ILUKA

# ANNUAL REPORT

## 2024

DELIVER
SUSTAINABLE
VALUE

# ABOUT THIS REPORT

## ABOUT THIS REPORT

### ILUKA IS COMMITTED TO OPEN AND TRANSPARENT ENGAGEMENT WITH ITS STAKEHOLDERS

This Annual Report is a summary of Iluka Resources' and its subsidiaries' operations, activities and financial position as at 31 December 2024. Currency is expressed in Australian dollars (AUD) unless otherwise stated.

This Report includes Iluka's Sustainability reporting, guided by the Global Reporting Initiative Framework.

Current and previous reports are available on the company's website at www.iluka.com. Iluka is committed to reducing the environmental footprint associated with the production of the Annual Report, and printed copies are only posted to shareholders who have elected to receive one.

### FORWARD LOOKING STATEMENT

This document contains certain statements which constitute 'forward-looking statements'. While these forward-looking statements reflect Iluka's expectations at the date of this report, they are not guarantees or predictions of future performance or statements of fact and readers are cautioned against relying on them. Further information regarding forward-looking statements in this Annual Report is provided on page 156.

This document contains non-IFRS financial measures including cash production costs, non-production costs, mineral sands EBITDA, underlying Group EBITDA, EBIT, free cash flow, and net debt amongst others. These non-IFRS measures are not subject to audit or review, however, a reconciliation of the measures to Iluka's statutory accounts is provided on page 21.

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ABN 34 008 675 018


# ABOUT ILUKA RESOURCES

Iluka Resources Limited (Iluka or the company) is a global critical minerals company with expertise in exploration, project development, mining, processing, marketing and rehabilitation.

## THE COMPANY'S OBJECTIVE IS TO DELIVER SUSTAINABLE VALUE

With more than 70 years' industry experience, Iluka is a leading producer of zircon and high-grade titanium feedstocks (rutile and synthetic rutile).

Via the company's development of Australia's first fully-integrated rare earths refinery at Eneabba in Western Australia, Iluka is set to become a globally material supplier of separated rare earth oxides.

Iluka's products are used in an array of applications including technology, construction, medical, lifestyle, defence and industrial uses. As the world moves towards a more sustainable future, Iluka's high-quality, Australian critical minerals products are in increasing demand.

Alongside the company's Australian production base and development pipeline, Iluka has a globally integrated marketing network.

Exploration activities are conducted both within Australia and internationally and Iluka is actively engaged in the rehabilitation of previous activities in the United States and Australia.

Headquartered in Perth, Western Australia, Iluka is listed on the Australian Securities Exchange (ASX). Iluka holds a 20% stake in Deterra Royalties, the largest ASX-listed resources-focused royalty company.

Above: Iluka's Echo site in Victoria was mined from 2009 to 2012; rehabilitation is 97% complete and the land has been returned to cropping and grazing purposes.

Cover: Iluka's Jacinth-Ambrosia operations.

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# OUR PRODUCTS

## ZIRCON

Iluka is one of the world's largest producers of zircon. From premium-grade zircon to zircon-in-concentrate, Iluka delivers quality products to a wide range of customers around the world utilising its well-developed logistics and distribution capabilities. Main applications for Iluka's zircon include ceramics, refractory, foundry, and zirconium chemicals.

Zircon is a high-performing whitener, stable and non-reactive at high temperatures, and resistant to chemical attack, abrasion and corrosion. Zircon's key derivatives such as zirconia materials are highly resistant to thermal shock, highly biocompatible, extremely hard, and provide differentiated functional properties to many applications.

## TITANIUM DIOXIDE

Iluka is a leading producer of synthetic rutile, an upgraded, value-added form of the mineral ilmenite. The company also produces natural rutile. Collectively, these products are referred to as high-grade titanium dioxide feedstocks, due to their high titanium content. Primary uses are in the manufacturing of pigment, titanium metal and welding.

Titanium and titanium dioxide are favoured for their high strength to weight ratio, high melting point, corrosion and chemical resistance, biocompatibility, high refractive index and UV blocking abilities (absorption and reflection).

## RARE EARTHS

Iluka has established a significant position in rare earths elements. Rare earths are essential inputs to defence systems, electric and hybrid vehicles, robotics, renewable energy, consumer, industrial and agricultural applications.

The strong outlook for these applications is expected to drive growing market demand for Iluka's rare earth oxides, particularly neodymium, praseodymium, dysprosium and terbium.

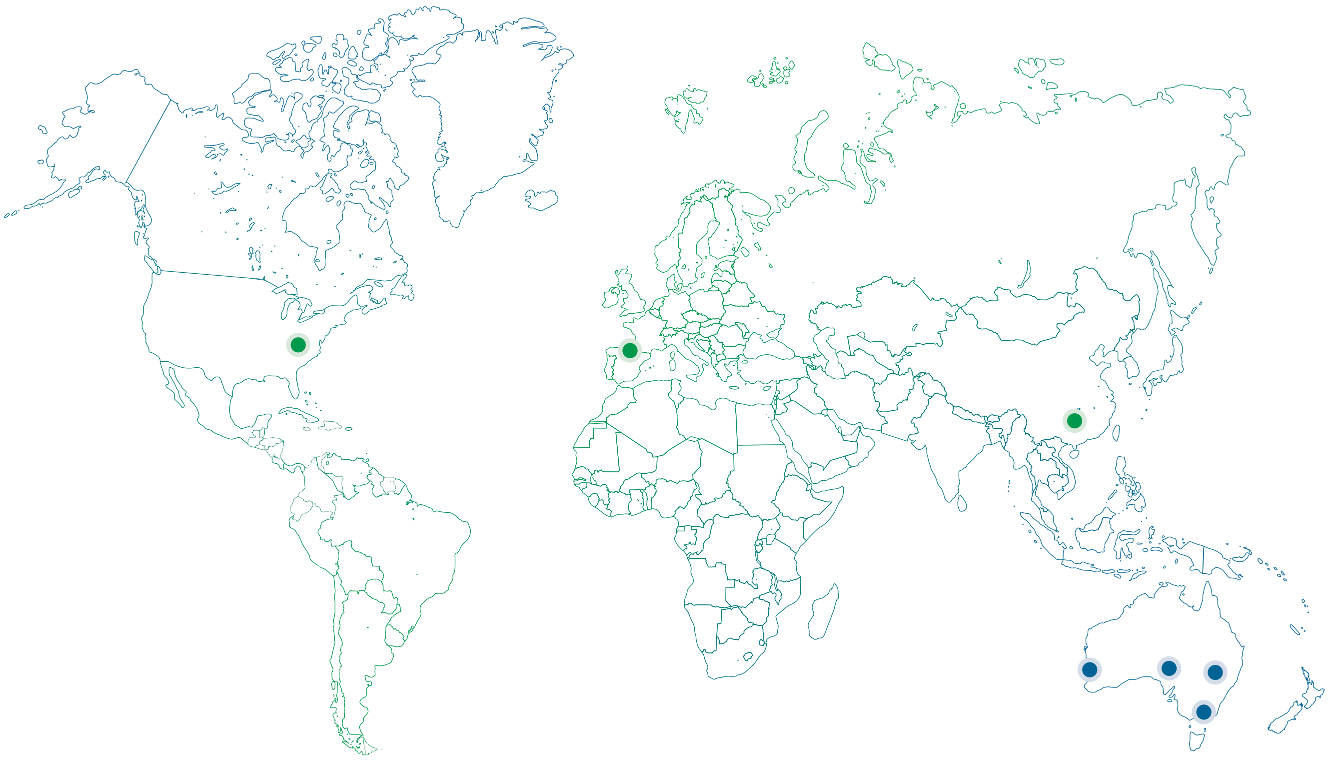
Global rare earth production is highly concentrated, which creates inherent risks. Iluka's Eneabba refinery in Western Australia is an important step in increasing the resilience of global rare earths supply chains.

## OTHER

Iluka recovers and markets products produced as part of its processing activities, including activated carbon, gypsum and iron concentrate.

# OUR LOCATIONS

Iluka's production is located exclusively in Australia. The company has a global marketing network and is conducting rehabilitation activities in Australia and at former mine sites in the United States.



## GLOBAL

### UNITED STATES

Marketing and distribution

Rehabilitation

### EUROPE

Marketing and distribution

### ASIA

Marketing and distribution

## AUSTRALIA

### WESTERN AUSTRALIA

Narngulu processing

Cataby mining and concentrating

Capel synthetic rutile processing

South West deposits (Tutunup)

Corporate support centre

Rehabilitation

### SOUTH AUSTRALIA

Jacinth-Ambrosia mining and concentrating

Jacinth-Ambrosia satellite deposits (Atacama, Typhoon, Sonoran, Tripitaka)

Rehabilitation

Corporate support centre

### NEW SOUTH WALES

Balranald project

Euston deposit

### VICTORIA

Wimmera project

Hamilton processing (idle)

Rehabilitation

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# THE VALUE OF OUR CRITICAL MINERALS

## AEROSPACE

Rare earths in alloying agents create high-strength metals for aircraft engines. Zirconia ceramics are used to manufacture high-temperature parts for jet engines. Titanium metal and titanium alloys are used in critical components within airframe structures (fuselage frames, wing spars and landing gears) and engine components (turbine disks and compressor blades).

## FABRICATION

Welding accounts for five to 10 percent of titanium feedstock end use markets via its usage within the fluxes of Shielded Metal Arc, Flux Cored wire and Submerged Arc used in general construction and manufacturing to more specialised aspects like shipbuilding and pipeline construction. Zircon is a key refractory material for producing cast metal components through sandcasting and precision-casting techniques. These metal components are used in a range of applications, including automotive, industrial and aerospace.

## CONSUMER ELECTRONICS

Rare earth elements are key to products such as smartphones, televisions, lasers, rechargeable batteries and computer hard drives. Zirconia materials are applied in various electronics, ultra-tough structural casings for mobile phones, and new-generation, higher-capacity and safer solid-state batteries.

## AUTOMOTIVE

Titanium, zircon and rare earths are required for vehicles in the brake linings/pads, parking sensors, oxygen sensors, engine management systems, paint, catalytic converters, electrics and rubber products. Rare earths are used in catalytic converters and electric vehicles, enabling lighter and more efficient motors.

## CERAMICS

More than 50% of all zircon produced globally is used in the production of ceramics where it provides whiteness, strength and corrosion resistance.

## INDUSTRIAL

Zircon and zirconia refractories find key uses in high temperature and specialist kilns, furnaces and moulds, due to excellent stability at high temperatures and corrosive environments, such as in steel, high alloys and glass manufacturing.

## HEALTHCARE

Zirconia ceramics are used in medical implants and zirconium-containing sorbents are used in dialysis systems. Zirconium is ideal for the manufacture of specialist surgical instruments. Titanium is used in dental implants, joint replacements, prosthetics and surgical equipment. Rare earths are found in a range of applications used for medical diagnoses and treatment. They offer significant benefits in various laser technology and imaging, such as increasing the sensitivity and specificity of diagnostic pictures in magnetic resonance imaging machines.

## ENERGY AND PHOTOCATALYTICS

The properties of titanium dioxide lend themselves to having the most effective photoactivity, allowing it to be used as a vital component of anti-microbial coatings, self-cleaning surfaces, air and water purification systems. Emerging solar cell technologies typically use titanium dioxide as the semiconductor doped with zirconium to increase efficiency. Zirconia is used as a key component for solid oxide fuel cells and solid oxide electrolytic cells.

## HOME AND PERSONAL APPLICATIONS

Iluka products are used in light bulbs, dishes, glasses, clock parts, food colouring, ceramic knives, pans, toothpaste, cosmetics, medication coatings, antiperspirants and sunscreens, glass, and tap faucets.

## PIGMENTS AND CONSTRUCTION

About 80 to 85 percent of all titanium feedstocks globally are used to produce pigment for the manufacturing of paint, plastic, paper and fibre. Zircon provides corrosion resistance to glass fibres applied to high-performance concrete for building construction.

## SUSTAINABLE DEVELOPMENT TECHNOLOGIES

The magnet rare earths neodymium, praseodymium, dysprosium and terbium are essential for the production of ultra-strong permanent magnets used in the motors that power electric vehicles, the generators used in wind turbines, and other sustainable technologies. Dysprosium and terbium are also valued for their ability to enable permanent magnets to retain their coercivity at high temperatures.

## DEFENCE

Heavy rare earths are essential in a range of defence applications, providing magnets with specialised qualities that include enhanced thermal resistance. Non-magnetic defence applications include laser range finders, fibre optic communications and night vision goggles.

# 2024 HIGHLIGHTS

## MARKETS & OPERATIONS

**496kt**
Z/R/SR produced
(2023: 639kt)

**475kt**
Z/R/SR sold
(2023: 494kt)

## FINANCIALS

**$1,129m**
Mineral Sands revenue
(2023: $1,238m)

**$477m**
Underlying mineral sands EBITDA
(2023: $582m)

**42%**
Underlying mineral sands EBITDA margin
(2023: 47%)

**$115m**
Net debt (as at 31 December 2024)
(2023: net cash $225m)

# ILUKA ENTERS AN IMPORTANT PHASE IN 2025

Iluka enters an important phase in 2025, with the commissioning of the Balranald project and the construction of the Eneabba project. These major capital developments will provide a strong future for the company's mineral sands and rare earths businesses.

## SUSTAINABILITY

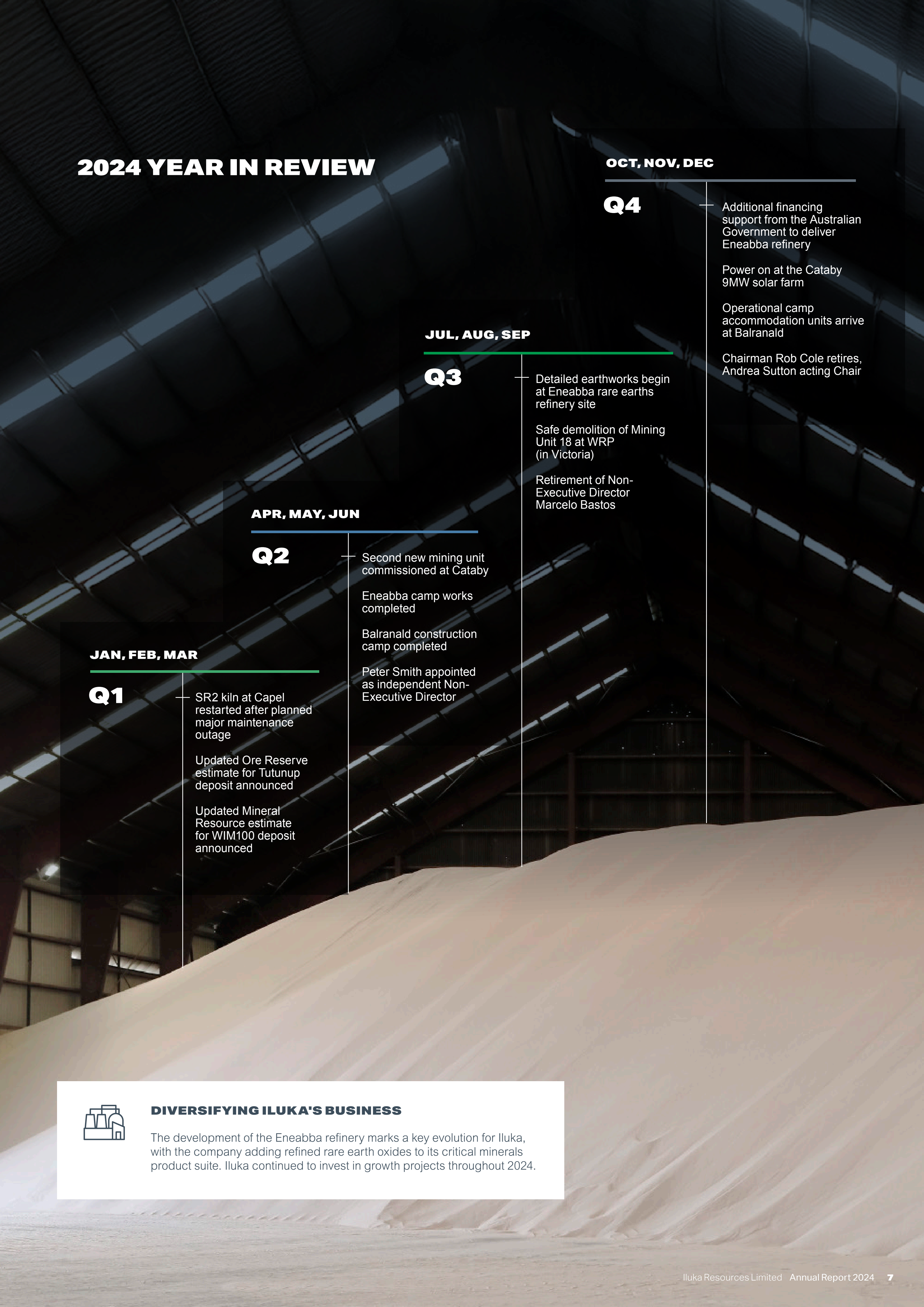
**403 ha**
Land rehabilitated
(2023: 353ha)

Iluka plants native seedlings on 80ha of land at North Capel to generate carbon credits

## OUR PEOPLE

**4.2%**
Aboriginal and Torres Strait Islander peoples in total Australian workforce
(2023: 4.2%)

Iluka begins recruitment for operational roles to support Balranald critical minerals development



# 2024 YEAR IN REVIEW

### JAN, FEB, MAR

## Q1

- SR2 kiln at Capel restarted after planned major maintenance outage
- Updated Ore Reserve estimate for Tutunup deposit announced
- Updated Mineral Resource estimate for WIM100 deposit announced

### APR, MAY, JUN

## Q2

- Second new mining unit commissioned at Cataby
- Eneabba camp works completed
- Balranald construction camp completed
- Peter Smith appointed as independent Non-Executive Director

### JUL, AUG, SEP

## Q3

- Detailed earthworks begin at Eneabba rare earths refinery site
- Safe demolition of Mining Unit 18 at WRP (in Victoria)
- Retirement of Non-Executive Director Marcelo Bastos

### OCT, NOV, DEC

## Q4

- Additional financing support from the Australian Government to deliver Eneabba refinery
- Power on at the Cataby 9MW solar farm
- Operational camp accommodation units arrive at Balranald
- Chairman Rob Cole retires, Andrea Sutton acting Chair

### DIVERSIFYING ILUKA'S BUSINESS

The development of the Eneabba refinery marks a key evolution for Iluka, with the company adding refined rare earth oxides to its critical minerals product suite. Iluka continued to invest in growth projects throughout 2024.

# CHAIRMAN'S AND MANAGING DIRECTOR'S REVIEW

## DEAR SHAREHOLDERS

In 2024 Iluka achieved important milestones and encountered several challenges.

Your company's evolution – diversifying into rare earths and investing in technical development to sustain and grow production in Australia – continues to take place against a complex external backdrop.

Persistent inflation, subdued market conditions and ongoing geopolitical volatility again affected our financial performance. NPAT was $231 million and underlying group EBITDA was $477 million. While Australia has become a higher cost jurisdiction, Iluka's disciplined approach to operations and pricing preserved sound margins of 42%, which also benefitted from a favourable foreign exchange rate. The company's mineral sands business ended the year in a net cash position of $90 million, while non-recourse net debt associated with construction of the Eneabba rare earths refinery was $205 million.

2024 saw over 3.5 billion people – nearly half the world's population – take part in democratic elections, with a notable shift in political leadership in some key markets. International fragmentation, combined with the possibility of some reconfiguration in trade flows, has heightened the imperative of governments to derisk reliance on any single country for the supply of critical minerals. Iluka is at the forefront of this megatrend through its development of an Australian rare earths industry in partnership with the Australian Government.

In December, we announced an expansion of the Commonwealth's $1.25 billion non-recourse loan facility to $1.65 billion to deliver the Eneabba rare earths refinery. This strategic partnership represents one of the most significant government investments in a critical minerals project globally.

The basis for Iluka's investment decision is twofold: our conviction that our rare earths business will deliver substantial returns for shareholders; and a thorough consideration of the risks associated with the rare earths industry, with those risks mitigated and shared appropriately with the Commonwealth.

China currently accounts for approximately 90 percent of all rare earth oxide production and effectively 100 percent of the key heavy rare earths. These products are critical to the future of Western and likeminded manufacturing, including the automotive, robotics and defence sectors. Once operational in 2027, the Eneabba refinery will produce material quantities of both light and heavy separated rare earth oxides – the only fully-integrated facility of its type outside China.

Iluka's objective is to deliver sustainable value and we expect our rare earths business to embody this over several decades. With the capital structure for Eneabba now certain, the principal drivers of that value are project delivery, operational performance, market development and maturing additional feedstock options to secure longevity. The next two years are pivotal for progress in each of these areas, alongside our ongoing efforts to educate stakeholders on what is at present an opaque and monopolistic market structure.

Of equal importance is the transition underway in Iluka's mineral sands business and the mineral sands industry more broadly.

Global macroeconomic uncertainty in 2024 led to subdued activity in the construction and real estate sectors. This affected customer buying behaviour in both the titanium and zircon markets. However, prices for Iluka's zircon products remained relatively strong, with separated sand sales volumes higher than had been expected at the beginning of the year and concentrate sales reflecting available production.

In titanium feedstocks, the long-term sales contracts Iluka has in place for synthetic rutile continue to provide the company a high degree of revenue certainty. These contracts, which currently extend to 2026, underpin production from our main synthetic rutile asset, SR2.

We remain focused on operational efficiency and continue to run our mines at capacity. This approach optimises unit costs and maintains Iluka's ability to service the premium zircon market, where demand is stronger. The company has built ilmenite inventory at Cataby, which ensures feedstock is available to underpin a future restart of SR1, Iluka's swing production asset for synthetic rutile, when market conditions warrant.

The implementation of tariff arrangements in Europe favourable to our customers is expected to impact trade flows in 2025, with other tariff and trade impacts also possible. Structural change is taking place in the pigment industry and several pigment producers are anticipating improved market conditions in 2025, which would in turn be positive for titanium feedstock demand.

As we have conveyed previously, the operations that have sustained the mineral sands industry over the past two decades are all in the process of depletion and grade decline. This includes Iluka's Jacinth-Ambrosia mine, which is approaching the end of its life in 2028.

With industry supply of high-quality zircon and high-grade titanium feedstocks likely to remain constrained, Iluka has invested in technical development to unlock new deposits in our portfolio previously considered uneconomic. The Balranald project in New South Wales and the Wimmera project in Victoria exemplify this investment focus.

Significant progress has been made at Balranald, where Iluka will deploy a novel, remotely-operated, underground mining technology at commercial scale for the first time. This enables the commercialisation of a high-grade deposit which, at 60 metres below the surface, would not be viable through traditional extraction techniques.

**ILUKA'S OBJECTIVE IS TO DELIVER SUSTAINABLE VALUE AND WE EXPECT OUR RARE EARTHS BUSINESS TO EMBODY THIS OVER SEVERAL DECADES**

**ANDREA SUTTON**
Acting Chair

**TOM O'LEARY**
Managing Director & CEO

Over a 10-year mine life, Balranald will provide 60ktpa of natural rutile (returning Iluka to a leading position in the industry's most supply constrained commodity); 50ktpa of high-quality zircon (which is key in the context of grade decline at Jacinth-Ambrosia); and concentrate feedstocks to support the production of value-added synthetic rutile and rare earths (at our processing facilities at Capel and Eneabba respectively).

Commissioning is set for the second half of 2025.

Over the longer term, Iluka's underground mining technology has the potential to unlock other deep deposits beyond Balranald, with the dual benefit of substantially reduced environmental disturbance. In time it may also be applicable to mining other commodities, conceivably delivering Iluka a revenue stream from licensable intellectual property.

Additional progress was made on the Wimmera project, where our definitive feasibility study (DFS) is focused on the WIM100 deposit – one of several large sources of rare earths and zircon that Iluka is looking to develop in western Victoria.

Wimmera will provide decades of feedstock for the Eneabba refinery, including material volumes of highly valuable heavy rare earths. Options to process Wimmera's zircon are being matured in parallel, with the project important to the future sustainability of the zircon industry.

At an earlier stage of development, Iluka has declared a resource estimate for the Goschen South deposit, which is proximate to WIM100, further demonstrating the long-life potential of western Victoria as a significant critical minerals province.

Additional progress on projects included the Tutunup development, with that DFS scheduled for completion in 2026.

Iluka's project pipeline is vital to the company's future. Each of our current and future mineral sands mines will contribute rare earth minerals as feedstock for the Eneabba refinery; and the refinery in turn aids the economics of those mines through the value uplift achieved by converting their rare earth minerals to separated oxides. This is a unique offering that is key to our competitive advantage.

The company's ability to fund capital developments in the mineral sands business is the result of prudent balance sheet management over many years. We have a demonstrated record of drawing down on our large commercial facilities to fund new mines before paying down that debt quickly once operations commence. This will continue to be Iluka's approach as we enter our next capital investment phase. The highly-flexible nature of the Australian Government's loan to fund Eneabba will see the debt associated with our rare earths business treated differently, with expected high gearing levels that are non-recourse to Iluka (such that the mineral sands business is quarantined from that debt).

Capital and operational intensity means greater levels of activity, demanding constant vigilance in relation to safety and environmental stewardship. In 2024, we achieved a decrease in our Serious Potential Injury Frequency Rate to 3.3; a Total Recordable Injury Frequency Rate of 3.8 (an increase driven largely by hand and trip injuries); and rehabilitated 400 hectares of land across the portfolio.

Board changes during the year included the retirements of Rob Cole and Marcelo Bastos and the appointment of Peter Smith, who brings over 40 years of industry experience. On behalf of the Board, we again extend our gratitude to Rob and Marcelo for their service to Iluka.

Thank you for your ongoing support.

A Sutton

TO'Leary

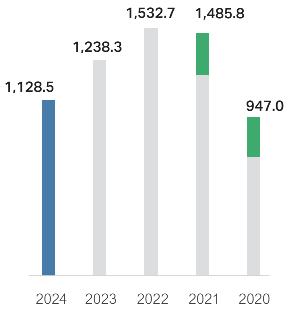
**ANDREA SUTTON**
Acting Chair

**TOM O'LEARY**
Managing Director and CEO

# FINANCIAL SUMMARY

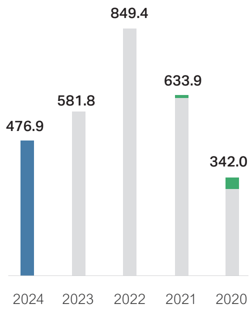
## MINERAL SANDS REVENUE

## $1,129 M



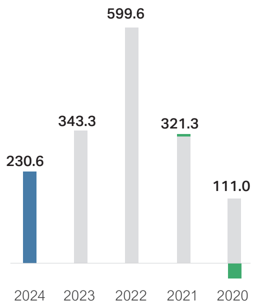

## UNDERLYING MINERAL SANDS EBITDA

## $477 M




## UNDERLYING NPAT

## $231 M




Note: 2020-2021 results include Sierra Rutile Limited, which was demerged from the Group in August 2022.

## MINERAL SANDS REVENUE

Iluka's mineral sands revenue in 2024 was $1,129 million.

Total zircon sales reached 230 thousand tonnes for the year, with a notable 165 thousand tonnes of premium and standard zircon sand, 12% higher than the previous year. Zircon-in-concentrate (ZIC) sales contributed 65 thousand tonnes, representing all available production. While total volumes were robust, the weighted average realised zircon premium and standard price for the year was 9% lower than 2023. The Group's disciplined marketing approach has limited the price decline recorded for the company's products, while balancing the need to meet customers' needs and deliver sales revenue.

Iluka's synthetic rutile sales in 2024 were consistent with contractual commitments, with a total of 200 thousand tonnes sold, aligning with volumes under Iluka's take-or-pay agreements. Natural rutile sales reached 45 thousand tonnes for the year, including HyTi. Demand for rutile and HyTi remained stable despite increased competition from lower-priced exports from China, as imported concentrates continue to be processed and sold.

## UNDERLYING MINERAL SANDS EBITDA

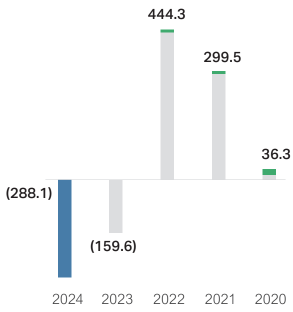
Underlying mineral sands EBITDA was $477 million. The mineral sands business continued to generate strong EBITDA margins of 42% (2023: 47%).

## NET PROFIT AFTER TAX

Iluka reported NPAT of $231 million. Challenging economic conditions continued throughout 2024. Management took advantage of opportunities early in the year to place greater than had been anticipated volumes of zircon into the market at attractive pricing and demonstrated discipline in its approach in responding to generally subdued demand for products over the year and reducing costs through a targeted review. NPAT included an earnings contribution of $22 million from Iluka's 20% interest in Deterra Royalties.

## FREE CASH FLOW

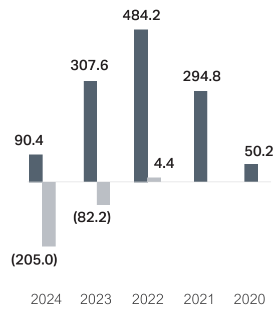
**$(288) M**




Note: 2020-2021 results include Sierra Rutile Limited, which was demerged from the Group in August 2022.

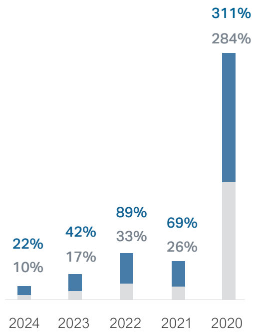
## NET CASH/(DEBT)

**$(115) M**




## ROE AND ROC

**10% 22%**




## FREE CASH FLOW

During 2024, the company built heavy mineral concentrate (HMC) inventory, particularly magnetic (ilmenite bearing) concentrate produced at Cataby mine, which will underpin the future restart of the SR1 kiln. This decision also helps balance the need for non-magnetic HMC (zircon and rutile bearing) to satisfy sales demand alongside optimising operating costs. This, combined with subdued market conditions, led to an operating cash flow of $252 million. Iluka remains focused on delivering sustainable value and demonstrating supply discipline.

Iluka's 20% stake in Deterra Royalties generated a further $31 million of cash flow, which is fully distributed to Iluka's shareholders in accordance with Iluka's dividend framework.

Capital expenditure was $434 million. This included approximately $160 million spent on the Eneabba rare earths refinery and approximately $190 million on Balranald; approximately $20 million was spent on feasibility studies including Wimmera, Euston, and South West deposits; $6 million on the last of the SR2 major maintenance work; and the remainder on sustaining capital expenditure.

In addition, a further $10 million was spent on advancing critical research and development of earlier stage studies, including zircon purification, metallisation study, and other mineral sands opportunities that do not yet qualify as capital expenditure and are captured within operating cash flows.

Total tax payments of $129 million include $34 million for 2023 final tax payments, paid in the first half of 2024. Iluka expects minimal tax payments will be necessary in 2025 related to the 2024 financial results.

As a result of continuing significant capital investment, especially on the Eneabba refinery and Balranald mineral sands mine, the company had a free cash outflow of $288 million during 2024, compared to a free cash outflow of $160 million in 2023.

## NET CASH (DEBT)

As at 31 December 2024, Iluka's mineral sands business remained in a net cash position of $90 million, compared to $308 million at 31 December 2023.

As expected, the gearing levels for the rare earths business unit continued to increase, with a net debt position of $205 million at 31 December 2024, up from a net debt position of $82 million last year.

## ROE AND ROC

Iluka reported return on equity of 10% and return on capital of 22%, reflecting continued positive operational results despite the subdued markets.

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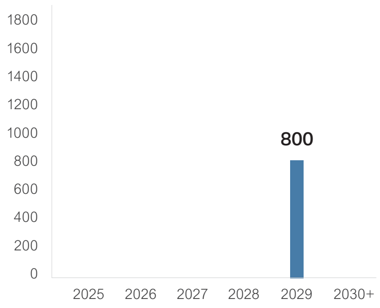
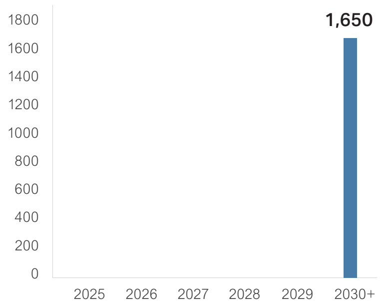
## DEBT FACILITIES MATURITY PROFILE

**MOFA maturity profile**




**Eneabba refinery non-recourse loan facility maturity profile**




### MINERAL SANDS

As at 31 December 2024, Iluka's mineral sands business unit had debt facilities of $930 million. This comprised:

- $800 million Multi Option Facility Agreement (MOFA) being a series of committed five-year unsecured bilateral revolving facilities with several domestic and foreign institutions. The MOFA is denominated in AUD and matures in May 2029. There were $10 million of debt drawings under the MOFA at year end. There was $39 million of the facility committed for bank guarantees under the facility; and
- $130 million dedicated bank guarantee facility, of which $118 million was committed.

The mineral sands business unit had a net cash balance of $90 million.

### RARE EARTHS

As at 31 December 2024, the rare earths business unit had a $1,250 million non-recourse loan facility from the Australian Government (administered by Export Finance Australia) to construct the Eneabba refinery, with a term of up to 16 years expiring in 2038, against which $249 million was drawn down at year-end.

Iluka agreed to an expansion of the non-recourse loan of $400 million on 6 December 2024, and the final loan documentation was finalised post-year end, resulting in the rare earths business unit now having access to $1,650 million of non-recourse debt from the Australian Government. Access to the additional $400 million facility is subject to securing offtake agreements satisfactory to the Australian Government. Iluka announced the details of this additional funding in ASX announcement *Eneabba Rare Earths Refinery Positive Outcome of Funding Discussions* dated 6 December 2024.

The rare earths business unit had a net debt position of $205 million at 31 December 2024.

As a result, the Group had a net debt position of $115 million at 31 December 2024. Note 15 of Iluka's Financial Report provides details of the maturity profile and interest rate exposure.

## DIVIDEND FRAMEWORK

Iluka's dividend framework is to pay 100% of dividends received from Deterra Royalties and pay a minimum of 40% of free cash flow from the mineral sands business not required for investing or balance sheet activity. The company also seeks to distribute the maximum franking credits available.

During the year, Iluka paid a fully franked interim dividend of 4 cents per share and has declared a full year dividend of 4 cents per share, fully franked, for 2024.

## HEDGING

Iluka manages a portion of its foreign exchange risk via a foreign exchange hedging program.

The Group entered into the following hedging contracts in 2024:

- US$496 million in foreign exchange collars consisting of US$496 million of bought AUD call options with weighted average strike prices of 68.6 cents and US$496 million of sold AUD put options with weighted average strike prices of 63.4 cents.

In addition, the following hedging contract matured during the year:

- US$199 million in foreign exchange collar contracts consisting of US$199 million of bought AUD call options with weighted average strike prices of 69.8 cents and US$199 million of sold AUD put options with weighted average strike prices of 63.6 cents.

Iluka has US$455 million in foreign exchange collar contracts in relation to expected USD revenue from contracted sales to 31 December 2026 which remain open as at 31 December 2024, which are detailed in Note 21 of Iluka's Financial Report.

## ILUKA DECLARED A FULL YEAR DIVIDEND OF 4 CENTS PER SHARE, FULLY FRANKED, FOR 2024

# STRATEGY AND BUSINESS MODEL

The Iluka Plan outlines the company's purpose, core, direction and values. It is the reference point that guides strategic and business decisions.

### THE ILUKA PLAN


## OUR VALUES.

Integrity

Respect

Courage

Accountability

Collaboration

## OUR PURPOSE.

### TO DELIVER SUSTAINABLE VALUE.

The company aims to achieve this by:

- ensuring the safety, health and wellbeing of our employees;
- optimising shareholder returns through prudent capital management and allocation;
- developing a robust business that can maintain and grow returns over time;
- providing a competitive offering to our customers;
- managing our impact on the environment;
- supporting the communities in which we operate; and
- building and maintaining an engaged, diverse and capable workforce.

# FINANCIAL AND OPERATIONAL REVIEW



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**THE FUTURE OF CRITICAL MINERALS**

Iluka Managing Director Tom O'Leary spoke at the 2024 AFR Mining Summit about the company's role in catalysing an independent Australian rare earths industry.

Photo credit: Trevor Collens

# FINANCIAL RESULTS

## INCOME STATEMENT ANALYSIS

| $ million | Full Year 2024 | Full Year 2023 | % Change |
|---|---|---|---|
| Z/R/SR revenue | 1,043.4 | 1,143.2 | (8.7) |
| Ilmenite and other revenue | 85.1 | 95.1 | (10.5) |
| **Mineral sands revenue** | **1,128.5** | **1,238.3** | **(8.9)** |
| Cash costs of production | (644.0) | (660.5) | (2.5) |
| By-product costs | (16.4) | (11.2) | 46.4 |
| Inventory movement - cash costs of production | 179.9 | 185.8 | (3.2) |
| Idle capacity charges | (35.3) | (23.0) | 53.5 |
| Government royalties | (35.1) | (47.1) | (25.5) |
| Marketing and selling costs | (32.5) | (27.4) | 18.6 |
| Asset sales and other income | 0.9 | 23.9 | (96.2) |
| Major projects, exploration, and innovation | (40.0) | (52.3) | (23.5) |
| Corporate and other costs | (48.6) | (42.6) | 14.1 |
| Foreign exchange | 19.9 | (2.1) | n/a |
| **Underlying mineral sands EBITDA** | **477.3** | **581.8** | **(18.0)** |
| Share of profit of associate | 21.5 | 27.3 | (21.2) |
| **Underlying Group EBITDA** | **498.8** | **609.1** | **(18.1)** |
| Depreciation and amortisation | (192.2) | (167.8) | 14.5 |
| Inventory movement - non-cash production costs | 48.2 | 51.7 | (6.8) |
| Rehabilitation costs for closed sites | 5.2 | 4.3 | 20.9 |
| Gain/(loss) on revaluation of investments | (4.5) | (5.0) | (10.0) |
| **Group EBIT** | **355.5** | **492.3** | **(27.8)** |
| Net interest and bank charges | 6.5 | 12.3 | (47.2) |
| Rehabilitation unwind and other finance costs | (36.7) | (33.1) | (10.9) |
| **Profit before tax** | **325.3** | **471.5** | **(31.0)** |
| Tax expense | (94.0) | (128.9) | (27.1) |
| **Profit for the period (NPAT)** | **231.3** | **342.6** | **(32.5)** |

| | | | |
|---|---|---|---|
| **Average AUD/USD rate for the period (cents)** | **66.0** | **66.5** | **(0.8)** |

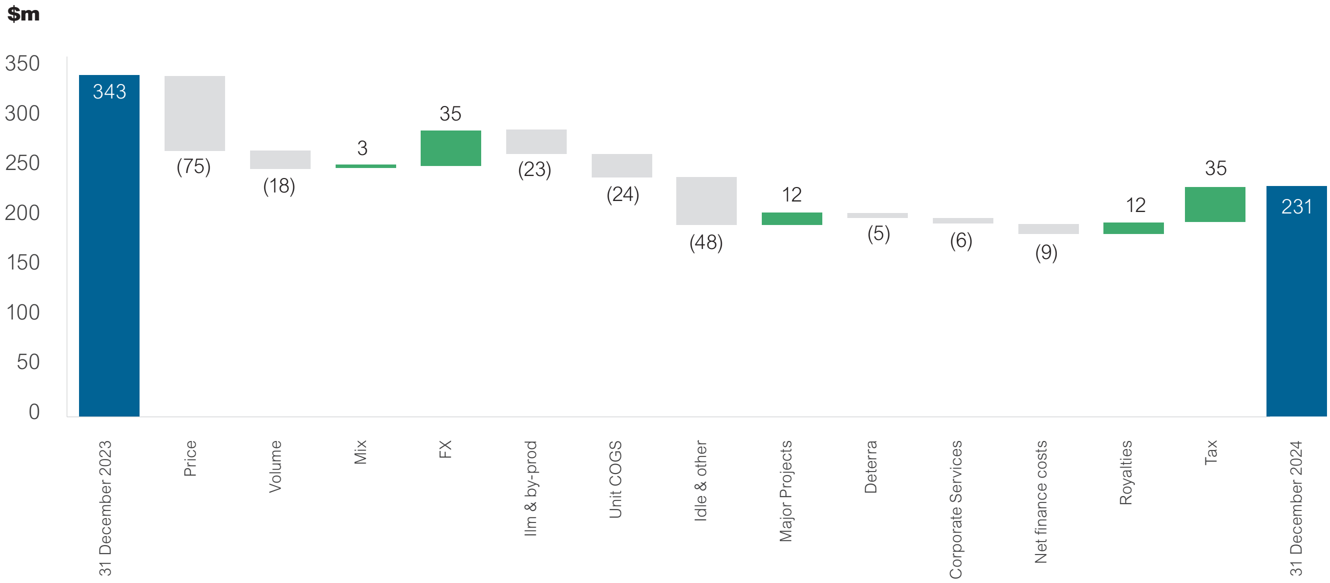
Photo above: Iluka's North Capel operations include two synthetic rutile kilns.

**FOR MORE INFO PLEASE VISIT**
**ILUKA.COM**

## MOVEMENT IN UNDERLYING NPAT

| $ million | Full Year 2024 | Full Year 2023 | % Change |
|---|---|---|---|
| NPAT | 231.3 | 342.6 | (32.5) |
| **Non-recurring adjustments:** | | | |
| Rehabilitation for closed sites - Total (post tax) | (5.2) | (4.3) | (20.9) |
| Revaluation of Northern Minerals | 4.5 | 5.0 | (10) |
| **Underlying NPAT** | **230.6** | **343.3** | **(32.8)** |

Note: 2023 comparatives have been adjusted for updated corporate allocation methodology that came into effect on 1 January 2024. See page 21 for a reconciliation of prior year corporate cost allocations.




**Sales** commentary is contained on page 18.

**Exchange rate** variances relate to AUD:USD translation of sales, which are predominantly sold in USD currency. The Australian dollar was highly volatile again in 2024, with a range from 69.2 cents to 62.1 cents. On average, the exchange rate was 66.0 cents for 2024, compared to a similar average in 2023 of 66.5 cents. Due to timing of sales, the Group's Australian dollar revenue benefitted from exchange differences compared to 2023. The Group hedges a portion of its USD sales to assist in managing exchange rate exposure, which is detailed on page 12 of this report.

**Cash costs of production** decreased by 3% from the prior year on lower production resulting in lower transport costs from Jacinth-Ambrosia and lower synthetic rutile costs as SR1 remained offline for 2024, though this was offset by higher coal, power, and labour costs. While inflation continues to flow through the cost base, the increases have noticeably slowed as stability returns to input costs.

**Unit cost of goods sold** increased to $1,190 per tonne compared to $1,127 per tonne in 2023.

This predominantly reflected inflationary pressure on production costs, a shift in product mix, as well as higher Jacinth-Ambrosia HMC costs on lower grade and recovery. In addition, there were higher depreciation and amortisation charges as depreciation started on new assets, such as the Cataby mining units, as well as on increased asset carrying values, mainly associated with rehabilitation and restoration requirements at Cataby and Jacinth-Ambrosia.

**Idle, restructure, disposals, and other amounts** decreased year-on-year as 2023 reflected a $27 million gain on the sale of US fixed assets to Atlantic Strategic Minerals. The variance was further increased by higher idle costs and depreciation for the SR1 kiln, which remained offline in 2024 as the Group manages synthetic rutile supply given market conditions.

**Corporate cost** reflects expenses to operate, govern and grow the business. Higher costs compared to the prior year were primarily driven by spend on support costs for the major capital projects underway, most significantly in preparation for operation of the Eneabba refinery. The Group announced a restructure of the support functions which was executed in December 2024, and will reduce 2025 spend on support costs.

**Marketing and selling** costs increased year-on-year due to a variety of reasons including increased royalties, and lower net freight and warehouse recoveries from customers compared to the prior period.

**Major projects, exploration, and innovation** spend continued to focus on supporting innovation and R&D in critical minerals production, identifying and defining new mineral sands and rare earths mining opportunities, and supporting delivery of the mineral sands capital projects and growth studies.

**Tax expense** had an effective tax rate of 29% in 2024. The equity-accounted profit for the Group's investment in Deterra Royalties is not assessable and the dividends received were fully franked, resulting in an effective tax rate lower than the corporate tax rate. The tax rate applicable in Australia remained at 30%.

**Rehabilitation unwind and other costs** increased slightly on rehabilitation provision increases for Cataby and Jacinth-Ambrosia, but primarily due to lower interest income as cash balances were drawn down to fund capital expenditure programs.

# SALES AND MARKETS

The macroeconomic and geopolitical uncertainty that characterised 2023 continued into 2024, with no clear catalyst to lift consumer confidence and ultimately lead to an increase in demand for Iluka's core products of zircon and titanium dioxide feedstocks. The lack of clarity on the demand outlook was reflected in many customers' approaches to purchase only what was required for consumption in the short- term. This resulted in a supply imbalance of many mineral sands products, except for premium grade zircon, which Iluka estimates to be either in balance or undersupplied.

## ILUKA TOOK ACTION TO PROTECT PRODUCT VALUE AND MARGINS, WHILE BALANCING THE NEED TO SUPPORT CUSTOMER NEEDS AND DELIVER SALES REVENUE

### ZIRCON

Iluka's total zircon sales of 230 thousand tonnes for the year were down 2% from 2023. Sales included 65 thousand tonnes of zircon-in-concentrate.

In China, the housing market remained challenged for much of the year, negatively impacting the demand for ceramics. Although the Chinese Government introduced different measures to stabilise the domestic economy, these had limited impacts on the real estate market until later in the year, when signs of stabilisation began to emerge.

The reliance on conventional economic drivers such as infrastructure and manufacturing is giving way to a more consumption-driven strategy. Still, the effects of this transition, and more recent stimulus, will take time to manifest.

In Europe, despite the weak economy in the first half, zircon demand from ceramics was stable; but then slowed following the traditional summer holidays. In the US, industrial activity was stable during 2024, with a stronger economy than expected. Indications are that growth will strengthen in 2025 with positive implications for zircon demand.

In India, the production of tiles and foundry products continued to grow, despite tile exports being impacted by anti-dumping measures and lower domestic demand due to the hiatus in construction as a result of general elections. Indian producers remain positive that despite the export hurdles stemming from anti-dumping regulations, producers will be able to leverage India's competitive cost and quality benefits in new export markets.

Zircon prices did soften in the second half of 2024 due to intense competition from China's domestic zircon sand production (ie sand produced from imported concentrates) and the actions of major competitors who made significant price reductions in Q4. Prices for premium grade zircon sand (Iluka's primary offering) have been more resilient.

Customers remain alert to the evolving economic and political landscape and were reluctant to hold inventories at year-end. However, as demand recovers, Iluka is well-positioned to support customers' underlying consumption and the inevitable inventory re-stocking.

Iluka's weighted average price for zircon sand (premium and standard) in 2024 was US$1,882 per tonne.

### HIGH-GRADE TITANIUM FEEDSTOCKS

Iluka's total sales of high-grade titanium feedstocks totalled 245 thousand tonnes, down 5% from 2023. This included 45 thousand tonnes of rutile sales and 200 thousand tonnes of synthetic rutile sales, the latter under take-or-pay contracts.

