



INDEPENDENCE GROUP NL

Continuing to Deliver Shareholder Wealth by Mining & Exploration Success.

Diggers & Dealers

August 2009

Chris Bonwick
Managing Director



FORWARD LOOKING STATEMENTS

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

Forward-looking statements include, among other things, statements regarding targets, estimates and assumptions in respect of nickel, gold or other metal production and prices, operating costs and results, capital expenditures, mineral reserves and mineral resources and anticipated grades and recovery rates. Forward-looking statements are necessarily based upon a number of estimates and assumptions related to future business, economic, market, political, social and other conditions that, while considered reasonable by the Company, are inherently subject to significant uncertainties and contingencies. Many known and unknown factors could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements. Such factors include, but are not limited to: competition; mineral prices; ability to meet additional funding requirements; exploration, development and operating risks; 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.

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



COMPETENT PERSON STATEMENT

Note: The information in this presentation that relates to Exploration Results, Mineral Resources or Ore Reserves (apart from the Tropicana mineral resources) 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.

Sign Off: The information in this presentation that relates to Tropicana Mineral Resources is based on information compiled by Mark Kent, who is a full-time employee of AngloGold Ashanti Limited, and a member of the AusIMM. Mark Kent has sufficient experience relative to the type and style of mineral deposit under consideration and to the activity which has been undertaken, to qualify as a Competent Person (or Recognised Mining Professional) as defined in the 2004 Edition of the JORC Code. Mark Kent consents to the release of the resource based on the information in the form and context in which it appears.



INDEPENDENCE OVERVIEW - CORPORATE

Capital Structure:

ASX Code: IGO

113.4M shares & 1.5M staff options

Market Cap. (30/07/09): \$601M

Daily turnover (6 month average): 482,070

Substantial shareholders:

JP Morgan - 9.9M shares (8.8%)

NAB - 6.8M shares (6.1%)

Financials:

FY 09 NPAT: \$13.4M (unaudited)

Dividend: Dec 08 – 5c final, Mar 09 - 2c interim

Cash & Net Receivables: \$137.6M

Debt: Nil excluding environmental bonds



INDEPENDENCE OVERVIEW - ASSETS

Long Nickel Mine

2008/9 Cash Costs (C1+C2 payable): A\$3.85/lb Ni
2008/9 Revenue: A\$7.83/lb Ni
June 2008 Resources: 75,800t Ni @ 5.3% Ni
June 2008 Reserves: 37,200t Ni @ 3.4% Ni

Extending mine life – New Moran discovery

Jun 2009 resource: 456,000 t @ 7.1% Ni (32,400 t Ni)

Tropicana JV

Initial Open Cut Resource: 30% of 5.01M oz
Open Cut Mining Inventory: 56Mt @ 2g/t Au (3.6M oz Au)
(US\$900/oz Au, AUD: USD 0.85, Oil US\$103/barrel & 15% discount rate assumptions)

Significant along strike, underground & regional potential

Regional Exploration

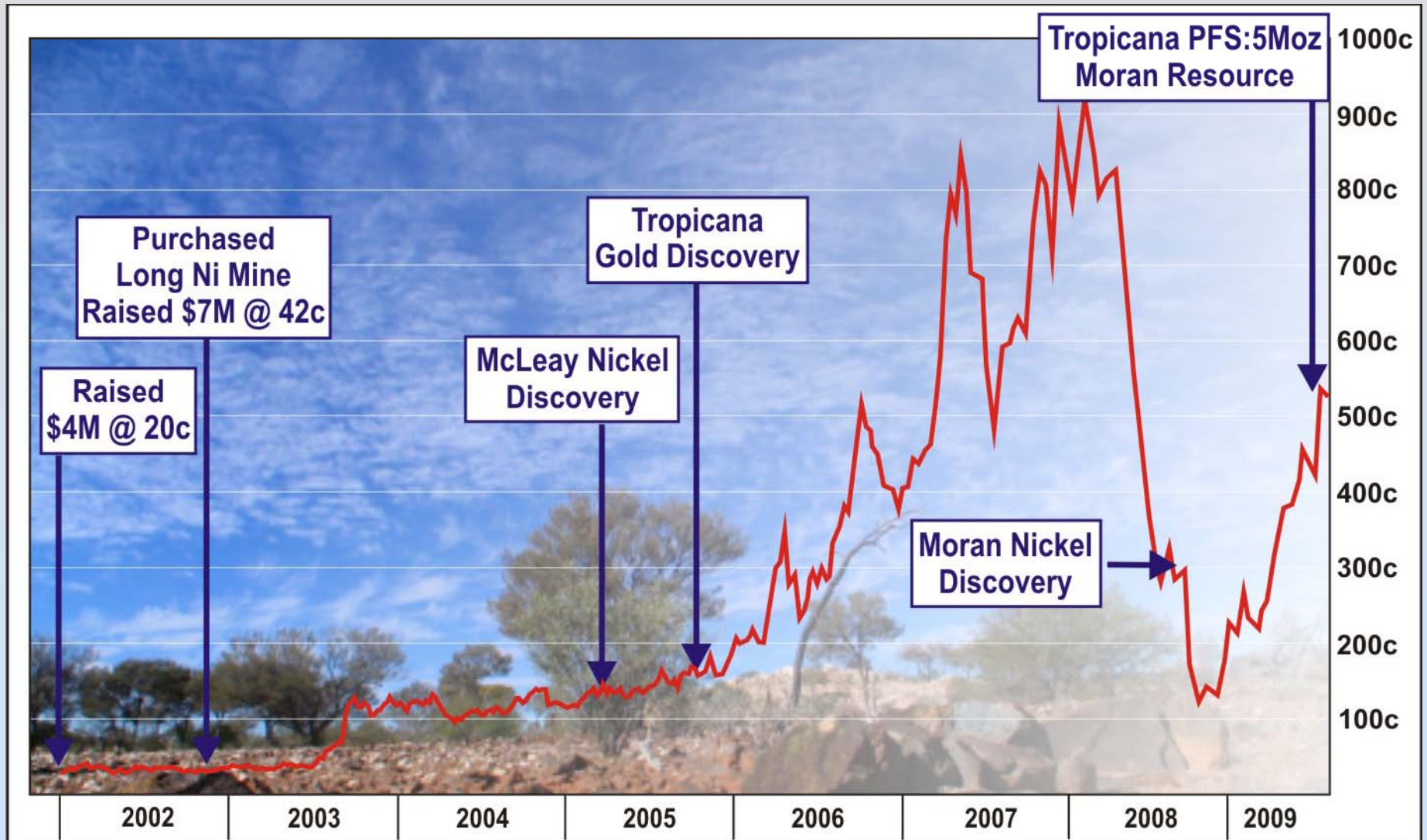
8 high quality Ni, Au and Cu-Pb-Zn exploration projects.

Unique exploration targeting & technology



IGO HISTORY AND SHARE PRICE

Monthly Average Share Price to 30.07.09





INDEPENDENCE GROUP NL

LONG NICKEL MINE

IGO's CURRENT CASH PRODUCING ASSET

Purchase price = A\$15M

IGO Profit to date = \$247.1M



1979-1999

WMC Production:
203,184t Ni

2002-2009

IGO Production:
55,295t Ni



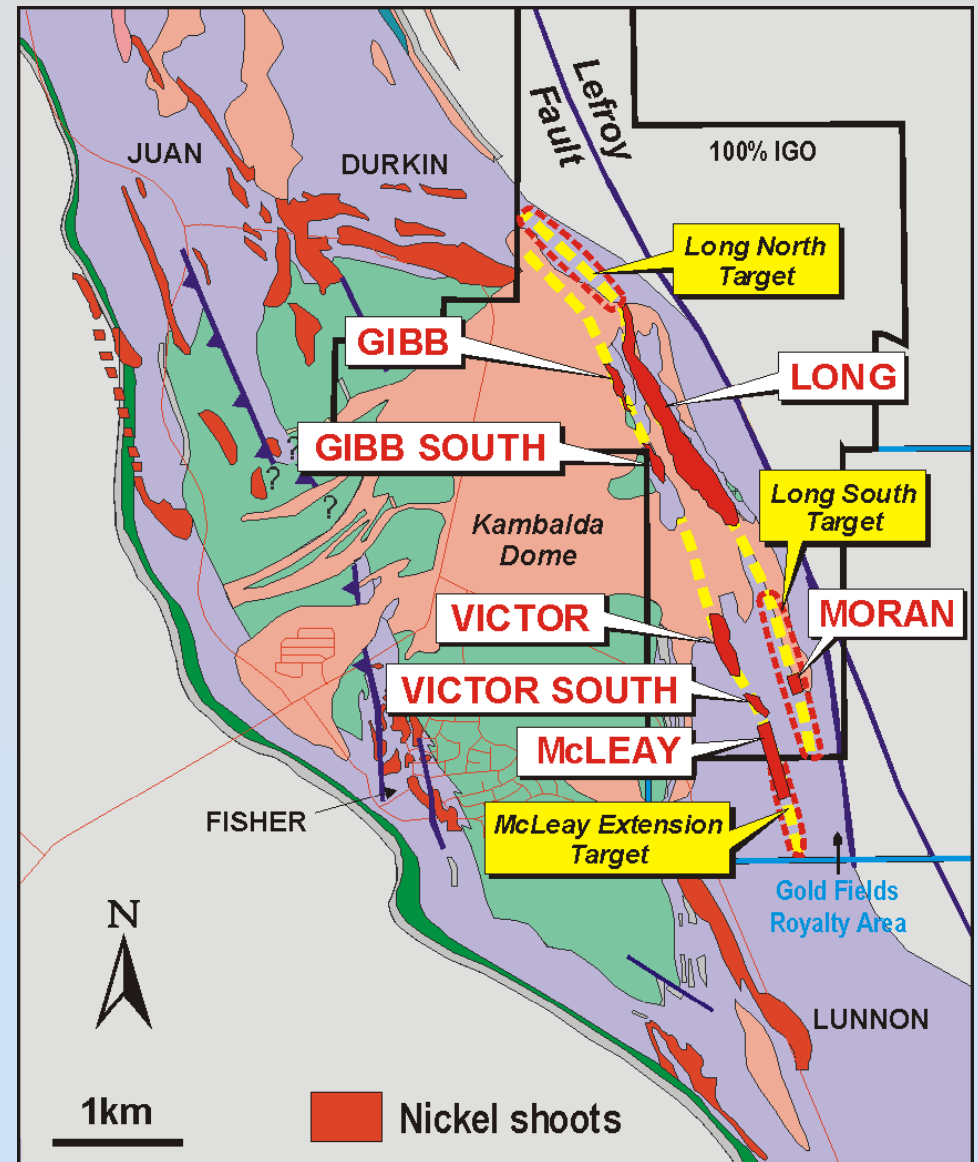
LONG NICKEL MINE (IGO 100%)

HISTORY:

- ◆ Starting Reserve = 26,800Ni t
- ◆ Production to Jun 09 = 55,815Ni t
- ◆ June 2008 Resource = 75,800Ni t
- ◆ June 2008 Reserves = 37,200Ni t (Moran yet to be included)

GOALS:

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



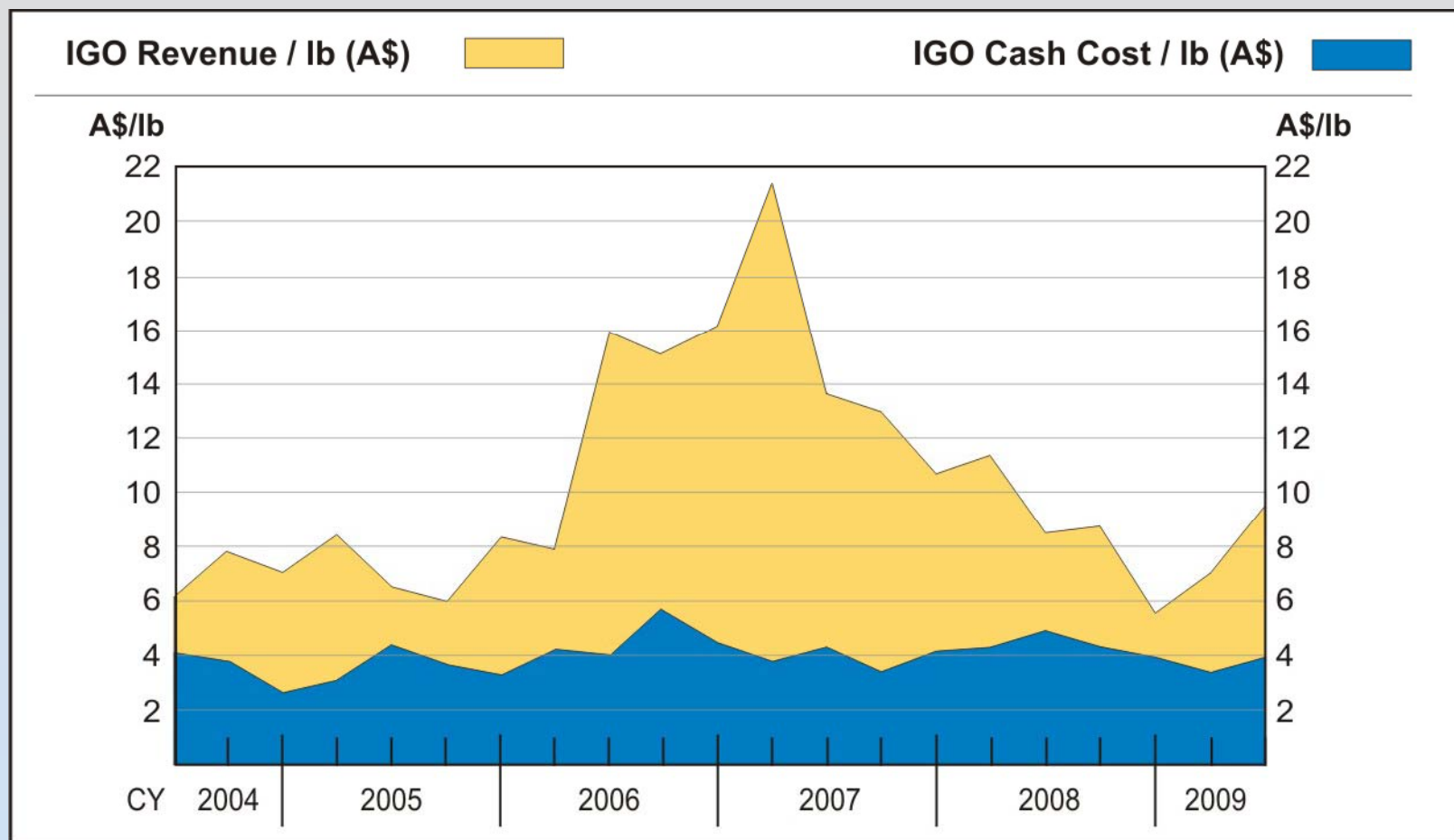


PRODUCTION FORECAST & HEDGING

	FY 2008/9 Guidance	2008/9 Actual
■ Production	8,400 - 8,800 Ni t	8,779 Ni t
■ Grade	3.6% Ni	4.0% Ni
■ Cash Costs (payable)	A\$4.50 - 4.65/lb Ni	A\$3.85/lb Ni
	FY 2009/10 Guidance	
■ Production	8,000 - 8,400 Ni t	
■ Grade	4.0% Ni	
■ Cash Costs (payable)	A\$4.20 - 4.40/lb Ni	
◆ Hedging	4,800 Ni t @ A\$19,013 / t Delivered @ 200Ni t / month to June 11	



