PLS

20 February 2025

FY25 Interim Results

Summary Operational and Financial Metrics[1]

	Units	H1 FY25	H1 FY24	Change %
Operations				
Production	kt	**408.3**	320.2	28
Sales	kt	**418.6**	306.3	37
Realised price	US$/t ~SC5.3	**688**[2]	1,645	(58)
	US$/t SC6	**780**	1,880	(59)
Profit and Loss				
Revenue	$M	**426**	757	(44)
Underlying EBITDA[3]	$M	**74**	431	(83)
Underlying EBITDA Margin	%	**17**	57	(39)
Underlying (loss)/profit after tax[4]	$M	**(7)**	286	(102)
EBITDA[5,6]	$M	**48**	424	(89)
Statutory (loss)/profit after tax	$M	**(69)**	220	(132)
Cash Flow				
Cash margin from operations[7]	$M	**41**	536	(92)
Cash balance	$B	**1.2**	2.1	(45)

KEY OUTCOMES

- Strong operational performance with spodumene concentrate production up 28% to 408.3 thousand tonnes[8] (**kt**) for the six-month period ended 31 December 2024 (H1 FY25) compared to the prior corresponding period (pcp or H1 FY24).
- Average estimated realised price for spodumene concentrate of US$688/t (CIF China) on a ~SC5.3 basis, 58% lower than the pcp.
- Revenue declined 44% to $426M driven by the 58% decrease in the average realised price, partly offset by a 37% increase in sales volume to 418.6kt (pcp: 306.3kt).
- Underlying EBITDA for the Pilgangoora Operation declined 83% to $74M, reflecting the effects of lower pricing.
- Statutory loss after tax of $69M reflected the performance of the underlying Pilgangoora Operation and the impacts of expenses and losses from the Group's investments in its new growth platforms[9].
- P680 Crushing and Sorting facility completed and, subsequent to the end of the period, P1000 Project construction was completed and is now in ramp up. Both projects were progressed on schedule and budget.
- P850 operating model was implemented with the Ngungaju plant placed into care and maintenance (C&M) to reduce costs and further strengthen the Group's financial position.
- Post period end, the acquisition of Latin Resources was completed[10] with work now underway to increase the asset's value via further exploration and study optimisation activities.
- No injuries or damage from Cyclone Zelia but production disrupted for six days – no change to FY25 guidance range[11].

- Strong balance sheet position with cash of $1.2B and an additional $625M of liquidity available from undrawn loan facilities.

Pilbara Minerals Limited (ASX: PLS) (PLS or the Group) Managing Director and CEO, Dale Henderson, said:

"PLS delivered a strong half year, achieving new production and sales records at our Pilgangoora Operation. These achievements were underpinned by well executed project delivery, with the P680 expansion being completed on time and on budget. In parallel, the P1000 expansion project advanced and achieved first ore on 31 January 2025. This project is now moving through its ramp-up phase.

In line with our track record of prudent balance sheet management we implemented the P850 operating model in H1 FY25 which involved optimising our Pilgangoora Operation to the Pilgan plant together with reduced capital expenditure. A key outcome of this optimisation was placing the higher-cost, lower-capacity Ngungaju plant into temporary care and maintenance in December 2024. Ngungaju can be restarted within approximately four months, reinforcing the Group's resilience and ability to adapt to market cycles.

As previously announced, the second half of FY25 will see the ramp-up of the P1000 project. As such production volumes for the second half of FY25 are expected to be weighted towards the June Quarter and unit costs will be temporarily higher. Once fully ramped up in FY26 the P1000 expansion project is expected to drive higher volumes and lower unit costs through achieving higher lithium recoveries and leveraging scale efficiencies. This sets the business up to capitalise on future pricing increases whilst also being able to navigate lower price cycles today.

This period marked a significant strategic milestone with our first international acquisition – Latin Resources – which brings the Colina Project in Brazil into the fold. We have now completed the acquisition and are making targeted investments to further optimise the Colina Project through exploration and studies. This counter-cyclic investment is expected to add meaningful value for our shareholders over time.

Following a year of robust demand growth in 2024 with global investment in low-carbon energy transition worldwide exceeding US$2T[12], we remain highly optimistic about the long-term outlook for the lithium market. With a robust balance sheet supported by $1.2 billion in cash as at December 2024 and enhanced funding flexibility via our new revolving credit facility, PLS is well positioned for the future. Our strategy of measured, market-aligned investment – underpinned by our strong Pilgangoora operations and solid balance sheet – positions us to continue driving sustainable growth and deliver long-term shareholder value."

