



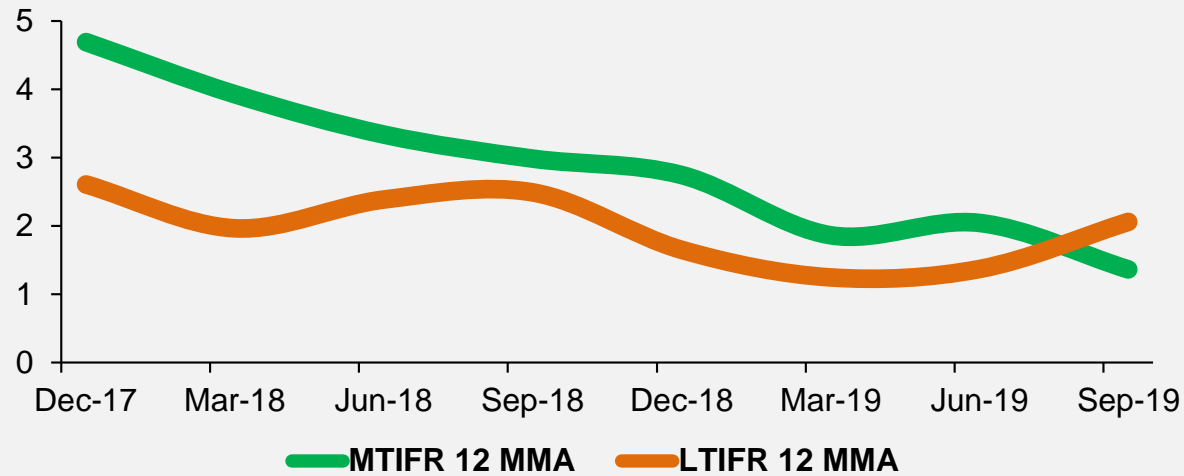
**MAKING A  
DIFFERENCE**

# Independence Group NL

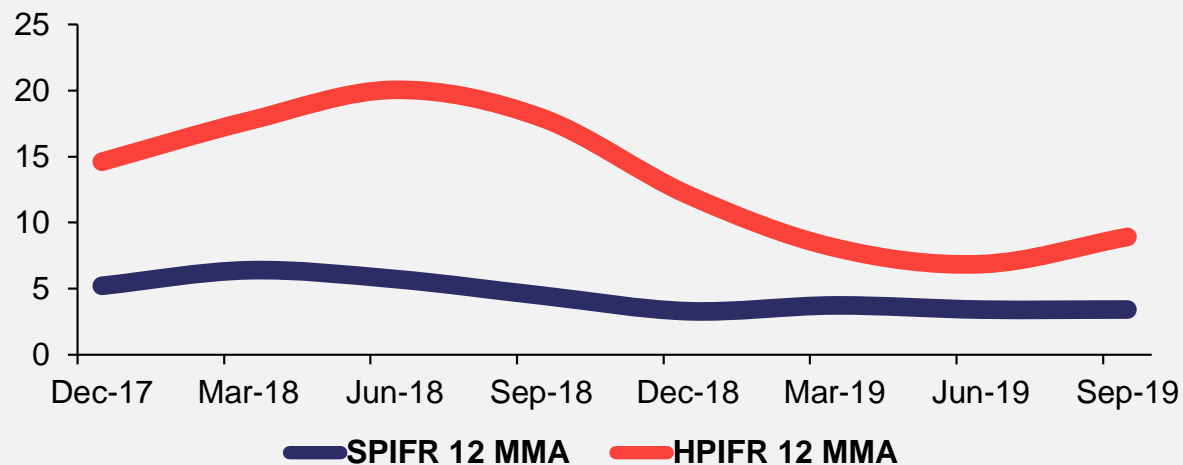
**ANNUAL GENERAL MEETING**

20 November 2019

### Key Lag Injury Metrics<sup>(1,2)</sup>



### Key Lead Injury Metrics<sup>(2)</sup>



Fatality resulting from an incident which occurred at Nova in September 2019

Comprehensive safety review underway

Actively creating and fostering a positive safety culture across the business

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) LTIFR, MTIFR, SPIFR and HPIFR are respectively: Lost Time Injury Frequency Rate, Medically Treated Injury Frequency Rate, Serious Potential Incident Frequency Rate and High Potential Incident Frequency Rate.

# Sustainability

Strong performance across key metrics in FY19



No material environmental or community incidents in FY19

Sustainability reporting continues to be industry leading

IGO admitted to Dow Jones Sustainability Index

2019 ACSI Rating of ASX200 Sustainability Reporting<sup>(1)</sup>



“Leading” rating by ACSI for the past 4 years

<sup>1)</sup> Australian Council of Superannuation Investors (ACSI)

# Corporate Overview

Portfolio of high quality operating and exploration assets



## Market Capitalisation<sup>(1)</sup>

A\$3.7 billion

## Shares on Issue<sup>(1)</sup>

590 million

## Cash<sup>(2)</sup>

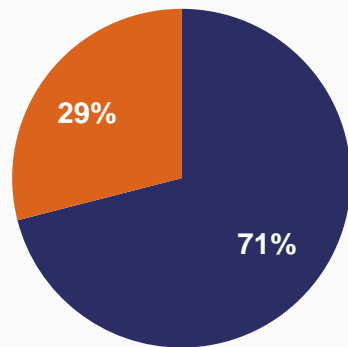
A\$321 million

## Debt<sup>(2)</sup>

A\$57 million

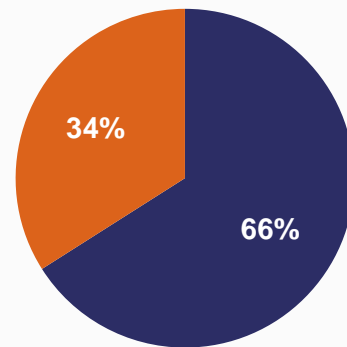
## Shareholders<sup>(3)</sup>

Institutional vs Retail

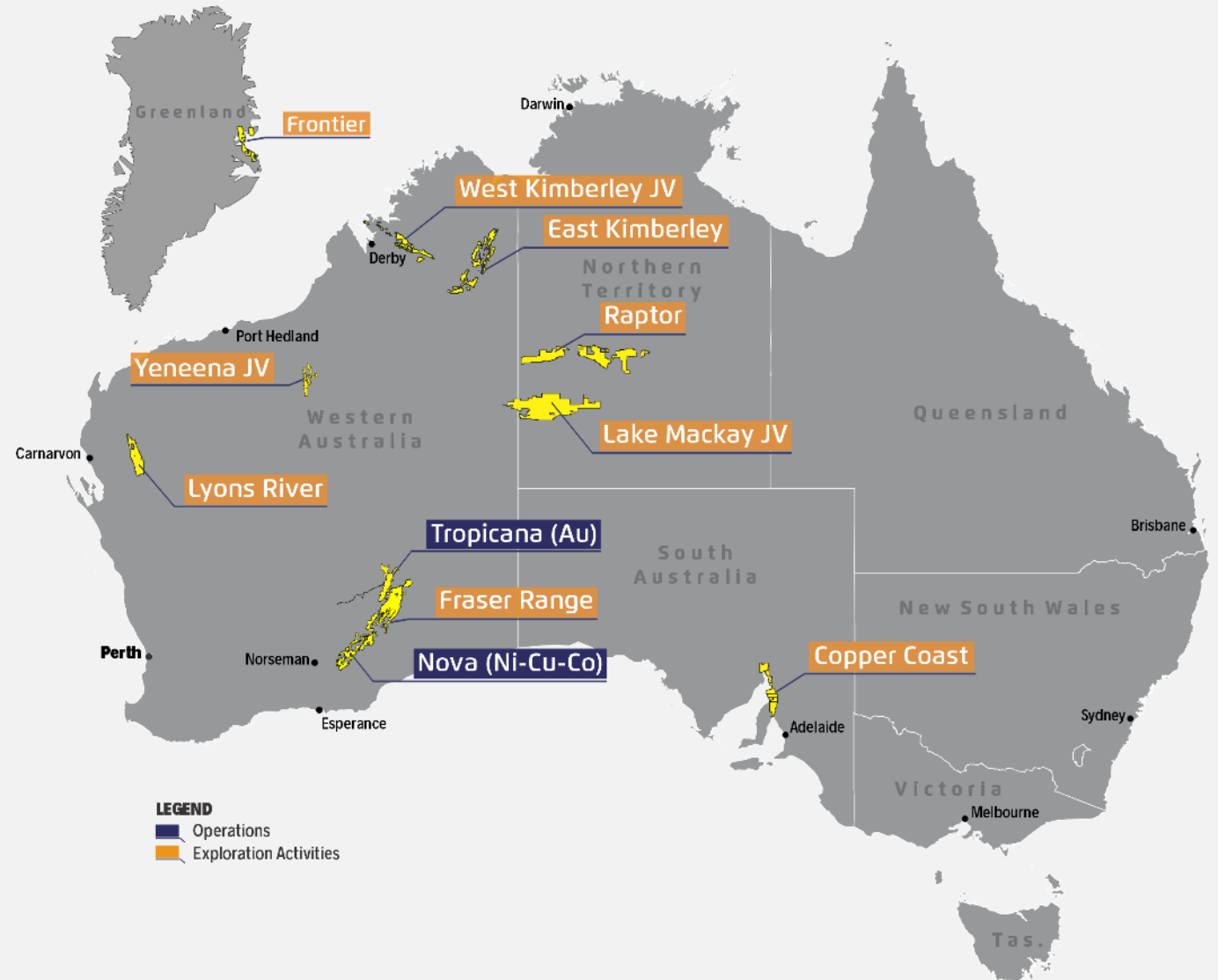


■ Institutional ■ Retail

Institutional holders by Geography



■ Domestic ■ International



**LEGEND**  
■ Operations  
■ Exploration Activities

1) As at 15 November 2019  
 2) As at 30 September 2019  
 3) As at 29 October 2019

