



## Annual General Meeting

Investor Update

19<sup>th</sup> November 2008

**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; uninsured 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.



## INDEPENDENCE OVERVIEW - CORPORATE

**Capital Structure:** 113M shares & 1.7M staff options  
27 Institutions with >0.5M shares  
Directors & staff – 7%  
Daily turnover (6 month average) – 856,528

**Substantial shareholders:** JP Morgan - 11.5M shares (10.1%)  
Barclays - 8.5M shares (6.9%)  
Orion - 7.5M shares (6.4%)  
NAB - 6.8M shares (6.1%)

**Financials:** NPAT: \$51.5M  
EPS: \$0.44 / share (diluted)  
Dividend: Dec 07 – 12c final, Apr 08 – 5c interim

**Sep 08 Financials:** Cash & Net Receivables: \$127.5M



## INDEPENDENCE OVERVIEW - ASSETS

**Long Nickel Mine** 2007/8 Cash Costs: A\$4.12/lb Ni  
2007/8 Production: 9,275t Ni  
June 2007 Resources: 79,300t Ni @ 5.3% Ni  
June 2007 Reserves: 39,600t Ni @ 3.6% Ni

*Extending mine life*

**Tropicana JV** Initial Open Cut Resource: 30% of 4.05M oz

*Significant underground & regional potential*

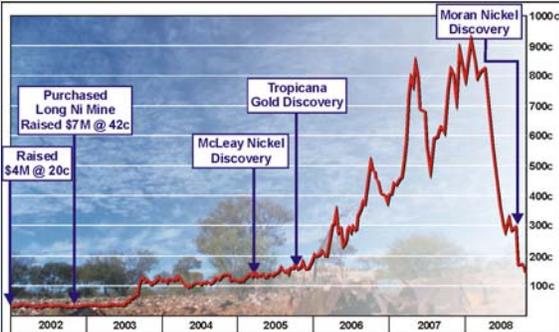
**Regional Exploration** 8 high quality Ni, Au and Cu-Pb-Zn exploration projects.

*Unique exploration targeting & technology*



## IGO HISTORY AND SHARE PRICE

Monthly Average Share Price to 14.11.08



## FINANCIALS

|                                  | 2007/8 |
|----------------------------------|--------|
| Total revenue                    | \$149M |
| Profit before tax (unaudited)    | \$74M  |
| Net profit after tax (unaudited) | \$51M  |
| Cash & net receivables           | \$150M |
| Diluted earnings per share       | 44c    |
| Dividend payment per share       | 17c    |



**LONG NICKEL MINE**  
**IGO'S CURRENT CASH PRODUCING ASSET**  
 Purchase price = A\$15M      IGO Profit to date = \$233.8M



1979-1999  
 WMC Production:  
 203,184t Ni

2002-2008  
 IGO Production:  
 46,516t Ni

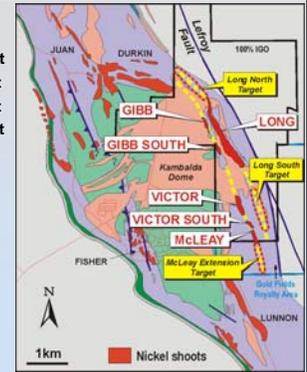
**LONG NICKEL MINE (IGO 100%)**

**HISTORY:**

- Starting Reserve = 26,800Ni t
- Production to Jun08 = 46,516Ni t
- June 2008 Resource = 75,800Ni t
- June 2008 Reserves = 37,200Ni t

**GOALS:**

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



**LONG MINE PERSONNEL**

- Owner operator with 126 salaried employees & 35 full time contractors.
- Only 6 LTI's since commencement.
- Very experienced team.
- Productivity bonus.



