



**MAKING A
DIFFERENCE**

IGO Limited **Analyst Briefing**

4 February 2020

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- There are a number of risks specific to IGO and of a general nature which may affect the future operating and financial performance of IGO and the value of an investment in IGO including and not limited to economic conditions, stock market fluctuations, commodity demand and price movements, access to infrastructure, timing of environmental approvals, regulatory risks, operational risks, reliance on key personnel, reserve and resource estimations, native title and title risks, foreign currency fluctuations and mining development, construction and commissioning risk. The production guidance in this presentation is subject to risks specific to IGO and of a general nature which may affect the future operating and financial performance of IGO.
- All currency amounts in Australian Dollars unless otherwise noted.
- Quarterly Financial Results are unaudited.
- Net Debt is outstanding debt less cash balances and Net Cash is cash balance less outstanding debt.
- Cash Costs are reported inclusive of Royalties and after by-product credits on per unit of payable metal basis, unless otherwise stated.
- IGO reports All-in Sustaining Costs (AISC) per ounce of gold for its 30% interest in the Tropicana Gold Mine using the World Gold Council guidelines for AISC. The World Gold Council guidelines publication was released via press release on 27 June 2013 and is available from the World Gold Council’s website.
- Underlying EBITDA is a non-IFRS measure and comprises net profit or loss after tax, adjusted to exclude tax expense, finance costs, interest income, asset impairments, gain/loss on sale of subsidiary, redundancy and restructuring costs, depreciation and amortisation, and once-off transaction costs.
- Free Cash Flow comprises Net Cash Flow from Operating Activities and Net Cash Flow from Investing Activities. Underlying adjustments exclude acquisition costs, proceeds from investment sales and payments for investments and mineral interests.

Competent Person's Statements



- Any references to IGO Mineral Resource and Ore Reserve estimates should be read in conjunction with IGO's Annual Update of Exploration Results, Mineral Resources and Ore Reserves dated 30 January 2020 (Annual Statement) and lodged with the ASX for which Competent Person's consents were obtained, which is also available on the IGO website.
- The information in this presentation that relates to the Boston Shaker Feasibility Study is extracted from the ASX announcement dated 28 March 2019 entitled "Tropicana JV Approves Boston Shaker Underground" and for which a Competent Person consent was obtained.
- The information in this presentation that relates to Exploration Results is extracted from; the Prodigy Gold Limited (PRX) ASX release dated 16 October 2019 entitled "Lake Mackay JV Update – New Gold Prospect Identified", the Legend Mining Limited (LEG) ASX release dated 9 December 2019, and the Prodigy Gold Limited (PRX) announcement dated 12 December 2019 titled - Lake Mackay JV Update: Grimlock Returns +97% Co and Mn Extractions in Leach Test work, for which Competent Person's consents were obtained.
- The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX announcements released 28 March 2019, 16 October 2019, 9 December 2019, 12 December 2019 and 30 January 2020 and, (i) in the case of estimates or Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the original ASX announcement continue to apply and have not materially changed, (ii) the Competent Person's consents remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent, and (iii) the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX announcement.





Purpose & Strategy

Our Purpose

Making a Difference



We believe in a world where people power makes amazing things happen. Where technology opens up new horizons and clean energy makes the planet a better place for every generation to come. We are bold, passionate, fearless and fun – we are a smarter, kinder and more innovative company.

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

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

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

This is the IGO Difference.



**MAKING A
DIFFERENCE**

Strategic Focus

Strategically focused on metals critical to clean energy



**Globally
Relevant**



**High-quality
Products**



**Vertically
Integrated**



**Proactively
Green**



People

Our Purpose

Tangible achievements toward the delivery of our purpose



	Globally Relevant	High-quality Products	Vertically Integrated	Proactively Green	People
Tangible Achievements	<ul style="list-style-type: none">• Own and operate Nova – Australia’s lowest cost nickel mine• Nova an important supplier of nickel sulphide concentrate to global markets• Investment market recognition as a leading, low-risk exposure to attractive nickel market dynamics	<ul style="list-style-type: none">• Nickel concentrate highly regarded with an established brand name with global customers• Strong demand for offtake during recent contract negotiations• Battery-grade nickel sulphate produced as part of Downstream Nickel Sulphate Study	<ul style="list-style-type: none">• Developed the IGO Process™ – a new and highly effective process to convert nickel concentrate into nickel sulphate• Assessing opportunities to collaborate with partners within the battery supply chain	<ul style="list-style-type: none">• Nova hybrid solar farm project completed, now delivering power and displacing diesel• Advancing studies into electric mining fleet• IGO downstream process designed with specific objective of delivering lower waste	<ul style="list-style-type: none">• Better than benchmark levels of employee engagement – as measured via engagement survey• Strong alignment with our purpose and new values• Co-creation of new values for 2020• Generating opportunities for career development

Strategic Priorities for FY20

Leveraging organic and inorganic growth opportunities



What we're doing...

Optimise Nova safely

Improve efficiencies and reduce costs by implementing smart solutions

Unlock value from Tropicana safely

Transition to underground mining at Boston Shaker and undertake studies to assess further underground mining opportunity

Deliver discovery success safely

Increased exploration budget for FY20 to drill test targets identified near mine at Nova and on the Fraser Range

Execute disciplined M&A

Assessing opportunities to add value through accretive acquisitions

Leverage downstream opportunities

Assessing partnership opportunities to develop nickel sulphate production capacity



Our Values

Our Values

Reimagined through co-creation with our people in 2019 to embody the IGO Difference



Ignite the spark

We seek, question, innovate and create.



Never stand still

We are bold, adventurous and excited for the future.



See beyond

We know that our actions today will impact the world of tomorrow.



Run through the sprinklers

We find the fun in what we do.



Be better together

We empower, support and respect each other.



People, Culture and Sustainability

Leadership

Highly engaged and experienced Board of Directors



PETER BILBE
Non-Executive
Chairman



PETER BRADFORD
Managing Director
& CEO



DEBRA BAKKER
Non-Executive
Director



KATHLEEN BOZANIC
Non-Executive
Director



PETER BUCK
Non-Executive
Director



KEITH SPENCE
Non-Executive
Director



NEIL WARBURTON
Non-Executive
Director

Leadership

Executive Leadership Team



**PETER
BRADFORD**
Managing
Director
& CEO



KEITH ASHBY
Head of HSEQ
& Risk



KATE BARKER
General
Counsel



MATT DUSCI
Chief Operating
Officer



**ANDREW
EDDOWES**
Head of
Corporate
Development



**JOANNE
McDONALD**
Company
Secretary and
Head of
Corporate
Affairs



**SAM
RETALLACK**
Head of People
& Culture

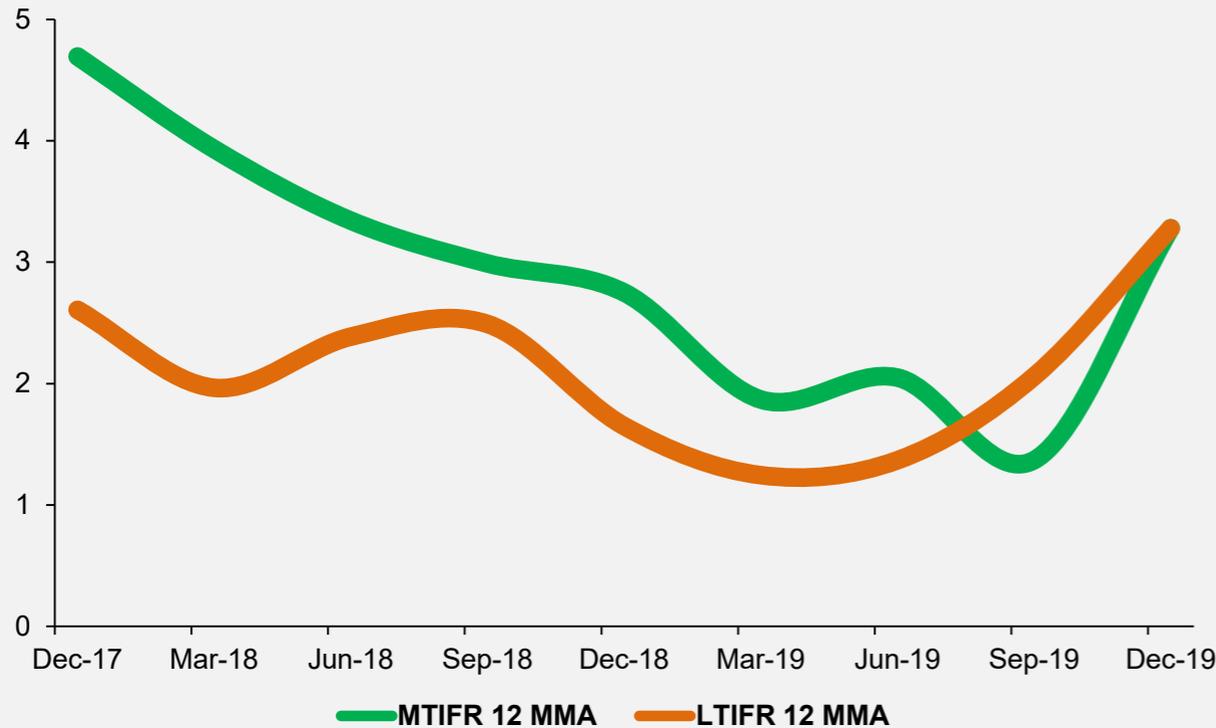


IAN SANDL
General
Manager –
Exploration

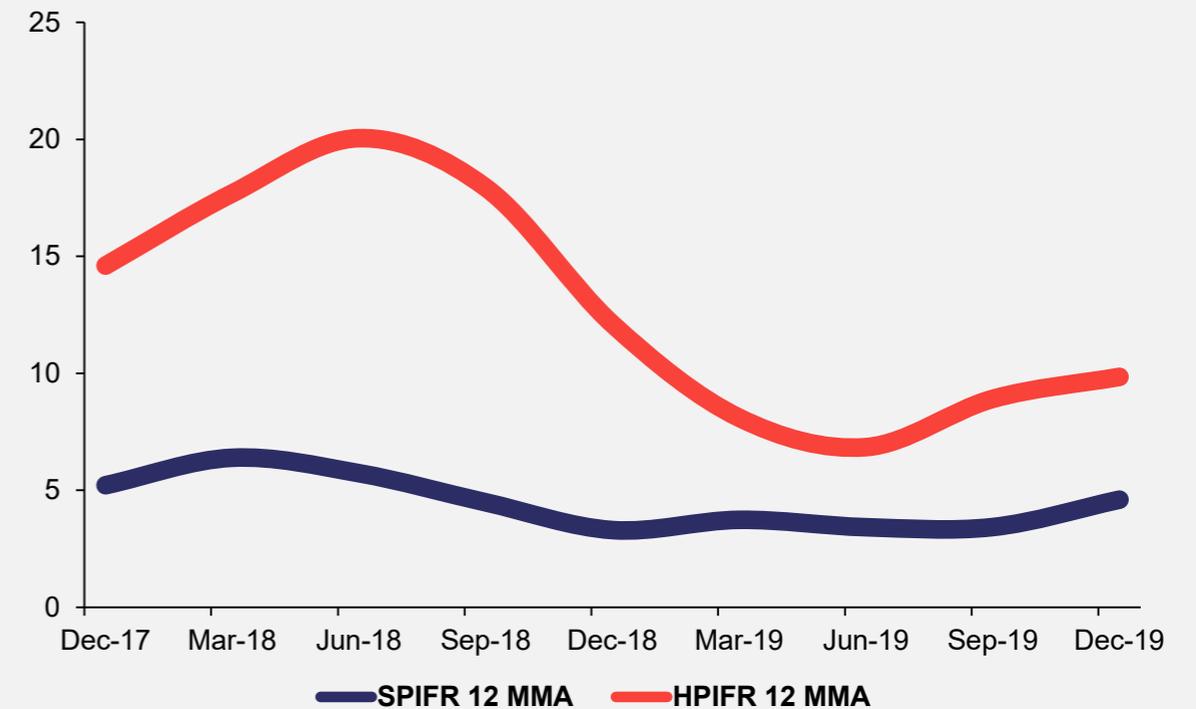


**SCOTT
STEINKRUG**
Chief Financial
Officer

Key Lag Injury Metrics^(1,2)



Key Lead Injury Metrics^(3,4)



- 1) IGO reports safety metrics in accordance with Australian Standard AS 1885.1:1990 which incorporates fatalities in the calculation of LTIFR. For clarity, it is noted that fatality is captured in the calculation of the LTIFR.
- 2) 12 month moving average LTIFR – Lost Time Injury Frequency Rate: calculated as the number of Lost Time injuries x 1,000,000 divided by the total number of hours worked.
- 3) 12 month moving average MTIFR – Medically Treated Injury Frequency Rate: calculated as the number of medically treated injuries x 1,000,000 divided by the total number of hours worked.
- 4) 12 month moving average SPIFR – Serious Potential Incident Frequency Rate: calculated as the number Serious Potential Incidents x 1,000,000 divided by the total number of hours worked. Serious Potential Incidents are near miss events that could credibly have resulted in a fatality. These events are reported to DMIRS.
- 5) 12 month moving average HPIFR – High Potential Incident Frequency Rate: calculated as the number High Potential Incidents x 1,000,000 divided by the total number of hours worked. High Potential Incidents are near miss events that could credibly result in serious injury.

Employee Engagement

Above benchmark levels of engagement across a range of key metrics



FY19 Achievements

15% increase in engagement

86% reported pride in working for IGO

37% lower staff turnover rate (YoY)

Strong alignment with IGO's values

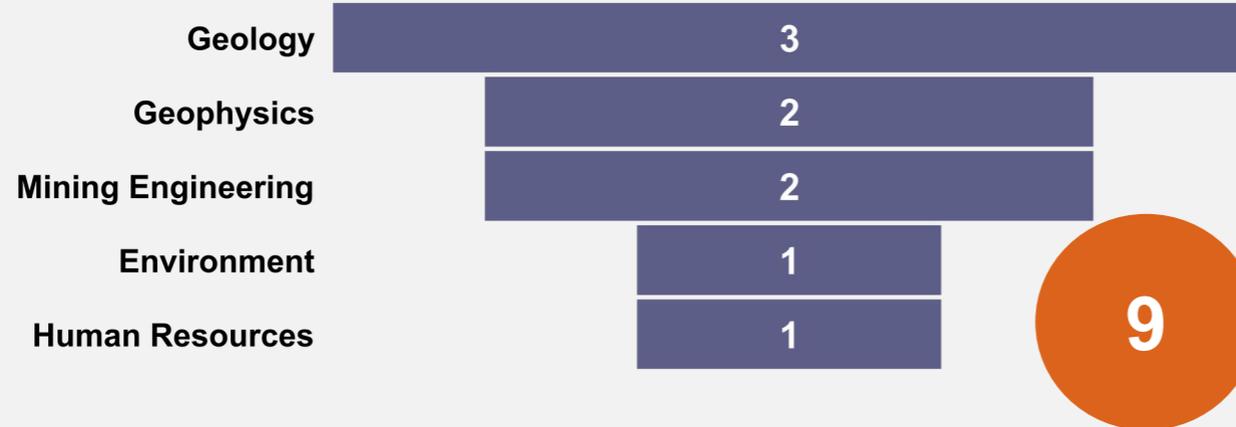


Graduate Development

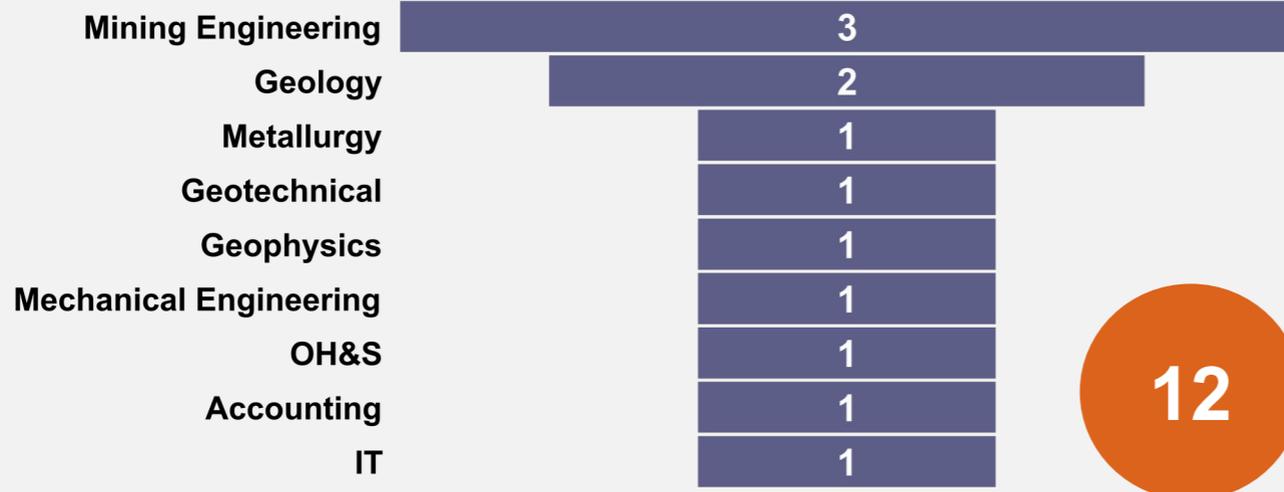
Supporting the next generation of industry leaders



2019 Program



2020 Program



Sustainability

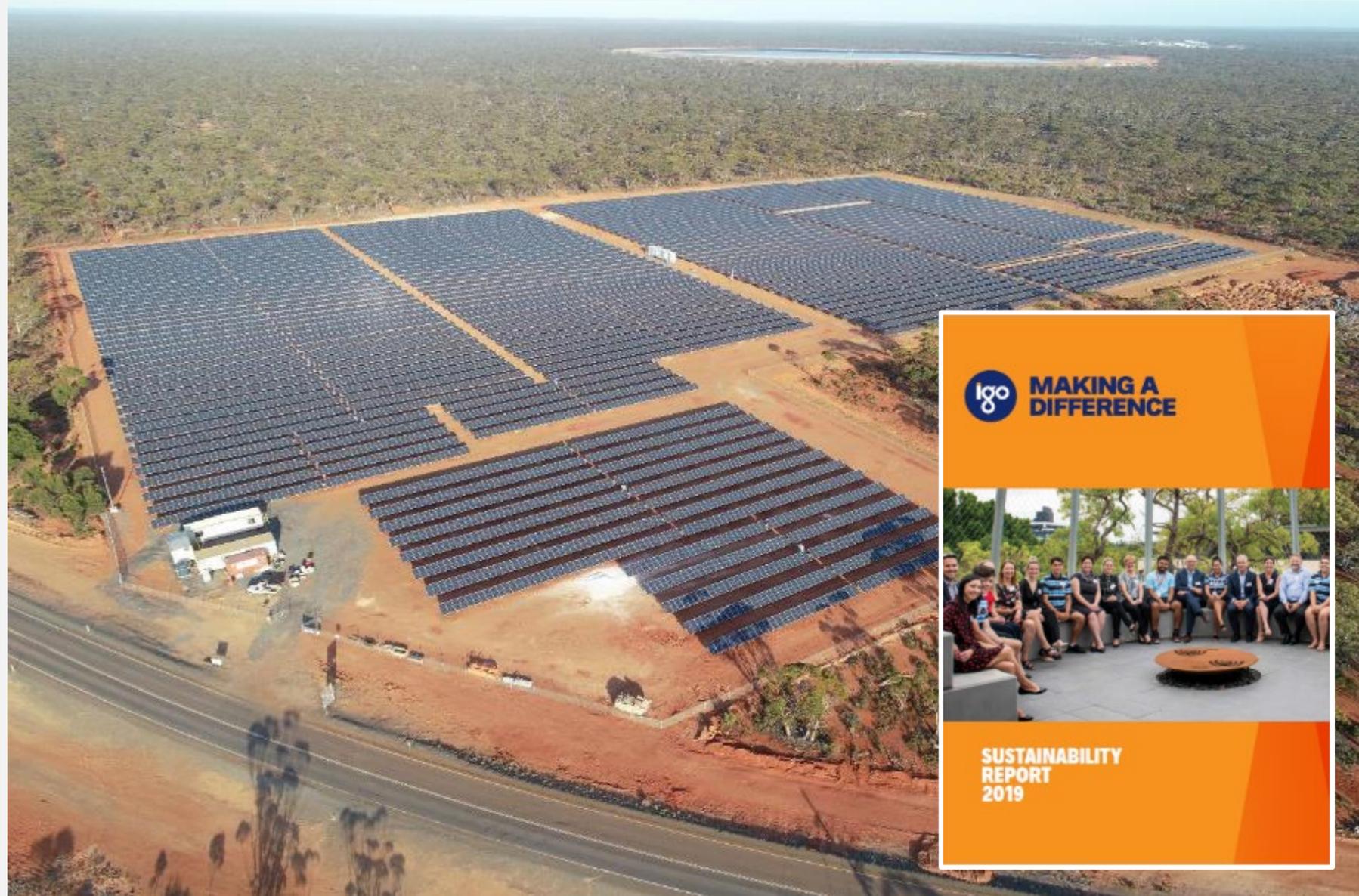
Demonstrated commitment to best in class sustainability practices



Nova hybrid solar PV-diesel facility completed – set to reduce emissions by ~6,500t CO₂/year

2019 Sustainability Report published

IGO included in Dow Jones Sustainability Index at 78th percentile





Clean Energy Metals

Clean Energy Metals

Investment focus on climate and environment is increasing



EQUITY RESEARCH | December 11, 2019 | 9:21PM GMT

Goldman Sachs

Carbonomics

The Future of Energy in the Age of Climate Change

Climate change is re-shaping the energy industry through technological innovation and capital markets pressure. Our cost curve of de-carbonization shows an abundance of large, low-cost investment opportunities in power generation, industry, mobility, buildings and nature-based solutions. However, these will not be sufficient to mitigate the worst effects of climate change. Reducing net carbon emissions on this scale requires carbon pricing, technological innovation and a growing role for CO2 sequestration. Capital markets are taking a leading role in financing the energy transition, while tightening financing for hydrocarbon assets. This is likely to drive the energy transition through higher energy prices, lowering the systemic risk of stranded assets. A new Age of Restraint on new hydrocarbon developments is leading to consolidation and higher barriers to entry in the oil & gas industry, with Big Oils transitioning to Big Energy and non-OPEC oil supply growth terminating by 2021.

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The Goldman Sachs Group, Inc.
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Morgan Stanley | RESEARCH

October 21, 2019 09:00 PM GMT

BLUEPAPER

Sustainability

Decarbonisation: The Race to Net Zero

The desire to halt climate change has never been more pronounced. We look at five technologies that offer solutions to decarbonise industry, power and mobility. But it will require \$50 trillion of investment and new regulation.

Sustainability



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ENERGY DARWINISM III

The Electrifying Path to Net Zero Carbon

Citi GPS: Global Perspectives & Solutions
September 2019



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Clean Energy Metals

Nickel and copper to benefit most from the clean energy revolution



Leverage to clean energy

- ✓ Critical cathode raw material for lithium ion batteries
- ✓ Increasing nickel intensity in cathodes

Strong macro support

- ✓ Underinvestment in new supply
- ✓ Established base demand from the stainless steel market



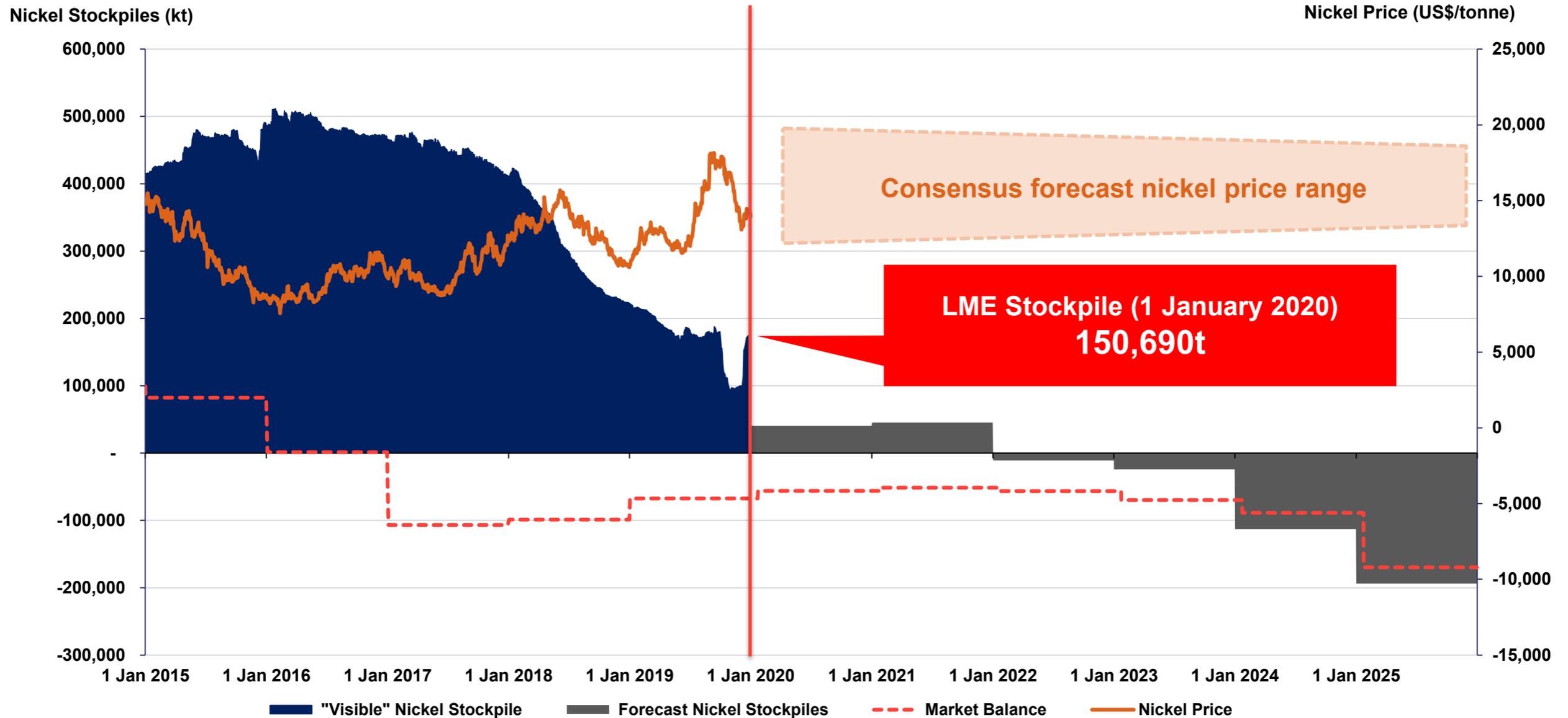
- ✓ Critically important to reticulation of electricity
- ✓ Key component in electric motors and renewable energy plants

- ✓ Capital underinvestment in new production capacity

Nickel Market



Market deficits expected to be positive for nickel price



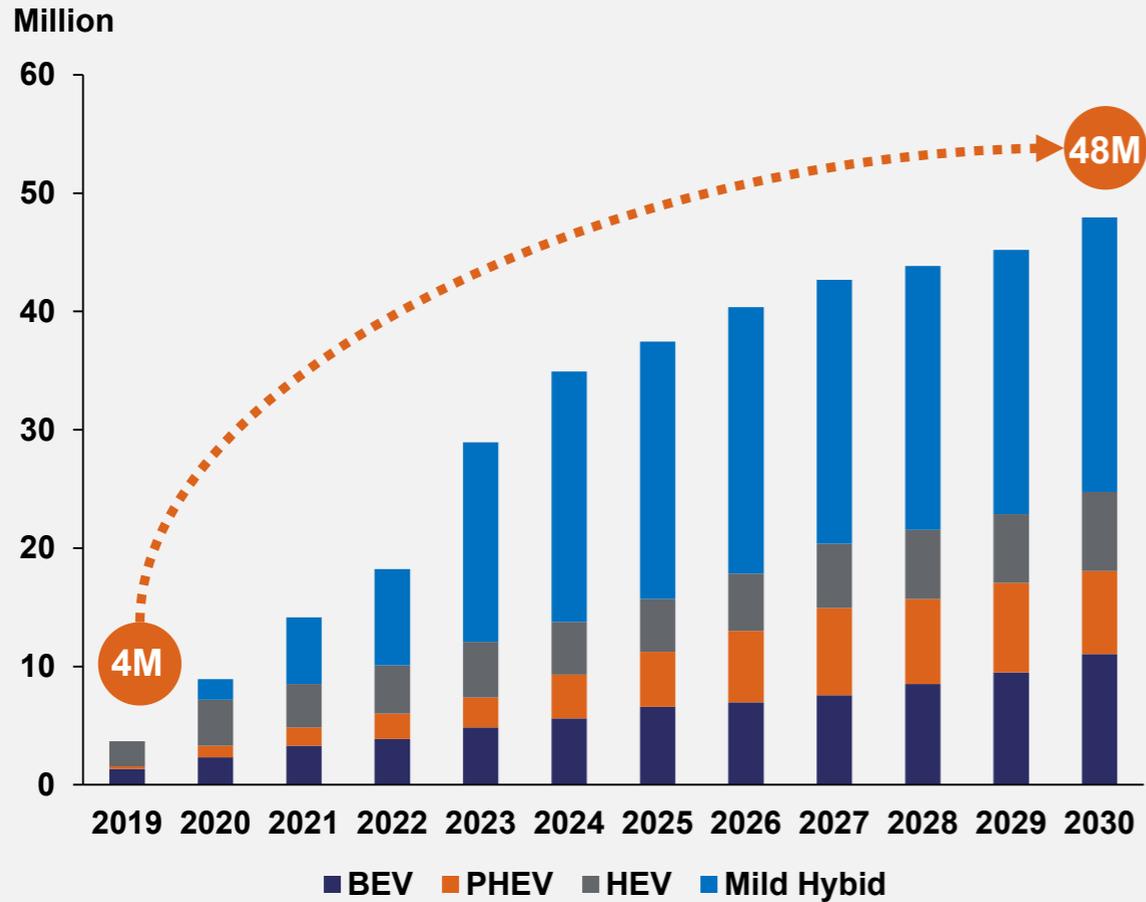
1) Source: Bloomberg, Consensus Economics, Roskill

Electric Vehicles

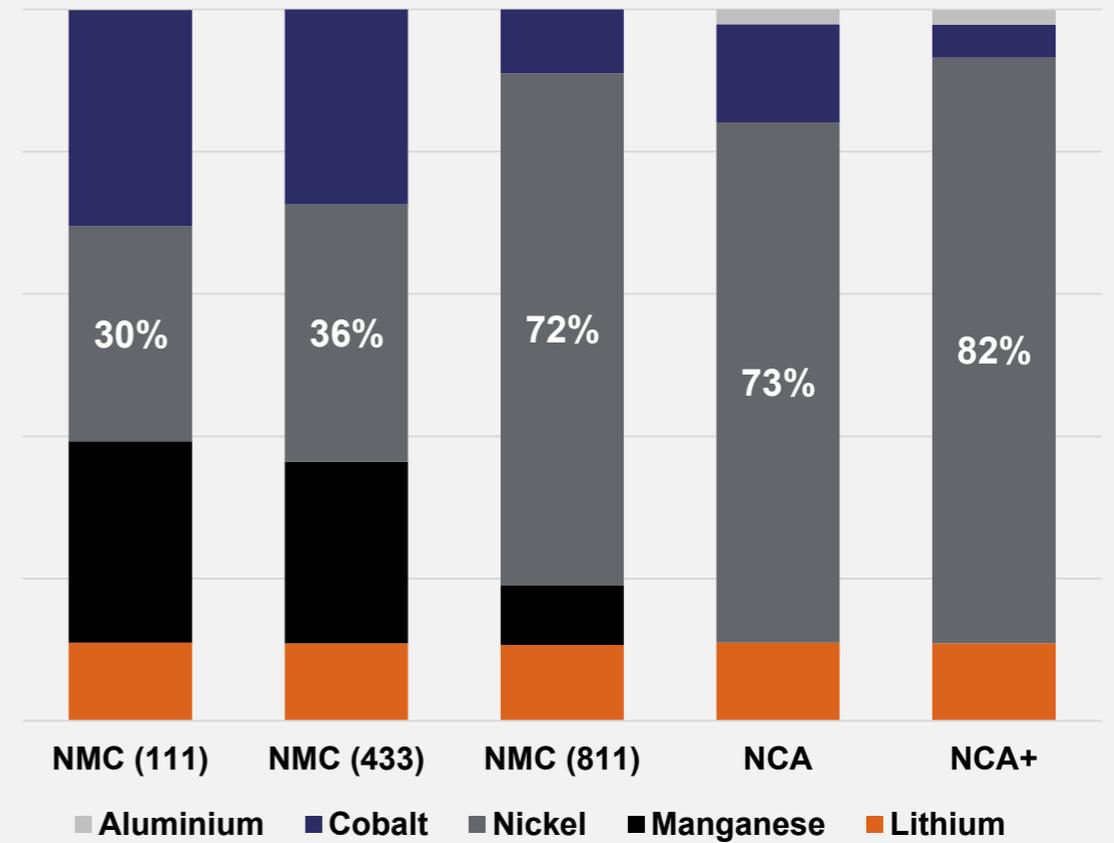
Sales growth underpins nickel demand



EV sales forecast^(1,2)



EV batteries becoming more nickel intensive⁽³⁾



1) Source: Roskill, 2019

2) BEV – Battery Electric Vehicle; PHEV – Plug-in Hybrid Electric Vehicle; HEV – Hybrid Electric Vehicle

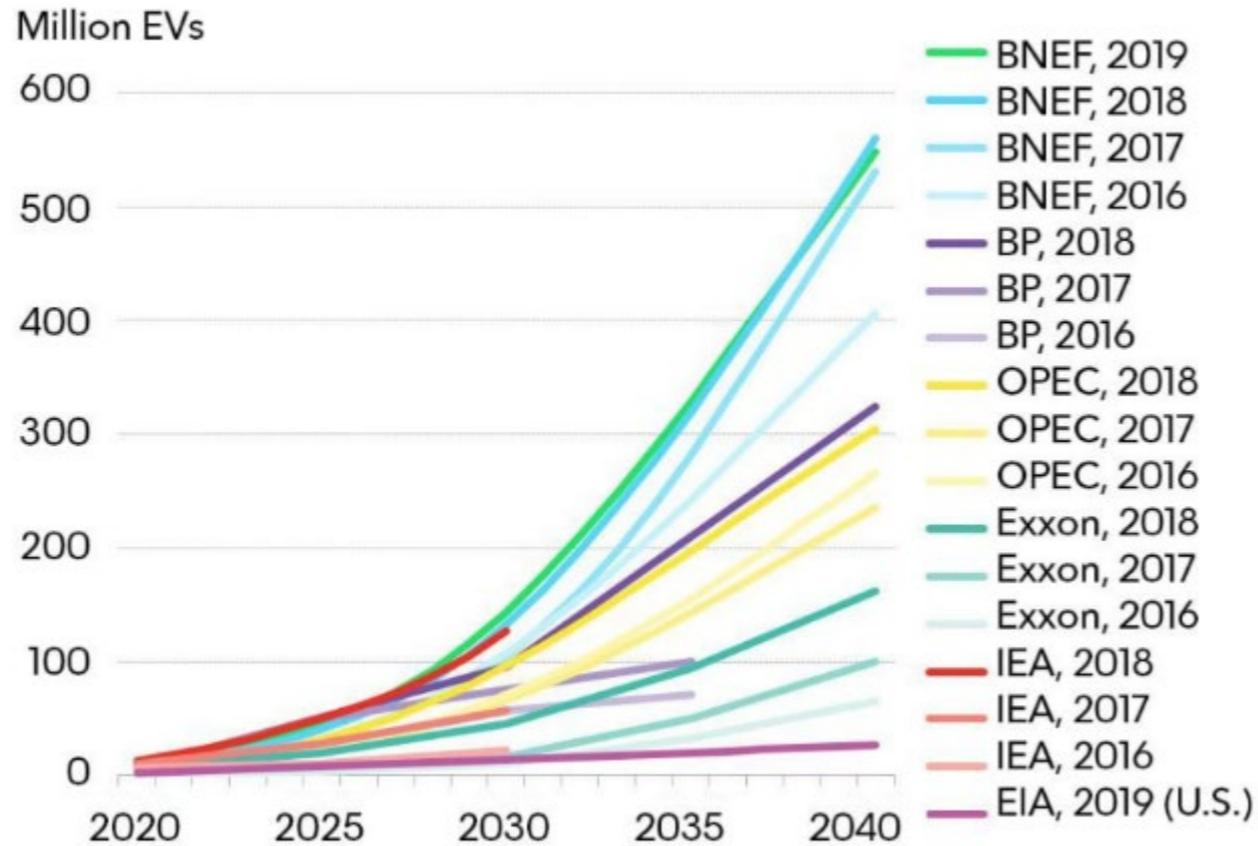
3) Proportion of metals in EV battery cathodes for different battery chemistries

Electric Vehicles



Multiple factors driving strong demand growth for EVs

Upward revisions in EV sales projections¹



Increasing CO₂ emission regulations

Increasing affordability and vehicle quality

Changing consumer preferences toward green alternatives

1) Source: BNEF 2019



2Q20 & 1H20 Results Overview

2Q20 Highlights

Excellent operational performance from Nova and Tropicana continues



Metal production from both Nova and Tropicana above top end of pro-rata FY20 guidance range

New offtake agreements signed with BHP and Trafigura with materially improved commercial terms

Takeover bid for Panoramic Resources allowed to lapse

**Net Cash
A\$396M**

**Underlying EBITDA
A\$117M**

**Underlying FCF
A\$135M**

**Strong group EBITDA margin
~55%**

1H20 Financial Results Highlights

Record half yearly profit and strengthening balance sheet



Record half yearly NPAT result
A\$100M

Cash of **A\$453M**
Net Cash of **A\$396M**

Underlying EBITDA
A\$271M

Underlying Free Cash Flow
A\$206M

Nova and Tropicana remain on track to deliver in line with full year production guidance

2Q20 Financial Results



Excellent production result offset by lower realised commodity prices

	Units	1Q20	2Q20	QoQ
Revenue and Other Income	A\$M	263.1	211.6	(20%)
Underlying EBITDA ⁽¹⁾	A\$M	153.9	116.7	(24%)
Profit After Tax	A\$M	66.0	34.1	(48%)
Net Cash from Operating Activities	A\$M	89.4	156.0	75%
Underlying Free Cash Flow ⁽²⁾	A\$M	70.1	135.4	93%
Cash	A\$M	321.2	452.8	41%
Debt	A\$M	57.1	57.1	-
Net Cash	A\$M	264.0	395.6	50%

- Lower QoQ revenue driven by 19% decrease in nickel price
- Maintained strong Group EBITDA margins of 55%, while Free Cash Flow margins rose to 64%
- Collection of prior quarter Nova debtors increased cash from operating activities by 75% and underlying free cash flow by 93%.