# Delivering Our Compelling Story

**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**

# Our Purpose

Strategically focused on metals critical to clean energy



**Globally Relevant**



**High-quality Products**



**Vertically Integrated**



**Proactively Green**



**People**

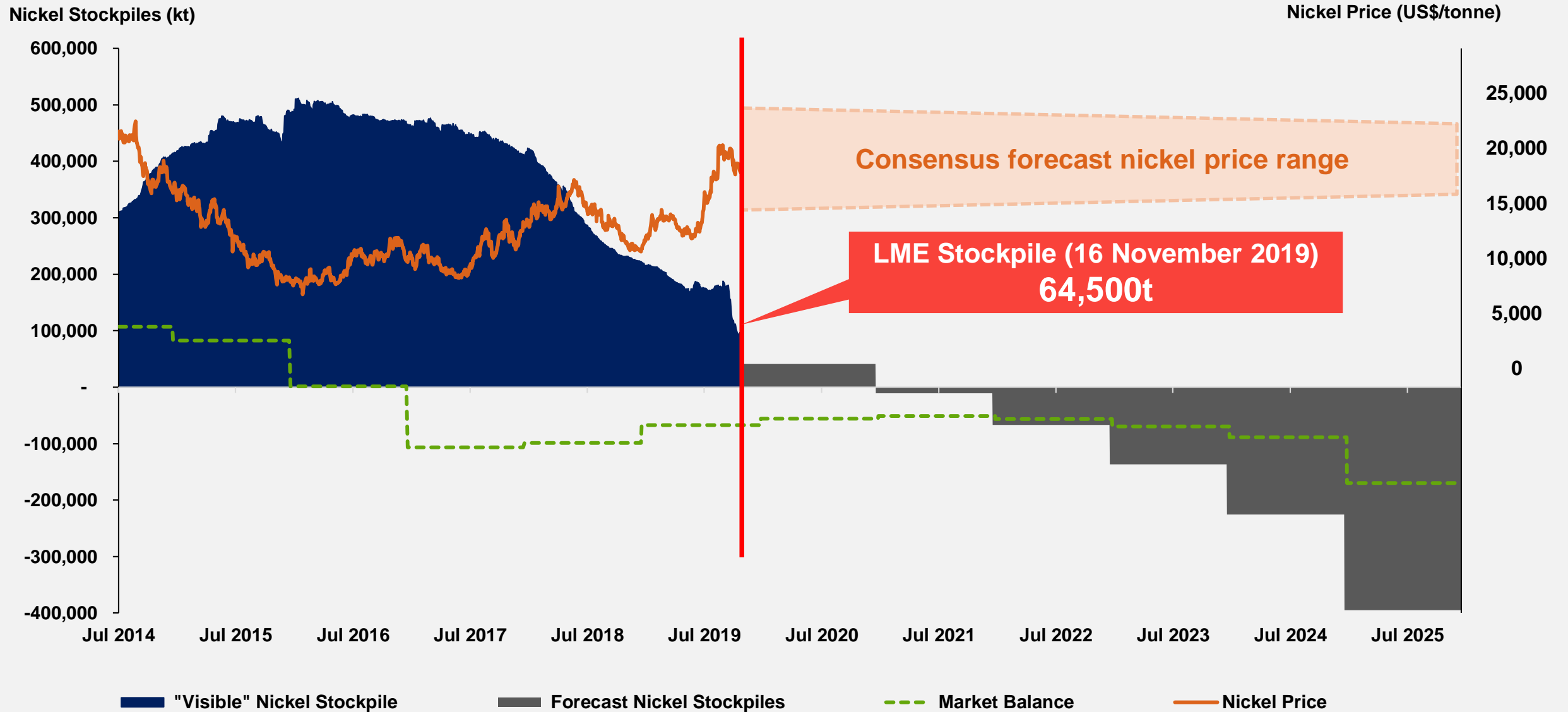


# Clean Energy Metals

# Nickel Market



## Market deficits expected to be positive for nickel price



1) Source: Bloomberg, Consensus Economics, Roskill



# Electric Vehicles

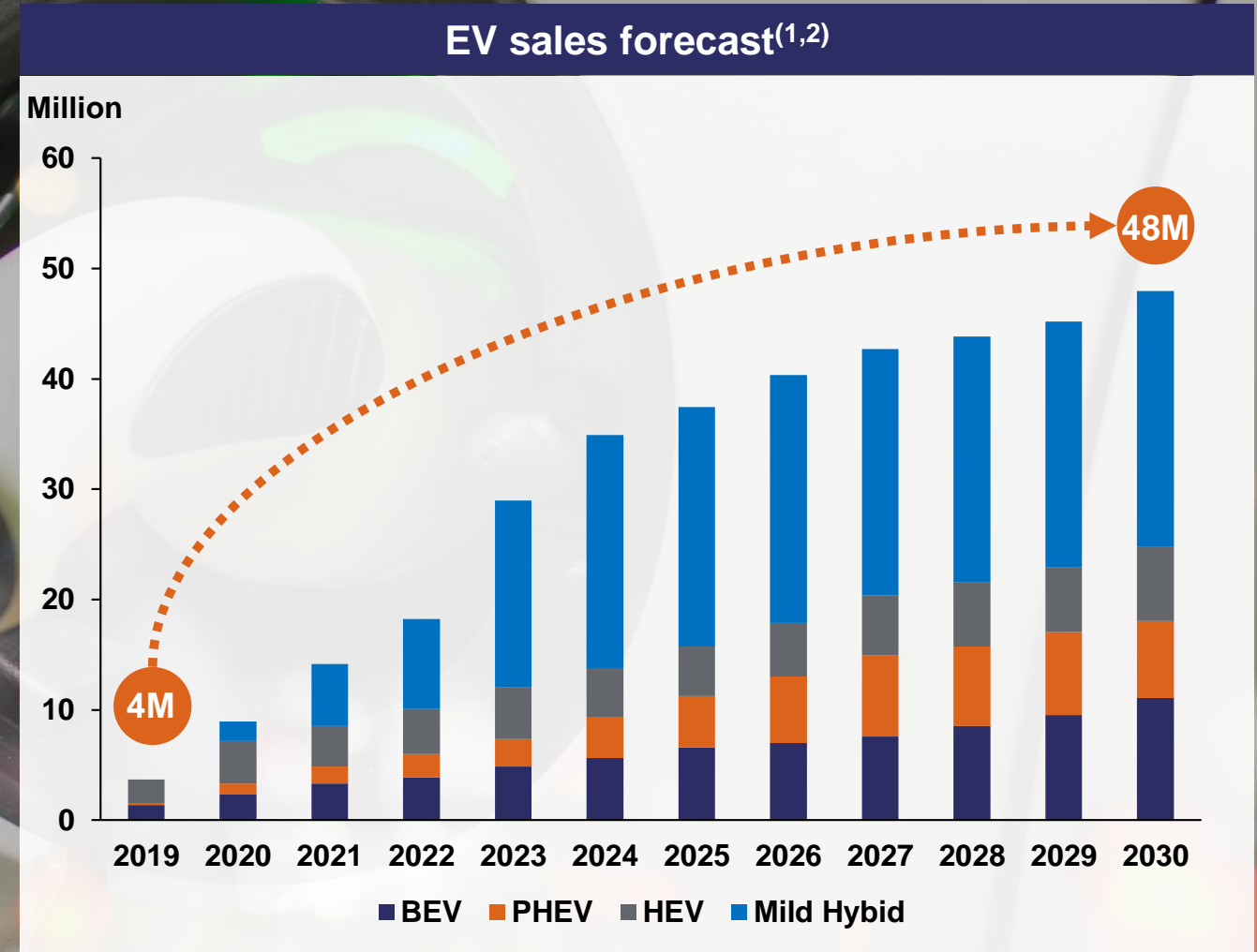
EV sales are increasing rapidly



Higher energy density and improved safety of batteries is driving new applications

Potential for EV adoption to accelerate due to lower cost and increased regulation

Disruptive technologies often follow a similar growth path

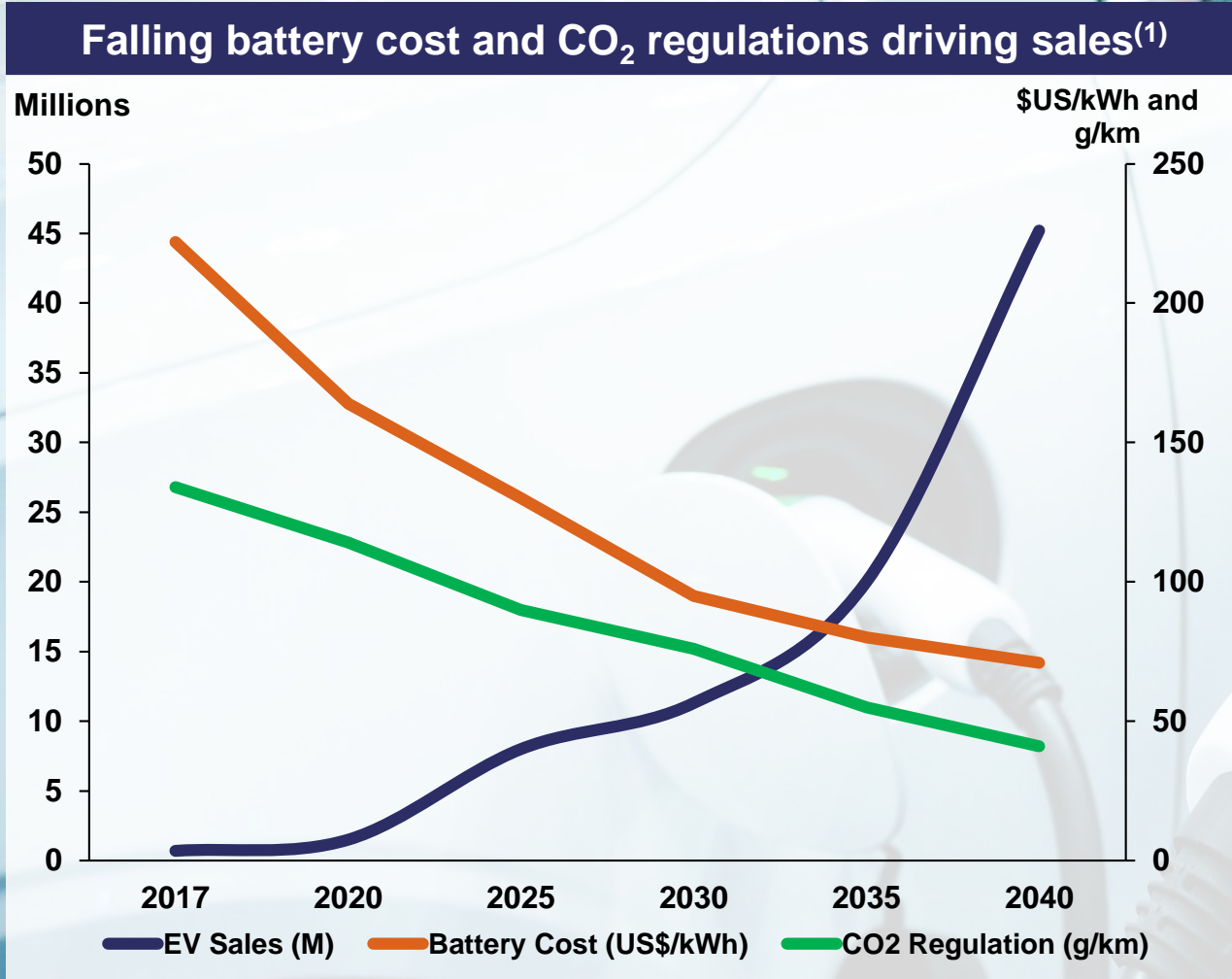


1) Source: Roskill, 2019

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

# Electric Vehicles

Multiple factors driving strong demand growth for EVs



- Subsidies, regulation and penalties
- Investment in recharge infrastructure
- Improved quality and battery life
- Lower cost
- Changing consumer preferences

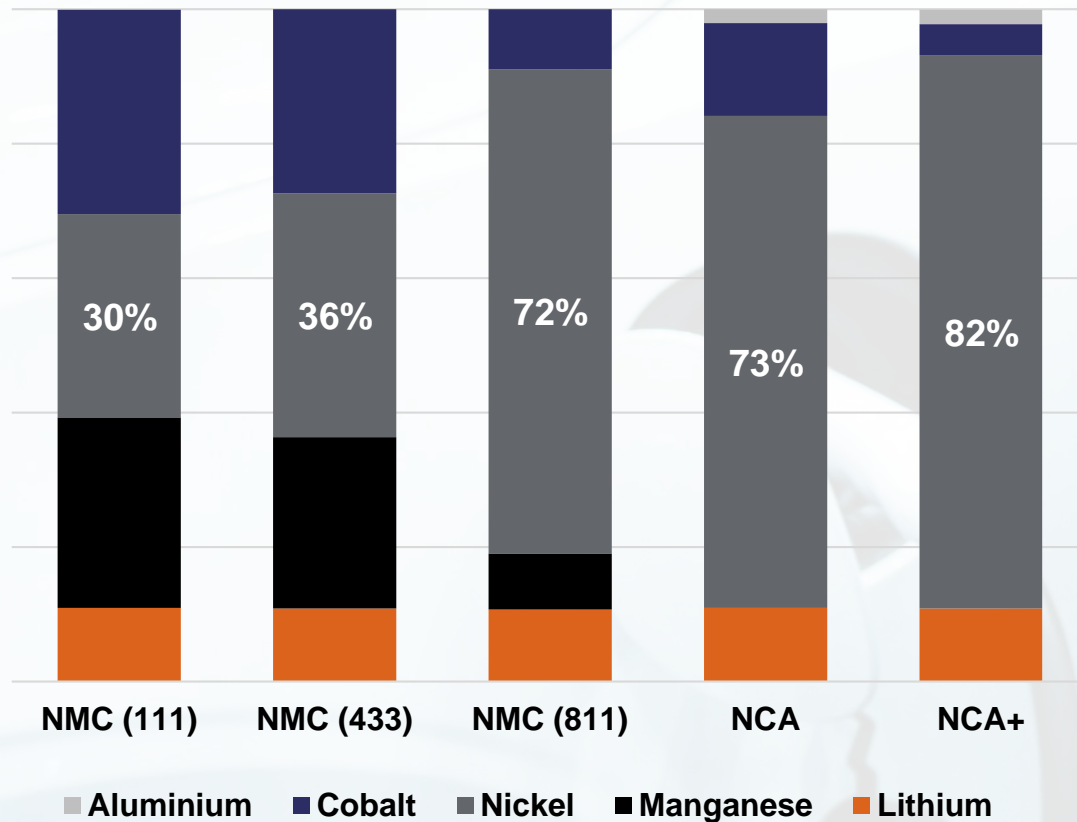
<sup>1)</sup> Source: Goldman Sachs, 2019; Roskill 2019; Morgan Stanley 2019

# Battery Chemistry

Higher nickel intensities improve battery performance and range



EV batteries becoming more nickel intensive<sup>(1)</sup>



NMC (811) or NCA in 80% of EVs by 2025<sup>(2)</sup>

+75kg of nickel in a 2019 Tesla Model S



1) Source: Proportion of metals in EV battery cathodes for different battery chemistries