Ongoing economic and geopolitical uncertainty surrounding the conflicts in Ukraine and the Middle East, high interest rates and persistent inflation continued to dampen consumer spending in 2024. This, in turn, negatively affected demand for quality-of-life products containing titanium dioxide.

Pigment producers had initially expected 2024 to see a return to normal demand patterns during the peak northern hemisphere spring and summer paint seasons. However, the anticipated uptick did not materialise. New home construction and existing home re-sales remained low, particularly in the important North American market on the back of high borrowing costs. As a result, titanium dioxide plant operating rates were reduced in Q2 2024 and remained constrained until Q4, when some producers began to rebuild pigment inventories in preparation for 2025.

Pigment producers anticipate a gradual recovery in demand throughout 2025, as downstream consumers seek to replenish depleted supply chains. Strong housing demand in the US, coupled with China's trillion-dollar stimulus, is expected to provide a significant boost to underlying demand. Additionally, the recently implemented anti-dumping tariffs in Europe, along with pending duties in Brazil, India, and other regions, are expected to benefit non-Chinese producers, many of whom are consumers of Iluka's synthetic rutile.

Rutile demand from the welding market remained stable throughout 2024, driven by increased infrastructure spending in emerging economies and a rise in shipbuilding activity. Demand for titanium metal also remained robust, with the aerospace industry outpacing production capacity.

In response to market conditions, Iluka made the decision to service its synthetic rutile sales commitments from inventory and production from SR2, keeping the second kiln (SR1) offline for all of 2024. A decision to restart SR1 will be evaluated based on future market conditions.

Iluka's average rutile and synthetic rutile prices for the year were US$1,694 and US$1,205 per tonne, respectively.

Photo above: Titanium dioxide is used as a pigment in the manufacture of paint, plastic, paper and fibre where, in addition to being a non-toxic whitener, it also provides UV and chemical resistance. The wide range of end applications for pigment include house and car paints, laminates, plastic pipes and packaging, inks, clothing, sunscreen, toothpaste and make-up.

# PRODUCTION AND OPERATIONS

## MINERAL SANDS

Iluka's Mineral Sands segment comprising all its mining and processing operations are located in South Australia and Western Australia. The company is committed to safe and sustainable operations and strives to optimise production to meet market demand while continuously driving operational and technical excellence.

Iluka's operations produced 227 thousand tonnes of zircon, 58 thousand tonnes of rutile, and 211 thousand tonnes of synthetic rutile.

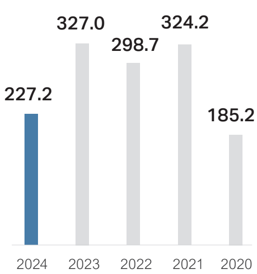
The Cataby mine in Western Australia produced 616 thousand tonnes of heavy mineral concentrate, up 26% from 2023 as the mining units were fed higher grades, in line with the mine plan.

Mining and concentrating at Jacinth-Ambrosia in South Australia produced a total of 260 thousand tonnes of heavy mineral concentrate, down from 2023 as ore grade was lower for 2024 in line with the planned mining sequence as well as lower runtime due to a planned outage in Q2 2024.

The Narngulu mineral separation plant in Western Australia processed 434 thousand tonnes of heavy mineral concentrate from Cataby and Jacinth-Ambrosia. Narngulu was offline for six weeks at the beginning of 2024, restarting in mid-February. The SR2 synthetic rutile kiln in Capel delivered 211 thousand tonnes of production in 2024, with the kiln coming back online from a planned major maintenance outage in late January 2024. SR1 production was idled in October 2023 in response to weaker market conditions and remained offline in 2024, in line with the operating rationale for this asset as a swing producer in the high-grade feedstock market.

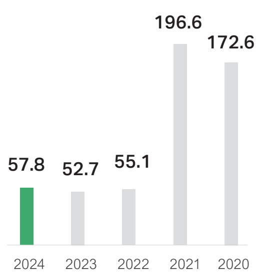
### ZIRCON

Production volumes (kt)



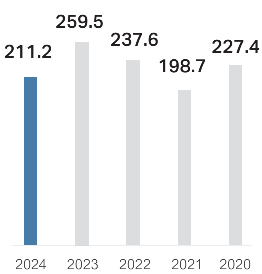

### RUTILE

Production volumes (kt)



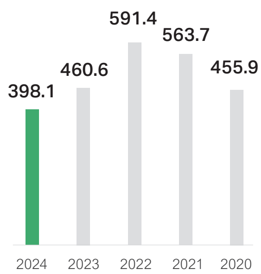

### SYNTHETIC RUTILE

Production volumes (kt)




### ILMENITE

Production volumes (kt)




Note: 2020-2021 volumes include Sierra Rutile Limited, which was demerged from the Group in August 2022.

| **Production (kt)** | **Full Year 2024** | **Full Year 2023** | **% Change** |
|---|---|---|---|
| Zircon | 227.2 | 327.0 | (30.5) |
| Rutile | 57.8 | 52.7 | 9.7 |
| Synthetic rutile | 211.2 | 259.5 | (18.6) |
| **Total Z/R/SR production** | **496.2** | **639.2** | **(22.4)** |
| Ilmenite | 398.1 | 460.6 | (13.6) |
| **Total Mineral Sands Production** | **894.3** | **1,099.8** | **(18.7)** |
| HMC produced | 951 | 898 | 5.9 |
| HMC processed | 752 | 909 | (17.3) |
| **Cash costs of production, excluding ilmenite and by-products ($m)** | **644.0** | **660.5** | **(2.5)** |
| Unit cash cost per tonne of Z/R/SR produced excluding by-products ($/t) | 1,298 | 1,035 | 25.4 |
| Unit cost of goods sold per tonne of Z/R/SR sold ($/t) | 1,190 | 1,127 | 5.6 |

Photo above: The Jacinth-Ambrosia operation encompasses mining and wet concentration activities, producing heavy mineral concentrate which is then transported to Iluka's Narngulu mineral separation plant in Western Australia for final processing.

## IDLE OPERATIONS

Discontinued and idle operations reflect rehabilitation obligations in the United States (Florida and Virginia) and certain idle assets in Australia (Murray Basin). Iluka completed the sale of some US idle plant and mining claims and the associated rehabilitation obligations to Atlantic Strategic Minerals in 2023.

## MOVEMENT IN NET (DEBT)/CASH

| | FY 2024 | H1 2024 | H2 2024 | FY 2023 | H1 2023 | H2 2023 |
|---|---|---|---|---|---|---|
| **Opening net cash** | **225.4** | **225.4** | **154.4** | **488.7** | **488.7** | **342.9** |
| Operating cash flow | 252.1 | 189.2 | 62.9 | 346.7 | 227.6 | 119.1 |
| Exploration | (12.1) | (7.2) | (4.9) | (18.8) | (9.8) | (9.0) |
| Interest (net) | 12.1 | 7.0 | 5.1 | 17.2 | 9.0 | 8.2 |
| Tax | (128.8) | (76.2) | (52.6) | (255.5) | (183.2) | (72.3) |
| Capital expenditure - Mineral Sands | (271.7) | (123.8) | (147.9) | (160.7) | (55.4) | (105.3) |
| Principal element of lease payments | (8.6) | (3.4) | (5.2) | (8.4) | (4.3) | (4.1) |
| Asset sales | 0.2 | 0.2 | - | 10.1 | 0.6 | 9.5 |
| **Free cash flow - Mineral Sands** | **(156.8)** | **(14.2)** | **(142.6)** | **(104.6)** | **(25.7)** | **(78.9)** |
| Dividends received - Deterra | 30.8 | 15.8 | 15.0 | 30.5 | 12.7 | 17.8 |
| Eneabba Rare Earths - Capital expenditure | (162.1) | (48.7) | (113.4) | (120.7) | (52.6) | (68.1) |
| **Free cash flow - Group** | **(288.1)** | **(47.1)** | **(241.0)** | **(159.6)** | **(55.4)** | **(104.2)** |
| Dividends | (33.6) | (16.7) | (16.9) | (97.0) | (84.4) | (12.6) |
| **Net cash flow** | **(321.7)** | **(63.8)** | **(257.9)** | **(256.6)** | **(139.8)** | **(116.8)** |
| Exchange revaluation of USD net debt | (2.0) | 1.0 | (3.0) | (0.6) | 0.2 | (0.8) |
| EFA facility costs capitalised to refinery | (0.2) | (0.1) | (0.1) | (0.0) | (4.0) | 4.0 |
| EFA interest capitalised to refinery | (12.9) | (5.4) | (7.5) | (5.3) | (1.8) | (3.5) |
| Amortisation of deferred borrowing costs | (3.2) | (2.7) | (0.5) | (0.9) | (0.4) | (0.5) |
| **Increase in net (debt)/cash** | **(340.0)** | **(71.0)** | **(269.0)** | **(263.3)** | **(145.8)** | **(117.5)** |
| **Closing net (debt)/cash** | **(114.6)** | **154.4** | **(114.6)** | **225.4** | **342.9** | **225.4** |

## NON-IFRS FINANCIAL INFORMATION

| | Mineral Sands | Rare Earths | Idle | Total Operations | Non-operating (Corp & Other) | Group |
|---|---|---|---|---|---|---|
| Mineral sands revenue | 1,128.5 | - | - | 1,128.5 | - | 1,128.5 |
| Freight revenue | 41.8 | - | - | 41.8 | - | 41.8 |
| Expenses | (611.1) | - | (15.5) | (626.6) | (37.7) | (664.3) |
| Share of profits in associate | - | - | - | - | 21.5 | 21.5 |
| FX | - | - | - | - | 19.9 | 19.9 |
| Corporate costs | - | - | - | - | (48.6) | (48.6) |
| **EBITDA** | **559.2** | **-** | **(15.5)** | **543.7** | **(44.9)** | **498.8** |
| Depn & Amort | (188.2) | - | (0.9) | (189.1) | (3.1) | (192.2) |
| Inventory movement - non-cash | 48.2 | - | - | 48.2 | - | 48.2 |
| Rehabilitation for closed sites | 2.2 | - | 3.0 | 5.2 | - | 5.2 |
| Revaluation on investments | - | - | - | - | (4.5) | (4.5) |
| **EBIT** | **421.4** | **-** | **(13.4)** | **408.0** | **(52.5)** | **355.5** |
| Net interest costs | (0.7) | - | - | (0.7) | 7.2 | 6.5 |
| Rehab unwind and other finance costs | (30) | - | (3) | (33) | (3.7) | (36.7) |
| **Profit before tax** | **390.7** | **-** | **(16.4)** | **374.3** | **(49.0)** | **325.3** |
| **Segment result** | **390.7** | **-** | **(16.4)** | **374.3** | **n/a** | **325.3** |

## CASH AND CASH EQUIVALENTS RECONCILIATION

| $m | FY 2024 | FY 2023 |
|---|---|---|
| **Cash and cash equivalents** (per condensed consolidated statement of financial position) | **136.0** | **364.9** |
| Non-current Interest bearing liabilities | (250.6) | (139.5) |
| **Closing net (debt)/cash** | **(114.6)** | **225.4** |

## RECONCILIATION OF PRIOR YEAR CORPORATE COST ALLOCATIONS

Effective 1 January 2024, the Company updated its corporate cost allocation methodology to better reflect operational performance by further distributing corporate costs that are directly attributable to running each operation. To facilitate meaningful year-on-year comparisons, the 2023 figures presented in this Financial and Operational Review have been adjusted to align with the new allocation approach. This adjustment is limited to the Financial and Operational Review section and is intended to provide readers with a clearer understanding of underlying business performance, unaffected by changes in cost allocation practices. A reconciliation for the 2023 figures to the published results in the 2023 Annual Report is below.

| | 2024 Group Segments | | | | | |
|---|---|---|---|---|---|---|
| $m | Mineral Sands | Rare Earths | US/MB | Total Operating | Non-operating (Corp & Other) | Group |
| **Previously published underlying EBITDA** | **723.1** | **-** | **13.0** | **736.1** | **(127.0)** | **609.1** |
| *Reallocated corporate costs based on updated drivers:* | | | | | | |
| Cash costs of production | (55.3) | - | - | (55.3) | | (55.3) |
| Marketing and selling costs | (7.3) | - | - | (7.3) | 7.3 | - |
| Corporate and other costs | | | | - | 37.1 | 37.1 |
| Major projects, exploration, and innovation | - | - | - | - | 8.9 | 8.9 |
| Inventory movement | 12.2 | - | - | 12.2 | - | 12.2 |
| Idle capacity charges | (1.4) | - | (1.5) | (2.9) | | (2.9) |
| *Total reallocated costs* | (51.8) | - | (1.5) | (53.3) | 53.3 | - |
| **Underlying EBITDA** | **671.3** | **-** | **11.5** | **682.8** | **(73.7)** | **609.1** |


**A STRONG TRACK RECORD**

Iluka has a long history of working collaboratively with local communities across Australia, including in western Victoria, to successfully restore land. This site at the former Douglas mine is now 80% rehabilitated.

## 2024 PROJECT PIPELINE

Resource development activities being undertaken by Iluka include projects across Australia, technical innovation and a global exploration program.

| | SELECT | DEVELOP | EXECUTE | PRODUCING |
|---|---|---|---|---|
| | **Preliminary Feasibility Study** | **Definitive Feasibility Study** | **Production execution** | **Operate and maximise** |
| | Determine what it should be | Determine what it will be | Deliver the project | Grow and improve |
| **EUCLA BASIN** | **Jacinth-Ambrosia satellite deposits** | | | **Jacinth-Ambrosia** |
| **MURRAY BASIN** | **Euston** *(paused)* | **Wimmera** | **Balranald** | |
| **PERTH BASIN** | | **Tutunup** | **Eneabba** | **Capel**<br>**Narngulu**<br>**Cataby** |

Resource Reserve Processing facilities

## PROJECTS

The following is a summary of all projects that are in a Definitive Feasibiltiy Study or Execute phase.

### ENEABBA

**Eneabba**, Western Australia

Iluka is building Australia's first fully-integrated refinery for the production of separated rare earth oxides, including neodymium, praseodymium, dysprosium and terbium.

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.

In December 2023, Iluka announced that the estimated capital cost to build the refinery had increased to $1.7-1.8 billion. This resulted in a funding gap, which was the subject of discussions between Iluka and the Australian Government in 2024.

Iluka and the Australian Government reached agreement on an updated funding package in December 2024. This includes a further $400 million contribution from the Commonwealth (increasing the total non-recourse loan to $1.65 billion) and a further $214 million cash equity contribution from Iluka (increasing the total equity contribution to $414 million). In addition, Iluka and the Australian Government have agreed to establish a $150 million cost overrun facility, which would be contributed on a 50/50 basis (noting the government's contribution is recourse).

During 2024, long lead procurement, engineering, equipment, fabrication and site works contract packages were tendered and awarded, with this process continuing in 2025. The upgrade of the water bore and pipework infrastructure was completed, while detailed earthworks began in August. Various non-process infrastructure upgrades, including high voltage powerlines and office building upgrades, continued during Q4.

Construction of the workforce accommodation village was completed in April 2024. The village was named 'Ngulya', meaning Black Cockatoo in Wilunyu/Amangu.

Commissioning of the refinery is expected in 2027. In parallel, Iluka continues to progress a feasibility study into metallisation – the next stage in the rare earth value chain. This work is expected to be completed in 2026.

**AUSTRALIA'S FIRST FULLY-INTEGRATED RARE EARTHS REFINERY**

Beneficiation plant at Eneabba.

## BALRANALD

**Balranald**, New South Wales

Located in south western New South Wales, the West Balranald deposit is one of the world's highest grade critical minerals deposits, containing significant quantities of rutile and zircon, as well as smaller but material quantities of rare earths. With the deposit located at 60 metres below the surface and within a hyper-saline water table, traditional extraction techniques were not deemed economically or technically feasible. Iluka has therefore developed a new remotely-operated underground mining technology to access the deposit.

The final investment decision to develop the mine was made in February 2023.

Heavy mineral concentrates will be produced onsite and transported to the company's processing and refining assets in Western Australia. Final products will include natural rutile, synthetic rutile, premium grade zircon, and primary and secondary ilmenites. Balranald's rare earths will serve as an important source of incremental feed for the Eneabba refinery, demonstrating the complementary nature of Iluka's mineral sands and rare earths businesses.

Following receipt of primary and secondary approvals, Iluka commenced early works on site in H2 2023. Construction of the mine, processing plant and supporting infrastructure, including the site access road and workforce accommodation village, is now well underway.

The mining units and modular concentrator will be transported to site and assembled in H1 2025. All construction contracts have been awarded, with contractor mobilisation aligning with module delivery.

Balranald remains on track for commissioning in H2 2025.

**BALRANALD WILL DELIVER APPROXIMATELY 250 JOBS DURING CONSTRUCTION AND APPROXIMATELY 270 JOBS DURING OPERATION, INCLUDING CONTRACTORS**

Construction at Balranald remains on track for commissioning in H2 2025.

## WIMMERA

**Wimmera**, Victoria

Located in western Victoria, the Wimmera project involves the mining and beneficiation of the WIM100 deposit, a fine grained heavy mineral sands ore body, for the long-term supply of zircon and rare earths.

A definitive feasibility study for the project began in early 2023, alongside the declaration of an Ore Reserve in respect of the rare earths within the WIM100 deposit (zircon revenue is not yet accounted for in Wimmera's Ore Reserve).

If executed, the Wimmera project will unlock a multi-decade source of rare earth minerals, including the heavy rare earths dysprosium and terbium, as feed for the Eneabba refinery.

In 2024, Iluka made further progress on the project's definitive feasibility study, completing all fieldwork, finalising the process flow sheet, and advancing processing solutions for Wimmera zircon. Studies to inform the project's Environment Effects Statement (EES) are well advanced.

Iluka expects to submit the EES to the Victorian Government for assessment in 2026.

Selection of the major engineering service provider is expected in H1 2025, following which more detailed engineering will commence.

Subject to regulatory and Board approvals, pre-construction activities could commence in 2028.

Surface water monitoring is being undertaken as part of the Wimmera project and will inform the Environment Effects Statement. This monitoring point is located in the Jallumba Marsh Nature Conservation Reserve.

## TUTUNUP

**Tutunup**, Western Australia

The Tutunup project is focused on the development of a chloride ilmenite deposit in the south west of Western Australia. It is located 20km from Iluka's North Capel processing facility.

The Tutunup deposit contains significant quantities of high-quality ilmenite, with associated volumes of zircon and rutile.

Ilmenite from Tutunup will be used as a feedstock for Iluka's synthetic rutile production and may unlock additional value across the company's portfolio if blended with other, lower quality ilmenites.

A definitive feasibility study for the project began in H2 2023 and continued throughout 2024, during which time opportunities to extend the mine-life were identified.

Detailed engineering, based on the new life-of-mine plan, is due to commence in H1 2025. Studies to inform the project's Environmental Review Document are progressing.

Tutunup's definitive feasibility study is scheduled for completion in 2027.

Situated close to the North Capel processing facility, the Tutunup mine will form part of the company's south west operations.

# EXPLORATION

Iluka's exploration portfolio is managed through a structured process that considers a range of technical and economic factors. Near mine exploration seeks to add value in areas adjacent to Iluka's existing assets, where synergies can deliver additional value through mine-life extension or progressive development. New mine exploration focuses on identifying high-quality mineralisation that can deliver a new operation and longer-term growth. Please refer to the Ore Reserves and Mineral Resources Statement on page 148.

## GENERATION AND EXTERNAL OPPORTUNITIES

Iluka identifies opportunities within Australian and North American jurisdictions to complement and enhance the company's existing project pipeline. Iluka continues to focus on traditional mineral sands prospects, while also expanding into rare earth exploration search spaces.

## AUSTRALIA

In Australia, activity primarily centred around increasing geological definition of mineral resources associated with operations and feasibility studies in South Australia, Victoria, New South Wales and Western Australia. Regional exploration was also completed in Queensland as part of the Hughenden greenfields project, across south western New South Wales, and the Northern Territory as part of the Supplejack greenfields project. Across Australia, a total of 1,770 holes for 55,559 metres were drilled.

In South Australia, drilling to improve resource definition was completed at the Jacinth Extension, and the geological and metallurgical assessment programs aligned to the project's preliminary feasibility study. At Ambrosia, drilling was completed to support mine optimisation studies and metallurgical assessment programs. A total of 208 holes for 7,537 metres were drilled across the sites.

In Victoria, drilling was undertaken at the Douglas mine site as part of scoping studies that commenced in 2024. A total of 398 holes for 6,490 metres were drilled across the site.

Drilling and sampling activities were also carried out in support of the feasibility studies at Wimmera in Victoria and Tutunup in Western Australia.

At Cataby, drilling was undertaken as part of normal life of mine, future-pit definition and resource extension activities. A total of 606 holes were completed for 21,931 metres.

During 2024, the first field mapping and sampling program for exploration focusing on hard rock rare earths was completed in the Northern Territory. The field work focussed on the identification of key geological features in a largely underexplored region in the territory.

## UNITED STATES

In the United States, exploration activity focused on drill testing underexplored target sediment packages, shown during the 2023 Georgia Embayment program, to host high value heavy mineral (HM) assemblages. Targets selected in rural areas confirmed the presence of excellent grades of the targeted monazite and zircon within the HM, at shallow depths. This has directed the drilling focus to specific areas where scale and continuity will be tested in 2025. In total, 195 holes for 5,392 metres were drilled.

In December 2024, an Exploration Agreement with Option to Purchase was agreed with Megado Minerals Limited in respect of the North Fork Rare Earth Project, whereby Iluka was granted exclusive exploration rights over the claims in exchange for a A$500,000 payment (plus claim maintenance fees). Iluka was also granted a two-year option (extendable under certain circumstances) to acquire the claims for A$1 million.

Iluka will make a further payment of A$2 million within 30 days of Iluka receiving US$10 million in revenues from the first sale of product from the project after commencement of commercial production (Iluka may convert this obligation to a 2% gross revenue royalty).

Photo above: The view from an exploration site in the Tanami Desert, Northern Territory.

## TENURE POSITION

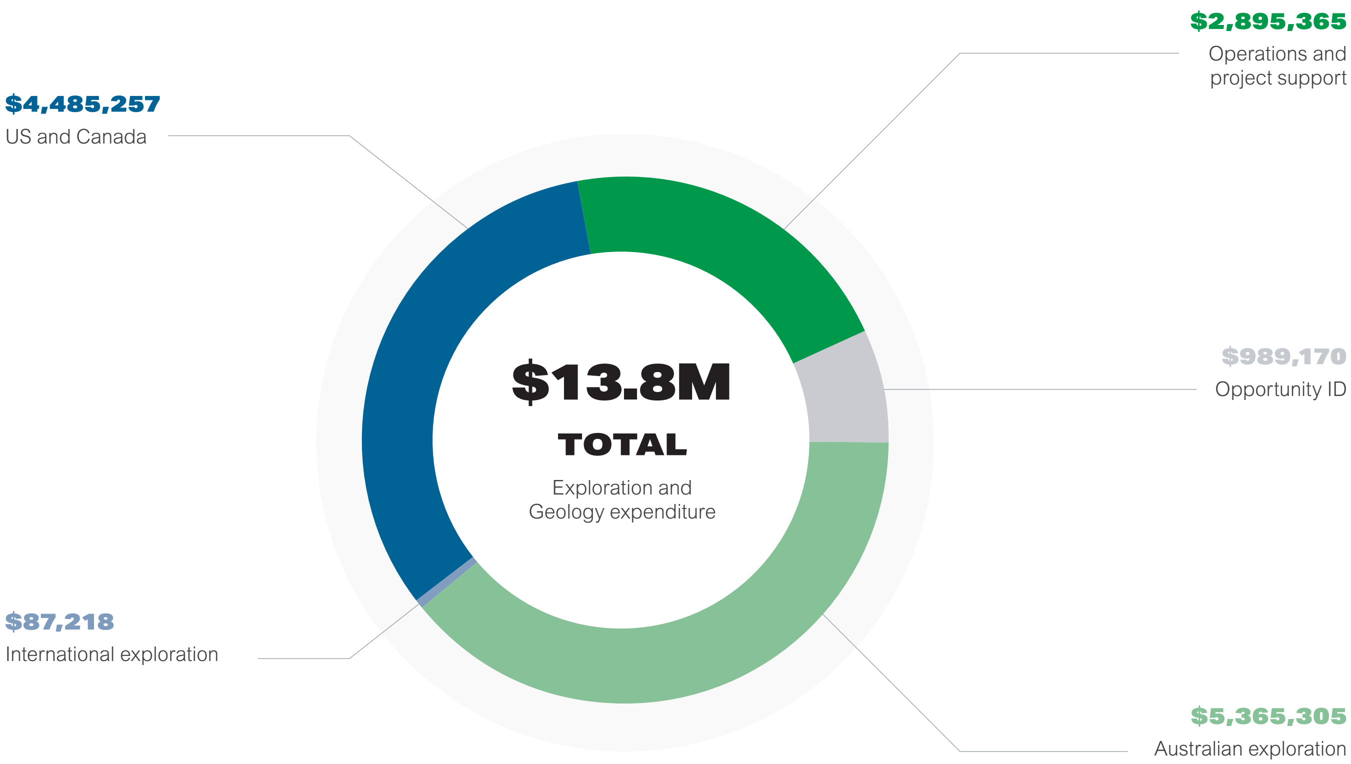
### GRANTED TENEMENT POSITION
as at 31 December 2024

| State | Approx .Square Kilometres |
|---|---|
| QLD | 5,906 |
| NT | 2,703 |
| SA | 12,536 |
| NSW | 3,718 |
| Vic | 1,487 |
| WA | 1,919 |
| **Total** | **28,269** |

### TENEMENT APPLICATIONS
as at 31 December 2024

| State | Approx .Square Kilometres |
|---|---|
| QLD | 723 |
| NT | 2,057 |
| WA | 1,852 |
| **Total** | **4,632** |

## EXPLORATION AND GEOLOGY EXPENDITURE 2024



# SUSTAINABILITY REPORT

## SUSTAINABILITY AT ILUKA

Iluka's goal is to be a safe, responsible and sustainable supplier of critical minerals. To achieve this, Iluka prioritises three pillars:

1. **Trusted by our people and communities:**

   To engage and build the capability of Iluka's workforce, prioritising health, safety and wellbeing, and embed a consistent and open approach to relationships with the communities in which Iluka operates.

2. **Responsible for our environment:**

   To be cognisant of the impact of Iluka's operations on the environment and maximise the efficiency with which the company operates.

3. **Operate in and provide products for a lower carbon world:**

   To recognise that the manner in which Iluka operates and evolves its business can reduce the company's carbon footprint and provide opportunities to support the transition to a lower carbon economy.

   Iluka is committed to practical integration of sustainability into everyday business practices and to the continuous improvement of the company's sustainability performance. Underpinning the company's approach is Iluka's commitment to transparency, behaving ethically and conducting business in accordance with high standards of corporate governance through fit-for-purpose systems and processes. Iluka's approach to sustainability is guided by recognised principles and frameworks, and contributes to the advancement, of the United Nations Sustainable Development Goals.

## GOVERNANCE AND ASSURANCE

The Iluka Board Sustainability Committee assists the Board in reviewing progress made against the sustainability strategy. Responsibilities include oversight of performance and compliance with legislation and management of health, safety, environmental, social and governance risks and impacts. The Committee also monitors the effectiveness of company strategies, policies and standards as they relate to sustainability. This year, KPMG Australia was engaged to provide the Directors of Iluka with assurance on scope 1 and 2 greenhouse gas emissions.

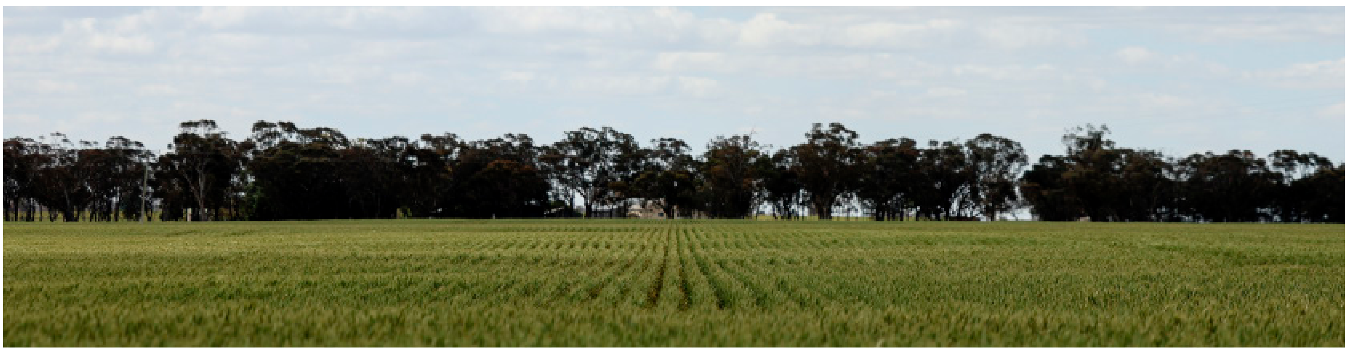
## REPORTING OUR PERFORMANCE

This report summarises Iluka's performance for material topics determined by the 2024 sustainability materiality assessment, as outlined in the separate 2024 Sustainability Data Book. The company's approach to managing the material topics, case studies, and the Sustainability Data Book outlining key performance information for 2024 and historical reporting periods are available at www.iluka.com. Iluka reported using guidance from the GRI Standards for the period 1 January 2024 to 31 December 2024. Refer to the GRI content index in the 2024 Sustainability Data Book.

## KPMG INDEPENDENT LIMITED ASSURANCE STATEMENT

### Scope of information subject to assurance

KPMG was engaged by Iluka Resources to undertake limited assurance over scope 1 and 2 greenhouse gas emissions presented in Iluka's Annual Report and Data Book for the year ended 31 December 2024. KPMG's limited assurance opinion outlining the information subject to assurance and the procedures performed is available at www.iluka.com.



Photos (this page): For more than 50 years, Iluka has worked with landowners to successfully restore land.

## TRUSTED BY OUR PEOPLE AND COMMUNITIES

### HIGHLIGHTS

**3.8**

**Total Recordable Injury Frequency Rate (TRIFR)**

(2.4 in 2023)

**14**

**Serious Potential Incidents (SPI)**

(15 in 2023)

**24%**

**women representation across workforce**

**4.2%**

**Aboriginal and Torres Strait Islander peoples in total Australian workforce, including 17% at Jacinth-Ambrosia**

**72**

**Employee Engagement score maintained**

with 88% of employees participating

**60+**

**community projects supported via new Iluka Lends a Hand grants program**

## ILUKA AIMS TO CREATE AN ENGAGED, DIVERSE, INCLUSIVE AND CAPABLE WORKFORCE

FOR MORE INFO PLEASE VISIT ILUKA.COM

### HEALTH, SAFETY AND WELLBEING

**Protecting the safety, health, and wellbeing of Iluka's people is the company's highest priority.**

Iluka focuses on creating a culture where all employees are leaders in promoting a safe working environment. This includes identifying, assessing, and controlling risks, reducing the potential for occupational illness and injury, and promoting healthy lifestyles. The results of the 2024 Employee Engagement Survey confirmed that employees agree Iluka is a safe place to work, reporting they feel comfortable stopping work if they identify anything unsafe (94% of employees who responded).

In 2024, Iluka launched its Switched On program, which advocates that *"safety isn't about protecting employees from something, but for something"*. The program incorporates a standardised pre–start focusing on consistent discussion and treatment of critical risk, broader risk identification and management, and how preparations for work are made each day.  This program supports Iluka's commitment to its teams, recognising the need for cooperative efforts to drive continual improvements in work, health and safety performance.

The company has continued to embed its Critical Control Management (CCM) program to mitigate fatality risk across operations. CCM system improvements included improved electronic accessibility for both employees and contractors, including offline functionality for remote teams. The improvements enable immediate visibility of CCM performance data, while reducing the administration burden (from a previous paper-based approach). Operational and project teams completed more than 9,500 Critical Control Checks and 4,500 Critical Control Verifications.

Iluka's TRIFR increased to 3.8 in 2024 from 2.4 in 2023. This was largely driven by hand/finger and slips/trips injuries. Data analysis of the 16 injuries in 2024 has been completed with specific programs targeting injury areas commencing in 2025. During the year the Jacinth-Ambrosia operations safely transitioned their earthmoving contractor without any injuries or SPI.

Iluka has matured its Psychosocial Safety and Wellbeing program. Focus areas in 2024 included implementation of updated Behavioural Expectations training including the role of a bystander and improved workplace reporting options for all employees. The 2024 Employee Engagement Survey confirmed an increase in confidence to speak up and report harassment, bullying or poor behaviours in the workplace, from an already high level.

**IN 2024, ILUKA LAUNCHED ITS SWITCHED ON PROGRAM**

## OUR PEOPLE

**Iluka continues to develop an engaged, capable and diverse workforce.**

Working for Iluka presents the opportunity to develop a career with an experienced critical minerals company that is set to become a globally significant supplier of separated rare earth oxides.

The company and its subsidiaries employed more than 1,000 people during 2024 with the majority of employees based in Australia. Iluka's business is supported by a contractor workforce of approximately 350 people. During the year Iluka completed a review to ensure the cost base of the company was sustainable and aligned with operational and project delivery objectives. This resulted in the identification of approximately 130 roles to be removed across operations and support functions. Support was provided to impacted employees through Iluka's Employee Assistance Program and outplacement career support services in addition to their redundancy entitlements.

Iluka continued to invest in developing its workforce, with 95 leaders commencing one or more modules from Iluka's Leadership Skills series, 15 senior leaders completing the Senior Leadership Development program, and 22 graduates continuing through their graduate program. Five technical skills frameworks were developed, focusing on Iluka's most critical technical roles, to identify core competencies and skills required. A working group was also formed to give greater focus on bridging skill gaps across these areas.

In 2024, Iluka established a partnership arrangement with CoRE Learning Foundation to further support talent pipelines. This partnership focuses on promoting STEM education in Western Australia's Mid West region through project-based learning that incorporates Iluka's operations and value chain. Iluka continued its participation in the Future Female Leaders program to provide mentoring opportunities to female high school students in Western Australia, encouraging more women to pursue STEM and traditionally male-dominated roles within the mining industry.

Iluka also continued to offer traineeship opportunities for students through education partnerships, including the Clontarf Foundation and SHINE Academy. Iluka currently employs four alumni from the Clontarf Foundation in the Mid West and one alumnus in the South West. Iluka facilitates stronger pathways to employment for Aboriginal and Torres Strait Islander women through its partnership with the Stars Foundation, providing support and encouragement to Aboriginal and Torres Strait Islander women and girls in their academic endeavours.

The company launched 'Iluka Star', a customised reward and recognition platform that supports a culture of continuous recognition and appreciation. Since the platform's launch in February 2024, 430 people were nominated by a peer for demonstrating the Iluka values, 160 people received an Iluka Star Values Award and 133 people received an 'on the spot' Star Award from their leader.

Iluka continues to prioritise employee wellbeing by providing support and tools to assist them both in and outside the workplace. The Employee Assistance Program provides confidential counselling services to help employees and their immediate family members manage personal and workplace challenges. Following a review in 2024, Iluka appointed new providers for its Australian and overseas workforce to ensure better access to support for employees and effective critical incident response services.

## ILUKA CONTINUES TO PRIORITISE EMPLOYEE WELLBEING


Iluka was proud to be a silver sponsor of the WIMWA Summit 2024, promoting networking, mentoring and career development in the mining industry.

## RADIATION

**Iluka aims to be recognised and trusted as an industry leader in radiation management.**

The company is committed to maintaining and enhancing the technical competencies of its radiation specialists through formal mentoring programs, in line with Western Australian Government requirements. These programs provide significant support, knowledge transfer, practical field experience, and preparation of radiation management plans and annual reports for regulatory review.

In 2024, Iluka centralised its radiation management system and published an updated radiation management standard to ensure exposures remain within statutory limits and as low as reasonably achievable (ALARA). The company revised its internal investigation systems and established new investigation levels as outlined in the updated Radiation Management Group Standard. These levels trigger swift internal investigations when exceeded.

The Arapiles South Agriculture Group received an Iluka Lends a Hand grant to install weather stations.

## COMMUNITIES AND INDIGENOUS RELATIONS

**Iluka is proud of its long-standing, respectful relationships with local communities and shares the value its business creates.**

Respect for human rights, community benefit-sharing, and cultural heritage is embedded in Iluka's values, policies, and standards.

In 2024, key objectives for social performance included implementing a company-wide social investment strategy, continuously improving community engagement approaches, and implementing the Iluka Indigenous Peoples Plan.

Iluka remains committed to fostering and strengthening its relationships with Indigenous stakeholders. This commitment is underpinned by the Iluka Indigenous Peoples Policy and reflected in the Iluka Indigenous Peoples Plan objectives. In 2024, Iluka

- Commenced a review of its recruitment and retention practices to emphasise greater accessibility and cultural safety
- Addressed barriers to inclusion and growth amongst Indigenous businesses within its supply chain
- Progressed its approach toward cultural heritage management through the development of culturally considerate procedures
- Advanced the company's collective understanding of Indigenous culture, history and lived experience through dedicated initiatives

The opportunity to work closely with members of the Yamatji Southern Regional Council's Southern Cultural Committee toward bestowing a traditional Wilunyu name on the company's new camp facility at Eneabba was a highlight for 2024. The name, 'Ngulya', was chosen by members of the Southern Cultural Committee in recognition of the camp's layout and its similarity to the tail feathers of the local Black Cockatoo species, which is found throughout the region.

Additional highlights have included Iluka's annual celebration of National Reconciliation Week and NAIDOC Week and regular engagement with Aboriginal and Torres Strait Islander students engaged with both the Clontarf Foundation, Stars Foundation and SHINE Academy.

In early 2024, Iluka launched the Iluka Lends a Hand community grants program to support local projects in five focus areas: healthy communities, environment, education and training, community enterprise, and community safety. Through this program, the company supported more than 60 community projects in 2024 across Western Australia, South Australia, New South Wales and Victoria.

Examples include installing weather monitoring stations for farmers in western Victoria, funding new equipment and upgrades for rural sporting clubs such as cricket pitch irrigation, improving access to an early-childhood playgroup in WA's Mid West, and supporting the construction of cancer accommodation units in Mildura.

In total, more than $1.2 million was provided in community donations, sponsorships and education partnerships across Australia in 2024, including $150,000 to the Clontarf Foundation and Stars Foundation to support indigenous students' academic endeavours. Through a $40,000 donation to Dandelions WA, Iluka ensured students near its Narngulu and Capel operations started the year with necessary school supplies.

**The Western Australian Police and Community Youth Centre's Drive to the Future program was a key part of Iluka's social investment in 2024. This initiative helps vulnerable and disadvantaged people in or near Moora to learn to drive - essential for accessing education, employment, and socio-cultural opportunities in regional Western Australia.**

**ILUKA'S SUPPORT ENABLED 156 PEOPLE TO OBTAIN THEIR DRIVER'S LICENCE**

As part of the company's commitment to positive community relations and social investment, Iluka also supported local and regional events such as Mildura Field Days, Sheepvention in Hamilton, Oysterfest in Ceduna, the Mingenew Midwest Festival, and Shore Leave Festival in Geraldton. Iluka continued to engage proactively with community members at these events and through information sessions, stakeholder meetings, and rehabilitation site tours. The Cataby operation's community open day attracted more than 300 residents to learn more about the mineral sands industry and explore the site.

Iluka supports economic development by utilising hundreds of local businesses across Australia. In 2024, the company invested more than $6 million alone in the economy surrounding Balranald in New South Wales.

Throughout the year, Iluka's employees volunteered with youth mentoring organisations, health service fundraising days, wildlife rescue centres, and native vegetation restoration projects. Workplace giving efforts supported several organisations including the Royal Flying Doctor Service and Harry Perkins Institute of Medical Research. The company continued its support of Foodbank WA with a $100,000 sponsorship of the Geraldton branch and volunteer efforts from 40 employees.

# RESPONSIBLE FOR THE ENVIRONMENT

## HIGHLIGHTS

**14**
Level 3 or greater environmental incidents (13 Level 3, 1 Level 4)
(an increase from 8 in 2023)

**Completed**
four-year farmland rehabilitation campaign at Yoganup Extended

**$39m**
million spent on rehabilitation

**403ha**
land rehabilitated

## ILUKA IS COGNISANT OF THE IMPACT OF ITS OPERATIONS ON THE ENVIRONMENT

FOR MORE INFO PLEASE VISIT Iluka.com

## ENVIRONMENTAL MANAGEMENT

**Iluka is dedicated to preventing or limiting adverse environmental impacts, protecting biodiversity, and sustainably managing water resources.**

In 2024, Iluka identified and rectified 11 Level 3 incidents and one Level 4 incident related to turbid or saline water, reporting them to the relevant regulatory agencies. In 2023 and 2024, a number of turbid water discharges related to intense rainfall events coinciding with the final stages of site rehabilitation, where mine stormwater infrastructure is removed to re-establish agriculture. Significant effort was made by Iluka in 2024 to trial and refine storm water management during this phase.

Two Level 3 incidents related to vegetation disturbance were also recorded, which impacted less than 0.2ha of remnant vegetation. In both cases, there was no net increase to impacts on biodiversity compared with Iluka's approved disturbance. Iluka's new Group Ground and Vegetation Disturbance Procedure introduced new minimum requirements for controlling ground-disturbing activities.

All environmental incidents categorised as Level 3 or higher were reported to the relevant regulatory authorities.

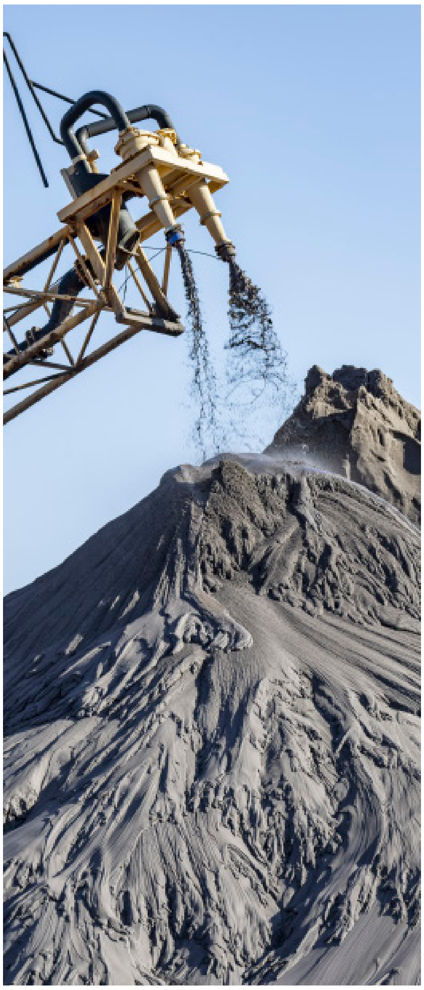
To support Iluka's compliance with regulatory obligations, an internal environmental approvals portal was launched, providing employees with easy access to the company's environmental regulatory approvals and obligations.

A significant achievement this year was the awarding of an Australian Research Council Linkage Project grant for collaborative research on dark diversity with the Harry Butler Institute at Murdoch University. This project, involving other mining industry partners and universities, aims to develop AI-driven tools for more effective monitoring of vegetation restoration. These tools will enhance on-ground decisions and practices in ecosystem rehabilitation, benefiting both industry and regulators.

In addition to research initiatives, Iluka commissioned more than 38,000 hectares of biodiversity studies in 2024. Conducted according to regulatory requirements, these studies help Iluka identify, assess, and manage potential biodiversity impacts of its existing or potential future operations.

Water remains essential to Iluka's operations. Activities affecting water resources are regulated by legislation with set limits on extraction and discharges. Total water consumption in 2024 changed due to increased requirements at Cataby and project execution at Balranald.

FOR MORE DETAILS, READ ABOUT ILUKA'S ENVIRONMENTAL PERFORMANCE IN THE 2024 SUSTAINABILITY DATA BOOK.



Jacinth-Ambrosia sand stack.

## TAILINGS

**Iluka is dedicated to managing its tailings storage facilities in a safe and responsible manner.**

Iluka applies a risk-based approach to minimise or mitigate any potential impacts on its workforce, local communities, and the environment. Tailings management practices and systems are regularly reviewed to ensure applicable standards are met and improvement actions completed.

In 2024, document suites based on ANCOLD (2019)-aligned templates were prepared to guide and support the management of operational tailings storage facilities. Iluka also appointed technical specialists to provide governance-level oversight of tailings management practices at these sites. To support governance-related activities, existing management systems were amended to categorise tailings-related incidents and hazards, identifying opportunities for management improvement.

**A REGISTER OF ILUKA'S TAILINGS STORAGE FACILITIES IS AVAILABLE IN THE 2024 SUSTAINABILITY DATA BOOK.**

## REHABILITATION AND CLOSURE

**Iluka's objective is to achieve beneficial closure outcomes by planning and executing the rehabilitation and closure of assets in a manner aligned with leading practice.**

With more than 50 years of experience, Iluka is proud of its strong track record in mine rehabilitation and closure.

In 2024, Iluka rehabilitated 403ha globally, including 390ha in Australia and 13ha in the United States. This effort limited the increase in Iluka's open disturbance area to only 27ha, despite ongoing mining at Cataby and Jacinth-Ambrosia and construction at Balranald.

Rehabilitation highlights for 2024 included the completion of a four-year farmland rehabilitation campaign at Yoganup Extended and the recommencement of rehabilitation for remaining open areas at the Eneabba West mine. Continued rehabilitation activity took place at the Douglas mine. At the Capel Wetlands, Iluka continued revegetation of wetland and dryland areas. At the WRP site, Iluka demolished and removed a redundant mining unit and began rehabilitating a section of mine pit previously used to store ilmenite concentrate, with topsoiling and revegetation to be completed in 2025.

Iluka achieved partial relinquishment of the North Capel site under the *Mining Act 1978*, enabling the implementation of a carbon offset credit project. This involves converting 80ha of agricultural rehabilitation land into a biodiverse forest to generate carbon credits.

**Iluka's partnership with Kings Park Science led to published research demonstrating that the pollination of native plants in the company's Eneabba rehabilitation is equivalent to that in surrounding natural vegetation. This finding highlights Iluka's ability to restore important ecological functions within rehabilitated areas.**

Iluka is a supporting participant in the Australian Government's Cooperative Research Centre program for 'Transformations in Mining Economies' (CRC TiME). This program commenced in 2020 and enables sustained research and stakeholder collaboration into improving mine closure outcomes. Iluka continued its participation with TiME, supporting two projects in 2024: 'Mine Pit Lake Assessment and Management: A National Initiative to Support Mine Closure and Regional Opportunities' and 'Broadening NPV through a multi-criteria optimisation framework'.

**FOR MORE DETAILS, READ ABOUT ILUKA'S APPROACH TO REHABILITATION AND CLOSURE IN THE 2024 SUSTAINABILITY DATA BOOK.**

Iluka's Jacinth-Ambrosia operations.

