

2021 ANNUAL REPORT



We believe in a green energy future.





MAKING A DIFFERENCE

IGO Limited is an ASX 100 listed Company focused on creating a better planet for future generations by discovering, developing, and delivering products critical to clean energy.

WHO WE ARE

IGO Limited is an ASX 100 listed Company focused on creating a better planet for future generations by discovering, developing, and delivering products critical to clean energy. As a purpose-led organisation with strong, embedded values and a culture of caring for our people and our stakeholders, we believe we are Making a Difference by safely, sustainably and ethically delivering the products our customers need to advance the global transition to decarbonisation.

Through our upstream mining and downstream processing assets, IGO is enabling future-facing technologies including the electrification of transport, energy storage and renewable energy generation.

IGO owns and operates 100% of the Nova nickel-copper-cobalt operation in Western Australia and is invested in a lithium focused joint venture (Lithium JV) with our partner, Tianqi Lithium Corporation, which comprises a 51% stake in the Greenbushes Lithium Mine and 100% interest in a downstream processing refinery at Kwinana in Western Australia to produce battery grade lithium hydroxide.

IGO is also focused on discovering the mines of the future and has an enduring commitment to investing in exploration to ensure the world has a sustainable supply of clean energy metals into the future.

ACKNOWLEDGEMENTS

We acknowledge the Traditional Owners of the land on which we operate and on which we work. We recognise their connection to land, waters and culture, and pay our respects to their Elders past, present and emerging.

We would like to thank Neil Warburton who retired from the IGO Board in FY21 for his significant contribution to IGO over the last five years.

We are also pleased to welcome two new appointments to the Board, Xiaoping Yang as a Non-executive Director and Michael Nossal as a Non-executive Director who transitioned to the Chair role on 1 July 2021.

We would also like to take this opportunity to thank Peter Bilbe, who was appointed to the IGO Board in 2009, for his substantial contribution to the Company. Over his tenure, Peter has overseen the positive transformation of IGO, culminating in the announcement on 30 June 2021 of the completion of the transaction with Tianqi Lithium Corporation. IGO will continue to benefit from Peter's input as a Non-executive Director until the 2021 AGM.

IGO is proud to report the Australasian Reporting Awards (ARA) awarded IGO's 2020 Annual Report a Gold Award in the 2021 ARA General Award.

About This Report

This annual report is a summary of IGO and its subsidiary companies' operations, activities and financial position as at 30 June 2021. All dollar figures are expressed in Australian dollars unless otherwise stated.

You will notice in this years' report we have introduced our sustainability model, see page 28. This model is built on seven pillars to drive engagement and outcomes across the Company. This is centred around our purpose, Making a Difference. We recognise environmental, social and governance (ESG) and commercial issues are often connected; they are part of a system that is constantly evolving. This model highlights the interconnectedness of each of these pillars in achieving our overall business strategy.

These seven pillars are summarised in this report, however more detail on each pillar can be found in our 2021 Sustainability Report.

Non-IFRS: This report includes certain non-IFRS financial measures, including underlying measures of EBITDA and free cash flow. The meanings of individual non-IFRS measures used in this report are set out in the glossary on page 140. Non-IFRS measures should not be considered as alternatives to an IFRS measure of profitability, financial performance or liquidity.



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Overview

FY21 Snapshot

In FY21, IGO successfully completed its strategic transformation into a business 100% focused on clean energy metals.

The lithium joint venture agreement with Tianqi Lithium Corporation was a watershed moment for IGO which, combined with the divestment of the Company's 30% interest in the Tropicana Gold Mine, has resulted in IGO being uniquely positioned with world-class upstream and downstream assets exposed to nickel, copper, cobalt and lithium. It is this suite of metals which IGO believes will benefit most from the rapidly accelerating demand for electric vehicles, stationary energy storage and renewable energy technologies.

FY21 saw robust operational performance from Nova, which achieved above guidance metal production in FY21, and also Tropicana, which delivered record financial results for the full year. Total revenue and other income of A\$919M¹ and underlying free cash flow of A\$363M has placed IGO's balance sheet in an enviable position following the completion of the two major transactions, with group net cash of A\$529M.

The success of FY21 could not have been achieved without the hard work and commitment of our people. Our people have risen to the challenge of operating through COVID-19 and have delivered outstanding outcomes and importantly, have remained committed to our purpose of Making a Difference.

Financial Summary

GROUP REVENUE AND OTHER INCOME

A\$919M¹

↑ 3%

NET PROFIT AFTER TAX

A\$549M²

↑ 254%

UNDERLYING FREE CASH FLOW

A\$363M

↑ 17%



At a Glance

EXCELLENT FINANCIAL PERFORMANCE

IGO delivered record financial results for FY21, reporting total revenue and other income of A\$919M¹, underlying EBITDA of A\$475M and underlying free cash flow of A\$363M

TRANSFORMATIONAL LITHIUM INVESTMENT

IGO invested in a new lithium focused joint venture with Tianqi Lithium Corporation. Through the new joint venture, IGO has gained exposure to the world-class Greenbushes Lithium Mine and the Kwinana Lithium Hydroxide Refinery, both located in Western Australia

DIVESTMENT OF TROPICANA

In May 2021, IGO divested its 30% stake in the Tropicana Gold Mine to Regis Resources Limited for proceeds of

A\$889M

ASX 100 INCLUSION

In recognition of IGO's growth, the Company was admitted to the S&P/ASX 100 Index in February 2021

OUTSTANDING PERFORMANCE FROM NOVA

Nova production exceeded guidance for all metals, and confirmed its position as the lowest cost nickel operation in Australia with cash costs of

A\$1.85/lb
Ni (payable)

RECOGNITION OF COMMITMENT TO ESG

IGO was recognised for its strong ESG performance with admission to the Dow Jones Sustainability Index Australia for the second year running. IGO was also included in the S&P Sustainability Yearbook for 2021

IMPROVED FEMALE GENDER DIVERSITY

27%

(↑ 3% vs FY20)

of our overall workforce are female, with a significant improvement across all disciplines at our Nova Operation



¹ Revenue and other income from continuing and discontinued operations (excluding profit on sale of Tropicana of A\$557M)

² Profit after tax includes gain on sale of Tropicana after tax of A\$385M. Profit after tax excluding this gain was A\$164M

Focusing on a sustainable future



Peter Bradford, Managing Director & CEO and Peter Bilbe, Non-executive Director (Chair July 2011-June 2021)

It is our joint pleasure to summarise IGO's achievements for the 2021 financial year.

A TRANSFORMATIONAL YEAR

As the impact of climate change on our planet becomes undeniable, global decarbonisation has become a political, financial and human imperative. To that end, advances in technology are now enabling the efficient and cost-effective generation, storage and consumption of clean energy, resulting in exponential growth in demand for electrified transport and grid-scale energy storage systems.

In 2017, and in recognition of this emerging revolution, we redefined our purpose and strategy to become a globally relevant producer of metals critical to clean energy, and to do so in a manner which is ethical, responsible and sustainable. We believe that what we do, and how we do it, can really Make a Difference.

In FY21, our focus on clean energy metals took a significant step forward with the transformational transaction to form a new lithium focused joint venture (Lithium JV) with Tianqi Lithium Corporation (Tianqi). This exciting transaction

has resulted in IGO gaining exposure to a world-class lithium resource at Greenbushes and becoming co-owners of a lithium hydroxide downstream processing refinery at Kwinana – a fully integrated supply chain delivering high quality battery grade products to end users.

In addition, we completed the successful divestment of our 30% stake in Tropicana, which we held in partnership with AngloGold Ashanti since discovery. While Tropicana is an outstanding asset, divestment offered us the opportunity to deleverage the balance sheet following the Tianqi transaction, while completing our strategic transition to become a truly diversified clean energy metals company with high quality nickel, copper, cobalt and lithium exposure.

In recognition of the continuing growth of our business, IGO was admitted to the S&P/ASX 100 Index during FY21. This important milestone elevates IGO into the top-ranking listed companies in Australia and increases our global relevance to the investment community.

BOARD SUCCESSION

We were delighted to welcome Xiaoping Yang and Michael Nossal to the Board during December 2020. Xiaoping brings an impressive range of skills including

strong technology development and innovation skills. With a deep passion for clean energy, and direct experience with solar, hydrogen and energy storage technologies, and significant experience in doing business in China, Xiaoping adds critical skills to the Board especially following our transaction with Tianqi.

Michael is a highly regarded senior mining executive who brings strong strategy and business development skills, and a deep knowledge in the areas of exploration, project development and operations. Michael transitioned to the Chair position with effect from 1 July 2021 and we look forward to his contribution to our growing business.

PRIORITISING OUR PEOPLE

The continued success and growth of our business would not be possible without our incredible team of people who continue to be bold, passionate, fearless and fun – a smarter, kinder, more innovative team.

As our greatest asset, our first responsibility is to keep our people safe, and we have continued to work on improving our safety performance throughout FY21 with our Total Reportable Injury Frequency Rate down from 16.9 in FY20 to 13.2. There is always more to do, but key lead and lag indicators have demonstrated an improvement over FY21.

In addition, it is important we recognise that protecting our people goes beyond physical safety. IGO takes a holistic view, to include programs that support our team's physical, mental and financial wellbeing. The support we provide in this area has been particularly important throughout FY21 as the COVID-19 pandemic continued to impact the way in which we all lived and worked. Thankfully, Western Australia, where the majority of our operations are located, has been relatively unaffected by the pandemic, however we acknowledge the additional pressure this unprecedented event has placed on our people and their families over the last 18 months.

Our resilience as an organisation is a direct reflection of our strong culture and we are proud with the continued progress that has been made over FY21. Our recent 2021 Engagement Survey demonstrated the continued pride our people have for working for IGO and highlighted our culture, defined by our people as friendly, flexible, happy and ambitious. The culture we have built is

one of our competitive advantages, our people want to be part of our future and we receive consistent feedback from our people that they are excited about our purpose and strategy and enjoy being part of the IGO community.

A SUSTAINABLE BUSINESS

How we go about our business is as important as what we do. Our sustainability as a business relies on us ensuring we consistently deliver value and care to all of our stakeholders.

During FY21, we refined our sustainability model, which is now built around seven key pillars. This model, which is included in this report, will help guide IGO's future sustainability practices and reporting and provide a consistent framework against which our performance can be measured.

Some of the areas we focus on most are the reduction of our carbon emissions and impact on the environment, as well as the engagement with our local communities and ensuring the integrity of our supply chain.

In FY21, our solar farm at Nova continued to deliver a significant reduction in diesel usage and consequently, carbon emissions. In addition, we have made substantial progress in reducing non-recyclable waste streams from both operations and remote exploration activities – yet another way we are ensuring we minimise our impact on the planet.

We also continued to support the local communities in which we operate through both financial and non-financial support for organisations focused on child health and education. As well as providing over A\$904,000 of funding through our Corporate Giving Program, IGO supports a range of organisations through employee volunteering programs and in-kind contributions that deliver positive outcomes in our community.

We also produced our first Modern Slavery Statement, which outlines the steps that IGO has taken to assess modern slavery risks within our operations and supply chains, and the actions we have taken to address those risks.

IGO takes great pride in the transparency with which we report on sustainability measures. Our 2021 Sustainability Report, which can be read in conjunction with this document, is a comprehensive record of our performance over FY21 and we encourage you to review this document in due course.

Our commitment to sustainability continues to be recognised by third-party agencies. For the second year running, IGO is a constituent in the Dow Jones Sustainability Index Australia, with a ranking in the 85th percentile and being one of just nine mining companies in the Index. In addition, IGO was included in the S&P Global Sustainability Yearbook for 2021, being one of 13 mining companies globally and one of two Australian mining companies who were admitted. This is a record we are proud of and one we intend to maintain.

SUCCESSFUL OPERATIONS

FY21 was another highly successful year at our Nova Operation, while Tropicana also delivered strong outcomes before our divestment in May 2021.

At Nova, our FY21 production for all metals exceeded our guidance range, with cash cost performance benefiting from both the higher nickel volumes and higher by-product metal prices. The strong results for FY21 confirm Nova's position as one of the highest margin nickel operations globally.

Our continuing strong delivery from Nova was made possible by our onsite team who maintained a consistent focus on operational excellence and continuous improvement. Key achievements in FY21 included significant progress in areas of recovery improvement, paste plant optimisation and mine optimisation. This focus will continue into FY22.

Tropicana, which was divested in May 2021, also delivered to expectation with solid gold production and costs within guidance. We take this opportunity to thank AngloGold Ashanti for their partnership at Tropicana over many years, and wish them and Regis Resources, the new partner, a prosperous future.

The continued strong operational performance resulted in equally strong financial performance, and we are proud to have recorded record revenue, net profit and free cash flow generation in FY21. We have also ended FY21 with an exceptionally strong balance sheet, with A\$529M in cash and no debt.

GROWTH

While we have witnessed significant transformation in the business over FY21, IGO remains focused on further growth opportunities.

Exploration remains a critically important part of our business and a key area of competence and capability. Chronic underinvestment in exploration by the mining industry will impact on the ability to deliver the mines of the future and the products needed for the next generation of technology. With a large but highly prospective exploration portfolio, IGO is making a significant and enduring commitment to reverse this trend and is investing in some of the most prospective land positions in Australia for both nickel and copper. We believe we have the portfolio of tenements, the team and the tenacity to deliver transformational discovery and value creation for our shareholders.

In addition, we continue to assess further opportunities to grow via accretive mergers and acquisitions.

THANK YOU

The work we do would not be possible without the commitment and support of our people and their families, and we thank you all for your ongoing commitment to Making a Difference.

We also take this opportunity to thank our host communities, suppliers, contractors, industry associations and regulators for their continued support.

Finally, we thank our shareholders for your continuing support and trust in the Board and Leadership team.

Peter Bilbe

Non-executive Director
(Chair between July 2011 and June 2021)

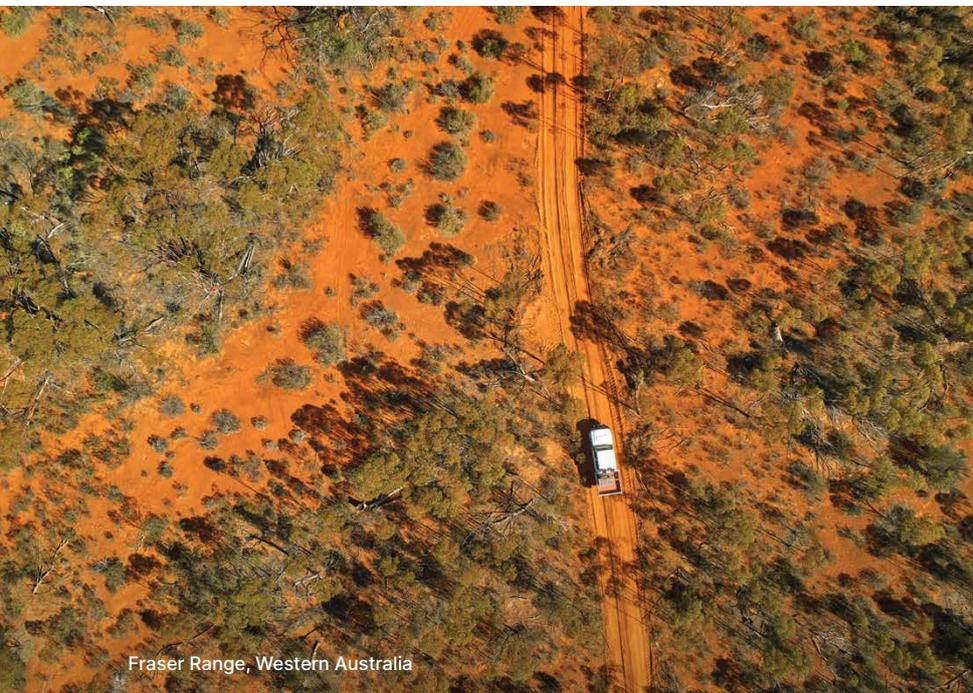
Peter Bradford

Managing Director
& Chief Executive Officer

MESSAGE FROM PETER BILBE

This is the last Annual Report I will be involved with at IGO before I retire from the Board in November 2021. Over the 12 years I have been with IGO, the business has matured and grown tremendously and the opportunity ahead for the business is incredibly exciting. I would like to thank my fellow Board members and the broader IGO team, past and present, for their support over the years, and wish Michael Nossal all the best as Chair.

Record Financial Performance



Fraser Range, Western Australia

FY21 has been another highly successful and transformative year for IGO and I am delighted to provide a summary of our key financial results.

The year was characterised by two significant transactions involving the divestment of our interest in Tropicana and our investment into the new lithium focused joint venture. Importantly, operational performance from both Nova and Tropicana also remained strong throughout FY21, delivering excellent margins and free cash flow to IGO.

In FY21, IGO set new records across key financial measures. Group revenue of A\$915M was 3% higher than the FY20 result, with higher metals prices more than offsetting marginally lower year-on-year production volumes. Group underlying free cash flow of A\$363M was 17% higher than the FY20 result, while net profit after tax of A\$549M was significantly higher than FY20 due to the gain booked on the successful divestment of our 30% stake in the Tropicana Gold Mine to Regis Resources of A\$385M. Profit after tax excluding the gain on Tropicana was A\$164M.

The robust financial results reflect the consistently strong operational performance over FY21.

Production from Nova exceeded guidance (29,002t nickel, 13,022t copper, 1,084t cobalt) at cash costs of A\$1.85/lb nickel (payable). Strong prevailing copper and cobalt prices,

particularly during the second half of FY21, positively impacted cash cost performance and resulted in a downward revision of cash cost guidance in the March 2021 Quarterly Report. Cash cost guidance was adjusted to A\$1.80 – A\$2.10/lb nickel (payable) from earlier guidance of A\$2.40 – A\$2.80/lb nickel (payable), and it was pleasing to finish FY21 at the lower end of this new guidance range. This outstanding cash cost performance led to Nova generating a record A\$393M of free cash flow over FY21, with full year EBITDA and free cash flow margins of 65% and 59% respectively.

Production from Tropicana, prior to our divestment on 31 May 2021, was 364,751oz (100% basis) at an all-in sustaining cost of A\$1,720/oz. Free cash flow generation from Tropicana over this same period was A\$68M equating to a free cash flow margin of 28%.

From a cash perspective, FY21 saw significant movements in Group cash as we completed the two transformational transactions. Significant cash inflows included A\$862M attributable to the Tropicana divestment (net of costs), and the equity raising conducted to support the lithium transaction netted an additional A\$749M contribution from shareholders. The Tropicana divestment and equity raise delivered a combined A\$1,611M to IGO, which enabled us to settle the lithium transaction consideration of A\$1,855M without the need to draw on new debt facilities. This was an outstanding achievement for IGO and positions the business with A\$529M net cash at 30 June 2021.

As a result of the then pending lithium transaction and associated recent equity raise, the Board did not declare an interim dividend during FY21.

However, IGO maintains its commitment to deliver returns to shareholders via dividends and has declared a payment of 10 cents per share, fully franked, for its FY21 final dividend. In line with this commitment, IGO's shareholder returns policy has been modified to target returns of 15 to 25 percent of underlying free cash flow when liquidity is less than A\$500M, and when liquidity is in excess of A\$500M, further discretion will be applied to return a greater proportion of cash to shareholders. The policy remains at the discretion of the Board.

Scott Steinkrug
Chief Financial Officer

Share Price Performance



FY21 Financial Summary

	FY21 A\$M	FY20 A\$M	FY19 A\$M	FY18 A\$M	FY17 A\$M
Total revenue and other income	919 ¹	892	793	781	422
Underlying EBITDA ²	475	460	341	339	151
Profit after tax	549 ³	155	76	53	17
Net cash flow from operating activities	446	398	372	278	78
Underlying free cash flow ²	363	311	278	138	(113)
Total assets	3,609	2,293	2,190	2,175	2,208
Cash	529	510	348	139	36
Marketable securities	111	108	28	24	15
Total liabilities	409	367	341	396	476
Shareholders' equity	3,200	1,926	1,849	1,779	1,733
Net tangible assets per share (A\$ per share)	4.30	3.26	3.13	3.03	2.95
Dividends (cents per share)	10	11	10	3	2

¹ Revenue and Other Income from continuing and discontinued operations (excluding profit on sale of Tropicana of A\$557M).

² See Glossary on page 140 for definition.

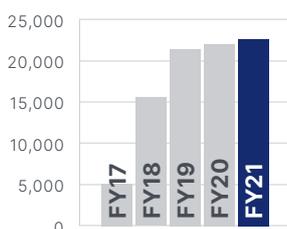
³ Profit after tax includes gain on the sale of Tropicana after tax of A\$385M. Profit after tax excluding this gain was A\$164M.

Historical Payable Production¹

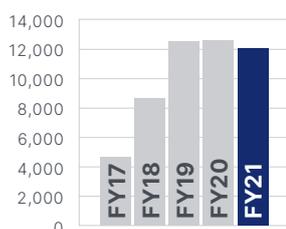
The historical payable metal charts represent five years of contribution from IGO's current operations and historical contributions from the Long, Jaguar and Tropicana operations that are no longer in the IGO portfolio².

In FY21 all nickel, copper and cobalt was derived from the Nova Operation, with all gold contributed from the Tropicana Joint Venture (IGO: 30% share).

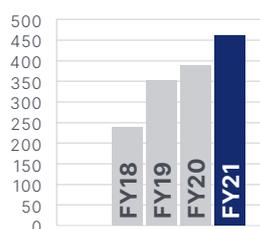
NICKEL (t)



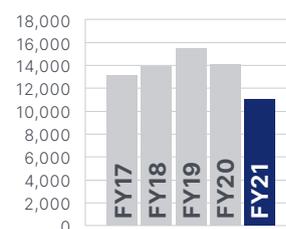
COPPER (t)



COBALT (t)



GOLD (oz)³



¹ Historic metal production of nickel, copper and cobalt includes metal units produced in concentrate (Nova and Jaguar) and metal in ore (Long).

² The Long and Jaguar Operation's were divested in May 2019 and May 2018 respectively.

³ Gold production for FY21 was lower than FY20 due to the divestment of Tropicana on 31 May 2021.

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 generations to come.

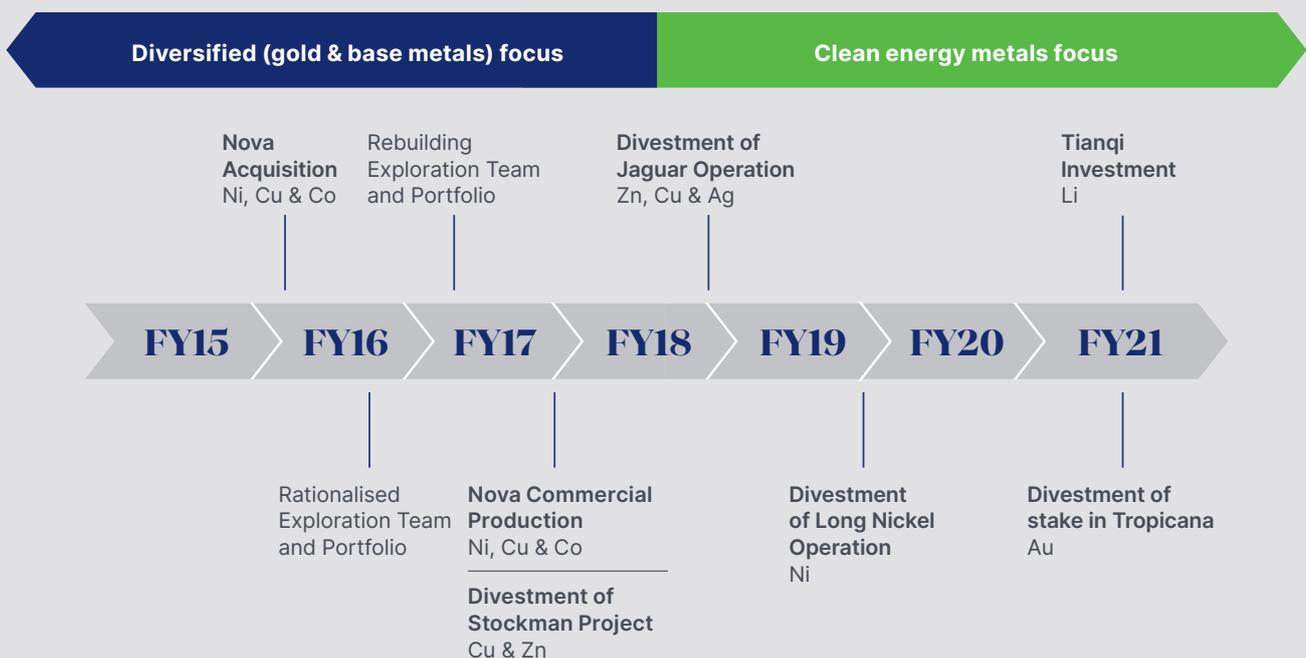
Our people are bold, passionate, fearless and fun – we are a smarter, kinder and more innovative company.

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 the 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.

We are the IGO Difference.





Our Culture

Provides an environment where our people feel a strong sense of pride in the difference that they can make to future generations

Values diversity, supports inclusion and cares about the safety and wellbeing of each other

Provides learning and development opportunities for people to grow their career and thrive

Is unique and strong because our people have been active in the creation of it

Over time our culture has inspired and connected our people to continue to achieve and to perform through our celebrations and challenges.

Our people's response and strong performance through the challenges of COVID-19 is directly attributable to our strong culture and sense of shared purpose.

Our culture has also enabled us to adapt and change – our clean energy strategy was embraced by our people who could see the opportunities for change and the difference they could make to the world.

In a world where the one constant is change, our culture is our point of difference, something that can't be copied and is our ultimate competitive advantage.

Our aspiration is to contribute to a better planet by being a globally relevant supplier of products critical for enabling clean energy

Our strategy has evolved as our business has transformed. For many years, IGO's strategy was to be a diversified mining Company with upstream assets exposed to nickel, copper, cobalt and gold. In 2017, the IGO Board and leadership team recognised the significant opportunity resources businesses, such as IGO, had to play in the decarbonisation of our planet. From this point, we realigned our strategy to focus on metals critical to clean energy, which includes renewable energy generation, energy storage and the electrification of transport.

Emboldened by the conviction to our strategy, we first rationalised our portfolio through the divestment of non-core assets while rebuilding and aligning our exploration team and portfolio. Most recently, in FY21 we completed the transformation of the portfolio through the sale of our stake in the Tropicana Gold Mine, and also by our investment in the Lithium JV with Tianqi. Our transition to become a future facing business is now complete with our business 100% focused on producing products critical for enabling clean energy.

This transformation and our strong strategic conviction provide an ideal platform from which we will continue to grow a sustainable business and deliver strong returns for our shareholders long into the future.

The IGO Strategy

Our winning aspiration is to be a globally relevant supplier of products that are critical to clean energy, to create a better planet.



Diverse Suite of Products

Made safely, ethically, sustainably and reliably



Customer Focused

Connecting with end users through vertical integration



Carbon Neutral

Committing to carbon neutrality across our business



People

People who are bold, passionate, fearless and fun – a smarter, kinder, more innovative team

Key Strategic Imperatives

IGO has identified 11 Key Strategic Imperatives to deliver against if we are to achieve our strategy. As a purpose-led organisation, our purpose of Making a Difference and our culture of care is embedded in everything we do. These imperatives address how we are seeking to create shared value for all of our stakeholders.



People and Culture

We value our people and the importance of culture. We are bold, passionate, fearless and fun – a smarter, kinder, more innovative team



Safety and Wellbeing

We keep ourselves safe and healthy and care about each other



Environment and Decarbonisation

We make a positive contribution towards decarbonisation and a better planet



Community and Traditional Owners

We are a valued part of our communities and make a positive contribution



Systems, Processes and Technology

We are enabled with systems, processes and technology to drive success



Financial

We enable our growth through the optimal allocation of capital and funding solutions



Operations

We are in control, deliver on our promises, and continuously strive to do better



Lithium Business

We optimise and maximise our lithium assets and partnership(s)



Innovation

We unlock, share and act on ideas to transform our business at all levels



Growth

We drive transformation through M&A, vertical integration and discovery



Customers

We deliver quality products safely, ethically, sustainably and reliably

Executive Leadership Team



BAppSc Extractive Metallurgy, FAusIMM

Peter is accountable to the Board of Directors for the day-to-day management of the Company.

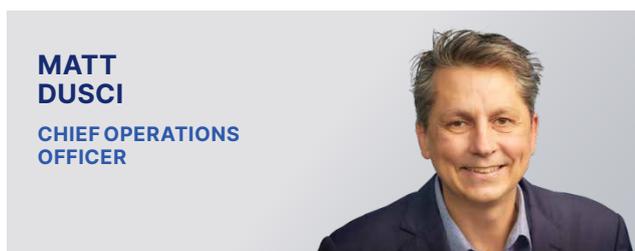
Peter was appointed Managing Director & CEO of IGO in 2014. Peter is a metallurgist and has significant experience in senior leadership roles with exploration, project development and mining companies in Australia and internationally. Peter is President of the Association of Mining and Exploration Companies Inc (AMEC) and Chair of the Curtin University Brighter Futures Scholarship Program.



LLB, BA

Kate's role is to provide guidance to the Company on all legal, risk and compliance, and land access and heritage matters. She provides oversight on the Company's growth strategy and M&A activities, supports the Exploration and Operational teams, and is directly involved in the Company's key stakeholder relationships and negotiations.

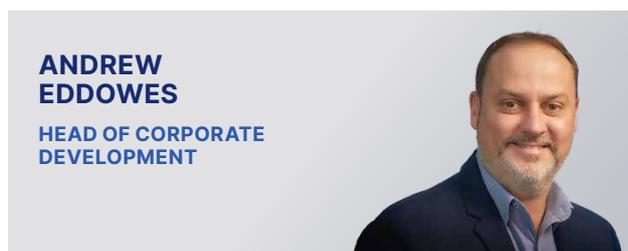
Kate joined IGO in 2011 and was appointed General Counsel in 2017. Kate has 20 years' experience as a practising lawyer specialising in large scale resources litigation, corporate law and native title. In addition to her corporate work, Kate has been a legal member of WA's Mental Health Review Board and the sitting lawyer on WA Health's Human Research Ethics Committee and is currently a member of the board of Ronald McDonald House Charities (WA).



BAppSc (Geology) (Hons), MAIG

Matt's role is accountable for the day-to-day operational delivery and performance of the Company. This includes the Nova and Tropicana Operations, Exploration, Health and Safety, Environment and Climate Change, Technical Services, Technology and Innovation, and Information Technology. Matt is also a Non-executive Director of the Lithium Joint Venture.

Matt joined IGO in 2014 and was appointed Chief Operating Officer in early 2018, and prior to that was Chief Growth Officer. Matt has over 25 years' experience in all facets of the industry including exploration, resource development, technical studies, corporate development, public markets, operations, and executive leadership. Matt has previously held senior management positions within PMI Gold, Gold Fields and WMC Resources. Matt has extensive global experience, having worked in Australia, South America, Africa and Asia.



B.Sc (Earth Science) (Hons), MAusIMM, FGeoSoc

Andrew's role is accountable for the growth of the IGO portfolio through partnering, acquisition and divestment of advanced assets aligned with the Company strategy.

Andrew is a geologist with over 25 years' experience in the exploration and mining industry. He has worked on major projects within Australia and internationally, in a variety of corporate and technical roles. Andrew joined IGO in 2003 and in February 2018, was appointed Head of Corporate Development with a focus on advancing IGO's growth and improvement of the asset portfolio through acquisitions and strategic partnerships.

**JOANNE
MCDONALD**
COMPANY SECRETARY
AND HEAD OF CORPORATE
AFFAIRS



MSc (Corporate Governance), MSc (Professional Accounting), FGIA, GAICD

Joanne's role is to support the Board as well as advising and implementing good governance practices across the organisation. Joanne also provides leadership and oversight of Corporate Affairs, including stakeholder engagement, communications, investor relations and IGO's Corporate Giving Program.

Joanne joined IGO in 2015 and has over 17 years' experience as a company secretarial professional working for listed companies in Australia and the UK. Prior to joining IGO, Joanne held positions with Paladin Energy Ltd, Summit Resources Ltd and Unilever plc. Joanne is currently a WA State Councillor for the Governance Institute of Australia and a Director of the Leeuwin Ocean Adventure Foundation.

**SAM
RETAILLACK**
HEAD OF PEOPLE
& CULTURE



Dip App Science, B. Health Science, CAHRI, GAICD

Sam's role is to provide leadership and oversight of all People and Culture activities, including diversity, equity and inclusion initiatives, learning and talent development and reinforcing the organisation's culture, purpose and values. Sam is also responsible for the corporate office administration and operation.

Sam joined IGO in 2013 as Human Resources Manager and was appointed Head of People & Culture in 2017. Sam has over 25 years' experience in senior management, human resources, consulting and operational roles working for a range of organisations. Prior to joining IGO, Sam led large workforce - based businesses within Aherns Department Stores and Ansett Airlines, before turning to roles in Human Resource management across the mining, finance, legal and biomedical sectors.

**IAN
SANDL**
GENERAL MANAGER
- EXPLORATION



BSc (Geology, Geophysics) (Hons)

Ian's role is to lead and develop a best-in-class exploration team, driving technical and operational excellence, and ensuring an enduring high-quality pipeline of projects to deliver material discoveries to IGO.

Ian joined IGO in 2017 as General Manager – Exploration. Ian has over 30 years' experience in mineral exploration and associated geoscience, including near-mine and greenfields exploration for a wide range of commodities. He has previously held senior management and technical positions within Teck Resources, BHP Minerals and Geo Discovery Group, and has significant international experience having worked across Australia, Africa and Asia.¹

**SCOTT
STEINKRUG**
CHIEF FINANCIAL
OFFICER



F.C.A. B.Comm, BSc., GAICD

Scott's role includes responsibility for statutory financial compliance and reporting, taxation, treasury, budgeting and forecasting, sales and marketing, and Group procurement.

Scott joined IGO in 2011 as Chief Financial Officer. Scott is a Fellow of Chartered Accountants Australia and New Zealand having gained over 20 years' experience in the resources industry including Consolidated Minerals, Perilya, Sons of Gwalia and Hamersley Iron (Rio Tinto). Positions held over this period include Chief Financial Officer, Manager - Treasury & Finance and Financial Controller.

¹ Ian Sandl stepped down from the ELT with effect from 1 July 2021 to ensure greater focus on the delivery of day-to-day Exploration operations

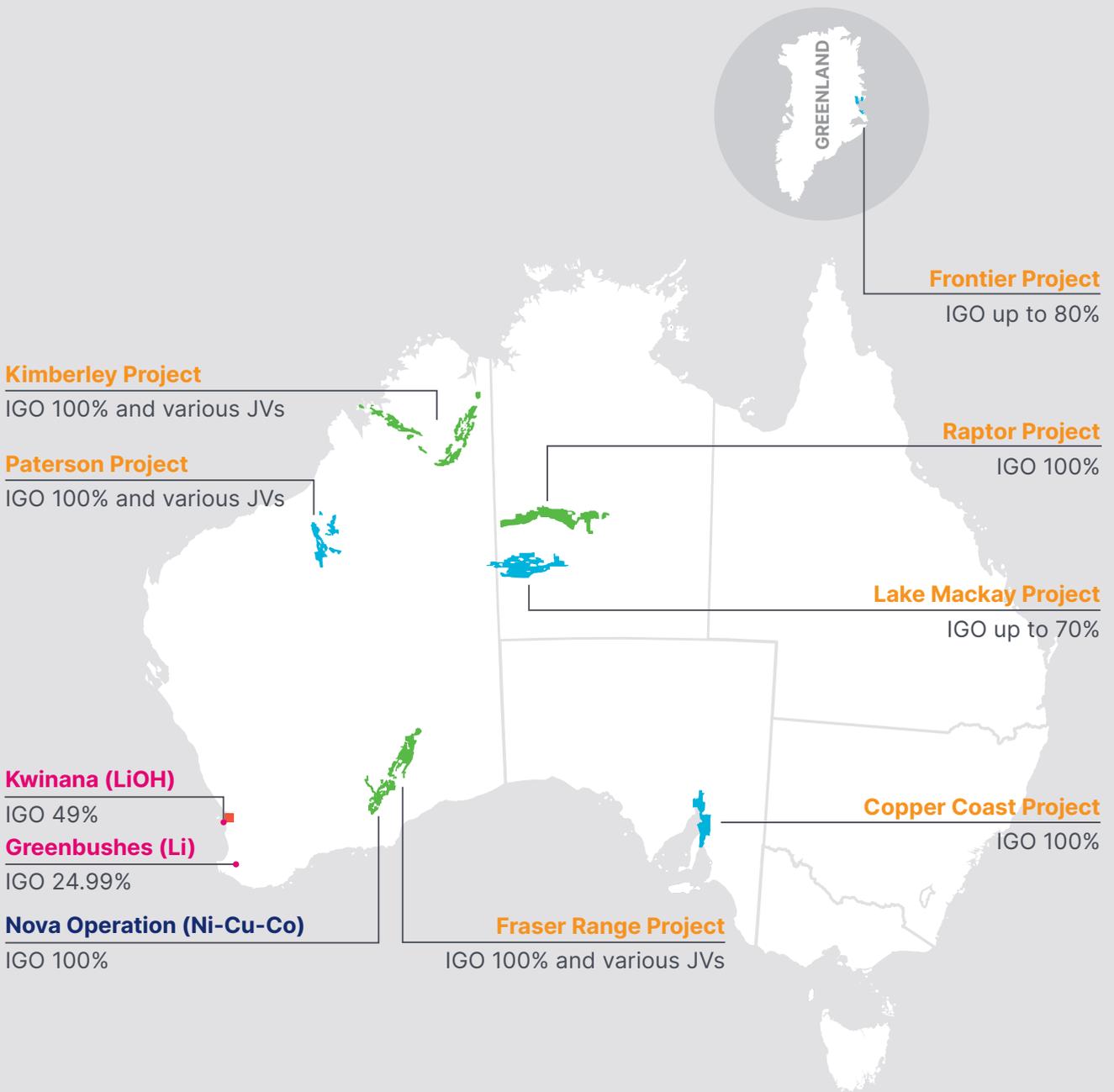
Operational Scorecard & Outlook

MINING OPERATION	UNITS	FY21 GUIDANCE RANGE	FY21 ACTUAL	FY22 GUIDANCE RANGE
Nova (IGO 100%)				
Nickel in concentrate	t	27,000 to 29,000	29,002	25,000 to 27,000
Copper in concentrate	t	11,000 to 12,500	13,022	11,500 to 12,500
Cobalt in concentrate	t	850 to 950	1,084	900 to 1,000
Cash cost (payable)	A\$/lb Ni	2.40 to 2.80 ¹	1.85	2.00 to 2.40
Sustaining & improvement capex	A\$M	18 to 20	8.4	19 to 22
Development capex	A\$M	2 to 4	3.7	5 to 7
Tropicana (IGO 30%)²				
Gold produced (100% basis)	oz	348,333 to 394,167	364,751	N/A
Gold sold (IGO's 30% share)	oz	104,500 to 118,250	110,402	N/A
Cash cost	A\$/oz Au	1,040 to 1,120	1,081	N/A
All-in Sustaining Costs	A\$/oz Au	1,730 to 1,860	1,720	N/A
Sustaining & improvement capex (30%)	A\$M	10 to 15	6.1	N/A
Capitalised waste stripping (30%)	A\$M	60 to 64	56.1	N/A
Underground capex (30%)	A\$M	9 to 13	8.9	N/A
Exploration Expenditure				
Total Exploration Expenditure	A\$M	65	63.3	65

¹ Revised to A\$1.80 to A\$2.10/lb Ni (payable) in 3Q21 Quarterly Activities Report.

² 100% attributable Tropicana production and pro-rata guidance are to 31 May 2021, being the date of completion of the Tropicana divestment to Regis Resources Limited.

Key Operations & Projects



- Head Office Perth
- Operations
- Exploration Activities
- Ni/Cu/Co
- Cu/Au
- Li/LiOH (Tianqi JV Assets)

Nova Operation

NICKEL-COPPER-COBALT



Nova continued to deliver outstanding operational performance in FY21, with production exceeding guidance for all metals.

LOCATION & HISTORY

The Nova Operation is located in the Great Western Woodlands, approximately 140km by road east northeast of Norseman in Western Australia. The Ngadjju are the Traditional Owners and custodians of this area and their native title was recognised by the Federal Court on 21 November 2014.

The Nova deposit was discovered in July 2012, with development of the current operation commencing in January 2015. Following a successful construction and commissioning phase, the Operation commenced commercial production in July 2017, and reached its nameplate production rate in the September 2017 quarter.

STRONG PERFORMANCE IN FY21

Nova continued to deliver outstanding operational performance in FY21, with production exceeding guidance for all metals, while cash costs of A\$1.85 per payable pound of nickel confirmed the Operation's position as the lowest cost nickel producer in Australia.

