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Operator: Welcome to the Iluka Resources conference call. At this time, all participants are in the listen only mode. After the speakers' presentation, there'll be a question-and-answer session. To ask a question during the session, you need to press star/one/one on your telephone. You'll then hear an automated message advising your hand is raised. Please be advised that today's conference is being recorded. I'll now hand the call over to your first speaker today, Mr Tom O'Leary. Thank you, please go ahead.

Tom O'Leary: Thank you. I'm joined by Adele Stratton, Matt Blackwell and Luke Woodgate. We appreciate you dialling in. I'm mindful that we typically hold our earnings call with our full year results presentation in February, but we've elected to bring it forward this year given the breadth of information we've released today as part of our quarterly, with the full year results effectively pre-reported, subject to review by our auditors.

I'll commence with a brief overview after which we'll look forward to your questions. The three key takeaways relate to mineral sands market conditions, the commencement of mining at Balranald and the progress we're making in our rare earths business.

Taking those in order, demand for mineral sands remains subdued. This is a function of stubborn uncertainty at the macro level which is impacting construction activity in key markets and by extension, sales volumes of synthetic rutile in particular. Our response last year included operational discipline, suspending production at Cataby and SR2, and the withdrawal of sales guidance under our long-term contracts with Western pigment customers.

In the withdrawal of guidance, we referred to discussions with customers about their contracted volumes for 2026 and we've reported the outcome of those discussions this morning. In summary, Iluka has adjusted volumes for our existing pigment customers to underpin minimum contracted revenue of \$240 million this year.

That number excludes any additional titanium dioxide feedstock sales we may make to these customers above their contracted minimum volumes. It also excludes sales to others in the pigment industry, as well as sales to other titanium dioxide sectors, so welding and metal. Given it's only in relation to titanium dioxide, it obviously excludes zircon sales as well. So that \$240 million really compares with what might have been projected to be received in respect of the 200,000 tonnes of synthetic rutile sales originally anticipated in 2026 prior to that withdrawal of guidance.

Demand uncertainty has also affected our price expectations in the nearer term, resulting in impairments to the mineral sands business, including to inventory value predominantly Cataby ore and heavy mineral concentrate, as well as some finished goods synthetic rutile. These are set out in the separate filing we've made today. After these accounting adjustments, Iluka's inventory balance at 31 December was \$1.1 billion.

In terms of outlook, Q1 is typically a slower quarter seasonally. We expect to have greater clarity on the requirements of our zircon customers post Chinese New Year, though I'd note we have contracted just over 35,000 tonnes of zircon sand sales for Q1 to date at flat pricing relative to Q4 '25. This supports the feedback we're hearing from customers that the market has found a bottom, with broad recognition that current pricing is unsustainable.

We've also identified an opportunity to produce and sell an additional 50,000 tonnes of contained zircon in concentrate over 2026, which is positive in the context of our diversified product offering and ability to service various market segments.

For titanium dioxide feedstocks, clarity around sales this year beyond the contracted sales volumes I mentioned earlier, typically emerges in the Northern Hemisphere spring ahead of coating season. Those contracted volumes also demonstrate the benefit of having a range of different products to sell. In Iluka's case, natural rutile, synthetic rutile, HyTi, chloride ilmenite and sulphate ilmenite in particular from Balranald.

We've said before that when things change in mineral sands markets they tend to change quickly and I think it's important to highlight that beyond macroeconomic drivers, there are a number of industry-specific factors that could exert influence on Company outcomes over the period ahead. These span the extent to which global pigment capacity continues to be rationalised and, importantly, where that capacity is taken out, the impact of tariffs directed at China's pigment exports, the outcome of Rio Tinto's review of its mineral sands business, which is by far the largest merchant player in our industry and the operational settings adopted by, or imposed upon, other feedstock producers.

Some pigment industry commentators have struck a note of modest optimism for 2026, citing some of these factors and the potential for increased housing market activity in the US in particular. While it's too early for me to weigh in on that assessment or its implications for mineral sands, what I will repeat is that Iluka is very well placed to

respond when demand conditions do improve by virtue of our inventory position, diversified products and Australian operating base.

Turning now to Balranald, it's the latest addition to that operating base and I'm really pleased to report that mining commenced earlier this month. We're at the point now of producing heavy mineral concentrate through the processing plant. Our focus in the first half is on ramp-up and we'll be bringing the second mining rig on in February and expect to be operating at nameplate capacity across both rigs by the middle of the year.

We'll of course continue to keep you updated on our progress. There'll also be an equity market site tour of Balranald later this year and we'll confirm the date for that in due course. But I'll take the opportunity today to congratulate Matt, Shane Tilka and their respective teams for their excellent work in bringing Balranald into production safely.

Since its discovery in the late 1990s, this is a deposit that many have watched closely and for good reason. With an average grade in the production plan in excess of 50% and an assemblage rich in natural rutile and premium zircon, accompanied by important light and heavy rare earth credits, this marks a genuine milestone for the extraction of critical minerals from mineral sand style geology at depth, being around 70 metres.

