

MARCH 2022 QUARTERLY REPORT

IperionX Limited (ASX: IPX) (the “Company”), is pleased to provide its quarterly report for the period ended March 31, 2022. Highlights during the quarter included:

Qualification of Titanium Powder for the U.S. Navy

- IperionX formally partnered with Material Resources LLC (MRL) to qualify and demonstrate the performance of IperionX’s U.S. produced titanium powder for additively manufactured aerospace parts.
- MRL works with the U.S. Department of Defense (DoD) and its various agencies, including ONR, NAVAIR, NAVSEA, DLA, MDA, and the Army, on over 30 contracts related to alloy development and fatigue life enhancement of wrought and additively manufactured components.
- This partnership supports an MRL project with the U.S. Navy to test titanium flight critical metal replacement components for the DoD.
- IperionX is actively engaged in a wide range of DoD discussions that aim to reshore a 100% U.S. titanium supply chain for military components, and the partnership with MRL is expected to result in further projects with other agencies within the DoD.

Scaling of Titanium Metal Production

- IperionX successfully scaled titanium metal powder production capacity, using 100% recycled titanium scrap as feedstock, at its operational Titanium Pilot Facility in Salt Lake City, Utah.
- As a result of the successful scaling of the pilot facilities, IperionX accelerated plans to develop a Titanium Demonstration Facility with an initial target capacity of ~125 tonnes per annum by the end of 2022.
- IperionX has plans to build a large Titanium Commercial Facility after the Titanium Demonstration Facility has been commissioned and optimized.
- Commercial discussions with a wide range of potential customers across the automotive, consumer electronics, consumer luxury goods, defense and additive manufacturing / 3D printing sectors are accelerating.

U.S. Rare Earths Venture with Energy Fuels

- Energy Fuels completed laboratory evaluation of IperionX’s rare earth minerals, including monazite and xenotime, sourced from the Tennessee based Titan Project.
- This IperionX rare earth mineral sample was confirmed as a high-quality feedstock that would be suitable to feed Energy Fuels’ commercial production of mixed rare earth carbonate, an advanced material ready for rare earth separation.
- Importantly, IperionX’s Titan Project contains a significant distribution of the highly valuable heavy rare earths, terbium and dysprosium which distinguishes it from most other rare earth projects that lack these important heavy rare earth elements.



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Tennessee Office

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Salt Lake City Office

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MOU for zircon offtake with Mario Pilato

- IperionX signed an MoU for the potential supply of zircon products to Mario Pilato, a leading international supplier of raw materials for ceramics, glass and refractories, from the Titan Project.
- The MoU contemplates a supply agreement for an initial five-year term on an agreed market-based pricing methodology for the annual supply of up to 20,000 tonnes of zircon products.
- The benchmark price for Zircon is currently reported to be over US\$3,000 per tonne (CIF China) driven by high levels of global demand and a lack of new supply.
- IperionX's Titan Project contains a significant proportion of zircon and has the potential to be the largest U.S. producer of this highly valuable critical mineral.

Name Change and U.S. Listing

- Following shareholder approval, the Company changed its name from Hyperion Metals Limited to IperionX Limited, under the new ticker "IPX".
- IperionX filed a registration statement on Form 20-F to register ordinary shares with the U.S. Securities and Exchange Commission and applied to list its American depositary shares (ADSs) on Nasdaq.
- Listing on Nasdaq in the United States will enhance the visibility and accessibility of IperionX to the leading market of retail and institutional investors and allow U.S. investors to trade IperionX's ADSs in U.S. dollars during normal U.S. trading hours.
- IperionX will maintain its existing listing of ordinary shares on the Australian Securities Exchange under the same symbol "IPX".

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QUALIFICATION OF TITANIUM POWDER FOR THE U.S. NAVY

IperionX entered into an agreement with Ohio-based aerospace additive manufacturing company Materials Resources, LLC (MRL) to qualify and demonstrate the performance of IperionX's high quality titanium alloy powders for additively manufactured aerospace parts under an MRL project with the U.S. Navy to test titanium flight critical metal replacement components for the U.S. Department of Defense (DoD).

