

For personal use only

# ioneer

annual report  
2021

ioneer Ltd  
ABN 76 098 564 606

# we are ioneer

## Providing the materials for a sustainable and thriving planet

- Demonstrated potential to become a world-class lithium-boron producer
- DFS and subsequent detailed engineering continues to confirm Rhyolite Ridge will become a large, long life, low cost operation
- Co-production of lithium and boron on-site secures ioneer's position as the lowest cost lithium producer in the world
- Strategically located in the US in a tier-one mining jurisdiction
- Completed offtake for most of the Project's boron production and a first binding lithium offtake
- Advanced discussions with potential strategic funding partners
- Highly experienced board and management with necessary skills to develop, build and operate a world-class lithium-boron mine
- Engaged top-tier mining, engineering and processing partners including Fluor, Veolia, SNC-Lavalin, DuPont, FLSmidth, Caterpillar and Golder

### AGM

The ioneer Annual General Meeting will be held at 10.00am AEST on Friday, 5 November 2021.

In response to Government restrictions and the potential health risks associated with COVID-19, this year the Company's AGM will be held virtually. There will not be a physical meeting where Shareholders can attend but Shareholders can participate in the meeting online via <https://web.lumiagm.com/304753785>

Personal use only



# FY21 highlights

## CONTENTS

Chairman's Letter .....	2
Our Story and Purpose .....	4
Company Overview .....	6
Operational Report .....	8
Environmental and Social Responsibility Report .....	12
Board of Directors.....	22
Senior Executives.....	23
Directors' Report .....	24
Auditor's Independence Declaration.....	31
Remuneration Report.....	32
Financial Statements.....	51
Directors' Declaration.....	80
Independent Auditor's Report.....	81
Other Information.....	86
Shareholder and ASX Information.....	89
Corporate Directory.....	91

## Lithium Offtake Agreement

Signed binding lithium offtake agreement with Korea's EcoPro Innovation Co

## Permitting for Project

- Issued State Class II Air Quality Permit
- Issued State Water Pollution Control Permit
- Submitted Plan of Operation – main federal permit application

## Funding

A\$80 million raised to fund Project to Final Investment Decision

## Engineering

- US\$122-148 million in major work packages under negotiation
  - Work continuing with design increasing from 30% (DFS level) to 50% complete

# chairman's letter



*Rhyolite Ridge is extremely well-positioned to help enable this critical transition as the only DFS-level project in the US and the most advanced lithium development project in North America.*

**James D. Calaway**  
Executive Chairman

## Dear Shareholders,

2021 has been another year of great effort and significant progress by team ioneer. It is with great pleasure that we present the Company's 2021 Annual Report to our shareholders.

The Company delivered on a number of key milestones to significantly advance Rhyolite Ridge towards the commencement of construction, including significant progress towards finalising project engineering, obtaining important permits and environmental approvals, and securing funding.

Specifically, our expanding internal engineering team and support contractors progressed engineering and design work for Rhyolite Ridge to approximately 50% completion, with up to US\$148 million in major work packages now under contract or advanced stages of negotiation.

We received the State of Nevada Class II Air Quality and Water Pollution Control Permits, two of the three key permits we need to start Project construction. The sales and marketing team secured our first binding lithium offtake supply agreement with Korea's EcoPro Innovation Co. Ltd, the world's second largest NCA cathode materials manufacturer. The agreement accounts for a third of our nameplate annual lithium carbonate output for the first three years of production, with

optimism to contract further lithium chemicals production to various customers in the short to medium term.

We have been deliberate in our work to complete the strategic partner process. We anticipated, given our understanding of market conditions, that calendar year 2021 would be materially superior to 2020 to secure financing for the Project. I'm pleased to report that this patience, despite short term pressures to move more quickly, is expected to be rewarding for shareholders. We are now in the final stages of negotiations with a strategic partner and anticipate announcing that party to the market in the third quarter of calendar year 2021. Once the strategic partnering process is completed, ioneer will move, with the support of Goldman Sachs, to secure the remaining capital to enable the Project's Final Investment Decision.

In the March quarter we raised A\$80 million via a fully underwritten institutional placement with strong demand from new and existing institutional investors. This was to ensure we had the balance sheet to both support our continued ramp up leading to the start of construction, and to ensure that potential strategic partners understood that we had staying power. Strong institutional demand saw us upsize the placement from A\$60 million to A\$80 million.

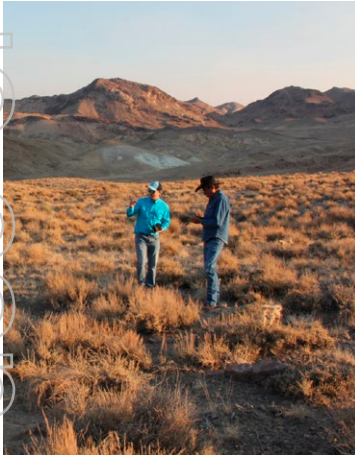
And we made considerable progress towards a secondary listing of shares on a major US stock exchange. We feel the timing is right for us to begin the process to increase our exposure to US markets as we move to bring Rhyolite Ridge into production.

The financial year brought a growing sense of optimism and confidence in the global lithium market. The rapid growth of the electric vehicle sector in Europe has been driven by a push on emissions targets and major subsidies from French, German and UK Governments. Sales have exceeded expectations in parts of Europe and have necessitated big commitments from automakers. These factors, combined with renewed efforts in the Chinese domestic market, have firmly shifted market sentiment and the lithium price and demand outlook.

In the US, the Biden administration has committed to a low carbon future through the electrification of America's transport system and support of emission reduction technologies. This is positive for ioneer's future as a US producer of the key materials needed for lithium-ion batteries to support America's rapidly growing electric vehicle sector. The Biden administration is focused on developing a domestic lithium-ion battery materials supply chain to ensure the US can source the materials it needs to meet its climate targets around electrification of the

Right:  
Engineering rendering of  
Rhyolite Ridge Processing Plant.

Below:  
Rhyolite Ridge Project area  
late afternoon with the  
white hill in the background



transportation system and in building renewable energy infrastructure. Ioneer anticipates the new administration will give strong support for domestic projects, such as Rhyolite Ridge, which will supply the critical minerals necessary to execute on the administration's emissions reduction programs.

Rhyolite Ridge is extremely well-positioned to help enable this critical transition as the only DFS-level project in the US and the most advanced lithium development project in North America. Rhyolite Ridge's unique mineralogy enables us to generate two important revenue streams, with the significant revenue from our co-production of boron solidifying the Project's position at the very bottom of the global lithium cost curve, while benefitting Ioneer with critically important revenue stability.

We have always known that our operations must meet the highest standards of environmental stewardship and sustainability. That understanding and commitment informs everything we do. Our Project is designed from all perspectives to preserve the integrity of our environment, including the air, water and local flora and fauna. As one part of that commitment to the environment, we are continuing our efforts to ensure the protection and preservation of Tiehm's buckwheat populations at Rhyolite Ridge. We have delivered the most

comprehensive study of Tiehm's buckwheat ever undertaken and are working with responsible agencies to develop a Conservation Agreement that will ensure the successful coexistence of the rare plant and our environmentally critical project. We are highly confident that the hard science supports coexistence and thus final permits, irrespective of the plant's listing status.

The financial year saw some significant changes to our Board. After 17 years of service, we thanked and farewelled non-executive director Pat Elliott. Pat made a significant and lasting contribution to the Company.

In February 2021, we were delighted to welcome Rose McKinney-James and Margaret Walker to the Board, whose respective expertise in ESG and large-scale chemical plant construction significantly strengthen our Board.

In May, the whole Ioneer team was deeply saddened at the passing of our non-executive director, John Hofmeister. John made a significant contribution to Ioneer, and to the US resources sector. We were privileged to have him on our Board for the time we did, and he is deeply missed by all.

I wish to thank our remarkable team, led by our able and dedicated CEO, Bernard Rowe. The growing Reno-based team, along with our terrific engineering,

procurement and construction partner, Fluor Corporation, and related support contractors, who have continued to meet the challenge of demonstrating excellence in execution and driving our Project forward, despite the COVID-19-related challenges we have faced this year. Spirits are high, and the team remains fully committed to our core mission to make Ioneer a leading, environmentally responsible producer of the materials critical to a sustainable future.

I also want to thank our Board of Directors, who are as dedicated as our management team, for the past year of endless work, commitment to good governance, and wise counsel.

And finally, I want to thank our shareholders for your ongoing support. I am optimistic about the coming year in delivering on our objectives for the Company and our shareholders.

With appreciation,

**James D. Calaway**  
Executive Chairman

# our story and purpose

## OUR STORY

We are iioneer – a company intent on pioneering where and how our earth's ions are resourced for a sustainable future. This dedication drives us to be leaders in a new energy revolution. Our diverse team brings expertise from the mining, chemical, processing, energy and finance industries. And together we have pledged to improve how the vital materials for energy solutions are developed. At iioneer, we understand the importance of being caretakers of our planet while ensuring every person is able to enjoy the benefits of clean energy.

It is not easy to take a leadership role in tackling a global challenge, but we are up for this job. We do this not just for ourselves and our families, but each generation to come. Because we believe that what we leave behind tells the story of who we were and what we stood for. And it is our privilege to make a positive contribution to the story of a sustainable planet.



## OUR PURPOSE

**To responsibly provide the materials for a sustainable & thriving planet.**

Our purpose is underpinned by 'what we believe' and 'how we act', commitments that are the heart of our culture and how we work together to achieve our purpose.

## WHAT WE BELIEVE?

- We believe that every individual is entitled to affordable, clean energy
- We have a responsibility to be custodians of our planet
- What we do today will have consequences for decades to come
- Doing good is the right thing to do
- We thrive when we are helping others to thrive

## HOW WE ACT?

- We recognise each of our actions has implications
- We put our imaginations to work in service of better energy solutions
- We know our reputation is on the line every day
- We work for what is in the best interest of all
- We strive to make our actions match our words



# company overview

**ioneer is an emerging lithium-boron producer that is set to develop one of the most attractive lithium projects globally. The Company's 100%-owned Rhyolite Ridge Lithium-Boron Project in Nevada, USA provides an important foundation for ioneer to become a responsible and profitable producer of the materials necessary for a sustainable future.**

Rhyolite Ridge is one of only two known large lithium-boron deposits globally. In 2020, ioneer delivered its DFS which confirmed the Project's scale, long life and potential to become a low-cost and globally significant producer of both lithium and boron products. In 2021, ioneer advanced engineering, was issued two of the three key environmental permits required for operations, signed its first binding lithium offtake agreement, and furthered strategic partnering and debt funding discussions.

Rhyolite Ridge's unique mineralogy and physical properties of the Rhyolite Ridge ore allows for a flowsheet that combines commercially available processes and equipment to produce lithium and boron products at the mine site without the need for solar evaporation or high-temperature roasting.

Revenue generated from the operation is forecast to be split between lithium (70%) and boron (30%), ensuring a diversified and stable revenue mix.

Importantly, with the boron credit, ioneer is set to achieve an all-in sustaining cash cost at the bottom of the cost curve for lithium globally, meaning resilience through commodity cycles.

Lithium and boron are used in a diverse range of everyday items and innovative technologies that are essential to modern life. Lithium in particular is linked directly to emerging clean technologies and is an irreplaceable component for batteries essential to electric vehicles, computers and phones. ioneer is well-positioned to capitalise on the lithium supply deficit forecast to rapidly accelerate by 2024.

*The Company's 100%-owned Rhyolite Ridge Lithium-Boron Project in Nevada, USA provides a substantial foundation for ioneer to become a responsible and profitable producer of the materials necessary for a sustainable future.*

At start up, lithium carbonate and boric acid products will be produced at site, differentiating this from other projects. In time, lithium hydroxide will also be produced at site.

Nevada is one of the most attractive, mining-friendly jurisdictions globally with a large pool of skilled labour, well-established infrastructure, and proximity to the Tesla Gigafactory and California ports. Rhyolite Ridge is a strategically important deposit as the USA works to secure and diversify its supply of battery metals and other critical metals essential to modern life and the future.

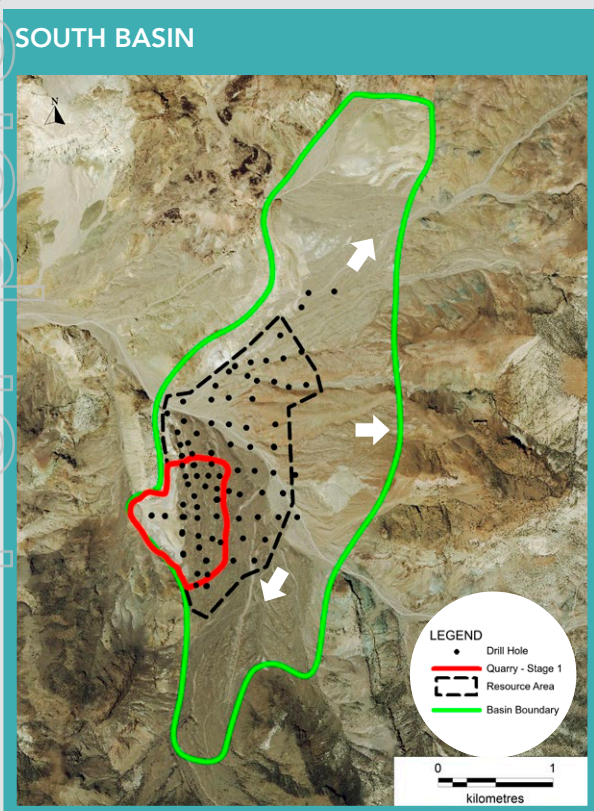
The Company has a highly experienced Board and management with the necessary skills to develop, build and operate a world-class lithium-boron mine in the United States. The ioneer team is complemented by top-tier mining, engineering, processing and environmental partners including Fluor, Veolia, SNC-Lavalin, DuPont, FLSmidth, Caterpillar and Golder.



## STRATEGIC US LOCATION IN A TIER ONE MINING JURISDICTION



## SATELLITE IMAGE OF THE RHYOLITE RIDGE PROJECT AREA SHOWING EXPANSION POTENTIAL



## ADVANTAGES

### 1. COMPELLING PROJECT ECONOMICS

Long mine life with rapid payback of capital: 5.2 years from first production

### 2. LOWEST COST LITHIUM PRODUCER GLOBALLY

All in sustaining cash cost at the bottom of the global lithium cost curve with co-production of boron

### 3. LARGE DEPOSIT

26-year mine life based on Reserves with expansion potential

### 4. WELL DEFINED PROCESS FLOWSHEET

Open pit, low cost, no new technology

### 5. LOW RISK LOCATION

US Advantage, mining friendly jurisdiction proximal to Tesla Gigafactory and California export ports.

### 6. SUSTAINABLE PROJECT

Small footprint, low emissions, low water usage

# operational report

*"The signing of our first lithium carbonate offtake agreement and the award of two major project permits capped off a year of significant progress in the development of Rhyolite Ridge. We move toward Project construction against the backdrop of invigorated US support for lithium's role in renewable and emission reduction technologies, and I'm enthusiastic for the year ahead."*

**Bernard Rowe**  
CEO and Managing Director



**Significant advancement of Rhyolite Ridge has seen ioneer brought closer to confirming a Final Investment Decision on the Project, which we continue to anticipate will be made in CY 2022. The achievement of some major milestones in the year demonstrated confidence in the Project well beyond FY 2020's Definitive Feasibility Study, which showed Rhyolite Ridge's potential as a low cost, long-term domestic source of high-quality lithium in the US. Key points of progress include the signing of our first lithium carbonate offtake agreement, the receipt of two key state Project permits, an oversubscribed A\$80 million placement, and the award of major engineering design and work contracts. Our strategic partnering and funding discussions are at an advanced stage, and finalising these negotiations is a priority for ioneer in the new financial year.**

**Each key work stream is discussed in detail below.**

## SALES & MARKETING

### FIRST LITHIUM OFFTAKE AGREEMENT SIGNED

In June 2021, the Company announced that it had signed a three-year, binding offtake supply agreement with EcoPro Innovation Co. Ltd (EcoPro), which is the world's second-largest cathode manufacturer. ioneer will supply EcoPro with up to 7000 tonnes per annum (tpa) of lithium carbonate. The volume comprises an initial and firm 2000 tpa and an additional and optional 5000 tpa (subject to mutual agreement, no later than Q1 2022). The offtake agreement is conditional on ioneer reaching a final investment decision (FID) on Rhyolite Ridge. The total offtake volume represents ~34% of ioneer's

lithium carbonate production in the first three years of operation.

EcoPro expects to convert ioneer's lithium carbonate into high purity lithium hydroxide and then into battery cathodes. The cathodes are used in lithium-ion batteries, which are sold to electric vehicle and renewable infrastructure manufacturers.

Discussions with other potential lithium offtake partners continued in the year. ioneer anticipates conclusion of these discussions in the second half of CY 2021.

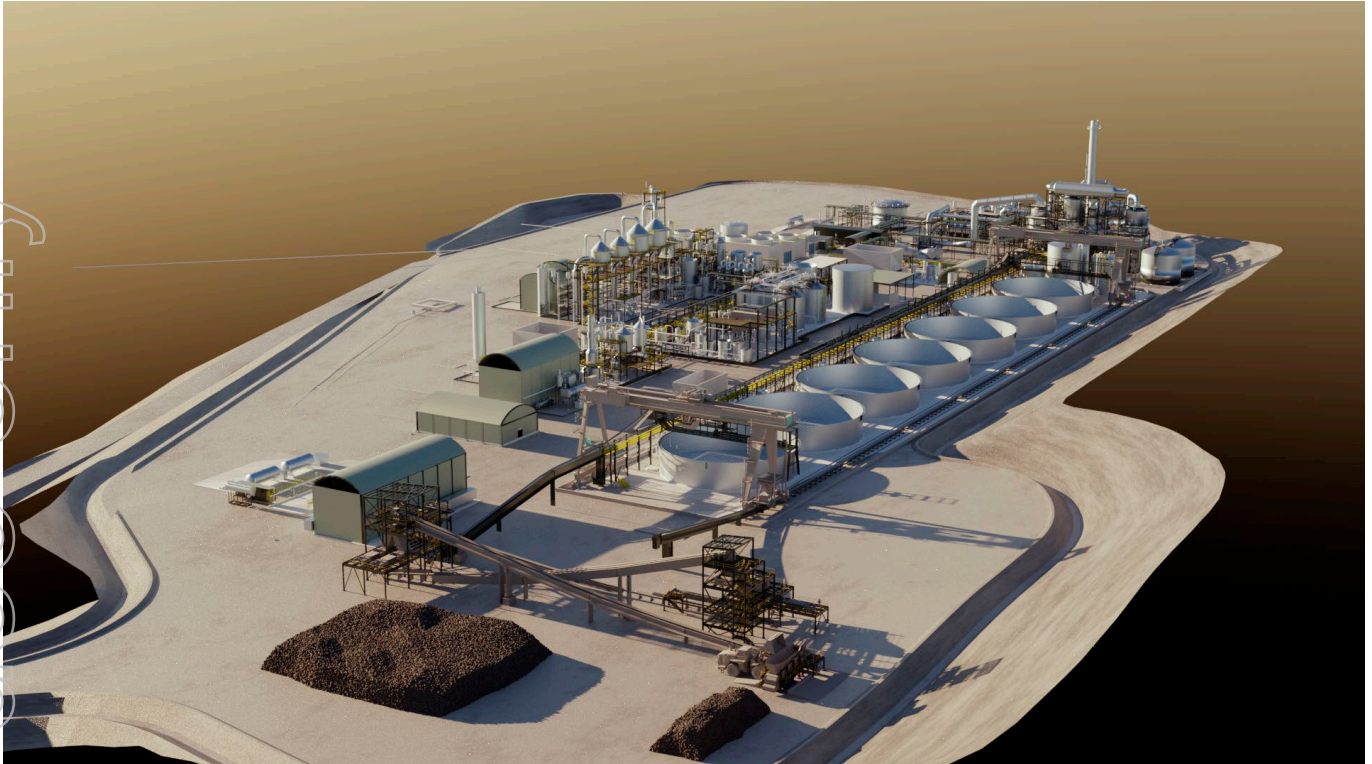
### BATTERY GRADE HYDROXIDE

In the year, we were very pleased to report our metallurgy and process engineering team successfully converted lithium

carbonate into battery grade lithium hydroxide at our Rhyolite Ridge pilot plant. This was a significant milestone in our lithium chemicals production and demonstrated ioneer's ability to provide high purity technical grade lithium carbonate and battery grade lithium hydroxide to customers. Reaching the requisite product specifications for our target customers allowed ioneer to advance discussions with potential offtake partners.

### BORIC ACID OFFTAKE

ioneer has three offtake agreements in place for its boric acid production, which were announced in FY 2020 and together account for 100% of ioneer's first year of boric acid production and over 80% of years two and three boric acid production.



Above: Engineering rendering of Rhyolite Ridge Processing Plant.

Below: Lithium Hydroxide, Lithium Carbonate and Boric Acid end products produced in the Pilot Plant.



The contracts include:

1. A binding offtake agreement with Dalian Jinma Boron Technology Group Co. Ltd for 105,000 tonnes per annum of boric acid for five years and include a distribution agreement for the territories of China and Taiwan.
2. A three-year sales and distribution agreement with Kintamani Resources Pte Limited for the territories of Malaysia, Indonesia, Singapore, Thailand, Vietnam and the Philippines.
3. A three-year sales and distribution agreement with Boron Bazar Limited (Boron Bazar) for the territories of Bangladesh, India, Pakistan and Myanmar.

## STATE AND FEDERAL PERMITTING PROCESS

ioneer made significant progress in obtaining key permits necessary to commence construction at Rhyolite Ridge.

In June 2021, iioneer received a Class II Air Quality Permit issued by the State of Nevada Division of Environmental Protection Bureau of Air Pollution Control. The issuance of the permit represented a significant milestone for Rhyolite Ridge and supports our detailed plans for a processing plant with low emissions and minimal hazardous air pollutants. After regulatory review and a public comment period, Rhyolite Ridge is the first project in Nevada with sulphuric acid production to receive a Class II Air Quality permit.

Just post FY 2021-end, we were issued a Water Pollution Control Permit by the Nevada Division of Environmental Protection following a detailed Project review, which included an assessment of the impact to surface and subsurface water during and after closure of the operation.

Rhyolite Ridge is the only lithium development project to have received the dual permits from the Nevada Division of Environmental Protection (NDEP).

## PLAN OF OPERATIONS SUBMITTED

The third key permit, still outstanding, is the Plan of Operation (Plan) that must be approved by the federal US Department of the Interior (DOI).

The Plan requires assessment under the National Environmental Policy Act (NEPA) process, which includes public consultation and preparation of an Environmental Impact Statement (EIS).

In March 2021, the Nevada State Bureau of Land Management (BLM) sought DOI approval to publish a NOI for the Rhyolite Ridge Project. This timing coincided with a period of transition to the Biden administration in which no permit assessments or publication of permitting decisions were expected for an anticipated 60 days. Since the expiration of this period, there has been ongoing delay to the publication of Notices in the federal register, including for Rhyolite Ridge.

## COMPELLING PROJECT ECONOMICS CONFIRMED BY DFS

**US\$1.27B**  
AFTER-TAX NPV  
(8% REAL)

**~21%**  
UNLEVERED  
AFTER-TAX IRR

**US\$193M**  
ANNUAL AFTER-TAX  
CASHFLOW

## operational report continued

We remain in contact with relevant regulators regarding the publication timeframe. ioneer remains hopeful that the NOI will be published in the near term.

Upon publication of the NOI, the BLM will hold a series of public meetings to provide a description of the Project and allow for public comment. Comments are then collated and reviewed with potential changes and mitigants made to the Plan in response to comments. This process ultimately culminates in an EIS and a Record of Decision (ROD). From the publishing of a NOI through to the Record of Decision (ROD) can take up to 12 months.

Once the Plan of Operation has been approved via a Record of Decision, construction of the Rhyolite Ridge Project can begin.

### TIEHM'S BUCKWHEAT PRESERVATION

ioneer furthered its protection work on Tiehm's buckwheat populations present at Rhyolite Ridge. We have undertaken considerable work to advance data and information allowing protection and preservation programs for Tiehm's buckwheat to be established. The additional information collected about Tiehm's buckwheat and similar buckwheat species provides evidence-based support for our protection programs.

The protection of Tiehm's buckwheat is firmly incorporated into our Project environmental plans and approvals, and we will ensure the species is managed and protected. ioneer's buckwheat management and conservation plan incorporates a strategy to minimise impact and to expand buckwheat habitat. Our research gives the Company high confidence we can ensure the continuance of a viable population through proven mitigation measures to address the impact from ioneer's operations, as well as serious natural threats such as extreme drought and herbivory that threaten the plant population regardless of the Company's operations.

### ENGINEERING

- Engineering work continuing with design increasing from 30% (DFS level) to 50% complete, depending on area of the operation
- First vendor engineering packages issued for bid
- Engineering work progressed with US\$122-148 million in major work packages under negotiation
- ioneer anticipates being construction ready from an engineering and financing perspective in 2H 2022

### MOU SIGNED WITH CATERPILLAR, INC

In October 2020, we were pleased to announce partnership Caterpillar, Inc as our exclusive heavy equipment partner for the Rhyolite Ridge Project.

The equipment and services Caterpillar will supply during the first five years of operation are valued at approximately US\$100 million. Caterpillar will also provide finance solutions for the equipment through Caterpillar Financial Services. The equipment supply and services, and finance solutions are subject to a final investment decision being taken on the Project and definitive legal documentation.

The partnership will operate through Nevada-based Cashman Equipment, which may provide technicians to assemble and service equipment, operator trainers to assist with the most efficient machine operations, and product support consultants to facilitate a comprehensive Maintenance and Repair Contract (MARC) agreement.

Through the year, ioneer and Caterpillar continued work on a study to consider early introduction of autonomous haul trucks at Rhyolite Ridge to improve safety, productivity and reduce the physical and environmental footprint of a mine.

