

Iluka Resources Limited



2015 Annual General Meeting

Perth, Western Australia
20 May 2015



Greg Martin
Chairman

2015 Annual General Meeting



Evacuation Points



**PLEASE TURN OFF
YOUR MOBILE PHONE**

2015 Annual General Meeting



Iluka Board of Directors



Greg Martin
Chairman

David Robb
Managing Director

Gavin Rezos

Jenny Seabrook

Wayne Osborn

**James (Hutch)
Ranck**

**Marcelo
Bastos**



Marcelo Bastos



James (Hutch) Ranck



Wayne Osborn



Jenny Seabrook



Gavin Rezos



David Robb

Managing Director and Chief Executive Officer



Cameron Wilson

2015 Annual General Meeting



Chairman's Address



2014 Financial Results

- Net loss of \$62.5 million
 - Non-cash impairment of A\$86.5 million (after tax) related to US operations
- Free cash flow generation of \$196 million
- Net debt at 31 December 2014 of A\$59 million
- Gearing of 3.9% at 31 December 2014
- Significant funding capacity of ~\$925 million
- Solid margins maintained (Group EBITDA margin 32.5%)
- Total 2014 dividends of 19 cents per share, fully franked



- Jacinth-Ambrosia received the South Australian Premier's Award for
 - Environmental Excellence in 2014
 - Excellence in Supporting Communities in 2015

Areas of Director Focus



Board Committees

People and Performance Committee Members

- Wayne Osborn (Chair)
- Greg Martin
- Gavin Rezos
- Jenny Seabrook

Nominations Committee Members

- Greg Martin (Chair)
- Jenny Seabrook
- Gavin Rezos
- James (Hutch) Ranck
- Wayne Osborn
- Marcelo Bastos

Audit and Risk Committee Members

- Jenny Seabrook (Chair)
- Greg Martin
- James (Hutch) Ranck
- Marcelo Bastos

Chairman's Address



Managing Director's Address



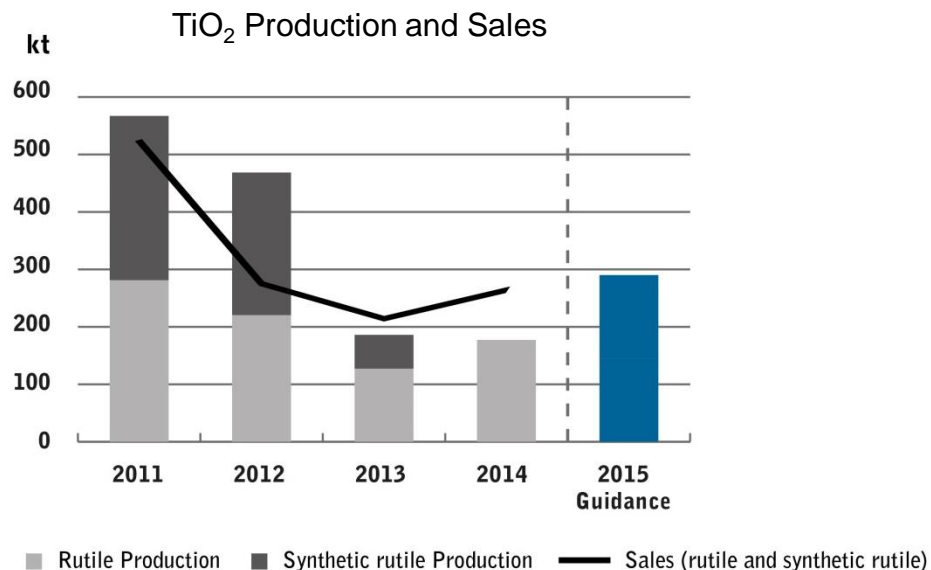
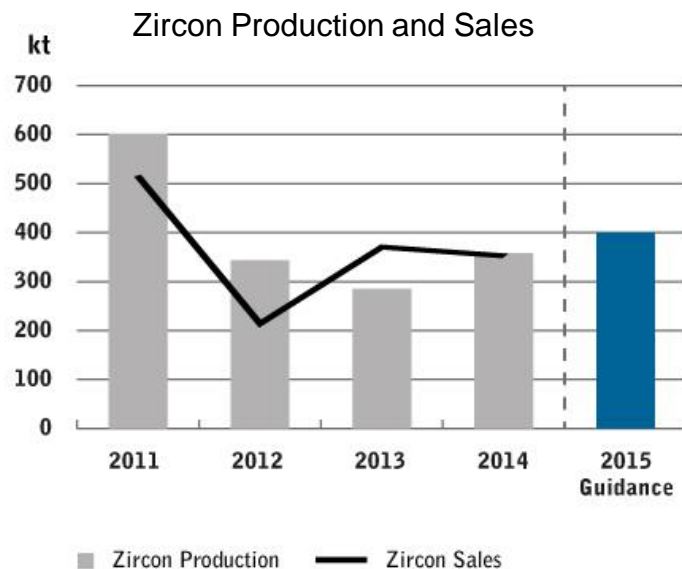
Objective: Create and deliver value for shareholders



