



**MAKING A  
DIFFERENCE**

**IGO Limited**  
**3Q20 Results Presentation**

30 April 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 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 30 January 2020, 28 March 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.



# COVID-19 – Our Response

Prioritising the protection of our people, community and business continuity



## Safeguarding the welfare of our people

- Travel restrictions and pre-flight mandatory health screenings
- Changes to operational rosters and remote working where possible
- On-site quarantine and testing capacity
- Communication and education
- Employee assistance programs
- COVID-19 Leave provisions

## Protecting our communities

- Suspended exploration activity in the Northern Territory and Kimberley Region of WA to protect local communities
- Limiting interaction with local communities around Nova
- Increasing IGO's Corporate Giving commitment by 50%, focused on Norseman and Esperance communities

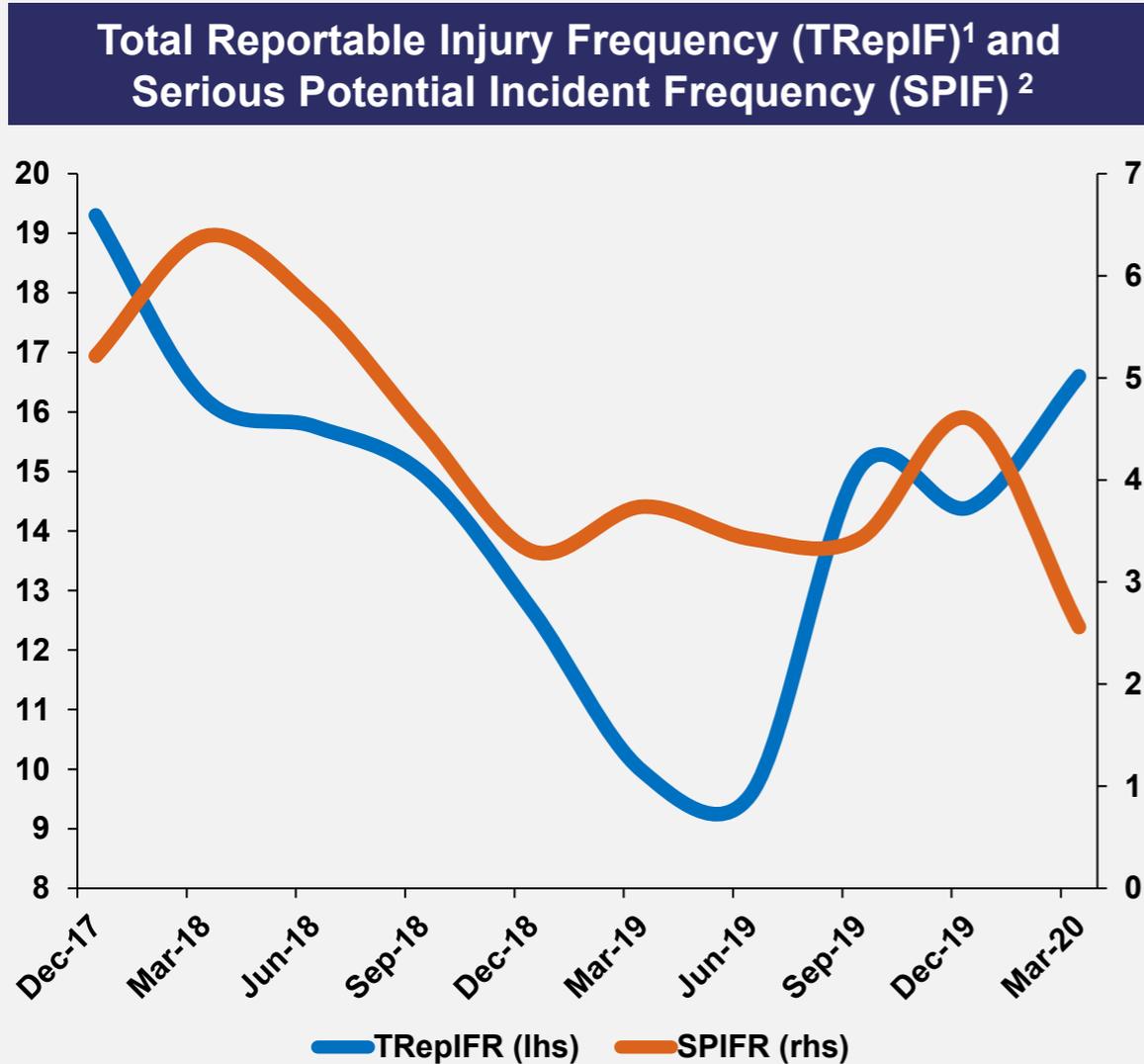
## Ensuring business continuity

- Increased stocks of key reagents and consumables on site
- Increased staffing levels for key roles



# Safety

Focus remains on implementing our safety improvement program



1) 12 month moving average TRepIF – Total Reportable Injury Frequency Rate: calculated as the number of reportable injuries x 1,000,000 divided by the total number of hours worked.  
2) 12 month moving average SPIF: Serious Potential Incident Frequency Rate: calculated as the number of serious potential incidents x 1,000,000 divided by the total number of hours worked..

# 3Q20 Highlights

Continued production performance and cost discipline



Nova metal production increased QoQ for all metals –  
on track to meet top end of FY20 guidance

Group Revenue  
**A\$188M**

Tropicana production lower as expected –  
Boston Shaker Underground development well progressed

Underlying EBITDA  
**A\$76M**

Interim dividend of A\$0.06 per share paid –  
March loan repayment deferred to September

Balance sheet remains strong  
**Net cash: A\$407M**

# 3Q20 Financial Results

Financial performance and balance sheet remains strong



|  | Units | 2Q20  | 3Q20  | QoQ   | YTD FY20 |
|--|-------|-------|-------|-------|----------|
| Revenue and Other Income                 | A\$M  | 211.6 | 187.5 | (11%) | 661.9    |
| Underlying EBITDA <sup>(1)</sup>         | A\$M  | 116.7 | 75.8  | (35%) | 346.5    |
| Profit After Tax                         | A\$M  | 34.1  | 15.2  | (55%) | 115.3    |
| Net Cash from Operating Activities       | A\$M  | 156.0 | 67.3  | (57%) | 312.6    |
| Underlying Free Cash Flow <sup>(2)</sup> | A\$M  | 135.4 | 48.9  | (64%) | 254.4    |
| Cash                                     | A\$M  | 452.8 | 464.3 | 3%    | 464.3    |
| Debt                                     | A\$M  | 57.1  | 57.1  | -     | 57.1     |
| Net Cash                                 | A\$M  | 395.6 | 407.2 | 3%    | 407.2    |

