

Quarterly Report

Period ended 30 September 2024



PUBLICATION DATE 28/10/2024

Financial results reflect lower commodity prices and sales volumes, despite strong operational performance from Greenbushes

- Slight increase in TRIFR to 11.4 (from 10.4)
- Strategy refresh released highlighting IGO's pathway to success to 2035
- Group EBITDA loss of \$2.9M resulting from a lower contribution from TLEA driven by lower spodumene prices, as well as lower nickel revenue
- Due to prevailing market conditions for spodumene and lithium hydroxide no dividend was declared by TLEA
- Greenbushes continued to generate strong margin and cash flow, enhanced by improved QoQ spodumene production volume
- Nova operating and financial performance impacted by expected lower mined volumes and lower grade
- Forrestania safely transitioned into care and maintenance post quarter end
- Final FY24 dividend of \$197M paid to Shareholders. After this payment, IGO's net cash position is \$259M plus \$720M of undrawn debt available

Management Commentary

"Our safety performance remains a key focus across our business. The team are working on a targeted set of improvements and increased safety interaction and engagement to deliver a step change in sustained safety performance through this financial year.

"Our financial performance for the Quarter was impacted by several factors, most notably the lower lithium prices flowing through for Greenbushes, and the lower production due to grades and mine sequence at Nova. However, operational performance at Greenbushes has been strong with an uplift in quarter on quarter (QoQ) production. The final preparations for the shutdown at the Kwinana refinery were also completed throughout the Quarter. We expect this shutdown to be completed by the end of October, with a fuller sense of the performance improvement visible through the back end of 2Q25.

"Following the conclusion of mining in September, we have recently transitioned Forrestania into care and maintenance as planned, after more than 20 years of successful operations. We are proud of its contribution to IGO's story and we wish to recognise everyone who has been involved in this mine over the years.

"Despite the challenging commodity market conditions, IGO remains in a strong position with a net cash position of \$259M, a refreshed strategy and a reshaped corporate and exploration team who remain aligned to our purpose."

Ivan Vella
Managing Director and Chief Executive Officer

Investor Webcast

An investor webcast has been scheduled for: 11.00am AEDT (8.00am AWST) on Monday, 28 October 2024. Please use the following link: [1Q25 Results Webcast](#)



Group Safety Performance

IGO's Total Reportable Injury Frequency Rate (TRIFR) for the 12 months to 30 September 2024 was 11.4, a slight increase from 10.4 as at 30 June 2024. A considerable uplift in in-field safety interactions at Nova was observed during the Quarter, owing to a focus on supervisor and management leadership in the field.

Group Financials & Production Summary

	Units	1Q25	4Q24	QoQA	YTD
Spodumene Production	kt	406	332	22%	406
Spodumene Cash Cost (Production)	A\$/t	277	338	(18%)	277
Lithium Hydroxide Production	t	1,502	1,331	13%	1,502
Total Nickel in Concentrate	t	4,494	7,600	(41%)	4,494
Sales Revenue	A\$M	143.1	234.7	(39%)	143.1
Share of Net Profit of TLEA	A\$M	37.1	67.7	(45%)	37.1
Underlying EBITDA ¹	A\$M	(2.9)	76.8	(104%)	(2.9)
Underlying Free Cash Flow ¹	A\$M	3.6	200.7	(98%)	3.6
Cash / Net Cash	A\$M	258.7	468.0	(45%)	258.7

Commentary

- Group sales revenue decreased 39% to \$143.1M in 1Q25 due to lower sales volumes at Nova and Forrestania, following the redirection of concentrate from Kambalda to Esperance Port where it has been stockpiled for export next quarter. An additional \$8.1M revenue, net of prior quarter revaluations, was generated from Cosmos, following the final sale of nickel concentrate during 1Q25 (4Q24: \$48.8M).
- Underlying EBITDA² loss of \$2.9M (4Q24: \$76.8M gain) was impacted by the reduction in IGO's share of Net Profit from TLEA³ to \$37.1M for 1Q25 (4Q24: \$67.7M) and lower sales from the nickel business resulting from the timing of shipments. The lower QoQ profit from TLEA primarily reflected lower spodumene sales and realised prices from Greenbushes.
- Cash inflows from operating activities for 1Q25 decreased to \$3.1M from \$204.7M last quarter, primarily reflecting nil dividends from TLEA (4Q24: \$159.3M) reflecting prevailing market conditions, and operating and capital requirements. At Nova, consistent operating cash flows of \$55.8M were generated during the Quarter (4Q24: \$59.6M), while Forrestania contributed a further \$0.5M of operating cash outflows (4Q24: \$26.2M inflows), impacted by the timing of nickel sales. Furthermore, net operating cash outflows from Cosmos reduced to \$5.1M in 1Q25 (4Q24: \$7.2M), with the Project transitioning into care and maintenance during the prior quarter.
- Cash outflows for financing activities of \$206.2M for the Quarter include payment of the final FY24 dividend of \$196.9M (or \$0.26 per share). Accordingly, the Group's underlying free cash flow⁴ for the Quarter was \$3.6M (4Q24: \$200.7M).
- As at 30 September 2024 the Group had cash on hand of \$258.7M (4Q24: \$468.0M), with an additional \$720.0M of undrawn debt available.