Mining performance continued to be excellent, with mined grades remaining higher than reserve grade as we continued to prioritise high grade stopes. To provide an opportunity to increase mining rates in the future, a workstream focused on optimisation of the paste fill system was successfully completed. Completion of this program will remove a key constraint to increasing mining and processing rates in the future.

Processing operations also continued to perform well, with 1.6Mt of ore processed during the year. We also further optimised recoveries over the course of the year, with full year recoveries for nickel and copper at 87.9% and 88.6% respectively.

CONTINUED FOCUS ON OPTIMISATION

Our team at Nova continue to seek opportunities to operate more safely, efficiently and sustainably. We do this through critically evaluating our operating philosophy, the adoption of new technology and fostering a culture of excellence through innovation.

In FY21, this included:

- Vendor engagement to modify process components to increase safety and maintainability
- Implementing remote drone technology to survey and measure Run of Mine (ROM) ore stockpiles, improving safety and accuracy
- Reducing raw water consumption through the use of recycled process water
- Refinement of process control systems to improve metal recoveries; and
- Peer-to-peer data transfer on all mining equipment.

IGO also completed further work on the potential electrification of the mining fleet to deliver improved safety outcomes for our people, lower costs and reduce carbon emissions.

A SUSTAINABLE OPERATION

As is the case all across our business, operating as sustainably as possible is a key focus at Nova. In FY21, we continued to ensure we minimised the impact of our operations on the environment and communities through the application of best practice process, systems and engagement.

At the core of sustainability at Nova is our progress toward the reduction of greenhouse gas emissions through the use of renewable energy. The Nova solar farm has been operational since 2019 and in FY21 delivered over 11% of Nova's total power consumption, replacing ~2,444kL of diesel and eliminating 6,600t of carbon.

Additionally in FY21, IGO made substantial progress in reducing non-recyclable waste streams. The complexity of segregation and recycling waste streams from remote and isolated areas is significant, however IGO's commitment to doing everything we can to reduce our impact on the planet has meant this program has been effectively and enthusiastically embraced by our people – another way we choose to Make a Difference.

COMMITMENT TO EXPLORATION

IGO considers the near-Nova exploration potential to be significant and has delivered an exploration program which aims to maximise the chances of successfully identifying resources which would be within ore trucking distance from the existing Nova Operation infrastructure.

Over recent years, various programs including soil geochemistry, air core (AC) drilling, moving loop electromagnetics and 3D seismic surveys have generated a detailed geological and stratigraphic model which has helped guide our targeting programs.

In FY21, many of these near-Nova targets were tested with diamond drilling (DD), including the Hercules, Double Dipper, Chimera and Orion prospects.

The Orion prospect, just 3km northeast of Nova, is of significant interest with drilling confirming the existence of nickel-copper-sulphide mineralisation. This mineralisation, hosted within a chonolith intrusion, extends off the Nova Mining Lease and into an adjacent exploration licence which IGO has optioned from Boadicea Resources. More drilling at Orion is planned in FY22.

At a Glance

Location

140km by road, east northeast of Norseman, Western Australia

Product

Nickel (Ni), Copper (Cu), Cobalt (Co), produced as a concentrate

Mining

Underground mining utilising our primary contractor, Barmenco

Processing

Owner-operated processing operation, using conventional crushing, grinding, flotation and filtration

Sales/Offtake

Nickel concentrate product is sold in equal volumes to BHP Nickel West Pty Ltd and Trafigura Pte. Ltd.

100% of copper concentrate is contracted to Trafigura Pte. Ltd.

FY21 Production

29,002t Ni
13,022t Cu
1,084t Co

FY21 Cash Costs

A\$1.85/lb Ni (payable)

Resources¹

208,000t Ni
84,000t Cu
7,000t Co

Reserves¹

163,000t Ni
69,000t Cu
6,000t Co

Estimated Mine Life¹

5.5 years (approx.)

¹ As at 31 December 2020. See Resources and Reserves section on pages 26 and 27 of this report

Operations

Case Study: Nova Paste Backfill Improvement



Nova's Operations Team

Cemented paste backfill (paste fill or paste) is used at Nova to fill the open underground voids after the ore from each stope is mined. This provides support for the overlying rock and allows complete extraction of the orebody. The Nova paste backfill plant takes the wet tails slurry from the Nova processing plant after the valuable minerals are extracted. Cementitious binder material is mixed in, and the resultant paste is piped underground into the mined voids where it cures into a solid block.

During the annual update of the Life of Mine (LOM) schedule in 2020 it was identified that paste backfill production rate was a potential mining process bottleneck that, if improved, would allow a more consistent grade and

mine production profile and yield large benefits to the project Net Present Value (NPV). The Nova paste backfill plant at the time was running at design nameplate capacity of 30,000-35,000m³ of paste fill per month. The optimum rate was determined to be 45,000m³ per month, with an initial target of 40,000m³ established.

The project 'Paste 45k' was born.

A cross functional team was assembled, comprising of mining, metallurgy, engineering and maintenance representatives, guided by the Nova business improvement team. The task was to identify areas of opportunity and use a business improvement methodology to understand and ultimately make improvements to the most valuable areas.

Broadly the improvements fell into three categories: increasing plant throughput, increasing plant availability/reliability, and reducing operational delays.

By design, the Nova paste plant was configured to use only the non-sulphide tailings stream, of which the majority was already being used. Test work was completed which showed that a percentage of the sulphide tails stream could be added into the mix without compromising the strength of the final product. This additional material enabled a significant improvement to the throughput volume.

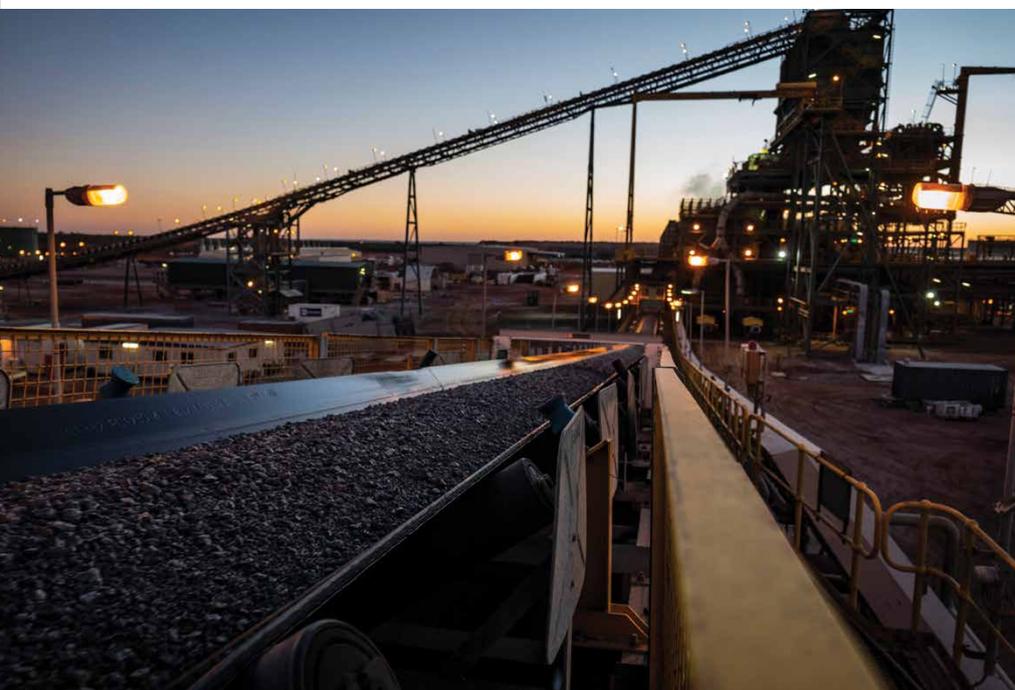
Analysis of plant downtime identified an array of opportunities in preventative maintenance and reliability. Notably, improvements were made to the maintenance strategy and, in some cases, design changes to the major components such as the paste mixer, binder augers and conveyors. A concerted effort was made to efficiently utilise the planned mill outages and any opportune outages to conduct maintenance and improvement activities.

Reductions in operational delays have centred around scheduling to ensure that multiple fill sites are always available and enhanced by enabling quick changing between fill sites through the installation of efficient mechanical pipe switching equipment underground.

To date, the project has yielded an improvement of over 20%, exceeding the 40,000m³ target and reliably achieving 45,000m³ per month when required. The resultant rates were included in the FY22 LOM plan with a significant improvement in the LOM mine profile.

Tropicana Operation

GOLD



HISTORY

The Tropicana Gold Operation is located on the western edge of the Great Victoria Desert, with the Wongatha and Spinifex people recognised as the Traditional Owners and custodians.

IGO identified the prospectivity of the Tropicana tenure prior to the Company's ASX listing in 2002. Shortly after, AngloGold Ashanti and IGO formed a joint venture (IGO: 30% / AngloGold Ashanti: 70%) over what was at that stage, an exploration project.

The initial discovery at Tropicana was made with the identification of the Tropicana deposit in 2005. This success led to the completion of feasibility studies prior to development approval by the joint venture in 2011. Following the successful construction and commissioning process, mining and processing operations commenced in 2012. Since that time, more than three million ounces of gold has been mined from Tropicana.

FY21 PERFORMANCE

Gold production attributable to IGO during FY21 included all production between 1 July 2020 and 31 May 2021 when the sale was made to Regis. Production during this period was 364,751oz Au (100% basis), in line with pro-rata guidance, with IGO's share of gold sold (30% basis) of 110,402oz Au.

Cash costs for the period 1 July 2020 to 31 May 2021 were A\$1,081/oz, while all-in sustaining costs for the same period were A\$1,720/oz. Compared to the prior year, production was lower and costs higher due to an investment in a large cut back at the Havana open pit during FY21, which resulted in lower milled grades and higher waste movements.

DIVESTMENT TO REGIS RESOURCES

In April 2021, IGO announced the sale of its 30% stake in Tropicana to Regis Resources Limited (Regis) for a headline A\$903M in cash consideration, thereby ending a long partnership with AngloGold Ashanti and completing the shift in IGO's strategy.

The divestment followed the completion of a strategic review which was designed to assess how IGO could maximise the value of its stake in Tropicana. This review considered both the organic growth opportunities at Tropicana as well Tropicana's alignment to strategy and relevance in the IGO portfolio. Having concluded that a divestment was the best outcome for IGO shareholders, a highly competitive global sales process commenced and concluded in the divestment to Regis.

The sale of Tropicana, combined with the investment into the Lithium JV with Tianqi, completes IGO's strategic transition to become a globally relevant, pure-play clean energy metals producer and developer, with unique exposure to nickel, copper, cobalt and lithium.

We would like to extend our thanks to AngloGold Ashanti, our joint venture partner at Tropicana over the past 18 years, for their collaborative and collegiate approach to operating the Tropicana asset. We wish AngloGold Ashanti and Regis all the best for the future.

Lithium Joint Venture



In December 2020, IGO announced a transformational transaction to invest into the Australian lithium assets of Tianqi, comprising a 51% interest in the Greenbushes Lithium Mine (Greenbushes), and 100% interest in the Kwinana Lithium Hydroxide Plant (Kwinana), both located in Western Australia.

By virtue of its 49% interest in the Lithium JV with Tianqi Lithium Corporation (Tianqi), IGO has an indirect 24.99% stake in Greenbushes and a 49% stake in Kwinana.

The A\$1,855M investment into the lithium joint venture was funded via A\$749M of new equity raised (net of costs) following the transaction announcement, A\$862M proceeds (net of costs) from the divestment of the Company's 30% stake in Tropicana and existing cash reserves. The transaction was completed on 30 June 2021.

The investment is strongly aligned to IGO's strategic focus on those metals critical to enabling clean energy and delivers both increased global relevance to IGO as well as downstream lithium exposure and greater connectivity to end users.

GREENBUSHES LITHIUM MINE AND PROCESSING OPERATION

Greenbushes is the world's largest, lowest cost and highest grade hard rock lithium deposit and is located approximately 250km south of Perth,

Western Australia. Greenbushes is operated as an incorporated joint venture, Talison Lithium, which is owned by the Lithium JV (51%) and Albemarle Corporation (49%).

Greenbushes has a long and successful history as a mining operation and was one of the first mines established in Western Australia. Tin mining from Greenbushes first commenced in 1888, with lithium mining commencing in 1983.

Spodumene ore is mined from a single, large open pit using traditional drill and blast mining methods and sent for processing by one of three established processing plants. Two of these plants, Chemical Grade Plant (CGP)1 and CGP2, produce chemical grade lithium concentrates (6.0% Li_2O) with a combined installed production capacity of 1.2Mtpa. The single Technical Grade Plant (TGP) produces low-iron technical grade concentrates (5.0 – 7.2% Li_2O) at a production rate of 150ktpa for the ceramics, glass and metallurgical markets. Greenbushes is one of only two operations globally which have the ore quality to produce technical grade concentrates.

KWINANA LITHIUM HYDROXIDE PLANT

Kwinana is one of the first fully automated battery grade lithium hydroxide facilities globally and the first to be built in Australia. Kwinana is approximately 35km south of Perth, Western Australia, and only 200km north of Greenbushes, adjacent to major supply chain logistics.

The plant consists of two individual production trains which will produce 48ktpa of lithium hydroxide in aggregate once in full production (24ktpa per Train). Construction of Train 1 is complete and commissioning is currently underway, with first production expected during 1H22. Train 2 is partly complete and the Lithium JV expects to recommence construction in 2022 and to start commissioning in 2024.

Lithium hydroxide from Kwinana will be sold under long-term offtake contracts to leading battery manufacturers in South Korea and Europe who are demanding high quality, ethically produced product for their latest generation of high-performance lithium-ion batteries.

ENABLING THE LATEST LITHIUM-ION BATTERIES

Global demand for lithium is growing rapidly as battery and energy storage technologies become more efficient and cost effective, and the global push toward decarbonisation accelerates at pace.

The Lithium JV's fully integrated lithium business will play a key role in satisfying demand for high quality, ethically produced lithium for the battery industry.

The Lithium JV's 51% share of spodumene concentrate produced from Greenbushes will be preferentially transferred to the Kwinana Lithium Hydroxide Refinery for conversion into battery grade lithium hydroxide, the chemical form of lithium required to produce high performance lithium-ion batteries. This lithium hydroxide will be exported and sold directly to tier-1 battery manufacturers in South Korea and Europe under long-term offtake contracts. Offtake partners include LG Chem, SK Innovation, EcoPro and Northvolt.

Spodumene concentrate produced in excess of Kwinana's requirements will be sold by the Lithium JV to Tianqi at benchmark pricing, for export to China where Tianqi has existing lithium conversion capacity.

SIGNIFICANT BROWNFIELDS GROWTH OPPORTUNITIES

With the rapidly expanding demand for both spodumene concentrate and lithium hydroxide, the Lithium JV plans to expand production capacity at Greenbushes and to successfully bring both lithium hydroxide trains at Kwinana online over the coming years.

At Greenbushes, the immediate priority is to recommence production from CGP2 during 2021, adding an additional 600ktpa of production capacity. In 2022, the Tailings Retreatment Plant (TRP) is expected to be commissioned resulting in a further 280ktpa of concentrate from the existing tailings facility at Greenbushes.

Combined concentrate production capacity is expected to reach 1.5Mtpa by the end of 2022, making it one of the largest single suppliers of spodumene concentrate in Australia. Longer term, two additional chemical grade plants, CGP3 and CGP4 are planned.

At Kwinana, commissioning of Train 1 is underway, with ramp up to the full 24ktpa production level expected by the end of 2022. With the learnings gained from Train 1 commissioning, the Lithium JV will recommence construction of Train 2 in 2022, with commissioning in 2024.

The Lithium JV also has an option to expand Kwinana by adding an additional two trains (Train 3 and 4) in the future to bring total potential capacity to 96ktpa LiOH. A decision on Trains 3 and 4 will be subject to further studies.

Highlights

Aligned with IGO's strategic focus on clean energy metals, with lithium set to be a key beneficiary of the increased demand for lithium-based battery technology

High quality assets with scale and long life, both located in a Tier-1 jurisdiction, and with excellent ESG credentials

Adds downstream exposure to increase connectivity with end-users

Significant growth optionality at both Greenbushes and Kwinana

Compelling value for IGO and its shareholders, with the transaction agreed at a cyclical low in the lithium market

Regional Exploration & Development



FY21 YEAR IN REVIEW

As the global transition to clean energy progresses and the advent of new technologies drives demand for critical raw materials, the mining industry must invest to identify the mines of the future needed to meet that demand.

IGO is playing an important role in this challenge through our enduring commitment to both greenfield and brownfields exploration and discovery. IGO considers the discovery of new clean energy metals deposits as a key driver of transformational value creation and sustainable growth for our business.

Our exploration strategy mirrors our broader corporate strategy by focusing on identifying new, high value nickel, copper and lithium deposits across our highly prospective portfolio. Our strategy is highly disciplined and backed by the best geoscience to maximise the chances of success, and hence create superior value for our shareholders.

Our commitment to exploration over recent years has allowed us to build an exceptional portfolio of belt-scale projects and, importantly, a world class exploration team who are truly excited about the prospectivity of our portfolio. Our team, which has been strengthened over the course of FY21, comprises passionate

and highly talented geoscientists, ably supported by a dedicated and energetic field logistics team.

In FY21, our portfolio includes projects in Western Australia, Northern Territory, South Australia and Greenland. Our primary focus for the year was on the Fraser Range nickel-copper and Paterson copper projects, which IGO prioritised based on the prospectivity and potential value a discovery would deliver to IGO.

Over FY22, our exploration strategy will remain focused on the discovery of metals critical to clean energy. Reflecting IGO's investment in the Lithium JV, our team will also actively seek opportunities to target lithium discovery, whilst still retaining a significant focus on high value nickel and copper deposits. Further, our team will continue to assess opportunities to secure more advanced assets that can add resources to IGO's portfolio.

FY21 Exploration Summary

FRASER RANGE

Ni, Cu, Co
IGO various interest levels
up to 100%

Targeting magmatic nickel-copper-cobalt deposits in the Albany Fraser Orogen. Activities included:

- Diamond drilling of specific targets
- Air core drilling follow-up of regional air core anomalies; and
- Continuation of geophysics program.

PATERSON

Cu, Co, Au
IGO earning up to 70%

Targeting sediment-hosted copper-cobalt and copper-gold deposits in a highly prolific mineral province. Activities included:

- Diamond drilling of specific targets
- Air core drilling of mineralised trends; and
- Regional soil geochemical surveys.

KIMBERLEY

Ni, Cu, Co
IGO earning up to 85%,
extensive IGO 100% tenements

Targeting magmatic nickel-copper-cobalt deposits along the Halls Creek and Wunaamin-Miliwundi Ranges. Activities included:

- Airborne magnetic and radiometric survey
- Diamond drilling of specific targets; and
- Down-hole EM surveys.

LAKE MACKAY

Cu, Au, Ni, Co
IGO earning up to 70%

Targeting copper-gold deposits in an unexplored emerging mineral province. Activities included:

- Reverse circulation drilling and diamond drilling of targets and prospects
- Regional soil geochemical sampling; and
- Down-hole EM surveys.

COPPER COAST

Cu
IGO 100%

Targeting sediment-hosted copper mineralisation in the Adelaide Rift basin and onto the Stuart Shelf. Activities included:

- Diamond stratigraphic drilling of conceptual target areas; and
- Ground gravity and magneto-telluric geophysical surveys.

RAPTOR

Ni, Cu, Co
IGO 100%

Targeting nickel-copper deposits along the Willowra Gravity Ridge in the Northern Territory. Activities were limited to the completion of an aeromagnetic-radiometric survey, with most tenements still in application.

FRONTIER

Cu
IGO 51%, earning up to 80%

Targeting sediment-hosted copper deposits in a geological setting analogous to the Central African Copper Belt. No work programs were possible in FY21 due to COVID-19 related travel restrictions.

DE BEERS DATABASE

IGO 100%

Analysis of unique heavy mineral concentrate samples for project and target generation across Western Australia and Australia.

Exploration

Regional Exploration & Development



FRASER RANGE

The Fraser Range Project in Western Australia is a priority search space for IGO given its proximity to IGO's existing Nova Operation and the potential of this area to host another Nova-style magmatic nickel-copper-cobalt orebody.

The Fraser Range Project granted tenement package totals some 10,300km² and extends over a total distance of some 430km. The tenements are held by IGO 100% as well as through numerous Joint Ventures (JVs) with IGO holding various levels of majority ownership.

During FY21, our exploration efforts on the Fraser Range were concentrated on the tenement areas located to the south of the Trans Australian Railway and included a focus on the Nova near-mine area, including the Orion and Chimera targets, tenements along the Nova to Silver Knight corridor, and the Southern Hills area. Work programs included extensive moving-loop electromagnetic (MLEM) surveys, and over 76,000m of air core (AC) drilling and close to 10,000m

of diamond drilling (DD) to follow-up various key targets.

The Copernicus target, located 8km south of Creasy Group's Silver Knight deposit¹, was drilled during the year, with the holes intersecting a prospective 'chonolith' (worm-like) mafic-ultramafic intrusion with disseminated magmatic Ni and Cu sulphides. Further work is planned during FY22.

The Southern Hills area, which occurs southwest and along trend of Nova, has multiple untested targets which IGO believes are prospective for Nova-style mineralisation. Access to Southern Hills was successfully negotiated during FY21 and work commenced to screen high priority geophysical, geochemical and geological anomalies with MLEM surveys.

In FY22, the drill testing of high-quality targets will continue, with a significant focus around Nova and across the southern Fraser Range, including the Southern Hills area, the Boadicea JV tenements and the Nova-Silver Knight corridor.

PATERSON

The Paterson Project comprises four key tenement positions held either 100% by IGO or via joint venture rights with Encounter Resources Limited, Antipa Minerals Limited and Cyprium Metals Limited (previously Metals X Limited). The combined granted tenements cover about 6,300km² in area, second only in size in the region to exploration major Rio Tinto. The Paterson Project presents a belt-scale opportunity to find and develop Tier-1 sediment-hosted copper-cobalt and intrusion-related copper-gold deposits.

IGO recognises the significant potential for discovery in the Paterson region, and in FY21 increased its level of activity and expenditure to advance the various land holdings toward potential discovery.

On the Antipa Minerals JV tenements, encouraging results from AC drilling have extended the strike length of the Poblano gold-copper-silver trend, while DD on the Encounter JV tested electromagnetic (EM) geophysical targets, soil geochemical anomalies and favourable stratigraphy.

In FY22, IGO plans to undertake significant work programs on the Cyprium and Encounter Resources JV tenements, including extensive soil geochemical and electrical geophysical surveys, as well as funding AC drilling over key areas on all three JVs.

KIMBERLEY

The Kimberley Project in Western Australia is a belt-scale project spanning nearly 2,500km² of granted tenements which are highly prospective for high value magmatic nickel-copper sulphide discoveries. The project covers a Proterozoic belt that has proven magmatic nickel-copper-cobalt sulphide mineralisation that includes the Savannah Mine in the East Kimberley, and the more recent Merlin nickel-copper discovery in the West Kimberley (within the Buxton Resources JV).

In FY21, IGO commenced its first field exploration program in the East Kimberley comprising geological, geochemical and EM geophysical

¹ IGO announced an agreement to acquire Silver Knight on 27 July 2021.

surveys in the Osmond Valley area. In the West Kimberley, DD was conducted at the Merlin and Quick Shears targets.

In FY22, the initial focus will continue in the East Kimberley, and in the West Kimberley work will shift to the Sentinel area (Buxton Resources JV), where geological, geochemical and EM geophysical surveys will also commence.

LAKE MACKAY

Lake Mackay is a JV between IGO, Prodigy Gold NL and Castile Resources Pty Ltd (in parts), with IGO having earned up to a 70% interest over a holding of 4,780km² of granted tenements that straddle the border between Northern Territory and Western Australia. The project has demonstrated potential to deliver a range of mineralisation styles including copper-gold-silver, nickel-cobalt-manganese and gold.

In FY21, the JV made strong progress toward maturing our understanding of the Grimlock, Swoop, Goldbug and Phreaker Prospects. Of note were high-grade copper-gold intersections identified late in FY21 by DD at Phreaker, including 4.5m at 3.03% Cu, 1.78g/t Au, 14g/t Ag from 562m and 17.47m at 2.13% Cu, 0.21g/t Au, 9g/t Ag from 575.23m in the second of three holes drilled¹. Drilling at Phreaker has confirmed copper, gold and silver mineralisation over a 650m strike length and 430m vertical extent.

At 30 June 2021, the latest results were still being assessed to determine how best to progress the project in FY22.

COPPER COAST

The Copper Coast Project is a 100% owned 7,519km² tenement package extending from Port Augusta to Bute in South Australia, which covers parts of the Torrens Hinge Zone (THZ), considered by IGO to be prospective for sediment-hosted copper mineralisation in a similar setting to that which hosts the giant Kamao-Kakula copper system in the Democratic Republic of Congo

(DRC).

During FY21, IGO completed 3D modelling of gravity, magnetic and magneto-telluric survey data, defined prospective corridors, and completed two stratigraphic DD holes (totalling 2,300m) to test the interpreted stratigraphy for proof-of-process evidence to support the potential for significant sediment-hosted copper mineralisation in the area.

At year end, both DD holes were still being analysed with a range of methods to help determine the next steps for the project.

INNOVATION

IGO has a proud history of developing and utilising the latest technologies available to help make our exploration programs safer, more efficient, and ultimately to deliver success in the form of discoveries.

In recent years, our work has focused on areas including 3D seismic imaging and designing the next generation of EM equipment to more effectively conduct EM geophysical surveys. In FY21, we also made great progress in advancing innovation in the area of mineral geochemistry, with the first rounds of mineral analysis of IGO's proprietary De Beers collection of heavy mineral concentrate samples.

IGO is applying the latest Tescan Integrated Mineral Analyzer (TIMA) technology to understand the geochemical and mineral properties of these samples. The TIMA technology is enabling our team to process mineral samples on a mass scale at commercially viable costs, which will enable us to more efficiently identify potential new exploration targets from the extensive Australia-wide De Beers sample database.

Case Study: Improved Exploration Techniques for Land Clearing

IGO has extensive tenement holdings throughout Australia, characterised by different biological regions and important cultural heritage. IGO's Exploration team operates in accordance with our Group Environmental Standards which focus on understanding and minimising our impacts on the land.

IGO's Exploration team employ a range of best practice technologies and techniques in our search for the next discovery. Most of our exploration practices have no, or limited, impact on the land, which ensures that we limit the clearing of vegetation and protect cultural heritage.

When land clearing is required, primarily for drilling, the Exploration team conducts all earthmoving activities in accordance with our land clearing procedure. In FY21, IGO further strengthened its clearing protocols to improve planning and execution of land clearing operations, including:

- appointment of a dedicated Heritage Coordinator in Exploration
- bespoke training program for all personnel involved in the land clearing process; and
- improvements to our spatial database to capture all relevant environmental and heritage information.

IGO Exploration has also integrated an internal verification process before any land clearing is undertaken, where dedicated environment and heritage specialists review all planned land clearing.

The updated process is designed to ensure IGO complies with all regulatory, native title and other stakeholder requirements, along with best practice for the given project before land clearing is carried out. Through updates to our land clearing procedure and additional training for our people, IGO has focused on greater protection of cultural heritage and minimisation of environmental disturbance.

¹ ASX Release - PRX: Exceptional high grade copper intersections at the Phreaker Prospect within Lake Mackay JV, dated 24 May 2021.

Mineral Resources & Ore Reserves

IGO publicly reports its Exploration Results, Mineral Resource and Ore Reserve estimates in accordance with the Australian Securities Exchange (ASX) listing rules and the requirements and guidelines of the prevailing JORC Code (2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). IGO last reported its annual Mineral Resource and Ore Reserve estimates to the ASX as at 31 December 2020. The next update and reporting of estimates will be as at the end of 2021.

At the end of 2020, IGO reported Mineral Resources and Ore Reserves from IGO's 100%-owned Nova Operation base metal (nickel-copper-cobalt) mine, and IGO's 30% interest in the Tropicana Gold Mine (Tropicana). IGO divested its 30% interest in Tropicana at the end of May in FY21 and as such, is not reporting estimates or results for Tropicana for the end of FY21.

The complete JORC Code reports relating to the end of 2020 estimates, including JORC Code Table 1 checklists, which detail the material assumptions and technical parameters for each estimate, can be found at www.igo.com.au under the menu 'Our Business – Mineral Resources and Ore Reserves' and also the ASX release 2020 Mineral Resource and Ore Reserve Statement dated 17 March 2021. Listings of the respective estimates for the end of 2019 and end of 2020 are tabulated below for IGO's Nova Operation. The JORC Code Competent Persons Statement for IGO's end of 2020 estimates are included on page 27 of this Annual Report.

IGO's public reporting governance for estimates and results includes several assurance measures. Firstly, IGO ensures that the Competent Persons responsible for public reporting:

- Are current members of a professional organisation that is recognised in the JORC Code framework
- Have sufficient mining industry experience that is relevant to the style of mineralisation and reporting activity, to be considered a Competent Person as defined in the JORC Code
- Have provided IGO with a written sign-off on the results and estimates that are reported, stating that the report agrees with supporting documentation regarding the results or estimates prepared by each Competent Person; and
- Have prepared supporting documentation for results and estimates to a level consistent with standard industry practices – including the JORC Code Table 1 Checklists for any results and/or estimates reported.

IGO also ensures that any publicly reported results and/or estimates are prepared using accepted industry methods and using IGO's corporate guidance for metal prices and foreign exchange rates. At its operating mines, IGO additionally ensures that the estimation precision is reviewed regularly through comparing the Mineral Resource and Ore Reserve forecasts to actual mine and process production results. The reconciliation of these inputs and outputs is then used for future Ore Reserve updates.

Estimates and results are also peer reviewed internally by IGO's senior technical staff before being presented to IGO's Board for approval and subsequent ASX reporting. Market sensitive or production critical estimates may also be audited by suitably qualified external consultants to ensure the precision and correctness of the reported information.

TABLE 1 — 31 DECEMBER 2019 AND 31 DECEMBER 2020

Nova Operation — Mineral Resources

Source	JORC Code Class	2019							2020						
		Mass (Mt)	Nickel (%) (kt)		Copper (%) (kt)		Cobalt (%) (kt)		Mass (Mt)	Nickel (%) (kt)		Copper (%) (kt)		Cobalt (%) (kt)	
Underground	Measured	10.9	2.07	226	0.83	90	0.07	7	10.4	1.88	196	0.76	78	0.06	6
	Indicated	0.6	0.96	6	0.44	3	0.04	<1	1.3	0.81	10	0.37	5	0.03	<1
	Inferred	<0.1	1.88	<1	0.69	<1	0.06	<1	0.1	1.26	<1	0.47	<1	0.04	<1
Subtotal		11.5	2.01	232	0.81	93	0.07	8	11.8	1.76	207	0.71	84	0.06	7
Stockpiles	Measured	0.1	1.88	<1	0.79	<1	0.06	<1	<0.1	1.62	<1	0.65	<1	0.06	<1
Total	Measured	11.0	2.07	227	0.83	91	0.07	7	10.4	1.88	196	0.75	79	0.06	6
	Indicated	0.6	0.96	6	0.44	3	0.04	<1	1.3	0.81	10	0.37	5	0.03	<1
	Inferred	<0.1	1.88	<1	0.69	<1	0.06	<1	0.1	1.26	<1	0.47	<1	0.04	<1
Total		11.6	2.01	234	0.81	94	0.07	8	11.8	1.76	208	0.71	84	0.06	7

TABLE 2 — 31 DECEMBER 2019 AND 31 DECEMBER 2020

Nova Operation — Ore Reserves

Source	JORC Code Class	2019							2020						
		Mass (Mt)	Nickel (%) (kt)		Copper (%) (kt)		Cobalt (%) (kt)		Mass (Mt)	Nickel (%) (kt)		Copper (%) (kt)		Cobalt (%) (kt)	
Underground	Proved	9.2	1.86	172	0.78	72	0.07	6	8.7	1.83	159	0.78	67	0.07	6
	Probable	0.2	1.49	3	0.58	1	0.05	<1	0.3	1.41	4	0.58	2	0.05	<1
Subtotal		9.5	1.85	176	0.78	74	0.07	6	9.0	1.82	163	0.77	69	0.07	6
Stockpiles	Proved	0.1	1.88	1	0.79	1	0.06	<1	<0.1	1.62	1	0.65	<1	0.06	<1
Total	Proved	9.3	1.86	174	0.78	73	0.07	6	8.7	1.83	160	0.78	68	0.07	6
	Probable	0.2	1.49	3	0.58	1	0.05	<1	0.3	1.41	4	0.58	1	0.05	<1
Total		9.5	1.85	176	0.78	74	0.07	6	9.0	1.82	163	0.77	69	0.07	6

Competent Persons Statement

Information in this Mineral Resources and Ore Reserves section that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on the information compiled by the Competent Persons listed in Table 3, which includes details of their respective professional memberships, their relationship to IGO and details of the reporting activity for which each Competent Person is taking responsibility.

All the Competent Persons have provided IGO with written confirmation that they have sufficient experience that is relevant to the style of mineralisation and type of deposit

under their consideration, and to the reporting activity 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 – the JORC Code. They have also provided IGO with a written consent in the ASX release dated 17 March 2021 to the inclusion in this report of the respective matters based on each Competent Person's information in the form and context in which they appear in this report, and that there are no issues that could be perceived as a material conflict of interest in this public report to the ASX.

TABLE 3 — 31 DECEMBER 2020

IGO Competent Persons for 31 December 2020 Estimates and Results

Activity	Competent Person	Professional Association		IGO Relationship	Responsibility Activity
		Membership	Number		
Exploration	Ian Sandl	MAIG/RPGeo	2388	General Manager – Exploration IGO Perth	IGO Exploration Results
Mineral Resources	Paul Hetherington	MAusIMM	209805	Geology Superintendent IGO Nova Operation	Nova Operation Estimate
Ore Reserves	Gregory Laing	MAusIMM	206228	Strategic Mine Planner IGO Perth	Nova Operation Estimate
2020 Report	Mark Murphy	MAIG/RPGeo	2157	Resource Geology Manager IGO Perth	IGO Annual Report

Notes:

¹ MAusIMM = Member of Australasian Institute of Mining and Metallurgy; MAusIMM(CP) = MAusIMM and Chartered Professional; MAIG/RPGeo = Member of Australian Institute of Geoscientists and Registered Professional Geoscientist.

² Information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on the information compiled by the relevant Competent Persons listed above.

³ All personnel listed above are full-time employees of IGO.

⁴ All the Competent Persons have provided IGO with written confirmation that they have sufficient experience that is relevant to the styles of mineralisation and types of deposits, and the activity being undertaken with respect to the responsibilities listed against each professional above, 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 – the JORC Code 2012 Edition.

⁵ Each Competent Person listed above has provided to IGO by email:

- Proof of their current membership to their respective professional organisations as listed above
- A signed consent to the inclusion of information for which each person is taking responsibility in the form and context in which it appears in this report, and that the respective parts of this report accurately reflect the supporting documentation prepared by each Competent Person for the respective responsibility activities listed above; and
- Confirmation that there are no material issues that could be perceived by investors as a conflict of interest in preparing the reported information.

Sustainability is central to IGO's purpose & strategy

A sustainable business is resilient, purposeful, agile and competitive. It looks beyond compliance and integrates a sustainability framework into all aspects of the business and value chain.

To be sustainable, we will meet the needs of the present without compromising the ability of future generations to meet their own needs. We will deliver the metals needed for a clean energy future in a safe, ethical, reliable and sustainable manner. We will create shared value with our employees, communities and Traditional Owners. We will focus on the decarbonisation of our business and supply chain and aspire to be carbon

neutral by 2035. Our purpose articulates this well and is united by a common desire across the Company: Making a Difference for future generations.

In FY21, we refined our sustainability model, built on seven pillars, to drive engagement and outcomes across the Company. This is centred around our purpose of Making a Difference. We recognise environmental, social, governance and commercial issues are often connected; they are part of a system that is constantly evolving. This model highlights the interconnectedness of each of these pillars in achieving our overall business strategy. These pillars form the structure of our sustainability management, reporting, targets and measurements of progress.

More detail on IGO's Seven Pillar Sustainability Model can be found in the 2021 Sustainability Report.



Our People



Our purpose and values set us apart from our industry peers, providing a positive difference shared by the people that work across our operations and projects.

88% of people said they are proud to work for IGO

87% of our people said IGO has a work environment accepting of diverse backgrounds

27% of our overall workforce are female, with a significant improvement across all disciplines at our Nova Operation
(↑ 3% vs FY20)

Fundamentally, the success of our business is driven by our people who create our unique organisational culture, which is an important reason why our employees choose to work for us.

Building the strength of our culture year-on-year is vital to our success and important to us all.

KEY HIGHLIGHTS FOR FY21:

- Stable overall engagement score of 67% (69% in FY20)
- Strong progress on our gender diversity programs
- The launch of the IGO Practical MBA
- Strong participation in the IGO Mentoring Program
- IGO became one of the first ten ASX 200 companies to join the HESTA 40:40 Vision, pledging to achieve gender balance of 40:40:20 in executive leadership by 2030
- 95% learning and development plans completed in FY21 with a total spend of A\$880k
- Stable turnover of 13% despite an increasingly tight labour market.

FEMALE REPRESENTATION

	FY21	FY20
Board		
	37.5%	29%
Senior Executive roles		
	37.5%	33%
Total workforce		
	27%	24%

Safety & Wellbeing



We proactively prevent harm by providing a safe place of work, safe systems of work and by promoting a culture of care and wellbeing.

22% decrease in IGO's Total Reportable Injury Frequency Rate (TRIFR) from 16.9 in FY20 to 13.2 in FY21

1 (↓ 2) Serious Potential Incidents (SPI), down from 2 in FY20

83% of our people feel IGO is doing enough to limit potential safety incidents

With our people as our key resource, our first responsibility is to keep our people safe, and we have continued to work on improving our safety performance in FY21. There is always more to do, but key lead and lag indicators have demonstrated improvement in FY21.

TRIFR was down 22% on FY20 and the results from our Annual Engagement Survey indicate our people's strong engagement and alignment with our safety values and processes.

In FY21, we engaged an Australian independent consultancy to co-create a robust business safety and wellbeing strategy and enhance our Safety Programs of Work to further refine our safety philosophy.

IGO's annual Employee Engagement Survey allows us to gain feedback and insights on our safety and wellbeing culture. Of the 17 safety related questions in the survey this year, all were rated either equal to FY20 responses or better, indicating our people's strong engagement and alignment with our safety values and processes.

Our Health and Wellbeing Program is based on three fundamental pillars:

- supporting our people's physical health and wellbeing
- supporting our people's mental and psychological health and wellbeing; and
- supporting our people's knowledge and capabilities in financial health and wellbeing.

In FY22, our aim is to strengthen our Health and Wellbeing Program in offering greater access to a broader range of programs through partner organisations.

Communities & Traditional Owners



Making a Difference is our reason for being – our purpose. IGO’s long-term success depends on our ability to build relationships with our host communities and related stakeholders.

A\$4.7M total payments made to Ngadju during FY21. Of this payment, production royalty payments totalled A\$3.9M

A\$904k¹ invested in Corporate Giving in FY21 compared to A\$603k in FY20

677 hrs volunteered by IGO people donating their time to charitable causes

We do this by actively engaging with all our stakeholders and consider the impacts of our business activities at every stage to co-create shared value projects and build a reputation of caring and doing what we say we will do.

IGO greatly values its relationships with the Traditional Owners on whose lands we operate and acknowledges the rights and interests of Traditional Owners to protect and manage their cultural heritage. In Western Australia, our operations, including Nova and the Lithium JV, are located on determined native title lands with the Ngadju and Noongar Traditional Owners, respectively. Across our exploration tenure, IGO explores on lands of many Traditional Owners including the Bunuba, Dambimangari, Gooniyandi, Martu, Ngadju, Warrwa, Untiri Pulka and Upurli Upurli Nguratja peoples in Western Australia and the Walpiri, Luritja and Pintupi peoples in the Northern Territory.

To respect and ensure clarity of rights and responsibilities, IGO enters into native title agreements where it has land tenure interests that interact with those rights and interests of Traditional Owners.

Some of the organisations IGO supported through its Corporate Giving Program in FY21 include: Clontarf Foundation, CoRE Learning Foundation, Earbus Foundation of WA, Esperance Senior High School, Norseman District High School, Ronald McDonald House Charities, Royal Flying Doctor Service WA and Teach Learn Grow.

¹ Includes the A\$250k donated to the Norseman and Esperance communities

Our Response to Climate Change



Climate change is perhaps the most complex risk facing society today, but it is this opportunity that is also shaping IGO as we transitioned into a company 100% aligned to clean energy metals.

