

Quarterly Report

Period ended 31 December 2023



PUBLICATION DATE 31/01/2024

Quarterly performance impacted by sharp fall in commodity prices and lower sales

Continued improvement in safety performance with reduction in Total Reportable Injury Frequency Rate (TRIFR) to 12.0

Cosmos Project to be placed on care and maintenance in response to challenging market conditions

Impairment of Cosmos and Forrestania assets estimated to be \$160M - \$190M

Greenbushes JV Partners reconfirm commitment to growth plans and agree to monthly pricing for chemical grade spodumene

Lower production at Greenbushes following record output in 1Q24, resulting in higher production cash costs

Strong operating performance at Nova and lower production at Forrestania following the transition to campaign milling as planned

Strong cash position of \$276M plus \$720M of undrawn debt at the Quarter end

Ivan Vella commenced as Managing Director & CEO on 11 December 2023

Highlights

Total Reportable Injury Frequency Rate

12.0

▼5% QoQ



Underlying EBITDA

\$153M

▼58% QoQ



Underlying FCF

(\$96M)

▼118% QoQ



Net Cash

\$276M

▼38% QoQ



Group Nickel Production

7,118t

▼0% QoQ



Spodumene Concentrate Production

358kt

▼14% QoQ



Investor Webcast



An investor webcast has been scheduled for 11.00am AEDT (8.00am AWST) on Wednesday, 31 January 2024.

Please use the following link:

[2Q24 Results Webcast](#)

All figures are displayed in Australian Dollars (\$) unless otherwise stated.

Management Commentary

"I am delighted to have joined IGO and want to thank everyone who has made me feel so welcome. I have had the opportunity to visit all of our operations and meet the team, and my impressions have only confirmed my decision to join IGO."

"Our industry is facing some significant challenges and uncertainty with both nickel and lithium experiencing a downturn in the cycle. Having worked in the mining industry for many years, I know this is the time when we see the true quality of our assets. The IGO business is in a great position and I'm excited about the opportunity we have to deliver success into the future."

"The decision we've announced today to transition Cosmos into care and maintenance is not a decision we take lightly. Despite identifying opportunities to optimise and de-risk development, the recent deterioration of the nickel price has led to us to stop and reassess the future of this asset. We're working closely with our people to manage this transition safely and in line with IGO's values, as we seek to preserve value for a potential restart in the future. Pleasingly, our Nova and Forrestania assets remain cash positive despite current market conditions."

"Challenging market conditions have also been seen in the lithium market in recent months, however the fundamentals of this nascent industry are sound. The changes we announced at Greenbushes recently have provided greater confidence on production and sales for the rest of FY24, while the pricing mechanism change moves Greenbushes more closely in line with other assets in the sector. Greenbushes is an outstanding, world-class asset which generates strong margins through the cycle. We are looking forward to continuing working closely with our JV partners, two of the leading lithium players in the world, to optimise and grow this important asset."

"Despite the headwinds over recent months, we are taking action and adjusting for the current environment. The strength of our JV partners, the quality of our portfolio and growth opportunities, our significant operational capability and most of all, the culture and passion of our people, give me confidence that we can together, drive great success into the future."

Ivan Vella
Managing Director and Chief Executive Officer

Group Safety Performance

Total Reportable Injury Frequency Rate (TRIFR) for the 12 months to 31 December 2023 was 12.0 (a decrease from 12.7 as at 30 September 2023).

During the Quarter, the Visual Safety Leadership Interaction (VSLI) program was presented to new and existing operational leaders. The program was delivered through a training and coaching approach, with a primary emphasis on engaging in quality in-field safety conversations, focusing on both individuals' health and safety and workplace safety factors. The program saw a positive impact on workplace engagement and hazard identification and awareness.

Group Production & Cost Summary

	Units	2Q24	1Q24	QoQΔ	YTD
Spodumene Production	kt	358	414	▼14%	771
Spodumene Cash Cost (Production)	A\$/t	357	262	▲36%	306
Lithium Hydroxide Production	t	617	607	▲2%	1,224
Total Nickel in Concentrate	t	7,118	7,131	–	14,249
Total Copper in Concentrate	t	2,465	2,341	▲5%	4,806
Nickel Cash Cost (Payable)	A\$/lb Ni	6.39	6.66	▼4%	6.53

Group Financial Summary

	Units	2Q24	1Q24	QoQΔ	YTD
Sales Revenue	A\$M	178.7	248.4	▼28%	427.1
Share of Net Profit of TLEA	A\$M	167.4	327.8	▼49%	495.2
Underlying EBITDA ¹	A\$M	152.8	362.2	▼58%	515.0
Net Cash from Operating Activities	A\$M	(31.0)	634.7	▼105%	603.7
Underlying Free Cash Flow	A\$M	(96.1)	529.7	▼118%	433.5
Cash	A\$M	276.4	804.5	▼66%	276.4
Net Cash	A\$M	276.4	444.5	▼38%	276.4

¹ Underlying measures of EBITDA and free cash flow are non-IFRS financial measures. They should not be considered as alternatives to an IFRS measure of profitability, financial performance, or liquidity. All references to financial measures and outcomes in this Quarterly Report are to unaudited results. Full details of underlying adjustments can be found on Page 4.

Commentary

- Group sales revenue decreased 28% to \$178.7M in 2Q24 following an 18% fall in nickel prices during the Quarter, coupled with lower sales volumes at Nova and Forresterania. The impact of lower nickel prices was partly offset by hedges executed over 100% of Forresterania's remaining forecast life of mine nickel production in the prior quarter.
- Underlying EBITDA² of \$152.8M was 58% lower than the prior quarter, primarily driven by a 49% decrease in IGO's share of Net Profit from TLEA³, reflecting lower lithium prices and sales volumes at Greenbushes, as foreshadowed in the September 2023 quarterly report, together with lower nickel sales volumes and prices at Nova and Forresterania.
- Cash outflows from operating activities were \$31.0M in 2Q24, driven by lower QoQ operating cash flows from TLEA, with the joint venture electing not to pay a dividend in December 2023 pending finalisation of the CY24 budget and operating plan. A further \$51.2M of operating cash outflows were paid for the finalisation of stamp duty for the acquisition of Western Areas.
- Cash outflows for investing activities for the Quarter were \$141.5M, with \$106.7M of capital expenditure incurred at the Cosmos Project for ongoing construction and mine development activities (1Q24: \$98.9M). Investing cash outflows also included \$25.2M for the acquisition of listed investments during the Quarter.
- Accordingly, the Group's underlying free cash outflow⁴ for the Quarter was \$96.1M, compared with a \$529.7M free cash inflow in 1Q24.
- Total cash outflows from financing activities of \$369.9M in 2Q24 reflected the accelerated repayment of the Company's outstanding debt of \$360.0M and the conversion of this amount to the Company's revolving credit facilities, resulting in \$720.0M of undrawn debt at the Quarter end. A further \$9.4M of financing outflows related to lease payments during the Quarter.
- Net cash on hand at the end of the Quarter was \$276.4M, compared with \$444.5M at 30 September 2023.