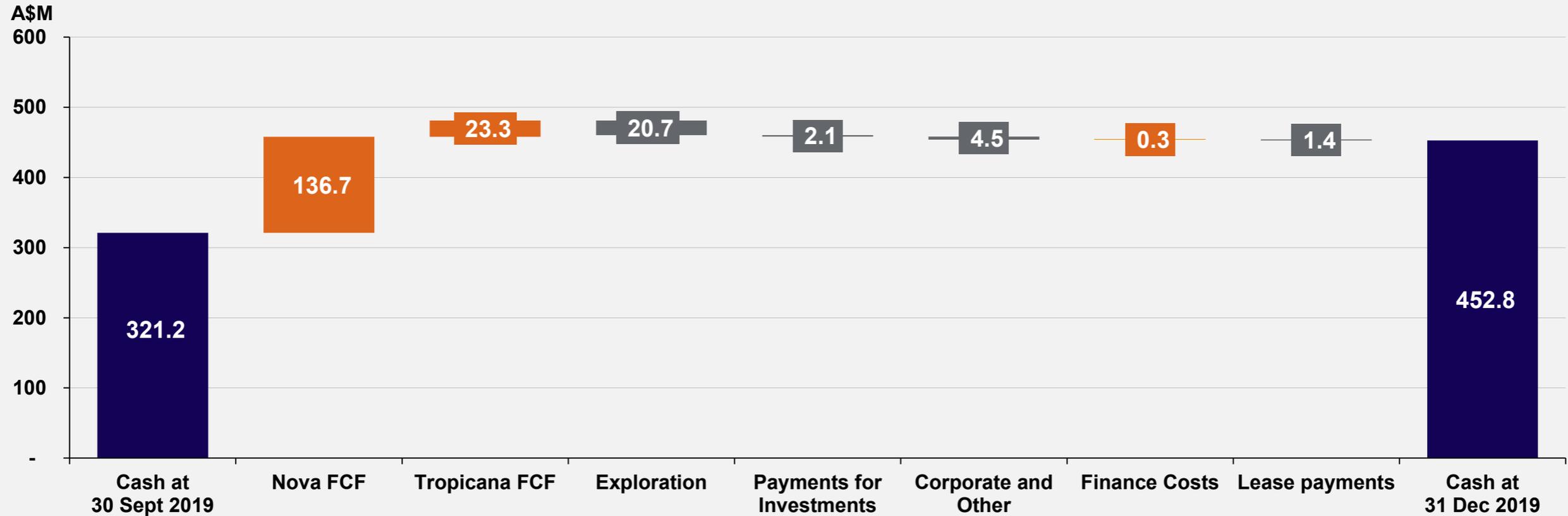
1) Underlying EBITDA is a non-IFRS measure (refer to Disclaimer page).

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

2Q20 Cash Flow Reconciliation



Nova cash flows resulted in 41% increase in cash balance QoQ

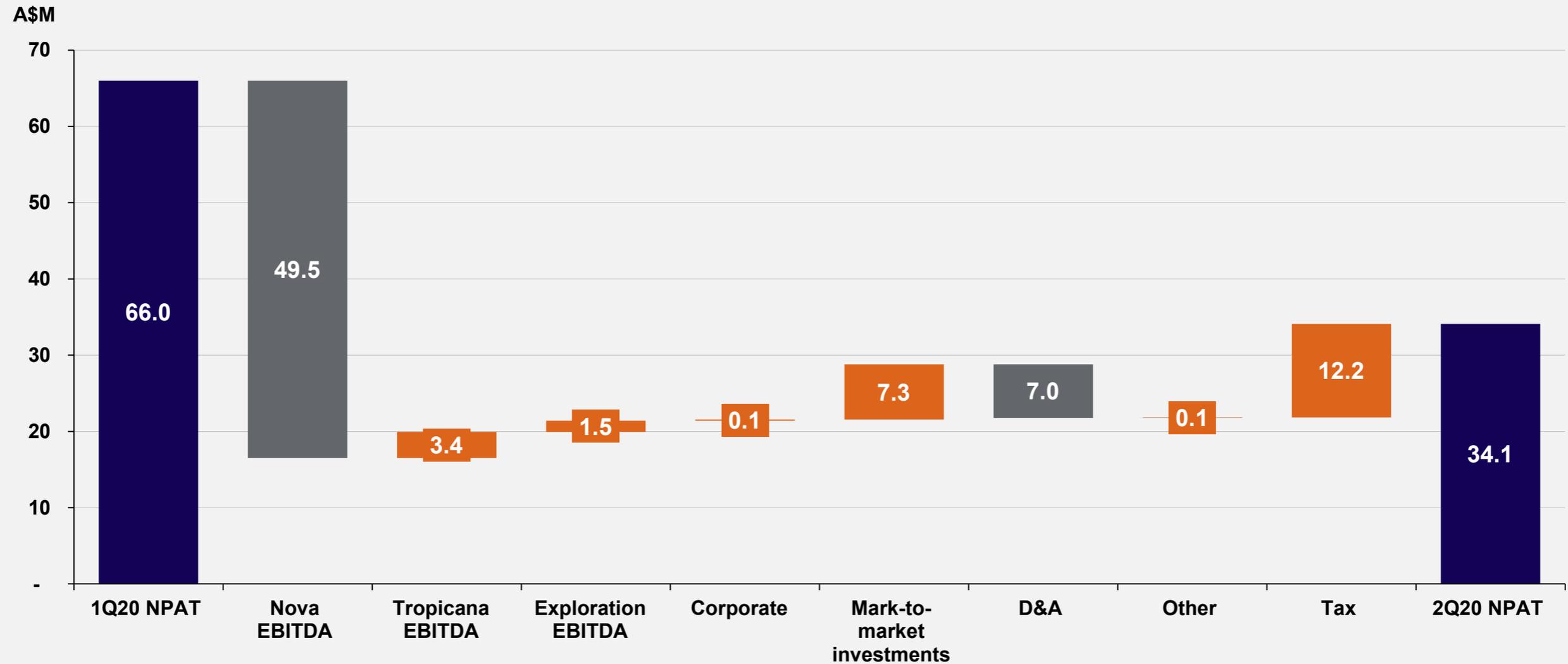


- Continued strong free cash generation from Nova driven by a combination of timing of sales receipts, above guidance metal production offset by QoQ lower nickel price
- Together with 1Q20 allows for solid interim dividend return to shareholders of 6c per share

2Q20 NPAT Reconciliation



Change in QoQ Nova EBITDA primarily driven by 19% lower nickel price



1H20 Financial Results



Free Cash Flow generation continues to strengthen balance sheet

	Units	1H19	1H20	Inc/(Dec)
Revenue and Other Income	A\$M	356.4	474.7	33%
Underlying EBITDA ⁽¹⁾	A\$M	130.5	270.7	107%
Profit After Tax	A\$M	0.9	100.1	~11,000%
Net Cash from Operating Activities	A\$M	163.0	245.3	50%
Underlying Free Cash Flow ⁽²⁾	A\$M	111.4	205.5	84%
Cash	A\$M	208.1	452.8	118%
Debt	A\$M	114.3	57.1	(50%)
Net Cash	A\$M	93.8	395.6	322%

- **Record half yearly NPAT result of A\$100M**
- **1H20 underlying free cash flows increased 84% due to improved production and commodity prices from both Nova and Tropicana**
- **Next scheduled debt repayment (A\$28.6M) due end of March 2020**

1) Underlying EBITDA is a non-IFRS measure (refer to Disclaimer page).

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

1H20 Cash Flow Reconciliation

Nova cash generation enhanced by strong metals prices



1H20 Segment Financial Results

Nova and Tropicana delivering outstanding financial performance



Operation	Metric	1H19	1H20	Change	Inc/(Dec)
Nova	Revenue	215.1	317.3	102.2	48%
	Underlying EBITDA ⁽¹⁾	94.0	206.8	112.8	120%
	Free Cash Flow ⁽²⁾	88.4	206.2	117.8	133%
Tropicana	Revenue	136.4	154.3	17.9	13%
	Underlying EBITDA ⁽¹⁾	85.2	98.2	13.0	15%
	Free Cash Flow ⁽²⁾	47.1	49.8	2.7	6%

- **48% increase in Nova revenue driven by 40% increase in realised nickel price (A\$22,790/t vs 1H19 A\$16,271/t)**
- **Marginally lower Tropicana gold production offset by higher gold prices**

1) Underlying EBITDA is a non-IFRS measure (refer to Disclaimer page).

2) Free Cash Flow comprises Net Cash Flow from Operating Activities and Net cash Flow from Investing Activities



Nova Operation

Our management philosophy





**Nova
Delivery**

Strong and consistent metal production

**Nickel
in Concentrate**

15,236t

▲ 6% vs 1H19

**Copper
in Concentrate**

6,779t

▲ 4% vs 1H19

**Cobalt
in Concentrate**

561t

▲ 8% vs 1H19

Sector leading cost performance

Cash Costs
A\$2.52/lb Ni (payable)

▲ 8% vs 1H19

EBITDA Margin
57%

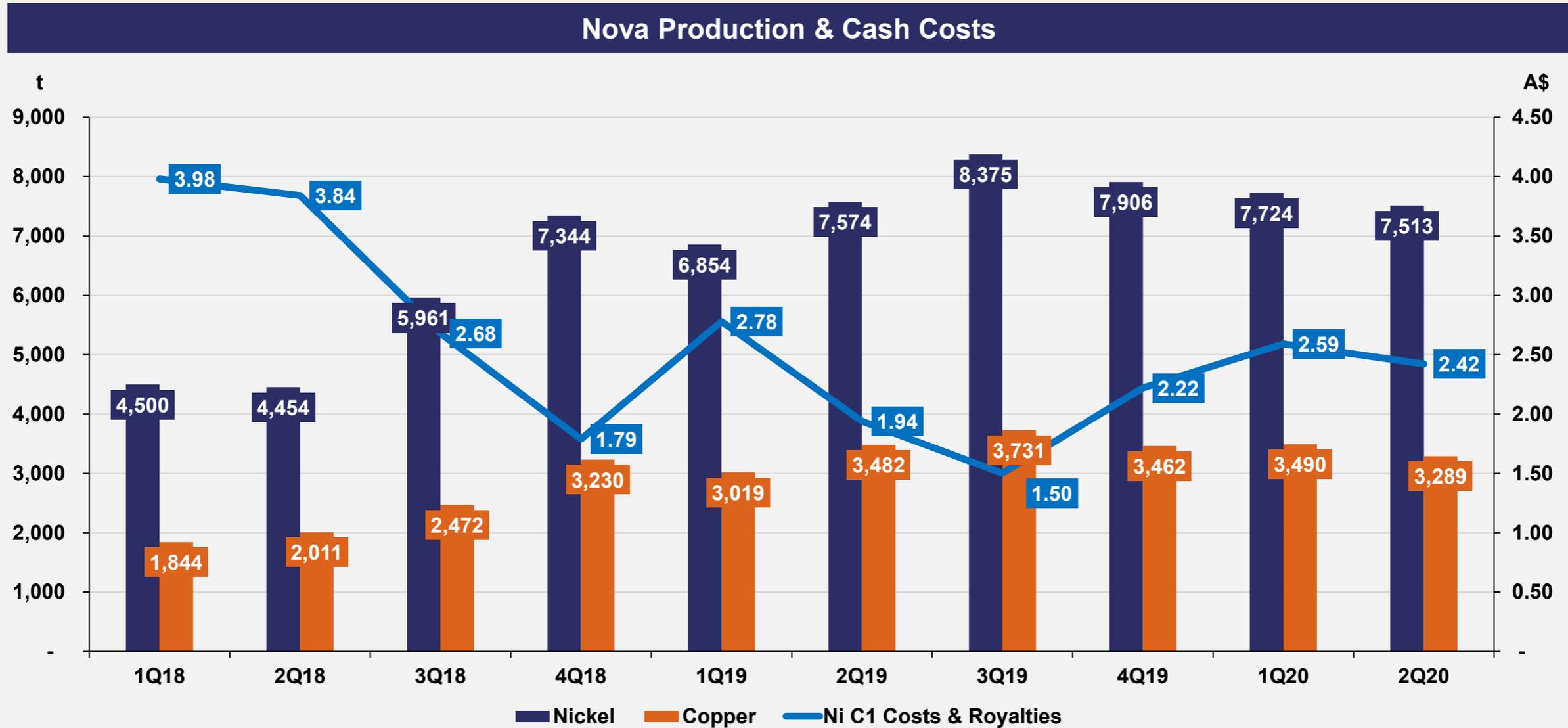
▲ 14% vs 1H19

FCF Margin
43%

▲ 2% vs 1H19

Nova – Delivery

Track record of outperformance



1) Commercial production commenced in July 2017. Figures represent results from 1Q18 to 1Q20 inclusive

Nova – Delivery

Performing in line with FY20 guidance



Metric	Units	1H20 Result	FY20 Guidance	Comment
Nickel in concentrate	t	15,236	27,000 – 30,000	 On track to meet FY guidance
Copper in concentrate	t	6,779	11,000 – 12,500	 On track to meet FY guidance
Cobalt in concentrate	t	561	850 – 950	 On track to meet FY guidance
Cash cost (payable) ⁽²⁾	A\$/lb Ni	2.51	2.00 – 2.50	 On track to meet FY guidance
Sustaining/ improvement Capex	A\$M	5.8	24 – 26	 Below guidance due to deferral of some expenditure into FY21
Development Capex	A\$M	1.2	6 – 8	 Increased capital development expected in 2H20

Nova – Delivery

Mining



Flexibility

Capital development substantially complete
enabling mining from multiple fronts

Consistency

Steady state operations with predictable
production and cost performance

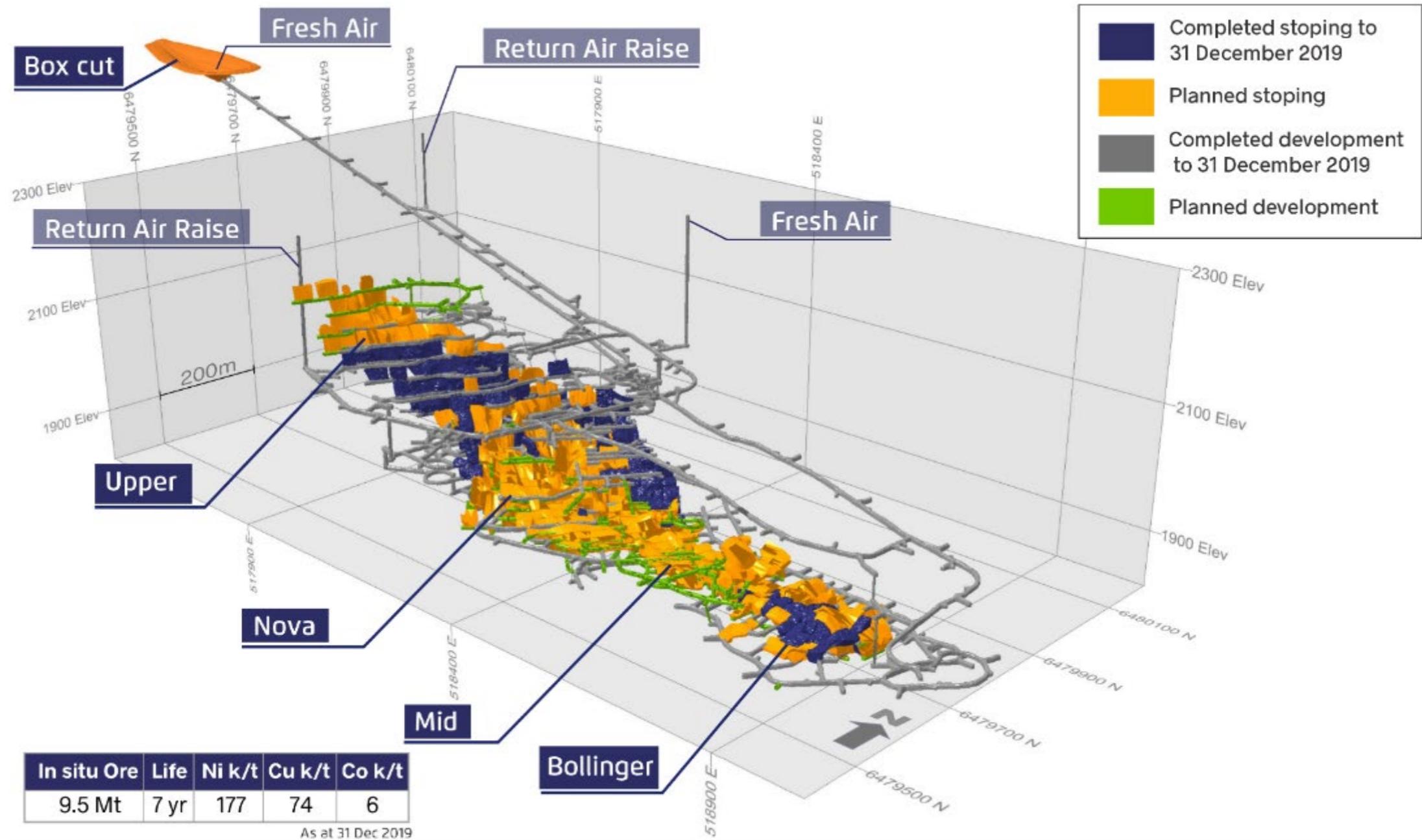
De-risked Life-of-Mine

Majority of Reserve in Proved Category



Nova – Delivery

Underground schematic



In situ Ore	Life	Ni k/t	Cu k/t	Co k/t
9.5 Mt	7 yr	177	74	6

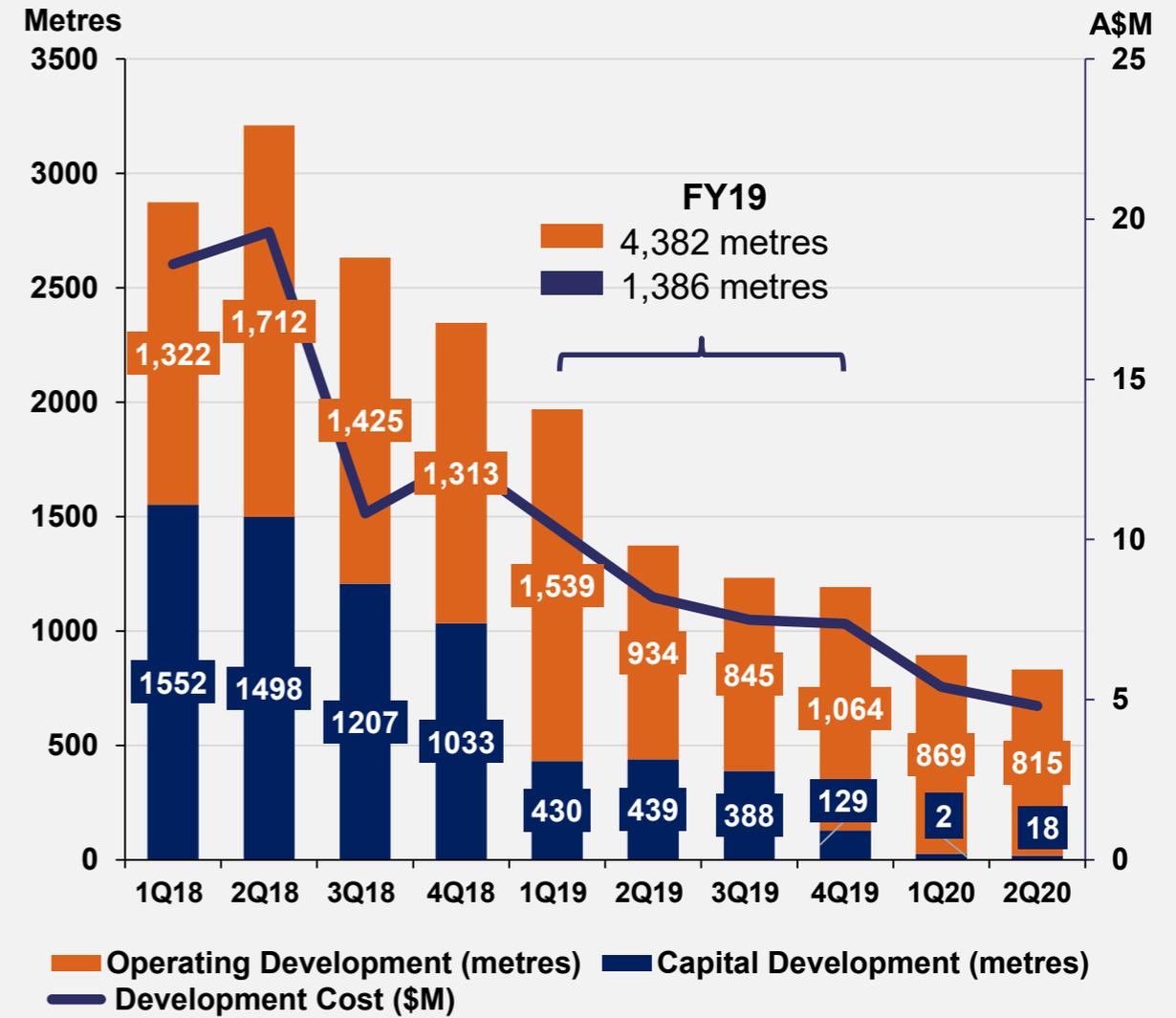
As at 31 Dec 2019

Nova – Delivery

Capital development substantially complete



Mining Development

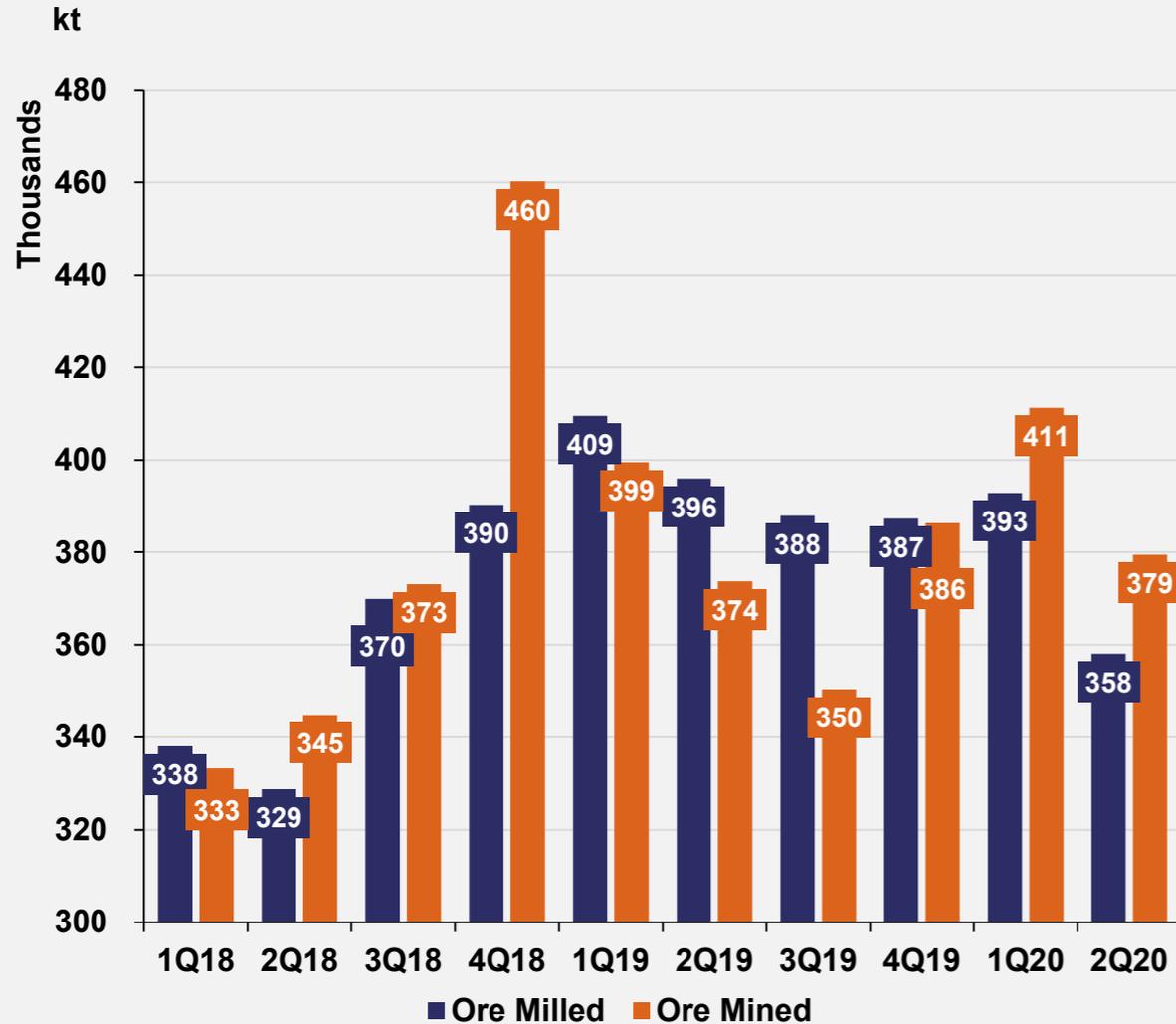


Nova – Delivery

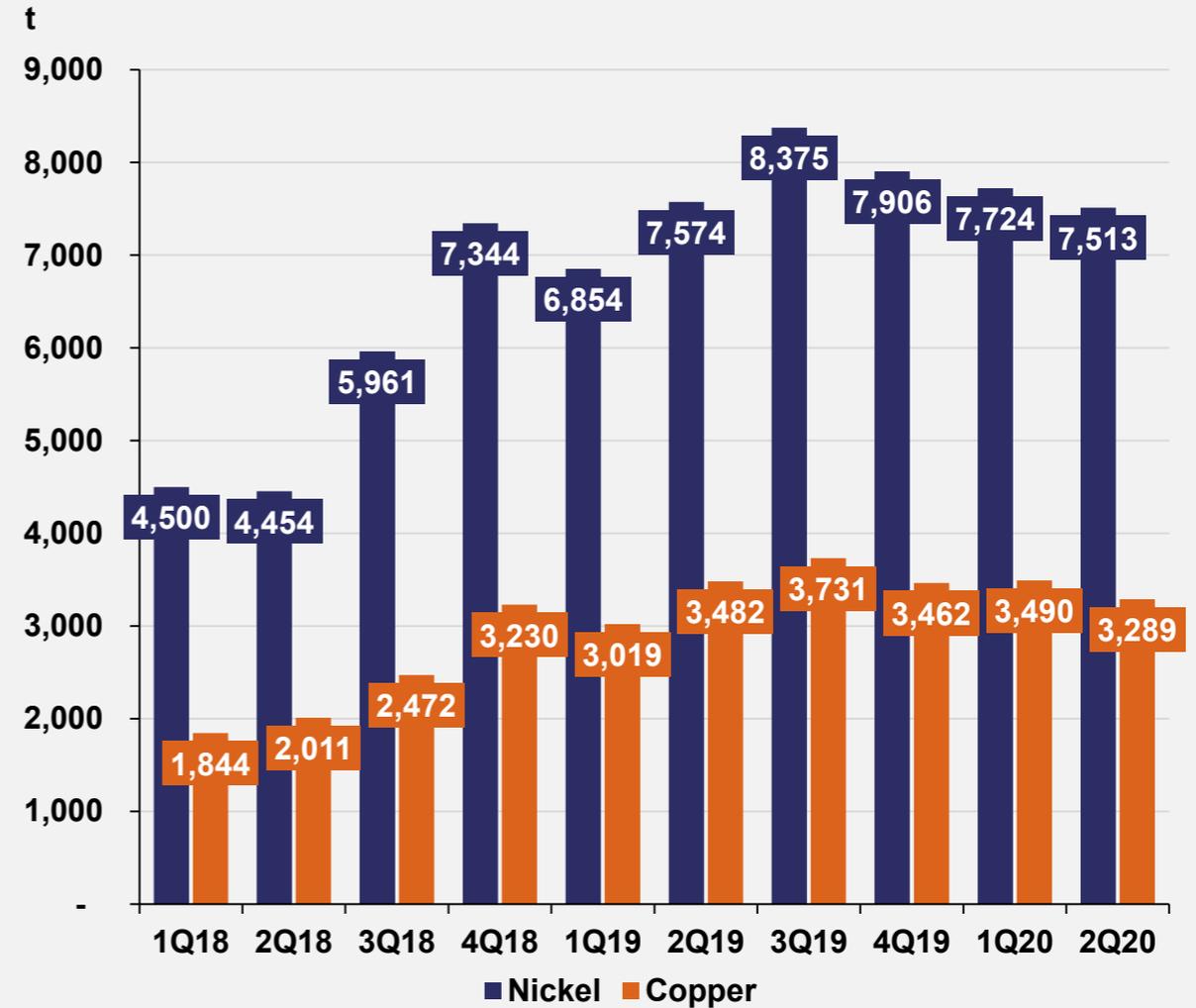
Processing plant fully ramped up and delivering



Ore Mined and Milled (kt)

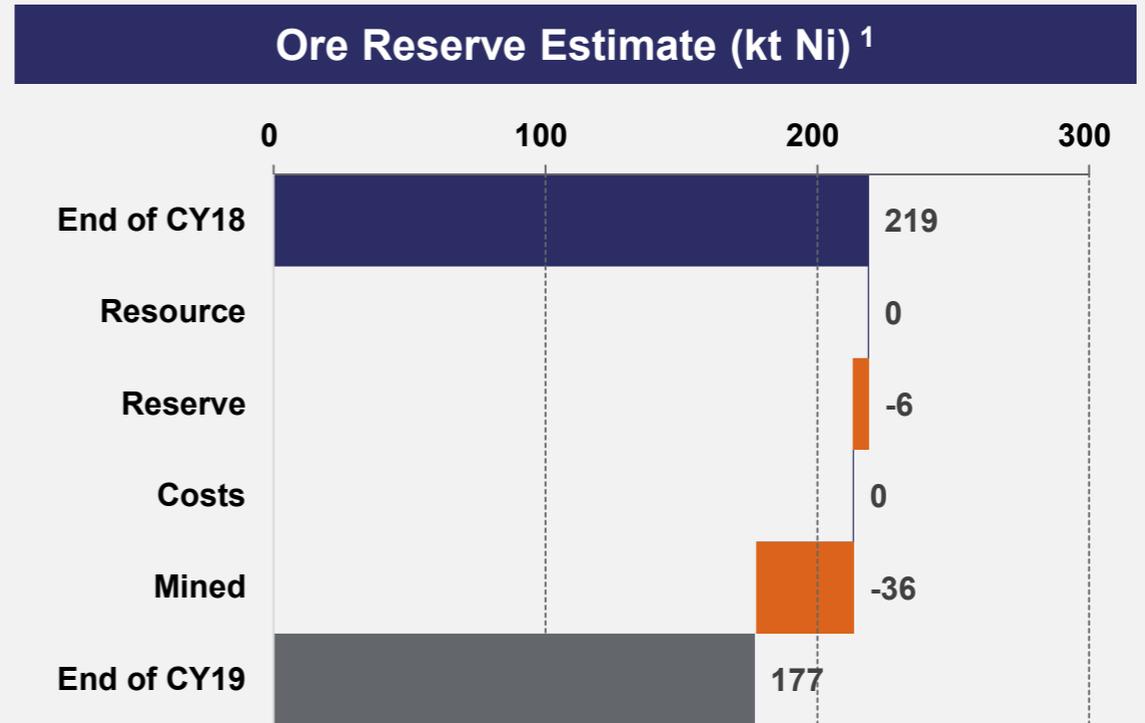
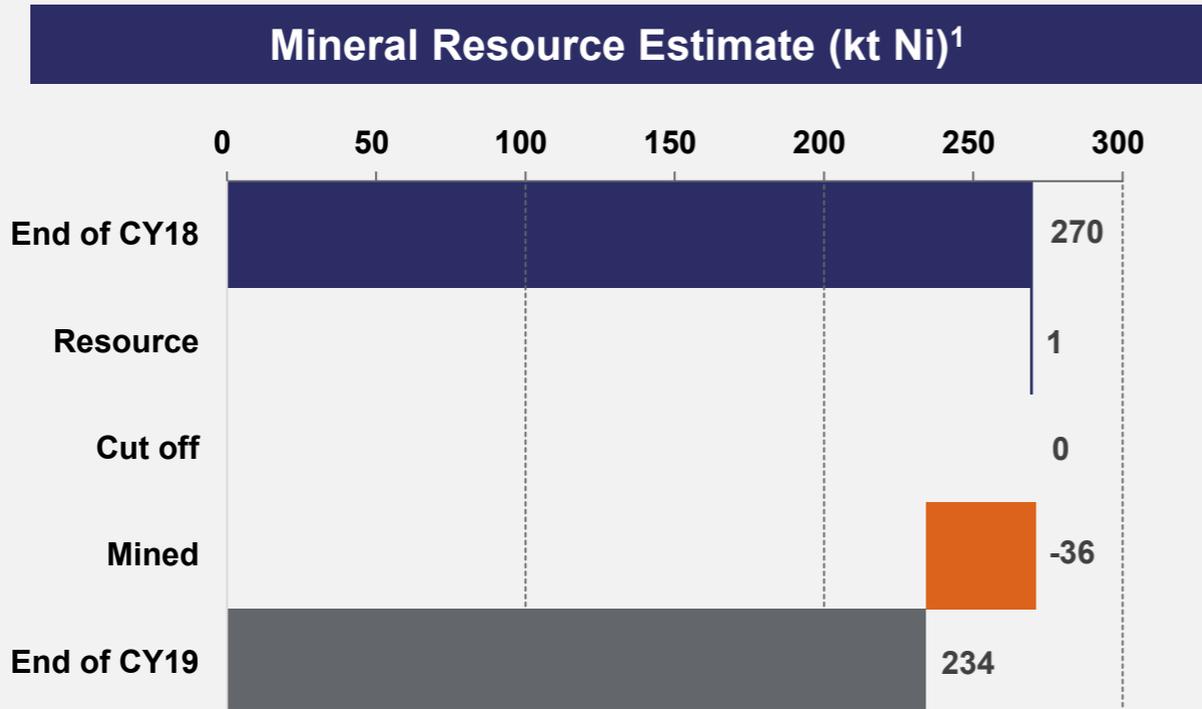


Metal Production (t)



Resource & Reserves

Significant nickel resource remains in situ



Nova – estimates for end of CY19	Mass (Mt)	Nickel		Copper		Cobalt	
		Grade (%)	Metal (kt)	Grade (%)	Metal (kt)	Grade (%)	Metal (kt)
Total Mineral Resource	11.6	2.01	234	0.80	94	0.07	8
Total Ore Reserve	9.5	1.85	177	0.78	74	0.07	6

1) Refer: Annual Update of Exploration Results, Mineral Resources and Ore Reserves released to ASX on 30 January 2020

Nova – 1H20 Financial Summary



Quarterly production exceeds top end of pro-rata guidance range for all metals

Metric	Units	1Q20	2Q20	1H20	Pro-rata Guidance ¹
Nickel in concentrate	t	7,724	7,513	15,236	13,500 - 15,000
Copper in concentrate	t	3,490	3,289	6,779	5,500 - 6,250
Cobalt in concentrate	t	282	279	561	425 - 475
Cash cost (payable)	A\$/lb Ni	2.59	2.42	2.51	2.00 - 2.50
Sustaining/ improvement Capex	A\$M	1.9	2.0	3.9	12 - 13
Development Capex	A\$M	0.8	0.4	1.2	3 - 4

- **Marginally lower metal production driven by 9% lower milled tonnes QoQ offset by 7% higher Ni grade, 3% higher Cu grade**
- **6.5% reduction in QoQ cash costs driven by lower production costs (A\$0.26/lb) and lower royalties (A\$0.08/lb), partially offset by lower nickel production (A\$0.09/lb) and marginally lower by-product production (A\$0.15/lb)**
- **Recoveries during 2Q20 consistent with 1Q20 (86.8% Ni, 86.7% Cu)**

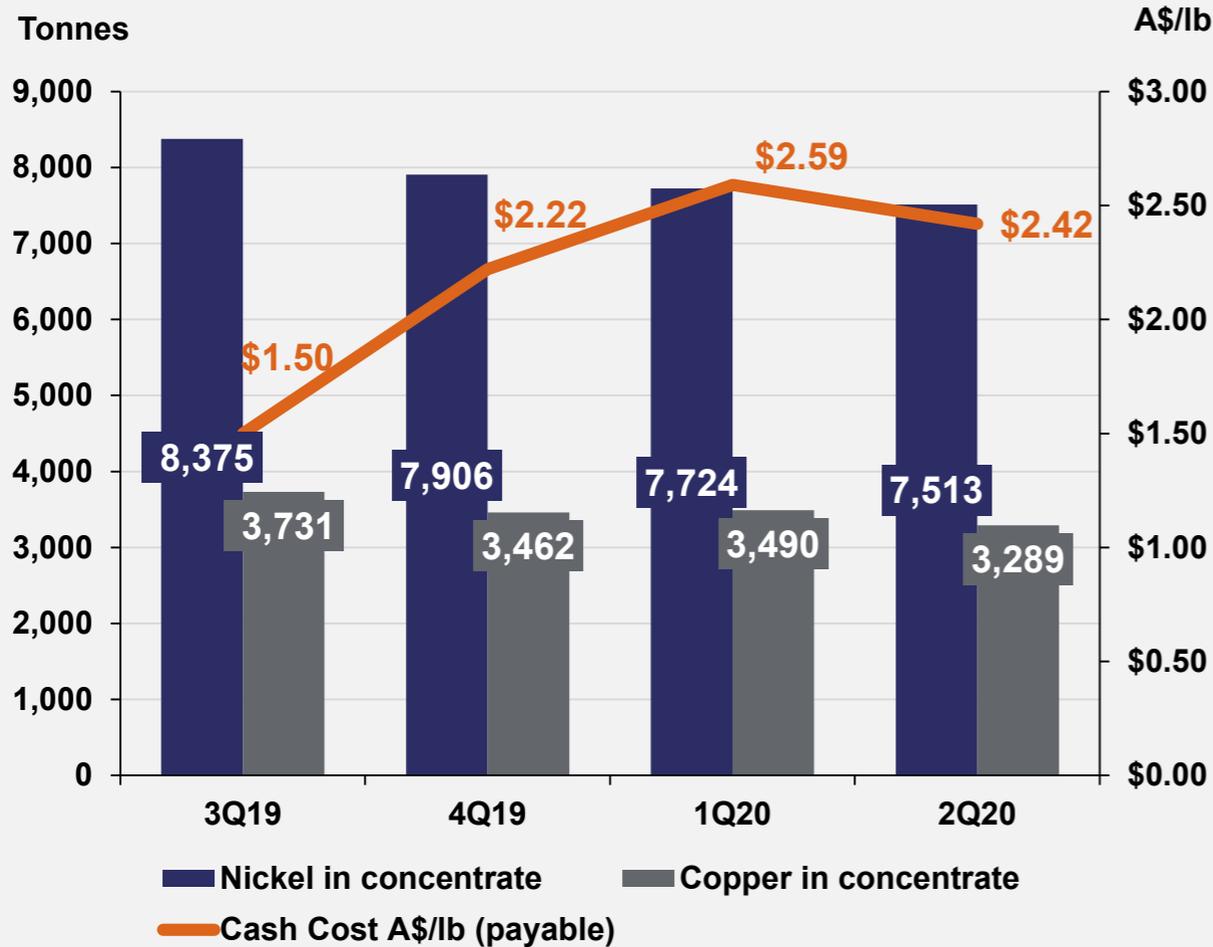
1) Pro-rata YTD guidance (FY20 guidance divided by two)

