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

QUARTERLY REVIEW TO 30 SEPTEMBER 2026

28 October 2026

KEY FEATURES

- Zircon/rutile/synthetic rutile (Z/R/SR) production in Q3 2026 was 76kt, with the Narngulu mineral separation plant predominantly processing Jacinth-Ambrosia concentrate. Iluka's synthetic rutile kilns remain idle

- Sales of Z/R/SR in Q3 2026 were 115kt
  - 77kt of zircon, including 47kt of zircon sand and 30kt of zircon-in-concentrate (ZIC). A small volume of zircon sand sales contracted for Q3 will be shipped in Q4, owing to shipping delays
  - 16kt of synthetic rutile – year to date sales are 52kt, with the balance of the 110kt full year contracted volumes to be realised in Q4

- Q3 2026 weighted average realised zircon sand price was US$1,685/t, in line with guidance provided in Q2
  - this reported price includes some volumes contracted and priced in Q2 but shipped in Q3
  - the average realised price for volumes contracted in Q3 was US$1,768/t, a price increase of US$222/t on contracted Q2 sales

- Iluka expects to report zircon sand sales of ~35kt in Q4, with ~30kt contracted and the remaining volumes from Q3 contracts delayed due to shipping
  - Q4 zircon sand contracts incorporate an average price increase of US$80/t. Iluka expects the reported zircon sand price in Q4 to be US$1,825/t, including volumes contracted and priced in Q3 but shipped in Q4
  - Iluka also expects to report ~30kt of ZIC sales in Q4

- The ramp up of operations at Balranald is progressing, with the improvement of ore extraction rates and recoveries a focus during Q3. Enhancements on one mining rig were completed in October, after which this unit has achieved targeted extraction rates consistently. These enhancements will be applied to the second mining rig in November. Q4 ramp up activities will focus on improving the consistency of grade recovered

- Total capital expenditure accrued for the Eneabba rare earths refinery at 30 September 2026 was $1,237 million. The capital estimate for the project remains $1.7-1.8 billion. Construction is 65% complete

- As at 30 September 2026, Mineral Sands net debt was $249 million, down from $273 million at 30 June

PHYSICAL AND FINANCIAL SUMMARY	Q3 25	Q2 26	Q3 26	Q3 25 YTD	Q3 26 YTD	Q3 26 YTD vs Q3 25 YTD
PRODUCTION kt						**%**
Zircon sand	39.5	25.7	25.6	111.4	61.8	(44.5)
ZIC[1]	12.8	21.7	29.3	72.7	72.9	0.3
Rutile[2]	13.5	10.6	21.2	49.0	47.0	(4.1)
Synthetic rutile	58.0	-	-	171.1	-	n/a
TOTAL Z/R/SR	**123.8**	**58.0**	**76.1**	**404.2**	**181.7**	**(55.0)**
Ilmenite	81.8	26.6	23.5	272.6	77.5	(71.6)
SALES kt						
Zircon sand	30.6	70.0	47.5	127.5	157.8	23.8
ZIC[1]	13.2	39.1	29.6	74.5	82.7	11.0
Rutile[2]	10.6	11.8	22.1	31.1	49.7	59.8
Synthetic rutile	10.0	36.5	16.0	80.3	52.5	(34.6)
Z/R/SR sales	**64.4**	**157.4**	**115.2**	**313.4**	**342.7**	**9.3**
Ilmenite	21.3	24.0	32.9	50.9	87.5	71.9
REVENUE AND CASH COSTS $ million						
Z/R/SR revenue	127	271	201	648	587	(9.5)
Ilmenite and other revenue	15	15	18	51	64	25.2
Mineral sands revenue	**142**	**286**	**219**	**699**	**651**	**(6.9)**
Production cash costs of Z/R/SR				472	238	(49.6)
By-product costs				6	7	13.1
Total cash cost of production				**478**	**245**	**(48.8)**
$ per tonne						
Unit cash production costs Z/R/SR produced				**1,167**	**1,308**	**12.1**
Unit cost of goods sold Z/R/SR sold[3]				**1,271**	**1,311**	**3.2**
Unit revenue Z/R/SR sold	1,969	1,722	1,742	2,069	1,713	(17.2)
AUD:USD cents	66	71	71	64	71	10.1

[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%.

