

DELIVERING CONTINUED STRONG PERFORMANCE FROM EXISTING OPERATIONS AND GROWTH THROUGH LITHIUM TRANSACTION

Key Points

- Nova production and cash costs in line and better than guidance respectively.
- Tropicana gold production, cash costs and All-in Sustaining Costs better than guidance.
- Nova and Tropicana underlying free cash flow of A\$103M and A\$32M respectively.
- Revenue and other income for the Group of A\$236M and underlying EBITDA of A\$121M, generating an EBITDA margin of 51%.
- Cash flow from Operations of A\$132M and underlying free cash flow of A\$113M.
- Binding agreement with Tianqi Lithium Corporation providing IGO with a 24.99% indirect interest in the world-class Greenbushes Lithium Mining and Processing Operation and a 49% interest in the Kwinana Lithium Hydroxide Plant.
- Tianqi received approval for the Transaction with IGO from its shareholders on 5 January 2021, with 99.97% voting in favour of the transaction.
- Funding of the Lithium Transaction successfully completed through a A\$766M equity raise and new A\$1,100M debt facility.
- Tropicana strategic review progressed.
- Dr Xiaoping Yang and Mr Michael Nossal appointed as non-executive directors.
- IGO maintained inclusion in the 2020 Dow Jones Sustainability Index (DJSI) Australia, ranking the Company amongst the top performing companies for ESG reporting.

Peter Bradford, IGO's Managing Director & CEO said:

"During the Quarter, we were excited to announce the transaction with Tianqi, which will transform IGO's growth trajectory and position IGO to become a globally relevant supplier of metals critical to clean energy. Through the transaction, IGO will acquire an interest in Tianqi's portfolio of Tier 1 lithium assets in Western Australia, including the Greenbushes Lithium Mine and Kwinana Lithium Hydroxide Plant. This Transaction is expected to deliver strong returns for IGO shareholders and is aligned with IGO's strategy to become a globally relevant, vertically integrated producer of quality products critical to enabling clean energy, with strong ESG credentials."

"The very strong funding support IGO received from both equity and debt investors to support the transaction is testament to the quality of the assets being acquired, and the value to be unlocked for IGO shareholders over the long term. We look forward to progressing the transaction toward completion in coming months, and continuing our strong partnership with Tianqi."

"Operationally, Nova and Tropicana continue to deliver strongly with both assets demonstrating solid production and cost performance over the Quarter. Of note, Nova reached an important milestone during the Quarter, achieving a milestone of 100,000t nickel production since production commenced. Nova nickel production in the second half of FY21 is expected to be in line with guidance, while cash costs are expected to continue to benefit from favourable by-product credit pricing."

"At Tropicana, production and costs were better than our pro-rata guidance for the Quarter. However, as guided, we expect the second half of FY21 to be weaker at 80koz and 90koz for 3Q21 and 4Q21 respectively. Production is then expected to increase in FY22 as a result of investment in FY21 open pit cutbacks and the full ramp-up of underground ore from Boston Shaker."

PRODUCTION SUMMARY

	Units	1Q21	2Q21	1H21	FY21 Guidance ¹
Nova nickel	t	7,276	7,024	14,300	13,500 to 14,500
Nova copper	t	3,278	3,171	6,449	5,500 to 6,250
Nova cash costs ²	A\$/lb Ni	2.25	2.10	2.18	2.40 to 2.80
Tropicana gold ³	oz	107,060	112,050	219,110	190,000 to 215,000
Tropicana AISC	A\$/oz	1,527	1,537	1,532	1,730 to 1,860

1. Pro-rata YTD guidance (FY21 guidance divided by two).
2. Cash costs reported per pound of payable metal produced inclusive of royalties and net of by-product credits.
3. 100% attributable Tropicana production.

EXECUTIVE SUMMARY

IGO Limited (ASX: IGO) (IGO, the Company or the Group) has continued its strong start to the 2021 Financial Year (FY21) with another solid quarterly performance..

Nova production was in line with the prior quarter, as operations continue to demonstrate reliable performance metrics. Cash costs improved during the Quarter to A\$2.10 per payable pound (1Q21: A\$2.25 per payable pound), with a year to date result of A\$2.18 per payable pound.

Gold production at Tropicana was up 5% at 112,050oz for the Quarter (1Q21: 107,060oz), with cash costs and All-in Sustaining Costs per ounce for the Quarter of A\$1,023 and A\$1,537 per ounce respectively.

Revenue and other income for the Quarter was up 4% on the prior quarter at A\$235.9M (1Q21: A\$226.6M). Cash production costs tracked slightly lower for both operations. Exploration costs were A\$4M lower, and corporate costs, which exclude acquisition and transaction costs, were in line quarter on quarter (QoQ). The value of the Group's listed investments remained steady throughout the Quarter.

Underlying EBITDA of A\$120.9M (1Q21: A\$121.4M) generated a margin of 51% for the Quarter and 52% for the year to date, while Net Profit After Tax was lower QoQ at A\$8.8M (1Q21: A\$45.4M). The lower profit is primarily due to A\$38.9M of foreign exchange losses on US Dollar (USD) balances and hedging held at Quarter end for the purposes of protecting the Australian Dollar (AUD) equivalent of the Lithium Transaction USD purchase price. Adjusting for these foreign exchange losses, as well as Lithium Transaction costs incurred in the Quarter, provides for an adjusted net profit after tax of A\$38.6M.

Total cash from operating activities was 20% higher at A\$132.0M, primarily as a result of increased revenue receipts from Nova and Tropicana, generating underlying free cash flow of A\$112.7M for the Quarter (1Q21: A\$84.5M).

During the Quarter, the Group announced a binding agreement with Tianqi Lithium Corporation (SZSE: 002466) (Tianqi) to acquire a 49% non-controlling interest in Tianqi Lithium Energy Australia Pty Ltd (Lithium HoldCo) for US\$1,400M (Lithium Transaction). This Lithium Transaction provides IGO with:

- 24.99% indirect interest in the Greenbushes Lithium Operation (largest and lowest cost hard rock lithium mine globally¹); and
- 49% interest in the Kwinana Lithium Hydroxide Plant.

The Lithium Transaction is being funded through a combination of new equity issuance (share placement, ANREO and retail rights issue), secured bank debt and existing cash. Completion of the Lithium Transaction is expected in the June 2021 quarter.

Key financial metrics for the Company compared to the previous quarter are summarised in the table below:

¹ CRU Consulting

	Units	1Q21	2Q21	QoQ	1H21
Financials					
Revenue and Other Income	A\$M	226.6	235.9	4%	462.5
Underlying EBITDA	A\$M	121.4	120.9	-	242.3
Profit After Tax	A\$M	45.4	8.8	(81%)	54.2
Net Cash from Operating Activities	A\$M	109.6	132.0	20%	241.7
Underlying Free Cash Flow	A\$M	84.5	112.7	33%	197.3
Cash	A\$M	508.5	1,186.1	133%	1,186.1
Debt	A\$M	-	-	-	-
Net cash	A\$M	508.5	1,186.1	133%	1,186.1

SUSTAINABILITY & ESG

In November 2020, IGO announced that it had maintained its inclusion in the Dow Jones Sustainability Index (DJSI) Australia. This inclusion ranks IGO amongst the top performing Australian mining companies for corporate sustainability and environmental, social and governance (ESG) reporting.

IGO is ranked in the 84th percentile of all Metals and Mining industry participants and is assessed as being among the top 30 per cent of sustainable businesses within the ASX200 listed companies. The Company achieved scores in the 90th percentile or higher in a range of categories, including environmental reporting, social reporting, mineral waste management, operational eco-efficiency and occupational health and safety.

Safety

There were no material safety incidents across IGO's managed activities during the Quarter, with the 12-month rolling total reportable injury frequency per million hours worked (TrepIF) decreasing, for a second quarter in a row, to 15.0 as at 31 December 2020.

Environment

There were no material environmental incidents across IGO's managed activities during the Quarter.

Community

There were no material community issues arising from IGO's managed activities during the Quarter. IGO continues to support our host communities and various charities through our Corporate Giving program.

Heritage & Land Access

During the Quarter, progress was made in a number of areas, including negotiations with relevant Native Title holders and Traditional Owners to progress heritage and land access agreements as well as meetings with various stakeholders to discuss the protection of cultural heritage and the new Aboriginal Cultural Heritage Protection Act.

IGO LITHIUM

On 9 December 2020, IGO announced it had entered into a binding agreement with Tianqi to acquire a 49% non-controlling interest in Lithium HoldCo through a subscription for new shares. This Lithium 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.

Total consideration for the Lithium Transaction is US\$1,400M (~A\$1,800M), and is being funded through a combination of debt, existing cash and equity raisings, comprising an institutional placement, an accelerated non-renounceable entitlement offer (ANREO), both completed in December 2020, and a retail entitlement offer that closed on 15 January 2021.

