



**MAKING A  
DIFFERENCE**

**IGO Limited**  
**4Q22 Results Presentation**

27 July 2022

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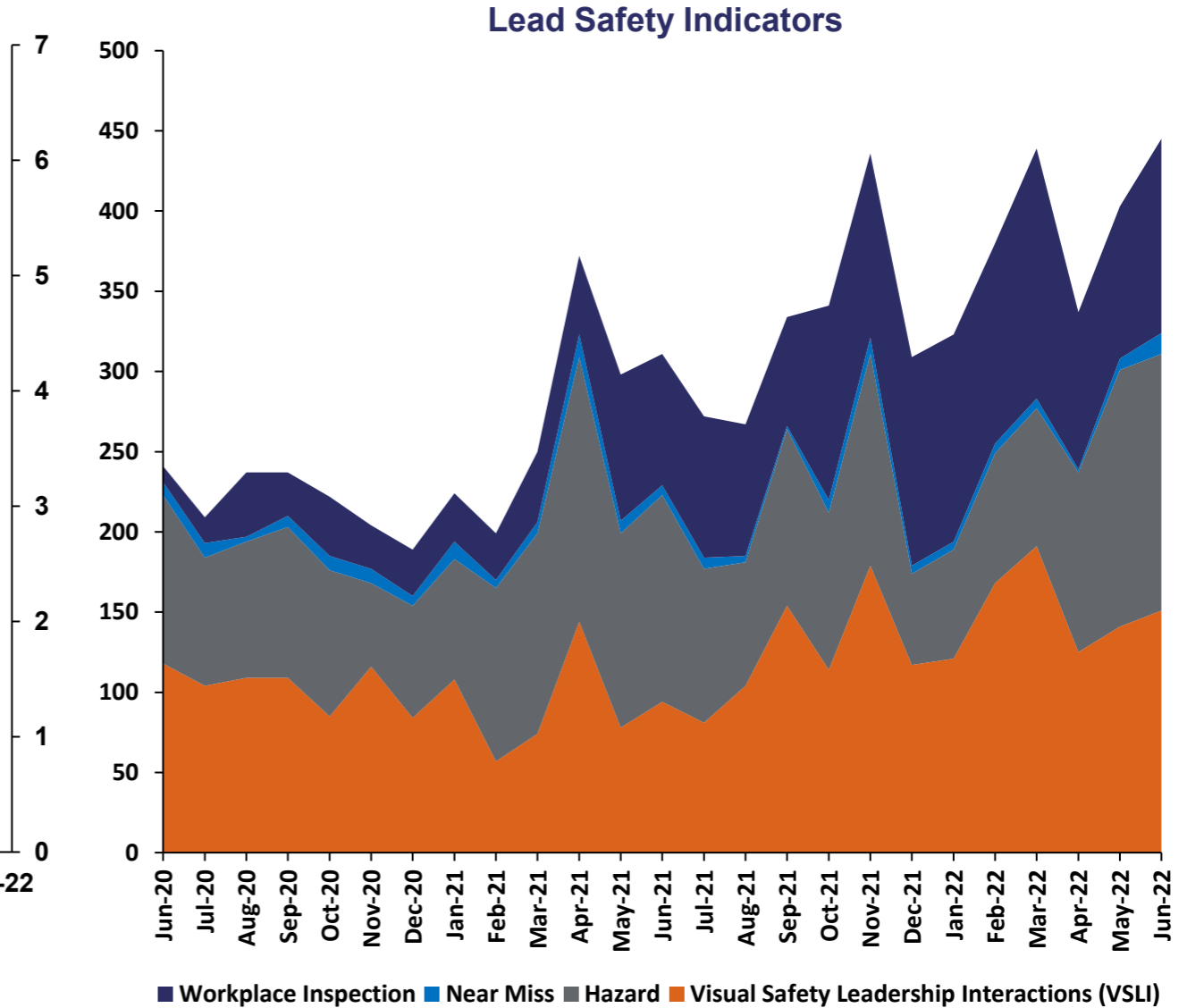
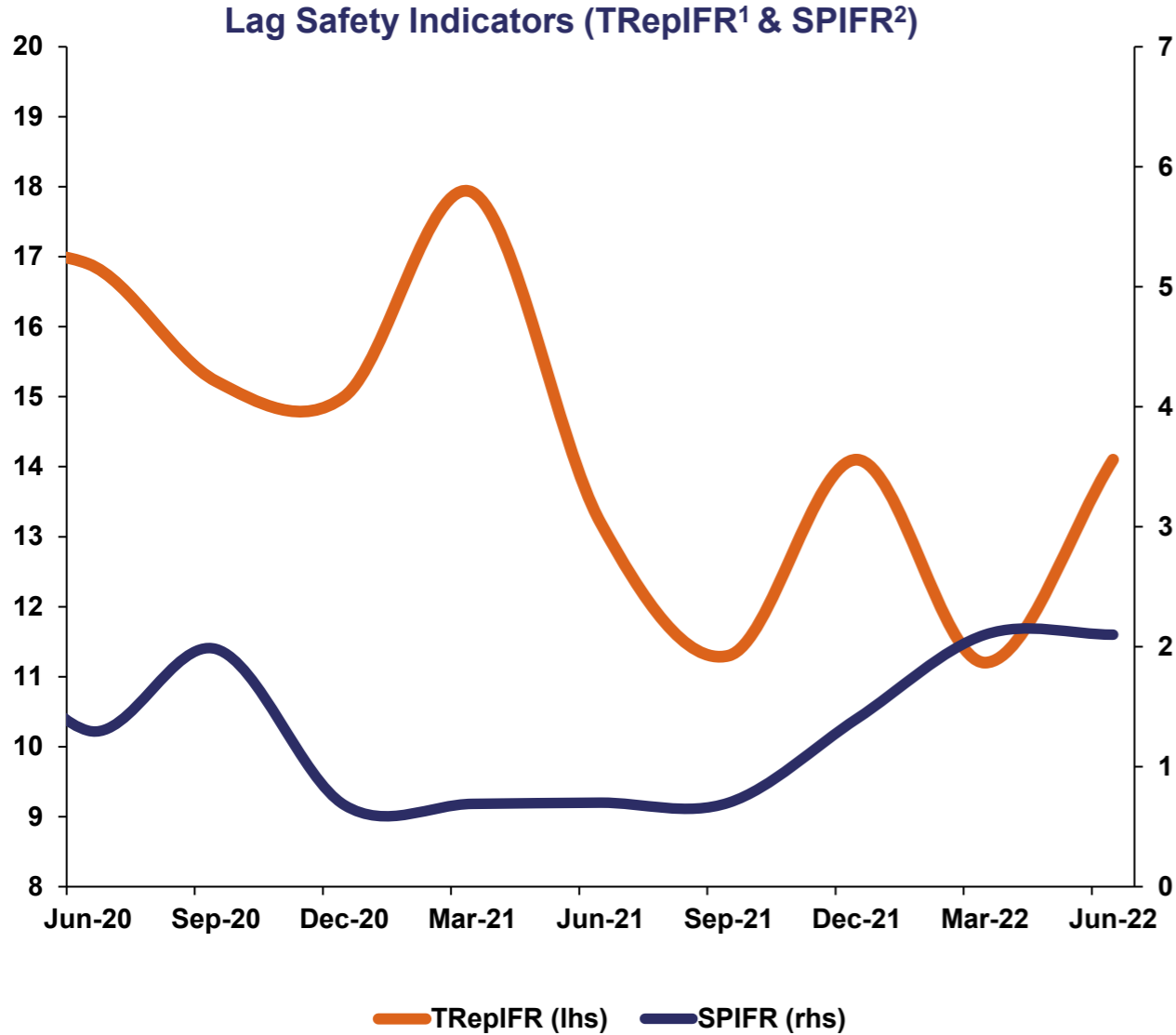


