ILUKA RESOURCES LIMITED (ASX:ILU)
AUSTRALIAN SECURITIES EXCHANGE NOTICE

QUARTERLY REVIEW TO 31 MARCH 2026

22 April 2026

KEY FEATURES

- Production settings in 2026 reflect
  - the Cataby mine is idled and will not produce heavy mineral concentrate (HMC), with no production of zircon or rutile
  - both synthetic rutile kilns are idled, with their restart subject to market conditions
  - commissioning is ongoing at Balranald, with mining continuing with Rig 1 and commencing with Rig 2. On-specification magnetic and non-magnetic HMC has been produced, which will be processed into finished goods until H2. Operational focus remains on the progressive ramp up of mining rates and the production of HMC to steady-state by mid year.

  Accordingly, finished goods production in H1 is from Jacinth-Ambrosia

- Z/R/SR sales in Q1 2026 were 70kt, including
  - 40kt of zircon sand (premium and standard grade), with a further 9kt of zircon sand sales rolling into Q2 due to logistics constraints
  - no synthetic rutile sales were recorded in Q1; shipments are weighted to the second half of the year in line with take-or-pay delivery schedules

- The Q1 weighted average zircon sand price was in line with Q4 at US$1,491/t

- To date, Iluka has contracted 50kt of zircon sand sales for Q2, incorporating price increases of up to US$120/t, varying by market segment, geography and product quality. Logistics costs are also rising and after allowing for these impacts, Iluka expects weighted average zircon sand prices in Q2 to increase by approximately US$45/t on an FOB basis. In addition, 9kt of sales have rolled into Q2, as noted above, at Q1 pricing

- Total capital expenditure spent at the Eneabba rare earths refinery through 31 March 2026 was $977 million. The installation of mechanical equipment, pipe rack modules, tanks, and buildings has further progressed. Engineering is 99% complete and the remaining contracts for structural, mechanical, piping, electrical and instrumentation (SMPEI) are pending imminent award

- As at 31 March 2026, net debt was:
  - $417 million net debt for the mineral sands business
  - $693 million non-recourse net debt for the rare earths business

PHYSICAL AND FINANCIAL SUMMARY	Q1 25	Q4 25	Q1 26	Q1 26 vs Q4 25	Q1 26 vs Q1 25
PRODUCTION kt				%	%
Zircon sand	34.9	47.8	10.5	(78.0)	(69.9)
ZIC[1]	18.2	38.4	22.0	(42.7)	20.9
Rutile[2]	22.2	29.9	15.1	(49.5)	(32.0)
Synthetic rutile	55.4	38.8	-	n/a	n/a
TOTAL Z/R/SR	**130.7**	**154.9**	**47.6**	**(69.3)**	**(63.6)**
Ilmenite	96.3	62.6	27.4	(56.2)	(71.5)
SALES kt					
Zircon sand	47.9	29.7	40.3	35.7	(15.9)
ZIC[1]	19.4	36.2	14.1	(61.0)	(27.3)
Rutile[2]	15.2	39.7	15.8	(60.2)	3.9
Synthetic rutile	33.8	55.9	-	n/a	n/a
Z/R/SR sales	**116.2**	**161.4**	**70.2**	**(56.5)**	**(39.6)**
Ilmenite	10.1	0.3	30.6	n/a	203.0
REVENUE $ million					
Z/R/SR revenue	242	260	116	(55.4)	(52.1)
Ilmenite and other revenue	18	17	31	89.1	70.5
Mineral sands revenue	**260**	**276**	**147**	**(46.8)**	**(43.5)**
AUD:USD cents	63	66	69	5.3	10.5

[1] Production of ZIC is recognised on sale. ZIC sales include small amounts of lower grade zircon products processed by third parties.

[2] Rutile sales and production volumes include the lower value titanium dioxide product, HyTi, that typically has a titanium dioxide content of 70-90%. This product sells at a lower price than rutile, which typically has a titanium dioxide content of 95%.

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PRODUCTION COMMENTARY

The Jacinth-Ambrosia mine in South Australia produced 60kt of heavy mineral concentrate (HMC), lower than the 104kt produced in Q4, with lower ore volumes treated and lower ore grade, in-line with the planned mining sequence.