Three key aspects:

- flex asset operation in line with market demand
- preserve and advance growth opportunities
- act counter cyclically where appropriate

Willingness to Flex Production



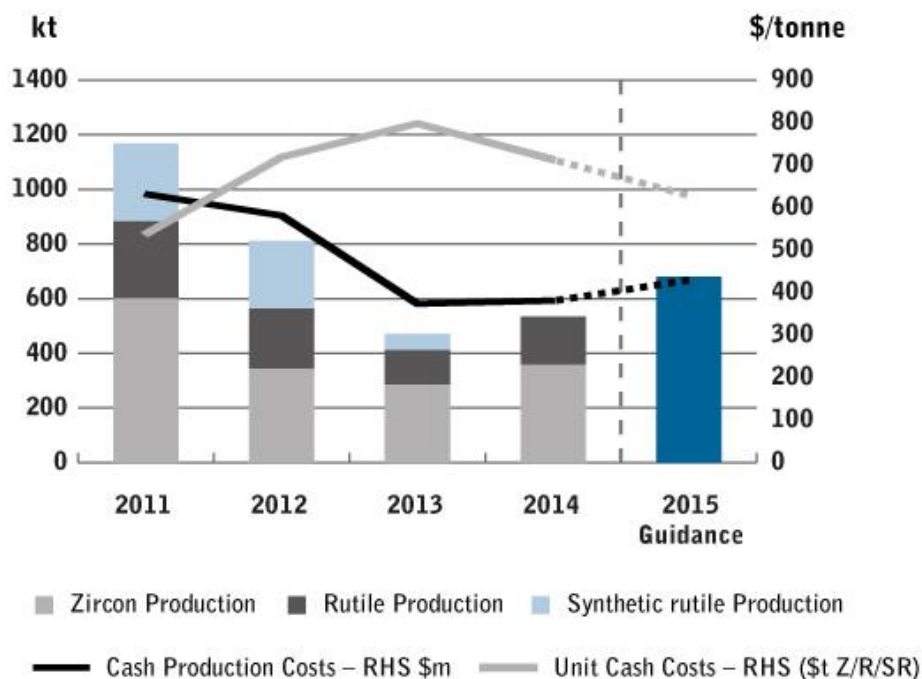
- Total Z/R/SR production lower than 'high cycle' levels
- Total sales Z/R/SR increased 5% in 2014
- Higher Z/R/SR production expected in 2015