## OPERATE IN AND PROVIDE PRODUCTS FOR A LOWER CARBON WORLD

### HIGHLIGHTS

**Power on**

at the 9MW solar farm at Cataby mine

**Successful**

validation test work of hydrogen to produce synthetic rutile

(NewGenSR technology)

**Early-stage**

evaluation of use of tyre-derived fuels and biochar as a substitute for coal

**Trial run**

of diesel additive in diesel generators at Jacinth-Ambrosia

**80ha**

of native plantings completed on Iluka-owned land at North Capel to generate carbon credits

## ILUKA SUPPORTS THE TRANSITION TO A LOWER CARBON ECONOMY

FOR MORE INFO PLEASE VISIT Iluka.com

### ILUKA'S CLIMATE CHANGE RESPONSE

Iluka supports the objectives of the Paris Agreement and is committed to pursuing the reduction of its carbon footprint and supporting the transition to a lower carbon economy through the production of critical minerals. The company's ambition is to be net zero by 2050 where technology is viable, available and commercially feasible.

Iluka accepts the Intergovernmental Panel on Climate Change assessment of climate change science and potential climate change impacts. Iluka's position is detailed in its Climate Change Position Statement.

Iluka recognises that physical and transitional risks associated with climate change may affect its business and assets, including through changing laws and regulation, supply chains, markets for its products, technologies, and changing climatic conditions.

These climate statements are structured around the incoming mandatory Australian Sustainability Reporting Standard (ASRS) – Disclosure of Climate-related Financial Information and draw from the Task Force on Climate-Related Financial Disclosures (TCFD) framework that Iluka has reported against in previous years. The order of the statements varies from the order as they appear in the ASRS for the purpose of readability.

### CLIMATE GOVERNANCE

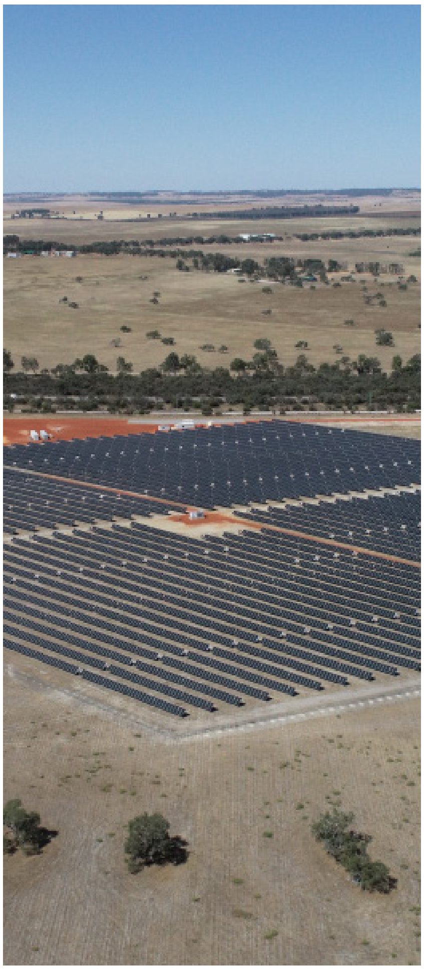
Climate change presents both risks and opportunities for Iluka. To support an effective response to managing climate-related risks and opportunities, Iluka has a well-established governance framework spanning its Board, Executive and functional teams.

#### Board oversight of climate-related risk and opportunities

Iluka's Board Sustainability Committee supports the Board in considering Iluka's climate-related risks and approach to climate change. The Committee monitors the effectiveness, performance and reporting of Iluka's climate response and progress made against objectives in the annual climate change work program.

#### Management's role in assessing and managing climate-related risks and opportunities

The Board Sustainability Committee is informed by an Executive-level Sustainability Committee. At a working level, alignment across business functions on climate-related work is carried out through a climate change working group, led out of the company's Technology function.



New Cataby solar farm

## CLIMATE RISK MANAGEMENT

In 2024, Iluka commenced an updated and more detailed assessment of climate-related risks with the potential to impact its business, covering both transition and physical risks, over the short-, medium- and long-terms.

This activity was scoped in the context of the emergence of mandatory climate-related financial disclosure requirements in Australia. Work is ongoing and includes the assessment of climate-related risks under several scenarios, including those prepared by the Network for Greening the Financial System, the International Energy Agency, and RepuTex.

### Approach to climate risk management

Iluka's approach to managing climate risk is in accordance with its Risk Management Policy, operationalised through the Risk Management Framework, the apex being the Board's Risk Appetite Statement of which climate change is a recognised component.

Climate change risks and opportunities are also considered in Iluka's strategic risk register reviewed by the Board with a focus on understanding the risk environment and articulating planned actions to address the risk. Progress on management of climate-related risks is regularly reported to Iluka's Sustainability Committee and flow-on financial impacts reviewed through Iluka's Audit and Risk Committee.

Management of climate-related risks against the approved tolerance thresholds in the Board's Risk Appetite Statement is also reviewed and reported to the Audit and Risk Committee and Sustainability Committee twice a year.

### Transition risks

The work undertaken during the year builds on Iluka's understanding of the transition risks identified in prior risk identification processes. These have been previously disclosed, and can be found in Iluka's 2023 Sustainability Data Book.

Iluka's primary areas of transition risk relate to the use of fossil fuels in its operations. This includes the use of coal as a chemical reductant in the production of synthetic rutile, and diesel for mobile fleet and equipment. These emissions sources account for nearly three-quarters of Iluka's total emissions. There is also an ongoing potential for a disorderly energy transition that drives unpredictability in the availability and cost of grid-connected energy.

### Physical risks

In 2024, Iluka commenced a detailed update of the potential impact of physical risks on its business, with the support of third-party experts. That work considered existing physical risk management on a site-by-site basis and assesses the impact of key climate variables, including chronic changes in temperature, rainfall, sea level rise, fire and extreme heat days, and acute storm-related winds and water inundation. These may impact production assets as well as Iluka's upstream and downstream supply chains.

In this context, Iluka continues to engage closely with its primary asset and business insurer. Iluka has no exposure to today's physical risks associated with climate change that require further mitigation.

In 2025, Iluka will:

- Finalise its assessment of climate-related risks in different scenarios and disclose those findings as part of its mandatory climate-related financial disclosures in early 2026
- Continue to develop the Eneabba rare earths refinery, which seeks to take advantage of the opportunity presented by the global energy transition, particularly in the electrification of vehicles and renewable energy generation which rely on rare earths.

### Transition risks

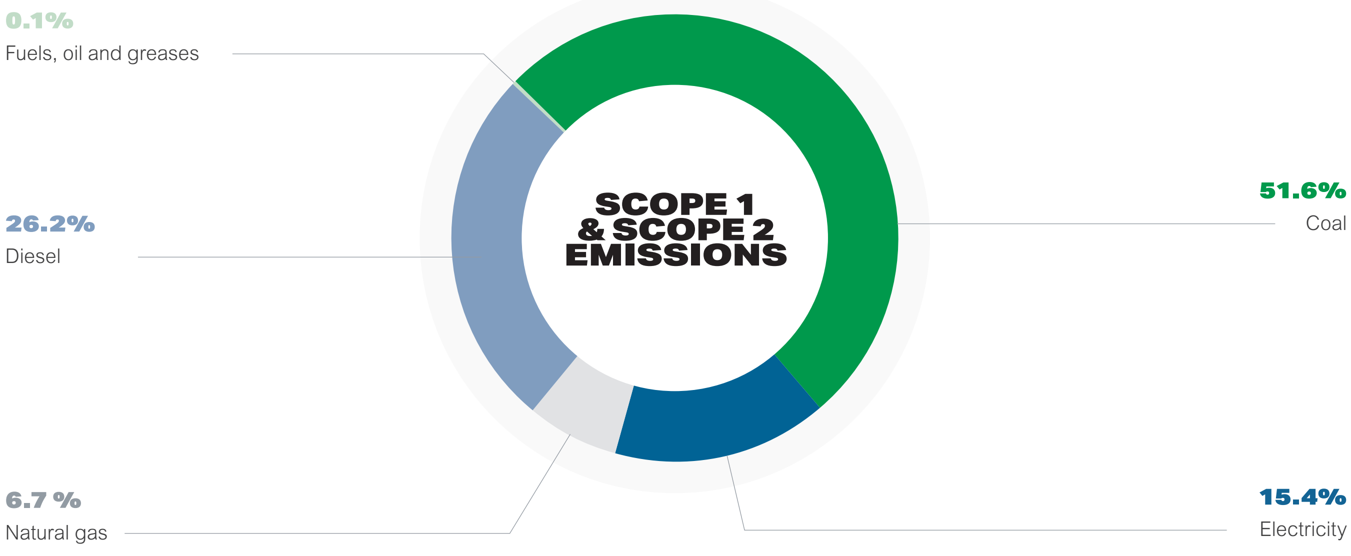


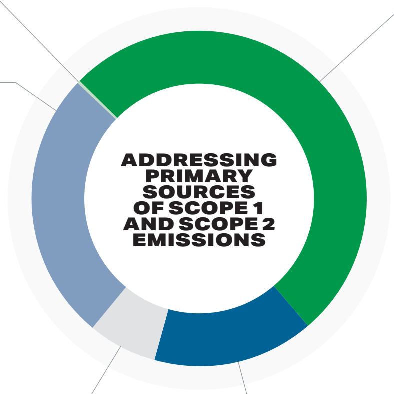

Figure 1. Sources of Iluka's primary scope 1 and scope 2 emissions in 2024

## CLIMATE STRATEGY

In light of its identified transition risks, Iluka has developed a response to climate change that focuses on decarbonisation. Iluka's decarbonisation plan considers ways to improve energy efficiency across the company's operations, opportunities to deploy renewable energy, alternative lower-carbon fuels and technology that may pave the way for step-change reductions in operational emissions.

Iluka applies the mitigation hierarchy to evaluate its decarbonisation option; the company explores and implements opportunities to eliminate, reduce and substitute its scope 1 and scope 2 greenhouse gas emissions.

### DECARBONISATION INITIATIVES




**FUELS, OIL AND GREASES**

**DIESEL**

- Vehicle fuel burn optimisation
- Bio- and renewable diesel*
- Battery-electric mobile fleet*

**NATURAL GAS**

- Coolbrook RotoDynamic Heater™ Technology

**COAL**

- Tyre derived fuel
- Biochar
- NewGen SR*
- Kiln natural gas*
- Kiln heat recovery*

**ELECTRICITY**

- Electrical efficiency
- Narngulu solar*
- Balranald solar/BESS hybrid
- North Capel wind and solar
- Co-generation
- Power purchase agreements

*denotes initiatives that will continue to be evaluated but will not be executed until technically and commercially viable.

Iluka also considers decarbonisation in the context of its product offering. Its rare earths business puts the company at the forefront of global decarbonisation efforts, through the supply of its products. It reflects a significant investment by Iluka and the Australian Government in seizing the opportunity presented in the global transition towards net zero by 2050 to diversify and serve new markets for products.

When complete, Iluka's refinery will produce the key rare earths: neodymium, praseodymium, dysprosium and terbium. These rare earths are the building blocks of a lower carbon economy – essential for the permanent magnets used in electric vehicles and wind turbines. These renewable applications will support the substitution of traditional internal combustion engines and energy generation using fossil fuels.

Iluka's approach to climate change is supported by an internal shadow carbon price, a maturing approach to carbon offsets, and an understanding of the carbon footprint of its products.

**Iluka's decarbonisation options to be actively pursued in 2025**

| 2025 | ENERGY EFFICIENCY | RENEWABLE ENERGY | ALTERNATIVE LOWER-EMISSIONS FUELS | TECHNOLOGY STEP-CHANGE |
|---|---|---|---|---|
| **INITIATE** Opportunity identification | Iluka routinely seeks out new and emerging decarbonisation opportunities | | | Coolbrook RotoDynamic Heater™ Technology (Process heat generation via electrification) |
| **ASSESS** Scoping studies | Electrical co-generation from process waste heat<br>Energy from natural gas to generate electricity | | | NewGenSR technology to displace use of coal through use of hydrogen as a reductant in production of synthetic rutile |
| **SELECT / DEVELOP** What could it be? What should it be? | | North Capel wind and solar<br>Balranald solar/BESS hybrid | Biochar and tyre-derived fuels as substitute for coal in SR kiln | |
| **MONITOR** For technical and/or commercial viability | Kiln heat recovery (refractory lining upgrade) | Narngulu solar | Bio- and renewable diesel for mobile fleet<br>SR kiln natural gas for process heat | Battery-electric mobile fleet |
| **ONGOING** Continual improvement | Process and vehicle fuel burn optimisation Electrical efficiency of plant equipment | PPAs with offsite renewable generators | | |
| **EXECUTE** Deliver the project | Mine optimisation software | | | |

### Energy efficiency

Iluka's Carbon and Energy Standard guides its operations in the monitoring of energy use and greenhouse gas emissions and considers ways to reduce emissions and improve efficiency. This includes through CORE, Iluka's continuous improvement program, which provides a framework for employees to identify, evaluate and implement improvements, including those related to emissions reduction opportunities. Energy efficiency opportunities identified are progressively implemented to help reduce Iluka's emissions intensity, where technically and commercially viable.

In 2024, Iluka

- Undertook a trial of diesel additives in the diesel generators at its hybrid diesel-solar renewable power plant at Jacinth-Ambrosia. The trial demonstrated a very limited efficiency improvement (<1%) from the use of an additive. As a result, Iluka will not pursue the continued technical evaluation of diesel additives at this time
- Commenced a trial of mine scheduling software at Cataby to optimise its mine planning process and vehicle fuel burn. If successful, the trial will pave the way for further use of the software at other operations
- Evaluated the use of a more heat efficient refractory product for its kiln. The abatement cost for this was not as competitive as other initiatives on Iluka's margin abatement cost curve and so will not be pursued further at this time
- Revisited evaluations of energy efficiency opportunities, including for process control loops and draw power efficiency on pumps

In 2025, Iluka plans to

- Finalise the trial of mine scheduling software at Cataby and assess opportunity to deploy to Jacinth-Ambrosia
- Prepare a detailed technical assessment of opportunities to improve pumping efficiencies with a view to taking forward specific projects for implementation

### Renewable energy

Iluka's scope 2 emissions associated with electricity use represent approximately 15.4% of Iluka's current emissions. The company continues to focus on initiatives to increase the use of renewable energy as this is expected to be an opportunity for emission reductions in the short- to long-term and mitigate risks associated with a potentially less orderly grid energy transition in Australia.

Iluka has taken steps to reduce emissions associated with on-site electricity generation at Jacinth-Ambrosia. A hybrid solar diesel electricity facility was built in 2022 and in 2023 this resulted in a 13% reduction in emissions associated with electricity generation at this operation.

In 2024

- The 9MW solar facility at Cataby was executed and powered on in January 2025. This facility is expected to abate ~10,700 tonnes of carbon dioxide per annum
- Iluka evaluated options for an off-grid diesel/solar/battery power supply solution for its Balranald project
- Iluka completed a wind resource study and an options study for a potential renewable energy project for North Capel
- Iluka assessed the potential for solar panels to be deployed on legacy tailings impoundments at Narngulu; economics are not currently favourable but this will be reviewed on a periodic basis

Iluka's projects include a review of renewable energy options as part of project evaluation. This work, coupled with the ongoing assessment of renewable energy options at existing operations, has allowed Iluka to develop a pipeline of potential renewable energy facilities.

In 2025, Iluka plans to

- Continue to develop and then execute a renewable power supply strategy for its Balranald project
- Finalise its assessment of the potential for a renewable energy project in the South West close to its North Capel operation

### Alternative fuels

Iluka's use of coal as a chemical reductant is an identified transition risk, particularly given the potential for the price of coal to increase and for coal to become less available as global decarbonisation continues. Iluka's coal-based emissions account for approximately 51.6% of its total emissions. As a result, the company continues to explore opportunities to reduce its use and reliance on coal, including using alternatives like natural gas, tyre-derived fuels (TDF) and biochar.

In 2024, Iluka

- Finalised its evaluation for the potential partial displacement of coal through the introduction of a natural gas injection system in its synthetic rutile kilns. While the use of such a system is technically feasible, the project is not currently economically viable. A gas injection system has not been ruled out but will need to be evaluated alongside the potential use of tyre-derived fuels and biochar, as work on those possibilities is progressed
- Conducted lab-scale piloting and simulation of the synthetic rutile production process for tyre-derived fuels and biochar

In 2025, Iluka plans to

- Undertake a plant trial to determine the technical feasibility of TDF as a substitute for coal
- Perform further test work on biochar to derisk a potential future plant trial

For Iluka's mining operations, the company will continue to evaluate the potential for augmentation of diesel to provide a reduction in overall use and emissions, including use of bio- and renewable diesels.

### Technology step-change

The company is exploring long-term alternatives to coal as a reductant in the synthetic rutile production process. This includes ongoing evaluation of the next generation of synthetic rutile production processes (NewGenSR) that would deploy a hydrogen fluid bed reduction technology for the replacement of coal as a reductant in the synthetic rutile production process. This presents a step-change opportunity to reduce emissions by using hydrogen as a reductant. The technology is also a potential strategic enabler as it would allow Iluka to treat lower quality ilmenites.

Iluka invented NewGenSR technology more than 20 years ago and has renewed its commitment to evaluating the technology as a key enabler for its business, including in the context of its response to climate change. The technology could be applied beyond 2030 to substantially reduce emissions in the production of synthetic rutile.

In 2024, Iluka

- Completed 50mm and some 80mm circulating fluid bed oxidation and reduction tests, utilising different sources of ilmenite
- Completed a location study that assessed future deployment locations for NewGenSR which was based on a range of factors, including where the company owns existing infrastructure and land, future mineral deposits, and proximity to designated hydrogen production locations
- Joined the Heavy Industry Low-carbon Transition Cooperative Research Centre (HILT-CRC). Iluka's primary interest in the work of the HILT-CRC is in relation to hydrogen use and its associated supply chain, but also extends to potential lower-carbon solutions for industrial process heating

In 2025, Iluka plans to

- Develop a technical plan for larger scale 200mm test work
- Complete hydrometallurgical test work program to assess quality of synthetic rutile products resulting from the NewGenSR process, and commence a process heat study
- Refresh its existing preliminary feasibility study engineering/cost estimate
- Continue to engage through the HILT-CRC
- Identify and assess potential applications for the Coolbrook RotoDynamic Heater™ technology

Iluka will continue to monitor and investigate the emergence of transitional technologies in the context of its decarbonisation roadmap.

### Carbon offset strategy

Iluka recognises the role of carbon offsets in addressing long-term, hard to abate emissions, in addition to being used to ensure compliance under the Australian Government Safeguard Mechanism Reform.

In 2024

- Native trees and seeds were planted at Iluka's pilot 80ha carbon farm located close to its operations in North Capel. Iluka has partnered with Canopy, the environmental credits business of Greening Australia, to deliver the project, which is expected to generate up to 30,000 ACCUs over 25 years
- Iluka developed an internal carbon offset strategy to optimise value in its approach to the purchase and surrender of ACCUs to meet its compliance obligation associated with the Safeguard Mechanism. Iluka will focus on nature-based ACCUs where commercially feasible to acquit its liability

### Use of carbon pricing

Iluka applies a shadow carbon price when evaluating the feasibility of future projects and to understand compliance costs as it manages climate-related risks and supports the adoption of lower emissions options for current operations as well as part of new project design. The company continues to monitor changes in carbon policy in key jurisdictions of interest and assesses implications for its internal carbon price.

In 2024

- Iluka updated its shadow carbon price to reflect RepuTex scenarios for decarbonisation and the ongoing development of the carbon offset market in Australia

### Product carbon footprints

Iluka acknowledges that the global transition towards net zero by 2050 is changing consumer behaviour, which impacts its supply chain.

In 2024

- Iluka completed life cycle assessments (LCAs) for its zircon and rare earth products. Those LCAs focused primarily on the carbon intensity (footprint) of those products. This complements LCA work completed in prior years for the company's synthetic rutile product, the results of which were presented in Iluka's 2023 Sustainability Report. For more information, please see the Product Stewardship section of this report.

In 2025, Iluka plans to

- Evaluate opportunities to update its product LCAs, guided by the value to its customers of those assessments

## CLIMATE-RELATED METRICS AND TARGETS

Iluka's scope 1 and scope 2 emissions, along with additional emissions and energy data, are included in the 2024 Sustainability Data Book.

Emissions are based on Iluka's corporate reporting year (1 January to 31 December) and are reported for Iluka's Group-wide businesses, which includes all exploration, construction, operations, rehabilitation and corporate activities.

Continual improvement in its carbon accounting helps the company to better understand its emissions profile. While the focus is on eliminating and reducing scope 1 and 2 emissions produced by the company's operations, work is underway to support the development of Iluka's scope 3 emissions inventory.

Iluka reports greenhouse gas emissions for its Australian operations under the *National Greenhouse and Emissions Reporting (NGER) Act 2007*. The company's North Capel operation is covered under the Australian Safeguard Mechanism.

The majority of Iluka's total greenhouse gas emissions are derived from two operations – North Capel and Cataby. Approximately 51.6% of Iluka's total emissions emanate from use of coal in the production of synthetic rutile. Coal is used as a chemical reductant and heat source to reduce ilmenite to produce synthetic rutile, for which there is currently no economically viable alternative. Approximately 14% of Iluka's total emissions come from the use of diesel at Cataby. 2024 saw a decrease of 16.5% in total scope 1 and scope 2 emissions compared to 2023. This was largely due to the decision to only operate one of the two synthetic rutile kilns.

## PRODUCT STEWARDSHIP

**The sustainable delivery of Iluka's products and minerals requires responsible business practices throughout the company's value chain.**

Iluka works collaboratively with its business partners to uphold responsible practices across its value chain and to support opportunities for responsible product use.

In 2024, Iluka completed an extensive internal review to enhance customer service performance and product quality management system. This identified improvement opportunities including risk mitigation, streamlining, compliance, and system control. Several of these improvements have been implemented, with the remainder in progress or requiring further detailed development.

Iluka's mining and processing activities produce a range of by-products and co-products that generate revenue and limit waste production, handling, and storage. Rare earth concentrates are one such co-product separated during the processing of Iluka's mineral sands.

In 2024, Iluka commenced study work to evaluate the viability of commercial-scale production of rare earth metals. Metallisation is the next stage of value addition following the production of rare earth oxides. Subject to positive study outcomes, metallisation would further enhance Iluka's marketability as a sustainable producer of light and heavy rare earths, with traceable product provenance. More information on Iluka's Eneabba refinery and metallisation work can be found on page 24.

As stated in the Climate Strategy section of this report, independent consultants undertook carbon emissions LCA for Iluka's zircon, rutile, and rare earths production during the year.

### Rare earths

Iluka commissioned LCA on the production of neodymium praseodymium (NdPr) oxide and separated rare earth oxide (REO) at Eneabba. The analysis quantified and compared the environmental impacts of producing REO, comparing Eneabba to similar REO production routes of existing rare earth producers.

The analysis highlighted that rare earth oxides produced from the Eneabba refinery, with feedstock from the Eneabba stockpile, have the lowest climate change impact per kg of NdPr oxide compared to other systems under examination, supported by uncertainty analysis. Iluka's calculated carbon footprint for Eneabba's NdPr oxides is 55% lower than Inner Mongolia rare earth oxide producers.

This LCA was built using pre-operational stage data and was conducted according to the requirements of the ISO-14040:2006 and ISO-14044:2006 standards. The LCA has undergone an independent critical panel review.

### Synthetic rutile

Iluka produces synthetic rutile through the Becher process, an industrial-scale manufacturing method developed by the company's forebears, to upgrade ilmenite (57-59% $TiO_2$) to synthetic rutile (88-92% $TiO_2$). The Becher process has been applied in Australia's South West since 1968. At that time, the same forebears operated the first synthetic rutile kiln of its kind in the world. For the last few decades, Iluka's North Capel facility has added value to the processing of mineral sands in Australia by upgrading ilmenite to synthetic rutile.

In 2022, Iluka engaged a carbon emissions life cycle consultant to undertake a life cycle analysis for the company's synthetic rutile production process to better understand the carbon footprint generated by synthetic rutile compared to other titanium feedstocks used in the production of pigment. The analysis found that one of the main determiners of greenhouse gas emissions in the pigment supply chain is the grade of the feedstock used.

There is a trade-off between using a high-grade feedstock, such as Iluka's synthetic rutile, which undergoes significant processing prior to reaching the pigment plant, and using a lower-grade feedstock. The latter requires pigment manufacturers to use significant chemical inputs to produce finished pigment, thereby generating more carbon emissions in producing their finished product (when emissions generated in producing those chemical inputs are included).

To capture this trade-off, the LCA was extended to compare the carbon footprint of pigment produced when using synthetic rutile with other titanium feedstocks used within both sulphate and chloride pigment production processes. Specifically, Iluka and its consultant considered and compared the emissions intensity of pigment manufactured from a single feedstock in two reference plants. Results indicate that pigment manufactured with Iluka's synthetic rutile would be placed in the lowest 50% of emissions intensity when compared to pigment manufactured with other titanium feedstocks.

Iluka continues to explore and innovate its approach to the production of synthetic rutile. In particular, it is committed to continued evaluation of alternatives to coal used in the production of synthetic rutile. Coal is used as a reductant, and in 2024, emissions generated by the use of coal accounted for 90% of synthetic rutile emissions and 51% of Iluka's total emissions.

### Zircon

In 2024, Iluka completed a carbon LCA study on its zircon products; the scope included zircon production from operations at Cataby and Jacinth-Ambrosia, utilising Iluka's operational data, as well as future production at Balranald, utilising project design data.

A key objective was to determine the carbon footprint of Iluka's zircon products, partly in response to customer requests. After completing the study, Iluka prepared carbon footprint summary reports for those customers, with the reports presenting the process and basis of the zircon LCA study and the assessed carbon footprint of Iluka's zircon products.

Throughout the year, Iluka engaged with two major zircon customers on sustainability and ESG matters. These engagements provided a venue for two-way sharing of best practices, plans, lessons learned, and future expectations.

A robust Quality Management System (QMS) is a key pillar of Iluka's aim to be the supplier of choice. In 2024, a supplier QMS audit was undertaken by one of Iluka's major zircon customers to assess the company's product quality assurance and management processes. The results were positive, with Iluka receiving an excellent score, zero gaps, and a request to continue the active culture of continuous quality improvement.

# BUSINESS RISK MANAGEMENT

**Risk management is critical to achieving Iluka's purpose of delivering sustainable value and informing strategic choices, and supports the co-ordinated delivery of value across the company. Effectively identifying, understanding and managing Iluka's exposure to risk enables Iluka's Board and leadership team to make informed decisions on where to take risks to realise opportunities and where to manage risks to enhance and preserve business value.**

Iluka's Risk Management Policy and Framework, aligned with ISO 31000, sets the mandatory requirements for managing risks that could impact business objectives. The Framework provides a whole –of-business approach to the management of risks and applies to all directors, employees and contractors of Iluka Resources and is reviewed annually by the Audit and Risk Committee.

Iluka has a dedicated Group Risk and Compliance function that is accountable to the Audit and Risk Committee (reporting to Iluka's Chief Financial Officer and Head of Development). It is focused on continuous improvement of Iluka's risk management framework to suit business requirements and embed good risk management practices and mature a proactive and consistent risk management culture across the company. The function is also responsible for delivering and executing an annual internal audit plan (third line assurance), managing Iluka's insurance strategy, and overseeing Iluka's crisis management approach and training.

Strategic level direction on risk management is considered and set through Iluka's Board-approved Risk Appetite Statement (RAS). The RAS guides the company on the appropriate level of risk to take in pursuit of its strategic objectives and provides the backdrop for risk assessment, consideration of risk treatments, and risk assurance processes. In 2024, Iluka reviewed the Risk Appetite Statement (RAS) to align risk appetite categories with strategic priorities for the next three years.

Key Risk Indicators (KRI) that measure performance against approved appetite (reported to the Audit and Risk Committee bi-annually) were updated, drawing from existing business processes. Where risk management becomes outside of approved tolerance, the matter is escalated to Iluka's Managing Director and mitigation actions to bring the risk back within appetite is communicated to the Audit and Risk Committee and the Board.

Outcomes of the RAS review informed the Strategic Risk review process which both informs and is an output of Iluka's corporate planning process and is reported annually to the Board with risk outlook considered on a six-monthly monthly basis by Iluka's Executive. Material risks, where raised, are reported to the Board by Iluka's Executive team along with response actions.

Iluka's Audit and Risk Committee and Sustainability Committees respectively have accountability for governance and oversight of Iluka's process and approach to managing risks and opportunities.

Emerging risks continue to be identified and monitored through operational and project risk management processes and at a strategic level through the annual corporate planning and strategic risk review process.

## MANDATORY CLIMATE CHANGE REPORTING

To meet 2025 climate change reporting requirements, Iluka used its existing risk and opportunities process to identify and address climate transition and physical risks. Enhancements to the existing process were made to accommodate mandated scenario analysis to test resilience of business strategies against risks identified. Further information on Iluka's approach to climate change is detailed at page 42. Iluka's approach is to integrate management of climate-related risks into its overall risk management process. The resiliency of Iluka's Climate Change strategy is considered in Iluka's Strategic Risk register with risk treatment considerations informed by the Climate Change Work Program and other related business initiatives.

## INTERNAL AUDIT AND ASSURANCE

In 2024, the Audit and Risk Committee approved an Internal Audit Charter informed by ASX Governance Principles and Global International Internal Audit Standards setting out the role and purpose of Iluka's internal audit function, reporting responsibilities to the Audit and Risk Committee and management accountabilities. The Charter also provides a process for maintaining independence of the internal audit function.

Iluka's annual internal audit strategy is informed by a review of strategic risk priority areas, updates to the internal assurance map as to existing assurance processes already undertaken, such as independent reviews, and industry insights on internal audit trends.

Outside of internal audit, Iluka continues to mature its second line assurance processes with dedicated resources and processes in place for health and safety and risk-based second line assurance reviews undertaken in environment, communities and tailings management.

Photo above: Iluka has systems in place to ensure the health and safety of its people.

## ILUKA'S RISK MANAGEMENT ACCOUNTABILITIES

### BOARD OF DIRECTORS

- Governance and oversight

### AUDIT AND RISK COMMITTEE

- Monitoring management team's performance against the risk management framework including whether management is operating within the Board's risk appetite
- Review and monitor adequacy of Iluka's Risk Policy and Management Framework

### EXECUTIVE TEAM

- Implementation and embedding of Risk Policy and Management Framework
- Review and manage strategic and risks material to business outcomes
- Recommend to Board tolerance measures against Board's risk appetite

### MANAGEMENT AND EMPLOYEES

Identify, treat and report business risks in accordance with Risk Policy and Management Framework

### GROUP RISK

- Training and support to implement Risk Policy and Management Framework
- Drive continuous uplift of risk management capabilities aligned to business needs
- Design and delivery of an internal audit program to evaluate effectiveness of risk management control environment and adequacy of risk management practices

Iluka's Eneabba operations, with the beneficiation plant in the background at right.

## KEY RISK AREAS

Set out below are the key risk areas that could have a material impact on Iluka. These risks are not the only risks that the company faces and while reasonable effort is made to identify and manage material risks, additional risks not currently known or detailed below may adversely affect future business performance.

These risks are considered against a backdrop of a myriad of changes and ongoing uncertainties in the external environment including evolving regulatory and stakeholder expectations, shifting geopolitical landscapes and global politics, evolving market dynamics for mineral sands and rare earths business, and changing technology landscapes.

| KEY RISK | CONTEXT, RISK MANAGEMENT, MITIGATIONS AND OPPORTUNITIES |
|---|---|
| **HEALTH AND SAFETY** | Ensuring a productive and engaged workforce, maintaining trust and social license to operate.<br><br>Risk management, mitigations and opportunities<br>• Focus on strong systems, processes, and culture to protect workforce health and safety, monitored through specific programs and regular audits<br>• Focus on health and safety includes physical, mental and social wellbeing<br>• Internal review completed in 2024 of Iluka's psychosocial control environment against regulatory requirements |
| **CLIMATE CHANGE, UNCERTAIN ENVIRONMENTAL POLICY LANDSCAPE AND EVOLVING COMMUNITY EXPECTATIONS** | Iluka acknowledges that these key risks may have an impact on its business, including:<br>• Policy changes from carbon pricing to energy mix change can materially impact operational cost and performance<br>• Environmental policy changes can materially affect operations and project development pathways<br>• Maintaining stakeholder trust and maintaining social license to operate<br><br>Risk management, mitigations and opportunities<br>• Opportunities to sustainably and commercially achieve lower emission energy sources continue to be monitored and assessed<br>• Contribute to energy transition to lower carbon economy through delivering a sustainable rare earths business<br>• Implementation of governance and processes to achieve mandatory climate change reporting requirements<br>• Monitoring Federal and State environmental management policy and regulatory developments<br>• Respectfully engaging with Iluka's diverse community stakeholders remains a key focus<br><br>Further details are contained in the Sustainability Report from pages 30 to 42. |
| **PROJECT EXECUTION** | Large capital projects are by their nature complex and subject to a number of factors often outside of Iluka's control (inflationary environment, regulatory, market competition for talent, and contractor and supply chains) that can materiality impact delivery of successful project outcomes.<br><br>Project execution risks also include the ability to obtain appropriate access to property, cost escalation, construction and commissioning risks.<br><br>Risk management, mitigations and opportunities<br>• Execution of the Eneabba refinery and Balranald projects are closely monitored with a number of independent reviews and internal audits undertaken<br>• Capital projects follow a defined risk management approach that includes risk management outcomes reported by respective EPCMs, steering committees and the Board |

## KEY RISK AREAS

| KEY RISK | CONTEXT, RISK MANAGEMENT, MITIGATIONS AND OPPORTUNITIES |
|---|---|
| **GROWTH (RESOURCE, RESERVE AND PIPELINE)** | Iluka aims to generate and deliver on growth options through exploration, innovation, project development, and appropriate external growth opportunities, with the objective of continuing to deliver sustainable value.<br><br>Iluka's Resource and Reserves assessments are prepared in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition (the JORC Code 2012) and the ASX Listing Rules and as disclosed in various public announcements released through the ASX. As these estimates involve the application of significant judgement, no guarantee of assurance of the estimated mineral recovery levels or the commercial viability of deposits can be provided.<br><br>The actual quality and characteristics of mineral deposits cannot be known until mining takes place and may differ from the assumptions used to develop the mineral resources. Further, Ore Reserves are valued based on assumed future costs and commodity prices and, consequently, the value of actual Ore Reserves, including their economic extraction and mineral resources, may differ from those estimated, which may result in either a positive or negative impact on operations.<br><br>Risk management, mitigations and opportunities<br>• Iluka regularly assesses its ability to enhance its production profile or extend the economic life of deposits through the development of new projects within its portfolio<br>• Evaluating growth opportunities requires prudent risk-taking as part of a disciplined process of project selection and evaluation to maximise the opportunity, achieve the desired outcomes, and manage the associated risks to the company<br><br>Iluka's Ore Reserves are prepared by experienced 'Competent Persons' in accordance with the JORC Code 2012. Preparation and publication of Resources and Reserves follows an established resource and reserves corporate governance process under the remit of Iluka's Audit and Risk Committee (refer to page 152 for Competent Persons Statement and Mineral Resources and Ore Reserves Corporate Governance). |
| **FINANCIAL RISK** | Financial risks present in a number of ways, including:<br>• Exposures to the cost and availability of funds, fluctuations in interest rates, and foreign exchange rates, commodity price fluctuations that can materially impact financial outcomes, and ability to execute business priorities<br>• Long-term rehabilitation obligations can materially affect Iluka's balance sheet capacity<br><br>Risk management, mitigations and opportunities<br>• Established Treasury Policy and Credit Risk Policy that define risk management approach and governance processes for financial risk and customer credit exposure<br>• Maintain a strong balance sheet that allows the company to pursue its strategic objectives<br>• Compliance to terms of EFA funding agreement for the Eneabba refinery adheres to a robust reporting and monitoring process<br>• Rehabilitation risks and liabilities adhere to a robust review, monitoring and forecasting process. Iluka adopts a progressive rehabilitation approach at its operating sites |
| **CHANGING WORKFORCE AND SKILLS** | Change in broader talent market, pipeline and available skills base can impact Iluka's ability to execute its strategic priorities.<br><br>Risk management, mitigations and opportunities<br>• While 2024 saw an improvement in the talent market, availability of key technical skills still remains a challenge as seen within the broader market<br>• Risk is being addressed through a talent management, technical skills and leadership development framework and programs |

## KEY RISK AREAS

| KEY RISK | CONTEXT, RISK MANAGEMENT, MITIGATIONS AND OPPORTUNITIES |
|---|---|
| **REGULATORY AND COMPLIANCE RISK** | Ensuring compliance to regulatory requirements and management of compliance risk enables Iluka to preserve stakeholder trust and social license to operate.<br>Risk management, mitigations and opportunities<br>• Review of governance and processes to ensure compliance to evolving privacy requirements. In 2024, an assessment was completed to identify valuable data assets, assess risks, and improve protection to reduce exposure throughout data life cycle<br>• Continued monitoring of anti-bribery procedures and controls and fraud detection-related controls against Iluka's Policy. This includes training and third-party risk management processes |
| **TECHNOLOGY AND CYBERSECURITY** | In an increasingly technology-dependent landscape and integration of cloud-based applications and services means Iluka is exposed to operational disruption and/or reputation damage from attacks/security breaches which are evolving in sophistication.<br>Risk management, mitigations and opportunities<br>• Cybersecurity strategy reviewed in 2024 to ensure that robust cyber hygiene practices leveraging the National Institute of Standards and Technology (NIST), Cybersecurity Framework (CSF) and the Australian Signals Directorate's (ASD) Essential 8 principles<br>• Continuous cyber penetration testing including security simulations<br>• Focus on cyber controls such as multi-factor authentication, restricted administrative privileges, and rigorous patch management by leveraging guidance from the Australian Cyber Security Centre<br>• Focus on cyber in third-party risk management including due diligence processes<br>• Cyber crisis, cyber incidence response plans, and post-incident review process |
| **SUSTAINABLE OPERATIONS** | Operational disruptions and not achieving planned outcomes can lead to material detrimental financial outcomes. Business continuity risks may arise due to natural disasters, material disruptions to logistics chains, critical plant failures or industrial action, among other things.<br>Risk management, mitigations and opportunities<br>• Dedicated life-of-mine planning team which monitors and drives risks and priorities to achieving planned outcomes<br>• Dedicated geotechnical resources team which leverages external tailings and dam management experts. Extensive annual reviews of asset integrity, short- and long-term planning, and geotechnical and hydrogeological modelling undertaken<br>• Asset risk reviews and risks to business continuity are subject to an annual independent review by Factory Mutual Global, Iluka's property insurer<br>• Crisis management plan (reviewed in 2024) together with ongoing training and crisis simulations |

# FINANCIAL REPORT

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### RESPONSIBLE FOR OUR ENVIRONMENT

Groundwater depth is regularly measured as part of Jacinth-Ambrosia's site-wide groundwater monitoring program.

# RESULTS FOR ANNOUNCEMENT TO THE MARKET

Provided below are the results for announcement to the market in accordance with Australian Securities Exchange (ASX) Listing Rule 4.3A and Appendix 4E for the consolidated entity Iluka Resources Limited and its controlled entities for the year ended 31 December 2024 (the 'current period') compared with the year ended 31 December 2023 (the 'comparative period').

All currencies shown in this report are Australian dollars unless otherwise indicated.

| | |
|---|---|
| Revenue from ordinary activities | Down 9% to $1,170.3m |
| Net profit after tax for the period from ordinary activities | Down 32% to $231.3m |
| Net profit after tax for the period attributable to equity holders of the parent | Down 32% to $231.3m |

**Dividends**
2024 final: 4 cents per ordinary share (100% franked), to be paid in March 2025 (record date 5 March 2025)
2024 interim: 4 cents per ordinary share (100% franked), paid in September 2024 (record date 4 September 2024)

| Key ratios | 2024 | 2023 |
|---|---|---|
| Basic profit per share (cents) | 54.1 | 80.5 |
| Diluted profit per share (cents) | 53.6 | 79.8 |
| Free cash flow per share (cents)[1] | (67.5) | (37.5) |
| Return on equity[2] | 10.2 | 17.1 |
| Net tangible assets per share ($) | 4.24 | 3.84 |

[1] Free cash flow is determined as cash flow before refinance costs, proceeds/repayment of borrowings and dividends paid in the year.

[2] Calculated as net profit after tax (NPAT) for the year as a percentage of average monthly shareholder's equity over the year.

Commentary on the consolidated results and outlook are set out in the Operating and Financial Review section of the Directors' Report.

## DIVIDEND REINVESTMENT PLAN (DRP)

The current Dividend Reinvestment Plan (DRP) was approved by the Board of Directors, effective for all dividends from the 2017 final dividend onwards. Under the plan, eligible shareholders can reinvest either all or part of their dividend payments into additional fully paid Iluka shares. The DRP remains active for the 2024 final dividend.

The Directors have determined that no discount will apply for the DRP in respect of the 2024 final dividend. Shares allocated to shareholders under the DRP for the 2024 final dividend will be allocated at an amount equal to the average of the daily volume weighted average market price of ordinary shares of the Company traded on the ASX over the period of 10 trading days commencing on 10 March 2025. The last date for receipt of election notices for the DRP is 6 March 2025.

## INDEPENDENT AUDITOR'S REPORT

The Consolidated Financial Statements upon which this Appendix 4E is based have been audited.

The Directors of Iluka Resources Limited present their report together with the financial statements of the Group for the year ended 31 December 2024 and the auditor's report thereon.

# DIRECTORS' REPORT

The directors present their report on the Group consisting of Iluka Resources Limited (the 'Company') and the entities it controlled at the end of, or during, the year ended 31 December 2024.

The overview of Iluka's operations, including key aspects of operating and financial performance, are contained on pages 14 to 47 which forms part of the Directors' Report for the year ended 31 December 2024 and is to be read in conjunction with the following information:

## DIRECTORS

The following individuals were directors of Iluka Resources Limited during the whole of the financial year and up to the date of the report, unless otherwise stated:

- A Sutton (Acting Chair)
- T O'Leary (Managing Director and CEO)
- P Smith – appointed 28 June 2024
- L Saint
- S Corlett
- R Cole (Chair) –retired 13 December 2024
- M Bastos – retired 31 August 2024

## 2024 MEETINGS OF DIRECTORS

In 2024 the Board formally met on 18 ocassions, of which seven meetings were scheduled. In addition to these meetings, the Board spent a day primarily focused on strategic planning. Generally, Board meetings are held over two days (including Board Committee meetings). Directors are invited to visit the Company's operations during the year, often in conjunction with Board and Committee meetings.

The Non-executive Directors periodically met independent of management to discuss relevant issues. Directors' attendance at Board and committee meetings during 2024 is detailed below.

| **Director** | **Board** | | **Audit & Risk Committee** | | **Nominations & Governance Committee** | | **People & Performance Committee** | | **Sustainability Committee** | |
|---|---|---|---|---|---|---|---|---|---|---|
| (1) (2) | Held | Attended | Held | Attended | Held | Attended | Held | Attended | Held | Attended |
| **Total Meetings** | **18** | | **4** | | **6** | | **3** | | **3** | |
| **Executive** | | | | | | | | | | |
| T O'Leary | 18 | 18 | | 3 | | 6 | | 2 | | 3 |
| **Non-executive** | | | | | | | | | | |
| M Bastos [3] | 5 | 5 | 3 | 3 | 4 | 4 | | 2 | 2 | 2 |
| R Cole [4] | 8 | 6 | | 3 | 4 | 4 | 2 | 2 | 2 | 2 |
| S Corlett [5] | 18 | 17 | 4 | 4 | 6 | 6 | | 3 | 3 | 3 |
| L Saint | 18 | 18 | 4 | 4 | 6 | 6 | 3 | 3 | | 2 |
| P Smith [6] | 16 | 16 | | 2 | 4 | 4 | 1 | 1 | 1 | 1 |
| A Sutton [7] | 18 | 18 | 1 | 4 | 6 | 6 | 3 | 3 | 1 | 3 |

Current Chair  Prior Chair  Current Member  Prior Member

(1) "Held" indicates the number of meetings held during the period of each director's tenure. Where a director is not a member but attended meetings during the period, only the number of meetings attended is shown.
(2) "Attended" indicates the number of meetings attended by each director.
(3) Marcelo Bastos retired from the Board on 31 August 2024.
(4) Rob Cole was on temporary leave from 13 November 2024 and retired from the Board on 13 December 2024.
(5) Susie Corlett was appointed Chair of the Sustainability Committee on 1 November 2024.
(6) Peter Smith joined the Board and the Nominations and Governance Committee on 28 June 2024, and became a member of the People and Performance Committee and the Sustainability Committee on 1 November 2024.
(7) Andrea Sutton became Acting Chair of the Board and the Nominations and Governance Committee on 13 November 2024, Member of the Audit and Risk Committee on 1 November 2024, and Acting Member of the Sustainability Committee on 15 November 2024.

## DIRECTORS' SHAREHOLDING

Directors' shareholding is set out in the Remuneration Report.

# BOARD OF DIRECTORS

## TOM O'LEARY

**Managing Director and Chief Executive Officer**

**Appointed:** 13 October 2016

**Qualifications:** LLB, BJuris

**Independent:** No **Age:** 61

**Relevant skills and experience:**

Tom has more than 30 years of commercial, investment banking, business development and executive management experience in a range of sectors including energy, chemicals and mining. Tom was previously Managing Director of Wesfarmers Chemicals, Energy & Fertilisers having been appointed to the role in 2010. Tom joined Wesfarmers in 2000 in a business development role and was then appointed Managing Director, Wesfarmers Energy, in 2009. Prior to joining Wesfarmers, Tom worked in London for 10 years in finance law, investment banking and private equity. He holds a law degree from The University of Western Australia and has completed the Advanced Management Program at Harvard Business School.

**Other Directorships and Offices:**

- Clontarf Foundation
  - Non-executive Director (appointed June 2006); Chairman (appointed April 2023)

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## ANDREA SUTTON

**Non-executive Director and Acting Chair**

**Appointed:** 11 March 2021

**Qualifications:** BEng Chemical (Hons), GradDipEcon, GAICD

**Independent:** Yes **Age:** 53

**Relevant skills and experience:**

Andrea has more than 25 years' experience across a range of operational and corporate functions, having held executive roles in health, safety, and environment, human resources, and infrastructure management within the resources sector. Her 25-year career with Rio Tinto included a secondment as CEO and Managing Director of Energy Resources of Australia (ERA) from 2013 to 2017, Head of Health, Safety, Environment and Security, Managing Director Support Strategy Review – Human Resources, General Manager of Operations at the Bengalla mine, and General Manager of Infrastructure, Iron Ore. Andrea is a former Non-executive Director of Energy Resources Australia Limited. Andrea is an experienced non-executive director across resources, government and infrastructure industries. She is also a member of Engineers Australia, Australasian Institute of Mining and Metallurgy, Chief Executive Women, and the Australian Institute of Company Directors.