² EBITDA (Earnings before Interest, Tax, Depreciation, Amortisation & Impairment) is a non-IFRS measure. Underlying EBITDA for 2Q24 of \$152.8M and 1Q24 of \$362.2M excludes: 1) insurance claim proceeds relating to Nova fire (2Q24: \$10.8M, 1Q24: \$nil). EBITDA, prior to these exclusions, for 2Q24 and 1Q24 is \$163.6M and \$362.2M, respectively.

³ Tianqi Lithium Energy Australia, the joint venture between IGO (49%) and Tianqi Lithium Corporation (51%).

⁴ Free Cash Flow comprises Net Cash Flow from Operating Activities and Net Cash Flow from Investing Activities. Underlying adjustments exclude: 1) acquisition and transaction costs (2Q24: \$51.2M, 1Q24: \$nil) and 2) payments for mineral interests and financial assets (2Q24: \$25.2M, 1Q24: \$15.2M). Free Cash Flow, prior to these exclusions for 2Q24 and 1Q24, is a net outflow of \$172.5M and net inflow of \$514.5M, respectively.

Impairment

- As announced to the market on 13 December 2023, IGO expects to record a further impairment against the Cosmos assets in the Company's First Half FY24 Results. IGO also anticipates a small impairment to be recorded against the Forrestania assets.
- While the impairment assessments remain on-going, IGO estimates the total impairment charge to be in the region of \$160M to \$190M, pending finalisation of the respective life of mine plans, macroeconomic assumptions, and technical review processes.
- The reassessment of value at Cosmos and Forrestania is primarily attributed to the rapid fall in nickel prices since the previous reporting date as at 30 June 2023.
- Any impairment will not impact underlying full year EBITDA.

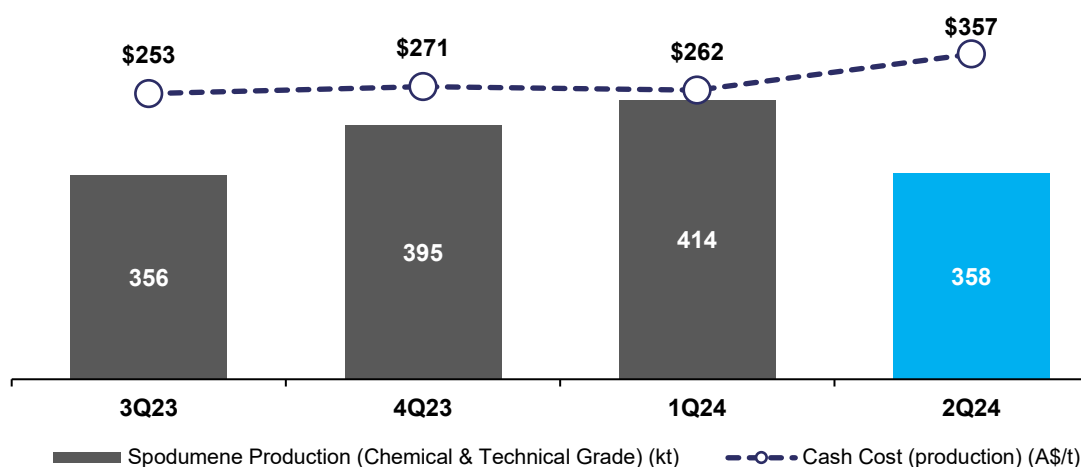
Lithium Business

IGO's lithium interests are held via the Company's 49% interest in Tianqi Lithium Energy Australia (TLEA), an incorporated joint venture with our partner Tianqi Lithium Corporation (TLC) (51%). TLEA owns an integrated lithium business, including a 51% interest in the Greenbushes Operation (Albemarle Corporation, 49%), and 100% of the Kwinana Lithium Hydroxide Refinery.

Greenbushes Lithium Mine (100% basis)

	Units	2Q24	1Q24	QoQΔ	YTD
Spodumene Production	kt	358	414	▼14%	771
Spodumene Sales	kt	275	392	▼30%	667
Sales Revenue	A\$M	1,286	2,244	▼43%	3,530
EBITDA	A\$M	1,144	2,039	▼43%	3,183
Cash Cost (production) ⁵	A\$/t	357	262	▲36%	306

Greenbushes production and cost performance



Commentary

- Quarterly spodumene concentrate production at Greenbushes of 357.7kt was 14% lower than the prior quarter and included 338.9kt of chemical grade and 18.8kt of technical grade spodumene. The lower production was attributed to lower ore processed of 1.38Mt compared to 1.47Mt in 1Q24, and lower overall feed grades of 2.2% (1Q24: 2.4%). During the Quarter two major scheduled shutdowns were completed on CGP1 and CGP2.
- Cash costs (production) of \$357/t increased 36% QoQ, primarily due to lower spodumene production, as planned.
- Greenbushes recorded 2Q24 sales revenue of \$1.3Bn, representing a \$1.0Bn (or 43%) decrease over 1Q24, driven by lower realised prices and lower sales volumes. The average realised price for total spodumene sales (chemical and technical grade) achieved in 2Q24 was US\$3,016/t FOB Australia, compared to US\$3,740/t in the prior quarter.

⁵ As of 1 July 2023, IGO adopted a revised cash cost reporting methodology as a more appropriate measure of cost performance at Greenbushes. Cash costs (production) includes mining, processing, crushing and site administration, and utilises production as the unit of measurement (as opposed to sales). For clarity, inventory adjustments, non-site G&A, offsite and royalty costs are excluded.

Major Capital Projects

- Major projects progressed at Greenbushes during the Quarter included:
 - Chemical Grade Plant 3 (CGP3):** Structural concrete and bulk earthworks are advancing well, while a key milestone was achieved with the completion of the piling.
 - Tailings Storage Facility 4 (TSF4):** Construction of TSF4 cell 1 to the 1261 level is complete with work continuing on TSF4 cell 2.
 - Mine Services Area (MSA):** Construction of the MSA is complete.
 - New accommodation permanent village:** Good progress has been made with the central facilities. The first 250 rooms are scheduled for completion in mid-CY24.
- Total sustaining, growth and deferred waste expenditure at Greenbushes for 2Q24 was \$223M, previously \$197M in 1Q24.

