APPENDIX 4D – 1 JULY 2020 TO 31 DECEMBER 2020

Key Information – Results for Announcement to the Market

This page and the accompanying 33 pages comprise the half-year end financial information given to the Australian Securities Exchange (ASX) under Listing Rule 4.2A. The half-year report should be read in conjunction with the Financial Report for the year ended 30 June 2020.

	$'000	% Increase over Previous Corresponding Period
Revenue from ordinary activities	462,401	(3%)
Profit from ordinary activities after tax attributable to members	54,153	(46%)
Net profit attributable to members	54,153	(46%)

The previous corresponding period is the half-year ended 31 December 2019.

Dividends	Amount per security (cents)	Franked amount per security (cents)
Half-Year ended 31 December 2020		
- Interim dividend	-	-
Financial year ended 30 June 2020		
- Interim dividend paid 28 February 2020	6.00	-
- Final dividend paid 25 September 2020	5.00	-
Total FY20 dividend	**11.00**	-

The major factors contributing to the above variances are as follows:

The Group generated revenue and profit from ordinary activities during the period of $462.4 million and $54.1 million respectively. Revenue decreased 3% from the prior year predominantly due to lower production and gold sales from the Tropicana Operation, together with lower payable metal produced and lower average nickel prices from the Nova Operation.

Profit was lower primarily as a result of foreign exchange losses on USD balances held at period end. These USD totalling US$694 million have been retained for the acquisition that was announced on 9 December 2020 to acquire a 49% non-controlling interest in Tianqi Lithium Energy Australia Pty Ltd (Lithium HoldCo). This transaction will provide IGO with a 24.99% indirect interest in the world-class Greenbushes Lithium Mining and Processing Operation (Greenbushes) and a 49% indirect interest in the Kwinana Lithium Hydroxide Plant (Kwinana), both located in Western Australia.

Key contributing factors to the results are outlined below:

- Revenue generated by the Nova Operation for the half-year was $312.1 million, slightly lower than the prior period of $316.7 million, resulting in segment profit before tax of $105.3 million. The revenue was derived from sales of payable metal of 10,571 tonnes of nickel, 5,539 tonnes of copper and 229 tonnes of cobalt at average realised prices of A$21,449/t, A$9,866/t and A$42,964/t respectively.
- Cash costs (including royalties) were $2.18 per payable pound of nickel, an improvement over the prior period of $2.51 per payable pound.
- The Tropicana Operation contributed $51.2 million in segment profit before tax, a decrease of 5% over the previous period's result of $54.1 million. This reduction was primarily due to 4% lower

revenue, a result of lower production and gold sales, partially offset by higher gold prices of A$2,259 per ounce, compared to A$1,980 in the previous period.

- The Group's share of gold sold was 65,589 ounces and the Tropicana Operation achieved cash costs of $986 per ounce of gold produced and All-in Sustaining costs of $1,532 per ounce of gold sold. These compared to $719 per ounce and $1,007 per ounce respectively in the prior period.

Further details and analysis can be found in the ASX Release "Half-Year Financial Report – Period Ended 31 December 2020" released on the same day as this Appendix 4D.

The net tangible asset backing per ordinary share is $3.55 (2019: $3.22).

There have been no acquisitions of entities or losses of control of entities during the period.

The accounts have been reviewed by BDO Audit (WA) Pty Ltd and they are not subject to dispute or qualification.

HALF-YEARLY REPORT
Period Ended 31 December 2020

CONTINUED STRONG OPERATIONAL & FINANCIAL PERFORMANCE LITHIUM GROWTH TRANSACTION ANNOUNCED

IGO Limited (ASX: IGO) (IGO or the Company) is pleased to report its interim financial report for the half-year ended 31 December 2020 (1H21). Refer also to IGO's ASX Appendix 4D and Interim Financial report for the half-year ended 31 December 2020, both released on 28 January 2021.

1H21 Key Points

- **Revenue and other income of A$462M, in line with comparative period of A$475M.**
- **Underlying EBITDA[1] A$242M, maintaining a healthy margin of 52%.**
- **Strong cash generation from Nova and Tropicana resulting in Cash flow from Operating Activities of A$242M, and underlying free cash flow[2] of A$197M.**
- **Nova and Tropicana production and cash costs in line with guidance.**
- **Positive growth potential, with a binding agreement with Tianqi Lithium Corporation to acquire a 49% non-controlling interest in Tianqi's lithium assets in Australia (Lithium Transaction).**
- **Funding of the Lithium Transaction successfully completed through A$766M equity raise and new A$1,100M debt facility.**
- **Appointment of two new independent Non-Executive Directors, Dr Xiaoping Yang and Mr Michael Nossal.**
- **Following the recent equity raise, no interim dividend will be paid. IGO's Shareholder Returns Policy to be reviewed after completion of the Lithium Transaction.**

Peter Bradford, IGO's Managing Director & CEO said: *"The continued strong operational delivery from both Nova and Tropicana has resulted in continuing strong financial performance and increased balance sheet strength, and is testament to the quality of both the assets and the operating teams at Nova and Tropicana.*

"At IGO we prioritise safety over production and therefore, it is great to see that we have achieved improved safety outcomes at both Nova and Tropicana in the reporting period, with less people being injured.

"In December 2020, we announced the transformative transaction with Tianqi to create a global lithium joint venture through which IGO will have a 24.99% interest in the world class Greenbushes spodumene mine and a 49% interest in the Kwinana lithium hydroxide refinery, the first of its kind in Australia and the first fully automated lithium hydroxide refinery in the world.

"It is pleasing to see the broad and positive support the transaction has received, as well as the strong support for the equity and debt financing completed to fund the transaction. Our equity financing prioritised existing shareholders and it is pleasing that 98% of our institutional shareholders took up their pro-rata rights in the institutional equity raise.

"The Lithium Transaction was also well supported by Tianqi's shareholders with the Tianqi share price responding very positively to the transaction and the refinancing of its debt facilities that the transaction unlocked. Subsequent to period end, the Tianqi shareholders approved the Litihium Transaction with greater than 99% of those voting supporting the transaction."

[1] EBITDA (Earnings Before Interest, Tax expense, Depreciation expense & Amortisation expense) is a non-IFRS measure. Underlying adjustments to EBITDA exclude: 1) foreign exchange losses on USD balances held at period end for the purposes of protecting the AUD equivalent of the USD purchase price of the 9 December 2020 announced Tianqi Lithium transaction (Transaction) (1H21: A$39M, 1H20: A$nil), 2) acquisition & transacton costs of the Transaction (1H21: A$3.9M, 1H20: A$nil).
[2] Free Cash Flow comprises Net Cash Flow from Operating Activities and Net Cash Flow from Investing Activities. Underlying adjustments exclude: 1) payments for mineral interests and financial assets (1H21: A$25.5M, 1H20: A$23.0M), 2) proceeds from sale of investments (1H21: A$26.9M, 1H20: A$nil), 3) Tianqi Lithium transaction deposit paid to an escrow account (1H21: A$92.6M, 1H20: A$nil) and 4) Tianqi Lithium transaction costs (1H21: A$1.3M, 1H20: A$nil).

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Financial and Operational Summary Group Financial Overview

Half-Year ended 31 December (A$M)	1H21	1H20	Inc/(dec)
Total Revenue and Other Income	**462.5**	474.7	(3%)
Underlying EBITDA	**242.3**	270.7	(10%)
Net Profit After Tax	**54.2**	100.1	(46%)
Net Cash Inflow from Operating Activities	**241.7**	245.3	(2%)
Cash Outflow from Investing Activities	**136.8**	62.8	118%
Cash Inflow (Outflow) from Financing Activities	**600.2**	(78.4)	n/a
Interim Dividend – (A$/share)	**-**	0.06	n/a

