Annual Report 2024

Powering a sustainable energy future

ACN: 112 425 788
ASX: PLS
Incorporating Appendix 4E

Acknowledgement of Country

Pilbara Minerals acknowledges the Nyamal and Kariyarra People of the Pilbara, the Whadjuk Noongar People of the Perth region and all Aboriginal and Torres Strait Islander peoples who are the Traditional Owners and First Peoples of these lands. We pay respect to their Elders past and present and acknowledge their continuing connection and care for the land, water and Country.

Appendix 4E

Results for announcement to the market	**30 June 2024 $'000**	**30 June 2023 $'000**
Revenue from ordinary activities	Decreased 69% to $1,254,118	$4,064,019
Profit from ordinary activities after tax attributable to members	Decreased 89% to $256,883	$2,391,135
Net profit for the period attributable to members	Decreased 89% to $256,883	$2,391,135

Dividends

No dividend has been declared by the Company for the year ended 30 June 2024

	30 June 2024	**30 June 2023**
Net tangible asset per security	$1.08	$1.13

All the disclosure requirements pursuant to ASX Listing Rule 4.3A are contained within the Pilbara Minerals Limited FY24 Annual Report.

About this report

This Annual Report is a summary of the operations, activities and financial position of Pilbara Minerals Limited (ACN 112 425 788) for the 12 month period ended 30 June 2024. In this report, unless otherwise stated, references to 'Pilbara Minerals', the 'Group', the 'Company', 'we', 'us' and 'our' refer to Pilbara Minerals Limited and its controlled entities. All dollar figures are expressed in Australian dollars (AUD) unless otherwise stated.

Year at a glance

Financial strength

$1,254M
Revenue

$538M
EBITDA

$1,626M
Cash

Record production and sales

725,329dmt
Production

707,133dmt
Sales

Expansion projects on **budget** and on **track**

Creating shared value

$977M
Total net tax contribution

$1,570M
Spend with Australian businesses

917
Total workforce

Sustainable operations

3.41
TRIFR
down from 4.7 in FY23

7
New multi-year
community partnerships

23.3%
Female
workforce

Power Strategy released

First Reconciliation Action Plan endorsed

UN Global Compact participant

Message from the Chairman

Our growth journey continues

FY24 was another significant growth year for Pilbara Minerals and it's my great pleasure to present the 2024 Annual Report, my first as Chairman of the Board.

When joining Pilbara Minerals in January 2024, I sought a Company with long-term potential, a laser focus on efficiency, and a belief that you do what you say you are going to do. Pilbara Minerals has certainly met these requirements and more than met my expectations.

Delivering our strategy

FY24 saw a softening in lithium prices that impacted financial performance, but as a nascent industry, pricing volatility is to be expected. During these times, we focused on what we could control by delivering on our commitments and creating value for our shareholders and the community.

It is how a company responds and the true strength of a business that comes to the fore in these times. Thanks to a strong balance sheet and a committed leadership team, Pilbara Minerals was able to achieve record production and sales in FY24, and remain committed to its Operate, Grow, Chemicals and Diversify strategy despite pricing movements.

Our performance is underpinned by strong governance and a commitment to ethical business practices. As a leading producer of lithium battery raw materials, we're committed to supporting the global energy transition and this includes at our own operations.

As Pilbara Minerals evolves and matures as a business, we continue to ensure we are creating shared value for the communities in which we operate. This is evidenced by our commitment to achieve net zero scope 1 and scope 2 emissions in the decade commencing 2040, our continuous improvement in procurement and due diligence of suppliers, improved safety performance, and our growing portfolio of partnerships with community organisations.

Our growth journey continues

We continue to build on our strong production base and find organic growth opportunities to build scale and strengthen our position as a low-cost global supplier of battery materials.

Our growth strategy continues as planned with production expansion underway to take the capacity of the Pilgangoora Operation to up to one million tonnes per annum in 2025. This expansion was progressed on schedule and within budget which is no mean feat in the current environment and is a testament to our people and the partnerships we have formed with our contractors and suppliers.

We started the financial year by announcing a 35% increase in Ore Reserves. This led to a Pre-Feasibility Study to explore further production expansion at Pilgangoora with the study finding production capacity at Pilgangoora could be expanded to two million tonnes per annum (Mtpa). This forms a key part of the Company's strategy to extract as much value as possible from the Pilgangoora asset to maximise shareholder returns.

Positive outlook for long-term demand

The shift to decarbonise is continuing to gain momentum across the world and we are well positioned to be a key player in the battery materials market in support of a sustainable energy future.

While the long-term outlook appears strong, it is expected that there will be price and demand variability from time to time. As an established producer with a strong balance sheet and sound long-term customer relationships, we will continue to navigate these cycles and stage our expansion projects to capitalise on long-term demand.

Looking ahead

Subsequent to the end of FY24, we announced the conditional acquisition of Latin Resources, an ASX listed company with 100% ownership of the Salinas hard rock lithium project in Brazil. The conditional acquisition is a major milestone in the Company's growth journey, providing Pilbara Minerals with the opportunity to enter new markets in Europe and North America. We look forward to providing updates to our shareholders on this proposed global expansion in the coming months.

FY25 will be another year dedicated to enhancing operational performance and driving growth. This will be achieved through a combination of major production expansion activities and ongoing operational and efficiency improvements.

Further expansion requires significant investment and as such the Board continually seeks to preserve balance sheet strength so we can continue to deliver against our strategy and commitments. As such, the Board did not declare a FY24 dividend as part of our disciplined approach to capital management. This will place us in good stead as future opportunities arise to be adaptable to sector pricing fluctuations.

Thank you

There are many people to acknowledge for their significant contribution to the ongoing success of Pilbara Minerals. On behalf of my colleagues on the Board, I would like to thank Dale Henderson, his executive team, and all of our Great People for their commitment and hard work throughout another excellent year.

I extend my gratitude to Tony Kiernan, who retired in January after seven years in the role of Chairman of the Board. What an amazing journey he has been on since becoming Chairman in 2016 with many milestones achieved – securing funding, completing construction and achieving production at Pilgangoora, acquiring the neighbouring Altura project, forming joint ventures with POSCO Holdings and Calix Limited and progressing an increase in nameplate production capacity to 1Mtpa. I would like to acknowledge his strong leadership and invaluable contribution.

Thank you also to my fellow Board members for their support as I settled into the role with Pilbara Minerals.

Finally, I thank each of our shareholders for your continued support. We look forward to continuing to build shareholder value through delivery of our strategy.

Kathleen Conlon

Kathleen Conlon
Chairman

Message from the Managing Director and CEO

Powering a sustainable energy future

A global energy transition continues to rapidly unfold, changing the way the world is powered, driven by the improvement in clean technology and the need to take climate action. These drivers are translating to a major structural shift in energy generation, storage and distribution. This rapid growth continues to present a level of volatility for lithium pricing and supply.

For Pilbara Minerals, FY24 was a year of disciplined delivery while we continue to position the business to protect against any potential downside while readying the Company to capitalise on future upwards movements.

With this in mind, the Company remains focused on doubling-down on our core strengths:

- extending our low-cost position as a scale operator
- disciplined capital deployment to scale the operation in lock-step with the market growth
- preserving our strong balance sheet.

Positioning to capitalise

Building out our operating base at Pilgangoora and consistently delivering safe tonnes to market is the engine room of our business. Seeing the progress of our two expansion projects, P680 and P1000, during FY24 was remarkable. Despite challenging market conditions, these projects remained on schedule and on budget, a testament to the project delivery team and our contracting partners.

It's easy to forget how far Pilbara Minerals has come in such a short time. It took us four years to ship one million tonnes by 2022, and in just 12 months our Pilgangoora Operation will have the capacity to produce up to one million tonnes every year.

While we continue to grow our operating base, we remain focused on finding opportunities to capture more value from the battery supply chain with a number of mid-stream and downstream projects progressing during FY24, including:

- construction completion of the Lithium Hydroxide Monohydrate chemical facility, built in joint venture with POSCO, and first production of lithium hydroxide
- commencement of a joint feasibility study with Ganfeng Lithium for another potential downstream lithium conversion facility
- construction started on the Mid-stream Demonstration Plant at Pilgangoora in joint venture with Calix.

We were also excited to announce the conditional acquisition of Latin Resources, an ASX listed company which owns the Salinas lithium project, following the end of the reporting period. Following completion of the conditional acquisition, Pilbara Minerals will leverage its capability in hard rock lithium resource delineation, project development, operations and marketing experience to develop the Salinas project.

Sustainable operations

We are committed to making a positive contribution to the world. Central to this commitment is minimising any environmental impact and continuing to create shared value for our communities.

In December 2023, we released our medium-term Power Strategy which is expected to reduce power-related emissions intensity by up to 80% by 2030 when compared to the 2023 financial year. The release of this strategy is another important step in our decarbonisation journey. The first stage of this strategy is now underway.

We also extended our support to the community, awarding seven new multi-year community partnerships and launching our first community grants program. This ensures we share the value created through our business and support organisations that improve the social fabric of the communities in which we operate.

Ensuring our people go home safe and well every day is a commitment at the heart of our purpose. Pleasingly, our safety performance improved with a decrease to TRIFR, our lag indicator, and an increase in our leading indicator of quality safety interactions finishing the year above target.

Market evolution

The long-term demand drivers for lithium powered technology are strong. The energy shift continues to gather pace around the world as technology advancements improve the accessibility and affordability.

The adoption of electric vehicles and mass energy storage remains strong and affordability and efficiency continue to improve.

Government stimulus measures, both here in Australia and around the world, are working to unlock opportunities for producers, manufacturers and customers to accelerate the adoption of clean energy technologies.

Closer to home, we continue to see strong demand for our product from our customers and ongoing strong interest for new long-term supply deals evidenced by the two extended and one new offtake agreement signed in 2024.

Acknowledgements

The achievements and success of Pilbara Minerals is thanks to our Great People, contractors, suppliers and local community working together. It's this ongoing collective effort and collaboration that will power our success in the future.

I acknowledge our former Chairman Tony Kiernan whose dedication and passion for the Company was instrumental to Pilbara Minerals' success during its formative years.

I also extend a warm welcome to Kathleen Conlon who joined the Board as Chairman in January. Kathleen has hit the ground running demonstrating a high level of energy and passion for the business. Her pedigree as a seasoned Chairman is a welcome addition to the great Board of Pilbara Minerals.

I express my gratitude to the Board and Executive Leadership Team for their ongoing leadership and commitment to create value and remain aligned to our growth strategy. I would also like to thank all our Great People for their continued hard work and commitment to our mission.

Looking to FY25, we will keep focused on what accelerates value creation for our shareholders and strengthens the position we have established as a low-cost producer with scale to protect the business against market uncertainty.

An exciting future awaits, and we look forward to continuing to share this journey with our shareholders.

Dale Henderson
Managing Director and CEO

Executive Leadership Team

Our Executive Leadership Team brings decades of combined experience across a broad range of sectors and disciplines from mining to technology and innovation. Their shared ambition and energy to spearhead Pilbara Minerals' strategy, drive operational efficiencies and seek out new growth opportunities has shaped our strong performance this year.

The following changes were made to the Executive Leadership Team during FY24:

- Alex Eastwood resigned as Chief Commercial and Legal Officer, and Company Secretary.
- Jen Mintz was promoted to the executive team as General Counsel.

To learn more about the Executive Leadership Team visit pilbaraminerals.com.au/ourpeople

Dale Henderson
Managing Director and CEO

Dale is responsible for the delivery of Pilbara Minerals' growth strategy and oversees commercial and sales. He is an experienced mining executive and was instrumental in the growth of Pilbara Minerals from project developer to industry leader.

Luke Bortoli
Chief Financial Officer

Luke is responsible for finance and IT. He has worked for some of Australia's fastest growing companies including Aristocrat, Afterpay and Altium in executive leadership roles spanning finance, strategy, M&A, treasury and technology, and was a corporate adviser with UBS.

Vince De Carolis[1]
Chief Operating Officer

Vince is responsible for operations, mine innovation and health and safety. He has decades of experience in the mining sector and is skilled at cultivating high performing teams through culture, safety and productivity improvements.

Sandra McInnes
Chief Sustainability Officer

Sandra is responsible for sustainability, environment and land access, human resources and corporate affairs. She has extensive leadership experience in the resources sector with a focus on driving improvements in sustainability and social performance.

John Stanning
Chief Development Officer

John is responsible for corporate development, the POSCO-Pilbara Lithium Solutions joint venture, and exploration. He is an experienced growth focused executive with a proven track record of executing growth, joint venture and funding strategies.

Paul Laybourne
Projects Director

Paul is responsible for project delivery and infrastructure. He is an experienced project executive with an extensive career in the resources industry, successfully delivering complex studies and projects in both brownfield and greenfield environments.

Jen Mintz
General Counsel

Jen is responsible for legal, risk and compliance, and company secretariat functions. She is an accomplished legal executive specialising in the mining industry, major infrastructure projects and finding innovative solutions to solve complex problems.

[1] Subsequent to FY24, Vince De Carolis resigned from his role as Chief Operating Officer as reported to the ASX on 7 August 2024. He is succeeded by Brett McFadgen who has been appointed Executive General Manager Operations.

Pilbara Minerals Limited Group structure

Unincorporated joint venture between Pilbara Minerals and Calix Limited

55%

Ngungaju Lithium Operations Pty Ltd

100%

Tabba Tabba Tantalum Pty Ltd

100%

Pilbara Lithium Pty Ltd

100%

Pilgangoora Holdings Pty Ltd

100%

- Pilgangoora Operations Pty Ltd

  100%

Mt Francisco Operations Pty Ltd

100%

Pilbara Minerals Korea JV Pty Ltd

100%

- POSCO Pilbara Lithium Solution Co Ltd[1]

  18%

[1] A company incorporated in South Korea of which Pilbara Minerals Korea JV Pty Ltd has an 18% equity interest with an option to increase to 30%.

About Pilbara Minerals

Our strategy is designed to generate the most rapid value creation for our shareholders in line with our vision to be a leader in the provision of sustainable battery materials products.

We are guided by our Operate, Grow, Chemicals and Diversify Strategy, and are focused on ensuring sustainability is embedded throughout the entire business.

Through the execution of this strategy, we will continue to play a leading role in the world's rapidly growing battery materials supply chain.

Our strategy

STRATEGIC PILLARS

Operate	Grow	Chemicals	Diversify
Deliver our operating performance commitments	Achieve full potential of the Pilgangoora asset	Extract greater value along the battery materials supply chain	Diversify revenue beyond Pilgangoora asset

OUR AMBITION

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

OUR GOALS

- Leader in the market
- Low cost producer
- Maximise shareholder value
- Leading sustainability credentials
- Full potential production

ENABLERS

- Structure that supports our strategy
- Employer of choice
- Strong safety culture
- Sustainability in our DNA
- Fit for purpose systems
- Capital management

We are the world's largest, independent hard rock lithium producer.

Located in Western Australia's resource rich Pilbara region, our Pilgangoora Operation produces spodumene concentrate, a raw material used in lithium batteries to power clean energy technology including electric vehicles and renewable energy storage. Founded in 2013 by a group of geologists who had studied at university together, our history is relatively new in the context of Australian mining, yet we are regarded as a true pioneer of the lithium sector.

From the first drill hole to production in less than four years, the Pilgangoora Operation has moved through rapid development to become a major global supplier producing 11%[1] of the world's hard rock lithium.

As a pure play lithium company with a tier one asset and strong balance sheet, it's our clear strategic growth pathway that sets us apart, driven by our purpose to make the world a better place.

With major expansion projects underway and a growing portfolio of downstream processing projects, we are laser focused on unlocking the potential of the Pilgangoora Operation and seizing opportunities to extract greater value from the battery materials supply chain.

Our purpose

Making the world a better place by enabling the global energy transformation.

Our purpose is what drives and inspires our team in their work every day. It is underpinned by six commitments that define what we stand for.

What we stand for

Great people

We are a proud team of talented and grounded people who value diversity and have each other's back.

Valuing our partners

We know great things happen when we engage our broader team of contracting partners, customers and community.

Think, do, achieve

We are innovative and resourceful when solving problems, we go the extra mile to get the job done.

Quality products

We produce and deliver a globally competitive, high quality product to our customers.

Safety matters

We take responsibility for maintaining a safe and healthy workplace so that everyone comes to work and goes home safe and well every day.

Making a difference in the world

We are passionate about our contribution and strive to make a positive impact in our work and the communities we share.

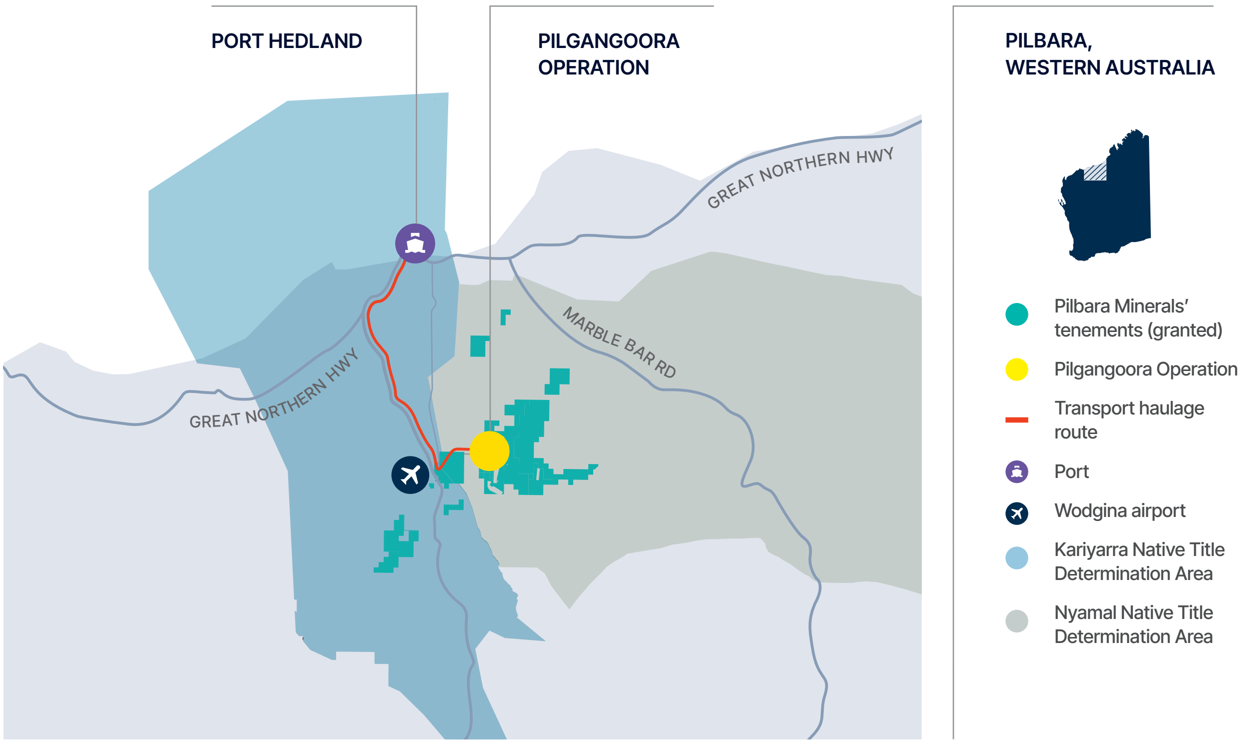
[1] Based on hard rock lithium supply in calendar year 2024 as estimated by Benchmark Mineral Intelligence in the Lithium Forecast Report Q2 2024.

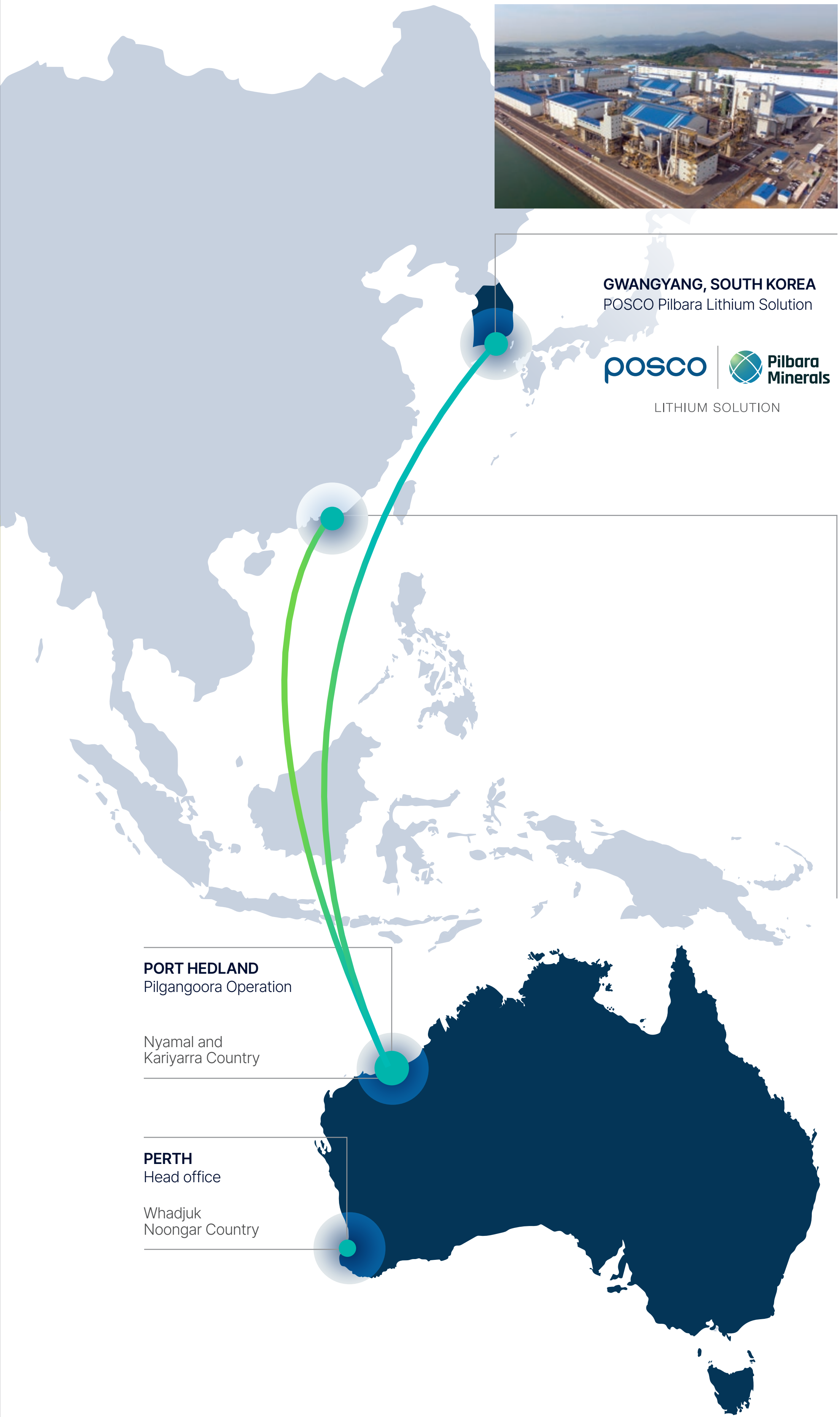
Our operation

A world class operation located in the heart of the resource rich Pilbara region in Western Australia on Nyamal and Kariyarra Country.

Pilgangoora is the world's largest, independently owned hard rock lithium operation and is one of the most important sources of lithium raw materials globally.

Our Western Australian operation has a global reach. Spodumene concentrate from the Pilgangoora Operation is shipped from Port Hedland, the world's largest bulk export port, to leading lithium chemical converters primarily in China. Outside of China, we are building South Korea's first lithium hydroxide monohydrate facility in joint venture with POSCO Holdings.





GWANGYANG, SOUTH KOREA
POSCO Pilbara Lithium Solution

posco | Pilbara Minerals
LITHIUM SOLUTION

CHINA
Key offtake partners

盛新锂能 CHENGXIN LITHIUM

GanfengLithium

容汇锂业 GENERAL LITHIUM

tyeeli

Yahua

PORT HEDLAND
Pilgangoora Operation

Nyamal and
Kariyarra Country

PERTH
Head office

Whadjuk
Noongar Country

Growth journey

Our growth journey has been punctuated with major milestones along the way with more to come.

2017

Mining proposal for Pilgangoora Project approved

Initial US$100M Nordic Bond, cornerstone investor CEFC

2018

Strategic relationship formed with POSCO

First shipment from Pilgangoora

2019

Commercial production at Pilgangoora declared

First spodumene concentrate shipped to POSCO for demonstration plant

2020

Re-finance – new senior debt facility (CEFC and BNP Paribas)

Altura acquisition commenced

2021

- Altura acquisition completed
- First Battery Materials Exchange (BMX) auction
- First concentrate produced from Ngungaju Plant (formerly Altura Plant) following restart

2022

- POSCO Pilbara JV transaction completed
- Mid-stream JV with Calix finalised
- $20M Aus Govt grant awarded for Mid-stream Project
- P680 Expansion Project FID
- Introduced Capital Management Framework

2023

- $250M Aus Govt and new US$113M financing facilities secured
- Inaugural dividend paid
- P1000 Expansion Project FID
- Mid-stream Demonstration Plant FID
- Updated Ore Reserve and increased mine life to ~34 years
- P680 primary rejection facility completed
- Power strategy released
- POSCO Pilbara JV chemical facility commissioning commences

2024

- 3 new or expanded offtake agreements signed
- Downstream study commenced with Ganfeng
- POSCO Pilbara JV delivers first lithium hydroxide
- P2000 Project pre-feasibility study released
- P680 crushing and ore sorting facility commissioned




Financial review

Financial performance

For FY24, Pilbara Minerals achieved a 17% increase in production volume to 725,329dmt reflecting the benefits of the previously announced P680 Expansion Project. Despite the increase in production volume, the Company's financial performance was impacted by a 74% decline in the average realised price for spodumene concentrate sales. These price declines have affected the entire lithium mining industry.

The Company achieved revenue of $1.3B (FY23: $4.1B), EBITDA of $538M (FY23: $3.3B) and a net profit after tax of $257M (FY23: $2.4B). The Company also achieved earnings per share of 8.5 cents (FY23: earnings per share of 79.9 cents).

For FY24, Pilbara Minerals achieved unit operating costs (FOB) of $654/dmt (FY23: $613/dmt) which were 7% higher than the prior corresponding period. This increase largely reflected an increase in costs to support the P680 Expansion Project, partly offset by an increase in sales volumes enabled by expanded production volume capacity. Including freight and royalty costs, FY24 unit operating costs were $818/dmt (CIF China) (FY23: $1,091/dmt) and declined due to lower royalty costs associated with lower spodumene concentrate prices.

Cash flows

As at 30 June 2024, Pilbara Minerals had $1.6B of cash. Cash declined by $1.7B in FY24 largely due to capital expenditure of $810M, primarily related to the P680 and P1000 Expansion Projects, and $973M of income tax payments which included the previously announced FY23 income tax payment of $763M. Pilbara Minerals also paid a fully franked dividend of $421M, or 14 cents per share, for the six months ended 30 June 2023 in the FY24 period.

Capital management and dividends

In order to preserve the Company's strong balance sheet position against declining market prices, the Board of Pilbara Minerals did not declare a dividend for the FY24 period.

Figure 1: Cash flow bridge – 1 July 2023 to 30 June 2024 ($M)

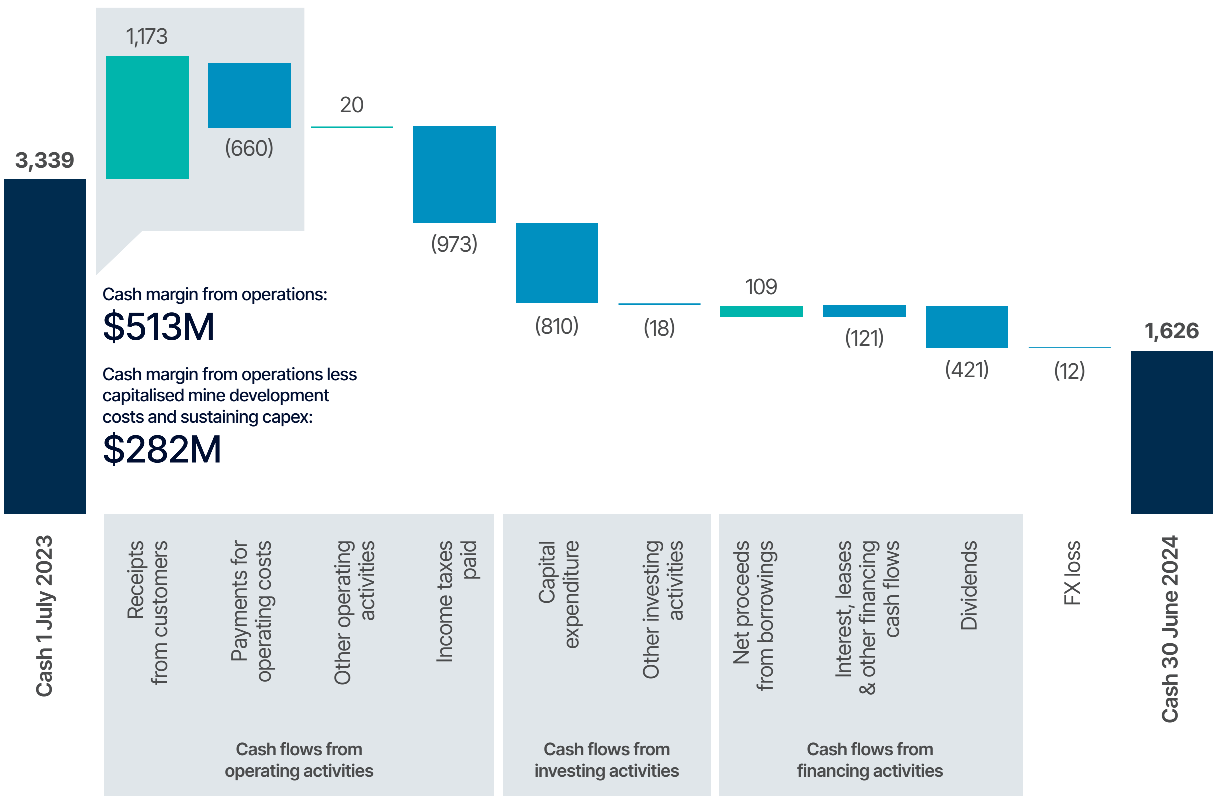


Table 1: Summary operational and financial metrics[1]

	Units	FY24	FY23	Change
Physicals				
Production	Kt	**725.3**	620.1	17%
Sales	Kt	**707.1**	607.5	16%
Realised price[2]	US$/t	**1,176**	4,447	(74%)
Profit or loss				
Revenue[3]	A$M	**1,254**	4,064	(69%)
EBITDA[4]	A$M	**538**	3,317	(84%)
EBITDA margin	%	**43%**	82%	(39%)
Underlying profit after tax[5]	A$M	**318**	2,276	(86%)
Profit after tax	A$M	**257**	2,391	(89%)
Cash flow				
Cash margin from operations	A$M	**513**	3,664	(86%)
Cash balance	A$M	**1,626**	3,339	(51%)

Table 2: Operating cost and unit operating cost summary

	Units	FY24	FY23	Change
Total				
Operating costs (FOB)[6]	A$M	**462**	373	24%
Operating costs (CIF)[6]	A$M	**579**	663	(13%)
Unit				
Operating costs (FOB)[7]	A$/t	**654**	613	7%
	US$/t	**429**	413	4%
Operating costs (CIF)[8]	A$/t	**818**	1,091	(25%)
	US$/t	**537**	735	(27%)

1 Throughout the report, amounts may not add up due to rounding.

2 The table below shows the SC6.0 CIF China equivalent price, adjusted pro-rata for an assumed SC6.0 lithia content, compared to the realised price (CIF China) in each period with corresponding lithia content. Lithia content may vary between production and sales figures due to blending and other factors. The FY24 average estimated realised price for ~5.3% Li_2O grade (SC5.3% CIF China) as at 23 August 2024 was US$1,172/t and is subject to further adjustment.

Sales	Units	FY24	FY23	(%)
SC6.0 CIF China	US$/t	1,347	5,010	(73)
Realised Price CIF China	US$/t	1,176	4,447	(74)
Lithia Content	%	5.3	5.3	(1)

3 FY23 Revenue includes revenue from the sale of spodumene concentrate and middlings concentrate. There were no sales of middlings concentrate in the FY24 period.

4 EBITDA is a non-IFRS measure that in the opinion of Pilbara Minerals' Directors, provide useful information to assess the financial performance of the Company over the reporting period.

Reconciliation from statement of profit or loss to EBITDA	FY24 $'000	FY23 $'000
Profit before tax	402,994	3,371,566
Net financing income	(15,827)	(160,249)
Depreciation	150,377	105,839
EBITDA	537,544	3,317,156

5 Underlying Profit After Tax excludes the fair value movement of the Group's call option to increase the Company's interest in the incorporated downstream joint venture (POSCO - Pilbara Minerals lithium Solutions Co Ltd) from 18% to 30% which is a non-cash item.

6 FY23 operating costs exclude the cost of sales for middlings concentrate product.

7 Unit operating cost (FOB Port Hedland excluding freight and royalties) includes mining, processing, transport, port charges, and site based general and administration costs and is net of any tantalite by-product credits. It is calculated on an incurred basis (including accruals) and includes inventory. FY23 Unit operating cost calculation excludes middlings concentrate product.

8 Unit operating cost (CIF China) includes the unit operating costs (FOB Port Hedland excluding freight and royalties) plus freight and royalty costs. Royalty costs include a 5% State Government royalty on the FOB selling price, a 1% native title royalty on the FOB selling price, and a 5% private royalty on the FOB selling price which is only applied to a part of the resource/reserve acquired following the Altura Lithium Operation acquisition. FY23 Unit operating cost calculation excludes middlings concentrate product.

Operational performance

Our flagship Pilgangoora Operation is a well established, tier one asset with two processing plants and a ~33 year mine life[1]. Pilgangoora is the foundation of Pilbara Minerals, and our consistent and growing production performance underpins our growth and diversification strategy.

We continue to prioritise the delivery of our expansion projects and studies to capitalise on the forecasted increase in lithium demand in the coming years.

Safe production is our fundamental commitment to ensure everyone goes home safe and well every day. A number of new initiatives were implemented in FY24 to reinforce our strong safety culture which resulted in an improved performance in both leading and lagging indicators.

Read more about our safety performance on page 52 within the Sustainability Report.

Operationally, we continued to focus on consistent mining performance and improving quality feed through the new primary rejection facility delivered as part of the P680 Expansion Project. This, in conjunction with optimising mineralogy, led to a record production year.

Costs were favourable to forecast, which has resulted in an exceptional performance for the year in line with guidance. During the year, we also pursued a number of cost reduction initiatives in light of the decline in lithium prices.

[1] For more information see Pilbara Minerals' ASX announcement "55Mt increase in Ore Reserves to 214Mt" dated 24 August 2023.

Production

Production at the Pilgangoora Operation increased significantly during FY24 largely due to the commissioning and ramp up of the new primary rejection facility delivered as part of the P680 Expansion Project reaching nameplate capacity in the March Quarter.

Spodumene concentrate production volumes totalled 725,329dmt, a 17% increase compared to the previous financial year. This represents the largest volume produced at Pilgangoora since the operation commenced in 2018 and exceeded guidance of 660,000 to 690,000dmt.

Total ore mined in FY24 was 6,407,034wmt, an increase of 27% at an average grade of 1.4%.

The Pilgan and Ngungaju Plants performed strongly resulting in a total production of 458,812dmt and 266,517dmt of spodumene concentrate respectively.

Tantalite production totalled 121,154lb, up 139% from FY23 due to increased processing volumes through the Pilgan Plant and improved tantalite recovery rates.

Full year unit operating costs for the Pilgangoora Operation (FOB Port Hedland and excluding freight and royalties) was $654/dmt, in line with guidance of $600 – $670/dmt (FOB Port Hedland excluding freight and royalties).

When including freight and royalty costs, the unit operating cost for FY24 was $818/dmt, down from $1,091/dmt in FY23.

Table 3: Total ore mined and processed

	Unit	Q1	Q2	Q3	Q4	Total
Ore mined	wmt	1,411,017	1,618,748	1,535,521	1,841,748	**6,407,034**
Waste material	wmt	7,741,062	7,965,907	7,761,304	7,407,146	**30,875,419**
Total material mined	wmt	9,152,078	9,584,655	9,296,825	9,248,895	**37,282,453**
Average Li_2O grade mined	%	1.3	1.4	1.4	1.5	**1.4**
Ore processed	dmt	852,148	982,028	995,326	1,127,924	**3,957,425**

Table 4: Total production and shipments

	Unit	Q1	Q2	Q3	Q4	Total
Spodumene concentrate produced	dmt	144,184	175,969	179,006	226,169	**725,329**
Spodumene concentrate shipped	dmt	146,354	159,897	165,121	235,762	**707,133**
Tantalite concentrate produced	lb	8,496	15,392	48,292	48,975	**121,154**
Tantalite concentrate sold	lb	-	19,128	12,327	31,252	**62,707**
Lithia recoveries	%	66.6	65.9	65.3	72.2	**67.7**

Figure 2: Growing production and sales
Spodumene concentrate (dmt)

Sales

FY24 marked a period of strong sales in line with production growth at the Pilgangoora Operation with total spodumene concentrate sales 16% higher than in FY23. This growth is evidenced by the 43% increase in sales volumes between the March and June Quarters in 2024, with totals rising from 165,121dmt to 235,762dmt respectively. Sales volumes totalled 707,133dmt in FY24 with an average grade of product shipped being ~SC5.3% Li_2O.

Sales were primarily made under long-term offtake agreements in line with production growth and reflecting the high demand for Pilbara Minerals' spodumene concentrate. During FY24, existing offtake agreements with Ganfeng Lithium Group Co Ltd and Chengxin Lithium Group were amended to increase supply, and in the case of Chengxin Lithium Group, to also extend the term. Additionally, a new offtake agreement was executed with Sichuan Yahua Industrial Group Co Ltd.

These new and extended agreements align with our strategy to partner with established leading chemical converters, locking in our medium-term sales profile while preserving optionality while we assess long-term downstream opportunities.

The first shipment of spodumene concentrate for POSCO Pilbara Lithium Solutions' Lithium Hydroxide Monohydrate (LHM) Chemical Facility departed Port Hedland for Gwangyang, South Korea in September 2023. Up to 315,000dmt per annum of future production is allocated to the joint venture with POSCO to support the operation of the 43,000tpa chemical conversion facility.

Ongoing demand was demonstrated by a pre-auction sale for 5,000dmt spodumene concentrate in March 2024 ahead of a scheduled digital auction on Pilbara Minerals' Battery Material Exchange. A bid of $1,106/dmt SC5.5 CIF China basis was accepted which reflected positive pricing for unallocated production volume.

Sales of tantalite concentrate resumed in the December Quarter with a total of 62,707lb sold in FY24, a 165% increase on FY23 due to increased production following maintenance undertaken on the tantalite circuit to improve mineral recovery.

In September 2023, we secured long-term access to additional storage at Port Hedland port to meet the increasing export capacity as production volumes continue to grow and to mitigate risk when there is congestion at the port. Furthermore, a Commitment Agreement to secure Pilbara Minerals as a foundation proponent at Lumsden Point was agreed with Pilbara Ports Authority in April 2024. This agreement clears the way for us to finalise lease arrangements with the Pilbara Ports Authority, enabling the construction of storage and outloading infrastructure that supports our current expansion activities.

Pricing

Average estimated realised price for spodumene concentrate in FY24 was US$1,176 (CIF China and based on ~SC5.3% Li_2O) down 74% on FY23 (US$4,447/t CIF China). Realised prices of spodumene concentrate sold by Pilbara Minerals were derived from a combination of offtake and spot sales. Offtake agreements utilise a variety of pricing methodologies linked to either spodumene concentrate prices as reported by price reporting agencies, or pricing formulas linked to lithium chemicals. Lithium pricing continued to experience volatility over the year consistent with broad declines in pricing for battery grade chemicals and spodumene concentrate.

All offtake agreements provide the ability for price reviews to be undertaken to ensure pricing methodologies derive an outcome aligned with the prevailing market price for spodumene concentrate.

The long-term outlook for lithium raw materials is expected to remain strong despite the current weakness due to short-term oversupply.

Mineral Resources and Ore Reserves

Exploration and geology

Pilbara Minerals has a consolidated position of tenure within the Pilgangoora pegmatite district and tenements within the Strelley, Tabba Tabba and Wodgina districts that together form part of one of the largest pegmatite provinces in the world.

In August 2023, we announced a 55Mt increase in Ore Reserves to 214Mt, extending the mine life of Pilgangoora by approximately nine years.

The Mineral Resources and Ore Reserve figures reported below adjust for depletion and are not a new estimate.

Exploration activity during FY24 primarily focused on drill testing extensions of the key pegmatite domains in the Central and Eastern deposits with a total of 255 holes for 58,622m completed during the reporting period.

We will continue to undertake further resource development drilling programs in FY25, targeting a new Mineral Resource in calendar year 2025.

Mineral Resources

Table 5: Pilgangoora Operation
JORC Mineral Resource (using 0.2% Li_2O cut-off)

Category	Tonnes (Mt)	Li_2O (%)	Ta_2O_5 (ppm)	Fe_2O_3 (%)
Measured	16.5	1.33	144	0.44
Indicated	314.4	1.15	106	0.53
Inferred	76.6	1.07	124	0.54
Total	**407.5**	**1.15**	**111**	**0.53**

Table 6: Change to Mineral Resource
from 30 June 2023 to 30 June 2024

Mineral Resource	Tonnes (Mt)	Li_2O (%)	Ta_2O_5 (ppm)	Fe_2O_3 (%)
At 30 June 2023	413.8	1.15	112	0.53
At 30 June 2024	407.5	1.15	111	0.53
Total change	**-6.4**	**1.37**	**147**	**0.46**

Ore Reserves

Table 7: Pilgangoora Operation Ore Reserve
estimate as at June 2024 (using 0.3% Li_2O cut-off)

Category	Tonnes (Mt)	Li_2O (%)	Ta_2O_5 (ppm)	Fe_2O_3 (%)
Proved	14.0	1.30	131	0.95
Probable	194.7	1.18	101	1.00
Total	**208.7**	**1.19**	**103**	**1.00**

Table 8: Change to Ore Reserve
from 30 June 2023 to 30 June 2024

Ore Reserve	Tonnes (Mt)	Li_2O (%)	Ta_2O_5 (ppm)	Fe_2O_3 (%)
At 30 June 2023	214.2	1.19	103	0.99
At 30 June 2024	208.7	1.19	103	1.00
Total change	**-5.5**	**1.37**	**136**	**0.88**

Notes

1. Totals may not add up due to rounding.
2. All Ore tonnes are defined using the weighted average cost and recovery of the Pilgan and Ngungaju Plants.
3. Ore Reserves are based on an expected value calculation to report tonnages above a zero $/t net expected value, excluding mining cost. The cut-off to define ore is therefore variable in metal grades but equates to an approximate cut-off grade range of 0.2-0.3% Li_2O.
4. Ore Reserves were estimated using projected concentrate prices of US$1,450/dmt (CIF price) for 6% Li_2O concentrate and US$36/lb 10% Ta_2O_5 concentrate.
5. The Ore Reserve is the economically mineable part of the Measured and Indicated Resource. It includes allowance for ore losses and dilution during mining extraction.
6. Pilbara Minerals ensures that the Mineral Resource and Ore Reserve estimates quoted are subject to governance arrangements and internal controls at both a site level and at the corporate level. Mineral Resources and Ore Reserves are reported in compliance with the JORC Code 2012, using industry standard techniques and internal guidelines for the estimation and reporting of Ore Reserves and Mineral Resources. The Mineral Resources and Ore Reserve statements included in the Annual Report were reviewed by the Competent Persons prior to inclusion.
7. Stockpiles at the Ngungaju Plant have had no Ta_2O_5 grade applied.
8. The probable Ore Reserve includes 5.2Mt of stockpiles. These comprise 1.6Mt at 1.19% Li_2O and 0.73% Fe_2O_3 at the Ngungaju Plant and 3.6Mt at 1.26% Li_2O, 120ppm Ta_2O_5 and 0.78% Fe_2O_3 at the Pilgan Plant.

Growing our asset

The Pilgangoora ore body is one of the largest hard rock lithium deposits in the world. We have two expansion projects under construction to increase production capacity to one million tonnes per annum (1Mtpa) to meet future projected demand for battery raw materials by unlocking the full potential of the Pilgangoora asset.

We are now taking steps to investigate the next phase of expansion of up to two million tonnes per annum (2Mtpa) with a Feasibility Study underway. This option for further production growth enables Pilbara Minerals to further extend its position as one of the largest lithium material suppliers globally. The timing of any investment decision will be considered in conjunction with prevailing market conditions.

Scan the QR code to watch the P680 Project completion highlights video.

P680 Project

Significant milestones were achieved on the P680 Expansion Project (P680 Project) in FY24. The P680 Project has increased production capacity at the Pilgan Plant by up to 100,000tpa bringing the Pilgangoora Operation's total nameplate capacity to up to 680,000tpa.

Completion of construction and commissioning of the new primary rejection facility was delivered in the September Quarter 2023 with first ore achieved in October 2023, marking an important milestone in the P680 Project. Full capacity ramp up of the facility was delivered in the December Quarter 2023, enabling the Pilgan Plant to achieve expanded nameplate production in the March Quarter 2024.

Commissioning of the new crushing and ore sorting facility commenced in the June Quarter 2024 with first ore achieved after the reporting period in July 2024. Full ramp up is on track for the September Quarter 2024. Once complete, it will be the largest lithium ore sorter in the world with a capacity of 5Mtpa, bringing scale benefits of efficiency as well as increased output.

The P680 Project has been delivered on schedule and on budget and underpins the next phase of expansion at Pilgangoora.

Image: P680 crushing and ore sorting facility as at 2 August 2024

P1000 Project

The P1000 Expansion Project (P1000 Project) aims to increase total spodumene concentrate production capacity at the Pilgangoora Operation up to 1Mtpa.

The P1000 Project involves a series of upgrades to the Pilgan Plant's concentrator and a range of supporting infrastructure and leverages the new infrastructure delivered as part of the P680 Project.

Construction is now well underway with the project 60% complete as at the end of FY24.

Bulk earthworks, concrete construction and underground services are complete and construction works continue to schedule. Three shipments of pre-fabricated steel modules arrived in Port Hedland in the June Quarter and are on site ready for installation.

The P1000 Project remains on track with first ore targeted in the March Quarter 2025 with full nameplate capacity expected by September Quarter 2025.

This expansion investment supports our long-term growth strategy to scale-up production capacity at the Pilgangoora Operation to capitalise on forecasted future growth in demand, cementing Pilbara Minerals' position as a globally significant supplier of battery raw materials.

P2000 Project

A Pre-Feasibility Study was undertaken during FY24 which determined that production capacity at the Pilgangoora Operation could be expanded to more than 2Mtpa, with an average forecast annual spodumene concentrate production for the first ten years of 1.9Mtpa. The expansion project, known as the P2000 Project (P2000), would further extend Pilbara Minerals' position as the largest pure play lithium producer globally.

P2000 would require the construction of a new processing plant at the Pilgangoora Operation which would complement existing processing flowsheets currently in use.

The expansion option could potentially create significant shareholder value with a P2000 incremental net present value of \$2.6B[1] and incremental internal rate of return of 55%.

A Feasibility Study is now underway which will include assessments and studies to support mine planning, regulatory approvals, water supply, metallurgy and processing, tailing management, supporting infrastructure and financial analysis.

The Feasibility Study outcomes are expected to be completed by December Quarter 2025. The timing of any investment decision will be considered in conjunction with prevailing market conditions.

Image: P1000 construction as at 15 July 2024

[1] For more information, please see Pilbara Minerals' ASX announcement "Study Delivers 2MTPA Expansion Option" released on 21 June 2024.

Product diversification

One of our key strategic pillars is extracting greater value from the battery materials supply chain by diversifying our product and revenue streams.

We are progressing this strategy by partnering with world leading chemical converters to enter mid-stream and downstream processing in line with our ambition to become a fully integrated battery materials supplier.

Downstream joint venture with POSCO

Status:
Train 1 ramp-up commenced
Train 2 construction complete

The Lithium Hydroxide Monohydrate (LHM) Chemical Facility being developed in Gwangyang, South Korea through a joint venture (JV) between Pilbara Minerals and POSCO reached a number of key milestones during FY24.

In November 2023, the LHM Chemical Facility was officially opened with commissioning commencing for Train 1 which has progressed to ramp up phase, achieving 45% of nameplate capacity for the month June 2024. The first batch of uncertified lithium hydroxide was shipped in April 2024, South Korea's first domestically produced lithium hydroxide product. Full production capacity of Train 1 is scheduled for the September Quarter 2025.

Construction of Train 2 was completed in July 2024, subsequent to the end of FY24. Commissioning is on schedule to commence during the second half of 2024. The ramp-up of Train 2 is scheduled for 2025, with full capacity anticipated to be achieved within 12-18 months from the completion of commissioning.

The certification processes for the battery grade LHM from Train 1 commenced with two South Korean customers during the June Quarter 2024, and negotiations for sales agreements of commercial quantities are currently underway with multiple parties.