The equity placement to institutional investors (Placement) and the institutional component of the 1 for 8.5 ANREO (together the Institutional Entitlement Offer) of new fully paid ordinary IGO shares was completed on 11 December 2020. The Placement raised A\$446M and the Institutional Entitlement Offer raised A\$263M at an offer price of A\$4.60 per share (Offer Price). The retail component of the entitlement offer raised A\$57M.

The Lithium Transaction is also being part funded by A\$1,100M in new debt facilities. On 23 December 2020, the Company executed an underwritten Syndicated Facility Agreement with Australia and New Zealand Banking Group Limited, Commonwealth Bank of Australia, National Australia Bank Limited, Westpac Banking Corporation and Citibank. The Syndicated Facility Agreement is comprised of:

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

The Lithium Transaction is expected to complete in the June 2021 quarter upon certain conditions precedent being successfully met.

NOVA OPERATION

Underground nickel, copper, cobalt mine located on the Fraser Range, WA: IGO 100%.

Nova	Units	1Q21	2Q21	1H21	FY21 Guidance ¹
Nickel in concentrate	t	7,276	7,024	14,300	13,500 to 14,500
Copper in concentrate	t	3,278	3,171	6,449	5,500 to 6,250
Cobalt in concentrate	t	278	266	544	425 to 475
Cash cost (payable)	A\$/lb Ni	2.25	2.10	2.18	2.40 to 2.80

1. Pro-rata YTD guidance (FY21 guidance divided by two), where applicable.

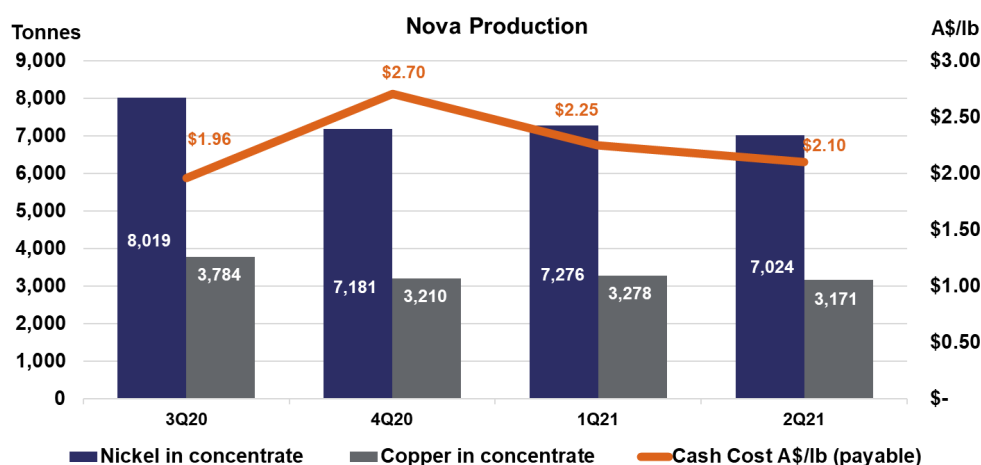
Mining & Development

Underground development advance totalled 874m for the Quarter, broadly unchanged QoQ.

A total of 411kt (1Q21: 376kt) of ore was mined at average grades of 1.89% nickel and 0.81% copper in the Quarter (1Q21: 2.10% and 0.87% respectively). The paste filling system continues to operate in line with mining void requirements.

Processing & Production

Nova production was slightly down on the prior quarter due to lower feed grades, with nickel, copper, and cobalt production of 7,024t, 3,171t and 266t (1Q21: 7,276t, 3,278t and 278t) respectively.



The Nova process plant milled 408kt of ore (1Q21: 394kt) at an average nickel and copper grade of 1.96% and 0.84% (1Q21: 2.12% and 0.89%), respectively for the Quarter. Tonnes milled were in line with the previous quarter and expected production rates, with one planned shutdown completed.

Nickel recoveries were up on the previous quarter at 88.0% (1Q21: 87.0%) despite slightly lower head grades. Average copper recovery showed a slight increase (2Q21: 89.8% compared to 1Q21: 89.4%). The increased nickel and copper recoveries are due to the recovery improvement project work which is ongoing.

Financial

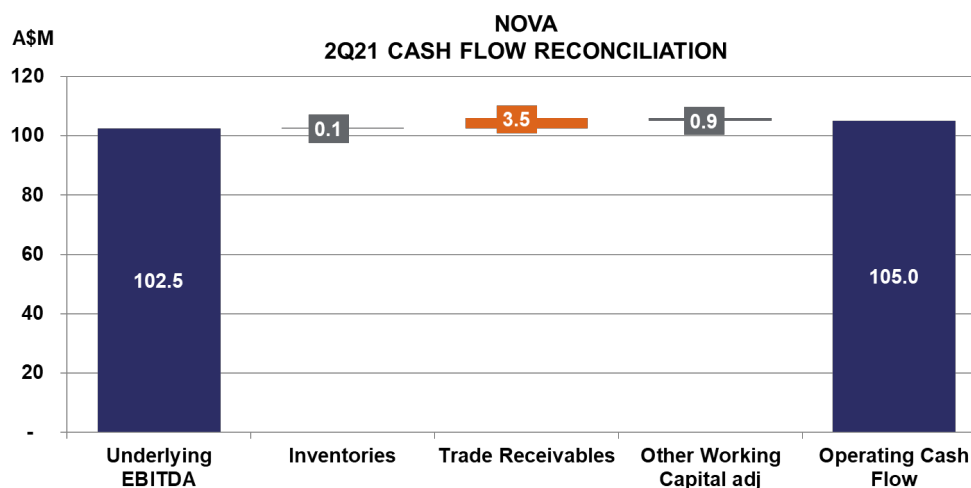
Nova's revenue and other income for the Quarter was A\$158.6M, compared to A\$153.6M in the prior quarter, driven by higher quotational period metal prices. Nickel concentrate sales delivered to BHP Billiton Nickel West Pty Ltd (BHP) and Trafigura Pte Ltd (Trafigura), totalled 52,691t for the Quarter, resulting in the sale of 5,221t of payable nickel (1Q21: 5,351t payable nickel). Copper concentrate sales to Trafigura totalled 9,564t during the Quarter, resulting in the sale of 2,453t of payable copper (1Q21: 3,087t payable copper).

Nova's average nickel price for the Quarter was A\$22,295/t (1Q21: A\$20,624/t), resulting in a positive price variance of A\$8.7M QoQ. The higher prices in 2Q21 for both nickel and copper also meant Nova's revenue included a positive revaluation of prior quarter receivables of A\$8.3M, compared to a A\$9.2M positive adjustment in the prior quarter.

Underlying EBITDA increased to A\$102.5M for the Quarter (1Q21: A\$92.0M) which represents an EBITDA margin of 65%. The QoQ increase in margin is the result of higher prices and A\$4.9M lower QoQ production costs.

Nova cash costs were A\$2.10 per payable pound for the Quarter (1Q21: A\$2.25 per payable pound). The lower result was due to higher by-product prices (A\$0.16/lb), combined with lower production costs (A\$0.16/lb), offset by a decrease in production volumes (A\$0.12/lb) and higher offsite costs (A\$0.05/lb)

Nova's Cash from Operating Activities increased by A\$11.5M to A\$105.0M, which was higher due to slightly higher revenue receipts and lower payments to suppliers and employees QoQ. Underlying free cashflow for the Quarter and year to date was A\$102.7M and A\$193.8M respectively.

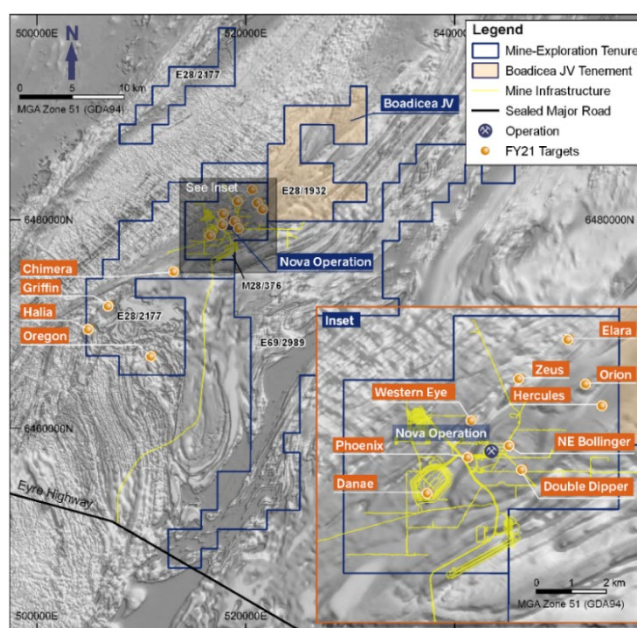


A breakdown of production and financials are provided in Table 3 in Appendix 2.