- Excellent production result from Nova offset by ~10% lower nickel price and 14% lower gold production from Tropicana
- Group EBITDA margin of 40% and Free Cash Flow margin of 26%
- Underlying free cash flow remained strong at A\$49M
- Interim dividend of A\$0.06 per share, totalling A\$35M, paid
- A\$29M scheduled debt payment deferred to September 2020

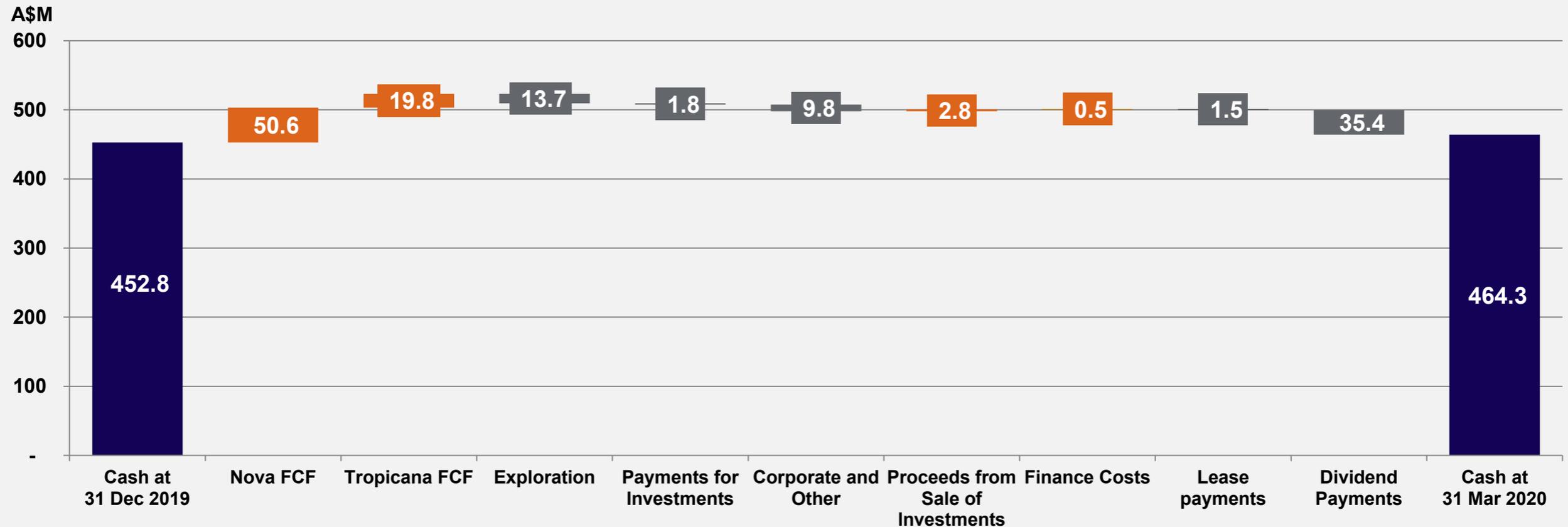
1) Underlying EBITDA is a non-IFRS measure (refer to Disclaimer page).

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

# 3Q20 Cash Flow Reconciliation



Cash balance higher despite lower QoQ operational cash flow and interim dividend payment

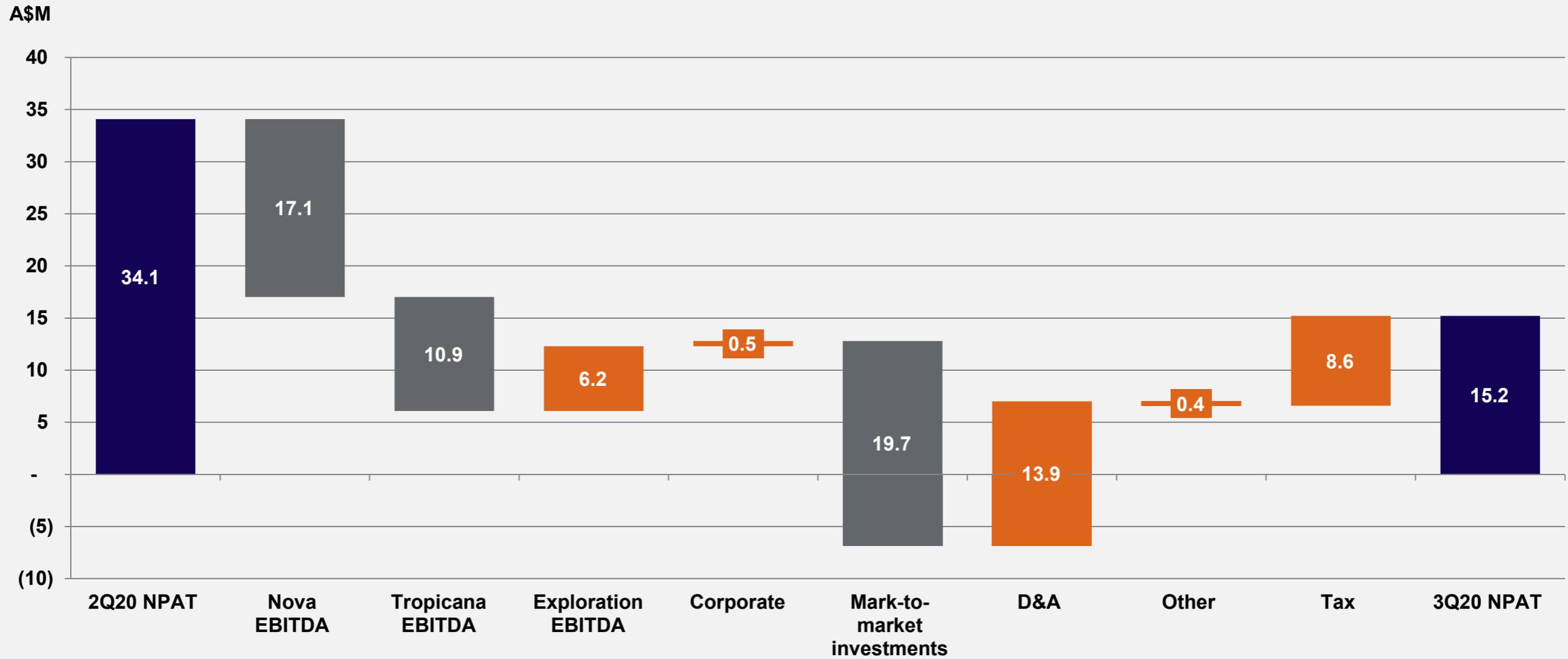


- Lower operational cash flow from Nova and Tropicana offset by lower exploration expense
- A\$0.06 per share unfranked dividend paid 28 February 2020, representing a A\$35.4M outflow
- Corporate cash flows include annual insurance premiums for the Group