**US\$422M**  
ANNUAL REVENUE

#### FLSMIDTH AWARDED ENGINEERING AND EQUIPMENT CONTRACT

Post year-end, ioneer awarded a major engineering and equipment supply contract to FLSmidth.

FLSmidth has already commenced work on product engineering for the equipment packages, which include crushing and material handling equipment, plus lithium carbonate and boric acid dryers for Rhyolite Ridge.

The contract has been awarded on a limited notice to proceed (LNTF) basis, with the supply of the equipment packages being conditional on a final investment decision on the Project.

FLSmidth has also initiated discussions between Denmark's Export Credit Agency, EKF and ioneer to discuss potential financing options.

#### STRATEGIC PARTNERING & FUNDING DISCUSSIONS

Over the last 12 months, ioneer has made progress on its funding solution process, with the support of its financial advisors.

#### STRATEGIC PARTNERING

ioneer continued a strategic partner process, assisted by Goldman Sachs. We anticipate the process will be concluded in the September 2021 quarter, with preparation of definitive investment documents underway. ioneer anticipates that a strategic partner transaction should

**US\$785M**  
ESTIMATED CAPEX

deliver the majority of the required equity component of the Rhyolite Ridge funding stack, which will lead to an acceleration of debt and trade finance discussions that have been positively progressing for many months.

#### DEBT DISCUSSIONS

In a separate workstream, the Company continues to engage with a number of potential debt funders and is encouraged by feedback to date. This includes working with vendors to assess Export Credit Agency (ECA) financial support, as recently disclosed with FLSmidth and Denmark's ECA, EKF.

We note increased interest in the sector and the Project as market participants focus on the growing importance of security of lithium supply and growing US and European EV demand.

#### EQUITY RAISING

In March 2021, ioneer completed a fully subscribed underwritten institutional placement to professional and sophisticated investors, raising A\$80million at A\$0.38 per share. The Placement saw strong demand from existing shareholders and new investors including high-quality international and domestic institutions. The proceeds are being utilised to progress development of Rhyolite Ridge, including advancing detailed engineering and vendor engineering to construction ready status, environmental, research and consulting

**5.2 years**  
RAPID PAYBACK

expenses, discretionary substantive pre-construction activities, along with working capital and general purposes.

#### SECONDARY LISTING OF SHARES ON A MAJOR US STOCK EXCHANGE

Since announcing its intention to pursue a US listing in response to significant demand from US-based investors for lithium and battery minerals-related investments, ioneer has completed its initial evaluation of a secondary listing of its shares on a major US stock exchange. The secondary listing is anticipated to take place in the second half of CY 2021, in line with ioneer's longer-term strategy of increasing exposure to US markets, including access to the deep US capital markets.

I'm extremely pleased with the milestones achieved this year. We are well on our way to being construction ready and are focused on securing the necessary final project approvals in the short term, along with strategic and financial partnerships. I want to thank and acknowledge my talented and hardworking team in delivering this progress and look forward to updating shareholders on further progress.



**Bernard Rowe**  
CEO and Managing Director

For personal use only



# environmental and social responsibility report

## Our vision

**We see a world in which our global population, our environment and future generations are thriving. Where we responsibly and profitably provide the materials necessary for a sustainable planet.**

ioneer is committed to being a part of the global energy transformation, essential to addressing the threat of climate change. The materials we will produce are essential to enabling the transition to cleaner energy. Shortages of the materials we will produce threaten the transition both in time and costs. We are mindful of this supply chain risk and are taking all steps to responsibly develop these resources to help sustain our planet.

We accept this responsibility with the understanding that while our production will have global environmental benefits, we are also becoming an important part of our surrounding communities and need

to demonstrate right behaviours and build trust. We embark on this journey knowing that our success depends upon listening to the needs and aspirations of those living in the regions we operate in, and to collaboratively strengthen those communities through our operations and support.

As we progress Rhyolite Ridge toward construction and operation, we are actively working to determine what best-in-class sustainability practices and reporting framework will be used by the Company to drive continuous improvement. We are committed to providing all stakeholders with timely

and transparent ESG reporting. To this end, in late FY 2021, the Board established an ESG Committee to assist it in the selection of these standards and reporting procedures, with the objective to drive operational improvement and to monitor material ESG issues, risks, and performance of the Company.

This year, we are pleased to build on the sustainability pillars established in 2020 by adding Health and Safety as a new pillar. These sustainability pillars will drive our efforts for years to come.



## Corporate Governance



Global Energy  
Transition



Environment



People &  
Community



Health & Safety



## CORPORATE GOVERNANCE

**Good corporate governance is the basis to delivering on our corporate strategy and essential to operating responsibly and ethically.**

Our experienced Board takes its responsibilities seriously and seeks to instil a culture of innovation, care, commitment, and responsibility. The Board is the Company's highest governing authority. It includes a majority of independent, non-executive directors. The skills, expertise, experience, diversity, size and composition of our Board is reviewed regularly.

An established corporate governance framework outlines how our Board meets its commitment to good governance. The framework was developed with reference to the recommendations set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4th edition (Principles and Recommendations).

Our Board is ultimately responsible and accountable for our governance, risk and compliance frameworks, including ensuring compliance with all policies and procedures, values, and various legislative and regulatory requirements.

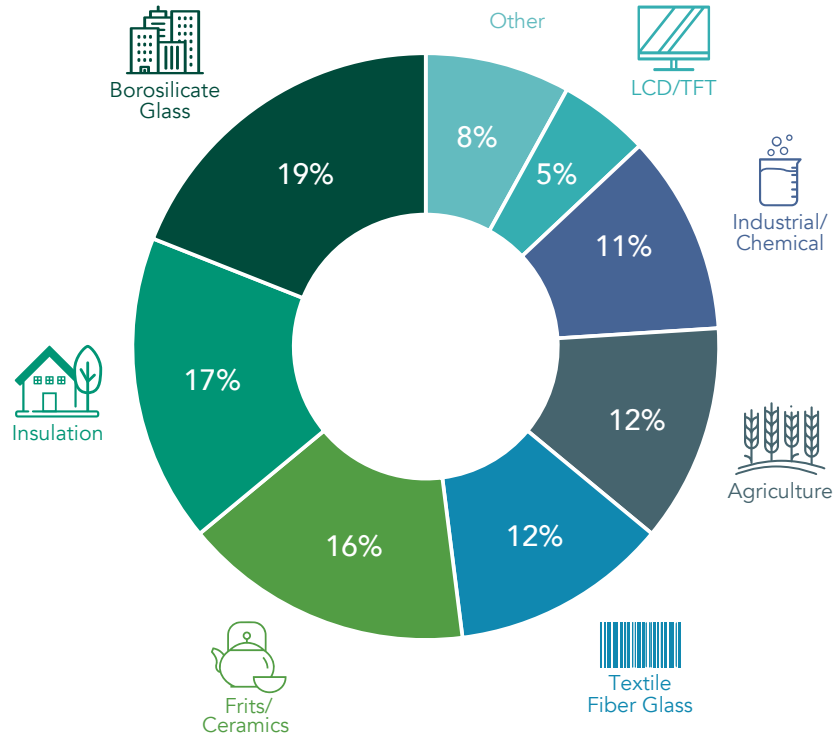
There were no reported breaches of relevant policies and full compliance with legal and regulatory obligations was maintained in the period. The Corporate Governance Statement for FY 2021 can be found at [www.ioneer.com](http://www.ioneer.com)

During FY 2021, our Board reviewed corporate governance documentation and, where appropriate, updated policies and practices. This is an annual practice that ensures our governance processes are in line with expectations in the current operating environment. In addition, the Board established an Environmental, Social and Governance (ESG) Committee to assist the Board to monitor material issues, risks and performance of the Company in respect of health, safety, environment, and community.

Policies within the Company's corporate governance framework include the Code of Conduct, Board Charter, Board Committee Charters, Disclosure, Diversity, Trading, Shareholder Communications, Whistleblower and anti-bribery and corruption. All policies and practices are reviewed periodically and updated to ensure they are supportive of the current business environment and any changes to ASX Listing Rules. Full versions of current Corporate Governance Policies can be found at [www.ioneer.com](http://www.ioneer.com)

The Code of Conduct sets out the behaviours expected from both employees and contractors in their dealings with each other, shareholders, all other stakeholders, and the broader community. It also encourages reporting of any suspected or known unethical practices. New employees are required to read the Code of Conduct and commit to conducting themselves accordingly. The Code of Conduct is also included as part of contractor obligations in contracts.

## Global Borates Demand by End Use



### GLOBAL ENERGY TRANSITION

#### Producing the materials for a sustainable future

The reality of climate change is rapidly changing the way in which the world generates, stores, uses and distributes energy.

The US Government has increasingly emphasised the need for the electrification of the country's transportation fleet to reduce greenhouse gas emissions. A domestic manufacturing supply chain, from raw materials to car production and ultimately through to recycling allows the US to reach this goal while maintaining natural security, creating high-quality jobs, fostering social justice and ensuring compliance to rigorous environmental standards. Electrification requires lithium, and Rhyolite Ridge will be a secure source of compounds ready to be utilised in the lithium-ion battery supply chain.

ioneer is set to become a globally significant, low-cost supplier of lithium carbonate, lithium hydroxide, and boric acid, which are vital materials to produce end products that reduce greenhouse gas emissions and create a more sustainable future.

#### LITHIUM

Lithium is a critical raw material to enable technologies that reduce greenhouse gas emissions. It is an irreplaceable component for current and next-generation batteries essential to the mass adoption of electric vehicles and electric battery storage systems that lead to greenhouse gas emission reductions.

As a result of the global push toward decarbonisation and green energy solutions, the global lithium market has also been expanding rapidly. In recent years, the compound annual growth rate of lithium for battery applications was over 22% and is projected by Roskill to be more than 20% per year to 2028.

According to Benchmark Mineral Intelligence, EVs are predicted to reach 10% of total new car sales globally by 2025, driving demand for lithium-ion batteries above 400 GWh that same year. A significant portion of the global demand for lithium-ion batteries comes from China, where the Government is pushing for all-electric battery cars and plug-in hybrids to account for at least 20% of its vehicle sales by 2025. Meanwhile, China already produces 55% of lithium-ion batteries globally, and its share is forecast to grow to 65%, according to Bloomberg.

In the US and Europe, there is significant demand growth forecast in key auto markets, yet very little domestic supply is in the pipeline. Rhyolite Ridge will be a secure, reliable and sustainable source of this critical raw material, ready to be sold directly into these global battery supply chains.

#### BORIC ACID

Boric acid is a rare, critical raw material and one of the most versatile elements in the world. With more than 130 unique applications, from glass, to insulation, to agriculture and industrial uses. Boron is also a primary material for clean technologies and sustainability and is only produced in a few locations globally. It is used in more than 300 applications, including home insulation, permanent magnets for electric cars and wind turbines, and advanced glass for televisions, computers, handheld devices and solar panels.

With global demand for boric acid consistently rising at 4% annually, the market for boric acid is expected to start tightening dramatically as soon as 2021. Without Rhyolite Ridge's output, demand is expected to exceed supply by 2024, supporting the assumption the market needs additional capacity.

Through the development of Rhyolite Ridge, iioneer will unlock much needed supply of lithium and boric acid to support decarbonisation and clean energy solutions across a wide range of end uses and geographies.





Above: Electric Vehicles are expected to drive double digit growth in lithium demand



## ENVIRONMENT

### Environmentally responsible operation

The geology and mineralisation of Rhyolite Ridge is unique in the world. ioneer is committed to extracting and processing its lithium and boron resources in an environmentally responsible manner. Environmental stewardship is at the core of ioneer's mission in developing the Rhyolite Ridge Project, which will produce large quantities of the materials critical to reducing greenhouse gas emissions.

### LOW EMISSIONS

We will produce lithium carbonate, lithium hydroxide and boric acid using off-grid, energy-neutral processes with minimal carbon dioxide (CO<sub>2</sub>) emissions from heat and electricity generation, resulting in a processing plant with low emissions of greenhouse gases and minimal hazardous air pollutants. The final processing design was derived after thousands of hours of full cycle pilot plant testing, and extensive process design and verification work by the Project's outstanding engineering team, led by Fluor Corporation as the Project EPCM.

Air quality on site will be strictly maintained with the Project's use of the lowest emission class of mobile equipment, and technology deployed in its sulphuric acid plant that guarantees the lowest possible rate of emissions in large acid plants.

### REDUCED WATER CONSUMPTION

Water use associated with ioneer's production of materials is extremely low compared to other lithium producers, especially those that utilise brine extraction and solar evaporation. The design is optimised to reduce water demand and will recycle a majority of the water used in the refining process. We will recycle over 50% of our process water.

### WILDLIFE AND FLORA PROTECTION

A key environmental baseline study completed for the Rhyolite Ridge Project's Plan of Operation focused on characterising the flora and fauna of the area. Amongst other species, this study concentrated on Tiehm's buckwheat, a plant designated as a Bureau of Land Management (BLM) Sensitive Species. ioneer has developed and implemented a comprehensive protection plan that includes strict measures to ensure that Tiehm's buckwheat and its habitat are protected and that the potential impacts caused by development of the Project are minimised. In January 2021, ioneer, in coordination with the US Fish and Wildlife Service (FWS) and BLM, commenced development of a Conservation Agreement, aimed at developing and implementing additional conservation actions.

Low-energy consumption, low emissions, substantially reduced water usage, a relatively small surface footprint and clear plans to manage wildlife and flora, contribute to Rhyolite Ridge being a sustainable, environmentally responsible operation.

## CASE STUDY: TIEHM'S BUCKWHEAT

### Tiehm's Buckwheat Protection and Conservation Efforts



Tiehm's buckwheat colonising historical exploration trenches at Rhyolite Ridge

Tiehm's buckwheat (*Eriogonum tiehmii*) is a perennial forb first identified at Rhyolite Ridge in 1983. No other occurrences of the plant are known, at this time, in Nevada. It is similar in form to other mat buckwheats in the Silver Peak Range, such as Shockley's buckwheat (*Eriogonum shockleyi*) and cushion buckwheat (*Eriogonum ovalifolium*) – both common in Nevada and the western United States. Tiehm's buckwheat is classified as a BLM Sensitive Species, meaning the species requires special management to ensure its protection and preservation. Ioneer has developed and implemented a BLM approved comprehensive Tiehm's Buckwheat Protection Plan that includes strict measures that have been in place since Ioneer commenced exploration at Rhyolite Ridge in 2016. The goal of these voluntary measures is to ensure that the plant and its habitat are avoided where possible and protected.

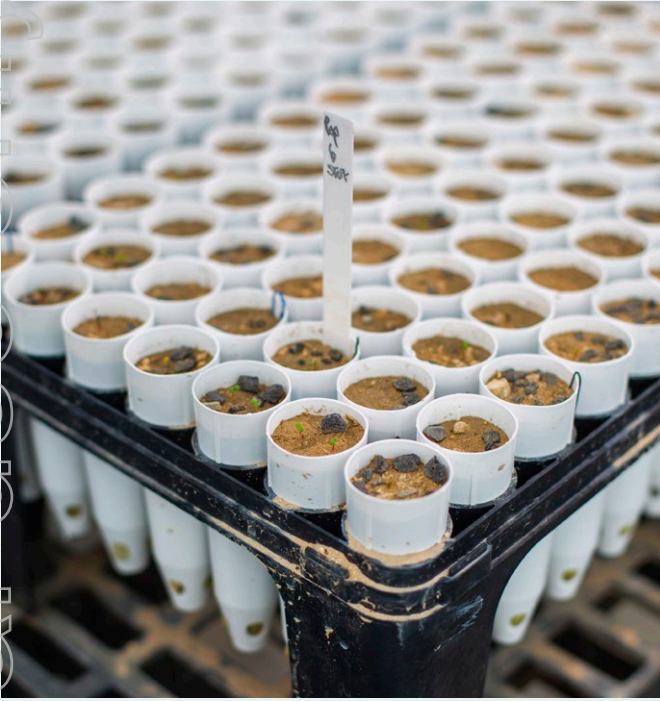
Ioneer began funding academic research on Tiehm's buckwheat in 2018 with University of Nevada, Reno (UNR), and other institutions. Ioneer is committed to the long-term viability of Tiehm's buckwheat and has spent over \$1,250,000 on research and developing protection measures over the past three years. In the first quarter of 2021, Ioneer, in coordination with USFWS and BLM, commenced development of a Candidate Conservation Agreement, aimed at developing and implementing additional conservation actions. In addition to regulatory bodies, Ioneer is actively working with outside experts who are familiar with similar conservation plans in the western U.S. and other stakeholders such as The Conservation Fund-Nevada to develop a comprehensive set of Tiehm's buckwheat conservation actions.

#### Mitigation, Conservation and Uplift Strategies with Scientific Foundation

With the increase in development of the desert southwest there are many recent associated efforts to restore habitat for environmental mitigation and enhancement purposes. These projects have shown that with a scientific based approach, detailed planning and guidance, and qualified implementation crews, this type of restoration can not only meet, but can exceed the performance criteria required by the regulatory agencies.

Ioneer is confident that through a combination of avoidance, propagation and translocation, we can ensure the long-term viability of the plant population. This is backed by solid scientific data and research. The company has made an extensive effort to design a mine plan that has minimum impact on currently occupied Tiehm's buckwheat habitat and that can be built to provide a stable and safe operation.

Based on supporting scientific data, we are highly confident that the Rhyolite Ridge Tiehm's Buckwheat population and the proposed lithium-boron production facility can co-exist to help support a future for all living things.



Above: Tiehm's buckwheat seedlings UNR greenhouse – January 2020.



Above: Tiehm's buckwheat seedlings in flower – June 2021.

### How we are protecting Tiehm's buckwheat

ioneer has always been firmly committed to the long-term viability and reduction of the risk of species extinction of Tiehm's buckwheat and has contributed significant funding on research and developing protection measures. The Company has worked to protect, conserve and expand this sensitive species in its natural habitat, including:

- 1. Minimising potential impacts** – iioneer completed a full survey of the existing Tiehm's buckwheat population prior to any field activities, conducted all work in consultation with regulatory authorities and guidelines and have taken great care to avoid the buckwheat subpopulations.
- 2. Working with regulators** – iioneer submitted a robust Project Plan of Operations to the BLM, which included two years of research and protection strategies formulated by a collaboration of experts. Implementing the proposed measures described in the Plan will protect the air quality, biology, groundwater, soils, and rangeland around the Rhyolite Ridge facility – not just maintaining the Tiehm's buckwheat habitat but improving its ability to survive and thrive.

- 3. Establishing a protection plan** – iioneer has developed and implemented a BLM-approved comprehensive Tiehm's buckwheat Protection Plan that includes strict measures that have been in place since iioneer commenced exploration at Rhyolite Ridge in 2016. The goal of these voluntary measures is to ensure that the plant and its habitat are protected, and that the potential impacts caused by development of the Project are minimised.

- 4. Developing a conservation agreement** – iioneer is actively working with experts, regulators and stakeholders to develop a comprehensive Tiehm's buckwheat conservation plan that will be implemented during the length of operations. This plan is modelled upon successful strategies for protection of other rare plants and habitats.

- 5. Engaging buckwheat specialists** – iioneer has retained the services of academic and commercial experts to augment our biological team and develop protection measures that will ensure the persistence of the plant in natural conditions.

- 6. Enhancing knowledge with research** – iioneer has worked with UNR to conduct a propagation and transplant trial for Tiehm's buckwheat. The project successfully grew over 1,000 Tiehm's buckwheat seedlings in the UNR greenhouse from seeds collected at Rhyolite Ridge, which were planted in three test sites in the Project Area. As the first study of its type to be completed for Tiehm's buckwheat and the first study of any kind on the plant in over 10 years, UNR's report represents a major step forward in the understanding of this species.



## PEOPLE & COMMUNITY

### Our people

**We strive to create a work environment where everyone feels safe, valued and empowered.**

At iioneer, we aim to build a culture that reflects our values of being an innovative, caring, committed and a responsible organisation.

A collaborative work environment has contributed to the Company's many achievements and milestones at a corporate and operational level. This includes major permit approvals, process, product yield and quality improvements, and the signing of detailed engineering work packages and agreements with partners such as Caterpillar and FLSmidth.

iioneer regards the health and welfare of its staff with the utmost importance. The COVID-19 pandemic has been a serious concern for the Company and its stakeholders. iioneer staff met regularly during the year to discuss the changing circumstances and develop safe solutions for its workforce.

iioneer also implemented strong health care plans and paid time-off programs for US based staff. iioneer believes it has created a solid foundation for the care and retention of staff. Additional employee programs and policies will be developed in FY 2022.

As Rhyolite Ridge progresses, additional professional experiences and skills will be required. During the course of FY 2021, we made appointments to our Board and Nevada-based leadership team in areas of project execution, ESG, supply chain management, mining operations, process operations and financial management.

### DIVERSITY

iioneer endeavours to create a diverse work environment in which everyone is treated fairly and with respect and where everyone feels responsible for the reputation and performance of the Company. Our commitment to this contributes to achieving our corporate objectives and embeds the importance and value of diversity within the culture of the Company.

The Company recognises that workplace diversity, including gender, age, ethnicity,

cultural background, qualifications and experiences is a key contributor to our business success.

In FY 2021, iioneer appointed two Board members, and added seven colleagues to its Reno-based Project team. Our new colleagues have brought valued professional skills in areas such as project execution, ESG, finance management, supply chain, mining operations and process operations. Five Project team members have assumed leadership roles in Nevada. Two Board member positions and five leadership roles have been awarded to women over the last year, increasing female representation in iioneer's workforce to 36%, from 26% in FY 2020. Female representation on the Board comprised 33% in FY 2021, a significant improvement from 0% in FY 2020. The Company's future is tied to our ability to complete the permitting, financing, construction, ramp-up, and operations at Rhyolite Ridge. We will expand our team significantly as we develop the Project. The Board will seek to increase gender diversity at senior levels of management and across the organisation as a whole.

For personal use only

**Our community**

ioneer is committed to making a positive impact on the global environment and that starts with the support of the local community. We have solicited feedback and provided updates to the community on a regular basis as the Project has progressed. We also have worked closely with regulators regarding the socio-economic studies required for permitting projects on land administered by the BLM.

The Rhyolite Ridge Project will have a tremendous positive economic impact on Esmeralda County and adjacent counties, the state of Nevada and the entire country over multiple decades. In the near term, it is expected to create 400-500 construction jobs and 200-300 high-paying operational jobs.

Community engagement has been a critical component of our development program and workstreams since day one and we continue to create and invest in local initiatives to further support and deepen our relationships in the community. In 2021, we hosted two community meetings (one virtual and one in-person), despite the difficulties created by COVID-19, bringing together community members and iioneer representatives to discuss the Project and the opportunities that it will afford Esmeralda County.

ioneer is equally committed to ensuring any actions consider the principles of environmental justice. We have initiated an open and active dialogue with local communities in Nevada with a specific focus on the three tribal bands in

the region with interests in the areas around Rhyolite Ridge. We have invited members of the tribal bands to tour the development site and have scheduled meetings between the leaders of the Duckwater Shoshone, Timbisha Shoshone, and Yomba Shoshone tribes.

The investment by iioneer in the local community goes beyond jobs and broader economic impacts. We will continue to be an active participant in the community by supporting local causes. This includes the annual iioneer Sustainable World Scholarship.

In addition, total charitable investments in the community are expected to range between US\$100,000-250,000 per year during operations. Areas of support have included:

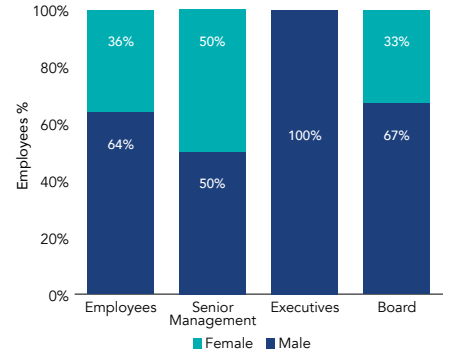
- Funding for meal delivery for seniors and shut-ins during the pandemic
- Annual donation of turkeys to Fish Lake Valley residents for Thanksgiving
- Holiday meals and gifts for local children in nearby communities
- Funding for Veterans Memorial Wall in Tonopah
- Contributing to maintaining Tonopah Historic Mining Park
- Sponsor of Fish Lake Valley's 4th of July Celebration and Rodeo
- Sponsor of Tonopah's Jim Butler Days and National Mining Championships
- Supported a local Fish Lake Valley student to attend the National Junior Leadership Conference in Washington, D.C.

Clockwise from top left: Community Meeting in Fish Lake Valley, August 2021; Fish Lake Valley Rodeo, July 2021; National Mining Championships, June 2021

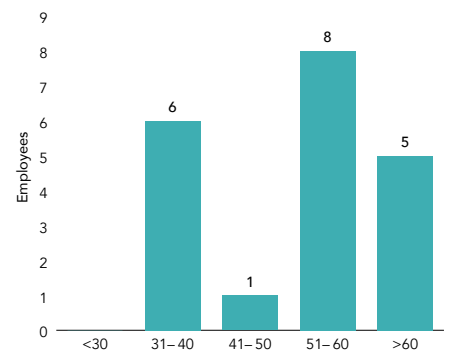


**Workforce Snapshot (30 June 2021)**

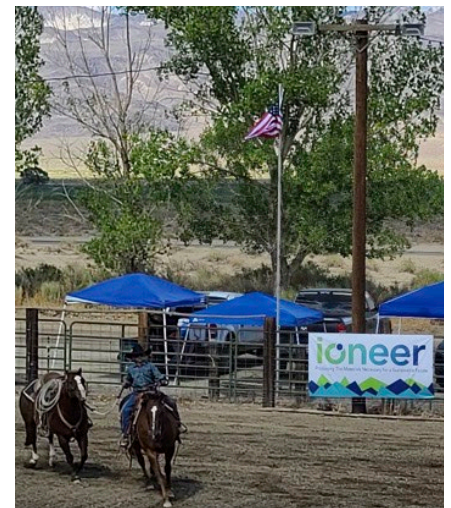
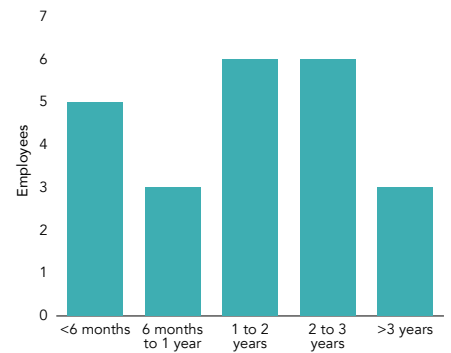
**Diversity**



**Age**



**Tenure**



## HEALTH & SAFETY

Employee health and safety is a key Company focus and will continue to be of greatest importance as we move into the construction and operations phase of Rhyolite Ridge. ioneer's workplace culture is founded upon empowerment, leadership and support, which recognises both the Company's responsibility to employees and the role employees and contractor partners play in maintaining a safe working environment.

