

# INDEPENDENCE GROUP NL

Peter Bradford, Managing Director & CEO

Sydney Mining Club - 23 February 2017



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- Any references to IGO Mineral Resource and Ore Reserve estimates, except the Tropicana Mineral Resource and Ore Reserve should be read in conjunction with IGO’s 2016 Mineral Resource and Ore Reserve announcement dated 14 October 2016 and lodged with the ASX, which are available on the IGO website.
- References to Mineral Resource and Ore Reserve estimates at Tropicana should be read in conjunction with IGO’s Tropicana Gold Mine Value Enhancement Update, dated 15 December 2016 and lodged with the ASX, and is available on the IGO website.
- All currency amounts in Australian Dollars unless otherwise noted.
- Cash Costs are reported inclusive of Royalties and after by-product credits on per unit of payable metal basis, unless otherwise stated
- IGO reports All-in Sustaining Costs (AISC) per ounce of gold for its 30% interest in the Tropicana Gold Mine using the World Gold Council guidelines for AISC. The World Gold Council guidelines publication was released via press release on 27 June 2013 and is available from the World Gold Council’s website.
- Underlying EBITDA is a non-IFRS measure and comprises net profit or loss after tax, adjusted to exclude tax expense, finance costs, interest income, asset impairments, depreciation and amortisation, and once-off transaction costs.
- Underlying NPAT comprises net profit (loss) after tax adjusted for; post tax effect of acquisition and integration costs, and impairments.



# IGO – A strong sense of purpose

Creation of a leading Australian growth platform



## OUR PURPOSE

Our purpose is to create long-term shareholder value through discovery, acquisition, development and operation of high-margin, long-life mining projects diversified by commodity and geography.



