

# GROWING A GREAT AUSTRALIAN MINING COMPANY



Independence Group

**Presentation to Macquarie Western Australian Forum**

Chris Bonwick, Managing Director

17<sup>th</sup> October 2012

# DISCLAIMER



Independence Group

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; uninsurable 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.

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# FINANCIAL SUMMARY



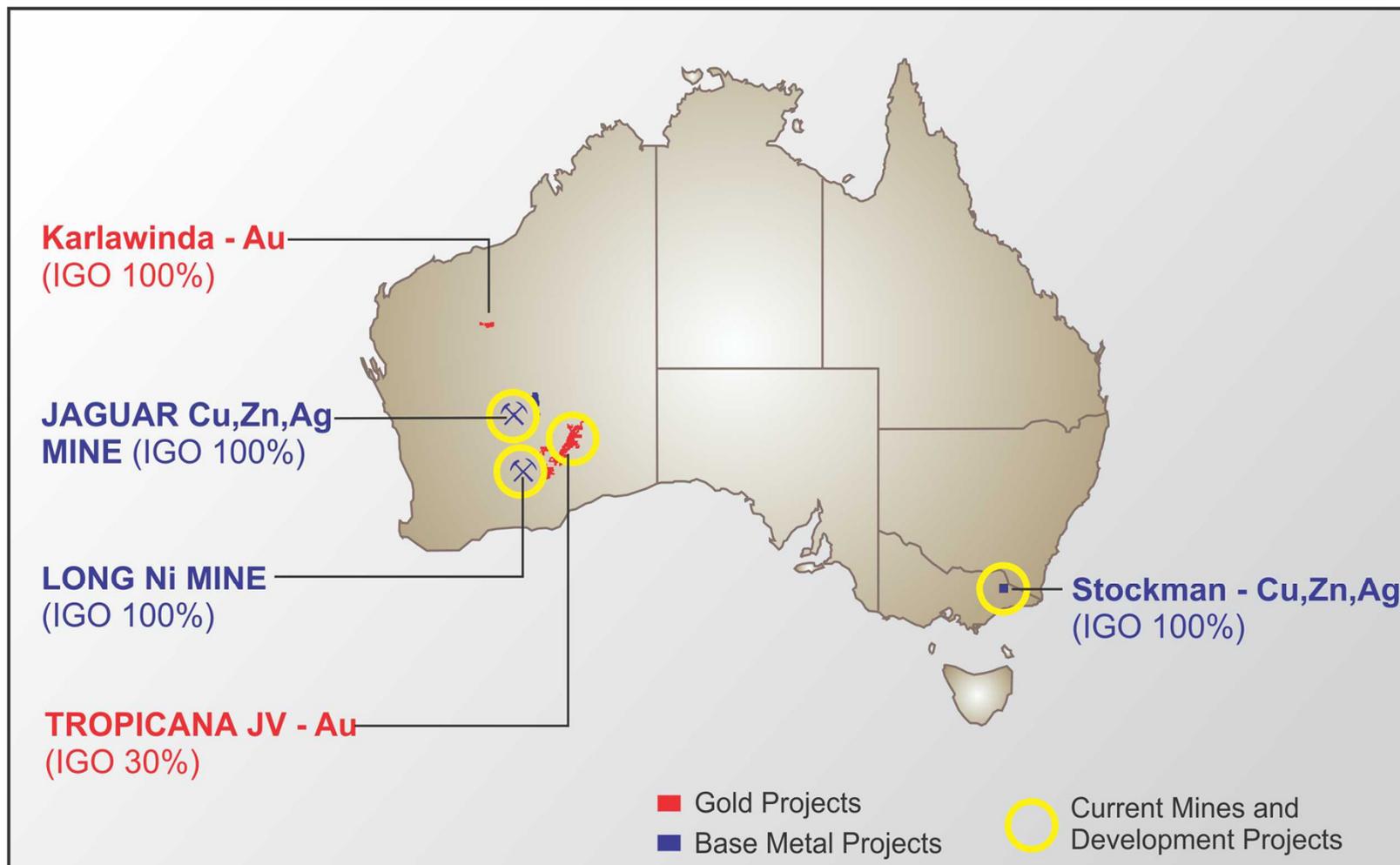
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<b>Capital Structure:</b>	<b>ASX 200 Code : IGO</b> <b>232.9M shares</b>	
<b>Financials:</b>	<b>Market Cap. (15/10/12):</b>	<b>A\$971.1M</b>
	<b>Cash (30/06/12):</b>	<b>A\$192.7M</b>
	<b>Debt (30/06/12):</b>	<b>(A\$23.4M)</b>
	<b>Hedge Book (30/06/12):</b>	<b>A\$23.9M</b>
<b>Substantial shareholders:</b> (As advised to IGO up to 16 Oct 2012)	<b>JCP Investment Partners:</b>	<b>13.2%</b>
	<b>National Australia Bank:</b>	<b>9.1%</b>
	<b>Commonwealth Bank:</b>	<b>5.1%</b>
	<b>BT Investment Management:</b>	<b>5.1%</b>
	<b>Fidelity:</b>	<b>5.0%</b>
<b>Dividends:</b>	<b>Interim dividend (23 Mar 2012)</b>	<b>2c</b>
	<b>Final dividend (28 Sep 2012)</b>	<b>1c</b>

# IGO MAJOR PROJECTS



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# TROPICANA GOLD PROJECT

IGO 30%, AGA 70%, MANAGER



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## NEW AUSTRALIAN GOLD PROVINCE UNDER SAND DUNES



Regional drilling



Preparation for mining

# TROPICANA GOLD PROJECT

IGO 30%, AGA 70%, MANAGER



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## PROJECT UNDER CONSTRUCTION:

- Project 50% complete at 30 June 2012
- First production estimated December Qtr 2013
- IGO attributable production years 1-3<sup>^</sup>: 141-147,000 oz Au pa
- Cash costs years 1-3<sup>^</sup>: A\$580-600/oz Au
- Recent gold price (28/9/12): A\$1,777/oz
- Resources – IGO 30% Share: 1.9M oz Au<sup>#</sup>
- Reserves – IGO 30% Share: 1.2M oz Au<sup>\*</sup>
- .....and growing
- Combined land position of 13,480sq km



Sealed airstrip

References : <sup>^</sup> IGO 11/11/10 ASX Release - Tropicana Gold Project Development Approval (real terms as at 2010).  
<sup>#</sup> IGO 29/11/11 ASX Release - Open Pit and Havana Deeps Underground Resource Estimates  
<sup>\*</sup> AGA 27/7/11 ASX Release - Reserve Estimate

# TROPICANA GOLD PROJECT

IGO 30%, AGA 70%, MANAGER



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## SITE PHOTOS:



Site aerial view



CIL tank construction



Accommodation village



Dry mess

# TROPICANA GOLD PROJECT

IGO 30%, AGA 70%, MANAGER



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Comparison	BFS – November 2010	Current
Reserves	3.45Moz Au	3.91Moz Au
Resources	5.01Moz Au	6.41Moz Au
Capital Cost Estimate	\$740M real \$775 nominal	\$740M real* \$775 nominal*
Operating Costs LOM (real)	A\$730/oz incl. royalties	A\$730/oz incl. royalties*
Production Targets LOM	3.45Moz Au	Awaiting new LOM
Life of mine (LOM)	10 years	Awaiting new LOM
First Production Estimate	Second half 2013	December Quarter 2013
Production & Potential Sources	Tropicana, Havana, Havana South	Tropicana, Havana, Havana South, Boston Shaker, Havana Deeps

\* Awaiting new LOM. Quoted figures, as at 2010.

References: IGO 1/10/2010, 11/11/2010, 27/7/2011 and 29/11/2011 ASX Releases.

