

Appendix 3B – Rights Issue

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Independence Group NL

ABN

46 092 786 304

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Placement - 17,109,530
Entitlement Offer - 7,604,236 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Ordinary fully paid |

+ See chapter 19 for defined terms.

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>						
<p>5 Issue price or consideration</p>	<p>A\$6.65 per share</p>						
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Proceeds from the raising will be used to partly fund Independence's current estimated share of costs for the Tropicana Joint Venture project.</p>						
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>Institutional Entitlement Offer and Placement - 22 November 2010</p> <p>Retail Entitlement Offer - 6 December 2010</p>						
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="686 1276 989 1321">Number</th> <th data-bbox="989 1276 1281 1321">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1321 989 1478">Prior to the Entitlement Offer and Placement - 114,063,539</td> <td data-bbox="989 1321 1281 1478">Ordinary</td> </tr> <tr> <td data-bbox="686 1478 989 1624">After the Entitlement Offer and Placement - 138,777,305</td> <td data-bbox="989 1478 1281 1624"></td> </tr> </tbody> </table>	Number	+Class	Prior to the Entitlement Offer and Placement - 114,063,539	Ordinary	After the Entitlement Offer and Placement - 138,777,305	
Number	+Class						
Prior to the Entitlement Offer and Placement - 114,063,539	Ordinary						
After the Entitlement Offer and Placement - 138,777,305							

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	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	112,500	Unlisted options exercisable at \$4.85 and expiring on 30 June 2011
	225,000	Unlisted options exercisable at \$4.64 and expiring on 30 June 2011
	500,000	Unlisted options exercisable at \$4.44 and expiring on 30 June 2011
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	None	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	No
12 Is the issue renounceable or non-renounceable?	Non-renounceable
13 Ratio in which the +securities will be offered	One new share for every 15 fully paid ordinary shares held on the Record Date.
14 +Class of +securities to which the offer relates	Ordinary Shares
15 +Record date to determine entitlements	5.00 pm (Perth time) on 9 November 2010.
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17 Policy for deciding entitlements in relation to fractions	Entitlements rounded up to the nearest whole number.
18 Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	All countries other than Australia and New Zealand and such other jurisdictions into which it is decided to make offers.

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19	Closing date for receipt of acceptances or renunciations	<p>Institutional Entitlement Offer - 5 November 2010</p> <p>Retail Entitlement Offer - 26 November 2010</p>
20	Names of any underwriters	<p>Bell Potter Securities Limited (Underwriter and Lead Manager of the Entitlement Offer and Placement).</p>
21	Amount of any underwriting fee or commission	<p>A placement fee of 4% (plus GST) of the total amount raised in the Placement.</p> <p>A management fee of 1% (plus GST) of the total amount raised in the Entitlement Offer.</p> <p>An underwriting fee of 3% of the total amount underwritten in the Entitlement Offer.</p>
22	Names of any brokers to the issue	<p>Not applicable</p>
23	Fee or commission payable to the broker to the issue	<p>Not applicable</p>
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	<p>Not applicable</p>
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	<p>Not applicable</p>
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	<p>No prospectus will be issued. An Offer Booklet and Entitlement Form are expected to be despatched to Eligible Retail Shareholders on 12 November 2010.</p>
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	<p>4 November 2010</p>
28	Date rights trading will begin (if applicable)	<p>Not applicable</p>
29	Date rights trading will end (if applicable)	<p>Not applicable</p>

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30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	+Despatch date	<p>For the Institutional Entitlement Offer and Placement - 22 November 2010</p> <p>For the Retail Entitlement Offer - 6 December 2010</p>

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

- 1 - 1,000
- 1,001 - 5,000
- 5,001 - 10,000
- 10,001 - 100,000
- 100,001 and over

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37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

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39 Class of +securities for which quotation is sought

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40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

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Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 4 November 2010

(Director/Company secretary)

Print name: Kelly Ross

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