**Other Directorships and Offices:**

- Water Corporation – Non-executive Chair (effective January 2024)
- Perenti Limited – Non-executive Director (appointed October 2023)
- Australian Naval Infrastructure (ANI)
  – Non-executive Director (appointed September 2023)
- Vault Minerals Limited (previously Red 5 Limited)
  – Non-executive Director (appointed November 2020)
- National Association of Women in Operations (NAWO)
  – Board member (appointed August 2020)
- Australian Nuclear Science and Technology Organisation (ANSTO) – Board member (appointed April 2020)
- DDH1 Limited – Non-executive Director (retired September 2023)
- Infrastructure WA – Board member (retired December 2022)

**Committee membership key**

| | | | | | |
|---|---|---|---|---|---|
| | Committee Chair or Acting Committee Chair | NG | Nominations and Governance Committee | AR | Audit and Risk Committee |
| B | Board Chair or Acting Board Chair | S | Sustainability Committee | PP | People and Performance Committee |

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## PETER SMITH

**Non-executive Director**

**Appointed:** 28 June 2024

**Qualifications:** FAusIMM, GAICD, MBA

**Independent:** Yes **Age:** 66

### Relevant skills and experience:

Peter has more than 46 years' experience across a range of operational, business improvement and development functions within the resources industry, including gold, coal, metals, and fertilisers. Peter held senior positions with Rio Tinto, WMC Resources, Ensham Resources, Western Metals, Newcrest Mining, Israel Chemicals Limited, and Kestrel Coal Resources. Peter's recent former executive roles include Chief Executive Officer at Krestal Coal Resources, Executive Vice President, Potash at ICL Group, Executive General Manager, Australia, Indonesia and African Operations for Newcrest, and Chief Operating Officer for Lihir Gold. Peter was a former Non-executive director of NSW Minerals Council, Evolution Mining (2011-2013), and VP Minerals Limited, Commissioner of PT NHM Indonesia, and Executive Director and Chairman of Western Metals Limited. He has a Master of Business Administration and Management from University of Southern Queensland.

### Other Directorships and Offices:

- Yancoal Australia Limited
  – Non-executive Director (appointed December 2024)
- VP Minerals Limited
  – Non-executive Director (retired August 2024)
- Evolution Mining Limited
  – Non-executive Director (appointed April 2020)

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## SUSIE CORLETT

**Non-executive Director**

**Appointed:** 1 June 2019

**Qualifications:** BSc (Geo, Hons), FAusIMM, GAICD

**Independent:** Yes **Age:** 54

### Relevant skills and experience:

Susie has more than 30 years of experience in exploration, mining operation, mining finance and investment. Susie is a professional non-executive director following an executive career spanning mine operations, investment banking and private equity. A geologist, her background is in mining operations and exploration for RGC Ltd and Goldfields Ltd. Susie was most recently an Investment Director for Pacific Road Capital Ltd (a global mining private equity fund), following a career in mining project finance and credit risk management for Standard Bank Limited, Deutsche Bank and Macquarie Bank. Susie is currently an Advisory Board member for the Foundation of National Parks and Wildlife, a member of Chief Executive Women, and a former Non-executive Director of the David Burgess Foundation. In 2024, she was recognized as one of the 100 Globally Inspirational Women in Mining (WIM100).

### Other Directorships and Offices:

- Australian Institute of Mining and Metallurgy (AusIMM) Education Endowment Fund - Trustee (appointed June 2018)
- Foundation for National Parks and Wildlife
  - Non-executive Director (retired December 2022)
- Aurelia Metals Ltd - Non-executive Director (appointed October 2018)
- Mineral Resources Limited
  - Non-executive Director (appointed January 2021)
- Silex Systems Ltd – Non-executive Director (appointed November 2024)

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## LYNNE SAINT

**Non-executive Director**

**Appointed:** 24 October 2019

**Qualifications:** BCom, GradDip Ed Studies, FCPA, FAICD, Cert Business Administration

**Independent:** Yes **Age:** 62

### Relevant skills and experience:

Lynne has more than 30 years of financial, auditing, corporate governance, enterprise risk, supply chain management, project management, and commercial experience both within Australia and internationally. Her career spans more than 19 years in executive leadership at Bechtel Group, having served as Chief Audit Executive and Chief Financial Officer of Bechtel's Mining and Metals global business unit.

In Lynne's early career, she held consulting and auditing roles with KMPG and PwC, financial and commercial roles in financial services and assurance, mining, and the engineering and construction industries in Australia and Papua New Guinea. In 2003, Lynne was recognised as the Telstra Queensland Business Woman of the Year.

### Other Directorships and Offices:

- Ventia Services Group Limited
  – Non-executive Director (appointed October 2021)
- NuFarm Ltd – Non-executive Director (appointed December 2020)

## EXECUTIVE LEADERSHIP TEAM

### TOM O'LEARY

**Managing Director and Chief Executive Officer**

LLB, BJuris

Refer to page 52 of the Annual Report for Tom O'Leary's qualifications and experience.

### ADELE STRATTON

**Chief Financial Officer and Head of Development**

BA (Hons), FCA, GAICD

Ms Stratton joined Iluka in 2011, was appointed Chief Financial Officer in 2018, and assumed accountabilities for Head of Development in 2020. She is a qualified chartered accountant with over 20 years' experience working in both professional practice and public listed companies. Ms Stratton commenced her career with KPMG, spending seven years in the assurance practice both in the UK, where she qualified as a chartered accountant, and Australia. Prior to joining Iluka, she worked in a number of finance roles at Rio Tinto Iron Ore in Perth. Ms Stratton is the Iluka nominee Board member on Deterra Royalties Ltd, since its listing on the ASX in 2020.

### SARAH HODGSON

**Head of People and Sustainability**

LLB, GAICD

Ms Hodgson has 25 years' professional experience spanning HR, tax and sustainability. Ms Hodgson joined the People team at Iluka Resources in 2013 and was appointed to her current role in March 2018. Her career started at PricewaterhouseCoopers in London providing advice on UK and US tax, employment and international mobility before relocating to Australia with KPMG in 2002. Prior to joining Iluka, Ms Hodgson held senior roles, both as a consultant and in-house, at Mercer, Westpac and KPMG advising on executive remuneration, HR and governance matters.

### MATTHEW BLACKWELL

**Head of Projects and Sales and Marketing**

BEng (Mech), Grad Dip (Tech Mgt), MBA, MAICD, MIEAust

Mr Blackwell joined Iluka in 2004 as President of US Operations. He had responsibilities for Land Management and as General Manager, USA, before being appointed Head of Marketing, Mineral Sands in February 2014. In 2019, Mr Blackwell was made Head of Major Projects, Engineering and Innovation. In late 2020, Mr Blackwell reassumed responsibility for Sales and Marketing, with Strategy added to his accountabilities in late 2024. Prior to joining Iluka, he was Executive Vice President of TSX-listed Asia Pacific Resources, based in Thailand. Mr Blackwell's 30 years of experience in the mining industry has involved varied technical and leadership roles, spanning multiple commodities.

### COLIN NEXHIP

**Chief Technology Officer**

PhD (Chem Eng), BSc (Hons), B Ed

Mr Nexhip joined Iluka in 2023 as the Chief Technology Officer. Prior to joining Iluka, Mr Nexhip had been based in the US for the last 15 years where he most recently held the role of Vice President – Assets and Energy Management with Newmont Corporation. Mr Nexhip has over 25 years' experience in the mining industry, including 15 years with Rio Tinto.

## SHANE TILKA

**Chief Operating Officer, Australian Operations**

BCom

Mr Tilka joined Iluka in November 2004 and has held operations management roles throughout Iluka. His most recent appointment was General Manager – Jacinth-Ambrosia and Midwest. Prior to this Mr Tilka was the Chief Operating Officer for Sierra Rutile Ltd, General Manager for Iluka's US Operations and has held other senior roles at Iluka's Western Australian and South Australian operations.

## DANIEL MCGRATH

**Head of Rare Earths**

BSc (Math)

Mr McGrath joined Iluka in 1993 and has held technical and operations management roles throughout Iluka for many years. Mr McGrath is now focused on developing Iluka's rare earths business. His most recent appointment was as Chief Technology Officer and prior to that General Manager - Cataby and Southwest Operations where he oversaw mining and synthetic rutile operations along with the technical development and metallurgy functions. Prior to this Mr McGrath has held senior operational positions at Iluka's Western Australian, eastern Australian, and USA operations while also having held metallurgy and process engineering roles in Australia, Indonesia and Sierra Leone.

## CRAIG RENNER

**Project Director, Eneabba Project**

BEng Chem & Process (Hons); Exec MBA

Mr Renner joined Iluka in 2020 with his most recent prior role as GM of Strategy, Planning and Commercial functions including procurement and warehousing. Starting as a chemical engineer, Mr Renner's career expanded into strategy/management consulting and senior corporate strategy roles with significant exposure to a range of industries including oil and gas, coal, iron ore and steel. Prior to Iluka he held the position of Head of Strategy, Planning, Studies and Technology, for BHP's WA Iron Ore business.

## COMPANY SECRETARY

Mr Ben Martin BMSc LLB MAICD is the Company Secretary of the Company. Mr Martin was appointed to the position of General Counsel and Company Secretary in September 2021 and prior to that, he held positions in Iluka's in-house legal and land management teams. Before joining Iluka in 2014, Mr Martin was a solicitor at global law firm King & Wood Mallesons where he advised resources companies on a range of project development, approvals, land access and regulatory compliance matters.

Mr Nigel Tinley BBus FCPA FGIA FCG (CS, CGP) GAICD also acts as Company Secretary for the Company. Mr Tinley was appointed to the position of Joint Company Secretary in 2013 and prior to that, he held senior positions in Finance, Commercial, and Sales and Marketing. Before joining Iluka in 2006, Mr Tinley held a range of accounting, financial and commercial roles over his 18 years with BHP Limited both in Australia and internationally.

## DIRECTORS AND OTHER OFFICERS' REMUNERATION

Discussion of the Board's policy for determining the nature and amount of remuneration for directors and senior executives and the relationship between such policy and company performance are contained in the Remuneration Report on pages 57 to 80 of this Annual Report.

## PRINCIPAL ACTIVITIES

The principal activities and operations of the Group during the financial year were the exploration, project development, mining operations, processing and marketing of mineral sands and rare earths, and rehabilitation. Iluka holds a 20% stake in Deterra Royalties Limited (Deterra), the largest ASX-listed resources focused royalty company.

## INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company indemnifies all directors of the Company named in this report and current and former executive officers of the Company and its controlled entities against all liabilities to persons (other than the Company or the related body corporate) which arise out of the performance of their normal duties as director or executive officer unless the liability relates to conduct involving bad faith. The Company also has a policy to indemnify the directors and executive officers against all costs and expenses incurred in defending an action that falls within the scope of the indemnity and any resulting payments.

During the year the Company has paid a premium in respect of directors' and executive officers' insurance. The contract contains a prohibition on disclosure of the amount of the premium and the nature of the liabilities under the policy.

## INDEMNIFICATION OF AUDITORS

The Company's auditor is KPMG. The terms of engagement of Iluka's external auditor includes an indemnity in favour of the external auditor. This indemnity is in accordance with KPMG's standard Terms of Business and is conditional upon KPMG acting as external auditor. Iluka has not otherwise indemnified or agreed to indemnify the external auditors of Iluka at any time during the financial year.

## NON-AUDIT SERVICES

The Group has, from time to time, employed the external auditor, KPMG, on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

Fees that were paid or payable during the year for non-audit services provided by the auditor of the parent entity, its network firms and non-related audit firms is set out in Note 26 of the Financial Report.

The Board of Directors has considered the position and, in accordance with advice received from the Audit and Risk Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* for the following reasons:

- All non-audit services were provided in accordance with Iluka's Non-Audit Services Policy and External Auditor Guidelines; and
- All non-audit services were subject to the corporate governance processes adopted by the company and have been reviewed by the Audit & Risk Committee to ensure that they do not affect the integrity or objectivity of the auditor.

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 81.

## ENVIRONMENTAL REGULATIONS

So far as the directors are aware, there have been no material breaches of the Group's licences and all mining and exploration activities have been undertaken in compliance with the relevant environmental regulations.

## MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

The directors are not aware of any matter or circumstance not otherwise dealt with in the Directors' Report or Financial Statements that has or may significantly affect the operations of the entity, the results of its operations or the state of affairs of the entity in the current or subsequent financial years.

## DIVIDEND

The directors have declared a fully franked final dividend of 4 cents per ordinary share payable on 28 March 2025.

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS

In the opinion of the directors, likely developments in and expected results of the operations of the Group have been disclosed in the Financial and Operational Review on pages 14 to 47. Disclosure of any further material relating to those matters could result in unreasonable prejudice to the interests of the Group.

## CORPORATE GOVERNANCE STATEMENT

The Company's Corporate Governance Statement for the year ended 31 December 2024 may be accessed from the Company's website at http://www.iluka.com/about-iluka/governance.

## ROUNDING OF AMOUNTS

The Company is of a kind referred to in "ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191", issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' Report and accompanying Financial Report. Amounts in the Directors' Report have been rounded off in accordance with that Rounding Instrument to the nearest hundred thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of the directors.

A Sutton    T O'Leary

**A SUTTON**
Acting Chair

**T O'LEARY**
Managing Director

19 February 2025

# REMUNERATION REPORT

## MESSAGE FROM THE CHAIR OF THE PEOPLE AND PERFORMANCE COMMITTEE

Dear Shareholders

On behalf of the Board, I am pleased to present Iluka's Remuneration Report (**Report**) for the financial year to 31 December 2024 (**2024**). The Board is committed to ensuring that Iluka's remuneration framework is competitive, provides an effective incentive to Executives and is aligned to company performance and shareholder outcomes. We continue to focus on transparent reporting through this Report and ensuring shareholders understand our approach and the decisions taken by the Board in relation to remuneration.

### 2024 REMUNERATION APPROACH

Our Executive remuneration structures remained unchanged from 2023, consisting of fixed remuneration and short- and long-term incentive plans (STIP and LTIP). Each year Iluka selects STIP performance metrics and sets targets based on business priorities, operational settings, and prevailing industry and macroeconomic environment conditions.

Due to subdued market conditions and cost headwinds at the time of setting the 2024 financial metrics and targets, we shifted the STIP financial assessment to have a greater focus on cost management. Within the 50% weighting allocated to financial metrics, the weighting of the Unit Cash Cost of Production measure was increased and as a result the weighting of ROC reduced. In addition a new Operating Cash Flow measure was introduced in place of NPAT, noting that improvement in both the selected cost metrics will drive improved NPAT results. We also increased the sustainability metric weighting from 15% to 25% of the scorecard, reflecting the importance of our safety improvement and climate change work programs. This change aligns the sustainability and safety metric weightings with industry market practice. Production was removed as a measure due to being in a sales constrained rather than production constrained environment.

The targets set in relation to Unit Cash Cost of Production and for Operating Cash Flow are disclosed in the report and are compared with actual results delivered. The financial earnings target (ROC) is not disclosed as Iluka does not consider this to be in the best interest of its shareholders. Iluka is focused on sustainable value delivery and uses its market knowledge and influence as a strategic advantage in optimising product prices and projected volume levels to deliver the best value for its shareholders over time. We believe maintaining confidentiality on financial earnings targets, even on a retrospective basis, is important in maintaining our competitive advantage.

Refer to Sections 2 and 3 for further details.

### 2024 PERFORMANCE AND REMUNERATION OUTCOMES

In determining the 2024 remuneration outcomes, the Board has carefully considered company performance and progression of strategic objectives, individual achievements, the operating environment and the context in which targets were set, and alignment with stakeholder expectations.

Challenging economic conditions continued throughout 2024. Management took advantage of opportunities early in the year to place greater than had been anticipated volumes of zircon into the market at attractive pricing and demonstrated discipline in its approach in responding to generally subdued demand for products over the year and in reducing costs through a targeted review. Nevertheless, it was disappointing that the sales of synthetic rutile remained insufficient to warrant a restart of SR1.

Agreement was ultimately reached with the Australian Government ensuring the Eneabba rare earths refinery project is fully-funded. The Balranald mine in construction remains on track for commissioning in 2025. These are both important strategic growth projects for the future of Iluka's mineral sands and rare earths businesses and delivery of long-term value for shareholders. The health and safety improvement program implemented more easily accessible systems and processes to support effective critical control management outcomes. While environmental incidents were above targeted levels, they resulted in a minor impact on the environment or were easily remediated. Procedures relating to ground disturbance and management of groundwater, key factors in the incidents, were reviewed and improved.

At the time of setting the 2024 STIP targets, the outlook was uncertain; the final outcomes achieved for the year were above targets set. However, in determining the final financial outcome the Board has exercised its discretion to reduce the overall achieved outcome for the financial metrics to slightly above threshold level. This resulted in a below target financial score of 60% out of 100% (adjusted down from 119%). This decision was based on an acknowledgement of the shareholder experience over 2024 and the beginning of 2025. While shareholder experience is not a STIP measure, we have adjusted the final financial outcome to recognise this factor; in addition, no vesting of long-term incentives will occur in relation to the 2020 Executive Incentive Plan (EIP) Performance Rights award.

The following summarises the outcomes by component:

- **No fixed remuneration increases:** No fixed remuneration increases were awarded to Executive KMP in 2024. There have been no increases to Executive KMP fixed remuneration since 2022 and no increase to the Managing Director's fixed remuneration since his commencement in 2016.
- **2024 STIP outcome between threshold and target:** The Board has determined a STIP outcome of 53% of maximum (80% of target) for the Managing Director, based on 77% achievement against target under the annual group scorecard (after the downwards adjustment to the financial outcome) and 90% achieved against individual strategic objectives. The Managing Director's award will be delivered in cash (50%) and in restricted shares (50%). KMP outcomes were between 53-58% of maximum (depending on the individual executive). Refer Sections 3.4 and 3.5 for further details.

- **No vesting of 2020 EIP Performance Rights:** The Board determined that no performance rights would vest for the 2020 EIP Performance Rights award. The Total Shareholder Return (TSR) outcome of 43.6% was at the 37th percentile against Iluka's peer group over the performance period. See Section 3.6 for further details.
- **No Board fee increases:** No changes to the Non-executive Director fees were made during 2024.

The Board believes these outcomes fairly balance the performance of [the company and] management while recognising shareholder outcomes.

## 2025 REMUNERATION APPROACH

No significant changes to the remuneration framework or incentive plan arrangements are planned for 2025. STIP financial measures will remain consistent with 2024. 2025 Sustainability measures continue to focus on the maturity of our Health, Safety, Environment and Community systems and progression of our climate change work program. We look forward to your feedback on our Remuneration Report and continuing discussions with our shareholders and their proxy advisers on our remuneration approach. Thank you for your ongoing support.

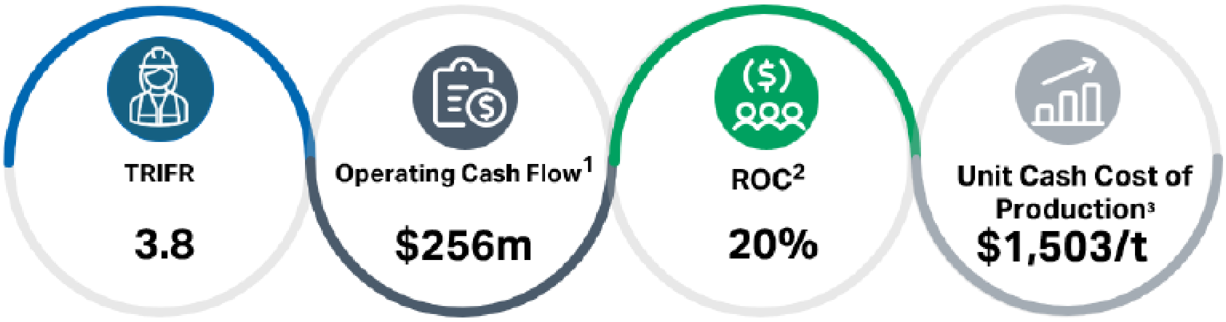
Yours sincerely

A Sutton

Andrea Sutton
Chair of the People and Performance Committee

## 2024 AT A GLANCE

### 2024 Key achievements:




1 Reflects cash flow generated by the Mineral Sands business. Excludes growth costs, Deterra dividend and Northern Minerals investment.
2 Reflects ROC for the Group Incentive Scorecard and is adjusted to remove the income from Deterra.
3 Reflects Production for the Group Incentive Scorecard, which excluded Zircon-in-Concentrate in 2024.

### How this year's performance compares to previous years:

The following table outlines historic business performance outcomes:

| KPI | 2024 | 2023 | 2022 | 2021 | 2020[4] |
|---|---|---|---|---|---|
| Net profit/(loss) after tax ($m) – Reported | 231.3 | 342.6 | 588.5 | 365.9 | 2,410 |
| Net profit/(loss) after tax ($m) – Underlying[4,5] | 230.6 | 343.3 | 597.0 | 314.8 | 151.2 |
| Net profit/(loss) after tax ($m) – Underlying, excluding Deterra | 209.1 | 315.4 | 558.8 | 296.4 | 151.1 |
| Underlying EBITDA (Group) ($m)[6] | 498.8 | 581.8 | 946.4 | 652.3 | 423.1 |
| EBITDA margin (%) | 44 | 47.0 | 54.8 | 43.9 | 41.2 |
| Free cash flow ($ million) | (288.1) | (159.6) | 444.3 | 299.5 | 36.3 |
| Earnings per share (cents) | 54.1 | 80.5 | 138.6 | 86.7 | 570.4 |
| Return on equity (%) | 10.2 | 17.1 | 33 | 25.9 | 283.7 |
| Closing share price ($)[7] | 5.05 | 6.60 | 9.53 | 9.89 | 6.36 |
| Total dividends declared for the year (cents) | 8 | 7 | 45 | 24 | 2 |
| Franking credit level (%) | 100 | 100 | 100 | 100 | 100 |
| Average AUD: USD spot exchange rate (cents) | 66.0 | 66.5 | 69.5 | 75.1 | 69.1 |
| Revenue per tonne Z/R/SR sold ($/t) | 2,196 | 2,314 | 2,214.7 | 1,593 | 1,625 |

4 Reported earnings in 2020 were impacted by significant impairments and write-downs; profit on demerger of Deterra Royalties and/or changes to rehabilitation provisions for closed sites.
5 Underlying Net profit/(loss) after tax and Group EBITDA excludes adjustments relating to impairments and write-downs; profit on demerger; and changes to rehabilitation provisions for closed sites.
6 Underlying Net profit/(loss), excluding the income derived from Deterra Royalties, is used as a financial measure in the Group Incentive Scorecard. Deterra Royalties demerged from the Group in November 2020.
7 2020 and 2021 represent the historical closing share price adjusted for the demerger of Sierra Rutile Limited. Data sourced from ASX www2.asx.com.au/markets/company/ilu. Starting price on 2 January 2020 was $4.75.

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This Remuneration Report contains the following Sections.


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| **SECTION 1** Who is covered by this Report? | Section 1 defines the KMP at Iluka covered in this Remuneration Report. | Page 61 |
| **SECTION 2** Executive remuneration framework – overview | Section 2 describes Iluka's remuneration philosophy and the 2024 remuneration structure for Executive KMP (including further detail on the STIP and LTIP). | Page 62 |
| **SECTION 3** 2024 Executive KMP remuneration outcomes | Section 3 details 2024 remuneration outcomes for Executive KMP including fixed remuneration, STIP outcomes and LTIP performance rights vesting outcomes where relevant. | Page 68 |
| **SECTION 4** Non-executive Director remuneration | Section 4 details policy fee and benefits for the company's Non-executive Directors including relevant statutory remuneration disclosure. | Page 73 |
| **SECTION 5** Remuneration governance | Section 5 provides an overview of key elements of the company's remuneration governance framework and other governance disclosures for 2024. | Page 75 |
| **SECTION 6** Additional remuneration disclosures | Section 6 provides an update for all relevant statutory remuneration disclosures as required by the *Corporations Act 2001* (if not disclosed elsewhere in the Report). | Page 77 |

## 1. WHO IS COVERED BY THIS REPORT?

This Report details the remuneration arrangements for Iluka's KMP. KMP are those persons who, directly or indirectly, have authority and responsibility for planning, directing, and controlling activities of the company. The KMP members over the 2024 year comprised the following Executive KMP and Non-executive Directors.

| Name | Position | Term as KMP |
|---|---|---|
| **Executive KMP** | | |
| **Current Members** | | |
| T O'Leary | Managing Director and Chief Executive Officer (Managing Director) | Full year |
| A Stratton | Chief Financial Officer and Head of Development | Full year |
| M Blackwell | Head of Projects and Sales and Marketing | Full year |
| S Tilka | Chief Operating Officer, Mineral Sands[1] | Full year |
| **Non-executive Directors** | | |
| **Current Members** | | |
| A Sutton | Acting Chair, Independent Non-executive Director[2] | Full year |
| S Corlett | Independent Non-executive Director | Full year |
| L Saint | Independent Non-executive Director | Full year |
| P Smith[3] | Independent Non-executive Director | Partial year |
| **Former Members** | | |
| R Cole[4] | Former Chair, Independent Non-executive Director | Ceased 13 December 2024 |
| M Bastos[5] | Former Independent Non-executive Director | Ceased 31 August 2024 |

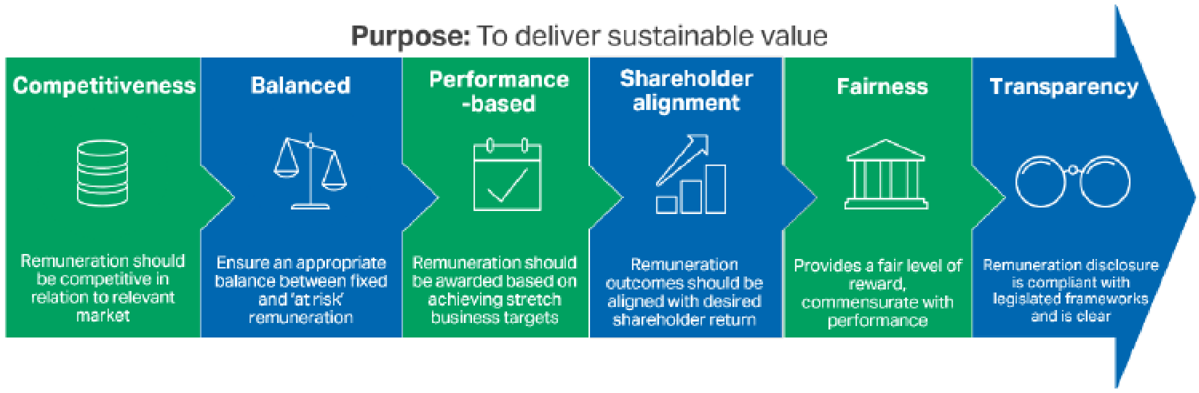
1 S Tilka position title change effective 16 September 2024.
2 A Sutton appointed as Acting Chair on 13 November 2024.
3 P Smith appointed Non-executive Director on 28 June 2024.
4 R Cole retired as Chair on 13 December 2024.
5 M Bastos retired as a Non-executive director on 31 August 2024.

## 2. EXECUTIVE REMUNERATION FRAMEWORK – OVERVIEW

### 2.1 SNAPSHOT

#### REMUNERATION PRINCIPLES

Iluka's Remuneration Principles (outlined below) provide the foundations for how remuneration is structured and awarded to achieve our purpose of delivering sustainable value to our shareholders.



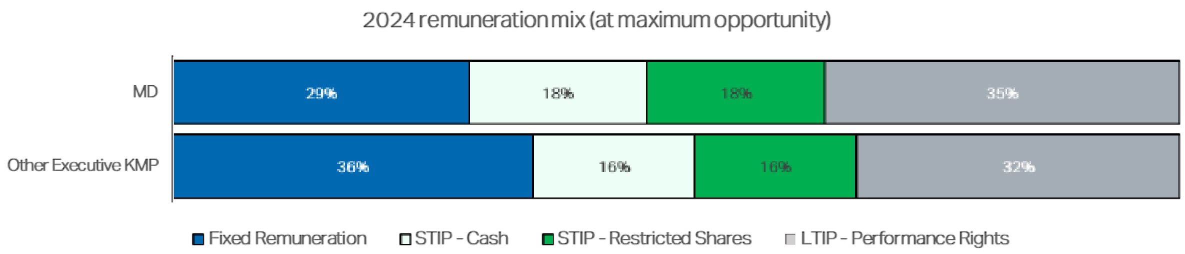

#### EXECUTIVE FRAMEWORK AND COMPONENTS

Executive KMP remuneration at Iluka is comprised of a mix of fixed and at-risk components to attract, retain and motivate executives. The table below provides an overview of the different remuneration components within the Iluka rRemuneration framework. Further detail on the executive remuneration framework is outlined on the following page.

| Component | Delivery | Approach and rationale |
|---|---|---|
| **Fixed remuneration** | Consists of base salary and superannuation. | Fixed remuneration is set considering::<br>■ Trajectory of the company's growth and key strategic objectives<br>■ Relevant market comparators and scarcity of talent<br>■ Executive KMP's experience and performance<br>■ Executive KMP's role responsibilities |
| **Short-term incentives (STIP)** | Delivered as cash (50% of the award) and restricted shares (50% of the award).<br>Restricted shares are subject to one and two year disposal restriction periods and continuity of service. | Provides an award based on performance against an annual scorecard of financial, non-financial and strategic measures. Measures are set considering Iluka's annual performance objectives and aligned to short- to mid-term strategy. |
| **Long-term incentives (LTIP)** | Delivered as performance rights vesting over four years. | Drives focus on long-term company performance and creates alignment with returns generated for our shareholders over the long-term. Performance is measured through relative TSR against the S&P / ASX 200 Resources Index (excluding companies primarily engaged in the oil and gas sector and non-mining activities). |
| **Minimum shareholding requirement:** 200% of fixed remuneration (MD), 100% of fixed remuneration (other Executive KMP) | | |

### PAY MIX FOR PERFORMANCE

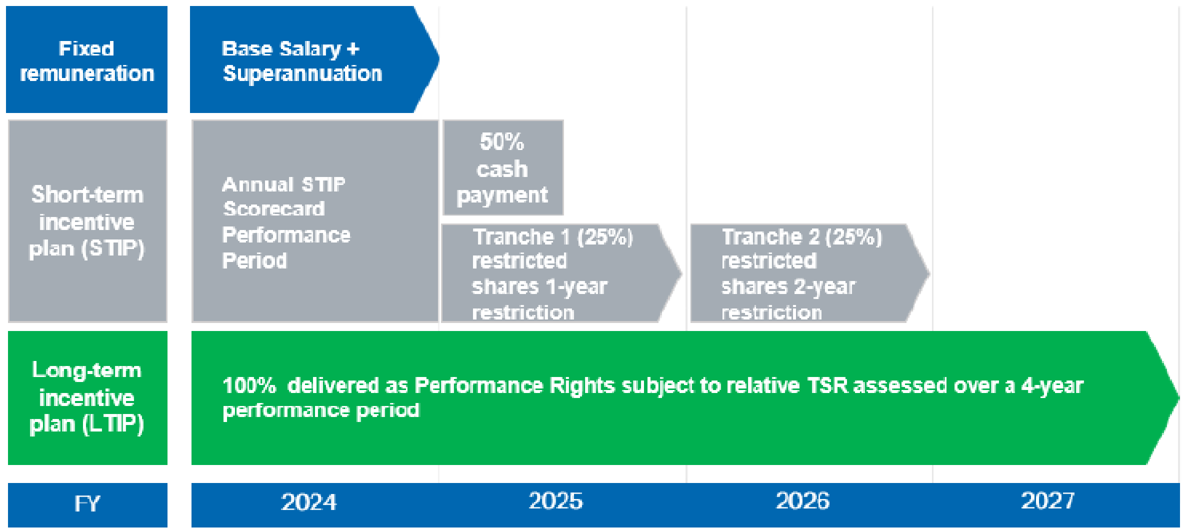
The following diagram sets out the mix for fixed and at-risk remuneration for Executive KMP during 2024. Remuneration packages for Executive KMP are weighted towards at-risk remuneration to drive performance for our shareholders.




## 2.3 EXECUTIVE INCENTIVE PLAN – MORE DETAIL

### OVERVIEW

The following diagram outlines Iluka's Executive remuneration framework for FY24.



## STIP – KEY QUESTIONS AND ANSWERS

| Question | Answer |
|---|---|
| **How is it paid?** | For all Executive KMP, STIP awards are delivered as 50% cash and 50% restricted shares which are released from disposal restrictions in equal tranches one year following the grant date (first tranche) and two years following the grant date (second tranche). Restricted shares are granted at no cost to the participants because they are awarded as remuneration. |
| **How much can participants earn under the STIP?** | STIP opportunities are expressed as a percentage of fixed remuneration.<br><br>\| \| STIP target (% of fixed remuneration) \| STIP maximum (% of fixed remuneration) \|<br>\| Managing Director \| 80% \| 120% \|<br>\| Other Executive KMP \| 60% \| 90% \| |
| **What performance measures will inform the STIP awards?** | The Board sets an annual scorecard to focus our Executive KMP on financial, non-financial and strategic imperatives they can influence and are critical to Iluka's long-term sustainability. Performance objectives are reviewed each year to ensure they remain relevant in the context of Iluka's strategy and the external environment conditions. In 2024 some changes were made from the 2023 annual scorecard.<br><br>Due to subdued market conditions and cost headwinds at the time of setting the 2024 financial metrics and targets, the STIP financial assessment was shifted to have a greater focus on cost management. The weighting of the Unit Cash Cost of Production measure was increased and a new Operating Cash Flow measure was introduced in place of NPAT, noting that improvement in both the selected metrics will drive improved NPAT results. The sustainability metric weighting was increased from 15% to 25% of the scorecard, reflecting the importance of the safety improvement and climate change work programs. Production was removed as a measure due to being in a sales constrained rather than production constrained environment.<br><br>In 2024 scorecard objectives covered:<br>■ Financial performance (50%);<br>    ▪ Group ROC% (15%);<br>    ▪ Operating Cash Flow $m (15%); and<br>    ▪ Unit Cash Costs of Production $/t (20%)<br>■ Sustainability performance focusing on health and safety performance and systems, environmental management, proactive rehabilitation and the climate change work program (25%); and<br>■ Individual strategic measures (25%).<br><br>In setting objectives, the Board aims to ensure that targets are quantifiable and drive the right commercial and strategic outcomes for Iluka. Section 3 provides a detailed explanation of the specific targets set in 2024, how they were measured and our assessment of performance. |
| **How are STIP awards are determined?** | STIP outcomes are calculated based on the following schedule, with a sliding scale operating between threshold and target, and between target and stretch:<br><br>\| Performance level \| STIP outcome (% target) \|<br>\| Threshold \| 50% \|<br>\| Target \| 100% \|<br>\| Stretch (maximum) \| 150% \| |
| **Who assesses STIP performance?** | STIP outcomes are determined by the Board following an assessment of performance measures at the end of the 2024 performance period and with regard to financial metrics, Iluka's performance and broader market factors. |
| **How is the number of restricted shares to be granted to participants determined?** | The number of restricted shares awarded to each participant is based on a face value methodology. This is determined by dividing the dollar value of the STIP award to be deferred by the Volume Weighted Average Price (VWAP) of Iluka shares traded on the ASX over the five trading days following the release of the company's FY24 full year results. |

| Question | Answer |
|---|---|
| **What happens if participants leave before the vesting date?** | Unless the Board determines otherwise, in the event of an Executive KMP resigning or ceasing employment for cause (e.g. serious or wilful misconduct, negligence etc): all unvested restricted shares will lapse.<br><br>If an Executive KMP ceases employment for any other reason or circumstances (including death, total and permanent disability, retirement or redundancy): unvested restricted shares will remain on foot and be subject to the original terms of the award. |
| **What happens on a change of control?** | The Board has discretion to determine that some or all of the equity restrictions be lifted, in the event of a takeover or other transaction that in the Board's opinion should be treated as a change of control event. |
| **Do any clawback or malus provisions apply?** | The Board may clawback incentives that have vested and that have been paid or awarded to participants in certain circumstances. In addition, restricted shares may be forfeited in certain circumstances during the disposal restricted period. For example, restricted shares may lapse if a participant acts fraudulently or dishonestly or if there is a material misstatement or omission in the accounts of a Group company. |
| **What does the Board take into account when considering whether to exercise discretion?** | In determining whether to exercise discretion, the Board will have regard to all relevant factors at the time, which may include the performance of the company and the participant over the performance period and the proportion of the performance period that has elapsed. Other factors considered by the Board include the operating environment and the context in which targets were set and alignment with stakeholder expectations. Consideration of these factors may lead to the exercise of discretion to increase or decrease award outcomes. |
| **Do restricted shares have any dividend and voting rights?** | Restricted shares carry voting rights and participants are entitled to dividends paid during the disposal restriction period. |

## LTIP – KEY QUESTIONS AND ANSWERS

<table>
<tr><th>Question</th><th>Answer</th></tr>
<tr><td>How is it paid?</td><td>LTIP awards are granted in the form of performance rights are granted at no cost to participants because they are awarded as remuneration.</td></tr>
<tr><td>How much can participants earn under the LTIP?</td><td>
<table>
<tr><th></th><th>LTIP face value (Maximum) (% of fixed remuneration)</th></tr>
<tr><td>Managing Director</td><td>120%</td></tr>
<tr><td>Other Executive KMP</td><td>90%</td></tr>
</table>
</td></tr>
<tr><td>What performance measures will inform the LTIP awards?</td><td>Performance rights will be subject to a relative TSR performance measure which will be measured over a four-year period commencing on 1 January 2024 against the S&P / ASX 200 Resources Index constituents (excluding companies primarily engaged in the oil and gas sector and non-mining activities). Relative TSR was selected as the performance measure for the LTIP award because it aligns the interests of KMP with that of Iluka's shareholders.<br><br>Vesting is subject to the sliding scale below:
<table>
<tr><th>Performance level to be achieved</th><th>Percentage vesting</th></tr>
<tr><td>Below $50^{th}$ percentile</td><td>0%</td></tr>
<tr><td>$50^{th}$ percentile</td><td>50%</td></tr>
<tr><td>Between $50^{th}$ and $75^{th}$ percentile</td><td>Sliding scale vesting</td></tr>
<tr><td>$75^{th}$ percentile or above</td><td>100%</td></tr>
</table>
</td></tr>
<tr><td>How is the number of rights to be granted to participants determined?</td><td>The number of performance rights awarded to each participant is based on a face value methodology. This is determined by dividing the dollar value of the LTIP maximum opportunity for FY24 by the VWAP of Iluka shares traded on the ASX over the five trading days following the release of the company's FY24 full year results.</td></tr>
<tr><td>Who assesses the LTIP performance?</td><td>Incentive outcomes are determined by the Board following an assessment of the performance measure at the end of the four-year performance period. The assessment of the relative TSR performance measures involves calculation of the relative TSR results by an external remuneration advisor as soon as practicable after the end of the relevant performance period.</td></tr>
<tr><td>What happens on vesting of the LTIP?</td><td>On vesting, participants are generally entitled to one Iluka share for each performance right that vests. No amount is payable on vesting of performance rights. Any performance rights that do not vest automatically lapse. There is no re-testing of performance rights.</td></tr>
<tr><td>What happens if participants leave before the vesting date?</td><td>Unless the Board determines otherwise, in the event of an Executive KMP resigning or ceasing employment for cause (e.g. serious or wilful misconduct, negligence etc): all unvested performance rights will lapse.<br><br>If an Executive KMP ceases employment for any other reason or circumstances (including death, total and permanent disability, retirement or redundancy): unvested performance rights will remain on foot and be subject to the original terms of the award.</td></tr>
<tr><td>What happens on a change of control?</td><td>The Board has discretion to determine that vesting of some or all of the equity awards be accelerated, in the event of a takeover or other transaction that in the Board's opinion should be treated as a change of control event.</td></tr>
<tr><td>Do any clawback or malus provisions apply?</td><td>The Board may clawback incentives that have vested and that have been paid or awarded to participants in certain circumstances. In addition, performance rights may lapse in certain circumstances during the performance period. For example, performance rights may lapse if a participant acts fraudulently or dishonestly or if there is a material misstatement or omission in the accounts of a Group company.</td></tr>
</table>

| Question | Answer |
|---|---|
| **What does the Board take into account when considering whether to exercise discretion?** | In determining whether to exercise discretion, the Board will have regard to all relevant factors at the time, which may include the performance of the company and the participant over the performance period and the proportion of the performance period that has elapsed. |
| **Are participants entitled to voting rights and dividends?** | No dividends are paid on performance rights prior to vesting. Performance rights do not carry voting entitlements. |

# 3. 2024 EXECUTIVE KMP REMUNERATION OUTCOMES

### 3.1 2024 FIXED REMUNERATION OUTCOMES

There were no changes to KMP fixed remuneration in 2024.

### 3.2 2024 STIP SCORECARD AND OUTCOMES ACHIEVED

The STIP scorecard is approved by the Board at the commencement of the financial year and focuses executives on business priorities over the one-year performance period. Outlined below are the targets that were set for 2024 and the level of performance achieved.

We have provided specific targets for Unit Cash Costs of Production and Operating Cash Flow to provide greater transparency. Specific targets are not disclosed in relation to ROC due to commercial sensitivity. Iluka's approach to the marketing and pricing of its products is key to achievement of the company's objective to deliver sustainable value. We believe maintaining confidentiality on financial earnings targets, even on a retrospective basis, is important to maintaining our competitive advantage and is in the best interests of shareholders.

<table>
<tr><th>Scorecard measure</th><th>Below threshold</th><th>Threshold to target</th><th>Target</th><th>Target to stretch</th><th>Stretch</th><th>Performance and outcome</th></tr>
<tr><td>FINANCIALS (50%)</td><td></td><td></td><td></td><td></td><td></td><td>Adjusted outcome – 60% of target; 40% of maximum achieved</td></tr>
<tr><td colspan="7">Notwithstanding the financial outcome achieved in relation to the targets set (see below), the Board has determined to reduce the overall financial outcome from 119% down to 60% of target. This decision was based on an acknowledgement of the shareholder experience over 2024 and the beginning of 2025.</td></tr>
<tr><td rowspan="2">Unit Cash Costs of Production $/t[1]<br><br>Target $1,590/t<br><br>Weighted: 20%</td><td></td><td></td><td></td><td></td><td></td><td rowspan="2">The Group Unit Cash Cost of Production achieved was better (lower) than target with a focused reduction on cash production costs, being $15m below that guided at the start of the year. Production performance also exceeded guidance with strong performance from SR2 following its restart from a planned major maintenance outage in late January 2024. A strong focus on cost management and concluding a cost review process during Q4 2024 led to further $20m ongoing cost reductions for 2025 across the business.</td></tr>
<tr><td colspan="5">Above threshold<br>(Adjusted down from between target and stretch)</td></tr>
<tr><td rowspan="2">Operating Cash Flow<br><br>Target: $266m<br><br>Weighted: 15%</td><td></td><td></td><td></td><td></td><td></td><td rowspan="2">Subdued market conditions in mineral sands led to a greater focus on cash generation to support the growth pipeline for the business. The business generated $256m of operating cashflow from sales revenue of $1.1bn, with the threshold level set at what was budgeted by the business for 2024.</td></tr>
<tr><td colspan="5">Above threshold<br>(Adjusted down from between target and stretch)</td></tr>
<tr><td rowspan="2">Group ROC (%)[2]<br><br>Weighted: 15%</td><td></td><td></td><td></td><td></td><td></td><td rowspan="2">Challenging economic conditions continued throughout 2024. Management took advantage of opportunities early in the year to place greater than had been anticipated volumes of zircon into the market at attractive pricing, and demonstrated discipline in its approach in responding to generally subdued demand for products over the year and in reducing costs through a targeted review. Nevertheless, it was disappointing that the sales of synthetic rutile remained insufficient to warrant a restart of SR1.<br><br>Continuing to generate ROC above 20% in the challenging and subdued market conditions which prevailed for most of 2024 is considered a strong result.</td></tr>
<tr><td colspan="5">Above threshold<br>(Adjusted down from stretch)</td></tr>
</table>

1 Unit Cash Costs of Production targets and outcomes exclude production related to Zircon-in-Concentrate.
2 The targets and outcomes are adjusted to exclude the income derived from Iluka's investment in Deterra Royalties.

<table>
<tr><th>Scorecard measure</th><th>Below threshold</th><th>Threshold to target</th><th>Target</th><th>Target to stretch</th><th>Stretch</th><th>Performance and outcome</th></tr>
<tr><td>SUSTAINABILITY (25%)</td><td></td><td></td><td></td><td></td><td></td><td>Outcome – 110% of target; 73% of maximum achieved</td></tr>
<tr><td colspan="7">Trusted by our People and Communities</td></tr>
<tr><td>Group Total Recordable Injury Frequency Rate (TRIFR)<br><br>Target 4.15<br><br>Weighted: 5%</td><td colspan="5">Between target and stretch</td><td>TRIFR of 3.8 was above the target set for 2024.<br><br>The 2024 target was set at an improvement to the 2023 target set ensuring that the focus was maintained on minimising injuries whilst acknowledging the challenge to keep TRIFR at the level achieved in 2023 (2.4). There were 16 injuries in 2024 (compared to 11 in 2023). This was largely driven by hand/finger (6) and slips/trips injuries (8). Only one injury out of the 16 was classified as an SPI. Prevention of these types of injuries were a focus of specific campaigns together with continued priority of strong leadership presence in the field and embedding of the Critical Control Management program.</td></tr>
<tr><td>Health and Safety system improvements<br><br>Target Achieve work program objectives for 3 key initiatives<br><br>Weighted: 6%</td><td colspan="5">Stretch</td><td>In 2024 Iluka implemented a Health and Safety improvement program focused on improving the effectiveness and value delivered through the Critical Control Management program. The achievements include:<br>• Implementation of mobile technology for employees and contractors to support critical control verifications and checks in the field and dashboard reporting of gaps identified<br>• 9,500 critical control checks and 4,500 field verifications were completed reflecting a ratio of 1.92:1.<br>• 100% close out of 2023 corrective actions relating to the Health and Safety audit program</td></tr>
<tr><td colspan="7">Responsible for the environment</td></tr>
<tr><td>Mine closure risk (ha) Reduction of open mining area against plan<br><br>Target 205ha of open mining area<br><br>Weighted: 4%</td><td colspan="5">Between target and stretch</td><td>171ha of open area against a target of 205ha open area was achieved in 2024.<br><br>The stretch outcome reflects progress made on our operating mines (Cataby and Jacinth-Ambrosia) to optimise their rehabilitation and disturbance activity throughout the year. A total of 403ha of rehabilitation was achieved across all Iluka sites, including 89ha of progressive rehabilitation at the operating mines and 314ha at closed sites.</td></tr>
<tr><td>Group environmental level 3 and above incidents<br><br>Target of 7 or less<br><br>Weighted: 3%</td><td colspan="5">Below threshold</td><td>There were 14 environmental incidents classified as Level 3 or above in 2024. Twelve incidents relation to the unauthorised release of turbid (sediment laden) water flowing off-site. The remaining incidents related to unauthorised vegetation disturbance.<br><br>Environmental incident reports were reviewed in detail through 2024 to ensure classifications are applied consistently and transparently, in accordance with the relevant Group Guideline, which may have contributed to the higher number of L3+ incidences for 2024.<br><br>Revised environmental incident classification guidance has been issued for use in 2025.</td></tr>
<tr><td colspan="7">Operating in and providing products for a low carbon world</td></tr>
<tr><td>Climate change work program<br><br>Target Achieve work program objectives for five key initiatives<br><br>Weighted: 7%</td><td colspan="5">Between target and stretch</td><td>The 2024 climate change work program was set against qualitative metrics relevant for the five initiatives tracked throughout the year. Iluka achieved an above target outcome for progress achieved related to those initiatives. Further detail of Iluka's work in relation to those initiatives is set out in the Sustainability report (page 30).</td></tr>
<tr><td>GROUP SCORECARD[1]</td><td></td><td></td><td></td><td></td><td></td><td>Outcome – 77% of target; 52% of maximum achieved</td></tr>
</table>

[1] Financials, Production, Sustainability

### 3.3 MANAGING DIRECTOR INDIVIDUAL OBJECTIVES

Individual strategic objectives were set based on individual KMP accountabilities. Outlined below is the assessment of the Managing Director (MD)'s performance against the Individual Strategy scorecard measure and corresponding EIP outcome. Notwithstanding the scorecard assessment and outcome, the Board would like to acknowledge the Managing Director's strong leadership through a very challenging macroeconomic period for Iluka and his drive to successfully progress key strategic projects, specifically the development of the Eneabba rare earths refinery.

| Scorecard measure (weight) – 25% | Below threshold | Threshold to target | Target | Target to stretch | Stretch | Performance and outcome |
|---|---|---|---|---|---|---|
| **INDIVIDUAL STRATEGY** | | | | | | **Outcome – 90% of target; 60% of maximum** |
| Advance diversification of portfolio into rare earths in a prudent manner | | | | | | • Pleasingly, agreement was reached with the Australian Government to secure an additional $400 million in funding, confirming the capital structure for the development of the Eneabba rare earths refinery. The time taken to reach agreement (one year from commencement of discussions with Government) was disappointing, and this had consequences for progress with project delivery.<br>• Front End Engineering Design for the project was completed and the majority of equipment, fabrication and site works awarded. Site activities focused on progressing critical path items reflecting prudent capital management while funding arrangements were concluded.<br>• Operational readiness plans advancing in line with the schedule for Eneabba's commissioning including detailed planning, organisation design, major operational supply contracts and maintenance and asset management strategies.<br>• Marketing strategy progressing through development of pricing approach to support a diversified supply chain for rare earths and through engagement with potential offtake partners on that approach. Metallisation feasibility study phase 1 completed. |
| Pursue value accretive opportunities in mineral sands to deliver sustainable value over the long-term with a view to extending reserve life | | | | | | • Construction of Balranald mine and operational readiness progressed and on track for commissioning in H2 2025. Earthworks and site access road well advanced. Off-site construction of concentrator and mining rigs completed. All primary approvals secured for operation.<br>• Wimmera DFS progressed with all fieldwork complete; the process flow sheet finalised including value accretive optimisations and environmental studies to support Environmental Impact Statement (EIS) submission well advanced. |
| Optimise price and volume settings | | | | | | • Disciplined approach to production and supply. Cataby and Jacinth-Ambrosia mining operations at optimal settings to minimise operating costs. Ilmenite concentrate build to underpin capability to restart SR1 when required. It was disappointing that market conditions have not warranted restart of SR1.<br>• SR contracts and negotiated pricing outcomes provided degree of revenue certainty against backdrop of subdued demand. A considered approach to zircon price setting and sales volumes delivered industry-leading pricing outcomes, margin protection and higher than expected revenue and earnings. |

The Individual Strategy scorecard area outcomes for other Executive KMP ranged from 90% – 115% of target.