This joint venture positions Pilbara Minerals and POSCO as one of the few near term lithium chemicals producers outside of China, with raw materials supply committed from our Pilgangoora Operation.

Once it reaches production capacity, the LHM Chemical Facility will produce up to 43,000 tonnes per annum, enough to make batteries for one million electric vehicles.

Image: The POSCO Pilbara Lithium Solution LHM facility as at 19 June 2024

Mid-stream Demonstration Plant

Status:
Construction commenced

The development of a Mid-stream Demonstration Plant (Demonstration Plant Project) was approved by the Pilbara Minerals' Board in August 2023. The project, in joint venture with Australian company Calix Limited, aims to validate the benefits of producing a lithium enriched product using Calix's patented electric kiln technology on site at the Pilgangoora Operation. The processing path being explored has the potential to reduce transport volumes, transport costs and carbon emission intensity (when powered by renewable energy) and create more value at the mine site.

Bulk earthworks were completed in early 2024 in preparation for concrete and detailed earthworks commencing in July 2024. Off-site fabrication of key equipment progressed, including the Calix electric calciner, structural steel modules and tanks, with many equipment packages being dispatched to the site.

The Demonstration Plant Project is on schedule to achieve first lithium salt production in the June Quarter 2025.

Pilbara Minerals has a 55% interest in the JV (Calix 45%) and will oversee both the construction and operation of the Demonstration Plant Project. The project is supported by the Australian Government with a $20M Modern Manufacturing Initiative grant.

Joint downstream partnering study

Status:
Study commenced with Ganfeng Lithium

The outcome of a downstream partnering process was announced in March 2024 with a binding term sheet signed with Ganfeng Lithium Group Co. Ltd (Ganfeng) to complete a joint Feasibility Study for a potential downstream conversion facility to produce lithium chemicals.

The Feasibility Study provides an important first step and leverages the expertise of both parties to explore a preferred location and optimal flowsheet for a downstream lithium chemicals facility which is intended to maximise project economics whilst meeting agreed sustainability standards.

This study-first approach provides Pilbara Minerals with the option, but not the obligation, to proceed with a lithium chemicals joint venture. This is a prudent approach to ensure we only proceed with a joint venture if the investment case is sufficiently compelling.

The agreement includes principles which are intended to be incorporated into key agreements if the joint venture proceeds including 50:50 JV ownership, offtake of 300,000tpa spodumene concentrate supplied by Pilbara Minerals and the willingness to explore benefits through the US Inflation Reduction Act with a project equity sell-down if required.

The outcomes of the Feasibility Study are expected in the March Quarter 2025 with an option to progress to a final investment decision and formation of a joint venture following that.

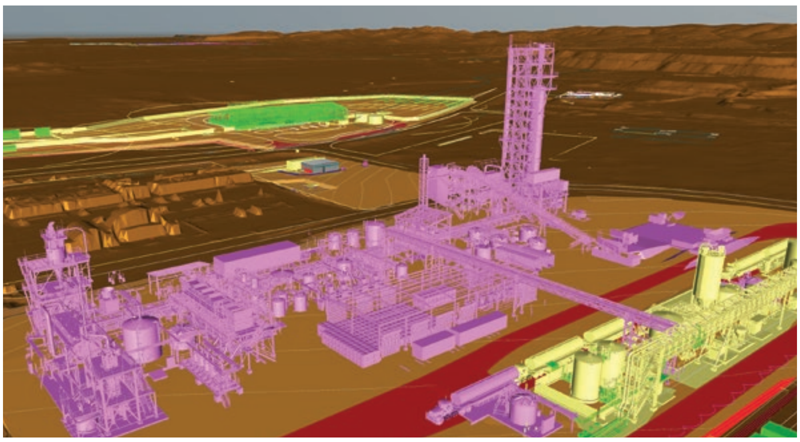


Image: Proposed Mid-stream Demonstration Plant schematic

Material business risks

Effective risk management is essential to the continuous operation of our business, maximising value for shareholders and meeting the expectations of stakeholders.

Our financial and operating results are subject to various risks and economic uncertainties, some of which are beyond the reasonable control of the Company. The Pilbara Minerals' Board and management identify, monitor and manage risks through the Risk Management Framework. Various factors have the potential to materially impact our business, results and prospects for future financial years.

The following risks are not listed in order of materiality and are not intended to be exhaustive. For more detailed information about our risks and management approach, refer to the Company Policies and Charters on the Corporate Governance page of our website. Additionally, sustainability and climate-related risks are disclosed in further detail in the Sustainability Report on pages 48-49, which is published as part of this Annual Report.

Governance committees:

- ARC Audit and Risk Committee
- SC Sustainability Committee
- PCC People and Culture Committee

Board-level Committees with oversight of the material business risks.

Supporting this governance structure are executive-level review frameworks, along with management-level steering committees and working groups, refer to page 45 for further detail.

* Denotes sustainability or climate-related risk which is further disclosed in the Sustainability Report on pages 48-49.

Commodity prices

Pilbara Minerals generates revenue primarily from the sale of spodumene concentrate through customer offtake and sales agreements. The commodity price is determined by external markets which are outside the Company's control, making it susceptible to adverse price movements.

Potential impact

Low product prices can result in lower levels of cash flow, profitability and business valuation. Debt costs may rise owing to ratings agency downgrades and the possibility of reduced access to funding for growth projects.

Spodumene concentrate is not a commodity for which hedging or derivative transactions can be easily used to manage commodity price risk. We maintain a conservative balance sheet, proactive management of debt and the delivery of cash improvement and operational performance targets to mitigate this risk.

Mitigating actions / management approach

We closely monitor spodumene concentrate pricing and maintain a focus on cost and operational efficiencies to ensure we remain a low cost producer.

Economic analysis and product price assumptions are regularly reviewed by senior management with the Executive Leadership Team and the Board.

Governance committee ARC

Foreign currency exchange rates

Spodumene concentrate and tantalum sales prices, certain capital equipment purchases, operating inputs and services relating to the Pilgangoora Operation, and some of the Company's debt facilities are denominated in US dollars.

Potential impact

Pilbara Minerals is exposed to fluctuations in foreign currency exchange rates which can result in variability in cashflow, profitability and business valuation.

Mitigating actions / management approach

There is a "natural" (but not perfect) hedge which matches, to some degree, US denominated revenues with US debt and interest payments.

Pilbara Minerals' functional currency and most of our expenditure is, and will be taken into account, in Australian dollars.

We monitor foreign exchange exposure risk on a regular basis through our Treasury function and manage exposure to foreign exchange movements using derivative financial instruments to convert US sales receipts to Australian dollars depending on the timing and certainty of receipts.

Governance committee ARC

Production, operating and capital costs

Changes in the operating costs for mining and processing, and capital costs at the Pilgangoora Operation could occur, as a result of general supply chain pressures. These pressures may be driven as a result of unforeseen economic events, both nationally and internationally.

Potential impact

Certain materials and reagents required for the processing operations are specialist items and may become difficult to procure and/or the price of these specialist materials and reagents may increase as a result of increased future demand.

Many of these factors are beyond the Company's control. We may be faced with varied production and higher capital and operating costs in the future compared to current costs.

Mitigating actions / management approach

Implementation of Pilbara Minerals' strategy, budgeting and forecasting processes, supported by operational risk management and assurance processes are key to the mitigation against this risk. These processes included of strict stock level control maintained by the Company's ERP system for inventory management. Regular tracking and monitoring of progress against the underlying production plans are regularly reviewed by senior management with the Executive Leadership Team and the Board.

Governance committee ARC

Climate change❖

Pilbara Minerals' operations and supply chain could be impacted by physical risks (including storm intensity, water supply, ambient heat), and transitional risk (including changes to local or international regulations, carbon pricing, insurance restrictions and premiums, demand for lithium and costs associated with supplier on costs).

This risk is discussed in further detail in the Sustainability Report on page 48.

Potential impact

Climate change may cause certain physical and environmental risks that cannot be reasonably predicted by Pilbara Minerals. These risks include events such as increased severity of weather patterns and frequency of extreme weather events such as cyclones. Climate change could result in a potential loss of stakeholder confidence and have an adverse impact on reputation, financial performance and valuation.

Mitigating actions / management approach

We remain committed to net zero emissions in the decade starting in 2040 by advancing our decarbonisation pathway and measuring our climate-related risks and impacts.

Our mitigation strategies include development of our Power Strategy to reduce our power emissions intensity by 2030, tracking our operational emissions and performance against targets, and reviewing and assessing climate risk scenarios to better inform future risks and opportunities.

Governance committee ARC SC

Ore Reserve

Our Ore Reserve and Mineral Resource assessments for the Pilgangoora Operation are prepared in accordance with the Joint Ore Reserves Committee Australasian Code (JORC) which involves elements of estimation and judgement. As these estimates involve the application of significant judgement, no guarantee or assurance of the estimated mineral recovery levels, or the commercial viability of deposits can be provided.

Potential impact

The actual quality and characteristics of mineral deposits cannot be known until mining takes place and may differ from the assumptions used to develop the mineral resources. Further, Ore Reserves are valued based on assumed future costs and commodity prices and, consequently, the value of actual Ore Reserves including their economic extraction and mineral resources, may differ from those estimated, which may result in either a positive or negative impact on operations.

Mitigating actions / management approach

Pilbara Minerals' Ore Reserves are prepared by an experienced 'Competent Person' in accordance with the JORC Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves.

In addition, independent third party reviews of the Ore Reserves are undertaken by qualified external consultants.

Governance committee ARC

Transport and infrastructure

Our operation depends on an uninterrupted flow of finished products, materials, supplies, services and equipment. We are dependent on third parties for the provision of trucking, port, shipping and other transportation services.

Potential impact

Contractual disputes, port capacity issues, availability of trucks or vessels, inclement weather, labour disruptions, or other factors could have a material adverse effect on our ability to transport (or take delivery of transported) product and materials to meet schedules and contractual commitments, which may in turn impact our business, results of operations and financial performance.

Mitigating actions / management approach

Tracking and monitoring of progress against the underlying production plans are regularly reviewed by senior management with the Executive Leadership Team and the Board.

Additionally, the Company maintains strong supplier relationships, and proactively manages and monitors stock levels through a well established enterprise resource planning stock management system.

Governance committee ARC

Geopolitical risk

The Chinese market is a significant source of global demand for lithium minerals and chemicals across the global lithium supply chain. Our operation could be exposed to geopolitical risks between Australia and China which have become more prevalent in recent times including China imposing import restrictions on various Australian commodities.

Potential impact

While we endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that we would not be impacted by such occurrences. Such risks could result in adverse impacts to Pilbara Minerals' operational settings, business and financial performance.

Mitigating actions / management approach

We have an active engagement strategy with Australian federal and state governments, regulators and other stakeholders. We actively monitor geopolitical developments as well as global themes and international policy trends and maintain a strong relationship with our Chinese customers.

The Company has also developed strategic ties outside of China, specifically in South Korea to diversify overall exposure.

Governance committee ARC

Delivery of key expansion projects

Timely completion of our major capital expansion projects, P680 and P1000, is critical to ensuring we remain cost competitive. The introduction of these projects ultimately aims to reduce our unit operating costs by increasing production volumes, however material delays in the delivery of these projects may adversely affect this objective.

Potential impact

Substantial work has been undertaken to deliver the P680 and P1000 Projects on time and budget, however there remains the possibility of unexpected challenges arising that may adversely impact the timeline for delivery, capital expenditure and expected benefits or synergies.

Mitigating actions / management approach

Through an established in-house project management delivery team we employ experienced study, engineering and project delivery leaders with well-developed processes and supporting resources to deliver the P680 and P1000 projects.

Regular tracking and monitoring of progress against project execution plans are reviewed by the project delivery team and proactively reported to the ELT and the Board.

Governance committee ARC

Licences, permits and approvals

To operate, we need to comply with applicable environment and planning laws, regulations and permitting requirements. We have in place the necessary approvals and licences to operate the Pilgangoora Operation.

Potential impact

We are unable to provide assurance that approvals and permits required for future expansions of the mine or infrastructure will be obtained as per the projected timeframes. Potential impacts could be delays or more onerous licence conditions potentially impacting capital expenditure, operating costs, project execution schedules and overall business financial performance.

Mitigating actions / management approach

We have a well developed Environment and Land Management system that supports the Environment and Land Access Team to actively manage licence compliance, permitting and approvals.

Governance committee ARC SC

Information technology and cyber security risk❖

We have an integrated information technology system that interfaces between our corporate office and our Pilgangoora Operation. With any system that uses providers to exchange data, we are subject to interference and disruptions.

Potential impact

Cyber security impacts could result in production downtime, operational delays, destruction or corruption of data, disclosure of sensitive information and data breaches or fines.

Failure to appropriately protect private and sensitive personal information can result in significant reputational damage, financial impacts and loss.

Mitigating actions / management approach

We have established disaster recovery and cyber security incident response plans and have cyber monitoring systems along with internal ongoing cyber training and regular phishing simulations for all staff. During FY24, we engaged an external cyber consulting firm to conduct an internal network penetration testing and endpoint resilience assessment.

A Privacy Working Group was established in FY24 tasked with undertaking a full system review to ensure private information is appropriately managed.

Governance committee ARC

Workforce attraction and retention❖

Ability to attract and retain skilled employees is critical to retaining a positive operational culture and to minimise operational disruptions.

Potential impact

Human resources impacts could be characterised by high employee turnover rates and reduced production output. These challenges have the potential to lead to increased operating costs, elevated recruitment and training expenses and the need for more competitive remuneration packages and benefits. The intensified competition for skilled talent may impact on succession planning and increase workload on existing employees in the organisation. Collectively, these factors may create workforce instability, introduce operational inefficiencies and result in financial loss.

Mitigating actions / management approach

Strategic retention strategies and incentive schemes, and a focus on positive organisational culture, employee health and wellbeing and focus on work-life balance continue to be a focus to address human resource risk.

Develop targeted recruitment strategies for attracting diverse talent, with a focus on underrepresented groups.

Governance committee ARC PCC

Environmental, social and governance❖

Stakeholders demand proactive Environmental, Social and Governance (ESG) management. As a result, we must demonstrate effective management of all material sustainability matters. Accurate data and transparent reporting are critical to support meeting the rising stakeholder expectations and prevent greenwashing.

Potential impact

Failing to implement effective ESG measures and provide adequate disclosures risks reduced investments, delays in approvals, higher obligations, increased insurance costs, impacts to customer offtake agreements, damaged reputation and impacts to talent attraction and retention.

Mitigating actions / management approach

We have set forward an ambition to embed sustainability in our DNA. We have in place an annual Sustainability Strategy to actively monitor our commitments and regularly report and review our progress against the Strategy with senior management and the Executive Leadership Team. Further, we assess our performance against key external ESG benchmarks and incorporate new performance criteria and stakeholder feedback to continuously drive improvement and enhance our control measures.

Governance committee ARC SC

Supply chain resilience

We rely on a number of key suppliers for our operation, particularly across areas relating to consumables, maintenance requirements and general asset management.

Potential impact

Our operation could be impacted depending on the nature of the general supply chain disruption. This would result in operational losses and overall reduced capacity to deliver spodumene concentrate on agreed rates to foundation offtake partners resulting in financial loss and reputational damage.

Mitigating actions / management approach

We have a well-established inventory management system in place which retains minimum and maximum stock levels across all key supply requirements. Key supplier relationships are maintained to a high standard and multiple supply agreements are in place for similar requirements to ensure risk is further reduced.

The Company has dedicated resources managing supply and procurement requirements at both an operational and strategic level.

Governance committee ARC

Long-term sustainable water supply and responsible use❖

With a long mine life spanning a number of decades and further opportunity for additional expansion to come (i.e. P2000 which is subject to additional feasibility studies), it's important that a long-term sustainable water supply can maintain the operation accordingly.

Potential impact

Not having a sufficient and sustainable water supply can have material adverse impacts on our operation as it is heavily reliant on water for processing activities, and supplementary requirements for mining, village accommodation and general amenities.

Mitigating actions / management approach

A substantial borefield network has been established at the site which is regularly monitored in accordance with license obligations. Collectively, this network provides the water requirements for the Pilgangoora Operation.

A comprehensive water balance exercise was undertaken and completed during FY24 to further refine and understand the supply and demand of the water resource. Additionally, we have dedicated in-house hydrogeological resources which are managing short to medium-term water requirements, and strategically viewing longer term initiatives to ensure that water remains a sustainable resource for many years to come.

Governance committee ARC SC

Sustainability Report 2024

Message from the Sustainability Committee Chairman

Our sustainability journey advances with our growth

Significant strides have been made this year in our sustainability journey as we progressed several key initiatives, including the development of our Power Strategy, launching our Reflect Reconciliation Action Plan and introducing a new Community Grants Program.

Alongside these tangible steps, we have maintained our focus on growing diversity at all levels of our workforce and enabling a workplace culture that prioritises safety and wellbeing.

Dear Stakeholder,

As I reflect on FY24, I am pleased to share that while Pilbara Minerals experienced notable growth through the year, our sustainability journey has progressed in lock step with our sustainability initiatives expanding significantly.

Our net zero ambition advanced with our Power Strategy developed in the year, aligning with Pilbara Minerals' ambition to become a sustainable battery materials producer while driving operational cost savings. We have set medium-term targets as a result and commenced our transition from diesel to liquefied natural gas (LNG). Additionally, our solar farm commissioned last year increased in operational efficiency, contributing to our efforts to reduce our carbon footprint.

Safety remains a priority in our operations, and I am pleased to report an improvement in our Total Recordable Injury Frequency Rate (TRIFR) as well as leading safety indicators. This said, we firmly believe that no injury is acceptable, and continue to focus on safe operations.

In our ongoing efforts to maintain and foster a positive workplace culture, we are pleased to see our recent culture survey identified psychological safety and wellbeing as key strengths within the Company. We continued to expand our awareness and training initiatives, including the successful rollout of a mining leadership program as well as the development of e-learning modules for safe and respectful behaviours that saw substantial uptake among our employees and contractor workforce.

This year, we proudly became participants in the UN Global Compact. This initiative underscores our commitment to responsible business practices in the areas of human rights, labour, environment, and anti-corruption. By joining the United Nations Global Compact, we aim to further integrate sustainability into our core strategies and operations.

We have also developed a Biodiversity Strategy for the Company, setting our aspiration to have an overall Net Positive Impact on biodiversity where impacts to biodiversity are avoided where possible, or minimised where avoidance is not possible.

We released our inaugural Reflect Reconciliation Action Plan, focused on creating enduring and mutually beneficial relationships with Traditional Owner partners and local communities surrounding the Pilgangoora Operation. This will continue our work to actively promote a society where reconciliation is a lived reality, fostering understanding, equity and unity for generations to come.

Following the launch of our annual Community Grants Program, we have provided financial support to 12 community programs and projects, focusing on enhancing education and community resilience in the Pilbara region. In addition, we strengthened our commitment to creating long-term value in the community by committing to 7 new multi-year partnerships throughout FY24, taking the total to 11.

As we look to the future, we are committed to building on the progress we've made and ensuring we keep pace with the ever-evolving sustainability landscape. This year we welcome you to review our Sustainability Report alongside our Sustainability Databook which aims to increase transparency across our annual reporting suite.

A considerable effort is made to advance sustainability initiatives throughout our business and value chain. Thank you to our Pilbara Minerals team members, customers, stakeholders, and partners for collaborating with us on this journey.

We hope you enjoy reading about our continued sustainability progress and as always, we welcome your feedback.

Sally-Anne Layman
Chairman
Sustainability Committee

Sustainability journey

FY19

- First annual Sustainability Report
- Adopted United Nations (UN) Sustainable Development Goals
- First materiality assessment
- Established Sustainability Working Group

FY20

- Established Board-level Sustainability Committee
- Sustainability pillars and strategy developed
- Climate Change Position Statement established
- Conducted supply chain due diligence surveys
- Initial internal assessment conducted against Taskforce on Climate-related Financial Disclosures (TCFD)

FY21

- Set net zero ambition
- Launched 'Unmute Yourself' campaign
- Adopted Sustainability Accounting Standards Board (SASB) Standards
- Voluntary Modern Slavery Statement

FY22

- Developed a Community Investment Strategy
- Gender balance target set
- Life cycle assessment completed
- Second materiality assessment conducted by external party
- Alignment with TCFD

FY23

- Chief Sustainability Officer appointed to the Executive Leadership Team
- Sub-working groups formed with subject matter experts
- Developed Human Rights Policy
- Supplier assessment strengthened to identify high-risk suppliers
- 6MW solar farm commissioned
- Life cycle assessment for mid-stream project

FY24

- Participant of UN Global Compact
- Finalised Biodiversity Strategy
- Power Strategy released
- Published first water balance
- Recognition as the Best Small Graduate Program
- 11 multi-year community partnerships and launched Community Grants Program
- Inaugural Reconciliation Action Plan
- Developed independent limited assurance program for sustainability metrics
- Material topics refresh
- Disclosure in accordance with the Global Reporting Initiative

Pilbara Minerals' growth journey has been supported by continuous improvement in sustainability efforts, shaping our path to becoming a leader in driving a sustainable energy future.

Sustainability approach

We contribute to a sustainable future by operating responsibly and ethically. Our aim is to nurture an inclusive and empowered workplace, provide economic returns for our shareholders and create shared value within the community.

Lithium is a vital component in the manufacture of batteries that power clean energy technologies, such as electric vehicles and energy storage systems. These technologies are critical to the clean energy transition, reducing reliance on fossil fuels and supporting the world's ambition to achieve net zero emissions and limit global warming to 1.5 degrees Celsius above pre-industrial levels.

Demand for lithium is expected to continue to increase strongly in the coming years as the world transitions towards cleaner energy in response to climate change. Our mission is meeting this demand while ensuring that lithium mining contributes to a sustainable future. This involves responsible, safe, and socially conscious operations that prioritise environmental stewardship and community engagement.

Pilbara Minerals' Sustainability Policy and Strategy underpin our approach to sustainability and support its integration into our day-to-day business. Our three sustainability pillars ensure a focus on environmental, social and governance (ESG) aspects.

Sustainability pillars

Valuing our people

Great people that go home safe and well each day, proud of their contribution.

Sustainable operations

Make a positive contribution, minimise our impacts and leverage opportunities.

Responsible and ethical actions

Responsible and ethical actions underpinning long-term success.

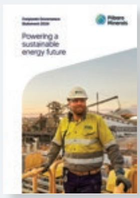
About this report

The scope of disclosures within this report provides an overview of Pilbara Minerals' entities under operational control from 1 July 2023 to 30 June 2024, with particular focus on Pilgangoora Operations Pty Ltd which owns the Pilgan Plant and Ngungaju Plant.

All dollar amounts are in AUD unless otherwise stated. Some metrics may be rounded and may not add up to the 100% or the reported total.

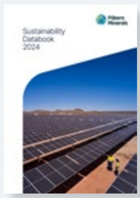
The Sustainability Report 2024 was approved by the Board on 23 August 2024.

Reconciliation Action Plan 2024



Corporate Governance Statement 2024

Gender Pay Equality Statement 2024



Sustainability Databook 2024

Sustainability disclosure suite

The following report should be read in conjunction with our full 2024 disclosure suite. To gain a comprehensive view of our sustainability performance see our website pilbaraminerals.com.au/reporting-disclosures

Any questions about our sustainability reporting can be sent to sustainability@pilbaraminerals.com.au

For more information
see our website pilbaraminerals.com.au/reporting-disclosures

Transparent disclosures

Our approach to the creation of shared value for shareholders and communities is underpinned by the United Nations Sustainable Development Goals (UN SDGs). Our Sustainability Report 2024 has been developed in accordance with the Sustainability Accounting Standards Board (SASB) Metals and Mining Standard, the Task Force on Climate-related Financial Disclosures and the Global Reporting Initiative (GRI) Standards, with the aim to provide relevant and comparable sustainability performance data that meets the needs of our stakeholders.

Additionally, the 2024 sustainability disclosure suite is informed by other standards and frameworks, including but not limited to, the Taskforce on Nature-related Financial Disclosures (TNFD) and Global Industry Standard for Tailings Management (GISTM).

We acknowledge the International Financial Reporting Standards (IFRS) S1 and IFRS S2 and Australian Sustainability Reporting Standards (ASRS) SR1 and SR2 and are working towards adoption readiness.

We support the Ten Principles of the United Nations (UN) Global Compact in the areas of human rights, labour, environment and anti-corruption. The following Sustainability Report 2024 includes a description of our actions to continually improve the integration of the UN Global Compact and its principles into our strategic priorities, culture and day-to-day operations.

The Company actively participates in external benchmarking initiatives to assess and enhance our performance across various ESG aspects. This includes engagement with Workplace Gender Equality Agency (WGEA), S&P Global's Dow Jones Sustainability Index (DJSI), Morningstar Sustainalytics and Morgan Stanley Capital International (MSCI) ESG ratings. Engagement in these benchmarking initiatives supports Pilbara Minerals in measuring our progress objectively and continuing to align ESG performance with best practice. We are pleased to report positive trends across our ESG ratings throughout FY24.

For more information
refer to the Sustainability Databook 2024.

Independent assurance

Pilbara Minerals engaged KPMG for independent limited assurance across selected sustainability metrics. All assured metrics are listed on pages 98-99. KPMG representatives met with the Sustainability Committee prior to release of the Annual Report assurance report to share observations.

WE SUPPORT UN GLOBAL COMPACT | SUSTAINABLE DEVELOPMENT GOALS | GRI | TNFD Taskforce on Nature-related Financial Disclosures | TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES | SASB® STANDARDS Now part of IFRS Foundation

Sustainability performance

	Material topic	Objectives and targets	FY24 rating	FY24 key metrics and performance summary	FY25 focus areas
Valuing our people	**Health and safety**	**Building the culture, systems and processes to ensure everyone goes home safely every day.** • eliminate serious potential injuries and fatalities and learn from our incidents • achieve a target of Total Recordable Injury Frequency Rate (TRIFR)[1] less than 4.5 • achieve greater than 1.0 quality safety interactions frequency rate (QSIFR)[2]		• zero fatalities and permanent injuries among employees and contractors • 3.41 TRIFR, achieving target • 1.72 QSIFR, achieving target • 2,477 employees and contractors completed safe and respectful behaviour e-learning • implemented leadership training on safe behaviours and psychosocial hazards • introduction of field leadership safety coaches • launch of Health and Safety Portal	• achieve TRIFR less than or equal to 3.41 target • four or more quality safety interactions per site leader per month at our operations • implement psychosocial (mental health) framework • develop Safe and Respectful Behaviours Portal
Valuing our people	**Diversity, equity, inclusion and wellbeing**	**Maintaining our culture, embracing diversity, equity and inclusion through embedding respectful behaviours and improving quality of life.** • improve female representation at senior manager and executive manager level during the period 2019 to 2024		• 23.3% female employment • 2.8% First Nations employment • reduced our median gender pay gap on base salary from 25.1% in 2023 to 11.1% in 2024[3] • culture survey identified psychological safety and wellbeing in top five key strengths • updated policies related to flexible work and parental leave to enhance inclusion • 82% employee participation in culture survey with 73% engagement score[4]	• improve female representation at senior manager and executive manager level to achieve a gender balance of 40:40:20 by 2030 • develop diversity, inclusion and wellbeing roadmap
Valuing our people	**Employee attraction and development**	**Fostering a workplace culture that attracts, retains and develops great people.** • implement development program to attract and retain talent		• 917 employees • rolled out our leadership development program • recognition as the Best Small Graduate Program • enhanced employee benefits and working conditions	• continue our leadership development program via a coaching based model • promote enhanced employee value proposition internally and externally
Valuing our people	**Cultural heritage, Traditional Owner relationships and opportunities**	**Partnering and engaging with Traditional Owners on economic and social opportunities, supporting connection to Country and protecting cultural heritage.** • zero major social incidents		• zero major social incidents recorded • $27.1M First Nations business spend • cultural surveys completed across 1,490ha • cultural awareness training sessions held across corporate and site • developed Reflect Reconciliation Action Plan (RAP) endorsed by Reconciliation Australia	• implementation of RAP commitments • conduct cultural immersion program • develop a standalone First Nations Engagement Policy
Valuing our people	**Community engagement, partnerships and programs**	**Supporting and contributing to the social and economic prosperity of the communities in which we operate.**		• seven new multi-year partnerships • launched annual community grant program • updated our Stakeholder Engagement Framework	• promote science, technology, engineering, and mathematics (STEM) education initiatives • embed Stakeholder Engagement Plan in operations and approach to expansion projects

1 Total Recordable Incident Frequency Rate (TRIFR) per one million hours worked.
2 Quality safety interactions frequency rate (QSIFR) is a leading indicator based on field interactions, critical control verifications, planned task observations and critical control checklist engagements per 1,000 hours worked.
3 Calculated in line with Workplace Gender Equality Agency standards. Following the completion of our annual remuneration review and audit, we are confident all employees in like-for-like roles are paid equitably. Where there are any pay differences, these are not based on gender. Please refer to our Gender Equality Statement 2024 for more information.
4 Engagement score reflects our employees' personal investment and connection to Pilbara Minerals.

Performance key: Achieved | Positive progress/on track | Progressed | Not achieved

Material topic	Objectives and targets	FY24 rating	FY24 key metrics and performance summary	FY25 focus areas
Sustainable operations				
Climate change and emissions reduction	**Pursuing a pathway to meet our net zero target and support our role in powering a sustainable energy future.** • ambition of net zero operation in the decade commencing 2040 • target to reduce power-related emissions intensity (tCO_2-e/MWh) by up to 80% by 2030, compared to FY23[1]	Positive progress/on track	• 180,401tCO_2-e scope 1 and 2 emissions • 11.8GWh solar power generated • improved on site renewable energy performance • updated the high-level climate scenario analysis and reviewed our carbon pricing using available market data and external benchmarking information	• develop a Climate Transition Action Plan (CTAP), including measures to improve data management processes and long-term emissions forecasts • complete a high-level screening process to assess our scope 3 emissions • continue implementation of Stage 1 of the Power Strategy
Biodiversity, ecosystems and land use	**Enhancing, protecting and rehabilitating the biodiversity and ecological value of ecosystems wherever we operate.** • zero major environmental incidents	Achieved	• zero major environmental incidents • >2,000ha surveyed for flora and fauna • developed a Biodiversity Strategy • aligned Environmental Management System with ISO 14001 • improved land use certificate process • new Geographic Information System database	• establish a Biodiversity Working Group • advance alignment to the TNFD • progress land use certificate automation
Water management	**Responsibly managing water resources to mitigate impacts whilst ensuring availability of water across our operations.** • zero major water-related incidents	Positive progress/on track	• 4.2GL water consumed • 27GL water recirculated • implemented priority water management actions • developed water balance in line with Minerals Council of Australia Water Accounting Framework • increased monitoring frequency	• refine the water balance to identify opportunities for water efficiency and optimisation • implement borefield telemetry and integrate with business intelligence to develop a real-time water balance dashboard
Air quality	**Managing and mitigating impacts of air emissions, including monitoring and management of dust wherever we operate.** • enhance dust monitoring and controls	Positive progress/on track	• drafted and implemented an Air Quality Management Plan • enhanced dust suppression techniques	• continue investigation into dust suppression technologies • enhance our dust monitoring systems by implementing new technology
Waste and tailings management	**Responsibly managing waste and hazardous materials, including the safe management of tailings storage facilities.**	Positive progress/on track	• developed Tailings Policy with reference to GISTM • established Waste Working Group • developed and commenced roll out of a Waste Management Plan	• advance alignment with GISTM • conduct waste audit to drive waste reduction strategy

1 Refer to ASX release "Pilbara Minerals' Power Strategy to reduce emissions intensity and costs" dated 21 December 2023 for further details and supporting information. Power-related emissions intensity reductions of up to 80% compared to FY23 are targets only and assume that the Company will implement the three-staged Power Strategy to reduce emissions intensity and costs. Stage 3 assumes and is dependent on renewable wind power generation and associated grid infrastructure being developed and becoming available to the Pilgangoora Operation from third parties by 2030.

	Material topic	Objectives and targets	FY24 rating	FY24 key metrics and performance summary	FY25 focus areas
Responsible & ethical actions	**Business ethics and transparency**	**Operating honestly and ethically, committing to maintain and enhance corporate governance and comply with our licence to operate.** • alignment to future facing sustainability frameworks and third party verification to support the changing markets		• zero recorded cases of bribery and corruption • joined the UN Global Compact • ASRS and ISSB work program has been developed in collaboration with a third party to ensure compliance readiness • reviewed the whistleblower mechanism • completed third party review of our self-assessment on the Initiative for Responsible Mining Assurance (IRMA) 40 critical criteria • engaged limited sustainability assurance across key metrics	• update and improve accessibility of our Code of Conduct • comprehensive materiality assessment in line with incoming ASRS requirements
	Protecting human rights	**Supporting and influencing positive change throughout our supply and value chains, respecting the human rights of our workforce and communities in which we operate.**		• 1,297 employees, contractors and service operators completed modern slavery awareness training • rolled out a human rights questionnaire assessing registered Tier 1 suppliers	• continue strengthening due diligence monitoring of suppliers for human rights risk • progress implementation of FY24-26 human rights roadmap • conduct Voluntary Principles on Security and Human Rights training across key roles
	Responsible value chain	**Working with business partners to strive for a responsible value chain (across our operations, suppliers and customers) that creates environmentally sustainable, economic and social value for society.**		• embedded vendor onboarding management software to screen all suppliers against ESG criteria • remapped and assessed the Pilbara Minerals value chain using an external third party • developed a Responsible Production and Sourcing Policy	• undertake a responsible and ethical sourcing audit • develop a Supplier Code of Conduct to strengthen expectations of responsible and ethical practices throughout our supply chain
	Technology and innovation	**Pursuing technology and innovation that builds the Company's competitive advantage and addresses business challenges and opportunities.** • a strategy and roadmap that guides decisions on innovation projects and technology		• joined Caterpillar Inc's Pathways to Sustainability program designed to foster industry learning opportunities in support of the energy transition • introduced first electric bus in the East Pilbara, serving as a shuttle between Wodgina Airport and the Pilgangoora Operation in partnership with Northfleet • carried out two studies on heavy mining equipment (HME) electric demand • progressed technology and innovation framework • zero notifiable cyber security incidents or breaches[1] occurred	• continue to investigate hybrid alternatives of HME • develop and implement our technology and innovation framework
	Economic performance and growth	**Responsible financial management and sustainable growth fostering resilience that underpins long-term success.**		• $977.0M total net tax contribution, including $100.4M in Royalties[2] • $1,617.2M total procurement spend • $1,570.2M total Australian procurement spend • Updated and published Tax Policy	• enhance our alignment to best practice transparency disclosure frameworks

[1] A notifiable cyber security breach, is defined as a breach that would reasonably be expected to have a material effect on the price of a listed entity's securities, with consideration of specific circumstances, including the nature of the breach, its impact on the company's operations and finances, and its potential effect on investor decisions.

[2] In addition to these royalties Pilbara Minerals provides Native Title benefits to recognise the rights and interests Aboriginal and Torres Strait Islander peoples.

Sustainability governance

Material topics overview

We conduct an annual review of our material topics to identify emerging issues and ensure the identified topics remain relevant to the business.

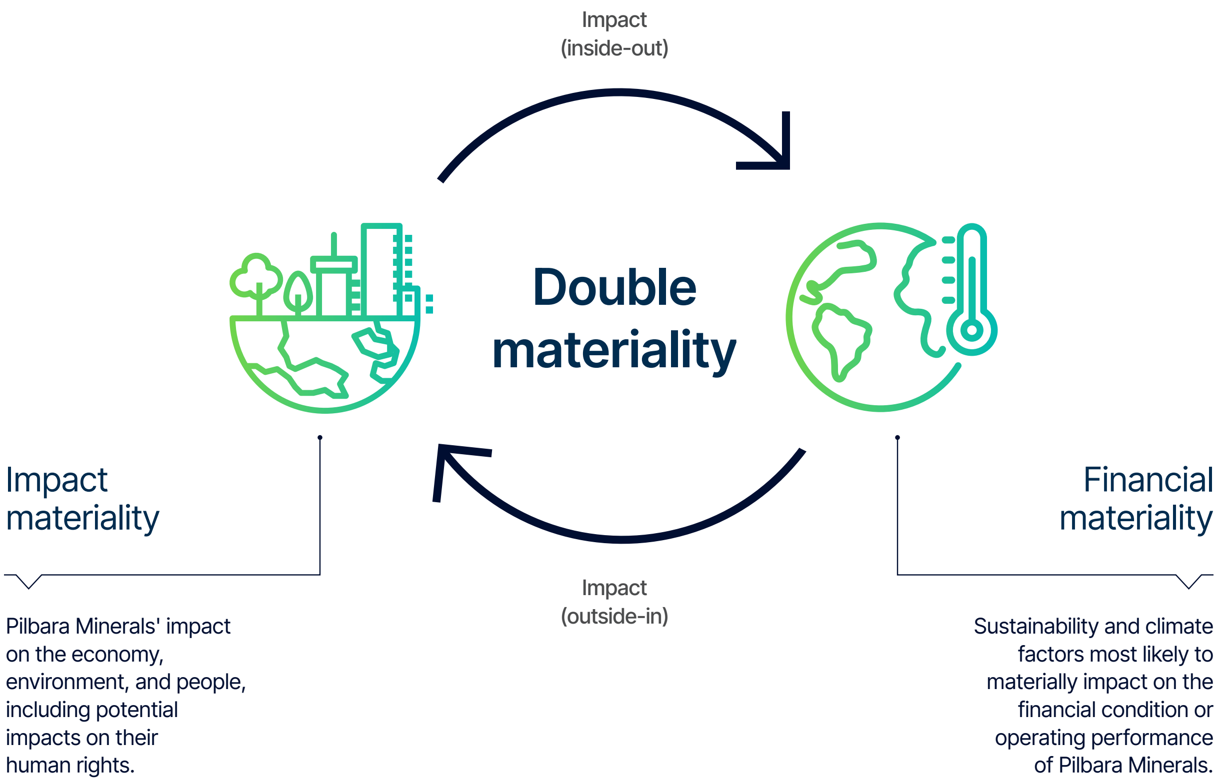
In FY24, we undertook a materiality refresh in line with the double materiality assessment process with reference to GRI and SASB in preparation for compliance with the ASRS, as shown in Figure 1.

The double materiality refresh was facilitated by an external consultant to provide objective guidance throughout the process. The result identified topics that shape our strategy, respond to stakeholder priorities and the sustainability risks and opportunities most material to our business.

We conduct a materiality assessment every two years at a minimum which is approved by the Sustainability Committee to ensure our material topics remain current and reflect any changing internal and external conditions.

In FY25, we plan to undertake a comprehensive materiality assessment, building on the outcomes of FY24 process with broader stakeholder engagement.

Figure 1: Double materiality approach



Methodology

The materiality methodology used is based on principles from sustainability standards and frameworks, including the GRI, International Sustainability Standards Board (ISSB), SASB, and UN SDGs, and incorporates engagement principles from AccountAbility and the International Association for Public Participation. Figure 2 summarises the materiality refresh approach undertaken in FY24, involving multiple inputs and including workshops with subject matter experts, management and the Executive Leadership Team to prioritise and validate material topics.

Figure 2: Materiality assessment refresh approach

1 Review and topic identification	A desktop review and market analysis was conducted, examining Pilbara Minerals' relevant documentation, previous materiality assessment results, and various macro external factors. This analysis included sustainability frameworks, such as SASB and GRI as well as ESG ratings, peer comparisons, and interrogation of key themes raised in ESG-focused investor and customer engagements held during FY23-24. The process identified more than 30 topics, which were subsequently consolidated into 15 key material sustainability topics.
2 Stakeholder engagement	Pilbara Minerals conducted a stakeholder engagement process, leveraging the outcomes of previous external consultations that had gathered insights from more than 60 stakeholder groups. We distributed an internal materiality survey, which received responses from 133 employees. Respondents were asked to rank sustainability topics based on their potential impact and to identify the highest priority issues for the next decade, with consideration of associated risks and opportunities.
3 Analysis and insights	Following an analysis of stakeholder inputs assessing impact of the material topics, we developed an indicative list of key risks and opportunities. A supporting mapping review exercise was undertaken to assess alignment of the topics with Pilbara Minerals' Enterprise Risk Management system, the associated management approaches and risk ratings related to each topic.
4 Prioritisation and validation	A validation process for the materiality assessment was undertaken via a third party facilitated workshop bringing together Company internal subject matter experts and management to verify stakeholder impact findings and prioritise sustainability topics based on financial and other impacts. The Executive Leadership Team conducted a final validation session. The materiality process and outcomes were consolidated and presented to the Sustainability Committee to ensure review and oversight.
5 Results of the materiality assessment refresh	The updated materiality matrix and prioritised list of material topics were finalised and subsequently incorporated into the Pilbara Minerals FY25 Sustainability Strategy and publicly disclosed in this Annual Report.

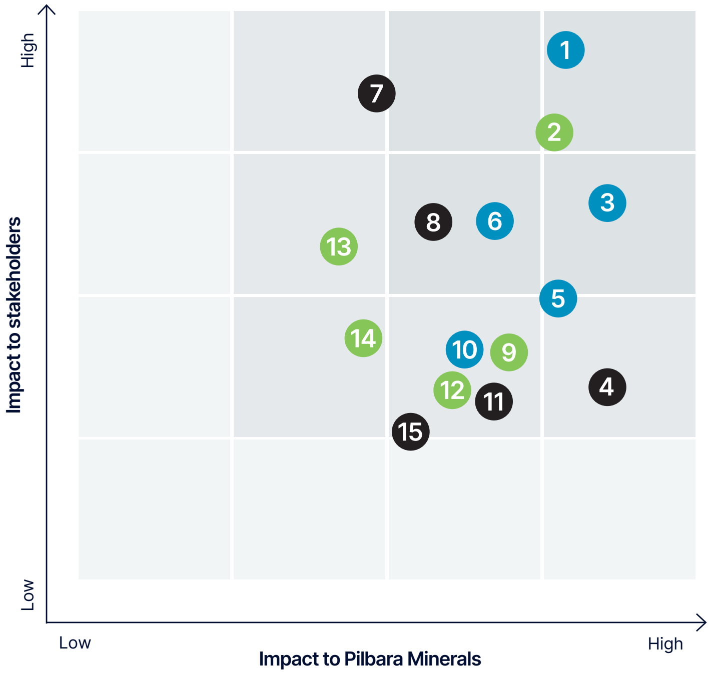
Results

In the materiality refresh conducted in FY24, the list of topics material to Pilbara Minerals and our stakeholders increased from 11 to 15. This increase is attributed to expanding the 'environment and biodiversity' topic to individually list waste, water and air quality, which were previously tracked and monitored under the one topic. Additionally, 'responsible value chains' was identified as a new material topic, previously captured under 'business ethics and transparency'.

The material topics continue to be categorised under our three sustainability pillars which provide strategic direction and drive sustainability performance across the Company.

Our FY24 material topics are shown in Figure 3.

Figure 3: Material topic prioritisation by sustainability pillar and matrix



2024 Materiality assessment refresh results

		Prioritised sustainability topics	New topics	Change
1	●	Climate change and emissions reduction		▬
2	●	Health and safety		▬
3	●	Water management	★	▬
4	●	Economic performance and growth		▲
5	●	Waste and tailings management	★	▽
6	●	Biodiversity, ecosystems and land use	★	▼
7	●	Business ethics and transparency		▽
8	●	Protecting human rights		▲
9	●	Cultural heritage, Traditional Owner relationships and opportunities		▽
10	●	Air quality	★	▼
11	●	Technology and innovation		▼
12	●	Employee attraction and development		▽
13	●	Community engagement, partnerships and programs		▽
14	●	Diversity, equity, inclusion and wellbeing	★★	▼
15	●	Responsible value chain		N/A

Our sustainability pillars

- ● Valuing our people
- ● Sustainable operations
- ● Responsible and ethical actions

Changes in priority ranking of material topics

- ▲ Movement up in topic ranking
- ▽ Minor movement down
- ▼ Notable movement down
- ▬ No movement

New topics

- ★ Previously grouped under material topic 'Environment and biodiversity'
- ★★ Resulting from market scan and standard guidance

Sustainability Strategy

We review our Sustainability Strategy annually and align it to our identified material topics. In FY24, Pilbara Minerals undertook a five year business-wide planning process. The process sought to cascade the Company's corporate strategy into a set of aligned business unit plans and enabled the integration of sustainability across relevant business units. We worked across the business to establish and map priority actions for FY25 to FY29 to help plan for long-term resilience and shared value through strengthened economic, social and environmental goals.

A culture of continuous improvement and innovation underpins our sustainability plans. Adopting this approach ensures we identify optimisation opportunities and stay ahead of emerging sustainability trends and challenges. Consequently, the long-term plan will remain dynamic, subject to ongoing iterations and drawing on insights from activities, such as materiality assessments and climate scenario analysis.

All activities outlined in the Sustainability Strategy are managed on a quarterly basis by the Sustainability Working Group and reported quarterly to the Sustainability Committee.

Refer to Figure 4 for our corporate governance structure.

Sustainability Policy

Our Sustainability Policy aims to drive positive outcomes across the business for all stakeholders. It outlines our commitments based on stakeholder expectations, both internal and external. The policy has been informed by various external frameworks, best practice guidelines and Australian legislation.

Our Sustainability Policy is reviewed and updated every two years and was last updated in FY24. The policy was updated to align with the UN Global Compact Ten Principles and a commitment to measure, monitor, evaluate and communicate progress against sustainability-related risks and opportunities in preparation for the incoming ASRS.

During FY24, five sustainability-related policies were revised and approved by the Sustainability Committee. Additionally, we developed two new policies, including the Tailings Management Policy and Responsible Production and Sourcing. Refer to page 83 and 91 respectively for more details.

Sustainability Committee

The Sustainability Committee at Pilbara Minerals provides oversight of environmental, social and governance matters and the Sustainability Strategy. Comprising three independent Non-Executive Directors, the committee meets quarterly to discuss key topics, initiatives, metrics, and our progress towards sustainability targets and annual strategy commitments.

The objective of the Sustainability Committee is to assist the Board in fulfilling its corporate governance responsibilities and provide leadership and guidance on sustainability principles and practices. Oversight of the Committee spans five key areas as outlined in the Sustainability Committee Charter:

1. Sustainability Strategy, policy effectiveness and performance against commitments.
2. Appropriate identification of sustainability risks and opportunities, including climate-related financial impacts.
3. Monitoring performance against sustainability metrics and targets.
4. Engaging with stakeholders on sustainability-related issues on behalf of the Board.
5. Reviewing and approving external sustainability reports and statements.

At an operational level, our mining and processing activities are governed by the regulatory environment and internal policies, processes and systems that focus on resource efficiency, compliance, stakeholder consultation and continual improvement to minimise environmental and social impacts.

During FY24, the Sustainability Committee held four meetings, all with full attendance from the members, demonstrating its commitment to the Company's sustainability agenda. Two of the Committee's meetings included attendance from the Chairman of the Audit and Risk Committee enabling combined oversight of the ASRS alignment program of works.

Executive Leadership Team

The Executive Leadership Team (ELT) manages sustainability matters, including identifying, evaluating, and managing risks through our Risk Management Framework. The ELT holds sustainability-focused meetings at least quarterly and is responsible for the review and validation of the materiality analysis, strategy, targets and annual reporting related to sustainability.

Key accountabilities include:

- the Chief Executive Officer sets operational priorities and ensures sustainability is integrated into core values, business activities and decision-making
- the Chief Sustainability Officer manages sustainability and climate change aspects, including strategy, programs, execution, performance, and disclosures, addressing climate risks and opportunities

- the Chief Financial Officer supports the allocation of financial resources for sustainability initiatives and reporting.

The ELT has sustainability-related measures applied to their short-term and long-term incentive targets. Refer to the Remuneration Report, pages 108-130 for further detail.

