



Investor Update

Diggers & Dealers

August 2008

Chris Bonwick
Managing Director



FORWARD LOOKING STATEMENTS

Certain oral and written statements contained or incorporated by reference in this presentation, including information as to the future financial or operating performance of the Company and its projects, constitute forward-looking statements. All statement, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intend", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking statements.

Forward-looking statements include, among other things, statements regarding targets, estimates and assumptions in respect of nickel, gold or other metal production and prices, operating costs and results, capital expenditures, mineral reserves and mineral resources and anticipated grades and recovery rates. Forward-looking statements are necessarily based upon a number of estimates and assumptions related to future business, economic, market, political, social and other conditions that, while considered reasonable by the Company, are inherently subject to significant uncertainties and contingencies. Many known and unknown factors could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements. Such factors include, but are not limited to: competition; mineral prices; ability to meet additional funding requirements; exploration, development and operating risks; uninsured risks; uncertainties inherent in ore reserve and resource estimates; dependence on third party smelting facilities; environmental regulation and liability; currency risks; effects of inflation on results of operations; factors relating to title to properties; native title and aboriginal heritage issues; dependence on key personnel; and share price volatility and also include unanticipated and unusual events, many of which are beyond the Company's ability to control or predict.

The Company disclaims any intent or obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. All forward-looking statement made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and, accordingly, not to put undue reliance on such statements.



RESOURCE & RESERVE COMPETENT PERSON STATEMENT

Note: The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Christopher M Bonwick who is a full-time employee of the Company and is a member of the Australasian Institute of Mining and Metallurgy. Christopher Bonwick has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Christopher Bonwick consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



INDEPENDENCE OVERVIEW - CORPORATE

Capital Structure: 117M shares & 1.7M staff options
27 Institutions with >0.5M shares
Directors & staff – 7%
Daily turnover (6 month average) – 592,147

Substantial shareholders: JP Morgan - 9.8M shares (8.4%)
Barclays - 9.6M shares (8.2%)
Orion - 5.4M shares (4.6%)

Financials: NPAT: \$51.9M (unaudited)
EPS: \$0.44 / share (diluted)
Dividend: Dec 07 – 12c final, Apr 08 - 5c interim
Cash & Net Receivables: \$150.1M



INDEPENDENCE OVERVIEW - ASSETS

Long Nickel Mine 2007/8 Cash Costs: A\$4.12/lb Ni
2007/8 Production: 9,275t Ni
June 2007 Resources: 79,300t Ni @ 5.1% Ni
June 2007 Reserves: 39,600t Ni @ 3.6% Ni

Extending mine life

Tropicana JV Initial Open Cut Resource: 30% of 4.05M oz

Significant underground & regional potential

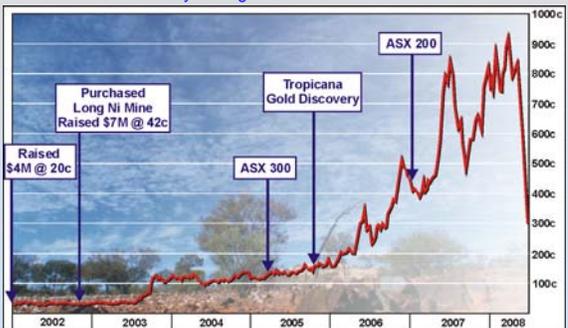
Regional Exploration 15 high quality Ni, Au and Cu-Pb-Zn exploration projects.

Unique exploration targeting & technology



IGO HISTORY AND SHARE PRICE

Monthly Average Share Price to 30.07.08



FINANCIALS

	2007/8
Total revenue	\$149M
Profit before tax (unaudited)	\$74M
Net profit after tax (unaudited)	\$52M
Cash & net receivables	\$150M
Diluted earnings per share	44c
Dividend payment per share	17c



INDEPENDENCE GROUP NL

LONG NICKEL MINE IGO'S CURRENT CASH PRODUCING ASSET

Purchase price = A\$15M IGO Profit to date = \$232.5M



1979-1999
WMC Production:
203,184t Ni

2002-2008
IGO Production:
46,516t Ni

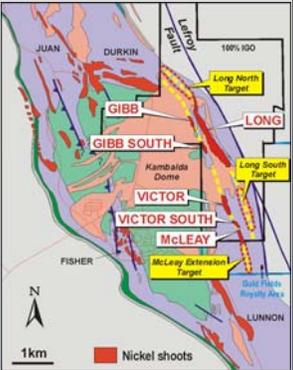
LONG NICKEL MINE (IGO 100%)

HISTORY:

- Starting Reserve = 26,800Ni t
- Production to Jun08 = 46,516Ni t
- June 2007 Resource = 79,300Ni t
- June 2007 Reserves = 39,600Ni t

GOALS:

- Sustainable 9,000t Ni pa in bottom 3rd of world-wide nickel production cash costs.
- New Reserves to increase mine life and possibly increase production rate.



