IGO LIMITED AND CONTROLLED ENTITIES
ABN 46 092 786 304
APPENDIX 4D – 1 JULY TO 31 DECEMBER 2019

30 January 2020

Key Information – Results for Announcement to the Market

This page and the accompanying 37 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 2019.

	$'000	% Increase over Previous Corresponding Period
Revenue from ordinary activities	474,346	135%
Profit from ordinary activities after tax attributable to members	100,084	44%
Net profit attributable to members	100,084	11,524%

The previous corresponding period is the half-year ended 31 December 2018.

Dividends	Amount per security (cents)	Franked amount per security (cents)
Half-Year ended 31 December 2019		
- Interim dividend	6.00	-
Financial year ended 30 June 2019		
- Interim dividend paid 1 March 2019	2.00	2.00
- Final dividend paid 26 September 2019	8.00	7.76
Total FY19 dividend	**10.00**	**9.76**
Record date of interim FY20 dividend	14 February 2020	
Payment date of interim FY20 dividend	28 February 2020	

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

The Group generated revenue and profit from ordinary activities during 1H20 of $474.3 million and $100.1 million respectively, an increase over the prior year predominantly due to higher production and payable metal from the Nova Operation, together with higher metal prices during the period. The key contributing factors are outlined below:

- Revenue generated by the Nova Operation for the half-year was $316.9 million, an increase of 47% over the prior period of $215.1 million, resulting in segment profit before tax of $123.8 million. The revenue was derived from sales of payable metal of 10,737 tonnes of nickel, 5,873 tonnes of copper and 180 tonnes of cobalt at average A$ realised prices of $22,790/t, $8,086/t and $45,816/t respectively.

  Cash costs (including royalties) were $2.51 per payable pound of nickel, slightly higher than the prior period of $2.34 per payable pound.

- The Tropicana Operation contributed $54.1 million in segment profit before tax, an increase of 27% over the 1H19 result of $42.5 million. This result was primarily due to a 13% increase in revenue during the half-year due to a higher A$ realised gold price of $1,980 per ounce, compared to $1,746 in the previous period.

  The Group's share of gold sold was 77,550 ounces and the Tropicana Operation achieved cash costs of $719 per ounce of gold produced and All-in Sustaining costs of $1,007 per ounce of gold sold. These compared to $658 per ounce and $934 per ounce respectively in 1H19.

The net tangible asset backing per ordinary share is $3.22 (2018: $3.02).

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.

INVESTOR AND MEDIA ENQUIRIES:

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

Jill Thomas
Communications Manager
T: +61 8 9238 8300
E: jill.thomas@igo.com.au

Name of Director or Secretary authorising lodgement:
Joanne McDonald
Company Secretary

STRONG FIRST HALF DRIVES HIGHER INTERIM DIVIDEND

1H20 Key Points

- **Revenue and other income increased 33% to A$475M**
- **Underlying EBITDA[1] increased 107% to A$271M**
- **Operating cash flows improved 51% to A$245M**
- **Underlying free cash flow[2] increased 84% to A$206M increasing net cash to A$396M**
- **Final FY19 dividend of A$0.08 per share (franked to 97%) paid**
- **An interim FY20 unfranked dividend of A$0.06 per share will be paid on 28 February 2020**
- **Nova delivered higher production relative to the prior half-year with production of 15,236t nickel, 6,779t copper and 561t cobalt at a cash cost of A$2.51/lb**
- **Tropicana performed better than guidance with gold production of 257,252oz at cash costs and All-in Sustaining Costs of A$719/oz and A$1,007/oz respectively**
- **New Nova offtake contracts finalised with materially improved nickel payability terms**
- **Ms Kathleen Bozanic was appointed as an independent non-executive Director**
- **Takeover bid for Panoramic Resources Limited allowed to lapse**
- **Growth strategies progressed with increased exploration commitment in FY20.**

Peter Bradford, IGO's Managing Director & CEO said: *"IGO is in great shape. Our operations are continuing to deliver results in line with, or better than, guidance. This combined with improved metal prices, has resulted in stronger financial performance. In particular, free cash flow, the life blood of any business, has been strong and has averaged A$93M per quarter over the past four quarters. This enables the Company to increase returns to shareholders, invest in exploration to drive long term growth, and strengthen the balance sheet to underpin near term growth.*

"We continue to assess inorganic growth opportunities aligned with our strategic focus on clean energy metals, particularly nickel and copper, that have the potential to deliver improved returns to our shareholders."

FINANCIAL AND OPERATIONAL SUMMARY

Group Financial Overview

Half-Year ended 31 December (A$M)	1H20	1H19	Inc/(dec)
Total Revenue and Other Income	**474.7**	356.4	33%
Underlying EBITDA[1]	**270.7**	130.5	107%
Net Profit After Tax	**100.1**	0.9	n/a
Net Cash Inflow from Operating Activities	**245.3**	163.0	51%
Cash Outflow from Investing Activities	**62.8**	54.3	16%
Cash Outflow from Financing Activities	**78.4**	40.4	94%
Interim Dividend – (A$/share)	**0.06**	0.02	200%

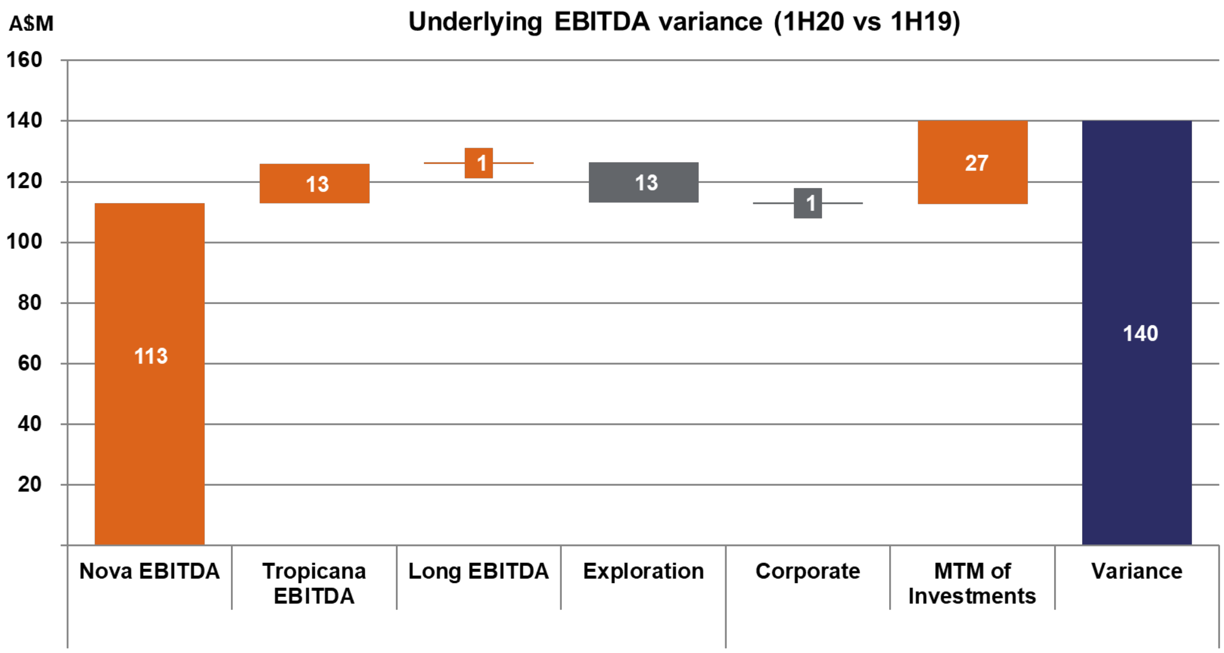
[1] Underlying EBITDA is a non-IFRS measure and comprises net profit or loss after tax, adjusted to exclude tax expense, finance costs, interest income, asset impairments, depreciation and amortisation and gain/(loss) on sale of subsidiary (1H19: A$0.4M loss).
[2] Underlying Free Cash Flow comprises Net Cash Flow from Operating Activities and Net Cash Flow from Investing Activities and excludes payments for investments and mineral interests in 1H20 of A$23.0M (1H19: A$2.7M).

