



The Manager  
Market Announcements Office  
ASX Limited

22 November 2019

Dear Sir/Madam

**Takeover bid by Independence Group NL ABN 46 092 786 304 for  
Panoramic Resources Limited – Replacement Bidder’s Statement**

Further to IGO’s announcement today regarding its first supplementary bidder’s statement, we attach, by way of service pursuant to paragraph 633A(2)(c) of the *Corporations Act 2001* (Cth) (as inserted by ASIC Class Order [CO 13/528]), IGO’s replacement bidder’s statement dated 22 November 2019.

A copy of the replacement bidder’s statement has today been lodged with ASIC and sent to Panoramic Resources Limited.

IGO will commence sending its replacement bidder’s statement to offerees on 25 November 2019.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Bilbe', is written over a light grey circular stamp.

**Peter Bilbe**  
Chairman

Independence Group NL



This is an important document and requires your immediate attention.

If you are in any doubt about how to deal with this document, you should contact your broker, financial adviser or legal adviser immediately.

## **BIDDER'S STATEMENT**

containing an Offer by

**INDEPENDENCE GROUP NL**

ABN 46 092 786 304

to purchase all of your ordinary shares in

**PANORAMIC RESOURCES LIMITED**

ABN 47 095 792 288

You will receive 1 Independence Group NL share for every 13 of your Panoramic Resources Limited shares

## **ACCEPT THE OFFER**

Financial Adviser

Legal Adviser



HERBERT  
SMITH  
FREEHILLS

## KEY DATES

Date of the original Bidder's Statement	4 November 2019
Date of this replacement Bidder's Statement	22 November 2019
Date of Offer	25 November 2019
Offer closes (unless extended or withdrawn)	27 December 2019

## KEY CONTACTS

Share registrar for the Offer  
Computershare Investor Services  
Pty Limited  
Level 11, 172 St Georges Terrace  
Perth WA 6000

Offer Information Line\*  
Within Australia: 1300 069 335  
Outside Australia: +61 3 9415 4019  
\*Calls to these numbers may  
be recorded.



# CONTENTS

<b>CHAIRMAN'S LETTER</b>	<b>6</b>
<b>WHY YOU SHOULD ACCEPT THE OFFER</b>	<b>8</b>
1 Summary of the Offer	<b>16</b>
2 Information on IGO and the IGO Group	<b>21</b>
3 Information on IGO's securities	<b>35</b>
4 Information on Panoramic and the Panoramic Group	<b>39</b>
5 Information on Panoramic's securities	<b>49</b>
6 Sources of consideration	<b>52</b>
7 Bidder's intentions in relation to Panoramic	<b>55</b>
8 Effect of the Offer on IGO and profile of the Merged Group	<b>59</b>
9 Risk factors	<b>67</b>
10 Tax considerations	<b>75</b>
11 Additional information	<b>81</b>
12 The terms and conditions of the Offer	<b>87</b>
13 Definitions and interpretation	<b>101</b>
14 Approval of Bidder's Statement	<b>105</b>
<b>CORPORATE DIRECTORY</b>	<b>106</b>

# IMPORTANT NOTICES

## NATURE OF THIS DOCUMENT

This document is a replacement Bidder's Statement issued by Independence Group NL ABN 46 092 786 304 (IGO) under Part 6.5 of the Corporations Act (as modified by ASIC Class Order [CO 13/528]).

This replacement Bidder's Statement is dated 22 November 2019 and a copy of this replacement Bidder's Statement was lodged with ASIC on 22 November 2019.

This replacement Bidder's Statement replaces the original Bidder's Statement lodged with ASIC on 4 November 2019. Neither ASIC nor its officers takes any responsibility for the content of this replacement Bidder's Statement.

## INVESTMENT ADVICE

In preparing this Bidder's Statement, IGO has not taken into account the individual objectives, financial situation or needs of individual Panoramic Shareholders. Accordingly, before making a decision whether or not to accept the Offer, you may wish to consult with your financial or other professional adviser.

## DISCLAIMER AS TO FORWARD LOOKING STATEMENTS

Some of the statements appearing in this Bidder's Statement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industry in which Panoramic and IGO and the members of the IGO Group operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. None of IGO, the officers or employees of IGO, any persons named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement, makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required

by law. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this Bidder's Statement reflect views held only as at the date of this Bidder's Statement.

## DISCLAIMER AS TO PANORAMIC AND MERGED GROUP INFORMATION

The information on Panoramic, Panoramic's securities and the Panoramic Group contained in this Bidder's Statement has been prepared by IGO using publicly available information.

The information in this Bidder's Statement concerning Panoramic and the assets and liabilities, financial position and performance, profits and losses and prospects of the Panoramic Group, has not been independently verified by IGO. Accordingly, IGO does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

The information on the Merged Group contained in this Bidder's Statement, to the extent that it incorporates or reflects information on Panoramic and the Panoramic Group, has also been prepared using publicly available information. Accordingly, information in relation to the Merged Group is subject to the foregoing disclaimer to that extent.

Further information relating to Panoramic's business may be included in Panoramic's target's statement which Panoramic must provide to its shareholders in response to this Bidder's Statement.

## FOREIGN JURISDICTIONS

The distribution of this Bidder's Statement in jurisdictions outside Australia may be restricted by law, and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Bidder's Statement does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify IGO or to otherwise permit a public offering of IGO Shares outside Australia. IGO Shares have not been, and will not be, registered under the United States Securities Act of 1933 (**Securities Act**) and may not be offered or

sold in the United States or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the Securities Act), except in a transaction exempt from the registration requirements of the Securities Act and applicable United States state securities laws.

### **WARNING STATEMENT FOR PANORAMIC SHAREHOLDERS IN NEW ZEALAND**

This Bidder's Statement is not a New Zealand product disclosure statement or other similar offering or disclosure document under New Zealand law and has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the *Financial Markets Conduct Act 2013* or any other relevant New Zealand law. The offer of IGO Shares under the Offer is being made to existing Panoramic Shareholders with registered addresses in New Zealand in reliance upon an exemption from the relevant New Zealand securities regime, and, accordingly, this Bidder's Statement may not contain all the information that a product disclosure statement under New Zealand law is required to contain.

### **NOTICE TO PANORAMIC SHAREHOLDERS IN BERMUDA**

The IGO Shares under the Offer are only being offered to existing Panoramic Shareholders and no invitation is being made to persons resident in Bermuda for exchange control purposes to subscribe for ordinary shares of IGO.

### **PRIVACY**

IGO has collected your information from the Panoramic register of shareholders for the purpose of making this Offer and, if accepted, administering a record of your acceptance of IGO's Offer for your holding of Panoramic Shares. The Corporations Act requires the name and address of shareholders to be held in a public register. Your information may be disclosed on a confidential basis to IGO's related bodies corporate and external service providers, and may be required to be disclosed to regulators such as ASIC. The registered address of IGO is Suite 4, Level 5, South Shore Centre, 85 South Perth Esplanade, South Perth, Western Australia.

### **DEFINED TERMS**

A number of defined terms are used in this Bidder's Statement. Unless the contrary intention appears, the context requires otherwise or words are defined in section 13 of this Bidder's Statement, words and phrases in this Bidder's Statement have the same meaning and interpretation as in the Corporations Act.

Unless the context requires otherwise, references in this document to "this Bidder's Statement", "the date of this Bidder's Statement" or similar expressions are references to this replacement Bidder's Statement dated 22 November 2019.





# BENEFITS OF THE OFFER FOR PANORAMIC SHAREHOLDERS

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- 1.** Very attractive and significant premium of 42% to the last closing price of Panoramic Shares before the Announcement Date and 51% to the 1 month VWAP

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- 2.** De-risks your investment in Panoramic within a stronger, larger, more diversified and liquid vehicle

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- 3.** Enhanced operational and exploration value through IGO's technical, financial and operating capability

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- 4.** Retain and enhance exposure to attractive nickel market dynamics

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- 5.** Benefit from IGO's attractive shareholder returns policy

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- 6.** Potential access to CGT scrip for scrip rollover relief



# CHAIRMAN'S LETTER



## Dear Panoramic Shareholder

On behalf of the Directors of IGO, I am pleased to present you with this Bidder's Statement which details IGO's offer (**Offer**) to acquire all of your Shares in Panoramic Resources Limited (**Panoramic**).

22 NOVEMBER 2019

Under the Offer you will receive 1 IGO Share for every 13 Panoramic Shares you own. Based on the 1 month volume weighted average price of IGO Shares up to and including 1 November 2019, this Offer values each Panoramic Share at \$0.476.

IGO presents this Offer directly to you as a shareholder of Panoramic following a number of unsuccessful attempts to engage with the Panoramic Board. The Offer represents, in IGO's view, the best opportunity available to Panoramic's shareholders to crystallise meaningful value from, and de-risk, their investment in Panoramic in the foreseeable future.

For the reasons set out in this Bidder's Statement, I strongly encourage all Panoramic Shareholders to **ACCEPT the Offer**.

## ABOUT IGO

If you **ACCEPT the Offer**, you will have the opportunity to exchange your Panoramic Shares for shares in a leading ASX-listed mining and exploration company with a proven track record of project delivery, operation and optimisation and a strategic focus on metals critical to clean energy, primarily nickel and copper. IGO's flagship nickel-copper-cobalt operation, Nova, is aligned with this strategy and was developed on time and on budget. Nova is the lowest cost nickel mine in Australia and one of the lowest cost independent nickel mines in the world.

The acquisition of Savannah would be a complementary addition to IGO's growth strategy and portfolio.

IGO also has an interest in the Tropicana gold mine which delivers strong free cash flow and diversification to the IGO portfolio.

IGO's development and operating experience, combined with its specialist exploration experience in nickel sulphide systems, means IGO is well equipped to realise value from Savannah and Panoramic's exploration tenure, and deliver this value to Panoramic's Shareholders through the Offer and future cash returns, including dividends. IGO notes that, as at the date of this Bidder's Statement, it has a relevant interest in 24,920,325 Panoramic Shares, representing approximately 3.8% of Panoramic Shares on issue.

## REASONS TO ACCEPT THE OFFER

- 1. The implied Offer value represents a very attractive and significant premium of:**
  - **42%** to the closing price of Panoramic Shares on 1 November 2019, being the last trading day before the Announcement Date;
  - **51%** to the 1-month VWAP of Panoramic Shares up to and including 1 November 2019;
  - **52%** to the 2-month VWAP of Panoramic Shares up to and including 1 November 2019; and
  - **46%** to the 3-month VWAP of Panoramic Shares up to and including 1 November 2019.

IGO notes that if you participated in Panoramic's most recent equity raising in 2019 and **ACCEPT the Offer**, you stand to realise a very attractive return on the shares you acquired in that equity raising.

- 2. De-risks your investment in Panoramic within a stronger, larger, more diversified and liquid vehicle.**
- 3. Enhanced operational and exploration value through IGO's technical, financial and operating capability.**
- 4. Retain and enhance exposure to attractive nickel market dynamics.**
- 5. Benefit from IGO's attractive shareholder returns policy.**
- 6. Potential access to CGT scrip for scrip rollover relief.**

## ACCEPTING THE OFFER

Panoramic Shareholders who accept the Offer will generally be paid on the earlier of the date that is one month after the Offer becomes, or is declared, unconditional or 21 days after the end of the Offer Period.

The Offer is subject to the conditions presented in section 12.8. Included are a number of conditions that are necessary to confirm the current status of the Savannah operations given Panoramic's performance since it commenced the restart of Savannah mining operations in December 2018, including that Panoramic's FY20 production guidance is not revised downwards (section 12.8(h)), a condition requiring the appointment of a Technical Expert by Panoramic to confirm certain matters related to the Savannah Project (section 12.8(l)) and a condition that Panoramic's Target's Statement, when released, must include certain confirmations (section 12.8(m)).

On 14 November 2019, after the date of lodgement of the original Bidder's Statement with ASIC, Panoramic announced that its FY20 production guidance (as announced to the market on 3 September 2019) would not be met and that revised production guidance would be released to the market upon completion of an operational review, which Panoramic has said it anticipates will be complete within 3 weeks of the 14 November 2019 announcement (ie by 5 December 2019). In its 14 November 2019 announcement, Panoramic also indicated that the condition of IGO's offer requiring that FY20 production guidance not be revised downwards (section 12.8(h)) had been breached and certain other conditions were likely to be breached. The announcement also stated that the Panoramic Board believes there is a need to raise additional funds, and that Panoramic may conduct an entitlement offer to meet its short-term funding needs.

Subsequent to the 14 November 2019 announcement, as announced by Panoramic on 22 November 2019, Panoramic has agreed to allow IGO to conduct due diligence on Panoramic. IGO is in the process of reviewing the due diligence material being provided by Panoramic.

As there is currently no certainty as to the extent of the changes to Panoramic's FY20 production guidance and the outcome of Panoramic's operational review, IGO has not yet been able to give due consideration to the implications of these matters for the Offer. Accordingly, IGO currently intends to make an announcement regarding the status of the condition of the Offer requiring that FY20 production guidance not be revised downward (section 12.8(h)) (and whether IGO intends to rely on the breach of the condition to terminate its Offer or waive the breach and proceed with the Offer) following IGO's assessment of the changes to Panoramic's FY20 production guidance once released to the market and the completion of IGO's due diligence.

Panoramic has also previously stated in its 12 November 2019 announcement that the Technical Expert condition of the Offer had been breached as Panoramic had not appointed a Technical Expert within 5 business days of the date of the original Bidder's Statement. IGO confirms that it would not intend to rely on the breach of the condition arising due to the Technical Expert not being appointed in the time required by the condition, provided that the matters the subject of the condition are confirmed by a Technical Expert by the Assessment Date as required by the condition. Alternatively, IGO may consider waiving the Technical Expert condition (and reserves its right to do so) if the matters the subject of the condition are otherwise confirmed to IGO's satisfaction, for instance through IGO's due diligence on Panoramic which is currently being conducted with Panoramic's agreement.

Finally, if Panoramic conducts an equity raising as has been indicated is a possibility, IGO would intend to consider once the full details of any such equity raising are known, whether to rely on the resultant breach of the no prescribed occurrences condition of the Offer (section 12.8(f)) to terminate its Offer or to waive the breach and proceed with its Offer (and IGO reserves its right to do so).

Detailed information in respect of the Offer is set out in this Bidder's Statement. You should read this Bidder's Statement in its entirety. The Offer is open for acceptance until 7.00 pm (Sydney time) on 27 December 2019, unless extended in accordance with the Corporations Act. To accept the Offer you should follow the instructions detailed on the Acceptance Form.

### **I encourage you to accept the Offer.**

If you have any questions in relation to the Offer, please contact the Offer Information Line on 1300 069 335 (from within Australia) or +61 3 9415 4019 (from outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday.

Yours sincerely,



**PETER BILBE**  
CHAIRMAN  
INDEPENDENCE GROUP NL

## OVERVIEW

# WHY YOU SHOULD ACCEPT THE OFFER

1. Very attractive and significant premium of 42% to the last closing price of Panoramic Shares before the Announcement Date and 51% to the 1 month VWAP
2. De-risks your investment in Panoramic within a stronger, larger, more diversified and liquid vehicle
3. Enhanced operational and exploration value through IGO's technical, financial and operating capability
4. Retain and enhance exposure to attractive nickel market dynamics
5. Benefit from IGO's attractive shareholder returns policy
6. Potential access to CGT scrip for scrip rollover relief

# 1.

## Very attractive and significant premium of 42% to last close and 51% to the 1 month VWAP

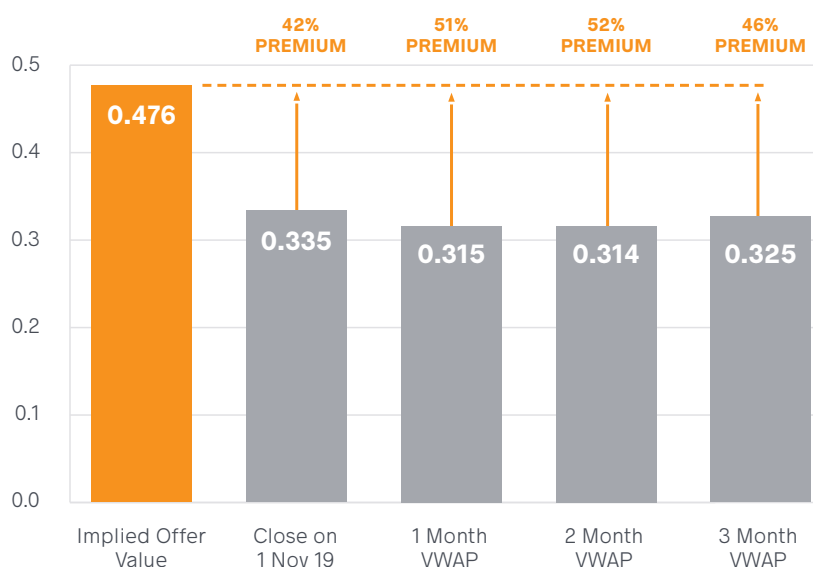
The implied Offer value of \$0.476<sup>1</sup> represents a very attractive and significant premium of:

- **42%** to the closing price of Panoramic Shares on 1 November 2019, being the last trading day before 4 November 2019 (Announcement Date);
- **51%** to the 1-month VWAP of Panoramic Shares up to and including 1 November 2019;<sup>2</sup>
- **52%** to the 2-month VWAP of Panoramic Shares up to and including 1 November 2019; and<sup>2</sup>
- **46%** to the 3-month VWAP of Panoramic Shares up to and including 1 November 2019.<sup>2</sup>

Panoramic Shares have not traded at the implied Offer value of \$0.476 per Panoramic Share since 1 March 2019, prior to Panoramic's first equity raising of this year announced on 11 March 2019. IGO's Offer represents, in IGO's view, a rare opportunity for Panoramic Shareholders to realise a very attractive and significant premium for their Panoramic Shares.

Panoramic Shareholders who acquired shares at \$0.28 per share through the pro-rata renounceable entitlement offer announced on 5 September 2019 will, if they ACCEPT the Offer, realise a premium of 70%<sup>3</sup> on those shares.

\$ / Panoramic share



Source: IRESS

1. Based on the 1 month VWAP of IGO Shares up to and including 1 November 2019, being the last trading day before the Announcement Date.  
 2. Calculated up to and including 1 November 2019, based on the cumulative value traded on ASX and CHI-X divided by cumulative volume traded on ASX and CHI-X.  
 3. Assumes an implied offer price of \$0.476 per Panoramic Share.

# 2.

## De-risks your investment in Panoramic within a stronger, larger, more diversified and liquid vehicle

Your investment in Panoramic, a single asset company with debt attempting to restart a remote underground mine and processing plant, carries significant risk. These risks would be materially removed or mitigated through a combination with IGO, which is a larger, more diversified multi-asset company, as summarised in the table on the following page.

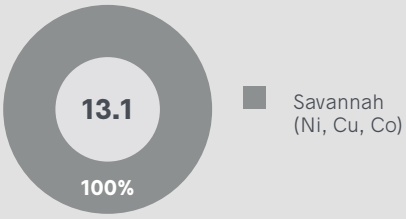
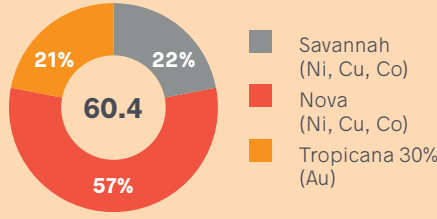
By **ACCEPTING IGO's Offer**, you would materially de-risk your investment in Panoramic through both receipt of up-front value for Your Shares and through being part of the combined group; a stronger, larger, more diversified and more liquid vehicle.

Due to the risk factors currently faced by Panoramic, it is possible that, without IGO's Offer, the Panoramic share price may fall below the pre-Offer Panoramic Share price and the implied Offer value in future.

4. Based on a historically low coefficient of determination (also referred to as "R Squared") between the nickel and gold price resulting in a "natural hedge" in relation to exposure to commodity price volatility (analysed over a 20-year historical period).
5. Mid-point of FY20 production guidance per PAN ASX announcement 3 September 2019 ("Savannah Operations Update & Further Amendments to Project Loan Facility") and IGO 2019 Annual Report converted to nickel equivalent tonnes (NiEq) using the following spot prices as at 1 November 2019: US\$16,835/t Ni (IRESS), US\$5,825/t Cu (IRESS), US\$35,500/t Co (FactSet) and US\$1,510/oz Au (IRESS). Figure for merged group is on a pro forma basis, prepared on the assumption that Panoramic becomes a wholly-owned subsidiary of IGO. On 14 November 2019, after the date of lodgement of the original Bidder's Statement with ASIC, Panoramic announced that its FY20 production guidance (as announced to the market on 3 September 2019) would not be met and that revised production guidance would be released to the market upon completion of an operational review which Panoramic said it anticipates will be complete within 3 weeks of the 14 November 2019 announcement (ie by 5 December 2019).
6. PAN ASX announcement 30 September 2019 ("Change in substantial holding from ZER").
7. Average daily trading value of Panoramic Shares over the last 12 months ending 1 November 2019.
8. Average daily trading value of IGO Shares over the last 12 months ending 1 November 2019.

## PANORAMIC

## IGO

OPERATIONAL	<ul style="list-style-type: none"> <li>✘ Significantly challenged restart</li> <li>✘ Ni production for September 2019 quarter is only 54–57% of pro rata FY20 guidance (released to the market on 3 September 2019)</li> </ul>		<ul style="list-style-type: none"> <li>✓ Proven track record with successful Nova ramp up (on-time and on-budget) and operational delivery</li> <li>✓ Included in the Dow Jones Sustainability Index for Australia</li> </ul>												
BALANCE SHEET	<ul style="list-style-type: none"> <li>✘ Savannah Financing Agreement and ramp up issues constrain financial flexibility</li> <li>✘ Potential for further equity raisings resulting in additional dilution</li> </ul>	STRONGER	<ul style="list-style-type: none"> <li>✓ Strong balance sheet with minimal debt and net cash of \$264 million at 30 September 2019</li> <li>✓ Clear capacity to take advantage of organic and inorganic growth opportunities and deploy capital to unlock constraints</li> </ul>												
BOARD AND EMPLOYEES	<ul style="list-style-type: none"> <li>✘ Recent significant changes to Board and senior management – 2019 resignations of Non-Executive Chairman, Managing Director and Chief Financial Officer</li> <li>✘ Attracting and retaining talent is considered challenging for small mining companies</li> <li>✘ Limited internal opportunities for employees of Panoramic given single asset focus</li> </ul>		<ul style="list-style-type: none"> <li>✓ Stable and forward-looking strategy, leadership team and board</li> <li>✓ Aims to be an employer of choice and has an active long-standing graduate recruitment programme</li> <li>✓ Multiple initiatives and diverse opportunities for employees</li> </ul>												
SCALE AND DIVERSIFICATION	<ul style="list-style-type: none"> <li>✘ Higher cost of capital</li> <li>✘ Limited scale benefits in supply and customer arrangements</li> </ul> <p>FY20 NiEq Production Guidance (kt) <sup>5</sup></p>  <p>13.1 100% Savannah (Ni, Cu, Co)</p>	LARGER, MORE DIVERSIFIED	<ul style="list-style-type: none"> <li>✓ Low cost Nova and Tropicana cash flows add stability through-the-cycle <sup>4</sup></li> <li>✓ Lower cost of capital and diversity of funding options</li> <li>✓ Potential to realise scale benefits valuable in supply and customer arrangements</li> </ul> <p>Merged Group FY20 NiEq Production Guidance (kt) <sup>5</sup></p>  <p>60.4 21% 22% 57% Savannah (Ni, Cu, Co) Nova (Ni, Cu, Co) Tropicana 30% (Au)</p> <p>Assuming IGO acquires 100% of Panoramic Shares, Panoramic Shareholders will hold approximately 8% of the shares in the Merged Group (on an undiluted basis). * See section 8.4(b) of this Bidder's Statement for further detail.</p>												
LIQUIDITY	<ul style="list-style-type: none"> <li>✘ Lower daily volumes traded</li> <li>✘ Free float impacted by Zeta (controls 35% of voting power) <sup>6</sup> and risk of further increases</li> </ul> <table border="1"> <thead> <tr> <th></th> <th>L12M Avg. Daily Trading (\$M) <sup>7</sup></th> <th>Free Float</th> </tr> </thead> <tbody> <tr> <td>PAN</td> <td>0.3</td> <td>60.2%</td> </tr> </tbody> </table>			L12M Avg. Daily Trading (\$M) <sup>7</sup>	Free Float	PAN	0.3	60.2%	MORE LIQUID	<ul style="list-style-type: none"> <li>✓ Greater liquidity and enhanced ability to trade shares</li> </ul> <table border="1"> <thead> <tr> <th></th> <th>L12M Avg. Daily Trading (\$M) <sup>8</sup></th> <th>Free Float</th> </tr> </thead> <tbody> <tr> <td>IGO</td> <td>16.1</td> <td>85.3%</td> </tr> </tbody> </table>		L12M Avg. Daily Trading (\$M) <sup>8</sup>	Free Float	IGO	16.1
	L12M Avg. Daily Trading (\$M) <sup>7</sup>	Free Float													
PAN	0.3	60.2%													
	L12M Avg. Daily Trading (\$M) <sup>8</sup>	Free Float													
IGO	16.1	85.3%													

Source: IRESS, FactSet as at 1 November 2019.

Source: IRESS, FactSet as at 1 November 2019.

\* If IGO acquires less than 100% of Panoramic Shares, Panoramic Shareholders will hold proportionately less of the Merged Group. On 8 November 2019 (as clarified on 12 November 2019), Zeta stated that it does not intend to accept IGO's current offer in respect of the 230,106,528 Panoramic Shares (representing 35.17%) that it holds, and that Zeta has reserved the right to accept a superior proposal from IGO or any other bidder for Panoramic.

# 3.

## Enhanced operational and exploration value through IGO's technical, financial and operating capability

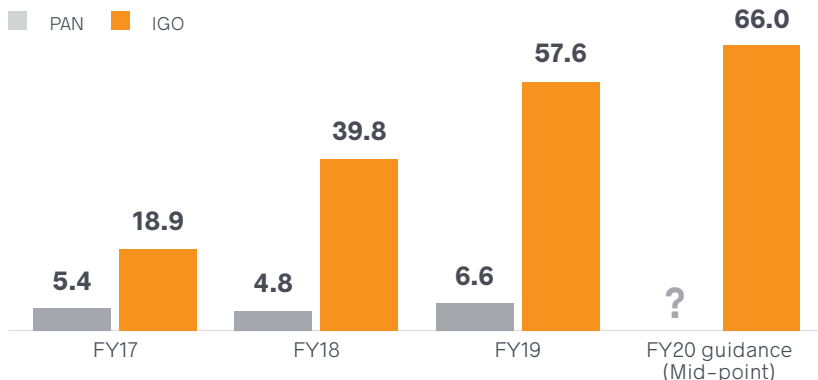
IGO has extensive underground nickel mining experience from its 16 year operatorship of Long <sup>9</sup> and successful development and operation of Nova, which will be leveraged to maximise value from Savannah.

IGO has a team of over 90 technical staff dedicated to exploration and, importantly for maximising the value of Savannah and its surrounding tenure, IGO's exploration team includes internationally recognised nickel sulphide experts. This knowledge and experience is, in IGO's opinion, likely to bring new energy and focus to understanding and maximising the value of Panoramic's tenements around Savannah to your benefit as a future IGO shareholder.

As demonstrated below, Panoramic has been unable to consistently grow investment in organic growth initiatives. By comparison, IGO has consistently deployed capital into exploration and growth and, as demonstrated by an enlarged FY20 budget, continues to do so.

By **ACCEPTING IGO's Offer**, you will have an opportunity to participate in the realisation of the full value potential from Savannah and its surrounding geology through IGO's technical, financial and operating capability than on a standalone Panoramic basis.

### Exploration Expenditure (\$M) <sup>10</sup>



Source: IGO ASX announcements and Panoramic ASX announcements <sup>11</sup>

In addition, IGO's net cash position of \$264 million at 30 September 2019 and low gross gearing of 2% <sup>12</sup> place it in a very strong position to easily fund capital and growth at Savannah without the overhang and risk associated with the Savannah Financing Agreement.

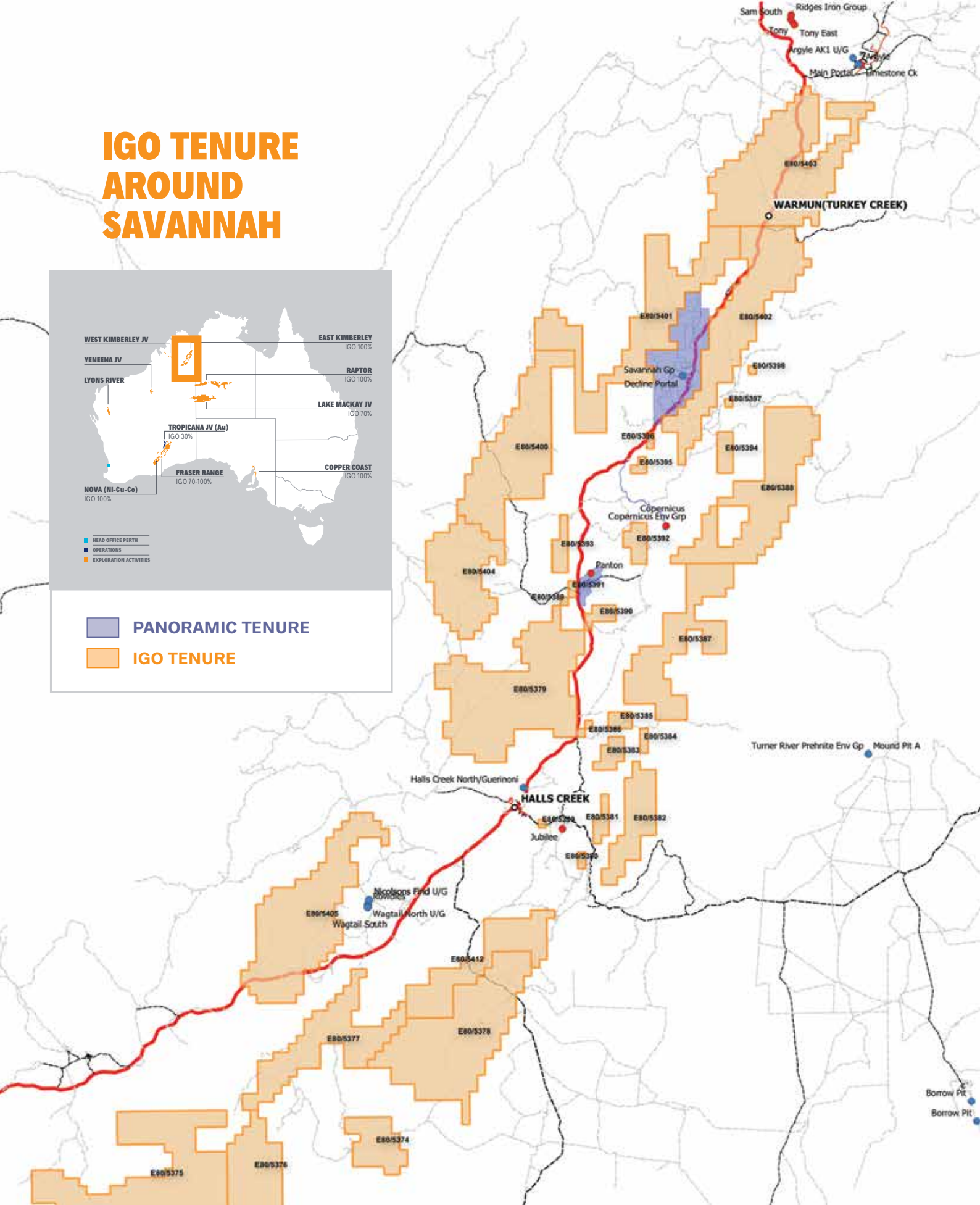
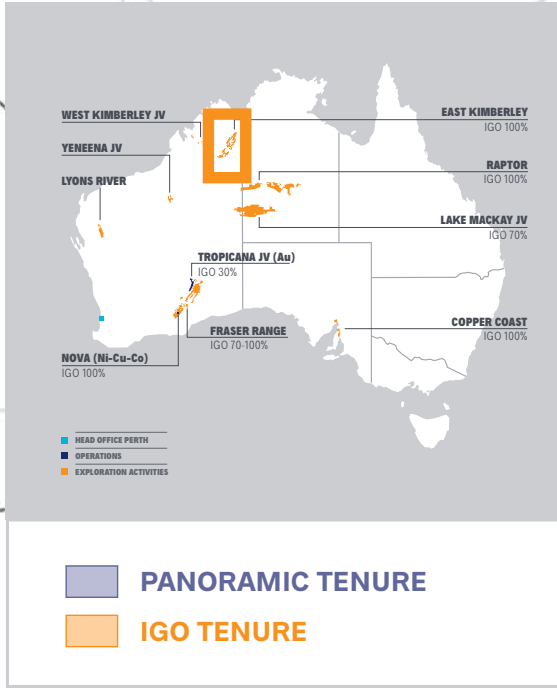
As a result of IGO's conviction in the potential of the regional geology, IGO has pegged over 6,000km<sup>2</sup> of exploration tenure around Savannah as presented on the map on the following page.