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- Quarterly Financial Results are unaudited. All currency amounts are in Australian Dollars unless otherwise noted. Net Cash is cash balance less outstanding debt, Net Debt is outstanding debt less cash balances.
- Nickel cash costs are reported inclusive of royalties and after by-product credits on a per unit of payable metal basis, unless otherwise stated. Lithium cash costs are reported as COGS (cash costs of goods sold) per tonne sold and is inclusive of ore mining costs, processing, general and administrative, selling & marketing, inventory movements and royalty expense.
- Underlying EBITDA is a non-IFRS measure and comprises net profit or loss after tax, adjusted to exclude income tax expense, finance costs, interest income, asset impairments, gain/loss on sale of investments, depreciation and amortisation and once-off transaction costs. Underlying EBITA includes IGO’s share of TLEA net profit after tax.
- Free Cash Flow comprises Net Cash Flow from Operating Activities and Net Cash Flow from Investing Activities. Underlying adjustments exclude acquisition costs, proceeds from investment sales, and payments for subsidiaries, investments and mineral interests.
- IGO has a 49% interest in Tianqi Lithium Energy Australia Pty Ltd (TLEA) and therefore, as a non-controlling shareholder, recognises its share of Net Profit After Tax of TLEA in its consolidated financials. As such, IGO has provided additional information on the operating, financial and expansion activities at both Greenbushes and the Kwinana Refinery which reflects IGO’s understanding of those operating, financial and expansion activities based on information provided to IGO by TLEA.

# Safety



Zero HPI and SPIs during the quarter | Continued improvement in lead indicators



1. 12 month moving average TRepIFR – Total Reportable Injury Frequency Rate: calculated as the number of reportable injuries x 1,000,000 divided by the total number of hours worked.  
 2. 12 month moving average SPIFR - Serious Potential Incident Frequency Rate: calculated as the number of serious potential incidents x 1,000,000 divided by the total number of hours worked.

# 4Q22 Highlights



**Solid quarter of performance across both nickel and lithium operations**



## **Completion of Western Areas Transaction**

- Integration progressing to plan
- Downstream nickel sulphate study has commenced



## **Nova continued to deliver safely**

- FY22 Nickel production within guidance
- FY22 Cash costs better than guidance



## **Lithium joint venture building momentum**

- Inaugural dividend of A\$70.7M paid to IGO
- Strong lithium pricing sustained through 4Q22



## **Greenbushes expansions progressing**

- Considerable progress in expanding production capacity



## **Kwinana produced first battery grade product**

- Key milestone which will enable product qualification and ramp up process



## **Financial Performance**

- Strong margins and free cash generation
- Conservative gearing with A\$533M net debt

# 4Q22 Financial Results



Operational performance from Nova and Greenbushes delivered a strong finish to FY22

	Units	4Q22 <sup>1</sup>	3Q22 <sup>1</sup>	QoQ <sup>1</sup>	FY22
Sales Revenue	A\$M	277.9	245.5	▲ 13%	900.6
Underlying EBITDA <sup>2</sup>	A\$M	258.4	232.6	▲ 11%	716.9
Net Profit After Tax	A\$M	107.2	133.0	▼ 19%	330.9
Net Cash from Operating Activities	A\$M	231.6	(78.0)	▲ 397%	357.1
Underlying Free Cash Flow <sup>3</sup>	A\$M	209.8	(82.5)	▲ 354%	312.1
Cash & Net Cash	A\$M	(532.9)	440.2	N/A	(532.9)

- Sales revenue growth driven by higher nickel prices
- Underlying EBITDA benefited from record earnings from Nova, increased share of TLEA profit of A\$102M (3Q22: A\$60.5M) offset by A\$23.6M in negative revaluation of investments
- A\$70.7M cash received as first dividend from TLEA combined with strong cash flow from Nova delivered an excellent free cash result
- Post Western Areas acquisition completion, IGO has net debt of A\$533M

1. 4Q22 is the three months ending 30 June 2022 and 3Q22 is the three months ending 31 March 2022, QoQ is Quarter on Quarter.

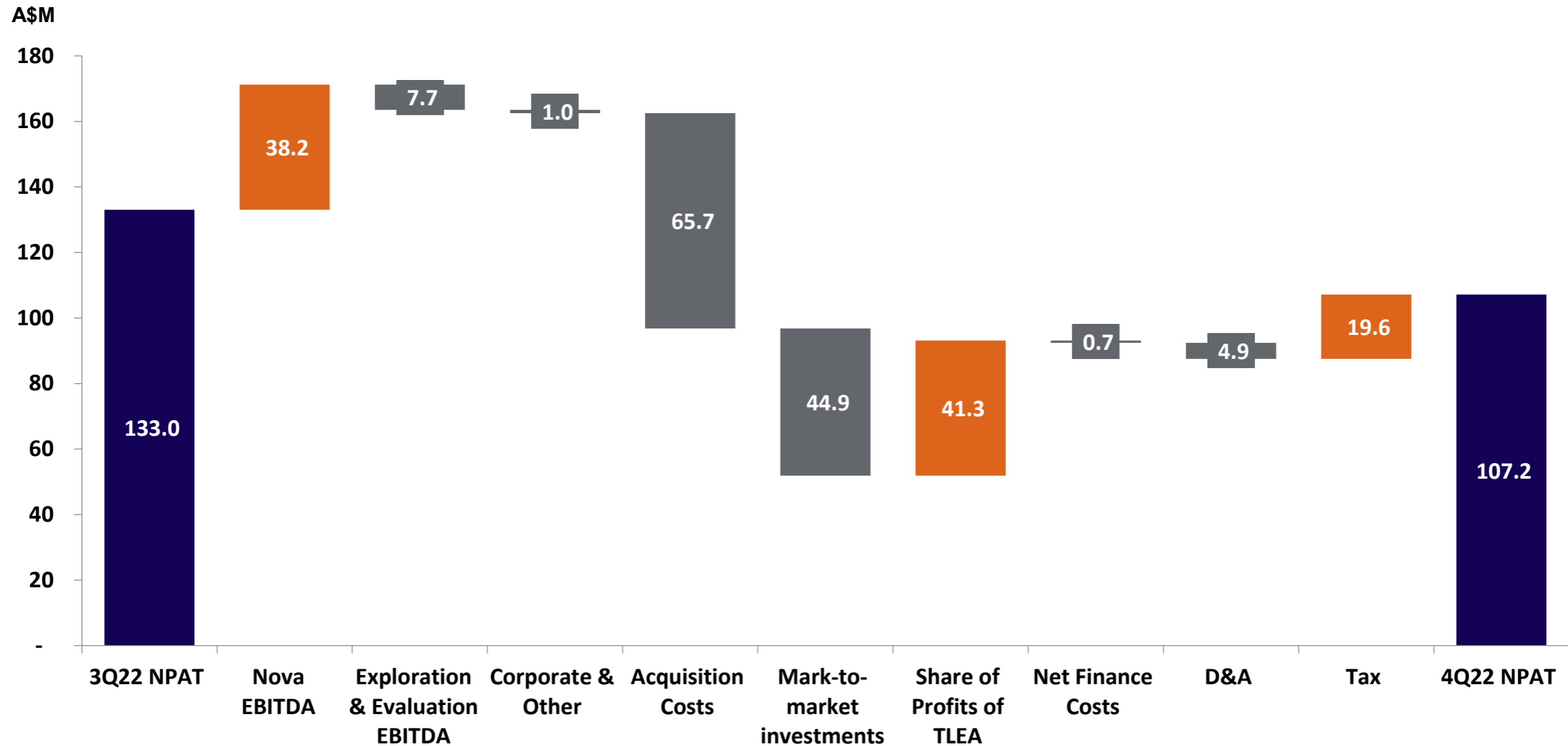
2. Underlying EBITDA is a non-IFRS measure (refer to Disclaimer page) and includes IGO's share of net profit from TLEA.