IperionX supplied MRL with titanium alloy (Ti-6Al-4V) powders from the Company's fully operational pilot facility in Utah, which will be used to produce flight critical components via metallic additive manufacturing to reduce production lead times and cost while achieving the demanding requirements of aerospace.

The U.S. has no commercial domestic production of primary titanium metal (titanium sponge) and is ~100% import reliant after Timet's plant in Nevada closed in 2020. The world's largest producers of primary titanium metal are China, Japan and Russia. Given the lack of domestic production capacity, and that the U.S. no longer maintains titanium sponge in the National Defense Stockpile, downstream titanium producers, including producers of goods such as ingot, billet, sheet, coil, and tube, are almost all entirely dependent on non-U.S. sources of titanium.

This presents the possibility that - in a national emergency - U.S. production of titanium components would be curtailed as a result of being denied access to imports of titanium sponge, limiting the ability to supply customers, including the defense sector.

Further, currently only Japan, Russia and Kazakhstan have titanium sponge plants certified to produce aerospace rotating-quality sponge that can be used for aerospace engine parts and other sensitive aerospace applications, with Russian company VSMPO-AVISMA being the largest titanium supplier for Boeing commercial production for parts used on Boeing 737, 767, 787, 777 and 777X airplanes. On March 7 2022, Boeing confirmed that it had suspended purchasing of titanium from Russia.

Materials Resources, LLC is an Ohio-based aerospace additive manufacturing company with over 10 years of experience working with the U.S. DoD and Department of Energy (DoE) for agile manufacturing using model-based senso-assisted qualification processes. In September 2021, MRL was awarded US\$72 million by the U.S. Air Force to research, develop, and assess new alloys and metallic materials-processing technologies for aerospace applications. More information about MRL can be found at www.ICMRL.net

SCALING OF TITANIUM METAL PRODUCTION

IperionX's proprietary and patented metal technologies can utilize 100% recycled titanium feedstock to produce titanium metal powders that meet industry quality specifications.

Titanium metal powder operations in Utah, USA rapidly scaled up following investment and process efficiency improvements, which included improvements to handling processes related to scrap titanium metal, sintered spherical metal powders and deoxygenated metal powders. The current run rate capacity of the pilot facility is ~1.5 tonnes per annum.

Additional process improvements will be commissioned and are expected to lift the Titanium Pilot Facility run rate capacity to ~6.5 tonnes per annum by the end of Q2 2022. The Titanium Pilot Facility is currently limited by the operational run rate of the current installed low temperature furnace, which undertakes IperionX's proprietary HAMR deoxygenation process. Actual production volumes may vary based on customer orders.

IperionX plans to build a larger Titanium Demonstration Facility with an initial designed potential output capacity of ~125 tonnes per annum by the end of 2022. This facility will utilize low cost 100% titanium metal scrap as the

feedstock for low carbon production of titanium metal powders. The primary driver of increased capacity is the acquisition of a larger off-the-shelf low temperature furnace that will undertake the proprietary HAMR process. This capacity can be lifted by increasing the size or number of low temperature furnaces in a staged, modular expansion approach.



Figure 1: Low temperature furnace utilized for the HAMR production process

IperionX had strong commercial engagement with a wide range of potential customers across many advanced technology industries, including automotive, consumer electronics, consumer luxury goods, defense and additive manufacturing (3D printing), with significant interest for the potential long-term supply of titanium metal powders. Notably, there was major interest in evaluating IperionX’s 100% recycled titanium metal powders that could be used to develop sustainable circular titanium supply chains. IperionX’s patented technology has been demonstrated to significantly decrease the environmental footprint of producing titanium metal through lower temperature furnace requirements, lower total energy demands and the ability to use renewable electricity.

RARE EARTHS COLLABORATION WITH ENERGY FUELS

During the quarter Energy Fuels, Inc. (Energy Fuels) (NYSE: UUUU) (TSX: EFR) completed laboratory evaluation of rare earth mineral concentrates from IperionX’s Titan Project in Tennessee.

IperionX and Energy Fuels previously signed a memorandum of understanding for the supply of natural monazite and xenotime sands from IperionX’s Titan Project in Tennessee to Energy Fuels’ White Mesa Mill in Utah, and are

continuing to evaluate expanding their collaboration to establish a fully integrated permanent rare earth magnet supply chain in the U.S.