QUARTERLY CASH COSTS & REVENUE



Relatively consistent cash costs



MINE GEOPHYSICS - TEM EQUIPMENT



High powered TEM transmitter

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



Down hole TEM probe

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

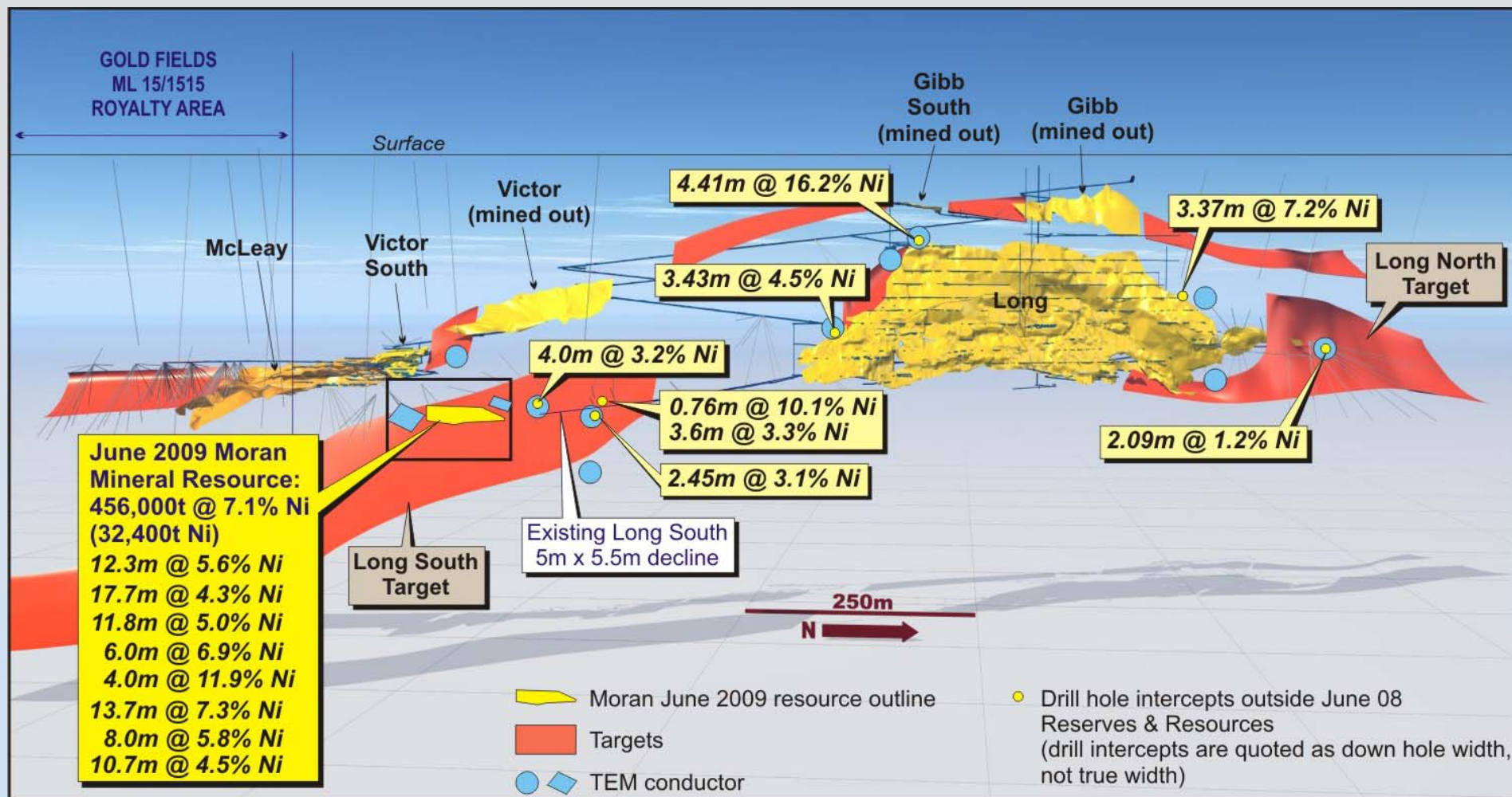


3 component underground TEM system

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

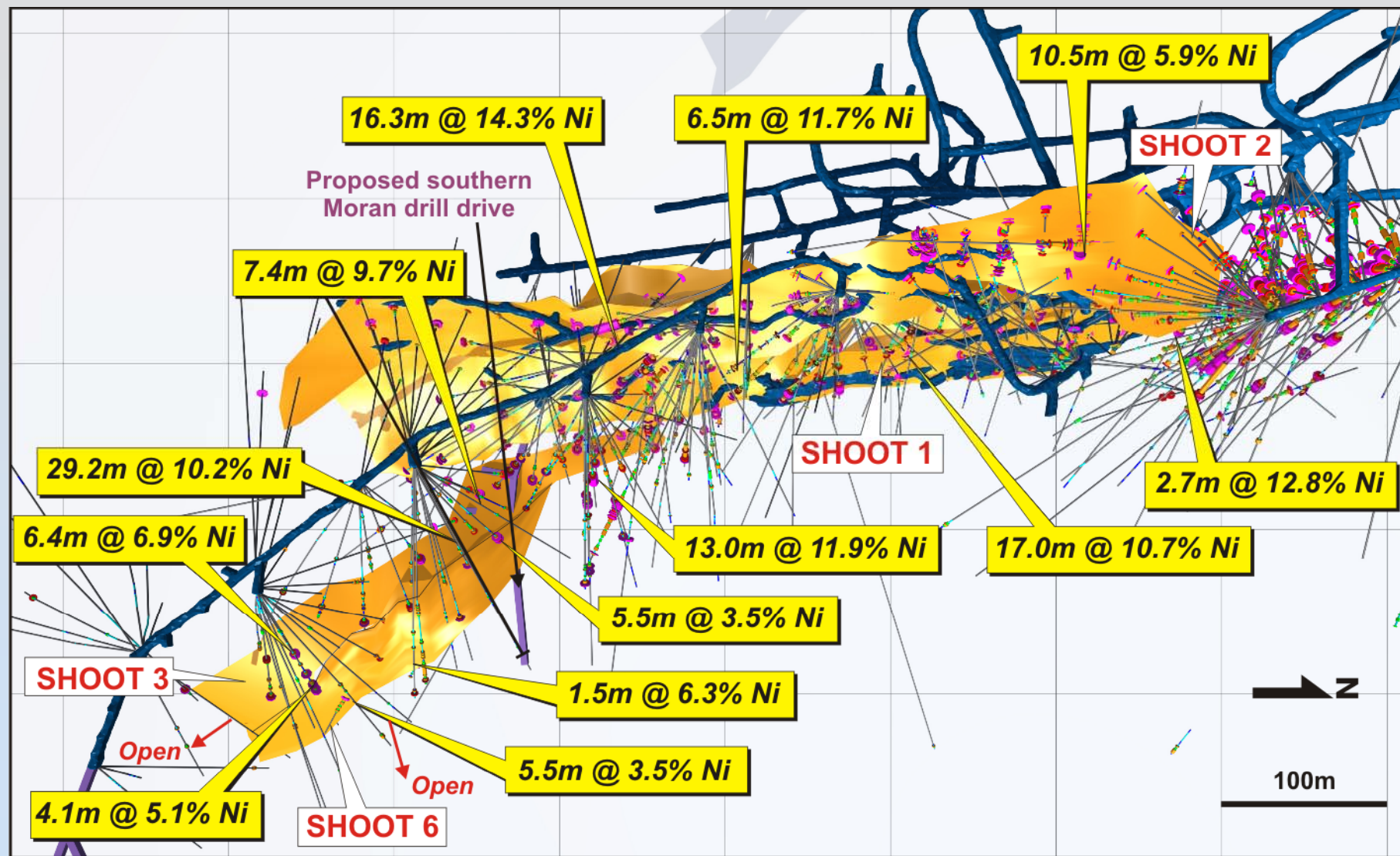


LONG MINE NICKEL DEPOSITS & TARGETS LONGITUDINAL PROJECTION





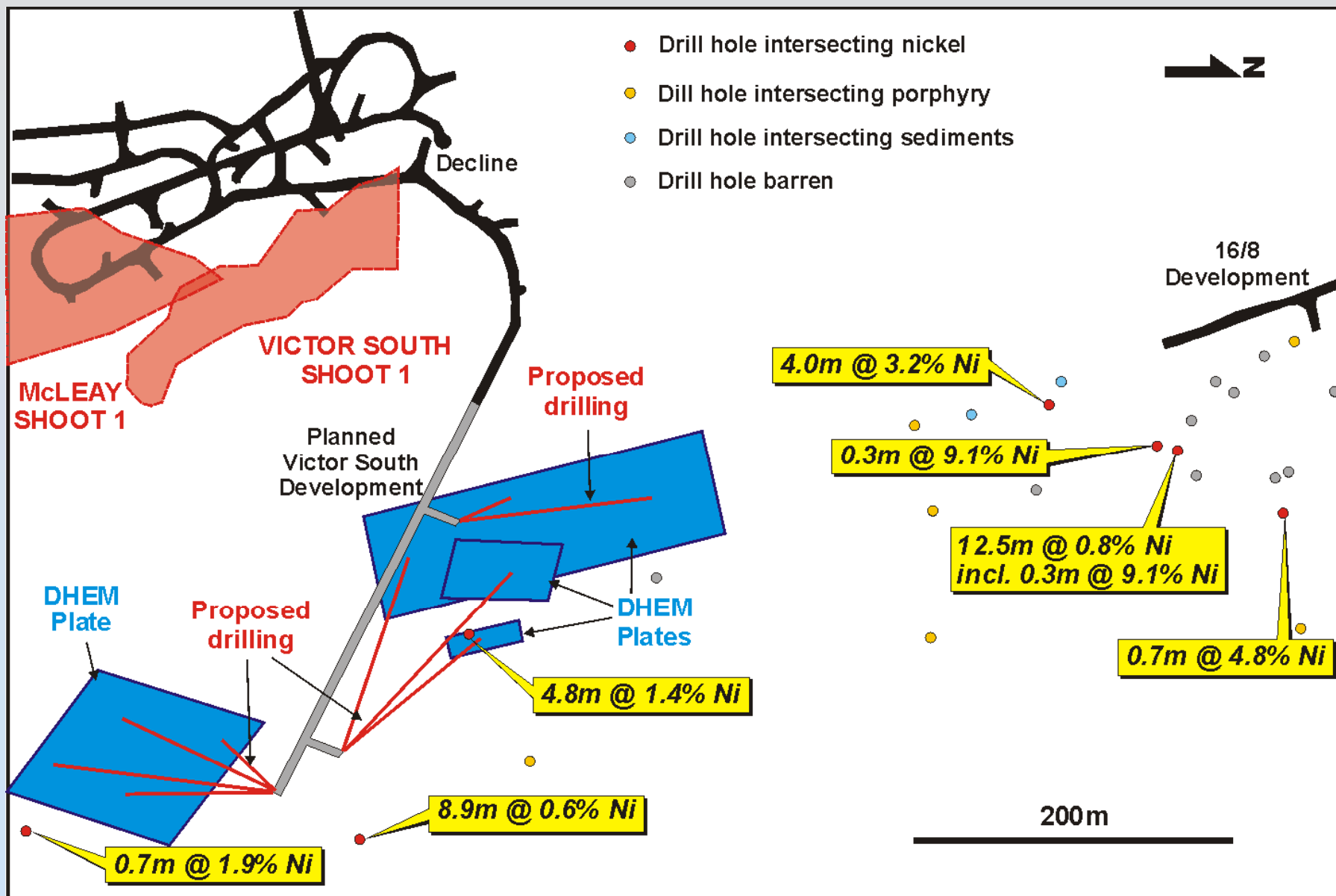
McLEAY – MINERALISATION OUTLINE





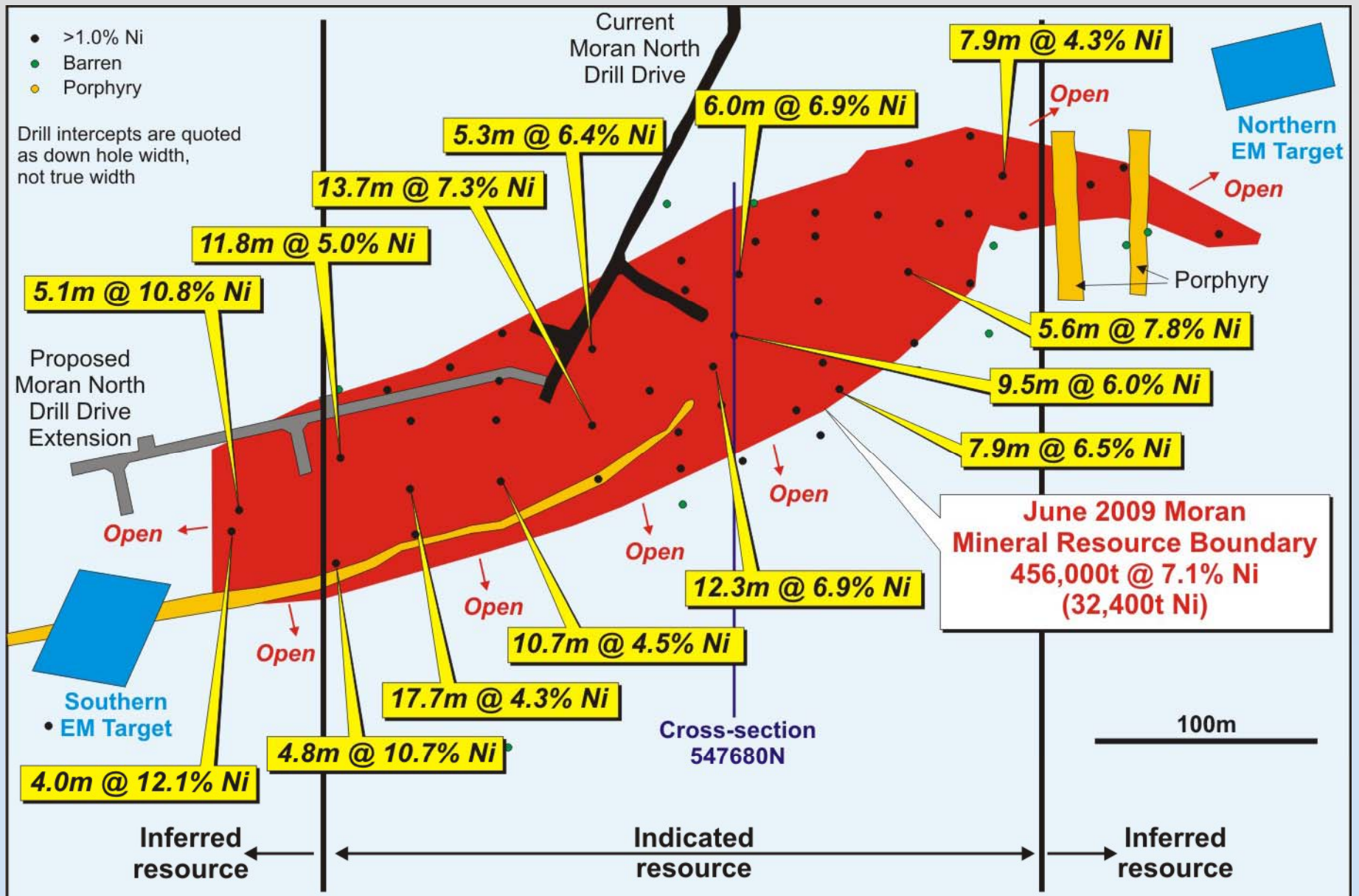
FLASHBACK - DIGGERS 2008

LONG SOUTH TEM CONDUCTORS SLIDE



