



INDEPENDENCE GROUP

**GROWING A GREAT AUSTRALIAN MINING COMPANY BY
MINERAL DISCOVERIES & MINE DEVELOPMENT**

EQUITY RAISING AND INVESTOR UPDATE
4th November 2010

Chris Bonwick – Managing Director



DISCLAIMER

▪ **PRESENTATION OF GENERAL BACKGROUND**

This document contains general background information about the activities of Independence Group NL ("**Independence**" or the "**Company**") current as at the date of this presentation. It is information in a summary form only and does not contain all the information necessary to fully evaluate any transaction or investment. It should be read in conjunction with Independence's other periodic and continuous disclosure announcements to the ASX available at www.asx.com.au

▪ **COMPETENT PERSON COMPLIANCE STATEMENT**

The information in this presentation that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Christopher Bonwick who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Bonwick is a full-time employee of Independence and 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 presentation of the matters based on his information in the form and context in which it appears.

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- b) to any legal entity that has two or more of (i) an average of at least 250 employees during its last fiscal year; (ii) a total balance sheet of more than €43,000,000 (as shown on its last annual unconsolidated or consolidated financial statements) and (iii) an annual net turnover of more than €50,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);
- c) to fewer than 100 natural or legal persons (other than qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive) subject to obtaining the prior consent of the Company or any underwriter for any such offer; or
- d) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of New Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

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INTERNATIONAL OFFER RESTRICTIONS cont'd

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- in other circumstances that do not result in this document being a "prospectus" (as defined in the Companies Ordinance) or that do not constitute an offer to the public within the meaning of that ordinance.

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The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.



AGENDA

	<i>Pages</i>
Summary & Independence Overview	8 - 12
Tropicana Joint Venture	13 – 21
Long Nickel Mine	22 - 29
Regional Exploration	30 – 36
Corporate Goals	37
Equity Raising Overview	38 – 40
Key Risks	41 – 45
Additional Information	46 - 49



SUMMARY & INDEPENDENCE OVERVIEW

Independence is undertaking an equity raising to partly fund its share of the expected Tropicana JV project costs

- **The Tropicana JV project is Independence's primary near term growth driver**
 - a 3.3M oz Au PFS open cut reserve in a new Australian gold province
 - Independence holds 30% of the joint venture, with AngloGold Ashanti Australia Limited holding the remaining 70%
- **Based on current information, Independence now expects:**
 - the Tropicana JV bankable feasibility study ("BFS") to be received in November 2010
 - Tropicana capital costs to be A\$600m – A\$620m
 - working capital requirements of A\$100m - A\$120m
 - Independence's share of total costs to be approximately A\$210m – A\$220m
- **Independence has announced a A\$164.3m equity raising to partly fund its estimated costs for Tropicana**
 - a A\$113.8m institutional placement at A\$6.65 per share ("Institutional Placement")
 - a A\$50.6m fully underwritten, accelerated, non-renounceable 1 for 15 entitlement offer at A\$6.65 per share ("Entitlement Offer")
 - Bell Potter Securities Ltd has been appointed Sole Lead Manager of the Institutional Placement and Underwriter of the Entitlement Offer
 - Euroz Securities Ltd has been appointed Co-Manager of the Institutional Offer



SUMMARY & INDEPENDENCE OVERVIEW

Independence is undertaking an equity raising to partly fund its share of the expected Tropicana JV project costs

- **Total cash reserves following the equity raising expected to be approximately A\$295.1m:**
 - A\$137.3m cash (30 September 2010)
 - A\$157.8m net cash raised through the equity raising
- **Near term expenditure estimated at approximately A\$272m – A\$282m**
 - Tropicana JV - A\$210m – A\$220m
 - Long Nickel Mine - A\$29.4m
 - Regional exploration - A\$19.3m
 - Tropicana exploration, Boston Shaker and Havana Deeps feasibility studies - A\$13.1m
- **Independence continues to build a great Australian mining company through mineral discoveries and mine development**
 - ongoing production from the 100% owned Long Nickel Mine with the potential for further exploration and development upside
 - the potential near-term commencement of the Tropicana project
 - a suite of regional exploration opportunities



INDEPENDENCE OVERVIEW - CORPORATE

Tight share structure and no debt

Capital Structure:

ASX 200 Code: IGO
114.1M shares and 0.8M staff options pre equity raising
138.8M shares and 0.8M staff options post equity raising
Market Cap. (01/11/10): A\$820M
Daily turnover (6 month average) – 0.4M

Substantial Shareholders: (pre equity raising)

JF Capital:	11.6M shares
Orion:	7.1M shares
NAB:	6.8M shares

Australian Institutions: 47%, O/S Inst: 17%
67 Institutions in top 100

Financials: (pre equity raising)

2009/10 Profit: A\$28.7M
2009/10 EPS (dil.): A25.3c
Cash: A\$137.3M (as at 30.9.10)
Debt: Nil
Dividends paid 2009/10: 2c interim + 3c final



INDEPENDENCE OVERVIEW - ASSETS

Multiple growth opportunities

LONG NICKEL MINE

✓ Production



2009/10 Cash Costs:

without royalty

A\$4.01/lb Ni

with royalty

A\$4.44/lb Ni

2009/10 Revenue:

A\$9.60/lb Ni

Jun 10 Resources:

91,500t Ni @ 5.4% Ni

Jun 10 Reserves:

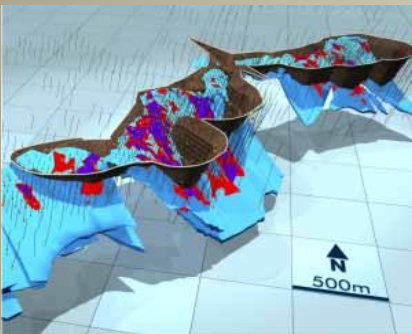
53,400t Ni @ 4.1% Ni

Extending mine life – New Moran discovery

June 2010 resource: 546,000t @ 7.2% Ni (39,400t Ni)

TROPICANA

✓ Potential
Near Term
Growth



PFS Open Cut Resource:

30% of 5.01M oz Au

PFS Open Cut Reserve:

30% of 45Mt @ 2.3g/t Au
(3.3M oz Au)

Significant underground & regional potential

REGIONAL EXPLORATION

✓ Growth



7 high quality Ni, Au, Sn and Cu-Pb-Zn projects.

Exclusive 292,000 sample geochemical database.

Unique exploration targeting & technology



IGO HISTORY AND SHARE PRICE

Five ore bodies discovered to date

Monthly Average Share Price to 01.11.10

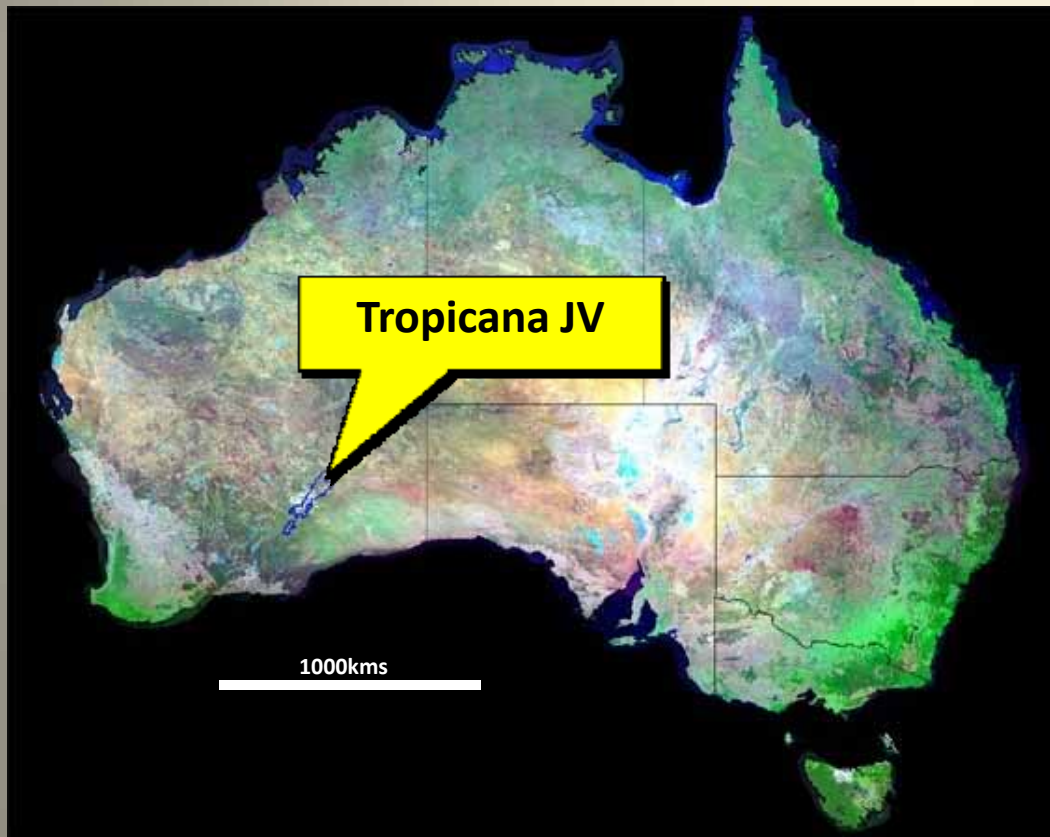




TROPICANA JV – (IGO – 30%) IGO'S SECOND POTENTIAL CASH GENERATOR

A New Australian Gold Province

AngloGold Ashanti – 70% (Manager)



“New Gold Province under sand”

