



## AUSTRALIAN NICKEL CONFERENCE – PERTH 2017

Please find attached a presentation to be given today by Peter Bradford, Managing Director and Chief Executive Officer, at the Australian Nickel Conference at the Pan Pacific hotel in Perth, Western Australia.

The presentation, entitled “*Delivering Nova and Unlocking the Fraser Range*” outlines the achievement of bringing IGO’s flagship nickel-copper-cobalt operation into commercial production twelve months earlier than the Definitive Feasibility Study and within 3 per cent of the uninflated January 2015 capital expenditure estimate.

It also highlights:

- Confirmation of commercial production since 1 July 2017 and achievement of steady state operations.
- Progress of Nova’s mine design and schedule, including grade control drilling and capital development both of which will be substantially completed in FY18.
- Confirmation of first debt repayment during the September 2017 quarter with no drawdown of the Company’s \$200 million revolving credit facility.
- Commencement of the significant program of investment in exploration at Nova and within the wider Fraser Range region to unlock discovery.

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# INDEPENDENCE GROUP NL

## 2017 Australian Nickel Conference

*Delivering Nova and Unlocking the Fraser Range*



17 October 2017



# Cautionary statements & disclaimer



- This presentation has been prepared by Independence Group NL (“IGO”) (ABN 46 092 786 304). It should not be considered as an offer or invitation to subscribe for or purchase any securities in IGO or as an inducement to make an offer or invitation with respect to those securities in any jurisdiction.
- This presentation contains general summary information about IGO. The information, opinions or conclusions expressed in the course of this presentation should be read in conjunction with IGO’s other periodic and continuous disclosure announcements lodged with the ASX, which are available on the IGO website. No representation or warranty, express or implied, is made in relation to the fairness, accuracy or completeness of the information, opinions and conclusions expressed in this presentation.
- This presentation includes forward looking information regarding future events, conditions, circumstances and the future financial performance of IGO. Often, but not always, forward looking statements can be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue” and “guidance”, or other similar words and may include statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs. Such forecasts, projections and information are not a guarantee of future performance and involve unknown risks and uncertainties, many of which are beyond IGO’s control, which may cause actual results and developments to differ materially from those expressed or implied. Further details of these risks are set out below. All references to future production and production guidance made in relation to IGO are subject to the completion of all necessary feasibility studies, permit applications and approvals, construction, financing arrangements and access to the necessary infrastructure. Where such a reference is made, it should be read subject to this paragraph and in conjunction with further information about the Mineral Resources and Ore Reserves, as well as any Competent Persons’ Statements included in periodic and continuous disclosure announcements lodged with the ASX. Forward looking statements in this presentation only apply at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information IGO does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.
- There are a number of risks specific to IGO and of a general nature which may affect the future operating and financial performance of IGO and the value of an investment in IGO including and not limited to economic conditions, stock market fluctuations, commodity demand and price movements, access to infrastructure, timing of environmental approvals, regulatory risks, operational risks, reliance on key personnel, reserve and resource estimations, native title and title risks, foreign currency fluctuations and mining development, construction and commissioning risk. The production guidance in this presentation is subject to risks specific to IGO and of a general nature which may affect the future operating and financial performance of IGO.
- Any references to IGO Mineral Resource and Ore Reserve estimates, except the Tropicana Mineral Resource and Ore Reserve and Nova Resource should be read in conjunction with IGO’s 2016 Mineral Resource and Ore Reserve announcement dated 14 October 2016 and lodged with the ASX, which are available on the IGO website.
- References to Mineral Resource and Ore Reserve estimates at Tropicana should be read in conjunction with IGO’s Tropicana Gold Mine Value Enhancement Update, dated 15 December 2016 and lodged with the ASX, and is available on the IGO website.
- References to Mineral Resources estimates at Nova should be read in conjunction with IGO’s Nova Mineral Resource Estimate and Exploration Update, dated 26 July 2017 and lodged with the ASX, and is available on the IGO website.
- References to Mineral Resources and Ore Reserve estimates at Triumph should be read in conjunction with IGO’s Jaguar Value Enhancement Study, dated 26 July 2017 and lodged with the ASX, and is available on the IGO website.
- All currency amounts in Australian Dollars unless otherwise noted.
- Cash Costs are reported inclusive of Royalties and after by-product credits on per unit of payable metal basis, unless otherwise stated
- IGO reports All-in Sustaining Costs (AISC) per ounce of gold for its 30% interest in the Tropicana Gold Mine using the World Gold Council guidelines for AISC. The World Gold Council guidelines publication was released via press release on 27 June 2013 and is available from the World Gold Council’s website.
- 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, redundancy and restructuring costs, depreciation and amortisation, and once-off transaction costs.
- Underlying NPAT comprises net profit (loss) after tax adjusted for; post tax effect of acquisition and integration costs, and impairments.
- Free Cash Flow comprises Net Cash Flow from Operating Activities and Net Cash Flow from Investing Activities. Underlying adjustments exclude acquisition costs, proceeds from investment sales and payments for investments.



**Great nickel  
market  
fundamentals**



**Great nickel  
downstream  
processing  
opportunity**



**Great nickel  
mine**



**Great nickel  
exploration  
opportunity**



1. Who we are
2. What we do
3. Delivering Nova
4. Unlocking the Fraser Range



# Corporate Summary

## Post capex and positioned for strong FY18



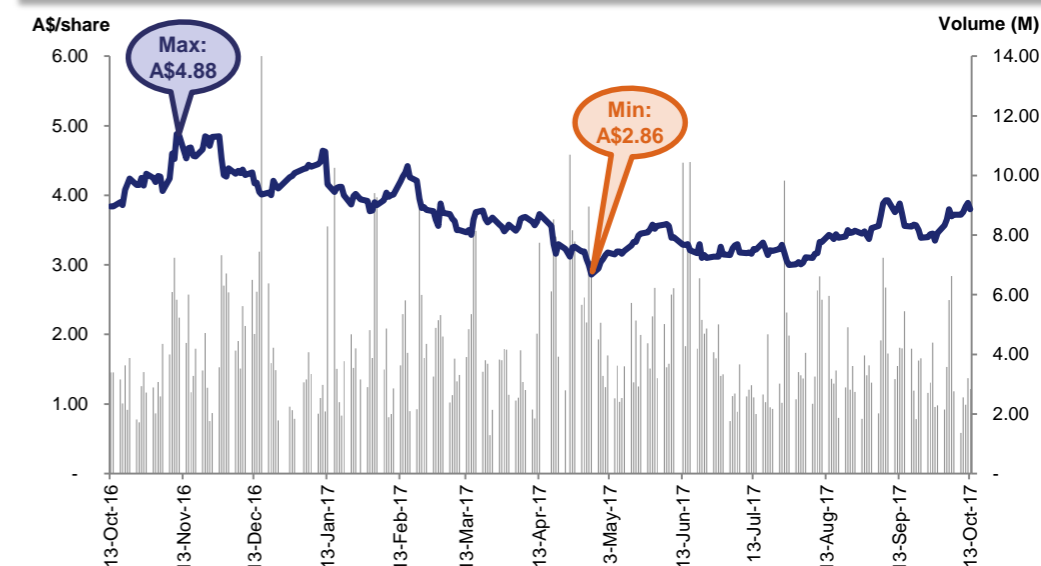
A\$M	FY17	FY16	Change %
Revenue	422	417	1%
Underlying EBITDA <sup>(1)</sup>	151	138	9%
Net Profit after Tax	17	(59)	n/a
Cash Flow from Operations <sup>(2)</sup>	78	102	(24%)
Underlying Free Cash Flow <sup>(3)</sup>	(113)	(142)	n/a
Cash	36	46	(23%)
Debt	171	271	26%

