2025
ANNUAL REPORT

ILUKA

CONTENTS

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 2025. 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.

IMPORTANT CAUTIONARY INFORMATION

This report contains forward-looking statements, including in relation to Iluka's business, climate strategy and emissions data, industry and market data, and Iluka's financial statements, which are based on management's current estimates, expectations and assumptions and are not guidance, guarantees or forecasts of future events or performance. All emissions data in this report are estimates that are subject to inherent uncertainty and limitations in measuring or quantifying emissions, and scenarios in this report are based on assumptions, which may or may not be correct. Readers are strongly cautioned not to place undue reliance on forward-looking statements as actual results or performance may vary materially from these statements due to uncertainty and risks outside of Iluka's control. Please refer to the Physical, Financial and Corporate Information of this Annual Report for important cautionary information relating to each of these matters.

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 20.

ABN 34 008 675 018

THE COMPANY'S OBJECTIVE IS TO DELIVER SUSTAINABLE VALUE

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.

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.

OUR CRITICAL MINERALS ARE USED IN A WIDE ARRAY OF PRODUCTS THAT ARE PART OF EVERYDAY LIFE

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.

AUSTRALIA

WESTERN AUSTRALIA

- Narngulu processing
- Cataby mining and processing (currently idle)
- Capel synthetic rutile processing (currently idle)
- Rehabilitation
- Corporate support centre

SOUTH AUSTRALIA

- Jacinth-Ambrosia mining and concentrating
- Jacinth-Ambrosia extensions (Typhoon, Sonoran)
- Rehabilitation
- Corporate support centre

NEW SOUTH WALES

- Balranald project/mining

VICTORIA

- Wimmera project
- Rehabilitation
- Hamilton processing (idle)

UNITED STATES

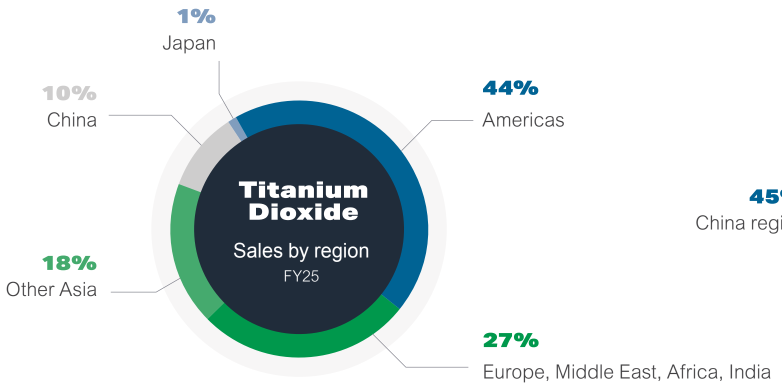
- Marketing and distribution
- Rehabilitation

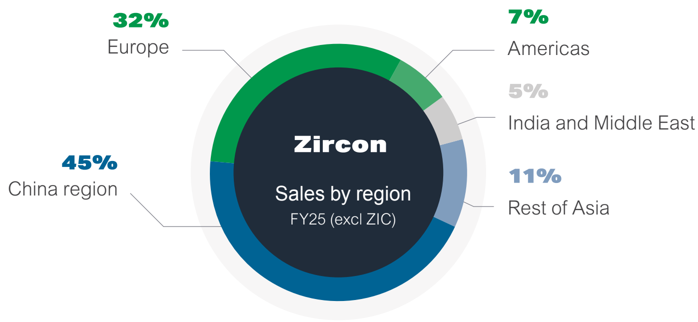
EUROPE

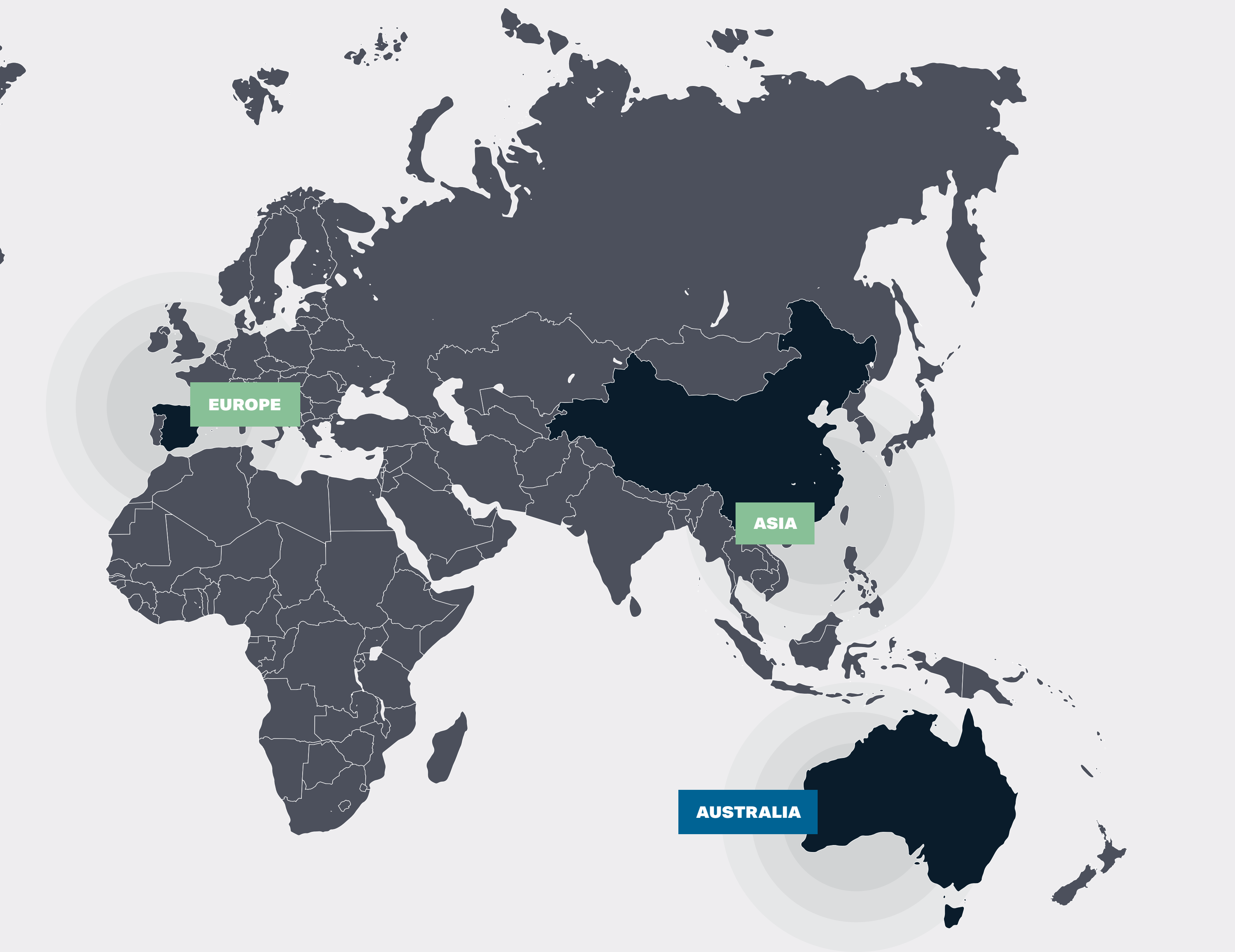
- Marketing and distribution

ASIA

- Marketing and distribution


1%
Japan
10%
China
18%
Other Asia
Titanium Dioxide
Sales by region
FY25
44%
Americas
27%
Europe, Middle East, Africa, India


32%
Europe
45%
China region
Zircon
Sales by region
FY25 (excl ZIC)
7%
Americas
5%
India and Middle East
11%
Rest of Asia


EUROPE
ASIA
AUSTRALIA

OUR CRITICAL MINERALS

ZIRCON – Zr

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. Applications for Iluka's zircon include ceramics, refractory and 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 – TiO_2

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 for paints, titanium metal and welding.

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

RARE EARTHS – Nd, Pr, Dy, Tb

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, and 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 PRODUCT APPLICATIONS

RARE EARTHS Nd, Pr, Dy, Tb
MINERAL SANDS TiO_2, Zr

AEROSPACE
Zr, TiO_2, Nd, Pr, Dy, Tb

Aircraft engines and frames | spacecraft

AUTOMOTIVE
Zr, TiO_2, Nd, Pr, Dy, Tb

Engines | motors | paint | electrics | brake linings/pads | catalytic converters | parking sensors

CERAMICS
Zr

Tiles | bathroom fixtures and fittings

CONSUMER ELECTRONICS
Zr, Nd, Pr, Dy, Tb

Smartphones | computer hard drives | televisions | lasers | rechargeable batteries | solid-state batteries | watch and mobile phone casings

DEFENCE
Zr, Nd, Pr, Dy, Tb

Advanced weaponry | defence manufacturing | laser range finders | communications | night vision devices | hypersonic defence components

ENERGY AND PHOTOCATALYTICS
Zr, TiO_2

Desalination | water and air purification | light-emitting diodes | solar cells | nuclear fuel assemblies

HEALTHCARE
Zr, TiO_2, Nd, Pr, Dy, Tb

Medical implants and instruments | prosthetics | laser technology and imaging

FABRICATION
Zr, TiO_2

Ship building | pipeline construction | welding

HOME AND PERSONAL APPLICATIONS
Zr, TiO_2

Cosmetics | pharmaceuticals | home appliances | cookware | dishes | glasses | packaging

INDUSTRIAL
Zr, TiO_2

Steel and glass production | casting of parts and engines | chemical processing components | specialised high-performance alloys

PIGMENTS AND CONSTRUCTION
Zr, TiO_2

Paint | inks | plastics | paper | glass fibres | ceramics | electrical insulators | bricks | cement

SUSTAINABLE DEVELOPMENT TECHNOLOGIES
Zr, Nd, Pr, Dy, Tb

Permanent magnets for electric and hybrid vehicle motors, wind turbine generators | photovoltaic solar cells | hydrogen electrolysers and solid oxide fuel cells

2025 AT A GLANCE

During a period of subdued demand for mineral sands, Iluka maintained operational discipline, which included the suspension of production at Cataby and the SR2 kiln at Capel. The company's inventory position, diversified product offering and Australian operating base ensure Iluka is well positioned to respond when conditions improve.

FINANCIALS

$976m

MINERAL SANDS REVENUE

(2024: $1,129m)

31%

UNDERLYING MINERAL SANDS EBITDA MARGIN

(2024: 42%)

$300m

UNDERLYING MINERAL SANDS EBITDA

(2024: $477m)

$473m

MINERAL SANDS NET DEBT (AS AT 31 DECEMBER 2025)

(2024: net cash $90m)

MARKETS & OPERATIONS

559kt

Z/R/SR PRODUCED

(2024: 496kt)

475kt

Z/R/SR SOLD

(2024: 475kt)

SUSTAINABILITY

WINNER

2025 VIRGINIA DEPARTMENT OF ENERGY MINERAL MINE RECLAMATION AWARD

(restoration of Old Hickory Mine)

FINALIST

2025 SOUTH AUSTRALIAN PREMIER'S AWARDS IN ENERGY AND MINING

(Community and Collaboration, Young Indigenous Achievers categories)

THE COMMENCEMENT OF MINING AT BALRANALD MARKS AN IMPORTANT MILESTONE FOR ILUKA

Over the last 15 years, the company has conceptualised, developed, trialled and is now commissioning a novel mining technology to bring the project to fruition.

THE YEAR AHEAD

With the commencement of mining at Balranald and Iluka's rare earths business progressing to plan against a favourable external backdrop, the company's priorities in 2026 include:

THE SUCCESSFUL COMMISSIONING AND RAMP-UP OF BALRANALD

THE EXECUTION OF THE ENEABBA REFINERY

OPTIMISING THE COMPANY'S POSITION IN THE MINERAL SANDS MARKET TO ULTIMATELY SECURE SALES AND UNDERPIN THE RE-START OF CATABY AND THE SR2 KILN AT CAPEL

PROGRESSION OF THE WIMMERA PROJECT'S DEFINITIVE FEASIBILITY STUDY

EVALUATION OF THE TYPHOON SATELLITE DEPOSIT TO EXTEND THE LIFE OF THE JACINTH-AMBROSIA OPERATION

CHAIRMAN'S AND MANAGING DIRECTOR'S REVIEW

JAMES MACTIER
Chair

TOM O'LEARY
Managing Director and CEO

DEAR SHAREHOLDERS,

2025 was a tale of two businesses for Iluka and our respective commodities.

Mineral sands were impacted by subdued demand and associated developments in the pigment industry. Rare earths, by contrast, dominated global headlines and were recognised as a clear priority by investors, consumers and policymakers alike.

Both outcomes were driven by a business environment that is now more complex than it has been in decades. Geopolitical and trade tensions have led to persistent macroeconomic uncertainty. This has constrained activity in many sectors, including construction, which is a key end-use market for mineral sands products. Iluka has acted decisively, curtailing production and reducing costs, again demonstrating the discipline that is central to our investment proposition.

In parallel, we have seen the risk of supply disruptions for rare earths manifest, from the theoretical to the concrete, reinforcing the value and strategic importance of the new business our company has been building since 2022, with the Eneabba refinery to be commissioned next year.

So although external conditions did weigh on Iluka's financial result in 2025 – we recorded a net loss of $288 million post impairments and an underlying mineral sands EBITDA of $300 million – they also validated our approach to operational settings, capital allocation and balance sheet management. Through deliberate choices over several years, Iluka is evolving into a diversified critical minerals company positioned for long-term growth and the delivery of sustainable value.

MINERAL SANDS MARKETS: NAVIGATING CYCLICALITY WITH DISCIPLINE

Approximately 90% of all titanium dioxide feedstocks are consumed by the pigment industry. This sector faced significant challenges in 2025, with cyclically low demand compounded by plant closures and additional tariffs on imports from China. Several pigment producers experienced financial distress, including one Iluka customer that entered administration.

These conditions inevitably affected Iluka's synthetic rutile sales. In response, we suspended production at our primary synthetic rutile facility, SR2, as well as at the Cataby mine, which supplies ilmenite feedstock to that operation.

We also withdrew sales guidance under our long-term synthetic rutile contracts, with existing agreements subsequently adjusted to underpin minimum contracted revenue of $240 million in 2026.

Zircon sales were comparatively resilient. Pricing, however, was impacted by actions from other producers failing to exercise market discipline. Iluka achieved materially stronger pricing outcomes than competitors, reflecting our differentiated market position and approach.

A number of producers and customers reported operating losses and undertook restructuring during the year, often an indication that markets may have reached a bottom. Rio Tinto initiated a strategic review of its RTIT business, by some margin the world's largest merchant producer of titanium dioxide feedstocks. The outcome of this review is likely to have lasting consequences for the mineral sands industry.

It follows that a range of sector specific and macroeconomic factors could influence outcomes for mineral sands companies in the period ahead. Among these is any potential recovery in the US housing market, which has remained soft for an extended time. Iluka has and will continue to prioritise those factors that are within our control. We are well positioned to respond when demand conditions improve, demonstrated by our substantial product inventory (valued at more than $1 billion), reset cost base, diversified product mix, and Australian operations.

BALRANALD: A NEW CHAPTER IN CRITICAL MINERALS MINING

The Balranald mine in New South Wales is the latest addition to those operations and entered commissioning in December. Mining has now commenced and heavy mineral concentrate has been produced. Balranald is an exceptionally high-grade ore body – exceeding 50% in the production plan – with an assemblage rich in natural rutile and premium zircon, complemented by valuable light and heavy rare earth credits.

Situated at approximately 70 metres below surface, Balranald represents a milestone in extracting critical minerals from unconsolidated sediments at depth. Over the past 15 years, Iluka has conceptualised, developed, trialled, and is now commissioning a novel mining technology to make this possible.

This investment in research and development also delivers the benefit of significantly reduced environmental disturbance compared to traditional extraction techniques.

Production is expected to ramp up progressively over the first half of 2026, with nameplate capacity targeted for mid year. Concentrate will be processed at Iluka's Western Australian facilities, with first finished products expected to enter the market in the second half of the year.

RARE EARTHS: POSITIONING ILUKA AND AUSTRALIA IN A RESHAPED SUPPLY CHAIN

China twice restricted the export of rare earths in 2025, including in response to Liberation Day tariffs implemented by the United States. The resulting disruption to supply chains laid bare the risks to Western and likeminded manufacturing. In that moment, a long-running debate shifted from concept to consequence. Production lines for critical equipment built by iconic manufacturers were jeopardised. Some stopped.

Governments and industry have responded with heightened urgency, characterised by deeper intervention and stronger international cooperation to develop supply outside China. Most notably, the United States Government partnered with MP Materials to establish a price floor for light magnet rare earths. This mechanism is independent of the Asian Metal Index and a material acknowledgement that sustainable Western supply requires pricing structures grounded in commercial fundamentals, not geopolitically distorted benchmarks.

For Iluka, these developments are significant but unsurprising. Their likelihood informed the final investment decision taken for the Eneabba rare earths refinery in 2022, including the way the facility is being funded and constructed. And their acceleration further underscores the advantage of our refinery coming online in 2027; the products it will deliver; how those products will be priced; and the wide range of feedstocks the facility will be capable of processing.

Realising these opportunities depends on disciplined execution. Engineering at Eneabba is now more than 95% complete and civil construction is well advanced. All major equipment has been ordered, with much of it arriving on site for early placement ahead of installation. Structural, mechanical, piping and instrumentation contracts have been tendered and will be awarded in H1 2026. With more than $1 billion already spent or committed, the capital estimate to deliver the project remains $1.7–$1.8 billion.

Offtake discussions have progressed alongside refinery construction, informed by external developments. Our priority remains securing binding agreements with commercial customers that deliver mutual benefit – supply security for them, fair value for us, and protection for both parties against the risk of price manipulation.

Critically, Iluka will be a material producer of both light and heavy magnet rare earth oxides. Our heavy rare earth capability is a meaningful point of differentiation among Western suppliers, enabling us to offer the full suite of magnet oxides to prospective customers. Moving further down the value chain to produce rare earth metals would constitute an additional step in this regard. The company's feasibility study into metallisation advanced over the course of the year and will conclude in 2026.

Designed to process a diverse range of feedstocks from both Australian and international sources, the Eneabba refinery provides long-term flexibility and reduces reliance on any single deposit. It is a strategic national asset – one that inverts what has become the typical value addition model in the Australian resources sector.

Iluka made steady progress on feedstock development throughout 2025. Internally, we advanced the definitive feasibility study for the Wimmera project in western Victoria, a potential multi decade source of light and heavy rare earths. Externally, we finalised a concentrate supply agreement with Lindian Resources, which is developing the Kangankunde deposit in Malawi, a major source of neodymium and praseodymium.

The prospect of offtake under our existing agreement with Northern Minerals was also strengthened by support from the Australian and US governments for the development of the Browns Range deposit, which contains the highest known assemblage of dysprosium and terbium outside China.

SAFETY AND ENVIRONMENT

Against a backdrop of changing operational settings and increased capital intensity, Iluka delivered a strong safety and environmental performance, a testament to the effectiveness of our systems and, ultimately, the professionalism of our people.

Our Total Recordable Injury Frequency Rate decreased from 3.8 to 3.4; and serious potential incidents fell from 14 to 3. We rehabilitated 272 hectares of land across the portfolio and successfully closed the former Gingin mine in Western Australia. In the United States, rehabilitation of the former Old Hickory/Concord mine in Virginia was recognised with a Mineral Mine Reclamation Award, further enhancing Iluka's credentials in mine rehabilitation, closure and relinquishment.

OUR FUTURE

These outcomes are an essential part of Iluka's overall commitment to delivering for our shareholders. While the past year presented challenges on several fronts, the significant opportunities within our grasp are self-evident. We are determined to capture them. And we thank you for your continued support.

JAMES MACTIER
Chairman

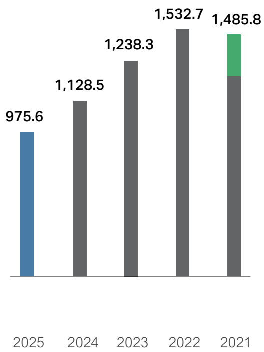
TOM O'LEARY
Managing Director and CEO

ILUKA IS EVOLVING INTO A DIVERSIFIED CRITICAL MINERALS COMPANY POSITIONED FOR LONG-TERM GROWTH AND THE DELIVERY OF SUSTAINABLE VALUE

FINANCIAL SUMMARY

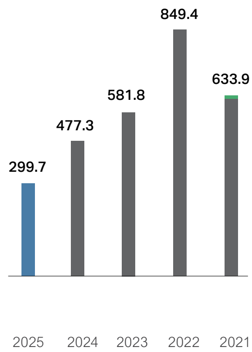
MINERAL SANDS REVENUE

$976 M



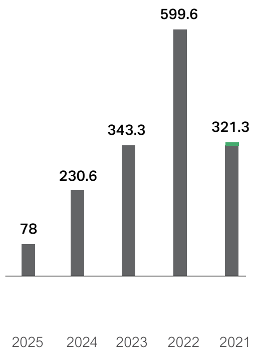
UNDERLYING MINERAL SANDS EBITDA

$300 M



UNDERLYING NPAT

$78 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 2025 was $976 million.

Total zircon sales reached 268 thousand tonnes for the year, including 157 thousand tonnes of premium and standard zircon sand. Zircon-in-concentrate (ZIC) sales contributed 111 thousand tonnes, a 70% increase on the prior year. The weighted average realised price for premium and standard zircon for the year was US$1,643 per tonne, lower than the prior year, impacted by increased competition from China's domestic zircon production and aggressive price discounting in H2 by a competitor. A shift in product mix towards ZIC, a lower-quality material that realises lower prices, also reduced the average realised zircon price of US$1,422 per tonne.

Full-year synthetic rutile sales in 2025 of 136 thousand tonnes were 32% lower, reflecting subdued market conditions for pigment products and a contractual default by Venator following the idling of their Greatham facility and the company subsequently entering administration.

Natural rutile sales reached 71 thousand tonnes for the year, including HyTi and titanium dioxide in concentrate. Sales volumes were 57% higher than the prior year, predominantly reflecting increased concentrate volume in line with the accelerated rundown of low-grade material at Narngulu.

UNDERLYING MINERAL SANDS EBITDA

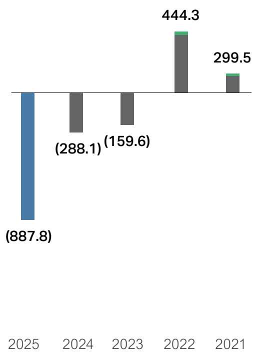
Underlying mineral sands EBITDA was $300 million. The mineral sands business generated an underlying EBITDA margin of 31% (2024: 42%).

UNDERLYING NET PROFIT (LOSS) AFTER TAX

Iluka reported a net loss after tax of $288 million, impacted by subdued mineral sands markets, which resulted in an impairment of $351 million of assets and $216 million of write-downs of inventory to net realisable value. Underlying NPAT was a profit of $78 million, excluding these non-cash items. The underlying profit after tax included an earnings contribution of $28 million from Iluka's 20% interest in Deterra Royalties.

FREE CASH FLOW

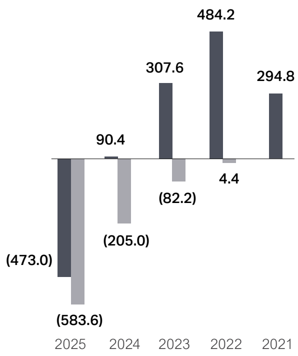
$(888) M



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

NET CASH/(DEBT)

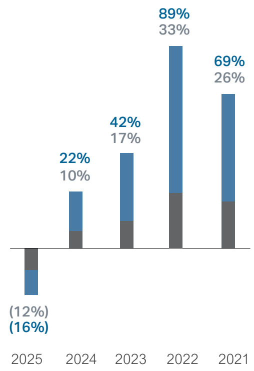
$(1,057) M



Mineral Sands net debt Rare Earths net debt

ROE AND ROC

(12%) (16%)



ROE ROC

FREE CASH FLOW

The company generated an operating cash flow of $61 million. In response to market conditions, the Group temporarily suspended production at Cataby and Synthetic Rutile (SR) kiln 2 from 1 December 2025, while maintaining the ability to restart these operations when market conditions improve.

Iluka's 20% stake in Deterra Royalties generated $23 million of cash inflow, which is fully distributed to Iluka's shareholders in accordance with Iluka's dividend framework.

Capital expenditure was $862 million. This included approximately $443 million spent on the Eneabba rare earths refinery in the year and $361 million on Balranald; approximately $10 million was spent on feasibility studies including Wimmera, Tutunup, and other deposits, and the remainder on sustaining capital expenditure. In addition, a further $8 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.

During the period, Iluka received proceeds relating to the redemption of its convertible note investment in Northern Minerals. The repayment totalled $19 million, representing the return of the $15 million principal together with accrued interest.

Total tax payments of $94 million include $30 million for 2024 final tax payments, paid in the first half of 2025. Iluka expects to be in a tax-refundable position in 2026 based on tax payments already made in respect of its 2025 financial results, resulting in a refund of $52 million expected in H1 2026 (represented as a current tax asset in the balance sheet).

As a result of continuing significant capital investment, primarily on the Eneabba refinery and Balranald mineral sands mine, the company had a free cash outflow of $888 million during 2025, compared to a free cash outflow of $288 million in 2024.

NET CASH (DEBT)

As at 31 December 2025, the mineral sands business reported a net debt position of $473 million, compared to $90 million net cash at 31 December 2024. The year-on-year movement primarily reflects continued capital investment associated with Balranald project execution. As expected, the gearing levels for the rare earths business unit continued to increase, with a net debt position of $584 million at 31 December 2025, up from a net debt position of $205 million last year. The Iluka Group reported a net debt position of $1,057 million.

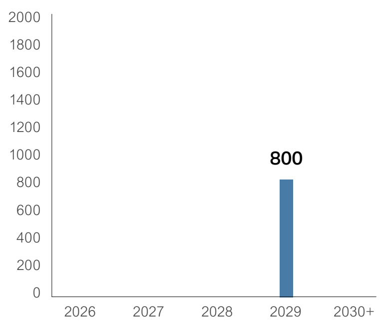
ROE AND ROC

The reported loss as a consequence of the mineral sands business unit and inventory write-down is reflected in a return on shareholders' equity (ROE) of (12%) and return on capital (ROC) of (16%).

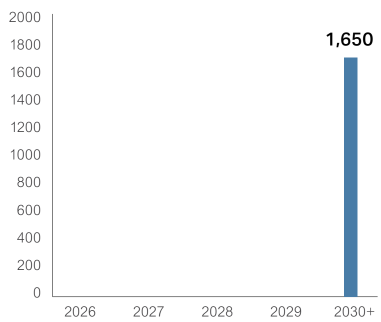
FOR MORE INFO PLEASE VISIT ILUKA.COM

DEBT FACILITIES MATURITY PROFILE

MOFA MATURITY PROFILE ($M)



ENEABBA REFINERY NON-RECOURSE LOAN FACILITY MATURITY PROFILE ($M)



MINERAL SANDS

As at 31 December 2025, 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 $500 million of debt drawings under the MOFA at year-end. There was $40 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 debt balance of $473 million.

RARE EARTHS

The rare earths business unit has a $1,650 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. The facility includes a $400 million tranche that is subject to securing offtake satisfactory to the Australian Government. As at 31 December 2025, $610 million was drawn against the facility. In addition, there is a $150 million overrun facility, to be contributed 50% by Export Finance Australia and 50% by Iluka, and this facility remains undrawn.

The rare earths business unit had a net debt position of $584 million at 31 December 2025.

Note 16 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 2 cents per share and has declared a full year dividend of 3 cents per share, fully franked, for 2025.

HEDGING

Iluka manages a portion of its foreign exchange risk via a foreign exchange hedging program. The Group entered into hedging contracts in March 2025, US$35.6m in collars with a call strike of 66 cents and a put strike of 59.3 cents, and US$18m in forwards with a forward rate of 63.0 cents.

In addition, US$309 million of hedging contracts matured during the year, consisting of:

- US$291 million in foreign exchange collar contracts consisting of US$291 million of bought AUD call options with weighted average strike prices of 68.3 cents and US$291 million of sold AUD put options with weighted average strike prices of 63.0 cents; and
- US$18 million in forward contracts at a strike price of 63.0 cents.

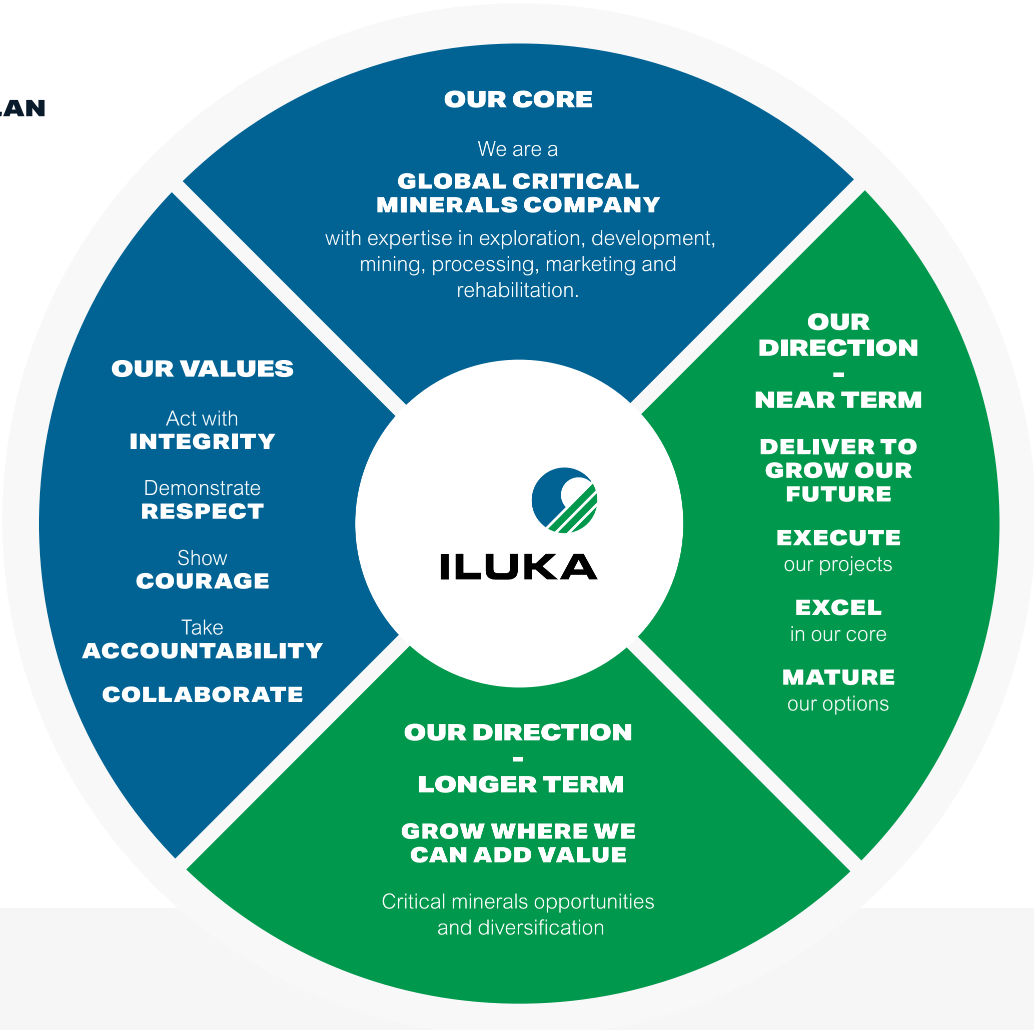
Iluka has US$200 million in foreign exchange collar contracts in relation to expected USD revenue from contracted sales to 31 December 2026 which remain open as at 31 December 2025, which are detailed in Note 22 of Iluka's Financial Report.

ILUKA DECLARED A FULL YEAR DIVIDEND OF 3 CENTS PER SHARE, FULLY FRANKED, FOR 2025

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

IN THIS SECTION

FINANCIAL RESULTS

INCOME STATEMENT ANALYSIS

$ million	Full Year 2025	Full Year 2024	% Change
Z/R/SR revenue	908.3	1,043.4	(12.9)
Ilmenite and other revenue	67.3	85.1	(20.9)
Mineral sands revenue	**975.6**	**1,128.5**	**(13.5)**
Cash costs of production	(589.1)	(644.0)	(8.5)
By-product costs	(9.7)	(16.4)	(40.9)
Inventory movement - cash costs of production	153.4	179.9	(14.7)
Purchased inventory	(19.1)	-	n/a
Operational readiness	(30.3)	(7.3)	n/a
Idle capacity charges	(32.2)	(28.0)	15.0
Government royalties	(33.5)	(35.1)	(4.6)
Marketing and selling costs[1]	(29.5)	(32.5)	(9.2)
Asset sales and other income	0.8	0.9	(11.1)
Major projects, exploration, and innovation	(37.0)	(40.0)	(7.5)
Corporate and other costs	(34.2)	(48.6)	(29.6)
Foreign exchange	(15.5)	19.9	n/a
Underlying mineral sands EBITDA	**299.7**	**477.3**	**(37.2)**
Share of profit of associate	29.6	21.5	37.7
Underlying Group EBITDA	**329.3**	**498.8**	**(34.0)**
Depreciation and amortisation	(232.5)	(192.2)	21.0
Inventory movement - non-cash production costs	46.0	48.2	(4.6)
NRV write down	(215.6)	-	n/a
Rehabilitation costs for closed sites	25.9	5.2	n/a
Gain/(loss) on revaluation of investments	11.8	(4.5)	n/a
Net impairment	(350.6)	-	n/a
Group EBIT	**(385.7)**	**355.5**	**n/a**
Net interest and bank charges	(14.3)	6.5	n/a
Rehabilitation unwind and other finance costs	(27.2)	(36.7)	(25.9)
(Loss)/profit before tax	**(427.2)**	**325.3**	**n/a**
Tax expense	138.8	(94.0)	n/a
(Loss)/profit for the period (NPAT)	**(288.4)**	**231.3**	**n/a**
Average AUD/USD rate for the period (cents)	**64.5**	**66.0**	**(2.3)**

INVESTING IN GROWTH

The company continued to invest in growth through the Balranald and Eneabba developments, with full-year capital expenditure of $862 million.

FOR MORE INFORMATION PLEASE VISIT

ILUKA.COM

MOVEMENT IN UNDERLYING NPAT

$ million	Full Year 2025	Full Year 2024	% Change
NPAT	(288.4)	231.3	
Non-recurring adjustments:			n/a
Rehabilitation for closed sites - Total (post tax)	(18.1)	(5.2)	n/a
Revaluation of Northern Minerals	(11.8)	4.5	n/a
Impairments	245.4	-	n/a
NRV revaluation of inventories	150.9	-	n/a
Underlying NPAT	**78.0**	**230.6**	**(66.2)**

Sales commentary is contained on page 17.

OVERVIEW

The mineral sands market experienced sustained subdued demand during 2025, with lower levels of global economic activity continuing to weigh on customer purchasing behaviour. In response to these conditions, management announced the decision to suspend production activities at Cataby and SR2, effective 1 December 2025, to preserve balance sheet strength. An impairment charge of $351 million and an NRV write-down of $216 million on inventory were recognised to reflect updated assumptions and outlook.

Exchange rate variances relate to AUD:USD translation of sales, which are predominantly sold in USD currency. The Australian dollar was volatile again in 2025, with a range from 67.2 cents to 59.4 cents. On average, the exchange rate was 64.5 cents for 2025, compared to an average in 2024 of 66.0 cents. Due to timing of sales, the Group's Australian dollar revenue was adversely impacted by exchange differences compared to 2024. 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 9% from the prior year with unit cash cost per tonne of Z/R/SR produced decreasing by 19% to $1,054 per tonne, reflecting operational efficiency and the impact of higher ZIC production volume on unit cost absorption and lower spend following the suspension of Cataby and SR2 in December.

Unit cost of goods sold (excluding NRV) increased by 7% to $1,274 per tonne in 2025. This predominantly reflects higher Jacinth-Ambrosia heavy mineral concentrate (HMC) costs on lower grade and recovery. Depreciation and amortisation also increased, driven by commencement of depreciation on new and replacement assets. These impacts were partially offset by a favourable shift in product mix towards ZIC volumes, which have lower unit costs.

