Allens Arthur Robinson

Date	1 July 2008
Page	1 of 8
From	Allens Arthur Robinson
To	**Company Announcements Office**, Australian Stock Exchange Limited
Fax	1300 135 638

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Dear Sirs

Notice of Change of Interests of Substantial Holder: Iluka Resources Limited (ASX:ILU)

In accordance with section 671B of the *Corporations Act 2001* (Cth), we attach a 'Notice of change of interests of substantial holder' (Form 604) in respect of Iluka Resources Limited on behalf of the Ospraie entities referred to in the notice.

Yours sincerely

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Attach

Our Ref BZOM:RDSM:305326349

stgm A0110646211v1 305326349 1.7.2008

Sydney
Melbourne
Brisbane
Perth
Port Moresby
Singapore
Hong Kong
Jakarta
Shanghai
Bangkok
Phnom Penh

Form 604

Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Iluka Resources Limited

ACN/ARSN 008 675 018

1. Details of substantial holder (1)

Name Ospraie Management, LLC (and the Ospraie entities referred to in paragraph 4 below) (*Ospraie*)

ACN/ARSN (if applicable)

There was a change in the interests of the substantial holder on 26/06/08

The previous notice was given to the company on 14/11/07

The previous notice was dated 13/11/07

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Fully paid ordinary	29,115,270	*12.02%	41,218,161	**10.83%

* based on shares outstanding of 242,238,171
** based on shares outstanding of 380,701,360

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of Change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
	In each case, Ospraie	Disposition of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd			
14/11/07			4.38	1,176,121	1,176,121
15/11/07			4.54	198,879	198,879
19/11/07			4.62	126,317	126,317
21/11/07		Acquisition of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd	4.35	13,000	13,000

26/11/07			4.20	392,123	392,123
28/11/07			4.18	207,337	207,337
30/11/07			4.25	133,000	133,000
07/12/07		Disposition of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd	4.45	98,747	98,747
11/12/07			4.49	165,398	165,398
12/12/07			4.58	247,000	247,000
17/12/07		Acquisition of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd	4.35	20,164	20,164
18/12/07			4.32	229,836	229,836
24/12/07		Disposition of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd	4.55	15,152	15,152
27/12/07			4.55	39,995	39,995
31/12/07		Acquisition of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd	4.56	1,154	1,154
02/01/08		Disposition of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd	4.60	24,965	24,965
03/01/08			4.60	2,479	2,479
10/01/08			4.63	222,556	222,556
31/01/08		Acquisition of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd	4.42	85,000	85,000
01/02/08		Disposition of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd	4.60	134,848	134,848
04/02/08			4.65	33,438	33,438
06/02/08		Acquisition of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd	4.40	43,086	43,086
07/02/08			4.36	16,048	16,048
08/02/08			4.35	3,097	3,097
11/02/08			4.33	81,795	81,795

12/02/08			4.30	29,080	29,080
14/02/08		Disposition of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd	4.55	65,000	65,000
18/02/08		Acquisition of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd	4.30	65,000	65,000
18/03/08			2.55	15,833,873	15,833,874
25/03/08		Disposition of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd	4.16	200,000	200,000
26/03/08			4.24	200,000	200,000
27/03/08			4.46	200,000	200,000
28/03/08			4.36	100,000	100,000
01/04/08			4.48	100,000	100,000
02/04/08			4.46	173,061	173,061
03/04/08			4.40	200,000	200,000
04/04/08			4.32	100,000	100,000
07/04/08			4.30	100,000	100,000
08/04/08			4.30	26,939	26,939
10/04/08		Acquisition of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd	4.00	103,336	103,339
11/04/08			3.99	102,001	102,001
14/04/08			3.92	194,661	194,661
24/04/08			3.85	16,595	16,595
02/05/08			3.82	183,405	183,405
28/05/08			3.86	100,000	100,000
29/05/08			3.75	77,458	77,458
30/05/08			3.68	206,793	206,793
03/06/08			3.65	15,749	15,749
10/06/08			3.59	117,292	117,292
11/06/08			3.47	382,708	382,708

12/06/08			3.30	300,000	300,000
17/06/08		Disposition of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd	3.13	400,000	400,000
18/06/08			3.45	300,000	300,000
19/06/08			3.60	300,000	300,000
20/06/08			3.82	1,100,000	1,100,000
25/06/08			4.13	200,000	200,000
26/06/08			4.58	1,400,000	1,400,000