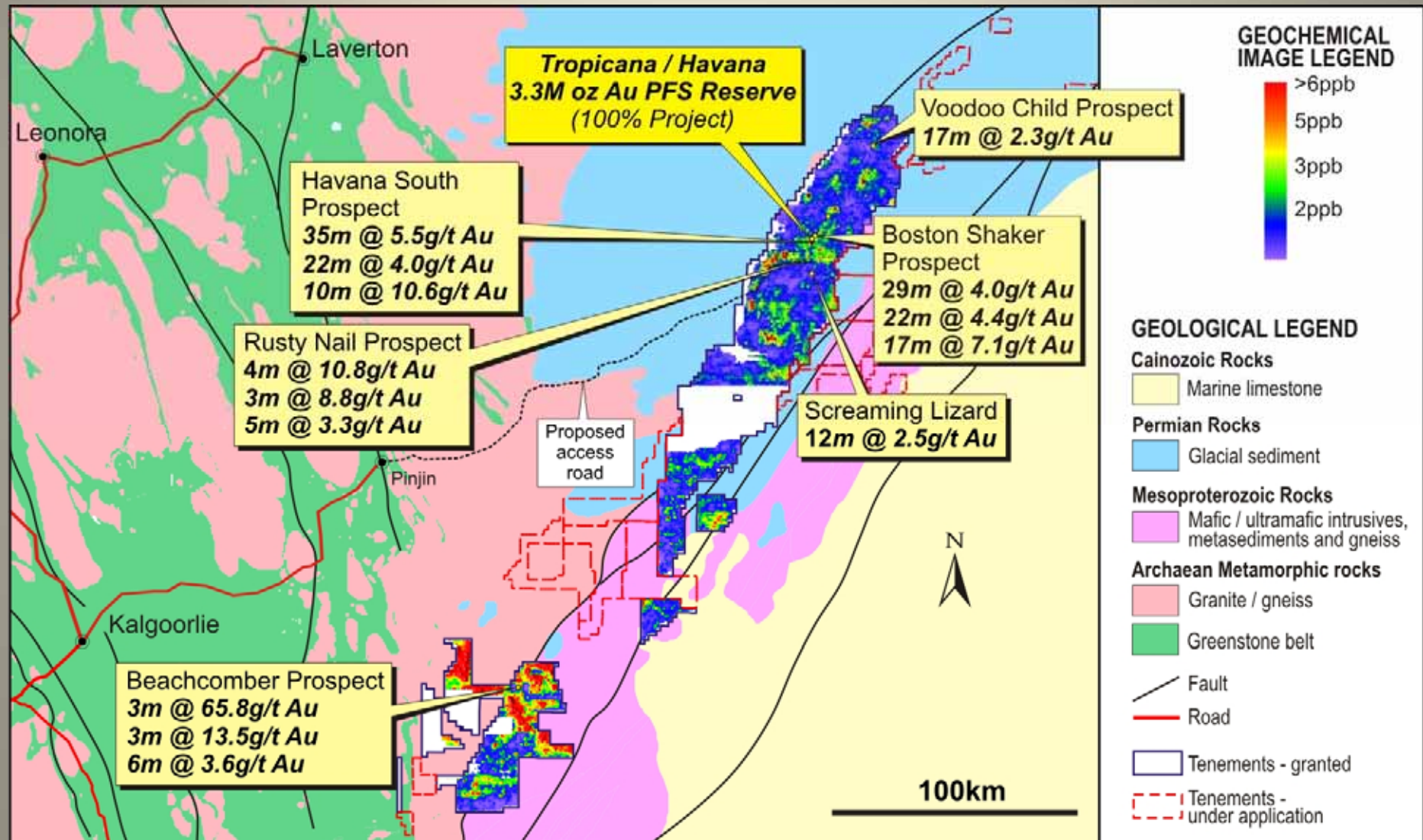




TROPICANA JV

SIGNIFICANT DISCOVERIES TO DATE

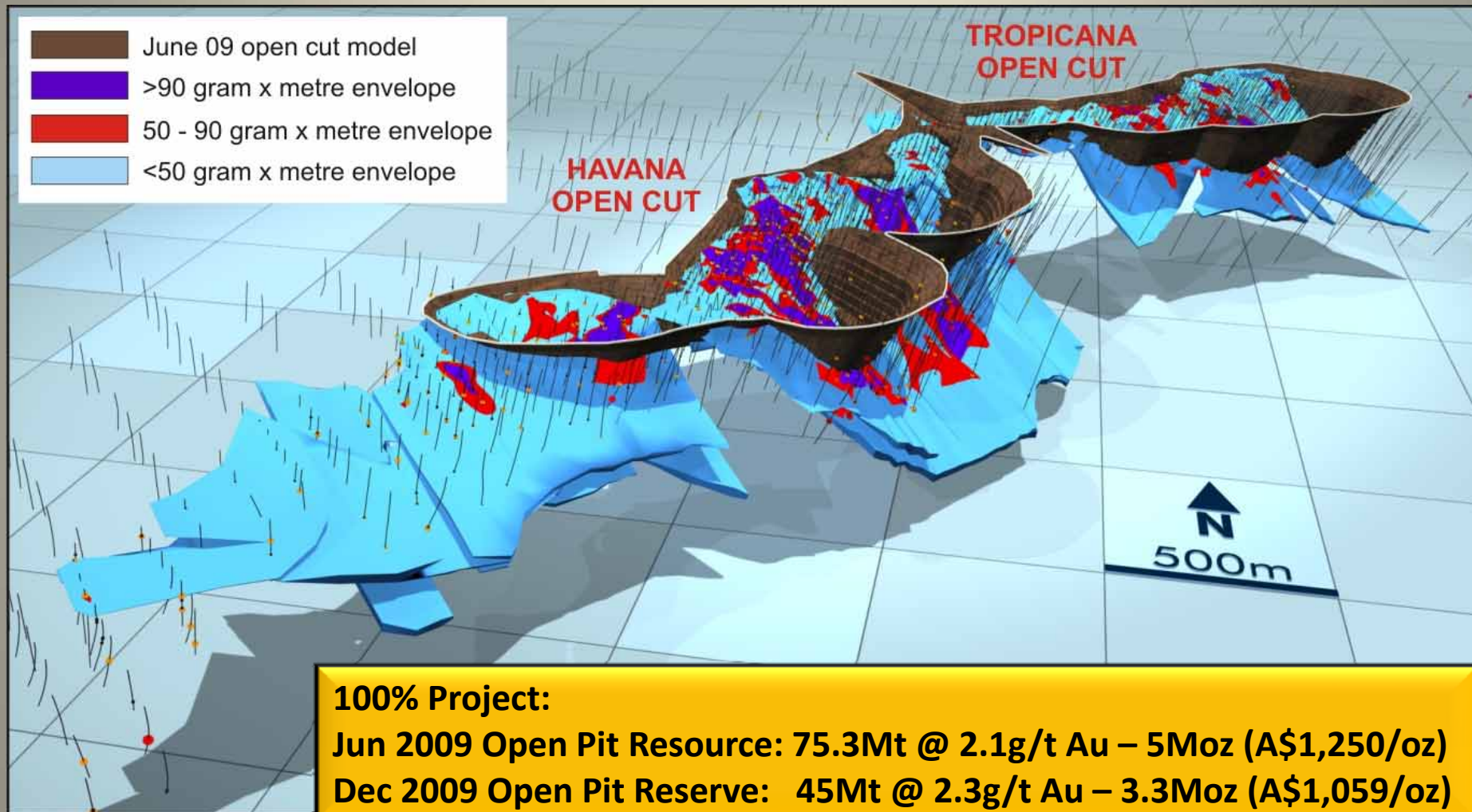
Numerous gold anomalies and potential for other gold discoveries





TROPICANA JV PRE-FEASIBILITY RESOURCE & RESERVE

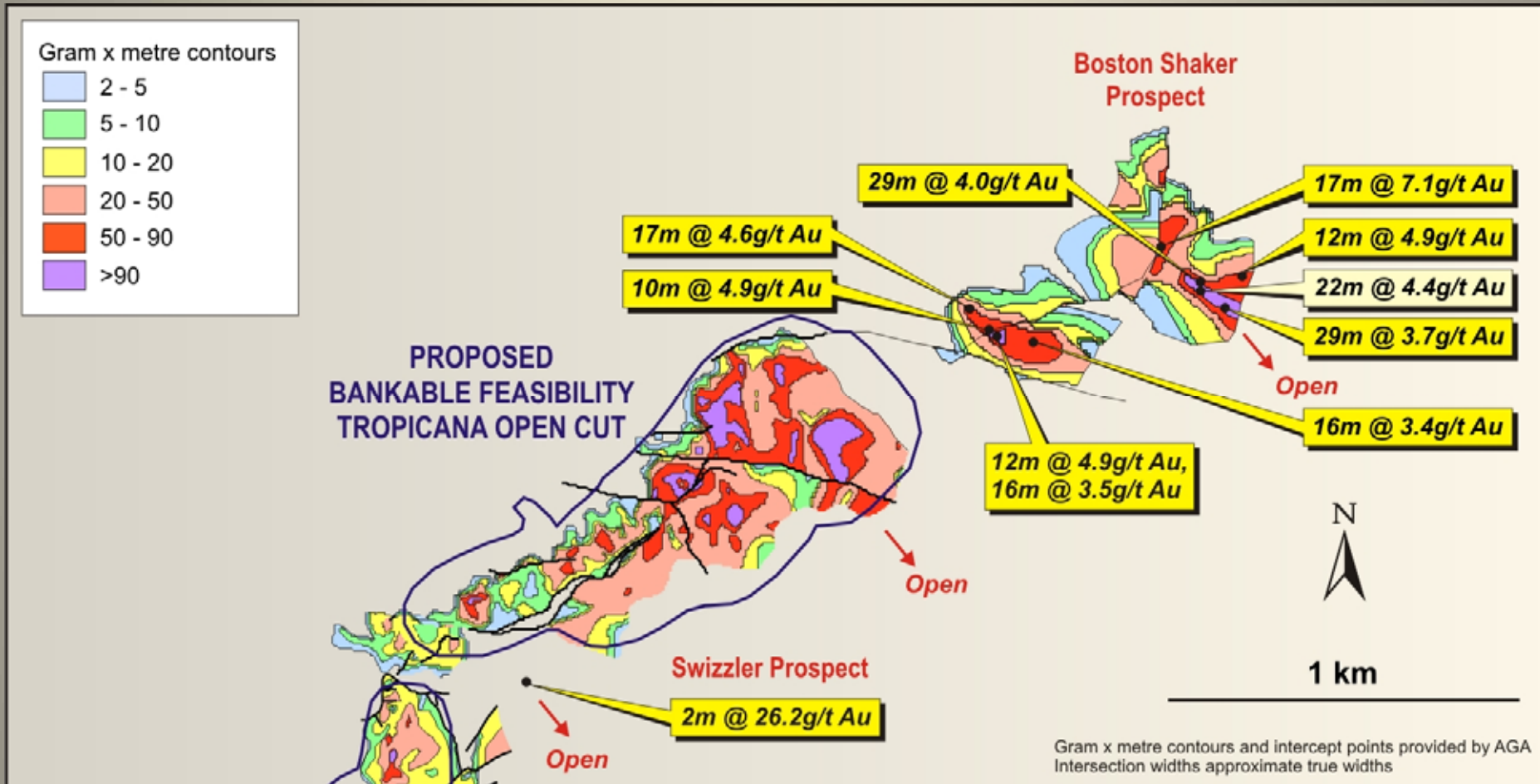
PFS Resources/Reserves estimated using owner-operator costs