3. Free Cash Flow comprises Net Cash Flow from Operating Activities and Net Cash Flow from Investing Activities. Refer to Disclaimer page for "Underlying" adjustments.

# 4Q22 NPAT Reconciliation

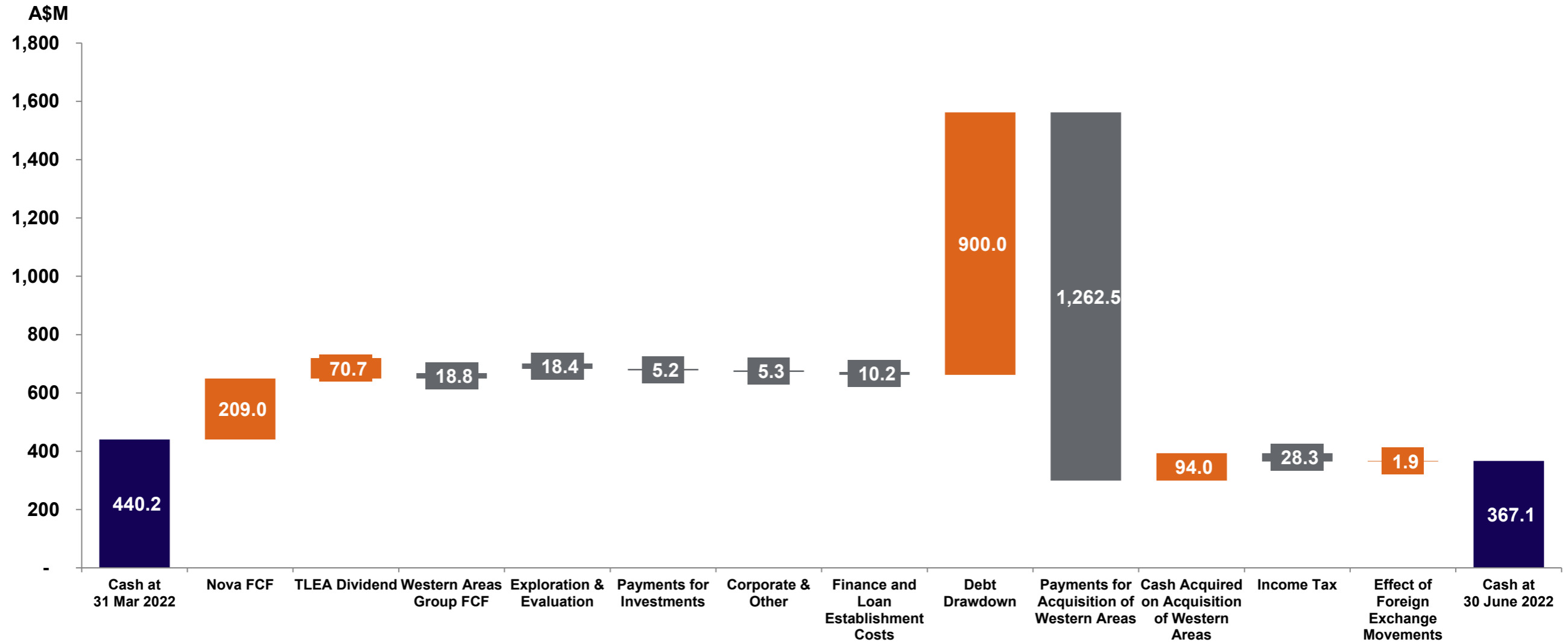


Expected Western Areas transaction related costs drove QoQ decrease in NPAT result



# 4Q22 Cash Flow Reconciliation

Net debt of A\$533M following Western Areas acquisition



Figures may not sum due to rounding

A photograph of a worker in an orange and blue high-visibility uniform, a white hard hat, and safety glasses, standing on a yellow metal platform at an industrial site. The worker is smiling and looking towards the camera. The background shows industrial structures and a clear sky.