2) Source: Goldman Sachs: Nickel: The "hope stock" of metals - June 2019



# Nova Nickel Operation

## Outstanding operational performance and financial returns

**Strong metal production in FY19 – exceeded guidance**

**Nickel in Concentrate**

**30,708t**

▲ 38% YoY

**Copper in Concentrate**

**13,693t**

▲ 43% YoY

**Cobalt in Concentrate**

**1,090t**

▲ 47% YoY

**Low cost operations delivered high margins**

**Cash Costs**

**A\$2.07/lb Ni (payable)**

▼ 26% YoY

**AISC**

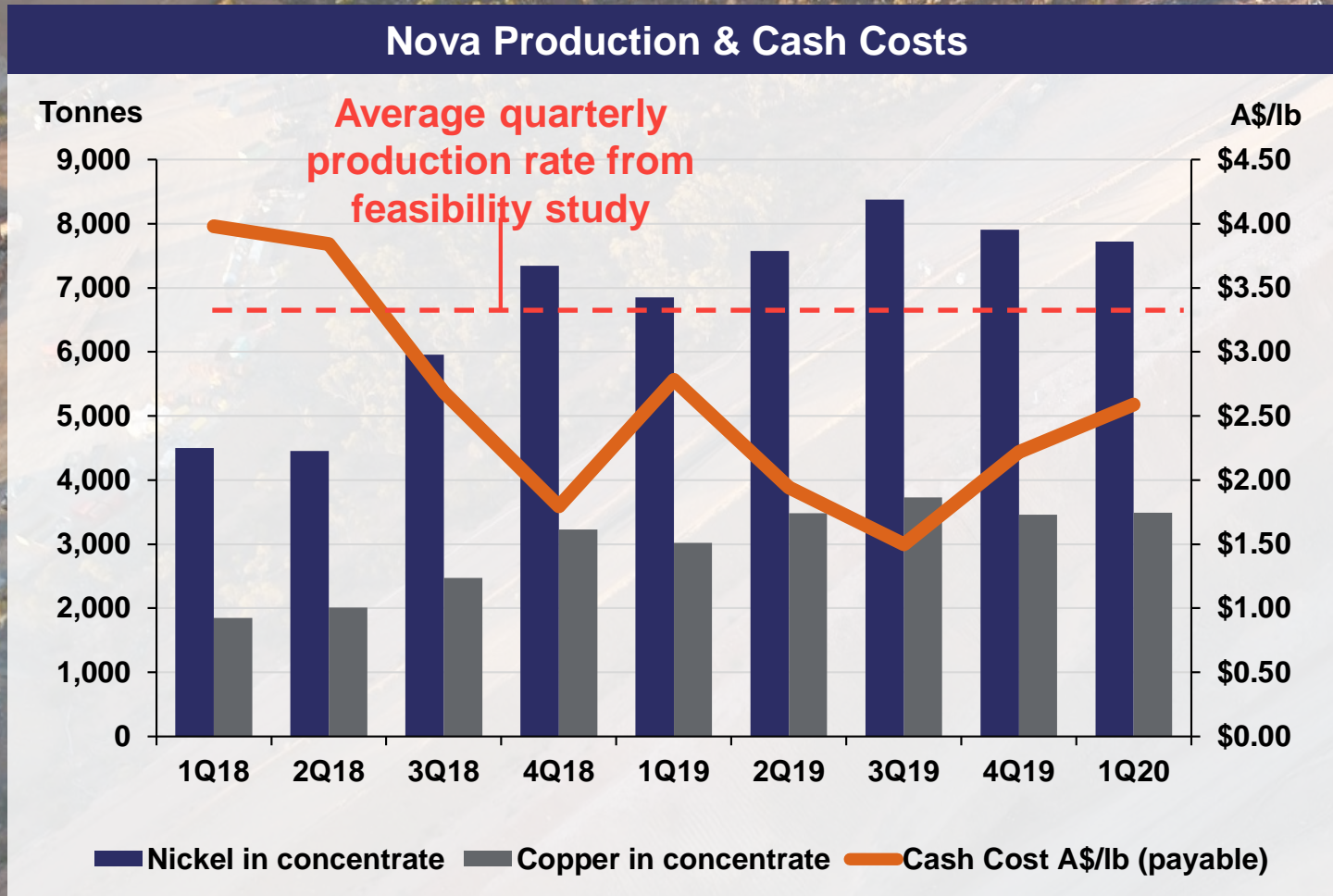
**A\$2.79/lb Ni (payable)**

▼ 38% YoY

**FY19 FCF Margin**

**50%**

▲ 87% YoY



Improving production profile and reducing cash costs

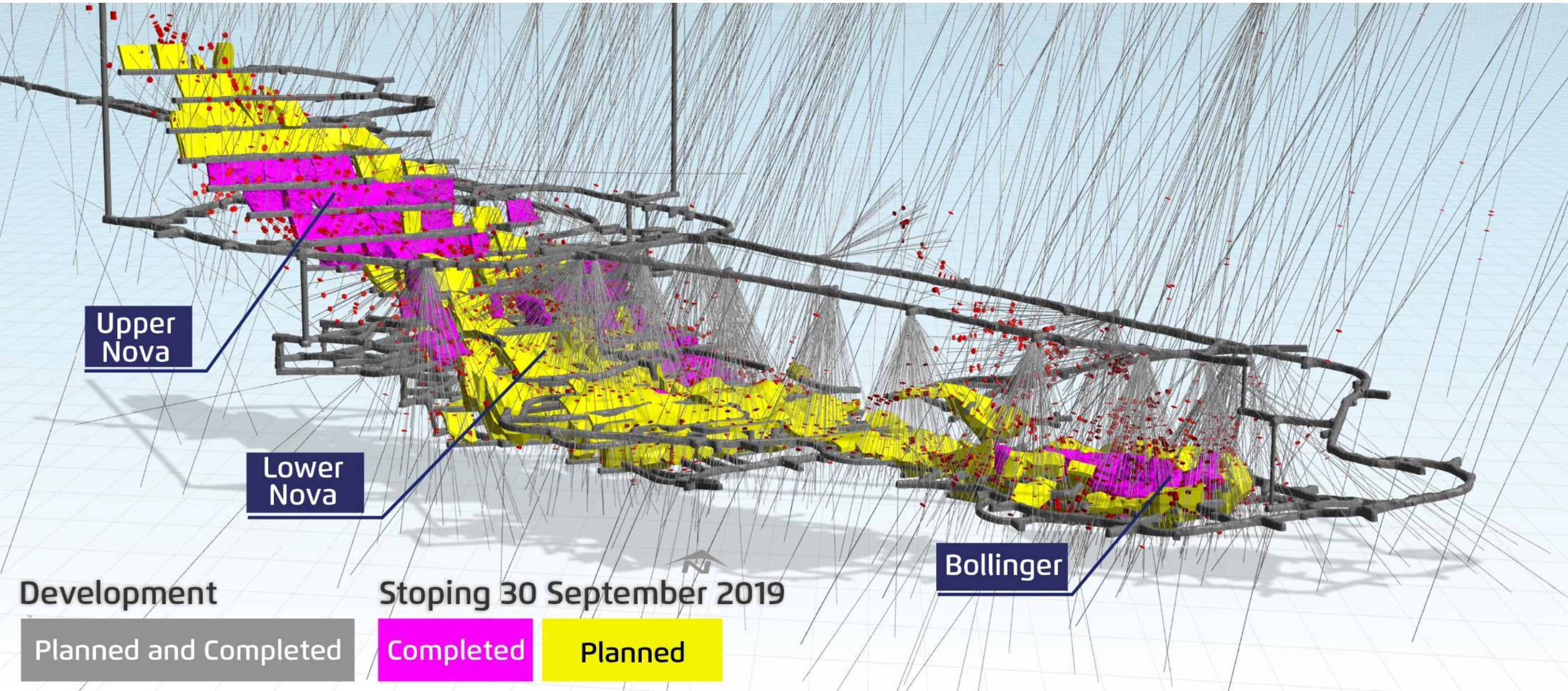
Free Cash Flow generated since start of commercial production<sup>1</sup>  
**A\$414M**

Average EBITDA Margin<sup>1</sup>  
**55%**

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

# Nova

Capital development and grade control drilling complete



# Nova – Smart Solutions

Leveraging innovation and technology to optimise operations



Hybrid solar/diesel power generation

Electronic tracking of personnel and equipment

Remote bogging and blasting

Drone technology





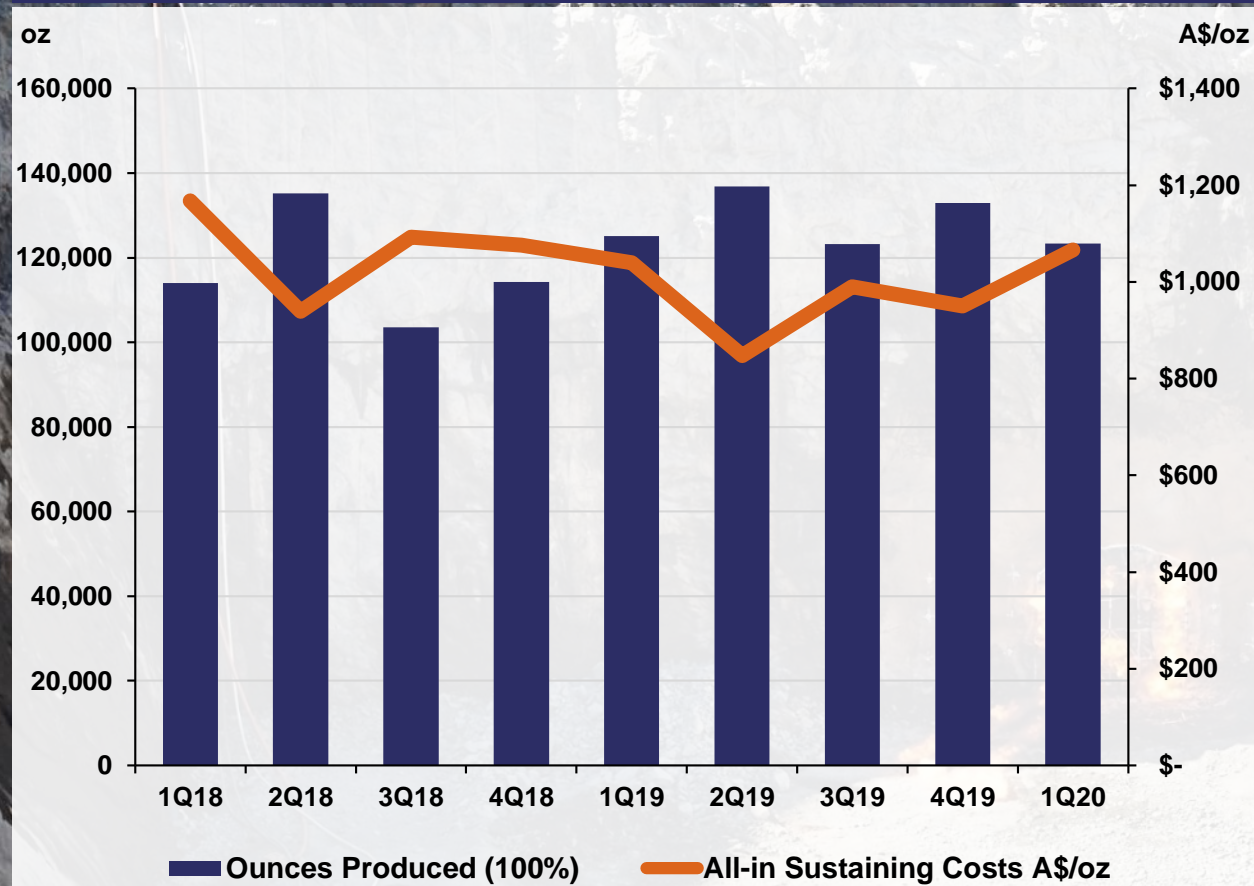
**Tropicana Joint Venture**  
**(IGO 30%, AngloGold Ashanti 70% and manager)**

# Tropicana Performance

Consistent, high margin gold production



### Tropicana Production (100%) and AISC



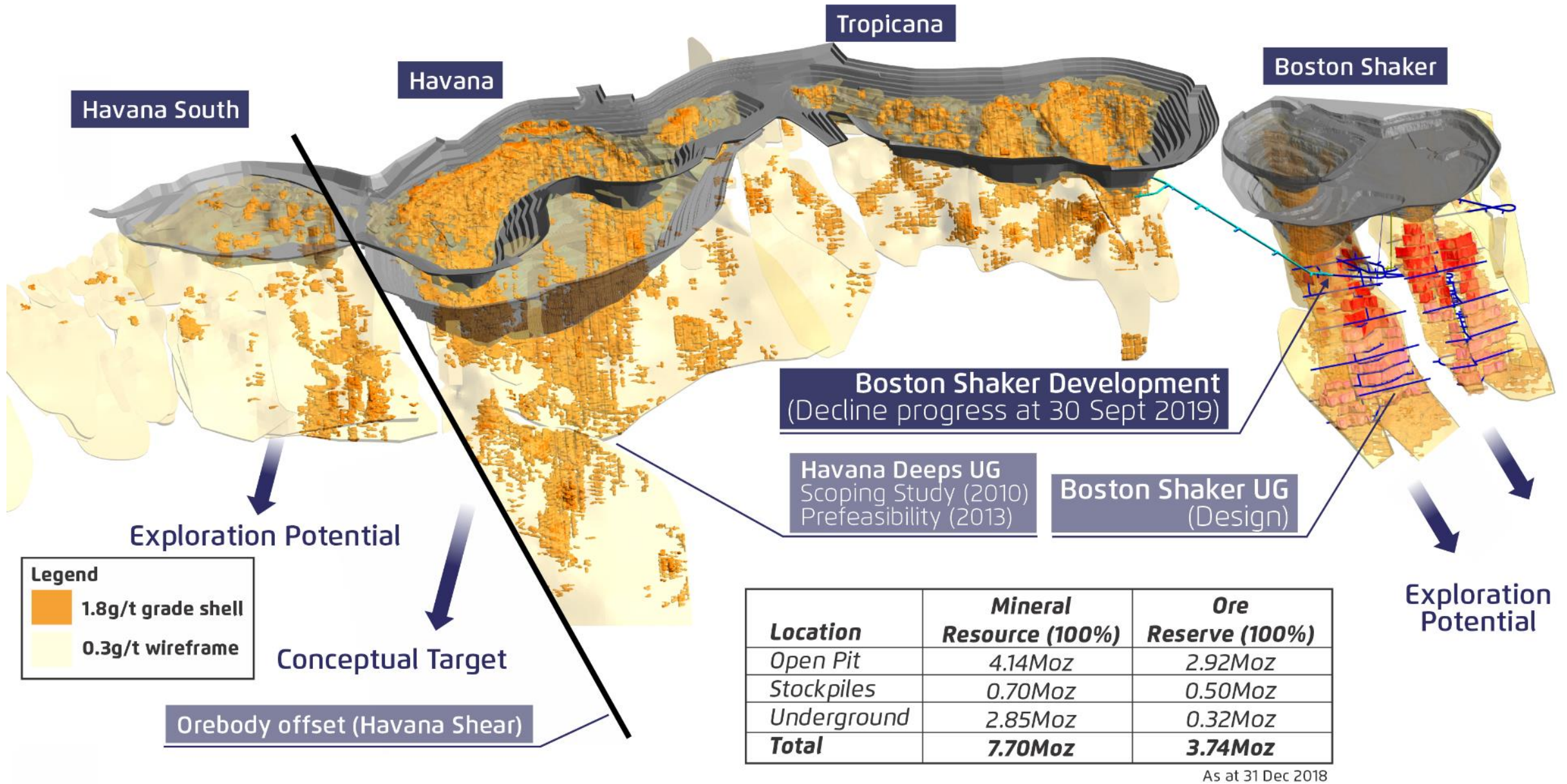
Strong history of gold production and cost performance

**FY19 Result**  
Production (IGO share): **154,402oz**  
AISC: **A\$951/oz**

First underground gold production from Boston Shaker Underground expected in September 2020 quarter

# Tropicana Opportunity

Significant potential for value uplift from underground and exploration



1) Refer ASX Announcement titled "CY18 Mineral Resources and Ore Reserve Statement", released 20 February 2019



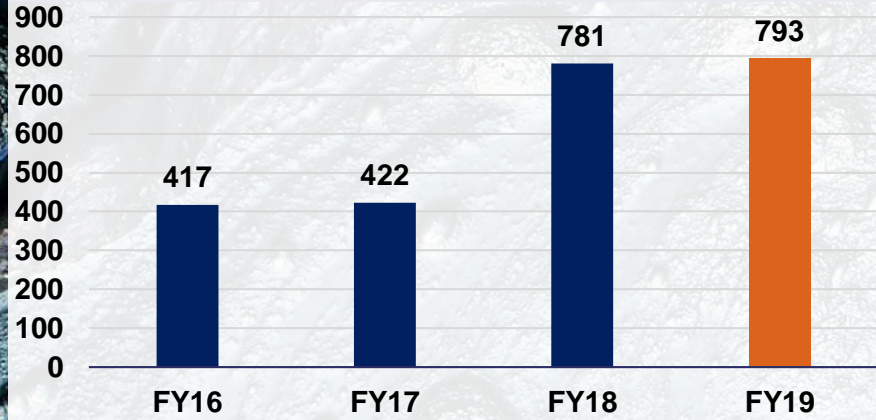
## Financial Performance

# FY19 Financial Results

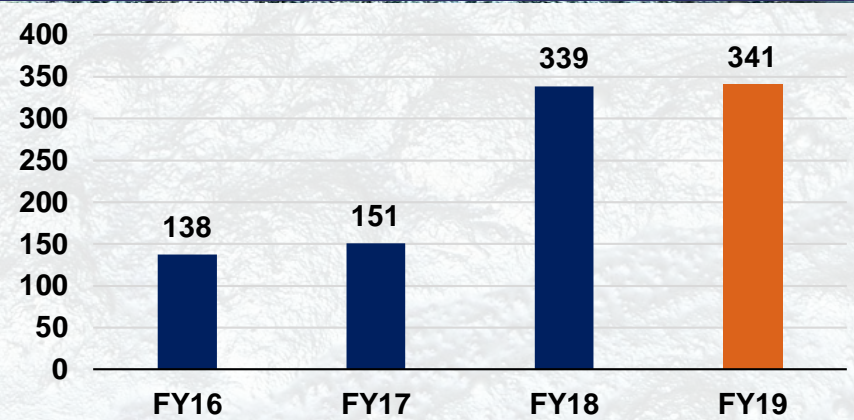
Operational performance delivered record financial results in FY19