# 3Q20 NPAT Reconciliation



NPAT impacted by lower EBITDA from Nova and Tropicana





# Nova

## Strong performance delivers QoQ increase in metal production and significantly lower costs

| Metric                        | Units     | 2Q20  | 3Q20  | QoQ   | YTD FY20 | YTD Guidance <sup>(1)</sup> |
|-------------------------------|-----------|-------|-------|-------|----------|-----------------------------|
| Nickel in concentrate         | t         | 7,513 | 8,019 | 7%    | 23,255   | 20,250 – 22,500             |
| Copper in concentrate         | t         | 3,289 | 3,784 | 15%   | 10,562   | 8,250 – 9,375               |
| Cobalt in concentrate         | t         | 279   | 303   | 9%    | 864      | 638 – 713                   |
| Cash cost (payable)           | A\$/lb Ni | 2.42  | 1.96  | (19%) | 2.32     | 2.00 – 2.50                 |
| Sustaining/ improvement Capex | A\$M      | 2.0   | 1.0   | (50%) | 4.8      | 18 – 20                     |
| Development Capex             | A\$M      | 0.4   | 0.6   | 50%   | 1.9      | 5 – 6                       |

- **Higher metal production due to 7% higher tonnes milled**
- **A\$0.46/lb or 19% reduction in QoQ cash costs driven primarily by higher production (A\$0.16/lb), and higher by-product production (A\$0.36/lb)**
- **Nickel recoveries consistent at 86.9% (2Q20: 86.8%) while copper recoveries improved to 88.9% (2Q20: 86.7%)**

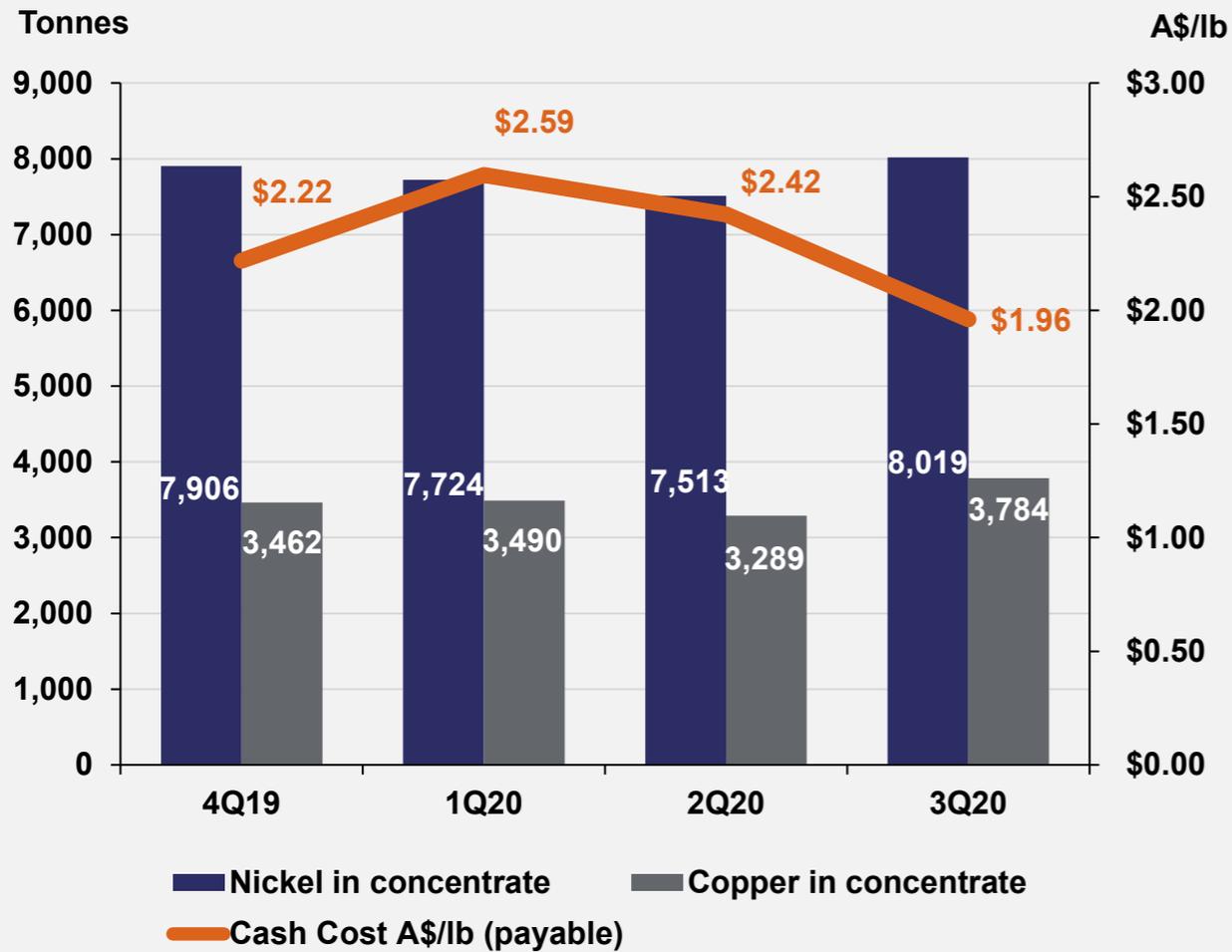
1) Pro-rata YTD guidance (FY20 guidance x 0.75)

