

24 March 2023

The Manager
Company Announcements Office
Australian Securities Exchange ("ASX")

2023 ILUKA ANNUAL GENERAL MEETING

Please find attached the following documents in relation to Iluka Resources Limited's 2023 Annual General Meeting ("Meeting"), to be held at 9.30 am (WST) on Wednesday, 10 May 2023 as a hybrid meeting, in the Karri Room at Parmelia Hilton Perth, 14 Mill Street, Perth, Western Australia and online:

1. Notice of Annual General Meeting; and
2. Notice and Access Letter; and
3. Proxy Form.

Shareholders and proxyholders who would prefer not to attend in person may choose to participate through the Computershare online platform (URL: <https://meetnow.global/M4RTYQU>), which offers the ability to view the live webcast, ask questions (written or oral) and vote online during the meeting.

The 2022 Annual Report, Notice of Annual General Meeting and Proxy Form will be shortly mailed to shareholders who receive printed copies of these documents. Copies of the documents have been lodged with the ASX and are available on the Company's website: www.iluka.com.

Shareholders are encouraged to lodge proxy votes in advance of the meeting to ensure that their voting instructions will be received and votes cast, even if they cannot attend on the day, and to monitor the Company's website (www.iluka.com) and ASX platform in case any alternative arrangements become necessary or appropriate.

Up-to-date information about the Meeting can be found on the Company's website:

www.iluka.com/investors-media/shareholder-information/2023-agm-information



Nigel Tinley
Joint Company Secretary

This document was approved and authorised for release to the market by Iluka's Managing Director.

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ILUKA

2023

NOTICE OF ANNUAL GENERAL MEETING

For personal use only

DELIVER SUSTAINABLE VALUE.

Wednesday, 10 May 2023
Commencing 9:30 am (WST)
Karri Room, Parmelia Hilton Perth
14 Mill Street, Perth, Western Australia



GOLDEN GECKO
Awards for Environmental Excellence

2022 Winner

Refer back cover for more
information.

INVITATION FROM THE CHAIRMAN AND MANAGING DIRECTOR

Dear Shareholder

We are pleased to invite you to Iluka Resources Limited's 2023 Annual General Meeting. We will be holding the Meeting in a hybrid format, in the Karri Room at the Parmelia Hilton Perth, 14 Mill Street, Perth, Western Australia, and online, on Wednesday, 10 May 2023 commencing at 9:30 am (WST).

Details of the business of the Meeting are contained from page 8. The following pages include a summary of the key attributes of the 2022 year. Detailed information is available in the 2022 Annual Report accessible at www.iluka.com.

Shareholders and proxyholders who would prefer to attend the meeting remotely may do so through the Computershare online platform (<https://meetnow.global/M4RTYQU>). The online platform allows shareholders and proxyholders to ask questions (written or oral) and vote during the Meeting.

The Annual General Meeting is a valuable opportunity for the Board to discuss with shareholders the performance of the Company, and your participation in the Annual General Meeting is important to us.

Building a globally significant rare earths business; catalysing an Australian downstream industry

Iluka has a proud, 70-year history of mining, processing and marketing critical minerals. In 2022, we built on this legacy to deliver a number of significant opportunities that are calibrated to global trends and central to our bright future.

It has been an extraordinary year for our company – most notable for our diversification into rare earths, which will occur in the first instance through the development of Australia's first fully integrated rare earths refinery at Eneabba. The refinery will be fed initially by Iluka's unique stockpile of rare earths, which we have built progressively over the past 30 years on the basis that these critical minerals would one day be valuable.

In April, Iluka concluded a \$1.25 billion strategic risk sharing agreement with the Australian Government to establish a domestic rare earths industry. This marked the culmination of several years of discussions with the Commonwealth to create what is a historic partnership. It also marked the beginning of the development of a substantial new business for the company; one that will be a significant global business in its own right.

Key rare earths – neodymium, praseodymium, dysprosium and terbium – are essential inputs for permanent magnets, which are in turn essential for the electric motors used in electric vehicles and the generators used in wind turbines. They are also essential for a range of defence applications.

In this context, Eneabba is a once in a generation opportunity.

As one of few facilities in the world that will produce both light (neodymium and praseodymium) and heavy (dysprosium and terbium) separated rare earth oxides, it positions Iluka and Australia at the forefront of two key structural shifts taking place globally: the accelerating transition to a lower carbon economy via electrification; and the growing priority assigned to sovereign capabilities and diversified supply chains, particularly for the procurement of strategic materials.

Iluka will become a material producer of refined rare earths. And with all industry forecasters predicting significant price increases over coming years, we expect Eneabba to commence operations

at a time when our products will be highly sought after, including for their provenance and credentials. This has been confirmed through the company's engagement with a range of potential customers.

The refinery represents a long term critical infrastructure asset that is catalysing the development of an Australian rare earths industry. Previously, concentrates produced in Australia would have to be exported overseas to be refined into rare earth oxides. Following our final investment decision, this is no longer the case. We have the opportunity not only to refine Iluka's own feedstocks but to be a customer for the feedstocks produced by others. To illustrate, in October, we concluded an agreement with Northern Minerals – an emerging rare earths company – for the future supply of concentrate from its planned mine at Browns Range in the Eastern Kimberley.

Eneabba marks an order of magnitude step change for domestic value addition to the country's rare earth resources; and a foundation for potential further steps along the rare earths value chain in future, such as rare earth metallisation. Iluka continues to evaluate the production of rare earth metals, which would increase our reach and value to consumers in key and emerging markets.

In addition, Iluka's downstream position in Australia – a stable jurisdiction and one respected for its high standards on safety, environmental management and sustainability – positions the company well for advancing value addition opportunities beyond metallisation. These future opportunities lie in the magnetisation of rare earth metals and alloys, as well as in the recycling of rare earth materials.

While we will consider these possibilities in time, for the present we are focused firmly on delivering the Eneabba refinery – the first step in what we regard as a company-defining transformation.

Rare earths are also highly complementary to Iluka's longstanding mineral sands business. Across our operational and major project suite, rare earth minerals occur naturally alongside the company's traditional zircon and titanium dioxide products. These minerals will now be refined by Iluka in Australia, with the value captured for our shareholders and stakeholders more broadly.

Unlocking Australian critical minerals

2022 saw further considerable advancement throughout Iluka's minerals sands growth pipeline. These advancements facilitated our final investment decision for the Balranald development and the approval of a definitive feasibility study (DFS) for the Wimmera development, both occurring in February 2023.

For several years, Iluka has been investing substantially in new technologies targeted at unlocking Australian resources previously regarded as uneconomic. Balranald is a primary example of this investment focus. The remotely operated, underground mining (UGM) technology we have developed and will utilise at Balranald is akin to keyhole surgery for the mining of critical minerals. It enables commercial access to a rich deposit which, at 60 metres below surface, would not be viable through traditional extraction techniques. Furthermore, UGM's sustainability benefits include a substantially reduced disturbance footprint and carbon intensity.

Balranald will deliver approximately 250 jobs during construction and approximately 270 jobs during operation including

contractors, with capital investment of approximately \$480 million. As an important source of rutile, zircon, ilmenite (for upgrading to synthetic rutile) and rare earths, this development enhances Iluka's portfolio offering of high grade, high quality critical minerals products produced in Australia.