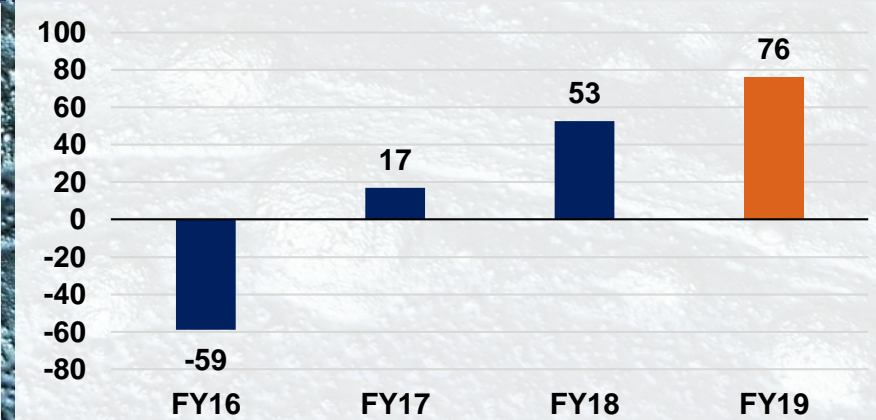
### Revenue (A\$M)



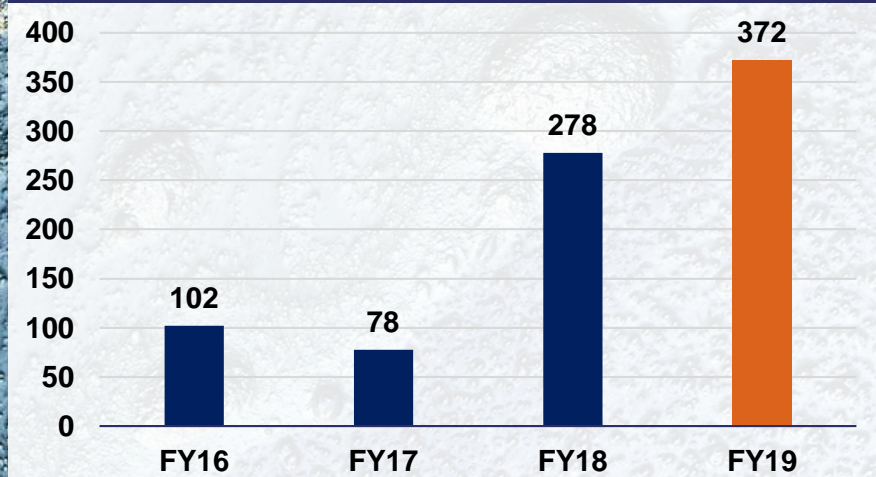
### Underlying EBITDA<sup>(1)</sup> (A\$M)



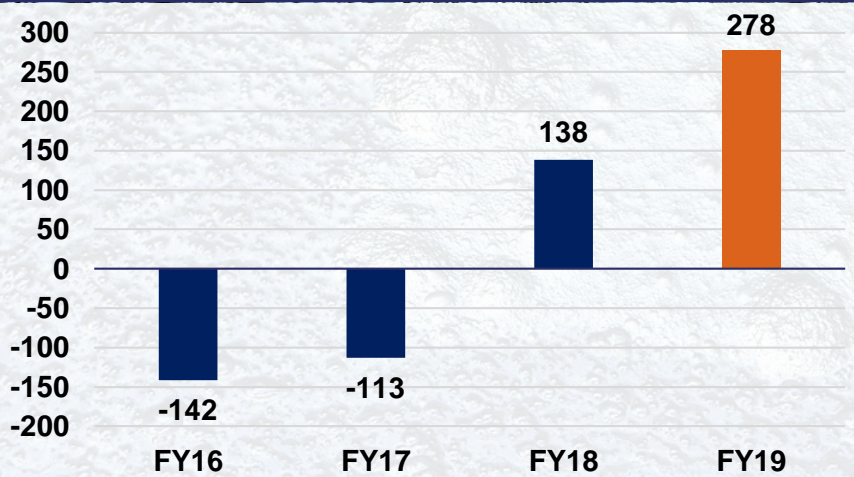
### Net Profit After Tax (A\$M)



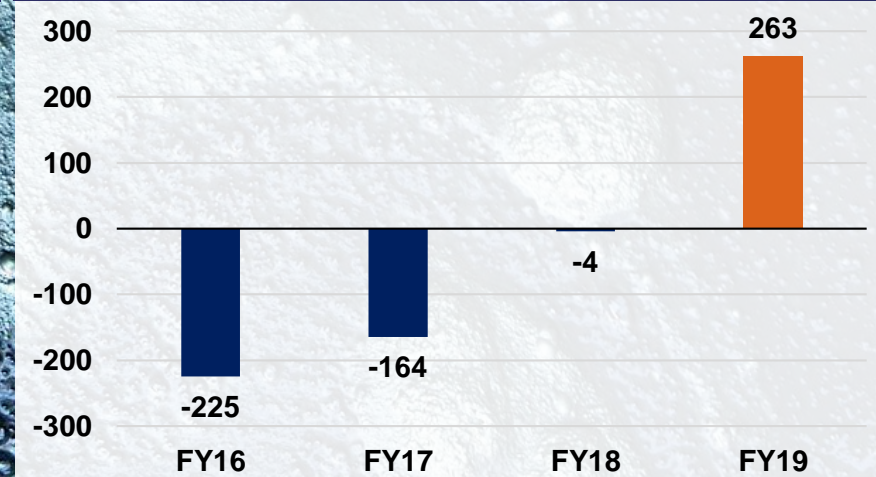
### Net Cash from Operating Activities (A\$M)



### Underlying Free Cash Flow<sup>(2)</sup> (A\$M)

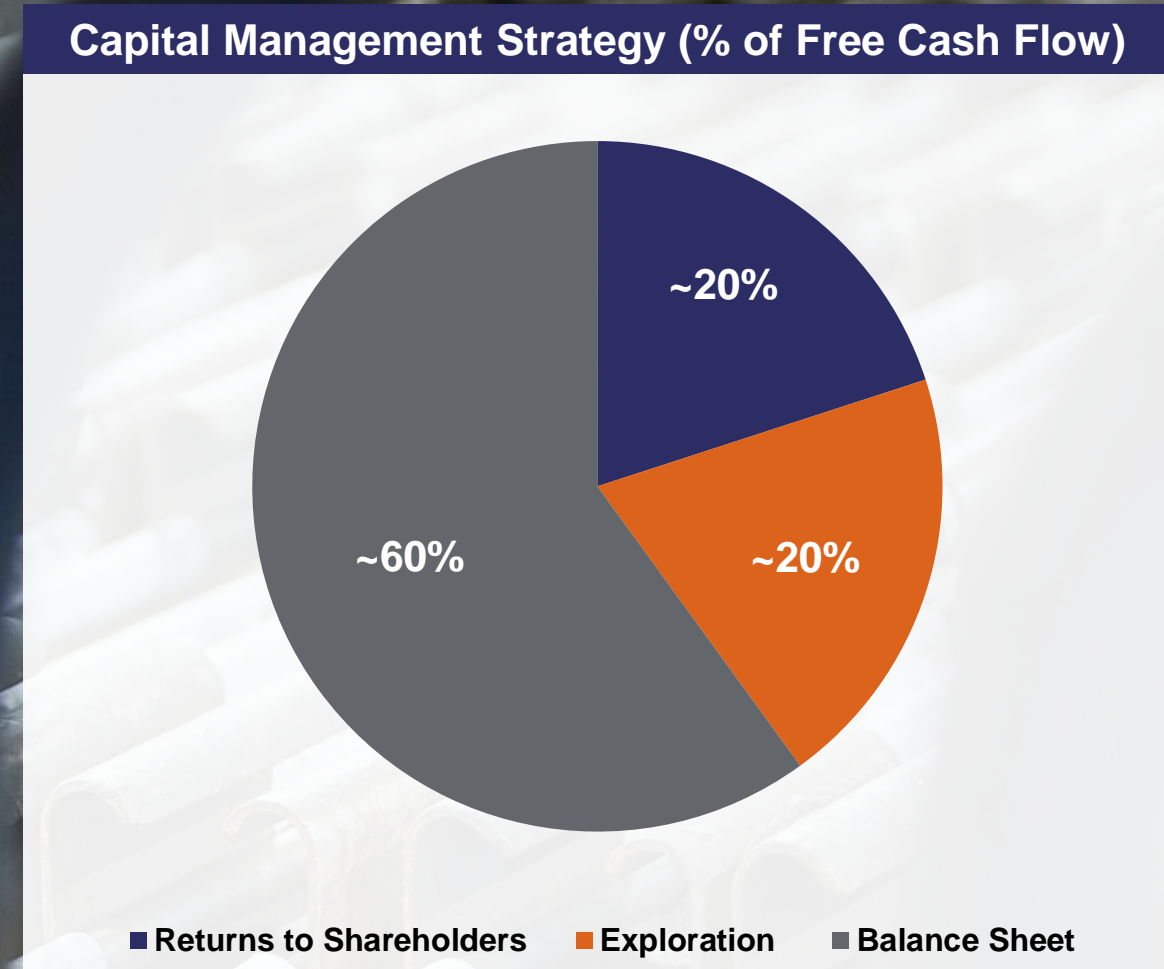
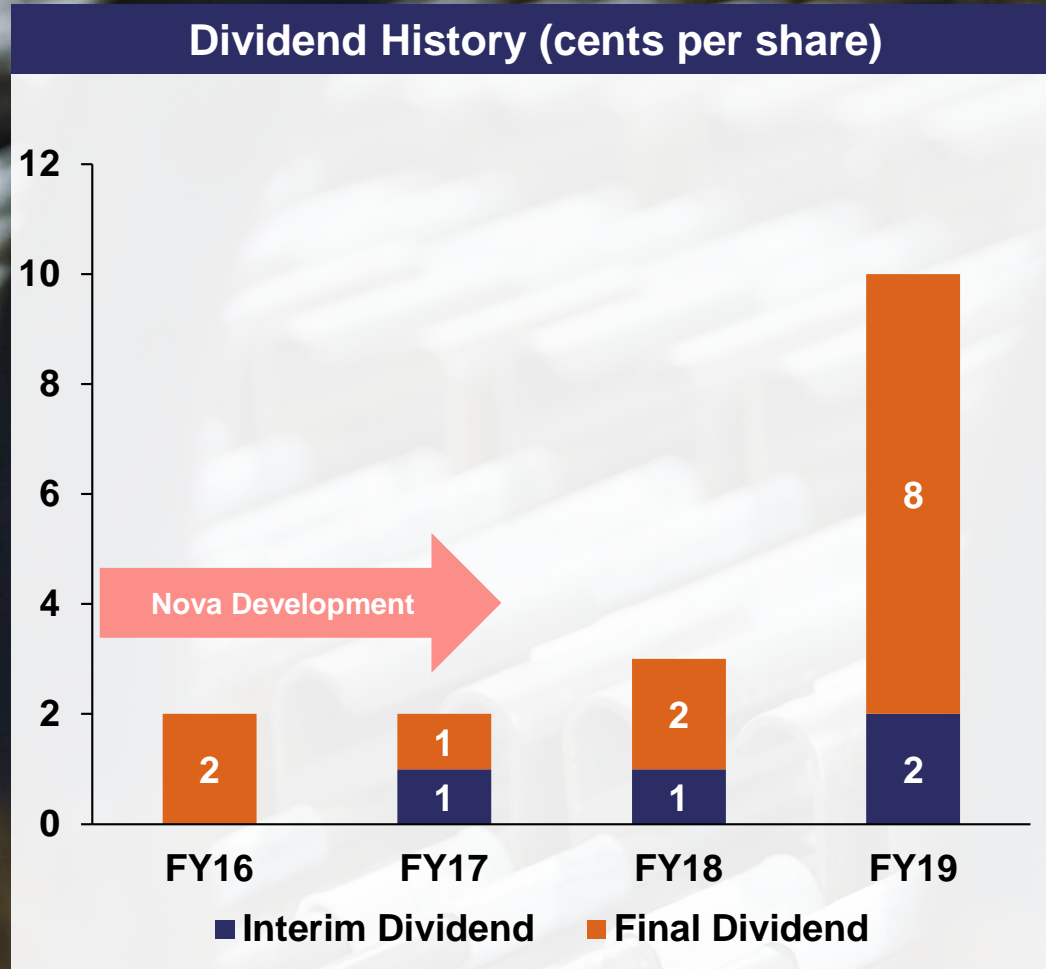