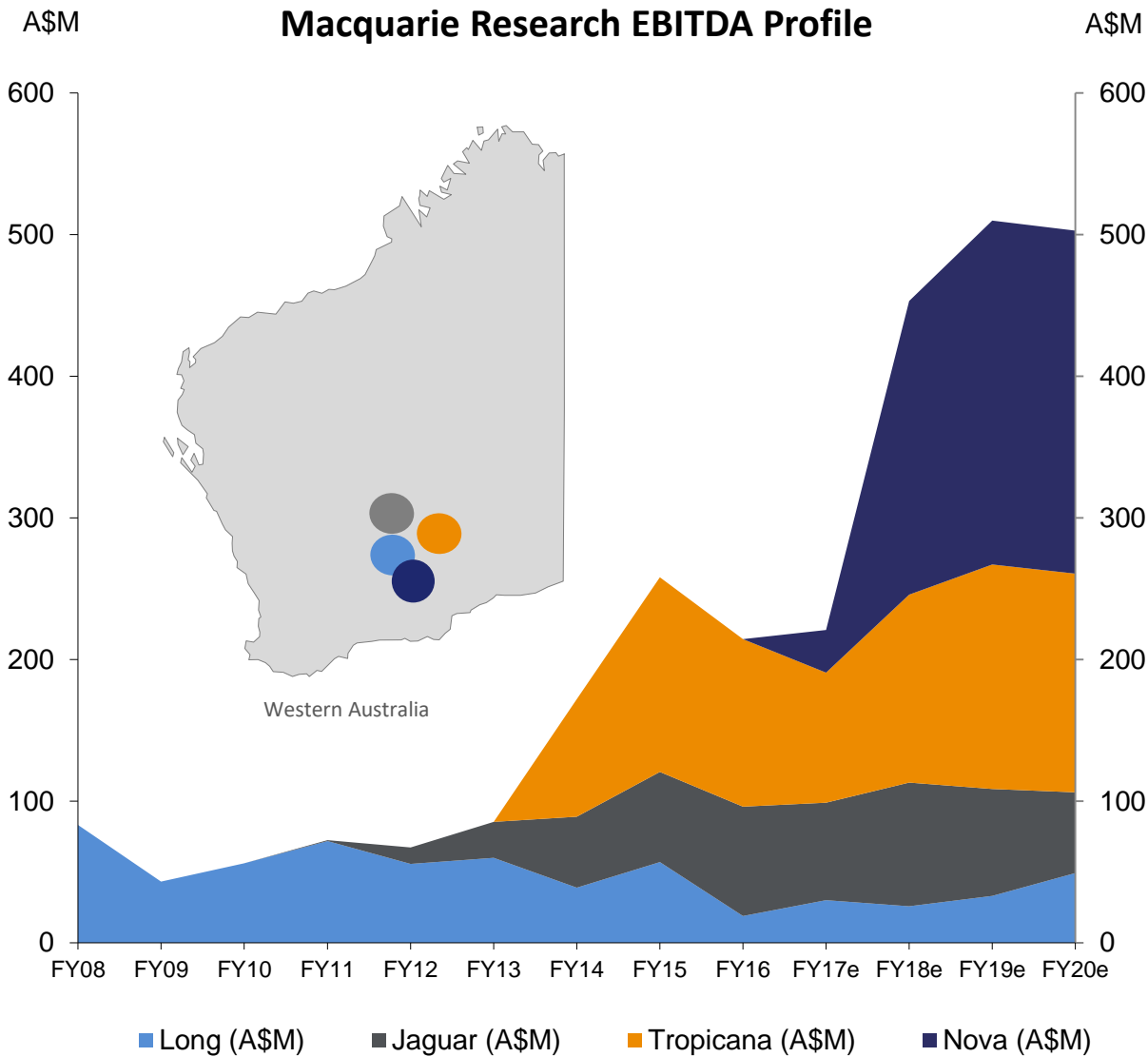
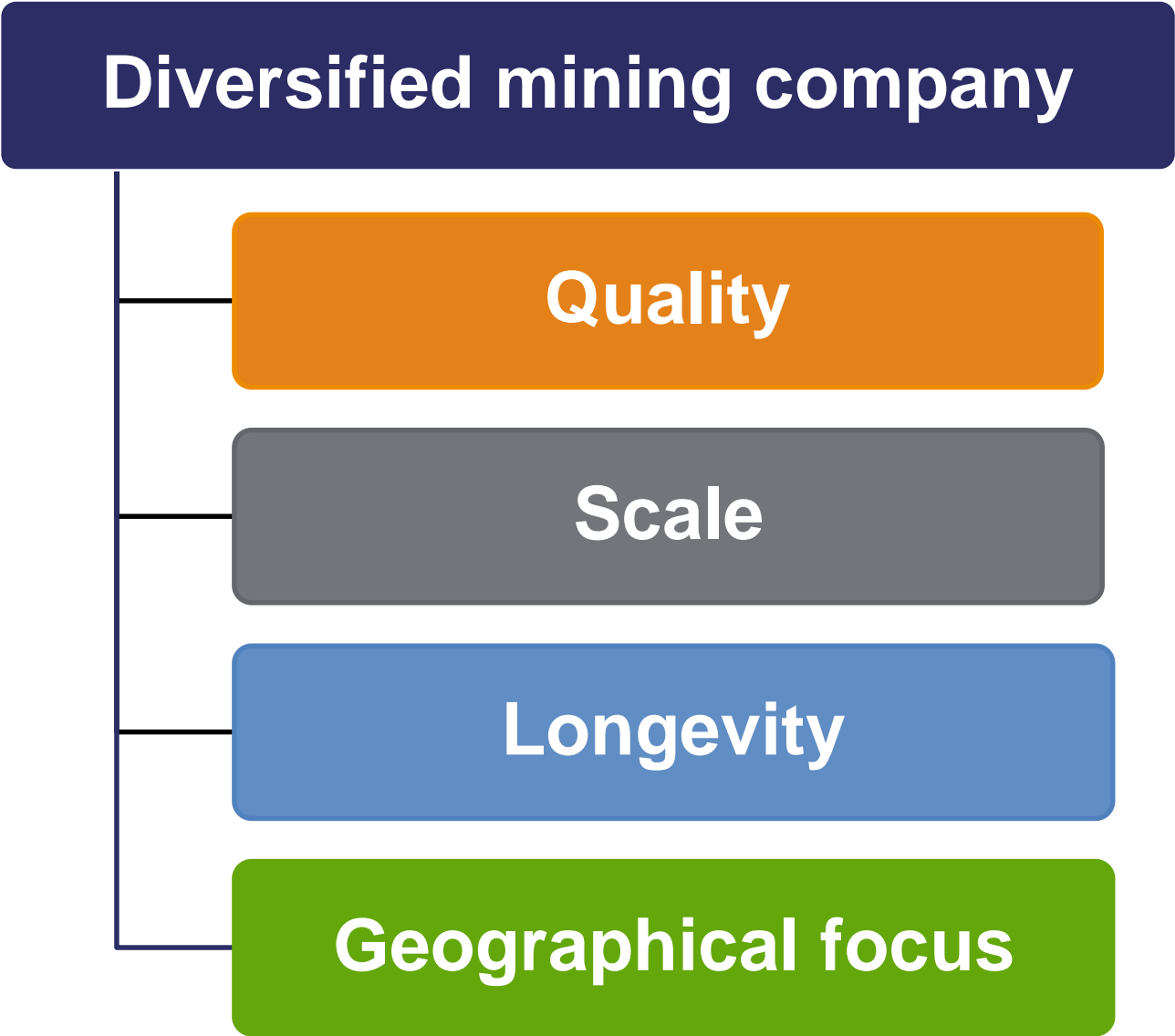
DISCOVERY