TROPICANA JV NEW BOSTON SHAKER DISCOVERY

Boston Shaker will not be included in BFS

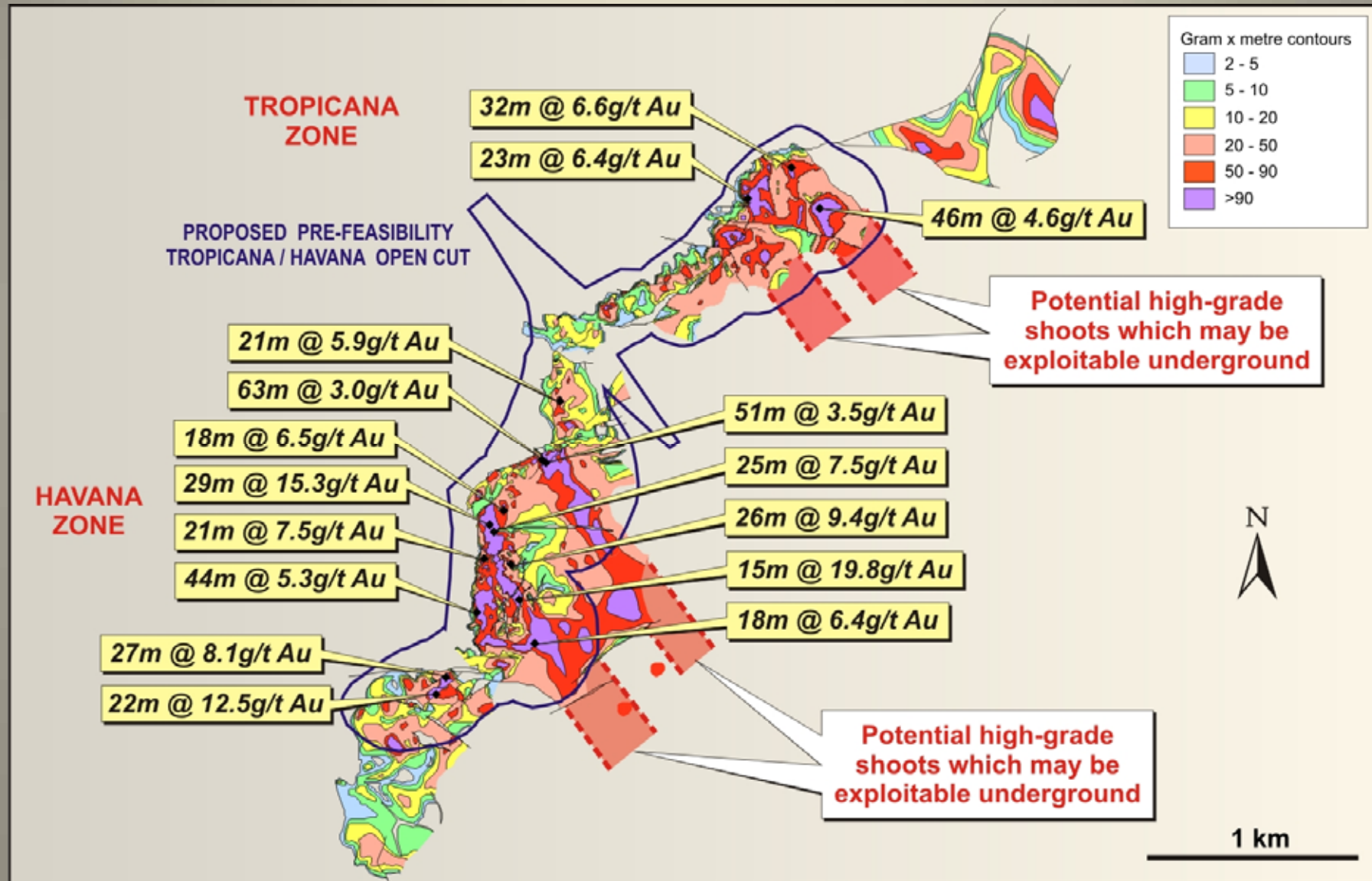


**Tropicana gold system
still growing
along-strike and down-dip.**



TROPICANA JV UNDERGROUND POTENTIAL

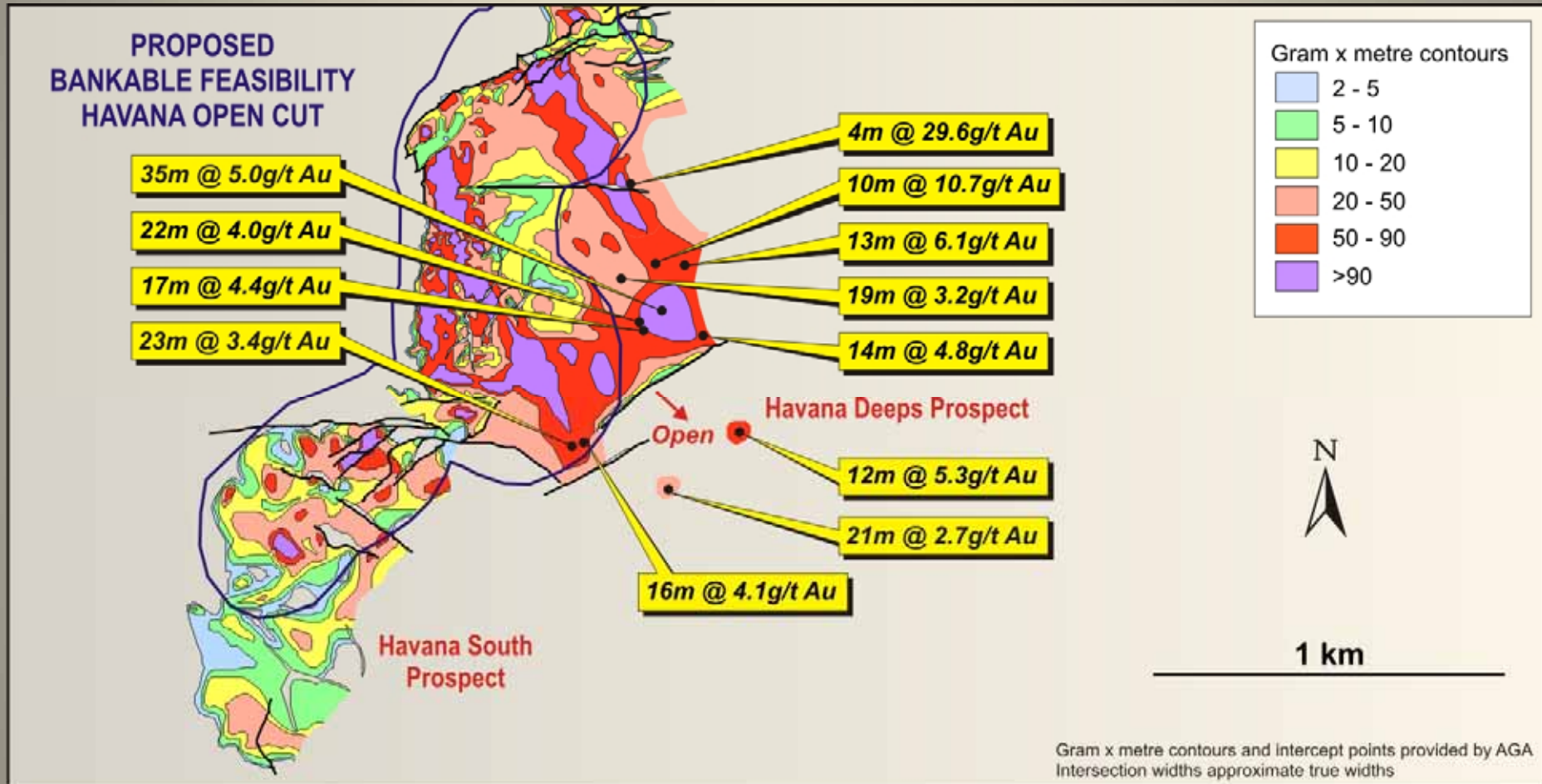
High-grade, true width in-pit gold intercepts suggest underground potential





TROPICANA JV HAVANA DEEPS INTERCEPTS

Havana Deeps will not be included in BFS

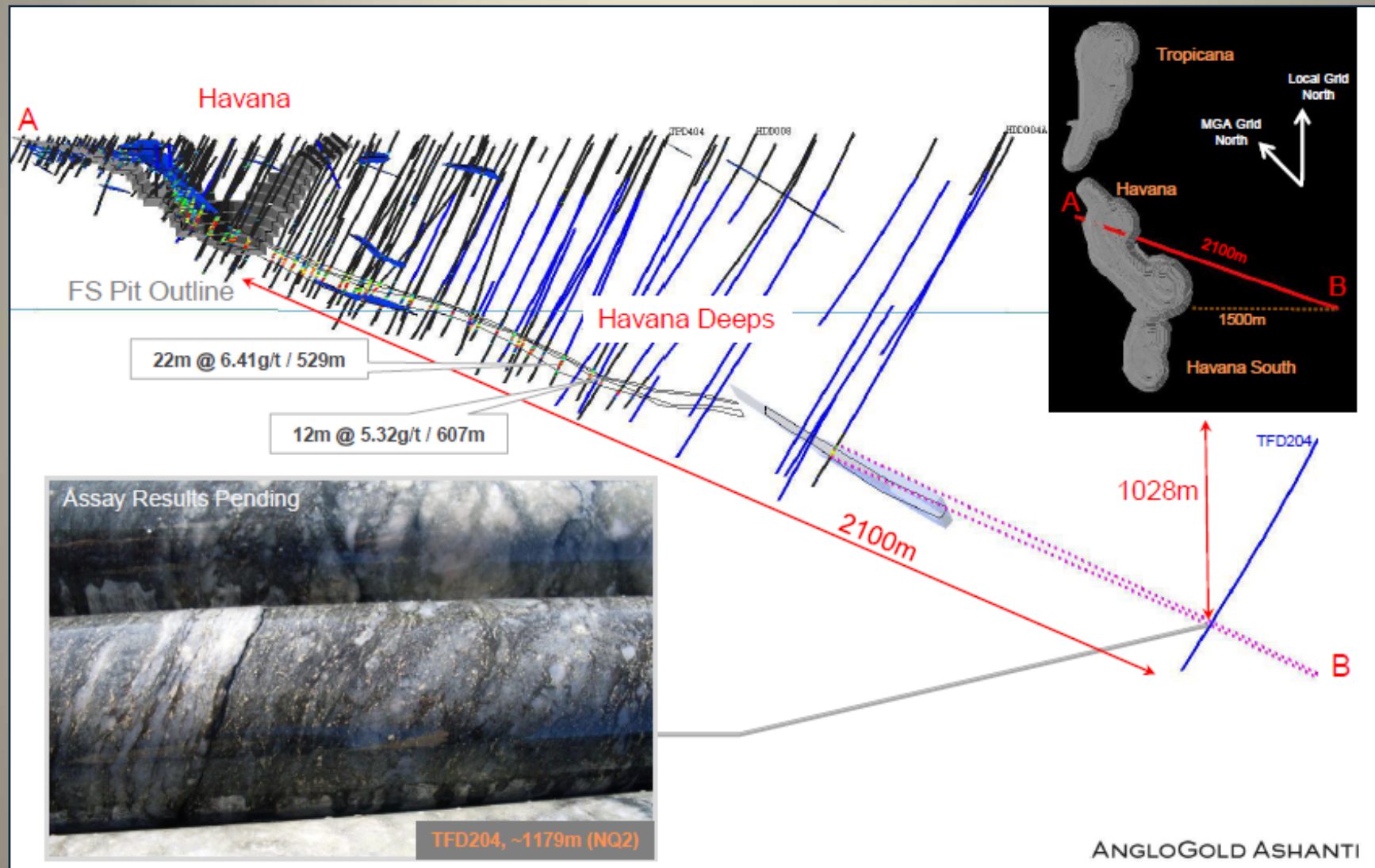


**Tropicana gold system
still growing
along-strike and down-dip.**



TROPICANA JV HAVANA DEEPS CROSS-SECTION

Tropicana JV Havana Deeps Step Out Hole





TROPICANA JV PRE-FEASIBILITY OUTCOME (100% PROJECT)

Open-cut Resource:	75.3 Mt @ 2.07g/t Au (5.01 M oz Au) at June 2009
Mining Reserve:	45 Mt @ 2.3g/t Au (3.3 M oz Au) – Owner Operator costing (A\$1059/oz Au, US\$103/barrel oil & 15% discount rate assumptions)
Infrastructure:	5.5 Mt pa treatment plant
Gold Production:	330,000 - 410,000 oz Au pa (recovered) over 8-10 years
Indicative BFS Timetable:	
- BFS Completion	November 2010 (Contract mining costing)
- Decision to proceed	November 2010
- First gold pour	2013



TROPICANA JV CURRENT PROPOSED PLANT LAYOUT

Designed to reduce energy consumption compared to standard gold plants

Estimated BFS plant and infrastructure \$600-620M

Estimated BFS working capital \$100-120M

Current estimated IGO contribution \$210-220M





LONG NICKEL MINE – IGO 100%

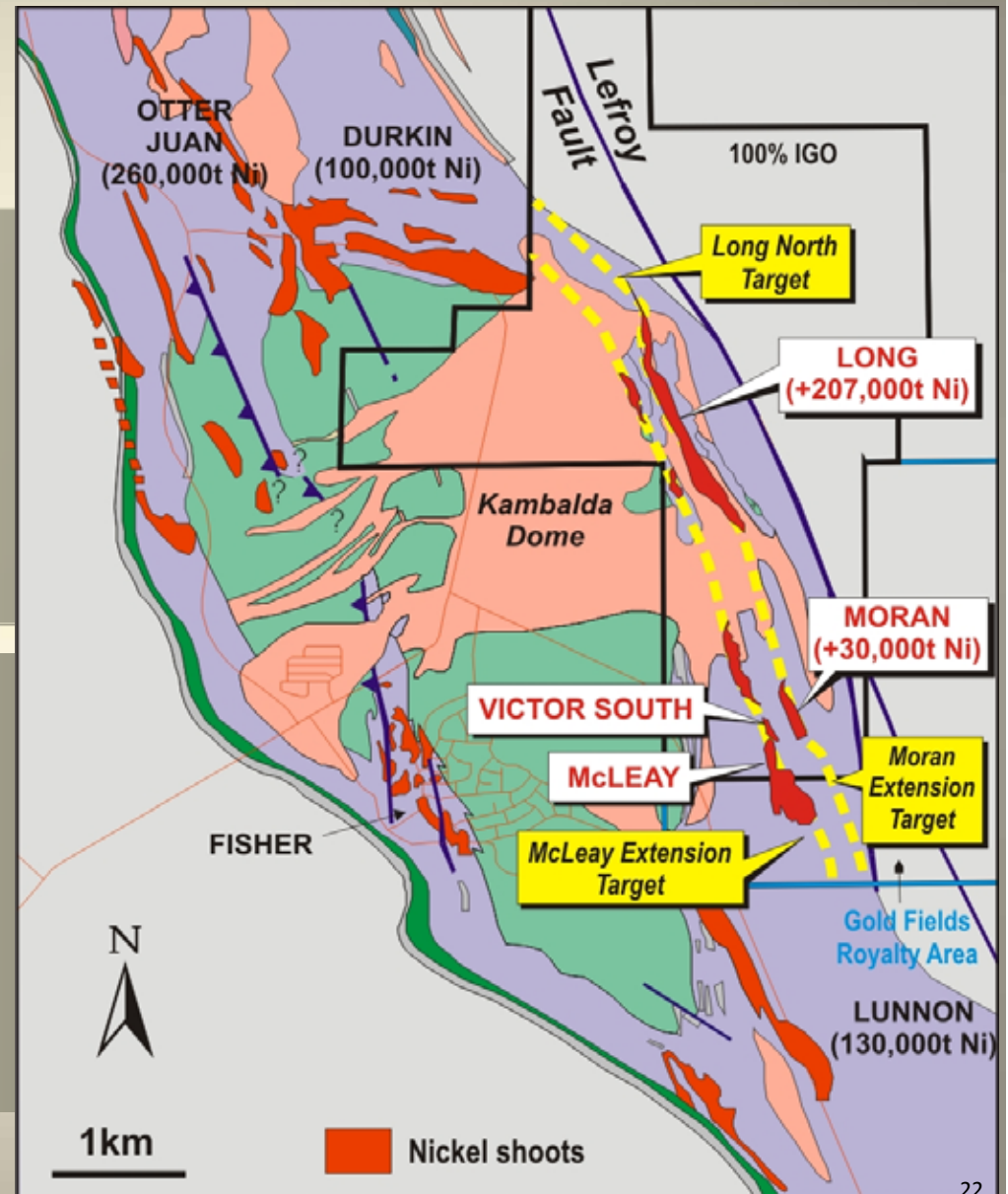
*Moran, McLeay and Long
nickel ore bodies
yet to be closed off*

HISTORY

- IGO Starting Reserve = 26,800 Ni t
- IGO Production to date = 66,801 Ni t
- June 2010 Resource = 91,500 Ni t
- June 2010 Reserves = 53,400 Ni t

GOALS

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





PRODUCTION FORECAST & HEDGING

History of exceeding production guidance

	2009/10 Guidance	2009/10 Actual
• Production	8,000-8,400 Ni t	8,615 Ni t
• Grade	4.0% Ni	4.25% Ni
• Cash Costs (payable) - with royalty	A\$4.20-4.40/lb Ni	A\$4.44/lb Ni
- without royalty	A\$3.90-4.10/lb Ni	A\$4.01/lb Ni

