

# March 2023 Quarterly Activities Presentation

Thursday 27 April 2023

ASX: PLS

Investor conference call covering the March 2023 Quarterly results will be held

**7.00am (WST) / 9.00am (AEST) - Friday, 28 April 2023**

Options for participating in the call:

Teleconference – for Analysts, Brokers, Fund Managers and Media  
<https://sl.c-conf.com/diamondpass/10029576-b2yraw.html>

Webcast – for Retail Shareholders and Investors  
<https://kapara.rdbk.com.au/landers/67eacb.html>



## Q3 FY23 highlights

**148,131 dmt**

spodumene production



**9%**

Q on Q

**144,312 dmt**

spodumene shipments



**3%**

Q on Q

**US\$4,840/dmt<sup>1</sup>**

average estimated realised  
spodumene concentrate price



**15%**

Q on Q

**A\$632/dmt<sup>2</sup>**

unit operating cost  
(FOB Port Hedland excl royalties)



**9%**

Q on Q

**\$2,683 B**

\$457M increase in the Quarter-end  
cash balance



**21%**

Q on Q

1. Average estimated realised price as at 26 April 2023. This includes 25,144 dmt shipped in March which reflects reference pricing data up to 26 April 2023, and is subject to final adjustment to take into account reference pricing data for the entire month of April. The final price may be higher or lower than the estimated realised price based on future price movements.
2. Unit operating cost (FOB Port Hedland excluding royalties) include mining, processing, transport, native title costs, port charges, and site based general and administration costs and are net of any tantalite by-product credits. It is calculated on an incurred basis (including accruals), and includes inventory movements, and credits for capitalised deferred mine waste development cost, and it excludes depreciation of fixed assets and right of use leases, and amortisation of deferred stripping. FY22 YTD Unit Cost only includes costs associated with the Pilbara plant because the Ngungaju plant was being recommissioned during this period.



**Pilbara  
Minerals**

# Q3 FY23 highlights (continued)

---

Inaugural fully franked interim dividend paid of 11 cents per share

---

Final Investment Decision made for P1000 Expansion Project

---

POSCO Pilbara Downstream JV secured (non-recourse to Pilbara Minerals) KRW600B (US\$460M) debt facility for the 43,000 tpa Lithium Hydroxide Monohydrate Chemical Facility in South Korea

---

New 10-year \$250M debt facility with Export Finance Australia and Northern Australia Infrastructure Facility to support the P680 Expansion Project

---

Re-financed US\$113M 5 year debt facility on improved terms

---

Major construction package awarded to Primero for the P680 Expansion Project

---

Several executive appointments made to bolster leadership team

---

Downstream partnering initiatives commenced for P1000 product

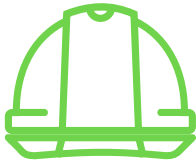
---

**To be a leader  
in the provision  
of sustainable  
battery materials  
products**

1. Deliver our operating performance commitments
2. Achieve the full potential of the Pilgangoora asset
3. Extract greater value along the battery materials supply chain
4. Diversify revenue beyond the Pilgangoora asset

