

31 January 2024

Perenti continues to support IGO through the Cosmos transition into care and maintenance

Perenti Limited (ASX:PRN) (“the Company”) acknowledges the announcement from IGO (ASX: IGO) in relation to the Cosmos Nickel Project (Cosmos), which includes the decision to place the Odysseus Underground Nickel Mine into care and maintenance by 31 May 2024.

As announced on 8 September 2020, Barmenco was awarded a \$200 million, five-year contract to provide underground mining services for development and production works for the Odysseus underground mine within the Cosmos Nickel Project.

At Cosmos, Perenti, through Barmenco currently employs 179 people and has plant and equipment with a written down value of approximately \$25 million. Over the coming months Barmenco, working collaboratively with IGO, will implement strategies to transfer its workforce to other projects across its global portfolio. Barmenco operates a consistent fleet of underground mining equipment across its global operations and has expertise in managing the redeployment of equipment to offset scheduled stay in business and growth capital expenditure. This process will include the proactive management of capital deployment from today forward to ensure that scheduled capital expenditure across the portfolio is reduced to facilitate the redeployment of fleet from Cosmos in an efficient manner. Fleet redeployment, which commenced following the approximate \$17 million of plant and equipment recently released from the Savannah project, will deliver a significant reduction in capital expenditure in both FY24 and FY25.

The suspension of Cosmos will not have a material impact on FY24 revenue and earnings guidance and Perenti reaffirms that it expects to deliver FY24 revenue of between \$3.3 billion to \$3.4 billion and underlying EBIT(A) of \$310 million to \$325 million. Given the anticipated capital reduction we are also expecting leverage at 30 June 2024 to improve and be at the lower end, or better than our guidance range of 0.7x to 0.8x.

Mark Norwell, Managing Director & Chief Executive Officer of Perenti said, “Perenti is a globally diversified service provider, operating at nearly 60 operations across Australia, Africa, Europe and North America across several commodities. A key component of our 2025 strategy has been the strategic diversification of our businesses, our projects and our earnings to limit the impact that any one project may have on our overall performance. The value accretive acquisition of DDH1 is the latest example of our strategic diversification journey.

We look forward to releasing our half year results and business update in February 2024.”

Gabrielle Iwanow, President Contract Mining said, “Since December 2004, Barmenco has proudly provided underground contract mining services across IGO’s portfolio of nickel mines. Over these 20 years, we have continued to be impressed by their collaborative, innovative and adaptive leadership. We look forward to continuing to provide our services across IGO’s remaining portfolio of assets and will work together with the team at IGO as they transition the Cosmos Project into care and maintenance . We look forward to offering our services and support at Cosmos at an appropriate time in the future. In the meantime, we will work with our 179 highly skilled employees to identify transfer opportunities across our global portfolio of projects.”

Level 4, William Square,
45 Francis Street, Northbridge,
WA 6003 Australia

PO Box 8286
Perth WA 6849
Australia

T +61 8 9421 6500
E investorrelations@perentigroup.com

Authorised by:

Mark Norwell

Managing Director and CEO

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Investor enquiries:

Jeffrey Sansom
Head of Investor Relations
+61 473 089 856

Media enquiries:

Paul Ryan
Citadel-MAGNUS
+61 413 355 997

Level 4, William Square,
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