

# INDEPENDENCE GROUP NL FULL YEAR RESULTS PRESENTATION

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**24 August 2015**

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- ▶ 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 Mineral Resource and Ore Reserve estimates should be read in conjunction with IGO’s 2014 Mineral Resource and Ore Reserve announcement dated 28 August 2014 (excluding Stockman Ore Reserves) and Stockman Optimisation Study announcement dated 28 November 2014 (updated Stockman Ore Reserves), and lodged with the ASX, which are available on the IGO website.
- ▶ Any references to Mineral Resource and Ore Reserve estimates for Sirius Resources NL (“Sirius” or “SIR”) should be read in conjunction with SIR’s ASX announcement dated 14 July 2014.
- ▶ All currency amounts in **Australian Dollars (AUD)** unless otherwise noted.
- ▶ Cash Costs are in AUD and reported inclusive of royalties and after by-product credits on per unit of payable metal basis.
- ▶ IGO reports All-in Sustaining Costs (AISC) per ounce of gold in AUD 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 27th June 2013 and is available from the World Gold Council’s website.

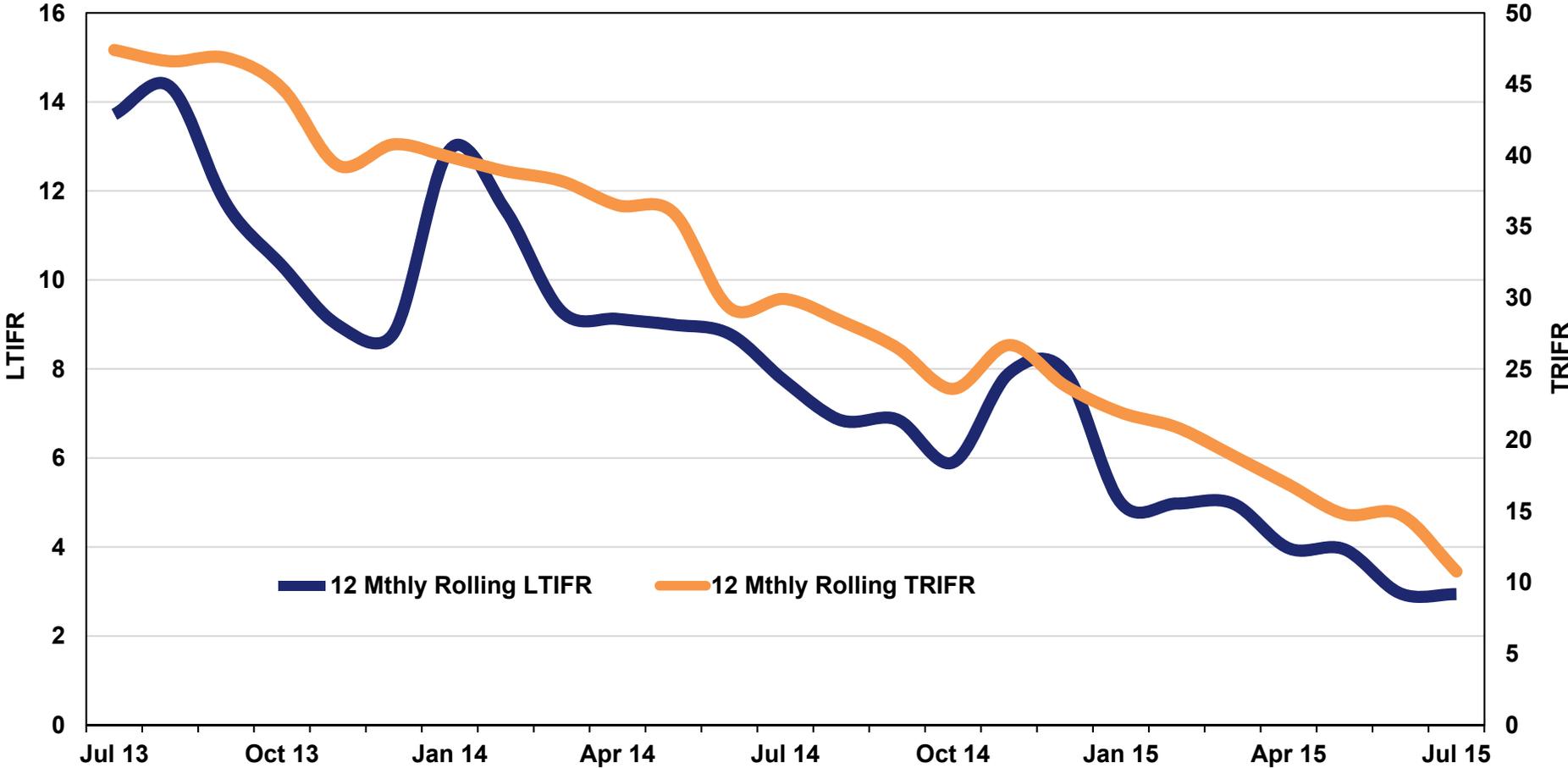
# Business Highlights



- ▼ **Record year in terms of revenue and operating cash flow**
- ▼ **Significant growth in dividend reflecting the robustness of the diversified business**
- ▼ **All operations succeeded in meeting or beating all production and cash cost guidance**
- ▼ **Tropicana has performed, and will continue performing, as a tier one Global asset in terms of cost, grade and cash flow generation**
- ▼ **Exploration success demonstrating ability to continue to replace reserves and grow mine life**
- ▼ **Announcement of acquisition of Sirius Resources NL (SIR) with the endorsement of major shareholder, Mark Creasy**
  - ▶ Aligns with stated strategy of growing a portfolio of tier one assets, leveraging dominant land positions and control of key infrastructure
  - ▶ Replacement financing package in place delivering savings relative to the original Nova package

# Safety Highlights

*Significant improvement over the past 1-2 years is a credit to our people*



(1) LTIFR is lost time injury frequency rate expressed in number of injuries per million man-hours worked  
(2) TRIFR is total recordable injury frequency rate expressed in number of injuries per million man-hours worked

