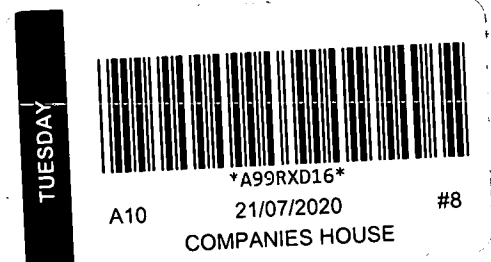


REGISTERED NUMBER: 08900334 (England and Wales)

Strategic Report,
Report of the Directors and
Financial Statements
for the Year Ended 31 December 2019
for
ILUKA TECHNOLOGY (UK) LTD

Fuller & Roper Limited
Chartered Accountants and Statutory Auditors
12 Old Mills Industrial Estate
Paulton
BS39 7SU



ILUKA TECHNOLOGY (UK) LTD (REGISTERED NUMBER: 08900334)

Contents of the Financial Statements
for the Year Ended 31 December 2019

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ILUKA TECHNOLOGY (UK) LTD

Company Information
for the Year Ended 31 December 2019

DIRECTORS:

Mr N G Tinley
Mr D Folmer

SECRETARIES:

Mr N G Tinley
Vistra Company Secretaries Limited (Formerly Jordan Company
Secretaries Limited)

REGISTERED OFFICE:

Suite 1, 3rd Floor
11-12 St James's Square
London
SW1Y 4LB

REGISTERED NUMBER:

08900334 (England and Wales)

AUDITORS:

Fuller & Roper Limited
Chartered Accountants and Statutory Auditors
12 Old Mills Industrial Estate
Paulton
BS39 7SU

ILUKA TECHNOLOGY (UK) LTD (REGISTERED NUMBER: 08900334)

Strategic Report
for the Year Ended 31 December 2019

The directors present their strategic report for the year ended 31 December 2019.

REVIEW OF BUSINESS

The principle activity of the company was to hold a non-exclusive licence for the titanium metal powder production technology with Metalysis Ltd in return for a royalty over use and a right of first offer in relation to further licences of such technology.

On 3rd June 2019 Metalysis Ltd entered administration. It is the directors' expectation that Metalysis Ltd will be liquidated. The company is awaiting an outcome of this process before any strategic decision is made in regards to the future activities of the company.

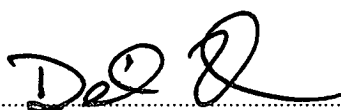
During the year, the company incurred administration costs of £5,457 (2018 : £13,635).

OTHER PRINCIPAL RISKS AND UNCERTAINTIES

The ultimate holding company, Iluka Resources Limited, maintains a whole of business approach to the management of risks for the group. This approach allows both opportunities and threats to be identified and managed effectively. Iluka has adopted a risk management framework which sets out the processes for the identification and management of threats across the group, for which Iluka Technology (UK) Ltd is a wholly owned subsidiary.

Compliance with regulation, legal and ethical standards is a high priority for the company and the Board take on an important oversight role in this regard

ON BEHALF OF THE BOARD:



Mr D Folmer - Director

Date: 02 July 2020

ILUKA TECHNOLOGY (UK) LTD (REGISTERED NUMBER: 08900334)

Report of the Directors
for the Year Ended 31 December 2019

The directors present their report with the financial statements of the company for the year ended 31 December 2019.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2019 (2018: £Nil).

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2019 to the date of this report.

Mr N G Tinley
Mr D Folmer

GOING CONCERN

The financial statements have been prepared on a going concern basis. The Company has net current liabilities of £613,031 (2017 - £607,574).

The Company's ability to operate as a going concern is assessed in conjunction with Iluka Resources Limited (the Group) as its viability is dependent upon the ability of the Group to settle their intercompany balances with the Company and to provide further funds for working capital needs. Iluka Resources Limited, a company incorporated in Australia, has confirmed that it will continue to provide such funding as the Company may need to meet its financial obligations for the foreseeable future, and for a period of at least 12 months from the date of signing these financial statements, whilst the Company remains a subsidiary of Iluka Resources Limited.