### 3.4 OVERALL STIP SCORECARD OUTCOME FOR THE MANAGING DIRECTOR

| Scorecard measure | Weight | Outcome | Weighted Outcome | Below threshold | Threshold to target | Target | Target to stretch | Stretch |
|---|---|---|---|---|---|---|---|---|
| Group scorecard | 75% | 77% | 58% | | | | | |
| Individual Strategy MD outcome | 25% | 90% | 22% | | | | | |
| OVERALL MD RESULT | | | 80% | | | | | |

### 3.5 STIP AWARDS FROM 2024 SCORECARD OUTCOMES

The following table presents the outcomes of the STIP awards attributed to the 2024 performance year. The face value of restricted shares has been presented, as the fair value will not be determined until the grant is made in March 2025.

| Executive KMP | Target STIP opportunity | Maximum STIP opportunity | % of target STIP earned | % of maximum STIP earned | % of maximum STIP forfeited | STIP cash | STIP restricted shares | Total |
|---|---|---|---|---|---|---|---|---|
| T O'Leary | $1,120,000 | $1,680,000 | 80.0 | 53.3 | 46.7 | $448,000 | $448,000 | $896,000 |
| A Stratton | $438,000 | $657,000 | 85.0 | 57.7 | 43.3 | $186,150 | $186,150 | $372,300 |
| M Blackwell | $438,000 | $657,000 | 80.3 | 53.5 | 46.5 | $175,748 | $175,747 | $351,495 |
| S Tilka | $390,000 | $585,000 | 86.5 | 57.7 | 42.3 | $168,675 | $168,675 | $337,350 |

### 3.6 VESTING OF 2020 EIP PERFORMANCE RIGHTS

40% of Executive KMPs' total 2020 EIP award was granted as performance rights. The EIP was the legacy combined incentive plan in place prior to 2023.

These performance rights were tested and assessed by the Board based on Iluka's TSR performance in relation to the S&P / ASX 200 Resources Index (excluding companies primarily engaged in the oil and gas sector and non-mining activities) over the five years to 31 December 2024 (as per the vesting schedule below).

The 2020 EIP Performance Rights were assessed as follows:

Relative TSR

| | |
|---|---|
| Weighting: | 100% |
| Actual Score: | TSR of (43.6%) 37th percentile of comparator group |
| Outcome: | 0% vesting - Iluka's TSR is below the 50th percentile of peer group (as per the terms of the 2020 EIP Performance Rights). |

### 3.7 SUMMARY OF REALISED REMUNERATION PAID TO EXECUTIVE KMP IN 2024

This section uses non-IFRS information to show the 'realised remuneration' received by Executive KMP for 2024. This is a voluntary disclosure intended to demonstrate the link between the remuneration received by Executive KMP and the performance of Iluka over 2024. Refer to following Section 3.8 for statutory remuneration disclosure.

| Executive KMP | Fixed remuneration | Other[1] | STIP | | | Total |
|---|---|---|---|---|---|---|
| | | | Cash[2] | Restricted shares[2] | 2020 EIP Performance Rights vesting[3] | |
| T O'Leary | $1,400,000 | $65,652 | $448,000 | $448,000 | $0 | $2,361,652 |
| A Stratton | $730,000 | $28,263 | $186,150 | $186,150 | $0 | $1,130,563 |
| M Blackwell | $730,000 | $31,193 | $175,748 | $175,747 | $0 | $1,112,688 |
| S Tilka | $650,000 | $19,215 | $168,675 | $168,675 | $0 | $1,006,565 |

1 Represents car parking for T O'Leary, A Stratton and M Blackwell, FBT value of car benefit for S Tilka and dividend equivalent payments in relation to vesting of 2020 EIP Tranche 4, 2021 EIP Tranche 3 and 2022 EIP Tranche 2 payable in March 2025 for all KMP. Dividend equivalent payments are no longer made under the STIP or LTIP in place since 2023.

2 Relates to outcome from 2024 STIP. Restricted shares vest in two tranches in March 2026 and 2027. This represents the face value of the grant being made.

3 Reflects outcome of the 2020 EIP Performance Rights detailed in Section 3.6.

### 3.8 EXECUTIVE KMP STATUTORY REMUNERATION DISCLOSURES

Details of the remuneration of the KMP, prepared in accordance with the requirements of the *Corporations Act 2001* (Cth) and the relevant Australian Accounting Standards, are set out in the following tables.

| Name | Year | Short-term benefits | | Post-employment benefits | | Other long-term benefits | | Share based payments[4] | | | Statutory total | % Performance based remuneration |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Base salary | STIP cash[1] | Non-monetary benefits[2] | Superannuation benefits | Termination benefits | Accrued AL and LSL[3] | STIP Restricted shares | LTIP Performance Rights | EIP Rights | | |
| T O'Leary | 2024 | $1,371,335 | $448,000 | $13,968 | $28,666 | $0 | ($33,864) | $394,537 | $628,883 | $1,029,572 | $3,881,097 | 64.4% |
| | 2023 | $1,373,654[5] | $582,400 | $13,459 | $26,346 | $0 | $108,709 | $226,358 | $339,108 | $1,396,614 | $4,066,648 | 62.6% |
| A Stratton | 2024 | $701,334 | $186,150 | $13,968 | $28,666 | $0 | $14,915 | $157,795 | $221,846 | $293,967 | $1,618,641 | 53.1% |
| | 2023 | $703,654[6] | $225,760 | $13,459 | $26,346 | $0 | ($14,942) | $87,745 | $127,633 | $373,930 | $1,543,585 | 52.8% |
| M Blackwell | 2024 | $701,334 | $175,748 | $16,798 | $28,666 | $0 | ($4,680) | $153,752 | $221,846 | $293,443 | $1,586,907 | 53.2% |
| | 2023 | $703,654[7] | $225,760 | $13,459 | $26,346 | $0 | $8,726 | $87,745 | $127,633 | $374,362 | $1,567,685 | 52.0% |
| S Tilka | 2024 | $621,335 | $168,675 | $8,021 | $28,666 | $0 | $55,676 | $142,930 | $197,535 | $243,136 | $1,465,974 | 51.3% |
| | 2023 | $623,654[8] | $204,432 | $2,673 | $26,346 | $0 | $21,719 | $79,456 | $113,646 | $306,436 | $1,378,362 | 51.1% |
| Total | 2024 | $3,395,338 | $978,573 | $52,755 | $114,664 | $0 | $32,047 | $849,014 | $1,270,110 | $1,860,118 | $8,552,619 | 58.0% |
| | 2023 | $3,404,616[9] | $1,238,352 | $43,050 | $105,384 | $0 | $124,212 | $481,304 | $708,020 | $2,451,342 | $8,556,280 | 57.0% |

1 STIP cash payment for 2024 will be made in March 2025. STIP cash payment reflects the change in Executive incentives noted in the 2022 Annual Report from an EIP to Executive STIP.
2 Represents car parking for Executive KMP based in Perth and FBT value of car benefit for S Tilka and 20-year service awards for M Blackwell and S Tilka
3 Represents the movement in the annual and long-service leave provisions during the year. Any reduction in accrued annual leave reflects more leave taken than which accrued in the period.
4 Amounts relate to the fair value of awards made under various incentive plans attributable to the year measured in accordance with AASB 2 Share Based Payments.
5 T O'Leary remuneration in 2023 included the above super guarantee cash of $8,430, within the base salary reported as $1,382,084. This expense was incorrectly calculated and should have been reported as $1,373,654. Accordingly the remuneration has been restated to reflect the expense of $1,373,654 which is $8,430 less than the previously reported amount and consequently the total has been restated by an amount lower of $8,430.
6 A Stratton remuneration in 2023 included the above super guarantee cash of $21,998, within the base salary reported as $725,652. This expense was incorrectly calculated and should have been reported as $703,654. Accordingly the remuneration has been restated to reflect the expense of $703,654 which is $21,998 less than the previously reported amount and consequently the total has been restated by an amount lower of $21,998.
7 M Blackwell remuneration in 2023 included the above super guarantee cash of $21,632 within the base salary reported as $725,287. This expense was incorrectly calculated and should have been reported as $703,654. Accordingly the remuneration has been restated to reflect the expense of $703,654 which is $21,632 less than the previously reported amount and consequently each total has been restated by an amount lower of $21,632.
8 S Tilka remuneration in 2023 included the above super guarantee cash of $17,375, within the base salary reported as $641,029. This expense was incorrectly calculated and should have been reported as $623,654. Accordingly the remuneration has been restated to reflect the expense of $623,654 which is $17,373 less than the previously reported amount and consequently each total has been restated by an amount lower of $17,375
9 Total has been restated by an amount lower of $69,433 (refer to above footnote 5,6,7 & 8).

## 4. NON-EXECUTIVE DIRECTOR REMUNERATION

### 4.1 2024 NON-EXECUTIVE DIRECTOR FEE POLICY

The Board sets the fees for its Non-executive Directors in line with the key objectives of Iluka's Non-executive Director remuneration policy set out below. Fees are reviewed annually and are set at a level that is sufficient to attract and retain high calibre Directors with the skills and experience required to oversee a business of Iluka's size and complexity.

| | |
|---|---|
| Market competitive | The Board's policy is to remunerate Non-executive Directors at market-competitive rates to attract and retain Non-executive Directors of the requisite expertise having regard to:<br>• Market data;<br>• The size and complexity Iluka's operations; and<br>• The workload and time commitment of Directors. |
| Preserve and safeguard independence and impartiality | • Non-executive Director remuneration consists of base fees, and additional fees for the Chair and members of any Board Committee (with the exception of the Nomination Committee).<br>• No element of Non-executive Director remuneration is 'at-risk' (i.e. Directors are not entitled to any performance-related pay such as share or bonus schemes designed for Executive KMP or employees) to preserve their independence and impartiality. |
| Alignment with shareholders | • Non-executive Directors are required to hold securities in Iluka to create alignment between the interests of Non-executive Directors and shareholders.<br>• Non-executive Directors are subject to a minimum shareholding requirement equal to 1 times their annual Board base member fee (exclusive of superannuation). Refer to Section 5.2 for further detail. |

### 4.2 AGGREGATE FEE

The current annual aggregate fee pool for Non-executive Directors is capped at $1.8 million (including statutory contributions), as approved by shareholders at Iluka's AGM in May 2015.

### 4.3 2024 FEES AND OTHER BENEFITS

Non-executive Director fees for 2024 are outlined in the table below. No changes were made to Non-executive Director fees in 2024.

| 2024 Board and Committee fees (excl. superannuation) | Chair | | Member | |
|---|---|---|---|---|
| | 2023 | 2024 | 2023 | 2024 |
| Board | $321,400 | $321,400 | $128,800 | $128,800 |
| Audit and Risk Committee | $36,100 | $36,100 | $18,100 | $18,100 |
| People and Performance Committee | $30,600 | $30,600 | $15,350 | $15,350 |
| Nomination and Governance Committee | Nil | Nil | Nil | Nil |
| Sustainability Committee | $30,600 | $30,600 | $15,350 | $15,350 |

The minimum required employer superannuation contribution up to the statutory maximum is paid into each Non-executive Director's nominated eligible fund and is in addition to the above fees. The statutory value for superannuation increased in 2024. Non-executive Directors are not entitled to retirement benefits other than statutory superannuation or other statutory required benefits.

### 4.4 STATUTORY REMUNERATION TABLE

The fees paid to Non-executive Directors in 2024 are outlined below, prepared in accordance with the requirements of the *Corporations Act 2001* (Cth) and the relevant Australian Accounting Standards.

| Name | Year | Board and Committee fees | Non-monetary benefits | Superannuation | Statutory total |
|---|---|---|---|---|---|
| *Current Non-executive Directors* | | | | | |
| A Sutton[1] | 2024 | $181,832 | $0 | $20,512 | $202,344 |
| | 2023 | $159,400 | $0 | $17,136 | $176,536 |
| S Corlett | 2024 | $164,792 | $0 | $18,545 | $183,337 |
| | 2023 | $162,250 | $0 | $17,442 | $179,692 |
| L Saint | 2024 | $180,250 | $0 | $9,914 | $190,164 |
| | 2023 | $180,250 | $0 | $19,377 | $199,627 |
| P Smith[2] | 2024 | $75,234 | $0 | $8,652 | $83,886 |
| | 2023 | $0 | $0 | $0 | $0 |
| *Former Non-executive Directors* | | | | | |
| R Cole[3] | 2024 | $278,036 | $0 | $25,436 | $303,472 |
| | 2023 | $321,400 | $0 | $26,346 | $347,746 |
| M Bastos[4] | 2024 | $118,333 | $0 | $13,165 | $131,498 |
| | 2023 | $177,500 | $0 | $19,081 | $196,581 |
| Total fees | 2024 | $998,477 | $0 | $96,224 | $1,094,701 |
| | 2023 | $1,000,800 | $0 | $99,382 | $1,100,182 |

[1] A Sutton acting Chair from 13 November 2024.
[2] P Smith became a Non-executive Director on 28 June 2024.
[3] R Cole retired as Chair on 13 December 2024. Remuneration disclosures for 2024 reflect the period he was a Non-executive Director.
[4] M Bastos retired as a Non-executive director on 31 August 2024. Remuneration disclosure for 2024 reflect the period he was a Non-executive Director.

## 5. REMUNERATION GOVERNANCE

### 5.1 REMUNERATION GOVERNANCE FRAMEWORK

KMP remuneration decision-making is governed by the Iluka remuneration governance framework. The Iluka People and Performance Committee Charter can be found at www.iluka.com/about-iluka/governance.

**BOARD**

Delegation and oversight of remuneration decisions to People and Performance Committee (PPC)

**WITH ADVICE FROM:**

**PPC**

Reports on, and recommends people and remuneration strategy, frameworks and outcomes, to the Board to support the Company's purpose to deliver sustainable value. Operating in accordance with the Charter as approved by the Board, responsibilities include:

- Overall remuneration strategy of the Company
- Incentive plan offers and outcomes including all equity offers to employees
- Workforce planning, capability and engagement strategy and succession planning for key roles
- Performance and remuneration for the Managing Director and Executives, and remuneration of Non-executive Directors
- Diversity strategy, policies and practices of the Company

**MANAGEMENT**

Propose appointments, succession plans, policies, remuneration structures and remuneration outcomes to PPC for review and recommendation to the Board.

**INDEPENDENT EXTERNAL ADVISORS**

Engaged by the Company to provide information on remuneration related issues including current market practice, remuneration benchmarking and market data.

**BASED ON:**

**REMUNERATION PRINCIPLES**

Aligned with Iluka's People Policy and form the basis of Iluka's remuneration framework

### 5.2 MINIMUM SHAREHOLDING REQUIREMENT (MSR)

KMP are required to acquire and hold a personally significant shareholding in Iluka to align to the interests of shareholders over a reasonable time frame taking into account vesting and taxation obligations. See Sections 6.3 and 6.4 for details of current KMP shareholdings.

**Executive KMP**

The MSR policy for Executive KMP is as below:

| MSR policy | % of fixed remuneration (year-end) |
|---|---|
| Managing Director | 200% |
| Other Executives | 100% |

As of 31 December 2024, three members of the Executive KMP meet the MSR.

**Non-executive Directors**

The Board is committed to Non-executive Directors acquiring and holding a shareholding within three years of appointment. The Chair and other Non-executive Directors are required to hold such a number that the aggregate value is at least equal to 100% of their annual Board base member fee (exclusive of superannuation)[1]. As at 31 December 2024, three of the four Non-executive Directors meet the MSR.

See Section 6 for details of current KMP shareholdings.

[1]Excludes committee fees and superannuation

### 5.3 SECURITIES TRADING POLICY

| | |
|---|---|
| **Security Trading Policy** | Directors and employees (including Executive KMP) are prohibited from trading in financial products issued or created over the company's securities created by third parties, and from trading in associated products and entering into transactions which operate to limit the economic risk of holdings of unvested Iluka securities or vested Iluka securities which are subject to a holding lock.<br>The Security Trading Policy is available on the company's website at www.iluka.com. |

### 5.4 EXECUTIVE EMPLOYMENT AGREEMENTS

Iluka's Executive KMP are employed on terms set out in individual employment agreements which do not contain a fixed term. Key terms of the agreements are as follows:

| Executive KMP | Position | Termination notice period by Iluka or employee | Termination benefit |
|---|---|---|---|
| T O'Leary | Managing Director | 6 months | 6 months |
| A Stratton | Chief Financial Officer and Head of Development | 6 months | 6 months |
| M Blackwell | Head of Projects and Sales and Marketing | 3 months | 6 months |
| S Tilka | Chief Operating Officer, Mineral Sands | 3 months | 6 months |

If the Executive KMP's employment is terminated by Iluka (other than for gross misconduct or on other grounds for summary dismissal), the executive may be eligible to receive a termination payment to a maximum of 6 months fixed remuneration (inclusive of any payment made in lieu of notice).

Iluka may terminate Executive KMP's employment agreements without notice and without providing payment in lieu of notice where there is gross misconduct or other grounds for summary dismissal.

### 5.5 ENGAGEMENT OF EXTERNAL REMUNERATION CONSULTANTS

External remuneration consultants were engaged by the PPC in 2024 to provide advice and market insights in relation to executive remuneration arrangements. The remuneration consultants did not provide a 'Remuneration Recommendation' as defined in the *Corporations Act 2001* during the 2024 financial year.

# 6. ADDITIONAL REMUNERATION DISCLOSURES

## 6.1 EXECUTIVE KMP SHARE–BASED REMUNERATION

### RESTRICTED RIGHTS/SHARES

The table below shows the number of restricted rights/shares (RRs) that were granted, vested and forfeited during the 2024 year. The table also includes additional rights granted to keep participants 'whole' in relation to the demerger of Sierra Rutile Ltd in 2022. The terms and conditions of previous years' incentive awards are outlined in the relevant year's Remuneration Report, available at www.iluka.com.

| Award | Grant date | Number of restricted rights | | | | | | | Value of restricted rights | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Balance at 1 Jan 2024 KMP start date | Granted during 2024 | Vested / exercised into shares in 2024 | | Lapsed during 2024 | | Balance at 31 Dec 2024 | Granted in 2024[1] | Value vested / exercised into shares in 2024[2] |
| | | | | # | % | # | % | # | $ | $ |
| **T O'Leary** | | | | | | | | | | |
| 2020 EIP RRs[3,6] | 1 March 2021 and 18 Aug 2022 | 36,691 | - | (18,347) | (25%) | - | - | 18,344 | - | 130,631 |
| 2021 EIP RRs[4,6] | 13 April 2022 and 18 Aug 2022 | 118,151 | - | (39,394) | (25%) | - | - | 78,757 | - | 280,485 |
| 2022 EIP RRs[5,6] | 10 May 2023 | 142,502 | - | (35,626 ) | (25%) | - | - | 106,876 | - | 253,657 |
| 2023 STIP RRs (shares)[7] | 7 May 2024 | - | 82,071 | - | - | - | - | 82,071 | 655,747 | - |
| **A Stratton** | | | | | | | | | | |
| 2020 EIP RRs[3,6] | 1 March 2021 and 18 Aug 2022 | 12,902 | - | (6,451) | (25%) | - | - | 6,451 | - | 45,931 |
| 2021 EIP RRs[4,6] | 23 Feb 2022 and 18 Aug 2022 | 27,450 | - | (9,150) | (25%) | - | - | 18,300 | - | 65,148 |
| 2022 EIP RRs[5,6] | 16 Feb 2023 | 38,910 | - | (9,728) | (25%) | - | - | 29,182 | - | 69,263 |
| 2023 STIP RRs (shares)[7] | 15 Feb 2024 | - | 31,815 | - | - | - | - | 31,815 | 219,842 | - |
| **M Blackwell** | | | | | | | | | | |
| 2020 EIP RRs[3,6] | 1 March 2021 and 18 Aug 2022 | 12,888 | - | (6,445) | (25%) | - | - | 6,443 | - | 45,888 |
| 2021 EIP RRs[4,6] | 23 Feb 2022 and 18 Aug 2022 | 28,225 | - | (9,409) | (25%) | - | - | 18,816 | - | 66,992 |
| 2022 EIP RRs[5,6] | 16 Feb 2023 | 38,064 | - | (9,516) | (25%) | - | - | 28,548 | - | 67,754 |
| 2023 STIP RRs (shares)[7] | 15 Feb 2024 | - | 31,815 | - | - | - | - | 31,815 | 219,842 | - |
| **S Tilka** | | | | | | | | | | |
| 2020 EIP RRs[3,6] | 1 March 2021 and 18 Aug 2022 | 8,237 | - | (4,119) | (25%) | - | - | 4,118 | - | 29,327 |
| 2021 EIP RRs[4,6] | 23 Feb 2022 and 18 Aug 2022 | 24,271 | - | (8,091) | (25%) | - | - | 16,180 | - | 57,608 |
| 2022 EIP RRs[5,6] | 16 Feb 2023 | 32,180 | - | (8,045) | (25%) | - | - | 24,135 | - | 57,280 |
| 2023 STIP RRs (shares)[7] | 15 Feb 2024 | - | 28,809 | - | - | - | - | 28,809 | 199,070 | - |

1 Value at point of grant was $6.91 for KMP and $7.99 for MD
2 Value at point of vest. Share price at 1 March 2024 was $7.12
3 The initial grant date reflects the original Restricted Right were allocated in relation to the 2020 EIP award. 'Top up' rights were granted in Aug 2022 as a result of the Sierra Rutile Ltd demerger, in order to keep participants 'whole' and further details can be found in Section 7 of the 2022 Remuneration Report
4 The initial grant date reflects the original Restricted Right were allocated in relation to the 2021 EIP award. 'Top up' rights were granted in Aug 2022 as a result of the Sierra Rutile Ltd demerger, in order to keep participants 'whole' and further details can be found in 2022 Remuneration Report.
5 The initial grant date reflects the original Restricted Right were allocated in relation to the 2022 EIP award.
6 The 2020, 2021 and 2022 EIP Restricted Rights are subject to time-based restrictions, vesting in four equal tranches over four years from grant date. The rights also attract dividend equivalent payments and are subject to cessation of employment, change of control and clawback provisions consistent with those set out in Section 2. Further detail can be found in the relevant year's Remuneration Report.
7 The initial grant date reflects the original Restricted Shares allocated in relation to the 2023 Executive STIP award.

## PERFORMANCE RIGHTS

The table below shows the number of performance rights (PRs) that were granted, vested and forfeited during the 2024 year. The terms and conditions of previous years' incentive awards are outlined in the relevant year's Remuneration Report, available at www.iluka.com:

| Award | | | Number of performance rights | | | | | | Value of performance rights | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Grant date | Balance at 1 Jan 2024 KMP start date | Granted during 2024[1] | Vested / exercised into shares in 2024 | | Lapsed during 2024 | | Balance at 31 Dec 2024 | Granted in 2024[2] $ | Value vested / exercised into shares in 2024[3] |
| | | | | # | % | # | % | # | | $ |
| **T O'Leary** | | | | | | | | | | |
| 2020 EIP PRs[4,6] | 1 March 2021 and 18 Aug 2022 | 48,923 | - | - | - | - | - | 48,923 | - | - |
| 2021 EIP PRs[5,6] | 13 April 2022 and 18 Aug 2022 | 105,031 | - | - | - | - | - | 105,031 | - | - |
| 2022 EIP PRs[6] | 10 May 2023 | 95,001 | - | - | - | - | - | 95,001 | - | - |
| 2023 Executive LTIP[7] | 10 May 2023 | 160,928 | - | - | - | - | - | 160,928 | - | - |
| 2024 Executive LTIP | 7 May 2024 | - | 236,744 | - | - | - | - | 236,744 | 1,207,394 | - |
| **A Stratton** | | | | | | | | | | |
| 2020 EIP PRs[4,6] | 1 March 2021 and 18 Aug 2022 | 17,203 | - | - | - | - | - | 17,203 | - | - |
| 2021 EIP PRs[5,6] | 23 February 2022 and 18 Aug 2022 | 36,600 | - | - | - | - | - | 36,600 | - | - |
| 2022 EIP PRs[6] | 16 February 2023 | 38,910 | - | - | - | - | - | 38,910 | - | - |
| 2023 Executive LTIP[7] | 1 May 2023 | 62,935 | - | - | - | - | - | 62,935 | - | - |
| 2024 Executive LTIP | 16 April 2024 | - | 92,584 | - | - | - | - | 92,584 | 392,556 | - |
| **M Blackwell** | | | | | | | | | | |
| 2020 EIP PRs[4,6] | 1 March 2021 and 18 Aug 2022 | 17,185 | - | - | - | - | - | 17,185 | - | - |
| 2021 EIP PRs[5,6] | 23 February 2022 and 18 Aug 2022 | 37,634 | - | - | - | - | - | 37,634 | - | - |
| 2022 EIP PRs[6] | 16 February 2023 | 38,064 | - | - | - | - | - | 38,064 | - | - |
| 2023 Executive LTIP[7] | 1 May 2023 | 62,935 | - | - | - | - | - | 62,935 | - | - |
| 2024 Executive LTIP | 16 April 2024 | - | 92,584 | - | - | - | - | 92,584 | 392,556 | - |
| **S Tilka** | | | | | | | | | | |
| 2020 EIP PRs[4,6] | 1 March 2021 and 18 Aug 2022 | 10,307 | - | - | - | - | - | 10,307 | - | - |
| 2021 EIP PRs[5,6] | 23 February 2022 and 18 Aug 2022 | 32,362 | - | - | - | - | - | 32,362 | - | - |
| 2022 EIP PRs[6] | 16 February 2023 | 32,180 | - | - | - | - | - | 32,180 | - | - |
| 2023 Executive LTIP[7] | 1 May 2023 | 56,038 | - | - | - | - | - | 56,038 | - | - |
| 2024 Executive LTIP | 16 April 2024 | - | 82,438 | - | - | - | - | 82,438 | 349,537 | - |

1 Performance rights granted in respect of the 2024 LTIP, which form part of the share based payments for 2024 to 2027.

2 Fair value of $8.06 at point of grant for KMP and for MD's grant is $8.24 for the 2022 EIP and a fair value of $8.45 at point of grant for KMP and $8.78 for MD's grant for the 2023 Executive LTIP and a fair value of $4.24 at point of grant for KMP and $5.10 for MD's grant for the 2024 Executive LTIP.

3 No performance rights were due for vesting in 2024.

4 The initial grant date reflects the original performance were allocated in relation to the 2020 EIP award. 'Top up' rights were granted in Aug 2022 as a result of the Sierra Rutile Ltd demerger, in order to keep participants 'whole'; further details can be found in Section 7 of the 2022 Annual Report.

5 The initial grant date reflects the original performance were allocated in relation to the 2021 EIP award. 'Top up' rights were granted in Aug 2022 as a result of the Sierra Rutile Ltd demerger, in order to keep participants 'whole'; further details can be found in the 2022 Remuneration Report.

6 The 2020, 2021 and 2022 EIP Performance Rights are subject to a five-year performance period, tested against a relative total shareholder return test against a comparator group consisting of constituents of the S&P / ASX 200 Resources Index (excluding companies primarily engaged in the oil and gas sector and non-mining activities) with vesting based on a sliding scale . The Performance Rights also attract dividend equivalent payments only on those rights that vest and are subject to cessation of employment, change of control and clawback provisions further details can be found in the their respective Remuneration Reports.

7 The 2023 Executive LTIP Performance Rights are subject to a four-year performance period, tested against a relative total shareholder return test against a comparator group consisting of constituents of the S&P / ASX 200 Resources Index (excluding companies primarily engaged in the oil and gas sector and non-mining activities) with vesting based on a sliding scale. The LTIP Performance Rights do not attract dividend equivalent payments. Further details can be found in the 2023 Remuneration Report.

### 6.2 FAIR VALUE OF EQUITY GRANTS

The fair value of each restricted right or performance right and the vesting year for each incentive plan is set out below. The maximum value of restricted rights and/or performance rights yet to vest is not able to be determined as it is dependent on satisfaction of service and performance conditions and Iluka's future share price. The minimum value of unvested restricted rights and/or performance rights is nil.

| Incentive plan | Grant date | Grant type | Fair value per right at grant date $[1] | Vesting (expiry) date |
|---|---|---|---|---|
| 2020 EIP[2] | 1 March 2021 and 18 Aug 2022 | Restricted rights | 7.47 | 1 March 2022, 1 March 2023, 1 March 2024, 1 March 2025 |
| | | Performance rights | 6.15 | 1 March 2025 |
| 2020 EIP (MD)[3] | 29 April 2021 and 18 Aug 2022 | Restricted rights | 7.47 | 1 March 2022, 1 March 2023, 1 March 2024, 1 March 2025 |
| | | Performance rights | 6.36 | 1 March 2025 |
| 2021 EIP[4] | 23 February 2022 | Restricted rights | 10.99 | 1 March 2023, 1 March 2024, 1 March 2025, 1 March 2026 |
| | 23 February 2022 | Performance rights | 9.90 | 1 March 2026 |
| 2021 EIP (MD)[5] | 13 April 2022 | Restricted rights | 12.54 | 1 March 2023, 1 March 2024, 1 March 2025, 1 March 2026 |
| | 13 April 2022 | Performance rights | 11.45 | 1 March 2026 |
| 2022 EIP[6] | 16 February 2023 | Restricted rights | 10.92 | 1 March 2024, 1 March 2025, 1 March 2026, 1 March 2027 |
| | | Performance rights | 8.06 | 1 March 2027 |
| 2022 EIP (MD)[7] | 10 May 2023 | Restricted rights | 11.30 | 1 March 2024, 1 March 2025, 1 March 2026, 1 March 2027 |
| | | Performance rights | 8.24 | 1 March 2027 |
| 2023 STIP[8] | 15 February 2024 | Restricted shares | 7.09 | 1 March 2025 (Tranche 1), 1 March 2026 (Tranche 2) |
| 2023 STIP (MD)[8] | 7 May 2024 | Restricted shares | 7.09 | 1 March 2025 (Tranche 1), 1 March 2026 (Tranche 2) |
| 2023 LTIP[9] | 1 May 2023 | Performance rights | 8.45 | 1 March 2027 |
| 2023 LTIP (MD)[10] | 10 May 2023 | Performance rights | 8.78 | 1 March 2027 |
| 2024 STIP[11] | March 2025 | Restricted shares | 5.05 | 1 March 2026 (Tranche 1), 1 March 2027 (Tranche 2) |
| 2024 LTIP[12] | 16 April 2024 | Performance rights | 4.24 | 1 March 2028 |
| 2024 LTIP (MD)[13] | 7 May 2024 | Performance rights | 5.10 | 1 March 2028 |

1 The fair value is calculated in accordance with the measurement criteria of Accounting Standard AASB 2 Share Based Payments.
2 Represents the fair value on the grant date of restricted rights, and fair value of $6.15 for performance rights awarded to Executive KMP,
3 Represents the share price on the grant date of restricted rights and MD fair value of $6.36 for the Managing Director's performance rights award under the 2020 EIP for which the performance period concluded on 31 December 2020. Shareholder approval for the grant of restricted rights and performance rights to the Managing Director was obtained under ASX Listing Rule 10.14 at the 2020 Annual General Meeting.
4 Represents the share price on the grant date of restricted rights, and fair value of $9.90 for performance rights awarded to Executive KMP.
5 Represents the share price on the grant date of restricted rights and fair value of $11.45 for the Managing Director's award under the 2021 EIP for which the performance period concluded on 31 December 2021. Shareholder approval for the grant of restricted rights and performance rights to the Managing Director was obtained under ASX Listing Rule 10.14 at the 2021 Annual General Meeting
6 Represents the share price on the grant date of restricted rights, and fair value of $8.06 for performance rights awarded to Executive KMP.
7 Represents the share price on the grant date of restricted rights and fair value of $8.24 for the Managing Director's award under the 2022 EIP for which the performance period concluded on 31 December 2022. Shareholder approval for the grant of restricted rights and performance rights to the Managing Director was obtained under ASX Listing Rule 10.14 at the 2022 Annual General Meeting
8 Represents the fair value of $7.09 for restricted shares award to Executive KMP for the 2023 STIP in 2024 following the release of the company's 2023 annual results.
9 Represents the fair value of $8.45 for performance rights awarded to Executive KMP for the 2023 LTIP at 1 May 2023
10 Represents the fair value of $8.78 for performance rights awarded to Managing Director for the 2023 LTIP at 10 May 2023. Shareholder approval for the grant of performance rights to the Managing Director was obtained under ASX Listing Rule 10.14 at the 2022 Annual General Meeting
11 Represents the estimated fair value of restricted shares and performance rights to be awarded under the 2024 Executive STIP for which the performance period concluded on 31 December 2024, calculated using the closing share price of $5.05 at 31 December 2024. The fair value will be determined in 2025 following the release of the company's 2024 annual results.
12 Represents the fair value of $4.24 for performance rights awarded to Executive KMP for the 2024 LTIP at 16 April 2024
13 Represents the fair value of $5.10 for performance rights awarded to Managing Director for the 2024 LTIP at 7 May 2024. Shareholder approval for the grant of performance rights to the Managing Director was obtained under ASX Listing Rule 10.14 at the 2023 Annual General Meeting

## 6.3 SHAREHOLDINGS OF EXECUTIVE KMP AND THEIR RELATED PARTIES

| Name | Number of shares[1] | | | | | | | Minimum shareholding met?[5] |
|---|---|---|---|---|---|---|---|---|
| | Balance held at 1 Jan 2024 | Vesting/ exercise of share rights pursuant to EIP | Awarded as restricted shares pursuant to STIP | Other changes[2] | Total balance held at 31 Dec 2024 | Restricted[3] | Unrestricted[4] | |
| T O'Leary | 1,423,346 | - | 82,071 | - | 1,505,417 | 286,048 | 1,219,369 | Yes |
| A Stratton | 209,067 | - | 31,815 | (11,400) | 229,482 | 85,748 | 143,734 | Yes |
| M Blackwell | 137,164 | - | 31,815 | (50,370) | 118,609 | 85,622 | 32,987 | No |
| S Tilka | 120,471 | - | 28,809 | - | 149,280 | 73,242 | 76,038 | Yes |

1 Includes shares held directly or through a nominee or agent (e.g. family trust).
2 Other changes may include those due to personal trades.
3 Restricted includes both restricted shares and rights that have only a time-based vesting component.
4 Unrestricted are ordinary shares with restrictions on transactions.
5 As at 31 December 2024 with share price of $5.05.

## 6.4 SHAREHOLDINGS OF NON-EXECUTIVE DIRECTORS AND THEIR RELATED PARTIES

| Name | Number of shares[1] | | | Minimum shareholding met?[2] |
|---|---|---|---|---|
| | Balance held at 1 Jan 2024 | Net movement | Balance held at 31 Dec 2024 | |
| S Corlett | 16,040 | 9,760 | 25,800 | Yes |
| L Saint[4] | 19,737 | 7,365 | 27,102 | Yes |
| A Sutton[7] | 22,000 | 10,000 | 32,000 | Yes |
| P Smith[4] | - | 17,141 | 17,141 | No |
| *Former Non-executive Directors* | | | | |
| R Cole[3,5] | 37,000 | - | 37,000 | N/A |
| M Bastos[3,6] | 24,222 | - | 24,222 | N/A |

1 Non-Executive directors do not receive share based remuneration and movements in their shareholdings reflect on-market trades.
2 As at 31 December 2024 share price of $5.05.
3 Includes shares held indirectly through a nominee or agent (e.g. family trust).
4 P Smith became a Non-executive Director on 28 June 2024.
5 R Cole retired as Chair and as a Non-executive director on 13 December 2024.
6 M Bastos retired as a Non-executive director on 31 August 2024.
7 A Sutton acting Chair from 13 November 2024

## 6.5 OTHER DISCLOSURES

### On-market share purchases

Iluka issued 2,127,602 shares to satisfy employee incentive schemes in 2024, at an average price of $6.28 per share.

### Transactions with key management personnel

During the financial year there were no product or services purchases by Executive KMP from the Group (2024: nil) and there are no amounts payable at 31 December 2024 (2024: nil).

### Loans with KMPs

There have been no loans to Executive KMP during the financial year (2024: nil).

# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

## To the Directors of Iluka Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Iluka Resources Limited for the financial year ended 31 December 2024 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Jane Bailey

KPMG

Jane Bailey
*Partner*
Perth
19 February 2025

# FINANCIAL STATEMENTS

For the year ended 31 December 2024
Iluka Resources Limited ABN 34 008 675 018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## ABOUT THIS REPORT

These financial statements are the consolidated financial statements of the Group consisting of Iluka Resources Limited and its subsidiaries (the Group). The financial statements are presented in Australian dollars.

Iluka Resources Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Iluka Resources Limited
Level 17
240 St Georges Terrace
Perth WA 6000

A description of the nature of the Group's operations and its principal activities is included in the operating and financial review section of the Directors' Report, which is not part of these financial statements.

The financial statements were authorised for issue by the directors on 19 February 2025. The directors have the power to amend and reissue the financial statements.

Through the use of the internet, we have ensured that our corporate reporting is timely and complete. All ASX releases, financial reports and other relevant information are available at www.iluka.com.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

| | Notes | 2024 $m | 2023 $m |
|---|---|---|---|
| Revenue | 4 | **1,170.3** | 1,291.0 |
| Other gains/(losses) | 5 | **33.0** | 43.2 |
| Expenses | 6 | **(857.3)** | (850.8) |
| Equity accounted share of profit - Deterra Resources | 23 | **21.5** | 27.3 |
| Interest and finance charges | | **(9.5)** | (7.8) |
| Rehabilitation and mine closure provision discount unwind | 8 | **(32.7)** | (31.4) |
| **Total finance costs** | 15 | **(42.2)** | (39.2) |
| **Profit before income tax** | | **325.3** | 471.5 |
| Income tax expense | 11 | **(94.0)** | (128.9) |
| **Profit after income tax for the year** | | **231.3** | 342.6 |
| | | **Cents** | Cents |
| ***Earnings per share*** | | | |
| Basic earnings per share | 19 | **54.1** | 80.5 |
| Diluted earnings per share | 19 | **53.6** | 79.8 |

*The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.*

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

| | Notes | **2024 $m** | 2023 $m |
|---|---|---|---|
| **Profit for the year** | | **231.3** | 342.6 |
| **OTHER COMPREHENSIVE INCOME** | | | |
| *Items that may be reclassified subsequently to profit or loss* | | | |
| Currency translation of foreign entities | 17 | **3.8** | (2.2) |
| Movements in foreign exchange cash flow hedges, net of tax | 17 | **(21.5)** | 4.9 |
| Share of other compehensive income of associate | 23 | **6.4** | - |
| *Items that will not be reclassified to profit or loss* | | | |
| Remeasurement of post-employment benefit obligations | | **(0.2)** | 0.5 |
| **Total other comprehensive (loss)/profit for the year, net of tax** | | **(11.5)** | 3.2 |
| **Total comprehensive income for the year** | | **219.8** | 345.8 |

*The above consolidated statement of comprehensive income should be read with the accompanying notes.*

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

| | Notes | 2024 $m | 2023 $m |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 15 | **136.0** | 364.9 |
| Receivables | 13 | **305.9** | 283.1 |
| Inventories | 14 | **839.4** | 662.7 |
| Derivative financial instruments | 21 | **-** | 2.6 |
| **Total current assets** | | **1,281.3** | 1,313.3 |
| **Non-current assets** | | | |
| Property, plant and equipment | 9 | **1,670.9** | 1,333.7 |
| Right-of-use assets | 10 | **35.9** | 18.4 |
| Inventories | 14 | **205.0** | 142.0 |
| Investments accounted for using the equity method - Deterra | 23 | **443.6** | 446.3 |
| Financial assets at fair value through profit or loss - Northern Minerals | | **10.5** | 15.0 |
| Deferred tax assets | 12 | **94.2** | 62.1 |
| **Total non-current assets** | | **2,460.1** | 2,017.5 |
| **Total assets** | | **3,741.4** | 3,330.8 |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Payables | | **198.4** | 177.0 |
| Current tax payable | | **26.7** | 39.6 |
| Derivative financial instruments | 21 | **13.7** | - |
| Provisions | 8 | **65.6** | 62.7 |
| Lease liabilities | 10 | **12.6** | 8.4 |
| **Total current liabilities** | | **317.0** | 287.7 |
| **Non-current liabilities** | | | |
| Derivative financial instruments | 21 | **14.4** | - |
| Interest bearing liabilities | 15 | **250.6** | 139.5 |
| Provisions | 8 | **770.9** | 729.3 |
| Lease liabilities | 10 | **28.1** | 15.8 |
| **Total non-current liabilities** | | **1,064.0** | 884.6 |
| **Total liabilities** | | **1,381.0** | 1,172.3 |
| **Net assets** | | **2,360.4** | 2,158.5 |
| **EQUITY** | | | |
| Contributed equity | 16 | **1,158.4** | 1,143.2 |
| Reserves | 17 | **11.2** | 21.4 |
| Retained earnings | 17 | **1,190.8** | 993.9 |
| **Total equity** | | **2,360.4** | 2,158.5 |

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes.*

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

| | Notes | Share capital $m | Other reserves $m | Retained earnings $m | Total $m |
|---|---|---|---|---|---|
| **Balance at 1 January 2023** | | 1,129.6 | 16.6 | 748.6 | 1,894.8 |
| Profit for the period | 17 | - | - | 342.6 | 342.6 |
| Other comprehensive income | 17 | - | 2.7 | 0.5 | 3.2 |
| **Total comprehensive income** | | - | 2.7 | 343.1 | 345.8 |
| **Transactions with owners in their capacity as owners:** | | | | | |
| Shares issued | 16 | 10.6 | - | - | 10.6 |
| Issue of treasury shares, net of tax | | (7.8) | - | - | (7.8) |
| Transfer of shares to employees, net of tax | | 10.0 | (10.0) | - | - |
| Share-based payments, net of tax | 27 | - | 12.1 | - | 12.1 |
| Dividends paid | 18 | 0.8 | - | (97.8) | (97.0) |
| | | 13.6 | 2.1 | (97.8) | (82.1) |
| **Balance at 31 December 2023** | | **1,143.2** | **21.4** | **993.9** | **2,158.5** |

| | Notes | Share capital $m | Other reserves $m | Retained earnings $m | Total $m |
|---|---|---|---|---|---|
| **Balance at 1 January 2024** | | **1,143.2** | **21.4** | **993.9** | **2,158.5** |
| Profit for the period | 17 | - | - | 231.3 | 231.3 |
| Other comprehensive loss | 17 | - | (11.3) | (0.2) | (11.5) |
| **Total comprehensive income** | | - | (11.3) | 231.1 | 219.8 |
| **Transactions with owners in their capacity as owners:** | | | | | |
| Shares issued | 16 | 15.3 | - | - | 15.3 |
| Issue of treasury shares, net of tax | | (10.7) | - | - | (10.7) |
| Transfer of shares to employees, net of tax | | 10.0 | (10.0) | - | - |
| Share-based payments, net of tax | 27 | - | 11.1 | - | 11.1 |
| Dividends paid | 18 | 0.6 | - | (34.2) | (33.6) |
| | | 15.2 | 1.1 | (34.2) | (17.9) |
| **Balance at 31 December 2024** | | **1,158.4** | **11.2** | **1,190.8** | **2,360.4** |

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.*

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

| | Notes | **2024 $m** | 2023 $m |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from customers | | **1,175.9** | 1,278.1 |
| Payments to suppliers and employees | | **(923.8)** | (931.4) |
| **Operating cash flow** | | **252.1** | 346.7 |
| | | | |
| Interest received | | **12.9** | 18.5 |
| Interest paid | | **(0.8)** | (1.3) |
| Income taxes paid | | **(128.8)** | (255.5) |
| Exploration expenditure | | **(12.1)** | (18.8) |
| **Net cash inflow from operating activities** | 29 | **123.3** | 89.6 |
| | | | |
| **Cash flows from investing activities** | | | |
| Payments for property, plant and equipment | | **(433.9)** | (281.4) |
| Sale of property, plant and equipment | | **0.2** | 10.1 |
| Dividends received - Deterra Royalties | 23 | **30.8** | 30.5 |
| **Net cash outflow from investing activities** | | **(402.9)** | (240.8) |
| | | | |
| **Cash flows from financing activities** | | | |
| Proceeds from borrowings | 15 | **100.0** | 100.0 |
| Dividends paid | 18 | **(33.6)** | (97.0) |
| Debt refinance costs | | **(5.2)** | - |
| Principal element of lease payments | 10 | **(8.6)** | (8.4) |
| **Net cash outflow from financing activities** | | **52.6** | (5.4) |
| | | | |
| **Net increase (decrease) in cash and cash equivalents** | | **(227.0)** | (156.6) |
| | | | |
| Cash and cash equivalents at 1 January | | **364.9** | 521.7 |
| Effects of exchange rate changes on cash and cash equivalents | | **(1.9)** | (0.2) |
| **Cash and cash equivalents at end of the year** | 15 | **136.0** | 364.9 |

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes*

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024


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# BASIS OF PREPARATION

## 1. REPORTING ENTITY

Iluka Resources Limited (Company or parent entity) is a for-profit public company listed on the Australian Securities Exchange Limited (ASX) incorporated in Australia and is primarily involved in mineral sands and rare earths exploration, project development, mining operations, processing and marketing.