# Nova Production

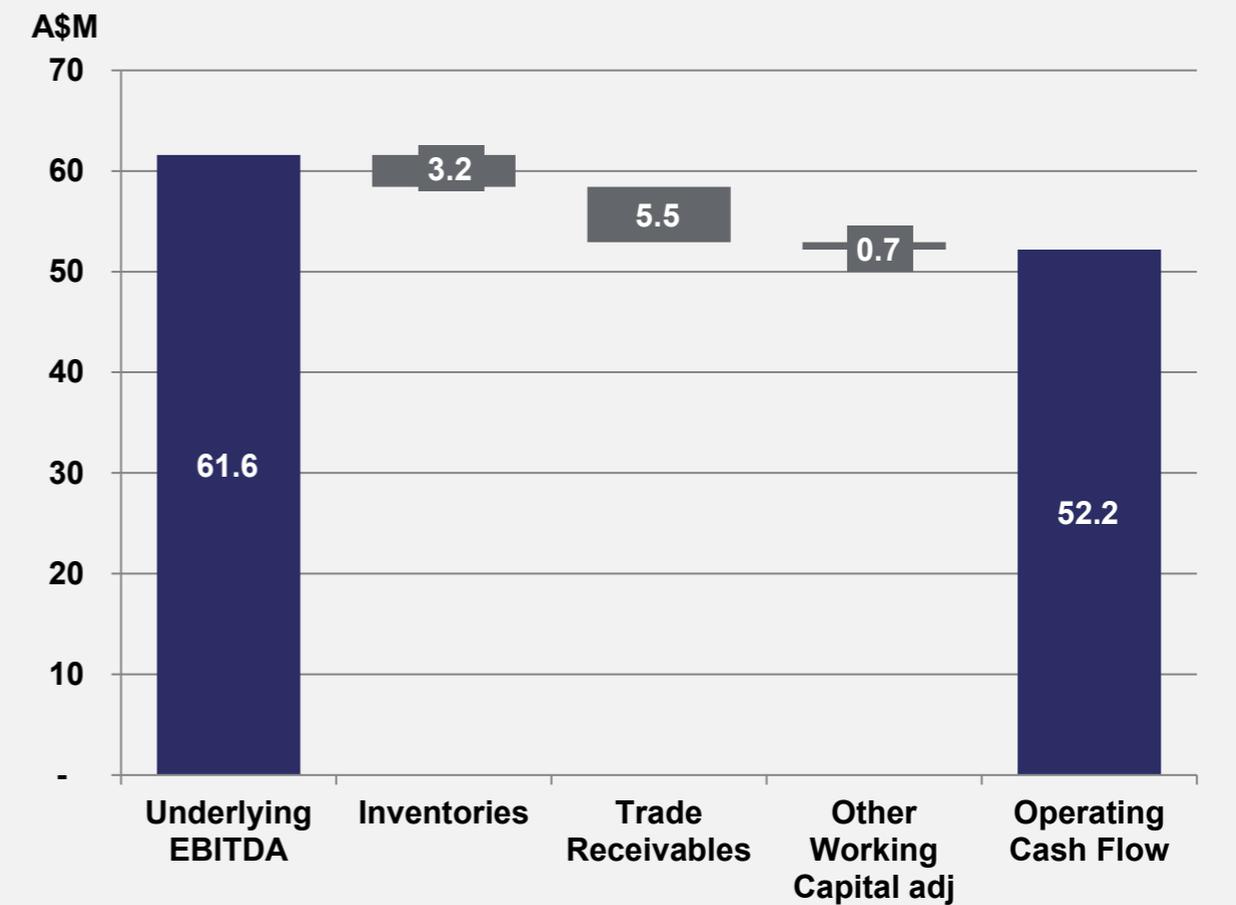
Lower QoQ costs driven by higher metal production



## Nova Production



## Nova Cash Flow Reconciliation





# Tropicana

# Tropicana Highlights

Lower production driven primarily by lower milled grade

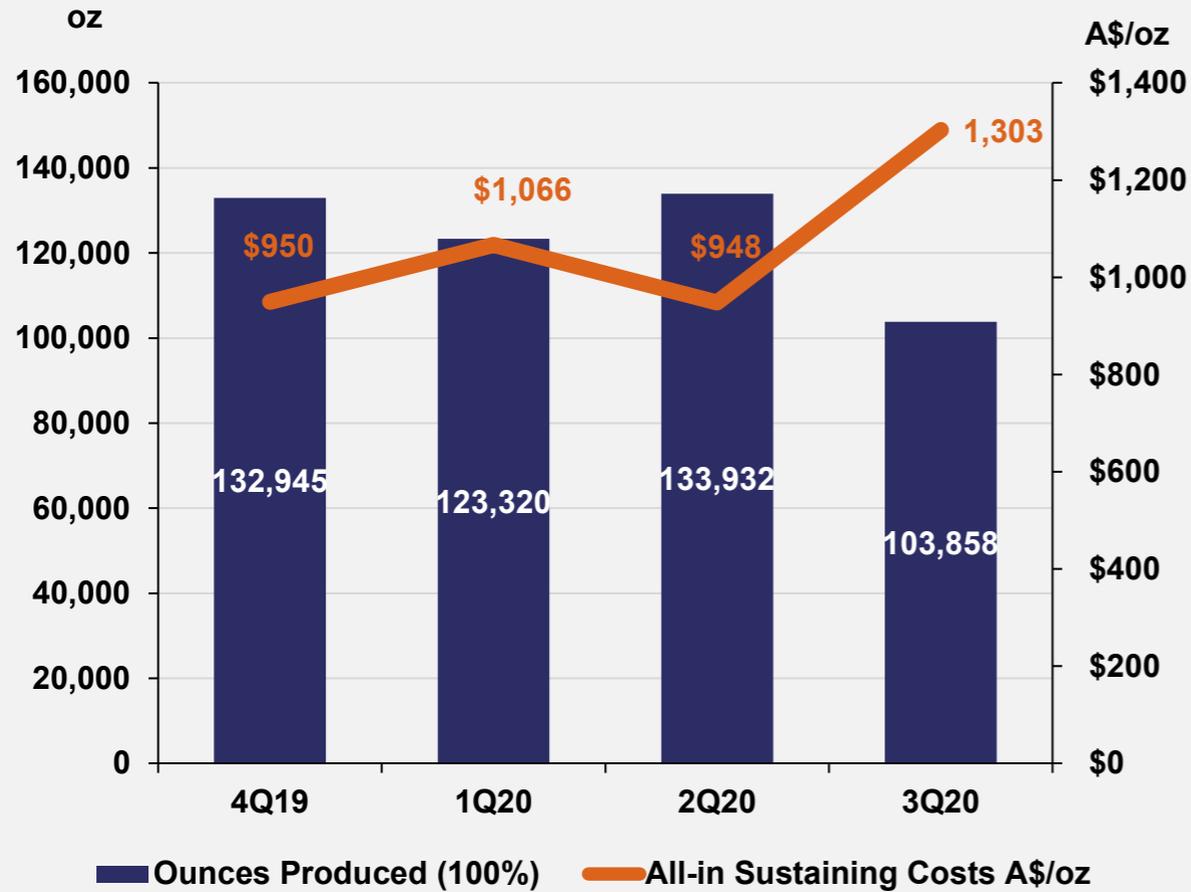


| Metric                  | Units  | 2Q20  | 3Q20         | QoQ   | YTD FY20     | YTD Guidance <sup>(1)</sup> |
|-------------------------|--------|-------|--------------|-------|--------------|-----------------------------|
| Gold produced (100%)    | koz    | 133.9 | <b>103.9</b> | (22%) | <b>361.1</b> | 338 – 375                   |
| Gold Sold (IGO 30%)     | koz    | 38.6  | <b>33.0</b>  | (15%) | <b>110.5</b> | 101 – 113                   |
| Cash cost               | A\$/oz | 698   | <b>877</b>   | 26%   | <b>764</b>   | 700 – 780                   |
| AISC                    | A\$/oz | 948   | <b>1,303</b> | 37%   | <b>1,096</b> | 1,090 – 1,210               |
| Sustaining/improvement  | A\$M   | 4.0   | <b>0.4</b>   | (90%) | <b>7.8</b>   | 10 – 11                     |
| Waste stripping         | A\$M   | 5.6   | <b>12.2</b>  | 118%  | <b>25.1</b>  | 32 – 35                     |
| Underground capex (30%) | A\$M   | 6.9   | <b>5.7</b>   | (17%) | <b>17.0</b>  | 20 – 22                     |