FY21 refined our response and strategy on climate change, implementing a number of work programs to accelerate towards carbon neutrality

11% of Nova’s total power consumption delivered from solar renewable energy in FY21

A\$60/t CO₂-e IGO’s internal carbon price in FY22 to provide the internal funding for our decarbonisation projects

Today, more than ever, we know that addressing climate change effectively requires businesses, governments and society to work together. As the impacts of climate change are increasingly being felt around the world, we all understand our responsibility to act. At IGO, we are focused on creating a better planet for future generations by discovering, developing and delivering products critical to clean energy. Climate change considerations are fully integrated into our strategic and operational decision-making.

IGO aspires to be leaders in the acceleration to carbon neutrality. We aspire to be carbon neutral across our direct operations and activities by 2035 and will continue to develop a decarbonisation strategy addressing our supply chain and scope 3 emissions.

IGO have disclosed in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) since 2017. Our disclosure is structured around the four thematic areas of TCFD that represent core elements of how organisations operate – governance, strategy, risk management and metrics and targets.

As a Company we are acting and will continue to act in addressing climate change.

Environment



To produce and explore for the metals supplying a green energy future, we work in some of Australia's most biologically, ecologically and culturally rich environments.

687ha land rehabilitated in FY21, 19% increase on FY20

566t waste and other materials recycled in FY21

23% increase in the decant water recycled at the Nova Operation

Responsible environmental management plays a significant role in maintaining our social licence to operate, and our commitment to doing what is right drives our environmental stewardship efforts. IGO's purpose of Making a Difference, and our strategy demonstrates our commitment to leadership in environmental stewardship. We endeavour to be proactively green and sustainable, both in the choice of commodities we seek to develop and how their development is pursued.

In this area, innovation can be a catalyst. We prioritise innovation and collaboration to reduce our physical footprint; improve the way we use our natural resources; and be a catalyst for establishing the proactively green, carbon neutral mines of the future. As we progress towards our strategic aspirations, carbon neutral strategy and sustainability framework, we work hard to protect the environment and minimise our impacts.

We conduct our environmental management activities throughout the business life cycle in accordance with our Environmental Policy and seven publicly available Group Environmental Management Standards, including rehabilitation and mine closure; social and environmental impact assessment; mineral waste management; water management; land use and biodiversity management; air emissions management; and general waste management.

While IGO's environmental impacts are relatively minor, we have an ongoing commitment to make a real but proportionate contribution to addressing global environmental challenges.

Our Financial Contributions



IGO is proud to contribute to a clean energy future, and we will continue to invest in our commitment to being a sustainable business.

A\$6.2M total spend on Aboriginal owned or managed businesses in FY21, an increase of 29% on FY20

81% of our suppliers of goods and services are located locally or within Western Australia

Success in delivering our strategy enables us to share the benefits our business creates and help sustain local and regional economies. It provides our stakeholders with the confidence that we are sharing value through taxes, royalties, employment and procurement opportunities, in addition to building communities by investing in education and training.

Host communities and local governments rightly expect mining to bring significant economic benefits and our goal is to leave host communities better than when we arrived. Acting in an ethical, responsible and transparent manner is fundamental to local communities and the way we conduct our business in accordance with our values.

We support economic development in the communities in which we operate by seeking to invest first locally, then regionally within Western Australia, then nationally and finally internationally. IGO's economic contributions can be measured by the dividends we pay, salaries and other employment benefits we provide to our employees, the money we spend on contractors and consultants, taxes and royalties paid, and payments made through our Corporate Giving activities.

Business Integrity



At IGO, our clarity of purpose and strategy is underpinned by a commitment to conduct business in accordance with our values.

These, in turn, form our judgements about both desirable and undesirable behaviour. Important among desirable behaviour is the expectation that we act with honesty, transparency and accountability. We seek to do business with others who are aligned with our values and act accordingly.

To give effect to these expectations, we have established structures and processes with the intent of ensuring business integrity. The central elements are IGO's Code of Conduct, our governance process, our risk management process, and our compliance and systems, which have been established to drive continual improvement.

CODE OF CONDUCT

IGO operates under a Code of Conduct which reflects our values and represents our commitment to uphold the highest ethical business practices. Our Code of Conduct provides guidance on how our values should be put into practice and guides the standard of behaviour expected from our people. The Code applies equally to our Board, our employees, our suppliers and our contractors.

IGO'S MANAGEMENT SYSTEM

IGO maintains a Management System based on AS/NZS ISO standards and is informed by a hierarchy of processes and is structured to drive continual improvement prioritised on risk.

IGO has two well-established assurance processes to ensure the ongoing integrity of our systems. IGO's corporate assurance program, which comprises internal and external audit, operational reviews and inspections, and IGO's whistleblower process.

RISK MANAGEMENT

We safeguard our people, assets, legal position, reputation and the environment by understanding and managing risk, as well as ensuring we identify opportunities to best serve the long-term interest of all our stakeholders. Risk management at IGO is overseen by the Board through the Audit and Risk Committee.

IGO's Risk Management Process is based on a three-level hierarchy process as depicted by the graphic above.

SUPPLY CHAINS AND MODERN SLAVERY

Our supply chain partners are crucial to IGO's success. Our approach to responsible sourcing is aligned to our purpose and strategy – ensuring the quality products we supply are made



safely, ethically, sustainably and reliably. In line with our Code of Conduct, we expect all suppliers to maintain the highest standard of ethical behaviour in business dealings.

In FY21, IGO released our first Modern Slavery Statement, which can be found under the Governance section on our website.

HUMAN RIGHTS

IGO is committed to upholding the fundamental human rights of all people we engage within our business. We aspire to be a business which recognises and respects the rights and dignity of all people by putting in place policies and procedures which aim to stamp out unethical practices in our global supply chains and by ensuring all our people are free to operate in an inclusive environment regardless of race, religion, marital status, political beliefs or experience.

A copy of our Human Rights Policy can be found under the Governance section on our website.

PRIVACY

At IGO, we are committed to respecting the privacy of personal information of any individuals who deal with IGO and will limit the gathering of our people's personal information to that required to fulfil our obligations in law and our governance duties. IGO endeavours to protect personal information and prohibit unlawful distribution or use of that information and will use personal information only for the purpose for which it was originally collected or requested unless it has the consent of the individual to do otherwise.

TAX TRANSPARENCY

During FY21, we released our Tax Transparency Report for FY20 which includes details on our approach to tax strategy and governance, effective tax rates and tax contribution summaries. The report was prepared in conformance with the recommendations of the Board of Taxation's Voluntary Tax Transparency Code.

Our FY21 Tax Transparency Report will be released in November 2021 and will be made available on our website.

Further details on IGO's Corporate Governance Framework can be found on pages 33 to 35.

Corporate Governance

IGO is committed to implementing and maintaining the highest standards of corporate governance. We believe that excellence in corporate governance is essential for the long-term sustainability of the business and building long-term value for all our stakeholders in a socially responsible manner.

Whilst the Board is responsible for the Company's corporate governance, we do not see governance as just a matter for the Board. We believe good governance is about doing the right thing and having the courage to stand up for what is right. It is the responsibility for all those who work at IGO to act ethically, with integrity and within the law, and this ethos is embedded throughout the organisation.

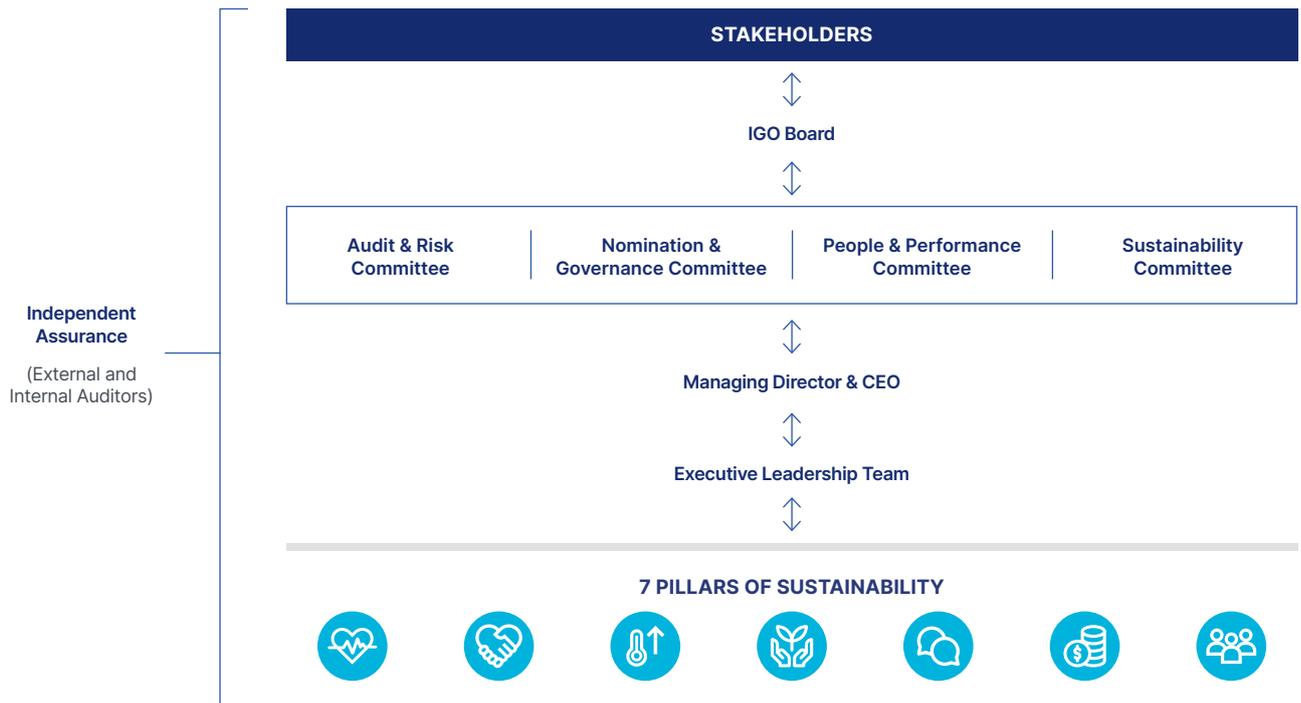
Our governance framework supports our people to deliver on our strategic objectives and provides an integral role for responsible and informed decision making. IGO regularly reviews its governance framework to ensure it reflects current and emerging legislation and industry best practice. The following Corporate Governance Codes, Charters and Standards can be found in the Governance section on IGO's website: Code of Conduct, Anti-Bribery and Corruption Standard, Continuous Disclosure and Information Standard, Dealing in Securities Standard, Diversity, Inclusion and Equal Opportunity Standard, Privacy Standard, Whistleblower Standard, Board Charter, Audit and Risk Charter, Nomination and Governance Charter, People and Performance Charter and Sustainability Charter.

The Board is responsible for promoting the success of the Company in a way which ensures that the interests of shareholders and stakeholders are promoted and protected.

Some of its key functions are setting the long-term corporate strategy, reviewing and approving business plans and annual budgets, overseeing the risk management framework that includes both financial and non-financial risks, approving material capital expenditure, approving financial statements, approving and monitoring the adherence to Company policies, developing and promoting corporate governance, and demonstrating, promoting and endorsing an ethical culture.

The Board delegate responsibility for the day-to-day operations and administration of the Company to the Managing Director & CEO, and with the support of the Executive Leadership Team (ELT), are responsible for IGO's business processes and sustainability performance. The responsibility across IGO's Seven Pillars of Sustainability are assigned to various members of the ELT, including:

- Safety and Wellbeing – Chief Operating Officer
- Being Carbon Neutral – Chief Operating Officer
- Environment – Chief Operating Officer
- Our People – Head of People and Culture
- Communities and Traditional Owners – Company Secretary and Head of Corporate Affairs and General Counsel and Head of Risk & Compliance
- Our Financial Contributions – Chief Financial Officer
- Business Integrity – all members of the ELT



Corporate Governance

BOARD COMMITTEES

The Board has established four Committees that are structured in accordance with the ASX Recommendations and enable the Board to effectively discharge its responsibilities. The Committees report on discussions held and make recommendations to the Board at the succeeding Board meeting.

In line with IGO's ongoing policy and commitment to best practice corporate governance, in October 2020 the Board approved the change in the committee structures to transfer oversight responsibilities in relation to the Company's Risk Management System to the Audit Committee.

Each Committee works within a Charter that outlines the roles and responsibilities of the Committee and its members. All Charters were reviewed and updated for best practice in FY21.

Further information about governance at IGO as well as copies of the Board and Committee Charters can be found in the Governance section of IGO's website at <https://www.igo.com.au/site/our-business/governance>.

2021 CORPORATE GOVERNANCE STATEMENT

The Company's 2021 Corporate Governance Statement outlines the Company's current corporate governance framework, by reference to the Corporate Governance Principles and Recommendations contained in the ASX Corporate Governance Council's 4th Edition of its Corporate Governance Principles and Recommendations (ASX Recommendations). During FY21, the Company's corporate governance practices complied with all relevant ASX Recommendations in their entirety.

The Corporate Governance Statement is current as at 31 August 2021 and has been approved by the Board. This statement can be found in the Governance section of IGO's website at <http://www.igo.com.au/site/ourbusiness/governance> along with the ASX Appendix 4G, a checklist cross-referencing the ASX Recommendations to disclosures in the Corporate Governance Statement and the 2021 Annual Report.

BOARD SKILLS MATRIX

In FY21, a comprehensive board skills review was conducted as part of the annual Board evaluation to identify the key skill areas for the Board to discharge its responsibilities in accordance with the highest standards of governance whilst executing IGO's long-term strategy.

The Board and ELT then conducted an assessment of the optimum mix of these skills on the Board. The results of this review were evaluated to ascertain whether there were any skill gaps that would need to be addressed through succession planning and/or professional development programs. The combination of skills and experience were chosen due to the strategic direction of the Company as well as the risks, opportunities, challenges and developments related to the mining industry and the Company's business.

Following the review, it was determined that the Board currently have a strong combination of desired skills and experience. Nevertheless, to ensure the Board has the necessary skills for the future with regard to IGO's long-term strategy, it was recognised that there are a number of areas where the ability, knowledge and diversity of thought could be broadened through future board renewal and ongoing education sessions.

IGO's board skills matrix shows how many Directors have a deep knowledge and experience in each area taking into consideration their many years of direct experience.

BOARD SKILLS MATRIX

Strategy



Executive Leadership



STEM



Industry Specific – Upstream



Industry Specific – Downstream



Marketing and Quality Control



Auditing and/or Financial Reporting



Risk Management



Governance



Organisational Culture



People, Wellbeing, Inclusion and Diversity



Health and Safety



Innovation and Clean Energy Technologies



Globalisation, International, China cross border



Strategic Entrepreneurship



M&A and/or Funding



Capital Projects



Technology, Digital Transformation and/or Cyber Security



Environmental and Tailings



Climate and Decarbonisation



Stakeholder Relations and/or Activism



Legal



Regulatory and/or Public Policy



Expert – Deep knowledge / formal qualification or experience over many years

Moderate – Moderate skills / experience – knowledgeable but not highly skilled

Aware – Some knowledge and can follow a discussion

MEMBERSHIP	ROLE	KEY RESPONSIBILITIES
Audit & Risk Committee		
Kathleen Bozanic (Chair) Debra Bakker Keith Spence Xiaoping Yang	To assist the Board in meeting its oversight responsibilities in relation to the Company's Risk Management System and to monitor and review the effectiveness of the control environment of IGO in the areas of balance sheet risk, relevant legal and regulatory compliance and financial reporting.	<ul style="list-style-type: none"> Monitoring relevant changes in legislation and corporate governance in relation to financial and risk reporting Reviewing key accounting policies and practices and overseeing adequacy of the Group's financial controls Quarterly reviews of the Group's Critical Business Risks Reviewing the Company's Risk Management Framework Reviewing external and internal audits and approval of audit plans Assessing processes to ensure compliance with legal and regulatory requirements Reviewing and making recommendations to the Board on periodic reporting Reviewing and approving the quarterly activity reports Approving external audit plan and fees Reviewing independence and performance of external auditor Monitoring and reporting to the Board any material reports received under the Whistleblower and Anti-Bribery and Corruption Standards.
Nomination & Governance Committee		
Peter Buck (Chair) Kathleen Bozanic Keith Spence	To assist the Board to review Board composition (including identifying candidates for the Board), director independence, succession, performance and relevant policies and practices.	<ul style="list-style-type: none"> Monitoring relevant changes in legislation and corporate governance Reviewing Corporate Governance Standards Reviewing and making recommendations to the Board on the composition of the Board Identifying, evaluating and recommending additional non-executive director to the Board Management of the director induction program Reviewing and making recommendations to the Board on director rotation Reviewing director skills matrix and conducting gap analysis Board succession planning.
People & Performance Committee		
Debra Bakker (Chair) Peter Buck Michael Nossal	To assist the Board in establishing IGO's remuneration framework and relevant policies and practices to attract, retain and motivate employees.	<ul style="list-style-type: none"> Monitoring relevant changes in legislation and corporate governance in relation to employment and remuneration Reviewing the Company's remuneration framework and policy Non-executive Director, CEO and KMP remuneration Equity-based remuneration plans for KMP and other employees Organisational development and culture, including IGO's workplace diversity and inclusion strategy, policy, practices and performance CEO, KMP and other members of management recruitment, selection, performance management and retention Superannuation arrangements for the organisation Ensuring remuneration equity for all employees across the Group.
Sustainability Committee		
Keith Spence (Chair) Michael Nossal Xiaoping Yang	To assist the Board in meeting its oversight responsibilities in relation to the Company's sustainability policies and practices.	<ul style="list-style-type: none"> Monitoring relevant changes in legislation and corporate governance in relation to sustainability reporting Reviewing the Company's environmental, health and safety performance as well as community relations Consideration of heritage and land access matters affecting the Company Consideration of climate change risk and opportunities relevant to IGO Reviewing and recommending to the Board the approval of Company's Sustainability Report.

Board Profile



MICHAEL NOSSAL

NON-EXECUTIVE CHAIR

Age 63
BSc, MBA, FAusIMM

Term of office

Mr. Nossal was appointed as a Non-executive Director in December 2020 and Non-executive Chair in July 2021.

Board Committees

People & Performance, Sustainability

Experience

Mr. Nossal is a senior mining executive with 35 years' experience in gold, base metals and industrial minerals. His executive career focused on strategy and business development, and he led significant M&A and internal growth initiatives for several companies, most recently Newcrest Mining Limited and MMG Limited. He has broad international experience and his executive and non-executive roles have included companies listed on the ASX, LSE, HKEX and TSX.

As a non-executive, he has further developed his strong interest in the ESG agenda and believes mining companies can and should be a force for positive change in the countries and communities they operate.

Other current directorships

Non-Executive Chair – Nordgold plc¹

Former directorships in the last 3 years

Lundin Gold



PETER BRADFORD

MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

Age 63
BAppSc (Extractive Metallurgy), FAusIMM

Term of office

Mr. Bradford was appointed as Managing Director and Chief Executive Officer in March 2014.

Board Committees

None

Experience

Mr. Bradford is a senior executive with over 40 years' experience in senior leadership roles in the mining industry. This includes significant operational (both upstream and downstream), corporate and board experience in Australia and overseas in mineral sands, nickel, copper and gold. Mr. Bradford is a strong advocate of the mining industry as well as the need to promote greater diversity and inclusion, and the next generation of mining leaders. Mr. Bradford is President of the Association of Mining and Exploration Companies Inc (AMEC) and Chair of the Curtin University Brighter Futures Scholarship Program.

Other current directorships

None

Former directorships in the last 3 years

None



DEBRA BAKKER

NON-EXECUTIVE DIRECTOR

Age 55
MAppFin., BBus. (Accounting & Finance), GradDip FINSIA, GAICD

Term of office

Ms. Bakker was appointed as a Non-executive Director in December 2016.

Board Committees

Audit & Risk, People & Performance (Chair)

Experience

Ms. Bakker is an experienced financier and investment banker to the resources industry, with 10 years' experience working in London, Chicago and New York in senior roles with Barclays Capital and Standard Bank London Group. Subsequently, Ms. Bakker established the natural resources team for Commonwealth Bank of Australia and held a number of senior roles over a 10-year period culminating as Head of Mining and Metals Origination.

Other current directorships

Non-executive Director – Carnarvon Petroleum Limited

Former directorships in the last 3 years

Non-executive Director – Capricorn Metals Ltd



PETER BILBE

NON-EXECUTIVE DIRECTOR

Age 71
B.Eng. Mining Hons, MAusIMM

Term of office

Mr. Bilbe was appointed as a Non-executive Director in March 2009 and served as Non-executive Chair between July 2011 and June 2021.

Board Committees

None

Experience

Mr. Bilbe is a mining engineer with 45 years of diverse experience in the mining industry in Australia and overseas with a background in gold, base metals and iron ore. In particular, Mr. Bilbe has significant experience in feasibility studies and project development, open pit and underground mining and processing operations, provision of contract mining services and public company stewardship as senior executive, Director and Chair.

Other current directorships

Non-executive Director of Adriatic Metals Plc and Horizon Minerals Limited

Former directorships in the last 3 years

None

¹ Nordgold plc is unlisted however in terms of time commitment and size of role, the time commitment is comparable to a listed company



KATHLEEN BOZANIC

NON-EXECUTIVE DIRECTOR

Age 47
BCom (Accounting & Finance), ANZCA, GAICD

Term of office

Ms. Bozanic was appointed as a Non-executive Director in October 2019.

Board Committees

Audit & Risk (Chair),
Nomination & Governance

Experience

Ms. Bozanic has over 25 years of experience as a finance professional including as Chief Financial Officer/ General Manager of listed and private mining and contracting companies. Ms. Bozanic has previously held senior positions with BGC Contracting, Atlas Iron and Mt Gibson and was a Partner of professional services firm, Deloitte.

Other current directorships

Non-executive Director – Great Southern Mining Ltd and DRA Global Limited

Former directorships in the last 3 years

None



PETER BUCK

NON-EXECUTIVE DIRECTOR

Age 72
M.Sc. (Geology), MAusIMM

Term of office

Mr. Buck was appointed as a Non-executive Director in October 2014.

Board Committees

Nomination & Governance (Chair), People & Performance

Experience

Mr. Buck is a geologist with over 40 years' experience in the mineral exploration and mining industry. Mr. Buck has worked with WMC Resources, Forrestania Gold, LionOre and Breakaway Resources in executive management and director positions. He has been a Non-executive Director of Gallery Gold Ltd and PMI Gold. Mr. Buck was also a board member of the Centre for Exploration Targeting at The University of Western Australia and Curtin University and is a life member of the Association of Mining and Exploration Companies (AMEC). Mr. Buck brings a strong background in discovery, development and mining of nickel, gold and base metal deposits in Australia and overseas.

Other current directorships

Non-executive Director – Antipa Minerals Limited

Former directorships in the last 3 years

None



KEITH SPENCE

NON-EXECUTIVE DIRECTOR

Age 67
BSc. (Geophysics) (Hons)

Term of office

Mr. Spence was appointed as a Non-executive Director in December 2014.

Board Committees

Audit & Risk, Nomination & Governance, Sustainability (Chair)

Experience

Mr. Spence has over 40 years' experience in the oil and gas industry in Australia and internationally, including 18 years with Shell and 14 years with Woodside. He has served as a Non-executive Director and Chair for listed companies since 2008, working in energy, oil and gas, mining, and engineering and construction services and renewable energy. He chaired the board of the National Offshore Petroleum Safety and Environmental Management Authority for seven years. Mr. Spence has significant experience in exploration and appraisal, development, project construction, operations and marketing.

Other current directorships

Non-executive Chair – Santos Limited and Base Resources Limited

Former directorships in the last 3 years

Murray & Roberts Holdings Limited and Oil Search Limited



XIAOPING YANG

NON-EXECUTIVE DIRECTOR

Age 62
PhD ChemE, MBA

Term of office

Ms. Yang was appointed as a Non-executive Director in December 2020.

Board Committees

Audit & Risk, Sustainability

Experience

Ms. Yang is a chemical engineer with 30 years' experience in the energy and petrochemical industry with a variety of executive management and board positions at BP. Ms. Yang has a diverse breadth of experience in technology development and innovation with direct experience in solar, hydrogen and energy storage technologies. Ms. Yang also has experience working in the US and Asia and has held general manager roles of joint ventures and Chair positions including downstream and new energy frontier businesses.

Other current directorships

None

Former directorships in the last 3 years (listed only)

None

Directors' Report

30 JUNE 2021

Your Directors present their report on the consolidated entity (Group) consisting of IGO Limited (IGO or the Company) and the entities it controlled during the year ended 30 June 2021.

DIRECTORS

The following persons held office as Directors of IGO during the whole of the financial year and up to the date of this report, unless otherwise noted:

Peter Bilbe Michael Nossal¹

Peter Bradford Keith Spence

Debra Bakker Neil Warburton²

Kathleen Bozanic Xiaoping Yang³

Peter Buck

1. Michael Nossal was appointed a Non-executive Director on 18 December 2020. On 1 July 2021, the Company announced the appointment of Michael to the role of Chair, while Peter Bilbe transitioned to a Non-executive Director role.
2. Neil Warburton was a Non-executive Director from the beginning of the financial year until his resignation on 28 October 2020.
3. Xiaoping Yang was appointed a Non-executive Director on 1 December 2020.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year were nickel, copper and cobalt mining and processing at the Nova Operation, and up until its divestment on 31 May 2021, non-operator gold mining from the Company's 30% interest in the Tropicana Operation, and ongoing mineral exploration in Australia and overseas.

DIVIDENDS

Dividends paid to members during the financial year were as follows:

	2021 A\$'000	2020 A\$'000
Final ordinary dividend for the year ended 30 June 2020 of 5.0 cents (2019: 8.0 cents) per fully paid share	29,540	47,264
Interim ordinary dividend for the year ended 30 June 2021 of nil cents (2020: 6.0 cents) per fully paid share	-	35,448
	29,540	82,712

In addition to the above dividends, since the end of the financial year the Company has announced the payment of a fully franked final ordinary dividend of A\$75,727,000 (10 cents per fully paid share) to be paid on 23 September 2021.

OPERATING AND FINANCIAL REVIEW

This review should be read in conjunction with the financial statements and the accompanying notes.

COMPANY OVERVIEW

IGO Limited is a leading ASX-listed mining and exploration company with a strategic focus on metals that are critical to energy storage and renewable energy. Headquartered in Perth, Western Australia, IGO owns and operates 100% of the Nova nickel-copper-cobalt operation in Western Australia's Fraser Range. On 30 June 2021, IGO also completed a transaction to invest into the Australian lithium assets of Tianqi Lithium Corporation.

Until its divestment on 31 May 2021, the Company also owned 30% of the Tropicana Gold Mine, a joint venture (JV) with AngloGold Ashanti Australia in Western Australia's goldfields region.

The Company is actively pursuing growth through a combination of exploration – to discover the mines of the future – and disciplined corporate activity to secure opportunities via mergers and acquisitions.

Further details of business activities of the Group are outlined here:

- The Nova Operation, 100% owned, was acquired as a development stage project via the acquisition of Sirius Resources NL in September 2015. The Nova Operation is located in the Fraser Range, approximately 140km east northeast of Norseman, 360km southeast of Kalgoorlie and 380km from the Port of Esperance in Western Australia. The Ngadju People are the Traditional Owners of the land.

The Nova Operation comprises an underground mine consisting of two orebodies, Nova and Bollinger. The Nova-Bollinger magmatic nickel-copper deposits are hosted within the lower granulite facies mafic rocks of the Fraser Zone of the Albany-Fraser Orogen. The host rocks of the Nova-Bollinger deposit consist of a suite of meta-gabbroic to meta-picrite cumulates which have been metamorphosed to a high metamorphic grade. These units are interpreted to have been emplaced as a layered sill in an extensional sedimentary basin. The deposit is situated on the north-western side of an eye-like structural feature which is best seen in regional and ground magnetics.

In addition, the Nova Operation consists of a processing facility with nameplate production capacity of 1.5 million tonnes per annum that produces both nickel and copper concentrates, and associated non-processing infrastructure.

Commercial production was declared at the Nova Operation on 1 July 2017, with nameplate production capacity reached shortly thereafter. Nova has since demonstrated steady state production at or above the nameplate 1.5 million tonnes per annum rate.

- On 30 June 2021, the Company announced the completion of the transformational transaction to form a new lithium JV with Tianqi over its Australian lithium assets of which IGO has a 49% interest. The Lithium JV will initially focus on the existing upstream and downstream lithium assets located in Western Australia, which include a 51% share of the Greenbushes Lithium Mine (a JV with global lithium company Albemarle Corporation who hold 49%) and the 100% owned and operated Kwinana Lithium Hydroxide Refinery (Kwinana).

Greenbushes is a large-scale, long life, low cost, hard rock lithium mine with spodumene concentrate plants, located approximately 250km south of Perth, Western Australia. Greenbushes has the highest Ore Reserve grade of any hard rock lithium mine globally and is a well-established operation with mining operations spanning over many years, with lithium operations commencing in 1983. The site comprises a large open pit mine, three processing plants – two producing chemical grade lithium concentrates (CGP1 and CGP2) and one producing technical grade lithium concentrates (TGP), and associated infrastructure.

Kwinana is one of the first fully automated battery grade lithium hydroxide facilities globally and the only constructed lithium hydroxide plant in Australia. The refinery is approximately 35km south of Perth, Western Australia, and only 200km north of Greenbushes, adjacent to major supply chain logistics. The completed plant will comprise two individual production trains with an aggregate nameplate capacity of 48ktpa of premium battery-grade lithium hydroxide. The first production train (Train 1) is fully constructed and currently being commissioned, with production expected to commence in the second half of 2021 and complete ramp up by the end of 2022. The second production train (Train 2) is under construction and is expected to commission in 2024.

- During the year, IGO divested its share of the Company's 30% interest in the Tropicana Gold Mine. On 13 April 2021, the Company announced that it had entered into a binding agreement with Regis Resources Limited (Regis) for the sale of IGO's 30% interest in the Tropicana Gold Mine. The execution of the binding sale agreement marked the completion of the Tropicana strategic review which was announced in September 2020. On 31 May 2021, the Company announced the completion of the divestment transaction.

In addition to its Nova mining operation and interest in the Lithium JV, the Company is pursuing aggressive growth through its portfolio of high-quality belt scale exploration projects across Australia and overseas that prioritise nickel and copper exploration and discovery.

EXPLORATION OVERVIEW

IGO has an enduring, long-term commitment to exploration targeting transformational value creation and sustainable growth through the discovery of clean energy metals. Our disciplined approach to greenfield exploration and discovery is designed to maximise the chance of step-change success by:

- focusing on high value magmatic nickel-copper-cobalt (PGE) deposits and sediment-hosted copper (\pm cobalt/gold/silver) deposits aligned with our clean energy metals strategy
- applying leading generative geoscience, prospectivity assessments and ranking to identify the most prospective underexplored belts within Australia and elsewhere, that have the potential to deliver Tier 1 and Tier 2 discoveries of our preferred commodities and deposit styles
- leveraging the technical excellence of our world class exploration team, with our innovative geophysics and geochemistry capabilities where leading technologies are deployed, and this, coupled with our proprietary in-house databases, are key enablers for discovery success; and
- in addition to our systematic belt-scale exploration, IGO is also seeking advanced exploration opportunities, typically through partnering with complimentary junior explorers, where IGO can bring its unique skills and technologies to bear on projects to enhance the probability of success for all parties.

To this end, the Group has continued to build and develop its unique portfolio of highly prospective brownfields opportunities and belt scale greenfield projects.

Key work activities completed during this period include:

BROWNFIELDS EXPLORATION

Nova near-mine (nickel-copper-cobalt) – Diamond drilling (DD) near the Nova Operation continued to follow-up on 3D seismic targets that had previously been drilled and intersected prospective mafic-ultramafic intrusions with polyphase magmatic Fe-Ni-Cu sulphides. All remaining underground targets were tested with only minor mineralisation encountered. Encouraging results were received from several prospects tested by surface drilling. DD programs are planned to further test the highly prospective Orion intrusion on the Boadicea JV (E28/1932) and to follow-up encouraging air core (AC) drilling results at the Chimera target.

GREENFIELDS EXPLORATION

- Fraser Range (nickel-copper-cobalt) - IGO continued to strengthen its position in the prospective Fraser Range through new JV agreements, new tenement applications and the relinquishment of non-core tenements, and at year end had total tenement holdings of approximately 12,225km².

During the year, IGO continued to explore along the Fraser Range, focusing on infill AC drilling at specific targets, completing moving-loop electromagnetic (MLEM) surveys over coincident geophysical, geochemical and/or geological anomalies, and DD testing of compelling targets, typically based on the presence of electromagnetic (EM) conductors and geochemical anomalies generated through AC drilling.

Regional AC drilling programs commenced south of the Trans Access Road early in the June 2021 quarter. MLEM surveys are planned for the Boadicea JV (E28/1932) where the Orion, Elara and Hercules prospects are interpreted to strike, and the Southern Hills area to the southwest of the Nova Operation.

- Paterson (copper) – the Paterson Project is targeting sediment-hosted copper deposits with potential gold, silver and/or cobalt credits. The project comprises four key ground positions, consisting of three earn-in and JV Agreements with Cyprum Metals Limited, Encounter Resources Limited and Antipa Minerals Limited respectively, and tenements staked by IGO.

On the Cyprum JV tenements managed by IGO, a relogging and resampling program of historical drill cores and reverse circulation (RC) chips was completed to gain a better understanding of stratigraphy, basin architecture, mineralisation styles, alteration halos and geochemical footprints.

On the Encounter JV tenements, assay results from an infill soil sampling program in late-2020 identified four priority-1 multi-element anomalies that require follow up. Several DD holes targeted a combination of EM geophysical and geochemical anomalies. As of 1 April 2021, the Encounter JV transitioned to IGO management.

On the Antipa Minerals JV tenements, assay results were received for 79 wide spaced shallow AC holes drilled in late-2020. Highly anomalous drill samples of gold and silver mineralisation have extended the strike length of the Poblano gold-copper-silver mineralised trend by approximately 500m. A 133-hole AC program commenced in mid-June 2021 that aims to test geophysical, structural and stratigraphic targets across a broader area of the JV tenements.

- Kimberley (nickel-copper-cobalt) – the Kimberley Project is targeting Nova-style nickel-copper-cobalt sulphide mineralisation in the Paleoproterozoic belts of the West and East Kimberley. During the year, the next JV earn-in stage was reached for the West Kimberley Regional JV with Buxton Resources, with IGO now holding an 80% interest in these tenements. In the East Kimberley, the compilation and reprocessing of open file geophysical data was completed and the digitising of open file geochemical data continued. In late FY21, on-ground exploration commenced in the Osmond Valley area.
- Lake Mackay (copper-nickel-cobalt-gold) – Lake Mackay is a JV between IGO, Prodigy Gold NL and Castile Resources Pty Ltd (in parts) covering 15,630km² of tenements straddling the Northern Territory and Western Australian border. During the year, RC and DD programs were completed at the Phreaker Prospect. One DD hole intersected significant copper-gold-silver mineralisation which may require follow-up in FY22.

FINANCIAL OVERVIEW

FY21 was another successful year for IGO both from an operational and financial perspective, with performance from the operations combined with strong commodity prices and positive industry sentiment. Robust performance at the Nova Operation continued, and up until its divestment Tropicana was also a key contributor to the Company's financial success for the period.

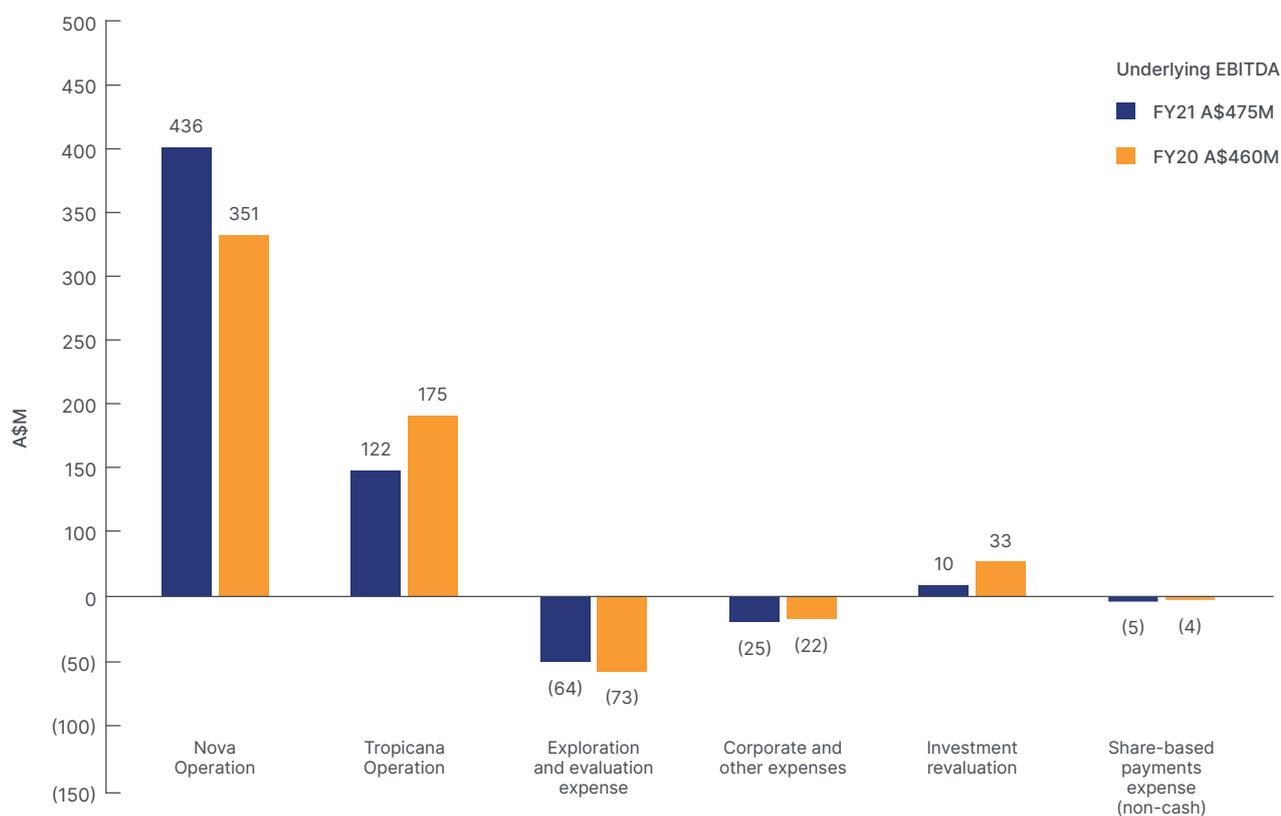
From a financial performance perspective, the Group's Board and management monitor underlying EBITDA (calculated as profit before tax adjusted for finance costs, interest income,

gain on sale of investments and subsidiaries, acquisition and transaction costs, foreign exchange and hedging gains/losses attributable to the acquisition of Tianqi and depreciation and amortisation). This measure represents a useful proxy for measuring an operation's cash generating capabilities.

The Company achieved record revenue and underlying EBITDA for the third year in a row, generating total revenue and other income of A\$918.7 million and underlying EBITDA of A\$474.6 million. Due to the divestment of Tropicana, we report revenue from continuing and discontinued operations. Revenue from continuing operations (comprising primarily the Nova Operation) of A\$671.7 million was a 12% increase on the prior year result of A\$598.9 million. This was predominantly due to stronger base metal prices and higher payabilities following the renegotiation of Nova Operation's concentrate offtake agreements during FY20. Nova continued strong operational performance, exceeding guidance range on all metals. Revenue from discontinued operations (Tropicana) was A\$243.3 million, a 16% decrease primarily due to lower grade mined and milled during the period.

Profit from discontinued operations for the current year of A\$431.9 million reflects the results of the Tropicana Operation up to its divestment on 31 May 2021, including the gain on the sale of the Operation. The Group recognised a gain on the sale of Tropicana after income tax of A\$384.8 million. All results referred to in this Director's Report reflect Tropicana's results up to 31 May 2021.

