



# 1H24 Results Presentation

IGO Limited

22 February 2024

IGO LIMITED | ASX: IGO

# Safety

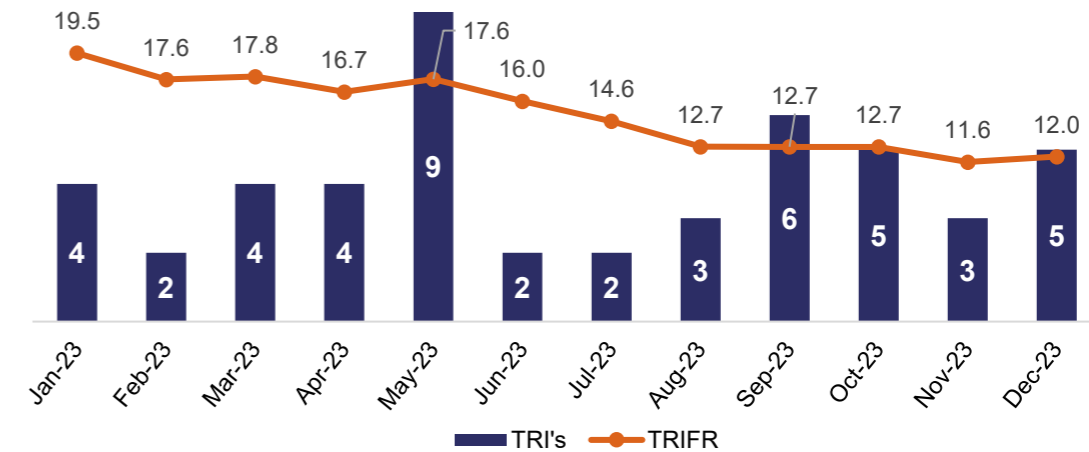
Recent incident a stark reminder of the need to prioritise and continue to improve safety

- Strong, continued progress toward reduction of TRIFR
- Lead performance metrics also improving, particularly Visual Safety Leadership Interactions (VSLI)
- Key focus areas/activities:
  - Health and Safety Critical Risk Management – a systematic and effective approach to identifying, assessing, managing and reviewing fatal risks
  - Stop and Think Program – Take5/JSEA, effective for managing field level risks
  - Psychosocial safety hazard identification and programs for mental wellbeing and support

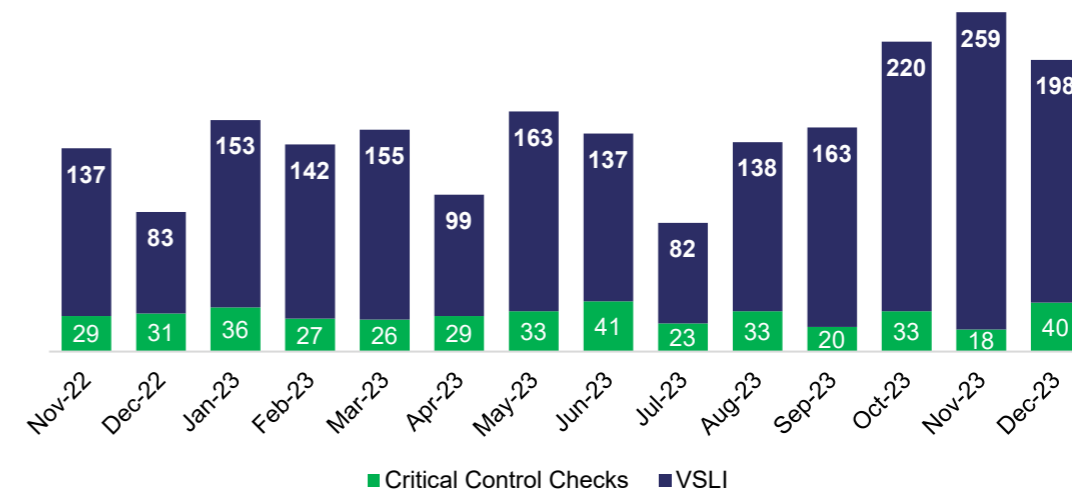
**These programs represent a significant positive effort by all teams in managing risk and making the workplace safer**

1. 12 month moving average calculated as the number of recordable injuries x 1,000,000 divided by the total number of hours worked. IGO reports recordable injuries (TRI) as the sum of Lost Time Injury (LTI), Medically Treated Injury (MTI) and Restricted Work Injury (RWI) as required by Part 1.1 r.5 of the WHS (Mines) Regulations 2022.