Nova Outlook

Nova nickel production in the second half is expected to be in line with guidance while cash costs are expected to continue to benefit from favourable by-product credit pricing and to be better than guidance.

Encouraging results were received from several prospects tested by the surface DD, including Orion and Double Dipper. In the coming months, programs are planned to continue drilling 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 JOINT VENTURE (TJV)

Open pit and underground gold operation, north-east of Kalgoorlie, WA: IGO 30%, AngloGold Ashanti 70% (Manager).

Tropicana	Units	1Q21	2Q21	1H21	FY21 Guidance ¹
Gold production (100% basis)	oz	107,060	112,050	219,110	190,000 to 215,000
Gold sold (IGO's 30% share)	oz	31,359	34,230	65,589	57,000 to 64,500
Cash cost	A\$/oz	947	1,023	986	1,040 to 1,120
All-in Sustaining Costs	A\$/oz	1,527	1,537	1,532	1,730 to 1,860

1. Pro-rata YTD guidance (FY21 guidance divided by two), where applicable.

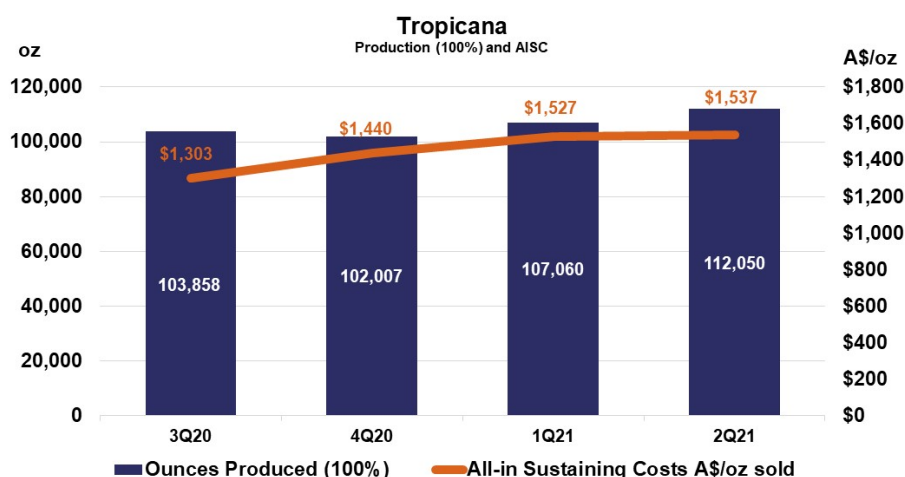
Total open pit material mined during the Quarter was 8.2M bank cubic metres (1Q21: 8.5M bank cubic metres). Ore mined grading > 0.6g/t during the Quarter was 0.80Mt at an average grade of 2.16g/t Au, while 18.5Mt of waste (1Q21: 19.9Mt) was mined predominantly from the Havana and the Boston Shaker pits. Mining and geology costs per tonne improved marginally QoQ at A\$3.51/t.

Underground development advance totalled 1,059m for the Quarter, which was in line with the previous quarter. Total underground ore mined during the Quarter totalled 247kt at 3.13g/t for 24,908oz, compared with 14,637oz in the previous quarter. Underground mining and geology costs per tonne for the Quarter were A\$76/t.

Underground drilling commenced during the Quarter from the underground Tropicana drill drive. This drill will inform a decision on the commencement of mining underground at Tropicana by the end of the financial year.

Processing & Production

Gold production for the Quarter of 112,050oz was 5% higher than the previous quarter's result of 107,060oz as a result of higher production from the Boston Shaker underground. Total tonnes milled during the Quarter remain in line with the prior quarter at 2.3Mt. Feed grades were higher at 1.69g/t (1Q21: 1.58g/t), while recovery rates tracked in line QoQ at 90.3%.



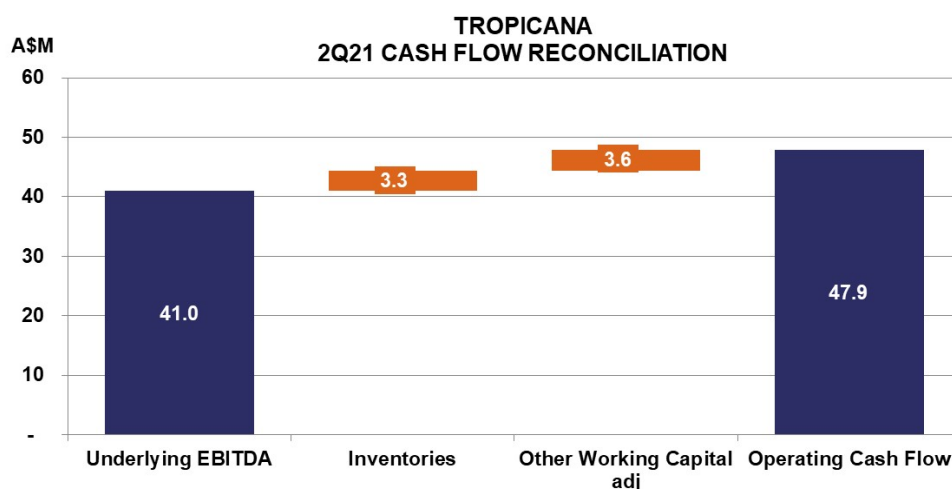
Processing costs inclusive of maintenance per tonne were A\$18/t, compared to the prior quarter result of A\$16/t.

A full breakdown of production statistics is provided in Table 4 in Appendix 3.

Financial

Tropicana sales revenue to IGO's account was higher QoQ at A\$76.5M (1Q21: A\$72.3M) as a result of higher ounces sold for the Quarter of 34,230oz (1Q21: 31,359oz), offset partially by a marginally lower average gold price for the Quarter of A\$2,224/oz (1Q21: A\$2,295/oz).

Tropicana's underlying EBITDA of A\$41.0M for the Quarter represents an EBITDA margin of 54% (1Q21: 59%). All-in Sustaining Costs per ounce were in line QoQ at A\$1,537 per ounce sold (1Q21: A\$1,527/oz).



Cash from Operating Activities was A\$47.9M (1Q21: A\$45.1M), with Underlying Free Cash Flow at A\$31.6M for the Quarter (1Q21: A\$22.7M) which was higher as a result of lower mine development expenditure.

Tropicana Outlook

For the remainder of FY21, Tropicana production is expected to be lower resulting in full year gold production being in the lower half of the guidance range. Directionally, gold production is expected to be approximately 80koz and 90koz for 3Q21 and 4Q21 respectively. Tropicana gold production is expected to increase in FY22, in line with previous directional guidance as a result of investments in FY21 open pit cutbacks and the full ramp-up of underground ore from Boston Shaker.

Tropicana Exploration

Resource development drilling in the Quarter consisted of reverse circulation (RC) drilling at Crouching Tiger as part of the TSF option study; RC and DD at Madras to attain an indicated resource; 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.

Drilling totalled 32,640m for the Quarter, comprising 11,699m of RC, 3,297m of surface DD and 17,643m of underground DD.

A total of 14 significant resource development intersections (>20 grams x metres) were returned in the Quarter, all from Tropicana Underground. Results were still pending for Madras, Tropicana Underground and Crouching Tiger at Quarter-end.

Regional exploration drilling returned three notable intersections (>10 grams x metres), two from Angel Eyes and one from Sazerac. Results were still pending for drilling at Angel Eyes and Sazerac at Quarter-end.

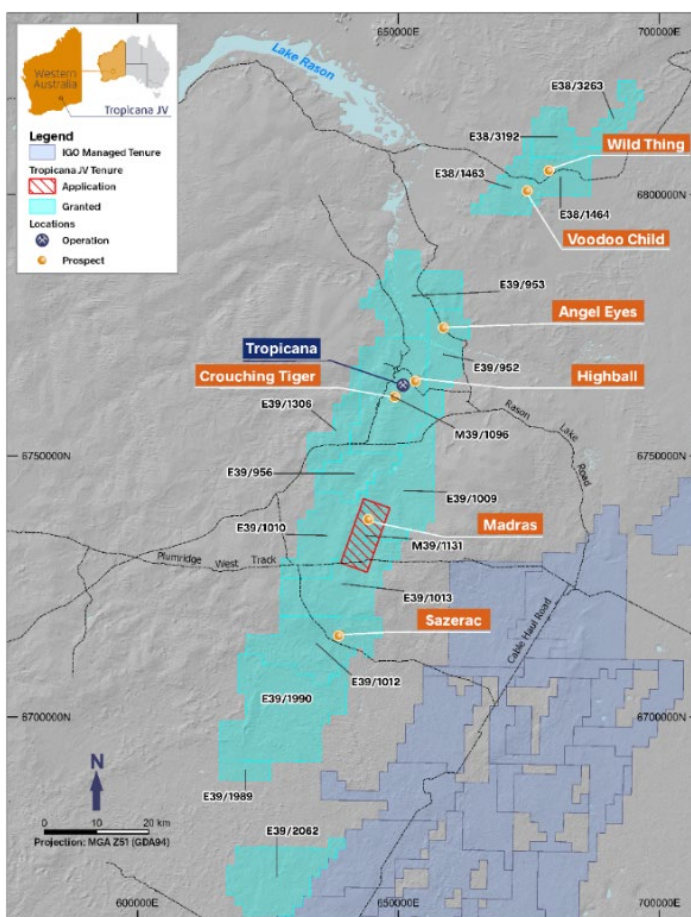


Figure 2 – Tropicana Exploration Targets

GREENFIELDS EXPLORATION

IGO has an enduring, long-term commitment to greenfields exploration targeting transformational value creation and sustainable growth through the discovery of clean energy metals.