Wimmera is a potential multi-decade source of rare earths and zircon. Alongside the approval of a DFS, Iluka has declared an Ore Reserve for Wimmera based on the value of its refined rare earths. This has been made possible as a result of the Eneabba refinery, which enables Iluka to capture additional value from the rare earth minerals in the Wimmera region that is not available to others. Again, this demonstrates the mutually reinforcing nature of our mineral sands and rare earths businesses.

One characteristic shared by deposits in the Wimmera region is higher levels of impurities in their zircon. Absent a processing solution to remove these impurities, the zircon is ineligible for sale into key markets, including the ceramics market, which accounts for approximately 60% of total zircon demand. Iluka has proven the technical viability of a zircon purification process at lab scale. We continue to conduct pilot scale testing, with the goal of then demonstrating the commercial viability of zircon purification via a demonstration plant, which will be progressed alongside the DFS.

Given our strategic and capital allocation priorities in Australia, in 2022 Iluka determined to demerge its business in Sierra Leone. This was executed in August, with Sierra Rutile listing independently on the ASX.

Our purpose: deliver sustainable value

Iluka's evolution – diversifying into rare earths, investing in new technologies and consolidating and unlocking production in Australia – has taken place amid ongoing macroeconomic and geopolitical uncertainty. The global economy continues to be impacted, directly and indirectly, by the after-effects of the COVID 19 pandemic. These include inflation and the return to more balanced monetary policy settings by central banks after years of stimulatory low interest rates. This has been coupled with further instability resulting from Russia's invasion of Ukraine and the ensuing energy crisis occurring in Europe in particular.

Confronted with this instability and uncertainty, Iluka's financial results once again exhibited the resilience and cash generation capability of our company. Your Board is pleased at the extent to which the successful implementation of Iluka's approach to operations, markets and project development has contributed to building this resilience.

We delivered record revenue of \$1.73 billion, \$589 million in NPAT, \$444 million in free cash flow and total dividends of 45 cents per share. Our balance sheet strength is highlighted by a net cash position of \$489 million, our 20% equity interest in Deterra, undrawn commercial bank facilities of \$570m and a \$1.25 billion non-recourse loan facility from the Commonwealth Government.

These results were underpinned by a strong sales and operational performance. Iluka effectively sold out of all our products in 2022, with zircon sales of 334 thousand tonnes and high grade titanium (rutile and synthetic rutile) sales of 386 thousand tonnes. The company's zircon inventory is at a historically low level and Iluka remains focused on sustainable pricing for its high grade products. At the industry level, zircon and high grade titanium supply chains remained tight throughout 2022, reflecting supply disruptions from other major producers and as a result of the war in Ukraine.

With scarcity, security and reliability of supply increasingly prominent considerations for many downstream customers, Iluka's portfolio offering of high grade, high quality critical minerals products produced in Australia sees the company well placed. In January, we concluded key offtake agreements for our synthetic rutile. New and existing customer commitments increased to approximately 200 thousand tonnes per year for the next four years, contracted under the 'take or pay' arrangements we first put in place to underpin the Cataby development in 2017.

All Iluka operations were at full capacity over the year. Mining at Cataby produced 501 thousand tonnes of heavy mineral concentrate (**HMC**), including 419 thousand tonnes of ilmenite for use as synthetic rutile kiln feed. Our Jacinth-Ambrosia mining operation moved from the depleted Jacinth North deposit to Ambrosia in August and produced a total of 351 thousand tonnes of HMC. The Narngulu mineral separation plant processed both Cataby and Jacinth Ambrosia feed, producing a total of 299 thousand tonnes of zircon and 55 thousand tonnes of rutile. Synthetic rutile kiln 2 (**SR2**) at Capel had a record year of production, delivering 231 thousand tonnes. And our adjacent kiln, SR1, was successfully restarted in December 2022, providing an additional source of high grade titanium feedstocks. Production volumes from SR1 will be available for sale on a spot basis as planned.

Sustainability is central to everything we do at Iluka. Given the globally significant work we have embarked upon and the trust invested in us to deliver it, this has never been more important.

Our first and foremost responsibility is the safety of our people. In 2022, we achieved a 18% decrease in our Serious Potential Injury Frequency Rate, which has been an area of specific attention for some time. Our Total Recordable Injury Frequency Rate was 6.9 – a focus for improvement.

Iluka's commitment and performance in relation to environmental management was recognised by the Government of Western Australia in October, with the company receiving the Golden Gecko award for environmental excellence. This recognised the commissioning of our internally developed bespoke seeding machine, 'Flora Restorer', which has more than doubled the annual area rehabilitated to native vegetation at Eneabba and improved plant growth and diversity in the Kwongan ecosystem.

In closing, the past year has been perhaps the most momentous in our company's proud history. As we look to a bright future and the opportunities within our reach, Iluka remains, as ever, committed to delivering for our shareholders.

Thank you for your support.



Rob Cole
Chairman



Tom O'Leary
Managing Director and CEO

The Iluka Plan

Our Values

• INTEGRITY • RESPECT • COURAGE • ACCOUNTABILITY • COLLABORATION

Our Purpose

Iluka's purpose is 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.



2022 Year in Review

Q1

JAN - FEB - MAR

- » Completed feasibility study for Eneabba Rare Earths Refinery
- » Rob Cole announced as the next Chairman of Iluka

Q2

APR - MAY - JUN

- » Final Investment Decision announced for Eneabba Rare Earths Refinery following agreement of strategic partnership between Iluka and the Australian Government
- » Iluka announced intention to demerge Sierra Rutile
- » Fluor Australia awarded contract to complete the Front End Engineering Design (FEED) and provide Engineering, Procurement and Construction Management (EPCM) services to the Eneabba project

Q3

JUL - AUG - SEP

- » 410ha rehabilitated across Iluka portfolio, up from 305ha at H1 2021
- » Sierra Rutile demerged
- » Mining operations move from Jacinth North deposit to Ambrosia deposit
- » All primary environmental approvals achieved for Eneabba Rare Earths Refinery

Q4

OCT - NOV - DEC

- » Iluka announces strategic partnership with Northern Minerals for rare earths concentrate supply
- » Iluka's innovative rehabilitation equipment, Flora Restorer, receives Golden Gecko Award for Environmental Excellence by WA Department of Mines, Industry Regulation and Safety
- » SR1 kiln restarts at Capel
- » Record synthetic rutile production achieved from SR2 kiln

Financials



\$1,727m
mineral sands revenue



\$946m
underlying group EBITDA



53%
mineral sands EBITDA margin



\$489m
net cash
(as at 31 December 2022)

Markets and Operations



Key synthetic
rutile contracts
renewed



710kt
Z/R/SR sold



679kt
Z/R/SR produced

People



18%
reduction in serious
potential incidents (18 in
2022, 22 in 2021*)



6.9
TRIFR (up from 5.1 in 2021)



24%
female representation
across total workforce



4.6%
Aboriginal and Torres
Strait Islander peoples in
total Australian workforce
(including 21% at Jacinth-
Ambrosia operations)

*data excludes SRL

Financial Summary

	2022	2021	2020	2019	2018
Mineral sands revenue	1,727.4	1,485.8	947.0	1,193.1	1,244.1
Underlying mineral sands EBITDA ¹	916.8	633.9	342.0	530.9	544.5
Underlying group EBITDA ¹	946.4	652.3	423.1	616	600.1
Net profit (loss) after tax	588.5	365.9	2,410.0	(299.7)	303.9
Operating cash flow	711.2	527.6	183.8	408.1	594.2
Free cash flow	444.3	299.5	36.3	139.7	304.4
Net (debt) cash	488.7	294.8	50.2	43.3	1.8
Gearing %	n/a	n/a	n/a	n/a	n/a
Return on equity %	33.0	25.9	283.7	(26.6)	31.8
Return on capital %	88.8	69.1	311.3	4.6	54.0

(1) Underlying EBITDA excludes adjustments, including write-downs, impairments and changes to rehabilitation for closed sites.

