



IGO Limited 2022 AGM report

ASX code	IGO
Meeting date	17 November 2022
Type of meeting	Hybrid
Monitor	Derek Miller assisted by John Campbell
Pre AGM-meeting	With chair Michael Nossal

Meeting Statistics

Number of holdings represented by ASA	53
Number of shares represented by ASA	344,372
Value of shares represented by ASA	\$5.5m
Total number attending meeting	115 attendees
Market capitalisation	\$12.01 billion
ASA open proxies voted	on a poll

Both the chairman Michael Nossal and acting CEO Matt Dusci expressed their sadness at the recent passing of managing director Peter Bradford who had been inspirational in propelling IGO from an explorer to a top-50 miner in line with his intention to make it a globally relevant supplier of clean energy minerals. IGO had an outstanding year in terms of profits and the chair told shareholders that buoyant commodity prices had continued into the current financial year with projected increased production of both nickel and spodumene. There was reason to believe that lithium prices would remain elevated with global demand increasing with electrification of transport and the need for mains storage batteries. Nickel prices were subject to less certainty with Indonesian producers expected back in the market reducing prices from current levels until demand increases to balance that production post 2025.

Not surprisingly given its results, there were few questions from shareholders. We requested and received a short explanation of the complexities of refining spodumene to battery grade lithium hydroxide at the Kwinana refinery operated in joint venture with Chinese lithium producer Tianqi. It has taken a substantial period to achieve battery grade production with Train 1 at nameplate 24 ktpa because of these technical difficulties but the joint venture was continuing to ramp up to world-first continuous production rather than batch processing. It was intended to make a final investment decision soon on Train 2 to be operational in 2024 with an additional output of 24 ktpa. Expansion of mining and processing at the Greenbushes mine was providing approximately 20% increase in output of spodumene concentrate in the current financial year. The Tianqi joint venture's share of it was being processed at Kwinana in part and in part sold for overseas processing. We also asked if IGO had considered acquiring graphite resources and were told this was within their strategic remit. A global executive search for a new CEO was currently underway including internal candidates.

The surprise of the meeting came towards the end when the proxies for each of the resolutions were displayed. Whereas the remuneration report (which we voted against due to the 3-year appraisal period for the LTI) and the issue of short-term incentive rights to the estate of Peter Bradford passed with 97% and 99% in favour, the resolution to award Mr Bradford performance rights was defeated by 63% against votes. We understand that proxy advisors recommended against this resolution because Mr Bradford would not be in office for the appraisal period. We were also surprised that the shareholders approved a termination payout to the departed CEO of Western Areas, Dan Lougher, which we also voted against – this received 77% support. Other resolutions were carried.

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