# Safety and people

Great people that go home safe and well every day



**4.9**

Total recordable injury frequency rate (TRIFR)<sup>1</sup>



**2.03** (target 1.00)

Quality safety Interactions<sup>2</sup> completed per 1,000 hours



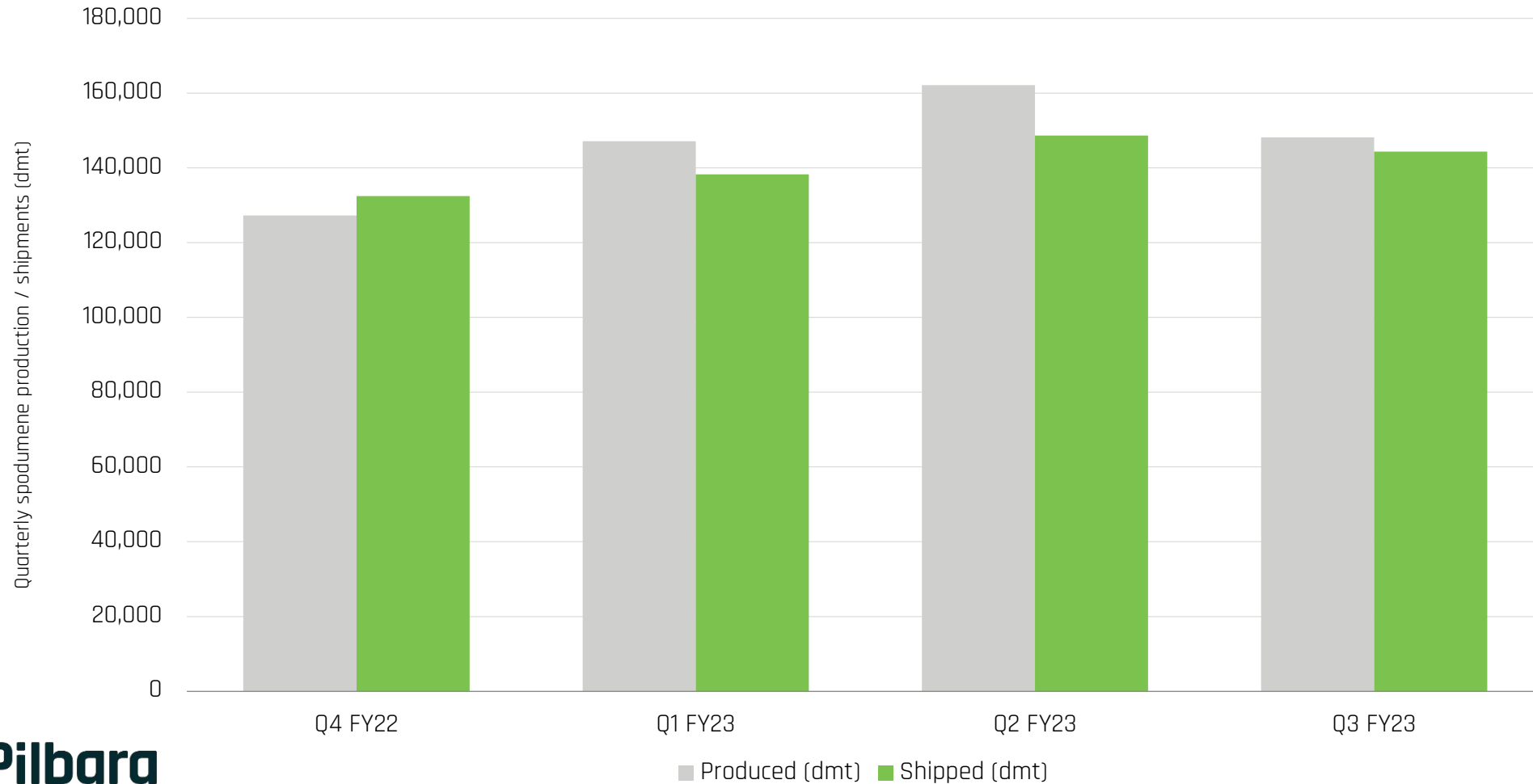
**22%**

Female employment

1. Rolling 12-month indicator  
2. Safety interaction is a leading indicator. The measurement is based on the March Quarter 2023