LONG MINE PERSONNEL

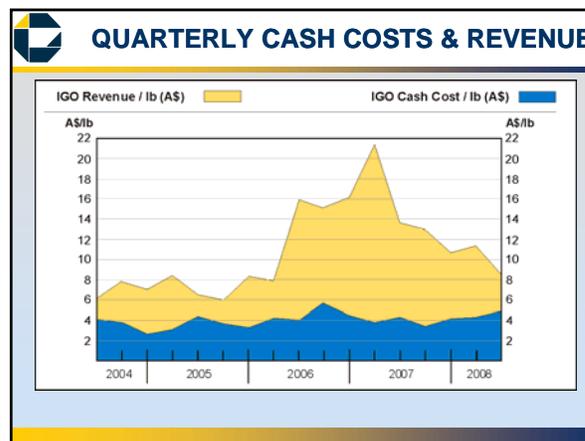
- Owner operator with 118 salaried employees & 40 full time contractors.
- Only 5 LTI's since commencement.
- Very experienced team.
- Productivity bonus.

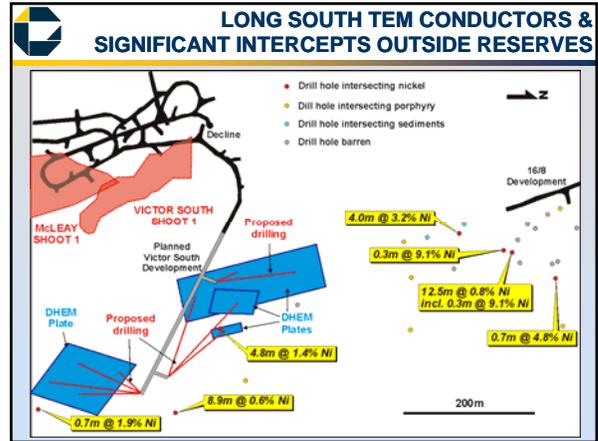
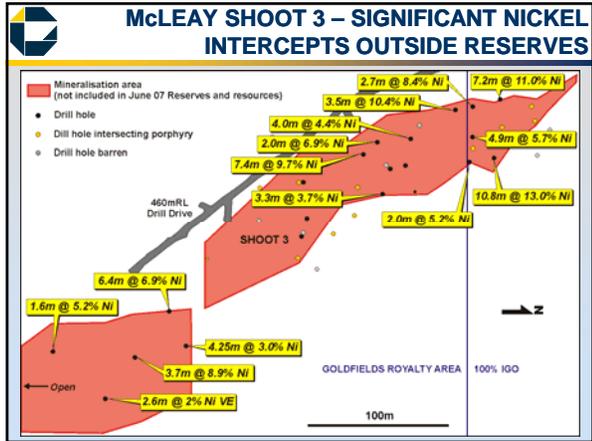
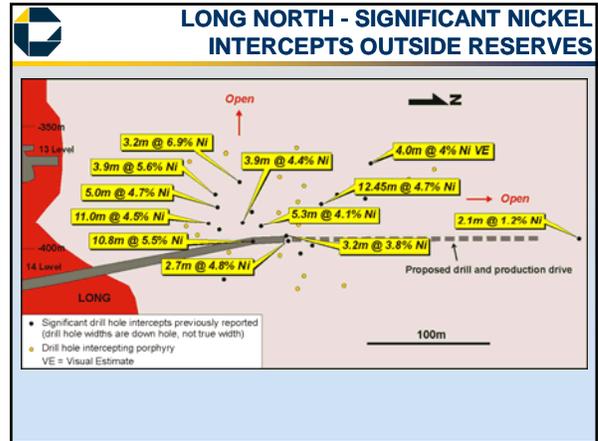
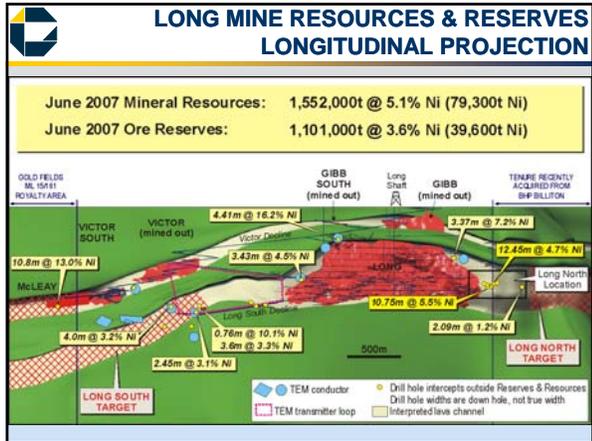


