



# 3Q23 Results Presentation

IGO Limited

# Cautionary Statements & Disclaimer

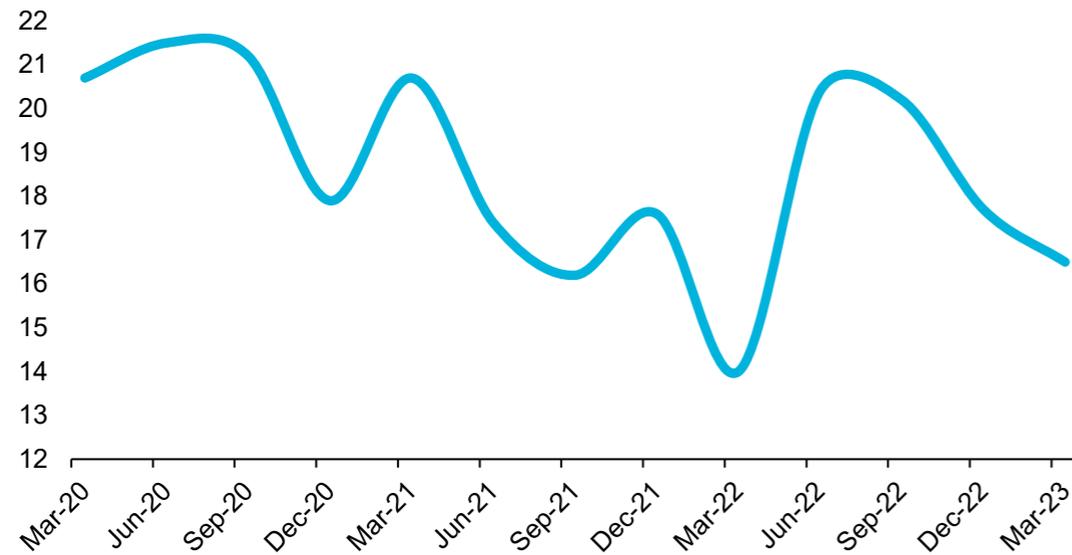


- This presentation has been prepared by IGO Limited (“IGO”) (ABN 46 092 786 304). It should not be considered as an offer or invitation to subscribe for or purchase any securities in IGO or as an inducement to make an offer or invitation with respect to those securities in any jurisdiction.
- This presentation contains general summary information about IGO. The information, opinions or conclusions expressed in the course of this presentation should be read in conjunction with IGO’s other periodic and continuous disclosure announcements lodged with the ASX, which are available on the IGO website. No representation or warranty, express or implied, is made in relation to the fairness, accuracy or completeness of the information, opinions and conclusions expressed in this presentation.
- This presentation includes forward looking information regarding future events, conditions, circumstances and the future financial performance of IGO. Often, but not always, forward looking statements can be identified by the use of forward-looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue” and “guidance”, or other similar words and may include statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs. Such forecasts, projections and information are not a guarantee of future performance and involve unknown risks and uncertainties, many of which are beyond IGO’s control, which may cause actual results and developments to differ materially from those expressed or implied. Further details of these risks are set out below. All references to future production and production guidance made in relation to IGO are subject to the completion of all necessary feasibility studies, permit applications and approvals, construction, financing arrangements and access to the necessary infrastructure. Where such a reference is made, it should be read subject to this paragraph and in conjunction with further information about the Mineral Resources and Ore Reserves, as well as any Competent Persons’ Statements included in periodic and continuous disclosure announcements lodged with the ASX. Forward looking statements in this presentation only apply at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information IGO does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.
- There are a number of risks specific to IGO and of a general nature which may affect the future operating and financial performance of IGO and the value of an investment in IGO including and not limited to economic conditions, stock market fluctuations, commodity demand and price movements, access to infrastructure, timing of environmental approvals, regulatory risks, operational risks, reliance on key personnel, reserve and resource estimations, native title and title risks, foreign currency fluctuations and mining development, construction and commissioning risk. The production guidance in this presentation is subject to risks specific to IGO and of a general nature which may affect the future operating and financial performance of IGO.
- Quarterly Financial Results are unaudited. All currency amounts are in Australian Dollars unless otherwise noted. Net Cash is cash balance less outstanding debt, Net Debt is outstanding debt less cash balances.
- Nickel cash costs are reported inclusive of royalties and after by-product credits on a per unit of payable metal basis, unless otherwise stated. Lithium cash costs are reported as COGS (cash costs of goods sold) per tonne sold and is inclusive of ore mining costs, processing, general and administrative, selling & marketing and inventory movements.
- Underlying EBITDA is a non-IFRS measure and comprises net profit or loss after tax, adjusted to exclude income tax expense, finance costs, interest income, asset impairments, gain/loss on sale of investments, depreciation and amortisation and once-off transaction and integration costs. Underlying EBITA includes IGO’s share of TLEA net profit after tax.
- Free Cash Flow comprises Net Cash Flow from Operating Activities and Net Cash Flow from Investing Activities. Underlying adjustments exclude acquisition and integration costs, proceeds from investment sales, and payments for investments and mineral interests.
- IGO has a 49% interest in Tianqi Lithium Energy Australia Pty Ltd (TLEA) and therefore, as a non-controlling shareholder, recognises its share of Net Profit After Tax of TLEA in its consolidated financial statements. As such, IGO has provided additional information on the operating, financial and expansion activities at both Greenbushes and the Kwinana Refinery which reflects IGO’s understanding of those operating, financial and expansion activities based on information provided to IGO by TLEA.