The consolidated financial statements of the Company comprise the Company and its controlled entities ('Consolidated Group' or 'Group') and the Consolidated Entity's interest in associates.

## 2. BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with applicable Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The consolidated financial statements of Iluka Resources Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

These financial statements have been prepared under the historical cost convention except for financial assets and liabilities which are required to be measured at fair value. The consolidated financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

New and amended standards adopted by the Group, and their related impacts on the financial statements (if any), are detailed in note 33.

### a) Principles of consolidation

#### Subsidiaries

Subsidiaries are all entities (including structured entities) controlled by the Company. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The consolidated financial statements are prepared by consolidating the financial statements of all entities within the Group as defined in *AASB 10 Consolidated Financial Statements*. A list of controlled entities (subsidiaries) at year-end is contained in note 22(a).

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group.

Intercompany transactions, balances, and unrealised gains on transactions between Group companies, are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. Cost is measured as the fair value of the assets given, shares issued, or liabilities incurred or assumed at the date of exchange. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

#### Associates

Associates are entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method. Under this method, the Group recognises its share of the associate's profit or loss in the statement of profit or loss and its share of movements in other comprehensive income (OCI) in the statement of comprehensive income. These OCI movements, including foreign currency translation differences, are recorded directly in the Group's equity and not in retained earnings. Upon disposal of an associate, the cumulative OCI relating to that associate is reclassified to profit or loss. The Group's investment in Deterra Royalties Limited is accounted for as an associate (refer to note 23).

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 7.

## 2. BASIS OF PREPARATION(CONTINUED)

### b) Principles of consolidation (continued)

#### Employee share trust

The Group's Employee Share Schemes are administered through the Iluka Resources Limited Employee Share Plan Trust (the trust). Shares in the Company held by the trust are disclosed as treasury shares in the consolidated financial statements and deducted from contributed equity, net of tax.

### c) Rounding of amounts

The Company is of a kind referred to in Rounding Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the rounding of amounts in the financial statements. In accordance with that Rounding Instrument, amounts in the financial statements have been rounded to the nearest hundred thousand dollars, unless otherwise indicated.

### d) Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future in applying its accounting policies. The resulting accounting estimates will, by definition, seldom equal related actual results. This note provides an overview of areas that involve a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted if estimates or assumptions significantly differ from actual outcomes. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving significant estimates or judgements are:

| | Note |
|---|---|
| Rehabilitation and mine closure provisions | 8 |
| Mineral resources and ore reserves | 9 |
| Net realisable value and classification of product inventory | 14 |

Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and future periods affected.

The Group recognises the physical and transitional impacts of climate change may affect its assets, productivity, the markets in which it sells its products, and the jurisdictions in which it operates. The Group continues to develop its assessment of the potential impacts of climate change and the transition to a lower carbon economy and, where possible, the potential financial impacts have been considered in the preparation of these financial statements.

The Group’s physical and transition risk assessment process is ongoing. Changes in the Group’s climate strategy or global decarbonisation initiatives may impact the Group’s significant judgements and key estimates and materially impact financial results and the carrying values of certain assets and liabilities in future reporting periods.

# KEY NUMBERS

## 3. SEGMENT INFORMATION

### a) Description of segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision-makers) in assessing performance and in determining the allocation of resources.

During the reporting period, the Group changed the internal reporting basis of its operations to match changes in the operational structure of the business, with the resultant new operating segments of the group being as follows:

The operating segments of the Group are:

**Mineral Sands** comprising the mining operations at Jacinth-Ambrosia in South Australia, Cataby in Western Australia, and activities at Balranald in New South Wales. It also includes associated processing operations at the Narngulu mineral separation plant in mid-west Western Australia, and the processing of ilmenite at Synthetic Rutile Kilns, also located in Western Australia.

**Rare Earths (RE)** comprises the Eneabba Rare Earths Refinery currently being constructed in Western Australia alongside Phase 1 and 2 of the Eneabba development, and the Group's investment in Northern Minerals Limited.

**Idle** comprises rehabilitation obligations in the United States (Florida and Virginia) where mining and processing activities were substantially completed in December 2015; and certain idle assets located in Australia (Murray Basin).

The previous Jacinth-Ambrosia/Mid West (JA/MW) and Cataby/South West (C/SW) have combined with associated processing operations at Narngulu and Balranald operations to form the Mineral Sands segment. The United States/Murray basis segment is the same apart from Balranald now being part of Mineral Sands, and the Rare Earths segment is unchanged.

Cash, debt and tax balances are managed at a group level, together with exploration and other corporate activities, and are not allocated to segments.

Where finished product capable of sale to a third party is transferred between operating segments, the transfers are made at arm’s length prices. Any transfers of intermediate products between operating segments are made at cost. During the year-ended 31 December 2024, $19.8 million of intermediate material was transferred from Rare Earths to the Minerals Sands segment, and $7.6 million was transferred from Idle to Mineral Sands (2023: no transfers of intermediate products).

### b) Segment results

| *2024* | Mineral Sands | Rare Earths | Idle | Total |
|---|---|---|---|---|
| | $m | $m | $m | $m |
| Total segment sales of critical minerals | 1,128.5 | - | - | 1,128.5 |
| Total segment freight revenue | 41.8 | - | - | 41.8 |
| Depreciation and amortisation expense | (188.2) | - | (0.9) | (189.1) |
| (Decrease) in rehabilitation recognised in profit or loss | 2.2 | - | 3.0 | 5.2 |
| Total segment result | 390.7 | - | (16.4) | 374.3 |
| Segment assets | 2,591.1 | 311.0 | 118.4 | 3,020.5 |
| Segment liabilities | 876.1 | 302.5 | 70.9 | 1,249.5 |
| Segment capital expenditure | 286.2 | 165.2 | - | 451.4 |
| Additions to non-current segment assets | 346.6 | 166.2 | - | 512.8 |

## 3. SEGMENT INFORMATION (CONTINUED)

### b) Segment results (continued)

| *2023*[1] | Mineral Sands $m | Rare Earths $m | Idle $m | Total $m |
|---|---|---|---|---|
| Total segment sales of critical minerals | 1,238.3 | - | - | 1,238.3 |
| Total segment freight revenue | 52.7 | - | - | 52.7 |
| Depreciation and amortisation expense | (163.9) | - | (0.9) | (164.8) |
| Increase/(decrease) in rehabilitation recognised in profit or loss | 6.7 | - | (2.4) | 4.3 |
| Total segment result | 589.7 | - | 4.8 | 594.5 |
| Segment assets | 1,971.2 | 212.0 | 243.0 | 2,426.2 |
| Segment liabilities | 756.1 | 221.7 | 107.9 | 1,085.7 |
| Segment capital expenditure | 106.7 | 139.1 | 69.0 | 314.8 |
| Additions to non-current segment assets | 131.4 | 93.3 | 20.0 | 244.7 |

[1] Previously reported segment information has been restated to align with new reporting segments

Critical minerals revenue is derived from sales to external customers domiciled in various geographical regions. Details of Segment Revenue by location of customers is as follows:

| | **2024 $m** | 2023 $m |
|---|---|---|
| China | **367.5** | 402.8 |
| Asia excluding China | **146.9** | 237.7 |
| Europe | **359.2** | 341.8 |
| Americas | **240.0** | 252.6 |
| Other countries | **14.9** | 3.4 |
| | **1,128.5** | 1,238.3 |

Revenue of $190.0 million was derived from one external customer of the mineral sands segment, which individually accounted for greater than 10% of the total segment revenue (2023: revenues of $202.8 million and $105.2 million from two external customers).

## 3. SEGMENT INFORMATION (CONTINUED)

### b) Segment results (continued)

Segment result is reconciled to profit before income tax as follows:

| | 2024 $m | 2023 $m |
|---|---|---|
| **Total segment result** | **374.3** | 594.5 |
| Interest income | **11.4** | 18.4 |
| Marketing and selling | **(2.1)** | (13.1) |
| Corporate and other costs | **(48.6)** | (79.7) |
| Revaluation loss on investment in Northern Minerals | **(4.5)** | (5.0) |
| Projects, innovation and exploration | **(35.6)** | (61.2) |
| Depreciation | **(3.1)** | (3.0) |
| Interest and finance charges | **(7.9)** | (4.6) |
| Net foreign exchange gain | **19.9** | (2.1) |
| Share of profits in associate | **21.5** | 27.3 |
| **Profit before income tax** | **325.3** | 471.5 |

Total segment assets and total segment liabilities are reconciled to the balance sheet as follows:

| | 2024 $m | 2023 $m |
|---|---|---|
| Segment assets | **3,020.5** | 2,426.2 |
| Corporate assets | **47.1** | 31.3 |
| Cash and cash equivalents | **136.0** | 364.9 |
| Deferred tax assets | **94.2** | 62.1 |
| Investment in Deterra Resources Limited | **443.6** | 446.3 |
| **Total assets as per the balance sheet** | **3,741.4** | 3,330.8 |
| | | |
| Segment liabilities | **1,249.5** | 1,085.7 |
| Corporate liabilities | **104.8** | 47.0 |
| Current tax payable | **26.7** | 39.6 |
| **Total liabilities as per the balance sheet** | **1,381.0** | 1,172.3 |

## 4. REVENUE

| | Notes | 2024 $m | 2023 $m |
|---|---|---|---|
| Sale of goods | 4(a) | **1,128.5** | 1,238.3 |
| Freight revenue | 4(b) | **41.8** | 52.7 |
| | | **1,170.3** | 1,291.0 |

### a) Sale of mineral sands

The Group earns revenue by mining, processing, and subsequently selling mineral sands (including zircon, rutile, synthetic rutile and ilmenite) by export to customers based in the Americas, Europe, China, the rest of Asia, and other countries under a range of commercial terms.

Revenue from the sale of product is recognised when control has been transferred to the customer, generally being when the product has been dispatched and is no longer under the physical control of the Group. In cases where control of product is transferred to the customer before dispatch takes place, revenue is recognised when the customer has formally acknowledged their legal ownership of the product, which includes all inherent risks associated with control of the product. In these cases, product is clearly identified and immediately available to the customer.

Sales to customers are generally denominated in US Dollars, which are translated into Australian Dollars using the spot exchange rate applicable on the transaction date. The effect of variable consideration arising from rebates, discounts and other similar arrangements with customers is included in revenue to the extent that it is highly probable that there will be no significant reversal of the cumulative amount of revenue recognised when any pricing uncertainty is resolved. Revenue is recognised net of duties and other taxes.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Accordingly, the group does not adjust transaction prices for the time value of money.

### b) Freight revenue

The Group also earns revenue from freighting its products to customers in accordance with the Incoterms in each particular sales contract. Freight revenue is recognised to the extent that the freight service has been delivered, specifically with reference to the proportion of completed freight distance to total freight distance, which is determined by the Group at each reporting date.

Freight revenue is allocated from the overall contract price at its standalone selling price (where observable) or otherwise at its estimated cost plus margin.

Freight revenue in the current reporting period includes $0.6 million relating to contracts in place at the end of the prior year and excludes $0.5 million relating to contracts in place at the end of the current year in relation to unfulfilled shipping obligations. (2023: Freight revenue included $nil relating to contracts in place at the end of the prior year and excluded $0.6m million relating to contracts in place at the end of 2023 in relation to unfulfilled shipping obligations.)

In the current and prior reporting period, freight revenue includes $0.6 million relating to contracts in place at the end of the prior year (2023: $nil). For the year ended 31 December 2024, freight revenue excludes $0.5 million which has been deferred at the end of the year in relation to unfulfilled shipping obligations (2023: $0.6 million).

## 5. OTHER GAINS/(LOSSES)

| | Notes | **2024 $m** | 2023 $m |
|---|---|---|---|
| Interest income | 5(a) | **12.0** | 18.4 |
| Net foreign exchange gain/(loss) | 5(b) | **19.9** | (2.1) |
| Net gain on sale of fixed assets | | **1.1** | 26.9 |
| | | **33.0** | 43.2 |

### a) Interest income

Interest income is recognised in profit or loss using the effective interest method, net of capitalised borrowing costs.

### b) Foreign exchange gains/(losses)

Transactions in foreign currencies are translated into Australian dollars using the spot exchange rate when the transaction occurs. Foreign currency monetary assets and liabilities are translated to Australian dollars at each reporting date exchange rate. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to Australian dollars at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are not re-translated.

Foreign currency differences are recognised in profit or loss (and included in other gains/(losses)) to the extent that they are not part of a designated hedging relationship or form part of the net investment in a foreign operation (notes 21 and 17, respectively).

## 6. EXPENSES

| | Notes | 2024 $m | 2023 $m |
|---|---|---|---|
| **Expenses** | | | |
| Cash costs of production | 6(a) | **644.0** | 605.2 |
| Depreciation/amortisation | | **172.0** | 156.4 |
| Inventory movement - cash costs of production | | **(179.9)** | (173.6) |
| Inventory movement - non-cash production costs | | **(48.2)** | (51.7) |
| **Cost of goods sold** | 6(b) | **587.9** | 536.3 |
| | | | |
| By-product costs | 6(c) | **16.4** | 11.2 |
| Depreciation (idle, corporate and other) | | **20.2** | 11.4 |
| Idle capacity charges | 6(d) | **35.3** | 20.1 |
| Rehabilitation costs for closed sites | 6(e) | **(5.2)** | (4.3) |
| Government royalties | | **35.1** | 47.1 |
| Marketing and selling costs | | **74.3** | 80.1 |
| Corporate and other costs | 6(f) | **48.6** | 79.7 |
| Projects, exploration and innovation | 6(g) | **40.0** | 61.2 |
| Revaluation on investments - Northern Minerals | | **4.5** | 5.0 |
| Net loss on sales of assets | | **0.2** | 3.0 |
| **Total expenses** | | **857.3** | 850.8 |

### a) Cash costs of production

Cash costs of production include costs for mining and concentrating, transport of heavy mineral concentrate, mineral separation, synthetic rutile production, externally purchased ilmenite, and production overheads; but exclude Australian state royalties which are reported separately.

### b) Cost of goods sold

Cost of goods sold is the inventory value of each tonne of finished zircon, rutile, synthetic rutile and ilmenite sold. All production is added to inventory at cost, which includes direct costs and a portion of fixed and variable overhead expenditure, including depreciation and amortisation, allocated on the basis of relative sales value. The inventory value recognised as cost of goods sold for each tonne of finished product sold is the weighted average value per tonne for the stockpile from which the product is sold.

Inventory movement represents the movement in balance sheet inventory of work in progress and finished goods, including the non-cash depreciation and amortisation components and movement in the net realisable value adjustments.

### c) By-product costs

By-product costs include the costs of processing iron concentrate, processing activated carbon, monazite treatment, wet high intensity magnetic separation (WHIMS), and other transport costs.

### d) Idle capacity charges

Idle capacity charges reflect ongoing costs incurred during periods of no or restricted production.

## 6. EXPENSES (CONTINUED)

### e) Rehabilitation costs for closed sites

These costs relate to adjustments to the rehabilitation provision for closed sites arising from the annual review of rehabilitation programmes and estimates, and are recognised in profit or loss. Details regarding the annual review for the current reporting period, together with the applicable accounting policy details, are outlined in note 8.

### f) Corporate and other costs

Corporate and other costs reflect expenses required to operate, govern, and grow the business and operations, including employee expenses, office costs, and other overheads for finance, legal, human resources, and senior management.

The Group revised its methodology for allocating corporate costs to better align with operational performance, effective from the start of the current reporting period. This updated methodology more closely reflects actual current usage of resources by each department, ensuring a more accurate and fair distribution of costs across the organisation. Amounts in the comparative period have not been restated in the financial statements.

### g) Projects, exploration and innovation

These costs relate to activities associated with developing our resources, including exploration and mine planning.

### h) Other required disclosures

Expenses also include the following:

| | **2024 $m** | 2023 $m |
|---|---|---|
| Employee benefits (excluding share-based payments) | **202.9** | 195.0 |
| Share-based payments | **15.3** | 16.8 |
| Exploration expenditure | **12.1** | 10.6 |
| Expenses for short term, low value leases and leases with variable payments | **3.1** | 2.0 |

## 7. IMPAIRMENT OF ASSETS

Non-financial assets, including equity accounted investments are assessed for the presence of impairment indicators whenever events or changes in circumstances suggest that their carrying amounts may not be recoverable. For the purposes of impairment indicator assessments (and, if required, impairment testing) operating assets are grouped at the lowest levels for which there are separately identifiable cash flows (Cash Generating Units - CGUs). The Mineral Sands and Rare Earths CGUs are the same as the operating segments of the Group – refer to note 3.

If an impairment indicator is found to be present for a CGU, then the Group estimates its recoverable amount and compares it to its carrying amount. The recoverable amount of each CGU is determined as the higher of value-in-use and fair value less costs of disposal (FVLCD) estimated based on the discounted present value of future cash flows (a level 3 fair value estimation method) and other adjustments. Assets that are not currently in use and not scheduled to be brought back into use (idle assets) are considered on a standalone basis. If necessary, an impairment charge is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The Group assessed all CGUs for the presence of impairment indicators at the reporting date, including those which may have arisen due to evolving geopolitics, ongoing conflicts, changes in applicable environmental and other regulations, and changes in the economic environments in which the Group operates.

No impairment indicators were found to be present in respect of any CGU at 31 December 2024, accordingly no impairment testing was required to be recognised.

The Group did not note any conditions that suggest previously recognised impairments can be reversed.

## 8. PROVISIONS

| | Notes | 2024 $m | 2023 $m |
|---|---|---|---|
| **Current** | | | |
| Rehabilitation and mine closure | 8(a) | **46.7** | 45.7 |
| Employee benefits - long service leave | 8(b) | **14.4** | 14.8 |
| Workers compensation and other provisions | | **4.5** | 2.2 |
| | | **65.6** | 62.7 |
| **Non-current** | | | |
| Rehabilitation and mine closure | 8(a) | **757.3** | 716.8 |
| Employee benefits - long service leave | 8(b) | **5.3** | 4.8 |
| Retirement benefit obligations | 28 | **8.3** | 7.7 |
| | | **770.9** | 729.3 |

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that resources will be expenses to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

### a) Rehabilitation and mine closure

The movements in the rehabilitation and mine closure provision are set out below:

| **Movements in rehabilitation and mine closure provisions** | Notes | 2024 $m |
|---|---|---|
| Balance at 1 January | | **762.5** |
| Amounts spent during the year | | **(31.3)** |
| Rehabilitation and mine closure provision unwind | 15(d) | **32.7** |
| Change in provisions - additions to property, plant and equipment | | **42.4** |
| Change in provisions - profit or loss impact of closed sites | | **(5.2)** |
| Foreign exchange rate movements | | **2.9** |
| **Balance at 31 December** | | **804.0** |

The Group has obligations to dismantle and remove certain items of property, plant and equipment and to restore and rehabilitate the land on which they sit. A provision is raised for the estimated cost of performing the rehabilitation and restoration obligations existing at balance date, discounted to present value using an appropriate pre-tax discount rate.

Where the obligation is related to an item of property, plant and equipment, its cost includes the present value of the estimated costs of dismantling and removing the asset, and restoring and rehabilitating the site on which it is located. Costs that relate to obligations arising from waste created by the production process are recognised as production costs in the period in which they arise.

The total rehabilitation and mine closure provision of $804 million (2023: $762.5 million) includes $171.9 million (2023: $233.3 million) for assets no longer in use. Changes in the expected rehabilitation liability that relate to closed sites are recognised as a credit to or expense in profit or loss (refer to note 6).

Open site rehabilitation liabilities increased by $42.4 million in the current reporting period (2023: increased by $57.4 million), predominantly due to an increase in disturbed area and higher earth moving rates at Cataby. An increased mining footprint at Eneabba Rare Earths also contributed, due to progress on construction of the Eneabba Rare Earths Refinery. Jacinth-Ambrosia and Cataby comprise $220.8 million and $294.3 million of the rehabilitation provision balance, respectively.

## 8. PROVISIONS (CONTINUED)

### a) Rehabilitation and mine closure (continued)

**Key estimate: Rehabilitation and mine closure provisions**

The Group's assessment of the present value of the rehabilitation and mine closure provisions requires the use of significant estimates and judgements, including the future cost of performing the work required, timing of the cash flows, discount rates, final remediation strategy, and future land use requirements. The provision can also be impacted prospectively by changes to legislation or regulations.

The provisions are reassessed at least annually. A change in any of the assumptions used to determine the provisions could have a material impact on the carrying value of the provision. In the case of provisions for assets which remain in use, adjustments to the provision are offset by a change in the carrying value of the related asset. Where the provisions are for assets no longer in use, such as mines and processing sites that have been closed, any adjustment is reflected directly in profit or loss.

**Key estimate: Discount rate for provisions**

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability to the extent they are not included in the cash flows.

Rehabilitation and mine closure provisions for Australia and the US are remeasured at each reporting date by discounting risk adjusted cash flows at discount rates representing the risk-free rates of applicable government bonds for the currencies in which each respective provision is recognised.

Rehabilitation and mine closure provisions have been calculated by discounting risk adjusted cash flows at discount rates of 4.3% and 3.9% for Australia the US, respectively (2023: 4.3% and 3.9% for Australia and the US, respectively).

An increase of one percent in only the discount rate used to calculate rehabilitation and mine closure provisions would result in a decrease to their closing balance of $72.1 million. Of this amount, $58.9 million would be recognised as a decrease in rehabilitation assets for open sites, and $13.2 million would be recognised as a credit in profit or loss for closed or previously impaired sites.

### b) Employee benefits

The employee benefits provision includes long service leave entitlements measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date, discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. Liabilities for annual leave are included in payables.

The current provision includes amounts for vested long service leave for which the Group does not have an unconditional right to defer settlement, regardless of when the actual settlement is expected to occur. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

## 9. PROPERTY, PLANT AND EQUIPMENT

| | Land & buildings $m | Plant, machinery & equipment $m | Mine reserves & development $m | Exploration & evaluation $m | Total $m |
|---|---|---|---|---|---|
| **At 1 January 2023** | | | | | |
| Cost | 196.8 | 2,120.4 | 1,122.9 | 27.2 | 3,467.3 |
| Accumulated depreciation[1] | (56.2) | (1,721.5) | (557.5) | (16.1) | (2,351.3) |
| Opening written down value | 140.6 | 398.9 | 565.4 | 11.1 | 1,116.0 |
| | | | | | |
| Additions | 12.1 | 284.0 | 88.3 | - | 384.4 |
| Disposals | (4.6) | (0.6) | (0.1) | (0.1) | (5.4) |
| Depreciation | (1.8) | (78.4) | (80.9) | - | (161.1) |
| Exchange differences[2] | 0.1 | 0.3 | (0.3) | (0.3) | (0.2) |
| Closing written down value | 146.4 | 604.2 | 572.4 | 10.7 | 1,333.7 |
| | | | | | |
| **At 31 December 2023** | | | | | |
| Cost | 187.7 | 2,302.9 | 1,211.0 | 27.2 | 3,728.8 |
| Accumulated depreciation[1] | (41.3) | (1,698.7) | (638.6) | (16.5) | (2,395.1) |
| **Closing written down value** | **146.4** | **604.2** | **572.4** | **10.7** | **1,333.7** |
| | | | | | |
| **Year ended 31 December 2024** | | | | | |
| Additions | 8.2 | 444.1 | 63.3 | 1.6 | 517.2 |
| Disposals | (0.1) | (0.3) | - | - | (0.4) |
| Depreciation | (1.9) | (81.5) | (102.4) | - | (185.8) |
| Exchange differences[2] | 6.2 | - | - | - | 6.2 |
| **Closing written down value** | **158.8** | **966.5** | **533.3** | **12.3** | **1,670.9** |
| | | | | | |
| **At 31 December 2024** | | | | | |
| Cost | 202.1 | 2,747.0 | 1,274.3 | 28.8 | 4,252.2 |
| Accumulated depreciation[1] | (43.3) | (1,780.5) | (741.0) | (16.5) | (2,581.3) |
| **Closing written down value** | **158.8** | **966.5** | **533.3** | **12.3** | **1,670.9** |

[1] Accumulated depreciation includes cumulative impairment charges

[2] Exchange differences arising on translation of the gross cost and accumulated depreciation of items of property, plant and equipment held by foreign operations are reflected net.

**Key estimate: determination of Mineral Resources and Ore Reserves**

The determination of Mineral Resources and Ore Reserves impacts the accounting for asset carrying values. The Group estimates its Mineral Resources and Ore Reserves in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 (the "JORC Code"). The information on Mineral Resources and Ore Reserves was prepared by or under the supervision of Competent Persons as defined in the JORC Code. The amounts presented are based on the Mineral Resources and Ore Reserves determined under the JORC Code.

There are numerous uncertainties inherent in estimating Mineral Resources and Ore Reserves, and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of Reserves and may ultimately result in Reserves being restated.

## 9. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

### a) Property, plant and equipment

Property, plant and equipment is stated at cost, less accumulated depreciation and impairment charges. Cost includes:

- expenditure that is directly attributable to the acquisition of the items;
- direct costs associated with the commissioning of plant and equipment, including pre-commissioning costs in testing the processing plant;
- if the asset is constructed by the Group, the cost of all materials used in construction, direct labour on the project, project management costs and unavoidable borrowing costs incurred during construction of assets with a construction period greater than 12 months and an appropriate proportion of variable and fixed overheads; and
- the present value of the estimated costs of dismantling and removing the asset, and restoring and rehabilitating the site on which it is located.

As set out in note 8, in the case of rehabilitation provisions for assets which remain in use, adjustments to the carrying value of the provision are offset by a change in the carrying value of the related asset. Total additions in the year include $42.4 million (2023: $57.4 million) relating to rehabilitation.

### b) Maintenance and repairs

Certain items of plant used in the primary extraction, separation and secondary processing of extracted minerals are subject to a major overhaul on a cyclical basis. Costs incurred during such overhauls are characterised as either capital in nature or repairs and maintenance. Work performed may involve:

(i) the replacement of a discrete sub-component asset, in which case an asset addition is recognised and the book value of the replaced item is written off; and

(ii) demonstrably extending the useful life or functionality of an existing asset, in which case the relevant cost is added to the capitalised cost of the asset in question.

Costs incurred during a major cyclical overhaul which do not constitute (i) or (ii) above, are written off as repairs and maintenance as incurred. General repairs and maintenance which are not characterised as part of a major cyclical overhaul are expensed as incurred.

### c) Depreciation and amortisation

Items of property, plant and equipment are depreciated on a straight-line basis over their useful lives. The estimated useful life of buildings is the shorter of applicable mine life or 25 years; plant and equipment is between 2 and 20 years. Land is not depreciated.

Expenditure on mine reserves and development is amortised over the life of mine, based on the rate of depletion of the economically recoverable reserves (units of production methodology). If production has not yet commenced, or the mine is idle, amortisation is not charged.

### d) Assets not being depreciated

Included in plant, machinery and equipment, mine reserves and development, and land and buildings are amounts totalling $690.5 million, $69.4 million and $2.6 million, respectively, relating to assets under construction which are currently not being depreciated (including those related to the Rare Earths operating segment) as the assets are not ready for use (2023: $318.5 million, $49.2 million and $0.9 million, respectively).

In addition, within property, plant and equipment, excluding exploration and land assets, are amounts totalling $100.7 million which have not been depreciated in the year as mining of the related area of interest has not yet commenced (2023: $99.1 million).

## 9. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

### e) Exploration, evaluation and development expenditure

Exploration and evaluation expenditure is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure. Expenditure is carried forward when incurred in areas for which the Group has rights of tenure and where economic mineralisation is indicated, but activities have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable ore reserves, and active and significant operations in relation to the area are continuing. Each such project is regularly reviewed. If the project is abandoned or if it is considered unlikely the project will proceed to development, accumulated costs to that point are written off immediately.

Each area of interest is limited to a size related to a known mineral resource capable of supporting a mining operation. Identifiable exploration assets acquired from another mining company are recognised as assets at their cost of acquisition.

Projects are advanced to development status when it is expected that accumulated and future expenditure on development can be recouped through project development or sale. Capitalised exploration is transferred to Mine Reserves once the related ore body achieves JORC reserve status (reported in accordance with JORC, 2012) and has been included in the life of mine plan.

All of the above expenditure is carried forward up to commencement of operations at which time it is amortised in accordance with the reserves and development depreciation policy noted in (c) above.

### f) Capitalised borrowing costs

Refer to note 15 for details on capitalised borrowing costs.

### g) Impairment of PPE

Refer to note 7 for details on impairment assessments.

## 10. LEASES

### a) Amounts recognised in the statement of financial position

| | 2024 $m | 2023 $m |
|---|---|---|
| ***Right-of-use assets*** | | |
| Buildings | **5.2** | 7.0 |
| Plant, machinery and equipment | **30.7** | 11.4 |
| | **35.9** | 18.4 |
| ***Lease Liabilities*** | | |
| Current | **12.6** | 8.4 |
| Non-current | **28.1** | 15.8 |
| | **40.7** | 24.2 |

Additions to the right-of-use assets during the reporting period were $24.4 million (2023: $1.6 million), including a solar farm at Cataby ($17.3 million) and new fleet vehicles ($5.4 million). Right-of-use assets are reflected net of incentives received. The maturity analysis of lease liabilities is included in note 20(d).

### b) Amounts recognised in the statement of profit or loss

| | 2024 $m | 2023 $m |
|---|---|---|
| ***Amortisation charge of right-of-use assets*** | | |
| Buildings | **1.0** | 1.0 |
| Plant, machinery and equipment | **5.9** | 5.7 |
| | **6.9** | 6.7 |
| Borrowing costs | **0.8** | 0.8 |
| Expenses relating to short term leases, low value leases and leases with variable payments | **3.1** | 2.0 |

Payments for the principal element of leases of $8.6 million (2023: $8.4 million) are included in the statement of cash flows.

The group leases various offices, warehouses, equipment and vehicles. Rental contracts are typically made for fixed periods of 6 months to 10 years, but may have extension options as described below.

Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

#### Lease liabilities

Liabilities arising from a lease are initially measured on a present value basis by discounting the following lease payments to their present value:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the group under residual value guarantees;
- the exercise price of a purchase option if the group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

## 10. LEASES (CONTINUED)

### b) Amounts recognised in the statement of profit or loss (continued)

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The weighted average borrowing rate used for the year was 4.6% (2023: 4.8%).

Subsequent to initial recognition, lease liabilities are carried at amortised cost. Payments are allocated between repayment of principal and borrowing costs, which are charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

#### Right-of-use assets

Right-of-use assets are initially recognised at cost, comprising:

- the amount of the lease liability;
- any lease payments made at or before the commencement date, less any incentives received;
- initial direct costs; and
- restoration costs.

Subsequently, right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Where the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

#### Short term leases, leases of low value assets and leases containing variable payments

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

## 11. INCOME TAX

Income tax expense comprises current and deferred tax and is recognised in profit or loss, as disclosed in (a) below, except to the extent that it relates to items recognised directly in equity or other comprehensive income as disclosed in (c) below.

### a) Income tax expense

| | **2024 $m** | 2023 $m |
|---|---|---|
| Current tax | **121.9** | 158.9 |
| Deferred tax | **(24.8)** | (26.6) |
| (Over)/under provided in previous years | **(3.1)** | (3.4) |
| | **94.0** | 128.9 |

## 11. INCOME TAX EXPENSE (CONTINUED)

### b) Reconciliation of income tax expense to prima facie tax payable

| | 2024 $m | 2023 $m |
|---|---|---|
| Profit before income tax expense | **325.3** | 471.5 |
| Tax at the Australian tax rate of 30% (2023: 30%) | **97.6** | 141.5 |
| Tax effect of amounts not deductible (taxable) in calculating taxable income: | | |
| Equity accounted share of profit - Deterra | **(6.6)** | (8.2) |
| Share based payments | **1.4** | 0.1 |
| Remeasurement loss on Northern Minerals | **1.3** | 1.5 |
| Non-deductible expenses | **0.4** | 0.1 |
| Other items | **0.8** | 0.4 |
| (Gains)/losses not recognised by overseas operations | **2.2** | (3.1) |
| | **97.1** | 132.3 |
| Over provision in prior years | **(3.1)** | (3.4) |
| Income tax expense | **94.0** | 128.9 |

No tax benefits have been recognised in respect of exploration activities of overseas operations as their recovery is not currently considered probable.

The idling of the US operations at the end of 2015 means that the recovery of US state and federal tax losses are not considered probable. Unrecognised US state and federal tax losses for which no deferred tax asset has been recognised are US$702.9 million (equivalent to $1,130 million) at 31 December 2024 (2023: US$679.4 million, equivalent to $1,026 million).

Unused capital losses for which no deferred tax asset has been recognised are approximately $101.7 million (2023: $101.5 million) (tax at the Australian rate of 30%: $30.5 million (2023: $30.4 million)). The benefit of these unused capital losses will only be obtained if sufficient future capital gains are made and the losses remain available under tax legislation.

### c) Tax expense relating to items of other comprehensive income

| | 2024 $m | 2023 $m |
|---|---|---|
| Changes in fair value of foreign exchange cash flow hedges | **6.5** | (2.1) |
| Actuarial gains (losses)/on retirement benefit obligation | **0.1** | (0.2) |
| | **6.6** | (2.3) |

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current tax charge is calculated using the tax rates and tax laws enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

### d) International tax reform – pillar two model rules

The Base Erosion and Profit Shifting (BEPS) Pillar Two legislation has been substantively enacted in Australia and applies to the Group for the income year commencing 1 January 2024. BEPS Pillar Two establishes a global minimum tax rate of 15% for multinational enterprise groups with consolidated global revenues over €750 million. This initiative, part of the Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework seeks to curb profit-shifting and create uniform tax regulations across different jurisdictions.

Consistent with amendments to AASB 112 Income Taxes, the Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities relating to Pillar Two income taxes.

The Group has satisfied the de-minimis test under the transitional safe harbours which allows the Group to use existing country-by-country reporting and financial accounting data as a basis. As the Group has qualified for safe harbor relief, there will be no Pillar Two current tax expense for the Group.

## 12. DEFERRED TAX

| | 2024 $m | 2023 $m |
|---|---|---|
| **Deferred tax asset:** | | |
| *The balance comprises temporary differences attributable to:* | | |
| Employee provisions | **10.8** | 11.2 |
| Rehabilitation provisions | **234.7** | 219.4 |
| Lease liabilities | **12.2** | 7.0 |
| Cash flow hedge reserve (in equity) | **9.2** | - |
| Other | **11.1** | 17.0 |
| Gross deferred tax assets | **278.0** | 254.6 |
| Amount offset from deferred tax liabilities pursuant to set-off provision | **(183.8)** | (192.5) |
| **Net deferred tax assets** | **94.2** | 62.1 |
| **Deferred tax liability:** | | |
| *The balance comprises temporary differences attributable to:* | | |
| Property, plant and equipment | **(149.8)** | (171.2) |
| Inventory | **(20.5)** | (14.0) |
| Treasury shares | **(0.7)** | (0.3) |
| Right-of-use assets | **(10.8)** | (5.3) |
| Receivables | **(0.3)** | (0.4) |
| Other | **(1.7)** | (1.3) |
| Gross deferred tax liabilities | **(183.8)** | (192.5) |
| Amount offset to deferred tax assets pursuant to set-off provision | **183.8** | 192.5 |
| **Net deferred tax liabilities** | **-** | - |
| **Movements in net deferred tax balance:** | | |
| Balance at 1 January | **62.1** | 35.0 |
| Credited/(charged) to the income statement | **24.8** | 26.6 |
| Over provision in prior years | **(1.9)** | 4.5 |
| Charged directly to equity | **9.2** | (4.0) |
| Balance at 31 December | **94.2** | 62.1 |

### Deferred tax policy

Deferred income tax is provided on all temporary differences at the balance sheet date between accounting carrying amounts and the tax bases of assets and liabilities.

Deferred income tax liabilities are recognised for all taxable temporary differences, other than for the exemptions permitted under accounting standards.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent it is probable that taxable profit will be available to utilise these deductible temporary differences, other than for the exemptions permitted under accounting standards. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are also recognised in equity and not in the income statement.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

No deferred tax liability is recognised on the Iluka Group's equity accounted investment in Deterra Royalties, which generates dividends for the Group . It is Deterra Royalties' current policy to frank all dividends to the maximum percent possible, which means no tax is payable on the dividends by the Group. The Group continuously monitors this position and will update it as required.

## 13. RECEIVABLES

| | 2024 $m | 2023 $m |
|---|---|---|
| Trade receivables | **268.1** | 254.8 |
| Other receivables | **22.6** | 12.0 |
| Prepayments | **15.2** | 16.3 |
| | **305.9** | 283.1 |

Trade receivables are recognised initially at the value of the invoice sent to the customer and subsequently at the amount considered recoverable, translated using the spot exchange rate at balance date with translation differences accounted for in line with the Group's accounting policy (refer note 1). Recognition occurs at the earlier of dispatch or formal acknowledgement of legal ownership by a customer, as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due. Trade receivables are generally paid within 76 days of the invoice being issued (2023: 70 days).

The Group has applied the simplified approach to measuring expected credit losses (ECL), which uses a lifetime expected loss allowance for all trade receivables. Based on the payment profiles of sales over the past three years and historical credit losses experienced within this period, the Group concluded that the lifetime ECL would be negligible and therefore no loss allowance was required at 31 December 2024 (2023: nil). The amount of any impairment loss is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income within other expenses.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 120 days past due. Impairment losses on trade receivables and subsequent recoveries of amounts previously written off of $nil are included in other expenses (2023: $nil).

There was $27.2 million overdue at balance date (2023: $4.0 million), of which $nil is more than 28 days overdue (2023: $nil). One invoice accounts for 80.3% of the total amount overdue at 31 December 2024 and was paid in full by the customer on 3 January 2025.

Due to the short-term nature of the Group’s receivables, their carrying value is considered to approximate fair value.

### a) Trade receivables purchase facility

Iluka has a purchase facility for the sale of eligible trade receivables. Sold trade receivables are not derecognised because the majority of the risks and rewards of ownership, including credit risk, are retained by the Group. Instead, the amount of sold receivables is reflected as a continuing involvement asset (included in other receivables) with a corresponding continuing involvement liability (included in payables) for the same amount. Trade receivables include $nil of sold trade receivables at the reporting date (2023: $nil million).

### b) Credit risk

At 31 December 2024 the trade receivables balance was $268.1 million, with $52.8 million secured by letters of credit. As a result, the Group had $215.3 million of uninsured receivables at the reporting date (2023: $191.4 million uninsured receivables). Further details regarding the Group's approach to managing customer credit risk are outlined in note 20(b).

## 14. INVENTORIES

| | **2024** **$m** | 2023 $m |
|---|---|---|
| *Current* | | |
| Work in progress | **284.6** | 194.0 |
| Finished goods | **476.0** | 412.7 |
| Consumables stores | **78.8** | 56.0 |
| Total current inventories | **839.4** | 662.7 |
| *Non-Current* | | |
| Finished goods | **2.9** | 16.9 |
| Work in progress | **202.1** | 125.1 |
| Total non-current inventories | **205.0** | 142.0 |
| **Total Inventories** | **1,044.4** | 804.7 |

Inventories are valued at the lower of weighted average cost and estimated net realisable value. The net realisable value is the estimated selling price in the normal course of business, less any anticipated costs of completion and the estimated costs to sell, including royalties.

There are separate inventory stockpile values for each product, including Heavy Mineral Concentrate (HMC) and other intermediate products, at each inventory location.

Weighted average cost includes direct costs and an appropriate portion of fixed and variable overhead expenditure, including depreciation and amortisation. As a result of mineral sands being co-products from the same mineral separation process, costs are allocated to inventory on the basis of the relative sales value of the finished goods produced. No cost is attributed to by-products, except direct costs.

All finished goods and product inventory were carried at cost in the current and previous reporting periods.

Consumable stores include ilmenite feedstock acquired from third parties, flocculant, coal, diesel and warehouse stores. A regular and ongoing review is undertaken to establish the extent of surplus, obsolete or damaged stores, which are then valued at estimated net realisable value.

Inventories expected to be sold (or consumed in the case of stores) within 12 months after the balance sheet date are classified as current assets; all other inventories are classified as non-current assets.

**Key estimate: Net realisable value and classification of product inventory**

The Group's assessment of the net realisable value and classification of its inventory holdings requires the use of estimates, including the estimation of the relevant future product price and the likely timing of the sale of the inventory.

During the year, no inventory write-downs were reversed for work in progress or finished goods (2023: $0.5 million write-down reversal). If finished goods future selling prices were 5% lower than expected, the impact on inventory net realisable value would be negligible (i.e. less than $0.1 million) (2023: $0.1 million).

Inventory of $205.0 million (2023: $142.0 million) was classified as non-current as it is not expected to be processed and sold within 12 months of the balance sheet date.

# CAPITAL

## 15. NET (DEBT)/CASH AND FINANCE COSTS

| | 2024 $m | 2023 $m |
|---|---|---|
| *Cash and cash equivalents* | | |
| Cash at bank and in hand | **96.0** | 129.7 |
| Deposits at call | **40.0** | 235.2 |
| **Total cash and cash equivalents** | **136.0** | 364.9 |
| | | |
| *Non-current interest bearing liabilities (unsecured)* | | |
| EFA loan facility | **(248.8)** | (145.9) |
| MOFA loan facility | **(10.0)** | - |
| Deferred borrowing costs | **8.2** | 6.4 |
| **Total interest-bearing liabilities** | **(250.6)** | (139.5) |
| | | |
| **Net (debt)/cash** | **(114.6)** | 225.4 |

### a) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with financial institutions with original maturities of three months or less.

Cash and deposits are at floating interest rates between 0.1% and 5.3% (2023: 0.1% and 5.3%) on Australian and foreign currency denominated deposits.

### b) Interest-bearing liabilities

Interest-bearing liabilities are initially recognised at fair value less directly attributable transaction costs, with subsequent measurement at amortised cost using the effective interest rate method. Under the amortised cost method the difference between the amount initially recognised and the redemption amount is recognised in profit or loss over the period of the borrowings on an effective interest basis.

Interest-bearing liabilities are classified as current liabilities unless the Group has a substantive right to defer settlement for at least 12 months after the balance sheet date.

The Group has access to the following facilities at the reporting date:

*(i) Multi Option Facility Agreement (MOFA)*

The Multi Optional Facility Agreement comprises a series of unsecured committed five year bilateral revolving credit facilities with several domestic and foreign institutions. The agreement was renegotiated during the reporting period to a total of $800 million, expiring in 2029 (31 December 2023: $570.0 million expiring in 2027).

At 31 December 2024, $10 million cash and $39 million bank guarantees was drawn against the MOFA, with $751 million remaining undrawn (2023: $nil drawn, $570 million undrawn).

The MOFA is subject to both financial and non-financial covenants, including maintaining certain interest cover and gearing ratios. The Group tests for compliance semi-annually to align with full- and half- year reporting dates. As at 31 December 2024 Iluka was in compliance, with no covenant breaches or waivers.

*(ii) Export Finance Australia*

The Group (via Iluka Eneabba Pty Ltd, a special purpose entity) has access to funds for construction and commissioning of the Eneabba Rare Earths Refinery (ERER) under a risk sharing agreement with the Australian Government (as part of its Critical Minerals Facility initiative).

The facility is non-recourse to Iluka, secured against the ERER asset, has a variable interest rate equal to the BBSY + 3% and has a total term of up to 16 years expiring in 2038. Facility payments commence on project completion.

The facility originally amounted to $1,250 million, with additional cash equity contributions from the Group amounting to $200 million (provided on a 1:3 basis with initial drawdowns).

## 15. NET (DEBT)/CASH AND FINANCE COSTS (CONTINUED)

### b) Interest bearing liabilities (continued)

The Group reached an agreement with the EFA (as outlined in the ASX announcement on 6 December 2024, and signed on 14 February 2025), increasing the facility total to $1,650 million and at the same time increasing the cash contribution by the Group to $414 million. The availability of the increased facility amount is subject to the Group securing offtake agreements satisfactory to the Australian Government as outlined in the aforementioned ASX announcement, and can only be drawn down once the original $1,450 million of funding agreements is fully drawn.

The EFA facility is subject to covenants designed to support ongoing lender oversight and risk management, primarily outlining that funds from the facility may only be used for the construction, commissioning and related activities of the Eneabba Rare Earths Refinery. The Group tests for compliance each time an amount is drawn down from the facility. As at 31 December 2024 Iluka was in compliance with applicable covenants. The requirement to submit cost certificates to EFA has been waived for 2024.

### c) Interest rate exposure

As at the reporting date, $248.8 million was drawn down (2023: $145.9 million) on the EFA facility and is subject to an effective weighted average floating interest rate of 7.5% (2023: 7.2%).

Additionally, $10 million (2023: $nil) was drawn on the MOFA facility subject to an interest rate of 5.9%.

The contractual repricing date of all floating rate interest-bearing liabilities at the balance date is within one year.

### d) Finance costs

| | **2024 $m** | 2023 $m |
|---|---|---|
| Interest charges on interest-bearing liabilities | **0.8** | 0.6 |
| Amortisation of deferred borrowing costs | **3.2** | 0.9 |
| Bank fees and similar charges | **4.7** | 5.5 |
| Lease borrowing costs | **0.8** | 0.8 |
| Rehabilitation and mine closure provision discount unwind | **32.7** | 31.4 |
| Total finance costs | **42.2** | 39.2 |

*(i) Capitalisation of borrowing costs*

The Group capitalises borrowing costs incurred on the EFA facility to the extent they are incurred for the construction of the Eneabba Rare Earths Refinery. Borrowing costs comprise interest and related amortisation of deferred borrowing costs on the EFA facility, net of interest income. The Group capitalised $11.4 million to the cost of the Eneabba Rare Earths Refinery during the current reporting period (2023: $4.4 million), which is included in additions to property, plant and equipment.

*(ii) Amortisation of deferred borrowing costs*

Fees paid on establishment of borrowing facilities are recognised as transaction costs and amortised over the shorter of the loan term or expected repayment (or modification) date through profit or loss to the extent they are not capitalised to qualifying assets.