# Financial Highlights

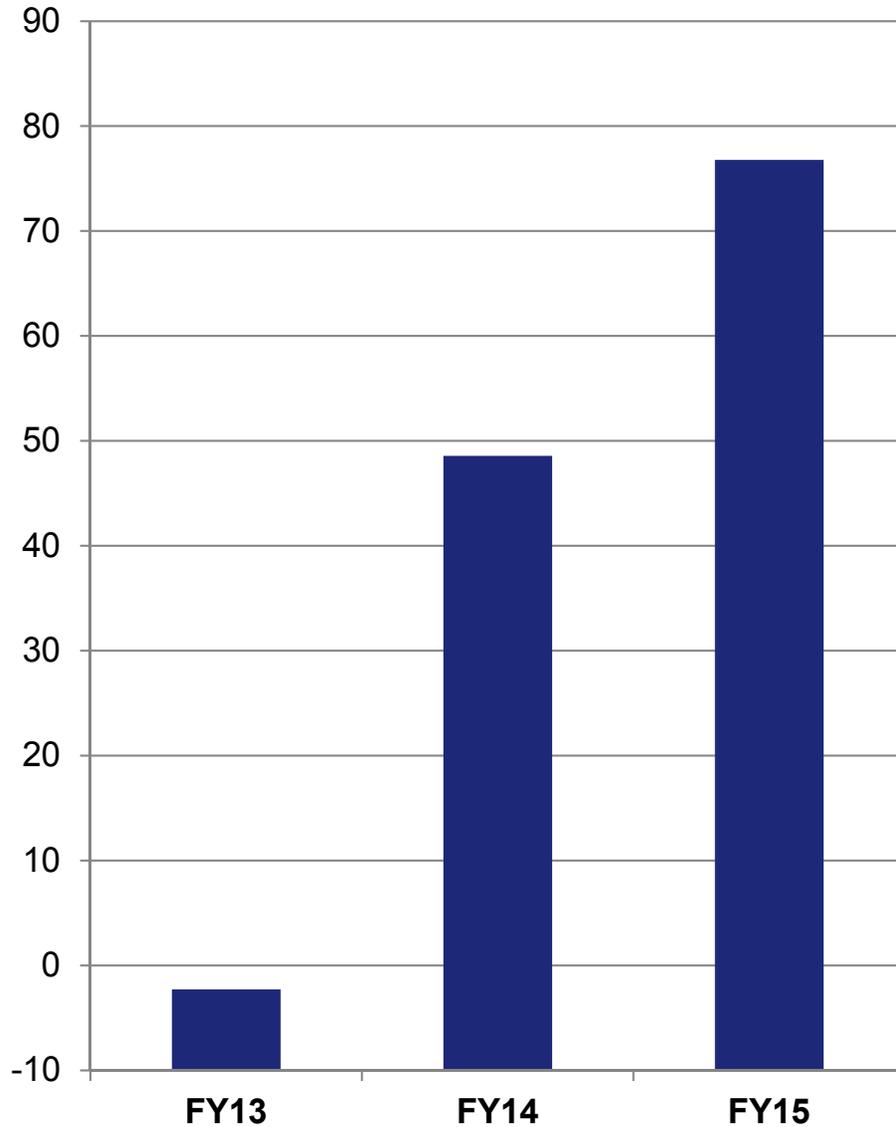


- ▶ Revenue increased by 25% to \$499M, a record for IGO
- ▶ Underlying EBITDA<sup>(1)</sup> increased by 44% to \$213M
- ▶ Net Profit After Tax increased by 58% to \$77M
- ▶ Net cash flows from operating activities increased by 57% to \$202M, a record for IGO
- ▶ Net cash (cash equivalents and debt) improved 332% to \$121M as at 30 June 2015
- ▶ Total fully franked dividends paid during FY15 were up 175% to 11 cents per share
- ▶ Final Dividend pool of \$13M established with a record date to be set to a date no later than 30 September 2015
  - ▶ In line with dividend policy = pay minimum 30% of NPAT
  - ▶ Combined FY15 interim payment of \$14M and FY15 final pool of \$13M equates to 35% of FY15 NPAT
- ▶ Minimum surplus franking balance of \$42M available for distribution with future dividends

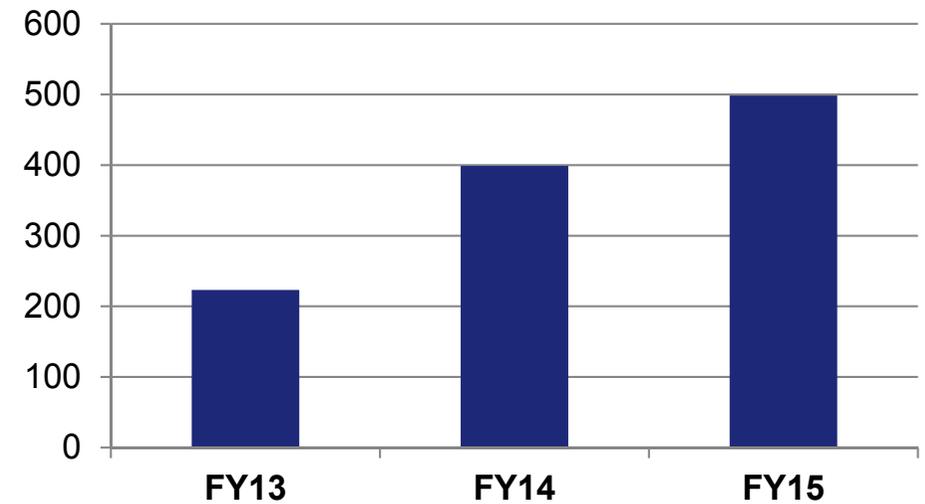
(1) Underlying EBITDA is a non-IFRS measure and comprises net profit or loss after tax, adjusted to exclude tax expense, finance costs, interest income, asset impairments, depreciation and amortisation.

# Earnings Summary

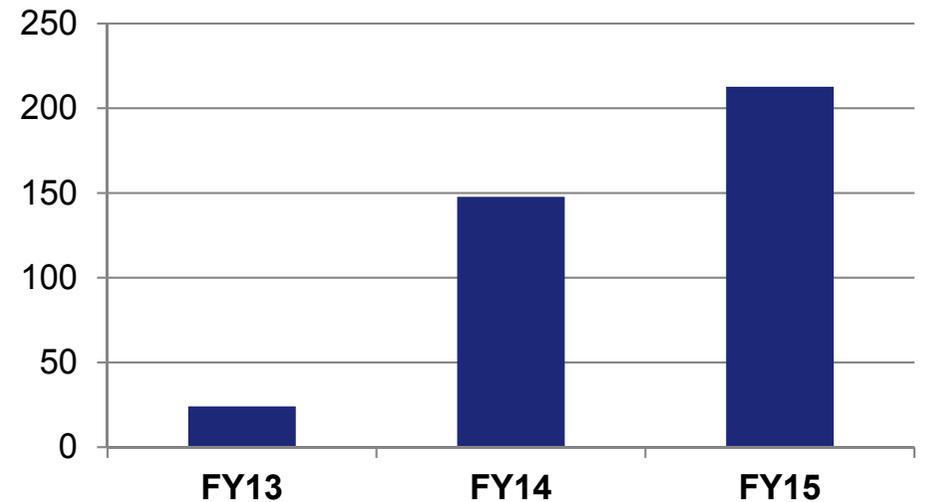
## Net Profit After Tax (\$M)