Underlying EBITDA increased relative to the previous financial year, as can be seen in the following chart:

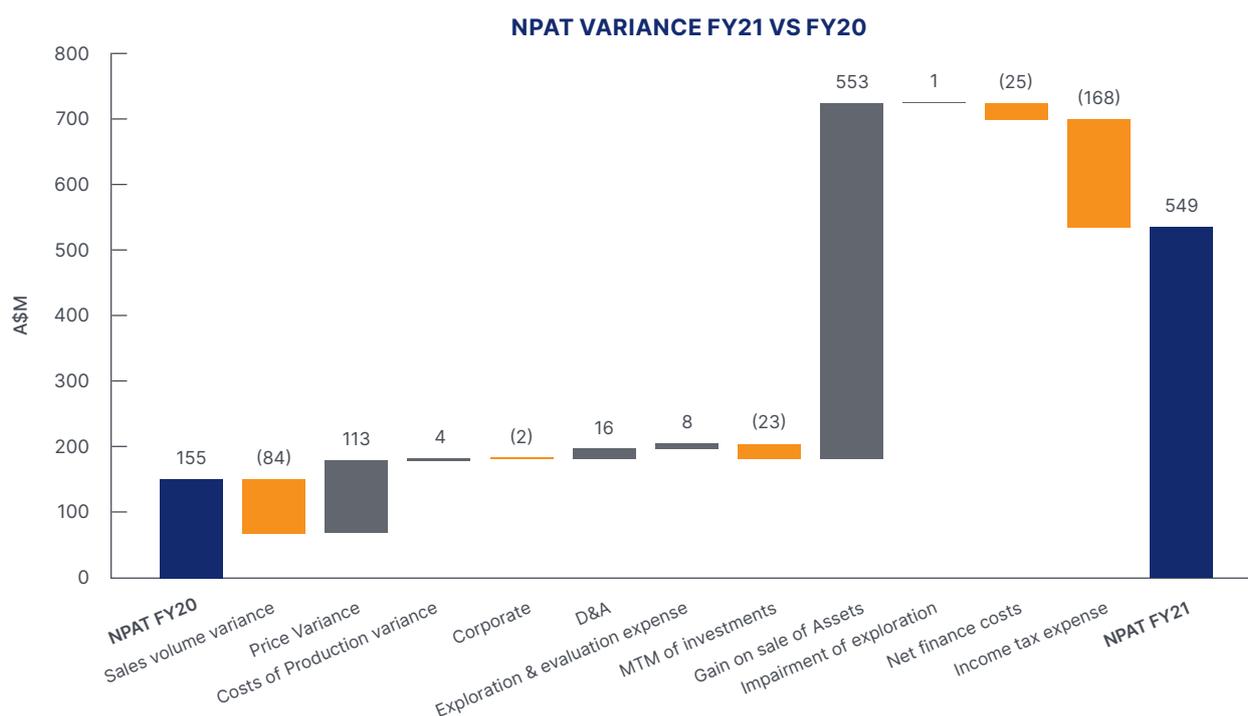


Nova's underlying EBITDA was higher on the previous year, primarily due to the higher revenue from stronger base metal prices and higher payabilities on metal sold. Tropicana's underlying EBITDA was lower compared to the previous year primarily due to lower mined and milled grades, together with its divestment earlier in the year on 31 May 2021.

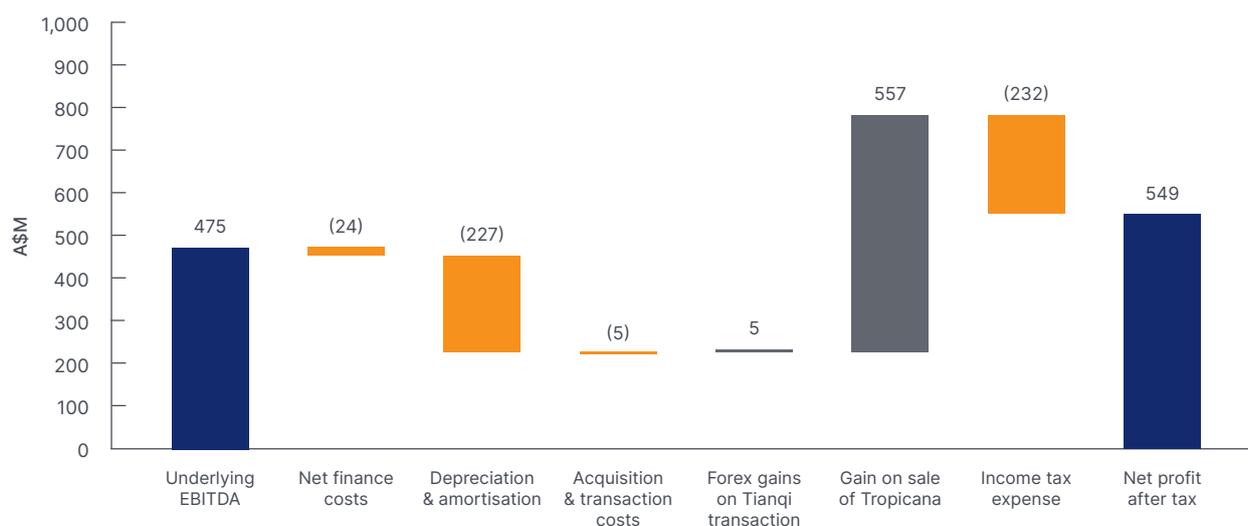
Exploration and evaluation expenditure decreased by 11% mainly due to lower corporate development expenditure with costs relating to the acquisition of the Company's 49% interest in the Lithium JV with Tianqi recorded as acquisition costs. Corporate expenditure was up slightly compared to FY20 due to higher group insurance premiums, an increased investment in the Company's graduate recruitment and training program

and higher IT systems costs. The Company's corporate giving spend was also higher compared to the prior year, driven by additional payments to the Dundas Shire and Esperance Shire for bushfire and Covid-19 relief. Lastly, the investment revaluation of A\$10.0 million recognises mark-to-market gains on listed investments.

Net profit after tax (NPAT) for the year was A\$548.7 million, compared to A\$155.1 million in the previous financial year. This included the recognition of a gain on the sale of Tropicana after income tax of A\$384.8 million (A\$556.8 million before tax). NPAT for the group excluding the gain on the sale of Tropicana was A\$163.8 million. The year-on-year variance in NPAT is detailed in the chart below.



Below is a reconciliation of Underlying EBITDA to NPAT for FY21.



Depreciation and amortisation expense of A\$227.3 million (FY20: A\$243.6 million) was lower than the prior year driven by lower amortisation of mine properties following lower reserve depletion for FY21 and the divestment of Tropicana on 31 May 2021. Net finance costs of A\$24.2 million relate to loan establishment and commitment fees incurred during the year, which includes A\$17.7 million of establishment fees for the new financing facilities entered into during the year.

From a cash flow perspective, cash flows from operating activities for the Group were A\$446.1 million, compared to the FY20 year of A\$397.5 million, predominantly due to stronger base metal prices positively impacting product revenue.

The Nova Operation generated A\$404.9 million cash flows from operating activities, which was a result of 22,051 tonnes of payable nickel sold (FY20: 22,260 tonnes), 10,752 tonnes of payable copper sold (FY20: 13,115 tonnes) and 454 tonnes of payable cobalt sold (FY20: 390 tonnes) sold during the year. Tropicana Operation generated cash from operating activities of A\$139.7 million following the sale of 110,402 ounces of gold. Cash flow from operating activities also included A\$63.8 million cash outflow for exploration and evaluation expenditure and A\$29.9 million cash outflow for corporate, net borrowing and other costs.

Cash outflows from investing activities increased to A\$1,065.0 million for the year, up from A\$115.3 million in FY20. Total payments of A\$1,855.4 million were made by the Group for its investment in the new Lithium JV with Tianqi over its Australian lithium assets, while proceeds, net of costs, of A\$862.3 million were received on the sale of the Group's 30% interest in the Tropicana JV. Cash outflows for development expenditure related predominately to waste stripping and underground development at the Tropicana Operation (A\$68.2 million). Proceeds from financial assets include the sale of shares in New Century Resources Limited for A\$27.0 million. During the year, IGO also received deferred consideration totalling A\$16.1 million for the third and final instalment of the divestment of the Jaguar Operation in FY18.

Cash flows from financing activities during the financial year included proceeds from the issue of ordinary shares, totalling A\$765.8 million, with corresponding share issue costs of A\$16.7 million. Furthermore, cash outflows from financing activities included repayment of outstanding borrowings totalling A\$57.1 million and transaction costs of A\$17.5 million relating to the establishment of the new financing facilities during the year. Finally, the Company paid dividends totalling A\$29.6 million during the year.

At the end of the financial year, the Group had cash and cash equivalents of A\$528.5 million and marketable securities of A\$110.9 million (FY20: A\$510.3 million and A\$107.8 million respectively). The Company has undrawn debt facilities of A\$450.0 million.

The Group's future prospects are dependent on a number of external factors that are summarised towards the end of this report.

NOVA OPERATION

The Nova deposit was discovered in July 2012, with the Operation reaching nameplate ore production in the September 2017 quarter. Nova continued to deliver strong operational performance in FY21, exceeding production guidance for all metals. In FY21, a total of 1,594kt of ore was mined at an average grade of 2.04% nickel and 0.86% copper.

The Nova process plant milled 1,602kt of ore at an average nickel and copper grade of 2.06% and 0.87% respectively for the year, to produce 29,002t of nickel and 13,022t of copper. Nickel metallurgical recoveries in the processing plant generally performed in line with modelled recoveries at 87.9%, while copper recoveries were 88.6% for the year.

Nova revenue for the period was A\$668.8 million, compared to A\$593.3 million for the prior year. This was generated through concentrate sales during the period sold to BHP Nickel West Pty Ltd and Trafigura Pte Ltd, with sales amounting to 22,051 tonnes of payable nickel, 10,752 tonnes of payable copper and 454 tonnes of payable cobalt. Nickel cash costs per payable pound, which comprises the costs of producing and selling nickel concentrates from the mine site and includes credit adjustments for copper and cobalt sales, were A\$1.85 per payable pound for the year.

Below is a summary of the key physical and financial information relating to the Nova Operation.

NOVA OPERATION			
		2021	2020
Total revenue	A\$'000	668,841	593,274
Segment operating profit before tax	A\$'000	262,945	182,173
Total segment assets	A\$'000	1,086,380	1,181,867
Total segment liabilities	A\$'000	100,306	92,862
Ore mined	tonnes	1,593,975	1,546,308
Nickel grade	%	2.06	2.31
Copper grade	%	0.87	0.98
Cobalt grade	%	0.08	0.09
Ore milled	tonnes	1,602,443	1,514,268
Metal in concentrate			
- Nickel	tonnes	29,002	30,436
- Copper	tonnes	13,022	13,772
- Cobalt	tonnes	1,084	1,142
Metal payable - in concentrate produced			
- Nickel	tonnes	22,711	22,049
- Copper	tonnes	12,026	12,606
- Cobalt	tonnes	461	389
Nickel cash costs and royalties*	A\$/lb total Ni metal payable	1.85	2.41
Nickel All-in Sustaining Costs**	A\$/lb total Ni metal payable	2.16	2.74

* Includes credits for copper and cobalt

** Includes cash costs, royalties and sustaining capex

TROPICANA OPERATION

As discussed above, on 31 May 2021, IGO announced the completion of the divestment of its 30% interest in the Tropicana Gold Mine to Regis. Accordingly, the results and commentary below reflect the year-to-date to 31 May 2021.

During the year, total material mined was 29.4M bank cubic metres, which comprised of 2.6 million tonnes of the open cut ore (>0.6 grams per tonne Au), 0.76 million tonnes of the underground ore and 72.0 million tonnes of waste material. The average grade mined for full grade ore (>0.6 grams per tonne Au) was 1.85 grams per tonne Au for the year. Ore milled was 8.3 million tonnes while mill feed grade and recovery were 1.50 grams per tonne and 90.5% for the year, respectively.

The development of the Boston Shaker underground mine commenced in May 2019. The mine transitioned into commercial production in the September 2020 quarter on schedule, below the A\$105.7 million budget and importantly, with no recordable safety incidents.

Revenue from the Tropicana Operation for the period was A\$243.3 million. The Company's share of gold refined and sold was 110,402 ounces.

Cash costs per ounce produced, which comprises the costs of producing gold at the mine site and includes credit adjustments for waste stripping costs, capitalised mine development costs and inventory build and draw costs, were A\$1,081 per ounce, while all-in sustaining costs (AISC) per ounce sold were A\$1,720 per ounce. AISC comprises cash costs and capitalised sustaining deferred waste stripping costs, capitalised mine development costs, sustaining exploration costs, sustaining capital and non-cash rehabilitation accretion costs. AISC excludes improvement capital expenditure and greenfield exploration expenditure.

The table below outlines the key results and operational statistics during the current year to 31 May 2021 and prior year.

TROPICANA OPERATION		2021	2020
Total revenue	A\$'000	243,257	290,078
Segment operating profit before tax	A\$'000	67,264	98,282
Total segment assets	A\$'000	-	357,643
Total segment liabilities	A\$'000	-	57,785
Open Cut: Gold ore mined (>0.6g/t Au)	'000 tonnes	2,642	10,640
Open Cut: Gold ore mined (>0.4 and 0.6g/t Au)	'000 tonnes	157	1,898
Underground: Ore mined	'000 tonnes	760	-
Waste mined	'000 tonnes	71,867	79,796
Open Cut: Gold grade mined (>0.6g/t)	g/t	1.85	1.59
Underground: Au Grade Mined	g/t	3.14	-
Ore milled	'000 tonnes	8,283	8,684
Gold grade milled	g/t	1.50	1.84
Metallurgical recovery	%	90.5	90.1
Gold recovered	ounces	362,129	463,717
Gold produced	ounces	364,751	463,118
Gold refined and sold (IGO share)	ounces	110,402	141,169
Cash Costs	A\$ per ounce produced	1,081	806
All-in Sustaining Costs (AISC)*	A\$ per ounce sold	1,720	1,171

* All-in Sustaining Costs is a measure derived by the World Gold Council. On 27 June 2013, the Council released a publication outlining definitions of both Cash Costs and All-in Sustaining Costs.

External factors and risks affecting the Group's results

The Group operates in an uncertain economic environment and its performance is dependent upon the result of inexact and incomplete information. As a consequence, the Group's Board and management monitor these uncertainties and, where possible, mitigate the associated risk of adverse outcomes. The following external factors are all capable of having a material adverse effect on the business and will affect the prospects of the Group for future financial years.

COVID-19

The COVID-19 pandemic continues to pose a global socio-political, economic and health risk. The potential for the pandemic to have both lasting and unforeseen impacts is high. As a Group, we changed the way we work to protect the wellbeing of our people, safeguard the communities in which we operate and ensure business continuity. We continue to maintain a heightened state of response readiness commensurate with the risk and in accordance with Government recommendations and health advice.

COMMODITY PRICES

Up to the end of FY21, the Group's operating revenues were sourced from the sale of base metals and precious metals that are priced by external markets and, as the Group is not a price maker with respect to the metals it sells, it is, and will remain, susceptible to adverse price movements. The Group mitigates its exposure to commodity prices through a financial risk management policy in which a percentage of anticipated usage may be hedged.

The Company has also in place limited diesel hedging in order to protect against increases in oil prices, and as at year end, the Company had hedged approximately 50% of anticipated usage at the Nova operation for FY22.

From the beginning of FY22, the Group remains exposed to fluctuating base metals prices from the sale of nickel and copper concentrates produced at the Nova operation. IGO also expects to benefit from its investment in the Lithium JV through dividend cash flows receivable from the JV. Dividends received from the Lithium JV will be impacted by variable lithium prices, reflected in chemical and technical grade spodumene prices paid to the Greenbushes mine JV, and Lithium Hydroxide prices paid to the Lithium JV.

CURRENCY EXCHANGE RATES

The Group is exposed to exchange rate risk on sales denominated in United States dollars (USD) whilst its Australian dollar (AUD) functional currency is the currency of payment to the majority of its suppliers and employees. This exposure was amplified while USD funds were held as acquisition proceeds ahead of the Lithium JV with Tianqi on 30 June 2021. To protect against adverse movements in the foreign exchange rate, the Group entered into various hedging agreements, which have all since been closed out following the transaction completion date on 30 June 2021.

DOWNSTREAM PROCESSING MARKETS

The price of sea freight, smelting and refining charges are market driven and vary throughout the year. These also impact on the Group's overall profitability. The price paid for the sale of the Company's metal contained in concentrates is subject to payability factors under contractual offtake agreements. The Company actively tendered its Nova concentrate in the market in FY20 and, driven by the strong demand for Nova's concentrate, was able to enter into new offtake agreements with materially improved commercial terms compared to the previous contracts they replaced.

INTEREST RATES

Interest rate movements affect both returns on funds on deposit as well as the cost of borrowings. Furthermore, AUD and USD interest rate differentials are intimately related to movements in the AUD/USD exchange rate.

NATIVE TITLE

With regard to tenements in which the Group has an existing interest in, or will acquire an interest in the future, there are areas over which native title rights exist, or may be found to exist, which may preclude or delay exploration, development or production activities. Risk also arises from the potential presence of and disturbance to archaeological and ethnographic sites.

The Company engages suitably qualified personnel to assist with the management of its exposure to native title and heritage risks, including appropriate legal, heritage and community relations experts. These risks are discussed in more detail in the Company's Sustainability Report which can be found on the Company's website.

EXPOSURE TO ECONOMIC, ENVIRONMENT AND SOCIAL SUSTAINABILITY RISKS

The Group has material exposure to economic, environmental and social sustainability risks, including changes in community expectations, and environmental, social and governance legislation (including, for example, those matters related to climate change).

The Group employs suitably qualified personnel to assist with the management of its exposure to these risks. These risks are discussed in more detail in the Company's Sustainability Report which can be found on the Company's website.

CLIMATE CHANGE

The Group recognises the importance of providing timely and business-specific information on our approach to managing climate change related risks and opportunities to stakeholders and investors. In FY21, our reporting was once again aligned with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) and consolidated our carbon neutral strategy. Work programs completed during the financial year included a decarbonisation roadmap for the Nova Operation, the implementation of an internal carbon price, and the development of IGO's carbon storage and offsets strategy. The full TCFD disclosure and further information regarding our management of climate-related risks and opportunities can be found in the 2021 Sustainability Report.

OTHER EXTERNAL FACTORS AND RISKS

- Operational performance including uncertain mine grades, seismicity, geotechnical conditions, grade control, in fill resource drilling, mill performance and skills and experience of the workforce
 - Contained metal (tonnes and grades) are estimated annually and published in resource and reserve statements, however actual production in terms of tonnes and grade vary as the orebody can be complex and inconsistent
 - Active underground mining operations can be subjected to varying degrees of seismicity. This natural occurrence can represent safety, operational and financial risk and is actively monitored
- Business risk associated with the Lithium JV. IGO is able to exert significant influence over the Lithium JV and its operations by virtue of its equity accounted investment into the Lithium JV, however IGO will remain subject to the alignment of JV party decision making which may impact earnings and cashflow
- Exploration success or otherwise due to the nature of an ever-depleting reserve/resource base, the ability to find or replace reserves/resources presents a significant operational risk
- Operating costs including labour markets, skills availability and productivity. The availability of labour and specific skillsets is one of the main cost drivers in the business and as such can materially impact the profitability of an operation
- Changes in market supply and demand of products. Any change in supply or demand impacts on the ability to generate revenues and hence the profitability of an operation
- Changes in the technological advancement of the energy storage market, and the discovery and adoption of alternate product streams
- Changes in government taxation legislation; and
- Assumption of estimates that impact on reported asset and liability values.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

On 9 December 2020, the Company announced that it had entered into a binding agreement with Tianqi to form a JV over Tianqi's Australian lithium assets. Total consideration for the transaction was US\$1,395.3 million (A\$1,855.4 million). The Company funded the transaction through a combination of an equity raising, proceeds from the sale of Tropicana and existing cash reserves. Completion of the transaction was announced by the Company on 30 June 2021.

In December 2020, the Company conducted a fully underwritten institutional placement (Placement) and a 1 for 8.5 accelerated pro-rata non-renounceable entitlement offer (Institutional Entitlement Offer) of new fully paid IGO shares. The Placement comprised the issue of 96,960,219 shares in the Company at a price of A\$4.60 per share (Offer Price), and the Institutional Entitlement Offer the issue of 57,195,061 shares in the Company at the Offer Price, resulting in proceeds of A\$696.1 million, net of costs.

On 19 January 2021, the Company announced the successful completion of the retail component of its 1 for 8.5 accelerated pro-rata non-renounceable entitlement offer (Offer), resulting in the issue of 12,315,499 shares. The Offer raised A\$53.4 million, net of costs, at an offer price of A\$4.60 per share.

On 13 April 2021, the Company announced that it had entered into a binding agreement with Regis for the sale of its 30% interest in the Tropicana Gold Mine. The execution of the binding sale agreement marked the completion of the Tropicana strategic review which was announced in September 2020. On 31 May 2021, the Company announced the completion of the divestment transaction.

On 23 December 2020, the Company entered into a new Syndicated Facility Agreement (Facility Agreement) totalling A\$1,100 million, which was originally established to fund the acquisition of the 49% interest in the Lithium JV. Following the divestment of the Company's interest in the Tropicana JV, the facility was not required as a source of funds to fund the Lithium JV acquisition. As at the date of this report, the facility has been restructured to consist of a A\$450 million amortising revolving credit facility, expiring in June 2024.

There have been no other significant changes in the state of affairs of the Group during the year.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

On 1 July 2021, the Company announced the appointment of Mr Michael Nossal to the role of Chair, while Mr Peter Bilbe transitioned to a Non-executive Director role. Michael Nossal was appointed a Non-executive Director of the Company on 18 December 2020.

On 27 July 2021, the Company announced that it had entered into a binding agreement with entities owned and controlled by Mark Creasy (Creasy Group) to i) acquire 100% of the Silver Knight nickel-copper-cobalt sulphide deposit (Silver Knight), and ii) form a JV with Creasy Group (IGO 65%: Creasy Group 35%) over a portfolio of exploration tenements around Silver Knight, for a total cash consideration of A\$45.0 million (Transaction). Documentation for the Transaction is expected to be completed by 30 September 2021, with completion of the Transaction occurring within five business days thereafter.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and, while it has had limited impact on the Group up to 30 June 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation continues to develop and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

On 31 August 2021, the Company announced that a final dividend for the year ended 30 June 2021 would be paid on 23 September 2021. The dividend is 10 cents per share and will be fully franked.

Other than the above, there has been no other transaction or event of a material and unusual nature likely, in the opinion of the Directors, to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

COMPANY SECRETARY

Ms Joanne McDonald was appointed to the position of Company Secretary on 5 October 2015.

Ms McDonald is a qualified Chartered Secretary with over 17 years' experience working for listed companies in Australia and the UK. Prior to joining IGO, Ms McDonald held positions with Paladin Energy Ltd, Summit Resources Ltd and Unilever plc. Ms McDonald is currently a WA State Councillor for the Governance Institute of Australia.

Ms McDonald is a Fellow of the Governance Institute Australia and a Graduate of the Australian Institute of Company Directors.

MEETINGS OF DIRECTORS

The numbers of meetings of the Directors and of each Board Committee held during the year ended 30 June 2021, and the numbers of meetings attended by each Director were:

Name	Meetings of committees									
	Full meetings of directors		People & Performance Committee		Audit & Risk Committee		Nomination & Governance Committee		Sustainability Committee	
	A	B	A	B	A	B	A	B	A	B
Debra Bakker	11	11	4	4	5	5	**	**	5	5
Peter Bilbe	11	11	1	1	3	3	1	1	**	**
Kathleen Bozanic	11	11	**	**	5	5	3	3	**	**
Peter Bradford	11	11	**	**	**	**	**	**	**	**
Peter Buck	11	11	4	4	1	1	2	2	4	4
Michael Nossal ¹	6	6	3	3	**	**	**	**	1	1
Keith Spence	11	11	1	1	2	2	2	2	6	6
Neil Warburton ²	3	3	**	**	**	**	1	1	4	4
Xiaoping Yang ³	7	7	**	**	1	1	**	**	1	1

A = Number of meetings attended

B = Number of meetings held during the time the Director was a member of the committee during the year

** = Not a member of the relevant committee

1. Mr Nossal was appointed a Non-executive Director effective 18 December 2020

2. Mr Warburton resigned as a Non-executive Director effective 28 October 2020

3. Ms Yang was appointed a Non-executive Director effective 1 December 2020

Note: Directors who are not members of a specific committee have a standing invitation to attend committee meetings with the consent of the relevant committee chair and in practice generally attend all committee meetings. Their attendance is only included in the table if they are a member of the committee.

DIRECTORS INTEREST IN SHARES AND SHARE RIGHTS OF THE COMPANY

At the date of this report, the interests of the Directors in the shares, performance rights and service rights of IGO Limited were as follows:

Name	Ordinary fully paid shares	Performance rights	Service rights
Debra Bakker	30,800	-	-
Peter Bilbe	47,059	-	-
Kathleen Bozanic	13,859	-	-
Peter Bradford	1,320,052	345,390	205,262 ¹
Peter Buck	26,118	-	-
Michael Nossal	40,000	-	-
Keith Spence	24,728	-	-
Xiaoping Yang	14,200	-	-
Total	1,516,816	345,390	205,262

1. 113,581 service rights have vested due to service conditions being achieved and, subject to being exercised, will convert into ordinary shares.

Letter from Chair of People & Performance Committee

DEAR SHAREHOLDER

On behalf of the People & Performance Committee, I am pleased to share with you our FY21 Remuneration Report.

The FY21 year has been an outstanding year for IGO with our people driving the achievement of significant value for our shareholders and the communities in which we live and work.

Executive Remuneration and Reward

Over the past year, we have experienced a significant increase in the demand for talent across the business, with the labour market continuing to reflect the effects of the COVID-19 pandemic on employee mobility and availability. To combat this, the Board has focused on the safety, engagement and retention of our people in this competitive talent market. Retaining key talent is vital to maintaining and achieving business development outcomes and we are proud of the continued engagement, contributions and loyalty of our people.

To that end, the Board remains focused on providing Executive key management personnel (KMP) with fixed remuneration that is competitive and recognises the value that their skills, experience and expertise deliver to IGO, balanced with an appropriate level of variable reward to incentivise the achievement of key strategic initiatives. The Board believes that this balanced approach ensures that the Company:

- Attracts and retains key talent through a balance of support and challenge for each individual; and
- Remains an employer of choice.

Each year the Board takes care to ensure that Executive KMP remuneration is an appropriate combination of cash and equity, such that over time Executive KMP are aligned with the long-term interests of shareholders through their personal shareholding in IGO.

Short-Term Incentive (STI)

The Board and the Leadership team review and update the Company's strategic and culturing plan annually. As part of this planning process, the Board sets and monitors a series of demanding performance targets to drive the achievement of the annual business plan and the longer term strategic plan throughout the year. In FY21, these performance targets drove the achievement of the following combination of financial and non-financial focused successes:

- the improvement of our safety performance across the business through the completion of a significant body of work at an organisational and business unit level;
- the transformational transaction with Tianqi Lithium Corporation (Tianqi) to form a new joint venture (JV) to acquire 49% of its Australian lithium assets (Lithium JV), reshaping the IGO portfolio to solely focus on clean energy resources, and important to growing longer term shareholder value;
- the divestment of the Tropicana Joint Venture;
- improved gender diversity to 27% (up from 25% in FY20) with a significant improvement in our results at the Nova Operation across all disciplines;
- no significant environmental or community incidents;
- continued to build on strong relationships with Traditional Owners and clear paths to alignment of interests in our exploration portfolio;
- the furthering of programs of work in the Fraser Range and other exploration programs that are key to delivering future discoveries;
- delivery of operational metrics, with consistent production performance that is a key enabler to funding the achievement of the Company's strategic plan; and
- strong financial performance to underpin the funding of future growth initiatives designed to grow shareholder value.

A detailed description of the Key Performance Indicators (KPIs) that determined the payment of STIs, the performance achieved and the resulting STI payments can be found in our Remuneration Report in the following pages.

Board Discretion - STI Payment Award

FY21 was an outstanding year across the business, with the Company delivering better production and costs than guidance at Nova, resulting in record performance across all key financial metrics for the Company. This outcome was delivered despite the continued challenges presented by COVID-19 to the business and, once again, would not have been possible without the commitment and energy of our people.

In recognition of these efforts by employees, the Board approved a discretionary award via the STI program for all employees who demonstrated support for the Company's values and behaviours by way of an uplift in STI payments for FY21. For further details on this see page 55 and 56.

FY21 Discretionary Bonus

The transaction with Tianqi to form the new Lithium JV was announced on 9 December 2020, following a nine month negotiation and due diligence period which involved the collaboration of many people across the business. The transaction was completed on 30 June 2021. The current and future significance of this transaction cannot be underrated for IGO and its shareholders. This transaction was completed by the IGO team in tandem with the body of work required to also complete the divestment of the Tropicana JV on 31 May 2021 to Regis Resources Limited.

Strong shareholder support since the announcements, and a significant lift in the IGO share price, is evidence of market support for IGO's strategy to align its focus to those metals critical to enabling clean energy and the long-term value that the global societal shift to clean energy will deliver.

In addition to the upwards discretion applied via the STI program, the Board also approved an additional payment, in the form of a cash bonus, to those individuals who contributed to the delivery of the transformational Tropicana and Tianqi transactions, and the debt and equity funding. The total additional cost of this award was \$2,000,000. Awards made to Executive KMP are outlined in section 3 and shown separately as a Discretionary Bonus.

Long-Term Incentives (LTI)

No changes were made to the LTI plan for FY21. The performance period for the 2017 Series Performance Rights ended on 30 June 2020 with vesting of 85.22% of this award for IGO employees in July 2020.

Planned Remuneration Changes for FY22

In a competitive market, the Board has confidence that the IGO Reward Framework provides employees with an appropriate mix of fixed and variable reward to focus Executive KMP on achieving the short and long-term interests of shareholders. As such, the suite of changes for FY22 are minimal and are discussed in Section 5 of this Report. The main points are:

- An increase in the CEO and Executive KMP total fixed remuneration (TFR) in line with market benchmarking to ensure the TFR for Executive KMP remains competitive with the comparator and broader industry groups for similar roles;
- No changes are planned to the quantum or delivery mechanisms of the STI for the CEO or Executive KMP;
- No changes are planned to the quantum of LTI grants for the CEO or Executive KMP, however the Board approved a number of changes to the LTI performance measures to acknowledge the changes in the business associated with the Lithium JV and to better drive and assess long-term progress on key strategic drivers i.e. Decarbonisation and People and Culture. These changes will be outlined more fully in the FY22 Remuneration Report; and
- An increase in base Board fees and also Committee chair fees in line with market benchmarking.

Each year we try to improve our reporting transparency and clarity for shareholders and I trust that our shareholders will find the 2021 Remuneration Report clearly explains our current remuneration philosophy and executive outcomes for the period. I welcome your feedback in FY22 in our endeavour to continuously improve all that we do.



DEBRA BAKKER

CHAIR – PEOPLE & PERFORMANCE COMMITTEE

Remuneration Report (audited)

Key Management Personnel (KMP) of the Group are detailed in the table below and are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director, whether executive or otherwise of the Company.

SECTION 1 FY21 OVERVIEW

Section 1 details organisational developments and outcomes in FY21.

SECTION 2 REMUNERATION AT IGO

Section 2 provides an overview of key elements of the Company's remuneration governance and philosophy.

SECTION 3 EXECUTIVE KMP REMUNERATION IN FY21

Section 3 details remuneration arrangements in FY21 for the following Executive KMP:

Keith Ashby - Head of Safety, Health, Environment, Quality (SHEQ) and Risk (from 1 July 2020 until his resignation on 27 November 2020)

Kate Barker - General Counsel and Head of Risk & Compliance

Peter Bradford - Managing Director and CEO

Matt Dusci - Chief Operating Officer

Andrew Eddowes - Head of Corporate Development

Joanne McDonald - Company Secretary and Head of Corporate Affairs

Sam Retallack - Head of People & Culture

Ian Sandl - General Manager - Exploration

Scott Steinkrug - Chief Financial Officer

SECTION 4 NON-EXECUTIVE DIRECTOR REMUNERATION

Section 4 details remuneration and benefits for the Company's Non-executive Directors (see pages 36 to 37 for details about each Director) including:

Peter Bilbe - Non-executive Chair

Debra Bakker - Non-executive Director

Kathleen Bozanic - Non-executive Director

Peter Buck - Non-executive Director

Michael Nossal - Non-executive Director (appointed 18 December 2020)

Keith Spence - Non-executive Director

Neil Warburton - Non-executive Director (from 1 July 2020 until his resignation on 28 October 2020)

Xiaoping Yang - Non-executive Director (appointed 1 December 2020)

SECTION 5 PLANNED REMUNERATION CHANGES FOR FY22

Section 5 provides an overview of the planned changes in remuneration and reward for FY22 for Executive KMP and the wider organisation.

SECTION 6 STATUTORY REMUNERATION DISCLOSURES

Section 6 provides an update for all relevant statutory remuneration disclosures as required by the *Corporations Act 2001*.

SECTION 1. FY21 OVERVIEW

The Company's Total Rewards Philosophy is designed to provide Executive KMP and employees with a combination of remuneration and non-financial benefits to drive performance and, since its implementation, has provided a holistic approach to the IGO employee value proposition and connected the IGO strategy and purpose to remuneration.

To this end, along with Company-wide salary benchmarking and the award of a group wide CPI increment (or consideration of) for all roles, the following remuneration initiatives were implemented at a Board and Executive KMP level for FY21:

- No increases in Total Fixed Remuneration (TFR) for FY21, with the exception of Ms Barkers' TFR which increased from \$350,000 to \$400,000 to reflect the broadened nature of her role.
- No further increases to Executive KMP remuneration following a mid-year parity review of remuneration. The review was conducted to ensure that market expectations for Executive KMP remuneration, given the external economic conditions as a result of the ongoing influence of COVID-19, was balanced with a combination of competitive pay for retention of Executive KMP in an extremely competitive market.
- No changes were made to total short-term and long-term incentive opportunities for Executive KMP in FY21.
- To improve the mechanism by which the Board can make adjustments to Company Scorecard Gating, and hence to Executive KMP variable reward in an unpredictable environment, the Board introduced an additional level of discretion to the gating of KPIs as follows:
 - The discretion to reduce KPI outcomes by up to 100% of the cash component of variable incentives in the event of occurrence of any event that is classified as "catastrophic" in the Company's Risk Matrix; and
 - The discretion to reward outstanding performance that falls outside of the existing KPI program for teams or individuals that have created significant additional value for shareholders and/or employees.
- No changes were made to Board Chair, Committee Chair or Non-executive Director fees as a result of market benchmarking of the IGO peer group for FY21.

SECTION 2. REMUNERATION AT IGO

REMUNERATION GOVERNANCE OVERVIEW

The Board recognises that the continued success of the business depends upon the quality of its people. To ensure the Company continues to innovate and grow, it must attract, motivate and retain highly skilled Directors, Executive KMP and employees. To deliver this, the Company has an active People & Performance Committee to ensure that people, performance and culture are a priority.

The Committee, chaired by Debra Bakker, held four meetings during FY21. Messrs Buck and Nossal are also Committee members. The Managing Director was invited to attend all meetings which considered the remuneration strategy of the Group and recommendations in relation to Executive KMP. The structure of the relationship between the Board, Committee and remuneration principles is explained in the following table:

BOARD

The Board delegates responsibility in relation to remuneration to the People & Performance Committee (Committee) which operates in accordance with the Company's People & Performance Committee Charter and the requirements of the *Corporations Act 2001* and its regulations.



PEOPLE & PERFORMANCE COMMITTEE

The Committee is made up entirely of independent Non-executive Directors. The Committee is charged with assisting the Board by reviewing, on an annual basis, and making appropriate recommendations on the following:

- The Company's remuneration framework and policy, to ensure that it remains aligned to business needs and meets the Company's remuneration principles
- Non-executive Director, CEO and Executive KMP remuneration
- Equity-based remuneration plans for Executive KMP and other employees
- Organisational development and culture, including IGO's workplace diversity and inclusion strategy, policy, practices and performance
- CEO, Executive KMP and other key members of management recruitment, selection, performance management and retention
- Superannuation arrangements for the organisation; and
- Remuneration equity for all employees across the Group.



EXTERNAL ADVICE AND BENCHMARKING

The Committee undertakes a broad review of data derived from remuneration consultants who track industry levels to ensure it is fully informed when making remuneration decisions.

During the year ended 30 June 2021, no remuneration recommendations, as defined by the *Corporations Act 2001* (Act), were provided by remuneration consultants. However, the Committee did utilise general benchmarking data provided by KPMG (\$27,000), Aon Australia (\$7,500) and Mercer Consulting (\$5,475) regarding salaries and benefits across the organisation.

IGO REMUNERATION PRINCIPLES

Remuneration policy is transparent with information communicated to all employees to create a high level of understanding of the link between pay, performance and delivery against Company objectives and values.

At risk components are designed to motivate and incentivise for high performance and are aligned with the Company's strategic and business objectives to create short and long-term shareholder value.

Learning and development is a quantifiable and essential component of all roles.

Career planning is a valued component of the total reward philosophy and forms part of all development plans.

Health and wellbeing programs aim to provide balance and additional value for people at all levels of the organisation.

Equity in the business is important for all employees and prioritised when setting and reviewing remuneration policy and practice.

Further information on the Committee's role, responsibilities and membership can be found under the Governance section on the Company's website: www.igo.com.au.

SECTION 3. EXECUTIVE KMP REMUNERATION IN FY21

COMPONENTS OF EXECUTIVE KMP REMUNERATION AT IGO

Executive KMP remuneration at IGO is comprised of a mix of fixed and at risk components, as an integrated package, the purpose of which is to align Executive KMP reward with shareholder outcomes, Executive KMP performance and the retention of key talent.

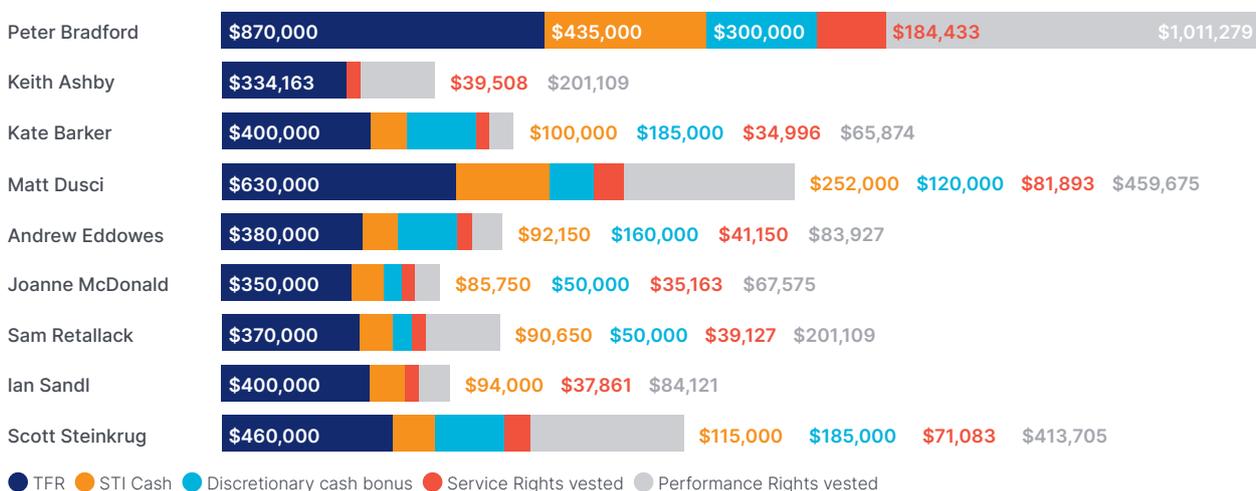
TFR and at risk remuneration is benchmarked at least annually by the People & Performance Committee. The table below provides an overview of the different remuneration components within the IGO framework.

Objective	Performance-related remuneration (at risk)		
	Attract and retain the best talent	Reward current year performance	Reward long-term sustainable performance
Remuneration Component	Total Fixed Remuneration (TFR) – includes salary and superannuation	Short-Term Incentive (STI) – paid as cash and the issue of service rights	Long-Term Incentive (LTI) – provided through the issue of performance rights
Purpose	TFR provides competitive 'guaranteed' remuneration with reference to: <ul style="list-style-type: none"> • Size and complexity of the role • Individual responsibilities and performance; and • Experience and skills. 	The STI ensures appropriate differentiation of pay for performance, for achievement of a combination of Company and Individual KPIs to drive achievement of near-term strategic objectives and retention of Executive KMP.	The LTI is focused on the achievement of stable long-term shareholder returns through the Company's long-term strategic objectives and retention of Executive KMP.

TOTAL REALISED EARNINGS FOR EXECUTIVE KMP IN FY21

The table below provides details of the actual remuneration earned during FY21 for Executive KMP. Amounts include:

- Total fixed remuneration received
- The cash component of the STI earned as a result of business and individual performance for FY21
- The discretionary cash bonus for FY21 performance
- Ordinary shares received as a result of service rights that vested during the year; and
- Ordinary shares received as a result of performance rights that vested during the year.