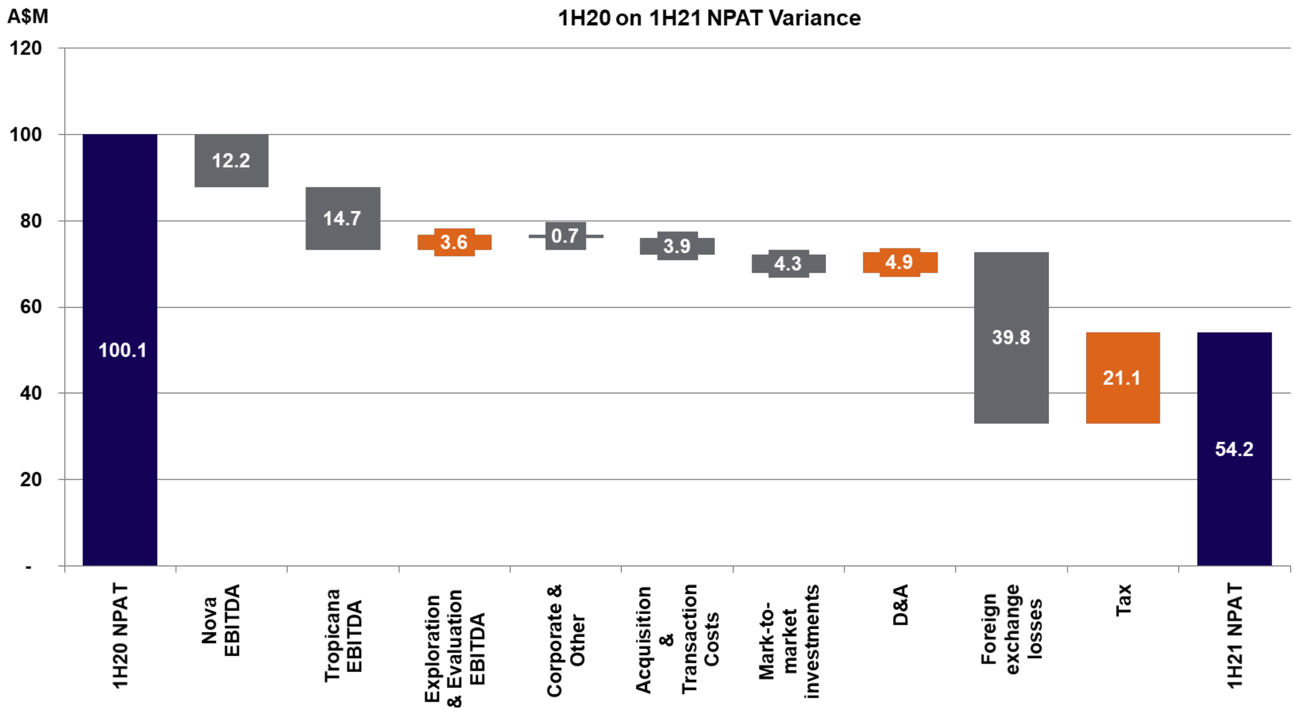
	Dec 2020	June 2020	Inc/(dec)
Total Assets	**2,969.1**	2,293.0	29%
Cash	**1,186.1**	510.3	132%
Debt	**-**	57.1	n/a
Total Liabilities	**321.5**	367.2	(12%)
Shareholders' Equity	**2,647.5**	1,925.8	37%
Net Tangible Assets ($ per share)	**3.55**	3.26	9%

Financial Summary

The Group generated revenue and other income for the period of A$462.5M, a decrease of 3% from the prior year. This was predominantly due to lower production and gold sales from the Tropicana Operation, together with lower payable metal produced and lower average nickel prices from the Nova Operation.

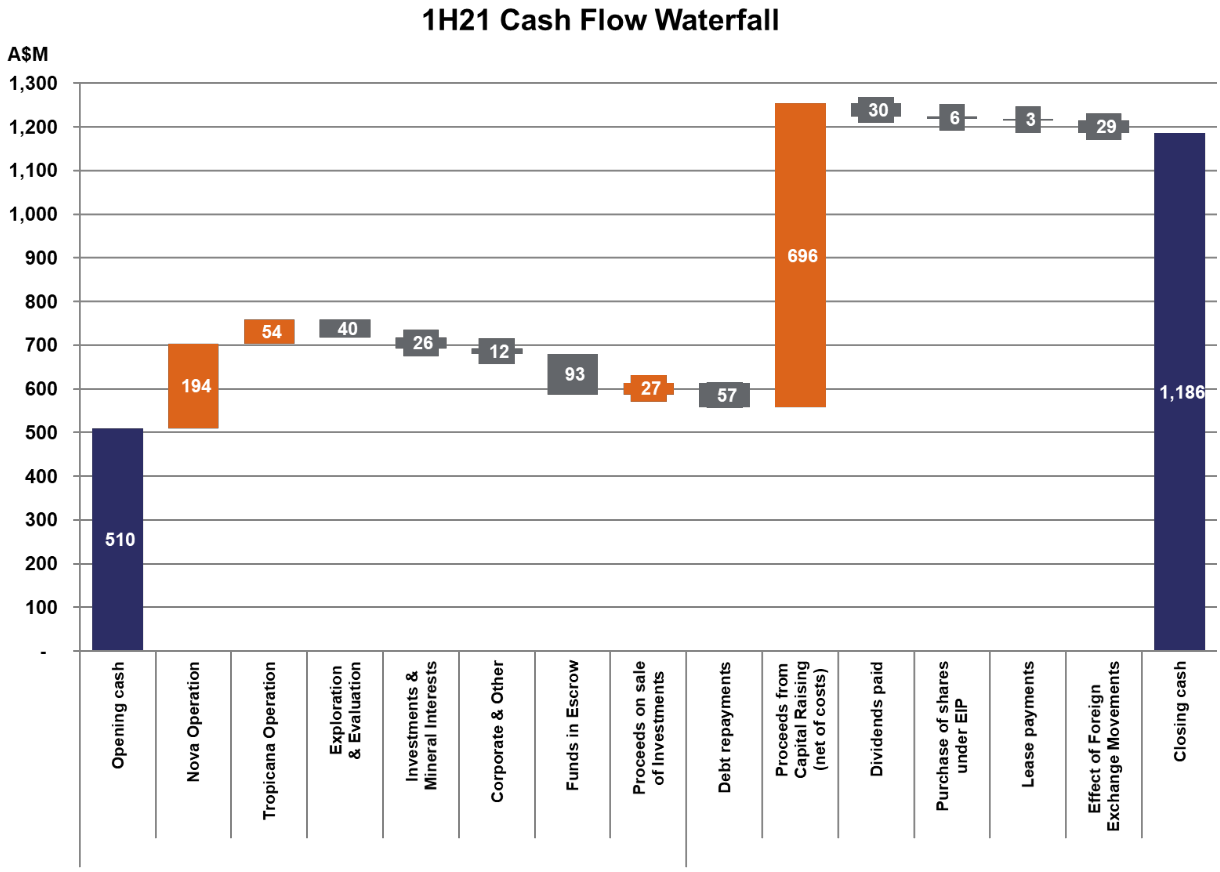
Underlying earnings before interest, tax, depreciation and amortisation (EBITDA) for the group was A$242.3M, generating an underlying EBITDA margin of 52% (1H20: A$270.7M and 57% respectively). The decrease in margin was a result of lower nickel prices and marginally higher operating costs. Underlying EBITDA margin from Nova decreased from 65% to 62%, resulting in net operating profit before tax decreasing from A$123.8M to A$105.3M. EBITDA margin from Tropicana decreased 64% to 56% as a result of a 15% reduction in gold sales, partially offset by a 14% improved realised gold price. Tropicana's segment net operating profit before income tax was A$51.2M (1H20: A$54.1M).

Group profit attributable to members for the period was A$54.2M, compared to a net profit of A$100.1M for 1H20. The lower result is primarily due to A$39.8M of before tax foreign exchange losses on USD balances held at period end for the purposes of protecting the AUD equivalent of the USD purchase price of the Lithium Transaction. In addition, the result included A$14.2M in positive mark-to-market revaluation of listed investments (1H20: positive A$18.5M).



Cash and cash equivalents at 31 December 2020 totalled A$1,186.1M (30 June 2020: A$510.3M), an increase of A$675.8M. The following points are noted:

- Net Cash Inflows from Operating Activities were A$241.7M (1H20: A$245.3M). Receipts from customers were down due to lower sales revenue, offset by lower payments to suppliers and employees.
- Net Cash Outflows from Investing Activities were A$136.8M (1H20: A$62.8M), which was higher due to a refundable deposit of US$70M (A$92.6M) paid as a consequence of the Lithium Transaction. In addition, cash flows from investing activities also included the receipt A$26.9M following the sale of the Company's shareholding in New Century Resources Limited.
- Net Cash Inflows from Financing Activities were A$600.2M (1H20: A$78.4M Outflow). The positive inflow was primarily due to the new equity proceeds, net of costs, of A$696.3M. This represents the institutional placement and the institutional component of the accelerated non-renounceable entitlement offer to fund the Lithium Transaction. Financing Activities Cashflows also included the debt repayment of A$57.1M, compared to A$28.6M in the prior period.