Nova – 1H20 Financial Summary

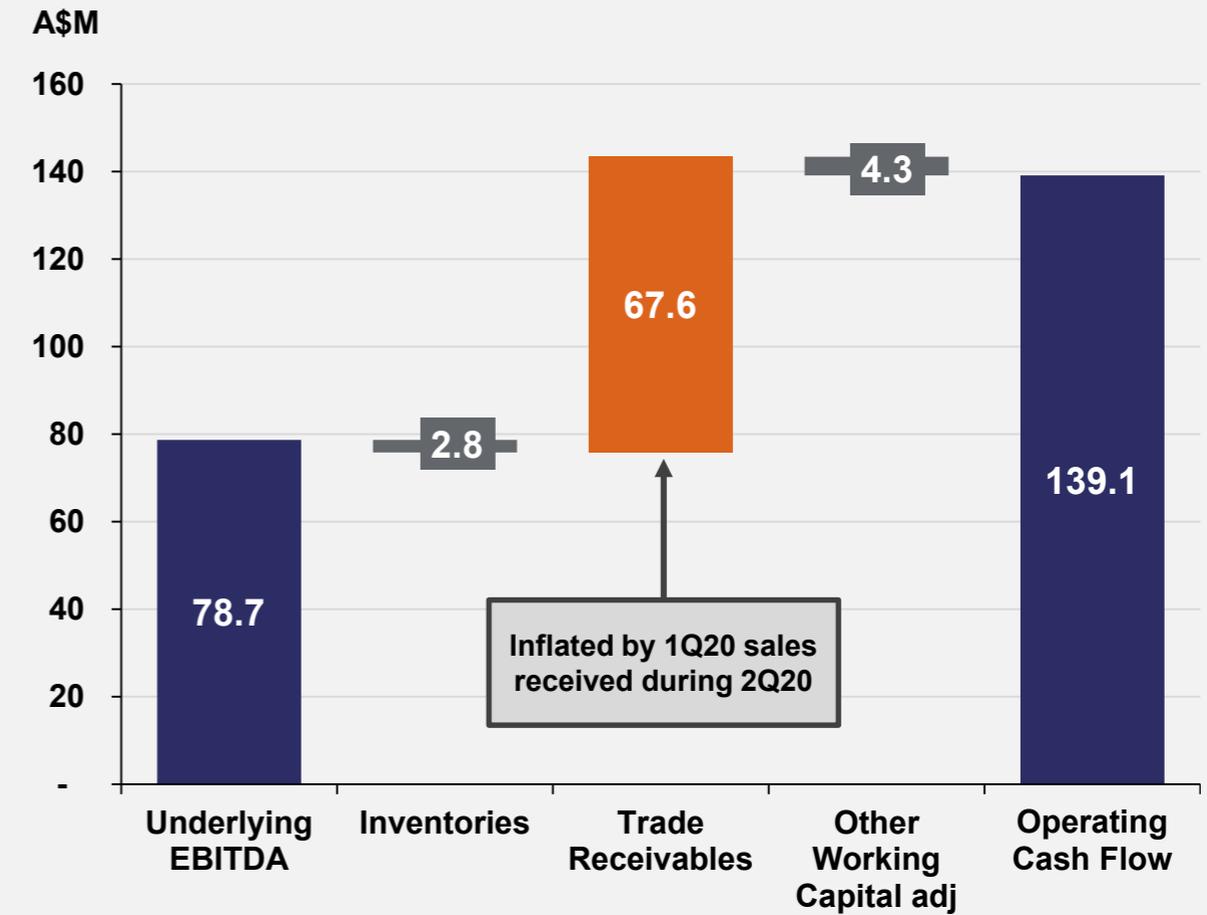
19% fall in nickel price QoQ impacted financial performance



Nova Production

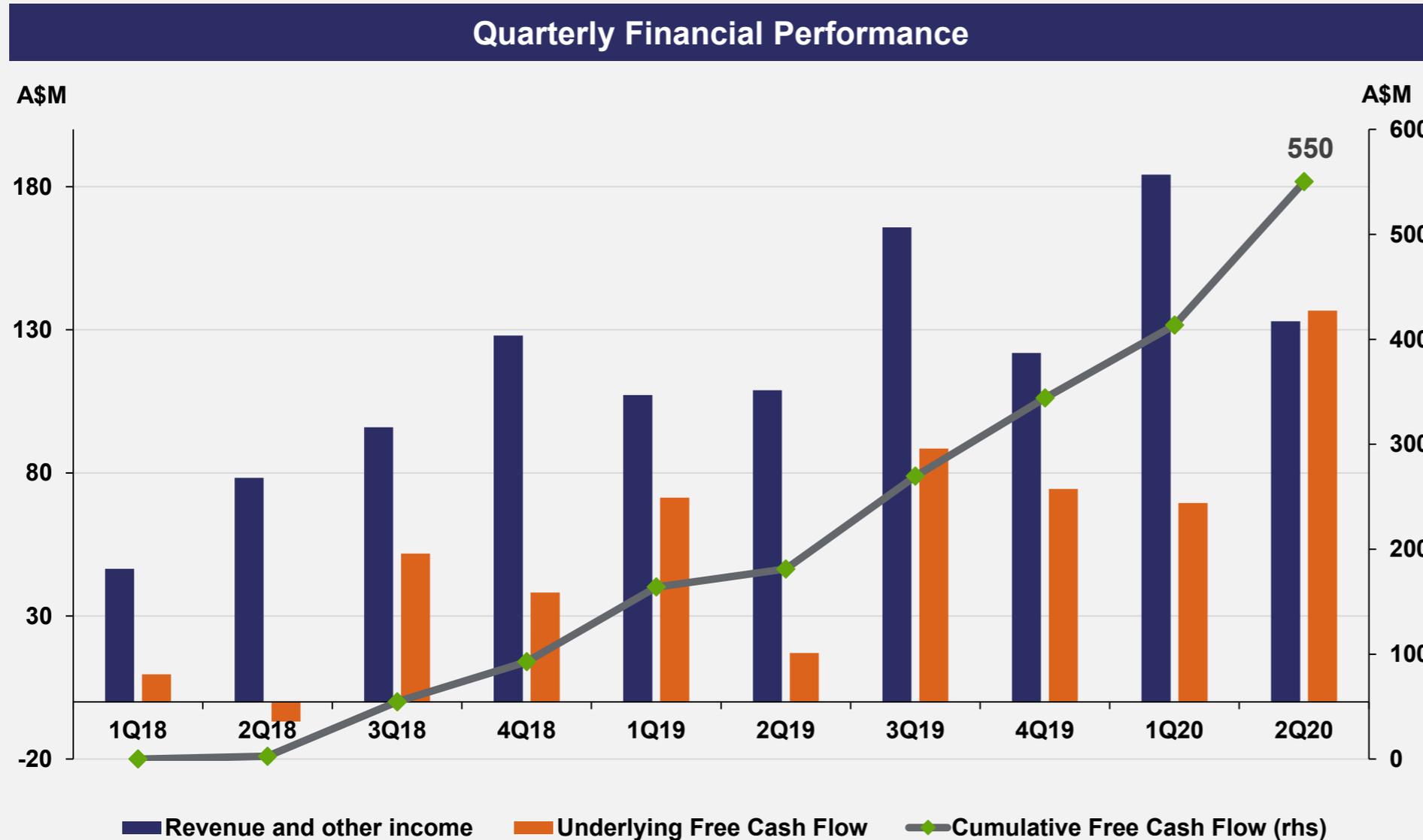


2Q20 Nova Cash Flow Reconciliation



Nova – Financial Performance

Strong cash build since commencement of commercial production



Cumulative Free Cash Flow
A\$550M

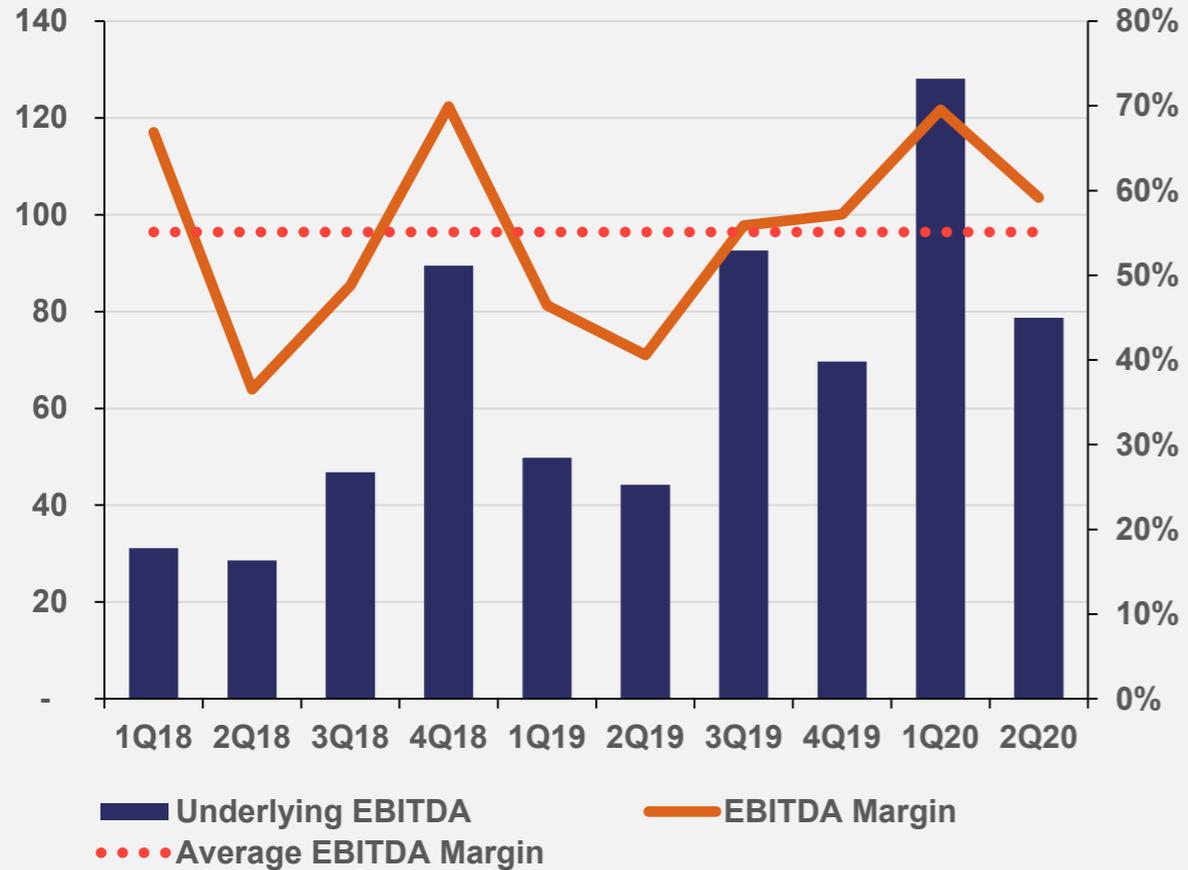
2Q20 benefited from
improved commodity prices

Nova – Financial Performance

Delivering strong margins

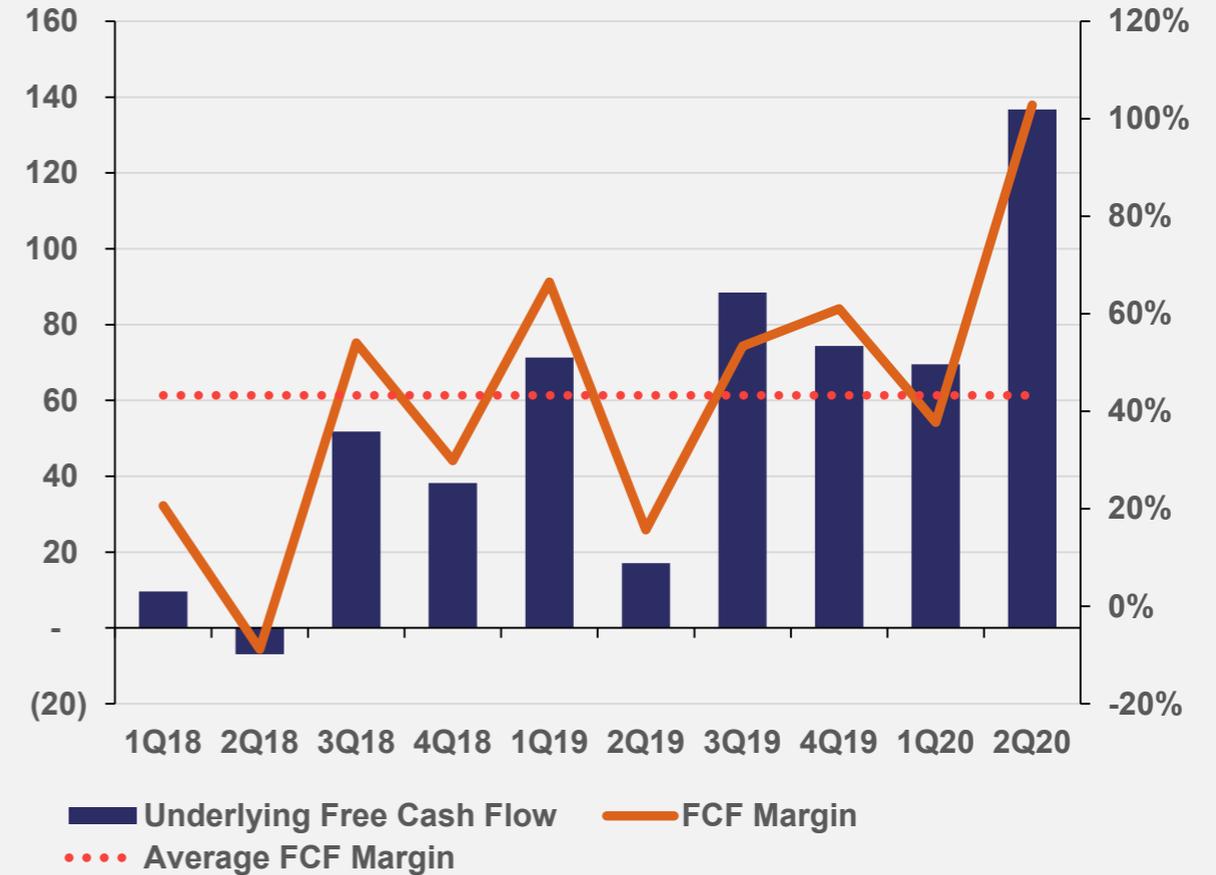


EBITDA



Average EBITDA Margin
55%

Free Cash Flow



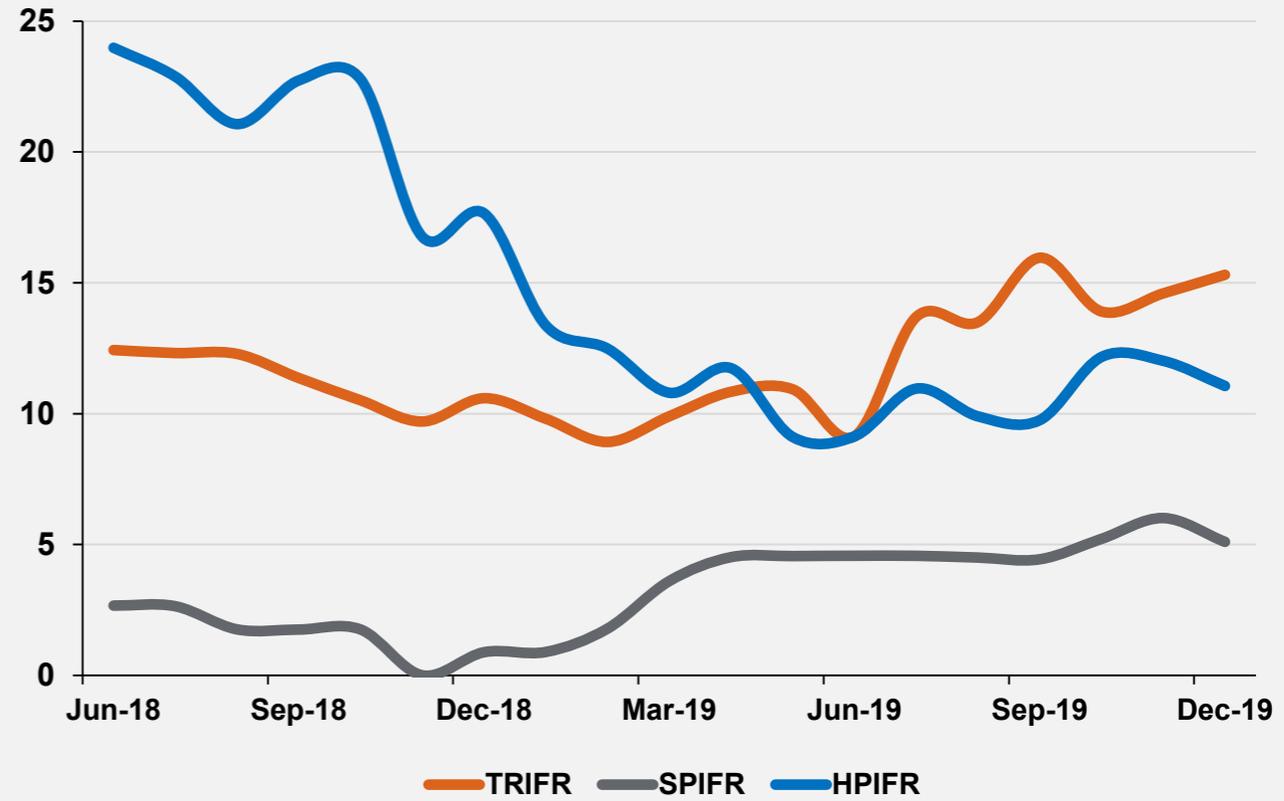
Average FCF Margin
43%

Safety

Renewed focus following a period of poor performance



Key Lag Safety Metrics



- 1) IGO reports safety metrics in accordance with Australian Standard AS 1885.1:1990 which incorporates fatalities in the calculation of LTIFR. For clarity, it is noted that fatality is captured in the calculation of the LTIFR.
- 2) 12 month moving average LTIFR – Lost Time Injury Frequency Rate: calculated as the number of Lost Time injuries x 1,000,000 divided by the total number of hours worked.
- 3) 12 month moving average MTIFR – Medically Treated Injury Frequency Rate: calculated as the number of medically treated injuries x 1,000,000 divided by the total number of hours worked..

Safety

Detailed safety improvement program in place



We create a safe work environment that has a positive impact on our people's wellbeing

1

Having fit for purpose management system

2

A safe, efficient and productive workplace

3

Having a culture that is the product of behaviours that consistently demonstrate our desire to create a safe work environment



Nova Being Better

Nova – Being Better

Operational Excellence



Objectives

- 1

Productivity
- 2

Efficiencies
- 3

Cost Reductions

Enablers

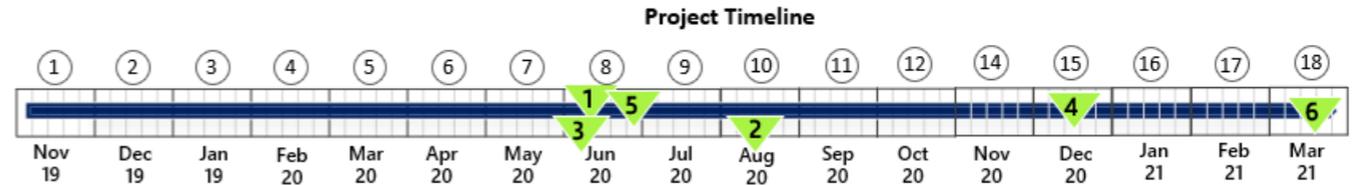
- 1

Culture
- 2

Technology
- 3

Systems & Processes

Our Continuous Program of Improvement



Project Deliverables	Comments	Due	Status
1 Safety Improvement Plan	All element in progress	Jun-20	On Track
2 People and Cultural Plan	Plan on track	Aug-20	On Track
3 Maintenance Improvement Plan	1. Maint. Improvement Plan in progress 2. Maintenance MOS	Jun-20 Nov-21	On track
4 Processing Improvement Plan	All elements in progress	Dec-20	On Track
5 Mining Improvement Plan	1. LOM Plan 2. Technology Roadmap	Jan-20 Jun-20	On Track
6 Operational Excellence – Business Enabling Project	Standard BI Methodology agreed early Jan-20 Nova Process Mapping Project to start in Jan-20	Jan-20 Mar-21	On Track

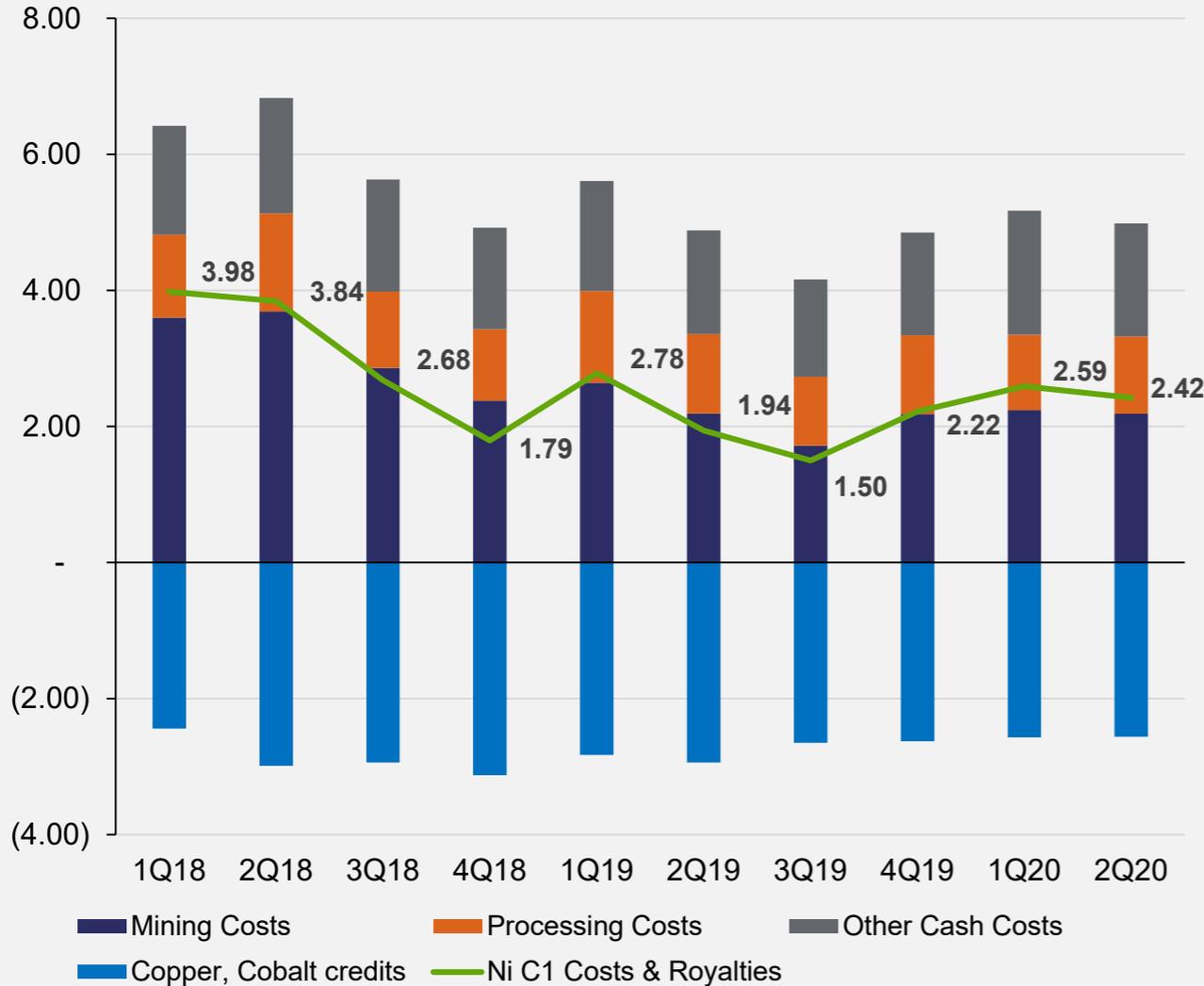
Key:
 Project No.
 Project Completion

Nova – Being Better

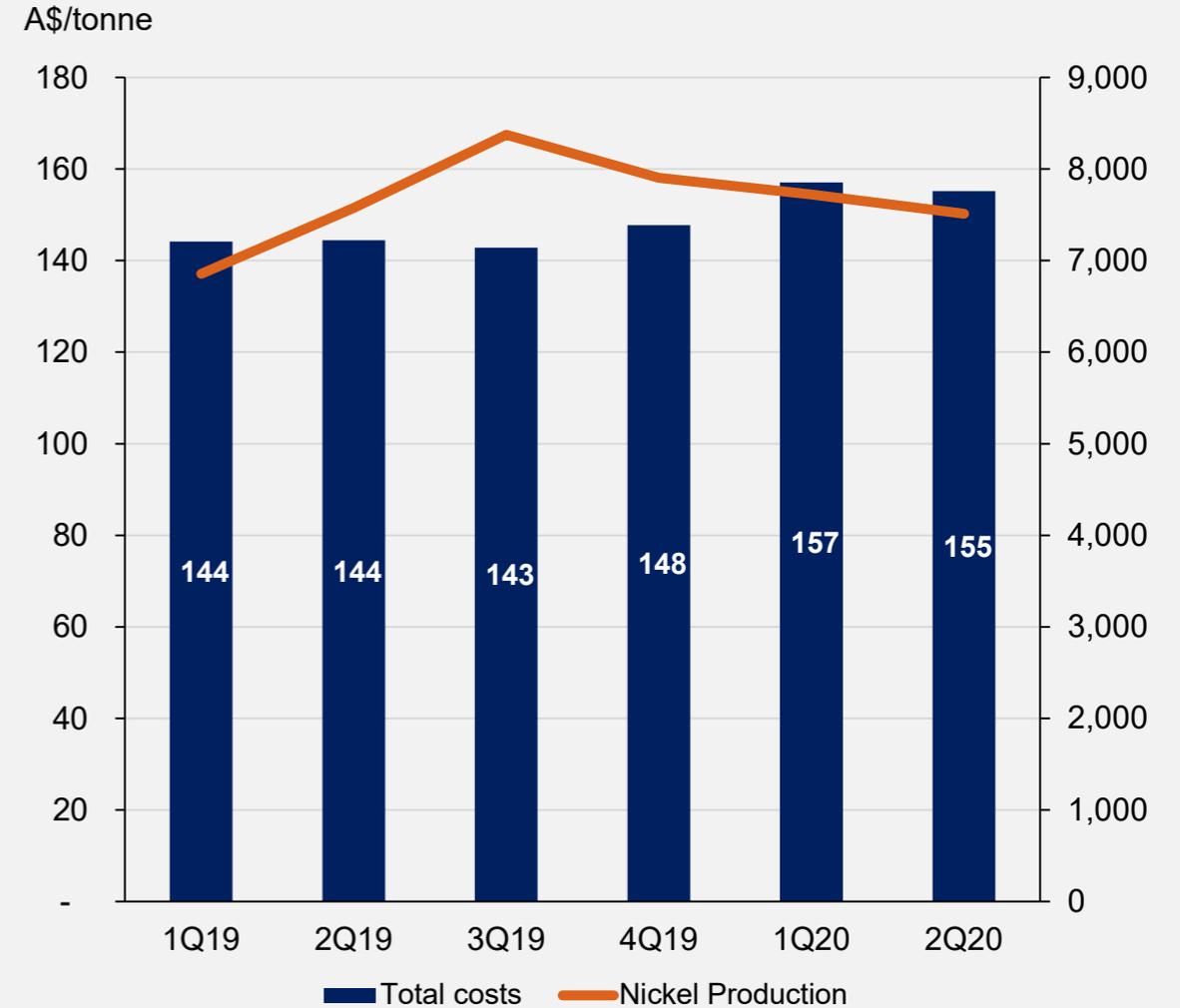
Strong cost performance



Quarterly Cash Cost Performance (A\$/lb Ni)

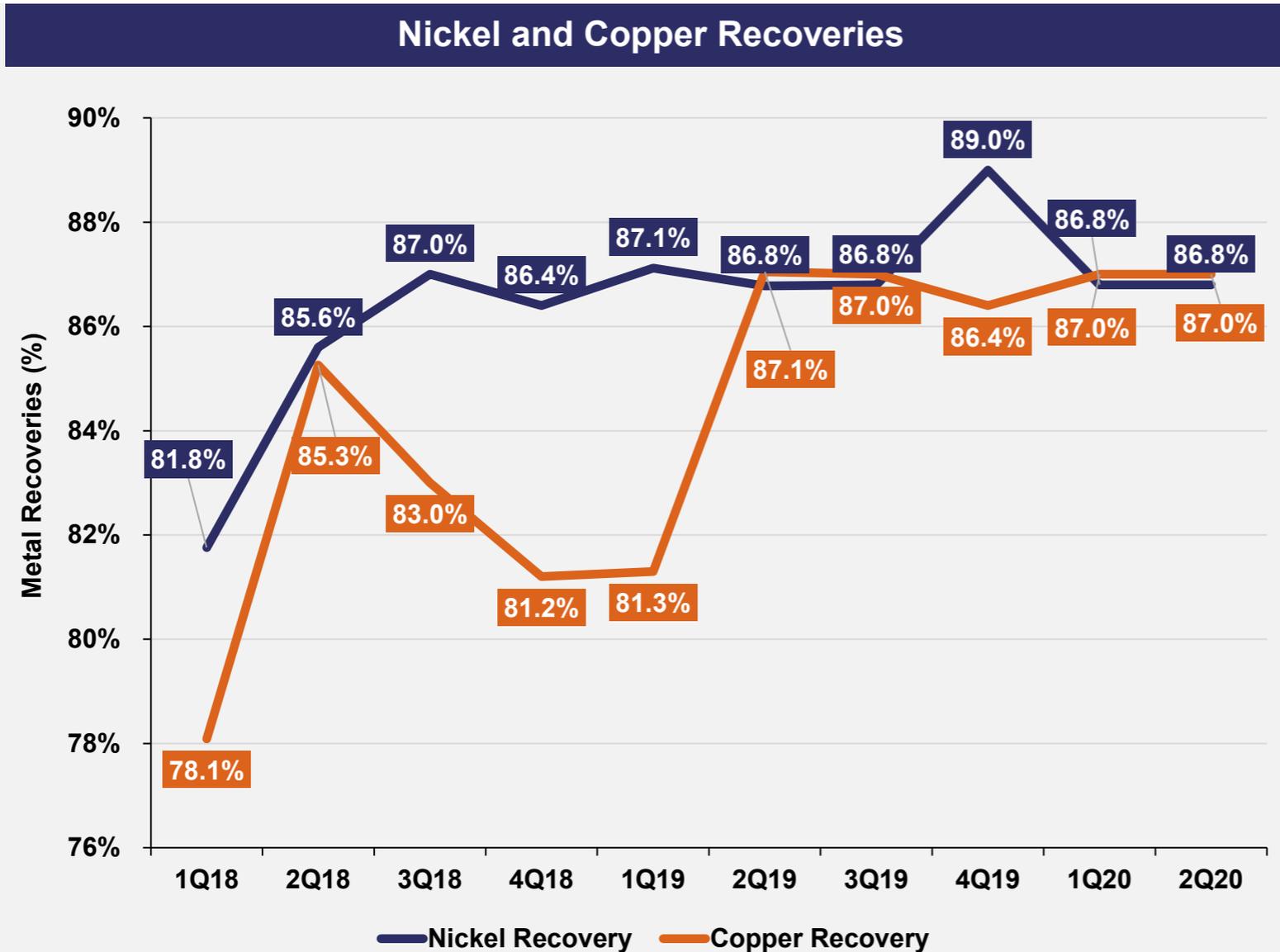


Unit Costs (A\$/tonne)



Nova – Processing

Recoveries stabilising



Stabilised recoveries with numerous improvements

Major improvement program in place focused on:

- Process control philosophy
- Regrind availability
- Reagent additions
- ROM management
- Oxidised Ore
- Alternative equipment

Nova – Financial Performance

Future Capital Expenditure



FY20

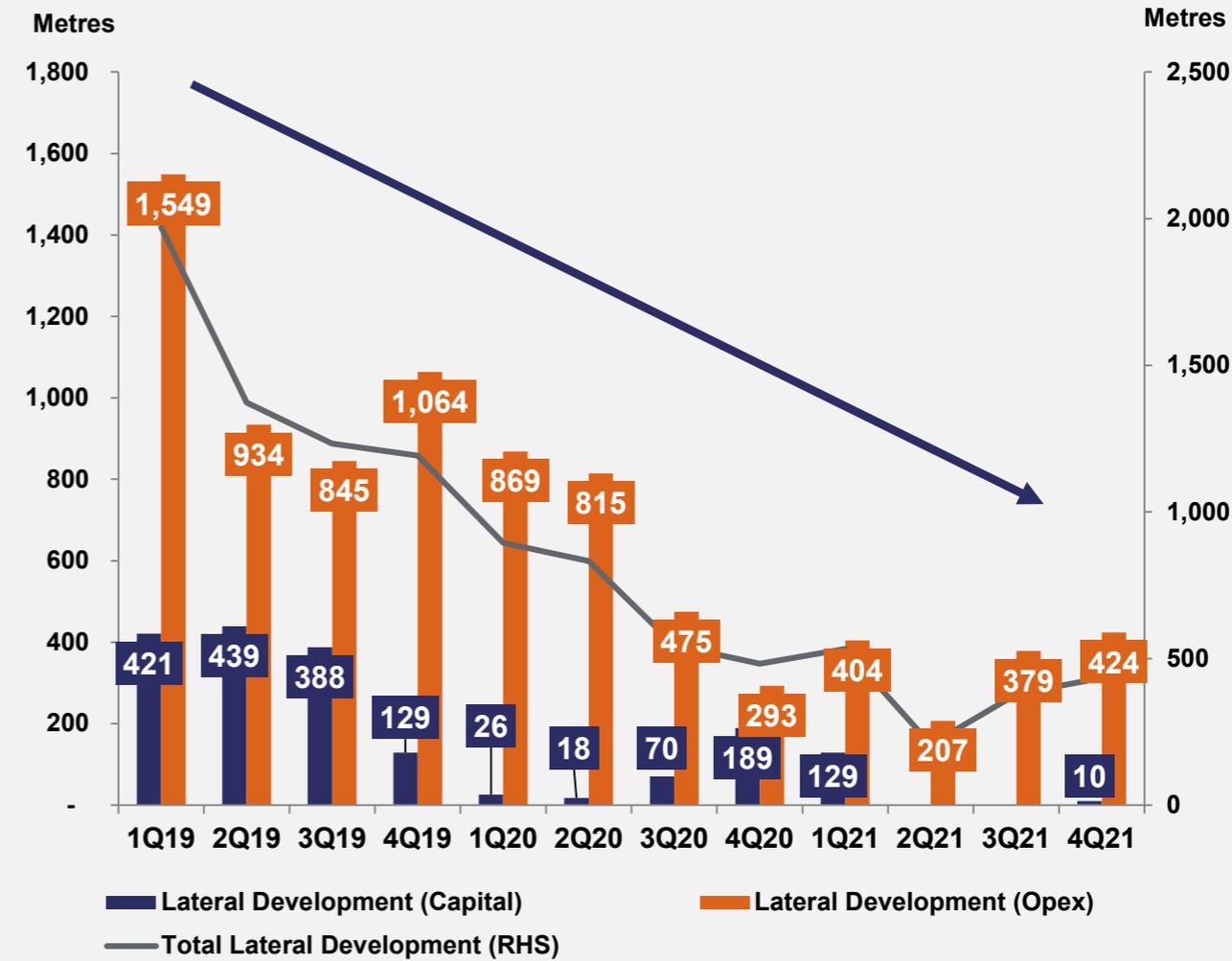
Metric	Unit	1H20	FY20 Guidance
Sustaining/ improvement Capex	A\$M	5.8	24 – 26
Development Capex	A\$M	1.2	6 – 8

 Capital expenditure is now expected to be A\$8M to A\$10M lower than originally guided as a number of work programs, including the reverse osmosis plant upgrade and paste plant upgrade, have been deferred to FY21.

Major Capital Projects

Project	Unit	Spend
Mine Access Road Upgrade	A\$M	1.9
Administration Office Expansion	A\$M	1.5
Mine Control System	A\$M	1.2
Paste Plant Upgrades	A\$M	0.9
Waste Water Treatment Plant Upgrade	A\$M	0.8

Outlook – Capital Development Mostly Complete



Nova – Management of Capital

Assessed on a project by project basis



Secondary Ventilation Telemetry

- Remote activation of secondary ventilation fans
- ~6-10% power reduction
- Reduction of Nova greenhouse gas emissions of ~5%
- Unbudgeted capital ~\$150k
- Project evaluation:
 - Payback: <1yr,
 - NPV: ~\$8-9M



Next Steps: On demand ventilation linked to real-time tracking of equipment and people

Water – Reverse Osmosis Plant

- Deferred capital of \$8M from FY20 for the construction of the water treatment plant
- Selection, design and capital cost highly dependent on water quality input
- Preferred solution to identify higher quality water source prior to commitment of capital with continuation of current plant hire

Offtake Agreements

Competitive concentrate tender process undertaken in parallel to downstream study



Strong global counterparty interest for Nova concentrate offtake

Materially improved commercial terms negotiated for nickel offtake

Domestic Downstream Nickel Sulphate Study ceased

Summary of New Offtake Terms

BHP Billiton Nickel West Pty Ltd



Trafigura Pte Ltd



50% of nickel concentrate

50% of nickel concentrate
100% of copper concentrate

5 year term¹

3 year term¹

Commenced 1 January 2020²

Commenced 1 January 2020

1) Subject to agreed notification periods and conditions.