Our disciplined approach to exploration is designed to maximise the chance of success and maximise the potential value generation for shareholders and is guided using the three key imperatives of:

Commodity and Deposit Style: Our strategic focus is on high value nickel and copper deposits aligned with our clean energy metals strategy. The targeted deposit mineralisation styles are high value magmatic nickel-copper (\pm cobalt/PGE) and sediment-hosted copper (\pm cobalt/gold/silver) deposits. These deposit styles are generally large scale with high grades along with significant by-product credits compared to other base metal deposit styles. This combination drives a higher unit value and hence delivers lower costs and higher relative margins.

Terrane Selection and Portfolio Development: We apply leading generative geoscience, prospectivity assessments and ranking to identify the most prospective underexplored belt scale terranes within Australia, that have the potential to deliver multiple Tier 1 and Tier 2 discoveries of our preferred commodity and deposit style. We proactively and systematically acquire in our own right or work with multiple partners in joint venture to secure these belt-scale tenement packages.

Geoscience Excellence and Execution Capacity: Our exploration strategy leverages geoscience with exploration execution capability to deliver a best-in-class exploration team. Geophysics and geochemistry are core in-house capabilities where leading technologies are deployed as screening and discovery tools. Technology and innovation, coupled with proprietary in-house databases and targeted research collaborations, are also key enablers to drive discovery success.

IGO's portfolio of belt scale exploration projects, prospective for magmatic nickel sulphide deposits and sediment hosted copper deposits are highlighted on the following map:

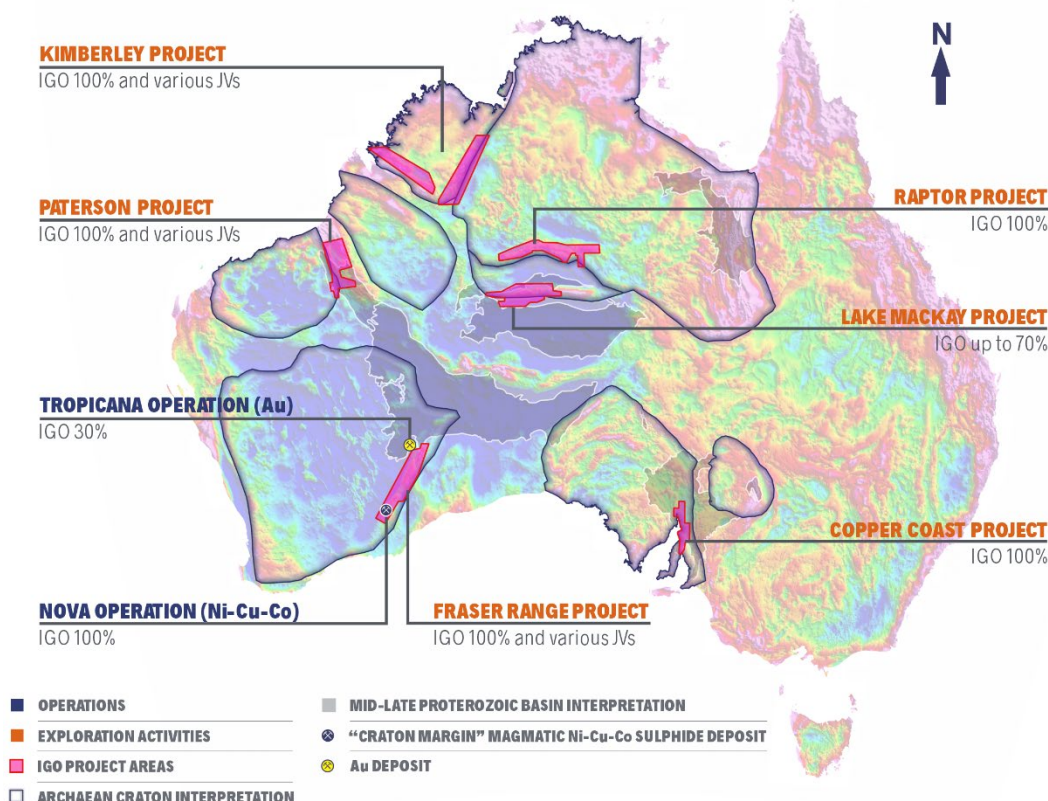


Figure 3 – IGO's exploration projects are associated with belt-scale gravity ridges along cratonic margins

Additional information on IGO's exploration strategy and portfolio is available on our website at www.igo.com.au.

2Q21 Update

During the Quarter, we further consolidated prospective ground positions, increasing our exposure to high quality nickel sulphide licences in the Fraser Range/Nova Near-mine and East Kimberley regions, and copper licences in the Adelaide Rift, South Australia (Copper Coast Project).

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

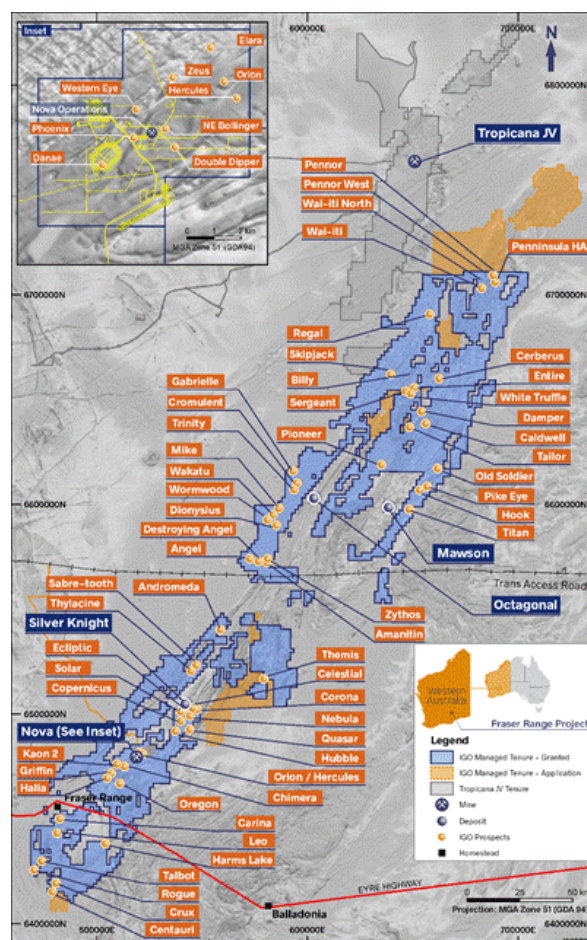


Figure 4 – Fraser Range Project Map

DD also tested EM anomalies at Sergeant, Billy, Entire and Blowfish during the Quarter. 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. These prospects are considered tested.

The Paterson Project is targeting sediment-hosted copper deposits with potential gold and/or cobalt credits. The project comprises four ground positions:

- Tarcunyah - three 100% IGO-owned tenements
- Encounter Resources earn-in JV
- Metals X earn-in JV
- Antipa Minerals earn-in JV.

Work during the Quarter was spread across the Encounter, Antipa and Metals X tenements.

On the Metals X project, 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 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 DD 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 in Perth where they are being logged in detail and sampled for geochemical analysis. A third DD hole at the Windsor prospect, 500m west of BM1 (10m @ 6.8% Cu, 20m @ 2.0% Cu, and 16m @ 3.2% Cu)² will be continued in early 2021. In addition, a 1,556-sample soil geochemical survey was also completed during the Quarter and results 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 (4m at 8.1g/t Au and 0.23% Cu at Serrano)³ and the Grey prospect (3m @ 197g/t Ag, 0.9% Cu, 2.2% Pb)³. 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. Assays are currently pending.