Idle, restructure, disposals, and other amounts increased year-on-year due to $31 million in operational ramp-up expenses incurred in preparation for Balranald commissioning and the decision to suspend production at Cataby and SR2, effective 1 December 2025. 2024 idle costs included some one-off costs related to SR1 kiln major maintenance works and the six-week shutdown of the Narngulu mineral separation plant (MSP) during H1 2024.

Corporate cost reflects expenses to operate, govern and grow the business. Lower costs compared to the prior year were primarily driven by reductions in spend resulting from H2 2024 restructure of support functions and cost review. The Group conducted a further review in H2 2025, which will further reduce 2026 spend on support costs.

Marketing and selling costs decreased year-on-year due to lower sales volume reducing the associated logistic costs and royalties.

Major project, exploration and innovation spend included lower research and development spend to allow focus on Balranald execution and the ongoing Eneabba refinery development, and a slight slowing of major project spend activity in Australia.

The Group recorded a **tax benefit** of $139 million in 2025. The tax benefit rate of 32% on the pre-tax loss of $428m exceeds the Australian corporate tax rate of 30% because the equity-accounted profit from Deterra Royalties is non-assessable for tax purposes, which increases the tax loss relative to the accounting loss. In a profit scenario, this treatment would result in an effective tax rate below 30%.

Rehabilitation unwind and other costs decreased due to a higher discount rate aligned to movements in the Australian Government bond yields and lower inflation assumptions, both of which reduced the rehabilitation liability recognised.

SALES AND MARKETS

Macroeconomic conditions in 2025 remained challenging, continuing the pattern of subdued global activity seen during 2023 and 2024. While inflation eased in several regions, higher-for-longer interest rates, geopolitical instability, and uncertainty surrounding global trade policy constrained consumer confidence and slowed industrial demand. This environment influenced purchasing behaviours across the mineral sands value chain, with many customers opting to buy only what was required for near-term consumption.

ZIRCON

Iluka's total zircon sales of 268 thousand tonnes for the year were up 16% from 2024. Sales included 111 thousand tonnes of zircon-in-concentrate.

Demand from ceramics was impacted by ongoing weakness in the Chinese property sector. This contrasted with India and Europe, where demand was more resilient.

Fused zirconia prices in China declined as suppliers lowered their offers amid subdued market sentiment and elevated inventory levels.

Zircon prices softened over the second half of 2025 in particular, pressured by aggressive price cuts implemented by major competitors. Customers remain cautious amid shifting economic and political conditions, choosing to minimise year-end inventory exposure.

Total zircon revenue for the year was US$381 million, representing a marginal decline of approximately 3.7% compared to 2024. The company achieved a weighted average zircon sand price (premium and standard) of US$1,643 per tonne.

HIGH-GRADE TITANIUM FEEDSTOCKS

Iluka's total sales of high-grade titanium feedstocks were 156 thousand tonnes, down 36% from 2024. This included 20 thousand tonnes of rutile sales and 136 thousand tonnes of synthetic rutile sales.

Demand for high-grade feedstocks was negatively influenced by the difficult conditions in the global titanium dioxide pigment market. With most pigment producers operating at reduced production rates, 2025 also saw pigment capacity removed from the market, with Venator entering administration and some Chinese production being idled. China's pigment industry also faced constraints, after final anti-dumping rulings were issued across Europe, Brazil, and Saudi Arabia, altering established trade patterns.

Within this environment, pigment producers adopted conservative operating strategies, reducing inventories, limiting purchases to match end use demand, and conserving cash.

Demand for titanium sponge remained robust but this did not translate to additional demand as companies worked through inventory. The welding segment continued to experience pricing pressure due to significant growth in Chinese exports.

On the supply side, while Chinese concentrate imports from African countries continue to increase, significant uncertainty surrounds the future of key producers and projects, both material to the industry supply/demand situation.

In response to these conditions, Iluka idled its synthetic rutile production capacity, aligning production with market demand and preserving value during this period of industry adjustment.

Mining has commenced at Balranald and heavy mineral concentrate has been produced.

PRODUCTION AND OPERATIONS

MINERAL SANDS

Iluka's mineral sands operations are located in 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 270 thousand tonnes of zircon, 79 thousand tonnes of rutile, and 210 thousand tonnes of synthetic rutile.

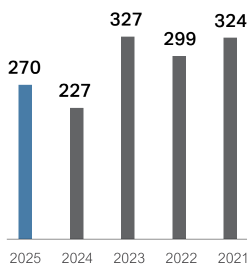
In September, Iluka announced changes to its Australian operational settings in response to weaker demand in the titanium dioxide market, especially relating to pigment, with production activities at the Cataby mine and Synthetic Rutile kiln 2 (SR2) suspended from 1 December 2025. Cataby produced 544 thousand tonnes of HMC and SR2 delivered 210 thousand tonnes of synthetic rutile in 2025. SR1 production remained offline in 2025.

Mining and concentrating at Jacinth-Ambrosia in South Australia produced 292 thousand tonnes of HMC, up 12% on 2024, reflecting improved plant performance through the year and higher ore fed.

The Narngulu MSP in Western Australia processed 482 thousand tonnes of HMC from Cataby and Jacinth-Ambrosia, up 11% on 2024. The improvement reflects increased plant utilisation relative to prior period, which was impacted by a six-week planned maintenance outage. ZIC production ramped up substantially to 111 thousand tonnes, increasing by 61% compared to the prior year, reflecting the successful acceleration of this lower-grade materials run-down.

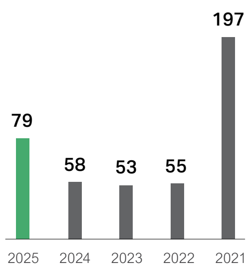
ZIRCON

Production volumes (kt)



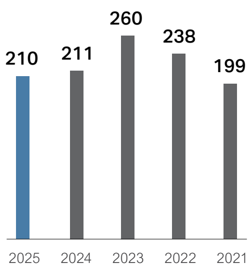
RUTILE

Production volumes (kt)



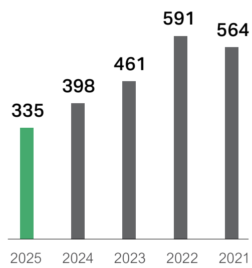
SYNTHETIC RUTILE

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 2025**	**Full Year 2024**	**% Change**
Zircon	270.3	227.2	19.0
Rutile	78.9	57.8	36.5
Synthetic rutile	209.9	211.2	(0.6)
Total Z/R/SR production	**559.1**	**496.2**	**12.7**
Ilmenite	335.3	398.1	(15.8)
Total mineral sands production	**894.4**	**894.3**	**0.0**
HMC produced	905	951	(4.8)
HMC processed	788	752	4.7
Cash costs of production, excluding ilmenite and by-products ($m)	**589.1**	**644.0**	**(8.5)**
Unit cash cost per tonne of Z/R/SR produced excluding by-products ($/t)	1,054	1,298	(18.8)
Unit cost of goods sold per tonne of Z/R/SR sold ($/t)	1,274	1,190	7.1

IDLE OPERATIONS

Discontinued and idle operations reflect rehabilitation obligations in the United States (Florida and Virginia) and certain idle assets in Australia with no clear path to restart (Murray Basin).

MOVEMENT IN NET (DEBT)/CASH - MINERAL SANDS

$m	FY 2025	H1 2025	H2 2025	FY 2024	H1 2024	H2 2024
Opening net cash	**90.4**	**90.4**	**(163.9)**	**307.6**	**307.6**	**281.6**
Operating cash flow	60.8	114.7	(53.9)	252.4	188.0	64.4
Exploration	(14.6)	(6.3)	(8.3)	(12.1)	(7.2)	(4.9)
Interest (net)	(9.9)	(1.7)	(8.2)	12.1	7.0	5.1
Tax	(93.8)	(70.8)	(23.0)	(128.8)	(76.2)	(52.6)
Capital expenditure	(419.1)	(223.4)	(195.7)	(274.3)	(123.8)	(150.5)
Principal element of lease payments	(10.5)	(5.1)	(5.4)	(8.4)	(3.3)	(5.1)
Asset sales	1.5	1.0	0.5	0.2	0.2	-
Share purchases	(0.5)	(0.5)	-	-	-	-
Redemption of convertible note	18.5	-	18.5	-	-	-
Free cash flow - Mineral Sands	**(467.6)**	**(192.1)**	**(275.5)**	**(158.9)**	**(15.3)**	**(143.6)**
Dividends received -Deterra	23.3	9.5	13.8	30.8	15.8	15.0
Rare Earths equity funding	(94.4)	(55.4)	(39.0)	(50.3)	(8.1)	(42.2)
Free cash flow	**(538.7)**	**(238.0)**	**(300.7)**	**(178.4)**	**(7.6)**	**(170.8)**
Dividends	(25.2)	(16.9)	(8.3)	(33.6)	(16.7)	(16.9)
Net cash flow	**(563.9)**	**(254.9)**	**(309.0)**	**(212.0)**	**(24.3)**	**(187.7)**
Exchange revaluation of USD net debt	1.1	0.9	0.2	(2.0)	1.0	(3.0)
Amortisation of deferred borrowing costs	(0.6)	(0.3)	(0.3)	(3.2)	(2.7)	(0.5)
Increase in net cash/(debt)	**(563.4)**	**(254.3)**	**(309.1)**	**(217.2)**	**(26.0)**	**(191.2)**
Closing net cash/(debt)	**(473.0)**	**(163.9)**	**(473.0)**	**90.4**	**281.6**	**90.4**

MOVEMENT IN NET (DEBT)/CASH - RARE EARTHS

$m	FY 2025	H1 2025	H2 2025	FY 2024	H1 2024	H2 2024
Opening net cash	**(205.0)**	**(205.0)**	**(338.5)**	**(82.2)**	**(82.2)**	**(127.2)**
Operating cash flow	-	0.0	-	(0.3)	1.2	(1.5)
Capital expenditure	(443.0)	(178.5)	(264.5)	(159.5)	(48.7)	(110.8)
Principal element of lease payments	(0.5)	(0.1)	(0.4)	(0.2)	(0.1)	(0.1)
Free cash flow - Rare Earths	**(443.5)**	**(178.6)**	**(264.9)**	**(160.0)**	**(47.6)**	**(112.4)**
Proceeds from issue of ordinary shares	94.4	55.4	39.0	50.3	8.1	42.2
Net cash flow	**(349.1)**	**(123.2)**	**(225.9)**	**(109.7)**	**(39.5)**	**(70.2)**
Amortisation of deferred borrowing costs	(0.5)	(0.2)	(0.3)	(0.2)	(0.1)	(0.1)
EFA interest capitalised to refinery	(29.0)	(10.1)	(18.9)	(12.9)	(5.4)	(7.5)
Increase in net cash/(debt)	**(378.6)**	**(133.5)**	**(245.1)**	**(122.8)**	**(45.0)**	**(77.8)**
Closing net cash/(debt)	**(583.6)**	**(338.5)**	**(583.6)**	**(205.0)**	**(127.2)**	**(205.0)**

NON-IFRS FINANCIAL INFORMATION

	Mineral Sands	Rare Earths	US/MB	Total operating	Non-operating (Including corporate)	Group
Mineral sands revenue	966.4	-	9.2	975.6	-	975.6
Freight revenue	39.8	-	-	39.8	-	39.8
Expenses	(604.4)	0.3	(19.0)	623.1	(42.9)	(666.0)
Share of profits in associate	-	-	-	-	29.6	29.6
FX	-	-	-	-	(15.5)	(15.5)
Corporate costs	-	-	-	-	(34.2)	(34.2)
EBITDA	**401.8**	**0.3**	**(9.8)**	**392.3**	**(63.0)**	**329.3**
Depn & Amort	(228.9)	-	(0.6)	(229.5)	(3.0)	(232.5)
Inventory movement - non-cash	46.0	-	(0.0)	46.0	-	46.0
Rehabilitation for closed sites	20.8	-	5.1	25.9	-	25.9
Revaluation on investments	-	-	-	-	11.8	11.8
Impairment of assets	(314.7)	-	(25.6)	(340.3)	(10.3)	(350.6)
NRV write-down	(215.6)	-	-	(215.6)	-	(215.6)
EBIT	**(290.6)**	**0.3**	**(30.9)**	**(321.2)**	**(64.5)**	**(385.7)**
Net interest costs	-	-	(0.2)	(0.2)	(14.1)	(14.3)
Rehab unwind and other finance costs	(26.6)	(0.8)	1.2	(26.2)	(1.0)	(27.2)
Profit before tax	**(317.2)**	**(0.5)**	**(29.9)**	**(347.6)**	**(79.6)**	**(427.2)**
Segment result	**(317.2)**	**(0.5)**	**(29.9)**	**(347.6)**	**n/a**	**(427.2)**

CASH AND CASH EQUIVALENTS RECONCILIATION

$m	Mineral Sands	Rare Earths	Total FY 2025
Cash and cash equivalents	**25.5**	**20.2**	**45.7**
Non-current interest-bearing liabilities	(498.5)	(603.8)	(1,102.3)
Closing net (debt)/cash	**(473.0)**	**(583.6)**	**(1,056.6)**

PROJECT OVERVIEW

BALRANALD

Balranald, New South Wales

Located in south western New South Wales, Balranald is a high-grade critical minerals deposit rich in natural rutile and premium zircon, accompanied by important light and heavy rare earths.

Over the last 15 years, Iluka has developed, trialled and is now commissioning a novel remotely-operated underground mining technology in order to access the deposit, which is located approximately 70 metres below the surface within a hyper-saline water table. This new technology also helps to significantly reduce environmental disturbance relative to traditional extraction techniques.

Construction work progressed safely through 2025, with the focus during the final months of the year on commissioning the mining equipment and the processing plant. The full complement of commissioning and operational staff was on site by October, with local and regional recruitment particularly strong. Construction of the solar farm began in mid-October, supporting Iluka's renewable energy strategy and broader sustainability goals.

Mining and processing of run-of-mine ore commenced in January 2026. Iluka expects to progressively ramp up mining and production of heavy mineral concentrate to steady-state by mid-2026.

Given its geology and final product mix, the successful construction and commissioning of Balranald is an important development for both Iluka and the broader mineral sands industry.

ILUKA EXPECTS TO PROGRESSIVELY RAMP UP MINING AND PRODUCTION TO STEADY-STATE BY MID-2026

ENEABBA RARE EARTHS REFINERY

Eneabba, Western Australia

Iluka is building Australia's first fully-integrated refinery for the production of separated rare earth oxides at Eneabba in Western Australia. 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.

Construction of the refinery accelerated during 2025.Detailed earthworks concluded in the first half of the year, concrete works progressed (with more than 21,000m^3 of concrete poured), and equipment began to arrive on site for placement.

Progressive completion of plant areas enabled the installation of mechanical equipment, pipe rack modules, tanks and buildings, providing a solid foundation for subsequent works.

Major equipment deliveries to site continue, with the roaster kiln due at site in H1 2026. The remaining contract awards relate to structural, mechanical, piping, electrical and instrumentation (SMPEI), which were tendered in Q4 2025 and are scheduled for award in H1 2026. The lining of the tailings disposal facility has also been completed.

Operational readiness activities are well underway, building the foundations for a competent, capable and highly-skilled workforce. The Ngulya accommodation village was expanded to offer an additional 192 rooms, and the kitchen, gym and recreation room were upgraded.

In parallel, the company has advanced discussions with prospective customers regarding offtake arrangements and continued work developing internal and external feedstock options.

Iluka is continuing a feasibility study into metallisation and this is expected to be completed in 2026. Upon commissioning in 2027, the Eneabba rare earths refinery will be one of the few rare earths refineries operating outside of China; a multi-decade infrastructure asset capable of processing a diverse range of feedstocks, from Australian and international projects, and producing both light and heavy separated rare earth oxides.

AUSTRALIA'S FIRST FULLY-INTEGRATED RARE EARTHS REFINERY

WIMMERA

Wimmera region, Victoria

The Wimmera project involves the mining and beneficiation of a fine-grained heavy mineral sands ore body in western Victoria for the potential long-term supply of rare earths and zircon. Wimmera's rare earths are an important potential future feedstock for the Eneabba refinery.

The project is currently in the definitive feasibility study (DFS) stage and an Environment Effects Statement (EES) is being prepared for submission to the Victorian Government during 2026.

Detailed engineering began in 2025 after WSP was selected as the major engineering service provider under an Integrated Owner's Team (IOT) model.

Iluka has successfully tested the flowsheet developed for the project and produced finished zircon products. Customer testing has confirmed ~40% of extracted zircon sand is suitable for ceramics, with markets identified for ~60% of all zircon extracted.

The company announced an increase to the Wimmera resource following additional exploration and deposit modelling in January 2026.

THE PROJECT IS CURRENTLY IN THE DEFINITIVE FEASIBILITY STUDY STAGE

EXPLORATION

GENERATION AND EXTERNAL OPPORTUNITIES

Iluka continued to advance exploration initiatives across Australia and North America to strengthen and diversify the company's project pipeline with a focus on greenfields and brownfields exploration programs to generate and test rare earths and mineral sands targets.

AUSTRALIA

In Australia, exploration activity throughout 2025 concentrated on improving geological confidence across heavy mineral (HM) deposits and progressing rare earth programs in the Northern Territory.

In the Eucla Basin of South Australia, drilling was undertaken to support geological interpretation and metallurgical assessment at the Ambrosia, Typhoon, and Sonoran deposits. A total of 175 holes for 5,606 metres were completed. Regional greenfields activities in the Eucla Basin were also advanced, including a trial radon emanation survey and ecological assessments at the Immarna prospect area.

In New South Wales, a program of 24 holes for 1,797 metres confirmed grade continuity and geomorphological characteristics of HM placer-style mineralisation.

At Cataby in Western Australia, drilling supported life-of-mine planning and future pit definition with a total of 94 holes for 2,906 metres drilled.

Iluka advanced its rare earth exploration activities in the Northern Territory throughout 2025. The programs included geological mapping, soil and rock sampling, and a ground gravity survey, all conducted at Supplejack. These initiatives identified rare earth element (REE) mineral occurrences and outlined a large, anomalous geochemical footprint. Further assessment is now planned for several high-priority REE targets in 2026.

Across Australia, a total of 305 drillholes for 10,321 metres were completed. Additional data acquisition included 5,679 gravity stations and 1,386 surface assay samples.

UNITED STATES

In the United States, exploration focused on monazite bearing dry mill tailings (DMT) at Green Cove Springs, mineral sands targets in the Georgia Embayment, and REE opportunities within the Idaho Rare Earth Belt (IREB).

At Green Cove Springs, 63 sonic drillholes totaling 884 metres were completed early in the year. Results indicated the DMT pile hosts approximately 1.8Mt of material at 20% HM containing 1.7% monazite. However, economic assessment determined that development would be challenged by limited value uplift and complexity associated with humate-rich layers.

In the Georgia Embayment, 78 drillholes (1,296 metres) tested shallow fluvial terrace deposits containing monazite, zircon, and rutile. High-value assemblages were confirmed, but low HM grades and limited scale constrained economic potential.

Following the 2024 Exploration Agreement with Megado Minerals Limited for the North Fork Rare Earth Project, Iluka executed unmanned aerial vehicle geophysical surveys, geological mapping and soil sampling across the claim package. These surveys identified several new carbonatite occurrences and multiple priority geophysical targets.

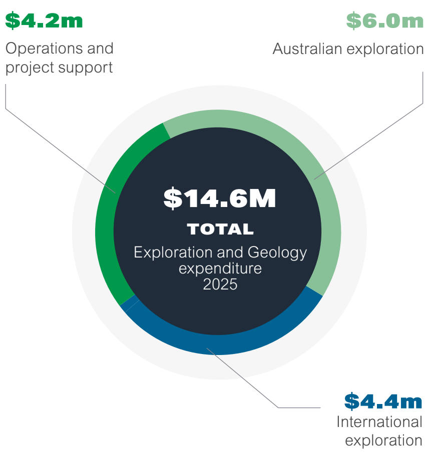
Further regional assessment was completed to identify further IREB targets outside of North Fork. Field inspections completed during 2025 confirmed the Little 8 Mile prospect as prospective resulting in the staking of 154 mineral claims across Bureau of Land Management and US Forest Service ground.

TENURE POSITION

as at 31 December 2025

Jurisdiction	Granted tenement area (km²)	Tenement application area (km²)
WA	1,359	1,610
NSW	3,571	0
NT	3,104	3,428
SA	12,544	0
QLD	723	0
VIC	1,024	299
USA	52	0
Total	**22,376**	**5,337**

EXPLORATION AND GEOLOGY EXPENDITURE 2025



SUSTAINABILITY AT ILUKA

(non-mandatory, non-climate related disclosures)

This section covers Iluka's non-mandatory sustainability disclosures, including health and safety, people, environment and communities, for the year ended 31 December 2025. The non-mandatory sustainability disclosures are for Iluka Resources Limited and its subsidiaries (collectively, 'Iluka'). Information in the Annual Report forms part of, and can be read in conjunction with, this section.

A complete set of climate-related financial disclosures, required under AASB S2, is covered separately at page 66 in the section "Sustainability Report (Climate-related Financial Disclosures)".

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

- **Our people and communities:**

  Engaging and building the capability of Iluka's workforce, prioritising health, safety, and wellbeing, and maintaining open, respectful and consistent relationships with the communities in which Iluka operates.

- **Our environment:**

  Being cognisant of the environmental impact of Iluka's operations, through land disturbance, water usage and treatment of waste and maximising operational efficiency.

Iluka integrates sustainability into everyday business practices and seeks to continuously improve performance. This commitment is supported by transparency, ethical behaviour, and adherence to high standards of corporate governance through fit-for-purpose systems and processes. The company's sustainability approach is aligned with recognised principles and frameworks and contributes to the United Nations Sustainable Development Goals.

A TRACK RECORD IN MINE REHABILITATION

Rehabilitation programs continued across Australia during 2025, including at Iluka's Douglas site in Victoria.

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

GOVERNANCE

The Iluka Board Sustainability Committee assists the Board in reviewing progress made against, and monitoring effectiveness of, company strategies, policies, and standards as they relate to sustainability. Responsibilities include oversight of performance, compliance with legislation, and management of health, safety, environmental, social and governance risks and impacts.

REPORTING OUR PERFORMANCE

This report summarises Iluka's performance for material topics determined by the 2025 sustainability materiality assessment, as outlined in the separate 2025 Sustainability Data Book (non-mandatory disclosures)[1], referred to as 'Data Book'. The company's approach to managing the material topics, case studies, and the Data Book outlining key performance information for 2025 and historical reporting periods are available at www.iluka.com.

Iluka has reported non-mandatory sustainability disclosures using guidance from the Global Reporting Index (GRI) Standards, including GRI 14: Mining Sector 2024, for the period 1 January 2025 to 31 December 2025. Refer to the GRI content index in the 2025 Data Book.

OUR PEOPLE AND COMMUNITIES

HIGHLIGHTS

3.4

Total Recordable Injury Frequency Rate (TRIFR)

(3.8 in 2024)

3

Serious Potential Incidents (SPI)

(14 in 2024)

23%

Women representation across workforce

(24% in 2024)

4.0%

Aboriginal and Torres Strait Islander peoples in total Australian workforce, including 19.8% at Jacinth-Ambrosia

(4.2% and 17% respectively in 2024)

67%

Employee Engagement score maintained

with 67% of employees participating

90+

Community projects supported via Iluka Lends a Hand grants program

(an increase on 60 from 2024)

HEALTH, SAFETY AND WELLBEING

The health, safety and wellbeing of Iluka's people are the company's highest priorities.

Iluka's approach to health, safety and wellbeing is built around a culture in which all employees are leaders in promoting and enabling a safe working environment. The 2025 Employee Engagement Survey confirmed that employees agree Iluka is a safe place to work, with 92% of participants reporting they feel comfortable stopping work if they identify anything unsafe.

In 2025 there was an increase in construction activity at Iluka's Balranald and Eneabba projects (total work hours for the year increased by approximately 30%). Effective management of this higher risk activity, in partnership with contractors, was a priority for senior leadership during the year. There were three SPIs during 2025 (down from 14 in 2024) and TRIFR decreased to 3.4 in 2025 (from 3.8 in 2024). The majority of injuries related to hand and musculoskeletal injuries. Specific programs and campaigns to target injury areas were rolled out through 2025.

The company's Health, Safety, Environment and Community Management System defines minimum standards for identifying, assessing, and controlling risks, reducing the potential for occupational illness and injury, and promoting healthy lifestyles. Health and safety programs provide a framework, tools and training to support employees in their roles:

- Iluka's **Switched-On program**, launched in 2024, promotes a mindset for team collaboration and innovation to achieve a material shift in safety performance. The program advocates that 'safety isn't about protecting employees from something, but for something.' In 2025, Iluka focused on the quality of the program outputs, including pre-start meetings and team discussions on risks associated with work activities.
- **Critical Control Management** (CCM) facilitates the mitigation of fatality risk across operations. CCM system improvements in 2025 included the capability to immediately review and assess performance and trends in CCM data. Operational and project teams completed more than 13,000 Critical Control Checks and 7,000 Critical Control Verifications during the year.
- **Safe Production Leadership** is a back-to-basics initiative to improve frontline leadership effectiveness. The program equips frontline leaders with the skills and knowledge of Iluka systems and requirements through online and classroom-based education and competency assessments.

FOR MORE INFO PLEASE VISIT ILUKA.COM

1. A complete set of climate-related financial disclosures, required under AASB S2, is covered separately at page 66 in the section "Sustainability Report (Climate-related Financial Disclosures)".

To support increased project activity and to improve the management of critical risks, Iluka reviewed and introduced improvements to its Contractor Health and Safety Management framework in 2025. Changes included re-categorisation of contractors, pre-qualification requirements and onboarding requirements. The updated framework aims to improve the efficiency and effectiveness of contractor onboarding and re-engagement, provide confidence in contractor safety management, and improve critical risk management and safety performance.

Iluka's Psychosocial Safety and Wellbeing program supports the company's commitment to a safe, respectful, and inclusive workplace culture. In 2025, Iluka commissioned an external psychosocial safety audit, including employee and contractor listening sessions, which were held at operational, project and corporate sites. Recommended actions were developed based on the audit findings and workforce feedback and these are currently being implemented. During the year, company-wide workshops were held to assess psychosocial risks and controls at each location and improved communication channels on speaking up, an updated wellbeing portal, and pre-start toolbox topics were implemented. Online training was developed to educate employees on their role in supporting a psychosocially-safe workplace, complementing Iluka's behaviour expectation training.

PEOPLE

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

Iluka aims to facilitate meaningful, interesting work and career development opportunities for its employees, in an inclusive and collaborative work environment. Employees at Iluka have the opportunity to work with an experienced critical minerals company and be involved in its transition to become a globally-significant supplier of separated rare earth oxides.

The company and its subsidiaries employed more than 1,000 people during 2025, with the majority of employees based in Australia. Iluka's business is supported by a contractor workforce of approximately 270 people. 151 employees, including 16 current Iluka employees relocating from other sites, joined the workforce at Balranald, the location of Iluka's new mineral sands operation. In preparation for commissioning and ramp-up of operations, employees completed a detailed onboarding and training program.

In September 2025, the company announced the suspension of production activities at the Cataby mine and Synthetic Rutile Kiln 2 (SR2) in Western Australia (WA), effective 1 December 2025, due to subdued demand for mineral sands. This decision led to a review of resourcing at these sites and of Iluka's cost base and activity levels. As a result, approximately 120 roles were removed across Australian and US locations. To support employees impacted by the change, there were increases to the Employee Assistance Provider (EAP) services available onsite and at office locations. Outplacement services were made available for affected employees to support their transition to future employment, in addition to their redundancy entitlements.

Iluka continued to invest in the development of the workforce with a focus on lifting technical skills capability for key disciplines including engineering, metallurgy, and geology.

Overseen by a technical skills working group, skill development initiatives were progressed including skill fundamentals e-learning packages, mentoring arrangements, and development of AI agents.

Development and tools to improve management skills and leadership capability was a focus for 2025. The Manager Hub, an online toolkit designed to support leaders at every stage of the employment lifecycle, was launched and online targeted information sessions were implemented over the year to provide practical guidance and support across a range of people management topics.

Iluka's talent pipeline continues to be developed through early careers employment and partnerships. In 2025, 25 apprentices and trainees were employed across electrical and mechanical roles at operational sites and 15 people continued to progress through their two-year graduate program. Iluka's partnership arrangement with CoRE Learning Foundation focuses on promoting Science, Technology, Engineering and Mathematics (STEM) education in WA's Mid West region through project-based learning that incorporates Iluka's operations and value chain.

Iluka sponsored three female high school students in WA through the Future Female Leaders program, providing mentoring and leadership development opportunities. The program aims to encourage more women to pursue STEM and traditionally male-dominated roles.

Iluka also continued to offer traineeship opportunities for Aboriginal and Torres Strait Islander students through education partnerships, including the Clontarf Foundation and Stars Foundation. Iluka currently employs six alumni from the Clontarf Foundation in the Mid West and three alumni in the South West.

FOR MORE DETAILS ABOUT ILUKA'S PEOPLE, PLEASE VISIT ILUKA.COM

As the company transitions into a globally-significant supplier of separated rare earth oxides, Iluka aims to facilitate meaningful, interesting work and career development opportunities for its employees.

COMMUNITIES AND INDIGENOUS RELATIONS

Iluka is proud of its long-standing, respectful community and Traditional Owner relationships and is committed to supporting the local communities in which it operates.

In 2025, Iluka focused on strengthening social performance through its company-wide Social Investment strategy and the Iluka Indigenous Peoples plan. These initiatives reinforce the company's commitment to meaningful engagement and inclusion, particularly with Aboriginal and Torres Strait Islander stakeholders. In 2025, initiatives included the enhancement of internal human resources systems and partnerships to support employment pathways for Indigenous jobseekers, support for grassroots business development, and deepened cultural awareness through targeted programs and events. Iluka's proactive approach to cultural heritage management continued across all sites, ensuring robust processes to protect Aboriginal and Torres Strait Islander heritage.

Community investment remained a cornerstone of Iluka's approach. The Iluka Lends a Hand grants program launched two rounds in 2025, supporting around 90 projects and events across Western Australia, South Australia, New South Wales (NSW), and Victoria.

These projects spanned health, education, environment, community enterprise, and safety, ranging from upgrading local facilities and playgrounds to providing literacy resources for schools and installing Indigenous interpretive signage. In total, Iluka contributed more than $1.1 million in donations, sponsorships, and education partnerships, including $200,000 to the Clontarf Foundation to support Indigenous students, and $100,000 to Foodbank to assist people experiencing food insecurity in WA's Mid West region.

Engagement and transparency were central to the company's efforts. Iluka hosted community events and information sessions with stakeholders, including Yued Aboriginal Corporation in WA and the Shire of Balranald in NSW, while continuing to participate in regional events such as campdrafting competitions, community markets and sports days. Iluka maintained open communication channels through a dedicated hotline, email, and online forms, with interactions recorded in Evotix to ensure timely responses and inform future engagement. Updates to key procedures, including Grievance Management and Social Performance, further strengthened Iluka's ability to respond effectively and consistently to community concerns.

Partnerships remained a vital part of Iluka's social investment. The company's long-standing relationship with the Clontarf Foundation continued to provide opportunities for young Aboriginal and Torres Strait Islander men to pursue education and career aspirations. A highlight of 2025 was the Busselton leadership camp, where Iluka staff engaged with Years 11 and 12 students from Clontarf Academies across the South West, sharing career insights and exploring pathways within the mining industry. These interactions play a critical role in fostering inclusion and building strong foundations for future leaders.

Iluka remains committed to creating shared value through respectful engagement, cultural understanding, and sustainable community investment. By working together with stakeholders, Iluka aims to build stronger, more inclusive communities across Australia.

FOR MORE DETAILS ABOUT ILUKA'S APPROACH TO COMMUNITY ENGAGEMENT, PLEASE VISIT ILUKA.COM

Iluka sponsored the WA Zone Eneabba 2025 Campdraft Championships, which attracted hundreds of competitors and spectators to the area.

Long-standing sponsorships for students

Iluka assists the Eneabba Parents and Citizens Association (P&C) in its fundraising efforts for the local primary school. With the generous support of volunteers, fellow local businesses, and Iluka's contractors, the 2025 annual quiz night raised **$25,000** for the P&C.

Investing in our communities

Iluka hosted a gathering in November 2025 at Coolangah Park in Moora, supporting the Yued community on whose land the Cataby site operates. Iluka will continue to invest in Moora through various initiatives, including the Iluka Lends a Hand grants program, to enhance local facilities such as Coolangah Park, ensuring families can enjoy safe, welcoming spaces that encourage recreation and community spirit.

OUR ENVIRONMENT

HIGHLIGHTS

3
Level 3 or greater environmental incidents
(7 in 2024[1])

$27m
Spent on rehabilitation
($39m in 2024)

272 ha
Land rehabilitated
(403ha in 2024)

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

1. In 2024, Iluka reviewed and updated its internal guidance on the classification of environmental incidents to more consistently and appropriately reflect actual impacts. This guidance was applied from 1 January 2025. To allow comparison between the number of Level 3 or higher incidents in 2025 and the preceding year, environmental incidents in 2024 have been reclassified, resulting in one Level 4 and six Level 3 incidents.

FOR MORE INFO PLEASE VISIT ILUKA.COM

ENVIRONMENTAL MANAGEMENT AND COMPLIANCE

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

In 2025, Iluka identified and addressed three Level 3 environmental incidents (compared to seven incidents in 2024). This improvement was mainly due to a reduction in the number of turbid water incidents following enhanced surface water management controls to mitigate off-site discharges during high rainfall periods. The three incidents were related to a saline water spill into remnant native vegetation, an offsite spillage of mineral containing NORM (naturally-occurring radioactive material), and a recurring incident at Level 2 classification for fugitive dust emissions. Environmental incidents were reported to the relevant regulatory authorities in accordance with requirements.

As part of Iluka's broader business systems review, the company successfully transitioned obligation management systems, consolidating environmental compliance and stakeholder management functions, as well as broader HSEC management functions, into a single integrated platform. This transition reflects Iluka's commitment to operational efficiency, data integrity, and continuous improvement.

Iluka, in collaboration with Murdoch University's Harry Butler Institute, completed a study on the long-term sustainability of Carnaby's Cockatoo at Cataby Brook. Building on six years of partnership, the research focuses on habitat restoration, breeding success, and adaptive management strategies to ensure the species' viability from 2024. The paper is set to be published in 2026.

Complementing this work, the Western Australian Museum's routine monitoring has reported positive outcomes from the 2024 Cataby tree relocation project with Iluka, which involved moving hollow-bearing trees back into key nesting zones. These initiatives highlight Iluka's ability to work collaboratively and deliver a net positive impact on biodiversity and the environment.

In January 2025, Iluka documented the first amphibian species at Jacinth-Ambrosia, identifying Sudell's Burrowing Frog, a discovery of regional significance that expands South Australia's biodiversity record and underscores our commitment to environmental stewardship.

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 2025 reduced due to lower water requirements at Cataby and North Capel.

FOR MORE DETAILS, READ ABOUT ILUKA'S ENVIRONMENTAL PERFORMANCE IN THE 2025 DATA BOOK

Iluka has completed a study on the sustainability of Carnaby's Cockatoo at Cataby Brook.
Photo credit: Zoë Kissane, Murdoch University

TAILINGS

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

Iluka applies a risk-based approach to minimise potential impacts on its workforce, local communities, and the environment. Tailings management systems are regularly reviewed to ensure compliance with applicable standards, with continuous improvement actions embedded in operational practice. This reflects Iluka's commitment to responsible resource stewardship and proactive risk mitigation.

In 2025, a compulsory e-training module targeting service crews and technical specialists with accountability for installing and operating tailings management infrastructure, or routinely inspecting tailings storage facilities (TSF), was developed.

This module provides insight of tailings management terminologies, relevant geotechnical and hydrological concepts, some common risks requiring management, and aspects to consider during inspections. Inspection sheets and supporting PowerBI reports are also being trialled to assess the potential for digital platforms to create a more efficient environment for capturing observations, reviewing risks, developing action plans, and tracking progress.

Annual TSF inspections at operational sites were undertaken by Responsible Technical Persons, with findings reported to the Accountable Executive Officer and Accountable Site Managers during follow-up meetings.

Preparations are being made for the triennial external audit of the tailings management system. This audit is due to commence in Q2 2026.

A REGISTER OF ILUKA'S TSF IS AVAILABLE IN THE 2025 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 2025, Iluka rehabilitated 272ha in Australia. This effort limited the increase in Iluka's open disturbance area to 21ha, despite ongoing mining at Jacinth-Ambrosia and Cataby and construction at Balranald.