# Our People

Retained our focus on safety, wellbeing and employee engagement

TOTAL RECORDABLE INJURY FREQUENCY RATE (TRIFR)<sup>1</sup>



## Safety

- QoQ improvement in lag indicators
- Focus on site critical risk workshops to address and manage key safety risks



## Employee Engagement

Encouraging results from the first employee engagement survey conducted since completion of WSA acquisition

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



# Highlights

Quarterly result underpinned by strength of our lithium business

---

## Financial

Record quarterly earnings and NPAT result<sup>1</sup>

Repayment of \$240M revolving credit facility reduces net debt to \$9M

---

## Lithium Business

Consistent production and cost performance from Greenbushes

Higher lithium pricing helping drive another strong quarterly dividend from TLEA

---

## Nickel Business

Strong recovery from Nova following fire in December

Land allocation at Kwinana marks an important milestone for downstream nickel strategy

---

## Sustainability

Continued recognition of our sustainability performance from S&P and Sustainalytics

---

1. Excluding 4Q21 result of \$453M which was enhanced by the once-off post-tax profit relating to the sale of IGO's interest in the Tropicana Gold Mine of \$385M



# 3Q23 Financial Results Summary

Lithium business result drives another quarter of record earnings

	Units	3Q23 <sup>1</sup>	2Q23 <sup>1</sup>	QoQ	YTD23 <sup>1</sup>	
<b>Sales Revenue</b>	A\$M	236	253	▼7%	774	Lower sales revenue QoQ attributed to lower sales volumes at Forrestania
<b>Share of Net Profit of TLEA</b>	A\$M	450	346	▲30%	1,082	
<b>Underlying EBITDA<sup>2</sup></b>	A\$M	533	436	▲22%	1,367	
<b>Net Profit After Tax</b>	A\$M	412	338	▲22%	1,003	Higher QoQ EBITDA and NPAT driven by robust lithium business performance
<b>Net Cash from Operating Activities</b>	A\$M	383	307	▲25%	944	
<b>Underlying Free Cash Flow<sup>3</sup></b>	A\$M	284	235	▲21%	717	
<b>Cash</b>	A\$M	441	515	▼14%	441	Repayment of \$240M revolving debt facility and net debt position reduced to \$9M
<b>Net Cash/(Debt)</b>	A\$M	(9)	(175)	▼95%	(9)	

1. 3Q23 is the three months ending 31 March 2023; 2Q23 is the three months ending 31 December 2022 and YTD23 is the nine months ending 31 March 2023.

