

25 August 2023

FY23 Financial Results**RECORD PRODUCTION AND SALES DRIVE
326% INCREASE IN NET PROFIT TO \$2.4B****FY23 HIGHLIGHTS**

A **64%** increase in spodumene concentrate produced to **620.1** thousand tonnes (kt) (FY22: 377.9kt) supported a **68%** increase in sales to **607.5kt** (FY22: 361.0kt).

Strong demand supported an average realised price of **US\$4,447** per tonne (t) (CIF China) (FY22: US\$2,382/t CIF China).

Production and price increases resulted in **242%** increase in Group revenue to **\$4.1B** (FY22: \$1.2B) and a **307%** increase in EBITDA to **\$3.3B** (FY22: \$0.8B).

326% increase in Statutory Profit after Tax to **\$2.4B** (FY22: \$0.6B).

464% increase in cash balance to **\$3.3B** (FY22: \$0.6B).

Final dividend of **14** cents per share determined, fully franked (FY22: zero).

Construction of P680 primary rejection facility underway, FID taken for P1000 Project and Mid-Stream Demonstration Plant, construction at POSCO JV lithium hydroxide plant continued to schedule.

Subsequent to year end, Pilgangoora Ore Reserves were increased by **35%** to **214Mt¹** enabling the commencement of a new study to explore further expansion of production capacity beyond P1000.

Commenting on the results for the 12-month period ended 30 June 2023 (**FY23**), Pilbara Minerals Limited's (**Pilbara Minerals** or the **Group**) Managing Director and CEO, Dale Henderson said:

"The FY23 period has been an exceptional year for Pilbara Minerals across all fronts. Strong operational performance within a healthy pricing environment for lithium products has translated to an impressive set of financial outcomes for the business and our shareholders."

"This strong financial result has enabled the Board to support a fully franked final dividend of 14 cents per share resulting in a total dividend of 25 cents per share for FY23."

"It has been a very successful year for Pilbara Minerals, including strong operational performance, progression of the mine expansion and progress with the Company's downstream chemicals strategy."

"Expansion highlights include P680 construction progression to provide an additional 100kt of production capacity and the P1000 Project FID which is expected to lift total production to ~1Mtpa. In the area of chemicals, our JV with POSCO for the development of a jointly owned lithium hydroxide plant moved into construction, and we finalised the Mid-Stream Demonstration Plant FID with our JV partners Calix."

"Today we also announced a 35% increase in Ore Reserves to 214Mt which has enabled us to commence a new study to explore further expansion of production capacity beyond P1000. This potentially opens the door for additional tonnage to be allocated for downstream and midstream growth opportunities which will be reviewed as part of the strategic partnering process with outcomes now targeting the March Quarter 2024."

"The long-term outlook remains very positive for battery grade lithium raw materials with continued adoption of EVs and battery storage and an expected growing deficit as anticipated demand for lithium"

outstrips expected supply. During the past quarter the industry saw a pullback in pricing from the strong pricing encountered in the first half of the financial year. Despite this pullback strong margins continued to be realised. Looking forward, we expect continued growth in demand for our product with some ongoing pricing volatility in the shorter term as the supply chain continues to tightly manage inventories and responds to macro-economic conditions.

“Pilbara Minerals has entered the new financial year with continued momentum in pursuit of our ambition to be a leader in the provision of sustainable battery materials products.”

FINANCIAL SUMMARY

	Units	FY22	FY23	Change
Physicals				
Production	Kt	377.9	620.1	64%
Sales	Kt	361.0	607.5	68%
Realised Price	US\$/t	2,382	4,447	87%
Profit and Loss				
Revenue ²	\$M	1,189.6	4,064.0	242%
EBITDA ³	\$M	814.5	3,317.2	307%
EBITDA Margin (%)		68%	82%	13%
Underlying Profit after Tax ⁴	\$M	530.6	2,276.3	329%
Statutory Profit after Tax	\$M	561.8	2,391.1	326%
Cash Flow				
Cash Margin from Operations	\$M	679.2	3,664.3	440%
Cash Balance	\$M	591.7	3,338.6	464%

Pilbara Minerals delivered a strong financial performance across all key metrics in the reporting period with Group revenue increasing 242% to \$4.1B, driven by a 68% increase in sales volumes and an 87% increase in average estimated realised price.

Group EBITDA increased 307% to \$3.3B following increased sales volumes with operating leverage supporting a 13% increase in EBITDA margin to 82%. Statutory profit after tax increased 326% to \$2.4B from the Group's maiden profit of \$561.8M in FY22.

Strong cash flows provided further flexibility for investment in growth and shareholder returns via dividends. Operating cash flow increased 434% to \$3.5B, driven by increases in sales volume and realised pricing and enabling an increase in investing activities to \$408.0M for expansion programs including \$138.3M on the P680 Project and \$163.1M on capitalised mine waste development.

There was a significant increase in balance sheet strength in FY23 driven by a \$2.7B increase in cash to \$3.3B as at 30 June 2023 with cash and undrawn facilities providing total liquidity of \$3.5B.

FINAL DIVIDEND DETERMINED

Following the outstanding FY23 financial results, Pilbara Minerals has determined a fully franked final dividend of 14 cents per share to shareholders, with the ~\$420M payment to be paid on 27 September 2023. In line with Pilbara Minerals' Capital Management Framework (and dividend policy), this represents

a dividend payout ratio of 30% of free cash flow applied to the full year financial results, as contemplated within the framework. In conjunction with the FY23 interim dividend, Pilbara Minerals will have determined a FY23 full-year dividend of 25 cents per share, fully franked, a total of ~\$750M.