Iluka continued to strengthen its reputation as an industry leader in mine rehabilitation, closure and relinquishment, achieving several significant milestones across Australia and in the United States.

This included the successful closure of the Gingin mineral sands site, marked by the Minister for Environment's approval to withdraw the Ministerial Statement under s.47A of the *Environmental Protection Act 1986* (WA). Withdrawal of the statement confirms that the proposal has been implemented and that the Minister is satisfied the implementation conditions have been complied with or no longer need to be complied with. Key rehabilitation activities supporting the withdrawal of the Ministerial Statement at Gingin included:

- Realignment and reinstatement of streams
- Return of land to productive agricultural land use
- Native vegetation rehabilitation within streams corridors
- Rehabilitation formally accepted by landowners

Iluka's commitment to best practice rehabilitation was also recognised in the United States, with the company receiving the Virginia Energy 2025 Mineral Mine Reclamation Award for the Old Hickory/Concord mine in Virginia. These awards honour outstanding achievements in mineral mine safety and land reclamation. The award acknowledged excellence in environmental planning, collaboration with local partners, and a commitment to lasting land value through thoughtful grading, seeding, erosion control and productive land reuse.

Within the Murray Basin, rehabilitation programs continued with notable achievements including:

- Completion of rehabilitation earthworks at the WRP mine and near-completion of bulk earthworks at the Douglas mine
- Parks Victoria confirmed the completion of rehabilitation at two bushland reserves, the McBains Bushland Reserve at the WRP mine and the Kulwin Bushland Reserve at the Kulwin mine, acknowledging that rehabilitation works have been completed in accordance with the agreed requirements and objectives, and that Iluka has no further responsibility for rehabilitation, monitoring or maintenance activities

Elsewhere, rehabilitation maintenance works also progressed at the Eneabba West mine.

Collectively, these accomplishments demonstrate Iluka's strong and ongoing commitment to delivering high quality mine rehabilitation.

In partnership with the University of Reading (UK), Iluka advanced ecological understanding of native rehabilitation at Eneabba, with published research highlighting the legacy of elevated phosphorus levels in kwongan soils resulting from historic fertilisation practices. Iluka ceased use of high phosphorus fertilisers in 2003 following ecological findings and continues to monitor and assess the long-term impacts through ongoing research. This collaboration underscores the company's commitment to evidence-based rehabilitation and adaptive management to ensure good ecological outcomes.

Iluka is a supporting participant in the Australian Government's Cooperative Research Centre program for 'Transformations in Mining Economies' (CRC TiME). This initiative commenced in 2020 and enables sustained research and stakeholder collaboration to improve mine closure outcomes. Iluka continued its participation with TiME, supporting the project 'Broadening NPV through a multi-criteria optimisation framework' in 2025.

FOR MORE DETAILS, READ ABOUT ILUKA'S APPROACH TO REHABILITATION AND CLOSURE IN THE 2025 DATA BOOK

Rehabilitation progress at Iluka's former Douglas mine (Pit 10) in Victoria

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 the value chain and to foster opportunities for collaboration, responsible use of its products and improvement in environmental performance.

During the year, key downstream customers visited Iluka's mining and processing operations and participated in sharing sessions on sustainability management topics and practices. Iluka also actively participates in industry associations such as the Zircon Industry Association and initiatives to improve industry-level sustainability performance.

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. Activated carbon is one such co-product separated during the processing of Iluka's mineral sands.

Rare earths

Iluka has continued to advance its rare earth metallisation study, aimed at assessing the economic and technical feasibility of establishing a dedicated metallisation facility. In collaboration with technology partners, the company is developing electrolytic cells designed to enhance operational efficiency, process stability and product quality. The proposed scaled-up technology could reduce environmental emissions and improve energy efficiency per tonne of metal produced. More information about Iluka's Eneabba refinery can be found within the Financial and Operational Review in this Annual Report.

In 2025, Iluka also completed a preliminary evaluation of magnet waste processing via its Eneabba refinery. The desktop study focused on the recycling potential of sintered NdFeB magnet waste, which typically accounts for 20% to 30% of production losses, with complex magnet geometries generating more than 40% waste when off-cuts are not recovered. Results confirmed the technical viability of recycling high-value magnet waste at Eneabba, presenting a lower-impact solution for customers and securing an additional feedstock of critical rare earth minerals.

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 2025, the company strengthened its internal investigation systems, aligning action and investigation levels in site-specific Radiation Management Plans with Iluka's revised Radiation Management Group Standard and industry best practice. Iluka also established group-wide procedures for the safe transport of radioactive material, ensuring full compliance with the Transport Code.

Iluka seeks to be a dependable partner for customers by supplying consistently high-quality products.

BUSINESS RISK MANAGEMENT

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

Strategic level direction on risk management is considered and set through Iluka's Board-approved Risk Appetite Statement (RAS). The RAS guides the business on the appropriate level of risk to take in pursuit of strategic objectives and provides the backdrop for risk assessment, consideration of risk treatments and risk assurance processes. Key Risk Indicators (KRI) that measure performance against approved appetite are reported to the Audit and Risk Committee bi-annually. Where risk management moves 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.

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

INTERNAL AUDIT AND ASSURANCE

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

Iluka's annual internal audit plan is informed by a review of strategic risks, updates to the internal assurance map informed by assurance activity undertaken in the year, and industry insights on internal audit trends and thematics.

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; 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.

Risks are considered against a backdrop of a myriad of changes and ongoing uncertainties in the external environment, many of which are outside of Iluka's control. For key risks and strategic priorities relating to climate change resilience, refer to the Climate-related Financial Disclosures in this Annual Report.

KEY RISK	CONTEXT, RISK MANAGEMENT, MITIGATIONS AND OPPORTUNITIES	GOVERNANCE
Growth (Resource, Reserve and Pipeline)	Context Iluka aims to generate and deliver on growth options through exploration, innovation, project development and appropriate external growth opportunities. Iluka's Resource and Reserve 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 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. 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. Risk management, mitigation and opportunities • 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 • 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 • Standing updates are provided to Iluka's Audit and Risk Committee on Resource and Reserve profiles and governance process. Iluka's internal Resource and Reserves Standard was approved in 2025	• Executive-led study steering committee • Audit and Risk Committee • Board

KEY RISK	CONTEXT, RISK MANAGEMENT, MITIGATIONS AND OPPORTUNITIES	GOVERNANCE
Market and Geopolitical Conditions	**Context** • Trade policy uncertainty continues to impact global economic activity, including Iluka's end markets. Tariffs and geopolitical conflicts continue to influence forecast reliability, affecting mineral sands customers' purchasing behaviour. As global trade patterns evolve, the downstream impact on economies remains unclear, with a broad range of outcomes as supply and demand dynamics are reshaped (note, for example, Venator's administration and acquisition by LB Group in 2025) • Uncertainty remains as to a sustainable pricing mechanism for Western rare earths producers that is independent of the Asian Metals Index. However, notable shifts occurred in 2025 that signal an independent pricing mechanism emerging, with governments recognising the need to maintain security of supply for critical minerals **Risk management, mitigation and opportunities** • Continuous pursuit of cost and operational efficiencies • Close review and monitoring of industry supply/demand dynamics • Suspension of production at Cataby mine and Synthetic Rutile Kiln 2 in Western Australia effective 1 December 2025 to save costs, liberate inventory and cash, and preserve balance sheet strength • Active monitoring of credit health of major customers through Iluka's Credit Risk Policy • Continued negotiations with customers for long-term offtake contracts • Pursuit of rare earth offtake arrangements that reflect sustainable independent pricing mechanism • Commissioning of Balranald mine to achieve successful ramp-up of operations	• Board • Audit and Risk Committee
Project Execution and Commissioning	**Context** • Large capital projects are, by their nature, complex and subject to factors often outside Iluka's control (inflationary environment, regulatory, market competition for talent, and supply chains) that can materially impact delivery of successful project outcomes • Project execution risks also include the ability to obtain appropriate access to property, cost escalation, construction and commissioning risks • Current geopolitical factors and market distortions (e.g. government-backed competitors, Asian Metals price index) create uncertainty that can materially impact delivery of successful project outcomes **Risk management, mitigation and opportunities** • Capital projects follow a defined risk management approach that includes risk management outcomes reported to the steering committees and Board • Execution of the Eneabba refinery and Balranald project closely monitored, with a number of independent reviews undertaken • Employment of experienced Project Director to lead Eneabba refinery through its construction and commissioning phases • Employment of Chief Metallurgist for rare earths business with pre-eminent experience in rare earths refinery operations	• Executive-led project steering committees • Board and Audit and Risk Committee
Cybersecurity	**Context** • An increasingly technology-dependent landscape and integration of cloud-based applications and services means Iluka is exposed to operational disruption and/or reputational damage from cyber incidents, which are evolving in sophistication • Iluka's increasing public profile in critical minerals means it becomes more visible to, and a target of, cyber criminals • Disruption opportunities from adoption of artificial intelligence (AI) in business processes **Risk management, mitigation and opportunities** • Continuous cyber penetration testing including security simulations to achieve early identification of vulnerabilities and better protect Iluka's sensitive information • Focus on cyber controls such as multi-factor authentication, rigorous patch management (guided by the Australian Cyber Security Centre) and continuous education of employees via tailored campaigns • Enhanced crisis and emergency response measures and third-party risk management processes • Reporting on cyber risk management governance to Audit and Risk Committee • Sustainable adoption of AI in business process within the context of Iluka's AI Standard	• Board • Audit and Risk Committee • Cyber Strategy and Roadmap

KEY RISK	CONTEXT, RISK MANAGEMENT, MITIGATIONS AND OPPORTUNITIES	GOVERNANCE
People and Health and Safety of Workforce	**Context** • Ensuring a productive and engaged workforce, maintaining trust and social license to operate • Execution of strategic imperatives and growth plans requires attraction, development and retention of critical roles while navigating a changing skills landscape • Increasing complexity and regulatory requirements in managing the employee psychosocial safety environment **Risk management, mitigation and opportunities** • Ensuring strong systems, processes and culture to protect the health and safety of Iluka's workforce via Group-monitored programs and regular second line audits monitoring compliance to internal standards and procedures • Focus on health and safety includes physical, mental and social wellbeing • Internal audit completed in 2025 of Iluka's psychosocial control environment focused on bullying, discrimination and harassment • Strengthening leadership development toolsets to enhance leadership effectiveness • Continued focus on lifting critical technical skill capabilities	• Board • Sustainability Committee • People and Performance Committee
Licence, Permit and Approvals	**Context** • Environmental policy changes can materially affect operations and project development pathways • Environmental approvals and securing requisite land access permits are often critical paths to future growth options. Approval delays may impact successful delivery of strategic priorities • Maintaining stakeholder trust and social license to operate, especially with evolving community expectations **Risk management, mitigation and opportunities** • Focused community and approvals management plan for priority growth projects. Internal audit on social performance process undertaken in 2025 • Dedicated environmental approvals and land management teams • Regular reporting on risk management and governance process to the Sustainability Committee	• Board • Sustainability Committee
Sustainable Operations	**Context** Operational disruptions and not achieving objectives can lead to materially-detrimental financial outcomes. Business continuity risks may arise due to natural disasters, disruptions to logistics chains, critical plant failures or industrial action, among other events. **Risk management, mitigation and opportunities** • Dedicated life-of-mine planning team which monitors and drives risks and priorities to meet planned outcomes • 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 • Asset risk reviews and risks to business continuity subject to annual independent review by Factory Mutual Global, Iluka's property insurer • Crisis management plan together with ongoing training and crisis simulation	• Board • Audit and Risk Committee
Financial	**Context** Financial risks present in a number of ways: • Exposure to the cost and availability of funds and fluctuations in interest rates, foreign exchange rates and commodity prices can materially impact financial outcomes and Iluka's ability to execute business priorities • Long-term rehabilitation obligations can materially affect Iluka's balance sheet capacity **Risk management, mitigation and opportunities** • Established Treasury Policy, Hedging Policy and Credit Risk Policy define risk management approach and governance processes for financial risk and customer credit exposure • Compliance to terms of Export Finance Australia funding agreement for the Eneabba refinery • Rehabilitation risks and liabilities adhere to a robust review, monitoring and forecasting process. Iluka adopts a progressive rehabilitation approach at its operating sites	• Board • Audit and Risk Committee

FINANCIAL REPORT

Photo credit: Citi

IN THIS SECTION

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 2025 (the 'current period') compared with the year ended 31 December 2024 (the 'comparative period').

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

Revenue from ordinary activities	Down 13% to $1,015.4m
Net loss after tax for the period from ordinary activities	Down 225% to ($288.4m)
Net loss after tax for the period attributable to equity holders of the parent	Down 225% to ($288.4m)

Dividends
2025 final: 3 cents per ordinary share (100% franked), to be paid in March 2026 (record date 6 March 2026)
2025 interim: 2 cents per ordinary share (100% franked), paid in September 2025 (record date 3 September 2025)

Key ratios	**2025**	**2024**
Basic (loss)/profit per share (cents)	(67.3)	54.1
Diluted (loss)/profit per share (cents)	(67.3)	53.6
Free cash flow per share (cents)[1]	(207.0)	(67.5)
Return on equity[2]	(12.1)	10.2
Net tangible assets per share ($)	3.23	4.24

(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 2025 final dividend.

The Directors have determined that no discount will apply for the DRP in respect of the 2025 final dividend. Shares allocated to shareholders under the DRP for the 2025 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 11 March 2026. The last date for receipt of election notices for the DRP is 9 March 2026.

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 2025 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 2025.

The overview of Iluka's operations, including key aspects of operating and financial performance, are contained on pages 14 to 32 which forms part of the Directors' Report for the year ended 31 December 2025 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:

- S Corlett
- J Mactier (Chair) – appointed 5 May 2025
- T O'Leary (Managing Director and CEO)
- L Saint
- P Smith
- A Sutton

2025 MEETINGS OF DIRECTORS

In 2025, the Board formally met on 11 occasions, of which eight 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 2025 is detailed below.

Director	Board		Audit & Risk Committee		Nominations & Governance Committee		People & Performance Committee		Sustainability Committee	
Total Meetings Held	**11**		**4**		**4**		**3**		**4**	
(1) (2)	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible
Executive										
T O'Leary	11	11	4	-	4	-	3	-	4	-
Non-executive										
S Corlett	11	11	4	4	4	4	3	-	4	4
J Mactier (3) (4)	8	8	3	2	3	3	2	2	2	-
L Saint (5)	11	11	4	4	4	4	1	1	2	-
P Smith	11	11	4	-	4	4	3	3	4	4
A Sutton (6) (7)	11	11	4	2	4	4	3	3	4	4

Current Chair   Prior Chair   Current Member   Prior Member

(1) 'Attended' indicates the number of Board or Committee meetings the Director attended.
(2) 'Eligible' indicates the number of Board or Committee meetings held while the Director was a Board or Committee member.
(3) James Mactier was appointed to the Board and the Nominations and Governance Committee on 5 May 2025. He became Chair of the Board and the Nominations and Governance Committee on the same date.
(4) James Mactier was appointed to the Audit and Risk Committee and the People and Performance Committee on 1 July 2025.
(5) Lynne Saint retired from the People and Performance Committee on 30 June 2025.
(6) Andrea Sutton retired from the positions of Acting Chair of the Board and Acting Chair of the Nominations and Governance Committee on 4 May 2025.
(7) Andrea Sutton retired from the Audit and Risk Committee on 30 June 2025.

BOARD OF DIRECTORS

TOM O'LEARY

Managing Director and Chief Executive Officer

Qualifications: LLB, BJuris

Appointed: 13 October 2016

Independent: No

Relevant skills and experience:

Mr O'Leary has more than 35 years of commercial, investment banking, business development and executive management experience in a range of sectors including energy, chemicals, mining and processing.

He was previously Managing Director of Wesfarmers Chemicals, Energy & Fertilisers having been appointed to the role in 2010. Mr O'Leary joined Wesfarmers in 2000 in a business development role and was then appointed Managing Director, Wesfarmers Energy, in 2009. Prior to joining Wesfarmers, he worked in London for 10 years in finance law, investment banking and private equity. Mr O'Leary 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)

AR
NG
PP

JAMES MACTIER

Non-executive Director and Board Chair

Qualifications: BAgrEc(Hons), GradDip AppFinInv, GAICD

Appointed: 5 May 2025

Independent: Yes

Relevant skills and experience:

Mr Mactier has more than 35 years' experience in the commodities and resources sectors and capital markets globally, including project evaluation and due diligence, project and corporate finance, equity investment, and commodity and currency hedging.

He spent 24 years with Macquarie Bank Limited, including 15 years as co-head of its Metals and Energy Capital Division and as a member of its Fixed Income, Currencies and Commodities Group management committee. Mr Mactier currently serves as Chair of ASX-listed Regis Resources Limited and is an Advisory Board member of Warradarge Energy Pty Ltd. He was also previously a member of Resource Capital Funds Managing Partners' Advisory Board.

Other directorships and offices:

- Presbyterian Ladies' College Council – member (retired 2024)
- Warradarge Energy Pty Ltd – Advisory Board member (appointed 2024)
- Resource Capital Funds Managing Partners' Advisory Board – member (retired 2023)
- Regis Resources Limited – Non-executive Chair (appointed February 2016, appointed Chair September 2018)

AR
NG
S

SUSIE CORLETT

Non-executive Director

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

Appointed: 1 June 2019

Independent: Yes

Relevant skills and experience:

Ms Corlett has more than 33 years of experience in exploration, mining operation, mining finance and investment.

She 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. Ms Corlett 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.

Ms Corlett 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 recognised as one of the 100 Globally Inspirational Women in Mining (WIM100).

Other directorships and offices:

- Mineral Resources Limited – Non-executive Director (retired April 2025)
- Silex Systems Ltd – Non-executive Director (appointed November 2024)
- Foundation for National Parks and Wildlife – Non-executive Director (retired December 2022)
- Aurelia Metals Ltd – Non-executive Director (appointed October 2018)
- Australian Institute of Mining & Metallurgy (AusIMM) Education Endowment Fund – Trustee (appointed June 2018)

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

AR

NG

LYNNE SAINT

Non-executive Director

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

Appointed: 24 October 2019

Independent: Yes

Relevant skills and experience:

Ms Saint has more than 38 years of financial, auditing, corporate governance, enterprise risk, supply chain management, project management, and commercial experience both within Australia and internationally.

Ms Saint's 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 her early career, she held consulting and auditing roles with KMPG and PwC, and financial and commercial roles in financial services and assurance, mining, and the engineering and construction industries in Australia and Papua New Guinea. In 2003, Ms Saint 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)

NG

PP

S

PETER SMITH

Non-executive Director

Qualifications: FAusIMM, GAICD, MBA

Appointed: 28 June 2024

Independent: Yes

Relevant skills and experience:

Mr Smith has more than 49 years' experience across a range of operational, business improvement and development functions within the resources industry, including gold, coal, metals, and fertilisers. He held senior positions with Rio Tinto, WMC Resources, Ensham Resources, Western Metals, Newcrest Mining, Israel Chemicals Limited, and Kestrel Coal Resources.

Mr Smith'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.

Mr Smith was a former Non-executive director of NSW Minerals Council, Evolution Mining (2011 to 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 (ASX:YAL) – Non-executive Director (appointed December 2024)
- VP Minerals Limited – Non-executive Director (retired August 2024)
- Evolution Mining Limited (ASX:EVN) – Non-executive Director (appointed April 2020)

NG

PP

S

ANDREA SUTTON

Non-executive Director

Qualifications: BEng Chemical (Hons), GradDipEcon, GAICD

Appointed: 11 March 2021

Independent: Yes

Relevant skills and experience:

Ms Sutton has more than 30 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, and Managing Director Support Strategy Review – Human Resources.

Ms Sutton is a former Non-executive Director of Energy Resources Australia Limited. She 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:

- National Association of Women in Operations (NAWO) – Board member (retired August 2025)
- Australian Red Cross Society – Board member (appointed July 2025)
- Australian Nuclear Science and Technology Organisation (ANSTO) – Board member (retired April 2025)
- Vault Minerals Limited (previously Red 5 Limited) – Non-executive Director (retired January 2025)
- 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)
- DDH1 Limited – Non-executive Director (retired September 2023)
- Infrastructure WA – Board member (retired December 2022)

EXECUTIVE LEADERSHIP TEAM

TOM O'LEARY

Managing Director and Chief Executive Officer

Qualifications: LLB, BJuris

Please refer to the previous page of this Annual Report for Mr O'Leary's qualifications and experience.

ADELE STRATTON

Chief Financial Officer and Head of Development

Qualifications: 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 more than 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.

SHANE TILKA

Chief Operating Officer, Australian Operations

Qualifications: BCom

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

MATTHEW BLACKWELL

Head of Projects and Sales and Marketing

Qualifications: 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.

ILUKA'S BOARD AND EXECUTIVE TEAM DIRECT THE COMPANY'S EFFORTS TO DELIVER SUSTAINABLE VALUE

SARAH HODGSON

Head of People and Sustainability

Qualifications: 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.

DANIEL MCGRATH

Head of Rare Earths

Qualifications: 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.

COLIN NEXHIP

Chief Technology Officer

Qualifications: 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 more than 25 years' experience in the mining industry, including 15 years with Rio Tinto.

COMPANY SECRETARIES

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 41 to 65 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 27 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 and 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 98.

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 materially 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 3 cents per ordinary share payable on 30 March 2026.

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 within this Annual Report.

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 2025 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.

J MACTIER
Chair

T O'LEARY
Managing Director and CEO

18 February 2026

REMUNERATION REPORT

Dear Shareholders

On behalf of the Board, I am pleased to present Iluka's Remuneration Report (**Report**) for the financial year to 31 December 2025 (**2025**).

As the Chair and Managing Director have outlined in their Review on page 8 and 9 of the Annual Report, 2025 was a challenging year for Iluka. Despite difficult market conditions, management remained focused on delivering the company strategy, maintaining strong commercial discipline and progressing two major growth projects - the Balranald development and the Eneabba rare earths refinery.

The Board remains committed to ensuring remuneration outcomes appropriately balance company performance, executive contribution and shareholder value creation. Maintaining remuneration arrangements that are competitive relative to peers, and reflect the complexity of Iluka's business, is also essential and this has been a focus for the Board during 2025.

2025 PERFORMANCE AND REMUNERATION OUTCOMES

For 2025, no material changes were made to incentive structures and performance metrics were consistent with 2024. Further detail is provided in Section 2 and 3.

2025 Short-Term Incentive Plan (STIP) incentive outcome (Section 3.4 and 3.5)

The Board has determined a STIP outcome of 53% of maximum (80% of target) for the Managing Director, reflecting 77% achievement against target under the group scorecard and 88% achieved against individual strategic objectives. Executive KMP outcomes were between 48 to 55% of maximum depending on individual performance. The awards will be delivered in cash (50%) and in restricted shares (50%).

The financial scorecard component[1] was below target reflecting the overall company financial results. This was balanced by management's performance in managing costs and delivering higher than targeted Zircon-in-Concentrate (ZIC) production. Sustainability performance was above target – health and safety performance remained strong despite heightened construction activity, and system improvements were delivered during the year; environmental performance improved from the prior year and rehabilitation targets were exceeded. On strategic objectives, good progress has been made on Eneabba construction and commissioning of the Balranald mineral sands project, with mining commencing at Balranald in January 2026, using the novel technology developed by Iluka. Management continued to demonstrate discipline in managing production and supply in response to demand uncertainty in mineral sands; saving costs, preserving balance sheet strength and ensuring the company is well positioned for recovery.

Long-term incentive award outcome (Section 3.6)

No performance rights will vest for the Managing Director and the Executive KMP under the 2021 Executive Incentive Plan (EIP)[2] Performance Rights award. While Total Shareholder Return (TSR) was very strong in absolute terms at 58.1%, Iluka ranked at the 31st percentile against the peer group of ASX 200 Resources Index (excluding oil and gas companies and non-mining companies), which included many gold companies, the total shareholder returns of which have been exceptionally strong in recent times.

Fixed remuneration

No fixed remuneration increases were awarded to Executive KMP in 2025. There have been no increases to Executive KMP fixed remuneration since 2022 and the Managing Director's fixed remuneration has not changed since his commencement in 2016. The Board will review the Managing Director and Executive KMP fixed remuneration levels during the 2026 year.

Non-executive Director remuneration

No changes were made to Non-executive Director fees in 2025 and there are no planned changes in 2026.

[1] The targets set in relation to Unit Cash Cost of Production and for Operating Cash Flow are disclosed on page 51 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 believes maintaining confidentiality on financial earnings targets, even on a retrospective basis, is important in maintaining our competitive advantage and is in the best interests of shareholders.
[2] The EIP was the legacy combined short- and long-term incentive plan in place for KMP prior to 2023. Effective from 1 January 2023, incentive awards for KMP were granted under separate STIP and LTIP.

2026 REMUNERATION APPROACH

The Board's ongoing priority is to ensure Iluka's remuneration framework remains competitive, incentivises executives, drives the delivery of the company's strategy and aligns to shareholder outcomes.

During 2025, the Board conducted a review of executive incentive arrangements, including benchmarking against peer companies. This review was undertaken at a time where Iluka is focussed on driving the growth of its rare earths business, advancing the Eneabba rare earths refinery and continuing to navigate a challenging mineral sands market. It is an imperative, for the delivery of its strategy, that Iluka continues to be attractive to both current and potential executives, and that decision-making is focussed on delivering sustainable value over time. Following this review, the Board has approved a number of changes to the Company's incentive structures for 2026. Further detail is provided in section 4.

The Board is confident these changes will support delivery of Iluka's strategic objectives and long-term value to shareholders.

Yours sincerely

A Sutton

ANDREA SUTTON
Chair of the People and Performance Committee

2025 AT A GLANCE

2025 Key metrics:

TRIFR	Operating Cash Flow[1]	ROC[2]	Unit Cash Cost of Production[3]
3.4	$68m	(18%)	$1,067/t

[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 which is adjusted to remove the Deterra dividend
[3] Reflects production for the Group Incentive Scorecard, which includes by product costs and Zircon-in-Concentrate in 2025

How this year's performance compares to previous years:

The following table outlines historic business performance outcomes:

KPI	2025	2024	2023	2022	2021
Net profit/(loss) after tax ($m) – Reported	(288.4)	231.3	342.6	588.5	365.9
Net profit/(loss) after tax ($m) – Underlying[4]	78.0	230.6	343.3	597.0	314.8
Net profit/(loss) after tax ($m) – Underlying, excluding Deterra	48.4	209.1	315.4	558.8	296.4
Underlying EBITDA (Group) ($m)[5]	329.3	498.8	581.8	946.4	652.3
Underlying EBITDA margin (%)	33.8	44	47.0	54.8	43.9
Free cash flow ($ million)	(887.8)	(288.1)	(159.6)	444.3	299.5
Earnings per share/(loss per share) (cents)	(67.3)	54.1	80.5	138.6	86.7
Return on equity (%)	(12.1)	10.2	17.1	33	25.9
Closing share price ($)	5.79	5.05	6.60	9.53	9.89
Total dividends declared for the year (cents)	5	8	7	45	24
Franking credit level (%)	100	100	100	100	100
Average AUD: USD spot exchange rate (cents)	64.5	66.0	66.5	69.5	75.1
Revenue per tonne Z/R/SR sold ($/t)	1,913	2,196	2,314	2,214.7	1,593

[4] 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
[5] Underlying net profit/(loss), excluding the income derived from Deterra Royalties. Deterra Royalties demerged from the Group in November 2020.

TABLE OF CONTENTS

This Remuneration Report contains the following sections.

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 2025 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 & Marketing	Full year
S Tilka	Chief Operating Officer, Mineral Sands	Full year
Non-executive Directors		
Current Members		
J Mactier[1]	Chair, Independent Non-executive Director	Partial year
A Sutton[2]	Acting Chair (partial year), Independent Non-executive Director	Full year
S Corlett	Independent Non-executive Director	Full year
L Saint	Independent Non-executive Director	Full year
P Smith	Independent Non-executive Director	Full year

[1] J Mactier appointed Chair effective 5 May 2025

[2] A Sutton acting Chair from 13 November 2024 to 4 May 2025

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.

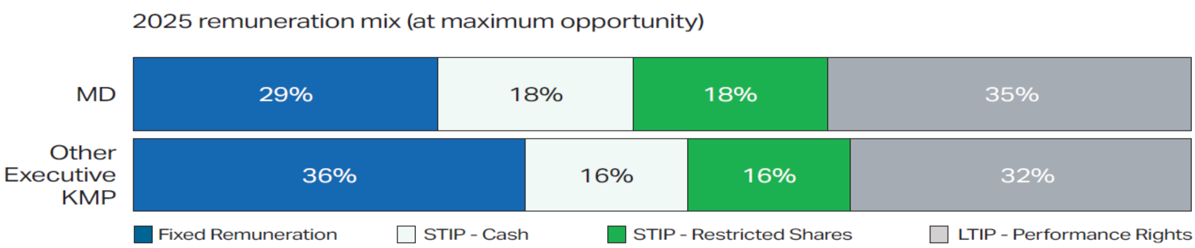
EXECUTIVE FRAMEWORK AND COMPONENTS

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 Remuneration 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: ■ Trajectory of the company's growth and key strategic objectives ■ Relevant market comparators ■ Executive KMP's experience and performance ■ Executive KMP's role responsibilities
Short-term incentives (STIP)	Delivered as cash (50% of the award) and restricted shares (50% of the award). 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

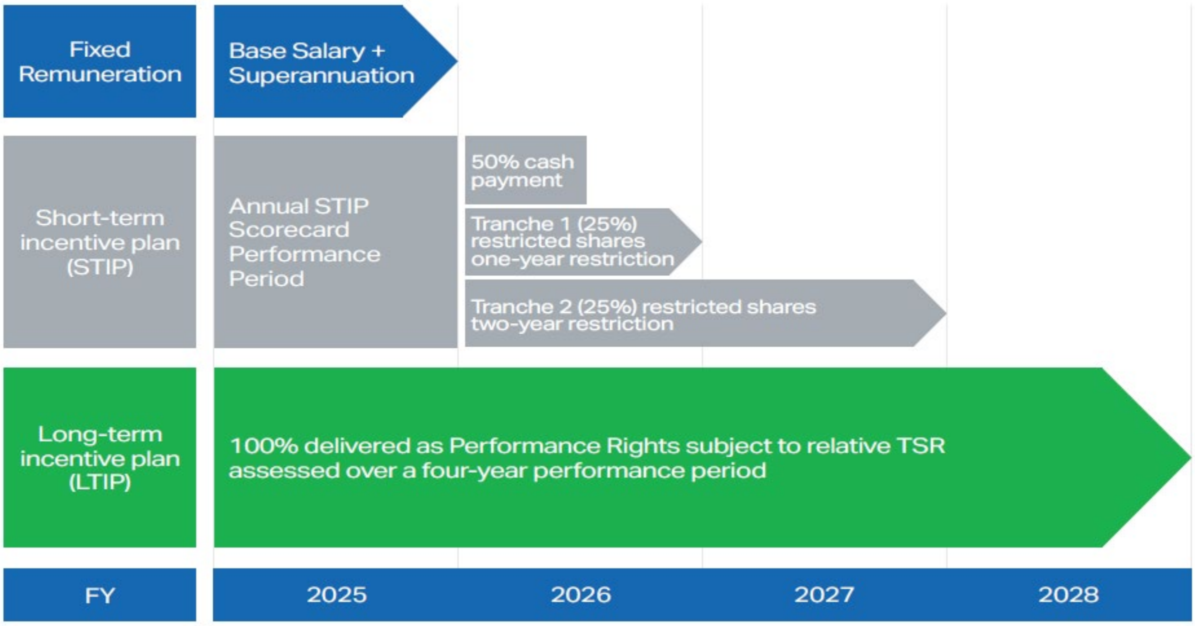
The following diagram sets out the mix for fixed and at-risk remuneration for Executive KMP during 2025. Remuneration packages for Executive KMP are weighted towards at-risk remuneration to drive performance for our shareholders.



2.2 EXECUTIVE INCENTIVE PLAN

OVERVIEW

The following diagram outlines Iluka's executive remuneration framework for FY25.



STIP – KEY QUESTIONS AND ANSWERS

<table>
<tr><th>Question</th><th>Answer</th></tr>
<tr><td>How is it paid?</td><td>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.</td></tr>
<tr><td>How much can participants earn under the STIP?</td><td>STIP opportunities are expressed as a percentage of fixed remuneration.
<table>
<tr><th></th><th>STIP Target
(% of fixed remuneration)</th><th>STIP Maximum
(% of fixed remuneration)</th></tr>
<tr><td>Managing Director</td><td>80%</td><td>120%</td></tr>
<tr><td>Other Executive KMP</td><td>60%</td><td>90%</td></tr>
</table></td></tr>
<tr><td>What performance measures will inform the STIP awards?</td><td>The Board sets an annual scorecard to focus the Executive KMP on financial, non-financial and strategic imperatives they can influence and are critical to Iluka's long-term performance. Group Scorecard performance objectives are reviewed each year to ensure they remain relevant in the context of Iluka's strategy and the external environment conditions. In 2025 no changes were made from the 2024 annual scorecard.

In 2025 scorecard objectives covered:

Financial performance (50%);
Group ROC% (15%);
Operating Cash Flow $m (15%); and
Unit Cash Costs of Production $/t (20%)
Sustainability performance focused on health and safety performance and systems, environmental management, proactive rehabilitation and the Climate Change Work Program (25%); and
Individual strategic measures (25%).
</td></tr>
</table>

Question	Answer
	The Board aims to ensure that objective 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 2025, how they were measured and the Board's 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: <table><tr><th>Performance Level</th><th>STIP Outcome (% Target)</th></tr><tr><td>Threshold</td><td>50%</td></tr><tr><td>Target</td><td>100%</td></tr><tr><td>Stretch (maximum)</td><td>150%</td></tr></table>
Who assesses STIP performance?	STIP outcomes are determined by the Board following an assessment of performance measures at the end of the 2025 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 FY25 full-year results.
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. 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, alignment with stakeholder expectations and any serious health, safety or environmental incidents. Consideration of these factors may lead to the exercise of discretion to increase or decrease award outcomes.
What happens in the event of a fatality or a serious safety incident?	In the event of a fatality or a serious safety incident, the Board will consider the exercise of its discretion taking into account all relevant factors at the time.
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 and 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 2025 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.

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 50th percentile</td><td>0%</td></tr>
<tr><td>50th percentile</td><td>50%</td></tr>
<tr><td>Between 50th and 75th percentile</td><td>Sliding scale vesting</td></tr>
<tr><td>75th 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 FY25 by the VWAP of Iluka shares traded on the ASX over the five trading days following the release of the company's FY25 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.

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. 2025 EXECUTIVE KMP REMUNERATION OUTCOMES

3.1 2025 FIXED REMUNERATION OUTCOMES

There were no changes to fixed remuneration for KMP in 2025.

3.2 2025 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 2025, 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. Iluka believes maintaining confidentiality on financial earnings targets, even on a retrospective basis, is important to maintaining the company's competitive advantage and is in the best interests of shareholders.

Scorecard measure	Below threshold	Threshold to target	Target	Target to stretch	Stretch	Performance and outcome
FINANCIALS (50%)						**Outcome – 60% of target; 40% of maximum achieved**
Unit Cash Costs of Production $/t Target: 1,166 $/t[1] Weighted: 20%					Stretch	Unit Cash Costs of Production achieved of $1,067 per tonne represented a stretch outcome ($1,105/t stretch), supported by Company-wide continued efforts to reduce production costs and strong performance in production of Zircon-in-Concentrate (ZIC). In 2025, ZIC was included in Group Unit Cash Costs of Production target to incentivise management to maximise production. The Operations and Marketing teams employed a number of initiatives to source, blend and market additional concentrate from remnant material, producing more ZIC than the plan and enabling total sales of 111kt in 2025. The decision to idle the Cataby mine and SR2 kiln from December to further manage costs and draw down on product stockpiles in 2026 has led to more ongoing cost reductions across the business.[2]
Operating Cash Flow Target: $445m Weighted: 15%	Below Threshold					Challenging cash flow targets were set for 2025 as the Group focused on cash generation to support growth opportunities. With subdued market conditions in mineral sands, Z/R/SR sales volumes were below budget, resulting in threshold performance not being achieved.
Group ROC (%)[3] Weighted: 15%	Below Threshold					Despite the continued focus on cost reduction, subdued market conditions have impacted the returns generated, including the recognition of a $351 million impairment charge and the write-down of inventory by $215 million, resulting in negative ROC outcomes, delivering below threshold performance.