## Revenue (\$M)

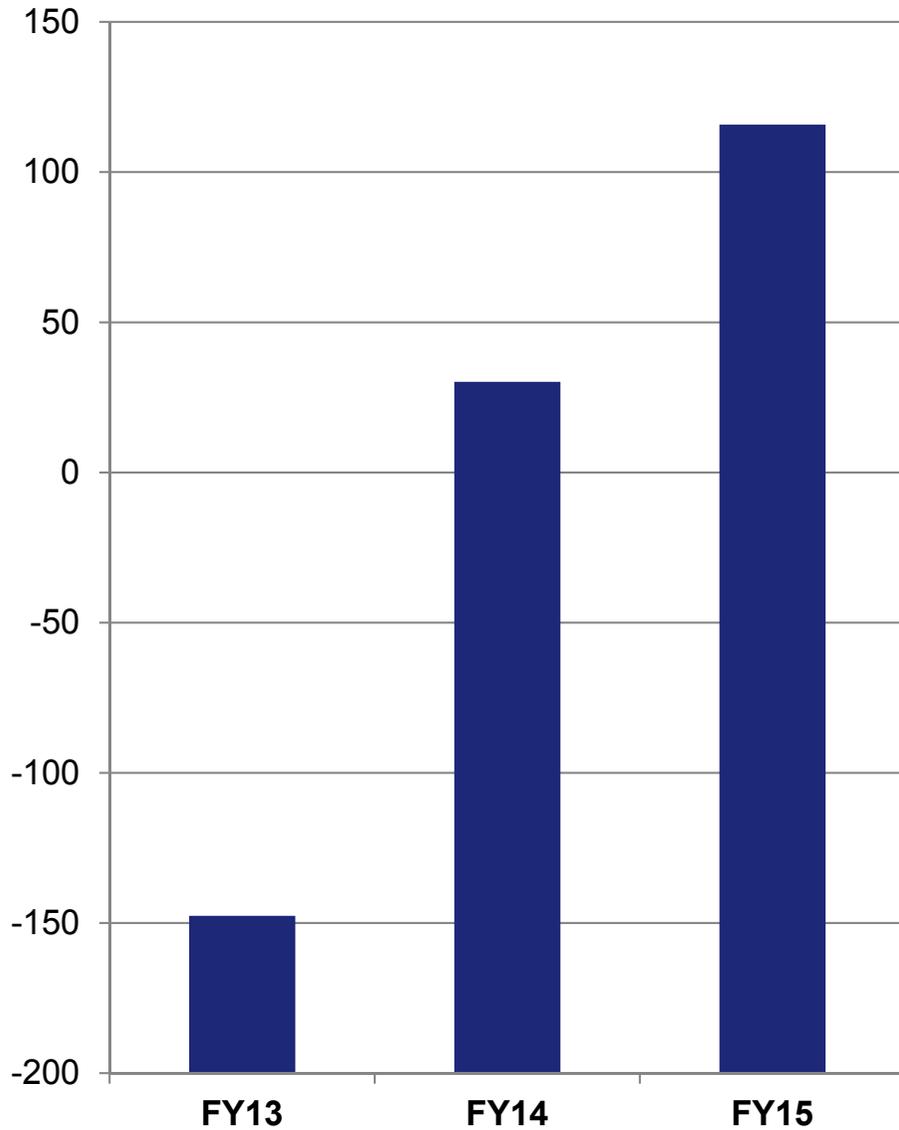


## Underlying EBITDA (\$M)

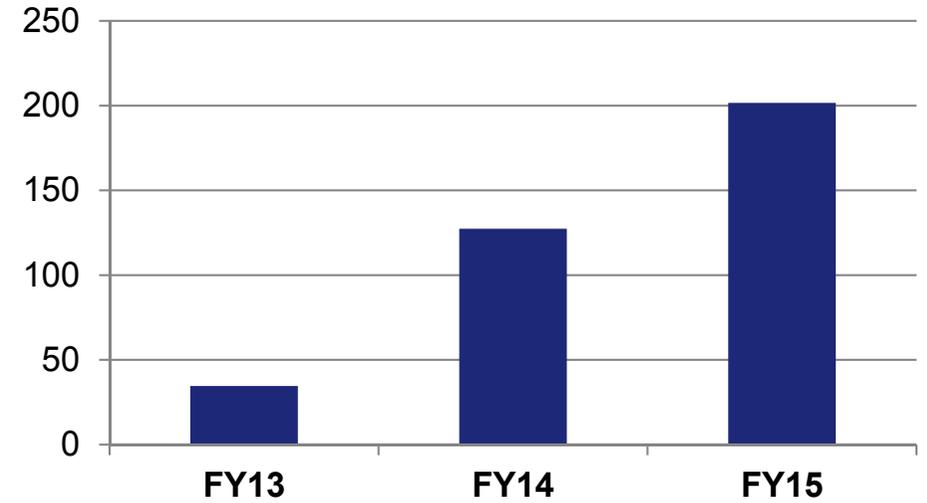


# Cash Flow Summary

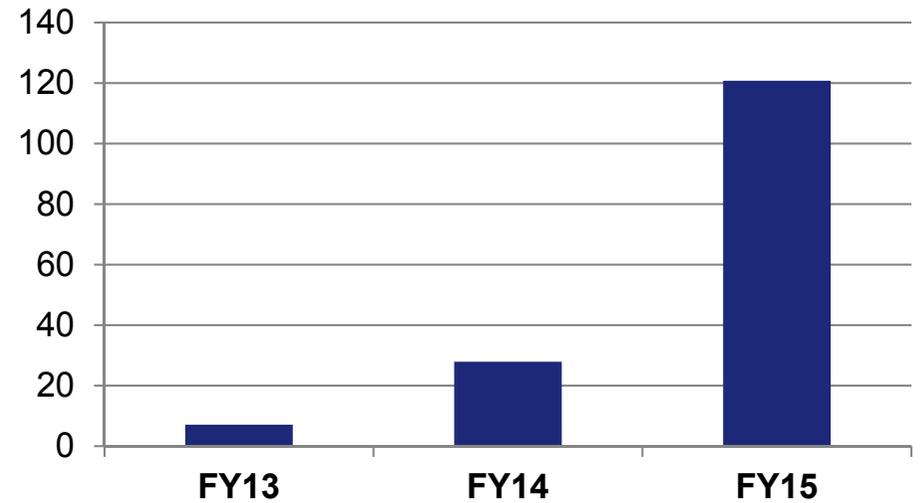
## Free Cash Flow (\$M)



## Operating Cash Flow (\$M)



## Net Cash (\$M)



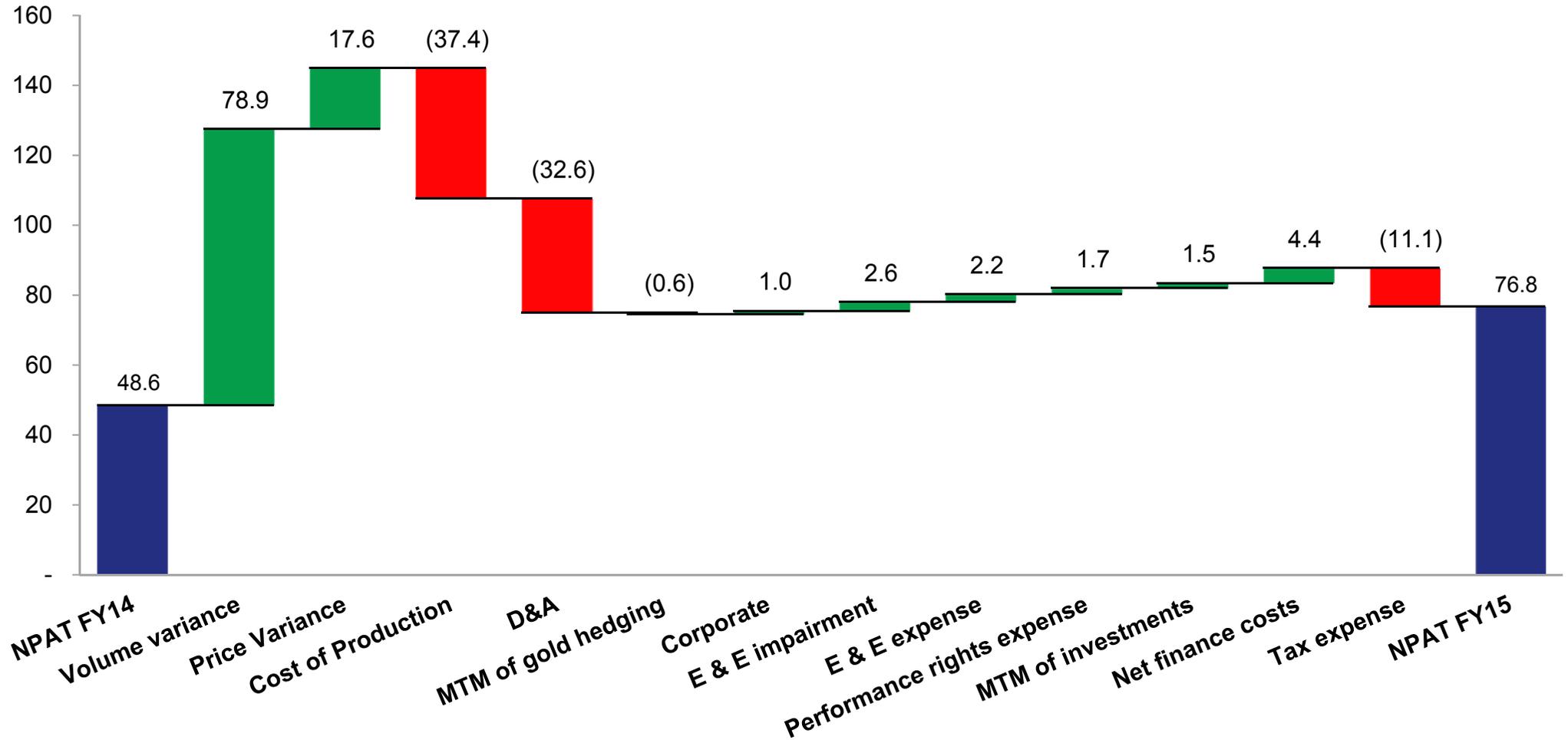
# Summary Income Statement (\$M)