DEVELOPMENT &  
CONSTRUCTION

CURRENT OPERATIONS

# Independence Group Overview

Value focused strategy and transformational growth of EBITDA





# Tropicana Overview

Making a great asset better through value enhancement

## Quality

- ✓ Engineering to bring value forward through grade streaming

## Scale

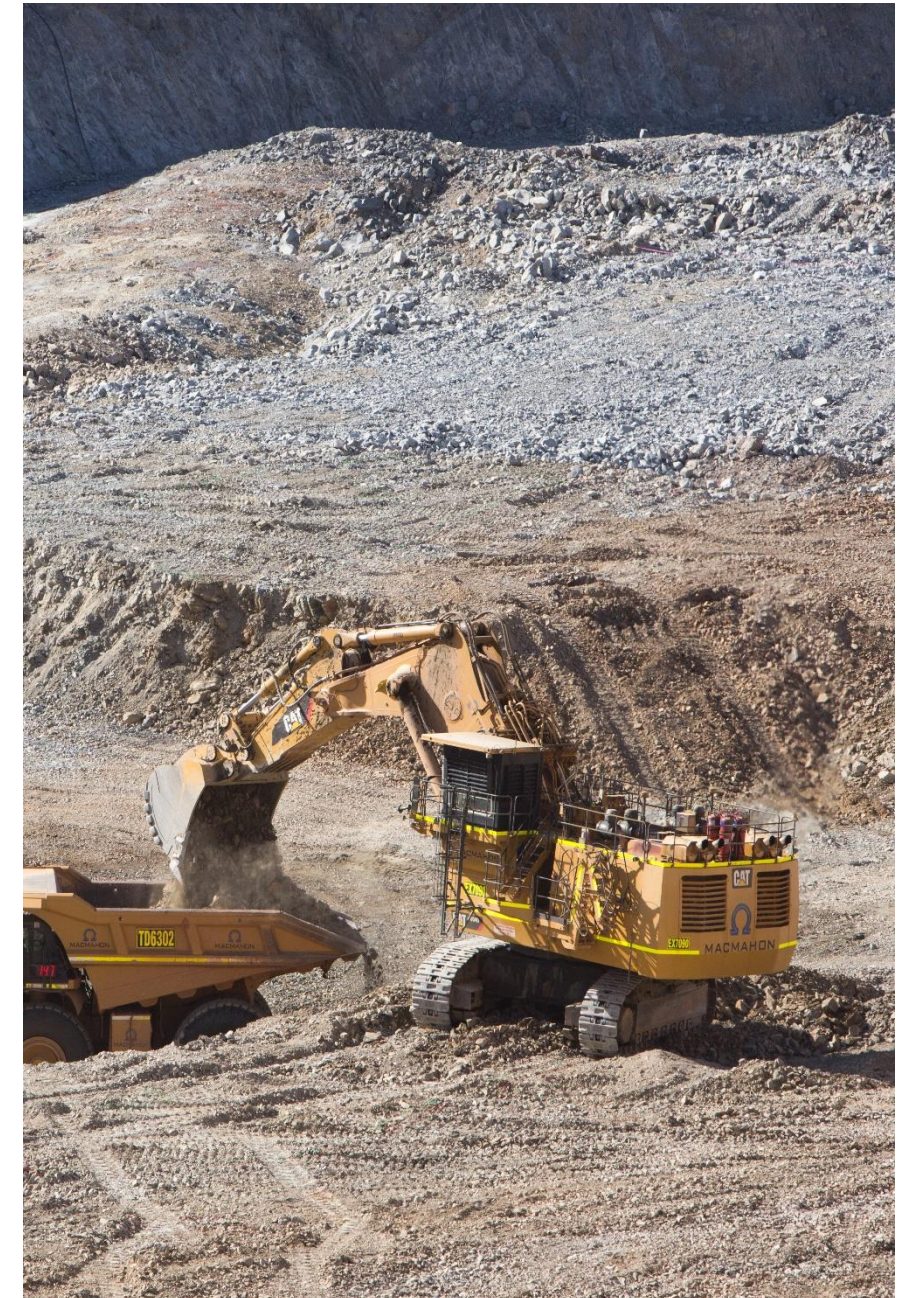
- ✓ +120,000 oz/year (IGO share)

