



4 November 2010

**Australian Stock Exchange Limited
Company Announcements
Level 10, 20 Bond Street
SYDNEY NSW 2000**

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RE: ACCELERATED NON-RENOUNCEABLE ENTITLEMENT OFFER

Please find attached a letter sent to Independence Group NL ineligible institutional shareholders today.

CHRISTOPHER BONWICK
Managing Director



4 November 2010

Dear Shareholder

Accelerated non-renounceable entitlement offer – Notification to excluded institutional shareholders

On 4 November 2010, Independence Group NL (**Independence**) (ASX Code: IGO) announced that it was conducting an accelerated non-renounceable entitlement offer (**Entitlement Offer**), to eligible shareholders, of one ordinary share in Independence (**New Share**) for every 15 ordinary shares in Independence at an issue price of A\$6.65 each.

In conjunction with the Entitlement Offer, Independence also announced a placement to institutional investors of 17,109,530 New Shares (**Placement**).

The Entitlement Offer will comprise:

- an entitlement offer to eligible institutional shareholders (**Institutional Entitlement Offer**); and
- an entitlement offer to eligible retail shareholders (**Retail Entitlement Offer**).

The Entitlement Offer is being made without a prospectus or product disclosure document in accordance with section 708AA of the Corporations Act 2001 (Cth) as modified by ASIC Class Order 08/35.

The Entitlement Offer is expected to raise up to A\$50,568,169.40. The Entitlement Offer is fully underwritten by Bell Potter Securities Limited. Further information in relation to the Entitlement Offer has been disclosed to the ASX.

This letter is to inform you that you are not an eligible institutional shareholder for the purposes of the Institutional Entitlement Offer. This letter is not an offer to issue New Shares to you, nor an invitation to apply for New Shares. You are not required to do anything in response to this letter.

Eligibility criteria

The Institutional Entitlement Offer is being made to Independence shareholders who:

1. have a registered addresses in Australia, New Zealand, the United Kingdom, Germany, Switzerland, Hong Kong, Singapore or France;
2. are registered as a holder of ordinary shares in Independence as at 5.00 pm (Perth time) on 9 November 2010;



3. are not in the United States; and
4. are eligible under all applicable securities laws to receive an offer under the Institutional Entitlement Offer.

In accordance with the ASX Listing Rules, Independence has given regard to:

- the number of shareholders outside of Australia, New Zealand, the United Kingdom, Germany, Switzerland, Hong Kong, Singapore and France;
- the number and value of the securities to be offered to shareholders outside of Australia, New Zealand, the United Kingdom, Germany, Switzerland, Hong Kong, Singapore and France; and
- the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions,

and considers that it would be unreasonable to make an offer to Independence shareholders who have a registered address outside Australia, New Zealand, the United Kingdom, Germany, Switzerland, Hong Kong, Singapore or France (**Excluded Shareholders**). Accordingly, the Entitlement Offer will not be made to Excluded Shareholders.

As your registered address is outside Australia, New Zealand, the United Kingdom, Germany, Switzerland, Hong Kong, Singapore and France, you will not be eligible to participate and will be an Excluded Shareholder for the purposes of the Institutional Entitlement Offer. Further, as the Institutional Entitlement Offer is non-renounceable, you will not receive any payment or value for entitlements in respect of any New Shares that would have been offered to you if you were eligible to participate in the Institutional Entitlement Offer.

Should you have any questions, please contact your financial adviser or Security Transfer Registrars on +61 8 9315 2333 at any time from 9.00 am to 5.00 pm Perth time.

Yours faithfully,

Christopher Bonwick
Managing Director