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

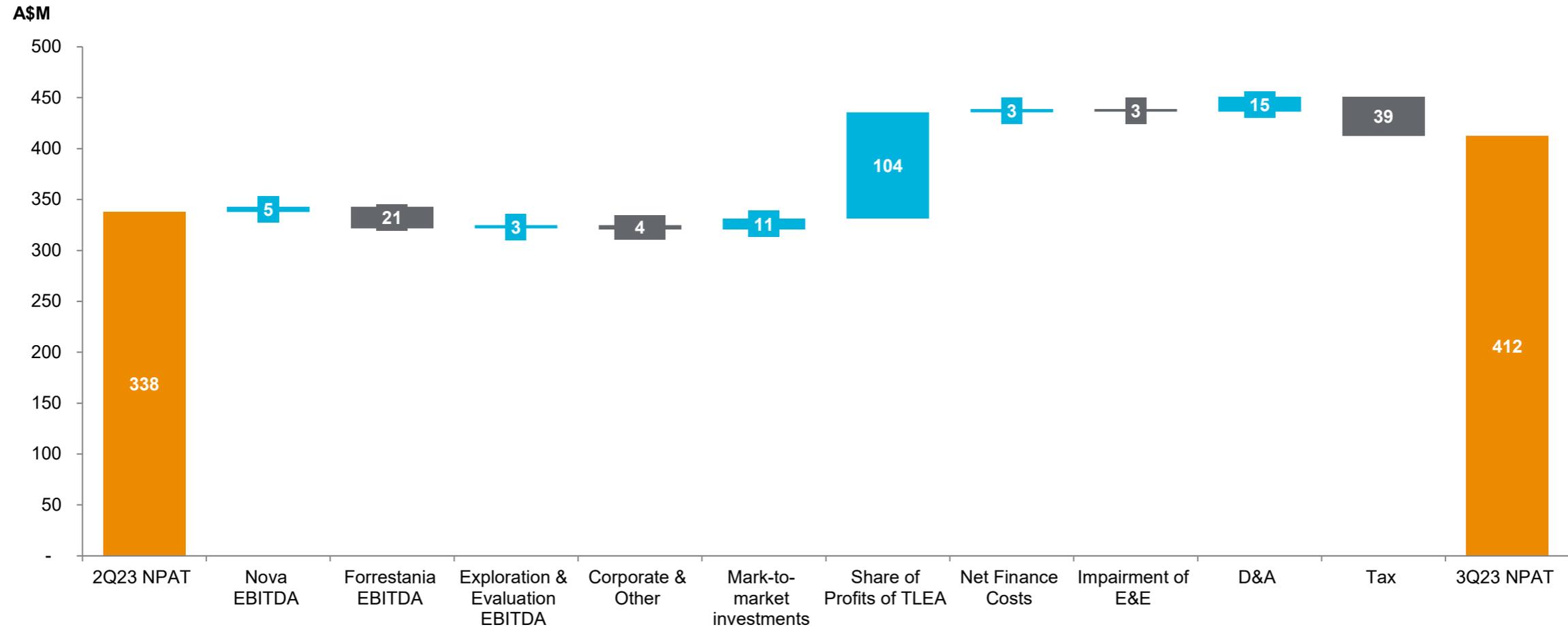
3. Free Cash Flow comprises Net Cash Flow from Operating Activities and Net Cash Flow from Investing Activities. Refer to Disclaimer page for "Underlying" adjustments.



