ASX Release

Independence Group

22 September 2014

SIGNIFICANT NEW DRILL RESULTS AT JAGUAR PROJECT

Independence Group NL ("IGO" or the "Company") is pleased to announce significant new results from diamond drilling programs recently completed proximal to the Bentley Mine and at the Triumph Prospect. Assay results include:

Bentley Mine

Arnage horizon

- **7.8m (true width) @ 10.1% Zn, 2.5% Cu, 99g/t Ag and 1.1g/t Au** between 1134.7m and 1143.95 at a vertical depth of approximately 950m (Drill hole 14BTDD001W1). The intercept is 250m down dip of the Arnage resource wireframe and mineralisation remains open along strike and down dip.

Triumph Prospect

- **8.4m (true width) @ 9.7% Zn, 0.1% Cu, 44g/t Ag and 0.3g/t Au** between 788.0m and 799.1m at a vertical depth of 650m (an extension of JHDD0003 originally drilled in 2008). The intercept remains open in all directions and confirms the exploration potential of the Triumph Prospect.

"We are pleased with these outstanding results from the Bentley mine and Triumph Prospect," said IGO Managing Director, Peter Bradford. "As our knowledge of the Bentley orebody grows, we are becoming increasingly confident in the potential to extend the orebody. The drill result below the Arnage Lens, in particular, indicates the potential to define significant mineralisation more than 250m below the current Resource."

"Results for the Triumph Prospect continue to provide evidence that this prospect could host a VMS style base metal deposit," Mr Bradford added. "We are very encouraged by the drill results announced today which are the best yet on any prospect outside of the three orebodies mined at the Jaguar operation. We await with anticipation the next round of drilling."

Bentley Deeps

A two-hole drilling program testing deep target positions beneath the Bentley resource was undertaken from surface. The two diamond drill holes comprised an initial parent hole 14BTDD001 and a "wedge" hole 14BTDD001W1.

14BTDD001 was designed to test the Flying Spur position at a vertical depth of 930m, 120m down plunge from the closest mineralised hole (13BUDD143) and to pass through the main Arnage horizon 50m below the Flying Spur position and some 250m down plunge of the Arnage resource wireframe, as illustrated in Figure 2.

14BTDD001 was drilled to a down-hole depth of 1,249m and intersected weak mineralisation in three positions interpreted as the Flying Spur, Mulsanne and Arnage horizons. Downhole EM (DHEM) surveying of 14BTDD001 identified a conductive plate, with modelled dimensions of 100m x 100m located immediately north of, and below, the hole. Wedge hole 14BTDD001W1 targeted the centre of the modelled plate and intersected two strongly mineralised horizons:

- 6.2m (true width) @ 2.6% Zn, 0.1%Cu, 45g/t Ag and 1.6g/t Au between 1112.0m and 1119.3m comprising semi-massive, massive and stringer mineralisation at the Flying Spur position, 136m down plunge of the deepest previous intercepts at Flying Spur; and
- 7.8m (true width) @ 10.1% Zn, 2.5%Cu, 99g/t Ag and 1.1g/t Au comprising massive sulphide in the Arnage stratigraphic position at a vertical depth of approximately 950m, some 250m down plunge from

the base of the Arnage resource wireframe.

Both intercepts remain open down plunge and along strike. DHEM surveying of 14BTDD001W1 has generated further conductive responses. Initial follow-up testing, comprising a further three holes to test the horizons at nominal 80m step-outs up-plunge, down plunge and north along strike, has commenced.

Significant intercepts are provided in Table 1. JORC Code (2012) Table 1 criteria are given in Annexure 1.

Triumph

As reported in the June 2014 Quarterly Report, exploration at the Triumph Prospect, 5km north of the Jaguar Operation processing plant, has identified a significant zone of hydrothermally altered rocks containing varying thicknesses of VMS style massive to semi-massive pyrite-sphalerite rich mineralisation.