Over the last 15 years, Iluka has conceptualised, developed, trialled and now commissioned a novel mining technology to make this possible. That technology also carries the benefit significantly reduced environmental disturbance relative to traditional extraction methodologies. Commencing operation brings to fruition the efforts of a great many of our people and our technical partners with first finished product from Balranald to enter the market in the second half.

Turning to rare earths, I'm pleased with our progress at the Eneabba refinery where engineering is now 95% complete. Advancing engineering to completion prior to awarding structural, mechanical, piping, electrical and instrumentation contracts has been a key feature of our approach and capital expenditure remains on track. SMPEI contracts were tendered in the fourth quarter and they'll be awarded this half.

On the ground, civils have advanced well and when Adele and I were at site in December, we were pleased to see progress on the strategy we've talked about before and that is the placement of equipment such as the mixer settlers in the solvent extraction building as soon as practicable once available at site. Similarly, pipe racks are going up, a range of tanks are being constructed on site and buildings are starting to come together.

With over 400 people on site in December, we're now in the very thick of construction and that'll be the prevailing theme in 2026 ahead of commissioning next year. As many of you will have observed, this is taking place against an external backdrop that continues to evolve favourably with sustained interest from both government and commercial customers to strategically diversify the rare earth supply chain.

Recent public commentary has noted the potential for international cooperation through the G7 and its partners to enhance supply chain independence, including in relation to pricing support and in Australia, our own government has expressed a national security focus for its strategic reserve policy.

While these initiatives loom as potential tailwinds for Iluka's rare earth diversification, our focus is on the development of a business that is sustainable commercially for many decades to come. Central to that is delivery, be it in relation to refinery construction and commissioning, of offtake agreements and also building confidence in the longevity of our growing sources of feedstock. So it's pleasing to disclose the increase to the Wimmera resource we've announced today.

Upon commissioning in 2027, Eneabba will be one of the few rare earth refineries operating outside of China, a multi-decade infrastructure asset capable of processing a diverse range of feedstocks from Australian and international projects and producing both light and heavy separated rare earth oxides.

With that I'll open up the line for questions.

Operator: Our first question comes from the line of Paul Young of Goldman Sachs, please go ahead.

Paul Young: (Goldman Sachs, Analyst) Good morning, Tom, Adele, Matt, Luke. I hope you're well and thanks for bringing this call forward. So a bit to get through here, as you'd expect, with the release for the quarterly and also the outlook and the backdrop for the market. So, just starting maybe with the mineral sands markets and just noting your commentary around you think we bottomed and obviously we can tell out there that we're well under of the cost curve and some of the pure play juniors are really struggling from a cashflow perspective, so I think that all makes sense.

But as far as the recovery is concerned and maybe turning to – focusing on, sorry, your contracted titanium dioxide feedstock sales for this year, within that \$240 million of

revenue that you think you've locked in, is there any colour you can provide as far as trajectory on pricing within that? Or does that reflect a further reduction in pricing for this half? Just further to that, part B, around how many, if you can disclose, how many customers – not looking for names, how many customers are within that book?

Tom O'Leary: Yes, sure Paul. Thanks for the question. Look I'll pass that one over to Matt to talk about both trajectory and customer book.

Matthew Blackwell: Yes, Paul, those contracted tonnes reflect the renegotiation with two of our key SR offtakes customers. What we've tried to highlight in the quarterly in the language is that this does not include what we would consider normal sales to, whether it's welding, other pigment customers. These are just the contracted, if you like, take or pay arrangements that we have in place. So that's the first thing to note.

Secondly, you asked about the trajectory of pricing. The prices that we've agreed over the course of that period, in some cases, well, most of it is set and we would expect trajectory to be certainly not down. So, I think in terms of the SR pricing, that's contracted – and the other products.

Paul Young: (Goldman Sachs, Analyst) Yes, that's helpful, excellent. I'm sure there'll be more questions on that. Just maybe moving on to projects and also the guidance for '26, maybe starting with Eneabba, I mean really good progress on the construction and that's fantastic. Looking at just doing the simple maths, maybe one for Adele, it just comes down to accrual versus cash accounting, but also the timing on the spend of it, just implies that – correct me if I'm wrong, Adele – that the CapEx for Eneabba for 2027 will be similar to '26, so \$500 million to \$600 million, just trying to get that trajectory and profile, correct?

Adele Stratton: Yes, sure. So, Paul, in terms of incurred to date, we've got \$865 million. So, obviously we commenced this project back in 2022, so you need to go back in time a little bit. We're guiding \$600 million of CapEx in 2026, so if you add the two of those together, where you're coming up with that \$1.4 million number for spend through to the end of '26. So then I'd be expecting less cash obviously in 2027 based on that.

Paul Young: (Goldman Sachs, Analyst) Yes, great. Thank you.

Adele Stratton: Does that make sense?

Paul Young: (Goldman Sachs, Analyst) Yes, that makes sense. Thank you. That does make sense. Then Tom, again, considering it sounds like you're not going to do a results call in

February, as far as the rare earth offtakes are concerned, there's obviously been a lot of announcements since we've last spoken with more sort of up-and-coming companies that are getting government support, et cetera. We've seen some – you might have missed it, there's some pretty wild headlines this morning from one news reporter about US government support, we'll just leave that one to the side for now, but just any update you can provide us on discussions in offtake would be greatly appreciated.