EXECUTIVE KMP AT RISK REMUNERATION IN FY21

The at risk components of Executive KMP remuneration at IGO are intended to drive performance and long-term stability in shareholder returns without encouraging undue risk-taking.

The mix of fixed and at risk remuneration varies depending on the role and reward grading of Executive KMP and employees. It also depends on the performance of both the Company and the individual.

The following is an overview of the total fixed and at risk remuneration for Executive KMP in FY21:

Managing Director and CEO	TFR – 33%	STI – 33%	LTI – 33%
Chief Operating Officer	TFR – 38%	STI – 31%	LTI – 31%
Chief Financial Officer	TFR – 43%	STI – 22%	LTI – 35%
Other Executive KMP	TFR – 50%	STI – 25%	LTI – 25%

MALUS AND CLAWBACK PROVISION

IGO has a malus and clawback provision that allows the Board to reduce or clawback unvested and vested entitlements in certain circumstances, including in the case of fraud, dishonesty, gross misconduct, bringing the Group into disrepute, breach of obligations to the Group, material financial misstatements, where warranted due to risk behaviour, or other circumstances under law or Group policy. The Employee Incentive Plan (EIP) also allows the Board to reduce unvested awards where vesting is not justified or supportable for performance or other specified reasons.

IGO STIP OUTLINE FOR FY21

The key elements of the Short-Term Incentive Program (STIP) as it relates to the Company's Executive KMP is provided below:

STIP Opportunity	The STIP opportunity offered to each Executive KMP as a percentage of TFR is defined by the individual's role and reward grade. The STIP opportunity is market benchmarked and reviewed by the Board annually. STIP payments are awarded 50% cash and 50% equity (service rights) on or above threshold performance against a range of business objectives (Company KPI) and individual performance objectives (Individual KPI).
Performance Targets	The payment of a short-term incentive to Executive KMP is an at risk component of the individual's total remuneration given that a set of performance targets must be met prior to payment. Each year these targets are based on metrics that are measurable, transparent and achievable, and are designed to motivate and incentivise the Executive KMP to drive to achieve high levels of performance aligned with Company objectives and near-term shareholder value creation. In FY21, the performance targets for KPI assessment reflected the following financial and non-financial components: <ul style="list-style-type: none"> • Health, Safety, Environment and Community • People and Culture • Production Optimisation and Financial Performance • Growth and Strategy
Performance Assessment	The Company employs a system of continuous performance feedback to drive Executive KMP performance, which is regularly reviewed by the Board throughout the financial year against the defined KPIs. A final performance assessment occurs annually following the completion of the financial year for each Executive KMP. Executive KMP are assessed on their contribution to the achievement of Company KPIs (80%), individual KPIs (20%) and their demonstrated support for the Company's values and behaviours.
Measurement Period	The STIP is an annual program and operates from 1 July to 30 June each year.
STIP Deferral Component	Service rights issued pursuant to the STIP vest in two tranches, with the first tranche of 50% vesting on the 12 month anniversary of the award date, and the second tranche of 50% on the 24 month anniversary of the award date. Vesting of the service rights is based on a continuous service condition being met and is designed to act as a driver of retention and continuity of medium-term value creation.
Termination of Employment	In the event that an Executive KMP's employment terminates prior to the end of a financial year, the Executive KMP may or may not receive a pro-rata payment, depending on the circumstances of the cessation of employment. Outstanding unvested service rights will also be reviewed by the Board and may or may not vest, depending on the circumstances of the Executive KMP's cessation of employment.
Board Discretion	The payments of all STIs are subject to Board approval. The Board has the discretion to adjust remuneration outcomes higher or lower to prevent any inappropriate reward outcomes, including reducing (down to zero, if appropriate) any STI payment.

HOW PERFORMANCE WAS LINKED TO STIP OUTCOMES IN FY21

As part of the annual business planning process, the Board determines the KPIs to reflect targets for the key strategic drivers of the business for the following year. In FY21, significant progress was made in achieving Company KPIs and a range of other related programs of work, however the final result was not achieved for several Key Result Areas (KRAs).

Company Scorecard Gating

- No Production Optimisation or Financial Performance component in the event of Company NPAT being negative before abnormals
- No Growth and Strategy component in the event of a material downward restatement of the previous year's Reserves
- No Health, Safety, Environment and Community or People and Culture component in the event of a fatality, permanent disabling injury and/or material environmental breach
- The discretion to reduce KPI outcomes by up to 100% of the cash component of variable incentives in the event of occurrence of any event that is classified as "catastrophic" in the Company's Risk Matrix; and
- The discretion to reward outstanding performance that falls outside of the existing KPI program for teams or individuals that have created significant additional value for shareholders and/or employees.

Individual KPI Gating

No individual component in the event of a material breach of the Company's Code of Conduct by the individual.

FY21 Scorecard

The KPI Scorecard for Executive KMP and performance achieved against the specific KPIs for each KRA for FY21 are listed in the table below.

Company Key Result Area (KRA)	Rationale for inclusion	Performance and commentary
Health, Safety, Environment and Community	15% weighting	56% achieved (8.4% outcome)
<ul style="list-style-type: none"> • TRIFR • Critical Control Verification • Closeout of Corrective Actions • Safety related Engagement Survey items; and • Safety Management programs. 	<p>The application of a range of forward and backward looking measures focus effort on culture and system improvements to better manage the workplace health and safety risks inherent to the Company's operations.</p>	<p>The Company is focused on providing a work environment that supports and cares for our people and the communities and environment in which we work. In FY21, significant improvements were made in all business units achieving the following results:</p> <ul style="list-style-type: none"> • TRIFR = 16.0 (Threshold = 17.5, Target = 16.6); • Critical Control Verification = 80% (Threshold = 90%, Target = 100%); • Closeout of Corrective Actions = 92% (Threshold = 90%, Target = 100%); • Safety related Engagement Survey items = 89% (Threshold = 78%, Target = 82%); and • Safety Management programs = 95% (Threshold = 90%, Target = 100%)
People and Culture	15% weighting	70% achieved (10.5% outcome)
<ul style="list-style-type: none"> • Annual Engagement Survey Score • Diversity and Inclusion Score • Diversity metrics for female and Aboriginal employment across the business; and • Learning and development plan completion. 	<p>Engagement, diversity and development metrics are designed to focus achievement on key strategic people enablers and programs of work that result in a workforce that has the balance of diversity of skills and capabilities to drive the delivery of the Company's strategic plan.</p>	<p>Improvements were made across the business with programs of work to strengthen the culture and to improve the diversity and inclusion of all business units achieving the following performance levels:</p> <ul style="list-style-type: none"> • Engagement Survey score 67% (Threshold = 69%, Target = 72%) • Diversity and inclusion score 86% (Threshold = 82%, Target = 86%) • 27% Female employees (Threshold = 24%, Target = 27%) • 13% Aboriginal employees (Threshold = 10%, Target = 14%) • 95% Learning and development plans completed (Threshold = 80%, Target = 90%)
Production Optimisation and Financial Performance	30% weighting	78% achieved (23.3% outcome)
<p>Achieve consolidated production targets for Nova on a nickel metal equivalent basis.</p> <p>Achieve consolidated operating costs (production and non-production) for the Group (excluding non-controlled operations).</p>	<p>Delivery of strong production and financial performance is a key enabler to funding the achievement of the Company's strategic plan.</p>	<p>The production outcome achieved at Nova represented a solid operational result with improvements in a range of operational metrics, including:</p> <p>Nickel metal production from Nova of 29.0kt (Threshold = 27.3kt, Target = 29.3kt)</p> <p>Controllable payable nickel unit costs of \$2.32 (Threshold = \$2.51, Target = \$2.38)</p> <p>Group operating and capital costs of \$334M (Threshold = \$349M, Target = \$332M)</p>

Directors' Report — Remuneration report

30 June 2021

Growth and Strategy ¹	40% weighting	74% achieved (29.6% outcome)
Complete nominated number of agreed strategic priorities.	Assesses performance achieved to deliver a suite of strategic initiatives, brownfields/greenfields opportunities and value accretive M&A opportunities important to growing shareholder value.	Planned progress was achieved on a range of other strategic priorities and timelines along with the progression of the Company's greenfields and brownfields exploration programs, and inorganic growth program.
Board Discretion	28.2% outcome	
Outstanding operating and financial performance. COVID-19 Response/Business continuity.	The Board has discretion to adjust KPI awards when internal or external events materially impact KPI performance and/or achievement.	To reflect the delivery of outstanding operating and financial results within the context of a challenging operating environment due to the COVID-19 pandemic, which required a consistent and cohesive response from Executive KMP, the COVID-19 response team and all employees, the Board decided to apply upwards discretion to increase the company STI score to 100% for FY21.
Total outcome 100%		

1. Due to the sensitive nature of some corporate KPIs the full detail on measures and achievement is confidential.
2. Total weighting increased to 125% with the addition of the Board Discretion KRA.

In addition to the achievement of the KRAs on the scoreboard above, the CEO also had a number of individual KPIs to drive the strategic and culturing outcomes, which the Board rated at 100%.

FY21 Discretionary Bonus

In addition to the upwards discretion applied via the STIP, the Board also approved an additional payment, in the form of a cash bonus, to those individuals who contributed to the delivery of the transformational Tropicana and Tianqi transactions and the debt and equity funding. The total additional cost of this award was \$2,000,000. Awards made to Executive KMP are outlined below.

FY21 STIP OUTCOMES¹

Executive KMP	Position	FY21 Potential STI ² %	FY21 STI Declared ³ \$	FY21 Discretionary Bonus ⁴ \$	FY20 Potential STI ⁵ %	FY20 STI \$
Peter Bradford	Managing Director & CEO	100	870,000	300,000	100	635,000
Keith Ashby ⁶	Head of SHEQ & Risk	-	-	-	50	130,000
Kate Barker	General Counsel and Head of Risk & Compliance	50	200,000	185,000	50	129,000
Matt Dusci	Chief Operating Officer	80	504,000	120,000	80	373,000
Andrew Eddowes	Head of Corporate Development	50	184,300	160,000	50	139,000
Joanne McDonald	Company Secretary and Head of Corporate Affairs	50	171,500	50,000	50	127,000
Sam Retallack	Head of People & Culture	50	181,300	50,000	50	137,000
Ian Sandl	General Manager - Exploration	50	188,000	-	50	138,000
Scott Steinkrug	Chief Financial Officer	50	230,000	185,000	50	170,000

1. The service rights component of the FY20 STI were classified as an LTI in the FY20 Remuneration Report. These service rights have been reclassified and included in FY20 STI in the table above for comparative purposes.
2. % of TFR (base salary plus superannuation).
3. To be paid in August 2021 - 50% in cash and 50% in service rights (vesting in equal parts in September 2022 and September 2023).
4. Discretionary bonus as approved by the Board for FY21 performance to be paid in August 2021.
5. FY20 STI comprises 50% in cash (paid in August 2020) and 50% in service rights (vesting in equal parts in September 2021 and September 2022).
6. Mr Ashby resigned effective 27 November 2020 therefore is not entitled to an STI for FY21.

IGO LTIP OUTLINE FOR FY21

An outline of the key elements of the Company's Long-Term Incentive Program (LTIP), as it relates to the Company's Executive KMP, is provided below:

LTIP Opportunity	<p>The LTIP opportunity is determined by the Executive KMP's role and reward grade within the business and is awarded by the offer of a number of performance rights based on a percentage of TFR.</p> <p>The LTIP opportunity for each individual Executive KMP is outlined on page 63.</p>
Performance Rights Hurdles	<p>For performance rights issued in FY21, there are four equally weighted (25%) performance hurdles utilising the following measures:</p> <ol style="list-style-type: none"> 1. Relative TSR 2. Absolute TSR 3. Reserve growth per share; and 4. EBITDA average margin.
Vesting of Performance Rights	<p>Vesting of the performance rights granted to Executive KMP is based on a continuous service condition and performance conditions as detailed below.</p>
Service Conditions for Performance Rights	<p>Performance rights are subject to a service condition. This condition is met if the Executive KMP's employment with IGO is continuous for three years commencing on or around the grant date and is aimed at the retention of key personnel and to promote long-term stability in shareholder returns.</p>
Performance Conditions for Performance Rights	<p>Relative TSR</p> <p>The TSR scorecard for the three year measurement period is determined based on a percentile ranking of the Company's TSR results relative to the TSR of each of the companies in the peer group over the same three year measurement period.</p> <p>The Board considers that relative TSR is an appropriate performance hurdle because it ensures that a proportion of each participant's remuneration is linked to the return received by shareholders from holding shares in a company in the peer group for the same period.</p> <p>Absolute TSR</p> <p>The increase in the Company's absolute TSR will be measured over the three year measurement period.</p> <p>The Board considers that absolute TSR is an appropriate performance hurdle because it ensures Executive KMP performance is rewarded when a year-on-year improvement in shareholder value is achieved.</p> <p>Reserve growth per share</p> <p>Reserve growth per share is defined as ore reserve growth in excess of depletion over the three year measurement period.</p> <p>The Board considers that reserve growth per share is an appropriate performance hurdle to align senior leaders of the business on the achievement of programs of work that achieve the Company's strategic initiatives for brownfields/ greenfields opportunities and value accretive M&A opportunities important to growing shareholder value.</p> <p>EBITDA Average Margin</p> <p>EBITDA average margin is defined as a measure of the Company's EBITDA as a percentage of its revenue averaged over the measurement period.</p> <p>The Board considers that EBITDA average margin is an appropriate performance hurdle to align senior leaders on ensuring the sustained operating profitability of the business over time and transparency for shareholders on the Company's performance in comparison to the IGO peer group.</p>

Performance Rights Vesting Schedules	<p>Relative TSR</p> <p>The vesting schedule of the 25% of performance rights subject to relative TSR testing is as follows:</p> <table border="1"> <thead> <tr> <th>Relative TSR performance</th> <th>Level of vesting</th> </tr> </thead> <tbody> <tr> <td>Less than 50th percentile</td> <td>0%</td> </tr> <tr> <td>Between 50th and 75th percentile</td> <td>50% plus pro-rata straight line percentage between 50% and 100%</td> </tr> <tr> <td>75th percentile or better</td> <td>100%</td> </tr> </tbody> </table>	Relative TSR performance	Level of vesting	Less than 50th percentile	0%	Between 50th and 75th percentile	50% plus pro-rata straight line percentage between 50% and 100%	75th percentile or better	100%					
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<p>Reserve growth per share</p> <p>The vesting schedule of the 25% of performance rights subject to Reserve growth per share testing is as follows:</p> <table border="1"> <thead> <tr> <th>Reserve growth in Ore Reserves per share performance</th> <th>Level of vesting</th> </tr> </thead> <tbody> <tr> <td><90% of Baseline Ore Reserves</td> <td>0%</td> </tr> <tr> <td>90% of Baseline Ore Reserves</td> <td>33%</td> </tr> <tr> <td>Above 90% of Baseline Ore Reserves and below 100%</td> <td>Straight-line pro-rata between 33% and 66%</td> </tr> <tr> <td>100% Baseline Ore Reserves</td> <td>66%</td> </tr> <tr> <td>Above 100% of Baseline Ore Reserves and below 120%</td> <td>Straight-line pro-rata between 66% and 100%</td> </tr> <tr> <td>120% and above Baseline Ore Reserves</td> <td>100%</td> </tr> </tbody> </table>	Reserve growth in Ore Reserves per share performance	Level of vesting	<90% of Baseline Ore Reserves	0%	90% of Baseline Ore Reserves	33%	Above 90% of Baseline Ore Reserves and below 100%	Straight-line pro-rata between 33% and 66%	100% Baseline Ore Reserves	66%	Above 100% of Baseline Ore Reserves and below 120%	Straight-line pro-rata between 66% and 100%	120% and above Baseline Ore Reserves	100%
Reserve growth in Ore Reserves per share performance	Level of vesting													
<90% of Baseline Ore Reserves	0%													
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<p>EBITDA average margin</p> <p>The vesting schedule of the 25% of performance rights subject to EBITDA average margin testing is as follows:</p> <table border="1"> <thead> <tr> <th>Group EBITDA Margin</th> <th>Level of vesting</th> </tr> </thead> <tbody> <tr> <td><20%</td> <td>0%</td> </tr> <tr> <td>≥ 20%</td> <td>33%</td> </tr> <tr> <td>≥ 30%</td> <td>66%</td> </tr> <tr> <td>≥ 40%</td> <td>100%</td> </tr> </tbody> </table>	Group EBITDA Margin	Level of vesting	<20%	0%	≥ 20%	33%	≥ 30%	66%	≥ 40%	100%				
Group EBITDA Margin	Level of vesting													
<20%	0%													
≥ 20%	33%													
≥ 30%	66%													
≥ 40%	100%													
Performance Rights Measurement Period	Testing occurs three years from 1 July of the relevant financial year.													
Cessation of Employment	In the event that the Executive KMP's employment with IGO terminates prior to the vesting of all performance rights, outstanding unvested rights will be reviewed by the Board and may or may not vest, depending on the circumstances of the Executive KMP's cessation of employment.													
Board Discretion	The Board has absolute discretion to adjust performance rights vesting if, on assessment, absolute TSR is negative over the performance period.													
Peer Group	The Company's relative TSR performance for performance rights issued during FY21 will be assessed against a peer group comprised of members of the S&P ASX 300 Metals and Mining Index, as well as several mining companies listed on the Toronto Stock Exchange (TSX) and the New York Stock Exchange (NYSE).													
LTI - Non-executive Directors	The overarching Employee Incentive Plan (EIP) permits Non-executive Directors to be eligible employees and therefore to participate in the plan. It is not currently intended that Non-executive Directors will be issued with share rights under the EIP and any such issue would be subject to all necessary shareholder approvals.													

FY21 LTIP OUTCOMES¹

Executive KMP	Position	Performance rights issued for FY21 period ² Number	Performance rights issued for FY20 period ³ Number
Peter Bradford	Managing Director & CEO	182,773 ⁴	162,617
Keith Ashby ⁵	Head of SHEQ & Risk	-	34,579
Kate Barker	General Counsel and Head of Risk & Compliance	42,016	32,710
Matt Dusci	Chief Operating Officer	105,882	83,738
Andrew Eddowes	Head of Corporate Development	39,915	35,514
Joanne McDonald	Company Secretary and Head of Corporate Affairs	36,764	32,710
Sam Retallack	Head of People & Culture	38,865	34,579
Ian Sandl	General Manager - Exploration	42,016	37,383
Scott Steinkrug	Chief Financial Officer	77,310	68,785

1. The service rights component of the FY20 STI were classified as an LTI in the FY20 Remuneration Report. These service rights have been reclassified and included as an STI for FY20 for comparability purposes. Refer to the table on page 56.

2. Performance rights awarded at 20-day VWAP to 24 August 2020 of \$4.76.

3. Performance rights awarded at 20-day VWAP to 26 August 2019 of \$5.35.

4. Approved by shareholders at the 2020 Annual General Meeting, in accordance with ASX Listing Rule 10.14.

5. Mr Ashby resigned effective 27 November 2020 therefore was not entitled to performance rights for FY21.

APPROVED BY SHAREHOLDERS AT THE 2019 ANNUAL GENERAL MEETING

The IGO Limited Employee Incentive Plan (EIP) was approved by shareholders at the Annual General Meeting in November 2019.

The number of eligible products able to be issued under the EIP is limited to 5% of the issued capital of the Company. The 5% limit includes grants under all plans made in the previous three years (with certain exclusions under the *Corporations Act 2001*). At the end of FY21 this percentage stands at 0.53%. There are no voting or dividend rights attached to the share rights.

COMPANY PERFORMANCE

A key and continued focus for the Board and Company is to align Executive KMP remuneration to the achievement of strategic and business objectives of the Group and the creation of shareholder value. The table below illustrates a summary of the Group's financial performance over the last five years as required by the *Corporations Act 2001*.

	2021	2020	2019	2018	2017
Revenue (\$ millions)	915.0*	888.9	784.5	777.9	421.9
Profit for the year attributable to owners (\$ millions)	548.7*	155.1	76.1	52.7	17.0
Dividends (cents per share)	10	11	10	3	2
Share price at year end (\$ per share)	7.63	4.87	4.72	5.14	3.15

* Includes continuing and discontinued operations.

SECTION 4. NON-EXECUTIVE DIRECTOR REMUNERATION

The remuneration of Non-executive Directors is determined by the Board within the maximum amount approved by shareholders in general meeting. Non-executive Directors are not entitled to retirement benefits other than statutory superannuation or other statutory required benefits. Non-executive Directors do not participate in share or bonus schemes designed for Executive Directors or employees.

TOTAL REALISED EARNINGS

Name	Year	Cash fees \$	Superannuation \$	Total \$
Debra Bakker	2021	127,854	12,146	140,000
	2020	127,854	12,146	140,000
Peter Bilbe	2021	237,442	22,558	260,000
	2020	239,545	21,690	261,235
Kathleen Bozanic ¹	2021	118,721	11,279	130,000
	2020	81,397	7,733	89,130
Peter Buck	2021	127,854	12,146	140,000
	2020	128,288	11,712	140,000
Geoffrey Clifford ²	2020	49,721	4,723	54,444
Michael Nossal ³	2021	58,765	5,583	64,348
Keith Spence	2021	127,854	12,146	140,000
	2020	127,854	12,146	140,000
Neil Warburton ⁴	2021	36,530	3,470	40,000
	2020	109,589	10,411	120,000
Xiaoping Yang ⁵	2021	70,000	-	70,000
Total Non-executive Director remuneration	2021	905,020	79,328	984,348
	2020	864,248	80,561	944,809

1. Ms Bozanic was appointed a Non-executive Director effective 3 October 2019.
2. Mr Clifford retired as a Non-executive Director effective 20 November 2019.
3. Mr Nossal was appointed a Non-executive Director effective 18 December 2020.
4. Mr Warburton resigned as a Non-executive Director effective 28 October 2020.
5. Ms Yang was appointed a Non-executive Director effective 1 December 2020.

The remuneration of Non-executive Directors is fixed to encourage impartiality, high ethical standards and independence on the Board. The available Non-executive Directors' fees pool is \$1,500,000 which was approved by shareholders at the Annual General Meeting on 16 December 2015, of which \$1,050,000 was being utilised at 30 June 2021 (2020: \$930,000).

Non-executive Directors may provide additional consulting services to the Group, at a rate approved by the Board. No such amounts were paid to Directors during the current or prior year.

Following small adjustments to the remuneration of the Board and Committee Chairs in FY20, and based on market data from both the IGO peer group and the market more broadly, changes to Board or Committee Chairs' or Non-executive Directors remuneration have been approved by the Board for FY22. Details of Non-executive Director fees are as follows:

	Approved 2022 \$	30 June 2021 \$	30 June 2020 \$
Non-executive Director base fees			
Board Chair	260,000	250,000	250,000
Board Member	140,000	120,000	120,000
Committee Chair Fees			
Chair Audit & Risk Committee	25,000	20,000	20,000
Chair People & Performance Committee	25,000	20,000	20,000
Chair Sustainability Committee	25,000	20,000	20,000
Chair Nomination & Governance Committee	25,000	20,000	20,000
Committee Members	Nil	Nil	Nil

SECTION 5. PLANNED REMUNERATION CHANGES FOR FY22

Throughout FY21, IGO has observed significant and increased pressure on the demand for general and executive talent. Observations of the local Western Australia labour market also indicate a trend for comparator and other companies planning to increase senior salaries to retain their talent in a competitive labour market and/or to attract the talent they require. Ensuring IGO remuneration attracts and retains key talent in the current market is a key challenge for IGO at all levels of the business.

The Company reviews Executive KMP remuneration practices annually. In uncertain times, the Board and Executive team appreciate the importance of competitive remuneration to support our employees to deliver the sustained and enduring performance that drives value for our shareholders and community partnerships.

In determining any changes to remuneration for Executive KMP in FY22, the Board considered a broader dataset of benchmarked information to reflect the Company's changed status in FY21 into the ASX 100 group of companies. Benchmarked data on TFR, STI and LTI against a comparator group of 30 ASX companies was compared to IGO's mining and resources industry comparator group to provide a more expansive examination of the remuneration paid to Executive KMP across a range of businesses. Across all Executive KMP roles, IGO TFR was observed to be at the low to mid-range of both the ASX comparator group and IGO peer group. For the ASX comparator group this may be understandable given a substantial portion of the Company's market capitalisation growth has been attained recently and remuneration structures had not yet been adjusted for the change in business or role complexity. As such, increases in TFR in FY22 are justified based on a consideration of the current and future scope of the Executive KMP roles and the low to mid-starting point compared to IGO peers.

The Board continues to adopt a balanced approach that supports the achievement of the strategic plan and the uncertain economic environment anticipated into FY22, however are mindful that the demand for talent will drive a level of retention risk that will require careful consideration for all Executive KMP and employee remuneration decisions. The Board will continue to monitor remuneration levels in the context of the broader market and appropriate remuneration levels will be put in place for any new appointments or changes of roles and responsibilities.

Completed changes and/or progress towards remuneration objectives will be reported in more detail in the FY22 Remuneration Report, however a summary of the key elements of the proposed FY22 program are provided below:

KMP TFR	<ul style="list-style-type: none"> The TFR for the Managing Director will increase by 15% from \$870,000 to \$1,000,000 to reflect the change in complexity of the role and in market movement in CEO fixed remuneration. The TFR for the COO will increase from \$630,000 to \$700,000 and the TFR of the CFO will increase from \$460,000 to \$525,000. Other increases in TFR for Executive KMP are in line with market benchmarking and are structured to ensure that Executive KMP fixed remuneration remains competitive with the comparator and broader industry groups for similar roles (page 63)
KMP Short-Term Incentive	Following an extensive benchmarking process in FY21, the Board believes that the current levels of short-term, at risk incentives are appropriately competitive for all Executive KMP. As a result, there will be no changes made to the quantum or weighting (as a percentage of TFR) of the STI program for Executive KMP in FY22.
KMP Long-Term Incentive	Following an extensive benchmarking process in FY21, the Board believes that the current levels of long-term, at risk incentives are appropriately competitive for all Executive KMP. As a result, there will be no changes made to the quantum, delivery mechanisms or weighting (as a percentage of TFR) of the LTI program for Executive KMP in FY22.
LTI Measures	<p>The completion of the transaction with Tianqi has been transformative for the IGO business, fulfilling the transition of the Company to the clean energy metals sector and providing IGO with access to downstream battery metals opportunities.</p> <p>In recognition of the changing nature of the IGO business, the Board has approved the following changes to the performance measures and their weighting for the LTI program from FY22:</p> <ul style="list-style-type: none"> Relative TSR – 20% Absolute TSR – 20% Reserve Growth Per Share – 20% EBITDA average margin – 20% Climate Change Response Progress – 10% (new for FY22) People and Culture – 10% (new for FY22) <p>These changes reflect a set of measures that will more accurately track the progress made, and value delivered to shareholders, on a range of key strategic initiatives and long-term programs of work.</p>

LTI Measures	The Board has also approved changes to the way in which the level of vesting will be calculated for:								
	Reserve growth per share								
	Reserve Growth per Share will be broadened to include assets that are both managed and unmanaged by IGO to reflect the up and downstream focus of the business and the changing nature of the assets within the IGO portfolio that unlock value for shareholders. The level of vesting will also be simplified to include a straight-line pro-rata vesting schedule over the achievement of 100% of baseline ore reserves.								
	Reserve Growth per Share is defined as IGO share of ore reserve growth (managed and unmanaged) in excess of depletion over the time period per share.								
	<table border="1"> <thead> <tr> <th>Growth in Ore Reserves per share performance</th> <th>Level of vesting</th> </tr> </thead> <tbody> <tr> <td>Less than 100% of Baseline Ore Reserves</td> <td>0%</td> </tr> <tr> <td>Above 100% of Baseline Ore Reserves</td> <td>Straight-line pro-rata between 33% and 100%</td> </tr> <tr> <td>110% and above Baseline Ore Reserves</td> <td>100%</td> </tr> </tbody> </table>	Growth in Ore Reserves per share performance	Level of vesting	Less than 100% of Baseline Ore Reserves	0%	Above 100% of Baseline Ore Reserves	Straight-line pro-rata between 33% and 100%	110% and above Baseline Ore Reserves	100%
Growth in Ore Reserves per share performance	Level of vesting								
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Above 100% of Baseline Ore Reserves	Straight-line pro-rata between 33% and 100%								
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EBITDA average margin	The vesting schedule will change to a straight-line vesting schedule to provide a simpler and fairer assessment of the actual value created for shareholders over the performance period.								
	<table border="1"> <thead> <tr> <th>Group EBITDA Margin</th> <th>Level of vesting</th> </tr> </thead> <tbody> <tr> <td><20%</td> <td>0%</td> </tr> <tr> <td>Above 20% per annum and below 40% per annum return</td> <td>Pro-rata straight line percentage between 33% and 100%</td> </tr> <tr> <td>≥ 40%</td> <td>100%</td> </tr> </tbody> </table>	Group EBITDA Margin	Level of vesting	<20%	0%	Above 20% per annum and below 40% per annum return	Pro-rata straight line percentage between 33% and 100%	≥ 40%	100%
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Above 20% per annum and below 40% per annum return	Pro-rata straight line percentage between 33% and 100%								
≥ 40%	100%								
	The Board will also seek approval from shareholders at the 2021 AGM to make the changes noted above retrospectively for the Reserve Growth per Share and EBITDA Average Margin for the assessment of the FY19 and FY20 Performance Rights series for all participants of the program, including the Managing Director and CEO, Peter Bradford.								
Board Remuneration	Following an extensive benchmarking process in FY21, the Board has approved changes to the Board fees for FY22. In FY22, the Board Chair fee will increase from \$250,000 to \$260,000 and the Non-executive Director fees will increase from \$120,000 to \$140,000. Committee chair fees will also increase from \$20,000 to \$25,000.								
Retention	Retention of employees across the business, including Executive KMP, is of critical importance to the achievement of IGO's strategic priorities. As such, key programs of work will continue in FY22 to focus sourcing and engagement strategies on recruitment and retention of local talent.								
Remuneration Review FY22	Prior to the FY23 recommendations for CEO and Executive KMP remuneration, a further analysis will be commissioned from a global remuneration specialist to provide the People & Performance Committee with additional information to align IGO Executive KMP remuneration to relevant global peers for FY23 and beyond.								

The following table reflects remuneration changes available to Executive KMP for FY22, effective 1 July 2022:

Executive KMP	Position	Total Remuneration FY22			Total Remuneration FY21		
		TFR \$	STI %	LTI %	TFR \$	STI %	LTI %
Peter Bradford	Managing Director & CEO	1,000,000	100	100	870,000	100	100
Kate Barker ¹	General Counsel and Head of Risk & Compliance	450,000	50	50	400,000	50	50
Matt Dusci	Chief Operating Officer	700,000	80	80	630,000	80	80
Andrew Eddowes	Head of Corporate Development	400,000	50	50	380,000	50	50
Joanne McDonald	Company Secretary and Head of Corporate Affairs	400,000	50	50	350,000	50	50
Sam Retallack	Head of People & Culture	400,000	50	50	370,000	50	50
Scott Steinkrug	Chief Financial Officer	525,000	50	80	460,000	50	80

1. The Board approved an increase in Ms Barker's TFR from \$350,000 to \$400,000 effective 1 July 2020, to reflect the broadened nature of her role.

Note: Due to an internal restructure Mr Sandl ceased to be an Executive KMP on 30 June 2021.

SECTION 6. STATUTORY REMUNERATION DISCLOSURES

EXECUTIVE KMP CONTRACTS

Remuneration and other terms of employment for Executive KMP are formalised in service agreements. The service agreements specify the components of remuneration, benefits and notice periods. Participation in the STI and LTI plans is subject to the Board's discretion. Other major provisions of the agreements relating to remuneration are set out below.

Executive KMP	Position	Term of Agreement	Base Salary including Superannuation at 1 July 2022	Notice Period	Termination Benefit
Peter Bradford	Managing Director & CEO	No fixed term	1,000,000	6 months	6 months ¹
Kate Barker	General Counsel and Head of Risk & Compliance	No fixed term	450,000	3 months	6 months
Matt Dusci	Chief Operating Officer	No fixed term	700,000	3 months	6 months
Andrew Eddowes	Head of Corporate Development	No fixed term	400,000	3 months	6 months
Joanne McDonald	Company Secretary and Head of Corporate Affairs	No fixed term	400,000	3 months	6 months
Sam Retallack	Head of People & Culture	No fixed term	400,000	3 months	6 months
Scott Steinkrug	Chief Financial Officer	No fixed term	525,000	3 months	6 months

1. In addition to the above, Mr Bradford is entitled to a maximum termination benefit payable of up to 12 months of average annual base salary should the Company terminate the employment contract without cause, but only if such payment would not breach ASX Listing Rules. A termination benefit of three month's remuneration is payable to Mr Bradford should the Company terminate the employment contract due to illness, injury or incapacity.

(I) Remuneration expenses for Executive KMP

The following table shows the value of earnings realised by Executive KMP during FY21. The value of earnings realised includes cash salary, superannuation and cash bonuses earned during the year, plus the intrinsic value of service rights and performance rights vested during the financial year.

This is in addition and different to the disclosures required by the Corporations Act and Accounting Standards, particularly in relation to share rights. As a general principle, the Accounting Standards require a value to be placed on share rights based on probabilistic calculations at the time of grant, which may be reflected in the Remuneration Report even if ultimately the share rights do not vest because performance or service hurdles are not met. By contrast, this table discloses the intrinsic value of share rights, which represents only those share rights which actually vest and result in shares issued to an Executive KMP. The intrinsic value is the Company's closing share price on the date of vesting.

Remuneration received during the period

Executive KMP	TFR \$ Value ¹	STI Cash Component \$ Value ²	Discretionary Cash Bonus \$ Value	Vested Service Rights Component \$ Value	Vested Performance Rights Component \$ Value	Total Actual Remuneration \$ Value
Peter Bradford	870,000	435,000	300,000	184,433	1,011,279	2,800,712
Keith Ashby ³	334,163	-	-	39,508	201,109	574,780
Kate Barker	400,000	100,000	185,000	34,996	65,874	785,870
Matt Dusci	630,000	252,000	120,000	81,893	459,675	1,543,568
Andrew Eddowes	380,000	92,150	160,000	41,150	83,927	757,227
Joanne McDonald	350,000	85,750	50,000	35,163	67,575	588,488
Sam Retallack	370,000	90,650	50,000	39,127	201,109	750,886
Ian Sandl	400,000	94,000	-	37,861	84,121	615,982
Scott Steinkrug	460,000	115,000	185,000	71,083	413,705	1,244,788

1. Includes base salary and superannuation.

2. Represents the amounts to be paid in August 2021 for performance in FY21.

3. Mr Ashby resigned effective 27 November 2020. TFR amount includes amounts paid on termination but excludes pay out of annual leave balances.

The following table shows details of the remuneration expense recognised for the Group's KMP for the current and previous financial year measured in accordance with the requirements of the Accounting Standards.

Executive KMP	Year	Cash salary ¹	Cash bonus ²	Super-annuation	Long service leave ³	Share rights ⁴	Total	Performance Related
		\$	\$	\$	\$	\$	\$	%
Executive Directors								
Peter Bradford	2021	871,240	735,000	25,000	34,478	892,073	2,557,791	64
	2020	856,309	317,500	25,000	37,619	895,207	2,131,635	57
Other Executive KMP								
Keith Ashby ⁵	2021	345,180	-	17,309	(36,099)	90,350	416,740	22
	2020	354,117	65,000	25,000	11,302	180,150	635,569	39
Kate Barker	2021	387,543	285,000	25,000	18,313	187,878	903,734	52
	2020	328,493	64,500	25,000	9,673	141,763	569,429	36
Matt Dusci	2021	609,826	372,000	25,000	24,905	485,779	1,517,510	57
	2020	617,429	186,500	25,000	28,183	413,922	1,271,034	47
Andrew Eddowes	2021	371,486	252,150	25,000	8,898	199,849	857,383	53
	2020	351,893	69,500	25,000	11,949	159,658	618,000	37
Joanne McDonald	2021	336,345	135,750	25,000	11,547	183,256	691,898	46
	2020	320,401	63,500	25,000	9,280	142,239	560,420	37
Sam Retallack	2021	365,000	140,650	25,000	8,652	194,687	733,989	46
	2020	350,609	68,500	25,000	10,399	179,887	634,395	39
Ian Sandl	2021	377,995	94,000	25,000	10,544	203,767	711,306	42
	2020	367,261	69,000	25,000	7,061	157,382	625,704	36
Scott Steinkrug	2021	440,977	300,000	25,000	10,907	345,069	1,121,953	57
	2020	451,409	85,000	25,000	12,984	344,649	919,042	47
Total Executive Directors and other Executive KMP's	2021	4,105,592	2,314,550	217,309	92,145	2,782,708	9,512,304	
	2020	3,997,921	989,000	225,000	138,450	2,614,857	7,965,228	
Total NED remuneration (see page 60)	2021	905,020	-	79,328	-	-	984,348	
	2020	864,248	-	80,561	-	-	944,809	
Total KMP remuneration	2021	5,010,612	2,314,550	296,637	92,145	2,782,708	10,496,652	
	2020	4,862,169	989,000	305,561	138,450	2,614,857	8,910,037	

1. Cash salary and fees includes movements in annual leave provision during the year.

2. Cash bonus represents bonuses that were awarded to each Executive KMP in relation to FY21 performance and will be paid in August 2021 (2020: Related to FY20 and paid in August 2020).

3. Long service leave relates to movements in long service leave provision during the year.

4. Rights to shares granted under the EIP are expensed over the performance period, which includes the vesting period of the rights, in accordance with AASB 2 *Share-based Payment*. Refer to note 28 for details of the valuation techniques used for the EIP.

5. Mr Ashby resigned effective 27 November 2020. An amount of \$58,693 accrued for annual leave was paid out on termination, this amount has been offset against the movement in the provision for FY21.

ADDITIONAL STATUTORY INFORMATION

(II) Performance based remuneration granted and forfeited during the year

The table below shows for each Executive KMP how much of their STI cash bonus and service rights were awarded and how much was forfeited. It also shows the value of performance rights that were granted, vested and forfeited during FY21. The number of performance rights and percentages vested/forfeited for each grant are disclosed in the table on page 68.

Executive KMP	STI bonus (cash)				STI (service rights)				LTI (performance rights)		
	Total opportunity \$	Awarded ¹ \$	Awarded %	Forfeited %	Total opportunity \$	Awarded ² \$	Awarded %	Forfeited %	Value granted ³ \$	Value vested ⁴ \$	Value forfeited ⁴ \$
Peter Bradford	435,000	435,000	100	-	435,000	435,000	100	-	626,115	713,536	123,751
Keith Ashby ⁵	-	-	-	-	-	-	-	-	-	103,286	17,913
Kate Barker	100,000	100,000	100	-	100,000	100,000	100	-	115,132	33,832	5,689
Matt Dusci	252,000	252,000	100	-	252,000	252,000	100	-	290,137	236,082	40,944
Andrew Eddowes	95,000	92,150	97	3	95,000	92,150	97	3	109,375	43,104	7,476
Joanne McDonald	87,500	85,750	98	2	87,500	85,750	98	2	100,740	34,705	6,019
Sam Retallack	92,500	90,650	98	2	92,500	90,650	98	2	106,498	103,286	17,913
Ian Sandl	100,000	94,000	94	6	100,000	94,000	94	6	115,132	43,203	7,493
Scott Steinkrug	115,000	115,000	100	-	115,000	115,000	100	-	211,844	212,472	36,850

- To be paid in August 2021.
- Service rights will be issued in September 2021 based on the 5-day VWAP following the release of IGO's 2021 Financial Statements. The service rights will vest in equal parts in September 2022 and September 2023.
- The value at grant date for performance rights granted during the year as part of remuneration is calculated in accordance with AASB 2 *Share-based Payment*. Refer to note 28 for details of the valuation techniques used for the EIP.
- The value of performance rights vested and forfeited is based on the value of the performance rights at grant date.
- Mr Ashby resigned effective 27 November 2020, therefore was not entitled to FY21 STI cash, STI service rights or STI performance rights.

(III) Terms and conditions of the share-based payment arrangements

Performance rights under the Company's EIP

Performance rights under the Company's EIP are granted annually. The performance rights vest after three years from the start of the financial year, subject to meeting certain performance conditions. On vesting, each performance right automatically converts into one ordinary share. The Executive KMP do not receive any dividends and are not entitled to vote in relation to the performance rights during the vesting period. If an Executive KMP ceases employment before the performance rights vest, the performance rights will be forfeited, except in certain circumstances that are approved by the Board.

The value at grant date for performance rights granted during the year as part of remuneration is calculated in accordance with AASB 2 *Share-based Payment*. Refer to note 28 for details of the valuation techniques used for the EIP.