If IGO acquires 100% of Panoramic through the Offer, IGO intends to undertake a comprehensive strategic review of Panoramic's assets in order to optimise value and assess the potential for step-change initiatives. If IGO acquires control of Panoramic, but is not entitled to proceed to compulsory acquisition, IGO intends to propose to the Panoramic Board that a similar review be conducted.

9. The Long operation was sold by IGO, effective 31 May 2019.

10. IGO expenditure reflects underlying free cash flow for exploration activities and excludes evaluation expenditure. Panoramic expenditure represents exploration and evaluation expenditure recognised on the consolidated income statement and exploration and evaluation expenditure classified as a cash flow from investing activities.

# IGO TENURE AROUND SAVANNAH



11. IGO FY17: underlying free cash flow for new business per June 2017 Quarterly Activities Report, page 16 (IGO ASX announcement 26 July 2017), adjusted for \$3.7 million of evaluation expenditure; IGO FY18: underlying free cash flow for new business per June 2018 Quarterly Activities Report, page 18 (IGO ASX announcement 27 July 2018), adjusted for \$4.4 million of evaluation expenditure; IGO FY19: underlying free cash flow for exploration per June 2019 Quarterly Activities Report, page 19 (IGO ASX announcement 31 July 2019); IGO FY20 guidance: per FY19 Financial Results, page 3 (IGO ASX announcement 29 August 2019); Panoramic FY19 and FY18: Panoramic 2019 Annual Report (PAN ASX announcement 18 October 2019), Panoramic FY17: Panoramic 2018 Annual Report (PAN ASX announcement 17 October 2018).
12. Gross gearing is calculated as total debt as at 30 September 2019 divided by market capitalisation as at 1 November 2019 (being the market value of equity).



# 4.

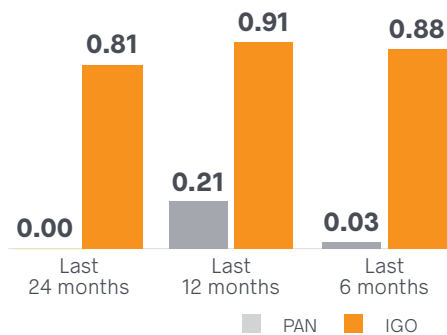
## Retain and enhance exposure to attractive nickel market dynamics

In combination with the exposure accepting Panoramic Shareholders would have to the attractive, world class Nova operation and the Savannah operation, accepting Panoramic Shareholders would enjoy superior leverage to the nickel price (based on historical performance). Based on analysis of historical movements between the nickel price and share prices, IGO believes that a share in IGO is more likely than a share in Panoramic to benefit from a rising nickel price. The relative relationship of IGO and Panoramic's share prices to the US dollar nickel price is demonstrated below.

IGO's share price has historically demonstrated a stronger correlation to movements in the nickel price than Panoramic's share price.

Relative performance	PAN	IGO	LME Ni
Since 1 November 2018 (Last 12 Months)	(24%)	55%	46%
Since 11 March 2019 (First 2019 PAN Raising)	(15%)	33%	30%
Since 30 August 2019 (Indonesia Ni Export Ban)	(1%)	18%	(6%)

**Historical Coefficient of Determination with US\$ LME Nickel Price (R Squared) <sup>13</sup>**



Source: IRESS as at 1 November 2019.

### Last 12 Months Price Performance (relative to 1 November 2018)



Source: IRESS as at 1 November 2019.

■ PAN ■ IGO ■ US\$ LME Ni

13. As at close of trading 1 November 2019. The strength of the relationship between the share price of both Panoramic and IGO with the nickel price is measured by the coefficient of determination, also referred to as 'R Squared'. The coefficient of determination is a measure of the proportion of variance in a dependent variable that is predictable from an independent variable. The closer the measure is to one, the stronger the observed relationship between the variables.

# 5.

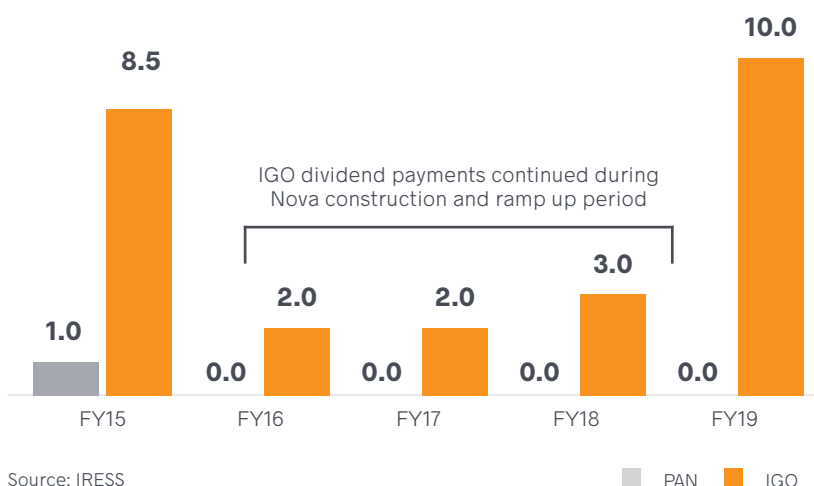
## Benefit from IGO's attractive shareholder returns policy

In FY19, the IGO Board adopted a shareholder returns policy which targets the return of 15% to 25% of free cash flow (ie net cash flow from operating activities less cash outflow from investing activities) to shareholders via dividends and/or share buybacks. This was changed from a "net profit after tax" based dividend policy under which IGO paid cash dividends every year since 2004 (including during the ramp up of Nova and during periods of low nickel price). The total dividends paid by IGO in respect of FY19 pursuant to its shareholder returns policy was 10 cents per share.

By comparison, Panoramic has not paid a dividend to its shareholders since 2015. Instead, Panoramic has asked shareholders to contribute additional capital to the company twice in 2019 alone, raising approximately \$50.6 million before costs in new funds during Savannah's ramp-up. A comparison of historical dividends per share is presented in the chart below.

Additionally, it is not known whether Panoramic will call for further capital from shareholders while it continues its efforts to resolve challenges at Savannah or address the concerns of its lender (the Savannah Financing Agreement has been amended twice in 2019). With both asset and corporate level constraints, it is not clear when Panoramic Shareholders will receive future dividends.

Historical dividends per share by financial reporting period (¢/share)



# 6.

## Potential access to CGT scrip for scrip rollover relief

Panoramic Shareholders may benefit from CGT scrip for scrip rollover relief if they **ACCEPT the Offer**. However, this benefit will not be available if IGO does not acquire 80% or more of Panoramic's shares outstanding, a scenario which could eventuate if (for example) Zeta does not accept the Offer. \*

Please refer to section 10 of this Bidder's Statement for more information.

\* On 8 November 2019 (as clarified on 12 November 2019), Zeta stated that it does not intend to accept IGO's current offer in respect of the 230,106,528 Panoramic Shares (representing 35.17%) that it holds, and that Zeta has reserved the right to accept a superior proposal from IGO or any other bidder for Panoramic. If Zeta does not accept the Offer, CGT scrip for scrip rollover relief will not be available.

# SUMMARY OF THE OFFER

## What IGO is offering to buy?

IGO is offering to buy all Panoramic Shares which it does not already own on the terms set out in this Bidder's Statement.

You may only accept this Offer in respect of all of the Panoramic Shares held by you.

## What will you receive if you accept the Offer?

If you accept the Offer, you will, subject to the satisfaction of the conditions to the Offer, receive 1 IGO Share for every 13 of Your Shares.

This values Your Shares at \$0.476 each <sup>14</sup>.

If you are a Foreign Shareholder (being a Panoramic Shareholder whose address as shown in the register of members of Panoramic is in a jurisdiction other than Australia or its external territories, New Zealand or Bermuda – see the definition of 'Foreign Shareholder' for further information) or a Small Parcel Shareholder, you will not receive IGO Shares. Instead, you will be paid by the Nominee the net proceeds of the sale of the IGO Shares you would have otherwise been entitled to. See section 12.7 for more information.

## When you will receive the IGO Shares

Generally, IGO will issue the IGO Shares due to you under the Offer on or before the earlier of:

- one month after this Offer is accepted or one month after all of the conditions have been freed or fulfilled (whichever is the later); and
- 21 days after the end of the Offer Period.

Full details of when consideration will be provided are set out in section 12.6 of this Bidder's Statement.

Foreign Shareholders and Small Parcel Shareholders will be provided with the net proceeds of sale to which they are entitled under the Offer at a different time. See section 12.7 for more information.

## Will you need to pay brokerage or stamp duty on acceptances?

If Your Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to IGO, you will not incur any brokerage fees or be obliged to pay stamp duty in connection with your acceptance of the Offer.

If Your Shares are registered in a CHESS Holding, or if you are a beneficial owner whose Panoramic Shares are registered in the name of a broker, bank custodian or other nominee, you will not be obliged to pay stamp duty by accepting the Offer, but you should ask your Controlling Participant (usually your broker) or that nominee whether it will charge any transactional fees or service charges in connection with acceptance of the Offer.

## Close of the Offer

The Offer closes at 7.00pm (Sydney time) on 27 December 2019, unless it is extended under the Corporations Act.

## What risks are associated with the Offer?

You should carefully consider the risk factors that could affect the performance of IGO and the Merged Group before deciding whether to accept the Offer. A summary of the key risk factors is set out in section 9.

14. Based on the 1 month VWAP of IGO Shares up to and including 1 November 2019, being the last trading day before the Announcement Date.

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There are some conditions to the Offer

The Offer is subject to a number of conditions, including (in summary form only):

- **(minimum acceptance)** IGO obtaining a relevant interest in at least 50.1% of Panoramic Shares (on a fully diluted basis).
- **(acquisitions and disposals)** Panoramic not acquiring or disposing of any significant assets or entering into any significant transaction.
- **(no litigation on foot or pending)** no material litigation being announced, commenced or threatened against Panoramic.
- **(no regulatory action)** no Public Authority restraining or preventing the Offer.
- **(IGO share price)** the value of an IGO Share when valued for the purposes of the minimum bid price rule is not below the maximum consideration that IGO or an associate provided, or agreed to provide for a Share under any purchase or agreement during the 4 months before the date of the Offer, multiplied by 13.
- **(no prescribed occurrences)** no prescribed occurrences occurring.
- **(no distributions)** Panoramic not declaring a distribution.
- **(production guidance)** FY20 forecast production guidance for Savannah not being revised downwards.
- **(Savannah Financing Agreement)** no breach, prepayment event or similar event under the Savannah Financing Agreement occurring.
- **(no exercise of rights)** no person exercising or becoming entitled to exercise any right that may result in certain outcomes.
- **(equal access)** Panoramic providing IGO with equal access to information.
- **(due diligence)** various due diligence conditions, including that:
  - a Technical Expert be appointed to confirm various financial and operational thresholds in relation to the Savannah Project; and
  - Panoramic's Target's Statement confirms various statements in relation to the Savannah Project.
- **(capital expenditure)** Panoramic not incurring, or committing to incur, significant capital expenditure (subject to certain exceptions).
- **(no material adverse change)** no material adverse change occurring with respect to Panoramic.

Full terms of the conditions are set out in section 12.8 of this Bidder's Statement. IGO strongly advises Panoramic Shareholders read the terms and conditions in full.

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What happens if the conditions of the Offer are not satisfied or waived?

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If the conditions of the Offer are not satisfied or waived by the closing date, the Offer will lapse and your acceptance will be void.

# SUMMARY OF THE OFFER CONT.

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## How you accept the Offer

You may only accept the Offer for all of Your Shares.

### **Issuer sponsored shareholders**

If Your Shares are registered in an Issuer Sponsored Holding (such holdings will be evidenced by an 'I' appearing next to your holder number on the enclosed Acceptance Form), to accept this Offer, you must complete and sign the Acceptance Form enclosed with this Bidder's Statement and return it to the address indicated on the form before the Offer closes.

### **CHESSE shareholders**

If Your Shares are registered in a CHESSE Holding (such holdings will be evidenced by an 'X' appearing next to your holder number on the enclosed Acceptance Form), you may accept the Offer by either:

- completing and signing the Acceptance Form enclosed with this Bidder's Statement and returning it to the address indicated on the form; or
- instructing your Controlling Participant (normally your broker) to accept the Offer on your behalf,

before the Offer closes.

### **Participants**

If you are a Participant, acceptance of this Offer must be initiated in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the Offer closes.

Full details on how to accept the Offer are set out in section 12.3 of this Bidder's Statement.

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## Can you accept the Offer for part of your holdings?

No. You cannot accept for part of your holding. You can only accept the Offer for ALL of Your Shares.

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## What if you are a Foreign Shareholder or hold a Small Parcel?

Foreign Shareholders and Small Parcel Shareholders that accept the Offer will not receive IGO Shares. Rather, the IGO Shares that Foreign Shareholders and Small Parcel Shareholders would have been entitled to receive will be issued to, and sold by, a Nominee and the net proceeds attributable to each Foreign Shareholder or Small Parcel Shareholder will be paid to them by cheque in Australian dollars drawn on an Australian bank account.

Foreign Shareholders and Small Parcel Shareholders should read section 12.7 which provides further information on Foreign Shareholders, Small Parcel Shareholders and the Nominee sale process. IGO's determination of whether a Panoramic Shareholder is a Foreign Shareholder or Small Parcel Shareholder is final.

Depending on the Foreign Shareholder's particular circumstances, an amount may be withheld by IGO from the (gross) cash proceeds and paid to the Commissioner of Taxation on account of foreign resident capital gains withholding tax (see sections 10.3 and 12.6 for more information).

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What happens if you do not accept the Offer?

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You will remain a Panoramic Shareholder and will not receive the consideration under the Offer.

If IGO becomes entitled to compulsorily acquire your Panoramic Shares, it intends to proceed with the compulsory acquisition. If your Panoramic Shares are compulsorily acquired by IGO, it will be on the same terms (including the same consideration for each Panoramic Share acquired) as the Offer. Refer to sections 7.4 and 7.5 for details regarding IGO's intentions if IGO does not become entitled to compulsorily acquire Panoramic Shares.

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Where to go for further information?

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For all queries in relation to the Offer, please contact the Offer Information Line on 1300 069 335 (within Australia) or +61 3 9415 4019 (outside Australia).

Please note that in order to comply with legal requirements, any calls to the above numbers will be recorded. Inquiries in relation to the Offer will not be received on any other telephone numbers of IGO or its advisers.

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Important notice

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The information in this section 1 is a **summary only** of IGO's Offer and is qualified by the detailed information set out elsewhere in this Bidder's Statement.

You should read the entire Bidder's Statement and the target's statement that Panoramic will shortly be sending to you before deciding whether to accept the Offer.





SECTION 2

# INFORMATION ON IGO AND THE IGO GROUP

- 
- 2.1 Overview of IGO

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  - 2.2 Directors

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  - 2.3 Principal activities of IGO and the IGO Group

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  - 2.4 IGO's Ore Reserves and Mineral Resources

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  - 2.5 Financial information on the IGO Group

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  - 2.6 Publicly available information about IGO

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## 2.1 OVERVIEW OF IGO

IGO is a leading ASX-listed exploration and mining company with a strategic focus on metals critical to clean energy. It has a 100% interest in Nova, a nickel-copper-cobalt operation, as well as a 30% non-operating interest in the Tropicana gold mine. AngloGold Ashanti Australia Limited holds 70% and is the manager of the Tropicana operation.

A substantial amount of information about IGO is available at: [igo.com.au](http://igo.com.au).

IGO is a company incorporated in Australia and is listed on the ASX (ASX Code: IGO) with an established American Depositary Receipts (ADR) program (ADR Code: IIDDY). It is the largest ASX-listed company (by market capitalisation) that is primarily focused on nickel production. As at the Announcement Date, its market capitalisation was \$3,781 million.<sup>15</sup>

At IGO's 2019 annual general meeting held on 20 November 2019, IGO shareholders approved, amongst other things, IGO converting from a no liability company to a public company limited by shares and changing its name from 'Independence Group NL' to 'IGO Limited'.<sup>16</sup> See section 3.4 for further information.

Below is a list of IGO's executive leadership team as at the date of this Bidder's Statement (further information about each individual can be found at [igo.com.au](http://igo.com.au)):

- Managing Director and Chief Executive Officer (Peter Bradford)
- Head of HSEQ & Risk (Keith Ashby)
- General Counsel (Kate Barker)
- Chief Operating Officer (Matt Dusci)
- Head of Corporate Development (Andrew Eddowes)
- Company Secretary & Head of Corporate Affairs (Joanne McDonald)
- Head of People & Culture (Sam Retallack)
- General Manager - Exploration (Ian Sandl)
- Chief Financial Officer (Scott Steinkrug)

## 2.2 DIRECTORS

As at the date of this Bidder's Statement, the directors of IGO are:

### a. Debra Bakker – Non-Executive Director

MAppFin., BBus. (FinAcc), GradDip FINSIA, GAICD

Ms. Debra Bakker was appointed as a Non-Executive Director of IGO in December 2016. Ms. Bakker is an experienced financier and investment banker with over 27 years' experience working with the resources industry. Ms. Bakker has held senior positions with Barclays Capital and Standard Bank London Group and established the natural resources team for Commonwealth Bank of Australia and later held the role of Head of Mining and Metals origination. She is currently the Western Australian Representative for Auramet Trading LLC, a New York based metals trading firm and a Non-Executive Director of Azumah Resources Ltd, Access Housing Australia and Transhipment Services Australia Pty Ltd. Ms. Bakker was previously the Non-Executive Chair of Capricorn Metals Ltd. Ms. Bakker has significant experience in financial services and products for the mining industry.

### b. Peter Bilbe – Non-Executive Chairman

B.Eng. (Mining) (Hons), MAusIMM

Mr. Peter Bilbe was appointed as a Non-Executive Director of IGO in March 2009 and Non-Executive Chairman in July 2011. Mr. Bilbe is a mining engineer with over 40 years' experience in the mining industry. Mr. Bilbe has held senior positions at Northern Iron, Sihayo Gold, Norseman Gold Mines, Mount Gibson, Aztec Resources, Portman, Aurora Gold and Kalgoorlie Consolidated Gold Mines. Mr. Bilbe is currently Non-Executive Chairman of Horizon Minerals Limited and Adriatic Metals Plc.

Mr. Bilbe has a breadth of experience in the mining industry in Australia and overseas with a strong background in gold, base metals and iron ore at operational, managerial and board levels.

15. Market data as at 1 November 2019. Source: IRESS.

16. IGO ASX announcement 21 October 2019 ("Notice of Annual General Meeting and Proxy Form").

**c. Kathleen Bozanic –  
Non-Executive Director**

Ms. Kathleen Bozanic was appointed as a Non-Executive Director of IGO in October 2019. Ms. Bozanic has over 25 years of experience as a finance professional as Chief Financial Officer/ General Manager of listed and private mining and contracting companies, including BGC Contracting, Atlas Iron and Mt Gibson. She was previously a Partner of professional services firm, Deloitte. Ms. Bozanic is currently the CFO of BGC Contracting, and a non-Executive director of Great Southern Mining Limited, Future Force Foundation and Child and Adolescent Health Service as part of the Western Australian Department of Health. She is also a Non-Executive member of the KUFPEC Australia Pty Ltd Audit and Risk Committee.

**d. Peter Bradford – Managing Director and  
Chief Executive Officer**

BAppSc., FAusIMM, MSMME

Mr. Peter Bradford was appointed Managing Director & CEO of IGO in March 2014. Mr. Bradford is a senior executive and a metallurgist with over 35 years' experience in the mining industry. Mr. Bradford has significant operational, corporate and board experience in Australia and overseas in nickel, copper and gold. He is a strong advocate of the mining industry as well as the need to promote greater diversity and inclusion.

Mr. Bradford is President of the Association of Mining and Exploration Companies Inc (AMEC), Committee Member of the Western Australian Mining Club, and Chairman of the Curtin University Alumni Scholarship campaign.

**e. Peter Buck –  
Non-Executive Director**

M.Sc. (Geology), MAusIMM, FAIG

Mr. Peter Buck was appointed as a Non-Executive Director of IGO in October 2014. Mr. Buck is a geologist with over 40 years' experience in the mineral exploration and mining industry. Mr. Buck has worked with WMC Resources, Forresteria Gold, LionOre and Breakaway Resources in executive management and board positions. He has been a Non-Executive director of Gallery Gold Ltd and PMI Gold and is currently a director of Antipa Minerals. 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 AMEC.

Mr. Buck has a strong background in discovery, development and mining of nickel, gold and base metal deposits in Australia and overseas.

**f. Keith Spence –  
Non-Executive Director**

BSc. (Geophysics) (Hons)

Mr. Keith Spence was appointed as a Non-Executive Director of IGO in December 2014. 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. Mr. Spence was a Non-Executive director of Oil Search, the Non-Executive chairman of Geodynamics Limited, and chaired the Board of the National Offshore Petroleum Safety and Environmental Management Authority. He is currently the Non-Executive Chairman of Santos and Base Resources Limited and a Non-Executive director of Murray & Roberts.

Mr. Spence has significant experience in exploration and appraisal, development, project construction, operations and marketing.

**g. Neil Warburton –  
Non-Executive Director**

Assoc. MinEng WASM, MAusIMM, FAICD

Mr. Neil Warburton was appointed as a Non-Executive Director of IGO in October 2015. Mr. Warburton is a qualified mining engineer with more than 38 years' experience in gold and nickel development and mining. He has previously held senior executive positions with Barmingo Limited and Coolgardie Gold and most recently was a Non-Executive director of Australian Mines Limited, Sirius Resources NL, Peninsular Energy Limited, Namibian Copper Limited and Non-Executive chairman of Red Mountain Mining Ltd and Coolgardie Minerals Ltd. He is currently the Non-Executive chairman of Flinders Mines Ltd. Mr. Warburton is also a Member of the WA School of Mines Alumni Council.

Mr. Warburton brings strong underground mining expertise to the IGO Board.

# NOVA OPERATION

NICKEL-COPPER-COBALT  
IGO 100%



## AT A GLANCE

### LOCATION

350km SE of Kalgoorlie, 380km from Esperance

### METALS

Nickel, Copper, Cobalt

### MINERALISATION STYLE

Chonolith magmatic sulphides analogous to Voisey's Bay & Kabanga

### MINING

Shallow Underground via decline with Open Stopping with paste backfill and Contract mining (Barmenco)

### PROCESSING

Crushing, grinding and flotation to produce nickel & copper concentrates

Nameplate throughput 1.5Mtpa

### ORE RESERVES <sup>17</sup>

11.5Mt at 1.90% Ni, 0.76% Cu, 0.06% Co

### MINERAL RESOURCES <sup>17</sup>

13.2Mt at 2.0% Ni, 0.8% Cu, 0.07% Co

## 2.3 PRINCIPAL ACTIVITIES OF IGO AND THE IGO GROUP

### a. Nova nickel-copper-cobalt mine

The discovery of Nova (comprising the Nova and Bollinger deposits) is one of the most economically significant magmatic nickel sulphide discoveries since Voisey's Bay was discovered in 1993.

With a pre-mining resource of 325kt Nickel and 134kt Copper, Nova was the first discovery of its kind in the Albany Fraser Range and only the second major discovery in the region, following the discovery of Tropicana in 2005. Nova, then a development stage project, was acquired by IGO in September 2015 by the successful acquisition of Sirius Resources NL.

In FY19, Nova produced 30.7kt of nickel, exceeding guidance of 27-30kt and achieved a cash cost of \$2.07 per payable pound of nickel. FY20 guidance has been set at 27-30kt of nickel at a cash cost of \$2.00-2.50 per payable pound of nickel.<sup>18</sup> The majority of capital development and resource definition drilling has been completed for the life-of-mine, which has significantly de-risked long-term operational performance.

IGO recently announced that following conclusion of a tender process it had entered new agreements for the sale of Nova nickel and copper concentrate on commercial terms materially better than the existing off-take agreements.<sup>19</sup> A binding concentrate off-take agreement for a three-year term has been executed with Trafigura Pte Ltd for 50% of nickel concentrate and for 100% of copper concentrate produced from Nova. An off-take term sheet with BHP Billiton Nickel West Pty Ltd for an additional 50% of the nickel volume for a period of five years has also been executed, with the parties agreeing key commercial terms subject to the completion of the formal agreement within one month of the date of the term sheet (which formal agreement will be based on the current off-take agreement with BHP Billiton Nickel West Pty Ltd) and all necessary internal approvals of both parties.

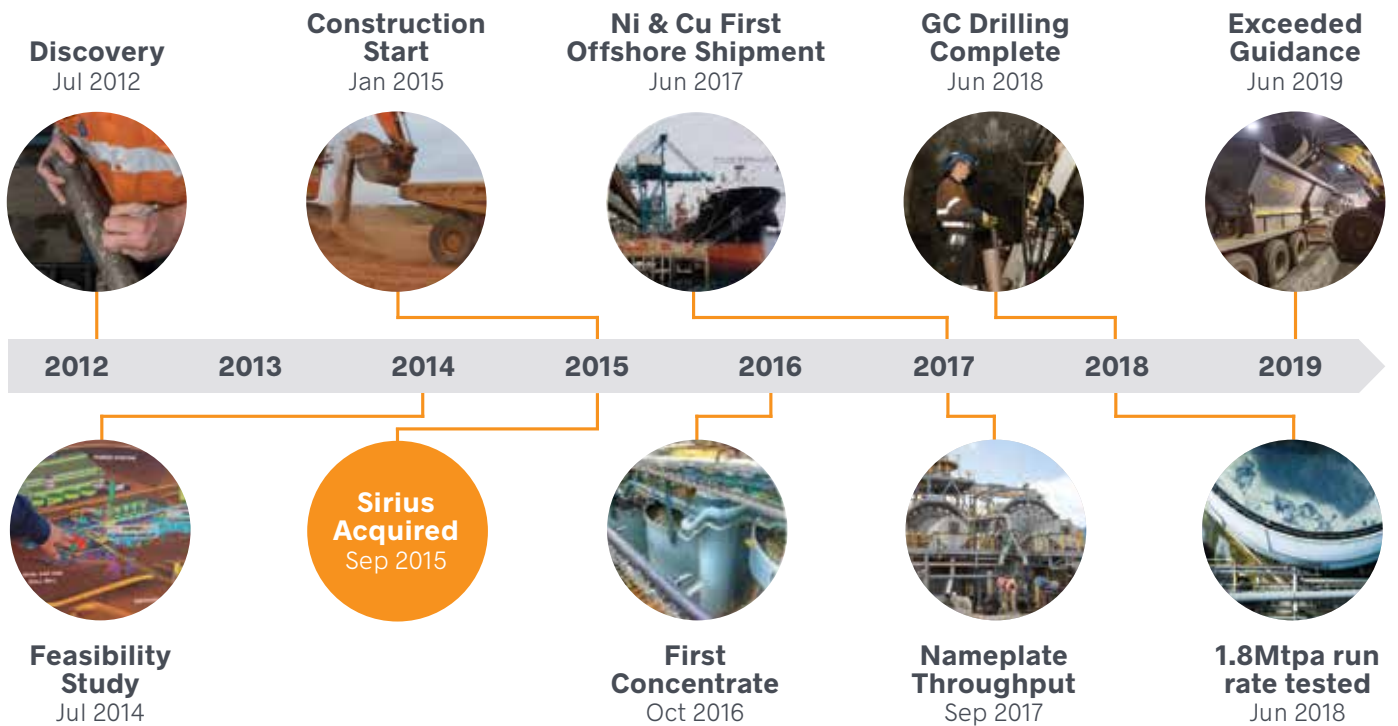
17. The information in relation to the Nova Mineral Resources and Ore Reserves is extracted from the report titled "CY18 Mineral Resource and Ore Reserve Statement" released on ASX on 20 February 2019, for which competent person's consents were obtained. These Mineral Resource and Ore Reserve statements and their accompanying assumptions, technical parameters and explanatory notes are available to be viewed at [igo.com.au/site/operations/resources-and-reserves1](http://igo.com.au/site/operations/resources-and-reserves1). IGO is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, considers that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The form and context in which the competent person's findings are presented have not been materially modified from the original market announcement. The competent person's consents remain in place for subsequent releases by IGO of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

18. Assumes the following commodity prices for payable metal credits: copper: \$4.20/lb; cobalt: \$24/lb.

19. IGO ASX announcement 1 November 2019 ("IGO maximises value of its Nova concentrate through off-take agreements").



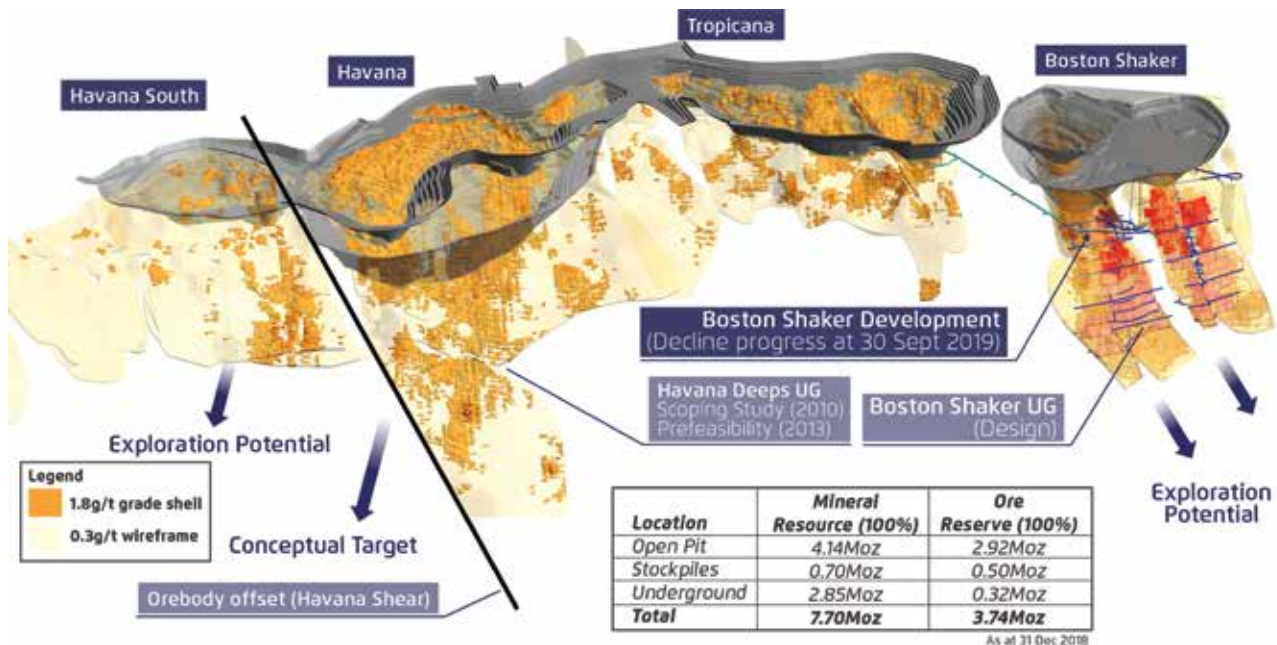
### Overview of Nova development



**2.3 PRINCIPAL ACTIVITIES OF IGO AND THE IGO GROUP CONT**

**b. Tropicana gold joint venture (IGO 30%)**

Overview of the Tropicana gold operation <sup>20</sup>



IGO has a 30% non-operating interest in the Tropicana gold mine. AngloGold Ashanti holds 70% and is the manager.

Targeting Tier 1 deposits in greenfields terranes has been a key strategy for IGO since the company was established, with the property that now hosts the Tropicana gold mine forming part of the original listed IGO entity in 2002. AngloGold Ashanti entered the project via joint venture immediately after IGO listed on the ASX. The Tropicana deposit was subsequently discovered in 2005, followed by the adjacent Havana deposit in 2006 and the Boston Shaker deposit in 2010.

The development decision was made in November 2010 and to date, the Tropicana gold mine has produced more than 2.8Moz of gold. In FY19, Tropicana produced 518koz of gold (100% basis) at an AISC of \$951/oz.

Development of an underground mine at Boston Shaker commenced on 8 May 2019 following completion of a positive feasibility study, and is expected to deliver first gold in the September 2020 quarter. This will enable Tropicana to maintain gold production at 450–500koz per annum until FY23, with further underground opportunities currently being assessed at Tropicana, Havana and Havana South <sup>21</sup> that may add to future production.