Tom O'Leary: Yes, look, discussions continue with a range of potential customers, Paul and we're obviously keen to get contracts put away, but only on terms which are suitable. So the objective is certainly to get something in place this calendar year and we'd be looking to do that potentially by the middle of the year. But if you do the maths on the CapEx spend, we have funds available for calendar '26 to continue with the project at the trajectory we're currently on. So look, our focus is really to put in place sensible, sustainable contracts and we've got significant appetite from successful players in the industry.

Paul Young: (Goldman Sachs, Analyst) Okay, that's helpful, Tom. Thank you, thanks guys. I'll leave it there for now.

Tom O'Leary: Thanks, Paul.

Operator: The next question comes from the line of Austin Yun of Macquarie. Please go ahead.

Austin Yun: (Macquarie Group, Analyst) Morning, Tom and team. I think, yes, a follow up on the question that Paul just asked. There has been discussions in the market about change of the floor price from the government, especially in the US. I'm just keen to understand that when you negotiate with your potential customers for offtake, how much emphasis was put on the potential floor price and any kind of a reference in the market. I'm just keen to understand if this recent market development has any potential implications for your negotiation process. I'll come back with a second one. Thank you.

Tom O'Leary: Look, I think often there's a lot of noise in the rare earths markets over the last couple of years and there'll continue to be. But I think the underlying premise of our investment remains the same and that is that, strategically, those who rely on permanent magnets for their supply chain want to ensure they have a reliable supply which is not subject to withdrawal at any particular point in time. So the driver for the strategic customers that we are most focused on engaging with, those drivers remain the same.

Austin Yun: (Macquarie Group, Analyst) Okay, thank you, Tom. Second question just on project ramp up, in the disclosure you mentioned that the focus will be achieving investment case production rates. Is that same as the nameplate capacity? I'm just trying to understand the definition of the investment case production rates for the project. Thank you.

Tom O'Leary: Yes, the reference to the investment case there, Austin, is a reference to the investment case parameters that we outlined at the time of the investment decision and you'll find that in the release, so it's talking about the rates of recovery and so on. So we're pretty pleased with what we've achieved to date, we've achieved those and more at times, but what we'll be very focused on is, over the course of the first half, smoothly getting to a point where both rigs are meeting those investment case parameters.

Austin Yun: (Macquarie Group, Analyst) Okay, thank you. Last one, just an accounting question. I can see that you call out the receivables in this quarterly update, which I haven't seen that before, or not very often. I'm just trying to understand how much of that is receivables from the customers in Europe that have had a bit of trouble recently. Do you see any potential credit risk recovery in response? Thank you.

Adele Stratton: Yes, hi Austin. In terms of the \$267 million, as you say, we'd normally disclose that with the Annual Report and obviously, we're just trying to give a bit of colour around the results. Coming to your specific question as to does any of that relate to Venator, no it doesn't.

Austin Yun: (Macquarie Group, Analyst) Thank you, I'll pass it on.

Matthew Blackwell: Austin, just to be clear, it's Matthew, we have no exposure to the Venator administration.

Austin Yun: (Macquarie Group, Analyst) Yes, that's clear. Thanks a lot.

Operator: Our next question comes from the line of Glyn Lawcock from Barrenjoey. Please go ahead.

Glyn Lawcock: (Barrenjoey, Analyst) Morning Tom. Happy New Year. Probably not the start you wanted. I'm just trying to understand where this business now goes on the mineral sands side. Cataby, four years now, I mean it's got a large resource base sitting behind the reserve which you've just downgraded, so I'm just trying to understand what's happened

there. If you think we're going to bottom, is it just the cost base has got out of control where you think your new prices are going?

Then I'm also trying to understand what about JA and the replacement there? Are we looking at a business now that maybe becomes just, end of the decade, you've got Balranald running, Cataby shuts, JA doesn't, Eucla Basin's shut and then Wimmera comes in? How should I think about this business now, given what you've just done with Cataby as well? Thanks.

Tom O'Leary: Yes, so we've outlined that when Cataby comes back on it's got four years of reserves there, so it's unlikely that's going to be shut by the end of the decade. Moving to JA, we've talked before about the fact that we're engaging with one of the satellites in particular and we're advancing plans there. As you say, Balranald operating and Wimmera to come on in due course.

So I think at current pricing that's a sensible portfolio of operating assets. But we'll continue to review the portfolio with pricing and with customers' requirements for certainty, both operationally and geopolitically and we'll make appropriate capital investment decisions, capital deployment decisions over the next few years. That's what you should expect from us.

Glyn Lawcock: (Barrenjoey, Analyst) But Cataby, is it the cost base or your price change assumptions that's caused the one-third cut in the reserve base?

Adele Stratton: So Glyn, just in terms of Cataby, so just refreshing everyone's memory, when we made that investment decision at the end of 2017, Cataby had an 8.5-year mine life with a potential extension of four years. Obviously we've been operating it for the past six years and we note that there's still four to go when it comes back online. So at the original 8.5, it's a 10-year mine life. There was always that opportunity to potentially take it to 12.