Grant date	Vesting date	Grant date value \$	Performance achieved	Vested %
18 November 2020	1 July 2023	3.43	To be determined	n/a
2 October 2020	1 July 2023	2.74	To be determined	n/a
20 November 2019	1 July 2022	4.45	To be determined	n/a
14 October 2019	1 July 2022	4.65	To be determined	n/a
20 November 2018	1 July 2021	2.17	To be determined ²	n/a
28 September 2018	1 July 2021	2.81	To be determined ²	n/a
24 November 2017	1 July 2020	3.14	Refer 1 below	85.2
29 September 2017	1 July 2020	2.29	Refer 1 below	85.2

- The relative and absolute TSR performance conditions of the share rights granted in FY18 resulted in the Company achieving a TSR of 56.0% for the period 1 July 2017 to 30 June 2020, resulting in the vesting of 72.6% of performance rights subject to relative TSR testing and 97.9% of performance rights subject to absolute TSR testing (with 50% allocation to both relative and absolute TSR). This resulted in an overall vesting of 85.2% of the FY18 Series Performance Rights, with the balance of the performance rights lapsing and subsequently cancelled.
- The relative and absolute TSR performance conditions of the share rights granted in FY19 (which were due to vest on 1 July 2021) were tested post 30 June 2021. The Company achieved a TSR of 52.0% for the period 1 July 2018 to 30 June 2021, resulting in the vesting of 78.0% of performance rights subject to relative TSR testing and 82.2% of performance rights subject to absolute TSR testing (with 50% allocation to both relative and absolute TSR). This resulted in an overall vesting of 80.1% of the FY19 Series Performance Rights, with the balance of the performance rights lapsing and subsequently cancelled. This will be accounted for in the FY22 Remuneration Report.

Service rights under the Company's EIP

Service rights issued under the Company's EIP are granted following the determination of the final STI performance result for the performance year. The service rights component of the STI vest in two tranches, with the first tranche of 50% vesting on the 12 month anniversary of the award date, and the second tranche of 50% vesting on the 24 month anniversary of the award date. The Executive KMP do not receive any dividends and are not entitled to vote in relation to the service rights during the vesting period. If an Executive KMP ceases employment before the service rights vest, the service rights will be forfeited, except in limited circumstances that are approved by the Board on a case-by-case basis.

The fair value of the service rights is determined based on the 5-day VWAP of the Company's shares after release of IGO's annual financial statements.

Grant date	Vesting %	Vesting date	Grant date value \$
2 October 2020	50	1 September 2021	4.46
	50	1 September 2022	4.46
14 October 2019	50	1 September 2020	5.88
	50	1 September 2021	5.88
5 October 2018	50	2 September 2019	4.21
	50	1 September 2020	4.21
9 October 2017	50	3 September 2018	3.51
	50	2 September 2019	3.51

(IV) Reconciliation of performance rights, service rights and ordinary shares held by Executive KMP

Performance rights

The table below shows the number of performance rights that were granted, vested and forfeited during the year.

Executive KMP	Financial year granted	Balance at start of the year	Granted during the year	Vested during the year		Forfeited during the year		Balance at the end of the year (unvested)	Maximum value yet to vest
		Number	Number	Number	%	Number	%	Number	\$
Peter Bradford	2021	-	182,773 ¹	-	-	-	-	182,773	417,791
	2020	162,617	-	-	-	-	-	162,617	241,418
	2019	218,475	-	-	-	-	-	218,475	-
	2018	266,667	-	227,254	85.2	39,413	14.8	-	-
Keith Ashby ²	2020	34,579	-	-	-	18,299	-	16,280	-
	2019	45,727	-	-	-	8,970	-	36,757	-
	2018	53,031	-	45,193	85.2	7,838	14.8	-	-
Kate Barker	2021	-	42,016	-	-	-	-	42,016	82,804
	2020	32,710	-	-	-	-	-	32,710	54,889
	2019	43,187	-	-	-	-	-	43,187	-
	2018	17,371	-	14,803	85.2	2,568	14.8	-	-
Matt Dusci	2021	-	105,882	-	-	-	-	105,882	208,670
	2020	83,738	-	-	-	-	-	83,738	140,516
	2019	110,161	-	-	-	-	-	110,161	-
	2018	121,213	-	103,298	85.2	17,915	14.8	-	-
Andrew Eddowes	2021	-	39,915	-	-	-	-	39,915	78,664
	2020	35,514	-	-	-	-	-	35,514	59,594
	2019	47,251	-	-	-	-	-	47,251	-
	2018	22,131	-	18,860	85.2	3,271	14.8	-	-
Joanne McDonald	2021	-	36,764	-	-	-	-	36,764	72,454
	2020	32,710	-	-	-	-	-	32,710	54,889
	2019	43,187	-	-	-	-	-	43,187	-
	2018	17,819	-	15,185	85.2	2,634	14.8	-	-
Sam Retallack	2021	-	38,865	-	-	-	-	38,865	76,594
	2020	34,579	-	-	-	-	-	34,579	58,025
	2019	45,727	-	-	-	-	-	45,727	-
	2018	53,031	-	45,193	85.2	7,838	14.8	-	-
Ian Sandl	2021	-	42,016	-	-	-	-	42,016	82,804
	2020	37,383	-	-	-	-	-	37,383	62,760
	2019	46,997	-	-	-	-	-	46,997	-
	2018	22,182	-	18,904	85.2	3,278	14.8	-	-
Scott Steinkrug	2021	-	77,310	-	-	-	-	77,310	152,361
	2020	68,785	-	-	-	-	-	68,785	115,424
	2019	83,140	-	-	-	-	-	83,140	-
	2018	109,091	-	92,967	85.2	16,124	14.8	-	-

- The issue of performance rights to Mr Bradford was approved at the Company's AGM on 18 November 2020 in accordance with ASX Listing Rule 10.14.
- Following Mr Ashby's resignation on 27 November 2020, the Board resolved to allocate the share rights previously granted to him on a period of service pro-rata basis in the relevant performance period. This resulted in the cancellation of 27,269 share rights previously granted to Mr Ashby.

Service rights

The table below shows the number of service rights that were granted, vested and forfeited during the year.

Executive KMP	Financial year granted	Balance at start of the year	Granted during the year	Vested during the year ¹		Forfeited during the year		Balance at end of the year		Maximum value yet to vest
		Number	Number	Number	%	Number	%	Vested and exercisable ²	Unvested	\$
Peter Bradford	2021	-	71,188 ³	-	-	-	-	-	71,188	128,290
	2020	40,986	-	20,493	50	-	-	20,493	20,493	10,875
	2019	21,615	-	21,615	100	-	-	43,230	-	-
	2018	-	-	-	-	-	-	49,858	-	-
Keith Ashby ⁴	2021	-	14,574	-	-	-	-	-	14,574	-
	2020	8,759	-	4,379	-	-	-	-	4,379	-
	2019	4,641	-	4,641	50	-	-	-	-	-
Kate Barker	2021	-	14,461	-	-	-	-	-	14,461	26,061
	2020	8,333	-	4,166	50	-	-	4,166	4,167	2,211
	2019	3,824	-	3,824	100	-	-	7,648	-	-
	2018	-	-	-	-	-	-	9,509	-	-
Matt Dusci	2021	-	41,816	-	-	-	-	-	41,816	75,358
	2020	18,452	-	9,226	50	-	-	9,226	9,226	4,896
	2019	9,471	-	9,471	100	-	-	18,942	-	-
	2018	-	-	-	-	-	-	19,801	-	-
Andrew Eddowes	2021	-	15,583	-	-	-	-	-	15,583	28,803
	2020	9,014	-	4,507	50	-	-	4,507	4,507	2,392
	2019	4,888	-	4,888	100	-	-	-	-	-
Joanne McDonald	2021	-	14,237	-	-	-	-	-	14,237	25,657
	2020	8,333	-	4,166	50	-	-	-	4,167	2,211
	2019	3,862	-	3,862	100	-	-	-	-	-
Sam Retallack	2021	-	15,358	-	-	-	-	-	15,358	27,677
	2020	8,759	-	4,379	50	-	-	4,379	4,380	2,324
	2019	4,554	-	4,554	100	-	-	9,107	-	-
	2018	-	-	-	-	-	-	10,542	-	-
Ian Sandl	2021	-	15,470	-	-	-	-	-	15,470	27,879
	2020	9,014	-	4,507	50	-	-	-	4,507	2,392
	2019	4,137	-	4,137	100	-	-	-	-	-
Scott Steinkrug	2021	-	19,058	-	-	-	-	-	19,058	34,345
	2020	15,731	-	7,865	50	-	-	-	7,866	4,174
	2019	8,364	-	8,364	100	-	-	-	-	-

1. Vesting of the FY20 service rights represents the first tranche of 50% vesting on the 12 month anniversary of the award date and vesting of the FY19 service rights represents the second tranche of 50% vesting on the 24 month anniversary of the award date.

2. Service rights have vested due to service condition being achieved and, subject to being exercised, will convert into ordinary shares.

3. The issue of service rights to Mr Bradford was approved at the Company's AGM on 18 November 2020 in accordance with ASX Listing Rule 10.14.

4. Following Mr Ashby's resignation on 27 November 2020, the Board resolved to allocate the service rights previously granted to him in accordance with the vesting dates of the service rights issued.

Directors' Report — Remuneration report

30 June 2021

Shareholdings of KMP

The number of ordinary shares in the Company held by each Director and other Executive KMP, including their personally related entities, are set out below.

Name	Balance at the start of the year	Received during the year on vesting or exercise of service rights	Other changes during the period	Balance at the end of the year
Directors				
Debra Bakker	21,687	-	9,113	30,800
Peter Bilbe	40,000	-	7,059	47,059
Kathleen Bozanic	11,780	-	2,079	13,859
Peter Bradford	646,000	227,254	271,756	1,145,010
Peter Buck	22,200	-	3,918	26,118
Michael Nossal	-	-	40,000	40,000
Keith Spence	22,125	-	2,603	24,728
Neil Warburton	106,034	-	(106,034)	-
Xiaoping Yang	-	-	14,200	14,200
Executive KMP				
Keith Ashby	20,339	54,213	(74,552)	-
Kate Barker	4,115	14,803	3,339	22,257
Matt Dusci	41,360	103,298	21,730	166,388
Andrew Eddowes	111,083	28,635	11,047	150,765
Joanne McDonald	-	23,213	4,099	27,312
Sam Retallack	29,662	45,193	6,522	81,377
Ian Sandl	2,503	31,684	3,779	37,966
Scott Steinkrug	74,411	126,962	(93,308)	108,065
Total	1,153,299	655,255	127,350	1,935,904

Whilst IGO does not have a formal policy stating a minimum shareholding in IGO shares for Non-executive Directors and Executive KMP, guidelines on this subject have been adopted. These guidelines state, that in order to achieve a greater alignment with shareholder interests, Non-executive Directors and KMP are encouraged to hold shares in the Company. IGO is committed to achieving greater diversity throughout the business and this includes the membership of the Board and Executive KMP. To this end, the Board acknowledges that each current or future Non-executive Director and Executive KMP may have different personal circumstances.

Accordingly, Non-executive Directors are encouraged to acquire and hold IGO shares to the equivalent value of one years of director fees within a reasonable period of time that suits their personal circumstances.

Similarly, Executive KMP are encouraged to acquire and hold IGO shares over a reasonable time period, noting that the number of shares and the time period will be in accordance with each Executive KMP's personal circumstances.

(V) Other transactions with Executive KMP

During the current financial year, there were no other transactions with Executive KMP or their related parties.

(VI) Voting of shareholders at last year's annual general meeting

IGO Limited received more than 99% of "yes" votes on its Remuneration Report for the 2020 financial year. The Company sought feedback throughout the year on its remuneration practices through communications with key shareholders and proxy advisors. This feedback included advice on continuing to provide the current level of transparency within the Remuneration Report and ensure remuneration across the business reflects the strategic direction of the Company.

END OF AUDITED REMUNERATION REPORT

SHARES UNDER OPTION

At the reporting date, there were no unissued ordinary shares under options, nor were there any ordinary shares issued during the year ended 30 June 2021 on the exercise of options.

INSURANCE OF OFFICERS AND INDEMNITIES

During the financial year, the Company paid an insurance premium in respect of a contract insuring the Directors and executive officers of the Company and of any related body corporate against a liability incurred as such a Director or executive officer to the extent permitted by the Corporations Law. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, indemnified or agreed to indemnify any officer of the Company or of any related body corporate against a liability incurred by such an officer.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

The Company was not a party to any such proceedings during the year.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

Details of the amounts paid or payable to the auditor (BDO Audit (WA) Pty Ltd) for non-audit services provided during the year are set out below.

The Directors are satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the *Corporations Act 2001* nor the principles set out in APES110 Code of Ethics for Professional Accountants.

During the period the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2021 \$	2020 \$
Other services		
BDO Audit (WA) Pty Ltd firm:		
Other services in relation to the entity and any other entity in the consolidated Group	103,938 ¹	45,500
Total remuneration for non-audit services	103,938	45,500

1. Other services relate to review of the 2020 Sustainability Report and Corporate Advisory services relating to the acquisition of Tianqi and divestment of Tropicana.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 72.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in ASIC Corporation Legislative Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Legislative Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of Directors.



PETER BRADFORD

MANAGING DIRECTOR & CEO

Perth, Western Australia

Dated this 30th day of August 2021



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DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF IGO LIMITED

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

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of IGO Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to be 'P. Murdoch', written over a horizontal line.

Phillip Murdoch

Director

Financial Report

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Consolidated Statement of Profit or Loss And Other Comprehensive Income
For The Year Ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
Revenue from continuing operations	2	671,739	598,852
Other income	3	3,666	3,567
Mining, development and processing costs		(149,645)	(159,916)
Employee benefits expense		(51,474)	(46,786)
Share-based payments expense		(4,917)	(4,489)
Fair value movement of financial investments		9,958	33,207
Depreciation and amortisation expense		(175,621)	(171,199)
Exploration and evaluation expense		(61,495)	(69,605)
Royalty expense		(29,532)	(26,925)
Shipping and wharfage costs		(16,311)	(17,624)
Borrowing and finance costs		(26,448)	(4,235)
Impairment of exploration and evaluation expenditure	16	-	(1,018)
Acquisition and transaction costs		(4,550)	-
Other expenses		(8,783)	(12,599)
Profit before income tax		156,587	121,230
Income tax expense	5	(39,821)	(34,923)
Profit from continuing operations		116,766	86,307
Profit from discontinued operation	23	431,895	68,786
Profit after income tax for the period		548,661	155,093
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Effective portion of changes in fair value of cash flow hedges, net of tax		1,682	(95)
Exchange differences on translation of foreign operations		15	(26)
Other comprehensive profit/(loss) for the period, net of tax		1,697	(121)
Total comprehensive income for the period		550,358	154,972
Profit for the period attributable to the members of IGO Limited		548,661	155,093
Total comprehensive income for the period attributable to the members of IGO Limited		550,358	154,972

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

Consolidated Statement of Profit or Loss And Other Comprehensive Income
For The Year Ended 30 June 2021

		Cents	Cents
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company:			
Basic earnings per share	6	17.21	14.61
Diluted earnings per share	6	17.13	14.54
Earnings per share for profit from discontinued operations to the ordinary equity holders of the Company:			
Basic earnings per share	6	63.65	11.64
Diluted earnings per share	6	63.38	11.59
Earnings per share for profit attributable to the ordinary equity holders of the Company:			
Basic earnings per share	6	80.86	26.25
Diluted earnings per share	6	80.51	26.13

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

Consolidated Balance Sheet
For The Year Ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	7	528,514	510,312
Trade and other receivables	8	82,375	69,069
Inventories	9	34,013	75,670
Financial assets at fair value through profit or loss	10	110,944	107,759
Derivative financial instruments	21	2,751	64
Total current assets		758,597	762,874
Non-current assets			
Investments accounted for using the equity method	25	1,855,939	-
Inventories	9	-	67,911
Property, plant and equipment	13	34,134	48,580
Right-of-use assets	14	24,711	38,996
Mine properties	15	804,103	1,159,621
Exploration and evaluation expenditure	16	100,527	95,030
Deferred tax assets	5	30,721	119,734
Derivative financial instruments	21	-	284
Total non-current assets		2,850,135	1,530,156
TOTAL ASSETS		3,608,732	2,293,030
LIABILITIES			
Current liabilities			
Trade and other payables	11	47,286	53,013
Borrowings	17	-	56,937
Lease liabilities	14	4,421	6,235
Current tax liabilities		171,952	-
Provisions	12	8,721	7,058
Total current liabilities		232,380	123,243
Non-current liabilities			
Lease liabilities	14	20,627	33,550
Provisions	12	47,292	68,641
Deferred tax liabilities	5	108,556	141,787
Total non-current liabilities		176,475	243,978
TOTAL LIABILITIES		408,855	367,221
NET ASSETS		3,199,877	1,925,809
EQUITY			
Contributed equity	18	2,648,574	1,897,126
Reserves	19(a)	505,544	18,874
Retained earnings	19(b)	45,759	9,809
TOTAL EQUITY		3,199,877	1,925,809

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity
For The Year Ended 30 June 2021

	Contributed equity \$'000	Retained earnings \$'000	Other reserves \$'000	Total equity \$'000
Balance at 1 July 2019	1,895,855	(62,572)	15,777	1,849,060
Profit for the period	-	155,093	-	155,093
Other comprehensive income				
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	(95)	(95)
Currency translation differences - current period	-	-	(26)	(26)
Total comprehensive income for the period	-	155,093	(121)	154,972
Transactions with owners in their capacity as owners:				
Dividends paid	-	(82,712)	-	(82,712)
Share-based payments expense	-	-	4,489	4,489
Issue of shares - Employee Incentive Plan	1,271	-	(1,271)	-
Balance at 30 June 2020	1,897,126	9,809	18,874	1,925,809
	Contributed equity \$'000	Retained earnings \$'000	Other reserves \$'000	Total equity \$'000
Balance at 1 July 2020	1,897,126	9,809	18,874	1,925,809
Profit for the period	-	548,661	-	548,661
Other comprehensive income				
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	1,682	1,682
Currency translation differences - current period	-	-	63	63
Reclassification to profit or loss on disposal of foreign subsidiary	-	-	(48)	(48)
Total comprehensive income for the period	-	548,661	1,697	550,358
Transfer of current year profits	-	(483,171)	483,171	-
Transactions with owners in their capacity as owners:				
Acquisition of treasury shares	(5,764)	-	-	(5,764)
Dividends paid	-	(29,540)	-	(29,540)
Share-based payments expense	-	-	4,917	4,917
Issue of shares - Employee Incentive Plan	3,115	-	(3,115)	-
Share placement and institutional entitlement offer	765,766	-	-	765,766
Costs associated with share placement (net of tax)	(11,669)	-	-	(11,669)
Balance at 30 June 2021	2,648,574	45,759	505,544	3,199,877

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 2020

	Notes	2021 \$'000	2020 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		918,878	888,888
Payments to suppliers and employees (inclusive of GST)		(397,913)	(422,782)
		520,965	466,106
<hr/>			
Interest and other costs of finance paid		(8,672)	(3,279)
Interest received		2,432	5,284
Acquisition and transaction costs		(4,864)	-
Payments for exploration and evaluation		(63,809)	(70,594)
Net cash inflow from operating activities	7(a)	446,052	397,517
<hr/>			
Cash flows from investing activities			
Payments for property, plant and equipment		(14,211)	(17,052)
Payment for rehabilitation expenditure		(59)	(278)
Proceeds from sale of property, plant and equipment		70	1,600
Proceeds from sale of financial assets		27,227	9,866
Payments for development expenditure		(71,895)	(67,508)
Payments for purchase of listed investments		(20,498)	(54,921)
Payments for capitalised exploration and evaluation expenditure		(8,606)	(3,111)
Payments for acquisition of Tianqi		(1,855,409)	-
Proceeds on sale of Tropicana Joint Venture		862,349	-
Deferred proceeds on sale of Jaguar Operation		16,060	16,060
Net cash (outflow) from investing activities		(1,064,972)	(115,344)
<hr/>			
Cash flows from financing activities			
Proceeds from issues of shares		765,766	-
Share issue transaction costs		(16,669)	-
Transaction costs associated with borrowings		(17,519)	-
Repayment of borrowings	17	(57,145)	(28,571)
Principal element of lease payments		(6,132)	(5,676)
Payment of dividends	20	(29,540)	(82,712)
Payments for shares acquired by the IGO Employee Trust		(5,764)	-
Net cash inflow (outflow) from financing activities		632,997	(116,959)
<hr/>			
Net increase in cash and cash equivalents		14,077	165,214
Cash and cash equivalents at the beginning of the period		510,312	348,208
Effects of exchange rate changes on cash and cash equivalents		4,125	(3,110)
Cash and cash equivalents at the end of the period	7	528,514	510,312

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

About this report

IGO Limited is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and principal activities of the Group are described in the directors' report.

The financial report of IGO Limited (the Company) and its subsidiaries (collectively, the Group) for the year ended 30 June 2021 was authorised for issue in accordance with a resolution of the Directors on 30 August 2021.

Basis of preparation

This financial report is a general purpose financial report, prepared by a for-profit entity, which:

- Has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB);
- Has been prepared on a historical cost basis, as modified by the revaluation of financial assets and liabilities (including derivative instruments) at fair value through profit or loss and certain classes of property, plant and equipment;
- Is presented in Australian dollars with values rounded to the nearest thousand dollars or in certain cases, the nearest dollar, in accordance with the Australian Securities and Investments Commission 'ASIC Corporation Legislative Instrument 2016/191';
- Presents comparative information where required for consistency with the current year's presentation; and
- Adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Group and effective for reporting periods beginning on or after 1 July 2020 as disclosed in note 33.

Key estimates and judgements

In the process of applying the Group's accounting policies, management has made a number of judgements and applied estimates of future events. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in the following notes:

Note 2	Revenue
Note 5	Income tax
Note 8	Trade and other receivables
Note 9	Inventories
Note 12	Provisions
Note 13	Property, plant and equipment
Note 14	Leases
Note 15	Mine properties
Note 16	Exploration and evaluation expenditure
Note 28	Share-based payments

Coronavirus (COVID-19) pandemic

The COVID-19 pandemic continues to pose a global socio-political, economic and health risk, and the potential for the pandemic to have both lasting and unforeseen impacts is high. Measures taken by various governments to contain the virus have affected economic activity. We have taken a number of measures to monitor and mitigate the effects of COVID-19, such as safety and health measures for our people and securing the supply of materials that are essential to our production process.

At this stage, the impact on our business and results has not been significant and, based on our experience to date, we expect this to remain the case. We will continue to follow the various government policies and advice and, in parallel, we will do our utmost to continue our operations in the best and safest way possible without jeopardising the health of our people.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group. A list of controlled entities (subsidiaries) at year end is contained in note 24.

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

In preparing the consolidated financial statements, all inter-company balances and transactions, income and expenses and profit or losses resulting from intra-Group transactions have been eliminated. Subsidiaries are consolidated from the date on which control is obtained to the date on which control is disposed. The acquisition of subsidiaries is accounted for using the acquisition method of accounting.

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Financial Performance

This section of the notes includes segment information and provides further information on key line items relevant to financial performance that the Directors consider most relevant, including accounting policies, key judgements and estimates relevant to understanding these items.

1 Segment information

(a) Identification of reportable segments

Management has determined the operating segments based on the reports reviewed by the Board that are used to make strategic decisions. The Group operates predominantly in only one geographic segment (Australia). During the year, the following segments were in operation: The Nova Operation, Lithium Operations, the Tropicana Operation and Growth, which comprises Regional Exploration Activities and Project Evaluation.

The Nova Operation produces nickel and copper concentrates. Revenue is derived primarily from the sale of these concentrates containing nickel, copper and cobalt to multiple customers. The General Manager of the Nova Operation is responsible for the budgets and expenditure of the Operation. The Nova Operation and exploration properties are owned by the Group's wholly owned subsidiary IGO Nova Pty Ltd.

The Lithium Operations represent the Group's 49% share in the Lithium joint venture (JV) with Tianqi Lithium Corporation (Tianqi) over its Australian lithium assets. The JV focus is on the existing upstream and downstream lithium assets located in Western Australia, whereby the Group has an indirect 24.99% interest in the Greenbushes Lithium Mine (a JV with global lithium company Albemarle Corporation who hold 49%) and a 49% interest in the owned and operated Kwinana Lithium Hydroxide Refinery. The transaction completed on 30 June 2021 and therefore there is no impact on segment operating profit/(loss) for the current year. The investment is equity accounted by the Group.

The Tropicana Operation represented the Group's 30% joint venture interest in the Tropicana Gold Mine. AngloGold Ashanti Australia Limited (AngloGold Ashanti) were the manager of the Operation and held the remaining 70% interest. The Tropicana Operation was sold effective 31 May 2021.

The Group's General Manager - Exploration is responsible for budgets and expenditure relating to the Group's regional exploration, scoping studies and feasibility studies, and the Head of Corporate Development is responsible for budgets and expenditure relating to new business development. The Growth division does not normally derive any income. Should a project generated by the Growth division commence generating income or lead to the construction or acquisition of a mining operation, that operation would then be disaggregated from the Growth division and become reportable in a separate segment.

Notes to The Consolidated Financial Statements
30 June 2021

1 Segment information (continued)

(b) Segment results

Year ended 30 June 2021	Nova Operation \$'000	Lithium Operations \$'000	Tropicana Operation (Discontinued) \$'000	Growth \$'000	Total \$'000
Nickel revenue	472,856	-	-	-	472,856
Gold revenue	-	-	241,912	-	241,912
Copper revenue	116,490	-	-	-	116,490
Cobalt revenue	23,147	-	-	-	23,147
Silver revenue	1,556	-	1,345	-	2,901
Shipping and insurance service revenue	5,810	-	-	-	5,810
Other revenue	48,982	-	-	-	48,982
Total segment revenue	668,841	-	243,257	-	912,098
Segment operating profit/(loss) before income tax	262,945	-	67,264	(63,371)	266,838
Total segment assets	1,086,380	1,855,939	-	101,045	3,043,364
Total segment liabilities	100,306	-	-	4,023	104,329
Acquisition of property, plant and equipment	8,405	-	3,747	-	12,152
Depreciation and amortisation	173,004	-	51,715	1	224,720
Other non-cash expenses	352	-	253	-	605
Year ended 30 June 2020	Nova Operation \$'000	Lithium Operations \$'000	Tropicana Operation (Discontinued) \$'000	Growth \$'000	Total \$'000
Nickel revenue	452,628	-	-	-	452,628
Gold revenue	-	-	288,670	-	288,670
Copper revenue	102,619	-	-	-	102,619
Cobalt revenue	18,727	-	-	-	18,727
Silver revenue	1,240	-	1,408	-	2,648
Shipping and insurance service revenue	4,925	-	-	-	4,925
Other revenue	13,135	-	-	-	13,135
Total segment revenue	593,274	-	290,078	-	883,352
Segment net operating profit/(loss) before income tax	182,173	-	98,282	(72,139)	208,316
Total segment assets	1,181,867	-	357,643	95,426	1,634,936
Total segment liabilities	92,862	-	57,785	2,940	153,587
Acquisition of property, plant and equipment	6,913	-	7,390	-	14,303
Impairment of assets	-	-	-	1,018	1,018
Depreciation and amortisation	168,086	-	72,434	18	240,538
Other non-cash expenses	522	-	347	-	869

1 Segment information (continued)

(c) Segment revenue

A reconciliation of reportable segment revenue to total revenue from continuing operations is as follows:

	2021 \$'000	2020 \$'000
Total revenue for reportable segments	912,098	883,352
Elimination of discontinued operation	(243,257)	(290,078)
Other revenue from continuing operations	2,898	5,578
Total revenue from continuing operations	671,739	598,852

Revenues for the Nova Operation were received from BHP Nickel West Pty Ltd and Trafigura Pte. Ltd.

Revenues for the Tropicana Operation were received from The Perth Mint, Australia and the Company's financiers via forward sales contracts.

(d) Segment net profit before income tax

A reconciliation of reportable segment profit before income tax to profit before discontinued operations and income tax is as follows:

	2021 \$'000	2020 \$'000
Segment profit before income tax	266,838	208,316
Elimination of discontinued operation	(67,264)	(98,282)
Interest revenue on corporate cash balances and other unallocated revenue	2,898	5,578
Fair value movement of financial investments	9,958	33,207
Share-based payments expense	(4,917)	(4,489)
Corporate and other costs and unallocated other income	(18,588)	(20,710)
Borrowing and finance costs	(25,172)	(2,765)
Acquisition and other integration costs	(4,550)	-
Depreciation expense on unallocated assets	(2,616)	(3,095)
Net gain on disposal of subsidiaries and other unallocated assets	-	3,470
Total profit before income tax from continuing operations	156,587	121,230

(e) Segment assets

A reconciliation of reportable segment assets to total assets is as follows:

	2021 \$'000	2020 \$'000
Total assets for reportable segments	3,043,364	1,634,936
Unallocated assets:		
Deferred tax assets	30,721	119,734
Listed equity securities	110,944	107,759
Cash and receivables held by the parent entity	410,503	418,642
Office and general plant and equipment	13,200	11,959
Total assets as per the balance sheet	3,608,732	2,293,030

1 Segment information (continued)

(f) Segment liabilities

A reconciliation of reportable segment liabilities to total liabilities is as follows:

	2021 \$'000	2020 \$'000
Total liabilities for reportable segments	104,329	153,587
Unallocated liabilities:		
Deferred tax liabilities	108,556	141,787
Creditors and accruals of the parent entity	13,168	4,741
Provision for employee entitlements of the parent entity	5,796	4,779
Bank loans	-	56,937
Corporate lease liabilities	5,054	5,390
Current tax liabilities	171,952	-
Total liabilities as per the balance sheet	408,855	367,221

2 Revenue

	2021 \$'000	2020 \$'000
From continuing operations		
Sales revenue from contracts with customers		
Sale of goods revenue	614,049	575,214
Shipping and insurance service revenue	5,810	4,925
	619,859	580,139
Other revenue		
Interest revenue	2,898	6,096
Provisional pricing adjustments	48,982	12,617
	51,880	18,713
Total revenue	671,739	598,852

(a) Recognition and measurement

(i) Revenue from sale of goods

Revenue from the sale of goods is recognised when control of the goods has passed to the buyer based upon agreed delivery terms.

Sale of concentrates

Revenue from the sale of concentrates is recognised when control has passed to the buyer based upon agreed delivery terms, generally being when the product is loaded onto the ship and bill of lading received, or delivered to the customer's premises. In cases where control of the product is transferred to the customer before shipping takes place, revenue is recognised when the customer has formally acknowledged their legal ownership of the product, which includes all inherent risks associated with control of the product. In these cases, the product is clearly identified and immediately available to the customer and this is when the performance obligation is met.

The price to be received on sales of concentrate is provisionally priced and recognised at the estimate of the consideration receivable that is highly probable of not reversing by reference to the relevant contractual price and the estimated mineral specifications, net of treatment and refining charges where applicable. Subsequently, provisionally priced sales are repriced at each reporting period up until when final pricing and settlement is confirmed, with revenue adjustments relating to the quality and quantity of commodities sold being recognised in sales revenue.

Provisionally priced sales for which price finalisation is referenced to the relevant metal price index have an embedded commodity derivative. The embedded derivative is carried at fair value through profit or loss as part of trade receivables. The period between provisional pricing and final invoices is generally 60 days.

2 Revenue (continued)

(a) Recognition and measurement (continued)

(ii) Revenue from Services - Shipping and Insurance

Sales of nickel and copper concentrates are on terms that include the Group being responsible for shipping and insurance costs. Shipping and insurance is a separate performance obligation from the sale of the commodity with the revenue allocated to shipping and insurance being recognised over the period of transfer to the customer.

(iii) Provisional pricing adjustments

The Group's sales contracts may provide for provisional pricing of sales at the time the product is delivered to the vessel with final pricing determined using the index on or after the vessel's arrival to the port of discharge. This provisional pricing relates to the quality and quantity of the commodity sold, which is included in sales revenue, and an embedded derivative relating to the pricing of the commodity sold. Provisional pricing adjustments relating to the embedded derivative are separately identified as movements in the financial instrument rather than being included within Sales revenue. The final pricing adjustment mechanism, being an embedded derivative, is separated from the host contract and recognised at fair value through profit or loss. These amounts are disclosed separately as Provisional pricing adjustments in Other revenue, rather than being included within Sales revenue for the Group.

(iv) Interest revenue

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(b) Key estimates and judgements

Judgement is exercised in estimating variable consideration. This is determined by past experience with respect to the goods returned to the Group where the customer maintains a right of return pursuant to the customer contract or where goods or services have a variable component. Revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised under the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

3 Other income

	2021	2020
	\$'000	\$'000
From continuing operations		
Net foreign exchange gains	3,599	-
Net gain on disposal of property, plant and equipment	67	1,602
Net gain on sale of investments	-	1,965
	3,666	3,567

4 Expenses and losses

	2021 \$'000	2020 \$'000
Profit before income tax from continuing operations includes the following specific expenses:		
Cost of sale of goods	229,437	235,294
Employee benefits expenses	51,474	46,786
Share-based payments expense	4,917	4,489
Exploration and evaluation expense	61,495	69,605
Impairment of exploration and evaluation expenditure	-	1,018
Net foreign exchange losses	-	2,865
Amortisation expense	165,168	162,137
Depreciation expense	10,453	9,062
<i>Borrowing and finance costs</i>		
Borrowing and finance costs - other entities	24,837	1,761
Lease interest expense	1,051	1,033
Rehabilitation and restoration borrowing costs	352	522
Amortisation of borrowing costs	208	919
Finance costs expensed	26,448	4,235

5 Income tax

(a) Income tax expense

	2021 \$'000	2020 \$'000
The major components of income tax expense are:		
Current tax on profits for the year	172,428	-
Adjustments for current tax of prior periods	(476)	-
Total current tax expense	171,952	-
<i>Deferred income tax expense</i>		
Decrease in deferred tax assets	94,013	60,503
(Decrease)/increase in deferred tax liabilities	(33,952)	3,916
Total deferred tax expense	60,061	64,419
Income tax expense	232,013	64,419
Income tax expense is attributable to:		
Profit from continuing operations	39,821	34,923
Profit from discontinued operation	192,192	29,496
	232,013	64,419

5 Income tax (continued)

(b) Amounts recognised directly in equity

	2021	2020
	\$'000	\$'000
Deferred income tax (benefit)/expense related to items charged or credited to other comprehensive income or directly to equity:		
Recognition of hedge contracts	721	(41)
Business-related capital allowances	(5,000)	-
Income tax benefit reported in equity	(4,279)	(41)

(c) Numerical reconciliation of income tax expense to prima facie tax payable

	2021	2020
	\$'000	\$'000
Profit from continuing operations before income tax expense	156,587	121,230
Profit from discontinued operation before income tax expense	624,087	98,282
	780,674	219,512
Tax expense at the Australian tax rate of 30% (2020: 30%)	234,202	65,854
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share-based payments	(250)	789
Other non-deductible items	43	494
	233,995	67,137
Capital losses not brought to account	139	466
Previously unrecognised capital losses brought to account	-	(145)
Difference in overseas tax rates	5	4
Overseas tax losses not brought to account	13	12
Adjustments for current tax of prior periods	(244)	-
Research and development tax credit of prior periods	(232)	(540)
Recoupment of tax losses not recognised	(6,620)	-
Adjustment for deferred tax asset not previously brought to account	-	(2,515)
Adjustment for write-off of deferred tax balances on disposal of joint venture	4,957	-
Income tax expense	232,013	64,419

(d) Reconciliation of carry forward tax losses and income tax paid

	2021	2020
	\$'000	\$'000
Tax effected balances at 30%		
Carry forward tax losses at the beginning of the year	91,730	154,388
Tax losses recouped during the current year	(98,084)	(62,658)
Recoupment of tax losses not recognised	6,620	-
Carry forward tax losses at the end of the year	266	91,730

5 Income tax (continued)

(e) Deferred tax assets and liabilities

	Balance Sheet		Profit or loss		Equity	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Deferred tax assets						
Property, plant and equipment	225	-	(225)	-	-	-
Business-related capital allowances	4,463	1,441	1,978	390	(5,000)	-
Provision for employee entitlements	3,429	2,730	(699)	(820)	-	-
Provision for rehabilitation	13,375	19,980	6,605	(1,248)	-	-
Borrowing costs	4,239	-	(4,239)	-	-	-
Leased assets	101	237	136	(237)	-	-
Carry forward tax losses	266	91,730	91,464	62,658	-	-
Other	4,623	3,616	(1,007)	(240)	-	-
Gross deferred tax assets	30,721	119,734	94,013	60,503	(5,000)	-
Deferred tax liabilities						
Capitalised exploration expenditure	(6,327)	(4,991)	1,336	2,828	-	-
Mine properties	(82,376)	(121,980)	(39,604)	(6,980)	-	-
Property, plant and equipment	-	(783)	(783)	(890)	-	-
Deferred gains and losses on hedging contracts	(825)	(104)	-	-	721	(41)
Trade receivables	(5,977)	(4,266)	1,711	1,414	-	-
Consumable inventories	(1,841)	(2,011)	(170)	196	-	-
Financial assets at fair value through profit or loss	(10,696)	(7,320)	3,376	7,320	-	-
Other	(514)	(332)	182	28	-	-
Gross deferred tax liabilities	(108,556)	(141,787)	(33,952)	3,916	721	(41)
Net impact	(77,835)	(22,053)	60,061	64,419	(4,279)	(41)

(f) Tax losses

In addition to the above recognised tax losses, the Group also has the following revenue and capital tax losses for which no deferred tax asset has been recognised:

	2021 \$'000	2020 \$'000
Unrecognised revenue tax losses	24,707	46,775
Potential tax benefit @ 30% (2020: 30%)	7,412	14,033
Unrecognised capital tax losses	90,419	93,135
Potential tax benefit @ 30% (2020: 30%)	27,126	27,941

(g) Tax transparency code

The Group has adopted the Board of Taxation's voluntary Tax Transparency Code (TTC). The TTC requires additional tax disclosures in two parts (Part A and Part B), which includes addressing the Company's approach to tax strategy and governance. The Group has addressed these Part A and Part B disclosures in this note and in its 2020 Tax Transparency Report. In relation to the year ended 30 June 2021, the Part A and Part B disclosures will be addressed in the Group's 2021 Annual Sustainability Report.

5 Income tax (continued)

(h) Recognition and measurement

Current taxes

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred taxes

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Offsetting deferred tax balances

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(i) Significant estimates

In addition, deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future forecast taxable profits are available to utilise those temporary differences and losses, and the tax losses continue to be available having regard to the relevant tax legislation associated with their recoupment.

The Australian consolidated tax group has recognised a deferred tax asset relating to carry forward tax losses of \$266,000 at 30 June 2021 (2020: \$91,730,000). The utilisation of this deferred tax asset amount depends upon future taxable amounts in excess of profits arising from the reversal of temporary differences. The Group believes this amount to be recoverable based on taxable income projections.

6 Earnings per share

(a) Basic earnings per share

	2021 Cents	2020 Cents
From continuing operations attributable to the ordinary equity holders of the company	17.21	14.61
From discontinued operation	63.65	11.64
Total basic earnings per share attributable to the ordinary equity holders of the Company	80.86	26.25

6 Earnings per share (continued)

(b) Diluted earnings per share

	2021 Cents	2020 Cents
From continuing operations attributable to the ordinary equity holders of the company	17.13	14.54
From discontinued operation	63.38	11.59
Total diluted earnings per share attributable to the ordinary equity holders of the Company	80.51	26.13

(c) Earnings used in calculating earnings per share

	2021 \$'000	2020 \$'000
<i>Basic and diluted earnings per share</i>		
Profit attributable to the ordinary equity holders of the Company used in calculating basic and diluted earnings per share:		
From continuing operations	116,766	86,307
From discontinued operation	431,895	68,786
	548,661	155,093

(d) Weighted average number of shares used as the denominator

	2021 Number	2020 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	678,552,539	590,747,969
Adjustments for calculation of diluted earnings per share:		
Share rights	2,946,123	2,894,952
Weighted average number of ordinary and potential ordinary shares used as the denominator in calculating diluted earnings per share	681,498,662	593,642,921

(e) Information concerning the classification of securities

Share rights

Performance rights granted to Executives and employees under the Company's Employee Incentive Plan and any outstanding service rights are included in the calculation of diluted earnings per share as they could potentially dilute basic earnings per share in the future. The share rights are not included in the determination of basic earnings per share. Further information about the share rights is provided in note 28.

(f) Calculation of earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares,
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares (note 18(b)).

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Working Capital and Provisions

This section of the notes provides further information about the Group's working capital and provisions, including accounting policies and key judgements and estimates relevant to understanding these items.