## Share Ownership<sup>(4)</sup>

### Substantial Holders Institutional Ownership

Mark Creasy	16%	Australia	61%
FIL	9%	USA	26%
T Rowe Price	8%	UK & Europe	10%
CBA	7%	ROW	3%

## Share Price Performance<sup>(5)</sup>



Strong balance sheet

\$200M undrawn revolver open

Dividend policy of ~30% NPAT

First loan repayment made in 1Q18

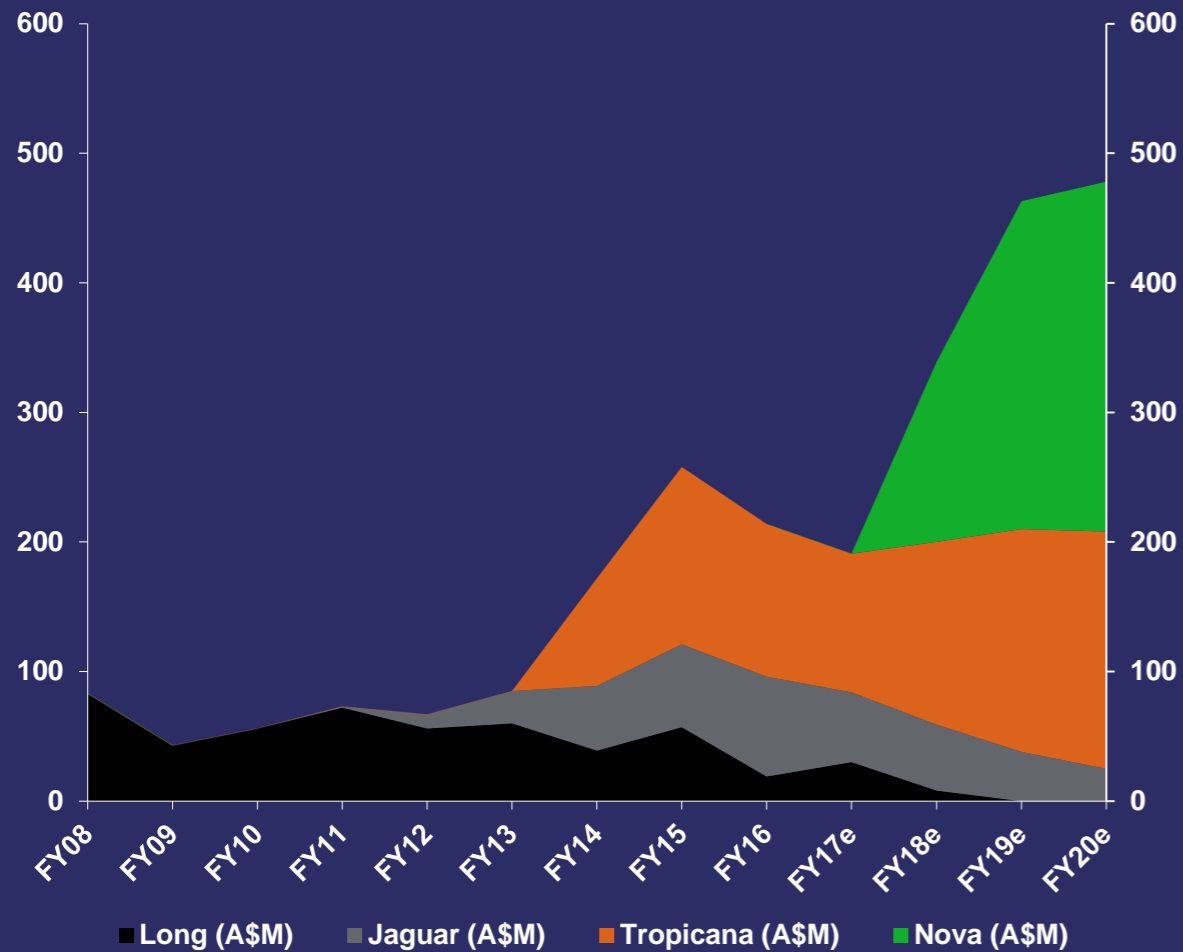
- Underlying EBITDA is a non-IFRS measure (refer to Disclaimer page).
- Cash Flow from Operating Activities from Tropicana, Jaguar and Long Operations.
- Underlying Free Cash Flow is a non-IFRS measure (refer to Disclaimer page). It also excludes net payment for the acquisition of Sirius Resources NL in FY16
- As at 30 September 2017
- As at market close 13 October 2017