	Dec 2019	June 2019	Inc/(dec)
Total Assets	**2,248.1**	2,190.3	3%
Cash	**452.8**	348.2	30%
Debt	**57.1**	85.7	(33%)
Total Liabilities	**344.0**	341.2	1%
Shareholders' Equity	**1,904.1**	1,849.1	3%
Net Tangible Assets ($ per share)	**3.22**	3.13	3%

Consolidated Group revenue and other income for 1H20 was A$475M, an increase of 33% over the comparative period result of A$356M. The increase was primarily due to increased production and sales at Nova, together with a 40% higher nickel price and 13% higher gold price during the period.

Underlying EBITDA also significantly improved over the prior period with key movements illustrated in the chart below. An A$113M increase in Nova underlying EBITDA was driven by 47% higher revenue from Nova, as a result of increased production and improved metals prices during the period. The higher gold price achieved in 1H20 contributed to higher Tropicana underlying EBITDA during the half-year.

Exploration and evaluation costs increased to A$38.6M as a result of the more drill intensive program during 1H20. This was offset by a favourable movement of A$18.5M in investments held at fair value (1H19: A$9.0M unfavourable movement).



Net profit for the period was A$100.1M, compared to a net profit of A$0.8M for the half-year ended 31 December 2018. The significantly improved result was due to the higher underlying EBITDA as explained above, offset by increased income tax expense.

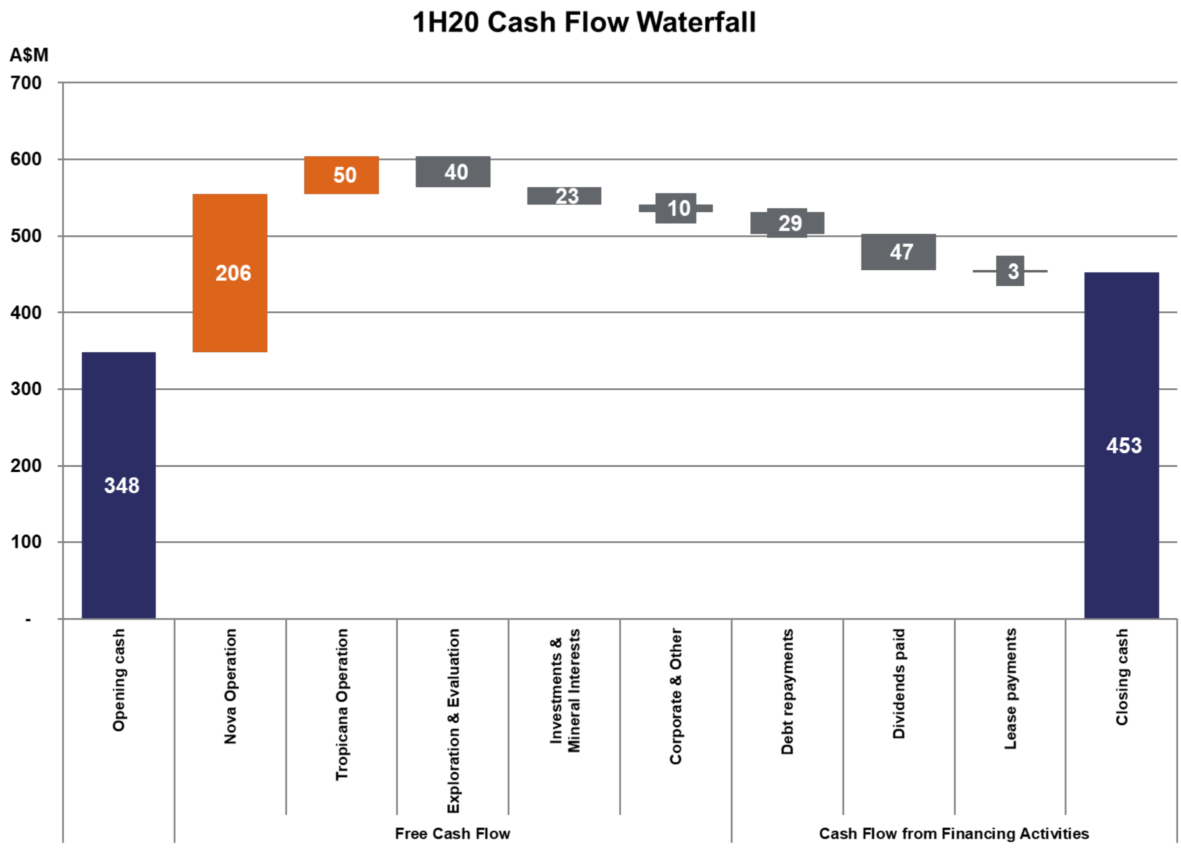
Cash and Debt

Cash and cash equivalents at 31 December 2019 totalled A$453M (30 June 2019: A$348M), a net increase of A$105M. The following points are noted:

- Net Cash Inflows from Operating Activities were A$245M (1H19: A$163M). The increase is due to higher sales revenues as a result of higher metals prices realised during the period. Partially offsetting this was 36% higher exploration and growth expenditure compared to 1H19.

- Net Cash Outflows from Investing Activities were A$63M (1H19: A$54M) and included development expenditure of A$29M which primarily related to the Boston Shaker underground mine development and capitalised waste stripping costs at Tropicana. Payments for listed investments during the period totalled A$23M, primarily relating to further investments in Legend Mining Limited and Panoramic Resources Limited.
- Net Cash Outflows from Financing Activities were A$78M (1H19: A$40M), an increase of A$38M, which was primarily due to the payment of a A$0.08 per share FY19 final dividend (1H19: FY18 final dividend A$0.02 per share). Financing Activities Outflows also included a scheduled semi-annual term debt repayment of A$29M and lease payments of A$3M.

The net cash position of the Group at 31 December 2019 was A$396M (30 June 2019: A$263M).



Segment Financial and Operating Summary

Nova [IGO 100%]

Metric	Units	1H20	1H19	Inc/(dec)
Segment Revenue	A$M	**316.9**	215.1	47%
Underlying EBITDA	A$M	**206.8**	94.0	120%
Profit before tax	A$M	**123.8**	9.5	1,201%
Free Cash Flow	A$M	**206.2**	88.4	133%
Nickel (contained metal)	t	**15,236**	14,428	6%
Copper (contained metal)	t	**6,779**	6,501	4%
Cash Cost (payable)	A$/lb Ni	**2.51**	2.34	7%

Revenue from the Nova Operation increased by 47% during the period to A$317M, compared to A$215M in the previous period. This was primarily due to higher production and payable metal, together with higher metals prices during the current period of A$22,790/t for nickel and A$8,086/t for copper, compared to A$16,271/t and A$8,576/t respectively in the prior period.

