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The Manager
Company Announcements Platform
Australian Securities Exchange
Level 4, 20 Bridge Street
SYDNEY NSW 2000

ASX Code: CII

CII PROPOSES RETURN TO SHAREHOLDERS VIA SPECIAL DIVIDEND, SHARE BUY-BACK

Highlights

- **Approximately a third of the funds from the recently proposed RM\$155 million (~A\$52 million) sale of Cheekah-Kemayan Plantations Sdn Bhd (CKP) to Prosper Trading Sdn Bhd to be returned to shareholders via:**
 - **A franked special dividend of A\$0.10 per share to be paid to shareholders in two equal tranches**
 - **A share buy-back of up to \$5 million to be deployed in 2024**
- **CKP sale remains on track for completion by late November 2023 with relevant regulatory approvals now met**
- **Sale remains conditional on CIRL shareholder approval at Annual General Meeting to be held on 22 November 2023 with Notice of General Meeting to be distributed shortly**

CI Resources Limited ACN 006 788 754 ("CIRL") (ASX Code: CII) is pleased to announce it has quarantined a significant portion of the funds from the proposed RM\$155 million (~A\$52 million) sale of Cheekah-Kemayan Plantations Sdn Bhd, a wholly owned subsidiary of CIRL's 100%-owned subsidiary Phosphate Resources Ltd (PRL), to be returned to shareholders via a special dividend and on-market buy-back of its ordinary shares.

Subject to Shareholder Approval at the Annual General Meeting to be held on 22 November 2023, The Board of CI Resources intends to declare two franked special dividends of A\$0.05 per share each for Shareholders registered on 22 November 2023 and 31 July 2024 respectively.

Payment of the special dividend will be split equally across two dates being within one month of the Completion Date – 10 days after the completion of all Conditions Precedent - and the date that is eight (8) months from the Completion Date.

In addition, the Board of CI Resources intends to declare an on-market share buy-back of \$5 million worth of ordinary shares in CI Resources during 2024. The Company intends to commence the buy-back by mid-2024 as a further way of benefitting shareholders.

The buy-back will follow ASX requirements, wherein the Company will offer to purchase shares at market value. This will assist shareholders seeking to sell shares in what is typically a tightly held stock. The buyback will reduce capital and therefore increase the Earnings Per Share, and this will enhance the Company's capacity to increase future dividends to shareholders.

Under the *Corporations Act 2001 (Cth)* (Corporations Act), companies are permitted to buy back up to 10% of the lowest number of voting shares on issue during the previous 12 months, without requiring shareholder approval. Accordingly, the Company proposes to acquire up to a maximum of approximately 11,560,000 ordinary CI Resources shares, being 10% of the lowest number on issue during the previous 12 months.

The number of shares purchased, the purchase price and timing of the buy-back will depend on the Company's prevailing share price, market conditions the Company's forecast future capital requirements and other considerations including any unforeseen circumstances.

Commenting on the Company's special dividend and share buy-back, CI Resources Chairman David Somerville said:

"I am pleased to announce our intention to return around a third of the proceeds we will receive from the sale of Cheekah-Kemayan Plantations Sdn Bhd to our loyal shareholders.

The decision to provide a special dividend and launch a share buy-back confirms the Board's confidence in our cash generation outlook, strong fiscal discipline and robust balance sheet thanks in part to this transaction.

In addition, sale proceeds will be deployed into our Malaysian warehousing strategy as we continue to vertically integrate as a global fertiliser business and build new markets for our core Christmas Island Rock Phosphate product. I look forward to keeping investors informed of the roll-out of our diversification strategy throughout the 2024 financial year."

CIRL wishes to report that conditions precedent to the CKP sale including approval from both CIRL and Prosper boards as well as relevant regulatory approvals including ASX and ASIC have now been met.

The sale, which remains on target to be completed by late November 2023, remains conditional upon CIRL shareholder approval to be sought at the Company's upcoming Annual General Meeting to be held on 22 November 2023. A Notice of General Meeting will be distributed to shareholders shortly.

For further information on CIR, please visit www.ciresources.com.au, or please contact:

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