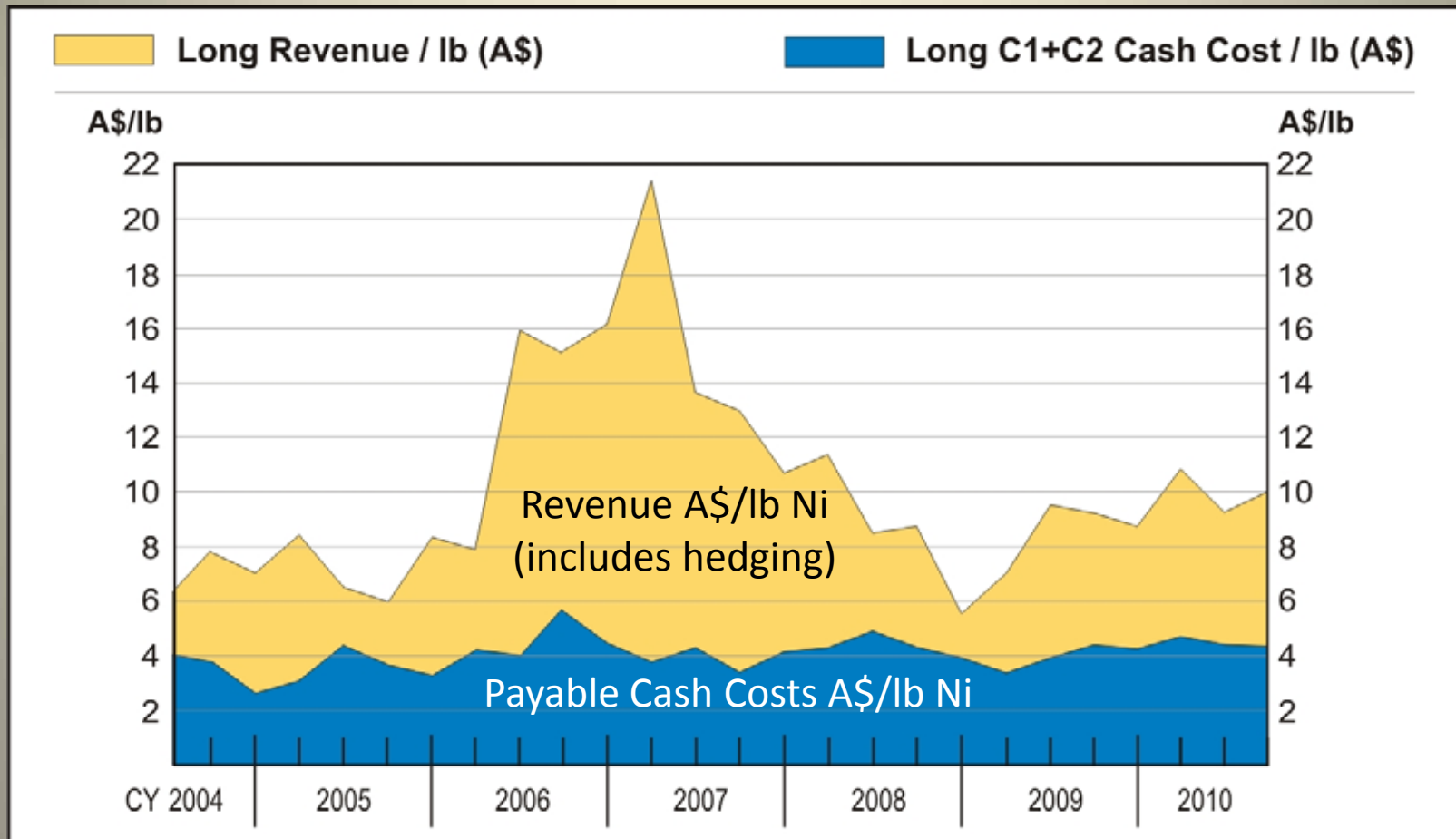
	2010/11 Guidance	Sep 2010 Quarter
• Production	8,800-9,200 Ni t	2,702 Ni t
• Grade	4.1% Ni	4.5% Ni
• Cash Costs (payable) - with royalty	A\$4.40-4.60/lb Ni	A\$4.36/lb Ni
- without royalty	A\$4.00-4.20/lb Ni	A\$3.73/lb Ni

- Hedging Oct 2010 - Jun 2013 5,160 Ni t @ A \$22,464/t (A\$10.19/lb)



QUARTERLY CASH COSTS & REVENUE

*High operating margins
and consistent low cash costs over 6 years*





LONG MINE NICKEL DEPOSITS & TARGETS

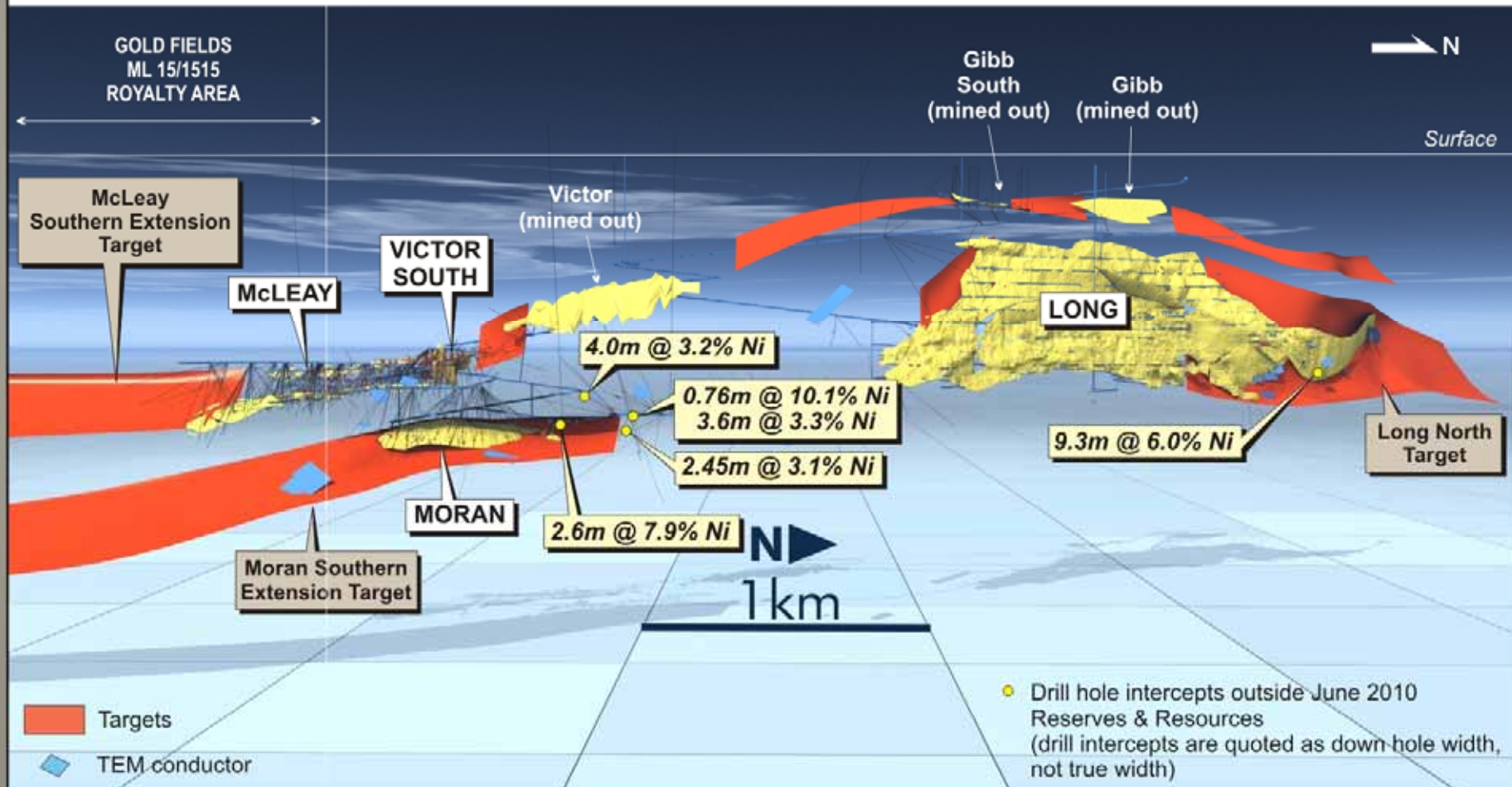
LONGITUDINAL PROJECTION

Largest Reserve since IGO reopened the mine (mine life extended to at least 2016)

June 2010 Mineral Resources*: 1,702,000t @ 5.4% Ni (91,500t Ni)

June 2010 Ore Reserves: 1,315,000t @ 4.1% Ni (53,400t Ni)

* Resource Ni t are inclusive of Reserves





MORAN NICKEL DEPOSIT

Moran remains open to the south

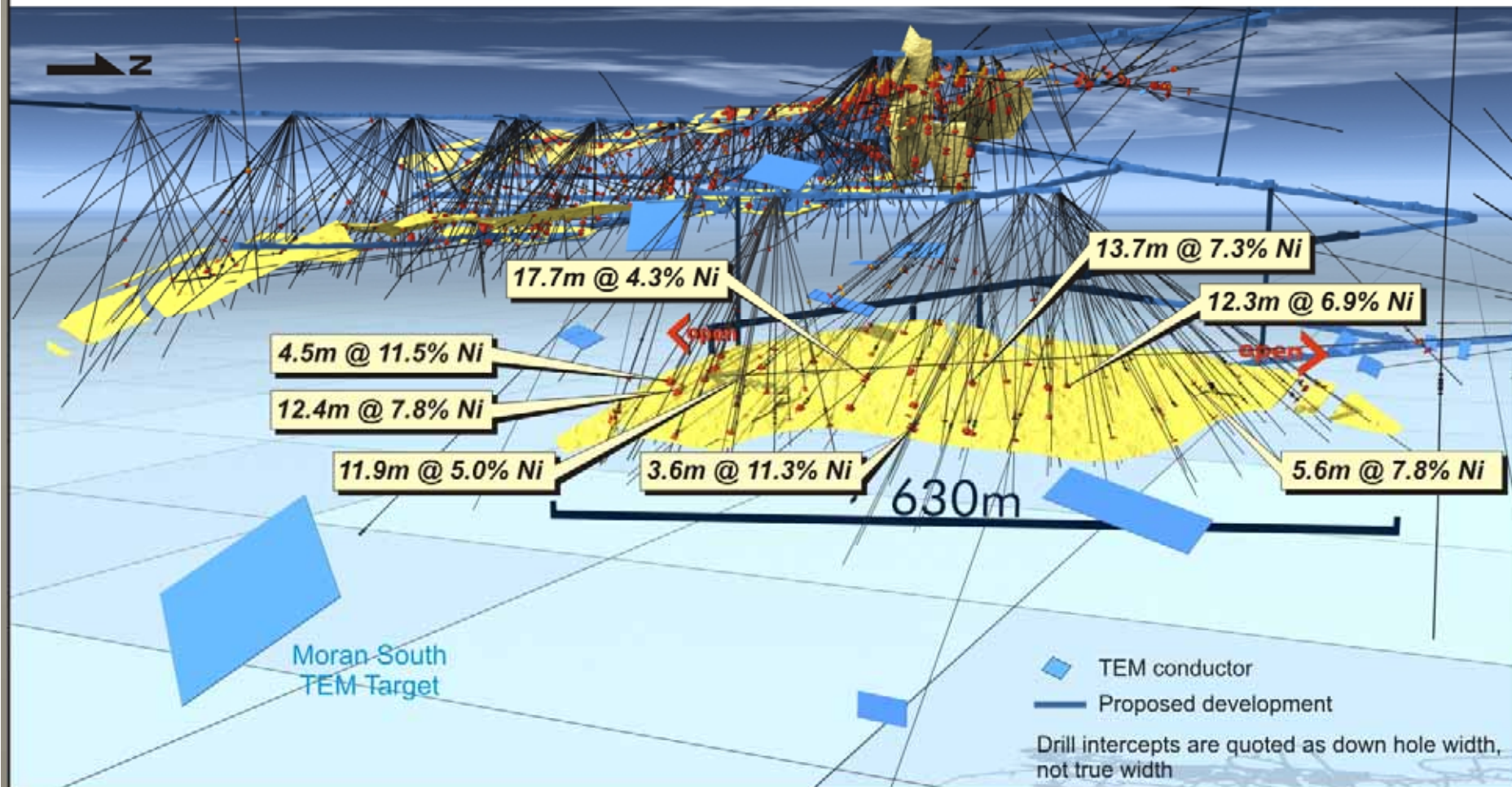
June 2010 Mineral Resources*:

546,000t @ 7.2% Ni (39,400t Ni)

June 2010 Ore Reserves:

739,000t @ 4.4% Ni (32,700t Ni)