# Production and sales

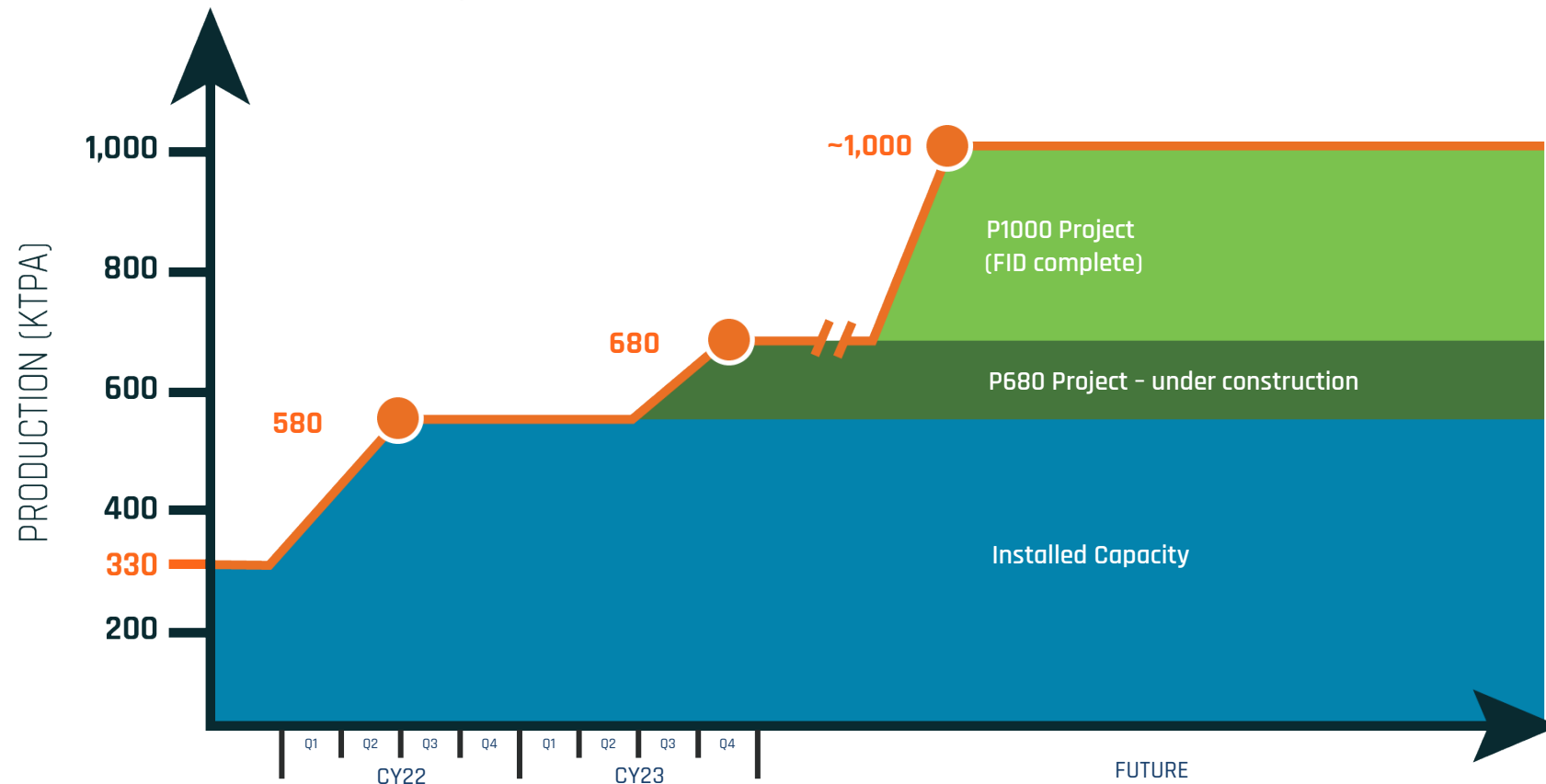
Quarter on quarter performance



**Pilbara  
Minerals**

# Growth pathway to ~ 1Mtpa

Accelerated growth to capture value and increase revenue



## P680 Expansion

Commissioning targeting September Quarter

## P1000 Expansion

FID complete in March Quarter 2023

Production nameplate capacity of up to 580ktpa is an aggregate spodumene concentrate processing capacity comprising Pilgan Plant nameplate of 360-380ktpa and Ngungaju Plant nameplate of 180-200ktpa.

Production nameplate capacity uplift to 680ktpa subject to completion and commissioning of the P680 Project.