Kwinana Lithium Hydroxide Refinery (100% basis)

	Units	2Q24	1Q24	QoQΔ	YTD
Lithium Hydroxide Production	t	617	607	▲2%	1,224
EBITDA	A\$M	(169.2)	(106.6)	▼59%	(275.8)

Commentary

- Kwinana lithium hydroxide production was steady QoQ at 617t, including 286t of battery grade production. During the month of December, the plant had several days operating at around 40% nameplate with a peak daily rate of 44%, but is continuing to work toward operating consistently at these levels. Although this result is below IGO's expectations, both TLC and IGO remain committed to the delivery of improved operational performance at Kwinana. A detailed review of the current Project Modification Requests designed to improve bottleneck areas of the plant and also plant reliability is being completed.
- Due to recent market volatility, no lithium hydroxide sales were recognised during the Quarter. Kwinana's product remains qualified and further qualification with potential customers is continuing.
- Total finished goods inventory on hand and available for sale at Quarter end was 3,076t, which is now expected to be sold as qualified product in the coming quarters.
- A total of \$16.9M of sustaining and improvement capital expenditure was spent on Train 1 and a further \$2.7M on Train 2 during the Quarter.

Lithium Business Outlook

Greenbushes

- As announced on 29 January 2024⁶, over recent months TLEA and Albemarle Corporation (Albemarle) the joint venture partners of the Windfield Joint Venture (together, the JV Partners) have been considering their spodumene concentrate offtake volumes and discussing the pricing arrangements that apply to spodumene concentrate sales at Greenbushes, which is managed by Talison Lithium (Talison).
- Following these discussions, the JV Partners have confirmed their spodumene concentrate volumes for 2H24, with aggregate sales volumes expected by IGO to be approximately 20% below production for the six-month period. For Talison to manage its stockpiles both safely and effectively, IGO expects Greenbushes production to be marginally reduced during this period.
- Accordingly, FY24 Greenbushes production guidance has been revised to 1,300 – 1,400 kt for FY24.
- Furthermore, the Windfield Board has resolved to amend the pricing mechanism that applies to SC6.0 spodumene concentrate offtake volumes to reset monthly, using the prior-month average of the existing four price reporting agencies, being Fastmarkets, Asian Metals, Benchmark Minerals Intelligence and S&P Platts, less a 5% volume discount, FOB Australia. The monthly pricing mechanism is effective from 1 January 2024.
- The JV Partners remain committed to key growth projects, including the construction of CGP3.
- Talison is currently finalising its CY24 budget and capital review, after which IGO will provide an update to cash cost and capex guidance, where applicable alongside its Half Year results to be reported in February 2024.

Kwinana – Train 1

- IGO expects Train 1 performance to continue to improve over the second half of FY24 as the necessary process modification and rectifications are completed to enable consistency of operations and a higher overall production rate.
- Consistent with Talison, TLEA and Kwinana are also in the process of finalising their CY24 budget review, IGO expects to provide a further update on Train 1 production and capital outlook over the balance of FY24 with its Half Year release in February 2024.

Kwinana – Train 2

- Front-end engineering and design (FEED) continued during the Quarter and is scheduled for completion during CY24.

Refer to Guidance section at Appendix 1 for further details.

⁶ Refer ASX announcement on 29 January 2024 titled “Lithium Business Update”.

Nickel Business

Nova Operation

	Units	2Q24	1Q24	QoQΔ	YTD
Nickel Production	t	5,110	4,765	▲7%	9,876
Nickel Sales (Payable)	t	3,923	4,326	▼9%	8,249
Copper Production	t	2,465	2,341	▲5%	4,806
Copper Sales (Payable)	t	1,485	2,179	▼32%	3,664
Sales Revenue	A\$M	118.5	162.9	▼27%	281.3
Underlying EBITDA	A\$M	59.9	93.6	▼36%	153.5
Cash Cost (Payable)	A\$/lb Ni	4.17	4.18	▼0.2%	4.18

Commentary

- Nova delivered stronger (QoQ) production across all metals.
- Cash costs were in line with the prior quarter at \$4.17/lb (1Q24: \$4.18/lb), with slightly higher production offsetting marginally higher cash production costs.
- Sales revenue of \$118.5M was 27% lower than the prior quarter (1Q24: \$162.9M), primarily due to lower metal sales volumes and lower nickel prices.
- Payable nickel and copper sales for the Quarter were lower at 3,923t of payable nickel (1Q24: 4,326t payable nickel) and 1,485t of payable copper (1Q24: 2,179t payable copper), due to timing of shipments.
- Nova's average nickel price (net of current Quarter hedge revaluations) decreased 18% in the Quarter to \$25,115/t (1Q24: \$30,550/t), resulting in a negative nickel price variance of \$21.3M.
- Copper prices remained steady for the Quarter at \$12,018/t (1Q24: \$11,933/t), while average cobalt prices decreased by 10% to \$42,367/t (1Q24: \$47,111/t).

Forrestania Operation

	Units	2Q24	1Q24	QoQΔ	YTD
Nickel Production	t	2,007	2,366	▼15%	4,374
Nickel Sales (Payable)	t	1,807	2,702	▼33%	4,510
Sales Revenue	A\$M	60.2	85.5	▼30%	145.7
Underlying EBITDA	A\$M	0.2	11.6	▼99%	11.7
Cash Cost (Payable)	A\$/lb Ni	12.03	11.64	▲3%	11.83

Commentary

- Nickel production from Forrestania was 15% lower than the previous quarter due to the transition to campaign milling which commenced at the start of the Quarter. This resulted in lower ore milled of 105,927t (1Q24: 118,010t), coupled with slightly lower feed grades of 2.39% (1Q24: 2.41%) and lower recoveries.
- Spotted Quoll mined ore production was 2% lower QoQ but grade improved to 3.22% compared to 3.13% in the prior quarter, while Flying Fox ore production was lower QoQ as the operation reached its end of life and was successfully closed in November 2023.
- Cash costs of \$12.03/lb were 3% higher compared to the prior quarter of \$11.64/lb, driven by the lower throughput, lower nickel feed grade and lower recoveries, partly offset by lower production costs.

- Nickel sales revenue of \$60.2M reduced from the prior quarter (1Q24: \$85.5M) due to lower sales volumes, attributed to road closures due to bushfires and lower nickel prices resulting in reduced payabilities.
- Furthermore, realised nickel prices of \$32,011/t were steady QoQ (1Q24: \$31,234/t) reflecting the impact of nickel hedging undertaken in the previous quarter to de-risk Forrester's remaining life of mine production.
- Underlying EBITDA was lower for the Quarter due to net realisable value adjustments recognised against closing inventory stockpiles, in line with the fall in nickel prices, exclusive of hedging.
- Forrester recorded total free cash flows for the Quarter of \$3.8M (1Q24: \$29.7M), reflecting the lower sales revenue.