Recent 3D geological modelling and re-logging of an historic drill hole JHDD0003 in the prospect area identified that an additional target horizon may have been present beyond the end of the hole. Consequently, the hole was re-entered and extended from 764.4m to a final depth of 936.8m. Within 6m of the commencement of drilling, the extension intersected significant zones of light to heavy semi-massive sulphide mineralisation within a volcaniclastic sediment package which extended over a thickness of 50m. This mineralisation included a best intercept of:

- 8.4m (true width) @ 9.7% Zn, 0.1%Cu, 44g/t Ag and 0.3g/t Au between 788.0m and 799.1m.

This new intercept, which is open at depth, up-dip and along strike, significantly extends the area of known mineralisation and highlights the prospectivity of the Triumph Prospect (Figure 3). Follow-up work including further drilling is planned in the December 2014 Quarter.

Significant intercepts are provided in Table 1. JORC Code (2012) Table 1 criteria are given in Annexure 1.

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Table 1. Significant Drill Results: 14BTDD001W1 and JHDD0003 extension.

HOLEID	JMG			FROM	TO	INTERVAL	TRUE WIDTH	Zn (%)	Cu (%)	Ag* (g/t)	Au (g/t)	LITH
	Easting	Northing	RL									
14BTDD001W1	8758.1	51273.1	4441.5	1112.0	1119.3	7.3	6.2	2.6	0.1	45	1.6	LSM
				including								
				1113.0	1115.6	2.6	2.2	4.8	0.2	98	3.8	LSM/LSU
				1134.7	**1143.9**	**9.2**	**7.8**	**10.1**	**2.5**	**99**	**1.1**	**LSU**
				including								
				1135.5	1137.2	1.7	1.4	27.9	5.8	190	1.7	LSU
JHDD0003	10069.8	62101.3	4480.8	770.3	799.1	28.8	21.8	4.9	0.7	44	0.4	LSM
				including								
				788.0	**799.1**	**11.1**	**8.4**	**9.7**	**0.1**	**44**	**0.3**	**LSM**
				including								
				793.0	796.2	3.2	2.4	17.5	0.2	80	0.3	LSM

Results are density and length-weighted. LSM = Semi-massive sulphide. LSU= Massive sulphide
Grid co-ordinates are Jaguar Mine Grid.
*Note: Ag results for 14BTDD001W1 are subject to a final QA/QC check