The Nova Operation produced 114,952t and 21,539t of nickel and copper concentrate respectively, with contained metal of 15,236t nickel and 6,779t copper. Payable metal sold for the period was 10,737t nickel, 5,873t copper and 180t cobalt. C1 cash costs (including royalties) were A$2.51 per payable pound, slightly higher than the previous period of $2.34 per payable pound.

Tropicana [IGO 30%]

Metric	Units	1H20	1H19	Inc/(dec)
Segment Revenue	A$M	**154.3**	136.4	13%
Underlying EBITDA	A$M	**98.2**	85.2	15%
Profit before tax	A$M	**54.1**	42.5	27%
Free Cash Flow	A$M	**49.8**	47.1	6%
Gold produced (100%)	oz	**257,252**	261,991	(2%)
Gold Sold (IGO's 30% share)	oz	**77,550**	78,122	(1%)
Cash Cost	A$/oz	**719**	658	9%
All-in Sustaining Costs	A$/oz	**1,007**	934	8%

Revenue from the Tropicana Operation for the half-year increased by 13% to A$154M, a result of a 13% increase in the average realised gold price to A$1,980 per ounce. Underlying EBITDA from the Tropicana Operation improved by 15%, due to the higher revenue, offset by 9% higher unit cash costs.

A total of 4.4Mt of ore was milled during the period at an average grade of 2.01g/t Au. The Group's share of gold production during the period was 77,176 ounces at an average metallurgical gold recovery of 89.9%. Cash costs of A$719 per ounce and All-in Sustaining Cost of A$1,007 per ounce were slightly higher than the prior period costs of A$658 per ounce and $934 per ounce respectively.

Corporate

On 4 November 2019, IGO announced its intention to make an off-market takeover offer (Offer) to acquire all of the ordinary shares of Panoramic Resources Limited (ASX:PAN) (Panoramic) that it did not already own. The Offer was subject to a number of potentially defeating conditions including, but not limited to: 50.1% minimum acceptances; no production downgrade from the underground ore body; and confirmation via a technical expert that the Panoramic "Updated Savannah Feasibility Study", as released on 27 October 2017, was materially accurate in various perspectives including operational capability, ability to produce stated metal in concentrate, and stated mine life. On 27 December 2019, after numerous breaches by Panoramic of the Offer conditions, IGO announced to the market its intention to not waive these breaches and, as a result, the Offer would lapse on 17 January 2020. The offer did lapse on this date.

During the period, IGO completed a highly competitive tendering process of its Nova concentrates. This was undertaken in parallel with a pre-feasibility study for Downstream Nickel Sulphate production. The Company determined that value for shareholders would be maximised by entering into new concentrate offtake agreements at materially improved terms. As a result, management determined that the study into Downstream Nickel Sulphate production in Australia would not proceed to a definitive feasibility stage. Some of the highlights of the new agreements include:

- Executed concentrate offtake agreements for a three-year term with Trafigura Pte Ltd for 50% of nickel concentrates and for 100% of copper concentrates. An executed offtake agreement was entered into with BHP for the remaining 50% of nickel concentrate for a period of five years.
- Both nickel contracts provide IGO with the ability, subject to agreed notification periods and conditions, to redirect the concentrate to enable IGO to take a participating interest in a future downstream processing facility aligned to the production of battery materials.

Following shareholder approval at the Company's 2019 Annual General Meeting (AGM) held on 20 November 2019, the change of company name (from Independence Group NL to IGO Limited), company type (from a no liability company to a company limited by shares) and company constitution (lodged with the ASX on 20 January 2020) became effective from 17 January 2020.

In October 2019, we announced the appointment of Ms Kathleen Bozanic to the Board of Directors. Kathleen is a highly regarded finance professional and experienced non-executive director, having operated in a number of non-executive Board roles, Chief Financial Officer/General Manager of listed and private mining and contracting companies and been a Partner of professional services firm, Deloitte. She brings an impressive range of skills and capabilities, including strong financial, accounting and commercial experience, strong strategic transformation and business planning skills, and a deep knowledge in the areas of compliance, governance, risk and financial management.

Kathleen's appointment is also consistent with our previously stated commitment, as a Company, to promote gender diversity across our business and the industry and female representation on the IGO Board now stands at 29%. Plans are in place to further increase female representation on the Board in 2020.

Following the completion of the AGM on 20 November 2019, Mr Geoff Clifford retired from the Board of Directors. We thank Geoff for his dedication and wise counsel, particularly in relation to accounting and financial matters during his time on the Board and wish him all the best in his retirement.

IGO also released its fifth annual Sustainability Report and also its second Tax Transparency Report, which was prepared under the recommendations of the Board of Taxation's Voluntary Tax Transparency Code.

Interim Dividend

An interim dividend of A$0.06 per share, unfranked, will be paid on 28 February 2020, with a record date of 14 February 2020.

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 CALL AND WEBCAST

An investor call and webcast has been scheduled for 8.00am Perth time, Thursday 30 January 2020. Dial-in details for the call and the webcast link can be found below.

Meeting title:	IGO Limited Conference Call
Date:	30 January 2020
Conference ID:	10003375
Dial-in Numbers:	
Australia Toll Free:	1 800 870 643 / 1 800 809 971
Australia Local Number:	+61 2 9007 3187

Belgium	0800 72 111	Norway	800 69 950
Canada	1855 8811 339	Philippines	1800 1110 1462
China Wide	4001 200 659	Singapore	800 101 2785
France	0800 913 848	South Korea	00 798 142 063 275
Germany	0800 182 7617	Sweden	020 791 959
Hong Kong	800 966 806	South Africa	800999976
India	0008 0010 08443	Switzerland	800820030
Indonesia	001 803 019 3275	Taiwan	008 0112 7397
Ireland	1800 948 625	Thailand	001800 156 206 3275
Italy	800 793 500	UAE	8000 3570 2705
Japan	0053 116 1281	United Kingdom	0800 051 8245
Malaysia	1800 816 294	United States	1855 8811 339
New Zealand	0800 453 055		

Webcast Details

To listen in live, please click on the link below and register your details:

https://webcasting.boardroom.media/broadcast/5df851fc45e7a4432ef84ddf

Please note it is best to log on at least 5 minutes before 11am AEST (8am WST) on Thursday morning, 30 January 2020 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 Manager
T: +61 8 9238 8300
E: investor.relations@igo.com.au

Jill Thomas
Communications Manager
T: +61 8 9238 8300
E: jill.thomas@igo.com.au

IGO Limited

(Formerly Independence Group NL)

ABN 46 092 786 304

Interim financial report
for the half-year ended 31 December 2019

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 2019.

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
Geoffrey Clifford**
Keith Spence
Neil Warburton

* Kathleen Bozanic was appointed as a Non-executive Director on 3 October 2019 and continues in office at the date of this report.

** Geoffrey Clifford was a Non-executive Director from the beginning of the financial year until his retirement on 20 November 2019.