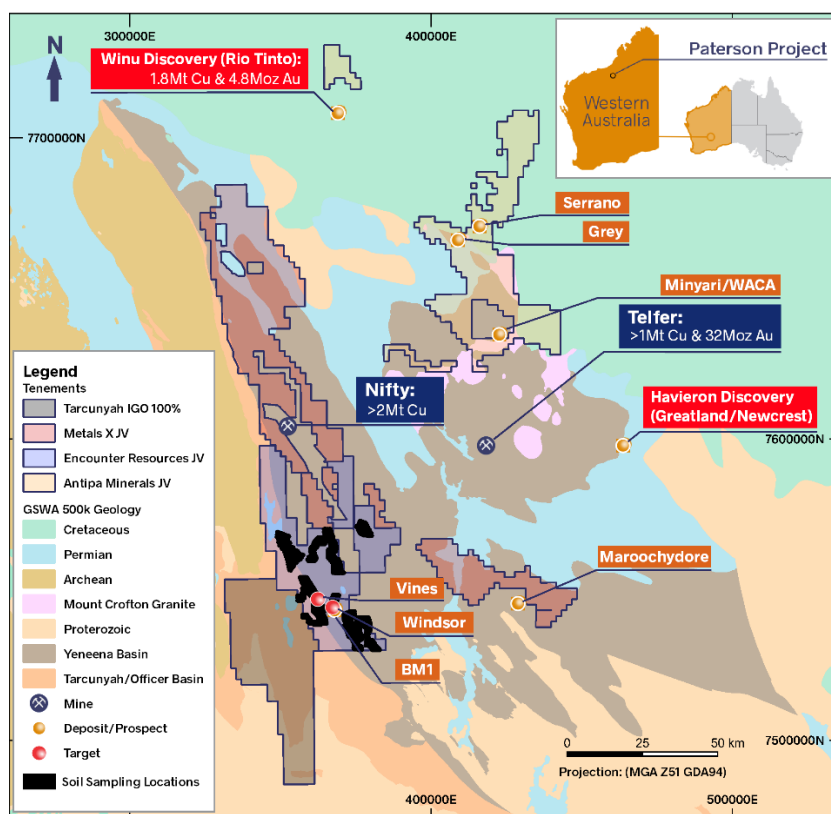


Figure 5 – Paterson projects showing active exploration targets and prospects during the December Quarter

Kimberley Project, Western Australia

The Kimberley Project is targeting Nova-style magmatic Ni-Cu sulphide mineralisation in Proterozoic belts of the West and East Kimberley.

Two EIS (Exploration Incentive Scheme) 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. The targeted EM anomalies were explained by sedimentary sulphides and confirmed with downhole EM.

² ASX Release: ENR: Encounter Resources Limited: 15 July 2014, 30 January 2015, 2 March 2017

³ ASX Release: AZY: Antipa Minerals Limited: 18 October 2019, 22 November 2019

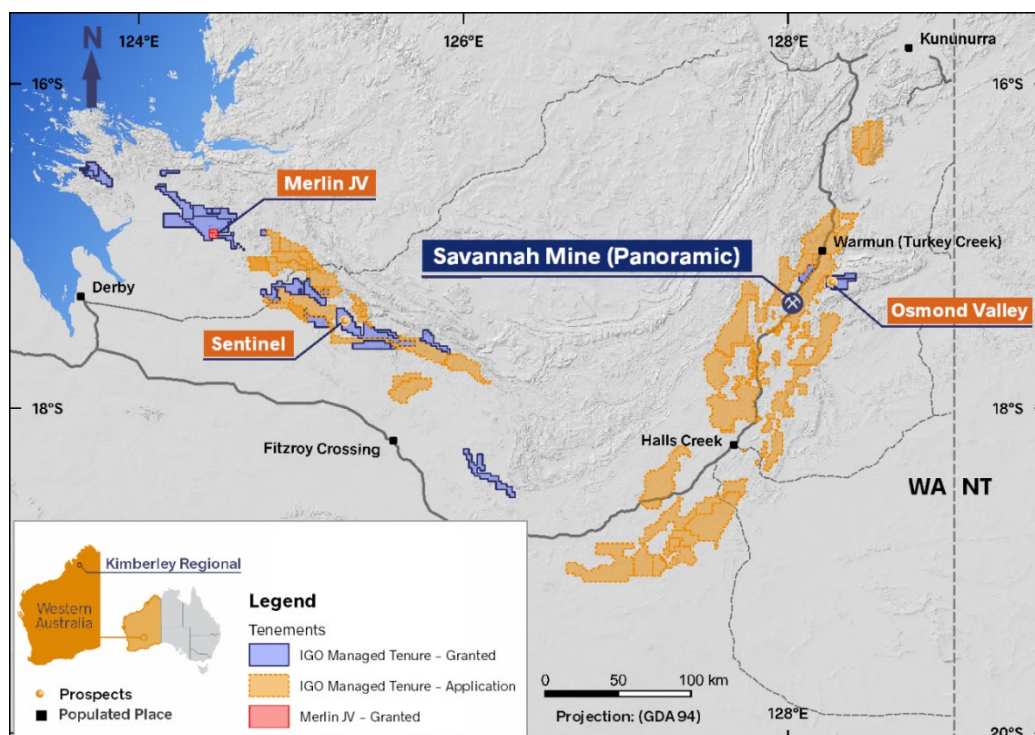


Figure 6 – Kimberley Project Map

In the East Kimberley, 12 new tenement applications were submitted, increasing the total project area in the Kimberley to 13,467km².

Raptor Project, Northern Territory

The Raptor Project covers 17,161km² (100% IGO) and is targeting geology interpreted to be prospective for Nova-style Ni-Cu-Co sulphide mineralisation along the Willowra Gravity Ridge.

The Western Raptor airborne geophysical survey (aeromagnetics and radiometrics) was completed in the Quarter with 33,196 line-km flown. All prospective areas of the project are now covered with 100m-spaced data.

Lake Mackay JV, Northern Territory

Lake Mackay is a joint venture between IGO, Prodigy Gold NL and Castile Resources Pty Ltd (in parts) covering 15,630km² of tenements straddling the Northern Territory and Western Australian border.

During the Quarter, an AC/RC program consisting of 65 holes for 1,944m was undertaken on six prospects. Gold was discovered at the Goldbug Prospect with a best intercept of 16m @ 1.15 g/t Au from 48m in 20LMRC039.⁴

⁴ ASX Release: PRX: Prodigy Gold NL: Lake Mackay JV: Bedrock Gold intersected at Goldbug Prospect, 18 January 2021

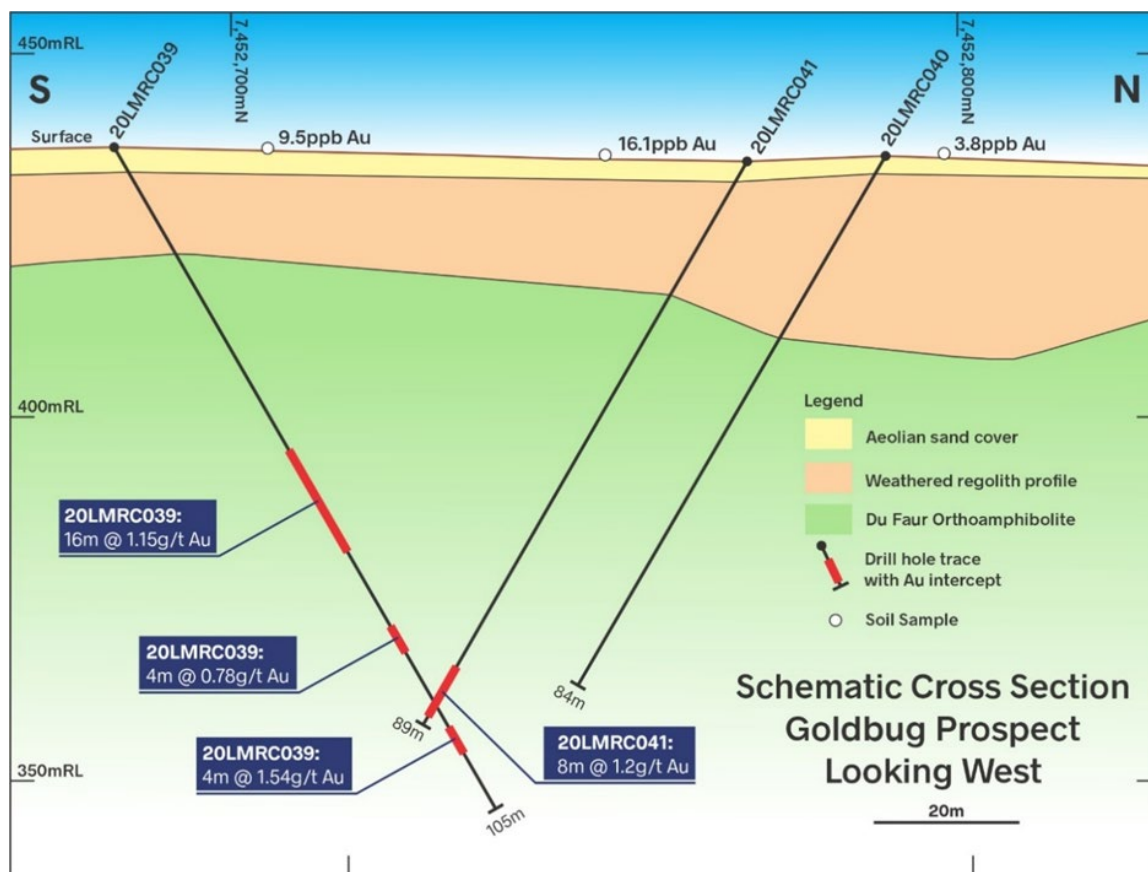


Figure 7 – Goldbug Schematic Cross Section

Drilling at the Grimlock and Swoop Ni-Co-Mn prospects defined further nickel and cobalt mineralisation with the best intercept being 12m @ 1.17% Ni and 0.07% Co from 20m in 20LMAC002⁵ at the Grimlock Prospect.

