

2 July 2026

RARE EARTH CONCENTRATE SUPPLY AGREEMENT WITH VHM LIMITED

Iluka is pleased to announce it has entered into an agreement with VHM Limited (ASX: VHM) for the long term supply of all planned rare earth concentrate production from the Goschen deposit.

VHM is currently developing the Goschen project in western Victoria. Under the agreement, VHM is to supply Iluka with 146kt of rare earths concentrate, containing 86kt of rare earth oxides, over 18 years.

On an average annual basis, this equates to approximately 8,320tpa of rare earth concentrate; containing ~4,900tpa of total rare earth oxides, as complementary feedstock for Iluka's Eneabba rare earths refinery.¹ Overall refinery production levels will be dependent on the optimal blend of internal and external feedstocks and circuit capacity constraints.

VHM has also granted Iluka a right of first refusal over any additional rare earths produced from Goschen and from its earlier stage Cannie and Nowie projects.

Eneabba is Australia's first fully integrated rare earths refinery and will produce separated light and heavy rare earth oxides. It is now more than 50% complete, with commissioning to occur in mid-2027.

To support VHM's development of Goschen, Iluka intends to provide a \$40 million secured convertible note in two tranches: \$10 million initially; and \$30 million after the final investment decision as part of the construction funding package.

Pricing of the concentrate will be determined by a mechanism that is linked to the price realised by Iluka from the sale of its rare earth products from the Eneabba refinery.

A summary of the key terms and conditions of the agreement is at Appendix A.

Managing Director commentary

Iluka's agreement with VHM marks another step in the development of our rare earths business and Australia's rare earths industry. It follows recent milestones including Iluka's inaugural offtake agreement for rare earth oxides produced at the Eneabba refinery; and the award of the final contract to complete the refinery's construction.

Eneabba is a strategic infrastructure asset that is bringing new mines into production, with Iluka as their Australian refining customer. In VHM, we have secured a feedstock partner in western Victoria, a province notable for large deposits and attractive assemblage of heavy rare earths. This is a region Iluka knows well through the company's historic operations and our Wimmera development, which is in the latter stages of definitive feasibility study.

VHM has environmental approvals for Goschen in place and has received letters of funding interest from both the Australian and US governments. Our agreement reflects Iluka's focus on securing suitable, advanced third party feedstocks for Eneabba, in addition to progressing those in our own

¹ For constituent rare earth oxides, including neodymium, praseodymium, dysprosium, terbium and yttrium, refer VHM ASX release of 26 March 2026. The Eneabba refinery will produce yttrium in carbonate form.

portfolio in parallel. This reinforces the longevity and flexibility of the rare earths business we are building.

Iluka looks forward to VHM bringing Goschen into production.

This document was approved and authorised for release by Iluka's Managing Director, Tom O'Leary.

Investor and media enquiries

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Appendix A

Summary of Key Terms

Concentrate Sale and Purchase Agreement	
Parties	<ul style="list-style-type: none"> Iluka Rare Earths Pty Ltd (“Iluka”) VHM Limited (“VHM”)
Product	Rare earths concentrate from VHM’s Goschen project within prescribed specifications.
Quantity	146kt rare earths concentrate containing 86kt REO in total over 18 years. The parties may temporarily suspend the sale and purchase of Product if Iluka’s weighted average realised selling price falls below a prescribed level for two consecutive quarters.
Price	Determined as a percentage payability of the contained REOs in the Product and varies with reference to Iluka’s realised selling prices.
Right of first refusal	VHM grants Iluka a right of first refusal over any additional rare earths products produced from Goschen in excess of the contracted volumes stated above, as well as from the Nowie and Cannie projects.
Step-in and security	Iluka has the right to step-in under certain circumstances. VHM’s obligations under the Offtake Agreement are secured by a mining mortgage and general security agreement that are envisaged to become second ranking to future Goschen senior project finance.
Conditions	The obligation to sell and purchase Product is take-or-pay and subject to the satisfaction (or waiver by Iluka) of certain conditions including Goschen reaching final investment decision, being fully funded, obtaining necessary approvals and reaching commercial production; and approval by Iluka’s project financier.
Convertible Note	
Total amount	\$40 million in two tranches.
Tranche 1	<ul style="list-style-type: none"> Amount: \$10 million. Maturity: 3 years from issue. Conditions include: Available subject to VHM LR 7.1 shareholder approval and other customary conditions. Conversion price: \$0.[]/share subject to customary adjustments.
Tranche 2	<ul style="list-style-type: none"> Amount: \$30 million. Maturity: 4 years from issue. Conditions include: Available subject to VHM LR 7.1 shareholder approval, after construction equity substantially spent, Goschen FID announced, Goschen being fully funded, financial close under Goschen project financing, satisfactory Iluka due diligence and other customary conditions. Conversion price: To be set equal to the price at which shares are issued for the purpose of funding the development of the Goschen project after completion of DFS.
Interest rate	10% p.a.
Security	General security agreement and mining mortgages that are envisaged to become second ranking to future Goschen senior project finance subject to agreed intercreditor deed.