Review of operations

A summary of consolidated revenues and results for the half-year (1H20 or period) and half-year comparative period (1H19 or 2018) by significant industry segment is set out below:

Consolidated entity	Segment revenues		Segment results	
	2019 $'000	2018 $'000	**2019 $'000**	2018 $'000
Nova Operation	**316,886**	215,077	**123,809**	9,515
Tropicana Operation	**154,338**	136,438	**54,126**	42,537
Long Operation	**-**	(1,209)	**-**	(1,167)
Growth	**-**	2	**(39,901)**	(28,762)
Unallocated revenue	**3,122**	2,324	**-**	-
	474,346	352,632	**138,034**	22,123
Unallocated revenue less unallocated expenses			**5,649**	(20,941)
Profit before income tax			**143,683**	1,182
Income tax expense			**(43,599)**	(321)
Profit after income tax			**100,084**	861
Net profit attributable to members of IGO Limited			**100,084**	861

Consolidated Group revenue for the period was $474.3 million, an increase of 35% on the comparative period of $352.6 million. This was a result of higher production and payable metal from the Nova Operation, together with higher metal prices during the period. Consequently, earnings before interest, tax, depreciation and amortisation (EBITDA) from Nova was $206.8 million or 120% higher than in 1H19. EBITDA margin from Nova increased from 44% to 65% and net operating profit before tax increased from $9.5 million to $123.8 million.

EBITDA from Tropicana also improved from $85.1 million to $98.2 million as a result of a 13% improved realised gold price, partially offset by a small 1% reduction in gold sales. Net operating profit before tax increased from $42.5 million to $54.1 million.

Review of operations (continued)

Group profit attributable to members for the period was $100.1 million, compared to a net profit of $0.8 million for 1H19. This large increase is due primarily to the strong results from Operations as described above. In addition, the result also included $18.5 million in positive mark-to-market revaluation of listed investments (1H19: negative $8.9 million). Expenses in the Growth segment (exploration, business development and project evaluation) were $11.1 million higher in 1H20.

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

Nova Operation

Underground development advance was 1,737m for the period, lower than the comparative period as the progress on the Nova-Bollinger ore body mine development nears completion. A total of 791kt of ore was mined at an average grade of 2.32% nickel and 0.97% copper, which is higher than the comparative period due to greater availability of higher-grade stopes.

The Nova process plant milled 751kt of ore at an average nickel grade of 2.34% for the period. Metallurgical recoveries were consistent over the period, with nickel and copper recoveries at 86.8% and 86.9% respectively. Further work is being conducted to optimise recoveries in early 2020.

Concentrate production for the period was 114,952t and 21,539t of nickel and copper concentrate respectively, with contained metal of 15,236t of nickel and 6,779t of copper. Payable metal sold for the period was 10,737t of nickel, 5,873t of copper and 180t of cobalt, which generated revenue of $316.9 million for the half-year (2018: $215.1 million).

The segment result for the Nova Operation was a profit before tax of $123.8 million, compared to $9.5 million in the comparative period. This was driven by higher revenue following higher payable metal and higher realised metal prices. C1 cash costs (including royalties) were $2.51 per payable pound (2018: $2.34 per payable pound).

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

Nova Operation	31 December 2019	31 December 2018	Variance (%)
Ore mined (t)	790,736	773,167	2
Ore milled (t)	750,901	805,447	(7)
Nickel grade (%)	2.34	2.06	14
Copper grade (%)	0.98	0.88	11
Cobalt grade (%)	0.09	0.07	29
Contained nickel metal (t)	15,236	14,428	6
Contained copper metal (t)	6,779	6,501	4
Contained cobalt metal (t)	561	519	8
Payable nickel metal (t)	11,025	10,061	10
Payable copper metal (t)	6,228	5,896	6
Payable cobalt metal (t)	186	167	11
Nickel C1 cash costs & royalties (A$ per payable pound)	2.51	2.34	7
A$ nickel price (A$ per pound sold)	10.34	7.38	40
A$ copper price (A$ per pound sold)	3.67	3.89	(6)
A$ cobalt price (A$ per pound sold)	20.78	37.74	(45)

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 18.3M bank cubic metres, comprising of 9.9Mt of ore and 38.4Mt of waste, with an average grade mined above a > 0.6g/t cut off of 1.49g/t Au (2018: 1.67g/t).

The Boston Shaker Underground decline development is progressing in line with the feasibility study development rate, with a focus on progressing the decline to the base of the primary ventilation raisebore hole. In addition, raiseboring of the vent rise and escapeway are tracking on schedule.

A total of 4.4Mt of ore was milled during the period at an average grade of 2.01g/t Au. Average metallurgical recovery was 89.9%, to produce 257,252 ounces of gold on a 100% basis. The second ball mill, commissioned in late 2018, is fully operational and resulting in improved throughput and gold recovery for the Operation.

Gold sold (IGO share) was 77,550 ounces at an average realised price of $1,980 per ounce, generating sales revenue of $154.3 million (2018: $136.4 million) which was higher due to the higher realised gold price. Tropicana segment profit before tax of $54.1 million was higher following the higher revenue.

Cash costs, which comprise the costs of producing gold at the mine site and include credit adjustments for waste stripping costs and inventory build and draw costs, were $719 per ounce. All-in Sustaining Costs (AISC) per ounce sold, which include cash costs, capitalised deferred waste stripping costs, sustaining exploration costs, sustaining capital and non-cash rehabilitation accretion costs, were $1,007 per ounce.

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

Tropicana Operation	31 December 2019	31 December 2018	Variance (%)
Gold ore mined (>0.6g/t Au) ('000t)	8,171	7,494	9
Gold ore mined (>0.4 and <0.6g/t Au) ('000t)	1,684	1,031	63
Waste mined ('000t)	38,388	35,406	8
Gold grade mined (>0.6g/t Au) (g/t)	1.49	1.67	(11)
Ore milled ('000t)	4,425	3,953	12
Gold grade milled (g/t)	2.01	2.31	(13)
Metallurgical recovery (%)	89.9	89.1	1
Gold produced (ounces)	257,252	261,991	(2)
Gold refined and sold (IGO 30% share) (ounces)	77,550	78,122	(1)
Cash costs (A$ per ounce produced)	719	658	9
All-in Sustaining Costs (AISC) (A$ per ounce sold)*	1,007	934	8
Realised A$ gold price (A$ per ounce sold)	1,980	1,746	13

*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 comprising 577km^2 continued to test new and historical geological, geophysical and geochemical targets. During the period, additional diamond drill rigs were mobilised to site bringing the total to three surface rigs and two underground rigs. The additional rigs were used to test a range of targets including 3D seismic features interpreted to be mafic-ultramafic (M-UM) intrusions (the host geology targeted for Nova style mineralisation); and conductive features identified through Moving Loop Electromagnetic (MLEM) surveys up to 20km from the mining lease.

During the period, a total of 20 surface holes for 23,798m and 17 underground holes for 9,589m were completed. Nine M-UM intersections were successfully drilled outside the Nova M-UM intrusive and trace disseminated magmatic Ni-Cu sulphides were intersected in intrusions from the Kaon 1 and 2; Florida; Western Mafics; Big Dipper; and Elara prospects. Drilling at the Asteroid prospect intersected graphitic metasediments with pyrrhotite.

Aircore (AC) drilling on E28/2177 (west of Nova) was undertaken to map the bedrock geology and to follow-up geochemical anomalies identified from previous AC drilling programs. In total, 284 holes were drilled for 11,392m during October and November 2019. AC drilling successfully intersected numerous M-UM intrusions that contained elevated nickel and copper. Results from AC and diamond drilling on E28/2177 continue to support the prospectivity of the area southwest of Nova and follow up diamond and aircore drilling is planned for 2020.

In addition, the Company continued to screen the area around the Nova Operation for mineralisation using Low-Temperature SQUID MLEM surveys. Two new EM targets, Oregon and Washington, were identified during the period, with both targets proximal to M-UM intrusions intersected during earlier AC drilling. During the period, a 2D seismic survey southwest of Nova was completed by Curtin University staff and students. Results from this survey will improve geological knowledge of the area and may generate additional drill targets.