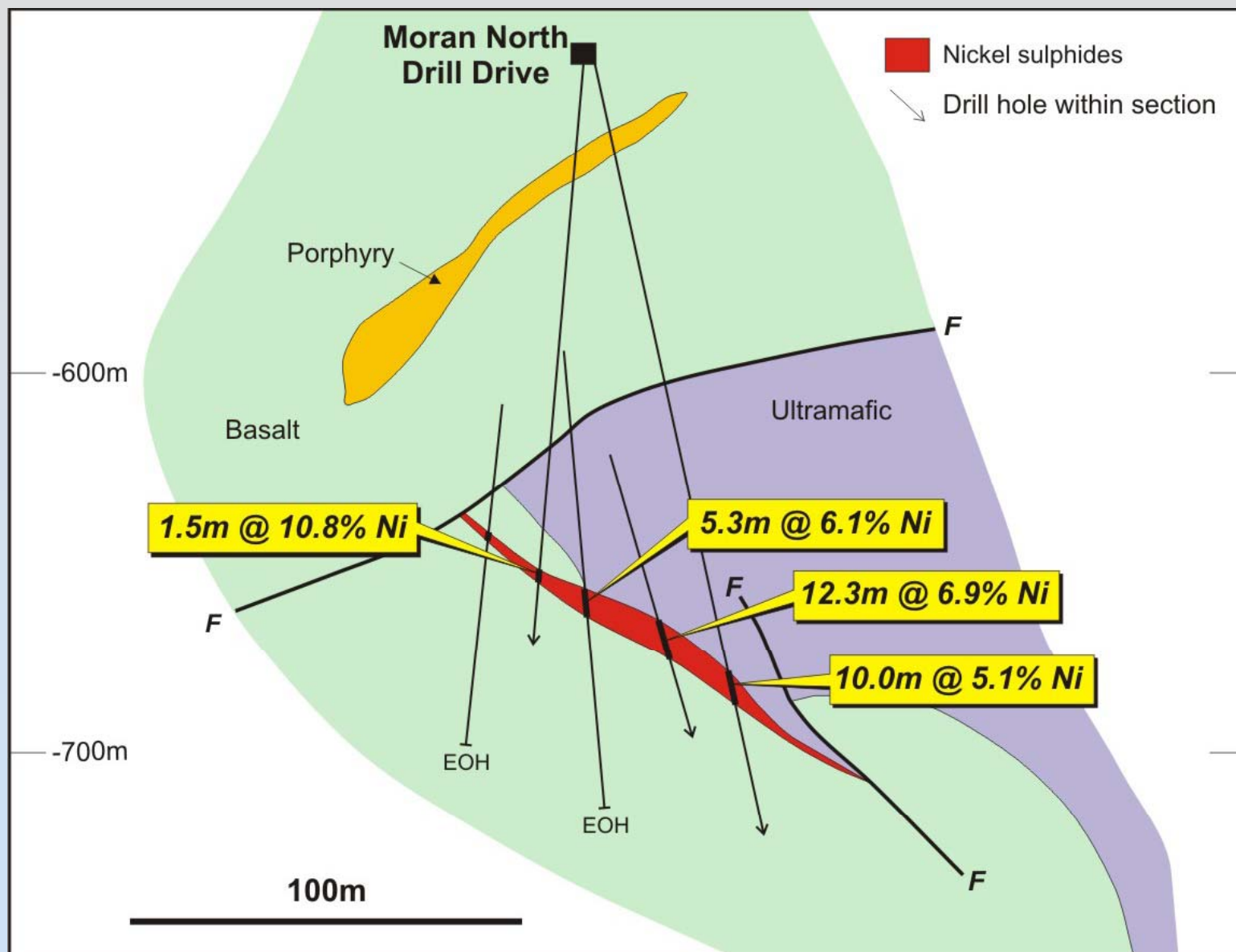


MORAN DISCOVERY



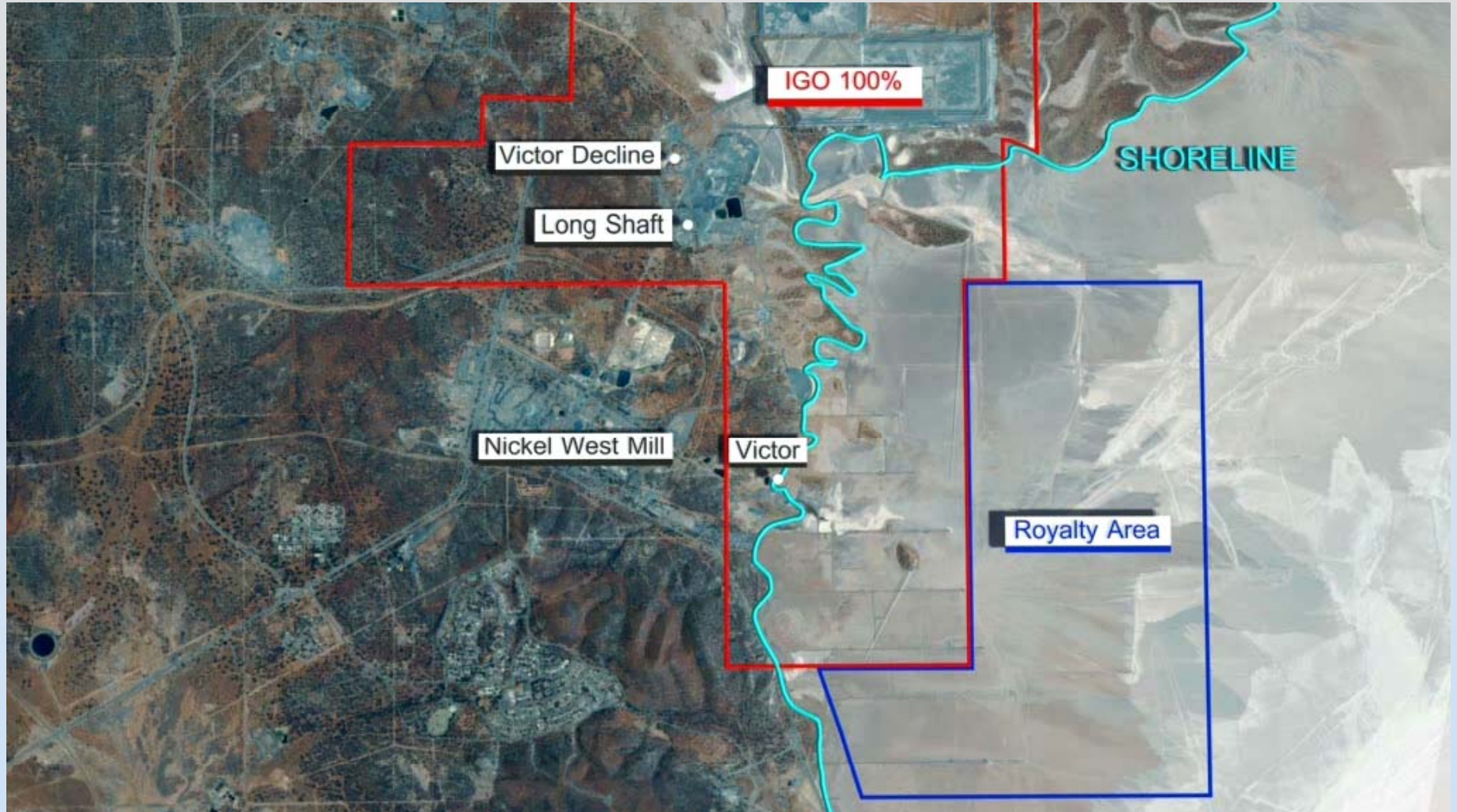


MORAN CROSS-SECTION 547680N





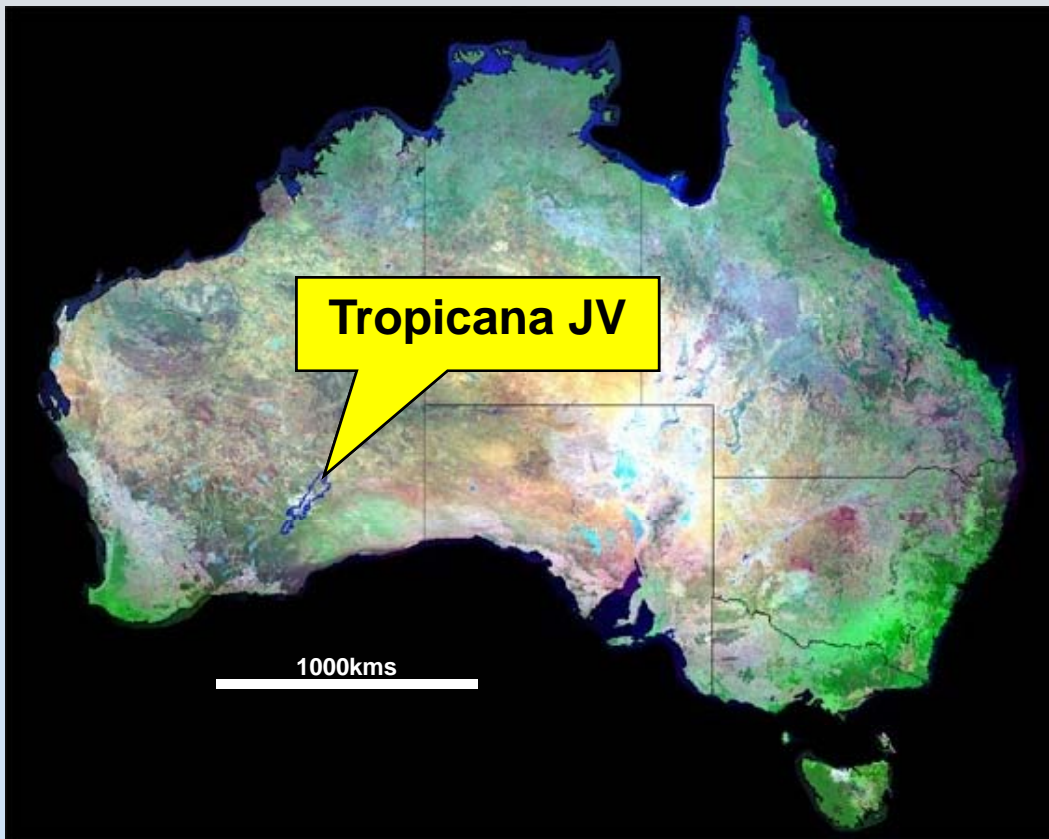
LONG FLY THROUGH





TROPICANA JV - NEW GOLD PROVINCE IGO'S SECOND POTENTIAL CASH GENERATOR

AngloGold Ashanti – 70% (Manager)
Independence Group – 30%

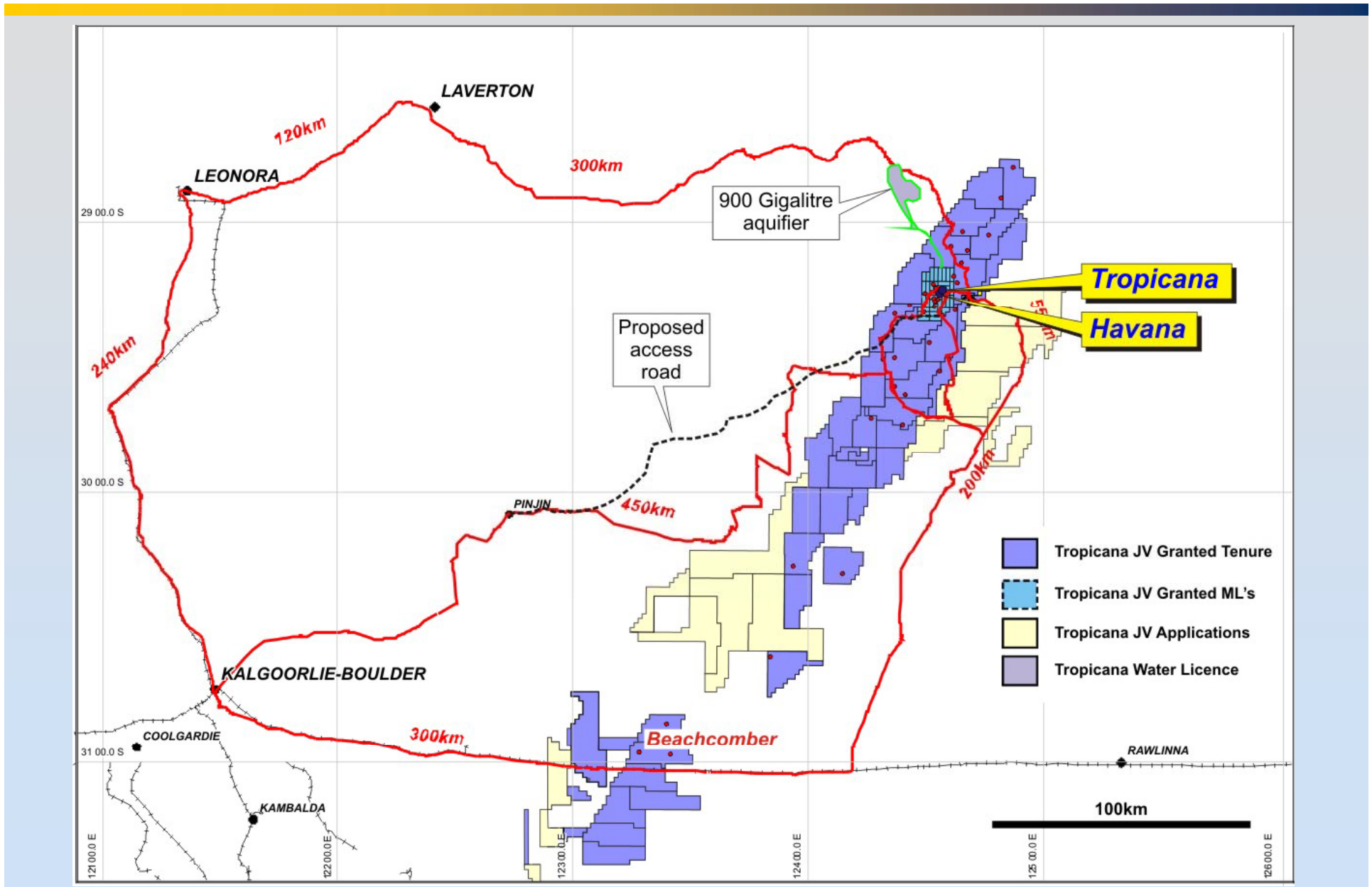


“New Gold Province under sand”



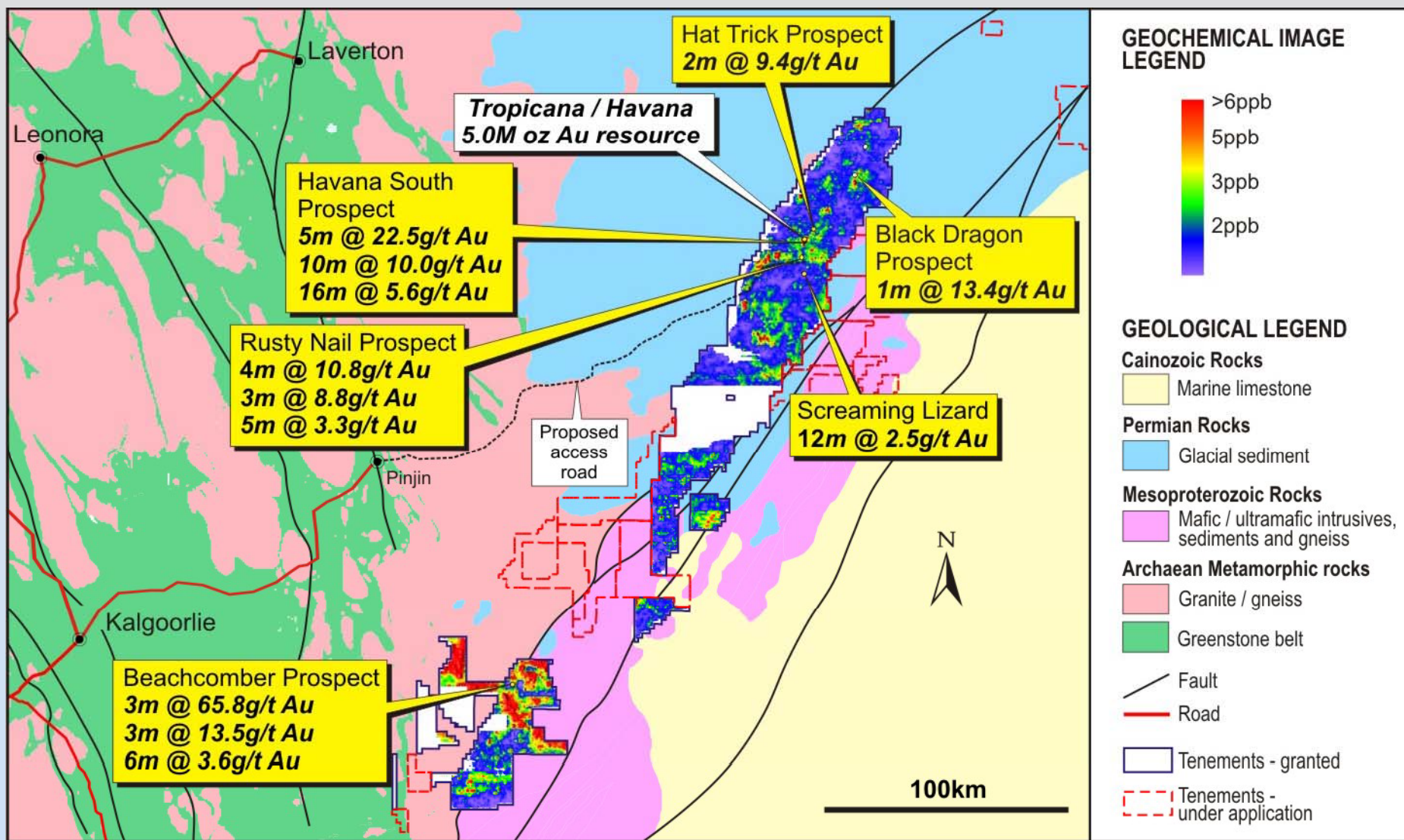


TROPICANA JV TENEMENTS





TROPICANA JV SIGNIFICANT DISCOVERIES TO DATE

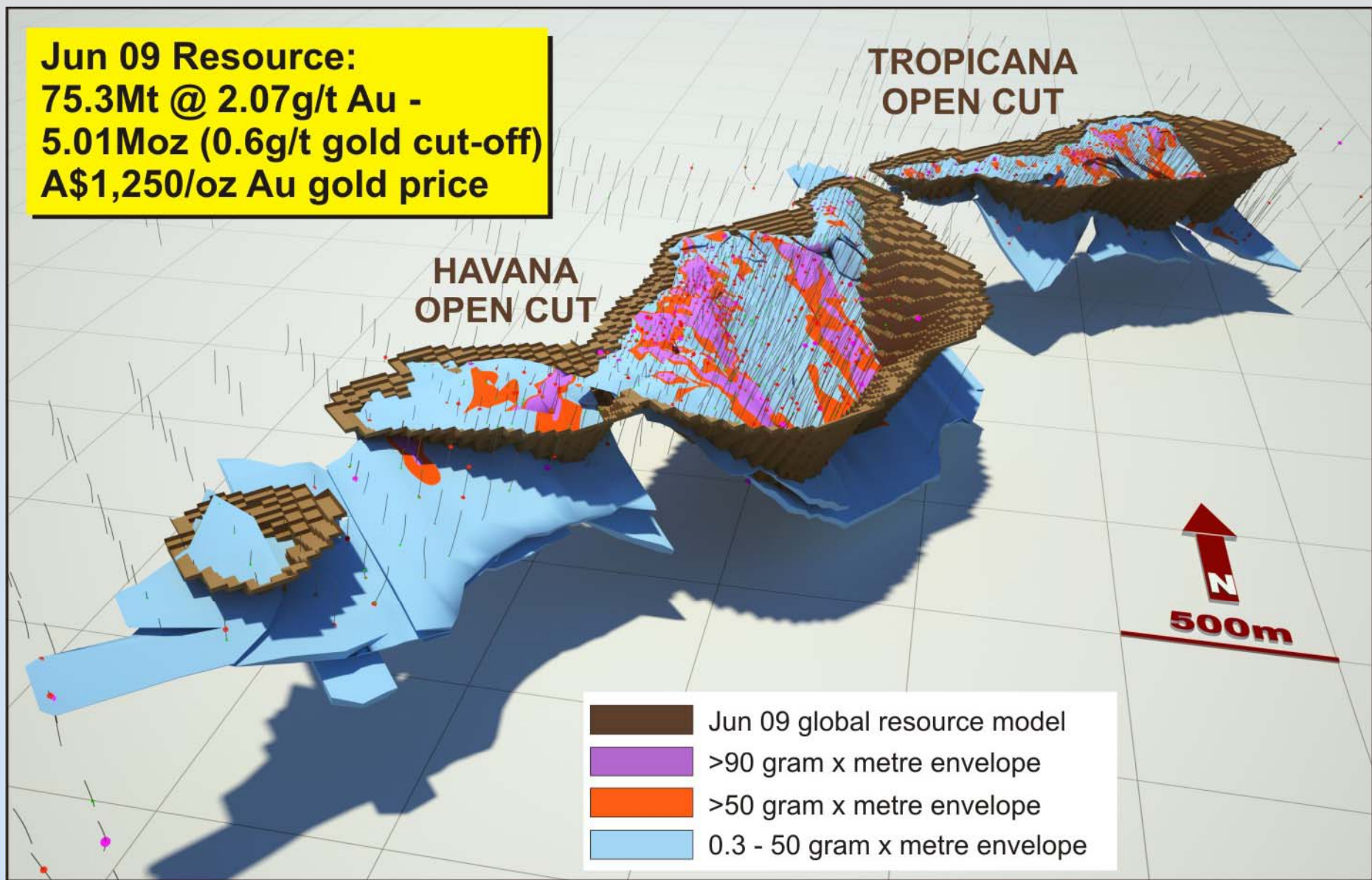


TROPICANA JV – JUN 09 GLOBAL RESOURCE

Jun 09 Resource:
75.3Mt @ 2.07g/t Au -
5.01Moz (0.6g/t gold cut-off)
A\$1,250/oz Au gold price