2007/8 PRODUCTION

	2007/8 Budget	2007/8 Actual
Production	8,800-9,000 Ni t	9,275 Ni t
Grade	3.8% Ni	3.6% Ni
Cash Costs (payable)	A\$4.50-4.65/lb Ni	A\$4.12/lb Ni

	2008/9 Budget
Production	8,400-8,800 Ni t
Grade	3.6% Ni
Cash Costs (payable)	A\$4.50-4.65/lb Ni





MINE GEOPHYSICS - TEM EQUIPMENT

High powered TEM transmitter

- 10 x more powerful than current systems.
- Doubles search radius detection up to 200m.
- Cleaner data.
- More accurate targeting.

Down hole TEM probe

- 100m search radius.
- 3D visualisation of massive NiS targets.

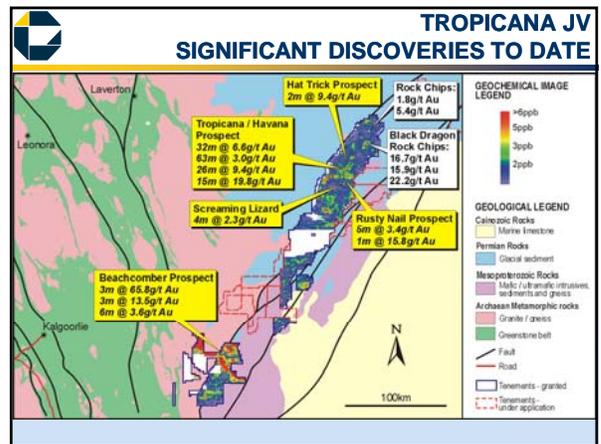
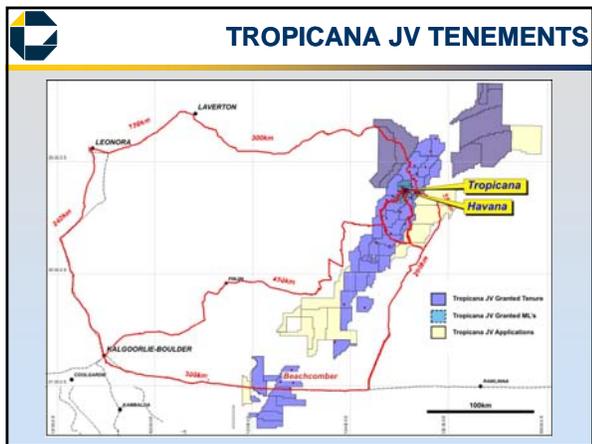
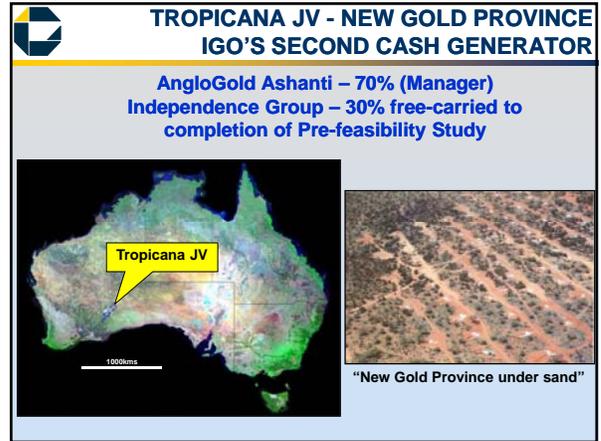
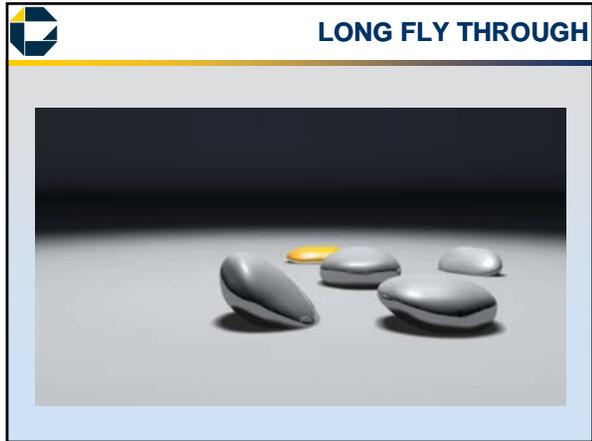
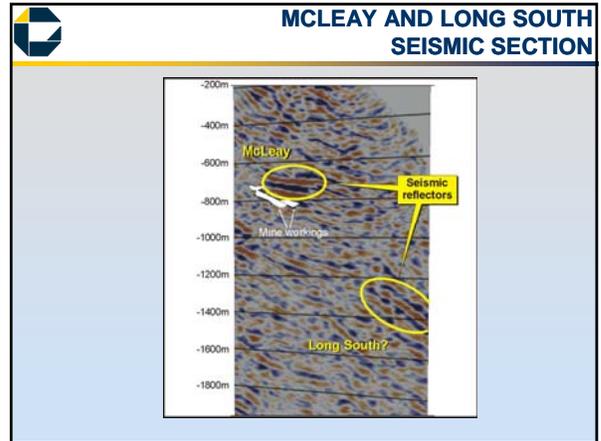
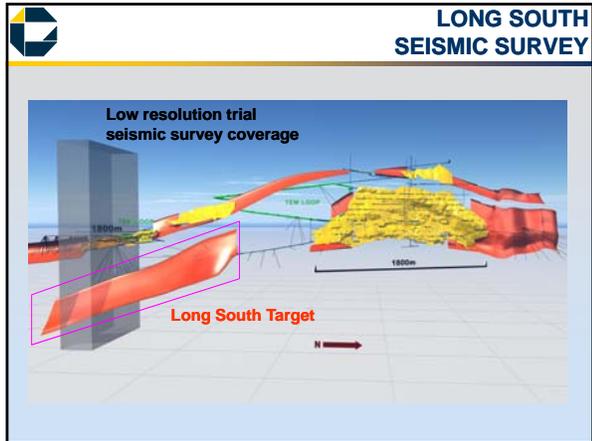
3 component underground TEM system