## Lag Safety Performance



## Lead Safety Performance



# Key Priorities in 2024

Clear focus on high impact drivers to deliver value



## Enhancing Safety

- Improving safety performance and strengthening our safety culture.



## Maximising value from Greenbushes

- Working with our partners to drive efficiencies, productivity and world-leading operating performance.
- Providing greater visibility of financial performance.
- Optimising our joint venture structures



## Supporting the Kwinana Refinery

- Collaborating closely with Tianqi Lithium Corporation to define a pathway to improved performance at the Kwinana Refinery.



## Optimising our nickel business

- Stable safe production and driving maximum cash flows from Nova and Forrestania
- Safely and diligently transitioning Cosmos into care and maintenance



## Diligently managing growth

- Supporting our growth agenda, particularly pursuing organic growth through our exploration potential and partnerships
- Ensuring disciplined cost control across the business



# 1H24 Financial Summary

Kathleen Bozanic – Chief Financial Officer



# 1H24 Financial Results Summary

Financial results impacted by weaker nickel and lithium prices

	Units	1H24	1H23	HoH
<b>Total Revenue</b>	A\$M	438	542	▼ 19%
<b>Underlying EBITDA<sup>2</sup></b>	A\$M	515	845	▼ 39%
<b>Net Profit After Tax</b>	A\$M	288	612	▼ 53%
<b>Underlying Net Profit After Tax</b>	A\$M	454	614	▼ 26%
<b>Net Cash from Operating Activities</b>	A\$M	568	562	▲ 1%
<b>Underlying Free Cash Flow<sup>3</sup></b>	A\$M	434	433	▲ 0.2%
<b>Cash</b>	A\$M	276	775	▼ 64%
<b>Net Cash</b>	A\$M	276	415	▼ 33%
<b>Interim Dividend</b>	A\$ per share	0.11	0.14	▼ 21%