**58% increase in Net Profit after tax**

	FY15	FY14	
Revenue from Operations	493.5	397.5	← 59% higher Tropicana and 16% higher Jaguar contribution offset by 6% lower nickel revenue
Cost of goods sold	(240.0)	(200.1)	
<b>Gross profit</b>	<b>253.5</b>	<b>197.4</b>	← Consistent 50% gross profit margin ratio
Other Income	3.7	1.0	← Foreign exchange gains – more favourable AUD in FY15
Exploration and New Business expense	(34.8)	(39.7)	
Corporate costs	(9.3)	(10.5)	
Other non-production costs	(3.8)	(6.4)	
Depreciation and amortisation	(98.6)	(65.9)	← Full year D&A charge at Tropicana
Net finance costs	(0.8)	(5.1)	
Income tax expense	(33.2)	(22.1)	
<b>Net Profit after tax</b>	<b>76.8</b>	<b>48.6</b>	

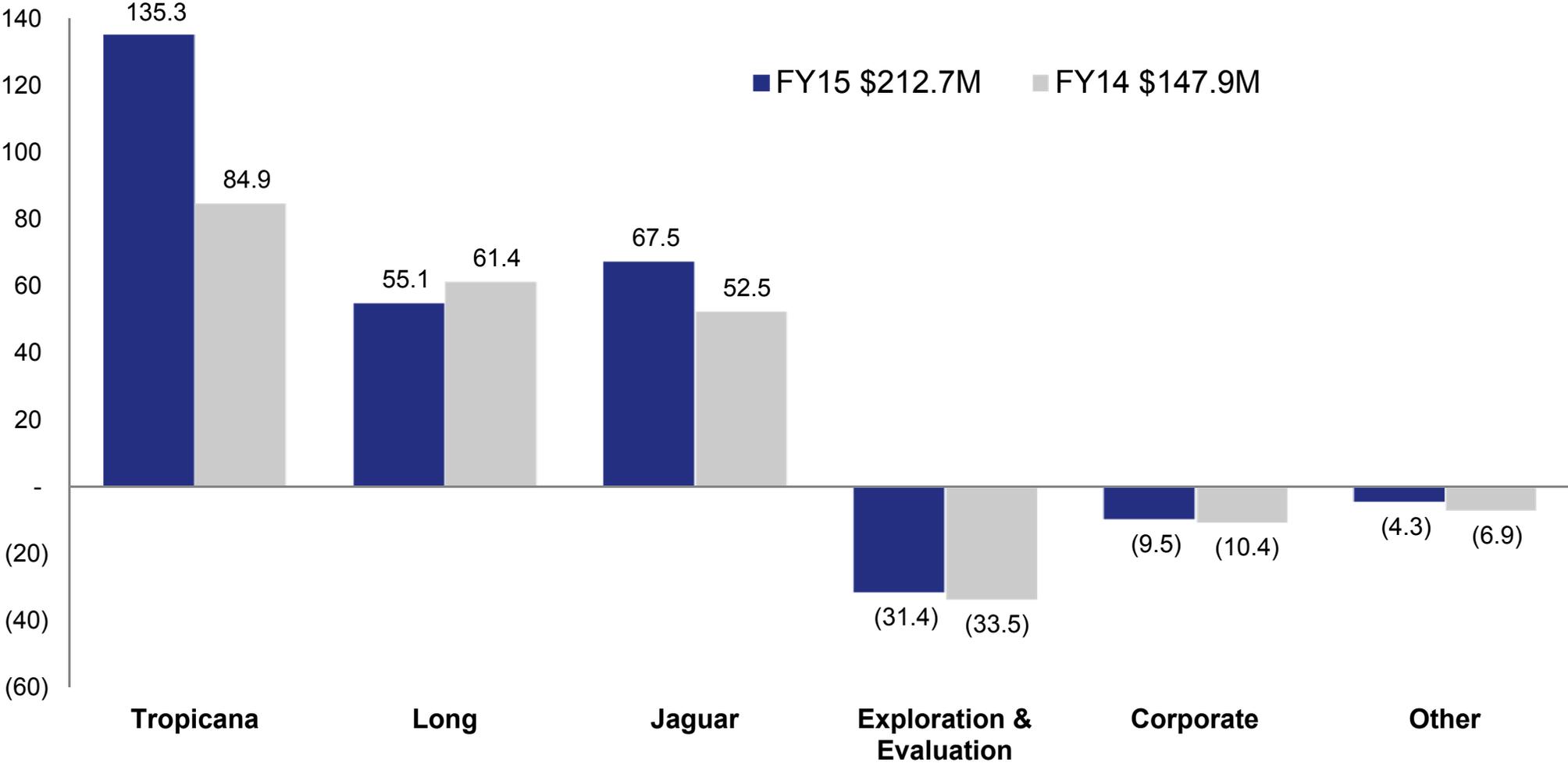
# NPAT Analysis (\$M)

*Full year of production at Tropicana and better AUD metal prices underpinned higher NPAT*



# Underlying EBITDA Components (\$M)

*Tropicana and Jaguar delivered higher underlying EBITDA*



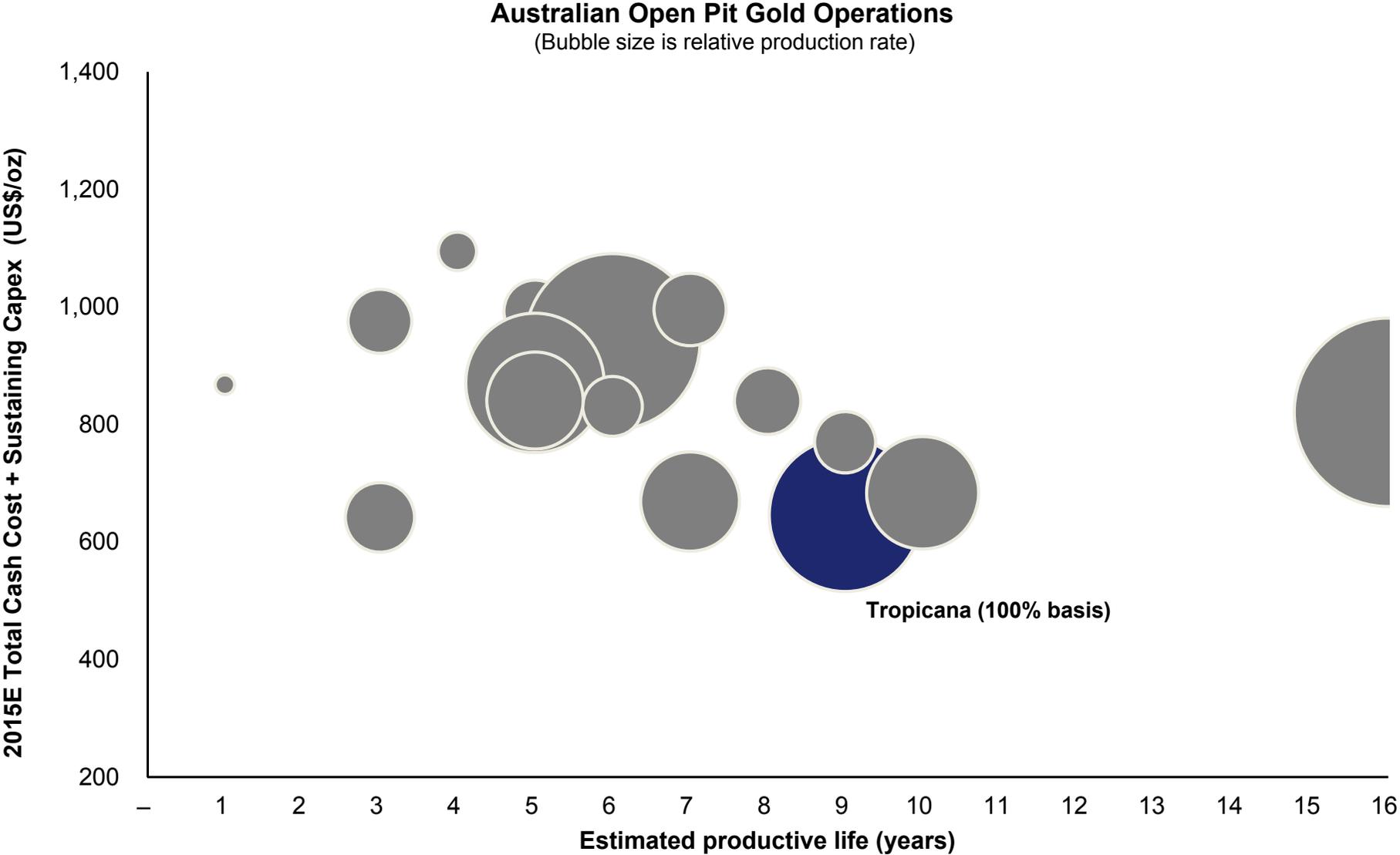
# Summary Balance Sheet (\$M)