It's been a combination of factors in terms of what influences the economics around that remaining reserve life, including land access costs, as you say, operating costs have had an influence, we've talked about that, I think, two years ago when there was a bit of an upswing and then, as Matt's articulated, around the pricing position as we see it today. These things can move, but where we sit today, we're saying when it comes back online, when we've processed all of the work in progress that's in front of us, then we've got a

further four years to go. So you've got a good five-plus years out of that asset, if you like, from here.

Glyn Lawcock: (Barrenjoey, Analyst) Okay, thanks. If I could just ask on the operating settings on the mineral sands business for 2026 that you've provided, you've given us all the cash outlays, you've given us the minimum revenue, excluding other sales, zircon and welding customers. We're all looking at and we're already being asked \$470 million in net debt, it moved up materially over the year. Less CapEx in 2026, obviously. But do you think with the settings you put in place for 2026 and your expectations on revenue, mineral sands can wash its face this year? Because people are already asking us do you need to raise money? So, if you could address that, that'd be great.

Tom O'Leary: Sure. Glyn, I might hand over to Adele in a moment, but in terms of your question about washing its face and sources of funds and so on, at the Board, we consider our balance sheet positioning on an ongoing basis and I'm, for obvious reasons, never going to rule in or rule out any particular plans to access any particular capital markets. But when we reflect on our settings, we've taken a number of steps to preserve our balance sheet position during a period of quite subdued demand and what's been a period of significant capital investment over the last few years.

So, we've talked about the idling of Cataby, and so on, which has reduced cash requirements significantly, both operating and CapEx. We've also reset the corporate cost base in late '25, which you'll have seen as well. We don't expect to need to contribute further equity into the Rare Earths refinery until the end of this year, or in fact the beginning of next, based on the funds available under our EFA facility, so it leaves us to cover a much smaller operating cost base, and you've seen the production costs and CapEx, and so on, guided for this year.

We've guided the minimum contracted revenue of 240 under the take or pay contract customers, and so on, and that, as I pointed out in the opening remarks, excludes any revenues from zircon as well as a range of different titanium dioxide style revenues. We've already contracted a pretty attractive level of zircon tonnes in the first quarter at flat pricing in what's normally a pretty quiet quarter. So, the intention is to draw down inventories in '26 and just as a reminder we have around \$600 million of finished goods inventory available and over \$1.1 billion of total inventory and all of those inventory sales are going to liberate cash.

So, we think the balance sheet can support the current business operations comfortably. We're fortunate that we do have a number of growth options to work through, as we consider our balance sheet positioning more generally. But I might hand to Adele to talk a little bit about our cash position in mineral sands.

Adele Stratton: Yes, thanks Tom and thanks Glyn. As you rightly noted, we've got close to \$500 million of net debt in the mineral sands business, that is out of facilities of \$800 million, so there's still quite a significant headroom. I'm not proposing that we pull those all down. I think what's really important, as Tom's just articulated, we've been in a really significant phase of capital expenditure with Balranald, that's an over \$600 million project. I think everyone's aware in terms of our capital management position is to target that no net debt through the cycle, but we're quite happy to draw down debt to fund growth and then focus on repaying that, which will be the focus. Tom's articulated the balance sheets in a really strong position in terms of – I think Austin mentioned the trade receivables, that's over a quarter of a billion dollars of trade receivables, so cash that will come in in the next quarter.

You've got finished goods of \$600 million, so you've already spent that cash, Glyn, it's now about liberating the cash through the sales. We've tried to really articulate the cash demands on the business in 2026, because we thought this would be a focus area. I'm really, really pleased with how the whole Company has performed in terms of a focus on cash preservation. So, over \$200 million of cash savings as a result of some of those actions that Tom's articulated via the idling of Cataby and South West and the cost reset at corporate.

So, they're really, really significant efforts that have gone in. To add to that, you'd be very aware of the other sort of things on our balance sheet. We've obviously got the stake in Deterra. As we always say, that's an expensive form of capital because of the capital gains tax but it's an amazing asset to have. We also look at sort of non-core assets. So, if you think we're coming to the end of our rehab activities in the US, we've got quite significant landholdings over there, that could easily liberate over \$100 million dollars of cash. So, there's many things at our disposal so it's not something that I lose any sleep about in terms of the balance sheet.

Glyn Lawcock: (Barrenjoey, Analyst) That's good to know. Thanks very much for the answer.

Tom O'Leary: Thanks, Glyn.

Operator: From the line of Chen Jiang of Bank of America. Please go ahead.

Chen Jiang: (Bank of America, Analyst) Good morning. Good afternoon, Tom and Adele. Thank you for taking my question. Just to follow up on the Cataby ore reserves reduction, I think that's quite significant reduction to four years. I think most people's model would have at least six or seven years left. I'm just thinking now you have JA about to finish in three years, Cataby now four years, can you expedite the study or FID for the JA satellites project? I think briefed the market last year.

Most importantly, how about Wimmera because it's a mineral sands project as well with rare earth as a by-product. So how should we think of your future rare earth mineral sands producer because you still need mineral sands in order to have rare earths as a by-product. Thank you.