Tropicana

Drilling in the period was primarily at Havana (resource definition) and on regional brownfields exploration tenements. RC and diamond drilling at Havana were focused in the area of the future stage 4 and 6 cutbacks at 50m x 25m spacing to de-risk the resource and assess suitability to underground mining. Regional drilling consisted of RC drilling at Voodoo Child, Wild Thing and Electra; with RC and diamond drilling at New Zebra.

With regards to the regional exploration, encouraging results were returned from the Voodoo Child area which shows mineralisation present ~500m along strike from the existing Voodoo Child prospect. Strong gold was also intersected in RC drilling at New Zebra which confirms the presence of mineralisation in the NW corner of the prospect.

Greenfields Exploration

Fraser Range, Western Australia

The Fraser Range Project currently comprises 11,928km^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.

During this period, AC, RC and diamond drilling continued to identify new prospects and confirm that the systematic exploration method employed by the Company is working.

Review of operations (continued)

Growth (continued)

Five diamond drill holes (for 1,566m) targeting historical MLEM targets were completed on the newly acquired Classic Minerals Limited JV tenements. Drilling identified mafic intrusives with potential to host significant magmatic Ni-Cu mineralisation. Three holes tested extensions of the Mammoth Prospect; one hole intersected a narrow zone of semi-massive Ni-Cu sulphide mineralisation, whereas another hole intersected disseminated Ni-Cu sulphides. Downhole electromagnetics (DHEM) identified an off-hole conductor that will be tested during the 2020 field season.

In addition, three diamond holes were completed at the Hook and Pike prospects. At Hook 1, the hole targeted an EM plate and intersected graphitic gneiss coincident with the conductor, but, encouragingly, it also intersected mafic intrusions. At Hook 2, the hole was designed to test anomalous Cu-Zn geochemistry identified during the 2017 AC drilling program. This hole had to be abandoned before the planned target depth, but a subsequent DHEM survey confirmed the presence of an off-hole conductor near the target depth which remains to be tested.

Regional AC drilling continued during the period with 961 holes (for 46,795m) completed. Infill and step-out AC drilling around the Themis and Pion gold prospects located further anomalous Au within the paleochannel system. New M-UM intrusive complexes and exhalative rocks prospective for Ni sulphide and VMS mineralisation, respectively, were identified along the entire length of the Fraser Range Project and will require follow-up work in 2020.

RC drilling at the Libra and Aries prospects (four holes for 794m) targeted AC geochemical anomalies overlying weak conductors. A thick package of low-grade copper-zinc mineralisation within an exhalative horizon occurs at Libra and confirms the continuity of the VMS trend southwards from the Andromeda Cu-Zn Prospect, located 75km to the northeast.

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.

RC drilling during the period included completion of the program wide tenement drill program. From this, the Arcee prospect was identified, with follow-up drilling of six holes for a total of 848m drilled. This was in response to hole 19LMRC072 which returned 12m @ 3.5g/t Au from 112m in October 2019 (*Lake Mackay JV Update: New Gold Prospect Identified - PRX ASX Release 16 October 2019*).

At the Phreaker Prospect, an additional six shallow RC holes were completed. Cu and Au anomalism were intersected over 750m of strike extent, however subsequent DHEM has confirmed that the drilling was too shallow, with the more conductive parts of the system lying below the drill holes.

The inaugural soil sampling program in WA was completed covering areas with residual soils and shallow cover in tenement E80/5001. Additional infill sampling along strike of the Arcee gold prospect was also completed and this extended the soil anomaly to 3.2km of strike. A total of 820 soil samples were collected, with several gold and base metal anomalies identified that require infill sampling in the 2020 field season.

Positive preliminary bench-scale test work was completed on samples of cobalt-nickel-manganese enriched duricrust from the Grimlock Prospect. Atmospheric Pressure Leach testing was undertaken using SO_2 as the reductive leach agent. The first tests were completed on samples collected from surface, with additional surface samples collected at the Grimlock Prospect to be used for further metallurgical test work.

Raptor, Northern Territory

The Raptor Project, with a land area covering 16,979km^2, is targeting geology interpreted to be prospective for Nova-style Ni-Cu-Co mineralisation along the Willowra Gravity Ridge.

During the period, four additional tenement applications were submitted, providing IGO with fully contiguous tenure coverage over the interpreted prospective belt. An infill aeromagnetic/radiometric survey being flown by the NTGS was completed, with final data pending. A co-funded aeromagnetic survey, Raptor West, was postponed until the March 2020 quarter due to contractor commitments elsewhere.

Review of operations (continued)

Growth (continued)

Kimberley, Western Australia

The Kimberley Project is targeting Nova-style Ni-Cu-Co mineralisation in the King Leopold and Halls Creek Orogens. IGO holds tenure over 4,854km^2 in various Joint Ventures across the West Kimberley whereby IGO may earn up to 64% to 85% interest. IGO also holds 8,295km^2 of tenure in the East Kimberley.

During the period, a 100m line-spaced aeromagnetic and radiometric survey was flown covering 35,800 line-km in the West Kimberley. This survey is targeting the Marboo Formation and Ruins Intrusive Suite.

A Heritage Protection Agreement was ratified with the Warrwa Combined Native Title Claimant Group, which has allowed several prospective tenements to be granted subsequent to the end of the period. Meetings were also held with three Native Title Prescribed Body Corporates regarding other tenement applications.

Yeneena JV Option, Western Australia

The Yeneena Project is a collaboration between IGO and Encounter Resources Limited and comprises a land position covering more than 1,250km^2 in the highly prospective Paterson Province targeting copper-cobalt mineralisation.

The 2019 program included several new technologies, including a large-scale magneto-telluric (MT) survey (~100 line-km) to better define the Yeneena basin architecture and to further advance 3D targets, as follows:

- A line of MT was completed in the southwest of the project crossing the BM1 Prospect, a zone of near surface copper oxide and cobalt mineralisation discovered by Encounter in 2010. The technique has identified multiple structural and electrical targets along the line and provided clarity around the geological architecture of the area. This technique has proved to be a cost-effective method of imaging lithological and structural features to depths of greater than 1km;

- A 3D audio-magnetotelluric (AMT) survey was completed over the Aria IOCG prospect. The exercise has identified a previously unknown conductivity anomaly interpreted to be associated with a breccia system. The anomaly is yet to be tested by drilling and is pending further work; and

- In addition to the MT and AMT surveys, new surface and drill hole geochemistry and multi-spectral techniques are being applied to samples across the project to identify new target areas of possible enhanced ore fluid flow and associated metal deposition.

A full integration and interpretation of the geophysical and geochemical data is expected to be completed in early 2020.

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.

The 2019 field season at Frontier was successfully completed in September 2019 and included 57 helicopter-supported geological mapping and geochemical sampling traverses over eight prospective geological settings. Geochemical assays have since been received for over 700 samples and these results are currently being assessed. A preliminary review by IGO has confirmed widespread copper sulphide (chalcocite-bornite) mineralisation across several key prospect areas. 3D geological modelling of these prospects and associated target definition is currently underway.

Review of operations (continued)

Corporate

On 4 November 2019, IGO announced its intention to make an off-market takeover offer (Offer) to acquire all of the ordinary shares of Panoramic Resources Limited (ASX:PAN) (Panoramic) that it did not already own. The Offer was subject to a number of potentially defeating conditions including, but not limited to, 50.1% minimum acceptances, no production downgrade from the underground ore body, and confirmation via a technical expert that the Panoramic 'Updated Savannah Feasibility Study', as released on 27 October 2017, was materially accurate in various perspectives including operational capability, ability to produce stated metal in concentrate, and stated mine life. On 27 December 2019, after numerous breaches by Panoramic of the Offer conditions, IGO announced to the market its intention to not waive these breaches and, as a result, the Offer would lapse on 17 January 2020. On this date, the offer did lapse.