# Nickel Business



# Nickel Business

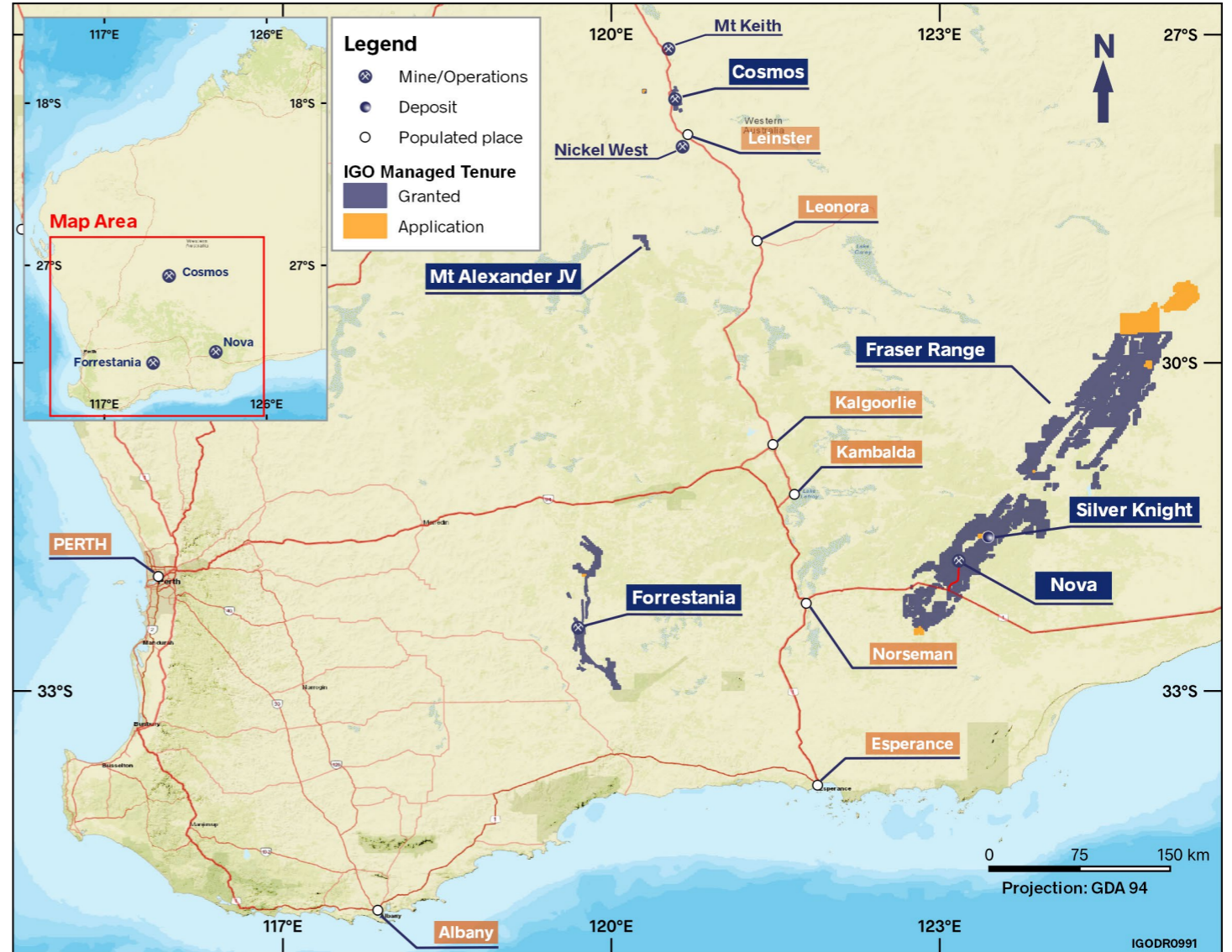


## Nickel portfolio expanded following completion of Western Areas acquisition

Completed Scheme of Arrangement to acquire Western Areas on 20 June 2022

Portfolio now includes operating, development and feasibility projects and an enlarged exploration portfolio

Transaction has enabled downstream nickel sulphate study to commence, in conjunction with Wyloo Metals<sup>1</sup>



1. Refer to IGO ASX Announcement titled "IGO secures Wyloo support for announced WSA transaction" as announced on 17 February 2022

## Excellent quarter of operations delivers strong finish to FY22

Metric	Units	4Q22 <sup>1</sup>	3Q22 <sup>1</sup>	FY22	FY22 Guidance
Nickel in concentrate	t	6,509	6,290	26,675	25,000 to 27,000
Copper in concentrate	t	2,814	2,762	11,483	11,500 to 12,500
Cobalt in concentrate	t	233	237	982	900 to 1,000
Cash cost (payable) <sup>2</sup>	A\$/lb Ni	2.24	1.86	1.95	2.00 to 2.40
Sustaining/ improvement Capex	A\$M	4.4	4.1	11.8	19 to 22
Development Capex	A\$M	0.9	1.1	2.6	5 to 7

- Nickel production were within guidance for FY22
- Cash costs were better than guided due to high prevailing by-product credit pricing
- Strong 4Q22 production result enabled by higher mill throughput and improved nickel recoveries
- QoQ cash cost increases driven by higher production and offsite costs, offset by higher production

1. 4Q22 is the three months ending 30 June 2022 and 3Q22 is the three months ending 31 March 2022.

2. Cash costs reported per pound of payable metal produced inclusive of royalties and net of by-product credits.

## 4Q22 financial performance enhanced by strong nickel prices

### Nickel Price

4Q22 average nickel price of A\$43,899/t  
(vs 3Q22: A\$37,637/t)