Corporate

On 9 December 2020, IGO announced that it had entered into a binding agreement with Tianqi Lithium Corporation (Tianqi) to acquire a 49% non-controlling interest in Tianqi Lithium Energy Australia Pty Ltd (Lithium HoldCo) through a subscription for new shares in Lithium HoldCo (Lithium Transaction). Total consideration for the Lithium Transaction is US$1,400M (~A$1,800M) and will provide the Company with a 24.99% indirect interest in the world-class Greenbushes Lithium Mining and Processing Operation and a 49% indirect interest in the Kwinana Lithium Hydroxide Plant, both located in Western Australia.

The Company will fund the Lithium Transaction through a combination of a completed equity raise of A$766M, A$1,100M of new syndicated debt facilities and existing cash reserves.

Completion of the Lithium Transaction is expected in the June 2021 quarter, following the satisfaction of a number of conditions precedent, including Tianqi shareholder approval and satisfaction of other transaction conditions. Tianqi shareholder approval was received on 5 January 2021, and further information on the conditions precedent is available in the ASX Release dated 9 December 2020.

Governance

In December 2020, IGO announced the appointment of Dr Xiaoping Yang and Mr Michael Nossal to its Board as independent non-executive directors. The expectation is that Michael will transition into the Chair role by mid-2021.

Xiaoping is a chemical engineer with 30 years' international and multi-cultural business experience in the USA and Asia. Most recently she served as Chair and President of BP China and for the last 30 years has held a variety of international executive roles at BP. During her long career with BP she has held roles at a technical and executive leadership, and board committee level within BP's Group downstream and new energy frontier businesses, including accountability of chemicals manufacturing operations.

Michael is a senior mining executive with almost 35 years' experience in gold, base metals and industrial minerals in business development, exploration, project development and operations. He has held executive management and board positions at companies including Newcrest, MMG, WMC Resources and Lundin Gold. Michael has particular experience in strategy and business development internationally and has led significant growth initiatives, most recently at Newcrest and MMG.

Capital Allocation and Shareholder Returns

IGO currently has a capital allocation and shareholder returns policy that targets the return of 15 to 25 percent of free cash flow to shareholders, subject to Board of Director discretion, with the policy to be reviewed every two years based on financial results, outlook for commodity prices, long term growth capital requirements for the business and balance sheet strength. The policy was implemented in January 2019 and this announcement provides an update to the policy review.

Following the announcement of the binding agreement with Tianqi for the acquisition of 49% of Lithium HoldCo, and the ongoing Strategic Review of the Tropicana Operation, the existing policy review will be deferred to the completion of the Lithium Transaction, which is expected to occur in the June 2021 quarter.

Following the recent equity raise to fund the Lithium Transaction, management has determined that no FY21 interim dividend will be declared and paid.

For more details on any of the above, please refer to our website at www.igo.com.au.

FORWARD-LOOKING STATEMENTS

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning IGO Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward-looking statements. Although IGO Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

INVESTOR WEBCAST

An investor webcast has been scheduled for 11.00am AEDT/8.00am AWST on Thursday, 28 January 2021. The webcast link can be found below.

Webcast Details

The live link to the webcast is below:

https://services.choruscall.com.au/webcast/igo-210128.html

Please note it is best to log on at least 5 minutes before 11.00am AEDT (8.00am AWST) on Thursday morning, 28 January 2021 to ensure you are registered in time for the start of the presentation.

Investors are advised that, in addition to the live webcast, a recording of the presentation will be available on the IGO website www.igo.com.au approximately one hour after the conclusion of the webcast.

INVESTOR AND MEDIA ENQUIRIES:

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This announcement is authorised for release to the ASX by Peter Bradford, CEO & Managing Director.

IGO Limited

ABN 46 092 786 304

Interim financial report for the half-year ended 31 December 2020

Your Directors present their report on the consolidated entity consisting of IGO Limited and the entities it controlled at the end of, or during, the half-year ended ended 31 December 2020.

Directors

The following persons were Directors of IGO Limited during the whole of the financial period and up to the date of this report, unless otherwise noted:

Peter Bilbe
Peter Bradford
Debra Bakker
Kathleen Bozanic
Peter Buck
Michael Nossal*
Keith Spence
Neil Warburton**
Xiaoping Yang***

* Michael Nossal was appointed a Non-executive Director on 18 December 2020 and continues in office at the date of this report.

** Neil Warburton was a Non-executive Director from the beginning of the financial year until his resignation on 28 October 2020.

*** Dr Xiaoping Yang was appointed a Non-executive Director on 1 December 2020 and continues in office at the date of this report.

Review of operations

A summary of consolidated revenues and results for the half-year (1H21 or period) and half-year comparative period (1H20 or 2019) by significant industry segment is set out below:

	Segment revenues		**Segment results**	
Consolidated entity	**31 December 2020 $'000**	31 December 2019 $'000	**31 December 2020 $'000**	31 December 2019 $'000
Nova Operation	**312,095**	316,886	**105,250**	123,809
Tropicana Operation	**148,848**	154,338	**51,205**	54,126
Growth	**-**	-	**(36,139)**	(39,901)
Unallocated revenue	**1,458**	3,122	**-**	-
	462,401	474,346	**120,316**	138,034
Unallocated revenue less unallocated expenses			**(43,691)**	5,649
Profit before income tax			**76,625**	143,683
Income tax expense			**(22,472)**	(43,599)
Profit after income tax			**54,153**	100,084
Net profit attributable to members of IGO Limited			**54,153**	100,084

Consolidated Group revenue for the period was $462.4 million, a decrease of 3% on the comparative period of $474.3 million. This was a result of lower production and lower gold sales from the Tropicana Operation, together with lower payable metal produced and lower average nickel prices from the Nova Operation.

Earnings before interest, tax, depreciation and amortisation (EBITDA) from Nova was $194.6 million or 6% lower than in 1H20. EBITDA margin from Nova decreased from 65% to 62% and net operating profit before tax decreased from $123.8 million to $105.3 million.

EBITDA from Tropicana decreased from $98.2 million to $83.5 million as a result of a 15% reduction in gold sales, partially offset by a 14% improved realised gold price. Net operating profit before tax decreased from $54.1 million to $51.2 million.

Review of operations (continued)

Group profit attributable to members for the period was $54.2 million, compared to a net profit of $100.1 million for 1H20. The lower result is primarily due to $39.8 million of before tax foreign exchange losses on USD balances held at period end for the purposes of protecting the AUD equivalent of the USD purchase price to acquire a 49% non-controlling interest in Tianqi Lithium Energy Australia Pty Ltd (refer the corporate section below for further details). The losses arose due to the Company's foreign exchange strategy which, upon execution (or within 10 business days thereafter) of the binding agreement, has been to broadly lock in the prevailing AUD:USD for a portion of the USD purchase price. Measures undertaken to effect the strategy include:

- conversion of equity proceeds from a fully underwritten institutional placement and a 1 for 8.5 accelerated pro-rata non-renounceable entitlement offer of new fully paid IGO shares into USD (US$575 million purchased at an average AUD:USD of 0.7521)
- holding a further US$119 million cash at bank at period end, and
- the entering into of zero-cost collar options with lenders under the facility agreement with a face value of US$500 million (floor and cap of 0.7360 and 0.7724 respectively).

In addition, the result also included $14.2 million in positive mark-to-market revaluation of listed investments (2019: positive $18.5 million). Expenses in the Growth segment (exploration, business development and project evaluation) were $36.1 million, a decrease of $3.8 million on the comparative period of $39.9 million.

A summary of the significant factors that have affected the Group's operations and results during the period are detailed below:

Nova Operation

A total of 787kt of ore was mined at an average grade of 1.99% nickel and 0.84% copper, which is lower than the comparative period due to lower availability of higher-grade stopes.

The Nova process plant milled 802kt of ore at an average nickel grade of 2.04% for the period. Nickel and copper recoveries were 87.5% and 89.6% respectively, an improvement on comparative period metallurgical recoveries and the result of continued processing plant optimisation projects at the Nova Operation.

Concentrate production for the period was 108,092t and 21,017t of nickel and copper concentrate respectively, with contained metal of 14,300t of nickel and 6,449t of copper. Payable metal sold for the period was 10,571t of nickel, 5,539t of copper and 229t of cobalt, which generated revenue of $312.1 million for the half-year (2019: $316.9 million).

The segment result for the Nova Operation was a profit before tax of $105.3 million, compared to $123.8 million in the comparative period. This was driven by lower revenue following lower payable copper and lower realised nickel A$ metal prices. C1 cash costs (including royalties) were $2.18 per payable pound (2019: $2.51 per payable pound).

The table below outlines key production and financial statistics for the half-year.