A site health, safety, environmental (HSE) and security program will be developed for the construction phase and transitioned to the operations phase. The program will meet or exceed mandatory codes, acts, and regulatory requirements of Mine Safety and Health Administration (MSHA) of the US Department of Labor. The HSE program will include safety requirements addressing hazardous processes, hazardous materials and equipment, fire suppression equipment, safe work permit requirements, emergency procedures, safety training requirements, incident reporting, and medical services support.

The responsibility to report on safety matters to ioneer's Board rests with the Senior VP Engineering and Operations.

The message that safety is a core value will be communicated to all levels of the Project's organisation and workforce. The HSE plan will describe the Project's core values and policy for complying with all relevant HSE commitments, laws, and regulations. Training for employees will include a comprehensive overview of expectations for safe execution of work activities on the Project. This training will include instructions on how all project employees, contractors, and other personnel are to perform their duties and comply with MSHA regulations.

As a first step in our HSE journey, all employees were required to develop a personal HSE plan in FY 2021.

*Community engagement has been a critical component of our development program and workstreams since day one*



Above: ioneer is committed to the local community of Fish Lake Valley

### IONEER SUSTAINABLE WORLD SCHOLARSHIP

In June 2020, we were proud to announce recipients of our inaugural ioneer Sustainable World Scholarship, which was established to invest in Nevada's future by supporting Tonopah High School students pursuing higher education in Engineering, Science and/or Mining. For 2021, ioneer expanded the application pool to include recent Tonopah High School graduates pursuing post-secondary education. We awarded renewable scholarships to two recipients. The scholarships will provide financial support to the recipients throughout their 4-year college education, subject to the maintenance of a minimum grade point average.



Matt Weaver presenting Sustainable World Scholarship to 2021 recipient, Isabel Avias

For personal use only

For personal use only



Above left: Matt Weaver delivers presentation at Community meeting in Fish Lake Valley, August 2021

Above right: Bernard Rowe and Ian Bucknell receiving an award from AIRA for best IR by a company in the S&P / ASX Emerging Companies Index

Below: Community gathered at recent Fish Lake Valley meeting



# board of directors



**JAMES D CALAWAY**  
Executive Chairman  
BA (Econ), MA (PP&E)

*Former: Non-exec Chairman of Orocobre*

James Calaway has considerable experience and success in building young companies into successful commercial enterprises. He was the non-executive chairman Orocobre Ltd for 8 years, helping lead the company from its earliest development to becoming a significant producer of lithium carbonate and a member of the ASX 300.



**BERNARD ROWE**  
Managing Director  
BAppSc (Geology) (Hons)

*Founding Managing Director of INR since IPO in 2007*

Bernard Rowe is a geologist, manager and company director with more than 25 years' international experience in mineral exploration and mine development. His diverse mineral industry experience includes gold, copper, zinc, diamond, lithium and boron exploration in Australia, Europe, Africa, North America and South America.



**JULIAN BABARCZY**  
Independent Non-executive Director  
B.Bus, Grad Dip. (Mineral Exploration Geosciences), CFA

*Former: Head of Australian Equities, Regal Funds Management*

Julian Babarczy has over 20 years finance and investment industry experience, over two-thirds of which was as a key member of the investment and leadership team at Sydney-based Regal Funds Management, one of Australia's largest actively managed and arguably most successful hedge funds. Julian has broad investment experience across a range of sectors, with a notable speciality in natural resources.



**ALAN DAVIES**  
Independent Non-executive Director  
B.Bus (Accounting), LLB, LLM

*Former: CEO Energy & Industrial Minerals, Rio Tinto*

Alan Davies has 20 years of experience in running and leading mining businesses, most recently as chief executive, Energy & Minerals with Rio Tinto. He has significant experience in industrial minerals businesses including borates where he led the Rio Tinto Borax business and the Jadar lithium-boron deposit in Serbia.



**ROSE MCKINNEY-JAMES**  
Independent Non-executive Director  
Juris Doctorate law, BA Liberal Arts

*Former: President and CEO of Corporation for Solar Tech & Renewable Resources, Commissioner with the Nevada Public Service Commission*

Rose McKinney-James is an experienced and accomplished public company director, clean energy advocate, and small business leader with a broad history in public service, private sector corporate sustainability, social impact, and non-profit volunteerism. She also served as Nevada's first Director of the Department of Business and Industry.



**MARGARET R WALKER**  
Independent Non-executive Director  
BS Chem Engineering, NACD Fellow

*Former: VP Engineering and Technology Centers, Dow Chemical*

Margaret Walker brings over 40 years' experience and leadership in large-scale chemical engineering, project management and organisational development gained through a career as a chemical engineer with The Dow Chemical Company ("Dow Chemical"). She has deep experience in constructing and successfully bringing into production complex projects.

For personal use only



# senior executives



**JAMES D CALAWAY**  
Executive Chairman  
BA (Econ), MA (PP&E)

*Former: Non-exec Chairman of Orocobre*

James Calaway has considerable experience and success in building young companies into successful commercial enterprises. He was the non-executive chairman Orocobre Ltd for 8 years, helping lead the company from its earliest development to becoming a significant producer of lithium carbonate and a member of the ASX 300.



**BERNARD ROWE**  
Managing Director  
BAppSc (Geology) (Hons)

*Founding Managing Director of INR since IPO in 2007*

Bernard Rowe is a geologist, manager and company director with more than 25 years' international experience in mineral exploration and mine development. His diverse mineral industry experience includes gold, copper, zinc, diamond, lithium and boron exploration in Australia, Europe, Africa, North America and South America.



**IAN BUCKNELL**  
Chief Financial Officer  
& Company Secretary  
B.Bus (Accounting), FCPA, GAICD

*Former: CFO & Company Secretary AWE Limited and Drillsearch Energy Limited*

Ian Bucknell is responsible for the finance, investor relations, IT and company secretarial functions of the company. He has more than 20 years of international resource sector experience, most recently as chief financial officer and company secretary of AWE Limited.



**KEN COON**  
Vice President Human Resources  
BS Bus. Administration (Human Resources)

*Former: HR VP Shell Downstream Technologies and Entergy HR Director Nuclear Division*

Ken Coon is responsible for the human resource function of the company. He has more than 30 years of human resources experience holding international and regional leadership roles with Royal Dutch Shell's downstream refining and chemicals organization and Entergy, a large US Gulf Coast utility company.



**YOSHIO NAGAI**  
Vice President Commercial Sales  
& Marketing

*Former: MD Fenic International Pte Ltd, Sales VP Rio Tinto*

Yoshio Nagai is responsible for the sales and marketing function of the company. He has more than 20 years chemical and mining industry sales and marketing experience, most recently as Sales Vice President at the Rio Tinto Group Company accountable for borates, salt and talc products, in Asia and the USA.



**MATT WEAVER**  
Senior Vice President  
of Engineering and Operations  
BS Mech Engineering, MBA

*Former: Project Manager BHPB, Guinea Alumina Corp*

Matt Weaver is responsible for all engineering and operational aspects of the Rhyolite Ridge lithium-boron Project in Nevada and for delivering the project through the Definitive Feasibility Study and project execution and into full commercial production. He has 30 years international mining experience, having worked with BHP, Rio Tinto and Newmont, and several junior mining companies.

# directors' report

The directors of iioneer Ltd present their report together with the consolidated financial statements of iioneer Ltd ('ioneer' or the 'Company') and its controlled entities (collectively the Group) for the financial year ended 30 June 2021 and the Auditor's report thereon.

## Operating and financial review

The operating and financial review forms part of the Directors' Report and has been prepared in accordance with section 299A of the Corporations Act 2001 (Cth). The information provided aims to assist users to better understand the operations and financial position of the Group. To assist users, financial information included in this review contains non-IFRS financial information.

The principal activity of the Group continues to be the development of the Rhyolite Ridge Lithium-Boron Project (Project) in Nevada, United States of America.

## Highlights of the financial year ended 30 June 2021

- Significant progress was made on permitting the project:
  - The Project Plan of Operations was deemed complete and accepted by the United States Bureau of Land Management marking a major milestone toward the completion of the National Environmental Policy Act (NEPA) process.
  - Key air and water quality permit applications were completed and issued by the relevant State regulatory bodies.
  - The Company announced the results of a 13-month University of Nevada, Reno study which greatly advanced the knowledge of Tiehm's buckwheat.
- Engineering and vendor packages
  - The first vendor engineering packages were issued for bid. By financial year end approximately US\$148 million in major work packages are now under contract or advanced stages of negotiation.
  - Signed an MOU with Cashman Equipment for Caterpillar equipment with a value over the first five years of operation of US\$100m.
- Key milestones were achieved in sales & marketing:
  - Binding lithium offtake agreement signed with Korea's EcoPro Innovation Co. Ltd, the world's second largest NCA cathode materials manufacturer.
  - Battery grade lithium hydroxide successfully produced from Rhyolite Ridge Pilot Plant feedstock.
- On the corporate front:
  - Strategic partner discussions are progressing well with a short list of potential strategic funding partners for Rhyolite Ridge.
  - Completion of \$80 million fully underwritten institutional placement with cornerstone investment from BNP Paribas Energy Transition Fund.
  - The Board farewelled long-serving non-executive director, Pat Elliott in November 2020 and non-executive directors John Hofmeister in May 2021. We welcomed the appointments of Rose McKinney-James and Margaret R Walker as independent non-executive directors in February 2021.

## Summary of performance and financial position

Year ended 30 June		Unit	2021	2020	Change
Mineral Resource:	Measured and Indicated	mt	127.0	127.0	-
	Inferred	mt	19.5	19.5	-
Mineral Resource:	Total <sup>(1)</sup>	mt	146.5	146.5	-
Total operating cash flows		A\$'000	(6,487)	(6,773)	286
Investing cash flows		A\$'000	(23,644)	(44,354)	20,710
Financing cash flows - equity		A\$'000	76,378	38,676	37,702
Total cash used in the financial year		A\$'000	46,247	(12,451)	58,698
Net cash		A\$'000	83,078	38,268	44,810
Capitalised exploration		A\$'000	27,805	44,362	(16,557)
Net assets		A\$'000	191,055	130,046	61,008
Net loss after tax		A\$'000	(10,326)	(5,446)	(4,880)

(1) For further detail and Mineral Resources and Ore Reserves refer to Other information set out on page 85.

## Business strategy

**Our Purpose** - we exist to enable a sustainable world for all.

**Our Mission** - we responsibly and profitably provide the materials necessary for realising a sustainable planet.

**Our Vision** - we see a world in which our global population, our environment and all future generations are thriving.

**Our Values** - we are imaginative, caring, committed and responsible.

ioneer's business strategy is focused on developing the 100%-owned Rhyolite Ridge Lithium-Boron Project in Nevada, USA. We believe in an electrified future and the strategic imperative for the USA to develop a domestic battery materials supply chain. We actively promote the development of this battery materials supply chain and look to be a thought leader in this space.

## Opportunities

The focus of the company is developing Rhyolite Ridge. After successfully delivering this Project, iioneer will pursue other growth initiatives from its existing portfolio (the current estimated resource is open to the north, south and east and does not include the north basin tenements) as well as new opportunities where they are value accretive and where balance sheet capacity exists to support future development.

## Material business risks

The following material business risks have been identified as key issues that have the potential to impact the Company's performance:

- Health, safety and environmental risks, are of critical importance in ensuring we safely and responsibly build and operate a sustainable business.
- Execution of the Project, including meeting schedule, permitting and budget, could be subject to changes in industry and economic conditions.
- Offtake risk, including volume and price risks associated with the sale of technical grade lithium carbonate and boric acid, counterparty risk and contract terms. Pricing of lithium is likely to be largely subject to the rate of uptake in electric vehicles.
- Continuing access to debt and capital markets to fund the Project.
- Sovereign risk relating to the expected fiscal, tax and regulatory environment in jurisdictions that iioneer does business.
- Maintaining the company's social licence to operate by proactively engaging communities, regulators and other key stakeholders.
- COVID-19 has significantly increased uncertainty in markets.

## Impact of COVID-19

COVID-19 continues to impact the Company. Travel restrictions have impacted international travel by senior staff and offices were closed for a period with staff working from home. Most staff continue to work a mix of home and office-based hours. Project timelines have experienced some delay as permitting agencies, potential strategic partners, offtake parties and debt financiers, have each had to respond to the impact of COVID-19 on their own businesses.

## directors' report

### continued

#### Directors' qualification and experience

The following persons were directors of iioneer Ltd during the whole of the financial year and up to the date of this report. Their qualifications and experience are:

**James D Calaway**  
**Executive Chairman**  
BA (Econ), MA (PP&E)

Member of the ESG  
Committee

James was appointed a director in April 2017 and has served as Chairman since June 2017. He was appointed executive-chairman in July 2020.

James was the non-executive chairman of Orocobre Ltd for eight years until his retirement in July 2016. He led Orocobre from early development to become a significant producer of lithium carbonate and a member of the ASX 300.

James is currently chairman of Distributed Power Partners Inc (appointed 2014), a US international distributed power development company which is a leader of clustered distributed solar power development.

He has also been a chair of several other U.S. corporate boards including the Centre for Houston's Future, and the Houston Independent School District Foundation.

**Bernard Rowe**  
**Managing Director**  
BAppSc (Geology) (Hons)

Member of the Project  
Execution Committee

Bernard was appointed managing director in August 2007. He has more than 25 years' international experience in mineral exploration and mine development. His diverse mineral industry experience includes gold, copper, zinc, diamond, lithium and boron exploration in Australia, Europe, Africa, North America and South America.

He led the Company's listing on the ASX in 2007 with a focus on gold and copper exploration in Nevada and Peru.

In early 2016 Bernard visited a little-known lithium-boron deposit in southern Nevada – later to be renamed Rhyolite Ridge. He realised the potential opportunity and quickly secured a 12-month option over the Project to give the Company sufficient time to fully assess and evaluate the unique and poorly understood deposit.

Bernard is a member of the Australian Institute of Geoscientists, the Society of Economic Geologist and the Geological Society of Nevada.

**Julian Babarczy**  
**Director**  
B.Bus (Marketing)  
Grad Dip. (Mineral  
Exploration Geosciences),  
CFA

Chair of the Audit & Risk  
Committee

Member of the Nomination  
and Remuneration  
Committee

Julian joined the board as a non-executive director in June 2020.

He has over 20 years finance and investment industry experience, over two-thirds of which was as a key member of the investment and leadership team at Sydney-based Regal Funds Management, one of Australia's largest actively managed and hedge funds. Julian has broad investment experience across a range of sectors, with a notable speciality in natural resources.

He is currently the chief investment officer at a private investment company, Jigsaw Investments, non-executive chairman of database collaboration technology company IXUP Limited (appointed November 2020), executive chairman of silica sand project developer Perpetual Resources Limited (appointed June 2018), and a non-executive director of privately held video media technology company Oovvuu Pty Ltd (appointed June 2020).

Julian is a graduate of the CFA Institute.

**Alan Davies**  
**Director**  
B.Bus (Accounting), LLB,  
LLM

Chair of the Nomination and  
Remuneration Committee

Member of the Audit & Risk  
Committee

Member of the Project  
Execution Committee

Alan joined the board as a non-executive director in May 2017.

He has expertise in running and leading mining businesses with Rio Tinto, most recently as chief executive, Energy & Minerals. Former roles include chief executive, Diamonds & Minerals and chief financial officer of Rio Tinto Iron Ore.

Alan held management positions in Australia, London and the US for Rio Tinto's Iron Ore and Energy businesses, and has run and managed operations in Africa, Asia, Australia, Europe and North and South America. He is also a former director Rolls Royce Holdings plc.

He is currently the chief executive officer of the Moxico Resources PLC a Zambian copper and zinc explorer and developer. He is also Chairman of Trigem DMCC, a vertically integrated diamond and coloured stone service provider.

Alan is a Fellow of the Institute of Chartered Accountants in Australia.

For personal use only

The following persons were appointed directors of Ioneer Ltd during the financial year. Their qualifications and experience are:

<b>Rose McKinney-James</b> <b>Director</b> Juris Doctorate (Antioch School of Law) BA (Olivet College)	Rose joined the board as a non-executive director in February 2021.  Rose is a Nevada-based expert in environmental business and technology policy, renewable and clean energy advocacy, and sustainable development.  She directed the Department of Business and Industry, Nevada's largest state agency and was recognised for her innovation providing efficient and advanced services to the Nevada business community. As the former CEO of CSTRR, a solar and renewable energy company, she is credited with authoring the strategy to fast track the integration of renewable resource into utility energy portfolios. Rose also is the former Commissioner, Nevada Public Service Commission.  Rose currently serves as a non-executive director of MGM Resorts International (appointed 2005), Toyota Financial Savings Bank (appointed 2006), ClearResult (appointed November 2020) and is the Chair of the Energy Foundation.
Chair of the ESG Committee	
Member of the Nomination and Remuneration Committee	

<b>Margaret Walker</b> <b>Director</b> B. Chemical Engineering (Texas Tech University) Fellow NACD	Margaret joined the board as a non-executive director in February 2021.  Margaret is a chemical engineer with significant experience working across the chemical, engineering and construction sectors. She spent 36 years at NYSE-listed Dow Chemical Co, including six years (2004-2010) as Vice President Engineering and Technology Centers. Her experience spans operations, engineering, supply chain and business leadership.  Margaret currently serves as a non-executive director of Methanex Corporation (appointed April 2015), and the board of Independent Project Analysis, Inc, a privately held firm that drives improvement in capital performance (appointed January 2011).  Margaret holds a Bachelor of Science in Chemical Engineering from Texas Tech University, and in 2018 became a National Association of Corporate Directors Board Leadership Fellow
Chair of the Project Execution Committee	
Member of the Audit & Risk Committee	

The following persons ceased being directors of Ioneer Ltd during the financial year. Their qualifications and experience are:

<b>Patrick Elliott</b> <b>Director</b> B.Comm, UNSW MBA Mineral Economics	Pat joined the board as a non-executive director in 2003 and resigned from the role in November 2020. He was the Chairman of the Audit & Risk Committee and member of the Nomination & Remuneration Committee before his resignation.  He is an experienced resources and industrial company director. In a career spanning over 45 years he has held senior executive positions with Consolidated Gold Fields Australia Limited and Morgan Grenfell Australia Limited.  Pat was chairman of Argonaut Resources NL, Cap-XX Limited, and executive chairman of Variscan Mines Limited until his retirement in September 2018.
<b>John Hofmeister</b> <b>Director</b> BA (Political Science), MA (Political Science), PhD (Houston), D.Lit (Kansas State)	John joined the board as a non-executive director in May 2017, deceased May 2021. He was the Chairman of the Nomination and Remuneration Committee and member of the Audit & Risk Committee before his passing.  John was the president of Shell Oil Company (U.S.A.) from 2005 to 2008 and director of human resources. He also has held executive leadership positions in General Electric Company, Nortel Network Corporation and AlliedSignal (now Honeywell International Inc.).  He founded Citizens for Affordable Energy and was a key member of the United States Energy Security Council.

### Company secretary

<b>Mr Ian Bucknell</b> B.Bus (Accounting), FCPA, GAICD	Ian joined Ioneer in November 2018 as chief financial officer and became Company Secretary in April 2019.  Ian is responsible for the finance, investor relations, IT and company secretarial functions of the company. He has more than 20 years of international resource sector experience, most recently as chief financial officer and company secretary of AWE Limited and previously held the position of chief financial officer of Drillsearch Energy Limited.
Chief Financial Officer and Company secretary	

## directors' report

### continued

#### Directors' interests in shares and options

Directors' interests in shares and options as at 30 June 2021 and at the date of this report are set out in the table below:

Director	Shares held	Options held	Performance Rights held	Shares held	Options held	Performance Rights held
	As at 30 June 2021	As at 30 June 2021	As at 30 June 2021	At report date	At report date	At report date
JD Calaway	31,600,000	41,010,830	-	31,600,000	41,010,830	-
B Rowe	61,341,690	-	8,893,834	64,107,962	-	6,127,562
J Babarczy	13,600,000	326,323	-	13,600,000	326,323	-
A Davies	2,750,152	1,510,830	-	2,750,152	1,510,830	-
R McKinney-James	-	-	300,000	-	-	300,000
Margaret Walker	-	-	300,000	-	-	300,000

#### Directors' meetings

Director's attendance at Directors' meetings are shown in the following table:

Directors	Board		Audit & Risk committee		Remuneration committee		Project Execution	
	Meetings eligible to attend	Meetings attended	Meetings eligible to attend	Meetings attended	Meetings eligible to attend	Meetings attended	Meetings eligible to attend	Meetings attended
JD Calaway	10	10	-	-	-	-	-	-
B Rowe	10	10	-	-	-	-	3	3
J Babarczy	10	10	2	2	4	4	-	-
A Davies	10	10	4	3	4	4	3	2
P Elliott	3	3	2	2	1	1	-	-
J Hofmeister	8	8	4	4	4	3	-	-
R McKinney-James	6	6	-	-	1	1	-	-
M Walker	6	6	1	1	-	-	3	3

Note: Whilst the ESG Committee was formed in FY21, it did not hold its first meeting until FY22.

#### Committee Membership

As at the date of this report, the Company had an audit and risk committee, a remuneration committee, a project execution committee, and an ESG committee.

Members acting on the committees of the board at the end of the financial year are:

Director	Committee			
	Audit & Risk	Nom & Rem	Project Execution	ESG
JD Calaway				1
B Rowe			1	
J Babarczy	1 *	1		
A Davies	1	1 *	1	
R McKinney-James		1		1 *
M Walker	1		1 *	

- (1) Chairs of each Committee are denoted by an asterisk. They are all independent non-executive directors.
- (2) Whilst the ESG committee was established in FY21, it did not hold its first meeting until FY22.
- (3) The composition of the committees changed during the year with the resignation of Pat Elliott and the passing of John Hofmeister. Pat Elliott was chair of the audit and risk Committee until his resignation, and John Hofmeister chaired the nominations and Remuneration Committee until his passing.

## Indemnification and insurance of directors and officers

### Indemnification

The Company has not, during or since the end of the financial period, in respect of any person who is or has been an officer of the Company or a related body corporate, indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings.

### Insurance premiums

During the financial period the Company has paid premiums to insure each of the directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director or officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The premiums paid are not disclosed as such disclosure is prohibited under the terms of the contract.

## Remuneration report

The remuneration report set on pages 32 to 50 forms part of the Directors report for the year ended 30 June 2021.

## Corporate governance statement

Details of the Company's corporate governance practices are included in the Corporate Governance Statement set out on the Company's website.

## Dividends

No dividend has been proposed or paid since the start of the year.

## Shares – issued and unissued

	30 June 2021 Number	30 June 2020 Number
Issued shares	1,896,676,204	1,680,202,466
Unissued shares:		
Options	45,369,643	43,738,028
Performance rights	30,801,865	9,586,056

Since the end of the financial year the following additional shares, options or performance rights have been granted:

- 7,520,697 Performance rights have vested, and new shares issued.
- 6,213,562 Performance rights have been granted (including deferred 2021 STI and retention on employment awards).

## Environmental performance

The Group holds exploration licences issued by the relevant government authorities which specify guidelines for environmental impacts in relation to exploration activities. The licence conditions provide for the full rehabilitation of the areas of exploration in accordance with regulatory guidelines and standards. There have been no known breaches of the licence conditions.

## Audit and non-audit services

The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. There were no non-audit services provided during the current financial year.

## Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* forms part of this report and is set out on page 31.

## directors' report continued

### Matters subsequent to the end of the financial period

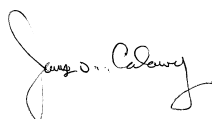
Other than where stated at Note 9.4 to the Financial Statements, there were at the date of this report no matters or circumstances which have arisen since 30 June 2021 that have significantly affected or may significantly affect:

- the operations of the Company,
- the results of those operations, or
- the state of affairs of the Company.

### Rounding off

The Group is of a kind referred to in ASIC Corporations (rounding in Financial / Directors' Report) Instrument 2016/191 and in accordance with that Class Order, amounts in the financial statements and directors' reports have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed at Sydney this 15th day of September 2021 in accordance with a resolution of the Directors.



**James D Calaway**  
Executive Chairman



**Bernard Rowe**  
Managing Director

For personal use only



# auditor's independence declaration



Ernst & Young  
200 George Street  
Sydney NSW 2000 Australia  
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5959  
ey.com/au

## Auditor's Independence Declaration to the Directors of Ioneer Limited

As lead auditor for the audit of the financial report of Ioneer Limited for the financial year ended 30 June 2021, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Ioneer Limited and the entities it controlled during the financial year.

Ernst & Young

Scott Nichols  
Partner  
Sydney  
15 September 2021

For personal use only

# remuneration report – audited

## Message to shareholders

Dear Shareholder,

This letter seeks to provide introductory comments to this year's remuneration report and insight as to the thinking of the Nomination & Remuneration Committee (Committee) in remuneration outcomes.