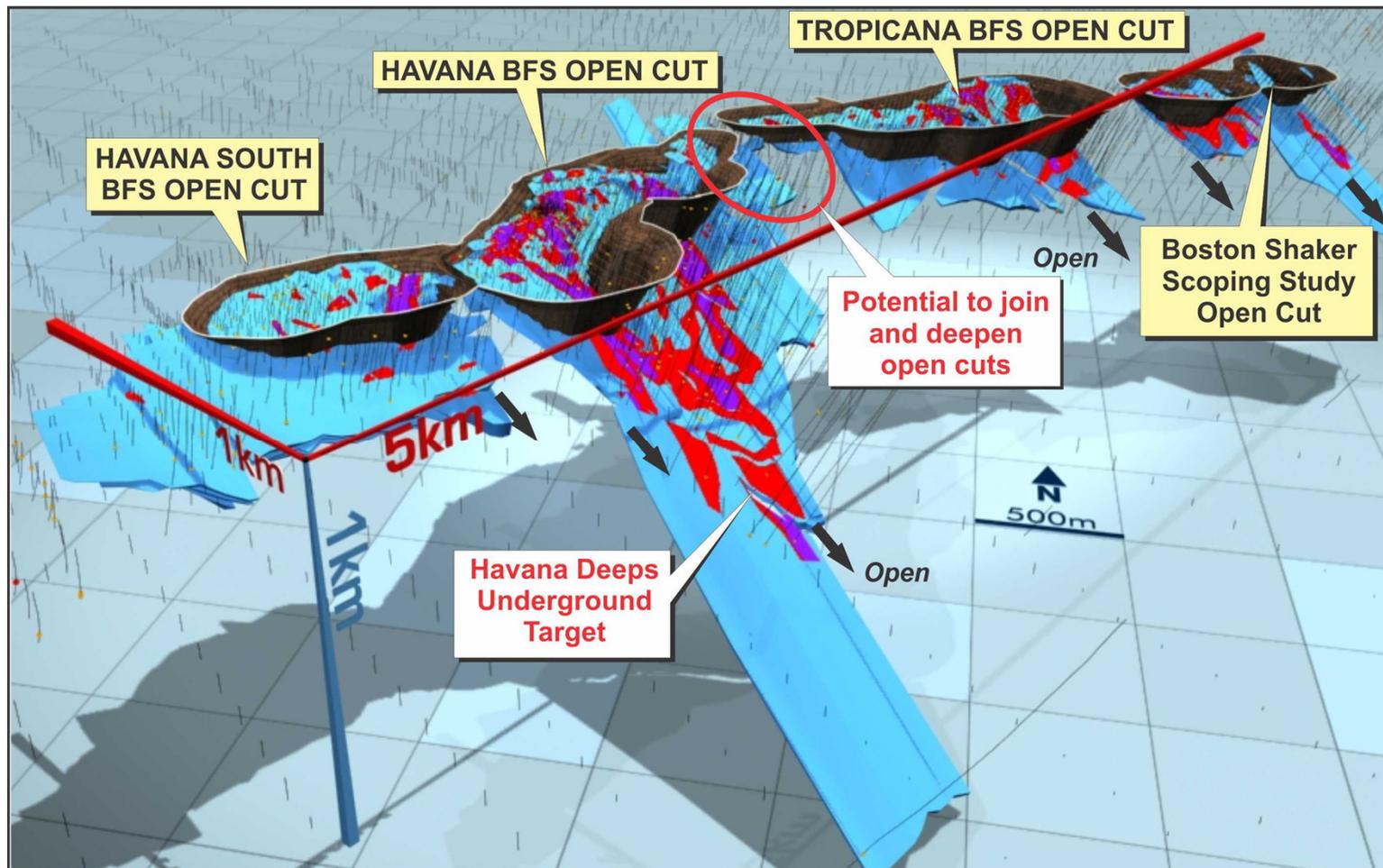
# TROPICANA GOLD PROJECT

## UPSIDE STUDIES & POTENTIAL



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November 2011 Mineral Resource: 88.3Mt @ 2.3g/t Au = 6.41Moz (A\$1,400/oz)  
June 2011 Open Pit Reserve: 56.4Mt @ 2.2g/t Au = 3.91Moz (A\$1,210/oz)



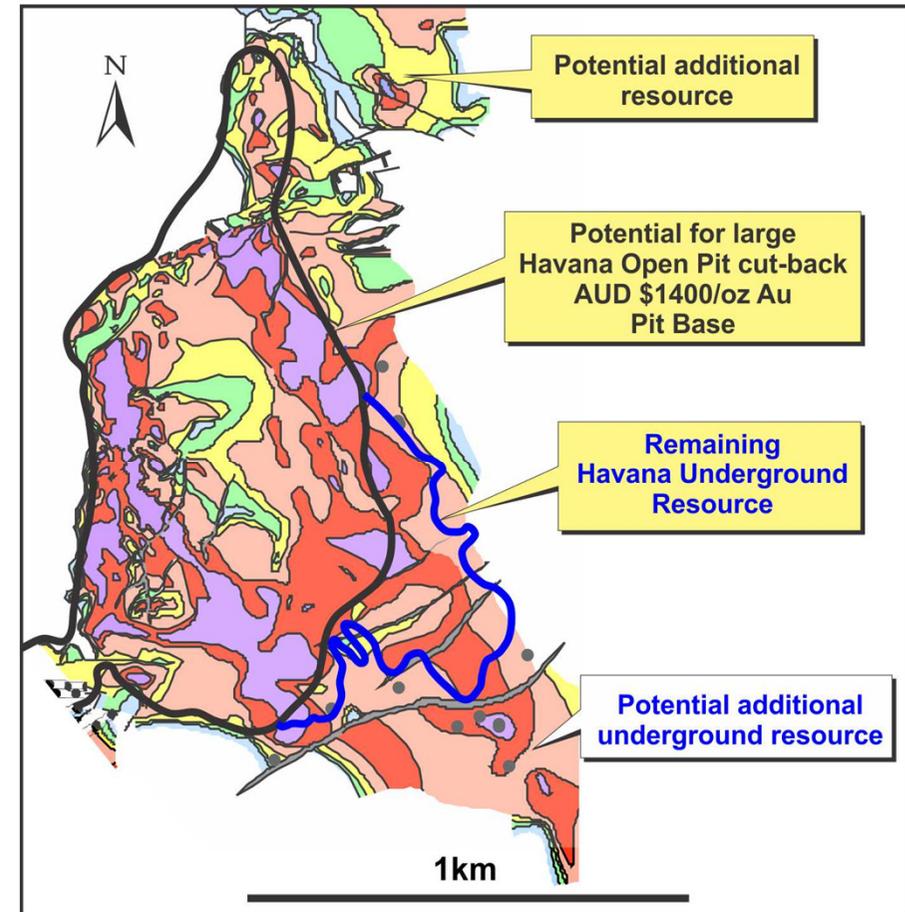
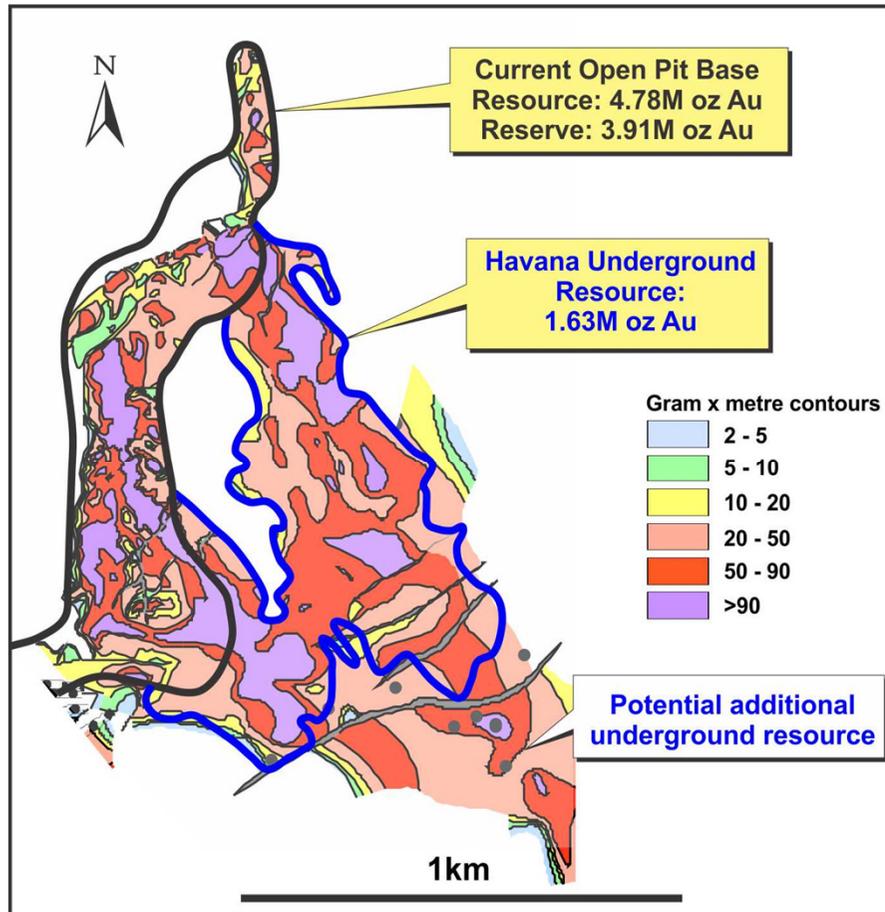
Reference : AGA 27/7/11 ASX Release for Reserve Estimate and IGO 29/11/11 ASX Release for Open Pit and Havana Deeps Underground Resource Estimates

# TROPICANA GOLD PROJECT

## HAVANA OPEN CUT & UNDERGROUND MINE POTENTIAL



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Reference : AGA 27/7/11 ASX Release for Reserve Estimate and IGO 29/11/11 ASX Release for Open Pit and Havana Deeps Underground Resource Estimates