TROPICANA
OPEN CUT

HAVANA
OPEN CUT



- Jun 09 global resource model
- >90 gram x metre envelope
- >50 gram x metre envelope
- 0.3 - 50 gram x metre envelope

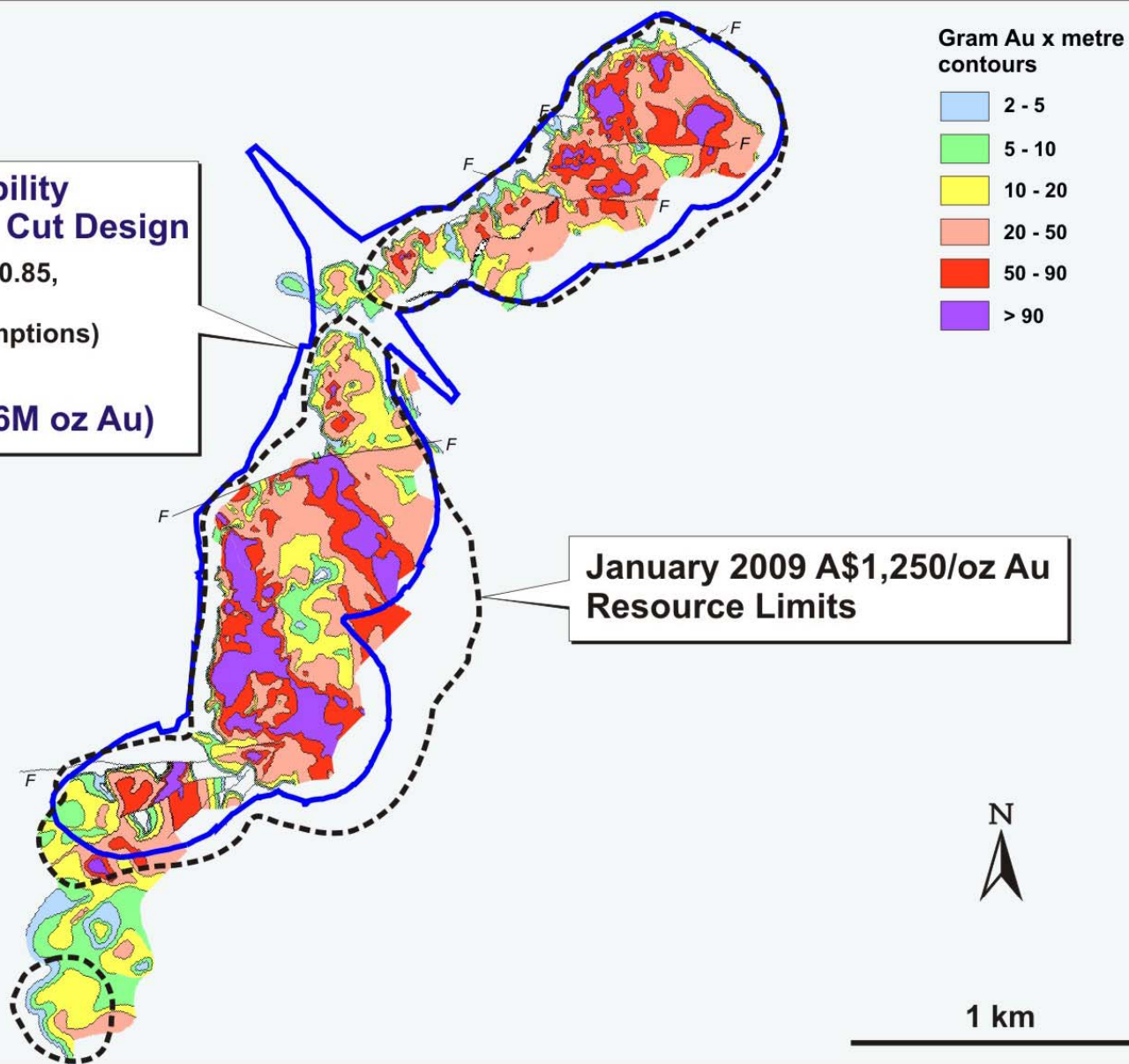


TROPICANA JV – JUN 09 PRE-FEASIBILITY OPEN CUT DESIGN

June 2009 Pre-feasibility A\$1,059/oz Au Open Cut Design

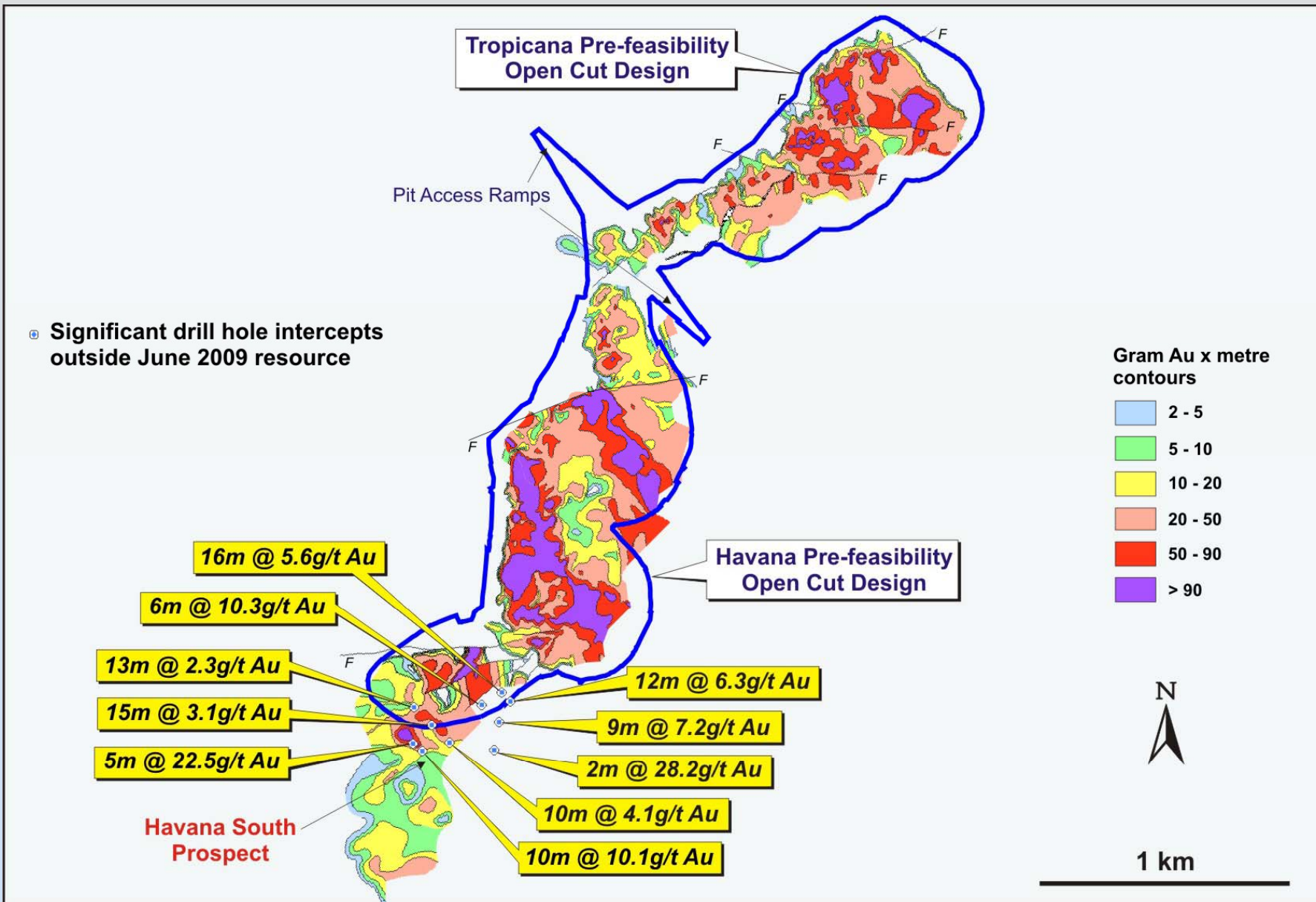
(US\$900/oz Au, AUD: USD 0.85,
US\$103/barrel oil
& 15% discount rate assumptions)

Mining Inventory:
56Mt @ 2.0g/t Au (3.6M oz Au)