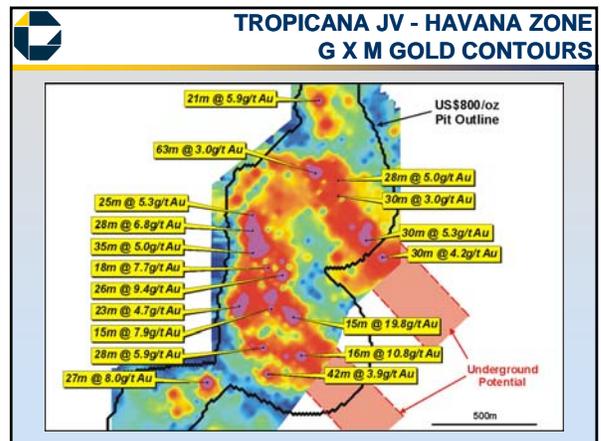
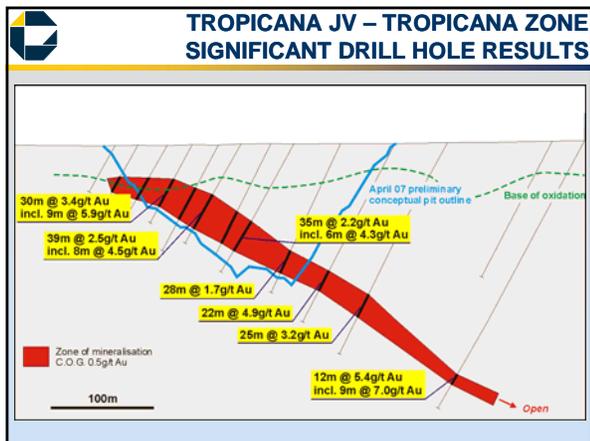
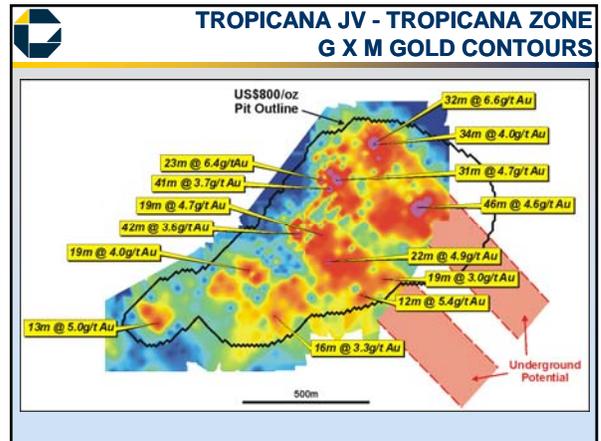
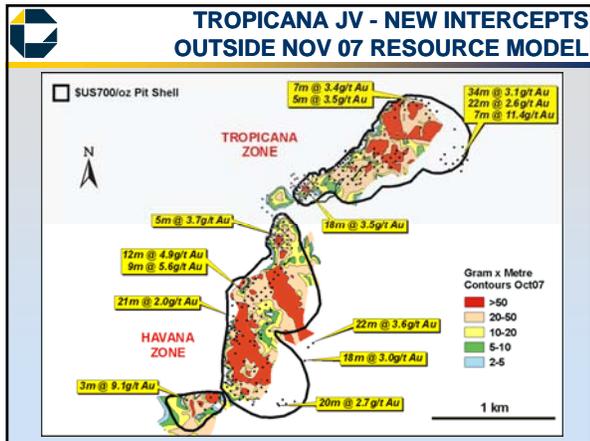
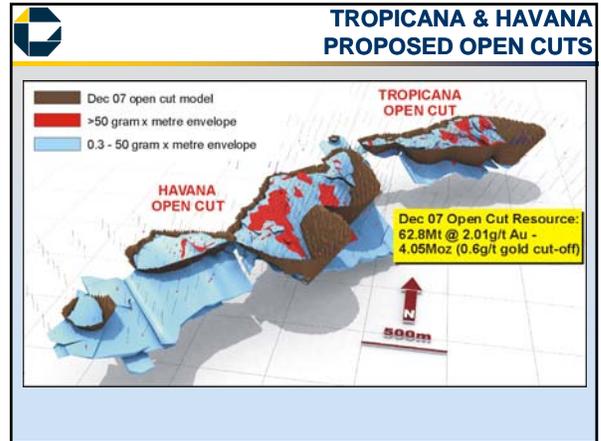
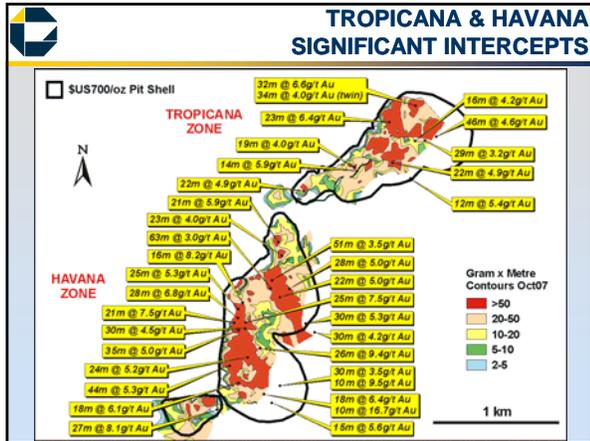
- Locates blind massive NiS remnants 10-50m from stopes.