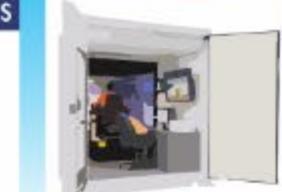
2) 50% of concentrate sales between 1 January 2020 and 30 June 2020 to be delivered under previous offtake contract terms

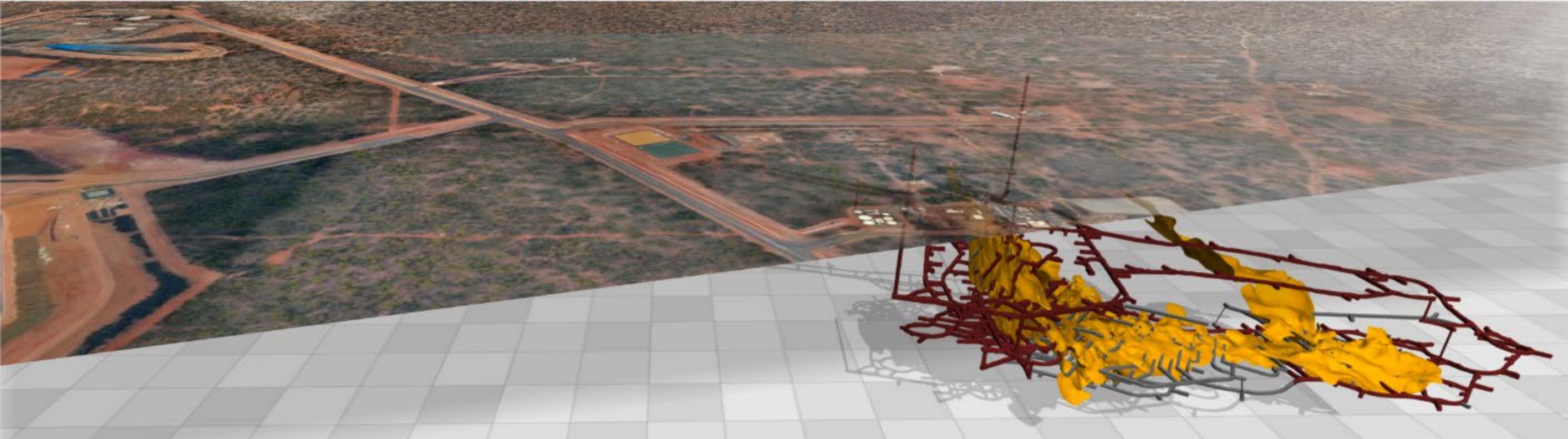


Nova

Our Systems and Technologies

CARE **STEP-CHANGE** **OPERATIONAL EXCELLENCE** **PEOPLE & CULTURE**

- Renewable Energy** 
- Underground EVs** 
- Personnel Tracking** 
- Surface Blasting Blaster 3000** 
- Machine Learning** 
- Milling Advanced Process Control** 
- Data Capture, Process and Analytics** 
- Simulator** 
- Automation** 
- Drone Technology** 



SMART SOLUTIONS USED AT NOVA OPERATIONS



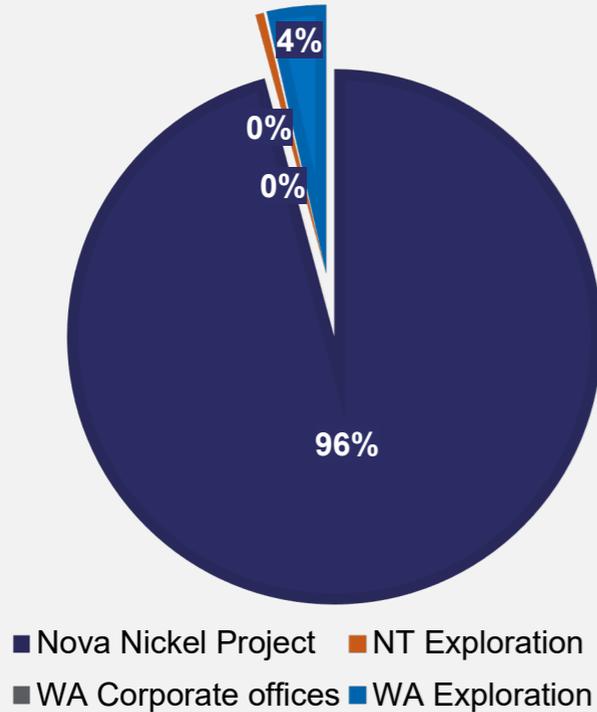
**Nova
Proactively Green**

Nova – Proactively Green

Greenhouse Gas Emissions

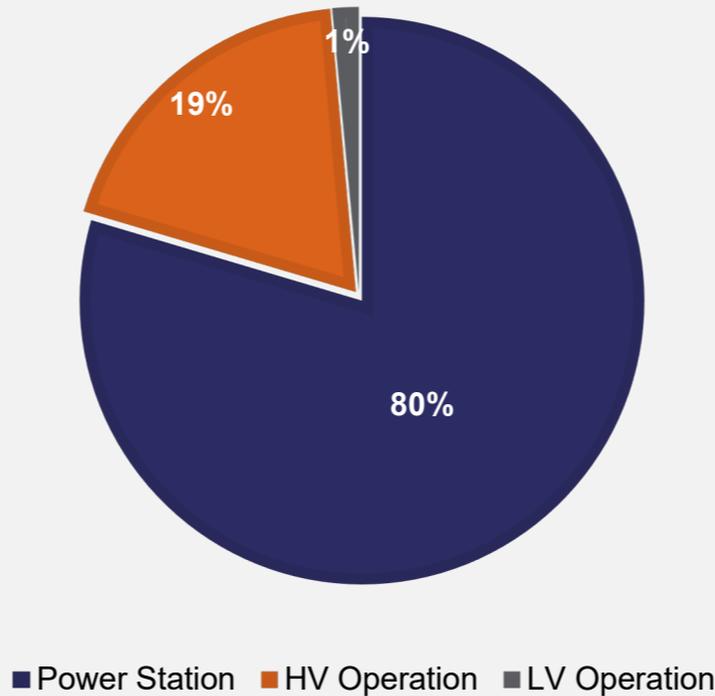


IGO Scope 1 & 2 GHG Emissions



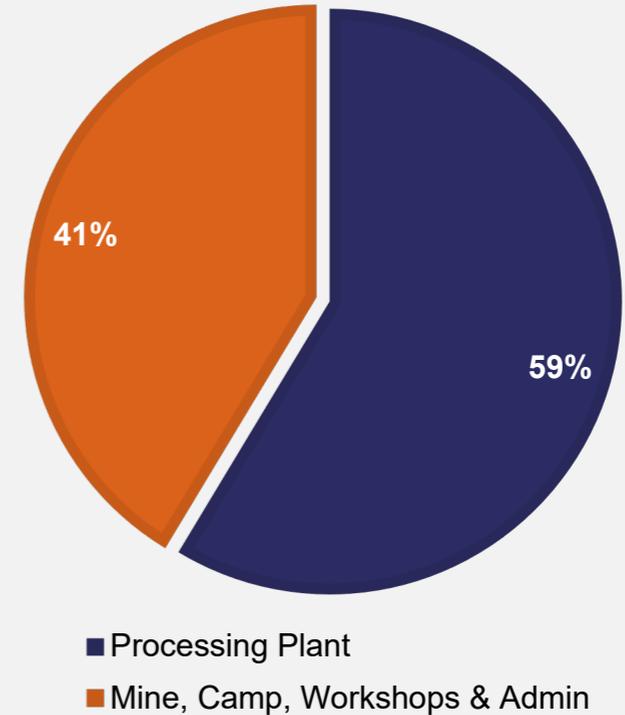
Nova is responsible for 96% of IGOs scope 1 & 2 GHG emissions

Nova Scope 1 & 2 GHG Emissions



The Nova power station is responsible for 80% of scope 1 & 2 GHG emissions at Nova (77% of IGOs emission)

Nova Power Plant GHG Emissions



Processing plant produces majority of emissions at Nova

Nova – Proactively Green

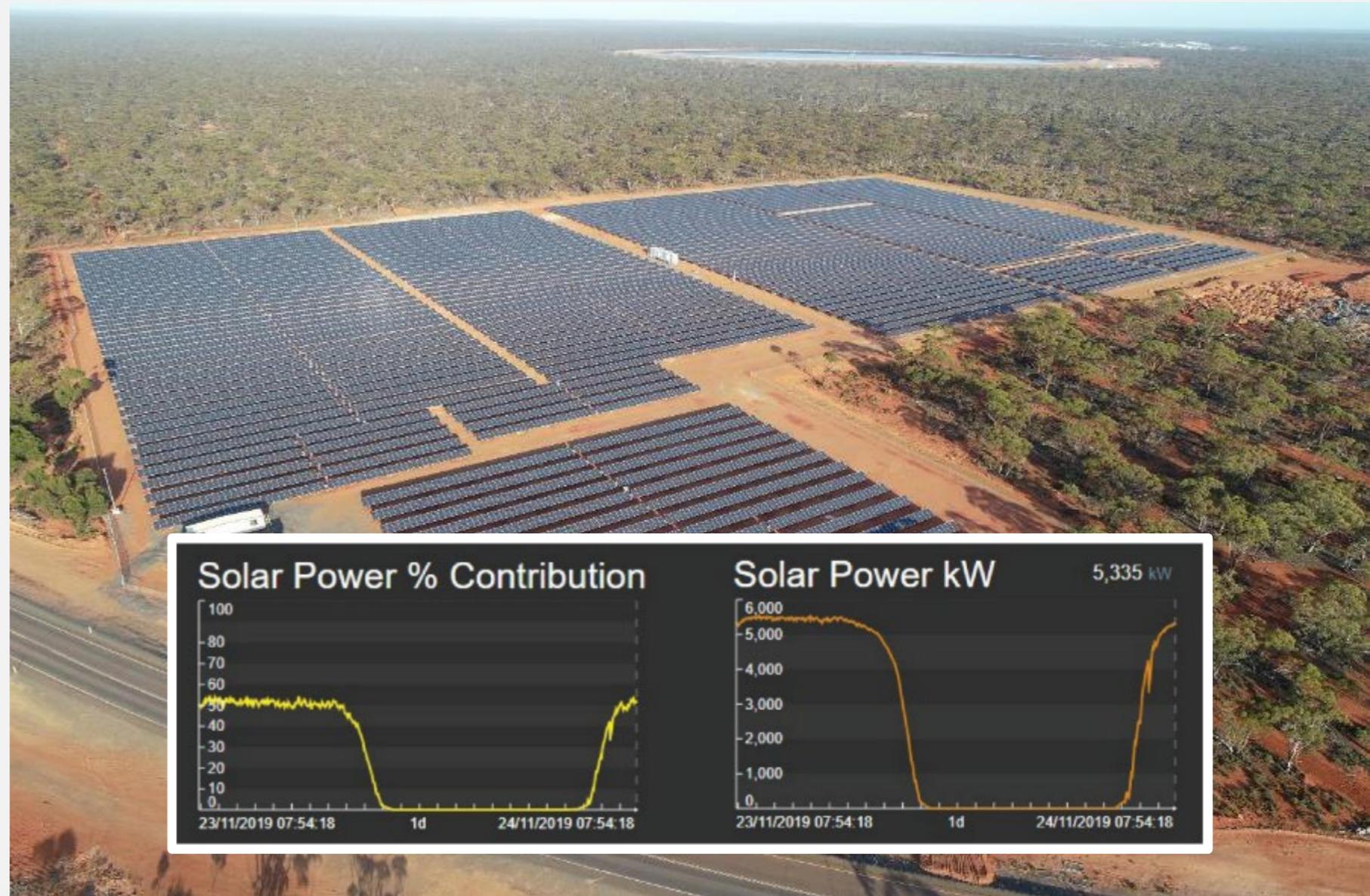
Solar Farm



Fully integrated with existing diesel power plant

Expected to reduce diesel usage by ~13-17%

Set to reduce emissions by ~6,500t CO₂/year



1) The Nova solar farm was developed in conjunction Zenith Energy Limited

Nova – Proactively Green

Continuing to assess opportunities to reduce GHG



Low-carbon LNG fuel conversion



Potential to reduce CO₂ emissions by a further
~20-25%

Project would deliver reductions to C1 costs



Nova

People & Culture

Our People, Our Culture

Culture is fundamental to our success



Talent

Leadership

Communication

Mapping our culture to understand how to influence and shape ourselves into the culture we want



13%

Improvement in Employee Engagement



11%

Improvement in pride working for IGO with a score of 80%



4% over past 12 months

Decrease in turnover; currently ~18%

15%

Female employment

12

Aboriginal employees with 4 traineeships

Community

Making a Difference



Supporting emergency services during recent bushfires in Shire of Dundas

Highly engaged with Ngadju people, the traditional owners

Ongoing support for local businesses and community organisations



DFES helicopter refueling at Nova Aerodrome – December 2019



Vertically Integrated

Vertically Integrated

Downstream Processing



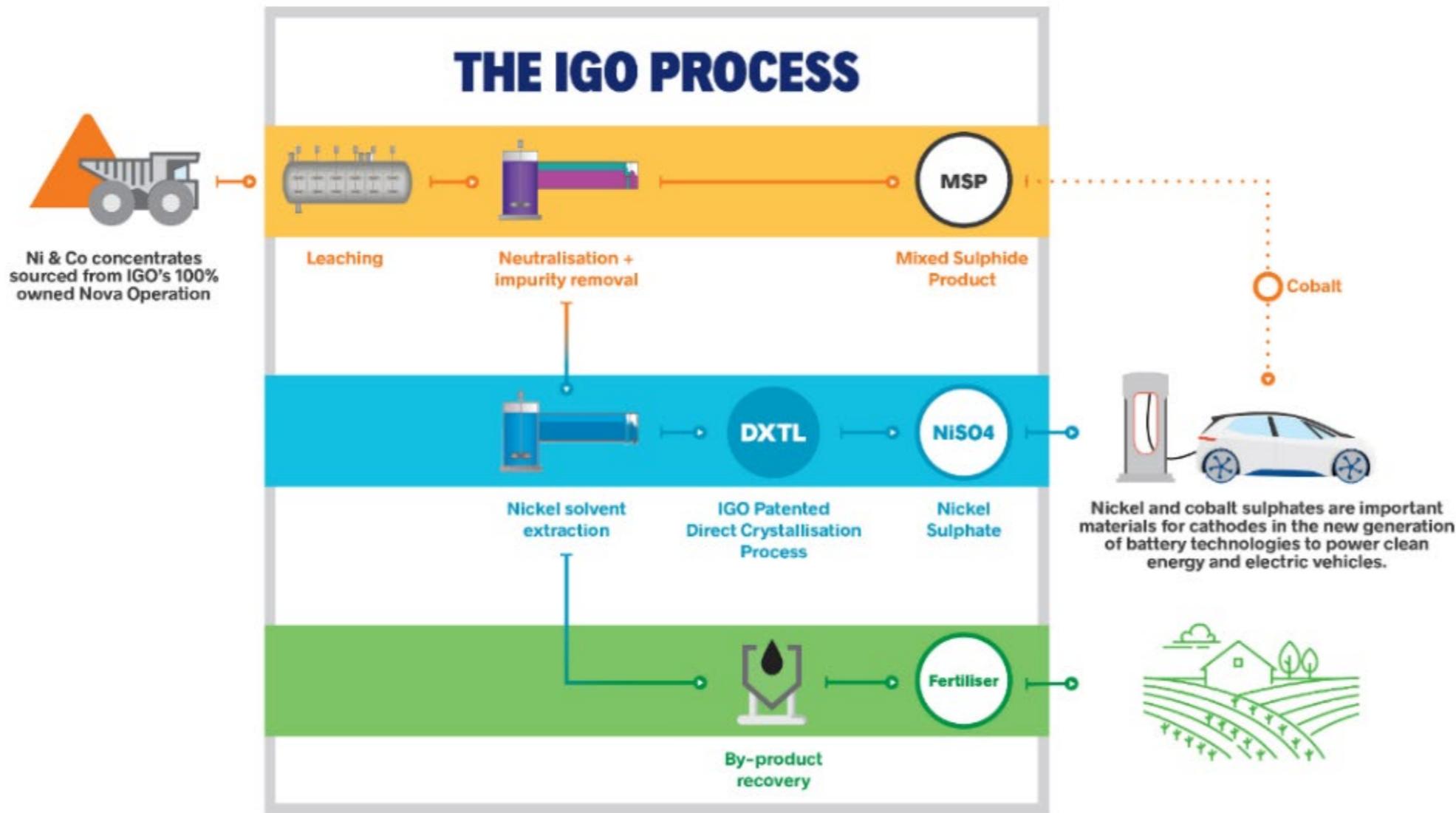
IGO Process™ technologically advanced and cost competitive process for converting nickel sulphide concentrate to nickel sulphate

Received global interest in the technology

Provided leverage during off-take negotiations

Vertically Integrated

Downstream Processing



High metal extraction

Lower cost ⁽¹⁾

Lower emissions ⁽¹⁾

Lower waste ⁽¹⁾

1) Compared to existing alternative processes to convert nickel concentrate to nickel sulphate

Study Outcomes

Strong financial outcomes based on 70% nickel payability



Key Assumptions		Outcomes	
Project type/location	Western Australia	Total Capital Cost (inclusive of all direct, indirect, owners costs + 10% contingency)	A\$530M
Concentrate feed source	Nova	Operating Costs	A\$1.50/pound (payable)
Term	10 years	Internal Rate of Return	18%
Average nickel payability	70%	Net Present Value	A\$236M
Nickel sulphate premium	US\$2,000/tonne	Payback Period	4.5 years



New payabilities agreed to in 2019 eroded value to an IRR of 11%

Next Steps

Assessing opportunities to collaborate with partners



Integration of the IGO Process™ and cathode material production

Potential to link mining company, cathode producer and battery company

Exploring global partnership with flexibility in current off-take arrangements



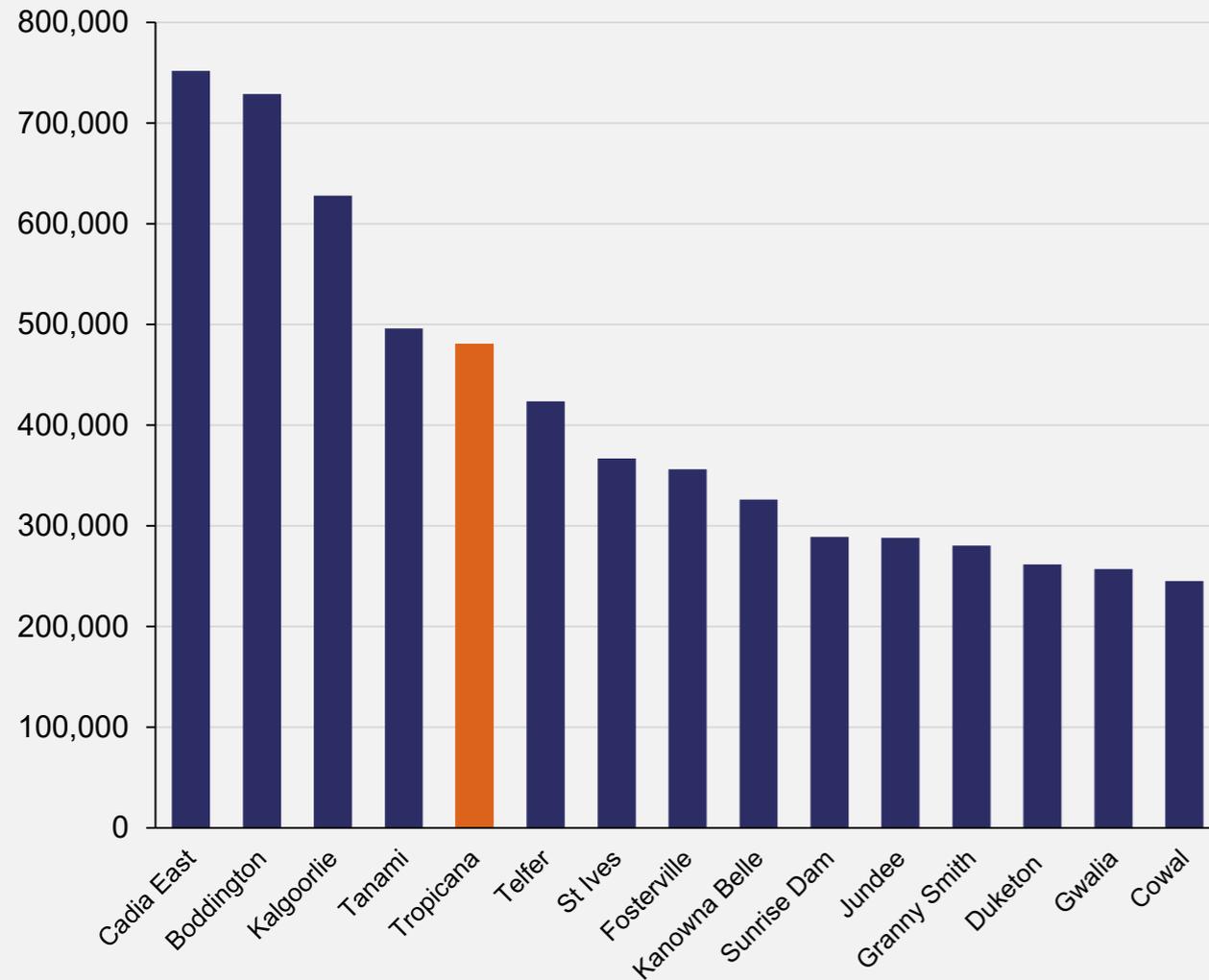
Tropicana

Tropicana

A significant Australian gold producer



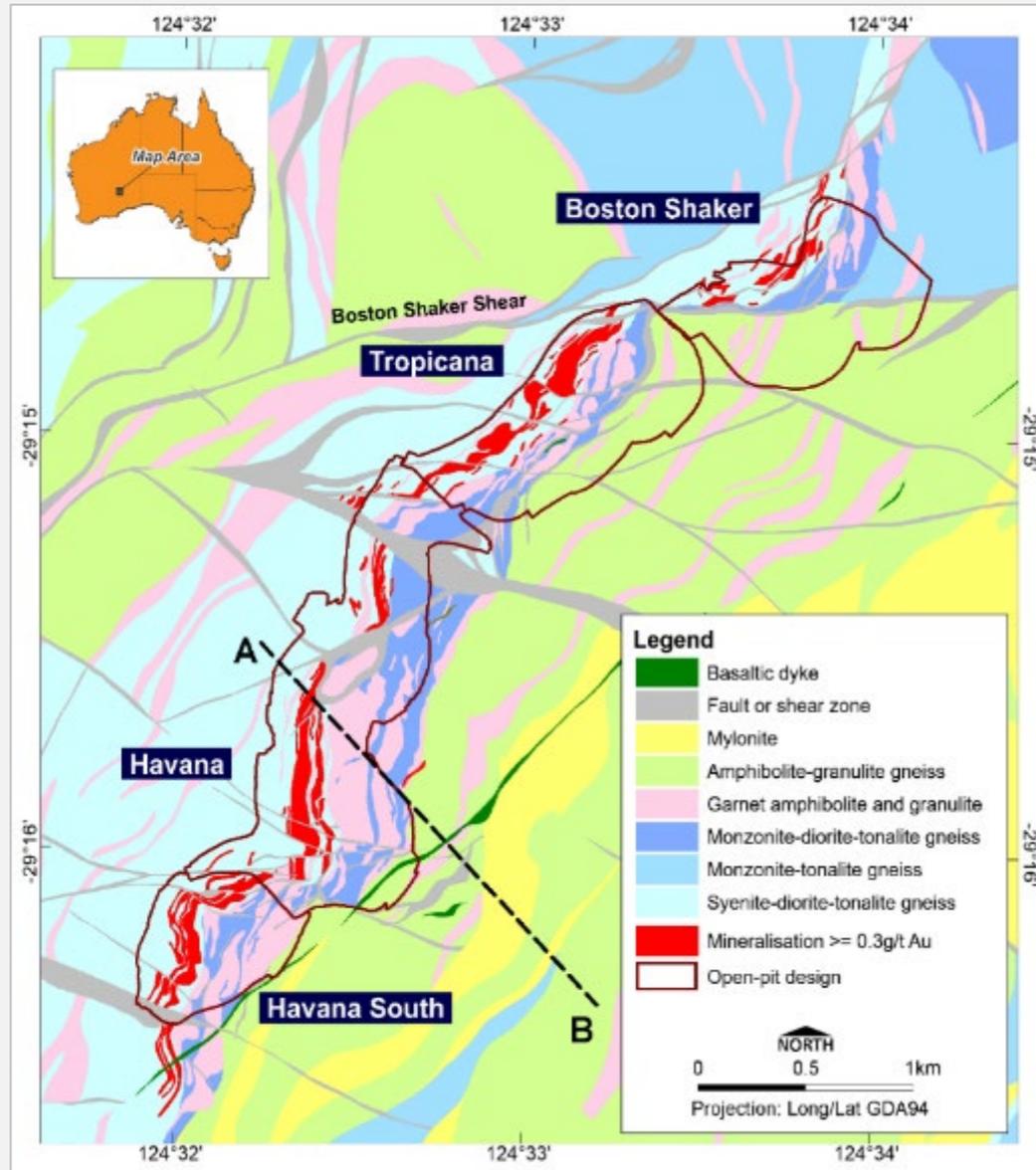
CY18 Gold Production – Australian Gold Producers



1) Source: S&P Market Intelligence

Tropicana

Geological setting



- 1) Modified from geological mapping or the GSWA
- 2) ESA satellite photograph taken 29 December 2019

Tropicana Highlights

1H20 gold production ahead of pro-rata guidance

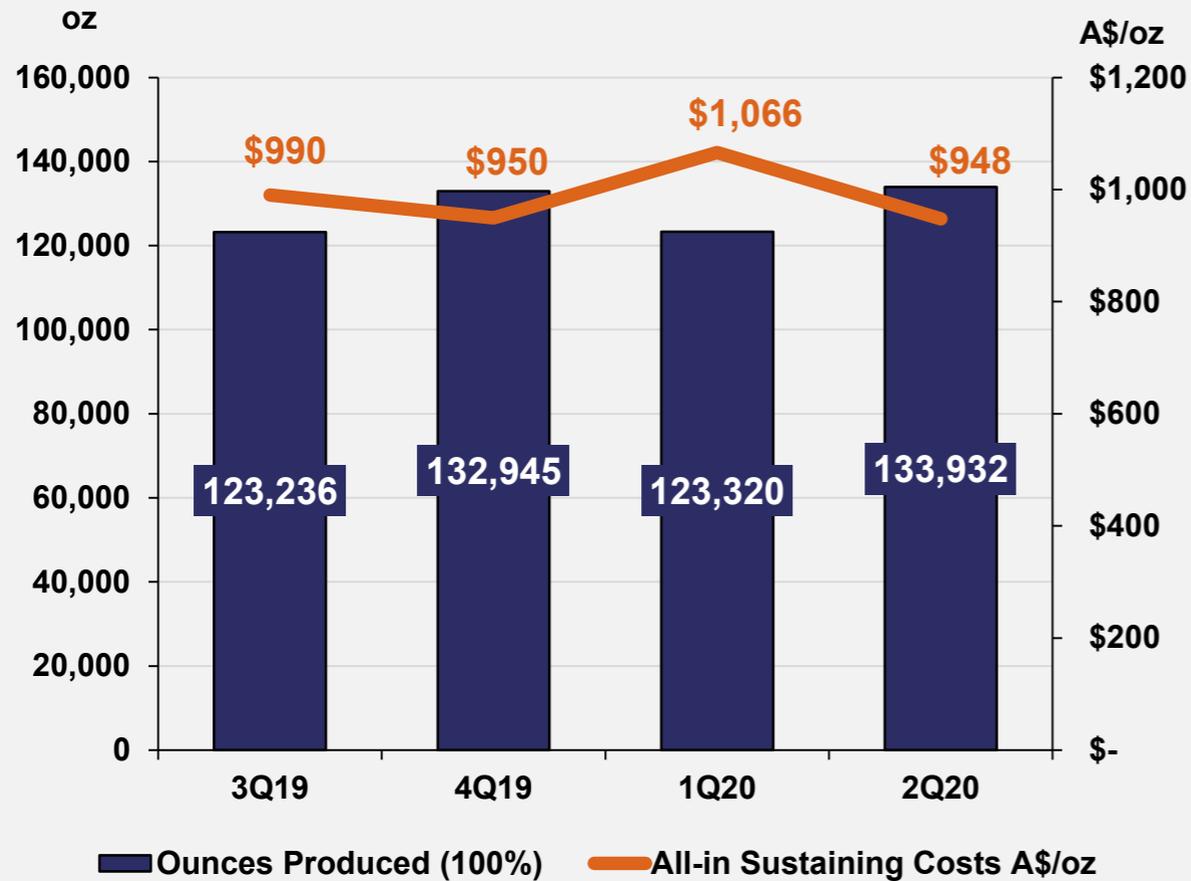


Metric	Units	1Q20	2Q20	1H20	Pro-rata Guidance ⁽¹⁾
Gold produced (100%)	koz	123.3	133.9	257.3	225,000 – 250,000
Gold Sold (IGO 30%)	koz	38.9	38.6	77.6	67,500 – 75,000
Cash cost	A\$/oz	741	698	719	700 – 780
AISC	A\$/oz	1,066	948	1,007	1,090 – 1,210
Sustaining/improvement	A\$M	3.4	4.0	7.4	6.5 – 7.5
Waste stripping	A\$M	7.3	5.6	12.9	21.0 – 23.5
Underground capex (30%)	A\$M	4.4	6.9	11.3	13 – 14.5

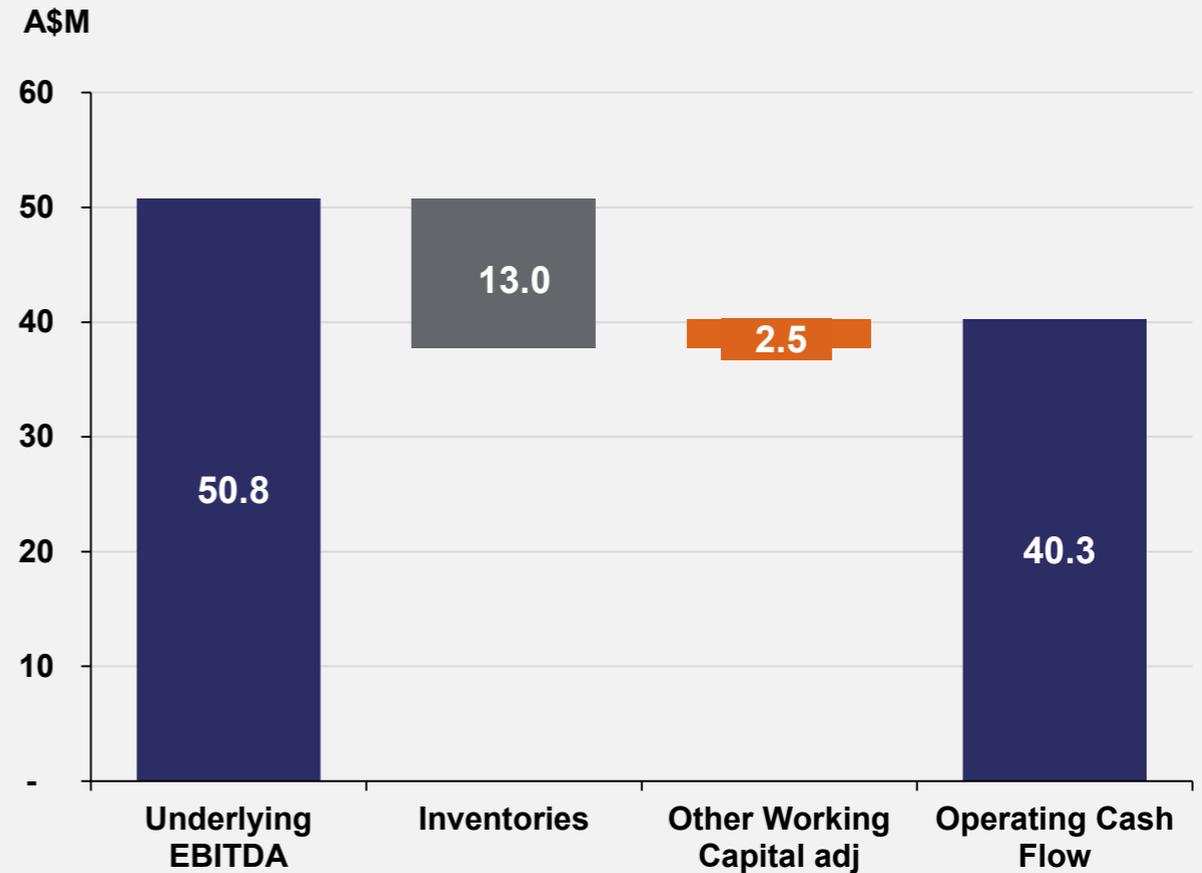
- **19% increase in ore mined QoQ with 4.4Mt of >0.6g/t ore at average grade of 1.56g/t Au.**
- **9% QoQ increase in gold production driven by higher milled grade of 2.12g/t (1Q20: 1.90g/t Au)**
- **Gold recoveries increased to 90.3% (1Q20: 89.4%)**

¹⁾ Pro-rata YTD guidance (FY20 guidance divided by four)

Tropicana Production (100%) and AISC

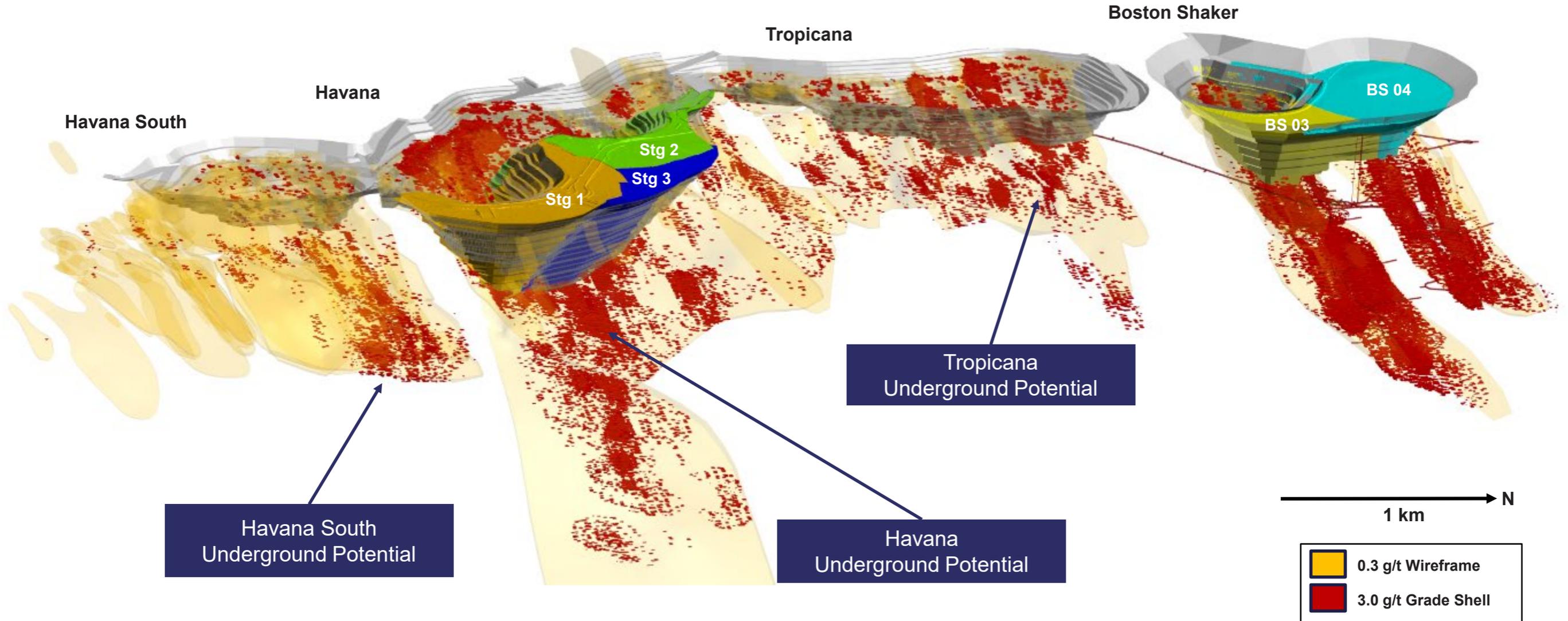


2Q20 Tropicana Cash Flow Reconciliation



Tropicana

Mine schematic

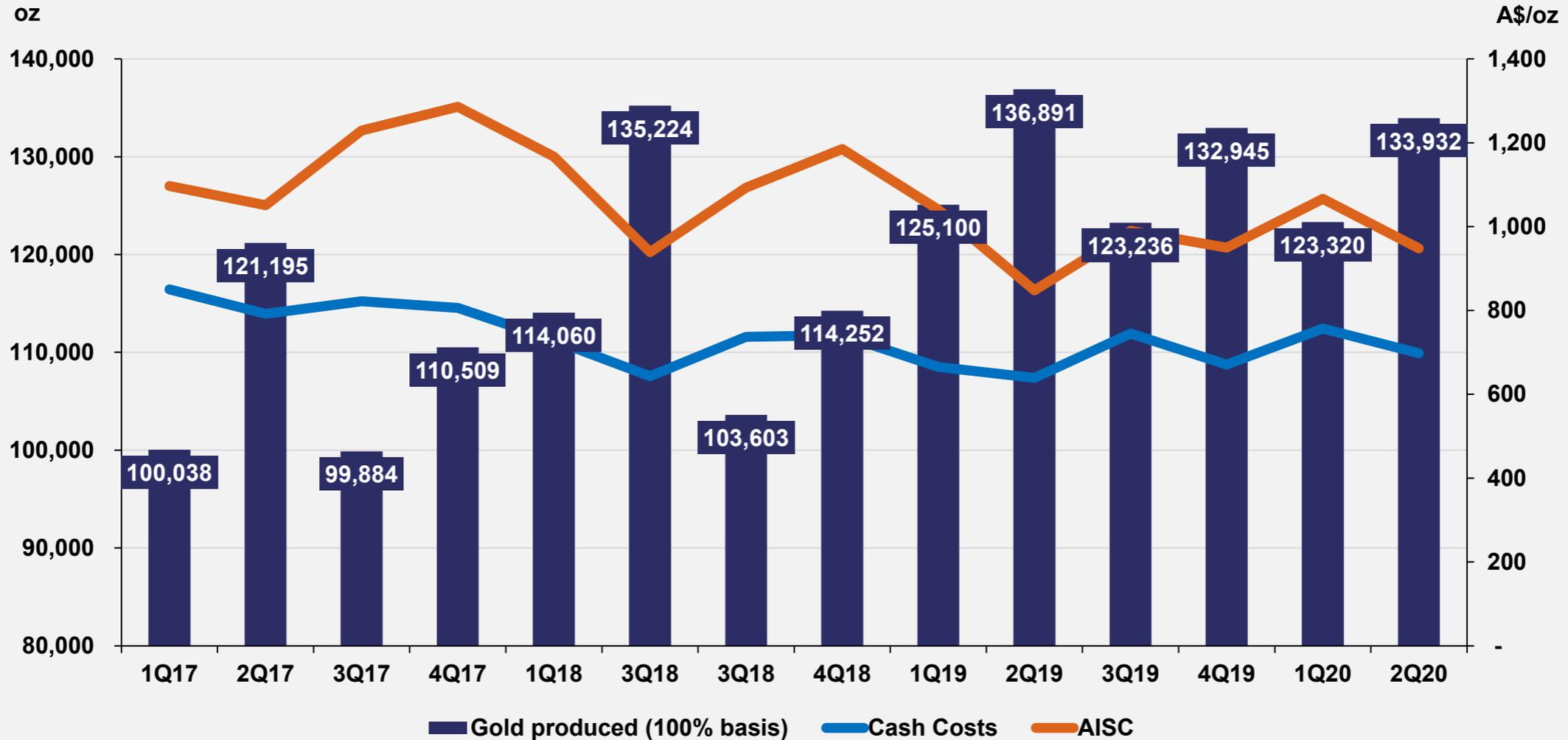


Production and Cost History

Consistently delivering high margin gold production



Tropicana Production and Cost Performance

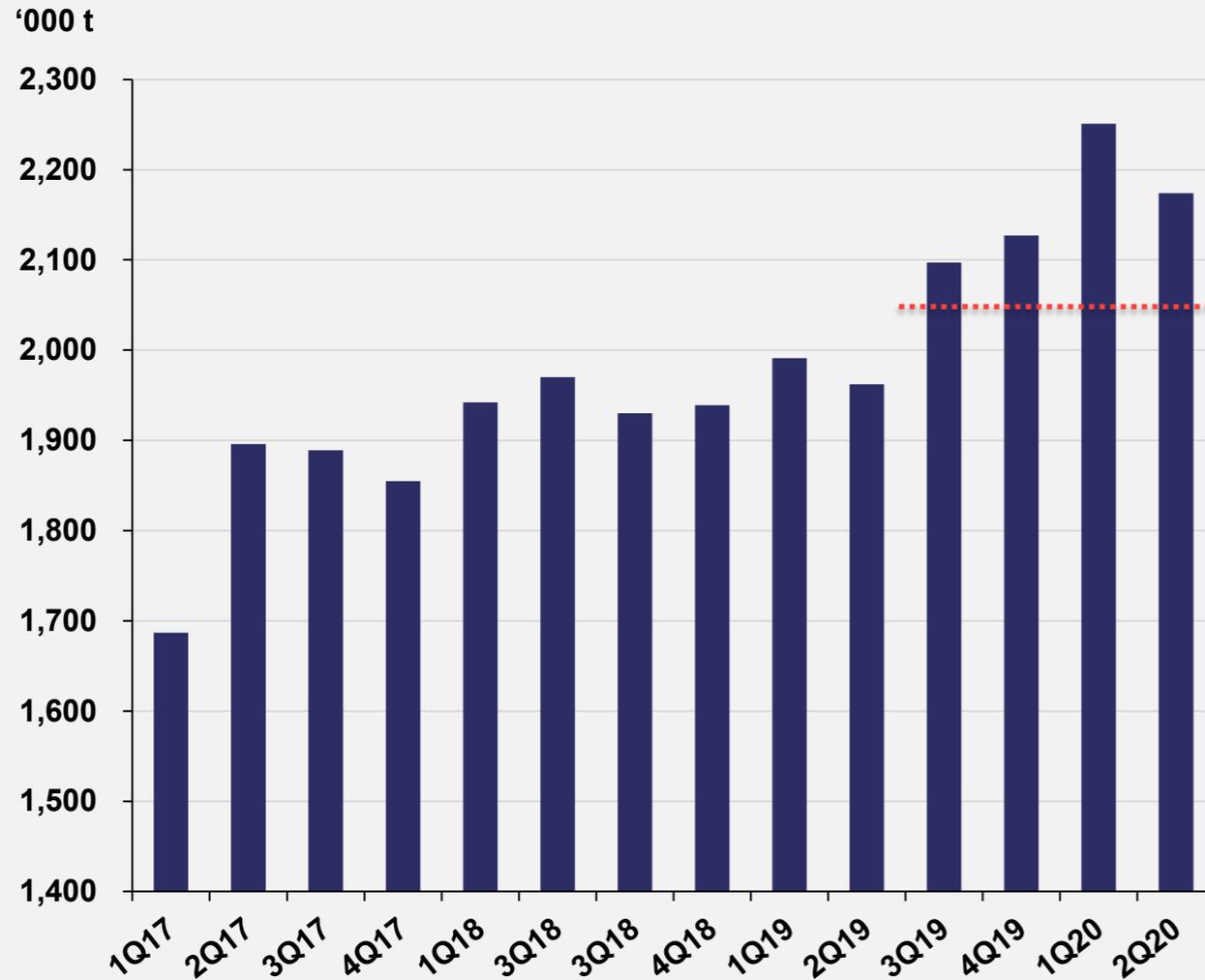


Processing and Recoveries

Balancing the trade-off between throughput and recoveries

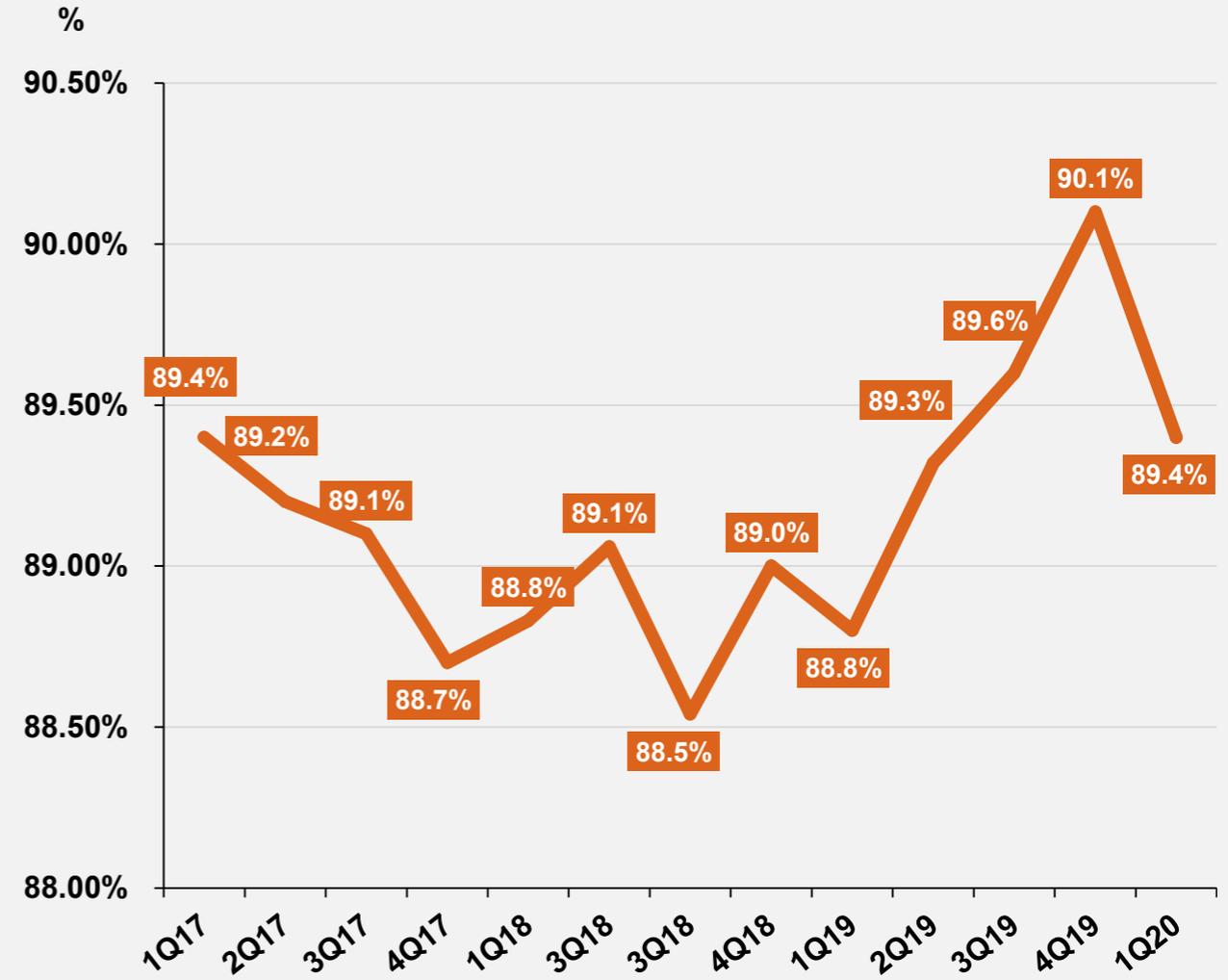


Ore Milled ('000 t)