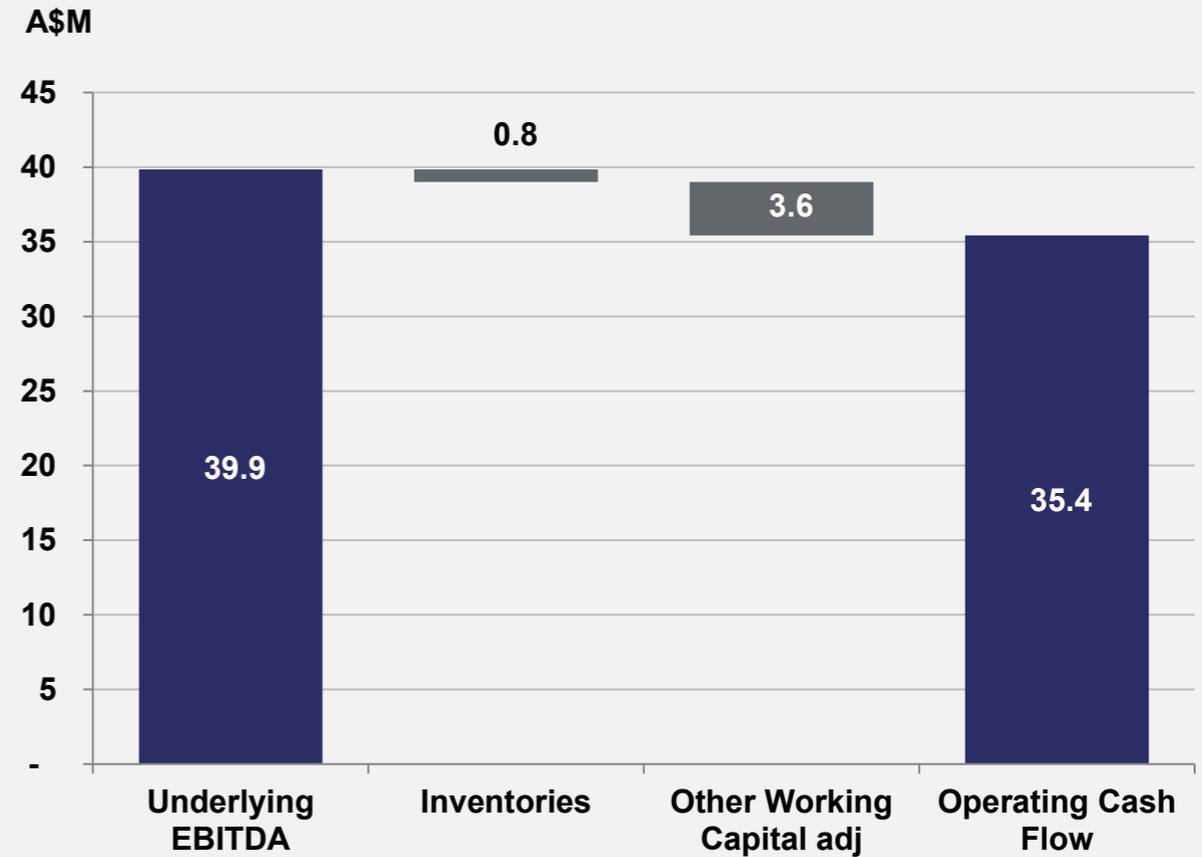
- **71% lower ore mined QoQ at 1.3Mt**
- **Mine transitioning from 100% open pit to open pit and underground**
- **Consistent milling rate of 2.1Mt (2Q20:2.2Mt) however milled grade fell 20% to 1.69g/t (2Q20: 2.12g/t Au)**
- **Gold recoveries steady at 90.2% (2Q20: 90.3%)**
- **6% increase in realised gold price of A\$2,104/oz (2Q20: A\$1,986/oz)**

1) Pro-rata YTD guidance (FY20 guidance x 0.75)