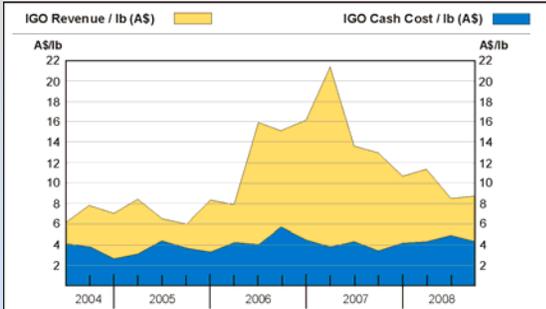
**PRODUCTION FORECAST & HEDGING**

|                      | 2007/8 Budget      | 2007/8 Actual |
|----------------------|--------------------|---------------|
| Production           | 8,800-9,000 Ni t   | 9,275 Ni t    |
| Grade                | 3.8% Ni            | 3.6% Ni       |
| Cash Costs (payable) | A\$4.50-4.65/lb Ni | A\$4.12/lb Ni |

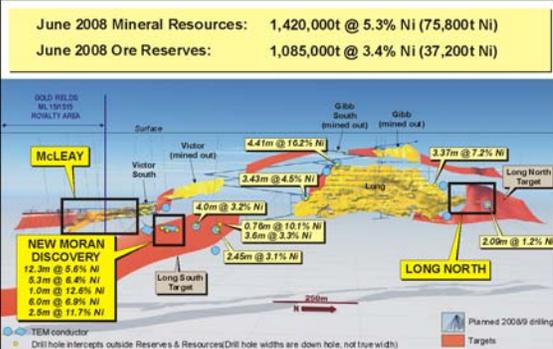
|                      | 2008/9 Budget      |
|----------------------|--------------------|
| Production           | 8,400-8,800 Ni t   |
| Grade                | 3.6% Ni            |
| Cash Costs (payable) | A\$4.50-4.65/lb Ni |

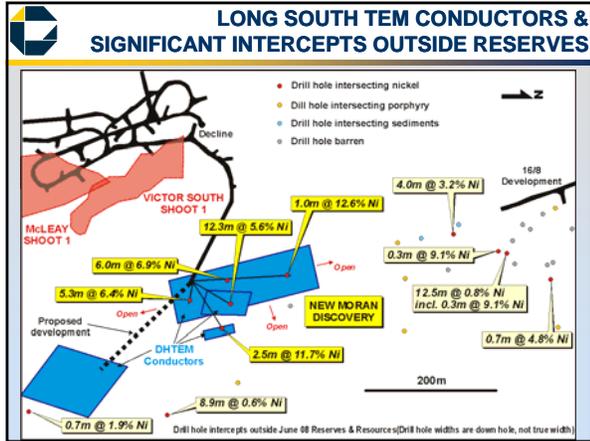
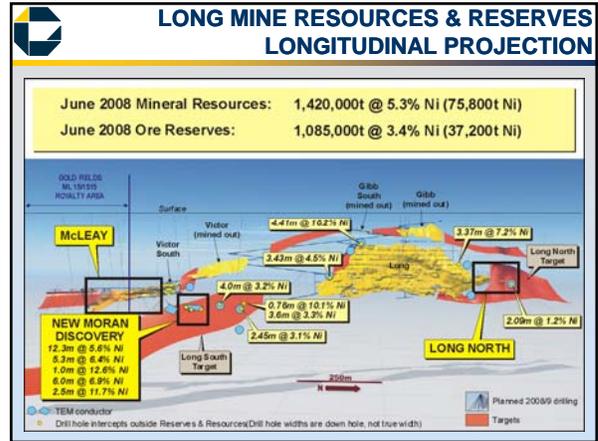
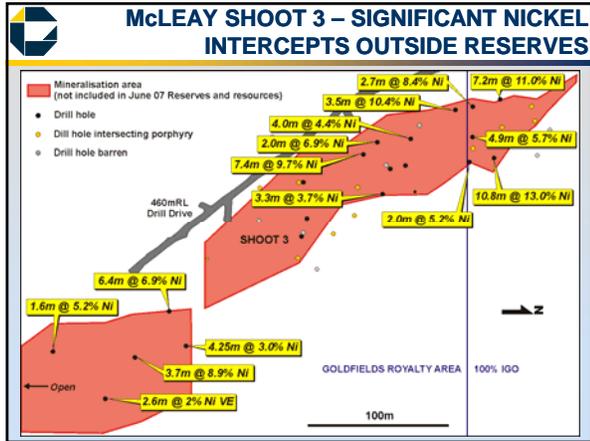
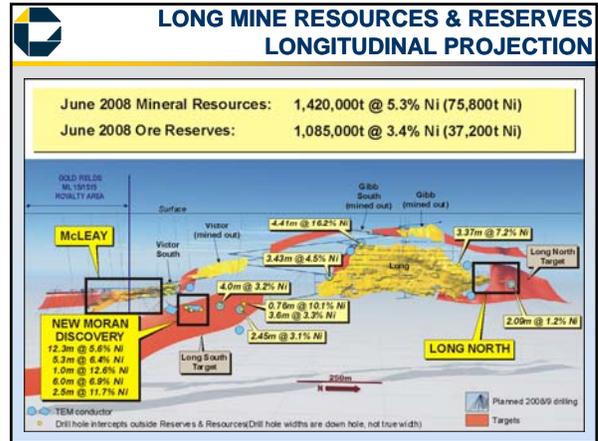
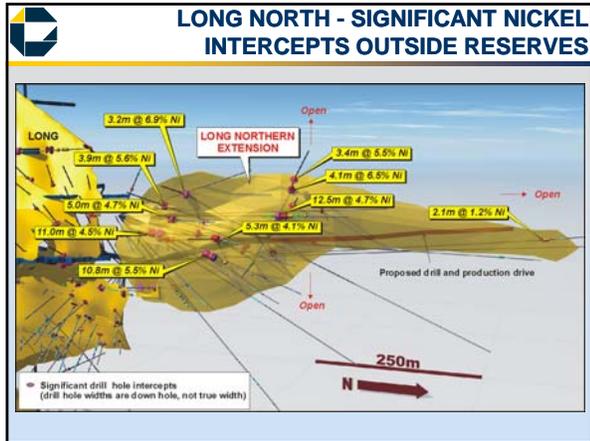
Hedging 1,800 Ni t @ \$18,489 / t  
 Delivered @ 200Ni t / month to June 09

