

**ILUKA**

Australian Securities Exchange Notice

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17 October 2014

ASX DISCLOSURE - KENMARE RESOURCES PLC (KENMARE)

On 26 and 30 June 2014, Iluka Resources Limited (Iluka) confirmed that it had made a non-binding and conditional share-based proposal to Kenmare for a potential combination of the two companies.

Iluka notes the announcement by Kenmare on 17 October 2014, and in response, confirms that it is engaged in discussions with Kenmare.

There is no certainty that any transaction will be progressed or, in particular, that an offer will be made, or as to the terms on which an offer may be made if forthcoming.

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The directors of Iluka accept responsibility for the information contained in this announcement. To the best of their knowledge and belief (having taken all reasonable care to ensure such is the case), the information contained in this announcement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This announcement does not constitute an announcement of a firm intention to make an offer under Rule 2.5 of the Irish Takeover Panel Act, 1997, Takeover Rules 2013 (Irish Takeover Rules). Any holder of 1% or more of any class of relevant securities of Kenmare or of Iluka may have disclosure obligations under Rule 8.3 of the Irish Takeover Rules from the date of this announcement.

A copy of this announcement will be available on the Iluka website at www.iluka.com.