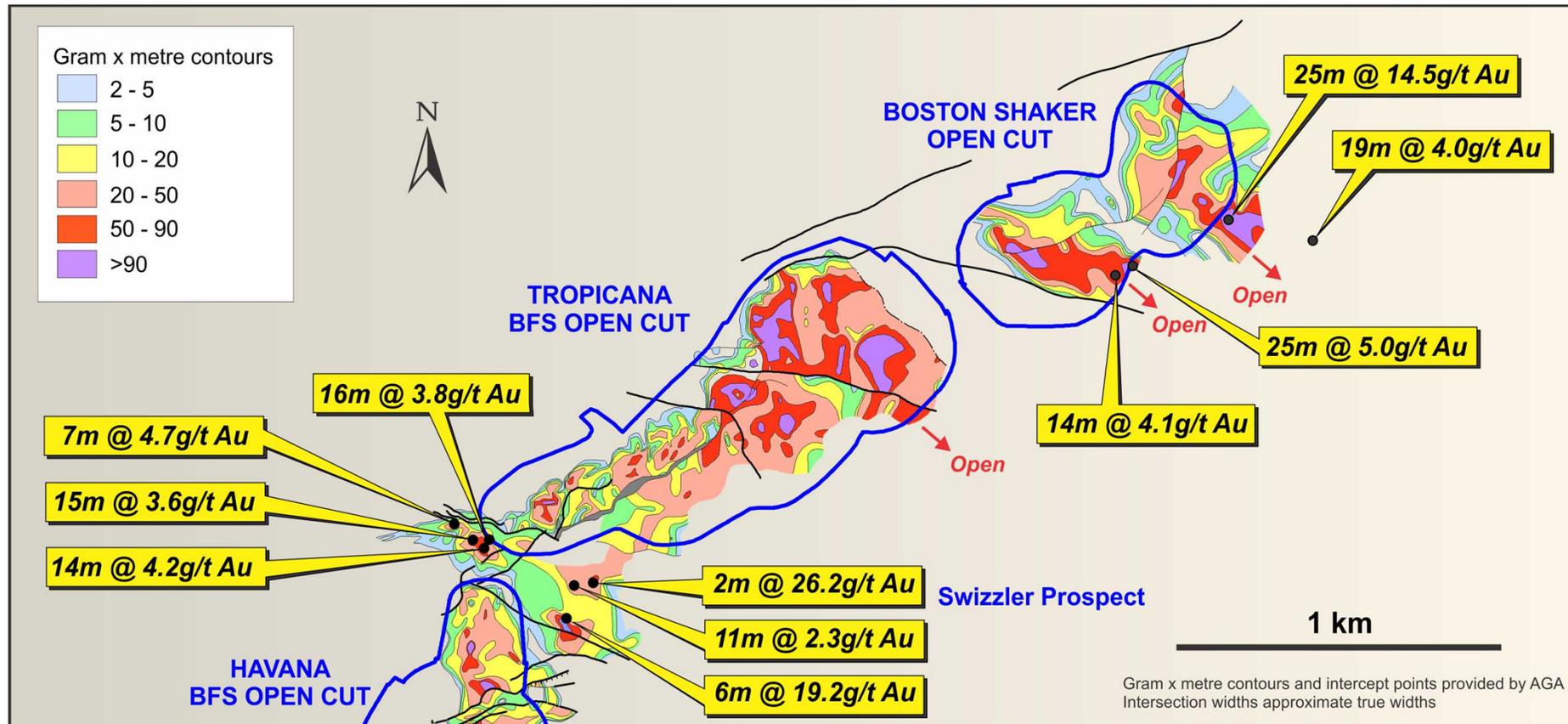
# TROPICANA GOLD PROJECT

## BOSTON SHAKER & SWIZZLER

### SIGNIFICANT INTERCEPTS



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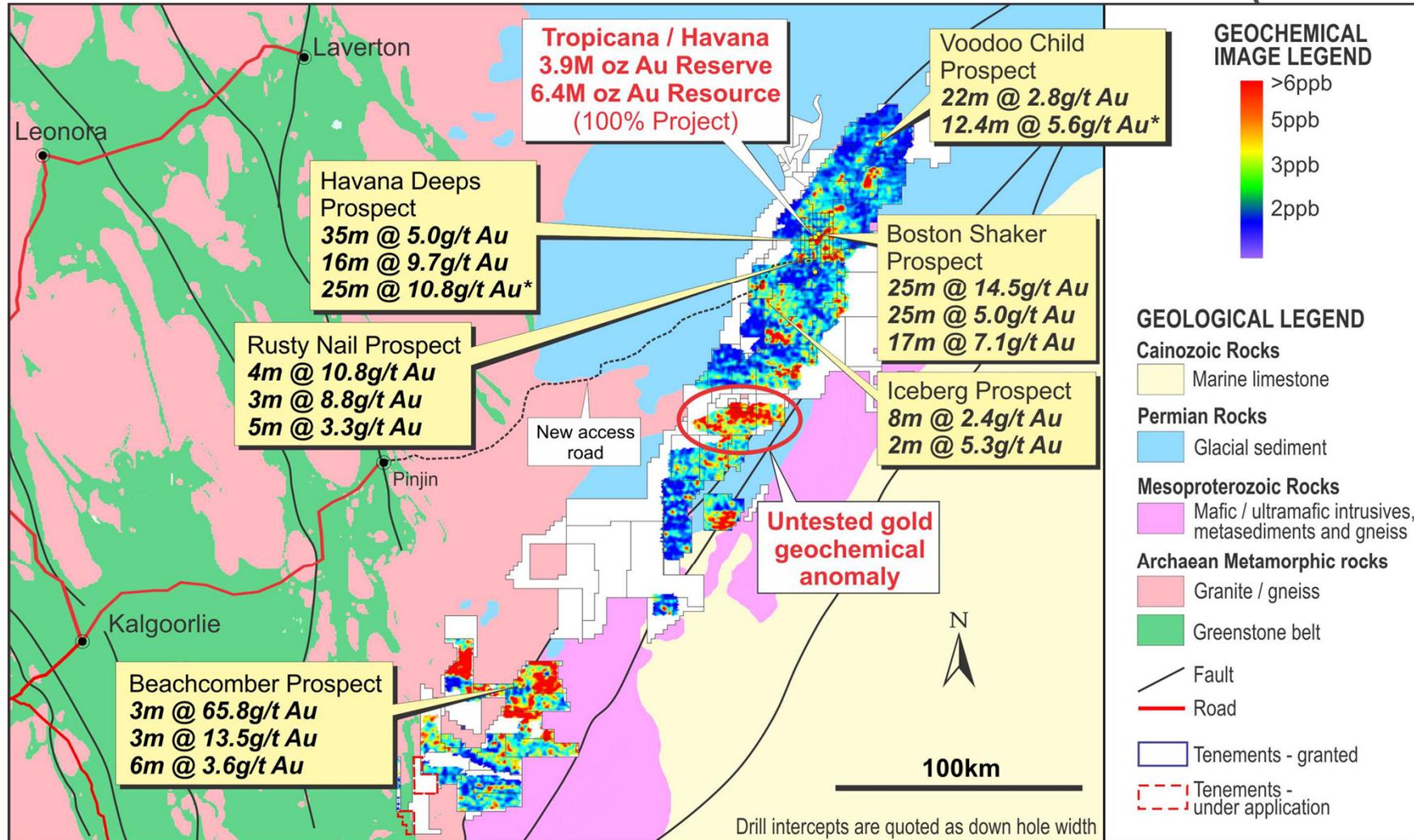
Drill widths approximate true widths

# TROPICANA GOLD PROJECT

IGO 30%, AGA 70%, MANAGER



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# TROPICANA GOLD PROJECT

## FLY THROUGH



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ANGLOGOLD ASHANTI  
AUSTRALIA

# Tropicana Gold Mine



# LONG NICKEL OPERATION (IGO 100%)



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- Record\* Annual Production – 9,995Ni t (2011/12 Guidance 8,800-9,200Nit).
- IGO produced 83,931t Ni since acquisition.
- June 2012 Ore Reserve 41,900t Ni and Resource 76,600t Ni.
- 2011 Ore Reserve at A\$10.10/lb Ni 2012 Ore Reserve at A\$8.55/lb Ni
- Exploration success in new areas of Moran East and Long North.
- Moran South and McLeay South open along strike.

Long Nickel mine	2011/12 Actual	2012/13 Guidance
Production (Ni Tonnes)	9,995	9,200 – 9,600
Cash Costs (A\$/lb Ni)	\$4.74	\$4.80 - \$5.00
Tonnes	282,177	260,000 – 280,000

Reference: IGO 29/8/2012 ASX Release – 2012 Financial Year Full Year Result and Final Dividend  
 IGO 17/10/2012 ASX Release – Long Nickel Mine Mineral Resource and Ore Reserve Statement

- Hedging : 2012/2013 200 Ni tonnes per month @ A\$12.17/lb

\*Record during the ten years of IGO ownership

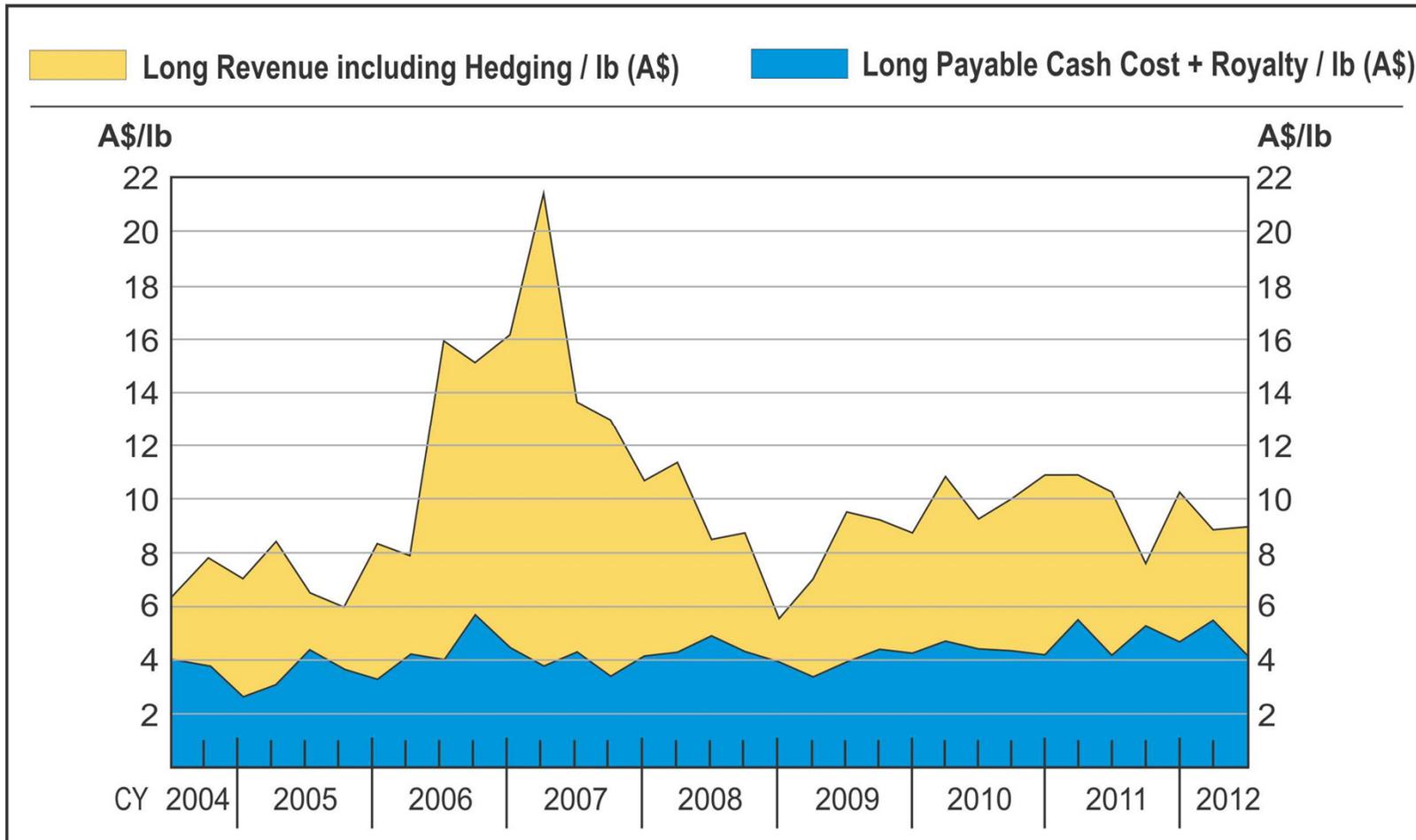
# LONG NICKEL OPERATION (IGO 100%)

## QUARTERLY CASH COSTS & REVENUE



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➤ Remains a low cost nickel producer.