Nova Operation	**31 December 2020**	**31 December 2019**	**Variance (%)**
Ore mined (t)	787,035	790,736	-
Ore milled (t)	801,952	750,901	7
Nickel grade (%)	2.04	2.34	(13)
Copper grade (%)	0.86	0.98	(12)
Cobalt grade (%)	0.08	0.09	(11)
Contained nickel metal (t)	14,300	15,236	(6)
Contained copper metal (t)	6,449	6,779	(5)
Contained cobalt metal (t)	544	561	(3)
Payable nickel metal (t)	11,117	11,025	1
Payable copper metal (t)	6,022	6,228	(3)
Payable cobalt metal (t)	231	186	24
Nickel C1 cash costs & royalties (A$ per payable pound)	2.18	2.51	(13)
A$ nickel price (A$ per pound sold)	9.73	10.34	(6)
A$ copper price (A$ per pound sold)	4.48	3.67	22
A$ cobalt price (A$ per pound sold)	19.49	20.78	(6)

Review of operations (continued)

Tropicana Operation

This segment consists of the Group's interest in the Tropicana Gold Mine which is held 30% by the Company and 70% by AngloGold Ashanti Australia Limited (AngloGold Ashanti).

Total material mined from the open pit during the period was 16.7M bank cubic metres, comprising of 1.9Mt of ore and 38.4Mt of waste, with an average grade mined above a > 0.6g/t cut off of 1.96g/t Au (2019: 1.49g/t).

Commercial production was declared at the Boston Shaker Underground Mine on 1 September 2020. The development and commissioning of the Boston Shaker Underground Mine was completed on time, below budget and, importantly, with no recordable safety incidents. Total lateral development metres of 2,160m were advanced during the period, delivering 384,002 ore tonnes at an average grade of 3.20g/t.

A total of 4.6Mt of ore was milled during the period at an average grade of 1.64g/t Au. Average metallurgical recovery was 90.4%, to produce 219,110 ounces of gold on a 100% basis.

Gold sold (IGO share) was 65,589 ounces (2019: 77,550) at an average realised price of $2,259 per ounce, generating sales revenue of $148.8 million (2019: $154.3 million) which was lower due to the lower sold ounces. As guided, the lower production was due to the reliance on low grade stockpiles while investing in the cut back of the Havana pit during the period. Tropicana segment profit before tax of $51.2 million was slightly lower than the prior period due to lower revenue.

Cash costs, which comprise the costs of producing gold at the mine site and include credit adjustments for costs of waste stripping, underground development and inventory build and draw costs, were $986 per ounce. All-in Sustaining Costs (AISC) per ounce sold, which include cash costs, capitalised deferred waste stripping costs, underground development, sustaining exploration costs, sustaining capital and non-cash rehabilitation accretion costs, were $1,532 per ounce.

The table below outlines key production and financial statistics for the half-year and corresponding period.

Tropicana Operation	31 December 2020	31 December 2019	Variance (%)
Open cut - Gold ore mined (>0.6g/t Au) ('000t)	1,851	8,171	(77)
Open cut - Gold ore mined (>0.4 and <0.6g/t Au) ('000t)	71	1,684	(96)
Waste mined ('000t)	38,373	38,388	-
Open cut - Gold grade mined (>0.6g/t Au) (g/t)	1.96	1.49	31
Underground - Gold ore mined (>0.6g/t Au) ('000t)	384	-	-
Underground - Gold grade mined (>0.6g/t Au) (g/t)	3.2	-	-
Ore milled ('000t)	4,570	4,425	3
Gold grade milled (g/t)	1.64	2.01	(18)
Metallurgical recovery (%)	90.4	89.9	1
Gold produced (ounces)	219,110	257,252	(15)
Gold refined and sold (IGO 30% share) (ounces)	65,589	77,550	(15)
Cash costs (A$ per ounce produced)	986	719	37
All-in Sustaining Costs (AISC) (A$ per ounce sold)*	1,532	1,007	52
Realised A$ gold price (A$ per ounce sold)	2,259	1,980	14

*All-in Sustaining Costs (AISC) is a measure derived by the World Gold Council. On 27 June 2013, the Council released a publication outlining definitions of both cash costs and AISC.

Review of operations (continued)

Growth

This segment relates to greenfields and brownfields exploration expenditure, feasibility and evaluation studies incurred on the Group’s growth portfolio. Exploration activities during the half-year focused on:

Brownfields Exploration

Nova

The exploration drilling program around the Nova Operation continued over the period to test new and historical geological, geophysical and geochemical targets. Diamond drilling (DD) consisted of one surface and one underground diamond drill rig, with a total of 14 surface holes (13,309m) and 21 underground holes (5,368m) completed. Most of these drill holes were step-out holes on the mining lease that were designed to follow up 3D seismic targets that had previously been drilled and intersected prospective mafic-ultramafic intrusions with polyphase magmatic iron-nickel-copper sulphides. Additional drill targets were generated from the 3D seismic, electromagnetic and drill hole datasets.

Underground targets were tested, with only minor mineralisation encountered (e.g. Northeast Bollinger, Stella). No immediate follow-up program is envisaged based on the results returned from the underground drilling.

Surface drilling delivered encouraging results from several prospects tested by the surface DD (e.g. Orion, Double Dipper). In the coming months, programs are planned to ‘follow’ the highly prospective Orion intrusion onto the recently optioned tenement (E28/1932) owned by Boadicea; and to follow-up encouraging aircore drill results at the Chimera target with DD.

Tropicana

Resource development drilling in the period consisted of reverse circulation (RC) drilling to measured spacing in the Boston Shaker BS04 pit, Crouching Tiger as part of the TSF option study and RC and DD at Madras to attain an indicated resource. In addition, resource development drilling included underground DD at Tropicana to attain a measured resource, and RC pre-collars for the 2021 DD program.

Regional brownfields exploration RC and DD programs were conducted at the Sazerac (formerly Sanpan SE), Angel Eyes, Highball, Wild Thing and Voodoo Child prospects.

The regional exploration drilling returned notable intersections from High Ball, Angel Eyes and Sazerac prospects. Results were still pending for drilling at Angel Eyes and Sazerac at period end.

Greenfields Exploration

Fraser Range, Western Australia

The Fraser Range Project currently comprises 12,382km^2 of tenure that is highly prospective for Nova-style nickel-copper-cobalt, VMS copper-zinc and gold mineralisation in the Albany Fraser Orogen (AFO) region. IGO holds these tenements either outright or in joint ventures with other parties where IGO is earning up to a 90% interest.

The Company continued to explore across the Fraser Range during the period, focusing on infill aircore (AC) drilling at specific targets, completing MLEM surveys over coincident geophysical, geochemical and/or geological anomalies, and DD compelling targets, typically based on the presence of electromagnetic (EM) conductors and geochemical anomalies generated through AC drilling.

DD tested several EM plates with and without associated geochemical anomalies with better results at the Copernicus and Skipjack targets warranting further work.

Drilling at the Copernicus prospect, 8km south of Creasy Group's Silver Knight deposit, has defined a zoned ‘chonolith’ mafic and ultramafic intrusion, with disseminated magmatic sulphides. These magmatic sulphides, where drill holes have encountered the intrusion, are nickel-poor, but textures and relationships suggest they are very locally sourced and may become nickel-rich elsewhere in the system. Further assessment is required at this prospect.

Review of operations (continued)

Growth (continued)

At Skipjack, a DD hole targeting an EM conductor, with nearby prospective mafic rocks, intersected minor amounts of Andromeda-style iron-copper-zinc sulphide mineralisation. Down-hole EM surveying of this DD hole has detected an off-hole EM conductor proximal to the encountered iron-copper-zinc mineralisation. Further refinement of this off-hole EM interpretation is ongoing. Additional DD is anticipated at Skipjack during the 2021 field season.

AC drilling continued to target previously drilled mafic and ultramafic intrusions that were only known as single-point anomalies, plus select gravity and magnetic anomalies at 100m and 200m spacing. Several new prospects defined as being mafic-ultramafic complexes have now been identified.

DD also tested EM anomalies at Sergeant, Billy, Entire and Blowfish during the period. Graphite and pyrrhotite-rich metasediments were encountered in all holes and these explain the original anomalies. Down-hole EM surveys were completed on all drill holes, with no off-hole conductive sources detected.

Paterson Project, Western Australia

The Paterson Project is targeting sediment-hosted copper deposits with potential gold and/or cobalt credits. The Project comprises four ground positions; (i) three 100% IGO-owned tenements ('Tarcunyah'), (ii) an earn-in/JV with Encounter Resources Limited, (iii) an earn-in/JV with Metals X Limited, and (iv) an earn-in/JV with Antipa Minerals Limited. Work during the period was spread across the Encounter, Antipa and Metals X tenements.