IGO would like to acknowledge the assistance provided by our JV partner Prodigy Gold in completing this drill program.

Approximately 329 fine fraction soil samples were also collected with five areas identified as being anomalous for gold and these will require further infill sampling in the coming quarter.

Copper Coast Project, South Australia

The Copper Coast Project is a 100%-owned 7,519km² tenement package extending from Port Augusta to Bute in South Australia, which covers parts of the Torrens Hinge Zone (THZ) considered by IGO to be prospective for sediment-hosted copper mineralisation. IGO interprets the THZ geological setting 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 Quarter, five Exploration Licence applications (3,456km²) were granted and a 2,200m stratigraphic DD program was designed and permitted by the Department of Energy and Mines (DEM). The stratigraphic drill hole targeting is based on 3D modelling of recently acquired ground gravity and magneto-telluric (MT) 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. Drilling is expected to commence in 3Q21.

Multispectral data investigations were completed on historical drill holes and these have defined baseline spectral signatures for host lithologies, and alteration signatures associated with historical mineralised intersections. This study will be used to assess alteration footprints in the upcoming drill program.

⁵ ASX Release: PRX: Prodigy Gold NL: Lake Mackay JV: Bedrock Gold intersected at Goldbug Prospect, 18 January 2021

Applications for the Accelerated Discovery Initiative co-funding for the next phase of stratigraphic drilling and MT surveys were submitted to the DEM and have progressed to the second stage.

Frontier Project, Greenland

The Frontier Project is an earn joint venture with Greenfields Exploration Ltd, covering 5,581km² of tenements in central eastern Greenland. The project area is prospective for sediment-hosted copper deposits in geological settings analogous to the Central African Copper Belt in Zambia/DRC. The Company will earn its 51% interest in the Project in the March 2021 quarter.

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

FINANCIAL & CORPORATE

Financials

Revenue and other income for the Quarter was up 4% at A\$235.9M, compared to the prior quarter at A\$226.6M, as a result of higher nickel and gold revenue.

Cash production costs tracked slightly lower QoQ, while exploration costs were down A\$4M following the completion of some drill programs in 1Q21 in the Paterson Province. Corporate costs, which exclude acquisition and transaction costs in relation to the Lithium Transaction, were in line QoQ.

Underlying EBITDA of A\$120.9M (1Q21: A\$121.4M) generated a margin of 51% for the Quarter and 52% for the year to date.

Net profit after tax (NPAT) for the Quarter was A\$8.8M (1Q21: A\$45.4M). The lower QoQ result is primarily due to foreign exchange losses on USD balances held at Quarter end for the purposes of protecting the AUD equivalent of the Lithium Transaction USD purchase price. This and other variances are further explained below:

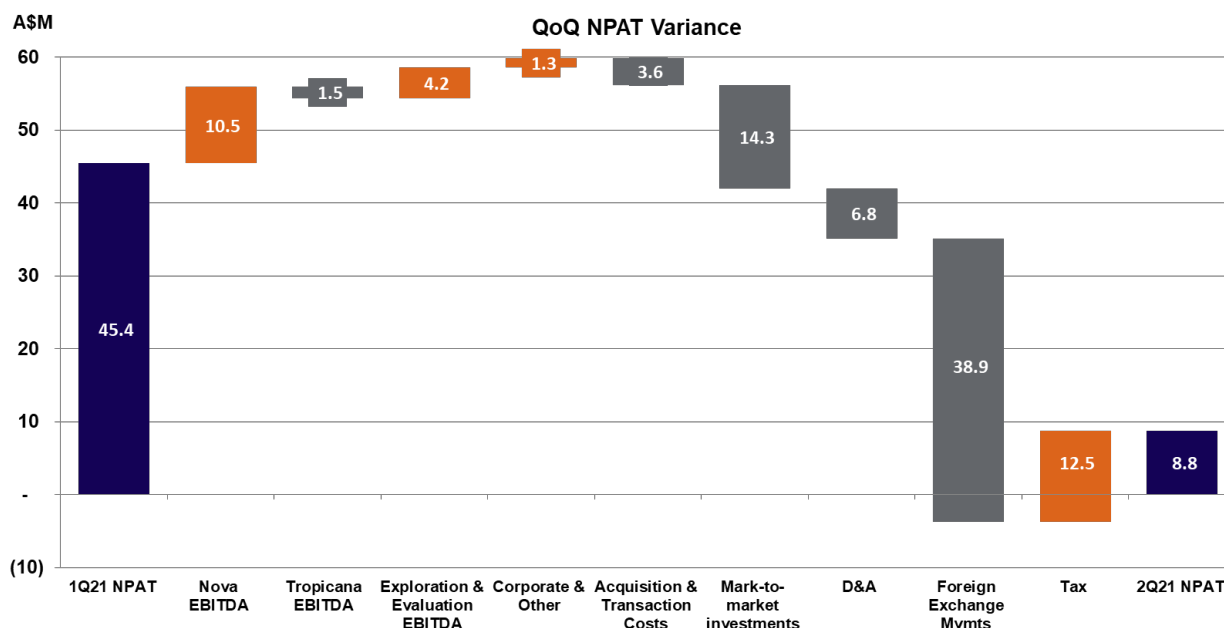
1. A\$38.9M in foreign exchange losses have been recorded during the Quarter arising from currency protection measures implemented as a result of the USD consideration currency for the Lithium Transaction. IGO's FX strategy upon execution of the binding Lithium Transaction agreement is to broadly lock in the prevailing AUD:USD (within 10 business days of announcement), for a portion of the USD purchase price. This has been achieved through a combination of:
 - (a) conversion of equity proceeds from the placement, ANREO and underwritten retail component into USD (US\$575M purchased at an average AUD:USD of 0.752), and
 - (b) the entering into of zero-cost collar options with lenders under the debt facility agreement with a face value of US\$500M (floor and cap of 0.736 and 0.7724 respectively).

The balance of purchase price totalling US\$325M is to be sourced from a combination of existing cash balances and future expected USD revenue generation.

As at 31 December 2020, the appreciation of the AUD relative to the USD has given rise to foreign exchange losses on these USD cash balances and hedge instruments.

2. the prior quarter benefited from A\$14.3M in positive mark to market revaluation of listed investments, whereas there was negligible net movement in the current Quarter, and
3. A\$6.8M higher QoQ depreciation and amortisation charges due to higher Tropicana underground mine development amortisation and higher QoQ Nova ore mining and hence reserve depletion.

NPAT also included Lithium Transaction expenses of A\$3.6M. The after tax impact of these and the A\$38.9M of foreign exchange losses on NPAT for the Quarter totalled \$29.8M.