Mineral Sands Revenue

Iluka achieved record mineral sands revenue in 2022 of \$1,727 million. The company was effectively sold out of Z/R/SR, with inventory levels at historic lows.

Zircon sales of 334 thousand tonnes (including 100 thousand tonnes of zircon in concentrate) exceeded production and zircon inventory is now at record lows. The zircon market was affected by a number of global economic headwinds in 2022 including softness in the Chinese construction sector and energy price increases in Europe. Nevertheless, the zircon industry continued to be characterised by supply tightness with a number of major producers experiencing disruptions and logistical challenges. Iluka is focused on being a disciplined and reliable supplier of zircon.

Rutile sales of 140 thousand tonnes were in line with production in the year. Sales volumes reduced from 2021 following the demerger of Sierra Rutile Limited in August 2022, which was Iluka's dominant producer of natural rutile. Synthetic rutile sales exceeded production at 246 thousand tonnes.

Demand remained strong during the year for Iluka's high grade feedstock despite slowing pigment demand especially in Europe and China.

Underlying Mineral Sands EBITDA

Underlying mineral sands EBITDA was \$917 million. This reflects the strong sales result as prices increased across the product suite while supply constraints continued to impact the market.

The mineral sands business delivered excellent margins at 53% (2021: 42%)

Net Profit After Tax

Iluka reported a strong NPAT of \$589 million, up from \$366 million in 2021. NPAT included an earnings contribution of \$30 million from Iluka's 20% interest in Deterra Royalties.

Free Cash Flow

Free cash flow was \$444 million, up from \$300 million in 2021.

Operations continued to generate very strong cashflows, with operating cash flow of \$711 million in 2022, an increase over the \$528 million generated in 2021.

Iluka's 20% stake in Deterra Royalties generated \$36 million of cash flow, which was subsequently fully distributed to Iluka's shareholders in accordance with Iluka's Dividend Framework.

Capital expenditure was \$153 million. This included: \$42 million spent on the Eneabba Rare Earths development; ~\$33 million on feasibility studies including Balranald, Euston, South West and Atacama deposits; \$33 million on the SR1 restart, which commenced production in December; and the remainder on sustaining capital expenditure. The capital expenditure for 2022 also included \$11 million spent on Sembehun while Sierra Rutile remained part of the Group. During 2022, \$12 million was spent on advancing critical growth studies and research, including Wimmera and other rare earths and mineral sands opportunities that do not yet qualify as capital expenditure and are captured within operating cashflows.

Total tax payments of \$104 million include \$31 million for 2021 final tax payments paid in the first half of 2022. Iluka expects to make tax payments of \$135 million in 2023 which relate to the 2022 financial results.

Net Cash (Debt)

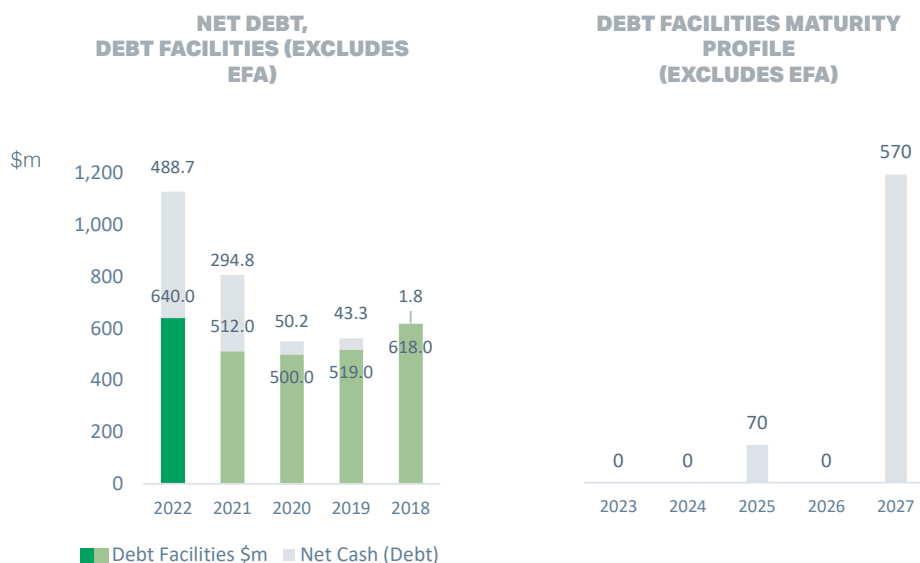
As at 31 December 2022, Iluka reported a net cash position of \$489 million, up from \$295 million net cash as at 31 December 2021. Iluka continues to prioritise maintaining a strong balance sheet in the face of continued uncertainty due to global inflation and recessionary pressures driven by continued impacts of the global pandemic and the Russian invasion of Ukraine.

Iluka made the first drawdown of \$41 million from the \$1.25 billion loan from Export Finance Australia, underpinning the risk-sharing strategic partnership with the Australian Government to establish the first fully integrated rare earths refinery in the Western world.

ROE and ROC

Iluka reported return on equity of 33% and return on capital of 89%, reflecting another strong operational performance in the year.

Balance Sheet



As at 31 December 2022, Iluka had total debt facilities of \$1,890 million. This comprised:

- » \$1,250 million non-recourse loan facility from the Government of Australia (administered by Export Finance Australia) to construct the Eneabba Rare Earths Refinery, with a term of up to 16 years expiring in 2038; and
- » \$640 million Multi Option Facility Agreement (**MOFA**) of a series of committed five-year unsecured bilateral revolving credit facilities with several domestic and foreign institutions. The MOFA, which reduced to \$570 million in January 2023, is denominated in AUD and matures in 2027. No funds were drawn from the MOFA as at 31 December 2022 (2021: \$ nil). The Group also had \$130 million of bank guarantee facilities utilised at 31 December 2022.

The Group had \$489 million net cash at 31 December 2022.

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 25 cents per share and has declared a final dividend of 20 cents per share, fully franked, for 2022.

Hedging

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

The Group entered into the following hedging contracts in 2022:

- » US\$47.1 million in forward exchange contracts in 2022 with an average rate of 73.1 cents, which matured during the year; and
- » US\$319.6 million in foreign exchange collars consisting of US\$319.6 million of bought AUD call options with weighted average strike prices of 77.1 cents and US\$319.6 million of sold AUD put options with weighted average strike prices of 65.4 cents.

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

- » US\$270.3 million in foreign exchange collar contracts consisting of US\$270.3 million of bought AUD call options with weighted average strike prices of 79.1 cents and US\$270.3 million of sold AUD put options with weighted average strike prices of 64.8 cents.

Iluka has US\$151.6 million in foreign exchange collar contracts in relation to expected USD revenue from contracted sales to 31 December 2023 which remain open as at 31 December 2022.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 68th Annual General Meeting of Shareholders of Iluka Resources Limited ABN 34 008 675 018 (Iluka or Company) will be held as a hybrid meeting in the Karri Room, at the Parmelia Hilton Perth, 14 Mill Street, Perth, Western Australia and online, on Wednesday, 10 May 2023 commencing at 9:30 am (WST).