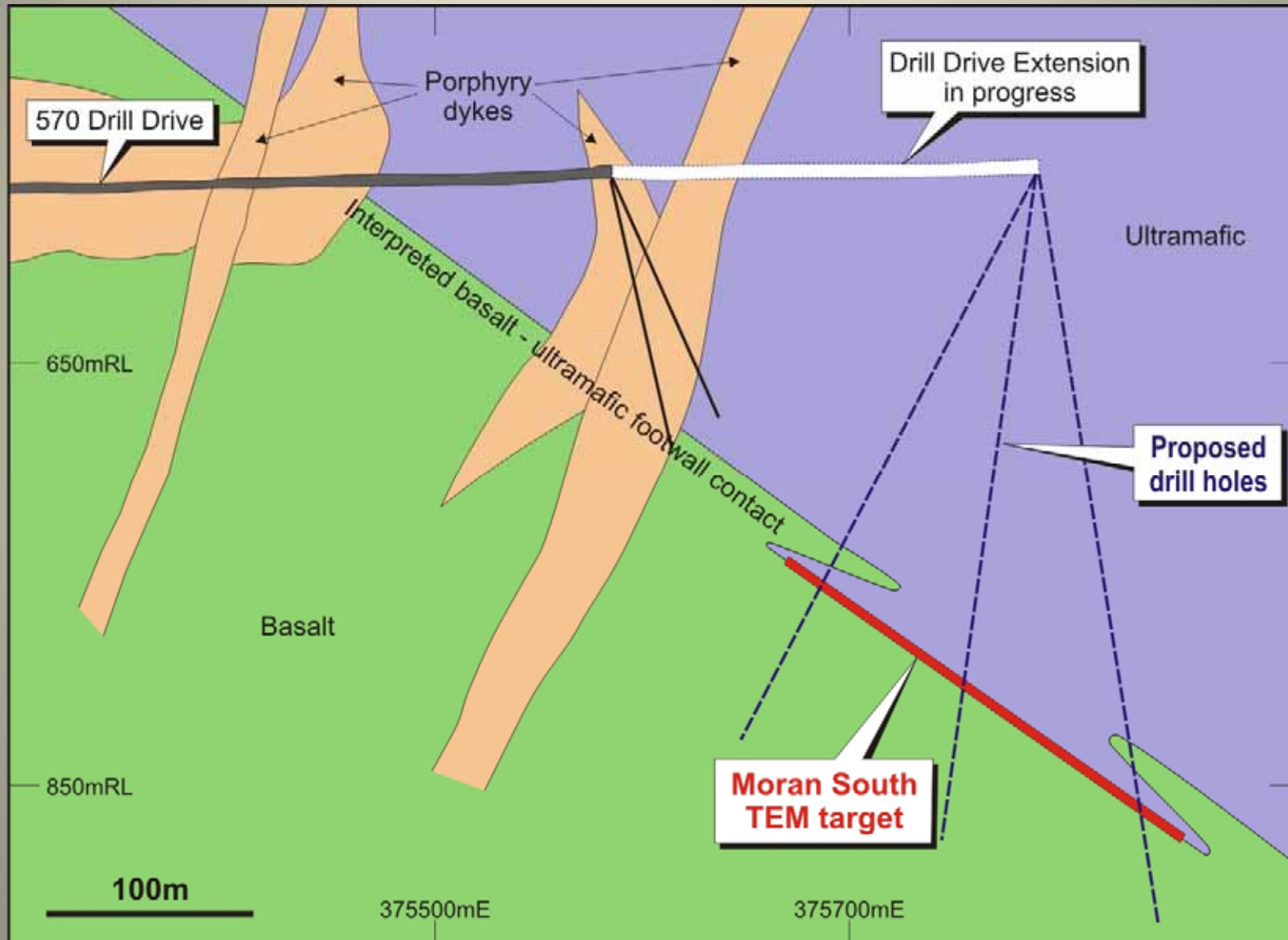
* Resource Ni t are inclusive of Reserves





MORAN SOUTH CROSS-SECTION

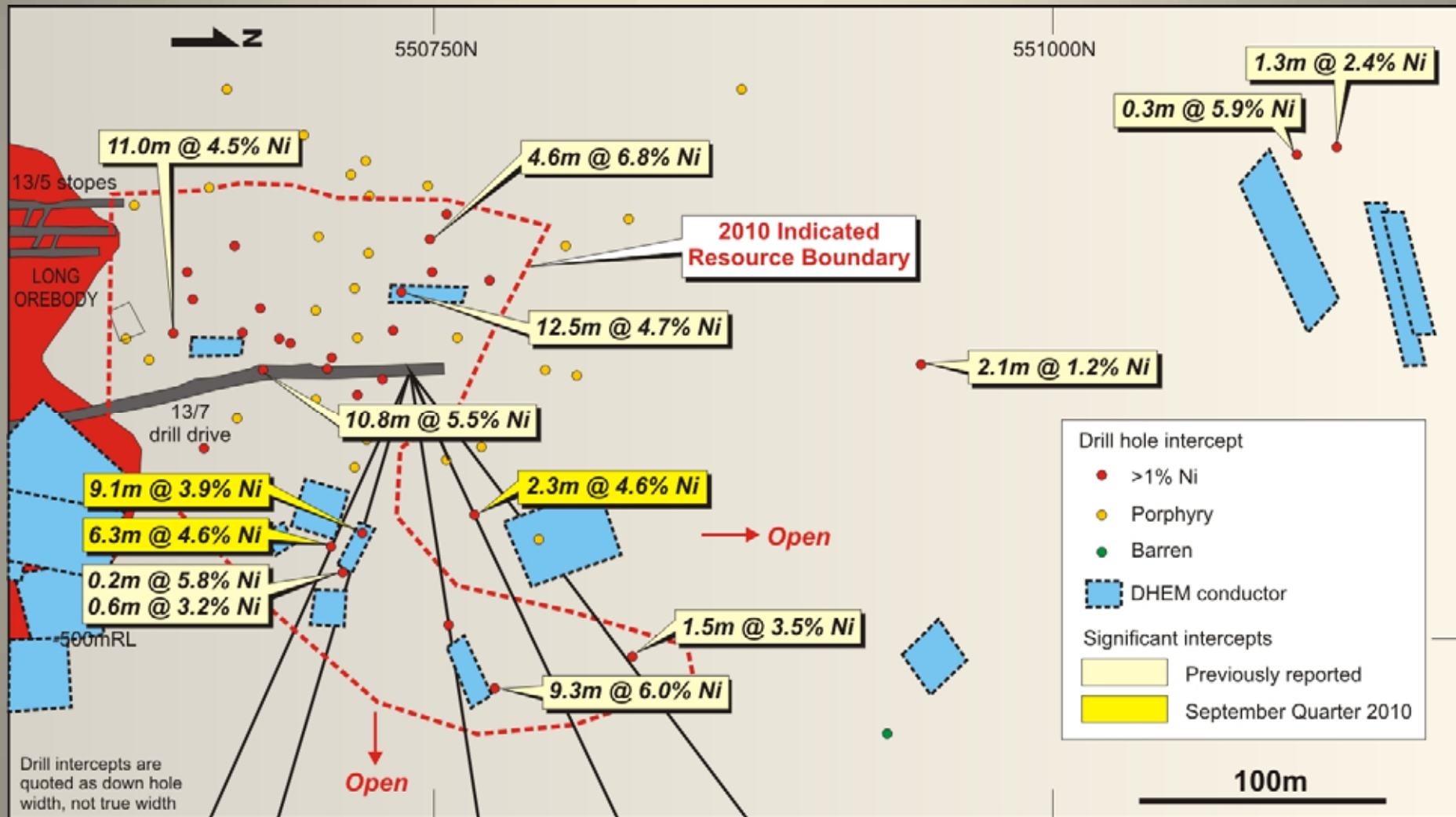
Moran remains open to the south





LONG NORTH

Long ore body remain open to the north



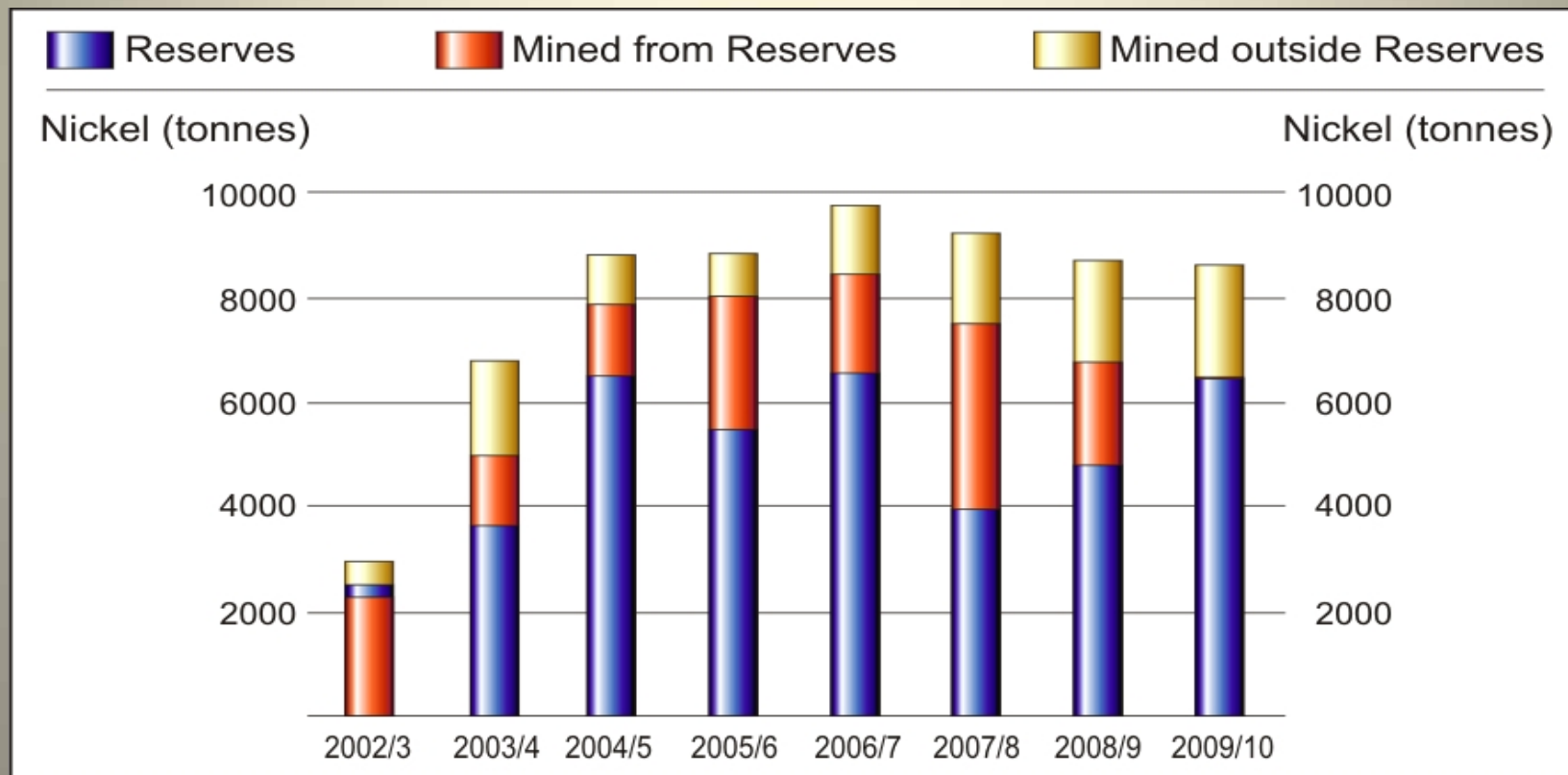


LONG MINE COMPLEX PRODUCTION / ORE RESERVE COMPARISON

Consistently mining more nickel than Reserve estimate

Oct 2002 – Jun 2010 PRODUCTION SUMMARY

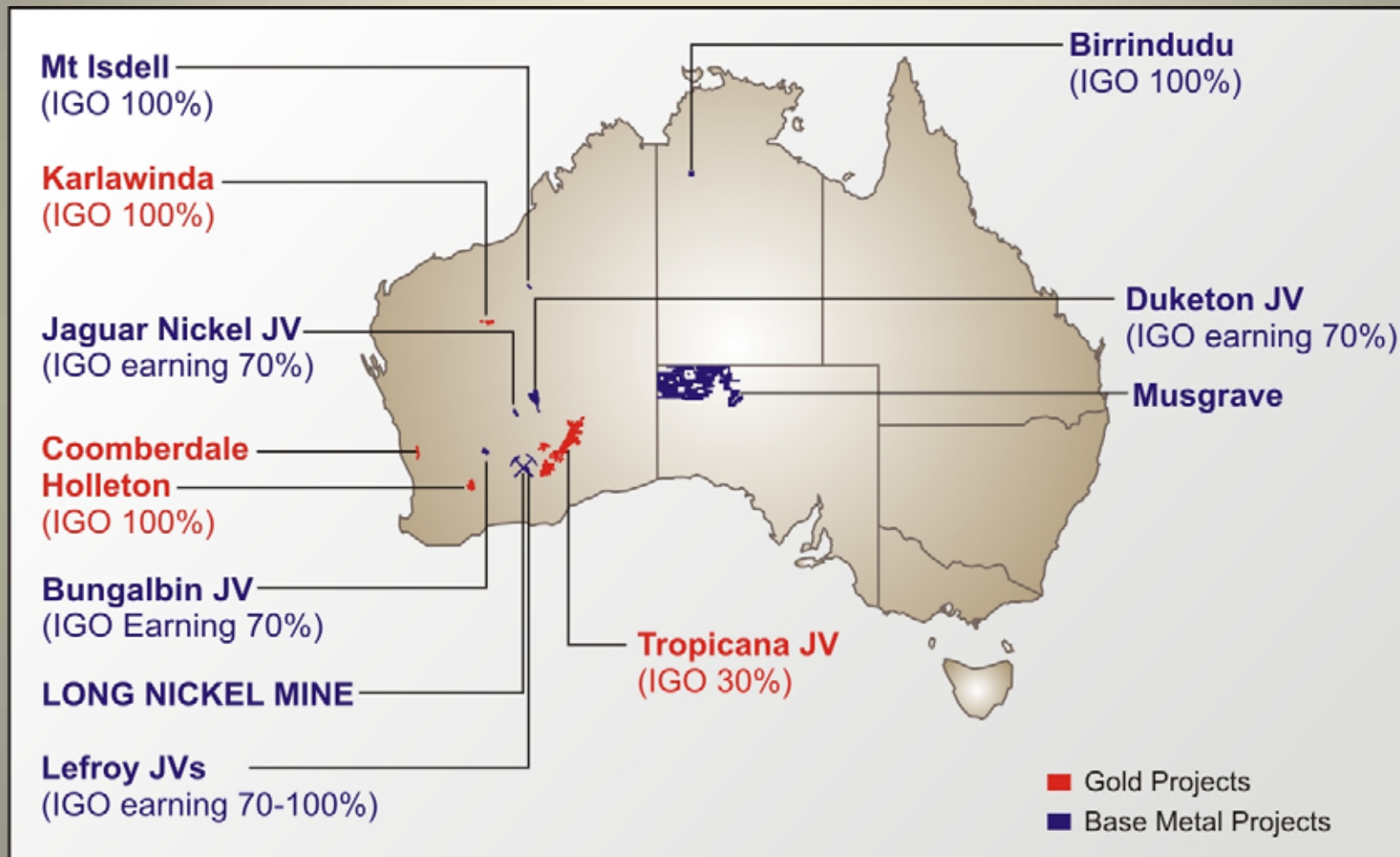
Initial Ore Reserve Estimate:	40,373 Ni t
Mined from Ore Reserve:	52,665 Ni t (+30%)
Mined outside Ore Reserve:	11,444 Ni t (+28%)
TOTAL:	64,109 Ni t (+58%)