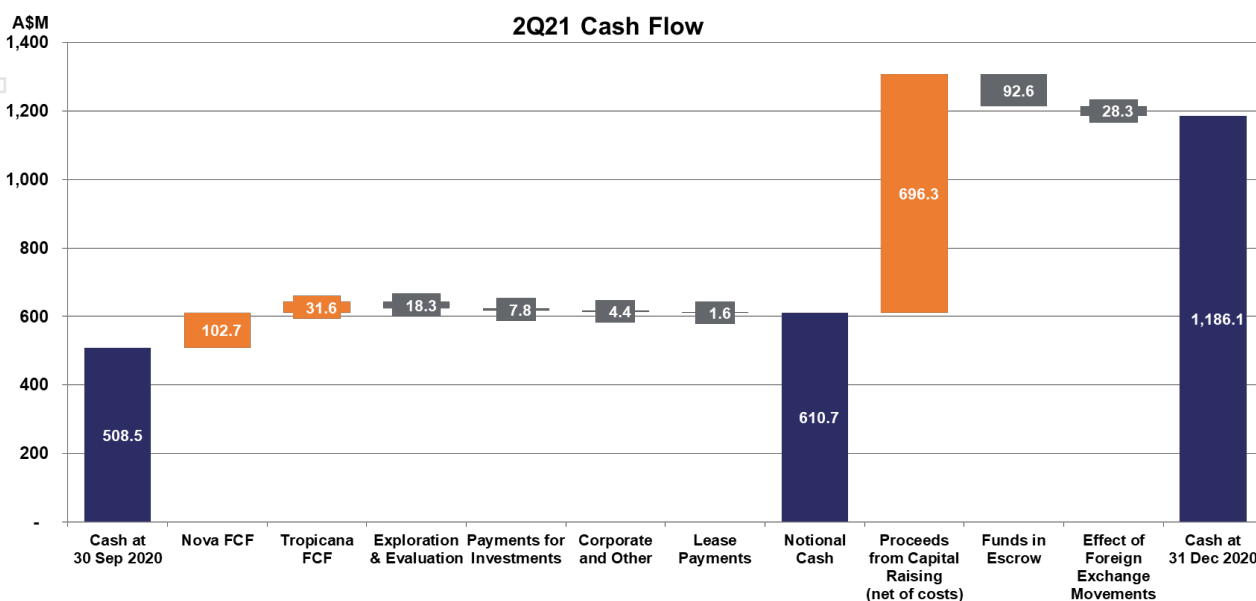


Total cash from operating activities increased to A\$132.0M for the Quarter (1Q21: A\$109.6M), primarily due to the increased revenue receipts at Nova and Tropicana during the Quarter.

Cash flow from investing activities included A\$14.6M for mine and infrastructure development (1Q21: A\$23.4M) and payments for investments and mineral interest relating to the Company's exploration joint ventures and strategic arrangements. In addition, cash flow from investing activities included payment of USD\$70M (A\$92.6M) in respect of the refundable deposit for the binding agreement to acquire 49% in Lithium Holdco.

Underlying free cash flow, which excludes payments/proceeds from sale of investments and mineral interests, and the Lithium Transaction deposit, was A\$112.7M for the Quarter (1Q21: A\$84.5M).

Cash flows from financing activities include 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. The retail component of entitlement offer, net of costs, raised A\$53.4M, and was received after allocation of new IGO shares on 22 January 2021.



Total cash at Quarter end was A\$1,186.1M (1Q21: A\$508.5M), with no debt drawn on the Facility.

Notionally adjusting for the Lithium Transaction cash receipts and payments, demonstrates an otherwise underlying cash balance at Quarter end of A\$610.7M.

Cash Flow	1Q21 (A\$M)	2Q21 (A\$M)
Cash at beginning of Quarter	510.3	508.5
Nova Operation Free Cash Flow	91.1	102.7
Tropicana Operation Free Cash Flow	22.7	31.6
Exploration and Evaluation	(22.0)	(18.3)
Payments for Other Investments/Mineral Interests	(17.8)	(7.8)
Corporate and Other Cash Flows	(7.4)	(3.5)
Acquisition and Transaction Costs	(0.6)	(0.7)
Proceeds from Sale of Investments & Other Assets	26.9	-
Net Finance/Borrowing Costs	0.1	(0.2)
Lease Principal Repayments	(1.6)	(1.6)
Repayment of Debt	(57.1)	-
Dividends Paid	(29.5)	-
Purchase of EIP Shares	(5.8)	-
Proceeds from Capital Raising (net of costs)	-	696.3
Payment of Deposit (Funds in Escrow)	-	(92.6)
Effect of Foreign Exchange Movements	(0.9)	(28.3)
Cash at end of Quarter	508.5	1,186.1

Hedging

As at 31 December 2020, the Company had hedge positions comprising forward gold sales commitments and diesel swaps as summarised in the table below:

Hedging Summary	Units	FY21	FY22	TOTAL
Gold				
Par Forwards	oz	26,280	54,288	80,568
Price	A\$/oz	1,866	2,089	2,017
Diesel				
Swaps	L (000's)	15,954	21,511	37,465
Price	A\$/L	0.45	0.43	0.44

* Price per litre is for Singapore Gas Oil 10ppm Sulphur

In addition, the mark-to-market of zero cost collars entered into for the purposes of the Lithium Transaction was negative A\$8.9M at Quarter end.

Governance

During the Quarter, IGO was pleased to announce the appointment of Dr Xiaoping Yang and Mr Michael Nossal to its board as independent non-executive directors.

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. The expectation is that Michael will transition into the Chair role by mid-2021.

Further Information

Further information relating to the performance of the operations of IGO can be found in the Appendices of this report.

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>

In addition, the Company has uploaded onto its website a Supplementary Information Excel spreadsheet, under Financial Reports, outlining summaries in Appendices 1, 2 and 3.

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 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. IGO cautions against undue reliance on any forward-looking statement or guidance, particularly in light of the current economic climate and significant volatility, uncertainty and disruption, including that caused by the COVID-19 pandemic.

COMPETENT PERSON'S STATEMENTS

Any references to IGO Mineral Resource and Ore Reserve estimates should be read in conjunction with IGO's Annual Update of Exploration Results, Mineral Resources and Ore Reserves dated 30 January 2020 (Annual Statement) and lodged with the ASX for which Competent Person's consents were obtained, which is also available on the IGO website.

The information in this report that relates to Exploration Results is extracted from:

- Encounter Resources Limited ASX announcement dated 15 July 2014 titled "Additional High Grade Copper at BM1"; and
- Encounter Resources Limited: ASX announcement dated 28 October 2020 titled "Copper targets to be drill tested at Yeneena – Paterson Province".
- Prodigy Gold NL: ASX Announcement dated 18 January 2021 titled: "Lake Mackay JV: Bedrock Gold intersected at Goldbug Prospect"

- Antipa Minerals Limited: ASX Announcement dated 22 November 2019 titled: "Serrano Poblano Grey Follow Up Drilling Results"
- Antipa Minerals Limited: ASX Announcement dated 18 October 2019 titled: "Gold and Zones of Copper-Gold Mineralisation Identified"

for which Competent Person's consents were obtained.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX announcements released on 15 July 2014, 18 October 2019, 22 November 2019, 30 January 2020, 28 October 2020 and 18 January 2021 and, (i) in the case of estimates or Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the original ASX announcement continue to apply and have not materially changed, (ii) the Competent Person's consents remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent, and (iii) the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX announcement.

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:

Richard Glass
Investor Relations and Communications Manager
T: +61 8 9238 8300
E: investor.relations@igo.com.au

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

APPENDICES

Financial Summary

Appendix 1

Table 1: Financial Summary

FINANCIAL SUMMARY	1Q21 (A\$M)	2Q21 (A\$M)	1H21 (A\$M)
Financials			
Revenue and Other Income	226.6	235.9	462.5
Underlying EBITDA	121.4	120.9	242.3
Profit After Tax	45.4	8.8	54.2
Net Cash Flow from Operating Activities	109.6	132.0	241.7
<i>Cash Flows included in the above:</i>			
Net interest income (expense)	0.1	0.3	0.4
Exploration and evaluation expenditure	(21.8)	(16.6)	(38.4)
Acquisition and transaction costs	(0.6)	(0.7)	(1.2)
Net Cash Flow from Investing Activities	(16.5)	(120.3)	(136.8)
<i>Cash Flows included in the above:</i>			
Mine and infrastructure development	(23.4)	(14.6)	(38.0)
Proceeds from sale of investments	26.9	-	26.9
Proceeds from sale of property, plant and equipment	-	0.1	0.1
Payments for investments/mineral interests	(17.8)	(7.8)	(25.5)
Exploration expenditure capitalised	(0.6)	(1.1)	(1.7)
Plant and equipment	(1.7)	(4.4)	(6.1)
Payment of deposit (Funds in Escrow)	-	(92.6)	(92.6)
Underlying Free Cash Flow	84.5	112.7	197.3
Net Cash Flow from Financing Activities	(94.0)	694.2	600.2
<i>Cash Flows included in the above:</i>			
Repayment of borrowings	(57.1)	-	(57.1)
Borrowing costs	-	(0.5)	(0.5)
Dividends paid	(29.5)	-	(29.5)
Lease repayments	(1.6)	(1.6)	(3.2)
Purchase of Employee Incentive Plan shares	(5.8)	-	(5.8)
Proceeds from capital raising (net of costs)	-	696.3	696.3
Balance Sheet Items			
Total Assets	2,239.9	2,969.1	2,969.1
Cash	508.5	1,186.1	1,186.1
Marketable Securities	112.8	114.2	114.2
Total Debt	-	-	-
Total Liabilities	303.9	321.5	321.5
Shareholders' Equity	1,935.9	2,647.5	2,647.5