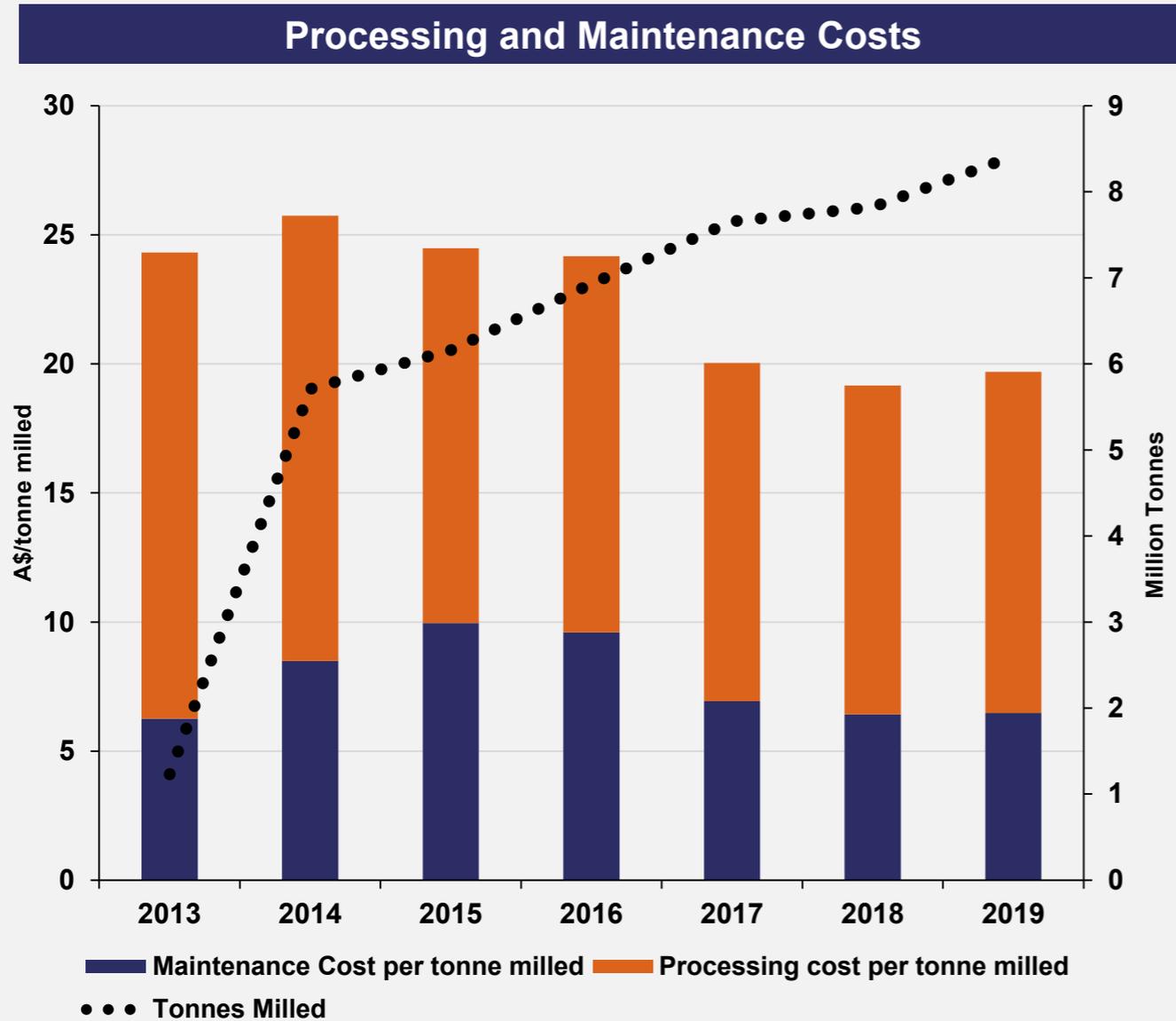
..... Current designed throughput rate

Gold Recovery



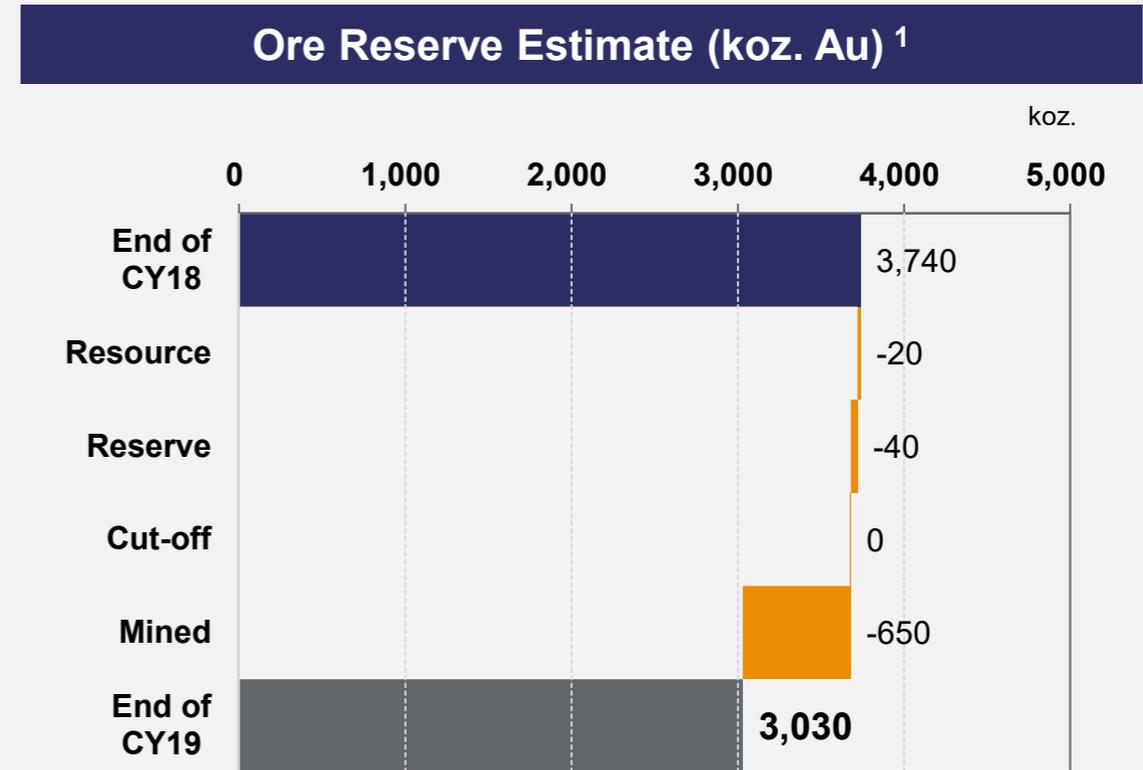
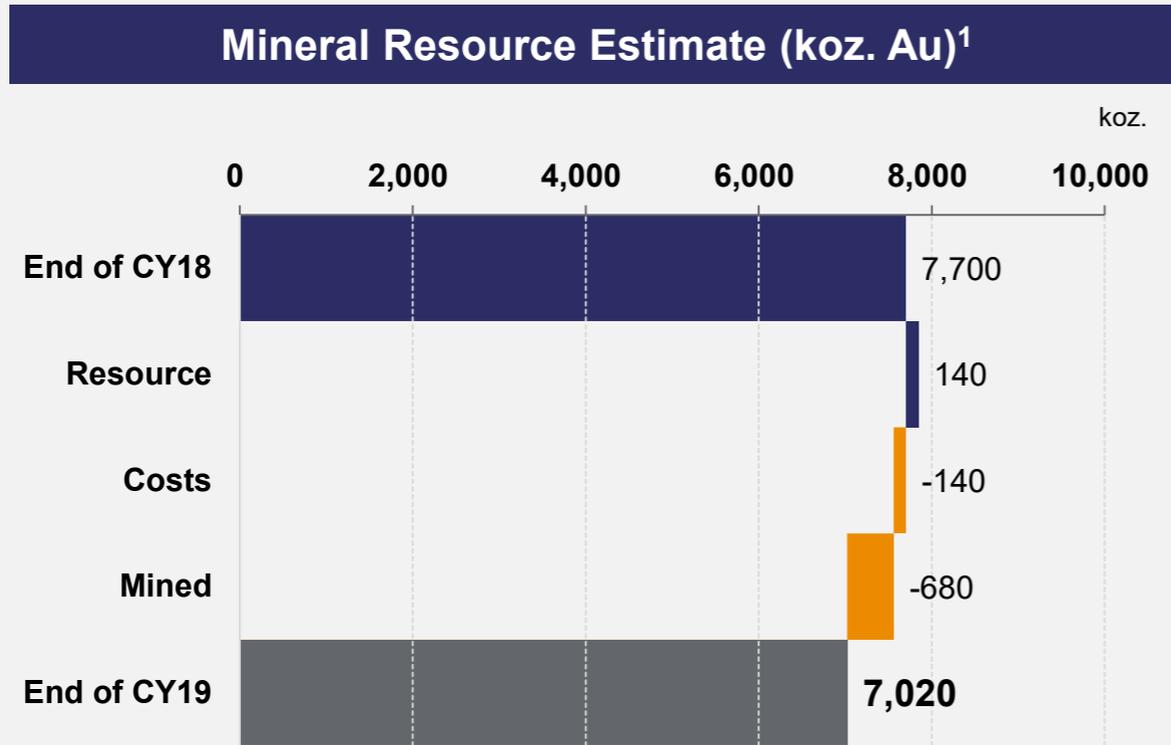
Processing and Maintenance Costs

Costs trending lower as milled tonnes have increased



Resource and Reserves

7 million ounce gold resource remains

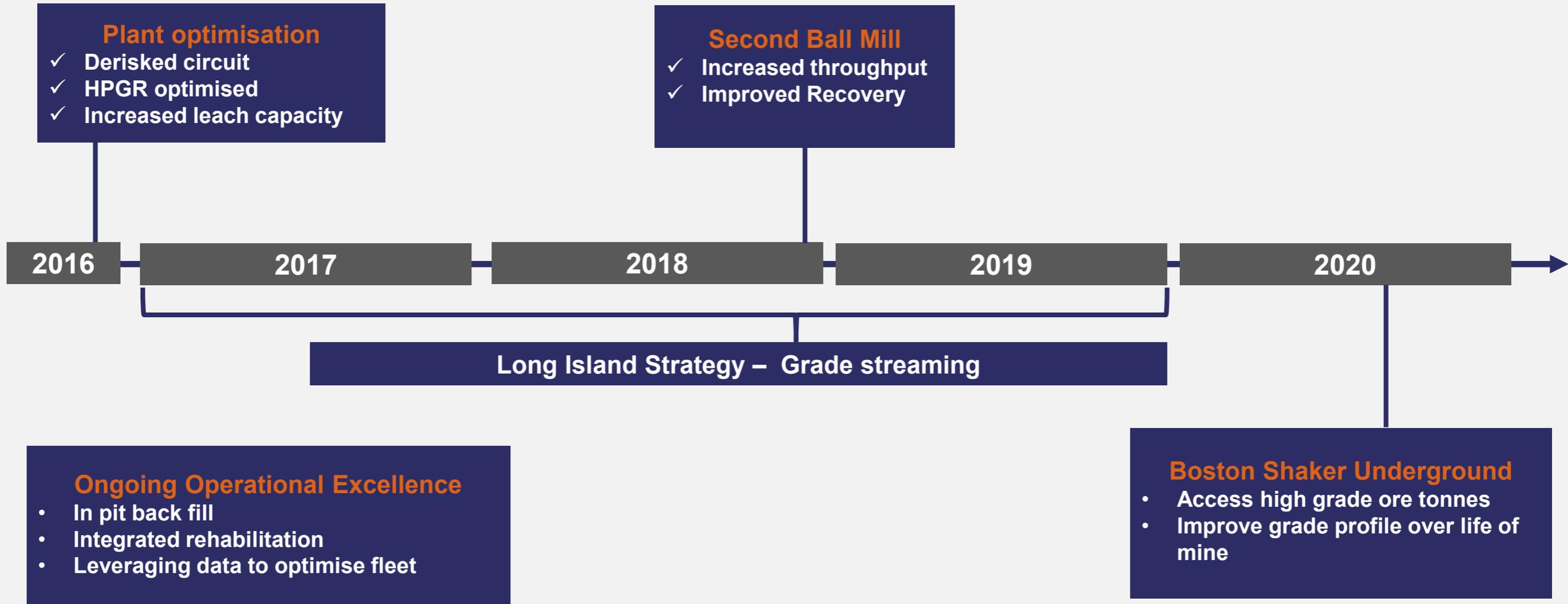


Tropicana – estimate for end of CY19	Mass (Mt)	Gold	
		Grade (g/t)	Metal (koz)
Total Mineral Resource	128.5	1.70	7,020
Total Ore Reserve	56.3	1.67	3,030

1) Refer: Annual Update of Exploration Results, Mineral Resources and Ore Reserves released to ASX on 30 January 2020. Figures shown are on a 100% basis

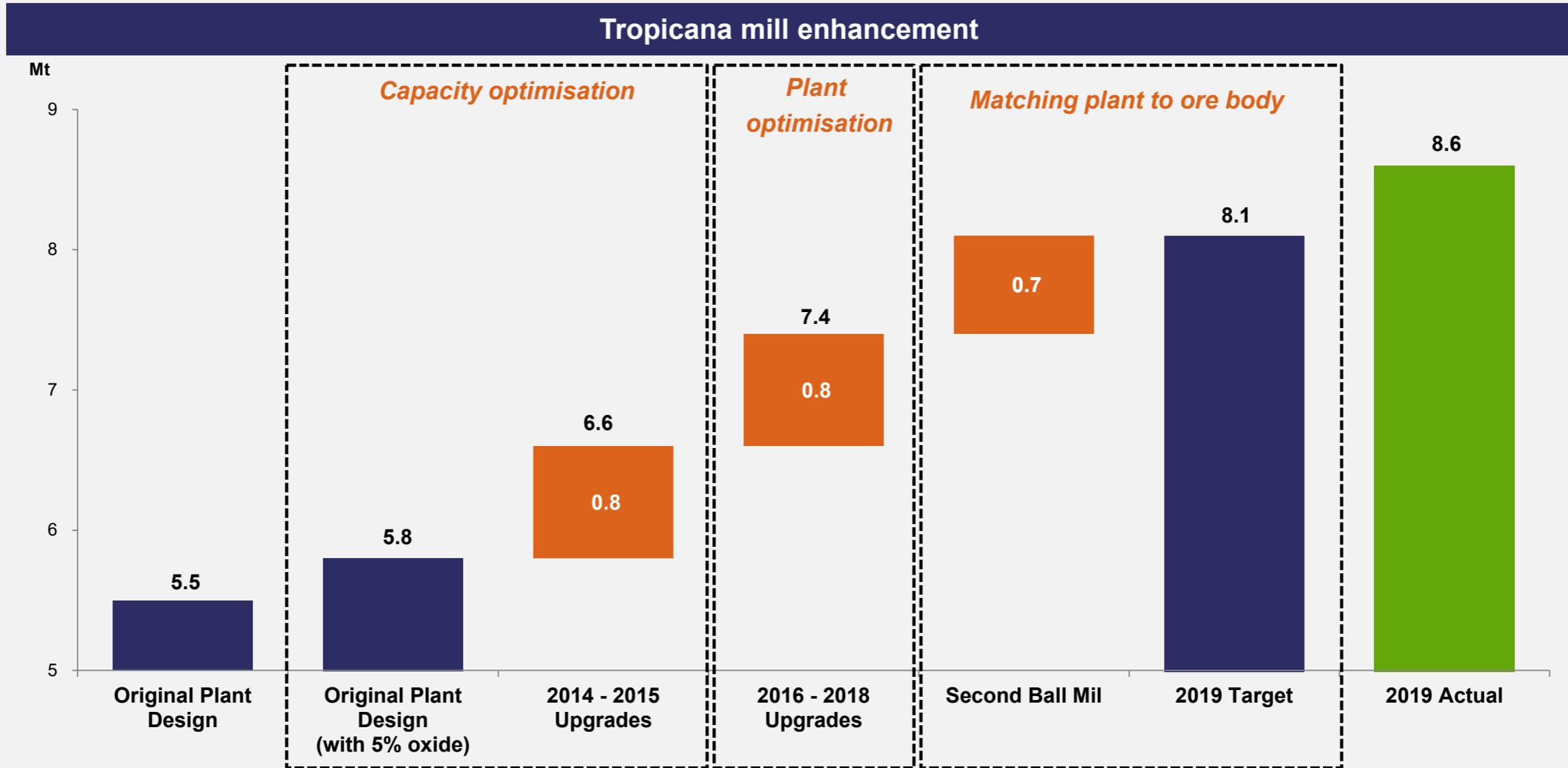
Tropicana

Tangible achievements to optimise Tropicana



Mill Enhancement

Progressive improvement, increased ~47% from original design



Boston Shaker Underground

Development progressing to schedule

Summary

Mining Method

- Conventional mechanised mining
- Underhand sublevel open stoping

LOM Physicals

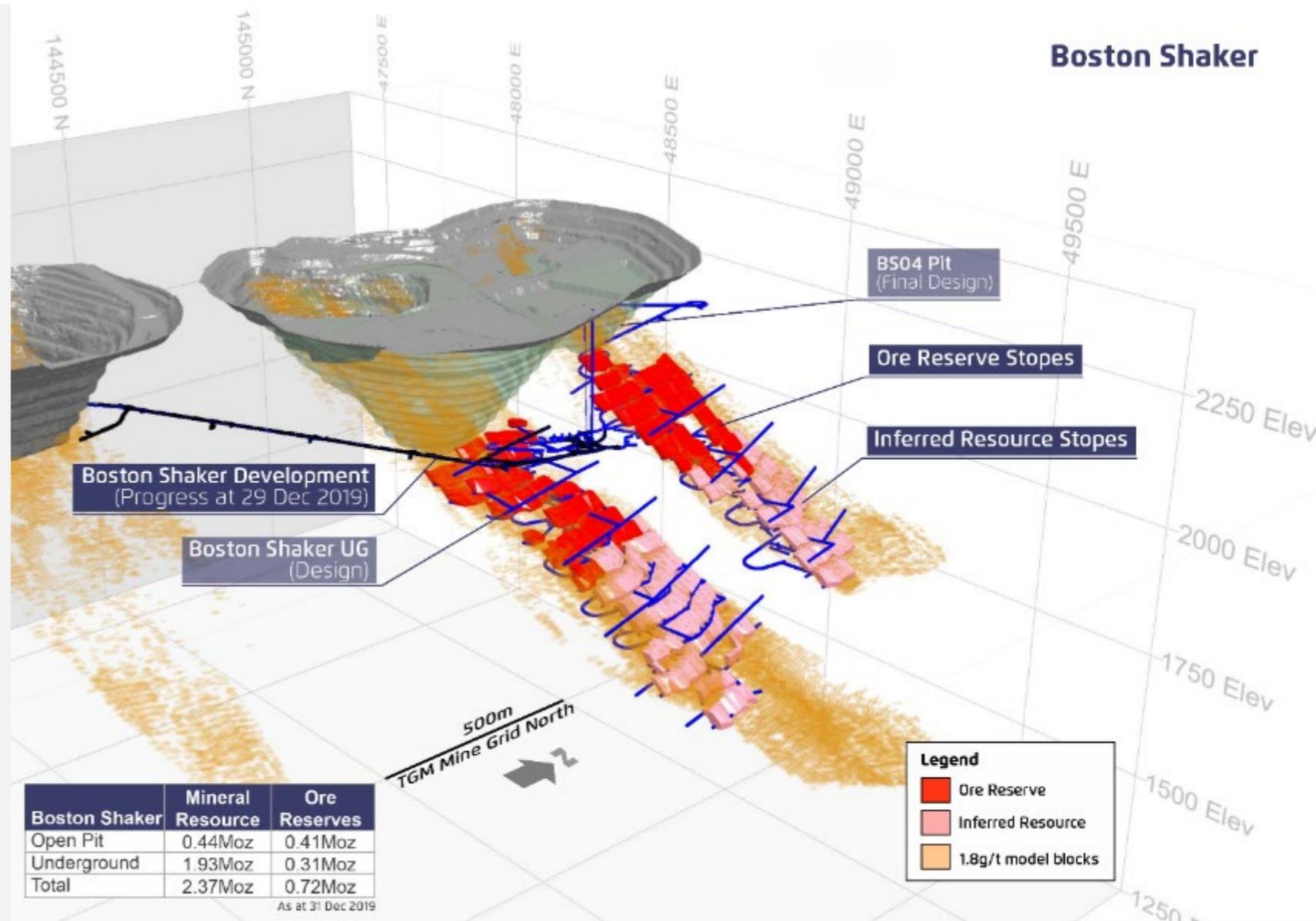
- Stope production rate approx. 1.1Mtpa
- 6.6Mt (2.7Mt in Ore Reserve)
- 3.85g/t (3.60g/t in Ore reserve)
- 814koz (313koz in Ore reserve)

Mine Life

- Approximately 7 years

Fleet

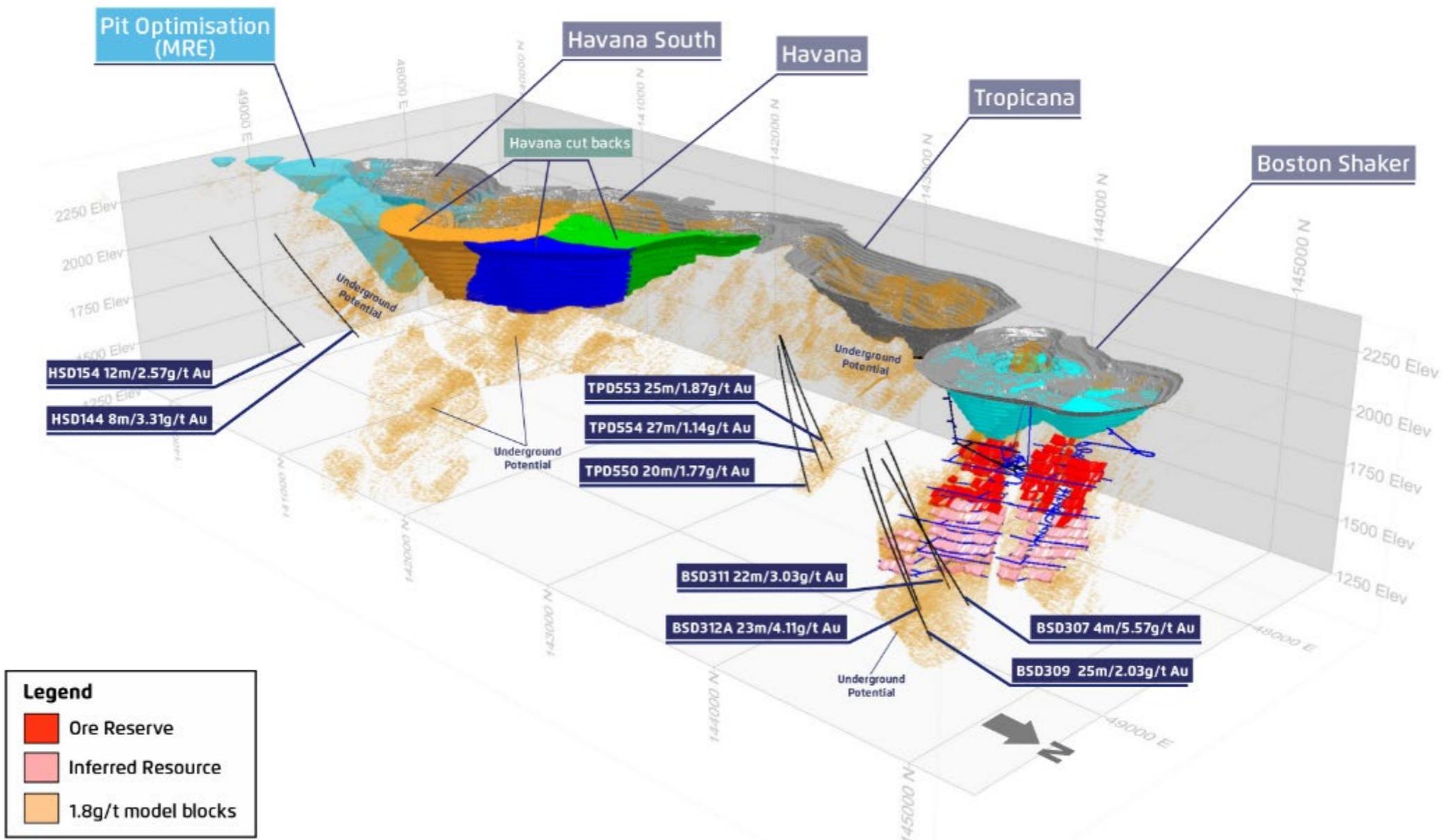
- 2x jumbos
- 2 x production drills
- 3 x loaders (remote capable)
- 4 x trucks



1) Refer: Annual Update of Exploration Results, Mineral Resources and Ore Reserves released to ASX on 30 January 2020

Underground opportunity

Potential for additional underground mines at Tropicana and Havana South



1) Refer: Annual Update of Exploration Results, Mineral Resources and Ore Reserves released to ASX on 30 January 2020

Havana Underground

Brownfields exploration points to strong potential for underground



Highlighted Drill Holes

36m @ 4.71 g/t (169 g*m)

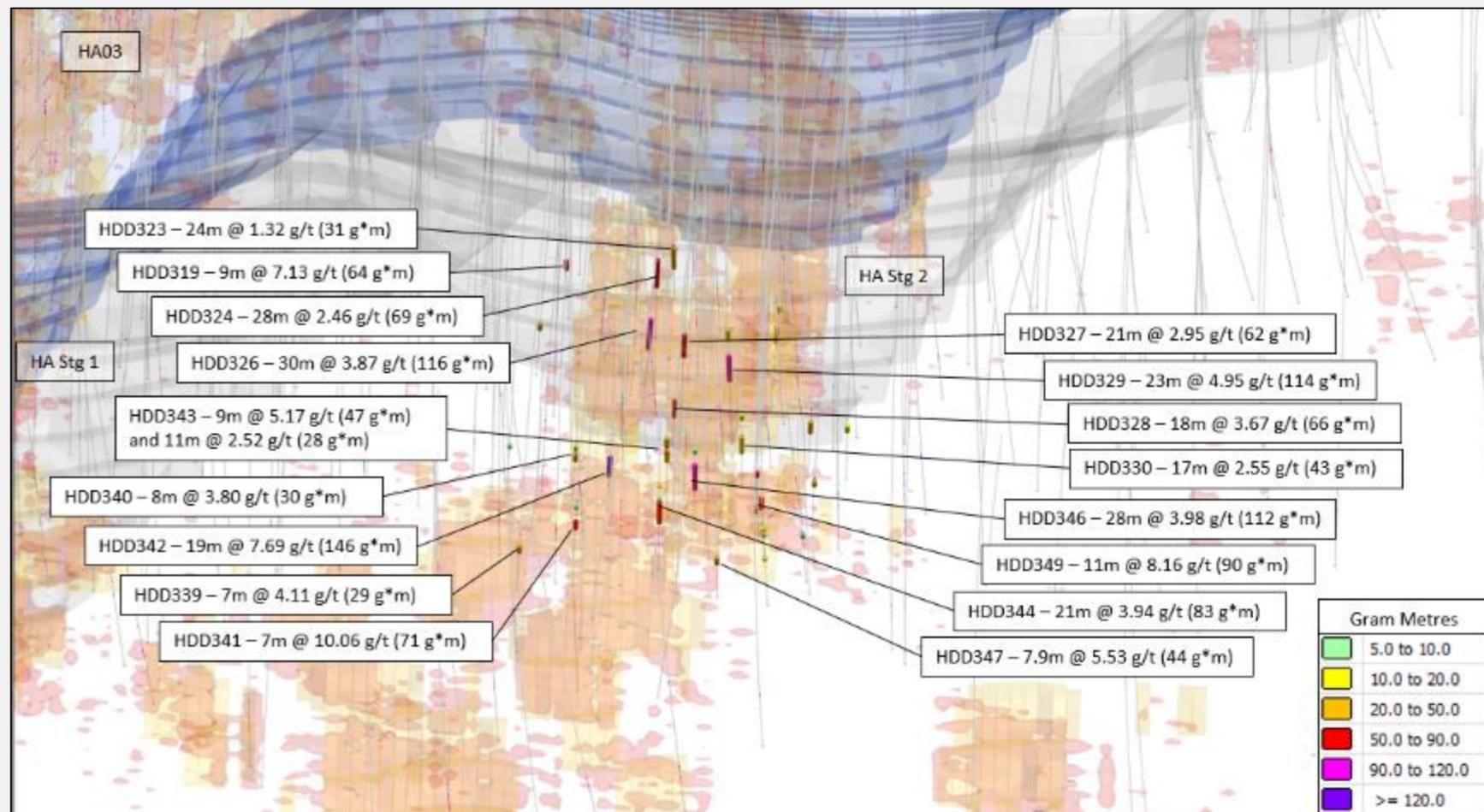
19m @ 7.69 g/t (146 g*m)

30m @ 3.87 g/t (116 g*m)

23m @ 4.95 g/t (114 g*m)

34m @ 3.35 g/t (114 g*m)

Study Underway



1) Refer: Annual Update of Exploration Results, Mineral Resources and Ore Reserves released to ASX on 30 January 2020

Exploration Highlights

Increasing focus on regional exploration program



Recent regional drilling program consisted of RC drilling at Voodoo Child, Wild Thing and Electra; with RC and diamond drilling at New Zebra:

New Zebra

- More strong gold intersected confirming mineralisation in NW corner of prospect

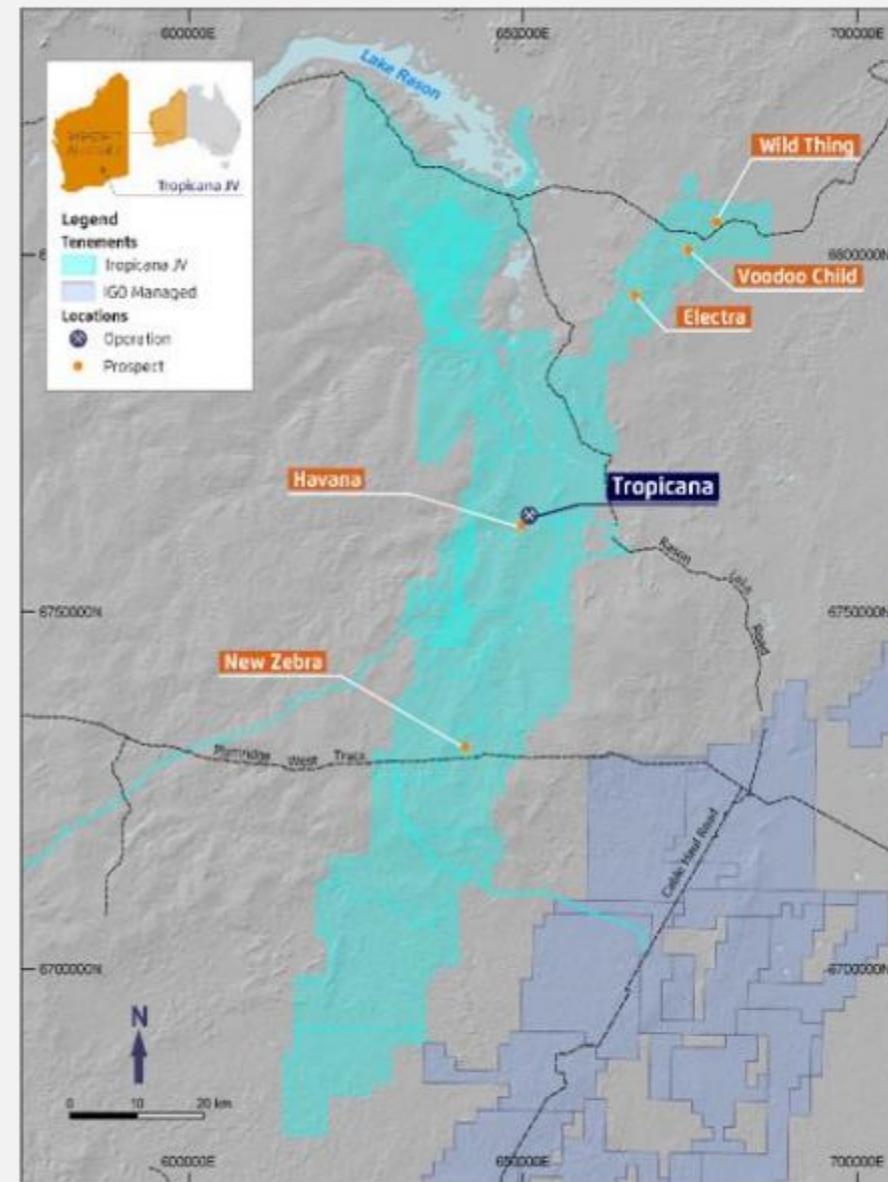
Voodoo Child

- Significant mineralisation intersected ~500m along strike from existing prospect

An increased regional exploration budget is allocated for 2020 to further advance these and other prospects