20. The information in relation to Tropicana Mineral Resources and Ore Reserves is extracted from the report titled “CY18 Mineral Resource and Ore Reserve Statement” released on ASX on 20 February 2019, for which competent person’s consents were obtained. These Mineral Resource and Ore Reserve statements and their accompanying assumptions, technical parameters and explanatory notes are available to be viewed at [igo.com.au/site/operations/resources-and-reserves1](http://igo.com.au/site/operations/resources-and-reserves1). IGO is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, considers that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The form and context in which the competent person’s findings are presented have not been materially modified from the original market announcement. The competent person’s consents remain in place for subsequent releases by IGO of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

21. IGO ASX announcement 30 April 2019 (“March 2019 Quarterly Activities Report”).

## 2.3 PRINCIPAL ACTIVITIES OF IGO AND THE IGO GROUP CONT

### c. Exploration

Exploration and discovery are central to IGO's growth strategy. IGO's exploration objective is to sustain a strong pipeline of high-quality projects, with a primary focus on nickel and copper and with the aim of delivering resource projects of meaningful scale. This is being achieved through a substantial financial commitment to both brownfield targets and belt-scale greenfield projects.

#### ***Nova near-mine exploration and the Fraser Range***

IGO's current exploration focus is on the underexplored Fraser Range in Western Australia. Within this terrane there is a concentrated effort on the near-mine environment surrounding the high quality Nova nickel-copper-cobalt operation. On the Nova mining lease, IGO has acquired the largest hard-rock 3D seismic dataset in Australia and covered an even broader area with low-temperature SQUID electromagnetic surveys, with the aim of imaging Nova-like intrusive host rocks and the structural and stratigraphic architecture of the mineral system. Results have been positive, with the volume of mineralised host intrusive rocks exceeding expectations and informing new target areas that are the subject of a major diamond drilling program in FY20.

More broadly in the Fraser Range, IGO is maximising the opportunity for another material discovery by systematically exploring a belt-scale land holding (~12,700km<sup>2</sup>) with industry-leading technologies and scientific knowledge. IGO continues to generate and drill test a high-quality pipeline of geological, geochemical and geophysical targets.

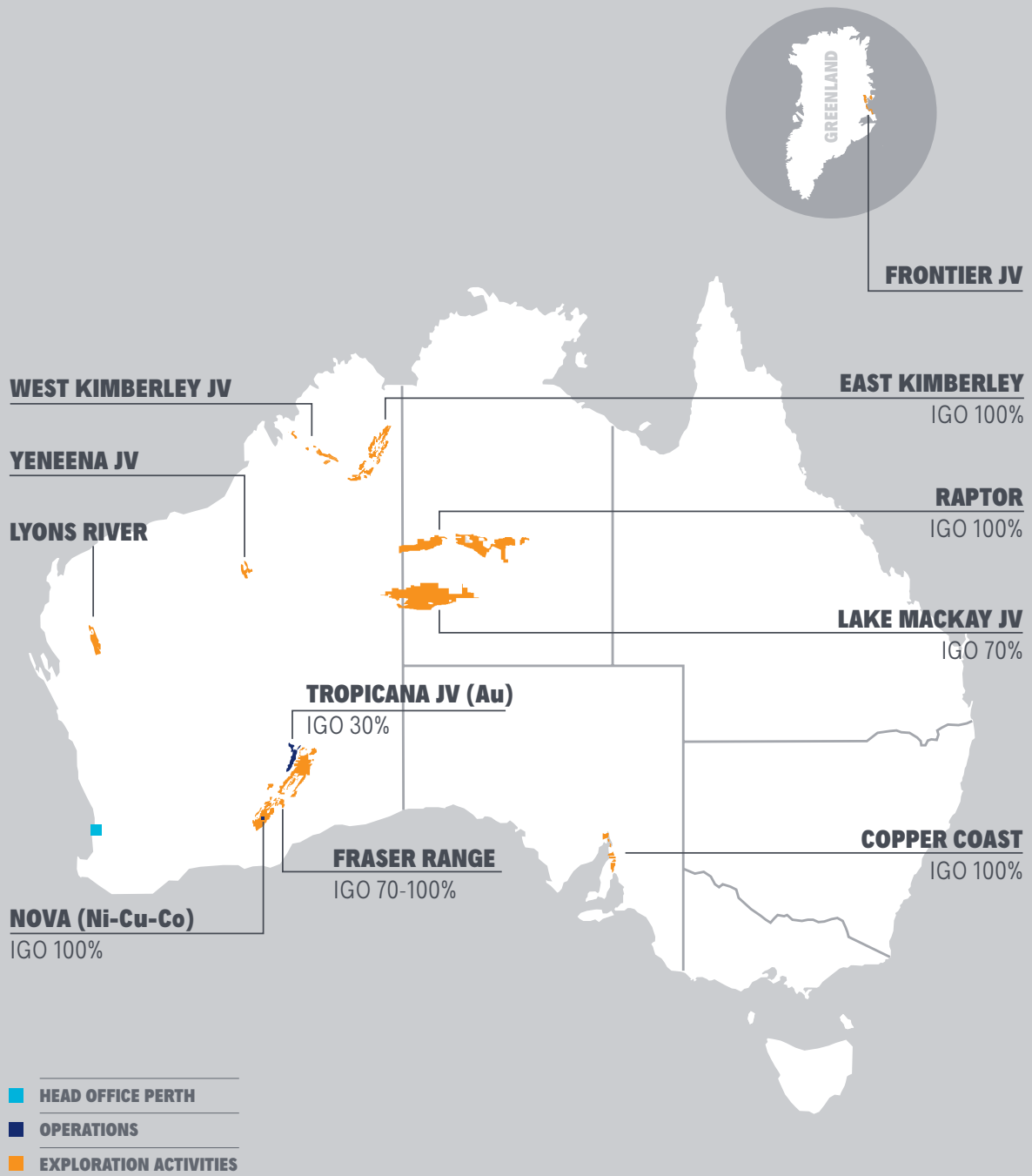
#### ***Tropicana exploration***

In 2018, infill and extensional drilling confirmed the presence of significant mineralisation at depth beneath the existing Boston Shaker open pit, for which underground mine development was approved in March 2019. Similar opportunities are the subject of ongoing work programs at Havana and Havana South, together with regional targeting and drill testing of early-stage prospects containing anomalous gold.

#### ***Other exploration***

In addition to extensive exploration tenure in the Fraser Range, IGO is exploring several other belt-scale opportunities throughout Australia and overseas prospective for nickel and copper. These include the Lake Mackay joint venture and Raptor Project (both located in the Northern Territory), the Copper Coast Project (South Australia), the East Kimberley Project, the West Kimberley joint venture and the Yeneena joint venture (all in Western Australia), as well as the Frontier joint venture (Eastern Greenland). These projects deliver a pipeline of discovery opportunities aligned with IGO's strategy to discover and deliver commodities that are critical to clean energy, such as nickel, copper and cobalt.

SECTION 2  
**INFORMATION ON IGO AND THE IGO GROUP**



## 2.4 IGO'S ORE RESERVES AND MINERAL RESOURCES

IGO's Ore Reserves and Mineral Resources as at 31 December 2018 are shown below: <sup>22</sup>

### a. Nova

Mineral Resources	JORC Class	Mass (Mt)	31 December 2018					
			Nickel		Copper		Cobalt	
			(%)	(kt)	(%)	(kt)	(%)	(kt)
Total	Measured	12.6	2.1	263	0.8	104	0.07	9
	Indicated	0.6	1.0	6	0.4	2	0.04	0.2
	Inferred	0.04	1.9	1	0.7	0.2	0.06	<0.1
<b>Nova operation total</b>		<b>13.2</b>	<b>2.0</b>	<b>270</b>	<b>0.8</b>	<b>107</b>	<b>0.07</b>	<b>9</b>

Ore Resources	JORC Class	Mass (Mt)	31 December 2018					
			Nickel		Copper		Cobalt	
			(%)	(kt)	(%)	(kt)	(%)	(kt)
Total	Proved	11.4	1.91	216	0.76	87	0.06	7
	Probable	0.2	1.26	2	0.46	1	0.04	<0.1
<b>Nova operation total</b>		<b>11.5</b>	<b>1.90</b>	<b>219</b>	<b>0.76</b>	<b>87</b>	<b>0.06</b>	<b>7</b>

### b. Tropicana

Mineral Resources	JORC Class	Mass (Mt)	31 December 2018	
			Gold	
			(g/t)	(koz)
Total	Measured	34.3	0.88	970
	Indicated	84	1.76	4,760
	Inferred	17.9	3.41	1,970
<b>Tropicana 100% total</b>		<b>136.2</b>	<b>1.76</b>	<b>7,700</b>

Ore Resources	JORC Class	Mass (Mt)	31 December 2018	
			Gold	
			(g/t)	(koz)
Total	Proved	19.8	1.15	730
	Probable	45.9	2.04	3,010
<b>Tropicana 100% total</b>		<b>65.7</b>	<b>1.77</b>	<b>3,740</b>

## 2.5 FINANCIAL INFORMATION ON THE IGO GROUP

### a. Basis of presentation

The historical financial information in this section 2.5 has been extracted from IGO's full year audited financial statements as at 30 June 2019 and 30 June 2018.

The historical financial information set out in this section 2.5 is intended to provide an overview of IGO's historical financial performance, position and cash flows, it shows the IGO Group on a standalone basis and, accordingly, does not reflect any impact of the Offer. The historical financial information is not intended to provide the level of detail or understanding which is available from a review of the IGO Group's published financial reports (which include the full financial accounts and the notes to those accounts) which are available on ASX or IGO's website.

22. See footnotes 17 and 20 above.



## SECTION 2

### INFORMATION ON IGO AND THE IGO GROUP

#### b. Historical consolidated statement of profit or loss and other comprehensive income

The historical consolidated statements of profit or loss and other comprehensive income of the IGO Group for the full years ended 30 June 2019 and 30 June 2018 shown below have been extracted from the consolidated audited statements of profit or loss and other comprehensive income for the full year ending 30 June 2019.

The below consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes to IGO's Annual Financial Statements for the year ended 30 June 2019 as released to the ASX on 29 August 2019.

#### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

A\$000	2019	2018
Revenue from continuing operations	784,512	777,946
Other income	8,377	2,689
Mining, development and processing costs	(262,851)	(241,302)
Employee benefits expense	(53,234)	(88,795)
Share-based payments expense	(3,123)	(3,267)
Fair value movement of financial investments	(6,915)	231
Depreciation and amortization expense	(237,118)	(252,133)
Exploration and evaluation expense	(57,317)	(38,926)
Royalty expense	(30,506)	(30,489)
Ore tolling expense	(57)	(8,776)
Shipping and wharfage costs	(18,340)	(19,787)
Borrowing and finance costs	(6,638)	(10,699)
Other expenses	(11,342)	(7,626)
<b>Profit before income tax</b>	<b>105,448</b>	79,066
Income tax expense	(29,363)	(26,380)
<b>Profit after income tax for the period</b>	<b>76,085</b>	52,686
<b>Other comprehensive income</b>		
<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	(1,054)	1,784
Exchange differences on translation of foreign operations	(27)	42
<b>Other comprehensive (loss)/income for the period, net of tax</b>	<b>(1,081)</b>	1,826
<b>Total comprehensive income for the period</b>	<b>75,004</b>	54,512
<b>Profit for the period attributable to the members of Independence Group NL</b>	<b>76,085</b>	52,686
<b>Total comprehensive income for the period attributable to the members of Independence Group NL</b>	<b>75,004</b>	54,512
	<b>Cents</b>	<b>Cents</b>
<b>Earnings per share for profit attributable to the ordinary equity holders of the Company:</b>		
Basic earnings per share	12.89	8.98
Diluted earnings per share	12.84	8.94

### c. Historical consolidated balance sheet

The historical consolidated balance sheet of the IGO Group as at 30 June 2019 and 30 June 2018 set out below has been extracted from the audited consolidated balance sheets of the IGO Group as at those dates.

The below consolidated balance sheet should be read in conjunction with the accompanying notes to the Annual Financial Statements for the year ended 30 June 2019 as released to the ASX on 29 August 2019.

#### CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2019

A\$000	2019	2018
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	348,208	138,688
Trade and other receivables	47,748	94,093
Inventories	70,274	82,487
Financial assets at fair value through profit or loss	27,531	24,294
Derivative financial instruments	484	1,990
<b>Total current assets</b>	<b>494,245</b>	<b>341,552</b>
<b>Non-current assets</b>		
Receivables	14,998	29,495
Inventories	52,594	33,012
Property, plant and equipment	41,622	35,417
Mine properties	1,311,376	1,457,688
Exploration and evaluation expenditure	95,197	70,493
Deferred tax assets	180,237	207,271
<b>Total non-current assets</b>	<b>1,696,024</b>	<b>1,833,376</b>
<b>Total assets</b>	<b>2,190,269</b>	<b>2,174,928</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	49,902	56,586
Borrowings	56,226	56,226
Provisions	5,180	4,894
<b>Total current liabilities</b>	<b>111,308</b>	<b>117,706</b>
<b>Non-current liabilities</b>		
Borrowings	28,363	84,589
Provisions	63,626	62,168
Deferred tax liabilities	137,912	131,638
<b>Total non-current liabilities</b>	<b>229,901</b>	<b>278,395</b>
<b>Total liabilities</b>	<b>341,209</b>	<b>396,101</b>
<b>Net assets</b>	<b>1,849,060</b>	<b>1,778,827</b>
<b>EQUITY</b>		
Contributed equity	1,895,855	1,879,094
Reserves	15,777	14,771
Accumulated losses	(62,572)	(115,038)
<b>Total equity</b>	<b>1,849,060</b>	<b>1,778,827</b>

SECTION 2  
**INFORMATION ON IGO AND THE IGO GROUP**

**d. Historical consolidated statement of cash flows**

The historical statements of cash flows of the IGO Group for the full year ended 30 June 2019 and 30 June 2018 shown below have been extracted from the audited consolidated statements of cash flows for the full year ended 30 June 2019 and 30 June 2018.

The below consolidated statement of cash flows should be read in conjunction with the accompanying notes to the Annual Financial Statements for the year ended 30 June 2019 as released to the ASX on 29 August 2019.

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2019**

<b>A\$000</b>	<b>2019</b>	<b>2018</b>
<b>Cash flows from operating activities</b>		
Receipts from customers (inclusive of GST)	<b>841,684</b>	783,395
Payments to suppliers and employees (inclusive of GST)	<b>(426,194)</b>	(457,652)
	<b>415,490</b>	325,743
<b>Interest and other costs of finance paid</b>		
	<b>(4,538)</b>	(7,896)
<b>Interest received</b>		
	<b>3,973</b>	659
<b>Payments for exploration activities</b>		
	<b>(54,123)</b>	(40,729)
<b>Receipts from other operating activities</b>		
	<b>11,508</b>	28
<b>Net cash inflow from operating activities</b>	<b>372,310</b>	277,805
<b>Cash flows from investing activities</b>		
Interest and other costs of finance paid	-	(1,008)
Payments for property, plant and equipment	<b>(16,384)</b>	(20,498)
Proceeds from sale of property, plant and equipment and other investments	<b>3,268</b>	198
Payments for development expenditure	<b>(78,056)</b>	(114,536)
Payments for purchase of listed investments	<b>(6,652)</b>	(8,919)
Payments for capitalized exploration and evaluation expenditure	<b>(11,753)</b>	(5,162)
Net proceeds on sale of Stockman Project	<b>10,000</b>	21,782
Net proceeds on sale Jaguar Operation	<b>16,764</b>	23,140
<b>Net cash (outflow) from investing activities</b>	<b>(82,813)</b>	(105,003)
<b>Cash flows from financing activities</b>		
Repayment of borrowings	<b>(57,142)</b>	(57,142)
Payment of dividends	<b>(23,619)</b>	(11,736)
<b>Net cash (outflow) from financing activities</b>	<b>(80,761)</b>	(68,878)
<b>Net increase in cash and cash equivalents</b>		
	<b>208,736</b>	103,924
<b>Cash and cash equivalents at the beginning of the period</b>		
	<b>138,688</b>	35,763
<b>Effects of exchange rate changes on cash and cash equivalents</b>		
	<b>784</b>	(999)
<b>Cash and cash equivalents at the end of the period</b>	<b>348,208</b>	138,688

**e. Management commentary on historical financial information**

**1. Disposal of Long Operation and Jaguar Operation**

IGO's historical financial statements reflect the impact of the Long and Jaguar operations that were sold effective 31 May 2019 and 31 May 2018 respectively. The Long operation produced primarily nickel, together with copper, until June 2018. The Long operation was placed in care and maintenance during June 2018, and subsequently sold effective 31 May 2019. The Jaguar operation primarily produced zinc and copper concentrate and was sold effective 31 May 2018.

## 2. Statement of profit or loss

IGO finished the year ending 30 June 2019 exceeding metal production guidance at Nova and comfortably meeting production guidance at Tropicana. The IGO Group generated a record total revenue and other income of \$793 million, slightly outperforming the prior year result of \$781 million. This was primarily due to increased product revenue from Nova, which delivered higher production year-on-year and outperformed the top end of IGO's production guidance in its second year since declaring commercial production.

Tropicana production was also higher than the previous year, driven by higher throughput and grade. During the year, together with IGO's joint venture partner, AngloGold Ashanti Australia, development of the Boston Shaker underground at Tropicana commenced, with the firing of the first blast for the portal taking place on 8 May 2019. The Boston Shaker underground has an estimated capital cost of \$105 million (including contingency), with IGO's share being \$32 million.

Exploration expenditure increased by \$17 million in FY19 compared to FY18, as the IGO Group ramped up its pursuit of an exploration discovery through numerous prospective targets in its portfolio of high quality belt scale tenement holdings.

IGO generated record underlying EBITDA of \$341 million (FY18: \$339 million), and net profit after tax of \$76 million (FY18: \$53 million).

## 3. Statement of cash flows

IGO's net cash position strengthened during the year ending 30 June 2019 to \$263 million (from \$4 million net debt at the end of the year ending 30 June 2018). Cash flows from operating activities for the IGO Group were \$372 million, compared to the FY18 year of \$278 million. This was predominantly the result of higher production from Nova, together with increased production and a higher realised gold price at Tropicana. Year-end cash balances were \$348 million and IGO's outstanding debt was \$86 million.

Nova generated \$289 million cash flows from operating activities, which was a result of 22,434 tonnes of payable nickel sold (FY18: 14,074 tonnes), 12,208 tonnes of payable copper (FY18: 8,455 tonnes) and 372 tonnes of payable cobalt (FY18: 217 tonnes) sold during the year. Tropicana generated cash from operating activities of \$148 million following the sale of 154,402 ounces of gold refined and sold. Cash flow from operating activities also included \$54 million cash outflow for exploration expenditure and \$6 million for evaluation expenditure. Operating cash flows also include \$12 million cash inflow for the sale of a royalty and \$18 million cash outflow for corporate, net borrowing and other costs.

Cash outflows from investing activities decreased to \$83 million for the year, down from \$105 million for the FY18 year. IGO spent \$78 million on development expenditure of which \$51 million was for waste stripping at Tropicana and the balance for underground mine development at Nova. During the year, IGO received scheduled deferred consideration totalling \$27 million in respect of the sale of Jaguar and the Stockman Project in FY18.

Cash flows from financing activities during the year included two semi-annual repayments of borrowings totalling \$57 million and dividends totalling \$24 million.

## 4. Update from IGO's September 2019 Quarterly Report

The following selected financial information is taken from IGO's unaudited September 2019 Quarterly Report, released 22 October 2019:

- cash and cash equivalents was \$321.2 million as at 30 September 2019; and
- total debt was \$57.1 million as at 30 September 2019.

## 2.6 PUBLICLY AVAILABLE INFORMATION ABOUT IGO

IGO is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, IGO is subject to the listing rules of ASX which require continuous disclosure of any information IGO has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

ASX maintains files containing publicly disclosed information about all listed companies. IGO's file is available for inspection at ASX during normal business hours.

In addition, IGO is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC by IGO may be obtained from, or inspected at, an ASIC office.

On request to IGO and free of charge, Panoramic Shareholders may obtain a copy of:

- the annual financial report of IGO for the year ended 30 June 2019 (being the annual financial report most recently lodged with ASIC before lodgement of this Bidder's Statement with ASIC);
- any half-year financial report lodged with ASIC by IGO after the lodgement of the annual financial report referred to above and before lodgement of this Bidder's Statement with ASIC; and
- any continuous disclosure notice given to ASX by IGO since the lodgement with ASIC of the 30 June 2019 annual report for IGO referred to above and before lodgement of this Bidder's Statement with ASIC.

A list of announcements made by IGO to ASX since 30 June 2019 is contained in Attachment 2.

A substantial amount of information about IGO is available in electronic form from: [igo.com.au](http://igo.com.au).





SECTION 3

# INFORMATION ON IGO'S SECURITIES

- **3.1 IGO's issued securities**

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- 3.2 Recent trading of IGO Shares**

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- 3.3 Dividend history**

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- 3.4 Rights and liabilities attaching to IGO Shares**

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- 3.5 IGO's Share and option plans**

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- 3.6 Options**

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- 3.7 Substantial holders in IGO's Shares**

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## SECTION 3 INFORMATION ON IGO'S SECURITIES

### 3.1 IGO'S ISSUED SECURITIES

As at the date of this Bidder's Statement, the following securities in IGO are currently on issue.

Class	Number
Fully paid ordinary shares	590,797,034
Performance rights <sup>23</sup>	2,548,664
Service Rights <sup>24</sup>	448,502

### 3.2 RECENT TRADING OF IGO SHARES

The last recorded sale price of IGO Shares on ASX on 1 November 2019, being the last trading day prior to the Announcement Date, was \$6.40.

As depicted in the chart below, during the 12 months ended 1 November 2019:

- the highest recorded closing price for IGO Shares on ASX was \$6.54 on 11 September 2019; and
- the lowest recorded closing price for IGO Shares on ASX was \$3.59 on 26 November 2018.

#### Last 12 Months IGO Closing Share Price Performance (\$/share)



Source: IRESS

23. See section 3.5 of this Bidder's Statement for further information.

24. See section 3.5 of this Bidder's Statement for further information.

### 3.3 DIVIDEND HISTORY

As detailed on the previous page, the IGO Board has adopted a capital allocation policy that prioritises growth while also returning cash to shareholders. A return of 15% to 25% of free cash flow to shareholders is targeted in the form of dividends and/or share buybacks. This policy is reviewed every two years based on financial results, outlook for commodity prices, long term growth capital requirements for the business and balance sheet strength.

For the financial year ending 30 June 2019, IGO declared total dividends of 10 cents per IGO Share, forming part of the total return to IGO shareholders. IGO has consistently declared dividends to its shareholders since 2004.

The dividend history of IGO over the last five calendar years is detailed below:

<b>Ex date</b>	<b>Distribution amount (cents per IGO Share)</b>	<b>Franked</b>
12 September 2019	8.0	97%
14 February 2019	2.0	100%
13 September 2018	2.0	100%
12 March 2018	1.0	100%
6 September 2017	1.0	100%
9 March 2017	1.0	100%
7 September 2016	2.0	100%
28 September 2015	2.5	100%
4 March 2015	6.0	100%

### 3.4 RIGHTS AND LIABILITIES ATTACHING TO IGO SHARES

#### a. Introduction

The rights and liabilities attaching to the IGO Shares which will be issued as the consideration under the Offer are set out in IGO's constitution and are subject to the Corporations Act and the ASX Listing Rules.

The main rights and liabilities attaching to the IGO Shares are summarised below. This summary does not purport to be exhaustive and must be read subject to the full text of IGO's constitution.

At IGO's 2019 annual general meeting held on 20 November 2019, IGO shareholders approved, amongst other things, IGO converting from a no liability company to a public company limited by shares.<sup>25</sup> The passing of this resolution was conditional on IGO shareholders also approving changes to IGO's constitution. IGO confirms that the non-exhaustive summary below applies to both IGO's existing constitution and the constitution approved at IGO's 2019 annual general meeting (which will be in force upon the conversion to a public company having effect). Copies of both constitutions (existing and proposed) are available on request to IGO's Company Secretary (+61 8 9238 8300). As noted in section 2.1, at IGO's 2019 annual general meeting, IGO shareholders also approved IGO changing its name from 'Independence Group NL' to 'IGO Limited'. The conversion to a public company limited by shares, adoption of new constitution and name change are expected to be effective in January 2020, and will be confirmed by IGO via an ASX announcement.

#### b. Meetings of shareholders and voting rights

At a meeting of IGO shareholders, each holder is entitled to attend and vote in person, by proxy, by attorney or by representative. Each IGO shareholder has one vote for each share held. A quorum is five or more members present at the meeting and entitled to vote on a resolution at the meeting.

Except where a resolution requires a special majority, questions arising at a general meeting must be decided by a majority of votes cast by the members present at the meeting. If the votes are equal on a proposed resolution, the chairperson of the meeting has a casting vote, in addition to any deliberative vote.

#### c. Dividends

The directors of IGO may pay any interim and final dividends that, in their judgement, the financial position of IGO justifies.

All dividends must be paid equally on all IGO Shares (except that under the proposed constitution (for which approval was obtained at the 2019 annual general meeting) a partly paid share only confers an entitlement to the respective proportion to a dividend for that share).

25. IGO ASX announcement 21 October 2019 ("Notice of Annual General Meeting and Proxy Form").



## SECTION 3

### INFORMATION ON IGO'S SECURITIES

#### d. Winding up

If IGO is wound up, a liquidator may (with the sanction of a special resolution) divide the assets of IGO among members.

#### e. Transfer of shares

IGO Shares are generally freely transferable.

#### f. Issue of further shares

The IGO Board may, from time to time, issue further shares.

### 3.5 IGO'S SHARE AND OPTION PLANS

As at the date of this Bidder's Statement, IGO has the following share plans in operation:

#### a. Performance rights (long term incentive)

Performance rights under IGO's Employee Incentive Plan (**EIP**) are granted annually. The performance rights vest after three years from the start of the financial year, subject to certain performance conditions being met. On vesting, each right automatically converts into one ordinary share.

IGO employees who hold performance rights do not receive any dividends and are not entitled to vote in relation to the rights during the vesting period. If an employee ceases employment before the rights vest, the rights will be forfeited, except in certain circumstances that are approved by the IGO Board.

#### b. Service rights (short term incentive)

Rights to service rights issued under the EIP are granted following the determination of the final performance measure for the performance year. The service rights component of the short term incentives 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 employees who hold service rights do not receive any dividends and are not entitled to vote in relation to the rights during the vesting period. If an employee ceases employment before the rights vest, the rights will be forfeited, except in limited circumstances that are approved by the IGO Board on a case-by-case basis.

### 3.6 OPTIONS

As at the date of this Bidder's Statement, except as set out in section 3.5 above, there were no unissued ordinary shares under option, nor were there any ordinary shares issued during the year ended 30 June 2019 on the exercise of options.

### 3.7 SUBSTANTIAL HOLDERS IN IGO'S SHARES

As at the date of this Bidder's Statement, so far as known to IGO based on publicly available information, there are no substantial holders of IGO Shares, except as set out below:

Substantial holder	Number of IGO Shares held	Voting power <sup>26</sup>
Mark Gareth Creasy, Yandal Investments, FraserX Pty Ltd, Ponton Minerals Pty Ltd, Lake Rivers Gold Pty Ltd, XNi Pty Ltd and Free CI Pty Ltd	76,860,969	13.0%
T. Rowe Price Group, Inc.	48,341,790	8.2%
FIL Limited	45,566,028	7.7%
Ausbil Investment Management Limited	29,829,860	5.0%

26. Based on latest total fully paid shares outstanding of 590,797,034 as per Appendix 3B released by IGO on 14 October 2019.

## SECTION 4

# INFORMATION ON PANORAMIC AND THE PANORAMIC GROUP

- 
- 4.1 Overview of Panoramic

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  - 4.2 Directors

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  - 4.3 Principal activities of Panoramic and the Panoramic Group

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  - 4.4 Panoramic's Ore Reserves and Mineral Resources

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  - 4.5 Financial information on the Panoramic Group

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  - 4.6 Publicly available information about the Panoramic Group

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## SECTION 4

### INFORMATION ON PANORAMIC AND THE PANORAMIC GROUP

#### 4.1 OVERVIEW OF PANORAMIC

As stated in its 2019 Annual Report,<sup>27</sup> Panoramic is a Western Australian mining company formed in 2001 for the purpose of developing the Savannah Nickel Project in the East Kimberley. Panoramic successfully commissioned the \$65 million Savannah Project in late 2004 and then in 2005 purchased and restarted the Lanfranchi Nickel Project, near Kambalda. The Lanfranchi and Savannah Projects were placed on care and maintenance in November 2015 and May 2016 respectively, pending a sustained recovery in the nickel price.

After delivering an updated feasibility study on the Savannah Project in October 2017, securing an off-take customer and project financing for up to \$40 million in July 2018, Panoramic made the decision to restart operations at Savannah with first concentrate shipped from Wyndham in February 2019. Panoramic sold the Lanfranchi Project in December 2018 for total cash consideration of \$15.1 million, providing additional financial support for the re-commissioning of Savannah.

Apart from the nickel, copper and cobalt inventory at Savannah, Panoramic has exposure to platinum group metals and gold.

#### 4.2 DIRECTORS

As at the date of this Bidder's Statement, based on Panoramic's public disclosures, the directors of Panoramic are:

- **Peter Sullivan** – Non-Executive Chairman<sup>28</sup>
- **Victor Rajasooriar** – Managing Director<sup>29</sup>
- **Nicholas Cernotta** – Non-Executive Director
- **Rebecca Hayward** – Non-Executive Director
- **Gillian Swaby** – Non-Executive Director

#### 4.3 PRINCIPAL ACTIVITIES OF PANORAMIC AND THE PANORAMIC GROUP

##### a. Savannah

Panoramic manages and has a 100% interest in the Savannah nickel-copper-cobalt operation located in the East Kimberley region in Western Australia. Panoramic is currently focusing on the ramp up to full production from the Savannah orebody and completion of the development drive to access the higher grade Savannah North orebody.

Based on the results of the Updated Savannah Feasibility Study released on 27 October 2017, the mine life is expected to be approximately 8.3 years with an average annual production rate of 10,800t Ni, 6,100t Cu and 800t Co metal contained in concentrate over the life of mine.<sup>30</sup> Operating cash costs are expected to be \$3.10 per pound of payable nickel (US\$2.40/lb) and sustaining cash costs are expected to be \$4.50 per pound of payable nickel (US\$3.50/lb) over the life of mine.<sup>31</sup>

##### b. Other activities

Panoramic has a 51% majority interest in ASX-listed Horizon Gold Limited (**Horizon**), which owns 100% of the Gum Creek gold project located near Wiluna, Western Australia.

Panoramic also owns the Panton platinum group metals exploration project in Western Australia and is in the process of attempting to sell the Thunder Bay North platinum group metals project, located in Northern Ontario, Canada.