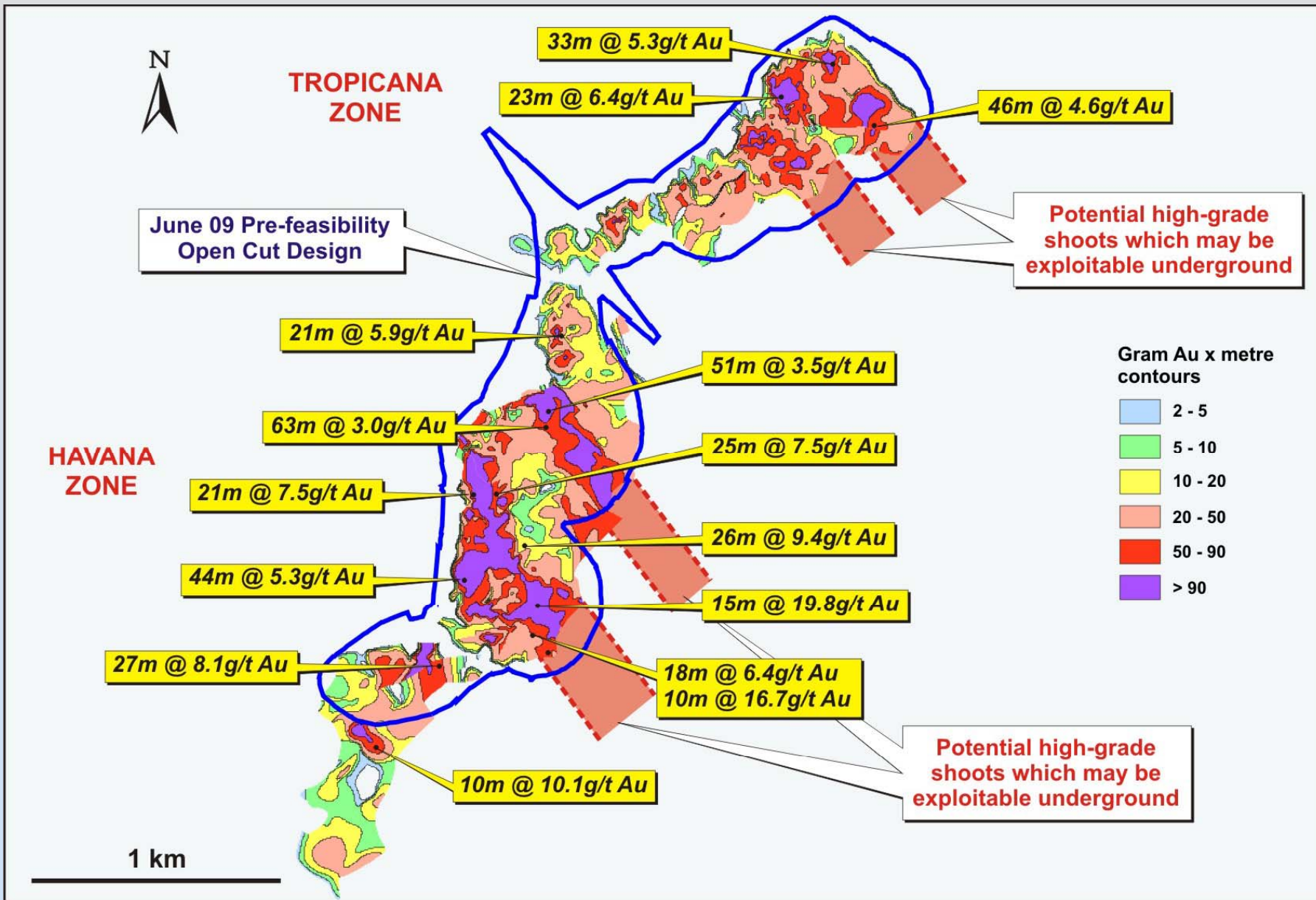


TROPICANA JV - NEW INTERCEPTS OUTSIDE JUN 09 OPEN CUT DESIGN





HIGH GRADE IN-PIT INTERCEPTS SUGGEST UNDERGROUND POTENTIAL



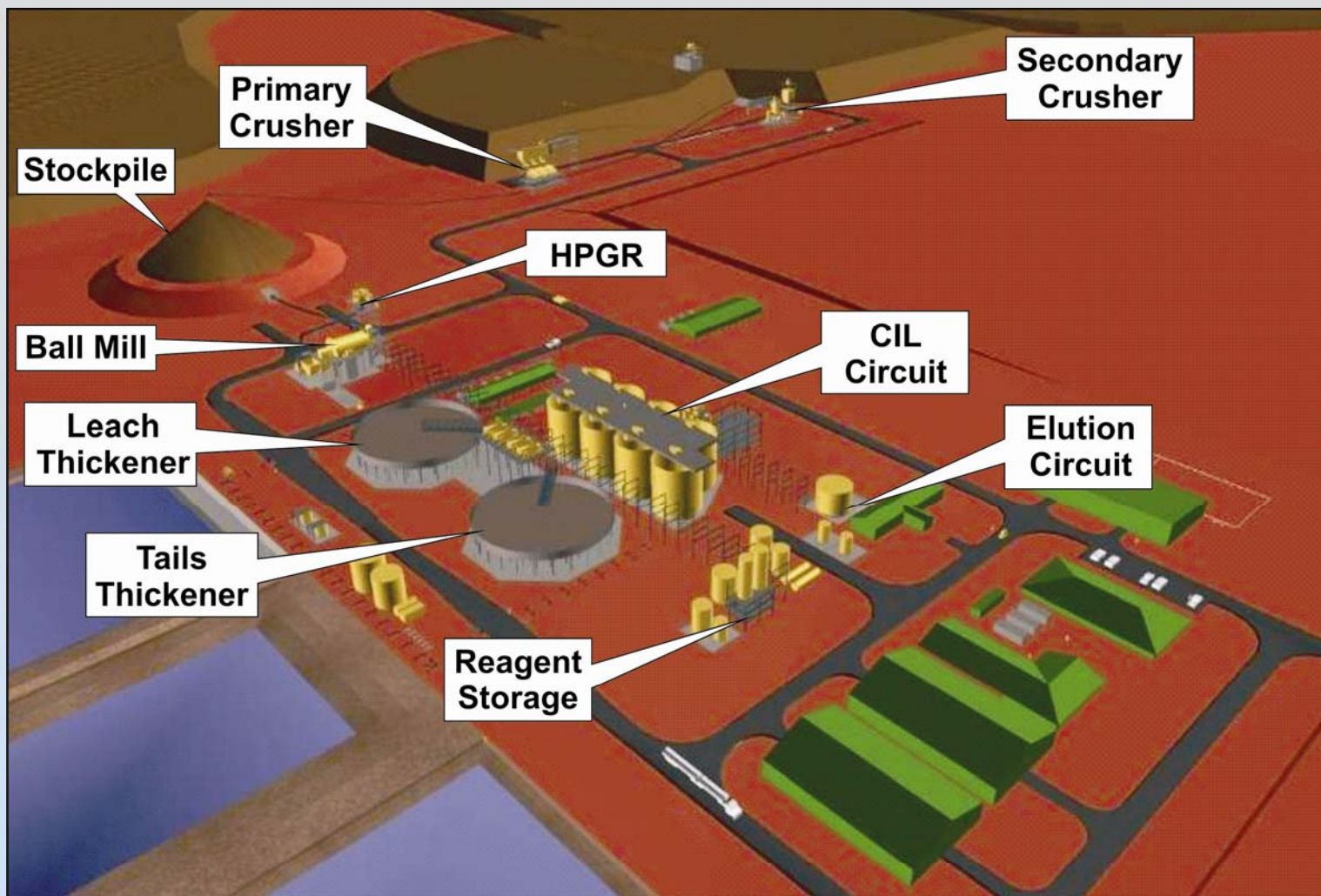


TROPICANA PRE-FEASIBILITY OUTCOME

Open-cut Resource:	75.3 Mt @ 2.07g/t Au (5.01 M oz Au) at Jul 09
Mining Inventory:	56 Mt @ 2.0g/t Au (3.6 M oz Au, 6.2:1 SR) (US\$900/oz Au, AUD: USD 0.85, US\$103/barrel oil & 15% discount rate assumptions)
Mill:	6 Mt p/a (plant & infrastructure capital A\$500-540 M includes 15% contingency)
Metallurgy:	Free milling - 92% recovery
Gold Production:	330,000 - 410,000 oz Au pa (recovered) over 8-10 years
Cash Costs:	Owner operator option – diesel A\$590-610/oz Au Contract mining option – diesel A\$690-710/oz Au
Water:	900 Gigalitre aquifer located
BFS Completion:	June 2010



TROPICANA MINE PROPOSED PLANT LAYOUT





TROPICANA FLY THROUGH



ANGLOGOLD ASHANTI



INDEPENDENCE GROUP



REGIONAL EXPLORATION STRATEGY

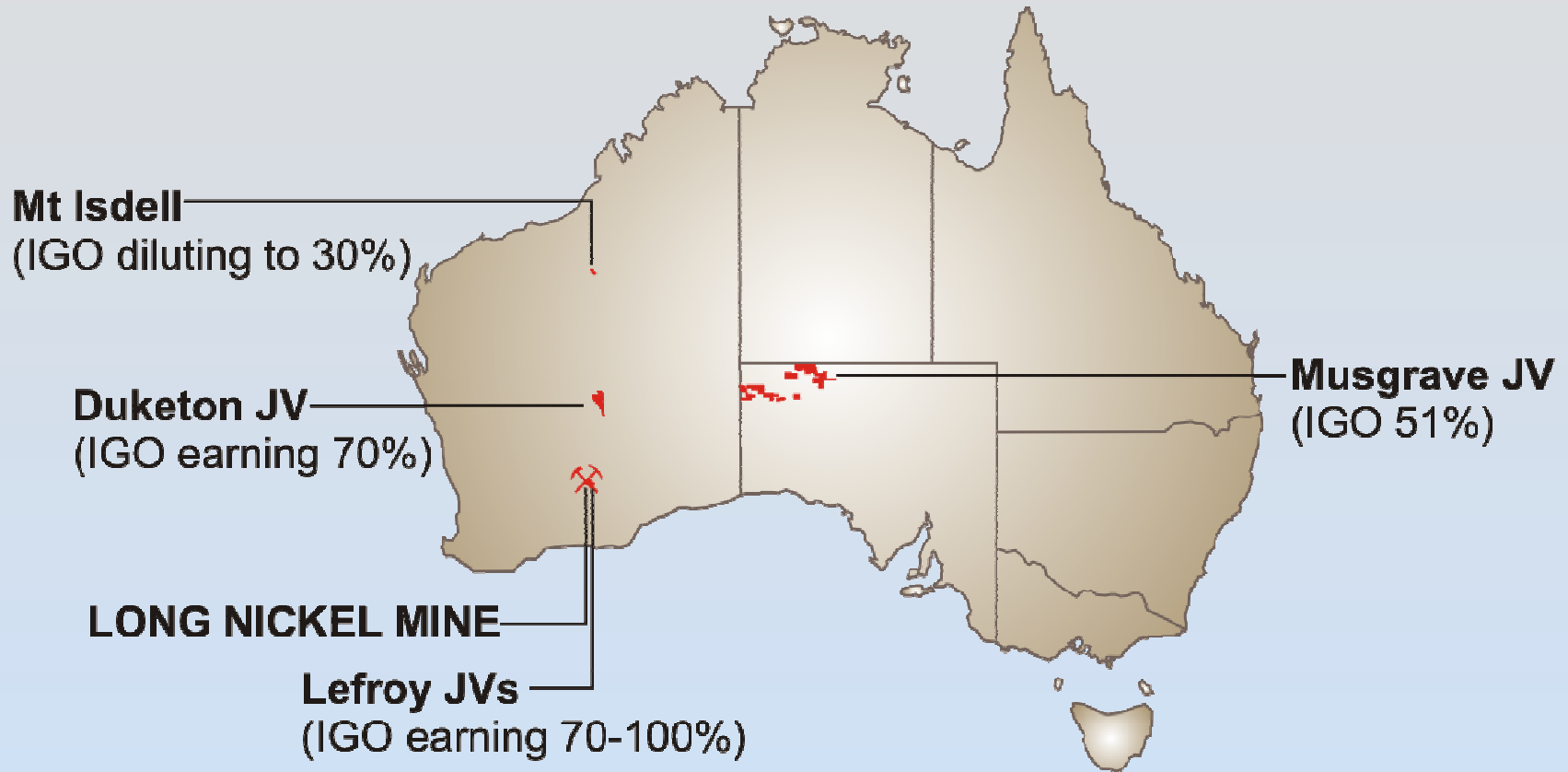
Discovering new, high profit mines by -

- **Technical Innovation**
 - **Geophysical tools to see “under cover”**
 - **New targeting techniques**
 - **Exclusive access to new data bases**
- **Unlocking value in established and emerging belts**
- **First mover advantage in “frontier” belts**
 - **Eg. Tropicana**
- **Strong in-house geophysical capability**
- **Small, well resourced, highly motivated exploration team**
- **Use of undervalued large company databases now owned by IGO**





IGO NICKEL EXPLORATION PROJECTS





NICKEL EXPLORATION GEOPHYSICS



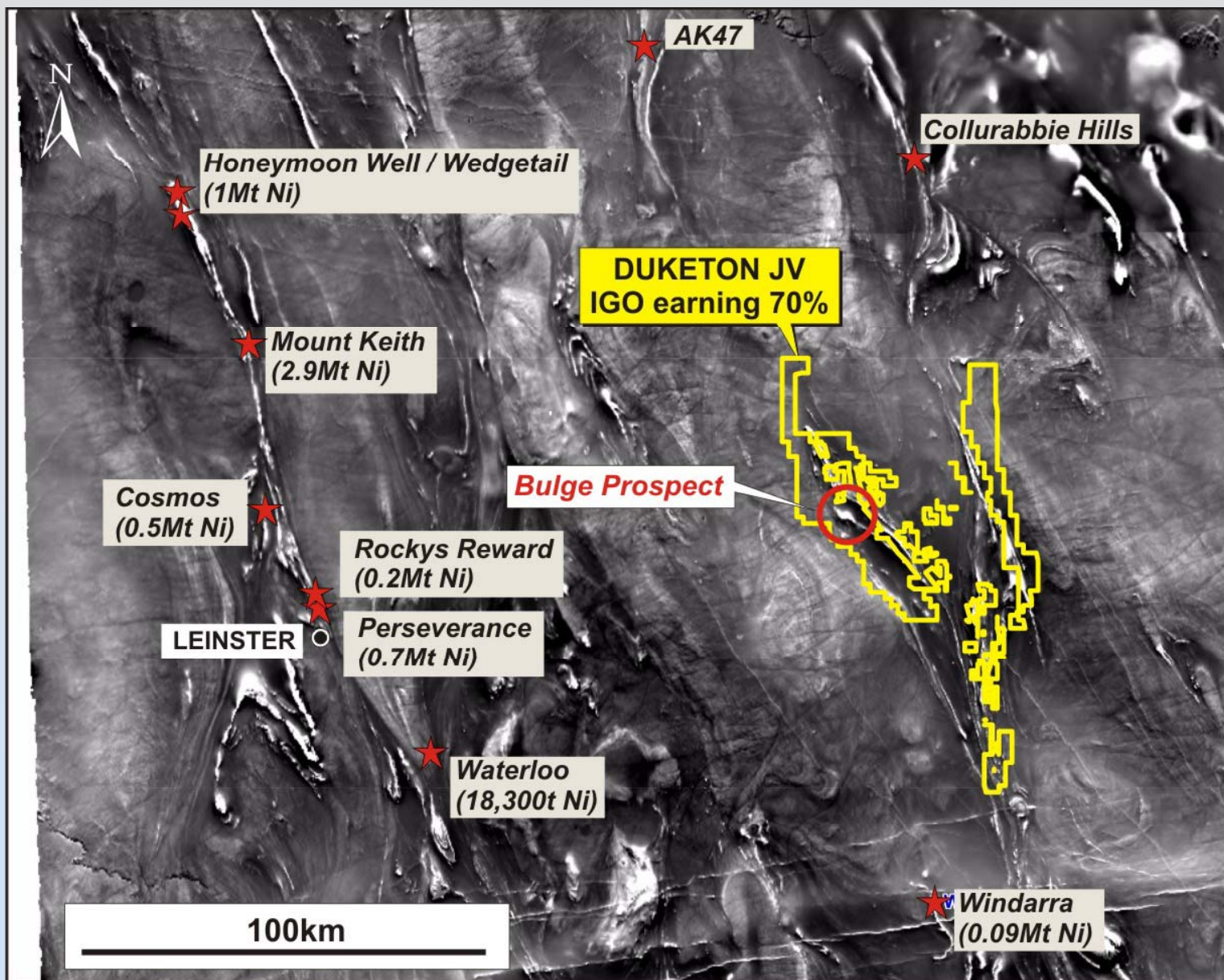
High powered TEM transmitter truck
*developed in conjunction
with Curtin University*