*Balance sheet is strong with debt facilities undrawn*

	June 2015	June 2014	
<b>ASSETS</b>			
Cash and cash equivalents	121.3	57.0	← Cash growth of \$64M after debt payments of \$28M and Dividend payments of \$26M
Receivables	22.1	30.1	
Inventories	65.3	49.2	← Growth in lower grade stockpiles at Tropicana
Investments/exploration assets	125.5	112.4	← Includes 4.9% investment in Gold Road
Mine property plant & equipment	350.5	376.5	
Deferred tax asset	130.5	152.4	
Derivative financial Instruments	5.0	3.2	
<b>Total Assets</b>	<b>820.2</b>	<b>780.8</b>	
<b>LIABILITIES</b>			
Creditors	45.1	46.9	
Borrowings	0.5	28.3	← Revolving credit facility paid off in FY15
Derivative financial instruments	3.1	6.4	
Provisions	32.0	28.1	
Deferred tax liability	74.0	61.6	
<b>Total Liabilities</b>	<b>154.7</b>	<b>171.3</b>	
<b>NET ASSETS</b>	<b>665.5</b>	<b>609.5</b>	

# Comparison of Australian open pit gold operations

*Tropicana is a premier low cost, long life gold project*



Source: UBS

# Tropicana Production (100% basis)

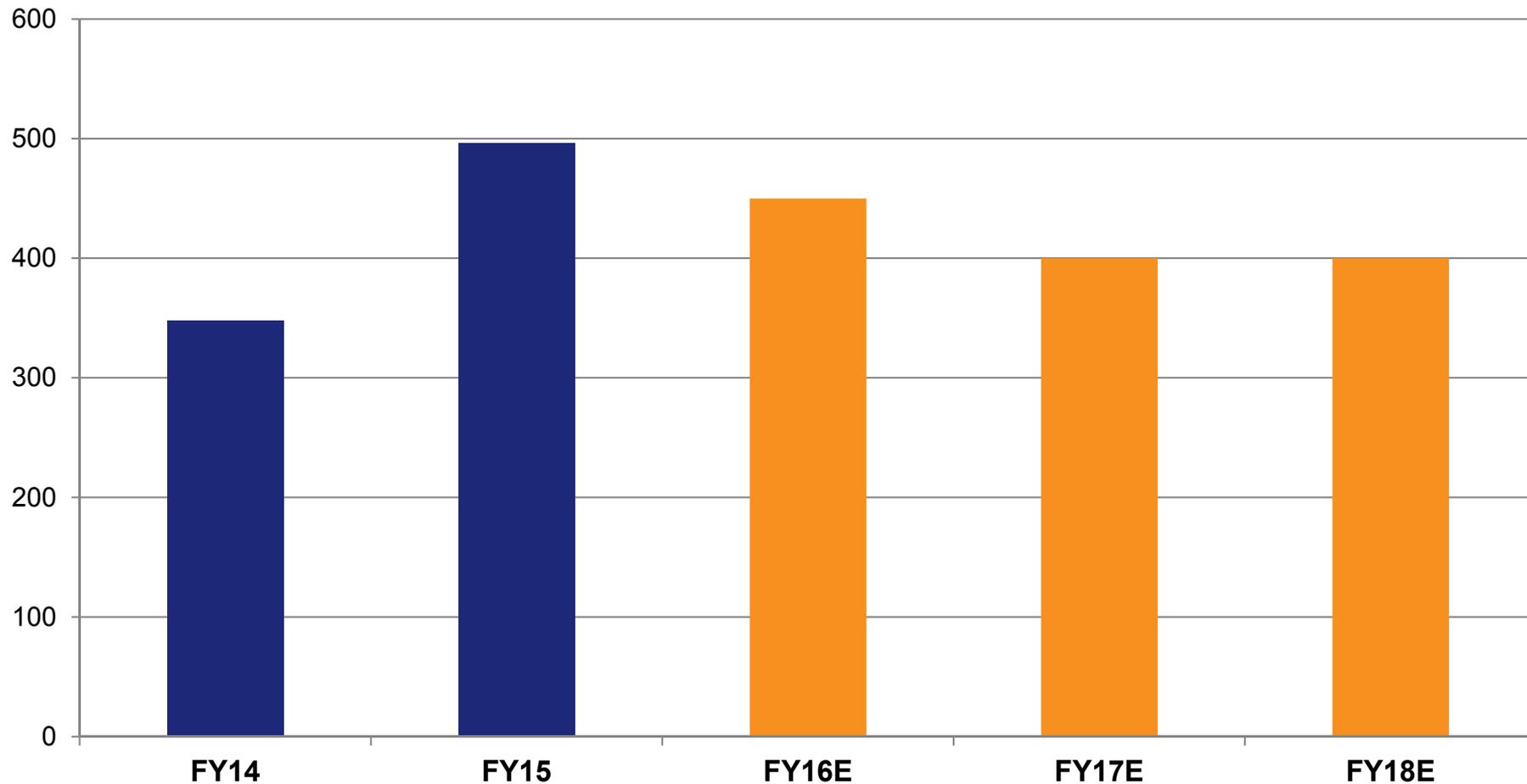


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*Tropicana benefits from grade streaming until end-2015 then expected to consistently produce 400,000 oz/year*

Gold Production (koz)