On the Metals X tenements, a relogging and resampling program of historical drill core and RC chips has commenced to enable a better understanding of stratigraphy, basin architecture, mineralisation styles, alteration halos associated with mineralisation, and geochemical footprints. Initial work on drill cores from the Nifty Operation has already identified significant lithogeochemical and petrological breakthroughs which will significantly enhance our ability to target and vector towards mineralisation when applied across our regional exploration programs. This program of work is the first comprehensive technical review of sediment-hosted copper mineralisation in the Paterson in over four decades.

On the Encounter Resources tenements, a two-hole diamond drilling program at the Vines prospect tested stratigraphy adjacent to a major fault zone associated with soil geochemical anomalism. Both drill holes intersected pervasively altered shale within the Broadhurst Formation. The drill holes are now being logged in detail and sampled for geochemical analysis.

A 1,556-sample soil geochemical survey was also completed by Encounter Resources during the period. Approximately half of the samples are infill samples over existing geochemical anomalies. Geochemical assays were received late in the period and are now being interpreted.

On the Antipa Minerals tenements, a 79-hole, 4,159m AC drilling program was completed in November 2020. The AC program was designed to test highly prospective areas along the Reaper-Poblano-Serrano trend. The drilling intersected metasediments of the Malu and Wilki formations, interspersed with granitic intrusive, possibly related to the nearby Mt Crofton Suite. Variable silica-sericite and iron-manganese alteration was observed in several drill holes. Samples have been submitted for geochemical analysis and assays are currently pending.

Kimberley, Western Australia

The Kimberley Project is targeting Nova-style nickel-copper-cobalt mineralisation in the King Leopold and Halls Creek Orogens. IGO holds tenure over 4,793km^2 in various Joint Ventures across the West Kimberley whereby IGO may earn up to 64% to 85% interest. IGO also holds 8,786km^2 of tenure in the East Kimberley.

The regional airborne geophysical survey (magnetics and radiometrics) over the West Kimberley tenements was completed during the period. An archaeological work area clearance survey was completed over the Fireant, Merlin and Quick Shears areas by the Traditional Owners for the area and their archaeological advisors. MLEM and soil sampling were also conducted at the Quick Shears, Merlin and Fireant target areas.

Five DD holes were completed at the Merlin and Quick shears Prospect for a total of 3,763m, of which three were EIS co-funded holes. Two Exploration Incentive Scheme (EIS) co-funded DD holes were completed at the Quick Shears Prospect (immediately northwest of the Merlin JV) for a total of 1,028m, in the West Kimberley. Both holes intersected the targeted Ruins Intrusive Suite (mafic-ultramafic rocks) but did not intersect substantive mineralisation with the EM anomalies explained by sedimentary sulphides and confirmed with downhole EM.

Review of operations (continued)

Growth (continued)

Lake Mackay, Northern Territory

Lake Mackay is a joint venture between IGO, Prodigy Gold NL and Castile Resources Pty Ltd, with IGO earning up 70% over a total of 15,630km^2 of tenements straddling the Northern Territory and Western Australian border.

Field programs recommenced with a heritage survey by the Central Land Council (CLC) and two Ground Penetrating Radar surveys over the Grimlock and Swoop nickel-copper-manganese laterite prospects. Approval was received for Northern Territory Geological Survey (NTGS) collaborative drilling funding for two high priority MLEM targets which are planned for DD testing in the 2021 field season.

During the period, an AC/RC program consisting of 65 holes for 1,944m was undertaken on six prospects, with gold discovered at the Goldbug Prospect. Drilling at the Grimlock and Swoop nickel-copper-manganese prospects defined further nickel and cobalt mineralisation. Further work is ongoing on these prospects.

Raptor, Northern Territory

The Raptor Project, with a land area covering 17,161km^2, is targeting geology interpreted to be prospective for Nova-style nickel-copper-cobalt mineralisation along the Willowra Gravity Ridge.

Approval was received for NTGS collaborative funding for the Western Raptor geophysical survey (magnetics and radiometrics) and this survey commenced in September 2020. The survey was completed in the period with 33,196 line-km flown. All prospective areas of the project are now covered with 100m-spaced data.

Copper Coast Project, South Australia

The Copper Coast Project is a 100%-owned 7,519km^2 tenement package extending from Port Augusta to Bute, which covers parts of the Torrens Hinge Zone (THZ) considered by IGO to be prospective for sediment-hosted copper mineralisation. The THZ geological setting is interpreted by IGO to be similar to that hosting the giant Kamoa-Kakula copper system in the Democratic Republic of Congo (DRC), where favourable Neoproterozoic units impinge on older basement highs to form aquifers and metal traps (pinch-out zones) along the rift margin.

During the period, five Exploration Licence applications (3,456km^2) were granted. A 2,200m stratigraphic DD program was designed and permitted by the Department of Energy and Mines (DEM). The drill targeting is based on 3D modelling of recently acquired ground gravity and magneto-telluric surveys combined with regional magnetics and geological data. This work has defined a prospective corridor as well as more specific target areas within IGO's granted tenure.

Frontier, Greenland

The Frontier Project is a joint venture option with Greenfields Exploration Limited, covering 5,581km^2 of tenements in Eastern Greenland prospective for sediment-hosted copper-cobalt deposits in geological settings analogous to the Central African Copper Belt in Zambia/DRC.

Forward planning continued for a drilling program to test the Strindberg North target in mid-2021.

Corporate

On 9 December 2020, the Company announced that it had entered into a binding agreement (Agreement) with Tianqi Lithium Corporation (Tianqi) to acquire a 49% non-controlling interest in Tianqi Lithium Energy Australia Pty Ltd (Lithium HoldCo) through a subscription for new shares in Lithium HoldCo. Total consideration for the transaction is US$1.4 billion (~A$1.8 billion, based on AUD:USD exchange rates at 31 December 2020) and will provide the Company with a 24.99% indirect interest in the world-class Greenbushes Lithium Mining and Processing Operation and a 49% indirect interest in the Kwinana Lithium Hydroxide Plant, both located in Western Australia.

The Company will fund the transaction through a combination of $1,100 million new debt facilities, an equity raising of $766 million and existing cash reserves.

Completion of the transaction is expected in the June 2021 quarter, following the satisfaction of a number of conditions precedent, including Tianqi shareholder approval and satisfaction of other transaction conditions. Tianqi shareholder approval was received on 5 January 2021, and further information on the conditions precedent is available in the ASX Release dated 9 December 2020.

Significant changes in the state of affairs

Significant changes in the state of affairs of the Group during the financial period were as follows:

During the half-year, the Company conducted a fully underwritten institutional placement (Placement) and a 1 for 8.5 accelerated pro-rata non-renounceable entitlement offer (Institutional Entitlement Offer) of new fully paid IGO shares. The Placement comprised the issue of 96,960,219 new shares in the Company at a price of $4.60 per share (Offer Price), and the Institutional Entitlement Offer the issue of 57,195,061 new shares in the Company at the Offer Price, resulting in proceeds of $696.1 million, net of costs.

The proceeds from the Placement and Institutional Entitlement Offer are part of a broader funding package to fund the transaction to acquire 49% of Lithium HoldCo, as described above.

The Company also restructured its existing banking facilities during the period. The existing banking facility entered into in July 2015 was repaid during the period.

On 23 December 2020, the Company entered into a new Syndicated Facility Agreement (Facility Agreement) totalling $1,100 million. The Facility Agreement comprises of Majority Lenders and Underwriting banks of Australia and New Zealand Banking Group Limited, Citibank, Commonwealth Bank of Australia, National Australia Bank Limited and Westpac Banking Corporation. The Facility Agreement comprises of:

- $450 million amortising term loan (Facility A), expiring in March 2024;
- $300 million revolving credit facility (Facility B), expiring in March 2024; and
- $350 million bridge facility (Facility C) expiring in December 2021.

As at 31 December 2020, there had been no draw down of any of the Facilities.

There have been no other significant changes in the state of affairs of the Group during the period.

Matters subsequent to the end of the financial year

On 19 January 2021, the Company announced the successful completion of the retail component of its 1 for 8.5 accelerated pro-rata non-renounceable entitlement offer (Offer) of new fully paid ordinary IGO shares. The Offer raised $53.4 million, net of costs, at an offer price of $4.60 per share.