**QUARTERLY CASH COSTS & REVENUE**



**LONG MINE RESOURCES & RESERVES LONGITUDINAL PROJECTION**





### MINE GEOPHYSICS - TEM EQUIPMENT

**High powered TEM transmitter**

**Down hole TEM probe**

**3 component underground TEM system**

- 10 x more powerful than current systems.
- Doubles search radius detection up to 200m.
- Cleaner data.
- More accurate targeting.
- 100m search radius.
- 3D visualisation of massive NiS targets.
- Locates blind massive NiS remnants 10-50m from stopes.

### MINE GEOPHYSICS SEISMIC REFLECTION

**SEISMIC REFLECTION**

HAMMER PLATE GEOPHONES TO SEISMOGRAPH

SEDIMENT BEDROCK

SEISMIC WAVE RAYPATHS

### LONG SOUTH SEISMIC SURVEY

Low resolution trial seismic survey coverage

Long South Target

1000m

1000m

N

### MCLEAY AND LONG SOUTH SEISMIC SECTION

-200m  
-400m  
-600m  
-800m  
-1000m  
-1200m  
-1400m  
-1600m  
-1800m

McLeay

Seismic reflectors

Mine workings

Long South?

### LONG FLY THROUGH

IGO 100%

Victor Decline

Long Shaft

Nickel West Mill

Victor

Royalty Area

SHORELINE

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

AngloGold Ashanti – 70% (Manager)  
Independence Group – 30% free-carried to completion of Pre-feasibility Study

Tropicana JV

1000kms

"New Gold Province under sand"