# Net Profit After Tax Reconciliation

Record NPAT result driven by another strong quarter from TLEA

## NET PROFIT AFTER TAX – QoQ MOVEMENT<sup>1</sup>

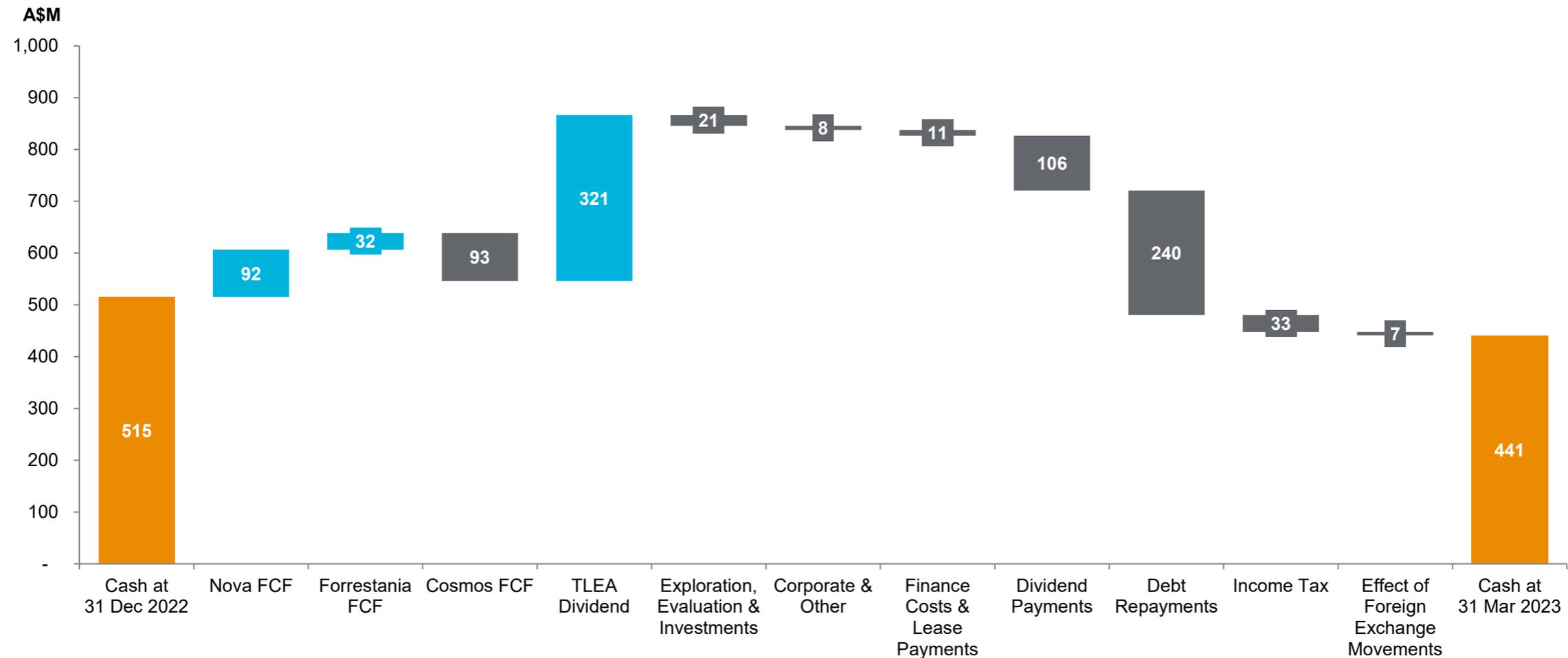


1. Figures may not sum due to rounding

# Cash Reconciliation

Record IGO dividend and debt reduction offset by substantial TLEA dividend

## CASH – QoQ MOVEMENT<sup>1</sup>



1. Figures may not sum due to rounding



# Lithium Business

TLEA Joint Venture (IGO: 49% / Tianqi Lithium Corporation: 51%)

# TLEA Joint Venture

TIANQI LITHIUM ENERGY AUSTRALIA  
a Tianqi Lithium—IGO joint venture



Strong result from TLEA driven by materially higher prices

---

## 3Q23 Financial Results

IGO share of TLEA NPAT

**\$450M**

↑ 30% QoQ

Dividend Received from TLEA

**\$321M**

↓ 4% QoQ

3Q23 TLEA performance underscored by:

- 45% higher spodumene prices QoQ
  - Favourable sales mix with higher QoQ spodumene grade
- 

Dividend marginally lower QoQ due to retention of funding for proposed ESS transaction

---

Scheme Implementation Agreement with Essential Metals (ESS) terminated in late April<sup>1</sup>

---

1. Refer ASX Announcement by Essential Metals Limited, titled "Scheme Implementation Agreement Terminated" on 21 April 2023