Production nameplate capacity uplift to ~ 1mtpa subject to completion and commissioning of the P1000 Project. Actual production is expected to vary in any year due to ore grade, concentrate grade, mine plan and other factors – refer to P1000 Project ASX release 29 March 2023

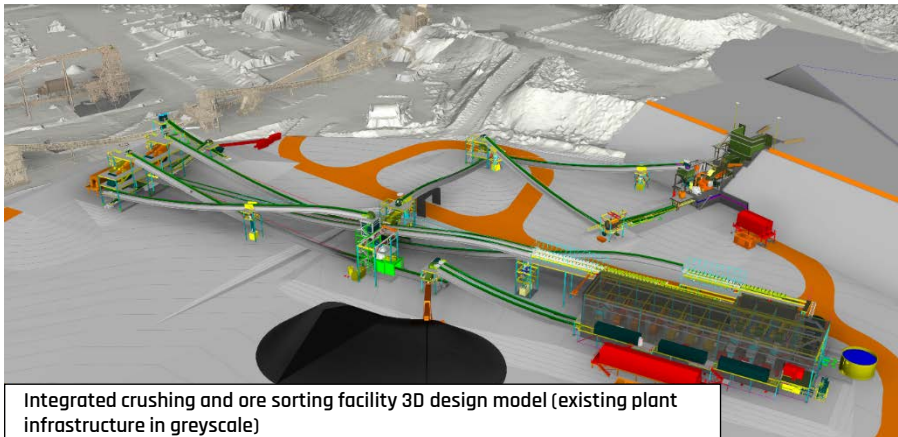
**Note A:** The abovementioned expansions in production capacity of the Pilgan Plant for the P680 and P1000 projects are underpinned by the Company's existing Ore Reserves that have been prepared by a Competent Person in accordance with the JORC Code (2012 Edition) and were released by the Company to ASX on 6 October 2021 and updated in the Company's 2022 Annual Report. The relevant proportions of proven Ore Reserves and probable Ore Reserves that underpin the production targets are 11% proven Ore Reserves and 89% 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.

# Expansions to increase production to ~ 1Mtpa

P1000 FID complete during the March Quarter 2023

## P680 Expansion

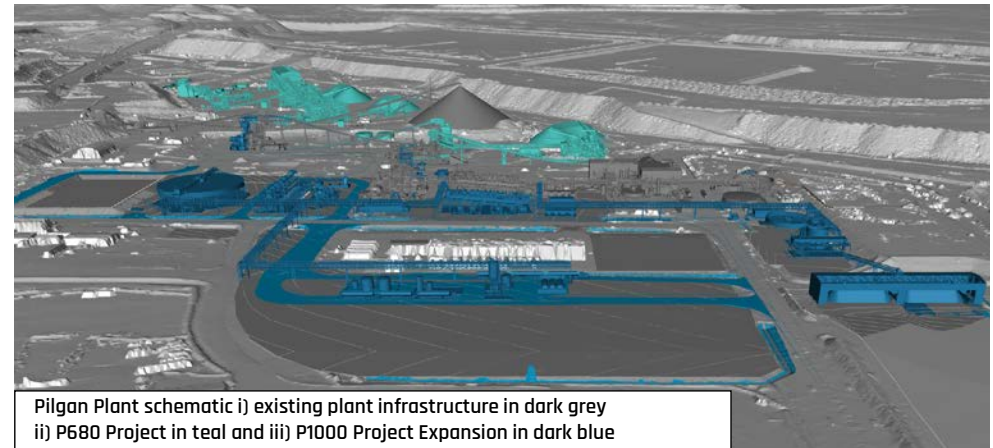
- Increase production capacity by a further 100,000 tpa spodumene concentrate
- Construction underway
- Commissioning to begin September Quarter 2023, with full capacity targeted for December Quarter
- Project construction contract awarded



Integrated crushing and ore sorting facility 3D design model (existing plant infrastructure in greyscale)

## P1000 Expansion

- Final Investment Decision (FID) made – total investment ~\$560M (includes \$38M pre-FID investment)
- Increase production capacity to ~ 1Mtpa spodumene concentrate
- Strategic partnering options being evaluated to maximise value from additional product
- Targeting first ore in the March Quarter 2025



Pilgana Plant schematic i) existing plant infrastructure in dark grey ii) P680 Project in teal and iii) P1000 Project Expansion in dark blue