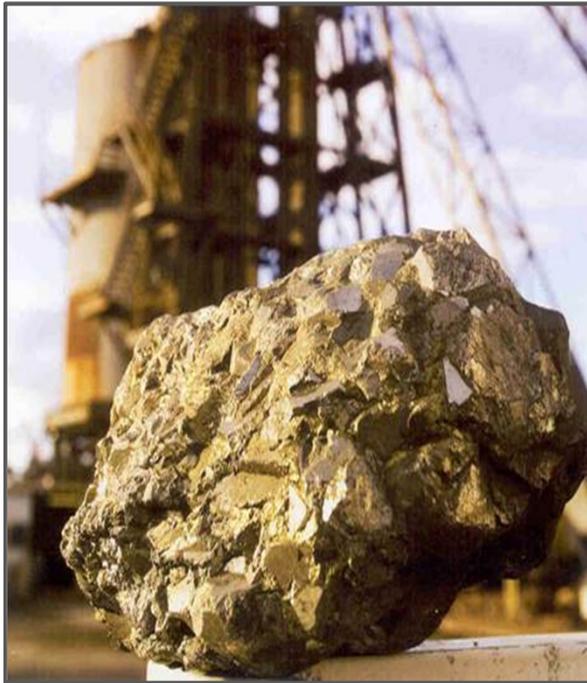
# LONG NICKEL OPERATION (IGO 100%)

## MINE GEOPHYSICS – TEM EQUIPMENT



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### ➤ Innovative research and development



Nickel sulphides are very conductive and can be detected using electromagnetic geophysical technology



#### High powered TEM transmitter \*\*exclusive to IGO\*\*

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



#### Down hole TEM probe

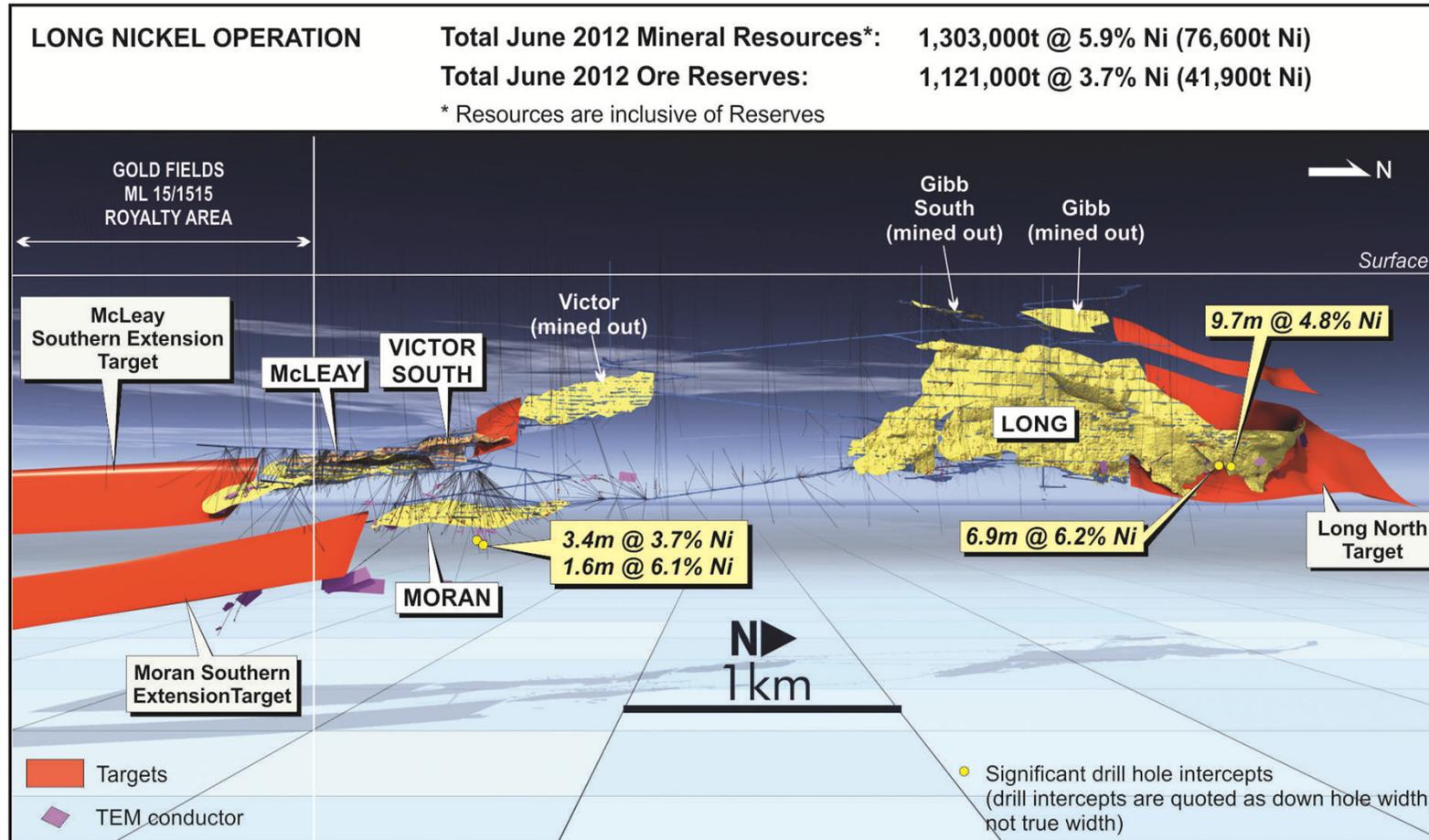
- 200m search radius.
- 3D visualisation of massive NiS targets.

# LONG NICKEL OPERATION (IGO 100%)

## DEPOSITS & TARGETS LONGITUDINAL PROJECTION



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Reference: IGO 17/10/2012 ASX Release – Long Nickel Mine Mineral Resource and Ore Reserve Statement

**LONG NICKEL OPERATION (IGO 100%)**

**FLY THROUGH**



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# Long Nickel Operation



# JAGUAR & BENTLEY (IGO 100%)

## PRODUCTION UPDATE



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Jaguar & Bentley zinc-copper-silver Mines	2011/12 Actual	2012/13 Guidance
Production (Zn Tonnes)	16,569	27,000 – 28,000
Production (Cu Tonnes)	7,257	5,000 – 6,000
Production (Ag ozs)	577,726	700,000 – 800,000
Cash Costs (A\$/lb Zn)	\$0.58	\$0.40 - \$0.60

Reference: IGO 29/8/2012 ASX Release – 2012 Financial Year Full Year Result and Final Dividend

### HEAVY MEDIA SEPARATION PLANT

- Removes waste rock from diluted ore and stringer sulphides.
- Increases mill head-grade resulting in reduced processing costs.

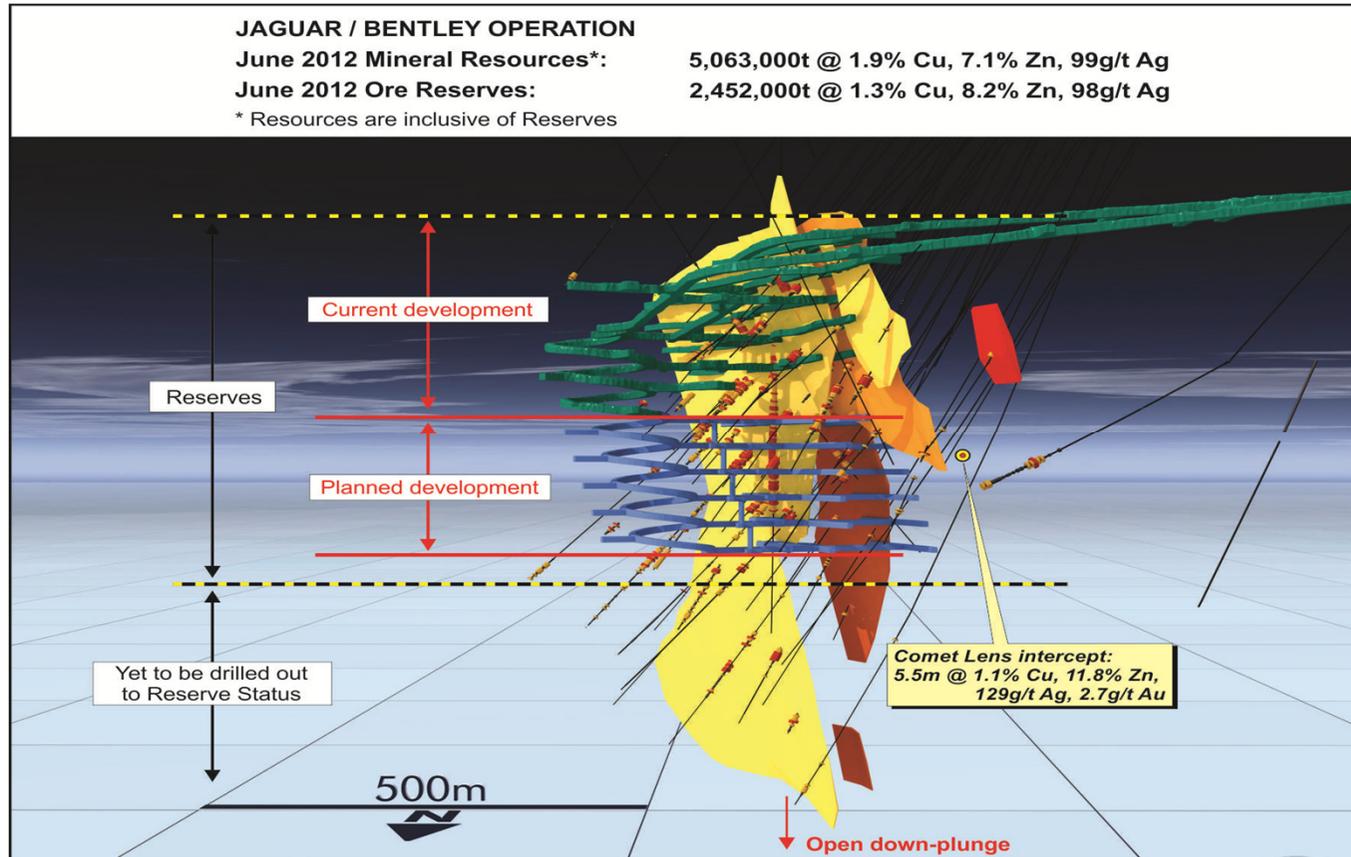


# JAGUAR & BENTLEY (IGO 100%)

## BENTLEY DEPOSIT



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Reference: IGO 17/10/2012 ASX Release Jaguar/Bentley Operation Mineral Resource and Ore Reserve Statement