Sustainability Working Groups

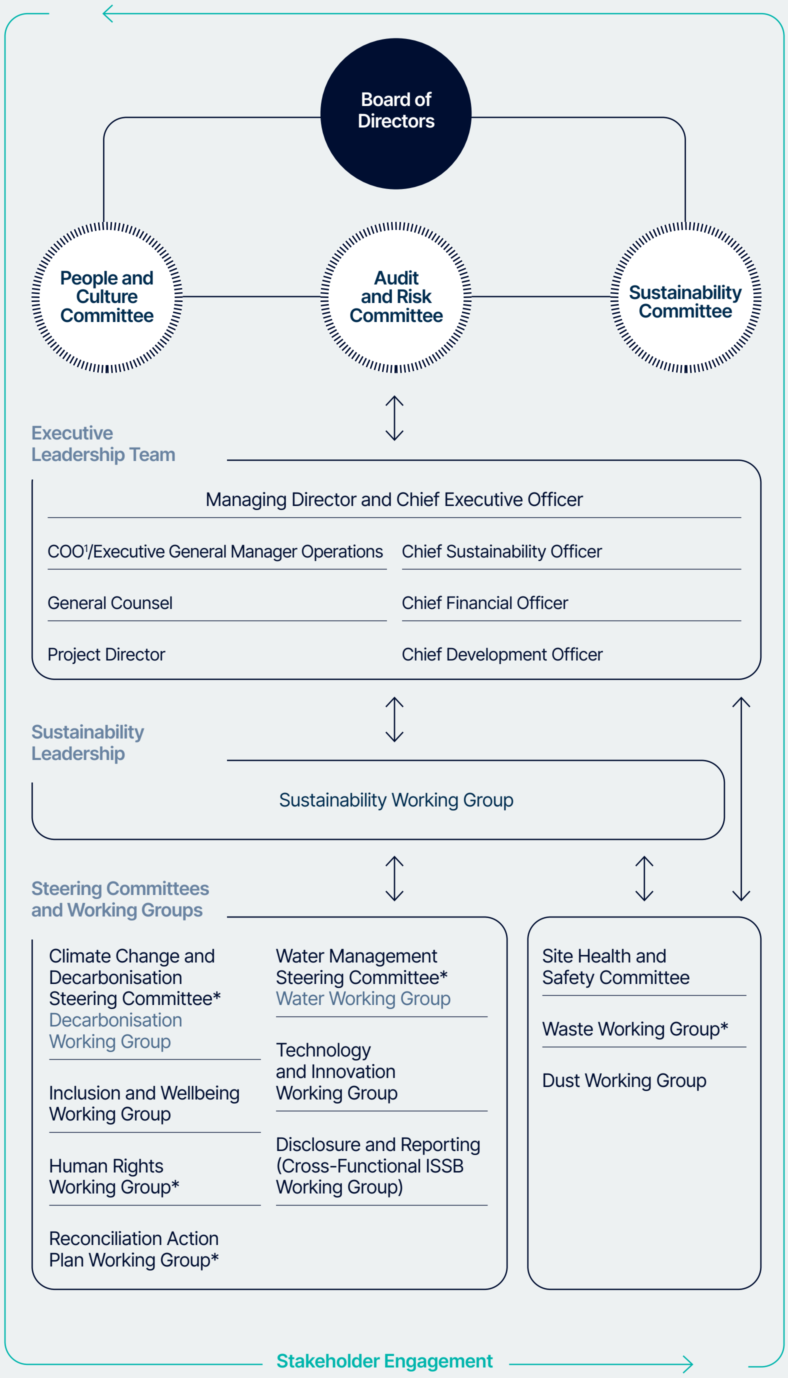
An overarching Sustainability Working Group is made up of senior leadership and representatives from across the business, including sustainability, environment, health and safety, technology, procurement and contract management, finance, human resources, mining and innovation, hydrogeology and projects. The Sustainability Working Group meets on a quarterly basis to support implementation of the commitments in the Sustainability Strategy.

In FY24, we enhanced our sustainability governance structure by expanding and refining the sub-working groups. This included:

- the establishment of new working groups focused on the Reconciliation Action Plan, human rights and waste management
- development of steering committees dedicated to water management and climate change, and decarbonisation
- updating the Reporting and Disclosure Working Group agenda focus to prioritise readiness for ISSB requirements and the incoming ASRS, in line with our commitment to evolving global sustainability reporting standards.

For more information
refer to the Sustainability Databook 2024.

Figure 4: Corporate governance structure



[1] Chief Operating Officer (COO).
* New governance groups established in FY24.

Risk management

Pilbara Minerals has established processes to comprehensively identify, assess, mitigate, and manage risks across all aspects of the business, inclusive of strategic, operational, and financial, encompassing sustainability-related risks.

Our Risk Management Framework aligns with International Standard ISO 31000:2018 to proactively manage all documented risks by undertaking regular and routine reviews. This framework allows employees to proactively identify potential new and emerging risks through a risk register administered internally to capture input controls, assign roles and responsibilities, and input actions. Through this Risk Management Framework we develop and deploy risk management practices and integrate risk management into corporate governance and business management processes.

Our dedicated Risk and Compliance Team plays a key role in ensuring risk management processes are embedded by promoting a culture of risk-awareness and resilience within the business and acting as the second line of defence in a three lines of defence model. Refer to Figure 5 for our three lines of defence model.

We strive to continuously assess and improve our Risk Management Framework by:

- incorporating lessons learned
- adopting industry best practices
- adapting to the evolving risk landscape
- conducting an annual review of the framework as part of our risk management governance review processes.

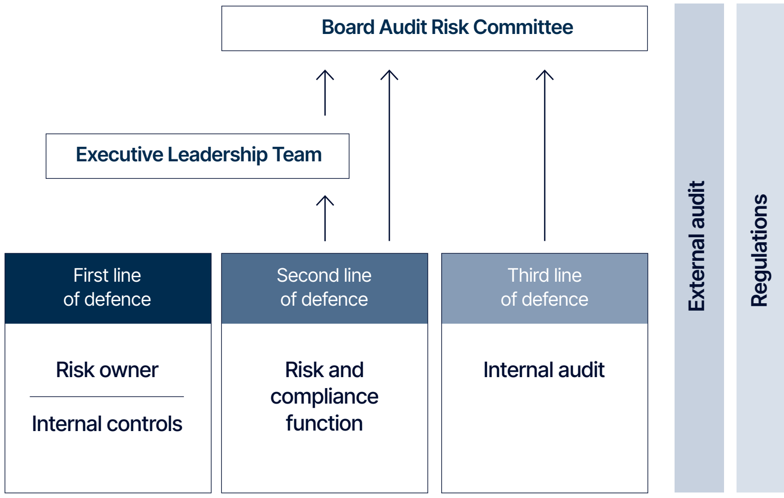


Figure 5: Internal audits contained within risk lines of defence

The Board maintains oversight of the Pilbara Minerals risk management processes through the ARC. The Board and ARC membership comprise a diverse combination of skills. Board members regularly communicate with management in relation to risks and are actively involved in understanding emerging issues. The Group Manager for Risk and Compliance regularly reports to the Board and ARC and acts as an advisor on risk-related matters. Senior management is responsible for the day-to-day management of risks as per nominated accountable lines in the risk platform.

Training and development is essential for effective risk management and the identification of new and emerging risks to continually build our risk-awareness culture. In FY24, we enhanced our risk management practices by engaging employees in a structured feedback process and providing targeted training for 14 key roles in Company risk management practices.

Additionally, several key improvements were made, including the reinforcement of the risk evaluation process through the use of our Sandpit Register, addition of climate change to natural event causes, and training business areas on risk management and the roles and responsibilities of the Risk and Compliance Team.

Emerging risks

We proactively monitor emerging risks and evolving industry trends which may become material over time. An emerging risk management approach that combines risk identification from across the business with an analysis of global trends is used.

When emerging risks are identified, they are captured in the centralised Sandpit Register, which is used as an initial assessment of emerging risks. The Risk and Compliance Team supports assessment of the risks and their integration to the Corporate Risk Register. Risks rated high or above are reported to the ARC for review and oversight. Additionally,

the Sustainability Committee reviews emerging risks related to sustainability matters as a standing agenda item.

The Risk and Compliance and Sustainability Teams regularly review externally available risk reports on global trends, including the annual World Economic Forum's Global Risks Report.

When new emerging risks are identified from these macro assessments, the Risk and Compliance and Sustainability Teams engage with relevant stakeholders across the business to integrate pertinent insights into the Enterprise Risk Register ensuring a focus on long-term resilience, sustainable growth, and optimal future performance of Pilbara Minerals.

Emerging sustainability-related risks raised through FY24 include:

- biodiversity-related risks and impacts across operations and supply chains and their interdependence with climate change
- adopting and managing rapid technological advancements, including generative artificial intelligence, automation, and digitalisation.

Internal audits

Conducting internal audits is a key pillar of good governance within a business. Internal audits seek to provide independent assurance (as a third line of defence) that Pilbara Minerals' risk management, governance and internal control processes are operating effectively.

We use a combination of internal resources for specified internal audits, in addition to external consultants to conduct internal audits managed and directed by a Company appointed representative. Careful consideration is given to ensure that any external consultants appointed to conduct an internal audit have no conflict of interest with the audit subject matter.

An audit universe has been established covering a suite of initiatives over a multi-year period. Internal audit initiatives linked to business risks are conducted in accordance with this. As part of an overall governance review, the ELT, together with functional leads, participate and contribute to audit planning and reviewing initial audit outcomes and recommendations. The ARC reviews and approves the annual internal audit plan.

Audits completed during FY24 included:

- health and safety contractor control verifications
- operational licences
- payroll management
- resource management
- treasury, hedging and cash management
- cyber security
- complaints management
- fuel management (CO_2 emissions reporting).

Recommendations and actions are actively tracked through the Risk and Compliance Team and reported on a regular basis to the ELT and the ARC.

Sustainability-related risks and opportunities

We are committed to actively monitoring and managing our sustainability-related risks and opportunities, as shown in Table 1. While not all our sustainability-related risks are material business risks, we recognise their critical importance to our stakeholders and for long-term value creation.

For more information refer to the Material Business Risk section of this report on pages 26-30.

Table 1: Key sustainability-related risks and opportunities[1]

Key risks	Description	Risk management, mitigations and opportunities	Responsibility and committee oversight	Material business risk
Climate change	Pursuing a pathway to meet our net zero target and support our role in powering a sustainable energy future. Our operation and supply chain could be impacted by physical risks (including storm intensity, temperature, water supply, ambient heat) and transitional risk (including changes to local or international regulations, carbon pricing, insurance restrictions and premiums, and/or penalties for carbon emissions).	We remain committed to our ambition of net zero emissions in the decade starting in 2040 by advancing our decarbonisation pathway and measuring our climate-related risks and impacts. Our mitigation strategies include development of our Power Strategy[2] to reduce our power emissions intensity by 2030, tracking our operational emissions and performance against targets, and reviewing and assessing climate risk scenarios to better inform decision-making, future risks and opportunities. A significant market opportunity exists for Pilbara Minerals to support the energy transition through the ongoing and expanded production of lithium and supply of battery materials.	ELT leads: CSO, CFO and COO/EGMO Committee: ARC SC PCC	✓
Long-term sustainable water supply and responsible use	With mine life spanning a number of decades and further opportunity for additional expansion to come (i.e. P2000 Project which is subject to additional feasibility studies), it is important that a long-term sustainable water supply can maintain the operation accordingly.	A substantial borefield network has been established at our operation which is regularly monitored in accordance with licence obligations. Collectively this network provides the water requirements for the Pilgangoora Operation. A comprehensive water balance exercise was undertaken and completed during FY24 to further refine and understand the supply and demand of the water resource. Additionally, we have dedicated in-house hydrogeological resources which are managing short to medium-term water requirements and strategically viewing longer term initiatives to ensure that water remains a sustainable resource.	ELT leads: COO/EGMO, CDO and CSO Committee: ARC SC	✓
Dust	Excessive levels of dust during high winds or through operational activities can adversely impact site work fronts, inclusive of potential impacts on construction workforce as well as flora and fauna.	Ongoing monitoring and deployment of dust suppression controls, testing, personal protective equipment and investigating engineering solutions to minimise dust.	ELT lead: COO/EGMO Committee: ARC SC	

1 The list presented is not exhaustive and does not rank the sustainability-related risks and opportunities by significance. It summarises key risks and opportunities, which may correspond to one or more grouped risks in our risk registers. For more further information, please refer to the following sections: Economic performance and growth: page 94-96; Tailings management: Sustainability Databook 2024 tailings register; Cultural Heritage: page 62-65; Biodiversity, ecosystems and land use: page 76-77; Protecting human rights: page 88-89; and our Modern slavery statements and Technology and innovation opportunities: page 92-93 and the corporate governance section of our website.

2 Refer to ASX release "Pilbara Minerals' Power Strategy to reduce emissions intensity and costs" dated 21 December 2023 for further details and supporting information.

Key risks	Description	Risk management, mitigations and opportunities	Responsibility and committee oversight	Material business risk
Information technology and cyber security risk	The Pilgangoora Operation is supported by information technology systems that are subject to interference or disruptions. Additionally, private information relating to employees and contracting partners is stored on Company systems.	We have established disaster recovery and cyber security incident response plans and have cyber monitoring systems along with internal ongoing cyber training and regular phishing simulations for all staff. During FY24, we engaged an external cyber consulting firm to conduct internal network penetration testing and endpoint resilience assessment.	ELT lead: CFO Committee: ARC	✓
Workforce attraction and retention	Ability to attract and retain skilled employees is critical to retaining a positive operational culture and minimising operational disruptions.	Strategic retention strategies and incentive schemes, with an emphasis on positive organisational culture, employee health, wellbeing and work-life balance continue to be a priority to address human resource risk. Develop targeted recruitment strategies for attracting diverse talent with a focus on underrepresented groups.	ELT lead: CSO Committee: ARC PCC	✓
Psychosocial	Failure to identify and mitigate physical and psychosocial hazards in the workplace, including violence, bullying, discrimination, physical and sexual harassment and aggression, high stress, mental fatigue and burnout, leading to litigation, adverse health outcomes for employees and communities, regulatory action, operational impacts and impact to permits/approvals.	Workspace environment and conditions improvement, administrative controls – enforced rest breaks, employee support via line leaders, chaplaincy, employee assistance programs and resources to support mental health, job redesign, safe and respectful behaviours training and encouraging work-life balance with supporting flexible work conditions.	ELT leads: COO/EGMO and CSO Committee: ARC PCC	
Responsible value chain	Maintaining a responsible value chain resilient to disruptions from climate-related or geopolitical issues. Additionally, misalignment with our ethical practices among value chain stakeholders can lead to negative perceptions, loss of customer trust, and financial repercussions, particularly as stakeholders demand greater transparency and accountability.	Drive systems change through engagement with suppliers to ensure cross sector collaboration to achieve social and environmental outcomes that will strengthen relationships, increase efficiency and save costs.	ELT leads: CSO, CFO and CDO Committee: ARC SC	

Governance committee:

ARC Audit and Risk Committee

SC Sustainability Committee

PCC People and Culture Committee

ELT lead:

CSO Chief Sustainability Officer

CFO Chief Finance Officer

CDO Chief Development Officer

COO/EGMO Chief Operating Officer/ Executive General Manager Operations

Stakeholder engagement

We value input and feedback from stakeholders and recognise the importance of stakeholder sentiment for our social license to operate. An open, transparent and honest approach to stakeholder engagement is used to ensure engagement is timely and effective.

We focus on selecting the appropriate techniques, methods and tools for each stakeholder. Examples of engagement processes used by Pilbara Minerals for our identified key stakeholder groups are outlined in our Sustainability Databook 2024.

For further information
refer to our Sustainability Databook 2024.

Figure 6: Pilbara Minerals' stakeholder engagement principles

Transparent

Information will be shared in a transparent, accessible, timely and relevant way that enables stakeholders to participate meaningfully in discussions.

Early and ongoing

Commence stakeholder identification and engagement at the earliest stage practicable and throughout each stage of the project.

Relationship based

Regular and appropriate communication to develop and maintain meaningful relationships to enable ongoing information exchange.

Inclusive and supportive

An inclusive approach to engagement that focuses on those most directly affected and actively engaging with groups who might be marginalised or disadvantaged. This includes capacity building to support stakeholders' ability to participate meaningfully.

Participatory and responsive

Those who are potentially affected by the project have a right to be involved, contribute and participate in decision making. Two-way communication enables feedback from stakeholders in response to concerns and ideas raised and the action taken to address these issues.

Culturally appropriate

Consider literacy levels, culture, gender, age, language and respecting cultural protocols and associated sensitivities.

Stakeholder Engagement Plan

In FY24, we revised our Stakeholder Engagement Plan (SEP) with external third party support. This process involved:

- reprioritising and refreshing the identification processes of key stakeholders
- reviewing engagement tools and mechanisms for effective engagement
- refining plans for timely and accurate communication of activities
- reviewing existing engagement practices across the business
- aligning engagement with stakeholders' primary interests and topics that matter most to them.

The updated SEP outlines our commitment to effectively engaging, consulting and involving stakeholders.

Six engagement principles are embedded in the SEP and define the approach taken to consultation and involvement of stakeholders as shown in Figure 6.

Stakeholder identification

Pilbara Minerals identifies stakeholders across three primary societal sectors: public, community and private. Addressing each of these sectors helps ensure that the widest range of stakeholder groups and organisations are identified.

The initial stakeholder identification step results in a comprehensive list that is refined through a further categorisation, prioritisation, analysis and mapping process.

Stakeholders are categorised based on their 'interest in' and 'potential impact from' a Pilbara Minerals project, which allows for identification of those who are potentially most affected by the environmental, social and economic impacts. These categories help guide the level of stakeholder engagement, with higher interest and impact stakeholders receiving more extensive and direct engagement.

Stakeholder feedback

We encourage open, inclusive and constructive communication using both formal and informal communication with stakeholders through a range of mechanisms, including dedicated internal roles, anonymous grievance mechanisms and site visits. To ensure effective management and monitoring of stakeholder feedback we use a stakeholder record management system to record communication, capture community sentiment and issues raised. This system records and monitors stakeholder communication, including actions taken to address or respond to concerns or questions.

Grievance procedure

We have implemented a combination of grievance mechanisms incorporating formal and informal face-to-face and electronic reporting channels, as well as confidential and anonymous reporting channels, to support stakeholders in raising concerns and providing feedback. We use a combination of internal and external platforms to log, analyse and monitor stakeholder feedback and concerns.

Pilbara Minerals' Stakeholder Grievance Procedure is publicly available on our website. It sets out the policy and procedures for how external stakeholders can have their concerns heard, investigated and responded to within an appropriate timeframe.

The procedure was developed with the intent of managing any stakeholder complaints in a transparent, fair and credible manner for all parties and to establish a foundation for open dialogue.

The procedure applies to all internal and external stakeholders who are involved with or impacted by our business, mining and exploration activities.

For more information on grievance mechanisms and this procedure refer to page 85-86.

Engagement techniques, methods and tools

Effective stakeholder engagement involves selecting the appropriate techniques, methods and tools for each stakeholder. We focus on selecting the appropriate techniques, methods and tools for each stakeholder. Examples of engagement processes used by Pilbara Minerals for our identified key stakeholder groups are outlined in our Sustainability Databook 2024.

For more information refer to our Sustainability Databook 2024.

Health and safety

Building the culture, systems and processes to ensure everyone goes home safely every day.

- 3.41 TRIFR – improvement from 4.7 in FY23
- 1.72 Quality safety interactions frequency rate – exceeding target of 1 interaction per 1,000 hours work
- Launched Health and Safety Portal

'Safety Matters' is one of our six commitments at the heart of our purpose. It underpins our culture and operational philosophy to ensure everyone goes home safe and well every day. We recognise that healthy and safe working conditions are a human right and are committed to creating a safe, respectful, mentally and physically healthy workplace.

The Pilbara Minerals Board oversees the establishment and ongoing review of health and safety policies and management systems, and their performance as mandated in the Board Charter. Our Health and Safety Policy, which applies to all employees, contractors and visitors, is reviewed and endorsed annually by the Board to continually improve our health and safety performance.

With our business growth, we acknowledge the importance of leadership in driving sustained improvements to our safety performance and safety culture. We have enhanced our health and safety organisational structure with new roles focused on technical capabilities, including safety and risk engineering, medical and health services, emergency management and coordination, hygiene specialisation, and systems and data analytics. These have strengthened our safety culture and support us to build a safer workplace.

Our Site Health and Safety Committee is aimed at enhancing workplace safety and composed of a cross-section of roles across our Pilgangoora Operation. The committee meets monthly and provide recommendations to the site leadership team, which reports progress and elevates any issues to the Executive Leadership Team.

Safety performance overview

Significant improvements in our safety performance were achieved in FY24 during a period of workforce growth and expansion project delivery.

In FY24, we recorded an improvement in our Total Recordable Injury Frequency Rate (TRIFR) from the previous year, standing at 3.41. The majority of recordable injuries involved line of fire and same-level falls primarily affecting hips, legs and ankles, followed by hands and fingers. In response, a number of safety initiatives have been launched, including our 'In Safe Hands' campaign. We aim to continue to ensure the safety of our people through strategic improvements in FY25.

We have maintained a strong focus on quality safety interactions as our leading indicator to promote a proactive approach to safety management and drive a safety-focused culture. As a result, our leading indicator, quality safety interactions frequency rate, reached 1.72 per 1,000 work hours, also ahead of the target.

We have enhanced our Critical Risk Management (CRM) processes in FY24 to support improvements in the quality of CRM verifications and ensuring the right critical controls are in place. Additionally, we leveraged data from the CRM platform to identify trends and phenomena to enable proactive interventions to prevent potential incidents.

Management systems and plans

Strong safety performance requires a strong safety culture which is why we have strengthened our health and safety systems and plans. New systems have been implemented to ensure critical controls are in place before any high-risk tasks are initiated.

We have a Principal Mining Hazard Management Plan in line with the *Work Health and Safety (Mines) Regulations 2022* (WA). This plan sets out risk-based control plans on how each principal mining hazard is managed. It is designed to integrate multiple risk management methods used on site and consolidate them into a single management plan that is understandable and fit-for-purpose for workers.

In FY24, the Workplace Health and Safety Management System was strengthened by increasing online accessibility to resources relating to hazards identification and risk management for employees and contractors through the launch of our Health and Safety Portal.

This Portal serves as a centralised hub for safety plans, risk assessments, and hazard controls. The design of the Portal directs users to the Principal Mining Hazards Risk Assessments and critical risk management programs related to our identified top 23 critical risks, along with resources and guidelines for improved risk management strategies. Users can access a library of safety-related documentation, details on clinic times, service locations and process flows. Additionally, the Health and Safety Portal includes resources for dust management, hygiene monitoring, respiratory protection, on site emergency services and response plans, protocols, emergency team contact information and clinical services, as well as mental health and wellbeing initiatives.

The Portal has supported continuous improvement in our reporting processes, enhancing the transparency and communication of health and safety data and metrics. In FY25, we will maintain our focus on leveraging this system to enable greater insights into trends, improve communication with both internal and external stakeholders, and inform health and safety risk mitigation strategies.

Training

We implement a range of safety training programs to ensure compliance with our safety standards, including safety inductions which are completed by all employees and contractors prior to mobilising to site or commencing in their role.

Key training initiatives include CRM, Take 5 and job hazard analysis, isolation, tagging and lockout procedures, emergency response and high voltage safety. We regularly evaluate and update these training programs to ensure their effectiveness and relevance, reinforcing our commitment to maintaining a safe working environment for all our people.

Emergency response

We continuously review our emergency response, management and training processes to bolster the Emergency Response Team's ability to respond to emergency situations.

In FY24, we focused on providing targeted training sessions to deepen the technical capabilities of teams to be prepared for when to respond and adapt to emergency situations.

Medical services

In FY24, we made significant efforts to support greater access to on site medical services to manage the demands of our growing workforce. We progressed the establishment of the physiotherapy centre, our improved medical inventory supplies and strengthened our contractor relationships with the aim to enable business requirements and agreed performance indicators and service delivery agreements. These services have increased capacity of our Medical Team to respond to medical incidents and maintain our employees' fitness for work throughout the full treatment and injury management processes.

Health and hygiene management

In FY24, we established a new in-house Hygiene Team dedicated to focusing efforts on dust management and suppression, monitoring of drinking water quality, hydration monitoring and other health and hygiene initiatives. Recommendations from external reviews were actioned to strengthen our health risk management practices on site.

We oversee and manage hygiene risks in alignment with ISO 31000:2018's risk management process encompassing workplace characterisation, risk assessment, treatment, and ongoing monitoring and review of these risks. As part of our increased capability, annual health risk assessment workshops are now conducted with site stakeholders to understand current and new health risks, evaluate controls and their efficacy, identify gaps and enable continuous improvement. This ensures that health risks are managed as low as reasonably practicable.

Additionally, the new CRM system has assisted in raising the level of verification of health hazard controls by ensuring controls are in place prior to initiating any high-risk tasks that involve potential risk of exposure to health hazards.

Our focus in FY25 includes further research, development and execution of additional engineering controls and health surveillance to cultivate a proactive approach to health and safety.

Mental health and wellbeing

"We Care, We Listen, You Matter" encapsulates our values towards the wellbeing of our people. We offer a range of services to support the wellbeing of our workforce.

A new Wellbeing Program was introduced that offers resources to empower self-care so employees can prioritise their wellbeing. Resources include offering evidence-based articles to support physical, social and mental wellbeing, assessments to measure and track health, and easy access to book employee assistance program (EAP) sessions.

Supporting the Blue Tree Project is another way we advocate for removing the stigma of mental health and encourage people to speak up with three highly visible blue trees constructed by teams on site during FY24.

We have dedicated people who are trained as Wellbeing Champions with two avenues of training: Mental Health First Aiders (MHFA) and Resourceful Minds (Lifeline). Our Wellbeing Champions play a vital role by equipping themselves with the skills to recognise and respond to mental health challenges among their colleagues by listening, offering initial assistance and encouraging individuals to seek appropriate professional support.

Employee assistance program

We engage two EAP providers to allow employees and their families access to confidential and independently managed assistance.

1. A Perth-based EAP service is managed by a leading provider of high-quality psychological services providing access to urgent counselling and critical response 24/7. This provider also offers a Managers Assistance Program that

Image: Chaplaincy services available in new on site offices for confidential consultations

assists managers, superintendents and supervisors with support and advice to be able to provide practical solutions in response to employee concerns.

2. A Port Hedland-based EAP provider offers a site-based service for employees and their families, as well as periodically visiting the Pilgangoora Operation for on site consultations and training.

Chaplaincy

Our chaplaincy service is available at all times via phone or face-to-face sessions on site and in Perth to all employees, contractors and their direct families.

The service aims to enhance a culture that fosters a sense of community and belonging. It contributes to strengthening the emotional resilience of our culture by empowering individuals' self-awareness and promoting wellbeing and mental health awareness.

In FY24, construction of purpose-built chaplaincy facilities at Carlindi and Tambrah villages was completed to provide confidential and comfortable spaces for employees to seek counselling or spiritual support on site.

Preventing sexual harassment

We have zero tolerance towards sexual assault or harassment and are committed to eliminating any instance of unacceptable behaviours that threaten people's personal and psychological safety at work.

We take a proactive and preventative approach to creating a safe and respectful workplace. A number of prevention strategies have been implemented, including leadership, training and education, diversity, security and accommodation, social activities and alcohol consumption at work adjacent settings, reporting, employee support and investigation of incidents.

The Pilbara Minerals Board is focused on investigating the quality, response, disciplinary actions and progress on prevention efforts to enable effective oversight. Leadership assessments for executives that incorporates ethical and respectful management behaviours form part of their individual Short Term Incentive score. Oversight of sexual harassment risk and controls are incorporated into Pilbara Minerals' Enterprise Risk Register both at corporate and operational levels and are included in the audit and business improvement review plans.

In FY24, we developed a safe and respectful behaviours e-learning module as a mandatory part of our induction process. This module communicates sexual harassment prevention, bystander responsibilities, and expected workplace behaviours to our employees. In FY24, 2,477 employees and contractors completed the training.

For more information
refer to our grievance mechanisms page 85-86.

Diversity, equity, inclusion and wellbeing

Maintaining our culture, embracing diversity, equity and inclusion through embedding respectful behaviours and improving quality of life.

- 73% culture survey engagement score
- 2.8% Aboriginal and Torres Strait Islander employment
- 23.3% female employment

We recognise the importance of cultivating a workforce that embraces diversity, equity and inclusion where individuals from all backgrounds are not only valued and respected, but also empowered. This creates a positive culture and working environment where people can bring their whole self to work, which drives innovation, improves performance and delivers successful outcomes.

The Board oversees diversity and inclusion, facilitated through the People and Culture Committee and Executive Leadership Team. Our commitment to diversity and inclusion is reinforced through the Inclusion and Diversity Policy and Human Rights Policy.

Pilbara Minerals' policies and procedures adhere to Australian and Western Australian legislation in respect to discrimination, including *Fair Work Act 2009, Age Discrimination Act 2004, Disability Discrimination Act 1992, Racial Discrimination Act 1975, Sex Discrimination Act 1984*, and *Equal Opportunity Act 1984* (WA).

Our Workplace Discrimination, Bullying and Harassment Procedure communicates to employees, contractors and the wider business what constitutes unacceptable behaviour. We do not tolerate any kind of harassment, violence, bullying or discrimination, including sexual harassment or racism. The procedure also describes the roles and responsibilities of all workplace participants, as well as the formal complaints process.

Paid family and domestic violence leave is available in line with the Fair Work Amendment (Paid Family and Domestic Violence Leave). These changes ensure employees have clear guidance and access to their rights and entitlements in this area.

Several employee social events and programs were held in FY24 to support working parents and gender diversity and enable fly in, fly out (FIFO) employees' families to build their social networks and understand more about FIFO life. These events included on site family days, women's networking events, and school holiday programs.

Diversity and inclusion

During FY24, our workforce grew from 768 to 917 employees, representing a 19% increase. The proportion of employees who identify as female slightly increased during the reporting period to 23.3%. We have continued to make positive steps towards female representation at senior leadership levels with the appointment of a female Chairman and an additional female executive appointed to the Executive Leadership Team. Refer to Table 2 for the proportion of female employees across the workforce. Gender pay-equity[1] has improved significantly through FY24 reducing our median gender pay gap on base salary from 25.1% in 2023 to 11.1% in 2024 (Average Total Remuneration, as reported in the 2023-2024 WGEA Submission).

For more information
refer to our 2024 Workplace Gender Pay Equality Statement. Visit pilbaraminerals.com.au/corporategovernance

We recognise and respect all gender identities, acknowledging that gender identity exists on a spectrum and is not limited to binary categories. We are committed to evolving data collection practices year-on-year to be more inclusive and representative.

The distribution of new hires by age remained stable and largely consistent with FY23, with the largest demographic being 30 to 39 years. The demographic profile with respect to age is diverse and broad with approximately one quarter of the workforce less than 30 years of age, and another quarter being over 50 years of age.

We recorded an increase in the representation of Aboriginal and Torres Strait Islander peoples employed from 2.1% in FY23 to 2.8% of the total workforce in FY24.

Culture and engagement survey

We have experienced substantial workforce growth over the past few years, which influences the evolution of organisational culture. To support tracking of employee satisfaction and wellbeing, and to identify areas for improvement, we engaged a third party to conduct a second annual Culture and Engagement survey in June 2024. The use of an independent third party provider assures employee anonymity and encourages honest feedback from employees.

The survey achieved a participation rate of 82%, exceeding industry standards. This survey builds on the inaugural survey from October 2022 and delivered another positive outcome with an engagement score of 73%.

1 Gender pay gaps are currently reported from a binary perspective in Australia, for example comparing the average or median earnings of men and women. There is insufficient data for remuneration insights about non-binary and gender diverse communities, however this is something WGEA is working to address. Following the completion of our annual remuneration review and audit, we are confident all employees in like-for-like roles (considered based on variables such as relevant experience, competency levels, remuneration market benchmarking, job location and rostered hours worked) are paid equitably. Where there are any pay differences, these are not based on gender.

Table 2: Proportion of female employees across the workforce

	Proportion of female employees	
	FY24	FY23
Board[1]	**3 out of 6 (50.0%) ↑**	2 out of 6 (33.3%)
Executive positions[2]	**2 out of 7 (28.6%) ↑**	1 out of 7 (14.3%)
Management positions[3]	**14 of 51 (27.5%) ↑**	10 out of 39 (25.6%)
Whole organisation	**214 of 917 (23.3%) ↑**	172 out of 768 (22.4%)

1. Includes the Managing Director and CEO.
2. Executives are categorised at the Company's Executive Leadership Team and includes the Managing Director and CEO.
3. As at 31 March 2024 (WGEA reporting date: 1 April 2023 – 31 March 2024), the number of management positions comprised 21 Senior Managers 5 of whom were female.

This score reflects our employees' personal investment and connection to Pilbara Minerals. The top five identified strengths were safety, engagement, psychological safety, management and wellbeing.

While the overall results are encouraging, we identified several opportunities for improvement, particularly in enhancing cooperation, capability development, reward and recognition processes, systems and communication.

Our senior leaders work together to analyse the results and, with the support of our Inclusion and Wellbeing Working Group, develop a company-wide roadmap of initiatives based on survey feedback. This aims to increase employee engagement and satisfaction. Additionally, each business function receives a detailed breakdown and is empowered to develop initiatives aimed at improving culture within their teams.

Inclusive working conditions

We recognise the advantages and opportunities that come with workplace flexibility, creating an environment that supports work-life balance and the juggle of work and family responsibilities. To this end, we offer options for employees with respect to their working conditions, some of which are outlined below.

Parental leave

We have expanded our paid parental leave to provide 18 weeks of paid parental leave and 4 weeks of paid partner leave as well as a return-to-work superannuation top-up.

Work flexibility

We continued to evolve our workplace flexibility strategy to support various options for eligible employees with respect to their working hours and expanded our Flexible Work Policy. This includes flexible hours of work, part-time positions and job-sharing opportunities.

School holiday program

We continue to run our industry-leading school holiday program in partnership with KidsCo, an Australian organisation empowering greater balance for working parents during school holidays. The program has expanded and continues to receive positive feedback from our employees and their children.

Pilbara Purpose Awards

A formal reward and recognition initiative, the Pilbara Purpose Awards invite peers to nominate each other for going above and beyond the six commitments that underpin our Pilbara Purpose. This allows positive work behaviours to be publicly recognised.

Pilgangoora Family Day

We welcomed families back to the Pilgangoora Operation in FY24, hosting two family days on site. These events were open to all site-based employees and embedded contractors. We plan to expand eligibility to include some families of corporate employees from FY25.

Promoting female employment

We are committed to continuous improvement in equality and equity in the workplace. To support this we have introduced programs and provided internal and external engagement opportunities for employees. In FY24, we maintained a significant focus on supporting and encouraging female employment within the workplace. Key initiatives are outlined below.

Gender pay gap review

Following the introduction of regular Gender Pay Gap Audits and Review, Pilbara Minerals' 2023-2024 WGEA results indicated a reduction to the Median Gender Pay Gap. We continue to focus on further reducing this gender pay gap and are committed to ensuring there is equitable pay and opportunity for like for like positions without any discrimination.

Women of Pilbara networking

A formal female networking group called 'Women of Pilbara' hosts quarterly events on site to encourage networking, empowerment, peer to peer learning and the development of an inclusive support network for female employees across various teams and contractor partners.

Industry events

We continued to sponsor and provide opportunities for our employees to attend industry led events, such as Women in Mining WA and have a corporate membership to National Association of Women in Operations, including participation on the regional subcommittee, and participation and sponsorship of Chamber of Minerals and Energy (CME) events focused on gender diversity in mining.

International Women's Day

We marked International Women's Day with events on site and in the Perth office to acknowledge the important role women play in our business.

Graduate program

A program that aims to attract and develop new talent has also encouraged female employment in the industry.

Employee attraction and development

Fostering a workplace culture that attracts, retains and develops great people.

Awarded Australia's 2024 Top Graduate Employer[1]

Launched Leadership development program

Improved employee benefits and incentive schemes

[1] Awarded in the category for Small Programs (intake less than 20) by the Australian Association of Graduate Employers Ltd.

The potential for elevated employee turnover and an inability to attract key talent in a highly competitive labour market was considered an ongoing risk for Pilbara Minerals in FY24. Many controls established in FY23 were maintained, including an employee attraction advertising campaign and graduate program.

We also developed new employee attraction and development initiatives in FY24 including an Inclusion and Wellbeing Working Group and professional development programs.

Leadership development program
To build frontline leaders' leadership skills to better equip them with the tools they require to succeed in their role.

Graduate development programs
Our graduate program aims to attract new talent through the employment of recent university graduates.

Improved employee benefits and incentive schemes
We undertook a review of our employee benefits and incentive schemes. As a result we introduced a health and wellbeing allowance payable to all employees and updated our short-term incentive and operations performance incentive schemes. These changes will come into effect in FY25 and aim to increase employees' control over incentive outcomes and enhance employee access to Company equity.

Crew trainer program
A program that enables safe and effective training within operational departments to upskill and train existing employees and to promote positive onboarding experiences for new starters.

Spotlight

TOP GRADUATE EMPLOYERS 2024

Graduate program

Our graduate program was first launched in FY23 and has proven to be a valuable initiative for developing technical talent and contributing to the growth and development of a skilled and diverse workforce.

In FY24, we were awarded Australia's 2024 Top Graduate Employer for Small Programs (intake less than 20) as determined by graduates. A survey of the 2023 graduate cohort resulted in a satisfaction rating of 100% reflecting the positive experience of participants.

In 2024, we welcomed 11 new graduates across various disciplines, including metallurgy, engineering, geology, and environmental science. This intake included a 33% female participation rate.

During the two-year structured program, graduates experience technical rotations across various disciplines to provide a comprehensive understanding of our operation as well as exposure to different areas of expertise. This approach allows them to gain valuable insights and experiences which contribute to their overall professional growth.

Our tailored program incorporates scheduled development days every six months with structured learning opportunities and feedback throughout their journey to support their development.

Participants also receive membership to the Australasian Institute of Mining and Metallurgy providing them with access to networking events.

Scan QR code to watch video and find out more about their experience.

Image: Dmitry joined Pilbara Minerals in 2023 as a Graduate Mining Engineer

Cultural heritage, Traditional Owner relationships and opportunities

Partnering and engaging with Traditional Owners on economic and social opportunities, supporting connection to Country and protecting cultural heritage.

Inaugural Reconciliation Action Plan

1,490ha surveyed for cultural heritage

$27.1M procurement with First Nations businesses

Image: Nyamal Elder Doris Eaton at the Pilgangoora NAIDOC event in August 2023

We are committed to understanding and respecting First Nations peoples, their cultures, aspirations, perspectives, interests, and collective and individual rights, including land rights and the right to self-determination, as set out by the principles of the *United Nations Declaration on the Rights of Indigenous Peoples*. We acknowledge First Nations peoples' connection to, and stewardship of, lands, water and Country as the world's oldest continuous living culture.

We recognise our responsibility to respect human rights and cultural heritage of the communities that may be impacted by our operation. We aspire to engage with First Nations communities to create positive economic, social and cultural outcomes as a result of our operation through employment, community development support, and access to primary services, such as health and education.

The Pilgangoora Operation is located on the Native Title determined land of the Nyamal and Kariyarra Peoples with the majority of operations located on Nyamal land. The Nyamal Aboriginal Corporation and Kariyarra Aboriginal Corporation are the Prescribed Body Corporates which administer the agreements between Pilbara Minerals and the two respective Traditional Owner groups.

Pilbara Minerals' corporate office is located in the Perth metropolitan area where Whadjuk Noongar People are recognised as Traditional Owners. In 2021, the Noongar People and the Western Australian Government negotiated a comprehensive Native Title agreement, the South-West Settlement Agreement.

Licences, permits and Native Title

Pilbara Minerals currently holds two Native Title Agreements, five Heritage Protection Agreements and two Infrastructure Agreements with the Nyamal Aboriginal Corporation and the Kariyarra Aboriginal Corporation.

Existing agreements with the Nyamal and Kariyarra Peoples include provision for consultation, cultural awareness and heritage protection. They also include provisions for direct and indirect opportunities, such as royalties, employment, and contracting opportunities. To date, we have undertaken all operations to avoid heritage disturbance and no Section 18 applications have been lodged under the *Aboriginal Heritage Act 1972*.

Cultural heritage management

Pilbara Minerals seeks to engage with Traditional Owners, to continually improve and maintain transparent practices to ensure the identification, assessment and preservation of cultural heritage. In FY24, the Cultural Heritage Management Plan was updated to include an improved land use certificate process and additional demarcation. All known heritage sites have been inspected during FY24, either on foot or via drone, with confirmation that all sites are in good condition.

We engaged Traditional Owners to conduct cultural heritage surveys across 1,490 hectares in FY24 with drone flights used to assist with scoping heritage areas. These surveys are designed to detect any heritage sites, such as camps, grinding patches, engravings and artefacts to ensure our operation avoids these cultural heritage areas. Protection measures implemented include fencing, signposting, 50-metre buffer zones, education and training, GIS database records, regular inspections, and in-field monitoring and vibration sensors where appropriate.

Traditional Owner engagement and consultation

We aim to maintain and strengthen mutually beneficial relationships with the Traditional Owners of the lands on which we operate. To do this, we seek to engage and consult early and regularly in a culturally appropriate, meaningful, open, honest, and mutually respectful and beneficial manner consistent with the principles of free, prior and informed consent (FPIC).

Our Indigenous Engagement Strategy and Consultation Plan ensures engagement and consultation is done in accordance with relevant Australian and international standards. This plan provides specific guidance, in conjunction and consistent with the approaches contained in the body of the Stakeholder Engagement Plan, as to engagement and consultation with the Nyamal, Kariyarra and Whadjuk Noongar Peoples. The plan also includes a Schedule of Obligations which sets out our commitments and undertakings as part of this strategy. The key areas covered in the schedule include participation, procurement, employment, cultural heritage and community development, reporting, monitoring and communication.

We continue to engage with relevant Traditional Owner parties and a range of stakeholders, including local community, Native Title representative bodies, Aboriginal Lands Trust, and the Department of Planning, Lands and Heritage regarding the Pilgangoora Operation. This is done through formal Implementation Committee meetings with Nyamal Peoples, and informal meetings with other stakeholders, such as the Yandeyarra and Strelley communities.

A grievance mechanism is in place to allow stakeholders, including First Nations peoples, to raise concerns and have them addressed in a timely manner.

Image: We were joined by Nyamal artist Lorna Dawson at Spinifex Studio Port Hedland for the launch of our first Reconciliation Action Plan

For more information refer to grievance mechanisms section page 85-86.

Community investment

Our Community Investment Framework supports a range of initiatives in line with our focus areas of energy transition, community resilience and education.

For more information refer to the Partnerships and program section on page 66-67.

MADALAH is a not-for-profit organisation that offers secondary education scholarships to Indigenous students from remote and regional communities to attend leading boarding schools. In FY24, we sponsored two MADALAH scholarships for students who will complete years 10, 11 and 12 at two Perth boarding schools.

Business spend

We strive to ensure economic benefits flow to local communities from our operation. The supply and procurement process aims, where practical, to provide local suppliers, contractors and businesses owned by First Nations peoples with business opportunities.

To support other Nyamal businesses with the objective of continuing to build capacity, in FY24 Pilbara Minerals contracted Indigenous Management Group (IMG) to provide business support. The support IMG offers includes assisting in strengthening business strategies and identifying possible areas for growth and improvement.

In total we spent $27.1M across First Nations' contracts in FY24.

In FY24, we established a new partnership with Nyamal-owned contracting business the Marrarra Group, to manage our waste at Pilgangoora. This partnership is intended to enhance waste management practices, promote local community engagement and incorporate First Nations perspectives into our sustainability efforts on Country.

Reconciliation

Our vision for reconciliation is a future where the cultural knowledge and traditions of Australia's First Nations peoples are celebrated, valued and embraced by everyone.

In FY24, we established a Reconciliation Action Plan (RAP) Working Group sponsored by the Chief Sustainability Officer and Chaired by the Indigenous Relations Coordinator. The working group is made up of cross-functional representatives from various departments and representation from First Nations employees.

In June, our inaugural RAP was approved by Reconciliation Australia. The RAP sets out our commitment to reflect on the actions of the past and understand the areas where our business can have the most impact to progress reconciliation.

Employees participated in National Reconciliation Week initiatives, including a cultural learning presentation hosted by our Indigenous Relations Coordinator as well as the Boorloo/Perth Reconciliation Walk at Langley Park.

For more information about our commitments in our RAP, see pilbaraminerals.com.au/RAP

Employment

Pilbara Minerals directly employs 917 people and observed an increase in the representation of Aboriginal and Torres Strait Islander staff from 2.1% in FY23 to 2.8% of the total workforce in FY24.

We participated in the Shooting Stars Careers Expo to showcase career pathways and opportunities with Pilbara Minerals. Shooting Stars is an initiative of Glass Jar Australia, which empowers Aboriginal and Torres Strait Islander girls and women to make informed choices about their education and employment journey.

Initiatives

Cultural awareness training

Cultural awareness training is considered a critical initiative to cultivate respect and a deeper understanding of Aboriginal and Torres Strait Islander cultures. In FY24, 11 sessions were held between site and the Perth office, delivering training to Pilbara Minerals' employees and contractors. Cultural immersion sessions are planned for FY25.

NAIDOC week celebrations

National Aboriginal and Islander Day Observance Committee (NAIDOC) week was celebrated in July 2024 when we hosted a range of activities both at site and in the Perth Office[1]. We are committed to supporting and amplifying the voices of First Nations peoples and using this opportunity to reflect on our shared history, celebrate achievements and support meaningful changes for Aboriginal and Torres Strait Islander peoples.

On site, the celebrations were opened with a Welcome to Country by a Nyamal Elder in language and included live music by a Noongar artist. We were honoured to welcome and host the Nyamal and Kariyarra representatives that attended.

The Perth event on Whadjuk Noongar Boodja featured a Welcome to Country and cultural dance performance by a Noongar group who aim to maintain a strong connection to culture by connecting with the community through performance.

[1] NAIDOC Week is celebrated annually in Australia during the first full week of July. For details regarding our July 2023 celebrations, please refer to the 2023 Annual Report.

Spotlight

Pilbara Minerals' inaugural Reconciliation Action Plan

In FY24, we released our inaugural RAP, focused on creating enduring and mutually beneficial relationships with Traditional Owner partners and local communities surrounding the Pilgangoora Operation.

Team members from Perth and Pilgangoora formed a working group to deliver our inaugural RAP and form the Company's vision for reconciliation.

The RAP sets the pathway toward meaningful reconciliation, which is centred on fostering respectful relationships, understanding the local context and working towards facilitating economic contributions that positively impact the wellbeing of First Nations peoples.

Members of the RAP Working Group visited Spinifex Hill Studio in Port Hedland, a not-for-profit social enterprise that works with Aboriginal artists from many different language groups. This visit allowed us to engage with Nyamal artist, Lorna Dawson who subsequently designed and painted the artwork that reflects our operation and connection to local Traditional Owner groups, in particular the Nyamal People.

Pilbara Minerals remains committed to continuous learning, sharing best practices, and contributing to collective progress. We will continue to work actively to promote a society where reconciliation is a lived reality, fostering understanding, equity, and unity for generations to come.

Community engagement, partnerships and programs

Supporting and contributing to the social and economic prosperity of the communities in which we operate.

Seven new multi-year partnerships

Launched annual community grant program

We aspire to create a future where the wellbeing of the community is enhanced and sustainable progress is achieved. One of the ways we make a difference in the world is by supporting and contributing to the social and economic prosperity of the communities in which we operate.

The long-term success of our operation is dependent on cultivating relationships with diverse stakeholders, including business partners, government bodies, non-government organisations, Traditional Owners, and the community. As such, our community investment program is highly valued by both communities and employees, reflecting a commitment that extends beyond financial contributions to genuine and impactful engagement and protects our licence to operate.

Priority communities for investment are identified as the areas in which our operation has the greatest impact. These include Strelley, Yandeyarra, Port Hedland, the Pilbara region and more broadly Perth.

Community Investment Framework

Our Community Investment Framework comprises of community battery and renewable energy projects, one-off funding, multi-year partnerships, annual community grants program and our Making a Difference Employee (MADE) Grant program.

Multi-year partnerships

We continue our multi-year partnerships established in FY23 with Teach Learn Grow, Earbus, The Smith Family and the Perth Children's Hospital Foundation. In FY24, we formed seven new multi-year partnerships strategically aligned with the pillars of education and community resilience, as summarised in Table 3. Such partnerships reflect our ongoing commitment to fostering sustainable development and positive social impact across our operational areas. Additionally, we have provided ongoing technical support to the Strelley Community Renewable Energy and Lithium Battery Project that commenced in FY23 to ensure that the transition to renewable energy is sustainable.

Community Grants Program

In FY24, we initiated the Community Grants Program, which provides financial support to events and initiatives in our priority communities through one-off payments of up to $10,000 for successful applicants.

The inaugural annual Community Grants Program allocated funds to 12 community programs and projects, focusing on enhancing education and community resilience in the Pilbara region. This funding will aid initiatives, such as the development of new infrastructure and learning programs in Port Hedland primary and secondary schools, a youth mindfulness program, and a project dedicated to preserving the stories and language of Aboriginal Elders in Port Hedland.

MADE Grant Program

Our MADE Grant program offers financial assistance to employee groups seeking to collaborate on fundraising events or initiatives for charitable purposes. In FY24, the MADE Program facilitated support for events, such as the MACA Cancer 200 Ride for Research, Lifeline Silverstone Golf Day and Foodbank meal makers.

Table 3: New multi-year partnerships

MADALAH	**Scholarships:** We are supporting two scholarships for Aboriginal and Torres Strait Islander secondary students from the Pilbara for three years (Years 10, 11, and 12) to boarding schools in Perth.
Women's Legal Service WA	**Socio-legal Wellbeing and Safety Program:** A two year initiative that facilitates outreach, both virtually and in-person, aiming to provide access to integrated socio-legal assistance (lawyers and social workers) to women in the Pilbara who are experiencing domestic and family violence.
Foodbank	**Nom! Schools Program:** A three year comprehensive hands-on nutrition education and cooking program empowering school-aged children in the Pilbara with nutrition knowledge through fun and engaging sessions.
Hedland Well Women's Centre	**Mental Health Support:** A three year project to ensure women in Port Hedland can access counselling and psychology appointments free of charge through the Hedland Well Women's Centre, including a range of complementary allied telehealth appointments appropriate to mental health support.
Telethon Kids	**FIFO Families Research Project:** A research project over three years that aims to understand the impact of FIFO work arrangements on the mental health for workers and their families, and initiate a program designed to support the mental health and wellbeing for FIFO families.
Shooting Stars	**Port Hedland Program:** A three year program to strengthen the Shooting Stars program in Port Hedland (year 1) and appoint a Regional Program Support Officer to support the Pilbara and the Gascoyne regions (years 2 and 3).
Yandeyarra Community School	**Priority Projects:** A funding agreement with Yandeyarra Community School for three years which empowers them to identify the priority areas for the school, such as technology or infrastructure upgrades that will be most beneficial to them.