The HMC processed in Q1 was lower quality material from Jacinth-Ambrosia, presenting an opportunity to alter the Narngulu mineral separation plant (MSP) configuration to maximise the production of zircon-in-concentrate (ZIC). Total HMC processed in Q1 was 88kt. The Narngulu MSP processed 63kt of HMC, predominately Jacinth-Ambrosia material, producing a total of 11kt of zircon sand, 22kt of ZIC and 15kt of rutile (including HyTi). The MSP configuration has now reverted back to producing zircon sand in Q2, with production volumes from Jacinth-Ambrosia in Q2 expected to be 20-30kt.

As expected, no synthetic rutile was produced with both synthetic rutile kilns currently idled and their restart pending market conditions.

Iluka is actively monitoring the diesel supply situation in Australia. FY26 cash cost of production guidance was based on estimated usage of ~30m litres of diesel, with an estimated annual cost of ~$30m, equating to ~7% of total cash costs of production. The total impact to cash costs of production in 2026 will be subject to the duration and extent of the energy supply chain disruptions and the resultant impacts to diesel prices.

EXPLORATION

Expenditure on exploration and evaluation activities in Q1 was $2.3 million.

In Australia, activities targeted resource delineation drilling as part of life of mine planning at the Cataby deposit in Western Australia. Air core drilling was completed to improve geological confidence, with a total of 97 holes for 3,390 metres drilled.

In the US, exploration was focused on planning for field programmes at the North Fork project area in Idaho.

MARKET CONDITIONS

Macro

Macroeconomic uncertainty continued in Q1, exacerbated by the conflict in the Middle East and the resultant disruptions to energy supply and cost. This has reinforced cautious business sentiment across Iluka's end markets.

Customer purchasing activity has been influenced by the uncertainty and remained measured.

Zircon

Zircon sand sales volumes in Q1 were 40kt, with ZIC sales of 14kt. A further 9kt of zircon sand sales rolled into Q2 due to logistics constraints, and have not been recognised in Q1 sales. The weighted average zircon sand price (premium and standard, FOB) was US$1,491 per tonne, in line with the prior quarter. Minor price variances between quarters are the impact of sales mix between premium and standard grade, customer segment and geography.

As expected, China demand was influenced by reduced activity over the Chinese New Year. Demand in Europe was steady. India started the year strongly, however the conflict in the Middle East reintroduced uncertainty through logistics disruptions and energy supply and price shocks, with Morbi tile production in India temporarily halted due to LNG shortages.

To date, Iluka has contracted 50kt of zircon sand sales for Q2, incorporating price increases of up to US$120/t, varying by market segment, geography and product quality. Logistics costs are also rising and after allowing for these impacts, Iluka expects weighted average zircon sand prices in Q2 to increase by approximately US$45/t on an FOB basis. In addition, 9kt of sales have rolled into Q2, as noted above, at Q1 pricing.

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Titanium dioxide feedstocks

Synthetic rutile sales are weighted to the second half of the year in line with take-or-pay contract delivery schedules, with no synthetic rutile sales recorded in Q1. No spot sales have been contracted to date.

In pigment markets, constraints on sulphur supply into China are impacting sulphate process pigment producers. These supply and cost pressures are leading sulphate pigment producers to increase pigment pricing or curtail production, which in the medium term may support improved demand conditions for Western chloride pigment producers and an increase in their associated feedstock requirements (of which Iluka is a key supplier).

Rare earths

Magnet rare earth oxides are essential for electrification. The recent conflict in the Middle East has served to accelerate electrification efforts and reduce exposure to some traditional fuels given supply constraints and heightened price volatility.

In addition, the conflict has further highlighted the interconnectivity of global supply chains, sharpening the focus of governments and industry on supply chain independence and the need to diversify strategically.

Upon commissioning in 2027, Iluka's Eneabba refinery will be one of the few rare earths refineries operating outside of China; a multi-decade infrastructure asset capable of processing a diverse range of feedstocks, from Australian and international projects, and producing both light and heavy separated rare earth oxides.

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PROJECT UPDATES

Updates on selected projects for the quarter are detailed below.

Execute



Eneabba, Western Australia

Iluka is building Australia's first fully integrated refinery for the production of separated rare earth oxides at Eneabba, Western Australia.[3]

This is taking place via a strategic partnership between Iluka and the Australian Government, with a non-recourse loan to Iluka under the Critical Minerals Facility administered by Export Finance Australia.