Energy Fuels' evaluation indicated that IperionX's rare earth minerals are suitable as a high-quality feedstock to produce a high purity mixed rare earth carbonate at Energy Fuels' White Mesa Mill in Utah. Energy Fuels is currently producing a mixed rare earth carbonate at commercial scale at its mill. This commercial product is the most advanced rare earth material being produced in the U.S. today at scale. Energy Fuels also intends to construct solvent extraction (SX) rare earth separation infrastructure at its mill in the coming years, allowing the facility to produce separated rare earth oxides from high quality feedstocks like the rare earth concentrate expected to be produced from IperionX's Titan Project.

Test work to date¹ indicates that IperionX's rare earth minerals contain a large amount of the light rare earths neodymium and praseodymium, as well as a significant distribution of the highly valuable heavy rare earths terbium and dysprosium. There is only minor production of dysprosium and terbium outside of China, and almost no production within the USA. Currently, almost all U.S. rare earth mineral production is processed overseas, primarily in China, which makes Energy Fuels' current rare earth carbonate production, and future separated rare earth oxide production, and potential metal and alloy production, highly strategic.

The combination of IperionX's heavy rare earth rich minerals in Tennessee and Energy Fuels' operating processing facilities in Utah provides the potential to rapidly progress a fully integrated rare earth magnet supply chain in the U.S.

MOU FOR ZIRCON OFFTAKE WITH MARIO PILATO

IperionX entered into a non-binding Memorandum of Understanding (MoU) with Mario Pilato BLAT S.A. (Mario Pilato) for the potential supply of zircon products.

Mario Pilato is a leading international supplier of raw materials for ceramics, glass and refractories, headquartered in Valencia, Spain. The MoU contemplates the commencement of negotiations of a supply agreement between IperionX and Mario Pilato for an initial five-year term on an agreed market-based pricing methodology for the annual supply of up to 20,000 tonnes of zircon products from IperionX's Titan Project.

The benchmark price for Zircon is currently reported to be over US\$3,000 per tonne (CIF, China) driven by significant global demand, including from China, and limited available new supply. Zircon is used for various applications, including traditional industries such as ceramics, refractories and foundries, as well as new applications including in additive manufacturing and semiconductors.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INITIATIVES

The Company continues to actively progress ESG initiatives led by Presidio Graduate School's expert consulting division, PGS Consults. Work continued on initiatives including a Life-Cycle Assessment, ROI Analysis, and an Environmental Health, & Safety Management program review. The Company has also commenced the preparation of an Annual Sustainability Report for release later in 2022.

IperionX has been nominated for the Additive Manufacturing Green Trade Association (AMGTA) Environmental Sustainability Research Award, to be announced in May 2022.

¹ Refer to IperionX ASX announcements dated August 9, 2021 and 18 November 2021

OTHER CORPORATE

U.S. listing

IperionX filed a registration statement on Form 20-F to register its ordinary shares with the U.S. Securities and Exchange Commission (SEC) and made an application to list its American depositary shares (ADSs) on Nasdaq, with each ADS representing ten ordinary shares of the Company.

Listing on Nasdaq in the United States will enhance the visibility and accessibility of IperionX to the extensive U.S. market of retail and institutional investors and allow investors to trade IperionX's ADSs in U.S. dollars during normal U.S. trading hours. A wide range of U.S. based investor meetings were held to support the listing.

IperionX will maintain its existing listing of ordinary shares on the Australian Securities Exchange under the same symbol IPX.

The registration statement remains subject to review by the SEC staff. IperionX's registration of the ADSs representing ordinary shares, if approved, would allow its ADSs to be listed on Nasdaq.

The SEC registration and Nasdaq listing process does not include any capital raising.

Name change

Following shareholder approval, the Company's name was changed from Hyperion Metals Limited to IperionX Limited, under the new ticker "IPX". The change of name followed a potential conflict in the U.S. with the Company's existing name that has been recently identified.