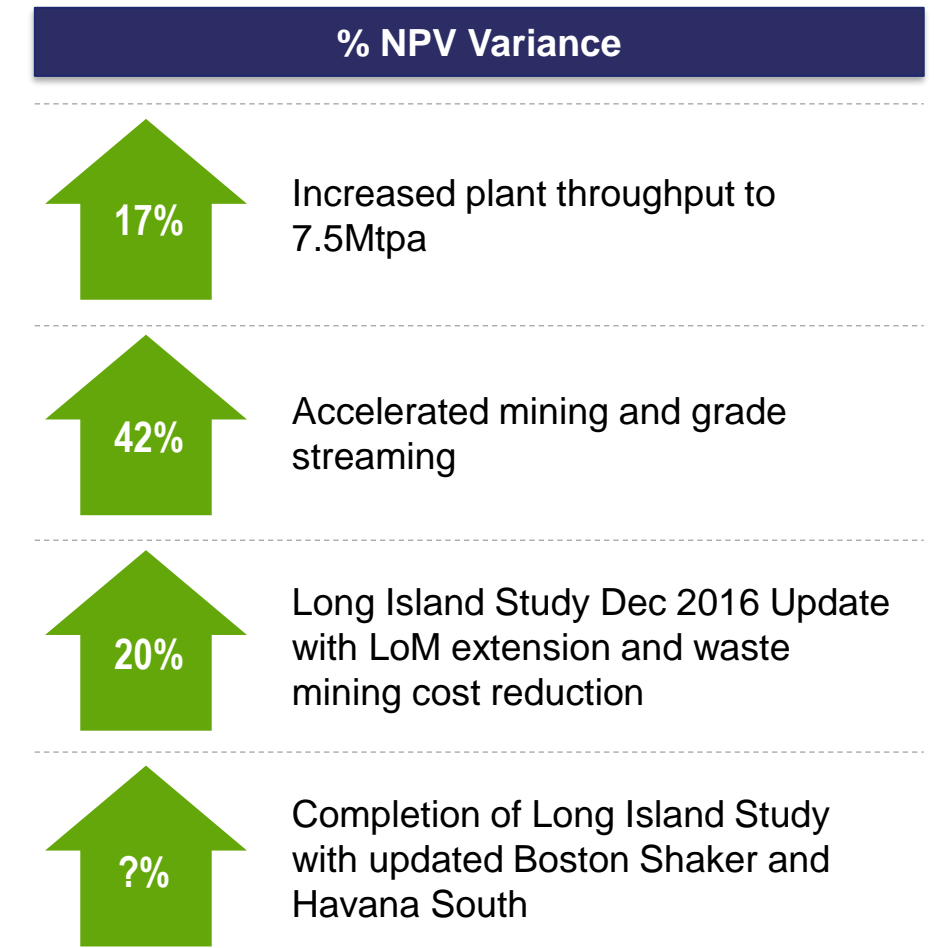
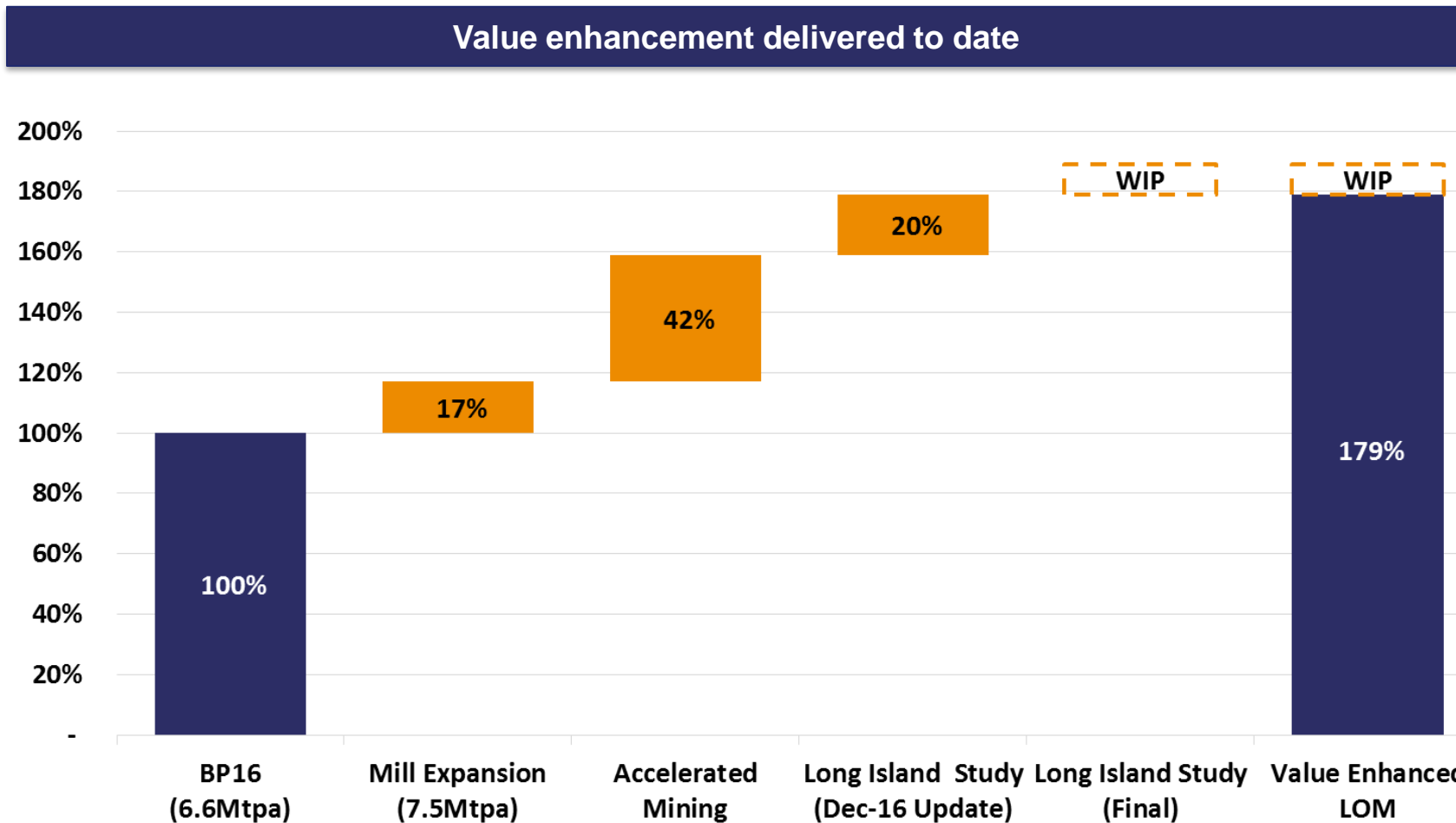
## Longevity