Managing Director's Address



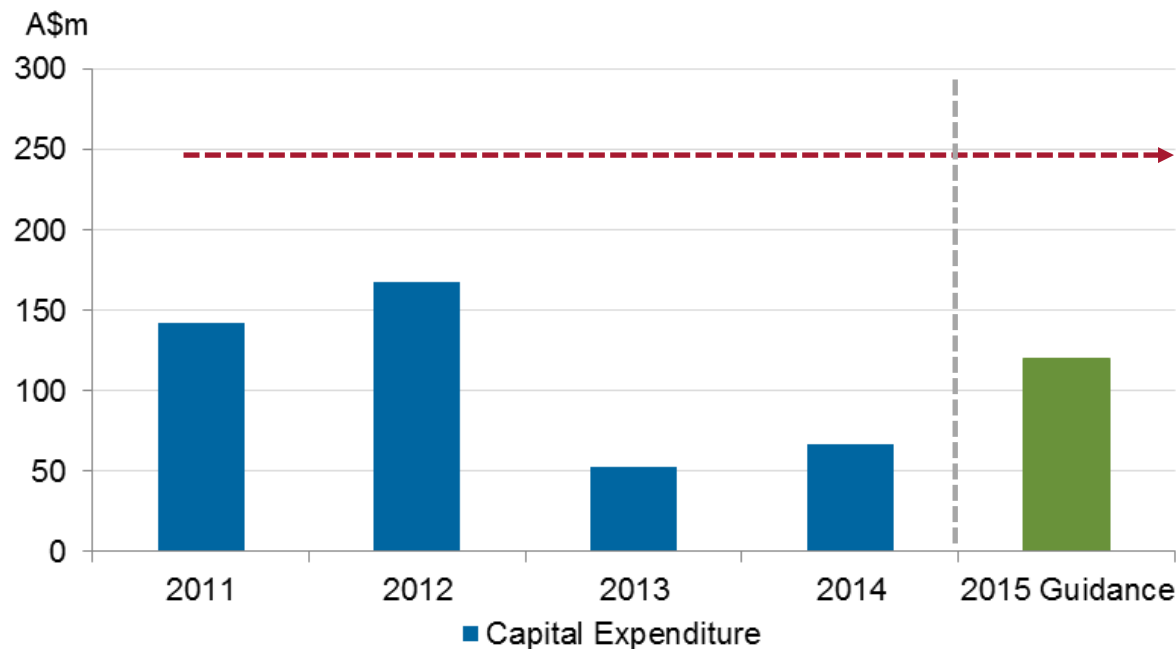
Production Cash Costs

Z/R/SR PRODUCTION AND CASH PRODUCTION COSTS



- Cost reduction focus during period of lower production
- Solid margins maintained (Group EBITDA margins of >30% during low cycle)
- Improving unit cash costs and margins expected as volumes grow (scale efficiencies)