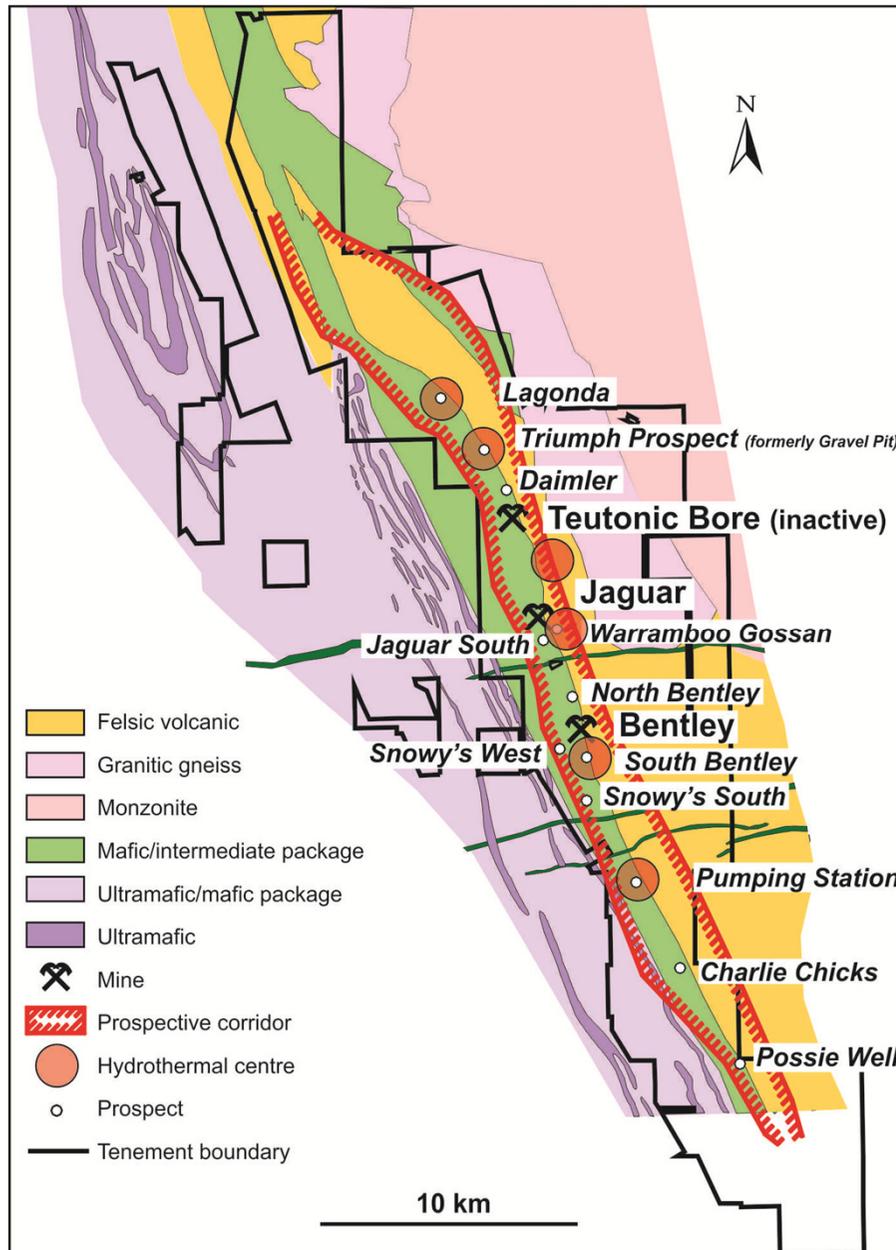
Drill intercepts are quoted as down hole widths, and not true widths

# JAGUAR & BENTLEY (IGO 100%)

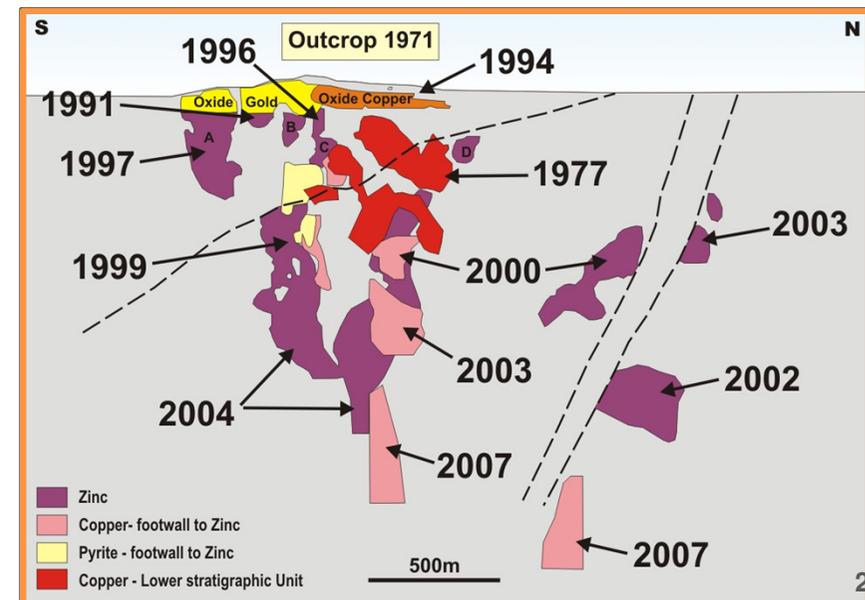


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- Under-explored 50km long prospective Cu-Zn-Ag VMS corridor.
- Prospectively around existing 3 mines.
- Six Cu-Zn-Ag alteration anomalies under-cover being systematically tested.



## Golden Grove Gossan Hill : discovery history

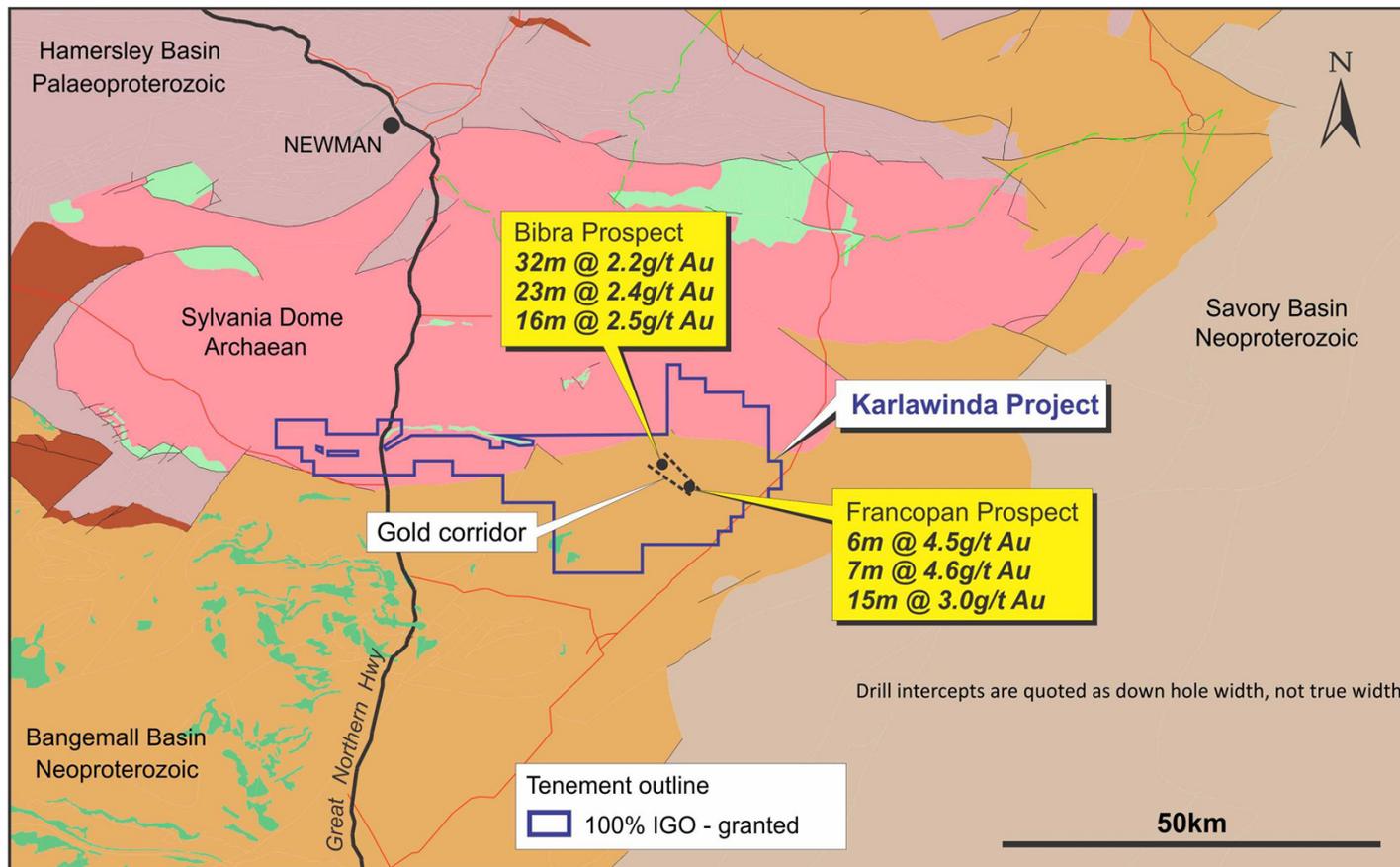


# KARLAWINDA GOLD PROJECT (IGO 100%)



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- 207% Increase in Resource announced June 2012 to 674,300oz Au.
- New Gold Province in Western Australia's "Iron Ore Country".
- No historical gold workings.
- Under cover.
- Close to infrastructure: major town, airport, sealed roads, major highway, gas pipeline, fresh water.
- Similar geological setting to Tropicana.