7 Cash and cash equivalents

	2021 \$'000	2020 \$'000
Cash at bank and in hand	528,514	490,312
Deposits at call	-	20,000
	528,514	510,312

All cash balances are available for use by the Group. In the prior year, cash balances of \$7,396,000 were not generally available for use as the balances were held by the Tropicana Joint Venture and could only be used in relation to joint venture expenditure.

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 22.

(a) Reconciliation of profit after income tax to net cash inflow from operating activities

	2021 \$'000	2020 \$'000
Profit for the period	548,661	155,093
Adjustments for:		
Depreciation and amortisation	227,336	243,633
Impairment of exploration and evaluation expenditure	-	1,018
Net gain on sale of non-current assets	(26)	(3,494)
Fair value of movement of financial investments	(9,958)	(33,207)
Non-cash employee benefits expense - share-based payments	4,917	4,489
Gain on disposal of joint venture	(556,823)	-
Net exchange differences	(530)	-
Amortisation of borrowing expenses	208	919
Amortisation of lease incentive	(65)	(78)
Foreign exchange (gains)/losses on cash balances	(4,125)	3,110
Change in fair value measurement of receivables	(541)	(1,065)
Change in operating assets and liabilities:		
Increase in trade receivables	(29,214)	(21,215)
Decrease/(increase) in inventories	9,054	(20,713)
Decrease in deferred tax assets	94,013	60,503
Increase in other operating receivables and prepayments	(2,177)	(116)
Increase in trade and other payables	24,388	1,120
Increase in income taxes payable	171,952	-
(Decrease)/increase in deferred tax liabilities	(33,952)	3,916
Increase in other provisions	2,934	3,604
Net cash inflow from operating activities	446,052	397,517

(b) Non-cash investing and financing activities

During the current year, the Group had acquisitions of right-of-use assets totalling \$1,028,000 (2020: \$12,577,000).

7 Cash and cash equivalents (continued)

(c) Recognition and measurement

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within borrowings in current liabilities on the balance sheet.

8 Trade and other receivables

	2021 \$'000	2020 \$'000
Trade receivables at amortised cost:		
Trade receivables (subject to provisional pricing) - fair value	78,513	46,595
Other receivables	859	19,315
Prepayments	3,003	3,159
	82,375	69,069

(a) Recognition and measurement

(i) Trade receivables

Trade receivables are generally received in the current month, or up to three months after the shipment date. The receivables are initially recognised at fair value, less any allowance for expected credit losses.

The Group has applied the simplified approach to measuring expected credit losses, which applies a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Trade receivables are subsequently revalued by the mark-to-market of open sales. The Group determines mark-to-market prices using forward prices at each period end for nickel, copper and cobalt sales.

(ii) Other receivables

Other receivables in the prior year included amounts outstanding on the sale of the Jaguar Operation in May 2018. The discounted value of \$15,519,000 (using a discount rate of 3.5%) of the outstanding cash proceeds was shown in current receivables. There are no amounts relating to the sale of the Jaguar Operation shown in receivables at 30 June 2021.

(iii) Impairment and risk exposure

Note 22(b)(i) sets out information about the impairment of financial assets and the Group's exposure to credit risk. Given the Group's credit risk management processes, the resulting level of expected credit losses are insignificant.

(b) Key estimates and judgements

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates, the impact of the COVID-19 pandemic and forward-looking information that is available. The allowance for expected credit losses is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

9 Inventories

	2021 \$'000	2020 \$'000
Current		
Mine spares and stores	11,329	20,653
ROM inventory	8,553	44,656
Concentrate inventory	14,131	5,452
Gold in circuit	-	1,980
Gold dore	-	2,929
	34,013	75,670
Non-current		
ROM inventory	-	67,911
	-	67,911

(a) Classification of inventory

Inventory classified as non-current related to low grade (0.6g/t to 1.2g/t) gold ore stockpiles which were not intended to be utilised within the next 12 months but were anticipated to be utilised beyond that period.

(b) Recognition and measurement

(i) Ore, concentrate and gold inventories

Inventories, comprising nickel, copper and cobalt in concentrate, gold dore, gold in circuit and ore stockpiles, are valued at the lower of weighted average cost and net realisable value. Costs include fixed direct costs, variable direct costs and an appropriate portion of fixed overhead costs. A portion of the related depreciation, depletion and amortisation charge is included in the cost of inventory.

(ii) Mine spares and stores

Inventories of consumable supplies and spare parts are valued at the lower of cost and net realisable value. Cost is assigned on a weighted average basis. 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.

The recoverable amount of surplus items is assessed regularly on an ongoing basis and written down to its net realisable value when an impairment indicator is present.

(c) Key estimates and judgements

The Group reviews the carrying value of inventories regularly to ensure that their cost does not exceed net realisable value. In determining net realisable value various factors are taken into account, including estimated future sales price of the product based on prevailing spot metals prices at the reporting date, less estimated costs to complete production and bring the product to sale.

Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile, the amount of contained metal based on assay data, and the estimated recovery percentage based on the expected processing method.

10 Financial assets at fair value through profit or loss

	2021 \$'000	2020 \$'000
Shares in listed companies - at fair value through profit or loss	110,944	107,759
	110,944	107,759

(a) Recognition and measurement

The Group classifies financial assets at fair value through profit or loss if they are acquired principally for the purpose of selling in the short term, ie are held for trading. They are presented as current assets if they are expected to be sold within 12 months after the end of the reporting period; otherwise they are presented as non-current assets. Refer to note 22(d) for fair value measurement.

(b) Amounts recognised in profit or loss

Changes in fair values of financial assets at fair value through profit or loss are recorded in fair value movement of financial investments in the profit or loss. During the current year, the changes in fair values of financial assets resulted in a gain to the profit or loss of \$9,958,000 (2020: \$33,207,000).

11 Trade and other payables

	2021 \$'000	2020 \$'000
Current liabilities		
Trade and other payables	47,286	53,013
	47,286	53,013

(a) Recognition and measurement

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

12 Provisions

	2021 \$'000	2020 \$'000
Current		
Provision for employee entitlements	8,721	7,058
	8,721	7,058
	2021 \$'000	2020 \$'000
Non-current		
Provision for employee entitlements	2,708	2,042
Provision for rehabilitation costs	44,584	66,599
	47,292	68,641

12 Provisions (continued)

(a) Movements in provisions

Movements in the provision for rehabilitation costs during the financial year are set out below:

	2021 \$'000	2020 \$'000
Carrying amount at beginning of financial year	66,599	62,441
Additional provision	7,646	3,567
Rehabilitation and restoration borrowing costs expense	605	869
Payments during the period	(59)	(278)
Disposal of joint venture	(30,207)	-
Carrying amount at end of financial year	44,584	66,599

(b) Recognition and measurement

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 not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(i) Rehabilitation and restoration

Long-term environmental obligations are based on the Group's environmental management plans, in compliance with current environmental and regulatory requirements.

Full provision is made based on the net present value of the estimated cost of rehabilitating and restoring the environmental disturbance that has occurred up to the reporting date. To the extent that future economic benefits are expected to arise, these costs are capitalised and amortised over the remaining lives of the mines.

Annual increases in the provision relating to the change in the net present value of the provision are recognised as finance costs (and disclosed within Borrowing and finance costs in the profit or loss). The estimated costs of rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances. Cost estimates are not reduced by the potential proceeds from the sale of assets or from plant clean-up at closure.

(ii) Employee benefits

The provision for employee benefits represents annual leave and long service leave entitlements accrued by employees.

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The amounts are presented as current employee entitlements in the balance sheet.

Other long-term employee benefit obligations

The liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

12 Provisions (continued)

(b) Recognition and measurement (continued)

(ii) Employee benefits (continued)

Other long-term employee benefit obligations (continued)

The obligations are presented as current liabilities in the consolidated balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

(c) Key estimates and judgements

Rehabilitation and restoration provisions

The provision for rehabilitation and restoration costs is based on the net present value of the estimated cost of rehabilitating and restoring the environmental disturbance that has occurred up to the reporting date. Significant estimates and assumptions are made in determining the provision for mine rehabilitation as there are numerous factors that will affect the ultimate liability payable. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to the inflation rates and changes in discount rates. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision at reporting date represents management's best estimate of the present value of the future rehabilitation costs required.

Long service leave

Long service leave is measured at the present value of benefits accumulated up to the end of the reporting period. The liability is discounted using an appropriate discount rate. Management requires judgement to determine key assumptions used in the calculation, including future increases in salaries and wages, future on-costs rates and future settlement dates of employees' departures.

Invested Capital

This section of the notes provides further information about property, plant and equipment, leases, mine properties and exploration and evaluation expenditure and the carrying amount of these non-financial assets, including accounting policies, key judgements and estimates relevant to understanding these items.

13 Property, plant and equipment

	Land and buildings \$'000	Mining plant and equipment \$'000	Furniture, fittings and other equipment \$'000	Motor vehicles \$'000	Assets under construction \$'000	Total \$'000
Year ended 30 June 2021						
Cost	6,692	22,353	18,881	2,908	7,966	58,800
Accumulated depreciation	(4,054)	(7,757)	(10,427)	(2,428)	-	(24,666)
Net book amount	2,638	14,596	8,454	480	7,966	34,134
Movements						
Opening net book amount	9,901	19,235	6,505	753	12,186	48,580
Additions	1,091	4,738	985	457	7,708	14,979
Disposals	-	(33)	(2)	(4)	-	(39)
Depreciation charge	(3,150)	(7,420)	(2,312)	(405)	-	(13,287)
Transfers from assets under construction	572	7,341	3,764	251	(11,928)	-
Transfers from mine properties under construction	4,677	8,781	-	-	-	13,458
Disposal of joint venture	(10,453)	(18,046)	(486)	(572)	-	(29,557)
Closing net book amount	2,638	14,596	8,454	480	7,966	34,134
Year ended 30 June 2020						
Cost	26,916	36,209	16,960	4,896	12,186	97,167
Accumulated depreciation	(17,015)	(16,974)	(10,455)	(4,143)	-	(48,587)
Net book amount	9,901	19,235	6,505	753	12,186	48,580
Movements						
Opening net book amount	10,706	15,681	5,104	805	9,326	41,622
Additions	1,409	7,033	2,108	334	6,170	17,054
Disposals	-	(73)	(1)	-	-	(74)
Depreciation charge	(2,681)	(5,143)	(1,812)	(386)	-	(10,022)
Transfers from assets under construction	467	1,737	1,106	-	(3,310)	-
Closing net book amount	9,901	19,235	6,505	753	12,186	48,580

(a) Non-current assets pledged as security

Refer to note 17 for information on non-current assets pledged as security by the Group.

13 Property, plant and equipment (continued)

(b) Recognition and measurement

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. It also includes the direct cost of bringing the asset to the location and condition necessary for first use and the estimated future cost of rehabilitation, where applicable. The assets are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation

Land is not depreciated. Depreciation on other assets is calculated using either units-of-production or straight-line depreciation as follows:

Depreciation periods are primarily:

Buildings	5 - 10 years
Mining plant and equipment	2 - 10 years
Motor vehicles	3 - 8 years
Furniture and fittings	3 - 10 years

Depreciation is expensed as incurred, unless it relates to an asset or operation in the construction phase, in which case it is capitalised.

Derecognition

An item of property, plant and equipment is derecognised when it is sold or otherwise disposed of, or when its use is expected to bring no future economic benefits. Any gain or loss from derecognising the asset (being the difference between the proceeds of disposal and the carrying amount of the asset) is included in the profit or loss in the period the item is derecognised.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(c) Key estimates and judgements

The estimations of useful lives, residual values and depreciation methods require significant management judgements and are regularly reviewed. If they need to be modified, the depreciation and amortisation expense is accounted for prospectively from the date of the assessment until the end of the revised useful life (for both the current and future years).

14 Leases

(a) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

	2021 \$'000	2020 \$'000
Right-of-use assets		
Buildings	5,505	5,339
Mining plant and equipment	19,206	33,657
	24,711	38,996
Lease liabilities		
Current	4,421	6,235
Non-current	20,627	33,550
	25,048	39,785

Additions to the right-of use assets during the year were \$1,028,000 (2020: \$12,577,000).

(b) Amounts recognised in the statement of profit or loss

The statement of profit or loss includes the following amounts relating to leases:

	2021 \$'000	2020 \$'000
Depreciation charge of right-of-use assets		
Buildings	863	1,534
Mining plant and equipment - continuing operations	3,841	3,415
Mining plant and equipment - discontinued operation	1,389	1,516
	6,093	6,465
Interest expense (included in borrowing and finance costs) - continuing operations	1,051	1,033
Interest expense (included in borrowing and finance costs) - discontinued operation	400	490
Total interest expense	1,451	1,523

The total cash outflow for leases for the financial year to 30 June 2021 was \$7,582,000 (2020: \$7,199,000).

(c) Recognition and measurement

The Group leases office space and equipment. Rental contracts are typically made for fixed periods of 5 to 15 years, but may have extension options as described below.

Contracts may contain both lease and non-lease components. The Group allocated the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Lease liabilities

Liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;

14 Leases (continued)

(c) Recognition and measurement (continued)

- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, an arm's length asset finance facility borrowing rate is used, being the rate that the individual lessee would have to pay to finance the asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The weighted average borrowing rate used for the year was 3.9% (2020: 4.1%).

Subsequent to initial recognition, lease liabilities are carried at amortised cost. Lease payments are allocated between principal and finance costs. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets

Right-of-use assets are measured at cost and comprise the following:

- the amount of the initial amount of lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Short-term leases and leases of low value assets

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

(d) Key estimates and judgements

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay to finance an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

15 Mine properties

	Mine properties in development \$'000	Mine properties in production \$'000	Deferred stripping \$'000	Total mine properties \$'000
Year ended 30 June 2021				
Cost	-	1,448,282	-	1,448,282
Accumulated amortisation	-	(644,179)	-	(644,179)
Net book amount	-	804,103	-	804,103

Movements

Carrying amount at beginning of the period	19,022	1,095,914	44,685	1,159,621
Additions	3,463	20,106	56,079	79,648
Transfers from exploration and evaluation expenditure	-	2,949	-	2,949
Transfers to property, plant and equipment	(13,458)	-	-	(13,458)
Transfers from mine properties under construction	(9,027)	9,027	-	-
Amortisation expense	-	(189,140)	(18,816)	(207,956)
Disposal of joint venture	-	(134,753)	(81,948)	(216,701)
Closing net book amount	-	804,103	-	804,103

Year ended 30 June 2020

Cost	19,022	1,742,936	235,855	1,997,813
Accumulated amortisation	-	(647,022)	(191,170)	(838,192)
Net book amount	19,022	1,095,914	44,685	1,159,621

Movements

Carrying amount at beginning of the period	4,271	1,255,493	51,612	1,311,376
Additions	12,491	22,815	37,825	73,131
Transfers from exploration and evaluation expenditure	2,260	-	-	2,260
Amortisation expense	-	(182,394)	(44,752)	(227,146)
Closing net book amount	19,022	1,095,914	44,685	1,159,621

(a) Recognition and measurement

(i) Mine properties in development

Mine properties in development represent the expenditure incurred when technical feasibility and commercial viability of extracting a mineral resource have been demonstrated, and includes the costs incurred up until such time as the asset is capable of being operated in a manner intended by management. These costs are not amortised but the carrying value is assessed for impairment whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

(ii) Mine properties in production

Mine properties in production represent the accumulation of all acquisition, exploration, evaluation and development expenditure incurred by or on behalf of the Group in relation to areas of interest in which mining of the mineral resource has commenced. When further development expenditure is incurred in respect of a mine property after the commencement of production, such expenditure is carried forward as part of the cost of that mine property only when substantial future economic benefits are established, otherwise such expenditure is classified as part of the cost of production.

15 Mine properties (continued)

(a) Recognition and measurement (continued)

(ii) *Mine properties in production (continued)*

Amortisation is provided on a units-of-production basis, with separate calculations being made for each mineral resource. The units-of-production method results in an amortisation charge proportional to the depletion of the economically recoverable mineral resources (comprising proven and probable reserves).

A regular review is undertaken of each area of interest 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.

(iii) *Deferred stripping*

Stripping activity costs incurred in the development phase of a mine are capitalised as part of the cost of constructing the mine and subsequently amortised over the life of the mine on a units-of-production basis.

Stripping activity incurred during the production phase of a mine is assessed as to whether the benefit accruing from that activity is to provide access to ore that can be used to produce ore inventory, or whether it in addition 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 those stripping activity costs in accordance with AASB102 *Inventories*. A stripping activity asset is brought to account if it is probable that future economic benefits (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 activity costs that are capitalised is determined based on a comparison of the stripping ratio in the relevant period with the life of mine stripping ratio. To the extent that there is a period of sustained stripping that exceeds the average life of mine stripping ratio, mine waste stripping costs are capitalised to the stripping activity asset. Such capitalised costs are amortised over the life of that mine on a units-of-production basis. The life of mine ratio is based on ore reserves of the mine. Changes to the life of mine are accounted for prospectively.

(b) Key estimates and judgements

(i) *Proved and probable ore reserves*

The Group uses the concept of life of mine to determine the amortisation of mine properties. In determining life of mine, the Group prepares ore reserve estimates in accordance with the JORC Code 2012, guidelines prepared by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia. The estimate of these proved and probable ore reserves, by their very nature, require judgements, estimates and assumptions.

Where the proved and probable reserve estimates need to be modified, the amortisation expense is accounted for prospectively from the date of the assessment until the end of the revised mine life (for both the current and future years).

(ii) *Deferred stripping*

The Group defers advanced stripping costs incurred during the production stage of its open cut mining operations. This calculation requires the use of judgements and estimates, such as estimates of tonnes of waste to be removed over the life of the mining area and economically recoverable reserves extracted as a result. Changes in a mine's life and design may result in changes to the expected stripping ratio (waste to mineral reserves ratio). Any resulting changes are accounted for prospectively.

16 Exploration and evaluation

	2021	2020
	\$'000	\$'000
Opening net book amount	95,030	95,197
Additions	8,606	3,111
Transfer to mine properties in production	(2,949)	-
Disposal of joint venture	(160)	-
Transfer to mine properties under construction	-	(2,260)
Impairment loss	-	(1,018)
Closing net book amount	100,527	95,030

(a) Impairment

The Group did not recognise any impairment charges during the current reporting period (2020: \$1,018,000 relating to the relinquishment of tenements).

(b) Recognition and measurement

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.

Exploration and evaluation expenditure is expensed to the profit or loss as incurred except in the following circumstances in which case the expenditure may be capitalised:

- The existence of a commercially viable mineral deposit has been established and it is anticipated that future economic benefits are more likely than not to be generated as a result of the expenditure; and
- The exploration and evaluation activity is within an area of interest which was acquired as an asset acquisition or in a business combination and measured at fair value on acquisition.

A regular review is undertaken of each area of interest 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 expenditure exceeds its estimated recoverable amount. The area of interest is then written down to its recoverable amount and the impairment losses are recognised in profit or loss.

Upon approval for the commercial development of an area of interest, exploration and evaluation assets are tested for impairment and transferred to 'Mine properties in development'. No amortisation is charged during the exploration and evaluation phase.

(c) Key estimates and judgements

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale of the respective area of interest.

The Group reviews the carrying value of exploration and evaluation expenditure on a regular basis to determine whether economic quantities of reserves have been found or whether further exploration and evaluation work is underway or planned to support continued carry forward of capitalised costs. This assessment requires judgement as to the status of the individual projects and their estimated recoverable amount.

Capital structure and financing activities

This section of the notes provides further information about the Group's borrowings, contributed equity, reserves, retained earnings and dividends, including accounting policies relevant to understanding these items.

17 Borrowings

	2021 \$'000	2020 \$'000
Current		
Unsecured		
Bank loans	-	56,937
Total current borrowings	-	56,937

(a) Corporate loan facility

The Company's loan facilities under the previous syndicated facility agreement, which was entered into in July 2015, were cancelled during the current financial year following repayment of outstanding debt.

On 23 December 2020, the Company entered into a new Syndicated Facility Agreement (Facility Agreement) for facilities totalling \$1,100,000,000, which was originally established to fund the acquisition of the 49% of the Lithium joint venture with Tianqi Lithium Corporation (Transaction). Following the divestment of the Company's interest in the Tropicana JV, the facility was not required as a source of funds for the Transaction. To maintain financial flexibility, the facility was amended prior to financial year end to consist of a \$450,000,000 amortising revolving credit facility, expiring in June 2024. The facility's commitments will reduce (amortise) by \$50,000,000 semi-annually commencing 31 December 2021, with the balance of \$200,000,000 expiring in June 2024.

As at 30 June 2021, draw down of the facilities is conditional upon the satisfaction of certain conditions, including the Company entering into a General Security Agreement (GSA) with the lenders of the Facility Agreement.

Transaction costs are accounted for under the effective interest rate method. These costs are incremental costs that are directly attributable to the loan and include loan origination fees, commitment fees and legal fees. At 30 June 2021, there were no unamortised transaction costs (2020: \$208,000 was offset against the bank loans contractual liability of \$57,145,000). Total capitalised transaction costs to 30 June 2021 are \$nil (2020: \$5,495,000).

The Facility Agreement has certain financial covenants that the Company has to comply with. All such financial covenants have been complied with in accordance with the Facility Agreement.

(b) Assets pledged as security

There were no assets pledged as security as at 30 June 2021. As stated above, a condition subsequent to the execution of the amended Facility Agreement is the entering into of a GSA with the lenders. The GSA provides that the Company and its subsidiaries pledge all present and after acquired property as security of drawn amounts from the \$450,000,000 facility outlined above. Certain mining tenements owned by IGO Nova Pty Ltd are excluded from this GSA pending consents from third parties. There were no assets pledged as security at 30 June 2020.

17 Borrowings (continued)

(c) Financing arrangements

The Group had the following financing arrangements in place at the reporting date:

	2021 \$'000	2020 \$'000
Total facilities		
Corporate debt facility	450,000	57,145
Contingent instrument facility ¹	1,522	1,211
	451,522	58,356
Facilities used as at reporting date		
Corporate debt facility	-	57,145
Contingent instrument facility	1,522	1,211
	1,522	58,356
Facilities unused as at reporting date		
Corporate debt facility	450,000	-
	450,000	-

1. This facility provides financial backing in relation to non-performance of third party guarantee requirements.

(d) Recognition and measurement

(i) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs and amortised over the period of the remaining facility.

(ii) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

18 Contributed equity

	Notes	2021 \$'000	2020 \$'000
Ordinary shares		2,651,223	1,897,126
Treasury shares		(2,649)	-
		2,648,574	1,897,126

(a) Ordinary shares

Movements in ordinary share capital:

Details	2021 Number of shares	2021 \$'000	2020 Number of shares	2020 \$'000
Balance at beginning of financial year	590,797,034	1,897,126	590,477,819	1,895,855
Share placement and entitlement offers	166,470,779	765,766	-	-
Less: Transaction costs arising on share placement (net of tax)	-	(11,669)	-	-
Issue of shares under the Employee Incentive Plan	-	-	319,215	1,271
Balance at end of financial year	757,267,813	2,651,223	590,797,034	1,897,126

(b) Treasury shares

Treasury shares are shares in IGO Limited that are held by the Company's Employee Share Trust for the purpose of issuing shares under the IGO Employee Incentive Plan (refer to note 28 for further information). Shares issued to employees are recognised on a first-in-first-out basis.

Movements in treasury shares:

	2021 Number of shares	2021 \$'000	2021 Number of shares	2021 \$'000
Balance at beginning of financial year	-	-	-	-
Acquisition of shares by the Trust (average price: \$4.95 per share)	(1,164,600)	(5,764)	-	-
Issue of deferred shares under the Company's Employee Incentive Plan	1,028,074	3,115	-	-
Balance at end of financial year	(136,526)	(2,649)	-	-

(c) Capital management

The Board's policy is to preserve a strong balance sheet so as to maintain investor, creditor and market confidence, and to sustain ongoing and future development of the business. Demonstrating the Company's balance sheet strength are various financing and liquidity ratios, supported by strong EBITDA margins:

	2021	2020
Current ratio (times)	3.3	6.2
Debt to equity	-%	3%
Underlying EBITDA margin	52%	52%

The Group's capital comprises equity, including reserves, and net debt/(cash). As at 30 June 2021 this totalled \$2,671,363,000 (2020: \$1,472,643,000), an increase of 81% over 2020. Contributing to this increase was a share placement and institutional entitlement offer, net of costs, totalling \$749,097,000, an ongoing reduction of debt as a result of debt repayments of \$57,145,000 and the continued strong cash flow generation during the year from deploying our existing capital.

18 Contributed equity (continued)

(c) Capital management (continued)

The Company's capital management framework aims to respond to a dynamic commodity and investment cycle. To this end, the goals of the framework are to:

- Ensure that the Company's operations are able to generate cash flows safely, at appropriate margins, and according to plan;
- Provide a buffer from future potential adverse price movements as a result of the Company operating in a cyclical commodity price environment;
- Raise and repay debt and invest in growth and replenish and acquire new assets; and
- Raise capital and to repay capital to shareholders by way of dividends or capital returns in accordance with the Company's shareholder returns policy. The policy targets the return of 15 to 25 percent of underlying free cash flow to shareholders whenever liquidity is less than \$500,000,000. When liquidity is in excess of \$500,000,000, further discretion will be applied by the Board to return a great proportion of cash to shareholders. The policy remains generally at the discretion of the Board, noting however that it expects to consistently pay dividends over the near to medium term and that these dividends will be frankable based on the expected ongoing payment of tax by the Company, together with the expectation of franked dividends from its investment in the Lithium joint venture.

None of the Group's entities are currently subject to externally imposed capital requirements.

There were no changes in the Group's approach to capital management during the year.

(d) Recognition and measurement

(i) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. Every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(ii) Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

19 Reserves and retained earnings

(a) Reserves

	2021	2020
	\$'000	\$'000
Distributable profits reserve	483,171	-
Hedging reserve	1,926	244
Share-based payments reserve	20,447	18,645
Foreign currency translation reserve	-	(15)
	505,544	18,874

19 Reserves and retained earnings (continued)

(a) Reserves (continued)

(i) Movements in reserves

The following table shows a breakdown of the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided below the table.

	Distributable profits reserve \$'000	Hedging reserve \$'000	Share- based payments reserve \$'000	Foreign currency translation reserve \$'000	Total \$'000
Balance at 1 July 2020	-	244	18,645	(15)	18,874
Revaluation - gross	-	2,403	-	-	2,403
Deferred tax	-	(721)	-	-	(721)
Currency translation differences - current period	-	-	-	63	63
Reclassification to profit or loss on disposal of subsidiary	-	-	-	(48)	(48)
Share-based payment expenses	-	-	4,917	-	4,917
Issue of shares under the Employee Incentive Plan	-	-	(3,115)	-	(3,115)
Transfer of 2021 profits from retained earnings	483,171	-	-	-	483,171
Balance at 30 June 2021	483,171	1,926	20,447	-	505,544
Balance at 1 July 2019	-	339	15,427	11	15,777
Revaluation - gross	-	(2,006)	-	-	(2,006)
Deferred tax	-	602	-	-	602
Transfer to profit or loss - gross	-	1,870	-	-	1,870
Deferred tax	-	(561)	-	-	(561)
Currency translation differences - current period	-	-	-	(26)	(26)
Share-based payment expenses	-	-	4,489	-	4,489
Issue of shares under the Employee Incentive Plan	-	-	(1,271)	-	(1,271)
Balance at 30 June 2020	-	244	18,645	(15)	18,874

(ii) Nature and purpose of reserves

Distributable profits reserve

The distributable profits reserve is used to record profits generated by the Parent entity, IGO Limited for the purpose of future dividend distributions by the Company. As approved by resolution of the Directors on 30 June 2021, current period profits of \$483,171,000 were transferred to the reserve that was established during the period.

Hedging reserve

The hedging reserve is used to record gains or losses on derivatives that are designated and qualify as cash flow hedges and that are recognised in other comprehensive income. Amounts are reclassified to profit or loss when the associated hedged transaction affects profit or loss.

Share-based payments reserve

The share-based payments reserve is used to record the value of share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to note 28 for further details of these plans.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

19 Reserves and retained earnings (continued)

(b) Retained earnings

Movements in retained earnings were as follows:

	Notes	2021 \$'000	2020 \$'000
Balance at beginning of financial year		9,809	(62,572)
Net profit for the period		548,661	155,093
Dividends paid during the period	20	(29,540)	(82,712)
Transfer to distributable profits reserve	19(a)	(483,171)	-
Balance at end of financial year		45,759	9,809

20 Dividends paid and proposed

(a) Ordinary shares

	2021 \$'000	2020 \$'000
Final dividend for the year ended 30 June 2020 of 5 cents (2019: 8 cents) per fully paid share	29,540	47,264
Interim dividend for the year ended 30 June 2021 of nil cents (2020: 6 cents) per fully paid share	-	35,448
Total dividends paid during the financial year	29,540	82,712

(b) Dividends not recognised at the end of the reporting period

	2021 \$'000	2020 \$'000
In addition to the above dividends, since year end the Directors have recommended the payment of a final dividend of 10 cents per fully paid ordinary share, fully franked (2020: 5 cents per fully paid ordinary share, unfranked). The aggregate amount of the proposed dividend expected to be paid on 23 September 2021 out of the distributable profits reserve at 30 June 2021 not recognised as a liability at year end, is:	75,727	29,540

(c) Franked dividends

The final dividends recommended after 30 June 2021 will be fully franked out of existing franking credits, or out of franking credits arising from the payment of income tax in the year ending 30 June 2022.

	2021 \$'000	2020 \$'000
Franking credits available for subsequent reporting periods based on a tax rate of 30.0% (2020 - 30.0%)	140,006	322

The above amounts are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities or receivables for income tax and dividends after the end of the year.

(d) Recognition and measurement

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period. A provision for dividends is not recognised as a liability unless the dividends are declared, determined or publicly recommended on or before the reporting date.

Risk

This section of the notes includes information on the Group's exposure to various risks and shows how these could affect the Group's financial position and performance.

21 Derivatives

The Group has the following derivative financial instruments in the following line items in the consolidated balance sheet:

	2021 \$'000	2020 \$'000
Current assets		
Diesel hedging contracts - cash flow hedges	2,751	64
	2,751	64
Non-current assets		
Diesel hedging contracts - cash flow hedges	-	284
	-	284

(a) Instruments used by the Group

Derivative financial instruments may be used by the Group in the normal course of business in order to hedge exposure to fluctuations in foreign exchange rates, commodity prices and diesel prices.

The derivative financial instruments are classified as held for trading and accounted for at fair value through profit or loss unless they are designated as cash flow hedges. The Group's accounting policy for its cash flow hedges is set out below.

The fair value of the derivative instruments at the reporting date is reflected in current and non-current assets and liabilities in the balance sheet and is calculated by comparing the contracted rate to the market rates for derivatives with the same length of maturity.

Refer to note 22 and below for details of the diesel fuel risk being mitigated by the Group's derivative instruments as at 30 June 2021 and 30 June 2020.

Diesel Hedges

The Group held various commodity forward hedging contracts at 30 June 2021 and 30 June 2020 to reduce the exposure to future increases in the price of the Singapore gasoil component of landed diesel fuel cost.

The following table details the Singapore gasoil 10ppm hedging contracts outstanding at the reporting date:

	Litres of oil ('000)		Weighted average price (AUD/litre)		Fair value	
	2021	2020	2021	2020	2021 \$'000	2020 \$'000
0 - 6 months	6,299	11,514	0.42	0.44	1,528	(11)
6 -12 months	6,068	15,954	0.45	0.45	1,223	75
1 - 2 years	-	7,144	-	-	-	284
Total	12,367	34,612	0.43	0.45	2,751	348

(b) Recognition and measurement

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges); or

21 Derivatives (continued)

(b) Recognition and measurement (continued)

- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

The Group documents, at the inception of the hedging transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability. Movements in the hedging reserve in shareholder's equity are shown in note 19.

(i) Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(ii) Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the hedging reserve in equity, limited to the cumulative change in the fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. The gain or loss relating to the effective portion of forward foreign exchange contracts hedging export sales is recognised in profit or loss within 'sales revenue'.

The changes in the time value component of options that relate to hedged items are recognised with other comprehensive income in the hedging reserve within equity. The cumulative changes accumulated in the hedge reserve are reclassified to the profit or loss when the hedged item affects profit or loss.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

(iii) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss.

22 Financial risk management

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance.

Financial instruments are held by the Group for various purposes, including:

- Operational: Activities of the Group generate financial instruments which include cash, trade receivables and trade payables;
- Financing: The Company may enter into debt instruments in order to finance both internal growth opportunities and acquire assets. Types of instruments used include syndicated and other bank loans and hire purchase agreements. Surplus funds are held either at call or as short-term deposits; and
- Risk management: The Group is exposed to commodity and foreign exchange risk which is overseen by management, under policies approved by the Board. Management identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. Financial instruments used by the Group to mitigate these risks include forward exchange contracts, commodity swaps and forward sales agreements.

22 Financial risk management (continued)

By holding these financial instruments, the Group exposes itself to risk. The Board reviews and agrees the Group's policies for managing each of these risks, which are summarised below:

(a) Market risk

(i) Foreign currency risk

As the Group's sales revenues for base and precious metals are denominated in United States dollars (USD), and the majority of operating costs are denominated in Australian dollars (AUD), the Group's cash flow is exposed to movements in the AUD:USD exchange rate. The Group may mitigate this risk through the use of derivative instruments, including, but not limited to, forward contracts denominated in AUD.

Financial instruments, including derivative instruments, denominated in USD and then converted into the functional currency (i.e. AUD) were as follows:

	2021 \$'000	2020 \$'000
Financial assets		
Cash and cash equivalents	114,826	48,512
Trade receivables	78,513	46,595
Net financial assets	193,339	95,107

The cash balance above only represents the cash held in the USD bank accounts at the reporting date as converted into AUD at the 30 June 2021 AUD:USD exchange rate of 0.7518 (2020: 0.6863). The remainder of the cash balance of \$413,688,000 (2020: \$461,800,000) was held in AUD bank accounts and therefore not exposed to foreign currency risk.

The trade receivables amounts represent the USD denominated trade debtors. All other receivables were denominated in AUD at the reporting date.

The following table summarises the Group's sensitivity of financial instruments held at 30 June 2021 to movements in the AUD:USD exchange rate, with all other variables held constant.

Sensitivity of financial instruments to foreign currency movements	Impact on post-tax profit	
	2021 \$'000	2020 \$'000
Increase/decrease in foreign exchange rate		
Increase 5.0%	(6,192)	(4,377)
Decrease 5.0%	6,844	4,838

(ii) Commodity price risk

The Group's sales revenues are generated from the sale of nickel, copper and cobalt. Accordingly, the Group's revenues, derivatives and trade receivables are exposed to commodity price risk fluctuations, primarily nickel, copper and cobalt.

The markets for base and precious metals are freely traded and can be volatile. As a relatively small producer, the Group has no ability to influence commodity prices. The Group mitigates this risk through derivative instruments, including, but not limited to, quotational period hedging, forward contracts and collar arrangements.

Nickel

Nickel concentrate sales have an average price finalisation period of two to three months until the sale is finalised with the customer.

It is the Board's policy to hedge between 0% and 50% of total nickel production tonnes.

Copper

Copper concentrate sales during the year had an average price finalisation period of up to three months from shipment date.

It is the Board's policy to hedge between 0% and 50% of total copper production tonnes.

22 Financial risk management (continued)

(a) Market risk (continued)

(ii) Commodity price risk (continued)

Diesel fuel

It is the Board's policy to hedge up to 75% of forecast diesel fuel usage. Diesel fuel price comprises a number of components, including Singapore gasoil and various other costs such as shipping and insurance. The total of all costs represents the wholesale or Terminal Gate Price (TGP) of diesel. The Group only hedges the Singapore gasoil component of the diesel TGP, which represents approximately 40% of the total diesel price.

At the reporting date, the carrying value of the financial instruments exposed to commodity price movements were as follows:

Financial instruments exposed to commodity price movements	2021 \$'000	2020 \$'000
Financial assets		
Trade receivables	65,077	38,089
Derivative financial instruments - diesel hedging contracts	2,751	348
Net exposure	67,828	38,437

The following table summarises the sensitivity of financial instruments held at 30 June 2021 to movements in the nickel price, with all other variables held constant. Trade receivables valuation uses a sensitivity analysis of 5.0% (2020: 5.0%).

Sensitivity of financial instruments to nickel price movements	Impact on post-tax profit	
	2021 \$'000	2020 \$'000
Increase/decrease in nickel price		
Increase	5,545	3,840
Decrease	(5,545)	(3,840)

The following table summarises the sensitivity of financial instruments held at 30 June 2021 to movements in the copper price, with all other variables held constant. Trade receivables valuation uses a sensitivity analysis of 5.0% (2020: 5.0%).

Sensitivity of financial instruments to copper price movements	Impact on post-tax profit	
	2021 \$'000	2020 \$'000
Increase/decrease in copper price		
Increase	1,300	805
Decrease	(1,300)	(805)

The following table summarises the sensitivity of financial instruments held at 30 June 2021 to a 20% (2020: 20%) movement in the price of Singapore gasoil 10ppm, with all other variables held constant.

Sensitivity of financial instruments to Singapore gasoil price movements	Impact on other components of equity	
	2021 \$'000	2020 \$'000
Increase/decrease in Singapore gasoil price		
Increase	1,137	2,206
Decrease	(1,137)	(2,206)

22 Financial risk management (continued)

(a) Market risk (continued)

(iii) Equity price risk sensitivity analysis

The following sensitivity analysis has been determined based on the exposure to equity price risks at the reporting date. Each equity instrument is assessed on its individual price movements with the sensitivity rate based on a reasonably possible change of 20% (2020: 20%). At reporting date, if the equity prices had been higher or lower, net profit for the year would have increased or decreased by \$15,532,000 (2020: \$15,086,000).

(iv) Cash flow and fair value interest rate risk

The Group's exposure to interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. At the reporting date, the Group had the following exposure to interest rate risk on financial instruments:

	30 June 2021		30 June 2020	
	Weighted average interest rate %	Balance \$'000	Weighted average interest rate %	Balance \$'000
Financial assets				
Cash and cash equivalents	0.4%	528,514	1.3%	510,312
	0.4%	528,514	1.3%	510,312
Financial liabilities				
Bank loans	-%	-	2.6%	57,145
	-%	-	2.6%	57,145

The sensitivity analysis below has been determined based on the exposure to interest rates at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period.

Sensitivity of interest revenue and expense to interest rate movements	Impact on post-tax profit	
	2021 \$'000	2020 \$'000
Interest revenue		
Increase 1.0% (2020: 1.0%)	2,896	3,520
Decrease 1.0% (2020: 1.0%)	(1,240)	(3,520)
Interest expense		
Increase 1.0% (2020: 1.0%)	-	(400)
Decrease 1.0% (2020: 1.0%)	-	400

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including only transacting with high quality financial institutions and customers with an appropriate credit history. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The Group does not hold any collateral.

22 Financial risk management (continued)

(b) Credit risk (continued)

The maximum exposure to credit risk at the reporting date was as follows:

	2021 \$'000	2020 \$'000
Financial assets		
Cash and cash equivalents	528,514	510,312
Trade receivables	78,513	46,595
Other receivables	859	19,315
Financial assets at fair value through profit or loss	110,944	107,759
Derivative financial instruments	2,751	348
	721,581	684,329

(i) Impairment of financial assets

The Group has two types of financial assets that are subject to the expected credit loss model:

- trade receivables, and
- other receivables and financial assets.

While cash and cash equivalents are also subject to the impairment requirements of AASB 9, no impairment loss has been identified.

Trade receivables

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates, the impact of the COVID-19 pandemic and forward-looking information that is available. The allowance for expected credit losses is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

The Group has policies in place to ensure that sales of products are made to customers with an appropriate credit history.

Nickel, copper and cobalt concentrate sales

Credit risk arising from sales to customers is managed by contracts that stipulate a provisional payment of between 90% and 100% of the estimated value of each sale. Provisional payments are predominantly made via an unconditional and irrevocable letter of credit, governed by the laws of Western Australia, or alternatively via direct payment from the customer, and are expected to be received within a few business days of the sale. Final payment is dependent on the quotation period of the respective purchase contract, and is also made via an irrevocable letter of credit or direct payment from the customer.

Due to the large size of concentrate shipments, there are a relatively small number of transactions each month and therefore each transaction and receivable balance is actively managed on an ongoing basis, with attention to timing of customer payments and imposed credit limits. The resulting exposure to impairment losses is not considered significant, despite the impact of the COVID-19 pandemic.