Capital Expenditure

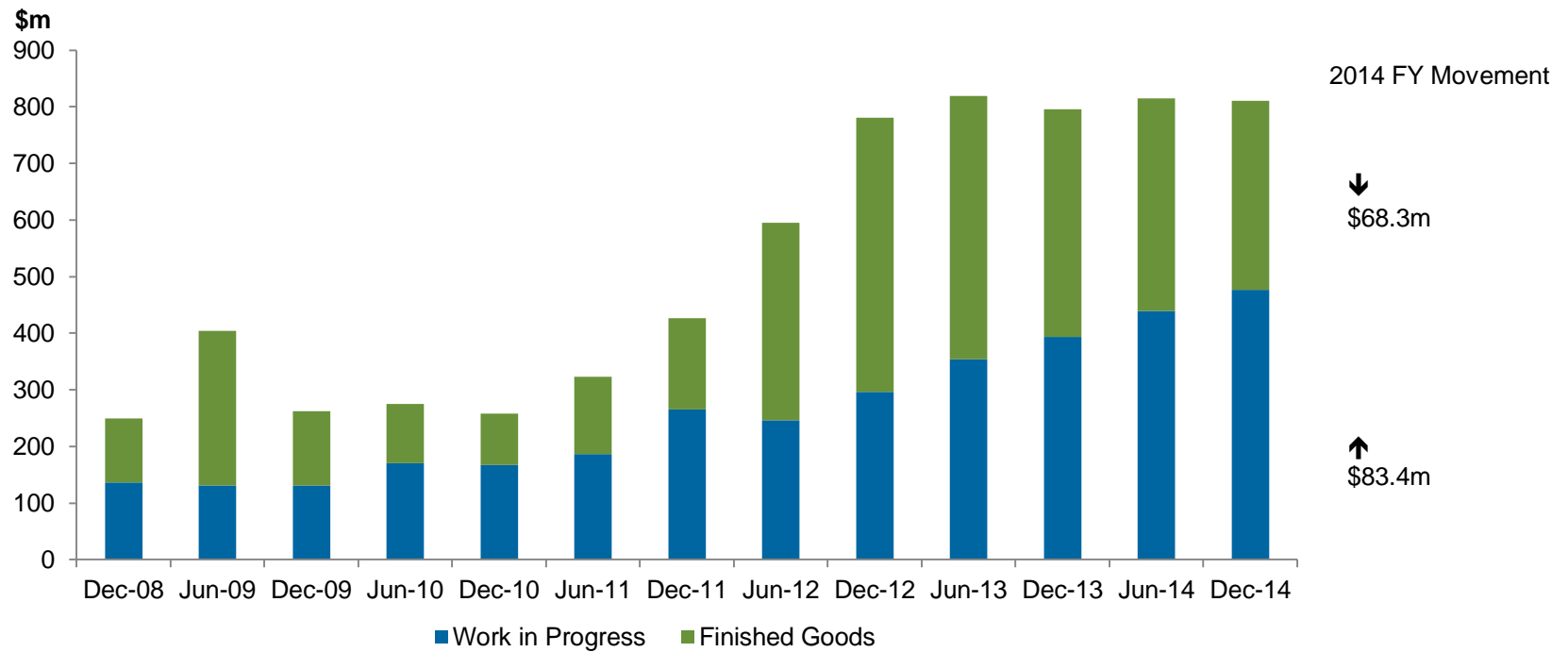


Relates to ~\$250m average p.a. sustaining and growth capital expenditure, which is both an historical average and expectation for the company's corporate planning cycle.

- Capital expenditure of \$66.9 million in 2014 related to major projects and Metalysis
- Moderate capital expenditure in 2015 (~ \$120 million)
- Some Plan years > \$250 million per annum, dependent on project timing

Inventory

2008 – 2014 Inventory Levels



Market Conditions



Areas of Focus

INTERNAL PROJECTS



EXPLORATION



MARKET DEVELOPMENT



INNOVATION & TECHNOLOGY



Potential Acquisition of Kenmare Plc

- Revised, non-binding proposal
- All-share exchange offer
 - Kenmare shareholders to receive 0.016 new Iluka shares for each Kenmare share
 - subject to a number of pre-conditions
- Iluka and Kenmare have agreed steps and deadlines towards satisfying pre-conditions
- If implemented, the combination would
 - consolidate complementary assets, reserves and skills
 - enhance production flexibility, product range and marketing effectiveness
 - bring to bear Iluka's industry specific technical expertise and market knowledge, access and reach to improve Kenmare's operation

Potential Acquisition of Kenmare Plc



IMPORTANT NOTICES

The Directors of Iluka accept responsibility for the information contained in this announcement. To the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this announcement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This announcement is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities whether pursuant to this announcement or otherwise. The distribution of this announcement in jurisdictions outside Ireland or the United Kingdom may be restricted by law and therefore persons into whose possession this announcement comes should inform themselves about, and observe such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities law of any such jurisdiction.

A person interested in 1% or more of any class of relevant securities of Kenmare or Iluka may have disclosure obligations under Rule 8.3 of the Irish Takeover Rules. This requirement will continue until the offer period ends.