A venue map is included with this Notice of Meeting.

Shareholders and proxyholders who would prefer to attend the meeting remotely may do so through the Computershare online platform, which offers the ability to view a live webcast, ask questions (written or oral) and vote online during the meeting.

Registration for the physical meeting will open at 8:30 am (WST) and online at 9:00 am (WST) on 10 May 2023.

Webcast link: <https://meetnow.global/M4RTYQU>

If it becomes necessary or appropriate to make alternative arrangements for the holding of the AGM, Iluka will ensure that Shareholders are given as much notice as possible via the ASX platform and www.iluka.com.

Shareholders are encouraged to lodge proxy votes in advance of the meeting to ensure that their voting instructions will be received and votes cast even if they cannot attend on the day, and to monitor the Company's website (www.iluka.com) and ASX platform in case any alternative arrangements become necessary or appropriate.

Even if you plan to attend the AGM, you are encouraged to submit a directed proxy in advance of the AGM so that your votes can still be counted if for any reason you cannot attend on the day (for example, if you experience an issue with your internet connection).

An Explanatory Memorandum accompanies and forms part of this Notice of Meeting. This Notice of Meeting should be read in conjunction with the Explanatory Memorandum which provides further information on each of the proposed items of business.

Agenda

Financial Reports

To receive and consider the annual financial report, Directors' report and auditor's report for the Company and its controlled entities for the year ended 31 December 2022.

Ordinary Resolutions

1. Re-election of Director – Susie Corlett

To consider and, if thought fit, to pass the following **ordinary resolution**:

That Susie Corlett, who retires in accordance with Article 17.2 of the Company's Constitution, be re-elected as a Director.

2. Re-election of Director – Lynne Saint

To consider and, if thought fit, to pass the following **ordinary resolution**:

That Lynne Saint, who retires in accordance with Article 17.2 of the Company's Constitution, be re-elected as a Director.

3. Adoption of Remuneration Report

To consider and, if thought fit, to pass the following **ordinary resolution**:

That the Remuneration Report for the year ended 31 December 2022 be adopted by the Company.

In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting exclusion: the Company will disregard any votes cast on Resolution 3:

- » by or on behalf of either a member of the Key Management Personnel whose remuneration details are included in the 2022 Remuneration Report or their closely related parties (in any capacity); or
- » as a proxy by a person who is a member of the Key Management Personnel at the date of the Meeting or their closely related parties,

unless the vote is cast as a proxy for a person who is entitled to vote on Resolution 3:

- » in accordance with their directions on the Proxy Form; or
- » by the Chairman pursuant to an express authorisation in the Proxy Form to exercise the proxy even though the Resolution is connected with the remuneration of the Company's Key Management Personnel.

4. Grant of 2022 Executive Incentive Plan (EIP) award to the Managing Director

To consider and, if thought fit, to pass the following **ordinary resolution**:

That approval be given, for the purposes of ASX Listing Rule 10.14 and for all other purposes, for the grant of Restricted Rights and Performance Rights to the Managing Director, Tom O'Leary, under the Company's 2022 Executive Incentive Plan, on the terms summarised in the Explanatory Memorandum.

5. Grant of 2023 Long Term Incentive Plan (LTIP) award to the Managing Director

To consider and, if thought fit, to pass the following **ordinary resolution**:

That approval be given, for the purposes of ASX Listing Rule 10.14 and for all other purposes, for the grant of Performance Rights to the Managing Director, Tom O'Leary, under the Company's 2023 Long Term Incentive Plan, on the terms summarised in the Explanatory Memorandum.

Voting exclusion: the Company will disregard any votes on Resolutions 4 and 5 that are cast:

- » in favour of the Resolution by or on behalf of Tom O'Leary or his associates (in any capacity); or
 - » as proxy by a person who is a member of the Key Management Personnel at the date of the Meeting or their closely related parties,
- unless the vote is cast:
- » as a proxy or attorney for a person who is entitled to vote on the Resolution in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
 - » by the Chairman as a proxy for a person entitled to vote on the Resolution and pursuant to an express authorisation to exercise the proxy as the Chairman decides (even though the Resolution is connected with the remuneration of the Company's Key Management Personnel); or
 - » by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - » the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - » the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Important information

Participating in the Annual General Meeting

Shareholders and proxy holders can attend the AGM in person at the Parmelia Hilton Perth or have the option to participate in real-time using the online platform. To use the online platform you will require a computer, tablet or mobile device with an internet connection.

It is recommended that Shareholders register at the venue or login to the online platform at least 15 minutes prior to the scheduled start time for the Meeting. Instructions for Shareholders attending the meeting via the online platform is listed below:

- » Online registration will open from 9.00 am (WST) on the day of the Meeting.
- » Shareholders can register to participate in the Meeting via the online platform by using a web browser or mobile device at: <https://meetnow.global/M4RTYQU>.
- » Click on 'Join Meeting Now'.
- » Enter your SRN/HIN. Proxyholders will need to contact Computershare on +61 3 9415 4024 prior to the Meeting to obtain their login details.
- » Enter your postcode registered to your holding if you are an Australian Shareholder. If you are an overseas Shareholder select the country of your registered holding from the drop-down list.
- » Accept the Terms and Conditions and click 'Continue'.

Participating in the Meeting online enables Shareholders to view the AGM live, comment and ask questions (written or oral), and vote in real-time at the appropriate times during the Meeting.

It is possible that technical difficulties may arise during the course of the Meeting, in which case the Chairman has discretion as to whether and how the Meeting should proceed.

More information about online participation is available in the Annual General Meeting Online Guide at: www.computershare.com.au/virtualmeetingguide.

NOTICE OF ANNUAL GENERAL MEETING

Lodgement of proxy voting instructions recommended

While it is anticipated that voting (whether in person or online) will be possible at the Meeting, Shareholders are nevertheless encouraged to lodge proxy votes in advance of the Meeting to ensure that their voting instructions will be received and votes cast.

Proxy instructions

A Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint an individual to act as proxy to attend and vote on that Shareholder's behalf. A Shareholder entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of the Shareholder's votes each proxy is entitled to exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.

The Proxy Form (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and a certified copy of the power of attorney or other authority) must be delivered to or sent by facsimile transmission to the Company's share registry, **Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001 Australia, facsimile number 1800 783 447 and outside Australia +61 (3) 9473 2555** or to the Company's registered office at Level 17, 240 St Georges Terrace, Perth, Western Australia, 6000, facsimile number +61 (8) 9360 4777, **by no later than 9.30 am (WST), Monday, 8 May 2023** (i.e. at least 48 hours prior to the Meeting).

Alternatively, you may register your proxy instructions electronically at the share registry website www.investorvote.com.au or on your mobile device by scanning the QR code on the Proxy Form by 9.30 am (WST), Monday, 8 May 2023. For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

The Proxy Form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the Corporations Act.

In the case of Shares jointly held by 2 or more persons, any one holder may sign the Proxy Form.

Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite the Resolutions in the Proxy Form. All your Shareholding will be voted in accordance with such a direction unless you indicate only a proportion of voting rights are to be voted on the Resolutions by inserting the proportion or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes with respect to a Resolution, your proxy may vote as he or she chooses with respect to that Resolution, subject to any voting exclusions that apply to your appointed proxy. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

Chairman's voting intentions

The Chairman intends to vote all available proxies in favour of the proposed Resolutions set out in this Notice of Meeting.