27. Panoramic 2019 Annual Report.

28. PAN ASX announcement 20 November 2019 ("2019 AGM - Chairman's Address").

29. PAN ASX announcement 20 November 2019 ("2019 AGM - Chairman's Address").

30. PAN ASX announcement 27 October 2017 ("Updated Savannah Feasibility Study").

31. PAN ASX announcement 27 October 2017 ("Updated Savannah Feasibility Study").

## 4.4 PANORAMIC'S ORE RESERVES AND MINERAL RESOURCES

Panoramic's Ore Reserves and Mineral Resources as at 30 June 2019 are shown below.<sup>32</sup>

### a. Nickel-Copper-Cobalt Mineral Resources

Resource	Equity	Metal	JORC Compliance	Measured		Indicated		Inferred		Total		Metal Tonnes
				Tonnes	(%)	Tonnes	(%)	Tonnes	(%)	Tonnes	(%)	
<b>Savannah Project</b>												
Savannah (above 900)	100%	Nickel	2012	1,178,000	1.4	622,000	1.7	-	-	1,800,000	1.5	27,100
		Copper			0.86		1.41		-		1.05	18,900
		Cobalt			0.07		0.08		-		0.07	1,300
Savannah (below 900)	100%	Nickel	2012	-	-	780,000	1.64	125,000	1.72	905,000	1.65	14,900
		Copper			-		0.76		0.75		0.76	6,900
		Cobalt			-		0.1		0.09		0.1	900
Savannah North (Upper)	100%	Nickel	2012	-	-	4,229,000	1.64	1,759,000	1.25	5,987,000	1.53	91,300
		Copper			-		0.65		0.49		0.6	36,100
		Cobalt			-		0.12		0.1		0.11	6,800
Savannah North (Lower)	100%	Nickel	2012	-	-	2,697,000	1.96	853,000	2.02	3,549,000	1.97	70,100
		Copper			-		0.98		0.93		0.97	34,400
		Cobalt			-		0.14		0.13		0.14	4,900
Savannah North (Other)	100%	Nickel	2012	-	-	242,000	2.22	493,000	1.67	735,000	1.85	13,600
		Copper			-		0.5		0.53		0.52	3,800
		Cobalt			-		0.14		0.11		0.12	900
<b>Total (Equity)</b>		<b>Nickel</b>								<b>12,977,000</b>	<b>1.67</b>	<b>217,000</b>
		<b>Copper</b>									<b>0.77</b>	<b>100,100</b>
		<b>Cobalt</b>									<b>0.11</b>	<b>14,800</b>

Notes:

- Figures have been rounded and therefore may not add up exactly to the reported totals
- All resources are inclusive of reserves
- Savannah Project Resource cut-off grade is 0.50% Ni

### b. Nickel-Copper-Cobalt Ore Reserve

Reserve	Equity	Metal	JORC Compliance	Proven		Probable		Total		Metal Tonnes
				Tonnes	(%)	Tonnes	(%)	Tonnes	(%)	
<b>Savannah Project</b>										
Above 900 Fault	100%	Nickel	2012	1,371,000	1.16	-	-	1,371,000	1.16	15,900
		Copper			0.75		-		0.75	10,300
		Cobalt			0.06		-		0.06	800
Savannah North	100%	Nickel	2012	-	-	6,650,000	1.42	6,650,000	1.42	94,500
		Copper			-		0.61		0.61	40,900
		Cobalt			-		0.1		0.1	6,700
<b>Total (Equity)</b>		<b>Nickel</b>								<b>110,400</b>
		<b>Copper</b>								<b>51,200</b>
		<b>Cobalt</b>								<b>7,500</b>

Notes:

- Figures have been rounded and therefore may not add up exactly to the reported totals
- Savannah Reserve average cut-off grade 1.02% Ni equivalent
- Savannah North Reserve cut-off grade is 0.80% Ni

32. Panoramic 2019 Annual Report. IGO has not independently verified this information.

SECTION 4  
**INFORMATION ON PANORAMIC AND THE PANORAMIC GROUP**

**c. Platinum Group Metals Mineral Resources**

Resource	Equity	JORC Compliance	Tonnage	Grade									Contained Metal	
				Pt (g/t)	Pd (g/t)	Rh (g/t)	Au (g/t)	Ag (g/t)	Cu (%)	Ni (%)	Co %	Pt-Eq (g/t)	Pt (oz ,000)	Pd (oz ,000)
<b>Thunder Bay North</b>														
Open Pit	100%	2004												
Indicated			8,460,000	1.04	0.98	0.04	0.07	1.5	0.25	0.18	0.014	2.13	283	267
Inferred			53,000	0.96	0.89	0.04	0.07	1.6	0.22	0.18	0.014	2	2	2
<b>Underground</b>	100%	2004												
Indicated			1,369,000	1.65	1.54	0.08	0.11	2.6	0.43	0.24	0.016	3.67	73	68
Inferred			472,000	1.32	1.25	0.06	0.09	2.1	0.36	0.19	0.011	2.97	20	19
<b>Sub-total - Thunder Bay North (Equity)</b>			<b>10,354,000</b>	<b>1.13</b>	<b>1.07</b>								<b>377</b>	<b>355</b>
<b>Panton</b>														
<b>Top Reef</b>	100%	2012												
Measured			4,400,000	2.46	2.83	-	0.42	-	0.08	0.28	-	-	348	400
Indicated			4,130,000	2.73	3.21	-	0.38	-	0.09	0.31	-	-	363	426
Inferred			1,560,000	2.1	2.35	-	0.38	-	0.13	0.36	-	-	105	118
<b>Middle Reef</b>	100%	2012												
Measured			2,130,000	1.36	1.09	-	0.1	-	0.03	0.18	-	-	93	75
Indicated			1,500,000	1.56	1.28	-	0.1	-	0.04	0.19	-	-	75	62
Inferred			600,000	1.22	1.07	-	0.1	-	0.05	0.19	-	-	24	21
<b>Sub-total - Panton (Equity)</b>			<b>14,320,000</b>	<b>2.19</b>	<b>2.39</b>								<b>1,008</b>	<b>1,102</b>
<b>Total - PGM (Equity)</b>													<b>1,385</b>	<b>1,456</b>
Notes														
Thunder Bay North Open Pit Resource: The open pit Mineral Resource is reported at a cut-off grade of 0.59 g/t Pt-Eq within a Lerchs- Grossman resource pit shell optimized on Pt-Eq. The strip ratio (waste: ore) of this pit is 9.5:1. The platinum-equivalency formula is based on assumed metal prices and overall recoveries. The Pt-Eq formula is: Pt-Eq g/t = Pt g/t + Pd g/t x 0.3204 + Au g/t x 0.6379 + Ag g/t x 0.0062 + Cu g/t x 0.00011 + Total Ni g/t x 0.000195 + Total Co g/t x 0.000124 + Rh g/t x 2.1816. The conversion factor shown in the formula for each metal represents the conversion from each metal to platinum on a recovered value basis. The assumed metal prices used in the Pt-Eq formula are: Pt US\$1,595/oz, Pd US\$512/oz, Au US\$1,015/oz, Ag US\$15.74/oz, Cu US\$2.20/lb, Ni US\$7.71/lb, Co US\$7.71/lb and Rh US\$3,479/oz. The assumed combined flotation and PlatsolTM process recoveries used in the Pt-Eq formula are: Pt 76%, Pd 75%, Au 76%, Ag 55%, Cu 86%, Ni 44%, Co 28% and Rh 76%. The assumed refinery payables are: Pt 98%, Pd 98%, Au 97%, Ag 85%, Cu 100%, Ni 100%, Co 100% and Rh 98%.														
Thunder Bay North Underground Resource: The underground mineral resource is reported at a cut-off grade of 1.94g/t Pt-Eq. The Pt-Eq formula is: Pt-Eq g/t = Pt g/t + Pd g/t x 0.2721 + Au g/t x 0.3968 + Ag g/t x 0.0084 + Cu g/t x 0.000118 + Sulphide Ni g/t x 0.000433 + Sulphide Co g/t x 0.000428 + Rh g/t x 2.7211. The assumed metal prices used in the Pt-Eq formula are: Pt US\$1,470/oz, Pd US\$400/oz, Rh US\$4,000/oz, Au US\$875/oz, Ag US\$14.30/oz, Cu US\$2.10/lb, Ni US\$7.30/lb and Co US\$13.00/lb. The assumed process recoveries used in the Pt-Eq formula are: Pt 75%, Pd 75%, Rh 75%, Au 50%, Ag 50%, Cu 90%, and Ni and Co in sulphide 90%. The assumed smelter recoveries used in the Pt-Eq formula are Pt 85%, Pd 85%, Rh 85%, Au 85%, Ag 85%, Cu 85%, Ni 90% and Co 50%. Ni and Co in sulphide were estimated by linear regression of MgO to total Ni and total Co respectively. The regression formula for Ni in sulphide (NiSx) is: NiSx = Ni - (MgO% x 60.35 - 551.43). The regression formula for Co in sulphide (CoSx) is: CoSx = Co - (MgO% x 4.45 - 9.25).														

## 4.5 FINANCIAL INFORMATION ON THE PANORAMIC GROUP

### a. Basis of presentation

The historical financial information in this section 4.5 has been extracted from Panoramic's audited full year financial statements as at 30 June 2019 and 30 June 2018. These financial statements were subject to a material uncertainty related to going concern raised by the auditor in relation to Panoramic's ability to obtain sufficient funding for ongoing operating and capital requirements.<sup>33</sup>

The historical financial information set out in this section 4.5 is intended to provide an overview of Panoramic's historical financial performance, position and cash flows, it shows Panoramic on a standalone basis and, accordingly, does not reflect any impact of the Offer. The historical financial information is not intended to provide the level of detail or understanding which is available from a review of Panoramic's published financial reports (which include the full financial accounts and the notes to those accounts) which are available on ASX or Panoramic's website.

### b. Historical consolidated statement of profit or loss and other comprehensive income

The historical consolidated statements of profit or loss and other comprehensive income of Panoramic for the full years ended 30 June 2019 and 30 June 2018 shown below have been extracted from the audited consolidated statements of profit or loss and other comprehensive income for the full year ending 30 June 2019. The auditor issued an audit opinion that was subject to a material uncertainty related to going concern (refer above).

#### CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 30 JUNE 2019

A\$000	2019	2018
Revenue	25,112	-
Cost of sales of goods	(29,803)	-
<b>Gross loss</b>	<b>(4,691)</b>	-
Other income	2,773	1,714
Care and maintenance expenses	(847)	(5,201)
Corporate and marketing costs	(4,929)	(4,022)
Exploration and evaluation expenditure	(671)	(487)
Exploration expenditure written-off	(901)	(619)
Reversal of stock obsolescence provision	5,341	-
Fair value losses on derivatives	(2,071)	-
Change in fair value of financial assets at fair value through profit or loss	(1,511)	-
Impairment loss	-	(45,152)
Reversal of impairment loss	19,156	7,260
Share based payments	-	(160)
Other expenses	(1,037)	(429)
Finance costs	(1,383)	(943)
<b>Profit/(loss) before income tax</b>	<b>9,229</b>	<b>(48,039)</b>
Income tax expense	-	-
<b>Profit/(loss) for the year</b>	<b>9,229</b>	<b>(48,039)</b>
Profit/(loss) for the year is attributable to:		
Owners of Panoramic Resources Limited	10,327	(40,803)
Non-controlling interests	(1,098)	(7,236)
	<b>9,229</b>	<b>(48,039)</b>

33. Panoramic 2019 Annual Report.

SECTION 4  
**INFORMATION ON PANORAMIC AND THE PANORAMIC GROUP**

	Cents	Cents
<b>Earnings/(loss) per share for loss attributable to the ordinary equity holders of the Company:</b>		
Basic earnings/(loss) per share	2.0	(9.1)
Diluted earnings/(loss) per share	2.0	(9.1)

**CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2019**

A\$000	2019	2018
<b>Profit/(loss) for the year</b>	<b>9,229</b>	(48,039)
<b>Other comprehensive income</b>		
<i>Items that may reclassified to profit or loss</i>		
Changes in fair value of available-for-sale financial assets, net of tax	-	1,422
Changes in fair value of cash flow hedges, net of tax	<b>(276)</b>	-
Exchange differences on translation of foreign operations	-	439
<b>Other comprehensive (loss)/income for the year, net of tax</b>	<b>(276)</b>	1,861
<b>Total comprehensive income/(loss) for the year</b>	<b>8,953</b>	(46,178)
Total comprehensive income/(loss) for the year is attributable to:		
Owners of Panoramic Resources Limited	<b>10,051</b>	(38,942)
Non-controlling interests	<b>(1,098)</b>	(7,236)
	<b>8,953</b>	(46,178)

### c. Historical consolidated balance sheet

The historical consolidated balance sheet of Panoramic as at 30 June 2019 and 30 June 2018 set out below has been extracted from the audited consolidated balance sheets of Panoramic as at those dates. The auditor issued an audit opinion that was subject to a material uncertainty related to going concern (refer above).

#### CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2019

A\$000	2019	2018
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	12,733	25,430
Trade and other receivables	19,278	421
Inventories	8,415	184
Prepayments	1,354	246
Derivative financial instruments	3,742	-
Disposal group classified as held for sale	4,299	17,002
<b>Total current assets</b>	<b>49,821</b>	<b>43,283</b>
<b>Non-current assets</b>		
Available-for-sale financial assets	-	2,703
Financial assets at fair value through profit or loss	957	-
Property, plant and equipment	59,004	10,630
Exploration and evaluation	27,763	45,763
Development properties	84,745	17,222
Mineral properties	29	27
Derivative financial instruments	4,409	-
Other non-current assets	181	1,303
<b>Total non-current assets</b>	<b>177,088</b>	<b>77,648</b>
<b>Total assets</b>	<b>226,909</b>	<b>120,931</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	22,094	3,764
Borrowings	8,082	-
Derivative financial instruments	2,721	-
Provisions	2,205	923
Liabilities directly associated with disposal group classified as held for sale	-	3,502
<b>Total current liabilities</b>	<b>35,102</b>	<b>8,189</b>
<b>Non-current liabilities</b>		
Borrowings	38,553	-
Derivative financial instruments	5,584	-
Provisions	31,548	26,822
<b>Total non-current liabilities</b>	<b>75,685</b>	<b>26,822</b>
<b>Total liabilities</b>	<b>110,787</b>	<b>35,011</b>
<b>Net assets</b>	<b>116,122</b>	<b>85,920</b>
<b>EQUITY</b>		
Contributed equity	210,109	188,860
Amounts recognized in equity relating to disposal group	1,200	-
Reserves	20,994	44,589
Accumulated losses	(121,823)	(154,269)
Non-controlling interests	5,642	6,740
<b>Total equity</b>	<b>116,122</b>	<b>85,920</b>



SECTION 4  
**INFORMATION ON PANORAMIC AND THE PANORAMIC GROUP**

**d. Historical consolidated statement of cash flows**

The historical statements of cash flows of Panoramic for the full year ended 30 June 2019 and 30 June 2018 shown below have been extracted from the audited consolidated statements of cash flows for the full year ended 30 June 2019 and 30 June 2018. The auditor issued an audit opinion that was subject to a material uncertainty related to going concern (refer above).

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2019**

<b>A\$000</b>	<b>2019</b>	<b>2018</b>
<b>Cash flows from operating activities</b>		
Receipts from customers (inclusive of goods and services tax)	<b>24,289</b>	1,305
Payments to suppliers and employees (inclusive of goods and services tax)	<b>(31,248)</b>	(7,732)
Interest paid	<b>(732)</b>	(22)
Payments for exploration and evaluation expenditure	<b>(671)</b>	(487)
<b>Net cash used in operating activities</b>	<b>(8,362)</b>	(6,936)
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	<b>(25,732)</b>	(1,209)
Payments for available-for-sale financial assets	-	(81)
Payments for purchase of financial assets at fair value through profit or loss	<b>(53)</b>	-
Payment of development costs	<b>(47,529)</b>	(2,697)
Exploration and evaluation expenditure	<b>(5,961)</b>	(4,297)
Proceeds from sale of subsidiary (net of costs)	<b>14,285</b>	-
Return of proceeds from cash backed performance bonds	<b>1,122</b>	500
Proceeds from sale of property, plant and equipment	-	55
Proceeds from sale of financial assets at fair value through profit or loss	<b>286</b>	-
Interest received	<b>451</b>	467
<b>Net cash used in investing activities</b>	<b>(63,131)</b>	(7,262)
<b>Cash flows from financing activities</b>		
Proceeds from issues of shares (net of cost)	<b>21,249</b>	19,816
Proceeds from borrowings	<b>40,000</b>	-
Repayment of borrowings	<b>(1,453)</b>	(838)
Capitalised borrowing costs	<b>(1,000)</b>	-
<b>Net cash inflow from financing activities</b>	<b>58,796</b>	18,978
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(12,697)</b>	4,780
Cash and cash equivalents at the beginning of the financial year	<b>25,430</b>	20,650
<b>Cash and cash equivalents at end of year</b>	<b>12,733</b>	25,430

#### **e. Update from Panoramic's September 2019 Quarterly Report**

The following selected financial information is taken from Panoramic's unaudited September 2019 Quarterly Report, released 31 October 2019:

- available and restricted cash was \$20.2 million as at 30 September 2019; and
- total debt was \$20 million as at 30 September 2019.

### **4.6 PUBLICLY AVAILABLE INFORMATION ABOUT THE PANORAMIC GROUP**

Panoramic is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, Panoramic is subject to the listing rules of ASX which require continuous disclosure of any information Panoramic has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

ASX maintains files containing publicly disclosed information about all listed companies. Panoramic's file is available for inspection at ASX during normal business hours.

In addition, Panoramic is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Panoramic may be obtained from, or inspected at, an ASIC office.

A substantial amount of information about Panoramic is available in electronic form from:  
[panoramicresources.com](http://panoramicresources.com).



## SECTION 5

# INFORMATION ON PANORAMIC'S SECURITIES

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**5.1 Panoramic's issued securities**

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**5.2 Panoramic Share and Option Plan**

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**5.3 Options**

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**5.4 Interests in Panoramic securities**

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**5.5 Dealings in Shares**

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**5.6 Recent share price performance of Panoramic**

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**5.7 No pre-Offer benefits**

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**5.8 No escalation agreements**

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## SECTION 5 INFORMATION ON PANORAMIC'S SECURITIES

### 5.1 PANORAMIC'S ISSUED SECURITIES

According to documents lodged by Panoramic with ASX as at the date this Bidder's Statement, the following securities in Panoramic are currently on issue.<sup>34</sup>

Class	Number
Fully paid ordinary shares	654,235,709

### 5.2 PANORAMIC SHARE AND OPTION PLAN

Panoramic Shareholders approved an Employee Share Plan (**ESP**) on 21 November 2018, which enables Panoramic to make annual grants to senior executives and senior managers so that long-term incentives form a key component of their total annual remuneration.<sup>35</sup>

Under the ESP, senior executives and senior managers are able to be granted options and performance rights.

There are currently no outstanding performance rights over Panoramic Shares.

### 5.3 OPTIONS

So far as is known to IGO, based on publicly available information, there are currently no outstanding options over Panoramic Shares.

### 5.4 INTERESTS IN PANORAMIC SECURITIES

As at the date of this Bidder's Statement:

- IGO's voting power in Panoramic was 3.809%; and
- IGO had a relevant interest in 24,920,325 Panoramic Shares.

As at the date of the Offer:

- IGO's voting power in Panoramic was 3.809%; and
- IGO had a relevant interest in 24,920,325 Panoramic Shares.

### 5.5 DEALINGS IN SHARES

#### a. Previous four months

Neither IGO nor any associate of IGO has provided, or agreed to provide, consideration for Panoramic Shares under any purchase or agreement during the four months before the date of this Bidder's Statement, except as set out below:

Date of dealing	Price (A\$)	Number of Panoramic Shares acquired	Nature of dealing
22/07/2019	\$0.36	14,256,061	On-market acquisition
13/09/2019	\$0.309757	6,305,500	On-market acquisition
18/09/2019	\$0.297102	113,003	On-market acquisition
19/09/2019	\$0.30	23,497	On-market acquisition
20/09/2019	\$0.30	113,650	On-market acquisition
23/09/2019	\$0.30	61,850	On-market acquisition
25/09/2019	\$0.30	500,000	On-market acquisition
27/09/2019	\$0.30	150,000	On-market acquisition
30/09/2019	\$0.298578	804,753	On-market acquisition
1/10/2019	\$0.28	2,592,011	Participation in rights issue

#### b. Period before Offer

Neither IGO nor any associate of IGO has provided, or agreed to provide, consideration for Shares under any purchase or agreement during the period starting on the date of this Bidder's Statement and ending on the date immediately before the date of the Offer.

34. Panoramic 2019 Annual Report.

35. PAN ASX announcement 17 October 2018 ("Notice of 2018 Annual General Meeting/Proxy Form"); PAN ASX announcement 21 November 2018 ("Results of 2018 AGM").

## 5.6 RECENT SHARE PRICE PERFORMANCE OF PANORAMIC

The last recorded sale price of Panoramic Shares on ASX on 1 November 2019, being the last trading day prior to the Announcement Date, was \$0.335.

As depicted in the chart below, during the 12 months ended 1 November 2019:

- the highest recorded closing price for Panoramic Shares on ASX was \$0.495 on 12 February 2019; and
- the lowest recorded closing price for Panoramic Shares on ASX was \$0.275 on 19 June 2019.

### Last 12 months Panoramic closing share price performance (\$/share)



Source: IRESS

## 5.7 NO PRE-OFFER BENEFITS

During the period of four months before the date of this Bidder's Statement, neither IGO nor any associate of IGO gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an associate of the other person, to:

- accept the Offer; or
- dispose of Panoramic Shares,

and which is not offered to all holders of Panoramic Shares under the Offer.

During the period from the date of this Bidder's Statement to the date before the date of the Offer, neither IGO nor any associate of IGO gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an associate of the other person, to:

- accept the Offer; or
- dispose of Panoramic Shares,

and which is not offered to all holders of Panoramic Shares under the Offer.

## 5.8 NO ESCALATION AGREEMENTS

Neither IGO nor any associate of IGO has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

SECTION 6

# SOURCES OF CONSIDERATION

## **SOURCES OF CONSIDERATION**

The consideration for the acquisition of the Shares to which the Offer relates will be satisfied by the issue of IGO Shares.

The maximum number of IGO Shares which would become payable under the Offer if acceptances are received in respect of Panoramic Shares on issue as at the date of this Bidder's Statement (other than those Panoramic Shares in which IGO has a relevant interest) is approximately 48,408,876.

IGO has the capacity to issue the maximum number of IGO Shares which it may be required to issue under the Offer.





An aerial photograph of a river winding through a dense forest. The river is dark and narrow, with sandy banks. The forest is lush and green, with some trees showing yellowish-brown foliage. The sky is clear and blue. The image is used as a background for the document.

## SECTION 7

# BIDDER'S INTENTIONS IN RELATION TO PANORAMIC

- 
- 7.1 Introduction

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  - 7.2 Overview and rationale for the Offer

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  - 7.3 Intentions for Panoramic as a wholly owned controlled entity

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  - 7.4 Intentions for Panoramic as a part owned controlled entity

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  - 7.5 Intentions for Panoramic if not controlled by IGO

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  - 7.6 Other intentions

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## SECTION 7

### BIDDER'S INTENTIONS IN RELATION TO PANORAMIC

#### 7.1 INTRODUCTION

The intentions of IGO are set out in this section 7 of the Bidder's Statement. Those intentions have been formed on the basis of facts and information concerning Panoramic, and the general business environment, which are known at the time of preparing this Bidder's Statement. Final decisions will only be reached by IGO in light of material information and circumstances at the relevant time. Accordingly, the statements set out in this section are statements of current intention only and may vary as new information becomes available or circumstances change.

The articulation and formulation of IGO's intentions are necessarily limited by virtue of the fact that it has only had access to publicly available information about Panoramic and its affairs.

#### 7.2 OVERVIEW AND RATIONALE FOR THE OFFER

IGO's rationale for making the Offer is to consolidate its position as a leading Australian mining and exploration company, with a strategic focus on metals critical to clean energy, at a time when positive structural change is occurring in the global nickel market as a result of this emerging demand from energy storage end users for nickel in electric vehicle batteries. The acquisition of Panoramic delivers a second production and exploration camp for IGO and leverages IGO's strengths in relation to underground nickel operations and exploration. IGO expects the acquisition to further strengthen its capacity to enhance shareholder returns and execute its growth strategy.

The Offer is consistent with IGO's strategic focus on metals critical to clean energy, focusing on nickel, cobalt and copper, and will contribute to the creation of a globally relevant, producer of high-quality battery metals products.

#### 7.3 INTENTIONS FOR PANORAMIC AS A WHOLLY OWNED CONTROLLED ENTITY

This section 7.3 describes IGO's intentions if IGO and its associates acquire a relevant interest in 90% or more of Panoramic Shares, and so becomes entitled to proceed to compulsory acquisition of outstanding Panoramic Shares in accordance with Part 6A.1 of the Corporations Act.\*

In that circumstance, IGO's current intentions are as follows:

##### a. Corporate matters

IGO intends to:

1. proceed with compulsory acquisition of the outstanding Panoramic Shares in accordance with the provisions of Part 6A.1 of the Corporations Act;
2. thereupon arrange for Panoramic to be removed from the official list of the ASX; and
3. replace the members of the Board with the nominees of IGO. Replacement board members have not yet been identified by IGO and their identity will depend on the circumstances at the relevant time.

##### b. Strategic review

After the end of the Offer Period, IGO intends to conduct a strategic review of Panoramic's operations, assets and corporate structure. The review will use both qualitative and quantitative measures to evaluate Panoramic's performance, profitability and prospects. As part of this review, IGO intends to focus on the following areas (amongst others):

1. review of underground mining and processing operations at Savannah to determine whether there is potential for operational improvement based on IGO's financial capacity, operational experience and expertise;
2. review of exploration opportunities and priorities; and
3. integration with IGO's existing operational and corporate structure.

##### c. Impact on employees

As a result of the implementation of the above intentions, it is possible that certain operational functions (eg those relating to the maintenance of Panoramic's listing on the ASX and some head office functions) will become redundant. Some job losses may occur as a result, however, the incidence, extent and timing of such job losses cannot be predicted in advance. Where practicable, IGO will seek to minimise job losses through redeployment of the relevant Panoramic employees into other parts of the IGO business. If redundancies do occur, the relevant employees will be treated in accordance with their contractual and other legal entitlements.

#### 7.4 INTENTIONS FOR PANORAMIC AS A PART OWNED CONTROLLED ENTITY

This section 7.4 describes IGO's intentions if, as a result of acceptances under the Offer, IGO controls Panoramic, but IGO is not entitled to proceed to compulsory acquisition in accordance with Part 6A.1 of the Corporations Act. This scenario may eventuate where, for example, Zeta does not accept the Offer.

\* On 8 November 2019 (as clarified on 12 November 2019), Zeta stated that it does not intend to accept IGO's current offer in respect of the 230,106,528 Panoramic Shares (representing 35.17%) that it holds, and that Zeta has reserved the right to accept a superior proposal from IGO or any other bidder for Panoramic. If Zeta does not accept the Offer, IGO will not acquire a relevant interest in 90% or more of Panoramic Shares.

In that circumstance, IGO's current intentions are as follows:

#### **a. Corporate matters**

IGO intends to:

1. seek to replace some of the members of the Panoramic Board with nominees of IGO, so that the proportion of such nominees is broadly similar to the voting power of IGO (subject to the Corporations Act and Panoramic's constitution). IGO would consider the recommendations in the ASX Corporate Governance Guidelines when determining the composition of the board. Replacement board members have not yet been finally decided by IGO and their identity will depend on the circumstances at the relevant time; and
2. cause Panoramic to apply to the ASX to de-list Panoramic if IGO acquires a relevant interest in at least 75% of the Shares but less than 90%. Otherwise, IGO intends to consider whether it is appropriate to maintain Panoramic's listing on ASX, having regard to considerations such as the costs associated with maintaining that listing, IGO's final level of ownership, the number of remaining shareholders in Panoramic and the level of trading in Panoramic Shares and the considerations in ASX Guidance Note 33.

It is possible that, even if IGO is not entitled to proceed to compulsory acquisition of minority holdings after the end of the Offer Period under Part 6A.1 of the Corporations Act, IGO may subsequently become entitled to exercise rights of general compulsory acquisition under Part 6A.2 of the Corporations Act; for example, as a result of acquisitions of Shares in reliance on the '3% creep' exception in item 9 of section 611 of the Corporations Act. If so, IGO intends to exercise those rights.

#### **b. Operational review**

After the end of the Offer Period, IGO intends to propose to the Panoramic Board that an immediate, broad based review of Panoramic's operations be conducted on both a strategic and financial level.

IGO intends, subject to the approval of the Panoramic Board, to participate in this review.

#### **c. Limitations in giving effect to intentions**

The ability of IGO to implement the intentions set out in this section 7.4 will be subject to the legal obligations of Panoramic directors to have regard to the interests of Panoramic and all Panoramic Shareholders, and the requirements of the Corporations Act and the ASX Listing Rules relating to transactions between related parties. IGO will only make a decision on the above mentioned courses of action following legal and financial advice in relation to those requirements.

### **7.5 INTENTIONS FOR PANORAMIC IF NOT CONTROLLED BY IGO**

IGO reserves its right to declare the Offer free from the 50.1% minimum acceptance condition (or any other condition) to the Offer. However, it has made no decision as to whether it will do so.

This section 7.5 describes IGO's intentions if it were to declare the Offer free of the 50.1% minimum acceptance condition and if Panoramic does not become a controlled entity of IGO.

In that circumstance:

- IGO does not expect to be in a position to give effect to the intentions set out in sections 7.3 or 7.4 of this Bidder's Statement; and
- IGO's current intention is to continue to hold any stake in Panoramic with a view to maximising returns for its investment (this may result in IGO acquiring additional shares, to the extent permitted by law).

### **7.6 OTHER INTENTIONS**

Subject to the matters described above in this section 7 and elsewhere in this Bidder's Statement and, in particular, the completion of the strategic review of Panoramic's operations, it is the intention of IGO, on the basis of the facts and information concerning Panoramic that are known to it and the existing circumstances affecting the assets and operations of Panoramic at the date of this Bidder's Statement, that:

- the business of Panoramic will be conducted in the same manner as at the date of this Bidder's Statement;
- there will be no redeployment of the fixed assets of Panoramic; and
- the present employees of Panoramic will, where practicable, continue to be employed by Panoramic.





SECTION 8

# EFFECT OF THE OFFER ON IGO AND PROFILE OF THE MERGED GROUP

- 8.1 Corporate activities and strategy
- 8.2 Synergies
- 8.3 Pro forma production and cash cost profile for the Merged Group for FY20
- 8.4 Pro forma consolidated financial statements for the Merged Group
- 8.5 Forecast financial information for the Merged Group

## 8.1 CORPORATE ACTIVITIES AND STRATEGY

The addition of Panoramic and the Savannah Project to IGO's existing portfolio will strengthen IGO's position as a leading Australian mining and exploration company. It is consistent with IGO's strategic focus on metals critical to clean energy, with a primary focus on nickel and copper, and will contribute to the creation of a globally relevant producer of high-quality battery metals products.

## 8.2 SYNERGIES

As described in section 7, IGO intends to conduct a strategic review of Panoramic's operations, assets and corporate structure. As part of this review, IGO intends to focus on the following areas (amongst others):

- review of underground mining and processing operations at Savannah to determine whether there is the potential for operational improvement based on IGO's financial capacity, operational experience and expertise;
- review of exploration opportunities and priorities;
- review of procurement and supply arrangements; and
- review and integration with IGO's existing operational and corporate structure.

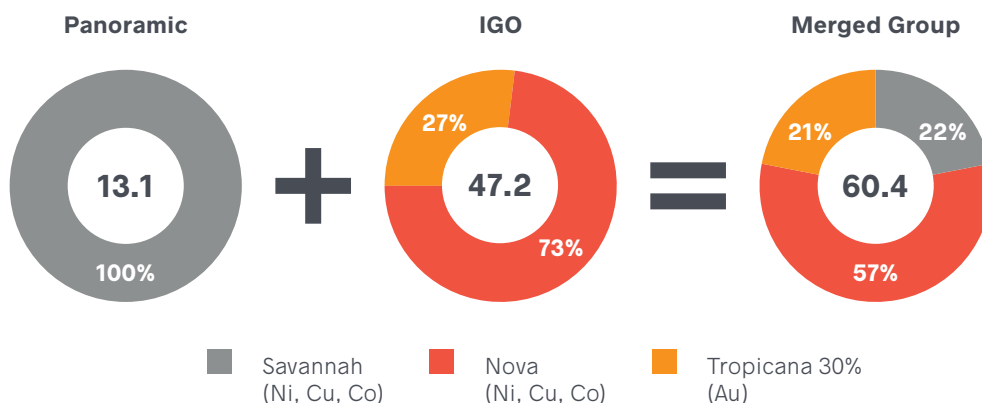
Each of these activities have the potential to identify synergies that may result in cost savings for the Merged Group. IGO has not yet quantified these synergies.

With IGO's technical, financial and operating experience and capabilities, there may be an opportunity to unlock step-change benefits which Panoramic could not realise on a standalone basis.

## 8.3 PRO FORMA PRODUCTION AND CASH COST PROFILE FOR THE MERGED GROUP FOR FY20

Set out below is the indicative pro forma production and cash cost profile of the Merged Group for FY20, prepared on the assumption that Panoramic becomes a wholly-owned subsidiary of IGO. \*

FY20 NiEq Production Guidance (kt) <sup>36</sup>

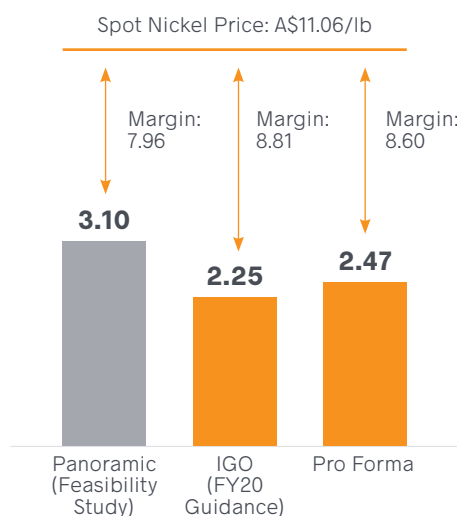


\* On 8 November 2019 (as clarified on 12 November 2019), Zeta stated that it does not intend to accept IGO's current offer in respect of the 230,106,528 Panoramic Shares (representing 35.17%) that it holds, and that Zeta has reserved the right to accept a superior proposal from IGO or any other bidder for Panoramic. If Zeta does not accept the Offer, IGO will not acquire a relevant interest in 100% of Panoramic Shares and therefore Panoramic will not become a wholly-owned subsidiary of IGO.

36. Mid-point of FY20 production guidance per PAN ASX announcement 3 September 2019 ("Savannah Operations Update & Further Amendments to Project Loan Facility") and IGO 2019 Annual Report converted to nickel equivalent tonnes (NiEq) using the following spot prices as at 1 November 2019: US\$16,835/t Ni (IRESS), US\$5,825/t Cu (IRESS), US\$35,500/t Co (FactSet) and US\$1,510/oz Au (IRESS). On 14 November 2019, after the date of lodgement of the original Bidder's Statement with ASIC, Panoramic announced that its FY20 production guidance (as announced to the market on 3 September 2019) would not be met and that revised production guidance would be released to the market upon completion of an operational review which Panoramic said it anticipates will be complete within 3 weeks of the 14 November 2019 announcement (ie by 5 December 2019).

