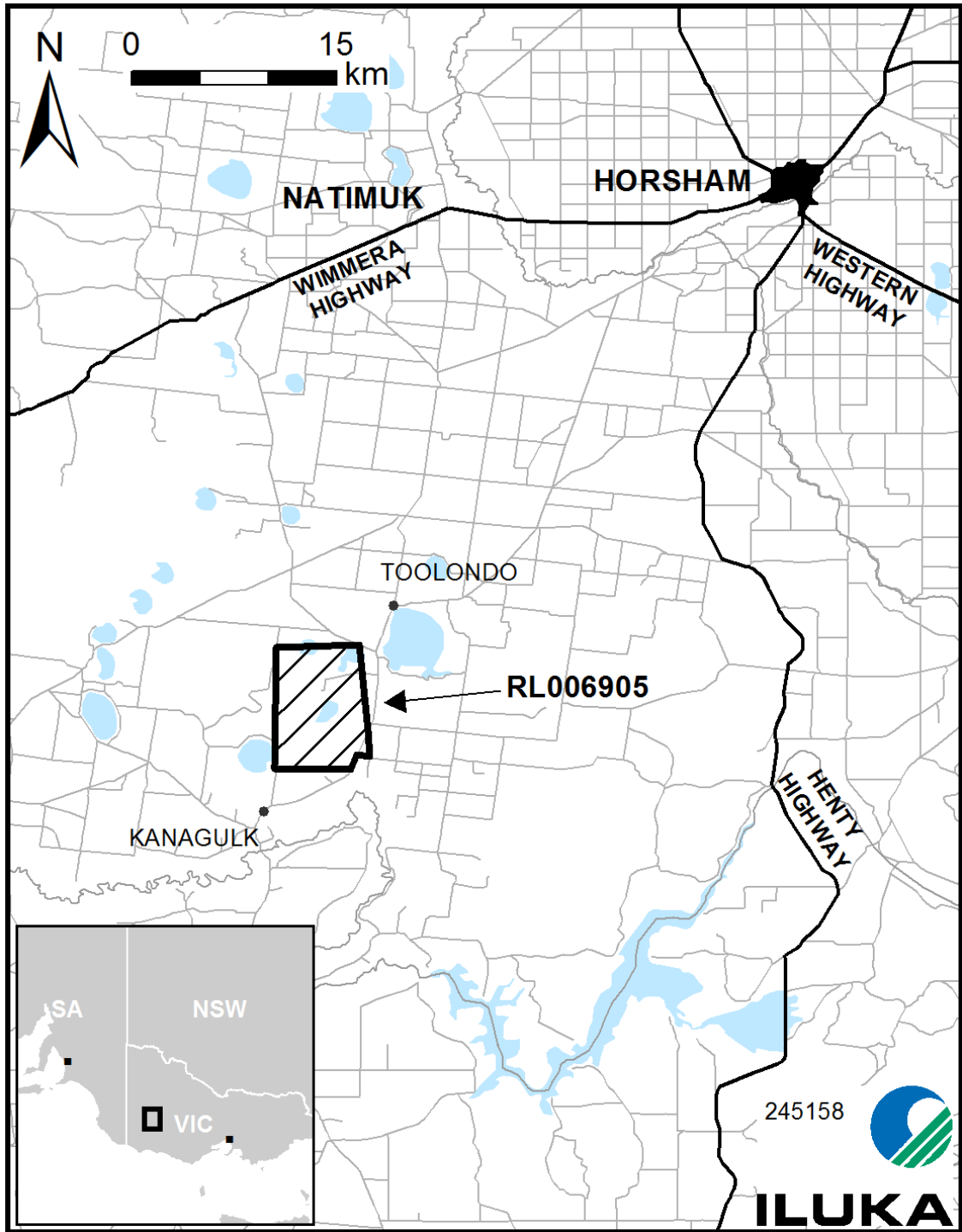


Figure 1: RL006905 Location within Victoria