### Performance

Financial year 2021 was challenging as the world adjusted to living with COVID-19. Markets paused as they assessed the financial impact of the pandemic and contemplated early steps toward recovery. Our Project was not immune from this, most notably with delays experienced on the permitting front. Having said this, our small, dedicated team continued to deliver results. On permitting, the plan of operations for the project was accepted as being complete by the Bureau of Land Management (BLM) in August 2020, the state air quality permit was issued in June 2021, followed by the water permit in July 2021. In engineering, work was completed to optimise our recoveries, improve our product quality, reduce lime and soda ash consumption, advance detailed engineering and in issuing key equipment packages for vendor engineering. Our team's human resources capabilities and diversity were substantially enhanced with the addition of senior leaders in process, mining, supply chain and finance most of whom have substantial experience in Nevada. Our sales and marketing team delivered the first lithium offtake agreement of the Project, the culmination of over two years work. Our finance team raised \$80m in equity, advanced discussions with strategic partners and debt financiers and implemented a new ERP system.

### Changes to the Board and executive

During the year, several changes were made to the board. After 17 years of service, Pat Elliott retired as a non-executive director of the board, effective 30 November 2020. In February 2021, Rose McKinney-James and Margaret Walker were appointed to the board as non-executive directors. John Hofmeister served as a non-executive director through to 31 May 2021 when Mr. Hofmeister passed away unexpectedly. There were no other changes to KMP in the period.

### Remuneration outcomes for executives

Our remuneration strategy is to target Key Management Personnel (KMP) compensation at approximately median levels when expected objectives are achieved when compared to similar development or early production mining companies that are considered to juniors in the mining industry.

In 2019 and 2020, remuneration consultants, Willis Towers Watson (WTW), aided by Glenn Gilchrist, an experienced HR professional, assisted the Committee to implement and regularize executive compensation structures and processes. Based on their review, the following outcomes were agreed:

- **Fixed remuneration** – The following increases to fixed remuneration were paid to executives effective 1 July 2020, as a result of the implementation of benchmarking analysis and a review of executive performance: 30% to the chief executive officer, 14% to the senior vice president engineering & operations, and 14% to the chief financial officer. The vice president human resources and vice president commercial sales & marketing each received a 4% cost of living adjustment. In financial year 2022, all executives will receive a 3% cost of living adjustment to base salary.
- **Short term incentive (STI) annual bonus payments** – The Board awarded bonuses below target based on an assessment of project deliverables (see comments on performance above). Consequently, the CEO received an award at 70% of target while the other four executives received bonuses at 80% of target.
- **Long term incentive (LTI) annual equity grant awards** - The KMP were awarded LTI grants at target with performance hurdles to be assessed at vesting. The LTI at risk award of remuneration for the senior vice president engineering and operations was increased from 60% of base salary to 70% of base salary based upon a competitive peer group review.

We believe that these outcomes align our executive remuneration with competitive benchmarks and support our growth as a company. Our remuneration policy includes annual performance criteria and standard review cycles.

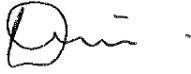
### Remuneration outcomes for the board

There is no change to non-executive director remuneration or the non-executive director fee pool. During the financial year, James Calaway was appointed an executive of the Company for a 12-month period, effective 1 July 2020. The impact of COVID-19, travel restrictions on Australian based staff and an extended project schedule, made it apparent that James Calaway's continued efforts would be required through financial year 2021. With these same conditions persisting, James executive employment contract was renewed for a further 12-month period effective 1 July 2021.

Our goal is to keep shareholders informed of KMP and non-executive director remuneration policies and payments in as simple, clear and transparent manner as possible, recognising the importance of these matters to all shareholders and to our executives and directors. The Board is committed to fair, competitive, effective and responsible remuneration policies and practices and to fully communicating its decisions for review and voting approval by shareholders, who will judge our decisions and practices.

For personal use only

In closing, I'd like to recognise the work of John Hofmeister who chaired the Nomination and Remuneration Committee, until his passing in May 2021.



**Alan Davies**  
Chairman, Nomination & Remuneration Committee

### Key terms used in this report

<b>Act</b>	Corporations Act 2001 (Cth)	<b>MD</b>	Managing director
<b>AGM</b>	Annual General Meeting	<b>NED</b>	Non-executive director
<b>ASX</b>	Australian Securities Exchange	<b>Option Plan</b>	Share Option Plan
<b>FID</b>	Final Investment Decision	<b>Rights</b>	Share rights
<b>INR</b>	loneer	<b>Rights Plan</b>	Performance Rights Plan
<b>KMP</b>	Key management personnel	<b>STI</b>	Short-term incentive
<b>LTI</b>	Long-term incentive		

For personal use only

# remuneration report – audited

## continued

### 1. Introduction

The directors of ioneer Ltd (“ioneer” or the “Company”) present the Remuneration Report prepared in accordance with section 300A of the Corporations Act 2001 (“the Act”) for the consolidated entity for the year ended 30 June 2021.

This Remuneration Report which forms part of the Directors Report outlines the remuneration strategy, framework and practices adopted by the consolidated entity in accordance with the requirements of the Act and its regulations. This information has been audited as required by section 308 (3C) of the Act.

This report details remuneration information pertaining to directors and executives who are the ‘Key Management Personnel’ (“KMP”) of the consolidated entity. KMP are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of ioneer.

The following non-executive directors (“NEDs”) and executives have been identified as KMP for the purpose of this report:

Executive chairman and non-executive directors		Appointed
<b>James D Calaway</b> <sup>(1)</sup>	Executive chairman	Appointed 5 April 2017
<b>Julian Babarczy</b>	Non-executive director	Appointed 1 June 2020
<b>Alan Davies</b>	Non-executive director	Appointed 23 May 2017
<b>Patrick Elliott</b>	Non-executive director	Appointed 30 April 2003, resigned 30 November 2020
<b>John Hofmeister</b>	Non-executive director	Appointed 23 May 2017, deceased 31 May 2021
<b>Rose McKinney-James</b>	Non-executive director	Appointed 1 February 2021
<b>Margaret R Walker</b>	Non-executive director	Appointed 1 February 2021

Managing director and executives		
<b>Bernard Rowe</b>	Managing Director	Appointed 23 August 2007
<b>Ian Bucknell</b> <sup>(2)</sup>	Chief financial officer and company secretary	Appointed 14 November 2018
<b>Ken Coon</b>	Vice president human resources	Appointed 1 July 2019
<b>Yoshio Nagai</b>	Vice president commercial sales and marketing	Appointed 1 August 2019
<b>Matt Weaver</b>	Senior vice president engineering and operations	Appointed 28 November 2017

(1) Mr Calaway was appointed an executive on 1 July 2020.

(2) Mr Bucknell was appointed company secretary on 1 April 2019.

For personal use only

## 2. Remuneration governance

Remuneration governance is overseen by the Nomination & Remuneration Committee. The Committee is a committee of the Board established in accordance with the Company's constitution and authorised by the Board to assist it in fulfilling its statutory, fiduciary and regulatory responsibilities.

The ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations" (ASX Recommendations) recommend that the Company has formal and rigorous processes for the appointment and reappointment of directors to the Board. The Committee was established to assist the Board by undertaking the roles and exercising the responsibilities set out in the Nomination & Remuneration Committee Charter. A copy of this Charter is available on the Company's website.

The Committee aims to bring transparency, focus and independent judgment to these roles. The Committee will review and make recommendations to the Board on matters relevant to these roles and responsibilities, and as required to satisfy the Corporations Act, ASX Recommendations and ASX Listing Rule requirements relevant to these roles and responsibilities. The Committee currently comprises the following independent non-executive directors:

- Alan Davies (Chairman);
- Julian Babarczy; and,
- Rose McKinney-James.

### 2.1. Role

The role of the Committee is defined in the Charter and is to assist and advise the Board on:

#### Nomination

- succession planning generally;
- induction and continuing professional development programs for directors;
- the development and implementation of a process for evaluating the performance of the Board, its committees and directors;
- the process for recruiting a new director, including evaluating the balance of skills, knowledge, experience, independence and diversity on the Board and, in the light of this evaluation, preparing a description of the role and capabilities required for a particular appointment;
- determining board size and balance of skills as the Company develops and evolves and becomes more complex as progress is made from project development to full operations;
- the appointment and re-election of directors including with consideration to the appropriate director tenure and length of service for the Company; and
- appointment and succession planning for the Managing Director (or such person performing the function of a chief executive officer) and other senior executives,

with the objective of having a Board of a size and composition conducive to making appropriate decisions, with the benefit of a variety of perspectives and skills and in the best interests of the Company as a whole.

#### Remuneration

Policies and practices are designed to:

- enable the Company to attract, retain and motivate directors, executives and employees who will create value for shareholders within an appropriate risk management framework, by providing remuneration packages that are equitable and externally competitive;
- be fair and appropriate having regard to the performance of the Company and the relevant director, executive or employee and the interests of shareholders; and
- comply with relevant legal requirements.

### 2.2. Responsibilities

#### Nomination

The Committee is responsible for:

- **Board size:** making recommendations regarding the size of the Board which would most encourage efficient decision making; current board size range is 6-8; ensuring geographic balance, including directors with Australia residence;
- **Director competencies:** making recommendations regarding the necessary and desirable competencies of directors;
- **Skills matrix:** developing a Board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership against the desirable range of skills;
- **Director recommendations:** developing and reviewing the process for the selection, appointment and re-election of directors, and making recommendations to the Board by:

For personal use only

## remuneration report – audited

### continued

- evaluating the balance of skills, experience, independence, knowledge and diversity of directors sitting on the Board; evaluating current needs under the circumstances of the short and long term requirements of the business as well as changes in strategy, external environment and anticipated terms of current directors;
  - in light of this evaluation, preparation of a description of the role and capabilities required for a particular appointment within the context of shorter and longer term business considerations; and
  - sourcing candidates from the available market including with the possible assistance of a third-party provider, and reviewing recommendations from other sources including current directors, advisors, significant shareholders, management, and industry experts;
  - assuring the candidates possess both the personal qualities of integrity, courage, curiosity, interpersonal skills, interest in the business and the industry, business acumen, ability and capacity to contribute and the appropriate and necessary competencies and skills as described above within the matrix;
  - reviewing the current diversity represented on the Board with the backdrop of the Company's Diversity Policy to assist with the sourcing and targeting of candidates;
  - interviewing and evaluating candidates along with obtaining appropriate checks and references and
  - putting forward the candidate for appointment and election as a director to the Chairman, Managing Director, and full Board;
- **Providing information:** providing security holders with material information in the Committee's possession relevant to a decision as to whether or not to elect or re-elect a director;
  - **Assessing performance:** implementing a process to evaluate the performance of the chairperson, Board, Board committees, individual directors and senior executives on an annual basis to support governance improvement, efficient Board processes and effective decision making and to address issues that may arise from the review;
  - **Assessing time commitment:** reviewing the time required to be committed by non-executive directors to properly fulfil their duties to the Company and whether non-executive directors are meeting these requirements;
  - **Assessing independence:** assisting the Board in assessing the independence of each non-executive director;
  - **Succession plans:** reviewing Board and senior executive succession plans and processes, including for the Managing Director and other senior executive positions and being conscious of each director's tenure, to maintain an appropriate balance of skills, experience, expertise and diversity; and;
  - **Governance matters:** reviewing and making recommendations in relation to any corporate governance issues as requested by the Board from time to time.

#### Remuneration

##### General

The Committee is responsible for informing itself of market-based, publicly available and relevant competitive remuneration committee information and developing, reviewing and making recommendations to the Board on:

- **Directors' fees:** the Company's remuneration framework for directors, including, the process by which any pool of directors' fees approved by shareholders is allocated to directors;
- **Senior executives:** the remuneration packages to be awarded to senior executives;
- **Bias:** reviewing whether there are any gender or other inappropriate bias in remuneration for directors, senior executives or other employees;
- **Policies:** the Company's recruitment, retention and termination policies for the Managing Director and senior executives and any changes to those policies;
- **Incentive schemes:** incentive schemes, if appropriate, for the Managing Director and senior executives;
- **Equity-based programs:** equity-based remuneration plans, if appropriate, for senior executives and other employees;
- **Superannuation and retirement benefits:** superannuation and retirement benefit arrangements for directors, senior executives and other employees; and
- **Other perquisites:** applying certain other benefits as determined appropriate based upon market and competitive information.

##### Incentive schemes and equity-based remuneration

For any incentive schemes or equity-based plans which are adopted, the Committee is responsible for:

- **Reviewing:** reviewing their terms (including any eligibility criteria and performance hurdles);
- **Administration:** overseeing their administration (including compliance with applicable laws that restrict participants from hedging the economic risk of their security holdings) and disclosing its policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme;
- **Shareholder approval:** considering whether shareholder approval is required or desirable for the schemes or plans and for any changes to them; and
- **Payments and awards:** ensuring that payments and awards of equity are made in accordance with their terms and any shareholder approval.

For personal use only

### 2.3. Remuneration advisors

The Committee engaged the services of Willis Towers Watson (WTW), and an experienced HR consultant, Glenn Gilchrist to support the Vice President HR, Ken Coon in providing remuneration advice. WTW and Glenn Gilchrist provided analysis and advice on competitive benchmarking and executive remuneration targets and structures for Australia and the USA. In addition, Ashurst and Glenn Gilchrist, were engaged to provide advice on human resource activities.

The Committee and its advisors are satisfied that the advice provided by each individual party is free from bias from the KMP to whom the recommendations apply. The fees paid to the individual advisors for this work were as follows:

	Year ended 30 June 2021	Year ended 30 June 2020
	\$	\$
Willis Watson Towers	76,047	51,013
Gilchrist Consulting	19,621	41,327
Mullin Hoard & Brown LLP	-	12,362
Ashurst	2,588	-
Watson Mangioni	-	19,185
<b>Total</b>	<b>98,256</b>	<b>123,887</b>

For personal use only

## remuneration report – audited continued

### 3. Remuneration arrangements

#### 3.1. Managing director and executives

ioneer's remuneration framework and executive reward strategy provides a mix of fixed and variable remuneration with a blend of short and long-term incentives. The key elements of the remuneration packages are as follows:

- **Fixed:** Annual base salary.
- **Variable short-term incentive:** annual cash bonus.
- **Variable equity:** options and performance rights granted under shareholder approved equity incentive plans (refer 3.2, Equity Incentive Plans in this Remuneration Report).
- **Post-employment benefits:** superannuation contributions and similar retirement benefits savings for non-Australian executives.

The ioneer executive compensation strategy provides for fair, competitive remuneration that aligns potential rewards with the Company's objectives while being transparent to shareholders. As a Company with a single, pre-development project, and the majority of our people in the US where we compete to attract the best available human resources, our compensation strategy must bridge both Australian and US remuneration practices. This bridging means that our remuneration practices do not always follow Australian best practice. A good example of this is the use of time-based vesting of performance rights, which is a common practice in the US.

Key remuneration elements are reviewed annually to determine appropriate awards based upon factors such as individual performance, Company results and competitive benchmark survey data. The following is a brief description of the approach for each element:

- Base salary is reviewed annually and adjusted based upon individual performance and competitive benchmarks that may be reviewed from time to time to ensure competitiveness.
- Annual (short-term) cash bonuses are reviewed annually with awards granted based upon individual performance and Company results. Bonus targets are benchmarked from time to time to ensure competitiveness. Bonuses may range from 0 to 200% of target. The Board reserves the right to grant bonuses larger than 200% for exceptional contributions to Company objectives. All KMP had the option to take the 2021 bonus as cash or as a 12-month performance right with a 20% premium provided for equity. Where a KMP has elected to take the cash bonus as a 12 month performance right, the 20% premium for equity will be expensed in FY2022.
- Equity (long-term) grants are reviewed annually with a portion of the grants being performance-based and a portion restricted time-based. The Board has a current practice of granting a ratio of 60% performance-based equity rights and 40% restricted time-based equity rights. A key risk to ioneer is attracting and retaining talent to our Project. This practice helps to provide some stability to the equity grants and to incentivise retention. It is a competitive practice, commonly employed in North America where we operate. Typically, equity grants awarded as part of the Company's annual review cycle will vest over a 3-year period. Vesting of performance-based grants are reviewed with the time-based grants at the time of vesting with the size of the vested award to be based upon the degree to which pre-established objectives were achieved, and the overall value of the vested award determined by market share price. Performance based equity grants may range between 0 and 200% at time of vesting based upon achievement of pre-established business targets. Equity targets are benchmarked from time to time to ensure competitiveness.

#### 3.2. Equity Incentive Plans

The Company has two share schemes in operation:

- The Equity Incentive Plan (current);
- The Share Option Plan (historic); and
- Performance Rights Plan (historic).

Under these plans ordinary shares have been granted to senior executives, employees and a number of consultants. Whilst there are a number of options on issue under the terms and conditions of the Share Option Plan, all financial year 2019 to 2021 grants and issues of options or rights have been made under the Equity Incentive Plan. At 30 June 2021 all performance rights had vested under the Performance Rights Plan.

##### Equity Incentive Plan

The Group established an Equity Incentive Plan following the AGM held on 31 October 2018. The purpose of this Equity Incentive Plan ("the Plan") is to provide eligible persons the opportunity to participate in the growth and profits of the Company and to attract, motivate and retain their services to promote the Company's long-term success.

Key features include:

- The Board may at its discretion make invitations to or grant awards to eligible persons.

For personal use only



- Award means an option or a performance right to acquire a share in the capital of the Company.
- Eligible persons include executive directors or executive officers of the Group, employees, contractors or consultants of the group or any other person.
- A participant may not sell or assign awards.
- Within 30 days after the vesting date in respect of a vested performance right, the Company must allocate shares.
- At any time during the exercise period a participant may exercise any or all of their vested options by paying the exercise price.

The following table summarises the key features of the performance rights (PRs) granted under the terms and conditions of the Equity Incentive plan for the year ended 30 June 2021:

#### Performance Rights – Time-based

Year of Grant	Financial year 2021
Participants	All executives
Purpose	Time based PRs were issued for a variety of purposes including: <ul style="list-style-type: none"> <li>• STI bonus payments voluntarily converted to PRs and deferred for 1 year.</li> <li>• One-off make up LTI equity grants for 2018 not granted, issued to the MD and Sr. VP Engineering and Operations in FY 2021, as part of implementing regular executive compensation processes to competitively align compensation.</li> <li>• LTI equity grant – 2020 (40% time based portion)</li> </ul>
Instruments issued	PRs are rights to acquire ordinary shares in the Company for nil consideration, conditional on the achievement of time-based hurdles (continuing employment).
Vesting	There are various vesting dates. See section 5 of the Remuneration Report for more information. Generally, the purpose of the PR defines the vesting period: <ul style="list-style-type: none"> <li>• Retention on employment – Agreements with early recruits included vesting in equal instalments after 12, 24, and 36 months. However, since mid-2019 a standard approach of vesting after 3 years has been implemented</li> <li>• Deferred STIs – vest in 12 months from the award date</li> <li>• Make up equity grants – vest 36 months after the assumed award date (i.e. 2018 make-up awards vest 1 July 2021)</li> </ul>

#### Performance Rights – Performance-based

A number of performance based PRs were proposed in financial year 2020 but not granted until after the financial year due to ongoing work by the Nomination and Remuneration Committee to finalise the performance conditions. The table below summarises the key features of the performance-based performance rights proposed under the terms and conditions of the Equity Incentive plan for the year ended 30 June 2021:

Year of Grant	Financial year 2021
Participants	All executive KMP as at 30 June 2020 (2021 award)
Purpose	LTI equity grants (performance based) – 60% of the annual LTI equity grant is performance based for all executives.
Instruments issued	PRs which are rights to acquire up to 2 ordinary shares in the Company for nil consideration, conditional on the achievement of pre-determined performance hurdles within defined time restrictions.
Vesting	3 years from grant
Performance measurement date	30 June
Performance conditions	The Board will employ discretion in assessing Project results and determining vesting of performance units; below, at or above targets: <ul style="list-style-type: none"> <li>• <b>HSE:</b> Top quartile HSE &amp; Community performance (North American Mining Projects)</li> <li>• <b>Production:</b> Major USA lithium producer to market, start-up achieved as stated at FID</li> <li>• <b>Start-up production levels:</b> in line with those established as part of FID</li> <li>• <b>Cost control:</b> Final Project construction spend within margin established at FID</li> <li>• <b>Offtake:</b> 80% products sold for first 3 years</li> <li>• <b>Share price:</b> INR share price compared to comparators group</li> </ul> <p>Unlike producing organizations with established operations that typically aim to deliver performance conditions tied to anticipated revenues, production levels and growth objectives,ioneer has a single pre-production project with less certainty or control over key deliverables. Providing the Board with the discretion to assess the extent of delivery, the importance/value of the various targets delivered (or not) allows the ability to balance shareholder expectations and KMP reward, motivation and retention.</p>

#### Options

No options were issued to the Managing Director or executive during the financial year ended 2021 (2020: nil) under the equity incentive plan. Options were approved by shareholders and issued to non-executive directors and the executive chairman under the plan, however. The practice of issuing options to non-executive directors was reviewed during the

## remuneration report – audited

### continued

financial year by the Nomination and Remuneration Committee and the Committee decided to discontinue the use of options and move to granting restricted shares. The particulars of the options awarded are included in section 7 of the Remuneration Report.

#### Share Option Plan

The Group established a Share Option Plan in 2010 (and reconfirmed it at the 2016 AGM) to assist in the attraction, retention and motivation of the KMP's as well as the retention of key consultants. No options and performance rights were issued in financial year 2021 (2020: nil) under this plan. Key features include:

- Full or part time employees or consultants of the Group are eligible to participate.
- Options issued pursuant to the plan will be issued free of charge.
- Options are time based and there are no performance conditions.
- Options cannot be transferred and are not quoted on the ASX.
- Options expire 90 days after the participant resigns from the Company. The exercise price of the options, at grant date, shall be as the directors in their absolute discretion determine, provided the exercise price shall not be less than the weighted average of the last sale price of the Company's shares on ASX at the close of business on each of the 5 business days immediately preceding the date on which the directors resolve to grant the options.
- The directors may limit the total number of options which may be exercised under the plan in any year.

A summary of options on issue is set out in note 5.1 of the financial statements.

#### Performance Rights Plan

In addition to the Share Option Plan discussed above, the Group established the Performance Rights Plan at the 2016 AGM to assist in the attraction, retention and motivation of the Company's directors, executives, employees and senior consultants. No options and performance rights were issued in financial year 2021 (2020: nil) under this plan. Key features include:

- The Board will determine the number of performance rights to be granted to eligible employees (or their nominees), the vesting conditions and expiry date of the performance rights in its sole discretion.
- The performance rights are not transferable unless the Board determines otherwise, or the transfer is required by law and provided that the transfer complies with the Corporations Act.
- Subject to the Corporations Act and the Listing Rules and restrictions on reducing the rights of a holder of performance rights, the Board will have the power to amend the performance rights plan as it sees fit.
- If a vesting condition of a performance right is not achieved by the milestone date, then the performance right will lapse.
- The performance rights will be granted for nil consideration. Upon exercise of the performance rights, shares will be issued on a one for one basis on the same terms as the Company's existing shares.

A summary of performance rights on issue is set out in note 5.1 of the financial statements.