1 Unit Cosh Costs of Production targets and outcomes includes production related to by-products and Zircon-in-Concentrate.
2 Normalising the 'targets' by removing the associated December costs (post Cataby and SR2 idling) and production ([1/12th] of target in each case) would also have resulted in this metric achieving the stretch outcome.
3 The targets and outcomes are adjusted to exclude the income derived from Iluka's investment in Deterra Royalties.

Scorecard measure	Below threshold	Threshold to target	Target	Target to stretch	Stretch	Performance and outcome
SUSTAINABILITY (25%)						**Outcome – 112% of target; 75% of maximum achieved**
Trusted by our people & communities						
Group Total Recordable Injury Frequency Rate (TRIFR) **Target:** 3.5 **Weighted:** 5%				Between Target and Stretch		TRIFR of 3.4 was between target and stretch for 2025. Work hours were approximately 30% higher than 2024, reflecting the increased project construction activities and higher risk exposure. There were 18 injuries in 2025 (compared to 16 in 2024). This was largely driven by hand and finger and musculoskeletal injuries. Only one injury out of the 18 was classified as a Serious Potential Incident (SPI). Construction activity was well managed across the year. There were only three SPIs in total in 2025 compared to 14 in 2024.
Health and Safety System Improvements **Target:** Achieve work program objectives for 3 key initiatives **Weighted:** 5%				Between Target and Stretch		In 2025, Iluka Health, Safety and Training focused on system improvement in Contractor Management, Verification of Competency (VOC) and close out of hazard identification. These initiatives delivered improved risk management and system efficiency. The achievements include: • Contractor Health and Safety Management System rolled out including revised contractor categories, data entry portal, pre-qualification documents and associated processes. • Standardised VOC process rolled out aligning Iluka process with regulatory and industry practices. • Hazard identification and associated action closure was targeted. The rate improved from 82% to 97% in 2025.
Responsible for the environment						
Mine Closure Risk (ha) Minimisation of open mining area against plan **Target:** 125ha **Weighted:** 3%				Between Target and Stretch		Management focused on minimising the open area for rehabilitation in 2025, despite expanding footprints at Balranald, resulting in an additional 82ha of open area in 2025 against a target of 125ha. The outcome reflects continued progress made on our operating mines (Cataby and Jacinth-Ambrosia) to optimise their rehabilitation and disturbance activity throughout the year. A total of 272ha of rehabilitation was achieved across all mine sites, including 82ha of progressive rehabilitation at the operating mines. Reduced planned disturbances at Cataby, due to the decision to idle operations, was taken into account for the final three-months of the year (the outcome was adjusted to avoid an unintended overstated outcome). The resulting outcome was between target and stretch.
Group environmental level 3 and above incidents[1] **Target:** 7.0 **Weighted:** 6%					Stretch	For 2025, there were three incidents classified as Level 3 or above , representing a stretch outcome. This is an improvement from seven Level 3+ in 2024 and was mainly due to a reduction in the number of turbid water incidences following improved surface water management controls implemented at Cataby to mitigate off-site discharges during high rainfall periods. NORM management and ground disturbance processes (factors in prior year Level 3 incidents) were also improved.
Operating in and providing products for a low carbon world						
Climate Change Work Program **Target:** Achieve work program objectives for 7 key initiatives **Weighted:** 6%		Between Threshold and Target				The 2025 Climate Change Work Program was set against metrics relevant for the seven initiatives tracked throughout the year. Iluka achieved a between threshold and target outcome for progress achieved related to those initiatives. Full detail of Iluka's work in relation to those initiatives is set out in the Sustainability Report (Climate-Related Financial Disclosures) (page 66).
GROUP SCORECARD[2]						**Outcome – 77% of target; 52% of maximum achieved**

1 Group environmental incident classification guidelines effective for 2025, to ensure incident level classifications were based on actual environmental impact rather than potential environmental impact. The 2025 target was set based on the revised historical outcomes over the past five years, applying the 2025 incident classification framework. Calculation of the target and outcome under the prior guidelines would have also resulted in a stretch outcome.

2 Total Group Scorecard outcome (Financial and Sustainability components)

3.3 MANAGING DIRECTOR INDIVIDUAL OBJECTIVES

Individual strategic objectives were set based on individual Executive KMP accountabilities. Outlined below is the assessment of the Managing Director (MD)'s performance against the Individual Strategy scorecard measure and corresponding STIP outcome.

Scorecard measure (weight) – 25%	Below threshold	Threshold to Target	Target	Target to Stretch	Stretch	Performance and outcome
INDIVIDUAL STRATEGY						**Outcome – 88% of target; 59% of maximum**
Advance diversification of portfolio into rare earths in a prudent manner						• Good progress with Eneabba construction, with civil works substantially complete and all equipment procured. The project remains on budget at $1.7-$1.8 billion with commissioning in 2027. • Continued diversifying rare earth feed sources, entering another rare earth concentrate supply agreement, this time with Lindian Resources, securing 10% of the refinery's capacity feedstock for 15 years, with options to significantly increase the volume and duration of the contract. • 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. • Marketing strategy progressing, with broader acknowledgement of the necessity for alternative pricing mechanisms to ensure sustainable returns. • Metallisation feasibility study progressing.
Pursue value accretive opportunities in mineral sands to deliver sustainable value over the long term with a view to extending reserve life						• Completed construction of Balranald mineral sands project and commenced commissioning activities. • Since 2014, Iluka has invested substantially in resolving a range of technical challenges associated with Wimmera's zircon. This has included the challenge of physical separation (fineness of, and impurities in, the Wimmera region zircon). Absent a suitable processing solution, the Wimmera zircon is ineligible for sale into key markets. Iluka has successfully tested the flowsheet developed for the Iluka Wimmera deposit and produced finished zircon products; customer testing has confirmed ~40% of extracted zircon sand is suitable for ceramics with markets identified for 60% of all zircon extracted.
Optimise price and volume settings						• Disciplined approach to production and supply, with production activities at the company's Cataby mine and Synthetic Rutile kiln 2 (SR2) in Western Australia suspended effective 1 December 2025. Suspending production was prudent in dealing with the demand uncertainty in mineral sands and in positioning for recovery. It reflects the discipline that is a longstanding feature of Iluka's approach. The suspension will enable inventory and cash liberation, cost savings and the preservation of balance sheet strength. • Worked co-operatively with key long-term contract (LTC) customers regarding their offtake obligations, as well as the challenges they face and how they can be accommodated in a manner that was mutually beneficial, resulting in rebalancing some customer obligations over 2025 and 2026. • A complete cost reset was undertaken in November 2025, reducing costs by ~$36 million per annum ensuring a sustainable cost base for future operations.

The Individual strategy scorecard area outcomes for other Executive KMP ranged from 58% to 96% of target.

3.4 OVERALL STIP SCORECARD OUTCOME FOR THE MD

Scorecard measure	Weight	Outcome (out of 100%)	Weighted Outcome	Below threshold	Threshold to target	Target	Target to stretch	Stretch
Group Scorecard	75%	77%	58%					
Individual Strategy MD Outcome	25%	88%	22%					
OVERALL MD RESULT			80%					

3.5 STIP AWARDS FROM 2025 SCORECARD OUTCOMES

The following table presents the outcomes of the STIP awards attributed to the 2025 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 2026.

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	81.9	54.6	45.4	$179,361	$179,361	$358,722
M Blackwell	$438,000	$657,000	72.4	48.3	51.7	$158,556	$158,556	$317,112
S Tilka	$390,000	$585,000	77.0	51.3	48.7	$150,150	$150,150	$300,300

3.6 VESTING OF 2021 EXECUTIVE INCENTIVE PLAN (EIP) PERFORMANCE RIGHTS

40% of Executive KMPs' total 2021 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 2025 (as per the vesting schedule below).

While TSR was very strong in absolute terms at 58.1%, Iluka ranked at the 31st percentile against Iluka's peer group, which included many gold companies, the total shareholder returns of which have been exceptionally strong in recent times.

The 2021 EIP Performance Rights were assessed as follows:

Relative TSR

Weighting:	100%
Actual Score:	TSR of 58.1% - 31st percentile of comparator group
Outcome:	0% vesting - Iluka's TSR is below the 50th percentile of peer group (as per the terms of the 2021 EIP Performance Rights).

3.7 SUMMARY OF REALISED REMUNERATION EARNED BY EXECUTIVE KMP IN 2025

This Section uses non-IFRS information to show the "realised remuneration" received by Executive KMP for 2025. This is a voluntary disclosure intended to demonstrate the link between the remuneration received by Executive KMP and the performance of Iluka over 2025. Refer to following Section 3.8 for statutory remuneration disclosure.

Executive KMP	Fixed remuneration[1]	Other[2]	STIP			Total
			Cash[3]	Restricted shares[3]	2021 EIP Performance rights vesting[4]	
T O'Leary	$1,400,000	$56,110	$448,000	$448,000	$0	$2,352,110
A Stratton	$730,000	$24,551	$179,361	$179,361	$0	$1,113,273
M Blackwell	$730,000	$26,891	$158,556	$158,556	$0	$1,074,003
S Tilka	$650,000	$13,481	$150,150	$150,150	$0	$963,781

1 Fixed Remuneration earned consists of base salary plus superannuation
2 Represents car parking for T O'Leary, A Stratton and M Blackwell, FBT value of car benefit for S Tilka, equivalent cash payment for missed dividend for M Blackwell relating to a late grant of his 2024 STIP Restricted Shares valued at $2,229.88 and dividend equivalent payments in relation to vesting of 2021 EIP Tranche 4 and 2022 EIP Tranche 3 payable in March 2026 for all KMP. Dividend equivalent payments are no longer made under the STIP or LTIP in place since 2023.
3 Relates to outcome from 2025 STIP. Restricted shares vest in two tranches in March 2027 and 2028. This represents the face value of the grant being made.
4 Reflects outcome of the 2021 EIP Performance Rights detailed in Section 3.6.

3.8 EXECUTIVE KMP STATUTORY REMUNERATION DISCLOSURES

Details of the remuneration of the Executive 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	2025	$1,370,034	$448,000	$14,299	$29,966	$0	($20,719)	$430,697	$814,556	$687,482	$3,774,315	63.1%
	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%
A Stratton	2025	$700,034	$179,361	$14,299	$29,966	$0	$14,734	$192,496	$294,457	$204,197	$1,629,544	53.4%
	2024	$701,334	$186,150	$13,968	$28,666	$0	$14,915	$157,795	$221,846	$293,967	$1,618,641	53.1%
M Blackwell	2025	$700,034	$158,556	$14,299	$29,966	$0	$22,540	$179,964	$294,457	$204,305	$1,604,121	52.2%
	2024	$701,334	$175,748	$16,798	$28,666	$0	($4,680)	$153,752	$221,846	$293,443	$1,586,907	53.2%
S Tilka	2025	$620,034	$150,150	$4,622	$29,966	$0	$33,641	$169,591	$262,189	$173,771	$1,443,964	52.3%
	2024	$621,335	$168,675	$8,021	$28,666	$0	$55,676	$142,930	$197,535	$243,136	$1,465,974	51.3%
Total	2025	$3,390,136	$936,067	$47,519	$119,864	$0	$50,196	$972,748	$1,665,659	$1,269,755	$8,451,944	57.3%
	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%

1 STIP cash payment for 2025 will be made in March 2026.

2 Represents car parking for Executive KMP based in Perth and FBT value of car benefit for 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.

4. 2026 EXECUTIVE KMP INCENTIVE ARRANGEMENTS

4.1 REVIEW OF EXECUTIVE INCENTIVE ARRANGEMENTS

In 2025, the Board reviewed executive incentive arrangements to ensure they effectively support Iluka's strategy, retain and incentivise executives, and focus decision-making on delivering sustainable value over time.

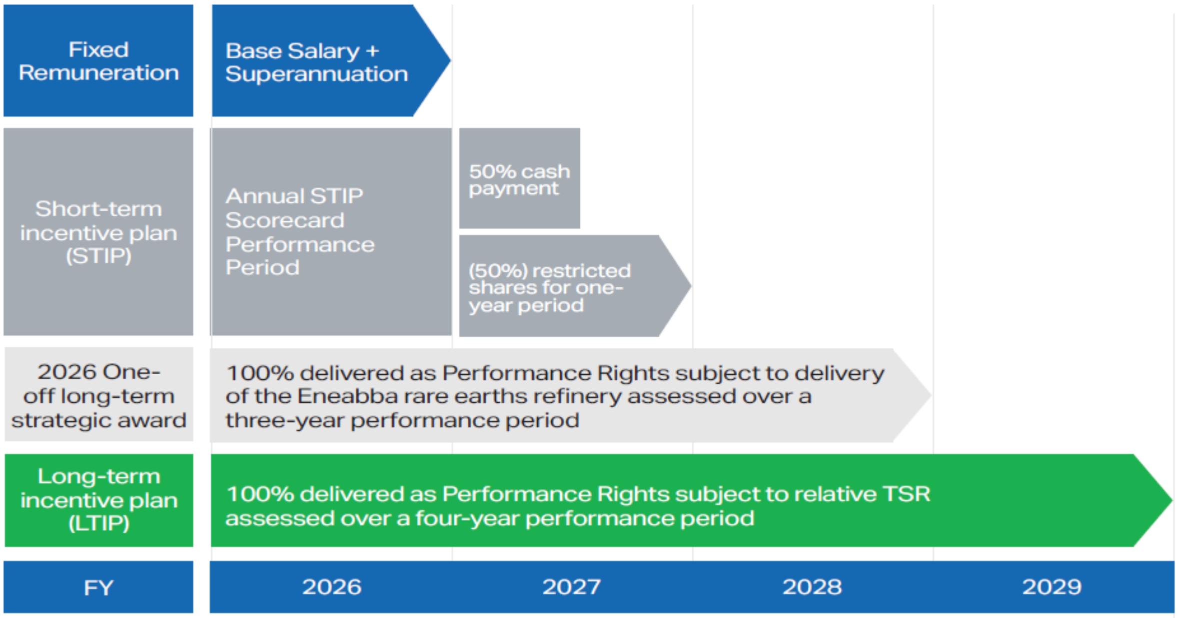
Over the last few years, the Managing Director and Executive KMP have been implementing a strategy that provides Iluka with the potential to be a globally significant supplier of rare earths. Securing the delivery of the Eneabba rare earths refinery over the next three years is critical to the success of the rare earths business and our long-term strategy. To support delivery of this important project, the Board has implemented a number of changes to the 2026 executive incentive arrangements. These changes are designed to reward value creation for shareholders by driving an unwavering focus on delivery of Iluka's strategic priorities through the commissioning and ramp-up of the Eneabba refinery.

The Board's review of current executive incentive arrangements included benchmarking against Iluka's direct competitors for talent in critical minerals. It is clear from this review that Iluka's arrangements are not sufficiently competitive to retain the current team or attract future executives into Iluka, particularly given the relative strength of other commodities to mineral sands at this time (and the incentive structures that executives in those companies reap the benefits of), and the competitive market for skilled and experienced executives in critical minerals.

Against this backdrop, and to ensure management is delivering significant value creation for shareholders, in 2026 the Board will implement a number of changes to the incentive arrangements. These changes aim to improve competitiveness and tighten alignment of incentive outcomes with delivery of key strategic initiatives. Section 4.2 below summarises the revised incentive arrangements, with the changes detailed in Sections 4.3 to 4.5 below.

4.2 2026 REMUNERATION ARRANGEMENTS OVERVIEW

The following diagram outlines Iluka's executive remuneration arrangements for FY26.



4.3 2026 STIP ARRANGEMENTS

STIP deferral

Consistent with the current STIP, 50% of the short-term incentive award is delivered in cash and 50% is deferred into restricted shares. From 2026, the deferral period for the restricted share component will be one year (a change from previous deferral arrangements where half was deferred for one year, with the remaining half deferred for two years). This change simplifies the structure and will align Iluka with its peers in critical minerals and increase the competitiveness of the STIP offering.

STIP scorecard

Changes have also been made to the 2026 Group STIP scorecard to tightly align the performance assessed to Iluka's key strategic priorities. The 2026 STIP measures are set out in the following table:

Component	Weighting	Measures	Rationale
Financial	50%	• ROC (%) • EBITDA margin (%) • Production (Z/R/SR t) • Unit Cash Costs of Production ($/t)	The financial measures maintain a focus on prudent allocation of capital, earnings, production and cost performance.

Projects	20%	• ERER progress milestones • Balranald ramp up	The introduction of a project component ensures STIP outcomes are aligned to delivery of Iluka's key strategic projects. 2026 targets will focus on meeting earned value targets for ERER within the calendar year and design production rates for Balranald by the end of the first half.
Sustainability	10%	• Group TRIFR • HSEC audit program performance • Group Level 3+ environmental incidents	Sustainability measures have been simplified, prioritising safety and environment performance and continuous improvement.
Individual Strategy	20%	Individual objectives aligned to delivery of Iluka's strategy	

4.4 2026 ONE-OFF LONG-TERM STRATEGIC AWARD

The one-off incentive award, with performance assessed over the next three years, is intended to incentivise the executive over this specific period which is critical to the delivery of the Eneabba refinery.

Key terms of the 2026 one-off long term strategic award are:

Term	Detail
Award quantum	50% of LTIP Face Value (Maximum) opportunity
Award delivery	100% Performance Rights
Performance period	Three years from 1 January 2026 to 31 December 2028
Performance measure	Performance will be assessed and outcome determined by the Board at the end of the performance period, against the following objectives: • target 15ktpa of REO feed rate into the plant; • meet on-specification production of PrNd oxide; • meet on-specification production of dysprosium and terbium oxides.

[1]Eneabba refinery maximum plant feed rate of 18ktpa (before recovery losses) of contained REO when processing the Eneabba stockpile, as disclosed in Iluka's Investor Briefing Day material on 5 May 2025. The incentive hurdle represents over 80% of potential plant capacity (using Eneabba stockpile feed only) in the first year of operation.

All other terms and conditions are consistent with those of the LTIP set out in section 2.2.

4.5 2026 LTIP ARRANGEMENTS

2026 LTIP awards structure remains the same, with the addition of a second measure to assess performance over the four year performance period. All other terms and conditions remain consistent with those set out in section 2.2.

2026 LTIP measures

Measure	Weighting	Detail	Rationale
Relative Total Shareholder Return (RTSR)	50%	RTSR measured against a peer group consisting of S&P / ASX 200 Resources Index (excluding companies primarily engaged in the oil and gas sector and non-mining activities)	This measure directly aligns executive remuneration outcomes with the delivery of shareholder value over the longer term
Delivery of strategic initiatives	50%	Measure to be set each year aligned to the delivery of key strategic projects and initiatives For 2026, performance will be assessed by the Board, at the end of the performance period, against the following measures: • target 16ktpa of REO output rate[2]; • achieve 90% recovery on PrNd ; • achieve 90% recovery on DyTb. • secure additional feedstock (beyond Eneabba monazite stockpile) of 8kt contained NdPr (or Dy or Tb equivalent) minimum	The inclusion of a second performance measure will align Iluka with market practice and aligns executive performance with delivery of strategic initiatives which have the potential to deliver significant value for shareholders over the long-term

[2]Total REO plant capacity is 23ktpa with all circuits fully utilised, using a blend of feed sources. Plant REO output rate based on Eneabba stockpile feed is 16.0ktpa, as disclosed in Iluka's Investor Briefing Day material on 5 May 2025.

5. NON-EXECUTIVE DIRECTOR REMUNERATION

5.1 2025 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: • market data; • the size and complexity Iluka's operations; and • 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). • 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. • Non-executive Directors are subject to a minimum shareholding requirement equal to 1x their annual Board base member fee (exclusive of superannuation). Refer to section 6.2 for further detail.

5.2 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.

5.3 2025 FEES AND OTHER BENEFITS

Non-executive Director fees for 2025 are outlined in the table below. No changes were made to Non-executive Director fees in 2025.

2025 Board and Committee Fees (excl. superannuation)	Chair		Member	
	2024	2025	2024	2025
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 2025. Non-executive Directors are not entitled to retirement benefits other than statutory superannuation or other statutory required benefits.

5.4 STATUTORY REMUNERATION TABLE

The fees paid to Non-executive Directors in 2025 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					
J Mactier[1]	2025	$211,832	$0	$20,880	$232,712
	2024	$0	$0	$0	$0
A Sutton[2]	2025	$227,624	$0	$24,856	$252,480
	2024	$181,832	$0	$20,512	$202,344
S Corlett	2025	$177,500	$0	$20,856	$198,356
	2024	$164,792	$0	$18,545	$183,337
L Saint	2025	$187,886	$0	$4,947	$192,833
	2024	$180,250	$0	$9,914	$190,164
P Smith[3]	2025	$159,500	$0	$18,741	$178,241
	2024	$75,234	$0	$8,652	$83,886
Former Non-executive Directors					
R Cole[4]	2025	$0	$0	$0	$0
	2024	$278,036	$0	$25,436	$303,472
M Bastos[5]	2025	$0	$0	$0	$0
	2024	$118,333	$0	$13,165	$131,498
Total fees	2025	$964,342	$0	$90,280	$1,054,622
	2024	$998,477	$0	$96,224	$1,094,701

[1] J Mactier appointed Chair on the 5 May 2025.

[2] A Sutton was acting Chair from 13 November 2024 to 4 May 2025.

[3] P Smith became a Non-executive Director on the 28 June 2024.

[4] R Cole retired as Chair on 13 December 2024. Remuneration disclosures for 2024 reflect the period he was a Non-executive Director.

[5] 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.

6. REMUNERATION GOVERNANCE

6.1 REMUNERATION GOVERNANCE FRAMEWORK

Executive 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

Proposes 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 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

6.2 MINIMUM SHAREHOLDING REQUIREMENT (MSR)

Executive 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 Section 7.3 and 7.4 for details of current KMP shareholdings.

Executive KMP

To align the interests of the Executive KMP with those of Iluka, the Company has a minimum shareholding policy that requires the Executive KMP to hold the minimum shareholding within five years of appointment to an Executive role and three years from appointment as Managing Director.

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 2025, all 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 2025, 4 of the 5 Non-executive Directors meet the MSR.

See Section 7 for details of current KMP shareholdings.

[1]Excludes committee fees and superannuation

6.3 SECURITIES TRADING POLICY

Securities 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. The Securities Trading Policy is available on the company's website at www.iluka.com.

6.4 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 & 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 six 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.

6.5 ENGAGEMENT OF EXTERNAL REMUNERATION CONSULTANTS

External remuneration consultants were engaged by the PPC in 2025 to provide market data and market insights in relation to executive remuneration arrangements. The remuneration consultants did not provide a 'Remuneration Recommendation' as defined in the *Corporations Act 2011* during the 2025 financial year.

7. ADDITIONAL REMUNERATION DISCLOSURES

7.1 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 2025 year. The table includes RRs that were granted under the EIP and the STIP that replaced the EIP in 2023. 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 2025 KMP start date	Granted during 2025	Vested / exercised into shares in 2025		Lapsed during 2025		Balance at 31 Dec 2025	Granted in 2025[1]	Value vested / exercised into shares in 2025[2]
				#	%	#	%	#	$	$
T O'Leary										
2020 EIP RRs[3,6]	1 March 2021 and 18 Aug 2022	18,344	-	(18,344)	(25%)	-	-	-	-	81,046
2021 EIP RRs[4,6]	13 April 2022 and 18 Aug 2022	78,757	-	(39,394)	(25%)	-	-	39,363	-	174,047
2022 EIP RRs[5,6]	10 May 2023	106,876	-	(35,626)	(25%)	-	-	71,250	-	157,399
2023 STIP RRs (shares)[7]	7 May 2024	82,071	-	(41,036)	(50%)	-	-	41,035	-	181,301
2024 STIP RRs (shares)[8]	2 May 2025	-	99,472	-	-	-	-	99,472	410,819	-
A Stratton										
2020 EIP RRs[3,6]	1 March 2021 and 18 Aug 2022	6,451	-	(6,451)	(25%)	-	-	-	-	28,501
2021 EIP RRs[4,6]	23 Feb 2022 and 18 Aug 2022	18,300	-	(9,150)	(25%)	-	-	9,150	-	40,426
2022 EIP RRs[5,6]	16 Feb 2023	29,182	-	(9,728)	(25%)	-	-	19,454	-	42,979
2023 STIP RRs (shares)[7]	15 Feb 2024	31,815	-	(15,908)	(50%)	-	-	15,907	-	70,283
2024 STIP RRs (shares)[8]	13 Feb 2025	-	41,332	-	-	-	-	41,332	195,500	-
M Blackwell										
2020 EIP RRs[3,6]	1 March 2021 and 18 Aug 2022	6,443	-	(6,443)	(25%)	-	-	-	-	28,466
2021 EIP RRs[4,6]	23 Feb 2022 and 18 Aug 2022	18,816	-	(9,408)	(25%)	-	-	9,408	-	41,565
2022 EIP RRs[5,6]	16 Feb 2023	28,548	-	(9,516)	(25%)	-	-	19,032	-	42,043
2023 STIP RRs (shares)[7]	15 Feb 2024	31,815	-	(15,908)	(50%)	-	-	15,907	-	70,283
2024 STIP RRs (shares)[8]	13 Feb 2025	-	39,023	-	-	-	-	39,023	184,579	-
S Tilka										
2020 EIP RRs[3,6]	1 March 2021 and 18 Aug 2022	4,118	-	(4,118)	(25%)	-	-	-	-	18,194
2021 EIP RRs[4,6]	23 Feb 2022 and 18 Aug 2022	16,180	-	(8,090)	(25%)	-	-	8,090	-	35,742
2022 EIP RRs[5,6]	16 Feb 2023	24,135	-	(8,045)	(25%)	-	-	16,090	-	35,544
2023 STIP RRs (shares)[7]	15 Feb 2024	28,809	-	(14,405)	(50%)	-	-	14,404	-	63,643
2024 STIP RRs (shares)[8]	13 Feb 2025	-	37,452	-	-	-	-	37,452	177,148	-

1 Value at point of grant, was $4.73 for KMP and $4.13 for MD
2 Value at point of vest. Share price at 1 March 2025 was $4.41
3 The initial grant date reflects the original RRs that 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 RRs that 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 RRs that 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 4 equal tranches over 4 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.
8 The initial grant date reflects the original Restricted Shares allocated in relation to the 2024 Executive STIP award.

PERFORMANCE RIGHTS

The table below shows the number of performance rights (PRs) that were granted, vested and forfeited during the 2025 year. The table includes PRs that were granted under the EIP and the LTIP that replaced the EIP in 2023. 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 performance rights							Value of performance rights	
		Balance at 1 Jan 2025 KMP start date	Granted during 2025[1]	Vested / exercised into shares in 2025		Lapsed during 2025		Balance at 31 Dec 2025	Granted in 2025[2]	Value vested / exercised into shares in 2025[3]
				#	%	#	%	#	$	$
T O'Leary										
2020 EIP PRs[4,6]	1 March 2021 and 18 Aug 2022	48,923	-	-	-	(48,923)	100%	-	-	-
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 LTIP[7]	10 May 2023	160,928	-	-	-	-	-	160,928	-	-
2024 LTIP[8]	7 May 2024	236,744	-	-	-	-	-	236,744	-	-
2025 LTIP	2 May 2025	-	373,019	-	-	-	-	373,019	773,641	-
A Stratton										
2020 EIP PRs[4,6]	1 March 2021 and 18 Aug 2022	17,203	-	-	-	(17,203)	100%	-	-	-
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 LTIP[7]	1 May 2023	62,935	-	-	-	-	-	62,935	-	-
2024 LTIP[8]	16 April 2024	92,584	-	-	-	-	-	92,584	-	-
2025 LTIP	2 May 2025	-	145,877	-	-	-	-	145,877	302,549	-
M Blackwell										
2020 EIP PRs[4,6]	1 March 2021 and 18 Aug 2022	17,185	-	-	-	(17,185)	100%	-	-	-
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 LTIP[7]	1 May 2023	62,935	-	-	-	-	-	62,935	-	-
2024 LTIP[8]	16 April 2024	92,584	-	-	-	-	-	92,584	-	-
2025 LTIP	2 May 2025	-	145,877	-	-	-	-	145,877	302,549	-
S Tilka										
2020 EIP PRs[4,6]	1 March 2021 and 18 Aug 2022	10,307	-	-	-	(10,307)	100%	-	-	-
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 LTIP[7]	1 May 2023	56,038	-	-	-	-	-	56,038	-	-
2024 LTIP[8]	16 April 2024	82,438	-	-	-	-	-	82,438	-	-
2025 LTIP	2 May 2025	-	129,891	-	-	-	-	129,891	269,394	-

1 Performance rights granted in respect of the 2025 LTIP, which form part of the share based payments for 2025 to 2028.

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 LTIP and a Fair Value of $4.24 at point of grant for KMP and $5.10 for MD's grant for the 2024 LTIP and a Fair Value of $2.07 at point of grant for KMP and MD 2025 LTIP

3 No performance rights vested in 2025.

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" and 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" and further details can be found in the 2022 Remuneration Report.

6 The 2020, 2021 and 2022 EIP Performance Rights are subject to a 5 year performance period, tested against a relative total shareholder return tested 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 LTIP Performance Rights are subject to a 4 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.

8 The 2024 LTIP Performance Rights are subject to a 4 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 2024 Remuneration Report.

7.2 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
2021 EIP[2]	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)[3]	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[4]	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)[5]	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[6]	15 February 2024	Restricted shares	7.09	1 March 2025 (Tranche 1), 1 March 2026 (Tranche 2)
2023 STIP (MD)[6]	7 May 2024	Restricted shares	7.09	1 March 2025 (Tranche 1), 1 March 2026 (Tranche 2)
2023 LTIP[7]	1 May 2023	Performance rights	8.45	1 March 2027
2023 LTIP (MD)[8]	10 May 2023	Performance rights	8.78	1 March 2027
2024 STIP[9]	13 February 2025	Restricted shares	4.71	1 March 2026 (Tranche 1), 1 March 2027 (Tranche 2)
2024 STIP (MD)[9]	2 May 2025	Restricted shares	4.13	1 March 2026 (Tranche 1), 1 March 2027 (Tranche 2)
2024 LTIP[10]	16 April 2024	Performance rights	4.24	1 March 2028
2024 LTIP (MD)[11]	7 May 2024	Performance rights	5.10	1 March 2028
2025 STIP[12]	March 2026	Restricted shares	5.79	1 March 2027 (Tranche 1, 1 March 2028 (Tranche 2)
2025 LTIP[13]	2 May 2025	Performance rights	2.07	1 March 2029

1 The fair value is calculated in accordance with the measurement criteria of Accounting Standard AASB 2 Share Based Payments.
2 Represents the share price on the grant date of restricted rights, and fair value of $9.90 for performance rights awarded to Executive KMP.
3 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
4 Represents the share price on the grant date of restricted rights, and fair value of $8.06 for performance rights awarded to Executive KMP.
5 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
6 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.
7 Represents the fair value of $8.45 for performance rights awarded to Executive KMP for the 2023 LTIP at 1 May 2023
8 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
9 Represents the fair value of $4.50 for restricted shares award to Executive KMP for the 2024 STIP in 2025 following the release of the company's 2024 annual results..
10 Represents the fair value of $4.24 for performance rights awarded to Executive KMP for the 2024 LTIP at 16 April 2024
11 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
12 Represents the estimated fair value of restricted shares to be awarded under the 2025 Executive STIP for which the performance period concluded on 31 December 2025, calculated using the closing share price of $5.79 at 31 December 2025. The fair value will be determined in 2026 following the release of the company's 2025 annual results.
13 Represents the fair value of $2.07 for performance rights award to Managing Director and Executive KMP for 2025 LTIP at 2 May 2025. Shareholder approval for the grant of performance rights to the Managing Director was obtained under ASX Listing Rule 10.14 at the 2024 Annual General Meeting

7.3 SHAREHOLDINGS OF EXECUTIVE KMP AND THEIR RELATED PARTIES

Name	Number of shares[1]							Minimum share-holding met?[5]
	Balance held at 1 Jan 2025	Vesting/ exercise of share rights pursuant to EIP	Awarded as Restricted shares pursuant to STIP	Other changes[2]	Total Balance held at 31 Dec 2025	Restricted[3]	Unrestri-cted[4]	
T O'Leary	1,505,417	-	99,472	-	1,604,889	251,120	1,353,769	Yes
A Stratton	229,482	-	41,332	(15,000)	255,814	86,162	169,652	Yes
M Blackwell	118,609	-	39,023	(160)	157,472	83,370	74,102	Yes
S Tilka	149,280	-	37,452	-	186,732	76,036	110,696	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-base vesting component.
4 Unrestricted are ordinary shares with restrictions on transactions.
5 As at 31 December 2025 with share price of $5.79

7.4 SHAREHOLDINGS OF NON-EXECUTIVE DIRECTORS AND THEIR RELATED PARTIES

Name	Number of shares[1]			Minimum shareholding met?[2]
	Balance held at 1 Jan 2025	Net movement	Balance held at 31 Dec 2025	
J Mactier[3]	-	50,000	50,000	No
S Corlett	25,800	-	25,800	Yes
L Saint[4]	27,102	-	27,102	Yes
A Sutton	32,000	15,000	47,000	Yes
P Smith[4]	17,141	12,139	29,280	Yes

1 Non-Executive Directors do not receive share based remuneration and movements in their shareholdings reflect on-market trades.
2 As at 31 December 2025 share price of $5.79
3 J Mactier appointed Chair from 5 May 2025
4 Includes shares held indirectly through a nominee or agent (e.g. family trust)

7.5 OTHER DISCLOSURES

On-market share purchases

Iluka issued 1,461,200 shares to satisfy employee incentive schemes in 2025, at an average price of $4.59 per share.

Transactions with key management personnel

During the financial year there were no products or services purchases by Executive KMP from the Group (2025: nil) and there are no amounts payable at 31 December 2025 (2025: nil).

Loans with KMPs

There have been no loans to Executive KMP during the financial year (2025: nil).

SUSTAINABILITY REPORT (CLIMATE-RELATED FINANCIAL DISCLOSURES)

For the year ended 31 December 2025

1. BASIS OF PREPARATION

Iluka's 2025 Sustainability Report (Climate-related Financial Disclosures) ('this report') represents a complete set of climate-related financial disclosures for Iluka Resources Limited and its subsidiaries (collectively, 'Iluka' or 'the Group') for the financial year ended 31 December 2025.

This report has been prepared in accordance with AASB S2 *Climate-related Disclosures* (AASB S2), the mandatory Australian Sustainability Reporting Standard (ASRS) issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

As this is the first year in which Iluka has applied AASB S2, it has applied the following transition reliefs for the first annual reporting period:

i) Not to disclose comparative information in this report; and
ii) Not to disclose Scope 3 GHG emissions

This report contains the sustainability-related financial information of the Group for the financial year ended 31 December 2025. It aligns with the reporting period of the Group's consolidated financial statements. Information in the Annual Report referred to in this report, or contained in a note to this report, forms part of, and is to be read in conjunction with, this report. The currency for dollar values presented in this report is AUD, which aligns to the currency presented in the Group consolidated financial statements.

This report contains forward-looking statements and forward-looking climate-related information prepared in accordance with AASB S2. Such statements involve inherent risks, uncertainties, assumptions and contingencies, many of which are outside Iluka's control, and that may cause actual results, performance, outcomes or conditions to differ materially from those expressed or implied. Forward-looking information, including scenario analysis, transition and physical risk assessments, and projected emissions trajectories, is based on information available at the date of publication and reflects assumptions considered reasonable at that time. Readers are cautioned not to place undue reliance on this information. Iluka does not undertake to release publicly any revisions to any forward-looking statements to reflect new information, future events or circumstances, except as required by law.

2. JUDGEMENT AND UNCERTAINTIES

2.1 Judgements

The preparation and presentation of this report involves applying judgements to determine what information is relevant, reliable and useful for disclosure. This includes interpreting reporting requirements and making informed decisions in areas where the standard allows flexibility. Key judgements applied are summarised below.