Climate change and emissions reduction

Pursuing a pathway to meet our net zero target and support our role in powering a sustainable energy future.

Power Strategy released[1]

11.8GWh solar power generated

Updated Climate Scenario Analysis

[1] Refer to ASX release "Pilbara Minerals' Power Strategy to reduce emissions intensity and costs" dated 21 December 2023 for further details and supporting information.

Understanding the interplay between our business and climate change is one of our highest priorities. We consider both the effects of our operation on the climate and the impacts of climate change on our business.

Pilbara Minerals actively supports global initiatives to respond to climate change and maintain focus on aligning with the objectives of the Paris Agreement and supporting Australia's emission reduction targets. We continue to strengthen our emphasis on collaboration and partnerships to achieve a just energy transition[1].

We remain focused on achieving:

Our long-term ambition: to achieve net zero greenhouse emissions (scope 1 and 2) in the decade commencing 2040.

Our short to medium-term ambition: to reduce power-related emissions intensity (tCO_2-e/MWh) by up ~48% by 2026.

We actively strive to:

- create and maintain a workplace culture where climate change and environmental impacts are prioritised
- responsibly manage the natural resources we consume
- identify, invest and implement opportunities that look to reduce our operational greenhouse gas (GHG) emissions by applying low emissions technologies, and innovative solutions in a measured way
- be transparent and clear with our objectives and actions in response to climate change
- engage with industry peers and government to drive policy development that aids in delivering long-term benefits for future generations
- limit the use of offsets and consider their application through the mitigation hierarchy
- reduce reliance on carbon-intensive fuel sources where practicable
- not invest in commodities outside of the energy transition, supporting acquisitions and expansions aligned with this intention.

Pilbara Minerals supports the International Financial Reporting Standards (IFRS) S2 which sets out requirements for the disclosure of information about climate-related risks and opportunities and incorporates the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Governance

The Board-level Sustainability Committee serves as the highest governing authority for our climate change approach. Under the Sustainability Committee Charter, this Committee is tasked by the Board with overseeing this approach, including the management of associated risks and opportunities, as well as tracking progress against established targets. The Sustainability Committee meets four times a year, and the minutes from these meetings are made available to the Board. Climate-related risks are addressed in both the Sustainability Committee and the Audit and Risk Committee meetings.

For more information refer to Pilbara Minerals' Corporate Governance Statement.

The Executive Leadership Team collaborates closely on various aspects of climate change management by incorporating the internal carbon pricing in planning, projects, investment and relevant decision-making processes.

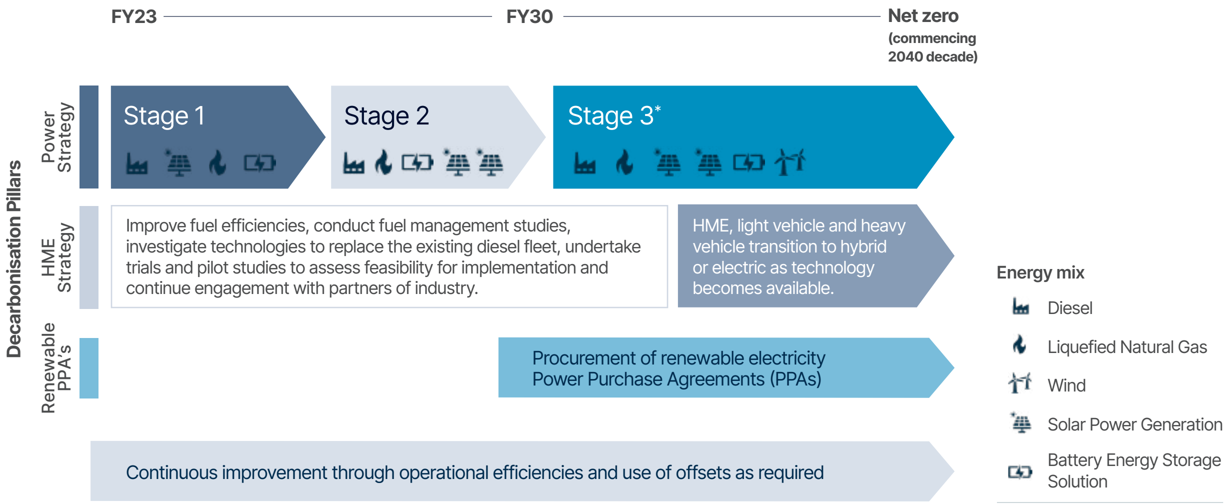
For more information refer to the Executive Leadership Team section on page 8.

The Sustainability Team works in partnership with teams across the Company to ensure strategic alignment and effective governance. Progress on the implementation of the strategy is communicated to management teams on a monthly basis, with quarterly updates provided to the Sustainability Committee. Additionally, the Company's Decarbonisation Working Group consists of representatives from operations, projects, sustainability, innovation, and environmental teams, ensuring a coordinated approach. A Climate Change and Decarbonisation Steering Committee was established during FY24, to provide further guidance and oversight in our response to climate change.

During FY24, our Climate Change Position Statement was updated to reinforce our commitment to climate action and to respond to changing developments, including regulatory reforms and formalising our support of the objectives of the just energy transition. Our Climate Change Position Statement is reviewed and revised annually, with updates receiving approval from the Board.

[1] Refers to supporting the greener economy transition in an equitable and fair manner that does not leave behind vulnerable communities and workers in accordance with nationally defined development priorities.

Figure 7: Decarbonisation pathway scope 1 and 2 emissions



* Stage 3 dependent on emerging regional wind connection opportunities.

Our decarbonisation pathway

Our approach to decarbonisation is aimed at reducing emissions from electricity generation, heavy mining equipment (HME) as well as fleet operations over the short, medium and long-term. The decarbonisation pathway, shown in Figure 7, is underpinned by three key pillars, the Power Strategy, the HME Strategy and the procurement of renewable electricity through Power Purchase Agreements.

Our Power Strategy

The Power Strategy focuses on transitioning to cleaner energy sources and enhancing energy efficiency measures within our operation[1]. The Power Strategy involves a three-staged approach. Stage 1 transitions thermal generation from predominantly diesel to natural gas and Battery Energy Storage System (BESS). Stage 2 aims to increase renewable power generation capacity, and Stage 3 plans the addition of emerging wind power generation should it become available via grid connection by 2030. Power-related emissions intensity[2] is forecast to reduce by ~20% following completion of Stage 1, ~48% following completion of Stage 2 and up to 80% following completion of Stage 3 if deployed[3], all relative to FY23.

To deliver the Power Strategy, Pilbara Minerals has executed three key agreements which will expand on site power generation at the Pilgangoora Operation and support the transition from diesel to liquefied natural gas (LNG), including installation of a lithium-ion BESS. These agreements are the first step in supporting Stage 1 of our Power Strategy to reduce emissions intensity and costs[4] which is expected to be operational in the second half of FY25. The cost profile of Stage 3, including any potential savings, is dependent on emerging regional wind solutions and infrastructure being developed and becoming available to the Pilgangoora Operation in the future.

In FY24, we conducted a baseline diesel emissions study to build a business case for transitioning from diesel to LNG, focusing on potential emission reductions. The project's objective was to measure the net change in scope 1 emissions resulting from this proposed shift to LNG compared to the current diesel fuel scenario.

Our HME Strategy

The HME Strategy has a core focus on innovation in technology and operational practices, where emissions associated with heavy machinery and equipment have potential for mitigation. The key initiatives across HME are at various stages of development.

We completed two studies to investigate the relevant interfaces and constraints as they relate to battery and hydrogen fuel cell-battery hybrid haulage, as well as infrastructure, mine planning, energy and hydrogen demand forecasting towards a viable pathway to sustainable haulage at the Pilgangoora Operation.

1. Refer to ASX release "Pilbara Minerals' Power Strategy to reduce emissions intensity and costs" dated 21 December 2023 for further details and supporting information. Unlocking the full potential of the Power Strategy's contribution to the Company's net zero ambition will rely on advancements in infrastructure, technology and economics, particularly with respect to emissions-free firming solutions.
2. Emissions intensity refers to tonnes of Carbon Dioxide equivalent per megawatt hour (tCO_2-e/MWh). Total power-related emissions increase over time with the expansion of Pilgangoora Operations.
3. Power-related emissions intensity reductions of up to 80% compared to FY23 are targets only and assume that we will implement the 3 staged power strategy. Stage 3 assumes and is dependent on renewable wind power generation and associated grid infrastructure being developed and becoming available to the Pilgangoora Operation from third parties by 2030.
4. Based on predicted gas and diesel prices.

Additionally, we completed an external review of our fuel management to ensure it meets our growth strategy and is aligned with our decarbonisation objectives. The outcome of the study confirms our core controls are in place and identified opportunities for improvement.

We are collaborating with original equipment manufacturing partners and industry peers to identify opportunities to reduce HME-related emissions through technology and innovation.

The focus for FY25 will remain on further studies and investigation of variable options related to efficiencies, fuel sources and HME.

For more information refer to Technology and Innovation pages 92-93.

Carbon Offset Strategy

As outlined in our Climate Change Position Statement, we recognise the role of carbon credits to offset hard to abate emissions where we cannot avoid or reduce emissions through our mitigation hierarchy. We developed a Carbon Offset Strategy to provide an integrated approach for the managing of carbon credits to meet legislative requirements and voluntary commitments over short, medium and long-term. The strategy highlights the Prevention, Reduction, Replacement and Offsetting of GHG emissions as an approach which underpins the mitigation hierarchy of controls. The Carbon Offset Strategy will be implemented transparently and in accordance with robust standards and frameworks, ensuring environmental integrity and verifiable emissions abatement.

Climate-related risks and opportunities

Our approach to identify and assess climate-related risks is determined by our Enterprise Risk Management Framework.

In FY24, we updated our Climate Scenario Analysis using time horizons (2030, 2040, 2050) that were analysed under the three climate scenarios based on the IPCC Sixth Assessment Report (AR6) global average warming by 2100. The three climate futures are detailed in our Sustainability Databook 2024. The scenarios were updated to improve our understanding of key physical risks and potential impacts on our Pilgangoora Operation and port operations, as summarised in Table 4.

For more information on governance and management of this risk, see page 48.

Pilbara Minerals' transition risks, such as market transition and our current carbon pricing, are undergoing review and will be updated as part of the Climate Transition Action Plan. The outcomes will be used to stress test the corporate strategy, evaluate the efficacy of climate risk management activities, capital allocation and prepare for upcoming mandatory reporting under the draft Australian Sustainability Reporting Standards.

Our performance

The total scope 1 operational emissions for the combined Pilgangoora Operation[1] in FY24 were 180,291tCO_2-e. This represents an increase in emissions compared to the previous reporting period. This is primarily attributed to expansion activities, which led to increased diesel consumption in heavy machinery and power generation.

In FY24, we surrendered 1,560 Australian Carbon Credit Units to manage our excess emissions position.

To support our growth strategy, we increased our workforce at our corporate offices resulting in an increase in scope 2 emissions from purchased electricity.

For more information
refer to Climate Change in our Sustainability Databook 2024.

Solar plant

During FY24, the solar plant at the Pilgangoora Operation generated approximately 11.8GWh and contributed 9.5% of the total electricity produced for on site electricity consumption. As a result of the improved efficiencies, more than 9,700 large scale generation certificates were created and approximately 3ML of diesel fuel was displaced which reduced net emissions by approximately 8,000tCO_2-e.

Table 4: Climate-related risks and controls

Risk	Hazard	Potential impact	Controls
Increasing risk of dry spells and regional water stress	**Extreme drought** (Dry spells becoming longer)	Increases in water stress may lead to water shortages for water-intensive operations and restrictions on water-intensive extraction processes (e.g. hard rock lithium mining) which may decrease productivity when drought conditions persist.	Water management and supply action plan. Collaborate with peer organisations to enhance responsible water use.
Increasing risk of extreme rain/floods	**Extreme rain** (More frequent extreme and intense rain events)	Extreme rainfall and floods can cause physical damage to assets, affect site access and increase operational downtime, including disruptions to the fly in, fly out workforce, impacting Pilbara Minerals' production capabilities.	Early warning detection systems. Emergency response and management plans.
Increasing extreme heat risk	**Extreme heat and temperature rise** (Increased numbers of days annually exceeding 40°C)	Extreme heat frequency and longer heatwaves can increase heat stress and heat-related illnesses, and lead to increased cooling costs and increased pressure on energy supplies, potentially causing outages that can impact productivity.	Heat management strategies and worker safety programs. Adoption of heat-resistant technologies and practices for plant and mine infrastructure.
Emerging storm surge risk and sea level rise	**Sea level rise and storm surge** (Emerging storm surge risk and sea level rise for Port Hedland)	Sea level rise and more frequent 100-year storm surge events have the potential to affect port operations and disrupt logistics.	Emergency response and management plans. Climate-resilient infrastructure and adaptation measures.
Increasing risk of more intense cyclones (up to 20%)	**Tropical cyclones** (Increasing risk of more intense cyclones particularly impacting port infrastructure and logistics)	Tropical cyclones can cause operational downtime and asset damage, that can lead to reduced revenue particularly for intense events.	Early warning detection systems.

[1] In FY24, the Clean Energy Regulator confirmed that Pilbara Minerals may combine the Pilgan and Ngungaju mine and plant operations into one facility to address the anti-avoidance provisions as set out in the reformed Safeguard Mechanism Rule.

Environment

Pilbara Minerals values the diverse environments and ecosystems in which we operate. We understand our activities will have impacts on the environment and acknowledge the importance of the natural resources we rely on to continue operating.

Our commitment is to minimise our impacts, including the responsible consumption of water sources, resource management, and protecting biodiversity and the ecosystem services it provides.

As a participant to the United Nations (UN) Global Compact, we are committed to integrating management principles relating to the environment into our business strategy, policies, and procedures by applying a precautionary approach to environmental challenges, implementing initiatives to promote greater environmental responsibility and promoting the development and implementation of environmentally friendly technologies.

Our Environmental Management System (EMS) guides our approach to environmental management and principles of continuous improvement. Following a gap analysis with the ISO 14001:2015 Environmental Management Standard conducted by external consultants in FY23, we updated our EMS to close any gaps.

We promote environmental stewardship to our employees and contractors by including training and awareness in on site inductions. In FY24, 881 employees and contractors completed environment, land access and approvals training.

Environmental regulations

Maintaining a high level of environmental performance and compliance with all regulations and obligations is key to our operation. The Pilgangoora Operation is governed by federal and state legislation and has undergone assessment, obtained approvals and is subject to ongoing environmental regulation under the *Mining Act 1978* (WA), the *Environmental Protection Act 1986 (WA)*, and *Rights in Water and Irrigation Act 1914* administered by the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) and the Department of Water and Environmental Regulation (DWER) respectively. The future Lynas Find open pit has been referred for assessment under the *Environmental Protection and Biodiversity Conservation Act 1999 (Commonwealth)*.

We have environmental management processes in place, including compliance-specific training programs and environmental monitoring databases. These systems are used to actively monitor compliance with environmental approvals through the implementation of data management and compliance tracking to ensure oversight of our environmental obligations.

During the reporting period, we demonstrated compliance with necessary licences and approval obligations. There have been no major environmental incidents[1] relating to Pilbara Minerals' licences during the reporting period and all mining, exploration and associated activities have been undertaken in accordance with the relevant environmental regulations.

We engage an independent auditor on an annual basis to conduct an assessment of the Pilgangoora Operation's statutory obligations under the *Environmental Protection Act 1986 (WA) (EP Act)* Part V (Operating Licence), including the three current operating licences of the Operation. The auditors evaluate the level of

[1] An event which has long-term but reversible impacts to significant flora, fauna, habitat, biodiversity, or natural resources within or beyond the boundaries of the Pilgangoora Operation, with a consequence rating of severe or above and/or resulting in formal enforcement action.

conformance through a site inspection and assessment of activities, systems and documentation.

Nature-related issues

We recognise the importance of the Taskforce on Nature-related Financial Disclosures' (TNFD) recommendations and the integration of nature-related considerations into business practices. We aim to identify nature-related issues (dependencies, impacts, risks, and opportunities) within our direct operations using the TNFD 'LEAP' framework (locate, evaluate, assess and prepare) and progressively work towards aligning disclosure with this framework. In FY24, we conducted a preliminary internal gap analysis to assess our alignment with the recommendations leveraging from work that has already been progressed in relation to biodiversity, climate, water and waste management.

For more information please refer to our Sustainability Databook 2024.

The Board delegates oversight of nature-related issues to the Sustainability Committee. The Environment, Land Access and Approvals Team, which reports to the Chief Sustainability Officer, has managerial responsibility for the assessment and management of these nature-related issues, including biodiversity, waste, water, closure and reclamation.

Stakeholder engagement relating to nature-related issues is focused on collaboration with Traditional Owners, pastoralists, subject matter experts, and communication with government and regulatory agencies.

Assessment of nature-related issues at the Pilgangoora Operation are based on flora and fauna surveys, desktop reviews, monitoring data, GIS databases, management plans and systems, Environmental Impact Assessments and the Enterprise Risk Register.

Mine closure and reclamation

Closure is a critical aspect of life of mine planning, encompassing the entire process from planning, decommissioning, reclamation, rehabilitation and ongoing monitoring post-closure. Actively managing closure risks and opportunities, to deliver positive outcomes for the environment demands a collaborative approach with internal and external stakeholders throughout the mine life cycle.

We have two Mine Closure Plans (MCPs) approved by DEMIRS in place for our Pilgan and Ngungaju Plants. These plans are prepared with the intentions to safeguard human health and minimise negative social and environment impacts while maximising benefits. They set out our obligations and plan to ensure post mining land use will be suitable for local communities. These plans include targets relating to design, rehabilitation, post-mined landscape and land use, and biodiversity. In regard to our tailings storage facilities (TSFs), closure and rehabilitation of the downstream embankment slopes is to be undertaken progressively as rehabilitation materials, stability and surface will improve over time. The final soil cover and transition layers configuration for the tailings surface, which will occur after decommissioning, will be confirmed during operation based on ongoing operational tailings geochemistry test work and geotechnical investigation results. As part of managing closure risks and in accordance with DEMIRS guidelines the plans are reviewed every three years as per tenement conditions or as required as part of the mining proposal amendment process.

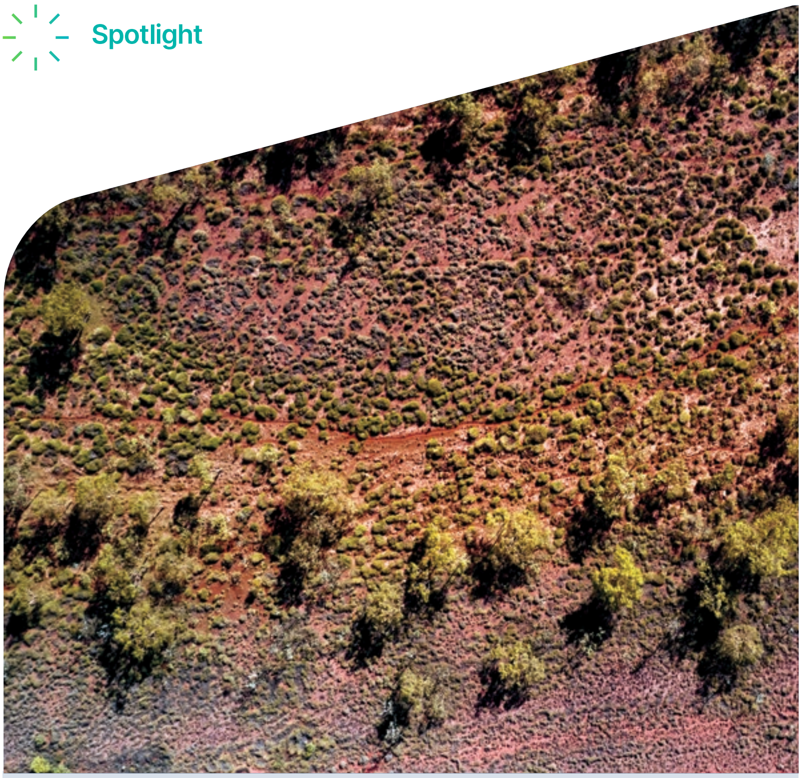
The Closure Plan includes long-term monitoring, involving the ongoing assessment of environmental, geotechnical and hydrological aspects to ensure the continued stability and environmental performance of the rehabilitated site.

The monitoring of water quality, vegetation, geotechnical instruments, and climate will continue until a long-term stable equilibrium has been reached.

In accordance with applicable legal requirements, we establish a provision for site rehabilitation and closure which is assessed annually.

For more information
refer to the Notes to the consolidated financial statements, pages 154-155.

Spotlight



Lithium ecotoxicology study

Lithium occurs in varying trace concentrations in all soil types. Plant uptake depends on soil conditions and plant species, with considerable variation in accumulation patterns across different plant species and geographic locations.

Pilbara Minerals engaged the University of Western Australia to investigate the distribution of lithium in soils and plants close to the Pilgangoora Operation to ensure that levels are within limits that are known not to cause harm to plants or wildlife. While published technical studies are usually focused on aquatic ecosystems, the research team will use an approach focused on local terrestrial ecosystems. Phase one will focus on investigating the lithium levels in the soil and leaves from sample sites around the Pilgangoora Operation. Phase two aims to investigate potential toxicity to plants and wildlife.

A preliminary assessment will be undertaken using published "ecological soil screening levels". The approach has adapted the species sensitive distribution (SSD) methodology, which is routinely used in aquatic toxicology assessments, to biota in soils. This will be done by restricting the soil SSD assessment to soil microflora, soil invertebrates and vegetation.

Based on the quality of information obtained during the initial stages of the study, the research team may consider using environmental DNA (eDNA) to determine an interim soil screening level.

The investigation will aim to report on the details of lithium concentrations in soils, plants and microbiome. Based on the findings, conclusions will be drawn as to the potential significance of these lithium concentration levels for animals and other wildlife.

Biodiversity, ecosystems and land use

Enhancing, protecting and rehabilitating the biodiversity and ecological value of ecosystems wherever we operate.

Developed Biodiversity Strategy

>2,000ha surveyed for flora and fauna

Pilbara Minerals supports UN Sustainable Development Goal (SDG) 15 to "protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss."

In FY24, the first Biodiversity Strategy was developed to provide context and broad guidance around relevant biodiversity values to inform decision-making and future prosperity of our mining operations. The Biodiversity Strategy will support our aspiration in seeking an overall Net Positive Impact on biodiversity through application of the precautionary principle and the mitigation hierarchy.

Prior to commencing activities that could potentially disturb the environment, we engage subject matter experts to conduct flora and fauna surveys across all operational areas to assess biodiversity values.

The principles of the mitigation hierarchy, shown in Figure 8, are applied to address impacts to biodiversity related to our activities.

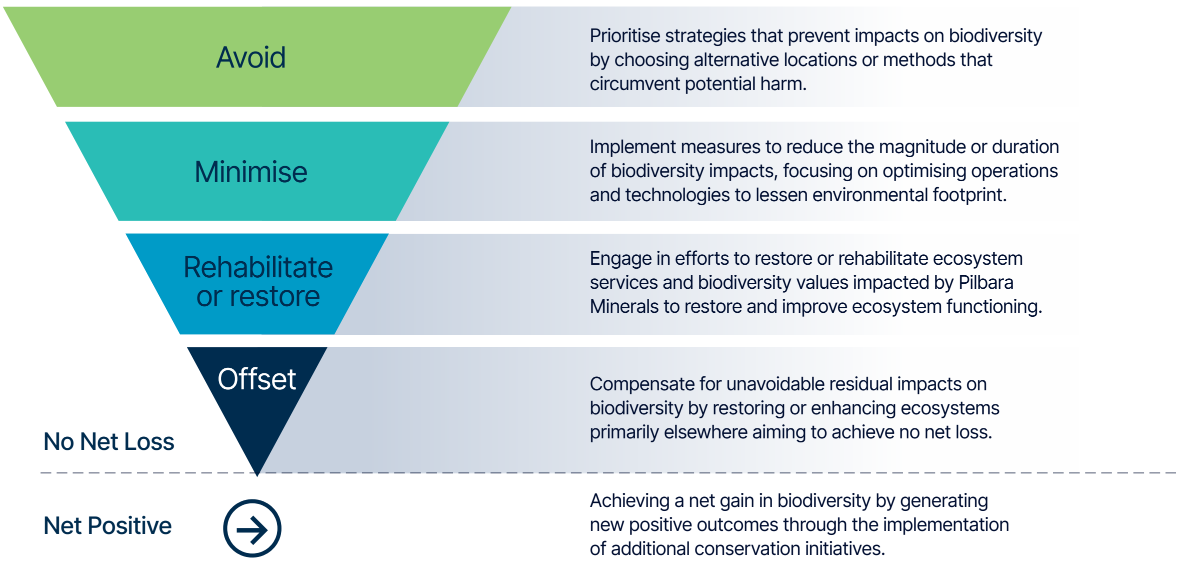
Pilbara Minerals avoids, and where avoidance is not possible, minimises impacting areas of biodiversity significance, such as Northern Quoll or Pilbara Leaf-nosed Bats critical habitat. We do not operate in or near World Heritage areas, IUCN Category I-IV protected areas, National Parks, Indigenous Protected Areas, reserves or Ramsar Wetlands.

Standards for Land Management are incorporated in our Environmental Management System (EMS) to minimise adverse impacts on biodiversity. This EMS ensures that all on site clearing operations are monitored and managed through a Land Use Clearing process. By adhering to this process all clearing activities are reviewed and approved in line with licences, permits and approvals.

We have formulated various management plans and procedures, including an Environmental Management Plan (EMP) which outlines the overarching strategies and processes. Additionally, there is a specialised Fauna Management Procedure to protect fauna within and around the operational areas as well as a Northern Quoll Management Plan and Bat Management Plan (Ghost Bats and Pilbara Leaf-nosed Bats) that focus on priority threatened species.

The Pilgangoora Operation is still in the development and expansion stage of its life cycle, however we work to identify opportunities for restoration and rehabilitation. Each year, we engage students, teachers and families from the local Yandeyarra School to collaborate in a tree planting day at one of our decommissioned borrow pits. Plants that are endemic to the region are selected to ensure the area maintains a similar vegetation structure to what existed prior to mining activities.

Figure 8: Biodiversity mitigation hierarchy



Water management

Responsibly managing water resources to mitigate impacts whilst ensuring availability of water across our operations.

- Comprehensive water accounting
- Increased monitoring frequency
- 27GL of water recirculated

Water is a vital natural resource, critical for the health of our ecosystems, communities and the sustainable operation of our business.

Responsible water management is a priority for Pilbara Minerals, ensuring a sustainable water supply with a long-term commitment to water stewardship.

We achieve this by focusing on:

- advancing hydrogeological knowledge by continuously expanding our understanding of groundwater systems and surface water resources and operational water balance
- improving water use efficiency by seeking to identify practices to reduce our water consumption and maximise recycling and reuse across our operations.

During FY24, we have strengthened our water management practices by:

- implementing a water management and supply action plan
- aligning our water balance reporting with the Minerals Council of Australia's Water Accounting Framework
- refining our water governance framework, including establishing a Water Management Steering Committee.

Water governance

Our water governance approach is built on collaboration between a Water Management Steering Committee providing strategic oversight and an operational Water Working Group.

The Water Management Steering Committee, formed in FY24, is supported by executive-level sponsorship and provides strategic direction for our water management and supply initiatives. Composed of senior leaders, including a dedicated hydrogeologist and cross-functional representatives, the committee meets quarterly to:

- ensure oversight of progress on water management and supply initiatives
- monitor emerging trends and regulatory compliance
- enable timely decision-making and resource allocation.

The Water Management Steering Committee reports any significant updates to the Executive Leadership Team, with the Chief Operating Officer and other executives providing additional oversight and guidance on water management strategies and performance as required.

The Water Working Group comprises senior leaders and cross-functional representatives and is responsible for the day-to-day execution of our water management and supply initiatives.

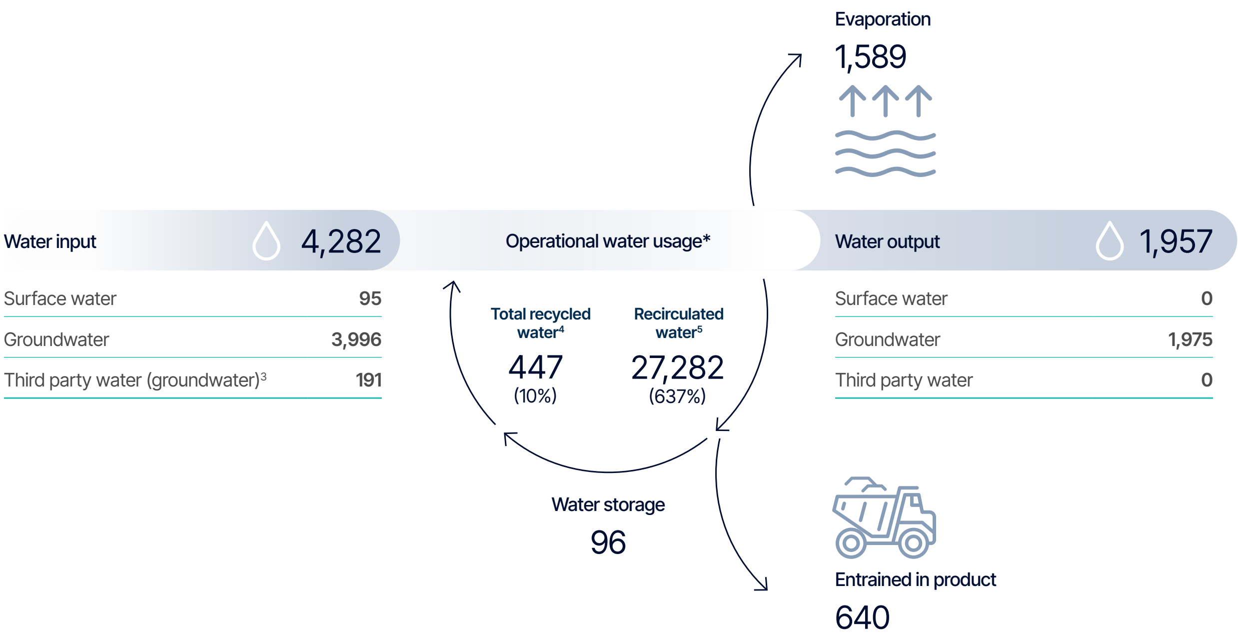
The working group meets monthly to facilitate regular communication and alignment to effectively implement and track water management and supply initiatives and manage water-related risks and opportunities.

Water accounting

For FY24, water accounting was conducted according to the Minerals Council of Australia's Water Accounting Framework (refer to Figure 9). Adopting this framework promotes continuous improvement in our water reporting, ensuring our efforts are aimed at consistent and reliable practices when measuring, monitoring and reporting our water-related data.

Through FY25, we aim to roll out telemetry to enhance data collection quality, ensure improved accuracy and completeness of the water balance and inform more detailed data-driven decision-making regarding water management and targeted efficiency initiatives.

Figure 9: Overview of FY24 water balance for Pilgangoora Operation (ML)[1, 2]



[1] Excludes changes in storage.

[2] The water balance calculations are based on a combination of assumed, estimated, simulated, calculated and measured values. The accuracy of the water balance will improve each year as more data becomes available from direct measurements.

[3] Water supplied through agreements with other licensed extractors managed and operated by Pilbara Minerals.

[4] Recycled water is defined as water returned to the process plant via tailings storage facilities.

[5] Recirculation water defined as water reused during processing prior to being discharged to tailings storage facilities.

Water management

The Pilgangoora Operation, located in the Port Hedland coast hydrographic catchment basin, primarily extracts groundwater from the Pilbara fractured rock aquifer from various groundwater supplies, including mine dewatering, borefields. The local area also hosts multiple other groundwater users, such as neighbouring mines, communities and pastoralists.

We use the World Resources Institute's Aqueduct Water Risk Atlas Tool (Aqueduct 3.0) for risk assessments related to water availability and supply. This tool indicates that the Pilgangoora Operation is in a 'Medium High' water-stressed area however considering all water risk factors (quantity, quality, regulatory, and reputational risks), the area is classified as 'Extremely High'.

We maintain a comprehensive water balance and demand forecast, revised quarterly, to quantify historical usage and ensure future demand requirements are met. This process enhances the accuracy of our water demand forecasts and identifies opportunities for improved efficiency.

A Groundwater Operating Strategy (GWOS) is used in line with DWER guidelines to ensure compliance with regulatory obligations and sustainability goals. A Trigger Actions Response Plan (TARP), incorporated into the GWOS following international best practices, allows for adaptive management to minimise impacts.

In FY24, there were no major incidents of non-compliance related to water quality permits, standards or regulations that resulted in formal enforcement action[1].

[1] Formal enforcement actions, are defined as governmental responses to violations of environmental laws, potentially resulting in penalties, administrative orders, or judicial actions.

Air emissions

Managing and mitigating impacts of air emissions, including monitoring and management of dust wherever we operate.

Dust Management Plan

Enhanced dust suppression techniques

Most dust from mining activities results from disturbances, such as blasting, drilling, excavation, loading, crushing, processing operations, dumping and haulage. We have ongoing dust monitoring systems to assess air quality at our site. Regular monitoring helps identify any potential issues and take timely corrective actions. As part of our operational controls, we have dust deposition gauges and complete annual vegetation assessments which include an assessment of dust impacts.

We have an internal Air Management Standard, Dust Management Plan and EMP that provide guidance to employees for managing air emissions from work-related activities to minimise impact on human health and the environment. Controls include dust suppression used on the roads and tailings storage facilities (TSFs) to reduce dust lifting. In FY24, we enhanced dust suppression techniques, including trialling a dust suppressant.

Sensitive receptors are classified as places where people are likely to work or reside. This may include dwellings, schools, hospitals, offices or public recreational areas. There are no sensitive receptors within a 30km radius of the Pilgangoora Operation[1].

We actively engage our workforce through educational programs to raise awareness about the importance of air quality and dust control and the role everyone can play in minimising dust emissions.

Greenhouse Gas (GHG) and non-GHG emissions are reported under the *National Greenhouse and Energy Reporting Act* and the National Environmental Protection (National Pollutant Inventory) Measure.

For more information
refer to the Sustainability Databook 2024.

[1] Operational offices and camps are classified as work environments and therefore not considered sensitive receptors.

Waste and tailings

Responsibly managing waste and hazardous materials, including the safe management of tailings storage facilities.

Developed Tailings Management Policy

Established Waste Working Group

We strive to improve the responsible and efficient use of natural resources and minimise waste as result of our activities. This commitment is outlined in our Environment Policy which serves as a guiding document for our waste management practices and is supported by our Waste Management Standard which details the requirements for identification, registration and management of waste streams and hazardous waste, waste stream assessments and waste storage.

Tailings

We are committed to actively managing and operating our tailings storage facilities (TSFs) by prioritising zero harm to people and communities and minimising adverse impacts to the surrounding environment throughout all phases of the TSF lifecycle, including planning, design, construction, operation, monitoring, closure and post-closure activities. We have two active TSFs and no inactive or closed TSFs. Both TSF consequence classifications have been assessed as 'High' and follow downstream construction method. In FY24, approval was granted for a new TSF with construction commencing in April 2025.

Our Tailings Management Plan describes the features of the TSFs and sets out the relevant operational practices and procedures. The operation and management of the TSFs adheres to the guidelines, regulations and codes of practice, including the Australian National Committee on Large Dams Guidelines on Tailings Dams (ANCOLD) (2012). During FY24, we developed our first Tailings Management Policy with reference to the principles of the Global Industry Standard on Tailings Management (GISTM).

For more information
refer to our website
pilbaraminerals.com.au/policies

Tailings management systems and governance structures are in place to monitor and maintain the stability of the TSFs. Previously, the piezometer monitoring relied upon manual download for collecting and processing the data. In September 2023, all the data loggers were upgraded with a telemetry system to have the ability to transmit data remotely into a cloud database allowing real time data monitoring. This approach is also improving safety by saving significant hours in the field and reducing exposure to site risk.

For more information
refer to the Sustainability Databook 2024.

Stakeholder management

We respect, engage and consult with all project-affected people, adopting and implementing TSF management policies, practices and systems in line with the United Nations Guiding Principles on Business and Human Rights (UNGP).

We engaged Traditional Owners to conduct a cultural heritage assessment of the Pilgan site during the TSF design phases to identify and protect tangible and intangible cultural heritage. The intent to construct the new TSF was discussed with Nyamal Aboriginal Corporation prior to any lodgement of government approvals.

Emergency preparedness

To account for extreme weather events the TSFs are designed according to the ANCOLD guidelines for dam category 'High'.

For emergency preparedness, we have a specific Emergency Preparedness Response Plan (EPRP) for each TSF.

The result of a dam break assessment indicates that there are no potentially affected communities within the area downstream of the potential breach location.

Mineralised waste

Mineralised (mine) waste is managed in accordance with the Mining Proposals and Acid Mine Drainage Management Plan (AMDPs) assessed and approved by DEMIRS. Mine waste facility design identified risks (including tailings) and evaluation of performance are managed according to our AMDP.

Managerial responsibility of mineralised waste management belongs to the Mine Planning Team who report to the Chief Operating Officer/Executive General Manager Operations.

Non-mineralised waste

We have a waste management facility incorporating landfill, recycling and BioFarm operations designed to segregate and responsibly dispose, reuse, recover or recycle various waste streams, including metals, aerosols, plastics, batteries, wood, oils and hydrocarbons.

Acid mine drainage management

A Classification and Characterisation of Potentially Acid Forming Material Procedure and AMDP are used to identify and manage Non-Acid Forming (NAF) and Potentially Acid Forming (PAF) material to prevent and/or mitigate Acid Mine Drainage (AMD) impacts at the Pilgangoora Operation. The AMD operation procedures include ongoing characterisation, classification system validation, waste placement, data management and performance monitoring.

Business ethics and transparency

Operating honestly and ethically, committing to maintain and enhance corporate governance and comply with our licence to operate.

- Joined UN Global Compact
- Reviewed our industry associations' climate alignment

We recognise our role in upholding the highest standards of business ethics and governance across our operations and supply chain. We believe that effective governance promotes a culture of accountability and transparency, which builds trust among our stakeholders and supports our reputation and long-term value creation.

For more information on Pilbara Minerals' Board and governance structure, refer to page 45.

To ensure strong ethical conduct, we have established a governance framework that includes policies and procedures, independent oversight, and regular audits. These measures help us comply with regulatory standards and our internal guidelines.

Our governance framework comprises various policies, including:

- Anti-Bribery and Corruption Policy
- Climate Change Position Statement*
- Code of Conduct
- Compliance Policy and Framework
- Confidentiality and Conflict of Interest Protocols
- Continuous Disclosure
- Human Rights Policy*
- Inclusion and Diversity Policy
- Remuneration Policy and Framework
- Responsible Production and Sourcing Policy**
- Risk Management Policy and Framework*
- Securities Trading Policy*
- Shareholder Communications and Investor Communications
- Whistleblower Policy*

* Policy updated during FY24.
** Policy developed during FY24.

Regular reviews are conducted for all policies and practices to ensure alignment with the current business environment and to incorporate any updates to applicable ASX listing rules and other regulations.

All our policies are widely communicated and made accessible to all our stakeholders on our website.

For more information refer to the corporate governance section of our website, pilbaraminerals.com.au/policies

Code of Conduct and anti-corruption and bribery

Pilbara Minerals' Code of Conduct and Anti-Bribery and Corruption Policy align with our values and ensure employees, contractors, and business partners are aware of ethical standards, Company expectations and prohibited conduct.

Any breach of our policies is regarded as a serious matter and may result in disciplinary action, including termination or action in accordance with the terms of the engagement or appointment. Non-compliance with these policies and relevant laws could also result in reputational damage and/or serious criminal and civil consequences and penalties for both the individual involved and the Company.

Our Anti-Bribery and Corruption Policy was reviewed in June of FY23. This policy will be reviewed by the Audit and Risk Committee at least every two years, or otherwise earlier based on requirements, and requires Board approval. During FY25, we will be focused on reviewing and updating our Code of Conduct and enhancing accessibility for our stakeholders.

Grievance mechanisms

We are dedicated to promoting a culture of corporate compliance, ethical conduct, and effective corporate governance. The Stakeholder Grievance Procedure is essential in ensuring that all stakeholder concerns are acknowledged, investigated, and addressed by the Company within a timely manner.

The Company has a whistleblower platform in place, which enables confidential and anonymous reporting of actual or potential misconduct or any improper state of affairs or circumstances in relation to the Company, including protected whistleblower disclosures.

During FY24, we received a total of 12 reports through our whistleblower platform. All reports were reviewed, assessed and investigations conducted where applicable. All cases were closed within the reporting period. It is important to note that the majority of the reports did not meet the criteria for protected disclosures under the whistleblower provisions of the *Corporations Act 2001 (Cth)*.

Reports received by category included five harassment and bullying reports, three alleged health, safety, or environment matters, two alleged cases of fraud, one discrimination case, and one alleged privacy concern. All cases were closed within the period, with three being substantiated.

Additionally, no reports related to sexual or general harassment and bullying received through any reporting channels throughout the year were of a level of severity that required reporting to the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS).

Outcomes for the three substantiated cases included formal disciplinary action for one incident of harassment and bullying and coaching for two cases involving discrimination and harassment and bullying respectively. External independent investigations into the two fraud allegations, concluded that both were unsubstantiated. Cases involving unsubstantiated allegations of harassment, bullying, privacy, and health and safety breaches were assessed and determined to require no further action or had insufficient information to progress.

We regularly review our whistleblower mechanism to ensure that our processes are robust and effective in safeguarding individuals who report misconduct. In FY24, we reviewed and improved our whistleblower mechanism by updating the Whistleblower Policy to provide greater clarity on reportable conduct and what are considered protected disclosures under the *Corporations Act 2001*.

Privacy

Privacy laws are primarily governed by the *Privacy Act 1988 (Cth)* and overseen by the Office of the Australian Information Commissioner. These laws regulate how personal information is handled by Australian government agencies and businesses by promoting transparency, fairness, and accountability in data management practices. Updates to the *Privacy Act 1988 (Cth)* are expected to be introduced in FY25.

Addressing privacy risk has been a core objective in FY24 with the establishment of a dedicated Privacy Working Group. The initial focus of this group was to revise and update the Privacy Policy and undertake a full system review, including access rights and records control to ensure that personal private information is appropriately managed.

Industry associations and memberships

Industry associations serve as a valuable platform for collaboration, knowledge-sharing and collective advocacy on issues impacting our industry and community. We recognise the value in aligning with organisations that represent similar interests to raise industry standards to keep our industry safe, competitive and sustainable.

We have proudly joined the United Nations Global Compact, reaffirming our dedication to sustainable and responsible business practices. By becoming a participant, we are committed to aligning our strategies and operations with the Ten Principles of the UN Global Compact, which focus on human rights, labour, environment, and anti-corruption, and produce an annual Communication on Progress that details our efforts to integrate these principles into our business practices and to support broader societal goals.

Our Whispli App is available for confidential and anonymous reporting. Scan the QR code to download the App.

WE SUPPORT

In FY24, we held memberships with 11 industry associations:

- International Lithium Association
- Chamber of Minerals and Energy WA
- Chamber of Commerce and Industry WA
- Australia China Business Council
- Australia Korea Business Council
- Port Hedland Industries Council
- Port Hedland Chamber of Commerce and Industry
- Australian British Chamber of Commerce
- UN Global Compact Network (active participant)
- National Association of Women in Operations
- Australasian Institute of Mining and Metallurgy

An annual review process was initiated during the year to identify material additions or changes to policy positions of associations to ensure they are aligned to our climate goals and Company values. The FY24 review identified two associations were in alignment, six with no current public positions, and three with no material differences. We are engaging with the associations identified to have no material differences to advocate for stronger alignment with our climate position.

For more information refer to industry association members report available on our website, pilbaraminerals.com.au/reporting-disclosures

Responsible minerals

During FY24, we conducted a self-assessment using the Initiative for Responsible Mining Assurance (IRMA) standards across key criteria. We also engaged a third party to independently review our self-assessment. The recommendations from this review have been integrated into our action plans and are continuously monitored by the Sustainability Team. Progress on these actions is reported quarterly to the Chief Sustainability Officer, the Managing Director and Board-level Sustainability Committee.

Protecting human rights

Supporting and influencing positive change throughout our supply and value chains, respecting the human rights of our workforce and communities in which we operate.

- 1,297 people completed modern slavery training
- Human rights screening across our Tier 1 suppliers
- Established Human Rights Working Group

We take our humans rights and modern slavery responsibilities seriously and recognise the urgent challenge of combatting impacts in today's world. We are working towards strengthening mechanisms to avoid, identify and assess our potential impacts to ensure we are well prepared to remedy human rights abuses if they were to occur.

The Sustainability Committee and Audit and Risk Committee monitor human rights, including modern slavery risks and management measures. A Human Rights Policy and Sustainability Policy are in place and overseen by the Sustainability Committee. These policies, coupled with Pilbara Minerals' Code of Conduct, set out expectations and provide a framework to ensure we define, identify and manage modern slavery risks within our operations and supply chains.

During FY24, we updated our Human Rights Policy which was approved by the Board. This policy superseded the previous Modern Slavery Policy and aims to broaden our governance over human rights impacts. The policy will help to further drive our commitment to upholding human rights.

Human rights legislative context

We understand our role and responsibilities in upholding human rights across our operation and supply chains. In Australia, human rights are protected through various laws and regulations at both federal and state levels.

Each year, we disclose our Modern Slavery Statement in accordance with the Australian *Modern Slavery Act 2018*.

For more information
refer to our website
pilbaraminerals/reporting-disclosures

Human Rights Working Group

In FY24, we held our inaugural Human Rights Working Group, chaired by the Sustainability Team. The working group has been designed to focus on human rights training and awareness, due diligence, remediation, First Nations' rights, and free, prior and informed consent (FPIC).

Human rights due diligence

Strengthening human rights due diligence processes was a priority in FY24. Our registered Tier 1 suppliers have been onboarded in our new supplier system.

All potential suppliers are only awarded a contract if their sustainability criteria has been assessed. This is then coupled with the supplier onboarding process and subsequent analysis depending on risk. The Sustainability Team assesses human rights risk using indicators which include, but are not limited to, high-risk geographies (for example legislation, sanctions, conflict-affected high-risk areas, living wage), accessibility of training and grievance mechanisms and migrant worker hire and third party recruitment. This allows for greater oversight over tier 1 suppliers and aims to ensure suppliers are aware of our protocols, values, and commitment to eradicating human rights abuses.

To date, we have not identified any instances of human rights breaches, including modern slavery in Tier 1 suppliers[1]. We remain committed to continuing to improve due diligence processes in this regard.

Remediation

As part of our due diligence, remediation involves providing appropriate redress for adverse human rights impacts and implementing measures wherever possible to prevent future occurrences. We recognise that remedy processes for adverse human rights impacts must be taken on a case-by-case basis as context-specific factors will inform our approach and appropriate levels of response.

In FY25, we will strengthen our remediation response processes by implementing a procedure designed to effectively address potential human rights impact when identified.

Modern slavery training

As a key human rights risk with regulatory governance, modern slavery in all its forms is actively managed and monitored within the business. We have actively pursued avenues for training and awareness and strengthened due diligence processes and abilities to identify impacts throughout our operation and supply chain.

In FY24, modern slavery training was rolled out company-wide, with a particular focus on teams that have greater likelihood to identify or ability to assess and address risks. Key members from each team completed the modern slavery training with a total of 1,297 individuals across the business, including contractors, employees and suppliers. During FY25, we plan to complement this training by rolling out third party Voluntary Principles on Security and Human Rights training across key roles.

[1] A Tier 1 supplier is defined as a supplier directly engaged by Pilbara Minerals.

Responsible value chains

Working with business partners to strive for a responsible value chain (across our operations, suppliers and customers) that creates environmentally sustainable, economic and social value for society.

Responsible Sourcing Policy developed

ESG screening across our Tier 1 suppliers

$1,570M total Australian business spend

Understanding our value chain is essential to drive operational excellence, manage risks, create long-term value for stakeholders and capitalise on market opportunities. We are working towards better understanding our value chain impacts across activities, such as exploration, extraction, processing, transportation and ultimately the sale of our products.

In FY24, we established our Responsible Production and Sourcing Policy. The policy outlines our commitments to ethical and responsible sourcing and production practices, including managing human rights, corruption, environmental, climate change and other risks through procurement practices.

Our value chain

Our value chain is based on five main activities; exploration and development, mining, processing, transport and logistics, downstream and customer use. An overview of Pilbara Minerals' value chain can be seen in Figure 10.