### 3.3. Service agreements

#### Managing director

Term	Open term agreement
Effective Date	A new contract was established effective 1 July 2019
Remuneration	<ul style="list-style-type: none"> <li>• Fixed remuneration (refer section 4.1 of this Remuneration Report)</li> <li>• At risk STI: 75% of Base salary Actual awards may range from 0 to 200% contingent upon individual and company performance compared to established targets. The Board reserves the right to grant bonuses above 200% for truly exceptional contributions to the business</li> <li>• At risk LTI: 80% of Base salary</li> <li>• A portion of equity will be performance based while a portion will be restricted time based as determined by the Board. Current portions are 60% and 40% respectively. Performance based awards may range from 0 to 200% based upon achievement of pre-established targets</li> </ul>
Termination	<ul style="list-style-type: none"> <li>• By executive: 6 months' notice</li> <li>• By Company: 6 months' notice</li> </ul>

For personal use only

## Executives

Term	Open term agreements
Effective date	New contracts were established effective 1 July 2019
Remuneration	<ul style="list-style-type: none"> <li>• Fixed remuneration (refer section 4.1 of this Remuneration Report)</li> <li>• At risk STI:             <ul style="list-style-type: none"> <li>◦ 50% of base salary - chief financial officer and senior vice president engineering &amp; operations</li> <li>◦ 40% of base salary - vice president human resources and vice president commercial sales &amp; marketing</li> </ul> <p>Actual awards may range from 0 to 200% contingent upon individual and company performance compared to established targets. The Board reserves the right to grant bonuses above 200% for truly exceptional contributions to the business</p> </li> <li>• At risk LTI:             <ul style="list-style-type: none"> <li>◦ 70% of base salary - senior vice president engineering &amp; operations</li> <li>◦ 60% of base salary - chief financial officer</li> <li>◦ 40% of base salary - vice president human resources and vice president commercial sales &amp; marketing</li> </ul> </li> <li>• A portion of equity will be performance based while a portion will be restricted time based as determined by the Board. Current portions are 60% and 40% respectively. Performance based awards may range from 0 to 200% based upon achievement of pre-established targets</li> </ul>
Termination	<ul style="list-style-type: none"> <li>• By executive: 3 months' notice</li> <li>• By Company: 6 months' notice</li> </ul>
Equity at hire	<ul style="list-style-type: none"> <li>• Participated immediately at 100% of base salary in Equity Incentive Plan, with restricted time-based rights that vest in equal portions over 3 years from an agreed effective date of 14 November 2018 (date of hire)</li> <li>• Received AUD\$100,000 Company equity rights grant with restricted time-based vesting 12 months after 14 November 2018</li> </ul>
Chief financial officer	
Senior vice president engineering & operations	<ul style="list-style-type: none"> <li>• Participated immediately at 100% of base salary in Equity Incentive Plan, with restricted time-based rights that vest in equal portions over 3 years from agreed effective date of 27 November 2017 (date of hire)</li> </ul>
Vice president human resources	<ul style="list-style-type: none"> <li>• Participated immediately at 40% of base salary in Equity Incentive Plan, with restricted time-based rights that vest over 3 years from agreed effective date of 1 July 2019 (date of hire)</li> </ul>
Vice president commercial sales & marketing	<ul style="list-style-type: none"> <li>• Participated immediately at 40% of base salary in Equity Incentive Plan, with restricted time-based rights that vest over 3 years from agreed effective date of 1 August 2019 (date of hire)</li> </ul>

For personal use only

# remuneration report – audited

## continued

### 4. Remuneration outcomes of Managing director and executives

#### 4.1. Remuneration tables

Details of the nature and amount of each element of remuneration of the managing director and each of the named executives are as follows:

	Salary <sup>(1)</sup>	Cash Bonus <sup>(2)</sup>	Non-monetary benefits <sup>(3)</sup>	Superannuation and employee benefits <sup>(4)</sup>	Performance rights	Total	Proportion of Remuneration that is performance based	% of remuneration that consists of options/rights
	\$	\$	\$	\$	\$	\$	%	%
<b>2021</b>								
Bernard Rowe	545,495	273,525	-	25,000	1,261,756	2,105,776	73%	60%
Ian Bucknell	382,340	148,800	8,112	25,000	254,385	818,637	49%	31%
Ken Coon <sup>(5)</sup>	208,389	66,684	51,109	-	118,930	445,112	42%	27%
Yoshio Nagai	332,535	106,411	-	28,997	112,219	580,163	38%	19%
Matt Weaver	379,090	151,636	-	32,389	411,868	974,983	58%	42%
<b>Total</b>	<b>1,847,849</b>	<b>747,056</b>	<b>59,221</b>	<b>111,386</b>	<b>2,159,159</b>	<b>4,924,671</b>	<b>59%</b>	<b>44%</b>
<b>2020 (Restated) <sup>(7)</sup></b>								
Bernard Rowe <sup>(6)</sup>	428,179	494,619	-	25,000	-	947,798	52%	0%
Ian Bucknell	350,000	175,000	9,770	38,022	355,804	928,596	57%	38%
Ken Coon	300,717	120,798	15,686	-	43,090	480,291	34%	9%
Yoshio Nagai	320,559	128,224	-	29,724	42,165	520,673	33%	8%
Matt Weaver	373,972	218,408	-	84,858	365,272	1,042,510	56%	35%
<b>Total</b>	<b>1,773,427</b>	<b>1,137,048</b>	<b>25,456</b>	<b>177,604</b>	<b>806,331</b>	<b>3,919,867</b>	<b>50%</b>	<b>21%</b>

- (1) Salary includes annual leave entitlements.
- (2) All KMP had the option to take the 2021 bonus as cash or as a 12-month performance right with a 20% premium provided for equity. The equity portion of the cash bonuses is still included in the cash bonus above. However, the 20% premium will be expensed in FY2022.
- (3) Ian Bucknell receives a non-monetary benefit in the form of car parking at the company premises. Ken Coon receives accommodation and travel expenses to the company offices in Reno, Nevada. He does not receive any employee benefits in the form of health insurance or superannuation.
- (4) Superannuation and employee benefits includes superannuation for all KMP (except Ken Coon per note 2 above) and health insurances for Matt Weaver and Yoshio Nagai.
- (5) During the financial year, in response to Covid-19, Ken Coon was reduced to a 50% part-time capacity for a period of 8 months, in support of reducing costs.
- (6) Includes Equity grants announced in the 2019 financial report, approved by shareholders at the 2020 Annual General Meeting and included as remuneration in financial year 2020. Bernard Rowe's cash bonus includes \$300,000 in relation to the 2020 STI award plus an additional amount of \$194,619 representing a deferred 2019 STI amount that was paid in cash rather than awarded as equity.
- (7) The 2020 table has been restated for the portion of the 2020 cash bonus that was taken as a 12 month performance right with 20% premium provided for equity.

#### 4.2. Fixed remuneration

As part of the remuneration work undertaken during the financial year, adjustments to base salary were agreed for all KMP to standardise their base salaries to benchmarked comparatives.

The Nomination & Remuneration Committee approved increases to fixed remuneration for financial year 2021, as shown below.

Base salary <sup>(1)</sup>	% Increase	30-Jun-21		30-Jun-20	
		A\$	US\$	A\$	US\$
Bernard Rowe	30%	521,000	-	401,000	-
Ian Bucknell	6%	372,000	-	350,000	-
Ken Coon	4%	-	235,000	-	225,000
Yoshio Nagai	4%	-	250,000	-	240,000
Matt Weaver	14%	-	285,000	-	250,000

- (1) Note, base salaries are shown in the above table at contract amounts, where KMP have not worked a full year it will not agree to the Remuneration table in section 4.1 of this report.

For personal use only

### 4.3. Short-term performance benefits included in remuneration

The Company's approach to the granting and vesting of short-term performance benefits is set out above, in section 3, Remuneration arrangements.

#### Financial Year 2021

For the 30 June 2021 financial year, the corporate performance targets included progress against:

- Engineering and construction readiness
- Environmental permitting
- Spending in line with Board expectations
- Strategic partnering process
- Project financing
- Final Investment decision

On an assessment of actual performance for the financial year, the board weighed up the clear progress of the engineering workstream towards construction readiness, the award of two of the three key environmental permits, spending in-line with budgets, strong progress on the partnering and financing front offset by overall delay in Project delivery and more specifically the publishing of the Notice of Intent. All of which took place within the context of a global pandemic, and a transition of US government administration.

With the above in mind, the board determined to pay incentive bonuses below target. The chief executive officer received an STI award at [50%] of target, being [38%] of base salary. The chief financial officer, vice president human resources, vice president commercial sales and marketing and senior vice president engineering and operations received awards at [70%] of target being [35%, 19%, 28% and 35%] of base salary respectively.

Cash bonuses of \$753,070 were accrued for KMP for the year ended 30 June 2021 and were paid after balance date (2020: \$998,921). Several KMP elected to receive performance rights (with a vesting period of 1 year) in lieu of cash.

### 4.4. Analysis of long-term performance benefits included in remuneration

The Company's approach to the granting of equity awards is set out above, in section 3, Remuneration arrangements.

The KMP were awarded LTI grants at target. The senior vice president engineering and operations LTI award was increased from 60% of base salary to 70% of base salary based upon a competitive peer group review.

The number of performance rights granted to the executives under the LTI plan is calculated as remuneration at 1 July [year] x [insert] % / Market Value. The Market Value is the market value of a fully paid ordinary share in the Company, calculated using a 10-day VWAP, up to and including the date the performance rights performance period commences.

For personal use only

# remuneration report – audited

## continued

### Performance rights

The number and value of rights granted during the current and previous financial year to KMP is detailed below:

Year ended 30 June 2021	Purpose	Vesting period (months)	Grant date	Vesting Date	Number	Award Value <sup>(3)</sup> \$	Market value per right \$
Ian Bucknell	Retention on employment <sup>(1)</sup>	12	8/08/2019	14/11/2019	244,382	42,767	0.1750
	Retention on employment <sup>(1)</sup>	24	8/08/2019	14/11/2020	244,378	42,766	0.1750
	Retention on employment <sup>(1)</sup>	36	8/08/2019	14/11/2021	244,378	42,766	0.1750
	2019 LTI Grant - performance based <sup>(2)</sup>	24	1/07/2020	1/07/2022	776,627	157,267	0.2025
	2020 LTI Grant - time based	36	1/07/2020	1/07/2023	718,841	89,855	0.1250
	2020 LTI Grant - performance based	36	1/07/2020	1/07/2023	1,078,261	215,113	0.1995
Sub total					3,306,867	590,534	
Ken Coon	Bonus 2020 conversion	12	1/07/2020	1/07/2021	632,161	79,020	0.1250
	2020 LTI Grant - time based	36	1/07/2020	1/07/2023	440,171	55,021	0.1250
	2020 LTI Grant - performance based	36	1/07/2020	1/07/2023	660,257	131,721	0.1995
Sub total					1,732,589	265,762	
Yoshio Nagai	2020 LTI Grant - time based	36	1/07/2020	1/07/2023	468,267	58,533	0.1250
	2020 LTI Grant - performance based	36	1/07/2020	1/07/2023	702,401	140,129	0.1995
Sub total					1,170,668	198,662	
Bernard Rowe	2018 Make-up LTI Grant	8	6/11/2020	1/07/2021	2,766,272	539,423	0.1950
	2019 LTI Grant - time based	20	6/11/2020	1/07/2022	1,106,509	215,769	0.1950
	2019 LTI Grant - performance based <sup>(2)</sup>	20	6/11/2020	1/07/2022	1,659,763	281,330	0.1695
	2020 LTI Grant - time based	32	6/11/2020	1/07/2023	1,344,516	262,181	0.1950
	2020 LTI Grant - performance based	32	6/11/2020	1/07/2023	2,016,774	335,793	0.1665
Sub total					8,893,834	1,634,496	
Matt Weaver	2019 LTI Grant - performance based <sup>(2)</sup>	24	1/07/2020	1/07/2022	899,736	182,196	0.2025
	Bonus 2020 conversion	12	1/07/2020	1/07/2021	702,401	87,800	0.1250
	2020 LTI Grant - time based	36	1/07/2020	1/07/2023	800,737	100,092	0.1250
	2020 LTI Grant - performance based	36	1/07/2020	1/07/2023	1,201,106	239,621	0.1995
Sub total					3,603,980	609,709	
Total					18,707,938	3,299,164	
Year ended 30 June 2020							
Ian Bucknell	Retention on employment <sup>(1)</sup>	12	8/08/2019	14/11/2019	244,382	58,334	0.2387
	Retention on employment <sup>(1)</sup>	24	8/08/2019	14/11/2020	244,378	58,333	0.2387
	Retention on employment <sup>(1)</sup>	36	8/08/2019	14/11/2021	244,378	58,333	0.2387
	2019 LTI Grant - time based <sup>(2)</sup>	36	8/08/2019	1/07/2022	517,751	70,000	0.1352
	Deferred STI 2019	12	8/08/2019	1/07/2020	488,166	66,000	0.1352
	Sub total					1,739,055	311,000
Ken Coon	Retention on employment	36	1/07/2019	1/07/2022	956,145	129,271	0.1352
Sub total					956,145	129,271	
Yoshio Nagai	Retention on employment	36	1/08/2019	1/08/2022	741,120	137,996	0.1862
Sub total					741,120	137,996	
Matt Weaver	Make-up LTI grant 2018	24	8/08/2019	1/07/2021	1,519,208	205,397	0.1352
	2019 LTI Grant - time based <sup>(2)</sup>	36	8/08/2019	1/07/2022	607,683	82,159	0.1352
	Deferred STI 2019	12	8/08/2019	1/07/2020	796,787	107,726	0.1352
Sub total					2,923,678	395,282	
Total					6,359,998	973,549	

(1) Whilst the vesting period commences 14 November 2018, the grant date is 8 August 2019, being the date terms were finalised.

(2) The 2019 LTI performance rights to KMPs were 40% time based and 60% performance-based awards. The performance-based awards were granted 1 July 2020 and 6 November 2020.

(3) The fair value of performance rights is determined at the time of grant per AASB 2. Refer note 7.3.

For personal use only

## 5. Interests held by managing director and senior executives

### Movement in interest in equity

After the financial year end, the Board has agreed to put minimum share ownership positions in place for the managing director and senior executives.

Ordinary shares	Balance at the start of the year	Acquired	Disposed	Other	Balance at the end of the year
<b>2021</b>					
Bernard Rowe	61,475,918	2,766,272	(2,900,500)	-	61,341,690
Ian Bucknell	663,318	1,221,304	-	-	1,884,622
Ken Coon	-	-	-	-	-
Yoshio Nagai	-	-	-	-	-
Matt Weaver	813,631	1,283,212	(307,522)	-	1,789,321
<b>Total</b>	<b>62,952,867</b>	<b>5,270,788</b>	<b>(3,208,022)</b>	<b>-</b>	<b>65,015,633</b>
<b>2020</b>					
Bernard Rowe	61,475,918	-	-	-	61,475,918
Ian Bucknell	-	663,318	-	-	663,318
Matt Weaver <sup>(1)</sup>	673,526	140,105	-	-	813,631
<b>Total</b>	<b>62,149,444</b>	<b>803,423</b>	<b>-</b>	<b>-</b>	<b>62,952,867</b>

(1) Acquired shares are shown net of US taxes remitted on behalf of the employee at date of vesting.

For personal use only

# remuneration report – audited

## continued

### Movement in performance rights

Year ended 30 June	Vesting Date	Balance at the start of the year	Number rights granted	Vested	Balance at the end of the year
<b>2021</b>					
Ian Bucknell - retention on employment (correction to 100%)	14/11/2019		244,382	(244,382)	-
Ian Bucknell - retention on employment	14/11/2020	244,378		(244,378)	-
Ian Bucknell - retention on employment	14/11/2021	244,378		-	244,378
Ian Bucknell - retention on employment (correction to 100%)	14/11/2020		244,378	(244,378)	-
Ian Bucknell - retention on employment (correction to 100%)	14/11/2021		244,378		244,378
Ian Bucknell - 2019 STI	1/07/2020	488,166		(488,166)	-
Ian Bucknell - 2019 LTI <sup>(2)</sup>	1/07/2022	517,751	776,627	-	1,294,378
Ian Bucknell - 2020 LTI	1/07/2023		1,797,102	-	1,797,102
Ken Coon - 2020 cash bonus conversion	1/07/2021		632,161		632,161
Ken Coon - retention on employment	1/07/2022	956,145		-	956,145
Ken Coon - 2020 LTI	1/07/2023		1,100,428	-	1,100,428
Yoshio Nagai - retention on employment	1/08/2022	741,120		-	741,120
Yoshio Nagai - 2020 LTI	1/07/2023		1,170,668		1,170,668
Bernard Rowe - 2018 make up LTI grant	1/07/2021		2,766,272		2,766,272
Bernard Rowe - 2019 LTI	1/07/2022		2,766,272		2,766,272
Bernard Rowe - 2020 LTI	1/07/2023		3,361,290		3,361,290
Matt Weaver - retention on employment <sup>(1)</sup>	27/11/2020	486,425		(486,425)	-
Matt Weaver - 2019 STI	1/07/2020	796,787		(796,787)	-
Matt Weaver - catch up LTIs	1/07/2021	1,519,208		-	1,519,208
Matt Weaver - 2019 LTI <sup>(2)</sup>	1/07/2022	607,683	899,736	-	1,507,419
Matt Weaver - 2020 cash bonus conversion	1/07/2021		702,401	-	702,401
Matt Weaver - 2020 LTI	1/07/2023		2,001,843	-	2,001,843
<b>Total</b>		<b>6,602,041</b>	<b>18,707,938</b>	<b>(2,504,516)</b>	<b>22,805,463</b>
<b>2020</b>					
Ian Bucknell - retention on employment	14/11/2019	418,936		(418,936)	-
Ian Bucknell - retention on employment	14/11/2019	-	244,382	(244,382)	-
Ian Bucknell - retention on employment	14/11/2020	-	244,378	-	244,378
Ian Bucknell - retention on employment	14/11/2021	-	244,378	-	244,378
Ian Bucknell - 2019 STI	1/07/2020	-	488,166	-	488,166
Ian Bucknell - 2019 LTI <sup>(2)</sup>	1/07/2022	-	517,751	-	517,751
Ken Coon - retention on employment	1/07/2022	-	956,145	-	956,145
Yoshio Nagai - retention on employment	1/08/2022	-	741,120	-	741,120
Matt Weaver - retention on employment <sup>(1)</sup>	27/11/2019	486,425		(486,425)	0
Matt Weaver - retention on employment <sup>(1)</sup>	27/11/2020	486,425		-	486,425
Matt Weaver - 2019 STI	1/07/2020	-	796,787	-	796,787
Matt Weaver - catch up LTIs	1/07/2021	-	1,519,208	-	1,519,208
Matt Weaver - 2019 LTI <sup>(2)</sup>	1/07/2022	-	607,683	-	607,683
<b>Total</b>		<b>1,391,786</b>	<b>6,359,998</b>	<b>(1,149,743)</b>	<b>6,602,041</b>

(1) Issued under the 2016 Performance Rights Plan as described in section 3.2 of this Remuneration report.

(2) The 2019 LTI performance rights were 40% time based and 60% performance-based awards. The performance-based awards were not granted until FY2020 once performance hurdles had been set.

(3) All other performance rights are issued under the 2018 Equity Incentive Plan as described in section 3.2 of this Remuneration report.

For personal use only



## 6. Remuneration outcomes of executive chairman and non-executive directors

### Non-executive directors

Total remuneration for all non-executive directors, last voted upon by shareholders at the 2017 Annual General Meeting of the Company, is not to exceed \$1,000,000 per annum, inclusive of superannuation (excluding executive-chairman fees).

This total pool enables the Company in the future, if required, to provide for:

- Adequate financial incentives, commensurate with the market to attract and retain suitably qualified and experienced directors to replace existing non-executive directors;
- Appropriate arrangements to be put in place to ensure a smooth transition on replacement of directors, including a period of overlap if required; and
- Increases in non-executive directors in the future should it be considered appropriate.

Total remuneration paid to the executive chairman for board duties and the non-executive directors in the financial year was \$726,737 (2020: \$651,562) in addition \$401,973 was paid in executive remuneration to James Calaway. The non-executive director fees included \$27,500 paid in the form of performance rights, and \$210,000 paid in the form of options.

During the financial year, the Nomination and Remuneration Committee undertook a review of non-executive directors' remuneration. The overall outcome concluded that non-executive directors' remuneration is competitively positioned and as a result current overall non-executive director remuneration value remains unchanged. One specific remuneration element the Committee looked at included granting options to non-executive directors. Further to the review, the Committee decided to move away from options and instead recommend awarding restricted performance rights to non-executive directors on a salary sacrifice basis. The Committee believes a portion of their fees should be received in equity to align with the interest of shareholders.

Directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred as a consequence of their attendance at Board meetings and otherwise in the execution of their duties as directors. The Chairs of the Audit & Risk Committee, Nomination & Remuneration Committee, Project Execution Committee and Environment, Sustainability and Governance Committee receive an additional \$6,650 (US\$5,000) per annum to reflect the time spent in managing the Committees.

The Board has determined that there will be no increase in fees payable to non-executive directors for the financial year ending 30 June 2022. From FY2022 total non-executive directors' fees will be expressed fully in US dollars. Non-executive directors will receive a total of US\$85,000 per annum for their non-executive director role plus Committee chair fees of US\$5,000 per annum. A portion of their non-executive fees each year will be paid in performance rights.

The board will put to shareholders at the 2021 Annual General Meeting, that non-executive directors receive US\$25,000 in performance rights of the Company in lieu of receipt of directors' fees in cash.

### Executive-chairman remuneration

Mr Calaway was appointed executive-chairman in July 2020 in recognition of his increased workload, focused on the sales and marketing efforts, strategic partner discussions and funding considerations for the Company's wholly owned Rhyolite Ridge Lithium-Boron Project in Nevada. With the impact of COVID-19, travel restrictions on Australian based staff and an extended Project schedule, Mr Calaway's executive contract has been renewed for a 12-month period, effective 1 July 2021. He receives US\$25,000 per month for this executive work in addition to his usual chairman fees.

The Board has determined that there will be no increase in fees payable to the executive chairman for the financial year ending 30 June 2022. The executive chairman's remuneration in FY 2021 totalled approximately US\$185,000, with circa US\$35,000 being awarded as options on a sacrifice basis. From FY2022 total executive chairman fees will be expressed fully in US dollars. For non-executive duties the chairman receives US\$150,000 cash plus performance rights valued at US\$35,000.

The board will put to shareholders at the 2021 Annual General Meeting, that the executive chairman receives US\$35,000 in performance rights of the Company in lieu of receipt of his chairman fees in cash.

For personal use only

## remuneration report – audited

### continued

Details of the nature and amount of each element of the remuneration of each of the non-executive directors of iioneer Ltd paid during the year ended 30 June 2021 are set out in the following table.

	Fees <sup>(1)</sup>	Non-monetary benefits	Performance Rights	Options	Special exertion	Executive Remuneration <sup>(2)</sup>	Total	% of remuneration that consists of options/rights
	\$	\$		\$	\$	\$	\$	%
<b>2021</b>								
James D Calaway	199,349	-		45,000	-	401,973	646,322	7%
Julian Babarczy	66,642	-		30,000	-		96,642	31%
Alan Davies	66,516	-		45,000	-		111,516	40%
Patrick Elliott <sup>(4)</sup>	28,896	-		45,000	-		73,896	61%
John Hofmeister <sup>(4)</sup>	67,546	-		45,000	-		112,546	40%
Rose McKinney-James <sup>(3)</sup>	30,144	-	13,750	-	-		43,894	31%
Margaret R Walker <sup>(3)</sup>	30,144	-	13,750	-	-		43,894	31%
<b>Total</b>	<b>489,237</b>	<b>-</b>	<b>27,500</b>	<b>210,000</b>	<b>-</b>	<b>401,973</b>	<b>1,128,710</b>	<b>21%</b>
<b>2020</b>								
James D Calaway	225,725	-		45,000	411,606		682,331	7%
Julian Babarczy	5,520	-		-	-		5,520	0%
Alan Davies	75,255	-		45,000	-		120,255	37%
Patrick Elliott	82,531	-		45,000	-		127,531	35%
John Hofmeister	82,531	-		45,000	-		127,531	35%
<b>Total</b>	<b>471,562</b>	<b>-</b>		<b>180,000</b>	<b>411,606</b>		<b>1,063,168</b>	<b>17%</b>

(1) Directors' fees are set in USD with the chairman fees being US\$150,000, non-executive directors US\$50,000, plus US\$5,000 for each of the chairs of the board committees.

(2) James Calaway has been paid US\$25,000 per month as an Executive Director

(3) Rose McKinney-James and Margaret Walker were appointed to the Board effective 1 February 2021

(4) Patrick Elliott and John Hofmeister ceased to be Directors during the financial year.

## 7. Interests held by executive chairman and non-executive directors

### Movement in equity

As part of the Nomination and Remuneration Committees review of Board member remuneration, the Committee reviewed the topic of minimum shareholding requirements in financial year FY2021. The Committee agreed to a requirement that Board Members hold an amount of equity equal to at least one year's retainer fee, to be attained over a three-year period. The requirement goes into effect in FY2022.

Ordinary shares	Balance at the start of the year	Acquired	Disposed	Other	Balance at the end of the year
<b>2021</b>					
James D Calaway	31,600,000	-	-	-	31,600,000
Julian Babarczy	13,600,000	-	-	-	13,600,000
Alan Davies	2,750,152	-	-	-	2,750,152
Patrick Elliott <sup>(3)</sup>	19,446,722	-	-	(19,446,722)	-
John Hofmeister <sup>(3)</sup>	2,411,231	-	-	(2,411,231)	-
Rose McKinney-James <sup>(2)</sup>	-	-	-	-	-
Margaret R Walker <sup>(2)</sup>	-	-	-	-	-
<b>Total</b>	<b>69,808,105</b>	<b>-</b>	<b>-</b>	<b>(21,857,953)</b>	<b>47,950,152</b>
<b>2020</b>					
James D Calaway	31,600,000	-	-	-	31,600,000
Julian Babarczy <sup>(1)</sup>	-	-	-	13,600,000	13,600,000
Alan Davies	2,365,898	384,254	-	-	2,750,152
Patrick Elliott	19,446,722	-	-	-	19,446,722
John Hofmeister	1,461,231	950,000	-	-	2,411,231
<b>Total</b>	<b>54,873,851</b>	<b>1,334,254</b>	<b>-</b>	<b>13,600,000</b>	<b>69,808,105</b>

(1) Julian Babarczy was appointed to the Board effective 1 June 2020 and held these shares at the date of appointment.

(2) Rose McKinney-James and Margaret Walker were appointed to the Board effective 1 February 2021.

(3) Pat Elliott and John Hofmeister ceased to be directors during the year.

### Movement in performance rights

The following performance rights were granted to the two new Directors on appointment.

Year ended 30 June	Vesting Date	Balance at the start of the year	Number rights granted	Vested	Balance at the end of the year
<b>2021</b>					
Rose McKinney-James	1/02/2024	-	300,000	-	300,000
Margaret R Walker	1/02/2024	-	300,000	-	300,000
<b>Total</b>		<b>-</b>	<b>600,000</b>	<b>-</b>	<b>600,000</b>
<b>2020</b>					
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Options

The following options were granted during the financial year.