### TROPICANA JV TENEMENTS

LEONORA LAVERTON

300km

300km

300km

300km

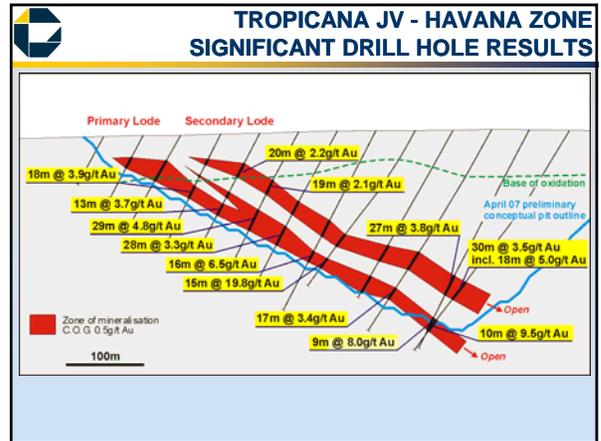
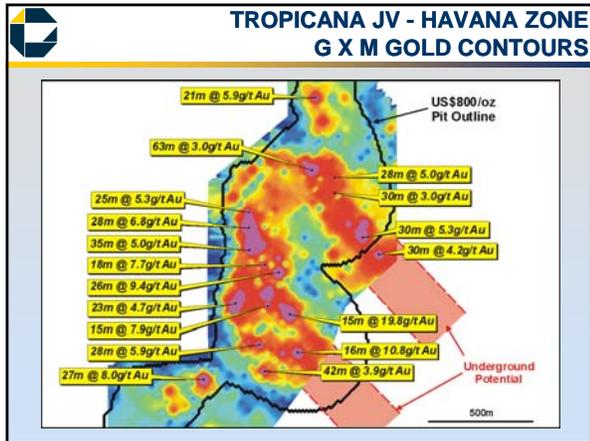
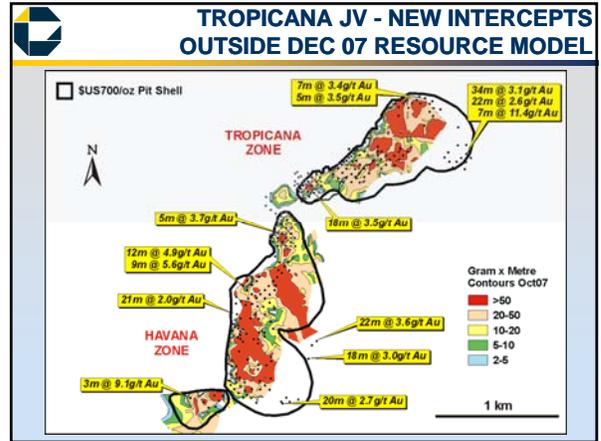
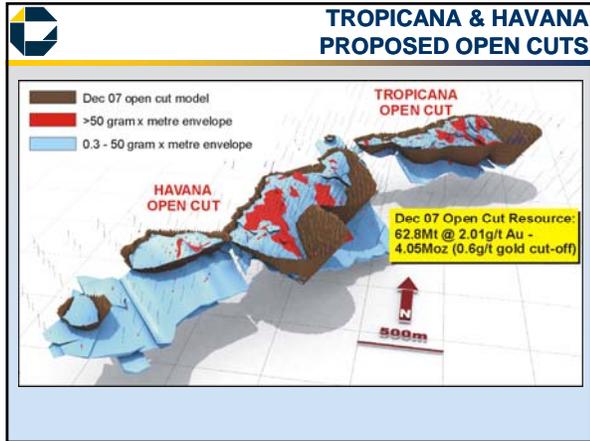
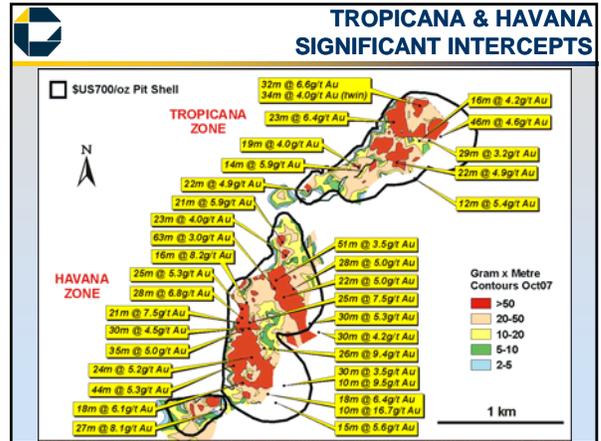
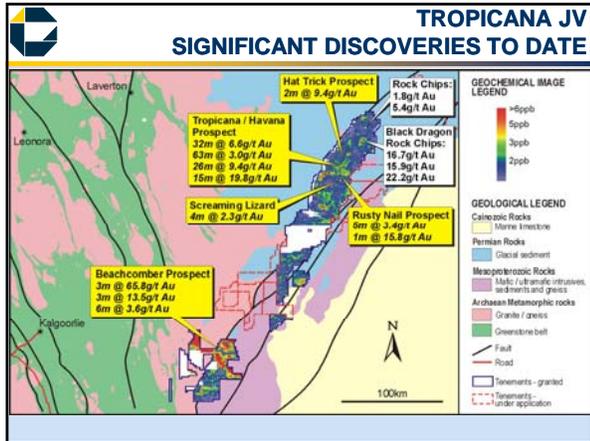
KALGOORLIE-BOULDER