In FY24, as part of our materiality refresh, we engaged a third party to perform a high-level review of our value chain, aiming to improve our understanding of sustainability-related risks and opportunities throughout our activities, and key stakeholders through each stage from exploration to the end-of-life use by customers. We will continue to assess our value chain to enhance our understanding of our risks and opportunities, including human rights issues, emissions reduction and biodiversity management year-on-year.

Figure 10: Pilbara Minerals' value chain

Value generation	• Leasing and licence payments • Employment opportunities • Royalties to government / landholders	• Economic growth • Innovative refining • Community, partnerships, customer and supplier investment and collaboration	• Renewable energy storage solutions • Innovations and technology improvements

Our supply chain

All suppliers must align with Pilbara Minerals' business practices. Supplier alignment is assessed through the initial tender assessment process followed by a rigorous onboarding process. The process requires suppliers to detail areas, such as modern slavery, environment, health and safety, cyber security, and identify whether they operate or have relationships with conflict-affected high-risk areas. This aims to ensure that suppliers are compliant with our policies and values and provides early indication if these businesses are operating in line with relevant regulations and can effectively fulfil contractual obligations.

In FY24, we onboarded all suppliers into a new supplier management system, screening across key areas of ESG. The system has improved capabilities around contract management and ensures all suppliers are compliant with our Code of Conduct and other key policies.

Contracts and procurement management

Our contracts and procurement management approach is guided by federal and state legislation as well as a comprehensive suite of policies and procedures. Managing contracts and procurement effectively involves several key approaches to ensure transparency, efficiency, and compliance with legal and ethical standards. Responsibility for the management of contracts and procurement lies with the Contracts and Procurement Team. A dedicated team and Group Manager help ensure consistency in processes, continuous monitoring for compliance with internal policies, and optimising decision-making in vendor selection and contract award.

Customer engagement

We are committed to active engagement with our customers and during FY24 we held focused discussions, surveys, and due diligence reviews to support their sustainability obligations, including Responsible Minerals Assurance Process (RMAP) certification. By working together, we aim to strengthen our shared commitments to sustainability and promote positive change throughout our value chain.

Technology and innovation

Pursuing technology and innovation that builds the Company's competitive advantage and addresses business challenges and opportunities.

Lithium battery-powered bus

Engaged in the Pathways to Sustainability Program

Innovation and technology are driving transformative changes in the mining sector by redefining operational efficiencies, safety standards and sustainability. During FY24, we integrated innovative solutions, such as fuel additives for a more efficient fleet and a lithium battery-powered bus. These initiatives enhanced productivity while minimising environmental impact.

Mid-stream Demonstration Project

The Mid-stream Demonstration Plant joint venture partnership with Calix, an Australian technology company specialising in advanced materials and processes, is focused on developing innovative solutions for sustainable lithium extraction and processing. Calix brings expertise in mineral processing technologies, which align with our commitment to sustainable mining practices.

Through collaborative research and development efforts we aim to strengthen Australia's position as a leading hub for sustainable lithium production.

Lithium battery-powered bus

An electric bus, developed in partnership with local Port Hedland business Northfleet, was brought to our operation to transport passengers from the airport to site.

The new bus is the first piece of major permanent mobile equipment at the Pilgangoora Operation that is 100% electric to operate, replacing a diesel-fuelled bus.

The bus is understood to be the first electric bus to operate in the East Pilbara, bringing benefits of lower emissions as well as reducing maintenance and operating costs. The bus powers up at a new charging station connected to the on site power supply supplemented by the Pilgangoora Operation's 6MW solar farm.

Pathways to Sustainability Program

We are proud to have joined Caterpillar's newly launched Pathways to Sustainability program in FY24. This four-year program is designed to assist our sector in navigating the energy transition through training across six critical areas: strategy, people, product, process, technology, and infrastructure. The program is aimed at exploring opportunities to make an impact toward site emissions reduction objectives through a number of pathways, including the use of technology, reducing machine lifecycle waste, fleet-bridging strategies and technology-ready solutions that can be applied to improve efficiency. We look forward to collaborating with Caterpillar and our industry peers to reduce emissions and enhance operational efficiency.

For more information
refer to Climate change and emissions reduction section of this report, pages 68-72.

Cyber security and business continuity

We recognise the importance of information technology (IT) and cyber security management, alongside comprehensive information security measures. Our approach aims to safeguard sensitive information of our people and minimise vulnerabilities associated with potential cyber threats.

The Board has oversight of Pilbara Minerals' cyber security processes, via the Audit and Risk Committee. The Chief Financial Officer is the Executive Leadership Team member accountable for IT and cyber security, including data security incidents, breaches or matters of non-compliance, information systems and security and information backup and data recovery processes.

We have an Information Security Policy which ensures information systems are recognised as an asset and appropriately managed to ensure integrity, security, and availability. This policy is reviewed every two years and applies to all users of our information systems. Pilbara Minerals' Information Technology Team is responsible for implementing all the necessary processes and procedures to support adherence to the Information Security Policy.

During FY24, our Information Technology Team enhanced the resilience and redundancy controls across our technical infrastructure, including:

- ongoing review and strategic upgrades to reduce our dependence on traditional backup and disaster recovery plans
- enhanced our Cyber Security Incident Response Plan and quarterly cyber security training exercises
- mandatory cyber security monitoring continued for all existing and new suppliers.

Generative AI

We understand the benefits that artificial intelligence (AI) can bring to certain parts of the business.

Guidelines on the responsible use of generative AI have been implemented and a training course on generative AI usage and risks was rolled out to all employees in FY24. Through FY25, we will be developing an AI Adoption Strategy to ensure the responsible and secure integration of AI technologies across our business.

Economic performance and growth

Responsible financial management and sustainable growth fostering resilience that underpins long-term success.

$977.0M total net tax contribution

Tax Policy released

We are committed to creating sustainable social and economic benefits, supporting our communities through employment opportunities, community investment initiatives and payments of taxes and royalties to ensure a positive and lasting impact on the regions where we operate.

We provide direct and indirect contributions through a number of payments generated by activities. We strive to ensure economic benefits are provided locally and nationally from our operations. In FY24, 97% of total expenditure was procured in Australia compared to 3% international spend. Of this, Western Australian businesses received $1.3B, representing 80% of the total expenditure. In doing so, we stimulate entrepreneurship, indirectly generate additional employment opportunities, and contribute towards community development and livelihood creation. Refer to Tables 5-7 for further detail.

Tax transparency

Pilbara Minerals recognises that taxes are a critical element of the economy, providing a key source of revenue for governments to invest into our communities and support their broader social development aspirations.

The Board has ultimate responsibility for the tax risk management framework designed to identify and manage risk on an on-going basis. The Board is supported by the Audit and Risk Committee to oversee tax governance and risk management.

The Board has set a low-risk appetite in relation to tax risk. A low-risk appetite is determined to be a risk averse approach where the Board is not prepared to compromise on this area given the alignment with the purpose and values of the Company.

Table 5: Economic value generated $AUD[1]

Revenue	**$1,254M**

[1] Revenue is included on an accruals basis.

Table 6: Economic value distributed $AUD[1]

Employee wages and benefits	$165.4M
Payments to suppliers	$1,617.2M
Community contribution[2]	$1.4M
Total	**$1,784.0M**

[1] All of the economic value distributed metric values are on a cash basis.
[2] Includes cash donations related to our partnerships, community grants and in-kind donations. For further information on community contributions refer to page 67.

Table 7: Tax contributions and payments[1]

Corporate income tax[2]	$972.8M
Employee payroll taxes (not borne)[3]	$54.5M
Employer payroll taxes[4]	$13.6M
Other taxes and payments[5]	$12.6M
Royalties[6]	$100.4M
Net taxes refunded[7]	($176.9M)
Total net tax contribution[8]	**$977.0M**

[1] As our Company's operations are based only in Australia, we do not provide a country-by-country breakdown of tax payments. Refer to our Annual Report – Consolidated Cash Flow Statement, page 136.
[2] Includes corporate income tax cash payments.
[3] Deducted taxes from employees' remuneration remitted to the tax authorities on their behalf.
[4] Employer payroll taxes are calculated on the wages paid to employees remitted to tax authorities.
[5] Includes stamp duty on transactions involving mining tenements, such as transfers, leases, and specific mineral rights as mandated by Western Australia.
[6] Royalties paid to the Western Australian government in relation to the rights to extracting spodumene and tantalum.
[7] Net tax cash receipts during the period, including goods and services tax (GST) credits and applicable fuel tax credits.
[8] Sum of all reported taxes paid by the Company, less net tax refunded during the reporting period, total may not add up due to rounding.

Image: The new crushing and ore sorting facility at Pilgangoora delivered as part of the P680 Project

During FY24, we published our Tax Policy which outlines our approach and commitments to tax obligations.

For more information please refer to the corporate governance section of our website pilbaraminerals.com.au/policies

Business relationships and value sharing

Pilbara Minerals and POSCO Holdings have a joint venture (JV) partnership to develop a Lithium Hydroxide Monohydrate Chemical Facility in Gwangyang, South Korea.

The Chemical Facility is owned and operated by the POSCO Pilbara Lithium Solution Co Ltd, a JV with POSCO Holdings owning 82% and Pilbara Minerals owning 18% with an option to increase our equity interest to 30%.

The JV places Pilbara Minerals and POSCO in a strong position to participate in the chemical conversion industry as one of the few near-term lithium chemicals producers outside of China, with raw materials supply underwritten from the Pilgangoora Operation.

Expansion project economic impact

We are expanding our production capacity to unlock the full potential of the Pilgangoora asset and recognise the potential for positive economic impact through employment and local business expenditure.

P680 Project

The P680 Project was completed subsequent to the end of FY24, with first ore in the new crushing and ore sorting facility achieved on 8 July 2024. The project comprised a $404 million capital investment from the Company with 350 construction jobs created and approximately 300 additional jobs above the pre-P680 baseline workforce which will be sustained over the operating life of the mine.

More than 90% of all project expenditure was with WA businesses, including $37.9M with local Pilbara based businesses. The project provides an uplift of approximately 30% to the operation's production nameplate capacity.

P1000 Project

The $560 million P1000 Project is currently under construction and was 60% complete at the end of FY24.

The completion of the P1000 Project will bring the production capacity of the Pilgangoora Operation to up to 1 million tonnes per annum (Mtpa) of spodumene concentrate. This additional production will create new ongoing business opportunities and increase the volume of product through the port of Port Hedland.

Approximately 50 jobs will be created during construction of the P1000 Project, with 49 ongoing operational jobs expected to be created.

P2000 Project

In June 2024, we announced the Pre-Feasibility Study outcomes for the P2000 Project, which determined that Pilgangoora Operation's production capacity could exceed 2Mtpa[1]. This expansion is expected to average ~1.9Mtpa over the first ten years, with more than 2Mtpa in the first six years after ramp-up. A Feasibility Study is now underway, with active stakeholder engagement to explore offtake and partnering opportunities.

[1] Refer to ASX release "Study delivers 2MTPA expansion option – highly accretive" dated 21 June 2024 for further details and supporting information.

Responsible and ethical actions

Independent limited sustainability assurance statement

KPMG

Independent Limited Assurance Report to the Directors of Pilbara Minerals Ltd

Conclusion

Based on the evidence we obtained from the procedures performed, we are not aware of any material misstatements in the Selected Sustainability Information, which has been prepared by Pilbara Minerals Limited (Pilbara Minerals) in accordance with the Criteria for the years ending 30 June 2024 and 30 June 2023.

Selected Sustainability Information

The Selected Sustainability Information comprises the following sustainability metrics in the Pilbara Minerals Sustainability Databook 2024, and where indicated in the Annual Report 2024 for the years ended 30 June 2024 and 30 June 2023.

Selected Sustainability Information	Unit	FY24	FY23
Scope 1 GHG Emissions	tCO_2-e	180,291*	150,324
Scope 2 GHG Emissions	tCO_2-e	110	60
Total Recordable Injury Frequency Rate (TRIFR)	Ratio	3.41*	**
Diversity (% of female employees)	%	23.3*	**

The Selected Sustainability Information covers Pilbara Minerals wholly owned operations.

**Presented in the Pilbara Minerals Annual Report 2024*

***Not part of the assurance scope*

Criteria

The Selected Sustainability Information has been prepared in accordance with Pilbara Minerals management measurement methodologies, which are aligned to the National Greenhouse and Energy Reporting Act 2007. A summary is provided in the Sustainability Databook 2024.

Basis for Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 (Standard). In accordance with the Standard we have:

- Used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the Selected Sustainability Information, whether due to fraud or error;
- Considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- Ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- Interviews with senior management and relevant employees to understand the internal controls, governance structure and reporting process of the Selected Sustainability Information;
- Assessment of operational control and reporting boundaries, including GHG emission categories.
- Walkthroughs of key datasets and detailed analytical procedures;
- Recalculation of datasets for Scope 1 and 2 GHG emissions, Diversity and TRIFR;
- Agreeing the Selected Sustainability Information back to underlying sources. This included a sample of Scope 1 emissions back to fuel supplier invoices, Scope 2 emissions to electricity invoices, recorded injuries for TRIFR and for employees back to the payroll system and employee contracts.
- Assessing emission factor sources and re-performing emission factor calculations;
- Assessing the suitability of criteria, including key assumptions; and
- Reviewing the Pilbara Minerals 2024 Annual Report and Sustainability Databook 2024 in its entirety to ensure it is consistent with our overall knowledge of the assurance engagement.

Independent limited sustainability assurance statement

KPMG

How the Standard Defines Limited Assurance and Material Misstatement

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance conclusion. Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of Pilbara Minerals.

Inherent Limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, or error may occur and not be detected. Non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

Use of this Assurance Report

This report has been prepared for the Directors of Pilbara Minerals for the purpose of providing an assurance conclusion on the Selected Sustainability Information and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of Pilbara Minerals, or for any other purpose than that for which it was prepared.

Management's Responsibility

Management are responsible for:

- Determining that the criteria are appropriate to meet their needs;
- Preparing and presenting the Selected Sustainability Information in accordance with the Criteria; and
- Establishing internal controls that enable the preparation and presentation of the Selected Sustainability Information that is free from material misstatement, whether due to fraud or error

Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to the Selected Sustainability Information for the year ended 30 June 2024 and 30 June 2023 and to issue an assurance report that includes our conclusion.

Our Independence and Quality Management

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Australian Professional and Ethical Standards Board and complied with the applicable requirements of Australian Standard on Quality Management 1 to design, implement and operate a system of quality management.

KPMG

KPMG

S E Newman

Sarah Newman
Partner
Melbourne
23 August 2024

Financial Report

Directors' Report

The Directors present their report together with the consolidated financial statements of the Group comprising of Pilbara Minerals Limited ("Pilbara Minerals or the Company") and its subsidiaries ("the Group") for the financial year ended 30 June 2024 and the auditor's report thereon. The Directors' report and consolidated financial statements are presented in Australian dollars, except where otherwise indicated.

Directors

The Directors of the Company at any time during or since the end of the financial year are:

Name, qualifications and independence status	Experience, special responsibilities and other directorships
Ms Kathleen Conlon BA (Econ)(DIST), MBA, FAICD **Chairman and Independent Non-Executive Director** Appointed Non-Executive Director 1 January 2024 Appointed Chairman 31 January 2024	Ms Conlon has been a professional, non-executive director for more than 20 years. She has extensive experience advising and leading some of Australia's largest companies, most recently as Chairman of Lynas Rare Earths Limited. Ms Conlon is currently a Non-Executive Director of ASX-listed companies Aristocrat Leisure Limited and BlueScope Steel Limited and chairs the Corporate Governance Committee of the Australian Institute of Company Directors (AICD) and is a member of Chief Executive Women. Ms Conlon is a former Non-Executive Director of CSR Limited, REA Group Limited, DLA Philips Fox and the Benevolent Society. Prior to becoming a Non-Executive Director, Ms Conlon was a partner with The Boston Consulting Group where she held several Australia and US based leadership positions. In her 20 years of professional consulting, Ms Conlon provided strategic and operational advice to companies across a wide range of industries and countries. In 2003, Ms Conlon was awarded a Commonwealth Centenary Medal in recognition of her service to business leadership in Australia. Ms Conlon is a member of the People and Culture Committee. **Other current ASX directorships:** Aristocrat Leisure Limited (since February 2014) and BlueScope Steel Limited (since February 2020). **Former ASX directorships in the last three years:** Lynas Rare Earths Limited (September 2020 to November 2023) and REA Group Limited (June 2007 to November 2021).
Ms Miriam Stanborough AM BA (Hons), BE (Chem) (Hons), MSc (Mineral Economics), MAusIMM, GAICD **Independent Non-Executive Director** Appointed 4 October 2021	Ms Stanborough is a chemical engineer with more than 25 years experience in the mineral processing industry across various commodities including copper, uranium, gold, silver, alumina, mineral sands, lithium, salt and vanadium. She has previously held a number of senior roles at Monadelphous, Iluka Resources, Alcoa of Australia and WMC Resources in innovation & technology, technical development, production management, project management, business improvement, HR & diversity strategy, and sales & marketing. Ms Stanborough is the Chairman of the Minerals Research Institute of Western Australia (MRIWA), Deputy Chairman of ChemCentre (WA Government Statutory Authority) and a member of the Advisory Board of the Mental Awareness, Respect and Safety (MARS) Centre (Tertiary Education Institution). Ms Stanborough was recognised in the 2023 King's Birthday Honours List where she was made a Member (AM) of the Order of Australia in the General Division for her significant service to the minerals and mining sector, and to the community. Ms Stanborough is a member of the Audit and Risk Committee and Sustainability Committee. **Other current ASX directorships**: BCI Minerals Limited (since June 2022) and Australian Vanadium Limited (since February 2023). **Former ASX directorships in the last three years:** None.

Name, qualifications and independence status	Experience, special responsibilities and other directorships
Mr Nicholas Cernotta B. Eng (Mining) **Independent Non-Executive Director** Appointed 6 February 2017	Mr Cernotta has more than 40 years of experience in the mining industry, spanning various commodities and operations in Australia, Africa, South East and Central Asia, Saudi Arabia and Papua New Guinea. Graduating with a Bachelor of Mining Engineering, has held senior executive roles with extensive operational experience in both the public and private sectors of the mineral resources industry. Mr Cernotta has prided himself in delivering improved results through leadership, and in particular with respect to embedding both safety and performance based leadership cultures in both established and new organisations. Previous roles Mr Cernotta has held include Director of Operations at Fortescue Metals Group, Chief Operating Officer at MacMahon Contracting and Director of Operations at Barrick Gold. Mr Cernotta is the Chairman of the People and Culture Committee, a member of the Sustainability Committee and was previously a member of the Audit and Risk Committee. **Other current ASX directorships**: Panoramic Resources Limited (Administrators Appointed) (since May 2018), Northern Star Resources Limited (since July 2019) and Venture Minerals Limited (since May 2024). **Former ASX directorships in the last three years:** New Century Resources Limited (March 2019 to November 2022).
Ms Sally-Anne Layman B. Eng (Mining) Hon, B.Com, CPA, MAICD **Independent Non-Executive Director** Appointed 20 April 2018	Ms Layman is a mining professional, corporate financier and advisor with 27 years of international and cross-commodity experience across six continents and more than 20 countries. Previously, Ms Layman held a range of senior positions with Macquarie Group Limited, including as Division Director and Joint Head of the Perth office of the Metals, Mining & Agriculture Division. Ms Layman is the Chairman of the Sustainability Committee and a member of the Audit and Risk Committee. **Other current ASX directorships**: IMDEX Limited (since February 2017) and Beach Energy Limited (since February 2019). Ms Layman was appointed as a director of Newmont Corporation Limited in November 2023. **Former ASX directorships in the last three years:** Newcrest Mining Limited (since October 2020).
Mr Steve Scudamore AM FCA BA (Hons), MA (Oxon), FAICD, SF Fin, HonDUniv (Curtin) **Independent Non-Executive Director** Appointed 18 July 2016	Mr Scudamore is an experienced Australian company director. His distinguished career includes more than three decades with KPMG, including senior roles in Australia, London and Papua New Guinea including Chairman of Partners WA, Head of Corporate Finance in Western Australia and National Head of Valuations, KPMG Australia. He was a senior advisor with Lazard for a number of years. Mr Scudamore is a Non-Executive Director of Australis Oil & Gas Limited (ASX:ATS) and Regis Resources Limited (ASX:RRL) and a member of the Order of Australia. Mr Scudamore has ongoing involvement in community organisations including as WA Council Chairman and National Board Member of the Australian British Chamber of Commerce and as a member of the not-for-profit Telethon Kids Institute Development Committee. He was previously Chairman of Amana Living, MDA Insurance and Vice Chairman of the Museum of Western Australia. Mr Scudamore joined the Pilbara Minerals Board on 18 July 2016. He is the Chairman of the Audit and Risk Committee and a member of the People and Culture Committee. **Other current ASX directorships:** Regis Resources Limited (since May 2019) and Australis Oil & Gas Limited (since November 2016). **Former ASX directorships in the last three years:** None.
Mr Dale Henderson BE (Civil) Hons 1 and GAICD **Managing Director and Chief Executive Officer** Appointed Managing Director 30 July 2022	Mr Henderson is an experienced mining executive with a strong track record of delivering positive financial outcomes for resource businesses and complex operations. Since joining Pilbara Minerals in 2017 as Chief Operating Officer, Mr Henderson has played an instrumental role in leading the Company from project developer to become an ASX50 company, now operating the largest independent hard-rock lithium operation in the world, the Pilgangoora Operation in Western Australia. **Other current ASX directorships:** None. **Former ASX directorships in the last three years:** NT Minerals Limited (September 2021 to July 2022).

Name, qualifications and independence status	Experience, special responsibilities and other directorships
Mr Anthony Kiernan AM LLB **Chairman and Independent Non-Executive Director** Appointed 1 July 2016 Resigned 31 January 2024	Mr Kiernan is a former solicitor with extensive experience gained over 35 years in the management and operation of listed public companies. As both a lawyer and general consultant, he has practiced and advised extensively in the fields of resources and business generally. He is a Member of the Order of Australia. Mr Kiernan held the position of Chairman from July 2016 until he resigned from that position effective January 2024. **Other current ASX directorships:** Genesis Minerals Limited (since October 2022). **Former ASX directorships in the last three years:** NT Minerals Limited (April 2021 to March 2023), Dacian Gold Limited (September 2022 to February 2023) and Northern Star Resources Limited (February 2021 to November 2021).

Company Secretary

Ms Danielle Webber, BA Mass Comm, AGIA, ACG

Ms Webber is a qualified Chartered Secretary and governance professional with more than 16 years experience with ASX-listed companies in the mining and property sectors. Specialising in governance and compliance, Ms Webber joined Pilbara Minerals in 2019, holding the positions of Assistant Company Secretary, Deputy Company Secretary and Joint Company Secretary, supporting the Company through a rapid growth phase from project developer to global producer. She was appointed Company Secretary on 8 November 2023.

From the commencement of the reporting period until 24 November 2023, Mr Alex Eastwood held the role of the Chief Commercial and Legal Officer and Company Secretary.

Directors Meetings

The number of Board and Committee meetings attended by each Director of the Company during the financial year are:

Director	Board		Audit and Risk Committee (ARC)		People and Culture Committee (PCC)		Sustainability Committee (SC)	
	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend
Anthony Kiernan[1]	9	9	-	-	4	4	-	-
Kathleen Conlon[2]	9	9	-	-	3	3	-	-
Dale Henderson	16	16	-	-	-	-	-	-
Steve Scudamore	14	16	5	5	6	7	-	-
Nicholas Cernotta	16	16	-	-	7	7	5	5
Sally-Anne Layman	16	16	5	5	-	-	5	5
Miriam Stanborough	16	16	5	5	-	-	5	5

[1] Mr Kiernan resigned as a Non-Executive Director on 31 January 2024.

[2] Ms Conlon was appointed as Non-Executive Director on 1 January 2024 and then Non-Executive Chairman on 31 January 2024.

The Audit and Risk Committee, People and Culture Committee and the Sustainability Committee consist solely of independent non-executive directors. All Directors (including the Managing Director), whether a member or not, have a standing invitation to all Board Committees' meetings.

Principal Activities

The principal activities of the Group during the year were the exploration, development and operation of the Pilgangoora Project and Operations ("Pilgangoora Project"). The Pilgangoora Project includes two processing plants, being the Pilgan Plant and the Ngungaju Plant.

Review of Operations

A review of the Group's operations for the year ended 30 June 2024 is set out in the operating and financial review on page 16. The Operating and financial review also includes material business risks, likely developments in the Group's operations in future financial years and expected results.

Dividends

No dividend has been declared by the Company for the year ended 30 June 2024. A final dividend of 14 cents per share was paid (fully franked), totalling $421.0M relating to the previous financial year.

Significant changes

There have been no changes in the state of affairs of the Group that occurred during the financial year under review not otherwise disclosed in this report.

Environmental regulation

The Group is committed to maintaining a high level of environmental performance and compliance with all regulations and obligations. The Group holds all necessary approvals for its exploration, mining and construction and operational activities. These approvals cover environmental protections such as the safe storage of hazardous materials, auditing, reporting obligations, emission controls and land rehabilitation.

During the reporting period, the Pilgan plant and associated mining activities were identified as subject to the Safeguard Mechanism as a result of FY23 greenhouse gas emissions. Subsequently, an application was submitted to the Clean Energy Regulator to establish an emissions intensity baseline under the reformed regulations. The Group is committed to fulfilling its obligations under the Safeguard Mechanism through decarbonisation efforts and operational efficiencies, as well as the surrender of Australian Carbon Credit Units (ACCUs) as necessary.

Data collection and management systems are employed to support reporting obligations and continuously monitor environmental performance, across environmental aspects such as water usage, vegetation clearing, mining proposal implementation and mine closure planning. Compliance is assessed annually by independent auditors to ensure appropriate verification. During the reporting period, no material breaches[1] relating to the Group's environmental performance were recorded, and all activities were undertaken in line with relevant environmental regulations.

[1] Material breach is defined as a significant non-compliance with environmental regulations or approval conditions, leading to potential legal repercussions and/or financial penalties, and significant impacts on flora, fauna, habitat, biodiversity or natural resources within or beyond the boundary of the Pilgangoora Operation.

Directors' interests

The relevant interest of each Director in the shares, performance rights or options over such instruments issued by the companies within the Group and other related bodies corporate, as notified by the Directors to the ASX in accordance with S205G(1) of the *Corporations Act 2001*, at the date of this report is as follows:

Directors' interests	Ordinary shares	Options over ordinary shares[a]	Performance rights[a]
Dale Henderson	1,407,673	167,150	1,363,616
Kathleen Conlon	51,733	-	-
Steve Scudamore	185,432	-	-
Nicholas Cernotta	232,915	-	19,975[b]
Sally-Anne Layman	171,652	-	-
Miriam Stanborough	54,600	-	9,226[b]

[a] Vesting conditions attached to these options and performance rights are set out in the footnotes to note 6.3 to the financial statements.

[b] This represents the share rights issued to Non-Executive Directors in lieu of an elected part of directors' fees.

Share options

Unissued shares under options

All options were granted in previous financial years. No options have been granted since the end of the previous financial year.

At the date of this report, unissued shares of the Group under option are:

Expiry date	Exercise price	Number of options[a]
31 December 2025	$1.4041	312,236

[a] Vesting conditions attached to these options are set out in note 6.3 of the financial statements.

Shares issued on exercise of options

During or since the end of the financial year, the Group issued ordinary shares of the Company as a result of the exercise of options as follows (there are no amounts unpaid on the shares issued):

Expiry date	Exercise price	Number of shares issued
31 December 2024	$0.2339	7,404,411

Performance rights

Unissued shares under performance rights

At the date of this report, unissued shares of the Group under performance rights are:

Date performance rights granted[a,b]	Vesting date	Number of performance rights
2 December 2021	30 June 2024	742,251
9 December 2022	30 June 2024	99,606
17 November 2022	30 June 2025	843,075
20 December 2022	30 June 2024	114,547
20 December 2022	30 June 2025	658,110
27 March 2023	30 June 2025	361,298
8 May 2023	30 November 2024	703,036
8 May 2023	30 November 2025	1,054,555
15 May 2023	30 November 2024	95,980
15 May 2023	30 November 2025	143,968
19 May 2023	30 November 2024	27,369
19 May 2023	30 November 2025	41,052
8 June 2023	30 June 2025	121,573
23 June 2023	30 June 2024	382,121
23 June 2023	30 June 2024	129,360
27 June 2023	30 June 2025	109,914
27 June 2023	30 June 2024	153,665
27 June 2023	30 June 2025	230,497
1 July 2023	30 June 2026	1,803,498
1 September 2023	31 August 2024	254,994
22 September 2023	30 November 2024	45,945
22 September 2023	30 November 2025	68,917
23 November 2023	30 June 2026	417,985
15 December 2023	30 November 2024	29,201

[a] This is the grant date used for valuation purposes and not the date the performance rights are issued.

[b] Vesting conditions attached to these performance rights are set out in note 6.3 of the financial statements.

Performance rights issued

During the financial year, the Company granted the following performance rights:

Performance rights	Grant date[a,b]	Vesting date	Vested
1,828,028	1 July 2023	30 June 2026	-
30,593	7 August 2023	7 August 2023	30,593
264,468	1 September 2023	31 August 2024	-
77,418	22 September 2023	30 November 2024	-
116,128	22 September 2023	30 November 2025	-
417,985	23 November 2023	30 June 2026	-
29,201	15 December 2023	30 November 2024	-

[a] This is the grant date used for valuation purposes and not the date the performance rights are issued.

[b] Vesting conditions attached to these performance rights are set out in note 6.3 of the financial statements.

Indemnification and insurance of officers and auditors

Indemnification

The Company has agreed to indemnify current and past directors and officers of the Company and its controlled entities against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

The Company has not, during or since the financial period, indemnified or agreed to indemnify the auditor of the Company against a liability incurred as an auditor.

Insurance premiums

Since the end of the previous financial year, the Company has paid insurance premiums in respect of directors' and officers' liability and legal expenses insurance contracts for current and former directors, officers, and senior executives of the Company and its controlled entities. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor has relevant expertise and experience and where the auditor's independence is not compromised.

Details of the amounts paid or payable to the auditor, KPMG, for audit and non-audit services provided during the year are set out in note 6.7 to the financial statements.

The Board of directors, in accordance with advice provided by the audit and risk committee, is satisfied that the provision of the non-audit services during the year by the auditor is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* and did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the audit and risk committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to the auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants*.

Lead Auditor's Independence Declaration

The Lead Auditor's Independence Declaration is set out on page 132 and forms part of the Directors' Report for the financial year ended 30 June 2024.

Rounding of amounts

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

Events subsequent to the reporting date

On 15 August 2024, Pilbara Minerals and Latin Resources Limited announced a binding Scheme Implementation Agreement under which it is proposed that Pilbara Minerals will acquire 100% of the shares in Latin Resources Limited by way of a Court-approved scheme of arrangement. Latin Resources shareholders will receive 0.07 new Pilbara Minerals shares for each Latin Resources share held. Latin Resources performance rights will vest in connection with the share scheme, with the resulting Latin Resources shares to be subject to the share scheme. Latin Resources options will be subject to a stand-alone Court-approved scheme of arrangement pursuant to which Latin Resources options will be exchanged for shares in Pilbara Minerals. Both schemes are subject to certain conditions. Based on Latin Resources' shares, performance rights and options outstanding as at the date of the Scheme Implementation Agreement, approximately 205.5 million new Pilbara Minerals shares will be issued to Latin Resources shareholders and option holders.

Pilbara Minerals has received letters of commitment from a group of Australian and international banks for a revolving credit facility of $1 billion based on a negotiated term sheet. Establishment of the binding revolving credit facility is conditional on the execution of transaction documentation by mid-October 2024, repayment of existing debt facilities and satisfaction of other customary conditions precedent.

Other than the above, there were no matters or circumstances that have arisen between the end of the financial year and the date of this report that have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Audited Remuneration Report

Message from the People and Culture Committee Chairman

Dear Shareholder

On behalf of the Directors of Pilbara Minerals Limited, I am pleased to present the Remuneration Report for the Financial Year ended 30 June 2024 (FY24).

Whilst delivering a significant improvement in safety outcomes, during a period of high construction intensity and continued operational growth, other FY24 delivered highlights include commissioning of train one of the POSCO downstream JV, initiation of a midstream product development pathway, and substantive and parallel construction progress with the P680 and P1000 expansion projects. We have been prudent in our deployment of the Company's strong balance sheet to sustain our strategy of growth and product stream diversification, to be uniquely positioned to leverage any improvement in market conditions when the pricing cycle turns. Further achievements are outlined in the Board Chairman's letter on page 4 and the Directors' Report on pages 101 to 131.

A backdrop to what has been an impressive amount of work during FY24, has been the establishment of our expanded Executive Leadership Team (**ELT**), the majority of whom were appointed during FY23. This team has faced a challenging environment in FY24 with subdued market conditions continuing to drive a reduction in lithium pricing. Despite these challenges, the Company's operational performance during FY24 was a stand-out for an Australian pure-play lithium producer, and the Board is confident that executive remuneration appropriately reflects and acknowledges the outstanding business results that have been delivered.

We are pleased to welcome Jen Mintz, General Counsel, as a member of the ELT from 24 November 2023. Our former Chief Commercial and Legal Officer/Company Secretary (**CCLO/CS**), Alex Eastwood, ceased as KMP on 24 November 2023; Jen's internal promotion preserves the continuity of knowledge of the business and of expertise in the lithium industry.

Taking into account the Company's strong FY24 performance relative to lithium peers, and notwithstanding the significant decline in market sentiment, the Directors took a balanced and considered approach to FY24 remuneration matters, which included:

- **Remuneration adjustments for executive KMP** made relative to peer companies within the ASX50 following an external benchmarking exercise which resulted in a realignment of executive remuneration with industry peers. These competitive adjustments close the gap to market and apply for the duration of FY24 and FY25, to provide certainty of remuneration for executive KMP and of cost to the Company.
- **Short-Term Incentive (STI) outcome for FY24.** Of the four FY24 STI business objectives, two were met wholly and two were not met. Key achievements were safety interactions, to improve safety culture through quality leadership and engagements in the field, and production results, both pleasingly exceeding the stretched target expectations. Unit cost performance and Communication (culture survey assessed) had both improved from FY23 but fell marginally short of respective award thresholds. The final STI outcome was a business score of

55% of a maximum 75% for executive KMP, with the remaining 25% award opportunity acknowledging reward for individual strategic value creation and cultural leadership performance. Refer to page 115 of the report for further detail.

- **FY22 Long-Term Incentive (LTI) outcome.** Performance of the FY22 LTI award was tested over the three-year period to 30 June 2024 against relative TSR, achieved production run-rates and a strategic renewable energy objective aligned with the Company's long-term sustainability goals. Based on the assessment of performance against these objectives, the FY22 LTI vested at 100%, with share price performance plus dividends once again being a standout relative to peers. Refer to page 116 of the report for further detail.
- **Former CCLO/ CS.** In recognition of his contribution to the Company and his significant tenure over the variable incentive measurement periods, the former executive retained a portion of his variable incentives, proportional to the performance period served, and which remained unvested until the relevant performance and vesting conditions were tested. Refer to page 116 of the report for further detail.

The FY25 remuneration framework will continue to reflect our commitment to building a performance-based culture that supports Pilbara Minerals' strategic objectives involving optimising and expanding our operating platform, diversification, sustainability and principally shareholder wealth creation. Underpinning our remuneration framework is the intent to align employee remuneration to both shareholder returns and stakeholder interests. Further details of the FY25 remuneration framework are set out in the Remuneration Report.

Finally, a new three-year non-executive Director salary sacrifice scheme was approved by shareholders and implemented during FY24. The scheme allows eligible non-executive Directors to elect to be remunerated partially in cash and partially in equity, further aligning their interests with shareholders and assisting them to meet their minimum holding requirements.

We look forward to discussing the Remuneration Report with shareholders at the upcoming Annual General Meeting.

Yours faithfully,

Nicholas Cernotta
Chairman
People and Culture Committee

Introduction

This Remuneration Report for the financial year ended 30 June 2024 outlines the remuneration arrangements for Directors and other Key Management Personnel (KMP) of the Group. KMP are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise).

The information provided in this Remuneration Report has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards, and the Remuneration Report has been audited in accordance with Section 308(3C) of the *Corporations Act 2001*.

The following were KMP of the Group during the financial year for the indicated term:

Name	Role	Term
Non-Executive Directors		
Kathleen Conlon	Non-Executive Chairman	Appointed to the Board as Non-Executive Director on 1 January 2024 and commenced as Non-Executive Chairman on 31 January 2024
Miriam Stanborough AM	Non-Executive Director	Full year
Nicholas Cernotta	Non-Executive Director	Full year
Sally-Anne Layman	Non-Executive Director	Full year
Steve Scudamore AM	Non-Executive Director	Full year
Executive Director		
Dale Henderson	Managing Director (MD) and Chief Executive Officer (CEO)	Full year
Other executive KMP		
Luke Bortoli	Chief Financial Officer (CFO)	Full Year
Vince De Carolis	Chief Operating Officer (COO)	Full Year
Former KMP & Non-Executive Directors		
Anthony Kiernan AM	Former Non-Executive Chairman	Ceased on 31 January 2024
Alex Eastwood	Former CCLO/CS	Ceased on 24 November 2023

Mr Kiernan ceased as Non-Executive Chairman in FY2024. Mr Eastwood remained an employee of the Company in a non-KMP capacity until 6 February 2024.

Mr De Carolis, Chief Operating Officer, ceased as a KMP subsequent to FY24 on 7 August 2024.

Within this Remuneration Report, reference to 'executive(s)' includes the Executive Director and other executive KMP.

Overview of executive remuneration policy and remuneration framework

Remuneration philosophy

The Directors are responsible for ensuring the remuneration arrangements of executives are effective for the purposes of retention, reward and alignment with the Company's overall business strategy and the interests of shareholders.

In setting the remuneration framework, the Board endeavours to ensure the framework recognises the overall value and contributions that executives deliver to the Company, is market competitive and rewards for strong performance. In doing so, the Board endeavours to ensure the framework addresses the following key principles:

Remuneration framework principles

Attract and retain key executives to facilitate continued growth in the Company	Ensure executive remuneration is directly and transparently linked to strategy and performance	Ensure fair and competitive remuneration through effective benchmarking for total annual remuneration in accordance with market practices and a clearly defined peer group of similar companies	Being fit for purpose for a company in a growth and diversification phase of its asset life cycle	Comply with applicable legal requirements and appropriate standards of governance

Each year the Board aims to ensure executives' interests are aligned with those of shareholders by remunerating with an appropriate combination of cash and equity across their fixed and variable remuneration. Performance-tested remuneration elements align executives to long-term shareholder returns, which is further supported through the Company's requirement for minimum shareholdings applicable to all KMP as outlined later in this report.

Elements of executive remuneration

The Company's remuneration framework seeks to build a performance-based culture that supports the strategic objectives of the Company and attracts, retains and motivates executives by offering market competitive remuneration and incentives.

Remuneration packages for executive KMP each year comprise a mix of the following:

	Fixed Remuneration	Variable Performance-based Remuneration	
		Short-term Incentives (STIs)	Long-term Incentives (LTIs)
Description	Comprises base salary and superannuation as a guaranteed fixed element of remuneration.	Paid as cash Subject to achievement of shorter term (12-month period) performance targets, which typically include both financial and non-financial measures as part of both group and individual/role performance targets.	Grant of awards issued under the Company's shareholder approved Employee Award Plan (**Award Plan**), noting that since FY23 the preferred instrument has been performance rights. Awards vest over 3 years subject to achievement of long-term performance targets linked to TSR, Company's strategic objectives or milestones where appropriate, and/or service conditions.
Purpose	To meet the basic expectation of the role and deliver satisfactory outcomes and to attract and retain talent by providing market competitive remuneration, with benchmarking based on: • company size and industry • business complexity • individual role responsibility • skills and experience.	To reward and engage executives to drive shorter term performance and conduct in relation to both business and individual performance. To reward performance and re-position effort annually (as required) to shorter-term initiatives (supporting business agility) that may arise in volatile global economic markets.	To reward longer term performance that drives long-term strategic growth of the Company, achieves specific objectives such as sustainability targets and delivers shareholder return. To retain talent over the longer term.

The below diagram illustrates the executive remuneration structure over the relevant vesting periods:

	Year 1	Year 2	Year 3
FR	Base salary and superannuation		
STI	Cash and/or share rights		
LTI	Performance rights and/or options	→	→

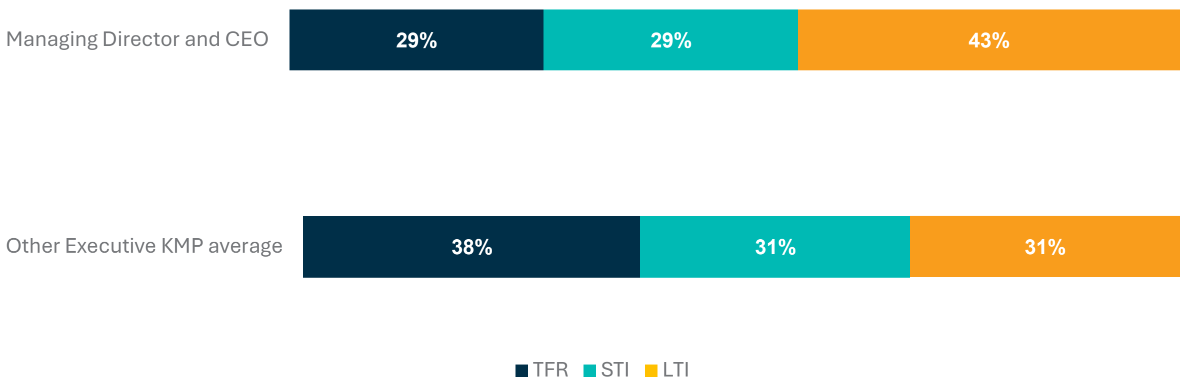
Please see page 113 for greater detail on the remuneration elements above and page 115 for FY2024 outcomes.

FY24 maximum remuneration mix

Each year, the Company's People and Culture Committee (the PC Committee) considers, and recommends to the Board, an appropriate mix of remuneration for executives. Consideration is given to market trends, strategic business objectives and shareholder interests as well as the experience, role requirements and responsibilities of executives.

From time to time, the People and Culture Committee engages independent external remuneration consultants to provide market related advice. The People and Culture Committee engaged Guerdon Associates in October 2023 to conduct Board and Executive remuneration benchmarking and to undertake a Remuneration Framework Review for Executives. The total fees paid to Guerdon Associates during the year to perform this work were $29,856 including GST. No remuneration recommendations were provided by such consultants for the purposes of the Corporations Act 2001. This external benchmarking identified a misalignment between existing executive remuneration and market peers which the Board acted to address simultaneously for both FY24 and FY25.

Based on these considerations and the independent remuneration benchmarking carried out for FY24, the maximum remuneration components for executives for FY24 were set as follows, calculated as a percentage of maximum total remuneration:



Note: Remuneration mix does not sum to 100% due to rounding.

Minimum shareholding policy

The Company has a minimum shareholding policy for executive KMP to ensure direct alignment with shareholder interests. This policy was reviewed by the PC Committee and the Board in March 2024; there was no change to the minimum holding condition. The Board approved expanding the application of the minimum shareholding policy to KMP and all executives (previously just KMP executives). As a result of expanding the application of the policy, the time to meet the minimum holding was also extended from three years to five years:

The minimum holding requirements are as follows:

- **MD and CEO**: equal to the value of annual fixed remuneration
- **Other KMP and Executives**: equal to half of the value of annual fixed remuneration

Executives are encouraged to meet their minimum shareholding within a reasonable timeframe, and no longer than five years, by acquiring shares either directly on market or through the vesting of performance tested, equity delivered incentives.

At the end of FY24, Mr Henderson met the minimum holding requirement under the policy. Mr Bortoli, who was appointed as executive KMP during FY23, has until April 2028 to meet the minimum shareholding requirement.

Further details of the minimum shareholding policy can be found on the Company's website. Please refer to Non-Executive Director Remuneration section for the application of this policy to Non-Executive Directors.

FY24 executive remuneration outcomes and link to Company performance

Overview

When considering the remuneration framework for FY24, including vesting outcomes, the PC Committee and Board recognised that the executives delivered a high level of performance over the year, driving both operations and expansion activities in parallel against the backdrop of a declining market for Lithium products.

Executives made significant overall contributions during FY24, including:

- Commissioning of P680 Project infrastructure including commencing operational use of primary rejection facility increasing plant throughout capacity by 25% and commissioning of the world's largest Lithium ore sorter;
- Further development of an embedded safety culture and supporting controls resulting in a recorded TRIFR at 30 June 2024 of 3.41 which is a significant improvement on FY23;
- Enhanced focus on lead safety indicators such as safety interactions achieving an average annualised rate of 2.44 interactions per 1,000 hours at Pilgangoora, of which interactions satisfying specific required quality standards averaged 1.72 interactions per 1,000 hours at Pilgangoora. Quality interactions per site leader at Pilgangoora averaged 7.2 monthly through the year;
- A 17% increase in production from FY23 to FY24 with an annualised Production run-rate which exceeded nameplate capacity of 680Kt;
- Completion and release of the P2000 pre-feasibility study (**PFS**) which determined that production capacity at the Pilgangoora Operation could sustain an expansion to 2.0 million tonnes per annum (**Mtpa**) with the construction of an additional plant;
- Agreement with Ganfeng to complete a joint feasibility study on a potential ~32 thousand tonnes per annum (**Ktpa**) downstream lithium conversion plant;
- Execution of a new offtake agreement with Sichuan Yahua Industrial Group Co. Ltd (**Yahua**) and amendments to existing offtake agreements with Ganfeng Lithium Group Co. Ltd (**Ganfeng**), and with Chengxin Lithium Group (**Chengxin**) for calendar years 2024, 2025 and 2026; and
- Commissioning of the first train (of two) of a 43ktpa lithium hydroxide plant in South Korea under the joint venture with POSCO.

When setting the executive remuneration framework for FY24, the PC Committee and the Board sought to ensure executives' fixed remuneration acknowledged differentiation of proven experience, knowledge and capability, but otherwise was at or around the 50th percentile of the market, defined as ASX50 peer companies, and that their maximum total remuneration (inclusive of both fixed and variable performance-based remuneration) was within the 50-75th percentiles. Competitive fixed and performance tested total remuneration are in the best interests of the Company as we continue to promote a strong, performance-based culture.

FY24 Fixed Remuneration

Based on the external market benchmarking review process against an ASX comparative group of peer companies for existing executive KMPs, fixed remuneration for executive KMPs in FY24 was as follows:

Name	Role	Fixed Remuneration[1]
Dale Henderson	MD and CEO	$1,500,000
Luke Bortoli	CFO	$820,000
Vince De Carolis	COO	$800,000

[1] Inclusive of superannuation.

FY24 STI Outcomes

Following the end of FY24, the Board determined STI vesting in respect of performance against pre-defined STI performance targets. Each executive's STI comprises 75% business performance measures and 25% individual performance measures.

Business performance measures (75%)

The below table summarises the business targets:

Measure	Achievement	Vesting result	Outcome[1]	Maximum
Safety (20%)				
Total recordable injury frequency rate (TRIFR) target and safety interactions per hours worked at the Pilgangoora project that satisfied the required quality standards	The recorded TRIFR at end-June 2024 was 3.41 (FY23: 4.69) which was a significant improvement and exceeded stretch of 4.2. The overall safety interaction rate was 2.44 per 1,000 hours (FY23: 2.93 per 1000 hours); Quality Interactions per site leader at Pilgangoora averaged 7.2 which exceeded the Stretch measure of 6 or more per month.	100%	20%	20%
Culture (5%)				
Communications	While the culture objective of an improvement exceeding 2% to the communications baseline as assessed during the Culture & Engagement Survey (October 2022 - May 2024) was not achieved, the communications outcome did improve by 1%.	0%	0%	5%
Production tonnes achieved (35%)				
Spodumene concentrate (annual)	Annual FY24 production was 725,329 dmt, representing a 17% increase on prior year.	100%	35%	35%
Unit costs (15%)				
Average annual unit cost of production	The average annual unit cost of production was A$1,055/dmt which was above the threshold value; consequently, this measure was not achieved.	0%	0%	15%
Business targets outcome			55%	75%

[1] Numbers are rounded to the nearest whole number

Individual performance measures (25%)

The below table summarises the individual performance assessment measure for the MD and CEO. Each individual has targets set within the executive's line of sight and influence, and performance is assessed on demonstrating the Company's core values including strategic and cultural leadership.

Measure		Vesting result	Achievement
Individual performance (25%) – MD and CEO			

Performance assessment	• **Strategic value creation** (or diversification): Generation of options for strategic value creation or diversification. Options may include either:
	  ◦ Downstream Progression; or
	  ◦ Progression of inorganic growth initiatives as endorsed by the Board
	• **Maximise Asset Value**: Study for next expansion beyond P1000+ to be completed within FY24.
	• **Culture**: Contribution to leadership & culture.
		92%	• Downstream progression with commissioning of the first train of a Lithium Hydroxide plant under the joint venture with POSCO
			• P2000 study completed (to PFS) are released to the market during FY24
			• Continued development of a unique, people-centred culture as assessed via the Culture & Engagement survey

Overall STI outcomes

As a result of the assessment of each executive's performance against these outcomes for FY24, the Board approved payment of the following STIs to be paid in cash:

Name	Position	Maximum STI ($)	STI outcome ($)	STI outcome (% of maximum STI)
Dale Henderson	MD and CEO	1,500,000	1,170,000	78.0%
Luke Bortoli	CFO	656,000	511,680	78.0%
Vince De Carolis	COO	640,000	435,200	68.0%
Former KMP				
Alex Eastwood	Former CCLO/CS	236,164	179,485	76.0%

Maximum STI and STI outcomes were pro-rated for time served as KMP for Mr Eastwood.