CY20 Proposed Drill Program

	Total Meters
Aircore	30,000
RC	16,000
DDH	12,500
	58,500





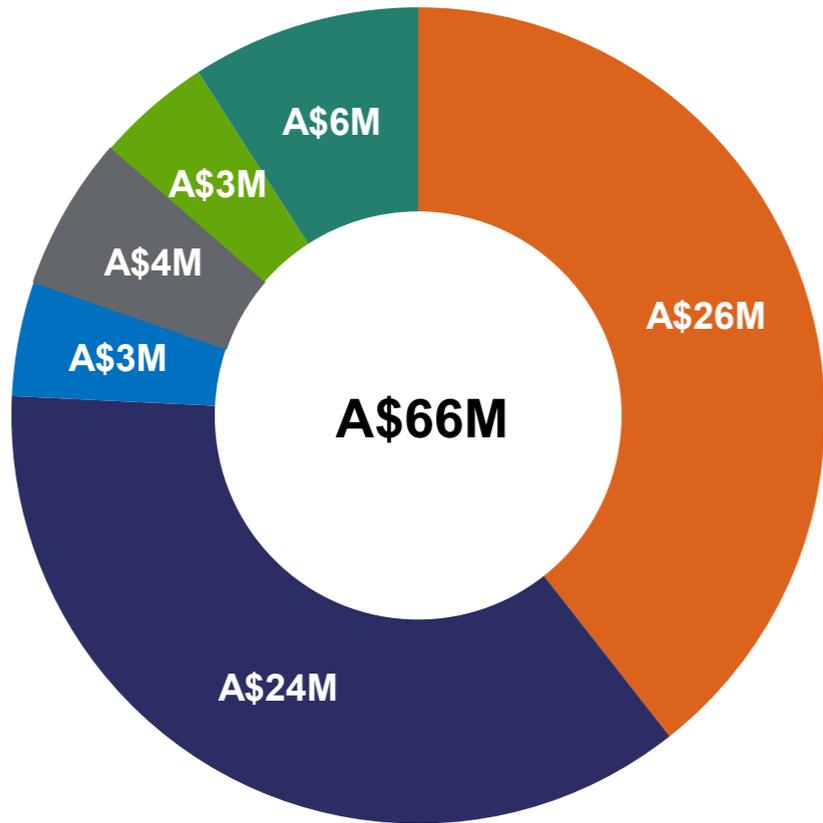
Exploration

Enduring commitment to exploration

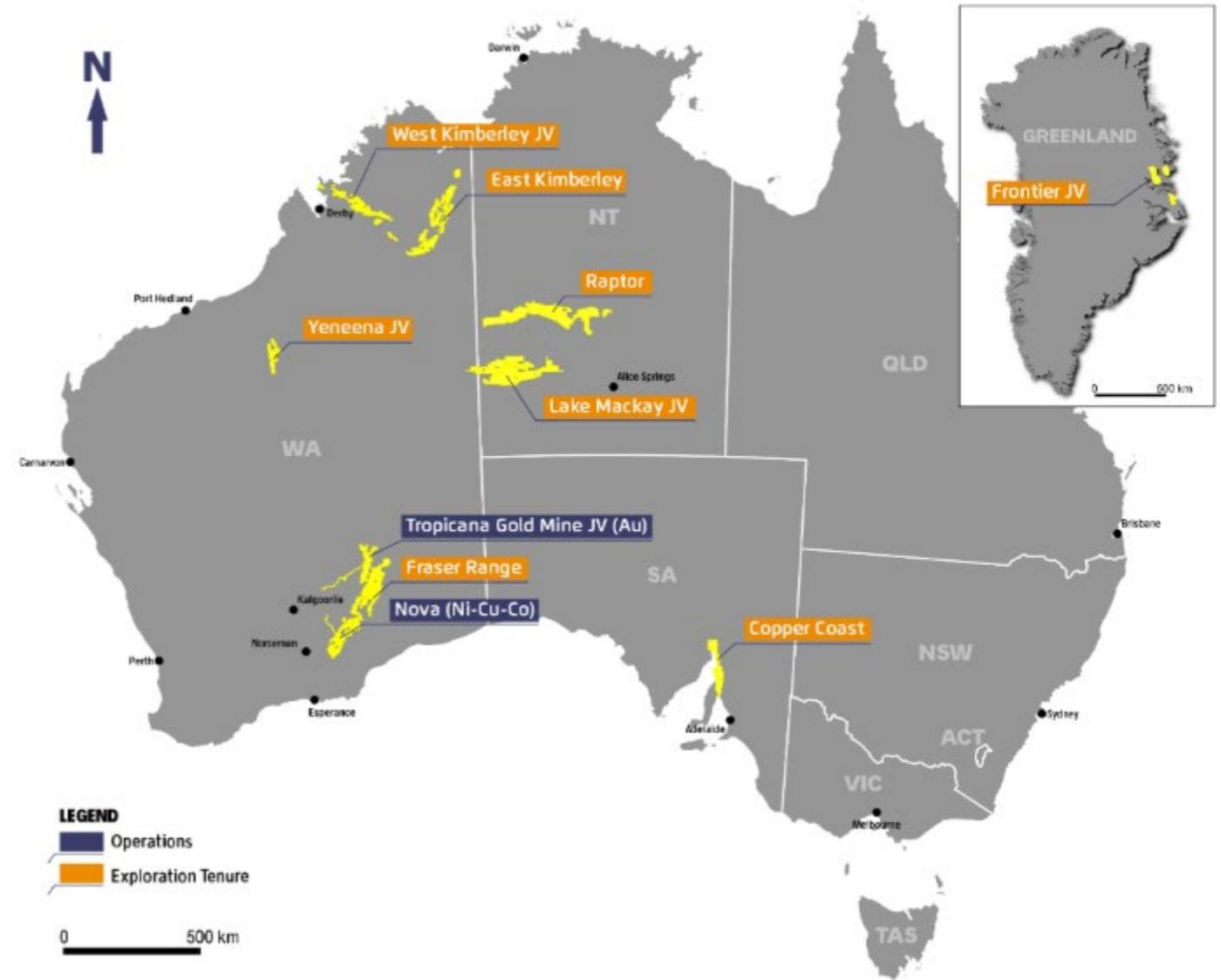
Increased exploration budget in FY20 to accelerate organic growth opportunity



FY20 Exploration Budget



- Nova
- Fraser Range
- Tropicana
- West Kimberley
- Lake Mackay
- Other Greenfields & Generative

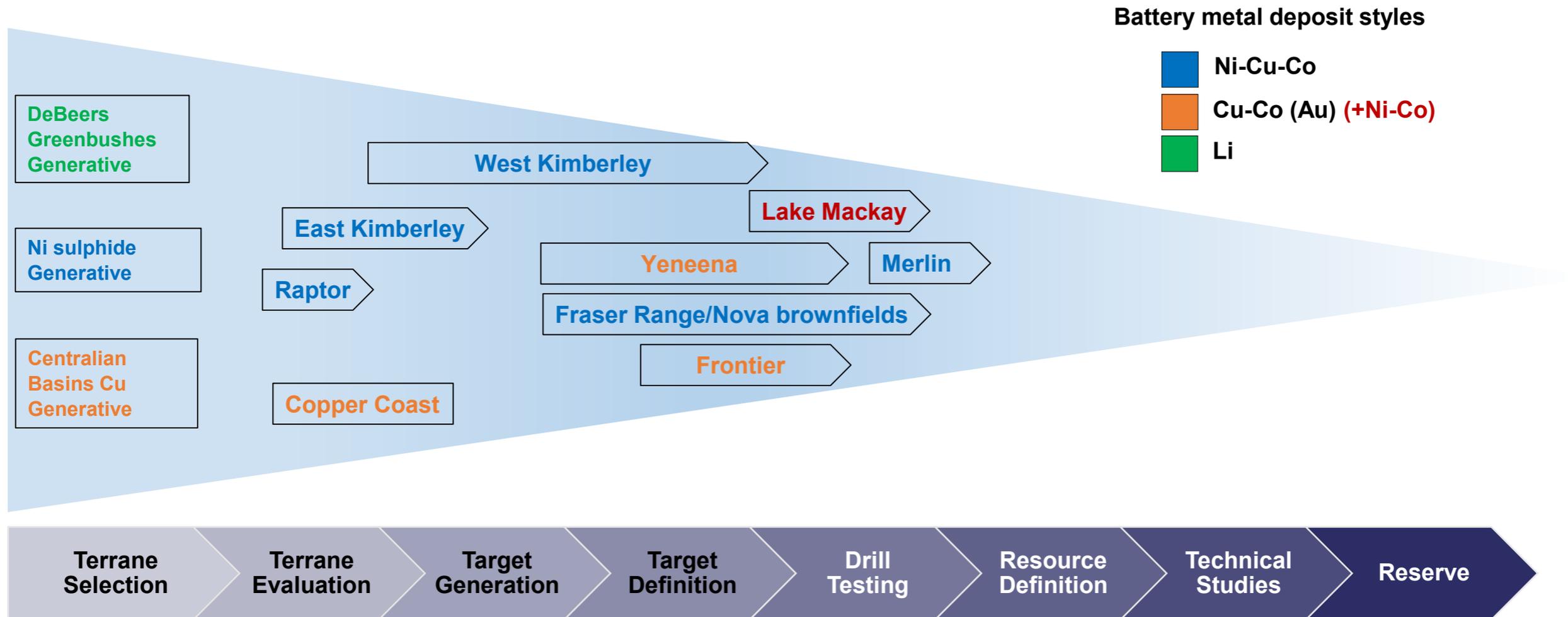


Exploration Project Pipeline

Commitment to unlock the mines of the future



IGO Exploration Pipeline





Exploration Nova & Fraser Range

Nova & Fraser Range

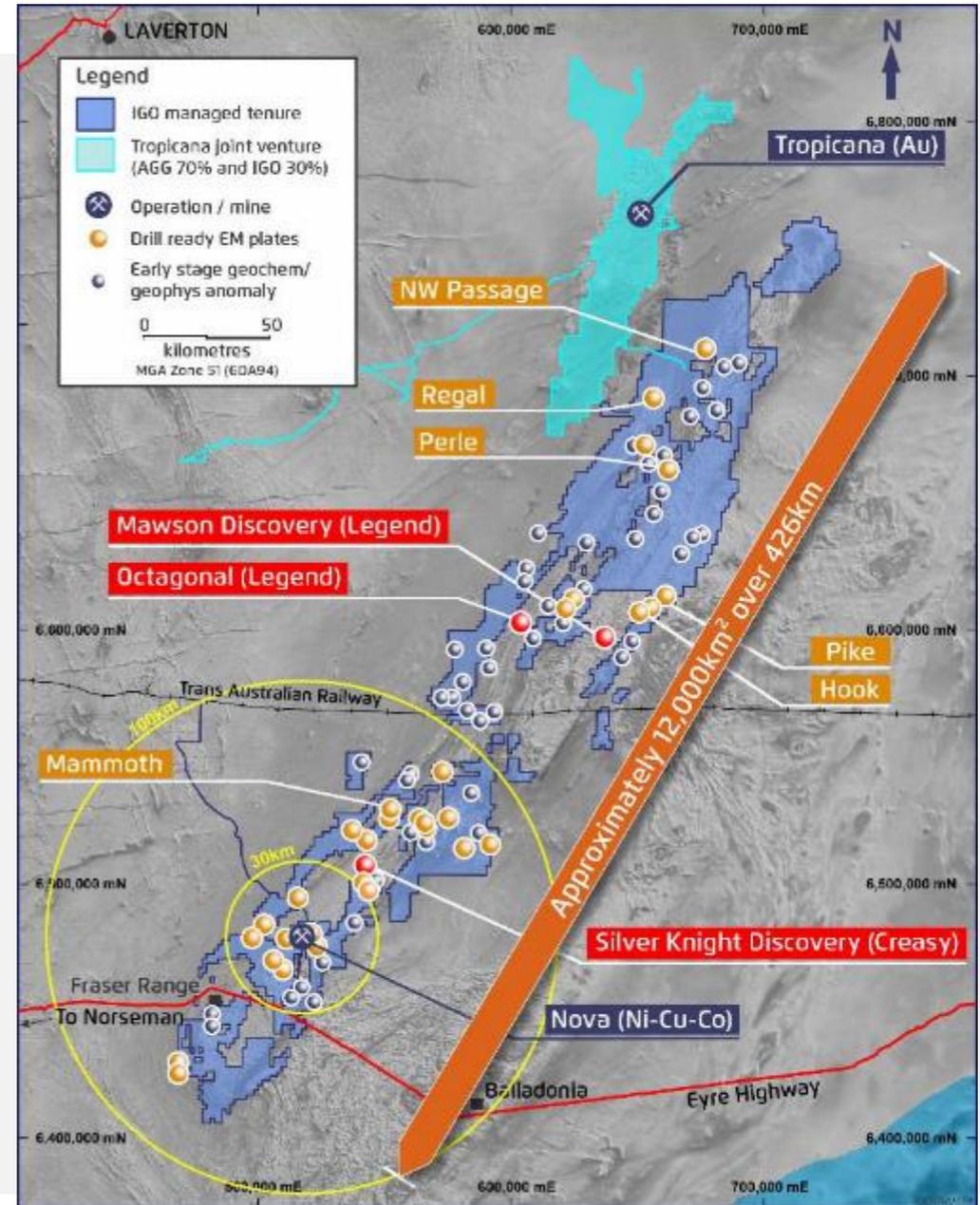
Opportunity to unlock significant value through discovery



Mafic / ultramafic intrusions with nickel/copper sulphides identified along the entire belt

VMS Copper/Zinc and Gold prospects also identified

Systematic exploration program to unlock the mines of the future



Nova & Fraser Range

Parallels to other belt scale mineralised systems

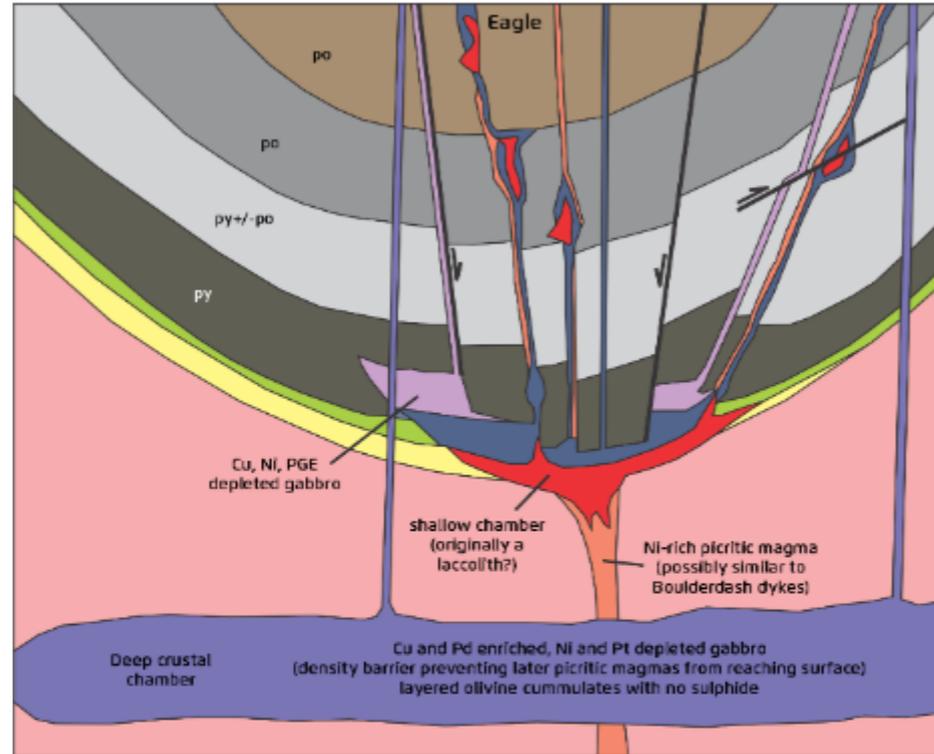


Nova & Fraser Range

Nickel sulphide systems are usually part of a larger intrusion network

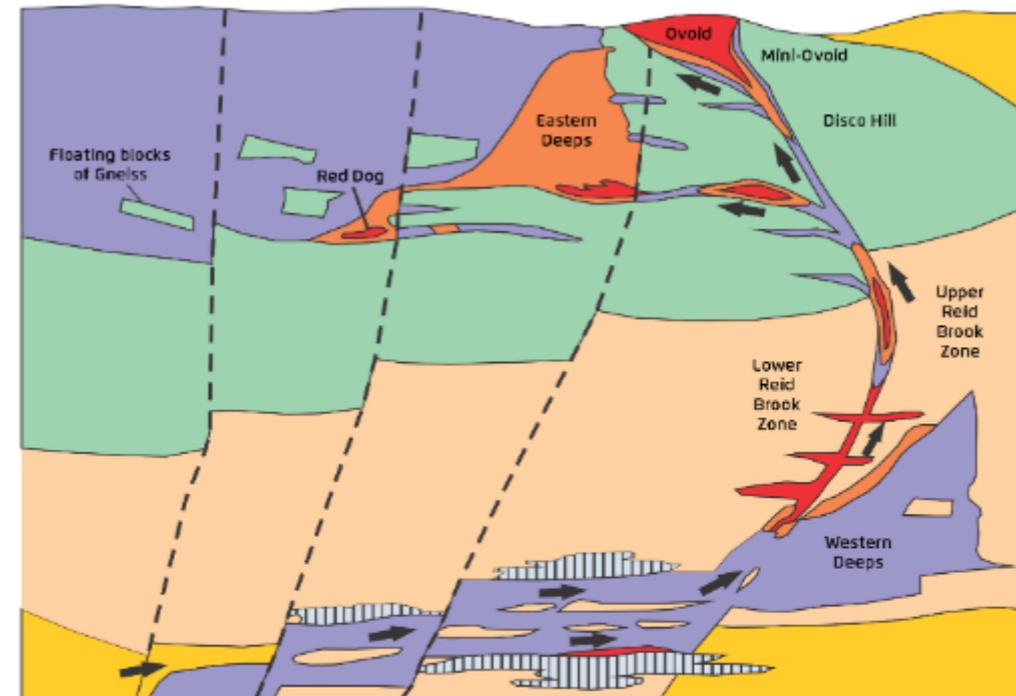


Eagle (view looking east)¹



- | Intrusions | Sediments |
|----------------------|--------------------|
| Gabbro (undepleted) | Upper Fossum |
| Gabbro (depleted) | Lower Fossum slate |
| Ferropicrite | Upper graywacke |
| Silicates + Sulphide | Lower slate |
| Massive Sulphide | Chert-Carbonate |
| | Quartzite |
| | Archean basement |

Voisey's Bay (view looking west)²



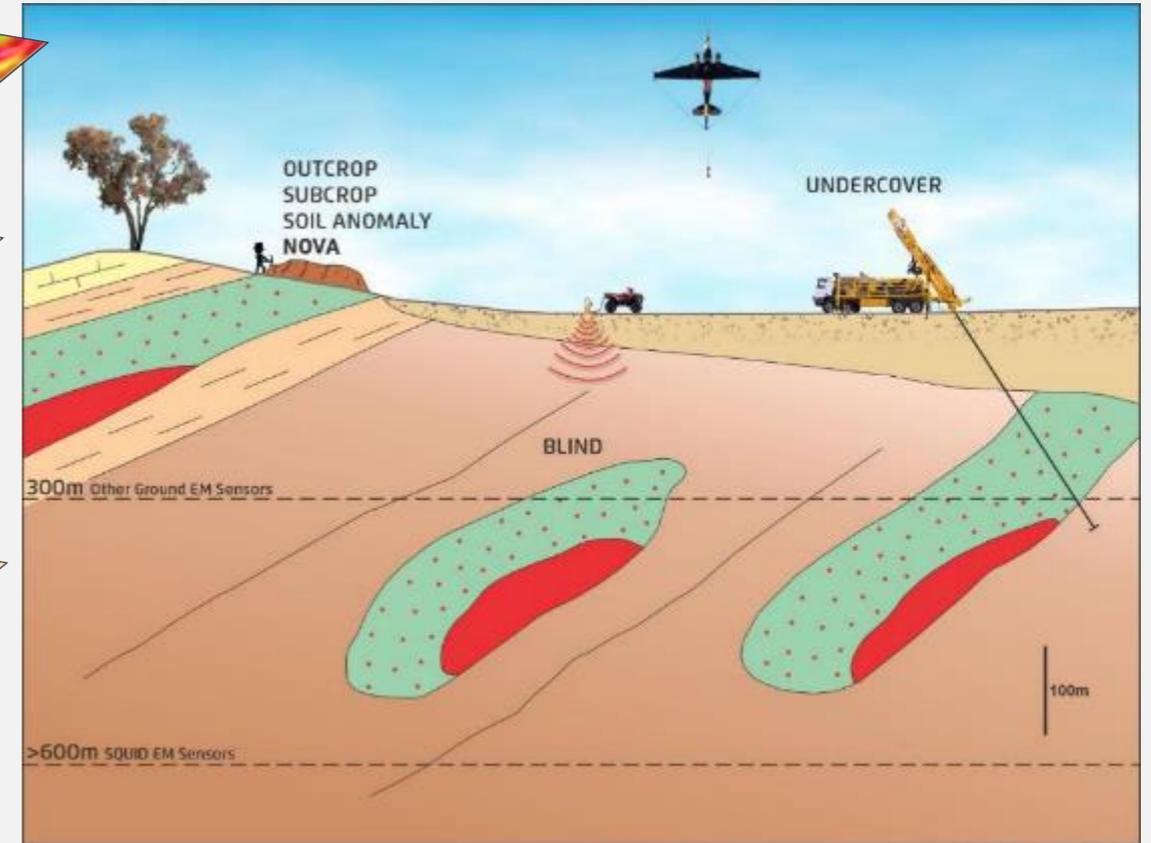
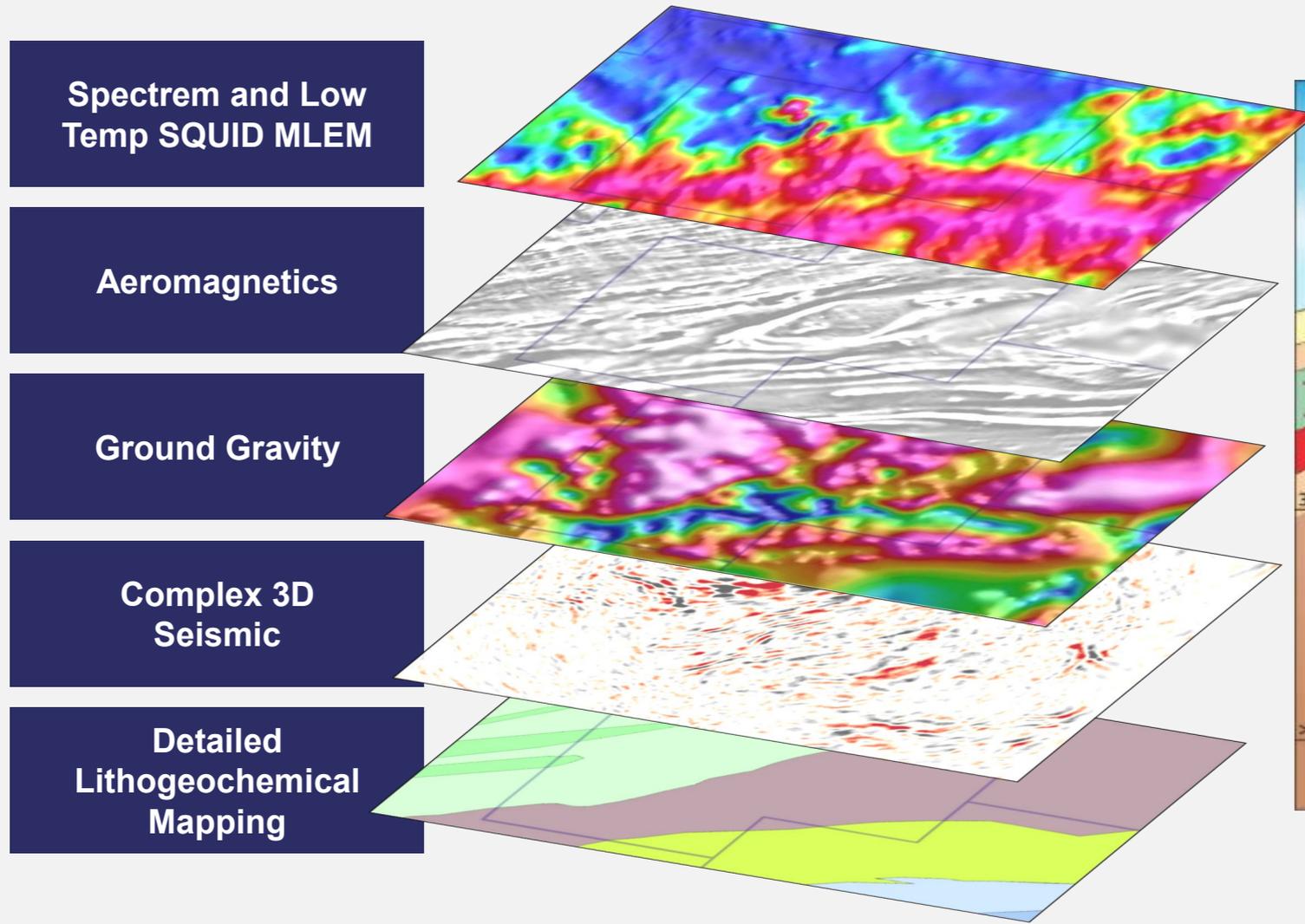
- Legend**
- Troctolite Olivine Gabbro
 - Massive Sulphide & Breccia Assemblage Sulphides
 - Variable Troctolite with Sulphide
 - Churchill Enderbitlic Orthogneiss
 - Sulphidic Paragneiss
 - Taslyjak Gneiss
 - Main Orthogneiss
 - Faults with direction of displacement

1) Source: Lundin Mining Corp. Technical Report on the Eagle Mine, dated April 26, 2017, Figure 8-2

2) Source: Lightfoot et al. 2015

Exploration Techniques

Leveraging various tools to enhance exploration success

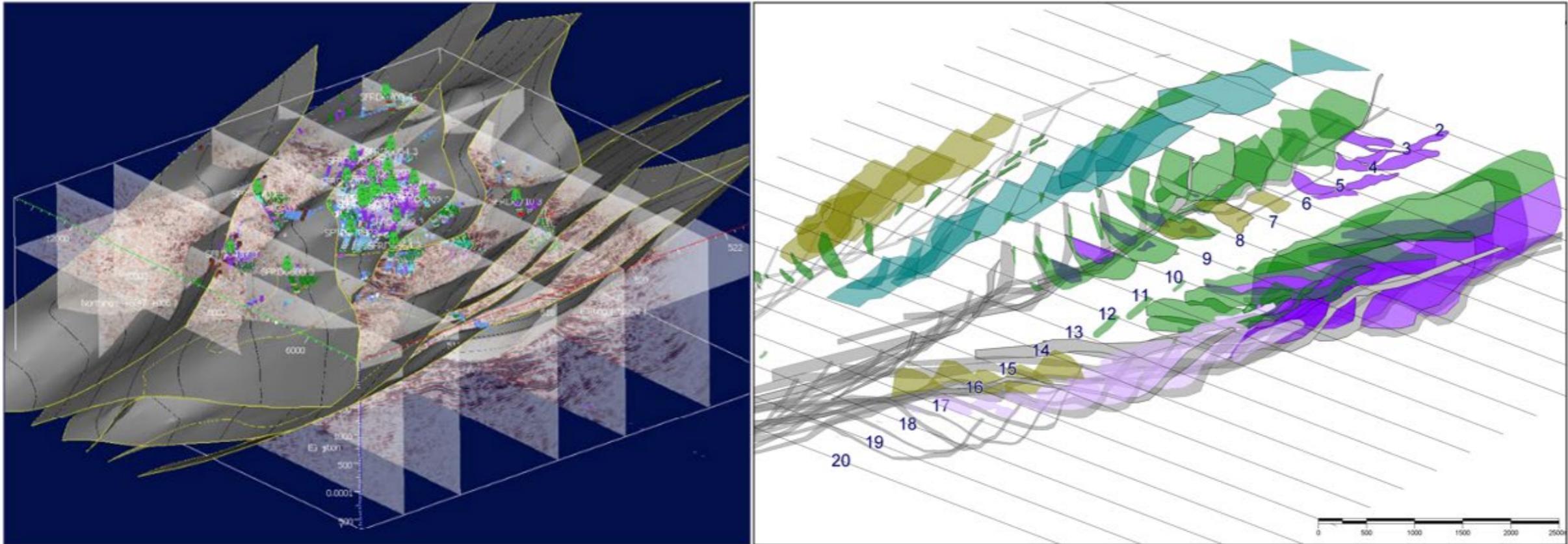


Exploration Techniques

3D model driven by seismic data has helped identify intrusive networks



Interpreted Nova intrusive system

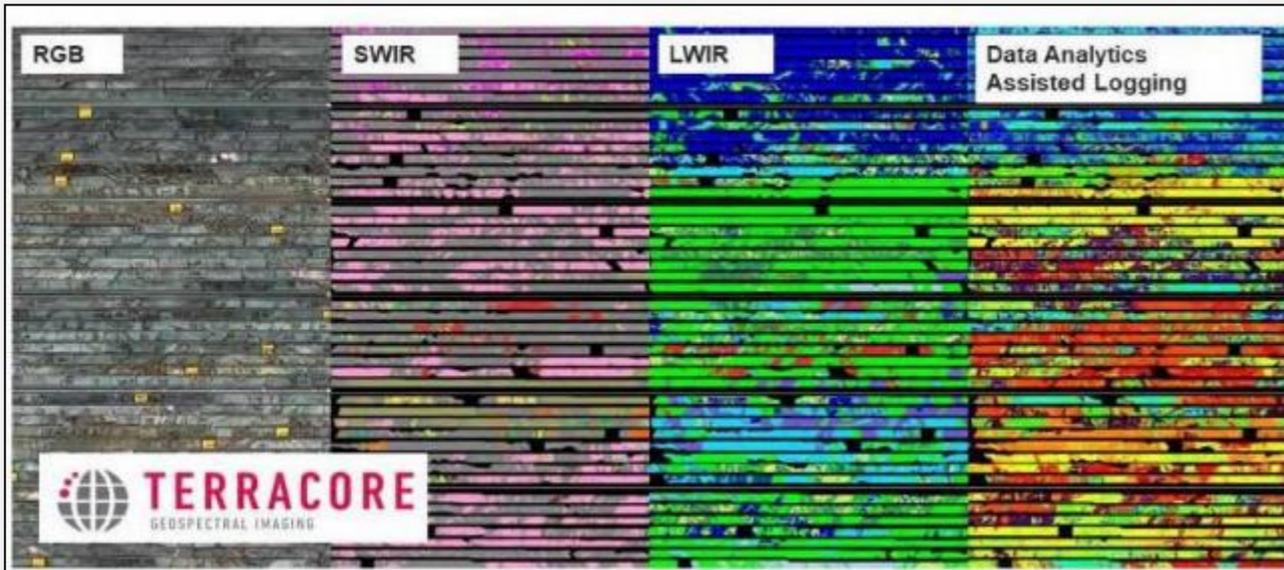


Technology

Harnessing and developing new technology to enhance exploration success



Rapid hyperspectral scanning mineral mapping



A potential breakthrough to maximise seismic data

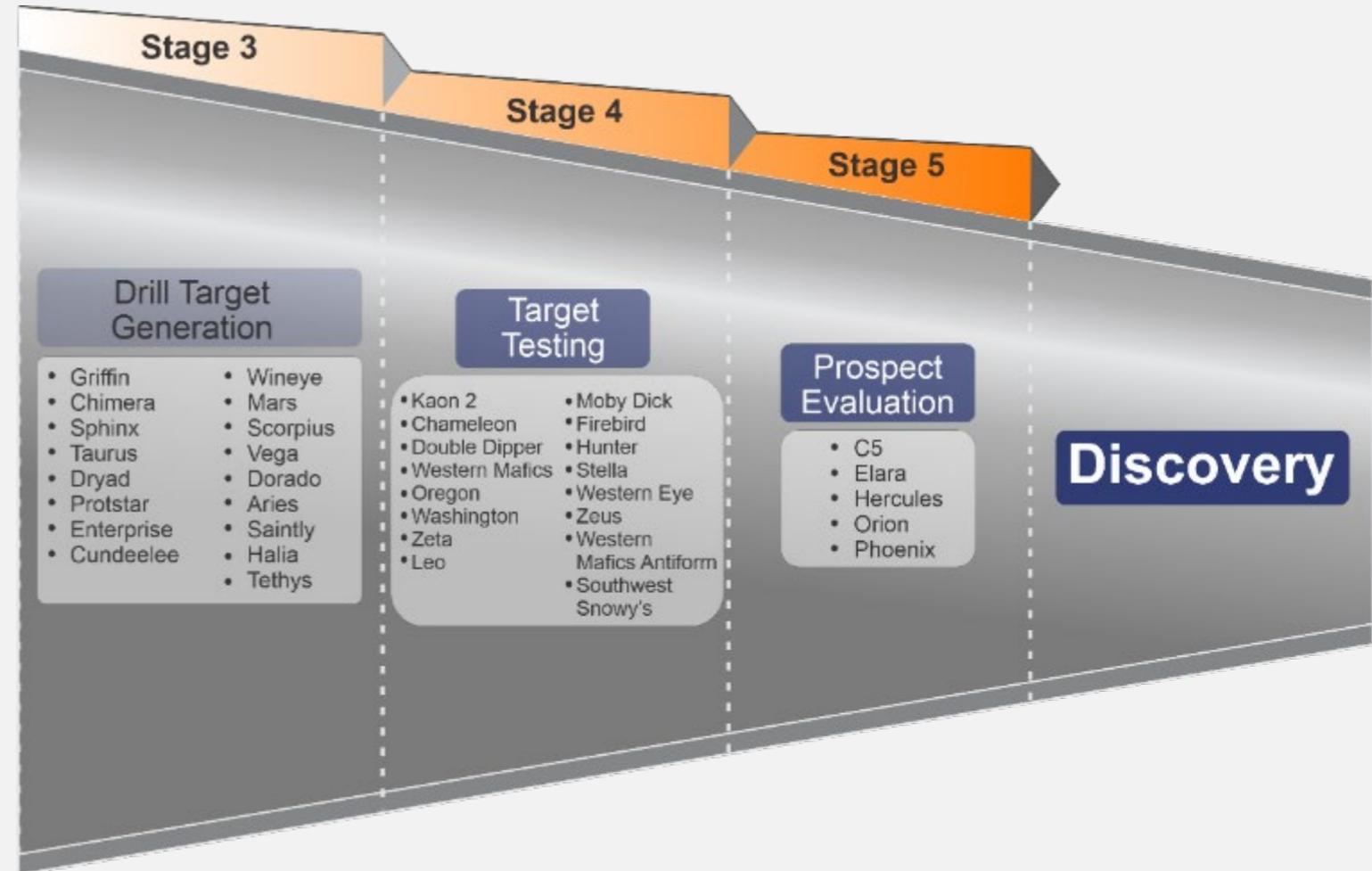
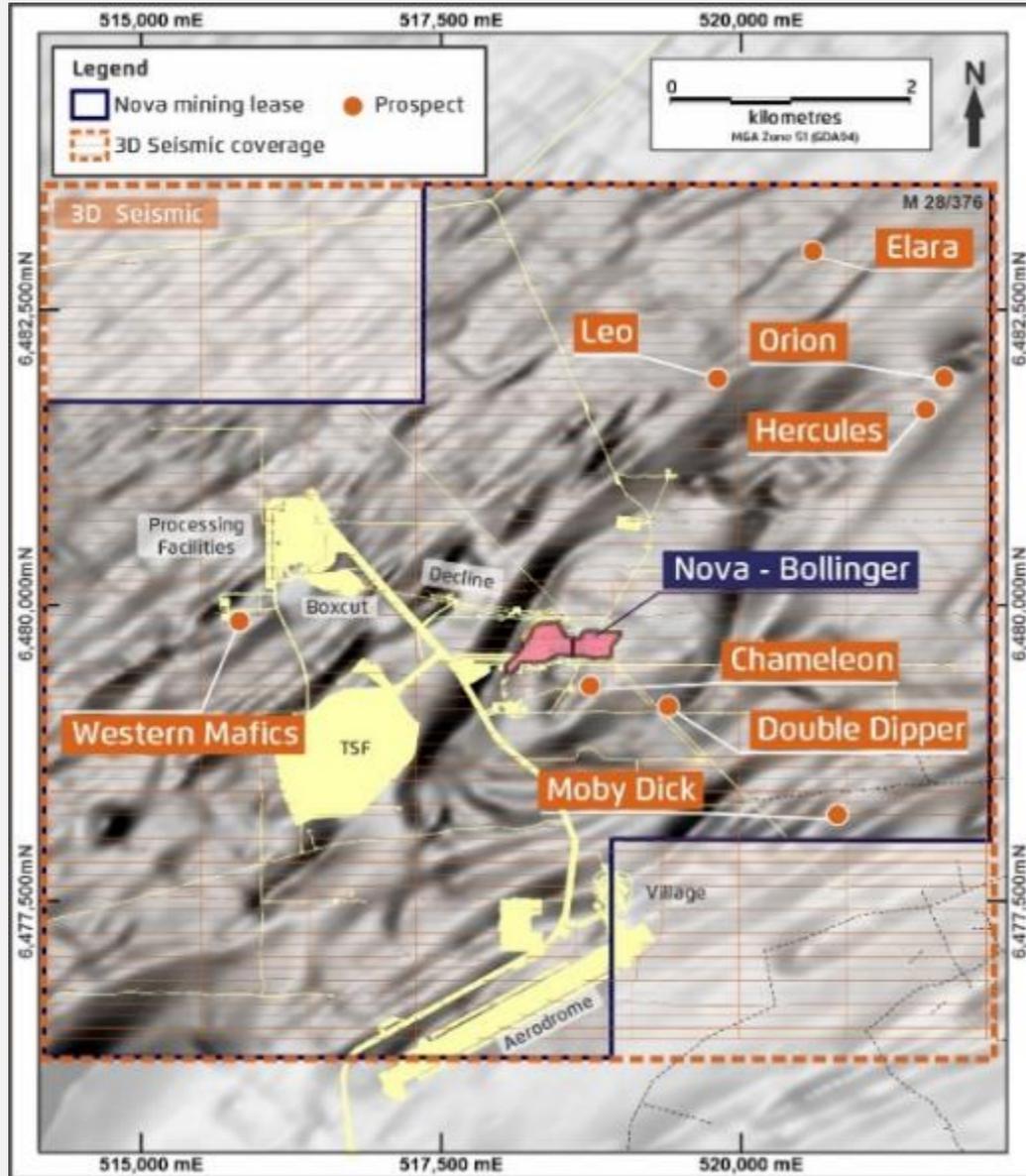
DHEM Probes



Potential to reduce noise in DHEM measurements

Nova Near Mine

Significant opportunity to unlock value through discovery



Nova Near Mine

Underground drilling the “Nova Deeps”

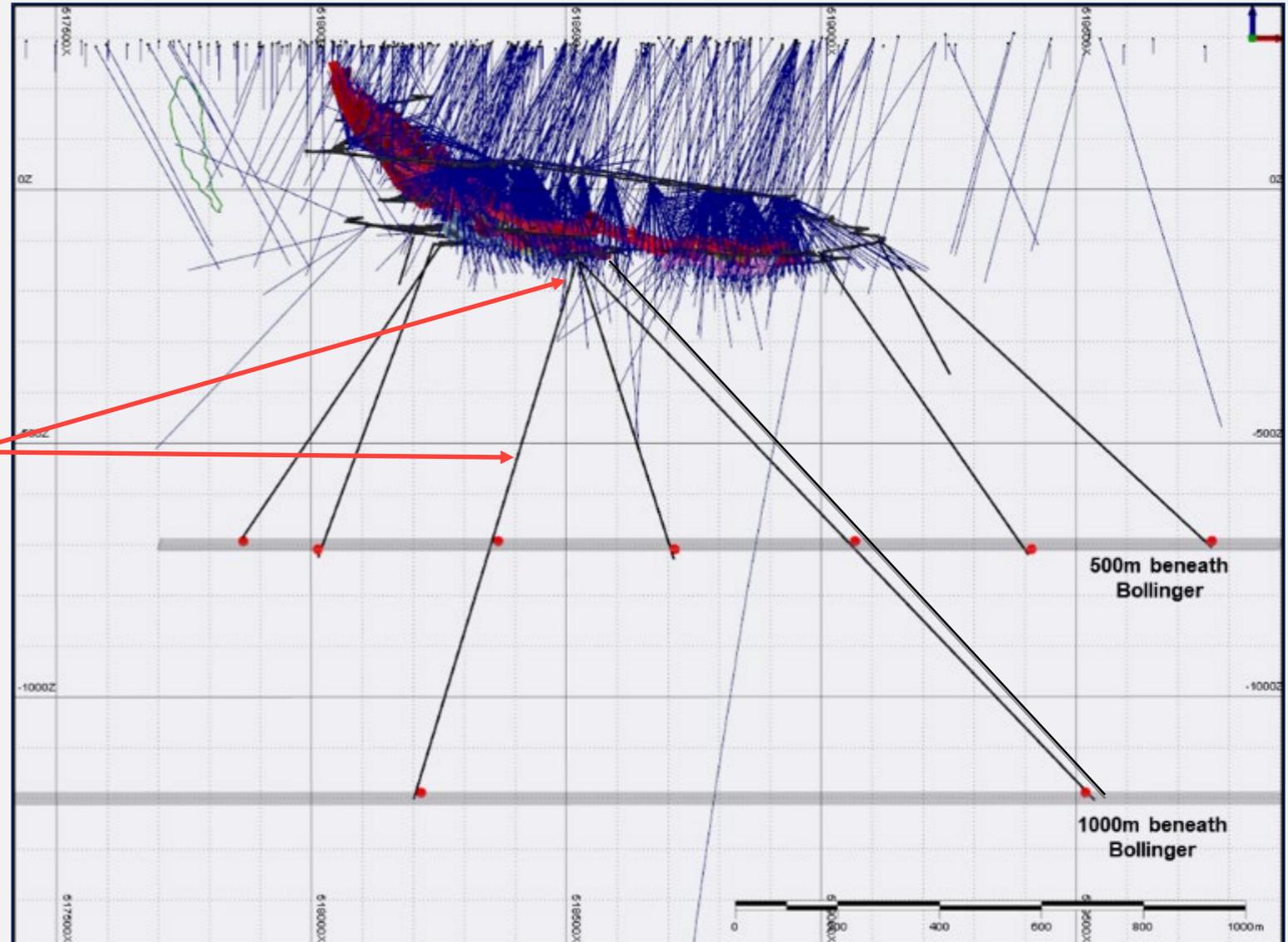


7 underground holes drilled in 2Q20

Encouraging results from NBU1987

- Narrow Ni-Cu-Co sulphide breccia ~50m below Nova
- Deeper down⁽¹⁾: 1.18m @ 1.11% Cu, 0.2g/t Au, 12g/t Ag (from ~342m)

