

12 September 2017

ILUKA ZIRCON REFERENCE PRICE INCREASE

Iluka Resources Limited (Iluka) advises that it has announced an increase in its Zircon Reference Price of US\$130 to US\$1,230 per tonne effective from 1 October 2017 for a six month period through to 31 March 2018.

This increase in pricing reflects a continuation of Iluka's approach to balancing the needs of its customers and downstream industries for pricing which enables sustainable operations with the requirement to generate satisfactory returns for shareholders.

While in the ordinary course Iluka's pricing commentary is restricted to its quarterly production reports and the half and full year financial statements, given the quantum of the price increase Iluka considers it appropriate to inform the market of this increase. Iluka also emphasises that it does not provide price forecasts.

The Reference Price¹ is the benchmark against which a range of Iluka zircon products are priced. Iluka's weighted average received price can and does vary from this, reflecting specific customer arrangements, market channels, geographies and product mix.

Investment market and media inquiries:

Adele Stratton

General Manager Finance, Investor Relations and Corporate Affairs

Phone: + 61 (0) 8 9360 4631

Mobile: +61 (0) 415 999 005

Email: adele.stratton@iluka.com

¹ Iluka's Zircon Reference Price is based on a 2 tonne bag of Zircon Premium, DAT, ex-China warehouse.