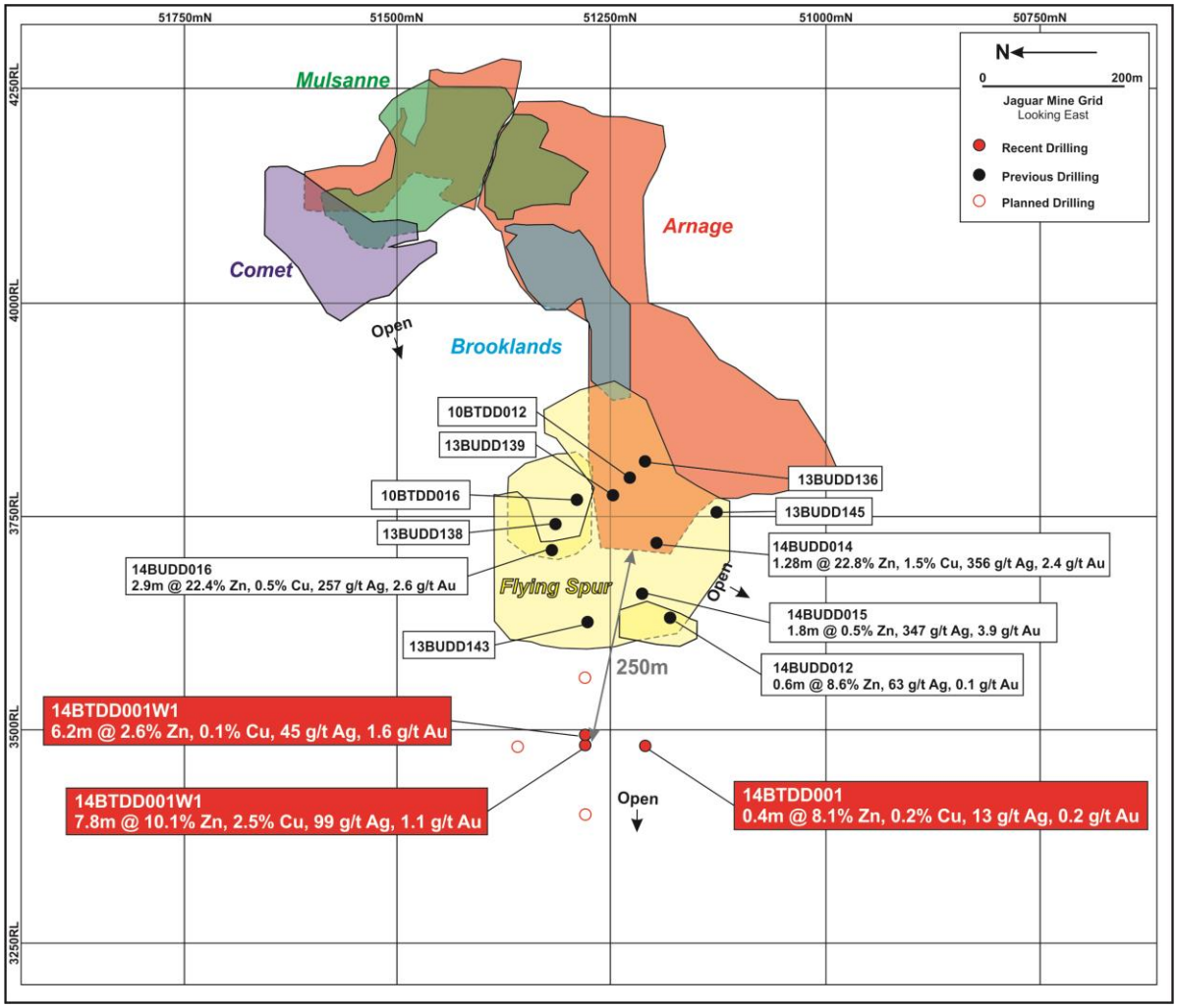

Figure 1: Long Section of Bentley deposit showing location of Arnage and Flying Spur lenses, intercept pierce points and planned follow-up drilling pierce points.