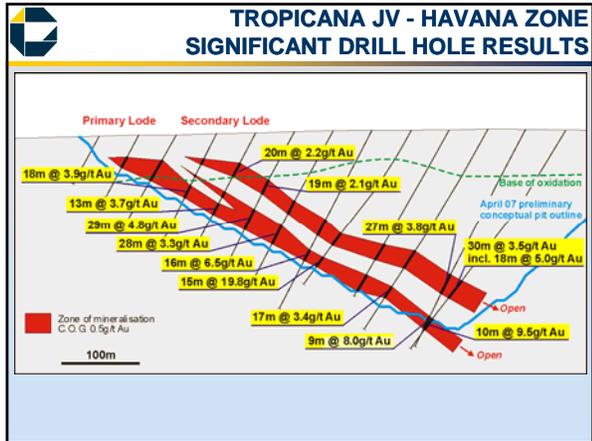
MINE GEOPHYSICS SEISMIC REFLECTION

SEISMIC REFLECTION

Diagram labels: HAMMER, PLATE, GEOPHONES, TO SEISMOGRAPH, SEDIMENT, BEDROCK, SEISMIC WAVE REFLECTION, GEO.

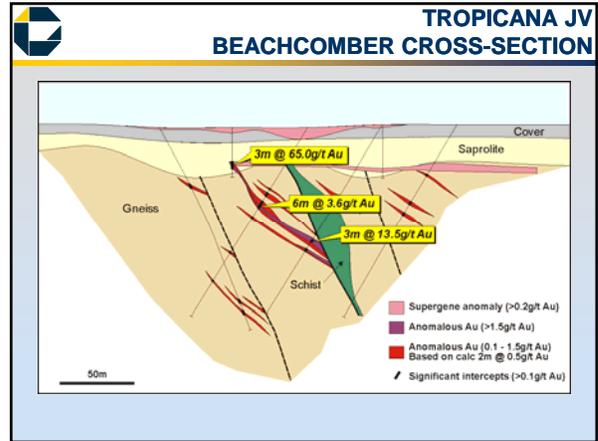






TROPICANA PRE-FEASIBILITY STATUS

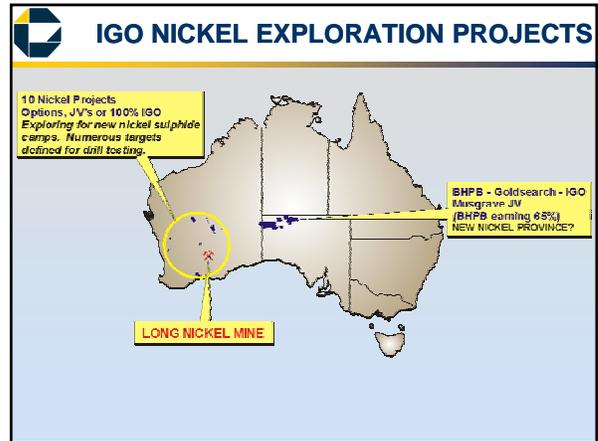
Open-cut Resource:	62.8M t @ 2.0g/t Au (4.05M oz Au) at Dec 07
Open-cut Size:	Target – 10 years @ +300,000oz/y
Drilling:	25m x 25m Reserves in-fill drilling and testing high-grade down plunge potential in progress
Pit Design:	2 main open cuts
Mill:	3.5 – 7.5Mt p/a
Metallurgy:	Free milling – 91% recovery
Water:	Large aquifer discovered
Flora & Fauna:	No major issues envisaged
Ethnographic:	No major issues envisaged
Tenure:	Mining leases granted



REGIONAL EXPLORATION STRATEGY

Discovering new, high profit mines by -

- Technical Innovation**
 - Geophysical tools to see "under cover"
 - New targeting techniques
 - Database licensing and evaluation
- Unlocking value in established and emerging belts**
 - Examples: Wiluna, Ravensthorpe, Duketon
- First mover advantage in "frontier" belts**
 - Establish major land position
 - Examples: Tropicana, Dalwallinu, Coomberdale, Storbodasund
- Strong in-house geophysical capability**
 - Industry leaders
 - Data integrity
 - Rapid evaluation
- Small, well resourced, highly motivated exploration team**



EXPLORATION GEOPHYSICS

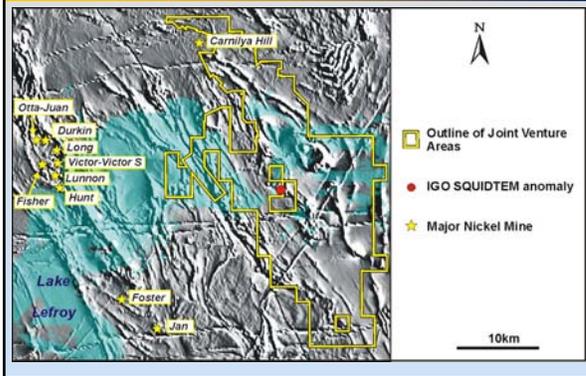


High powered TEM transmitter truck developed in conjunction with Curtin University