Concrete installation is nearing completion. Installation of mechanical equipment, pipe rack modules, tanks, and buildings has further progressed. Major equipment deliveries to site continue on schedule. No damage to the site was caused by Cyclone Narelle.

Engineering is ~99% complete and the remaining contracts for structural, mechanical, piping, electrical and instrumentation (SMPEI) are pending imminent award.

Total capital expenditure spent at the Eneabba rare earths refinery through 31 March 2026 was $977 million.



Balranald, New South Wales

Balranald is a rutile-rich critical minerals development located in the Riverina district of south western New South Wales. Owing to its relative depth, Iluka has developed Balranald via a novel, internally developed, remotely operated underground mining technology.

A final investment decision was approved in February 2023.

During Q1, mining continued with Rig 1 and commenced with Rig 2. Commissioning of the wet concentrator advanced to separate and produce on-specification magnetic and non-magnetic HMC. 3kt of HMC has been trucked from site and delivered to the rail transfer facility for transfer to the Port of Melbourne for shipping to enable further commissioning of the logistics network.

Operational focus remains on the progressive ramp up of mining rates and the production of HMC to steady-state by mid-2026.

Definitive Feasibility Study (DFS)



Wimmera, Victoria

The Wimmera development involves the mining and beneficiation of a fine grained heavy mineral sands ore body in Western Victoria for the potential long term supply of rare earths and zircon.

A preliminary feasibility study (PFS) was completed in early 2023 and Iluka's Board approved $30 million funding for a DFS in February 2023. This was accompanied by the declaration of an Ore Reserve for the WIM 100 deposit in respect of the rare earths (zircon revenue is not yet accounted for in Wimmera's Ore Reserve.)

The DFS study, including engineering, continues to progress. Market sounding for the suite of zircon products is complete. The technical and environmental studies that support the Environmental Effects Statement (EES) are approaching completion.

For more detail on these and other projects, refer to: iluka.com/operations-resource-development/resource-development

[3] For further information refer Iluka ASX releases, *Eneabba Rare Earths Refinery Funding Update*, 6 December 2024 and *Eneabba Rare Earths Refinery – Final Investment Decision*, 3 April 2022.

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

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Disclaimer:

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By accessing this document you acknowledge that you have read and understood the following statement.

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Forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that could cause the actual results or achievements of Iluka to differ materially from expectations. These risks and uncertainties include changes in exchange rate assumptions; changes in labour or product pricing assumptions; major changes in mine plans and/or resources; changes in equipment life or capability; changes in regulation and policy; emergence of previously underestimated technical challenges; increased costs and demand for production inputs; physical events that materially impact project timelines or production schedules; and environmental or social factors which may affect a licence to operate, including political risk.

Iluka does not undertake to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this document, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

All figures are expressed in Australian dollars unless stated otherwise.

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APPENDIX 1 – MINING PHYSICAL DATA

Physicals Data 3 months to 31 March 2026	Jacinth-Ambrosia	Cataby
Mining		
Overburden Moved kbcm	899	-
Ore Mined kt	2,423	-
Ore Fed/Treated kt	2,423	-
Ore Treated Grade HM %	2.8%	-
VHM Treated Grade %	2.6%	-

Explanatory comments on terminology

Overburden moved (bank cubic metres) refers to material moved to enable mining of an ore body.
Ore mined (thousands of tonnes) refers to material moved containing heavy mineral ore. For Cataby/ South West this refers to ore treated.
Ore Fed/Treated (thousands of tonnes) refers material processed through the mining units for Cataby/ South West.
Ore Treated Grade HM % refers to percentage of heavy mineral (HM).
VHM Treated Grade % refers to percentage of valuable heavy mineral (VHM) - titanium dioxide (rutile and ilmenite), and zircon found in a deposit.

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APPENDIX 2 – WEIGHTED AVERAGE RECEIVED PRICES

The following table provides weighted average received prices for Iluka's main products. Iluka's Annual Report, available at www.iluka.com contains further historical mineral sands price information.