LTI – vesting of FY22 LTI grant

In FY22, the Company granted options and performance rights to executives under the Employee Award Plan. Vesting of the awards was based on total shareholder return (**TSR**) targets and achievement of measures relating to production ramp-up and sustainability objectives.

The performance conditions for the FY22 LTI were assessed over a three-year period from 1 July 2021 to 30 June 2024, and vested as follows:

Measure and description	Weight	Targets and result	Vesting outcome
Options			
Relative TSR Company's TSR compared to the peer group (refer to the FY21 Remuneration Report for peer group constituents)	50%	Relative TSR targets were set between the 50th to 75th percentile against a defined peer group of companies. The Company achieved a relative TSR at the 100th percentile.	100%
Performance Rights			
Production Target Increase in annual production run rate from 580kt to 850kt or higher for at least one full quarter during the three-year vesting period, achieved either through project expansions or acquisitive growth.	30%	The highest demonstrated production over a full calendar quarter during the period 1 July 2021 - present was during the June quarter of 2024 (FY24) where 226,169 dmt of Spodumene Concentrate was produced. This equates to an annualised production rate of 904,676 dmt.	100%
Sustainability Target The Company achieving at any time during the three-year vesting period a renewable energy target of at least 30% of Stage 1 of the Pilgan Project's energy requirement (measured relative to average power demand at steady state process plant production at full design throughput) being met by on site or contracted and externally generated and delivered peak renewable (solar PV, wind or other) generation during amendable supply periods (for example, solar PV sixed to achieve 50% peak daytime periods.	20%	A deep-dive of a representative month post-commissioning (January 2024) demonstrates that 43% of energy consumption was supplied by renewable generation during amenable generation windows (taken to be the 12-hr window between 6am and 7pm). This corresponds to a monthly 1.312 GWh solar generation against a 3.03 GWh consumption over the assessed windows each day. For assessment purposes the Stage 1 Pilgan Plant load was calculated at a maximum load cap of 9 MW consistent with the highest historical plant loads achieved prior to P680.	100%

The Company achieved strong performance across its FY22 LTI measures, resulting in full vesting of all options and performance rights.

The vesting outcomes for each executive for the FY22 LTI based on the above vesting outcomes are outlined below:

Name	Number of Awards granted in FY22		% Achieved	% Forfeited	Number of Awards vested in FY24	
	Options	Rights			Options	Rights
Dale Henderson	167,150	102,556	100%	0%	167,150	102,556
Former KMP						
Alex Eastwood	167,150	102,556	87%	13%	145,086	89,019
Total	**334,300**	**205,112**			**312,236**	**191,575**

The former executive KMP was considered eligible in accordance with the Company's Award Plan and retained a pro rata portion of his unvested awards for future performance testing, which was proportional to the performance period elapsed at his cessation date. The retained awards remain unvested until the relevant performance and vesting conditions are tested at the normal time and satisfied as determined by the Board. The balance of the awards was forfeited on cessation of employment.

Other executive KMP sign-on awards

To attract key executives and as compensation for entitlements foregone with their previous organisations, the COO and CFO appointed during FY23 received one-off sign-on grants of performance rights issued under the Company's Award Plan. Subject to the relevant service conditions and performance conditions acceptable to the MD and CEO being satisfied at the dates outlined below, these rights will vest and automatically convert to shares.

Name	Role	Issue date	Number of performance rights issued	Proportion of rights tested at vesting date	Vesting date
Luke Bortoli	CFO	27 June 2023	384,162	40%	30 June 2024
				60%	30 June 2025
Vince De Carolis	COO	20 December 2022	190,911	40%	30 June 2023
				60%	30 June 2024

The first tranche of the CFO's performance rights fully vested on 30 June 2024 based on achievement of performance indicators related to his role and service conditions being met, resulting in 153,665 awards vesting.

The second tranche of the COO's performance rights fully vested on 30 June 2024 based on achievement of performance indicators related to his role and service conditions being met, resulting in 114,547 awards vesting.

Consequences of performance on shareholder wealth

Executive remuneration is aimed at aligning the strategic and business objectives of the Group with the creation of shareholder return. The table below shows statutory measures of the Group's financial performance over the last five years. However, these are not necessarily consistent with the measures used in determining the variable amounts of remuneration awarded to KMP. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

Measure	2024	2023	2022	2021	2020
Profit/(loss) for the year attributable to owners of Pilbara Minerals Limited ($'000)	256,883	2,391,135	561,825	(51,448)	(99,262)
Basic earnings/(loss) per share (cents)	8.54	79.91	18.98	(2.00)	(4.67)
Dividends paid and determined ($'000)	-	750,280	-	-	-
Share price – 30 June	$3.07	$4.89	$2.29	$1.45	$0.25
Increase/(decrease) in share price (%)	(37.2)	113.5	57.9	480.0	(54.1)

Executive remuneration framework for FY24 and year ahead

The Company's remuneration policy and strategy is designed to motivate, attract and retain key executives and senior employees through the commodity cycle to deliver on the current and long-term strategic activities of the Company. The PC Committee aims to ensure the remuneration paid to executives demonstrates a direct correlation to performance and creation of value for shareholders, is market competitive and consistent with market conditions and practices.

FY24 remuneration framework

Fixed remuneration

For FY24, executives received fixed remuneration in the form of a base cash salary, plus superannuation. Fixed remuneration is reviewed annually by the PC Committee for recommendation to the Board. The nature and amount of fixed remuneration for executives depends on the nature of the role and market rates for the position, taking into account the skill sets, experience and qualifications of each individual and their overall responsibilities. For FY25, executive KMP fixed remuneration will not be increased following a comprehensive alignment exercise in FY24 which will see FY24 fixed remuneration held flat for FY25.

STI

The below table provides additional detail on the Company's FY24 STI structure for executives.

<table>
<tr><th colspan="2">Short Term Incentives</th></tr>
<tr><td>Maximum STI</td><td>MD and CEO: 100% of Fixed Remuneration
Other executive KMP: 80% of Fixed Remuneration</td></tr>
<tr><td>Delivery</td><td>Cash</td></tr>
<tr><td>Performance period</td><td>12 months</td></tr>
<tr><td>Performance targets</td><td>The key focus areas and associated weightings of the STI targets for executives were:
<table>
<tr><th>Targets</th><th>Description</th><th>Weighting</th></tr>
<tr><td>Safety</td><td>Continued improvement in the Company's safety performance as measured by leading and lagging indicators (quality safety interactions and TRIFR)</td><td>20%</td></tr>
<tr><td>Culture</td><td>Improvement against baseline in perceived communications quality as measured through the employee culture and engagement survey</td><td>5%</td></tr>
<tr><td>Production tonnes achieved</td><td>Production tonnes generate cashflows which are linked to the strength of the Company's financial position</td><td>35%</td></tr>
<tr><td>Unit costs</td><td>Performance related to unit cost of production</td><td>15%</td></tr>
<tr><td>Individual performance</td><td>Individual performance evaluations (including supporting 360-degree feedback surveys) and individual achievement of defined short-term objectives related to each executive's responsibilities and areas of influence, as considered appropriate by the PC Committee and approved by the Board.</td><td>25%</td></tr>
</table></td></tr>
</table>

LTI

The below table summarises the Company's FY24 LTI structure for executives.

Long Term Incentives

<table>
<tr><td>Maximum LTI</td><td>MD and CEO: 150% of Fixed Remuneration
Other executive KMP: 80% of Fixed Remuneration</td></tr>
<tr><td>Delivery</td><td>Performance rights issued under the shareholder approved Award Plan. Number of performance rights was based on a face value of $4.4858 per instrument (VWAP of Company's shares for the twenty trading days following 25 August 2023).</td></tr>
<tr><td>Vesting period</td><td>3 years, with vesting date of 30 June 2026.</td></tr>
<tr><td>Performance targets</td><td>A mix of relative TSR, and a strategic target directed towards the Company's growth objectives, with the intention of aligning executive pay with the creation of shareholder return.

Relative TSR (80% weighting, determined in comparison with two specified peer groups)

FY24 Relative TSR Resources Peer Group (40%)
The Company's relative TSR resources peer group was determined based on company sector, size and risk profile, to establish a representative group that reflects peers which the Company may compete with for executive talent. Companies selected in the peer group were:
<table>
<tr><td>Fortescue Metals Group Ltd
Pilbara Minerals Ltd
Allkem Ltd
Yancoal Australia Ltd
Whitehaven Coal Ltd
Sandfire Resources Ltd
Core Lithium Ltd</td><td>South32 Ltd
Mineral Resources Ltd
Bluescope Steel Ltd
Lynas Rare Earths Ltd
Iluka Resources Ltd
Nickel Industries Ltd</td><td>Northern Star Resources Ltd
IGO Ltd
Evolution Mining Ltd
Liontown Resources Ltd
Alumina Ltd
Sayona Mining Ltd</td></tr>
</table>
FY24 Relative TSR ASX50 Peer Group (40%)
The Company's relative TSR ASX50 peer group was determined based on constituents of the ASX50 index as published by the ASX from time to time.

Strategic Growth Project – P1000 Project Delivery (20% weighting)
Successful commissioning and delivery of P1000 infrastructure such that:
<table>
<tr><th>First Ore Date</th><th>% Vesting</th></tr>
<tr><td>31 Jan 2025</td><td>100</td></tr>
<tr><td>28 Feb 2025</td><td>75</td></tr>
<tr><td>31 March 2025</td><td>50</td></tr>
</table>
</td></tr>
</table>

FY25 remuneration framework

The FY25 remuneration mix for executive KMP will remain unchanged from that of FY24, however under consideration is the ability to allow executives to elect to receive their LTI Awards as either Options or Performance Rights, with Performance Rights being the default. This review will be completed ahead of the 2024 AGM.

STI

The STI opportunity varies by executive, however the measures and weights are consistent across the executives' STI. The targets and associated weightings that have been determined for the executives' FY25 STI are:

Name	Description	Threshold performance	Weighting
Safety	Continued improvement in the Company's safety performance as measured by leading and lagging indicators, measured using quality safety interactions and TRIFR	Quality interactions per leader TRIFR	20%
Production tonnes achieved	Annualised spodumene concentrate production targets meeting customer specification requirements	dmt produced	30%
Unit cost	Annualised average unit costs per tonne of spodumene concentrate produced	A$/dmt produced	25%
Individual performance	Individual targets are set for each executive, with each executive receiving an individual performance evaluation		25%

LTI

The FY25 LTI will remain similar to FY24, however it will have revised measures, with a refresh of the TSR peer groups to align to the ASX100.

Name	Description	Threshold performance	Weighting
Relative TSR – ASX100 Peer Group	Relative TSR in the ASX100	50th percentile	40%
Relative TSR – Resources Peer Group	Relative TSR in a defined TSR peer group of resources companies operating in a similar market sector to the Company	50th percentile	35%
Sustainability	**Decarbonisation plan** Delivery of Stage 1 of the Pilgangoora Operation Power Strategy (or equivalent) during the three-year vesting period, achieving a 20% reduction in power emissions intensity, relative to FY23 power emissions. (Baseline power-related emission intensity metric is 0.69 tCO2-e/MWh, as per the ASX Power Strategy release on 21 December 2023). The Pilgangoora Operation Power Strategy incorporates P1000 expansion project.		25%

Remuneration governance

The PC Committee is established by the Board under a formal charter. The PC Committee is comprised of three independent Non-Executive Directors and is chaired by Non-Executive Director, Nicholas Cernotta. The diagram below illustrates Pilbara Minerals' remuneration governance framework, key roles of the PC Committee and related policies.

Board

The Board provides leadership for, and supervision of, the Company's management. The Board defines the Company's purpose and sets the strategic objectives of the Company, and regularly measures the progression by management of those strategic objectives. As such, the Board has ultimate discretion over remuneration decisions, including approving the Company's remuneration framework to ensure alignment with the Company's Remuneration Policy and the purpose, commitments, strategic objectives, and risk appetite of the Company. The Board receives recommendations from the PC Committee and considers them in making their decisions where relevant.

PC Committee

The role of the PC Committee is to advise and make recommendations to the Board on remuneration arrangements for executive and non-executive directors and other executive KMP in accordance with the Company's Remuneration Policy. Each year, the PC Committee makes recommendations to the Board on such remuneration arrangements, including fixed remuneration for executives and all awards and vesting of awards by way of STI and LTI under the Company's Award Plan.

Assists the Board in fulfilling its corporate governance responsibilities in relation to establishing and monitoring the effectiveness of the Company's executive and non-executive remuneration practices.

Advises the Board in relation to the Company's culture, diversity and inclusion policies and practices and those related to the nomination and appointment of directors.

Management

Management is responsible for the day-to-day operations of the Company, and provides input to the PC Committee in their recommendations

Independent external remuneration consultants

Engaged occasionally to provide market related advice, such as assisting with determining the nature of executive roles and market rates for the position.

Further information relating to the role of the PC Committee can be found in its Charter on the Company's website.

Assessing performance and remuneration adjustment

The PC Committee and Board are responsible for assessing executive's performance against vesting conditions and determining the STI and LTI components to be paid based upon reports from management, market conditions and Company performance.

In the event of serious misconduct or a material misstatement in the Company's financial statements, the Board may in its discretion cancel or defer performance-based remuneration and may also clawback performance-based remuneration paid in previous financial years.

Non-Executive Director remuneration

Non-Executive Director fees and payments are reviewed annually by the PC Committee and Board taking into account comparable roles, market data and the demands and responsibilities placed on directors.

In FY23 a benchmarking exercise was undertaken to ensure ongoing remuneration of the Company's Non-Executive Directors remained appropriate. Consequently, and in line with prevailing market rates, the Board increased Non-Executive Director fees from 1 July 2023, as set out in the table below; these rates will be maintained for FY25. Following these increases, the maximum annual aggregate directors' fee pool was increased during FY24 from $1.3 million to $1.7 million; this increase in the fee pool was approved by shareholders on 23 November 2023.

	From 1 July 2023 $
Base fees (annual)	
Non-Executive Chairman (including Committee fees)	425,000
Other Non-Executive Directors	170,000
Committee Fees (annual)	
Committee Chairman	35,000
Committee Member	18,000

Non-Executive Directors do not receive any performance incentives.

Non-Executive Director Fee Sacrifice Scheme

In November 2023, the Company's shareholders approved the 2023 Non-Executive Director Fee Sacrifice Offer (**Offer**) under the Company's Award Plan for eligible Non-Executive Directors at that time, to operate for three years from 1 December 2023 to 30 November 2026. Participation in the Offer does not increase the fee payable to a director.

The Offer provides Non-Executive Directors an opportunity to own Company shares and increase the security holding that will count toward their minimum shareholding requirement (outlined below), by sacrificing a fixed component of their fee each year (up to 40%) over a twelve-month period for share rights. The share rights have only a service condition attached and will vest on or around 30 November of each relevant year. Subject to any securities trading policy or other legal restriction, the share rights can be exercised at the Non-Executive Director's discretion up to 15 years from grant. The fees payable to a director are reduced by the value of rights provided under the Offer as set out below.

The number of rights issued is determined by dividing the dollar value voluntarily elected by the reference price, which is the one-month volume weighted average price (**VWAP**) for Company shares calculated from the date of lodgement of the Company's annual financial statements in the relevant 12-month period.

A summary of the elections of the eligible Non-Executive Directors under the Offer is summarised below:

	Year 1	Year 2	Year 3
Period	1 Dec 2023 to 30 Nov 2024	1 Dec 2024 to 30 Nov 2025	1 Dec 2025 to 30 Nov 2026
Reference price (one-month VWAP for the month of Nov) % of gross fees salary sacrificed over 12 months	$4.4655		
Nicholas Cernotta	40%		
Miriam Stanborough	20%		
Sally-Anne Layman	0%		
Steve Scudamore	0%		
Vesting dates	30 Nov 2024	30 Nov 2025	30 Nov 2026

Aside from restrictions relating to the Company's securities trading policy, minimum holding policy and other applicable legal restrictions, shares allocated are subject to no disposal restrictions.

Minimum shareholding policy

The Company operates a minimum shareholding policy for Non-Executive Directors. Non-Executive Directors are required to hold shares equal to the value of annual base fees. Non-Executive Directors are encouraged to meet their minimum shareholding within a reasonable timeframe, and no longer than five years from appointment. At the end of FY24, all Non-Executive Directors, with the exception of Ms Conlon, have met the minimum shareholding requirement under the policy. Ms Conlon has until 31 December 2028 to meet the minimum shareholding requirement.

Further details of the minimum shareholding policy can be found on the Company's website.

Non-Executive Director statutory remuneration

Details of the remuneration of the Non-Executive Directors for the 2023 and 2024 financial years are set out in the following table.

		Fixed Remuneration		Variable Remuneration	
	Year	Salary and fees	Post-employment benefit	Non-performance shares[1]	Total
Kathleen Conlon[2]	2024	178,388	12,862	-	191,250
	2023	-	-	-	-
Anthony Kiernan[3]	2024	188,889	16,042	33,997	238,927
	2023	159,101	27,081	61,773	247,955
Miriam Stanborough	2024	163,934	18,033	20,899	202,866
	2023	159,276	16,724	-	176,000
Nicholas Cernotta	2024	154,024	16,943	45,248	216,214
	2023	175,915	4,585	4,587	185,087
Sally-Anne Layman	2024	223,000	-	-	223,000
	2023	193,000	-	-	193,000
Steve Scudamore	2024	200,901	22,099	-	223,000
	2023	168,411	18,339	2,292	189,042
Total Non-Executive Director remuneration					
	2024	1,109,135	85,978	100,144	1,295,257
	2023	855,703	66,729	68,652	991,084

1 Non-performance shares issued to Non-Executive Directors relate to the Non-Executive Director Fee Sacrifice Offer.

2 Ms Conlon was appointed on 1 January 2024 and assumed the position of Chairman on 31 January 2024

3 Mr Kiernan retired on 31 January 2024.

Executive KMP remuneration

Executive KMP contractual arrangements

The arrangements relating to remuneration and other terms of employment for the current and former executive KMPs for the 2024 financial year are set out in the following tables.

Current executive KMP contractual arrangements

			Termination			
Executive KMP	Fixed remuneration[1]	Resignation notice	Notice for cause	Notice without cause	In case of illness, injury or incapacity	Redundancy[2]
Dale Henderson MD/CEO	$1,500,000	6 months if prior to 30 Jul 2025 thereafter 3 months	None	6 months if prior to 30 Jul 2025 thereafter 3 months	Greater of 1 month or NES	NES
Luke Bortoli CFO	$820,000	16 weeks	None	6 months	Greater of 1 month or NES	NES
Vince De Carolis COO	$800,000	16 weeks	None	6 months	Greater of 1 month or NES	NES

1 This amount is the executive KMP's contractual annual fixed remuneration, inclusive of superannuation.

2 Any payment made to the Executive in lieu of notice is set off against National Employment Standards (NES).

Former KMP contractual arrangements

Former executive KMP	Fixed remuneration[1]	Resignation notice	Termination			Redundancy
			Notice for cause	Notice without cause	In case of illness, injury or incapacity	
Alex Eastwood Former CCLO/CS (ceased as KMP on 24 November 2023[1])	$735,000	3 months	None	6 months	Greater of 1 month or NES	NES

1 Ceased as KMP on 24 November 2023 and continued in in non-KMP capacity until 6 February 2024.

Executive KMP statutory remuneration

Details of the remuneration of the executive KMP of the Group for the 2023 and 2024 financial years are set out in the following table.

	Year	Fixed Remuneration				Variable Remuneration				
		Salary and fees	Annual and long service leave	Post-employ-ment benefit	Non-mon-etary benefit[1]	Non-perfor-mance shares[2]	Perfor-mance shares[3]	STI Payment[4]	**Total**	**Performance Related Remuneration %**
Executive Director										
Dale Henderson MD/CEO	**2024**	1,472,601	2,025	27,399	-	-	1,825,694	1,170,000	4,497,719	67%
	2023	1,137,208	89,410	25,292	-	12,647	1,804,570	883,892	3,953,019	68%
Other executive KMP										
Luke Bortoli CFO	**2024**	792,601	71,898	27,399	24,610	-	1,359,461	511,680	2,787,649	67%
	2023	170,138	13,088	6,323	-	-	278,376	97,291	565,216	66%
Vince De Carolis COO	**2024**	772,759	72,862	27,399	-	-	506,787	435,200	1,815,007	52%
	2023	412,404	29,205	16,862	-	-	523,653	241,341	1,223,465	63%
Former KMP										
Alex Eastwood[5] Former CCLO/CLS	**2024**	269,042	18,384	11,416	-	-	(256,992)	179,485	221,335	*
	2023	672,500	60,327	27,500	-	12,647	767,215	395,984	1,936,173	60%
Total executive KMP remuneration										
	2024	3,307,003	165,169	93,613	24,610	-	3,434,950	2,296,365	9,321,710	61%
	2023	2,392,250	192,030	75,977	-	25,294	3,373,814	1,618,508	7,677,873	65%

* Percentage of relative proportion of remuneration related to performance not disclosed as the total amount of STI and/or LTI remuneration expense was negative for the relevant period.

1 Non-monetary benefit relates to accommodation, airfares and other related benefits.

2 Non-performance shares issued to executive KMP are related to the Salary Sacrifice Offer and Retention Options. Refer to the Company's FY20 remuneration report for further detail. The amounts disclosed relate to the non-cash value ascribed to share options under Australian Accounting Standards using the Black Scholes option valuation methodology.

3 The amounts disclosed relate to the non-cash value ascribed to share options and performance rights under Australian Accounting Standards using the Black Scholes and Monte Carlo valuation methodologies.

4 2024 STIs relate to the STI declared for FY24 that will be paid during the year ending 30 June 2025.

5 Mr Eastwood ceased as a KMP and CCLO/CLS on 24 November 2023; his formal employment ended with the Company on 6 February 2024. Actual remuneration for Mr Eastwood is shown up until the date he ceased being a KMP. Mr Eastwood received remuneration of $342,196 post 24 November 2023 relating to his continued employment in a non-KMP capacity. This remuneration included base salary, post-employment benefits (superannuation), and STI for the service period following cessation as KMP, pro-rated for service.

Additional required disclosures

Share Based Payment Expense

Details of the performance right and option share based payment expense for the Non-Executive Directors and executive KMP of the Group for the year ending 30 June 2024 is shown in the table below:

	Year of Grant	No. of Options granted	No. of Performance Rights Granted	Non-performance		Performance		Total
				Options ($)	Rights ($)	Options ($)	Rights ($)	($)
Non-Executive Directors[1]								
Nicholas Cernotta	2024	-	19,975	-	45,248	-	-	45,248
Miriam Stanborough	2024	-	9,226	-	20,899	-	-	20,899
								66,147
Executive Director								
Dale Henderson	2024[3]	-	417,985	-	-	-	312,848	312,848
	2023[4]	-	843,075	-	-	-	1,342,007	1,342,007
	2022[5]	167,150	102,556	-	-	97,715	73,123	170,838
								1,825,694
Other executive KMP								
Luke Bortoli	2024[3]	-	146,239	-	-	-	157,373	157,373
	2023[7]	-	494,076	-	-	-	1,202,088	1,202,088
Vince De Carolis	2024[3]	-	142,672	-	-	-	153,535	153,535
	2023[4,6]	-	276,425	-	-	-	353,252	353,252
								1,866,248
Former KMP & Non-Executive Directors								
Anthony Kiernan[1]	2023	-	21,137	-	33,997	-	-	33,997
Alex Eastwood[2]	2023	-	251,799	-	-	-	(415,662)	(415,662)
	2022	167,150	102,556	-	-	89,504	69,166	158,670
								(222,995)
Total		**334,300**	**2,827,721**	**-**	**100,144**	**187,219**	**3,247,731**	**3,535,094**

[1] Vesting conditions attached to these performance rights for Non-Executive Directors are set out in Performance Rights over Equity Instruments granted as Compensation Instruments section footnote 1.

[2] Reversal of share-based payment expense is due to Mr Eastwood has ceased as a KMP on 24 November 2023 with the service or performance conditions have not been met.

[3] Vesting conditions attached to these performance rights are set out in Performance Rights over Equity Instruments granted as Compensation Instruments section footnote 3.

[4] The performance vesting conditions are:
- Up to 70% vest on 30 June 2025, upon the Company achieving specified relative TSR targets (between the 50th to 75th percentile) against a defined peer group of companies measured over a 3-year vesting period; and
- Up to 30% vest on 30 June 2025, upon achievement of sustainability targets.

[5] Vesting conditions attached to the options are set out in Exercise of Options granted as Compensation Instruments section. Vesting conditions attached to the performance rights are set out Performance Rights over Equity Instruments granted as Compensation Instruments section footnote 4.

[6] Vesting conditions attached to the performance rights are set out in Performance Rights over Equity Instruments granted as Compensation Instruments section footnote 7.

[7] This includes various of performance rights with the following vesting conditions:

The performance vesting conditions are:
- Up to 70% vest on 30 June 2025, upon the Company achieving specified relative TSR targets (between the 50th to 75th percentile) against a defined peer group of companies measured over a 3-year vesting period; and
- Up to 30% vest on 30 June 2025, upon achievement construction and commissioning of the demonstration plant and carbon emission reduction pertaining to the combined mine site processing plant facility at Pilgangoora.

The performance vesting conditions are:
Up to 100% vest at 30 June 2024, subject to the employee remaining in service at that date and performance conditions being satisfied.

The performance vesting conditions are:
Up to 100% vest at 30 June 2025, subject to the employee remaining in service at that date and performance conditions being satisfied.

Fair value of performance rights granted

Except for performance rights issued under the Non-Executive Director Fee Sacrifice Offer, performance rights issued as compensation to KMPs are non-cash in nature. The performance rights are valued using the Monte Carlo simulation model (market-based conditions) and the Black Scholes option valuation methodology (non-market based conditions) that takes into account the term of performance rights, the share price at grant date and expected volatility of the underlying right, the expected dividend yield, the risk free rate for the term of the right and the correlations and volatilities of the peer companies.

The model inputs for the Performance rights granted during the year included:

	Non-Executive Directors[1] Fee Sacrifice	Executive Director	Other executive KMP
Exercise price	-	-	-
Grant date (for valuation purposes)	15 December 2023	23 November 2023	1 July 2023
Expiry date	30 November 2024	31 December 2027	31 December 2027
Share price at grant date	$3.900	$3.620	$4.890
Expected volatility	60%	60%	60%
Expected dividend yield	0%	5.500%	5.500%
Risk-free interest rate	3.868%	4.140%	4.030%

1 These performance rights were issued under the Non-Executive Director Fee Sacrifice Offer. The offer allows the sacrifice by Non-Executive Directors of a fixed component of their director fee over a 12-month period for performance rights at a share price of $4.881. The rights have no vesting performance conditions other than a service condition and automatically vest into shares under the Company's Award Plan. Shares issued each quarter are subject to an 18-month disposal restriction.

Exercise of Options granted as Compensation Instruments

During the year, the following ordinary shares were issued on the exercise of options previously granted as compensation.

	No. of shares[2]	Amount paid per share
Alex Eastwood[1]	891,064	$0.234
Dale Henderson[1]	891,064	$0.234

1 Exercised 891,064 options under cashless exercise facility avaliable under the Company Employee Award Plan.

2 The vesting conditions attached are:

- Up to 50% vest upon the Company achieving specified relative TSR targets (between the 50th to 85th percentile) against a defined peer group of companies measured over the 3-year vesting period; and
- Up to 50% vest upon the Company achieving specified absolute TSR targets (compound annual growth rate between 5% and 15%) over the 3-year vesting period.

Performance Rights over Equity Instruments granted as Compensation Instruments

Details on performance rights over ordinary shares in the Company that were granted during the reporting period as compensation to each KMP and details on performance rights that vested during the reporting period are shown in the following table:

	No. of performance rights granted	Grant date (valuation purposes)	Fair value per performance right at grant date	Vesting end date	No. of performance rights vested during the year
Non-Executive Directors					
Nicholas Cernotta[1]	19,975	15 December 2023	$3.900	30 November 2024	-
Miriam Stanborough[1]	9,226	15 December 2023	$3.900	30 November 2024	-
Executive Director					
Dale Henderson[2,3]	167,194	23 November 2023	$2.088	30 June 2026	-
Dale Henderson[2,3]	167,194	23 November 2023	$1.951	30 June 2026	-
Dale Henderson[2,3]	83,597	23 November 2023	$3.149	30 June 2026	-
Dale Henderson[4]	590,153	17 November 2022	$4.722	30 June 2025	-
Dale Henderson[4]	252,922	17 November 2022	$4.900	30 June 2025	-
Dale Henderson[5]	51,278	2 December 2021	$1.738	30 June 2024	51,278
Dale Henderson[5]	30,767	2 December 2021	$2.540	30 June 2024	30,767
Dale Henderson[5]	20,511	2 December 2021	$2.540	30 June 2024	20,511
Other executive KMP					
Luke Bortoli[3]	58,496	1 July 2023	$3.135	30 June 2026	-
Luke Bortoli[3]	58,496	1 July 2023	$2.854	30 June 2026	-
Luke Bortoli[3]	29,248	1 July 2023	$4.164	30 June 2026	-
Luke Bortoli[7]	153,665	27 June 2023	$4.620	30 June 2024	153,665
Luke Bortoli[8]	76,940	27 June 2023	$4.308	30 June 2025	-
Luke Bortoli[8]	32,974	27 June 2023	$4.421	30 June 2025	-
Luke Bortoli[9]	230,497	27 June 2023	$4.421	30 June 2025	-
Vince De Carolis[3]	57,069	1 July 2023	$3.135	30 June 2026	-
Vince De Carolis[3]	57,069	1 July 2023	$2.854	30 June 2026	-
Vince De Carolis[3]	28,534	1 July 2023	$4.164	30 June 2026	-
Vince De Carolis[4]	59,860	27 March 2023	$2.753	30 June 2025	-
Vince De Carolis[4]	25,654	27 March 2023	$3.114	30 June 2025	-
Vince De Carolis[10]	190,911	20 December 2022	$3.860	30 June 2024	114,547
Former KMP & Non-Executive Directors					
Anthony Kiernan[1]	5,284	20 December 2022	$3.860	31 August 2023	5,284
Anthony Kiernan[1]	5,285	20 December 2022	$3.860	30 November 2023	5,285
Alex Eastwood[5,6]	44,509	2 December 2021	$1.738	30 June 2024	44,509
Alex Eastwood[5,6]	26,706	2 December 2021	$2.540	30 June 2024	26,706
Alex Eastwood[5,6]	17,804	2 December 2021	$2.540	30 June 2024	17,804

1 These performance rights were issued under the Non-Executive Director Fee Sacrifice Offer. These performance rights have no vesting conditions attached other than a service condition. They are issued under the 2020 Non-Executive Director Fee Salary Sacrifice Offer whereby non-executive directors are able to sacrifice a component of their fee for performance rights. Shares allocated post vesting each quarter are subject to disposal restrictions and cannot be disposed or dealt with until the earlier of 18 months from the relevant vesting date or the date the participant ceases to be a director.

2 All performance rights granted to Mr Henderson were approved by shareholders on 23 November 2023.

3 The performance vesting conditions are:
- Up to 40% vest on 30 June 2026, upon the Company achieving specified relative TSR targets (between the 50th to 75th percentile) against a defined peer group of companies measured over a 3-year vesting period;
- Up to 40% vest on 30 June 2026, upon the Company achieving specified relative TSR targets against a defined ASX50 peer group of companies; and
- Up to 20% vest on 30 June 2026, upon achievement at any time during the 3-year vesting period a successful commissioning and delivery of P1000 infrastructure such that by achieving first ore date, the vesting percentage are: 31 January 2025 – 100% vest; 28 February 2025 – 75% vest or 31 March 2025 – 50% vest.

4 Vesting conditions attached to the performance rights are set out in Share Based Payment Expense section footnote 4.

[5] The performance vesting conditions are:
- Up to 50% vest on 30 June 2024, upon the Company achieving specified relative TSR targets (between the 50th to 75th percentile) against a defined peer group of companies measured over a 3-year vesting period;
- Up to 30% vest on 30 June 2024, upon achievement of an increase in annual production run rate to between 580,000 to 850,000 tonnes of spodumene concentrate or higher for at least one full quarter during the 3-year vesting period achieved through expansions acquisitive growth; and
- Up to 20% vest on 30 June 2024, upon achievement at any time during the 3-year vesting period a renewable energy target of at least 30% of the combined Pilgangoora Plant's energy requirement.

[6] During the year, 13,537 of performance rights were forfeited upon cessation as a KMP.

[7] The performance vesting conditions are up to 100% vest at 30 June 2024, subject to the employee remaining in service at that date and performance conditions being satisfied.

[8] The performance vesting conditions are:
- Up to 70% vest on 30 June 2025, upon the Company achieving specified relative TSR targets (between the 50th to 75th percentile) against a defined peer group of companies measured over a 3-year vesting period; and
- Up to 30% vest on 30 June 2025, upon achievement construction and commissioning of the demonstration plant and carbon emission reduction pertaining to the combined mine site processing plant facility at Pilgangoora.

[9] The performance vesting conditions are up to 100% vest at 30 June 2025, subject to the employee remaining in service at that date and performance conditions being satisfied.

[10] The performance vesting conditions are up to 40% vest on 30 June 2023 and up to 60% vest on 30 June 2024 subject to performance conditions being satisfied.

Except for performance rights issued under the Non-Executive Director Fee Sacrifice Offer which were issued in exchange for director fees sacrificed, the performance rights have been provided at no cost and expire on the earlier of the expiry date or termination of employment.

Details of Equity Incentives affecting Current and Future Remuneration

Details of vesting profiles of the options and performance rights held by each KMP of the Group during the year ended 30 June 2024 are detailed below.

	Instrument	No. of instruments issued	Grant date[1]	% vested in year	% forfeited in year[2]	Financial year grant vests
Non-Executive Directors						
Nicholas Cernotta	Performance Rights	19,975	15 December 2023	0%	0%	2024/2025
Miriam Stanborough	Performance Rights	9,226	15 December 2023	0%	0%	2024/2025
Executive Director						
Dale Henderson	Options	167,150	2 December 2021	100%	0%	2024
	Performance Rights	102,556	2 December 2021	100%	0%	2024
		843,075	17 November 2022	0%	0%	2025
		417,985	23 November 2023	0%	0%	2026
Other executive KMP						
Luke Bortoli	Performance Rights	109,914	27 June 2023	0%	0%	2025
		384,162	27 June 2023	40%	0%	2024/2025
		146,239	1 July 2023	0%	0%	2026
Vince De Carolis	Performance Rights	85,514	27 March 2023	0%	0%	2025
		190,911	20 December 2022	60%	0%	2023/2024
		142,672	1 July 2023	0%	0%	2026
Former KMP & Non-Executive Directors						
Anthony Kiernan	Performance Rights	21,137	20 December 2022	50%	0%	2023/2024
Alex Eastwood	Options	167,150	2 December 2021	87%	13%	2024
	Performance Rights	102,556	2 December 2021	87%	13%	2024
		251,799	20 December 2022	0%	100%	2025

[1] Grant date for accounting purposes.

[2] The percentage forfeited in the year represents the reduction from the maximum number of instruments available to vest.

Analysis of Movements in Equity Instruments

The number and total fair value of performance rights over ordinary shares in the Company granted during the reporting period is detailed below.

	Number of performance rights granted during the year	Fair value of performance rights granted during the year[1] ($)
Non-Executive Directors		
Nicholas Cernotta	19,975	77,903
Miriam Stanborough	9,226	35,982
Executive Director		
Dale Henderson	417,985	938,545
Other executive KMP		
Luke Bortoli	146,239	472,119
Vince De Carolis	142,672	460,604

1 The value of awards and maximum value granted during the year is the fair value of the performance rights calculated at grant date. These amounts are allocated to remuneration over their applicable vesting periods.

Options and Performance Rights over Equity Instruments

The movement during the current financial year, by number of options over ordinary shares in the Company held, directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

	Held at 1 July 2023	Granted	Exercised	Forfeited	Held at 30 June 2024	Vested and exercisable
Executive Director						
Dale Henderson	1,099,792	-	(932,642)	-	167,150	167,150
Former KMP						
Alex Eastwood	1,099,792	-	(932,642)	(22,064)	145,086[1]	145,086[1]

1 Balance held at the date Mr Eastwood ceased as KMP (24 November 2023).

The movement during the current financial year, by number of performance rights over ordinary shares in the Company held, directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

	Held at 1 July 2023	Granted	Exercised	Forfeited	Held at 30 June 2024	Vested and exercisable
Non-Executive Directors						
Nicholas Cernotta	-	19,975	-	-	19,975	-
Miriam Stanborough	-	9,226	-	-	9,226	-
Executive Director						
Dale Henderson	1,418,651	417,985	(473,020)	-	1,363,616	102,556
Other executive KMP						
Luke Bortoli	494,076	146,239	-	-	640,315	153,665
Vince De Carolis	276,425	142,672	(76,364)		342,733	114,547
Former KMP & Non-Executive Directors						
Anthony Kiernan	10,569	-	(10,569)	-	-	10,569
Alex Eastwood	827,375	-	(473,020)	(265,336)	89,019[1]	89,019[1]

1 Balance held at the date Mr Eastwood ceased as KMP (24 November 2023).

Key Management Personnel Transactions

Movements in Shares

The movement during the current financial year in the number of ordinary shares in the Company held, directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

	Held at 1 July 2023	Received on exercise of options/rights	Other changes[1]	Held at 30 June 2024
Non-Executive Directors				
Kathleen Conlon	-	-	51,733	51,733
Miriam Stanborough	54,600	-	-	54,600
Nicholas Cernotta	220,550	12,365	-	232,915
Sally-Anne Layman	171,652	-	-	171,652
Steve Scudamore	185,432	-	-	185,432
Executive Director				
Dale Henderson	1,243,589	1,364,084	(1,200,000)	1,407,673
Other executive KMP				
Luke Bortoli	-	-	-	-
Vince De Carolis	29,921	76,364	(106,285)	-
Former KMP & Non-Executive Directors				
Anthony Kiernan	380,892	10,569	48,786	440,247[2]
Alex Eastwood	120,000	1,364,084	(1,364,084)	120,000[3]

1 Other changes represent shares that were purchased or sold (including via the Share Purchase Plan) during the year or shares held by KMP who resigned in the year.

2 Closing balance represents the number of ordinary shares held by Mr Kiernan as at the cessation date as KMP (31 January 2024).

3 Closing balance represents the number of ordinary shares held by Mr Eastwood as at the cessation date as KMP (24 November 2023).

End of Audited Remuneration Report.

This Directors' Report is made out in accordance with a resolution of the directors:

Kathleen Conlon

Kathleen Conlon
Chairman

23 August 2024

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Pilbara Minerals Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Pilbara Minerals Limited for the financial year ended 30 June 2024 there have been:

i. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. No contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Derek Meates
Partner
Perth
23 August 2024

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2024

	Notes	2024 $'000	2023 $'000
Operating revenue	2.1.1	1,254,118	4,064,019
Operating costs	2.1.2	(725,282)	(776,261)
Gross profit		**528,836**	**3,287,758**
General and administration expense		(65,773)	(41,771)
Exploration and feasibility expense	2.2.1	(45,757)	(19,740)
Depreciation expense		(3,807)	(1,516)
Share-based payment expense	6.3	(15,780)	(12,808)
Operating profit		**397,719**	**3,211,923**
Finance income		118,168	191,091
Finance costs		(102,341)	(30,842)
Net financing income	2.3	**15,827**	**160,249**
Share of loss from equity accounted investee	3.2	(10,552)	(606)
Profit before tax		**402,994**	**3,371,566**
Income tax expense	2.6.1	(146,111)	(980,431)
Net profit for the period		**256,883**	**2,391,135**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss, net of tax:			
Cash flow hedges reclassified to profit or loss		6,252	928
Change in fair value of cash flow hedges		(2,987)	(5,565)
Exchange differences on translation of foreign operations		(2,898)	1,865
Items that will not be reclassified subsequently to profit or loss, net of tax:			
Loss on disposal of equity investments		(4,848)	-
Change in fair value of equity investments at FVOCI		(9,830)	(992)
		(14,311)	**(3,764)**
Total comprehensive profit for the period		**242,572**	**2,387,371**
Basic earnings per share (cents)	2.7	8.54	79.91
Diluted earnings per share (cents)	2.7	8.45	78.93

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

Consolidated Statement of Financial Position
As at 30 June 2024

	Notes	2024 $'000	2023 $'000
Assets			
Current assets			
Cash and cash equivalents	4.1.1	1,626,476	3,338,553
Trade and other receivables	4.2	78,080	132,039
Inventories	4.3	132,230	97,251
Financial assets	3.3	2,031	88
Current tax asset	2.6.7	106,778	-
Total current assets		**1,945,595**	**3,567,931**
Non-current assets			
Inventories	4.3	82,387	29,121
Property, plant and equipment	3.1	2,147,762	1,375,545
Equity accounted investments	3.2	65,589	78,929
Exploration and evaluation expenditure	3.4.1	5,398	8,989
Financial assets	3.3	62,514	138,320
Total non-current assets		**2,363,650**	**1,630,904**
Total assets		**4,309,245**	**5,198,835**
Liabilities			
Current liabilities			
Trade and other payables	4.4	285,408	387,212
Provisions	3.5	9,271	6,203
Borrowings and lease liabilities	5.2	135,773	124,331
Financial liability	3.3	-	2,984
Current tax liabilities	2.6.7	-	773,347
Total current liabilities		**430,452**	**1,294,077**
Non-current liabilities			
Trade and other payables	4.4	-	3,880
Provisions	3.5	57,150	41,869
Borrowings and lease liabilities	5.2	419,970	347,618
Deferred tax liabilities	2.6.5	157,504	121,369
Total non-current liabilities		**634,624**	**514,736**
Total liabilities		**1,065,076**	**1,808,813**
Net assets		**3,244,169**	**3,390,022**
Equity			
Issued capital	5.1.1	966,948	966,230
Reserves		6,654	14,529
Retained earnings		2,270,567	2,409,263
Total equity		**3,244,169**	**3,390,022**

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

Consolidated Statement of Changes in Equity
For the year ended 30 June 2024

	Notes	Issued capital $'000	Share-based payment reserve $'000	Other reserves $'000	Retained earnings $'000	Total equity $'000
Balance at 1 July 2022		965,078	8,370	1,188	317,390	1,292,026
Net profit after tax		-	-	-	2,391,135	2,391,135
Other comprehensive income		-	-	(3,764)	-	(3,764)
Total comprehensive profit for the period		-	-	(3,764)	2,391,135	2,387,371
Issue of options and performance rights	5.1.1	1,152	11,647	-	-	12,799
Tax benefit on equity awards issued via share trust	2.6.3	-	27,607	-	-	27,607
Transfer on conversion / forfeiture of awards		-	(30,519)	-	30,519	-
Dividends	5.4.1	-	-	-	(329,781)	(329,781)
Balance at 30 June 2023		**966,230**	**17,105**	**(2,576)**	**2,409,263**	**3,390,022**
Balance at 1 July 2023		966,230	17,105	(2,576)	2,409,263	3,390,022
Net profit after tax		-	-	-	256,883	256,883
Other comprehensive income		-	-	(14,311)	-	(14,311)
Total comprehensive profit for the period		-	-	(14,311)	256,883	242,572
Issue of options and performance rights	5.1.1	718	17,390	-	-	18,108
Tax benefit on equity awards issued via share trust	2.6.3	-	14,488	-	-	14,488
Transfer on conversion / forfeiture of awards		-	(25,442)	-	25,442	-
Dividends	5.4.1	-	-	-	(421,021)	(421,021)
Balance at 30 June 2024		**966,948**	**23,541**	**(16,887)**	**2,270,567**	**3,244,169**

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

Consolidated Statement of Cash Flows
For the year ended 30 June 2024

	Notes	2024 $'000	2023 $'000
Cash flows from operating activities			
Receipts from customers		1,172,820	4,386,963
Payments to suppliers and employees		(721,006)	(762,604)
Payments for exploration and evaluation expenditure		(42,415)	(17,940)
Interest received		117,563	59,609
Payments for financial assets		(1,387)	(7,851)
Proceeds from government grant		7,000	8,000
Income taxes paid		(972,799)	(209,484)
Net cash (outflow) / inflow from operating activities	4.1.2	**(440,224)**	**3,456,693**
Cash flows from investing activities			
Payments for property, plant, equipment and mine properties		(810,001)	(385,540)
Payments for purchase of equity investments		(85,140)	(22,342)
Costs related to the acquisition of subsidiary		(12,663)	(76)
Proceeds from sale of equity investments		80,292	-
Net cash outflow from investing activities		**(827,512)**	**(407,958)**
Cash flows from financing activities			
Proceeds from the issue of shares and exercise of options		718	1,152
Proceeds from borrowings		142,264	277,165
Transaction costs related to borrowings		-	(10,009)
Repayment of borrowings		(33,697)	(183,807)
Repayment of leases		(74,164)	(42,080)
Repayment of contract liabilities		(6,837)	(6,837)
Interest and other costs of finance paid		(40,816)	(20,928)
Dividends paid		(421,021)	(329,781)
Net cash outflow from financing activities		**(433,553)**	**(315,125)**
Net (decrease) / increase in cash held		(1,701,289)	2,733,610
Cash and cash equivalents at the beginning of the period		3,338,553	591,739
Effect of exchange rate fluctuations on cash held		(10,788)	13,204
Cash and cash equivalents at the end of the period	4.1.1	**1,626,476**	**3,338,553**

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

Notes to The Consolidated Financial Statements
For the year ended 30 June 2024

Note 1 – Basis of Preparation

In preparing the 2024 consolidated financial statements, Pilbara Minerals Limited ("the Company") has grouped notes into sections under six key categories:

1. Basis of Preparation
2. Results for the Year
3. Assets, Liabilities and Provisions supporting Exploration, Evaluation, Mining and Production
4. Working Capital
5. Equity and Funding
6. Other Disclosures

Material accounting policies specific to each note are included within that note. Accounting policies that are determined to be immaterial are not included in the financial statements.

The financial report is presented in Australian dollars, except where otherwise stated.

All amounts have been rounded to the nearest thousand, unless otherwise stated in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*.

1.1 Reporting entity

Pilbara Minerals Limited is a listed public company incorporated, domiciled in Australia.

The Company's registered office is at Level 2, 146 Colin Street, West Perth, WA 6005. These consolidated financial statements comprise the Company and its subsidiaries together referred to as the "**Group**". The Group is a for-profit entity and is primarily involved in the exploration, development and mining of minerals.

1.2 Basis of accounting

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards ("**AAS**") adopted by the Australian Accounting Standards Board ("**AASB**") and the *Corporations Act 2001*. The consolidated financial statements comply with International Financial Reporting Standards ("**IFRS**") adopted by the International Accounting Standards Board ("**IASB**"). They were authorised for issue by the Board of Directors on 23 August 2024.

The financial report is prepared on a going concern basis, which contemplates continuity of normal business activities including the realisation of assets and settlement of liabilities in the ordinary course of business.

The consolidated financial statements have been prepared on the historical cost basis except for, where applicable, the revaluation of financial assets and liabilities. Certain comparative figures have been reclassified to conform to the current year presentation.

1.3 New and amended accounting standards

All new, revised or amended accounting standards and interpretations issued by the AASB that are mandatory for the current reporting period have been adopted. The adoption of any changes to accounting standards and interpretations did not have any material impact on the financial performance or position of the Company.

New and Amended standards adopted by the Group

• *AASB 2023-2 Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules* [AASB 112] - Prohibits the recognition and disclosure of deferred taxes arising from the Organisation for Economic Co-operation and Development Pillar Two income taxes and requires certain disclosures related to those taxes;

• *AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction* [AASB 112] – Amendments 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; and

• *AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies Definition of Accounting Estimates* [AASB 7, AASB 101, AASB 108, AASB 134 & AASB Practice Statement 2] – Amendments provide a definition of and clarifications on accounting estimates and clarify the concept of materiality in the context of disclosure of accounting policies.

Notes to The Consolidated Financial Statements
For the year ended 30 June 2024

Standards issued but not yet effective

The Company is yet to assess in detail the potential impacts on its consolidated financial statements of the following, however they are not expected to have a material impact on the consolidated financial statements.