ASX - ADDITIONAL INFORMATION

Mining properties – Titan Project

At March 31, 2022, the Titan Project comprised of approximately 11,071 acres of surface and associated mineral rights in Tennessee prospective for heavy mineral sands (HMS), rich in minerals critical to the U.S, including titanium, rare earth minerals, high grade silica sand and zircon, of which approximately 137 acres are owned and approximately 10,934 acres are subject to exclusive option agreements. These exclusive option agreements, upon exercise, allow us to lease or, in some cases, purchase the surface property and associated mineral rights. The Company's land position was unchanged during the quarter.

Mining properties – Milford Project

At March 31, 2022, the Milford Project comprised the following tenements:

Tenement	Location	Interest
ML-001 to ML-100, ML-051a	Utah, USA	100%
Total number of claims	101	

Mining exploration expenditures

During the quarter, the Company made the following payments in relation to mining exploration activities:

Activity	US\$000
Drilling and assaying	(14)
Metallurgical test work	(51)
Geological consultants	(217)
Permitting	(184)
Technical studies	(358)
Field supplies, vehicles, travel and other	(217)
Total as reported in Appendix 5B	(1,041)

Related party payments

During the quarter, the Company made payments of approximately US\$156,000 to related parties and their associates. These payments relate to executive directors' remuneration, non-executive directors' fees, employer 401(k) contributions, superannuation contributions and fees for services in relation to business development activities.

This announcement has been authorized for release by the CEO and Managing Director.

About the Company

IperionX's mission is to be the leading developer of low carbon, sustainable, critical material supply chains focused on advanced industries including space, aerospace, electric vehicles and 3D printing. IperionX's breakthrough titanium technologies have demonstrated the potential to produce titanium products which are sustainable, 100% recyclable, low carbon intensity and at product qualities which exceed current industry standards. The Company also holds a 100% interest in the Titan Project, located in Tennessee, U.S., which is the largest titanium resource in North America and also rich in rare earth minerals.

Forward Looking Statements

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance, and achievements to differ materially from any future results, performance, or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements, or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

IperionX Limited

ABN

84 618 935 372

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows		Current quarter USD\$'000	Year to date (9 months) USD\$'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(1,041)	(3,845)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(902)	(2,746)
	(e) administration and corporate costs	(501)	(1,079)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	5	20
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material):		
	(a) business development	(265)	(956)
1.9	Net cash from / (used in) operating activities	(2,704)	(8,606)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	(387)	(1,369)
	(c) property, plant and equipment	(18)	(41)
	(d) exploration & evaluation	-	-
	(e) investments	-	-

ASX Listing Rules Appendix 5B (17/07/20)

Page 1 See chapter 19 of the ASX Listing Rules for defined

terms.

Consolidated statement of cash flows	Current quarter USD\$'000	Year to date (9 months) USD\$'000
(f) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material):		
(a) cash acquired on asset acquisition	-	-
2.6 Net cash from / (used in) investing activities	(405)	(1,410)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	17,604
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	15	2,162
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	(429)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	15	19,337

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	14,263	1,698
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(2,704)	(8,606)

Consolidated statement of cash flows		Current quarter USD\$'000	Year to date (9 months) USD\$'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(405)	(1,410)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	15	19,337
4.5	Effect of movement in exchange rates on cash held	135	285
4.6	Cash and cash equivalents at end of period	11,304	11,304

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter USD\$'000	Previous quarter USD\$'000
5.1	Bank balances	7,473	5,968
5.2	Call deposits	3,831	8,295
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	11,304	14,263

6. Payments to related parties of the entity and their associates

	Current quarter USD\$'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	(156)
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7. Financing facilities	Total facility amount at quarter end USD\$'000	Amount drawn at quarter end USD\$'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-

7.5 **Unused financing facilities available at quarter end** -

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Not applicable

8. Estimated cash available for future operating activities	USD\$'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(2,704)
8.2 (Payments for exploration & evaluation classified as investment activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,704)
8.4 Cash and cash equivalents at quarter end (item 4.6)	11,304
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	11,304
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.2

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 8.8.1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Not applicable

8.8.2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Not applicable

8.8.3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Not applicable

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: April 28, 2022.....

Authorised by: Company Secretary.....

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.