

ORE RESERVES AND MINERAL RESOURCES

The following provides a summary of Iluka's ore reserves and mineral resource position as at 31 December, 2009. Iluka's complete mineral resources and ore reserves statement, reported in accordance with the JORC Code 2004, is available in the 2009 Annual Report and on the website www.iluka.com.

ORE RESERVES

Group Total Ore Reserves

In Situ Heavy Mineral	Tonnes (millions)*
Opening Ore Reserves 2009	33.15
Production/depletions	(2.37)
New Ore Reserves added/adjustments	(2.69)
Closing Ore Reserves	28.09
Ore Reserves Net Change	(5.07)
Ore Reserves Cover (years)	
Ore Reserves/depletion level (2.7Mt HM pa)	10

* Rounding may generate differences in last decimal place.

Ore reserves decreased by 5.07 million tonnes of Heavy Mineral ("Mt HM") associated with mining depletion and adjustments. The 2009 ore reserves cover also reflects lower annual depletions associated with the curtailment of supply.

The main factors contributing to the change in inventory in Iluka's ore reserves during 2009 included:

- a reduction in ore reserves by 3.2Mt HM as a result of Iluka's sale of its 51.04 per cent interest in Consolidated Rutile Limited to Unimin Australia Limited in May 2009;
- a decrease in ore reserves due to the commencement of operations at Jacinth-Ambrosia and Murray Basin Stage 2, as well as commissioning of the Brink operation in Virginia; and
- a net reduction in ore reserves by 0.73Mt HM in the Perth Basin as a result of mining depletion offset partially by positive adjustments.

MINERAL RESOURCES

Group Total Mineral Resources

In Situ Heavy Mineral	Tonnes (millions)*
Opening Mineral Resources 2009	141.08
Additions – exploration/development	(1.46)
Mining depletions	(2.37)
Written off (completion of mining)	(2.94)
Written off due to Modifying Factors	(16.44)
Sales of Resources or Joint Venture	(7.07)
Closing Mineral Resources	110.79
Mineral Resources Net Change	(30.29)

* Rounding may generate differences in last decimal place.

Mineral resources were reduced by 30.29Mt HM in 2009 as a result of:

- mining depletion and adjustments, including the removal CRL's mineral resources (5.3Mt HM) from the Iluka inventory as a result of the sale of Iluka's interest; and
- the decision to remove certain lower value ore bodies in Western Australia and the Murray Basin (19.1Mt HM) from current mine plans.