Tropicana

Havana

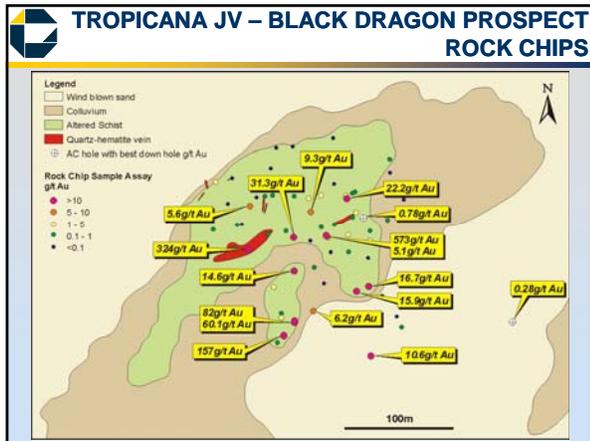
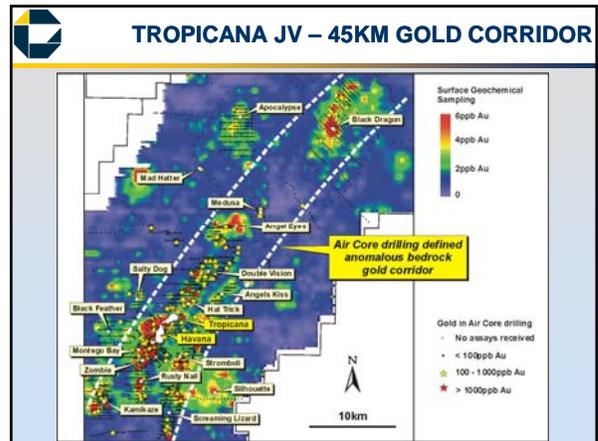
100km

- Tropicana JV Granted Tenure
- Tropicana JV Granted ML's
- Tropicana JV Applications



## TROPICANA PRE-FEASIBILITY STATUS

|                           |  |
|---------------------------|--|
| <b>Open-cut Resource:</b> | 62.8M t @ 2.0g/t Au (4.05M oz Au) at Dec 07  |
| <b>Open-cut Size:</b>     | Target – 10 years @ +300,000oz/y   |
| <b>Drilling:</b>          | 25m x 25m Reserves in-fill drilling and testing high-grade down plunge potential in progress |
| <b>Pit Design:</b>        | 2 main open cuts   |
| <b>Mill:</b>              | 3.5 – 7.5Mt p/a  |
| <b>Metallurgy:</b>        | Free milling – 91% recovery  |
| <b>Water:</b>             | Large aquifer discovered   |
| <b>Flora &amp; Fauna:</b> | No major issues envisaged  |
| <b>Ethnographic:</b>      | No major issues envisaged  |
| <b>Tenure:</b>            | Mining leases granted  |