IGO GOLD & BASE METAL EXPLORATION PROJECTS

High quality nickel, gold, copper-lead-zinc and tin exploration projects





DUKETON JV – ROSIE PROSPECT

MASSIVE NICKEL SULPHIDES (IGO earning 70%)



*High value ore - potential
for significant
bi-product credits*

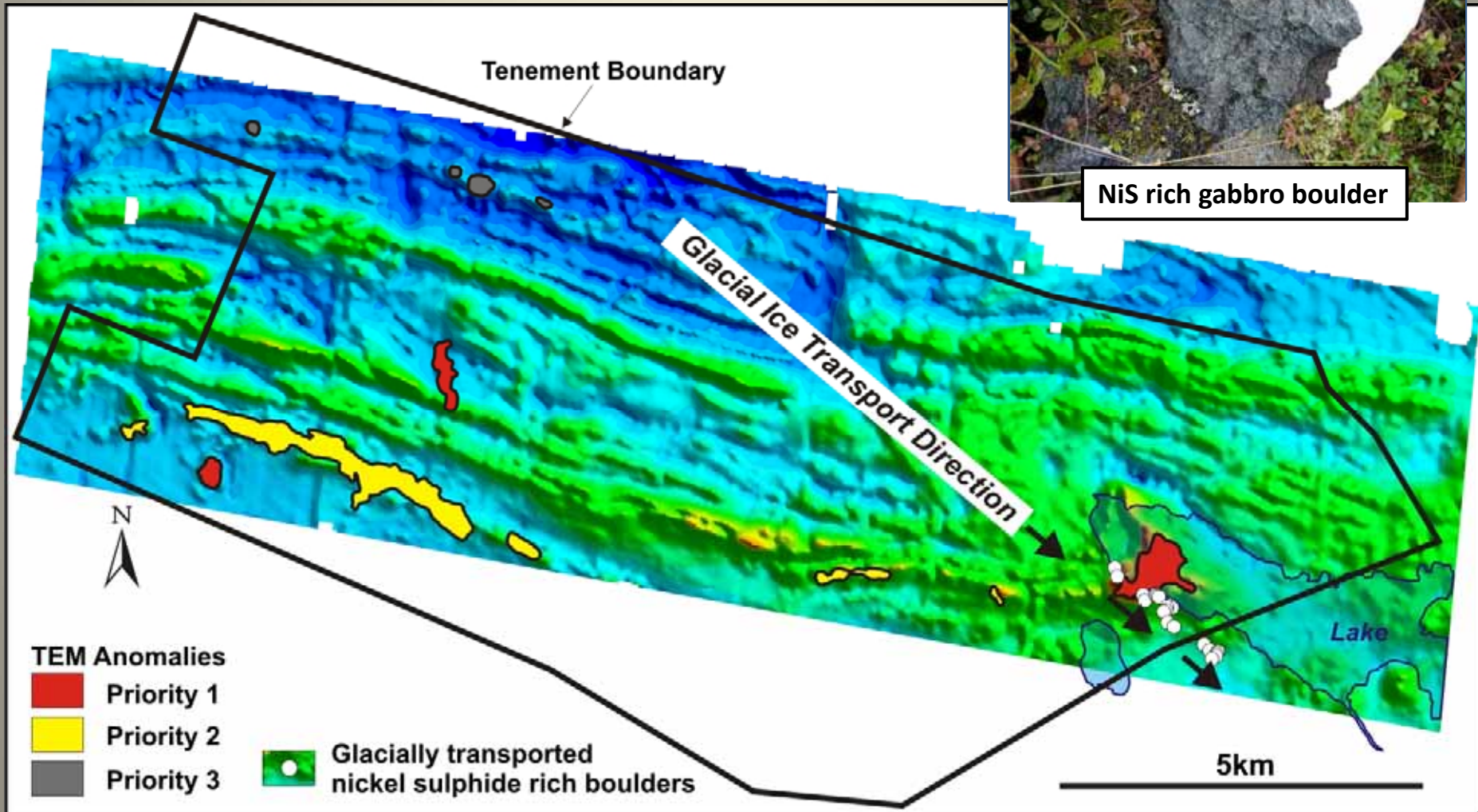
**Rosie Prospect
massive nickel sulphides
assaying:
5.2m @ 9.1% Ni,
1.1% Cu,
0.2% Co,
7.1g/t PGE's
(2.2g/t Pt, 1.7g/t Pd,
1.8g/t Ru & 0.8g/t Rh)**



ORRBACKEN PROJECT - SWEDEN

(JV: IGO EARNING UP TO 73%)

Numerous concealed TEM anomalies

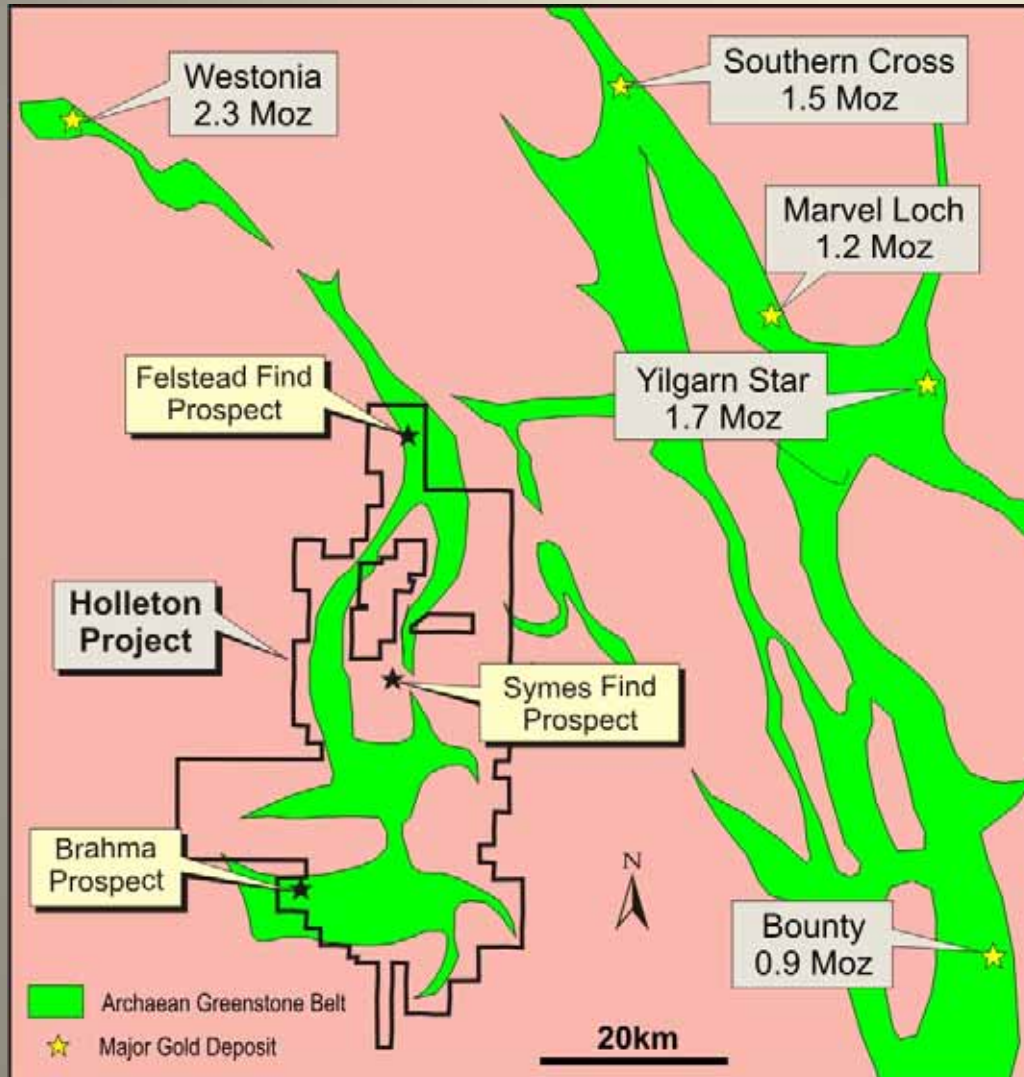




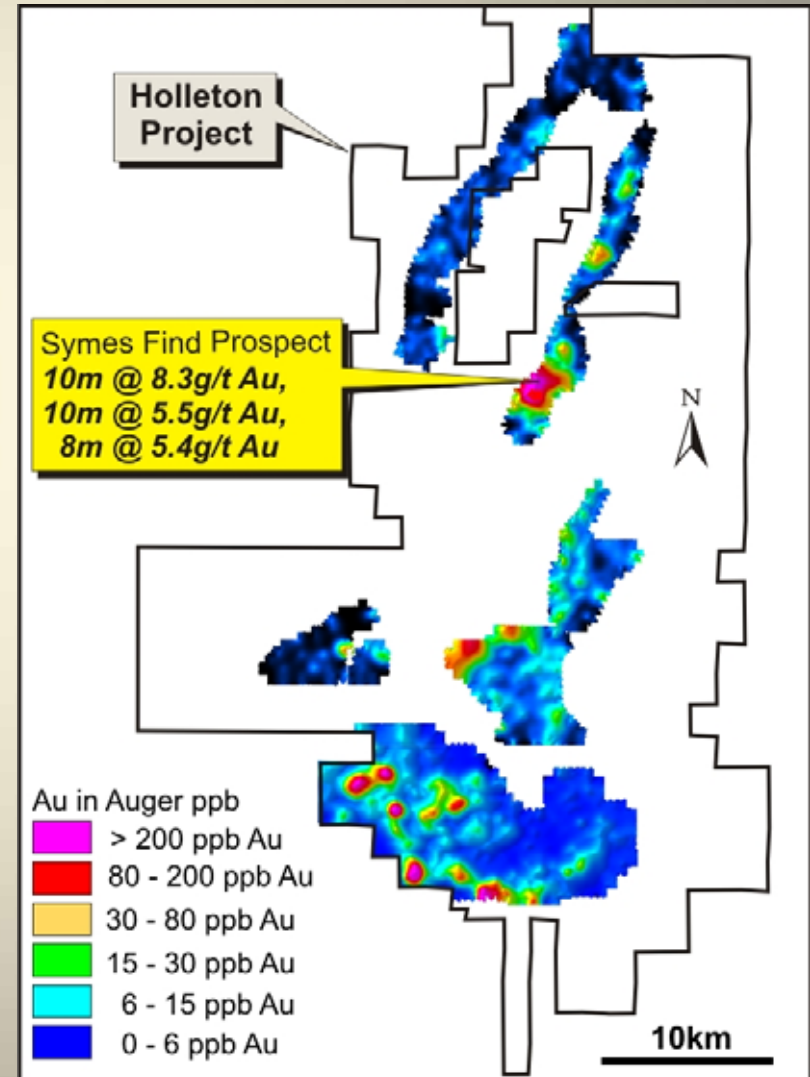
HOLLETON GOLD PROJECT (IGO 100%)