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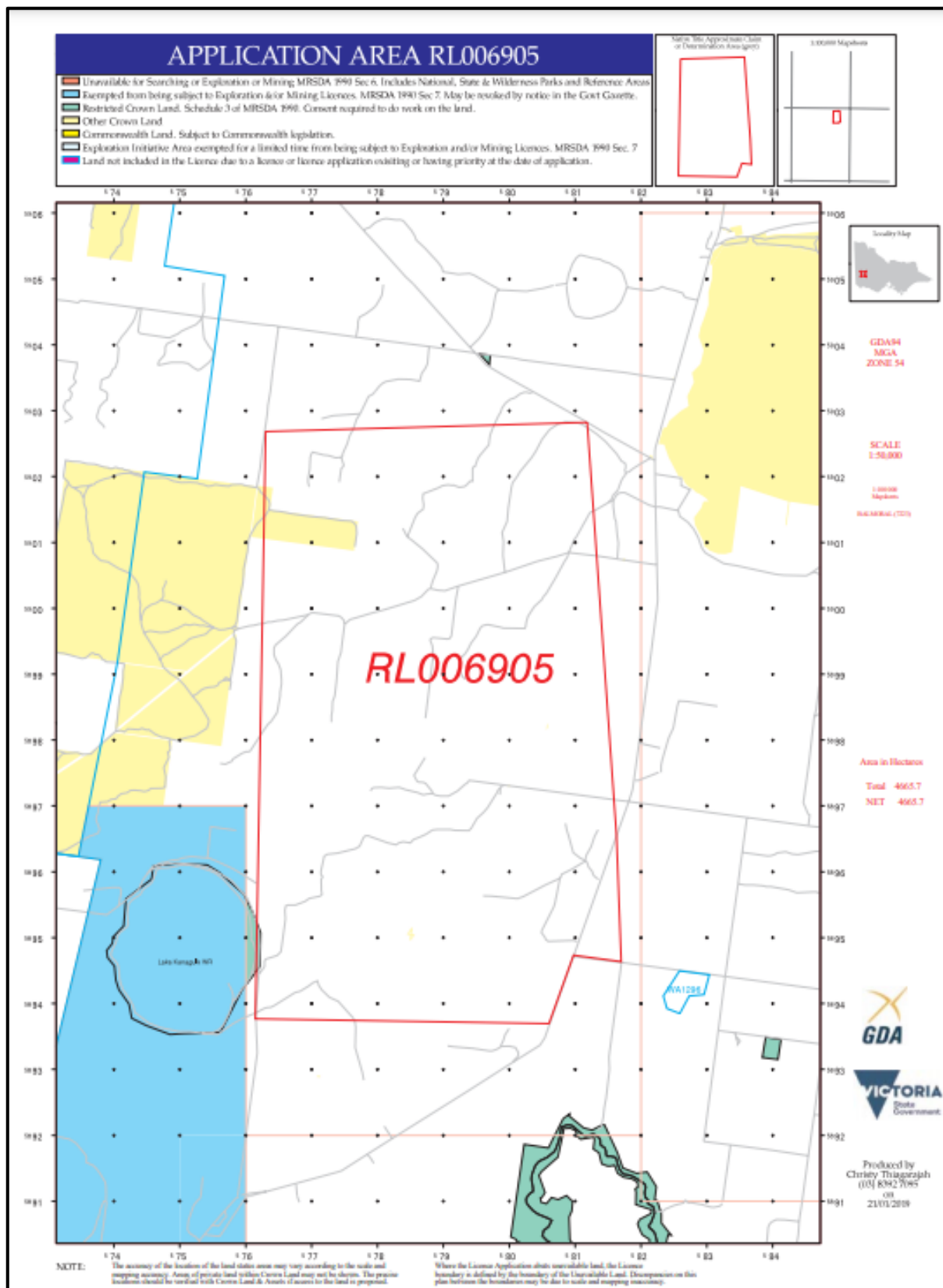