Corporate representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry, Computershare Investor Services before the Meeting. Certificates of appointment of corporate representative are available at www.investorcentre.com or on request by contacting Computershare Investor Services Pty Limited on telephone number 1300 733 043 or +61 3 9415 4801 (outside Australia).

Voting entitlement

For the purposes of determining voting and attendance entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at 5:00 pm (WST) on Monday, 8 May 2023. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Questions from Shareholders at Meeting

Shareholders will have a reasonable opportunity as a whole to ask questions and make comments on the management of the Company during the Meeting in person or through the online platform. The online platform will have the ability for Shareholders to ask their questions and make comments either in writing or orally. In order for Shareholders to ask their questions or make comments orally, a working microphone connected to the online platform is required.

Ms Helen Bathurst of PricewaterhouseCoopers, as the auditor responsible for preparing the auditor's report for the year ended 31 December 2022 (or her representative), will attend the Meeting. The Chairman will also allow a reasonable opportunity for Shareholders as a whole to ask the auditor questions about:

- (a) the conduct of the audit;
- (b) the preparation and content of the auditor's report;
- (c) the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

Submitting questions in advance of the Meeting

Shareholders are encouraged to submit written questions in advance of the Meeting in relation to the business of the Meeting and the management of the Company. Shareholders may also submit a written question to the auditor in advance of the Meeting regarding:

- (a) the content of the auditor's report; or
- (b) the conduct of the audit of the annual financial report.

Please submit any questions you may have in writing no later than Wednesday, 3 May 2023:

In person: 17th Floor, 240 St Georges Terrace, Perth WA 6000
By email: agm@iluka.com
By mail: Company Secretary, Iluka Resources Limited
GPO Box U1988, Perth WA 6845
By fax: (08) 9360 4777 (within Australia)
+61 8 9360 4777 (outside Australia)

The Chairman will endeavour to address as many of the more frequently raised relevant questions as possible during the course of the Meeting. However, there may not be sufficient time available at the Meeting to address all of the questions raised. Please note that individual responses will not be sent to Shareholders and that the auditor is not obliged to provide written responses to questions.

BY ORDER OF THE BOARD



Ben Martin

Company Secretary
Dated: 24 March 2023

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared to provide Shareholders with information in relation to the business to be conducted at the Company's Annual General Meeting. This Explanatory Memorandum should be read in conjunction with, and forms part of, the Notice of Meeting.

Unless the context otherwise requires, capitalised terms used in this Explanatory Memorandum or the Notice of Meeting have the same meaning given to them in the Glossary to this Explanatory Memorandum.

Financial Reports

The Corporations Act requires the annual financial report of the Company for the year ended 31 December 2022 (comprising the financial statements, notes to the financial statements and Directors' declaration), as well as the Directors' report and auditor's report to be tabled at the Annual General Meeting. Iluka's 2022 Annual Report (which includes the annual financial report, Directors' report and auditor's report) has been sent to those Shareholders who requested it. The 2022 Annual Report can also be found on the Company's website (www.iluka.com/investors-media/results-and-presentations).

Neither the Corporations Act nor the Constitution requires a vote of Shareholders on the reports or financial statements.

During this item, there will be an opportunity for Shareholders as a whole to ask questions about, or comment on, the reports and the management and performance of the Company.

Ordinary Resolutions

1. Resolution 1 – Re-election of Director – Susie Corlett

Susie Corlett BSc (Geo, Hons), FAusIMM, GAICD

Ms Corlett has over 25 years' experience in exploration, mining operations, mining finance and investment.

Susie is a professional non-executive director following an executive career spanning mine operations, investment banking and private equity. A geologist, Susie's background is in mining operations and exploration for RGC Ltd and Goldfields Ltd. Susie was most recently an Investment Director for Pacific Road Capital Ltd (a global mining private equity fund), following a career in mining project finance and credit risk management for Standard Bank Limited, Deutsche Bank and Macquarie Bank.



Susie is currently a non-executive director of Aurelia Metals Ltd (from October 2018) and Mineral Resources Limited (from January 2021), and a former non-executive director of Foundation for National Parks and Wildlife (from June 2018 to January 2023). Susie is also a Trustee of the Australian Institute of Mining & Metallurgy (AusIMM) Education Endowment Fund.

Susie was appointed to the Board on 1 June 2019 and retires under the director retirement provisions of Article 17.2 of the Company's Constitution and, being eligible, has offered herself for re-election as a Director.

The Board annually reviews the performance of each Director seeking re-election at each AGM, with assistance from the Nomination and Governance Committee. The review is designed to assess the effectiveness of each person. The Nomination and Governance Committee also reviews the skills, backgrounds, knowledge, experience, diversity and gender represented on the Board.

The Board supports the re-election of Ms Corlett. The Directors consider Susie's skills and experience, in particular in mining, exploration, investment banking and mining project finance, coupled with her international experience, as valuable to the Board and Iluka's long-term sustainable success.

The Board considers Ms Corlett as an independent non-executive Director. Ms Corlett is a member of the Audit and Risk Committee, Nominations and Governance Committee, and the Sustainability Committee.

The Board (with Ms Corlett abstaining) recommends that Shareholders vote in favour of this Resolution.

2. Resolution 2 – Re-election of Director – Lynne Saint

Lynne Saint BCom, GradDip Ed Studies, FCPA, FAICD, Cert Business Administration

Ms Saint has over 30 years of financial, auditing, corporate governance, enterprise risk, supply chain management, project management, and commercial experience both within Australia and internationally.

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



Lynne is currently a Non-executive Director of Nufarm Limited (from December 2020) and Ventia Services Group Limited (from October 2021).

Lynne was appointed to the Board on 24 October 2019 and retires under the director retirement provisions of Article 17.2 of the Company's Constitution and, being eligible, has offered herself for re-election as a Director.

The Board annually reviews the performance of each Director seeking re-election at each AGM, with assistance from the Nomination and Governance Committee. The review is designed to assess the effectiveness of each person. The Nomination and Governance Committee also reviews the skills, backgrounds, knowledge, experience, diversity and gender represented on the Board.

The Board supports the re-election of Ms Saint. The Directors consider Lynne's skills and experience, in particular in auditing, financial and assurance, coupled with her leadership experience, as valuable to the Board and Iluka's long-term sustainable success.

The Board considers Ms Saint as an independent non-executive Director. Ms Saint is Chair of the Audit and Risk Committee, and a member of the Nominations and Governance Committee and the People and Performance Committee.

The Board (with Ms Saint abstaining) recommends that Shareholders vote in favour of this Resolution.

3. Resolution 3 – Adoption of Remuneration Report

The Remuneration Report is set out in the Directors' report in the Company's Annual Report.

The Remuneration Report:

- » describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between the remuneration of Key Management Personnel and the Company's performance; and
- » sets out the remuneration arrangements in place for each Director and for the Managing Director and other Key Management Personnel.

The Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. Shareholders as a whole will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

In accordance with section 250R(3) of the Corporations Act, the vote on Resolution 3 is advisory only and does not bind the Directors or the Company.

If you intend to appoint a proxy to vote on your behalf on the resolution for adoption of the Remuneration Report, please read the information on page 10, under the heading 'Chairman's voting intentions'.

A voting exclusion applies to Resolution 3 as set out in the Notice of Meeting.