The pro forma production profile of the Merged Group has been calculated based on the mid-point of the latest FY20 production guidance provided by Panoramic and IGO.

### Cash Cost and Margin to Nickel Price (\$/lb) <sup>37</sup>



The cash cost presented for Panoramic reflects the life of mine operating cash cost set out in the updated Savannah feasibility study (released in October 2017), calculated as mining, processing, geology, OHS&E, general and administrative, and concentrate transport costs, plus royalties, less by-product credits, divided by payable nickel produced. <sup>38</sup>

The cash cost presented for IGO reflects the mid-point of FY20 guidance for Nova cash costs, calculated inclusive of royalties and net of by-product credits divided by payable metal. The indicative pro forma cash cost for the Merged Group has been calculated based on the weighted average of nickel production (as per FY20 nickel production guidance). <sup>39</sup>

The indicative margin to the nickel price has been calculated based on the spot LME nickel price converted to Australian dollars at the spot AUD/USD foreign exchange rate. <sup>40</sup>

## 8.4 PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS FOR THE MERGED GROUP

Set out below are the historical statements of financial position of IGO and Panoramic as at 30 June 2019 (together, **Historical Financial Information**) and the Merged Group Pro Forma Historical Statement of Financial Position at 30 June 2019 (**Pro Forma Historical Statement of Financial Position**).

### a. Basis of presentation of pro forma financial information

The Pro Forma Historical Statement of Financial Position as at 30 June 2019 has been prepared to reflect the acquisition of Panoramic by IGO pursuant to the Offer, assuming that the Offer becomes unconditional and the level of acceptances result in IGO acquiring 100% of Panoramic. The Pro Forma Historical Statement of Financial Position is provided for illustrative purposes only and is prepared on the assumption that Panoramic became a wholly-owned subsidiary of IGO on 30 June 2019. It does not illustrate the financial position that may be contained in future financial statements of IGO.

On 8 November 2019 (as clarified on 12 November 2019), Zeta stated that it does not intend to accept IGO's current offer in respect of the 230,106,528 Panoramic Shares (representing 35.17%) that it holds, and that Zeta has reserved the right to accept a superior proposal from IGO or any other bidder for Panoramic. If Zeta does not accept the Offer, this means that IGO will not acquire a relevant interest in 100% of Panoramic Shares and therefore Panoramic will not become a wholly-owned subsidiary of IGO. Shareholders should note Zeta's statement regarding its intentions when considering references in this section 8.4 to IGO acquiring 100% of Panoramic or Panoramic becoming a wholly-owned subsidiary of IGO.

37. Panoramic cash cost per the "operating cash cost" per PAN ASX announcement 27 October 2017 ("Updated Savannah Feasibility Study"); IGO cash costs per mid-point of FY20 Nova guidance per IGO 2019 Annual Report; spot nickel price per IRESS as at 1 November 2019.

38. PAN ASX announcement 27 October 2017 ("Updated Savannah Feasibility Study").

39. Mid-point of FY20 nickel production guidance per PAN ASX announcement 3 September 2019 ("Savannah Operations Update & Further Amendments to Project Loan Facility") and IGO 2019 Annual Report. On 14 November 2019, after the date of lodgement of the original Bidder's Statement with ASIC, Panoramic announced that its FY20 production guidance (as announced to the market on 3 September 2019) would not be met and that revised production guidance would be released to the market upon completion of an operational review which Panoramic said it anticipates will be complete within 3 weeks of the 14 November 2019 announcement (ie by 5 December 2019).

40. Spot LME nickel price as at 1 November 2019 per IRESS. Converted from US\$/t to US\$/lb using a conversion factor of 2,204.62 and converted to A\$/lb using the spot AUD/USD foreign exchange rate per IRESS of 0.69 at 1 November 2019.



## SECTION 8

### EFFECT OF THE OFFER ON IGO AND PROFILE OF THE MERGED GROUP

In preparing the Pro Forma Historical Statement of Financial Position as at 30 June 2019, the uplift in value on acquisition of Panoramic has been attributed to Panoramic's mine and development properties. When performing the purchase price allocation on acquisition of Panoramic, additional assets and liabilities may be identified when IGO has access to the books and records of Panoramic. It has been assumed in the Pro Forma Historic Statement of Financial Position that there are no deferred tax consequences or goodwill arising from the acquisition.

The Pro Forma Historical Statement of Financial Position as at 30 June 2019 has been prepared in a manner consistent with the recognition and measurement principles contained in Australian Accounting Standards, applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate (the Pro Forma Adjustments), as if those events or transactions had occurred as at 30 June 2019. It is presented in an abbreviated form and does not contain all of the presentation and disclosures that are usually provided in an annual financial report prepared in accordance with the Corporations Act.

The Historical Financial Information contained in this section has been extracted from the respective audited financial statements of IGO and Panoramic as at 30 June 2019. Copies of the IGO and Panoramic annual financial statements can be found on their respective websites, being [igo.com.au](http://igo.com.au) and [panoramicresources.com](http://panoramicresources.com).

The Pro Forma Historical Statement of Financial Position should be read in conjunction with the risk factors in section 9, other information contained in the Bidder's Statement and the accounting policies of IGO and Panoramic as disclosed in their most recent respective annual reports. A preliminary assessment of the IGO and Panoramic accounting policies has not identified any material differences in accounting policies adopted. Whilst not material in quantum, with respect to accounting for Panoramic's acquired exploration and evaluation expenditure, IGO has a policy of only capitalising acquired exploration and evaluation expenditure whereas Panoramic capitalises exploration and evaluation expenditure incurred by the company where rights to tenure of the area of interest is current and the activities are expected to be recouped through successful development and exploitation of the area or alternatively, by its sale. The financial impact of Panoramic adopting IGO's accounting policy on acquisition by IGO is not known and will be subject to the fair value assessment of Panoramic's exploration and evaluation assets at the date of acquisition.

BDO Corporate Finance (WA) Pty Ltd has been engaged as the Investigating Accountant to prepare an Independent Limited Assurance Report on the Historical Financial Information and the Pro Forma Historical Statement of Financial Position as at 30 June 2019 included in this section. The Independent Limited Assurance Report is set out in Attachment 1. Panoramic Shareholders should note the comments made in relation to the scope and limitations of the Independent Limited Assurance Report.

In preparing the Pro Forma Historical Statement of Financial Position, no adjustments have been made to reflect the operating efficiencies and administrative cost savings that could result from the operations of the Merged Group (as compared to those of IGO and Panoramic as separate entities). Further, the Pro Forma Historical Statement of Financial Position does not reflect all transactions which may have occurred since 30 June 2019, as discussed further below.

#### b. Pro forma consolidated statement of financial position of the Merged Group

The Pro Forma Historical Statement of Financial Position has been prepared on the assumption that Panoramic becomes a wholly-owned subsidiary of IGO.

The Offer consideration is one IGO Share for every 13 Panoramic Shares.

The table below shows the calculation of the new IGO Shares expected to be issued in a scenario where IGO acquires all of the shares in Panoramic that it does not already own. The table also shows the value of the purchase consideration under that scenario, using an assumed IGO share price of \$6.19, being the 1 Month VWAP of the IGO share price up to and including 1 November 2019, being the last trading day before the Offer was announced.

##### **New IGO Shares to be issued as Offer consideration (100% acquisition)**

Panoramic Shares on Issue at the date of this Bidder's Statement not already owned by IGO	629,315,384
Exchange ratio (Panoramic Shares per IGO share)	13
<b>Total new IGO Shares to be Issued as Offer consideration</b>	<b>48,408,876</b>
IGO Share price (1 Month VWAP up to and including 1 November 2019)	6.19
<b>Value of new IGO Shares to be issued (A\$)</b>	<b>299,734,866</b>

Assuming IGO acquires 100% of Panoramic Shares, Panoramic Shareholders will hold approximately 8% of the shares in the Merged Group (on an undiluted basis). However, as previously noted, on 8 November 2019 (as clarified on 12 November 2019), Zeta stated that it does not intend to accept IGO's current offer in respect of the 230,106,528 Panoramic Shares (representing 35.17%) that it holds, and that Zeta has reserved the right to accept a superior proposal from IGO or any other bidder for Panoramic.

### c. Merged Group Pro Forma Historical Statement of Financial Position as at 30 June 2019

A\$000	HISTORICAL AT 30 JUNE 2019		HISTORICAL PRO FORMA AT 30 JUNE 2019		Merged Group
	IGO	PAN	Notes	Adjustments	
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	348,208	12,733	(b)(e)	(1,378)	359,563
Trade and other receivables	47,748	19,278			67,026
Inventories	70,274	8,415			78,689
Financial assets at fair value through profit or loss	27,531	-			27,531
Derivative financial instruments	484	3,742	(f)	(3,742)	484
Prepayments	-	1,354			1,354
Disposal group classified as held for sale	-	4,299			4,299
<b>Total current assets</b>	<b>494,245</b>	<b>49,821</b>		<b>(5,120)</b>	<b>538,946</b>
<b>Non-Current Assets</b>					
Receivables	14,998	-			14,998
Inventories	52,594	-			52,594
Property, plant and equipment	41,622	59,004			100,626
Mine & Development Properties	1,311,376	84,774	(b)	216,804	1,612,954
Exploration and evaluation expenditure	95,197	27,763			122,960
Deferred tax assets	180,237	-			180,237
Derivative financial instruments	-	4,409	(f)	(4,409)	-
Financial assets at fair value through profit or loss	-	957			957
Other non-current assets	-	181			181
<b>Total non-current assets</b>	<b>1,696,024</b>	<b>177,088</b>		<b>212,395</b>	<b>2,085,507</b>
<b>TOTAL ASSETS</b>	<b>2,190,269</b>	<b>226,909</b>		<b>207,275</b>	<b>2,624,453</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Trade and other payables	49,902	22,094	(c)	14,987	86,983
Borrowings	56,226	8,082			64,308
Provisions	5,180	2,205			7,385
Derivative financial instruments	-	2,721	(f)	(2,721)	-
<b>Total current liabilities</b>	<b>111,308</b>	<b>35,102</b>		<b>12,266</b>	<b>158,676</b>
<b>Non-Current Liabilities</b>					
Borrowings	28,363	38,553	(e)	(20,000)	46,916
Provisions	63,626	31,548			95,174
Deferred tax liabilities	137,912	-			137,912
Derivative financial instruments	-	5,584	(f)	40,741	46,325
<b>Total non-current liabilities</b>	<b>229,901</b>	<b>75,685</b>		<b>20,741</b>	<b>326,327</b>
<b>TOTAL LIABILITIES</b>	<b>341,209</b>	<b>110,787</b>		<b>33,007</b>	<b>485,003</b>
<b>NET ASSETS</b>	<b>1,849,060</b>	<b>116,122</b>		<b>174,268</b>	<b>2,139,450</b>
<b>EQUITY</b>					
Contributed Equity	1,895,855	210,109	(a)(d)(e)	89,626	2,195,590
Reserves	15,777	20,994	(d)(f)	(20,994)	15,777
Amounts recognised in equity relating to disposal group	-	1,200	(d)	(1,200)	-
Accumulated losses	(62,572)	(121,823)	(d)	106,836	(77,559)
Non-controlling interest	-	5,642			5,642
<b>TOTAL EQUITY</b>	<b>1,849,060</b>	<b>116,122</b>		<b>174,268</b>	<b>2,139,450</b>

#### d. Pro forma adjustments

The following pro forma adjustments (Pro Forma Adjustments) have been made for the purposes of preparing the Pro Forma Historical Statement of Financial Position:

**Note a** – The acquisition of 100% of Panoramic by IGO in accordance with the Offer. The fair value of the Offer consideration has been calculated at \$299.7 million. Assumptions regarding the capital structure and purchase consideration are set out in this Bidder's Statement. The actual cost of acquisition will be determined after the close of the Offer Period, based on the IGO Share price at that time.

**Note b** – Fair value accounting adjustments on the acquisition of Panoramic. The purchase price accounting for the acquisition has been determined on a provisional basis. This adjustment assumes that the purchase price (including 24,920,325 Panoramic Shares acquired by IGO post 30 June 2019 for \$8.4 million) is allocated to Panoramic's assets and liabilities based on their book value at 30 June 2019, with residual value attributable to Mine & Development Properties.

After the end of the Offer Period, IGO will undertake an assessment of the fair value of all assets acquired and liabilities assumed. This exercise may give rise to material differences in value and may result in fair values being attributed to other assets and liabilities on the Pro Forma Historical Statement of Financial Position.

**Note c** – Accrual of estimated transaction costs (advisory fees and land holder duty) relating to the Offer of \$15.0 million. These costs have been expensed on a pre-tax basis in the Pro Forma Historical Statement of Financial Position.

**Note d** – This adjustment eliminates Panoramic's pre-acquisition contributed equity, reserves and retained earnings at 30 June 2019 (including the adjustment for the capital raising in 'note e' below).

**Note e** – This adjustment reflects the pro forma effect of the capital raising announced by Panoramic on 5 September 2019 (a fully-underwritten 2 for 11 pro-rata renounceable entitlement offer at \$0.28). Net proceeds from the capital raising for approximately \$27 million after costs, with \$20 million used to reduce the balance of the Savannah Financing Agreement.

**Note f** – This adjustment reflects the restatement of the fair value of nickel forward contracts between 30 June 2019 and the Offer date. An amount of \$46.3 million has been recorded against the carrying value of derivative financial instruments and this has been reflected on a pre-tax basis as a loss of Other Comprehensive Income in Reserves. In addition, the adjusted fair values of these derivative financial instruments have been re-classified as non-current as at 30 June 2019 following Panoramic's announced deferral of the settlement dates for these hedges to a period that commences in July 2020.

#### e. Pro forma adjustments if IGO controls only 50.1% of Panoramic

In the event that at the end of the Offer Period IGO only controls 50.1% of Panoramic Shares, the Merged Group Pro Forma Historical Statement of Financial Position as at 30 June 2019 presented above would be amended as follows:

**Note a** – Contributed equity would reduce by \$149.6 million (reflecting the acquisition of a relevant interest in only 50.1% of Panoramic in accordance with the Offer) and there would be a corresponding \$149.6 million increase in non-controlling interest (reflecting the remaining 49.9% of Panoramic not controlled by IGO).

**Note c** – Trade and other payables would reduce by \$7.5 million as the accrual of estimated transaction costs would be reduced due to reduced advisory fees and land holder duty. These costs would be expensed on a pre-tax basis in the Pro Forma Historical Statement of Financial Position. There would also be a corresponding \$7.5 million pre-tax reduction in accumulated losses.

This would have the following impact on the assets, liabilities and equity of the Merged Group presented above:

- total assets would be unchanged;
- total liabilities would be reduced by \$7.5 million;
- net assets would increase by \$7.5 million; and
- total equity would increase by \$7.5 million.

#### **f. Items not included in the Merged Group Pro Forma Historical Statement of Financial Position**

After the end of the Offer Period, should IGO acquire 100% of Panoramic Shares, Panoramic and its 100% owned subsidiaries will join the IGO tax consolidated group. As a result of the tax consolidation regime, the existing tax base of Panoramic's assets will be reset which may have an impact on current and deferred tax balances recognised in relation to Panoramic's assets. A detailed analysis of the consequences of joining the IGO tax consolidated group will be undertaken following implementation, and have not been included in the Merged Group Pro Forma Historical Statement of Financial Position.

The Pro Forma Adjustments are provided for illustrative purposes only and have been prepared on the assumption that IGO had 100% control of Panoramic Shares at 30 June 2019. Note disclosure is provided in (e) above as to how the Pro Forma Adjustments would be different in the event that only 50.1% of Panoramic Shares are controlled by IGO.

Various matters have occurred since the date of the Pro Forma Historical Statement of Financial Position and will continue to occur up to the date of the end of the Offer Period, that would otherwise impact on the Pro Forma Historical Statement of Financial Position. These matters include:

- Panoramic continuing its operations, including development activities in relation to Savannah North; and
- IGO continuing its operations and generating significant cash flows from its operations.

### **8.5 FORECAST FINANCIAL INFORMATION FOR THE MERGED GROUP**

The IGO Board has given careful consideration as to whether a reasonable basis exists to produce reliable and meaningful forecast financial information in relation to the Merged Group, other than IGO's production and cost guidance for FY20 and the general overview of the strategy and financial profile of the Merged Group set out in this Bidder's Statement. The IGO Board has concluded that such forecast financial information has the potential to be misleading and a reasonable basis does not exist for producing forecasts that would be sufficiently meaningful and reliable to be of value to either Panoramic Shareholders or IGO shareholders.



## SECTION 9

# RISK FACTORS

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- 9.1 Risks relating to the Offer and the creation of the Merged Group

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  - 9.2 Risks relating to the mining and exploration sector

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  - 9.3 General risks

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## SECTION 9

### RISK FACTORS

If the Offer becomes unconditional, Panoramic Shareholders who accept the Offer will become IGO shareholders, and IGO will acquire an interest in Panoramic. In that event, Panoramic Shareholders will continue to be indirectly exposed to the risks associated with having an interest in Panoramic's assets and general economic, share market and industry risks. There are also additional risks relating to the Offer and the Merged Group, to which Panoramic Shareholders will be exposed through their holding of IGO Shares.

The value of IGO Shares is influenced by a range of factors, many of which are beyond the control of the Merged Group. These risk factors are divided into:

- specific risks relating to the Offer and the creation of the Merged Group;
- risks relating to the mining and exploration sector; and
- other general risks.

You should carefully consider the following risk factors, as well as the other information provided by IGO, and consult your financial and legal advisers before making a decision as to whether to accept the Offer.

The risk factors presented in this section are not an exhaustive list of all risks and risk factors related to IGO, the Merged Group or the Offer. There may be additional risks and uncertainties that IGO is aware of, or that it currently considers to be immaterial, or that are not currently known to IGO, that may become important factors that adversely affect IGO's operating and financial performance.

This section does not take into account the investment objectives, financial situation, position or particular needs of Panoramic Shareholders.

## 9.1 RISKS RELATING TO THE OFFER AND THE CREATION OF THE MERGED GROUP

### a. Issue of IGO Shares as consideration

Panoramic Shareholders are being offered consideration under the Offer that consists of a specified number of IGO Shares, rather than a number of IGO Shares with a specified market value. As a result, the value of the consideration will fluctuate depending upon the market value of the IGO Shares.

Furthermore, under the Offer, IGO will issue a significant number of IGO Shares. Some Panoramic Shareholders may not intend to continue to hold their IGO Shares and may wish to sell them on ASX. There is a risk that if a significant number of Panoramic Shareholders seek to sell their IGO Shares, this may adversely impact the price of IGO Shares.

### b. Integration risks

There are risks that any integration between the businesses of IGO and the Panoramic Group may take longer than expected and that anticipated efficiencies and benefits of that integration may be less than estimated. These risks include possible differences in the management culture of the two groups, inability to achieve synergy benefits and cost savings, and the potential loss of key personnel, suppliers or other contractual arrangements.

### c. Accounting for the Offer

IGO will be required to perform a fair value assessment of all Panoramic's assets and liabilities if the Offer is successful. This assessment may result in increased non-cash depreciation and amortisation charges. There is a risk that these charges may be substantially greater than those that would exist in IGO and Panoramic as separate businesses. This may reduce the future earnings of the Merged Group.

### d. Dividends

IGO's cash returns to shareholders policy targets the return of 15% to 25% of free cash flow to shareholders. However, the payment of dividends (if any) by IGO is determined by the IGO Board from time to time at its discretion, and is dependent upon factors including the profitability and cash flow of IGO's business at the relevant time. Any dividends paid by IGO in the future will be subject to similar considerations.

The Merged Group will operate in a cyclical sector, in which financial characteristics (such as commodity prices, foreign exchange rates and energy costs) vary and as a result will have an impact on profit and cash flow generation. This may result in variations in the capability of the Merged Group to make dividend payments to shareholders through varying business cycles.

Further information about IGO's shareholder returns policy is set out in section 3.3 of this Bidder's Statement.

### e. Customer concentration

The Merged Group will rely on a contracted customer base to generate its revenue. Whilst the Merged Group will seek to have a reasonably broad customer base, there are risks associated with customer concentration. For example, Nova revenues are currently being derived from BHP Billiton Nickel West Pty Ltd, Trafigura Pte Ltd and Glencore International Ag (Glencore until December 2019 only). Savannah's sole customer is the Sino Nickel joint venture between Jinchuan Group Co. Ltd and Sino Mining International Limited. Revenue from the sale of gold produced at the Tropicana mine is derived from the Perth Mint, National Australia Bank Ltd, Commonwealth Bank of Australia Ltd and Australia and New Zealand Banking Group Ltd. If key customers default or cease dealing with the Merged Group in the future, the ability of the Merged Group to generate revenue from its produced commodities may be adversely impacted.

IGO endeavours to ensure that sales of products are made to customers with an appropriate credit history. IGO has further sought to manage the risk of customer concentration by generating a diversified customer base and making contractual arrangements to guarantee the receipt of a majority percentage of expected payments.

IGO's customers may change over time depending on market conditions and market pricing opportunities.

#### **f. Acquisitions**

IGO regularly identifies and assesses potential opportunities for acquisitions and growth initiatives where it considers the opportunities may create shareholder value. The Merged Group will continue to identify and assess such opportunities. While the Merged Group intends to undertake appropriate due diligence to properly assess any such opportunities, these transactions involve inherent risks. These risks could cause the Merged Group not to realise the benefits anticipated to result from such transactions (or the benefits may take longer than expected to be realised), which may have a material adverse effect on the Merged Group's ability to grow and on its financial position and financial performance. In addition, acquisitions may be funded by the issue of additional IGO Shares, which may dilute IGO shareholders, or by debt, which will affect will affect the Merged Group's balance sheet accordingly.

#### **g. Financing risks and capital requirements**

The Merged Group's capital requirements will depend on a number of factors. While IGO expects the Merged Group to have sufficient funding in relation to its existing operations (based on existing estimates of funding requirements), funding requirements may change in the future depending on multiple factors including (without limitation) further acquisitions, divestments and commodity prices.

The Merged Group may be required to seek additional financing (either in the form of debt or equity) and there is no guarantee that the Merged Group will be able to secure the required level of funding. Any debt financing, if available, may involve restrictions on the Merged Group's financing and operating activities, or its business strategy and additional equity financing may dilute shareholders and may be undertaken at lower prices than the current market price. No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Merged Group or at all. If the Merged Group is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on IGO's operations and financial position.

In the ordinary course of operations and development, IGO will be required to issue financial assurances, particularly assurances and bond/bank guarantee instruments, to secure statutory and environmental performance undertakings and commercial arrangements. IGO's ability to provide such assurances is subject to external financial and credit market assessments, and its own financial position.

#### **h. Due diligence**

Information relating to Panoramic that has been presented in, or omitted from, this Bidder's Statement, including all Panoramic financial information, has been based on publicly available information. IGO has not yet had the opportunity to carry out any non-public due diligence in respect of Panoramic. Any inaccuracy or omission in such publicly available information may adversely affect the results of operations of the Merged Group.

In addition, Panoramic may be a party to contracts that grant the counterparty certain rights (including review or termination) on a change of control of Panoramic. An exercise of these rights by a counterparty may adversely affect Panoramic or the Merged Group.

#### **i. Risks associated with retention of a minority stake**

There are some risks associated with the Offer for Panoramic Shareholders who do not accept the Offer and remain Panoramic Shareholders. If, in connection with or following the Offer, IGO acquires between 90% and 100% of the Panoramic Shares, IGO may be entitled to compulsorily acquire the remaining shares of the Panoramic Shareholders.

If, in connection with the Offer, IGO acquires more than 50.1% but less than 90% of the Panoramic Shares, IGO will hold a controlling interest in Panoramic. The remaining Panoramic Shareholders will be in a minority position in a company with a large controlling shareholder whose objectives for the company may differ from their own. They could also encounter a lower level of liquidity in Panoramic Shares than exists today, which could result in a lower price for those Panoramic Shares should they wish to sell them in future.

If, following the Offer, IGO does not acquire a relevant interest of at least 50.1% of the Panoramic Shares, it may choose to waive the 50.1% condition of its Offer resulting in IGO holding a non-controlling interest in Panoramic. If this occurred, it is possible that IGO and another person or persons could each hold large minority interests in Panoramic. In such a situation, any commercial misalignment between large minority shareholders could impact on the efficient and effective governance of Panoramic and could adversely affect its ongoing performance.

#### **j. Potential unavailability of CGT scrip for scrip rollover relief**

Panoramic Shareholders who accept the Offer and receive IGO Shares may, in some circumstances (particularly where IGO does not obtain 80% or more of the Panoramic Shares under the Offer) have a CGT liability but will not be able to claim CGT scrip for scrip rollover relief in respect of the IGO Shares received in exchange for the Panoramic Shares. The Australian taxation implications of accepting the Offer are discussed in greater detail in section 10.

On 8 November 2019 (as clarified on 12 November 2019), Zeta stated that it does not intend to accept IGO's current offer in respect of the 230,106,528 Panoramic Shares (representing 35.17%) that it holds, and that Zeta has reserved the right to accept a superior proposal from IGO or any other bidder for Panoramic. CGT scrip for scrip rollover relief will not be available if Zeta does not accept the Offer.



## 9.2 RISKS RELATING TO THE MINING AND EXPLORATION SECTOR

### a. Commodity price volatility

IGO's revenues and cash flows are largely derived from the sale of a variety of commodities, including nickel, copper, cobalt and gold. The prices that the Merged Group obtains for its products will be determined by, or linked to, prices in world commodity markets, which have historically been subject to substantial volatility. Commodity prices are affected by underlying global economic and geopolitical factors, industry demand and supply balances, trade wars, product substitution and national tariffs.

Changes in commodity prices may have a positive or negative effect on the Merged Group's production plans and activities, together with the ability to fund those plans and activities.

IGO has adopted a Group Financial Control Standard: Financial Risk Management policy that provides IGO with a mechanism to hedge part of its Australian dollar and US dollar denominated value of expected sales of nickel, copper and gold production in order to manage its exposure to potential variability in the prices of these commodities. However, the Merged Group will still be exposed to spot prices for the remainder of its anticipated future production of these and other commodities. IGO cannot provide any assurance as to the prices that the Merged Group will achieve for its commodities in the future.

### b. Operating risk

The Merged Group's assets and mining operations, as any others, will be subject to uncertainty with respect to (among other things): ore tonnes, mine grade, ground conditions, metallurgical recovery or unanticipated metallurgical issues (which may affect extraction costs), in fill resource drilling, mill performance, the level of experience of the workforce, operational environment, funding for development, regulatory changes, accidents and other unforeseen circumstances such as unplanned mechanical failure of plant or equipment, storms, floods, bushfires or other natural disasters.

The occurrence of any of these circumstances could result in the Merged Group not realising its operational or development plans, or plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on IGO's financial and operational performance.

IGO has provided production guidance for its Nova and Tropicana operations for FY20. While IGO considers that this guidance is reasonable, actual future production may vary from the guidance for various reasons, many of which cannot be foreseen and are beyond the control of IGO. These factors may cause the production guidance not to be achieved or to be achieved later than expected, or to be achieved at a higher cost than anticipated.

### c. Exploration risk

Exploration activities are speculative by nature and therefore are often unsuccessful. Such activities also require substantial expenditure and can take several years before it is known whether they will result in additional mines being developed. Accordingly, if the exploration activities undertaken by the Merged Group do not result in additional reserves or identified

resources cannot be converted into reserves, there may be an adverse effect on the Merged Group's financial performance.

The success of the Merged Group will depend on successful exploration and acquisition of reserves, design and construction of efficient processing facilities, competent operation and management, proficient financial management, access to required development capital, movement in the price of commodities, securing and maintaining title to IGO's pre-existing exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities. Failure in any of these areas may adversely impact the profitability and financial position of the Merged Group.

In addition, the exploitation of successful discoveries would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploitation may require participation of other companies whose interests and objectives may not be the same as the Merged Group's interests and objectives.

### d. Development risk

In the course of its operations IGO conducts exploration and feasibility studies relating to potential developments. The commercial viability of any such endeavours is based upon estimates of the potential size and grade of Mineral Resources or Ore Reserves, proximity to infrastructure and other required resources (such as energy and water), potential production rates, the feasibility of recovery of metals, capital and operating costs, and metal demand and prices. Some projects also remain subject to the completion of favourable environment assessments, further feasibility studies, the grant and maintenance of necessary permits and authorisations, and receipt of adequate financing.

It is possible that certain projects may be delayed, cancelled or otherwise adjusted due to a lack of commercial viability associated with such factors.

Despite careful evaluation that includes the factors set out above, it is possible that development projects do not realise their predicted value or revenue due to circumstances beyond the control of the Merged Group.

### e. Estimate risk

The Mineral Resources and Ore Reserves for IGO's and Panoramic's assets are estimates only and no assurance can be given that any particular recovery level of metals will in fact be realised. These estimates are prepared in accordance with the JORC Code (see further sections 11.4 and 11.5 of this Bidder's Statement), but they are expressions of judgement based on knowledge, experience and industry practice, and may require revision based on actual production experience which could in turn affect the Merged Group's mining plans and ultimately its financial performance and value.

Estimates that are valid when made may change significantly when new information becomes available. In addition, commodity price fluctuations, as well as increased production costs or reduced throughput and/or recovery rates, may render reserves and resources uneconomic and so may materially affect the estimates.

#### **f. Foreign exchange rate risk**

The Merged Group will be an Australian business that reports in Australian dollars. IGO's base metals revenue is derived from the sale of commodities that are typically priced in US dollars, and the majority of its costs are usually denominated in Australian dollars. Therefore, the Merged Group will be exposed to movements in foreign exchange rates (in particular, the US dollar-to-Australian dollar exchange rate), the impact of which cannot be predicted reliably.

IGO manages its foreign exchange risk via the adoption and implementation of the Group Financial Control Standard: Financial Risk Management policy. The foreign exchange risk management approach is aimed at reducing the impact of foreign exchange fluctuations on the reported annual earnings and operating cash flows. Strategic metal hedging aims to have associated foreign exchange hedging. The Merged Group will still be exposed to foreign exchange risk in relation to currency that has not been hedged.

#### **g. Joint ventures**

The Merged Group may hold assets or developments or undertake projects through incorporated and unincorporated joint ventures with third parties. There is a risk of financial failure or default by a participant in any joint venture to which the Merged Group is or may become a party. Disagreements between co-venturers or a failure of a co-venturer to adequately manage a project poses a further risk of financial loss or legal or other disputes with the other participants in such a joint venture.

Projects held and run through joint ventures impose a number of restrictions on the Merged Group's ability to sell its interest in any assets held through such a structure and may require prior approval of the other joint venture partner or may be subject to pre-emptive rights.

#### **h. Laws, regulations, rules, approvals, licences and permits**

The Merged Group's operations will be subject to various Federal, State and local laws and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, production or development.

Approvals, licences and permits required to comply with such rules and regulations are subject to the discretion of the applicable government officials. No assurance can be given that IGO will be successful in obtaining any or all of the various approvals, licences and permits or maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained

in a timely manner or at all, the Merged Group may be limited or curtailed from continuing or proceeding with exploration, production or development.

IGO cannot guarantee that all or any licences or permits in which the Merged Group has interests will be renewed. Such renewals are at the discretion of relevant government bodies and ministries in the jurisdiction, and often depends on the Merged Group being successful in obtaining other required statutory approvals for its proposed activities. There is no assurance that such renewals will be granted, nor that they will be granted without different or further conditions attached.

#### **i. Land access arrangements**

Mineral exploration, development and mining generally require consultation and agreement with landholders or other third parties in relation to access arrangements regarding underlying land. The Merged Group may be subject to restrictions associated with such land access arrangements, and may be required to pay compensation or adhere to other attached conditions. There is the further risk that landholders or other third parties may refuse access to the relevant land, which may negatively impact the Merged Group's capacity to further explore or develop any projects the subject of such land.

#### **j. Unexpected natural or operational catastrophes**

The operations of IGO and Panoramic may both be affected by various factors outside of IGO's control, including natural disasters and operational and technical catastrophes. These include flooding or adverse weather conditions, fires, explosions, rock falls, water ingress and seismic activity that affect the exploration, development or mining operations of the business.

#### **k. Title risks**

The Native Title Act 1993 (Cth) recognises and protects the rights and interest in Australia of Aboriginal and Torres Strait Islander people in land and waters according to their traditional laws and customs. Native title may impact the Merged Group's operations and future plans. Native title is not generally extinguished by the grant of exploration and mining tenements, as they are not generally considered to be a grant of exclusive possession. However, a valid exploration or mining tenement prevails over native title to the extent of any inconsistency for the duration of the title.

There may be areas in relation to tenements which the Merged Group has an existing interest in, or will acquire an interest in the future, over which common law Native Title rights exist, or may be found to exist, which may preclude or delay exploration, development or production activities.

The Merged Group will also need to comply with Aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of mining and exploration operations.