Follow up drilling in 3Q20



1) Source: Refer to 30 January 2020 ASX announcement by IGO: Annual Mineral Resource and Ore Reserves

Nova Near Mine

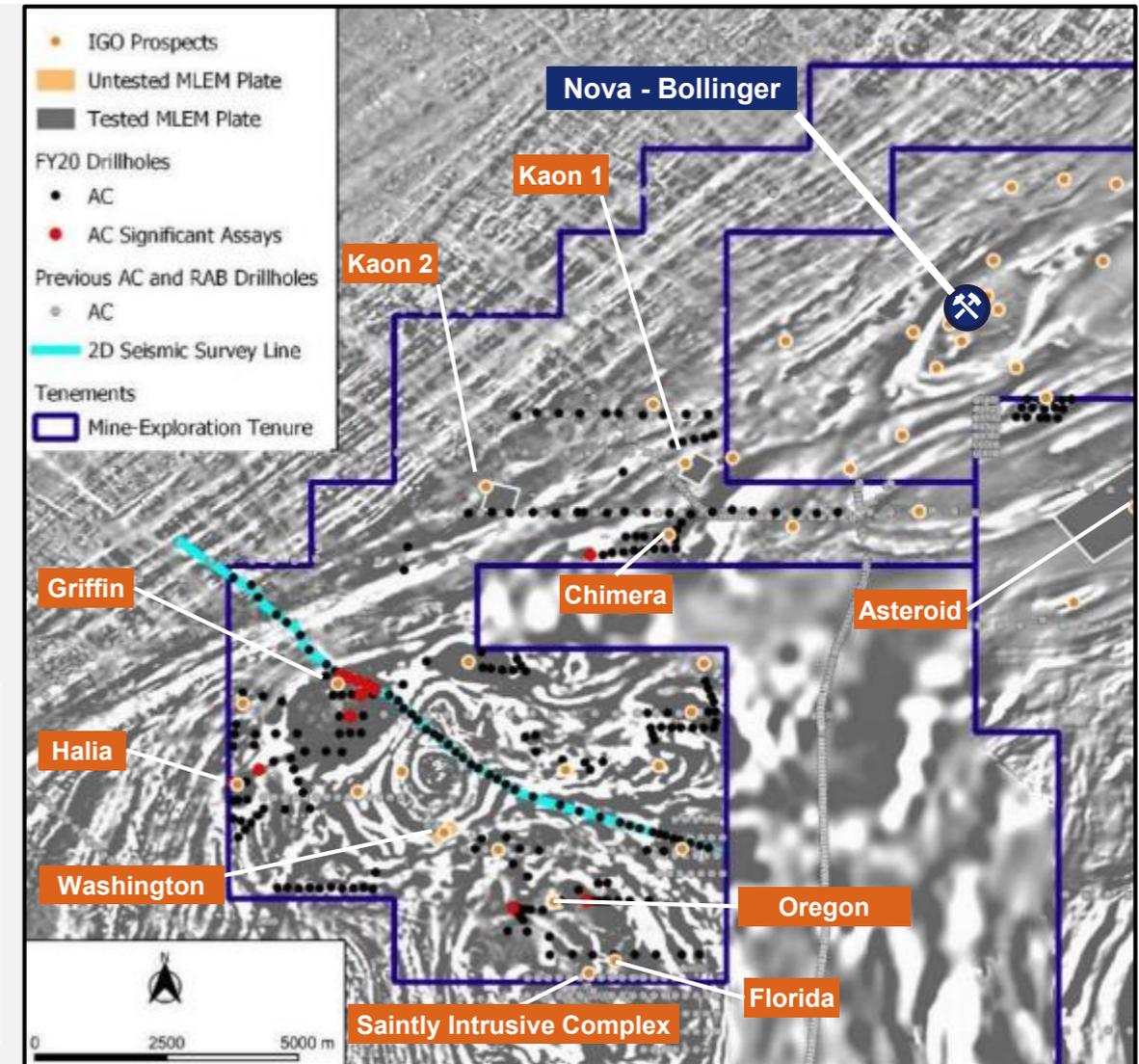
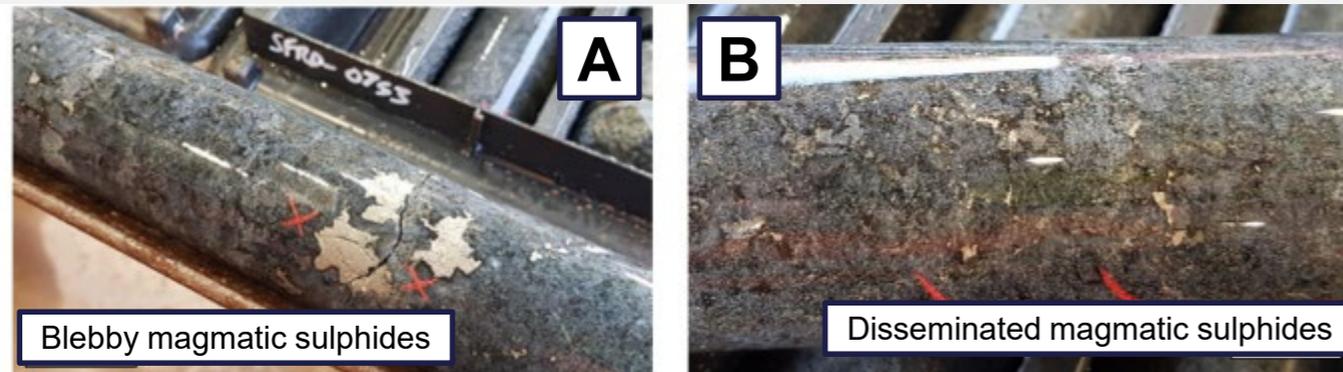
Brownfields potential southwest of Nova



Strong drilling results southwest of Nova

Disseminated and blebby magmatic nickel and copper sulphides in numerous holes (A & B below)

Follow-up drilling planned for 3Q20



1) Mineralisation and textures of the intrusion: A/B) Disseminated to blebby magmatic sulphides in Orion drill hole SFRD0753

Fraser Range Exploration Program

Extensive work program ahead

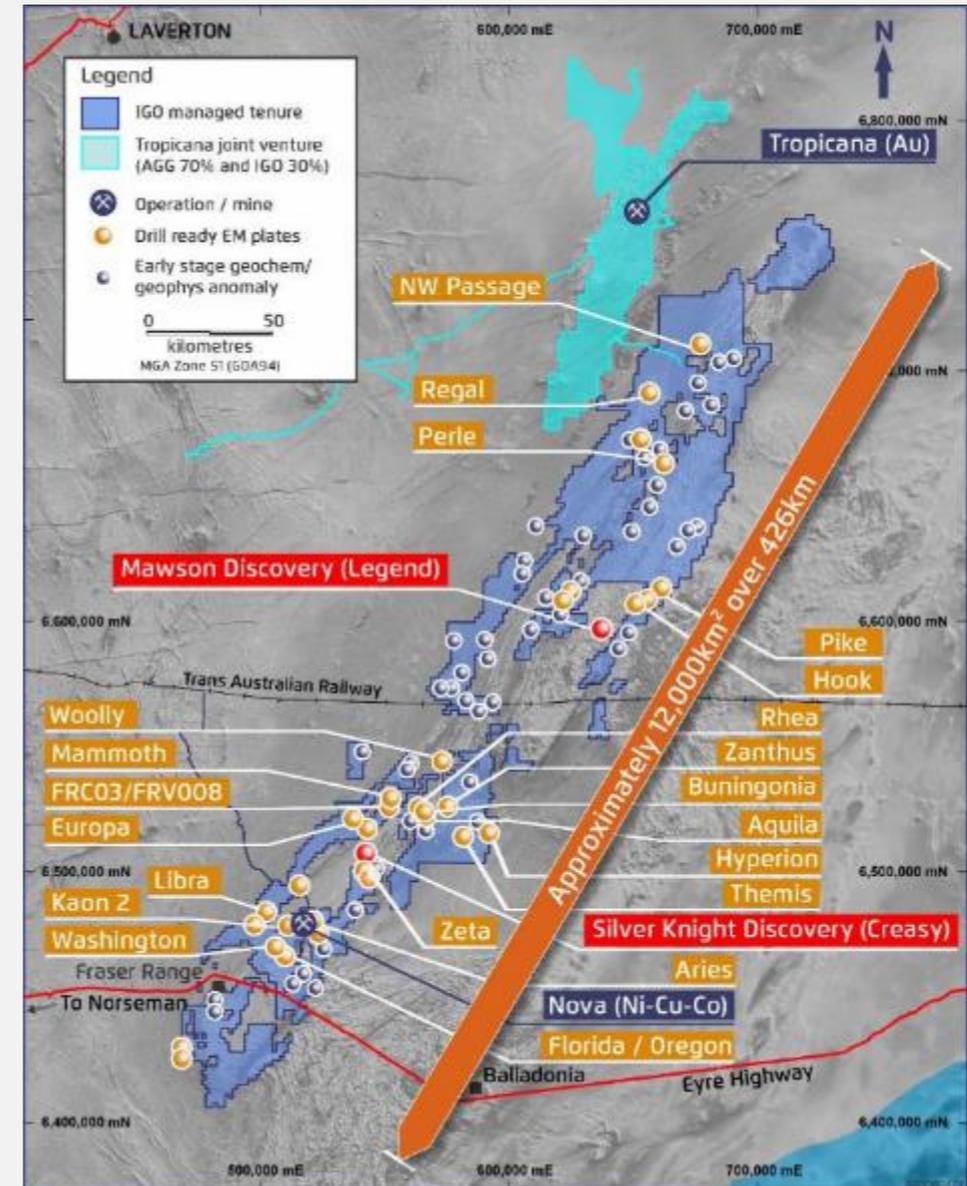


Within 30km of Nova

- Test priority surface and downhole EM targets (e.g. Oregon, Stella, Washington, Wineye, etc.)
- Continue with LT SQUID MLEM on all ELs around Nova Mining Lease
- Complete AC drilling across tenements both west and east of Nova

Regional across Fraser Range

- DDH drilling at Mammoth, Zeta, Aquilla and Rhea to identify source of high-quality EM conductors
- AC drilling at Europa
- HT/LT SQUID at Mammoth, Buningonia and Zanthus
- DHEM interpretation for Pike and Hook
- Diamond drilling at Pike-eye, Hook, Garfish and Regal
- Regional and infill AC drilling
- HT SQUID MLEM testing of AEM and geological targets

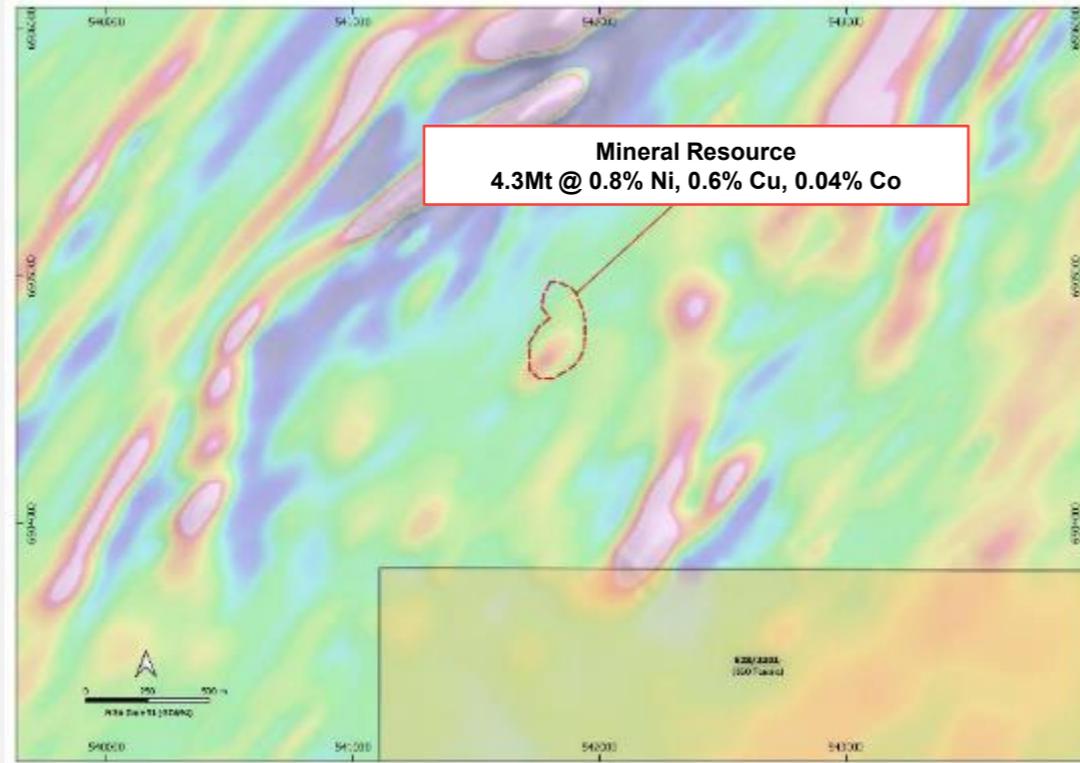


Fraser Range Discoveries

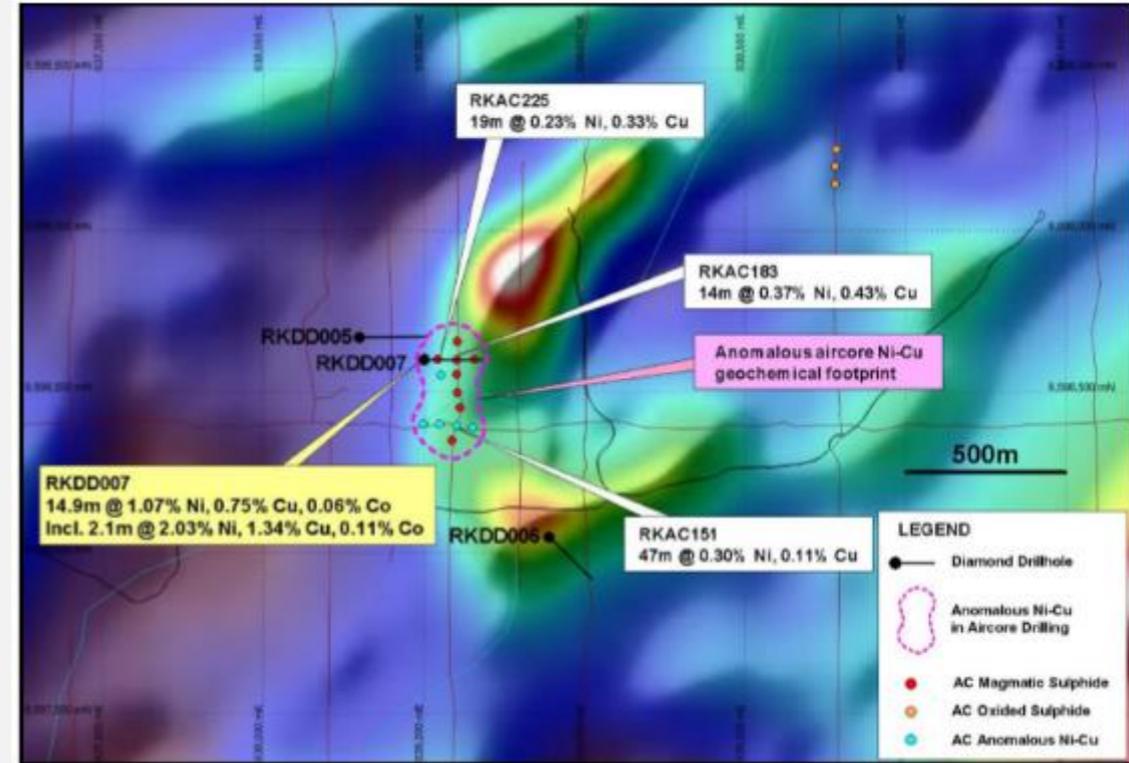
IGO well positioned should these prove viable



Creasy – Silver Knight¹



Legend – Mawson²



Demonstrates potential of the Fraser Range to host multiple magmatic nickel sulphide deposits

1) Source: DMIRS GSL. (2018, Jul 20). Mineralisation Report in support of Application for Mining Lease Application M28/XXX. WA, Australia: Great Southern Nickel Pty Ltd.
2) Source: Refer to ASX announcement by Legend Mining released 9 December 2019



Exploration Lake Mackay

Lake Mackay

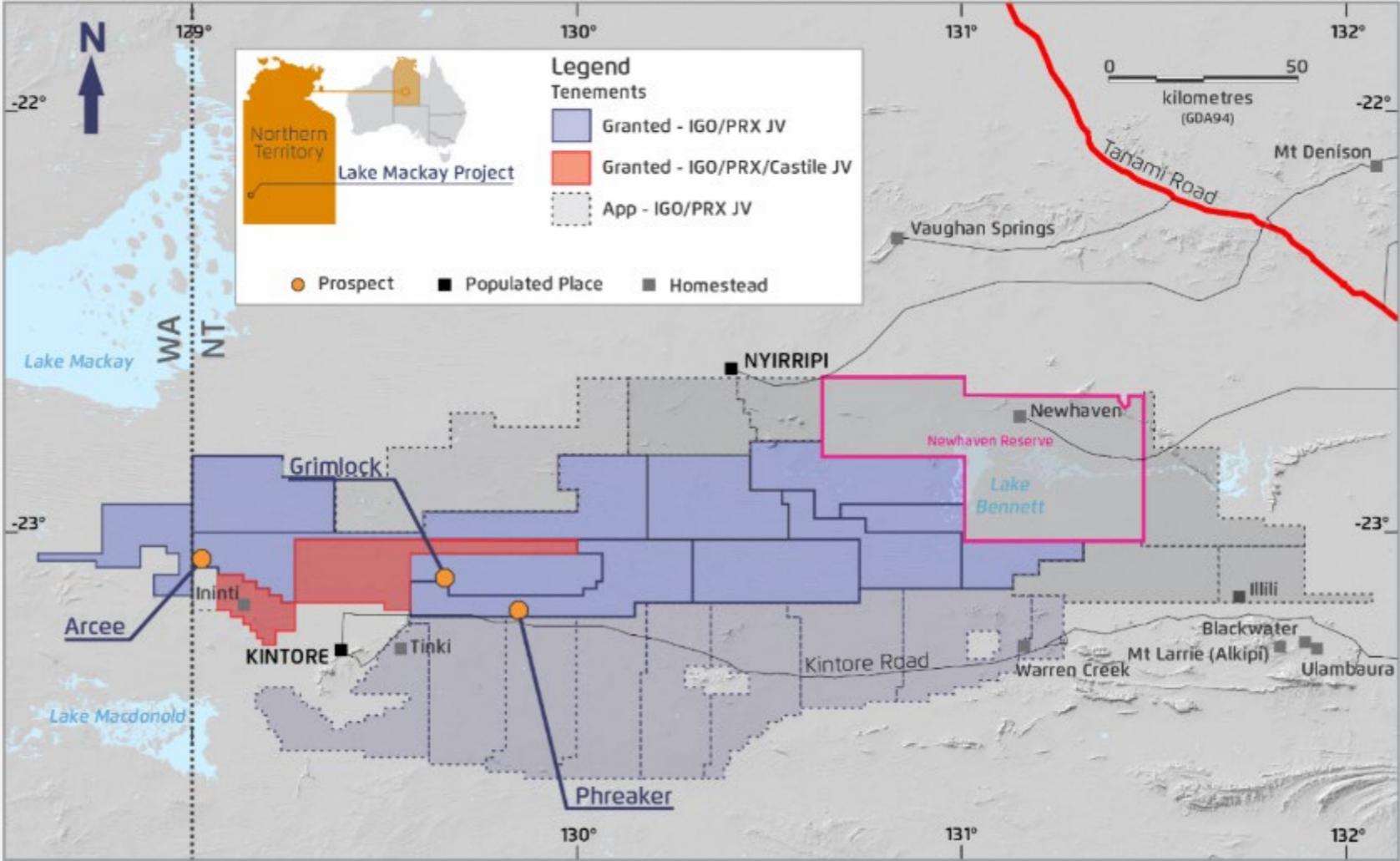
Belt-scale multi-commodity opportunity



Belt scale land position in the Northern Territory

Land position >18,000km² of granted ELs and EL applications

Grimlock, Phreaker and Arcee prospects identified



1) Lake Mackay is a joint venture between IGO, Prodigy Gold NL and Castile Resources Pty Ltd (17,773km² IGO 70% / Prodigy Gold 30%; 908km² IGO 53.8% / Prodigy Gold 23.1% / Castile 23.1%)

Lake Mackay

Grimlock nickel-cobalt laterite⁽¹⁾



Nickel / cobalt / manganese in extensive surface laterite blanket

Metallurgical test work conducted to understand leachability at atmospheric pressure – initial results encouraging

Shallow drilling planned in 2020

Feed Solids Assay (%)							
Co	Fe	Mn	Ni	S	Ti	Al	Si
1.94	3.17	51.90	0.47	0.01	0.04	2.36	0.35
Ca	Mg	P	Ba	K	As	Pb	LOI
0.12	0.09	0.00	0.74	1.02	0.00	0.00	13.7



1) Source: Refer to 30 January 2020 ASX release by IGO: Annual Mineral Resource and Ore Reserves; and ASX release by PRX on 12 December 2019: Lake Mackay JV Update: Grimlock Returns +97% Co and Mn Extractions in Leach Testwork
2) Lake Mackay is a joint venture between IGO, Prodigy Gold NL and Castile Resources Pty Ltd (17,773km² IGO 70% / Prodigy Gold 30%; 908km² IGO 53.8% / Prodigy Gold 23.1% / Castile 23.1%)

Lake Mackay

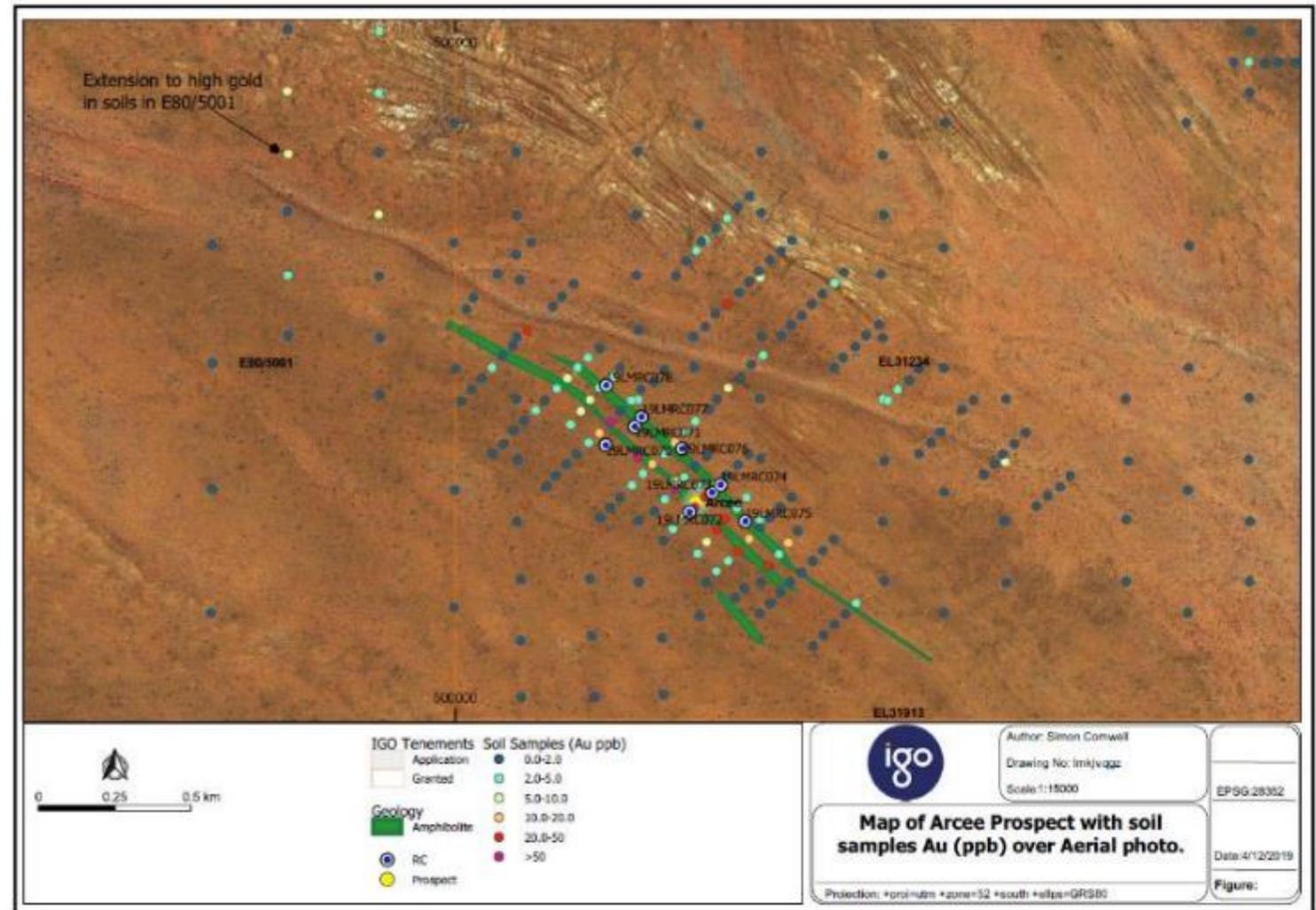
Arcee gold prospect⁽¹⁾



Orogenic shear-hosted gold mineralisation

Gold in bedrock extends over 500m – zone open to north-west

Gold in soils extends over 2km



1) Refer ASX announcement released by Prodigy Gold Limited (PRX) on 12 December 2019 titled - Lake Mackay JV Update: Grimlock Returns +97% Co and Mn Extractions in Leach Testwork
2) Lake Mackay is a joint venture between IGO, Prodigy Gold NL and Castile Resources Pty Ltd (17,773km² IGO 70% / Prodigy Gold 30%; 908km² IGO 53.8% / Prodigy Gold 23.1% / Castile 23.1%)



Exploration West and East Kimberley

Kimberley Projects

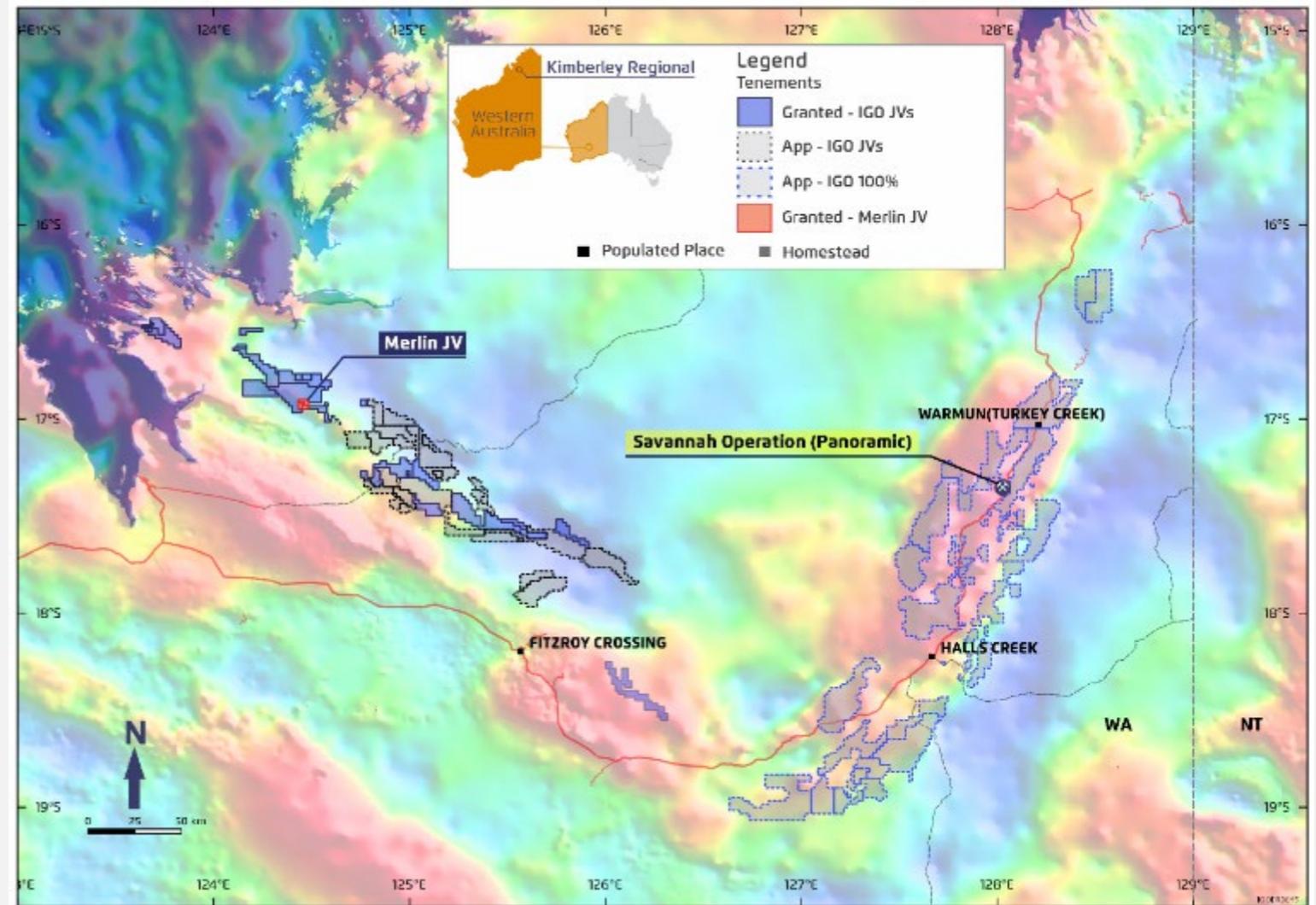
Geologically similar to Fraser Range – exploring for more Nova's



Systematic exploration planned, targeting nickel, copper and cobalt

Landholding expanded to ~13,000km² across West and East Kimberley

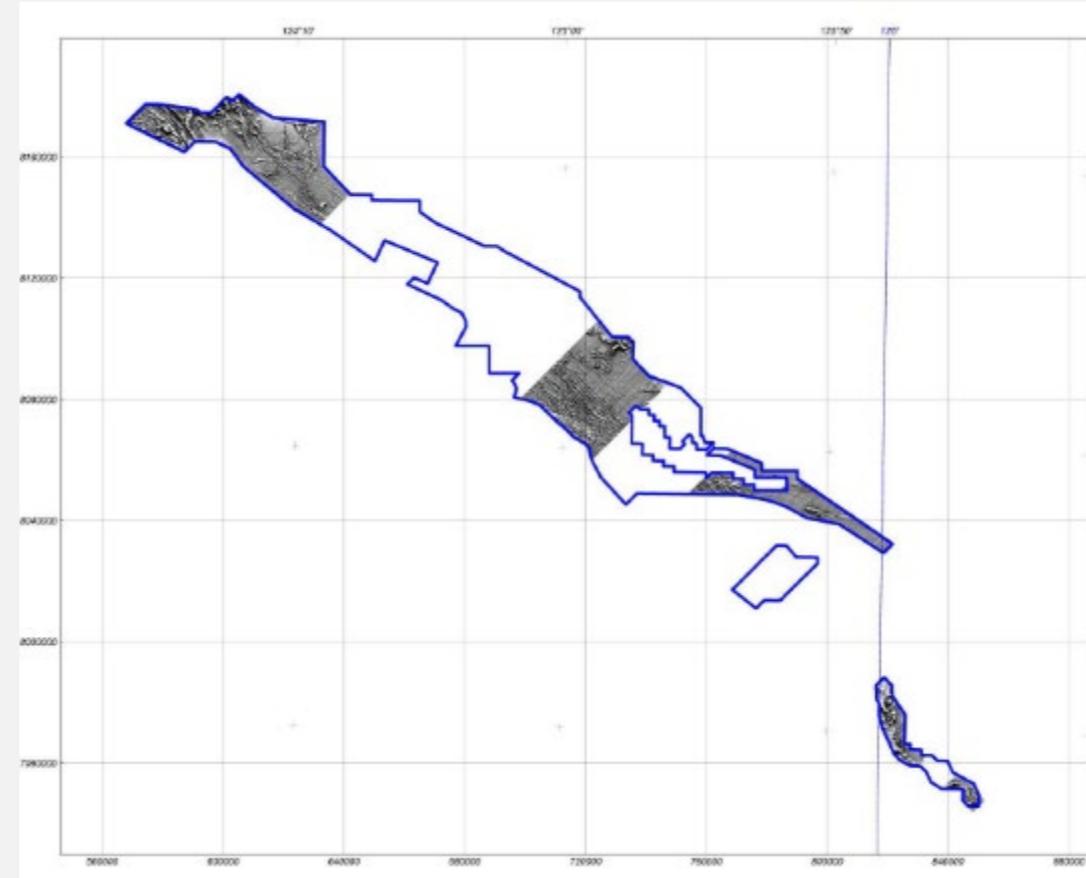
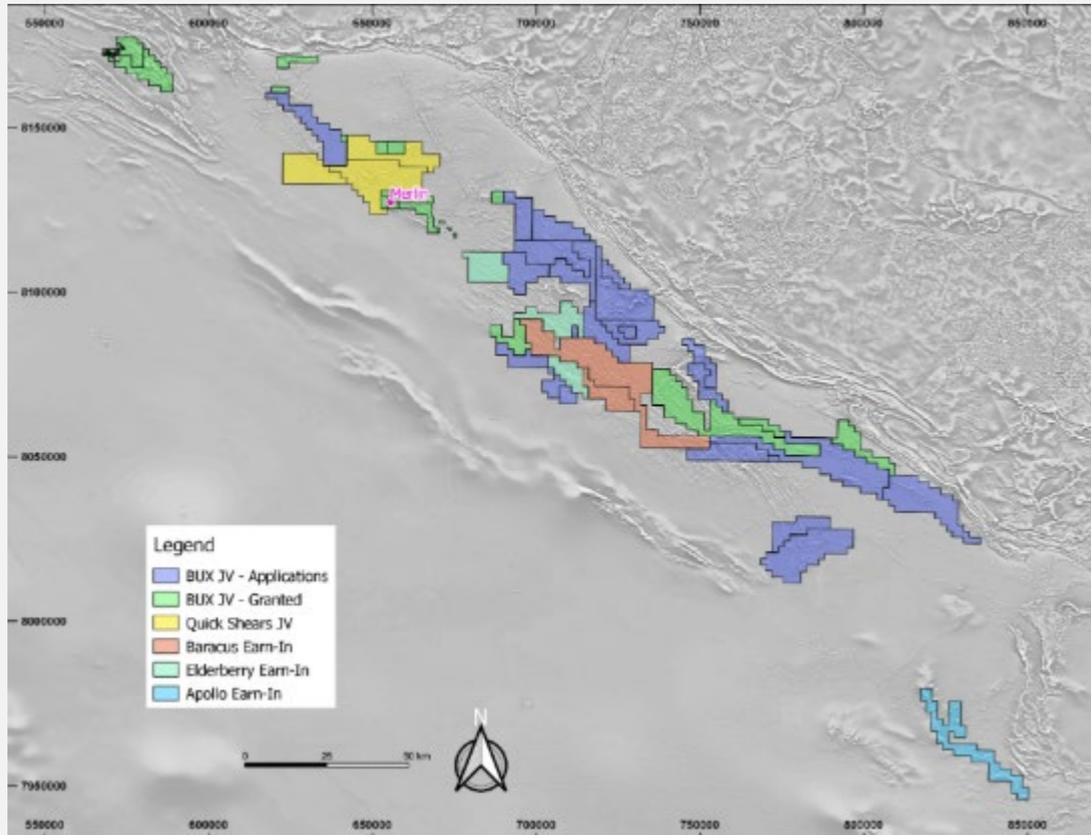
Proven mineralised belts with Savannah Mine and Merlin discovery



1) The West Kimberley JV is a joint venture between IGO and Buxton Resources Limited

West Kimberley

Belt scale position with work programs underway



38,500 line-kilometres of regional aeromagnetic and radiometric survey completed

1) The West Kimberley JV is a joint venture between IGO and Buxton Resources Limited

East Kimberley

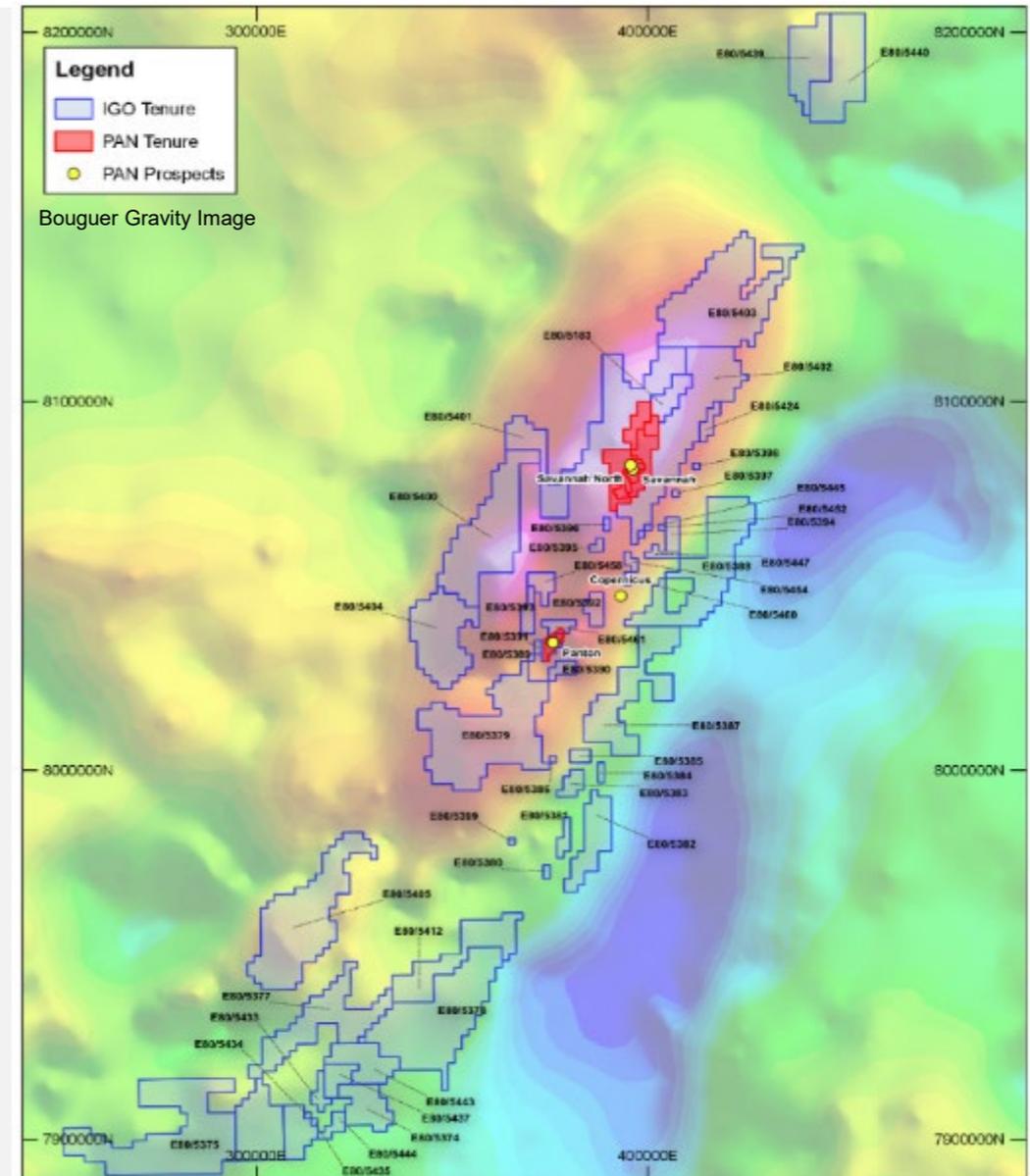
Expanded land position over ~8,000km²



Large tenure position surrounding Panoramic Resources' Savannah Ni-Cu-Co operation

Ground opportunistically staked to establish belt-scale position in proven nickel belt

Review of extensive historic open-file data underway



1) The West Kimberley JV is a joint venture between IGO and Buxton Resources Limited

The background of the slide is an aerial photograph showing several long, parallel rows of stacked metal coils. The coils are arranged in a grid-like pattern on a dark, paved surface. The perspective is from above, looking down at the stacks. The lighting creates shadows that emphasize the three-dimensional nature of the stacks.