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 below.

² EBITDA (Earnings before Interest, Tax, Depreciation, Amortisation & Impairment) is a non-IFRS measure. Underlying EBITDA loss for 1Q25 of \$2.9M and 4Q24 earnings of \$76.8M excludes: Redundancy and restructuring costs of \$nil (4Q24: \$4.1M). EBITDA, prior to these exclusions, for 1Q25 and 4Q24 is a loss of \$2.9M and earnings of \$80.9M, 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) redundancy and restructure costs (1Q25: \$2.2M, 4Q24: \$nil), 2) payments for mineral interests and financial assets (1Q25: \$0.1M, 4Q24: \$0.8M) and 3) proceeds on sale of assets (1Q25: \$1.0M, 4Q24: \$nil). Free Cash Flow, prior to these exclusions for 1Q25 and 4Q24, is a net inflow of \$2.3M and of \$199.9M, respectively.



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- Should the current market conditions persist, particularly the depressed spodumene price, IGO's financial results and cashflow will continue to be impacted.



Greenbushes Lithium Mine (100% basis)

	Units	1Q25	4Q24	QoQΔ	YTD
Spodumene Production	kt	406	332	22%	406
Spodumene Sales	kt	392	530	(26%)	392
Cash Cost (production)	A\$/t	277	338	(18%)	277

Commentary

- The QoQ production improvement was driven by an increase in tonnes processed, marginally improved feed grade and overall improved recovery from all plants on a QoQ basis. Production included 395kt of chemical grade and 11kt of technical grade spodumene.
- Cash costs (production) decreased 18% to \$277/t, reflecting increased spodumene production and lower mining costs.
- Spodumene sales of 392kt were 26% lower QoQ, with 4Q24 buoyed by the 200kt special sale and normalisation in inventory levels last quarter.
- The average realised price for total spodumene sales (chemical and technical grade) for 1Q25 was US\$872/t FOB Australia, compared with US\$1,020/t in the prior quarter.

Major Capital Projects

- Major projects progressed at Greenbushes during the Quarter included Chemical Grade Plant 3 (CGP3), tailings storage facilities (TSF) and the accommodation permanent village, which is expected to be completed in the December quarter.
- Total sustaining, growth and deferred waste expenditure at Greenbushes for 1Q25 was \$202M (4Q24: \$193M), with the majority of 1Q25 capital expenditure relating to CGP3, the permanent accommodation village, TSFs and deferred stripping.

Kwinana Lithium Hydroxide Refinery (100% basis)

	Units	1Q25	4Q24	QoQΔ	YTD
Lithium Hydroxide Production	t	1,502	1,331	13%	1,502

Commentary

- Production increased QoQ, demonstrating improved operating and process control, maintenance and reliability. Of the 1,502t produced in the Quarter, 99.5% was battery grade.
- A total of \$20.3M of sustaining and improvement capital expenditure was spent on Train 1 during the Quarter. FEED study for Train 2 continued during the Quarter.
- The plant will proceed with a major shutdown scheduled in October that is planned to enable a lift in production rate from December 2024 onwards.

Nickel Business

Nova Operation

	Units	1Q25	4Q24	QoQA	YTD
Nickel Production	t	3,692	6,348	(42%)	3,692
Nickel Sales (Payable)	t	3,357	3,728	(10%)	3,357
Copper Production	t	1,743	3,046	(43%)	1,743
Copper Sales (Payable)	t	1,366	2,911	(53%)	1,366
Sales Revenue	A\$M	100.9	144.9	(30%)	100.9
Cash Cost (Payable)	A\$/lb Ni	6.50	2.94	121%	6.50

Commentary

- Nova metal production, which was expected to be lower QoQ, was further impacted by reduced ore grades and a flow through to recoveries.
- Cash unit costs were significantly higher than the prior quarter due to lower production, partly offset by lower costs. As a result, and based on current forecasts, cash costs are trending toward the upper end of FY25 guidance.
- Sales revenue was lower QoQ due to lower sales volumes as domestic nickel deliveries were redirected for export via Esperance in the Quarter, together with the deferral of a copper shipment to the December quarter.
- Nova's average nickel price decreased to \$24,235/t (4Q24: \$26,411/t).
- Average copper prices during the Quarter were \$13,365/t, while average cobalt prices were \$32,976/t.