Details of the FY23 final dividend include:

- Dividend amount – 14 cents per share, fully franked
- Ex-dividend date – 5 September 2023
- Record date – 6 September 2023
- Payment date – 27 September 2023

GUIDANCE

FY24 GUIDANCE

Pilbara Minerals provides the following guidance for FY24:

- Production guidance of between 660 - 690kt spodumene concentrate on a product grade of ~5.2%⁵;
- Unit operating costs of between \$600 - \$670/dmt⁶ - US\$390- US\$436/dmt (FOB Port Hedland ex royalties)⁷;
- Capital expenditure of:
 - Growth capital expenditure including P680 and P1000 Projects - \$490M to \$540M;
 - Mine development - \$140M to \$160M;
 - Sustaining capital - \$75M to \$85M; and
 - Projects and enhancements - \$170M to \$190M.
- FY23 full year tax liability of \$894.2M (\$120.9M paid during FY23, balance of \$773.3M to be paid during H1 FY24).

Guidance as to production, unit operating cost and capital expenditure are based on assumptions, budgets and estimates existing at the time of assessment which may change over time. It should not be relied upon as a precursor for future performance. Refer to Important Information section below.

For more information, see the ASX announcement “FY23 Full Year Results” investor presentation” released on 25 August 2023.

INVESTOR WEBCAST AND TELECONFERENCE DETAILS

The Company will host an investor update conference call covering the FY23 results commencing at 7.00am (AWST) / 9.00am (AEST) on Friday, 25 August 2023. There are two options for participating in the call, as outlined below.

Webcast – for Retail Shareholders and Investors

<https://edge.media-server.com/mmc/p/2oi9exnn>

Teleconference – for Analysts, Brokers, Fund Managers and Media

<https://register.vevent.com/register/Blaa05fa4e5b5b48d1ac887eaf22ef20a4>

Please note that it is best to register for the teleconference in advance of the call to ensure that you are registered in time.

Release authorised by Dale Henderson, Pilbara Minerals Limited's Managing Director and CEO.

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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 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, and Yibin Tianyi.

IMPORTANT INFORMATION

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein.

Guidance as to production, unit costs and capital expenditure is based on assumptions, budgets and estimates existing at the time of assessment which may change over time impacting the accuracy of those estimates. These estimates are developed in the context of an uncertain operating environment including in respect of inflationary macroeconomic conditions, incomplete engineering and uncertainties surrounding the risks associated with mining and project development including the construction, commissioning and ramp up of P680 and P1000 which may delay or impact production and have a flow on effect on sales. Actual results may therefore vary significantly depending on these risks and the timing required to address them. The information is provided as an indicative guide to assist sophisticated investors with modelling of the Company. It should not be relied upon as a predictor of future performance.

Information in this presentation regarding production targets and expansions in nameplate capacity of the Pilgan Plant in respect of the P680 and P1000 projects are underpinned by the Company's existing Ore Reserves that have been prepared by a Competent Person in accordance with the JORC Code (2012 Edition) and were released by the Company to ASX on 24 August 2023. The relevant proportions of proven Ore Reserves and probable Ore Reserves are 9% proved Ore Reserves and 91% probable Ore Reserves. The Company confirms it is not aware of any new information or data that materially affects the information included in that release or report and that all material assumptions and technical parameters underpinning the Ore Reserves estimates continue to apply and have not materially changed.

All references to dollars (\$) and cents in this announcement are to Australian dollars, unless otherwise stated.

Endnotes

1. For further information on the Pilgangoora Ore Reserve estimate, refer to the ASX announcements on 24 August 2023 "55Mt increase in Ore Reserves to 214Mt".
2. Revenue includes revenue from the sale of spodumene concentrate and medium grade middlings concentrate. Revenue shown in the June 2023 Quarterly Activities Presentation on 25 June 2023 excluded sales of middlings concentrate.
3. A bridge from EBITDA (a non-IFRS metric) to the statutory financial statement is provided in the Appendices of the accompanying document "FY23 Full Year Results investor presentation" released to the ASX on 25 August 2023.
4. Underlying Profit after Tax excludes the benefit of an increase in fair value of the Group's call option to acquire an additional 12% shareholding in the POSCO JV (POSCO JV Call Option) of \$114.8M which is a non-cash item. The increase in fair value was driven by the project progressing further to completion.
5. Production and marketing strategy for FY24 continues to focus on optimising product yields and concentrate production. FY24 production guidance is based on an average target product grade of ~5.2% and may be adjusted for changes in grade of up to ~SC 5.7%. On a product grade of ~SC5.7%, FY24 production guidance would be adjusted to 600-630,000 dmt.
6. Unit operating cost (FOB Port Hedland excluding royalties) includes mining, processing, transport, port charges, and site based general and administration costs and are net of tantalite by-product credits. It is calculated on an incurred basis (including accruals), and includes inventory movements, and credits for capitalised mine waste development costs. Assumes AUD:USD exchange rate of 0.65.
7. Unit costs are based on an average assumed product grade of ~ 5.2% for FY24 and may be adjusted for changes in grade of up to ~SC5.7%.