Other than the above, there has been no other transaction or event of a material and unusual nature likely, in the opinion of the Directors, to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future reporting periods.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporation Legislative Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with that Legislative Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of Directors.

Peter Bradford
Managing Director

Perth, Western Australia
27 January 2021

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DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF IGO LIMITED

As lead auditor for the review of IGO Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of IGO Limited and the entities it controlled during the period.

BDO

Phillip Murdoch

Director

BDO Audit (WA) Pty Ltd

Perth, 27 January 2021

	Notes	**31 December 2020 $'000**	31 December 2019 $'000
Revenue from continuing operations	2	**462,401**	474,346
Other income		**70**	377
Mining, development and processing costs		**(127,017)**	(115,437)
Employee benefits expense		**(34,142)**	(30,679)
Share-based payments expense		**(2,472)**	(2,164)
Fair value movement of financial investments		**14,214**	18,508
Depreciation and amortisation expense		**(122,863)**	(127,749)
Exploration and evaluation expense		**(35,539)**	(39,171)
Royalty expense		**(17,744)**	(18,201)
Shipping and wharfage costs		**(7,908)**	(9,345)
Borrowing and finance costs		**(1,558)**	(2,666)
Acquisition and transaction costs		**(3,898)**	-
Foreign exchange losses		**(30,858)**	-
Fair value movement of foreign exchange hedges		**(8,894)**	-
Other expenses		**(7,167)**	(4,136)
Profit before income tax		**76,625**	143,683
Income tax expense		**(22,472)**	(43,599)
Profit for the period		**54,153**	100,084
Other comprehensive income			
Items that may be reclassified to profit or loss			
Effective portion of changes in fair value of cash flow hedges, net of tax		**426**	(8)
Exchange differences on translation of foreign operations		**(32)**	17
Other comprehensive income for the period, net of tax		**394**	9
Total comprehensive income for the period		**54,547**	100,093
Profit for the period attributable to members of IGO Limited		**54,153**	100,084
Total comprehensive income for the period attributable to the members of IGO Limited		**54,547**	100,093
		Cents	Cents
Earnings per share for profit attributable to the ordinary equity holders of the Company:			
Basic earnings per share		**8.99**	16.94
Diluted earnings per share		**8.95**	16.87

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

	Notes	**31 December 2020 $'000**	30 June 2020 $'000
ASSETS			
Current assets			
Cash and cash equivalents	3	**1,186,135**	510,312
Trade and other receivables	4	**156,325**	69,065
Inventories		**84,853**	75,670
Financial assets at fair value through profit or loss		**114,240**	107,759
Derivative financial instruments	8	**702**	64
Total current assets		**1,542,255**	762,870
Non-current assets			
Receivables		**4**	4
Inventories		**52,463**	67,911
Property, plant and equipment	5	**61,672**	48,580
Right-of-use assets		**36,955**	38,996
Mine properties	6	**1,074,537**	1,159,621
Exploration and evaluation expenditure	7	**100,027**	95,030
Deferred tax assets		**100,901**	119,734
Derivative financial instruments	8	**255**	284
Total non-current assets		**1,426,814**	1,530,160
TOTAL ASSETS		**2,969,069**	2,293,030
LIABILITIES			
Current liabilities			
Trade and other payables		**54,332**	53,013
Borrowings	9	**-**	56,937
Derivative financial instruments	8	**8,894**	-
Provisions		**7,945**	7,058
Lease liabilities		**5,975**	6,235
Total current liabilities		**77,146**	123,243
Non-current liabilities			
Provisions		**71,003**	68,641
Lease liabilities		**31,679**	33,550
Deferred tax liabilities		**141,708**	141,787
Total non-current liabilities		**244,390**	243,978
TOTAL LIABILITIES		**321,536**	367,221
NET ASSETS		**2,647,533**	1,925,809
EQUITY			
Contributed equity	10	**2,594,298**	1,897,126
Reserves	11(a)	**18,813**	18,874
Retained earnings	11(b)	**34,422**	9,809
TOTAL EQUITY		**2,647,533**	1,925,809

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

	Contributed equity $'000	Accumulated losses $'000	Hedging reserve $'000	Share-based payments $'000	Foreign currency translation reserve $'000	Total equity $'000
Balance at 1 July 2019	1,895,855	(62,572)	339	15,427	11	1,849,060
Profit for the period	-	100,084	-	-	-	100,084
Other comprehensive income						
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	(8)	-	-	(8)
Currency translation differences - current period	-	-	-	-	17	17
Total comprehensive income for the period	-	100,084	(8)	-	17	100,093
Transactions with owners in their capacity as owners:						
Dividends paid	-	(47,264)	-	-	-	(47,264)
Share-based payments expense	-	-	-	2,164	-	2,164
Issue of shares - Employee Incentive Plan	1,271	-	-	(1,271)	-	-
Balance at 31 December 2019	1,897,126	(9,752)	331	16,320	28	1,904,053

	Contributed equity $'000	Retained earnings $'000	Hedging reserve $'000	Share-based payments $'000	Foreign currency translation reserve $'000	Total equity $'000
Balance at 1 July 2020	1,897,126	9,809	244	18,645	(15)	1,925,809
Profit for the period	-	54,153	-	-	-	54,153
Other comprehensive income						
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	426	-	-	426
Currency translation differences - current period	-	-	-	-	(32)	(32)
Total comprehensive income for the period	-	54,153	426	-	(32)	54,547
Transactions with owners in their capacity as owners:						
Share placement and institutional entitlement offer	709,114	-	-	-	-	709,114
Costs associated with share placement (net of tax)	(9,104)	-	-	-	-	(9,104)
Acquisition of treasury shares	(5,765)	-	-	-	-	(5,765)
Dividends paid	-	(29,540)	-	-	-	(29,540)
Share-based payments expense	-	-	-	2,472	-	2,472
Issue of shares - Employee Incentive Plan	2,927	-	-	(2,927)	-	-
Balance at 31 December 2020	2,594,298	34,422	670	18,190	(47)	2,647,533

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

	Notes	**31 December 2020 $'000**	31 December 2019 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**485,638**	502,336
Payments to suppliers and employees (inclusive of GST)		**(205,950)**	(218,307)
		279,688	284,029
Interest and other costs of finance paid		**(1,034)**	(1,788)
Interest received		**1,417**	2,984
Payments for exploration and evaluation		**(38,406)**	(39,876)
Net cash inflow from operating activities		**241,665**	245,349
Cash flows from investing activities			
Payments for property, plant and equipment		**(6,083)**	(10,098)
Proceeds from sale of property, plant and equipment and other investments		**26,980**	-
Payments for purchase of listed investments		**(19,267)**	(22,548)
Payments for development expenditure		**(37,953)**	(29,178)
Payments for capitalised exploration and evaluation expenditure		**(7,946)**	(976)
Payment of deposit (funds in escrow)	4	**(92,580)**	-
Net cash (outflow) from investing activities		**(136,849)**	(62,800)
Cash flows from financing activities			
Repayment of borrowings		**(57,145)**	(28,571)
Transaction costs associated with borrowings		**(496)**	-
Proceeds from issues of shares		**709,114**	-
Share issue transaction costs		**(12,839)**	-
Payment of dividends	12	**(29,540)**	(47,264)
Payments for shares acquired by the IGO Employee Trust		**(5,765)**	-
Principal element of lease payments		**(3,159)**	(2,553)
Net cash inflow (outflow) from financing activities		**600,170**	(78,388)
Net increase in cash and cash equivalents		**704,986**	104,161
Cash and cash equivalents at the beginning of the period		**510,312**	348,208
Effects of exchange rate changes on cash and cash equivalents		**(29,163)**	389
Cash and cash equivalents at the end of the half-year	3	**1,186,135**	452,758

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1 Segment information

(a) Description of segments

Management has determined the operating segments based on the reports reviewed by the Board that are used to make strategic decisions. The Group operates predominantly in only one geographic segment (Australia). During the period, the following segments were in operation: The Nova Operation, the Tropicana Operation and Growth, which comprises Regional Exploration Activities and Project Evaluation.

The Nova Operation produces nickel and copper concentrates. Revenue is derived primarily from the sale of these concentrates containing nickel, copper and cobalt to multiple customers. The General Manager of the Nova Operation is responsible for the budgets and expenditure of the Operation. The Nova Operation and exploration properties are owned by the Group's wholly owned subsidiary IGO Nova Pty Ltd.

The Tropicana Operation represents the Group’s 30% joint venture interest in the Tropicana Gold Mine. AngloGold Ashanti Australia Limited (AngloGold Ashanti) is the manager of the Operation and holds the remaining 70% interest. Programs of work and budgets are provided by AngloGold Ashanti and are considered for approval by the Company's Board.