# POSCO Pilbara Lithium Solutions

43,000tpa LHM facility Gwangyang, South Korea in joint venture with POSCO

- Procurement and major construction works continue
- Commissioning of the first train targeted to commence from Q4 CY2023, with second train Q1 CY2024

Below photos of 43,000tpa LHM facility under construction in Gwangyang, South Korea



POSCO Pilbara Lithium Solutions headquarters



Acid roasting preheater



BPED (Bipolar Membrane Electro Dialysis) facility and electrical room

# Bolstered Executive team to deliver our strategy

Key executive appointments made during the Quarter



**Dale Henderson**  
MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER



**Alex Eastwood**  
CHIEF COMMERCIAL & LEGAL  
OFFICER



**Luke Bortoli**  
CHIEF FINANCIAL OFFICER



**Vince De Carolis**  
CHIEF OPERATING OFFICER



**Sandra McInnes**  
CHIEF SUSTAINABILITY  
OFFICER



**John Stanning**  
CHIEF DEVELOPMENT  
OFFICER



**Paul Laybourne**  
Project Director

# Financials

Q3 FY23 - highlights

**\$2.683B**

cash balance



**21%**

Q on Q

Strong operating margin supports an \$457M increase in cash balance

**US\$4,840/dmt<sup>1</sup>**

Average estimated realised spodumene concentrate price



**15%**

Q on Q

Pricing continued to soften due to lithium chemicals pricing, including domestic pricing in China

Unit operating costs impacted by extended shut down, increase in mining and continued cost pressures on the mining industry

**A\$632/dmt<sup>2</sup>**

unit operating cost  
(FOB Port Hedland excl royalties)



**9%**

Q on Q

Unit operating costs CIF China improved as freight rates continued to decline and royalty costs decreased due to lower realised price

Inaugural fully franked interim dividend of 11 cents per share paid following record half year FY2023 operating performance of \$1.24B net profit

**A\$1,144/dmt<sup>3</sup>**

unit operating cost  
(CIF China )



