

Chair's Address: 2022 Annual General Meeting

Good afternoon,

Thank you to Robyn Collard, Whadjuk Yorga and a Traditional Owner of the land on which we are meeting today for the Welcome to Country. I too would like to acknowledge the Traditional Custodians of the land on which we stand, the Whadjuk-Nyoongar People, and pay my respects to their Elders past, present and emerging. I would also like to pay my respects to the Nyamal People and the Kariyarra People, the Traditional Owners of the Pilbara region in which the Pilgangoora Project is located, with whom we enjoy a strong and enduring partnership.

The past year has been a remarkable period for Pilbara Minerals Limited (**Pilbara Minerals or the Company - ASX: PLS**), characterised by growing demand and pricing for lithium raw materials, and strong production at the Pilgangoora operation in Western Australia.

This combination of factors, saw the Company post a significant increase in revenue to \$1.2 billion, underpinning a maiden net profit after tax of \$561.8 million for the 12 months to 30 June 2022.

Shipments of spodumene concentrate increased by 28 per cent year-on-year, supported by strong performance from the Pilgan Plant and the successful commissioning and ramp-up of the Ngungaju Plant.

I recall at our 2020 AGM urging shareholders to keep the faith, when the lithium industry was experiencing a very difficult period - with the promise that better times lay ahead.

It is gratifying to see that those who stayed the course and heeded that advice have been rewarded, with the Company's market capitalisation surging to over \$15 billion at a share price of over \$5.

It has also been pleasing to see Pilbara Minerals' strong performance continue in the 2023 Financial Year, with production and sales in the September Quarter generating a \$783 million increase in the Company's cash position to \$1.375 billion at quarter-end.

The lithium demand is being driven by the growing use of lithium-ion batteries in clean energy technologies, in particular electrical vehicles. A trend that is continuing to gather pace, supported by strong investment and decarbonisation targets set by governments across the world.

Pilbara Minerals is exceptionally well placed to capitalise on this thematic, with key investments made over the past 12 months aligned to production growth and diversification such as the Company's downstream participation with POSCO and the demonstration plant being developed in joint venture with Calix to produce a mid-stream product.

The P680 Expansion Project is well underway, which is expected to increase annual production at the Pilgan Plant by 100,000 dry metric tonnes (dmt) to deliver total production capacity of between 640 and 680,000 dmt per annum across the combined Pilgangoora Project.

The Company is also working towards making a Final Investment Decision on the P1000 Project, which, if approved, will increase production capacity to up to 1Mtpa.

All the while, continuing to make progress to diversify the business and revenue stream by moving up the value curve of the battery metals supply chain.

During the year, the Company formalised its joint venture with long-standing partner, POSCO, and construction commenced of the 43,000 tonne per annum lithium hydroxide chemical facility in South Korea. Study work with project partners Calix continued, with Pilbara Minerals and Calix well advanced and expecting to formally enter a joint venture to progress this exciting project. A final investment decision for the development of a demonstration-scale lithium salt facility at the Pilgangoora Project using Calix's calcination technology is expected in the January Quarter of 2023.

Both these projects provide the opportunity for Pilbara Minerals to produce or participate in value-added lithium materials thereby diversifying Pilbara Minerals' product offering and enabling further participation in the supply chain.

The positive cash-generation puts Pilbara Minerals in a strong position and provides optionality in terms of growth and diversification, capital management and importantly, shareholder returns.

It was pleasing this week to present Pilbara Minerals' Capital Management Framework and Dividend Policy to the market. Applying a prudent approach to capital management, operating cash flow will first be utilised to sustain safe and reliable operations, invest in sustainability commitments, and, subject always to prevailing market conditions, pay a sustainable dividend. In the near term and in line with the Company's strategy of growth and diversification, capital will be considered for deployment towards organic and inorganic growth opportunities that are expected to deliver the greatest long-term value for shareholders.

With Pilbara Minerals about to commence paying tax, the Company is expecting to apply its dividend policy for the first time to the 2023 Financial Year in the form of a fully franked dividend. It will be a great source of pride for the Board and management to be able to return value to Pilbara Minerals' shareholders, some of whom have stuck by the Company during the highs and the lows.

On other fronts, strong progress in respect of sustainability initiatives, including towards the Company's goal of targeting net-zero carbon emissions in the decade commencing 2040 with the construction of the six-megawatt solar farm at the Pilgangoora Project now complete with commissioning underway and a Life Cycle Assessment to identify Scope 3 emissions undertaken.

The Company continued to improve safety performance as measured by both leading and lagging indicators, with a strong focus on building a positive safety culture and a safe and respectful workplace, as well as fostering close and collaborative relationships with the area's Traditional Owners, the Nyamal People, and other stakeholders.

Obviously, the spodumene market has been good to Pilbara Minerals, however the strength of the Company's position is also clearly due to the efforts of Pilbara Minerals' employees and leadership team. The Company has seen some significant changes to that team over the past year with the departure of Ken Brinsden as Managing Director and the formal appointment of Dale Henderson as his successor in July this year.

Kens' leadership over the journey was outstanding and his contribution enormous and we thank him for that

I'd also like to acknowledge the contribution and efforts of Brian Lynn, Pilbara Minerals' Chief Financial Officer who has advised he will be stepping down from this role in the near-term.

Recently, the Company appointed Vince De Carolis as Chief Operating Officer assuming the role previously occupied by Dale Henderson.

I would also like to acknowledge Dale, who has stepped assuredly into his new role as Managing Director, delivering a seamless leadership transition and a steady hand to continue to drive the Company forward.

In closing, I would like to sincerely thank the broader Pilbara Minerals' team for their efforts, recognising that many of these people stuck with us through thick and thin – including the travails of the market downturn. We are fortunate indeed to have such a dedicated and loyal group of people and we greatly appreciate their exceptional efforts.

I would also like to thank all our shareholders and partners for their ongoing support.

ANTHONY (TONY) KIERNAN AM
Chairman

Release authorised by Anthony Kiernan, Chairman of Pilbara Minerals Limited.

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ABOUT PILBARA MINERALS

Pilbara Minerals is the leading ASX-listed lithium company, owning 100% of the world's largest, independent hard-rock lithium operation. Located in Western Australia's resource-rich Pilbara region, the Pilgangoora Project and Operation produces a spodumene and tantalite concentrate. The significant scale and quality of the operation has attracted a consortium of high quality, global partners including Ganfeng Lithium, General Lithium, POSCO, CATL and Yibin Tianyi.

While it continues to deliver a low-cost, quality spodumene to market, Pilbara Minerals is pursuing a growth and diversification strategy to become a sustainable, low-cost lithium producer and fully integrated lithium raw materials and chemicals supplier in the years to come.

Through execution of this strategy, Pilbara Minerals is positioned to become a major player in the rapidly growing lithium supply chain, underpinned by increasing demand for clean energy technologies such as electric vehicles and energy storage as the world pursues a sustainable energy future.