### Net Cash (A\$M)



# FY19 Full Year Dividend

Record return to shareholders in FY19



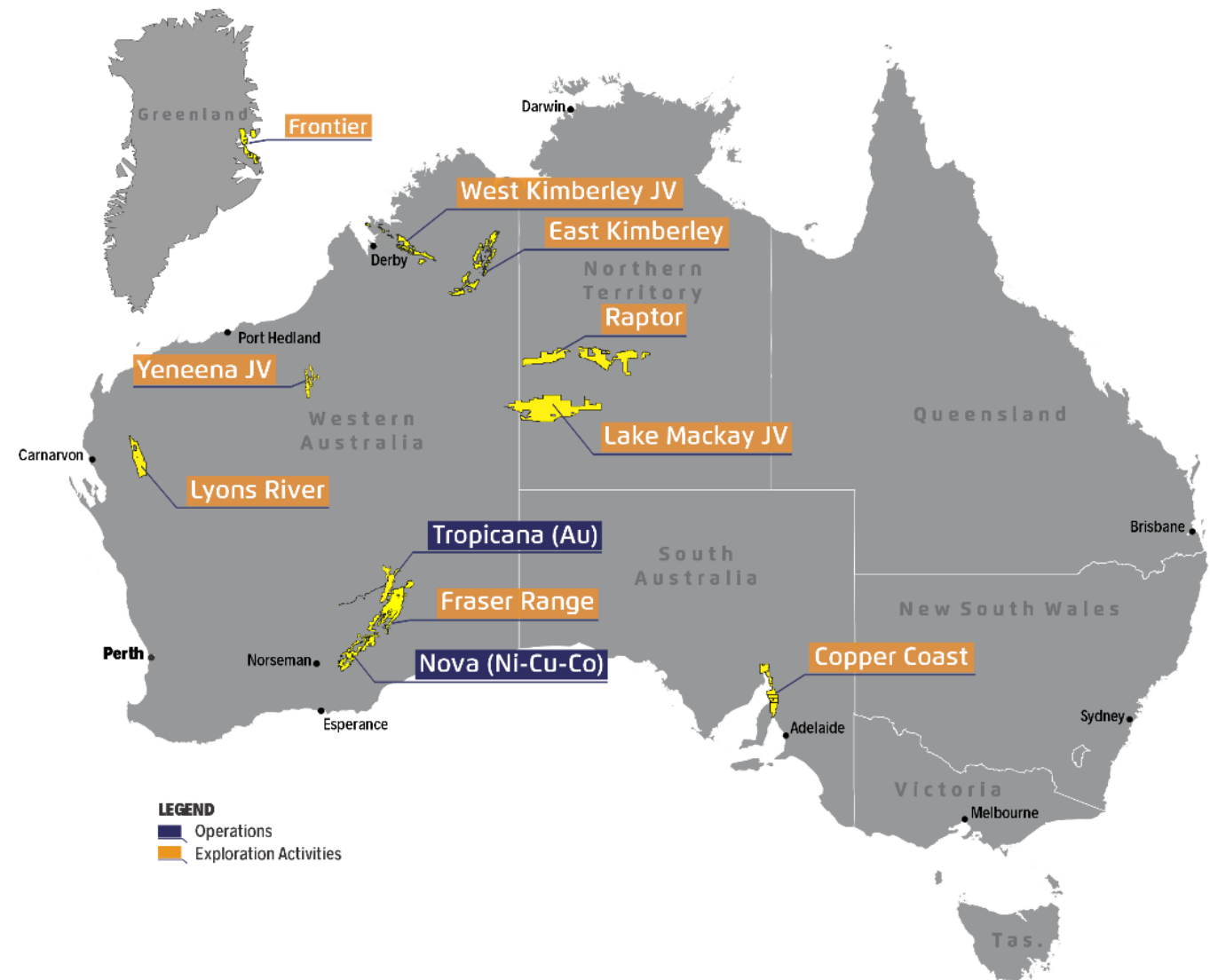
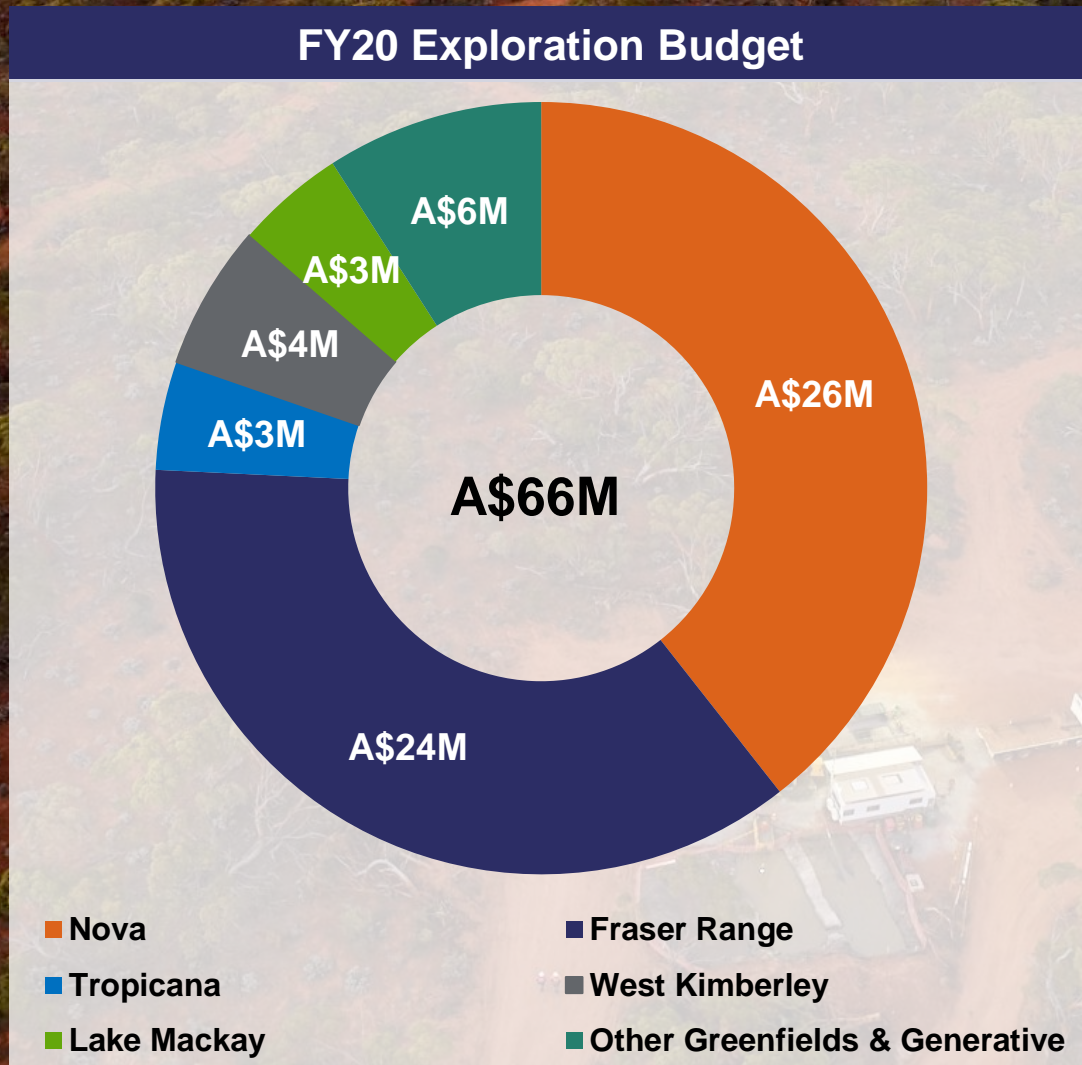
1) Refer to ASX Announcement released 31 January 2019: December 2018 Half-Year Financial Report



## Exploration

# Enduring commitment to exploration

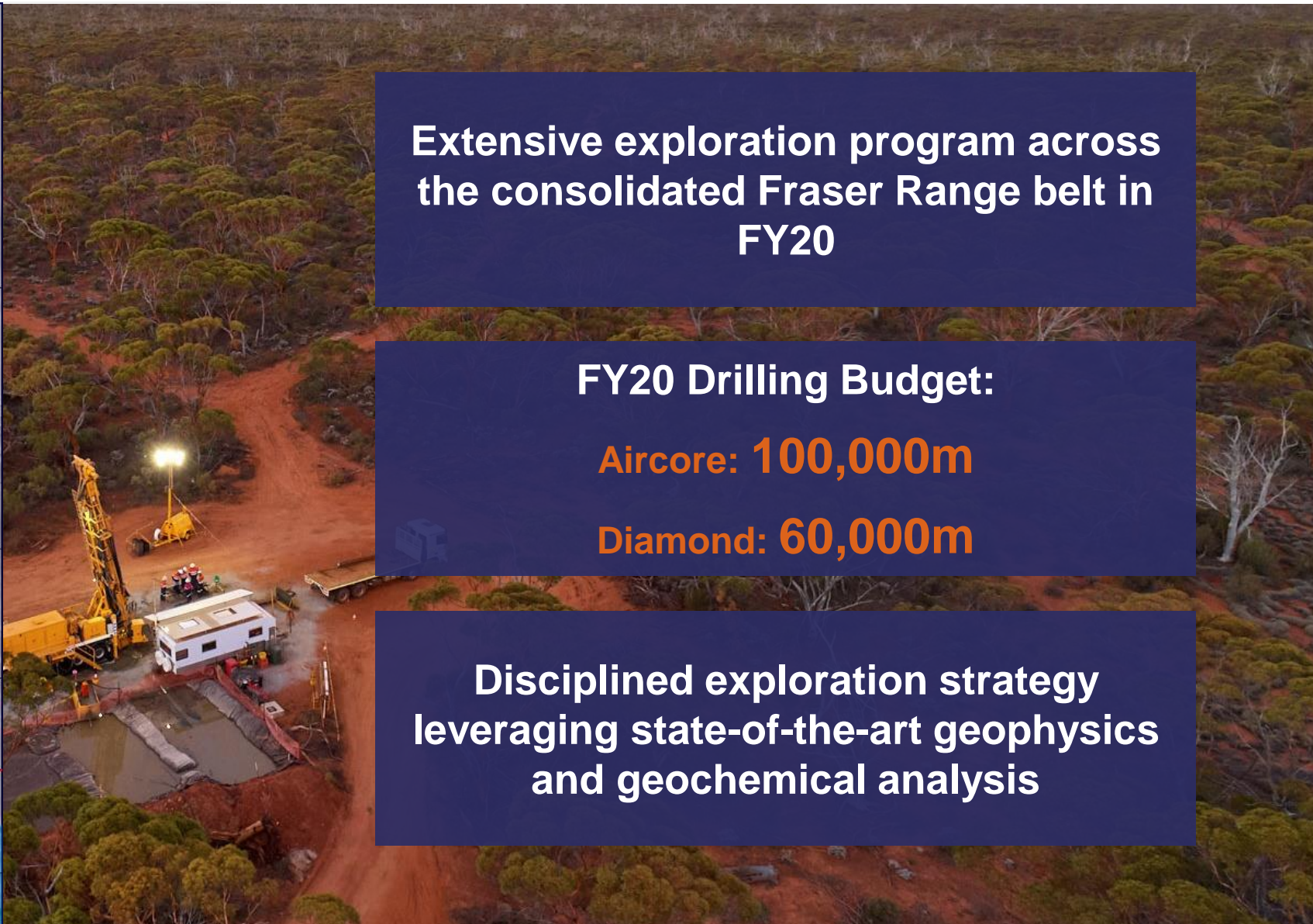
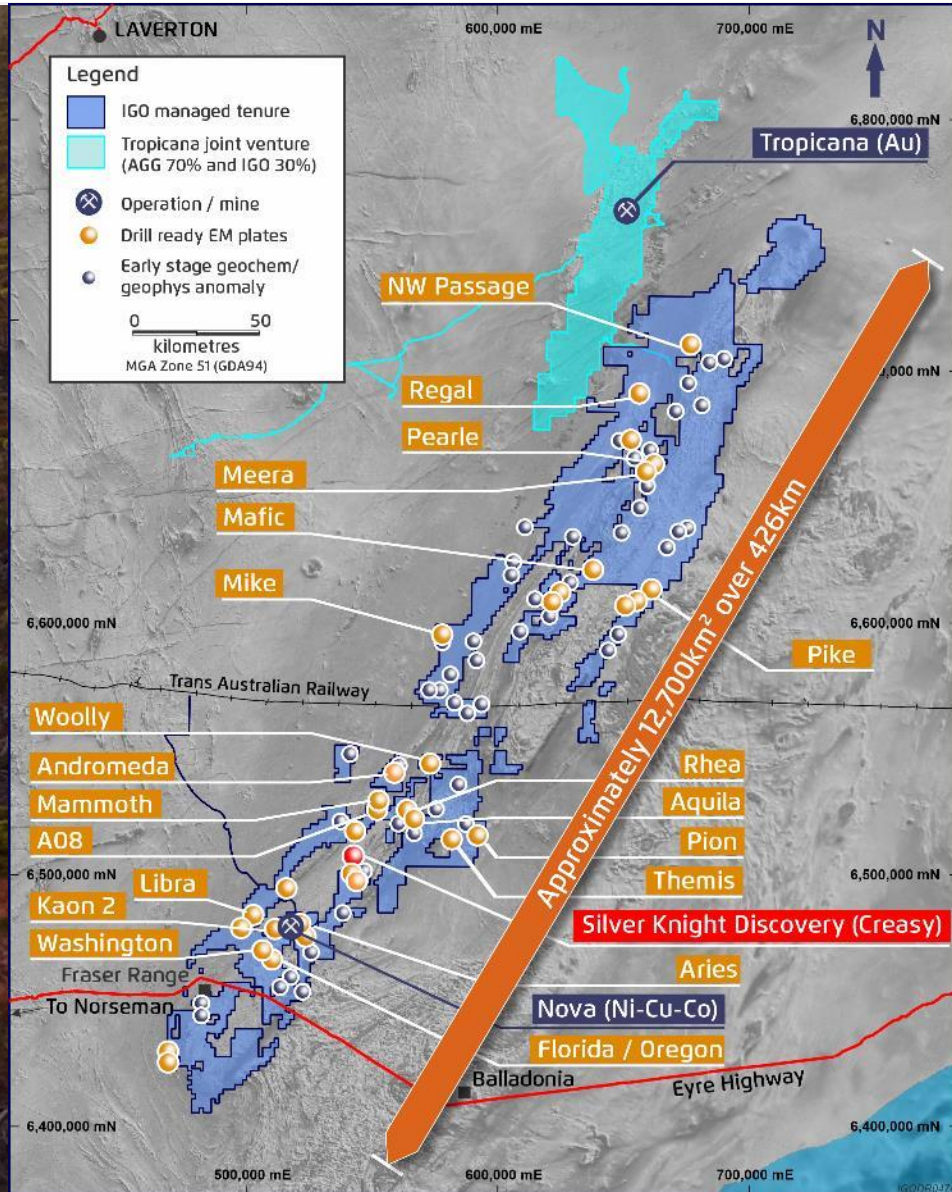
Increased exploration budget in FY20 to accelerate organic growth opportunity