**2%**

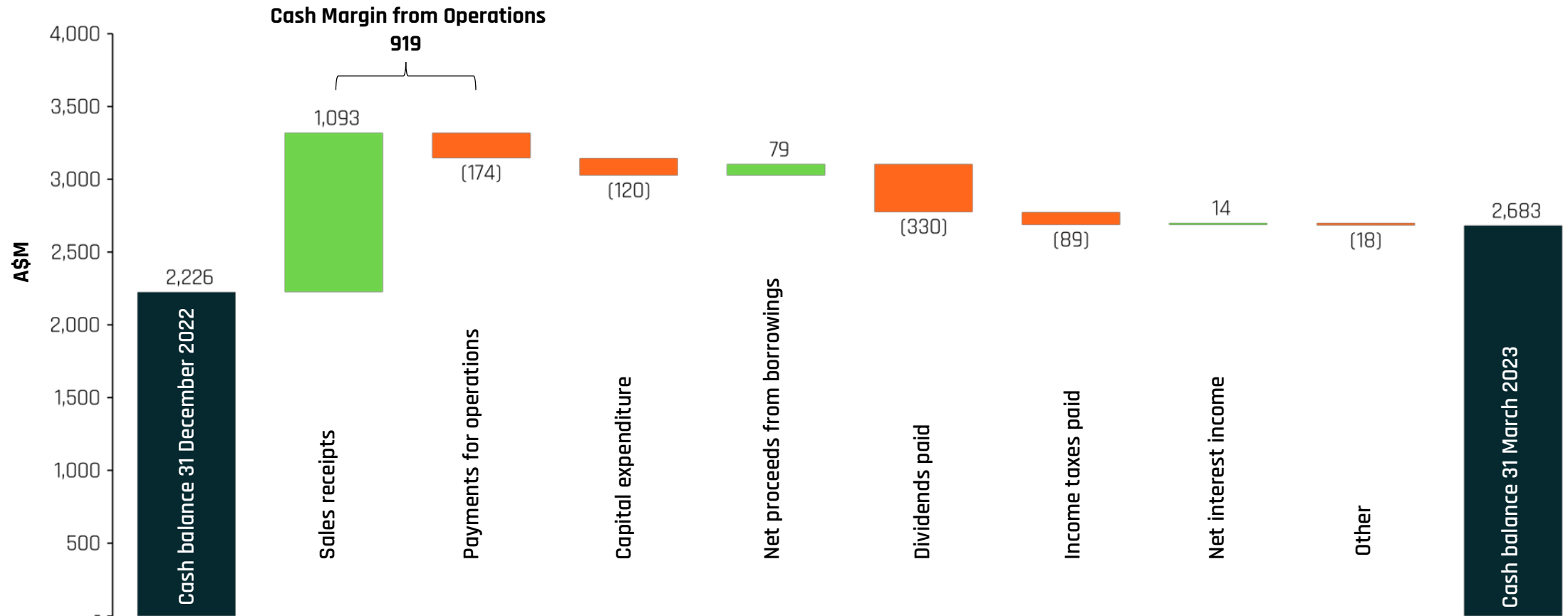
Q on Q

1. Average estimated realised price as at 26 April 2023. This includes 25,144 dmt shipped in March which reflects reference pricing data up to 26 April 2023, and is subject to final adjustment to take into account reference pricing data for the entire month of April. The final price may be higher or lower than the estimated realised price based on future price movements.
2. Unit operating cost (FOB Port Hedland excluding royalties) include mining, processing, transport, native title costs, port charges, and site based general and administration costs and are net of any tantalite by-product credits. It is calculated on an incurred basis (including accruals), and includes inventory movements, and credits for capitalised deferred mine waste development cost, and it excludes depreciation of fixed assets and right of use leases, and amortisation of deferred stripping. FY22 YTD Unit Cost only includes costs associated with the Pilgana plant because the Ngungaju plant was being recommissioned during this period.
3. Unit operating cost (CIF China) includes the unit operating costs (FOB Port Hedland excluding royalties) plus freight and royalty costs. Royalty costs include a 5% state government royalty on the FOB selling price, a 1% native title royalty on the FOB selling price, and a 5% private royalty on the FOB selling price which is only applied to a part of the resource/reserve acquired following the Altura Lithium Operation acquisition. FY22 YTD Unit Cost only includes costs associated with the Pilgana plant because the Ngungaju plant was being recommissioned during this period.



**Pilbara  
Minerals**

# Cashflow Q3 FY23



# FY23 guidance update

## Unit Operating Cost

In light of recent cost increases, FY2023 guidance for unit operating cost is increased to

**A\$600-A\$640/dmt (FOB Port Hedland ex royalties)**

from previous guidance of

**A\$580-A\$610/dmt (FOB Port Hedland ex royalties)**

# Market Update



**Pilbara  
Minerals**

# Questions?



**Pilbara  
Minerals**

Follow us on



[pilbaraminerals.com.au](http://pilbaraminerals.com.au)

ASX: PLS

# Important notices

This document has been prepared by Pilbara Minerals Limited ("Pilbara" or "Pilbara Minerals" or the "Company") and is dated Thursday 27 April 2023.

## **Not an offer of securities**

This document is provided for informational purposes and does not constitute or contain an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any security in Pilbara. This document is not a prospectus, product disclosure statement or other offering document under Australian law or any other law, will not be lodged with the Australian Securities and Investments Commission, and may not be relied upon by any person in connection with an offer or sale of Pilbara Minerals' securities.

## **Summary information**

This document contains a summary of information about Pilbara Minerals and its activities that is current as at the date of this document unless otherwise stated. The information in this document is general in nature and does not contain all the information which a prospective investor may require in evaluating a possible investment in Pilbara Minerals or that would be required in a prospectus or a product disclosure statement prepared in accordance with the Corporations Act 2001 (Cth) ("Corporations Act") or the securities laws of any other jurisdiction. The information in this document should be read in conjunction with Pilbara Minerals' other periodic and continuous disclosure announcements lodged with the ASX.