During the period, IGO completed a highly competitive tendering process of its Nova concentrates. This was undertaken in parallel with a pre-feasibility study for Downstream Nickel Sulphate production. The Company determined that value for shareholders would be maximised by entering into new concentrate offtake agreements at materially improved terms. As a result, management determined that the study into Downstream Nickel Sulphate production would not proceed to feasibility stage. Some of the highlights of the new offtake agreements include:

- An executed concentrate offtake agreement for a three-year term with Trafigura Pte Ltd for 50% of nickel concentrates and 100% of copper concentrates. An executed offtake agreement was entered into with BHP for the remaining 50% of nickel concentrate for a period of five years.

- Both nickel contracts provide IGO with the ability, subject to agreed notification periods and conditions, to redirect the concentrate to enable IGO to take a participating interest in a future downstream processing facility aligned to the production of battery materials.

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

On 30 January 2020, the Company announced that an interim dividend would be paid on 28 February 2020. The dividend is 6 cents per share and will be unfranked.

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
29 January 2020

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF IGO LIMITED

As lead auditor for the review of IGO Limited for the half-year ended 31 December 2019, 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 to IGO Limited and the entities it controlled during the period.

Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth, 29 January 2020

	Notes	**31 December 2019 $'000**	31 December 2018 $'000
Revenue from continuing operations	2	**474,346**	352,632
Other income		**377**	3,759
Mining, development and processing costs		**(115,437)**	(130,927)
Employee benefits expense		**(31,293)**	(26,364)
Share-based payments expense		**(2,164)**	(1,538)
Fair value movement of financial investments		**18,508**	(8,949)
Depreciation and amortisation expense		**(127,749)**	(127,804)
Exploration and evaluation expense		**(38,557)**	(27,828)
Royalty expense		**(18,201)**	(13,365)
Ore tolling expense		**-**	(57)
Shipping and wharfage costs		**(9,345)**	(8,421)
Borrowing and finance costs		**(2,666)**	(3,649)
Other expenses		**(4,136)**	(6,307)
Profit before income tax		**143,683**	1,182
Income tax expense		**(43,599)**	(321)
Profit for the period		**100,084**	861
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		**(8)**	(2,011)
Exchange differences on translation of foreign operations		**17**	(111)
Other comprehensive income (loss) for the period, net of tax		**9**	(2,122)
Total comprehensive income (loss) for the period		**100,093**	(1,261)
Profit for the period attributable to members of IGO Limited		**100,084**	861
Total comprehensive income (loss) for the period attributable to the members of IGO Limited		**100,093**	(1,261)

	Cents	Cents
Earnings per share for profit attributable to the ordinary equity holders of the Company:		
Basic earnings per share	**16.94**	0.15
Diluted earnings per share	**16.87**	0.15

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

	Notes	**31 December 2019 $'000**	30 June 2019 $'000
ASSETS			
Current assets			
Cash and cash equivalents		**452,758**	348,208
Trade and other receivables		**30,269**	47,748
Inventories		**80,120**	70,274
Financial assets at fair value through profit or loss		**68,588**	27,531
Derivative financial instruments	8	**473**	484
Total current assets		**632,208**	494,245
Non-current assets			
Receivables		**15,258**	14,998
Inventories		**73,625**	52,594
Property, plant and equipment	4	**46,927**	41,622
Right-of-use assets	5	**38,380**	-
Mine properties	6	**1,220,052**	1,311,376
Exploration and evaluation expenditure	7	**93,914**	95,197
Deferred tax assets		**127,690**	180,237
Total non-current assets		**1,615,846**	1,696,024
TOTAL ASSETS		**2,248,054**	2,190,269
LIABILITIES			
Current liabilities			
Trade and other payables		**50,425**	49,902
Borrowings	9	**56,480**	56,226
Provisions		**6,285**	5,180
Lease liabilities	10	**6,720**	-
Total current liabilities		**119,910**	111,308
Non-current liabilities			
Borrowings	9	**-**	28,363
Deferred tax liabilities		**128,960**	137,912
Provisions		**63,003**	63,626
Lease liabilities	10	**32,128**	-
Total non-current liabilities		**224,091**	229,901
TOTAL LIABILITIES		**344,001**	341,209
NET ASSETS		**1,904,053**	1,849,060
EQUITY			
Contributed equity	11	**1,897,126**	1,895,855
Reserves	12(a)	**16,679**	15,777
Accumulated losses	12(b)	**(9,752)**	(62,572)
TOTAL EQUITY		**1,904,053**	1,849,060

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 2018	1,879,094	(115,038)	1,393	13,340	38	1,778,827
Profit for the period	-	861	-	-	-	861
Other comprehensive income						
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	(2,011)	-	-	(2,011)
Currency translation differences - current period	-	-	-	-	(111)	(111)
Total comprehensive income for the period	-	861	(2,011)	-	(111)	(1,261)
Transactions with owners in their capacity as owners:						
Dividends paid	-	(11,810)	-	-	-	(11,810)
Share-based payments expense	-	-	-	1,538	-	1,538
Issue of shares - Employee Incentive Plan	1,036	-	-	(1,036)	-	-
Shares issued on acquisition of Southern Hills Tenements	15,725	-	-	-	-	15,725
Balance at 31 December 2018	1,895,855	(125,987)	(618)	13,842	(73)	1,783,019

	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

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

	Notes	**31 December 2019 $'000**	31 December 2018 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**502,336**	393,464
Payments to suppliers and employees (inclusive of GST)		**(218,307)**	(211,467)
		284,029	181,997
Interest and other costs of finance paid		**(1,788)**	(2,750)
Interest received		**2,984**	1,596
Payments for exploration and evaluation		**(39,876)**	(29,375)
Receipts from other operating activities		**-**	11,506
Net cash inflow from operating activities		**245,349**	162,974
Cash flows from investing activities			
Payments for property, plant and equipment		**(10,098)**	(7,974)
Proceeds from sale of property, plant and equipment and other investments		**-**	3,268
Payments for purchase of listed investments		**(22,548)**	(6,890)
Payments for development expenditure		**(29,178)**	(45,596)
Payments for capitalised exploration and evaluation expenditure		**(976)**	(7,794)
Net proceeds on sale of Stockman Project		**-**	10,000
Net proceeds on sale of Jaguar Operation		**-**	704
Net cash (outflow) from investing activities		**(62,800)**	(54,282)
Cash flows from financing activities			
Repayment of borrowings		**(28,571)**	(28,571)
Payment of dividends	3	**(47,264)**	(11,810)
Repayment of finance lease liabilities		**(2,553)**	-
Net cash (outflow) from financing activities		**(78,388)**	(40,381)
Net increase in cash and cash equivalents		**104,161**	68,311
Cash and cash equivalents at the beginning of the period		**348,208**	138,688
Effects of exchange rate changes on cash and cash equivalents		**389**	1,074
Cash and cash equivalents at the end of the half-year		**452,758**	208,073

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 Long Operation was placed in care and maintenance in June 2018 and subsequently sold effective 31 May 2019.