Large gold anomaly discovered under cover

REGIONAL GEOLOGY



GOLD GEOCHEMISTRY

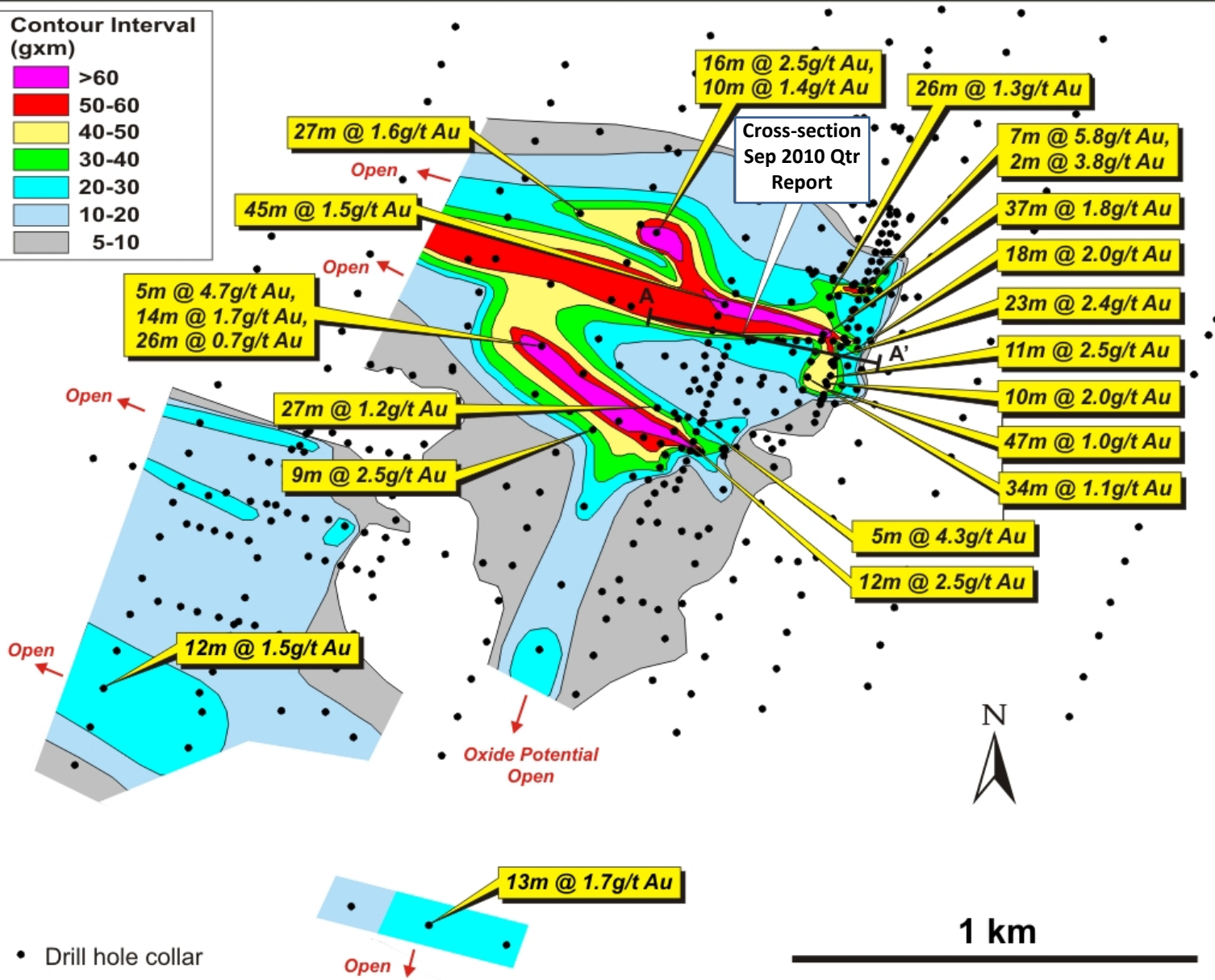




KARLAWINDA GOLD PROJECT (IGO 100%) BIBRA GOLD PROSPECT

*Potential
heap leach
gold
operation*

Contour Interval
(gxm)



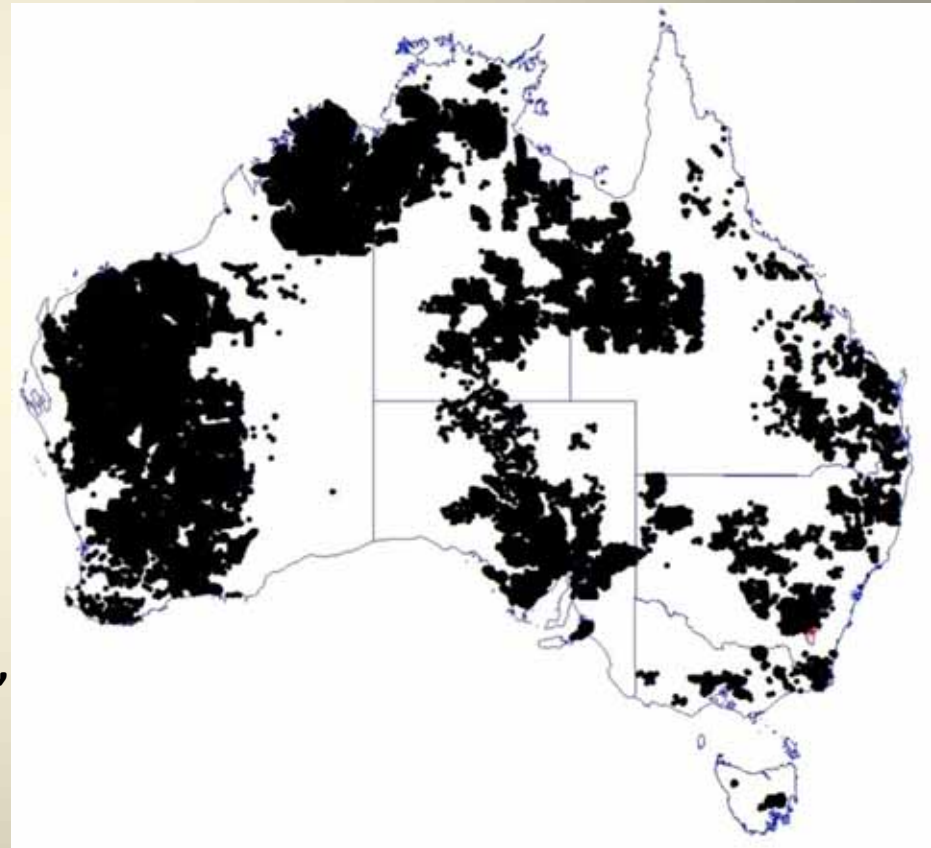
• Drill hole collar



PROJECT GENERATION DE BEERS DATABASE (IGO 100%)

No buy-back or royalties on future mineral discoveries

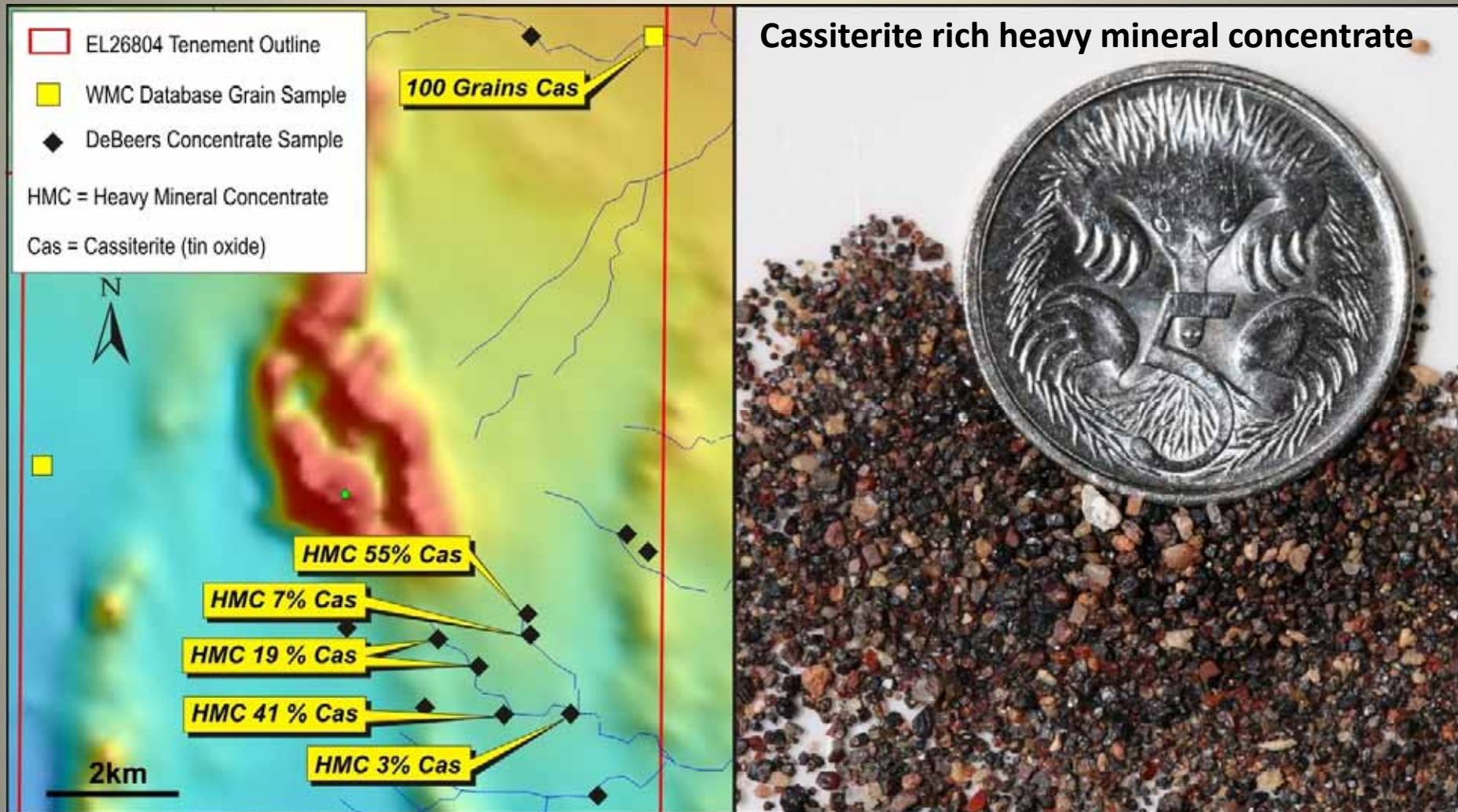
- Long term exploration asset to find new Australian mineral camps.
- 293,000 geochemical samples collected.
- 2,278 samples reporting visible gold.
- 2,025 geophysical surveys.
- IGO analysing samples for 57 elements including Ni, Cu, Pb, Zn, Au, Ag, Pt, Pd, Ur, rare earths, Sn, Li, K etc.
- 28,385 sampled analysed by IGO to-date. Numerous new metal anomalies.





BIRRINDUDU PROJECT – NORTHERN TERRITORY (IGO 100%)

New Australian tin discovery





INDEPENDENCE CORPORATE GOALS

To improve shareholder returns by growing a great multi commodity Australian mining company

Focus on:

Low cash costs

Mine longevity

Innovative exploration

Strong balance sheet



EQUITY RAISING OVERVIEW

Equity raising:

An Equity raising of A\$164.3m, consisting of:

- a A\$113.8m Institutional Placement
- a A\$50.6m underwritten accelerated non-renounceable pro-rata 1-for-15 Entitlement Offer

Use of funds:

Funds used to partly finance estimated Tropicana JV project expense

- Based on current information, IGO's share of expenses estimated at approximately A\$210m - A\$220m

Offer price:

Offer price of A\$6.65 for the Placement and Entitlement Offer

- 7.5% discount to the closing price on 3 November 2010
- 6.0% discount to the 5 day VWAP
- 6.3% discount to the TERP

Management & Underwriting:

Bell Potter Securities Ltd has been appointed:

- Sole Lead Manager to the Institutional Offer
- Underwriter of the Entitlement Offer

Euroz Securities Ltd has been appointed:

- Co-Manager of the Institutional Offer



EQUITY RAISING OVERVIEW

Timetable

Institutional Entitlement Offer Opens	Thursday, 4 November 2010
Institutional Entitlement Offer Closes	7.00am Perth time, Friday 5 November 2010
Ordinary Shares Recommence Trading	Monday, 8 November 2010
Record Date to Determine Entitlements	5.00pm Perth time, Tuesday 9 November 2010
Retail Entitlement Offer Opens	Friday, 12 November 2010
Institutional Settlement Date	Friday, 19 November 2010
Institutional Trading Date	Monday, 22 November 2010
Retail Entitlement Offer Closes	Friday, 26 November 2010
Retail Entitlement Offer Settlement Date	Friday, 3 December 2010
Retail Allotment Date	Monday, 6 December 2010
Retail Trading Date	Tuesday, 7 December 2010



PRO-FORMA BALANCE SHEET

	30 September 2010 (\$m) ¹	Adjustments (\$m) ²	Pro-forma (\$m)
Current Assets			
Cash & cash equivalents	137.3	157.8	295.1
Trade & other receivables	29.3		29.3
Other Financial Assets	8.6		8.6
Other current assets	0.3		0.3
Non-Current Assets			
Exploration, eval. & devel. expenditure	94.9		94.9
Property, plant & equipment	7.2		7.2
Deferred tax assets	7.3		7.3
Other financial assets	4.4		4.4
Intangible assets	0.9		0.9
Total Assets	290.2	157.8	448.0
Current Liabilities			
Trade & other payables	18.9		18.9
Current tax payable	5.0		5.0
Other financial liabilities	18.8		18.8
Non-Current Liabilities			
Deferred tax liabilities	20.3		20.3
Other financial liabilities	5.2		5.2
Provisions	1.4		1.4
Total Liabilities	69.6	-	69.6
Net Assets	220.6	157.8	378.4
Equity			
Share capital	29.6	157.8	187.3
Reserves	(2.5)		(2.5)
Retained earnings	193.5		193.5
Total Equity	220.6	157.8	378.4

1. Figures are unaudited as at 30 September 2010. The last audited financial statements were as at 30 June 2010

2. Adjustments reflect net capital raising proceeds, being gross proceeds of \$164.3 million less the payment of transaction costs associated with the issue of fully paid shares amounting to \$6.6 million which is being recognised against issued share capital



KEY RISKS

Activities in the Company and its controlled entities, as in any business, are subject to risks which may impact on the Company's future performance. There are a number of factors, both specific to the Company and of a general nature, which may affect the future operating and financial performance and position of the Company and the outcome of an investment in the Company. Some of these risks can be adequately mitigated by the use of safeguards and appropriate systems but many are beyond the control of the Company and its Directors and cannot be mitigated.