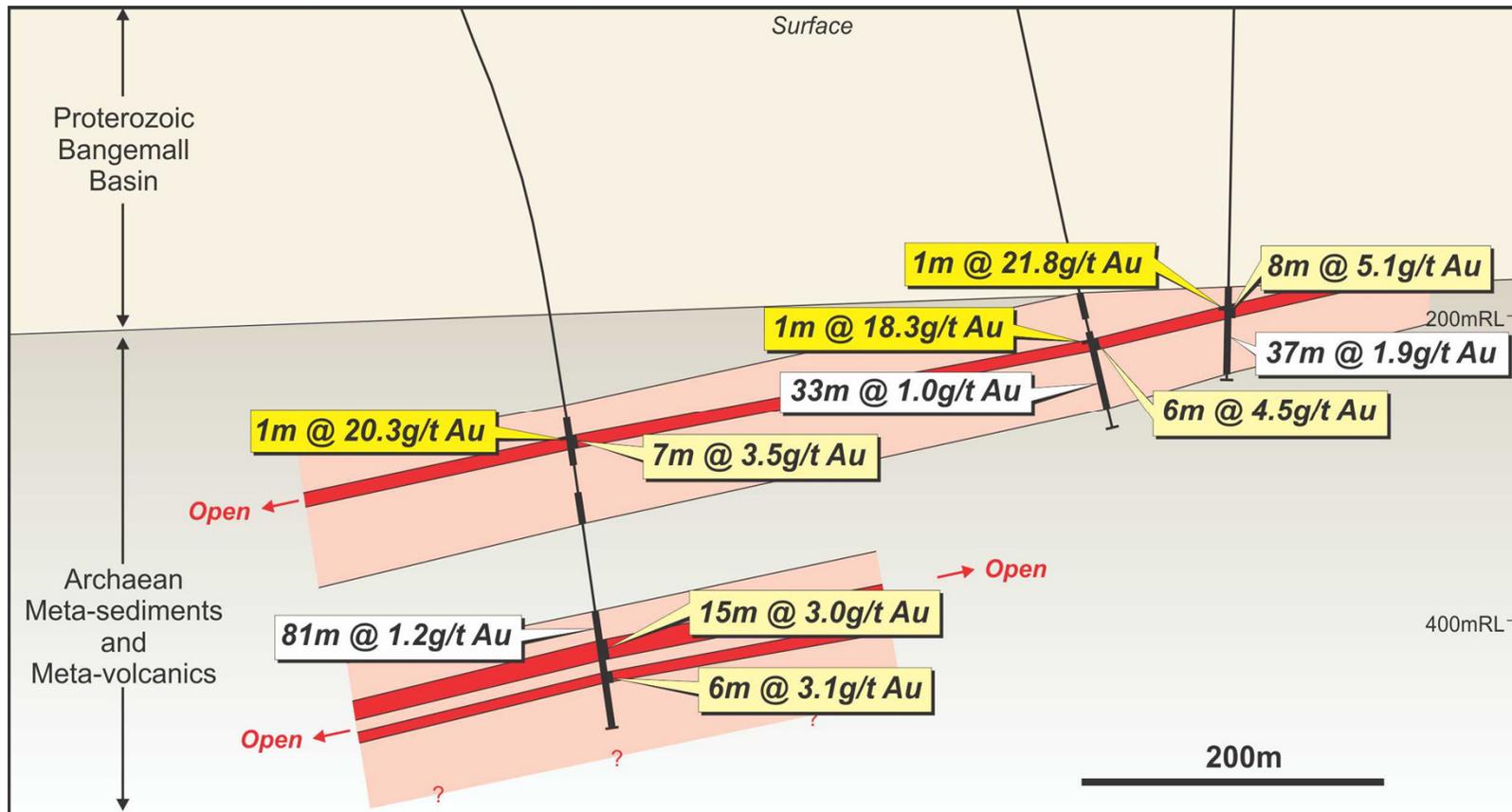
Reference: IGO 28/06/2012 ASX Release – Karlawinda Gold Project

# KARLAWINDA GOLD PROJECT (IGO 100%)

## FRANCOPAN PROSPECT DISCOVERY



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Drill intercepts are quoted as down hole widths, and not true widths

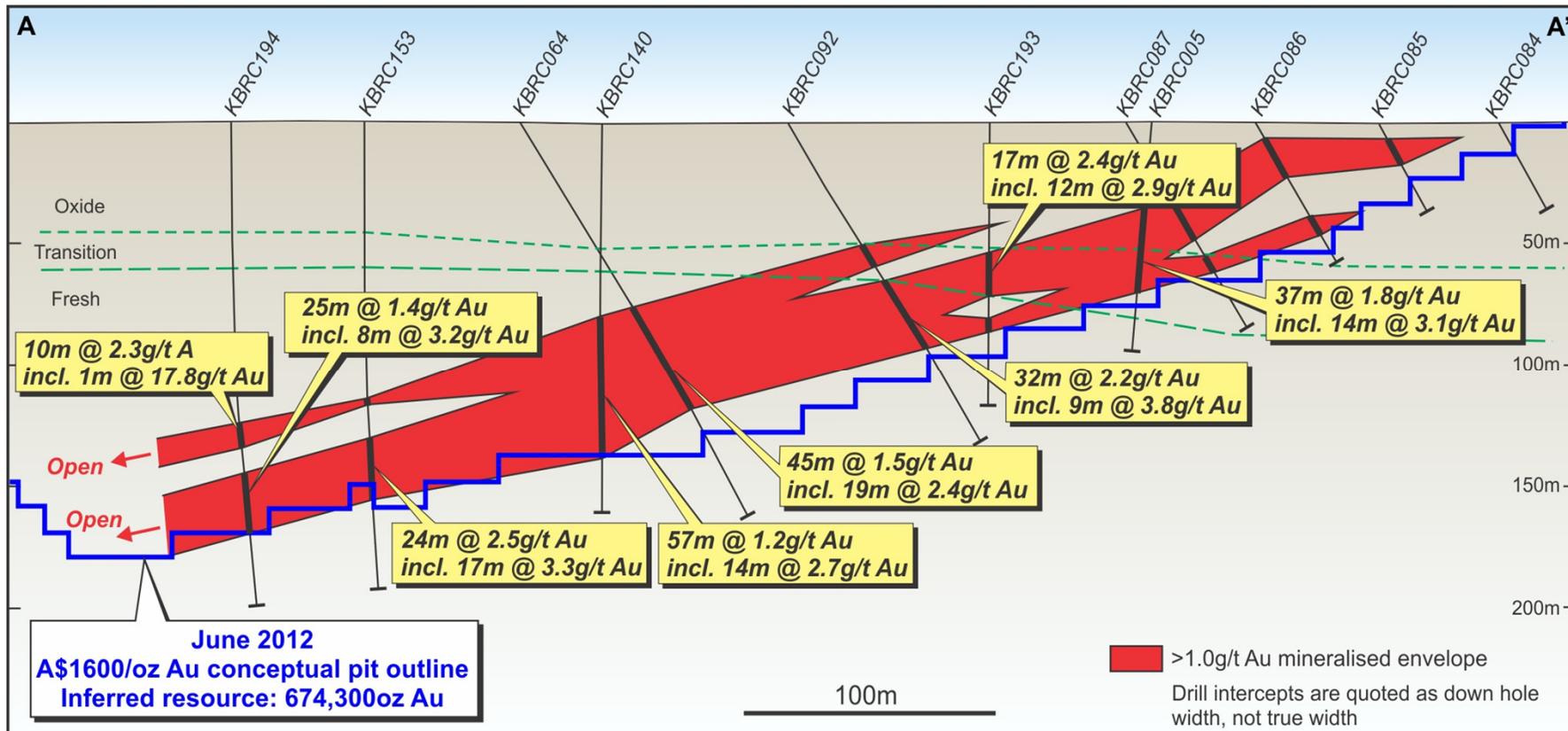
# KARLAWINDA GOLD PROJECT (IGO 100%)

## BIBRA PROSPECT CROSS-SECTION



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- Scoping Study commenced.
- Potential to increase resources down dip and along strike.



Reference: IGO 28/06/2012 ASX Release – Karlawinda Gold Project

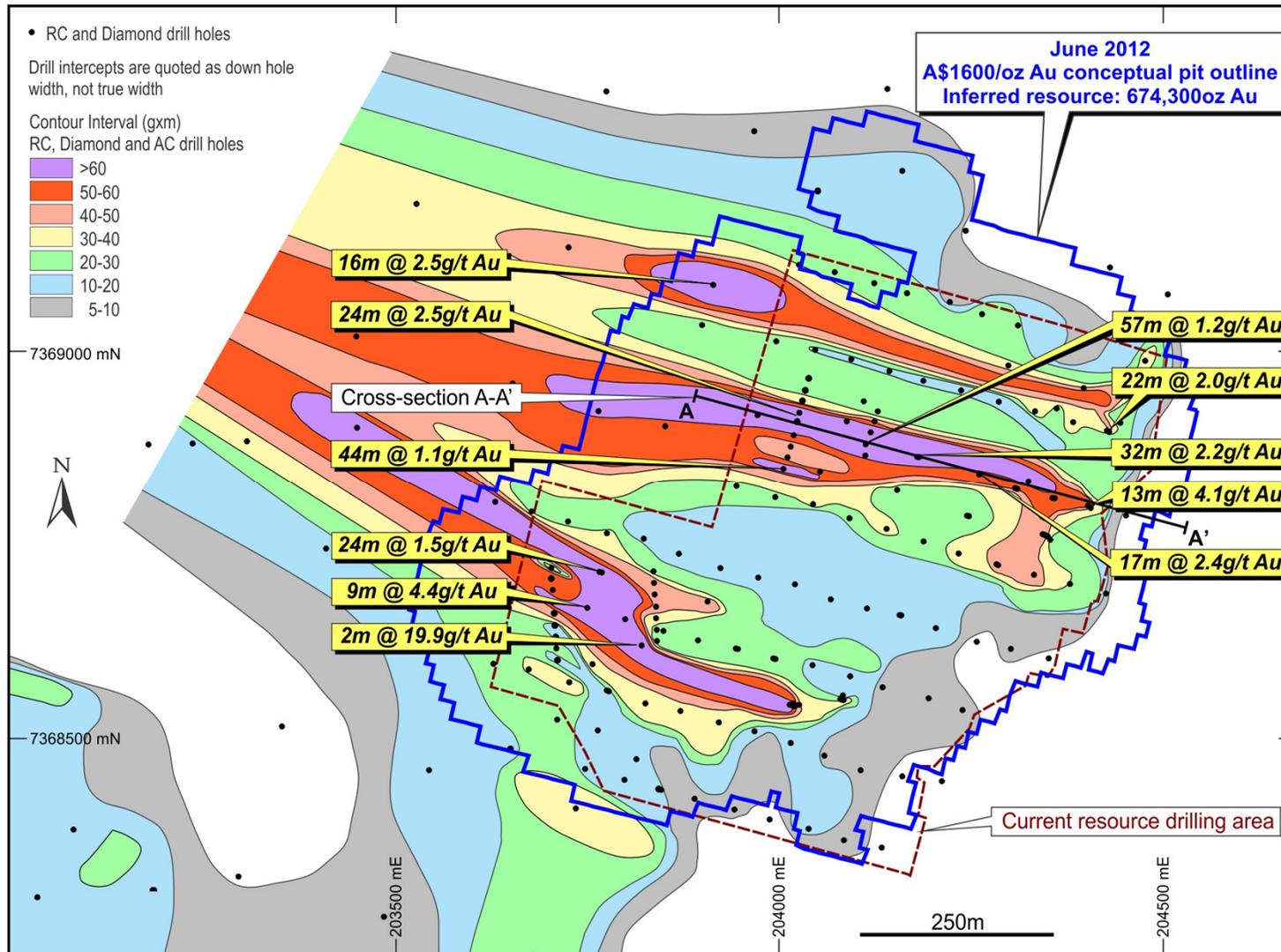
# KARLAWINDA GOLD PROJECT (IGO 100%)

