

QUARTERLY REVIEW TO 31 MARCH 2025

16 April 2025

KEY FEATURES

- Production of zircon/rutile/synthetic rutile (Z/R/SR) in Q1 2025 was 131kt, including
 - 35kt of zircon sand, processed from both Jacinth-Ambrosia and Cataby sources
 - 18kt of zircon-in-concentrate (ZIC), with production recognised upon sale
 - 55kt of synthetic rutile, with SR2 operating at full capacity
- Z/R/SR sales were 116kt, including
 - 48kt of zircon sand (premium and standard grade), a 116% increase on the prior quarter
 - 34kt of synthetic rutile, with shipment timing impacting this quarter's sales
- Weighted average zircon sand price was US\$1,698/t
- To date, Iluka has contracted ~46kt of zircon sand sales for Q2 2025, along with 32kt of ZIC. Zircon sand sales prices are in line with Q1
- Construction work is progressing well at the Balranald project. Concrete works and general site earthworks are approaching completion; over 60% of pre-assembled modules have been delivered to site, with the main structure now partially erected; and the first two of four mining rigs have been delivered to site and assembled. Balranald is on track for commissioning in H2 2025
- Total capital expenditure at the Eneabba rare earths refinery to date is \$408 million. All major equipment packages have been awarded; detailed earthworks will conclude in H1 2025; and concrete works are underway

| PHYSICAL AND FINANCIAL SUMMARY | Q1 24 | Q4 24 | Q1 25 | Q1 25 vs Q4 24 | Q1 25 vs Q1 24 |
|--------------------------------|--------------|--------------|--------------|----------------|----------------|
| PRODUCTION kt | | | | % | % |
| Zircon sand | 24.2 | 44.8 | 34.9 | (22.1) | 44.2 |
| ZIC ¹ | 13.0 | 15.0 | 18.2 | 21.3 | 40.0 |
| Rutile ² | 12.2 | 11.8 | 22.2 | 88.1 | 82.0 |
| Synthetic rutile | 37.2 | 57.8 | 55.4 | (4.2) | 48.9 |
| Z/R/SR production | 86.6 | 129.4 | 130.7 | 1.0 | 50.9 |
| Ilmenite | 69.0 | 99.2 | 96.3 | (2.9) | 39.6 |
| SALES kt | | | | | |
| Zircon sand | 48.3 | 22.2 | 47.9 | 115.8 | (0.8) |
| ZIC ¹ | 10.9 | 15.6 | 19.4 | 24.4 | 78.0 |
| Rutile | 9.2 | 9.4 | 15.2 | 61.7 | 65.2 |
| Synthetic rutile | 37.3 | 89.2 | 33.8 | (62.1) | (9.4) |
| Z/R/SR sales | 105.7 | 136.3 | 116.2 | (14.7) | 9.9 |
| Ilmenite | 35.1 | 31.0 | 10.1 | (67.4) | (71.2) |
| REVENUE \$ million | | | | | |
| Z/R/SR revenue | 247 | 271 | 242 | (11) | (2.0) |
| Ilmenite and other revenue | 21 | 19 | 18 | (4) | (14.5) |
| Mineral sands revenue | 268 | 290 | 260 | (10) | (3.0) |
| AUD:USD cents | 66 | 65 | 63 | (4) | (4.4) |

¹ Production of ZIC is recognised on sale. ZIC sales include small amounts of lower grade zircon products processed by third parties.

² Rutile sales and production volumes include the lower value titanium dioxide product, HYTI, that typically has a titanium dioxide content of 70-90%. This product sells at a lower price than rutile, which typically has a titanium dioxide content of 95%.

PRODUCTION COMMENTARY

The Jacinth-Ambrosia mine in South Australia produced 66kt of heavy mineral concentrate (HMC), marginally higher than the 64kt produced in Q4.

In Western Australia, the Cataby mine produced 184kt of HMC, up from 128kt in Q4 with higher ore volumes treated, ore grade and recovery.