[3] Unit cost of goods sold per tonne of Z/R/SR excludes net realisable value (NRV) adjustments recognised in the year.

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PRODUCTION COMMENTARY

The Jacinth-Ambrosia mine produced 53kt of HMC and the Balranald mine produced 24kt of HMC in Q3.

Total HMC produced in Q3 was 101kt and HMC processed was 91kt. The Narngulu mineral separation plant processed 79kt of HMC from Jacinth-Ambrosia and 6kt from a third party, producing a total of 55kt of zircon (including ZIC) and 21kt of rutile (including HyTi).

The ramp up of operations at Balranald is progressing. As reported previously, commissioning and ramp up activities in Q2 focussed on the preservation of stope voids and internal mining pipe connection seals, with the improvement of ore extraction rates and recoveries a focus for Q3. Enhancements on one mining rig were completed in October, after which this unit has achieved targeted extraction rates consistently. These enhancements will be applied to the second mining rig in November. Q4 ramp up activities will focus on improving the consistency of grade recovered.

In September, the first 30kt of heavy mineral concentrate from Balranald was shipped to Western Australia for processing. This material will be processed in November.

Iluka's Cataby mine remains idle. No synthetic rutile was produced in the quarter with both synthetic rutile kilns remaining idle. Restart is subject to market conditions.

EXPLORATION

Expenditure on exploration and evaluation activities in Q3 2026 was $1.9 million.

In Australia, resource delineation and metallurgical bulk sample collection activities were undertaken at the Typhoon deposit in South Australia in support of feasibility studies, with a total of 126 drill holes across 2,900 metres completed. In the Northern Territory field activities were completed for the season, including soil geochemical sampling, ground gravity surveying, and reconnaissance geological mapping. Multiple HREE-enriched xenotime occurrences were identified across the project area. Integration of geological, geochemical and gravity datasets has defined prospective lithologies and structural settings associated with xenotime mineralisation and will inform further target assessment.

In the US, exploration activities at the North Fork project in Idaho included geological mapping, geochemical sampling and geophysical surveys aimed at refining drill targets and evaluating the rare earth element potential of the project.

OTHER UPDATES

Rare earths - Metallisation

Iluka's Eneabba rare earths refinery will produce separated magnet rare earth oxides (Nd, Pr, Dy and Tb). The next stage of the rare earths value chain after oxides is metallisation. Iluka has been undertaking a feasibility study on building metallisation capability to potentially further the company's product offering to customers. The feasibility study has parallel work streams in relation to both light magnet rare earths (Nd and Pr) and heavy magnet rare earths (Dy and Tb).

During Q3, there were two key developments regarding Iluka's heavy rare earth metallisation work stream:

- Dy and Tb metal were produced on specification; and, as a result
- Iluka has purchased the metallisation equipment required to produce these materials at commercial scale, enabling future production capacity of 200tpa Dy/Tb metal.

The company's light magnet rare earth metallisation workstream is ongoing.

Iluka Quarterly Report

MARKET CONDITIONS

Zircon

Zircon sales in Q3 were 77kt, including ZIC sales of 30kt. The average realised price for zircon sand (premium and standard) contracted in Q3 was US$1,768/t. The Q3 reported zircon sand price of US$1,685/t includes some volumes contracted and priced in Q2 but shipped in Q3.

Market conditions in Q3 remained broadly unchanged, with weak demand in China offset by more resilient conditions in Europe, India and the US. Customers continued to prioritise working capital management and purchased largely on a just-in-time basis. Notwithstanding subdued demand fundamentals, ongoing supply constraints and limited availability of premium zircon supported contracted volumes and prices during the quarter.

Iluka expects to report zircon sand sales of ~35kt in Q4, with ~30kt contracted and the remaining volumes from Q3 contracts due to shipping delays. Q4 contracts incorporate an average price increase of US$80/t FOB. Iluka expects the reported zircon sand price in Q4 to be US$1,825/t FOB, including volumes contracted and priced at Q3 but shipped in Q4.