The Group’s General Manager Exploration is responsible for budgets and expenditure relating to the Group’s regional exploration, scoping studies and feasibility studies, and the Head of Corporate Development is responsible for budgets and expenditure relating to new business development. The Growth division does not normally derive any income. Should a project generated by the Growth division commence generating income or lead to the construction or acquisition of a mining operation, that operation would then be disaggregated from Growth and become reportable in a separate segment.

(b) Segment results

	Nova Operation $'000	Tropicana Operation $'000	Growth $'000	Total $'000
Half-year ended 31 December 2020				
Nickel revenue	**219,975**	**-**	**-**	**219,975**
Gold revenue	**-**	**148,106**	**-**	**148,106**
Copper revenue	**54,498**	**-**	**-**	**54,498**
Silver revenue	**845**	**742**	**-**	**1,587**
Cobalt revenue	**10,042**	**-**	**-**	**10,042**
Shipping and insurance service revenue	**2,650**	**-**	**-**	**2,650**
Other revenue	**24,085**	**-**	**-**	**24,085**
Total segment revenue	**312,095**	**148,848**	**-**	**460,943**
Segment net operating profit (loss) before income tax	**105,250**	**51,205**	**(36,139)**	**120,316**

1 Segment information (continued)

(b) Segment results (continued)

	Nova Operation $'000	Tropicana Operation $'000	Growth $'000	Total $'000
Half-year ended 31 December 2019				
Nickel revenue	241,382	-	-	241,382
Gold revenue	-	153,561	-	153,561
Copper revenue	46,170	-	-	46,170
Silver revenue	550	777	-	1,327
Cobalt revenue	8,963	-	-	8,963
Shipping and insurance service revenue	2,572	-	-	2,572
Other revenue	17,249	-	-	17,249
Total segment revenue	316,886	154,338	-	471,224
Segment net operating profit (loss) before income tax	123,809	54,126	(39,901)	138,034
Total segment assets				
31 December 2020	1,173,532	364,616	100,179	1,638,327
30 June 2020	1,181,867	357,643	95,426	1,634,936
Total segment liabilities				
31 December 2020	88,113	69,665	388	158,166
30 June 2020	92,862	57,785	2,940	153,587

(c) Segment revenue

A reconciliation of reportable segment revenue to total revenue is as follows:

	31 December 2020 $'000	31 December 2019 $'000
Sales revenue	**460,943**	471,224
Interest revenue on corporate cash balances and other unallocated revenue	**1,458**	3,122
Total revenue	**462,401**	474,346

1 Segment information (continued)

(d) Segment net profit before income tax

A reconciliation of reportable segment net profit before income tax to net profit before income tax is as follows:

	31 December 2020 $'000	31 December 2019 $'000
Segment net operating profit before income tax	**120,316**	138,034
Interest revenue on corporate cash balances and other unallocated revenue	**1,458**	3,122
Fair value movement of financial investments	**14,214**	18,508
Share-based payments expense	**(2,472)**	(2,164)
Depreciation expense on corporate assets	**(1,255)**	(1,511)
Corporate and other costs and unallocated other income	**(11,445)**	(10,746)
Borrowing and finance costs	**(541)**	(1,560)
Acquisition and other integration costs	**(3,898)**	-
Foreign exchange losses	**(30,858)**	-
Fair value movements on foreign exchange hedges	**(8,894)**	-
Profit before income tax	**76,625**	143,683

(e) Segment assets

A reconciliation of reportable segment assets to total assets is as follows:

	31 December 2020 $'000	30 June 2020 $'000
Total segment assets	**1,638,327**	1,634,936
Unallocated assets:		
Deferred tax assets	**100,901**	119,734
Listed equity securities	**114,240**	107,759
Cash and receivables held by the parent entity	**1,103,389**	418,642
Office and general plant and equipment	**12,212**	11,959
Total assets as per the consolidated balance sheet	**2,969,069**	2,293,030

(f) Segment liabilities

A reconciliation of reportable segment liabilities to total liabilities is as follows:

	31 December 2020 $'000	30 June 2020 $'000
Total segment liabilities	**158,166**	153,587
Unallocated liabilities:		
Deferred tax liabilities	**141,708**	141,787
Creditors and accruals of the parent entity	**10,595**	4,741
Provision for employee entitlements of the parent entity	**5,397**	4,779
Bank loans	**-**	56,937
Corporate lease liabilities	**5,670**	5,390
Total liabilities as per the consolidated balance sheet	**321,536**	367,221

2 Revenue

	31 December 2020 $'000	31 December 2019 $'000
Sales revenue from contracts with customers		
Sale of goods revenue	**434,208**	451,403
Shipping and insurance service revenue	**2,650**	2,572
Sales revenue	**436,858**	453,975
Other revenue		
Interest revenue	**1,611**	3,424
Provisional pricing adjustments	**23,932**	16,947
Other revenue	**25,543**	20,371
Total revenue	**462,401**	474,346

3 Cash and cash equivalents

	31 December 2020 $'000	30 June 2020 $'000
Cash at bank and in hand	**536,953**	490,312
Cash on deposit	**649,182**	20,000
	1,186,135	510,312

4 Trade and other receivables

	31 December 2020 $'000	30 June 2020 $'000
Trade receivables at amortised cost:		
Trade receivables (subject to provisional pricing) - fair value	**41,574**	46,595
Funds in escrow*	**90,885**	-
Capitalised borrowing costs	**3,850**	-
Other receivables	**20,016**	22,470
	156,325	69,065

* The funds in escrow relate to a US$70,000,000 refundable deposit paid towards the binding agreement to acquire a 49% non-controlling interest in Tianqi Lithium Energy Australia Pty Ltd.

5 Property, plant and equipment

	31 December 2020 $'000	31 December 2019 $'000
Property, plant and equipment	**61,672**	46,927

5 Property, plant and equipment (continued)

Reconciliations of the carrying amounts at the beginning and end of the half-year are as follows:

	31 December 2020 $'000	31 December 2019 $'000
Property, plant and equipment		
Carrying amount at beginning of the period	**48,580**	41,622
Additions	**6,083**	10,100
Transfers from mine properties (underground infrastructure)	**13,458**	-
Depreciation expense	**(6,449)**	(4,795)
Carrying amount at end of the period	**61,672**	46,927

6 Mine properties

	31 December 2020 $'000	31 December 2019 $'000
Mine properties in development	**-**	11,674
Mine properties in production	**1,015,946**	1,173,076
Deferred stripping	**58,591**	35,302
	1,074,537	1,220,052

Reconciliations of the carrying amounts at the beginning and end of the half-year are as follows:

	Mine properties in development $'000	**Mine properties in production $'000**	**Deferred stripping $'000**	**Total mine properties $'000**
Half-year ended 31 December 2020				
Carrying amount at beginning of the period	**19,022**	**1,095,914**	**44,685**	**1,159,621**
Additions	**3,463**	**7,272**	**28,035**	**38,770**
Transfers from exploration and evaluation expenditure	**-**	**2,949**	**-**	**2,949**
Transfers to property, plant and equipment	**-**	**(13,458)**	**-**	**(13,458)**
Transfers from mine properties under construction	**(22,485)**	**22,485**	**-**	**-**
Amortisation expense	**-**	**(99,216)**	**(14,129)**	**(113,345)**
Carrying amount at end of the period	**-**	**1,015,946**	**58,591**	**1,074,537**

	Mine properties in development $'000	**Mine properties in production $'000**	**Deferred stripping $'000**	**Total $'000**
Half-year ended 31 December 2019				
Carrying amount at beginning of the period	4,271	1,255,493	51,612	1,311,376
Additions	5,144	8,284	12,923	26,351
Transfers from exploration and evaluation expenditure	2,259	-	-	2,259
Amortisation expense	-	(90,701)	(29,233)	(119,934)
Carrying amount at end of the period	11,674	1,173,076	35,302	1,220,052

7 Exploration and evaluation expenditure

	31 December 2020 $'000	31 December 2019 $'000
Exploration and evaluation costs	**100,027**	93,914

Reconciliations of the carrying amounts at the beginning and end of the half-year are as follows:

	31 December 2020 $'000	31 December 2019 $'000
Carrying amount at beginning of the period	**95,030**	95,197
Additions	**7,946**	976
Transfers to mine properties in development or production	**(2,949)**	(2,259)
Carrying amount at end of the period	**100,027**	93,914

Impairment of exploration and evaluation expenditure

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. Management regularly evaluates the recoverability of exploration and evaluation assets. No amounts were impaired during the current or previous reporting periods.