Exploration Other Projects

Raptor Project – Northern Territory

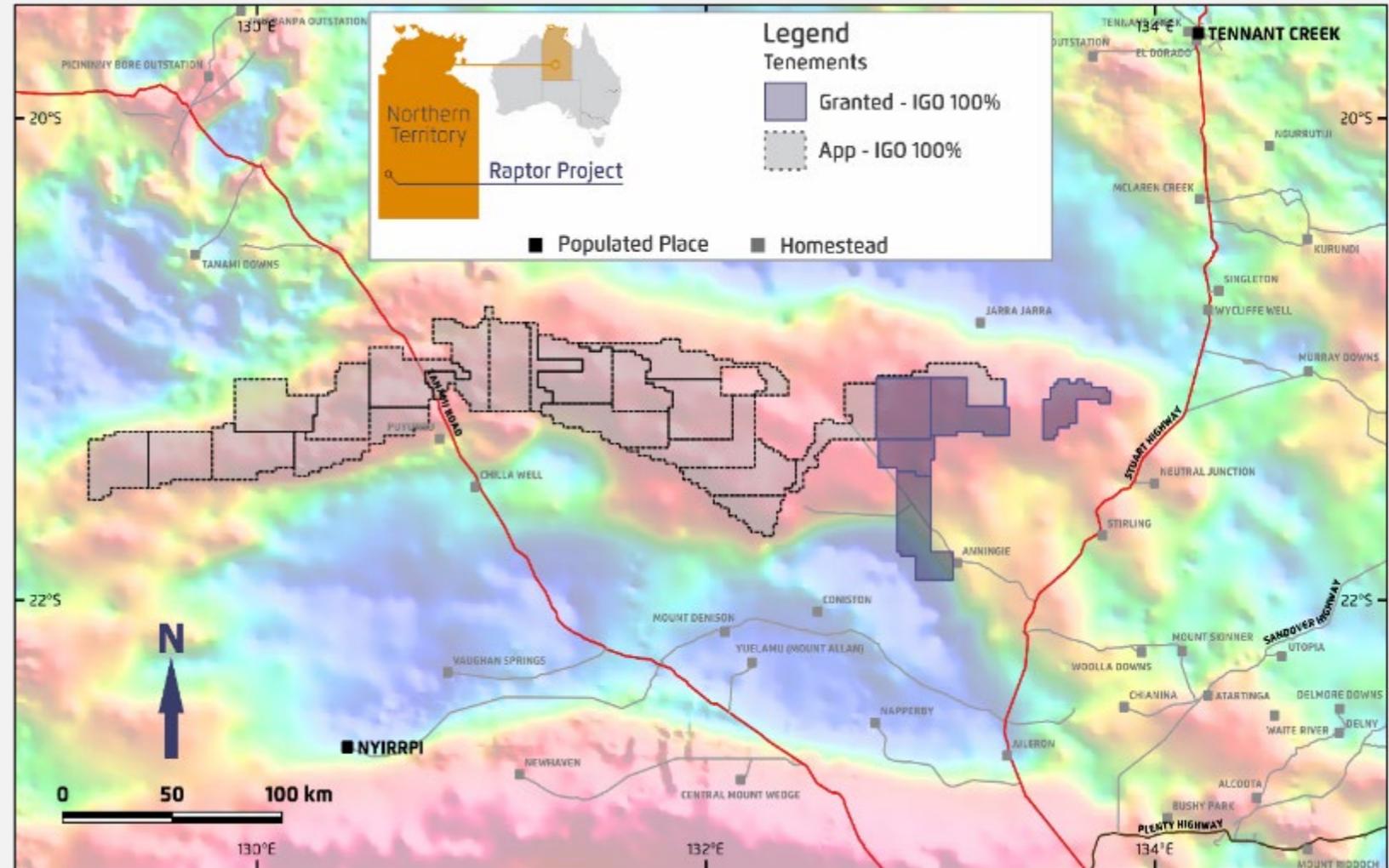
First mover on prospective nickel-copper-cobalt belt



~17,000km² land position along Willowra Gravity Ridge

Aeromagnetic-radiometric survey commencing imminently

Targeting outcropping to shallow-covered Palaeoproterozoic geology



Frontier Project – Greenland

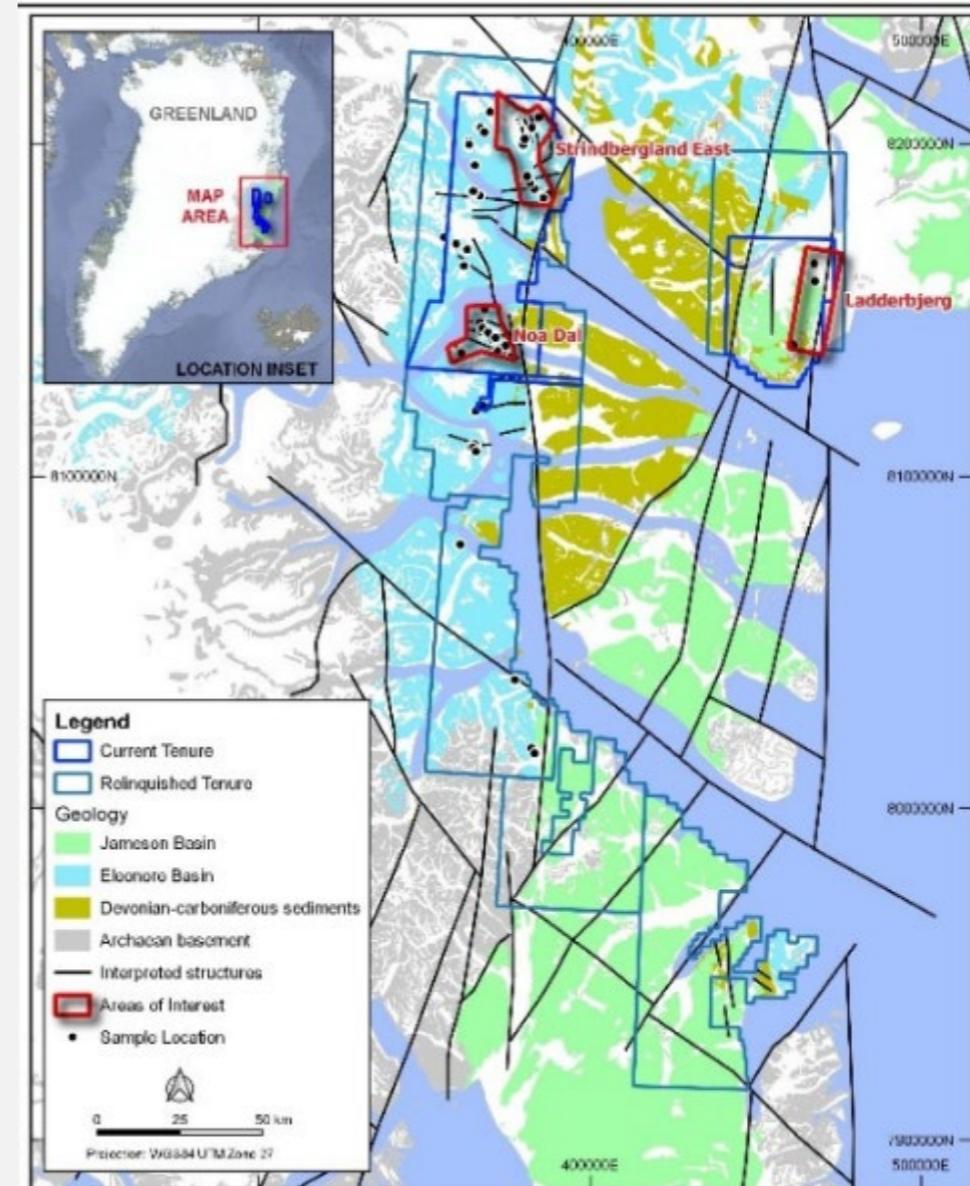
Generative project focused on tier-1 copper discovery



Maiden systematic exploration field program conducted during 2019

Prospects with widespread copper identified from detailed rock sampling program

Three high-priority areas of interest identified for further work





**Exploration
People & Culture**

People

Best in class team focused on delivering exploration success



Diverse team with broad skills and experience

97% retention rate over past two years

Focus on safety as 2020 field season commences





M&A Update

Panoramic Takeover Offer

Disciplined approach to M&A



Launch of conditional public takeover offer
4 November 2019

- Offer conditions designed to protect IGO shareholders
- Offer presented win-win scenario for IGO and PAN shareholders
- Public offer following lack of engagement over preceding 12 months
- Strong PAN shareholder support on launch



Offer Period

- PAN breached various of IGO conditions including a production downgrade and capital raising
- Due diligence completed
- PAN commissioned Independent Experts Report (IER) found IGO's offer was fair and reasonable
- IGO extended offer deadline



Offer Lapse
17 January 2020

- Public disclosures by PAN following offer launch eroded value proposition for IGO
- IGO determined not to waive breaches of offer



Finance

Capital management

Capital Management Strategy



Capital to sustain the business and deliver consistent returns

Capital to grow the business and increase underlying value per share

Cash returns to shareholders (dividends and share buy backs)

Maintaining a strong balance sheet

- Current low debt and robust liquidity ratios
- Sustain operations in cyclical price environments
- Invest in growth and replenish and acquire new assets
- Fund growth and assets by debt and equity capital
- Target no more than debt / EBITDA of 2.25x on a long term basis
- Cash flow linked shareholder returns

Capital Allocation Policy

- IGO adopted a revised shareholder returns policy in January 2019¹
- Targeted return of 15-25% of FCF to shareholders
- Capital returns include consistent dividends and share buy backs
- Next review of Policy due in January 2021 (reviewed every 2 years)

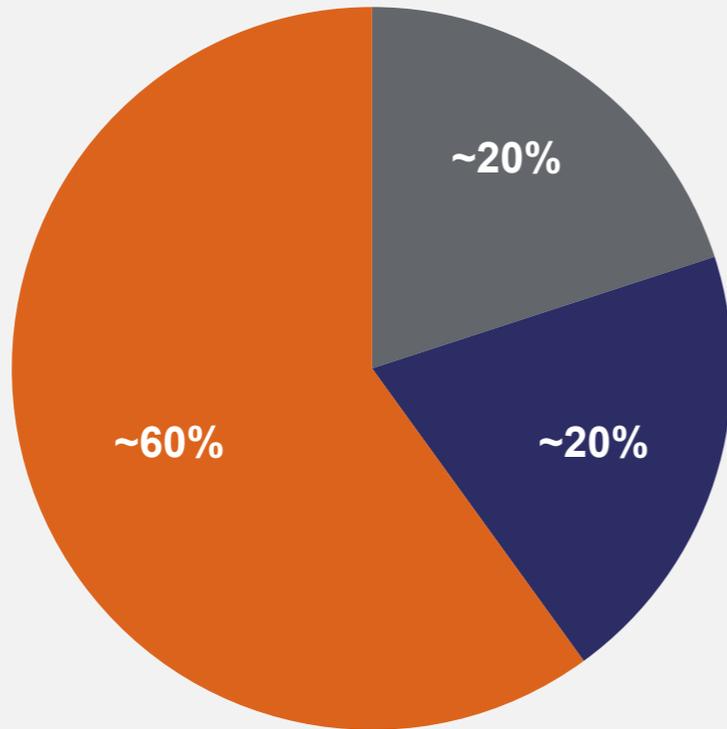
1) Refer to ASX Announcement released 31 January 2019: December 2018 Half-Year Financial Report

Capital management & cash returns

Record return to shareholders in FY19

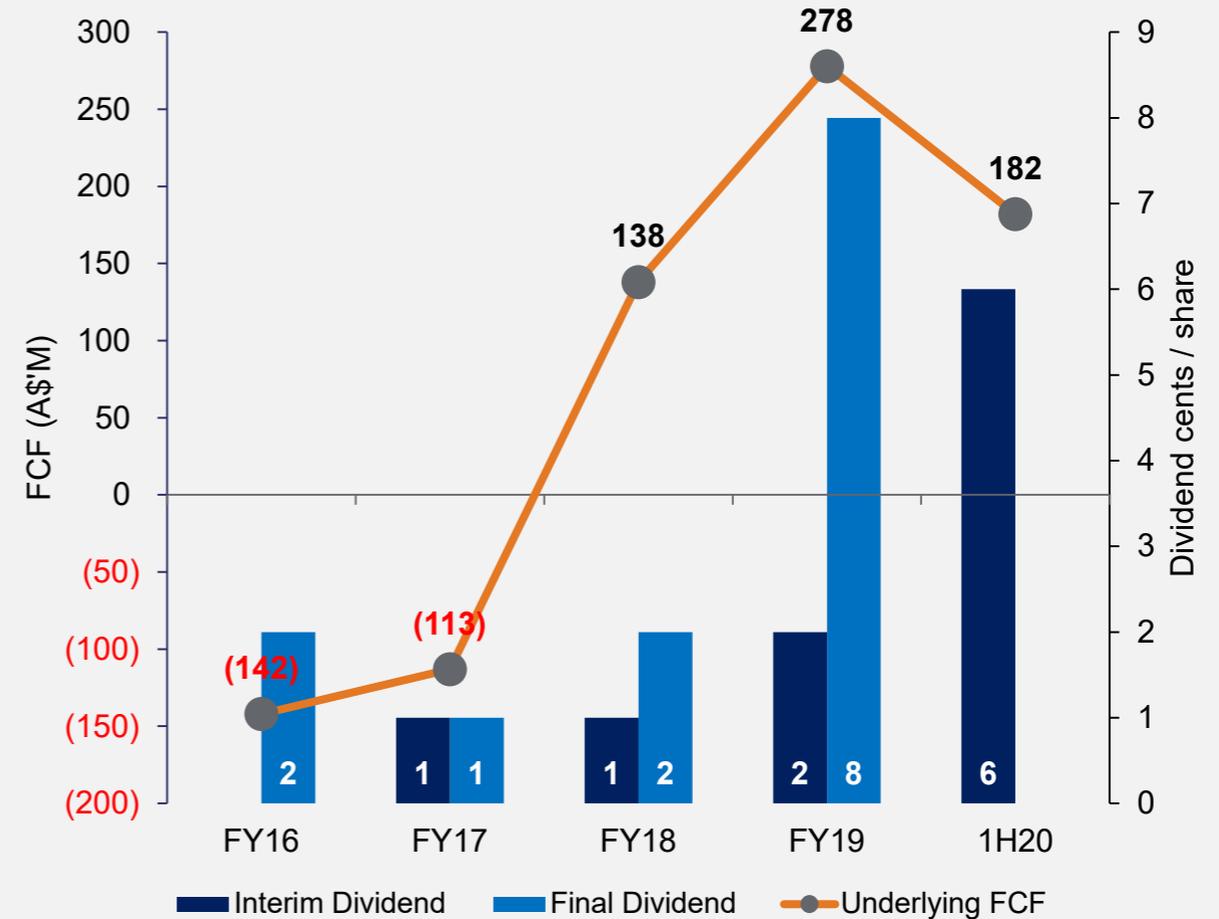


FY19 Allocation



■ Returns to Shareholders ■ Exploration ■ Balance Sheet

Free Cash Flow & Dividend History

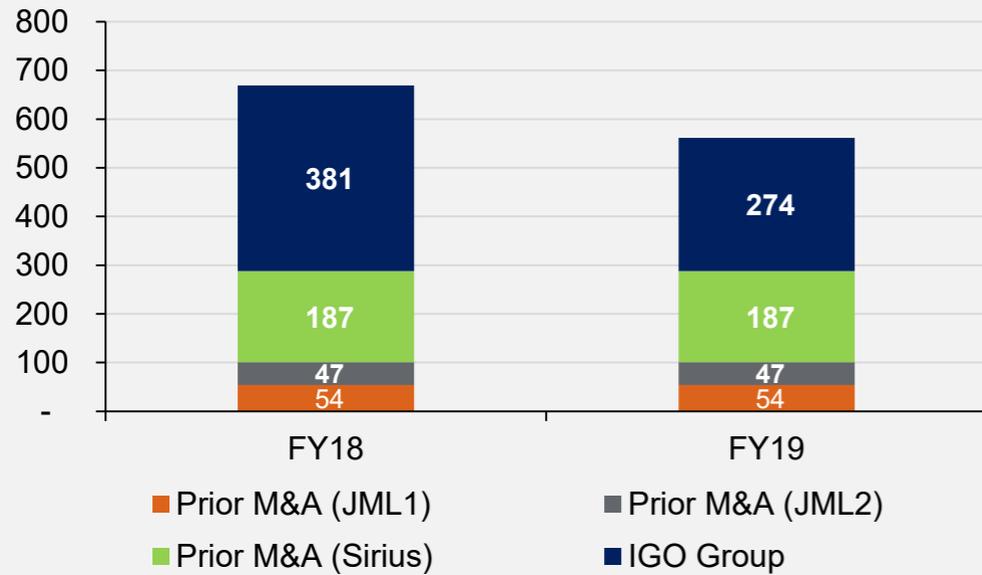


Tax Losses

FY19 Tax Losses (A\$561M)



Tax Losses & Loss Bundles



Deferred Tax Asset – Tax losses¹

- FY19 c/fwd revenue tax loss asset of A\$154M (capitalised tax losses of A\$515M x 30% tax rate)
- Does not include a Jabiru Metals loss bundle of A\$47M (tax effected A\$14M). These were de-recognised due to low Available Fraction

Tax loss utilisation and Available Fraction

- Tax Loss Bundles characterise tax losses as either wholly generated by IGO (Group losses) or acquired in prior year's corporate transactions. Transferred losses have a limitation on the rate of loss utilisation based on the AF
- Order of loss utilisation: 1) Any and all Group tax losses available to be utilised in an income tax year first, 2) If net taxable income remains, transferred losses will be utilised at their respective AF
- AFs have implications on timing of tax loss utilisations. AFs can be diluted by equity injections.

Source	Loss Type	Available Fraction
IGO	Group	100%
Prior M&A (SIR)	Transferred	32.4%
Prior M&A (JML1)	Transferred	7.5%
Prior M&A (JML2)	Transferred	3.1%

1) Refer to the Tax Transparency Report FY19 as can be found on the Financial Reports page of the IGO website (05 Dec 2019) for an explanation of Deferred Taxes as they relate to IGO; <https://www.igo.com.au/site/investor-center/financial-reports>

Factors impacting the payment of Cash Tax

Factors resulting in higher tax payable, and earlier tax loss utilisation

- Higher commodity prices, weaker AUD:USD
- Higher profitability and margins, higher grade, recoverability and product payabilities

Factors resulting in lower and delayed tax payable, lower utilisation of tax losses

- Lower commodity prices, stronger AUD:USD
- Upfront expensing of overburden removal costs incurred at Tropicana (in accordance with Taxation Ruling 95/36 *Income tax: characterisation of expenditure incurred in establishing and extending a mine*)

Franking

- Franking account is currently depleted. Dividends will be unfranked until cash tax is paid.

1H20 Tax losses update

- Tax loss utilisation during 1H20 of A\$170M
- This equates to A\$51M reduction in deferred tax loss asset to A\$103M (from A\$154M at end of FY19)
- C/fwd tax revenue losses at 31 December ~ A\$390M

By-product credits and impact on Cash Costs



Nova Cash Costs

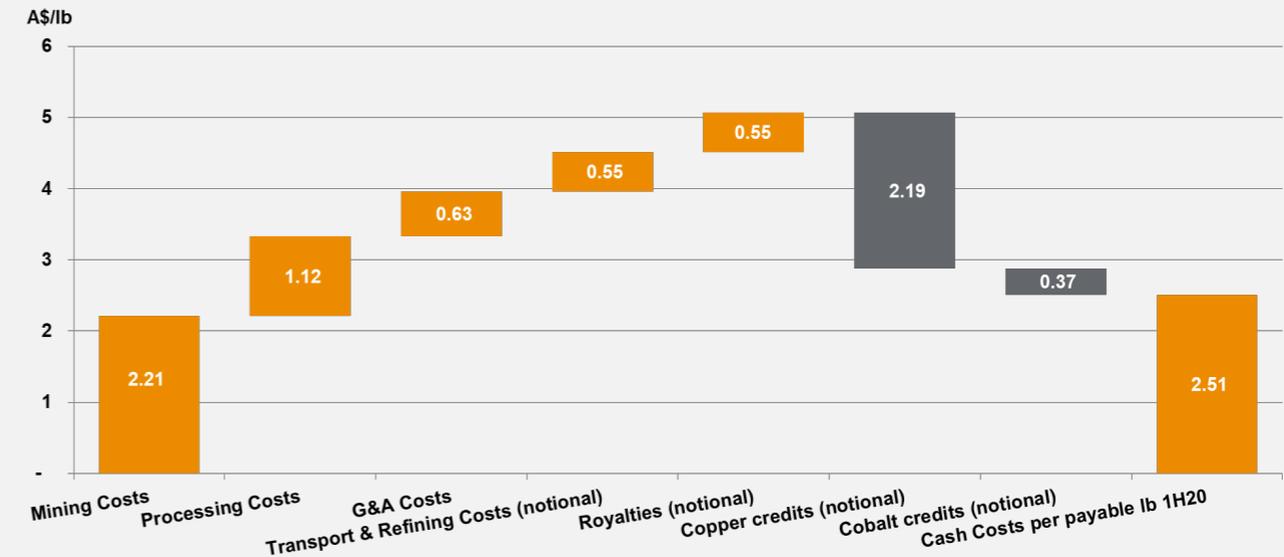
FY20 Guidance

- IGO issued the following FY20 guidance in the June 2019 Quarterly Report:

Mining Operation	Units	FY20 Guidance Range
Nickel in concentrate	t	27,000 to 30,000
Copper in concentrate	t	11,000 to 12,500
Cobalt in concentrate	t	850 to 950
Cash cost (payable)	A\$/lb Ni	2.00 to 2.50
Copper price assumed	A\$/lb	4.20
Cobalt price assumed	A\$/lb	24

- Cash costs of \$2.00 – \$2.50 / lb pound includes credits for copper and cobalt that is paid by the customer to IGO
- Payability is subject to commercial confidentiality, however the majority of revenue from payable copper is sourced from sales to Trafigura Pte Ltd. Cobalt revenue is derived from the sale of nickel concentrates. From January 2020 onwards this will be sourced from sale of nickel concentrates to BHP and Trafigura

Unit cost components – 1H20 cash costs



- Mining, Processing, G&A costs are actual costs of production
- Notional costs based on known unit rates for costs to be incurred beyond the production of concentrates:
 - Haulage, wharfage, shipping, customer treatment and refining charges and royalties
 - Payable by-product credits priced on average copper and cobalt price over the production period

AISC and implications for cash flow

All-In-Sustaining Costs



What is included?

- IGO has adopted the World Gold Council definition of AISC. These include:
 - **Cash costs comprising:** Mining, processing, general & administrative costs, transport, treatment and refining charges, silver by-product credits, royalties, and corporate overheads (management fees payable to the operator of the Tropicana JV)
 - **Sustaining capital comprising:** exploration & feasibility costs, stay-in-business / maintenance capex, and deferred striping capital
 - **Non-cash measures:** P&L inventory adjustments (positive and negative) on a sales basis, reclamation asset amortisation, unwinding of interest expense on PV of the rehabilitation provision
- Not included in AISC are working capital adjustments (other than sales basis inventory adjustments).

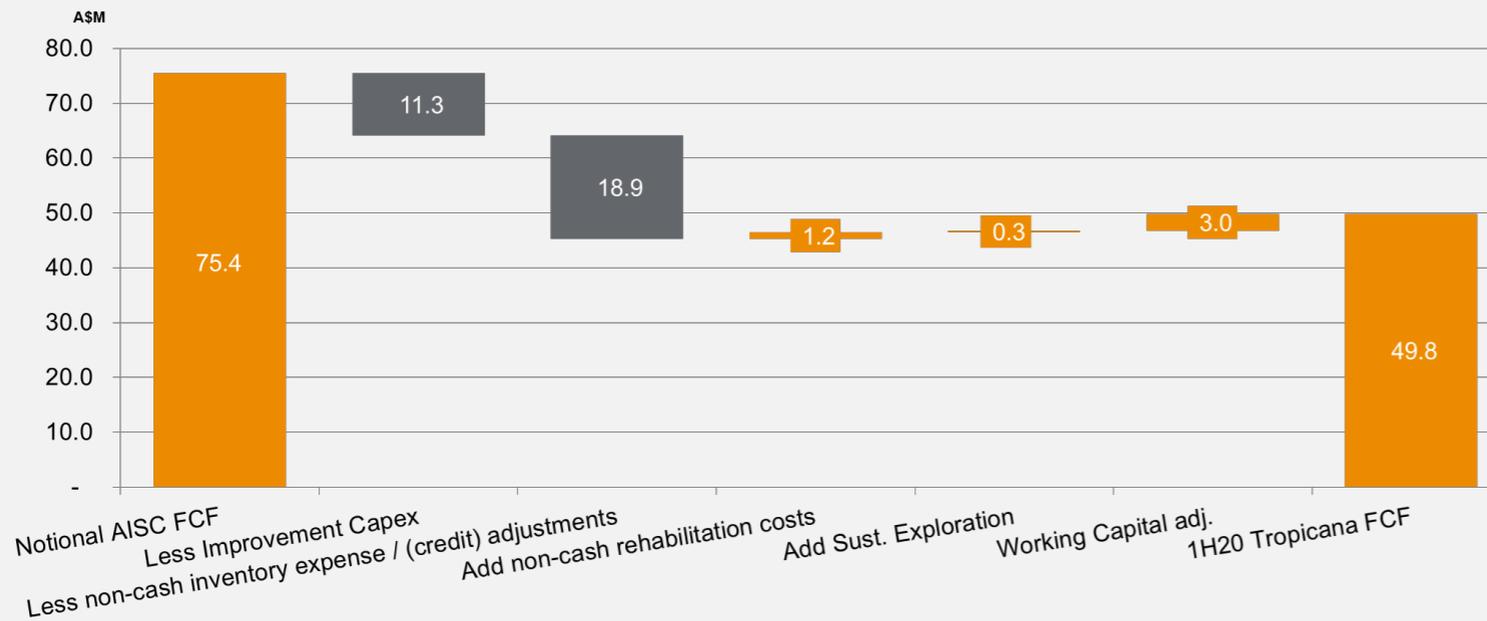


AISC and implications for cash flow

All-In-Sustaining Costs



1H20 Reconciliation – AISC vs Tropicana Free Cash Flow (FCF)



- Notional AISC represented by 1H20 sales of 77.5koz x AISC of A\$1,007/oz = A\$75.4M
- Waterfall chart demonstrates various non-cash items to arrive at actual 1H20 Tropicana FCF

TROPICANA JV OPERATION	Notes	Units	2Q20	1H20
IGO 30% attributable share				
Gold refined & sold	1	oz	38,612	77,550
Revenue/Expense Summary: IGO 30% share				
Gold Sales Revenue		A\$M	76.69	153.56
Cash Mining Costs		A\$M	(20.38)	(38.52)
Cash Processing Costs		A\$M	(12.37)	(23.47)
Gold production inventory adjustments		A\$M	10.84	18.80
Gold sales inventory adjustments		A\$M	2.12	0.08
Other Cash Costs	2	A\$M	(4.40)	(8.87)
State government royalties		A\$M	(2.11)	(4.18)
Silver credits		A\$M	0.35	0.78
Exploration & feasibility costs (non-sustaining)		A\$M	(0.89)	(1.70)
Exploration & feasibility costs (sustaining)		A\$M	(0.05)	(0.35)
Sustaining Capital		A\$M	(4.00)	(7.43)
Improvement Capital		A\$M	0.00	0.00
Underground Capital		A\$M	(4.05)	(6.39)
Capitalised stripping asset		A\$M	(5.58)	(12.92)
Underground Mine Development		A\$M	(2.85)	(4.93)
Rehabilitation – accretion & amortisation		A\$M	(0.61)	(1.21)
Depreciation/Amortisation		A\$M	(26.25)	(43.58)
Unit AISC Summary: IGO 30% share				
Cash costs		A\$/oz	672	714
Sustaining Capital		A\$/oz	104	96
Capitalised sustaining stripping & other mine costs		A\$/oz	145	167
Exploration & feasibility costs (sustaining)		A\$/oz	1	4
Rehabilitation – accretion & amortisation		A\$/oz	16	16
Leasing costs		A\$/oz	11	11
All-in Sustaining Costs	3	A\$/oz	948	1,007
		Not in AISC		(xxx)
		Not in Tropicana FCF		(xxx)

Lease Accounting

New Accounting Standard AASB16 - Leases



Lease Recognition

- Effective date for IGO – 1 July 2019
- At the inception of a contract, an entity / lessee shall assess whether the contract is, or contains, a lease
 - A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration
- Control is determined with reference to the entity having both of the following:
 - the right to obtain substantially all of the economic benefits from use of the identified asset; and
 - the right to direct the use of the identified asset

Lease Measurement

- The lease liability is measured as the present value of the future lease payments. The lease payments are to be discounted using an interest rate implicit in the lease, or if that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate

Effect of New Standard

- Recognition of the lease liability is in conjunction with recognising a right-of-use (RoU) asset
- Lower operating costs, higher EBITDA, to the extent that there has been recognition of a RoU asset which will be depreciated over the life of the contract
- Higher net cash flow from operating activities
- Higher cash outflow for financing activities (since lease payments are recorded as a financing cost)
- Higher depreciation

Lease Accounting

1H20 Financial impact of the new leasing standard



Tropicana RoU Asset **A\$11.4M**

- Present Value of Monthly fixed charges of Pacific Energy Power Purchase Agreement over the term of the contract.

Nova RoU Asset **A\$25.0M**

- Present Value of Fixed capacity charges for the Zenith Power Purchase Agreement and Solar Farm over the term of the contracts.

Corp. Office Lease RoU Asset **A\$2.0M**

- Present Value of corporate office lease.



- IGO has disclosed the RoU Asset totalling A\$38.4M in the 1H20 Half Year Report
- 1H20 Finance lease payments total A\$2.6M

Metric	Entity	Impact of adoption
EBITDA ↑A\$3.3M	Nova	↑ A\$1.7M
	Tropicana	↑ A\$0.8M
	Corporate	↑ A\$0.8M
Cash costs	Nova	↓ A\$0.05 / lb
	Tropicana	↓ A\$11 / oz
AISC	Tropicana	No change
Free Cash Flow ↑A\$2.6M	Nova	↑A\$1.2M
	Tropicana	↑ A\$0.8M
	Corporate	↑ A\$0.6M
Depreciation ↑A\$3.0M	Nova	↑ A\$1.5M
	Tropicana	↑ A\$0.8M
	Corporate	↑ A\$0.8M
Interest Expense ↑A\$0.8M	Nova	↑ A\$0.4M
	Tropicana	↑ A\$0.3M
	Corporate	↑ A\$0.1M



MAKING A DIFFERENCE

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

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

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

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

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

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

This is the IGO Difference.

Appendix 1: Mineral Resources - Nova



Nova Operation – Mineral Resource estimate for the end of CY18/19

Source	JORC Class	31 December 2018							31 December 2019						
		Mass (Mt)	Nickel		Copper		Cobalt		Mass (Mt)	Nickel		Copper		Cobalt	
			(%)	(kt)	(%)	(kt)	(%)	(kt)		(%)	(kt)	(%)	(kt)	(%)	(kt)
Underground	Measured	12.5	2.1	261	0.80	104	0.07	9	10.9	2.07	226	0.83	90	0.07	7
	Indicated	0.6	1.0	6	0.40	2	0.04	<1	0.6	0.96	6	0.44	3	0.04	<1
	Inferred	<0.1	1.9	1	0.7	<1	0.06	<1	<0.1	1.9	1	0.7	<1	0.06	<1
	Subtotal	13.2	2.0	268	0.8	106	0.07	9	11.5	1.9	232	0.8	96	0.06	7
Stockpiles	Measured	0.1	2.1	1	0.9	1	0.08	<1	0.1	1.88	1	0.8	1	0.06	<1
Total	Measured	12.6	2.10	263	0.80	104	0.07	9	12.0	1.93	231	0.8	93	0.06	8
	Indicated	0.6	1.00	6	0.40	2	0.04	<1	0.7	0.87	6	0.4	3	0.03	<1
	Inferred	<0.1	1.9	1	0.7	<1	0.06	<1	0.0	1.84	1	0.7	0	0.06	<1
Nova Operation total		13.2	2.0	270	0.8	107	0.07	9	11.6	2.01	234	0.8	94	0.07	8

- The end of CY19 MRE is reported using a A\$56/t NSR cut-off based on the metal prices listed in this annual report
- The end of CY18 MRE is reported using a A\$50/t NSR cut-off based on prices listed in the end of CY18 annual report
- Some averages and sums are affected by rounding
- MREs are considered generally inclusive of OREs and no Inferred Resources are considered excessively extrapolated

Nova Operation – Ore Reserve estimate for the end of CY18/19

Source	JORC Class	31 December 2018							31 December 2019						
		Mass (Mt)	Nickel		Copper		Cobalt		Mass (Mt)	Nickel		Copper		Cobalt	
			(%)	(kt)	(%)	(kt)	(%)	(kt)		(%)	(kt)	(%)	(kt)	(%)	(kt)
Underground	Proved	11.3	1.91	215	0.76	86	0.06	7	9.2	1.86	172	0.78	72	0.07	6
	Probable	0.2	1.26	2	0.46	1	0.04	<1	0.2	1.49	3	0.58	1	0.05	<1
	Subtotal	11.5	1.90	217	0.76	87	0.06	7	9.5	1.85	176	0.78	74	0.07	6
Stockpiles	Proved	0.1	2.11	1	0.86	1	0.08	<1	0.1	1.88	1	0.79	1	0.06	<1
Total	Proved	11.4	1.91	216	0.76	87	0.06	7	9.3	1.86	174	0.78	73	0.07	6
	Probable	0.2	1.26	2	0.46	1	0.04	<1	0.2	1.49	3	0.58	1	0.05	<1
Nova Operation total		11.5	1.90	219	0.76	87	0.06	7	9.5	1.85	177	0.78	74	0.07	6

- End of CY18 estimates are reported using NSR cut-off grades of A\$27/t for development, A\$63/t incremental stoping and A\$102/t for full stoping costs
- End of CY19 estimates are reported using NSR cut-off grades of A\$37/t for development, A\$75/t incremental stoping and A\$125/t for full stoping costs
- Some averages and sums are affected by rounding
- An immaterial tonnage (<5kt) of Inferred Mineral Resources is included in the ORE for reasons of practicality of design

1) Refer: Annual Update of Exploration Results, Mineral Resources and Ore Reserves released to ASX on 30 January 2020

Appendix 1: Mineral Resources & Ore Reserves – Tropicana



Tropicana Gold Mine – 100% Mineral Resources CY18/19

Estimate	JORC Class	31 December 2018			31 December 2019		
		Mass (Mt)	Gold		Mass (Mt)	Gold	
			(g/t)	koz		(g/t)	(koz)
Open pit	Measured	6.5	1.29	270	2.4	1.68	130
	Indicated	75.5	1.50	3,640	53.3	1.57	2,690
	Inferred	5.6	1.31	240	3.3	1.23	130
	Subtotal	87.6	1.47	4,140	59	1.56	2,950
Underground	Measured	—	—	—	—	—	—
	Indicated	8.5	4.11	1,120	11.4	3.08	1,130
	Inferred	12.4	4.36	1,730	19.1	3.24	1,990
	Subtotal	20.8	4.26	2,850	30.5	3.18	3,120
Stockpiles	Measured	27.8	0.79	700	39	0.76	950
	Indicated	84.0	1.76	4,760	64.7	1.84	3,820
	Inferred	17.9	3.41	1,970	22.4	2.95	2,120
	Subtotal	140.0	136.2	7,290	128.5	1.70	7,020

- Open pit block cut-off >0.3g/t Au for oxide, otherwise >0.4g/t Au; Underground MREs reported using cut-off >1.8g/t Au
- Some totals and averages are affected by rounding
- MRE is inclusive of ORE

Tropicana Gold Mine – 100% Ore Reserves CY18/19

Estimate	JORC Class	31 December 2018			31 December 2019		
		Mass (Mt)	Gold		Mass (Mt)	Gold	
			(g/t)	(koz)		(g/t)	(koz)
Open pit	Proved	4.2	1.68	230	1.5	2.28	110
	Probable	43.2	1.94	2,690	30.1	2.00	1,940
	Subtotal	47.4	1.91	2,920	31.6	2.02	2,050
Underground	Proved	—	—	—	—	—	—
	Probable	2.7	3.65	320	2.7	3.60	310
	Subtotal	2.7	3.65	320	2.7	3.60	310
Stockpiles	Proved	15.5	1.01	500	22.0	0.94	670
Total	Proved	19.8	1.15	730	23.5	1.03	780
	Probable	45.9	2.04	3,010	32.8	2.13	2,250
	Tropicana Gold Mine total	65.7	1.77	3,740	56.3	1.67	3,030

- Open pit block cut-off >0.7g/t Au for fresh rock, otherwise >0.6g/t Au
- Underground block cut-off 2.6g/t Au
- Some totals and averages are affected by rounding