### Tropicana Production (100%) and AISC



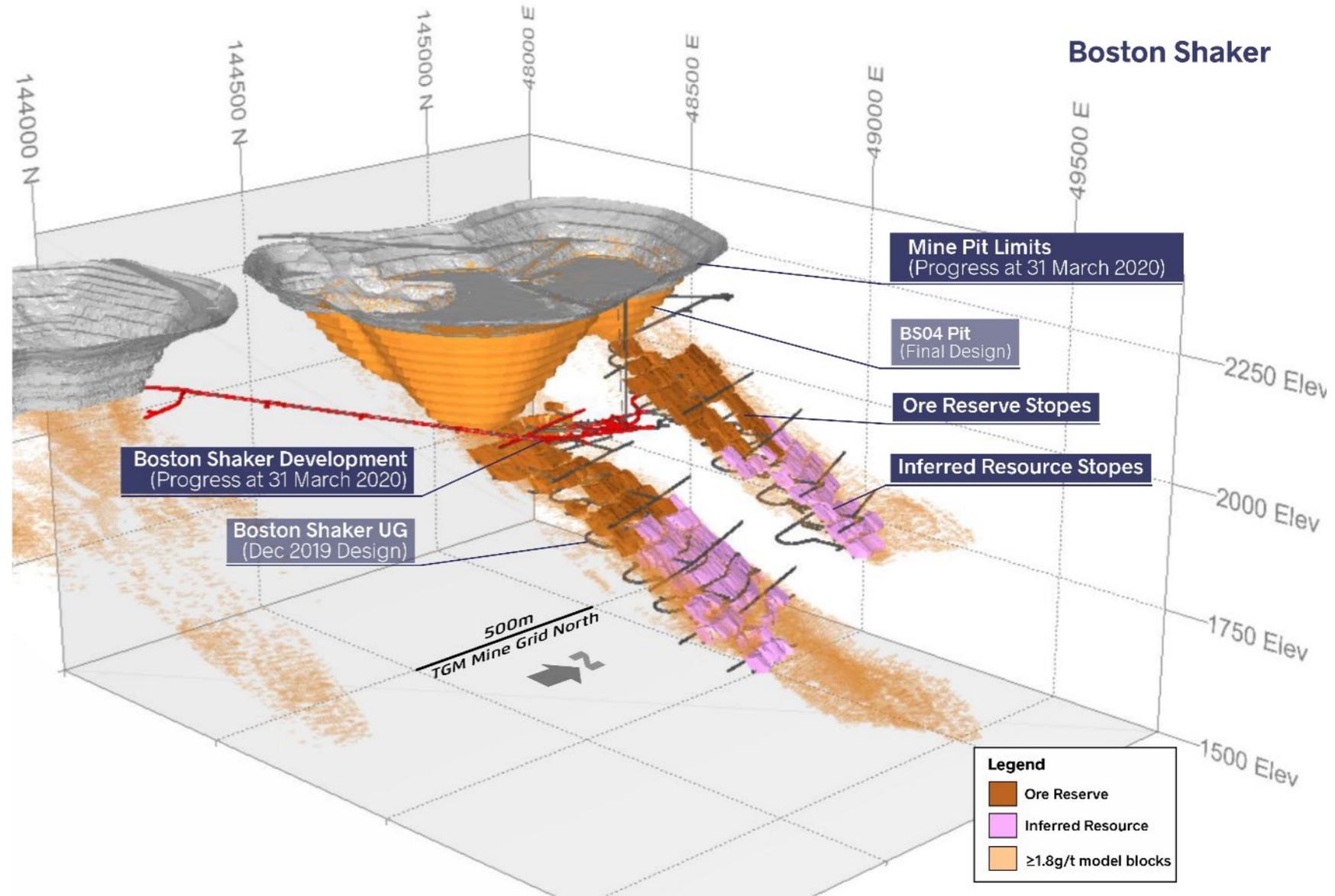
### Tropicana Cash Flow Reconciliation



On track for first gold production in September 2020 Quarter

### 3Q20 Activities

- ✓ Primary escapeway installed
- ✓ Overhead power line commissioned
- ✓ Underground power distribution
- ✓ Preparing for primary vent installation





# Exploration & Growth

# Exploration Overview

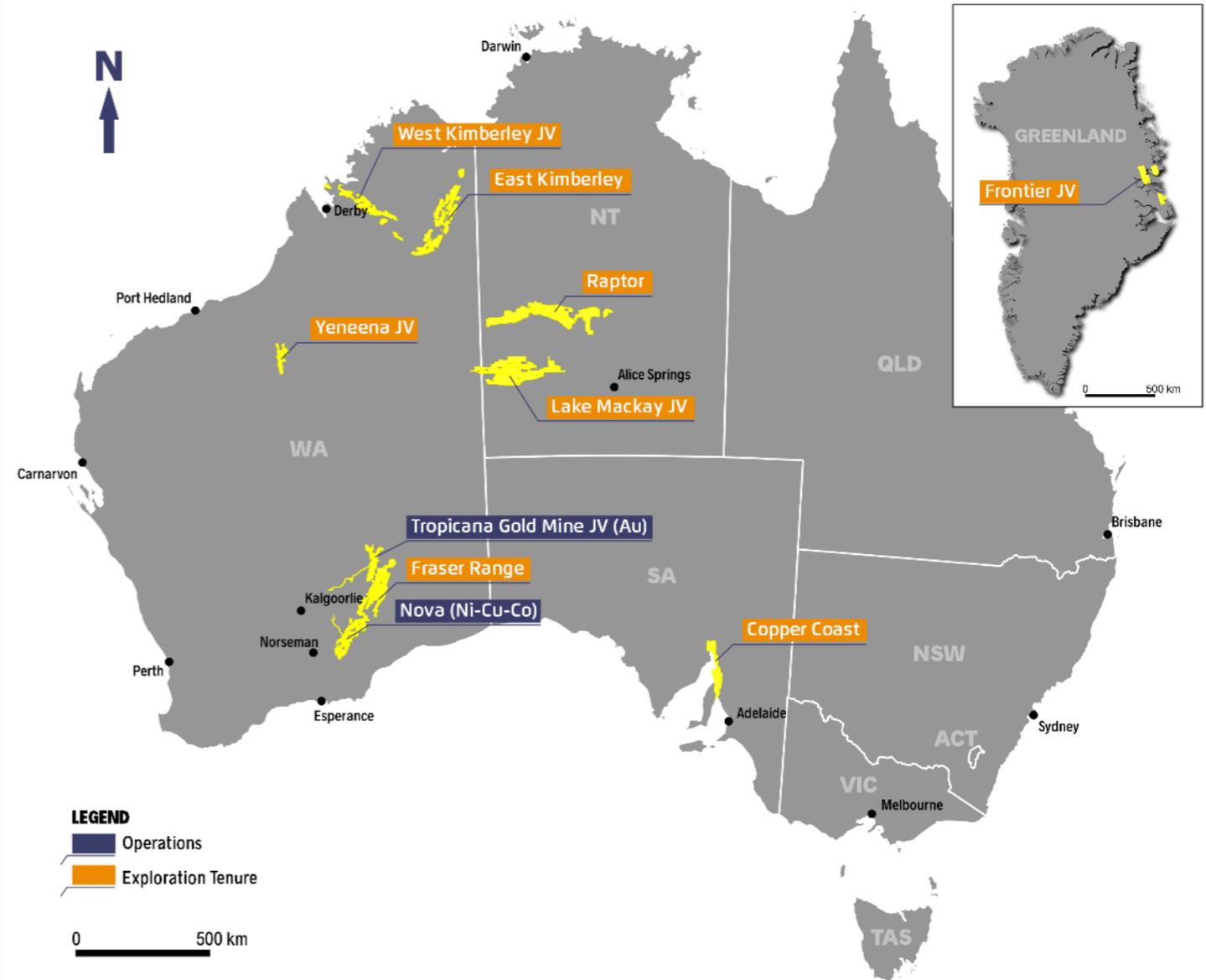
Activity impacted by weather and COVID-19