## **I. Environmental risk**

The operations and activities of the Merged Group will be subject to the environmental laws and regulations of Australia and the other jurisdictions in which the Merged Group may conduct business. As with most exploration projects and mining operations, the Merged Group's operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. IGO attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations.

IGO is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Merged Group's cost of doing business or affect its operations in any area. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Merged Group to incur significant expenses and undertake significant investments which could have material adverse effect on the Merged Group's business, financial condition and performance.

## **m. Health, safety and hazardous materials**

The potentially hazardous nature of exploration and mining mean that health and safety regulations impact the activities of the Merged Group. Any injuries or accidents that occur on a site of operations of the Merged Group could result in legal claims, potential delays or stoppages and other actions that could adversely affect the Merged Group.

As announced by IGO, the Department of Mines, Industry Regulation and Safety investigation into the fatality that occurred following an incident involving an employee of IGO's haulage contractor at Nova in September 2019 is ongoing.

## **n. Availability of resources**

Fluctuations in the price and availability of resources required for the operations of the Merged Group, including materials required for operations, water and energy resources such as diesel, gas and other fossil fuels may materially impact the operations and financial position of the Merged Group.

The Merged Group requires specific consumables, spare parts, plant and equipment and construction materials for its exploration, development and mining activities. Any delay, lack of supply or increase in price in relation to such equipment and material could adversely impact the financial position of the Merged Group.

## **o. Infrastructure, transportation and remoteness of operations**

The commodities expected to be produced by the Merged Group will be required to be transported to customers domestically and internationally. Each stage of the transportation process poses risks, including the initial remoteness of the Merged Group's projects. Fuel costs, unexpected delays and accidents could materially impact upon the Merged Group's financial position.

Further, there are risks associated with the availability of adequate trucking, rail and port facilities and the process for obtaining approvals to access these facilities (including the timing and conditions on which access may be granted). If the Merged Group is not able to access the required infrastructure within a certain time period or at a reasonable cost, this could adversely affect the Merged Group's operations and financial performance.

The price of sea freight, smelting and refining charges are market driven and can vary throughout the life of each project. These will also impact on the overall profitability of the Merged Group.

## **p. Key personnel and contractors**

A number of key personnel are important to attaining the business goals of IGO and the Merged Group. One or more of these key employees could leave their employment, and this may adversely affect the ability of IGO and the Merged Group to conduct their business and, accordingly, affect the financial performance of IGO and the price of IGO Shares.

Recruiting and retaining qualified personnel are important to the success of the Merged Group. The number of persons skilled in the exploration and development of mining properties is limited and competition for such persons can be strong, depending on market conditions.

Any disputes with employees (through personal injuries, industrial matters or otherwise), change in labour regulations, or other developments in the area may cause labour disputes, work stoppages or other disruptions in production that could adversely impact the Merged Group.

The Merged Group may use external contractors or service providers for many of its activities, and as such the failure of any current or proposed contractors, subcontractors or other service providers to perform their contractual obligations may negatively impact the business of the Merged Group. IGO cannot guarantee that such parties will fulfil their contractual obligations and there is no guarantee that IGO would be successful in enforcing any of its contractual rights through legal action. Further, the insolvency or managerial failure by any such contractors or other service providers may pose a significant risk to IGO's operating and financial performance and financial position.

## **q. Import and export policies**

The import and export policies of any jurisdiction in which the Merged Group operates or sells product to may change in the future. As the revenues of the Merged Group depend upon the process of exporting commodities, the profitability and financial position of IGO may be adversely affected by any such adverse import and export regulations.

## 9.3 GENERAL RISKS

### a. Share market conditions

There are risks associated with any investment in securities. Publicly listed securities and, in particular, securities of mining and exploration companies, have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies.

The price at which IGO Shares are quoted on the ASX may increase or decrease due to a number of factors. These factors may cause the IGO Shares to trade at prices below the price at the date of the Offer. There is no assurance that the price of the IGO Shares will increase following the Offer, even if IGO's earnings increase.

Some of the factors which may affect the price of IGO Shares include economic conditions in both Australia and internationally, investor sentiment and local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

### b. Equity dilution

IGO may elect to issue IGO Shares or other securities in IGO in the future. While IGO will be subject to the constraints of the Listing Rules regarding the percentage of capital that it is able to issue within a 12 month period (other than where exceptions apply), the increase in the number of securities issued and the possible sale of these securities may have the effect of depressing the price of IGO securities already on issue. In addition, IGO shareholders at the time may be diluted as a result of the issue of such securities.

### c. Economic conditions

The operating and financial performance of the Merged Group will be influenced by a variety of general economic and business conditions, including levels of consumer spending, oil prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets and government fiscal, monetary and regulatory policies.

Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on IGO's operating and financial performance and financial position.

### d. Changes in tax rules or their interpretation

Changes in tax law (including value added or indirect taxes and stamp duties), or changes in the way tax laws are interpreted, may impact the Merged Group's tax liabilities or the tax treatment of an IGO shareholder's investment. In particular, both the level and basis of taxation may change. In addition, an investment in IGO Shares involves tax considerations which may differ for each IGO shareholder. Each Panoramic Shareholder is encouraged to seek professional tax advice in connection with the Offer and how they may be discretely impacted.

### e. Force majeure events

Events may occur within or outside Australia that could impact upon the Australian economy, the Merged Group's operations and the price of IGO Shares. These events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease, uranium concentrate risk or other natural or man-made events or occurrences that can have an adverse effect on the demand for the Merged Group's products and its ability to operate its assets. IGO has only a limited ability to insure against some of these risks.

### f. Litigation

As at the date of this Bidder's Statement, IGO is not aware of any material disputes or litigation being undertaken. However, it is possible that the Merged Group may be involved in disputes and litigation in the course of its future operations. There is a risk that any material or costly dispute or litigation and compensation or damages could adversely impact the financial position or performance of the Merged Group.



SECTION 10

# TAX CONSIDERATIONS

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10.1 Australian resident Panoramic Shareholders

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10.2 Foreign resident Panoramic Shareholders

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10.3 Foreign resident CGT withholding tax rules

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10.4 GST

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## SECTION 10

### TAX CONSIDERATIONS

This section 10 contains a general description of the Australian income tax (including CGT) and GST consequences for Panoramic Shareholders who either accept the Offer and dispose of their Panoramic Shares to IGO, or whose Panoramic Shares are compulsorily acquired in accordance with Part 6A.1 of the Corporations Act.

This section 10 deals only with Panoramic Shareholders who hold their Panoramic Shares on capital account for income tax purposes. It does not deal with Panoramic Shareholders who:

- hold their Panoramic Shares for the purpose of speculation or a business of dealing in securities (eg as trading stock or revenue assets);
- acquired their Panoramic Shares pursuant to an employee share, option or rights plan;
- are taken for CGT purposes to have acquired their Panoramic Shares before 20 September 1985;
- are subject to the taxation of financial arrangement rules in Division 230 of the Tax Act in relation to gains and losses on their Panoramic Shares; or
- are foreign residents of Australia who hold their Panoramic Shares in carrying on a business through a permanent establishment in Australia.

The information in this section 10 is based upon the Australian law and administrative practice in effect as at the date of this Bidder's Statement, but is general in nature and is not intended to be an authoritative or complete statement of the laws applicable to the particular circumstances of a Panoramic Shareholder. Panoramic Shareholders should seek independent professional advice in relation to their own particular circumstances.

Panoramic Shareholders who are tax residents of a country other than Australia (whether or not they are also residents, or are temporary residents, of Australia for tax purposes) should take into account the tax consequences of the Offer under the laws of their country of residence, as well as under Australian law, of acceptance of the Offer.

## 10.1 AUSTRALIAN RESIDENT PANORAMIC SHAREHOLDERS

### a. Panoramic Shareholders who accept the Offer

If the Offer becomes unconditional, acceptance of the Offer by a Panoramic Shareholder will involve the disposal of their Panoramic Shares to IGO. This change of ownership of Panoramic Shares will constitute a CGT event for Australian income tax purposes. The date of disposal for CGT purposes should be the date the contract to dispose of the Panoramic Shares is formed.

### b. Compulsory acquisition

If a Panoramic Shareholder does not dispose of their Panoramic Shares under the Offer and their Panoramic Shares are compulsorily acquired in accordance with Part 6A.1 of the Corporations Act, those Panoramic Shareholders will also be treated as having disposed of their Panoramic Shares for CGT purposes.

In this case, the date of the CGT event will be the date when the Panoramic Shareholder ceases to be the owner of the Panoramic Shares.

### c. CGT

#### 1. Calculation of capital gain or capital loss (apart from scrip for scrip rollover relief)

Panoramic Shareholders will make a capital gain to the extent that the capital proceeds from the disposal of their Panoramic Shares are more than the cost base of those Panoramic Shares.

Conversely, Panoramic Shareholders will make a capital loss to the extent that the capital proceeds are less than their reduced cost base of those Panoramic Shares.

#### 2. Cost base

The cost base of the Panoramic Shares generally includes the purchase price paid for the shares and certain non-deductible incidental costs of their acquisition and disposal. The reduced cost base of the Panoramic Shares is usually determined in a similar but not identical manner.

#### 3. Capital proceeds

The capital proceeds for the disposal of Panoramic Shares should be equal to the Offer consideration receivable by the Panoramic Shareholder. The capital proceeds should be equal to the market value of the IGO Shares received by the Panoramic Shareholder, determined as at the time of the CGT event.

#### 4. CGT discount

Individuals, complying superannuation entities or trustees of trusts that have held their Panoramic Shares for at least 12 months before the CGT event may be entitled to discount the amount of the capital gain (after application of capital losses) from the disposal of Panoramic Shares by 50% in the case of individuals and trusts or by 33<sup>1/3</sup>% for complying superannuation entities. For trusts, the ultimate availability of the discount for a beneficiary of the trust will depend on the particular circumstances of the beneficiary.

#### 5. Net capital gains or losses

Capital gains (prior to any CGT discount) and capital losses of a taxpayer in an income year are aggregated to determine whether there is a net capital gain or net capital loss. Any net capital gain is included in assessable income and therefore is potentially subject to income tax.

Net capital losses may not be deducted against other income for income tax purposes, but may be carried forward to offset against future capital gains (subject to satisfaction of loss recoupment tests for certain taxpayers).

#### 6. Scrip for scrip rollover

Scrip for scrip rollover should be available if IGO acquires at least 80% of the Panoramic Shares under the Offer. If, and to the extent that scrip for scrip rollover is available and chosen, then the capital gain that would otherwise arise will be disregarded.

IGO will **not** make a choice under section 124–795(4) of the Tax Act to deny scrip for scrip rollover relief (where it would otherwise be available).

Scrip for scrip rollover relief is not available if a capital loss arises on the exchange of the Panoramic Shares.

If IGO does not obtain 80% or more of the Panoramic Shares under the Offer, no Panoramic Shareholder will be eligible for scrip for scrip rollover relief. On 8 November 2019 (as clarified on 12 November 2019), Zeta stated that it does not intend to accept IGO's current offer in respect of the 230,106,528 Panoramic Shares (representing 35.17%) that it holds, and that Zeta has reserved the right to accept a superior proposal from IGO or any other bidder for Panoramic. CGT scrip for scrip rollover relief will not be available if Zeta does not accept the Offer.

### d. Implications of holding IGO Shares

As a consequence of accepting the Offer, a Panoramic Shareholder will become a shareholder of IGO.

Dividends (and any attached franking credits) received by an Australian resident shareholder of IGO would generally be required to be included in the assessable income of such a shareholder.

### e. CGT on subsequent disposal of IGO Shares

A subsequent disposal of IGO Shares will generally result in Australian CGT implications as described above. These will differ depending upon whether or not, and the extent to which, scrip for scrip rollover relief was claimed in relation to the disposal of Panoramic Shares pursuant to the Offer.

#### 1. Where scrip for scrip rollover not claimed or available

Where scrip for scrip rollover relief was not claimed or was not available in relation to the disposal of the Panoramic Shares, the cost base of the IGO shares (spread equally over those IGO shares) would include the market value of the Panoramic Shares disposed of in exchange for them. Where the Offer was accepted, this market value should be determined as at the time of the CGT event for disposal of the Panoramic Shares (see section 10.1(a) above). Where the Panoramic Shares were compulsorily acquired, this market value should be determined as at the date the IGO shares were issued.

#### 2. Where scrip for scrip rollover available

Where a Panoramic Shareholder chooses scrip for scrip rollover, the cost base (and reduced cost base) of the IGO shares will reflect proportionally the cost base (and reduced cost base) that the Panoramic Shareholder had in their Panoramic Shares that are disposed of in exchange for the IGO shares.

The cost base and reduced cost base of the IGO shares may subsequently change, for example by any incidental costs to sell the IGO Shares.

A Panoramic Shareholder will be taken to have acquired the IGO shares at the time the Panoramic Shares exchanged for them were originally acquired for CGT purposes.



## 10.2 FOREIGN RESIDENT PANORAMIC SHAREHOLDERS

For a Panoramic Shareholder who:

- is a foreign resident of Australia for Australian income tax purposes; and
- does not hold their Panoramic Shares in carrying on a business through a permanent establishment in Australia;

their disposal of Panoramic Shares will generally only result in Australian CGT implications if their Panoramic Shares are 'indirect Australian real property interests' under the Tax Act, which requires both of the following conditions to be satisfied:

- that Panoramic Shareholder together with its associates held 10% or more of the Panoramic Shares at the time of disposal or for any continuous 12 month period within two years preceding the disposal (referred to as a 'non-portfolio interest' in Panoramic); and
- more than 50% of Panoramic's value is attributable to direct or indirect interests in 'taxable Australian real property' (as defined in the Tax Act) (**TARP Test**).

IGO expects that the TARP Test is likely to be satisfied for Panoramic.

Foreign resident Panoramic Shareholders who hold (or have held) a non-portfolio interest should obtain independent professional advice as to the tax implications of a disposal of their Panoramic Shares.

A foreign resident Panoramic Shareholder who has previously been a resident of Australia and chose to disregard a capital gain or loss on their Panoramic Shares on ceasing to be a resident should, in broad terms, be subject to Australian CGT consequences on disposal of their Panoramic Shares as set out in section 10.1. However, scrip for scrip rollover may not be available in this case (even where IGO Shares are received) and such shareholders should seek independent professional advice in relation to their particular circumstances.

Note that Panoramic Shareholders who are Foreign Shareholders will not be entitled to receive IGO Shares as consideration for their Panoramic Shares pursuant to the Offer – see section 11.6. Scrip for scrip rollover will not be available for Panoramic Shareholders who do not receive IGO Shares as consideration for their Panoramic Shares pursuant to the Offer (ie if they receive cash).

## 10.3 FOREIGN RESIDENT CGT WITHHOLDING TAX RULES

Pursuant to the foreign resident CGT withholding tax rules, unless an exemption or variation applies, IGO may be required to pay (in cash) to the Commissioner of Taxation an amount equal to 12.5% of the capital proceeds provided for the acquisition of Panoramic Shares from certain Panoramic Shareholders (ie an amount equal to 12.5% of the market value of the IGO Shares issued to acquire the Panoramic Shares).

The foreign resident CGT withholding tax rules aim to facilitate the collection of CGT from foreign resident sellers and normally would only be expected to apply to the disposal of Panoramic Shares where the Panoramic Shareholder meets the following conditions:

- it is a foreign resident for Australian income tax purposes (but note the comments below);
- it holds (or has held) a non-portfolio interest in Panoramic, as described in section 10.2; and
- Panoramic satisfies the TARP Test, as described in section 10.2.

That is, where the Panoramic Shareholder is a foreign resident for Australian income tax purposes, and their Panoramic Shares are 'indirect Australian real property interests' (as that term is defined in the Tax Act).

A Panoramic Shareholder that does **not** meet the conditions of the foreign resident CGT withholding tax rules described above should provide IGO with a signed and completed declaration (**CGT Declaration**). This includes either of the following:

- Panoramic Shareholders who are Australian residents for tax purposes;
- Panoramic Shareholders who are foreign residents for tax purposes, and whose Panoramic Shares are 'membership interests' but not 'indirect Australian real property interests' (as those terms are defined in the Tax Act).

The CGT Declaration is contained in the Acceptance Form, accompanying this Bidder's Statement.

Where a Panoramic Shareholder has provided a signed and completed CGT Declaration prior to IGO acquiring its Panoramic Shares, IGO will not deduct a foreign resident CGT withholding tax amount (ie a portion of the Offer consideration receivable by the Panoramic Shareholder), unless IGO knows the CGT Declaration is false.

However, IGO may deduct a foreign resident CGT withholding tax amount where it does not receive a signed and completed CGT Declaration prior to IGO acquiring the Panoramic Shares from that Panoramic Shareholder. In this case, IGO may deduct this amount (on account of the foreign resident CGT withholding tax liability to the Commissioner of Taxation), ie a portion of the Offer consideration receivable by the Panoramic Shareholder, where:

- IGO knows the Panoramic Shareholder is a foreign resident for Australian income tax purposes;
- IGO reasonably believes that the Panoramic Shareholder is a foreign resident for Australian income tax purposes;

- IGO does not reasonably believe that the Panoramic Shareholder is an Australian resident for Australian income tax purposes and either: (i) the Panoramic Shareholder has an address outside Australia (according to any record that is in IGO's possession or is kept or maintained on IGO's behalf about the disposal of Panoramic Shares); or (ii) IGO is authorised to provide a related financial benefit to a place outside Australia; or
- the Panoramic Shareholder has a connection outside Australia of a kind specified in the relevant regulations under the Tax Act.

If IGO reasonably believes that a liability to foreign resident CGT withholding tax will arise, in respect of the disposal of Panoramic Shares by a particular Panoramic Shareholder, then IGO will deduct (withhold) an amount, on account of and to satisfy this liability, from that particular Panoramic Shareholder's Offer consideration. The Panoramic Shareholder will only receive, after deduction of this amount, the net proceeds (including, where applicable, the requisite net number of IGO Shares after an adjustment in respect of deduction on account of this amount to reduce the number of IGO Shares provided), and the deducted amount will be paid by IGO to the Commissioner of Taxation.

A Panoramic Shareholder who believes the disposal of their Panoramic Shares may trigger a foreign resident CGT withholding tax liability should obtain independent professional advice, and consider contacting IGO.

The foreign resident CGT withholding tax is not a final withholding tax. Accordingly, a Panoramic Shareholder should be able to claim a credit for any foreign resident CGT withholding tax amount deducted and remitted by IGO (in respect of the disposal of Panoramic Shares by that Panoramic Shareholder) in their Australian income tax return for the relevant year. In addition, the Panoramic Shareholder may apply to the Commissioner of Taxation prior to the disposal of their Panoramic Shares to vary the rate of withholding down from 12.5%, if the tax liability expected to arise from that disposal is less than 12.5% of the Offer consideration.

## **10.4 GST**

Panoramic Shareholders should not be liable to GST in respect of the disposal of their Panoramic Shares or the acquisition of IGO Shares under the Offer.

Panoramic Shareholders may be charged GST on costs (such as advisor fees relating to their participation in the Offer) that relate to the Offer. Panoramic Shareholders may be entitled to input tax credits or reduced input tax credits for such costs, depending on their particular circumstances.



## SECTION 11

# ADDITIONAL INFORMATION

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- 11.1 Status of defeating conditions

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  - 11.2 Date for determining holders of Shares

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  - 11.3 Consents

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  - 11.4 Reliance on ASIC Class Order 2015/1068

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  - 11.5 IGO's Ore Reserves and Mineral Resources

---

  - 11.6 Panoramic's Ore Reserves and Minerals Resources

---

  - 11.7 Foreign shareholders and Small Parcel Shareholders

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  - 11.8 Social security and superannuation implications of Offer

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  - 11.9 Disclosure of interests of certain persons

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  - 11.10 Disclosure of fees and benefits received by certain persons

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  - 11.11 Disclosure of interests of directors

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  - 11.12 Expiry date

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  - 11.13 Other material information

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## **11.1 STATUS OF DEFEATING CONDITIONS**

- a. The Offer is subject to a number of conditions set out in section 12.8. IGO will provide updates on any material developments relating to the status of these conditions through announcements to the ASX.
- b. The date for giving the notice on the status of the conditions required by section 630(1) of the Corporations Act is 19 December 2019 (subject to extension in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

On 14 November 2019, after the date of lodgement of the original Bidder's Statement with ASIC, Panoramic announced that its FY20 production guidance (as announced to the market on 3 September 2019) would not be met and that revised production guidance would be released to the market upon completion of an operational review, which Panoramic has said it anticipates will be complete within 3 weeks of the 14 November 2019 announcement (ie by 5 December 2019). As a result of this downgrade, the condition of IGO's offer requiring that FY20 production guidance not be revised downwards (section 12.8(h)) has been breached.

Subsequent to the 14 November 2019 announcement, as announced by Panoramic on 22 November 2019, Panoramic has agreed to allow IGO to conduct due diligence on Panoramic. IGO is in the process of reviewing the due diligence material being provided by Panoramic.

As there is currently no certainty as to the extent of the changes to Panoramic's FY20 production guidance and the outcome of Panoramic's operational review, IGO has not yet been able to give due consideration to the implications of these matters for the Offer. Accordingly, IGO currently intends to make an announcement regarding the status of the condition of the Offer requiring that FY20 production guidance not be revised downward (section 12.8(h)) (and whether IGO intends to rely on the breach of the condition to terminate its Offer or waive the breach and proceed with the Offer) following IGO's assessment of the changes to Panoramic's FY20 production guidance once released to the market and completion of IGO's due diligence.

Panoramic has also previously stated in its 12 November 2019 announcement that the Technical Expert condition of the Offer had been breached as Panoramic had not appointed a Technical Expert within 5 business days of the date of the original Bidder's Statement. IGO confirms that it would not intend to rely on the breach of the condition arising due to the Technical Expert not being appointed in the time required by the condition, provided that the matters the subject of the condition are confirmed by a Technical Expert by the Assessment Date as required by the condition. Alternatively, IGO may consider waiving the Technical Expert condition (and reserves its right to do so) if the matters the subject of the condition are otherwise confirmed to IGO's satisfaction, for instance through IGO's due diligence on Panoramic which is currently being conducted with Panoramic's agreement.

## **11.2 DATE FOR DETERMINING HOLDERS OF SHARES**

For the purposes of section 633 of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) is the Register Date.

## **11.3 CONSENTS**

Herbert Smith Freehills has given, and not withdrawn before the lodgement of this Bidder's Statement with ASIC, its written consent to be named in this Bidder's Statement as IGO's legal adviser in the form and context in which it is so named. Herbert Smith Freehills has not caused or authorised the issue of this Bidder's Statement, does not make or purport to make any statement in this Bidder's Statement or any statement on which a statement in this Bidder's Statement is based and takes no responsibility for any part of this Bidder's Statement other than any reference to its name.

Citigroup Global Markets Australia Pty Limited has given, and not withdrawn before the lodgement of this Bidder's Statement with ASIC, its written consent to be named in this Bidder's Statement as IGO's financial adviser in the form and context in which it is so named. Citigroup Global Markets Australia Pty Limited has not caused or authorised the issue of this Bidder's Statement, does not make or purport to make any statement in this Bidder's Statement or any statement on which a statement in this Bidder's Statement is based and takes no responsibility for any part of this Bidder's Statement other than any reference to its name.

Computershare Investor Services Pty Limited has given, and not withdrawn before the lodgement of this Bidder's Statement with ASIC, its written consent to be named in this Bidder's Statement as share registrar in the form and context in which it is so named. Computershare Investor Services Pty Limited has not caused or authorised the issue of this Bidder's Statement, does not make or purport to make any statement in this Bidder's Statement and takes no responsibility for any part of this Bidder's Statement other than any reference to its name.

This Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX. Under the terms of ASIC Class Order 13/521, the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Bidder's Statement. If you would like to receive a copy of any of those documents, or the relevant parts of the documents containing the statements, (free of charge), during the bid period, please contact the Offer Information Line on 1300 069 335 (within Australia) or +61 3 9415 4019 (outside Australia). For legal reasons, calls to this number will be recorded.

As permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72 (**Corporations Instrument 2016/72**), this Bidder's Statement may include or be accompanied by certain statements:

- which fairly represent what purports to be a statement by an official person;
- which are a correct and fair copy of, or extract from, what purports to be a public official document; or
- which are a correct and fair copy of, or extract from, a statement which has already been published in a book, journal or comparable publication.

In addition, as permitted by Corporations Instrument 2016/72, this Bidder's Statement contains trading data sourced from IRESS and FactSet provided without their consent.

## **11.4 RELIANCE ON ASIC CLASS ORDER 2015/1068**

IGO may rely on the provisions of ASIC Corporations (Minimum Bid Price) Instrument 2015/1068 (**Corporations Instrument 2015/1068**). The Corporations Instrument 2015/1068 provides relief from the requirement in section 621(4) of the Corporations Act and allows a bidder up to five business days before the date of the takeover bid to value the quoted securities being offered as consideration under the takeover bid, for the purposes of determining whether the value of its bid consideration at least equals the maximum value of consideration paid by the bidder for bid class securities in the four months prior to the date of the offer.

Relying on that relief, IGO may value the IGO Shares to be provided under the Offer at any date nominated by IGO (**Valuation Date**) up to five Business Days before the date of the Offer. The valuation is determined by calculating the VWAP of the IGO Shares in the ordinary course of trading on ASX and during two full days before the Valuation Date.

Under section 621(4A) of the Corporations Act (as inserted into the Corporations Act by the Corporations Instrument 2015/1068) the following information is provided:

- the value of IGO Shares under section 621(4A): \$6.140 per IGO Share;
- the Valuation Date: 20 November 2019; and
- the trading days on which the valuation is based: 19 November 2019 and 20 November 2019.

The value of the Offer per Panoramic Share for the purpose of section 621 of the Corporations Act using this valuation is therefore \$0.472.

This value exceeds the maximum value of consideration paid by IGO for Panoramic Shares in the four months prior to the date of the Offer.

## **11.5 IGO'S ORE RESERVES AND MINERAL RESOURCES**

The information in this Bidder's Statement relating to IGO's Ore Reserves and Mineral Resources is extracted from the report titled "CY18 Mineral Resource and Ore Reserve Statement" released on ASX on 20 February 2019, for which competent person's consents were obtained. These Mineral Resource and Ore Reserve statements and their accompanying assumptions, technical parameters and explanatory notes are available to be viewed at [igo.com.au/site/operations/resources-and-reserves1](http://igo.com.au/site/operations/resources-and-reserves1).

IGO is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, considers that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The form and context in which the competent person's findings are presented have not been materially modified from the original market announcement. The competent person's consents remain in place for subsequent releases by IGO of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

## **11.6 PANORAMIC'S ORE RESERVES AND MINERALS RESOURCES**

The information in this Bidder's Statement relating to Panoramic's Ore Reserves and Mineral Resources is extracted from the Panoramic 2019 Annual Report. IGO has not independently verified this information.

## **11.7 FOREIGN SHAREHOLDERS AND SMALL PARCEL SHAREHOLDERS**

Panoramic Shareholders who are Foreign Shareholders or Small Parcel Shareholders will not be entitled to receive IGO Shares as consideration for their Panoramic Shares pursuant to the Offer, unless IGO otherwise determines.

A Panoramic Shareholder is a Foreign Shareholder for the purposes of the Offer if their address as shown in the register of members of Panoramic is in a jurisdiction other than Australia or its external territories, New Zealand or Bermuda. However, such a person will not be a Foreign Shareholder if IGO is satisfied that it is not legally or practically constrained from making the Offer to a Panoramic Shareholder in the relevant jurisdiction and to issue IGO Shares to such a shareholder on acceptance of the Offer, and that it is lawful for the shareholder to accept the Offer in such circumstances in the relevant jurisdiction. Notwithstanding anything else in this Bidder's Statement, IGO is not under any obligation to spend any money, or undertake any action, in order to satisfy itself concerning any of these matters.

A Panoramic Shareholder is a Small Parcel Shareholder if the total number of shares held by it is less than a Small Parcel.

The IGO Shares which would otherwise have been issued to Foreign Shareholders and Small Parcel Shareholders will instead be issued to a nominee approved by ASIC, who will sell these shares. The net proceeds of the sale of such shares will then be remitted to the relevant Foreign Shareholders and Small Parcel Shareholders. See section 12.7 for further details.

## **11.8 SOCIAL SECURITY AND SUPERANNUATION IMPLICATIONS OF OFFER**

Acceptance of the Offer may have implications under your superannuation arrangements or on your social security entitlements. If in any doubt, you should seek specialist advice.

## **11.9 DISCLOSURE OF INTERESTS OF CERTAIN PERSONS**

Other than as set out below or elsewhere in this Bidder's Statement no:

- director or proposed director of IGO;
- person named in this Bidder's Statement as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Bidder's Statement;
- promoter of IGO; or
- underwriter to the issue of IGO Shares or financial services licensee named in this Bidder's Statement as being involved in the issue of IGO Shares,

(together, the **Interested Persons**) holds at the date of this Bidder's Statement or held at any time during the last two years, any interest in:

- the formation or promotion of IGO;
- property acquired or proposed to be acquired by IGO in connection with its formation or promotion, or the offer of IGO Shares under the Offer; or
- the offer of IGO Shares under the Offer.

## **11.10 DISCLOSURE OF FEES AND BENEFITS RECEIVED BY CERTAIN PERSONS**

Other than as set out below or elsewhere in this Bidder's Statement, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- to a director or proposed director of IGO to induce them to become, or to qualify as, a director of IGO; or
- for services provided by an Interested Person in connection with the formation or promotion of IGO or the offer of IGO Shares under the Offer.

The persons named in this Bidder's Statement as performing a function in a professional or advisory capacity in connection with the Offer and with the preparation of the Bidder's Statement on behalf of IGO are Citigroup Global Markets Australia Pty Limited as financial adviser and Herbert Smith Freehills as legal adviser.

The fee for professional services paid or payable to Citigroup Global Markets Australia Pty Limited as financial adviser to IGO is up to \$4.9 million. The fee for professional services paid or payable to Herbert Smith Freehills as legal adviser to date is approximately \$450,000.

## 11.11 DISCLOSURE OF INTERESTS OF DIRECTORS

### a. Interests in IGO Shares

As at the date of this Bidder's Statement, the directors of IGO had the following relevant interests in IGO securities:

Director	Class of security	Number	Nature of relevant interest
Peter Bradford	Ordinary shares	646,000	Shares held by Peter Bradford & Vicki Bradford <Goldkidz Superfund A/C> (586,000)
			Share held by Peter Bradford & Vicki Anne Bradford (60,000)
	Performance rights <sup>41</sup>	485,142	Performance rights held by CPU Share Plans Pty Ltd
	Service rights <sup>42</sup>	93,088 (21,615 unvested and unexercised; 71,473 vested but unexercised)	Service rights held by CPU Share Plans Pty Ltd
Keith Spence	Ordinary shares	22,125	Shares directly held
Debra Bakker	Ordinary shares	16,085	Shares directly held
Neil Warburton	Ordinary shares	106,034	Shares held by Michlange Pty Ltd ATF Warburton Family Trust
Peter Buck	Ordinary shares	22,200	Shares held by Peter Stanley Buck & Roslyn Margaret Buck <Buck Superannuation Fund A/C>
Peter Bilbe	Ordinary shares	40,000	Shares held by Peter Ross Bilbe & Janet Christine Bilbe <PR&JC Bilbe Super Fund A/C>
Kathleen Bozanic	Ordinary shares	Nil	N/A

### b. Interests in Panoramic Shares

As at the date of this Bidder's Statement, the directors of IGO had the following relevant interests in Panoramic securities:

Director	Class of security	Number	Nature of relevant interest
Peter Bradford	Nil	Nil	Nil
Keith Spence	Nil	Nil	Nil
Debra Bakker	Ordinary shares	9,000	Shares directly held
Neil Warburton	Nil	Nil	Nil
Peter Buck	Ordinary shares	2,000	Shares held by Peter Stanley Buck & Mrs Roslyn Margaret Buck <Buck Superannuation Fnd A/C>
Peter Bilbe	Nil	Nil	Nil
Kathleen Bozanic	Nil	Nil	Nil

41. See section 3.5 of this Bidder's Statement for further information. At IGO's 2019 annual general meeting held on 20 November 2019, IGO shareholders approved the issue of an additional 162,617 Performance Rights to Mr Peter Bradford.

42. See section 3.5 of this Bidder's Statement for further information. At IGO's 2019 annual general meeting held on 20 November 2019, IGO shareholders approved the issue of an additional 40,986 Service Rights to Mr Peter Bradford.



### **c. Indemnity and insurance**

The constitution of IGO permits the grant of an indemnity (to the maximum extent permitted by law) in favour of each director, the company secretary, past directors and secretaries and all past and present executive officers.

IGO has entered into deeds of indemnity and access with all of the current directors. This indemnity is against liability to third parties by such officers unless the liability arises out of conduct involving a lack of good faith. The indemnity also covers costs or expenses incurred by an officer in unsuccessfully defending proceedings relating to that person's position.