Cosmos Project

Commentary

Total construction and mine development expenditure at Cosmos incurred for the Quarter was \$91M, comprising \$62M mine development and \$29M project capital. Key activities progressed during the Quarter and are detailed below:

- Processing Plant: The ore commissioning of the processing plant commenced early in the Quarter, with the first concentrate produced mid-November 2023. Plant commissioning progressed well during the Quarter, with nameplate throughput rate achieved.
- Shaft and shaft infrastructure: Construction of the headframe and the stripping and lining of the shaft to full depth (~1km) was completed during the Quarter. Loading pocket excavation progressed during the Quarter, however, was placed on hold in November 2023.
- Materials handling: Mechanical installation of the winder was greater than 90% complete and electrical install was well progressed by the end of the Quarter. The underground material handling system components were all delivered to site by the end of the Quarter.
- Energy Supply: Construction of the Power Station continued during the Quarter, the initial two generators were commissioned prior to the start-up of the mills hence there was no impact on the process plant commissioning. Installation and commissioning of the remaining generators was completed by early December 2023.
- Mine development: Total lateral jumbo development was 1,488m. This comprised 474m of capital development and 1,014m of operating development. The key milestone achieved during the Quarter was the increasing number of ore stopes coming online as the mine plan progresses. At the end of the Quarter, ore stockpiles on the ROM and available for processing totalled 163kt.

Project Update

- As announced in conjunction with today's Quarterly Report, IGO has made the decision to transition Cosmos into care and maintenance.
- While the Project Review, which commenced in mid-2023, has identified some opportunities to improve value, it also demonstrated material reduction in the life of mine, delays in getting to full capacity and further increases in capital costs. In parallel, the Project's economics have been negatively impacted by the significant deterioration in the nickel price over the last six months.
- The work towards care and maintenance will commence immediately and will involve the safe preservation of the Cosmos assets and the completion of key workstreams, including 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 assess the value of continuing to work on select exploration programs to increase the size and definition of the mineral resource, at the AM5 and AM6 ore bodies, and optimising the mining and materials handling methods to provide the optionality to restart the Project should market conditions improve in the future.

- IGO is also working to minimise the impact to our people. While some roles are expected to be redeployed, there will regrettably be some roles which are made redundant and IGO is providing all the necessary support to our team as we work through this process.
- IGO expects the transition to care and maintenance to be completed by 31 May 2024.

Hedging

- During the previous Quarter, the Group executed a proactive nickel hedging program to de-risk marginal nickel production at Forrestania. As part of this program, the Group hedged 10,000t of nickel at an average price of A\$32,011/t over the period September 2023 to December 2024.
- In addition, the Group continued to hedge the quotational period (QP) on monthly nickel sales during the Quarter.
- As at the Quarter end, total nickel hedging swaps yet to mature totalled 9,400t at an average price of A\$29,890/t.

Nickel Business Outlook

Nova

- FY24 production and cost guidance are both trending slightly outside of guidance, primarily due to lower YTD nickel production and the delayed access of high-grade stopes. Accordingly, Nova FY24 production and cash cost guidance has been revised to 21,000 – 22,000 tonnes and \$3.90 – \$4.30 per pound, respectively.
- Nova metal production is expected to remain constrained during the March quarter, with higher grade stopes expected to be accessed in later FY24 and FY25.
- Nova's FY24 capex guidance remains unchanged.

Forrestania

- FY24 production guidance remains unchanged at Forrestania, however cash costs are currently trending slightly above guidance, reflecting the impact of accelerated production of low-grade material from Flying Fox due to on-going seismicity and ground control challenges at Spotted Quoll. Forrestania's FY24 cash costs are now expected to be \$10.50 – \$11.50 per pound.
- Furthermore, Forrestania's FY24 capex guidance is reduced to \$10M - \$13M due to certain mine development that had been planned for marginal stopes being de-scoped due to the recent fall in nickel prices.

Cosmos

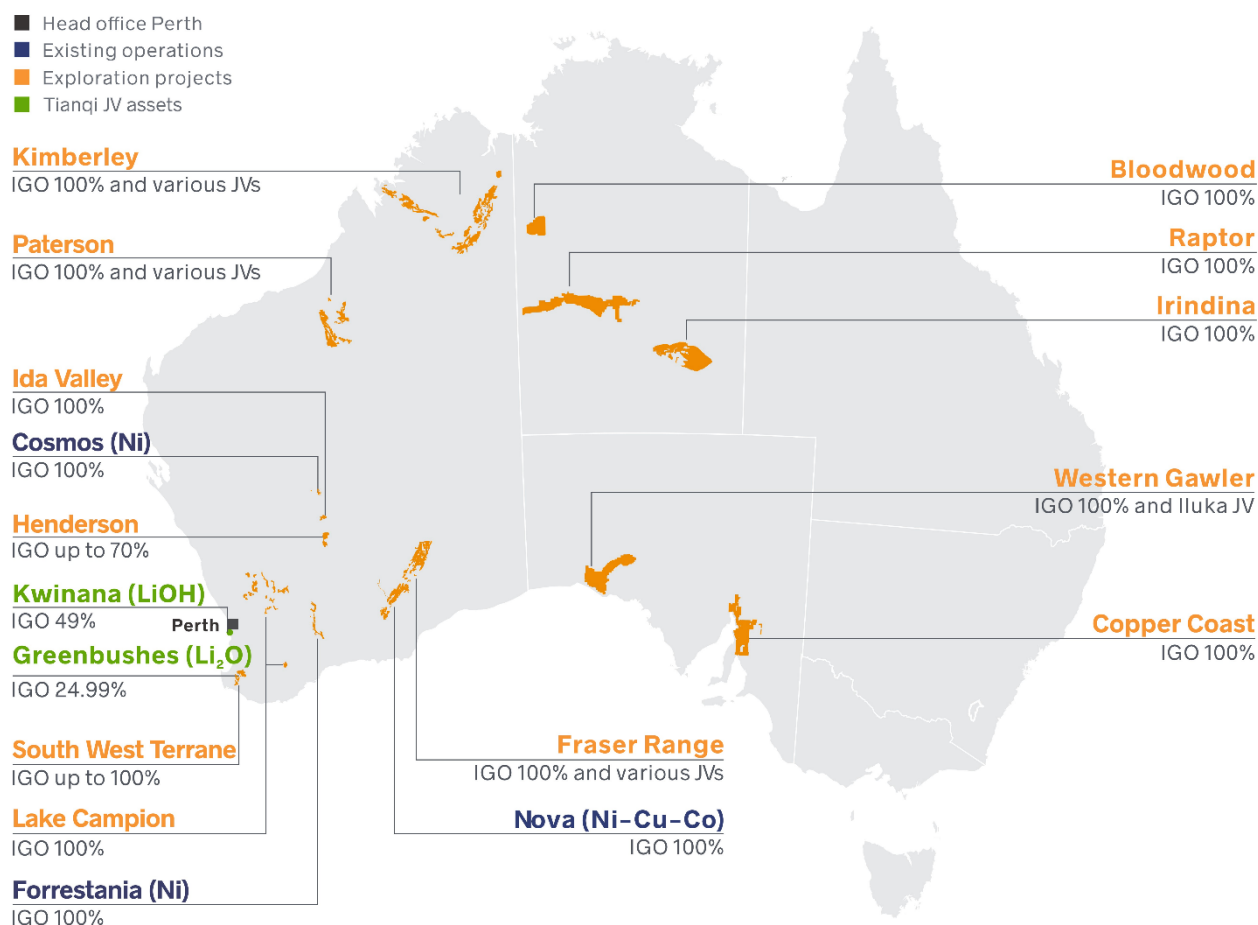
- As above, Cosmos will be transitioning to care and maintenance, and IGO expects this process to be concluded by 31 May 2024.