Topic	Description
Materiality assessment	To identify relevant risks and opportunities and material information, Iluka exercised judgement in assessing impacts and dependencies across the value chain that could reasonably be expected to affect the Group's strategy, business model or financial position. These judgements are informed by the previous work it has undertaken under Task Force on Climate-related Financial Disclosures (TCFD), external views and publications on industry-relevant risks and opportunities, and the scenario analysis undertaken. Refer to section 5.
Greenhouse Gas (GHG) emissions	Iluka applies jurisdictionally-appropriate measurement methodologies for Scope 1 and Scope 2 GHG emissions in accordance with AASB S2. For Australian operations (including Australian rehabilitation sites), the Group applies the jurisdictional relief permitted under AASB S2 for facilities that are registered and operating under the *National Greenhouse and Energy Reporting Act 2007 (NGER Act)*. Only operational, NGER-registered facilities are included within the Australian emissions reporting boundary; all other Australian facilities are currently dormant. Consistent with this relief, the Group applies the NGER Act as the applicable jurisdictional methodology, with emission factors sourced from the National Greenhouse and Energy Reporting (Measurement) Determination 2008 (NGER Measurement Determination).

Topic	Description
Greenhouse Gas (GHG) emissions (continued)	For the Group's international operations, which are located across the United States, Europe and China, greenhouse gas (GHG) emissions are measured in accordance with the GHG Protocol: A Corporate Accounting and Reporting Standard (2004). Based on the Group's materiality assessment, only emissions from United States operations are considered material to users of the Group's climate-related financial disclosures. Accordingly, Scope 1 and Scope 2 emissions from United States operations are included within the Group's defined reporting boundary. Emission factors for rehabilitation activities in the United States are sourced from the United States Environmental Protection Agency (US EPA) GHG Emission Factors Hub (2025). Emissions arising from operations in Europe and China are quantitatively and qualitatively immaterial, both individually and in aggregate, to the Group's total GHG emissions and to its climate-related risks and opportunities. As a result, these emissions have not been separately measured or disclosed for the reporting period. Emissions are disclosed on a gross basis, without offsets, in metric tonnes of CO_2 equivalent (tCO_2e). Scope 1 GHG emissions are direct emissions from operations that are owned or controlled by the reporting company (diesel, coal consumption, natural gas, fuel, oil, greases and other ancillary sources). Scope 2 GHG emissions are indirect emissions from the generation of purchased or acquired electricity that are owned or controlled by the reporting company. Refer to section 7 for calculation methodology used to derive Scope 2 emissions data.
Scenario selection	Iluka conducted scenario analysis using two distinct climate scenarios: one aligned with limiting global warming to 1.5°C (low warming) and another representing warming well above 2.5°C (high warming). To assess the resilience of its strategy and business model against transition risks, Iluka relied on the Network for Greening the Financial System (NGFS) Phase V models—specifically, the Net Zero and Current Policies scenarios. The Current Policies scenario was chosen to represent the high warming pathway, as it is widely used according to the 2023 NGFS survey.[1] For physical risks, Iluka referenced the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) Shared Socioeconomic Pathways (SSP): SSP 1-1.9 (very low emissions) and SSP 5-8.5 (very high emissions). The SSPs are commonly used for physical risk scenario analysis across the mining and resources sectors.

2.2 Measurement uncertainty

Measurement uncertainty in this report arises from data gaps, external factors and forward-looking information. This relates to:

Topic	Description
GHG emission factors (refer to Metrics and Targets)	GHG quantification is unavoidably subject to significant inherent limitations because of incomplete scientific knowledge and inherent limitations in the nature of, and methods used for, determining emissions factors and data. The selection by management of different but acceptable emissions factors or measurement techniques could have resulted in materially different GHG emissions reported. Inherent limitations in emissions factors noted in the NGER Measurement Determination and the US EPA GHG Factors Hub in general may affect GHG measurement outcomes. Iluka has not changed its measurement approach for Scope 1 and 2 GHG emissions collation and reporting from prior years.

[1] NGFS, June. 2023, NGFS Survey on Climate Scenarios key findings.
https://www.ngfs.net/sites/default/files/medias/documents/ngfs_survey_results.pdf

Topic	Description
Resilience assessment	Forward-looking disclosures on transition risks rely on assumptions on: i) safeguard facility compliance costs, which are subject to regulatory and policy settings that are uncertain beyond 2030; and ii) assumptions about future energy mix, prices and demand that are subject to a high degree of inherent uncertainty While scenario analysis for climate-related risk/opportunity and resilience assessment has been undertaken by downscaling trends from the global scenarios for carbon pricing and energy prices applied to Iluka's corporate plan assumptions, there is a high degree of uncertainty as to the interplay of the assumptions considered in the global scenarios with domestic regulation and government energy transition plans. Importantly, the scenarios considered do not represent forecast assumptions.
Resilience assessment (continued)	Physical risk assessments rely on external climate models and internal assumptions about asset vulnerability. Iluka engaged an external service provider to generate site specific climate hazard projections derived from multiple credible Australian climate information sources. These inputs involve significant levels of measurement uncertainty due to variability in climate projections and assumptions about adaption measures. Resilience assessment for climate-related physical risks has been undertaken with historically observed climate-related physical risk events used to assess anticipated financial effects from such events in the future. However, these effects have not been subject to further quantification beyond this. Physical risk resilience assessment sought to identify the potential areas of exposure from material climate-related hazards identified – e.g. critical infrastructure (port, roads, power lines) disruption from extreme weather events – and understand their potential effects as understood by Iluka operations personnel and internal subject matter experts to inform a consequence assessment against Iluka's risk criteria (minor to major in consequence scale).

3. GOVERNANCE

3.1 Board and sub-committee oversight

The Board is responsible for providing oversight over climate-related risks and opportunities and decisions on how those climate risks and opportunities should be considered in Iluka's strategy and business plans.

The Board is supported by sub-committees, including the Sustainability Committee (SusCo), the Audit and Risk Committee (ARC), and the People and Performance Committee (PPC) – refer table below.

Board and Committees	Climate-related oversight role (as reflected in the Charters of each Board and sub-committee)	Frequency of meetings and review
Board	The Board's relevant responsibilities include: • approving Iluka's public sustainability and Environmental, Social and Governance (ESG) targets and position statements (including with respect to climate) • reviewing annually the Company's climate-related risks and opportunities (as a subset of the Company's key risks) and approving climate-related disclosures made by the Company • overseeing Iluka's performance with respect to sustainability and climate change targets • considering the Company's climate-related risks and opportunities when overseeing strategy, major decisions, and risk management processes and related policies; and • receiving reports from the SusCo on external material trends with respect to sustainability and approving any changes required	The Board in 2025: • considered the material climate-related risks and opportunities reflected in Iluka's Key Risk Register, reviewed as part of Iluka's annual corporate planning cycle • reviewed and approved the update to Iluka's internal shadow carbon price (refer section 7.2) The Board met 11 times in 2025.

<table>
<tr><th>Board and Committees</th><th>Climate-related oversight role (as reflected in the Charters of each Board and sub-committee)</th><th>Frequency of meetings and review</th></tr>
<tr><td>Sustainability Committee (SusCo)</td><td>The SusCo's relevant responsibilities include:
• monitoring the Group's processes and related policies for the identification, assessment, prioritisation and monitoring of sustainability-related risks and opportunities, including those relating to climate
• monitoring the effectiveness of the Group's strategies, policies, standards, processes and controls, as they relate to climate
• reviewing and providing feedback to management (and ARC) where appropriate on the Group's sustainability reporting, including AASB S2 reporting and endorsing content to the ARC
• reviewing and recommending to the ARC for approval the sustainability section (including climate) of the annual internal audit plan
• reporting to the Board on the Group's performance with respect to sustainability, including the Climate Change Work Program
• reviewing and recommending to the Board the Group's sustainability targets and position statements (including climate) and monitoring the Group's progress towards those targets
• reviewing and reporting to the Board on external material industry trends relevant to management of climate-related risks and opportunities; and
• overseeing and recommending to the Board and other committees (where required) on the Group's sustainability key performance and key risk indicators, including those related to climate-related risks and opportunities</td><td>The SusCo in 2025:
• reviewed and approved the Climate Change Work Program
• received bi-annual updates on progress against Iluka's Climate Change Work Program
• reviewed the risk and resilience assessment of material climate-related risk and opportunities over the short-, medium- and long-term and reviewed the basis of materiality adopted in the report
• reviewed and considered the climate-related key risks and opportunities included in this report

The SusCo met four times in 2025.</td></tr>
<tr><td>Audit and Risk Committee (ARC)</td><td>The ARC's relevant responsibilities include:
• monitoring the effectiveness of the accounting and internal control systems including assurance processes, compliance with applicable accounting standards and legal requirements, including discussing with the Group's external auditors matters relevant to the Group's financial reporting obligations (including that for AASB S2)
• overseeing the risk management framework for identifying, assessing, prioritising, monitoring and managing Iluka's material climate-related risks and opportunities, in conjunction with the SusCo where appropriate
• overseeing senior management's implementation of the risk management framework, including that senior management has appropriate processes for identifying, assessing, and responding to risks and that those processes are operating effectively; reviewing and making recommendations to the Board in relation to the risk disclosures in the Company's periodic reporting documents, including the operating and financial review in its Annual Report; and</td><td>The ARC in 2025:
• considered risk performance from the bi-annual key risk indicator report, of which climate and rare earths business are sub-categories (refer section 5 for more details)
• received three progress updates in 2025 on the Executive's approach to complying with the requirements of AASB S2 and considered the audit approach from Iluka's external auditors

The ARC met four times in 2025.</td></tr>
</table>

Board and Committees	Climate-related oversight role (as reflected in the Charters of each Board and sub-committee)	Frequency of meetings and review
ARC (continued)	• reviewing the full-year financial reports (including Annual Report, Financial Statements and the Directors' Report (including the Group's Climate-related Financial Disclosures and associated Director's opinion) and making necessary recommendations to the Board (taking into account feedback received from SusCo).	
People and Performance Committee (PPC)	The PPC's relevant responsibilities include: • considering any recommendations from the SusCo in relation to how broad sustainability and climate-related considerations and performance metrics should be factored into the Company's executive remuneration arrangement and remuneration policies; and • reviewing and approving equity-based remuneration plans, including short-term incentive strategy, performance measures, and bonus payments (including climate-related performance measures)	The PPC in 2025: • approved the objectives and outcomes of Iluka's performance scorecard that included measures that relate to the Climate Change Work Program. Refer to section 7 for further detail The PPC in 2026: • reviewed the outcomes of the performance scorecard relating to the Climate Change Work Program as part of its review of the Group's overall performance scorecard outcomes for the 31 December 2025 income year. This was informed by a recommendation from SusCo taking into account progress updates received throughout 2025 The PPC met three times in 2025.

3.2 Board skills and competencies

Iluka's Directors have a combined diverse range of backgrounds, skills and experience that enhance Iluka's decision-making and oversight. An annual review is conducted to assess the collective competencies of Board members. The 2025 review included a review for operating risk, sustainability, and climate-related expertise.

The Directors are assessed to have appropriate skills and competencies to review climate-related risks and opportunities, given their broader strategic experience as noted in the competency summary below, and some through having partaken in training during the reporting period as part of their own director skills development. This includes attendances at webinars, conferences, advisory updates or via the companies that they serve on (including Iluka).

Key to committee membership

Committee Chair	Committee Member
AR Audit and Risk	PP People and Performance
NG Nominations and Governance	S Sustainability

Board Member	Appointed	Membership	Experience	Competencies
J Mactier BAgrEc (Hons), GradDip AppFinInv, GAICD (Independent)	Appointed as Director: May 2025 Appointed as Chair: May 2025	AR PP NG	35 years	Experience in the metals and energy sectors globally, with 24 years at Macquarie Bank, including 15 years as co-head of its Metals and Energy Capital Division and as a member of its Fixed Income, Currencies and Commodities Group management committee. He spent 10 years as a Director (eight as Chair) of Regis Resources, ASX200 resources company. His expertise encompasses project evaluation and due diligence, project and corporate finance, equity investment, and commodity and currency hedging.

Board Member	Appointed	Membership	Experience	Competencies
T O'Leary LLB, BJuris (Non-Independent)	Appointed CEO: September 2016 Appointed as Director: October 2016	N/A	35 years	Experience in commercial, investment banking, business development and executive management across several sectors. Previously Managing Director of Wesfarmers Chemicals, Energy and Fertilisers, following roles with Nikko Principal Investments, Nomura International, Allen & Overy and Robinson Cox (Clayton Utz). His expertise encompasses: industrial and mining; business development; investment banking; finance law; and private equity.
S Corlett BSc (Geo, Hons), FAusIMM, GAICD (Independent)	Appointed as Director: June 2019	NG S AR	33 years	Experience in exploration, mining, and investment banking and private equity. Previously an Investment Director for Pacific Road Capital Ltd (private equity), following a career with Standard Bank Limited, Deutsche Bank, Macquarie Bank, RGC Ltd and Goldfields Ltd. Her expertise encompasses: geology and exploration; private equity; finance (including mining project finance and mining credit risk management). Previous Director and Treasurer of the Foundation of National Parks and Wildlife.
L Saint BCom, GradDip Ed Studies, FCPA, FAICD, Cert Business Administration (Independent)	Appointed as Director: October 2019	AR NG	38 years	A Certified Practicing Accountant with broad financial and commercial experience from a global career, including more than 19 years with Bechtel Group where she served as Chief Audit Executive and Chief Financial Officer of the Mining and Metals global business unit. Her expertise encompasses strong financial skills, auditing, corporate governance, enterprise risk, supply chain risk and project management.
P Smith FAusIMM, GAICD, MBA (Independent)	Appointed as Director: June 2024	S PP NG	49 years	Extensive international executive career primarily in the resources sector, including gold, coal, metals and fertiliser operations with Rio Tinto, WMC Resources, Ensham Resources, Western Metals, Newcrest Mining, Israel Chemicals Limited, and Kestrel Coal Resources. His expertise encompasses: business leadership; mining and processing operations; business development; business improvement; and change management. Chair and member of sustainability committees in other listed companies.
A Sutton BEng Chemical (Hons), GradDipEcon, GAICD (Independent)	Appointed as Director: March 2021	NG PP S	30 years	Experience in the resources and industrial sectors, with 25 years at Rio Tinto, including a secondment as CEO and Managing Director of Energy Resources of Australia (ERA); 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. Her expertise encompasses: mining and industrial operations; health, safety and environment; risk management; business strategy; and control management.

3.3 Management oversight

The Board delegates the day-to-day responsibility for executing strategy, including the management of climate-related risks and opportunities, to Iluka's Managing Director and CEO. The Managing Director and CEO implements this strategy through his Executive team. The Board has oversight through the above-mentioned committees.

Iluka has a Climate Change team that is overseen by Iluka's Chief Technology Officer (CTO), who has carriage of Iluka's Climate Change Work Program, including day-to-day delivery of work required to meet the targets set as part of this program (discussed under Section 7.3). This includes periodic updates to the SusCo on progress (refer above).

Given the increasing complexity and interdependency of climate risks, as well as emerging opportunities, management considers it prudent to review its forward-looking strategy in 2026. The uncertainty on policy direction in the near term makes it challenging to determine commercially-viable response measures. The specific direction and scope of future strategy will be determined through ongoing assessment of the external landscape and stakeholder expectations, balanced against overall strategic priorities. The Board and management consider climate-related risks and opportunities as part of the Company's broader strategic and risk management processes. While climate considerations are not assessed in isolation, they are taken into account alongside a range of financial, operational, regulatory and market factors when making strategic decisions, including those relating to acquisitions, divestments and capital allocation. The Company recognises that strategic decisions may involve trade-offs between climate-related considerations and other business objectives. Where relevant, climate-related risks and opportunities are weighed alongside factors such as financial performance, growth prospects, risk appetite, and shareholder value in determining the most appropriate course of action.

In addition to monitoring risks and opportunities pursuant to the Group's Risk Policy and Framework (refer to section 6), management also oversees the annual collation of GHG emissions to be reported to NGERs and to inform this report. In doing so, management ensures that the collation is in accordance with the Group's internal basis of preparation for GHG emissions reporting. The basis of preparation and reporting is subject to independent external review. Controls for climate-related risks and opportunities are integrated into existing Group standard and procedures as discussed in section 6 – Risk Management.

Iluka's Chief Financial Officer is responsible for:

- Iluka's overall risk management process as set out in Iluka's Risk Policy and Framework. This includes the Key Risk Register and Risk Appetite Statement which include climate-related risks and opportunities
- Ensuring integration of climate-related risks and opportunities into Iluka's Annual Report
- Working with the CTO and the Audit and Risk Committee to ensure adequacy of audit coverage and ongoing monitoring of climate-related risks and opportunities

4. STRATEGY AND FINANCIAL EFFECTS

4.1 Identifying material climate-related risks and opportunities

The Group adopted the following materiality assessment process to identify climate-related risks and opportunities that could reasonably impact its strategy, business model and prospects. This materiality process built on previous work undertaken under TCFD to identify climate-related risks and opportunities.

Materiality assessment process	
Identifying relevant risks and opportunities	**Identifying material information**
1. Map impacts and dependencies across the value chain by engaging with key internal stakeholders, including internal subject matter experts, benchmarking risks and opportunities against those externally published by industry peers, using climate-related scenario analysis. Iluka reviewed its physical risks and opportunities in 2025 through externally-facilitated risk assessments across Iluka's sites and projects in Execution phase. The physical risk scenario analysis considered improved data resolution at sub-regional level (i.e. at asset level).	**4. Identify potentially material information about risks and opportunities** by applying AASB S2 and the application guidance contained in the published standard.

Materiality assessment process	
Identifying relevant risks and opportunities	**Identifying material information**
2. Identifying potentially relevant risks and opportunities by assessing whether they could impact the business model or strategy. Transition risks and opportunities were assessed at an enterprise level. For physical risks, the assessment boundary included inland road logistics and domestic port facilities for transport of heavy mineral concentrate from mining operations to processing facilities and outbound ports from which finished goods inventory is shipped.	**5. Determine material information** by assessing whether the information identified could influence decisions of the primary users of the financial information and this report. For Transition Risks and Opportunities, Iluka leveraged its previous risk and opportunity assessments undertaken in prior years pursuant to TCFD and considered them against Transition Risks and Opportunities published by industry peers and TCFD guidance and literature. Where some level of quantification could be achieved (e.g. safeguard compliance costs and energy costs), the range of quantified outcomes against the scenarios informed the Group's view on materiality. For transition risk related to decarbonisation technology and the transition opportunities identified, they are inherently material as they directly align to the current net zero ambition which is predicated on it being commercially and technically feasible and/or aligned to overall strategic direction with respect to critical minerals. Physical risks assessed were grouped into their climate-related hazard categories. The risks were assessed on a qualitative basis by internal stakeholders. Materiality assessment was informed by the categories that had the highest number of physical risks associated that were rated as being high risk or above, pursuant to Iluka's risk criteria (risk rating scale of minor, moderate, high, very high and major) and enterprise risk management framework.
3. Determining the risks and opportunities that have the potential to affect cash flows, financing access or the cost of capital across short-, medium- and long-term horizons. For its time horizons, Iluka aligned time horizons considered with the Group's corporate planning process: short-term (now to 2030), medium-term (2030-2040) and long-term (2040 to 2050). The same time horizons were utilised for resilience assessments (refer section 5). The assessment considered a range of qualitative and quantitative factors including the nature, magnitude and likelihood of impacts assessed with input from management and internal subject matter experts.	**6. Consolidate relevant risks and opportunities** into a table for validation by Iluka's Executive and for the Board's approval as part of Iluka's Key Risk Register. Material information about the relevant risks and opportunities are included in this report.

4.2 Climate-related risks and opportunities

The following table contains information about material climate-related risks and opportunities identified, the time horizon in which Iluka considers the effects of each climate-related risk and opportunity could reasonably occur, the value chain that the climate-related risk/opportunity is concentrated in, and the amount of the Group's assets that are vulnerable to or aligned with the climate-related risk/opportunity disclosed. For assets vulnerable to risks/aligned with opportunities, the values disclosed represent the number of sites impacted by the risk or aligned with the opportunity out of all Iluka's sites (five in total – Cataby, Jacinth-Ambrosia, Balranald, Eneabba and Narngulu).

Key: Transition (T) Physical (P) Risk (R) Opportunity (O)

Type	Description of climate-related risk and opportunity	Time horizon*	Value chain**	Assets vulnerable to risks/aligned with opportunities[1]
T R	**Increased energy costs** – the energy transition that underpins efforts to reach net zero by 2050 has the potential to increase energy costs (coal, grid-connected energy, natural gas and diesel), which can negatively impact the Group's cost profile.	Short, medium and long	Mining and processing Utility providers	All assets 100%
T R	**Increase in safeguard compliance costs** as a result of government climate change policy impacts commercial viability of Iluka's synthetic rutile (SR) business.	Short to medium	Processing	1 out of 5 20%
T R	**Decarbonisation technology not commercially feasible** – deployment of technology remains non-value accretive, impacting Iluka's ability to decarbonise its SR kilns in accordance with stated ambition (net zero where technology is viable, available and commercially feasible).	Short to medium	Mining and processing	1 out of 5 20%
P R	**Increased severity and frequency of extreme rainfall and storm events** – exacerbated water management-related risks such as flooding of pits/mineral storage shed/stockpile, offsite water discharge and damage to associated critical infrastructure (roads, ports, and electrical infrastructure) negatively impacts operating conditions.	Short, medium and long	Mining and processing	All assets 100%
P R	**Increase in frequency of extreme temperature days** negatively impacts: • power supply, mining operations and processing facilities • workforce health and safety and productivity	Long	Processing	2 out of 5 40%
T O	**Clean energy transition drives significant increase in demand for rare earth oxides**, presenting upside opportunities for the Eneabba refinery and Iluka's critical minerals strategy.	Short, medium and long	Processing and customer markets	1 out of 5 20%
T O	**Increased deployment of renewable energy generation –** higher and less predictable cost and reliability of grid-connected electricity combined with levelised cost of renewable energy and policy incentives drives opportunity for renewable energy generation, particularly off-grid generation, contributing to optimisation of Iluka's energy mix (supply and cost) and towards achieving Iluka's net zero ambition.	Short to medium	Mining and processing	All assets 100%

** Short-term (2025-2030), medium-term (2030-2040) and long-term (2040-2050)*

**Iluka considered the potential impact of climate-related risks and opportunities across its value chain, including in relation to existing customer markets, operations at its current mining and processing locations (including suppliers of critical infrastructure such as roads, port facilities and transport logistics between its operating and mining sites), and on projects that are currently in execution (i.e. the Eneabba refinery and Balranald mine).

4.3 Strategy and current financial effects

The following table contains information about the effects of the climate-related risks and opportunities identified on Iluka's strategy and decision-making, funding consideration, and current financial effects. In this regard, while Iluka has strategic initiatives, including a Climate Change Work Program, that seek to address and manage the risks and opportunities, it does not have a climate-related transition plan and does not have specific emissions reductions targets.

Risk/ opportunity (R/O)	Strategy and funding	Current financial effects
(R) Increased energy costs	• Energy costs associated with grid-connected energy, diesel and natural gas are a key component of Iluka's overall cost structure. Policy decisions in Australia regarding both the roll-off of fossil fuel generation and ambitions for greater renewable energy penetration on the Wholesale Energy Market and National Electricity Market have resulted in less predictable and higher energy costs. Given the timeframe required to give effect to changes in energy markets, it is anticipated that there will continue to be uncertainty in relation to energy costs in at least the short- and medium-terms. • Iluka's strategy for managing energy costs in 2025 focused on ensuring security of supply of coal for the SR kilns at North Capel concurrently with pursuing renewable energy opportunities (refer to the opportunity below). In the short-term, Iluka has retained sufficient quantities of coal to meet its operational requirements at North Capel. • The Group's current priority is to develop a comprehensive energy strategy that includes evaluation of new/emerging renewable energy options and alternative power supply opportunities across the Iluka portfolio. This work will be undertaken internally and accordingly no further funding has been allocated at present for this risk. The Group will continue to identify opportunities to manage energy supply and cost escalation risk as part of its business-as-usual activities.	*Current financial effects* • In 2025, Iluka incurred a total of $74 million in respect of_coal, diesel, natural gas and electricity consumption • Iluka acquired coal in 2025 at total cost of $67 million to underpin processing requirements at North Capel for the short-term *Significant risk of material adjustment in 2026* • Expected to be materially aligned with 2025
(R) Increased safeguard compliance costs	• Safeguard compliance and energy costs are transition risks that could affect Iluka's prospects in the short- to medium-terms. However, the trajectory of domestic policies on carbon pricing is uncertain from 2030 onwards. This limits the ability to measure impacts beyond the short-term reliably to inform strategic responses (refer to Section 5 for further information on the range of impacts informed by scenario analysis). • The emissions from Iluka's SR kilns are hard to abate as required technologies are yet to prove to be commercially viable (refer to decarbonisation technology risk below). Accordingly, in the short- to medium-terms, Iluka will continue to acquire Australian Carbon Credit Units (ACCU) to meet its safeguard compliance obligations.	*Current financial effects* • In 2025, Iluka purchased 30,376 ACCUs at total cost of $1.1 million and surrendered 18,431 units to offset excess emissions associated with its obligations under the Safeguard Mechanism for the period 1 July 2023 to 30 June 2024, with a total cost of $0.6 million recognised using a weighted average cost methodology • ACCUs surrendered were recognised as expenses to Iluka's income statement

<table>
<tr><th>Risk/
opportunity (R/O)</th><th>Strategy and funding</th><th>Current financial effects</th></tr>
<tr><td>(R) Increased safeguard compliance costs (continued)</td><td>• Iluka will continue to monitor progression of Australian Government climate-related policy and advocate its position. This includes monitoring eligibility for trade-exposed, baseline-adjusted status under Safeguard Mechanism.
• Purchases of ACCUs will be funded via working capital.</td><td>Significant risk of material adjustment in 2026
• Iluka has idled the operation of SR kiln 2 (SR2) for 2026, effective 1 December 2025, with the kiln restart timing dependent on market conditions. This will result in reduced emissions and hence lower carbon cost offset required under the Safeguard Mechanism. SR1 remains idled</td></tr>
<tr><td>(R) Decarbonisation technology not commercially feasible</td><td>• Commercial availability of alternative technologies (e.g. green hydrogen, biochar and tyre-derived fuels) is an option to adapt to rising safeguard compliance, and energy costs are stress-tested in Iluka's resilience assessment for the short- to medium-terms. While the availability of these technologies at a commercial scale is a material consideration, the time horizon at which these technologies can become available at scale is subject to a high degree of measurement uncertainty due to the vast number of factors that can impact that time horizon.
• Iluka's ambition to be net zero by 2050 incorporates an assessment of commercial feasibility. Decision-making regarding Iluka's response to climate-related risks, particularly those that are influenced by external carbon pricing, is informed by the use of a Marginal Abatement Cost Curve (MACC). Iluka has plotted the decarbonisation opportunities it has explored, or is in the process of evaluating, on the basis of the cost to abate a tonne of CO_2. In addition, Iluka is also integrating the Technical Readiness Level (TRL) and the Commercial Readiness Index (CRI) in the evaluation of decarbonisation projects. These are standard benchmarking tools that have been adopted by the Australian Renewable Energy Agency (ARENA) to support assessment of technology readiness and commercial feasibility respectively.
• Iluka progressed studies and assessments of various technologies as part of the 2025 Climate Change Work Program. Refer to section 7 for further details.
• In 2025, Iluka's strategy in response to this risk focused on the following priorities:
  o short-term potential substitutes for coal (tyre-derived fuels and biochar) in the SR kilns
  o long-term potential substitutes for coal (NewGenSR® technology); and
  o emerging decarbonisation solutions, including those that involve electrification of existing processes that are reliant on fossil fuels
Outcomes of existing studies indicate that deployment of these alternative technologies are dependent on their commercial feasibility (scale and price). In the short-term, Iluka will continue to monitor the commercial viability of these alternatives. As such, no further funding has been allocated for 2026.</td><td>Current financial effects
• In 2025, Iluka incurred $0.2 million as part of its Climate Change Work Program on progressing the feasibility studies for NewGenSR® as a long-term solution to displace the use of coal (FY24: $1.3 million)
Significant risk of material adjustment in 2026
• Expected to be materially aligned with 2025</td></tr>
</table>

Risk/ opportunity (R/O)	Strategy and funding	Current financial effects
(R) Increased severity and frequency of extreme rainfall events **(R) Increase in frequency of extreme temperature days**	• Physical risk assessment outcomes reflect disruption to power supply and disruption to operations from the increase in frequency and severity of rainfall and storm events as being the largest representation of risks with a significant or above level of consequence. The acute nature of such hazards means there is a higher potential for impact in the short-term compared to other chronic hazards such as extreme temperature days. • Increase in frequency of extreme temperature days is considered chronic in nature, and the extent of the ultimate impact of these will depend on many matters which are the subject of high levels of uncertainty over the medium- and long-terms. • Iluka will continue to embed climate resilience considerations into its existing risk management systems, including engineering and design, asset integrity, water management, logistics and emergency management. These include: • designs of future developments informed by climate risk assessment • ongoing review and maintenance of surface water plans considering climate projection data • landform designs informed by climate projections • tailings management system aligned to ANCOLD guidelines and design considering climate projections • logistics management (e.g. port maximisation plans; mitigation plans with logistics providers) • ongoing review and maintenance of site emergency management and asset management plans together with annual emergency management training • maintaining on-site back-up power generators and generator mitigation plans • manage levels of heavy mineral concentrate (HMC) at processing sites to enable continued supply • engagement with critical infrastructure providers to manage continuity of power supply • continuous review of health and safety processes and procedures within Iluka's HSEC framework and system.	*Current financial effects* • No material financial effects occurred from extreme rainfall/storm events and/or from extreme temperature days in 2025 • Iluka also had no related insurance claims *Significant risk of material adjustment in 2026* • Expected to be materially aligned with 2025

Risk/ opportunity (R/O)	Strategy and funding	Current financial effects
(O) Increased demand for rare earth oxides	• Iluka considers the global transition toward electrification, including the growth of electric vehicles and renewable energy technologies, as being a major structural driver of rare earths demand. Magnet rare earths are essential to the electrification of the global economy and this shift towards electrification presents a significant opportunity for the Group. This is particularly through the development of the Eneabba refinery and Iluka's mineral sands deposits containing monazite and xenotime rare earth assemblages. Independent forecasts indicate substantial projected increases in global demand for rare earths (particularly neodymium-praseodymium (NdPr), dysprosium (Dy) and terbium (Tb)) in the short- and medium-terms. • Global rare earths supply and processing is highly concentrated which creates inherent risks. The Eneabba refinery is an important step in increasing the resilience of global rare earths supply chains. • Scenario analysis indicates an increase in rare earths underpinning the global energy mix in short-, medium- and long-terms (refer Section 5 for further details). Iluka's short-term strategy for its rare earths business consists of: • continuing construction and commissioning of the Eneabba refinery pursuant to the terms of its loan arrangement with Export Finance Australia • securing customer offtake contracts on sustainable pricing terms • investigating and executing third-party feed source opportunities for the Eneabba refinery • continuing the feasibility study into rare earths metallisation	*Current financial effects* • Capital expenditure on the Eneabba refinery committed and/or spent to date in this business unit is $1,134 million, with $443 million spent during 2025 *Significant risk of material adjustment in 2026* • The refinery is scheduled to be commissioned in 2027. The expected materiality in 2026 is expected to be materially aligned with 2025.

Risk/ opportunity (R/O)	Strategy and funding	Current financial effects
(O) Increased deployment of renewable energy generation	• As the global transition to net zero accelerates, the increasing deployment of renewable energy technologies is expected to place downward pressure on long-term renewable energy costs. This trend is already evident in the material and sustained cost reductions achieved in solar photovoltaic technologies as scale, technological efficiency and supply chain maturity have advanced. These developments support Iluka's broader strategic context by contributing to a more favourable long-term energy landscape (thereby mitigating the increasing energy cost risk – refer above) and aligning with the Group's net zero ambition. • To date, Iluka has entered into Power Purchase Agreements (PPAs) for all three of its mineral sands mining operations (Cataby, Jacinth-Ambrosia and Balranald). In 2025, Cataby and Jacinth-Ambrosia solar farms contributed 29% and 12% of the respective operation's energy requirements. In 2025: • Iluka completed renewable energy studies for North Capel and Eneabba • Identified and assessed opportunities to improve pumping efficiency at Cataby and Jacinth-Ambrosia; and • Evaluated the InPipe HydroXS® system, a micro-hydropower technology designed to recover energy by converting pressure differentials within pressurised water pipelines into electricity (refer section 7) Future plans are currently focused on internal work to assess and identify the most suitable renewable energy solutions for Eneabba, guided by the outcomes of the options analysis undertaken in 2025. No further funding has been allocated to manage this risk accordingly at present.	*Current financial effects* • At the end of 2025, Iluka had two operational solar farms in place: one at Jacinth-Ambrosia and the other at Cataby (which was commissioned in Q1 2025). Both solar farms operate under a PPA with third parties, with Iluka paying an agreed monthly charge. Total fees incurred for both PPAs in 2025 were $6 million. *Significant risk of material adjustment in 2026* • Expected to be materially aligned with 2025

Refer resilience assessment at Section 5 for anticipated financial effects.

5. RESILIENCE

Iluka assessed its climate resilience by considering its climate-related risks and opportunities in a range of potential future scenarios. The scenarios were chosen based on the requirement under Australian law to use a low and high emissions scenario.

Iluka considered the potential impact of climate-related risks and opportunities across its business, including operations at its mining and processing locations (including associated critical infrastructure such as roads, port facilities and transport logistics between its operating and mining sites) and on projects that are currently in execution (i.e. the Eneabba refinery and Balranald).

5.1 Scenario assumptions

The scenario analysis considers both climate-related transition and physical risks across the four scenarios summarised in the tables overleaf. As discussed in section 4, these scenarios were applied to test the resilience of the business to climate-related risks and opportunities in the short-term (now to 2030), medium-term (2030 to 2040), and long-term (2040 to 2050). Refer to section 2 for the basis for scenario selection.

Transition risks

The key assumptions in scenarios used for transition risks and opportunities are noted below. The (NGFS) Net Zero scenario limits global warming to 1.5°C through stringent climate policies and innovation, reaching global net zero emissions around 2050. This scenario is aligned with the objectives of the Paris Agreement and aligns with containing warming to 1.5°C above pre-industrial levels by 2100. The NGFS Current Policies scenario assumes that only currently-implemented policies are preserved with lower transition risks.

Scenario/source (T)	Network for Greening the Financial System (NGFS)	
	(NGFS) Net Zero	(NGFS) current policies
	High transition risk scenario	*Low transition risk scenario*
Temperature pathway	(1.5°C)	(2.9 °C)
Assumptions	**Temperature:** Warming stabilises at around 1.5°C, with a small overshoot, as coordinated global action achieves net zero emissions by 2050.	**Temperature:** Warming climbs to around 3.0°C, because no new policies are introduced beyond those already enacted.
	Policy reaction Governments implement immediate and smooth policy tightening, including carbon pricing and clean-energy standards, creating a clear long-term pathway.	**Policy reaction:** No additional climate action occurs, meaning emissions decline slowly or stabilise only in some regions.
	Carbon prices increase sharply and early, reaching high levels by 2030), creating strong incentives for rapid decarbonisation and technology scale-up.	**Carbon prices** remain low or stagnant, providing little to no incentive for emissions reductions, locking in high-emissions pathways.
	Technology change Clean energy and low-carbon technologies scale rapidly worldwide, enabling deep emissions reductions in all major sectors.	**Technology change:** Technology adoption is slow and market-driven, without significant regulatory incentives.
	Energy prices transition downward in the long-term, as abundant low-cost renewable power displaces fossil fuels, however, short-term energy prices may rise temporarily due to rapid infrastructure buildout.	**Energy prices** remain volatile and trend upward, as fossil-fuel demand stays high and renewable expansion is insufficient to stabilise the market.
	Carbon removals expands to medium–high levels, supporting achievement of net zero by removing residual emissions difficult to eliminate entirely.	**Carbon removals** remain at low levels, insufficient to offset ongoing high emissions.

* Aligned with the objectives of the Paris Agreement and with containing warming to 1.5°C above pre-industrial levels by 2100

In addition to the scenarios and parameters above, Iluka has also leveraged its internal shadow carbon price assumptions (refer 7.2) to model impacts to its safeguard compliance costs in the short- and medium-terms.

