

26 August 2024

FY24 FULL YEAR RESULTS

DISCIPLINED DELIVERY - OPERATIONS AND EXPANSION PROJECTS

Summary Operational and Financial Metrics¹

	Units	FY23	FY24	(%)
Production	kt	620.1	725.3	17
Sales	kt	607.5	707.1	16
Realised price ²	US\$/t	4,447	1,176	(74)
Profit or Loss				
Revenue ³	\$M	4,064	1,254	(69)
EBITDA ⁴	\$M	3,317	538	(84)
<i>EBITDA margin</i>	%	82	43	(39)
Underlying profit after tax ⁵	\$M	2,276	318	(86)
Statutory profit after tax	\$M	2,391	257	(89)
Cash Flow				
Cash margin from operations	\$M	3,664	513	(86)
Cash balance	\$M	3,339	1,626	(51)

KEY POINTS

- Safety metrics improved with the Total Recordable Injury Frequency Rate reduced by 27% to 3.4 compared to the prior corresponding period (**full year ended 30 June 2023 or FY23**) (FY23: 4.7).
- Spodumene concentrate production increased 17% to 725.3 thousand (**k**) dry metric tonnes (dmt), compared to FY23. Sales increased 16% to 707.1kt (FY23: 607.5kt).
- The average estimated realised price for spodumene concentrate was US\$1,176²/dmt (CIF China) on a ~SC5.3 basis. On an SC6.0 equivalent basis, the average estimated sales price was US\$1,347/dmt (CIF China).
- Revenue declined 69% to \$1.3B, reflecting a 74% decline in average realised price partly offset by a 16% increase in sales volume.
- EBITDA of \$538M is 84% lower than the prior corresponding period primarily reflecting lower realised prices partially offset by lower total costs and higher sales volumes.
- EBITDA margin remained strong at 43% for the period.
- Statutory Profit after Tax was 89% lower than the prior corresponding period primarily reflecting the lower average realised sales price.
- Strong cash margin from operations for FY24 of \$513M.
- Strong balance sheet position with ending cash balance as at 30 June 2024 of \$1.6B. Cash reduced by \$1.7B with two key items being an FY23 income tax payment of \$763M and growth capital expenditure of \$493M for the P680 Project (**P680 Project**) and the P1000 Project (**P1000 Project**).
- P680 Project crushing and ore sorting facility commenced commissioning in the June Quarter and P1000 Project progressed on schedule and budget.

- Production ramp up underway on Train 1 of the POSCO Pilbara Minerals' JV chemical plant in South Korea and construction commenced on the Mid-Stream Demonstration Plant Project.
- Pilgangoora Ore Reserves⁶ increased by 35% to 214Mt in August 2023, and the P2000 PFS⁷ was released with a feasibility study commenced.
- Significant sustainability advancements with the development of the Pilgangoora Operation Power Strategy, release of the inaugural Reconciliation Action Plan and launch of the community grants program.
- A binding Scheme Implementation Agreement to acquire 100% of the shares in Latin Resources⁸ was announced on 15 August 2024.
- Today, Pilbara Minerals announces it has received credit approved commitments from a banking group for a new A\$1B debt facility (in the form of a Revolving Credit Facility or **RCF**) to refinance its existing project debt and further strengthen the Company's balance sheet.

Commenting on the results for the 12 month period ended 30 June 2024 (**FY24**), Pilbara Minerals Limited's (**Pilbara Minerals** or the **Group**) Managing Director and CEO, Dale Henderson said:

"Pilbara Minerals delivered a strong set of results in the 2024 financial year, reinforcing our position as a global leader in lithium production through the disciplined execution of our strategic plan.

"The successful completion of the P680 primary rejection facility was a significant milestone, enabling record production and sales. The operating performance of this facility also demonstrated scale unit cost benefits that can be expected to be further improved upon with completion of the upcoming P1000 Project. Beyond this current expansion, the P2000 project pre-feasibility study was completed offering a potential further growth step in production for the future.

"Our strategic objective to enter lithium chemical manufacturing progressed as planned, with production commencing at the POSCO Pilbara Minerals' JV chemical plant in South Korea. We also advanced our joint study with Ganfeng for a potential new downstream JV, which remains on track and aligned with our long-term growth strategy.

"Despite the challenges posed by a softer lithium pricing environment, Pilbara Minerals maintained a robust EBITDA margin of 43%, a testament to the strong operational performance and disciplined cost management of the team.

"Subsequent to the end of the financial year Pilbara Minerals has received credit approved commitments from a banking group for a new \$1B debt facility which will enable Pilbara Minerals to mature its capital structure providing further financial flexibility and liquidity. With a resilient balance sheet, Pilbara Minerals maintains a strong competitive position relative to many peers within the sector.

"Earlier this month, we announced a binding scheme implementation agreement for the acquisition of Latin Resources. This strategic, counter-cyclical acquisition will further diversify our business, adding a second 100% owned, hard rock lithium asset that is expected to be highly accretive for our shareholders over time. We are excited about the value this transaction will create and look forward to updating the market as we progress.