# Fraser Range

Belt-scale opportunity with a pipeline of targets



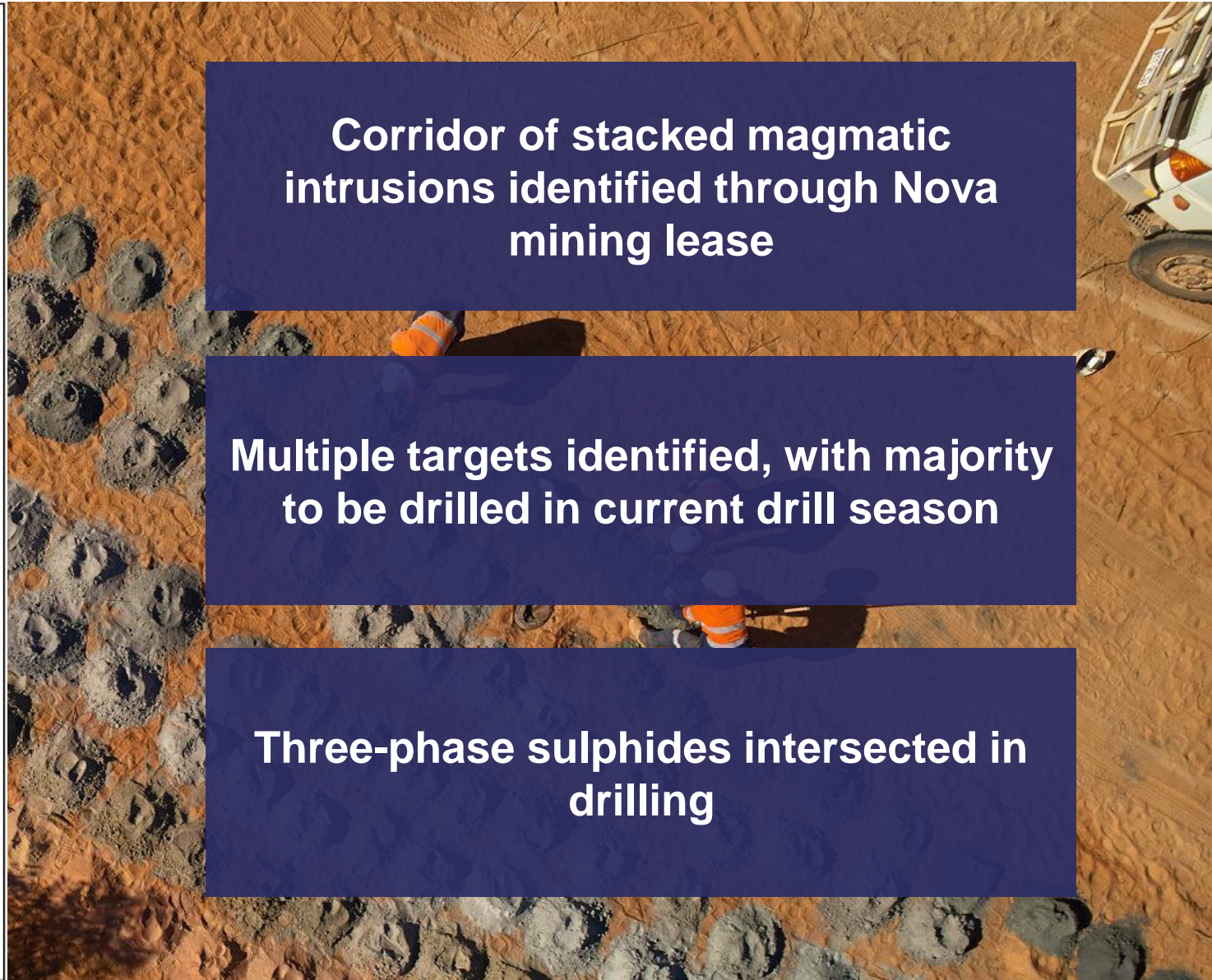
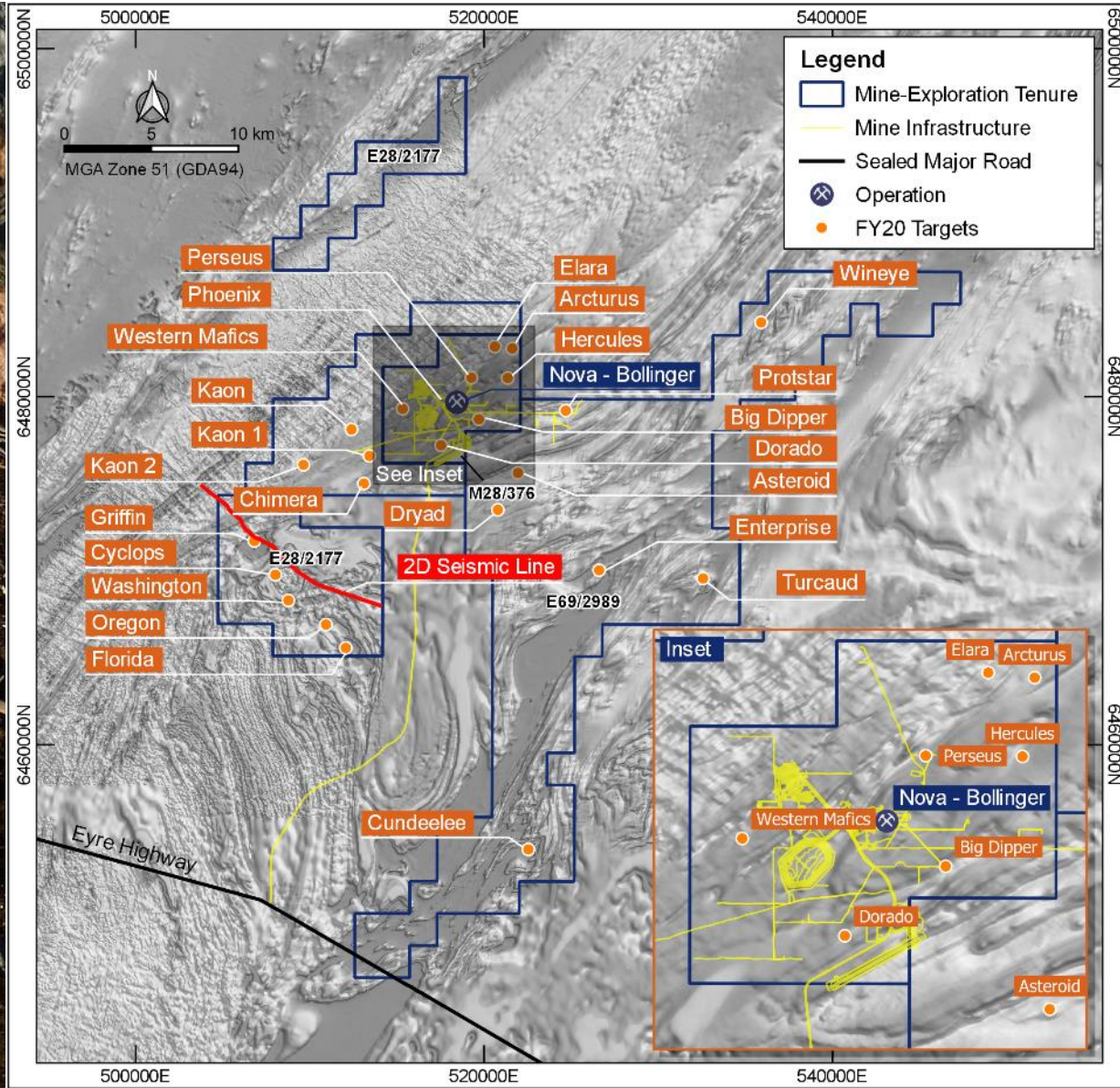
Extensive exploration program across the consolidated Fraser Range belt in FY20

FY20 Drilling Budget:  
Aircore: 100,000m  
Diamond: 60,000m

Disciplined exploration strategy leveraging state-of-the-art geophysics and geochemical analysis

# Nova Exploration

## Aggressive exploration program at and near Nova



**Corridor of stacked magmatic intrusions identified through Nova mining lease**

**Multiple targets identified, with majority to be drilled in current drill season**

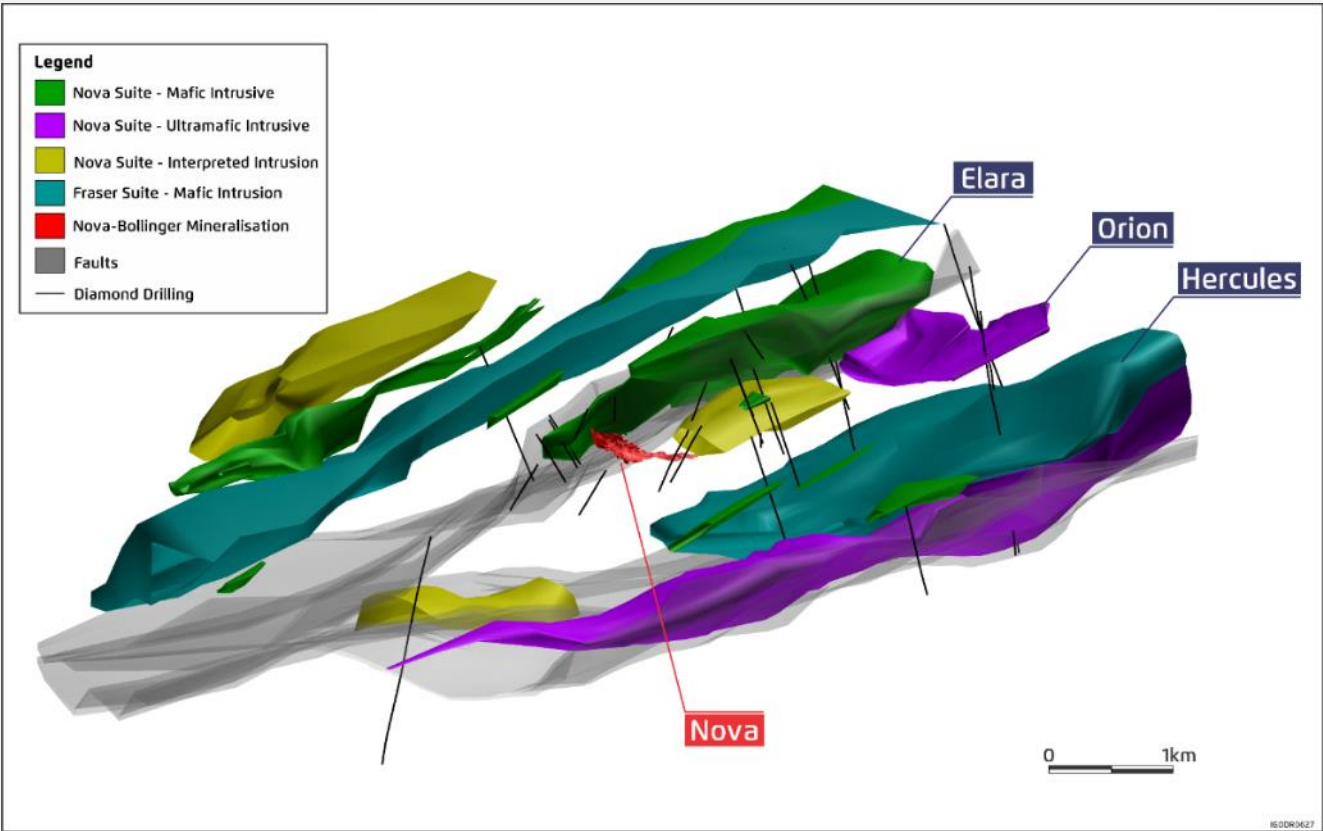
**Three-phase sulphides intersected in drilling**

# Nova System

Nova intrusive system now understood to be larger than was originally apparent



## Interpreted magmatic intrusions over the Nova mining lease



# Lake Mackay

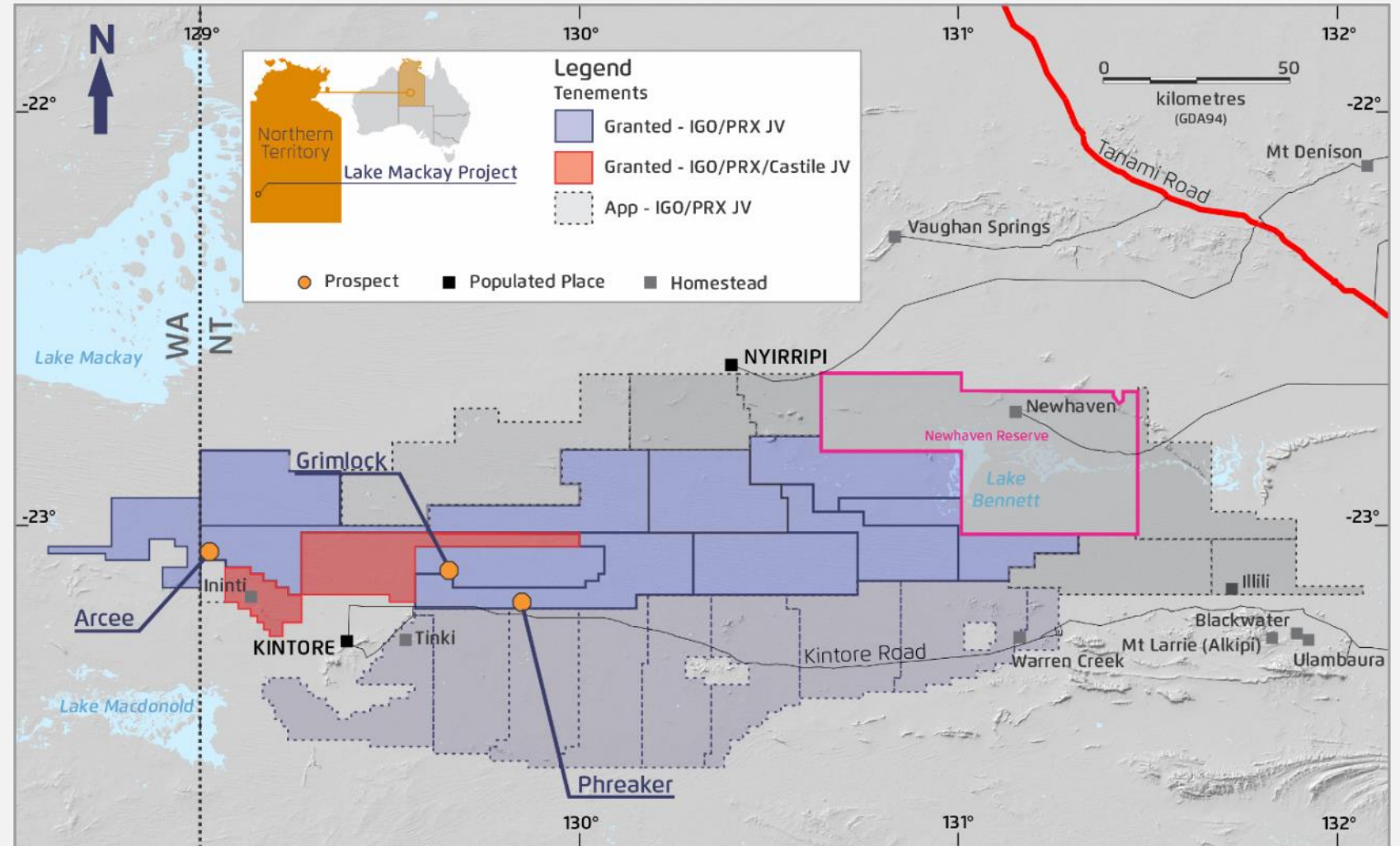


## Belt scale exploration asset targeting magmatic nickel-copper-cobalt

Significant land position of  
~18,000km<sup>2</sup>

First phase exploration program  
substantially complete

Successfully identified nickel  
laterite, copper and gold  
prospects



1) Lake Mackay is a joint venture between IGO, Prodigy Gold NL and Castile Resources Pty Ltd (17,773km<sup>2</sup> IGO 70% / Prodigy Gold 30%; 908km<sup>2</sup> IGO 53.8% / Prodigy Gold 23.1% / Castile 23.1%)