8 Derivative financial instruments

	31 December 2020 $'000	30 June 2020 $'000
Current assets		
Diesel hedging contracts - cash flow hedges	**702**	64
	702	64
Non-current assets		
Diesel hedging contracts - cash flow hedges	**255**	284
	255	284
Current liabilities		
Foreign exchange hedging contracts - fair value through profit or loss*	**8,894**	-
	8,894	-

* Foreign currency hedge contracts relate to zero-cost collar options entered into to protect a portion of the AUD equivalent of the USD purchase price to acquire a 49% non-controlling interest in Tianqi Lithium Energy Australia Pty Ltd.

9 Borrowings

	31 December 2020 $'000	30 June 2020 $'000
Current		
Unsecured		
Bank loans	**-**	56,937
Total unsecured current borrowings	**-**	56,937

(i) Corporate loan facility

The Company's loan facilities under the previous syndicated facility agreement, which was entered to in July 2015, was repaid during the half-year.

On 23 December 2020, the Company entered into a new Syndicated Facility Agreement (Facility Agreement) totalling $1,100,000,000 to provide funding to acquire a 49% non-controlling interest in Tianqi Lithium Energy Australia Pty Ltd. The Facility Agreement comprises of Majority Lenders and Underwriting banks of Australia and New Zealand Banking Group Limited, Citibank, Commonwealth Bank of Australia, National Australia Bank Limited and Westpac Banking Corporation. The Facility Agreement comprises of:

- $450,000,000 amortising term loan (Facility A), expiring in March 2024;
- $300,000,000 revolving credit facility (Facility B), expiring in March 2024; and
- $350,000,000 bridge facility (Facility C), expiring in December 2021.

As at 31 December 2020, there had been no draw down of any of the Facilities.

Transaction costs are accounted for under the effective interest rate method. These costs are incremental costs that are directly attributable to the loan and include loan origination fees, legal fees and other costs relating to the establishment of the loan. Total capitalised transaction costs relating to the Facility Agreement entered into in December 2020 are $3,850,000. These costs are included in Trade and Other Receivables at 31 December 2020 as the facility has not yet been drawn.

The Facility Agreement has certain financial covenants that the Company has to comply with. All such financial covenants have been complied with in accordance with the Facility Agreement.

10 Contributed equity

	31 December 2020 $'000	31 December 2019 $'000
Ordinary shares	**2,597,136**	1,897,126
Treasury shares	**(2,838)**	-
	2,594,298	1,897,126

(a) Share capital

Movements in ordinary share capital:

Details	**2020 Number of shares**	**2020 $'000**	**2019 Number of shares**	**2019 $'000**
Balance at 1 July	**590,797,034**	**1,897,126**	590,477,819	1,895,855
Share placement and institutional entitlement offer	**154,155,280**	**709,114**	-	-
Less: Transaction costs arising on share placement (net of tax)	**-**	**(9,104)**	-	-
Issue of shares under the Employee Incentive Plan	**-**	**-**	319,215	1,271
Balance at 31 December	**744,952,314**	**2,597,136**	590,797,034	1,897,126

10 Contributed equity (continued)

(b) Treasury shares

Treasury shares are shares in IGO Limited that are held by the Company's Employee Share Trust for the purpose of issuing shares under the IGO Employee Incentive Plan.

Movements in treasury shares

Details	2020 Number of shares	2020 $'000	2019 Number of shares	2019 $'000
Balance at 1 July	**-**	**-**	-	-
Acquisition of shares by the Trust	**(1,164,600)**	**(5,765)**	-	-
Issue of deferred shares under the Company's Employee Incentive Plan	**990,192**	**2,927**	-	-
Balance at 31 December	**(174,408)**	**(2,838)**	-	-

11 Reserves and retained earnings

(a) Reserves

	31 December 2020 $'000	30 June 2020 $'000
Hedging reserve	**670**	244
Share-based payments reserve	**18,190**	18,645
Foreign currency translation reserve	**(47)**	(15)
	18,813	18,874

(b) Retained earnings/(accumulated losses)

Movements in retained earnings and accumulated losses were as follows:

	Notes	31 December 2020 $'000	31 December 2019 $'000
Balance at 1 July		**9,809**	(62,572)
Net profit for the period		**54,153**	100,084
Dividends paid during the period	12	**(29,540)**	(47,264)
Balance at 31 December		**34,422**	(9,752)

12 Dividends

(a) Ordinary shares

	31 December 2020 $'000	31 December 2019 $'000
Final dividend for the year ended 30 June 2020 of 5 cents (2019: 8 cents) per fully paid share	**29,540**	47,264
Total dividends paid during the half-year	**29,540**	47,264

12 Dividends (continued)

(b) Dividends not recognised at the end of the reporting period

	31 December 2020 $'000	31 December 2019 $'000
In addition to the above dividends, since the period end the Directors have not recommended the payment of an interim dividend (2019: 6 cents) per fully paid share. The aggregate amount of the proposed dividend expected to be paid, but not recognised as a liability at period end, is:	**-**	35,448

13 Fair value measurements of financial instruments

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

(a) Fair value hierarchy

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and
(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value at 31 December 2020 and 30 June 2020 on a recurring basis:

	Level 1 $'000	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
At 31 December 2020				
Financial assets				
Financial assets at fair value through profit or loss				
Listed investments	**114,240**	**-**	**-**	**114,240**
Derivative instruments				
Diesel hedging contracts	**-**	**957**	**-**	**957**
	114,240	**957**	**-**	**115,197**
Financial liabilities				
Derivative instruments				
Foreign currency hedging contracts	**-**	**8,894**	**-**	**8,894**
	-	**8,894**	**-**	**8,894**

13 Fair value measurements of financial instruments (continued)

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
At 30 June 2020				
Financial assets				
Financial assets at fair value through profit or loss				
Listed investments	107,759	-	-	107,759
Derivative instruments				
Diesel hedging contracts	-	348	-	348
	107,759	348	-	108,107

Specific valuation techniques used to value financial instruments include:

(i) Valuation techniques used to determine level 1 fair values

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

(ii) Valuation techniques used to determine level 2 and level 3 fair values

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

All of the resulting fair value estimates are included in level 2.

(iii) Fair value of other financial instruments

The Group also had a number of financial instruments that are not measured at fair value in the balance sheet. These instruments had the following fair value at the reporting date.

	31 December 2020		30 June 2020	
	Carrying amount $'000	Fair value $'000	Carrying amount $'000	Fair value $'000
Current liabilities				
Bank loans	-	-	56,937	57,145
	-	-	56,937	57,145

14 Contingencies

(a) Contingent liabilities

The Group had guarantees outstanding at 31 December 2020 totalling $1,218,000 (30 June 2020: $1,211,000) which have been granted in favour of various third parties. The guarantees primarily relate to mining environmental and rehabilitation bonds.

There have been no other changes in contingent liabilities since the last annual reporting date.

15 Commitments

(a) Gold delivery commitments

	Gold for physical delivery oz	Average contracted sales price A$/oz	Value of committed sales $'000
Within one year	**53,424**	**1,980**	**105,759**
Later than one but not later than two years	**27,144**	**2,089**	**56,713**
Total	**80,568**	**2,017**	**162,472**

The physical gold delivery contracts are settled by the physical delivery of gold as per the contract terms. The contracts are accounted for as sales contracts with revenue recognised once gold has been delivered to the counterparties. The physical gold delivery contracts are considered the sale of a non-financial item and therefore do not fall within the scope of AASB 9 *Financial Instruments.* Hence, no derivatives have been recognised in respect of these contracts.

16 Events occurring after the reporting period

On 19 January 2021, the Company announced the successful completion of the retail component of its 1 for 8.5 accelerated pro-rata non-renounceable entitlement offer (Offer) of new fully paid ordinary IGO shares. The Offer raised $53.4 million, net of costs, at an offer price of $4.60 per share.

There has been no other matter or circumstance that has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group or economic entity in subsequent financial periods.

17 Basis of preparation of half-year report

This consolidated interim financial report for the half-year reporting period ended 31 December 2020 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by IGO Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

New and amended standards adopted by the Group

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

In the Directors' opinion:

(a) the interim financial statements and notes set out on pages 9 to 23 are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

  (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Peter Bradford
Managing Director

Perth, Western Australia
27 January 2021

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of IGO Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of IGO Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated balance sheet as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of statement of accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2020 and of its financial performance for the half-year ended on that date; and

(ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd

BDO

Phillip Murdoch

Director

Perth, 27 January 2021