Figure 2: RL006905 DJPR Area Map

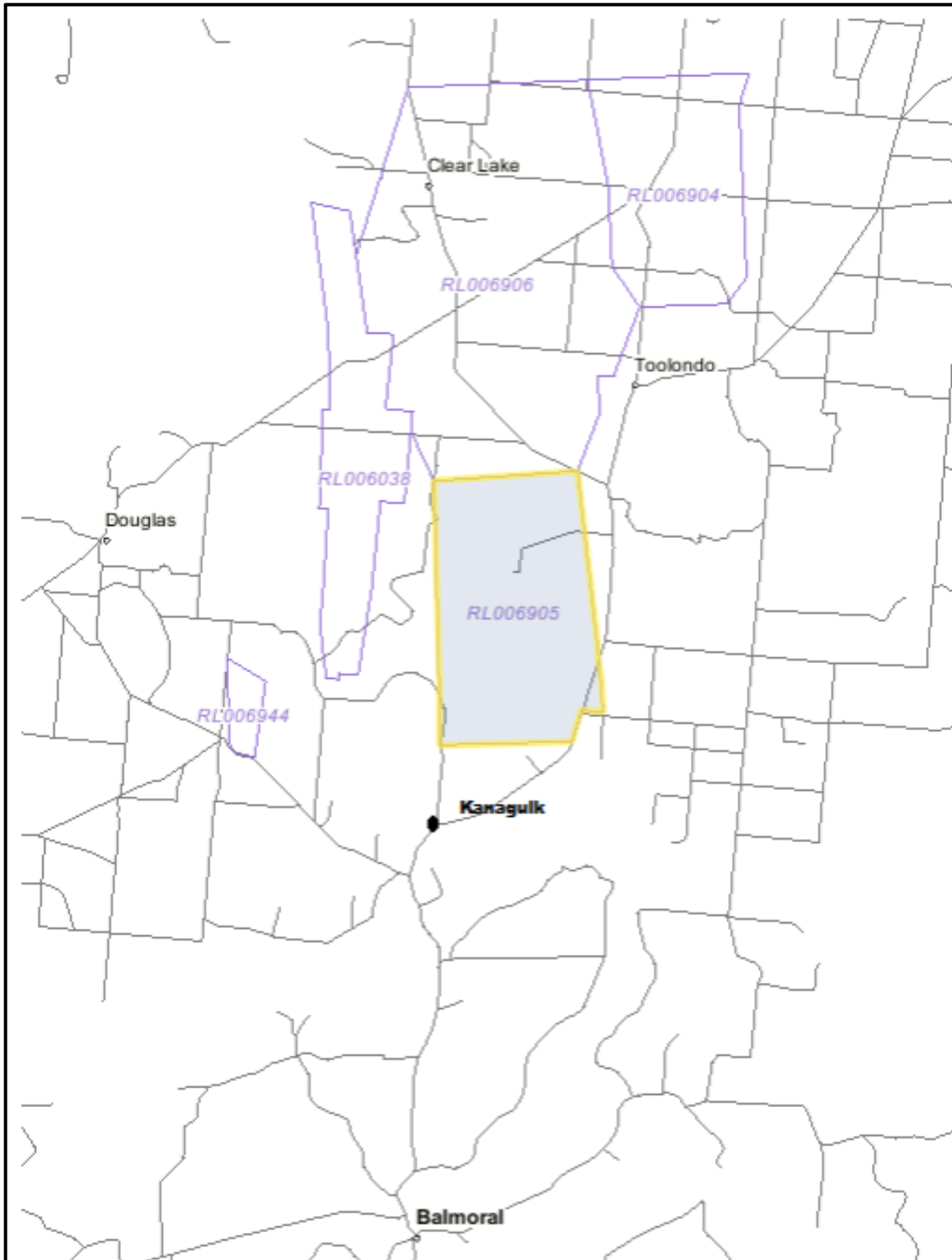


Figure 3: RL006905 GeoVic location