# Kimberley Projects

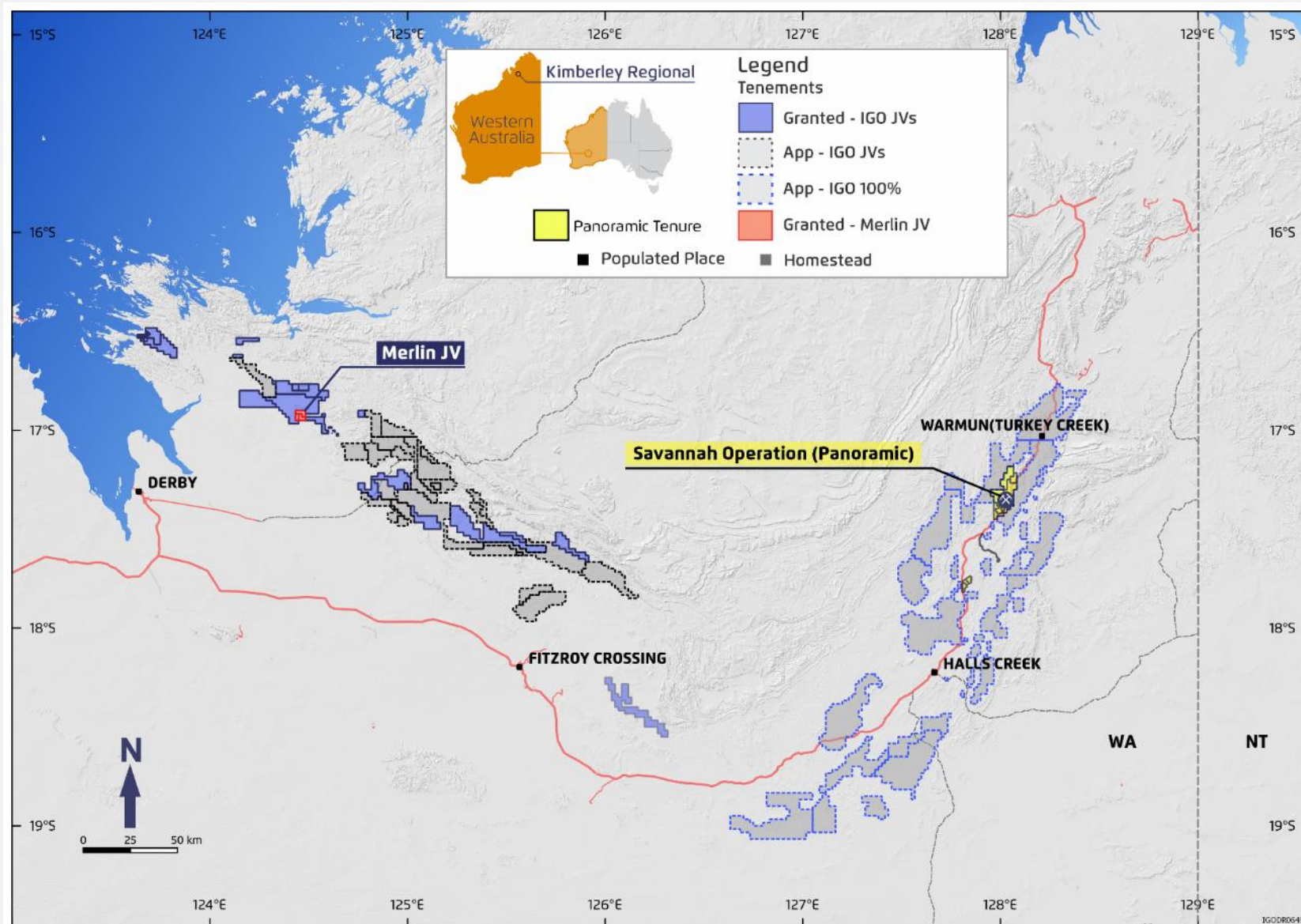


Geologically similar to Fraser Range – exploring for more Novas

Systematic exploration planned, targeting nickel, copper and cobalt

Landholding expanded to >11,500km<sup>2</sup> across West and East Kimberley

Proven mineralised belt with Savannah mine and Merlin discovery



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



# Nickel Value Optimisation

# Downstream Processing

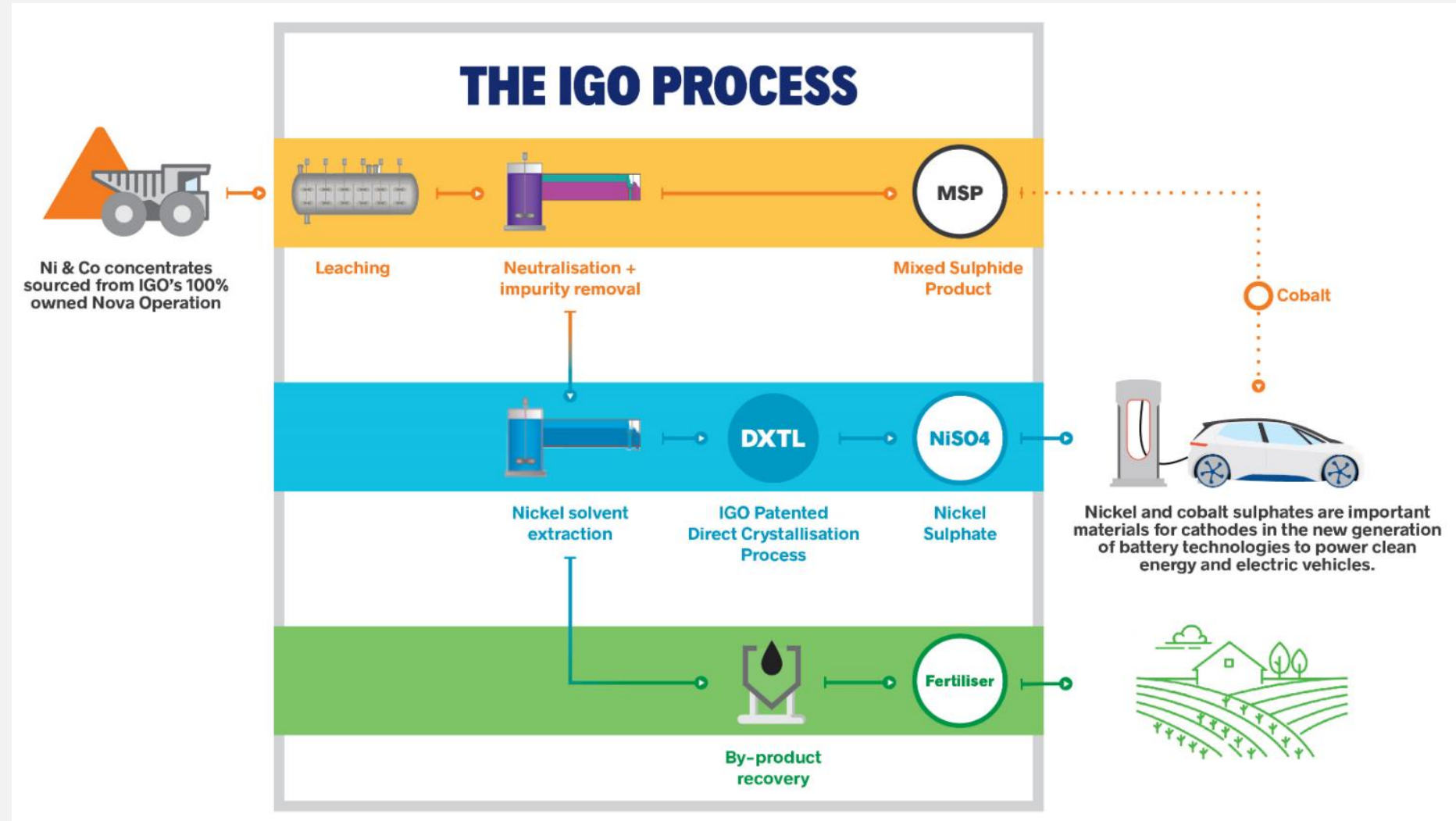


IGO Process designed to convert nickel sulphide concentrate into nickel sulphate

Technical success with high purity, battery grade nickel sulphate produced

High metal extractions, strong environmental credentials, low cost flow sheet<sup>1</sup>

Exploring partnering opportunities



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

# Nickel Value Optimisation

Parallel processes to unlock additional value from Nova concentrate sales







# Takeover Offer for Panoramic Resources

# Offer Summary

IGO's offer creates a win-win for both Panoramic and IGO shareholders



Acquisition aligned with strategy, increasing production of nickel – a critical clean energy metal

Leverage IGO's capabilities and expertise to maximise value from Savannah

Adds a second Australian exploration and production camp

Enhances IGO's nickel sulphide production profile

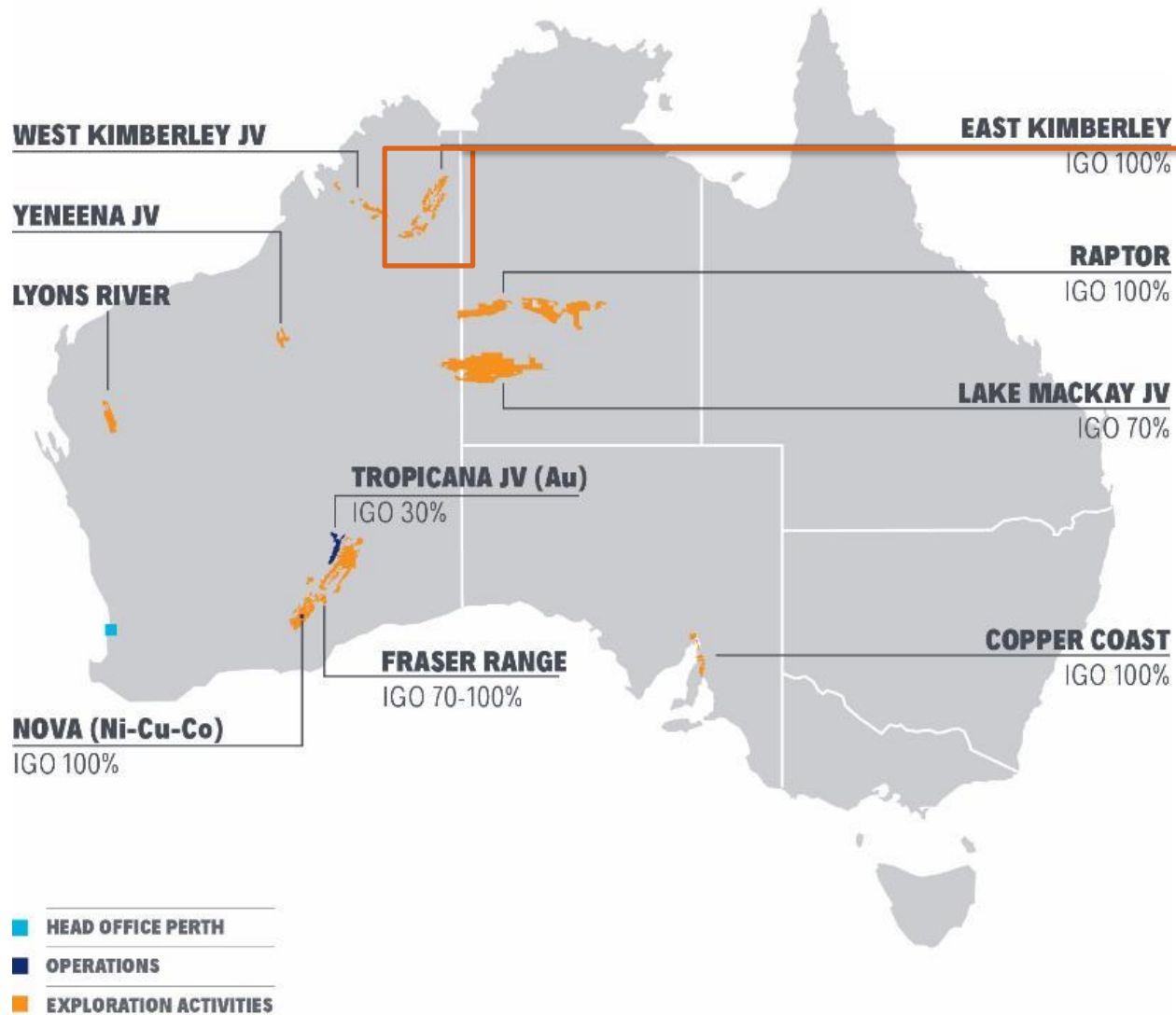
Compelling reasons for Panoramic shareholders to ACCEPT