## **No liability**

The information contained in this document has been prepared in good faith by Pilbara Minerals, however no guarantee, representation or warranty expressed or implied is or will be made by any person (including Pilbara Minerals and its affiliates and their directors, officers, employees, associates, advisers and agents) as to the accuracy, reliability, correctness, completeness or adequacy of any statements, estimates, options, conclusions or other information contained in this document. No person other than Pilbara Minerals is responsible for the preparation of this document. To the maximum extent permitted by law, Pilbara Minerals and its affiliates and their directors, officers, employees, associates, advisers and agents each expressly disclaims any and all liability, including, without limitation, any liability arising out of fault or negligence, for any loss arising from the use of or reliance on information contained in this document including representations or warranties or in relation to the accuracy or completeness of the information, statements, opinions, forecasts, reports or other matters, express or implied, contained in, arising out of or derived from, or for omissions from, this document including, without limitation, any financial information, any estimates, forecasts, or projections and any other financial information derived therefrom. Statements in this document are made only as of the date of this document unless otherwise stated and the information in this document remains subject to change without notice. No responsibility or liability is assumed by Pilbara Minerals or any of its affiliates (or their directors, officers, employees, associates, advisers and agents) for updating any information in this document or to inform any recipient of any new or more accurate information or any errors or mis-descriptions of which Pilbara Minerals and any of its affiliates or advisers may become aware.

## **Not Financial Product Advice**

This document does not constitute financial product advice or take into account your investment objectives, taxation situation, financial situation or needs. This document consists purely of factual information and does not involve or imply a recommendation or a statement of opinion in respect of whether to buy, sell or hold a financial product. An investment in Pilbara Minerals is considered to be speculative in nature and is subject to known and unknown risks, some of which are beyond the control of Pilbara Minerals. Before making any investment decision in connection with any acquisition of securities, investors should consult their own legal, tax and/or financial advisers in relation to the information in, and action taken on the basis of, this document.

## **Reporting of Mineral Resources and Ore Reserves**

Recipients of this presentation outside Australia should note that it is a requirement of the Australian Securities Exchange listing rules that the reporting of ore reserves and mineral resources in Australia comply with the Australasian Joint Ore Reserves Committee Code for Reporting of Mineral Resources and Ore Reserves ("JORC Code"), whereas mining companies in other countries may be required to report their ore reserves and/or mineral resources in accordance with other guidelines (for example, SEC Industry Guide 7 in the United States). Such estimates of reserves are largely dependent on the interpretation of data and may prove to be incorrect over time. No assurance can be given that the reserves and contingent resources presented in the document will be recovered at the levels presented. Recipients should note that while Pilbara Minerals' mineral resource and ore reserve estimates comply with the JORC Code, they may not comply with the relevant guidelines in other countries, and do not comply with SEC Industry Guide 7. In particular, SEC Industry Guide 7 does not recognise classifications other than proven and probable reserves and, as a result, the SEC generally does not permit mining companies to disclose their mineral resources, including indicated and inferred resources, in SEC filings. Accordingly, if Pilbara Minerals were reporting in accordance with SEC Industry Guide 7, it would not be permitted to report any mineral resources, including indicated and inferred resources, and the amount of reserves reported by Pilbara Minerals may be lower than its estimates. You should not assume that quantities reported as "resources" will be converted to reserves under the JORC Code or any other reporting regime or that Pilbara Minerals will be able to legally and economically extract them. In addition, investors should note that under SEC Industry Guide 7, mine life may only be reported based on ore reserves. Mine life estimates in this presentation assume that a portion of non-reserve resources will be converted to ore reserves, which would not be permitted under SEC Industry Guide 7.