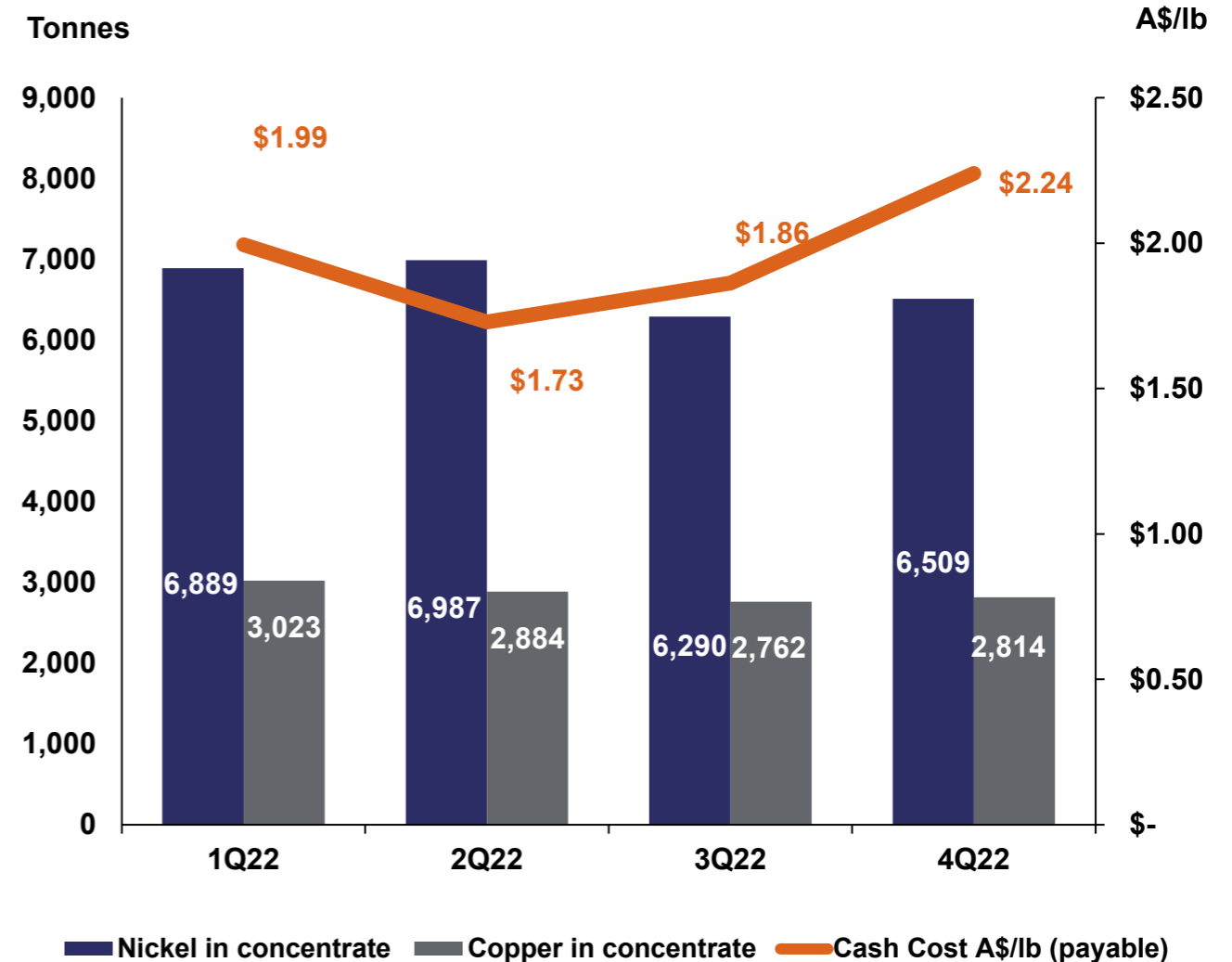
### 4Q22 Key Financials

Underlying EBITDA: A\$209.8M  
Operating Cash Flow: A\$214.3M

### 4Q22 Margins

EBITDA Margin: 75%  
FCF Margin: 75%

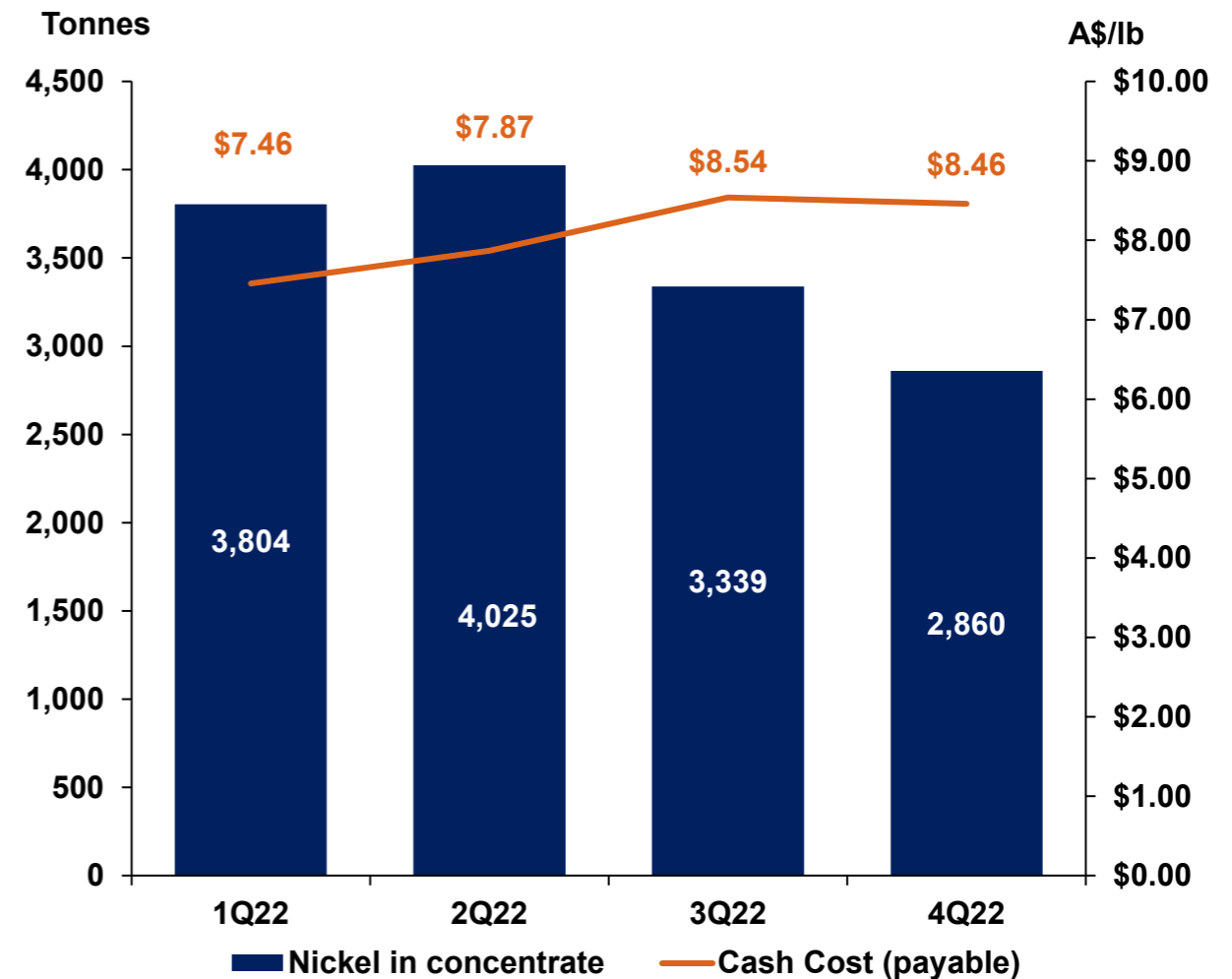
### Nova Production & Cash Costs



Metric	Units	4Q22 <sup>1</sup>	3Q22 <sup>1</sup>	FY22
Nickel in concentrate	t	2,860	3,339	14,028
Cash cost (payable) <sup>2</sup>	A\$/lb Ni	8.46	8.54	8.02

- **Underground ore production impacted by COVID-19 related absenteeism, equipment availability and mine rescheduling**
- **Lower mill throughput QoQ combined with lower average nickel grade resulted in 14% lower QoQ nickel production**
- **Average nickel price decreased by 7% QoQ to A\$38,041/t (3Q22: A\$40,772/t)**

### Forrestania Production & Cash Costs



1. 4Q22 is the three months ending 30 June 2022 and 3Q22 is the three months ending 31 March 2022.

2. Forrestania cash costs are presented in accordance with IGO's cash cost methodology for nickel operations, inclusive of onsite production costs and notional expected offsite costs including royalties, expressed as a unit of nickel payable produced.



### Shaft Development

- Back-reaming of lower section of shaft complete
- Temporary winder and headframe complete

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### Underground Development

- Lateral development of 1,313m including 251m of Odysseus decline and 1,062m of capital development

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### Infrastructure and site works

- Strong progress on power, paste plant, aerodrome and civil works

# Cosmos

## IGO completing Cosmos development optimisation strategy and plan



**First concentrate production deferred from late 2022 to mid-2023**

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**Deferral will provide additional time to:**

- **Ensure shaft completion**
  - **Complete more mine development to enable multiple ore sources**
  - **Expansion of process plant build from 0.75Mtpa to 1.1Mtpa**
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**Fully costed plan to be completed and communicated to the market by October 2022**

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**Strategy delivers more robust and resilient mine plan in earlier years of mine and better overall project returns**



*Cosmos Operation*

# Nickel Operations

## FY23 Guidance



	Nickel <sup>1</sup>	Copper	Cobalt	Cash Costs <sup>2</sup>	Capex <sup>3</sup>
<b>Nova</b>	24 - 27kt	11 - 12kt	0.9 - 1.0kt	2.60 - 3.00/lb	19 - 26
<b>Forrestania</b>	10.5 - 12.5kt	-	-	7.50 - 8.50/lb	11 - 12
<b>Total</b>	<b>34.5 - 39.5kt</b>	<b>11 - 12kt</b>	<b>0.9 - 1.0kt</b>	<b>4.10 - 4.70/lb</b>	<b>28 - 38</b>

### Note:

**FY23 guidance for Cosmos to be provided in October 2022 once development optimisation strategy and plan are completed**

1. Contained nickel in concentrate
2. Cash costs are inclusive of notional offsite unit costs of production and royalties, and are expressed as A\$ per unit of nickel payable pound
3. Capex in A\$M includes all Development, Sustaining & Improvement capex



# Lithium Business



# TLEA Lithium Joint Venture<sup>1</sup>

Strong production growth at Greenbushes and higher prices delivers maiden dividend



**IGO share of NPAT from TLEA was A\$102M  
(3Q22: A\$60.5M)**

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**A\$70.7M inaugural dividend payment received  
from TLEA**

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**Chemical Grade Spodumene transfer price for  
1H23 expected to be US\$4,187/t FOB<sup>2</sup>**

1. IGO 49% non-controlling interest
2. FOB is a shipping term for free on board designated by Incoterms® 2020 rules

## Solid ramp up of operations delivers production and costs within guidance

Metric	Units	4Q22 <sup>2</sup>	3Q22 <sup>2</sup>	FY22	FY22 Guidance
Spodumene Concentrate <sup>3</sup>	kt	338	270	1,135	1,100 to 1,250
Cost of Goods Sold (COGS) excl. royalties <sup>4</sup>	A\$/t	254	235	238	225 to 275
Cost of Goods Sold (COGS) <sup>4</sup>	A\$/t	618	476	457	350 to 400
EBITDA	A\$M	650	427	1,348	Not Provided
Sustaining & Growth Capex	A\$M	60	43	177	250 to 300
Deferred Waste Capex	A\$M	9	8	25	25 to 30