*(iii) Rehabilitation and mine closure provision discount unwind*

Rehabilitation and mine closure unwind represents the cost associated with the passage of time. Rehabilitation provisions are recognised as the discounted value of the present obligation to restore, dismantle and rehabilitate with the increase in the provision due to passage of time being recognised as a finance cost in accordance with the policy described in note 8(a).

*(iv) Rehabilitation provision discount rate changes*

Differences arising from changes to the discount rates used to calculate rehabilitation provisions for closed sites are recognised in profit or loss as finance costs. There was no change to the risk free discount rates used in calculating rehabilitation provisions in the current reporting period. Refer to note 8.

## 16. CONTRIBUTED EQUITY

| | **2024 Shares** | 2023 Shares | **2024 $m** | 2023 $m |
|---|---|---|---|---|
| **Balance on 1 January, comprising** | | | | |
| Ordinary shares - fully paid | **426,032,302** | 424,932,151 | **1,143.9** | 1,132.5 |
| Treasury shares - net of tax | **(99,643)** | (467,535) | **(0.7)** | (2.9) |
| | **425,932,659** | 424,464,616 | **1,143.2** | 1,129.6 |
| ***Movement in ordinary share capital*** | | | | |
| 2024 Interim Dividend - DRP | **37,703** | - | **0.4** | - |
| 2023 Final Dividend - DRP | **51,728** | - | **0.2** | - |
| 2023 Interim Dividend - DRP | **-** | 19,496 | **-** | 0.6 |
| 2022 Final Dividend - DRP | **-** | 80,655 | **-** | 0.2 |
| Share issue | **2,127,602** | 1,000,000 | **15.3** | 10.6 |
| ***Movements in treasury shares, net of tax*** | | | | |
| Employee share allocations | **1,847,719** | 1,367,892 | **10.0** | 10.0 |
| Treasury share issues | **(2,127,602)** | (1,000,000) | **(10.7)** | (7.8) |
| **Balance on 31 December, comprising** | **427,869,809** | 425,932,659 | **1,158.4** | 1,143.2 |
| Ordinary shares - fully paid | **428,249,335** | 426,032,302 | **1,159.8** | 1,143.9 |
| Treasury shares - net of tax | **(379,526)** | (99,643) | **(1.4)** | (0.7) |

### a) Ordinary Share Capital

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The Group issues ordinary shares to shareholders who elect to receive shares instead of cash dividends as part of the Dividend Reinvestment Plan (DRP), the terms of which are detailed in the ASX announcement dated 27 February 2018. During the year, the Group issued the following shares under the DRP:

| | **Date issued** | **Price per share** | **Number of ordinary shares issued** |
|---|---|---|---|
| 2023 final | 25 March 2024 | $7.03 | 51,728 |
| 2024 interim | 27 September 2024 | $5.85 | 37,703 |

### b) Treasury Shares

Treasury shares are shares in Iluka Resources Limited issued and held by the Group for the purpose of allocating shares under the Directors, Executives and Employees Share Acquisition Plan and the Employee Share Plan.

## 17. RESERVES AND RETAINED EARNINGS

| | Notes | 2024 $m | 2023 $m |
|---|---|---|---|
| *Asset revaluation reserve* | | | |
| Balance at 1 January | | **10.7** | 10.7 |
| **Balance at 31 December** | 17(a) | **10.7** | 10.7 |
| | | | |
| *Hedge reserve* | | | |
| Balance at 1 January | | **1.4** | (3.5) |
| Changes in the fair value of hedging instruments recognised in equity | | **(29.4)** | 11.7 |
| Reclassified to profit or loss | | **(1.3)** | (4.7) |
| Deferred tax | | **9.2** | (2.1) |
| **Balance at 31 December** | 17(b) | **(20.1)** | 1.4 |
| | | | |
| *Share-based payments reserve* | | | |
| Balance at 1 January | | **10.4** | 8.3 |
| Share-based payments, net of tax | | **11.1** | 12.1 |
| Transfer of shares to employees, net of tax | | **(10.0)** | (10.0) |
| **Balance at 31 December** | 17(c) | **11.5** | 10.4 |
| | | | |
| *Foreign currency translation* | | | |
| Balance at 1 January | | **(1.1)** | 1.1 |
| Share of foreign currency translation reserve of associate - Deterra | 23 | **6.4** | - |
| Translation differences on other foreign entities | | **3.8** | (2.2) |
| **Balance at 31 December** | 17(d) | **9.1** | (1.1) |
| | | | |
| **Total reserves** | | **11.2** | 21.4 |
| | | | |
| *Retained earnings* | | | |
| Balance at 1 January | | **993.9** | 748.6 |
| Net profit for the year attributable to the equity holders of the parent | | **231.3** | 342.6 |
| Dividends paid | | **(34.2)** | (97.8) |
| Actuarial gains on retirement benefit obligation, net of tax | | **(0.2)** | 0.5 |
| **Balance at 31 December** | | **1,190.8** | 993.9 |

### a) Asset revaluation reserve

The asset revaluation reserve records revaluations of non-current assets prior to the adoption of AIFRS. Transfers are made to retained earnings on disposal of previously revalued assets.

### b) Hedge reserve

Iluka uses foreign currency instruments as part of its foreign currency risk management strategy associated with its US dollar denominated sales, as described in note 21. The foreign currency instruments are designated to cash flow hedge relationships. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve.

## 17. RESERVES AND RETAINED EARNINGS (CONTINUED)

### c) Share-based payments reserve

The employee share-based payments reserve is used to recognise the fair value of equity instruments granted but not yet issued to employees under the Group's various equity-based incentive schemes. Shares issued to employees are acquired on-market prior to the issue. Shares not yet issued to employees are shown as treasury shares. When shares are issued to employees the cost of the on-market acquisition, net of tax, is transferred from treasury shares (refer note 16) to the share-based payment reserve.

### d) Foreign currency translation reserve

Exchange differences arising on translation of the net investment in foreign operations are recognised in the foreign currency translation reserve net of applicable income tax and reclassified to retained earnings when the net investment is disposed of.

### e) Other reserves

The impact on equity of transactions related to changes in the structure of the Group are accumulated in other reserves. There were no such transactions in the current reporting period.

## 18. DIVIDENDS

| | **2024 $m** | 2023 $m |
|---|---|---|
| *Final dividend* | | |
| for 2023 of 4 cents per share, fully franked | **17.1** | - |
| for 2022 of 20 cents per share, fully franked | **-** | 85.0 |
| *Interim dividend* | | |
| for 2024 of 4 cents per share, fully franked | **17.1** | - |
| for 2023 of 3 cents per share, fully franked | **-** | 12.8 |
| **Total Dividends** | **34.2** | 97.8 |

Of the total $17.1 million interim dividend declared for 2024 and the total $17.1 million final dividend declared for 2023, shareholders respectively took up $0.2 million and $0.4 million as ordinary shares as part of the Dividend Reinvestment Plan. Refer to note 16(a).

Since balance date the directors have determined a final dividend for 2024 of 4 cents per share, fully franked. The dividend is payable on 28 March 2025 for shareholders on the register as at 5 March 2025. The aggregate amount of the proposed dividend is $17.1 million, which has not been included in provisions at balance sheet date as it was not declared on or before the end of the financial year.

### Franking credits

The balance of franking credits available as at 31 December 2024 is $813.0 million (2023: $685.5 million). This balance is based on a tax rate of 30% (2023: 30%).

## 19. EARNINGS PER SHARE

| | **2024 Cents** | 2023 Cents |
|---|---|---|
| Basic earnings per share | **54.1** | 80.5 |
| Diluted earnings per share | **53.6** | 79.8 |

Total earnings per share (EPS) is the amount of post-tax earnings attributable to each share for continuing operations.

Total basic EPS is calculated on the profit for the period of $231.3 million (2023: profit of $342.6 million) divided by the weighted average number of shares on issue during the year, excluding treasury shares, being 427,260,625 shares (2023: 425,610,795 shares).

Total diluted EPS takes into account the dilutive effect of all outstanding share rights vesting as ordinary shares. For the year ended 31 December 2024 the weighted average number of issued shares and outstanding share rights was 431,329,631 (2023: 429,364,506).

# RISK

## 20. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Financial risk management is managed by a central treasury department under policies approved by the Board.

### a) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group's income or value of its holdings of financial instruments.

*(i) Foreign exchange risk*

The Group operates internationally and is exposed to foreign exchange risk arising predominantly from the US dollar, which is the currency the Group's sales are generally denominated in.

Foreign exchange risk is managed through entering into forward foreign exchange contracts and collar contracts detailed in note 21.

The treasury function of the Group manages foreign currency risk centrally. The Group hedges foreign exchange exposures for firm commitments relating to a portion of sales, where the hedging instrument must be in the same currency as the hedged item.

The Group's exposure to USD foreign currency risk (by entities which have an Australian dollar functional currency) at the end of the reporting period, expressed in Australian dollars, was as follows:

| | **2024 $m** | 2023 $m |
|---|---|---|
| Cash and cash equivalents | **5.4** | 12.2 |
| Receivables | **259.0** | 251.9 |
| Payables | **(104.0)** | (68.9) |
| Derivative financial instruments | **(28.1)** | 2.6 |
| | **132.3** | 197.8 |

The Group's balance sheet exposure to other foreign currency risk is not significant.

The objective of Iluka's policy on foreign exchange hedging is to protect the Group from adverse currency fluctuations. Derivative financial instruments amounts above reflect those recognised in the financial statements; gross foreign exchange exposure and notional amounts are outlined in note 21.

*(ii) Group sensitivity*

The average US dollar exchange rate during the year was 0.6602 (2023: 0.6647). The US dollar spot rate at 31 December 2024 was 0.6220 (31 December 2023: 0.6827). Based on the Group's net financial assets at 31 December 2024, the following table demonstrates the estimated sensitivity to a -/+ 10% movement in the US dollar spot exchange rate, with all other variables held constant, on the Group's post-tax profit for the year and equity:

| | -10% Strengthen | | +10% Weaken | |
|---|---|---|---|---|
| | Profit (loss) $m | Equity $m | Profit (loss) $m | Equity $m |
| **31 December 2024** | **2.0** | **(45.7)** | **(24.7)** | **29.5** |
| 31 December 2023 | 15.2 | (9.8) | (17.6) | 10.2 |

## 20. FINANCIAL RISK MANAGEMENT (CONTINUED)

### a) Market risk (continued)

*(iii) Interest rate risk*

Interest rate risk arises from the Group's borrowings (to the extent that borrowing costs are not capitalised, as is the case for the EFA facility – refer to note 15) and cash deposits. All borrowing costs subject to interest rate risk were capitalised during the current and prior reporting periods, therefore a change in variable interest rates would not have impacted pre-tax profit in either period.

Interest-bearing liability balances ranged between $145.9 million and $248.8 million during the year (2023: $40.7 million and $145.9 million).

### b) Credit risk

Credit risk arises from cash and cash equivalents and hedging instruments held with financial institutions, as well as credit exposure to customers.

The Group's policy is to ensure that cash deposits are held by financial institutions with a minimum A-/A3 credit rating. Exposure limits are approved by the Board based on credit ratings from external ratings agencies.

Derivative counterparties and cash transactions are limited to high credit quality financial institutions and policies limit the amount of credit exposure to any one financial institution.

The Group manages customer credit risk subject to established policies, procedures and controls. Credit limits are established for all customers. The Group trades primarily with recognised, creditworthy third parties. Customers who wish to trade on credit terms are subject to credit verification procedures, including an assessment of their independent credit rating (if available), financial position, past experience, and industry reputation.

Credit risk management practices include reviews of trade receivables aging by days past due, the timely follow-up of past due amounts, and the use of letters of credit.

The expected credit loss on trade receivables is not material.

### c) Liquidity risk

Liquidity risk is the risk the Group will not be able to meet its financial obligations as they fall due. Liquidity risk management involves maintaining sufficient cash on hand or undrawn credit facilities to meet the operating requirements of the business. This is managed through committed undrawn facilities under the MOFA facility of $751.0 million and EFA facility of $1,401.2 million at balance date (refer note 15(b)), cash and cash equivalents of $136.0 million, and prudent cash flow management.

### d) Maturities of financial liabilities

The tables below analyse the Group's interest-bearing liabilities into maturity groupings based on the remaining period at the reporting date to the contractual maturity date. For the MOFA facility, the contractual maturity dates and contractual cash flows are until the next contractual re-pricing date in 2029. For the EFA facility, the contractual maturity dates and contractual cash flows are until the facility expires in 2038. The amounts disclosed in the table are the contractual undiscounted cash flows based on expected repayment timeframes at the reporting date. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. All other non-derivative financial liabilities are due within 12 months. Derivative cash flows include the net amounts expected to be received for foreign exchange collar contracts.

## 20. FINANCIAL RISK MANAGEMENT (CONTINUED)

### d) Maturities of financial liabilities (continued)

| | Weighted average rate | < 1 year | 1 < 2 years | 2 < 5 years | > 5 years | Total contractual cash flows | Carrying amount in liabilities |
|---|---|---|---|---|---|---|---|
| | % | $m | $m | $m | $m | $m | $m |
| **At 31 December 2024** | | | | | | | |
| **Non-derivatives** | | | | | | | |
| Payables | | **198.4** | **-** | **-** | **-** | **198.4** | **198.4** |
| Lease liabilities | **4.6** | **11.7** | **9.5** | **10.2** | **16.1** | **47.5** | **40.7** |
| Interest-bearing variable rate - non-recourse debt | **7.5** | **-** | **-** | **298.3** | **-** | **298.3** | **248.8** |
| Interest-bearing variable rate - recourse debt | **5.9** | | **-** | **-** | **10.0** | **10.0** | **10.0** |
| Total non-derivatives | | **210.1** | **9.5** | **308.5** | **26.1** | **554.2** | **497.9** |
| **Derivatives** | | | | | | | |
| Foreign exchange collar contracts | | **13.7** | **14.4** | **-** | **-** | **28.1** | **28.1** |
| **At 31 December 2023[1]** | | | | | | | |
| **Non-derivatives** | | | | | | | |
| Payables | | 177.0 | - | - | - | 177.0 | 177.0 |
| Lease liabilities | 4.8 | 7.6 | 6.6 | 11.8 | 8.6 | 34.6 | 24.2 |
| Interest-bearing variable rate - non-recourse debt | 7.2 | - | - | 173.7 | - | 173.7 | 145.9 |
| Total non-derivatives | | 184.6 | 6.6 | 185.5 | 8.6 | 385.3 | 347.1 |
| **Derivatives** | | | | | | | |
| Foreign exchange collar contracts | | - | - | - | - | - | - |

[1] Restated

Non-recourse and recourse debt comprises the EFA and MOFA facilities, respectively. Maturities are reflected above taking into account the Group's expectations on repayment timing. Repayment terms are outlined in note 15(b). Contractual cashflows in the comparative period have been restated to align with the basis applied in the current reporting period.

Refer to note 21 for detail on derivative instruments.

## 21. HEDGING

| | **2024 $m** | 2023 $m |
|---|---|---|
| *Assets* | | |
| Foreign exchange collar hedges - current | **-** | 2.6 |
| | | |
| *Liabilities* | | |
| Foreign exchange collar hedges - current | **13.7** | - |
| Foreign exchange collar hedges - non current | **14.4** | - |
| **Total liabilities** | **28.1** | - |

The Group is exposed to risk from movements in foreign exchange in relation to its forecast US dollar denominated sales and as part of the risk management strategy has entered into foreign exchange collar contracts.

### a) Recognition

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged and the type of hedge relationship designated.

### b) Fair value of derivatives

The fair value of hedging instruments is determined using valuation techniques with inputs that are observable market data (a level 2 measurement). The valuation of the options making up the collars is determined using forward foreign exchange rates, volatilities and interest rates at the balance date. The only unobservable input used in the calculations is the credit default rate, movements in which would not have a material effect on the valuation.

## 21. HEDGING (CONTINUED)

### c) Hedge accounting

At the start of a hedge relationship, the Group formally designates and documents the hedge relationship, including the risk management strategy for undertaking the hedge. This includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness. Hedge accounting is only applied where effective tests are met on a prospective basis.

Iluka will discontinue hedge accounting prospectively only when the hedging relationship, or part of the hedging relationship, no longer qualifies for hedge accounting. This includes where there has been a change to the risk management objective and strategy for undertaking the hedge and instances when the hedging instrument expires or is sold, terminated or exercised. The replacement or rollover of a hedging instrument into another hedging instrument is not treated as an expiration or termination if such a replacement or rollover is consistent with our documented risk management objective.

The foreign exchange collars Iluka holds are classified as cash flow hedges. Hedges are classified as cash flow hedges when they hedge a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions.

**Cash flow hedges**

For cash flow hedges, the portion of the gain or loss on the hedging instrument that is effective is recognised directly in equity, while the ineffective portion is recognised in profit or loss. The ineffective portion was immaterial in the current and prior periods. The maturity profile of these hedges is shown in note 20(d). The recognition of the future gain or loss is expected to be consistent with this timing.

Foreign exchange collar contracts in relation to expected USD revenue, predominantly from contracted sales to 31 December 2026, remain open at the reporting date. The foreign exchange collar hedges cover US$455.0 million of expected USD revenue to 31 December 2026 and comprise US$455.0 million worth of purchased AUD call options with a weighted average strike price of 68.6 cents and US$455.0 million of AUD put options with a weighted average strike price of 63.4 cents.

The Group entered into US$496.3 million in foreign exchange collars consisting of US$496.3 million of bought AUD call options with weighted average strike prices of 68.6 cents and US$496.3 million of sold AUD put options with weighted average strike prices of 63.4 cents.

US$199.2 million in foreign exchange collar contracts consisting of US$199.2 million of bought AUD call options with weighted average strike prices of 69.8 cents and US$199.2 million of sold AUD put options with weighted average strike prices of 63.6 cents matured during the year.

Amounts recognised in equity are transferred to the income statement when the hedged sale occurs or when the hedging instrument is exercised.

If the forecast transaction is no longer expected to occur, amounts previously recognised in equity are transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or roll over, or if its designation as a hedge is revoked, amounts previously recognised in equity remain in equity until the forecast transaction occurs.

# GROUP STRUCTURE

## 22. CONTROLLED ENTITIES AND DEED OF CROSS GUARANTEE

### a) Subsidiaries

The consolidated financial statements incorporate the following subsidiaries

| | Note | Place of business/ country of incorporation | Ownership interest held by the group | |
|---|---|---|---|---|
| | | | **2024** | 2023 |
| | | | **%** | % |
| **Iluka Resources Limited (Parent Company)** | **(i)** | **Australia** | | |
| Ashton Coal Interests Pty Limited | | Australia | **96** | 96 |
| Associated Minerals Consolidated Ltd | (i) | Australia | **100** | 100 |
| Basin Minerals Holdings Pty Ltd | (i) | Australia | **100** | 100 |
| Basin Minerals Limited | (i) | Australia | **100** | 100 |
| Basin Properties Pty Ltd | (i) | Australia | **100** | 100 |
| Glendell Coal Ltd | (i) | Australia | **100** | 100 |
| Gold Fields Asia Ltd | (i) | Australia | **100** | 100 |
| Ilmenite Proprietary Limited | (i) | Australia | **100** | 100 |
| Iluka (Eucla Basin) Pty Ltd | (i) | Australia | **100** | 100 |
| Iluka Consolidated Pty Limited | (i) | Australia | **100** | 100 |
| Iluka Corporation Limited | (i) | Australia | **100** | 100 |
| Iluka Eneabba Pty Ltd | | Australia | **100** | 100 |
| Iluka Exploration Pty Limited | (i) | Australia | **100** | 100 |
| Iluka Finance Limited | (i) | Australia | **100** | 100 |
| Iluka International (China) Pty Ltd | (i) | Australia | **100** | 100 |
| Iluka International (ERO) Pty Ltd | (i) | Australia | **100** | 100 |
| Iluka International (Lanka) Pty Ltd | (i) | Australia | **100** | 100 |
| Iluka International (MRO) Pty Ltd | (i) | Australia | **100** | 100 |
| Iluka International (Netherlands) Pty Ltd | (i) | Australia | **100** | 100 |
| Iluka International Limited | (i) | Australia | **100** | 100 |
| Iluka International Trading Pty Ltd | (i),(ii) | Australia | **100** | 100 |
| Iluka Midwest Limited | (i) | Australia | **100** | 100 |
| Iluka Rare Earths Pty Ltd | | Australia | **100** | 100 |
| Iluka RE Investments Pty Ltd | | Australia | **100** | 100 |
| Iluka Royalties (Australia) Pty Ltd | (i) | Australia | **100** | 100 |
| Iluka Share Plan Holdings Pty Ltd | (i) | Australia | **100** | 100 |
| Iluka WA Investments Pty Ltd | (i) | Australia | **100** | 100 |
| Lion Properties Pty Limited | (i) | Australia | **100** | 100 |
| NGG Holdings Ltd | (i) | Australia | **100** | 100 |
| PURE Exploration Pty Ltd | (i) | Australia | **100** | 100 |
| Renison Limited | (i) | Australia | **100** | 100 |
| Southwest Properties Pty Ltd | (i) | Australia | **100** | 100 |
| Swansands Pty Ltd | (i) | Australia | **100** | 100 |
| The Mount Lyell Mining and Railway Company Limited | (i) | Australia | **100** | 100 |
| The Nardell Colliery Pty Ltd | (i) | Australia | **100** | 100 |
| Western Mineral Sands Proprietary Limited | (i) | Australia | **100** | 100 |
| Western Titanium Limited | (i) | Australia | **100** | 100 |
| Westlime (WA) Limited | (i) | Australia | **100** | 100 |
| Yoganup Pty Ltd | (i) | Australia | **100** | 100 |
| Iluka Exploration (Canada) Limited | | Canada | **100** | 100 |

## 22. CONTROLLED ENTITIES AND DEED OF CROSS GUARANTEE (CONTINUED)

### a) Subsidiaries (continued)

| | Note | Place of business/ country of incorporation | Ownership interest held by the group | |
|---|---|---|---|---|
| | | | **2024** % | 2023 % |
| Iluka Trading (Shanghai) Co., Ltd | | China | **100** | 100 |
| Iluka International (Eurasia) Pte. Ltd | | Singapore | **100** | 100 |
| Neurika Innovations SLU | | Spain | **100** | 100 |
| Iluka Lanka P.Q. (Private) Limited | | Sri Lanka | **100** | 100 |
| Iluka Lanka Resources (Private) Limited | | Sri Lanka | **100** | 100 |
| ERO (Tanzania) Limited | (iii) | Tanzania | **-** | 100 |
| Iluka International Coöperatief U.A. | | The Netherlands | **100** | 100 |
| Iluka Investments 1 B.V. | | The Netherlands | **100** | 100 |
| Iluka (UK) Ltd | | United Kingdom | **100** | 100 |
| Iluka Technology (UK) Ltd | | United Kingdom | **100** | 100 |
| Associated Minerals Consolidated Investments | | USA | **100** | 100 |
| Iluka (USA) Investments Inc. | | USA | **100** | 100 |
| Iluka Atlantic LLC | | USA | **100** | 100 |
| Iluka Resources (TN) LLC | | USA | **100** | 100 |
| Iluka Resources Inc. | | USA | **100** | 100 |
| IR RE Holdings LLC | | USA | **100** | 100 |
| PURE Exploration (USA) LLC | (iv) | USA | **100** | - |

*(i) Deed of cross guarantee*

These companies are parties to a Deed of Cross Guarantee (the Deed) under which each company guarantees the debts of the others. By entering into the Deed, the wholly-owned entities represent a closed group and have been relieved from the requirements to prepare a Financial Report and Directors' Report under ASIC Corporations (Wholly-owned Companies) Instrument 2016/785. The closed group is also the extended closed group.

*(ii) Formerly Iluka International (Brazil) Pty Ltd*

*(iii) De-registered on 9 January 2024*

*(iv) Incorporated on 28 October 2024*

## 22. CONTROLLED ENTITIES AND DEED OF CROSS GUARANTEE (CONTINUED)

### b) Condensed financial statements of the extended closed group

| **Condensed statement of profit or loss and other comprehensive income** | **2024 $m** | 2023 $m |
|---|---|---|
| Revenue from ordinary activities | **1,170.3** | 1,238.3 |
| Other income | **33.5** | 22.7 |
| Expenses from ordinary activities | **(814.6)** | (789.8) |
| Finance costs | **(40.2)** | (36.6) |
| Equity accounted share of profit - Deterra | **21.9** | 27.3 |
| Income tax expense | **(95.8)** | (128.9) |
| **Profit for the period** | **275.1** | 333.0 |
| *Other comprehensive income* | | |
| Changes in the fair value of cash flow hedges | **(21.5)** | (4.9) |
| Share of other comprehensive income - Deterra | **6.4** | - |
| **Total comprehensive income for the period** | **260.0** | 328.1 |

| **Summary of movements in consolidated retained earnings** | | |
|---|---|---|
| Retained earnings at the beginning of the year | **1,044.5** | 809.4 |
| Net profit after tax for the year | **275.1** | 332.9 |
| Reserves | **(15.1)** | - |
| Dividends provided for or paid | **(33.6)** | (97.8) |
| Retained earnings at the end of the year | **1,270.9** | 1,044.5 |

| **Condensed balance sheet** | | |
|---|---|---|
| *Current assets* | | |
| Cash and cash equivalents | **88.8** | 286.5 |
| Receivables | **295.1** | 280.8 |
| Inventories | **839.4** | 662.7 |
| Derivative financial instruments | **-** | 2.6 |
| **Total current assets** | **1,223.3** | 1,232.6 |
| *Non-current assets* | | |
| Property, plant and equipment | **1,225.1** | 1,086.8 |
| Deferred tax assets | **103.6** | 62.2 |
| Inventories | **205.0** | 142.0 |
| Other financial assets - investments in non-closed group entities | **269.5** | 152.4 |
| Investments accounted for using the equity method | **443.6** | 446.3 |
| Financial assets at fair value through profit or loss | **10.5** | 15.0 |
| Right-of-use assets | **35.1** | 18.4 |
| **Total non-current assets** | **2,292.4** | 1,923.1 |
| **Total assets** | **3,515.7** | 3,155.7 |

## 22. CONTROLLED ENTITIES AND DEED OF CROSS GUARANTEE (CONTINUED)

### b) Condensed financial statements of the extended closed group (continued)

| | 2024 $m | 2023 $m |
|---|---|---|
| **Condensed balance sheet** | | |
| *Current liabilities* | | |
| Payables | **180.1** | 146.7 |
| Derivative financial instruments | **13.7** | - |
| Current tax payable | **43.3** | 39.6 |
| Provisions | **53.6** | 51.0 |
| Lease liabilities | **12.6** | 8.4 |
| **Total current liabilities** | **303.3** | 245.7 |
| *Non-current liabilities* | | |
| Provisions | **735.5** | 685.7 |
| Lease liabilities | **27.3** | 15.8 |
| Derivative financial instruments - non current | **14.4** | - |
| **Total non-current liabilities** | **777.2** | 701.5 |
| **Total liabilities** | **1,080.5** | 947.2 |
| **Net assets** | **2,435.2** | 2,208.5 |
| *Equity* | | |
| Contributed equity | **1,158.5** | 1,143.1 |
| Reserves | **5.8** | 20.9 |
| Retained earnings | **1,270.9** | 1,044.5 |
| **Total equity** | **2,435.2** | 2,208.5 |

## 23. EQUITY ACCOUNTED ASSOCIATE – DETERRA ROYALTIES LIMITED (DETERRA)

Deterra was formed on 2 November 2020 when it was demerged from the Group. Deterra is the largest resource-focused royalty company listed on the ASX. Since demerger, the Group has held a 20% equity ownership interest in Deterra. The Group accounts for its investment in Deterra as an equity accounted associate.

### a) Investment carrying amount

Movements in the carrying value of the Group's investment in Deterra are as follows:

| | **2024 $'m** | 2023 $'m |
|---|---|---|
| Balance at the beginning of the year | **446.3** | 449.5 |
| Gross equity accounted profit | **28.1** | 33.7 |
| Depreciation | **(6.4)** | (6.4) |
| Equity accounted other comprehensive income | **6.4** | - |
| Dividends received | **(30.8)** | (30.5) |
| **Balance at the end of the year** | **443.6** | 446.3 |

The Group recognises its share of the profits of Deterra, being 20% of its net profit after tax, as income in each reporting period. The Group adjusts its share of the profit of Deterra by depreciating the value attributed to the Mining Area C (MAC) Royalty right (materially all of its initial value) over a period of 50 years on a straight-line basis, which aligns with the estimated life of mine of the mining operations in the MAC Royalty area. At the reporting date, the expected remaining life of mine was 46 years.

The Group initially recognised its investment at its cost to the Group, which was equal to the carrying value of the net assets of Deterra immediately prior to demerger in 2020. The retained interest was immediately remeasured to its fair value on the demerger date. This fair value was allocated to the assets acquired on a notional basis, with the value uplift attributed to MAC Royalty rights held by Deterra.

### b) Summarised financial information of Deterra (as at 31 December)

The following is a summary of the financial information presented in the financial statements of Deterra, amended to include adjustments made by the Group in applying the equity method:

## 23. EQUITY ACCOUNTED ASSOCIATE – DETERRA ROYALTIES LIMITED (DETERRA) (CONTINUED)

### b) Summarised financial information of Deterra (continued)

| | 2024 $'m | 2023 $'m |
|---|---|---|
| *Current assets* | | |
| Cash and cash equivalents | **5.5** | 24.9 |
| Trade and other receivables | **63.9** | 62.9 |
| Income tax receivable | **3.2** | 1.8 |
| Prepayments | **1.8** | 1.7 |
| **Total current assets** | **74.4** | 91.3 |
| *Non-current assets* | | |
| Royalty and other intangible assets | **323.8** | 8.1 |
| Offtake financial assets | **96.7** | - |
| Property, plant and equipment | **0.1** | 0.2 |
| Prepayments | **0.5** | 0.6 |
| Right-of-use assets | **0.4** | 0.5 |
| **Total non-current assets** | **421.5** | 9.4 |
| *Current liabilities* | | |
| Trade and other payables | **5.2** | 0.3 |
| Provisions | **0.2** | 0.2 |
| Lease liability | **0.1** | 0.1 |
| **Total current liabilities** | **5.5** | 0.6 |
| *Non-current liabilities* | | |
| Lease liability | **0.3** | 0.5 |
| Borrowings | **314.0** | - |
| Contingent consideration | **1.7** | - |
| Deferred tax | **72.8** | 17.3 |
| **Total non-current liabilities** | **388.8** | 17.8 |
| **Net assets** | **101.6** | 82.3 |

| The Group's share of Deterra's net assets is reconciled to its carrying value as follows: | 2024 $'m | 2023 $'m |
|---|---|---|
| Opening net assets | **82.3** | 65.9 |
| Profit for the period | **140.5** | 167.5 |
| Other comprehensive income and reserve movements for the period | **33.1** | 1.4 |
| Dividends | **(154.3)** | (152.5) |
| **Closing net assets** | **101.6** | 82.3 |
| Group's share percentage | **20%** | 20% |
| Group's share of net assets | **20.3** | 16.5 |
| Iluka's gain on demerger, net of accumulated depreciation | **423.3** | 429.8 |
| **Carrying value of investment in Deterra** | **443.6** | 446.3 |

Deterra is a listed ASX royalty company. The market value of Iluka's interest at 31 December 2024 was $393.4 million (2023: $557.0 million).

# OTHER NOTES

## 24. CONTINGENT LIABILITIES

### a) Bank guarantees

The Group has a number of bank guarantees in favour of various government authorities and service providers to meet its obligations under exploration and mining tenements. At 31 December 2024, the total value of performance commitments and guarantees was $156.3 million (2023: $157.6 million).

### b) Native title

There is some risk that native title, as established by the High Court of Australia's decision in the Mabo case, exists over some of the land over which the Group holds tenements or over land required for access purposes. It is impossible at this stage to quantify the impact, if any, which these developments may have on the operations of the Group.

### c) Other claims

In the course of its normal business, the Group occasionally receives claims arising from its operating or historic activities. In the opinion of the directors, all such matters are covered by insurance or, if not covered, are without merit or are of such a kind or involve such amounts that would not have a material adverse effect on the operating results or financial position of the Group if settled unfavourably.

## 25. COMMITMENTS

### a) Exploration and mining lease commitments

| | **2024** | 2023 |
|---|---|---|
| *Commitments in relation to leases contracted for at reporting date but not recognised as liabilities payable:* | $m | $m |
| Within one year | **13.5** | 19.9 |
| Later than one year but not later than five years | **83.2** | 63.8 |
| Later than five years | **70.1** | 40.5 |
| | **166.8** | 124.2 |

These costs are discretionary. If the expenditure commitments are not met then the associated exploration and mining leases may be relinquished.

### b) Capital commitments

Capital expenditure contracted for and payable, but not recognised as liabilities is $494.6 million (2023: $247.0 million). All of the commitments relate to the purchase of property, plant and equipment of which $416.8 million is payable within one year and $77.8 million is payable between one to five years of the reporting date.

## 26. REMUNERATION OF AUDITORS

The Group appointed KPMG Australia (KPMG) as external auditor with effect from 1 January 2024, replacing the former external auditor PricewaterhouseCoopers Australia (PwC).

During the current reporting period, the following fees were paid or payable for services provided by KPMG Australia Pty Limited, as the auditor of the parent entity, Iluka Resources Limited, by KPMG's related network firms, and by non-related audit firms.

For the comparative period, the fees were paid or payable for services provided by PwC, the auditor in place during 2023, by PwC's related network firms, and by non-related audit firms.

### a) Auditors of the Group – KPMG and related network firms[1]

| | **2024 $'000** | 2023[1] $'000 |
|---|---|---|
| *Audit and review of financial reports* | | |
| Group | **525** | 680 |
| Controlled entities | **50** | 42 |
| | **575** | 722 |
| *Other assurance services* | | |
| Other assurance services | **28** | 25 |
| | **28** | 25 |
| *Other services* | | |
| Tax compliance and advisory services | **23** | 47 |
| Other advisory services | **77** | 167 |
| | **100** | 214 |
| **Total services provided by the external auditor of the Group** | **703** | 961 |

### b) Other auditors and their related network firms

| | | |
|---|---|---|
| Audit and review of financial statements | **36** | 318 |
| Other compliance and advisory services | **-** | 12 |
| | **36** | 330 |

[1]Amounts in the comparative column were paid or payable to the former external auditor, PwC.

## 27. SHARE-BASED PAYMENTS

Share-based compensation benefits are provided to employees via the Equity Incentive Plan (specifically, the Executive Incentive Plan, Long Term Incentive Plan and Short Term Incentive Plan).

The fair value of shares granted is determined based on market prices at grant date, taking into account the terms and conditions upon which those shares were granted. The fair value is recognised as an expense through profit or loss on a straight-line basis over the vesting period for each respective plan.

The fair value of share rights is determined using a Monte Carlo simulation that takes into account the exercise price, the term of the share right, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate of the term of the share right. The fair value of the Long Term Incentive Plan (LTIP - TSR tranche) and Executive Incentive Plan also take into account the Company's predicted share prices against the comparator group performance at vesting date.

A credit to the share-based payments expense arises where unvested entitlements lapse on resignation or the non-fulfilment of the vesting conditions that do not relate to market performance. Payroll tax payable on the grant of restricted shares or share rights is recognised as a component of the share-based payments expense when paid.

The share-based payment expense recognised in profit or loss of $15.3 million (2023: $16.8 million) results from several schemes summarised below

| Schemes | Grant date | Vesting date | Fair value | **Shares / rights at** | **Expense 2024** | Shares / rights at | Expense 2023 |
|---|---|---|---|---|---|---|---|
| | | | $ | **31 Dec 2024** | **$m** | 31 Dec 2023 | $m |
| **STIP (i)** | | | | | | | |
| 2024 | Mar-25 | Mar-26/27 | 5.05 | **-** | **1.8** | - | - |
| 2023 | Mar-24 | Mar-25/26 | 6.6 | **-** | **1.5** | - | 0.4 |
| 2022 | Mar-23 | Mar-24/25 | 9.53 | **-** | **0.7** | - | 1.8 |
| 2021 | Mar-22 | Mar-23/24 | 10.1 | **-** | **0.1** | - | 0.6 |
| **EIP (ii)** | Mar-20/21/22/23/24 | Mar-24/25/26/27 | 6.62 | **3,079,350** | **5.6** | 1,555,528 | 7.0 |
| **Restricted Share Plan (iii)** | | | | | **5.6** | | 7.0 |
| | | | | | **15.3** | | 16.8 |

*(i) Short Term Incentive Plan (STIP)*

The fair value of the STIP is determined as the volume weighted average price of ordinary shares over the five trading days following the release of the Company’s annual results.

*(ii) Executive Long Term Incentive Plan (LTIP)*

Equity awarded under the Executive Incentive Plan is vested on 1 March each year. The number of restricted shares and performance rights to be awarded is determined based on a volume weighted average market price of Iluka shares for the five days following the release of the full year results.

The fair value at grant date for the Executive Incentive Plan (EIP) with market vesting conditions takes into account the exercise price of $nil (2023: $nil), the share price at grant date of $7.15 for KMP other than T O’Leary and $7.99 for T O’Leary (2023: $11.30), the expected share price volatility (based on historical volatility) of 35% (2023: 40%), the expected dividend yield of 2.5% (2023: 0%), the risk free rate of return of 3.87% for KMP other than T O’Leary and 3.91% for T O’Leary (2023: 3.16%), and vesting dates for a period of three years commencing one year after the grant date. The fair value of the TSR tranche also takes into account the Company’s predicted share prices against the comparator group performance at vesting date. The fair value at grant date for the Executive Incentive Plan (EIP) with non-market vesting conditions is calculated as volume weighted average market price of Iluka shares for the five days following the end of performance year.

*(iii) Restricted share plan*

No restricted shares were issued to eligible employees (2023: no restricted shares issued to eligible employees) who participated in the plan.

## 28. POST-EMPLOYMENT BENEFIT OBLIGATIONS

### a) Superannuation plans

All employees of the United States (US) operations are entitled to benefits from the US operations' pension plans on retirement, disability or death. The US operations have one defined benefit plan and one defined contribution plan.

The defined contribution plan receives an employee's elected contribution and an employer's match-up to a fixed percentage. Iluka's legal or constructive obligation is limited to these contributions.

The defined benefit plan provides a monthly benefit based on average salary and years of service. The Group is in the process of settling the defined benefit superannuation plan. Immediately prior to settlement, Iluka will remeasure plan assets to their fair values and plan liabilities to their updated carrying values (using applicable actuarial techniques) and any surplus or deficit that arises will be recognised as an employee cost in profit or loss.

### b) Financial position

At the reporting date, the deficit between the fair value of plan assets and the carrying value of liabilities is $8.3 million (2023: deficit of $7.7 million), determined with reference to information supplied from the plans' actuarial advisors, and is included in non-current provisions in note 8.

The table below provides a summary of the net financial position at 31 December for the past five years:

| | **2024 $m** | 2023 $m | 2022 $m | 2021 $m | 2020 $m |
|---|---|---|---|---|---|
| Defined benefit plan obligation | **(31.2)** | (29.8) | (33.8) | (57.5) | (51.8) |
| Plan assets | **22.9** | 22.1 | 26.2 | 30.9 | 25.0 |
| Deficit | **(8.3)** | (7.7) | (7.6) | (26.6) | (26.8) |

### c) Defined benefits superannuation expense

In 2024, $0.6 million (2023: $0.9 million) was recognised in expenses for the year in respect of the defined benefit plans.

Other disclosures in respect of retirement benefit obligations required by AASB 119 are not included in the financial report as the directors do not consider them to be material to an understanding of the financial position and performance of the Group.

## 29. RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

| | Notes | **2024 $m** | 2023 $m |
|---|---|---|---|
| Profit for the year | | **231.3** | 342.6 |
| Depreciation and amortisation | 9 | **185.8** | 161.2 |
| Amortisation of right-of-use assets | 10 | **6.9** | 6.7 |
| Loss on disposal of property, plant and equipment | 6 | **0.2** | 3.0 |
| Gain on disposal of property, plant and equipment - US | 5 | **-** | (26.9) |
| Net exchange differences and other | | **(5.8)** | (4.6) |
| Rehabilitation and mine closure provision discount unwind | 8 | **32.7** | 31.4 |
| Non-cash share-based payments expense | 27 | **15.3** | 16.8 |
| Equity accounted share of profit | 23 | **(28.1)** | (27.3) |
| Inventory NRV write-down | 14 | **-** | 0.5 |
| Changes in rehabilitation provisions for closed sites | 8 | **(5.2)** | (4.3) |
| Borrowing costs on leases | 10 | **0.8** | 0.8 |
| *Change in operating assets and liabilities* | | | |
| (Increase)/decrease in receivables | | **(22.8)** | (8.0) |
| (Increase) in inventories | | **(239.7)** | (243.1) |
| (Decrease)/increase in net current tax liability | | **(20.1)** | (27.1) |
| (Increase) in net deferred tax | | **(32.1)** | (67.3) |
| Increase/(decrease) in payables | | **(40.4)** | 30.9 |
| (Decrease) in provisions | | **44.5** | (95.7) |
| **Net cash inflow from operating activities** | | **123.3** | 89.6 |

## 30. KEY MANAGEMENT PERSONNEL

### a) Key Management Personnel

Key Management Personnel of the Group comprise directors of Iluka Resources Limited as well as other specific employees of the Group who met the following criteria: "personnel who have authority and responsibility for planning, directing and controlling the activities of the Group, either directly or indirectly."

*(i) Key Management Personnel compensation*

The below provides a summary of the remuneration received by Key Management Personnel:

| | **2024 $000** | 2023 $000 |
|---|---|---|
| Short-term benefits | **5,553** | 5,980 |
| Post-employment benefits | **115** | 105 |
| Share-based payments | **3,979** | 3,641 |
| Total | **9,647** | 9,726 |

### b) Transactions with Key Management Personnel

There were no transactions between the Group and Key Management Personnel that were outside of the nature described below:

*(i)* Occurrence was within a normal employee, customer or supplier relationship on terms and conditions no more favourable than those it is reasonable to expect the Group would have adopted if dealing at arm's length with an unrelated individual;

*(ii)* information about these transactions does not have the potential to adversely affect the decisions about the allocation of scarce resources made by users of the financial report, or the discharge of accountability by the Key Management Personnel; and

*(iii)* the transactions are trivial or domestic in nature.

## 31. PARENT ENTITY FINANCIAL INFORMATION

### a) Summary financial information for Iluka Resources Limited

| | **2024 $m** | 2023 $m |
|---|---|---|
| **Balance sheet** | | |
| Current assets | **493.2** | 664.2 |
| Non-current assets | **1,910.6** | 1,745.2 |
| Total assets | **2,403.8** | 2,409.4 |
| | | |
| Current liabilities | **305.6** | 442.5 |
| Non-current liabilities | **1,064.4** | 980.6 |
| Total liabilities | **1,370.0** | 1,423.1 |
| | | |
| Net assets | **1,033.8** | 986.3 |
| **Shareholders' equity** | | |
| Contributed equity | **1,159.8** | 1,143.9 |
| Other reserves | **2.7** | 23.5 |
| Profit reserve[1] | **534.7** | 482.3 |
| Accumulated loss | **(663.4)** | (663.4) |
| | **1,033.8** | 986.3 |
| Profit/(loss) for the year | **86.5** | 149.7 |
| | | |
| *Other comprehensive income* | | |
| Changes in the fair value of cash flow hedges, net of tax | **(21.5)** | 5.0 |
| Share of profit of associate's other comprehensive income | **6.4** | - |
| Total comprehensive income | **71.4** | 154.7 |

[1]Profits have been appropriated to a profits reserve for future dividend payments.

### b) Contingent liabilities of the parent entity

The parent had contingent liabilities for performance commitments and guarantees of $4.4 million as at 31 December 2024 (2023: $15.6 million).

### c) Contractual commitments for the acquisition of property, plant or equipment

As at 31 December 2024, the parent entity had contractual commitments for the acquisition of property, plant or equipment totalling $7.6 million (2023: $33.7 million).

### d) Parent entity financial information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except as set out below.

*(i) Investments in subsidiaries*

Investments in subsidiaries are accounted for at cost.

*(ii) Tax consolidation legislation*

Iluka Resources Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation as of 1 January 2004. On adoption of the tax consolidation legislation, the entities in the tax consolidation group entered into a tax sharing agreement which limits the joint and several liability of the wholly-owned entities in the case of a default by the head entity, Iluka Resources Limited.

## 32. RELATED PARTY TRANSACTIONS

The only related party transactions are with Key Management Personnel (refer note 30). Details of material controlled entities are set out in note 22, and details of the Group's equity accounted associate are set out in note 23. The ultimate Australian controlling entity and the ultimate parent entity is Iluka Resources Limited.

## 33. NEW AND AMENDED STANDARDS

### New standards and amendments adopted

There are no new or amended accounting standards that required the Group to change its accounting policies in the current reporting period.

### Forthcoming standards and amendments not yet adopted - AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 was issued in June 2024 and replaces AASB 101 Presentation of Financial Statements. The new standard introduces new requirements for the Statement of Profit or Loss, including:

*(i)* new categories for the classification of income and expenses into operating, investing and financing categories, and

*(ii)* presentation of subtotals for “operating profit” and “profit before financing and income taxes”.

Additional disclosure requirements are introduced for management-defined performance measures and new principles for aggregation and disaggregation of information in the notes and the primary financial statements and the presentation of interest and dividends in the statement of cash flows. The new standard is effective for annual periods beginning on or after 1 January 2027 and will first apply to the Group for the financial year ending 31 December 2027.

This new standard is not expected to have an impact on the recognition and measurement of assets, liabilities, income and expenses, however there will likely be changes in how the Statement of Profit or Loss and Statement of Financial Position line items are presented as well as some additional disclosures in the notes to the financial statements. The Group is in the process of assessing the impact of the new standard.