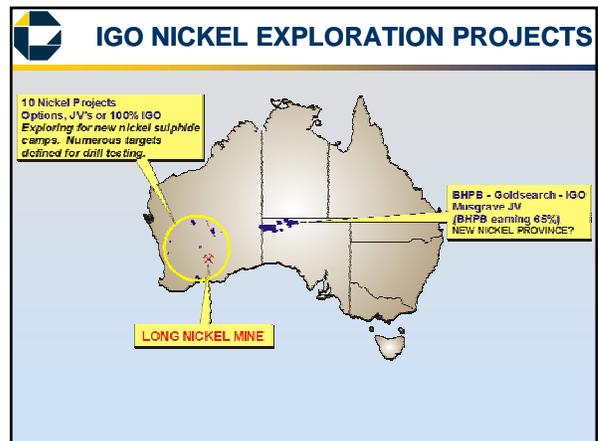


## TROPICANA FLY THROUGH

## REGIONAL EXPLORATION STRATEGY

Discovering new, high profit mines by -

- Technical Innovation**
  - Geophysical tools to see "under cover"
  - New targeting techniques
  - Database licensing and evaluation
- Unlocking value in established and emerging belts**
  - Examples: Wiluna, Ravensthorpe, Duketon
- First mover advantage in "frontier" belts**
  - Establish major land position
  - Examples: Tropicana, Dalwallinu, Coomberdale, Storbodasund
- Strong in-house geophysical capability**
  - Industry leaders
  - Data integrity
  - Rapid evaluation
- Small, well resourced, highly motivated exploration team**



## EXPLORATION GEOPHYSICS

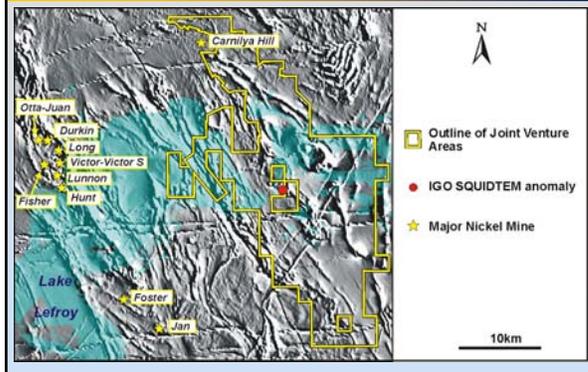


High powered TEM transmitter truck developed in conjunction with Curtin University