The Board recommends that Shareholders vote in favour of this Resolution.

4. Resolution 4 – Grant of 2022 Executive Incentive Plan (EIP) award to the Managing Director

Resolution 4 relates to the grant of Restricted Rights and Performance Rights to the Managing Director, Tom O'Leary, as his incentive award under the Company's Executive Incentive Plan (the **EIP**) for the performance year from 1 January 2022 to 31 December 2022 (**2022 EIP award**). This is the final award which will be made under the EIP and from 1 January 2023, the Company has transitioned to a new remuneration framework that replaces the EIP, as described in the next resolution.

The EIP was adopted in 2018 and provides an annual incentive award that drives performance against strategic, financial, production and sustainability metrics supporting the delivery of long-term sustainable value. Further information regarding the EIP can be found in Iluka's Remuneration Report on pages 72 to 97 of the Annual Report.

Under Listing Rule 10.14, Shareholder approval is required for the issue of securities to a director under an employee incentive scheme. Accordingly, shareholder approval is being sought for the grant of Restricted Rights and Performance Rights to the Managing Director under the 2022 EIP award.

If shareholder approval is obtained, 142,502 Restricted Rights and 95,001 Performance Rights will be granted to the Managing Director, Tom O'Leary, at no cost as soon as practicable after the AGM and in any event within 12 months of the Meeting. If shareholder approval is not obtained, the Board will consider alternative arrangements to appropriately remunerate and incentivise Mr O'Leary.

(a) 2022 EIP outcome

For the 2022 performance year, the Managing Director had the opportunity to earn an award of Restricted Rights and Performance Rights, with a target value of 140% of his total fixed remuneration (**TFR**), being \$1,960,000, and a maximum value of 210% of his TFR, being \$2,940,000.

The actual value of the 2022 EIP award was determined at the end of a 12 month performance period (1 January 2022 – 31 December 2022) based on the following performance scorecard measures:

- » Financial measures 50%: return on capital, group net profit after tax and unit cash costs of production;
- » Strategic measures 25%: individual strategic objectives, linked to major business opportunities, priorities and risks for the year from the corporate plan and directed at positioning Iluka to deliver sustainable value over the longer term;
- » Sustainability measures 15%: targets related to safety, diversity and inclusion, environmental, rehabilitation and climate change objectives based on a combination of industry best practice and continual improvement; and
- » Production measures 10%: production targets relating to Group production of Zircon, Rutile and Synthetic Rutile.

EXPLANATORY MEMORANDUM

Following the end of the performance period, the Board assessed achievement against these performance measures as being 84% of the Managing Director's maximum opportunity, resulting in a 2022 EIP award of \$2,479,400 of rights in respect of Iluka shares (see paragraph (b) below) to be granted to Mr O'Leary.

Information regarding achievement against the relevant performance scorecard measures is set out in Iluka's Remuneration Report on pages 72 to 97 of the Annual Report.

(b) Delivery of award

The 2022 EIP award will be delivered to the Managing Director as a mix of:

- » Restricted Rights (60%), subject to vesting in 4 equal tranches over a 4 year period; and
- » Performance Rights (40%), subject to a further relative total shareholder return (TSR) test measured over a 5 year period ending 31 December 2026.

Restricted Rights and Performance Rights are used for the 2022 EIP award because they create share price alignment between the Managing Director and ordinary Shareholders but do not provide the Managing Director with the full benefits of share ownership (such as dividend and voting rights) unless and until they vest.

The number of rights comprising each component of the 2022 EIP award was determined by dividing the 2022 EIP outcome award by \$10.4395, being the 5 day volume-weighted average price of Iluka Shares commencing on the day after the release of the Company's 2022 results announcement. On this basis, the proposed grant to the Managing Director will comprise 142,502 Restricted Rights and 95,001 Performance Rights.

(c) Vesting of securities

Restricted Rights

Each Restricted Right is a right to acquire one fully paid ordinary Share in the Company at no cost on vesting. Under the 2022 EIP award, the Restricted Rights granted to the Managing Director will vest in equal tranches annually over 4 years. That is, one quarter of the Restricted Rights will vest following the completion of each of the financial years ending:

- » 31 December 2023;
- » 31 December 2024;
- » 31 December 2025; and
- » 31 December 2026.

Performance Rights

Each Performance Right is a right to acquire one fully paid ordinary Share in the Company at no cost on satisfaction of a performance condition. Under the 2022 EIP award, the Performance Rights granted to the Managing Director will vest subject to a relative TSR test, tested at the end of a 5 year period (1 January 2022 – 31 December 2026).

Vesting of the Performance Rights is subject to Iluka achieving a TSR that ranks at the 50th percentile or greater, relative to the TSRs of companies that form the comparator group over the performance period.

50% of the Performance Rights will vest for median performance, and 100% of the Performance Rights will vest where the Company is at or above the 75th percentile relative to the selected comparator group. Between median performance and the 75th percentile, vesting will be on a sliding scale between 50% and 100%.

Iluka's comparator group for the 2022 EIP award is defined as the S&P / ASX 200 Resources Index (excluding companies primarily engaged in the oil and gas sector and non-mining activities) as at 1 January 2022 (**EIP Comparator Group**), being companies that operate within the resources industry and compete with Iluka for investment. The Board has discretion to make changes to the EIP Comparator Group in order to minimise or eliminate any material advantage or disadvantage to the Managing Director resulting from events beyond the Managing Director's control (for example, if there is a corporate action at a comparator organisation).

(d) **Additional terms**

Additional terms of the 2022 EIP award are set out below:

Dividend rights	No dividends will be paid on Restricted Rights or Performance Rights prior to vesting. For Restricted Rights or Performance Rights that vest, a cash payment equivalent to dividends paid by Iluka from the time of award through to the time of vesting will be made, but only to the extent the Restricted Rights or Performance Rights vest.
Cessation of employment	In the event the Managing Director ceases employment for reasons of resignation or termination for cause, all of his unvested Restricted Rights and Performance Rights will lapse, unless the Board decides otherwise. Where the Managing Director ceases employment for any other reason, unless the Board decides otherwise, the Restricted Rights and Performance Rights will remain on foot and subject to the original terms of the award as though he had not ceased employment.
Clawback	The Board has power under the Iluka Equity Incentive Plan Rules to claw back incentives that have vested and that have been paid or awarded to the Managing Director in certain circumstances. For example, Restricted Rights, Performance Rights and any Shares obtained following vesting may be lapsed or forfeited (as applicable) if the Managing Director acts fraudulently or dishonestly or if there is a material misstatement or omission in the accounts of a company within the Iluka group.
Change of control	In the event of a takeover or other transaction that in the Board's opinion should be treated as a change of control event, the Board has a discretion to determine the vesting of some or all of the Restricted Rights and Performance Rights.
Corporate actions	Subject to the Listing Rules, the Board may make such adjustments to the Managing Director's Restricted Rights and Performance Rights as the Board considers appropriate in order to minimise or eliminate any material advantage or disadvantage to the Managing Director resulting from a corporate action or capital reconstruction.