Physical risks

Scenario /source (P)	*Intergovernmental Panel on Climate Change (IPCC)*	
	Low physical risk scenario	*High physical risk scenario*
Temperature pathway/source	SSP1-1.9 (1.4 °C)* Very low emissions	SSP5-8.5 (4.4 °C) Very high emissions
Assumptions	**Very low emissions**, reaching net zero around 2050. Strong and immediate global action limits warming to 1.5°C. Aligned with the Paris Agreement. Projected best estimate in global surface temperature by 2081 to 2100 of 1.4°C. Very likely range of 1.0 to 1.8°C. Little increase in the frequency and severity of extreme weather events.	**Very high emissions**, continuing to increase and roughly doubling by 2050. Assumes rapid economic growth driven by fossil fuels and minimal climate mitigation. Projected best estimate in global surface temperature by 2081 to 2100 of 4.4°C. Very likely range of 3.3 to 5.7°C. Severe and compounding increase in the frequency and severity of extreme weather events.
	For several climate factors, there is a material difference between the climate factors experienced in 2050 under the SSP 1-1.9 and the SSP 5-8.5 emissions scenarios. Some of the potential change will be experienced incrementally, in the short- and medium-terms, under both scenarios, and as a result is not expected to drive significant change from the currently experienced climate factors i.e. minimal climate resilience challenge, for example, in the context of annual mean temperature increases. Outlier or extremes still likely represent the greatest resilience challenge. The climate hazard factors considered included an increase in annual mean temperature, increase in annual potential evapotranspiration, increase in maximum one-day rainfall for a 100-year Average Recurrence Interval (ARI) event, and annual severe, extreme or catastrophic fire danger days per year, with extreme temperature days per year > 35°C and >40°C respectively. Where differences in climate factors may become more pronounced in the scenarios used, it is the potential divergence beyond 2050 and out to 2100 which is typically the horizon of these scenarios. Analysis of the potential impact over that extended timeframe has not formed part of Iluka's analysis. The extended timeframe is well beyond Iluka's current corporate plan. The challenge of measurement uncertainty over that timeframe, and therefore the utility of that information, has not been considered in the context of this report.	

* Aligned with the objectives of the Paris Agreement and with containing warming to 1.5°C above pre-industrial levels by 2100. IPCC climate change emissions scenarios.

5.2 Resilience assessment outcomes

Transition risk and opportunities and anticipated financial effects

There is significant uncertainty around how transition risks informed by the NGFS scenarios will manifest at a domestic level, particularly how assumptions may be translated into domestic policy settings for carbon transition (e.g. Safeguard Mechanism) and energy mix, including supply and demand for key energy inputs used by Iluka across coal, diesel, electricity and natural gas. This makes it challenging to predict the impacts on Iluka's assets and operations.

Resilience assessment outcomes as they relate to climate-related transition risks and opportunities are disclosed below.

Risk/ opportunity (R/O)	Assessment of resilience
(R) Increased energy cost	To assess the resilience of its strategies, Iluka stress-tested the potential range of energy prices derived from diesel, natural gas, coal and grid-connected electricity costs (collectively referred to as 'energy costs') that are expected to increase under both scenarios against its corporate plan energy cost assumptions. This was achieved by overlaying a price index derived from the NGFS scenarios to consider potential range of impacts compared to the Group's current corporate plan cash flow assumptions. The stress test reveals that the increase is more pronounced under the high transition risk scenario. The increase in energy costs is more gradual in the low transition risk scenario, but the trade-off is that under a less orderly transition, increases may be less predictable. Applying the high transition risk price scenarios assumptions, energy costs represent 24% of operating expenditure on annual average over the short-term (at an estimated average annual cost increase of approximately $34 million from corporate plan cash flow assumptions) and decrease to 17% average (at an estimate average annual cost increase of approximately $15 million from corporate plan cash flow assumptions) in the medium-term and 12% in the long-term (with no average net increase to corporate plan cash flow assumptions). The decrease is impact in the medium- to long-term is driven by assumed upfront transition to renewables in the short-term and operational asset settings. Resilience assessment outcomes will be dependent on future decisions relating to asset mix and profile.
(R) Increased safeguard compliance cost	Overlaying the current short- to medium-term strategy of purchasing ACCUs to satisfy its safeguard compliance obligations (refer Section 4), the economics of the SR kilns at North Capel are comparatively worse in both the short- and medium-term under the high transition risk scenario, thereby negatively impacting operating costs for North Capel due to increasing safeguard compliance costs. This means overall economics of North Capel operations will become more challenging under a high transition risk scenario assuming that costs cannot be passed to customers and alternative technology options (e.g. hydrogen for NewGenSR® processing technology) do not become commercially available at scale. To inform its resilience assessment, a price index derived from the NGFS Net Zero scenario was overlayed onto the Group's internal shadow carbon price. In the short-term, the safeguard compliance costs on average increase to represent 0.8% of operating expenditure per year, resulting in an increase to the annual average cost of approximately $3 million from corporate plan cash flow assumptions. This increases to 3.6% of operating expenditure in the medium-term with an increase to annual average cost over the medium-term of $12 million from corporate plan cash flow assumptions. No long-term effects were considered based on the current operating life of Iluka's North Capel facility assumed in current cash flow assumptions.

Risk/ opportunity (R/O)	Assessment of resilience
(R) Decarbonisation technology not commercially feasible	Under the NGFS Net Zero scenario, with a higher carbon price, decarbonisation projects (in theory) become relatively more financially attractive earlier compared to carbon intensive technologies than in the low transition risk scenario. Iluka has embedded transition risk considerations into its investment decision-making process by assessing decarbonisation opportunities through its MACC, enabling systematic identification and prioritisation of emissions reduction initiatives across operations. The MACC analysis reveals that even with higher carbon price assumption derived from the NGFS Net Zero scenario, most technologies investigated to date are marginal or commercially unviable as they do not yet show a net saving. Scalability of the new technologies will be needed to make the projects viable. Due to the inherent uncertainty in the commercial viability of these decarbonisation technologies, no anticipated investment is currently included in Iluka's corporate plan for investment in decarbonisation technologies including NewGenSR®. The inability to decarbonise would means that the Group remains exposed to safeguard compliance costs (refer above).
(O) Increased demand for rare earth oxides	Iluka has undertaken extensive work to understand the range of demand scenarios for rare earth oxides (REOs). Demand outlook for REOs is driven by a range of factors, including climate change policy and influence on global energy mix, geopolitics, and technology developments (e.g. rise of automation and robotics). The range of outcomes cannot be clearly isolated to any one of these factors, and therefore the climate-related impact on demand assumptions for REOs cannot be separately identified and the potential impact on future revenue cannot yet be determined. However, demand for REOs and associated revenue is likely to increase under both low and high transition risk scenarios. From a climate perspective, this is driven by the pace at which the global energy mix transitions to renewables including battery and wind technologies and the transition to electric forms of transport and mining. In this context, Iluka's rare earths business remains resilient and will be an important asset to support the global transition to sources of clean energy.
(O) Increased deployment of renewable energy	Renewable energy remains an opportunity under both low and high transition risk scenarios. The opportunity is accelerated in the short-term under the high transition risk scenario and delayed in the low transition risk scenario to the medium- to long-terms. This is driven by a combination of policy and commercial scalability. Both scenarios present increased opportunities for renewable energy at Iluka, and both scenarios feature increased take up of renewable energy as a component of the grid-connected energy mix. Iluka is already monitoring these drivers to inform its consideration on deployment of renewables at its mining and processing sites and the timing of that deployment. Iluka's cash flows for the short- and medium-terms anticipate a renewable energy mix based on committed renewable energy projects (i.e. Cataby, Jacinth-Ambrosia and Balranald) and reflect the terms of its PPAs. It does not include renewable energy for projects under evaluation (i.e. Eneabba).

Physical risk and anticipated financial effects

There is considerable uncertainty regarding how climate change may evolve at a regional level under different climate scenarios. Factors such as temperature shifts and the frequency and severity of extreme weather events (especially out into the long-term) create challenges in forecasting specific impacts on our mining and processing operations, together with associated logistics. Consequently, there is inherent difficulty in determining the timing, scale and nature of climate-related risks across Iluka's value chain.

It is important to frame the resilience assessment within the current expected operational life of Iluka's operations and projects. Under Iluka's current corporate plan, only Eneabba and Wimmera (in definitive feasibility phase) are expected to be operational in the long-term (2040 to 2050). Cataby and Jacinth-Ambrosia are expected to cease operations in the short- to medium-terms. Balranald, Narngulu and North Capel may cease operations in the medium-term. It is noted, however, that there is potential for climate-related physical risks to impact during the closure phase of an asset prior to relinquishment. To this end, climate risk factors are reviewed as part of closure risk assessments.

Iluka has not considered the potential impact of physical risks on the corporate offices as part of this assessment given the expected immateriality of climate physical risks to the corporate office relative to Iluka's operations.

Under the low physical risk scenario, the potential physical risks associated with climate change are introduced more gradually. Conversely, under the high physical risk scenario they manifest earlier. Under both scenarios, there is a potential for more severe and more frequent storm events; the primary difference is that under the high physical risk scenario, these events are projected to be more frequent and more intense.

Resilience assessment outcomes for physical risk against the IPCC-selected scenarios are set out in the table below. The risk assessment considered impacts informed by management views and that of internal subject matter experts taking into account internal controls in place. Iluka has aggregated the potential impact of physical risks for the operations (including the Eneabba refinery) expected to be operating in the various time horizons. The aggregation does not include projects that are still subject to the Board's final investment decision.

In a low physical risk scenario, the majority of Iluka's current operations are not expected to be materially impacted beyond what is currently being experienced (i.e. current conditions are expected to be similar/slightly worse in this emissions scenario). The outcomes indicate potential increase in risk exposure in the long-term under the high physical risk scenario. However, given the limited financial impacts from these physical climate risk events to date, there is a high degree of measurement uncertainty associated with the long-term potential anticipated financial effects from these events. Iluka will continue to reassess the Group's exposure to these events on an annual basis.

Category	Climate-related hazard	Scenarios					
		SSP 1-1.9 (low physical risk scenario)			SSP 5-8.5 (high physical risk scenario)		
	Time horizons	Short	Medium	Long	Short	Medium	Long
Water-related	Increased severity and frequency of extreme rainfall and storm events	→	→	→	→	→	↗
Temperature-related	Increase in frequency of extreme temperature days	↔	↔	→	↔	→	↗

Key: ↔ effects managed under existing measures → minor ↗ potential increasing risk exposure

Notwithstanding the uncertainties, the scenario analysis and associated risk assessment outcomes indicate that Iluka's mining and processing operations are well positioned to adapt to changing physical risks. This confidence is underpinned by a climate risk-driven approach embedded in key technical areas of the business. For example, in 2025, water management risk-related activities included ongoing review and maintenance of Iluka's ground and surface water management responses at its mining sites.

Climate change assessments and climate variable factors have also been considered in the designs for the Eneabba refinery and are part of assessments that will occur for planned developments such as Wimmera. Iluka will continue to evolve its practices taking into account changing technical requirements and guided by internal and external technical experts.

6. RISK MANAGEMENT

Iluka manages its climate-related risks pursuant to its Risk Policy and Management Framework, which aligns with the principles of ISO 31000: 2018 risk management – Guidelines.

In 2025, Iluka included the material climate-related risks identified in its Key Risk Register. The CEO is accountable for the key risks captured in this register and associated outcomes for risk management actions assigned to members of the Executive team, with progress and outlook considered every six months and monitored through Iluka's Key Risk Indicator Reporting framework.

The approach to identifying, assessing, prioritising, managing, monitoring and communicating climate-related risks and opportunities is consistent with the enterprise risk process. The process for identification of risks and opportunities changed compared to prior periods to more explicitly consider climate-related risks and opportunities, and to incorporate formal SusCo review over climate-related risks and opportunities. This process is managed with oversight by the ARC and SusCo respectively.

Relevant risks and opportunities are considered as part of Iluka's corporate planning process to inform its business plan and budget allocations. Iluka considered the potential impact of climate-related risks and opportunities across its value chain, including in relation to existing customer markets, operations at its current mining and processing locations (including suppliers of critical infrastructure such as roads, port facilities and transport logistics between its operating and mining sites), and on projects that are currently in execution (i.e. the Eneabba refinery).

The application of the risk management process to climate-related risks and opportunities consisted of:

Identify

- Determining time horizons for purposes of assessing risks and opportunities
- Reviewing risks previously considered for TCFD reporting
- Scenario analysis to identify climate-related risks and opportunities against defined scenarios
- Engagement with internal and external subject matter experts to prioritise risks for assessment

Assess

- Determine assessment approach (quantitative or qualitative) based on data, inputs and sources available including clarity on legislative context
- Evaluate risks, applying Iluka's criteria over each timeframe, taking into account existing state of controls. Assess impact (consequence and magnitude) and likelihood of each risk along each time scale under each scenario considered
- Physical risks assessed by considering against asset level downscaled data for each scenario
- Consider risk drivers (causes) and risk indicators
- Consider business impact category (e.g. impact to cost/margins, disruption to operations, asset damage, health and safety)

Prioritise

- Prioritise risks considering whether it could reasonably impact Iluka's business against each time horizon and consider sufficiency of data/information to support the prioritisation
- Consider risks against backdrop of Iluka's overall business priorities and value drivers
- Prioritised risks to include in Key Risk Register to inform corporate plan review

Manage

- Consider adequacy of existing controls
- Management review and agree additional risk mitigations that are necessary in context of business priorities and determine capital allocations
- Assign roles and responsibilities and agreed risk mitigations, and implement mitigations

Monitor

- Risks reviewed and outlook assessed by Executive on bi-annual basis
- Climate-related key risk indicators are reviewed on a bi-annual basis and reported to ARC and SusCo
- Key risks and status of risk management actions reviewed and reported to ARC annually, with climate-related risks updated and reported to SusCo on an annual basis
- Progress against defined priorities updated to SusCo (this includes progress update on the Climate Change Work Program)
- Process controls considered in internal audit planning
- Review and revisit assessment for material change in internal/external environments – including annual review of Iluka's shadow carbon price assumptions and its impact on the Group's safeguard compliance costs and ACCU purchase settings

Communicate

- Risks reviewed and sign-off by Board

7. METRICS AND TARGETS

7.1 Metrics – GHG

Organisational boundary, measurement and reporting

Under the GHG Protocol: A Corporate Accounting and Reporting Standard (2004), Iluka applies the operational control approach to define its organisational boundary for GHG emissions. This approach was selected because it enables the Group to distinguish between emissions from activities it controls (through the authority to introduce and implement operating policies) and emissions from activities in the broader value chain, which it does not directly control but may be able to influence. Under the operational control approach, Iluka accounts for 100% of GHG emissions from operations over which it has the authority to introduce and implement operating policies, including health, safety, environmental, and production policies.

The operational control approach is applied to capture GHG (Scope 1 and Scope 2) emissions for all of Iluka's controlled Australian operations and for its international rehabilitation and exploration operations in the United States. Iluka's equity accounted investment in Deterra Royalties Limited is therefore excluded from the Scope 1 and Scope 2 reporting.

Iluka measures and reports greenhouse gas emissions using methodologies that are appropriate to the regulatory and operating context of its activities.

For Australian operations that are registered under the National Greenhouse and Energy Reporting (NGER) scheme, Iluka measures and reports Scope 1 and Scope 2 GHG emissions in accordance with the NGER Act. This methodology is applied to ensure consistency with Iluka's mandatory annual reporting to the Clean Energy Regulator.

For operations outside Australia, Iluka applies the Greenhouse Gas Protocol. For rehabilitation activities in the United States, emissions are calculated using Greenhouse Gas Protocol methodologies with emissions factors sourced from the United States Environmental Protection Agency (US EPA) 2025 GHG Factors Hub, which are considered most appropriate for US-based activities.

The measurement and reporting methodologies applied for Scope 1 and Scope 2 GHG emissions are consistent with those used in prior period voluntary reporting.

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

Location-based calculation methodologies are applied to derive Scope 1 and 2 GHG (refer calculation methods below).

Iluka has PPAs in place in relation to its Cataby solar farm and its hybrid diesel and solar farm at Jacinth-Ambrosia. In 2025, Iluka finalised the PPA for its Balranald site, securing a hybrid diesel/solar/BESS power station. Construction of the power station commenced in 2025 and completion of the diesel power station is anticipated in March 2026, with an anticipated operational date of July 2026.

2025 Total Scope 1 and 2 GHG emissions (applying operational control approach)

Total GHG (t CO2-e)	2025
Scope 1	394,828
Scope 2 (location based)	61,082
Total Scope 1 and Scope 2	**455,910**

**** Some total figures may vary due to rounding***

Scope 1 and 2 GHG calculation methodologies

Emissions are quantified using direct measurement, invoice data, and metered or equipment activity records. These activity inputs are converted to GHG emissions by applying the applicable emission factors under the NGER reporting framework (for Australian activities registered under NGER) and the United States EPA 2025 GHG Factors Hub (for all other activities located in the United States) for the reporting period, consistent with legislative and methodological requirements.

For Scope 1 GHG emissions originated by coal, Iluka applies a mass balance methodology, consistent a methodology accepted under the NGER legislation. Under this approach, emissions are calculated based on the carbon content of coal inputs, adjusted for carbon retained in products, by-products, and residues, with the balance assumed to be emitted as carbon dioxide through combustion or processing activities. The mass balance method is used where it provides a more accurate representation of emissions than default combustion factors, particularly for processes involving material transformation or variable coal composition.

Scope 1 GHG emissions are calculated at each controlled facility level, by using a combination of direct measurement, invoices and consumption data (metered or equipment activity records) . These inputs are then multiplied by the applicable emission factors specified under each relevant reporting framework for the reporting period.

Scope 2 GHG emissions are calculated based on electricity consumption at each controlled facility, by using metered data and electricity invoices. In line with legislative requirements, Iluka applies the location-based method, multiplying consumption data by the relevant location-based emission factors published annually in the applicable reporting framework. The location-based emission factors used reflects emissions intensity of the electricity grids where Iluka's facilities operate.

All of Iluka's PPAs operate as behind-the-meter arrangements, meaning electricity is generated on-site and consumed directly by Iluka's operations. This approach reduces reliance on grid-supplied electricity. Large Scale Generation Certificates (LGCs) by all of Iluka's solar solutions are retained by the third-party PPA operator.

7.2 Metrics – internal carbon price

Iluka uses an internal shadow carbon price. Within Iluka, the main uses of shadow carbon price forecasts are:

(i) To run shadow carbon price sensitivities on feasibility study stage projects

(ii) To assess the relative economics of self-generating ACCUs versus buying on-market

(iii) To anticipate safeguard compliance costs associated at its safeguard facility in North Capel to inform its strategy and planning

The 2025 internal shadow carbon price approved by Iluka's Board reflects the Reputex Slow Decarbonisation Scenario ('Reputex High Scenario). The scenario is characterised by high offset demand coupled with slow industrial decarbonisation.

Adopting this scenario enables Iluka to prepare for safeguard facility compliance costs in its corporate plan that might be higher than what may eventuate. RepuTex also maintains other scenarios, including a central scenario characterised by incremental industrial decarbonisation in Australia and a low scenario, characterised by low offset demand and accelerated industrial decarbonisation in Australia. In the short-term (to 2030), the price pursuant to the Reputex High Scenario is below the Government Cost Containment price of \$75/tCO_2e and increases to \$175/tCO_2e by the end of 2035.

7.3 Net zero ambition and Climate Change Work Program

Iluka has the ambition to be net zero by 2050 where technology is viable, available and commercially feasible. This ambition recognises that the commercial and technical viability of technology required to decarbonise its Scope 1 and 2 emissions is central to Iluka's climate resilience in the context of the global transition to net zero.

Iluka does not have specific emissions reduction targets. In 2025, Iluka was guided by its Climate Change Work Program, the purpose of which was to identify and assess the feasibility of mitigation and abatement opportunities. This program does not constitute a formal transition plan.

In 2025, efforts to mitigate commercial and technical risk were driven through Iluka's Climate Change Work Program. Work program priorities and outcomes are reviewed and approved by the SusCo on an annual basis. The outcomes are part of the Group's overall Short-term Incentive Plan (STIP) that apply to all Iluka employees and the Executive and are assessed using Iluka's scorecard measures (ranging from below threshold to stretch outcomes with threshold, target and stretch outcomes defined at each annual review (the outcomes defined represent the qualitative targets defined under the work program)). These targets are set internally and are not subject to review by a third-party. Progress on initiatives are updated to the SusCo on a bi-annual basis.

Outcomes of the 2025 Climate Change Work Program were provided as an update to the SusCo with those outcomes reflected in the overall STIP outcomes reviewed by the PPC (refer section 3). For 2025, the Climate Change Work Program contributed 6% to Iluka's Group scorecard with overall outcomes achieved being at threshold.

For 2025, the Climate Change Work Program targets were qualitative in nature. The ultimate purpose of the work program targets is to identify opportunities to mitigate Scope 1 GHG emissions from Iluka's North Capel operations, being the Group's most material source of Scope 1 emissions. This is followed by Scope 2 mitigation opportunities via assessing incremental energy efficiency opportunities at Cataby and Jacinth-Ambrosia and renewable energy evaluations.

The targets apply for 2025 and there were no interim targets. Given the targets are exploratory in nature to identify and assess the feasibility of emissions reduction and renewable energy opportunities, they were not specifically aligned to international or jurisdictional agreements or commitments on climate change. No revisions were made to the targets during the year.

The qualitative targets that form part of the 2025 Climate Change Work Program and progress made are summarised below.

Work program category description	What was achieved
Energy efficiency • Identify opportunities to reduce energy use and improve efficiency across Iluka's mineral sands operations	• Iluka reviewed several energy-efficiency proposals at Cataby and Jacinth-Ambrosia. Opportunities were identified, however, current conditions mean most options are not yet commercially viable. Iluka will continue to monitor these opportunities as circumstances evolve
Renewable energy • Assess the feasibility of renewable and lower emissions energy solutions for key operating sites	• Evaluations for North Capel and Eneabba were both completed • Further work to refine suitable renewable energy options for Eneabba will be considered for future years
Alternative fuels • Evaluate low-emissions fuel alternatives for North Capel	• A preliminary trial using tyre-derived fuel confirmed that material handling characteristics are suitable for further assessment. Additional work will proceed when operational timing is appropriate • Initial biochar test work at North Capel showed potential for partial coal replacement in the SR process. Further work is required to validate outcomes at scale. Given the paused status of North Capel's kiln operations, decarbonisation activities relating to alternative fuels will be progressed when operational readiness allows
Technology step-change • Advance assessment of the NewGenSR® process as a potential lower-emissions alternative for SR production	• Independent reviews of the NewGenSR® development plan were completed and will guide future planning. No further development work is scheduled for 2026

7.4 Target – compliance with safeguard facility requirements

Iluka's North Capel operation is covered under the Australian Safeguard Mechanism requiring a 4.9% annual decline in the gross emissions baseline for the North Capel facility through to 2030. Pursuant to the requirements of AASB S2, the decline rate is considered to be a quantitative target for reporting purposes. Iluka has no other gross or net GHG reduction targets in addition to complying with the safeguard baseline rules.

Target	Australian Safeguard Mechanism
Target type	Net GHG emissions target
Scope	South West SR operations (North Capel)
Baseline period	Pursuant to safeguard legislative framework
Milestones and interim targets	4.9% annual decline in the gross emissions baseline through to 2030 and then 3.2% under current legislative settings
Target type	Absolute quantitative target
Alignment with jurisdictional commitment	The Australian Government's Safeguard Mechanism legislation is aligned with the National Determination Contribution within the Paris Agreement
Validation	Not applicable to Iluka due to it being a target imposed by government regulation
Metrics for monitoring progress	North Capel Scope 1 emission (annual reporting July to June)
Progress	Full 4.9% decline rate compliance achieved through surrendering of ACCUs
Verification/certification of carbon credits	Iluka acquires ACCUs issued under the Australian Government's Emissions Reduction Fund (ERF), administered by the Clean Energy Regulator. These ACCUs are generated from projects that comply with approved methodologies under the *Carbon Credits (Carbon Farming Initiative) Act 2011*.
Reliance on carbon credits, carbon credit type and planned use.	100% reliance on carbon credits until technology solutions become commercially available at scale and can be deployed economically (refer sections 4 and 5). For the reporting period 1 July 2024 to 30 June 2025, Iluka submitted its emissions data to the Clean Energy Regulator and received its notification of position status. In accordance with the Clean Energy Regulator's publication schedule, this information is expected to be made publicly available in April 2026. For this period, 51% of ACCUs were sourced from nature-based projects and 49% were derived from landfill gas recovery projects. Since January 2025, Iluka has adopted a preference for nature-based ACCUs, specifically those generated through vegetation-based methods such as Human-Induced Regeneration (HIR) while excluding avoided deforestation credits. HIR ACCUs are government-issued and deliver co-benefits such as biodiversity and land stewardship. While operational abatement opportunities were explored through the 2025 Climate Change Work Program, they depend on technologies and alternative energy sources to become commercially viable as set out in section 4.2. This is being monitored through annual review of assumptions in Iluka's Marginal Cost of Abatement Cost Curves. These factors mean that Iluka expects that it will continue to purchase and surrender carbon credit units to achieve compliance with the safeguard regime at least in the short-term.

8. DIRECTOR'S DECLARATION

In the opinion of the Directors of Iluka Resources Limited (the 'Company'), reasonable steps have been taken to ensure the substantive provisions of the sustainability report, including:

(i) the climate statements and notes, and
(ii) statements and notes required as at 18 February 2026 by legislative instrument

for the consolidated entity set out on pages 66 to 93, are in accordance with the *Corporations Act 2001* (Cth), including section 296C and section 296D, and are in compliance with the Australian Sustainability Reporting Standards (being AASB S2 *Climate-related Disclosures*).

Signed in accordance with a resolution of the directors:

JAMES MACTIER	**TOM O'LEARY**
Chair	Managing Director and CEO

Perth, 18 February 2026

Independent Auditor's Review Report

To the shareholders of Iluka Resources Limited

Report on specified Sustainability Disclosures of Iluka Resources Limited presented in the Sustainability Report titled "2025 Sustainability Report (Climate-related Financial Disclosures)" prepared in accordance with the Corporations Act 2001

Review Conclusion on specified Sustainability Disclosures as required under the Corporations Act 2001

We have conducted a review of the following specified Sustainability Disclosures presented in the Sustainability Report of Iluka Resources Limited titled 2025 Sustainability Report (Climate-related Financial Disclosures) for the year ended 31 December 2025 in accordance with Australian Standards on Sustainability Assurance (ASSA) 5010 *Timeline for Audits and Reviews of Information in.Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB).

Specified Sustainability Disclosures	***Reporting requirement of Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D) (the Criteria)***	***Locations in Sustainability Report***
Governance disclosures	*Paragraph 6*	*Section 3 "Governance"* *subsection 3.1 "Board and sub-committee oversight", pages 69 to 71* *subsection 3.2 "Board skills and competencies", pages 71 to 72* *subsection 3.3 "Management oversight", page 73*
Strategy (risk and opportunities) disclosures	*Subparagraphs 9(a), 10(a) and 10(b)*	*Section 4 "Strategy and Financial Effects"* *subsection 4.2 "Climate-related risks and opportunities", page 75*
Scope 1 greenhouse gas emissions *Scope 2 greenhouse gas emissions*	*Subparagraphs 29(a)(i)(1) to (2) and 29 (a)(ii) to (v)*	*Section 7 "Metrics and Targets"* *subsection 7.1 "Metrics – GHG"* - *Paragraph "Organisational Boundary, measurement and reporting", page 88 to 89;*

		- *Table "2025 Total Scope 1 and 2 GHG Emissions (applying operational control approach)", page 89;* - *Paragraph "Scope 1 and 2 GHG calculation methodologies", page 89.*

The requirements of AASB S2 identified in the table above form the Criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the specified Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the Corporations Act 2001.

Basis for Conclusion

Our review has been conducted in accordance with ASSA 5000 *General Requirements for Sustainability Assurance Engagements* issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant Criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the "Summary of the Work Performed" section of our report.

Our responsibilities under ASSA 5000 are further described in the "Our responsibilities" section of our report.

We comply with the independence and other ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited related to sustainability assurance engagements.

We confirm that the independence declaration required by the Act, which has been given to the Directors of Iluka Resources Limited, would be in the same terms if given to the Directors as at the time of this auditor's report.

Our firm applies Auditing Standard ASQM1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, issued by the AUASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other Information

The Directors of Iluka Resources Limited are responsible for the other information. The other information comprises the financial and non-financial information included in Iluka Resources Limited's Annual Report, but does not include the specified Sustainability Disclosures and our review report thereon.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of conclusion thereon, with the exception of the Financial Report and our respective audit reports.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the specified Sustainability Disclosures

The Directors of Iluka Resources Limited are responsible for:

- The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- Designing, implementing and maintaining a system of internal control that it determines is necessary to enable the preparation of specified Sustainability Disclosures in accordance with the Act that are free from material misstatement, whether due to fraud or error.

Inherent Limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or material misstatement in the specified Sustainability Disclosures may occur and not be detected. Non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

For climate risks and opportunities, there is inherent uncertainty as a result of using assumptions about future events and management’s actions that may not occur.

Greenhouse gas quantification is subject to inherent uncertainty due to the nature of the information and the uncertainties inherent in: (i) the methods used for determining or estimating the appropriate amounts, (ii) information used to determine emission factors and (iii) the values needed to combine emissions of different gases.

Auditor’s Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgment and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal controls relevant to the engagement to identify and assess the risks of material misstatement, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to the assessed risks of material misstatement at the disclosure level.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Enquire with relevant Iluka Resources Limited personnel to obtain an understanding over the internal controls, governance structure and reporting processes of the specified Sustainability Disclosures;
- Review relevant documentation including the calculation spreadsheets, basis of preparation, policies, reporting procedures, methodologies and other supporting records underlying the specified Sustainability Disclosures;
- Assess the application of the Criteria in respect of the specified Sustainability Disclosures;
- Test the specified Sustainability Disclosures to source documentation on a sample basis;
- Test the mathematical accuracy of a sample of calculations underlying the specified Sustainability Disclosures;
- Reconcile the specified Sustainability Disclosures to underlying data sources on a sample basis; and
- Review the Sustainability Report in its entirety to ensure it is consistent with our overall knowledge of Iluka Resources Limited and our observation of its operations.

KPMG

KPMG

Jane Bailey

Jane Bailey

Partner

Perth

18 February 2026

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 the financial report and the review of the sustainability report of Iluka Resources Limited for the financial year ended 31 December 2025 there have been:

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

ii. no contraventions of any applicable code of professional conduct in relation to the audit of the financial report and the review of the sustainability report.

KPMG

KPMG

Jane Bailey

Jane Bailey
Partner
Perth
18 February 2026

FINANCIAL STATEMENTS

For the year ended 31 December 2025
Iluka Resources Limited ABN 34 008 675 018

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 18 February 2026. 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 2025

	Notes	2025 $m	2024 $m
Revenue	4	**1,015.4**	1,170.3
Other gains/(losses)	5	**(0.3)**	28.5
Expenses	6	**(1,077.7)**	(852.8)
Impairment loss	7	**(350.6)**	-
Equity accounted share of profit - Deterra Resources	24	**29.6**	21.5
Interest and finance charges		**(18.9)**	(9.5)
Rehabilitation and mine closure provision discount unwind	16	**(32.7)**	(32.7)
Rehabilitation and mine closure provision discount rate changes (closed sites)		**8.0**	-
Total finance costs	16	**(43.6)**	(42.2)
(Loss)/profit before income tax		**(427.2)**	325.3
Income tax benefit/(expense)	11	**138.8**	(94.0)
(Loss)/profit after income tax for the year		**(288.4)**	231.3
		Cents	Cents
(Loss)/earnings per share			
Basic (loss)/earnings per share	20	**(67.3)**	54.1
Diluted (loss)/earnings per share	20	**(67.3)**	53.6

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 2025

	Notes	**2025 $m**	2024 $m
(Loss)/Profit for the year		**(288.4)**	231.3
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit or loss			
Currency translation of foreign entities	18	**(3.5)**	3.8
Movements in foreign exchange cash flow hedges, net of tax	18	**20.8**	(21.5)
Share of other compehensive (loss)/income of associate	24	**(5.4)**	6.4
Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit obligations		**(1.0)**	(0.2)
Total other comprehensive income/(loss) for the year, net of tax		**10.9**	(11.5)
Total comprehensive (loss)/income for the year		**(277.5)**	219.8

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	2025 $m	2024 $m
ASSETS			
Current assets			
Cash and cash equivalents	16	**45.7**	136.0
Receivables	13	**288.1**	290.7
Prepayments		**47.8**	15.2
Assets classified as held for sale		**4.5**	-
Inventories	14	**732.0**	839.4
Current tax receivable		**52.2**	-
Derivative financial instruments	22	**1.5**	-
Total current assets		**1,171.8**	1,281.3
Non-current assets			
Property, plant and equipment	9	**1,988.0**	1,670.9
Right-of-use assets	10	**13.8**	35.9
Inventories	14	**360.8**	205.0
Investments accounted for using the equity method - Deterra	24	**444.5**	443.6
Financial assets at fair value through profit or loss - Northern Minerals		**3.8**	10.5
Derivative financial instruments		**0.1**	-
Deferred tax assets	12	**237.3**	94.2
Total non-current assets		**3,048.3**	2,460.1
Total assets		**4,220.1**	3,741.4
LIABILITIES			
Current liabilities			
Trade and other payables	15	**268.6**	198.4
Current tax payable		**-**	26.7
Derivative financial instruments	22	**-**	13.7
Provisions	8	**53.7**	65.6
Lease liabilities	10	**12.0**	12.6
Total current liabilities		**334.3**	317.0
Non-current liabilities			
Derivative financial instruments	22	**-**	14.4
Interest bearing liabilities	16	**1,102.3**	250.6
Provisions	8	**691.5**	770.9
Lease liabilities	10	**23.2**	28.1
Total non-current liabilities		**1,817.0**	1,064.0
Total liabilities		**2,151.3**	1,381.0
Net assets		**2,068.8**	2,360.4
EQUITY			
Contributed equity	17	**1,166.7**	1,158.4
Reserves	18	**26.5**	11.2
Retained earnings	18	**875.6**	1,190.8
Total equity		**2,068.8**	2,360.4

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 2025

	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	18	-	-	231.3	231.3
Other comprehensive loss	18	-	(11.3)	(0.2)	(11.5)
Total comprehensiven income		**-**	**(11.3)**	**231.1**	**219.8**
Transactions with owners in their capacity as owners:					
Shares issued	17	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	28	-	11.1	-	11.1
Dividends paid	19	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**

	Notes	Share capital $m	Other reserves $m	Retained earnings $m	Total $m
Balance at 1 January 2025		**1,158.4**	**11.2**	**1,190.8**	**2,360.4**
Loss for the period	18	-	-	(288.4)	(288.4)
Other comprehensive income	18	-	11.9	(1.0)	10.9
Total comprehensive loss		**-**	**11.9**	**(289.4)**	**(277.5)**
Transactions with owners in their capacity as owners:					
Shares issued	17	6.2	-	-	6.2
Treasury shares purchased		(0.4)			(0.4)
Issue of treasury shares, net of tax		(4.3)	-	-	(4.3)
Transfer of shares to employees, net of tax		6.2	(6.2)	-	-
Share-based payments, net of tax	28	-	9.6	-	9.6
Dividends paid	19	0.6	-	(25.8)	(25.2)
		8.3	**3.4**	**(25.8)**	**(14.1)**
Balance at 31 December 2025		**1,166.7**	**26.5**	**875.6**	**2,068.8**

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 2025

	Notes	2025 $m	2024 $m
Cash flows from operating activities			
Receipts from customers		**999.6**	1,175.9
Payments to suppliers and employees		**(938.8)**	(923.8)
Operating cash flow		**60.8**	252.1
Interest received		**2.5**	12.9
Interest paid		**(12.4)**	(0.8)
Income taxes paid		**(93.8)**	(128.8)
Exploration expenditure		**(14.6)**	(12.1)
Net cash (outflow)/inflow from operating activities	30	**(57.5)**	123.3
Cash flows from investing activities			
Payments for property, plant and equipment		**(862.1)**	(433.9)
Sale of property, plant and equipment		**1.5**	0.2
Redemption of convertible note	5	**18.5**	-
Dividends received - Deterra Royalties	24	**23.3**	30.8
Net cash outflow from investing activities		**(818.8)**	(402.9)
Cash flows from financing activities			
Proceeds from borrowings	16	**821.8**	100.0
Purchase of treasury shares		**(0.5)**	-
Dividends paid	19	**(25.2)**	(33.6)
Debt refinance costs		**-**	(5.2)
Principal element of lease payments	10	**(11.0)**	(8.6)
Net cash inflow from financing activities		**785.1**	52.6
Net decrease in cash and cash equivalents		**(91.2)**	(227.0)
Cash and cash equivalents at 1 January		**136.0**	364.9
Effects of exchange rate changes on cash and cash equivalents		**0.9**	(1.9)
Cash and cash equivalents at end of the year	16	**45.7**	136.0

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 2025

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 34.