Squid TEM sensor
Photo courtesy of Anglo American

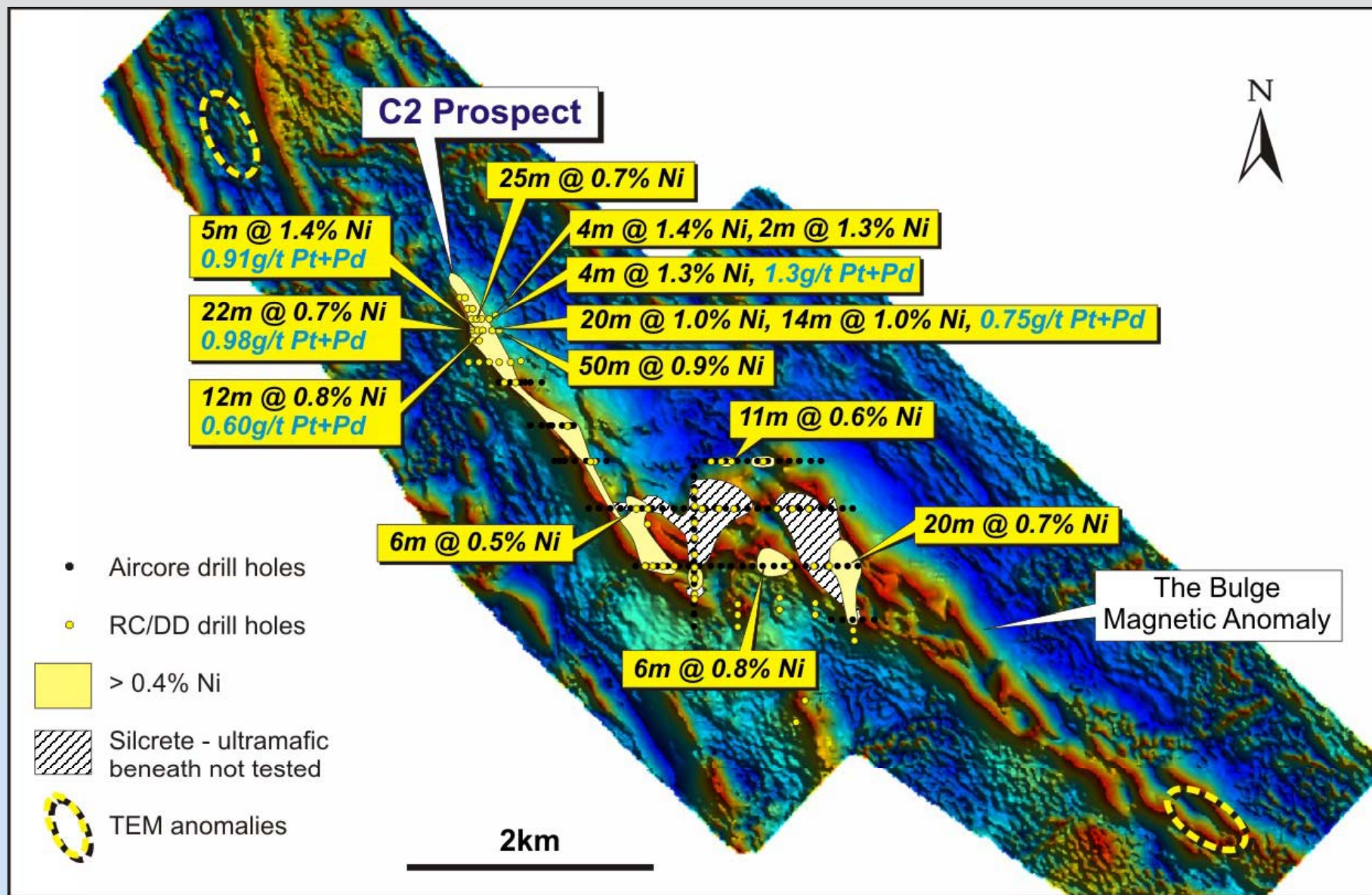


DUKETON JV LOCATION



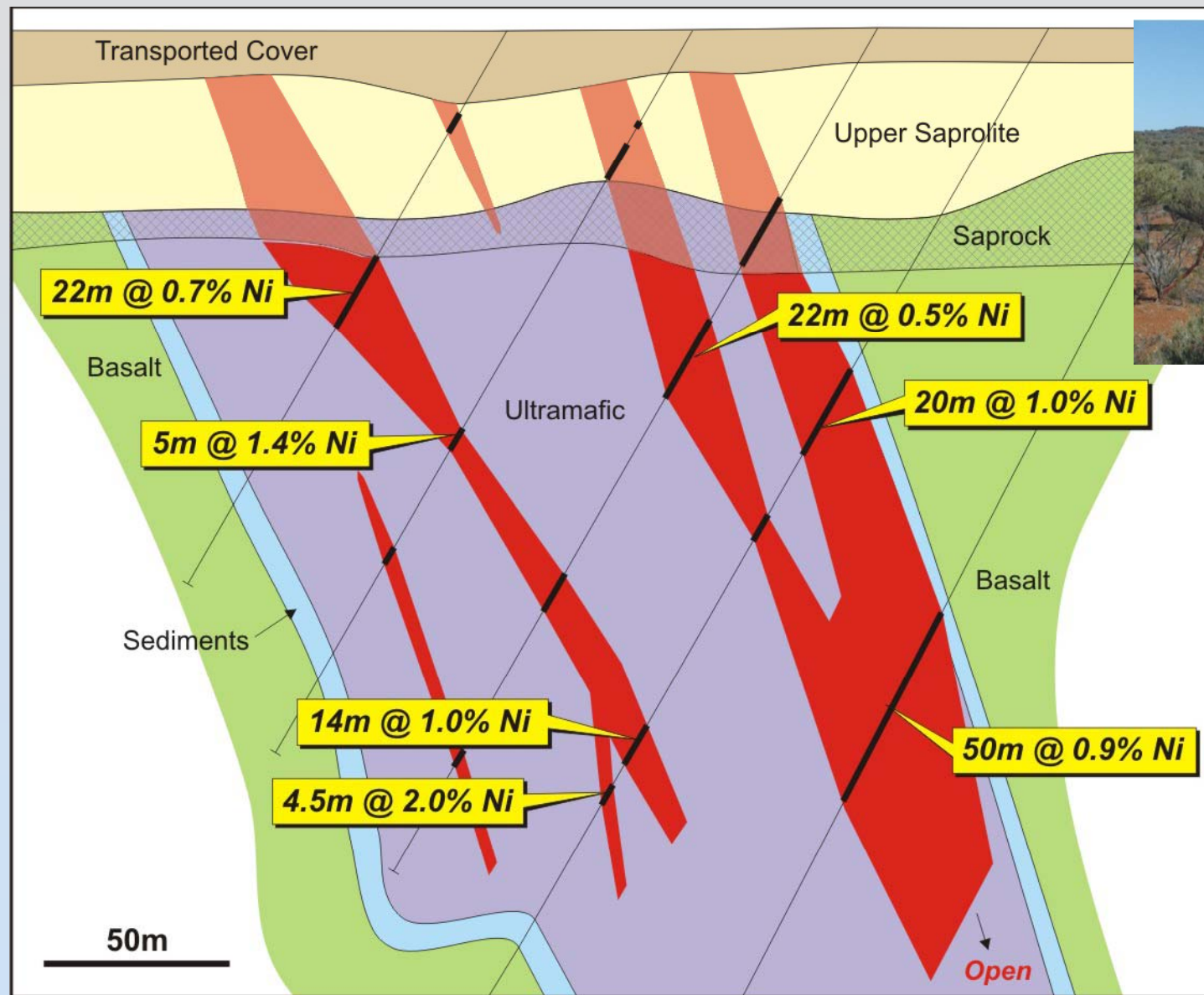


DUKETON JV – BULGE PROSPECT NICKEL GEOCHEM ANOMALIES





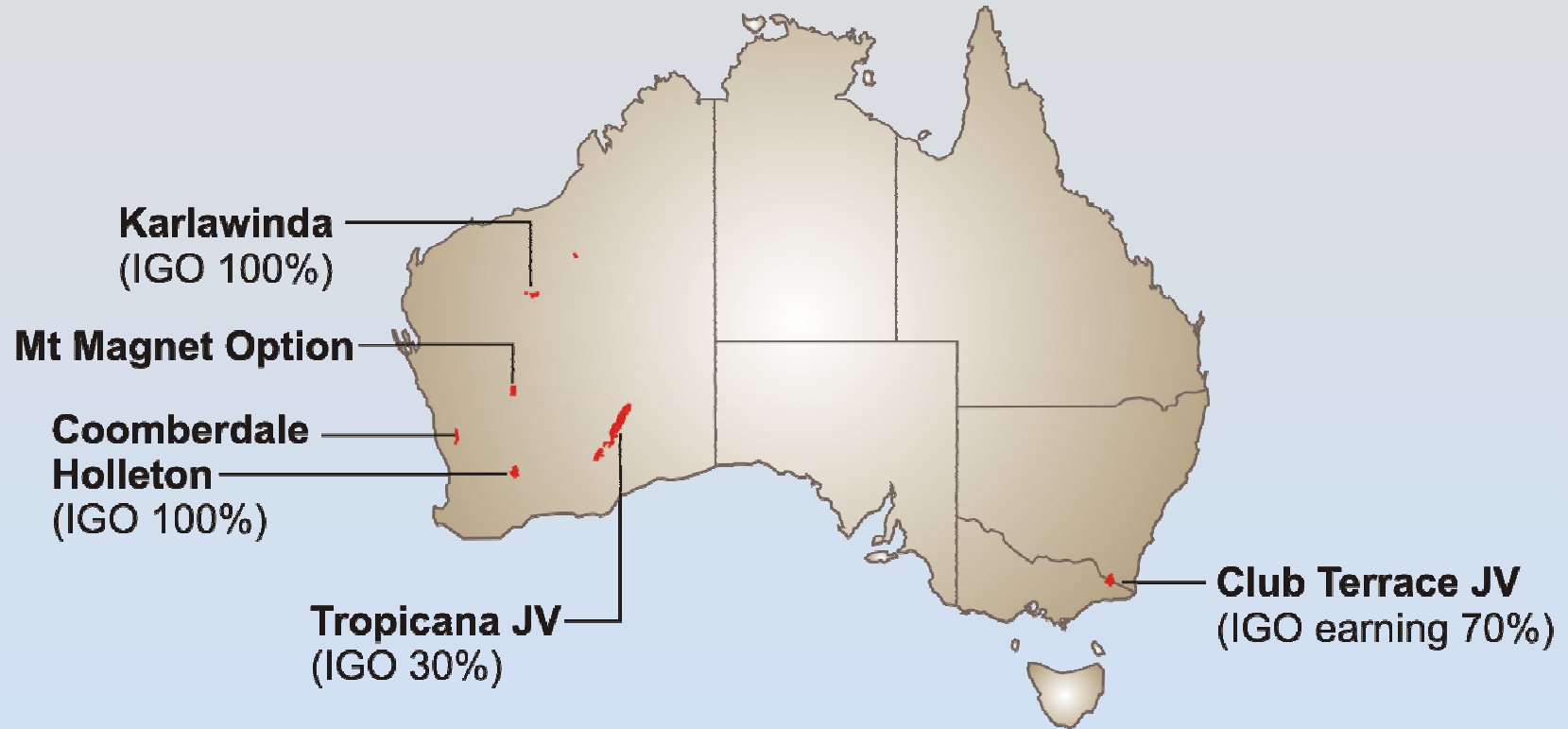
DUKETON JV – BULGE NICKEL PROSPECT (IGO earning 70%)