Tom O'Leary: Yes. Look, I'll hand to Matt in a moment and thanks for your question. On the Wimmera first, we'll be completing our definitive feasibility study later this year, so we'll be able to update on where that's at. Just an observation, we've declared a reserve on that deposit in respect of the rare earths there, so just the reference to it being a by-product, it's a very important product from the Wimmera deposit. But you're right, it does have a lot of zircon, and we've made some references to the nature of the zircon in our quarterly there and the fact that we will be able to find markets for an attractive percentage of that material. So that's a pretty material development and disclosure that we've made there today. But in relation to the satellites, I might pass over to Matt to touch a little on the timing of that study.

Matthew Blackwell: Yes, thanks Tom. Chen, we're progressing at pace the feasibility study into the satellite deposits that will follow on from Jacinth-Ambrosia. One of the things that we're very focused on is reusing all the equipment that we possibly can from Jacinth-Ambrosia. If you want to have no gap in production, you'd go and spend more capital. That's the balance that we're looking at the moment is reuse of existing kit to reduce capital spend. It's a very limited gap in production while we reorientate and move the mining unit according to the plans that I've seen to date.

There are different things to do or hurdles to pass in that there will be some environmental approvals but those studies are well advanced and I'm pleased with the focus that the team is applying there. I think a couple of other things to note on Wimmera, to build on

what Tom has said, you're right, it is an important source of titanium feedstocks and particularly zircon. We've been working away over the last couple of years on a zircon processing solution.

Maybe what doesn't come out fully in the quarterly is that we had a flow sheet and that we were comfortable with that flow sheet, but the work that we've done has allowed us to refine that flow sheet to what we think will be a lower cost, lower capital, lower operating cost option to liberate and put into the market at least 60% of this zircon, which for most proponents is currently unsaleable. So, I think it's been a really good outcome by the technical teams to deliver that.

We've tested that, we've sent 23 samples off to customers, we've had feedback, they've pre-qualified the material for uses, both in ceramics and in the chemical industry. As Tom said, we have not included – or zircon and the revenue from zircon is not included in the reserve for Wimmera at this stage in the calculation, or how we think about that. So, we see that as potential upside.

Tom O'Leary: Just finally, Chen, on the Cataby Reserve, we've guided a potential change there, and we'll be providing more detail on that at the full year result.

Chen Jiang: (Bank of America, Analyst) Okay. Thanks, Tom. So Cataby, is there any satellite projects as well by looking at you still have a lot of resources is that how I should think about resource convert to reserves?

Tom O'Leary: No, I don't think so. I think you should be thinking about it as having the four-year life, we've alluded to today post recommencement at the current settings in terms of price and so on.

Chen Jiang: (Bank of America, Analyst) Yes, sure, thanks for that, Tom. Can I have another question, squeezing, about your FY26 guidance. You used to provide the unit cost of sales guidance, but I didn't see that for this year, I guess, because you don't want to give market for your – like a guidance for sales rather than guidance for production. Given that demand is still weak, but you still have offtake agreements, so how should I think about your sales and also the cost of sales for '26? Thank you.

Adele Stratton: Hi, Chen. In terms of sales guidance, we don't give sales guidance. It's very difficult with the mineral sands market based on being very disciplined in terms of supply into that market. So, what we've obviously guided is the production. In terms of the

unit cost of goods sold, with Balranald coming in later, it gets a bit distorted, and we've drawn that clearly out in terms of the unit cash costs of production as you're ramping up, so I just don't think it's an accurate reflection in the current year. In terms of sales guidance, it really is focusing around what was said, as we have tried to provide a lot of information around what's contracted, as we normally do, and will continue to do.

Chen Jiang: (Bank of America, Analyst) Sure, I understand that. I guess it's fair to assume you will continue to withdraw your inventory, given you have Cataby still under suspension, and SR1 still – will be suspended for another five or six months. So, it's fair to assume you will continue...

Adele Stratton: Yes.

Chen Jiang: (Bank of America, Analyst) ...draw down, I guess.

Adele Stratton: Using synthetic rutile as an example, we're not producing anything this year, but we've talked about 110,000 tons of contracted sales so that's a starting point. There'll be 110,000 draw down of that inventory to begin with. So, yes, definitely we'll be focused on drawing down that inventory now.

Chen Jiang: (Bank of America, Analyst) Sure. I understand. Thank you very much, Tom and Adele. I'll pass it on.

Tom O'Leary: Thanks, Chen.

Operator: Thank you for the question. One moment for the next question. Our next question comes from the line of Dim Ariyasinghe from UBS. Please go ahead.

Dim Ariyasinghe: (UBS, Analyst) Thanks, guys. Happy New Year. Just on the offtake, I think previously you guys had implicitly guided to a proper update. There was some news mid-year in Q3, and I think, Tom, your earlier comments suggested now that that could be pushed all the way back to the end of the year and maybe even potentially the start of next year. Is that a reflection on your ability to fund the CapEx, or does that have implications – is there anything to read into how uptake discussions are going?

Tom O'Leary: No, there's not, Dim. The reference to next year was really around the funding that we have in place for the rare earth construction, but I'll hand it over to Adele to talk a bit about the sales efforts and so on.