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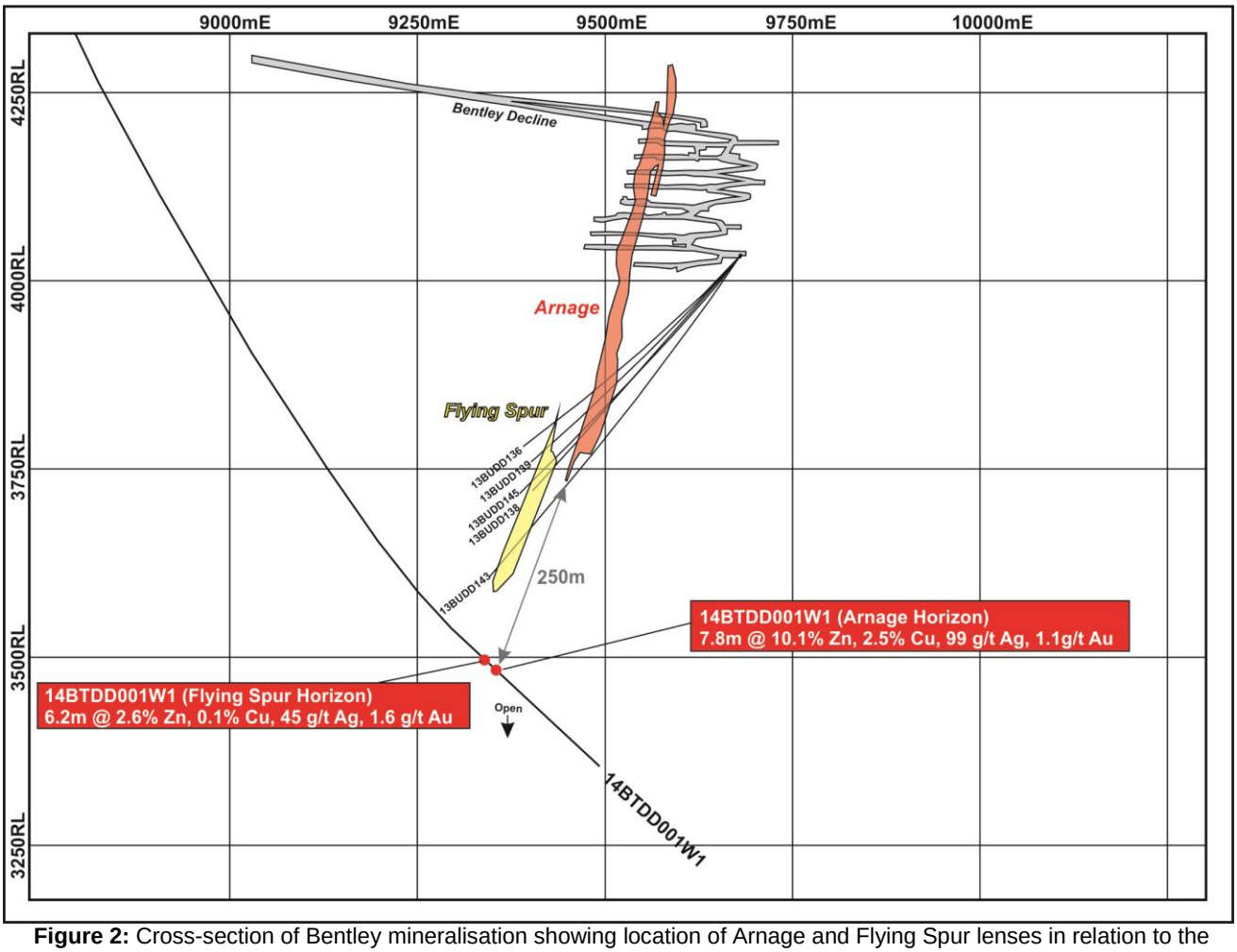

Figure 2: Cross-section of Bentley mineralisation showing location of Arnage and Flying Spur lenses in relation to the intercept in drill hole 14BTDD001W1.

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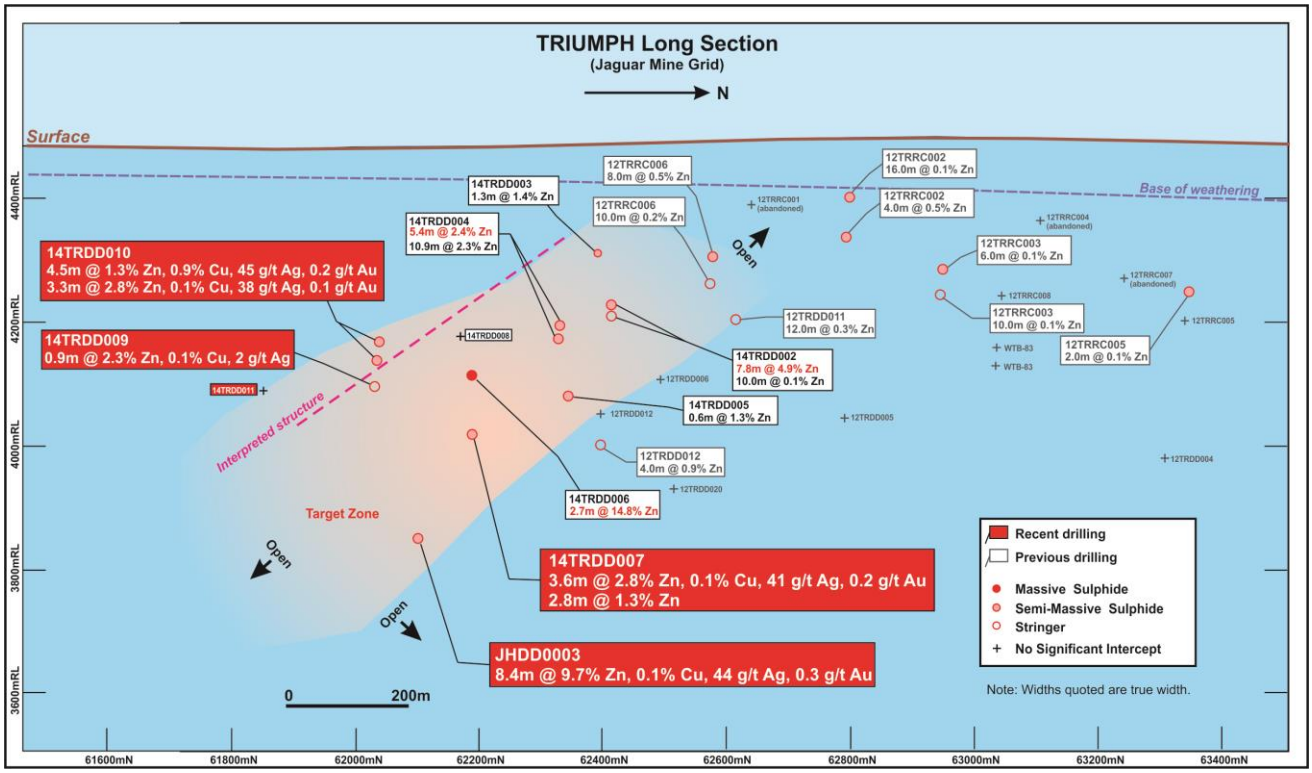