Forrestania Operation

	Units	1Q25	4Q24	QoQA	YTD
Nickel Production	t	802	1,252	(36%)	802
Nickel Sales (Payable)	t	992	1,401	(29%)	992
Sales Revenue	A\$M	34.1	41.0	(17%)	34.1
Cash Cost (Payable)	A\$/lb Ni	16.23	14.93	9%	16.23

Commentary

- Nickel production from Forrestania was lower this Quarter due to the earlier than planned closure of the Spotted Quoll mine following a major seismic event in July. Post quarter end, Forrestania safely transitioned into care and maintenance
- Cash costs of \$16.23/lb were 9% higher compared to the prior quarter of \$14.93/lb, driven by the nickel production, partly offset by lower production costs following the early mine closure.
- Nickel sales revenue reduced this Quarter due to lower sales volumes, with domestic deliveries being redirected for export via Esperance Port from the start of August. A shipment was completed in July, with the final remaining shipments due to be completed during the December quarter.
- Forrestania's average realised nickel price for the Quarter was \$32,011/t (fully hedged).

Exploration and Discovery

During the Quarter, on ground exploration activities continued across all projects during the peak Australian field season. The Exploration Business Review (EBR) has concluded and has now moved to the implementation stage. The plan has resulted in a new organisational structure for exploration, designed to enhance the portfolio, drive productivity and improve the chance of discovery.

- **Paterson Project:** IGO has been progressing its high priority targets with 3,500m of diamond drilling and 5,700m of aircore completed in the Quarter. Two targets (MB01 and NB02a) have identified potentially significant primary and supergene copper mineralisation, with assays pending.
- **Cosmos Project:** Underground drilling commenced at Cosmos targeting nickel sulphide mineralisation, as part of a program to test the potential to extend or discover additional resources that would deliver an economically recoverable nickel resource or identify economically extractable resources focused primarily on spodumene and copper. Additional programs focused on litho-structural mapping; and re-logging and sampling of historical drill core were also completed.
- **Forrestania Project:** During the Quarter, drilling continued at the South Ironcap prospect, targeting the main lithium bearing pegmatite zone and adjacent areas. Results from this program have been assessed and financial modelling of the prospect did not yield an economically recoverable resource in isolation. Assessment of regional prospectivity beyond South Ironcap for rare metal pegmatites is ongoing, with field mapping and sampling programs underway.
- **Kimberley Project:** Field activities continued with geological traversing over 2,472 locations with Pxf and geological observations, including collecting 430 samples for lithogeochemical lab analysis. Two ground electromagnetic crews completed 1,644 stations over 18 targets. A total of 2,812m of diamond drilling was completed during the Quarter. Drilling at the Dogleg prospect did not intersect massive mineralisation, but did intersect disseminated magmatic nickel mineralisation within the intrusion, with assays pending.
- **Fraser Range:** IGO has been undertaking extensive rehabilitation of tracks across the Project area.

Strategy and Leadership

On 12 September 2024, IGO held a Strategy Day where the Executive Leadership Team (ELT) provided an overview of IGO's refreshed strategy. The presentation materials and a recording of the Strategy Day event are available on IGO's website at <https://www.igo.com.au/site/investor-center/investor-center1>.

As discussed in the prior quarter, Marie Bourgoin and Brett Salt have formally commenced their respective roles on IGO's ELT. Marie has joined in the role of Chief Development Officer – Lithium, while Brett has joined as Chief Growth and Commercial Officer. Cameron Wilson is acting Chief Legal Officer while we continue the search for a permanent appointment.

2024 Annual General Meeting

The Company will be holding an Annual General Meeting of shareholders at 12.00pm WST on Wednesday, 6 November 2024. The meeting will be held at DoubleTree by Hilton Perth Waterfront, 1 Barrack Square, Perth, Western Australia and will also be available to join online via the Computershare Meeting Solution platform.

For further information, please refer to the Notice of Annual General Meeting released to the ASX on 7 October 2024.