# A Company with Purpose

To create long-term shareholder value



IGO EBITDA Profile (A\$M)<sup>(3)</sup>

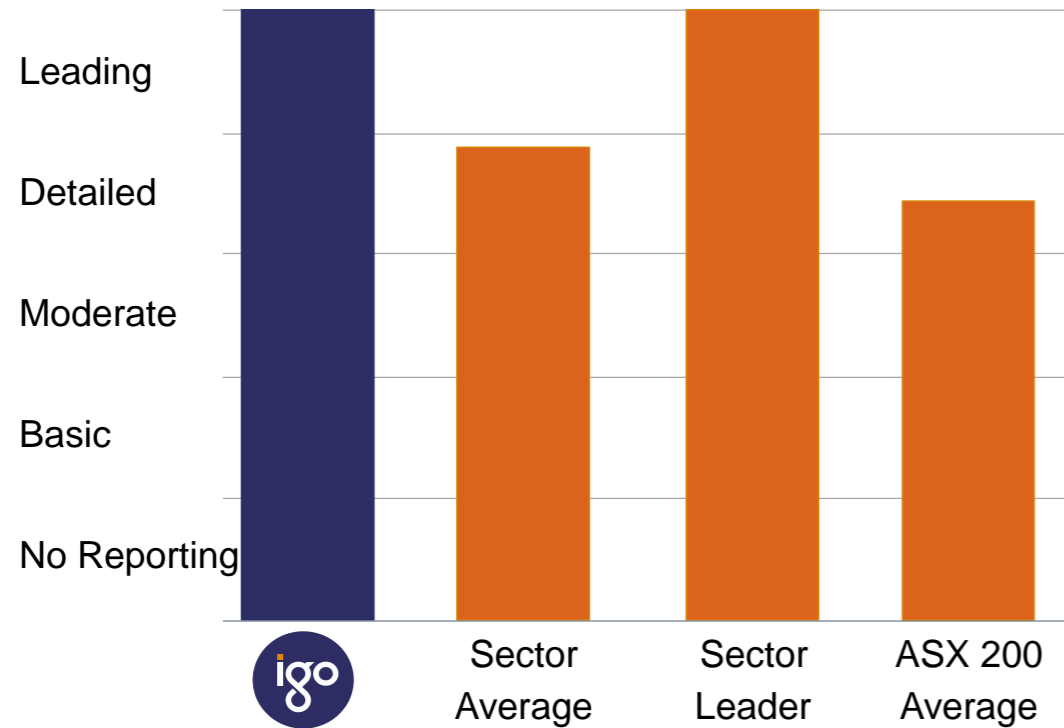


# Sustainability

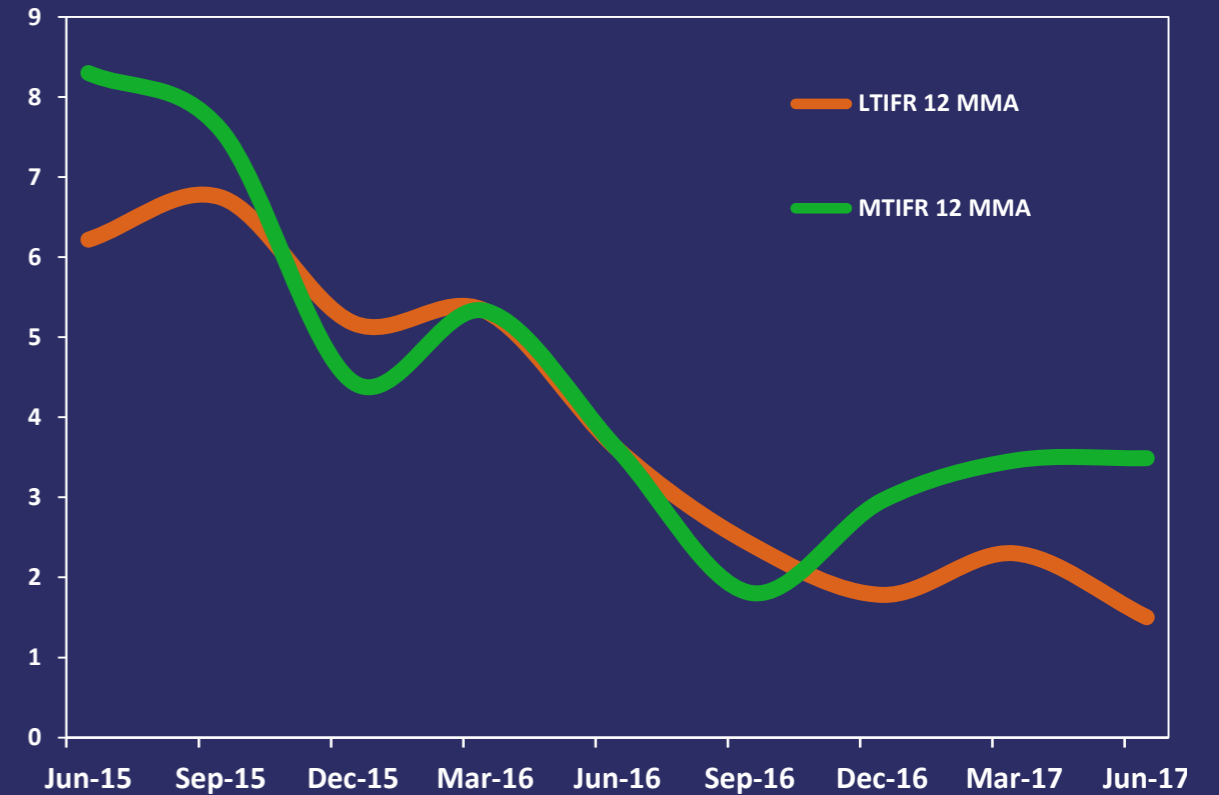
Focused on better outcomes for our people



## ACSI Rating of ASX200 Sustainability Reporting<sup>(1)</sup>



## Ongoing Improvement in Key Lag Safety Metrics<sup>(2,3)</sup>



- 1) ACSI (Australian Council of Superannuation Investors) has reviewed IGO's sustainability disclosure and assessed the company at a "Leading" level
- 2) 12 month moving average MTIFR – Medically Treated Injury Frequency Rate: calculated as the number of medically treated injuries x 1,000,000 divided by the total number of hours worked
- 3) 12 month moving average LTIFR – Lost Time Injury Frequency Rate: calculated as the number of Lost Time injuries x 1,000,000 divided by the total number of hours worked





# Delivering Nova



# Nova

Low cost nickel-copper-cobalt mine

Low cost

High grade, thick, flat lying magmatic sulphide orebody

Scale

Average 26kt Ni, 11kt Cu & 1kt Co per annum

Long life

Initial 10 year mine life with huge exploration potential

Fraser Range

Located on Fraser Range (proximal to Tropicana)







Nova



Surface works and  
process plant  
completed **on time**  
and **on budget**  
in late 2016





Nova



**Commercial  
production achieved  
in July 2017 – only  
five years after  
discovery in July 2012**



Nova

Now ramped up to steady state - 12 months earlier than the Definitive Feasibility Study and **within 3%** of Jan 2015 capex estimate



# Nova

## Nova Capitalised Development Costs

Area	Actual A\$M	Budget <sup>(1)</sup> A\$M	Variance	
			A\$M <sup>(2)</sup>	%
Process Plant	161	176	(15)	(9%)
Non-mine Infrastructure	90	99	(8)	(8%)
Mine Development	64	55	10	18%
Mine Infrastructure	46	46	-	n/a
Pre-operating Costs	134	75	59	79%
less capitalised revenue	(39)	(7)	(32)	459%
<b>Total</b>	<b>456</b>	<b>443</b>	<b>13</b>	<b>3%</b>

1) Uninflated January 2015 revised budget (Initial July 2014 Feasibility Study estimate of A\$473M revised down to A\$443M in January 2015)

2) May not add up due to rounding

**Capex within 3% of Jan 2015 uninflated estimate included unbudgeted:**

- **Additional underground development**
- **Process plant scalability**
- **Water supply exploration & equipment**
- **Extended pre-production expense**



# FY18 Guidance<sup>(1)</sup>

100% owned magmatic Ni – Cu – Co mine



<b>Overview</b>	1.5Mtpa underground mine
<b>Production</b> (contained metal in concentrate)	25,000t Ni 11,000t Cu 925t Co
<b>Operating Costs</b>	A\$2.20/lb (payable)
<b>Capital Expenditure</b>	<p>A\$54M</p> <ul style="list-style-type: none"><li>■ Development</li><li>■ Sustaining</li><li>■ Exploration</li><li>■ Remnant Build</li></ul>