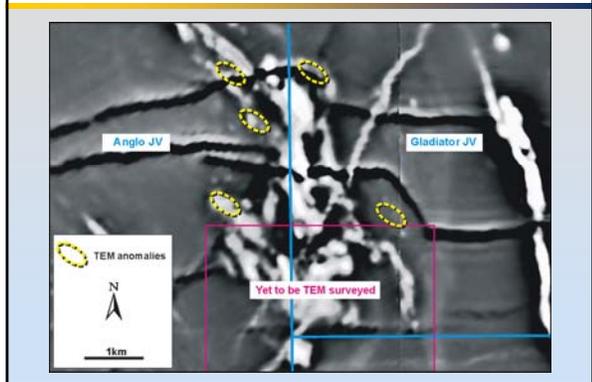


Squid TEM sensor
Photo courtesy of Anglo American

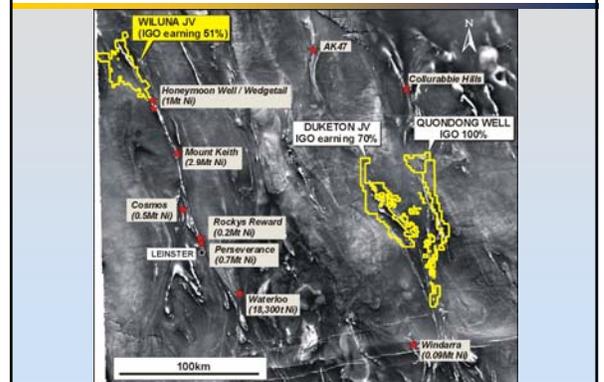
LAKE LEFROY JOINT VENTURES



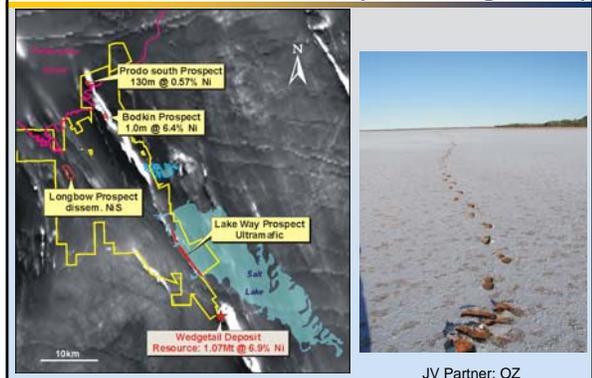
LAKE LEFROY JOINT VENTURES



NORTH-EASTERN GOLDFIELDS NICKEL PROJECTS