- ✓ Initial 11 year mine life being extended by strip mining

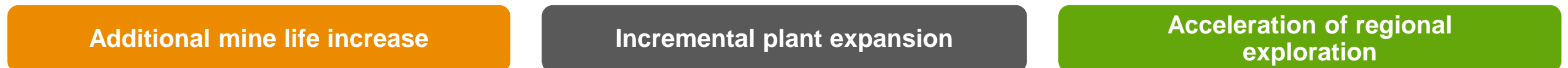
## Geographical focus

- ✓ Located in WA proximal to Nova





### Further value enhancement to be unlocked in 2017



1) BP16 refers to CY16 Business Plan prepared by AGA



# Tropicana

## Processing plant optimisation and expansion



29% increase in throughput from as built nameplate capacity

7.5Mtpa expansion successfully completed

200 - 400ktpa additional throughput targeted in CY17

A\$6.9M improvement capital estimated in CY17 (100% basis)

# Tropicana

## Mining fleet and grade streaming



### Optimisation of Mining Fleet

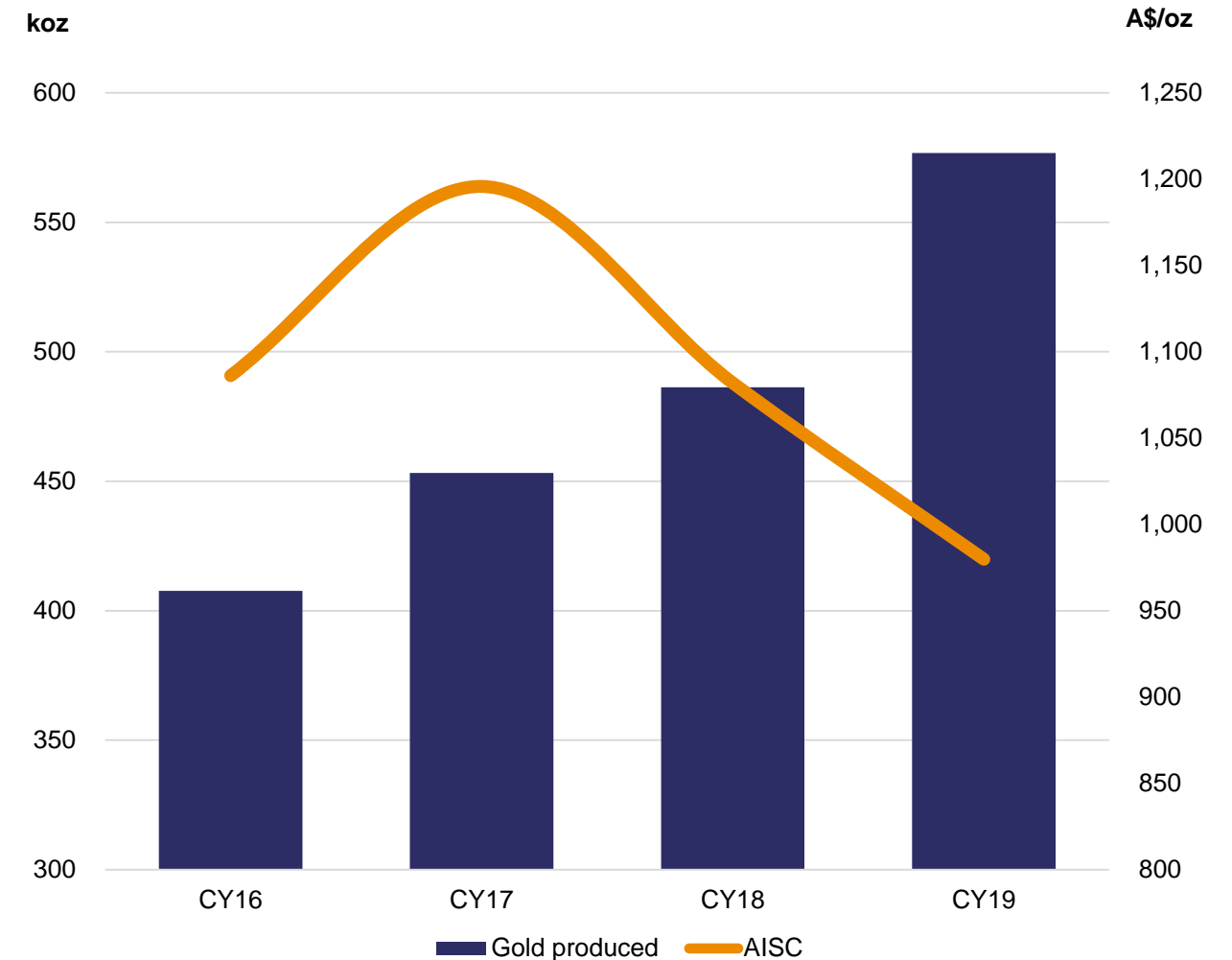
Caterpillar 6060, 600 tonne class hydraulic shovel operational at Tropicana from November 2016

Reduced waste mining costs and increased mining rates to approximately 80Mtpa

### Recommencement of Grade Streaming

**~30%** increase in planned processed head-grade from 1.8g/t to 2.3g/t for 2017-2019<sup>(1)</sup>

### Directional Production and AISC<sup>(1)</sup>



1) Grade streaming and elevated mill head-grades delivered through an accelerated mining rate and stockpiling strategy. This is scheduled for approximately three years.