(e) **Information required under the Listing Rules**

- » The Managing Director of the Company, Mr O'Leary, falls under the Director category under ASX Listing Rule 10.14.1.
- » The Managing Director is the only Director (or associate of a Director) entitled to participate in the 2022 EIP award.
- » The Managing Director's current total remuneration is:
 - » total fixed remuneration (including superannuation): \$1,400,000; and
 - » at risk – equity: up to 210% of fixed remuneration, being \$2,940,000, at maximum (140% of fixed remuneration, being \$1,960,000, at target).
- » The Managing Director has previously received 191,991 Restricted Shares, 354,818 Restricted Rights and 373,543 Performance Rights for nil consideration for past years' incentive awards under the EIP.
- » There is no loan scheme in relation to the 2022 EIP award.
- » Details of any securities granted to the Managing Director under the EIP will be provided in the Company's Annual Report for the year in which they were issued, along with a statement that approval for the issue of the securities was obtained under ASX Listing Rule 10.14.
- » Any additional persons who become entitled to participate in the EIP after this Resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.
- » Listing Rule 10.14 provides that a listed company must not issue securities to a Director under an employee incentive scheme unless it obtains the approval of its shareholders.

A voting exclusion applies to Resolution 4 as set out in the Notice of Meeting.

The Board (with Mr O'Leary abstaining) recommends that Shareholders vote in favour of the Resolution.

5. Resolution 5 – Grant of 2023 Long Term Incentive Plan (LTIP) award to the Managing Director

As outlined in the previous resolution, from 1 January 2023 the Company has transitioned to a new remuneration framework which replaces the EIP. The EIP was a single plan that combined elements of a short-term incentive award and a long-term incentive award. Following a review of the Company's remuneration arrangements, and taking into account shareholder feedback, common market practice, as well as the optimal way to continue to reward and incentivise the Managing Director to deliver the Company's objectives and execute its strategy, the Board has decided to adopt a new remuneration structure from the financial year that began on 1 January 2023 under a separate STI plan (STIP) and LTI plan (LTIP).

The existing performance hurdles of the EIP will continue to be used for the STIP and LTIP. The performance hurdles for the STIP will mirror the performance hurdles currently used for determining the award opportunity under the EIP, while the performance hurdles for the LTIP will mirror the performance hurdles currently used for determining the outcome of the deferred performance rights under the EIP.

EXPLANATORY MEMORANDUM

The Board has considered the quantum of the Managing Director's remuneration opportunity, having regard to recent external independent benchmarking advice, as well as the long-term focus of the Company's current growth projects and the need to keep the Managing Director adequately incentivised for the delivery of those projects. Since the Managing Director was appointed in 2016 there has been no increase to his fixed remuneration (there was an increase of 10% to his maximum incentive opportunity under the EIP in 2020). The Board has determined that the maximum award opportunity for the STIP should be 120% of annual fixed remuneration (consistent with the short term component of the EIP) and LTIP should be 120% of annual fixed remuneration. The Managing Director's LTIP opportunity provides strong alignment with the delivery of the Company's long term strategic objectives and the delivery of value to shareholders. The combined maximum award opportunity represents a modest increase on the EIP, which had a combined maximum award opportunity of 210% of annual fixed remuneration.

Please note that the 2022 EIP (i.e. the award the subject of Resolution 4) and the 2023 LTIP award (i.e. the award the subject of this Resolution 5) *relate to different performance periods*. However, due to a difference in the way in which the EIP and the LTIP are structured (where, for the EIP, equity is granted in the calendar year after the performance period to which the award relates, while for the LTIP, equity is granted during the calendar year to which the award relates), both awards are being put to Shareholders in the same year.

Under Listing Rule 10.14, Shareholder approval is required for the issue of securities to a director under an employee incentive scheme. Accordingly, shareholder approval is being sought for the grant of Performance Rights to the Managing Director, Tom O'Leary, as his incentive award under the LTIP for the period from 1 January 2023 to 31 December 2026 (**Performance Period**) (**2023 LTI award**).

If shareholder approval is obtained, 160,928 Performance Rights will be granted to the Managing Director, Tom O'Leary, at no cost as soon as practicable after the AGM and in any event within 12 months of the Meeting. If shareholder approval is not obtained, the Board will consider alternative arrangements to appropriately remunerate and incentivise Mr O'Leary.

(a) 2023 LTIP opportunity

For the 2023 LTIP, the Managing Director will have the opportunity to earn an award of Performance Rights with a maximum value of 120% of his TFR, being \$1,680,000.

(b) Delivery of award

The 2023 LTIP award will be delivered to the Managing Director in Performance Rights.

Performance Rights are used for the 2023 LTIP award because they create share price alignment between the Managing Director and ordinary Shareholders but do not provide the Managing Director with the full benefits of share ownership (such as dividend and voting rights) unless and until they vest.

The number of Performance Rights proposed to be granted under the 2023 LTIP award was determined by dividing the Managing Director's maximum 2023 LTI award opportunity by \$10.4395, being the 5 day volume-weighted average price of Iluka Shares commencing on the day after the release of the Company's 2022 results announcement. On this basis, the proposed grant to the Managing Director will comprise 160,928 Performance Rights.

(c) Performance condition

Each Performance Right is a right to acquire one fully paid ordinary Share in the Company at no cost on satisfaction of a performance condition. Under the 2023 LTIP award, the Performance Rights granted to the Managing Director will vest subject to a relative TSR test, tested at the end of a 4 year period (1 January 2023 – 31 December 2026).

Vesting of the Performance Rights is subject to Iluka achieving a TSR that ranks at the 50th percentile or greater, relative to the TSRs of companies that form the comparator group over the performance period.

50% of the Performance Rights will vest for median performance, and 100% of the Performance Rights will vest where the Company is at or above the 75th percentile relative to the selected comparator group. Between median performance and the 75th percentile, vesting will be on a sliding scale between 50% and 100%.

Iluka's comparator group for the 2023 LTIP award is defined as the S&P / ASX 200 Resources Index (excluding companies primarily engaged in the oil and gas sector and non-mining activities) as at 1 January 2023 (**LTIP Comparator Group**), being companies that operate within the resources industry and compete with Iluka for investment. The Board has discretion to make changes to the LTIP Comparator Group in order to minimise or eliminate any material advantage or disadvantage to the Managing Director resulting from events beyond the Managing Director's control (for example, if there is a corporate action at a comparator organisation). The extent to which the performance condition has been met will be assessed by the Board at the conclusion of the Performance Period. Following the Board's assessment at the end of the Performance Period, any Performance Rights that remain unvested will automatically lapse.

(d) Additional terms

Additional terms of the 2023 LTIP award are set out below:

Dividend rights	No dividends will be paid on Performance Rights prior to vesting.
Cessation of employment	In the event the Managing Director ceases employment for reasons of resignation or termination for cause, all of his unvested Performance Rights will lapse, unless the Board decides otherwise. Where the Managing Director ceases employment for any other reason, unless the Board decides otherwise, the Performance Rights will remain on foot and subject to the original terms of the award as though he had not ceased employment.
Clawback	The Board has power under the Iluka Equity Incentive Plan Rules to claw back incentives that have vested and that have been paid or awarded to the Managing Director in certain circumstances. For example, Performance Rights and any Shares obtained following vesting may be lapsed or forfeited (as applicable) if the Managing Director acts fraudulently or dishonestly or if there is a material misstatement or omission in the accounts of a company within the Iluka group.
Change of control	In the event of a takeover or other transaction that in the Board's opinion should be treated as a change of control event, the Board has a discretion to determine the vesting of some or all of the Performance Rights.
Corporate actions	Subject to the Listing Rules, the Board may make such adjustments to the Managing Director's Performance Rights as the Board considers appropriate in order to minimise or eliminate any material advantage or disadvantage to the Managing Director resulting from a corporate action or capital reconstruction.