# Diversifies IGO's Portfolio

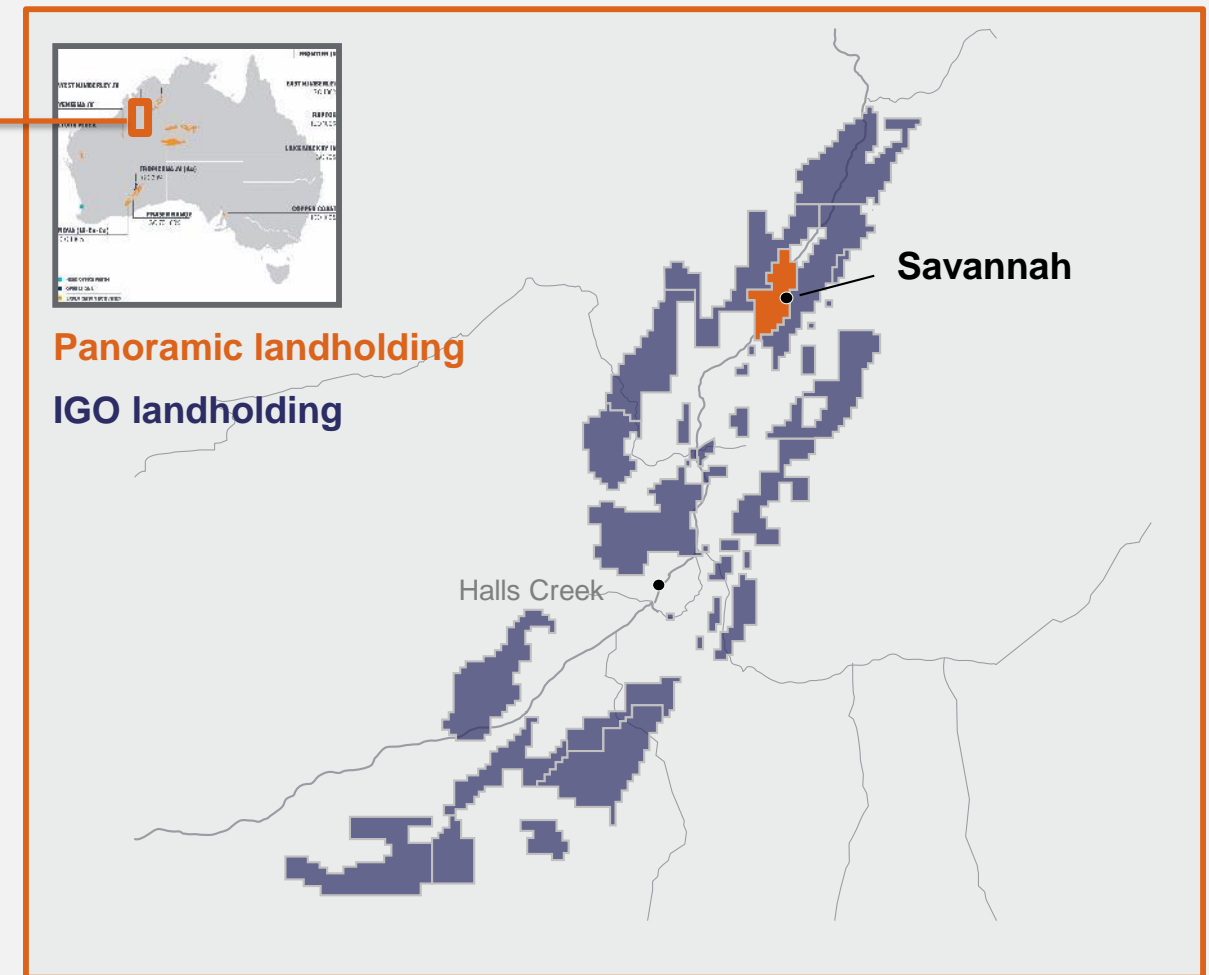
Adds a second exploration and production camp in the East Kimberley



## Combined Portfolio



## Combined East Kimberley land positions<sup>1</sup>



1) Source: Department of Mines information.

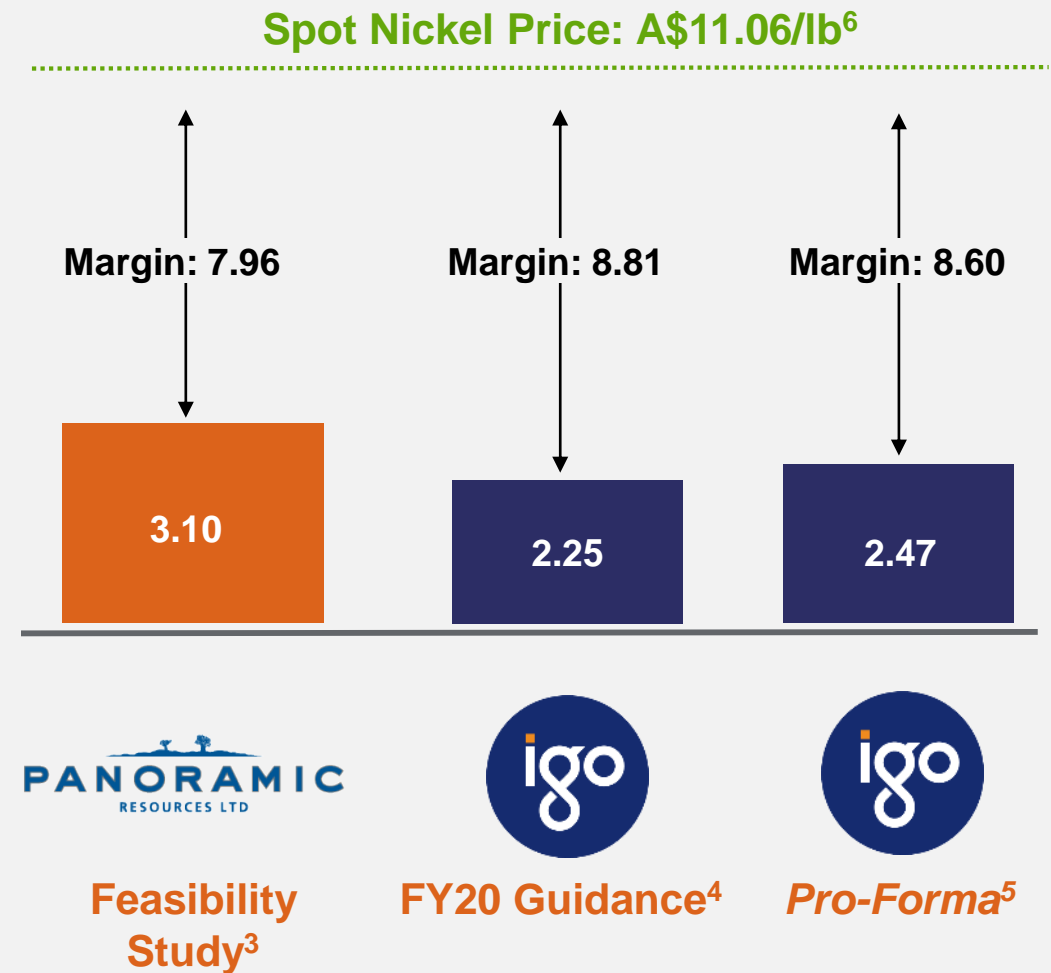
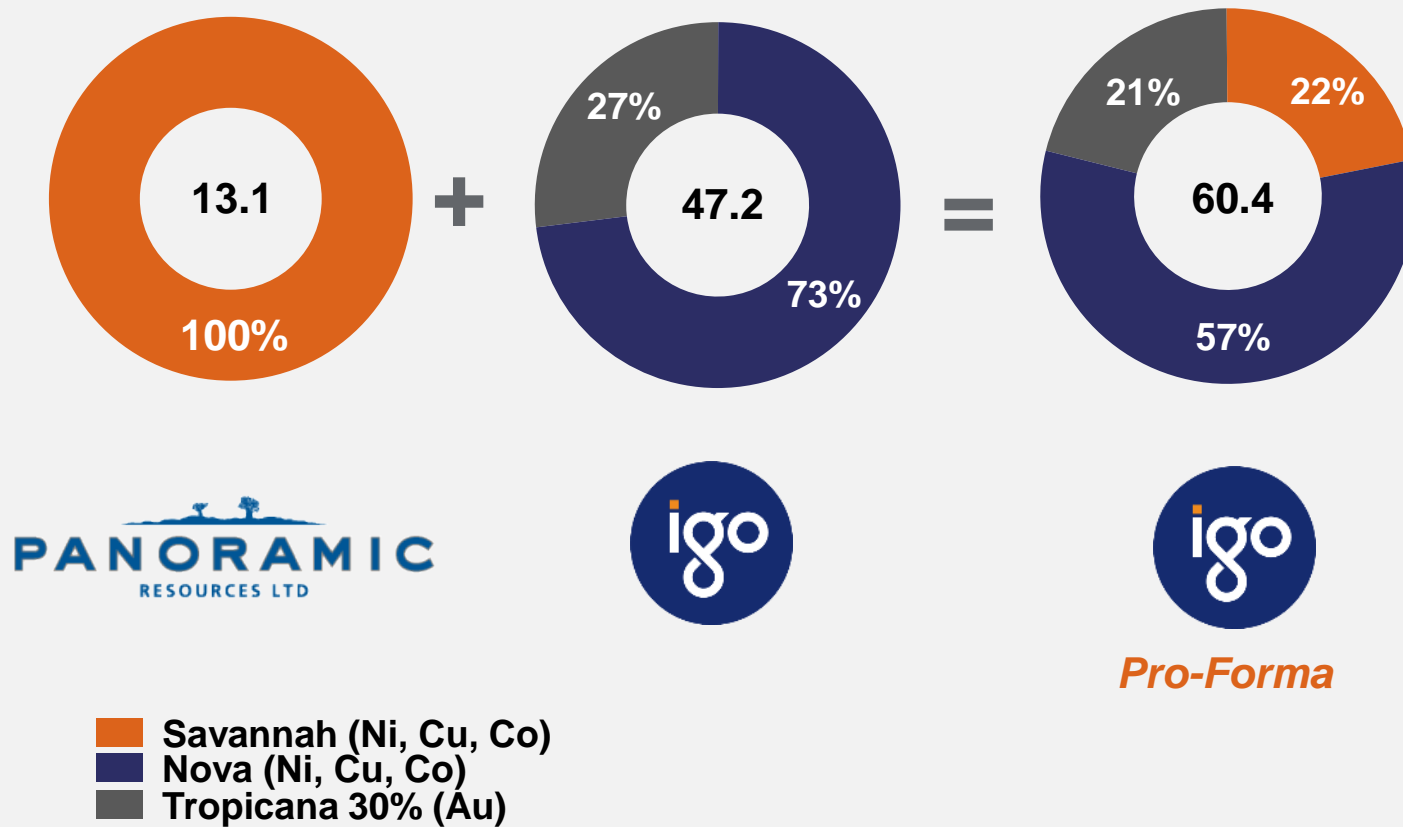
# Enhances Production and Earnings Potential

Adds meaningful nickel production and preserves an attractive group cash cost margin<sup>1</sup>



## FY20 Nickel Equivalent Production Guidance (kt)<sup>2</sup>

## Cash Cost and Cash Margin to Nickel Price (A\$/lb)



1) Based on the Savannah Updated Feasibility Study

2) Mid-point of FY20 Production Guidance per Savannah Operations Update & Further Amendments to Project Loan Facility (Panoramic ASX Announcement 3 September 2019) and IGO 2019 Annual Report converted to nickel equivalent tonnes (NiEq) using the following spot prices as at 1 November 2019: US\$16,835/t Ni (IRESS), US\$5,825/t Cu (IRESS), US\$35,500/t Co (FactSet) and US\$1,510/oz Au (IRESS)

3) Operating cash cost per Updated Savannah Feasibility Study (Panoramic ASX Announcement 27 October 2017). Defined as mining, processing, geology, OHS&E, general and administrative, and concentrate transport costs, plus royalties, less by-product credits, divided by payable nickel produced.

4) Mid point of FY20 Guidance for Nova cash costs per June 2019 Quarterly Activities Report, Page 14 (IGO ASX Announcement 31 July 2019).

5) Pro-forma cash cost is calculated as a weighted average of nickel production (as per FY20 nickel production guidance) and the respective cash costs as shown on this page.

6) Spot LME nickel price as at 1 November 2019 from IRESS. Converted from US\$/t to US\$/lb using a conversion factor of 2204.62 and converted to A\$/lb using the spot AUD/USD foreign exchange rate from IRESS of 0.69 at 1 November 2019.



## Conclusion

# Conclusion

**IGO well positioned to deliver value and growth for shareholders**



## Operational Performance

**Nova and Tropicana delivering consistent, low cost production**

## Sustainability

**Continued focus on safety, community, environment and our people**

## Growth and Optimisation

**Enduring commitment to exploration**

**New concentrate offtake agreements delivering enhanced commercial terms**

## Financial Strength

**Strong balance sheet underpinned by excellent FCF margins**

## Active M&A Strategy

**Takeover offer for Panoramic Resources underway**

**Boston Shaker Underground development at Tropicana**

**Ongoing work programs to improve productivity and reduce cost**



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- Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance
- 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.
- 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 20 February 2019 (Annual Statement) and lodged with the ASX for which Competent Person’s consents were obtained, which is also available on the IGO website.
- 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 20 February 2019 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.



# Cautionary note and disclaimer for Panoramic Takeover Offer



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- This presentation includes forward looking information regarding future events, conditions, circumstances and the future financial performance of IGO or Panoramic. Often, but not always, forward looking statements can be identified by the use of forward looking words such as "believes", "estimates", "anticipates", "expects", "predicts", "intends", "plans", "targets", "aims", "outlook", "guidance", "forecasts", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology, 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, are based on numerous assumptions, and involve unknown risks and uncertainties, many of which are beyond IGO's and Panoramic'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 and Panoramic 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 disclaimer 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.
- There are a number of risks specific to IGO and Panoramic, and of a general nature, which may affect the future operating and financial performance of IGO and Panoramic and the value of an investment in IGO or Panoramic, 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 Panoramic and of a general nature which may affect the future operating and financial performance of IGO or Panoramic.
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## **Financial Information**

- The pro forma and forecast financial information provided in this presentation is for illustrative purposes only and do not represent a forecast or expectation as to IGO's or Panoramic's future financial condition and/or performance. This presentation has been prepared at a time where the review of financial information contained in this presentation has not been completed and accordingly, each recipient should only rely on any forecast or expectation as to IGO's or Panoramic's future financial condition and/or performance that is contained in a prospectus or other offer document lodged with an applicable regulator.

## **Mineral Resources and Ore Reserves**

- The information in this presentation relating to Panoramic's Ore Reserves and Mineral Resources is extracted from the ASX announcement titled "2019 Annual Report" released on 18 October 2019 and available to view at <https://www.asx.com.au/asxpdf/20191018/pdf/449mpmb6kt5ztb.pdf>. IGO has not independently verified this information.