Refer to Guidance section at Appendix 1 for further details.

Exploration and Discovery

During the Quarter, on ground exploration activities continued in the northern regions of Australia at the Paterson, Kimberley, and Raptor projects and in the southern regions at the Fraser Range, Forrestania, Western Gawler, Green Bushes (SW Terrane) and Henderson projects (Figure 1).

Figure 1 - IGO Operations and Exploration Projects



Kimberley Project

Field work was completed in the Kimberley Project during the Quarter. A second diamond drillhole was completed at the Dogleg Prospect, for 379m as mentioned in the previous quarter. Assays received for the first Dogleg hole contained 13.85m (true width 13.24m) at 4.35% Ni, 0.34% Cu, 0.15% Co from 177.34m, including: 5.86m (true width 5.60m) at 7.47% Ni, 0.31% Cu, 0.25% Co from 179.08m, as reported by Buxton Resources Limited (ASX:BUX)⁷ in the Assay results for the second hole are pending.

Fraser Range Project

In the Fraser Range, IGO continues to actively explore for additional nickel-copper-cobalt sulphide mineralisation at <35km to the Nova Operation. During the Quarter, diamond drilling was completed at the Ganymede and Western Eye targets. Diamond drilling is scheduled to recommence in the next quarter and test targets at Chimera, Firehawk and Red Queen. Further information on these targets can be found in the ASX release titled “FY23 Mineral Resources and Ore Reserves Statement” dated 31 August 2023.

Forrestania Project

Lithium exploration at South Ironcap continued during the Quarter, targeting the main lithium bearing pegmatite zone. Drilling is designed to infill and increase geological confidence, and to extend drilling coverage laterally and to the south of the main zone. Drilling will continue in the coming quarter to better understand geological control and test open positions. These results will be further assessed on the receipt of assay results. Exploration work and diamond drilling is ongoing for lithium in the vicinity of South Ironcap.

Copper Wolf Project

The Copper Wolf Project is a copper-molybdenum target located in the highly endowed porphyry copper belt of the Basin and Range Province in Arizona, USA. IGO are in partnership with Buxton Resources on this Project and have an exclusive right to earn up to 70% interest in the tenements by sole funding exploration expenditure over three years. On 14 December 2023 Buxton Resources reported⁸ assay results from this second diamond hole (CPW0002DD) returning 405.38 metres at 0.70% CuEq from 608.38 metres, including 105.77 metres at 0.86% CuEq from 700.43 metres. A site visit was also undertaken by an independent expert, which confirmed a large, mineralised porphyry Cu-Mo system, the hypogene Cu-Mo grades equalling or higher than those reported by previous explorers and recognition of multiple Cu-Mo mineralising vein events and associated potassic alteration over a vertical extent of >600 m. The scale and continuity of mineralisation provides evidence of a large multi-phase porphyry copper-molybdenum mineral system.

Paterson Project

A total of four diamond holes for 2,456m and seven RC holes for 1,139m were completed in the Paterson during the Quarter to complete the 2023 field season. Targets included coincident magnetic-gravity high anomalies near Winu (co-funded by a WA Government EIS grant for \$0.2M) and Minyari, together with cupriferous fluid conduits and trap sites interpreted from inversion modelling of geophysical data to the east of Nifty and Maroochy. Encouraging assays from earlier 2023 drilling programs have now been received and reported, with assay results from the 2023 drilling programs pending.

Raptor and Irindina Projects

Two airborne electromagnetic surveys were completed at the Raptor and Irindina projects during the Quarter. Xcabliur Multiphysics collected 8,678.2 line km at the central part of the Raptor Project using the Helitem 6.25Hz system. The same system was used to collect 3,107.5 line km at the Irindina Project.

⁷ Refer to Buxton Resources ASX release on 6 November 2023 titled, “High-Grade Nickel Sulphides Confirmed at the Dogleg Ni-Cu-Co Prospect, West Kimberley Project, Western Australia”.

⁸ Refer to Buxton Resources ASX release on 14 December 2023 titled “Assay Results from 2nd Diamond Hole at Copper Wolf Project.”

Corporate

IGO Debt Facilities

As noted in the September 2023 Quarterly Report, IGO repaid the \$360M of outstanding debt during the Quarter and executed amendments to its syndicated facility agreement (SFA) to increase the amount of revolving credit available to \$720M (previously \$360M). This facility is set to mature on 30 April 2025, with options to extend the maturity date by up to a further two years.

Executive Management

IGO was delighted to formally welcome Ivan Vella as Managing Director and Chief Executive Officer in December 2023.

Following his commencement, several changes were made to the Executive Leadership Team (ELT) to support the execution of IGO's strategy going forward.

Matt Dusci has assumed the position of Acting Chief Development Officer, with accountability for the lithium business, business development, exploration and major projects. Matt remains a Board member of Windfield Holdings (the holding company for Greenbushes) and Tianqi Lithium Energy Australia (TLEA).

Chris Carr has assumed the position of Acting Chief Operating Officer, accountable for Nova, Forresteria and Technical Services.

In addition to the restructure of the ELT, Mark Adams has been appointed to the role of Executive Project Director – Cosmos. Reporting to the CEO, Mark has full accountability for the Cosmos Project and operations.

Environment & Sustainability

IGO has actively participated in the Dow Jones Sustainability (DJS) Assessment, part of S&P Global, for the last five years. Following last quarters' update on the DJS Assessment, we are pleased to announce that we have maintained membership in both the Australia and Asian Pacific DJS Index. IGO are one of eight metals and mining companies included in the Australia Index, and one of three in the Asia Pacific Index.

During the Quarter, IGO were honoured to receive the 2023 AMEC (Association of Mining and Exploration Companies) Environment Award for our initiative to reduce the carbon footprint of cemented paste backfill in underground mining operations. We conducted a trial at our Nova Operation to partially replace cement binders with delithiated beta spodumene (DBS), a by-product produced by our joint venture Tianqi Lithium Energy Australia. The use of DBS resulted in a 40% stronger paste backfill material and has the potential to reduce carbon dioxide emissions by up to 28% when compared to cement binders, as well as contributing to a circular economy with by-product recycling.

IGO was also shortlisted as a finalist in the Environmental Sustainability Excellence category of the 2023 AIM WA Pinnacle Awards for our Internal Carbon Price and Decarbonisation Fund. This initiative allows us to price our operational emissions, allocate the fee to a decarbonisation fund, and drive our decision making on low carbon investments. All IGO employees can apply to access the fund, to support their emission reduction ideas and projects, empowering our people to create positive change and bringing them on the journey as we progress towards net zero.