Table 2: Segment Summary for the December 2020 Quarter

FINANCIAL SUMMARY	1Q21 (A\$M)	2Q21 (A\$M)	1H21 (A\$M)
Nova			
Revenue and other income	153.6	158.6	312.2
Underlying EBITDA	92.0	102.5	194.6
Cash Flow from Operating Activities	93.5	105.0	198.5
Underlying Free Cash Flow	91.1	102.7	193.8
Tropicana			
Revenue and other income	72.3	76.5	148.8
Underlying EBITDA	42.5	41.0	83.5
Cash Flow from Operating Activities	45.1	47.9	93.0
Underlying Free Cash Flow	22.7	31.6	54.3
Exploration & Evaluation			
Underlying EBITDA	(19.9)	(15.7)	(35.6)
Cash Flow from Operating Activities	(21.2)	(17.2)	(38.4)
Underlying Free Cash Flow	(22.0)	(18.3)	(40.3)
Acquisition & Transaction Costs			
Cash Flow from Operating Activities	(0.6)	(0.7)	(1.2)
Corporate & Other			
Revenue and other income	0.7	0.8	1.5
Underlying EBITDA	6.8	(6.9)	(0.2)
Cash Flow from Operating Activities	(7.2)	(3.1)	(10.2)
Underlying Free Cash Flow	(7.3)	(3.2)	(10.5)

Nova Production Summary

Appendix 2

Table 3: Nova Production Summary for the December 2020 Quarter

Nova Operation	Notes	Units	2Q21	YTD FY21	2Q20
Production Details:					
Ore Mined	1	t	410,786	787,035	379,481
Ore Milled		t	407,826	801,952	358,085
Nickel Grade		%	1.96	2.04	2.42
Copper Grade		%	0.84	0.86	1.00
Cobalt grade		%	0.07	0.08	0.09
Concentrate Production					
Nickel concentrate		t	53,417	108,092	56,589
Copper concentrate		t	10,394	21,017	10,205
Nickel Recovery		%	88.0	87.5	86.8
Copper Recovery		%	89.8	89.6	86.7
Metal in Concentrate:					
Nickel		t	7,024	14,300	7,513
Copper		t	3,171	6,449	3,289
Cobalt		t	266	544	279
Metal Payable in Concentrate:					
Nickel	2	t	5,496	11,117	5,417
Copper		t	2,973	6,022	3,016
Cobalt		t	113	231	91
Metal Payable in Concentrates Sold:					
Nickel		t	5,221	10,571	5,400
Copper		t	2,453	5,539	2,983
Cobalt		t	114	229	91
Revenue/Expense Summary:					
Sales Revenue (incl. hedging TC's/ RC's)		A\$M	149.19	301.94	132.86
Cash Mining Costs		A\$M	(26.52)	(52.96)	(26.09)
Cash Processing Costs		A\$M	(12.57)	(25.98)	(13.58)
Other Site Costs		A\$M	(7.00)	(15.20)	(6.93)
Product inventory adjustments		A\$M	1.19	1.43	2.83
Trucking		A\$M	(1.85)	(3.90)	(2.21)
Shipping & Wharfage		A\$M	(1.35)	(4.01)	(2.26)
Royalties		A\$M	(6.52)	(13.50)	(5.96)
Exploration		A\$M	(2.18)	(4.68)	(5.72)
Mine Development		A\$M	(1.07)	(2.43)	(0.45)
Sustaining & Improvement Capex		A\$M	(1.26)	(2.30)	(1.96)
Leasing Costs		A\$M	(0.87)	(1.74)	(0.69)
Depreciation/Amortisation		A\$M	(45.12)	(86.35)	(38.30)
Notional Cost /lb Total Ni Metal Payable					
Mining Costs		A\$/lb	2.19	2.16	2.18
Processing Costs		A\$/lb	1.04	1.06	1.14
Other Cash Costs	3	A\$/lb	1.65	1.67	1.66
Copper, Cobalt credits		A\$/lb	(2.78)	(2.70)	(2.56)
Ni C1 Costs & Royalties					
Exploration, Development, P&E	4	A\$/lb	2.10	2.18	2.42
Depreciation/Amortisation		A\$/lb	3.72	3.52	3.21

Note 1: Total mined ore, from inside and outside of reserves.

Note 2: Payable metal is a function of recovery from concentrate, smelting and refinery, controlled by sales contracts.

Note 3: Other cash costs include, site administration, notional trucking, notional TCs & RCs, notional wharfage & shipping and notional royalty.

Note 4: C1 Costs include credits for copper and cobalt notionally priced at A\$4.41/lb and A\$18.77/lb for the Quarter respectively.

Tropicana Production Summary

Appendix 3

Table 4: Tropicana Production Summary for the December 2020 Quarter

TROPICANA JV OPERATION	Notes	Units	2Q21	YTD FY21	2Q20
Production Details: 100% JV Operation					
Waste mined		'000 t	18,520	38,373	17,689
Open Cut: Ore Mined (>0.4 and <0.6g/t Au)		'000 t	3	71	696
Open Cut: Ore Mined (>0.6g/t Au)		'000 t	774	1,851	4,439
Open Cut: Au Grade Mined (>0.6g/t Au)		g/t	2.16	1.96	1.56
Underground: Ore Mined	1	'000 t	247	384	
Underground: Au Grade Mined	1	g/t	3.13	3.20	
Ore Milled		'000 t	2,277	4,570	2,174
Au Grade Milled		g/t	1.69	1.64	2.12
Average metallurgical recovery		%	90.3	90.4	90.3
Gold recovered		oz	111,727	217,309	133,620
Gold-in-circuit adjustment		oz	323	1,801	313
Gold produced		oz	112,050	219,110	133,932
IGO 30% attributable share					
Gold refined & sold	2	oz	34,230	65,589	38,612
Revenue/Expense Summary: IGO 30% share					
Gold Sales Revenue		A\$M	76.14	148.11	76.69
Cash Mining Costs		A\$M	(13.27)	(21.84)	(20.38)
Cash Processing Costs		A\$M	(12.21)	(22.88)	(12.37)
Gold production inventory adjustments		A\$M	(2.71)	(7.19)	10.84
Gold sales inventory adjustments		A\$M	(0.63)	0.33	2.12
Other Cash Costs	3	A\$M	(4.43)	(9.38)	(4.40)
State government royalties		A\$M	(2.18)	(4.24)	(2.11)
Silver credits		A\$M	0.40	0.74	0.35
Exploration & feasibility costs (non-sustaining)		A\$M	(1.56)	(2.90)	(0.89)
Exploration & feasibility costs (sustaining)		A\$M	(0.33)	(0.72)	(0.05)
Sustaining Capital		A\$M	(2.90)	(3.93)	(4.00)
Improvement Capital		A\$M	0.00	0.00	0.00
Capitalised stripping asset		A\$M	(12.69)	(28.04)	(5.58)
Pre-production Underground Capital & Development		A\$M	(0.82)	(5.56)	(6.90)
Underground Development		A\$M	(0.45)	(0.96)	0.00
Leasing costs		A\$M	(0.45)	(0.90)	(0.42)
Rehabilitation – accretion & amortisation		A\$M	(0.75)	(1.46)	(0.61)
Depreciation/Amortisation		A\$M	(17.38)	(31.91)	(26.25)
Unit Cash Costs Summary: IGO 30% share					
Mining & Processing Costs		A\$/oz	758	680	815
Gold production inventory adjustments		A\$/oz	81	109	(270)
Other Cash Costs		A\$/oz	197	207	162
By-product credits		A\$/oz	(12)	(11)	(9)
Cash costs		A\$/oz	1,023	986	698
Unit AISC Summary: IGO 30% share					
Cash costs		A\$/oz	1,023	983	672
Sustaining Capital		A\$/oz	85	60	104
Capitalised sustaining stripping & other mine costs		A\$/oz	371	427	145
Underground mine development costs		\$/oz	13	15	0
Exploration & feasibility costs (sustaining)		A\$/oz	10	11	1
Rehabilitation – accretion & amortisation		A\$/oz	22	22	16
Leasing costs		A\$/oz	13	14	11
All-in Sustaining Costs	4	A\$/oz	1,537	1,532	948

Note 1: Underground physicals relate to the full year to date (1H21).

Note 2: Attributable share includes sales on a revenue basis, excludes gold-in-transit to refinery.

Note 3: Other cash costs include costs relating to site management, administration and support services, environmental & sustainability costs.

Note 4: The World Gold Council encourages gold mining companies to report an All-in Sustaining Costs metric. The publication was released via press release on 27 June 2013 and is available from the Council's website.