JV Partner:
South Boulder

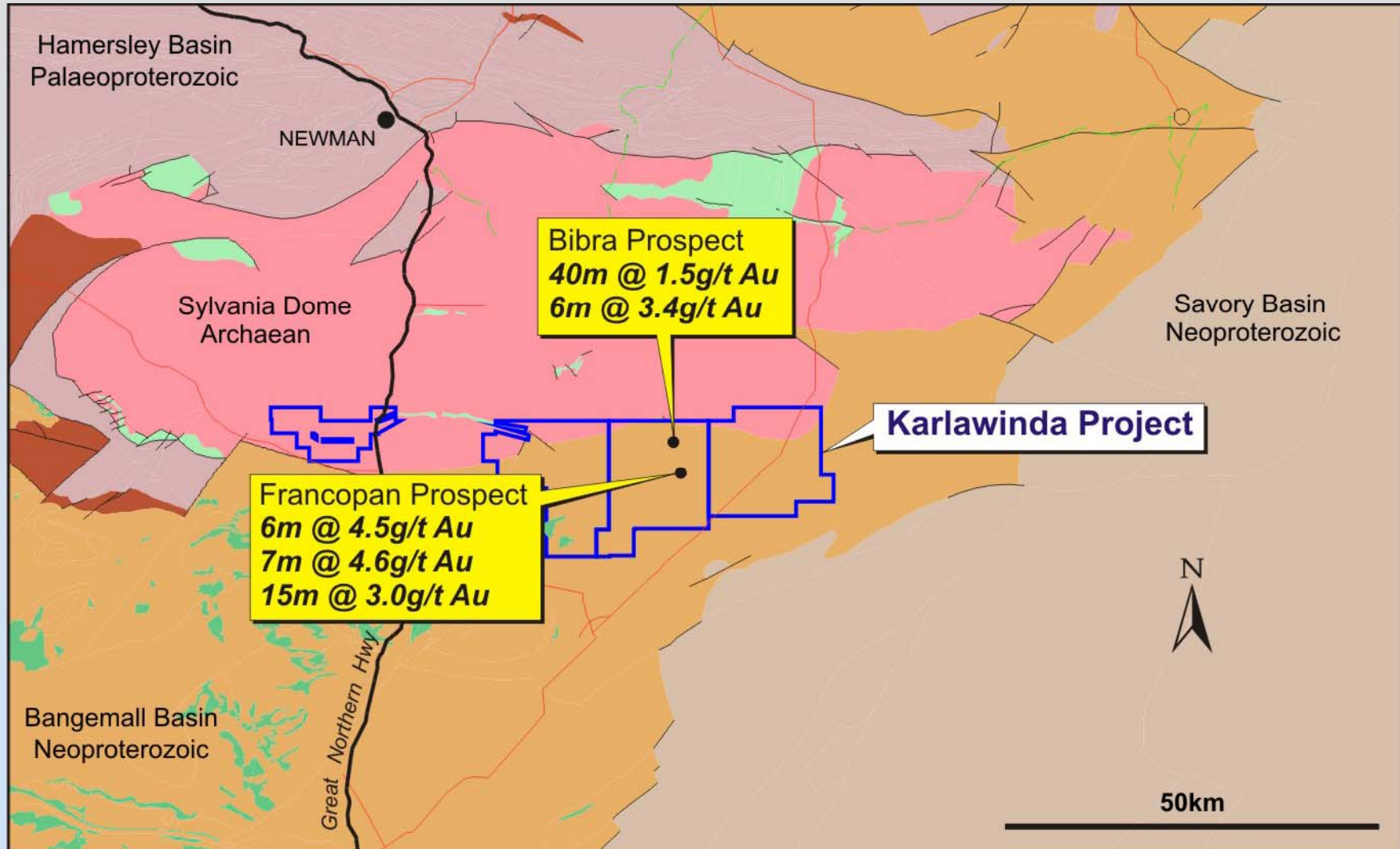


IGO GOLD EXPLORATION PROJECTS



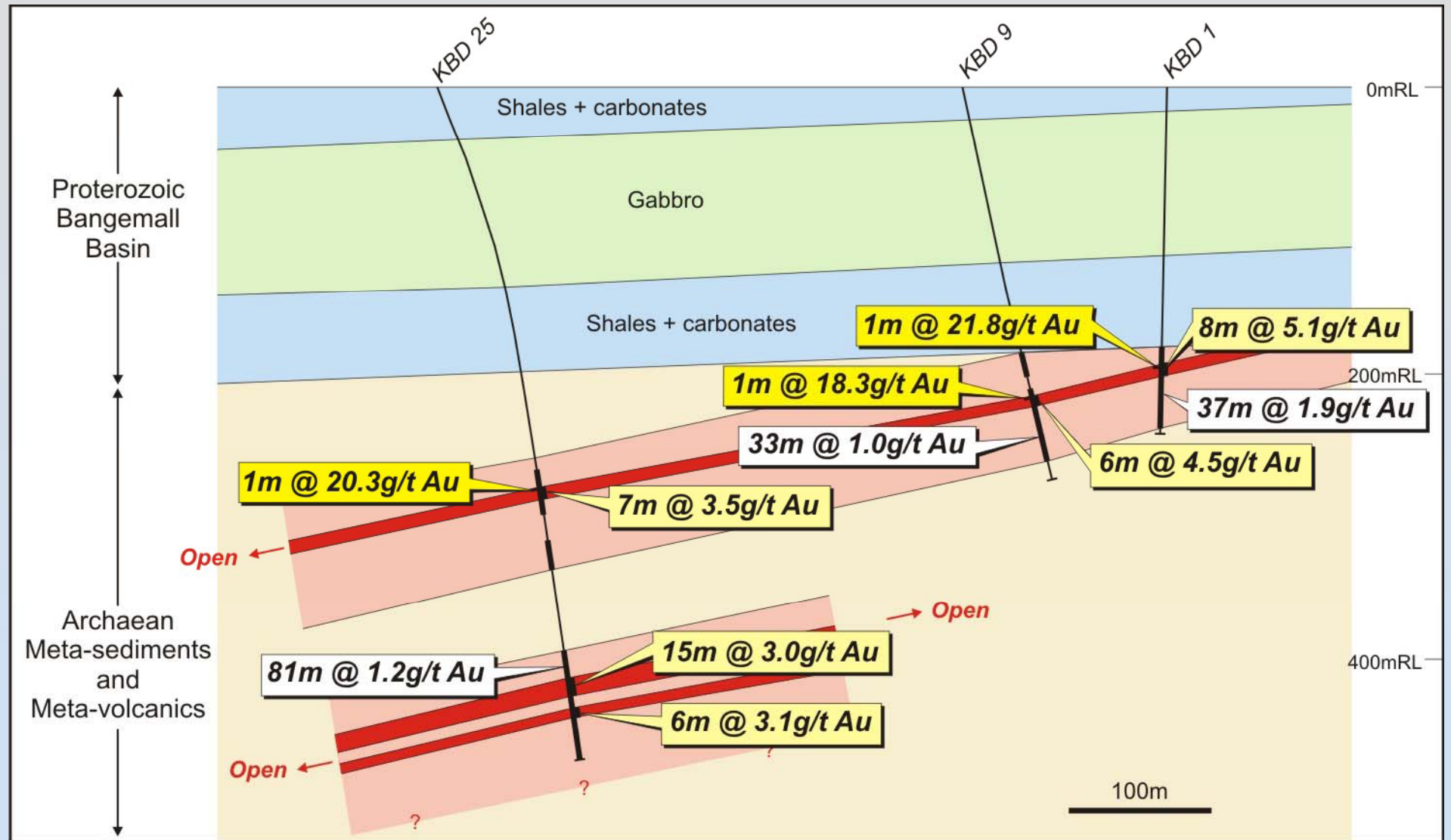


KARLAWINDA PROJECT (IGO – 100%)



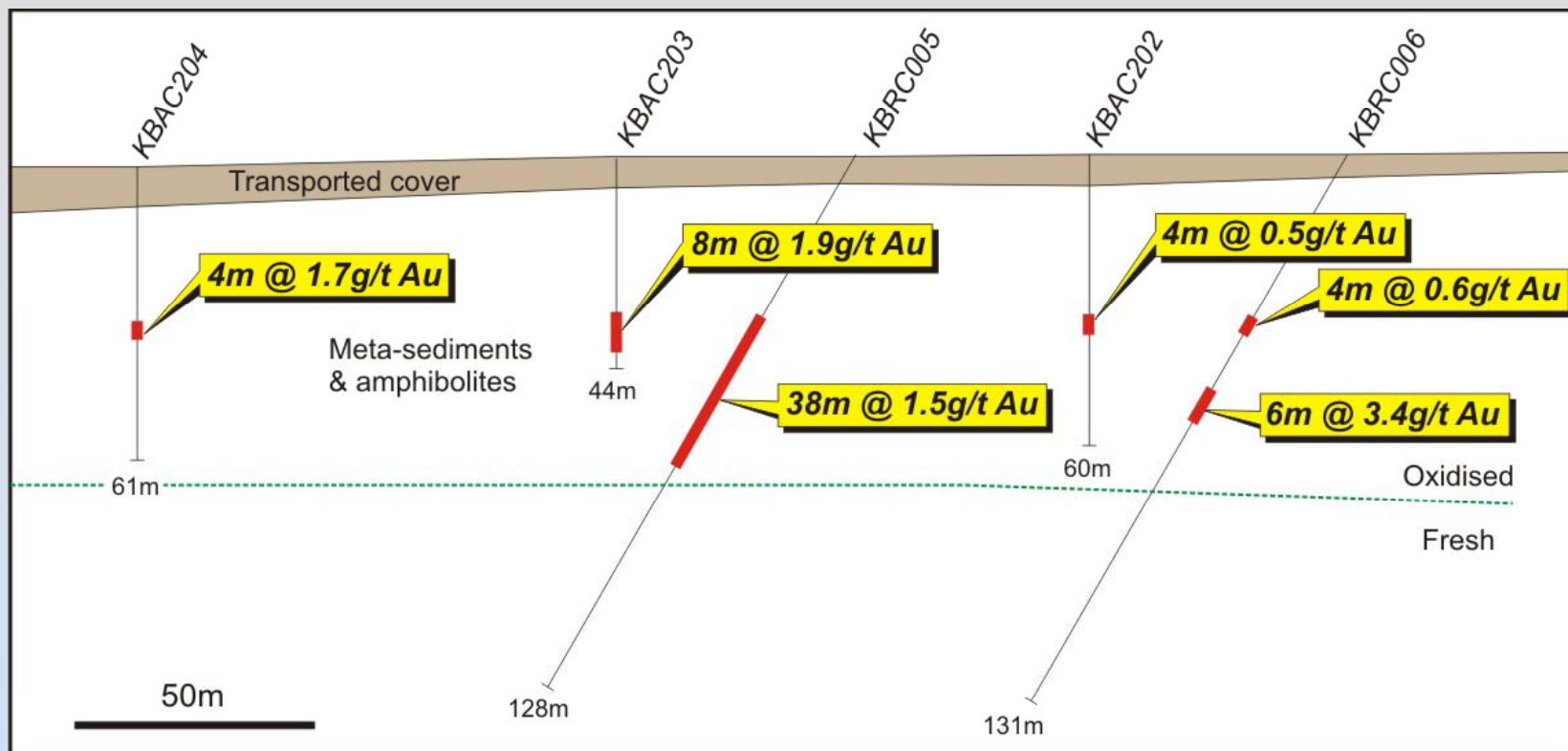


KARLAWINDA - FRANCO PAN PROSPECT CROSS-SECTION





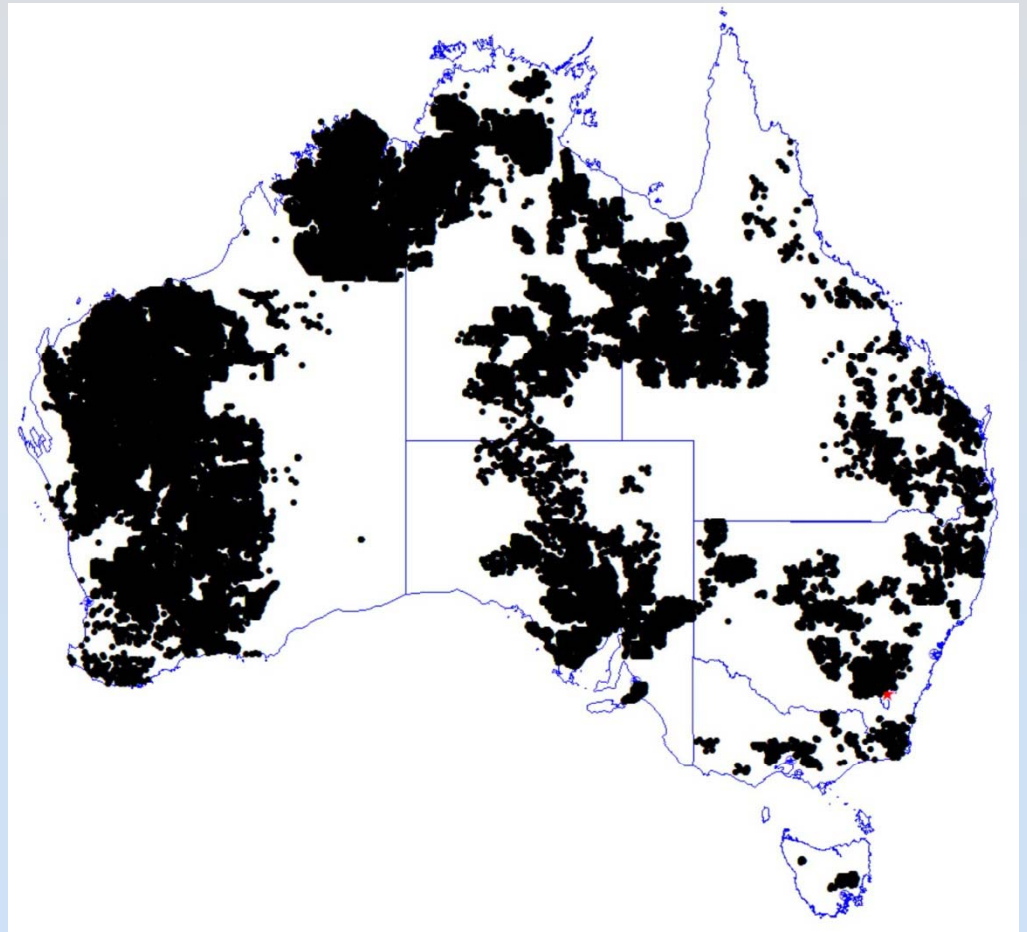
KARLAWINDA – BIBRA PROSPECT CROSS-SECTION





NEW 100% IGO DATA BASE

- 103,000 geochemical samples analysed.
- 189,000 geochemical samples unanalysed.
- 2,278 samples reporting visible gold.
- 2,025 geophysical surveys.
- Estimated cost to replicate data base >\$A500M.
- No buy-back or royalties





INDEPENDENCE CORPORATE GOALS

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

Focus on:

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