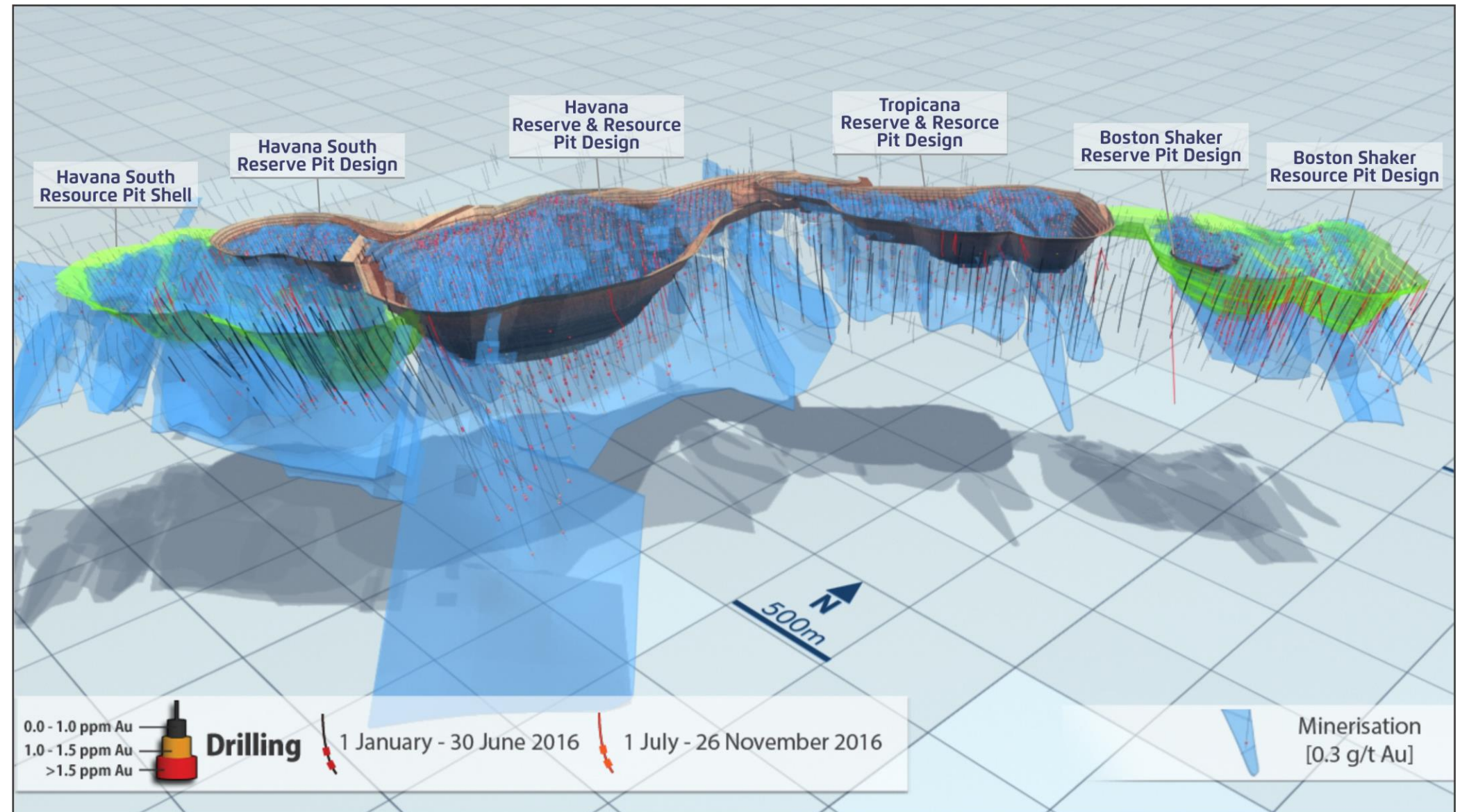
# Tropicana Exploration

## Framework and resource extension drilling

**160,000m** of drilling  
completed as part of  
Long Island Study

**~40,000m** at Boston  
Shaker and Havana South  
still to be captured in  
resource model updates

**Significant** results  
continued to be returned  
from Havana South and  
Boston Shaker





# Tropicana

## Long Island Study – What is it?

### Based on strip mining strategy

- Possible due to tabular geometry and strike extent
- Unlocks additional down plunge resource