- **Greenbushes sales revenue 59% higher QoQ at A\$867M (100% basis) driven by a 41% increase in concentrate sales and marginally improved realised price**
- **Higher QoQ production costs driven by higher mining and processing volumes and increased labour costs**
- **Royalty costs of A\$364/t were 34% higher QoQ due to increase in average benchmark spodumene price**
- **EBITDA Margin for 4Q22: 75%**

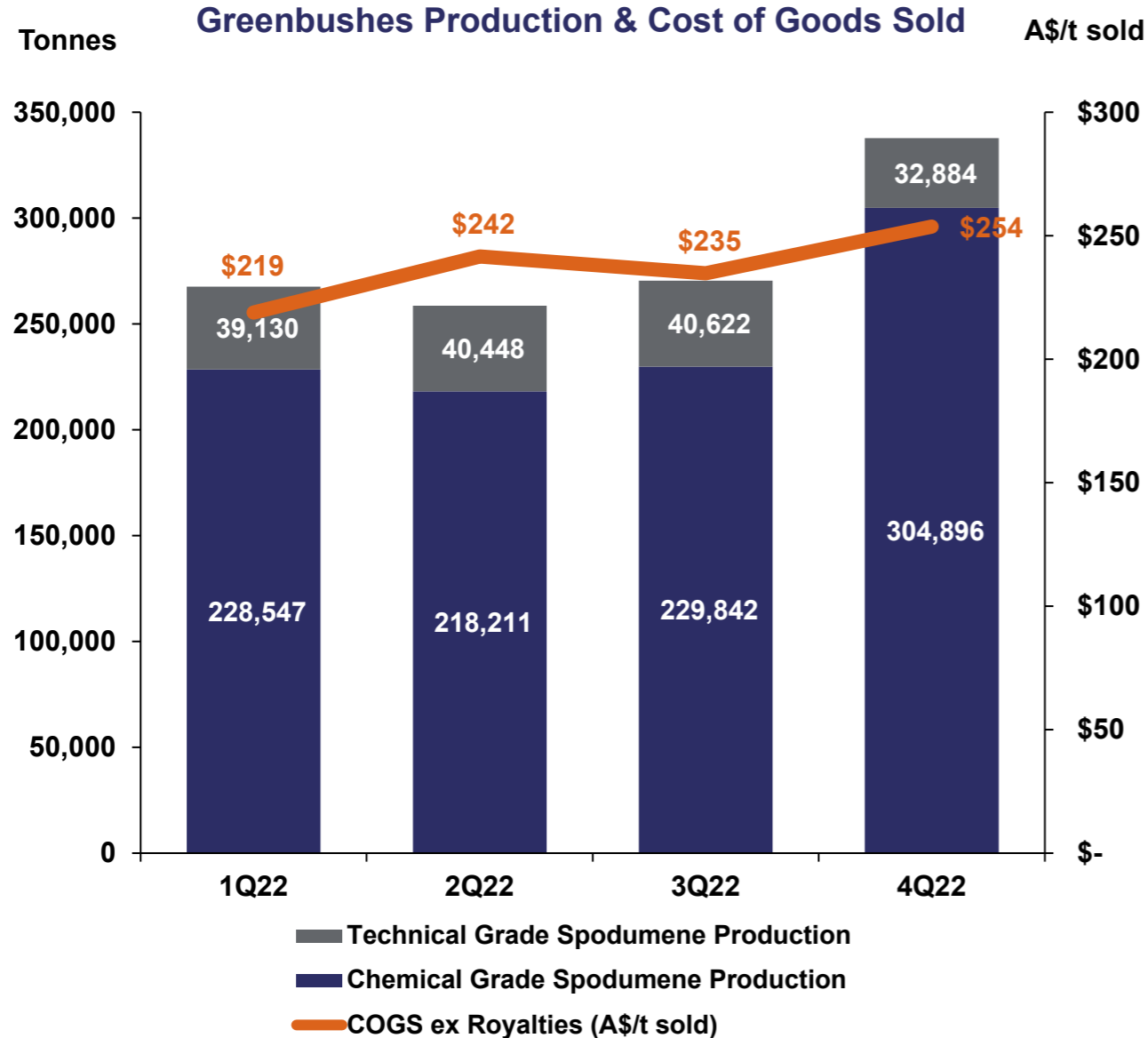
1. IGO:24.99% indirect interest.

2. 4Q22 is the three months ending 30 June 2022 and 3Q22 is the three months ending 31 March 2022.

3. 100% attributable Greenbushes production, including both technical grade and chemical grade spodumene concentrate.

4. COGS is IGO's estimate of cost of goods sold and is inclusive of ore mining costs, processing, general and administrative, selling & marketing, inventory movements and royalty expense.