IGO also commenced a program of work to benchmark IGO's sustainability practices against industry, with a key focus on biodiversity and nature. This will assist IGO to better inform our sustainability strategy, and to further develop our alignment with The Taskforce on Nature-Related Financial Disclosures (TNFD) framework and broader nature-based risks and opportunities.

Communities

IGO acknowledges the Traditional Owners on whose land we live and work.

During the Quarter, IGO met with Traditional Owners in Central Australia for the negotiation of land access and mining agreements on various projects. We conducted numerous heritage surveys across our Kimberley, Paterson, Forrestania and Cosmos projects in compliance with our heritage obligations to ensure the recognition and protection of Aboriginal cultural heritage.

IGO also began the implementation of our Innovate Reconciliation Action Plan (RAP) during the Quarter, with the establishment and briefing of internal RAP operational groups. In November 2023 we held our inaugural meeting of the RAP Aboriginal and Torres Strait Islander Peoples Advisory Group, involving representatives from seven Traditional Owner groups on whose country IGO operates.

During the Quarter we continued our regular community engagement and support, in both our exploration and operational functions, which included the recruitment of the trainees for Nova Ngadju Traineeship Program commencing in January 2024.

Reporting Calendar

KEY DATES

EVENT

31 January 2024	December 2023 Quarterly Activities Report & Webcast
22 February 2024	FY24 Half Yearly Financial Statements & Webcast
30 April 2024	March 2024 Quarterly Activities Report & Webcast
30 July 2024	June 2024 Quarterly Activities Report & Webcast
30 August 2024	FY24 Full Year Financial Statements & Webcast 2024 Annual Report & 2024 Sustainability Report
29 October 2024	September Quarterly Activities Report & Webcast
16 November 2024	Annual General Meeting

These dates are indicative only and are subject to change.

Investor and Media Enquiries

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This announcement is authorised for release to the ASX by Ivan Vella, Managing Director and Chief Executive Officer

Further Information

Further information relating to the performance of the operations of IGO can be found in the Appendices of this report. Where applicable, year to date totals may not sum due to rounding.

Current and historic financial and operational information is available to view, download and analyse via IGO's Interactive Analyst Centre, which can be accessed via the IGO Investor Centre webpage – <https://www.igo.com.au/site/investor-center/investor-center1>.

Forward-Looking Statements

This document includes forward-looking statements including, but not limited to, statements of current intention, statements of opinion and expectations regarding IGO's present and future operations, and statements relating to possible future events and future financial prospects, including assumptions made for future commodity prices, foreign exchange rates, costs, and mine scheduling. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Such statements are not statements of fact and may be affected by a variety of risks, variables and changes in underlying assumptions or strategy which could cause IGO's actual results or performance to materially differ from the results or performance expressed or implied by such statements. There can be no certainty of outcome in relation to the matters to which the statements relate, and the outcomes are not all within the control of IGO.

IGO makes no representation, assurance or guarantee as to the accuracy or likelihood of fulfilment of any forward-looking statement or any outcomes expressed or implied in any forward-looking statement. The forward-looking statements in this document reflect IGO's expectations held at the date of this document. Except as required by applicable law or the ASX Listing Rules, IGO disclaims any obligation or undertaking to publicly update any forward-looking statements or discussions of future financial prospects, whether as a result of new information or of future events.

Appendix 1

FY24 Guidance

	Units	FY24 Revised Guidance	FY24 Original Guidance
Nickel Business			
Production			
Nova Nickel Production	t	21,000 – 22,000	21,500 – 23,500
Forrestania Nickel Production	t	NA	7,500 – 9,000
Total Nickel Production	t	28,500 – 31,000	29,000 – 32,500
Total Copper Production	t	NA	8,500 – 10,000
Total Cobalt Production	t	NA	700 – 800
Cash Costs			
Nova Cash Cost (Payable)	A\$/lb Ni	3.90 – 4.30	3.40 – 3.90
Forrestania Cash Cost (Payable)	A\$/lb Ni	10.50 – 11.50	9.50 – 10.50
Total Business Nickel Cash Cost (Payable)	A\$/lb Ni	5.75 – 6.50	5.00 – 5.75
Development, Sustaining & Improvement Capex			
Nova	A\$M	NA	14 – 18
Forrestania	A\$M	10 – 13	16 – 22
Cosmos	A\$M	NA	Not provided
Total Nickel Business Capex ⁹	A\$M	24 – 31	30 – 40
Lithium Business¹⁰			
Production (100%)			
Spodumene Production	kt	1,300 – 1,400	1,400 – 1,500
Lithium Hydroxide Production	kt	NA	Not Provided
Cash Costs			
Cash Cost (production)	A\$/t	NA	280 – 330
Development, Sustaining, Improvement & Deferred Waste Capex			
Greenbushes	A\$M	NA	850 – 950
Kwinana – Train 1 ¹¹	A\$M	NA	35 – 45
Total Lithium Business Capex	A\$M	NA	885 – 995
Exploration			
Group exploration (ex-Lithium Business)	A\$M	NA	65 – 75

⁹ FY24 guidance excludes capital cost guidance relating to Cosmos, which will be provided upon completion of the project review.

¹⁰ An update on FY24 cost and capex guidance will be provided for the Lithium Business alongside the Company's 1H24 Half Year Results to be reported in February 2024

¹¹ FY24 guidance is for Train 1 sustaining and improvement capex only. Train 2 capex will be guided after FID approval.