Figure 3: Long-section of Triumph Prospect showing location of the intercept in JHDD0003 extension relative to other drilling at the prospect.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Graham Sweetman (Bentley results) and Mr Tim Kennedy (Triumph results) who are full-time employees and security holders of the Company and are Members of the Australasian Institute of Mining and Metallurgy. Mr Sweetman and Mr Kennedy have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Sweetman and Mr Kennedy consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Annexure 1

JORC Code, 2012 Edition – Table 1 – Exploration Results

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	All sampling is from the 3 diamond holes at Bentley (14BTDD001, 14BTDD001W1) and Triumph (JHDD0003).
	Core samples are selected based on geological logging for appropriate representative samples of mineralisation. All identified mineralised zones are sampled along with appropriate buffers either side of mineralisation.
	Diamond core size is HQ and NQ2. Core samples are ¼ and ½ core respectively to give sample weights under 3 kg. Sampling is on geological intervals (0.1 m to 1.2 m). Samples were crushed, dried and pulverised (total prep) to produce a sub sample for analysis by four acid digest with an ICP/OES, ICP/MS or fire assay FA/AAS (Au) finish.
Drilling techniques	Drilling is diamond with RC pre-collars through the regolith generally in the order 80 metres depth. Core is HQ and NQ2 standard tube. Holes are generally drilled towards the footwall (approximately 66° magnetic and with a 60° dip from horizontal). Core is oriented using a Reflex ACT II tool - generally every 6 metres core run.
Drill sample recovery	Diamond cores are logged and recorded in the database. The measured lengths are compared with expected lengths to calculate recovery.There are no significant core loss or sample recovery issues.
	There are no known sample bias issues related to recovery.
Logging	All drillholes were geologically logged for their full length. Geological logging included rocktype, deformation, structure, alteration, mineralisation, veining and RQD measurements. Geological logging is adequate for eventual resource estimation.
	Core is photographed dry and wet for the full length.
	All core is retained and permanently stored at the Company's facilities.
Sub-sampling techniques and sample preparation	Core was cut in ½ and ¼ depending on core size in the Company's core farm. All samples were collected from the same side of the orientation line.
	Samples were sent to Intertek Genalysis in Maddington, WA. The sample preparation method was to dry the core in ovens for at least 2 hrs (105°C), then jaw crush the samples to a nominal minus 10mm size then Boyd crush samples to a nominal minus 2mm. After crushing, the samples were pulverised in a mixer mill in a single stage mix and grind process (SSMG) to a nominal 85% passing 75 micron. Any samples that exceeded the 3kg mill limit were rotary split to 3kg prior to the pulverising stage. This technique is appropriate for base metals samples.
	Coarse crush washes at the crusher stage and quartz washes at the pulverising stage have been implemented between every sample to combat sample carryover (contamination) during the sample preparation process. Sieve tests on 10% of the samples are performed to measure the fraction of pulp passing the 75 micron threshold.
	Field duplicates were not inserted.
	The sample sizes are considered to be appropriate for the base metal (VMS) mineralisation style.
Quality of assay data and laboratory tests	The analytical techniques used a four acid digest multi-element suite with ICP/OES or ICP/MS finish (25 gram fire assay (FA/AA) for Au). The acids used are hydrofluoric, nitric, perchloric and hydrochloric acids, suitable for silica based samples. The method achieves total dissolution for most silicate minerals. Detection limits for ICP-OES were Cu (10ppm), Zn (10ppm), Pb (50ppm), Ag (5ppm), Fe (0.01%). Detection limit for Au was 0.01ppm. The assay techniques used are considered appropriate for this type of mineralisation.
	No geophysical methods were used in determining assay data.
	Field QC procedures involve the use of certified reference material as assay standards, along with blanks. For core the insertion rate of these varied between 1in 10 to 1 in 15, with an increased rate in mineralised zones. Standards indicate that individual laboratory batch jobs are within acceptable limits of 2 standard deviations from the accepted values. In addition grind size is also measured and is acceptable with plus 85% below 75