# Important notices

## Forward looking statements

Statements contained in this document, including but not limited to those regarding possible or assumed production, sales, future capital and operating costs, projected timeframes, performance, dividends, returns, revenue, exchange rates, potential growth of Pilbara Minerals, the timing and amount of synergies, the future strategies, results and outlook of the combined Pilgangoora Project, industry growth, commodity or price forecasts, or other projections and any estimated company earnings are or may be forward looking statements. Forward-looking statements can generally be identified by the use of words such as 'project', 'foresee', 'plan', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will' or similar expressions. Forward looking statements including all statements in this presentation regarding the outcomes of preliminary and definitive feasibility studies, projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. These statements relate to future events and expectations and as such involve known and unknown risks and significant uncertainties, many of which are outside the control of Pilbara Minerals. Actual results, performance, actions and developments of Pilbara Minerals may differ materially from those expressed or implied by the forward-looking statements in this document. Such forward-looking statements speak only as of the date of this document. There can be no assurance that actual outcomes will not differ materially from these statements. To the maximum extent permitted by law, Pilbara Minerals and any of its affiliates and their directors, officers, employees, agents, associates and advisers: disclaim any obligations or undertaking to release any updates or revisions to the information in this document to reflect any change in expectations or assumptions; do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence). Nothing in this document will under any circumstances create an implication that there has been no change in the affairs of Pilbara Minerals since the date of this document.

## Important Information regarding Mineral Resources, Ore Reserves and P680 and P1000 Projects

Information in this presentation regarding 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 6 October 2021 and updated in the Company's 2022 Annual Report. The relevant proportions of proven Ore Reserves and probable Ore Reserves are 11% proven Ore Reserves and 89% 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.

Information in this presentation relating to Mineral Resource and Ore Reserve estimates is extracted from the ASX releases dated 6 September 2021 and 6 October 2021 as updated in the Company's 2022 Annual Report. Pilbara Minerals confirms that it is not aware of any new information or data that materially affects the information included in these announcements and that all material assumptions and technical parameters underpinning the Mineral Resource and Ore Reserve estimates continue to apply and have not materially changed. Pilbara Minerals confirms that the form and context in which the competent persons' findings are presented in this presentation have not been materially modified from the original market announcements.

## Guidance as to Production, Unit Costs and Capital Expenditure

Any guidance as to production, unit costs and capital expenditure in this presentation 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 COVID-19 related risks (community distribution, labour shortages and supply chain disruption), inflationary macroeconomic conditions, incomplete engineering and uncertainties surrounding the risks associated with mining and project development including the construction, commissioning and ramp up of projects such as the P680 and P1000 Projects 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 therefore 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.

## Midstream Demonstration Plant Project - Scoping Studies

Scoping and other technical studies in respect of the Mid-Stream Demonstration Plant Project have been undertaken to determine the potential viability of the demonstration plant and to reach a decision to proceed with more definitive studies and enter into a joint venture agreement. Each scoping study has been prepared to an accuracy level of +/-40% (for Capital costs) and +/-30% (for Operating costs). Each scoping and technical study is based on low-level technical and economic assessments and is insufficient to provide assurance of an economic development case at this stage or provide certainty that the conclusions of the studies will be realised. The results of the studies should not be considered a profit forecast or production forecast.

# Important notices

## Financial information

In order to provide additional insight into the business, certain non-IFRS measures such as “EBITDA”, “underlying profit after tax”, “Cash Balance inclusive of LOC” and “Net Cash/(Debt)” may be used in this presentation which are unaudited, non-IFRS measures that, in the opinion of the Company’s directors, provides useful information to assess the financial performance of the Company over the reporting period. Reconciliations to IFRS measures are included within this presentation.

This presentation should be read in conjunction with the Company’s FY2022 Annual Financial Report and accompanying notes dated 22 August 2022.

## Past performance

Statements about past performance are not necessarily indicative of future performance.

## References to Australian dollars

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

## Acceptance

By accepting, accessing or reviewing this document you acknowledge, accept and agree to the matters set out above.

## Authorisation of release

Release of this market announcement is authorised by Mr Dale Henderson, Managing Director & CEO

## Online communications

Pilbara Minerals encourages investors to be paperless and receive Company communications, notices and reports by email. This will help further reduce our environmental footprint and costs while also ensuring efficient and timely communication during COVID-19.

Shareholder communications available online include the Annual Report, Voting Forms, Notice of Meeting, Issuer Sponsored Holding Statements and other company related information. Investors can view, download or print shareholding information by choice.

To easily update communication preferences, please visit: [www.computershare.com.au/easyupdate/PLS](http://www.computershare.com.au/easyupdate/PLS).