• *AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* – effective date 1 January 2025 - Amendments require the full gain or loss to be recognised when assets transferred meet the definition of a 'business' under AASB 3 Business Combinations (whether housed in a subsidiary or not);

• *AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current, AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date and AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants – effective date 1 January 2024* - Requires a liability be classified as current when companies do not have a substantive right to defer settlement at the end of the reporting period including the impact of covenants on that classification;

• *AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback – effective date 1 January 2024* - Requires a seller-lessee to subsequently measure lease liabilities arising from a sale and leaseback transaction in a way that does not result in recognition of a gain or loss that relates to the right of use it retains;

• *AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements – effective date 1 January 2024* - Requires the disclosure of information about an entity's supplier finance arrangements;

• *AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability – effective 1 January 2025* - Specifies how to assess whether a currency is exchangeable and how to determine the exchange rate when it is not; and

• *AASB 2022-9 Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector – effective 1 January 2026* – Amends AASB 17 to include modifications that apply to the public sector.

In addition, at the date of authorisation of the financial statements, the following IFRS Accounting Standards were on issue for which equivalent Australian Accounting Standards has not been issued.

• *IFRS 18 Presentation and Disclosure in Financial Statements* - This Standard will not change the recognition and measurement of items in the financial statements, but will affect presentation and disclosure in the financial statements, including introducing new categories and subtotals in the statement of profit or loss, requiring the disclosure of management defined performance measures, and changing the grouping of information in the financial statements.

1.4 Basis of consolidation

1.4.1 Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

1.4.2 Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

1.4.3 Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

1.4.4 Joint operations

A joint operation is a contractual arrangement in which the Group shares joint control with other parties and whereby the parties have right to the assets, and obligation for the liabilities relating to the joint arrangement.

The Group has included in the consolidated financial statements, under the appropriate classifications, its share of the assets, liabilities, revenue and expenses of joint operations.

1.5 Foreign currency translation

1.5.1 Functional and presentational currency

These consolidated financial statements are presented in Australian dollars, which is the Group's functional currency.

1.5.2 Transactions and balances

Foreign currency transactions are translated into foreign currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are generally recognised in profit or loss.

1.5.3 Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Australian dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Australian dollars at the average exchange rates during the period.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve, except to the extent that the translation difference is allocated to non-controlling Interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the foreign currency translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interest. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

1.6 Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and revisions to estimates are recognised prospectively. The areas involving a high degree of judgement and where assumptions are material to the financial statements are:

- Note 2.1.1 – measurement of provisional pricing for sales revenue
- Note 6.3 – measurement of share-based payment transactions
- Note 3.1 – estimation of spodumene ore reserve
- Note 3.1 – impairment testing for non-financial assets
- Note 3.3 – judgements in relation to fair value measurement of financial instruments
- Note 3.5 – measurement of mine rehabilitation provision

Notes to The Consolidated Financial Statements
For the year ended 30 June 2024

NOTE 2 – RESULTS FOR THE YEAR

2.1 Revenue and operating costs

2.1.1 Operating revenue

Material accounting policy

Product sales

The Group primarily generates revenue from the sales of spodumene concentrate to customers.

Revenue is recognised when control of the product has passed to the customer based upon the agreed cost, insurance and freight (CIF) terms. There are three performance obligations relating to spodumene concentrate, with the first met when the product is loaded onto the vessel, with revenue from shipping and insurance recognised over the period of the journey.

Customer sales contracts can contain provisional pricing at the time the product is delivered to the vessel, with the final pricing determined at a later date when the relevant pricing information is available. The provisional pricing related to quality and quantity of the product is included in spodumene revenue. Provisional pricing related to market-based pricing indices are accounted for as an embedded derivative in accordance with *AASB 9 Financial Instruments* and disclosed separately.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities. The amount of revenue is not considered to be reliably measurable until all material contingencies relating to the sale have been resolved.

The Group also sells tantalum with the revenue from the sale of this by-product credited to the costs of producing spodumene concentrate. Tantalum sales have only one performance obligation, being that the material is collected from the mine site, with revenue recognised at the time of collection.

	2024 $'000	2023 $'000
Spodumene revenue	1,792,977	4,315,533
Provisional pricing adjustments for spodumene	(532,607)	(250,586)
Total spodumene revenue	1,260,370	4,064,947
Other revenue [1]	(6,252)	(928)
Operating sales revenue	**1,254,118**	**4,064,019**

[1] Option contracts are measured at fair value and classified as other financial assets with movements in fair value recognised in Other Comprehensive Income (OCI). Upon maturity of the option contract, the fair value is recycled to profit or loss (refer to note 3.3).

Spodumene revenue during 2023 include $39.0M sales of medium grade (~1.2% Li_2O) middlings concentrate product, no such sales took place in 2024.

2.1.2 Operating costs

	2024 $'000	2023 $'000
Mining and processing costs [1]	593,178	450,068
Royalty expenses	75,207	258,254
Depreciation	146,570	104,323
Inventory movement	(83,010)	(34,321)
By-product revenue	(6,663)	(2,063)
	725,282	**776,261**

[1] Costs include mining, processing, maintenance, offsite logistics, freight and shipping, and site administration.

Notes to The Consolidated Financial Statements

For the year ended 30 June 2024

2.2 Expenses

2.2.1 Exploration and feasibility expenditure

Accounting policy

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resource. Accordingly, exploration and evaluation expenditures are those expenditures incurred in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

Exploration and evaluation expenditure is assessed separately for each “area of interest”. Each “area of interest” is an individual geological area which is considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such a deposit.

Exploration and evaluation costs are expensed in the year they are incurred, apart from acquisition costs which are carried forward where right of tenure of the area of interest is current, and they are expected to be recouped through sale or successful development and exploitation of the area of interest, or where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Where an area of interest is abandoned, or is not commercially viable, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs are written off to the extent that they will not be recoverable in the future.

Exploration and evaluation assets are transferred to Mine Properties in Production once technical feasibility and commercial viability of an area of interest is demonstrable. Exploration and evaluation assets are included in testing for impairment, and any impairment loss is recognised, prior to being reclassified.

Feasibility, development and research costs are expensed as incurred except where it is demonstrated that there is a clearly defined and separately identifiable asset which is commercially and technically feasible with recognisable future economic benefits.

Government grant

Government grants that compensate the Group for expenses are recognised in profit or loss on a systematic basis over the periods required to match them with the expenses that they are intended to compensate, and are deducted in reporting against the related expense item.

	2024 $’000	2023 $’000
Exploration and evaluation costs	12,776	8,381
Feasibility and development study costs [1]	32,981	11,359
	45,757	**19,740**

[1] Feasibility costs include $31.8M (2023: $2.4M) relating to the Mid-stream Demonstration Plant JV and are stated net of the recognition of $6.2M (2023: $2.6M) government grant income (refer to note 4.4).

2.3 Net financing income

Accounting policy

The Group’s finance income and finance costs include:

- interest income and interest expense;
- foreign exchange gains and losses;
- income from sale of financial investments;
- movement in fair value of foreign currency hedges;
- movement in fair value of financial assets;
- derivative fair value movements;
- unwinding of the discount on site rehabilitation provisions; and
- gains and losses on derivatives related to financing activities.

Interest income or expense is recognised using the effective interest method.

The Group receives interest income from monies held in its bank accounts. Interest income is recognised on an accruals basis based on the interest rate, deposited amount and time which lapses before the reporting period end date.

Notes to The Consolidated Financial Statements
For the year ended 30 June 2024

Net financing income composition is as follows:

	2024 $'000	2023 $'000
Interest income on bank accounts	113,251	73,892
Financial asset - fair value movement [1]	-	114,823
Net foreign exchange gain	-	1,578
Foreign currency contracts - net changes in fair value	4,917	798
Finance income	**118,168**	**191,091**
Financial asset - fair value movement [1]	(61,288)	-
Interest expense - leases (note 5.2.1)	(10,804)	(6,726)
Interest expense - borrowings	(16,248)	(15,152)
Other finance costs	(3,132)	(2,267)
Amortised borrowing costs [2]	(1,420)	(4,853)
Interest on contract liabilities	(377)	(713)
Unwind of discount on site rehabilitation provision	(1,467)	(1,131)
Net foreign exchange loss	(7,605)	-
Finance costs	**(102,341)**	**(30,842)**
Net finance income	**15,827**	**160,249**

[1] Represents fair value movement of a call option granted by POSCO representing the Company's interest in the incorporated downstream joint venture (POSCO - Pilbara Minerals Lithium Solutions Co Ltd) from 18% to 30% (refer to note 3.3).

[2] The prior year amortised borrowing costs includes residual borrowing costs ($3.3M) following the full repayment of the Secured syndicated debt facility in March 2023.

2.4 Segment information

The Group has one reportable operating segment which is exploration, development and mining of minerals in Australia. The Group has no single reliance upon any one of its customers.

The Group's operating segment has been determined with reference to the information and reports the chief operating decision makers use to make strategic decisions regarding Company resources.

Due to the size and nature of the Group, the Managing Director is considered to be the chief operating decision maker. Financial information is reported to the Managing Director and Board as a single segment and all significant operating decisions are based upon analysis of the Group as one segment. The financial results of this segment are equivalent to the financial statements of the Group as a whole.

2.4.1 Geographical information

The Group operates in Australia which is where the Group's assets are located. Segment revenue is based on the geographical location of the customers.

Revenue from external customers	2024 $'000	2023 $'000
China	1,155,314	3,963,704
Other foreign countries	105,056	101,243
	1,260,370	**4,064,947**

2.4.2 Major customer information

Revenue from three customers which individually amount to more than 10% are $564.6M, $240.4M and $140.7M respectively (2023: four customers amounting to $1,502.9M, $712.7M, $743.1M and $485.8M) arising from the sale of spodumene concentrate.

2.5 Personnel expenses

Accounting policy

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

The table below sets out personnel costs expensed during the year:

	2024 $'000	2023 $'000
Wages and salaries (including superannuation)	182,634	113,501

2.6 Income tax

Accounting policy

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that future taxable profits will be available (convincing evidence is required) against which they can be used.

Notes to The Consolidated Financial Statements
For the year ended 30 June 2024

Accounting policy

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Tax consolidation legislation

The Company and its 100% owned Australian resident subsidiaries have implemented the tax consolidation legislation. Current and deferred tax amounts are accounted for in each individual entity as if each entity continued to act as a taxpayer on its own.

The Company recognises its own current and deferred tax amounts and those current tax liabilities, current tax assets and deferred tax assets arising from unused tax credits and unused tax losses which it has assumed from its controlled entities within the tax consolidated Group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts payable or receivable from or payable to other entities in the Group.

Any difference between the amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) controlled entities in the tax consolidated Group.

2.6.1 Income tax expense

	2024 $'000	2023 $'000
Current income tax		
Current year	128,075	923,474
Adjustment for prior period	(17,374)	-
	110,701	**923,474**
Deferred income tax		
Origination and reversal of temporary differences	18,074	56,957
Adjustment for prior period	17,336	-
	35,410	**56,957**
Income tax expense	**146,111**	**980,431**

2.6.2 Reconciliation of income tax expense

	2024 $'000	2023 $'000
Profit before tax	402,994	3,371,566
Tax at the statutory rate of 30% (2023: 30%)	120,898	1,011,470
Tax effect of:		
Non-deductible expenses:		
Share-based payment expense	4,734	3,842
Other non-deductible items	4,695	1,239
Employee share trust payments	(2,564)	(812)
Financial assets fair value movement	18,386	(35,033)
Adjustment for prior period	(38)	(275)
Income tax expense	**146,111**	**980,431**

2.6.3 Amounts recognised in equity

	2024 $'000	2023 $'000
Current and deferred income tax attributable to equity and not recognised in net profit or loss		
Business related capital allowances	725	772
Reserves	2,814	2,412
Tax benefit on equity awards issued via share trust	14,488	27,607
	18,027	**30,791**

2.6.4 Reconciliation of carry forward losses

Set out below are the Company's capital tax losses for which no deferred tax asset has been recognised.

	2024 $'000	2023 $'000
Unrecognised capital tax losses	70,837	65,941
Potential tax benefit at 30%	**21,251**	**19,782**

2.6.5 Deferred tax balances

	2024 $'000	2023 $'000
Deferred tax asset		
Capital feasibility expenditure	14,189	2,469
Provision for employee entitlements	3,098	2,193
Capital allowances	552	1,242
Rehabilitation provision	16,828	12,228
Trade and other payables	7,057	4,146
Net financial assets / liabilities	4,730	3,182
Lease liabilities	32,662	41,727
Unrealised foreign currency losses	2,333	-
Other	-	282
	81,449	**67,469**
Deferred tax liability		
Inventories	(4,235)	(3,562)
Borrowing costs	(104)	(15)
Property, plant and equipment	(203,508)	(142,106)
Right of use assets	(29,961)	(40,376)
Tenement expenditure	(1,017)	(974)
Unrealised foreign currency gains	-	(1,380)
Other	(128)	(425)
	(238,953)	**(188,838)**
Net deferred tax liability	**(157,504)**	**(121,369)**

2.6.6 Tax benefit from share trust awards

During the year, options and performance rights that were granted in previous financial years vested. Upon these grants vesting, the Company issued new shares via the Pilbara Minerals Employee Award Plan Trust ('the Trust'). These new shares were purchased by the Trust at the prevailing market value, with the market value being deductible to the Company for tax purposes. In accordance with *AASB 112 Income Taxes*, where the market value paid for these shares exceeds the recognised value of the related share-based payment expense, then the tax benefit of any such excess is required to be recognised in equity.

During the current year, a tax benefit of $14.5M (2023: $27.6M) was recognised in equity which related to shares issued via the Trust.

Notes to The Consolidated Financial Statements
For the year ended 30 June 2024

2.6.7 Current tax asset / (liabilities)

	2024 $'000	2023 $'000
Balance at 1 July	(773,347)	(90,148)
Income tax expense	(110,701)	(923,474)
Amounts recognised in equity	18,027	30,791
Tax payments made to tax authorities	972,799	209,484
Current tax asset / (liabilities)	**106,778**	**(773,347)**

2.7 Earnings per share

	2024	2023
Net profit attributable to ordinary shareholders ($'000)	256,883	2,391,135
Issued ordinary shares at 1 July ('000)	2,998,187	2,976,848
Effect of shares issued ('000)	9,667	15,310
Weighted average number of ordinary shares used in calculating basic earnings per share at 30 June ('000)	3,007,854	2,992,158
Adjustment for calculation of diluted earnings per share ('000)	31,086	37,387
Weighted average number of ordinary shares used in calculating diluted earnings per share at 30 June ('000)	3,038,940	3,029,545
Basic earnings per share (cents)	8.54	79.91
Diluted earnings per share (cents)	8.45	78.93

NOTE 3 – ASSETS, LIABILITIES AND PROVISIONS SUPPORTING EXPLORATION, EVALUATION, MINING AND PRODUCTION

This section focuses on the exploration, evaluation, development, mining and processing assets which form the core of the Group's business, including those assets and liabilities that support those activities.

3.1 Property, plant and equipment

Material accounting policy

Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as a separate item of property, plant and equipment.

Material accounting policy

Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual value using an appropriate method (either straight line, diminishing value or units of production basis) over either the estimated useful life or the estimated resource. Depreciation is recognised in profit or loss. The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

- Office equipment 2 to 20 years
- Plant and equipment 2 to 20 years
- Motor vehicles 3 to 5 years
- Mine properties Units of production basis over the life of mine
- Deferred stripping Units of ore extracted basis over the life of component ratio
- Right of use assets Over the shorter of the lease term and the life of the asset

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted appropriately.

Right of use assets

The Group recognises all right of use assets and lease liabilities, except for leases that are short-term (12 months or less) and low value leases at the lease commencement date. The lease liability is measured at the present value of the future lease payments and includes lease extension options when the Group is reasonably certain that it will exercise the option.

The present value of future lease payments is determined by discounting future lease payments using the interest rate implicit in the lease or, if that rate cannot be determined, then the Group's incremental borrowing rate.

The right of use asset, at initial recognition, reflects the lease liability and is depreciated over the term of the lease. The present value of the lease liability is increased by the interest cost and decreased by the lease payment each period over the life of the lease.

The Group includes right of use assets separately in Property, Plant, Equipment disclosures.

All new contracts are assessed on an ongoing basis to determine if a right of use asset exists and if they require recognition under the requirements of *AASB 16 Leases*.

Mine properties

Mine properties in development

Development expenditure relates to costs incurred to access a mineral resource, the determination of technical feasibilities and conducting market and finance studies. It represents those costs incurred after the technical and commercial viability of the identified project has been demonstrated and an identified mineral reserve or project is being prepared for production (but is not yet in production).

Development expenditure is capitalised as either a tangible or intangible asset depending on the nature of the costs incurred. Capitalisation of development expenditure ceases once the mining project is capable of commercial production, at which point it is transferred into the relevant category of Property, Plant and Equipment depending on the nature of the asset and depreciated over the useful life of the asset.

Development expenditure includes the direct costs of construction, pre-production costs, borrowing costs incurred during the construction phase, reclassified feasibility, exploration and evaluation assets (acquisition costs) and subsequent development expenditure on the reclassified project.

These costs are not amortised. The carrying value is assessed for impairment whenever the facts and circumstances suggest that the carrying amount of the asset may exceed the recoverable amount.

Mine properties in production

All development expenditure incurred once a mine property is in commercial production is immediately expensed to the statement of profit or loss except where it is probable that future economic benefits will flow to the Group, in which case it is capitalised as Mine Properties in Production.

Depreciation is recognised on a unit of production basis which results in a depreciation charge proportional to the depletion of the economically recoverable mineral reserves (comprising proven and probable mineral reserves).

A regular review is undertaken to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. An impairment exists when the carrying value of mine properties exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount and the impairment losses are recognised in profit or loss.

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Material accounting policy

Deferred stripping

Stripping activity costs incurred are assessed to determine whether the benefit accruing from that activity is likely to provide access to ore that can be used to produce ore inventory, or whether it also provides improved access to ore that will be mined in future periods.

To the extent that the benefit from the stripping activity is realised in the form of inventory produced, the Group accounts for the costs of that stripping activity in accordance with the principles of *AASB 102 Inventories.* A stripping activity asset is brought to account if it is probable that a future economic benefit (in the form of improved access to the ore body) will flow to the Group, the component of the ore body for which access has been improved can be identified and costs relating to the stripping activity can be measured reliably.

The amount of stripping costs deferred is based on the life of component ratio which is obtained by dividing the amount of waste tonnes mined by the quantity of ore tonnes for each component of the mine. Stripping costs incurred in the period are deferred to the extent that the actual current period waste to ore ratio exceeds the life of component expected 'life of component' ratio and presented within mine properties in production. A component is defined as a specific volume of the ore body that is made more accessible by the stripping activity and is determined based on a mine plan.

An identified component of the ore body is typically a subset of the total ore body of the mine. The deferred stripping asset is initially measured at cost, which is the accumulation of costs directly incurred to perform the stripping activity that improves access to the ore within an identified component, plus an allocation of directly attributable overhead costs. The deferred stripping asset is depreciated over the expected useful life of the identified component of the ore body that is made more accessible by the activity, on a units of production basis.

Impairment of non-financial assets

The Group assesses at each reporting date, whether there are indications that an asset may be impaired. If impairment indicators or triggers exist, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of the assets, or cash generating unit's (CGU's) fair value less costs of disposal and its value in use. It is not always necessary to determine both an asset's fair value less costs to sell and its value in use. If either of these amounts exceeds the asset's carrying amount, the asset is not impaired, and it is not necessary to estimate the other amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Mineral rights

Mineral rights are capitalised exploration and evaluation acquisition costs transferred from Exploration and Evaluation Expenditure upon a decision to mine.

Key estimates and judgements

i) Estimation of spodumene ore reserves

Spodumene ore reserves are estimates of the amount of saleable product that can be economically extracted from the Group's mine properties. In order to calculate ore reserves, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, future capital requirements, short and long-term commodity prices and exchange rates.

Estimating the quantity and/or grade of reserves requires the size, shape and depth of ore bodies to be determined by analysing geological data. This process may require complex and difficult geological judgements and calculations to interpret the data.

Due to the fact that economic assumptions used to estimate reserves may change from period to period, and geological data is generated during the course of operations, estimates of reserves may change from period to period. Changes in reported reserves may affect the Group's financial results and financial position in a number of ways, including:

- Mine properties and deferred stripping asset carrying values may be impacted due to changes in estimates of future cash flows;
- Depreciation charged in the profit or loss statement may change where such charges are calculated using the units of production basis;
- Decommissioning, site restoration and environmental provisions may change due to changes in the estimated reserves after expectations about the timing or costs of the activities change; and
- Recognition of deferred tax assets, including tax losses.

3.1 Property, plant and equipment

	Property, plant and equipment	Right of use assets	Mine properties in production	Mine properties in development	Mineral rights	Mine rehabilitation	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At 30 June 2023							
Cost	5,136	195,555	968,699	164,811	181,338	23,769	1,539,308
Accumulated depreciation	(1,432)	(60,968)	(89,334)	-	(10,850)	(1,179)	(163,763)
Net book value	**3,704**	**134,587**	**879,365**	**164,811**	**170,488**	**22,590**	**1,375,545**
Opening net book value	809	55,079	499,850	174,241	178,323	21,059	929,361
Additions	3,323	123,673	264,618	158,444	-	-	550,058
Change in rehabilitiation provision estimate	-	-	-	-	-	1,965	1,965
Transfers	-	-	167,874	(167,874)	-	-	-
Depreciation charge	(428)	(44,165)	(52,977)	-	(7,835)	(434)	(105,839)
Net book value	**3,704**	**134,587**	**879,365**	**164,811**	**170,488**	**22,590**	**1,375,545**
At 30 June 2024							
Cost	7,014	236,984	1,468,339	524,373	184,929	37,634	2,459,273
Accumulated depreciation	(3,663)	(137,113)	(150,681)	-	(18,859)	(1,195)	(311,511)
Net book value	**3,351**	**99,871**	**1,317,658**	**524,373**	**166,070**	**36,439**	**2,147,762**
Opening net book value	3,704	134,587	879,365	164,811	170,488	22,590	1,375,545
Additions	2,014	43,982	344,769	509,530	8,494	-	908,789
Change in rehabilitiation provision estimate	-	-	-	-	-	13,865	13,865
Disposals	(33)	(27)	-	-	-	-	(60)
Transfers	-	-	154,871	(149,968)	(4,903)	-	-
Depreciation charge	(2,334)	(78,671)	(61,347)	-	(8,009)	(16)	(150,377)
Net book value	**3,351**	**99,871**	**1,317,658**	**524,373**	**166,070**	**36,439**	**2,147,762**

At 30 June 2024, the Group had outstanding capital commitments of $206.2M (2023: $178.2M) which are expected to be settled prior to 30 June 2025 and $1.1M prior to 30 June 2026. Included in additions to mine properties in development are capitalised borrowing costs of $16.1M (2023: $1.4M).

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3.2 Equity-accounted investments

Accounting policy
Refer to note 1.4.3 for the Group's equity-accounted investments policy.

	2024 $'000	2023 $'000
Equity accounted investment	65,589	78,929

Pilbara Minerals holds an 18% equity interest in POSCO-Pilbara Minerals Lithium Solution Co. Ltd ("JV Co"), with the remaining 82% held by POSCO Holdings ("POSCO"). The JV Co was established to construct and operate a downstream 43ktpa lithium hydroxide monohydrate processing facility in South Korea ("Conversion Facility"). Pilbara Minerals investment in JV Co and its rights as a shareholder are outlined in a Shareholders Deed between the two parties dated 26 October 2021.

Pilbara Minerals' initial 18% ownership interest is held by the wholly owned subsidiary Pilbara Minerals Korea JV Pty Ltd ("PMK JV"). Under the terms agreed with POSCO, PMK JV has the ability to increase its shareholding to 30% through the exercise of a Call Option (refer to note 3.3.1).

The Company's 18% ownership interest in JV Co was funded by a five-year $79.6M Convertible Bond issued by Pilbara Minerals Limited to POSCO on 13 April 2022. Under the Convertible Bond Agreement, Pilbara Minerals has issued 79,603,050 convertible bonds at a face value of $79.6M to POSCO's wholly owned Australian subsidiary POS-LT Pty Ltd (refer to note 5.2). The proceeds received by Pilbara Minerals Limited were applied to funding PMK JV's 18% equity contribution to JV Co ($75.7M). The key terms of the convertible bonds are:

- term of 5 years;
- convertible to ordinary shares in Pilbara Minerals Limited at the Company's election at any time upon notice being provided;
- convertible at a conversion price that is 92.5% of a VWAP of the Pilbara Minerals Limited share price at the time of conversion; and
- interest at 1.5% above the RBA interbank overnight cash rate, which interest accumulates and is payable on redemption or conversion of the Convertible Bonds.

As part of the arrangements agreed with POSCO, the Company entered into an Offtake Agreement to supply up to 315ktpa of spodumene concentrate to JV Co at market pricing for the lesser of 20 years and the life of the Pilgangoora Project.

The Company's 18% interest in JV Co, is recognised as an equity-accounted investment in an associate. The following table summarises the financial information on the carrying amount of the Group's interest in JV Co.

	2024 $'000	2023 $'000
Current assets	118,685	94,265
Non-current assets	1,135,968	597,324
Current liabilities	(384,818)	(85,619)
Non-current liabilities	(509,392)	(170,807)
Net assets (100%)	360,443	435,163
Group's share of net assets (18%)	64,880	78,330
Feasibility costs capitalised	709	599
Carrying amount of equity accounted investment	**65,589**	**78,929**
Translation reserve	**155**	**3,053**
Revenue	1,762	13,065
Cost of goods sold	(30,346)	(11,839)
Gross (loss) / profit	(28,584)	1,226
General administrative expenses	(24,183)	(10,588)
Net financing income	219	1,356
Income tax (expense) / benefit	(6,040)	5,210
Other comprehensive loss	(30)	(568)
Net loss (100%)	(58,618)	(3,364)
Group's share of loss (18%)	**(10,552)**	**(606)**

The carrying amount of the equity-accounted investment is as follows:

	2024 $'000	2023 $'000
Balance at 1 July	78,929	77,594
Foreign currency differences through translation reserve	(2,898)	1,865
Share of loss from equity accounted investee	(10,552)	(606)
Feasibility costs capitalised	110	76
Balance at 30 June	**65,589**	**78,929**

3.3 Financial assets and liabilities

Material accounting policy

Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency risk exposure. The underlying principle of the Group's approach to managing foreign currency risk is to convert US dollar sales receipts to Australian dollars. Where there is a high degree of certainty over the US dollar sales receipts (sales within a three-month period), forward foreign exchange contracts are used to help manage the foreign currency exposure (committed hedging). Where there are longer-term US dollar sales receipts which are less certain (in respect of sales volume and selling price), the Group uses option contracts to protect a worst-case position (uncommitted hedging). The volume of hedging and mix of committed versus uncommitted instruments is determined using target return levels with these targets assessed regularly.

Foreign currency option contracts

Option contracts are considered to be cash flow hedges and are classified as financial instruments measured at fair value with movements in fair value recognised in Other Comprehensive Income (OCI).

The Group designates option contracts as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

When a derivative is designated as a hedge instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and is accumulated in the hedge reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI and any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

For all hedged transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period during which the hedged expected future cash flows would impact profit or loss.

Foreign currency forward contracts

Forward foreign currency contracts are considered to be cash flow hedges and are classified as financial assets measured at fair value, with movements in fair value recognised through profit or loss.

Investments in equity instruments

Investments in equity instruments are measured at fair value through profit or loss (FVTPL). However, on initial recognition only, an entity may elect to present changes in the fair value in OCI.

Financial assets held at fair value through other comprehensive income (FVOCI)
If an irrevocable election has been made, the fair value gain or loss on the revaluation of an equity investment is recognised in OCI. The irrevocable election is made on an instrument by instrument basis and is not applicable to equity investments held for trading.

Financial assets held at fair value through profit or loss (FVPL)
This category comprises equity investments which are held for trading or where the above election to OCI has not been made. The financial assets are carried on the statement of financial position at fair value with changes in fair value or dividend income recognised in profit or loss.

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Material accounting policy

Call and put options

Contracts that give the Group the right to purchase, but not the obligation to buy (call option) or sell (put option) a specific quantity of a particular financial instrument, commodity or foreign currency, at a specified price (exercise price) on or before a specified date, are considered as financial assets measured at fair value through profit or loss under *AASB 9 Financial Instruments*.

The Group measures the asset at fair value with any changes in fair value recognised in the statement of profit or loss as finance income or costs. The fair value of the option determined using a Black Scholes model. For options that are only operative under certain conditions, fair value is measured using Black Scholes model adjusted by a probability factor based on the likelihood that vesting conditions will occur. In the event the Group chooses not to exercise the option, the asset will be derecognised and loss will be recognised in the statement of profit or loss.

Financial assets	2024 $'000	2023 $'000
Current		
Foreign currency options - FVOCI [2]	98	88
Foreign currency forwards - FVPL [2]	1,933	-
	2,031	**88**
Non-current		
POSCO call option (A) - FVPL [3]	55,489	116,777
Foreign currency options - FVOCI [2]	-	211
Listed investments - FVOCI [1]	6,881	20,925
Listed investments - FVPL [1]	144	407
	62,514	**138,320**

Financial liability	2024 $'000	2023 $'000
Current		
Foreign currency forwards - FVPL [2]	-	2,984
	-	**2,984**

[1] Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price.

[2] Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all material inputs required to fair value an instrument are observable, the instrument is included in level 2. Valuation inputs include underlying spot prices, implied volatility, discount curves and time until expiration, expressed as a percent of a year.

[3] Level 3: Inputs are unobservable for the asset or liability.

3.3.1 POSCO call option (A)

Under the terms of the Shareholders Deed executed with POSCO (refer to note 3.2) for the acquisition of an 18% interest in JV Co, the Company was granted certain additional rights in the form of four options referred to as Options A through to D ("Options"). In accordance with *AASB 9 Financial Instruments,* these Options are classified as financial instruments and measured at fair value. The Options are outlined in further detail below.

Call Option (A) – allows Pilbara Minerals to increase its ownership interest in JV Co from 18% to 30%. The Call Option is exercisable at any time up until 18 months following the successful ramp up to 90% of nameplate capacity of the Conversion Facility. Call Option (A) can be exercised at cost (being the original subscription price) (plus 3.58% interest per annum) up until the date the Conversion Facility receives independent battery certification from tier 1 battery producers, and thereafter at fair value.

In the event there are significant cost overruns prior to ramp up of the Conversion Facility which are not capable of being debt financed by the JV Co (up to a maximum gearing limit of 85%), then there is no obligation on either JV party to contribute additional equity to fund such overruns. While there is no obligation to do so, should POSCO decide to contribute additional equity to fund such cost overruns, then the Company can choose to elect to dilute and defer its decision on whether or not to contribute its share of equity contribution until 18 months after the successful ramp up of the Conversion Facility. The following additional options are included in the Shareholders Deed to provide additional rights for the Company.

Call Option (B) – this option allows the Company to return its ownership interest to 18% where it has previously decided not to contribute to cost overruns and therefore elected to dilute its interest in JV Co. This Call Option (B) can be exercised up to 18 months after the successful ramp up of the Conversion Facility at the same valuation that was applied for the equity subscription for the cost overrun.

Put Option (C) – this option allows the Company to exit the JV by selling all of its shares in JV Co to POSCO at the original cost, where there are significant cost overruns during the construction and ramp up of the Conversion Facility.

Milestone Put Option (D) – this option allows the Company to exit the JV and sell all of its shares in JV Co to POSCO at the original cost where the Conversion Facility is delayed in achieving successful ramp up including achievement of certain milestones related to nameplate capacity parameters, product quality specifications or unit operating costs.

Fair value calculation

The Company has used the Black Scholes model to measure the fair value of the Options. The key assumptions of the Black Scholes model include the spot share price, expected volatility, expected life and risk-free interest rate, all of which require judgement. The model also requires specification of the exercise price.

For Call Option A, the spot price is estimated using a discounted cashflow or net present value (NPV) of the projected future cash flows of JV Co. JV Co is not a listed investment with an observable traded price that could be used as the spot price. A weighted average cost of capital (WACC) of 12.25% (post tax) is applied to the projected future cash flows as well as a minority interest discount (owing to the Company's shareholding being a minority shareholding) and a marketability discount (owing to the project not being traded in a liquid market). The NPV model and projected future cash flows take into consideration other key assumptions for a NPV calculation including construction costs, forecast prices, revenue, operating costs and dates for key project milestones including commissioning and battery certification. The spot price is determined to be $101.3M.

For Call Option A, the other key assumptions of the Black Scholes model are expected volatility of 75%, expected life of 1.3 years, a risk-free interest rate of 3.75% and an exercise price of $56.6M. The exercise price is the cost of the initial investment pro-rated for a 12% shareholding plus interest at 3.58% per annum from 13 April 2022 (completion of conditions precedent as outlined in the Shareholders Deed).

As at 30 June 2024, the fair value of Option A was determined to be $55.5M, representing a $61.3M decrease on the fair value recorded at 30 June 2023 of $116.8M. The primary driver of the decrease in valuation is a reduction in forecast commodity prices for spodumene concentrate and lithium hydroxide.

As outlined above, Options B, C and D will only be exercised if certain future scenarios occur such as cost overruns (referred to as vesting conditions). The fair value of these options is determined by adjusting the Black Scholes value by a probability factor based on the likelihood that the future scenarios will occur. At the reporting date, this probability was considered to be remote given commissioning of the Conversion Facility remains on schedule. Management have therefore determined the fair value of these options is nil.

Sensitivity

The fair value of Option A at 30 June 2024 is $55.5M. The following two sensitivies have been performed over key estimates and would impact the spot price used in the Black Scholes model

- Commodity price for spodumene concentrate and lithium hydroxide. A 10% increase in the commodity price assumption utilised in the NPV model would result in a $24.7M increase in the option value to $80.2M, a 10% decrease in pricing would result in a $22.9M reduction in the option value to $32.6M.
- WACC (post tax). A 1% decrease (or increase) in WACC would result in a $11.3M increase (or $9.8M decrease) in the option value to $66.8M or ($45.7M).

3.4 Exploration and evaluation expenditure

Accounting policy

Refer to note 2.2.1 for the Group's exploration and evaluation expenditure policy.

3.4.1 Exploration and evaluation assets

Costs carried forward in relation to areas of interest in the exploration and evaluation phase:

	2024 $'000	2023 $'000
Balance at 1 July	8,989	9,289
Transfer to mineral rights	(3,591)	-
Sale to external party	-	(300)
Balance at 30 June	**5,398**	**8,989**

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3.4.2 Exploration licence expenditure commitments

The Group has the following minimum exploration licence commitments:

	2024 $'000	2023 $'000
Within one year	1,338	1,182
Later than one year but less than five years	3,331	3,641
Greater than five years	4,005	4,389

3.5 Provisions

Material accounting policy

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are determined by discounting the long-term expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money, and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Mine rehabilitation

In accordance with the applicable legal requirements, a provision for site rehabilitation in respect of returning the land to its original state is recognised when land is disturbed.

At each reporting date, the site rehabilitation provision is remeasured to reflect any changes in discount rates and timing or amounts of the costs to be incurred. Such changes in the estimated liability are accounted for prospectively from the date of the change and added to, or deducted from, the related asset, subject to recoverability.

Key estimates and judgements

Significant judgement is required in determining the provision for mine rehabilitation and closure as there are many factors that will affect the ultimate liability payable to rehabilitate mine sites, including future disturbances caused by further development, changes in technology, changes in regulations, price increases, changes in timing of cash flows which are based on life of mine plans and changes in discount rates. When the factors become known in the future, such differences will impact the mine rehabilitation provision in the period in which the changes become known.

Employee benefits

The current provision for employee benefits includes accrued annual leave. The entire amount of the annual leave provision is recognised as current, since the Group does not have the unconditional right to defer settlement for any of the obligations.

The non-current provision for employee benefits includes the liability for long service leave that is not expected to be settled within 12 months from reporting date. The liability for long service leave is measured at the present value of expected future payments for employees predicted to qualify under the minimum service period requirement taking into account future salary levels. Long-term benefits not expected to be settled within 12 months are discounted using market yields at the reporting date based on high quality corporate bonds with terms to maturity that match, as closely as possible, the estimated future cash outflow.

Provisions	2024 $'000	2023 $'000
Current		
Employee benefits	9,271	6,203
	9,271	**6,203**
Non-current		
Employee benefits	1,057	1,108
Rehabilitation provision	56,093	40,761
	57,150	**41,869**

Rehabilitation provision movements during the year:	2024 $'000	2023 $'000
Balance 1 July	40,761	37,665
Unwinding of discount	1,467	1,131
Recognised as adjustment to property plant and equipment (note 3.1)	13,865	1,965
Balance at 30 June	**56,093**	**40,761**

The rehabilitation provision has been made for all disturbed areas at the reporting date based on the current cost estimates for rehabilitations and infrastructure removal, discounted to the present value based on expected timing of future cash flows which would generally take place towards the end of the life of mine.

NOTE 4 – WORKING CAPITAL

4.1 Cash and cash equivalents

Accounting policy

Cash and cash equivalents comprise cash balances and call deposits with a maturity of less than or equal to three months from the date of acquisition. The carrying value of cash and cash equivalents is considered to approximate fair value.

4.1.1 Cash and cash equivalents

	2024 $'000	2023 $'000
Bank balances	75,244	327,879
Call and term deposits	1,551,232	3,010,674
	1,626,476	**3,338,553**

4.1.2 Reconciliation of cash flows from operating activities

	2024 $'000	2023 $'000
Cash flows from operating activities		
Profit for the period	256,883	2,391,135
Adjustments for:		
- Income tax expense	146,111	980,431
- Income tax paid	(972,799)	(209,484)
- Depreciation expense	150,377	105,839
- (Profit) / loss on disposal of property, plant and equipment	(5)	243
- Net financing costs / (income)	89,820	(84,778)
- Payments for financial assets	(1,387)	(7,851)
- Unrealised foreign currency loss / (gain)	8,474	(6,739)
- Share-based payment expense	15,780	12,808
- Share of loss from equity accounted investee	10,552	606
- Cashflow hedge close out	6,252	-
- Unwind of proceeds from government grant	(6,215)	-
Operating (loss) / profit before changes in working capital and provisions	(296,157)	3,182,210
Change in trade and other receivables	69,375	168,652
Change in trade and other payables	(128,214)	159,664
Change in provisions	3,017	3,232
Change in inventories	(88,245)	(57,065)
Net cash (outflow) / inflow from operating activities	**(440,224)**	**3,456,693**

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4.2 Trade and other receivables

Accounting policy

Trade and other receivables are recognised initially at fair value which is usually the value of the invoice sent to the counterparty and subsequently at the amounts considered recoverable.

	2024 $'000	2023 $'000
Current		
Trade debtors	42,407	82,057
GST receivable	12,545	22,293
Security deposits	-	135
Prepayments	9,465	7,984
Other receivables	13,663	19,570
	78,080	**132,039**

4.3 Inventories

Accounting policy

Concentrate stockpile and ore stockpiles are surveyed and valued at the lower of cost and net realisable value. Cost represents the weighted average cost and includes direct materials, direct labour, depreciation and an appropriate portion of fixed and variable production overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Tantalum inventory is treated as a by-product and valued at net realisable value (NRV).

Consumables and spares are valued at the lower of cost and net realisable value. Costs are assigned to individual items of stock on the basis of weighted average cost. Any allowance for obsolescence is determined by reference to specific stock items identified.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

Ore stockpiles which are not expected to be processed or sold in the 12 months after the reporting date are classified as non-current inventory.

	2024 $'000	2023 $'000
Current		
Concentrate stockpile	47,236	32,689
Ore stockpiles	32,804	17,717
Consumables and spares	52,190	46,845
	132,230	**97,251**

	2024 $'000	2023 $'000
Non-current		
Ore stockpiles	82,387	29,121
	82,387	**29,121**

4.4 Trade and other payables

Accounting policy

Trade payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured, and the majority of suppliers are usually payable within 30-60 days' net of recognition. Trade payables are recognised initially at the value of the invoice received from a supplier.

Contract liabilities

A contract liability is the obligation to transfer goods to a customer when the Group has received prepaid consideration from the customer. If a customer pays consideration before the Group transfers goods to the customer, a contract liability is recognised when the payment is made. Contract liabilities that are not linked to a specific sales agreement but generally to an offtake agreement are a financial liability initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method with movements recognised in net financing costs. The value of goods transferred to the customer reduces the contract liability.

Trade and other payables	2024 $'000	2023 $'000
Current		
Trade payables	24,831	29,637
Accruals	227,304	190,479
Contract liabilities	3,884	7,492
Unearned revenue [1]	12,441	8,697
Other payables	957	1,601
Provisional pricing	15,991	149,306
	285,408	**387,212**

[1] Unearned revenue includes $7.0M (2023: $8.0M) government grant received under the Modern Manufacturing Initiative as part of the Mid-stream Demonstration Plant JV. During the year, all remaining conditions were met and $6.2M was utilised and offset against feasibility expenditure (refer to note 2.2.1).

	2024 $'000	2023 $'000
Non-current		
Contract liabilities	-	3,880
	-	**3,880**

NOTE 5 – EQUITY AND FUNDING

5.1 Capital and reserves

Accounting policy

Ordinary shares are classified as equity. Costs directly attributable to the issue of new ordinary shares are recognised as a deduction from equity, net of any tax effects.

5.1.1 Ordinary shares

	2024		2023	
	$'000	Number ('000)	$'000	Number ('000)
Fully paid ordinary shares	966,948	3,009,721	966,230	2,998,187
Total share capital on issue at 30 June	966,948	3,009,721	966,230	2,998,187
Movements in ordinary shares on issue:				
On issue at 1 July	966,230	2,998,187	965,078	2,976,848
Exercise of options / vesting of performance rights	718	11,534	1,152	21,339
On issue at 30 June	**966,948**	**3,009,721**	**966,230**	**2,998,187**

Terms and conditions of ordinary shares

Holders of ordinary shares are entitled to receive dividends as determined from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Company, ordinary shareholders rank after all other shareholders and creditors with respect to any proceeds of liquidations.

Notes to The Consolidated Financial Statements

For the year ended 30 June 2024

5.2 Borrowings and lease liabilities

Accounting policy

Borrowings

Borrowings are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Lease liabilities

Liabilities arising from contractual arrangements which contain leases are initially measured at the present value of the future lease payments and this initial value reflects the lease asset value. The lease payments include the present value of fixed payments prescribed in the contract; variable lease payments based on an index or prescribed rate; amounts expected to be payable by the lessor under residual value guarantees; and exercise price of any purchase option if it is reasonably certain that the option will be exercised. The present value of the lease liability is increased by the interest cost and decreased by the lease payment each period over the life of the lease.

This note provides information about the contractual terms of the Group's interest-bearing borrowings and lease liabilities. For more information about the Group's exposure to interest rate risk, refer to note 6.1.

	2024 $'000	2023 $'000
Current		
Lease liabilities	75,339	63,928
Secured syndicated debt facility	34,118	34,087
Secured government debt facility	26,316	26,316
	135,773	**124,331**

	2024 $'000	2023 $'000
Non-current		
Lease liabilities	33,536	75,161
Secured syndicated debt facility	82,153	115,305
Secured government debt facility	216,916	74,624
Convertible bonds	87,365	82,528
	419,970	**347,618**

Secured syndicated debt facility

In 2023, the Company refinanced the existing secured USD syndicated debt facility with a new US$113M 5-year secured syndicated debt facility with improved terms and conditions.

The secured syndicated debt facility was fully drawn during 2023 and contains semi-annual USD principal repayments based on straight line amortisation with a variable USD interest rate based on the Secured Overnight Finance Rate ('SOFR') plus a Credit Adjustment Spread ('CAS') and a fixed margin.

Secured government debt facility

During 2023, the Company executed a 10-year A$250M Secured Government debt facility agreement with two Australian Government funding agencies, Export Finance Australia ('EFA') and Northern Australia Infrastructure Facility ('NAIF').

These facilities are provided to the Company to support the P680 Expansion Project. Key terms of each are as follows:

- EFA: USD equivalent of A$125M facility limit with semi-annual USD principal repayments and a variable USD interest rate based on SOFR plus a CAS and a fixed margin; and
- NAIF: A$125M facility limit with semi-annual AUD principal repayments and a fixed interest rate.

Debt covenants

The following financial covenants apply to all secured debt facilities (including the secured Government facility) which are tested on a semi-annual basis. The Group has complied with all financial covenants.

Compliance ratios:

- Gross Leverage Ratio not greater than 3.0:1 from 1 January 2024 to 30 June 2025 and not greater than 2.0:1 thereafter;
- Interest Cover Ratio not less than 4.0:1; and
- Net Gearing Ratio not greater than 40%.

In addition, at all times prior to the P680 completion date, the Group must ensure that a minimum liquidity position of A$50M is maintained (reducing to A$30M following P680 Project Completion). Minimum liquidity position includes cash and any undrawn facilities.

The secured debt facilities include a cash sweep mechanism whereby the Company is required to make mandatory repayments in the event it pays an external dividend or other form of distribution to it's shareholders, including but not limited to a share buyback after 30 September 2023.

5.2.1 Lease liabilities

During the year the following payments associated with lease liabilities have been made:

	2024 $'000	2023 $'000
Principal lease repayments	74,164	42,080
Interest payments on leases (note 2.3)	10,804	6,726
Payments for short-term and low value leases	30,138	5,825
	115,106	**54,631**

Payments amounting to $164.2M (2023: $132.9M) were made during the year under leasing arrangements, but due to the variable nature were not included in the minimum lease payments used to calculate lease liabilities. These payments relate to the total cost of operating the related rental equipment and would include a component of labour and maintenance.

5.2.2 Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

			2024		2023	
	Currency	Year of maturity	Face value $'000	Carrying amount $'000	Face value $'000	Carrying amount $'000
Lease liabilities[1]	AUD	2023-2039	132,565	108,875	157,367	139,089
Secured syndicated debt facility[2]	USD	2028	119,414	116,271	153,394	149,392
Government debt facility (EFA)[2]	USD	2033	123,419	120,946	53,268	50,512
Government debt facility (NAIF)[2]	AUD	2033	124,758	122,286	53,184	50,428
Convertible bonds[3]	AUD	2027	87,921	87,365	83,084	82,528

[1] Nominal interest rates on lease liabilities range from 3.5% to 10.2%.
[2] Nominal interest rates on these facilities are based on commercial terms that range between 6.7% and 8.7%.
[3] The nominal interest rate on the convertible bonds is 5.9%.

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5.2.3 Secured syndicated debt facilities, secured government debt facilities, convertible bonds and lease liabilities

	Repaid syndicated debt facility $'000	Secured syndicated debt facility $'000	Secured government debt facility $'000	Convertible bonds[1] $'000	Lease liabilities $'000	Total $'000
Balance at 1 July	155,384	-	-	79,326	57,254	291,964
Additions	-	171,238	105,927	-	123,915	401,080
Interest expense	7,777	4,254	1,385	3,202	6,726	23,344
Payments	(174,540)	(21,298)	(1,385)	-	(48,806)	(246,029)
Transaction costs	-	(4,262)	(5,666)	-	-	(9,928)
Transaction costs amortised	4,438	261	154	-	-	4,853
Foreign exchange loss/(gain)	6,941	(801)	525	-	-	6,665
Balance at 30 June 2023	**-**	**149,392**	**100,940**	**82,528**	**139,089**	**471,949**
Balance at 1 July	-	149,392	100,940	82,528	139,089	471,949
Additions	-	-	142,264	-	43,983	186,247
Interest expense	-	11,859	15,026	4,837	10,804	42,526
Payments	-	(45,556)	(15,026)	-	(84,968)	(145,550)
Terminations	-	-	-	-	(33)	(33)
Transaction costs amortised	-	852	568	-	-	1,420
Foreign exchange gain	-	(276)	(540)	-	-	(816)
Balance at 30 June 2024	**-**	**116,271**	**243,232**	**87,365**	**108,875**	**555,743**

[1] Pilbara Mineral's initial 18% interest in the equity-accounted investment in the incorporated joint venture with POSCO was funded from the $79.6M, five-year Convertible Bonds (refer to note 3.2).

5.3 Deed of cross guarantee

Pilbara Minerals Limited and certain of its wholly owned subsidiaries (refer to note 6.4.2) are parties to a deed of cross guarantee under which each company guarantees the debts of the other. By entering into the deed, the wholly owned entities have been relieved from the requirements to prepare a financial report and directors' report under ASIC Corporations (Wholly owned Companies) Instrument 2016/785 issued by the Australian Securities and Investments Commission.

The companies represent a 'closed group' for the purposes of the class order. The Group entities that are not part of the closed group are Tabba Tabba Tantalum Pty Ltd, Pilbara Lithium Pty Ltd, Mt Francisco Operations Pty Ltd and Pilbara Minerals Korea JV Pty Ltd.