Improved run time, higher throughput and improving recoveries



## Processing Operations

**Technical Grade Plant (TGP)**  
Stable and consistent production in 4Q22

**Chemical Grade Plant 1 (CGP1)**  
Higher feed grades delivering improved recovery performance

**Chemical Grade Plant 2 (CGP2)**  
Continued improvement in recoveries from 56% to 65% during 4Q22

**Tailings Retreatment Project**  
Ramping up well, with improved recovery QoQ

1. IGO:24.99% indirect interest

# Greenbushes<sup>1</sup>



Site infrastructure being expanded to support planned processing expansion

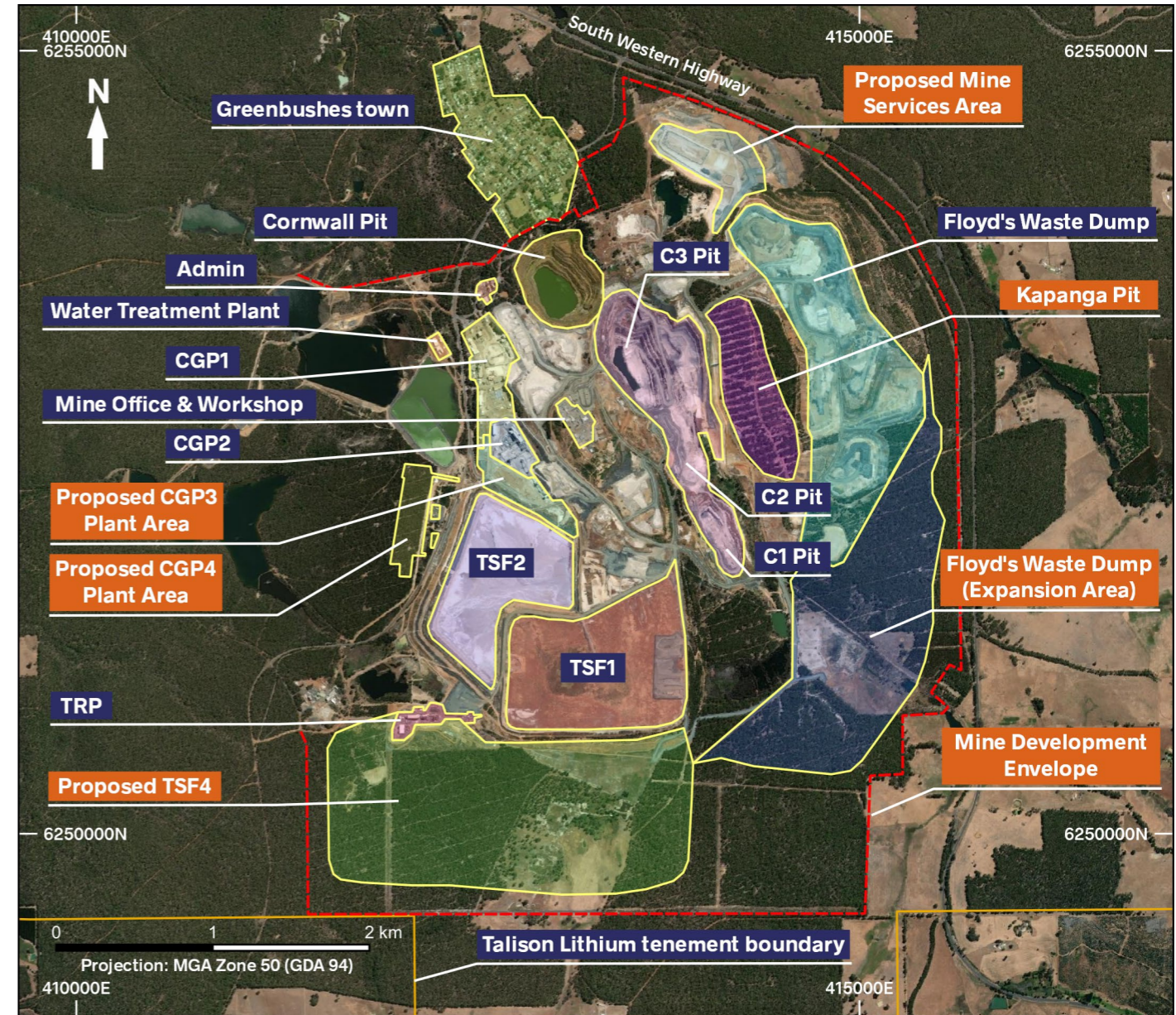
## Key Activities in 4Q22

- CGP3 – initial programs of work underway
- TSF4 construction
- New Mine Services Area
- Expanded power supply
- Increased water storage
- Workshops, warehouses, offices

## FY23 Capex Estimate

A\$420M – A\$480M (100% basis) includes

- Capitalised waste stripping
- CGP3 construction costs and
- Supporting infrastructure



1. IGO:24.99% indirect interest

# Kwinana Refinery<sup>1</sup>



First battery grade lithium hydroxide produced in May 2022 from Train 1

## Train 1

- Samples have been provided and verified by an independent third party – qualification with offtake partners can now commence
- Train 1 to continue to ramp up to commercial production during FY23

## Train 2

- FID to recommence construction expected during FY23

## 4Q22 Financial Results

- EBITDA: (A\$3.3M)
- Commissioning Capex: A\$18.6M



*Kwinana Lithium Hydroxide Refinery*

1. IGO: 49% non-controlling interest

# Lithium Operations

## FY23 Guidance



### FY23 Guidance

#### Greenbushes Lithium Mine

Spodumene Production (100%)	kt	1,350 to 1,450
Cost of Goods Sold (ex-royalties)	A\$/t	225 to 275
Capex (Sustaining, Improvement and deferred waste)	A\$M	420 to 480

#### Kwinana Lithium Hydroxide Refinery

Lithium Hydroxide Production (100%)	kt	Production and cash cost guidance will be provided after the operation has reached commercial production
Cost of Goods Sold	\$/t	
Sustaining & Improvement capex	A\$M	15 to 20 <sup>1</sup>

1. IGO: Relates to Train 1 only.



# Exploration

# Near Nova and Fraser Range

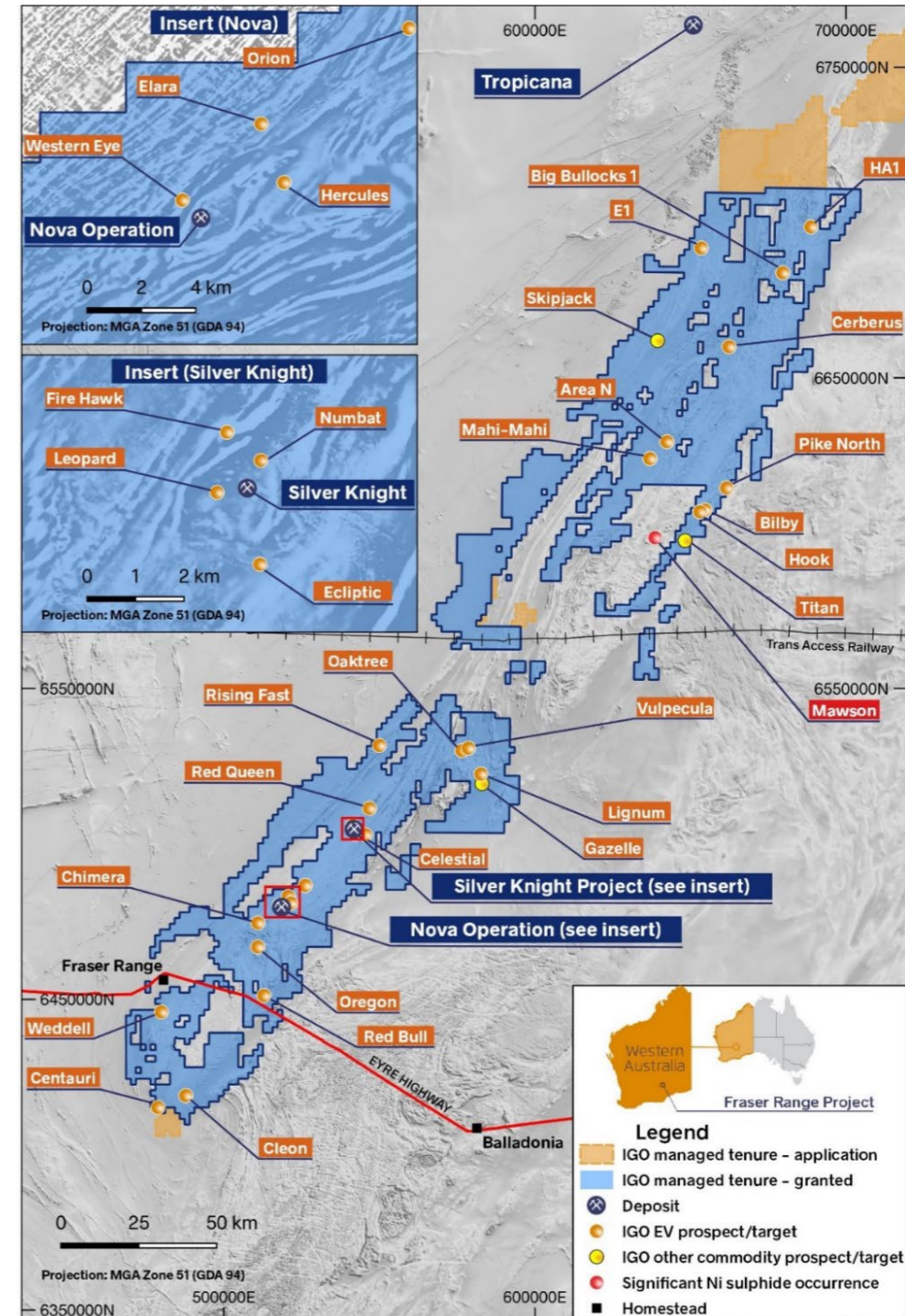
High levels of drilling activity underway