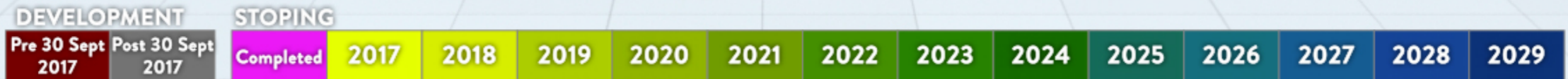
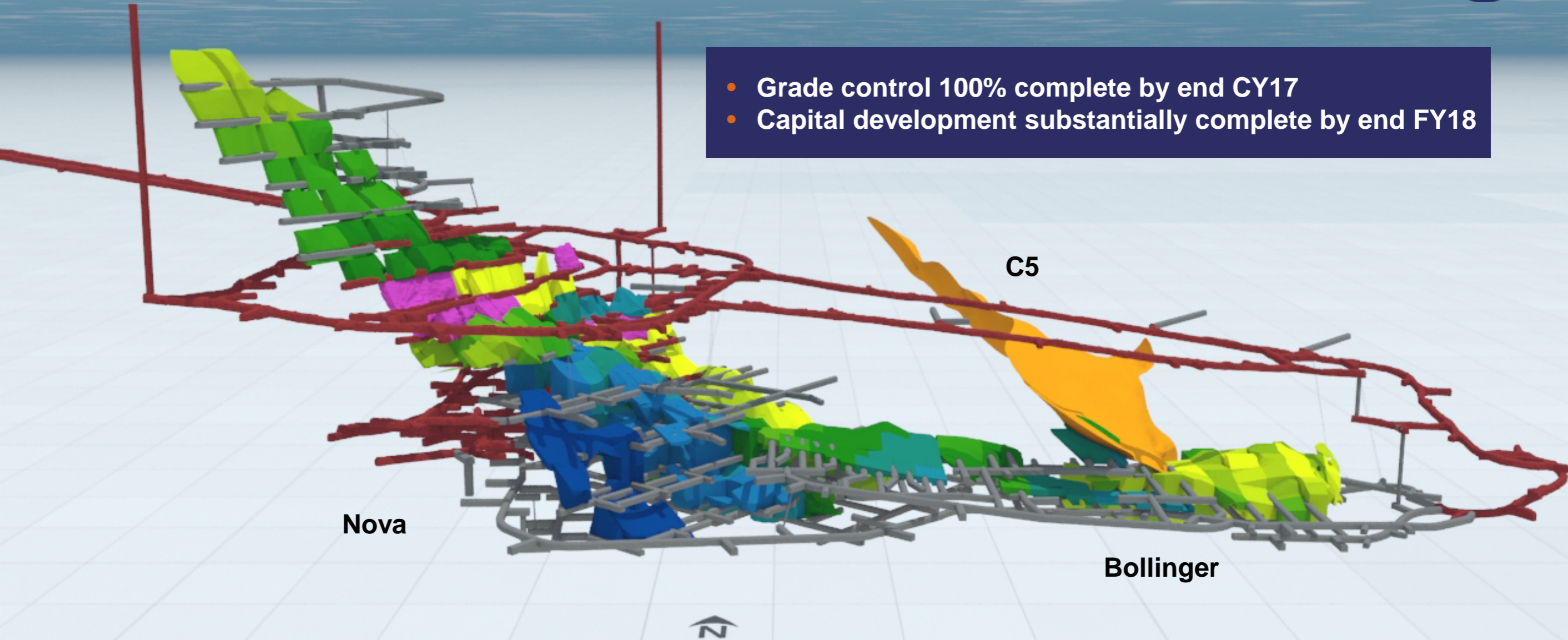
1) Mid-point of guidance range used for all FY18 figures



# Nova Mine Design & Schedule



- Grade control 100% complete by end CY17
- Capital development substantially complete by end FY18







# Nova Metallurgical Plant

Power station

Reagent shed

Reagent mixing

Copper flotation

Water recovery

Grinding/Milling

Nickel flotation

Concentrate shed

Laboratory

Crushing





Nova

## Highly marketable concentrates

- Nickel conc grading 13.5% Ni
- Copper conc grading 29% Cu
- Offtake agreements in place for first three years
- Nickel contracted 50/50 to BHP Nickel West & Glencore