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 23(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 24).

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
Asset valuation and impairment	7
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. 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 the Synthetic Rutile Kilns, also located in Western Australia.

Rare Earths (RE) comprises the Eneabba Rare Earths Refinery currently being constructed in Western Australia, 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 with no economic path to restart at the present time (Murray Basin).

The Rare Earths operating segment has access to a loan facility from Export Finance Australia that is non-recourse to the rest of the Group. As such the associated assets and liabilities are included in the Rare Earths segment assets and segment liabilities below. All other 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 2025, $29.6 million of intermediate material was transferred from Rare Earths to the Minerals Sands segment, and $3.8 million was transferred from Mineral Sands to the Rare Earths Segment (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).

b) Segment results

	Mineral Sands	Rare Earths	Idle	Total
2025	$m	$m	$m	$m
Total segment sales of critical minerals	966.4	-	9.2	975.6
Total segment freight revenue	39.8	-	-	39.8
Depreciation and amortisation expense	(228.9)	-	(0.6)	(229.5)
Rehabilitation recognised in profit or loss	20.8	-	5.1	25.9
Total segment result	(317.2)	(0.5)	(29.9)	(347.6)
Impairment loss - refer note 7	(314.7)	-	(25.6)	(340.3)
Segment assets	2,492.9	768.9	114.8	3,376.6
Segment liabilities	785.5	770.8	35.2	1,591.5
Segment capital expenditure	400.1	576.5	-	976.6
Additions to non-current segment assets	406.2	573.4	-	979.6

3. SEGMENT INFORMATION (CONTINUED)

b) Segment results (continued)

	Mineral Sands	Rare Earths	Idle	Total
2024	$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)
Increase/(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

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:

	2025	2024
	$m	$m
China	**369.9**	367.5
Asia excluding China	**116.9**	146.9
Europe	**226.0**	359.2
Americas	**201.3**	240.0
Other countries	**61.5**	14.9
	975.6	1,128.5

Revenue of $158 million was derived from one external customer of the mineral sands segment, which individually accounted for greater than 10% of the total segment revenue (2024: revenues of $190.0 million from one external customer).

3. SEGMENT INFORMATION (CONTINUED)

b) Segment results (continued)

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

	2025 $m	2024 $m
Total segment result	**(347.6)**	374.3
Interest income	**1.9**	11.4
Marketing and selling	**(1.0)**	(2.1)
Corporate and other costs	**(34.2)**	(48.6)
Revaluation gain/(loss) on investment in Northern Minerals	**11.8**	(4.5)
Projects, innovation and exploration	**(41.9)**	(35.6)
Depreciation	**(3.0)**	(3.1)
Interest and finance charges	**(17.0)**	(7.9)
Net foreign exchange (loss)/gain	**(15.5)**	19.9
Share of profits in associate	**29.6**	21.5
Impairment loss	**(10.3)**	-
(Loss)/profit before income tax	**(427.2)**	325.3

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

	2025 $m	2024 $m
Segment assets	**3,376.6**	3,020.5
Corporate assets	**63.8**	47.1
Cash and cash equivalents	**45.7**	136.0
Deferred tax assets	**237.3**	94.2
Current tax receivable	**52.2**	-
Investment in Deterra Resources Limited	**444.5**	443.6
Total assets as per the balance sheet	**4,220.1**	3,741.4
Segment liabilities	**1,591.5**	1,249.5
Corporate liabilities	**559.8**	104.8
Current tax payable	**-**	26.7
Total liabilities as per the balance sheet	**2,151.3**	1,381.0

4. REVENUE

	Notes	2025 $m	2024 $m
Sale of goods	4(a)	**975.6**	1,128.5
Freight revenue	4(b)	**39.8**	41.8
Total Revenue		**1,015.4**	1,170.3

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 $0.5 million relating to contracts in place at the end of the prior year and excludes $0.4 million relating to contracts in place at the end of the current year for unfulfilled shipping obligations. (2024: Freight revenue included $0.6 million relating to contracts in place at the end of the prior year and excluded $0.5 million for contracts in place at the end of 2024 in relation to unfulfilled shipping obligations.)

5. OTHER GAINS/(LOSSES)

	Notes	**2025 $m**	2024 $m
Interest income	5(a)	**2.1**	12.0
Revaluation on investments - Northern Minerals	5(c)	**11.8**	(4.5)
Net foreign exchange (loss)/gain	5(b)	**(15.5)**	19.9
Net gain on sale of fixed assets		**1.3**	1.1
		(0.3)	28.5

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 22 and 18, respectively).

c) Investment in Northern Minerals

In October 2022, the Group contributed a total of $20 million to Northern Minerals Limited (ASX:NTU). The investment comprised $5 million for the acquisition of 125 million ordinary shares in NTU and $15 million through the subscription for a convertible note issued by NTU. The investment is carried at fair value through profit or loss, with fair value being determined at each reporting period with reference to the closing share price of Northern Mineral Limited.

The $15 million convertible note matured on 31 December 2024, and was redeemed in full. During the year ended 31 December 2025 the Group received $18.5 million representing the repayment of the $15 million investment and accumulated interest in accordance with note terms. Following redemption, the Group's ongoing investment in NTU consists of 125 million ordinary shares.

The carrying amount of the investment at 31 December 2025 reflects the derecognition of the convertible note and the fair value of Iluka's remaining investment in NTU.

6. EXPENSES

	Notes	**2025 $m**	2024 $m
Expenses			
Cash costs of production	6(a)	**589.1**	644.0
Depreciation/amortisation		**208.6**	172.0
Purchased inventory		**19.1**	-
Inventory movement - cash costs of production		**(153.4)**	(179.9)
Inventory movement - non-cash production costs		**(46.0)**	(48.2)
NRV write down	14	**215.6**	-
Cost of goods sold	6(b)	**833.0**	**587.9**
By-product costs	6(c)	**9.7**	16.4
Depreciation (idle, corporate and other)		**23.9**	20.2
Operational readiness	6(d)	**30.3**	7.3
Idle capacity charges	6(e)	**32.2**	28.0
Rehabilitation costs for closed sites	6(f)	**(25.9)**	(5.2)
Government royalties		**33.5**	35.1
Marketing and selling costs		**69.3**	74.3
Corporate and other costs	6(g)	**34.2**	48.6
Projects, exploration and innovation	6(h)	**37.0**	40.0
Net loss on sales of assets		**0.5**	0.2
Total expenses		**1,077.7**	852.8

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, and other transport costs.

d) Operational readiness

Operational readiness costs represent expenditures incurred after construction is substantially complete but before commercial production is achieved. Costs include personnel costs, site support, training, and commissioning activities that are expensed as incurred because they neither qualify for capitalisation nor represent operating costs.

e) Idle capacity charges

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

6. EXPENSES (CONTINUED)

f) 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. During the year ended 31 December 2025, a credit of $25.9 million was recognised in the profit or loss reflecting a decrease in the rehab provision for closed sites (2024: credit of $5.2 million). Applicable accounting policy details are outlined in note 8.

g) 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.

h) Projects, exploration and innovation

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

i) Other required disclosures

Expenses also include the following:

	2025 $m	2024 $m
Employee benefits (excluding share-based payments)	**199.2**	202.9
Share-based payments	**13.6**	15.3
Exploration expenditure	**14.6**	12.1
Expenses for short term, low value leases and leases with variable payments	**3.2**	3.1

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 might not be recoverable. For the purpose of impairment assessments and impairment tests at the Cash Generating Unit (CGU) level, operating assets are grouped at the lowest level for which there are separately identifiable cash flows. The Mineral Sands and Rare Earths CGUs are the same as the operating segments of the Group (refer to note 3).

Indicators of impairment

During the year, the Group identified impairment indicators present in the Mineral Sands CGU, including the strategic decision to idle the Cataby and Capel minerals sands operations from 1 December 2025 and sustained weakness in the mineral sands market. In addition, the Group recognised a $216 million write down of inventory to net realisable value (refer note 14). These indicators triggered impairment testing of the Group's assets.

Impairment assessments of specific assets

The Group assessed the carrying value of assets against recoverable amounts, recognising a $334.1 million impairment to fixed assets (refer note 9 (g) Impairment of Property, plant and equipment). A further $16.5 million impairment was recognised in relation to Right-of-use assets at Cataby (refer note 10 Leases).

Impairment assessment of CGUs

As impairment indicators were found to be present in the Mineral Sands CGU, the Group has estimated its recoverable amount and compared it to its carrying amount. The recoverable amount was estimated using value-in-use on the discounted present value of future cash flows (a level 3 fair value estimation method) with a nominal discount rate of 10%. This assessment found that there was no additional impairment of the Mineral Sands CGU.

Reversal of impairments

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

8. PROVISIONS

	Notes	2025 $m	2024 $m
Current			
Rehabilitation and mine closure	8(a)	**33.5**	46.7
Employee benefits - long service leave	8(b)	**14.7**	14.4
Workers compensation and other provisions		**5.5**	4.5
		53.7	65.6
Non-current			
Rehabilitation and mine closure	8(a)	**687.3**	757.3
Employee benefits - long service leave	8(b)	**4.2**	5.3
Retirement benefit obligations	29	**-**	8.3
		691.5	770.9

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	**2025 $m**
Balance at 1 January	**804.0**
Amounts spent during the year	**(21.9)**
Rehabilitation and mine closure provision unwind	**35.5**
Change in provisions - movement to property, plant and equipment	**(21.6)**
Change in provisions - profit or loss impact of closed sites	**(25.9)**
Rehabilitation discount rate changes - for open sites	**(37.2)**
Rehabilitation discount rate changes - for closed sites	**(8.0)**
Foreign exchange rate movements	**(4.1)**
Balance at 31 December	**720.8**

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 $720.8 million (2024: $804 million) includes $161.6 million (2024: $171.9 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 decreased by $78.0 million in the current reporting period (2024: increased by $42.4 million), predominantly due to movement in inflation rates used to calculate the present value of future cash flows.

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 5.0% and 3.7% for Australia and the US, respectively (2024: 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 $59.0 million. Of this amount, $48.7 million would be recognised as a decrease in rehabilitation assets for open sites, and $10.3 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	Plant, machinery & equipment	Mine reserves & development	Exploration & evaluation	Assets under construction	Total
	$m	$m	$m	$m	$m	$m
At 1 January 2024[3]						
Cost	186.8	1,984.5	1,161.8	27.2	368.5	3,728.8
Accumulated depreciation[1]	(41.3)	(1,698.7)	(638.6)	(16.5)	-	(2,395.1)
Opening written down value	145.5	285.8	523.2	10.7	368.5	1,333.7
Additions	6.5	72.1	40.7	1.6	396.3	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	156.2	276.1	461.5	12.3	764.8	1,670.9
At 31 December 2024[3]						
Cost	199.5	2,056.6	1,202.5	28.8	764.8	4,252.2
Accumulated depreciation[1]	(43.3)	(1,780.5)	(741.0)	(16.5)	-	(2,581.3)
Closing written down value	**156.2**	**276.1**	**461.5**	**12.3**	**764.8**	**1,670.9**
Year ended 31 December 2025						
Additions	47.8	156.4	3.6	0.6	674.2	882.6
Disposals	(1.3)	(0.1)	(0.3)	-	-	(1.7)
Depreciation	(5.7)	(110.3)	(105.5)	-	-	(221.5)
Transfer to assets held for sale	(4.5)	-	-	-	-	(4.5)
Exchange differences[2]	(4.9)	(2.5)	3.7	-	-	(3.7)
Impairment	(7.9)	(155.6)	(160.2)	(10.4)	-	(334.1)
Closing written down value	**179.7**	**164.0**	**202.8**	**2.5**	**1,439.0**	**1,988.0**
At 31 December 2025						
Cost	230.3	2,089.2	874.7	20.0	1,439.0	4,653.2
Accumulated depreciation[1]	(50.6)	(1,925.2)	(671.9)	(17.5)	-	(2,665.2)
Closing written down value	**179.7**	**164.0**	**202.8**	**2.5**	**1,439.0**	**1,988.0**

[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.

[3] Presentation of prior year figures have been restated to align with current year presentation with Assets Under Construction disclosed as a separate category.

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 assets derecognised in the current year relating to rehab totalled $58.8 million (2024: additions of $42.4 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

Within property, plant and equipment, excluding exploration and land assets, are amounts totalling $124.1 million which have not been depreciated in the year as mining of the related area of interest has not yet commenced (2024: $100.7 million). All assets under construction are not depreciated as they are not yet ready for use.

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 16 for details on capitalised borrowing costs.

g) Impairment of PPE

During the year, the Group identified impairment indicators including the strategic decision to idle the Cataby and Capel minerals sands operations from 1 December 2025 and subdued demand in the mineral sands market. In addition, the Group recognised a $216 million write down of inventory to net realisable value (refer note 14). These indicators triggered impairment testing of the Group's assets.

The Group assessed the carrying value of assets against recoverable amounts where practicable. Operation-specific tests were performed for Cataby and Capel (including the SR2 kiln), reflecting the asset-specific idling decisions and available stand-alone valuation models. $240.1 million impairment was recognised on operation-specific assets at Cataby and Capel. Cataby and Capel/SR2 were impaired to individually determined recoverable amounts, with some residual value retained for expected future recoverability.

Impairment of $94 million was recognised for specific assets with limited expected economic value (including suspended studies, idled infrastructure, and selected exploration assets).

10. LEASES

a) Amounts recognised in the statement of financial position

	2025 $m	2024 $m
Right-of-use assets		
Buildings	**4.1**	5.2
Plant, machinery and equipment	**9.7**	30.7
Total right-of-use assets	**13.8**	35.9
Lease Liabilities		
Current	**12.0**	12.6
Non-current	**23.2**	28.1
Total lease liabilities	**35.2**	40.7

Additions to the right-of-use assets during the reporting period were $5.5 million (2024: $24.4 million). Right-of-use assets are reflected net of incentives received. The maturity analysis of lease liabilities is included in note 21(d).

Impairment of right-of-use assets

The impairment indicators identified for PPE (refer note 9(g)) also applied to right-of-use. Consistent with the Group's approach across all non-current assets, right-of-use assets were tested for impairment on an individual-asset basis.

This assessment resulted in an impairment of $16.5 million to right-of-use assets at Cataby in the current year.

b) Amounts recognised in the statement of profit or loss

	2025 $m	2024 $m
Amortisation charge of right-of-use assets		
Buildings	**1.0**	1.0
Plant, machinery and equipment	**10.0**	5.9
	11.0	6.9
Borrowing costs	**1.9**	0.8
Expenses relating to short term leases, low value leases and leases with variable payments	**3.2**	3.1
Impairments	**16.5**	-

Payments for the principal element of leases of $11.0 million (2024: $8.6 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% (2024: 4.6%).

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

	2025 **$m**	2024 $m
Current tax	**11.9**	121.9
Deferred tax	**(149.9)**	(24.8)
(Over)/under provided in previous years	**(0.8)**	(3.1)
	(138.8)	94.0

11. INCOME TAX EXPENSE (CONTINUED)

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

	2025 $m	2024 $m
(Loss)/profit before income tax expense	**(427.2)**	325.3
Tax at the Australian tax rate of 30% (2024: 30%)	**(128.2)**	97.6
Tax effect of amounts not deductible (taxable) in calculating taxable income:		
Equity accounted share of profit - Deterra	**(9.1)**	(6.6)
Share based payments	**0.9**	1.4
Remeasurement loss on Northern Minerals	**(3.5)**	1.3
Non-deductible expenses	**0.3**	0.4
Other items	**0.1**	0.8
Losses not recognised by overseas operations	**1.8**	2.2
	(137.7)	97.1
Over provision in prior years	**(1.1)**	(3.1)
Income tax (benefit)/expense	**(138.8)**	94.0

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$728.8 million (equivalent to $1,088 million) at 31 December 2025 (2024: US$679.4 million, equivalent to $1,026 million).

Unused capital losses for which no deferred tax asset has been recognised are approximately $104.5 million (2024: $101.7 million) (tax at the Australian rate of 30%: $31.3 million (2024: $30.5 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

	2025 $m	2024 $m
Changes in fair value of foreign exchange cash flow hedges	(6.2)	6.5
Actuarial gains on retirement benefit obligation	0.4	0.1
	(5.8)	6.6

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 commenced 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

	2025 $m	2024 $m
Deferred tax asset:		
The balance comprises temporary differences attributable to:		
Employee provisions	**10.0**	10.8
Rehabilitation provisions	**213.8**	234.7
Provisions	**1.6**	-
Property, plant & equipment	**6.4**	-
Lease liabilities	**10.5**	12.2
Cash flow hedge reserve (in equity)	**-**	9.2
Other	**8.3**	11.1
Gross deferred tax assets	**250.6**	278.0
Amount offset from deferred tax liabilities pursuant to set-off provision	**(13.3)**	(183.8)
Net deferred tax assets	**237.3**	94.2
Deferred tax liability:		
The balance comprises temporary differences attributable to:		
Property, plant and equipment	**-**	(149.8)
Inventory	**(8.1)**	(20.5)
Treasury shares	**(0.1)**	(0.7)
Right-of-use assets	**(4.2)**	(10.8)
Receivables	**(0.3)**	(0.3)
Cash flow hedge reserve	**(0.5)**	-
Other	**(0.1)**	(1.7)
Gross deferred tax liabilities	**(13.3)**	(183.8)
		-
Amount offset to deferred tax assets pursuant to set-off provision	**13.3**	183.8
Net deferred tax liabilities	**-**	-
Movements in net deferred tax balance:		
Balance at 1 January	**94.2**	62.1
Credited to the income statement	**149.9**	24.8
Under/(over) provision in prior years	**3.8**	(1.9)
Charged directly to equity	**(10.6)**	9.2
Balance at 31 December	**237.3**	94.2

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

	2025 $m	2024 $m
Trade receivables	**266.8**	268.1
Other receivables	**21.3**	22.6
	288.1	290.7

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 75 days of the invoice being issued (2024: 76 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 2025 (2024: 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 (2024: $nil).

There was $2.3 million overdue at balance date (2024: $27.2 million), of which $nil is more than 28 days overdue (2024: $nil).

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 (2024: $nil million).

b) Credit risk

At 31 December 2025 the trade receivables balance was $266.8 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 (2024: $215.3 million uninsured receivables). Further details regarding the Group's approach to managing customer credit risk are outlined in note 21(b).

14. INVENTORIES

	2025 $m	2024 $m
Current		
Work in progress	**60.9**	284.6
Finished goods	**525.0**	476.0
Consumables stores	**146.1**	78.8
Total current inventories	**732.0**	839.4
Non-Current		
Finished goods	**82.4**	2.9
Work in progress	**278.4**	202.1
Total non-current inventories	**360.8**	205.0
Total Inventories	**1,092.8**	1,044.4

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.

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 involves significant judgement and estimation. Key assumptions include estimated future product prices, product quality adjustments, expected costs to complete and sell, and the anticipated timing of sale of inventory.

During the year, the Group recognised inventory write downs of $215.6 million (2024: $nil) arising primarily from changes in forecast mineral sand prices and demand. These amounts have been recognised in cost of goods sold. At 31 December 2025, a total of $829 million is held at net realisable value (2024: all inventory held at cost).

If forecast selling prices were 5% higher or lower than those used in the assessment at balance sheet date, the carrying value of inventory would increase or decrease, respectively, by approximately $70.0 million (2024: negligible impact).

Inventory of $360.8 million (2024: $205.0 million) was classified as non-current as it is not expected to be processed and sold within 12 months of the balance sheet date.

15. TRADE AND OTHER PAYABLES

	2025 $m	2024 $m
Trade payables	**48.4**	58.9
Accruals	**199.4**	118.4
Employee entitlements (annual leave)	**14.9**	17.0
Government royalties payable	**5.9**	4.1
	268.6	198.4

a) Trade payables

Trade payables are recognised at the value of the invoice receive from a supplier. This represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obligated to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and generally paid within 30 days of recognition.

b) Accruals

Accruals are recognised when the Group has incurred an obligation for goods or services but not yet received at the reporting date. Accruals are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

CAPITAL

16. NET (DEBT)/CASH AND FINANCE COSTS

	2025 $m	2024 $m
Cash and cash equivalents		
Cash at bank and in hand	**45.7**	96.0
Deposits at call	**-**	40.0
Total cash and cash equivalents	**45.7**	136.0
Non-current interest bearing liabilities (unsecured)		
EFA loan facility	**(609.7)**	(248.8)
MOFA loan facility	**(499.9)**	(10.0)
Deferred borrowing costs	**7.3**	8.2
Total interest-bearing liabilities	**(1,102.3)**	(250.6)
Net debt	**(1,056.6)**	(114.6)

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 5.0% (2024: 0.1% and 5.3%) on Australian and foreign currency denominated deposits.

Cash and cash equivalents includes $7.1 million (2024: $7.4 million) which is restricted by legal or contractual arrangements.

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 facility totals $800 million, expiring in 2029 (31 December 2024: $800 million expiring in 2029).

At 31 December 2025, $499.9 million cash and $40 million bank guarantees was drawn against the MOFA, with $261 million remaining undrawn (2024: $10 million cash and $39 million bank guarantees drawn, $751 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 2025 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.

16. NET (DEBT)/CASH AND FINANCE COSTS (CONTINUED)

b) Interest bearing liabilities (continued)

The facility was originally established at $1,250 million, accompanied by cash equity contributions from the Group totalling $200 million, provided on a 1:3 basis with initial drawdowns. In February 2025 the facility limit was increased to $1,650 million, with the Group's cash contribution rising to $414 million. Access to the increased facility amount is subject to the Group securing offtake agreements that meet the requirements of the Australian Government, and the additional funding can only be drawn once the initial $1,450 million of funding arrangements has been fully utilised.

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 2025 Iluka was in compliance with applicable covenants.

c) Interest rate exposure

As at the reporting date, $609.7 million was drawn down (2024: $248.8 million) on the EFA facility and is subject to an effective weighted average floating interest rate of 7.8% (2024: 7.5%). The $75 million overrun facility was undrawn.

Additionally, $499.9 million (2024: $10) was drawn on the MOFA facility subject to an interest rate of 5.2% (2024: 5.9%).

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

d) Finance costs

	2025 $m	2024 $m
Interest charges on interest-bearing liabilities	**12.4**	0.8
Amortisation of deferred borrowing costs	**0.6**	3.2
Bank fees and similar charges	**4.0**	4.7
Lease borrowing costs	**1.9**	0.8
Rehabilitation and mine closure provision discount unwind	**32.7**	32.7
Rehabilitation provision discount rate changes	**(8.0)**	-
Total finance costs	**43.6**	42.2

(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. $0.5 million of deferred borrowing costs were capitalised to the cost of the Eneabba Rare Earths Refinery during the current reporting period (2024: $11.4 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. The risk free discount rate used in 2025 was 5.0% (2024: 4.3%) for Australian sites. For closed sites in the US, the risk free discount rate used in 2025 was 3.7% (2024: 3.9%). Refer to note 8.

17. CONTRIBUTED EQUITY

	2025 Shares	2024 Shares	2025 $m	2024 $m
Balance on 1 January, comprising				
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)
	427,869,809	425,932,659	**1,158.4**	1,143.2
Movement in ordinary share capital				
2025 Interim Dividend - DRP	**41,852**	-	**0.3**	-
2024 Final Dividend - DRP	**72,718**	-	**0.3**	-
2024 Interim Dividend - DRP	**-**	37,703	**-**	0.4
2023 Final Dividend - DRP	**-**	51,728	**-**	0.2
Share issue	**1,340,000**	2,127,602	**6.2**	15.3
Movements in treasury shares, net of tax				
Employee share allocations	**1,770,750**	1,847,719	**6.2**	10.0
Treasury share issues	**(1,340,000)**	(2,127,602)	**(4.3)**	(10.7)
Treasury share purchase	**(121,200)**	-	**(0.4)**	
Balance on 31 December, comprising	**429,633,929**	427,869,809	**1,166.7**	1,158.4
Ordinary shares - fully paid	**429,703,905**	428,249,335	**1,166.6**	1,159.8
Treasury shares - net of tax	**(69,976)**	(379,526)	**0.1**	(1.4)

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). During the year, the Group issued the following shares under the DRP:

	Date issued	Price per share	Number of ordinary shares issued
2024 final	24 March 2025	$4.16	72,718
2025 interim	22 September 2025	$6.03	41,852

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.

18. RESERVES AND RETAINED EARNINGS

	Notes	2025 $m	2024 $m
Asset revaluation reserve			
Balance at 1 January		**10.7**	10.7
Balance at 31 December	18(a)	**10.7**	10.7
Hedge reserve			
Balance at 1 January		**(20.1)**	1.4
Changes in the fair value of hedging instruments recognised in equity		**29.7**	(29.4)
Reclassified to profit or loss		**-**	(1.3)
Deferred tax		**(8.9)**	9.2
Balance at 31 December	18(b)	**0.7**	(20.1)
Share-based payments reserve			
Balance at 1 January		**11.5**	10.4
Share-based payments, net of tax		**9.6**	11.1
Transfer of shares to employees, net of tax		**(6.2)**	(10.0)
Balance at 31 December	18(c)	**14.9**	11.5
Foreign currency translation			
Balance at 1 January		**9.1**	(1.1)
Share of foreign currency translation reserve of associate - Deterra	24	**(5.4)**	6.4
Translation differences on other foreign entities		**(3.5)**	3.8
Balance at 31 December	18(d)	**0.2**	9.1
Total reserves		**26.5**	11.2
Retained earnings			
Balance at 1 January		**1,190.8**	993.9
Net (loss)/profit for the year attributable to the equity holders of the parent		**(288.4)**	231.3
Dividends paid		**(25.8)**	(34.2)
Actuarial gains on retirement benefit obligation, net of tax		**(1.0)**	(0.2)
Balance at 31 December		**875.6**	1,190.8

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 22. 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.

18. 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 17) 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.

19. DIVIDENDS

	2025 $m	2024 $m
Final dividend		
for 2024 of 4 cents per share, fully franked	**17.2**	-
for 2023 of 4 cents per share, fully franked	**-**	17.1
Interim dividend		
for 2025 of 2 cents per share, fully franked	**8.6**	-
for 2024 of 4 cents per share, fully franked	**-**	17.1
Total Dividends	**25.8**	34.2

Of the total $8.6 million interim dividend declared for 2025 and the total $17.2 million final dividend declared for 2024, shareholders respectively took up $0.3 million and $0.3 million as ordinary shares as part of the Dividend Reinvestment Plan. Refer to note 17(a).

Since balance date the directors have determined a final dividend for 2025 of 3 cents per share, fully franked. The dividend is payable on 30 March 2026 for shareholders on the register as at 6 March 2026. The aggregate amount of the proposed dividend is $12.9 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 2025 is $905.9 million (2024: $813.0 million). This balance is based on a tax rate of 30% (2024: 30%).

20. (LOSS)/EARNINGS PER SHARE

	2025 Cents	2024 Cents
Basic (loss)/earnings per share	**(67.3)**	54.1
Diluted (loss)/earnings per share	**(67.3)**	53.6

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 loss for the period of $288.4 million (2024: profit of $231.3 million) divided by the weighted average number of shares on issue during the year, excluding treasury shares, being 428,812,233 shares (2024: 427,260,625 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 2025 the weighted average number of issued shares and outstanding share rights was 433,968,835 (2024: 431,329,631).

RISK

21. 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 22.

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:

	2025 $m	2024 $m
Cash and cash equivalents	**9.7**	5.4
Receivables	**263.2**	259.0
Payables	**(22.9)**	(104.0)
Interest-bearing liabilities	**(23.9)**	-
Derivative financial instruments	**1.5**	(28.1)
	227.6	132.3

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 22.

(ii) Group sensitivity

The average US dollar exchange rate during the year was 0.6454 (2024: 0.6602). The US dollar spot rate at 31 December 2025 was 0.6697 (31 December 2024: 0.6220). Based on the Group's net financial assets at 31 December 2025, 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 2025	**(20.5)**	**(13.2)**	**25.3**	**14.1**
31 December 2024	2.0	(45.7)	(24.7)	29.5

21. 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 16) and cash deposits. All borrowing costs related to the EFA facility 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.

Borrowing costs related to the MOFA facility are not capitalised and are recognised on profit or loss as incurred. As the MOFA facility is subject to a variable interest rate, the Group is exposed to changes in market interest rates.

For the year ended 31 December 2025, an increase of 1% to market interest rates would have increased interest expenses related to the MOFA facility by $2.5 million (2024: no impact).

Interest-bearing liability balances ranged between $267.3 million and $1,109.6 million during the year (2024: $145.9 million and $248.8 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 $261 million and EFA facility of $1,040.3 million at balance date (refer note 16(b)), cash and cash equivalents of $45.7 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.

21. 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 2025							
Non-derivatives							
Payables		**268.6**	**-**	**-**	**-**	**268.6**	**268.6**
Lease liabilities	**4.6**	**12.1**	**8.9**	**6.0**	**13.4**	**40.4**	**35.2**
Interest-bearing variable rate - non-recourse debt	**7.8**	**-**	**-**	**719.2**	**-**	**719.2**	**609.7**
Interest-bearing variable rate - recourse debt	**5.2**	**-**	**-**	**499.9**	**-**	**499.9**	**499.9**
Total non-derivatives		**280.7**	**8.9**	**1,225.1**	**13.4**	**1,528.1**	**1,413.4**
Derivatives							
Foreign exchange collar contracts		**-**	**-**	**-**	**-**	**-**	**-**
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

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 16(b).

Refer to note 22 for detail on derivative instruments.

22. HEDGING

	2025 $m	2024 $m
Assets		
Foreign exchange forward contracts - current	**1.5**	-
Foreign exchange forward contracts - non current	**0.1**	-
Total Assets	**1.6**	-
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.

22. 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 21(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$200.0 million of expected USD revenue to 31 December 2026 and comprise US$200.0 million worth of purchased AUD call options with a weighted average strike price of 68.5 cents and US$200.0 million of AUD put options with a weighted average strike price of 63.3 cents.

US$308.6 million in foreign exchange collar contracts matured during the current financial year, consisting of;

(i) US$290.6 million of bought AUD call options with weighted average strike prices of 68.3 cents and US$290.6 million of sold AUD put options with weighted average strike prices of 63.0 cents

(ii) US$18 million in forward contracts at a strike price of 63.0 cents

The Group entered into hedging contracts in March 2025, US$35.6 million in collars with a call strike of 66 cents and a Put strike of 59.3 cents and US$18 million in forwards with a forward rate of 62.97cents.

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

23. 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	
			2025 %	2024 %
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

23. CONTROLLED ENTITIES AND DEED OF CROSS GUARANTEE (CONTINUED)

a) Subsidiaries (continued)

	Note	Place of business/ country of incorporation	Ownership interest held by the group	
			2025 %	2024 %
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
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		USA	**100**	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*

23. 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	**2025 $m**	2024 $m
Revenue from ordinary activities	**1,006.2**	1,170.3
Other income	**(12.3)**	33.5
Expenses from ordinary activities	**(1,136.4)**	(814.6)
Impairment of assets	**(350.6)**	-
Finance costs	**(44.5)**	(40.2)
Equity accounted share of profit - Deterra	**29.6**	21.9
Income tax benefit/(expense)	**136.6**	(95.8)
(Loss)/profit for the period	**(371.4)**	275.1
Other comprehensive income		
Changes in the fair value of cash flow hedges	**-**	(21.5)
Share of other comprehensive income - Deterra	**(5.4)**	6.4
Total comprehensive (loss)/income for the period	**(376.8)**	260.0
Summary of movements in consolidated retained earnings		
Retained earnings at the beginning of the year	**1,270.9**	1,044.5
Net (loss)/profit after tax for the year	**(371.4)**	275.1
Reserves	**(5.4)**	(15.1)
Dividends provided for or paid	**(24.7)**	(33.6)
Retained earnings at the end of the year	**869.4**	1,270.9
Condensed balance sheet		
Current assets		
Cash and cash equivalents	**17.6**	88.8
Receivables	**166.2**	280.2
Prepayments	**9.6**	14.9
Inventories	**720.6**	839.4
Current tax receivable	**27.9**	-
Derivative financial instruments	**1.5**	-
Assets held for sale	**4.5**	-
Total current assets	**947.9**	1,223.3
Non-current assets		
Property, plant and equipment	**1,038.3**	1,225.1
Deferred tax assets	**252.1**	103.6
Inventories	**360.8**	205.0
Other financial assets - investments in non-closed group entities	**363.8**	269.5
Investments accounted for using the equity method	**444.5**	443.6
Derivative financial instruments	**0.1**	-
Financial assets at fair value through profit or loss	**3.8**	10.5
Right-of-use assets	**12.3**	35.1
Total non-current assets	**2,475.7**	2,292.4
Total assets	**3,423.6**	3,515.7

23. CONTROLLED ENTITIES AND DEED OF CROSS GUARANTEE (CONTINUED)

b) Condensed financial statements of the extended closed group (continued)

Condensed balance sheet	2025 $m	2024 $m
Current liabilities		
Payables	**134.7**	180.1
Derivative financial instruments	**-**	13.7
Current tax payable	**-**	43.3
Provisions	**47.8**	53.6
Lease liabilities	**12.0**	12.6
Total current liabilities	**194.5**	303.3
Non-current liabilities		
Provisions	**672.2**	725.5
Interest-bearing liabilities	**498.5**	10.0
Lease liabilities	**21.8**	27.3
Derivative financial instruments - non current	**-**	14.4
Total non-current liabilities	**1,192.5**	777.2
Total liabilities	**1,387.0**	1,080.5
Net assets	**2,036.6**	2,435.2
Equity		
Contributed equity	**1,166.8**	1,158.5
Reserves	**0.4**	5.8
Retained earnings	**869.4**	1,270.9
Total equity	**2,036.6**	2,435.2

24. 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:

	2025 $'m	2024 $'m
Balance at the beginning of the year	**443.6**	446.3
Gross equity accounted profit	**35.8**	28.1
Depreciation	**(6.2)**	(6.4)
Equity accounted other comprehensive income	**(5.4)**	6.4
Dividends received	**(23.3)**	(30.8)
Balance at the end of the year	**444.5**	443.6

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:

24. EQUITY ACCOUNTED ASSOCIATE – DETERRA ROYALTIES LIMITED (DETERRA) (CONTINUED)

b) Summarised financial information of Deterra (continued)

	2025 $'m	2024 $'m
Current assets		
Cash and cash equivalents	**7.2**	5.5
Trade and other receivables	**76.0**	63.9
Income tax receivable	**5.6**	3.2
Prepayments	**1.6**	1.8
Total current assets	**90.4**	74.4
Non-current assets		
Royalty and other intangible assets	**276.8**	323.8
Offtake financial assets	**-**	96.7
Property, plant and equipment	**0.1**	0.1
Prepayments	**1.2**	0.5
Other assets	**1.0**	
Right-of-use assets	**0.3**	0.4
Total non-current assets	**279.4**	421.5
Current liabilities		
Trade and other payables	**6.3**	5.2
Provisions	**0.4**	0.2
Lease liability	**0.1**	0.1
Total current liabilities	**6.8**	5.5
Non-current liabilities		
Lease liability	**0.2**	0.3
Borrowings	**156.0**	314.0
Contingent consideration	**-**	1.7
Deferred tax	**68.0**	72.8
Total non-current liabilities	**224.2**	388.8
Net assets	**138.8**	101.6

Deterra's movement in net assets reconcile as follows:	2025 $'m	2024 $'m
Opening net assets	**101.6**	82.3
Profit for the period	**178.9**	140.5
Other comprehensive income and reserve movements for the period	**(27.2)**	33.1
Dividends	**(114.5)**	(154.3)
Closing net assets	**138.8**	101.6
The Group' share of Deterra's net assets is reconciled to its carrying value as follows:	**20%**	20%
Group's share of net assets	**27.8**	20.3
Iluka's gain on demerger, net of accumulated depreciation	**416.7**	423.3
Carrying value of investment in Deterra	**444.5**	443.6

Deterra is a listed ASX royalty company. The market value of Iluka's interest at 31 December 2025 was $430.7 million (2024: $393.4 million).