Drilling at Silver Knight has identified potential resource extension to the south with further work planned in 1Q23

Testing of Lignum, Vulpecula & Oaktree targets completed during 4Q22

Diamond drilling proposed at Pike North, Skipjack, Cerberus & E1 during 1Q23

AC and MLEM surveys ongoing to define additional high-quality targets





# Exploration

## Multiple workstreams over several key projects



### Kimberley Project

4Q22 field work included heli-assisted geological traversing around the Yampi Military Training Zone

Sentinel area targets tested with ground EM, with work to continue into FY23

Heritage surveys to support diamond drilling program in coming months

### Paterson Project

Extensive program of airborne and ground surveys using cutting edge technologies

3D modelling and drill target refinement at Encounter JV, Cyprium JV and Tarcunyah

Heritage surveys complete to enable drilling in 1Q23

### Broken Hill

IGO holds an option to earn-in to Broken Hill

Ground EM surveys continued during 4Q22

Unmapped mafic intrusive rocks identified above high-conductance EM plate – further work required

# Exploration

Retained our commitment to exploration and discovery in FY23

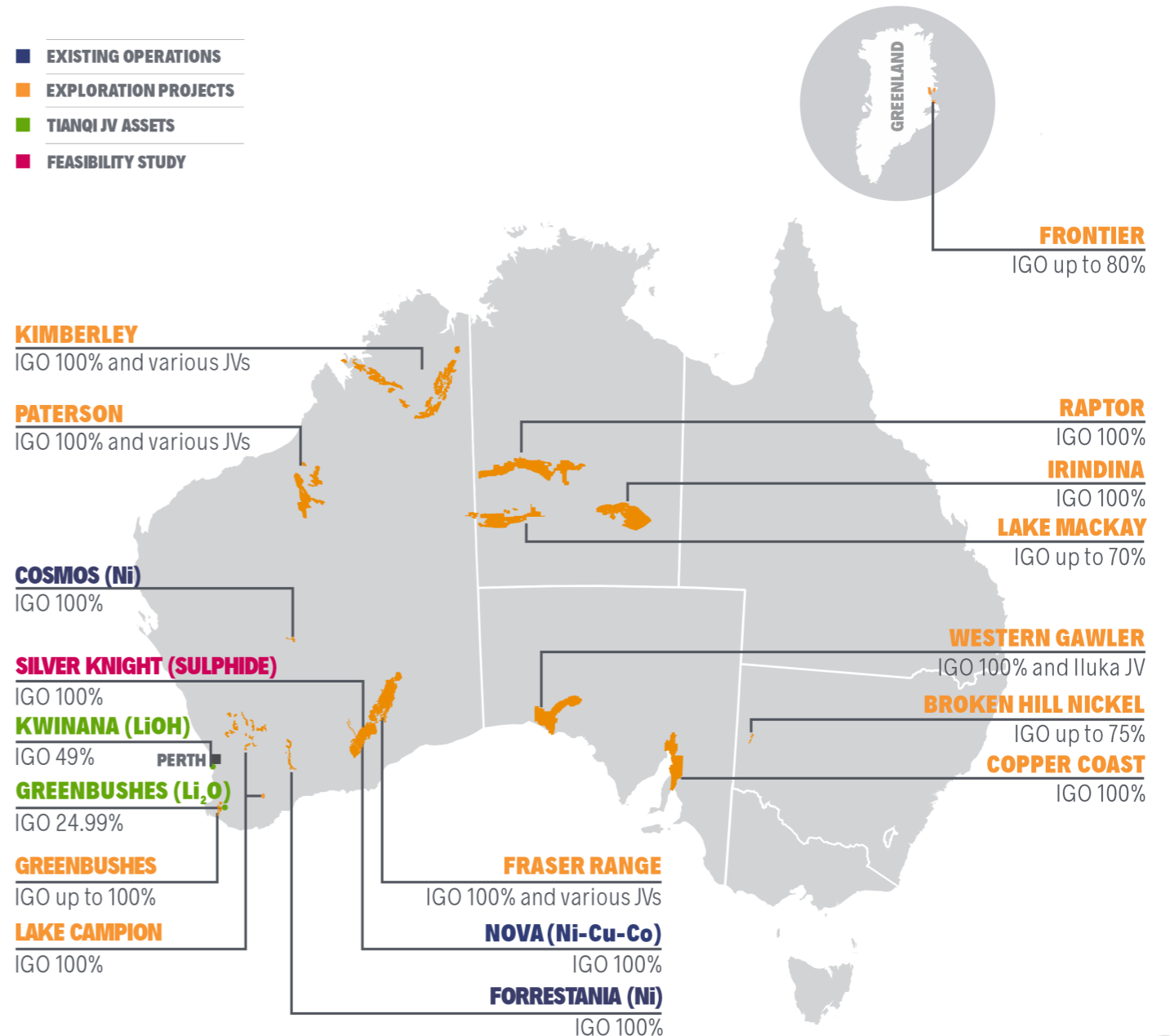


A\$75M budgeted exploration expenditure across the expanded portfolio

Key priorities include:

- Drilling nickel targets around Nova and Silver Knight, including Silver Knight South
- Drilling nickel targets around Forrestania
- Progressing target definition and testing at Paterson and Kimberley Projects
- Commencing lithium exploration around Greenbushes

- EXISTING OPERATIONS
- EXPLORATION PROJECTS
- TIANQI JV ASSETS
- FEASIBILITY STUDY





# Summary

# Summary



## Strong finish to FY22 and a pipeline of growth and development in place for FY23

### Nickel Operations

- Nova delivered within nickel production guidance, better than guidance on costs
- Portfolio expanded with completion of Western Areas acquisition; integration underway
- Optimising Cosmos development to de-risk operation and enhance returns

### Lithium Operations

- Continued strength in spodumene prices delivering great margins
- Greenbushes production in line with guidance
- Multiple activities underway to support and unlock additional production capacity
- Kwinana ramping up following first battery grade production

### Financial Performance

- Inaugural dividend received from TLEA
- Robust EBITDA and FCF margins generating strong returns
- Balance sheet strength maintained with net debt of A\$533M post WSA transaction

### People & Culture

- Remained focused on cultivating our unique culture
- Prioritised safety and holistic wellbeing



# MAKING A DIFFERENCE

We believe in a world where people power makes amazing things happen. Where technology opens up new horizons and clean energy makes the planet a better place for every generation to come.

We are bold, passionate, fearless and fun – a smarter, kinder, more innovative company. Our work is making fundamental changes to the way communities all over the world grow, prosper and stay sustainable.

Our teams are finding and producing the specialist metals that will make energy storage mobile, efficient and effective enough to make long-term improvements to the lifestyle of hundreds of millions of people across the globe.

How? New battery storage technology is finally unleashing the full potential of renewable energy by allowing power produced from sun, wind and other sources to be stored and used when and where it's needed.

This technology will impact future generations in ways we cannot yet imagine, improving people's quality of life and changing the way we live.

We believe in a green energy future and by delivering the metals needed for new age batteries, we are making it happen.

**This is the IGO Difference.**