"The 2025 financial year promises to be another exciting year for Pilbara Minerals. The focus will remain on building on our strengths; extending our low cost position as a scale operator; disciplined capital deployment to scale the operation in lock-step with lithium market growth and preserving our strong balance sheet."

FINANCIAL SUMMARY

Pilbara Minerals delivered a number of positive financial outcomes in the reporting period with strong EBITDA margin, positive cash margin from operations and a strong ending cash balance despite market price volatility.

Revenue of \$1.3B is 69% lower than the prior corresponding period (\$4.1B), driven by a 74% decrease in the average realised price, partly offset by an increase in sales volume of 16% to 707.1kt which was enabled by expanded production volume capacity.

EBITDA of \$538M is 84% lower than the prior corresponding period (\$3.3B), before depreciation costs of \$150M, net financing income of \$16M and tax expense of \$146M resulting in statutory profit after tax of \$257M.

EBITDA margin remained strong at 43%.

Statutory profit after tax decreased 89% to \$257M primarily reflecting the decline in the average realised price.

Ending cash balance decreased by 51% to \$1.6B when compared to the prior corresponding period, reflecting the FY23 income tax catch-up payment of \$763M, growth capital expenditure of \$493M and a FY23 final dividend payment of \$421M.

Cash margin from operations (defined as receipts from customers less payments for operating costs) was strong at \$513M even at the lower average realised price of US\$1,176/t compared to prior year (US\$4,447/t). This enabled an increase in capital investment in property, plant and equipment of \$810M on a cash basis and \$865M on an accrual basis for expansion programs and operating efficiency including⁹ \$493M on the P680 and P1000 expansion projects, \$141M on capitalised mine waste development, \$141M on new projects and enhancements, and \$89M on sustaining capital expenditure.

In line with the Pilbara Minerals Capital Management Framework, and to further preserve the Group's balance sheet strength while investment in the P680 and P1000 Projects continue, the Board has not declared a final dividend for the period.

PROPOSED NEW A\$1B DEBT FACILITY

Pilbara Minerals has received credit approved commitments from a group of domestic and international banks for a new A\$1B debt facility in the form of an RCF. Establishment of the new debt facility is conditional on the execution of transaction documentation by mid October 2024, repayment of existing debt facilities and other customary conditions precedent.

The new A\$1B debt facility is a further step in the maturity of the Group's capital structure and will enable repayment of the Group's existing debt facilities, while further increasing financial flexibility and liquidity.

SUSTAINABILITY SUMMARY

Pilbara Minerals maintained its strong focus on operational safety, achieving a Total Recordable Injury Frequency Rate (**TRIFR**)¹⁰, of 3.41, an improvement on FY23. Additionally, a Quality Safety Interaction Frequency Rate¹¹ of 1.72 was achieved, trending above the target of 1.0. These results demonstrate Pilbara Minerals' ongoing commitment to enhancing workplace safety and effectiveness in implementing targeted safety initiatives, complementing core safety processes designed to drive continuous safety improvement across the operation.

During FY24, Pilbara Minerals advanced a number of sustainability initiatives, including the development of the Pilgangoora Operation Power Strategy¹², the launch of its community grants program and the release of its inaugural Reconciliation Action Plan.

For the first time, the Group's Sustainability Report, which forms part of the Annual Report, is complemented by a Sustainability Databook enhancing its sustainability reporting practices and

responding to the growing demand for detailed environmental, social, and governance information.

INVESTOR WEBCAST AND TELECONFERENCE DETAILS

Access the FY24 Full Year Results investor, analyst and media webcast today at 8.00am (AWST) / 10.00am (AEDT):

- Retail shareholders and investors – <https://edge.media-server.com/mmc/p/cwf46ktx>
- Analysts, brokers, fund managers and media – <https://register.vevent.com/register/BIb235e2a323b84389955e2dab2888e7ed>

Release authorised by Dale Henderson, Pilbara Minerals Limited's Managing Director and CEO.

Contact

Investors / shareholders

James Fuller
T: +61 (0) 488 093 763
E: james.fuller@pilbaraminerals.com.au

Media

Michael Vaughan
Fivemark Partners
T: +61 (0) 422 602 720

About Pilbara Minerals

Pilbara Minerals is the leading ASX-listed lithium company, owning 100% of the world's largest, independent hard-rock lithium operation. Located in Western Australia's resource rich Pilbara region, the Pilgangoora Operation produces spodumene and tantalite concentrates. The significant scale and quality of the operation has attracted a consortium of high quality, global partners including POSCO, Ganfeng, Chengxin, Yuhua, Yibin Tianyi and General Lithium.

Important Information

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although Pilbara Minerals believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein.