The Nova Operation produces nickel and copper concentrates. Revenue is derived primarily from the sale of these concentrates containing nickel, copper and cobalt to different 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 may become reportable in a separate segment.

(b) Segment results

	Nova Operation $'000	Tropicana Operation $'000	Long 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**

1 Segment information (continued)

(b) Segment results (continued)

	Nova Operation $'000	Tropicana Operation $'000	Long Operation $'000	Growth $'000	Total $'000
Half-year ended 31 December 2018					
Nickel revenue	184,800	-	-	-	184,800
Gold revenue	-	136,020	-	-	136,020
Copper revenue	35,363	-	-	-	35,363
Silver revenue	331	418	-	-	749
Cobalt revenue	17,345	-	-	-	17,345
Shipping and insurance service revenue	2,328	-	-	-	2,328
Other revenue	(25,090)	-	(1,209)	2	(26,297)
Total segment revenue	215,077	136,438	(1,209)	2	350,308
Segment net operating profit (loss) before income tax	9,515	42,537	(1,167)	(28,762)	22,123
Total segment assets					
31 December 2019	1,220,387	338,175	-	94,169	1,652,731
30 June 2019	1,193,096	314,990	-	95,551	1,603,637
Total segment liabilities					
31 December 2019	92,940	55,049	-	393	148,382
30 June 2019	66,996	41,491	-	2,107	110,594

(c) Segment revenue

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

	31 December 2019 $'000	31 December 2018 $'000
Sales revenue	**471,224**	350,308
Interest revenue on corporate cash balances and other unallocated revenue	**3,122**	2,324
Total revenue	**474,346**	352,632

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 2019 $'000	31 December 2018 $'000
Segment net operating profit before income tax	**138,034**	22,123
Interest revenue on corporate cash balances and other unallocated revenue	**3,122**	2,324
Fair value movement of financial investments	**18,508**	(8,949)
Share-based payments expense	**(2,164)**	(1,538)
Depreciation expense on corporate assets	**(1,511)**	(570)
Corporate and other costs and unallocated other income	**(10,746)**	(8,830)
Borrowing and finance costs	**(1,560)**	(2,955)
Net gain on disposal of subsidiaries and other assets	**-**	(423)
Profit before income tax	**143,683**	1,182

(e) Segment assets

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

	31 December 2019 $'000	30 June 2019 $'000
Total segment assets	**1,652,731**	1,603,637
Unallocated assets:		
Deferred tax assets	**127,690**	180,237
Listed equity securities	**68,588**	27,531
Cash and receivables held by the parent entity	**391,177**	373,433
Office and general plant and equipment	**7,868**	5,431
Total assets as per the consolidated balance sheet	**2,248,054**	2,190,269

(f) Segment liabilities

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

	31 December 2019 $'000	30 June 2019 $'000
Total segment liabilities	**148,382**	110,594
Unallocated liabilities:		
Deferred tax liabilities	**128,960**	137,912
Creditors and accruals of the parent entity	**3,735**	4,634
Provision for employee entitlements of the parent entity	**4,361**	3,480
Bank loans	**56,480**	84,589
Corporate lease liabilities	**2,083**	-
Total liabilities as per the consolidated balance sheet	**344,001**	341,209

2 Revenue

	31 December 2019 $'000	31 December 2018 $'000
Sales revenue from contracts with customers		
Sale of goods revenue	**451,403**	374,276
Shipping and insurance service revenue	**2,572**	2,328
Sales revenue	**453,975**	376,604
Other revenue		
Interest revenue	**3,424**	2,545
Other revenue	**-**	13
Provisional pricing adjustments	**16,947**	(26,530)
Other revenue	**20,371**	(23,972)
Total revenue	**474,346**	352,632

3 Dividends

(a) Ordinary shares

	31 December 2019 $'000	31 December 2018 $'000
Final dividend for the year ended 30 June 2019 of 8 cents (2018: 2 cents) per fully paid share	**47,264**	11,810
Total dividends paid during the half-year	**47,264**	11,810

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

	31 December 2019 $'000	31 December 2018 $'000
In addition to the above dividends, since the period end the Directors have recommended the payment of an interim dividend of 6 cents (2018: 2 cents) per fully paid share. The aggregate amount of the proposed dividend expected to be paid on 28 February 2020, but not recognised as a liability at period end, is:	**35,448**	11,810

4 Property, plant and equipment

	31 December 2019 $'000	31 December 2018 $'000
Property, plant and equipment	**46,927**	38,155

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

	31 December 2019 $'000	31 December 2018 $'000
Property, plant and equipment		
Carrying amount at beginning of the period	**41,622**	35,417
Additions	**10,100**	7,990
Disposals	**-**	(648)
Depreciation expense	**(4,795)**	(4,604)
Carrying amount at end of the period	**46,927**	38,155

5 Right-of-use assets

	31 December 2019 $'000	**30 June 2019 $'000**
Land and buildings - right-of-use	**2,812**	**-**
Less: Accumulated depreciation	**(767)**	**-**
	2,045	**-**
Plant and equipment - right-of-use	**38,588**	**-**
Less: Accumulated depreciation	**(2,253)**	**-**
	36,335	**-**
	38,380	**-**

Additions to the right-of use assets during the half-year were $8,516,000 and depreciation expense totalled $3,020,000.

Right-of-use assets relate to the adoption of AASB 16 Leases on 1 July 2019. Refer to note 17(a)(i) for further information.

6 Mine properties

	31 December 2019 $'000	31 December 2018 $'000
Mine properties in development	**11,674**	-
Mine properties in production	**1,173,076**	1,322,383
Deferred stripping	**35,302**	55,565
	1,220,052	1,377,948

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 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 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**

	Mine properties in development $'000	Mine properties in production $'000	Deferred stripping $'000	Total $'000
Half-year ended 31 December 2018				
Carrying amount at beginning of the period	-	1,391,143	66,545	1,457,688
Additions	-	23,610	19,850	43,460
Amortisation expense	-	(92,370)	(30,830)	(123,200)
Carrying amount at end of the period	-	1,322,383	55,565	1,377,948

7 Exploration and evaluation expenditure

	31 December 2019 $'000	31 December 2018 $'000
Exploration and evaluation costs	**93,914**	94,012

7 Exploration and evaluation expenditure (continued)

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

	31 December 2019 $'000	31 December 2018 $'000
Carrying amount at beginning of the period	**95,197**	70,493
Additions	**976**	23,519
Transfers to mine properties in development	**(2,259)**	-
Carrying amount at end of the period	**93,914**	94,012

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 2019 $'000	30 June 2019 $'000
Current assets		
Diesel hedging contracts - cash flow hedges	**473**	484
	473	484

9 Borrowings

	31 December 2019 $'000	30 June 2019 $'000
Current		
Unsecured		
Bank loans	**56,480**	56,226
Total unsecured current borrowings	**56,480**	56,226
Non-Current		
Unsecured		
Bank loans	**-**	28,363
Total unsecured non-current borrowings	**-**	28,363

(i) Corporate loan facility

In July 2015, the Company entered into a syndicated facility agreement (Facility Agreement) with National Australia Bank Limited, Australia and New Zealand Banking Group Limited and Commonwealth Bank of Australia Limited for a $550,000,000 unsecured committed term finance facility comprising: a five year $350,000,000 amortising loan facility and a five year $200,000,000 revolving loan facility. Subsequent restructures, cancellations and repayments of the Facility Agreement have resulted in an outstanding balance of the amortising loan facility of $57,145,000 which expires in September 2020.