HMC processed in Q1 was 205kt. The Narngulu mineral separation plant processed 116kt of HMC, a mix of Jacinth-Ambrosia and Cataby material, producing a total of 53kt of zircon (including ZIC) and 22kt of rutile.

SR2 produced 55kt of synthetic rutile, with the kiln running at full capacity.

EXPLORATION

Expenditure on exploration and evaluation activities in Q1 was \$3.2 million. Drilling completed during the quarter included a combination of air core in Australia and sonic techniques in the United States.

In Australia, 2,906 metres of drilling was completed for resource evaluation at Cataby. Planning also commenced for a range of greenfield exploration activities.

In the US, 1,951 metres of drilling was completed in Florida and South Carolina. In Idaho, preparations for geophysical and geochemical field surveys were progressed.

Macro

There is heightened uncertainty in the global economy as a result of tariffs and related actions. The overall impact of these developments is unpredictable. Insofar as Iluka's (current) mineral sands and (future) rare earths products are concerned, the company notes the following.

- Titanium dioxide feedstocks, including rutile and synthetic rutile, are exempt from the tariffs announced by the United States on 2 April 2025. The US (in 2018) and the European Union (in 2024) had previously implemented anti-dumping measures against pigment imports from China (the pigment industry accounts for 90% of all titanium feedstock demand). India announced similar measures in February 2025; and Brazil has also initiated an anti-dumping investigation focussed on Chinese pigment. The vast majority of Iluka's synthetic rutile sales are to Western pigment manufacturers.
- Zircon is not exempt from the tariffs announced by the US on 2 April 2025. All of Iluka's production takes place in Australia, which is currently the subject of a 10% blanket tariff for exports to the US. Iluka's sales of zircon to the US have been relatively small in recent years, accounting for 6% of the company's sales in 2024.
- Rare earths, including light (neodymium and praseodymium) and heavy (dysprosium and terbium) magnet rare earths, are exempt from the tariffs announced by the United States on 2 April 2025. However, on 4 April 2025, the Chinese Government added medium and heavy rare earths, including dysprosium and terbium, to China's export control list. This means that exporters to all markets globally now need a licence and must report to the Chinese Government on where these products are going.
 - China produces around 90% of all rare earths and, of the key heavy rare earths, including dysprosium and terbium, effectively 100%. These are essential for defence systems, robotics, electric and hybrid vehicles and renewable energy technology, among other applications. Iluka is currently building Australia's first rare earths refinery at Eneabba in Western Australia (refer page 4). This facility will produce separated light and heavy rare earth oxides, including dysprosium and terbium. The Eneabba refinery is scheduled for commissioning in 2027. At that point, it will be the only material Western world producer of heavy rare earth oxides.

Zircon

Zircon sand sales volumes in Q1 were 48kt (116% higher than the previous quarter), with total zircon sales of 67kt (including zircon in concentrate (ZIC)). As noted previously, Iluka's zircon prices reduced from Q4 to a Q1 weighted average realised price (premium and standard zircon) of US\$1,698 per tonne. This is a modest price decrease despite larger price reductions by major competitors.

Contracted volumes of zircon sand for Q2 to date are 46kt, along with 32kt of ZIC. Prices have stabilised in Q2, with the average price in line with Q1.

Titanium dioxide feedstocks

Synthetic rutile sales volumes in Q1 were 34kt, which includes 4kt of spot sales. The weighted average realised price for synthetic rutile was US\$1,138/tonne, ~4% lower than Q4 and in-line with guidance. The volumes of Q1 contracted sales reflects customer shipping schedules.

Sales of natural rutile and HyTi products were 15kt in Q1. Exports of lower quality rutile and leucoxene from China are dampening pricing expectations in these markets. However, the price of high quality rutile produced by Iluka has been more resilient, with the Q1 realised price for rutile (excluding HyTi) US\$1,549/t.

Updates on selected projects for the quarter are detailed below.

Execute



Eneabba, Western Australia

Iluka is building Australia's first fully integrated refinery for the production of separated rare earth oxides at Eneabba, Western Australia.³

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

Site activity in Q1 saw continued progress on non-process infrastructure (buildings, HV powerline and gas metering), underground services installation and detailed earthworks.