Information in this announcement regarding production targets and expansions in nameplate capacity of the Pilgan Plant in respect of the P680, P1000 and P2000 projects are underpinned solely by the Company's existing Ore Reserves that have been prepared by a Competent Person (Mr Ross Jaine) in accordance with the JORC Code (2012 Edition) and were released by the Company to ASX on 24 August 2023 in its release entitled "55Mt increase in Ore Reserves to 214Mt" (August 2023 Release) and the 2024 Annual Report, dated 23 August 2024, which sets out the adjustment for depletion. The relevant proportions of proved Ore Reserves and probable Ore Reserves underpinning the production targets are 7% proved Ore Reserves and 93% probable Ore Reserves. The Company confirms it is not aware of any new information or data that materially affects the information included in the August 2023 Release or the 2024 Annual Report and that all material assumptions and technical parameters underpinning the Ore Reserves estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

There can be no assurance that the proposed acquisition by Pilbara Minerals of Latin Resources by way of a share scheme of arrangement and option scheme of arrangement under Part 5.1 of the Corporations Act 2001 (Cth) will be implemented or that plans of the directors and management of Pilbara Minerals and Latin Resources will proceed as currently expected or will ultimately be successful.

All references to dollars (\$) and cents in this announcement are to Australian dollars, unless otherwise stated.

Appendix

Physicals summary

Total Ore Mined and Processed	Units	Sep Q FY24	Dec Q FY24	Mar Q FY24	Jun Q FY24	FY23	FY24
Ore mined	wmt	1,411,017	1,618,748	1,535,521	1,841,748	5,034,998	6,407,034
Waste material	wmt	7,741,062	7,965,907	7,761,304	7,407,146	26,785,850	30,875,419
Total material mined	wmt	9,152,078	9,584,655	9,296,825	9,248,895	31,820,847	37,282,453
Average Li ₂ O grade mined	%	1.3	1.4	1.4	1.5	1.4	1.4
Ore processed	dmt	852,148	982,028	995,326	1,127,924	3,444,341	3,957,425

Total Production and Shipments	Units	Sep Q FY24	Dec Q FY24	Mar Q FY24	Jun Q FY24	FY23	FY24
Spodumene concentrate produced	dmt	144,184	175,969	179,006	226,169	620,147	725,329
Spodumene concentrate shipped	dmt	146,354	159,897	165,121	235,762	607,501	707,133
Tantalite concentrate produced	lb	8,496	15,392	48,292	48,975	50,741	121,154
Tantalite concentrate sold	lb	-	19,128	12,327	31,252 ¹³	23,627	62,707¹³
Spodumene concentrate grade produced	%	5.2	5.2	5.2	5.2	5.2	5.2
Lithia recoveries	%	66.6	65.9	65.3	72.2	68.2	67.7

For personal use only

End notes

¹ Throughout this announcement, amounts may not add up due to rounding.

² The table below shows the SC6.0 CIF China equivalent price, adjusted pro-rata for an assumed SC6.0 lithia content, compared to the realised price (CIF China) in each period with corresponding lithia content. Lithia content may vary between production and sales figures due to blending and other factors. FY24 average estimated realised price for ~5.3% Li₂O grade (SC5.3% CIF China) is as at 12 July 2024. The FY24 average estimated realised price for ~5.3% Li₂O grade (SC5.3% CIF China) as at 23 August 2024 was US\$1,172/t and is subject to further adjustment.

Sales	Units	FY23	FY24	(%)
SC6.0 CIF China	US\$/t	5,010	1,347	(73)
Realised Price CIF China	US\$/t	4,447	1,176	(74)
Lithia Content	%	~5.3	~5.3	(1)

³ FY23 Revenue includes revenue from the sale of spodumene concentrate and middlings concentrate. There were no sales of middlings concentrate in the FY24 period.

⁴ A bridge from EBITDA (a non-IFRS metric) to the statutory financial statement is provided in the Appendices of the accompanying document "FY24 Full Year Results investor presentation" released to the ASX on 26 August 2024.

⁵ Underlying Profit after Tax excludes the fair value movement of the Group's call option to increase the Company's interest in the incorporated downstream joint venture (POSCO - Pilbara Lithium Solutions Co Ltd) from 18% to 30% which is a non-cash item.

⁶ For more information, refer to ASX release titled "55Mt increase in Ore Reserves to 214Mt" dated 24 August 2023 – this figure is prior to mining depletion for FY24 announced in the 2024 Annual Report.

⁷ For more information, refer to ASX release titled "Study Delivers 2MTPA Expansion Option" dated 21 June 2024.

⁸ For more information, refer to ASX release titled "Pilbara Minerals to acquire Latin Resources" dated 15 August 2024.

⁹ Breakdown of FY24 capital investment by category is based on capital additions as per Note 3 (PPE) of statutory accounts.

¹⁰ The Total Recordable Injury Frequency Rate (TRIFR) as at 30 June 2024 was 3.41 per million hours worked.

¹¹ Quality safety interaction frequency rate (QSIFR) is a measure of leadership safety conversations and provides a lead indicator for the promotion of a strong safety culture.

¹² For more information, refer to ASX release titled "Pilbara Minerals' Power Strategy to Reduce Emissions Intensity and Costs" dated 21 December 2023.

¹³ Tantalite sales are subject to final adjustment.