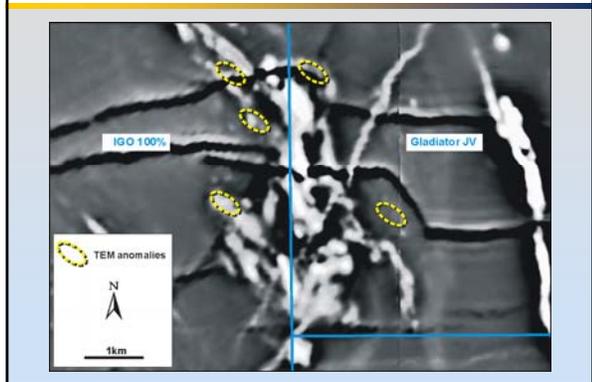


Squid TEM sensor  
Photo courtesy of Anglo American

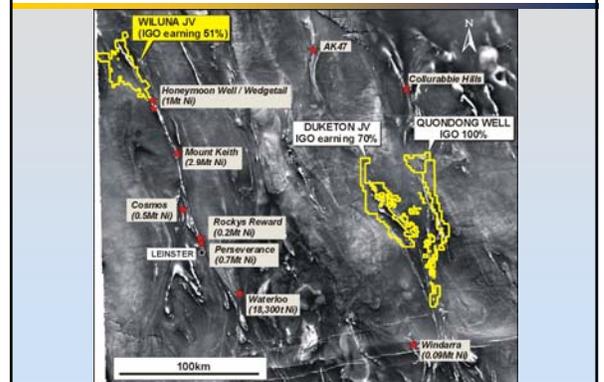
## LAKE LEFROY JOINT VENTURES



## LAKE LEFROY JOINT VENTURE TEM ANOMALIES OVER MAGNETICS



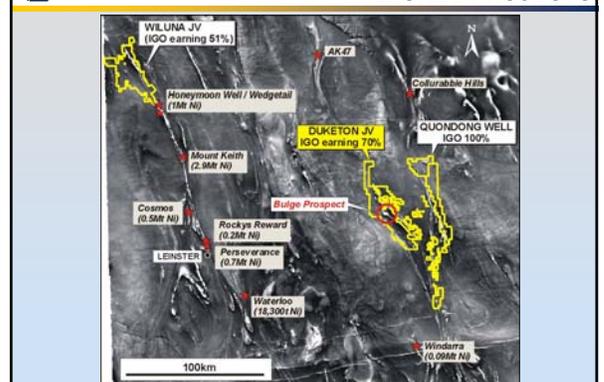
## NORTH-EASTERN GOLDFIELDS NICKEL PROJECTS

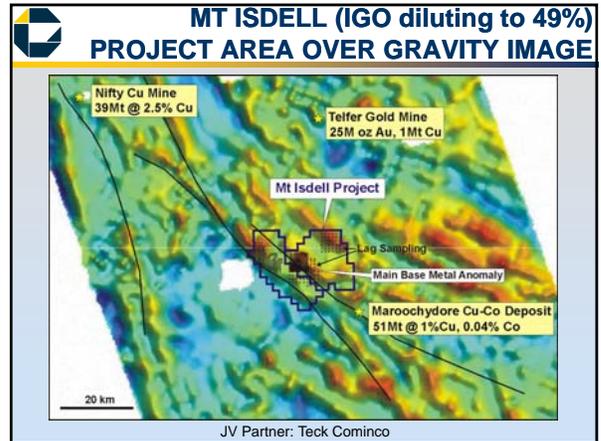
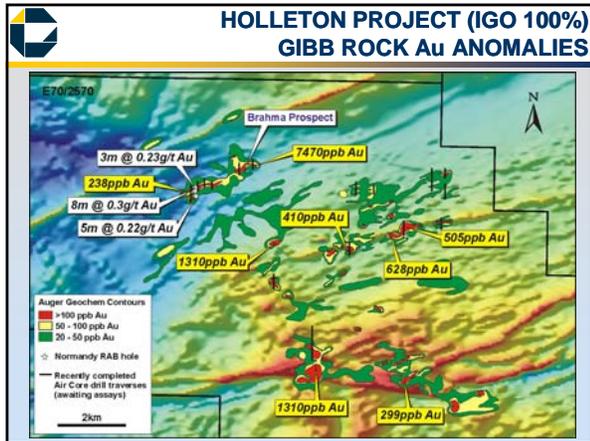
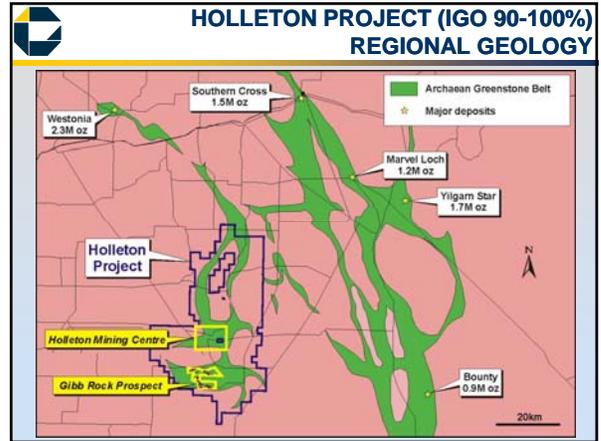
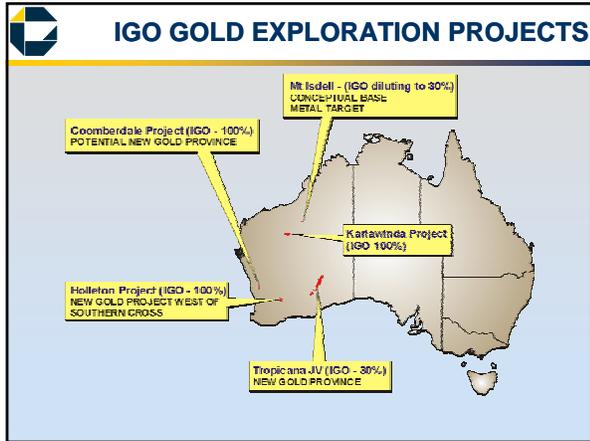
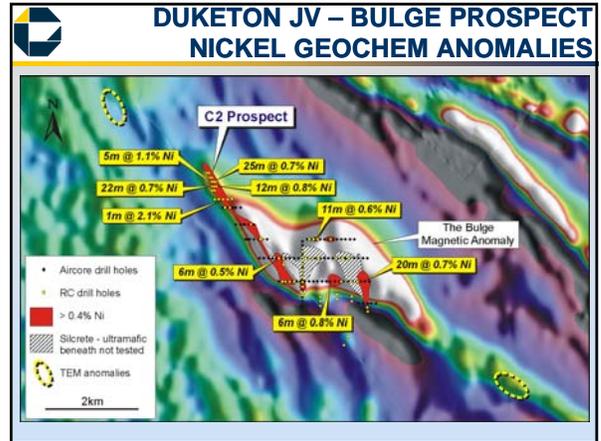
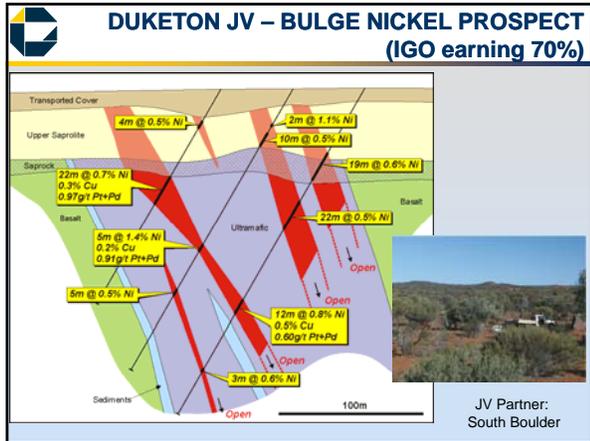