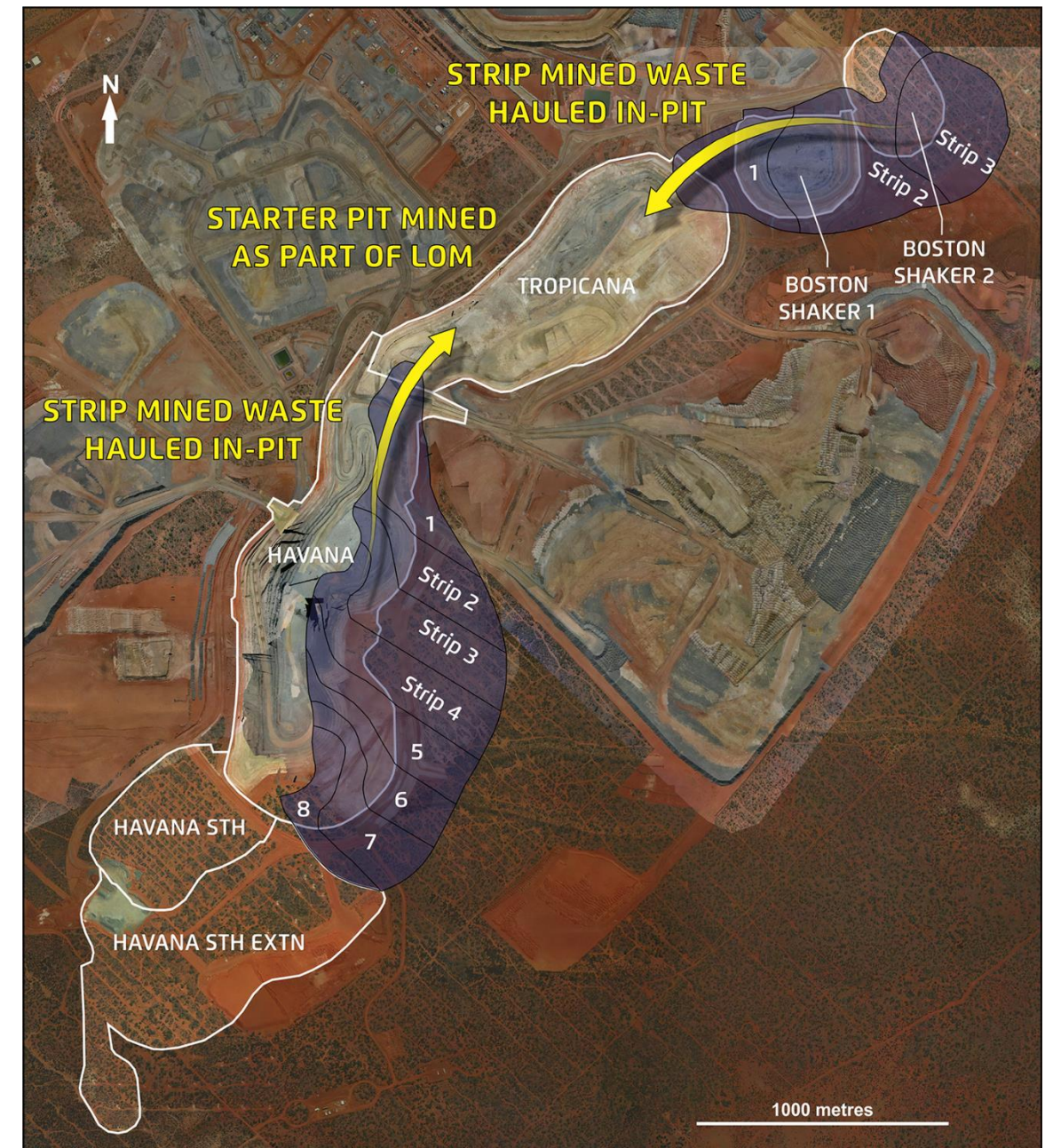
### Strip mining delivers lower mining costs

- Shorter hauls due to In-pit dumping of waste
- Transition to face shovels
- Mining of bigger benches to reduce drill and blast costs

