



LITHIUM BUSINESS UPDATE

IGO Limited (ASX: IGO) (**IGO** or the **Company**) wishes to provide an update on its lithium business, which is held via its 49% interest in Tianqi Lithium Energy Australia (**TLEA**).

As previously announced¹, over recent months TLEA and Albemarle Corporation (**Albemarle**) the joint venture partners of the Windfield Joint Venture (together, the **JV Partners**)² have been considering spodumene concentrate offtake volumes and discussing pricing arrangements that apply to spodumene concentrate sales from the Greenbushes Operation, which is operated by Talison Lithium (**Talison**) under the Windfield Joint Venture.

IGO can advise that the Windfield Board has agreed to amend the pricing mechanism which will be applied to SC6.0 spodumene concentrate offtake volumes effective 1 January 2024. Under the new mechanism, pricing will be reset monthly, based on the average of the previous month, referencing the average of four price reporting agencies, including Fastmarkets, Asian Metals, Benchmark Minerals Intelligence and S&P Platts, less a 5% volume discount, FOB Australia.

The JV Partners have also indicated their spodumene concentrate volumes for the second half of FY24. Indicated volumes are below forecast, and as such it is likely that production at Greenbushes will be marginally reduced during this period, to effectively match inventory build with product logistics. IGO expects that sales for the second half will be approximately 20% lower than production as inventories build at site.

As a result, IGO's stated FY24 production guidance from Greenbushes has been revised to between 1.3Mtpa to 1.4Mtpa (previously 1.4Mtpa – 1.5Mtpa) of SC6.0 spodumene concentrate. While there is no change to cash production cost guidance at this point, IGO expects these to be above the top end of its guidance³. Talison is finalising its CY24 budget, after which IGO will provide any required update to cash cost and capex guidance within its Half Year reporting on 22 February 2024.

The JV Partners remain committed to the completion of CGP3 processing plant.

IGO's Managing Director and CEO, Ivan Vella, commented, *"Despite the short-term weakness in the lithium market, the JV Partners at Greenbushes are strongly aligned on continuing to drive value from this world class operation. IGO is pleased with the new arrangements which balance near term market weakness whilst maintaining the leading position of this world class asset, including the commitment to CGP3 development. I am looking forward to continuing to build our relationship with two industry leaders and realise the full potential of our asset and its impact on this nascent industry."*

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

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¹ Refer to September 2023 Quarterly Activities Report released 30 October 2023

² TLEA and Albemarle are the shareholders of Windfield Holdings, the holding company of Talison Lithium which operates Greenbushes

³ IGO's FY24 Cash Cost Guidance is A\$280/t – A\$330/t