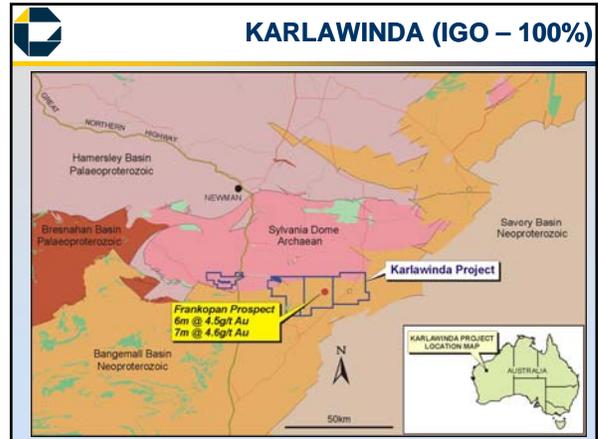
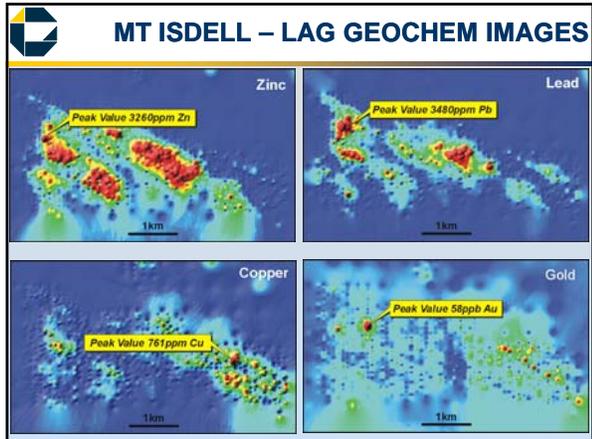
## WILUNA JV (IGO earning 51-70%)



## NORTH-EASTERN GOLDFIELDS NICKEL PROJECTS







**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

**RESOURCE & RESERVE  
COMPETENT PERSON STATEMENT**

Note: The information in this report 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.