Prior to deciding whether to take up their Entitlement, Shareholders should read this entire Investor Presentation and review announcements made by the Company to ASX (at www.asx.com.au, ASX: IGO) in order to gain an appreciation of the Company, its activities, operations, financial position and prospects.

Shareholders should also consider the summary risk factors set out below which the Directors believe represent some of the general and specific risks that Shareholders should be aware of when evaluating the Company and deciding whether to increase their shareholding in the Company. The risk factors set out below are not intended to be an exhaustive list of all of the risk factors to which the Company is exposed.

SPECIFIC RISKS

The risk factors set out below have been identified as being key risks specific to an investment in Independence.

▪ Tropicana JV Gold Project

Independence holds a 30% interest in the Tropicana Joint Venture, with AngloGold Ashanti Australia Limited ("AngloGold") holding the remaining 70%.

Independence currently expects results from the bankable feasibility study for the Tropicana Project ("BFS") to be received in November 2010. There is a risk that the outcome of the BFS may result in either or both of Independence or AngloGold deciding not to proceed with the development of the Tropicana Project or the project being delayed. In addition, there is a risk that the BFS may indicate that the anticipated value or returns from the Tropicana Project may be less than currently expected, and the estimated costs of proceeding with the project to production and costs of production will be more than Independence's current cost estimates.

AngloGold, as the manager and operator of the Tropicana Joint Venture, is responsible for running the Tropicana Project, in accordance with its mandate as provided in the Joint Operating Agreement. However, in this capacity, AngloGold will act in the best interests of its own shareholders and may not always act in the best interests of Independence.

▪ Gold and Nickel prices

The gold and nickel mining industry is competitive. There can be no assurance that gold and nickel prices will be such that the Company can mine its deposits at a profit. Gold prices and nickel prices fluctuate due to a variety of factors including supply and demand fundamentals, international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns and speculative activities. Similarly, demand and supply of capital and currencies, forward trading activities, relative interest rates and exchange rates and relative economic conditions can impact exchange rates.

The Company has put in place hedging contracts for part of its expected nickel production in order to reduce its exposure to potential falls in future nickel prices, however, the Company is still exposed to spot prices for the remainder of its anticipated future nickel production. These factors may have a positive or negative effect on the Company's project development and production plans and activities together with the ability to fund those plans and activities.

▪ Foreign exchange rates

The Company receives payments from its sales of nickel and gold in United States dollars. The Company converts the majority of these funds into Australian dollars, hence the Company is exposed to movements in exchange rates, the impact of which cannot be predicted reliably. The Company has put in place some derivative financial instruments—in an attempt to mitigate some of its exposure to foreign exchange rate risk. However, the Company is still exposed to the risk on the currency received that has not been hedged.



KEY RISKS (cont'd)

▪ **Mining and development risks**

Profitability depends on successful exploration and / or acquisition of reserves, design and construction of efficient processing facilities, competent operation and management and proficient financial management.

Mining and development operations can be hampered by force majeure circumstances, environmental considerations and cost overruns for unforeseen events. In respect of its business activities, the Company has made estimates of capital expenses, operating costs and working capital requirements based on current circumstances, and its current understanding of those matters, in particular relating to the Tropicana Project and Long Nickel Mine. There is a risk that these estimates may differ from the Company's actual requirements and results.

▪ **Future capital requirements**

The Company's ongoing activities may require substantial further financing in the future for its business activities, in addition to amounts raised pursuant to the Entitlement Offer. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price (or Entitlement Offer price) or may involve restrictive covenants which limit the Company's operations and business strategy.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse affect on the Company's activities and could affect the Company's ability to continue as a going concern.

GENERAL RISKS

Mineral exploration and mining may be hampered by circumstances beyond the control of the Company and are speculative operations which by their nature are subject to a number of inherent risks. These include the general risk factors set out below.

▪ **Exploration risks**

The success of the Company depends on the delineation of economically minable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Company's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities.

Exploration on the Company's existing exploration and mining tenements may be unsuccessful, resulting in a reduction of the value of those tenements, diminution in the cash reserves of the Company and possible relinquishment of the exploration and mining tenements. The Company may also experience unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

▪ **Resource estimates**

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made, but may change significantly when new information becomes available.

There are risks associated with such estimates. Resource estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect the Company's future plans and ultimately its financial performance and value.

Gold and nickel price fluctuations, as well as increased production costs or reduced throughput and / or recovery rates, may render resources containing relatively lower grades uneconomic and may materially affect resource estimations.



KEY RISKS (cont'd)

▪ Regulatory risks

The Company's operations are subject to various Federal, State and local laws and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health.

Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials. No assurance can be given that the Company will be successful in obtaining any or all of the various approvals, licences and permits or maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained in a timely manner or at all, the Company may be curtailed or prohibited from continuing or proceeding with production and exploration.

▪ Ability to exploit successful discoveries

It may not always be possible for the Company to exploit successful discoveries which may be made in areas in which the Company has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploitation may require participation of other companies whose interests and objectives may not be the same as the Company's.

▪ Environmental risk

The operations and activities of the Company are subject to the environmental laws and regulations of Australia. As with most exploration projects and mining operations, the Company's operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Company attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations.

The Company is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments which could have material adverse effect on the Company's business, financial condition and performance.

▪ Title risks

The Native Title Act 1993 (Cth) (**NTA**) recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. Native title may impact on the Company's operations and future plans. Native title is not generally extinguished by the grant of exploration and mining tenements, as they are not generally considered to be grants of exclusive possession. However, a valid exploration or mining tenement prevails over native title to the extent of any inconsistency for the duration of the title.

If invalid because of native title, tenements granted prior to 1 January 1994 have been validated by the NTA. Tenements granted between 1 January 1994 and 23 December 1996, if invalid because of native title, are also likely to have been validated subject to satisfying criteria established in the NTA. For tenements that may still be subject to native title to be validly granted (or renewed) after 23 December 1996 the "right to negotiate" regime established by the NTA must be followed resulting in an agreement with relevant native title parties or a determination by an independent tribunal as to whether the tenement can be granted from a native title perspective.

Alternatively an Indigenous Land Use Agreement may be entered into between the Company and relevant native title parties. An expedited regime not requiring agreement or determination by an independent tribunal may apply to some exploration tenements subject to satisfying criteria established in the NTA.

The Company must also comply with Aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of mining and exploration operations.



KEY RISKS (cont'd)

- **Joint venture parties, agents and contractors**

There is a risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party or the insolvency or managerial failure by any of the contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

- **Key personnel**

A number of key personnel are important to attaining the business goals of the Company. One or more of these key employees could leave their employment, and this may adversely affect the ability of the Company to conduct its business and, accordingly, affect the financial performance of the Company and its Share price. Recruiting and retaining qualified personnel are important to the Company's success. The number of persons skilled in the exploration and development of mining properties is limited and competition for such persons is strong.

- **Economic factors**

The operating and financial performance of the Company is influenced by a variety of general economic and business conditions, including levels of consumer spending, oil prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on the Company's operating and financial performance and financial position.

The Company's future possible revenues and Share prices can be affected by these factors, which are beyond the control of the Company **Competition**

The Company competes with other companies, including major mining companies in Australia and internationally. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Company can compete effectively with these companies.

- **Insurance risks**

The Company will endeavour to maintain insurance within ranges of coverage in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance of risks associated with minerals exploration and production is not always available and, where available, the costs can be prohibitive. There is a risk that insurance premiums may increase to a level where the Company considers it is unreasonable or not in its interests to maintain insurance cover or not to a level of coverage which is in accordance with industry practice. The Company will use reasonable endeavours to insure against the risks it considers appropriate for the Company's needs and circumstances. However, no assurance can be given that the Company will be able to obtain such insurance coverage in the future at reasonable rates or that any coverage it arranges will be adequate and available to cover claims.



KEY RISKS (cont'd)

- **Stock market conditions**

As with all stock market investments, there are risks associated with an investment in the Company. Share prices may rise or fall and the price of Shares might trade below or above the issue price for the New Shares.

General factors that may affect the market price of Shares include economic conditions in both Australia and internationally, investor sentiment and local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

- **Liquidity risk**

There can be no guarantee that there will continue to be an active market for Shares or that the price of Shares will increase. There may be relatively few buyers or sellers of Shares on ASX at any given time. This may affect the volatility of the market price of Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the price paid under the Offer.

- **Securities investment risk**

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance. The past performance of the Company is not necessarily an indication as to future performance of the Company as the trading price of Shares can go up or down. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

- **Other**

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of Independence.



IGO CONTACT DETAILS

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LONG NICKEL MINE

JUNE 2010 RESOURCES AND RESERVES

RESOURCES					MINING RESERVE				
Undiluted at 1% Ni Cut-off ^{1,2}					as at 30 June 2010				
		Tonnes	Ni %	Ni Tonnes		Tonnes	Ni %	Ni Tonnes	
LONG	Measured	26,000	5.6	1,500	LONG	Proven	15,000	2.8	400
	Indicated	215,000	4.8	10,300		Probable	98,000	2.9	2,900
	Inferred	105,000	4.4	4,600					
	Sub-Total	346,000	4.7	16,400		Sub-Total	113,000	2.9	3,300
MORAN	Measured	-	-	-	MORAN	Proven	-	-	-
	Indicated	494,000	7.2	35,700		Probable	739,000	4.4	32,700
	Inferred	52,000	7.1	3,700					
	Sub-Total	546,000	7.2	39,400		Sub-Total	739,000	4.4	32,700
VICTOR SOUTH	Measured	17,000	7.0	1,200	VICTOR SOUTH	Proven	24,000	4	1,000
	Indicated	232,000	2.7	6,300		Probable	55,000	5.1	2,800
	Inferred	131,000	1.7	2,200					
	Sub-Total	380,000	2.6	9,700		Sub-Total	79,000	4.8	3,800
McLEAY	Measured	85,000	8.1	6,900	McLEAY	Proven	121,000	3.9	4,700
	Indicated	248,000	5.7	14,200		Probable	261,000	3.4	8,800
	Inferred	94,000	5.1	4,800					
	Sub-Total	427,000	6.1	25,900		Sub-Total	382,000	3.5	13,500
BROKEN STOCKS	Measured	3,000	4.0	100	BROKEN STOCKS	Proven	2,000	3.0	100
	Sub-Total	3,000	4.0	100		Sub-Total	2,000	3.0	100
TOTAL		1,702,000	5.4	91,500	TOTAL	1,315,000	4.1	53,400	

Reserves are included in resources

Notes:

- 1 The cut-off grade used for the Victor South resource is 0.6% Ni.
- 2 Ore tonnes have been rounded to the nearest thousand tonnes and nickel tonnes have been rounded to the nearest hundred tonnes.



2009 PRE-FEASIBILITY RESOURCES AND RESERVES

Owner Operator Costs

June 2009 Open Pit Resources

	Tonnes (Mt)	Grade (g/t) ¹	Contained Gold (Moz) ²
Measured	24.2	2.3	1.79
Indicated	39.8	2.0	2.58
Inferred	11.3	1.8	0.64
TOTAL	75.3	2.1	5.01

December 2009 Open Pit Reserves

	Tonnes (Mt)	Grade (g/t) ³	Contained Gold (Moz) ⁴
Proved	22	2.4	1.7
Probable	23	2.1	1.6
TOTAL	45	2.3	3.3

1 Cut-offs: 0.6g/t Au oxide, 0.7g/t Au fresh ore.

2 A\$1,250/oz Au optimisation.

3 Cut-off: 0.7g/t Au oxide ore, 0.8g/t Au fresh ore.

4 A\$1,059/oz optimisation

5 See final slide for JORC required competent person sign-off.



COMPETENT PERSON STATEMENT

Note: The information in this presentation 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.