# Tropicana enhancement opportunities

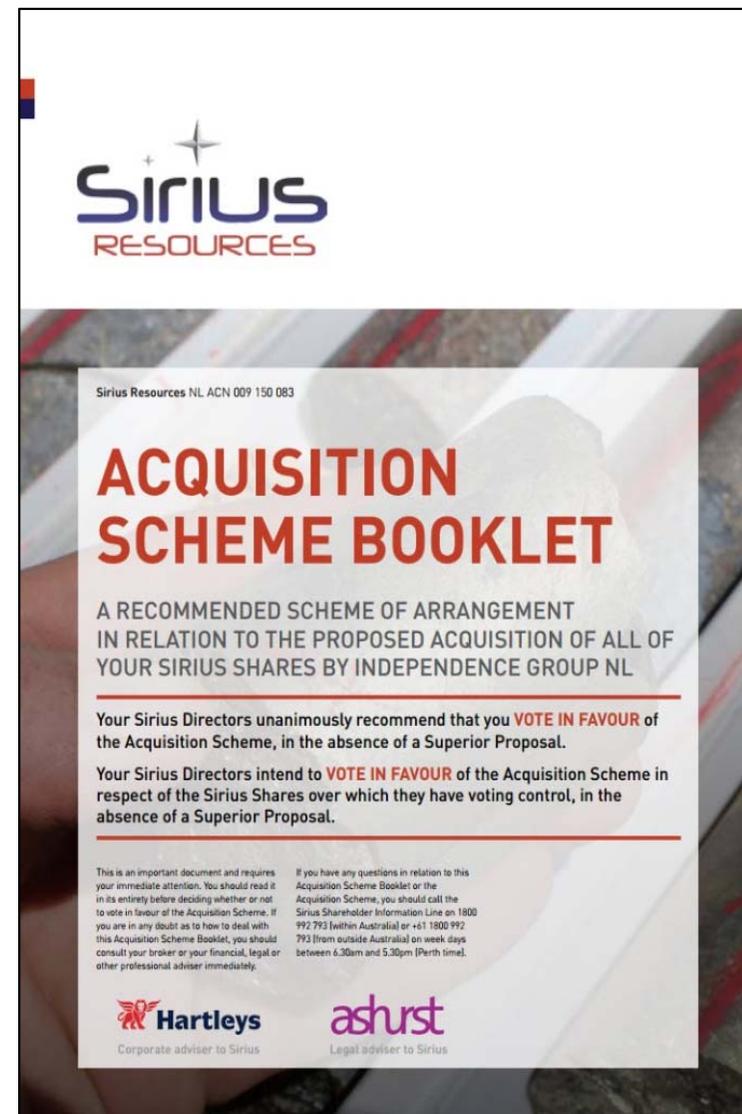


- ▼ **Process plant debottlenecking ongoing**
  - ▶ Throughput rates of up to 6.6 Mtpa achieved on monthly basis
  - ▶ Work underway to debottleneck to 7.0-7.5 Mtpa at the Run of Mine grade of ~2 g/t
- ▼ **Resource extension drilling underway**
  - ▶ Targets generated by 3D seismic survey
  - ▶ Encouraging results potentially extending mineralisation along strike
  - ▶ Shallow, potentially low cost extensions of mine life
- ▼ **Studies underway to incorporate ~3 Moz of existing resource outside current reserves into mine plan**
  - ▶ Aim to maintain current operating margin and extend mine life
- ▼ **Regional exploration continues**
  - ▶ New prospects identified in favourable host sequence

# Sirius transaction highlights

- ▶ **Acquisition agreement announced 25 May 2015**
- ▶ **Clear strategic rationale for transaction**
  - ▶ Acquisition of Sirius is consistent with IGO's clearly defined growth strategy
  - ▶ Delivers shareholders of both companies exposure to Tropicana and Nova
  - ▶ Combines Sirius' near term development asset with IGO's strong cash flows
- ▶ **Combined company has a portfolio of high quality assets (margin, mine life, jurisdiction and relevancy)**
- ▶ **Transaction unanimously recommended by SIR Board<sup>(1)</sup> and supported by 35% shareholder, Mark Creasy**
- ▶ **Scheme meeting to be held 3 September 2015**

(1) The Board of Sirius has unanimously recommended that all Sirius shareholders vote in favour of the Transaction Resolutions, in the absence of a superior proposal (Refer to the 25 May 2015 ASX announcement for further details).



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# Sirius transaction

*“This transaction brings together the producing assets of Independence and the near production asset of Sirius.” Mark Creasy, 25 May 2015*

## Supported

Strong support for transaction

- ▶ Transaction has strong support including Creasy endorsement
- ▶ Unanimously recommended by boards of directors of both companies
- ▶ SIR and IGO management and boards share common vision for combined business and strategic rationale for transaction
- ▶ Scheme meeting schedule for 3 September 2015

## Value

Strong strategic rationale for transaction

- ▶ Growing portfolio of tier 1 assets leveraging dominant land positions/control of key infrastructure
- ▶ Complementary portfolio creating a long-term growth and yield investment
- ▶ Diversified across multiple commodity types (Au, Cu, Ni & Zn) and operations
- ▶ Leverage combined Company's strong balance sheet and operational expertise

# Summary remarks



## ▼ FY15 Full Year

- ▶ Achieved or bettered guidance on production and cash costs at all mines
- ▶ Achieved record revenue and operating cash flow
- ▶ Ended FY15 with net cash of \$121M
- ▶ Paid 11cps during FY15 and established \$13M pool for FY15 fully franked final dividend

## ▼ Outlook

- ▶ Maintain focus on existing operations: safety; operational discipline; and cost control
- ▶ Continue to strengthen balance sheet
- ▶ Exploration dollars weighted to brownfields opportunities to drive mine life
- ▶ Continue to target opportunities to sustain and grow the business in the long term

## ▼ Sirius Scheme Meeting on 3 September 2015

- ▶ Integration planning completed and project optimisation studies currently underway

# Questions?

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**Independence Group NL ([www.igo.com.au](http://www.igo.com.au))**

**Peter Bradford, Managing Director and CEO**

**24 August 2015**



# Resources & Reserves

## Competent Persons Statements

### Exploration Results

The information in this report that relates to Exploration Results is a compilation of previously published data for which Competent Persons consents were obtained. Their consents remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent. The information in this report has been extracted from the IGO ASX Quarterly Activities Report dated 29 July 2015 and is available on the IGO website [www.igo.com.au](http://www.igo.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

### Resources and Reserves

The information in this report 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 the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent. The information in this report has been extracted from the IGO ASX Releases for Mineral Resources and Ore Reserves dated 28 August 2014 (excluding Stockman Ore Reserves) and 28 November 2014 (Stockman Ore Reserves only), and are available on the IGO website [www.igo.com.au](http://www.igo.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

# Resources & Reserves: Tropicana JV (IGO 30%)

Mineral Resource 30 June 2014 100% Project				
	Classification	Tonnes Mt	Au g/t	Contained Au Moz
OPEN PIT	Measured	22.8	2.11	1.56
	Indicated	73.7	1.89	4.47
	Inferred	5.8	2.57	0.48
	<b>Sub Total</b>	<b>102.4</b>	<b>1.97</b>	<b>6.50</b>
UNDERGROUND	Measured	-	-	-
	Indicated	2.4	3.58	0.27
	Inferred	6.1	3.07	0.60
	<b>Sub Total</b>	<b>8.5</b>	<b>3.21</b>	<b>0.87</b>
STOCKPILES	Measured	4.9	1.04	0.16
TOTAL TROPICANA	Measured	27.7	1.92	1.72
	Indicated	76.1	1.94	4.74
	Inferred	11.9	2.83	1.08
<b>GRAND TOTAL</b>		<b>115.7</b>	<b>2.03</b>	<b>7.54</b>

#### Notes:

1. For the Open Pit Mineral Resource estimate, mineralisation in the Havana, Havana South, Tropicana and Boston Shaker areas was calculated within a US\$1,550/oz pit optimisation at an AUD:USD exchange rate of 1.03 (A\$1,500/oz).
2. The Open Pit Mineral Resources have been estimated using the geostatistical technique of Uniform Conditioning, using cut-off grades of 0.3g/t Au for Transported and Saprolite material, 0.4g/t Au for Transitional and Fresh material.
3. The Havana Deeps Underground Mineral Resource estimate has been reported outside the US\$1,550/oz pit optimisation at a cut-off grade of 1.73g/t Au, which was calculated using a gold price of US\$2,000/oz (AUD:USD 1.05) (A\$1,896/oz).
4. The Havana Deeps Underground Mineral Resource was estimated using the geostatistical technique of Ordinary Kriging using average drill hole intercepts.
6. Mining depletion as at 30 June 2014 has been removed from the 2014 resource estimate.
7. Resources are inclusive of Reserves.
8. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of the ASX Release dated 28 August 2014.
9. JORC (2012) Table 1 Parameters are in Appendix A of the ASX Release dated 28 August 2014.