Appendix 2

Group Financial Summary

	3Q23 (A\$M)	4Q23 (A\$M)	1Q24 (A\$M)	2Q24 (A\$M)	YTD (A\$M)
Financials					
Sales Revenue	235.7	240.6	248.4	178.7	427.1
Share of Net Profit of TLEA	450.1	522.1	327.8	167.4	495.2
Underlying EBITDA	533.2	619.7	362.2	152.8	515.0
Net Cash Flow from Operating Activities	382.5	478.8	634.7	(31.0)	603.7
<i>Cash Flows included in the above:</i>					
Net finance costs	(5.5)	(5.6)	(0.5)	3.0	2.5
Exploration and evaluation expenditure	(21.1)	(23.8)	(25.8)	(25.3)	(51.0)
Acquisition and transaction costs	(0.4)	(0.2)	-	(51.2)	(51.2)
Dividends received from TLEA	321.1	423.4	577.6	-	577.6
Income tax paid	(33.0)	(21.1)	(22.5)	(18.5)	(41.0)
Net Cash Flow from Investing Activities	(98.5)	(46.3)	(120.3)	(141.5)	(261.7)
<i>Cash Flows included in the above:</i>					
Mine and infrastructure development	(94.6)	(92.3)	(98.4)	(111.3)	(209.7)
Payments for investments/mineral interests	-	(0.8)	(15.2)	(25.2)	(40.4)
Exploration expenditure capitalised	-	-	(1.3)	(1.6)	(2.8)
Payments for plant and equipment	(3.9)	(5.8)	(5.4)	(3.5)	(8.8)
Proceeds on sale of investments	-	52.6	-	-	-
Underlying Free Cash Flow	284.4	380.9	529.7	(96.1)	433.5
Net Cash Flow from Financing Activities	(351.3)	(104.5)	(475.2)	(369.9)	(845.1)
<i>Cash Flows included in the above:</i>					
Drawdown (repayment) of borrowings	(240.0)	(90.0)	-	(360.0)	(360.0)
Dividends paid	(106.0)	-	(454.4)	-	(454.4)
Lease repayments	(5.3)	(14.5)	(8.2)	(9.4)	(17.6)
Purchase of Employee Incentive Plan shares	-	-	(12.6)	(0.5)	(13.1)
Balance Sheet Items					
Total Assets	5,200.0	4,737.9	4,616.4	4,261.8	4,261.8
Cash	441.1	775.2	804.5	276.4	276.4
Marketable Securities	175.6	99.9	73.1	63.2	63.2
Total Liabilities	936.8	947.7	879.7	508.8	508.8
Borrowings	450.0	360.0	360.0	-	-
Shareholders' Equity	4,263.3	3,790.2	3,736.7	3,584.1	3,584.1

Appendix 3

Segment Financial Summary

	3Q23 (A\$M)	4Q23 (A\$M)	1Q24 (A\$M)	2Q24 (A\$M)	YTD (A\$M)
Nova Operation					
Sales Revenue	178.0	196.4	162.9	118.5	281.3
Underlying EBITDA	103.7	126.3	93.6	59.9	153.5
Cash Flow from Operating Activities	94.0	121.1	90.4	79.4	169.8
Underlying Free Cash Flow	91.7	117.8	87.8	75.9	163.7
Forrestania Nickel Operation					
Sales Revenue	57.7	44.3	85.5	60.2	145.7
Underlying EBITDA	23.4	29.4	11.6	0.2	11.7
Cash Flow from Operating Activities	33.3	(5.0)	31.7	8.3	39.9
Underlying Free Cash Flow	31.8	(5.3)	29.7	3.8	33.6
Cosmos Nickel Operation					
Sales Revenue	-	-	-	-	-
Underlying EBITDA	-	-	-	(26.5)	(26.5)
Cash Flow from Operating Activities	1.7	(0.1)	0.6	(3.0)	(2.3)
Underlying Free Cash Flow	(92.8)	(93.8)	(98.3)	(109.7)	(208.0)
Lithium Business (TLEA)					
Underlying EBITDA ¹²	450.1	522.1	327.8	167.4	495.2
Cash Flow from Operating Activities	321.1	423.4	577.6	-	577.6
Underlying Free Cash Flow	321.1	423.4	577.6	-	577.6
Exploration & Evaluation					
Underlying EBITDA	(20.9)	(26.5)	(24.8)	(23.7)	(48.5)
Cash Flow from Operating Activities	(21.1)	(23.8)	(25.8)	(25.3)	(51.0)
Underlying Free Cash Flow	(21.1)	(24.2)	(27.1)	(26.9)	(54.0)
Acquisition & Integration Costs					
Cash Flow from Operating Activities	(0.4)	(0.2)	-	(51.2)	(51.2)
Corporate & Other					
Other Revenue	1.0	2.5	5.1	2.8	7.9
Underlying EBITDA	(23.1)	(14.9)	(46.0)	(24.5)	(70.5)
Cash Flow from Operating Activities	(46.1)	(36.6)	(39.8)	(39.3)	(79.1)
Underlying Free Cash Flow	(46.3)	(37.0)	(40.1)	(39.4)	(79.4)

¹² Represents IGO's share of net profit from TLEA.

Appendix 4

Nova Production Summary

	Units	3Q23	4Q23	1Q24	2Q24	YTD
Production Details						
Ore Mined ¹³	t	376,392	403,428	375,593	390,477	766,071
Ore Milled	t	392,087	404,886	370,679	403,722	774,401
Nickel Grade	%	1.67	1.89	1.52	1.47	1.49
Copper Grade	%	0.69	0.81	0.69	0.66	0.68
Cobalt Grade	%	0.06	0.07	0.05	0.05	0.05
Concentrate Production						
Nickel Concentrate	t	42,655	51,978	35,860	37,567	73,427
Copper Concentrate	t	7,978	9,397	7,527	7,823	15,350
Nickel Recovery	%	84.7	85.9	84.7	86.1	85.4
Copper Recovery	%	85.2	84.3	85.2	87.0	86.1
Metal in Concentrate						
Nickel	t	5,547	6,568	4,765	5,110	9,876
Copper	t	2,524	2,985	2,341	2,465	4,806
Cobalt	t	192	224	168	178	346
Metal Payable in Concentrate¹⁴						
Nickel	t	4,453	5,221	3,860	4,096	7,955
Copper	t	2,253	2,734	2,132	2,260	4,393
Cobalt	t	82	90	72	75	147
Metal Payable in Concentrates Sold						
Nickel	t	4,441	5,046	4,326	3,923	8,249
Copper	t	2,496	2,855	2,179	1,485	3,664
Cobalt	t	94	95	80	71	152
Revenue & Expense Summary						
Net Revenue	A\$M	178.0	196.4	162.9	118.5	281.3
Cash Mining Costs	A\$M	(29.5)	(29.4)	(30.6)	(32.5)	(63.2)
Cash Processing Costs	A\$M	(16.5)	(16.7)	(18.2)	(17.3)	(35.5)
Other Site Costs	A\$M	(9.9)	(10.2)	(8.0)	(9.8)	(17.8)
Product Inventory Adjustments	A\$M	(8.2)	(0.8)	(3.5)	8.1	4.6
Offsite Costs	A\$M	(8.2)	(12.7)	(9.6)	(7.1)	(16.6)
Exploration	A\$M	(0.4)	(5.0)	(0.6)	(2.4)	(2.9)
Mine Development	A\$M	(0.9)	(1.5)	(0.5)	(1.8)	(2.3)
Sustaining & Improvement Capex	A\$M	(1.3)	(1.8)	(2.1)	(1.7)	(3.8)
Leasing Costs	A\$M	(2.8)	(4.0)	(3.7)	(3.6)	(7.4)
Depreciation/Amortisation	A\$M	(41.8)	(48.5)	(44.4)	(46.2)	(90.6)
Notional Cost /lb Ni Payable Metal Produced						
Mining Cost	\$/lb	3.01	2.55	3.60	3.60	3.60
Processing Cost	\$/lb	1.68	1.45	2.13	1.92	2.02
Other Cash Costs ¹⁵	\$/lb	2.58	2.02	2.08	2.15	2.12
Copper, Cobalt Credits ¹⁶	\$/lb	(3.48)	(3.43)	(3.63)	(3.50)	(3.56)
Ni Cash Costs and Royalties						
Exploration, Development, P&E	\$/lb	0.28	0.72	0.37	0.65	0.52
Depreciation & Amortisation	\$/lb	4.26	4.21	5.22	5.12	5.17

¹³ Total mined ore from inside and outside of reserves.