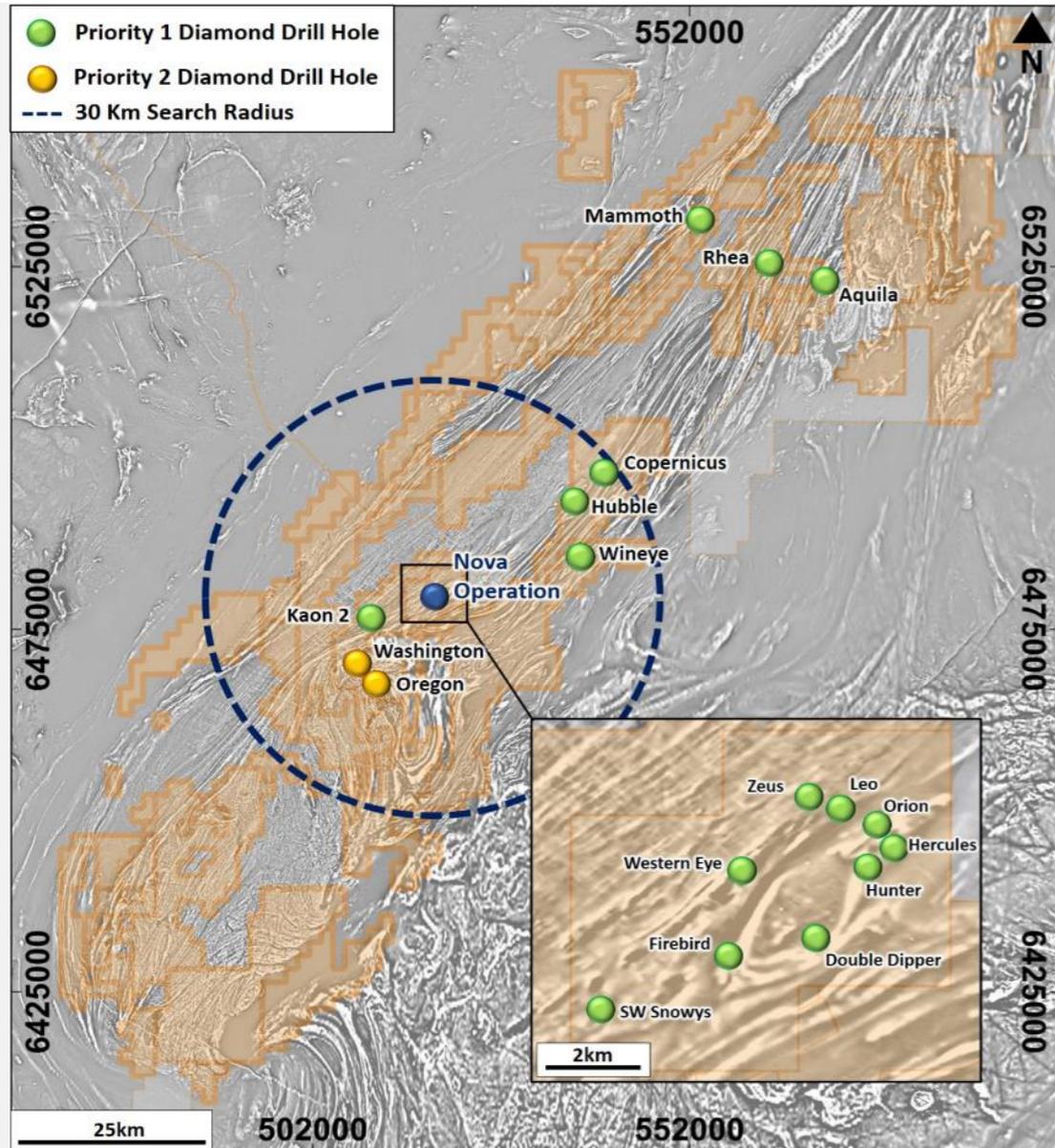
Exploration activity in Kimberley, Northern Territory and Greenland on hold due to COVID-19 restrictions

Spare capacity transferred to increase activity on Fraser Range

FY20 exploration expenditure expected to be ~A\$6M below mid-point of guidance



## Three drill rigs active throughout 3Q20



Active drilling campaign over various targets proximal to Nova

Successful drilling at Western Eye, Orion and Hunter prospects with fertile mafic/ultramafic intrusions intersected

Drilling continuing in 4Q20 – subject to COVID-19 restrictions

# Fraser Range

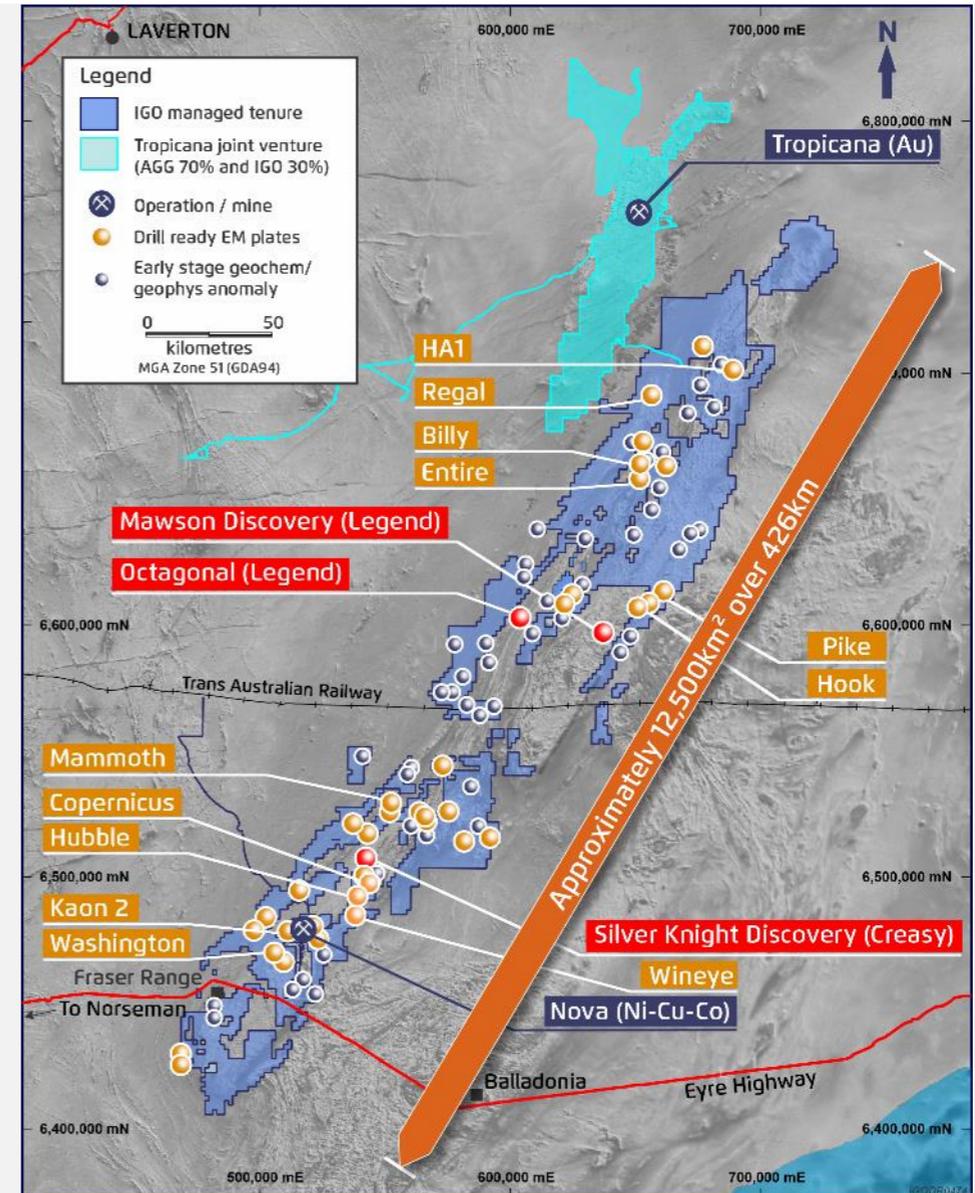
Regional exploration impacted by weather and COVID-19