All major equipment packages have been awarded; detailed earthworks will conclude in H1 2025; and concrete works are underway.

Total capital expenditure at the Eneabba rare earths refinery to date is \$408 million.



Balranald, New South Wales

Balranald is a rutile-rich critical minerals development located in the Riverina district of south western 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.

Construction work is progressing well at Balranald's processing site. Concrete works and general site earthworks are approaching completion; over 60% of pre-assembled modules have been delivered to site, with the main structure now partially erected; and the first two of four mining rigs have been delivered to site and assembled. Major site infrastructure, including the 24km sealed access road and site HV power lines, has been completed and all major equipment purchases are complete.

Balranald is on track for commissioning in H2 2025.

Definitive Feasibility Study (DFS)



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 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 (zircon revenue is not yet accounted for in Wimmera's Ore Reserve.)

The DFS is progressing, with focus on the technical and environmental studies to support Environmental Effects Statement (EES) submission. Detailed engineering will commence upon engagement of the lead engineering service provider in Q2 2025.

For more detail on these and other projects, refer to: iluka.com/operations-resource-development/resource-development

³ For further information refer Iluka ASX releases, *Eneabba Rare Earths Refinery Funding Update*, 6 December 2024 and *Eneabba Rare Earths Refinery – Final Investment Decision*, 3 April 2022.

This document was approved and authorised for release to the market by Iluka's Managing Director.

Investment market and media enquiries

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All figures are expressed in Australian dollars unless stated otherwise.

APPENDIX 1 – MINING PHYSICAL DATA



| Physicals Data 3 months to 31 March 2025 | Jacinth-Ambrosia | Cataby |
|---|------------------|--------|
| Mining | | |
| Overburden Moved kbcm | 1,419 | 2,880 |
| Ore Mined kt | 2,484 | 2,226 |
| Ore Fed/Treated kt | 2,484 | 2,565 |
| Ore Treated Grade HM % | 2.9% | 7.7% |
| VHM Treated Grade % | 2.6% | 6.4% |

Explanatory comments on terminology

Overburden moved (bank cubic metres) refers to material moved to enable mining of an ore body.

Ore mined (thousands of tonnes) refers to material moved containing heavy mineral ore. For Cataby/ South West this refers to ore treated.

Ore Fed/Treated (thousands of tonnes) refers material processed through the mining units for Cataby/ South West.

Ore Treated Grade HM % refers to percentage of heavy mineral (HM).

VHM Treated Grade % refers to percentage of valuable heavy mineral (VHM) - titanium dioxide (rutile and ilmenite), and zircon found in a deposit.

APPENDIX 2 – WEIGHTED AVERAGE RECEIVED PRICES



The following table provides weighted average received prices for Iluka's main products. Iluka's Annual Report, available at www.iluka.com contains further historical mineral sands price information.

| | FY 24 | Q4 24 | Q1 25 |
|--|-------|-------|-------|
| <i>US\$/tonne FOB</i> | | | |
| Zircon premium and standard | 1,882 | 1,819 | 1,698 |
| Zircon (all products, including zircon in concentrate) ¹ | 1,721 | 1,587 | 1,557 |
| Rutile (excluding HYTI) ^{2,3} | 1,694 | 1,662 | 1,549 |
| Synthetic rutile | 1,205 | 1,186 | 1,138 |

Notes:

1. Zircon prices reflect the weighted average price for zircon premium, zircon standard and zircon-in-concentrate. The prices for each product vary considerably, as does the mix of such products sold period to period.
2. Rutile prices will vary quarter-on-quarter depending on the end market to which the product is supplied (e.g. pigment or welding). Post the demerger of Sierra Rutile Limited in H2 2022, rutile sales are a smaller contributor to Iluka's revenue.
3. HYTI is a lower value titanium dioxide product that typically has a titanium dioxide content of 70 to 90%. This product sells at a lower price than rutile, which typically has a titanium dioxide content of 95%.

APPENDIX 3 – PRODUCTION SUMMARIES



MINERAL SANDS