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
The Ospraie Portfolio Ltd. and its major shareholders The Ospraie Fund, L.P. and The Ospraie Intermediate Fund, Ltd.	Westpac Custodian Nominees Limited	The Ospraie Portfolio Ltd.	The Ospraie Portfolio Ltd. is the beneficial owner. The major shareholders named each hold more than 20% of the shares in The Ospraie Portfolio Ltd. and, as a result, each have a relevant interest by operation of section 608(3) of the Corporations Act.	31,400,200 fully paid ordinary shares	31,400,200
Ospraie Select Long Equity Portfolio L.P. and its major shareholder Ospraie Select Long Equity L.P.	Westpac Custodian Nominees Limited	Ospraie Select Long Equity Portfolio L.P.	Ospraie Select Long Equity Portfolio L.P. is the beneficial owner. The major shareholder named holds more than 20% of the shares in Ospraie Select Long Equity Portfolio L.P. and, as a result, has a relevant interest by operation of section 608(3) of the Corporations Act.	4,957,103 fully paid ordinary shares	4,957,103
Ospraie Special Opportunities Master Holdings Ltd and its major shareholders (Ospraie Special Opportunities L.P. and Ospraie Special Opportunities (Offshore) Master L.P.)	Westpac Custodian Nominees Limited	Ospraie Special Opportunities Master Holdings Ltd	Ospraie Special Opportunities Master Holdings Ltd is the beneficial owner. The major shareholders named each hold more than 20% of the shares in Ospraie Special Opportunities Master Holdings Ltd and, as a result, each have a relevant interest by operation of section 608(3) of the Corporations Act.	4,860,848 fully paid ordinary shares	4,860,848
Ospraie Management, LLC	Westpac Custodian Nominees Limited	The Ospraie Portfolio Ltd., Ospraie Select Long Equity Portfolio L.P. and Ospraie Special Opportunities Master Holdings Ltd	Ospraie Management, LLC is the investment manager for The Ospraie Portfolio Ltd. and Ospraie Select Long Equity Portfolio L.P. and, as such, has the power to control voting and/or the disposal of the shares held by them. In addition, by operation of section 608(3) of the Corporations Act, Ospraie Management, LLC has a relevant interest in the shares in which Ospraie Advisors LP has a relevant interest.	41,218,151 fully paid ordinary shares. This is the aggregate of the shares listed above.	41,218,151 This is the aggregate of the votes listed above.

Ospraie Advisors L.P. (and its general partner, Ospraie Advisors, LLC)	Westpac Custodian Nominees Limited	Ospraie Special Opportunities Master Holdings Ltd	Ospraie Advisors L.P. is the investment manager for Ospraie Special Opportunities Master Holdings Ltd and as such, has the power to control voting and/or the disposal of the shares held by them.	4,880,848 fully paid ordinary shares. This is the aggregate of the shares listed above for Ospraie Special Opportunities Master Holdings Ltd	4,880,848 This is the aggregate of the votes listed for Ospraie Special Opportunities Master Holdings Ltd

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Not applicable	Not applicable

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Ospraie	c/o Ospraie Management, LLC 320 Park Avenue 27th Floor New York, NY 10022 United States of America

Signature

print name Michael Wasserman capacity Chief Compliance Officer

sign here date 27/06/2008

DIRECTIONS

(1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.

(2) See the definition of "associate" in section 9 of the Corporations Act 2001.

(3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.

(4) The voting shares of a company constitute one class unless divided into separate classes.

(5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.

(6) Include details of:

(a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and

(b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

(7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

(8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".

(9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

GUIDE

This guide does not form part of the prescribed form and is included by ASIC to assist you in completing and lodging form 604.

Signature

This form must be signed by either a director or a secretary of the substantial holder.

Lodging period

Nil

Lodging Fee

Nil

Other forms to be completed

Nil

Additional information

(a) If additional space is required to complete a question, the information may be included on a separate piece of paper annexed to the form.

(b) This notice must be given to a listed company, or the responsible entity for a listed managed investment scheme. A copy of this notice must also be given to each relevant securities exchange.

(c) The person must give a copy of this notice:

(i) within 2 business days after they become aware of the information; or

(ii) by 9.30 am on the next trading day of the relevant securities exchange after they become aware of the information if:

(A) a takeover bid is made for voting shares in the company or voting interests in the scheme; and

(B) the person becomes aware of the information during the bid period.

Annexures

To make any annexure conform to the regulations, you must

1 use A4 size paper of white or light pastel colour with a margin of at least 10mm on all sides
2 show the corporation name and A.C.N or ARBN
3 number the pages consecutively
4 print or type in BLOCK letters in dark blue or black ink so that the document is clearly legible when photocopied
5 identify the annexure with a mark such as A, B, C, etc
6 endorse the annexure with the words:
This is annexure (mark) of (number) pages referred to in form (form number and title)
7 sign and date the annexure.

The annexure must be signed by the same person(s) who signed the form.