¹⁴ Payable metal is a function of recovery from concentrate, smelting and refinery, controlled by sales contracts.

¹⁵ Other cash costs include site administration, notional trucking, notional TCs & RCs, notional wharfage & shipping and notional royalties.

¹⁶ Cash costs include credits for copper and cobalt notional priced at A\$5.61/lb and A\$22.05/lb for 2Q24, respectively.

Appendix 5

Forrestania Production Summary

	Units	3Q23	4Q23	1Q24	2Q24	YTD
Production Details						
Ore Mined ¹⁷	t	94,767	101,034	102,025	73,717	175,742
Ore Milled	t	140,266	143,479	118,010	105,927	223,937
Nickel Grade	%	2.55	2.52	2.41	2.39	2.40
Concentrate Production						
Nickel Concentrate	t	19,876	19,988	16,325	14,182	30,507
Nickel Recovery	%	78.8	83.0	83.0	79.3	81.2
Metal in Concentrate						
Nickel	t	2,811	2,981	2,366	2,007	4,374
Metal Payable in Concentrate¹⁸						
Nickel	t	2,240	2,432	1,951	1,636	3,586
Metal Payable in Concentrates Sold						
Nickel	t	1,484	1,601	2,702	1,807	4,510
Revenue & Expense Summary						
Sales Revenue (incl. hedging TC's/RC's)	A\$M	57.7	44.3	85.5	60.2	145.7
Cash Mining Costs	A\$M	(32.4)	(25.3)	(31.9)	(23.6)	(55.5)
Cash Processing Costs	A\$M	(10.6)	(12.0)	(10.4)	(11.2)	(21.6)
Other Site Costs	A\$M	(4.7)	(5.6)	(0.5)	(0.7)	(1.2)
Product Inventory Adjustments	A\$M	17.5	37.5	(22.0)	(16.2)	(38.2)
Offsite Costs	A\$M	(3.7)	(3.1)	(4.8)	(3.4)	(8.1)
Exploration	A\$M	(2.8)	(2.7)	(2.4)	(2.1)	(4.5)
Mine Development	A\$M	(0.5)	(0.4)	(0.8)	(3.8)	(4.6)
Sustaining & Improvement Capex	A\$M	(1.0)	-	(1.1)	(0.6)	(1.7)
Leasing Costs	A\$M	(0.8)	(8.2)	(2.4)	(2.9)	(5.3)
Depreciation/Amortisation	A\$M	(26.1)	(6.7)	(6.9)	(7.8)	(14.6)
Notional Cost /lb Ni Payable Metal produced						
Mining Cost	A\$/lb	6.56	4.72	7.42	6.55	7.03
Processing Cost	A\$/lb	2.14	2.24	2.43	3.11	2.74
Other Cash Costs ¹⁹	A\$/lb	1.84	1.87	2.02	2.58	2.28
Cobalt Credits ²⁰	A\$/lb	(0.28)	(0.16)	(0.22)	(0.21)	(0.22)
Ni Cash Costs and Royalties						
Exploration, Development, P&E	A\$/lb	10.27	8.67	11.64	12.03	11.83
Depreciation/Amortisation	A\$/lb	0.88	0.56	1.01	1.80	1.37
Depreciation/Amortisation	A\$/lb	5.29	1.25	1.60	2.16	1.85

¹⁷ Total mined ore from inside and outside of reserves.

¹⁸ Payable metal is a function of recovery from concentrate, smelting and refinery, controlled by sales contracts.

¹⁹ Other cash costs include site administration, notional trucking, notional wharfage & shipping and notional royalties.

²⁰ Cash costs include credits for cobalt notionally priced at A\$22.05/lb for 2Q24.

Appendix 6

Lithium Joint Venture (TLEA)²¹

	Units	3Q23	4Q23	1Q24	2Q24	YTD
Greenbushes Operation						
Production Details						
Total Material Mined (Ore + Waste)	BCM	1,581,933	1,493,854	1,286,380	2,648,296	3,934,676
Ore Mined	BCM	377,503	321,516	246,855	317,436	564,291
Ore Mined	t	1,048,407	900,104	690,934	852,326	1,543,259
Grade Ore Mined	% Li ₂ O	2.59	2.89	2.70	2.66	2.68
Concentrate Production						
Total Spodumene Concentrate Production	t	355,809	395,081	413,691	357,715	771,406
Concentrate Sold						
Total Spodumene Concentrate Sold	t	335,631	428,857	391,930	275,053	666,984
Financial Summary						
Sales Revenue (FOB)	A\$M	2,845.7	3,492.8	2,243.5	1,286.2	3,529.7
EBITDA	A\$M	2,615.6	3,247.7	2,039.3	1,144.2	3,183.5
Exploration	A\$M	2.9	4.7	4.3	8.1	12.3
Sustaining & Improvement Capex & Deferred waste	A\$M	122.1	191.6	196.7	223.0	419.7
Cash Cost (production) ²²	A\$/t	253	271	262	357	306
Unit COGS	A\$/t	292	304	292	417	322
Unit COGS (plus royalties) ²³	A\$/t	690	585	520	614	558
Kwinana Refinery						
Production Details						
Train 1 – Concentrate Throughput	t	N/A	N/A	N/A	N/A	N/A
Train 1 – Recovery	%	N/A	N/A	N/A	N/A	N/A
Train 1 – Production	t	963	142	607	617	1,224
Financial Summary						
Sales Revenue	A\$M	N/A	N/A	22.8	-	22.8
EBITDA	A\$M	12.9	(81.6)	(106.6)	(169.2)	(275.7)
Train 1 - Sustaining & Improvement Capex	A\$M	8.3	9.9	8.2	16.9	25.0
Train 2 – Early Works Capex	A\$M	2.1	1.8	2.2	2.7	4.9

²¹ Results of Operations are reported at 100%. IGO has a 24.99% indirect interest in the Greenbushes Operation and a 49% direct interest in the Kwinana Refinery.

²² Cash cost (production) is IGO's estimate of unit cash costs of production and includes mining, processing, crushing and site administration, and utilises production as the unit of measurement. Inventory adjustments, non-site G&A, offsite and royalty costs are excluded.

²³ Spodumene cost of goods sold (COGS) is IGO's estimate of unit cost of goods sold and is inclusive of ore mining costs, general and administrative, selling and marketing, inventory movements and royalty expense per unit of spodumene concentrate sold.