Adele Stratton: Yes. So, Dim, we're very much focused in terms of getting a sales contract in place. Everybody's aware that before we draw down on that second tranche of funding from the government, we need to have a contract in place that's satisfactory to the government, and that front and centre in terms of what we're focused on at the moment. I think, yes, just to be clear in terms of the when that needs to happen, based on the information we've disclosed so we've spent \$865 million of CapEx to date on the refinery. We've guided 600 for 2026. So, the combination of those gets you to \$1.465 million.

As you know, the government loan is \$1.25 million first tranche alongside our \$200 million equity, so \$1.45 million. We've already contributed all of our first \$200 million so really through 2026, we'll be drawing down on the government loan predominantly. Then that's when you – to draw on the second tranche, you need the contract in place. So that's not trying to indicate we will only have it in place by the end of the year, that's just the timing of when the funding is required. The team are very focused in terms of entering into a contract, as Tom's articulated, that is satisfactory to Iluka in terms of underpinning the commercial returns from that investment decision. So, yes, that's very much front and centre of what we're focused on.

Dim Ariyasinghe: (UBS, Analyst) Thank you. Maybe can you help me understand conceptually, I'm assuming it's a pretty big room of potential suitors, but – and please correct me if I'm wrong, but if, for example, I'm a US or European or OEM or defence contractor, at the end of the day, I need a contract, like mine needs magnets, not oxide. So, then I think that a magnet producer will have to be involved. I guess the issue there is that's still a growing part of the supply chain, and having spent a fair bit of time over the last six months talking to some of these new entrants, who are also getting funding, who are also ramping up, it's – so pretty much having issues trying to commit to magnet production with feedstock that doesn't yet exist yet. Like, have I got that clear, or is that a risk that I need to consider, or do OEMs not worry about that, I guess?

Tom O'Leary: It's very much a developing midstream DMS we've talked about over the last several years, both at metallisation and magnetisation. In the west, there are plans from many, some have more substance than others, but we're not seeing the magnetisation step as being a roadblock and our key potential customers have no line of sight as to how that magnetisation step can be done. From a metallisation perspective, we've talked about the fact that we're doing our own feasibility study in relation to metallisation and that is ongoing and we'll be progressing that diligently this year and we'll be providing further

updates on that, but again, that step is not regarded as a roadblock either, but there are certainly issues to manage and our potential customers are certainly cognisant of them and we talk to them about how they're going to manage those steps.

Dim Ariyasinghe: (UBS, Analyst) Yes, that makes sense. So, you can still see an OEM contract, NdPr or Dy/Tb oxide, even if they don't have an immediate use for it in the future.

Okay, and maybe just the last one. Is there any update on your side in terms of how our own local government is going in terms of moving forward their critical minerals policy, anything you can mention there?

Tom O'Leary: Look, the government is involved in a consultation process with the industry and with other governments about how the strategic reserve might operate, and I don't propose to provide a running commentary on that, obviously, that wouldn't be appropriate. There's been a lot of column inches devoted to some perspectives on that.

I would observe that the government has been quite deliberate, I think, in its commentary around its focus being on the security aspects of strategic relationships internationally, and I expect that points to rare earths and potentially more directly to heavy rare earths.

Dim Ariyasinghe: (UBS, Analyst) Yes. But I'm speaking to other peers of yours. They talk to a Q4 of this year is when we could get a potential, another significant update. Does that align with how you're seeing things, or do you see something happening sooner? Sorry, we're in a market of catalysts, so that's, I think the timing is important.

Tom O'Leary: Yes. I understand Dim. Look, I wouldn't want to propose to be able to foresee the timing of implementation of government policy, so I wouldn't want to comment further.

Dim Ariyasinghe: (UBS, Analyst) Fair enough. Okay, cool. Thanks very much Tom, Adele, Luke. Cheers.

Tom O'Leary: Thank you.

Operator: Thank you for the question. Our next question comes from Matt Hope from Ord Minnett. Please go ahead.

Matt Hope: (Ord Minnett, Analyst) Yes thanks. I just wanted to query a little more about Balranald. Now it's a full operating run rate and I believe that was supposed to have an operating cost of about \$225 million a year.

I'm just wondering what kind of cost would we see during ramp-up given that there's only one mining unit operating at the moment. Is this going to be just part of that \$225 million or will it be all of that because there's other commissioning costs?

Tom O'Leary: I'll let Matt take that, thanks.

Matt Blackwell: Yes, thanks, Matt. Look, I can answer that. What we will see, and Adele's talked to this, and we talked about the slightly distorted unit cost this year, because particularly over the first six months, we're going to be ramping the asset up to full rates. There are some fixed costs that flow through, but there are also variable costs. When we develop the mining operation, when we're running, there's fuel, there's all sorts of things that occur that are actually directly linked to production, including the transport of HMC from the mine site across to our processing plants in WA.

You're asking about the mining units. We would expect to be bringing on the second mining unit in February and then we'll be ramping up, or operating both and then ramping up production to the, as described, investment case, which is two units operating together feeding the concentrator.