Latin Resources outlook

With the completion of the Latin Resources acquisition on 4 February 2025, PLS has commenced a review to evaluate opportunities to further optimise the Colina Project. In parallel, PLS plans to undertake an exploration program at the Colina Project with the objective of expanding the resource base, testing new prospects and infilling the existing mineral resource.

In response to current market conditions, planned investment into the Colina Project reflects a moderated spend profile focused on holding costs, permitting activities, project studies and exploration. This is intended to increase value for shareholders via a targeted expansion of the resource along with future development optionality when market conditions and customer requirements support.

These activities, and the cost of the acquisition, will be recognised in H2 FY25 with a current estimate of approximately $45M - $50M of total cash cost. This includes approximately $15M of one-off transaction related costs and a current estimate of approximately $30M - $35M for operational spend, of which circa $20M - $25M relates to exploration, contracted land purchases, licensing and study activities with the remainder being overheads and holding costs.

Financial summary

PLS delivered a number of positive financial outcomes in the reporting period with solid underlying EBITDA and positive cash margin from operations supported by cost management. The Group continues to maintain a strong balance sheet position.

Group revenue reduced by 44% to $426M, driven by a 58% decrease in the average estimated realised price, partly offset by a 37% increase in sales volume.

Underlying EBITDA for the Pilgangoora Operation reduced by 83% to $74M primarily reflecting the impact of lower realised prices. Lower prices were partially offset by lower unit operating costs, lower royalty expenses and cost reduction initiatives.

Underlying loss after tax for the Pilgangoora Operation of $7M was 102% below the pcp. This reflected lower pricing and increased depreciation expense with a larger asset base on completion of the P680 Primary Rejection Facility.

EBITDA of $48M and Statutory loss after tax of $69M reflected the performance of the underlying Pilgangoora Operation, as outlined above, and the expenses and losses of the Group's new growth platform investments. These include:

- Mid-Stream Demonstration Plant Project construction costs of $24M[13] recognised in the profit and loss statement under feasibility expense.
- A share of the net loss after tax of $22M for the POSCO - Pilbara Lithium Solution Co Ltd (PPLS JV) (with no cash injection in the period) recognised in share of loss equity accounted investees.
- A non-cash reduction to the carrying value of the Group's call option to increase its stake in the PPLS JV from 18% to 30% of $16M recognised in finance costs.

Cash reduced by $455M in H1 FY25 largely driven by planned capital expenditure. Cash margin from operations was positive at $41M in H1 FY25 and cash margin from operations less mine development costs and sustaining capex was -$61M.

H1 FY25 investing cash flows reflected capital expenditure on property, plant and equipment, and tenement acquisitions, of $436M on a cash basis. On an accruals basis, capital expenditure was $358M and included $163M on the P680 and P1000 expansion projects, $92M on infrastructure and projects, $84M on mine development and $18M on sustaining capital expenditure[14]. There was also $12M of spend on tenement acquisitions from Kairos Minerals Limited and other smaller tenement acquisitions.

The Group's cash and liquidity position remains strong at more than $1.8B. Cash as at 31 December 2024 was $1.2B and undrawn loan facilities were $625M.

Interim dividend

The Board of PLS did not declare an interim dividend payment for H1 FY25 in line with the Group's Capital Management Framework and to preserve balance sheet strength.

Investor webcast and teleconference details

Access the FY25 Interim Results investor, analyst and media webcast today at 6.30am (AWST) / 9.30am (AEDT):

- Retail shareholders and investors – Webcast link
- Analysts, brokers, fund managers and media – Teleconference link

Release authorised by Dale Henderson, PLS' Managing Director and CEO.

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About PLS

PLS is a leading global producer of lithium materials, with a diversified portfolio of assets and strategic partnerships in the rapidly growing battery materials sector. The Group owns 100% of the world's largest, independent hard-rock lithium operation, the Pilgangoora Operation in Australia, and the Colina Lithium Project in Brazil. PLS is also integrated into the lithium value chain through its joint venture with POSCO in South Korea, which manufactures battery-grade lithium hydroxide. With significant scale, high-quality assets, and a strong commitment to advancing the global energy transition, PLS has established enduring partnerships with leading international companies in the sector such as POSCO, Ganfeng, Chengxin, Yahua, and General Lithium.