<b>Participants</b>	All non-executive directors as at 30 June 2020
<b>Instruments issued</b>	Options issued at an exercise price equal to the VWAP for the Company's shares over the 10 trading days immediately before the date of the 2021 AGM.
<b>Fair value</b>	\$45,000
<b>Date of grant</b>	16 November 2020
<b>Vesting</b>	1 year from the date of grant - 16 November 2021
<b>Expiry date</b>	5 years from the date of grant - 16 November 2025

# remuneration report – audited

## continued

### Movement in options

Year ended 30 June 2021	Vesting Date	Expiry Date	Balance beginning financial year	Granted as remuneration <sup>(1)</sup>	Exercised	Exercise price	Amount paid	Other <sup>(2)</sup>	Balance end financial year
			Number	Number	Number	\$	\$	\$	Number
James D Calaway	13/04/17	13/04/22	16,000,000	-	-	0.150	-	-	16,000,000
	13/04/17	13/04/22	12,000,000	-	-	0.200	-	-	12,000,000
	13/04/17	13/04/22	12,000,000	-	-	0.250	-	-	12,000,000
	09/11/19	09/11/23	357,710	-	-	0.242	-	-	357,710
	14/11/20	14/11/24	326,797	-	-	0.243	-	-	326,797
	16/11/21	16/11/25	-	326,323	-	0.185	-	-	326,323
Sub total			40,684,507	326,323	-	-	-	-	41,010,830
Julian Babarczy	16/11/21	16/11/25	-	326,323	-	0.185	-	-	326,323
Sub total			-	326,323	-	-	-	-	326,323
Alan Davies	23/05/18	23/05/22	200,000	-	-	0.200	-	-	200,000
	23/05/19	23/05/22	200,000	-	-	0.200	-	-	200,000
	23/05/20	23/05/22	100,000	-	-	0.200	-	-	100,000
	09/11/19	09/11/23	357,710	-	-	0.242	-	-	357,710
	14/11/20	14/11/24	326,797	-	-	0.243	-	-	326,797
	16/11/21	16/11/25	-	326,323	-	0.185	-	-	326,323
Sub total			1,184,507	326,323	-	-	-	-	1,510,830
Patrick Elliott <sup>(2)</sup>	09/11/19	09/11/23	357,710	-	-	0.024	-	(357,710)	-
	14/11/20	14/11/24	326,797	-	-	0.243	-	(326,797)	-
	16/11/21	16/11/25	-	326,323	-	0.185	-	(326,323)	-
Sub total			684,507	326,323	-	-	(1,010,830)	-	-
John Hofmeister <sup>(2)</sup>	23/05/18	23/05/22	200,000	-	-	0.200	-	(200,000)	-
	23/05/19	23/05/22	200,000	-	-	0.200	-	(200,000)	-
	23/05/20	23/05/22	100,000	-	-	0.200	-	(100,000)	-
	09/11/19	09/11/23	357,710	-	-	0.242	-	(357,710)	-
	14/11/20	14/11/24	326,797	-	-	0.243	-	(326,797)	-
	16/11/21	16/11/25	-	326,323	-	0.185	-	(326,323)	-
Sub total			1,184,507	326,323	-	-	(1,510,830)	-	-
Rose McKinney-James			-	-	-	-	-	-	-
Sub total			-	-	-	-	-	-	-
Margaret R Walker			-	-	-	-	-	-	-
Sub total			-	-	-	-	-	-	-
Total			43,738,028	1,631,615	-	-	-	(2,521,660)	42,847,983
Year ended 30 June 2020	Vesting Date	Expiry Date	Balance at beginning of financial year	Granted as remuneration <sup>(1)</sup>	Exercised	Exercise price	Amount paid	Expired	Balance end financial year
			Number	Number	Number	\$	\$	\$	Number
James D Calaway	13/04/17	13/04/22	16,000,000	-	-	0.150	-	-	16,000,000
	13/04/17	13/04/22	12,000,000	-	-	0.200	-	-	12,000,000
	13/04/17	13/04/22	12,000,000	-	-	0.250	-	-	12,000,000
	09/11/19	09/11/23	357,710	-	-	0.242	-	-	357,710
	14/11/20	14/11/24	-	326,797	-	0.243	-	-	326,797
	Sub total			40,357,710	326,797	-	-	-	-
Julian Babarczy			-	-	-	-	-	-	-
Sub total			-	-	-	-	-	-	-
Alan Davies	23/05/18	23/05/22	200,000	-	-	0.200	-	-	200,000
	23/05/19	23/05/22	200,000	-	-	0.200	-	-	200,000
	23/05/20	23/05/22	100,000	-	-	0.200	-	-	100,000
	09/11/19	09/11/23	357,710	-	-	0.242	-	-	357,710
	14/11/20	14/11/24	-	326,797	-	0.243	-	-	326,797
	Sub total			857,710	326,797	-	-	-	-
Patrick Elliott	09/11/19	09/11/23	357,710	-	-	0.024	-	-	357,710
	14/11/20	14/11/24	-	326,797	-	0.243	-	-	326,797
Sub total			357,710	326,797	-	-	-	-	684,507
John Hofmeister	23/05/18	23/05/22	200,000	-	-	0.200	-	-	200,000
	23/05/19	23/05/22	200,000	-	-	0.200	-	-	200,000
	23/05/20	23/05/22	100,000	-	-	0.200	-	-	100,000
	09/11/19	09/11/23	357,710	-	-	0.242	-	-	357,710
	14/11/20	14/11/24	-	326,797	-	0.243	-	-	326,797
	Sub total			857,710	326,797	-	-	-	-
Total			42,430,840	1,307,188	-	-	-	-	43,738,028

(1) These options and those issued in 2019 and 2020, were issued under the Equity Incentive Plan established at the 2018 AGM. All other options were issued under the previous Share Option Plan which was initially established in 2010 and reconfirmed at the 2016 AGM. Refer to section 3.2 of this remuneration report for further details.

(2) Patrick Elliott and John Hofmeister ceased to be Directors during the financial year.

For personal use only

# consolidated statement of profit and loss and other comprehensive income

for the year ended 30 June 2021

		30-Jun	30-Jun
	Note	2021	2020
		A\$'000	A\$'000
Exploration expenditure written off	2.1	(48)	(81)
Other income	2.2	-	138
Employee benefits expensed	7.1	(5,899)	(5,063)
Other expenses	2.3	(3,008)	(3,250)
<b>Loss from operating activities</b>		<b>(8,955)</b>	<b>(8,256)</b>
Finance income	2.4	97	2,838
Finance costs	2.4	(1,468)	(28)
<b>Net finance costs</b>	2.4	<b>(1,371)</b>	<b>2,810</b>
Loss before tax		(10,326)	(5,446)
Income tax expense	3.1	-	-
Loss for the year		(10,326)	(5,446)
Loss attributable to equity holders of the company		(10,326)	(5,446)
<b>Items that may be reclassified subsequently to profit and loss</b>			
Foreign currency translation difference on foreign operations		(8,040)	(175)
<b>Other comprehensive income/(loss) (net of tax)</b>		<b>(8,040)</b>	<b>(175)</b>
<b>Total comprehensive profit / (loss) for the year</b>		<b>(18,366)</b>	<b>(5,621)</b>
<b>Total comprehensive income / (loss) attributable to the owners of the company</b>		<b>(18,366)</b>	<b>(5,621)</b>
<b>Earnings per share</b>			
		<b>2021</b>	<b>2020</b>
		<b>Cents</b>	<b>Cents</b>
Basic loss per ordinary share	2.5	(0.59)	(0.34)
Diluted loss per ordinary share	2.5	(0.59)	(0.34)

The consolidated statement of profit and loss and other comprehensive income should be read in conjunction with the accompanying notes.

For personal use only

# consolidated statement of financial position

as at 30 June 2021

	Note	30-Jun Consolidated 2021 A\$'000	30-Jun Consolidated 2020 A\$'000
<b>Current assets</b>			
Cash assets	4.1	83,078	38,268
Receivables	4.2	359	58
<b>Total current assets</b>		<b>83,437</b>	<b>38,326</b>
<b>Non-current assets</b>			
Receivables	4.2	266	337
Plant and equipment	4.3	3	9
Right of use asset	4.4	309	322
Exploration and evaluation expenditure	4.5	114,375	94,824
<b>Total non-current assets</b>		<b>114,953</b>	<b>95,492</b>
<b>Total assets</b>		<b>198,390</b>	<b>133,818</b>
<b>Current liabilities</b>			
Payables	4.6	6,881	3,097
Provisions	4.7	375	271
<b>Total current liabilities</b>		<b>7,256</b>	<b>3,368</b>
<b>Non-current liabilities</b>			
Payables - non-current	4.6	79	404
<b>Total Non-current liabilities</b>		<b>79</b>	<b>404</b>
<b>Total liabilities</b>		<b>7,335</b>	<b>3,772</b>
<b>Net assets</b>		<b>191,055</b>	<b>130,046</b>
<b>Equity</b>			
Contributed equity	5.1	230,730	153,290
Reserves	5.2	3,732	9,837
Accumulated losses		(43,407)	(33,081)
<b>Total equity</b>		<b>191,055</b>	<b>130,046</b>

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

For personal use only

# consolidated statement of cash flows

for the year ended 30 June 2021

	Note	2021 A\$'000	2020 A\$'000
<b>Cash flows from operating activities</b>			
Payment to suppliers and employees		(6,487)	(6,745)
Interest and other finance costs paid		-	(28)
<b>Net cash flows used in operating activities (inclusive of GST)</b>	4.1	(6,487)	(6,773)
<b>Cash flows from investing activities</b>			
Expenditure on mining exploration		(23,677)	(45,080)
Purchase of equipment	4.3	(6)	(21)
Interest received		39	747
<b>Net cash flows used in investing activities</b>		(23,644)	(44,354)
<b>Cash flows from financing activities</b>			
Proceeds from the issue of shares	5.1	80,000	40,000
Proceeds from exercise of options	5.1	-	578
Equity raising expenses	5.1	(3,515)	(1,799)
Payments of lease liability		(107)	(103)
<b>Net cash flows received from financing activities</b>		76,378	38,676
<b>Net increase (decrease) in cash held</b>		46,247	(12,451)
Cash at the beginning of the financial year		38,268	48,604
Effect of exchange rate fluctuations on balances of cash held in USD		(1,437)	2,115
<b>Closing cash carried forward</b>	4.1	83,078	38,268

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

For personal use only

# consolidated statement of changes in equity

## for the year ended 30 June 2021

	Note	Issued capital A\$'000	Foreign currency translation reserve A\$'000	Equity compensation reserve A\$'000	Accumulated losses A\$'000	Total equity A\$'000
<b>As at 1 July 2019</b>		113,013	1,566	8,711	(27,635)	95,655
<b>Loss for the year ended 30 June 2020</b>		-	-	-	(5,446)	(5,446)
<b>Other comprehensive income</b>						
Foreign currency translation differences on foreign operations		-	(175)	-	-	(175)
<b>Total other comprehensive income</b>		-	(175)	-	-	(175)
<b>Total comprehensive income for the year</b>		-	(175)	-	(5,446)	(5,621)
<b>Issue of share capital</b>						
Ordinary shares cash	5.1	40,000	-	-	-	40,000
Ordinary shares non-cash		-	-	-	-	-
Proceeds from unlisted options exercised	5.1	578	-	-	-	578
<b>Share-based payments</b>						
Share-based payments expensed/capitalised	5.2	-	-	1,233	-	1,233
Fair value of unlisted options exercised	5.2	1,076	-	(1,076)	-	-
Fair value of performance rights vested	5.2	422	-	(422)	-	-
<b>Share issue costs</b>	5.1	(1,799)	-	-	-	(1,799)
<b>As at 30 June 2020</b>		153,290	1,391	8,446	(33,081)	130,046
<b>As at 1 July 2020</b>		153,290	1,391	8,446	(33,081)	130,046
<b>Loss for the year ended 30 June 2021</b>		-	-	-	(10,326)	(10,326)
<b>Other comprehensive income</b>						
Foreign currency translation differences on foreign operations		-	(8,040)	-	-	(8,040)
<b>Total other comprehensive income</b>		-	(8,040)	-	-	(8,040)
<b>Total comprehensive income for the year</b>		-	(8,040)	-	(10,326)	(18,366)
<b>Issue of share capital</b>						
Ordinary shares cash	5.1	80,000	-	-	-	80,000
Ordinary shares non-cash		374	-	-	-	374
<b>Share-based payments</b>						
Share-based payments expensed/capitalised	5.2	-	-	2,516	-	2,516
Fair value of unlisted options exercised	5.2	-	-	-	-	-
Fair value of performance rights vested	5.2	581	-	(581)	-	-
<b>Share issue costs</b>	5.1	(3,515)	-	-	-	(3,515)
<b>As at 30 June 2021</b>		230,730	(6,649)	10,381	(43,407)	191,055

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

For personal use only



# notes to and forming part of the financial statements

## Section 1. Basis of preparation

### 1.1. Reporting entity

The financial report of Ioneer Ltd for the year ended 30 June 2021 was authorised for issue in accordance with a resolution of the Directors on 15 September 2021.

Ioneer Ltd is a for profit company limited by shares and incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange under the ticker code "INR". The registered office of the Company is suite 5.03, 140 Arthur Street, North Sydney, NSW 2060 Australia.

The Company is principally engaged in the development of the Rhyolite Ridge lithium-boron deposit in the state of Nevada, United States of America. Further information about the nature of the Group's operations and activities is provided in the directors' report. Information on the group structure is set out in Section 8 of this report and information on other related party disclosures of the Group is provided in Section 9.

### 1.2. Basis of preparation

- The financial report is a general-purpose financial report, which has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities.
- These financial statements comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ('IASB'), including new or amended accounting standards effective for reporting periods beginning 1 July 2020.
- Unless otherwise stated, the accounting policies disclosed have been consistently applied.
- The financial report has been prepared on a historical cost basis.
- The financial statements have been presented in Australian dollars which is the parent entity's functional currency.
- The financial statements have been prepared on the going concern basis which assumes the company and consolidated entity will have sufficient cash to pay its debts as and when they become payable for a period of at least 12 months from the date the financial report was authorised for issue.
- The group is of a kind referred to in ASIC Corporations (Rounding in Financial / Directors Reports) Instrument 2016/191, and as such amounts presented in the financial and directors have been rounded to the nearest \$1,000 (where rounding is permitted), unless otherwise stated.

### 1.3. New and amended accounting standards and interpretations

The Group has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

The following standards and interpretations that have recently been issued but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2021. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, which are most relevant to the Group are set out below:

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current	Amends AASB 101 to clarify the requirements for classifying liabilities as current or non-current. The amendments specify that the conditions which exist at the end of the reporting period are those which will be used to determine if a right to defer settlement of a liability exists. These amendments are applied retrospectively.
AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	Amends AASB 7, 101 and 108 to provide definition and clarifications on accounting estimates and clarify the concept of materiality in the context of disclosure of accounting policies. The amendments are applied prospectively.
AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Amends AASB 112 to narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences and clarify that the exemption does not apply to transactions such as leases and decommissioning obligations.

## notes to and forming part of the financial statements continued

### 1.4. Basis of consolidation

#### Controlled entities

Controlled entities are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly to govern the financial and operating policies of an entity so as to obtain benefits from its operations. The financial statements of controlled entities are included in the consolidated financial statements from the date control commences until the date that control ceases. With the exception of the wind up of three Canadian entities during the financial year there has been no change in the control of any subsidiaries during the financial period. All subsidiaries are 100% owned by the Company (2020: 100%).

#### Transactions eliminated on consolidation

All inter-company balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full.

#### Accounting policies

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

### 1.5. Critical accounting estimates and judgements

The preparation of these financial statements in conformity with Australian Accounting Standards has required management to make judgements, estimates and assumptions which impact the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical knowledge and various other factors that are believed to be reasonable in the circumstance. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed regularly and revisions to accounting estimates are reviewed in the period in which the estimate is revised. The most significant estimates and assumptions which have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to:

#### Reserve estimates

Reserves are estimates of the amount of product that can be economically and legally extracted, processed and sold from the Group's properties under current and foreseeable economic conditions. The group determines and reports reserves under the standards incorporated in the Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves, 2012 edition (the JORC code).

The determination of ore reserves includes estimates and assumptions about a range of geological, technical and economic factors including quantities, grades, production techniques, recovery rates, commodity prices and exchange rates. Change in ore reserve impact the assessment of recoverability of exploration and evaluation assets.

Estimating the quantity and /or grade of reserves requires the size, shape and depth of ore to be determined by analysing geological data. This process may require complex and difficult judgements to interpret the data. Additional information about the Group's Reserves and Resources is set out on page 85.

#### Exploration and evaluation assets

The Group's policy for exploration and evaluation expenditure is set out in note 4.5. The application of this policy requires certain judgements, estimates and assumptions as to the future events and circumstances, in particular the assessment of whether economic quantities of reserves will be found. Any such estimates and assumptions may change as new information becomes available. If, after capitalisation of expenditure under the policy, it is concluded that the capitalised expenditure will not be recovered by future exploitation or sale, then the relevant amount will be written off in the statement of profit or loss. Changes in assumptions may result in a material adjustment to the carrying amount of exploration and evaluation assets.

#### Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity investments at the date on which they are granted. Additional information is set out in note 7.3, Share-based payments.

For personal use only

## 1.6. Foreign Currency Transactions and Balances

### Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates.

The functional currency of the entities in the Group is predominantly Australian Dollars, with the exception of Ioneer USA Corporation and Ioneer Minerals Corporation who both have a functional currency of United States Dollars.

The consolidated financial statements continue to be presented in Australian dollars, which is the parent entity's functional currency. However, in FY2022 it is the Group's intention to change the presentation currency to United States Dollars.

### Transactions and balances

Foreign currency transactions are translated at the foreign exchange rate at the date of the transaction. Monetary assets and liabilities denominated in a foreign currency at the end of the reporting period are translated at the year-end exchange rate. Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

### Presentation of foreign exchange gains and losses in the statement of profit or loss

The Group presents its foreign exchange gains and losses within net financing income /expense in the statement of profit or loss.

For personal use only

# notes to and forming part of the financial statements continued

## Section 2. Financial performance

### 2.1. Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Managing Director is considered to be the CODM and is empowered by the Board to allocate resources and assess the performance of the Group.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

#### Description of segments

The Company operates predominantly as a mineral exploration and development company. The operating segments are based on the reports reviewed by the Managing Director for assessing performance and determining the allocation of resources and strategic decision making within the Group.

North America	Represents activity in the US, primarily in relation to Rhyolite Ridge and the Reno office.
Australia	Represents head office expenditure, including ASX listing costs, exchange gains and losses and corporate assets (predominantly cash).

Segment information provided to the CODM:

Segment information	North America		Australia		Total	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Exploration expenditure - non core	(48)	(81)	-	-	(48)	(81)
Other income	-	138	-	-	-	138
Reportable segment profit / (loss)	(48)	57	-	-	(48)	57
Employee benefits and other expenses	(3,366)	(2,841)	(5,541)	(5,472)	(8,907)	(8,313)
Net financing (expense) / income	(2,880)	1	1,509	2,809	(1,371)	2,810
<b>Net loss before income tax</b>	<b>(6,294)</b>	<b>(2,783)</b>	<b>(4,032)</b>	<b>(2,663)</b>	<b>(10,326)</b>	<b>(5,446)</b>
<b>Segment assets</b>						
Production assets					-	-
Exploration assets	114,375	94,824	-	-	114,375	94,824
Other assets	18,019	9,764	65,996	29,230	84,015	38,994
<b>Total assets</b>	<b>132,394</b>	<b>104,588</b>	<b>65,996</b>	<b>29,230</b>	<b>198,390</b>	<b>133,818</b>
<b>Segment liabilities</b>						
Payables	5,857	2,095	1,024	1,002	6,881	3,097
Provisions	215	189	160	82	375	271
Total current liabilities	6,072	2,284	1,184	1,084	7,256	3,368
Payables	-	404	79	-	79	404
Total non-current liabilities	-	404	79	-	79	404
<b>Total liabilities</b>	<b>6,072</b>	<b>2,688</b>	<b>1,263</b>	<b>1,084</b>	<b>7,335</b>	<b>3,772</b>
<b>Net assets</b>	<b>126,322</b>	<b>101,900</b>	<b>64,733</b>	<b>28,146</b>	<b>191,055</b>	<b>130,046</b>

#### Major customers

The Company has no major customers and nil revenues (2020: nil).

For personal use only

	30 June 2021 \$'000	30 June 2020 \$'000
<b>2.2 Other income</b>		
Write back of reclamation bonds	-	138
<b>Total other income</b>	-	138

In the prior year, the Group recognised, outstanding reclamation bonds previously written off as exploration expenditure.

### 2.3. Other expenses

General and administrative expenses	2,028	1,975
Consulting and professional costs	967	1,224
Depreciation and amortisation	13	51
<b>Total other expenses</b>	3,008	3,250

### 2.4. Net finance costs

Interest income from external providers	39	721
Other revenue	58	0
Net foreign exchange gain	0	2,117
<b>Finance income</b>	97	2,838
Bank charges	(20)	(20)
Net foreign exchange loss	(1,436)	0
Lease interest	(12)	(8)
<b>Finance costs</b>	(1,468)	(28)
<b>Net finance income</b>	(1,371)	2,810

Interest income is recorded at the effective interest rate applicable to the financial instrument. Interest is recognised as it accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

## notes to and forming part of the financial statements continued

### 2.5. Earnings per share

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Earnings used in calculating earnings per share</b>		
Basic and diluted loss	(10,326)	(5,446)
<b>Weighted average number of ordinary shares used as the denominator</b>	<b>Number</b>	<b>Number</b>
Issued ordinary shares - opening balance	1,680,202,466	1,474,983,509
Effect of shares issued	69,056,018	122,026,219
<b>Weighted average number of ordinary shares</b>	<b>1,749,258,484</b>	<b>1,597,009,728</b>
<b>Weighted average number of ordinary shares (diluted)</b>		
Weighted average number of ordinary shares at 30 June for basic EPS	1,749,258,484	1,597,009,728
Effect of dilution from options and rights on issue	76,171,508	53,324,084
<b>Weighted average number of ordinary shares adjusted for effect of dilution</b>	<b>1,825,429,992</b>	<b>1,650,333,812</b>

The options are antidilutive and have been excluded from the diluted EPS calculation below

	Cents	Cents
Basic loss per share attributable to the ordinary equity holders of the company	(0.59)	(0.34)
Diluted loss per share attributable to the ordinary equity holders of the company	(0.59)	(0.34)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. The impact the potential ordinary shares is treated as dilutive only when their conversion to ordinary shares would decrease EPS.

For personal use only

## Section 3. Taxation

### 3.1. Taxation

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Tax expense comprises:</b>		
<b>Income tax</b>		
Current tax benefit / (expense)	-	-
Tax expense related to movements in deferred tax balances	-	-
<b>Total tax (expense) / benefit</b>	-	-
<b>Numerical reconciliation between tax (expense) / benefit and pre-tax net result:</b>		
<b>Profit /(Loss) before tax</b>	(10,326)	(5,446)
Prima facie taxation benefit at 30%	(3,098)	(1,634)
Decrease / (increase) in income tax benefit due to:		
Non-deductible expenses	728	287
Foreign exchange and other translation adjustments	432	(616)
Additional tax deductible expenditure	(113)	(82)
Unrecognised tax losses relating to current year	2,160	2,142
Adjustments for prior years	(109)	(97)
<b>Income tax (expense) / benefit</b>	-	-

No provision for income tax is considered necessary in respect of the Company for the year ended 30 June 2021. No recognition has been given to any future income tax benefit which may arise from operating losses not claimed for tax purposes. The Group has estimated tax loss positions across the group as follows:

	Jurisdiction		
	Australia Revenue AUD\$'000	USA Revenue US\$'000	Canada Revenue CAD\$'000
<b>Non-recognised tax losses - revenue</b>			
Balance at the beginning of the period	13,833	6,737	134
Movement during the period	3,775	2,240	82
<b>Balance at the end of the period</b>	17,608	8,977	216
	Capital AUD\$'000	Capital US\$'000	Capital CAD\$'000
<b>Non-recognised tax losses - capital</b>			
Balance at the beginning of the period	7,307	-	-
Movement during the period	-	-	-
<b>Balance at the end of the period</b>	7,307	-	-
<b>Total revenue and capital losses not recognised</b>	24,915	8,977	216

These amounts will only be obtained if:

- the Company and Controlled Entities derive future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised,
- the Company and Controlled Entities continue to comply with the conditions for deductibility imposed by the law, and
- no changes in tax legislation adversely affect the Company and Controlled Entities in realising the benefit from the deductions for the losses, i.e. current tax legislation permits carried forward tax losses to be carried forward indefinitely.

ioneer Ltd is not part of an Australian tax-consolidated group. Current and deferred tax amounts (if any) are measured as a stand-alone taxpayer. There are no tax funding arrangements or tax sharing agreements in place.

The group has additional tax value embedded in the Rhyolite Ridge exploration asset. Future deductibility is expected against anticipated assessable income from the Project once in production.

# notes to and forming part of the financial statements continued

## Section 4. Invested and working capital

### 4.1. Cash assets

	30 June 2021 \$'000	30 June 2020 \$'000
Cash at bank	83,078	17,386
Short term deposits	-	20,882
<b>Total cash assets</b>	<b>83,078</b>	<b>38,268</b>
<b>Cash flow reconciliation</b>		
Reconciliation of net cash outflow from operating activities to operating loss after tax		
<b>Loss for the period</b>	(10,326)	(5,446)
<b>Adjustments to reconcile profit to net cash flows:</b>		
Depreciation	13	53
Other income	-	(138)
Exploration expenditure written-off	48	81
Share-based payments	2,034	682
Net foreign exchange differences - unrealised	1,437	(2,116)
Interest income	(39)	(721)
Lease liabilities	107	103
<b>Change in assets and liabilities during the financial year:</b>		
Increase in trade and other receivables	(230)	(243)
Increase / (decrease) in accounts payable	469	972
<b>Net cash used in operating activities</b>	<b>(6,487)</b>	<b>(6,773)</b>

Cash assets in the consolidated statement of financial position comprise cash at bank.

### 4.2. Receivables

<b>Current</b>		
Interest receivable	-	3
Other debtors	29	55
Prepayments	330	-
<b>Total current trade and other receivables</b>	<b>359</b>	<b>58</b>
<b>Non-current</b>		
Other debtors	266	337
<b>Total non-current trade and other receivables</b>	<b>266</b>	<b>337</b>
<b>Total current and non-current trade and other receivables</b>	<b>625</b>	<b>395</b>

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method less provision for impairment. Impairment losses are recognised in the profit and loss.

For personal use only



### 4.3. Plant and equipment

	30 June 2021 \$'000	30 June 2020 \$'000
Plant and equipment - at cost	84	78
Less accumulated depreciation	(81)	(69)
<b>Total plant and equipment</b>	<b>3</b>	<b>9</b>
<b>Reconciliation of the movement</b>		
Opening balance	9	41
Additions	6	21
Disposals	-	(2)
Depreciation expense	(12)	(51)
Foreign exchange translation difference	-	-
<b>Closing balance</b>	<b>3</b>	<b>9</b>

Tangible plant and equipment assets are stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the useful life of the asset being between 1-4 years.

An item of plant and equipment is derecognised upon disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the period the item is derecognised.

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount. Recoverable amount is the greater of fair value less costs to sell and value in use.