The consolidated statement of profit and loss and Other comprehensive income and the consolidated statement of financial position of the closed group are as follows:

Consolidated statement of profit and loss and Other comprehensive income of the closed group

	2024 $'000	2023 $'000
Operating revenue	1,254,118	4,064,019
Expenses excluding net finance income	(856,399)	(852,096)
Net financing income	77,103	45,426
Income tax expense	(146,108)	(980,431)
Net profit for the period	**328,714**	**2,276,918**
Total Other comprehensive income	(11,413)	(5,629)
Total comprehensive profit for the period	**317,301**	**2,271,289**

Notes to The Consolidated Financial Statements

For the year ended 30 June 2024

Consolidated statement of financial position of the closed group

	2024 $'000	2023 $'000
Assets		
Current assets		
Cash and cash equivalents	1,626,275	3,338,499
Trade and other receivables	157,762	211,472
Inventories	132,230	97,251
Financial assets	2,031	88
Current tax asset	106,775	-
Total current assets	**2,025,073**	**3,647,310**
Non-current assets		
Inventories	82,387	29,121
Property, plant and equipment	2,147,762	1,375,545
Exploration and evaluation expenditure	5,398	8,989
Financial assets	7,026	21,543
Investment in subsidiaries	2,400	2,400
Total non-current assets	**2,244,973**	**1,437,598**
Total assets	**4,270,046**	**5,084,908**
Liabilities		
Current liabilities		
Trade and other payables	285,408	387,212
Provisions	9,271	6,203
Borrowings and lease liabilities	135,773	124,331
Financial liability	-	2,984
Current tax liabilities	-	773,347
Total current liabilities	**430,452**	**1,294,077**
Non-current liabilities		
Trade and other payables	-	3,880
Provisions	57,150	41,869
Borrowings and lease liabilities	419,970	347,618
Deferred tax liabilities	157,504	121,369
Total non-current liabilities	**634,624**	**514,736**
Total liabilities	**1,065,076**	**1,808,813**
Net assets	**3,204,970**	**3,276,095**
Equity		
Issued capital	966,948	966,230
Reserves	6,499	11,476
Retained earnings	2,231,523	2,298,389
Total equity	**3,204,970**	**3,276,095**

Notes to The Consolidated Financial Statements
For the year ended 30 June 2024

5.4 Capital management

Capital consists of ordinary share capital, retained earnings, reserves and net debt. The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern so as to maintain a strong capital base sufficient to maintain future exploration, development and operating activities.

During the FY23 year, the Company introduced the Capital Management Framework including a dividend policy. The Capital Management Framework prioritises the allocation of capital to first maintaining safe and reliable operations, as well as near term productivity initiatives designed to maximise cash being generated from existing operations. Net operating cash flow generated are then allocated to:

- Sustaining capital to maintain operational performance
- Further investment into sustainability commitments and initiatives
- Establishing and maintaining balance sheet strength to protect the Company through all commodity price cycles (inclusive of prudent gearing ratios)
- Paying a sustainable dividend to shareholders, with a target dividend payout ratio of between 20-30% of free cash flow.

Free cash flow is defined as statutory cashflow from operating activities less tax paid/payable less sustaining capital (inclusive of deferred stripping).

Free cash flow above and beyond these priorities can then be allocated to further investment to improve the Company's operations, investment in organic and inorganic growth and acquisition opportunities, debt reduction and/or further returns to shareholders.

5.4.1 Dividends

Dividends determined and paid during the year.

	2024		2023	
	Dividends per share	Total	Dividend per share	Total
	Cents	$'000	Cents	$'000
Interim franked dividend	-	-	11.00	329,781
Final franked dividend	14.00	421,021	-	-
	14.00	**421,021**	**11.00**	**329,781**

Dividends determined and not recognised as a liability.

	2024		2023	
	Dividends per share	Total	Dividend per share	Total
	Cents	$'000	Cents	$'000
Final franked dividend	-	-	14.00	420,498
	-	**-**	**14.00**	**420,498**

At 30 June 2024 the value of franking credits available (at 30%) was $855.9M (2023: $63.6M).

During the previous year the Company has established a Profit reserve to record profits generated by the parent entity for the purpose of future dividend distributions by the Company.

NOTE 6 - OTHER DISCLOSURES

6.1 Financial risk management

Accounting policy

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue.

A trade receivable without a significant financing component is initially measured at the transaction price.

Accounting policy

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income (FVOCI) – debt investment, FVOCI – equity investment, or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI (as described above) are measured at FVTPL.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Impairment of financial assets

The Group recognises loss allowances for expected credit losses (ECL) on financial assets measured at amortised cost. The loss allowance is measured at an amount equal to lifetime ECL, except for the following, which are measured at 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade and other receivables are always measured at an amount equal to lifetime ECL.

Set out below are details of the Group's financial assets and liabilities at the end of the reporting period:

	2024 $'000	2023 $'000
Financial assets		
Cash and cash equivalents	1,626,476	3,338,553
Trade and other receivables	56,070	101,762
Financial assets	64,545	138,408
	1,747,091	**3,578,723**
Financial liabilities		
Trade and other payables	281,524	379,720
Forward foreign currency contracts	-	2,984
Contract liabilities	3,884	11,372
Borrowings and lease liabilities	555,743	471,949
	841,151	**866,025**

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6.1.1 Overview

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Company's Board of Directors has ultimate responsibility for setting the Company's risk appetite, for overseeing the risk management framework designed and implemented by management and for satisfying itself that the risk management framework is sound. The Board is also responsible for monitoring and reviewing the Company's risk profile. The Board has established a separate Audit and Risk Committee whose role is set out in the Company's Audit and Risk Committee Charter. The Audit and Risk Committee is responsible for governance of risk management across the Company, leading the strategic direction regarding the management of material business risks and reviewing the effectiveness of the risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's management of financial risk is aimed at ensuring net cash flows are sufficient to meet all of its financial commitments and maintain the capacity to fund the exploration, evaluation, development and operation of the Pilgangoora Projects and ancillary exploration activities.

The principal financial instruments as at the reporting date include cash, receivables, payables and loan and finance agreements.

Set out below is information about exposures to the above risks, the objectives, policies and processes for measuring and managing risk, and the management of capital.

6.1.2 Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's cash at bank, term deposits as well as credit exposure to trade customers, including outstanding receivables and committed transactions. Credit risk represents the potential financial loss if a customer or counterparty fail to perform as contracted.

The carrying amount of financial assets represents the maximum credit exposure.

The Group limits its exposure to credit risk by only transacting with high credit quality financial institutions.

Credit risk arising from sales of spodumene concentrate to customers is predominately mitigated by sales contracts that require a provisional payment of typically 100 per cent of the provisional value of the sale which is payable by letter of credit when the vessel is loaded. The customer contract also specifies the Standard and Poor's rating required by financial institutions providing the letters of credit as a further measure. Following the spodumene concentrate shipment the final value of the sale is determined, with any additional amounts not covered by a letter of credit arrangement and subject to credit risk invoiced to the customer.

At 30 June 2024 and 2023, all trade receivables have been settled within the normal credit terms and conditions agreed with the customers. The Group assesses expected credit losses by considering the risk of default adjusted for credit enhancements, such as the letters of credit obtained. On this basis, the resulting expected credit loss on trade and other receivables held at amortised cost are immaterial and no provision has been recognised at 30 June 2024 or 2023.

6.1.3 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group also manages liquidity risk by producing cash flow forecasts to ensure that there is a clear and up-to-date view of the short to medium term funding requirements and the sources of those funds. The Group aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities.

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The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

Financial liabilities	Carrying amount $'000	Contractual cashflows Total $'000	6 months or Less $'000	Six to 12 months $'000	One to two years $'000	Two to five years $'000	Greater than five years $'000
30 June 2023							
Lease liabilities	139,089	157,367	36,287	35,968	65,149	6,042	13,921
Secured debt facilities	250,332	259,845	30,202	30,202	60,403	139,038	-
Trade and other payables	379,720	379,720	379,720	-	-	-	-
Contract liabilities	11,372	19,023	6,266	6,266	6,491	-	-
Forward foreign currency contracts	2,984	2,984	2,984	-	-	-	-
Convertible bonds	82,528	100,511	-	-	-	100,511	-
	866,025	**919,450**	**455,459**	**72,436**	**132,043**	**245,591**	**13,921**
30 June 2024							
Lease liabilities	108,875	132,565	41,379	39,693	5,039	11,610	34,844
Secured debt facilities	359,503	480,284	44,599	43,578	83,410	171,761	136,936
Trade and other payables	281,524	281,524	281,524	-	-	-	-
Contract liabilities	3,884	3,938	3,938	-	-	-	-
Convertible bonds	87,365	103,205	-	-	-	103,205	-
	841,151	**1,001,516**	**371,440**	**83,271**	**88,449**	**286,576**	**171,780**

6.1.4 Market risk

Market risk is the risk that changes in market prices (such as commodity price, foreign exchange rates and interest rates) will affect the Group's income or the value of its holdings in financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

a) Commodity price risk

The Group is exposed to commodity price risk due to spodumene sales being predominantly subject to prevailing market prices. The majority of spodumene sales contracts are structured on a provisional pricing basis, with the final prices determined using at prices determined on or after the vessel has arrived at the port of discharge. The estimated consideration in relation to the provisionally priced contracts is revalued using the latest available pricing at the end of each reporting period. The impact of the spodumene price movements are recorded as provisional pricing adjustments to revenue. At 30 June 2024, 154kdmt (2023: 96kdmt) of spodumene sales remained subject to provisional pricing with the final price to be determined in the following financial year.

Group sensitivity

A 5% movement in the spodumene price on these provisionally priced sales would impact the profit before tax by $9.9M (2023: 3% impact of $13.0M), assuming all other variables are held constant.

b) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised financial assets and financial liabilities are denominated in a currency that is not the Group's functional currency. The Group's Risk Management and Hedging Policy outlines the Group's approach to financial risk management, with the objective of mitigating exposures consistent with the Group's risk tolerances. To manage and mitigate the foreign exchange risk the Group manages future commercial transactions through cash flow management and forecasting.

The Group enters into options and forward exchange contracts to buy and sell foreign currencies at stipulated exchange rates to match anticipated future sales and contracts. Where there is a high degree of certainty over the US dollar receipts, then forward foreign exchange contracts (committed hedging) are used to manage the foreign currency exposure. Where there are longer term US dollar receipts which are less certain, the Group uses option contracts to protect a worst-case position (uncommitted hedging). The volume of hedging and mix of committed versus uncommitted instruments is determined using target return levels with these targets assessed regularly (refer to note 3.3).

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Open foreign currency option contracts at 30 June 2024 totalled US$515.0M (2023: US$2.1B) at a weighted average strike price of 0.82 with maturity dates from July 2024 to December 2024.
Open forward foreign exchange contracts at 30 June 2024 totalled US$69.0M (A$105.2M) (2023: US$199.0M; A$294.8M) at a weighted average exchange rate of 0.66 with maturity dates from July 2024 to November 2024.

The Group is exposed to foreign exchange risk principally through holding US dollar denominated cash, borrowings, trade receivables and payables.

The Group's exposure to foreign currency risk at balance date was as follows:

	2024 US$'000	2023 US$'000
Cash and cash equivalents	181,672	316,583
Contract liabilities	2,573	7,540
Borrowings	160,853	137,016
Trade receivables	27,980	54,060
Trade and other payables	14,301	100,041
Forward foreign currency contracts	1,354	2,984

The year-end exchange rate used to recalculate the US dollar dominated balances on 30 June 2024 was 0.66 (2023: 0.66).

Group sensitivity

Based on financial instruments held at 30 June 2024, had the Australian dollar strengthened / weakened by 4% (2023: 2%) against the US dollar, with all other variables held constant, the Group's profit before tax for the year would have been $1.9M lower / $2.1M higher (2023: $3.7M lower / $3.8M higher), as a result of foreign exchange gains/losses on translation of US dollar denominated cash, payables, receivables and borrowings.

c) Interest rate risk

Interest rate risk arises from the Group's cash and cash equivalents earning interest at variable rates and from any variable portion of its borrowings.

The significance and management of the risks to the Group are dependent on several factors including:

- Interest rates;
- Level of cash, liquid investments and borrowings and their term; and
- Maturing dates of investments.

At the end of the reporting period, the Group's exposure to interest rate risk and effective weighted average interest rate for classes of financial assets and financial liabilities are set out below:

	2024		2023	
	Weighted average interest rate	Balance $'000	Weighted average interest rate	Balance $'000
Cash and cash equivalents	5.06%	1,626,476	4.67%	3,338,553
Secured USD debt	8.45%	237,217	8.08%	199,904
Convertible bonds	5.85%	87,365	5.10%	82,528

Group sensitivity

Based on the financial instruments at 30 June 2024, if interest rates had increased or decreased by 50 basis points from the year end rates, with all other variables held constant, profit before tax for the year would have been $6.5M lower or higher (2023: $64.3M lower or higher based on a 200 basis point change to the year-end rates).

6.2 Related parties

6.2.1 Key management personnel

The following people were considered as key management personnel during the financial year:

Name	Position	Appointed	Resigned
Kathleen Conlon	Non-Executive Director Non-Executive Chairman	1 January 2024 31 January 2024	
Miriam Stanborough	Non-Executive Director	4 October 2021	
Nicholas Cernotta	Non-Executive Director	6 February 2017	
Sally-Anne Layman	Non-Executive Director	20 April 2018	
Steve Scudamore	Non-Executive Director	18 July 2016	
Dale Henderson	Managing Director and CEO	30 July 2022	
Vince De Carolis	Chief Operating Officer	14 November 2022	7 August 2024
Luke Bortoli	Chief Financial Officer	11 April 2023	
Anthony Kiernan	Non-Executive Chairman	1 July 2016	31 January 2024
Alex Eastwood	Chief Commercial and Legal Officer and Company Secretary	1 September 2016	24 November 2023

Key management personnel compensation comprised the following:

	2024 $	2023 $
Short term employee benefits	6,902,282	5,805,825
Post-employment benefits	179,591	163,147
Share-based payments (non-cash)	3,535,094	3,989,608
	10,616,967	**9,958,580**

Compensation of the Group's key management personnel includes salaries, and contributions to a post-employment defined contribution plan. Information regarding individual directors and executive's compensation and some equity instruments are required to be disclosed by s300A of the *Corporations Act 2001* and *Corporations Regulations 2M.3.03* and are provided in the Remuneration Report section of the Directors' Report.

6.2.2 Other related parties

During FY22, the Company formed an incorporated joint venture with POSCO Holdings (POSCO) named 'POSCO-Pilbara Minerals Lithium Solution Co Ltd' ("JV Co"). The Company holds 18% equity in JV Co through its wholly owned subsidiary Pilbara Minerals Korea JV Pty Ltd. Further information, including transactions during the year is disclosed in note 3.2.

During FY23, the Company and Calix Limited ("Calix") entered into a joint venture agreement ("JV") for the development of Mid-stream Demonstration Plant at the Pilgangoora Operation, with 55% and 45% interest in the JV respectively.

	2024 $'000	2023 $'000
Transactions with equity accounted investee and joint operation		
Sale of spodumene to associate	105,065	-
Exploration and feasibility expense	1,785	1,959
Balance at 30 June		
Trade and other receivables	19,855	510

Financial report

Notes to The Consolidated Financial Statements

For the year ended 30 June 2024

6.3 Share-based payments

Material accounting policy

Share-based payment arrangements

The grant-date fair value of equity-settled share-based payment arrangements granted to holders of equity-based instruments (including employees) are generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-market conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

In determining the fair value of share-based payments granted, a key estimate and judgement is the volatility input assumed within the pricing model. The Group uses historical volatilities to determine an appropriate level of volatility expected, commensurate with the expected instrument's life.

The expenses resulting from share-based payment transactions recognised during the year as part of the employee benefit expense were as follows:

	2024 $'000	2023 $'000
Share options expense	280	1,184
Performance rights expense	15,500	11,624
	15,780	**12,808**

Share options

No options were granted during the year ended 30 June 2024.

The number and weighted average exercise prices of unlisted share options are as follows:

	2024		2023	
	Weighted average exercise price	No. of options	Weighted average exercise price	No. of options
Outstanding at 1 July	$0.28	7,746,962	$0.36	28,889,657
Exercised during the period	$0.23	(7,404,411)	$0.34	(20,855,682)
Forfeited during the period	$1.40	(30,315)	$0.92	(287,013)
Outstanding at 30 June	**$1.40**	**312,236**	**$0.28**	**7,746,962**
Exercisable at 30 June		**312,236**		**7,412,662**

Performance rights

The following table shows performance rights granted during the year ended 30 June 2024 and the value attributed to each right granted, by the category holder:

Classification	No. of performance rights	Grant date (valuation purposes)*	Share price on date of grant	Vesting date	Fair value $/Right	Total value $'000
Other employee[1]	30,593	7 August 2023	$5.180	7 August 2023	5.180	158
Other employee[2]	264,468	1 September 2023	$4.700	31 August 2024	4.455	1,178
Non-Executive Directors[3]	29,201	15 December 2023	$3.920	30 November 2024	3.900	114
Executive Director	167,194	23 November 2023	$3.620	30 June 2026	2.088	349
Executive Director	167,194	23 November 2023	$3.620	30 June 2026	1.951	326
Executive Director	83,597	23 November 2023	$3.620	30 June 2026	3.149	263
Other KMP	115,564	1 July 2023	$5.060	30 June 2026	3.135	362
Other KMP	115,564	1 July 2023	$5.060	30 June 2026	2.854	330
Other KMP	57,782	1 July 2023	$5.060	30 June 2026	4.164	241
Other employee	615,647	1 July 2023	$5.060	30 June 2026	3.135	1,930
Other employee	615,647	1 July 2023	$5.060	30 June 2026	2.854	1,757
Other employee	307,824	1 July 2023	$5.060	30 June 2026	4.164	1,282
Other employee[4]	77,418	22 September 2023	$4.250	30 November 2024	3.987	309
Other employee[4]	116,128	22 September 2023	$4.250	30 November 2025	3.779	439

* This is the grant date used for valuation purposes and represents the date performance rights were awarded to employees or directors, it is not the date the performance rights were issued.

[1] These performance rights were issued and vested immediately.

[2] These performance rights were issued to employees under the Company's performance based Short Term Incentive Scheme where employees could elect to exchange 50% of their FY2023 short term incentive for equity in the Company. Under the scheme, the Company agreed to match the number of performance rights granted with the same number of additional performance rights on a 'one for one' basis where employees elected to take the performance rights with a 12-month vesting period. The performance rights have no performance conditions other than a service condition during the vesting period.

[3] These performance rights were issued to non-executive directors and relate to the participation under the Non-executive Director Fee Sacrifice Scheme approved by shareholders on 17 November 2020, which allows non-executive directors to sacrifice a component of their director fees each year for performance rights that have no performance conditions other than a service condition attached to their vesting. Share issued on their conversion each quarter are subject to an 18 month disposal restriction unless the participant ceases to be a director before that date.

[4] The performance vesting conditions are:
- Up to 40% vest on 30 November 2024, subject to the employee remaining in service at that date and achievement of total budgeted production from 1 December 2022 to 30 November 2024; and
- Up to 60% vest on 30 November 2025, subject to the employee remaining in service at that date and achievement of total budgeted production from 1 December 2022 to 30 November 2025.

All performance rights valuations during the period were performed by an independent third-party valuer. They are valued using the Monte Carlo simulation model (market based conditions) and the Black Scholes option valuation methodology (non-market based conditions) that takes into account the term of performance rights, the share price at grant date, the expected volatility of the underlying share, the expected dividend yield, the risk free rate for the term of the right and the correlations and volatilities of peer companies.

Notes to The Consolidated Financial Statements
For the year ended 30 June 2024

The performance rights on issue as at 30 June 2024 are as follows:

Date performance rights granted[1]	Vesting date	Number of performance rights
2 December 2021[a]	30 June 2024	742,251
9 December 2022[a]	30 June 2024	99,606
17 November 2022[b]	30 June 2025	843,075
20 December 2022[j]	30 June 2024	114,547
20 December 2022[b]	30 June 2025	658,110
27 March 2023[b]	30 June 2025	361,298
8 May 2023[c]	30 November 2024	703,036
8 May 2023[c]	30 November 2025	1,054,555
15 May 2023[c]	30 November 2024	95,980
15 May 2023[c]	30 November 2025	143,968
19 May 2023[c]	30 November 2024	27,369
19 May 2023[c]	30 November 2025	41,052
8 June 2023[d]	30 June 2025	121,573
23 June 2023[f]	30 June 2024	382,121
23 June 2023[e]	30 June 2024	129,360
27 June 2023[d]	30 June 2025	109,914
27 June 2023[e]	30 June 2024	153,665
27 June 2023[k]	30 June 2025	230,497
1 September 2023[g]	31 August 2024	254,994
22 September 2023[c]	30 November 2024	45,945
22 September 2023[c]	30 November 2025	68,917
15 December 2023[h]	30 November 2024	29,201
23 November 2023[i]	30 June 2026	417,985
1 July 2023[i]	30 June 2026	1,803,498

[1] This is the grant date used for valuation purposes and not the date the performance rights are issued.

[a] The performance vesting conditions are:
- Up to 50% vest on 30 June 2024, upon the Company achieving specified relative TSR targets (between the 50th to 75th percentile) against a defined peer group of companies measured over a 3 year vesting period;
- Up to 30% vest on 30 June 2024, upon achievement of an increase in annual production run rate to between 580,000 to 850,000 tonnes of spodumene concentrate or higher for at least one full quarter during the 3 year vesting period achieved through expansions acquisitive growth; and
- Up to 20% vest on 30 June 2024, upon achievement at any time during the 3 year vesting period a renewable energy target of at least 30% of the combined Pilgangoora Plant's energy requirement.

[b] The performance vesting conditions are:
- Up to 70% vest on 30 June 2025, upon the Company achieving specified relative TSR targets (between the 50th to 75th percentile) against a defined peer group of companies measured over a 3 year vesting period; and
- Up to 30% vest on 30 June 2025, upon achievement of sustainability targets.

[c] The performance vesting conditions are:
- Up to 40% vest on 30 November 2024, subject to the employee remaining in service at that date and achievement of total budgeted production from 1 December 2022 – 30 November 2024; and
- Up to 60% vest on 30 November 2025, subject to the employee remaining in service at that date and achievement of total budgeted production from 1 December 2024 – 30 November 2025.

[d] The performance vesting conditions are:
- Up to 70% vest on 30 June 2025, upon the Company achieving specified relative TSR targets (between the 50th to 75th percentile) against a defined peer group of companies measured over a 3 year vesting period; and
- Up to 30% vest on 30 June 2025, upon achievement construction and commissioning of the demonstration plant and carbon emission reduction pertaining to the combined mine site processing plant facility at Pilgangoora.

[e] The performance vesting conditions are:
- Up to 100% vest at 30 June 2024, subject to the employee remaining in service at that date and performance conditions being satisfied.

[f] The vesting conditions are:
- 100% vest at 30 June 2024, subject to the employee remaining in service at that date.

[g] The vesting conditions are:
- 100% vest on 31 August 2024, subject to the employee remaining in service at that date.

[h] These performance rights have no vesting conditions attached other than a service condition. They are issued under the 2020 Non-Executive Director Fee Salary Sacrifice Offer whereby non-executive directors are able to sacrifice a component of their fee for performance rights. Shares allocated post vesting each quarter are subject to disposal restrictions and cannot be disposed or dealt with until the earlier of 18 months from the relevant vesting date or the date the participant ceases to be a director.

[i] The performance vesting conditions are:

- Up to 40% vest on 30 June 2026, upon the Company achieving specified relative TSR targets (between the 50th to 75th percentile) against a defined peer group of companies measured over a 3 year vesting period;
- Up to 40% vest on 30 June 2026, upon the Company achieving specified relative TSR targets against a defined ASX50 peer group of companies; and
- Up to 20% vest on 30 June 2026, upon achievement at any time during the 3 year vesting period a successful commissioning and delivery of P1000 infrastructure such that by achieving first ore date, the vesting percentage are: 31 January 2025 – 100% vest; 28 February 2025 – 75% vest or 31 March 2025 – 50% vest.

[j] The performance vesting conditions are:
Up to 40% vest on 30 June 2023 and up to 60% vest on 30 June 2024 subject to performance conditions being satisfied.

[k] The performance vesting conditions are:
Up to 100% vest at 30 June 2025, subject to the employee remaining in service at that date and performance conditions being satisfied.

The weighted average inputs used to determine the fair values at grant date of the performance rights were as follows:

Date of performance rights granted	Expected volatility	Expected life	Risk free interest rate (based on government bonds)
		Weighted average	
2023			
17 November 2022	70%	3	3.185%
9 December 2022	70%	3	3.035%
20 December 2022	70%	0.62 to 3 years	3.270% - 3.295%
27 March 2023	70%	3	2.840%
8 May 2023	70%	2 to 3 years	3.065% - 3.170%
15 May 2023	70%	2 to 3 years	3.110% - 3.240%
19 May 2023	70%	2 to 3 years	3.315% - 3.470%
8 June 2023	70%	3	4.015%
23 June 2023	70%	0.5 to 1.46 years	4.160%
27 June 2023	70%	1.22 to 3 years	4.065%
2024			
15 December 2023	60%	0.96 years	3.868%
1 September 2023	60%	1	3.815%
1 July 2023	60%	4.5	4.030%
23 November 2023	60%	4.11	4.140%
22 September 2023	60%	2.19	4.070%

Employee share trust

On 24 May 2019 the Company initiated the Pilbara Minerals Employee Award Plan Trust ('the Trust') for the purpose of acquiring fully paid ordinary shares in the Company to satisfy performance rights and options that vest and are exercisable under the Company's Award Plan. As at 30 June 2024 the Trust held nil shares in the Company.

Notes to The Consolidated Financial Statements
For the year ended 30 June 2024

6.4 Group entities

6.4.1 Parent entity

Pilbara Minerals Limited

The consolidated financial statements include the financial statements of Pilbara Minerals Limited and the subsidiaries listed in the following table.

6.4.2 Significant subsidiaries

Entity name	Country of incorporation	% of capital held 2024	2023	Party to Deed of Cross Guarantee
Tabba Tabba Tantalum Pty Ltd	Australia	100%	100%	No
Pilbara Lithium Pty Ltd	Australia	100%	100%	No
Pilgangoora Holdings Pty Ltd	Australia	100%	100%	Yes
Pilgangoora Operations Pty Ltd	Australia	100%	100%	Yes
Pilbara Minerals Korea JV Pty Ltd	Australia	100%	100%	No
Mt Francisco Operations Pty Ltd	Australia	100%	100%	No
Ngungaju Lithium Operations Pty Ltd	Australia	100%	100%	Yes

6.4.3 Joint operations

The consolidated financial statements incorporate Pilbara Minerals Limited's participating share in the assets, liabilities, revenue and expenses of the following joint operation, in accordance with the accounting policy described in note 1.4.4.

	Country of incorporation	Participating interest 2024	2023
Mid-Stream Demonstration Plant JV	Australia	55%	55%

6.5 Parent entity financial information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements. Pilbara Minerals Limited is party to the deed of cross guarantee, as described in note 5.3.

	2024 $'000	2023 $'000
Results of the parent entity		
Profit for the period	1,093,893	1,809,398
Total comprehensive profit for the period	1,093,893	1,809,398
Financial position of the parent entity		
Current assets	2,764,105	2,839,321
Non-current assets	336,948	335,677
Total assets	**3,101,053**	**3,174,998**
Current liabilities	57,118	825,368
Non-current liabilities	90,401	86,884
Total liabilities	**147,519**	**912,252**
Net assets	2,953,534	2,262,746
Share capital	966,948	966,230
Reserves	7,871	16,113
Retained earnings	1,978,715	1,280,403
Total equity	**2,953,534**	**2,262,746**

Notes to The Consolidated Financial Statements
For the year ended 30 June 2024

6.6 Subsequent events

On 15 August 2024, Pilbara Minerals and Latin Resources Limited announced a binding Scheme Implementation Agreement under which it is proposed that Pilbara Minerals will acquire 100% of the shares in Latin Resources Limited by way of a Court-approved scheme of arrangement. Latin Resources shareholders will receive 0.07 new Pilbara Minerals shares for each Latin Resources share held. Latin Resources performance rights will vest in connection with the share scheme, with the resulting Latin Resources shares to be subject to the share scheme. Latin Resources options will be subject to a stand-alone Court-approved scheme of arrangement pursuant to which Latin Resources options will be exchanged for shares in Pilbara Minerals. Both schemes are subject to certain conditions. Based on Latin Resources' shares, performance rights and options outstanding as at the date of the Scheme Implementation Agreement, approximately 205.5 million new Pilbara Minerals shares will be issued to Latin Resources shareholders and option holders.

Pilbara Minerals has received letters of commitment from a group of Australian and international banks for a revolving credit facility of $1 billion based on a negotiated term sheet. Establishment of the binding revolving credit facility is conditional on the execution of transaction documentation by mid-October 2024, repayment of existing debt facilities and satisfaction of other customary conditions precedent.

Other than the above, there were no matters or circumstances that have arisen between the end of the financial year and the date of this report that have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

6.7 Auditors' remuneration

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

KPMG	2024 $	2023 $
Audit and review services	453,250	323,644
Other assurance services[1]	251,917	-
Total auditors' remuneration	**705,167**	**323,644**

[1] Other assurance services are comprised of the following key services, Safeguard Assurance (baseline assessment) and group sustainability report disclosures.

Consolidated entity disclosure statement

The following table provides a list of all entities included in the Group's consolidated financial statements, prepared in accordance with the requirements of Section 295(3A) of the Corporations Act. The ownership interest is only disclosed for those entities which are a body corporate, representing the direct and indirect percentage share capital owned by the Company.

Company name	Type of entity	% of share capital as at 30 June 2024	Country of incorporation	Country of tax residency[1]
Pilbara Minerals Limited (Holding company)	Body corporate	-	Australia	Australia
Tabba Tabba Tantalum Pty Ltd	Body corporate	100%	Australia	Australia
Pilbara Lithium Pty Ltd	Body corporate	100%	Australia	Australia
Pilgangoora Holdings Pty Ltd	Body corporate	100%	Australia	Australia
Pilgangoora Operations Pty Ltd	Body corporate	100%	Australia	Australia
Pilbara Minerals Korea JV Pty Ltd	Body corporate	100%	Australia	Australia
Mt Francisco Operations Pty Ltd	Body corporate	100%	Australia	Australia
Ngungaju Lithium Operations Pty Ltd	Body corporate	100%	Australia	Australia

[1] Tax residency is determined with reference to the Income Tax Assessment Act 1997.

Directors' Declaration

1. In the opinion of the Directors of Pilbara Minerals Limited ('the Company'):

   (a) the consolidated financial statements and notes thereto, as set out on pages 101 to 173, and the Remuneration Report contained within the Directors' Report are in accordance with the *Corporations Act 2001*, including:

      (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

      (ii) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date.

   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

   (c) there are reasonable grounds to believe that the members of the extended closed group identified in note 5.3 will be able to meet any obligations or liabilities to which they are, or may become, liable by virtue of the deed of cross guarantee described in note 5.3.

   (d) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

   (e) the consolidated entity disclosure statement required by 295(3A) of the *Corporations Act 2001*, included on page 174, is true and correct.

2. The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2024.

This declaration is made in accordance with a resolution of the Directors.

Kathleen Conlon

Kathleen Conlon
Chairman

23 August 2024

Financial report

Independent Auditor's Report

To the shareholders of Pilbara Minerals Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Pilbara Minerals Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group***'s financial position as at 30 June 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001,* in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated Statement of Financial Position as at 30 June 2024
- Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity, and Consolidated Statement of Cash Flows for the year then ended
- Notes, including material accounting policies
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2024
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 *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 fulfilled our other ethical responsibilities in accordance with these requirements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

This matter was addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Recognition of spodumene revenue

Refer to Note 2.1.1 to the Financial Report ($1,260,370,000)

The key audit matter	How the matter was addressed in our audit
The Group's recognition of spodumene revenue is a key audit matter due to the: • Significance of this revenue to the Group's financial statements; and • Specific contractual terms in the Group's revenue contracts with its customers, including provisional and final pricing conditions, which drive the amount of revenue recognised and the Group's treatment thereof in accordance with the accounting standards. We applied significant audit effort in assessing the above and involved senior team members who understand the Group's business and industry it operates in.	Our procedures included, we: • Evaluated the appropriateness of the Group's accounting policies for recognition of spodumene revenue against the requirements of the accounting standards and our understanding of the Group's business and industry in which it operates. • Obtained an understanding of the Group's revenue recording processes, systems and related key internal controls, such as the Group's review processes of spodumene revenue invoicing. • For spodumene revenue transactions recorded by the Group during the year we, - Read the terms and conditions of underlying customer contracts and identified features distinguishing revenue recognition, including those specific to provisional and final pricing. We assessed the Group's recognition of revenue in accordance with the requirements of the accounting standards and the specific contract terms. - Checked the provisional and final pricing used by the Group to record revenue to external market pricing indices and against the provisional and final pricing conditions within underlying contracts with customers. - Checked the timing and quantity of revenue recognised to underlying documentation such as customer contracts, bill of lading and shipping documents. • Evaluated the adequacy of the Group's disclosures in the Financial Report using our understanding obtained from our testing and against the requirements of the accounting standards.

KPMG

Other Information

Other Information is financial and non-financial information in Pilbara Minerals Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or 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. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Pilbara Minerals Limited for the year ended 30 June 2024, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' 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 responsibilities

We have audited the Remuneration Report included in pages 108 to 130 of the Directors' report for the year ended 30 June 2024.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Derek Meates
Partner
Perth
23 August 2024

Financial report

Additional shareholder information

In accordance with Listing Rule 4.10 the following information is provided as at 14 August 2024.

Corporate Governance statement

Our Corporate Governance statement is available on our website: pilbaraminerals.com.au

Security holders

Substantial shareholders

The Company had the following substantial shareholders as at 14 August 2024:

- Australian Super Pty Ltd – 282,947,538 (Pursuant to Form 604 Notice of change of interests of substantial holder lodged 1 August 2024)
- BlackRock Group (BlackRock Inc. and various subsidiaries) – 190,043,220 (Pursuant to Form 604 Notice of change of interests of substantial holder lodged 17 July 2023)
- JPMorgan Chase & Co. and its affiliates – 266,073,463 (Pursuant to Form 604 Notice of change of interests of substantial holder lodged 19 June 2024)
- Vanguard Group (The Vanguard Group, Inc. and its controlled entities) – 150,507,909 (Pursuant to Form 603 Notice of initial substantial holder dated 19 April 2024)
- GFL International Co Limited – 172,684,971 ordinary shares
- State Street Corporation and its subsidiaries – 333,850,418 (Pursuant to Form 604 Notice of change of interests of substantial holder dated 30 January 2024).

Number of holders in each class of equity security and the voting rights attached

Ordinary Shares

There are 113,754 holders of ordinary shares. Each shareholder is entitled to one vote per share.

In accordance with the Company's Constitution, on a show of hands every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held.

Options

There is 1 holder of unlisted options. There are no voting rights attaching to the options.

A total of 167,150 options are on issue. The 167,150 options, if exercised, will convert into 167,150 ordinary shares.

The options have the following exercise price and expiry date:

No. of holders	No. of options	Exercise price	Expiry date
1	167,150	$1.4041	31 December 2025

Performance rights and share rights

There are 186 holders of unlisted performance rights and 2 holders of unlisted share rights. There are no voting rights attaching to the performance rights or share rights.

A total of 7,330,488 performance rights and 29,201 share rights are on issue. The 7,330,488 performance rights and 29,201 share rights, if vested, will automatically convert into 7,359,689 ordinary shares.

The performance rights and share rights have the following exercise price and vesting date:

No. of holders	No. of rights	Exercise price	Vesting period ends
9	522,265	Nil	30 June 2024 (expiry 31 December 2025)
29	2,249,243	Nil	30 November 2024 (40%) and 30 November 2025 (60%)
26	2,047,783	Nil	30 June 2025
1	230,497	Nil	30 June 2025
125	264,108	Nil	31 August 2024
50	2,016,592	Nil	30 June 2026
2	29,201	Nil	30 November 2024

Convertible bonds

There is 1 holder of convertible bonds. There are no voting rights attaching to the convertible bonds. A total of 79,603,050 convertible bonds are on issue.

The conversion price of the convertible bonds is the lessor of the 30-day Volume Weighted Average Price (VWAP) or 5-day VWAP of the Company's shares two days prior to the conversion notice, less a 7.5% discount. The number of ordinary shares to be issued is therefore unknown.

The maturity date of the convertible bonds is 13 April 2027.

Distribution schedule of the number of holders in each class of equity security

Ordinary Shares

Spread of holdings	Holders	Units	Percentage of rights on issue
1 to 1,000	46,918	21,337,108	0.71
1,001 to 5,000	37,898	99,170,823	3.29
5,001 to 10,000	12,852	98,682,641	3.28
10,001 to 100,000	14,693	403,758,660	13.41
100,001 and over	1,393	2,387,948,179	79.31
Total	**113,754**	**3,010,897,411**	**100.00**

Convertible Bonds, maturity date of the convertible bonds is 13 April 2027

Spread of holdings	Holders	Units	Percentage of rights on issue
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 and over	1	79,603,050	100.00
Total	**1**	**79,603,050**	**100.00**

Unlisted Options expiry date 31/12/2025, exercise price $1.4041

Spread of holdings	Holders	Units	Percentage of rights on issue
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 and over	1	167,150	100.00
Total	**1**	**167,150**	**100.00**

Unlisted Performance Rights, vested 30/06/2024, expiring 31/12/2025, nil exercise price

Spread of holdings	Holders	Units	Percentage of rights on issue
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	8	419,709	80.36
100,001 and over	1	102,556	19.64
Total	**9**	**522,265**	**100.00**

Unlisted Performance Rights, vesting period ends 31/08/2024, nil exercise price

Spread of holdings	Holders	Units	Percentage of rights on issue
1 to 1,000	34	18,414	6.97
1,001 to 5,000	88	224,642	85.06
5,001 to 10,000	3	21,052	7.97
10,001 to 100,000	-	-	0.00
100,001 and over	-	-	0.00
Total	**125**	**264,108**	**100.00**

Unlisted Performance Rights, vesting period ends 30/06/2025, nil exercise price

Spread of holdings	Holders	Units	Percentage of rights on issue
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 and over	1	230,497	100.00
Total	**1**	**230,497**	**100.00**

Unlisted Performance Rights, T1 vesting period ends 30/11/2024, T2 vesting period ends 30/11/2025, nil exercise price

Spread of holdings	Holders	Units	Percentage of rights on issue
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	25	1,778,066	79.05
100,001 and over	4	471,177	20.95
Total	**29**	**2,249,243**	**100.00**

Unlisted Performance Rights, vesting period ends, 30/06/2026, nil exercise price

Spread of holdings	Holders	Units	Percentage of rights on issue
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	45	1,052,886	52.21
100,001 and over	5	963,706	47.79
Total	**50**	**2,016,592**	**100.00**

Unlisted Share Rights, vesting period ends 30/11/2024, nil exercise price

Spread of holdings	Holders	Units	Percentage of rights on issue
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	1	9,226	31.59
10,001 to 100,000	1	19,975	68.41
100,001 and over	-	-	-
Total	**2**	**29,201**	**100.00**

Unlisted Share Rights, vesting period ends 30/06/2024, nil exercise price

Spread of holdings	Holders	Units	Percentage of rights on issue
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	24	1,094,794	53.46
100,001 and over	2	952,989	46.54
Total	**26**	**2,047,783**	**100.00**

Marketable parcel

There are 9,470 shareholders with less than a marketable parcel, based on the closing price of $2.85 on 14 August 2024.

Twenty largest holders of each class of quoted security

The names of the 20 largest holders of each class of quoted security, the number of equity securities each holds and the percentage of issued capital each holds (as at 14 August 2024) are set out below:

		Ordinary shares	
Name		Number	Percentage
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	649,587,494	21.57
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	610,236,317	20.27
3	CITICORP NOMINEES PTY LIMITED	226,592,518	7.53
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	93,568,160	3.11
5	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	87,877,016	2.92
6	POS-LT PTY LTD	82,065,000	2.73
7	NATIONAL NOMINEES LIMITED	63,046,891	2.09
8	BNP PARIBAS NOMS PTY LTD	55,400,150	1.84
9	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	26,286,220	0.87
10	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	14,223,036	0.47
11	WASHINGTON H SOUL PATTINSON AND COMPANY LIMITED	13,945,177	0.46
12	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	11,289,175	0.37
13	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	9,823,682	0.33
14	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	9,172,494	0.30
15	BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	7,968,946	0.26
16	UBS NOMINEES PTY LTD	5,672,383	0.19
17	MR PETER BARRETT CAPP <CAPP FAMILY A/C>	5,000,000	0.17
18	IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	4,790,753	0.16
19	BNP PARIBAS NOMS (NZ) LTD	4,435,180	0.15
20	DR KELVIN VO	4,270,000	0.14
	Top Twenty Shareholders	**1,985,250,592**	**65.94**
	Total Remaining Shareholders	**1,025,646,819**	**34.06**
	TOTAL SHAREHOLDERS	**3,010,897,411**	**100.00**

Holders of 20% or more of unquoted equity securities

There was one holder of unquoted equity securities who held 100% of that class, being POS-LT Pty Ltd holding 100% of the Convertible Bonds as at 14 August 2024.

There were nil holders of unquoted equity securities held for all other classes of unquoted equity securities (but excluding securities held under an employee incentive scheme) where the holding was 20% or more of each class of security as at 14 August 2024.

Restricted securities

There were nil restricted securities subject to voluntary escrow on issue at 14 August 2024.

Company Secretary

The name of the Company Secretary is Danielle Webber.

Address and details of the group's registered office and principal place of business

Level 2, 146 Colin Street, West Perth WA 6005
Telephone: +61 8 6266 6266
Fax: +61 8 6266 6288

Address and telephone details of the office at which a register of securities is kept

Computershare Investor Services Pty Limited
Level 17, 221 St Georges Terrace, Perth WA 6000
Telephone: 1300 850 505
Website: www.computershare.com

Stock exchange on which the company's securities are quoted

The Company's listed equity securities are quoted on the Australian Securities Exchange – Code: PLS.

On-market buy-back

There is no current on-market buy-back of securities.

Definitions, statements and disclosures

Definitions

Mineral Resources

Is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.[1]

Ore Reserves

Is the economically mineable part of a measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted. Appropriate assessments and studies have been carried out that demonstrate at the time of reporting that extraction could be reasonably justified.[1]

Quality safety interactions frequency rate

Leading indicator based on field interactions, critical control verifications, planned task observations and critical control checklist engagements per 1,000 hours worked.

Total recordable injury frequency rate

Metric used as a lagging indicator measurement of workplace safety. Total Recordable Injury Frequency Rate (TRIFR) is calculated as the total number of work-related medically treated injuries, lost time injuries, restricted duties/hours injuries within the reporting period, divided by the total exposure hours worked during that period, per one million hours worked.

Scope 1 greenhouse gas emissions

Scope 1 greenhouse gas emissions are the emissions released to the atmosphere as a direct result of our business activities under our operational control.

Scope 2 greenhouse gas emissions

Scope 2 greenhouse gas emissions for our facility represent the emissions that were released outside our facility boundary to produce the electricity that we consume, currently relating solely to Pilbara Minerals corporate offices in Perth, Western Australia.

Major environmental incident

An event which has long-term but reversible impacts to significant flora, fauna, habitat, biodiversity, or natural resources within or beyond the boundaries of the Pilgangoora Operation, with a consequence rating of severe or above and/or resulting in formal enforcement action.

Major social incident

An incident which results in ongoing serious social issues. This includes significant damage to structures or items of cultural significance; serious adverse national media, public, or non-government organisation (NGO) attention, frustration from critical stakeholder groups; or long-term reputational damage of social operating licence.

First Nations business spend

Procurement spend with an entity that is at least 50 per cent owned by one or more Aboriginal and/or Torres Strait Islander persons. Pilbara Minerals verifies this status through either Supply Nation registration/certification or its internal onboarding system.

Registered Tier 1 supplier

Counterparties who are pre-qualified and onboarded through Pilbara Minerals' vendor onboarding system.

[1] Joint Ore Reserves Committee (JORC) Code for reporting of Mineral Resources and Ore Reserves.

Statements and disclosures

Competent Person's statement

The information in this report that relates to Exploration Results and Exploration Targets is based on and fairly represents information and supporting documentation prepared by Mr John Holmes (Head of Geology and Exploration at Pilbara Minerals Limited). Mr Holmes is a shareholder of Pilbara Minerals. Mr Holmes is a member of the Australasian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Holmes consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

The information in this report that relates to Mineral Resources is based on and fairly represents information compiled by Mr Lauritz Barnes (Consultant with Trepanier Pty Ltd) and Mr John Holmes (Head of Geology and Exploration at Pilbara Minerals Limited). Mr Holmes is a shareholder of Pilbara Minerals. Mr Barnes is a member of both the Australasian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy, Mr Holmes is a member of the Australasian Institute of Geoscientists and each has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Barnes and Mr Holmes consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.

The information in this report that relates to Ore Reserves is based on, and fairly represents, information compiled by Mr Ross Jaine (Manager Mine Planning), who is a full-time employee of Pilbara Minerals and a Member of the Australasian Institute of Mining and Metallurgy. Mr Jaine has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jaine consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

Important information

Information in this report regarding production targets and expansions in nameplate capacity of the Pilgan Plant in respect of the P680, P1000 and P2000 projects are underpinned solely by the Company's existing Ore Reserves that have been prepared by a Competent Person in accordance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC 2012) and were released by Pilbara Minerals to the ASX on 24 August 2023 in its release titled "55Mt increase in Ore Reserves to 214Mt" and page 21 of this Annual Report which adjusts for depletion. The relevant proportions of proven Ore Reserves and probable Ore Reserves are 7% proved Ore Reserves and 93% probable Ore Reserves.

The Company confirms it is not aware of any new information or data that materially affects the information included in that ASX release dated 24 August 2023 other than depletion as set out on page 21 of this Annual Report and that all material assumptions and technical parameters underpinning the Ore Reserves estimates continue to apply and have not materially changed.

Forward looking statements

This Annual Report may contain some references to forecasts, estimates, assumptions and other forward looking statements. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities. There can be no assurance that the proposed acquisition by Pilbara Minerals of Latin Resources by way of a share scheme of arrangement and option scheme of arrangement under Part 5.1 of the Corporations Act 2001 (Cth) will be implemented or that plans of the directors and management of Pilbara Minerals and Latin Resources will proceed as currently expected or will ultimately be successful.

References to Australian dollars

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

Authorisation of release

Release of this Annual Report is authorised by Pilbara Minerals Managing Director and Chief Executive Officer Dale Henderson.

Glossary

ARC	Audit and Risk Committee
ASRS	Australian Sustainability Reporting Standards
B	Billion
CDO	Chief Development Officer
CEFC	Clean Energy Finance Corporation
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COO	Chief Operating Officer
CSO	Chief Sustainability Officer
dmt	Dry metric tonne
EBITDA	Earnings before interest, taxes, depreciations and amortisation
EGMO	Executive General Manager Operations
ELT	Executive Leadership Team
ERP	Enterprise resource planning
ESG	Environmental, social and governance
DEMIRS	Department of Energy, Mines, Industry Regulation and Safety
FID	Final investment decision
FIFO	Fly-in fly-out
FOB	Free on board
FY	Financial Year for example, FY24 refers to the Financial Year 2024
GHG	Greenhouse gas emissions
GIS	Geographic Information System
GISTM	Global Industry Standard on Tailings Management
GL	Gigalitre
GRI	Global Reporting Initiative
GWh	Gigawatt hour
ha	Hectare
HME	Heavy mining equipment
IFRS	International Financial Reporting Standards
ISO	International Organization for Standardization
ISSB	International Sustainability Standards Board
JORC	Joint Ore Reserves Committee Australasian Code
JV	Joint venture
k	Thousands
lb	Pound
LHM	Lithium Hydroxide Monohydrate
Li_2O	Lithium oxide
M	Million
m	Metres
Mt	Million tonnes
Mtpa	Million tonnes per annum
MW	Megawatt
MWh	Megawatt hour
PCC	People and Culture Committee
PPLS	POSCO Pilbara Lithium Solution Co Ltd
ppm	Parts per million
QSIFR	Quality safety interactions frequency rate
RAP	Reconciliation Action Plan
SASB	Sustainability Accounting Standards Board
SC	Sustainability Committee
Ta_2O_3	Tantalite
TCFD	Taskforce on Climate-related Financial Disclosures
tCO_2-e	Tonnes of carbon dioxide equivalent
TNFD	Taskforce on Nature-related Financial Disclosures
tpa	Tonnes per annum
TRIFR	Total recordable injury frequency rate
UN	United Nations
UN SDG	United Nations Sustainability Development Goal
WGEA	Workplace Gender Equality Agency
wmt	Wet metric tonne

Corporate directory

Board of Directors

Kathleen Conlon	Chairman (Non-Executive)
Dale Henderson	Managing Director and CEO
Nicholas Cernotta	Director (Non-Executive)
Sally-Anne Layman	Director (Non-Executive)
Steve Scudamore AM	Director (Non-Executive)
Miriam Stanborough AM	Director (Non-Executive)

Company Secretary

Danielle Webber

Principal registered office in Australia

Level 2, 146 Colin Street
West Perth WA 6005
Phone: +61 8 6266 6266
Fax: +61 8 6266 6288
www.pilbaraminerals.com.au

Incorporated in Australia

ACN: 112 425 788
ABN: 95 112 425 788
ASX code: PLS

Stock exchange on which the Company's securities are quoted

The Company's listed equity securities are quoted on the Australian Securities Exchange – Code: PLS.

On-market buy-back

There is no current on-market buy-back of securities

Share register

Computershare Investor Services Pty Ltd
Level 17, 221 St George's Terrace
Perth WA 6000
Phone: 1300 850 505

Auditors

KPMG
235 St George's Terrace
Perth WA 6000

Pilbara Minerals