# Unlocking the Fraser Range

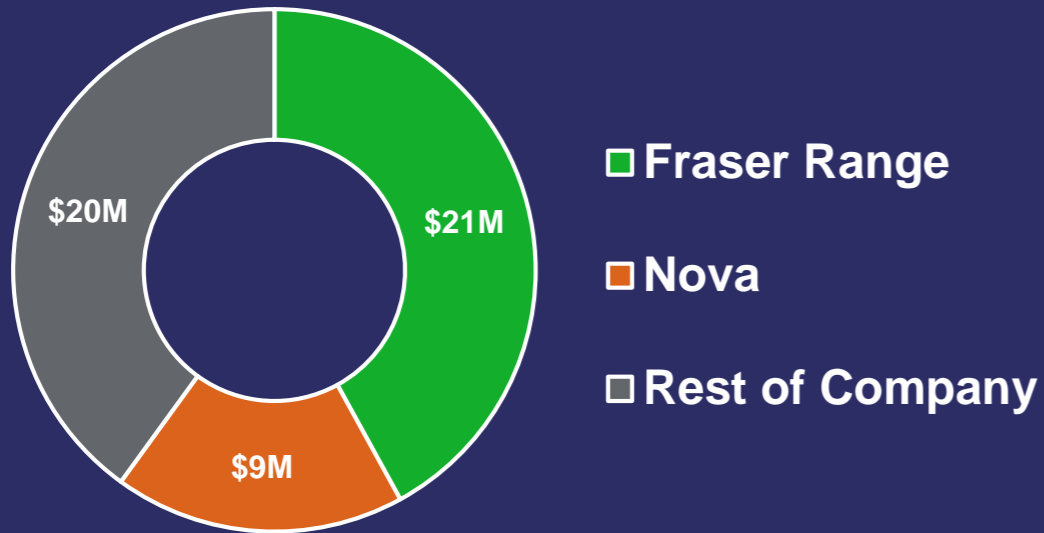


# Exploration

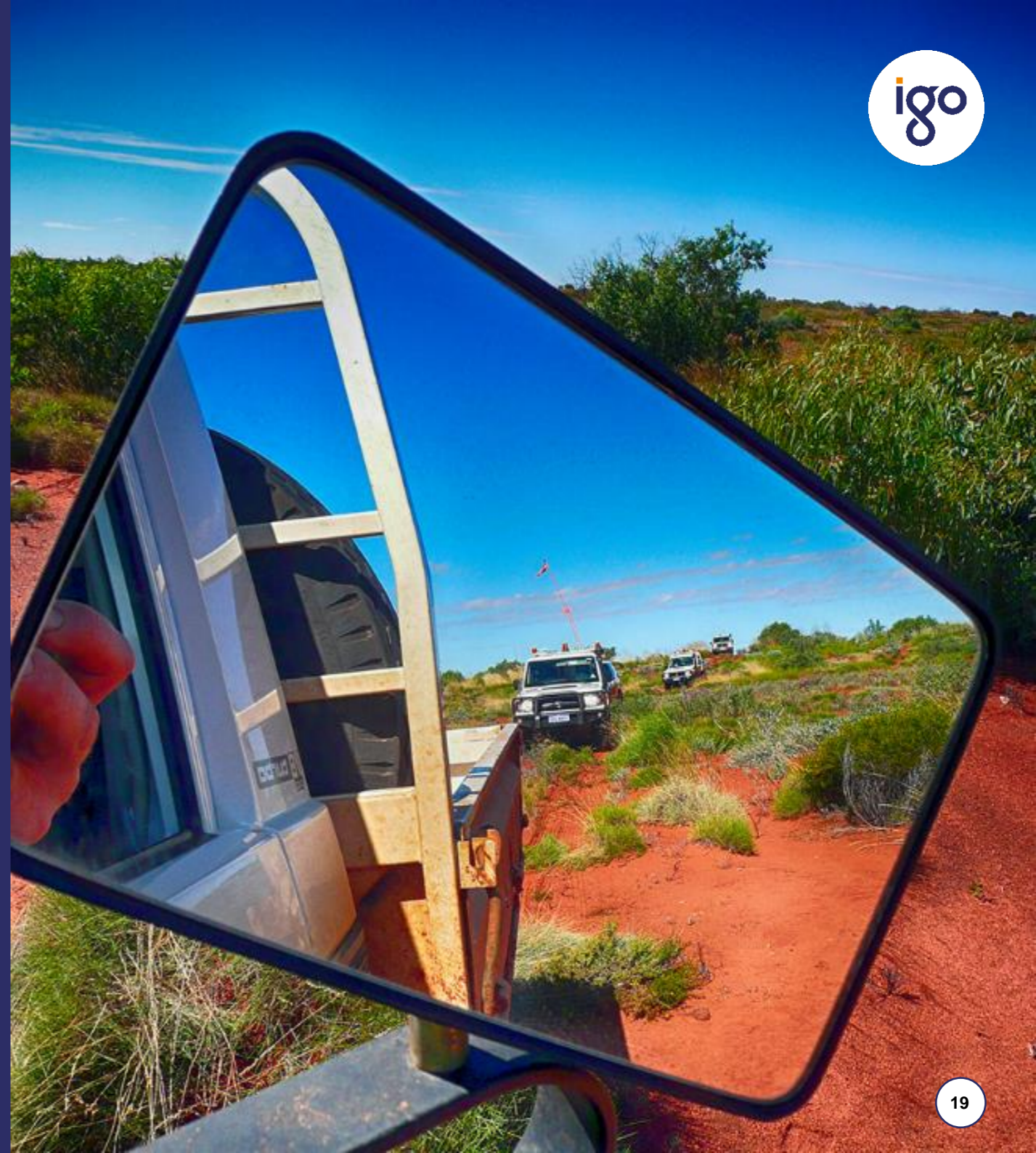
Committed to growth through exploration



FY18 Exploration Budget