### 4.4. Right of Use Asset

Premises - at cost	465	434
Less accumulated depreciation	(156)	(112)
<b>Total Right of Use Asset</b>	<b>309</b>	<b>322</b>
<b>Reconciliation of the movement</b>		
Opening balance	322	-
Impact of adoption at 1 July 2019	-	177
Additions	230	257
Disposals	(177)	-
Depreciation expense	(45)	(112)
Foreign exchange translation difference	(21)	-
<b>Closing balance</b>	<b>309</b>	<b>322</b>

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

## notes to and forming part of the financial statements continued

### 4.5. Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure but does not include general overheads or administrative expenditure not having a specific connection with a particular area of interest.

Exploration and evaluation costs in relation to separate areas of interest for which rights of tenure are current are brought to account in the year in which they are incurred and carried forward provided that:

- such costs are expected to be recouped through successful development and exploitation of the area, or alternatively through its sale; or
- exploration and/or evaluation activities in the area have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

Once a development decision has been taken, all past and future exploration and evaluation assets in respect of the area of interest are tested for impairment and transferred to the cost of development. To date, no development decision has been made.

The Directors assess at each reporting date whether there is an indication that an asset has been impaired and for exploration and evaluation costs carried forward whether the above carry forward criteria are met. No indicator of impairment has been identified as at 30 June 2021.

When the above criteria do not apply or when the Directors assess that the carrying value may exceed the recoverable amount the accumulated costs in respect of areas of interest are written off in the Statement of profit and loss and other comprehensive income.

	30 June 2021 \$'000	30 June 2020 \$'000
Exploration and evaluation expenditure	114,375	94,824
<b>Reconciliation of movement</b>		
Opening balance	94,824	49,366
Additions - Rhyolite Ridge	27,805	44,362
Exploration expenditure - non core	293	81
Exploration expenditure - written off	(285)	(81)
Foreign exchange translation difference	(8,262)	1,096
<b>Carrying amount at the end of the financial year</b>	<b>114,375</b>	<b>94,824</b>

The above amounts represent costs of areas of interest carried forward as an asset in accordance with the accounting policy described above. The ultimate recoupment of exploration and evaluation expenditure in respect of an area of interest carried forward is dependent upon the discovery of commercially viable reserves and the successful development and exploitation of the respective areas or alternatively sale of the underlying areas of interest for at least their carrying value. Amortisation, in respect of the relevant area of interest, is not charged until a mining operation has commenced. All exploration and evaluation costs carried forward relate to the Rhyolite Ridge Lithium-Boron Project in Nevada, USA. Exploration and evaluation expenditure on all other tenements owned by the Company has been fully impaired.

### 4.6. Payables

<b>Current</b>		
Trade creditors and other payables	5,462	1,557
Accrued expenses	1,168	1,335
Lease Liabilities	251	205
<b>Total current payables</b>	<b>6,881</b>	<b>3,097</b>
<b>Non-current</b>		
Trade creditors and other payables	0	276
Lease Liabilities	79	128
<b>Total non-current payables</b>	<b>79</b>	<b>404</b>
<b>Total current and non-current payables</b>	<b>6,960</b>	<b>3,501</b>

All financial liabilities are recognised initially at fair value net of directly attributable transaction costs.

After initial measurement, financial liabilities are subsequently measured at amortised cost. Current payables, other than lease liabilities, due to their short-term nature are measured at amortised cost and are not discounted.

The current payables, other than lease liabilities, are unsecured and are non-interest bearing generally on 30-60 day terms. The carrying amounts approximate fair value.

The Group adopted the following new accounting policy upon adoption of AASB 16, which has been applied from the date of initial application:

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

## 4.7. Provisions

### Employee entitlements

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Current</b>		
Provision for employee benefits	375	271
<b>Total provisions</b>	<b>375</b>	<b>271</b>

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wages increases and the probability that the employee may satisfy vesting requirements. Those cash flows are discounted using market yields on high quality corporate bonds with terms to maturity that match the expected timing of cash flows.

# notes to and forming part of the financial statements continued

## Section 5. Capital structure

### 5.1. Share capital

#### Ordinary shares

			30 June 2021	30 June 2020
			\$'000	\$'000
<b>1,896,676,204</b> (2020: 1,680,202,466) ordinary shares, fully paid			230,730	153,290
	Year ended	Year ended	Year ended	Year ended
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	Number	Number	\$'000	\$'000
<b>Reconciliation of movement:</b>				
Balance at the beginning of the financial year	1,680,202,466	1,474,983,509	153,290	113,013
Ordinary shares	210,526,316	200,000,000	80,000	40,000
Ordinary shares non-cash	2,766,272	-	374	-
Exercise of unlisted options <sup>(1)</sup>	-	3,750,000	-	1,654
Performance rights vested <sup>(2)</sup>	3,181,150	1,468,957	581	422
Share issue costs	-	-	(3,515)	(1,799)
<b>Balance at the end of the financial period</b>	<b>1,896,676,204</b>	<b>1,680,202,466</b>	<b>230,730</b>	<b>153,290</b>

(1) Value of unlisted options exercised equals the sum of the exercise price received plus the fair value transferred from the equity compensation reserve

(2) Ordinary shares issued to employees upon vesting of performance rights

Ordinary shares are classified as equity. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company. They have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Incremental costs directly attributable to the issue of new shares, options or rights are shown in equity as a deduction from the proceeds.

Management controls the capital of the Group in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Group can fund its operations and continue as a going concern.

The Group is not subject to any externally imposed capital requirements.

During the year ended 30 June 2021 the Company issued:

- 210,526,316 shares as a consequence of a share placement in March 2021
- 2,766,272 shares as a consequence of 2017 make-up LTI grant issued to Bernard Rowe and approved at the 2020 AGM
- 2,694,725 shares as a consequence of Performance Rights vesting under the Equity Incentive Plan.
- 486,425 shares as a consequence of Performance Rights vesting under the Performance Rights Plan

During the year ended 30 June 2020 the Company issued:

- 200,000,000 shares as a consequence of a share placement in November 2019.
- 3,750,000 shares as a consequence of unlisted options being exercised under the Share Option plan.
- 982,532 shares as a consequence of Performance Rights vesting under the Equity Incentive Plan.
- 486,425 shares as a consequence of Performance Rights vesting under the Performance Rights Plan

For personal use only

## Share schemes

The Company has three share schemes in operation:

- The Share Option Plan;
- The Performance Rights Plan; and
- The Equity Incentive Plan.

Under these plans ordinary shares have been granted to senior executives, employees and a number of consultants. Further details about the operation of these plans are set out in note 7.3, Shared-based payments. The Equity Incentive Plan is capable of issuing both options and performance rights. The pre-existing Share Option Plan and the Performance Rights Plan will be phased out as existing options and rights are issued or expire. The movement in options and performance rights issued under these plans is set out in the following tables.

### Share options

#### Movement in options on issue for the year ended 30 June 2021

	Grant date	Vesting date	Expiry date	FV per option at grant date	Exercise price	Opening balance	Issued	Exercised	Expired	Closing balance
				\$	\$					
NED's <sup>(1)</sup>	13-Apr-17	13-Apr-17	13-Apr-22	0.122	0.150	16,000,000	-	-	-	16,000,000
NED's <sup>(1)</sup>	13-Apr-17	13-Apr-17	13-Apr-22	0.113	0.200	12,000,000	-	-	-	12,000,000
NED's <sup>(1)</sup>	13-Apr-17	13-Apr-17	13-Apr-22	0.106	0.250	12,000,000	-	-	-	12,000,000
NED's <sup>(1)</sup>	13-Apr-17	23-May-18	23-May-22	0.063	0.200	200,000	-	-	-	200,000
Ex-NED's <sup>(2)</sup>	13-Apr-17	23-May-18	23-May-22	0.063	0.200	200,000	-	-	-	200,000
NED's <sup>(1)</sup>	13-Apr-17	23-May-19	23-May-22	0.088	0.200	200,000	-	-	-	200,000
Ex-NED's <sup>(2)</sup>	13-Apr-17	23-May-19	23-May-22	0.088	0.200	200,000	-	-	-	200,000
NED's <sup>(1)</sup>	13-Apr-17	23-May-20	23-May-22	0.105	0.200	100,000	-	-	-	100,000
Ex-NED's <sup>(2)</sup>	13-Apr-17	23-May-20	23-May-22	0.105	0.200	100,000	-	-	-	100,000
NED's <sup>(1)</sup>	09-Nov-18	09-Nov-19	09-Nov-23	0.126	0.242	715,420	-	-	-	715,420
Ex-NED's <sup>(2)</sup>	09-Nov-18	09-Nov-19	09-Nov-23	0.126	0.242	715,420	-	-	-	715,420
NED's <sup>(1)</sup>	14-Nov-19	14-Nov-20	14-Nov-24	0.138	0.243	653,594	-	-	-	653,594
Ex-NED's <sup>(2)</sup>	14-Nov-19	14-Nov-20	14-Nov-24	0.138	0.243	653,594	-	-	-	653,594
NED's <sup>(1)(3)</sup>	06-Nov-20	06-Nov-21	06-Nov-25	0.138	0.185	-	978,969	-	-	978,969
Ex-NED's <sup>(2)(3)</sup>	06-Nov-20	06-Nov-21	06-Nov-25	0.138	0.185	-	652,646	-	-	652,646
<b>Movement for the year ended 30 June 2021</b>						43,738,028	1,631,615	-	-	45,369,643

#### Movement in options on issue for the year ended 30 June 2020

	Grant date	Vesting date	Expiry date	FV per option at grant date	Exercise price	Opening balance	Issued	Exercised	Expired	Closing balance
				\$	\$					
NED's <sup>(1)</sup>	13-Apr-17	13-Apr-17	13-Apr-22	0.122	0.150	16,000,000	-	-	-	16,000,000
NED's <sup>(1)</sup>	13-Apr-17	13-Apr-17	13-Apr-22	0.113	0.200	12,000,000	-	-	-	12,000,000
NED's <sup>(1)</sup>	13-Apr-17	13-Apr-17	13-Apr-22	0.106	0.250	12,000,000	-	-	-	12,000,000
NED's <sup>(1)</sup>	13-Apr-17	23-May-18	23-May-22	0.063	0.200	400,000	-	-	-	400,000
NED's <sup>(1)</sup>	13-Apr-17	23-May-19	23-May-22	0.088	0.200	400,000	-	-	-	400,000
NED's <sup>(1)</sup>	13-Apr-17	23-May-20	23-May-22	0.105	0.200	200,000	-	-	-	200,000
Advisors	09-Jan-18	09-Jan-18	09-Jan-20	0.304	0.125	1,250,000	-	(1,250,000)	-	-
Advisors	09-Jan-18	09-Jan-18	09-Jan-20	0.289	0.150	1,250,000	-	(1,250,000)	-	-
Advisors	09-Jan-18	09-Jan-18	09-Jan-20	0.275	0.175	1,250,000	-	(625,000)	(625,000)	-
Advisors	09-Jan-18	09-Jan-18	09-Jan-20	0.263	0.200	1,250,000	-	(625,000)	(625,000)	-
NED's <sup>(1)</sup>	09-Nov-18	09-Nov-19	09-Nov-23	0.126	0.242	1,430,840	-	-	-	1,430,840
NED's <sup>(1)</sup>	14-Nov-19	14-Nov-20	14-Nov-24	0.138	0.243	-	1,307,188	-	-	1,307,188
<b>Movement for the year ended 30 June 2020</b>						47,430,840	1,307,188	(3,750,000)	(1,250,000)	43,738,028

(1) NED's refers to Non-executive directors.

(2) Ex-NED's refers to former Non-executive directors.

(3) During the current financial year each non-executive director was granted 326,323 options under the new Equity Incentive Plan in lieu of director fees. For further details refer to the remuneration report.

# notes to and forming part of the financial statements continued

## Performance rights

Movement in performance rights on issue for the year ended 30 June 2021

	Grant date	Vesting date	Market Value per right at grant date \$	Opening balance Number	Issued Number	Exercised Number	Lapsed Number	Closing balance Number
Retention on employment - KMP <sup>(1)</sup>	08-Aug-19	14-Nov-19	0.175		244,382	(244,382)		-
Retention on employment- staff	01-Jul-19	01-Jul-20	0.135	169,457		(169,457)		-
STI - KMP	01-Jul-19	01-Jul-20	0.135	1,284,953		(1,284,953)		-
Retention on employment- staff	15-Jul-19	15-Jul-20	0.185	256,156		(256,156)		-
Retention on employment - KMP <sup>(1)</sup>	08-Aug-19	14-Nov-20	0.175		244,378	(244,378)		-
Retention on employment - KMP	14-Nov-18	14-Nov-20	0.175	244,378		(244,378)		-
Performance Rights - Class C - KMP	27-Nov-17	27-Nov-20	0.225	486,425		(486,425)		-
Retention on employment- staff	06-May-19	06-May-21	0.190	251,021		(251,021)		-
Catch-up LTIs - KMP	06-Nov-20	01-Jul-21	0.189		2,766,272			2,766,272
2020 cash bonus conversion - KMP	01-Jul-20	01-Jul-21	0.124		1,334,562			1,334,562
2020 cash bonus conversion - staff	01-Jul-20	01-Jul-21	0.124		1,475,042			1,475,042
Catch-up LTIs - KMP	01-Jul-19	01-Jul-21	0.135	1,519,208				1,519,208
Retention on employment- staff	01-Jul-19	01-Jul-21	0.135	169,457				169,457
Retention on employment- staff	15-Jul-19	15-Jul-21	0.185	256,156				256,156
Retention on employment - KMP <sup>(1)</sup>	08-Aug-19	14-Nov-21	0.175		244,378			244,378
Retention on employment - KMP	14-Nov-18	14-Nov-21	0.175	244,378				244,378
Retention on employment- staff	06-May-19	06-May-22	0.190	251,021				251,021
2019 LTI - performance based - KMP	06-Nov-20	01-Jul-22	0.170		1,659,763			1,659,763
2019 LTI - time based - KMP	06-Nov-20	01-Jul-22	0.189		1,106,509			1,106,509
2019 LTI -performance based - KMP	01-Jul-20	01-Jul-22	0.140		1,676,363			1,676,363
LTI - KMP	01-Jul-19	01-Jul-22	0.135	1,125,434				1,125,434
Sign on Performance Rights - KMP	01-Jul-19	01-Jul-22	0.135	956,145				956,145
Retention on employment- staff	01-Jul-19	01-Jul-22	0.135	169,457				169,457
Retention on employment- staff	15-Jul-19	15-Jul-22	0.185	256,156				256,156
Retention on employment- KMP	01-Aug-19	01-Aug-22	0.186	741,120				741,120
Retention on employment- staff	14-Oct-19	14-Oct-22	0.184	169,699				169,699
Retention on employment- staff	31-Mar-20	31-Mar-23	0.085	555,435			(555,435)	-
Special award	30-Jun-20	30-Jun-23	0.122	280,000				280,000
Special award	30-Jun-20	30-Jun-23	0.122	200,000				200,000
2020 LTI - performance based - KMP	06-Nov-20	01-Jul-23	0.167		2,016,774			2,016,774
2020 LTI - time based - KMP	06-Nov-20	01-Jul-23	0.189		1,344,516			1,344,516
2020 LTI - performance based - staff	01-Jul-20	01-Jul-23	0.137		1,588,715			1,588,715
2020 LTI - time based - staff	01-Jul-20	01-Jul-23	0.124		2,354,570			2,354,570
2020 LTI - performance based - KMP	01-Jul-20	01-Jul-23	0.137		3,642,025			3,642,025
2020 LTI time based - KMP	01-Jul-20	01-Jul-23	0.124		2,428,016			2,428,016
Retention on employment- staff	30-Sep-20	30-Sep-23	0.117		226,129			226,129
Retention on employment- directors	01-Feb-21	01-Feb-24	0.330		600,000			600,000
<b>Movement for the year ended 30 June 2021</b>				<b>9,586,056</b>	<b>24,952,394</b>	<b>(3,181,150)</b>	<b>(555,435)</b>	<b>30,801,865</b>

(1) These retention on employment awards represent 50% increase in entitlement due to an administrative error.

For personal use only

Movement in performance rights on issue for the year ended 30 June 2020

	Grant date	Vesting date	Market Value per right at grant date \$	Opening balance Number	Issued Number	Exercised Number	Lapsed Number	Closing balance Number
Class B	27-Nov-17	27-Nov-19	0.225	486,425	-	(486,425)	-	-
Class C	27-Nov-17	27-Nov-20	0.225	486,425	-	-	-	486,425
Class D	14-Nov-18	14-Nov-19	0.239	418,936	-	(418,936)	-	-
Retention on employment - KMP	08-Aug-19	14-Nov-19	0.239	-	244,382	(244,382)	-	-
Retention on employment - KMP	08-Aug-19	14-Nov-20	0.239	-	244,378	-	-	244,378
Retention on employment - KMP	08-Aug-19	14-Nov-21	0.239	-	244,378	-	-	244,378
Retention on employment - staff	06-May-19	06-May-20	0.190	-	251,021	(251,021)	-	-
Retention on employment - staff	06-May-19	06-May-21	0.190	-	251,021	-	-	251,021
Retention on employment - staff	06-May-19	06-May-22	0.190	-	251,021	-	-	251,021
STI - KMP	08-Aug-19	01-Jul-20	0.135	-	1,284,953	-	-	1,284,953
LTI - KMP	08-Aug-19	01-Jul-22	0.135	-	1,125,434	-	-	1,125,434
Retention on employment - staff	01-Jul-19	01-Jul-20	0.135	-	169,457	-	-	169,457
Catch-up LTIs - KMP	08-Aug-19	01-Jul-21	0.135	-	1,519,208	-	-	1,519,208
Retention on employment - staff	01-Jul-19	01-Jul-21	0.135	-	169,457	-	-	169,457
Retention on employment - KMP	01-Jul-19	01-Jul-22	0.135	-	956,145	-	-	956,145
Retention on employment - staff	01-Jul-19	01-Jul-22	0.135	-	169,457	-	-	169,457
Retention on employment - staff	15-Jul-19	15-Jul-20	0.185	-	256,156	-	-	256,156
Retention on employment - staff	15-Jul-19	15-Jul-21	0.185	-	256,156	-	-	256,156
Retention on employment - staff	15-Jul-19	15-Jul-22	0.185	-	256,156	-	-	256,156
Retention on employment - KMP	01-Aug-19	01-Aug-22	0.186	-	741,120	-	-	741,120
Retention on employment - staff	01-Aug-19	01-Aug-22	0.186	-	204,580	(204,580)	-	-
Retention on employment - staff	14-Oct-19	14-Oct-22	0.184	-	169,699	-	-	169,699
Retention on employment - staff	31-Mar-20	31-Mar-23	0.085	-	555,435	-	-	555,435
Special Award (4)	30-Jun-20	30-Jun-23	0.122	-	480,000	-	-	480,000
<b>Movement for the year ended 30 June 2020</b>				1,391,786	9,799,614	(1,605,344)	-	9,586,056

For further details regarding the Equity Incentive Plan (2018) and the Option Plan refer to note 7.3.

## 5.2. Reserves

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Equity compensation reserve</b>		
Balance at the beginning of period	8,446	8,711
Share based payment expensed/capitalised	2,516	1,233
Fair value of unlisted options exercised	-	(1,076)
Fair value of performance rights vested	(581)	(422)
Balance at the end of the financial period	10,381	8,446
<b>Foreign currency translation reserve</b>		
Balance at the beginning of period	1,391	1,566
Foreign currency translation differences for foreign operations	(8,040)	(175)
Balance at the end of the financial period	(6,649)	1,391
<b>Total reserves</b>	3,732	9,837

The equity compensation reserve is used to recognise the value of equity settled share-based payments provided to employees, directors and consultants. The fair value of such compensation is measured using generally accepted valuation methodologies for pricing financial instruments, and incorporates all factors and assumptions that knowledgeable, willing market participants would consider in setting the price. The fair value of instruments granted is recognised as an expense or capitalised if appropriate over the vesting period with a corresponding increase in equity.

The foreign currency translation reserve comprises all foreign exchange differences arising from the following:

- The translation of the financial statements of foreign operations where the functional currency is different to the functional currency of the parent entity; and
- Exchange differences arise on the translation of monetary items which form part of the net investment in the foreign operation.

For personal use only

## notes to and forming part of the financial statements continued

### Section 6. Financial instruments

#### 6.1. Classification and measurement

The carrying values of financial assets and liabilities of the Group approximate their fair value.

The Group measures and recognises in the statement of financial position on a recurring basis certain assets and liabilities at fair value in accordance with AASB 13 Fair value measurement. The fair value must be estimated for recognition and measurement or for disclosure purposes in accordance with the following hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: Inputs for the asset or liabilities which are not based on observable market data (unobservable inputs).

The Group has no financial assets where the carrying amount exceeds net fair values at balance date. The Group's receivables at balance date are detailed in Section 4.2 of this report.

#### 6.2. Financial risk management

##### Framework

The Group is involved in activities that expose it to a variety of financial risks including:

- a) Credit risk
- b) Liquidity risk
- c) Capital management risk
- d) Market risk related to commodity pricing, interest rates and currency fluctuations.

The Board of Directors has overall responsibility for the establishment and oversight of the financial risk management framework of the Group. Management is responsible for monitoring the financial risks.

The objective of the financial risk management strategy is to minimise the impact of volatility in financial markets on the financial performance, cash flows and shareholder returns. This requires the identification and analysis of relevant financial risks and possible impact on the achievement of the Group's objectives.

The Group does not undertake any hedging activities.

##### a) Credit risk

Credit risk is the risk of sustaining a financial loss as a result of the default by a counterparty to make full and timely payments on transactions which have been executed, after allowing for set-offs which are legally enforceable.

Credit risk arises from investments in cash and cash equivalents with banks and credit exposure to customers and/or suppliers. Receivables and cash and cash equivalents represent the Group's maximum exposure to credit risk.

There are no trade receivables past due or impaired at the end of the reporting period (2020: Nil).

For personal use only



#### b) Liquidity risk

Liquidity risk is the risk that the Group will not have sufficient liquidity to meet its financial obligations as they fall due.

The Group manages liquidity risk by continually monitoring forecast and actual cash flows and matching maturity profiles of financial assets and liabilities. Short and long-term cash flow projections are prepared periodically and submitted to the Board.

Contractual cash flows	Note	Less than 1 year \$'000	1-2 years \$'000	2-5 years \$'000	More than 5 years \$'000	Total \$'000
Consolidated - 2021						
Payables	4.6	6,630	0	0	0	6,630
Lease Liabilities	4.6	251	79	0	0	330
<b>Total</b>		<b>6,881</b>	<b>79</b>	<b>0</b>	<b>0</b>	<b>6,960</b>
Consolidated - 2020						
Payables	4.6	3,135	408	0	0	3,543

#### c) Capital management risk

The overriding objective of the Group's capital management strategy is to increase shareholder returns whilst maintaining the flexibility to pursue the strategic initiatives within a prudent capital structure.

The primary objective of the capital management policy is to ensure the Group maintains a strong credit rating and appropriate capital ratios to support the development of the Company's assets.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. During the financial year the company undertook a capital raise through the issue of new shares. The Board believes that this capital raise secures the Company's financial position until the 'decision to mine' stage of the Rhyolite Ridge Lithium-Boron Project.

#### d) Market risk

##### Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency exposures, primarily with respect to United States dollars.

For personal use only

## notes to and forming part of the financial statements continued

The Company operates bank accounts in US Dollars. Over 79% of the Company's cash reserves are held in US Dollars. The Directors are satisfied that the future operations of the company will be in the USA so it is prudent to hold cash reserves in US dollars to avoid any unnecessary currency exposure.

	Average rate for the year ended 30 June 2021	Spot rate at the end of the reporting period 2021
<b>Exchange rates applied during the year:</b>		
AUD / USD	0.7492	0.7518
<hr/>		
	2021	2020
<b>Financial instruments denominated in United States dollars</b>	<b>A\$'000</b>	<b>A\$'000</b>
<hr/>		
Financial assets		
Cash	61,992	30,377
Trade and other receivables	32	32
Financial liabilities		
Trade and other payables	5,954	2,443
Lease liabilities	118	248

An increase in the AUD:USD foreign exchange rate of 10% would result in a:

- \$5,636,000 increase in current year loss (30 June 2020: \$2,762,000) and decrease US dollar currency bank balances.
- \$3,000 decrease in US dollar receivables (30 June 2020: \$3,000) with nil impact on current year loss because the impact is taken to foreign currency translation reserve
- \$538,000 increase in payables (30 June 2020: \$222,000)

A decrease in the AUD:USD foreign exchange rate of 10% would result in:

- a \$6,888,000 decrease in current year loss (30 June 2020: \$3,375,000) and increase US dollar currency bank balances.
- a \$4,000 increase in US dollar receivables (30 June 2020: \$3,000) with nil impact on current year loss because the impact is taken to foreign currency translation reserve.
- a \$657,000 decrease in payables (30 June 2020: \$271,000) with nil impact on current year loss because the difference is taken to foreign currency translation reserve.

### Interest rate risk

The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of reasonable possible changes in the market interest rates arise in relation to the Company's bank balances.

The Company does not engage in any hedging or derivative transactions to manage interest rate risk.

An increase of interest rates of 1% will result in a \$451,000 (30 June 2020 \$473,000) decrease in the current year loss and an increase in interest income related to cash deposits. A decrease of interest rates of 1% will result in a \$451,000 (30 June 2020 \$473,000) increase in current year loss and decrease in interest income related to cash deposits.

### Commodity price risk

The Company is exposed to future commodity price risk. This risk arises from its activities directed at exploration and development of mineral commodities. If commodity prices fall, the market for companies exploring for these commodities is affected. The Company does not hedge its exposures.