Reference: ASX Release dated 28 August 2014 for Resources and Reserves.

Ore Reserve 30 June 2014 100% Project				
	Classification	Tonnes Mt	Au g/t	Contained Au Moz
OPEN PIT	Proved	20.2	2.29	1.49
	Probable	29.7	2.02	1.94
Stockpiles		3.3	1.27	0.13
<b>GRAND TOTAL</b>		<b>53.3</b>	<b>2.08</b>	<b>3.56</b>

#### Notes:

1. The Proved and Probable Ore Reserve (30 June 2014) is reported above economic break-even gold cut-off grades of 0.4 g/t for Transported/Upper Saprolite material, 0.5 g/t for Lower Saprolite material, 0.6g/t for Sap-Rock (Transitional) material and 0.7g/t for Fresh material at nominated gold price US\$1,100/oz and exchange rate 0.88 AUD:USD (equivalent to A\$1,249/oz Au).
2. The 30 June 2014 Reserve estimate is updated using the end of June 2014 surveyed surface topography and end of June 2014 stockpile balances. The final pit designs, cut-off grades and the Resource model used are unchanged from the December 2013 estimate.
3. Resources are inclusive of Reserves.
4. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section in the ASX Release dated 28 August 2014.
5. JORC (2012) Table 1 Parameters are in Appendix A of the ASX Release dated 28 August 2014.

Reference: ASX Release dated 28 August 2014 for Resources and Reserves.

# Resources & Reserves: Long Operation

Mineral Resource 30 June 2014					Ore Reserve 30 June 2014				
	Classification	Tonnes	Ni%	Ni Tonnes		Classification	Tonnes	Ni%	Ni Tonnes
LONG	Measured	70,000	5.5	3,900	LONG	Proved	50,000	3.8	1,900
	Indicated	270,000	5.5	15,000		Probable	56,000	3.1	1,700
	Inferred	138,000	5.4	7,400					
	<b>Sub Total</b>	<b>478,000</b>	<b>5.5</b>	<b>26,300</b>		<b>Sub Total</b>	<b>106,000</b>	<b>3.4</b>	<b>3,600</b>
VICTOR SOUTH	Measured	-	-	-	VICTOR SOUTH	Proved	5,000	3.7	200
	Indicated	188,000	2.0	3,700		Probable	8,000	3.2	200
	Inferred	28,000	1.6	400					
	<b>Sub Total</b>	<b>216,000</b>	<b>1.9</b>	<b>4,100</b>		<b>Sub Total</b>	<b>13,000</b>	<b>3.4</b>	<b>400</b>
McLEAY	Measured	74,000	6.7	4,900	McLEAY	Proved	49,000	4.1	1,900
	Indicated	85,000	4.8	4,100		Probable	3,000	3.3	100
	Inferred	75,000	4.6	3,400					
	<b>Sub Total</b>	<b>234,000</b>	<b>5.3</b>	<b>12,400</b>		<b>Sub Total</b>	<b>52,000</b>	<b>3.9</b>	<b>2,000</b>
MORAN	Measured	285,000	7.3	20,800	MORAN	Proved	449,000	4.5	20,200
	Indicated	90,000	6.9	6,300		Probable	120,000	3.1	3,600
	Inferred	86,000	4.0	3,500					
	<b>Sub Total</b>	<b>461,000</b>	<b>6.6</b>	<b>30,600</b>		<b>Total</b>	<b>569,000</b>	<b>4.2</b>	<b>23,800</b>
STOCKPILES	Measured	3,000	3.3	100	STOCKPILES		3,000	3.3	100
<b>TOTAL</b>		<b>1,392,000</b>	<b>5.3</b>	<b>73,400</b>	<b>TOTAL</b>		<b>743,000</b>	<b>4.0</b>	<b>29,900</b>

**Notes:**

1. Mineral Resources are reported using a 1% Ni Cut-off grade except for the Victor South disseminated Mineral Resource which is reported using a cut-off grade of 0.6% Ni.
2. Mining depletion as at 30 June 2014 has been removed from the 2014 resource estimate.
3. Resources are inclusive of Reserves.
4. Ore tonnes have been rounded to the nearest thousand tonnes and nickel tonnes have been rounded to the nearest hundred tonnes. This may result in slight rounding differences in the total values in the table above.
5. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of the ASX Release dated 28 August 2014.
6. JORC (2012) Table 1 Parameters are in Appendix B of the ASX Release dated 28 August 2014.

**Reference:** ASX Release dated 28 August 2014 for Resources and Reserves.

**Notes:**

1. Ore Reserves are reported above an economic Ni Cut-off value as at 30 June.
2. A Net Smelter Return (NSR) value of \$214 per ore tonne has been used in the evaluation of the 2014 reserve.
3. Mining depletion as at 30 June 2014 has been removed from the 2014 reserve estimate.
4. Ore tonnes have been rounded to the nearest thousand tonnes and nickel tonnes have been rounded to the nearest hundred tonnes.
5. Revenue factor inputs (US\$): Ni \$14,508/T, Cu \$6,820/T. Exchange rate AU\$1.00 : US\$0.90.
6. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of the ASX Release dated 28 August 2014.
7. JORC (2012) Table 1 Parameters are in Appendix B of the ASX Release dated 28 August 2014.

**Reference:** ASX Release dated 28 August 2014 for Resources and Reserves.

# Resources & Reserves: Jaguar Operation

Mineral Resource 30 June 2014						
	Classification	Tonnes	Cu%	Zn%	Ag g/t	Au g/t
BENTLEY	Measured	706,000	2.2	12.3	172	0.8
	Indicated	1,502,000	1.5	8.0	123	0.7
	Inferred	631,000	1.2	6.1	101	0.6
	Stockpiles	16,000	1.8	11.7	166	0.8
	<b>Sub Total</b>	<b>2,855,000</b>	<b>1.6</b>	<b>8.7</b>	<b>130</b>	<b>0.7</b>

Mineral Resources 2009						
TEUTONIC	Measured	-	-	-	-	-
	Inferred	-	-	-	-	-
BORE	Indicated	946,000	1.7	3.6	65	-
	Inferred	608,000	1.4	0.7	25	-
	<b>Sub 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>4,409,000</b>	<b>1.6</b>	<b>6.5</b>	<b>102</b>	<b>-</b>

#### Notes:

1. Mineral Resources include massive sulphide and stringer sulphide mineralisation. Massive sulphide resources are geologically defined; stringer sulphide resources for 2014 are reported above cut-off grades of 0.6% Cu for Bentley and 0.7% Cu for Teutonic Bore.
2. Block modelling mainly used ordinary kriging grade interpolation methods within wireframes for all elements and density. The Flying Spur lens, part of the Bentley deposit, was estimated using the Inverse Distance Squared Weighting method (IDW2). The new Flying Spur Mineral Resource comprised 449,000t @ 12.6% Zn, 0.6% Cu, 209g/t Ag and 1.7g/t Au (Inferred).
3. Mining depletion as at 30 June 2014 has been removed from the 2014 resource estimate for Bentley. Historic mining has been removed from the 2009 resource estimate for Teutonic Bore.
4. Resources are inclusive of Reserves.
5. Mining of the Jaguar deposit was completed on 29 February 2014. Economic evaluation of remaining resources has shown that they are not economic at foreseeable metal prices within a reasonable timeframe and have been removed from the 2014 inventory.
6. The Teutonic Bore resource estimate is now reported in compliance with JORC Code 2012 reporting guidelines. The model is unchanged from the 2009 model.
7. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of the ASX Release dated 28 August 2014.
8. JORC (2012) Table 1 Parameters are in Appendices C and D of the ASX Release dated 28 August 2014.