Other receivables and financial assets

The Group recognises a loss allowance for expected credit losses on other financial assets which are either measured at amortised cost, fair value through profit or loss or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

22 Financial risk management (continued)

(b) Credit risk (continued)

Other receivables and financial assets (continued)

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired, or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

In respect of cash and cash equivalents, financial assets at fair value through profit or loss and derivative financial instruments, the Group's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Group does not hold any credit derivatives to offset its credit exposure.

Derivative counterparties and cash transactions are restricted to high credit quality financial institutions.

(ii) *Significant estimates and judgements*

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial liabilities as they fall due. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Management and the Board monitors liquidity levels on an ongoing basis.

Maturities of financial liabilities

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables are based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Contractual maturities of financial liabilities	Less than 6 months	6 - 12 months	Between 1 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 30 June 2021						
Trade and other payables	47,286	-	-	-	47,286	47,286
Lease liabilities	2,652	2,657	21,506	833	27,648	25,048
	49,938	2,657	21,506	833	74,934	72,334
At 30 June 2020						
Trade and other payables	53,013	-	-	-	53,013	53,013
Lease liabilities	3,931	3,775	27,862	9,485	45,053	39,785
Bank loans*	57,388	-	-	-	57,388	56,937
	114,332	3,775	27,862	9,485	155,454	149,735

* Includes estimated interest payments.

22 Financial risk management (continued)

(d) Recognised fair value measurements

(i) Fair value hierarchy

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes.

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

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

The following table presents the Group's assets and liabilities measured and recognised at fair value at 30 June 2021 and 30 June 2020 on a recurring basis.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
At 30 June 2021				
Financial assets				
Listed investments	110,944	-	-	110,944
Derivative instruments				
Diesel hedging contracts	-	2,751	-	2,751
	110,944	2,751	-	113,695
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
At 30 June 2020				
Financial assets				
Listed investments	107,759	-	-	107,759
Derivative instruments				
Diesel hedging contracts	-	348	-	348
	107,759	348	-	108,107

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2021 and did not transfer any fair value amounts between the fair value hierarchy levels during the year ended 30 June 2021.

(ii) Valuation techniques used to determine level 1 fair values

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and trading and available-for-sale securities) 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. These instruments are included in level 1.

(iii) Valuation techniques used to determine level 2 and level 3 fair values

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments.
- The fair value of commodity and forward foreign exchange contracts is determined using forward commodity and exchange rates at the reporting date.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

All of the resulting fair value estimates are included in level 2.

22 Financial risk management (continued)

(d) Recognised fair value measurements (continued)

(iv) Fair value of other financial instruments

The Group also has a number of financial instruments which are not measured at fair value in the balance sheet. These instruments had the following fair value at the reporting date.

	30 June 2021		30 June 2020	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Current liabilities				
Bank loans	-	-	56,937	57,145
Lease liabilities	4,421	5,309	6,235	7,706
	4,421	5,309	63,172	64,851
Non-current liabilities				
Lease liabilities	20,627	22,339	33,550	37,347
	20,627	22,339	33,550	37,347

Group structure

This section of the notes provides information which will help users understand how the group structure affects the financial position and performance of the Group.

23 Discontinued operation

On 13 April 2021, the Company announced that it had entered into a binding agreement with Regis Resources Limited (Regis) for the sale of the Company's 30% interest in the Tropicana Gold Mine (Tropicana). The sale was completed with effect from 31 May 2021 and Tropicana is reported in the current period as a discontinued operation. Financial information relating to the discontinued operation for the period to the date of disposal is set out below.

(a) Financial performance and cash flow information

The financial performance and cash flow information presented are for the 11 months ended 31 May 2021 (2021 column) and the year ended 30 June 2020.

	2021 \$'000	2020 \$'000
Revenue	243,257	290,078
Mining, development and processing costs	(96,706)	(89,570)
Employee benefits expense	(15,298)	(15,725)
Depreciation and amortisation expense	(51,715)	(72,434)
Exploration and evaluation expense	(2,835)	(3,089)
Royalty expense	(6,851)	(8,150)
Borrowing and finance costs	(653)	(837)
Other expenses	(1,935)	(1,991)
Profit before income tax	67,264	98,282
Income tax expense	(20,188)	(29,496)
Profit after income tax of discontinued operation	47,076	68,786
Gain on sale of the joint venture after income tax (see (b) below)	384,819	-
Profit from discontinued operation	431,895	68,786

	2021 \$'000	2020 \$'000
Net cash inflow from operating activities	139,683	149,863
Net cash inflow/(outflow) from investing activities (2021 includes a net inflow of \$862,349,000 from the sale of the joint venture)	788,558	(70,652)
Net cash (outflow) from financing activities	(1,249)	(1,243)
Net increase in cash generated by the joint venture	926,992	77,968

(b) Details of the sale of the joint venture

	2021 \$'000	2020 \$'000
Cash consideration received or receivable	888,579	-
Costs of sale paid or payable	(28,810)	-
Total net disposal consideration	859,769	-
Carrying amount of net assets sold	(302,946)	-
Gain on sale before income tax	556,823	-
Income tax expense on gain	(172,004)	-
Gain on sale after income tax	384,819	-

23 Discontinued operation (continued)

(b) Details of the sale of the joint venture (continued)

The carrying amounts of assets and liabilities as at the date of sale (31 May 2021) were:

	31 May 2021 \$'000
Cash and cash equivalents	3,406
Trade and other receivables	2,565
Property, plant and equipment	29,557
Inventories	100,515
Right-of-use assets	9,220
Mine properties	216,701
Exploration and evaluation expenditure	160
Total assets	362,124
Trade and other creditors	(19,338)
Lease liabilities	(9,633)
Provisions	(30,207)
Total liabilities	(59,178)
Net assets	302,946

24 Interests in subsidiaries

(a) Significant investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of IGO Limited and the subsidiaries listed in the following table:

Name of entity	Note	Country of incorporation	Equity holding	
			2021 %	2020 %
IGO Newsearch Pty Ltd		Australia	100	100
IGO Stockman Parent Pty Ltd		Australia	100	100
IGO Stockman Project Pty Ltd		Australia	100	100
IGO Windward Pty Ltd		Australia	100	100
Flinders Prospecting Pty Ltd		Australia	100	100
IGO Europe Pty Ltd		Australia	100	100
IGO Nova Holdings Pty Ltd	(a)	Australia	100	100
IGO Nova Pty Ltd	(a)	Australia	100	100
Independence Group Europe AB	(b)	Sweden	-	100
IGO Lithium Holdings Pty Ltd	(c)	Australia	100	100

- (a) These subsidiaries have been granted relief from the necessity to prepare financial reports in accordance with ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 issued by the Australian Securities and Investments Commission. For further information refer to note 31.
- (b) Independence Group Europe AB was divested by the Group on 21 April 2021.
- (c) IGO Downstream Technologies Pty Ltd changed its name to IGO Lithium Holdings Pty Ltd during the year.

24 Interests in subsidiaries (continued)

(b) Principles of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group 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 to direct the activities of the entities. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

25 Interests in associates

(a) Interests in associates

Set out below are the associates of the Group as at 30 June 2021 which, in the opinion of the Directors, are material to the Group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of business/ country of incorporation	% of ownership interest		Nature of relationship	Measurement method	Quoted fair value		Carrying amount	
		2021	2020			2021	2020	2021	2020
		%	%			\$'000	\$'000	\$'000	\$'000
TLEA*	Australia	49	-	Associate	Equity method	1,855,939	-	1,855,939	-

* Tianqi Lithium Energy Australia Pty Ltd

The Group completed the transaction to acquire 49% of the share capital of Tianqi Lithium Energy Australia Pty Ltd (TLEA) from Tianqi Lithium Corporation (Tianqi) on 30 June 2021. TLEA is the exclusive vehicle for lithium investments for IGO and Tianqi outside of China. As the transaction completed on 30 June 2021, there is no impact to the Group's profit or loss for the current financial year.

(i) Summarised financial information for associates

The tables below provide summarised financial information for the associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not IGO Limited's share of those amounts. They have been amended to reflect adjustments made by the Group when using the equity method, including provisional accounting fair value adjustments of \$1,857,177,000 (IGO 49% share: \$910,017,000) and modifications for differences in accounting policy.

Summarised balance sheet	TLEA	
	2021 \$'000	2020 \$'000
Current assets		
Cash and cash equivalents	133,149	-
Other current assets	341,211	-
Total current assets	474,360	-
Non-current assets	4,512,941	-
Current liabilities	250,293	-
Non-current liabilities	949,378	-
Net assets	3,787,630	-

25 Interests in associates (continued)

(a) Interests in associates (continued)

(i) Summarised financial information for associates (continued)

	TLEA	
	2021 \$'000	2020 \$'000
Reconciliation to carrying amounts:		
Opening net assets 1 July	-	-
Profit for the period*	-	-
Acquisition during the period	3,787,630	-
	3,787,630	-
Group share in %	49.0%	-%
Group's share in \$	1,855,939	-
Carrying amount	1,855,939	-

* The transaction to acquire the Group's 49% share in TLEA was completed on 30 June 2021, therefore there is no impact to the Group's share of profit or loss for the current financial year.

(b) Recognition and measurement

Equity method

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 33(c)(i).

Other information

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but are not considered critical in understanding the financial performance or position of the Group.

26 Commitments and contingencies

(a) Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	2021 \$'000	2020 \$'000
Corporate office fitout	4,800	-
Mine properties in development	-	4,125
	4,800	4,125

(b) Leasing Commitments

	2021 \$'000	2020 \$'000
<i>Finance lease commitments</i>		
Future minimum lease payments under lease contracts with the present value of net minimum lease payments are as follows:		
Within one year	5,309	7,706
Later than one year but not later than five years	21,506	27,862
Later than five years	833	9,485
Total minimum lease payments	27,648	45,053
Future finance charges	(2,600)	(5,268)
Present value of minimum lease payments	25,048	39,785
Current	4,421	6,235
Non-current	20,627	33,550
Total included in lease liabilities	25,048	39,785

(c) Contingencies

The Group had guarantees outstanding at 30 June 2021 totalling \$1,522,000 (2020: \$1,211,000) which have been granted in favour of various third parties. The guarantees primarily relate to environmental and rehabilitation bonds at the various mine sites.

27 Events occurring after the reporting period

On 27 July 2021, the Company announced that it had entered into a binding agreement with entities owned and controlled by Mark Creasy (Creasy Group) to i) acquire 100% of the Silver Knight nickel-copper-cobalt sulphide deposit (Silver Knight), and ii) form a JV with Creasy Group (IGO 65%: Creasy Group 35%) over a portfolio of exploration tenements around Silver Knight, for a total cash consideration of \$45,000,000 (Transaction). Documentation for the Transaction is expected to be completed by 30 September 2021, with completion of the Transaction occurring within five business days thereafter.

27 Events occurring after the reporting period (continued)

The impact of the COVID-19 pandemic is ongoing and, while it has had limited impact on the Group up to 30 June 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation continues to develop and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

On 31 August 2021, the Company announced a final fully franked dividend of 10 cents per share, to be paid on 23 September 2021.

Other than the above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future financial years, other than as stated elsewhere in the financial report.

28 Share-based payments

The Group provides benefits to employees (including executive directors) of the Group through share-based incentives. Information relating to these schemes is set out below.

(a) Employee Incentive Plan

The IGO Limited Employee Incentive Plan (EIP) was approved by shareholders at the Annual General Meeting of the Company in November 2016. The EIP incorporates both broad based equity participation for eligible employees, as well as key executive incentive schemes designed to provide long-term incentives to senior management (including executive directors) to deliver long-term shareholder returns.

The EIP comprised the following schemes during the current financial year:

- Long-term incentive (LTI) - performance rights;
- Short-term incentive (STI) - service rights;
- Employee share ownership award; and
- Employee salary sacrifice share plan.

LTI - Performance Rights

Under the LTI scheme, participants are granted performance rights which will only vest if certain performance conditions are met and the employees are still employed by the Group at the end of the vesting period. Participation in the LTI scheme is at the Board's discretion and no individual has a contractual right to participate in the scheme or to receive any guaranteed benefits.

Equity settled awards outstanding

Set out below are summaries of performance rights granted under the LTI scheme:

	2021		2020	
	Number of share rights	Weighted average fair value at grant date	Number of share rights	Weighted average fair value at grant date
Outstanding at the beginning of the year	2,690,866	3.20	2,369,141	2.54
Rights issued during the year	934,917	2.87	819,577	4.62
Rights vested during the year	(819,643)	2.52	-	-
Rights lapsed during the year	(103,943)	3.64	(495,826)	2.39
Rights cancelled during the year	(142,156)	2.52	(2,026)	2.29
Outstanding at the end of the year	2,560,041	3.31	2,690,866	3.20

The share-based payments expense relating to performance rights included in profit or loss for the year totalled \$2,727,688 (2020: \$2,695,027).

28 Share-based payments (continued)

Fair value of performance rights granted

The fair value of the share rights granted during the year ended 30 June 2021 are determined using a trinomial tree which has been adopted by the Boyle and Law (1994) node alignment algorithm to improve accuracy, with the following inputs:

Fair value inputs	CEO	Senior management	Other employees
Grant date	18 November 2020	2 October 2020	2 October 2020
Vesting date	1 July 2023	1 July 2023	1 July 2023
Share price at grant date	4.88	4.07	4.07
Fair value estimate at grant date	3.43	2.74	2.74
Expected share price volatility (%)	40	40	40
Expected dividend yield (%)	1.43	1.72	1.72
Expected risk-free rate (%)	0.11	0.18	0.18

Vesting conditions of performance rights granted

Vesting of the performance rights granted to executive directors, executives and other employees during the year is based on four equally weighted performance hurdles as follows:

- Relative total shareholder return (TSR);
- Absolute TSR;
- Reserve growth per share; and
- EBITDA average margin.

Relative TSR

The relative TSR scorecard for the three year measurement period will be determined based on a percentile ranking of the Company's TSR results relative to the TSR of each of the companies in the comparator group over the same three year measurement period.

The comparator group is a peer group comprised of members of the S&P ASX 300 Metals and Mining Index, as well as several mining companies listed on the Toronto Stock Exchange (TSX) and the New York Stock Exchange (NYSE). The Board has discretion to adjust the peer group from time to time in its absolute discretion.

The vesting schedule for the 25% of the performance rights subject to relative TSR testing is as follows:

Relative TSR performance	Level of vesting
Less than 50th percentile	Zero
Between 50th and 75th percentile	50% plus pro-rata straight line percentage between 50% and 100%
75th percentile or better	100%

Absolute TSR

The absolute TSR scorecard for the three year measurement period will be determined based on an increase in absolute TSR of the Company over the three year measurement period.

The vesting schedule for the 25% of the performance rights subject to absolute TSR testing is as follows:

Absolute TSR performance	Level of vesting
10% per annum return	33%
Above 10% per annum and below 20% per annum return	Straight line pro-rata between 33% and 100%
Above 20% per annum return	100%

28 Share-based payments (continued)

Vesting conditions of performance rights granted (continued)

Reserve growth per share

The reserve growth per share performance condition will be determined as managed ore reserve growth in excess of depletion over the three-year measurement period. Baseline ore reserves means the Group's managed nickel equivalent ore reserves at the start of the performance period as determined by the Board.

The vesting schedule for the 25% of the performance rights subject to reserve growth per share testing is as follows:

Reserve growth	Level of vesting
<90% of Baseline Ore Reserves	0%
90% of Baseline Ore Reserves	33%
Above 90% of Baseline Ore Reserves and below 100%	Straight line pro-rata between 33% and 66%
100% of Baseline Ore Reserves	66%
Above 100% of Baseline Ore Reserves and below 120%	Straight line pro-rata between 66% and 100%
120% and above of Baseline Ore Reserves	100%

EBITDA average margin

The EBITDA average margin will be measured over the three-year measurement period.

The vesting schedule for the 25% of the performance rights subject to EBITDA average margin testing is as follows:

Group EBITDA margin	Level of vesting
<20%	0%
≥ 20%	33%
≥ 30%	66%
≥ 40%	100%

Service rights - STI scheme

Under the Group's short-term incentive (STI) scheme, Executives and selected employees receive 50% of the annual STI achieved in cash and 50% in the form of rights to deferred shares in IGO Limited (referred to as service rights). The service rights are granted following the determination of the STI for the performance year and vest in two equal tranches. The first tranche of 50% vests on the 12 month anniversary of the STI award date, and the second tranche of 50% vests on the 24 month anniversary of the STI award date.

The service rights automatically convert into one ordinary share each on vesting at an exercise price of nil. The Executives and employees do not receive any dividends and are not entitled to vote in relation to the service rights during the vesting period. If an Executive or employee ceases to be employed by the Group within the vesting period, the service rights will be forfeited, except in circumstances that are approved by the Board on a case-by-case basis.

The number of rights to be granted is determined based on the 5 day VWAP of the Company's shares after the release of IGO Limited's financial statements.

Set out below are summaries of movements in service rights during the year:

	2021		2020	
	Number of share rights	Weighted average fair value	Number of share rights	Weighted average fair value
Outstanding at the beginning of the year	476,088	5.36	437,686	4.01
Rights issued during the year	536,496	4.46	338,175	5.88
Rights vested during the year	(305,157)	5.08	(279,978)	3.90
Rights lapsed during the year	(58,155)	4.81	(19,795)	4.77
Outstanding at the end of the year	649,272	4.79	476,088	5.36

The share-based payments expense relating to service rights included in profit or loss for the year totalled \$1,989,887 (2020: \$1,614,857).

28 Share-based payments (continued)

Employee Share Ownership Award

In accordance with the terms of the EIP, the Employee Share Ownership Award (ESOA) provides for shares to be issued by the Company to employees for no cash consideration. All employees (excluding executive directors, senior management and other employees entitled to participate in the LTI scheme and non-executive directors) who have been continuously employed by the Group for a period of at least three months prior to 1 July are eligible to participate in the ESOA.

Under the ESOA, eligible employees may be granted up to \$1,000 worth of fully paid ordinary shares in IGO Limited annually for no cash consideration. The number of shares issued to participants in the scheme is the offer amount divided by the weighted average price at which the Company's shares are traded on the Australian Securities Exchange for the 20 days up to and including the date of grant.

	2021 Number	2020 Number
Number of shares issued under the plan to participating employees	39,800	39,240

Each participant was issued with shares worth \$1,000 based on the weighted average market price of \$5.02 (2020: \$4.58). The share-based payments expense relating to ESOA included in profit or loss for the year totalled \$199,758 (2020: \$179,719).

Employee Salary Sacrifice Share Plan

In accordance with the terms of the EIP, the Employee Salary Sacrifice Plan allows for employees, excluding KMP, to purchase up to \$5,000 of shares in the Company via salary sacrifice. The Company will match any share purchased with one share, up to a maximum of \$5,000. The number of shares acquired on-market by the Company during the year for the purposes of this plan were 174,232 shares with an average price per share of \$5.76 (2020: 159,712 shares with an average price per share of \$5.32).

The share rights issued under the EIP will not be subject to any further escrow restrictions once they have vested to the employees.

Share trading policy

The trading of shares issued to participants under the Company's EIP is subject to, and conditional upon, compliance with the Company's employee share trading policy.

Non-executive Directors

The EIP permits non-executive directors to be eligible employees and therefore to participate in the plan. It is not currently intended that non-executive directors will be issued with performance rights under the EIP and any such issue would be subject to all necessary shareholder approvals.

(b) Recognition and measurement

Equity-settled transactions

The fair values of equity settled awards are recognised in share-based payments expense, together with a corresponding increase in share-based payments reserve within equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (vesting date).

The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value is determined with the assistance of a valuation software using a trinomial tree which has been adopted by the Boyle and Law (1994) node alignment algorithm, and takes into account the exercise price, the term of the performance right, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the share right and the correlations and volatilities of the peer group companies.

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects: (i) the extent to which the vesting period has expired, and (ii) the number of awards that, in the opinion of the Directors of the Company, will ultimately vest. This opinion is formed based on the best available information at the reporting date.

28 Share-based payments (continued)

(b) Recognition and measurement (continued)

Equity-settled transactions (continued)

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award is treated as if it was a modification of the original award, as described in the previous paragraph.

29 Related party transactions

(a) Transactions with other related parties

During the financial year, a wholly-owned subsidiary paid dividends of \$106,600,000 to IGO Limited (2020: \$195,000,000). Any such amounts are eliminated on consolidation for the purposes of calculating the profit of the Group for the financial year.

Loans were made between IGO Limited and certain entities in the wholly-owned group. The loans receivable from controlled entities are interest-free and repayable on demand.

(b) Key management personnel

Compensation of key management personnel

	2021	2020
	\$	\$
Short-term employee benefits	7,325,162	5,851,169
Post-employment benefits	296,637	305,561
Long-term benefits	92,145	138,450
Share-based payments	2,782,708	2,614,857
	10,496,652	8,910,037

Detailed remuneration disclosures are provided in the remuneration report on pages 50 to 70.

30 Parent entity financial information

(a) Summary financial information

The following information relates to the parent entity, IGO Limited, at 30 June.

	2021 \$'000	2020 \$'000
Balance sheet		
Current assets	517,145	583,089
Non-current assets	2,861,434	1,552,565
Total assets	3,378,579	2,135,654
Current liabilities	190,574	86,725
Non-current liabilities	20,546	88,307
Total liabilities	211,120	175,032
Net assets	3,167,459	1,960,622
Equity		
Contributed equity	2,648,574	1,897,126
Reserves		
Distributable profits reserve	483,171	-
Hedging reserve	-	44
Share-based payments reserve	20,447	18,645
Retained earnings	15,267	44,807
Total equity	3,167,459	1,960,622
	2021 \$'000	2020 \$'000
Profit for the year	483,171	235,432
Other comprehensive income for the period	(44)	(92)
Total comprehensive income for the year	483,127	235,340

(b) Guarantees entered into by the parent entity

The parent entity has no unsecured guarantees in respect of finance leases of subsidiaries (2020: \$nil).

There are cross guarantees given by IGO Limited, IGO Nova Holdings Pty Ltd and IGO Nova Pty Ltd as described in note 31. No deficiencies of assets exist in any of these companies.

(c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2021 or 30 June 2020.

(d) Contractual commitments for the acquisition of property, plant or equipment

The parent entity has outstanding contractual commitments for the acquisition of property, plant and equipment at 30 June 2021 of \$4,800,000 relating to the corporate office fitout (2020: \$nil).

31 Deed of cross guarantee

IGO Limited, IGO Nova Holdings Pty Ltd and IGO Nova Pty Ltd are parties to a deed of cross guarantee under which each company guarantees the debts of the others. By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare a financial report and directors' report under ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 (as amended) issued by the Australian Securities and Investments Commission.

(a) Consolidated statement of profit or loss and other comprehensive income and summary of movements in consolidated retained earnings

The above companies represent a 'closed group' for the purposes of the Legislative Instrument, and as there are no other parties to the deed of cross guarantee that are controlled by IGO Limited, they also represent the 'extended closed group'.

Set out below is a consolidated statement of profit or loss and other comprehensive income and a summary of movements in consolidated retained earnings for the year ended 30 June 2021 of the closed group consisting of IGO Limited, IGO Nova Holdings Pty Ltd and IGO Nova Pty Ltd.

Consolidated statement of profit or loss and other comprehensive income	2021	2020
	\$'000	\$'000
Revenue from continuing operations	671,739	598,852
Other income	3,666	3,492
Other expenses from ordinary activities	(561,389)	(444,526)
Borrowing and finance costs	(26,448)	(4,235)
Profit before income tax	87,568	153,583
Income tax expense	(51,403)	(50,245)
Profit from continuing operations	36,165	103,338
Profit from discontinued operation	431,895	68,786
Profit after income tax for the period	468,060	172,124

Other comprehensive income

Items that may be reclassified to profit or loss

Effective portion of changes in fair value of cash flow hedges, net of tax	1,682	(95)
Other comprehensive profit/(loss) for the period, net of tax	1,682	(95)
Total comprehensive income for the period	469,742	172,029

Summary of movements in consolidated retained earnings

Retained earnings/(accumulated losses) at the beginning of the financial year	82,085	(7,327)
Profit for the year	468,060	172,124
Dividends paid	(29,540)	(82,712)
Transfer to distributable profits reserve	(483,171)	-
Retained earnings at the end of the financial year	37,434	82,085

Notes to The Consolidated Financial Statements
30 June 2021

31 Deed of cross guarantee (continued)

(b) Consolidated balance sheet

Set out below is a consolidated balance sheet as at 30 June 2021 of the closed group consisting of IGO Limited, IGO Nova Holdings Pty Ltd and IGO Nova Pty Ltd.

	2021 \$'000	2020 \$'000
ASSETS		
Current assets		
Cash and cash equivalents	528,514	502,842
Trade receivables	81,857	65,861
Inventories	34,013	26,304
Financial assets at fair value through profit or loss	107,407	105,065
Derivative financial instruments	2,751	64
Total current assets	754,542	700,136
Non-current assets		
Receivables	1,872,327	-
Property, plant and equipment	34,134	28,657
Right-of-use assets	24,710	28,386
Mine properties	804,103	960,352
Exploration and evaluation expenditure	36,338	36,338
Deferred tax assets	30,721	111,113
Derivative financial instruments	-	284
Investments in controlled entities	35,139	35,195
Investments in joint ventures	-	429,706
Total non-current assets	2,837,472	1,630,031
TOTAL ASSETS	3,592,014	2,330,167
LIABILITIES		
Current liabilities		
Trade and other payables	43,263	92,407
Borrowings	-	56,937
Lease liabilities	4,421	4,869
Current tax liabilities	171,952	-
Provisions	8,721	7,058
Total current liabilities	228,357	161,271
Non-current liabilities		
Lease liabilities	20,627	24,033
Provisions	47,292	40,273
Deferred tax liabilities	104,186	106,490
Total non-current liabilities	172,105	170,796
TOTAL LIABILITIES	400,462	332,067
NET ASSETS	3,191,552	1,998,100
EQUITY		
Contributed equity	2,648,574	1,897,126
Reserves	505,544	18,889
Retained earnings	37,434	82,085
TOTAL EQUITY	3,191,552	1,998,100

32 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, IGO Limited, and its related practices:

	2021 \$	2020 \$
<i>Amounts received or due and receivable by BDO Audit (WA) Pty Ltd</i>		
Audit and review of financial statements	205,500	177,500
Other assurance services	9,000	8,000
	214,500	185,500
<i>Amounts received or due and receivable by an associate of the Auditor of the Group for:</i>		
Tax services	-	5,000
Corporate advisory services	81,845	18,000
Other compliance and advisory services	13,093	12,500
	94,938	35,500
Total services provided by BDO	309,438	221,000

33 Summary of significant accounting policies

(a) New and amended standards and interpretations adopted by the Group

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

The Group has not elected to early adopt any new standards or amendments during the current financial year.

(b) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2021 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards is that they are not expected to have a material impact on the Group in the current or future reporting periods.

(c) Other significant accounting policies

(i) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Directors' Declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 74 to 132 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 consolidated entity's financial position as at 30 June 2021 and of its performance for the year ended on that date, and
- (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, and
- (c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed Group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee.

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*.

This declaration is made in accordance with a resolution of the Directors.



Peter Bradford
Managing Director

Perth, Western Australia
Dated this 30th day of August 2021



INDEPENDENT AUDITOR'S REPORT

To the members of IGO Limited

Report on the Audit of the Financial Report

Opinion

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

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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. These matters were 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 these matters.



Acquisition Accounting - Tianqi Lithium Energy Australia Pty Ltd

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>During the financial year ended 30 June 2021, the Group acquired a 49% non-controlling interest in Tianqi Lithium Energy Australia Pty Ltd (“TLEA”).</p> <p>Note 25 discloses details of the transaction, including, the cost of the acquisition and the summarised financial position of the associate. The investment in TLEA is considered to be a significant transaction for the Group.</p> <p>The recognition of the TLEA investment is impacted by various key estimates and judgements, in particular the:</p> <ul style="list-style-type: none"> • Determination of control and significant influence; • Determination of business combination or asset acquisition; and • Treatment of transaction costs. <p>This is a key audit matter due to the importance and significance of the presentation, measurement and disclosures in relation to the users’ understanding of the financial statements.</p>	<p>Our work included but was not limited to the following procedures:</p> <ul style="list-style-type: none"> • Reviewing all executed agreements in order to understand the structure and terms and conditions of the transaction; • Evaluating management's assessment of whether control, joint control or significant influence existed, which included completing the following: <ul style="list-style-type: none"> • Agreeing equity ownership to supporting documentation; and • Reviewing shareholders agreement to assess the voting rights of each party; • Verifying the transaction settlement date to supporting documentation; • Verifying the transaction consideration to supporting documentation, including bank statements; • Verifying the assets and liabilities disclosed on acquisition to the audited financial information of the acquired businesses; and <p>We also assessed the adequacy of related disclosures in Note 25 to the financial statements.</p>



Carrying Value of Mine Properties

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>Refer to Note 15 of the financial statements, for disclosure over the mine properties asset.</p> <p>The carrying value of mine properties is impacted by various key estimates and judgements, in particular:</p> <ul style="list-style-type: none"> • Ore Reserves and estimates; • Amortisation rates; • Capitalisation and attribution of mining costs; <p>The Group is also required to assess for indicators of impairment at each reporting period. The assessment of impairment indicators in relation to the mine assets requires management to make significant accounting judgements and estimates which includes discount rates, commodity price and ore reserve estimates.</p> <p>This is a key audit matter due to the quantum of the asset and the significant judgement involved in management’s assessment of the carrying value of mine properties.</p>	<p>Our work included, but was not limited, to the following procedures:</p> <ul style="list-style-type: none"> • Reviewing management’s amortisation models, including agreeing key inputs to supporting information; • Assessing the competency and objectivity of, and work performed by, management’s experts in respect of the ore reserve estimates; • Evaluating and challenging management’s assessment of indicators of impairment under the Australian Accounting Standards for the mining assets by: <ul style="list-style-type: none"> • Comparing the carrying amount of the Group’s net assets against the market capitalisation, both as at 30 June 2021, and subsequent movements; • Comparing commodity price and foreign exchange rate assumptions at 30 June 2021 to independent consensus forecast; • Comparing FY21 operating performance against Board approved budgets and historical operating performance; and • Assessing economic indicators for impacts on appropriate discount rates; and <p>We also assessed the adequacy of related disclosures in Note 15 to the financial statements.</p>

Other information

The directors are responsible for the other information. The other information comprises the information in the Group’s annual report for the year ended 30 June 2021, but does not include the financial report and the auditor’s report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) 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 on the Remuneration Report

We have audited the Remuneration Report included in pages 50 to 70 of the directors' report for the year ended 30 June 2021.

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

Responsibilities

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

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to be 'P. Murdoch', written over a horizontal line. The signature is written in a cursive style.

Phillip Murdoch

Director

Perth, 30 August 2021

Additional ASX Information

The following additional information not shown elsewhere in this report is required by ASX Limited in respect of listed companies only. This information is current as at 20 August 2021.

1. SHAREHOLDING

Distribution of shareholders

RANGE	TOTAL HOLDERS	UNITS	% OF ISSUED CAPITAL
1 – 1,000	7,643	2,871,252	0.38
1,001 – 5,000	5,026	12,092,168	1.60
5,001 – 10,000	1,175	8,432,021	1.11
10,001 – 100,000	1,025	23,708,293	3.13
100,001 – Over	111	710,164,079	93.78
Total	14,980	757,267,813	100.00

The number of shareholders holding less than a marketable parcel of fully paid ordinary shares is 1,101.

The Company has received the following notices of substantial shareholding (Notice):

SUBSTANTIAL SHAREHOLDER	SHARES
Mark Creasy	80,518,341
T. Rowe Price Group, Inc.	60,020,001
Ausbil Investment Management Limited	46,764,869
FIL Limited	45,566,028

Voting rights: The voting rights of the fully paid ordinary shares are one vote per share held.

2. TWENTY LARGEST HOLDERS OF ORDINARY SHARES

ORDINARY SHAREHOLDERS	NO. OF SHARES HELD	PERCENTAGE HELD
1 J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	190,283,784	25.13
2 HSBC CUSTODY NOMINEES <AUSTRALIA> LIMITED	184,080,753	24.31
3 CITICORP NOMINEES PTY LIMITED	86,346,444	11.40
4 YANDAL INVESTMENTS PTY LTD	67,103,153	8.86
5 NATIONAL NOMINEES LIMITED	66,268,171	8.75
6 BNP PARIBAS NOMS PTY LTD <DRP>	19,591,386	2.59
7 BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING DRP A/C>	13,415,943	1.77
8 FRASERX PTY LTD	13,415,188	1.77
9 HSBC CUSTODY NOMINEES <AUSTRALIA> LIMITED <NT-COMNWLTH SUPER CORP A/C>	7,845,620	1.04
10 HSBC CUSTODY NOMINEES <AUSTRALIA> LIMITED-GSCO ECA	4,971,370	0.66
11 CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	3,539,536	0.47
12 HSBC CUSTODY NOMINEES <AUSTRALIA> LIMITED - A/C 2	3,493,576	0.46
13 PERTH SELECT SEAFOODS PTY LTD	3,237,884	0.43
14 ARGO INVESTMENTS LIMITED	3,080,970	0.41
15 BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD <DRP A/C>	2,572,263	0.34
16 BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	2,186,210	0.29
17 MR KENNETH JOSEPH HALL <HALL PARK A/C>	2,173,918	0.29
18 NATIONAL NOMINEES LIMITED <DB A/C>	2,139,747	0.28
19 PERTH SELECT SEAFOODS PTY LTD	2,062,116	0.27
20 AMALGAMATED DAIRIES LIMITED	2,004,180	0.26
Top 20 Holders of Independence Ordinary Share Class (Total)	679,812,212	89.77
Total Remaining Holders Balance	77,455,601	10.23

Glossary

AC	air core usually in the context of drilling or drill holes
AGAA	AngloGold Ashanti Australia
Ag	silver
Au	gold
BCM	bulk cubic metres
CGP	Chemical Grade Plant
Co	cobalt
Cu	copper
DD	Diamond Drilling
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
EM	electromagnetic
EM conductors	electromagnetic conductors returned from EM surveys
FLEM	Fixed-Loop electromagnetic
Greenbushes	Greenbushes Lithium Mine
HPGR	High Pressure Grinding Rolls
HPM	high precious metal
IFRS	International Financial Reporting Standards
IGO	IGO Limited
lb	pound
Kwinana	Kwinana Lithium Hydroxide Plant
LiOH	lithium hydroxide
Li ₂ O	lithium oxide
LTIFR	lost time injury frequency rate per million hours worked
MLEM	moving-loop electromagnetic surveys
Mt	million metric tonnes
Mtpa	million metric tonnes per annum
NPAT	Net Profit After Tax
Ni	nickel
oz	ounce
RC drilling	reverse circulation drilling
t	metric tonnes
TGP	Technical Grade Plant
Tropicana Operation	Tropicana Gold Mine that is 30% owned by the Company and 70% owned by AngloGold Ashanti Australia under the TJV agreement
TJV	Tropicana Joint Venture that is 30% owned by the Company and 70% owned by AngloGold Ashanti Australia
TRP	Tailings Retreatment Plant
Underlying EBITDA	Is a non-IFRS measure and comprises net profit or loss before finance costs, depreciation and amortisation and income tax, and after any earnings adjustment items, including asset impairments, gain or loss on sale of subsidiaries and joint venture, redundancy and restructuring costs, acquisition and transaction costs and foreign exchange and hedging gains/losses attributable to the acquisition of Tianqi.
Underlying Free Cash Flow	Comprises Free Cash Flow (Net Cash Flow from Operating Activities and Net Cash Flow from Investing Activities) adjusted to exclude acquisition costs, proceeds from investment sales (including Tropicana) and payments for investments and mineral interests.
Zn	zinc
\$	Australian dollars. All currency amounts in this report are Australian Dollars unless otherwise stated
\$M	million Australian dollars

Glossary

FORWARD-LOOKING STATEMENTS

This document may include Forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning IGO's planned production and planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are Forward-looking statements. Although IGO believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these Forward-looking statements.

CASH COSTS

All cash costs quoted include royalties and are net of by-product credits unless otherwise stated.

CURRENCY

All currency amounts in this report are Australian Dollars unless otherwise stated.

ALL-IN SUSTAINING COSTS (AISC) PER OUNCE OF GOLD SOLD

IGO reports All-in Sustaining Costs (AISC) per ounce of gold sold in AUD for its 30% interest in the Tropicana Gold Mine using the World Gold Council guidelines for AISC. The World Gold Council guidelines publication was released via press release on 27 June 2013 and is available from the World Gold Council's website.

Company Directory

DIRECTORS

Michael Nossal

Non-executive Chair

Peter Bradford

Managing Director & CEO

Debra Bakker

Non-executive Director

Peter Bilbe

Non-executive Director

Kathleen Bozanic

Non-executive Director

Peter Buck

Non-executive Director

Keith Spence

Non-executive Director

Xiaoping Yang

Non-executive Director

EXECUTIVE LEADERSHIP TEAM

Peter Bradford

Managing Director & CEO

Kate Barker

General Counsel and Head of Risk & Compliance

Matt Dusci

Chief Operating Officer

Andrew Eddowes

Head of Corporate Development

Joanne McDonald

Company Secretary and Head of Corporate Affairs

Sam Retallack

Head of People & Culture

Scott Steinkrug

Chief Financial Officer

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EXTERNAL AUDITOR

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Subiaco WA 6008

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SHARE REGISTRY

Computershare Investor Services Pty Limited

Level 11
172 St Georges Terrace
Perth WA 6000

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Facsimile +61 3 9473 2500
Email www.investorcentre.com/contact
Web www.computershare.com

SHARES

Listed on Australian Securities Exchange (ASX)

ASX code: IGO
Shares on issue: 757,267,813 ordinary shares

WEBSITE

Through the use of the internet, we have ensured that our corporate reporting is timely, complete and available at minimum cost to the Company. All ASX releases, investor presentations, financial statements and other information are available on our website.

www.igo.com.au

Cautionary Notes and Disclaimer

This annual report has been prepared by IGO Limited ("IGO") (ABN 46 092 786 304). It should not be considered as an offer or invitation to subscribe for, purchase or sell any securities in IGO or as an inducement to make an offer or invitation with respect to those securities in any jurisdiction.

This annual report contains general summary information about IGO, and information derived from publicly available sources that has not been independently verified. The information, opinions or conclusions expressed in this annual report should be read in conjunction with IGO's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX), which are available on the IGO website. No representation or warranty, express or implied, is made in relation to the fairness, accuracy or completeness of the information, opinions and conclusions expressed in this annual report. This annual report should not be relied upon as a recommendation or forecast by IGO.

This annual report contains forward looking information regarding future events, conditions, circumstances and the future financial performance of IGO. Often, but not always, forward looking statements can 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 statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs. These forward-looking statements are not a guarantee, assurance or prediction of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond IGO's control, which may cause actual results and developments to differ materially from those expressed or implied. Further details of these risks are set out below. All references to future production and production guidance made in relation to IGO are subject to the completion of all necessary feasibility studies, permit applications and approvals, construction, financing arrangements and access to the necessary infrastructure, amongst other things. Where such a reference is made, it should be read subject to this paragraph and in conjunction with further information about the Mineral Resources and Ore Reserves, as well as any Competent Persons' Statements included in IGO's periodic and continuous disclosure announcements lodged with the ASX. Forward looking statements only apply at the date of this annual report. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information IGO 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. IGO cautions against reliance on any forward-looking statement or guidance, particularly in light of the current economic climate and significant volatility, uncertainty and disruption, including that caused by the COVID-19 pandemic. Past performance cannot be relied on as a guide of future performance.

There are a number of risks specific to IGO and of a general nature which may affect the future operating and financial performance of IGO and the value of an investment in IGO including and not limited to economic conditions, stock market fluctuations, commodity demand and price movements, access to infrastructure, timing of environmental approvals, regulatory risks, operational risks, reliance on key personnel, reserve and resource estimations, native title and title risks, foreign currency fluctuations and mining development, construction and commissioning risk. The production guidance in this annual report is subject to risks specific to IGO and of a general nature which may affect the future operating and financial performance of IGO.

The information in this annual report that relates to Exploration Results is extracted from the ASX announcements released on 17 March 2021 entitled 'CY20 Mineral Resource and Ore Reserve Statement', 24 May 2021 entitled 'PRX: Exceptional high grade copper intersections at the Phreaker Prospect within Lake Mackay JV and 28 July 2021 entitled 'June 2021 Quarterly Activities Report', and for which Competent Persons' consents were obtained. The Competent Persons' consents remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

The information in this annual report that relates to Mineral Resources or Ore Reserves is extracted from IGO's Mineral Resource and Ore Reserve Statement released to the ASX on 17 March 2021 and for which Competent Persons' consents were obtained. The Competent Persons' consents remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX announcements released on 24 May 2021 and 28 July 2021 and, in the case of estimates or Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the original ASX announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original ASX announcement.