Reporting Calendar

KEY DATES	EVENT
6 November 2024	Annual General Meeting
30 January 2025	December 2024 Quarterly Activities Report & Webcast
19 February 2025	First Half FY25 Financial Report & Webcast
30 April 2025	March 2025 Quarterly Activities Report & Webcast

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

FY25 Guidance

	Units	FY25 Guidance
Nova		
Nickel Production	t	16,000 – 18,000
Copper Production	t	6,250 – 7,250
Cobalt Production	t	550 – 650
Cash Cost (Payable)	A\$/lb Ni	4.80 – 5.80
Development, Sustaining & Improvement Capex	A\$M	4 – 6
Greenbushes		
Spodumene Production	kt	1,350 – 1,550
Cash Cost (production)	A\$/t	320 - 380
Development, Sustaining, Improvement & Deferred Waste Capex	A\$M	850 - 950
Kwinana – Train 1		
Sustaining & Improvement Capex	A\$M	80 – 100
Exploration		
Group exploration budget (ex-Lithium Business) ⁵	A\$M	50 – 60

⁵ Excluding study works on South Ironcap and Cosmos

Appendix 2

Group Financial Summary

	2Q24 (A\$M)	3Q24 (A\$M)	4Q24 (A\$M)	1Q25 (A\$M)	YTD (A\$M)
Financials					
Sales Revenue	178.7	160.8	234.7	143.1	143.1
Share of Net Profit/(Loss) of TLEA	167.4	(10.3)	67.7	37.1	37.1
Underlying EBITDA	152.8	(15.0)	76.8	(2.9)	(2.9)
Net Cash Flow from Operating Activities	(67.0)	99.6	204.7	3.1	3.1
<i>Cash Flows included in the above:</i>					
Exploration and evaluation expenditure	(25.3)	(22.4)	(21.7)	(23.8)	(23.8)
Acquisition and transaction costs	(51.2)	-	-	-	-
Dividends received from TLEA	-	24.5	159.3	-	-
Income tax received/(paid)	(18.5)	106.2	-	-	-
Net Cash Flow from Investing Activities	(105.5)	(9.8)	(4.8)	(0.8)	(0.8)
<i>Cash Flows included in the above:</i>					
Mine and infrastructure development	(75.3)	(5.2)	(0.8)	(1.6)	(1.6)
Payments for investments/mineral interests	(25.2)	-	(0.8)	(0.1)	(0.1)
Underlying Free Cash Flow	(96.1)	79.0	200.7	3.6	3.6
Net Cash Flow from Financing Activities	(369.9)	(91.1)	(7.5)	(206.2)	(206.2)
<i>Cash Flows included in the above:</i>					
Repayment of borrowings	(360.0)	-	-	-	-
Dividends paid	-	(83.3)	-	(196.9)	(196.9)
Lease repayments	(9.4)	(7.8)	(7.5)	(5.8)	(5.8)
Balance Sheet Items					
Cash / Net cash	276.4	275.7	468.0	258.7	258.7

Appendix 3

Nova Production Summary

	Units	2Q24	3Q24	4Q24	1Q25	YTD
Nova						
Ore Mined ⁶	t	390,477	415,271	403,704	317,101	317,101
Ore Milled	t	403,722	343,497	470,783	320,593	320,593
Nickel Grade	%	1.47	1.58	1.62	1.41	1.41
Copper Grade	%	0.66	0.67	0.72	0.61	0.61
Nickel Recovery	%	86.1	84.3	83.0	81.4	81.4
Copper Recovery	%	87.0	84.5	83.3	84.1	84.1
Nickel (metal in concentrate)	t	5,110	4,583	6,348	3,692	3,692
Nickel (metal payable in concentrate)	t	4,096	3,670	5,090	2,924	2,924
Copper (metal in concentrate)	t	2,465	2,069	3,046	1,743	1,743
Copper (metal payable in concentrate)	t	2,260	1,888	2,768	1,607	1,607
Ni Cash Costs and Royalties	\$/lb	4.17	5.05	2.94	6.50	6.50
Exploration, Development, P&E	\$/lb	0.49	0.48	0.33	0.32	0.32

Appendix 4

Lithium Joint Venture (TLEA)⁷

	Units	2Q24	3Q24	4Q24	1Q25	YTD
Greenbushes						
Total Material Mined (Ore + Waste)	BCM	2,648,296	3,335,837	3,748,365	3,710,972	3,710,972
Ore Mined	t	852,326	740,727	800,701	831,643	831,643
Grade Ore Mined	% Li ₂ O	2.66	2.53	2.23	2.27	2.27
Spodumene Concentrate Production	t	357,715	279,732	332,288	405,988	405,988
Spodumene Concentrate Sold	t	275,053	182,796	530,457	391,687	391,687
Sustaining & Improvement Capex & Deferred waste	A\$M	223.0	218.8	193.2	202.0	202.0
Cash Cost (production) ⁸	A\$/t	357	386	338	277	277
Kwinana Refinery						
Train 1: Production	t	617	954	1,331	1,502	1,502
Train 1: Sustaining & Improvement Capex	A\$M	16.9	11.2	14.1	20.3	20.3

⁶ Total mined ore from inside and outside of reserves.

⁷ 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.

⁸ 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.