For personal use only

## Section 7. Employee benefits and KMP disclosures

### 7.1. Employee benefits expensed

	30 June 2021	30 June 2020
	\$'000	\$'000
Non-Executive Director fees	489	883
Executive Director fees	402	
Employee benefits expense	2,974	3,498
Share-based payments	2,034	682
<b>Total employee benefit expense</b>	<b>5,899</b>	<b>5,063</b>

### 7.2. Key management personnel disclosure

Key management personnel (KMP) comprised the following:

	30 June 2021	30 June 2020
	\$'000	\$'000
Short-term employee	3,545	3,818
Post-employment benefits	111	178
Other long-term benefits	-	-
Share-based payments	2,397	986
<b>Total payments to KMP</b>	<b>6,053</b>	<b>4,982</b>

The 2020 table has been restated for the portion of the 2020 cash bonus that was taken as a 12 month performance right with 20% premium provided for equity.

#### Transactions with directors and KMP

With the exception of the disclosures within this note, no director or executive has entered into any material contracts with the Group since the end of the previous financial year and there were no material contracts involving directors' or executive interests existing at year end.

The Company has entered into indemnity deeds to indemnify executives of the Company against certain liabilities incurred in the course of performing their duties.

For personal use only

## notes to and forming part of the financial statements continued

### 7.3. Share-based payments

Share-based compensation is provided to employees via rights or options to acquire shares in the Company. As described in note 5.1 Share capital, the Company has two share schemes in operation. Under these plans, options or performance rights which may be converted into ordinary shares have been granted to non-executive directors, senior executives, employees and a number of consultants.

The cost of these equity-settled transactions is determined by reference to the fair value at the date at which they are granted. The fair value of the options granted is determined using the Black & Scholes option pricing model. The fair value of the performance rights granted with time based hurdles is determined by using the 10 day VWAP of the Company's fully paid share capital, up to and including the date the performance rights are granted, and for the performance based performance rights the fair value is determined by using a Monte Carlo model for the valuation of the performance rights subject to the relative performance hurdle and for those rights subject to the business objectives, the valuation is equal to the value of the share price at grant date, multiplied by the number of shares anticipated to vest.

The cumulative expense recognised for equity-settled transactions at each reporting date reflects:

- i. the extent to which the vesting period has expired, and
- ii. the number of awards that, in the opinion of the directors of the Company, will ultimately vest.

This opinion is formed based on the best available information at balance date. Where an equity-settled award is cancelled, the estimate is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

Each plan is described in more detail below.

#### Equity Incentive Plan – established at the 2018 AGM

A new Equity Incentive Plan was established following the AGM held on 31 October 2018. The purpose of the new Equity Incentive Plan ("the Plan") is to provide eligible persons the opportunity to participate in the growth and profits of the Company and to attract, motivate and retain their services to promote the Company's long-term success.

Under the terms of the Plan, the Board may at its discretion invite eligible persons to participate in a grant of awards. An award may be either an option or performance right, to acquire a share in the capital of the Company in accordance with the Plan rules.

Options and rights issued under the terms and condition of the new Ioneer Equity Incentive Plan are as follows:

Type	Key terms	Expiry Date
<b>Options</b>		
Non-Executive Directors	The options were issued at an exercise price equal to the VWAP for the Company's shares over the 10 trading days immediately before the date of the AGM. The options vest after 12 months and expire 60 months from the date of issue.	Tranche 1: 9 Nov 23 Tranche 2: 14 Nov 24
<b>Performance rights – time-based</b>		
Retention on Employment	<ul style="list-style-type: none"> <li>• Agreements with early recruits included vesting in equal instalments after 12, 24 and 36 months. However, since mid-2019 a standard approach of vesting after 3 years has been implemented.</li> <li>• Conditional on the achievement of continuing employment</li> </ul>	N/A
Deferred STI	<ul style="list-style-type: none"> <li>• 12 month vesting period from 1 July the year following the relevant STI period</li> <li>• Conditional on the achievement of continuing employment</li> </ul>	N/A
Make-up LTI grants for 2017 & 2018	<ul style="list-style-type: none"> <li>• 36 month vesting period from 1 July 2017 &amp; 1 July 2018 respectively</li> <li>• Conditional on the achievement of continuing employment</li> </ul>	N/A
LTI grants	<ul style="list-style-type: none"> <li>• 36 month vesting period from 1 July of relevant period</li> <li>• Conditional on the achievement of continuing employment</li> </ul>	N/A

For personal use only

Type	Key terms	Expiry Date
<b>Performance rights – performance-based</b>		
LTI grants	<ul style="list-style-type: none"> <li>36 month vesting period from 1 July of relevant period</li> <li>The Board will employ discretion in assessing Project results and determining vesting of performance units; below, at or above targets: <ul style="list-style-type: none"> <li><b>HSE:</b> Top quartile HSE &amp; Community performance (North American Mining Projects)</li> <li><b>Construction:</b> Construction schedule on pace for start-up as stated at FID</li> <li><b>Ops Readiness:</b> Operational readiness (hiring, policies, systems etc) on track</li> <li><b>Cost Control:</b> Project spend within margin established at FID</li> <li><b>Share price:</b> INR share price compared to comparator group</li> </ul> </li> <li>Unlike producing organizations with established operations that typically aim to deliver performance conditions tied to anticipated revenues, production levels and growth objectives,ioneer has a single pre-production project with less certainty or control over key deliverables. Providing the Board with the discretion to assess the extent of delivery, the importance/value of the various targets delivered (or not) allows the ability to balance shareholder expectations and KMP reward, motivation and retention.</li> <li>The Board will employ discretion in assessing Project results and determining the vesting of performance units; below, at or above targets (up to 200%)</li> </ul>	N/A

Key features include:

- The Board may at its discretion make invitations to or grant awards to eligible persons.
- Award means an option or a performance right to acquire a Share in the capital of the Company.
- Eligible Persons include executive directors or executive officers of the Group, employees, contractors or consultants of the group or any other person.
- A participant may not sell or assign awards.
- Within 30 days after the vesting date in respect of a vested performance right, the Company must either allocate shares or procure payment to the participant of a cash amount equal to the market price of the shares which would have otherwise been allocated.
- At any time during the exercise period a participant may exercise any or all their vested options by paying the exercise price.

Whilst there are a number of options and performance rights remaining on issue under the terms and conditions of previous schemes, no further options or rights will be issued under these pre-existing schemes which are described below.

### Share Option Plan

The Group established a Share Option Plan in 2010 (and reconfirmed it at the 2016 AGM) to assist in the attraction, retention and motivation of KMP and in the retention of key consultants. Key features include:

- Full or part time employees or consultants of the Group are eligible to participate.
- Options issued pursuant to the plan will be issued free of charge.
- Options are time based and there are no performance conditions.
- Options cannot be transferred and are not quoted on the ASX.
- Options expire if not exercised 90 days after a participant resigns from the Company.
- The exercise price of the options, at grant date, shall be as the directors in their absolute discretion determine, provided the exercise price shall not be less than the weighted average of the last sale price of the Company's shares on ASX at the close of business on each of the 5 business days immediately preceding the date on which the directors resolve to grant the options.
- The directors may limit the total number of options which may be exercised under the plan in any year.

A summary of options on issue is set out in note 5.1.

## notes to and forming part of the financial statements continued

### Performance Rights Plan

In addition to the Share Option Plan discussed above, the Group established the Performance Rights Plan at the 2016 AGM to assist in the attraction, retention and motivation of the Company's directors, executives, employees and senior consultants. Key features include:

- The Board will determine the number of performance rights to be granted to eligible employees (or their nominees), the vesting conditions and expiry date of the performance rights in its sole discretion.
- The performance rights are not transferable unless the Board determines otherwise, or the transfer is required by law and provided that the transfer complies with the Corporations Act.
- Subject to the Corporations Act and the Listing Rules and restrictions on reducing the rights of a holder of performance rights, the Board will have the power to amend the Performance Rights Plan as it sees fit.
- If a vesting condition of a performance right is not achieved by the milestone date, then the performance right will lapse.
- The performance rights will be granted for nil consideration. Upon exercise of the rights, shares will be issued on a one for one basis on the same terms as the Company's existing Shares.

A summary of performance rights on issue is set out in note 5.1.

For personal use only

## Section 8. Group structure

### 8.1 Parent entity disclosures

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Result for the parent entity</b>		
Loss for the period	(4,033)	(8,829)
<b>Total comprehensive loss for the period</b>	<b>(4,033)</b>	<b>(8,829)</b>
<b>Financial position of the parent entity</b>		
Current assets	213,831	138,441
Non-current assets	293	162
<b>Total assets</b>	<b>214,124</b>	<b>138,603</b>
Current liabilities	1,184	1,083
Non-current liabilities	79	-
<b>Total liabilities</b>	<b>1,263</b>	<b>1,083</b>
<b>Net assets</b>	<b>212,861</b>	<b>137,520</b>
Contributed equity	230,730	153,291
Reserves	10,381	8,446
Accumulated losses	(28,250)	(24,217)
<b>Total equity</b>	<b>212,861</b>	<b>137,520</b>

#### Parent entity contingencies and disclosures

Commitments of the Company as at reporting date are disclosed in note 9.1 to the financial statements.

#### Parent entity guarantees in respect of debts of its subsidiaries

No guarantees have been entered into by the Company in relation to the debts of its subsidiaries.

### 8.2 Controlled entities

Controlled entities of Ioneer Ltd	Note	Country of incorporation	2021 ownership interest	2020 ownership interest
ioneer USA Corporation		USA	100	100
ioneer Minerals Corporation		USA	100	100
ioneer Holdings USA Inc.		USA	100	100
ioneer Holdings Nevada Inc.		USA	100	100
Gerlach Gold LLC		USA	100	100
Paradigm AZ LLC		USA	100	100
PGPL Minerals USA Pty Limited	1	Canada	-	100
PGPL Diamonds Pty Limited	1	Canada	-	100
ioneer Canada ULC		Canada	100	-

(1) Canadian companies were amalgamated on 1 January 2021 to form Ioneer Canada ULC.

## notes to and forming part of the financial statements continued

### Section 9. Other disclosures

#### 9.1 Capital and other commitments

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Payable within one year</b>		
Water rights	274	269
Non-cancellable lease commitments	161	44
Exploration and evaluation expenditure commitments	176	253
Sub total	612	566
<b>Payable after one year but not later than five years</b>		
Water rights	553	603
Non-cancellable lease commitments	230	51
Exploration and evaluation expenditure commitments	353	506
Sub total	1,136	1,160
<b>Payable later than five years</b>		
Water rights	-	-
Non-cancellable operating lease rental commitments	-	-
Exploration and evaluation expenditure commitments	-	-
Sub total	-	-
<b>Total commitments</b>	<b>1,748</b>	<b>1,726</b>

#### Water rights

The Company has secured water rights via exclusive options to enter long-term leases. In addition, there is an option to purchase these water rights and associated land at any time at the Company's sole election, this is a discretionary purchase and is excluded from the commitments disclosed above.

#### Non-cancellable lease commitments

Included within non-cancellable lease commitments is the lease of a neighbouring property to the Rhyolite Ridge Lithium-Boron Project. The Company has entered an option agreement to purchase this property. The cost of this discretionary purchase is excluded from the commitments disclosed above.

#### Exploration licence expenditure requirements

In order to maintain the Company's tenements in good standing with the various mines departments and comply with the underlying option agreements, the Company will be required to pay annual claim maintenance fees. It is likely that the granting of new licenses and changes in license areas at renewal or expiry will change the expenditure commitment to the Company from time to time.

For personal use only



## 9.2 Contingent liabilities

### Settlement of Rhyolite Ridge

The Company entered an option agreement to purchase Rhyolite Ridge from Boundary Peak Minerals LLC on 3 June 2016. The Company has made 4 progress payments to Boundary Peak under the agreement. A final payment will fall due following Board making a 'decision to mine' the Rhyolite Ridge property. Once this decision is made, the Company is required under the terms of the contract to either:

- Pay Boundary Peak LLC US\$3 million, or
- Issue shares (or a mix of both shares and cash) to Boundary Peak LLC, to the equivalent of US\$3 million at a fixed exchange rate of USD \$0.75 = AUD\$1.00.

At the date of this report the decision to mine has not yet been made by the Company.

There are no other known contingent liabilities as at 30 June 2021.

### Auditors remuneration

	30 June 2021 \$	30 June 2020 \$
<b>Audit services</b>		
Ernst & Young		
Audit and review of financial statements	60,500	46,100

## 9.3 Related Party disclosures

### Non-key management personnel disclosures

The Group has a related party relationship with its controlled entities, refer to note 8.2. The Company and its controlled entities engage in a variety of related party transactions in the ordinary course of business. These transactions are conducted on normal terms and conditions.

### Key management personnel disclosures

For all related party transactions with key management personnel, refer to note 7.2, Key management personnel disclosures.

## 9.4 Events after reporting date

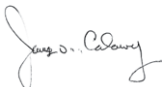
There has not been in the period since 30 June 2021 and up to the date of this report any other item, transaction or event of a material and unusual nature likely in the opinion of directors, to substantially affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

# directors' declaration

In accordance with a resolution of the Directors of iioneer Ltd, I state that:

- (1) In the opinion of the Directors:
  - (a) The financial statements and notes of the Consolidated Entity are in accordance with the *Corporations Act 2001*, including:
    - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2021 and of its performance for the year ended on that date; and
    - (ii) complying with Accounting Standards and the Corporations Regulations 2001; and
  - (b) there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.
- (2) This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2021.

On behalf of the Board



**James D Calaway**  
**Executive Chairman**  
Sydney, 15 September 2021

For personal use only

# independent auditor's report



Ernst & Young  
200 George Street  
Sydney NSW 2000 Australia  
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5959  
ey.com/au

## Independent Auditor's Report to the Members of Ioneer Ltd

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Ioneer Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2021 and of its consolidated financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

For personal use only

# independent auditor's report

## continued



### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

### Carrying value of capitalised exploration and evaluation expenditure

#### Why significant

At 30 June 2021 the Group recorded capitalised exploration & evaluation (E&E) assets of \$114.4 million relating to the Rhyolite Ridge project.

The carrying value of exploration and evaluation expenditure is assessed for impairment when facts and circumstances indicate that it may exceed its recoverable amount.

The determination as to whether there are any indicators to require the Group's Rhyolite Ridge project to be assessed for impairment involves judgment, including:

- ▶ whether the Group's exploration licenses are current;
- ▶ the Group's ability and intention to continue to evaluate and develop the Rhyolite Ridge project; and
- ▶ whether the results of the Group's exploration and evaluation work to date are sufficiently progressed for a decision to be made as to the commercial viability or otherwise of the project.

Given the value of the asset and the judgmental nature of impairment indicator assessments associated with exploration and evaluation assets, we considered this to be a key audit matter.

#### How our audit addressed the key audit matter

Our audit procedures included the following:

- ▶ Considered the Group's right to explore in the relevant exploration area which included obtaining and assessing relevant documentation such as license agreements.
- ▶ Considered the Group's ability and intention to carry out significant exploration and evaluation activity in the relevant exploration area which included assessment of the Group's cash-flow forecast models and discussions with senior management and Directors as to the intentions and strategy of the Group.
- ▶ Assessed whether any evidence exists that would indicate that the carrying value of capitalised exploration and evaluation expenditure is unlikely to be recovered through development or sale, which included obtaining and inspecting the definitive feasibility study issued in April 2020 and understanding whether any contradictory events or conditions had arisen since its release.
- ▶ Considered the adequacy of disclosures included within the notes of the financial report including those made with respect to judgements and estimates.

For personal use only



## Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the Company's 2021 Annual Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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.

## Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

## Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

# independent auditor's report

## continued



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on the Audit of the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of iioneer Ltd for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

For personal use only



## Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Scott Nichols  
Partner  
Sydney  
15 September 2021

For personal use only

# other information

## Mineral Resources and Ore Reserves

Summarised below are the current Mineral Resources and Ore Reserves for the South Basin at iioneer's 100%-owned Rhyolite Ridge Lithium-Boron Project in Nevada, USA.

Following completion of the DFS program, iioneer released the lithium-boron (searlesite) Mineral Resource & Ore Reserve Estimates tabulated below.

### Summary of 2021 Mineral Resource & Ore Reserve Estimates Rhyolite Ridge Lithium-Boron Project

	Metric Tonnes	Li Grade	B Grade	Equivalent Grade		Equivalent Contained Tonnes	
	(Mt)	(ppm)	(ppm)	Li <sub>2</sub> CO <sub>3</sub> %	H <sub>2</sub> BO <sub>3</sub> %	Li <sub>2</sub> CO <sub>3</sub> kt	H <sub>2</sub> BO <sub>3</sub> kt
<b>Mineral Resource</b>							
Measured Resource	39.0	1,700	14,550	0.9	8.3	360	3,240
Indicated Resource	88.0	1,550	14,150	0.8	8.1	730	7,110
<b>Measured and Indicated Resource</b>	<b>127.0</b>	<b>1,600</b>	<b>14,270</b>	<b>0.8</b>	<b>8.2</b>	<b>1,090</b>	<b>10,350</b>
Inferred Resource	19.5	1,600	13,800	0.9	7.9	170	1,530
<b>Total Mineral Resource</b>	<b>146.5</b>	<b>1,600</b>	<b>14,200</b>	<b>0.9</b>	<b>8.1</b>	<b>1,250</b>	<b>11,890</b>
<b>Ore Reserve</b>							
Proved Reserve	29.0	1,900	16,250	1.0	9.3	290	2,700
Probable Reserve	31.5	1,700	14,650	0.9	8.4	280	2,620
<b>Total Proved and Probable Ore Reserve</b>	<b>60.0</b>	<b>1,800</b>	<b>15,400</b>	<b>1.0</b>	<b>8.8</b>	<b>580</b>	<b>5,310</b>

Note: Totals may not add due to rounding. Mineral Resources reported on a dry in-situ basis.

Golder Associates Inc. ('Golder') estimated the Ore Reserve and Mineral Resource and provided the mining study for the Rhyolite Ridge Definitive Feasibility Study ('DFS').

The 2020 Mineral Resource is similar to the 2019 Mineral Resource and is now estimated to contain:

- 146.5mt at 1,600ppm lithium (equivalent to 0.9% lithium carbonate) and 14,200ppm boron (equivalent to 8.1% boric acid)
- 1.2mt of equivalent lithium carbonate and 11.9mt of equivalent boric acid.

Lithium grades are highest in the southwest portion of the South Basin, where the planned Stage 1 quarry of the DFS is located. The Stage 1 quarry will source ore exclusively from the Proved Ore Reserve detailed below.

The Ore Reserve is now estimated to contain:

- 60.0mt at 1,800ppm lithium (equivalent to 1.0% lithium carbonate) and 15,400ppm boron (equivalent to 8.8% boric acid)
- Containing 0.6mt of equivalent lithium carbonate and 5.3mt of equivalent boric acid.

Approximately half of the Ore Reserve is now classified as Proved, the highest confidence category, with lithium and boron grades in the Proved Reserve being higher than those in the Probable Reserve.

The 60mt Ore Reserve provides the foundation for a very long mine life at the Rhyolite Ridge Project, with clear potential for expansion and extension further underpinned by the 146mt Mineral Resource.

Importantly, the planned Stage 1 quarry is exclusively Proved Reserves with higher than average lithium grades which will provide higher cash flow in the early years of the Project.

The lithium-boron mineralisation remains open, particularly to the south where it continues to shallow and is generally higher in grade, and we expect further increases to Resources and Reserves with additional drilling.

For personal use only



## Glossary and Abbreviations

B	Boron
Carbonate minerals	Calcite and dolomite
DFS	Definitive Feasibility Study
H <sub>2</sub> BO <sub>3</sub>	Boric acid
GSC	Global Geoscience Limited
INR	ioneer Ltd
K-feldspar	Potassium feldspar
km	Kilometre
kt	Kilotonne
K <sub>2</sub> SO <sub>4</sub>	Potassium sulphate
Li	Lithium
Li <sub>2</sub> CO <sub>3</sub>	Lithium carbonate
LCE	Lithium carbonate equivalent
mt	Million tonnes
Mt	Metric tonnes
PFS	Pre-Feasibility Study
ppm	Parts per million
Searlesite	Sodium borosilicate mineral
Sepiolite	Magnesium silicate

For personal use only

## other information

continued

### Schedule of tenements

As at 30 June 2021

Project	Country	Tenement ID	Tenement Name	Area (km <sup>2</sup> )	Interest at 30 June 2021
Rhyolite Ridge	USA	NMC1118666	NLB claims (160)	13.00	100%
Rhyolite Ridge	USA	NMC1117360	SLB claims (199)	16.50	100%
Rhyolite Ridge	USA	NMC1171536	SLM claims (122)	9.70	100%
Rhyolite Ridge	USA	NMC1179516	RR claims (65)	5.40	100%
Rhyolite Ridge <sup>(1)</sup>	USA	NMC1129523	BH claims (81)	7.00	0%
SM	USA	NMC1166813	SM claims (96)	7.70	100%
GD	USA	NMC1166909	GD claims (13)	1.10	100%
CLD	USA	NMC1167799	CLD claims (65)	5.20	100%
New Morenci	USA	AMC393550	MP claims (2)	0.12	100%

(1) There is an option to purchase 100%

For personal use only

# shareholder and ASX information

Information relating to shareholders at 13 September 2021 (per ASX Listing Rule 4.10)

## Issued capital

The Company has 1,904,196,901 fully paid shares on issue.

## Options on issue including holders of more than 20%

The Company has on issue 45,369,643 options and 28,585,557 Performance rights.

There are no listed options or performance rights.

## ASX listing

Listed on the Australian Securities Exchange  
19 December 2007  
ASX Code: INR (previously GSC)  
ABN: 76 098 564 606

## Voting rights

There are no restrictions on voting rights. On a show of hands every member present or by proxy shall have one vote and upon a poll each share shall have one vote. Where a member holds shares, which are not fully paid, the number of votes to which that member is entitled on a poll in respect of those part paid shares shall be that fraction of one vote which the amount paid up bears to the total issued price thereof. Option holders have no voting rights until the options are exercised.

## Top 20 shareholders as at 13 September 2021

Name	Shares	%
HSBC CUSTODY NOMINEES	197,018,920	10.384%
HSBC CUSTODY NOMINEES	168,951,377	8.905%
CITICORP NOMINEES PTY LIMITED	155,500,801	8.196%
J P MORGAN NOMINEES AUSTRALIA	78,856,541	4.156%
UBS NOMINEES PTY LTD	61,873,458	3.261%
MOPTI PTY LIMITED	52,690,902	2.777%
BNP PARIBAS NOMS PTY LTD	41,962,571	2.212%
HOLDREY PTY LTD	40,400,000	2.129%
RANSDALE INVESTMENTS PTY LTD	39,850,000	2.100%
VISTA GROVE INVESTMENTS PTY	35,850,000	1.890%
LITHIUM INVESTORS AMERICAS LLC	31,600,000	1.666%
BNP PARIBAS NOMINEES PTY LTD	24,069,004	1.269%
HSBC CUSTODY NOMINEES	20,397,000	1.075%
FNL INVESTMENTS PTY LTD	20,000,000	1.054%
KOLLEY PTY LTD	20,000,000	1.054%
QUALITY LIFE PTY LTD	18,624,590	0.982%
MERRILL LYNCH (AUSTRALIA)	16,700,468	0.880%
MR DARIEN CHARLES JAGGER	14,500,000	0.764%
DECK CHAIR HOLDINGS PTY LTD	14,000,000	0.738%
QUALITY LIFE PTY LTD	13,682,646	0.721%
<b>Total Securities of Top 20 holdings</b>		

## shareholder and ASX information

### continued

#### Distribution of shareholders

	Holders	Total Units
1 - 1000	216	95,603
1,001 - 5,000	2,097	5,861,771
5,001 - 10,000	1,178	9,545,052
10,000 - 100,000	3,582	138,943,254
100,001 - over	1,093	1,749,751,221
	8,166	1,904,196,901

#### Unmarketable parcels

	Minimum parcel size	Holders
Minimum \$500 parcel at \$0.71 per unit	704	122

#### Substantial shareholders

The following are substantial shareholders registered as at 13 September 2021.

Name	Shares	%
Centaurus Capital LP	185,617,106	9.786%

#### On-market buy-back

There is no current on-market buy-back.

#### Competent Persons Statement

In respect of Mineral Resources and Ore Reserves referred to in this presentation and previously reported by the Company in accordance with JORC Code 2012, the Company confirms that it is not aware of any new information or data that materially affects the information included in the public report titled "Rhyolite Ridge Ore Reserve Increased 280% to 60 million tonnes" dated 30 April 2020 and released on ASX. Further information regarding the Mineral Resource estimate can be found in that report. All material assumptions and technical parameters underpinning the estimates in the report continue to apply and have not materially changed.

In respect of production targets referred to in this presentation, the Company confirms that it is not aware of any new information or data that materially affects the information included in the public report titled "ioneer Delivers Definitive Feasibility that Confirms Rhyolite Ridge as a World-Class Lithium and Boron Project" dated 30 April 2020. Further information regarding the production estimates can be found in that report. All material assumptions and technical parameters underpinning the estimates in the report continue to apply and have not materially changed.

For personal use only

# corporate directory

## Directors

James D. Calaway	Executive Chairman
Bernard Rowe	Managing Director
Julian Babarczy	Non-Executive Director
Alan Davies	Non-Executive Director
Rose McKinney-James	Non-Executive Director
Margaret Walker	Non-Executive Director

## Company Secretary

Ian Bucknell

## Auditor

Ernst & Young  
200 George Street  
Sydney NSW 2000

## Offices

### Sydney (Registered office):

Suite 503, 140 Arthur Street  
North Sydney NSW 2060  
Australia  
Telephone: +61 (2) 9922-5800  
Facsimile: +61 (2) 9922-4004  
Website: [www.ioneer.com](http://www.ioneer.com)  
e-mail: [info@ioneer.com](mailto:info@ioneer.com)

### Reno:

9460 Double R Blvd.  
Reno Nevada 89521  
United States of America

## Share Registrar

Boardroom Pty Limited  
Grosvenor Place  
Level 12, 225 George Street  
SYDNEY NSW 2000  
Telephone: 1300 737 760



For personal use only

For personal use only

ioneer