IGO maintains an insurance policy in respect of certain present and future officers against certain liability incurred in that capacity.

### **11.12 EXPIRY DATE**

No securities will be issued on the basis of this Bidder's Statement after the date which is 13 months after the date of this Bidder's Statement.

### **11.13 OTHER MATERIAL INFORMATION**

Except as disclosed elsewhere in this Bidder's Statement, there is no other information that is:

- material to the making of a decision by a Panoramic Shareholder whether or not to accept the Offer; and
- known to IGO,

which has not previously been disclosed to Panoramic Shareholders.

## SECTION 12

# THE TERMS AND CONDITIONS OF THE OFFER

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- 12.1 Offer

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  - 12.2 Offer Period

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  - 12.3 How to accept this Offer

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  - 12.4 Validity of acceptances

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  - 12.5 The effect of acceptance

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  - 12.6 Payment of consideration

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  - 12.7 Foreign Shareholders and Small Parcel Shareholders

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  - 12.8 Conditions of this Offer

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  - 12.9 Nature and benefit of conditions

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  - 12.10 Freeing the Offer of conditions

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  - 12.11 Official quotation of IGO Shares

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  - 12.12 Withdrawal of this Offer

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  - 12.13 Variation of this Offer

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  - 12.14 No stamp duty

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  - 12.15 Governing laws

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## SECTION 12

### THE TERMS AND CONDITIONS OF THE OFFER

#### 12.1 OFFER

- a. IGO offers to acquire all of Your Shares on and subject to the terms and conditions set out in this section 12 of this Bidder's Statement.
- b. The consideration under the Offer is 1 IGO Share for every 13 of your Panoramic Shares. If this calculation results in an entitlement to a fraction of a IGO Share, that fraction will be rounded down to the next whole number of IGO Shares.
- c. If, at the time this Offer is made to you, you are a Foreign Shareholder or a Small Parcel Shareholder, you will not receive IGO Shares. Instead, you are offered and will receive the net proceeds determined in accordance with section 12.7 of this Bidder's Statement.
- d. The IGO Shares to be issued are ordinary shares in IGO and will be credited as fully paid and have the rights summarised in section 3.4 of this Bidder's Statement.
- e. By accepting this Offer, you undertake to transfer to IGO not only the Shares to which the Offer relates, but also all Rights attached to those Shares (see section 12.5(c)(6) and section 12.6(c)).
- f. This Offer is being made to each person registered as the holder of Shares in the register of Panoramic Shareholders on the Register Date. It also extends to:
  1. holders of securities that come to be Panoramic Shares during the period from the Register Date to the end of the Offer Period due to the conversion of, or exercise of rights conferred by, such securities and which are on issue as at the Register Date; and
  2. any person who becomes registered, or entitled to be registered, as the holder of Your Shares during the Offer Period.
- g. If, at the time the Offer is made to you, or at any time during the Offer Period, another person is, or is entitled to be, registered as the holder of some or all of Your Shares, then:
  1. a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to that other person in respect of those Shares;
  2. a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to you in respect of any other Shares you hold to which the Offer relates; and
  3. this Offer will be deemed to have been withdrawn immediately at that time.
- h. If at any time during the Offer Period you are registered or entitled to be registered as the holder of one or more parcels of Shares as trustee or nominee for, or otherwise on account of, another person, you may accept as if a separate and distinct offer on the same terms and conditions as this Offer had been made in relation to each of those distinct parcels and any distinct parcel you hold in your own right. To validly accept the Offer for each parcel, you must comply with the procedure in section 653B(3) of the Corporations Act. If, for the purposes of complying with that procedure, you require additional copies of this Bidder's Statement and/or the Acceptance Form, please call the Offer Information Line on 1300 069 335 (within Australia) or +61 3 9415 4019 (outside Australia) to request those additional copies.
- i. If Your Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee you should contact that nominee for assistance in accepting the Offer.
- j. The Offer is dated 25 November 2019.

#### 12.2 OFFER PERIOD

- a. Unless withdrawn, the Offer will remain open for acceptance during the period commencing on the date of this Offer and ending at 7.00 pm (Sydney time) on the later of:
  1. 27 December 2019; or
  2. any date to which the Offer Period is extended.
- b. IGO reserves the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act.
- c. If, within the last 7 days of the Offer Period, either of the following events occurs:
  1. the Offer is varied to improve the consideration offered; or
  2. IGO's voting power in Panoramic increases to more than 50%,then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

## 12.3 HOW TO ACCEPT THIS OFFER

### a. General

1. Subject to section 12.1(g) and section 12.1(h), you may only accept this Offer for all of Your Shares.
2. You may accept this Offer at any time during the Offer Period.

### b. Shares held in your name on Panoramic's issuer sponsored sub-register

To accept this Offer for Shares held in your name on Panoramic's issuer sponsored sub register (in which case your Securityholder Reference Number will commence with 'I'), you must:

1. complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
2. ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period at the address shown on the Acceptance Form.

### c. Shares held in your name in a CHES Holding

1. If Your Shares are held in your name in a CHES Holding (in which case your Holder Identification Number will commence with 'X') and you are not a Participant, you should instruct your Controlling Participant (for Panoramic Shareholders who are not institutions, this is normally the stockbroker either through whom you bought Your Shares or through whom you ordinarily acquire shares on the ASX) to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
2. If Your Shares are held in your name in a CHES Holding (in which case your Holder Identification Number will commence with 'X') and you are a Participant, you should initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
3. Alternatively, to accept this Offer for Shares held in your name in a CHES Holding (in which case your Holder Identification Number will commence with 'X'), you may sign and complete the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form and ensure that it (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period at the address shown on the Acceptance Form.
4. If Your Shares are held in your name in a CHES Holding (in which case your Holder Identification Number will commence with 'X'), you must comply with any other applicable ASX Settlement Operating Rules.

### d. Shares of which you are entitled to be registered as holder

To accept this Offer for Shares which are not held in your name, but of which you are entitled to be registered as holder, you must:

1. complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
2. ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period at one of the addresses shown on the Acceptance Form.

### e. Acceptance Form and other documents

1. The Acceptance Form forms part of the Offer.
2. If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by IGO at the address shown on the Acceptance Form before the end of the Offer Period.
3. When using the Acceptance Form to accept this Offer in respect of Shares in a CHES Holding, you must ensure that the Acceptance Form (and any documents required by the terms of this Offer and the instruction on the Acceptance Form) are received by IGO in time for IGO to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
4. The postage and transmission of the Acceptance Form and other documents is at your own risk.

## SECTION 12

### THE TERMS AND CONDITIONS OF THE OFFER

#### 12.4 VALIDITY OF ACCEPTANCES

- a. Subject to this section 12.4, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in section 12.3.
- b. IGO will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. IGO is not required to communicate with you prior to or after making this determination. The determination of IGO will be final and binding on all parties.
- c. Notwithstanding sections 12.3(b), 12.3(c), 12.3(d) and 12.3(e), IGO may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of Your Shares, even if a requirement for acceptance has not been complied with but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by IGO.
- d. Where you have satisfied the requirements for acceptance in respect of only some of Your Shares, IGO may, in its sole discretion, regard the Offer to be accepted in respect of those of Your Shares but not the remainder.
- e. IGO will provide the consideration to you in accordance with section 12.6, in respect of any part of an acceptance determined by IGO to be valid.

#### 12.5 THE EFFECT OF ACCEPTANCE

- a. You will be unable to revoke your acceptance. The contract resulting from your acceptance will be binding on you and you will be unable to withdraw Your Shares from the Offer or otherwise dispose of Your Shares, except as follows:
  1. if, by the relevant times specified in section 12.5(b), the conditions in section 12.8 have not all been fulfilled or freed, this Offer will automatically terminate and Your Shares will be returned to you; or
  2. if the Offer Period is extended for more than one month and the obligations of IGO to deliver the consideration are postponed for more than one month and, at the time, this Offer is subject to one or more of the conditions in section 12.8, you may be able to withdraw your acceptance and Your Shares in accordance with section 650E of the Corporations Act. A notice will be sent to you at the time explaining your rights in this regard.
- b. The relevant times for the purposes of section 12.5(a)(1) are:
  1. in relation to the condition in section 12.8(f), the end of the third Business Day after the end of the Offer Period; and
  2. in relation to all other conditions in section 12.8, the end of the Offer Period.
- c. By signing and returning the Acceptance Form, or otherwise accepting this Offer pursuant to section 12.3, you will be deemed to have:
  1. accepted this Offer (and any variation of it) in respect of, and, subject to all of the conditions to this Offer in section 12.8 being fulfilled or freed, agreed to transfer to IGO, Your Shares (even if the number of Shares specified on the Acceptance Form differs from the number of Your Shares), subject to section 12.1(g) and section 12.1(h);
  2. represented and warranted to IGO, as a fundamental condition going to the root of the contract resulting from your acceptance, that at the time of acceptance, and the time the transfer of Your Shares (including any Rights) to IGO is registered, that all Your Shares are and will be free from all mortgages, charges, liens, encumbrances and adverse interests of any nature (whether legal or otherwise) and free from restrictions on transfer of any nature (whether legal or otherwise), that you have full power and capacity to accept this Offer and to sell and transfer the legal and beneficial ownership in Your Shares (including any Rights) to IGO, and that you have paid to Panoramic all amounts which at the time of acceptance have fallen due for payment to Panoramic in respect of Your Shares;
  3. irrevocably authorised IGO (and any director, secretary, nominee or agent of IGO) to alter the Acceptance Form on your behalf by inserting correct details relating to Your Shares, filling in any blanks remaining on the form and rectifying any errors or omissions as may be considered necessary by IGO to make it an effective acceptance of this Offer or to enable registration of Your Shares in the name of IGO;
  4. if you signed the Acceptance Form in respect of Shares which are held in a CHES Holding, irrevocably authorised IGO (or any director, secretary, nominee or agent of IGO) to instruct your Controlling Participant to initiate acceptance of this Offer in respect of Your Shares in accordance with Rule 14.14 of the ASX Settlement Operating Rules;
  5. if you signed the Acceptance Form in respect of Shares which are held in a CHES Holding, irrevocably authorised IGO (or any director, secretary, nominee or agent of IGO) to give any other instructions in relation to Your Shares to your Controlling Participant, as determined by IGO acting in its own interests as a beneficial owner and intended registered holder of those Shares;

6. irrevocably authorised and directed Panoramic to pay to IGO, or to account to IGO for, all Rights in respect of Your Shares, subject, if this Offer is withdrawn, to IGO accounting to you for any such Rights received by IGO;
  7. irrevocably authorised IGO to notify Panoramic on your behalf that your place of address for the purpose of serving notices upon you in respect of Your Shares is the address specified by IGO in the notification;
  8. with effect from the time and date on which all the conditions to this Offer in section 12.8 have been fulfilled or freed, to have irrevocably appointed IGO (and any director, secretary or nominee of IGO) severally from time to time as your true and lawful attorney to exercise all your powers and rights in relation to Your Shares, including (without limitation) powers and rights to requisition, convene, attend and vote in person, by proxy or by body corporate representative, at all general meetings and all court-convened meetings of Panoramic and to request Panoramic to register, in the name of IGO or its nominee, Your Shares, as appropriate, with full power of substitution (such power of attorney, being coupled with an interest, being irrevocable);
  9. with effect from the date on which all the conditions to this Offer in section 12.8 have been fulfilled or freed, to have agreed not to attend or vote in person, by proxy or by body corporate representative at any general meeting or any court-convened meeting of Panoramic or to exercise or purport to exercise any of the powers and rights conferred on IGO (and its directors, secretaries and nominees) in section 12.5(c)(8);
  10. agreed that in exercising the powers and rights conferred by the powers of attorney granted under section 12.5(c)(8), the attorney will be entitled to act in the interests of IGO as the beneficial owner and intended registered holder of Your Shares;
  11. agreed to do all such acts, matters and things that IGO may require to give effect to the matters the subject of this section 12.5(c) (including the execution of a written form of proxy to the same effect as this section 12.5(c) which complies in all respects with the requirements of the constitution of Panoramic) if requested by IGO;
  12. agreed to indemnify IGO in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or Securityholder Reference Number or in consequence of the transfer of Your Shares to IGO being registered by Panoramic without production of your Holder Identification Number or your Securityholder Reference Number for Your Shares;
  13. represented and warranted to IGO that, unless you have notified it in accordance with section 12.1(h), Your Shares do not consist of separate parcels of Shares;
  14. irrevocably authorised IGO (and any nominee) to transmit a message in accordance with Rule 14.17 of the ASX Settlement Operating Rules to transfer Your Shares to IGO's Takeover Transferee Holding, regardless of whether it has paid the consideration due to you under this Offer;
  15. agreed, subject to the conditions of this Offer in section 12.8 being fulfilled or freed, to execute all such documents, transfers and assurances, and do all such acts, matters and things that IGO may consider necessary or desirable to convey Your Shares registered in your name and Rights to IGO; and
  16. agreed to accept the IGO Shares to which you have become entitled by acceptance of this Offer subject to the constitution of IGO and have authorised IGO to place your name on its register of shareholders in respect of those IGO Shares.
- d. The undertakings and authorities referred to in section 12.5(c) will remain in force after you receive the consideration for Your Shares and after IGO becomes registered as the holder of Your Shares.

## **12.6 PAYMENT OF CONSIDERATION**

- a. Subject to section 12.4(b), this section 12.6 and section 12.7 and the Corporations Act, IGO will provide the consideration due to you for Your Shares on or before the earlier of:
  1. one month after the date of your acceptance or, if this Offer is subject to a defeating condition when you accept this Offer, within one month after this Offer becomes unconditional; and
  2. 21 days after the end of the Offer Period.
- b. Where the Acceptance Form requires an additional document to be delivered with your Acceptance Form (such as a power of attorney):
  1. if that document is given with your Acceptance Form, IGO will provide the consideration in accordance with section 12.6(a);
  2. if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is subject to a defeating condition, IGO will provide the consideration due to you on or before the earlier of one month after this Offer becomes unconditional and 21 days after the end of the Offer Period;
  3. if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is not subject to a defeating condition, IGO will provide the consideration due to you on or before the earlier of one month after that document is given and 21 days after the end of the Offer Period; and

## SECTION 12

### THE TERMS AND CONDITIONS OF THE OFFER

4. if that document is given after the end of the Offer Period, and the Offer is not subject to a defeating condition, IGO will provide the consideration within 21 days after that document is given. However, if at the time the document is given, the Offer is still subject to a defeating condition that relates only to the happening of an event or circumstance referred to in section 652C(1) or (2) of the Corporations Act, IGO will provide the consideration due to you within 21 days after the Offer becomes unconditional.
- c. If you accept this Offer, IGO is entitled to all Rights in respect of Your Shares. IGO may require you to provide all documents necessary to vest title to those Rights in IGO, or otherwise to give it the benefit or value of those Rights. If you do not give those documents to IGO, or if you have (or any previous owner of Your Shares has) received the benefit of those Rights, IGO will deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by IGO) of those Rights. However, no amount will be deducted in respect of the franking credits (if any) attached to the Rights.
- d. If you have accepted the Offer and you are a Foreign Shareholder or a Small Parcel Shareholder, you will receive your share of the proceeds from the sale of the IGO Shares in accordance with section 12.7.
- e. Payment of any cash amount to which you are entitled under the Offer will be made by cheque in Australian currency. Cheques will be posted to you at your risk by ordinary mail (or in the case of overseas shareholders, by airmail) to the address as shown either, at the discretion of IGO, on your Acceptance Form, or on the register copy supplied by Panoramic from time to time.
- f. The obligation of IGO to issue and allot any IGO Shares to which you are entitled will be satisfied by IGO:
  1. entering your name on the register of members of IGO; and
  2. dispatching or procuring the dispatch to you by pre paid post to your address recorded in Panoramic's register of members last notified to IGO, an uncertificated holding statement in your name. If Your Shares are held in a joint name, an uncertificated holding statement will be issued in the name of, and forwarded to, the holder whose name appears first in Panoramic's register of members last notified to IGO.
- g. If at the time you accept the Offer, any authority, clearance or approval is required for you to receive any consideration for Your Shares, including (but not limited to) any authority, clearance or approval of:
  1. the Reserve Bank of Australia (whether under the *Banking (Foreign) Exchange Regulations 1959* (Cth) or otherwise);
  2. the Minister for Foreign Affairs (whether under the Charter of the United Nations Act 1945 (Cth), the Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth) or any other regulations made thereunder), or otherwise;
  3. the Commissioner of Taxation; or
  4. any other person as required by any other law of Australia that would make it unlawful for IGO to provide any consideration for Your Shares,then you will not be entitled to receive any consideration for Your Shares until all requisite authorities, clearances or approvals have been received by IGO.
- h. If IGO determines, acting reasonably and in good faith that it is liable to pay an amount to the Commissioner of Taxation pursuant to Subdivision 14-D of Schedule 1 to the Taxation Administration Act 1953 (Cth) (**TAA**) with respect to the acquisition of Panoramic Shares from a Panoramic Shareholder, IGO will, for any such Panoramic Shareholder:
  1. determine the amount required to be paid to the Commissioner of Taxation (**Payment Amount**);
  2. remit the Payment Amount to the Commissioner of Taxation within the time required under the TAA; and
  3. after deduction of the Payment Amount, provide the net proceeds (including, where applicable, the requisite net number of IGO Shares after an adjustment in respect of deduction on account of the Payment Amount to reduce the number of IGO Shares provided), to that Panoramic Shareholder for the purposes of this Offer.

For the avoidance of doubt, where the conditions in this section 12.6(h) are satisfied, IGO will, for the purposes of this Offer, be deemed to have satisfied its obligations to provide the Offer consideration to a Panoramic Shareholder if the amount or value of the net proceeds provided to the Panoramic Shareholder are equal to the amount or value of the Offer consideration that would have otherwise been provided to the Panoramic Shareholder pursuant to the Offer, less the Payment Amount for that Panoramic Shareholder.

## 12.7 FOREIGN SHAREHOLDERS AND SMALL PARCEL SHAREHOLDERS

- a. If you are a Foreign Shareholder or a Small Parcel Shareholder, you will not be entitled to receive IGO Shares as the consideration for Your Shares as a result of accepting this Offer, and IGO will:
1. arrange for the issue to a nominee approved by ASIC (the Nominee) of the number of IGO Shares to which you and all other Foreign Shareholders and Small Parcel Shareholders would have otherwise been entitled but for section 12.1(c) and the equivalent provision in each other offer under the Offer;
  2. cause the IGO Shares so issued to be offered for sale by the Nominee on ASX as soon as practicable and otherwise in the manner, at the price and on such other terms and conditions as are determined by the Nominee (at the risk of the Foreign Shareholders and Small Parcel Shareholders); and
  3. cause the Nominee to pay to you the amount ascertained in accordance with the formula (for the avoidance of doubt, subject to adjustment under section 12.6(h), if applicable):

$$\frac{N \times YS}{TS}$$

where:

'N' is the amount which is received by the Nominee upon the sale of all IGO Shares under this section 12.7 less brokerage and sale expenses;

'YS' is the number of IGO Shares which would, but for section 12.1(c), otherwise have been allotted to you; and

'TS' is the total number of IGO Shares allotted to the Nominee under this section 12.7.

- b. You will receive your share of the proceeds of the sale of IGO Shares by the Nominee, calculated in accordance with section 12.7(a), in Australian currency.
- c. Payment will be made by cheque posted to you at your risk by ordinary mail (or in the case of overseas shareholders, by airmail) at the address provided on your Acceptance Form within the period required by the Corporations Act.
- d. Under no circumstances will interest be paid on your share of the proceeds of the sale of IGO Shares by the Nominee, regardless of any delay in remitting these proceeds to you.
- e. The Nominee may sell the IGO Shares in such manner, at such price or prices and on such terms as the Nominee determines, and at the risk of the Foreign Shareholders and Small Parcel Shareholders. The Nominee will sell the IGO Shares on ASX following the issue of those shares to it.
- f. As the market price of IGO Shares will be subject to change from time to time, the sale price of the IGO Shares sold by the Nominee and the proceeds of those sales cannot be guaranteed. Neither IGO nor the Nominee gives any assurance as to the price that will be achieved for the sale of the IGO Shares by the Nominee.
- g. The Nominee will be appointed by, and will provide the Nominee services to, IGO. In acting as Nominee, the Nominee will not be acting as agent or sub-agent of any Foreign Shareholder or Small Parcel Shareholder, does not have duties or obligations (fiduciary or otherwise) to any Foreign Shareholder or Small Parcel Shareholder and does not underwrite the sale of the IGO Shares.



## **12.8 CONDITIONS OF THIS OFFER**

Subject to section 12.9, the completion of this Offer and any contract that results from an acceptance of this Offer, are subject to the fulfilment of the conditions set out below:

a. Minimum acceptance

At the end of the Offer Period, IGO has relevant interests in at least 50.1% of Panoramic Shares (on a fully diluted basis).

b. Acquisitions and disposals

Between the Announcement Date and the end of the Offer Period (each inclusive), neither Panoramic nor any of its subsidiaries:

1. acquires or disposes of, or enters into or announces any agreement for the acquisition or disposal of, any asset or business, or enters into any corporate transaction, for an amount in aggregate greater than \$5 million; or
2. disposes of, or enters into or announces any agreement for the disposal of, any tenement or any interest in any tenement.

c. No litigation on foot or pending

Between the Announcement Date and the end of the Offer Period (each inclusive), no litigation against any member of the Panoramic Group which may reasonably result in a judgement of \$1 million or more is commenced, is threatened to be commenced, is announced, or is made known to IGO (whether or not becoming public) or Panoramic, other than that which is in the public domain as at the Announcement Date.

d. No regulatory action

Between the Announcement Date and the end of the Offer Period (each inclusive):

1. there is not in effect any preliminary or final decision, order or decree issued by any Public Authority;
2. no action or investigation is announced, commenced or threatened by any Public Authority; and
3. no application is made to any Public Authority (other than by IGO or any associate of IGO),

in consequence of or in connection with the Offer (other than an application to, or a decision or order of, or action or investigation by, ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act) which restrains, prohibits or impedes, or threatens to restrain, prohibit or impede, or materially impact upon, the making of the Offers and the completion of any transaction contemplated by this Bidder's Statement (including, without limitation, full, lawful, timely and effectual implementation of the intentions set out in section 7 of the Bidder's Statement) or which requires the divestiture by IGO of any Shares or any material assets of Panoramic or any subsidiary of Panoramic.

e. IGO share price

The value of an IGO Share (when valued in connection with the Offer for the purposes of section 621(3) of the Corporations Act, as modified by ASIC Corporations (Minimum Bid Price) Instrument 2015/1068) is not below the maximum consideration that IGO or an associate provided, or agreed to provide for a Share under any purchase or agreement during the 4 months before the date of the Offer, multiplied by 13.

f. No prescribed occurrences

Between the Announcement Date and the date 3 business days after the end of the Offer Period, none of the following prescribed occurrences (being the occurrences listed in section 652C of the Corporations Act) happen:

1. Panoramic converting all or any of the Shares into a larger or smaller number of shares under section 254H of the Corporations Act;
2. Panoramic or a subsidiary of Panoramic resolving to reduce its share capital in any way;
3. Panoramic or a subsidiary of Panoramic entering into a buyback agreement or resolving to approve the terms of a buyback agreement under sections 257C(1) or 257D(1) of the Corporations Act;
4. Panoramic or a subsidiary of Panoramic making an issue of Shares or granting an option over the Shares or agreeing to make such an issue or grant such an option;
5. Panoramic or a subsidiary of Panoramic issuing, or agreeing to issue, convertible notes;
6. Panoramic or a subsidiary of Panoramic disposing or agreeing to dispose, of the whole, or a substantial part, of its business or property (excluding, for the avoidance of doubt, the disposal of the shares in Panoramic PGMs Canada Limited as previously announced by Panoramic);
7. Panoramic or a subsidiary of Panoramic granting, or agreeing to grant, a Security Interest in the whole, or a substantial part, of its business or property;
8. Panoramic or a subsidiary of Panoramic resolving that it be wound up;

9. the appointment of a liquidator or provisional liquidator of Panoramic or a subsidiary of Panoramic;
  10. the making of an order by a court for the winding up of Panoramic or a subsidiary of Panoramic;
  11. an administrator of Panoramic or a subsidiary of Panoramic being appointed under sections 436A, 436B or 436C of the Corporations Act;
  12. Panoramic or a subsidiary of Panoramic executing a deed of company arrangement; or
  13. the appointment of a receiver, receiver and manager, other controller (as defined in the Corporations Act) or similar official in relation to the whole, or a substantial part, of the property of Panoramic or a subsidiary of Panoramic.
- g. No distributions
- Between the Announcement Date and the end of the Offer Period (each inclusive), Panoramic does not announce, make, declare or pay any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie).
- h. Production guidance
- Between the Announcement Date and the end of the Offer Period (each inclusive), Panoramic does not announce that its FY20 forecast production guidance for Savannah as set out in Panoramic's announcement of 3 September 2019 titled 'Savannah Operations Updated & Further Amendments to Project Loan Facility' has been, or is expected to be, revised downwards.
- i. Savannah Financing Agreement
- Between the Announcement Date and the end of the Offer Period (each inclusive):
1. there is no breach of, or any event of default, cancellation event, prepayment event or similar event under the Savannah Financing Agreement;
  2. there are no amendments made to, or waivers, standstills or similar indulgences granted by the lender under (including, without limitation, in respect of any financial covenants) the Savannah Financing Agreement; and
  3. no notices or demands have been served on Panoramic or any member of the Panoramic Group in relation to default or non-compliance under the Savannah Financing Agreement.
- j. No persons entitled to exercise or exercising rights under certain agreements or instruments
- Between the Announcement Date and the end of the Offer Period (each inclusive), there is no person entitled to exercise, exercising or purporting to exercise, stating an intention to exercise (whether or not that intention is stated to be a final or determined decision of that person), or asserting a right to exercise, any rights under any provision of any agreement or other instrument to which Panoramic or any member of the Panoramic Group is a party, or by or to which Panoramic or any member of the Panoramic Group or any of its assets or businesses may be bound or be subject, which results, or could result, to an extent to which is material in the context of the Panoramic Group taken as a whole, in:
1. any moneys borrowed by Panoramic or any member of the Panoramic Group being or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement or other instrument;
  2. any such agreement or other such instrument being terminated or modified or any action being taken or arising thereunder;
  3. the assets of Panoramic or any member of the Panoramic Group being sold, transferred or offered for sale or transfer, including under any pre-emptive rights or similar provisions; or
  4. the business of Panoramic or any member of the Panoramic Group with any other person being adversely affected.
- k. Equal access
- Between the Announcement Date and the end of the Offer Period, Panoramic promptly, and in any event within two Business Days, provides to IGO a copy of all information that is not generally available (within the meaning of the Corporations Act) relating to Panoramic or any of its subsidiaries, or their respective assets, liabilities or operations, that has been provided by Panoramic or any of its directors, officers, agents or representatives to any person other than IGO, other than in the ordinary course of ordinary business, including (without limitation) for the purposes of soliciting, encouraging or facilitating any proposal with respect to:
1. a takeover bid for, or scheme of arrangement proposed by, Panoramic under the Corporations Act;
  2. the acquisition by that person or an associate of substantially all the assets and operations of Panoramic;
  3. any transaction having a similar economic effect to a transaction contemplated by paragraph (1) or (2) above; or
  4. the acquisition by that person or an associate of any interest in Savannah.

## SECTION 12

### THE TERMS AND CONDITIONS OF THE OFFER

#### l. Technical Expert report

Commencing no later than the fifth Business Day after the date of the original Bidder's Statement, either Snowden Group or SRK Consulting (the Technical Expert) is provided by Panoramic with access to Savannah at such time as Savannah is in operation (including, but not limited to, relevant operational sites, operating information and management personnel involved in Savannah) for the purposes of enabling the Technical Expert to conduct an investigation into the past and prospective performance of Savannah so that the Technical Expert may complete the investigation and report to Panoramic (at Panoramic's cost, with a copy of such report being provided to IGO and the report (or all aspects of the report that a reasonable person would expect to have a material effect on the price of Shares) being released by way of an announcement to ASX), on or before the Assessment Date, that in the opinion of the Technical Expert (acting reasonably):

1. the surface infrastructure, property, plant and equipment at Savannah are capable of operating at 1 million tonnes per annum;
2. the underground operations at Savannah are capable of delivering the volume of ore to the Savannah mill as presented in Figure 3 of the "Updated Savannah Feasibility Study" released by Panoramic on 27 October 2017 (the **Updated FS**);
3. Savannah is capable of producing metal in concentrate as presented in Figure 4 of the Updated FS;
4. Savannah's remaining life of mine is consistent with the life of mine presented in Figure 4 of the Updated FS after accounting for production since Savannah's recommencement of mining in late 2018; and
5. the tailings storage facility at Savannah has been developed and is being maintained in accordance with the mandatory requirements of the "Code of Practice for Tailings Storage Facilities in Western Australia" issued by the Department of Mines and Petroleum and the "Guidelines on Tailings Dams – Planning, Design, Construction, Operation and Closure" issued by the Australian National Committee on Large Dams Incorporated, in each case as in effect as at the date of this Offer.

#### m. Target's Statement confirmations

Panoramic states, after due enquiry, in its target's statement in response to the Offer (**Target's Statement**) or in an announcement to ASX before the date of the Target's Statement, which statement is expressed to be made with the approval of the directors of Panoramic, that:

1. the mining of development ore from Savannah North has commenced and the date on which it commenced (or, if the Target's Statement is released before the end of November 2019, Panoramic releases an announcement to ASX prior to the end of November 2019 confirming that the mining of development ore from Savannah North has commenced);
2. Panoramic's FY20 forecast production guidance for Savannah is as set out in Panoramic's announcement of 3 September 2019 titled 'Savannah Operations Updated & Further Amendments to Project Loan Facility';
3. there has been no change to the statement in the Updated FS that the average sustaining cash costs of Savannah, over the life of mine, are no greater than US\$3.50 per payable pound (at the same assumptions used in the Updated FS);
4. Panoramic is in material compliance with all applicable approvals, permits and licences that are material to the operation of Savannah;
5. Panoramic and each member of the Panoramic Group are in compliance with the Savannah Financing Agreement and that no waivers, standstills or similar indulgences have been granted by the lender under the Savannah Financing Agreement subsequent to its amendment on 2 September 2019;
6. there are no outstanding claims made by Panoramic or any member of the Panoramic Group (or any person on behalf of Panoramic or any member of the Panoramic Group) under an insurance policy held by Panoramic or a member of the Panoramic Group;
7. neither Panoramic nor any member of the Panoramic Group is subject to a threatened or outstanding claim by any person for an amount greater than \$1 million; and
8. Panoramic is able to continue as a going concern without the requirement to raise any additional capital, and each such statement is not varied, revoked or qualified before the end of the Offer Period.

#### n. Capital expenditures

Between the Announcement Date and the end of the Offer Period (each inclusive), Panoramic does not:

1. incur, commit to incur or announce a requirement to incur an amount of capital expenditure in excess of \$5 million; or
2. announce the happening of an event that would require an amount of capital expenditure in excess of \$5 million to remedy the effects of such event,

other than:

3. capital expenditure that has been announced by Panoramic before the Announcement Date as intended to be incurred or committed (including in the Updated FS); or
  4. capital expenditure in the day-to-day operating activities of the business of Panoramic and its subsidiaries conducted in the same manner as before the Announcement Date.
- o. No material adverse change
1. Between the Announcement Date and the end of the Offer Period (each inclusive) none of the following occurs:
    - A. an event, change, condition, matter or thing occurs or will or is reasonably likely to occur;
    - B. information is disclosed or announced by Panoramic concerning any event, change, condition, matter or thing that has occurred or is reasonably likely to occur; or
    - C. information concerning any event, change, condition, matter or thing that has occurred or is reasonably likely to occur becomes known to IGO (whether or not becoming public),  
(each of (A), (B) and (C) a Specified Event) which, whether individually or when aggregated with all such events, changes, conditions, matters or things that have occurred or are reasonably likely to occur, has had or would be considered reasonably likely to have:
      - D. a material adverse effect on the business, assets, liabilities, financial or trading position, profitability or prospects of the Panoramic Group taken as a whole; or
      - E. without limiting the generality of clause 12.8(o)(1)(D);
        - i. the effect of a diminution in the value of the consolidated net assets of the Panoramic Group, taken as a whole, by at least \$5 million against what it would reasonably have been expected to have been but for such Specified Event; or
        - ii. the effect of a diminution in the consolidated earnings before interest and tax of the Panoramic Group, taken as a whole, by at least \$2.5 million in any financial year for Panoramic Group against what they would reasonably have been expected to have been but for such Specified Event.
  2. For the purposes of clause 12.8(o)(1), IGO shall not be taken to know of information concerning any event, change, condition, matter or thing before the Announcement Date, unless the information has been disclosed by Panoramic in its public filings with the ASX before the Announcement Date.

