

**ILUKA**

Australian Securities Exchange Notice

24 May 2017

ILUKA ZIRCON REFERENCE PRICE INCREASE

Iluka Resources Limited (Iluka) advises that it has announced an increase in its Zircon Reference Price of US\$130 per tonne to US\$1,100 effective from 1 July 2017.

Given the materiality of the price increase, Iluka considers it appropriate to inform the market. In the ordinary course, pricing commentary will be restricted to its half and full year financial statements. Iluka also emphasises that it does not provide price forecasts.

The Reference Price¹ is the benchmark against which a range of Iluka zircon products are priced. Iluka's weighted average received price can and does vary from this, reflecting specific customer arrangements, market channels, geographies and product mix.

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¹ Iluka's Zircon Reference Price is based on a 2 tonne bag of Zircon Premium, DAT, ex-China warehouse.