# Greenbushes



Higher prices delivered outstanding earnings and margin

<i>100% basis</i>	Units	3Q23 <sup>1</sup>	2Q23 <sup>1</sup>	QoQ	YTD23 <sup>1</sup>	
<b>Spodumene Concentrate Production</b>	kt	356	379	▼ 6%	1,096	Lower QoQ production due to temporarily lower mill availability
<b>Spodumene Sales</b>	kt	336	386	▼ 13%	1,059	Lower QoQ sales volume due to port storage constraints experienced in February month
<b>Sales Revenue</b>	A\$M	2,846	2,322	▲ 23%	7,007	Higher Unit COGS reflect cost escalations and inflation, as expected
<b>EBITDA</b>	A\$M	2,616	2,032	▲ 29%	6,266	
<b>Unit COGS<sup>2</sup></b>	A\$/t	292	263	▲ 11%	269	3Q23 average realised price (chemical and technical grade) of US\$5,783/t

1. 3Q23 is the three months ending 31 March 2023; 2Q23 is the three months ending 31 December 2022 and YTD23 is the nine months ending 31 March 2023.

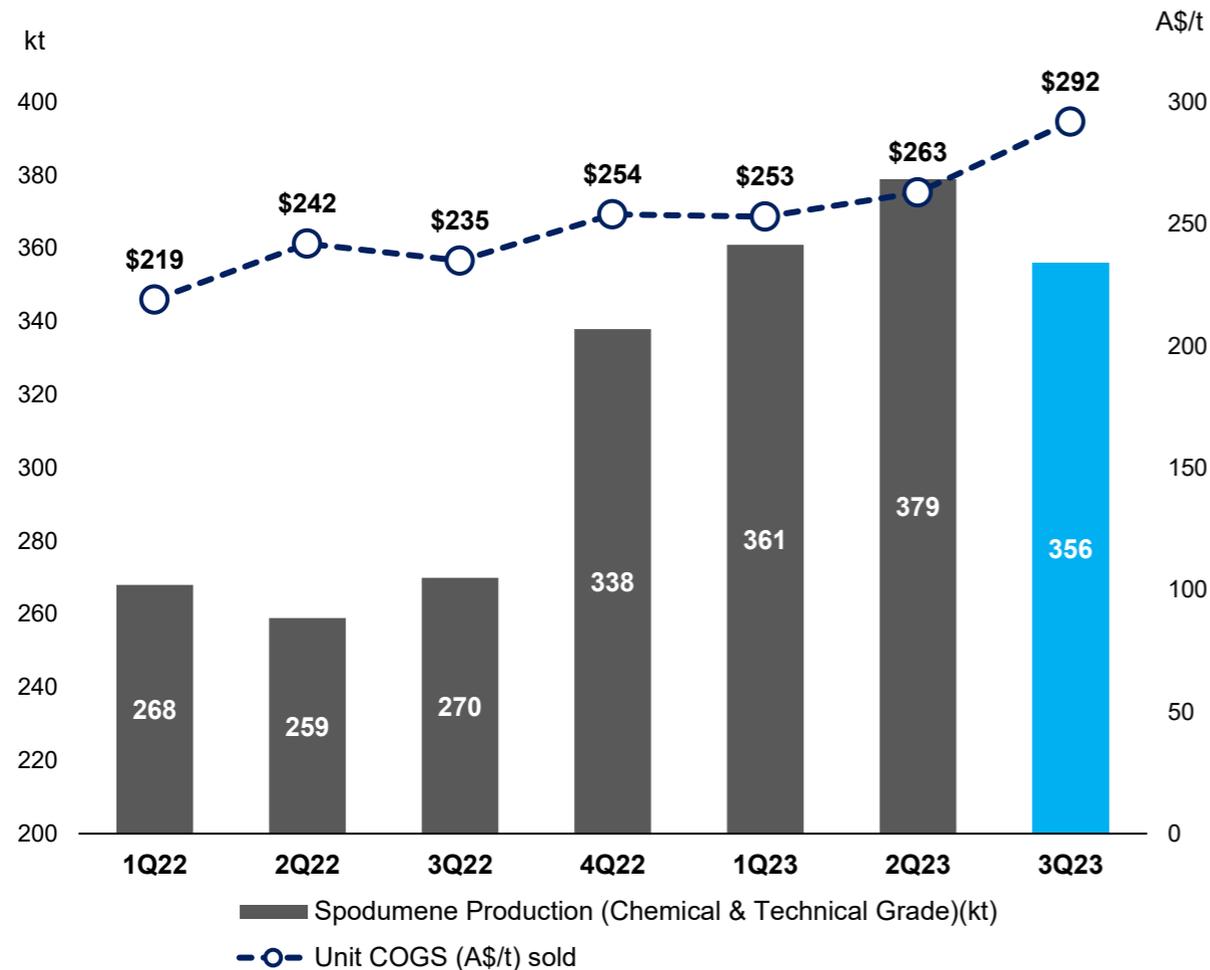
2. Cost of Goods Sold, excluding Royalties.