Adele Stratton: Yes, Matt, sorry, look, I appreciate we've put quite a lot of information out this morning, so in there we talk about included in the cash cost of production guidance for 2026, that \$140 million of that relates to Balranald. To Matt's point, so obviously that's not a full year of the \$220 million, and the \$220 million you comment on is net of some of those byproducts, like sulphate ilmenite, this is just gross costs that we're showing so that people get a feel for cash burn and needs for the business, so we thought it would be much more fulsome in terms of the disclosure.

So yes, \$140 million in cash costs of production for 2026 relating to Balranald, and, as is articulated and as Matt's talked about, as you're ramping up, unfortunately, accounting rules sort of say that you have to expense those costs even though you're not getting full production out of it, so it distorts your unit cost. So hopefully that helps clarify.

Matt Hope: (Ord Minnett, Analyst) Thanks, that [unclear]. I just had one other query. There was some talk about in the feedstocks market, titanium feedstocks, about swapping contracted synthetic rutile with rutile and HyTi and ilmenite. What was all that about? Because you seem to have a large synthetic rutile available, but are you swapping that over for rutile instead? I mean, what exactly is going on there?

Tom O'Leary: Last year, when we talked last year about Venator and others and the impact of the synthetic rutile sales going forward, we alluded to the fact that we would be

working with our customers for mutually beneficial arrangements to help them work through what's been a difficult time for them as well in the pigment industry, right?

We have take-or-pay arrangements for synthetic rutile. It'd be quite easy to just stand back and say, right, you've just got to take it. That, we don't think is helpful for our customers, nor the long-term relationships or the renewal of those agreements over time.

What we did is worked with our customers to find ways that we could better supply a feedstock mix that suited their needs at this time in a way that was mutually beneficial to both parties.

I say that with a capital M and capital B because we're not ones to just keel over and I think we've got the reputation we don't just walk away from our agreements, but we're also alert to the fact that they're struck at a certain time in certain conditions and customers' needs can vary over time. We're pleased with where we've landed with those. It's a good outcome for our customers and a good outcome for us.

Matt Hope: (Ord Minnett, Analyst) Okay, thanks very much.

Operator: Thank you for the questions. One moment for the next questions.

Our next question comes from Aaron Rosenthal from J.P. Morgan. Please go ahead.

Aaron Rosenthal: (J.P. Morgan, Analyst) Hey, thank you for the call. Can you talk more about the aggressive competitor price actions on a zircon front that was called out in the press release during the quarter? Are you seeing this type of behaviour continue from the same producer and/or are you seeing other producers maybe follow down that same path with respect to pricing strategy?

Tom O'Leary: Thanks, Aaron. I think that's one that Matt would be happy to comment on.

Matt Blackwell: Look, what we have seen in the zircon space is particularly one producer being very aggressive in pricing, particularly in China, recently come out and talked about volumes that they achieved in the fourth quarter.

That particular competitor in zircon has, I think, in this quarter had the highest volume since Q3 2022 based on our calculations, but it's come at the expense of price, significant price. What we haven't seen is the rest of the market following that action. I think it's been a deliberate attempt to undercut.

I am always reminded of some advice I was once given that what appears to be incredibly irrational behaviour to me sitting on this side, was done with some consideration by that

company, so it may reflect the sort of highly geared and leveraged position that they find themselves in a need for cash. That could be the reason why.

I also, on our calculations, think they had an inventory unwind over the course of the month compared to their production so perhaps there was a bit of a clearing of the decks there.

What I can tell you is that it's been met with quite a degree of - in the feedback we get and from our customers, which might sound a bit counterintuitive, but anger. Particularly in China, you've got people that are very frustrated with the aggressive nature and disruptions that it's caused.

The feedback we get is, as Tom talked to in his remarks, prices have hit a bottom. They can't go any lower. No one's making any money. It seems counterintuitive to be continuing down that path.

I think that that is reinforced by the fact that as we've announced in the quarterly, we've contracted 35,000 tonnes already, plus, for Q1, and we've done that at essentially flat pricing on Q4, so I'm really pleased to see that that would support that notion that prices have found a bottom.

Aaron Rosenthal: (J.P. Morgan, Analyst) Thank you very much, that was incredibly helpful. And then maybe just one more, I'm curious if you have any colour on - there have been some headlines on the potential restart of some of the legacy [unclear] assets in Europe that may be coming under new ownership, so any thoughts on that? On the same note, just curious, your thoughts on the broader [unclear] market from a production capacity standpoint, whether you see incremental supply in certain regions coming back online or maybe temporarily idled and/or if you are expecting - call it incremental plant shutdowns this year.

Tom O'Leary: Yes, sure. So if I think about the sort of demand for TI feedstocks more generally, including SR, it is driven by construction activity. Any improvement in the US or northern housing markets would inevitably see pulled through for pigment and feedstocks over time.

On the supply side, we've seen some sort of aggressive behaviour in that as well, but situation-specific, you don't get full value for inventory when you're trying to sell a business. So liberating cash before you divest, that makes sense.