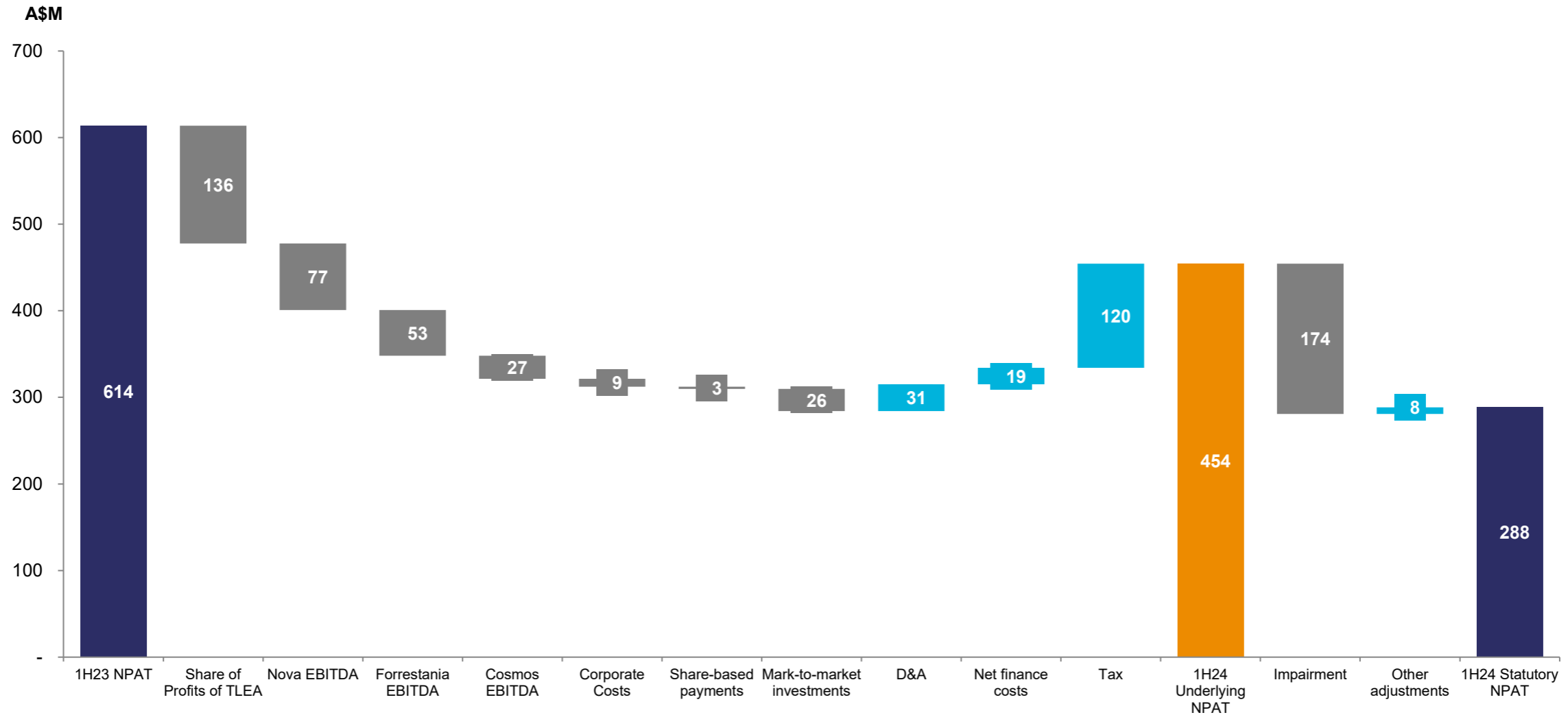
1. 1H24 is the six months ending 31 December 2023 and 1H23 is the six months ending 31 December 2022.