# Greenbushes



Strong operating performance and focus on growth continues

## GREENBUSHES PRODUCTION & UNIT COGS



1. FY23 guidance was updated at 31 January 2023

## Major Capital Projects

- CGP3**
  - ✓ Mobilisation of concrete contractor
  - ✓ Schedule optimisation – targeting first ore mid CY25
- Mine Services Area**
  - ✓ Progressed well into earthworks construction
  - ✓ Works challenged by poor weather, but schedule remains on track
- Power Supply**
  - ✓ Construction of 13.8km power line complete
  - ✓ Energisation expected in June Quarter
- Accommodation Village**
  - ✓ Construction earthworks commenced
  - ✓ Schedule maintained, despite lower rate of spend in 3Q23

# Greenbushes

## Outlook

---



4Q23 Chemical Grade Price reset to **\$US5,444 /t** FOB as of 1 April 2023

---

Production and costs remain on track to be at the top or marginally above the top end of FY23 Guidance<sup>1</sup>

---

CGP3 capital estimate under review following design challenges related to piling

IGO expects total capital cost for CGP3 could exceed previously guided range

---



# Kwinana Refinery



Continued production improvement from Train 1 as rectification works continue

---

3Q23 Production of 963 tonnes lithium hydroxide  
(65% higher QoQ)

---

Next stage of customer qualification expected to be  
completed during the June 2023 quarter

---

Ramp up progress remains on track to reach 60 –  
70% of nameplate by end of CY23

---





# Nickel Business

## Strong recovery following power station fire in December

	Units	3Q23 <sup>1</sup>	2Q23 <sup>1</sup>	QoQ	YTD23 <sup>1</sup>	
<b>Nickel in concentrate</b>	t	5,547	4,229	▲ 31%	16,348	Improved QoQ production and cost performance, however production impacted by power reliability and paste plant challenges
<b>Copper in concentrate</b>	t	2,524	1,953	▲ 29%	7,281	
<b>Cobalt in concentrate</b>	t	192	146	▲ 32%	579	
<b>Cash cost (payable)<sup>2</sup></b>	A\$/lb Ni	3.79	5.30	▼ 28%	3.92	Average nickel price decreased by 6% QoQ to \$32,969/t
<b>Sales Revenue</b>	A\$M	178	163	▲ 9%	543	
<b>Underlying EBITDA</b>	A\$M	104	98	▲ 5%	334	3Q23 EBITDA margin of 58%

1. 3Q23 is the three months ending 31 March 2023; 2Q23 is the three months ending 31 December 2022 and YTD23 is the nine months ending 31 March 2023.