# CONSOLIDATED ENTITY DISCLOSURE STATEMENT

As at 31 December 2024

## BASIS OF PREPARATION

The consolidated entity disclosure statement has been prepared in accordance with subsection 295(A) of the Corporations Act 2001. The entities listed in the statement are Iluka Resources Ltd and all its controlled entities in accordance with AASB 10 Consolidated Financial Statements.

| Name of entity | Type of entity | Place of incorporation or formation[1] | % of issued capital held[2] | Australian resident?[3] | Place of foreign residence (if applicable)[4] |
|---|---|---|---|---|---|
| Ashton Coal Interests Pty Limited | Body corporate | Australia | 96% | Yes | N/A |
| Associated Minerals Consolidated Investments | Trust | N/A | N/A | No | USA |
| Associated Minerals Consolidated Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Basin Minerals Holdings Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Basin Minerals Limited | Body corporate | Australia | 100% | Yes | N/A |
| Basin Properties Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Glendell Coal Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Gold Fields Asia Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Ilmenite Proprietary Limited | Body corporate | Australia | 100% | Yes | N/A |
| Iluka (Eucla Basin) Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Iluka (UK) Ltd | Body corporate | United Kingdom | 100% | No | United Kingdom |
| Iluka (USA) Investments Inc. | Body corporate | USA | 100% | No | USA |
| Iluka Atlantic LLC | Body corporate | USA | 100% | No | USA |
| Iluka Consolidated Pty Limited | Body corporate | Australia | 100% | Yes | N/A |
| Iluka Corporation Limited | Body corporate | Australia | 100% | Yes | N/A |
| Iluka Eneabba Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Iluka Exploration (Canada) Limited[5] | Body corporate | Canada | 100% | Yes | N/A |
| Iluka Exploration Pty Limited | Body corporate | Australia | 100% | Yes | N/A |
| Iluka Finance Limited | Body corporate | Australia | 100% | Yes | N/A |
| Iluka International (China) Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Iluka International (ERO) Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Iluka International (Eurasia) Pte. Ltd | Body corporate | Singapore | 100% | No | Singapore |
| Iluka International (Lanka) Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Iluka International (MRO) Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Iluka International (Netherlands) Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Iluka International Trading Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Iluka International Coöperatief U.A. | Body corporate | The Netherlands | 100% | No | The Netherlands |
| Iluka International Limited | Body corporate | Australia | 100% | Yes | N/A |
| Iluka Investments 1 B.V. | Body corporate | The Netherlands | 100% | No | The Netherlands |
| Iluka Lanka P.Q. (Private) Limited | Body corporate | Sri Lanka | 100% | No | Sri Lanka |
| Iluka Lanka Resources (Private) Limited | Body corporate | Sri Lanka | 100% | No | Sri Lanka |
| Iluka Midwest Limited | Body corporate | Australia | 100% | Yes | N/A |
| Iluka Rare Earths Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Iluka RE Investments Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Iluka Resources (TN) LLC | Body corporate | USA | 100% | No | USA |
| Iluka Resources Inc. | Body corporate | USA | 100% | No | USA |
| Iluka Resources Limited | Body corporate | Australia | N/A | Yes | N/A |
| Iluka Royalties (Australia) Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Iluka Share Plan Holdings Pty Ltd[6] | Body corporate | Australia | 100% | Yes | N/A |
| Iluka Technology (UK) Ltd | Body corporate | United Kingdom | 100% | No | United Kingdom |
| Iluka Trading (Shanghai) Co., Ltd | Body corporate | China | 100% | No | China |
| Iluka WA Investments Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |

# CONSOLIDATED ENTITY DISCLOSURE STATEMENT

As at 31 December 2024

| Name of entity | Type of entity | Place of incorporation or formation[1] | % of issued capital held[2] | Australian resident?[3] | Place of foreign residence (if applicable)[4] |
|---|---|---|---|---|---|
| IR RE Holdings LLC | Body corporate | USA | 100% | No | USA |
| Lion Properties Pty Limited | Body corporate | Australia | 100% | Yes | N/A |
| Neurika Innovations SLU | Body corporate | Spain | 100% | No | Spain |
| NGG Holdings Ltd | Body corporate | Australia | 100% | Yes | N/A |
| PURE Exploration Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| PURE Exploration (USA) LLC | Body corporate | USA | 100% | No | USA |
| Renison Limited | Body corporate | Australia | 100% | Yes | N/A |
| Southwest Properties Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Swansands Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| The Iluka Resources Limited Executive & Employee Share Acquisition Plan | Trust | N/A | N/A | Yes | N/A |
| The Mount Lyell Mining and Railway Company Limited | Body corporate | Australia | 100% | Yes | N/A |
| The Nardell Colliery Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Western Mineral Sands Proprietary Limited | Body corporate | Australia | 100% | Yes | N/A |
| Western Titanium Limited | Body corporate | Australia | 100% | Yes | N/A |
| Westlime (WA) Limited | Body corporate | Australia | 100% | Yes | N/A |
| Yoganup Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |

[1] This item discloses the place at which the entity was incorporated or formed. It is only required for those entities that are body corporates, and accordingly, no disclosures have been made for entities that are disclosed as a trust or partnership.

[2] If the entity is disclosed as a body corporate, this item states the percentage of the entity's issued share capital that was held, directly or indirectly, by Iluka Resources Ltd as at 31 December 2024. This disclosure is not required for entities that are not body corporates.

[3] For each entity, this item discloses whether an entity was an Australian resident (within the meaning of the *Income Tax Assessment Act 1997*) as at 31 December 2024. If an entity is disclosed as not being an Australian resident, the entity was a foreign resident (within the meaning of the *Income Tax Assessment Act 1997*) as at 31 December 2024.

[4] For entities that were disclosed as a foreign resident in the previous item, this item discloses the jurisdiction outside of Australia in which the entity was a resident for the purposes of the income tax law of the relevant jurisdiction. For entities that were Australian residents (within the meaning of the *Income Tax Assessment Act 1997*) that are also resident in a foreign jurisdiction (i.e. dual resident companies), the Corporations Act 2001 does not require the disclosure of their places of foreign residence.

[5] Iluka Exploration (Canada) Ltd may be considered as a tax resident of both Canada and Australia. A formal determination of tax residency is currently being undertaken by the Group.

[6] luka Share Plan Holdings Pty Ltd is the Trustee for the Iluka Resources Limited Executive and Employee Share Acquisition Plan. There were no other entities included in the above disclosure that were a trustee of a trust, a partner in a partnership, or a participant in a joint venture during the year ended 31 December 2024.

# DIRECTORS' DECLARATION

In the directors' opinion:

a) the financial records of Iluka Resources Limited ('the company') and the consolidated entity for the year ended 31 December 2024 have been properly maintained in accordance with the Corporations Act 2001;

b) the consolidated entity disclosure statement set out on pages 134 to 135 of the annual report, as required by subsection 295(3A) of the Corporations Act 2001, is true and correct;

c) the financial statements and the notes to the financial statements of the company and the consolidated entity for the year ended 31 December 2024:

   i. comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

   ii. give a true and fair view of the group's financial position as at balance date and of their performance, as represented by the results of its operations and cash flows, for the year ended on that date; and

d) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in note 22 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in that note.

Note 2 confirms that the financial statements also comply with International Financial Reporting Standards as issued by International Accounting Standards Board.

The directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the directors.

A Sutton

Andrea Sutton

Acting Chair

T O'Leary

T O'Leary

Managing Director

19 February 2025

# Independent Auditor's Report

## To the shareholders of Iluka Resources Limited

## Report on the audit of the Financial Report

### Opinion

We have audited the ***Financial Report*** of Iluka Resources Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group***'s financial position as at 31 December 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated Statement of Financial Position as at 31 December 2024;
- Consolidated Statement of Profit or Loss, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, and Consolidated Statement of Cash Flows for the year then ended;
- Consolidated Entity Disclosure Statement and accompanying basis of preparation as at 31 December 2024;
- Notes, including material accounting policies; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

### Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

### Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

This matter was addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

## Rehabilitation and mine closure provision ($804m)

Refer to Note 8 to the Financial Report

### The key audit matter

The Group has a significant rehabilitation provision as a consequence of its operational activities.

The rehabilitation provision is a key audit matter due to the additional audit effort required by us for the following reasons:

- The Group's estimation of future environmental restoration and rehabilitation costs is inherently complex; and
- The Group applies significant judgement, and we exert considerable effort in gathering persuasive audit evidence on the expected costs, especially for those costs to be incurred several years in the future.

The Group's estimation of the rehabilitation provision is influenced by:

- The complexity in current environmental and regulatory requirements, and the impact to completeness of the rehabilitation provision;
- The expected environmental remediation strategy of the Group and the nature of the costs incorporated into the rehabilitation provision; and
- The expected timing of expenditure which is planned to occur several years into the future, and the associated inflation and discounting of costs in the present value calculation of the rehabilitation provision.

The Group uses third party and internal experts when assessing their obligations for restoration and rehabilitation activities and associated estimates of future costs.

We involve our closure specialists to supplement our senior audit team members in assessing this key audit matter.

### How the matter was addressed in our audit

Our procedures included:

- Assessing the basis for recognition and measurement of the rehabilitation provision for consistency with environmental and regulatory requirements and criteria in the accounting standards;
- Evaluating the methodology applied by the Group's internal and third-party experts in determining the nature and extent of rehabilitation activities by comparison to industry practice;
- Critically evaluating the Group's rehabilitation provision estimation by:
  - Involving our closure specialists, we tested key assumptions incorporated into the financial modelling of closure cost activities against environmental laws and regulations and industry guidelines;
  - Compared the planned timing of rehabilitation activities to the Group's strategy and plans for commencement and completion of rehabilitation activities;
  - Assessing the competence, scope and objectivity of the Group's internal and third party experts used in the determination of the rehabilitation provision estimate;
  - Analysed the inflation rate and discount rate assumptions in the Group's rehabilitation provision determination against published reports for Australian bond rates and Australian inflation targets.
- Evaluating the completeness of the rehabilitation provision against the Group's analysis of where disturbance requires rehabilitation and comparing to our understanding of the Group's operations;
- Assessing the disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standards. This included evaluating the current and non-current rehabilitation provision disclosure for consistency to the Group's planned timing of the rehabilitation expenditure.

## Other Information

Other Information is financial and non-financial information in Iluka Resources Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

## Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001;*
- Implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error; and
- Assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- To issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our Auditor's Report.

## Report on the Remuneration Report

### Opinion

In our opinion, the Remuneration Report of Iluka Resources Limited for the year ended 31 December 2024, complies with *Section 300A* of the *Corporations Act 2001*.

### Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

### Our responsibilities

We have audited the Remuneration Report included in pages 57 to 80 of the Directors' report for the year ended 31 December 2024.

Our responsibility is to express an opinion as to whether the Remuneration Report complies in all material respects with *Section 300A* of the *Corporations Act 2001*, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Jane Bailey

Jane Bailey

*Partner*

Perth

19 February 2025


**WORLD'S LARGEST ZIRCON MINE**

The Jacinth-Ambrosia operation in South Australia is the world's largest zircon mine; production commenced in 2009. Products are processed at Iluka's Narngulu mineral separation plant in Western Australia.

# PHYSICAL, FINANCIAL AND CORPORATE INFORMATION

## IN THIS SECTION


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### A STRATEGIC HUB

The Eneabba refinery will establish Western Australia as a strategic hub for the downstream processing of rare earth resources. Preparation and construction continued during 2024; commissioning is expected in 2027.

# FIVE YEAR SUMMARY

| Production volumes (kt) | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Production volumes (kt) | | | | | |
| - Zircon | 227.2 | 327.0 | 302.7 | 324.2 | 185.2 |
| - Rutile | 57.8 | 52.7 | 139.1 | 196.6 | 172.6 |
| - Synthetic rutile | 211.2 | 259.5 | 237.6 | 198.7 | 227.4 |
| **Total Z/R/SR** | **496.2** | **639.2** | **679.4** | **719.5** | **585.2** |
| - Ilmenite | 398.1 | 460.6 | 590.9 | 563.7 | 455.9 |
| - Monazite concentrate | - | - | - | 57.7 | 44.4 |
| Sales volumes (kt) | | | | | |
| - Zircon | 229.9 | 234.7 | 333.6 | 354.7 | 239.6 |
| - Rutile | 45.2 | 48.3 | 140.2 | 207.2 | 162.1 |
| - Synthetic rutile | 200.1 | 211.0 | 246.1 | 305.9 | 115.8 |
| **Total Z/R/SR** | **475.2** | **494.0** | **719.9** | **867.8** | **517.5** |
| - Ilmenite | 121.3 | 148.8 | 218.2 | 189.6 | 256.1 |
| - Monazite concentrate | - | - | - | 62.4 | 44.4 |
| Weighted average annual prices (US$/t) | | | | | |
| - Zircon (premium and standard) | 1,882.0 | 2,066.0 | 1,943.0 | 1,414.0 | 1,319.0 |
| - Zircon (all products) | 1,721.0 | 1,849.0 | 1,850.0 | 1,330.0 | 1,217.0 |
| Rutile (excluding HYTI and TIC) | 1,694.0 | 1,887.0 | 1,550.0 | 1,264.0 | 1,220.0 |
| Synthetic rutile | 1,205.0 | 1,258.0 | Not disclosed | Not disclosed | Not disclosed |
| **Average AUD:USD spot exchange rate (cents)** | **66.0** | **66.5** | **69.5** | **75.2** | **69.1** |

| Unit revenue and cash cost ($/t) | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Revenue per tonne Z/R/SR sold (A$/t) | 2,196 | 2,314 | 2,215 | 1,593 | 1,625 |
| Unit cash costs of production per tonne Z/R/SR produced excluding by-products | 1,298 | 947 | 938 | 777 | 918 |
| Unit cost of goods sold per tonne of Z/R/SR | 1,190 | 1,040 | 1,031 | 916 | 1,032 |

| Summary financials ($m) | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Z/R/SR revenue | 1,043.4 | 1,143.2 | 1,416.3 | 1,381.9 | 841.0 |
| Ilmenite and other revenue | 85.1 | 95.1 | 107.5 | 103.9 | 106.0 |
| Revenue from operations | 1,128.5 | 1,238.3 | 1,523.8 | 1,485.8 | 947.0 |
| Cash costs of production | (644.0) | (605.2) | (508.3) | (579.2) | (558.7) |
| Inventory movement - cash costs of production | 179.9 | 185.8 | 29.1 | (67.0) | 142.3 |
| Restructure and idle capacity charges | (35.3) | (20.1) | (12.5) | (33.4) | (20.9) |
| Government royalties | (35.1) | (47.1) | (47.2) | (38.0) | (22.3) |
| Marketing and selling costs | (32.5) | (27.4) | (29.0) | (34.4) | (27.7) |
| Asset sales and other income | 0.9 | 23.9 | 0.9 | 2.0 | (1.5) |
| Corporate and other costs | (48.6) | (42.6) | (61.4) | (64.3) | (54.6) |
| Major projects, exploration and innovation | (40.0) | (52.3) | (49.1) | (45.2) | (62.3) |
| Mineral sands EBITDA | 477.3 | 581.8 | 549.4 | 633.9 | 342.0 |
| Mining Area C EBITDA | - | - | - | - | 81.1 |
| Underlying Group EBITDA[1] | 498.8 | 609.1 | 879.0 | 652.3 | 423.1 |
| Rehabilitation and holding costs for closed sites | 5.2 | 4.3 | (11.1) | 60.8 | 7.2 |
| Demerger loss and transaction costs | - | - | - | - | (13.3) |
| Depreciation and amortisation | (192.2) | (167.8) | (144.6) | (171.2) | (184.8) |
| Inventory movement - non-cash production costs | 48.2 | 51.7 | 9.9 | (12.6) | 39.9 |
| Gain on demerger of Deterra Royalties | - | - | - | - | 2,260.1 |
| Net interest and finance charges | 6.5 | 12.3 | 3.1 | (5.7) | (7.1) |
| Income tax (expense) benefit | (94.0) | (128.9) | (212.8) | (139.1) | (95.5) |
| Net profit/(loss) after tax for the period (NPAT) | 231.3 | 342.6 | 588.5 | 365.7 | 2,410.0 |
| Operating cash flow | 252.2 | 346.7 | 681.7 | 527.7 | 183.8 |
| Capital expenditure (capex) - Mineral Sands | (271.8) | (160.7) | (141.8) | (53.6) | (71.2) |
| Free cash (outflow) inflow[2] ($m) | (288.1) | (159.6) | 430.6 | 299.6 | 36.3 |
| Net (debt) cash | (114.6) | 225.4 | 488.6 | 294.8 | 50.2 |

| Capital and Dividends | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Ordinary shares on issue (millions) | 427.9 | 426.0 | 424.5 | 422.0 | 422.8 |
| Dividends per share in respect of the year (cents) | 4 | 4 | 20 | 24 | 2 |
| Franking level % | 100 | 100 | 100 | 100 | 100 |
| Opening year share price ($)[3] | 6.64 | 9.65 | 9.76 | 6.58 | 4.70 |
| Closing year share price ($)[3] | 5.04 | 6.60 | 9.53 | 9.73 | 6.49 |

| **Financial ratios** | **2024** | **2023** | **2022** | **2021** | **2020** |
|---|---|---|---|---|---|
| Underlying Group EBITDA/revenue margin % | 44.2 | 49.2 | 57.4 | 43.9 | 41.2 |
| Mineral sands EBITDA/revenue margin % | 42.3 | 47.0 | 55.4 | 42.7 | 36.1 |
| Basic earnings (loss) per share (cents) | 54.1 | 80.5 | 138.6 | 86.7 | 570.4 |
| Free cash flow per share (cents) | (67.5) | (37.5) | 100.0 | 71.0 | 9.0 |
| Return on shareholders' equity %[4] | 10.2 | 17.1 | 32.8 | 25.9 | 283.7 |
| Return on capital %[5] | 21.7 | 41.8 | 88.8 | 69.1 | 311.3 |
| Gearing (net debt/net debt + equity) % (including non-recourse debt facility) | 4.6 | n/a | n/a | n/a | n/a |
| *Financial position as at 31 December ($m)* | | | | | |
| Total assets | 3.741.4 | 3,330.8 | 3,001.8 | 2,636.2 | 2,361.7 |
| Total liabilities | (1,381.0) | (1,172.3) | (1,107.0) | (1,041.6) | (1,069.4) |
| Net assets | 2,360.4 | 2,158.5 | 1,894.8 | 1,594.6 | 1,292.3 |
| Shareholders' equity | 2,360.4 | 2,158.5 | 1,894.8 | 1,594.6 | 1,292.3 |
| Net tangible asset backing per share ($) | 4.24 | 3.80 | 3.27 | 2.60 | 3.00 |

| **Employees (at 31 December 2024)** | **2024** | **2023** | **2022** | **2021** | **2020** |
|---|---|---|---|---|---|
| Full-time equivalent employees | 971 | 1035 | 950 | 3,252 | 3,354 |

| **Iluka Ore Reserves and Mineral Resources** | **2024** | **2023** | **2022** | **2021** | **2020** |
|---|---|---|---|---|---|
| Mineral Resources In Situ HM million tonnes | 194 | 171 | 176 | 185 | 119 |
| Ore Reserves In Situ HM million tonnes | 17.5 | 18.4 | 9.0 | 10.6 | 11.2 |
| HM Grade (%) Ore Reserves | 5.6 | 5.5 | 5.6 | 5.8 | 5.7 |
| Assemblage (%)[6] | | | | | |
| Zircon | 16 | 17 | 17 | 17 | 17 |
| Rutile | 5 | 5 | 3 | 3 | 3 |
| Ilmenite | 40 | 41 | 53 | 55 | 55 |
| Monazite + xenotime | 2.7 | 2.6 | 2 | 2 | - |

Notes:
(1) Underlying Group EBITDA excludes non-recurring adjustments including write-downs, Sierra Rutile Limited transaction costs, the gain on the demerger of Deterra Royalties, and changes to rehabilitation provisions for closed sites.
(2) Free cash flow is determined as cash flow before any debt refinance costs, proceeds/repayment of borrowings and dividends paid in the year.
(3) Share prices prior to November 2020 have been adjusted by a factor of 0.51 for the capital reduction from the Deterra Royalties demerger.
(4) Calculated as NPAT for the year as a percentage of the average monthly shareholders' equity over the year.
(5) Calculated as EBIT for the year as a percentage of average monthly capital employed for the year.
(6) Mineral assemblage is reported as a percentage of the in situ heavy mineral content of the Ore Reserve.

# OPERATING MINES DATA

| Summary financials ($m) | Mineral Sands 2024 | 2023 |
|---|---|---|
| **Zircon** | | |
| Overburden moved kbcm | 17,495 | 19,777 |
| Ore mined kt | 19,128 | 22,221 |
| Ore fed/treated kt | 19,004 | 19,832 |
| Ore treated grade HM % | 5.1% | 4.5% |
| VHM treated grade % | 4.4% | 4.1% |
| **Finished product[1] kt** | | |
| Zircon | 227.2 | 326.9 |
| Rutile | 57.8 | 52.7 |
| Ilmenite (saleable/upgradeable) | 398.1 | 460.6 |
| Synthetic rutile produced | 211.2 | 259.5 |

Notes:
(1) Finished product includes material from heavy mineral concentrate (HMC) initially processed in prior period

## 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.

Ore treated grade HM % refers to percentage of heavy mineral (HM) in the ore processed through the mining unit.

VHM treated grade % refers to percentage of valuable heavy mineral (VHM) - titanium dioxide (rutile and ilmenite), and zircon in the ore processed through the mining unit.

Finished product is provided as an indication of the finished production (zircon, rutile, ilmenite – both saleable and upgradeable) attributable to the VHM in HMC production streams from the various mining operations. Finished product levels are subject to recovery factors which can vary. The difference between the VHM produced and finished product reflects the recovery level by operation, as well as processing of finished material/concentrate in inventory. Ultimate finished product production (rutile, ilmenite, and zircon) is subject to recovery loss at the processing stage – this may be in the order of 10%.

Ilmenite is produced for sale or as a feedstock for synthetic rutile production. Typically, 1 tonne of upgradeable ilmenite will produce between 0.56 to 0.60 tonnes of synthetic rutile. Iluka also purchases external ilmenite for its synthetic rutile production process.

# ORE RESERVES AND MINERAL RESOURCES

## HM ORE RESERVES

### ILUKA HM ORE RESERVE BREAKDOWN BY COUNTRY, REGION AND JORC CATEGORY AT 31 DECEMBER 2024

**Summary of Ore Reserves for Iluka[1,2,3,6]**

| | | | | | | HM Assemblage[4] | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Country** | **Region** | **Ore Reserve Category** | **Ore Tonnes Millions** | **In Situ HM Tonnes Millions** | **HM Grade (%)** | **Ilmenite Grade (%)** | **Zircon Grade (%)** | **Rutile Grade (%)** | **(M+X)[7] Grade (%)** | **Change HM Tonnes Millions** |
| Australia | Eucla Basin | Proved | 33 | 0.8 | 2.5 | 23 | 50 | 5 | 0.3 | |
| | | Probable | 0 | 0.0 | 1.4 | 14 | 59 | 2 | 1.0 | |
| **Total** | **Eucla Basin** | | **34** | **0.8** | **2.5** | **23** | **50** | **5** | **0.3** | **(0.3)** |
| | Murray Basin | Proved | - | - | - | - | - | - | - | |
| | | Probable | 183 | 9.9 | 5.4 | 29 | 17 | 6 | 2.6 | |
| **Total** | **Murray Basin** | | **183** | **9.9** | **5.4** | **29** | **17** | **6** | **2.6** | **-** |
| | Perth Basin | Proved | 61 | 4.1 | 6.7 | 57 | 11 | 4 | 3.4 | |
| | | Probable | 33 | 2.6 | 8.1 | 62 | 12 | 2 | 2.4 | |
| **Total** | **Perth Basin[5]** | | **94** | **6.7** | **7.2** | **59** | **11** | **3** | **3.0** | **(0.7)** |
| **Total** | **Proved** | | 94 | 4.9 | 5.2 | 51 | 17 | 4 | 2.9 | |
| **Total** | **Probable** | | 216 | 12.5 | 5.8 | 36 | 16 | 5 | 2.6 | |
| | **Grand Total** | | **311** | **17.4** | **5.6** | **40** | **16** | **5** | **2.7** | **(1.0)** |

Notes:
(1) Competent Person - Ore Reserves: A Walkenhorst (MAusIMM).
(2) Ore Reserves are a sub-set of Mineral Resources.
(3) Rounding may generate differences in last decimal place.
(4) Mineral assemblage is reported as a percentage of in situ HM content.
(5) Rutile component in Perth Basin South West operations is sold as a leucoxene product.
(6) The quoted figures are stated as at 31 December 2024 and have been depleted for all production conducted to this date.
(7) M+X comprise rare earth element bearing minerals monazite + xenotime.

Ore Reserves are estimated using all available geological and relevant drill hole and assay data, including mineralogical sampling and test work on mineral recoveries and final product qualities. Ore Reserve estimates are determined by the consideration of all of the 'Modifying Factors' in accordance with the JORC Code 2012 guidelines and, for example, may include, but are not limited to, product prices, mining costs, metallurgical recoveries, environmental consideration, access and approvals. These factors may vary significantly between deposits.

For the year ending 2024, HM Ore Reserves decreased by 1.0Mt HM associated with mining depletion and adjustments, and are down from 18.4Mt HM to 17.5Mt HM.

The main factors contributing to the movement in Iluka's HM Ore Reserves during 2024 include:

- The Eucla Basin Ore Reserves decreased by 0.30Mt HM associated with mining depletion, pit optimisation and re-design at Jacinth (-0.04Mt HM) and Ambrosia (-0.25Mt HM)
- The Perth Basin Ore Reserves decreased by 0.68Mt HM as a result of mine depletion, pit optimisation and adjustment at Cataby (-0.74Mt HM) and Tutunup (-0.02Mt HM) and additional tailings stockpiled at the MSP By-Product Stockpile deposit (+0.07Mt HM)

## HM ORE RESERVES MINED AND ADJUSTED

### ILUKA HM ORE RESERVES MINED AND ADJUSTED BY COUNTRY AND REGION AT 31 DECEMBER 2024

**Summary of Ore Reserve Depletion[1]**

| Country | Region | Category | In Situ HM Tonnes Millions 2023 | In Situ HM Grade (%) 2023 | In Situ HM Tonnes Millions Mined 2024 | In Situ HM Tonnes[2] Millions Adjusted 2024 | In Situ HM Tonnes Millions 2024 | In Situ HM Grade (%) 2024 | In Situ HM Tonnes[3] Millions Net Change |
|---|---|---|---|---|---|---|---|---|---|
| Australia | Eucla Basin | Active Mines | 1.1 | 2.6 | (0.3) | - | 0.8 | 2.6 | (0.3) |
| | | Non-Active Sites | 0.1 | 2.3 | - | - | - | 1.5 | - |
| **Total** | **Eucla Basin** | | **1.2** | **2.6** | **(0.3)** | **-** | **0.8** | **2.5** | **(0.3)** |
| | Murray Basin | Active Mines | - | - | - | - | - | - | - |
| | | Non-Active Sites | 9.9 | 5.4 | - | - | 9.9 | 5.4 | - |
| **Total** | **Murray Basin** | | **9.9** | **5.4** | **-** | **-** | **9.9** | **5.4** | **-** |
| | Perth Basin | Active Mines | 5.1 | 5.6 | (0.6) | (0.1) | 4.4 | 5.6 | (0.7) |
| | | Non-Active Sites | 2.3 | 15.0 | - | 0.1 | 2.3 | 15.3 | 0.1 |
| **Total** | **Perth Basin** | | **7.4** | **7.0** | **(0.6)** | **-** | **6.7** | **7.2** | **(0.6)** |
| **Total** | **Active Mines** | | 6.2 | 4.7 | (0.9) | (0.1) | 5.2 | 4.7 | (1.0) |
| **Total** | **Non-Active Sites** | | 12.3 | 6.1 | - | - | 12.2 | 6.1 | 0.1 |
| **Total** | **Ore Reserves** | | **18.5** | **5.5** | **(0.9)** | **(0.1)** | **17.4** | **5.6** | **(0.9)** |

Notes:
(1) Rounding may generate differences in last decimal place.
(2) Adjusted figure includes write-downs and modifications in mine design.
(3) Net change includes depletion by mining and adjustments.

## HM MINERAL RESOURCES

### ILUKA MINERAL RESOURCE BREAKDOWN BY COUNTRY, REGION AND JORC CATEGORY AT 31 DECEMBER 2024

**Summary of Mineral Resources for Iluka[1,2,3]**

| Country | Region | Mineral Resource Category | Material Tonnes Millions | In Situ HM Tonne Millions | In Situ HM Grade (%) | HM Assemblage[4] Ilmenite Grade (%) | Zircon Grade (%) | Rutile Grade (%) | (M+X)[6] Grade (%) | Change HM Tonnes Millions |
|---|---|---|---|---|---|---|---|---|---|---|
| Australia | Eucla Basin | Measured | 167 | 4 | 2.5 | 35 | 39 | 3 | 0.2 | |
| | | Indicated | 90 | 9 | 9.7 | 69 | 17 | 2 | 0.4 | |
| | | Inferred | 44 | 2 | 5.4 | 62 | 18 | 2 | 0.3 | |
| **Total** | **Eucla Basin** | | **301** | **15** | **5.1** | **58** | **23** | **2** | **0.3** | **(0.4)** |
| | Murray Basin | Measured | 234 | 15 | 6.4 | 40 | 16 | 7 | 2.3 | |
| | | Indicated | 558 | 40 | 7.1 | 46 | 15 | 10 | 2.1 | |
| | | Inferred | 1,412 | 72 | 5.1 | 34 | 14 | 6 | 2.2 | |
| **Total** | **Murray Basin** | | **2,204** | **127** | **5.7** | **38** | **15** | **8** | **2.2** | **24.1** |
| | Perth Basin | Measured | 462 | 27 | 5.9 | 58 | 10 | 5 | 1.1 | |
| | | Indicated | 283 | 15 | 5.4 | 53 | 10 | 5 | 1.0 | |
| | | Inferred | 192 | 9 | 4.9 | 55 | 9 | 5 | 0.7 | |
| **Total** | **Perth Basin[5]** | | **937** | **51** | **5.5** | **56** | **10** | **5** | **1.0** | **(0.8)** |
| **Total** | **Measured** | | 863 | 46 | 5.4 | 50 | 15 | 5 | 1.4 | |
| **Total** | **Indicated** | | 931 | 64 | 6.8 | 50 | 14 | 8 | 1.6 | |
| **Total** | **Inferred** | | 1,648 | 83 | 5.1 | 37 | 14 | 6 | 1.9 | |
| | **Grand Total** | | **3,443** | **193** | **5.6** | **45** | **14** | **6** | **1.7** | **22.9** |

Notes:
(1) Competent Person - Mineral Resources: B Gibson (MAIG).
(2) Mineral Resources are inclusive of Ore Reserves.
(3) Rounding may generate differences in last decimal place.
(4) Mineral assemblage is reported as a percentage of the in situ HM component.
(5) Rutile component in Perth Basin South West operations is sold as a leucoxene product.
(6) M+X comprise the rare earth element bearing minerals monazite + xenotime.

Mineral Resources are estimated using all available and relevant geological, drill hole and assay data, including mineralogical sampling and test work on mineral and final product qualities. Mineral Resource estimates are determined by consideration of geology, HM cut-off grades, mineralisation thickness versus overburden ratios and consideration of the potential mining and extraction methodology, and are prepared in accordance with the guidelines of the 2012 JORC Code. These factors may vary significantly between deposits.

For the year ending 31 December 2024, Mineral Resources increased by 22.9Mt HM net of mining depletion and adjustments (exploration discovery, development and write-down), up from 171Mt HM to 194Mt HM. The change in Mineral Resources for 2024 was driven by:

- Eucla Basin Mineral Resources decreased by 0.4Mt HM as a result of mining depletion and adjustment at Ambrosia (-0.4Mt HM)
- Murray Basin Mineral Resources increased by 24.1Mt HM as a result of reporting the inaugural Mineral Resource estimate at Goschen South (+23.6Mt HM) and as a result of re-modelling at Castaway (+0.03Mt HM), Earl (+0.07Mt HM), Kerribee (+0.05Mt HM), Koolaman (+0.13Mt HM) and Yalong (+0.14Mt HM)
- Perth Basin Mineral Resources decreased by 0.8Mt HM as a result of re-estimation, mining depletion and write-down at Cataby and Cataby ROM (-0.82Mt HM), additional tailings stockpiled at Eneabba (+0.07Mt HM), and write-down at Adamson (-0.05Mt HM)

## HM MINERAL RESOURCES MINED AND ADJUSTED

### ILUKA MINERAL RESOURCES MINED AND ADJUSTED BY COUNTRY AND REGION AT 31 DECEMBER 2024

**Summary of Mineral Resource Depletion[1]**

| Country | Region | Category | In Situ HM Tonnes Millions 2023 | In Situ HM Grade (%) 2023 | In Situ HM Tonnes Millions Mined 2024 | In Situ HM Tonnes[2] Millions Adjusted 2024 | In Situ HM Tonnes Millions 2024 | In Situ HM Grade (%) 2024 | In Situ HM Tonnes[3] Millions Net Change |
|---|---|---|---|---|---|---|---|---|---|
| Australia | Eucla Basin | Active Mines | 2 | 1.8 | (0.3) | (0.1) | 2 | 1.8 | (0.4) |
| | | Non-Active Sites | 13 | 7.2 | - | - | 13 | 7.2 | - |
| **Total** | **Eucla Basin** | | **15** | **4.9** | **(0.3)** | **(0.1)** | **15** | **5.1** | **(0.4)** |
| | Murray Basin | Active Mines | - | - | - | - | - | - | - |
| | | Non-Active Sites | 102 | 6.5 | - | 24.1 | 126 | 5.7 | 24.1 |
| **Total** | **Murray Basin** | | **102** | **6.5** | **-** | **24.1** | **126** | **5.7** | **24.1** |
| | Perth Basin | Active Mines | 12 | 4.2 | (0.6) | (0.2) | 11 | 4.1 | (0.8) |
| | | Non-Active Sites | 41 | 6.1 | - | 0.0 | 41 | 6.1 | 0.0 |
| **Total** | **Perth Basin** | | **53** | **5.5** | **(0.6)** | **(0.2)** | **52** | **5.5** | **(0.8)** |
| **Total** | **Active Mines** | | 14 | 3.4 | (0.9) | (0.3) | 13 | 3.4 | (1.2) |
| **Total** | **Non-Active Sites** | | 156 | 6.4 | - | 24.1 | 180 | 5.9 | 24.1 |
| **Total** | **Mineral Resources** | | **171** | **6.0** | **(0.9)** | **23.8** | **194** | **5.6** | **22.9** |

Notes:
(1) Rounding may generate differences in last decimal place.
(2) Adjusted figure includes write-downs and updates to the Mineral Resource estimates.
(3) Net difference includes depletion by mining and adjustments.

## ANNUAL STATEMENT OF MINERAL RESOURCES AND ORE RESERVES

The Annual Statement of Mineral Resources and Ore Reserves as at 31 December 2024 and presented in this report has been prepared in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition (the JORC Code 2012) and ASX listing Rules and as disclosed in various public announcements released through the ASX.

### COMPETENT PERSONS STATEMENT

The information in this report that relates to Mineral Resources is based on information compiled by Mr Brett Gibson, who is a Member of the Australian Institute of Geoscientists (MAIG). The information in this report that relates to Ore Reserves is based on information compiled by Mr Andrew Walkenhorst, who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Gibson and Mr Walkenhorst are full-time employees of Iluka Resources Limited.

Mr Gibson and Mr Walkenhorst each have sufficient experience that is relevant to the styles of mineralisation and types of deposits under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves', the JORC Code 2012 Edition. Mr Gibson and Mr Walkenhorst consent to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to specific Mineral Resources and Ore Reserves is based on and accurately reflects reports compiled by Competent Persons as defined in the JORC Code 2012 for each of the company regional business units. Each of these persons is a full-time employee of Iluka Resources Limited or its relevant subsidiaries, holds equity securities in Iluka Resources Limited, and is entitled to participate in Iluka's executive equity incentive plan, details of which are included in Iluka's 2024 Remuneration Report.

All of the Mineral Resource and Ore Reserve figures reported represent estimates as at 31 December 2024. All tonnes and grade information has been rounded, hence small differences may be present in the totals. All of the Mineral Resource information is inclusive of Ore Reserves (ie Mineral Resources are not additional to Ore Reserves).

### MINERAL RESOURCES AND ORE RESERVES CORPORATE GOVERNANCE

Iluka has an established governance process supporting the preparation and publication of Mineral Resources and Ore Reserves which includes a series of structures and processes independent of the operational reporting through business units and product groups.

The Audit and Risk Committee has in its remit the governance of Mineral Resources and Ore Reserves. This includes an annual review of Mineral Resources and Ore Reserves at a group level, as well as review of findings and progress from the Group Resources and Reserves internal review program within the regular meeting schedule.

Mineral Resources and Ore Reserves are estimated by Iluka personnel or suitably qualified independent personnel using industry standard techniques and supported by internal guidelines for the estimation and reporting of Mineral Resources and Ore Reserves.

All Mineral Resource and Ore Reserve estimates and supporting documentation are reviewed by Competent Persons employed by Iluka. If there is a material change in the estimate of a Mineral Resource, the Modifying Factors for the preparation of Ore Reserves, or reporting an inaugural Mineral Resource or Ore Reserve and if it is considered prudent to have an external review, then the estimate and supporting documentation in question is reviewed by a suitably qualified independent Competent Person.

The Iluka Mineral Resource and Ore Reserve position is reviewed annually by a suitably qualified independent Competent Person prior to publication and the governance process is also audited by an independent body (KPMG).

Iluka has continued the development of internal systems and controls to comply with JORC (2012) guidelines in all external reporting, including the preparation of all reported data by or under the supervision of suitably qualified Competent Persons as members of the Australasian Institute of Mining and Metallurgy (AusIMM), the Australian Institute of Geoscientists (AIG) or Recognised Overseas Professional Organisations (ROPOs).

The governance process has been supported by a number of process improvements and training initiatives over recent years, including a web-based group reporting and sign-off database, annual internal Competent Person reviews, and Competent Person development and training.

# SHAREHOLDER AND INVESTOR INFORMATION

As at 31 January 2025

## AUSTRALIAN SECURITIES EXCHANGE LISTING

Iluka's shares are listed on the Australian Securities Exchange (ASX) Limited. The company is listed as Iluka Resources Limited with an ASX code of ILU.

## SHARES ON ISSUE

The company had 428,249,335 shares on issue as at 31 January 2025. A total of 634,858 ordinary shares are restricted pursuant to the Directors, Executives and employees share acquisition plan, equity incentive plan, and employee share plan.

## SHAREHOLDINGS

There were 26,725 shareholders. Voting rights, on a show of hands, are one vote for every registered holder and on a poll are one vote for each share held by registered holders.

## DISTRIBUTION OF SHAREHOLDINGS

| Range | Total holders | Units | % Units |
|---:|---:|---:|---:|
| 1 - 1,000 | 14,952 | 5,706,200 | 1.33 |
| 1,001 - 5,000 | 8,806 | 21,292,016 | 4.97 |
| 5,001 - 10,000 | 1,698 | 12,495,732 | 2.92 |
| 10,001 - 100,000 | 1,199 | 26,535,766 | 6.20 |
| 100,001 - 1,000,000 | 54 | 13,769,254 | 3.22 |
| 1,000,001 over | 16 | 348,450,367 | 81.37 |
| **Rounding** | | | **(0.01)** |
| **Total** | **26,725** | **428,249,335** | **100.00** |

## UNMARKETABLE PARCELS

| | Minimum Parcel Size | Holders | Units |
|---|---:|---:|---:|
| Minimum $ 500.00 parcel at $4.4200 per unit | 114 | 3,848 | 231,840 |

## TOP 20 SHAREHOLDERS (NOMINEE COMPANY HOLDINGS)

| Rank | Name | Units | % Units |
|---|---|---|---|
| 1 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 154,899,002 | 36.17 |
| 2 | CITICORP NOMINEES PTY LIMITED | 77,678,451 | 18.14 |
| 3 | J P MORGAN NOMINEES AUSTRALIA PTY LIMITED | 67,649,505 | 15.80 |
| 4 | BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C> | 9,235,375 | 2.16 |
| 5 | BNP PARIBAS NOMS PTY LTD | 7,601,596 | 1.78 |
| 6 | UBS NOMINEES PTY LTD | 7,140,345 | 1.67 |
| 7 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C> | 6,160,036 | 1.44 |
| 8 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 4,033,531 | 0.94 |
| 9 | NATIONAL NOMINEES LIMITED | 3,810,627 | 0.89 |
| 10 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2 | 2,235,297 | 0.52 |
| 11 | BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD> | 2,142,275 | 0.50 |
| 12 | CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C> | 1,340,391 | 0.31 |
| 13 | MR THOMAS O'LEARY | 1,219,369 | 0.28 |
| 14 | R O HENDERSON (BEEHIVE) PTY LTD | 1,120,000 | 0.26 |
| 15 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 1,103,567 | 0.26 |
| 16 | BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING COLLATERAL> | 1,081,000 | 0.25 |
| 17 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C> | 805,967 | 0.19 |
| 18 | SOLIUM NOMINEES (AUSTRALIA) PTY LTD <VSA A/C> | 793,057 | 0.19 |
| 19 | TOM HADLEY ENTERPRISES PTY LTD | 750,000 | 0.18 |
| 20 | NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C> | 704,130 | 0.16 |
| **Top 20 holders of ORDINARY FULLY PAID SHARES (Total)** | | **351,503,521** | **82.08** |
| **Total remaining holders balance** | | **76,745,814** | **17.92** |

## SUBSTANTIAL SHAREHOLDERS

(As provided in disclosed substantial shareholder notices to the company)

| Shareholder | Shareholdings | % of issued capital |
|---|---|---|
| Cooper Investors Pty Ltd | 33,274,786 | 7.8% |
| Perpetual Investment Management Limited | 31,068,928 | 7.3% |
| Tyndall Asset Management | 21,600,035 | 5.0% |

## CALENDAR OF EVENTS

| Date | Event |
|---|---|
| 19 February 2025 | Announcement of Financial Results |
| 11 March 2025 | Close of Director nominations for AGM |
| 30 April 2025 2:00pm (WST) | Close of acceptances of proxies for AGM |
| 2 May 2025 2:00pm (WST) | Annual General Meeting |

All dates are indicative and subject to change. Shareholders are advised to check with the company to confirm timings.

## KEY SHAREHOLDER INFORMATION

### ILUKA WEBSITE: WWW.ILUKA.COM

To assist those considering an investment in the company, the investors and media section of the Iluka website contains key shareholder information, which includes the calendar of events. This site contains information on Iluka's products, marketing, operations, ASX releases, and financial and quarterly reports. It also contains links to other sites, including the share registry.

### INVESTOR RELATIONS ENQUIRIES

**Investor Relations**
Level 17, 240 St Georges Terrace
Perth, Western Australia, 6000
Telephone: +61 8 9360 4700
Email: investor.relations@iluka.com

### DIVIDENDS

Iluka's Board of Directors typically makes a determination on dividend payments twice each year. Iluka introduced a dividend reinvestment plan (DRP) in 2018.

### SHARE REGISTRY SERVICES

Shareholders who require information about their shareholdings, dividend payments or related administrative matters should contact the company's share registry:

**Computershare Investor Services Pty Ltd**
Level 17, 221 St Georges Terrace,
Perth, Western Australia, 6000
**Telephone:** 1300 733 043 (within Australia)
or +61 3 9415 4801 (outside Australia)
**Facsimile:** +61 3 9473 2500
**Postal address:**
GPO Box 2975,
Melbourne, Victoria, 3001
**Website:** www.investorcentre.com/au

### ANNUAL REPORTS AND EMAIL NOTIFICATION OF MAJOR ACCOUNTS

Shareholders can elect to receive a printed copy of the annual report and/or receive an email notification related to major company events. Please contact Computershare. Each enquiry should refer to the shareholder number which is shown on holding statements and dividend statements

# CORPORATE INFORMATION

## CORPORATE INFORMATION

| | |
|---|---|
| **Company Details** | Iluka Resources Limited<br>ABN: 34 008 675 018 |
| **Company secretary** | Ben Martin, Nigel Tinley |
| **Registered office** | Level 17<br>240 St Georges Terrace<br>Perth, Western Australia<br>6000 |
| **Postal address** | GPO Box U1988<br>Perth, Western Australia<br>6845 |
| **Phone** | +61 8 9360 4700 |
| **Facsimile** | +61 8 9360 4777 |
| **Website** | **www.iluka.com**<br>The site contains information on Iluka's products, marketing, operations, ASX releases and financial and quarterly reports. It also contains links to other sites, including the share registry. |

## NOTICE OF ANNUAL GENERAL MEETING

Iluka's 70th Annual General Meeting of Shareholders (AGM) will be held as a physical meeting at the Theatrette, Mezzanine level, 240 St Georges Terrace, Perth, Western Australia, on Friday 2 May 2025, commencing at 2:00pm (WST).

If it becomes necessary or appropriate to make alternative arrangements for the holding of the AGM, Iluka will ensure that Shareholders are given as much notice as possible via the ASX platform and www.iluka.com.

Shareholders are encouraged to lodge proxy votes in advance of the meeting to ensure that their voting instructions will be received and votes cast even if they cannot attend on the day.

## CLOSE OF NOMINATIONS

All nominations for election as a director at the 70th Annual General Meeting of Shareholders must be received in writing, no later than Tuesday 11 March 2025 in order to be valid under Iluka's constitution.

## FORWARD-LOOKING STATEMENTS

This document contains certain statements which constitute 'forward-looking statements'.

Often, but not always, forward-looking statements can generally be identified by the use of forward-looking words such as 'may', 'will', 'expect', 'plan', 'believe', 'estimate', 'anticipate', 'outlook', 'guidance', 'target', 'ambition', or similar expressions, and may include, without limitation, statements regarding the plans, strategies and objectives of management; anticipated production and production potential; estimates of future capital expenditure or construction commencement dates; expected costs or production outputs; estimates of future product supply, demand and consumption; statements regarding future product prices; statements regarding climate change (including those relating to future demands and uses for Iluka's products, Iluka's targets and ambitions, technological developments and other external enablers, and climate, environmental and energy transition scenarios); and statements regarding the expectation of future Mineral Resources and Ore Reserves.

These forward-looking statements reflect Iluka's expectations at the date of this report and reflect judgements, assumptions, estimates and other information available as at the date of this document and/ or the date of Iluka's planning processes. They are not guarantees or predictions of future performance or statements of fact. The information is based on Iluka's forecasts and as such is subject to variation related to, but not restricted to, economic, market demand/supply and competitive factors.

There are inherent limitations with scenario analysis and it is difficult to predict which, if any, of the scenarios might eventuate. Scenarios do not constitute definitive outcomes or probabilities, and scenario analysis relies on assumptions that may or may not be, or prove to be, correct and may or may not eventuate. Scenarios may also be impacted by additional factors to the assumptions disclosed.

Forward-looking statements are only predictions and are subject to known and unknown risks, uncertainties, assumptions, contingencies and other important factors, many of which are beyond Iluka's control, that could cause the actual results, performances or achievements of Iluka to differ materially from future results, performances or achievements expressed, projected or implied by such forward-looking statements. The information contained in this report has not been prepared as financial or investment advice. Readers are cautioned not to place undue reliance on these forward-looking statements, particularly in light of the time horizons which this document discusses and the inherent uncertainty in possible policy, regulatory, market and technological developments in the future.

Except as required by applicable laws or regulations, Iluka does not undertake to publicly update or review any forward-looking statements, whether as a result of new information or future events. Iluka cautions against reliance on any forward-looking statements or guidance, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption arising in connection with current global geopolitical tensions and the ongoing impacts of COVID-19.

Information on likely developments in the Group's business strategies, prospects, financial position and operations for future financial years and the expected results that could result in unreasonable prejudice to the Group (for example, information that is commercially sensitive, confidential or could give a third party a commercial advantage) has not been included below in this report. The categories of information omitted include forward-looking estimates and projections prepared for internal management purposes, information regarding Iluka's operations and projects which are developing and susceptible to change, and information relating to commercial contracts.

## NON-IFRS FINANCIAL INFORMATION

This document contains non-IFRS financial measures including cash production costs, non-production costs, mineral sands EBITDA, Underlying Group EBITDA, EBIT, free cash flow, and net debt amongst others. Iluka management considers these to be key financial performance indicators of the business and they are defined and/or reconciled in Iluka's annual results materials and/or annual report. Non-IFRS measures have not been subject to audit or review. All figures are expressed in Australian dollars unless stated otherwise.

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