Titanium dioxide feedstocks

Synthetic rutile sales volumes in Q3 were 16kt at an average realised price of US$1,136/t, in line with take-or-pay contract delivery schedules. Year to date synthetic rutile sales are 52kt. Full year contracted volumes are 110kt. The balance of 58kt will be realised in Q4. Sales of natural rutile in Q3 were 2kt and HyTi sales were 20kt, including 16kt of lower value titanium-in-concentrate (TIC). Iluka's Q3 realised rutile price (excluding HyTi) averaged US$1,246/t, in line with Q2.

Underlying demand conditions for TiO2 pigment remain soft due to a range of factors including ongoing global conflict, high energy and logistics costs, high interest rates and low consumer confidence. Pigment price increases were announced across a number of regions in response to higher input costs, however there has been some softening of domestic pigment pricing in China. Anti-dumping duties are in effect across several key market regions and are being reviewed in Europe and the UK and implemented in India.

Feedstock markets remain highly competitive. Spot prices have reduced, resulting in some participants curtailing production. Over the longer term, the volume of feedstock supply from the industry is unclear, with a number of producers requiring support from lenders to continue operating and the future of some large production assets uncertain.

Weighted average received prices

	FY 25	Q1 26	Q2 26	Q3 26	YTD 26
US$/tonne FOB					
Zircon premium and standard	1,643	1,491	1,527	**1,685**	**1,565**
Zircon (all products, including zircon in concentrate)[4]	1,422	1,357	1,321	**1,465**	**1,376**
Rutile (excluding HyTi)[5]	1,216	1,252	1,256	**1,246**	**1,252**
Synthetic rutile	1,112	-	1,087	**1,136**	**1,103**

[4] 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.

[5] Rutile prices will vary quarter-on-quarter depending on the end market to which the product is supplied (e.g. pigment or welding). 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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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.[6]

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.

Overall project completion reached 65% at the end of Q3.

Concrete installation, major equipment placement and assembly, pipe rack module erection, large tanks, and main SX circuit buildings are complete. All of the mixer-settlers are in place, with much of SX building 1 mixer-settler piping installed. SX building 2 pipework is well progressed through fabrication. The small tanks, ammonia recovery equipment, filters, penultimate structural steel shipment, valves and instruments have been delivered. Structural, mechanical, piping, electrical and instrumentation works are advancing.

Updated drone footage of the Eneabba site as at 22 October, with voiceover, is available at www.iluka.com.

Total capex expenditure to 30 September 2026 is $1,237 million. The capital estimate for the project remains $1.7-1.8 billion.

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 is continuing and scheduled for Board consideration in H1 2027.

Feasibility Study



Typhoon, South Australia

Typhoon is a mineral sands deposit, ~5km from Iluka's existing Jacinth-Ambrosia operation in the Eucla Basin, South Australia.

A feasibility study is being undertaken to relocate the existing mining and processing infrastructure at Ambrosia to develop Typhoon, a low capital intensity option to extend operations for up to two years following the completion of mining at Ambrosia (expected mid 2028).

The project has been determined to be "Not a Controlled Action" under the Commonwealth *Environment Protection and Biodiversity Conservation (EPBC) Act 1999* and therefore does not require further assessment or approval under the Act. Iluka is proceeding with state government approvals, targeting submission of the Mining Lease Application in Q4 2026.

The feasibility study is due for completion in Q1 2027.

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

[6] 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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All figures are expressed in Australian dollars unless stated otherwise.

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APPENDIX 1 – MINING PHYSICAL DATA

Physicals Data 9 months to 30 September 2026	Jacinth-Ambrosia	Cataby	Balranald
Mining			
Overburden Moved kbcm	2,109	-	209
Ore Mined kt	7,133	-	116
Ore Fed/Treated kt	7,519	-	113
Ore Treated Grade HM %	2.6%	0.0%	34.0%
VHM Treated Grade %	2.4%	0.0%	40.8%

Physicals Data 3 months to 30 September 2026	Jacinth-Ambrosia	Cataby	Balranald
Mining			
Overburden Moved kbcm	885	-	58
Ore Mined kt	2,070	-	81
Ore Fed/Treated kt	2,456	-	81
Ore Treated Grade HM %	2.5%	0.0%	34.5%
VHM Treated Grade %	2.3%	0.0%	45.3%

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 3 – PRODUCTION SUMMARIES