(e) Information required under the Listing Rules

- » The Managing Director is the only Director (or associate of a Director) entitled to participate in the 2023 LTIP award.
- » The Managing Director has not previously received any equity securities under the LTIP.
- » There is no loan scheme in relation to the 2023 LTI award.
- » Details of any securities granted to the Managing Director under the LTIP will be provided in the Company's Annual Report for the year in which they were issued, along with a statement that approval for the issue of the securities was obtained under ASX Listing Rule 10.14.
- » Any additional persons who become entitled to participate in the LTIP after this Resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

Except as otherwise set out above, the information set out in section (e) of the Explanatory Memorandum for Resolution 4 is also relevant to Resolution 5.

A voting exclusion applies to Resolution 5 as set out in the Notice of Meeting.

The Board (with Mr O'Leary abstaining) recommends that Shareholders vote in favour of this Resolution.

EXPLANATORY MEMORANDUM

Glossary

In the Notice of Meeting and this Explanatory Memorandum, the following terms have the following meaning unless the context otherwise requires:

Annual General Meeting or AGM or Meeting	The Annual General Meeting of Shareholders or any meeting adjourned thereof, convened by the Notice.
Annual Report	The Company's annual report including the reports of the Directors and the auditor and the annual financial report of the Company for the year ended 31 December 2022, which can be downloaded from the Company's website at www.iluka.com/investors-media/results-and-presentations .
Board	The Board of Directors of the Company.
Chairman	The Chairman of the Meeting, being the Chairman of the Board, Mr Rob Cole, or such other Director who chairs the Meeting from time to time.
Company or Iluka	Iluka Resources Limited ACN 008 675 018.
Company Secretary	Either or both of the Company Secretaries of the Company at the time of the Annual General Meeting, being Mr Ben Martin and Mr Nigel Tinley.
Constitution	The Company's constitution.
Corporations Act	The <i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Explanatory Memorandum	This explanatory memorandum which accompanies and forms part of the Notice of Meeting.
Key Management Personnel	Those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Managing Director	The Managing Director of the Company, Mr Tom O'Leary.
Notice or Notice of Meeting	The notice of the Annual General Meeting, which accompanies this Explanatory Memorandum.
Proxy Form	The proxy form accompanying this Notice.
Remuneration Report	The Remuneration Report appearing in the Annual Report.
Resolution	A resolution referred to in the Notice of Meeting.
Share	A share in the Company.
Shareholder	A registered holder of a Share.
WST	Western Standard Time, being the time in Perth, Western Australia.

MAP OF VENUE AND TRANSPORT INFORMATION

Location of the Annual General Meeting

Parmelia Hilton Perth

14 Mill Street, Perth, Western Australia



Transport and Parking Information

Parking

City of Perth Parking

- » Perth Convention and Exhibition Centre (PCEC) – entry via Mounts Bay Road
- » His Majesty's Carpark – entry via Murray Street

Accessible parking bays are available in the PCEC carpark, with nearby ramp/lift access available. For further information on City of Perth's special facilities within the carpark please call 1300 889 613 or email info.city@cityofperth.wa.gov.au.

For more information on City of Perth carparks please call 1300 889 613 or visit www.cityofperthparking.com.au

Wilson Parking

- » London House – entry via 216 St Georges Terrace
- » Westralia Square – entry via Mounts Bay Road
- » Central Park Carpark – entry via 152 - 158 St Georges Terrace

For more information on Wilson Parking please call (08) 9415 2800 or visit www.wilsonparking.com.au

Bus and Train

Elizabeth Quay's central bus and rail stations are located near the venue. Multiple local and CAT buses stop along St Georges Terrace near the venue.

For bus and train timetables and further information visit www.transperth.wa.gov.au.

For personal use only

Cover page: *Flora Restorer is Iluka's innovative seeding machine that rehabilitates the Eneabba mine site. It scarifies the soil, sows a diversity of native seed, land imprints, and sprays a soil crust. In 2022 Flora Restorer won Iluka the prestigious Golden Gecko Award for Environmental Excellence, presented by the WA Department of Mines, Industry Regulation & Safety.*

Registered office

Level 17, 240 St Georges Terrace
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Facsimile: +61 8 9360 4777

www.iluka.com

ABN 34 008 675 018



ILUKA



ILUKA

Iluka Resources Limited

ABN 34 008 675 018

Need assistance?



Phone:

1300 733 043 (within Australia)

+61 3 9415 4801 (outside Australia)



Online:

www.investorcentre.com/contact

Iluka Resources Limited Annual General Meeting

The Iluka Resources Limited Annual General Meeting will be held on Wednesday, 10 May 2023 at 9:30am (AWST). You are encouraged to participate in the meeting using the following options:



MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit www.investorvote.com.au and use the below information:



Control Number: 182124

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

For your proxy appointment to be effective it must be received by 9:30am (AWST) on Monday, 8 May 2023.



ATTENDING THE MEETING IN PERSON

The meeting will be held at:

Karri Room, Parmelia Hilton Perth, 14 Mill Street, Perth, WA 6000



ATTENDING THE MEETING ONLINE

To watch the webcast, ask questions and vote on the day of the meeting, please visit: <https://meetnow.global/M4RTYQU>

For instructions refer to the online user guide www.computershare.com.au/virtualmeetingguide

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

**ILUKA****Iluka Resources Limited**

ABN 34 008 675 018

Need assistance?

**Phone:**1300 733 043 (within Australia)
+61 3 9415 4801 (outside Australia)**Online:**www.investorcentre.com/contact

YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:30am (AWST) on Monday, 8 May 2023.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage or number of votes for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage or number of votes for each in Step 1 overleaf.

Voting restrictions for members of the key management personnel (KMP): Please note that if you appoint a member of the KMP or one of their closely related parties as your proxy, they will not be able to vote your proxy on Resolutions 3, 4 and 5, unless you direct them how to vote or the Chairman of the Meeting is or becomes your proxy. If the Chairman of the Meeting is or becomes your proxy, but you do not mark a voting box for Resolution 3, 4 or 5, then by completing and returning this form, you will be expressly authorising the Chairman of the Meeting to exercise your proxy on the relevant Resolution as he thinks fit, even though the resolution is connected with the remuneration of the Company's KMP.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, one securityholder may sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

**Control Number: 182124**

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Iluka Resources Limited hereby appoint

☐ the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Iluka Resources Limited to be held in the Karri Room, at the Parmelia Hilton Perth, 14 Mill Street, Perth, WA 6000 and online on Wednesday, 10 May 2023 at 9:30am (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman of the Meeting becomes my/our proxy by default) by completing and returning this form, I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy on Resolutions 3, 4 and 5 as the Chairman of the Meeting sees fit (except where I/we have indicated a voting intention in step 2) even though Resolutions 3, 4 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each Resolution.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on the relevant resolutions below by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Re-election of Director – Susie Corlett	☐	☐	☐
Resolution 2 Re-election of Director – Lynne Saint	☐	☐	☐
Resolution 3 Adoption of Remuneration Report	☐	☐	☐
Resolution 4 Grant of 2022 Executive Incentive Plan (EIP) award to the Managing Director	☐	☐	☐
Resolution 5 Grant of 2023 Long Term Incentive Plan (LTIP) award to the Managing Director	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

ILU

297245A



Computershare