**Reference:** ASX Release dated 28 August 2014 for Resources and Reserves.

Ore Reserve 30 June 2014						
	Classification	Tonnes	Cu%	Zn%	Ag g/t	Au g/t
BENTLEY	Proved	499,000	2.1	12.1	168	0.8
	Probable	771,000	1.6	8.8	144	0.8
	<b>Sub Total</b>	<b>1,270,000</b>	<b>1.8</b>	<b>10.1</b>	<b>154</b>	<b>0.8</b>
<b>STOCKPILES</b>		<b>16,000</b>	<b>1.8</b>	<b>11.7</b>	<b>166</b>	<b>0.8</b>
<b>GRAND TOTAL</b>		<b>1,286,000</b>	<b>1.8</b>	<b>10.1</b>	<b>154</b>	<b>0.8</b>

#### Notes:

1. Cut-off values were based on Net Smelter Return (NSR) values of \$180 per ore tonne for direct mill feed and \$100 per ore tonne for marginal feed.
2. Revenue factor inputs (US\$): Cu \$6,820/T, Zn \$2,070/T, Ag \$19.50/troy oz, Au \$1,248/troy oz. Exchange rate AU\$1.00 : US\$0.90.
3. Metallurgical recoveries – 82% Cu, 53% Ag, and 43% Au in Cu concentrate; 83% Zn and 22% Ag in Zn concentrate
4. Longitudinal sub-level long hole stoping is the primary method of mining used at Bentley.
5. All Measured Resource and associated dilution was classified as Proved Reserve. All Indicated Resource and associated dilution was classified as Probable Reserve. No Inferred Resource has been converted into Reserve
6. Mining of the Jaguar deposit was completed on 29 February 2014. All remaining *in situ* mineralisation was evaluated and deemed inappropriate for Reserve conversion. The Jaguar underground mine was subsequently closed.
7. Mining depletion as at 30 June 2014 has been removed from the 2014 reserve estimate.
8. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of the ASX Release dated 28 August 2014.
9. JORC (2012) Table 1 Parameters are in Appendix C of the ASX Release dated 28 August 2014.

**Reference:** ASX Release dated 28 August 2014 for Resources and Reserves.

# Resources & Reserves: Stockman Project

Mineral Resource 30 June 2014							Ore Reserve 28 November 2014						
	Classification	Tonnes Mt	Cu%	Zn%	Ag g/t	Au g/t		Classification	Tonnes Mt	Cu%	Zn%	Ag g/t	Au g/t
CURRAWONG	Measured	-	-	-	-	-	CURRAWONG	Proved	-	-	-	-	-
	Indicated	9.58	2.0	4.2	42	1.2		Probable	7.4	2.1	4.3	40	1.2
	Inferred	0.78	1.4	2.2	23	0.5							
	<b>Sub Total</b>	<b>10.33</b>	<b>2.0</b>	<b>4.0</b>	<b>40</b>	<b>1.1</b>		<b>Sub-Total</b>	<b>7.4</b>	<b>2.1</b>	<b>4.3</b>	<b>40</b>	<b>1.2</b>
WILGA	Measured	-	-	-	-	-	WILGA	Proved	-	-	-	-	-
	Indicated	2.99	2.0	4.8	31	0.5		Probable	1.6	2.1	5.6	31	0.5*
	Inferred	0.67	3.7	5.5	34	0.4							
	<b>Sub Total</b>	<b>3.66</b>	<b>2.3</b>	<b>4.9</b>	<b>32</b>	<b>0.5*</b>		<b>Sub Total</b>	<b>1.6</b>	<b>2.1</b>	<b>5.6</b>	<b>31</b>	<b>0.5*</b>
<b>GRAND TOTAL</b>		<b>13.99</b>	<b>2.1</b>	<b>4.3</b>	<b>38</b>	<b>1.0*</b>	<b>GRAND TOTAL</b>		<b>9.0</b>	<b>2.1</b>	<b>4.5</b>	<b>39</b>	<b>1.1*</b>

## Notes:

1. All Mineral Resources tonnes have been rounded to the nearest one thousand tonnes and grade to the nearest 1/10th percentage/gram per tonne.
2. Mineral Resources include massive sulphide and stringer sulphide mineralisation. Massive sulphide Mineral Resources are geologically defined; stringer sulphide resources are reported above cut-off grades of 0.5% Cu.
- \*3. Gold (Au) grades for Wilga are all inferred due to paucity of Au grade data in historic drilling.
4. Block modelling used ordinary kriging grade interpolation methods within wireframes for all elements and density.
5. Mining depletion as at end of historic mine life (1996) has been removed from the Mineral Resource estimate for Wilga.
6. Mineral Resources are inclusive of Ore Reserves.
7. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of this report.
8. See IGO's ASX Release of 28 August 2014 for JORC Code (2012) Table 1 Parameters.

**Reference:** ASX Release dated 28 August 2014 for Resources and Reserves.

## Notes:

1. All Ore Reserves tonnes are rounded to the nearest one hundred thousand tonnes and grade to the nearest 1/10th percentage/gram per tonne.
2. Gold (Au) grades are Inferred at Wilga due to a paucity of gold assays in historic drilling. Revenue from Au in the Wilga ore was included in the estimation of the Ore Reserve. The contribution to Revenue of this Au was estimated to be \$8.65 per gram of Au in situ. This inclusion was not material to the value of the mining envelopes considered and did not warrant downgrading of any portion of the Ore Reserve attributable to Wilga. The contribution from Wilga represents 18% of the total Ore Reserve.
- \*3. Historic mining depletion for Wilga has been removed from the Ore Reserve estimate.
4. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of this report.
5. See IGO's ASX Release of 28 November 2014 for JORC Code (2012) Table 1 Parameters.

**Reference:** ASX Release dated 28 November 2014 for Resources and Reserves.

# FY16 Guidance

## Tropicana

- ▶ 129,000 to 141,000oz (IGO 30% share)
- ▶ Average cash cost of \$640 to \$710/oz Au
- ▶ AISC of \$820 to \$910/oz Au sold
- ▶ Sustaining capex (IGO 30%) of \$8 to \$10M
- ▶ Exploration (IGO 30%) of \$9 to \$11M

## Jaguar

- ▶ 35,000 to 40,000t Zn in conc.
- ▶ 7,500 to 8,500t Cu in conc.
- ▶ Average cash cost of \$0.40 to 0.60/lb Zn
- ▶ Sustaining capex of \$4 to \$5M
- ▶ Development of \$12 to \$14M
- ▶ Exploration of \$10 to \$12M

## Long

- ▶ 9,000 to 10,000t contained Ni
- ▶ Average cash cost of \$4.00 to \$4.50/lb Ni
- ▶ Sustaining capex of \$5 to 6M
- ▶ Exploration of \$18 to \$20M

## Exploration and Development

- ▶ \$10 to \$12M on greenfields and generative exploration
- ▶ \$2M on Stockman Project permitting and holding costs

# Hedging as at 30 June 2015

## Nickel

- ▶ Q1 FY16: 250 t/mth at avg. price of \$19,701/t

## Copper

- ▶ Q1 FY16: 550t at \$8,001/t in Sept 15

## Gold

- ▶ FY16: Average 3,208 oz/month zero cost collars (range \$1,342 to \$1,672/oz)
- ▶ FY17: 2,500 oz/month zero cost collars to November 2016 (range \$1,330 to \$1,593/oz)