As Metalysis Ltd is currently in the process of liquidation, the company is awaiting an outcome of this process before any strategic decision is made in regards to the future activities of the company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ILUKA TECHNOLOGY (UK) LTD (REGISTERED NUMBER: 08900334)

Report of the Directors
for the Year Ended 31 December 2019

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Fuller & Roper Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
Mr D Folmer - Director

Date: 02 JUL 2020

Report of the Independent Auditors to the Members of
Iluka Technology (UK) Ltd

Opinion

We have audited the financial statements of Iluka Technology (UK) Ltd (the 'company') for the year ended 31 December 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Iluka Technology (UK) Ltd

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

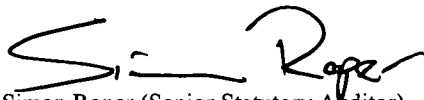
Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Roper (Senior Statutory Auditor)
for and on behalf of Fuller & Roper Limited
Chartered Accountants and Statutory Auditors
12 Old Mills Industrial Estate
Paulton
BS39 7SU

Date: 2/7/20

ILUKA TECHNOLOGY (UK) LTD (REGISTERED NUMBER: 08900334)

Income Statement
for the Year Ended 31 December 2019

	Notes	31/12/19 £	31/12/18 £
TURNOVER		-	-
Administrative expenses		<u>(5,457)</u>	<u>(13,635)</u>
OPERATING LOSS and LOSS BEFORE TAXATION		(5,457)	(13,635)
Tax on loss	5	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u><u>(5,457)</u></u>	<u><u>(13,635)</u></u>

The notes form part of these financial statements

ILUKA TECHNOLOGY (UK) LTD (REGISTERED NUMBER: 08900334)

Other Comprehensive Income
for the Year Ended 31 December 2019

Notes	31/12/19 £	31/12/18 £
LOSS FOR THE YEAR	(5,457)	(13,635)
OTHER COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u><u>(5,457)</u></u>	<u><u>(13,635)</u></u>

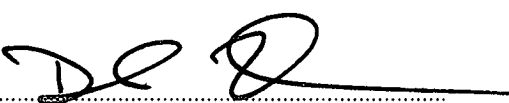
The notes form part of these financial statements

ILUKA TECHNOLOGY (UK) LTD (REGISTERED NUMBER: 08900334)

Balance Sheet
31 December 2019

	Notes	31/12/19 £	31/12/18 £
CURRENT ASSETS			
Cash at bank		29,812	32,758
CREDITORS			
Amounts falling due within one year	6	<u>(642,843)</u>	<u>(640,332)</u>
NET CURRENT LIABILITIES		<u>(613,031)</u>	<u>(607,574)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(613,031)</u>	<u>(607,574)</u>
CAPITAL AND RESERVES			
Called up share capital	7	50,000	50,000
Retained earnings	8	<u>(663,031)</u>	<u>(657,574)</u>
SHAREHOLDERS' FUNDS		<u>(613,031)</u>	<u>(607,574)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 02 JULY 2020 and were signed on its behalf by:


.....
Mr D Folmer - Director

The notes form part of these financial statements

ILUKA TECHNOLOGY (UK) LTD (REGISTERED NUMBER: 08900334)

Statement of Changes in Equity
for the Year Ended 31 December 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2018	30,000	(643,939)	(613,939)
Changes in equity			
Issue of share capital	20,000	-	20,000
Total comprehensive income	-	(13,635)	(13,635)
Balance at 31 December 2018	<u>50,000</u>	<u>(657,574)</u>	<u>(607,574)</u>
Changes in equity			
Total comprehensive income	-	(5,457)	(5,457)
Balance at 31 December 2019	<u>50,000</u>	<u>(663,031)</u>	<u>(613,031)</u>

The notes form part of these financial statements

ILUKA TECHNOLOGY (UK) LTD (REGISTERED NUMBER: 08900334)

Notes to the Financial Statements
for the Year Ended 31 December 2019

1. **STATUTORY INFORMATION**

Iluka Technology (UK) Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The functional currency of the company is that of pounds sterling.