## BIBRA PROSPECT GRAM X METRE CONTOURS



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- Currently seven untested anomalies for follow-up regional exploration



# KARLAWINDA GOLD PROJECT (IGO 100%)

## FLY THROUGH



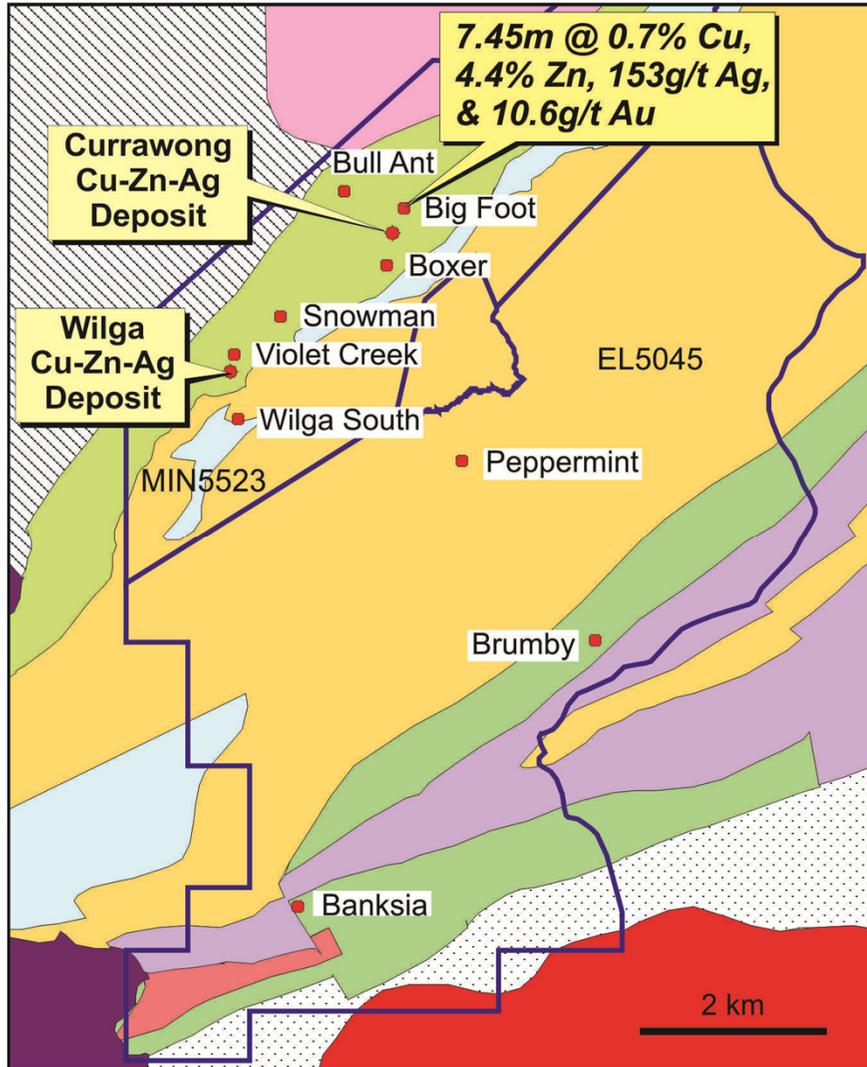
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# STOCKMAN PROJECT (IGO 100%)



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## Total Indicated + Inferred Resources:

13.98M t @ 2.1% Cu, 4.3% Zn, 38g/t Ag, 1.0g/t Au.

( Contained Metal ~ 293,700t Cu, 601,400t Zn, 17.1Moz Ag, 0.4Moz Au)

Reference: IGO 17/10/2012 ASX Release – Stockman Project Mineral Resource Statement.

- 8 years x 1Mtpa BFS study nearing completion, subject to peer review.
- Approvals process continuing.
- Recent gold discovery at Bigfoot Prospect, 300m north of Currawong Deposit.

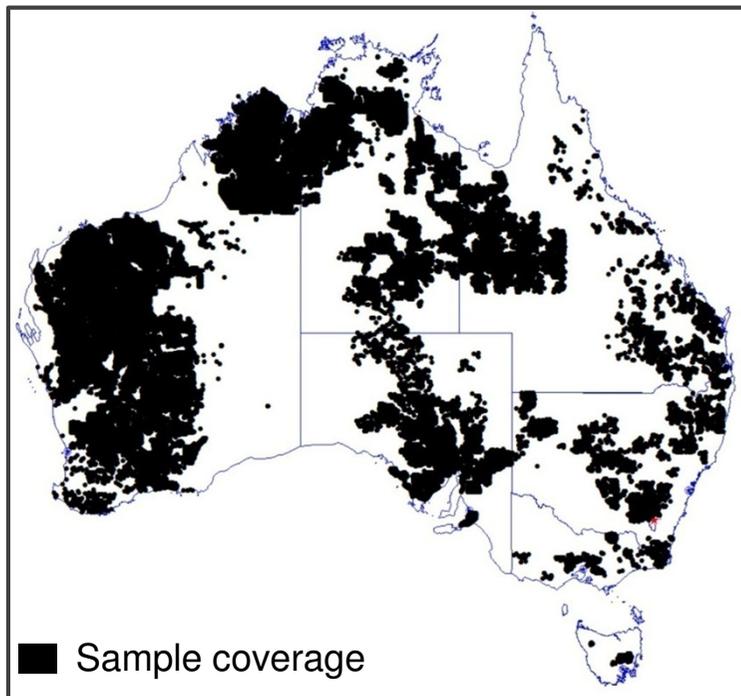
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# DE BEERS DATABASE (IGO 100%)



**Independence Group**

- Long term exploration asset to find new Australian mineral camps.
- 293,000 geochemical samples collected by DeBeers over 30 years.
- IGO analysing samples for 57 elements including Ni, Cu, Pb, Zn, Au, Ag, Pt, Pd, Ur, rare earths, Sn, Li, K etc.
- Over 49,000 samples analysed to date generating numerous geochemical anomalies.
- IGO has pegged a number of previously unknown gold, copper, zinc and tin anomalies.



Sample storage

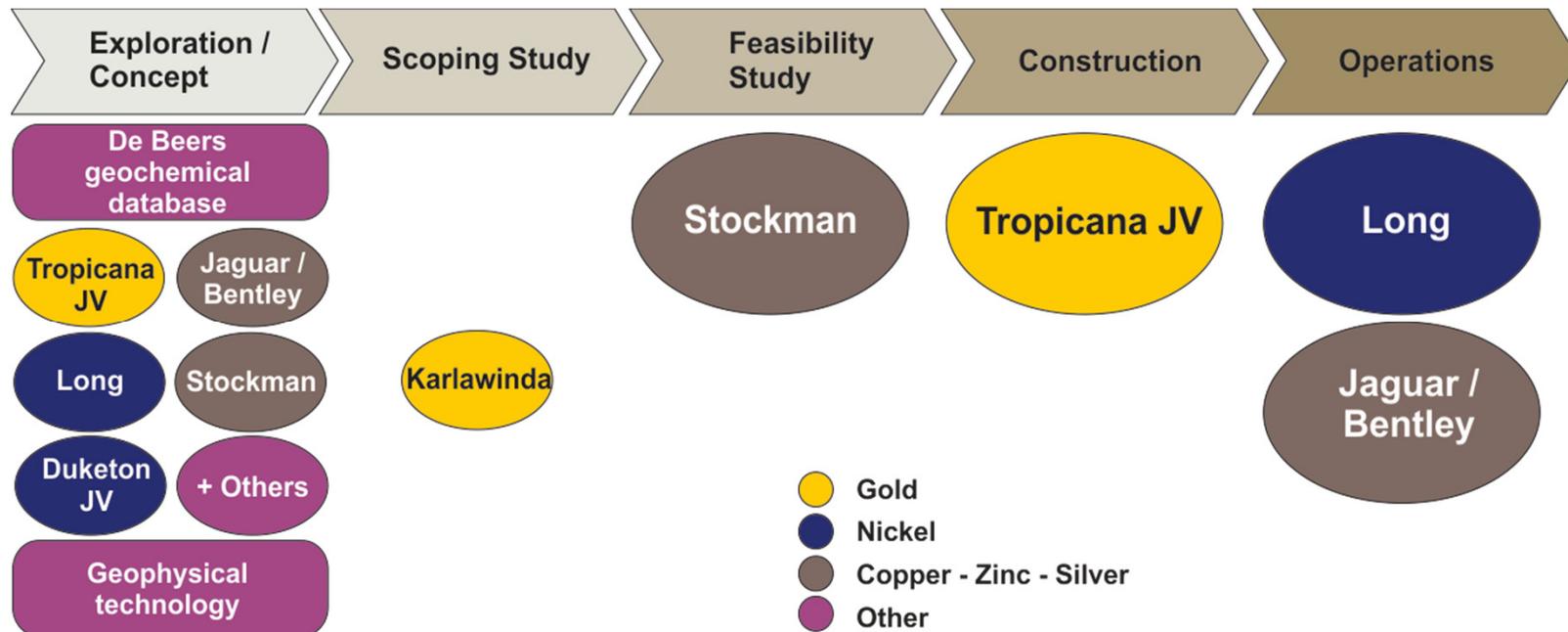
- **No buy-back or royalties in future mineral discoveries**

