

## Iluka Resources 2025 AGM Report

<b>ASX code</b>	ILU
<b>Meeting date</b>	Friday, 2 May 2025
<b>Type of meeting</b>	Physical with webcast
<b>Monitor</b>	John Campbell assisted by Leanne Harrison
<b>Pre AGM-meeting</b>	With acting chair Andrea Sutton

### Meeting Statistics

<b>Number of holdings represented by ASA</b>	90
<b>Number of shares represented by ASA</b>	403,130
<b>Value of shares represented by ASA</b>	\$1.67m
<b>Total number attending meeting</b>	28 shareholders/proxyholders and 20 guests
<b>Market capitalisation</b>	\$1.77 billion
<b>ASA open proxies voted</b>	ASA voted in favour of all the resolutions

*Monitor Shareholding: the individuals (or their associates) involved in the preparation of this report have no shareholding in this company.*

The acting chair, Andrea Sutton, and the managing director and chief executive, Tom O'Leary, both gave [addresses](#) to the meeting, reflecting upon a transitional year for Iluka. The change included bringing on a new mine at Balranald in NSW by using a world-leading automated underground mining system. Both speeches addressed the financing and construction of the rare earth refinery at Eneabba. They paid tribute to the past leadership of Rob Cole, who retired as chairman through ill health towards the end of 2024, and welcomed the appointment of the new chairman, James Mactier, to commence on 5 May.

Mr O'Leary said the company represented a unique investment proposition. It combines its mature mineral sands business, producing reliable profits and cashflow, with the opportunity to benefit substantially from a worldwide need for magnets. The magnets are made from rare earth (RE) elements, neodymium and praseodymium (NdPr) and terbium, contained in Iluka's stockpile of monazite, accumulated over the past 40 years of beach-sand mining.

After the meeting, Mr O'Leary revealed that refining RE involved three stages. Iluka's refinery produces oxides, which are converted to metals, and then finally to magnets. The Export Guarantee Australia finance arrangements require Iluka to have offtake agreements in place to process these oxides, which at present only occurs at Chinese refineries to a significant extent.

There was a significant vote against the re-election of Ms Susie Corlett as a director. This presumably reflected proxy advisers' concerns about her role as a director of Mineral Resources during a period when director misdeeds went undisclosed and improper practices occurred. Without knowing the extent of the information withheld from non-executive directors, and given her recent resignation from MinRes, we supported her re-election, which passed with a 69% majority.

The election of Peter Smith as a director received 90% support and the remuneration report had 88% support. At the meeting, we said the board had allowed overly soft financial targets for short-term

incentives. Mr O’Leary said the reason targets were exceeded was that management had taken unexpected opportunities for maximising results.

We asked about sources of funds to supply the annual commitment of \$100m to the RE project over the next three years. This is to be from the cashflow, combined with borrowings if needed, and that neither resorting to the shareholders nor the sale of the Deterra shareholding was planned. Iluka is expected to meet Safeguard Mechanism emission reductions by purchasing carbon credits because affordable technology to replace coal as a reductant in ilmenite refining was “decades away”.

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