9 Borrowings (continued)

(i) Corporate loan facility (continued)

Transaction cost 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. The balance of unamortised transaction costs of $665,000 (30 June 2019: $1,127,000) is offset against the bank loans contractual liability of $57,145,000 (30 June 2019: $85,716,000). Total capitalised transaction costs relating to the Facility Agreement are $5,495,000 (30 June 2019: $5,495,000)

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 Lease liabilities

	31 December 2019 $'000	30 June 2019 $'000
Current		
Lease liabilities	**6,720**	-
Total current lease liabilities	**6,720**	-
Non-Current		
Lease liabilities	**32,128**	-
Total non-current lease liabilities	**32,128**	-

Lease liabilities relate to the adoption of AASB 16 Leases on 1 July 2019. Refer to note 17(a)(i) for further information.

11 Contributed equity

	31 December 2019 $'000	31 December 2018 $'000
Fully paid issued capital	**1,897,126**	1,895,855

(i) Movements in ordinary shares:

Details	**2019 Number of shares**	**2019 $'000**	**2018 Number of shares**	**2018 $'000**
Balance at 1 July	**590,477,819**	**1,895,855**	586,923,035	1,879,094
Issue of shares under the Employee Incentive Plan	**319,215**	**1,271**	459,376	1,036
Issue of shares on acquisition of Southern Hills Tenements	**-**	**-**	3,095,408	15,725
Balance 31 December	**590,797,034**	**1,897,126**	590,477,819	1,895,855

12 Reserves and accumulated losses

(a) Reserves

	31 December 2019 $'000	30 June 2019 $'000
Hedging reserve	**331**	339
Share-based payments reserve	**16,320**	15,427
Foreign currency translation reserve	**28**	11
	16,679	15,777

(b) Accumulated losses

	Notes	**31 December 2019 $'000**	31 December 2018 $'000
Balance at 1 July		**(62,572)**	(115,038)
Net profit for the period		**100,084**	861
Dividends paid during the period	3	**(47,264)**	(11,810)
Balance at 31 December		**(9,752)**	(125,987)

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 2019 and 30 June 2019 on a recurring basis:

	Level 1 $'000	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
At 31 December 2019				
Financial assets				
Financial assets at fair value through profit or loss				
Listed investments	**68,588**	**-**	**-**	**68,588**
Derivative instruments				
Diesel hedging contracts	**-**	**473**	**-**	**473**
	68,588	**473**	**-**	**69,061**

13 Fair value measurements of financial instruments (continued)

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
At 30 June 2019				
Financial assets				
Financial assets at fair value through profit or loss				
Listed investments	27,531	-	-	27,531
Derivative instruments				
Diesel hedging contracts	-	484	-	484
	27,531	484	-	28,015

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 has a number of financial instruments which are not measured at fair value in the balance sheet. These instruments had the following fair value at the reporting date.

	31 December 2019		30 June 2019	
	Carrying amount $'000	Fair value $'000	Carrying amount $'000	Fair value $'000
Current assets				
Cash and cash equivalents	**452,758**	**452,758**	348,208	348,208
	452,758	**452,758**	348,208	348,208
Current liabilities				
Lease liabilities	**6,720**	**7,841**	-	-
Bank loans	**56,480**	**57,145**	56,226	57,142
	63,200	**64,986**	56,226	57,142
Non-current liabilities				
Lease liabilities	**32,128**	**36,666**	-	-
Bank loans	**-**	**-**	28,363	28,574
	32,128	**36,666**	28,363	28,574

14 Contingencies

(a) Contingent liabilities

The Group had guarantees outstanding at 31 December 2019 totalling $1,188,000 (30 June 2019: $1,131,000) 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) Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	31 December 2019 $'000	30 June 2019 $'000
Mine properties in development	**16,942**	30,666
	16,942	30,666

(b) Lease commitments: right-of-use assets

(i) Finance leases

	31 December 2019 $'000	30 June 2019 $'000
Commitments in relation to finance leases are payable as follows:		
Within one year	**7,841**	-
Later than one year but not later than five years	**25,505**	-
Later than five years	**11,161**	-
Total minimum lease payments	**44,507**	-
Future finance charges	**(5,659)**	-
Total lease liabilities	**38,848**	-
Representing lease liabilities:		
Current	**6,720**	-
Non-current	**32,128**	-
Total lease liabilities	**38,848**	-

15 Commitments (continued)

(c) Gold delivery commitments

	Gold for physical delivery oz	Average contracted sales price A$/oz	Value of committed sales $'000
Within one year	**65,550**	**1,824**	**119,552**
Later than one but not later than five years	**80,568**	**2,017**	**162,472**
Total	**146,118**	**1,930**	**282,024**

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 30 January 2020, the Company announced that an interim dividend would be paid on 28 February 2020. The dividend is 6 cents per share and will be unfranked.

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 condensed consolidated interim financial report for the half-year reporting period ended 31 December 2019 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This condensed 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 2019 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, except as noted below.

(a) New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period resulting in a change to the Group's accounting policies and retrospective disclosure adjustments being made as a result of adopting AASB 16 *Leases.*

The impact of the adoption of the leasing standard and the new accounting policies are disclosed below. The other standards did not have any impact on the Group's accounting policies and did not require retrospective adjustments.

(i) AASB 16 Leases

This note explains the impact of the adoption of AASB 16 *Leases* on the Group's financial statements and discloses the new accounting policies that have been applied from 1 July 2019.

The Group has adopted AASB 16 using the modified retrospective approach from 1 July 2019, but has not restated comparatives for the 2019 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 July 2019.

17 Basis of preparation of half-year report (continued)

(a) New and amended standards adopted by the Group (continued)

(i) AASB 16 Leases (continued)

Adjustments recognised on adoption of AASB 16

On adoption of AASB 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of AASB 117 *Leases.* These liabilities were measured at the present value of the remaining lease payments, discounted using an arm's length asset finance facility borrowing rate as of 1 July 2019. The weighted average incremental borrowing rate applied to the lease liabilities on 1 July 2019 was 4.3%.

	2019 $'000
Operating lease commitments at 30 June 2019	**38,045**
Discounted using the lessee's incremental borrowing rate at the date of initial application	**32,884**
Lease liability recognised as at 1 July 2019	**32,884**
Represented by:	
Current lease liabilities	**4,979**
Non-current lease liabilities	**27,905**
	32,884

The associated right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 30 June 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

The recognised right-of-use assets relate to the following types of assets:

	31 December 2019 $'000	1 July 2019 $'000
Land and buildings	**2,045**	**2,812**
Plant and equipment	**36,335**	**30,072**
Total right-of-use assets	**38,380**	**32,884**

Practical expedients applied

In applying AASB 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 July 2019 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- the use of hindsight in determining the leases term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying AASB 117 and IFRIC 4 *Determining whether an Arrangement contains a Lease*.

17 Basis of preparation of half-year report (continued)

(a) New and amended standards adopted by the Group (continued)

(i) AASB 16 Leases (continued)

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

In the Directors' opinion:

(a) the interim financial statements and notes set out on pages 1 to 26 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 2019 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 Directors.

Peter Bradford
Managing Director

Perth, Western Australia
29 January 2020

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

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 2019, 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 then ended, and notes comprising a 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 half-year financial report of the Group is not in accordance with the Corporations Act 2001 including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2019 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.

Directors' responsibility for the Half-Year 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 is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, 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 2019 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. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.

BDO Audit (WA) Pty Ltd

BDO

Glyn O'Brien

Glyn O'Brien

Director

Perth, 29 January 2020