# IGO ASSET PIPELINE



Independence Group

- Combination of low cost cash flows from current operating mines with significant long-life development projects and highly prospective exploration



- Highly complementary management and technical capabilities, with proven successful track records of exploration, project management and operations



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ASX Code: IGO





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# APPENDIX

## RESERVES AND RESOURCES

### STATEMENTS

# RESERVES AND RESOURCES



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LONG NICKEL OPERATION					LONG NICKEL OPERATION				
Mineral Resources 30 June 2012					Ore Reserve 30 June 2012				
Cut-off 1% Ni					at Economic Ni Cut-off				
	Classification	Tonnes	Ni%	Ni Tonnes		Classification	Tonnes	Ni%	Ni Tonnes
LONG	Measured	47,000	3.7	1,700	LONG	Proven	5,000	3.0	100
	Indicated	220,000	5.1	11,200		Probable	91,000	2.6	2,400
	Inferred	167,000	5.1	8,600		Total	96,000	2.6	2,500
	<b>Total</b>	<b>434,000</b>	<b>5.0</b>	<b>21,500</b>					
MORAN	Measured	-	-	-	MORAN	Proven	-	-	-
	Indicated	498,000	7.1	35,300		Probable	768,000	4.1	31,700
	<b>Total</b>	<b>509,000</b>	<b>7.0</b>	<b>35,900</b>		<b>Total</b>	<b>768,000</b>	<b>4.1</b>	<b>31,700</b>
VICTOR	Measured	-	-	-	VICTOR				
SOUTH	Indicated	53,000	7.3	3,900	SOUTH	Proven	-	-	-
	Inferred	34,000	1.5	500		Probable	55,000	4.2	2,300
	<b>Total</b>	<b>87,000</b>	<b>5.1</b>	<b>4,400</b>		<b>Total</b>	<b>55,000</b>	<b>4.2</b>	<b>2,300</b>
McLEAY	Measured	49,000	7.2	3,600	McLEAY	Proven	63,000	2.4	1,500
	Indicated	145,000	5.5	7,900		Probable	139,000	2.8	3,900
	Inferred	79,000	4.2	3,300		<b>Total</b>	<b>202,000</b>	<b>2.7</b>	<b>5,400</b>
	<b>Total</b>	<b>273,000</b>	<b>5.4</b>	<b>14,800</b>					
<b>GRAND TOTAL</b>		<b>1,303,000</b>	<b>5.9</b>	<b>76,600</b>	<b>GRAND TOTAL</b>		<b>1,121,000</b>	<b>3.7</b>	<b>41,900</b>
Reference:	IGO 17/10/2012 ASX Release Long Operation Mineral Resource and Ore Reserve Statement								

# RESERVES AND RESOURCES



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## TROPICANA GOLD PROJECT JV

Mineral Resources				Ore Reserve			
November 2011				June 2011			
Classification	Tonnes (Mt)	Grade (g/t) <sup>1</sup>	Contained Gold (Moz) <sup>2</sup>	Classification	Tonnes (Mt)	Grade (g/t) <sup>3</sup>	Contained Gold (Moz) <sup>4</sup>
Measured	28.2	2.1	1.95				
Indicated	49.4	2.0	3.25	Proven	25.8	2.3	1.90
Inferred	10.6	3.6	1.21	Probable	30.6	2.0	2.01
<b>TOTAL</b>	<b>88.3</b>	<b>2.3</b>	<b>6.41</b>	<b>TOTAL</b>	<b>56.4</b>	<b>2.2</b>	<b>3.91</b>
Note:							
(1) Cut-off: 0.3g/t for transported and upper saprolite, 0.4g/t for lower saprolite, 0.4g/t Au for saprock, 0.5g/t Au fresh material, 2.14g/t Au underground.							
(2) Havana, Tropicana and Boston Shaker A\$1,400/oz Au optimisation.							
(3) Cut-off: 0.4g/t for transported and upper saprolite, 0.5g/t for lower saprolite, 0.6g/t Au for saprock, 0.7g/t Au fresh ore.							
(4) A\$1,210/oz Au optimisation.							
Reference: AGA 27/7/11 and 29/11/11 Annual Report ASX Releases for Resources and Reserve Estimates							

# RESERVES AND RESOURCES



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JAGUAR / BENTLEY OPERATION							JAGUAR / BENTLEY OPERATION							
Mineral Resources 30 June 2012							Ore Reserve 30 June 2012							
	Classification	Tonnes	Cu%	Zn%	Ag g/t	Au g/t		Classification	Tonnes	Cu%	Zn%	Ag g/t	Au g/t	
JAGUAR	Measured	429,000	2.5	4.4	61	-	JAGUAR	Proven	73,000	1.9	0.5	15	-	
	Indicated	129,000	1.8	2.6	32	-		Probable	6,000	1.5	0.4	10	-	
	Inferred	31,000	2.6	2.7	43	-		<b>Total</b>	<b>79,000</b>	<b>1.8</b>	<b>0.4</b>	<b>14</b>		
	Stockpiles	6,000	1.9	3.7	54	-								
	<b>Total</b>	<b>595,000</b>	<b>2.3</b>	<b>3.9</b>	<b>54</b>									
BENTLEY	Measured	-	-	-	-	-	BENTLEY	Proven	-	-	-	-	-	
	Indicated	2,118,000	1.7	10.5	125	0.7		Probable	2,373,000	1.3	8.5	100	0.5	
	Inferred	795,000	2.5	9.6	160	0.9		<b>Total</b>	<b>2,373,000</b>	<b>1.3</b>	<b>8.5</b>	<b>100</b>	<b>0.5</b>	
	Stockpiles	1,000	0.8	6.5	66	0.3								
	<b>Total</b>	<b>2,914,000</b>	<b>1.9</b>	<b>10.2</b>	<b>134</b>	<b>0.7</b>		<b>GRAND TOTAL</b>	<b>2,452,000</b>	<b>1.3</b>	<b>8.2</b>	<b>98</b>	<b>0.4</b>	
<b>Mineral Resources - August 2009</b>														
TEUTONIC	Measured	-	-	-	-	-								
BORE	Indicated	946,000	1.7	3.6	65	-								
	Inferred	608,000	1.4	0.7	25	-								
	<b>Total</b>	<b>1,554,000</b>	<b>1.6</b>	<b>2.5</b>	<b>49</b>	<b>-</b>								
<b>GRAND TOTAL</b>		<b>5,063,000</b>	<b>1.9</b>	<b>7.1</b>	<b>99</b>									

Reference: IGO 17/10/12 ASX Release Jaguar/Bentley Operation Mineral Resource and Ore Reserve Statement



## STOCKMAN PROJECT

### Mineral Resources 30 June 2012

	Classification	Tonnes	Cu%	Zn%	Pb%	Ag g/t	Au g/t
<b>CURRAWONG</b>	Indicated	9,548,000	2.0	4.2	0.8	42	1.2
	Inferred	781,000	1.4	2.2	0.3	23	0.5
	<b>Total</b>	<b>10,329,000</b>	<b>2.0</b>	<b>4.0</b>	<b>0.8</b>	<b>40</b>	<b>1.1</b>
<b>WILGA</b>	Indicated	2,987,000	2.0	4.8	0.5	31	0.5
	Inferred	670,000	3.7	5.5	0.4	34	0.4
	<b>Total</b>	<b>3,657,000</b>	<b>2.3</b>	<b>4.9</b>	<b>0.5</b>	<b>32</b>	<b>0.5</b>
<b>GRAND TOTAL</b>		<b>13,986,000</b>	<b>2.1</b>	<b>4.3</b>	<b>0.7</b>	<b>38</b>	<b>1.0</b>
<i>* Inferred Au grades for Wilga</i>							
Reference: IGO 17/10/12 ASX Release Stockman Project Mineral Resource Statement							

# RESERVES AND RESOURCES



Independence Group

## KARLAWINDA GOLD PROJECT : BIBRA DEPOSIT (INFERRED RESOURCES - JUNE 2012)

Mineralisation Type	Tonnes (Mt)	Au Grade (g/t)	Contained Au (oz)
Laterite	2.2	1.1	77,100
Upper Saprolite	0.9	1.1	31,000
Lower Saprolite	1.9	1.1	63,600
Transitional	2.1	1.0	68,200
Sub-total	7.1	1.1	239,900
Fresh	11.4	1.1	434,300
<b>TOTAL INFERRED</b>	<b>18.5</b>	<b>1.1</b>	<b>674,300</b>
Reference: IGO 28/06/2012 ASX Release - Bibra Resources Estimate		(Au (oz) figures have been rounded to nearest 100oz)	

# COMPETENT PERSONS STATEMENTS



Independence Group

## Notes:

The information in this summary presentation that relates to Exploration Results 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. Mr 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'. Mr Bonwick consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this summary presentation that relates to Mineral Resources or Ore Reserves is a compilation of previously published data for which Competent Persons consents were obtained. Their consents remain in place for subsequent releases by Independence Group NL of the same information in the same context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent. The initial public releases to the ASX of Mineral Resources or Ore Reserves have been referenced on each slide in this summary presentation, in accordance with clause 5 of the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. These references include the Competent Persons consent for each Mineral Resource or Ore Reserve.