Look, what I could see occurring is a slightly bifurcated pigment market, certainly in the short term. There's no doubt some overcapacity continuing in China, but we've seen a lot of shuttering of plants and Tronox's plant is the latest casualty there. Much of that capacity build-out has been sulphate pigment and it's plausible that you'll see Chinese companies will target some of the Southeast Asian economies, Middle East and emerging markets to offload some of their inventory over time.

In the Western markets and particularly the customers that we have traditionally served, we do have positions in China, but those traditional Western customers, their supply response has been far more deliberate. The pigment plant operating rates throttled to match demand and there's been closures and idling of facilities and a number of those markets that they supply into are protected by these anti-dumping duties that you'll have seen enacted over the last 12 months. We think that bodes well for their ability to ramp up and meet increases in demand. So that's an encouraging sign.

In terms of the assets restarting, if we look at the Venator assets in particular, there's talk of Scarlino restarting in Italy under new management. That's an interesting one. They're a sulphate pigment plant. Quite interested in our, potentially interested in our Balranald sulphate material.

The Greatham, which is the chloride plant in the UK, under the new ownership of Lomon Billions, time will tell when that starts up. They talked about a six-month period in which to close. It'll remain closed during the, sorry, closing of the deal. It'll remain closed during that period of time. They are needing to get a few new permits in place but that's a big employer for that local area and so it's quite possible that that would open back up again, and that's a plant that has been utilising SR as a feedstock probably since the day it opened, I think, and quite substantial amounts of SR in its feedstock mix, as you would have seen when we talked about the loss of the contractor Venator.

Aaron Rosenthal: (J.P. Morgan, Analyst) Thank you very much.

Operator: Thank you for the questions. In the interest of time, we will now take the last questions from Paul Young of Goldman Sachs.

Paul Young: (Goldman Sachs, Analyst) Thanks. Hi again Tom. Just a couple of questions on, first of all, on your zircon guidance production for 2026. Just noting that the ZIC volumes are 50,000 tonnes or so and just how much ZIC you put in the market last year or produced over 100,000 tonnes, just lining up against the strategy day if you call it that, from last May. There's either been a pull forward of ZIC volumes just a function of the

market and how the Zircon market's been functioning over the past six months or so, it's either a pull forward or you've found more ZIC. So can you just comment on the ZIC profile compared to what you outlined last May?

Adele Stratton: Yes, Paul. In terms of, rightly as you said, and as we sort of talked about at the half year, we'd already achieved guidance for 2025 in June. Shane Tilka and the Ops team have been very entrepreneurial in terms of identifying other sources of this material through 2025.

When we're thinking about the guidance for 2026, this really is utilising some monazite-rich stockpiles that we have up at Narngulu. We'd always known they were there. The intention was to extract that monazite and what is left is your zircon and concentrate.

I can quite confidently say that the volumes in '27 will be significantly lower. This is the last of what they've found. They've pretty much turned over every rock, and this is the last of it, so hats off to the production and ops team in identifying these opportunities that enabled Matt to place some of this material that's been in higher demand as a result of the market conditions and the price pressures for some of the premium, et cetera. But yes, we're not expecting any more volumes of this level going forward.

Paul Young: (Goldman Sachs, Analyst) Okay, thanks Adele, that's helpful. And then maybe rapid fire on the last one or two, just on third party offtakes with Eneabba, you've signed that really attractive deal with Lindian and you've still got the rights over Northern Minerals offtake there. Are there any further discussions ongoing with emerging players? Are you comfortable with where you sit at the moment? Just any comments you can provide on third party options, further third-party options, thanks.

Tom O'Leary: Yes, look, Paul, we continue to engage with a range of players. For obvious reasons, I won't be specific about those, but it's pleasing to note, and we haven't really touched on it today, that we have announced a resource update for Wimmera, which was not immaterial there in terms of longevity of our own feedstocks. I'm pretty happy with how our ongoing discussions are going and the move towards ensuring we have a long life at Eneabba ahead of us.

Paul Young: (Goldman Sachs, Analyst) Yes, great. And then last one, thank you. Just on Wimmera and the zircon study. So great outcome that you produced 40%, it looks like premium, and 60% standard and lower. Did I catch it right, Matt, that you said the recovery is at 60%?

And then when will you incorporate this into the reserve? Would that be just on the end of year update?

Matt Blackwell: Look Paul, just to clarify, it's not 40% premium grade zircon, it's 40% of the total production is, sorry, recoveries, think about what we can sell and what we recover as two different things. So of the 100% of the zircon that we can recover from the ore body, what we're saying is that we've got a market for 60% of it, 40% of it goes to the ceramics industry, and then another 20% will go to basically the chemical industry and sort of adjacent industries there. That's how you should think about it.

Adele Stratton: Just in terms of the reserve update, Paul, so you're fully aware that we're going through the definitive feasibility study for Wimmera, you wouldn't do a reserve update until you get to the end of that study and then we'll factor these things in.

Paul Young: (Goldman Sachs, Analyst) Yep, understood. Okay, helpful again, thank you.

Tom O'Leary: Thank you, Paul. I think that wraps up the Q&A. Thanks again for your time. We look forward to catching up with investors after our results next month. Thank you.

Operator: That does conclude today's conference call. Thank you for your participation. You may now disconnect.

End of Transcript