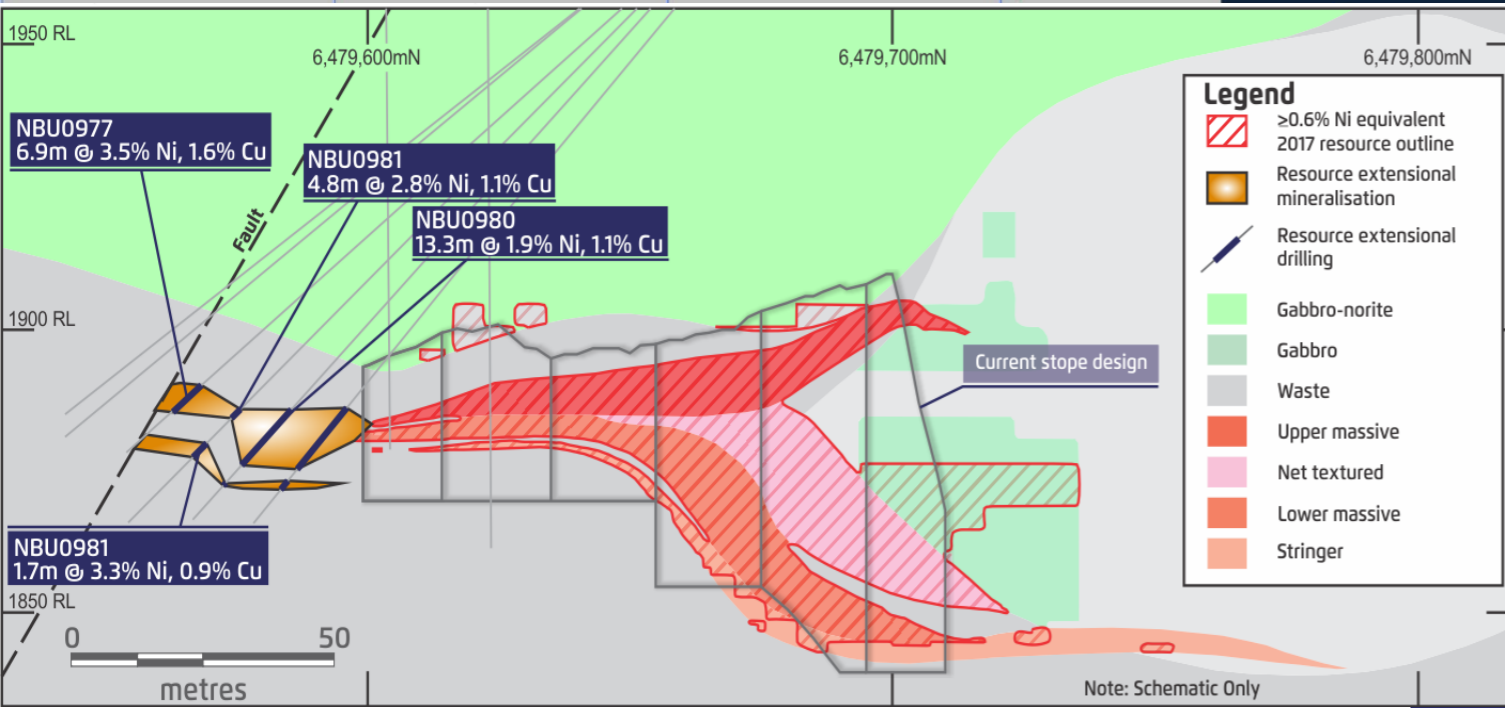
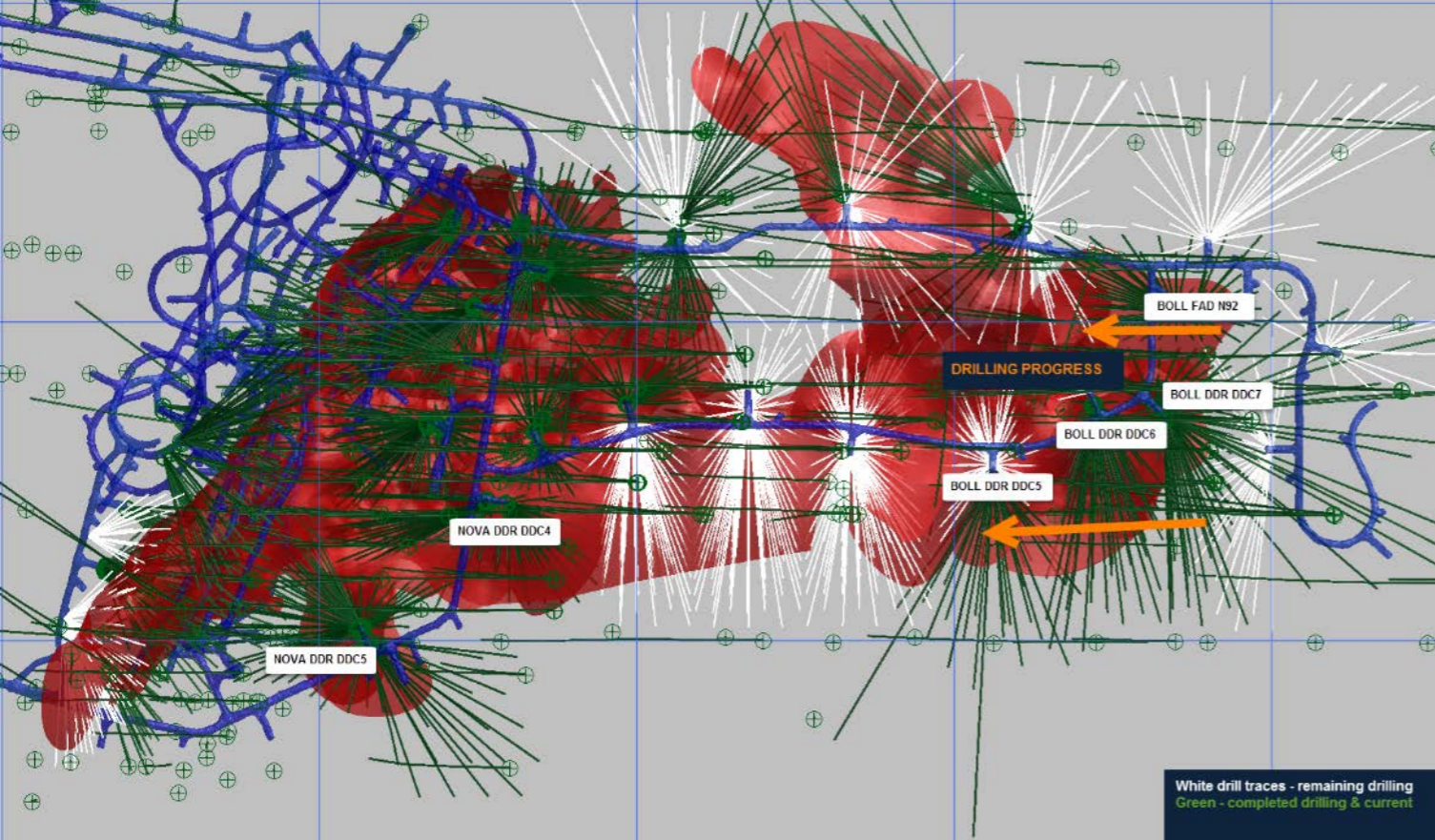
1. Incremental in-mine additions
2. Nova ML step change discovery
3. Fraser Range “camp” potential demonstrated





