



ILUKA

Australian Securities Exchange Notice

6 September 2016

UPDATE IN RELATION TO SIERRA RUTILE LIMITED TRANSACTION

Iluka Resources Limited ("**Iluka**") provides Iluka shareholders with this update regarding recent developments in relation to the proposed transaction with Sierra Rutile Limited ("**SRL**") (the "**Merger**").

SRL Shareholder Meeting

Iluka notes the announcement dated 1 September 2016 by SRL that the resolutions required to approve the Merger were passed by the requisite majority of SRL shareholders.

German Antitrust Clearance

As previously disclosed, the Merger is conditional on prior clearance of the German Antitrust Authority. On 5 September 2016, the German Antitrust Authority advised Iluka and SRL that it had decided to refer the Merger to a "Phase 2" review of the Merger, which can take up to 3 months. In accordance with the provisions of the Merger Implementation Agreement dated 31 July 2016 (the "**MIA**"), Iluka and SRL now have 5 business days to agree how to proceed in respect of the Phase 2 review. As referred to in the SRL Shareholder Circular dated 9 August 2016, if the parties are unable to reach agreement on how to proceed in respect of the Phase 2 review, either party may terminate the MIA.

Iluka will further provide further information to shareholders as soon as practicable.

Investment market and media inquiries:

Dr Robert Porter
General Manager, Investor Relations
Phone: + 61 (0) 3 9225 5008
Mobile: +61 (0) 407 391 829
Email: robert.porter@iluka.com
Website: www.iluka.com