3Q20 activity primarily limited to geophysical surveys and rehabilitation work

Work program in 4Q20 focused on infill air-core drilling on 100m x 100m spacings and high-priority diamond drill targets

>100,000m program of air-core drilling commenced in late-March



# Tropicana Exploration

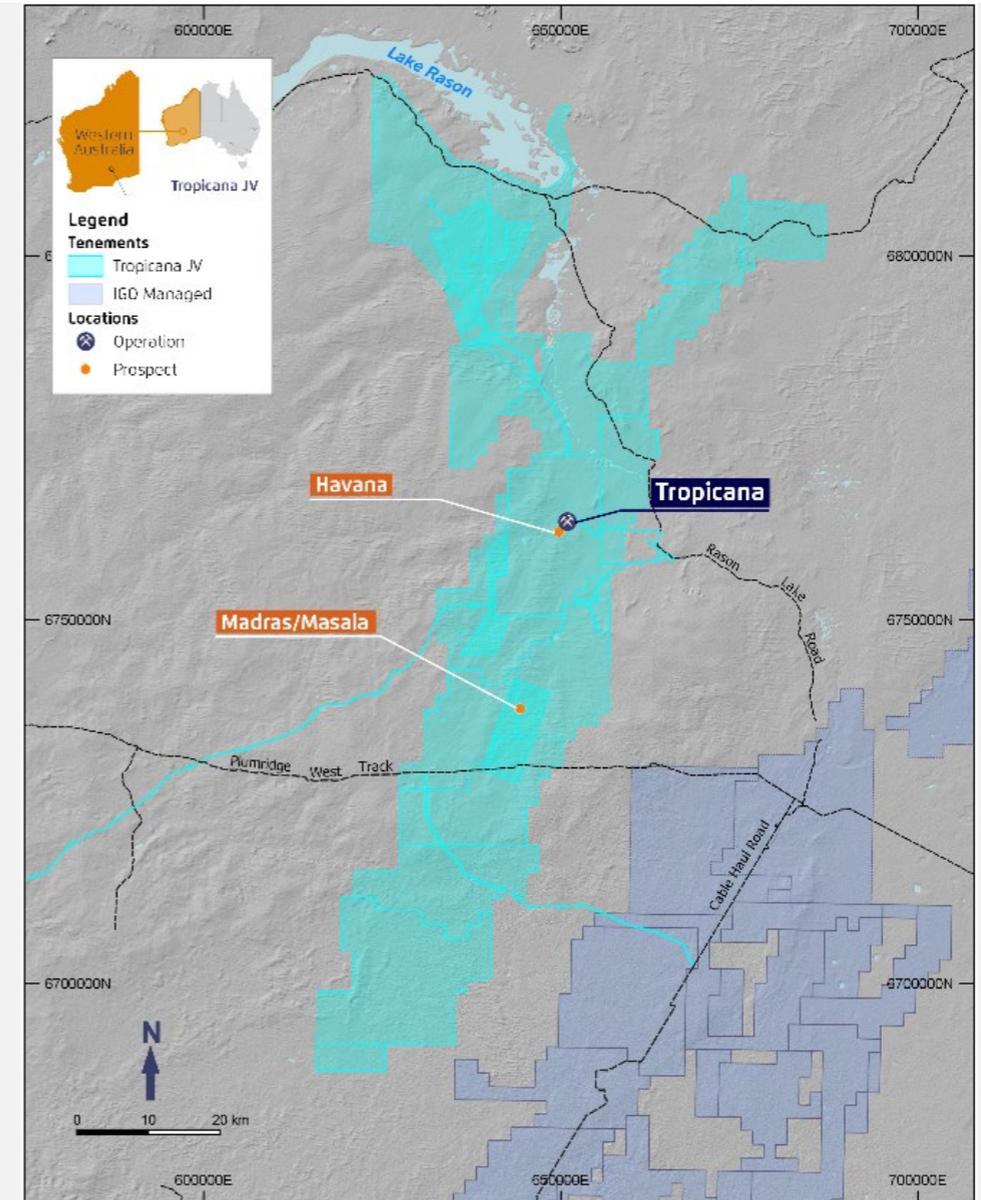
Primary focus on Havana resource definition and Boston Shaker



Resource development drilling at Havana to aid in completion of PFS for potential underground

Boston Shaker (BS04) pit drilling returned 32 intersections of  $>20$  g/t Au x metres<sup>(1)</sup>

Drilling progressed at Madras-Masala prospect – results pending



1) Refer to ASX Announcement titled "March 2020 Quarterly Activities Report", dated 30 April 2020

# Business Development

Disciplined strategy to deliver “clean energy metals” growth opportunities



**Focus on metals critical to clean energy  
– renewables, grid scale energy storage  
and electrification of transport**

**Key drivers include quality, long  
mine life, scale and return on capital**

**Takeover offer for Panoramic  
Resources formally lapsed during 3Q20**

## **Strategic investment in New Century Resources**

**IGO investing up to A\$27M in NCZ for an interest  
of up to 18.4%**

**NCZ have a strategic land position and  
infrastructure in NW Queensland**

**Strategic relationship formed to pursue  
collaborative exploration and business development  
opportunities**

A large background image of a man with a full, thick red beard and mustache, wearing a white hard hat and safety glasses. He is smiling and looking off to the side. He is wearing an orange high-visibility work shirt with a blue collar. In the background, another worker in a white hard hat and orange shirt is visible, working in an industrial setting with various equipment and structures.

## Summary

# Concluding Comments

Production performance and cost discipline continue



Excellent production and cost performance from Nova

Tropicana growth project at Boston Shaker progressing well

Effectively mitigating the impact of COVID-19 on the business





# 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.**