A copy of this announcement will be available on the Iluka website at www.iluka.com

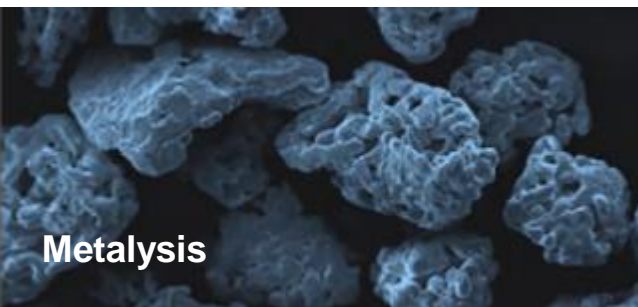
Willingness to Act Counter Cyclically

Tapira, Brazil

- large mineralisation associated with long established phosphate operation
 - operated by Vale S.A.
- high grade titanium dioxide ore, significant rare earth elements

MetalYSIS, UK

- Iluka equity holding of 18.3%
 - right to increase up to 24.9% in event of IPO
- Potentially disruptive technology



**Other Inorganic
Mineral Sands Opportunities**

Create and Deliver Value for Shareholders

- Capable of generating high shareholder returns and cash distribution
- Through 'low cycle' conditions, Iluka has maintained
 - attractive margins
 - free cash flow generation
 - balance sheet strength
- Iluka's current position
 - financial health of the company preserved
 - foundations laid for recovery in existing business
 - internal project options advanced
 - new options secured for future growth

Iluka's Objective

“To create and deliver value for shareholders”



Formal Business of the Meeting



Proxies Received for the Meeting

- Proxies received:
 - 335,570,323 shares
 - 80.15% of issued shares

Formal Business of the Meeting



Annual Financial Report




Shareholder Questions



Ordinary Resolutions



Green Voting Card



ILUKA
Iluka Resources Limited
ABN 34 008 675 018

ANNUAL GENERAL MEETING
20 MAY 2015

**SHAREHOLDER/PROXYHOLDER
ADMISSION & VOTING CARD**


THE DIRECTORS OF ILUKA RESOURCES LIMITED
THANK YOU FOR YOUR ATTENDANCE

PLEASE RETAIN THIS CARD UNTIL THE CLOSE OF THE MEETING


1

Please read the instructions on the reverse before voting

SHAREHOLDER VOTING INSTRUCTIONS
If you wish to cast all your votes for or against a motion, place a mark in the appropriate FOR box or AGAINST box for that motion.
If you wish to cast some of your votes for a motion and some of your votes against the motion write in the FOR box the actual number or percentage of votes you are casting for the motion and write in the AGAINST box the actual number or percentage of votes you are casting against the motion. The sum of the votes cast or the percentages FOR and AGAINST a motion must not exceed your voting entitlement or 100%.


1

PROXYHOLDER VOTING INSTRUCTIONS
Please refer to Summary of Proxy Votes Form attached to this card for instructions.

	For	Against	Abstain
Resolution 1 Re-election of Director – Gavin John Rezos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Increase in the non-executive Directors' fee cap	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Name of Shareholder/Proxyholder

Signature

Resolution 1

Re-election of Director

- Gavin John Rezos

Resolution 1

Re-election of Director

- Gavin John Rezos

Proxies Received	
For	334,280,613
Against	224,757
Proxy's discretion	1,064,953
Abstain	128,209

Resolution 2

Adoption of Remuneration Report

Resolution 2

Adoption of Remuneration Report

Proxies Received	
For	326,502,691
Against	6,954,555
Proxy's discretion	1,356,018
Abstain	885,268

Resolution 3


Increase in the non-executive Directors' fee cap

Resolution 3

Increase in the non-executive Directors' fee cap

Proxies Received	
For	324,196,459
Against	9,343,314
Proxy's discretion	997,023
Abstain	1,161,736

Green Voting Card



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