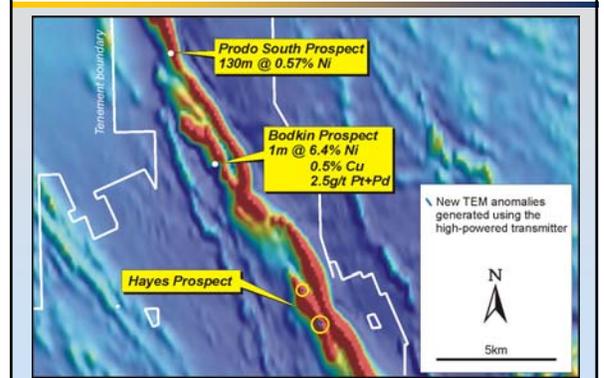


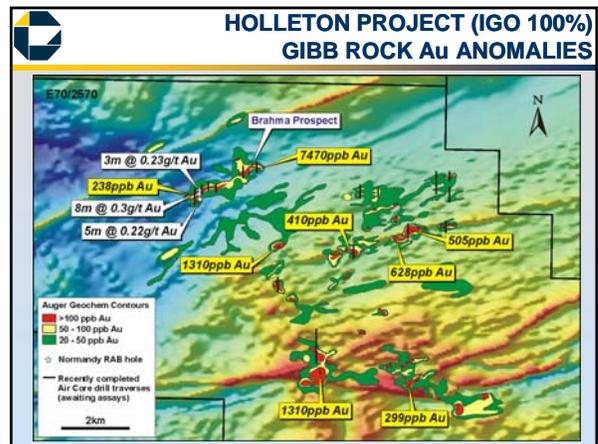
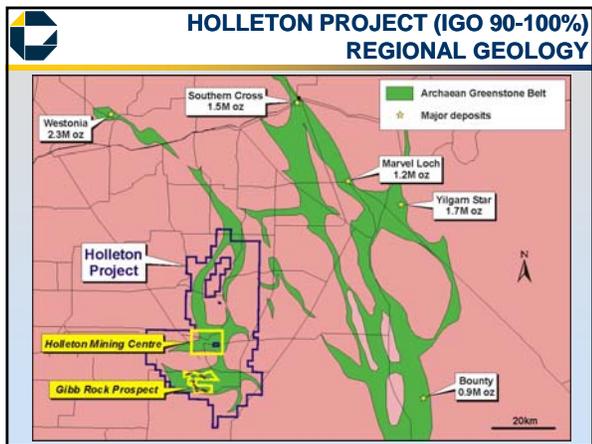
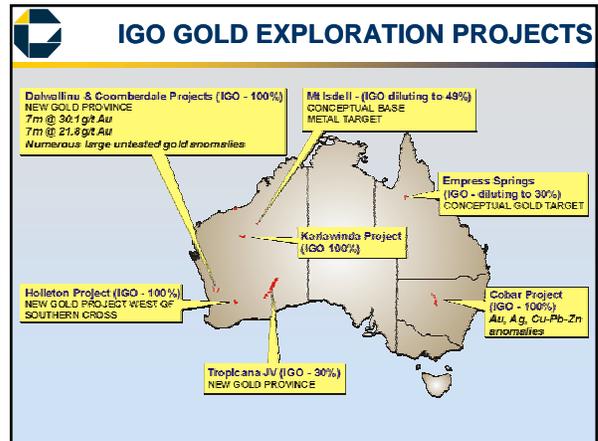
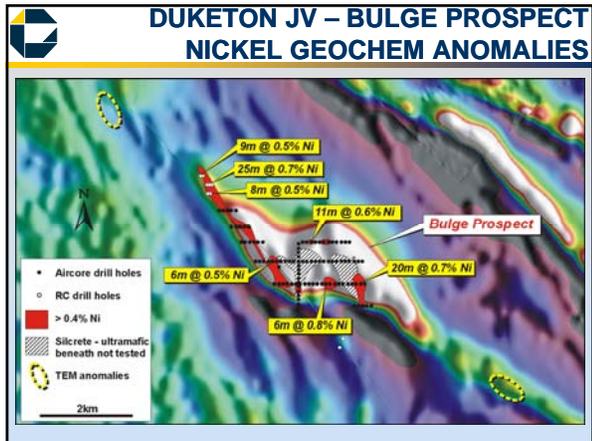
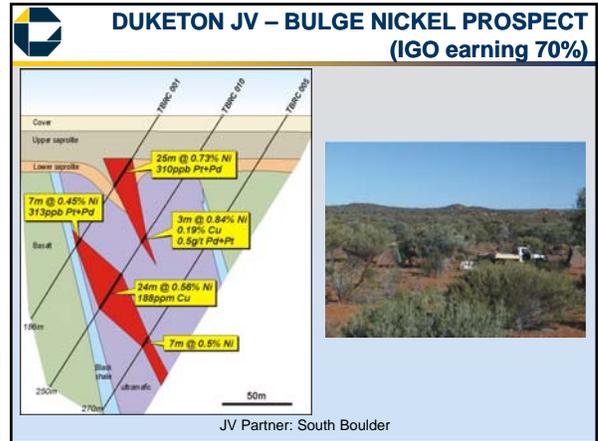
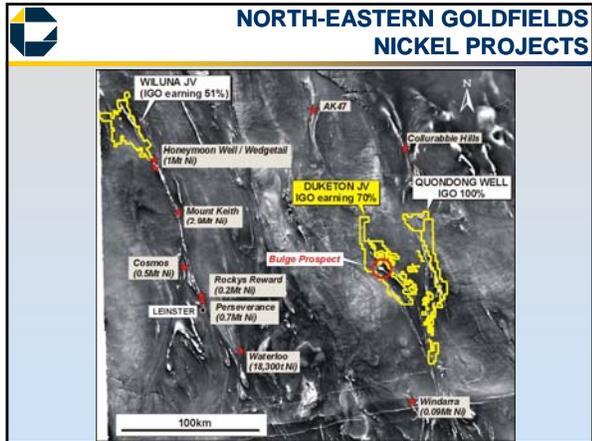
WILUNA JV (IGO earning 51-70%)