## Nova-Bollinger to be fully grade control drilled and de-risked by end-2017

## Focus then shifts to identifying potential extensions...





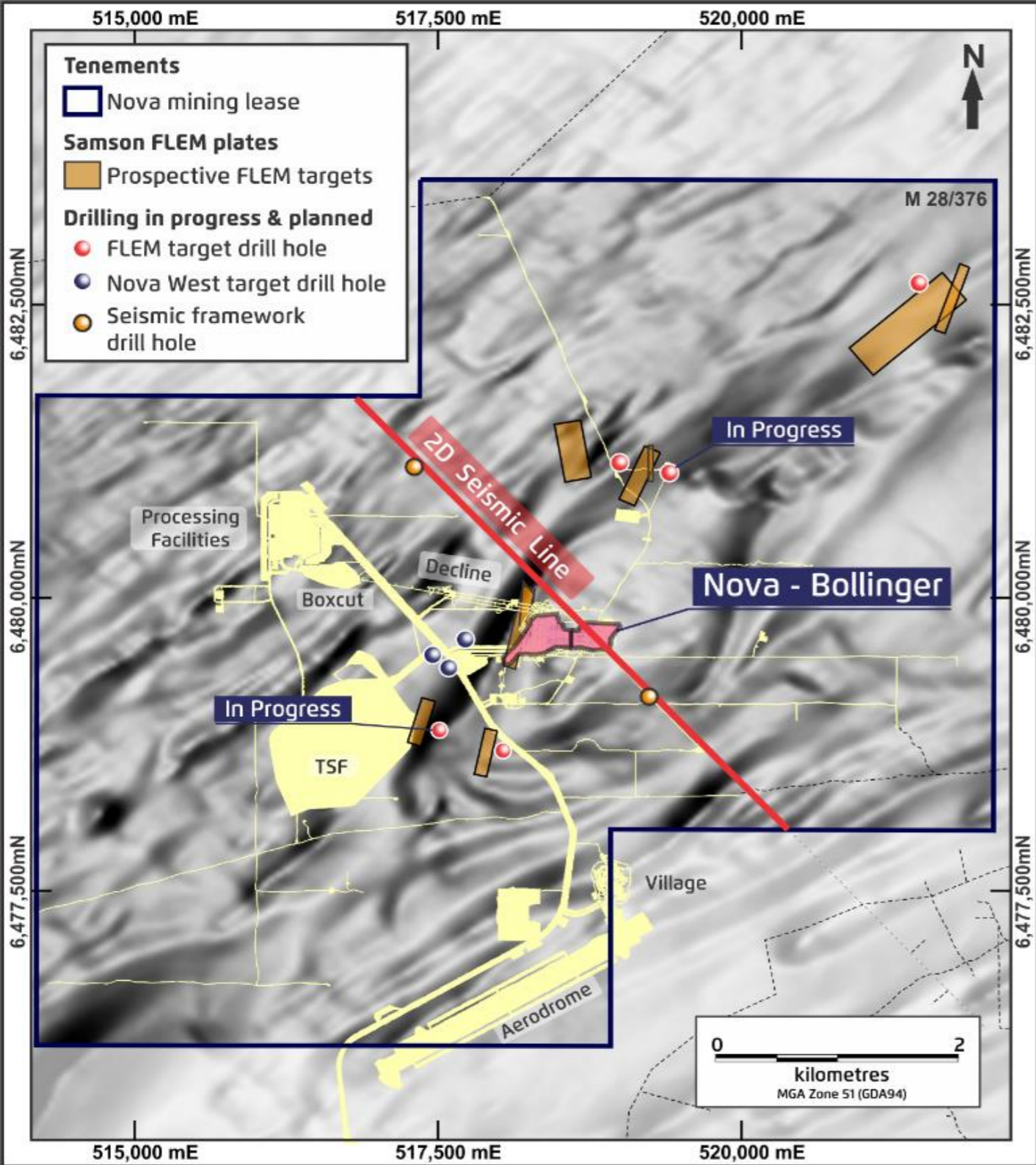
# Nova Exploration

## Initial work program completed:

- Historical EM plates
- Western mafic complex
- Framework drilling on 2D seismic line - testing a number of reflective positions

## Next steps:

- 3D seismic and targeting
- Underground drilling



1) For further information refer to ASX release Nova Mineral Resource Estimation and Exploration Update, dated 26 Jul 2017



# Fraser Range Exploration

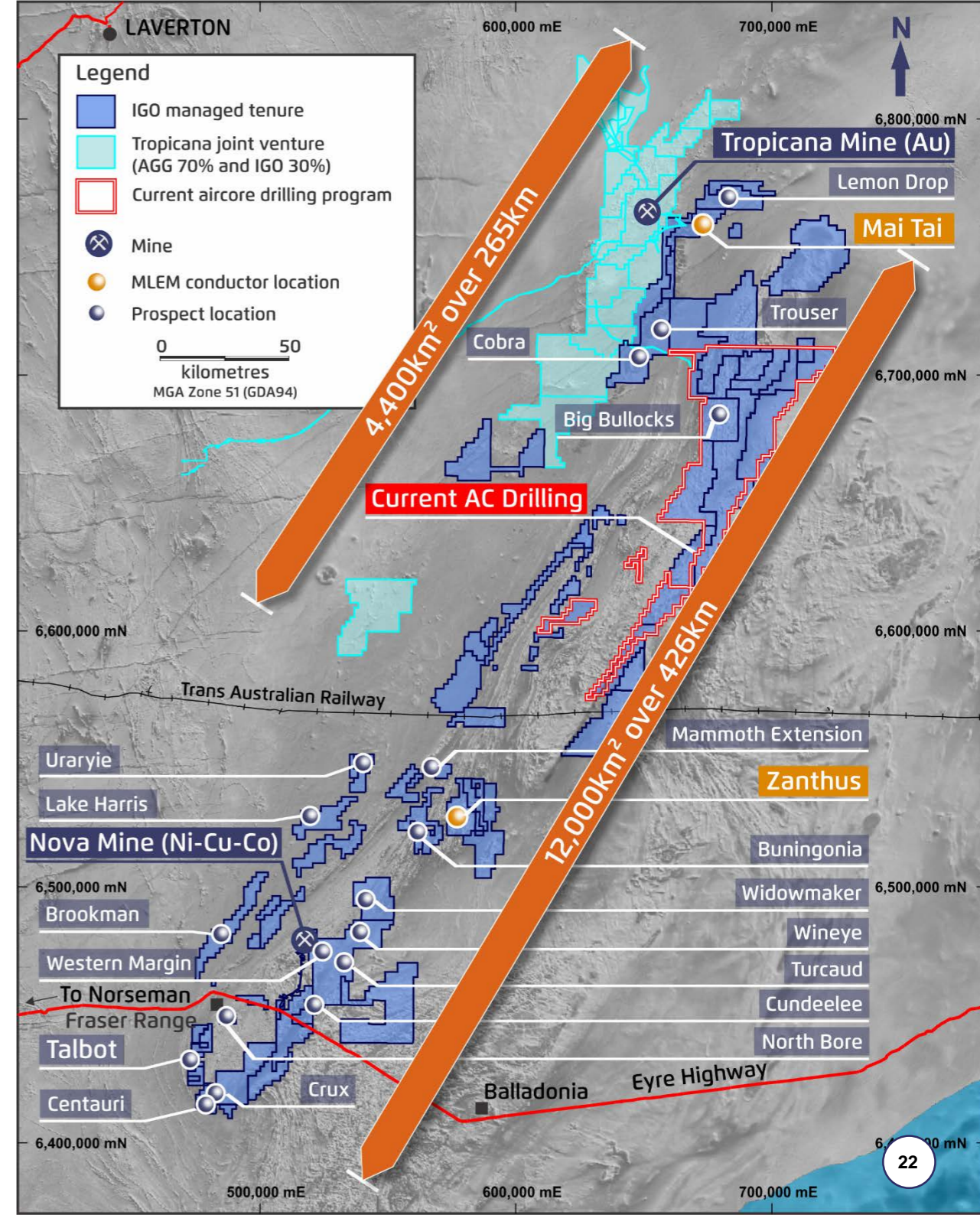
New frontier with exploration focus only after Nova discovery

IGO has consolidated 12,000km<sup>2</sup> on belt<sup>(1-5)</sup>

Belt is underexplored

- Prospective for Nova style intrusive hosted discoveries
- Held by underfunded juniors at bottom of commodity price cycle