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

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

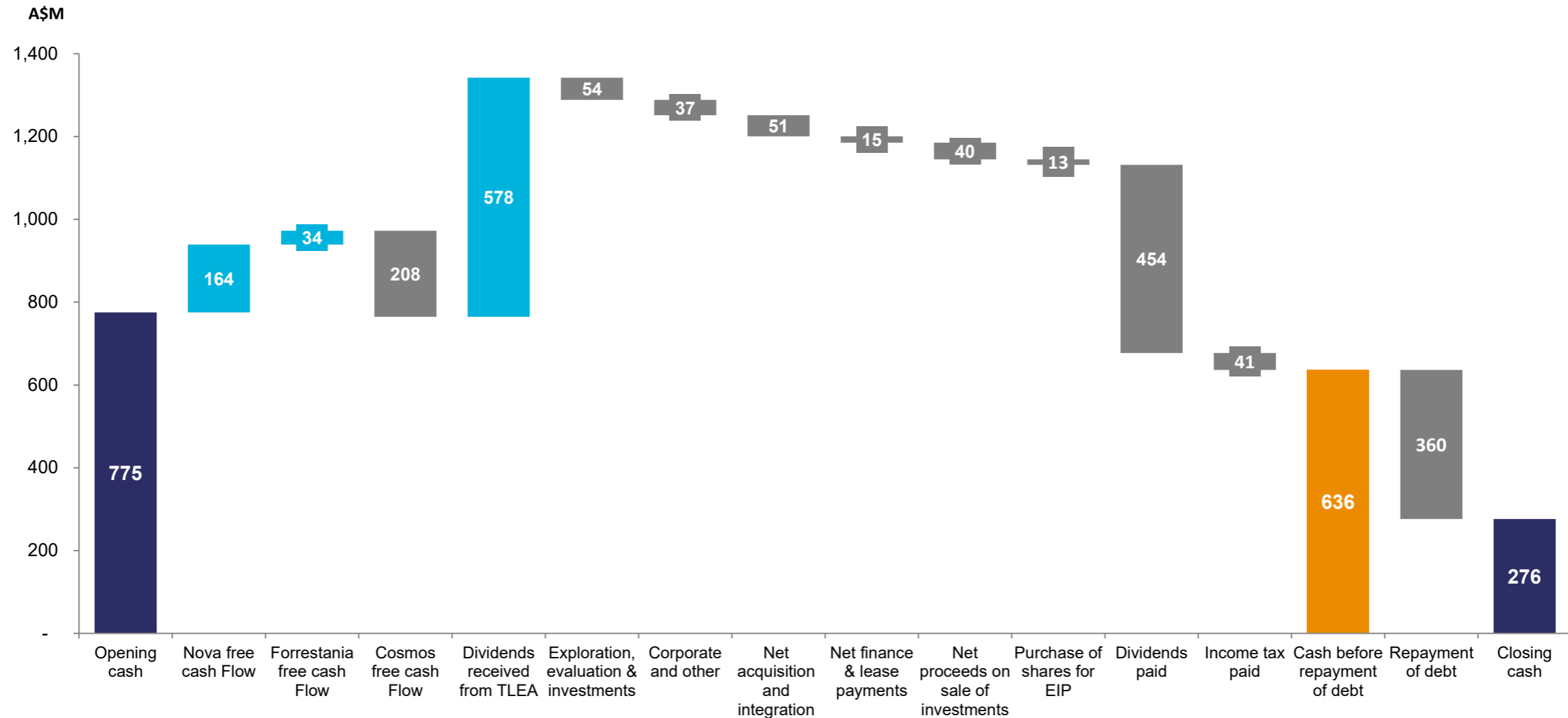
# Net Profit After Tax

Lower earnings as a result of lower prices and volumes



# Cash Flow

Balance sheet remains strong, with \$267M cash and no debt



# Guidance Update

## FY24 Lithium Business Guidance



		Original FY24 Guidance		Updated FY24 Guidance
<b>Greenbushes Lithium Mine</b>				
Spodumene Production (100%)	kt	1,400 – 1,500	▼	1,300 – 1,400 <sup>1</sup>
Cash Costs (Production) <sup>2</sup>	A\$/t	280 – 330	▲	330 – 380
Capex (Development, sustaining, improvement & deferred waste)	A\$M	850 – 950	No change	850 – 950
<b>Kwinana Lithium Hydroxide Refinery</b>				
Lithium Hydroxide Production (100%)	kt	<i>Not provided</i>	-	<i>Not provided</i>
Capex (Sustaining & Improvement)	A\$M	35 – 45	No change	35 – 45

1. Updated production guidance was announced on 31 January 2024 within December Quarterly Activities Report.
2. As of 1 July 2023, IGO adopted a revised cash cost reporting methodology as a more appropriate measure of cost performance at Greenbushes. Cash Costs (production) include mining, processing, crushing, site administration and deferred stripping, and utilises production as the unit of measurement (as opposed to sales). For clarity, inventory adjustments, offsite and royalty costs are excluded.





# Summary

# Summary



Prioritising key workstreams to deliver value for shareholders

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## Key Focus Areas

Improving safety performance and retaining our unique culture

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Driving value optimisation from Greenbushes

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Supporting our partner, Tianqi, to enhance Kwinana performance

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Optimising our nickel business, while safely and diligently transitioning Cosmos to care & maintenance

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Enabling growth while prudently managing costs

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# Cautionary Statements & Disclaimer



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



# Making a Difference

We believe in a world where people power makes amazing things happen.

Where technology opens up new horizons and clean energy makes the planet a better place for 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 products 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? Developments in battery storage technology are enabling the full potential of renewable energy to be realised, by allowing energy 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 products needed for tomorrow's battery systems, we are making it happen.

**We are the IGO Difference.**