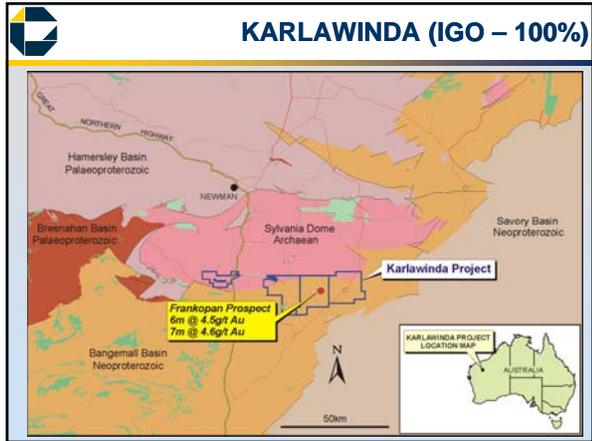
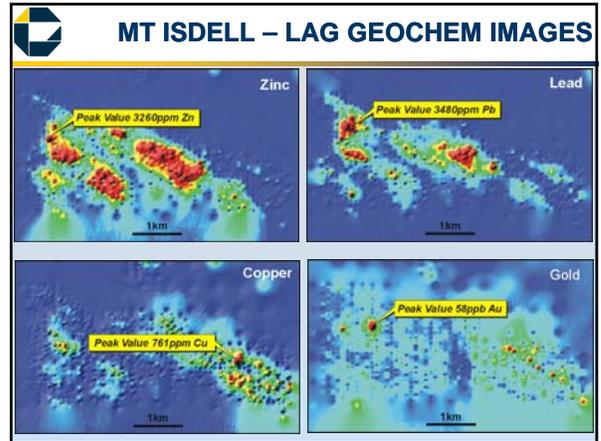
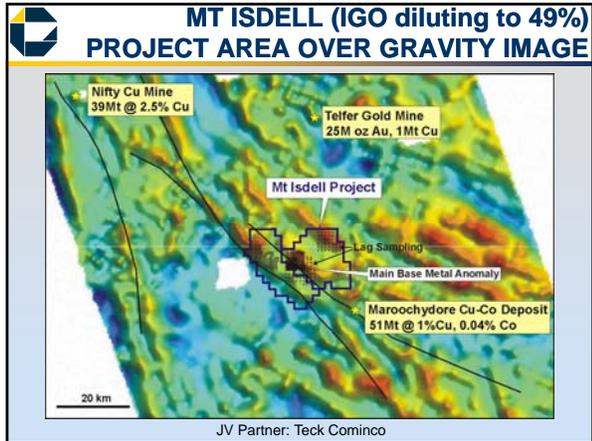


JV Partner: OZ

BODKIN REGIONAL TEM ANOMALIES







INDEPENDENCE CORPORATE GOALS

To improve shareholder returns by becoming a highly profitable, multi commodity Australian mining company

Focus on:

- ◆ Low cash costs
- ◆ Mine longevity
- ◆ Innovative exploration
- ◆ Strong balance sheet