Criteria	Commentary
	micron grind size.
Verification of sampling and assaying	Drill core are checked for mineralised zones by senior site base geologists. Assay data are checked by senior IGO geologists.
	There were no twinned holes drilled.
	Data are entered in the field electronically into Toughbook computers running the acQuire geological data entry system. Data are then transferred electronically to a dedicated Microsoft SQLServer database. Data are verified by routine internal software processes for data integrity and by manual checking by project and supervising geologists.
	There are no adjustments to primary assay data.
Location of data points	DD collars are located using RTK differential GPS for an accuracy of better than 0.3 m.
	DD holes are downhole surveyed using a north seeking gyro survey tool. Data are captured every 5 metres.
	Grid system used is MGA_GDA94 Zone 51 and local JMG mine grid.
	Topographic control is from survey methods described above.
Data spacing and distribution	DD spacing is defined on geological criteria considered appropriate to define the scale of mineralisation in each prospect. Nominal drill spacing is 80-160 metres. Drill spacing is shown in the accompanying sections.
	Data distribution is regarded as appropriate for the style of mineralisation sought, the stage of the exploration and the geological conditions encountered.
	DD samples are selected on geological criteria and are not composited.
Orientation of data in relation to geological structure	DD holes are sited to intersect mineralisation perpendicular to orientation to minimise sample bias – holes are generally drilled towards the footwall at 66° magnetic and with a 60° dip from horizontal.
Sample security	Samples are stored on site then transported to the Perth laboratory via truck. Samples are stored in a locked yard at the laboratory and are electronically tracked. Pulps are stored in a locked shed at both the laboratory and when returned to site.
Audits or reviews	Sampling techniques and data QAQC is reviewed by Company based senior geologists.

Section 2 Reporting of Exploration Results

Criteria	
Mineral tenement and land tenure status	Drilling was conducted on M37/1290 and E37/496. All tenements are kept in good standing and no known impediments to ongoing DMP licensing are anticipated.
Exploration done by other parties	There was no exploration conducted by other parties.
Geology	Mineralisation styles sought are VMS base and precious metals.
Drill hole Information	Drillhole summary is included in the report.
Data aggregation methods	Length and density-weighting of grade is applied to reported intersections.
	Metal equivalent reporting is not used.
Relationship between mineralisation widths and intercept lengths	Where mineralisation geometries are known and relevant they are described. For exploration drilling and sampling geometries are inferred from adjoining prospects.
Diagrams	All appropriate maps and sections are included in the report.
Balanced reporting	Representative reporting of results is provided in the report.
Other substantive exploration data	All relevant and meaningful data is acknowledged in the report.
Further work	Further work programs and areas of assignment are appropriately detailed in the report.