The figures enclosed in the accounts are rounded to the nearest pound.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including creditors, and loans from fellow group companies are initially recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are initially recognised at transaction price.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

ILUKA TECHNOLOGY (UK) LTD (REGISTERED NUMBER: 08900334)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

2. **ACCOUNTING POLICIES - continued**

Intercompany loans

Intercompany loans are repayable on demand and interest free. As such they are recorded at amortised cost as a basic financial instrument under FRS 102.

Going concern

The financial statements have been prepared on a going concern basis. The Company has net current liabilities of £613,031 (2017 - £607,574).

The Company's ability to operate as a going concern is assessed in conjunction with Iluka Resources Limited (the Group) as its viability is dependent upon the ability of the Group to settle their intercompany balances with the Company and to provide further funds for working capital needs. Iluka Resources Limited, a company incorporated in Australia, has confirmed that it will continue to provide such funding as the Company may need to meet its financial obligations for the foreseeable future, and for a period of at least 12 months from the date of signing these financial statements, whilst the Company remains a subsidiary of Iluka Resources Limited.

3. **EMPLOYEES AND DIRECTORS**

There were no staff costs for the year ended 31 December 2019 nor for the year ended 31 December 2018.

	31/12/19	31/12/18
	£	£
Directors' remuneration	-	-
	<u> </u>	<u> </u>

4. **OPERATING LOSS**

The operating loss is stated after charging:

	31/12/19	31/12/18
	£	£
Auditors' remuneration	2,400	2,330
	<u> </u>	<u> </u>

5. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 December 2019 nor for the year ended 31 December 2018.

No deferred tax asset has been recognised in respect of carried forward tax losses. A deferred tax asset related to those losses will only be obtained if:

- The company derives future taxable income of a nature or amount sufficient to enable the benefit from deductions for that loss to be utilised;
- The company satisfies the conditions for deductibility imposed by tax legislation; and
- No changes in tax legislation adversely affect the company in realising the benefits from deductions for the loss.

ILUKA TECHNOLOGY (UK) LTD (REGISTERED NUMBER: 08900334)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/19	31/12/18
	£	£
Amounts owed to group undertakings	638,263	636,193
Accruals	4,580	4,139
	<u>642,843</u>	<u>640,332</u>

7. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31/12/19	31/12/18
Number:	Class:	Nominal value:	£	£
50,000	Ordinary	£1	<u>50,000</u>	<u>50,000</u>

8. RESERVES

	Retained earnings £
At 1 January 2019	(657,574)
Deficit for the year	<u>(5,457)</u>
At 31 December 2019	<u>(663,031)</u>

9. RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemption under FRS 102 section 33.1A as a qualifying entity from disclosing related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is a wholly owned be a member of that group.

10. POST BALANCE SHEET EVENTS

As at 31 December 2019, a limited number of cases of an unknown virus causing pneumonia had been reported to the World Health Organisation (the 'WHO'). Subsequently, further cases were reported and found to be caused by Coronavirus Disease 2019 ("COVID19"). The WHO recognised the outbreak of COVID19 as a pandemic on 11 March 2020. Consequentially, a number of governments implemented measures to contain or limit the spread of COVID19 in various jurisdictions, including those in which Iluka operates. The key measures that may impact Iluka are the closure of various international borders and restrictions on the movement of people.

It is not yet possible to determine the future extent or remaining duration of these measures, and therefore Iluka is presently unable to reliably estimate the potential financial impact of COVID19.

11. ULTIMATE CONTROLLING PARTY

The immediate parent company is Iluka (UK) Ltd, a company incorporated in England & Wales. The ultimate controlling party is considered to be Iluka Resources Limited, a company incorporated in Australia and listed on the Australian Securities Exchange (ASX). Copies of the consolidated group financial statements can be obtained from the group's website, www.iluka.com.