



## COSMOS PROJECT UPDATE

IGO Limited (ASX: IGO) (**IGO** or the **Company**) wishes to provide an update on the Cosmos Project (**Cosmos** or **Project**) following completion of the Cosmos project review (**Review**).

The Review, which commenced in mid-2023, has been focused on identifying risks and assessing opportunities to optimise the life of mine plan, capital cost estimates and schedule.

Having thoroughly assessed the Project, the outcomes of the Review has demonstrated a reduction in the expected life of mine, delays in getting the mine to full capacity to fill the processing plant and further increases in operating and capital costs. In parallel, commodity prices have deteriorated significantly since the Review commenced, impacting the economics of Cosmos.

As a result, IGO has made the difficult decision to transition Cosmos into care and maintenance. The transition, which is expected to be concluded by 31 May 2024, will prioritise the safe preservation of the Cosmos assets and the completion of select key workstreams include finishing the wet commissioning of the processing plant and processing of existing ore on the ROM pad.

During the transition to care and maintenance, IGO will also assess the value of continuing work on select exploration programs to increase the size and definition of the mineral resource, in particular the AM5 and AM6 orebodies, and optimising the mining and materials handling methods. IGO intends to protect the optionality to restart Cosmos in the future should market conditions improve.

Regrettably, this transition will have an impact to our people and IGO is currently working on a resourcing plan for the transition and care and maintenance phases. While the Company expects to be able to offer some redeployment opportunities, there will be roles which will become redundant. IGO is providing all the necessary support for our people as we work through this difficult process.

IGO's Managing Director and CEO, Ivan Vella, commented, *"This is not the outcome anyone at IGO wanted, however we cannot ignore the operational and financial risks involved in continuing to develop Cosmos in the current environment. We still believe there is value in Cosmos, however in this nickel environment we need to be disciplined with our allocation of capital, while retaining our optionality to restart if market conditions improve."*

*"I'd like to thank the team on site who have done an outstanding job to work through the challenges, and to progress the Project to where it is today. Prioritising and minimising the impact on our team through this process is our absolute focus and we will provide every support we can to those people affected."*

As previously advised<sup>1</sup>, IGO expects to record a further impairment against the Cosmos assets in the Company's First Half FY24 Results to be released on 22 February 2024. While the impairment value has not yet been finalised, IGO estimates the total impairment charge to be in the region of \$150M to \$175M.

Further, the independently conducted Post Investment and Integration Review into the Western Areas acquisition is approaching completion, and IGO will provide further detail on this in the Half Year results announcement.

<sup>1</sup> Refer to IGO ASX Announcement on 13 December 2023, titled "Cosmos Project Update"  
Suite 4, Level 5 PO Box 496 T. +61 8 9238 8300  
85 South Perth Esplanade South Perth WA 6951 F. +61 8 9238 8399  
South Perth WA 6151 Western Australia E. contact@igo.com.au

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This announcement is authorised for release to the ASX by Managing Director and CEO, Ivan Vella.

**For further information contact:**

Richard Glass

Head of Investor Relations

T: +61 8 9238 8300

E: [richard.glass@igo.com.au](mailto:richard.glass@igo.com.au)