## **12.9 NATURE AND BENEFIT OF CONDITIONS**

- a. The conditions in section 12.8 are conditions subsequent. The non-fulfilment of any condition subsequent does not, until the end of the Offer Period (or in the case of the conditions in section 12.8(f), until the end of the third Business Day after the end of the Offer Period), prevent a contract to sell Your Shares from arising, but non-fulfilment of any of those conditions will have the consequences set out in section 12.10(b).
- b. Subject to the Corporations Act, IGO alone is entitled to the benefit of the conditions in section 12.8, or to rely on any non fulfilment of any of them.
- c. Each condition in section 12.8 is a separate, several and distinct condition. No condition will be taken to limit the meaning or effect of any other condition.

## **12.10 FREEING THE OFFER OF CONDITIONS**

- a. IGO may free this Offer, and any contract resulting from its acceptance, from all or any of the conditions subsequent in section 12.8, either generally or by reference to a particular fact, matter, event, occurrence or circumstance (or class thereof), by giving a notice to Panoramic and to ASX declaring this Offer to be free from the relevant condition or conditions specified, in accordance with section 650F of the Corporations Act. This notice may be given:
  1. in the case of the condition in section 12.8(f), not later than 3 Business Days after the end of the Offer Period; and
  2. in the case of all the other conditions in section 12.8, not less than 7 days before the end of the Offer Period.
- b. If, at the end of the Offer Period (or in the case of the conditions in section 12.8(f), at the end of the third Business Day after the end of the Offer Period), the conditions in section 12.8 have not been fulfilled and IGO has not declared the Offer (or it has not become) free from those conditions, all contracts resulting from the acceptance of the Offer will be automatically void.

## **12.11 OFFICIAL QUOTATION OF IGO SHARES**

- a. IGO has been admitted to the official list of ASX. Shares of the same class as those to be issued as consideration have been granted official quotation by ASX.
- b. An application will be made within 7 days after the start of the bid period to ASX for the granting of official quotation of the IGO Shares to be issued in accordance with the Offer. However, official quotation is not granted automatically on application.
- c. Pursuant to the Corporations Act, this Offer and any contract that results from your acceptance of it are subject to a condition that permission for admission to official quotation by ASX of the IGO Shares to be issued pursuant to the Offer being granted no later than 7 days after the end of the bid period. If this condition is not fulfilled, all contracts resulting from the acceptance of the Offers will be automatically void.

## **12.12 WITHDRAWAL OF THIS OFFER**

- a. This Offer may be withdrawn with the consent in writing of ASIC, which consent may be subject to conditions. If ASIC gives such consent, IGO will give notice of the withdrawal to ASX and to Panoramic and will comply with any other conditions imposed by ASIC.
- b. If, at the time this Offer is withdrawn, all the conditions in section 12.8 have been freed, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.
- c. If, at the time this Offer is withdrawn, the Offer remains subject to one or more of the conditions in section 12.8, all contracts arising from its acceptance will become void (whether or not the events referred to in the relevant conditions have occurred).
- d. A withdrawal pursuant to section 12.12 will be deemed to take effect:
  1. if the withdrawal is not subject to conditions imposed by ASIC, on and after the date on which that consent in writing is given by ASIC; or
  2. if the withdrawal is subject to conditions imposed by ASIC, on and after the date on which those conditions are satisfied.

## **12.13 VARIATION OF THIS OFFER**

IGO may vary this Offer in accordance with the Corporations Act.

## **12.14 NO STAMP DUTY**

IGO will pay any stamp duty on the transfer of Your Shares to it.

## **12.15 GOVERNING LAWS**

This Offer and any contract that results from your acceptance of it are to be governed by the laws in force in Western Australia, Australia.



SECTION 13

# DEFINITIONS AND INTERPRETATION

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13.1 Definitions

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13.2 Interpretation

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## 13.1 DEFINITIONS

In this Bidder's Statement and in the Acceptance Form unless the context otherwise appears, the following terms have the meanings shown below:

<b>Term</b>	<b>Meaning</b>
<b>\$ or A\$ or AUD</b>	Australian dollars, the lawful currency of the Commonwealth of Australia.
<b>Acceptance Form</b>	the acceptance form enclosed with this Bidder's Statement.
<b>AISC</b>	the all-in sustaining cost measure.
<b>Announcement Date</b>	the date of the announcement of the Offer by IGO, being 4 November 2019.
<b>ASIC</b>	the Australian Securities and Investments Commission.
<b>ASX</b>	as the context requires, ASX Limited ABN 98 008 624 691 or the securities market conducted by it.
<b>Assessment Date</b>	the date that is 6 weeks after the Announcement Date.
<b>ASX Settlement</b>	ASX Settlement Pty Limited ABN 49 008 504 532.
<b>ASX Settlement Operating Rules</b>	the operating rules of the ASX Settlement which govern the administration of the Clearing House Electronic Sub register System.
<b>Bidder's Statement</b>	this document, being the replacement statement of IGO under Part 6.5 Division 2 of the Corporations Act (as modified by ASIC Class Order [CO 13/528]) relating to the Offer.
<b>Business Day</b>	means a day on which banks are open for business in Perth, Western Australia, excluding a Saturday, Sunday or public holiday.
<b>Board or Panoramic Board</b>	the board of directors of Panoramic.
<b>CGT</b>	capital gains tax.
<b>CHES Holding</b>	a number of Shares which are registered on Panoramic's share register being a register administered by the ASX Settlement and which records uncertificated holdings of shares.
<b>Commissioner of Taxation</b>	has the meaning given in the Taxation Administration Act 1953 (Cth).
<b>Controlling Participant</b>	in relation to Your Shares, has the same meaning as in the ASX Settlement Operating Rules.
<b>Corporations Act</b>	the Corporations Act 2001 (Cth).
<b>Corporations Instrument 2016/72</b>	ASIC Corporations (Consents to Statements) Instrument 2016/72.
<b>EIP</b>	Employee Incentive Plan.
<b>ESP</b>	Employee Share Plan.
<b>Foreign Shareholder</b>	a Panoramic Shareholder whose address as shown in the register of members of Panoramic is in a jurisdiction other than Australia or its external territories, New Zealand or Bermuda, unless IGO otherwise determines (in its absolute discretion) after being satisfied that it is not unlawful, not unduly onerous and not unduly impracticable to make the Offer to a Panoramic Shareholder in the relevant jurisdiction and to issue IGO Shares to such a Panoramic Shareholder on acceptance of the Offer, and that it is not unlawful for such a Panoramic Shareholder to accept the Offer in such circumstances in the relevant jurisdiction.
<b>FY</b>	a financial year ending 30 June.
<b>GST</b>	goods and services tax.
<b>Holder Identification Number</b>	has the same meaning as in the ASX Settlement Operating Rules.
<b>IGO</b>	Independence Group NL ABN 46 092 786 304.
<b>IGO Board</b>	the board of directors of IGO.
<b>IGO Group</b>	IGO and each of its subsidiaries, and a reference to an 'IGO Group Member' is to IGO or any of its subsidiaries.
<b>IGO Shares</b>	fully paid ordinary shares in the capital of IGO.
<b>IGO 2019 Annual Report</b>	the 2019 annual report for IGO released on ASX on 29 August 2019 and available at <a href="http://igo.com.au/site/investor-center/ASX-Announcements">igo.com.au/site/investor-center/ASX-Announcements</a> .

<b>Term</b>	<b>Meaning</b>
<b>Interested Person</b>	has the meaning in section 11.8 of this Bidder's Statement.
<b>Issuer Sponsored Holdings</b>	a holding of Shares on Panoramic issuer sponsored subregister.
<b>JORC Code</b>	the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition.
<b>Listing Rules</b>	the Official Listing Rules of ASX, as amended and waived by ASX from time to time.
<b>Merged Group</b>	the group of companies resulting from the combination of the IGO Group and Panoramic should the Offer be successful.
<b>Mineral Resource</b>	the meaning given in the JORC Code.
<b>Nominee</b>	the nominee appointed by IGO and approved by ASIC in accordance with section 12.7 of this Bidder's Statement.
<b>Offer</b>	the offer for Shares under the terms and conditions contained in section 12 of this Bidder's Statement.
<b>Offer Period</b>	the period during which the Offer will remain open for acceptance in accordance with section 12.2 of this Bidder's Statement.
<b>Ore Reserve</b>	the meaning given in the JORC Code.
<b>Panoramic</b> or <b>PAN</b>	Panoramic Resources Limited ABN 47 095 792 288.
<b>Panoramic Group</b>	Panoramic and each of its subsidiaries.
<b>Panoramic Shares</b> or <b>Shares</b>	fully paid ordinary shares in the capital of Panoramic, including those shares on issue at the end of the Offer Period.
<b>Panoramic Shareholder</b>	person who is registered as the holder of a Panoramic Share in the Panoramic share register.
<b>Panoramic 2018 Annual Report</b>	the 2018 annual report for Panoramic released on ASX on 17 October 2018 and available at <a href="http://panoramicresources.com/asx-announcements">panoramicresources.com/asx-announcements</a> .
<b>Panoramic 2019 Annual Report</b>	the 2019 annual report for Panoramic released on ASX on 18 October 2019 and available at <a href="http://panoramicresources.com/asx-announcements">panoramicresources.com/asx-announcements</a> .
<b>Participant</b>	an entity admitted to participate in the Clearing House Electronic Sub register System under Rule 4.3.1 and 4.4.1 of the ASX Settlement Operating Rules.
<b>Public Authority</b>	any government or any governmental, semi governmental, statutory or judicial entity, agency or authority, whether in Australia or elsewhere, including (without limitation) any self regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions, and ASX or any other stock exchange.
<b>Register Date</b>	the date set by IGO under section 633(2) of the Corporations Act, being 7:00pm (Sydney time) on 11 November 2019.
<b>Rights</b>	all accreditations, rights or benefits of whatever kind attaching or arising from Shares directly or indirectly at or after the Announcement Date (including, but not limited to, all dividends or other distributions and all rights to receive them or rights to receive or subscribe for shares, notes, bonds, options or other securities declared, paid or issued by Panoramic or any of its subsidiaries).
<b>Savannah Financing Agreement</b>	the agreement between Panoramic (and any of its subsidiaries) and Macquarie Bank Limited (and any of its subsidiaries) for the provision of financial accommodation to Panoramic (referred to by Panoramic in its ASX announcement titled 'Savannah Project Restart Update' dated 21 September 2018).
<b>Savannah North</b>	the orebody referred to by Panoramic in its ASX announcements as the 'Savannah North' orebody and forming part of the Savannah Project.

SECTION 13  
**DEFINITIONS AND INTERPRETATION**

<b>Term</b>	<b>Meaning</b>
<b>Savannah or Savannah Project</b>	the mining project referred to by Panoramic in its ASX announcements as the Savannah Project, located in Western Australia and described in the Panoramic 2019 Annual Report as comprising (without limitation) the following tenements in Western Australia: L80/64, M80/179, M80/180, M80/181, M80/182, M80/183, L80/52, L80/86 and M80/540.
<b>Securities Act</b>	the United States Securities Act of 1933.
<b>Securityholder Reference Number</b>	has the same meaning as in the ASX Settlement Operating Rules.
<b>Security Interest</b>	has the same meaning as in section 51A of the Corporations Act.
<b>Small Parcel</b>	a parcel of IGO Shares having a value of less than \$500 based on the highest closing price of IGO Shares on the ASX during the period from the date of this Bidder's Statement until the earlier of the end of the Offer Period and five ASX trading days before the first day on which IGO must provide the Offer consideration under the Offer.
<b>Small Parcel Shareholder</b>	a Panoramic Shareholder who would be entitled to receive a total number of IGO Shares as consideration under the Offer which constitute a Small Parcel.
<b>TAA</b>	the Taxation Administration Act 1953 (Cth).
<b>Takeover Transferee Holding</b>	has the same meaning as in the ASX Settlement Operating Rules.
<b>Tax Act</b>	the Income Tax Assessment Act 1936 (Cth), the Income Tax Assessment Act 1997 (Cth) and the Taxation Administration Act 1953 (Cth), as applicable.
<b>US\$ or USD</b>	United States dollars, the lawful currency of the United States of America.
<b>VWAP</b>	volume weighted average price.
<b>Your Shares</b>	subject to section 12.1(g) and section 12.1(h), the Shares (a) in respect of which you are registered, or entitled to be registered, as holder in the register of shareholders of Panoramic on the Register Date, or (b) to which you are able to give good title at the time you accept this Offer during the Offer Period.
<b>Zeta</b>	Zeta Resources Limited ARBN 162 902 481.

## 13.2 INTERPRETATION

In this Bidder's Statement and in the Acceptance Form, unless the context otherwise requires:

- a. words and phrases have the same meaning (if any) given to them in the Corporations Act;
- b. words importing a gender include any gender;
- c. words importing the singular include the plural and vice versa;
- d. an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- e. a reference to a section, attachment and schedule is a reference to a section of and an attachment and schedule to this Bidder's Statement as relevant;
- f. a reference to any statute, regulation, proclamation, ordinance or by law includes all statutes, regulations, proclamations, ordinances, or by laws amending, varying, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances and by laws issued under that statute;
- g. headings and bold type are for convenience only and do not affect the interpretation of this Bidder's Statement;
- h. a reference to time is a reference to time in Sydney, Australia;
- i. a reference to writing includes facsimile transmissions; and
- j. a reference to dollars, \$, A\$, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia.

# APPROVAL OF BIDDER'S STATEMENT

This Bidder's Statement has been approved by a unanimous resolution passed by the directors of IGO.

date 22 November 2019

Signed for and on behalf of  
**Independence Group NL**  
by

sign here  \_\_\_\_\_

Director

print name Peter Bilbe

## **COMPANY DIRECTORY**

### **INDEPENDENCE GROUP NL**

Suite 4, Level 5, South Shore Centre  
85 South Perth Esplanade  
South Perth WA 6151

### **FINANCIAL ADVISER**

#### **CITIGROUP GLOBAL MARKETS AUSTRALIA PTY LIMITED**

Level 23, 2 Park Street  
Sydney NSW 2000

### **IGO SHARE REGISTRY**

#### **COMPUTERSHARE INVESTOR SERVICES PTY LIMITED**

Level 11, 172 St Georges Terrace  
Perth WA 6000

### **LEGAL ADVISER**

#### **HERBERT SMITH FREEHILLS**

Level 36, QV1 Building  
250 St Georges Terrace  
Perth WA 6000

### **IGO OFFER INFORMATION LINE**

Within Australia: 1300 069 335  
Outside Australia: +61 3 9415 4019

# ATTACHMENTS

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**Attachment 1: Independent Limited Assurance Report**

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**Attachment 2: ASX announcements by IGO since 30 June 2019**

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**INDEPENDENCE GROUP NL**  
Independent Limited Assurance Report

1 November 2019



1 November 2019

The Directors

Independence Group NL  
Suite 4, Level 5  
South Shore Centre  
85 South Perth Esplanade  
South Perth WA 6951

Dear Directors

## INDEPENDENT LIMITED ASSURANCE REPORT

### 1. Introduction

BDO Corporate Finance (WA) Pty Ltd (**'BDO'**) has been engaged by Independence Group NL (**'IGO'** or **'the Company'**) to prepare this Independent Limited Assurance Report (**'Report'**) in relation to certain financial information of IGO contained in the Bidder's Statement for Panoramic Resources Limited (**'Panoramic'**).

Expressions defined in the Bidder's Statement have the same meaning in this Report. BDO Corporate Finance (WA) Pty Ltd (**'BDO'**) holds an Australian Financial Services Licence (AFS Licence Number 316158).

This Report has been prepared for inclusion in the Bidder's Statement. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

### 2. Scope

You have requested BDO to perform a limited assurance engagement in relation to the historical and pro forma historical financial information described below and disclosed in the Bidder's Statement.

The historical and pro forma historical financial information is presented in the Bidder's Statement in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

You have requested BDO to review the following historical financial information (together the ‘Historical Financial Information’) of IGO and included in the Bidder’s Statement:

- the audited historical Statement of Financial Position as at 30 June 2019 of Panoramic and IGO.

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the respective companies adopted accounting policies. The Historical Financial Information has been extracted from the financial reports of IGO and Panoramic for the year ended 30 June 2019. IGO was audited by BDO Audit (WA) Pty Ltd in accordance with the Australian Auditing Standards. BDO Audit (WA) Pty Ltd issued an unmodified audit opinion on the financial report. Panoramic was audited by Ernst & Young in accordance with the Australian Auditing Standards. Ernst and Young issued an unmodified audit opinion on the financial report but noted an emphasis of matter. The emphasis of matter raised by Ernst & Young related to a material uncertainty regarding Panoramic’s ability to continue as a going concern due to negotiations regarding Panoramic’s loan facility that were underway at the time. Since that time Panoramic has successfully renegotiated the terms of the loan facility.

#### *Pro Forma Historical Financial Information*

You have requested BDO to review the following pro forma historical financial information (the ‘Pro Forma Historical Financial Information’) of IGO included in the Bidder’s Statement:

- the pro forma historical Statement of Financial Position as at 30 June 2019.

The Pro Forma Historical Financial Information has been derived from the historical financial information of IGO, after adjusting for the effects of the subsequent events described in Section 6 of this Report and the pro forma adjustments described in Section 8.4 of the Bidder’s Statement. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the event(s) or transaction(s) to which the pro forma adjustments relate, as described in Section 8.4 of the Bidder’s Statement, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the Pro Forma Historical Financial Information does not represent the company’s actual or prospective financial position or financial performance.

The Pro Forma Historical Financial Information has been compiled by IGO to illustrate the impact of the events or transactions described in Section 8.4 of the Bidder’s Statement. As part of this process, information about IGO and Panoramic’s financial position has been extracted by IGO from IGO and Panoroamic’s financial statements for the year ended 30 June 2019.

### **3. Directors’ responsibility**

The directors of IGO are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

## 4. Our responsibility

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

## 5. Conclusion

### *Historical Financial Information*

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in Bidder's Statement, and comprising:

- the Statement of Financial Position of IGO and Panoramic as at 30 June 2019,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

### *Pro Forma Historical Financial information*

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information as described in the Appendices to this Report, and comprising:

- the pro forma historical Statement of Financial Position of IGO as at 30 June 2019,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 8.4 of the Bidder's Statement.

## 6. Independence

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the Offer other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received. BDO is the auditor of IGO and from time to time, BDO also provides IGO with certain other professional services for which normal professional fees are received.

## 7. Disclosures

This Report has been prepared, and included in the Bidder's Statement, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and

potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to Section 8.4 of the Bidder's Statement, which describes the purpose of the financial information, being for inclusion in the Bidder's Statement. As a result, the financial information may not be suitable for use for another purpose.

BDO has consented to the inclusion of this Report in the Bidder's Statement in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Bidder's Statement. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Bidder's Statement.

Yours faithfully

**BDO Corporate Finance (WA) Pty Ltd**

A handwritten signature in grey ink, appearing to read 'Adam Myers', is positioned below the company name.

**Adam Myers**

Director

## ASX ANNOUNCEMENTS BY IGO SINCE 30 JUNE 2019

DATE	DESCRIPTION
21/11/2019	Results of 2019 Annual General Meeting
20/11/2019	Chairman's Address to Shareholders at 2019 AGM
14/11/2019	PAN: Acknowledgement of ASX Announcement
14/11/2019	Update on off-market takeover offer for Panoramic
14/11/2019	PAN: Update on Savannah Project and IGO Offer
12/11/2019	PAN: Update on unsolicited Takeover Offer from IGO
12/11/2019	ZER: Amended ZER Response to IGO offer for PAN
04/11/2019	Appendix 3B
04/11/2019	Becoming a substantial holder for PAN
04/11/2019	Notice of people to whom information is to be sent
04/11/2019	PAN: Response to IGO Bid
04/11/2019	Investor presentation - takeover bid for Panoramic Resources
04/11/2019	Bidder's Statement
04/11/2019	Off-market Takeover Bid for Panoramic Resources
01/11/2019	IGO maximises value of Nova through new offtake agreements
30/10/2019	Becoming a substantial holder
29/10/2019	MOH: AUGER ASSAYS INCREASE GOLD PROSPECTIVITY AT BURRACOPPIN
22/10/2019	September 2019 Quarter Presentation
22/10/2019	September 2019 Quarterly Activities Report
21/10/2019	Notice of Annual General Meeting and Proxy Form
21/10/2019	2019 Sustainability Report
16/10/2019	September 2019 Quarter Webcast
16/10/2019	PRX: Lake Mackay JV Update - New Gold Prospect Identified
15/10/2019	Australian Nickel Conference Presentation
14/10/2019	Appendix 3B
14/10/2019	AOP: Louisa Nickel Project Attracts Strong Partner
03/10/2019	Ceasing to be a substantial holder
03/10/2019	Appendix 3X
03/10/2019	Appointment of Director
02/10/2019	BUX: West Kimberley JV Restructure
02/10/2019	BUX: West Kimberley Exploration Update
01/10/2019	Change in Substantial Holding for LEG
26/09/2019	Change in Substantial Holding for ORN
19/09/2019	Fatality Following Incident at Nova Operation
19/09/2019	MOH:NEW GOLD MINERALISED SYSTEMS DISCOVERED- EMPRESS SPRINGS

16/09/2019	Change in Substantial Holding
16/09/2019	MOH: SUCCESSFUL AUGER DRILLING CONFIRMS STRONG GOLD ANOMALY
11/09/2019	Appendix 3Y
03/09/2019	Appendix 3B
02/09/2019	Appendix 3B
29/08/2019	Change in substantial holding for PRX
29/08/2019	Ceasing to be a substantial holder for AMD
29/08/2019	2019 Corporate Governance Statement and Appendix 4G
29/08/2019	FY19 Results Presentation
29/08/2019	FY19 Financial Results
29/08/2019	Dividend/Distribution – IGO
29/08/2019	2019 Annual Report to Shareholders
29/08/2019	Appendix 4E
23/08/2019	FY19 Financial Results Presentation Webcast – 29 August 2019
13/08/2019	MOH: Gold Drilling Commences at Buracoppin
05/08/2019	Ceasing to be a substantial holder from CBA
05/08/2019	IGO 2019 Diggers and Dealers Mining Forum Presentation
05/08/2019	ORN:Drilling Commences on Fraser Range Targets at IGO-ORN JV
02/08/2019	Tropicana Gold Mine Site Visit Presentation
02/08/2019	Nova Site Visit Presentation
01/08/2019	BUX: Quarterly Activities Report
31/07/2019	June 2019 Quarter Presentation
31/07/2019	June 2019 Quarterly Activities Report
30/07/2019	June 2019 Quarter Webcast
22/07/2019	LEG: Waiver from ASX Listing Rule 6.18
17/07/2019	PRX: More Copper and Cobalt intersected at Lake Mackay
15/07/2019	Becoming a substantial holder for LEG
09/07/2019	LEG: Transformational Agreements signed with IGO & Creasy
09/07/2019	BUX: Double Magic – Merlin and Quick Shears Prospects Update
09/07/2019	BUX:Large land holding added to West Kimberley Joint Venture
08/07/2019	ENR: Placement and Silver Lake Resources Investment
05/07/2019	CLZ: Fraser Range Update
04/07/2019	Nova Operation Exceeds FY19 Metal Production Guidance
03/07/2019	Ceasing to be a substantial holder
01/07/2019	Appendix 3B
01/07/2019	RTR: Significant High Grade Gold Min Intersected at JV
01/07/2019	MOH: BROAD ZONES OF GOLD AND BASE METALS AT EMPRESS SPRINGS









[igo.com.au](http://igo.com.au)

# Independence Group NL

ABN 46 092 786 304

PANTKO

MR SAM SAMPLE  
UNIT 123  
SAMPLE STREET  
SAMPLETOWN NSW 2001

## Return your Form:



### To Your Controlling Participant:

Return this form directly to your stockbroker



### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 52  
Melbourne Victoria 3001  
Australia

## For all enquiries:



### Phone:

(within Australia) 1300 069 335  
(outside Australia) +61 3 9415 4019

## Takeover Acceptance Form

CHES

### Your form must be received with sufficient time to allow processing prior to the end of the Offer Period.

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer ("Offer") by Independence Group NL ABN 46 092 786 304 ("IGO") to acquire all of your shares in Panoramic Resources Limited (ABN 47 095 792 288) ("Panoramic") the terms of which are set out in the Bidder's Statement dated 4 November 2019 as replaced or supplemented (the "Bidder's Statement").

Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you are in doubt about how to deal with this Offer, please contact your financial or other professional advisor.

Note this form can only be used in relation to the securityholding represented by the details printed above and overleaf.

### Step 1: Registration Name & Offer Details

Your consideration will be issued to the name(s) as they appear on the latest copy of the Panoramic register, as provided to IGO.

The current address recorded by IGO is printed above and overleaf. If you have recently bought or sold Panoramic Shares your holding may differ from that shown. If you have already sold all your Panoramic Shares, do not complete or return this form.

### Step 2: Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Panoramic Shares.

As your Panoramic Shares are in a CHES holding, you may contact your Controlling Participant directly (normally your stockbroker) with instructions to accept the Offer. If you do this, your Controlling Participant will provide you with details as to what they require in order to accept the Offer on your behalf. If you want IGO to contact your Controlling Participant on your behalf, sign and return this form to the address above so that it is received in sufficient time to allow your instruction to be acted upon by the close of the Offer Period. This will authorise IGO and Computershare Investor Services Pty Limited ("CIS") to request your Controlling Participant to initiate acceptance of the Offer on your behalf.

By signing this form, you warrant to IGO (and authorise IGO to warrant on your behalf) that you have full legal and beneficial ownership of the Panoramic Shares to which this form relates and that IGO will acquire them free from all mortgages, charges, liens, encumbrances (whether legal or equitable), restrictions on transfer of any kind and free from any third party rights.

You should allow sufficient time for your Controlling Participant or IGO to initiate the acceptance of IGO's Offer on your behalf. Neither IGO or CIS will be responsible for any delays incurred by the process of requesting your Controlling Participant to accept the Offer.

### Step 3: Non-Withholding Declaration

Please mark the box if you declare that either:

- you are an Australian tax resident; or
- you are not Australian tax resident and the Panoramic Shares that you, together with your 'associates', hold are 'membership interests' but not 'indirect Australian real property interests' (as those terms are defined in the Tax Act).

If you do not mark the box, IGO may withhold 12.5% of the Offer consideration otherwise payable to you. Please refer to Section 10.3 of the Bidder's Statement for further details before completing the below section.

**Penalties apply to the making of a false declaration.**

### Step 4: Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders must sign.

**Power of Attorney:** Where signing as Power of Attorney ("POA"), you must attach an original certified copy of the POA to this form.

**Companies:** Where the holding is in the name of a company, this form must be signed in accordance with the Corporations Act, either as:

- a sole director and sole company secretary **OR** a sole director (if no company secretary exists), **OR**
- two directors, **OR**
- a director and secretary.

**Overseas Companies:** Where the holding is in the name of an overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

**Deceased Estate:** All executors must sign and a certified copy of Probate or Letters of Administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

**Turn over to complete the form** →



X 2222222222

I ND

# Takeover Acceptance Form

For your security keep your SRN/  
HIN confidential.

## STEP 1 Registration Name & Offer Details

Registration Name: MR SAM SAMPLE  
UNIT 123  
SAMPLE STREET  
SAMPLETOWN NSW 2001

Controlling Participant Identifier:

Offer Details: Securityholding as at 11 November 2019:

2000

You are accepting the Offer for ALL the Panoramic Shares recorded by IGO as being held by you at the date your acceptance is processed (even if different to the number stated above).

## STEP 2 Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Panoramic Shares. The consideration applicable is set out in the terms of IGO's Offer.

If you are a Foreign Shareholder or a Small Parcel Shareholder, you will not be entitled to receive IGO Shares and will be provided with the net proceeds of sale to which you are entitled under the Offer at a different time as per section 11.7 of the Bidder's Statement.

## STEP 3 Non-Withholding Declaration

Please refer to Section 10.3 of the Bidder's Statement for further details before completing the below section.

By marking this box, I/we declare that either:

- I/we am/are Australian tax resident(s); or
- I/we am/are not Australian tax resident(s) and the Panoramic Shares I/we, together with my/our 'associates', hold are 'membership interests' but not 'indirect Australian real property interests' (as those terms are defined in the Tax Act).

For Panoramic Shares held in a CHESS holding, I/we authorise IGO to inform my/our Controlling Participant on my/our behalf to select CHESS takeover consideration code **PANNWD** to reflect the above Non-Withholding Declaration.

If I/we have not marked the box, I/we authorise IGO to instruct my Controlling Participant on my/our behalf to select CHESS takeover consideration code **PAN001**.

## STEP 4 Signature of Securityholder(s) *This section must be completed.*

I/We accept the Offer made by IGO for Panoramic Shares and I/we agree to be bound by the terms and conditions of the Offer and transfer ALL of my/our Panoramic Shares as per the above instruction.

Individual or Securityholder 1

Sole director and sole company secretary/  
Sole director (cross out titles as applicable)

Securityholder 2

Director

Securityholder 3

Director/company secretary  
(cross out titles as applicable)

Contact  
Name \_\_\_\_\_

Contact  
Daytime  
Telephone \_\_\_\_\_

Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

## Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited ("CIS") for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. We may also use your personal information to send you marketing material approved by Independence Group NL. You may elect not to receive marketing material by contacting CIS using the details provided on the front of this form or by emailing [privacy@computershare.com.au](mailto:privacy@computershare.com.au). We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to Independence Group NL or to third parties upon direction by Independence Group NL where related to the administration of your securityholding or as otherwise required or permitted by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at [privacy@computershare.com.au](mailto:privacy@computershare.com.au) or see our Privacy Policy at <http://www.computershare.com/au>.

# Independence Group NL

ABN 46 092 786 304

## Return your Form:



### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 52  
Melbourne Victoria 3001  
Australia

## For all enquiries:



### Phone:

(within Australia) 1300 069 335  
(outside Australia) +61 3 9415 4019

PANTKO

MR SAM SAMPLE  
UNIT 123  
SAMPLE STREET  
SAMPLETOWN NSW 2001

## Takeover Acceptance Form

## ISSUER

### Your form must be received by the end of the Offer Period.

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer ("Offer") by Independence Group NL ABN 46 092 786 304 ("IGO") to acquire all of your shares in Panoramic Resources Limited (ABN 47 095 792 288) ("Panoramic") the terms of which are set out in the Bidder's Statement dated 4 November 2019 as replaced or supplemented (the "Bidder's Statement"). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you are in doubt about how to deal with this Offer, please contact your financial or other professional advisor.

Note this form can only be used in relation to the securityholding represented by the details printed above and overleaf.

### Step 1: Registration Name & Offer Details

Your consideration will be issued to the name(s) as they appear on the latest copy of the Panoramic register, as provided to IGO. The current address recorded by IGO is printed above and overleaf. If you have recently bought or sold Panoramic Shares your holding may differ from that shown. If you have already sold all your Panoramic Shares, do not complete or return this form.

### Step 2: Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Panoramic Shares.

### Step 3: Non-Withholding Declaration

Please mark the box if you declare that either:

- you are an Australian tax resident; or
- you are not Australian tax resident and the Panoramic Shares that you, together with your 'associates', hold are 'membership interests' but not 'indirect Australian real property interests' (as those terms are defined in the Tax Act).

If you do not mark the box, IGO may withhold 12.5% of the Offer consideration otherwise payable to you. Please refer to Section 10.3 of the Bidder's Statement for further details before completing the below section.

**Penalties apply to the making of a false declaration.**

### Step 4: Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders must sign.

**Power of Attorney:** Where signing as Power of Attorney ("POA"), you must attach an original certified copy of the POA to this form.

**Companies:** Where the holding is in the name of a company, this form must be signed in accordance with the Corporations Act, either as:

- a sole director and sole company secretary **OR** a sole director (if no company secretary exists), **OR**
- two directors, **OR**
- a director and secretary.

**Overseas Companies:** Where the holding is in the name of an overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

**Deceased Estate:** All executors must sign and a certified copy of Probate or Letters of Administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

**Turn over to complete the form** →



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# Takeover Acceptance Form

For your security keep your SRN/  
HIN confidential.

## STEP 1 Registration Name & Offer Details

Registration Name: MR SAM SAMPLE  
UNIT 123  
SAMPLE STREET  
SAMPLETOWN NSW 2001

Offer Details: Securityholding as at 11 November 2019:

2000

You are accepting the Offer for ALL the Panoramic Shares recorded by IGO as being held by you at the date your acceptance is processed (even if different to the number stated above).

## STEP 2 Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Panoramic Shares. The consideration applicable is set out in the terms of IGO's Offer.  
If you are a Foreign Shareholder or a Small Parcel Shareholder, you will not be entitled to receive IGO Shares and will be provided with the net proceeds of sale to which you are entitled under the Offer at a different time as per section 11.7 of the Bidder's Statement.

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Sole director and sole company secretary/  
Sole director (cross out titles as applicable)

Securityholder 2

Director

Securityholder 3

Director/company secretary  
(cross out titles as applicable)

Contact  
Name \_\_\_\_\_

Contact  
Daytime  
Telephone \_\_\_\_\_

Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

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