Important Information

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the Group 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.

Guidance as to production, unit costs and capital expenditure is based on assumptions, budgets and estimates existing at the time of assessment which may change over time impacting the accuracy of those estimates. These estimates are developed in the context of an uncertain operating environment including in respect of inflationary macroeconomic conditions, incomplete engineering and uncertainties surrounding the risks associated with mining and project development including the construction, commissioning and ramp up of P1000 which may delay or impact production and have a flow on effect on sales. Actual results may therefore vary significantly depending on these risks and the timing required to address them. All information is provided as an indicative guide to assist sophisticated investors with modelling of the Company. It should not be relied upon as a predictor of future performance.

Information in this announcement regarding production targets and expansions in nameplate capacity of the Pilgan Plant in respect of the P1000 (and P850 operating model) and P2000 projects are underpinned by the Group'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 Group 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 Group 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 Group confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

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

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Appendix

Physicals summary

Total Ore Mined and Processed	Units	Sep Q FY25	Dec Q FY25	H1 FY25	H1 FY24
Ore mined	wmt	1,388,698	1,191,453	**2,580,151**	3,029,765
Waste material	wmt	8,078,567	5,728,569	**13,807,137**	15,706,969
Total material mined	wmt	9,467,266	6,920,022	**16,387,288**	18,736,733
Average Li_2O grade mined	%	1.5%	1.5%	**1.5%**	1.3%
Ore processed	dmt	1,046,328	915,367	**1,961,695**	1,834,176

Total Production and Shipments	Units	Sep Q FY25	Dec Q FY25	H1 FY25	H1 FY24
Spodumene concentrate produced	dmt	220,120	188,214	**408,334**	320,153
Spodumene concentrate shipped	dmt	214,513	204,125	**418,637**	306,250
Tantalite concentrate produced	lb	33,113	30,938	**64,051**	23,888
Tantalite concentrate shipped	lb	51,270	15,787[15]	**67,057**[15]	19,128
Spodumene concentrate grade produced	%	5.3%	5.2%	**5.2%**	5.2%
Lithia recovery	%	75.3%	72.1%	**73.8%**	66.2%

End notes

[1] Throughout this presentation, amounts may not add due to rounding.
[2] Average realised price for ~5.3% Li_2O grade (SC5.3 CIF China).
[3] Underlying EBITDA is the Pilgangoora Operation EBITDA which excludes the share of profit or loss from equity accounted investments (i.e. POSCO - Pilbara Lithium Solution Co Ltd (PPLS JV)), the Mid-Stream Demonstration Plant Project and one-off transaction costs.
[4] Underlying (loss)/profit after tax excludes the fair value movement of the Group's call option to increase the Group's interest in the PPLS JV from 18% to 30%, the share of profit or loss from equity accounted investments (i.e. PPLS JV), the Mid-Stream Demonstration Plant Project and one-off transaction costs.
[5] EBITDA is a non-IFRS measure and is defined as earnings before interest, tax, depreciation and amortisation. EBITDA also excludes the share of profit or loss from equity accounted investments (i.e. PPLS JV).
[6] A bridge from EBITDA (a non-IFRS metric) to the interim FY25 financial statement is provided in the Appendices of the accompanying document "FY25 Interim Financial Results investor presentation" released to the ASX on 20 February 2025.
[7] Cash margin from operations calculated as receipts from customers less payments for operational costs.
[8] All SC production and sales volumes are dry metric tonnes.
[9] New growth platforms include the PPLS JV and the Mid-Stream Demonstration Plant Project.
[10] For more information see ASX announcement "Latin Resources acquisition completed" released on 4 February 2025.
[11] For more information, refer to ASX release titled "September Quarterly Activities Report" released on 30 October 2024.
[12] Bloomberg NEF's Energy Transition Investment Trends 2025.
[13] Mid-Stream Demonstration Plant construction costs of $24M net of grants recognised under feasibility expense.
[14] The categories of capital investment for H1 FY25 are based on additions of property, plant, equipment, and mine properties per note 3.1 of the financial statements.
[15] Tantalite sales volume includes adjustments relating to the September Quarter and is subject to final adjustment.