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

# Forrestania



Performance adversely impacted by lower ore availability limiting mill feed

	Units	3Q23 <sup>1</sup>	2Q23 <sup>1</sup>	QoQ	YTD23	
						Quality ore tonnes restricted by poor ground conditions, ongoing rehab and longer re-entry times
<b>Nickel in concentrate</b>	t	2,811	2,950	▼5%	8,950	
						Lower cash costs demonstrate savings from blending agreement, including access to cobalt credits
<b>Cash cost (payable)<sup>3</sup></b>	A\$/lb Ni	10.27	10.97	▼6%	9.98	
						Sales significantly constrained by truck availability, together with poor weather
<b>Sales Revenue</b>	A\$M	58	90	▼36%	231	
						Underlying FCF remains strong at \$32M (2Q23: \$22M)
<b>Underlying EBITDA</b>	A\$M	23	45	▼48%	81	

1. 3Q23 is the three months ending 31 March 2023; 2Q23 is the three months ending 31 December 2022 and YTD23 is the nine months ending 31 March 2023.

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

# Cosmos



## Key milestone achieved as project development progresses

---

### 3Q23 Update

- ✔ Shaft construction progressing well with first leg completed and second leg in concert with erection of headframe commenced
  - ✔ Paste plant construction complete, with commissioning well advanced
  - ✔ Aerodrome construction complete with first flight in April
- 

3Q23 project capex incurred: \$97.4M

---

Project schedule remains on track and in line with guidance

---



First Flight to Cosmos

# Integrated Battery Materials Facility

Land allocation at Kwinana a first step toward an integrated cathode precursor facility

---

Strong support from the Western Australian Government to expand WA's battery chemical manufacturing capability

---

Proposed plant will produce cathode precursor (PCAM) chemical from nickel sulphide concentrates

---

## Key Milestones

- Advancing discussions with potential PCAM partner
  - Feasibility study progressing – completion expected mid-2024
- 



3D render of proposed IBM Facility at Kwinana

# Nickel Business

## FY23 Outlook

---

### Nova

Production and cost guidance unchanged

FY23 capex guidance reduced to \$8M - \$10M due to the deferral of various capital items to FY24

---

### Forrestania

Production and cost guidance unchanged

---

### Cosmos

FY23 project capital expenditure reduced to \$330M - \$360M (previously \$400M - \$425M) due to lower rate of cash spend and some scopes of work being completed later than planned

---



### Impairment of WSA assets

- IGO expects to record a non-cash impairment on the assets acquired via the WSA transaction in its year ending 30 June 2023 Financial Statements
- Impairment reflects changes in certain assumptions compared to IGO's expectations at the acquisition date, including:
  - Cost escalations
  - Higher capital costs at Cosmos
  - Mine schedule changes, including delays at AM5 and AM6
  - Underperformance of Forrestania
- Approximate impairment range is currently being estimated, with an update expected in the June Quarter



# Exploration

# Exploration

Work continuing toward unlocking discovery

---



3Q23 activity limited to southern parts of Australia; Fraser Range, Forrestania, Western Gawler, Copper Coast, Broken Hill and Greenbushes Bridgetown

---

Detailed review and sampling of lithium-bearing pegmatite intrusions in diamond core at Forrestania; drilling expected during June Quarter

---

Ongoing drill testing of targets surrounding Silver Knight, with further drilling expected in June quarter

---



# Summary



Lithium business continued to drive outstanding financial results

---

Another record quarterly EBITDA and NPAT result

---

Balance sheet bolstered by repayment of revolving credit facility

---

Consistent delivery from Greenbushes generating strong FCF

---

Strong recovery from Nova | Forrestania underperformance being addressed

---

Cosmos development progressing on schedule

---

Impairment on WSA assets expected – update in June Quarter

---





# Making a Difference

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

Where technology opens up new horizons and clean energy makes the planet a better place for generations to come. Our people are bold, passionate, fearless and fun – we are a smarter, kinder and more innovative company.

Our work is making fundamental changes to the way communities all over the world grow, prosper and stay sustainable. Our teams are finding and producing the products that will make energy storage mobile, efficient and effective enough to make long-term improvements to the lifestyle of hundreds of millions of people across the globe.

How? Developments in battery storage technology are enabling the full potential of renewable energy to be realised, by allowing energy produced from the sun, wind and other sources to be stored and used when and where it's needed. This technology will impact future generations in ways we cannot yet imagine, improving people's quality of life and changing the way we live.

We believe in a green energy future and by delivering the products needed for tomorrow's battery systems, we are making it happen.

**We are the IGO Difference.**