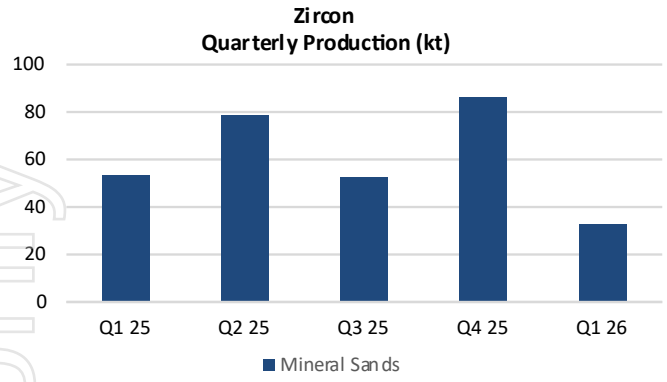
	FY 25	Q4 25	Q1 26
US$/tonne FOB			
Zircon premium and standard	**1,643**	1,502	**1,491**
Zircon (all products, including zircon in concentrate)[1]	**1,422**	1,230	**1,357**
Rutile (excluding HyTi)[2,3]	**1,216**	1,110	**1,252**
Synthetic rutile	**1,112**	1,073	-

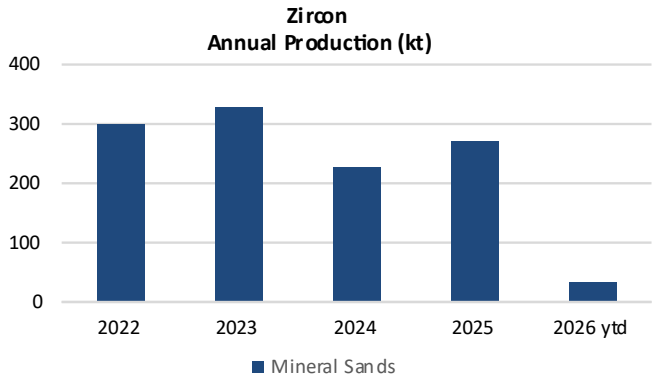
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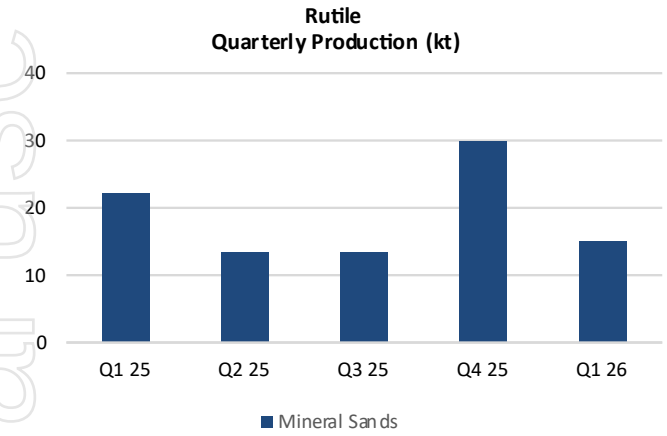
1. Zircon prices reflect the weighted average price for zircon premium, zircon standard and zircon-in-concentrate. The prices for each product vary considerably, as does the mix of such products sold period to period.
2. Rutile prices will vary quarter-on-quarter depending on the end market to which the product is supplied (e.g. pigment or welding). Post the demerger of Sierra Rutile Limited in H2 2022, rutile sales are a smaller contributor to Iluka's revenue.
3. HyTi is a lower value titanium dioxide product that typically has a titanium dioxide content of 70 to 90%. This product sells at a lower price than rutile, which typically has a titanium dioxide content of 95%.