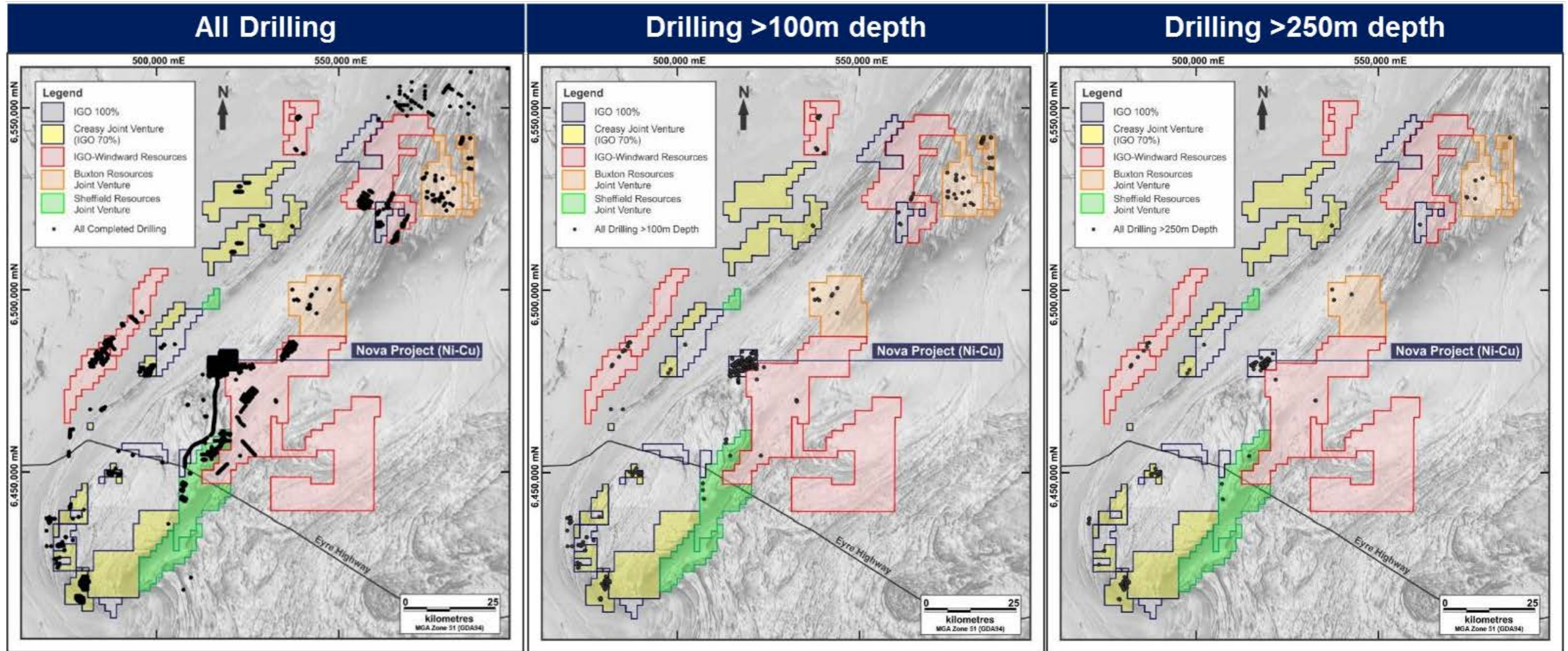
1) ASX release dated 2 Oct 2017 RTR: Rumble Secures Joint Venture with Independence Group on Fraser Range Projects  
2) ASX release dated 10 Mar 2017 ORN: Orion Completes Landmark Joint Venture Agreement with IGO on Fraser Range Nickel-Copper Project WA  
3) ASX release dated 22 Dec 2016 IGO Completes Compulsory acquisition of Windward Resources  
4) ASX release dated 16 Nov 2016 SFX: Sheffield forms Fraser Range Joint Venture with IGO  
5) ASX release dated 24 Aug 2016 BUX: BUX & IGO enter into Fraser Range Joint Venture





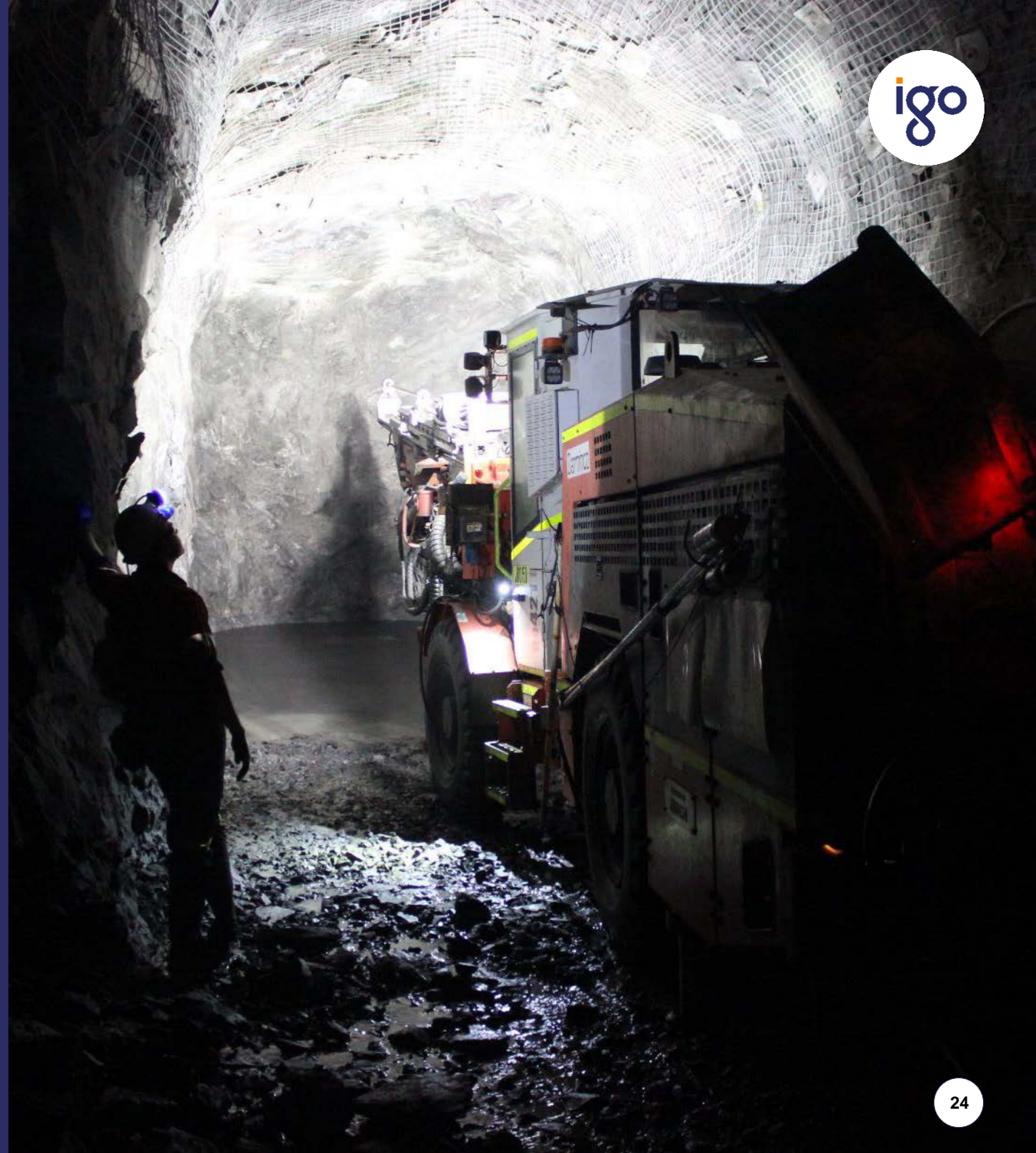
# Fraser Range South

Fraser Range is a highly prospective – underexplored belt





- **Nova in commercial production**
- **Transitioning to cash generation stage**
- **Exploration spend increased with 60% to Nova and Fraser Range**
- **FY18 promises to be a great year of delivery and discovery**







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STRENGTH TO STRENGTH**

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