OTHER NOTES

25. 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 2025, the total value of performance commitments and guarantees was $157.9 million (2024: $156.3 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.

26. COMMITMENTS

a) Exploration and mining lease commitments

Commitments in relation to leases contracted for at reporting date but not recognised as liabilities payable:	**2025** $m	2024 $m
Within one year	**17.3**	13.5
Later than one year but not later than five years	**51.1**	83.2
Later than five years	**23.1**	70.1
	91.5	166.8

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 $314.8 million (2024: $494.6 million). All of the commitments relate to the purchase of property, plant and equipment of which $257.1 million is payable within one year and $57.7 million is payable between one and 5 years of the reporting date.

27. REMUNERATION OF AUDITORS

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.

a) Auditors of the Group – KPMG and related network firms

	2025 $'000	2024 $'000
Audit and review of financial reports		
Group	**568**	525
Controlled entities	**77**	50
	645	575
Other assurance services		
Assurance over sustainability report	**60**	-
Other assurance services	**19**	28
	79	28
Other services		
Tax compliance and advisory services	**-**	23
Other advisory services	**40**	77
	40	100
Total services provided by the external auditor of the Group	**764**	703

b) Other auditors and their related network firms

Audit and review of financial statements	**26**	36
	26	36

28. 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 $14.7 million (2024: $15.3 million) results from several schemes summarised below:

Schemes	Grant date	Vesting date	Fair value	**Shares / rights at**	**Expense 2025**	Shares / rights at	Expense 2024
			$	**31 Dec 2025**	**$m**	31 Dec 2024	$m
STIP (i)							
2025	Mar-26	Mar-27/28	5.79	**-**	**1.3**	-	-
2024	Mar-25	Mar-26/27	4.50	**-**	**1.2**	-	1.8
2023	Mar-24	Mar-25/26	6.60	**-**	**0.6**	-	1.5
2022	Mar-23	Mar-24/25	9.53	**-**	**0.1**	-	0.7
EIP (ii)	Mar-22/23/24/25	Mar-26/27/28/29	5.4	**4,359,837**	**5.3**	3,079,350	5.6
Restricted Share Plan (iii)					**5.0**		5.6
					13.5		15.3

(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 trading days following the release of the Company's 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 (2024: $nil), the share price at grant date of $4.13 (2024: $7.15 for KMP other than Tom O'Leary and $7.99 for Tom O'Leary), the expected share price volatility (based on historical volatility) of 40% (2024: 35%), the expected dividend yield of 3.14% (2024: 2.5%), the risk free rate of return of 3.40% (2024: 3.87% for KMP other than Tom O'Leary and 3.91% for Tom O'Leary), 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 the 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 (2024: no restricted shares issued to eligible employees) who participated in the plan.

29. 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.

During the year ended 31 December 2025, the Group completed settlement of the defined benefit superannuation plan. All remaining obligations were settled in full through a lump-sum payment to participants and the purchase of annuities with an external provider in accordance with regulatory requirements. Following settlement, the Group has no ongoing obligations in respect of defined benefit superannuation arrangements in the US. The only remaining balance at 31 December 2025 relates to residual administrative activity prior to final transfer to the annuity provider.

b) Financial position

At the reporting date, the deficit between the fair value of plan assets and the carrying value of liabilities is $nil (2024: deficit of $8.3 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:

	2025 $m	2024 $m	2023 $m	2022 $m	2021 $m
Defined benefit plan obligation	**(0.2)**	(31.2)	(29.8)	(33.8)	(57.5)
Plan assets	**0.2**	22.9	22.1	26.2	30.9
Deficit	**-**	(8.3)	(7.7)	(7.6)	(26.6)

c) Defined benefits superannuation expense

In 2025, $0.6 million (2024: $0.6 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.

30. RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Notes	2025 $m	2024 $m
(Loss)/Profit for the year		**(288.4)**	231.3
Depreciation and amortisation	9	**221.5**	185.8
Amortisation of right-of-use assets	10	**11.0**	6.9
Amortisation of deferred borrowing costs		**0.6**	-
Loss on disposal of property, plant and equipment	6	**0.5**	0.2
Capitalised interest		**29.0**	-
Net exchange differences and other		**-**	(5.8)
Rehabilitation and mine closure provision discount unwind	8	**32.7**	32.7
Rehabilitation discount rate change		**(8.0)**	-
Non-cash share-based payments expense	28	**13.6**	15.3
Equity accounted share of profit	24	**(35.8)**	(28.1)
Inventory NRV write-down	14	**215.6**	-
Net impairment	7	**350.6**	-
Changes in rehabilitation provisions for closed sites	8	**(25.9)**	(5.2)
Borrowing costs on leases	10	**1.9**	0.8
Change in operating assets and liabilities			
(Increase)/decrease in receivables		**(24.3)**	(22.8)
(Increase) in inventories		**(263.7)**	(239.7)
(Decrease)/increase in net current tax liability		**(79.3)**	(20.1)
(Increase) in net deferred tax		**(143.4)**	(32.1)
Increase/(decrease) in payables		**14.8**	(40.4)
(Decrease) in provisions		**(80.5)**	44.5
Net cash (outflow)/inflow from operating activities		**(57.5)**	123.3

31. 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:

	2025 **$000**	2024 $000
Short-term benefits	**5,388**	5,553
Post-employment benefits	**210**	115
Share-based payments	**3,908**	3,979
Total	**9,506**	9,647

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.

32. PARENT ENTITY FINANCIAL INFORMATION

a) Summary financial information for Iluka Resources Limited

	2025 $m	2024 $m
Balance sheet		
Current assets	**604.6**	493.2
Non-current assets	**1,653.7**	1,910.6
Total assets	**2,258.3**	2,403.8
Current liabilities	**215.6**	305.6
Non-current liabilities	**1,684.0**	1,064.4
Total liabilities	**1,899.6**	1,370.0
Net assets	**358.7**	1,033.8
Shareholders' equity		
Contributed equity	**1,166.9**	1,159.8
Other reserves	**37.1**	2.7
Profit reserve[1]	**534.7**	534.7
Accumulated loss	**(1,380.0)**	(663.4)
Total Equity	**358.7**	1,033.8
(Loss)/profit for the year	**(345.6)**	86.5
Other comprehensive income		
Changes in the fair value of cash flow hedges, net of tax	**20.8**	**(21.5)**
Share of profit of associate's other comprehensive income	**(5.4)**	6.4
Total comprehensive (loss)/income	**(330.2)**	71.4

[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 $4.7 million as at 31 December 2025 (2024: $4.4 million).

c) Contractual commitments for the acquisition of property, plant or equipment

As at 31 December 2025, the parent entity had contractual commitments for the acquisition of property, plant or equipment totalling $1.8 million (2024: $7.6 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.

33. RELATED PARTY TRANSACTIONS

The only related party transactions are with Key Management Personnel (refer note 31). Details of material controlled entities are set out in note 23, and details of the Group's equity accounted associate are set out in note 24. The ultimate Australian controlling entity and the ultimate parent entity is Iluka Resources Limited.

34. 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 2025

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 Limited and all its controlled entities in accordance with AASB 10 Consolidated Financial Statements.

Name of entity	Type of entity	Trustee, partner or participant in JV[1]	Place of incorporation or formation[2]	% of issued capital held[3]	Australian resident[4]	Place of foreign residence (if applicable)[5]
Ashton Coal Interests Pty Limited	Body corporate	No	Australia	96%	Yes	N/A
Associated Minerals Consolidated Investments	Trust	No	N/A	N/A	No	USA
Associated Minerals Consolidated Ltd	Body corporate	No	Australia	100%	Yes	N/A
Basin Minerals Holdings Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
Basin Minerals Limited	Body corporate	No	Australia	100%	Yes	N/A
Basin Properties Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
Glendell Coal Ltd	Body corporate	No	Australia	100%	Yes	N/A
Gold Fields Asia Ltd	Body corporate	No	Australia	100%	Yes	N/A
Ilmenite Proprietary Limited	Body corporate	No	Australia	100%	Yes	N/A
Iluka (Eucla Basin) Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
Iluka (UK) Ltd	Body corporate	No	United Kingdom	100%	No	United Kingdom
Iluka (USA) Investments Inc.	Body corporate	No	USA	100%	No	USA
Iluka Atlantic LLC	Body corporate	No	USA	100%	No	USA
Iluka Consolidated Pty Limited	Body corporate	No	Australia	100%	Yes	N/A
Iluka Corporation Limited	Body corporate	No	Australia	100%	Yes	N/A
Iluka Eneabba Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
Iluka Exploration (Canada) Limited [6]	Body corporate	No	Canada	100%	Yes	Canada
Iluka Exploration Pty Limited	Body corporate	No	Australia	100%	Yes	N/A
Iluka Finance Limited	Body corporate	No	Australia	100%	Yes	N/A
Iluka International (China) Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
Iluka International (ERO) Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
Iluka International (Eurasia) Pte. Ltd	Body corporate	No	Singapore	100%	No	Singapore
Iluka International (Lanka) Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
Iluka International (MRO) Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
Iluka International (Netherlands) Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
Iluka International Trading Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
Iluka International Coöperatief U.A.	Body corporate	No	The Netherlands	100%	No	The Netherlands
Iluka International Limited	Body corporate	No	Australia	100%	Yes	N/A
Iluka Investments 1 B.V.	Body corporate	No	The Netherlands	100%	No	The Netherlands
Iluka Lanka P.Q. (Private) Limited	Body corporate	No	Sri Lanka	100%	No	Sri Lanka
Iluka Lanka Resources (Private) Limited	Body corporate	No	Sri Lanka	100%	No	Sri Lanka
Iluka Midwest Limited	Body corporate	No	Australia	100%	Yes	N/A
Iluka Rare Earths Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
Iluka RE Investments Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
Iluka Resources (TN) LLC	Body corporate	No	USA	100%	No	USA
Iluka Resources Inc.	Body corporate	No	USA	100%	No	USA
Iluka Resources Limited	Body corporate	No	Australia	N/A	Yes	N/A
Iluka Royalties (Australia) Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
Iluka Share Plan Holdings Pty Ltd	Body corporate	Yes	Australia	100%	Yes	N/A
Iluka Technology (UK) Ltd	Body corporate	No	United Kingdom	100%	No	United Kingdom
Iluka Trading (Shanghai) Co., Ltd	Body corporate	No	China	100%	No	China
Iluka WA Investments Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

As at 31 December 2025

Name of entity	Type of entity	Trustee, partner or participant in JV[1]	Place of incorporation or formation[2]	% of issued capital held[3]	Australian resident[4]	Place of foreign residence (if applicable)[5]
IR RE Holdings LLC	Body corporate	No	USA	100%	No	USA
Lion Properties Pty Limited	Body corporate	No	Australia	100%	Yes	N/A
Neurika Innovations SLU	Body corporate	No	Spain	100%	No	Spain
NGG Holdings Ltd	Body corporate	No	Australia	100%	Yes	N/A
PURE Exploration Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
PURE Exploration (USA) LLC	Body corporate	No	USA	100%	No	USA
Renison Limited	Body corporate	No	Australia	100%	Yes	N/A
Southwest Properties Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
Swansands Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
The Iluka Resources Limited Executive & Employee Share Acquisition Plan	Trust	No	N/A	N/A	Yes	N/A
The Mount Lyell Mining and Railway Company Limited	Body corporate	No	Australia	100%	Yes	N/A
The Nardell Colliery Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A
Western Mineral Sands Proprietary Limited	Body corporate	No	Australia	100%	Yes	N/A
Western Titanium Limited	Body corporate	No	Australia	100%	Yes	N/A
Westlime (WA) Limited	Body corporate	No	Australia	100%	Yes	N/A
Yoganup Pty Ltd	Body corporate	No	Australia	100%	Yes	N/A

[1] This item disclosures whether, as at 31 December 2025, the relevant entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.

[2] 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 disclosure have been made for entities that are disclosed as a trust or partnership.

[3] 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 Limited as at 31 December 2025. This disclosure is not required for entities that are not body corporates.

[4] For each entity, this item discloses whether an entity was an Australian resident in accordance with subsection 295(3B) of the *Corporations Act 2001*, as at 31 December 2025. An entity will be considered an Australian tax resident if the entity is:

- an Australian resident (within the meaning of the *Income Tax Assessment Act 1997*) at that time; or
- a partnership at least one member of which is an Australian resident (within the meaning of *the Income Tax Assessment Act 1997*) at that time; or
- a resident trust estate (within the meaning of Division 6 of Part III of the *Income Tax Assessment Act 1936*) in relation to the year of income (within the meaning of that Act) that corresponds to the financial year.

[5] This item discloses the jurisdiction(s) outside of Australia in which the entity was a resident for the purposes of the income tax law of the relevant jurisdiction(s).

[6] 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.

DIRECTORS' DECLARATION

In the directors' opinion:

1) In the opinion of the directors of Iluka Resources Limited (the 'Company'):
    a. The consolidated financial statements and the notes to the financial statements are in accordance with the *Corporations Act 2001*, including:
        i. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the financial year ended on that date; and
        ii. complying with Australian Accounting Standards and *the Corporations Regulations 2001*;
    b. the Consolidated entity disclosure statement as at 31 December 2025 set out on pages 152 to 153 is true and correct; and
    c. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2) There are reasonable grounds to believe that the members of the extended closed group identified in note 23 will be able to meet any obligations or liabilities to which they are, or may become, subject to by virtue of the deed of cross guarantee described in that note.
3) The directors have been given the declarations required by section 295A of the *Corporations Act 2001* by the Chief Executive Officer and Chief Financial Officer for the financial year ended 31 December 2025.
4) The directors draw attention to note 2 of the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

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

J Mactier
Chair

T O'Leary
Managing Director

Perth, 18 February 2026

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 2025 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 2025
- 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 2025
- Notes, including material accounting policies
- 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 auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Net realisable value of work in progress and finished goods inventory
- Rehabilitation and mine closure provision

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.

These matters were 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 these matters.

Net realisable value of work in progress and finished goods inventory ($946.7m)

Refer to Note 14 to the financial report

The key audit matter	How the matter was addressed in our audit
Net realisable value of work in progress and finished goods inventory is a key audit matter due to the: • size of the work in progress and finished goods inventory balance relative to the Group's financial position (22% of total assets); • current year inventory write-down recorded of $215.6 million, increasing our focus in this area; • sales for the Group's products are currently challenging given sustained weakness in the mineral sands market; and • extent of judgement involved by the Group in determining the net realisable value. Such judgements may have a significant impact on the Group's write-down and therefore the overall carrying value of inventories, necessitating additional audit effort. The most significant areas of judgement we focused on were in assessing the Group's: • forecast sales prices of inventory; • estimated cost of completion for work in progress; and • the assumed timing of forecast sales. We involved our senior audit team members in assessing this key audit matter.	Our procedures included: • Obtaining an understanding of the Group's key processes for determining net realisable value of work in progress and finished goods inventory; • Assessing the methodology applied by the Group in determining the net realisable value of work in progress and finished goods inventory against the requirements of the accounting standards. • Assessing the key assumptions in the Group's model used to determine the net realisable value by: – Assessing forecast sales prices of inventory against recent sales prices, contracted sales prices and published external analysts' data for prices expected to prevail in the future. – Comparing future processing costs to previous actual costs. – Evaluating the assumed timing of sales based on the Group's latest approved budget and historical sales volumes. • Recalculating the inventory write-down recorded to assess the accuracy of the underlying calculations; • Attending stocktakes in significant locations, observing the Group's inventory survey processes, and comparing the inventory survey results to the Group's records; and

<table>
<tr><td></td><td>Assessing the disclosures in the Group's financial report using our understanding obtained from our testing against the requirements of accounting standards.</td></tr>
<tr><td colspan="2">Rehabilitation and mine closure provision ($720.8m)</td></tr>
<tr><td colspan="2">Refer to Note 8 to the Financial Report</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>
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.
</td><td>
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;
Comparing 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; and
Analysing, with the involvement of our valuation specialists, the inflation rate and discount rate assumptions in the Group's rehabilitation provision determination.

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; and

</td></tr>
</table>

	• 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 specified sustainability disclosures within the Sustainability Report and our respective assurance conclusions.

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
- 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 2025, 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 41 to 65 of the Directors' report for the year ended 31 December 2025.

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
18 February 2026

PHYSICAL, FINANCIAL AND CORPORATE INFORMATION

IN THIS SECTION

FIVE YEAR SUMMARY

Production volumes (kt)	2025	2024	2023	2022	2021
Production volumes (kt)					
- Zircon	270.3	227.2	327.0	302.7	324.2
- Rutile	78.9	57.8	52.7	139.1	196.6
- Synthetic rutile	209.9	211.2	259.5	237.6	198.7
Total Z/R/SR	**559.1**	**496.2**	**639.2**	**679.4**	**719.5**
- Ilmenite	335.3	398.1	460.6	590.9	563.7
- Monazite concentrate	-	-	-	-	57.7
Sales volumes (kt)					
- Zircon	267.9	229.9	234.7	333.6	354.7
- Rutile	70.8	45.2	48.3	140.2	207.2
- Synthetic rutile	136.2	200.1	211.0	246.1	305.9
Total Z/R/SR	**474.9**	**475.2**	**494.0**	**719.9**	**867.8**
- Ilmenite	51.2	121.3	148.8	218.2	189.6
- Monazite concentrate	-	-	-	-	62.4
Weighted average annual prices (US$/t)					
- Zircon (premium and standard)	1,643.0	1,882.0	2,066.0	1,943.0	1,414.0
- Zircon (all products)	1,422.0	1,721.0	1,849.0	1,850.0	1,330.0
Rutile (excluding HYTI and TIC)	1,216.0	1,694.0	1,887.0	1,550.0	1,264.0
Synthetic rutile	1,112.0	1,205.0	1,258.0	Not disclosed	Not disclosed
Average AUD:USD spot exchange rate (cents)	**64.5**	**66.0**	**66.5**	**69.5**	**75.2**

Unit revenue and cash cost ($/t)	2025	2024	2023	2022	2021
Revenue per tonne Z/R/SR sold (A$/t)	1,913	2,196	2,314	2,215	1,593
Unit cash costs of production per tonne Z/R/SR produced excluding by-products	1,054	1,298	947	938	777
Unit cost of goods sold per tonne of Z/R/SR	1,274	1,190	1,040	1,031	916

Summary financials ($m)	2025	2024	2023	2022	2021
Z/R/SR revenue	908.3	1,043.4	1,143.2	1,416.3	1,381.9
Ilmenite and other revenue	67.3	85.1	95.1	107.5	103.9
Revenue from operations	975.6	1,128.5	1,238.3	1,523.8	1,485.8
Cash costs of production	(589.1)	(644.0)	(605.2)	(508.3)	(579.2)
Inventory movement - cash costs of production	153.4	179.9	173.6	29.1	(67.0)
Restructure and idle capacity charges	(32.2)	(35.3)	(20.1)	(12.5)	(33.4)
Government royalties	(33.5)	(35.1)	(47.1)	(47.2)	(38.0)
Marketing and selling costs	(29.5)	(32.5)	(27.4)	(29.0)	(34.4)
Asset sales and other income	0.8	0.9	23.9	0.9	2.0
Corporate and other costs	(34.2)	(49.0)	(79.7)	(61.4)	(64.3)
Major projects, exploration and innovation	(37.0)	(40.0)	(61.2)	(49.1)	(45.2)
Mineral sands EBITDA	299.7	477.3	581.8	549.4	633.9
Underlying Group EBITDA[1]	329.3	498.8	609.1	879.0	652.3
Rehabilitation and holding costs for closed sites	25.9	5.2	4.3	(11.1)	60.8
Depreciation and amortisation	(232.5)	(192.2)	(167.8)	(144.6)	(171.2)
Inventory movement - non-cash production costs	46.0	48.2	51.7	9.9	(12.6)
Net interest and finance charges	(14.3)	6.5	12.3	3.1	(5.7)
Income tax (expense) benefit	138.8	(94.0)	(128.9)	(212.8)	(139.1)
Net profit/(loss) after tax for the period (NPAT)	(288.4)	231.3	342.6	588.5	365.7
Operating cash flow	60.8	252.1	346.7	681.7	527.7
Capital expenditure (capex) - Mineral Sands	(419.1)	(271.8)	(160.7)	(141.8)	(53.6)
Free cash (outflow) inflow[2] ($m)	(887.8)	(288.1)	(159.6)	430.6	299.6
Net (debt) cash	(1,056.6)	(114.6)	225.4	488.6	294.8

Capital and Dividends	2025	2024	2023	2022	2021
Ordinary shares on issue (millions)	429.6	427.9	426.0	424.5	422.0
Dividends per share in respect of the year (cents)	3	4	4	20	24
Franking level %	100	100	100	100	100
Opening year share price ($)[3]	5.03	6.64	9.65	9.76	6.58
Closing year share price ($)[3]	5.79	5.04	6.60	9.53	9.73

Financial ratios	**2025**	**2024**	**2023**	**2022**	**2021**
Underlying Group EBITDA/revenue margin %	33.8	44.2	49.2	57.4	43.9
Mineral sands EBITDA/revenue margin %	30.7	42.3	47.0	55.4	42.7
Basic earnings (loss) per share (cents)	(67.3)	54.1	80.5	138.6	86.7
Free cash flow per share (cents)	(207.0)	(67.5)	(37.5)	100.0	71.0
Return on shareholders' equity %[4]	(12.0)	10.2	17.1	32.8	25.9
Return on capital %[5]	(16.2)	21.7	41.8	88.8	69.1
Gearing (net debt/net debt + equity) % (including non-recourse debt facility)	33.9	4.6	n/a	n/a	n/a
Financial position as at 31 December ($m)					
Total assets	4,163.5	3.741.4	3,330.8	3,001.8	2,636.2
Total liabilities	(2,100.0)	(1,381.0)	(1,172.3)	(1,107.0)	(1,041.6)
Net assets	2,063.5	2,360.4	2,158.5	1,894.8	1,594.6
Shareholders' equity	2,063.5	2,360.4	2,158.5	1,894.8	1,594.6
Net tangible asset backing per share ($)	3.22	4.24	3.84	3.27	2.60

Employees (at 31 December 2025)	**2025**	**2024**	**2023**	**2022**	**2021**
Full-time equivalent employees	909	971	1035	950	3,252

Iluka Ore Reserves and Mineral Resources	**2025**	**2024**	**2023**	**2022**	**2021**
Mineral Resources In Situ HM million tonnes	192	194	171	176	185
Ore Reserves In Situ HM million tonnes	15	18	18	9	11
HM Grade (%) Ore Reserves	6	6	6	6	6
Assemblage (%)[6]					
Zircon	16	16	17	17	17
Rutile	5	5	5	3	3
Ilmenite	38	40	41	53	55
Monazite + xenotime	3	3	3	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 physicals data	Mineral Sands 2025	2024
Mining		
Overburden moved kbcm	13,043	17,495
Ore mined kt	22,154	19,128
Ore fed/treated kt	19,056	19,004
Ore treated grade HM %	4.7%	5.1%
VHM treated grade %	4.1%	4.4%
Finished product[1] kt		
Zircon	270.3	227.2
Rutile	78.9	57.8
Ilmenite (saleable/upgradeable)	335.3	398.1
Synthetic rutile produced	209.9	211.2

Notes:
(1) Finished product includes material from heavy mineral concentrate (HMC) initially processed in prior periods

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 2025

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	23	0.5	2.3	26	45	5	0.3	
		Probable	-	-	-	-	-	-	-	
Total	**Eucla Basin**		**23**	**0.5**	**2.3**	**26**	**45**	**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	40	2.8	7.0	56	12	3	4.8	
		Probable	19	2.0	10.6	62	13	1	3.2	
Total	**Perth Basin[5]**		**59**	**4.8**	**8.2**	**59**	**12**	**2**	**4.1**	**(1.9)**
Total	**Proved**		**63**	**3.3**	**5.3**	**51**	**17**	**4**	**4.1**	
Total	**Probable**		**203**	**11.9**	**5.9**	**35**	**16**	**5**	**2.7**	
	Grand Total		**265**	**15.2**	**5.7**	**38**	**16**	**5**	**3.0**	**(2.2)**

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 2025 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 2025, HM Ore Reserves decreased by 2.2Mt HM from 17.5Mt HM to 15.2Mt HM associated with mining depletion and adjustments.

The main factors contributing to the movement in Iluka’s HM Ore Reserves during 2025 include:

- The Eucla Basin Ore Reserves decreased by 0.32Mt HM associated with mining depletion, pit optimisation and re-design at Ambrosia
- The Perth Basin Ore Reserves decreased by 1.9Mt. This is a result of mine depletion and pit optimisation at Cataby (-0.6Mt HM) as well as a decision to remove the Ore Reserve classification on a number of pits that are no longer economic at Cataby (-1.4Mt HM). Additional tailings stockpiled at the MSP By-Product Stockpile deposit resulted in a small increase (+0.06Mt HM).

HM ORE RESERVES MINED AND ADJUSTED

ILUKA HM ORE RESERVES MINED AND ADJUSTED BY COUNTRY AND REGION AT 31 DECEMBER 2025

Summary of Ore Reserve Depletion[1]

Country	Region	Category	In Situ HM Tonnes Millions 2024	In Situ HM Grade (%) 2024	In Situ HM Tonnes Millions Mined 2025	In Situ HM Tonnes[2] Millions Adjusted 2025	In Situ HM Tonnes Millions 2025	In Situ HM Grade (%) 2025	In Situ HM Tonnes[3] Millions Net Change
Australia	Eucla Basin	Active Mines	0.8	2.6	(0.3)	(0.0)	0.5	2.4	(0.3)
		Non-Active Sites	0.0	1.5	-	-	0.0	1.5	-
Total	**Eucla Basin**		**0.8**	**2.5**	**(0.3)**	**(0.0)**	**0.5**	**2.3**	**(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	4.4	5.6	(0.6)	(1.4)	2.4	5.6	(2.0)
		Non-Active Sites	2.3	15.3	-	0.1	2.4	15.7	0.1
Total	**Perth Basin**		**6.7**	**7.2**	**(0.6)**	**(1.3)**	**4.8**	**8.2**	**(1.9)**
Total	**Active Mines**		**5.2**	**4.7**	**(0.9)**	**(1.4)**	**2.9**	**4.5**	**(2.3)**
Total	**Non-Active Sites**		**12.2**	**6.1**	**-**	**0.1**	**12.3**	**6.1**	**0.1**
Total	**Ore Reserves**		**17.5**	**5.6**	**(0.9)**	**(1.3)**	**15.2**	**5.7**	**(2.2)**

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 2025

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	153	4	2.5	36	38	3	0.2	
		Indicated	89	9	9.9	69	17	2	0.4	
		Inferred	42	2	5.5	63	17	2	0.3	
Total	**Eucla Basin**		**284**	**15**	**5.3**	**59**	**23**	**2**	**0.3**	**(0.4)**
	Murray Basin	Measured	252	15	6.1	39	16	7	2.2	
		Indicated	630	42	6.7	45	16	10	2.3	
		Inferred	1,390	69	5.0	34	15	6	2.2	
Total	**Murray Basin**		**2,272**	**127**	**5.6**	**38**	**15**	**8**	**2.2**	**0.5**
	Perth Basin	Measured	439	26	5.9	58	10	5	1.1	
		Indicated	276	15	5.5	52	10	5	1.0	
		Inferred	184	9	4.9	54	9	5	0.7	
Total	**Perth Basin[5]**		**899**	**50**	**5.5**	**56**	**10**	**5**	**1.0**	**(2.1)**
Total	**Measured**		**844**	**45**	**5.3**	**49**	**15**	**6**	**1.4**	
Total	**Indicated**		**994**	**66**	**6.6**	**50**	**15**	**8**	**1.7**	
Total	**Inferred**		**1,617**	**81**	**5.0**	**37**	**14**	**6**	**2.0**	
	Grand Total		**3,455**	**192**	**5.5**	**44**	**14**	**7**	**1.8**	**(2.0)**

Notes:
(1) Competent Person – Mineral Resources: S Maycock (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 vs. overburden ratios, and 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 2025, Mineral Resources decreased by 2.0Mt HM from 194Mt HM to 192Mt HM due to mining depletion and adjustments (exploration discovery, development and write-down).

The change in Mineral Resources for 2025 was driven by:

- Eucla Basin Mineral Resources decreased by 0.4Mt HM as a result of mining depletion and adjustment at Ambrosia
- Murray Basin Mineral Resources increased by 0.5Mt HM as a result of re-modelling at WIM100 (+3.9Mt HM) and write-down at Bondi East Far North (-1.1Mt HM), Bondi Main Far North (-0.62Mt), Bondi West (-0.17Mt HM), Manly (-0.51Mt), Anomaly B (-0.35Mt HM), Archer(-0.31Mt HM) and Nunga West (-0.34Mt)
- Perth Basin Mineral Resources decreased by 2.1Mt HM as a result of re-estimation, mining depletion and write-down at Cataby and Cataby ROM (-1.5Mt HM), additional tailings stockpiled at Eneabba (+0.06Mt HM), and write-down at Uplands (-0.66Mt HM)

HM ORE RESERVES MINED AND ADJUSTED

ILUKA MINERAL RESOURCES MINED AND ADJUSTED BY COUNTRY AND REGION AT 31 DECEMBER 2025

Summary of Ore Reserve Depletion[1]

Country	Region	Category	In Situ HM Tonnes Millions 2024	In Situ HM Grade (%) 2024	In Situ HM Tonnes Millions Mined 2025	In Situ HM Tonnes[2] Millions Adjusted 2025	In Situ HM Tonnes Millions 2025	In Situ HM Grade (%) 2025	In Situ HM Tonnes[3] Millions Net Change
Australia	Eucla Basin	Active Mines	2	1.8	(0.3)	(0.1)	2	1.7	(0.4)
		Non-Active Sites	13	7.2	-	-	13	7.2	-
Total	**Eucla Basin**		**15**	**5.1**	**(0.3)**	**(0.1)**	**15**	**5.3**	**(0.4)**
	Murray Basin	Active Mines	-	-	-	-	-	-	-
		Non-Active Sites	126	5.7	-	0.5	127	5.6	0.5
Total	**Murray Basin**		**126**	**5.7**	**-**	**0.5**	**127**	**5.6**	**0.5**
	Perth Basin	Active Mines	11	4.1	(0.6)	(0.9)	9	4.0	(1.5)
		Non-Active Sites	41	6.1	-	(0.6)	40	6.1	(0.6)
Total	**Perth Basin**		**52**	**5.5**	**(0.6)**	**(1.5)**	**50**	**5.5**	**(2.1)**
Total	**Active Mines**		**13**	**3.4**	**(0.9)**	**(1.0)**	**11**	**3.3**	**(1.9)**
Total	**Non-Active Sites**		**181**	**5.9**	**-**	**(0.1)**	**181**	**5.8**	**(0.1)**
Total	**Ore Reserves**		**194**	**5.6**	**(0.9)**	**(1.1)**	**192**	**5.5**	**(2.0)**

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 2025 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 Shayne Maycock, 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 Maycock and Mr Walkenhorst are full-time employees of Iluka Resources Limited.

Mr Maycock 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 JORC Code 2012. Mr Maycock 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 or under the review of Competent Persons as defined in the JORC Code 2012. 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 2025 Remuneration Report.

All of the Mineral Resource and Ore Reserve figures reported represent estimates as at 31 December 2025. 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 (i.e. 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. This information is detailed in Iluka's Mineral Resource and Ore Reserve Governance Standard.

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 audit 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 2026

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 429,703,905 shares on issue as at 31 January 2026. A total of 838,982 ordinary shares are restricted pursuant to the Directors, Executives and employees share acquisition plan, equity incentive plan, and employee share plan.

SHAREHOLDINGS

There were 31,688 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	18,930	6,931,484	1.61
1,001 - 5,000	9,548	23,129,856	5.38
5,001 - 10,000	1,842	13,623,341	3.17
10,001 - 100,000	1,298	29,222,255	6.80
100,001 - 1,000,000	54	14,488,170	3.37
1,000,001 Over	16	342,308,799	79.66
Rounding			**0.01**
Total	**31,688**	**429,703,905**	**100.00**

UNMARKETABLE PARCELS

	Minimum Parcel Size	Holders	Units
Minimum $ 500.00 parcel at $ 5.3600 per unit	94	3,453	170,258

TOP 20 SHAREHOLDERS (NOMINEE COMPANY HOLDINGS)

Rank	Name	Units	% Units
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	137,217,989	31.93
2	CITICORP NOMINEES PTY LIMITED	83,919,005	19.53
3	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	63,338,779	14.74
4	BNP PARIBAS NOMS PTY LTD	15,361,298	3.57
5	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	10,399,423	2.42
6	UBS NOMINEES PTY LTD	6,383,238	1.49
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,920,905	1.15
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	3,689,867	0.86
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	3,445,571	0.80
10	BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	3,377,290	0.79
11	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	2,500,160	0.58
12	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	2,156,290	0.50
13	SOLIUM NOMINEES (AUSTRALIA) PTY LTD <VSA A/C>	2,096,699	0.49
14	TEAKDALE INVESTMENTS PTY LTD <TJP O'LEARY FAMILY A/C>	1,353,769	0.32
15	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	1,139,415	0.27
16	MRS YUEZHEN XIE	1,009,101	0.23
17	MISS LIJUAN WU	942,000	0.22
18	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	848,578	0.20
19	SOLIUM NOMINEES (AUSTRALIA) PTY LTD <ALLOCATED A/C>	838,982	0.20
20	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	787,130	0.18
Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		**345,725,489**	**80.46**
Total remaining holders balance		**83,978,416**	**19.54**

SUBSTANTIAL SHAREHOLDERS

(As provided in disclosed substantial shareholder notices to the company)

Shareholder	Shareholdings	% of issued capital
State Street Corporation	30,135,170	7.01%
Perpetual Limited	29,893,246	6.96%
Van Eck Associates Corporation	26,823,526	6.24%

CALENDAR OF EVENTS

Date	Event
18 February 2026	Announcement of Financial Results
10 March 2026	Close of Director nominations for AGM
28 April 2026	Close of acceptances of proxies for AGM
30 April 2026	Annual General Meeting

KEY SHAREHOLDER INFORMATION

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 ABN: 34 008 675 018
Company secretaries	Ben Martin, Nigel Tinley
Registered office	Level 17 240 St Georges Terrace Perth, Western Australia, 6000
Postal address	GPO Box U1988 Perth, Western Australia, 6845
Phone	+61 8 9360 4700
Facsimile	+61 8 9360 4777
Website	**www.iluka.com**
	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 71st 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 Thursday 30 April 2026, commencing at 9:30am (AWST).

Registration for the AGM will open at the venue from 8:30am (AWST). To watch the AGM, you can either attend the meeting in person or watch a live (one-way) webcast at www.iluka.com/AGM.

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 also encouraged to lodge proxy votes in advance of the meeting to ensure that their voting instructions will be received and votes cast, and to monitor the company's website and ASX platform in case any alternative arrangements become necessary.

CLOSE OF NOMINATIONS

All nominations for election as a director at the 71st Annual General Meeting of Shareholders must be received in writing no later than 5:30pm (AWST) on Tuesday 10 March 2026 in order to be valid under Iluka's constitution.

INFORMATION ABOUT THIS REPORT

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.

FORWARD-LOOKING STATEMENTS

This document contains certain statements which constitute 'forward-looking statements'.

Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as 'may', 'will', 'expect', 'plan', 'believe', 'estimate', 'anticipate', 'outlook', 'guidance', 'target', 'ambition', 'goal', 'aspiration', 'objective' 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 and climate-related targets (including those relating to future demands and uses for Iluka's products, Iluka's targets, goals and ambitions, transition considerations, emissions performance, 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.

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.

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 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.

CLIMATE STRATEGY AND EMISSIONS DATA

All greenhouse gas emissions data in this report are estimates, due to the inherent uncertainty and limitations in measuring or quantifying greenhouse gas emissions, and our methodologies for measuring or quantifying greenhouse gas emissions may evolve as market practice develops and data quality and quantity improve.

Actual performance against climate-related targets, ambitions or aspirations may be materially affected by risks and uncertainties associated with Iluka's business, policy and regulatory developments, market conditions, technological change and physical risks associated with climate change, many of which are beyond Iluka's control.

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.

INDUSTRY AND MARKET DATA

This document contains industry, market and competitive position data derived from a combination of third-party sources, industry publications, analyst information and Iluka's own internal estimates. While Iluka believes this information to be reliable, Iluka has not independently verified all such data and does not guarantee its accuracy or completeness. Undue reliance should not be placed on this information.

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