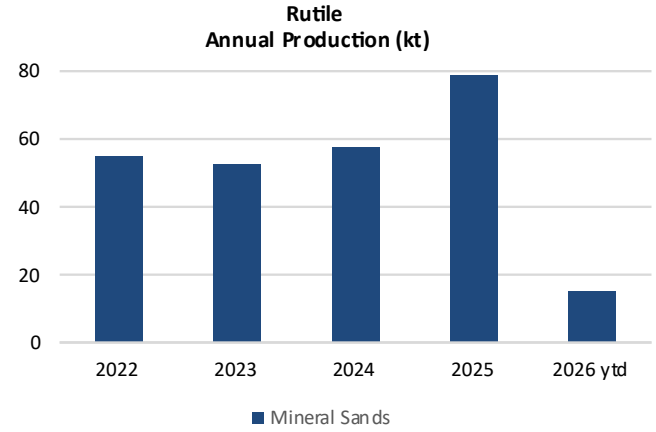
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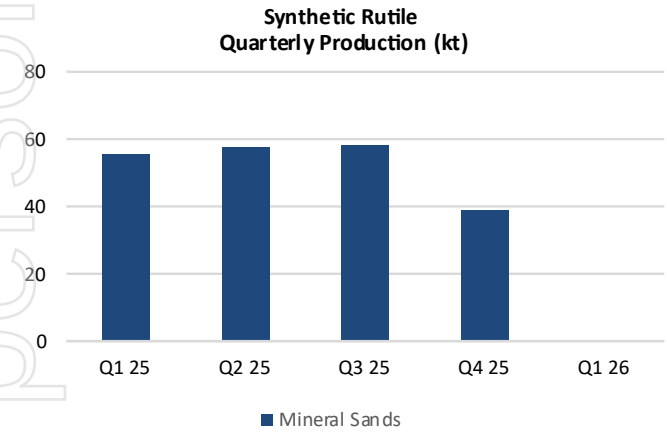
APPENDIX 3 – PRODUCTION SUMMARIES

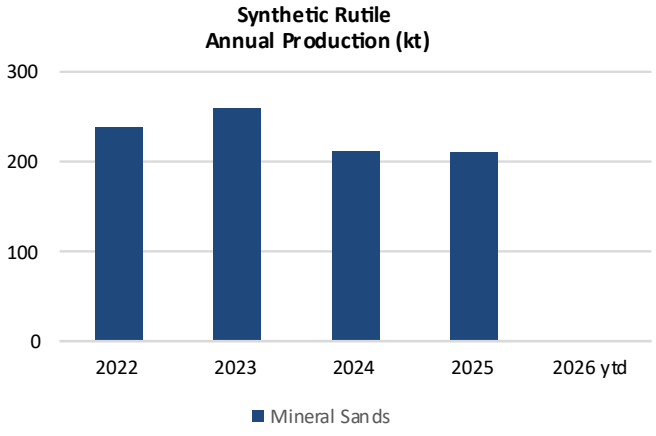


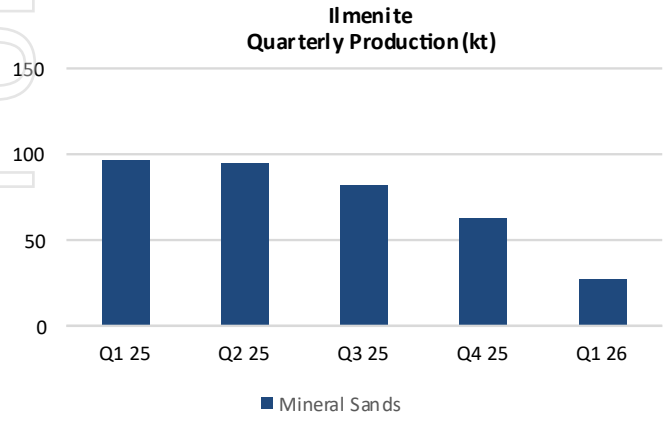


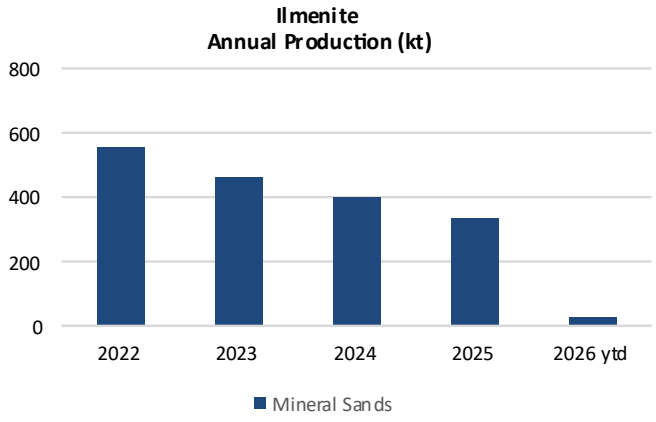












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