### Tropicana LoM pit to be starter pit:

- Backfill with waste from Boston Shaker to the north and Havana to the south

**25-30% potential reduction in unit mining costs per tonne through Long Island strategy**





# Nova Overview

World class, low cost magmatic nickel-copper project



## Quality

- ✓ High grade, thick, flat lying magmatic sulphide orebody

## Scale

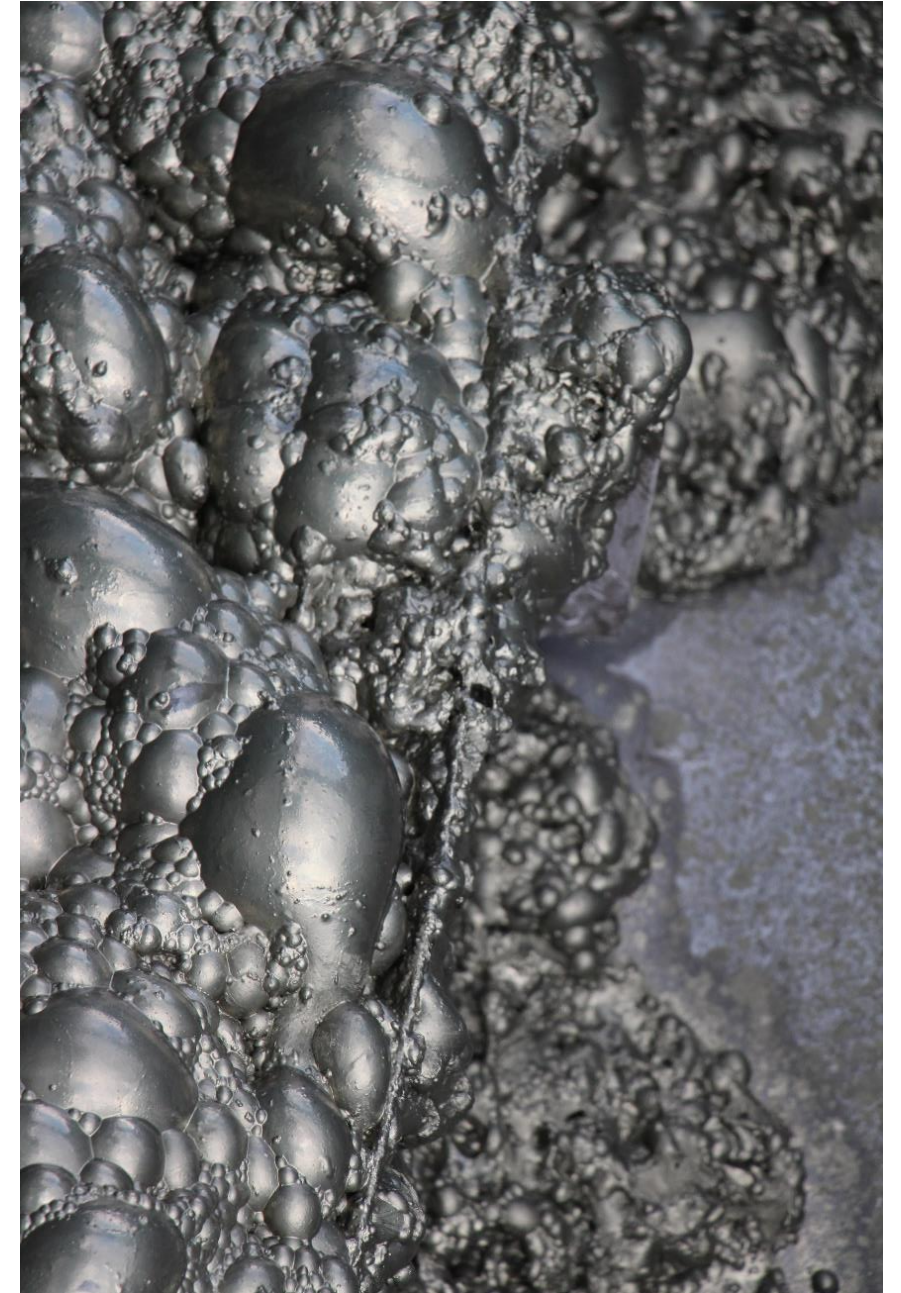
- ✓ +26kt Ni, 11.5kt Cu & 1kt Co pa

## Longevity

- ✓ Initial 10 year mine life with huge exploration potential

## Geographical focus

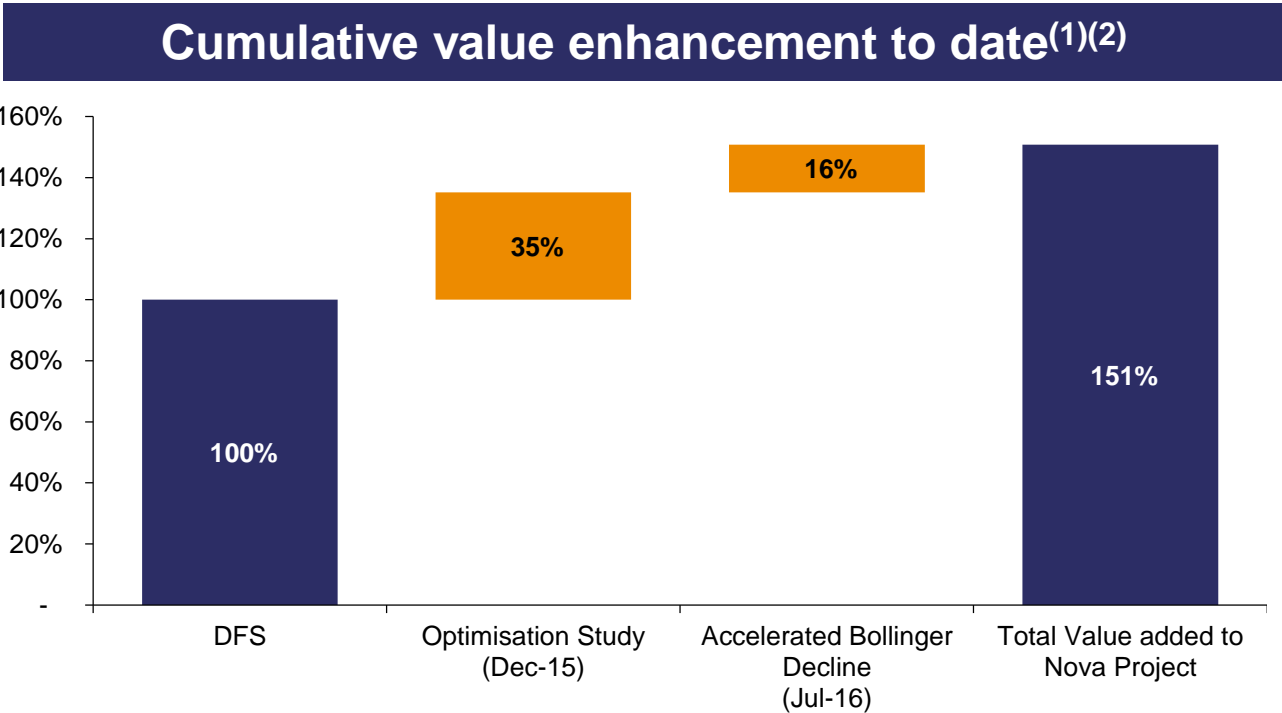
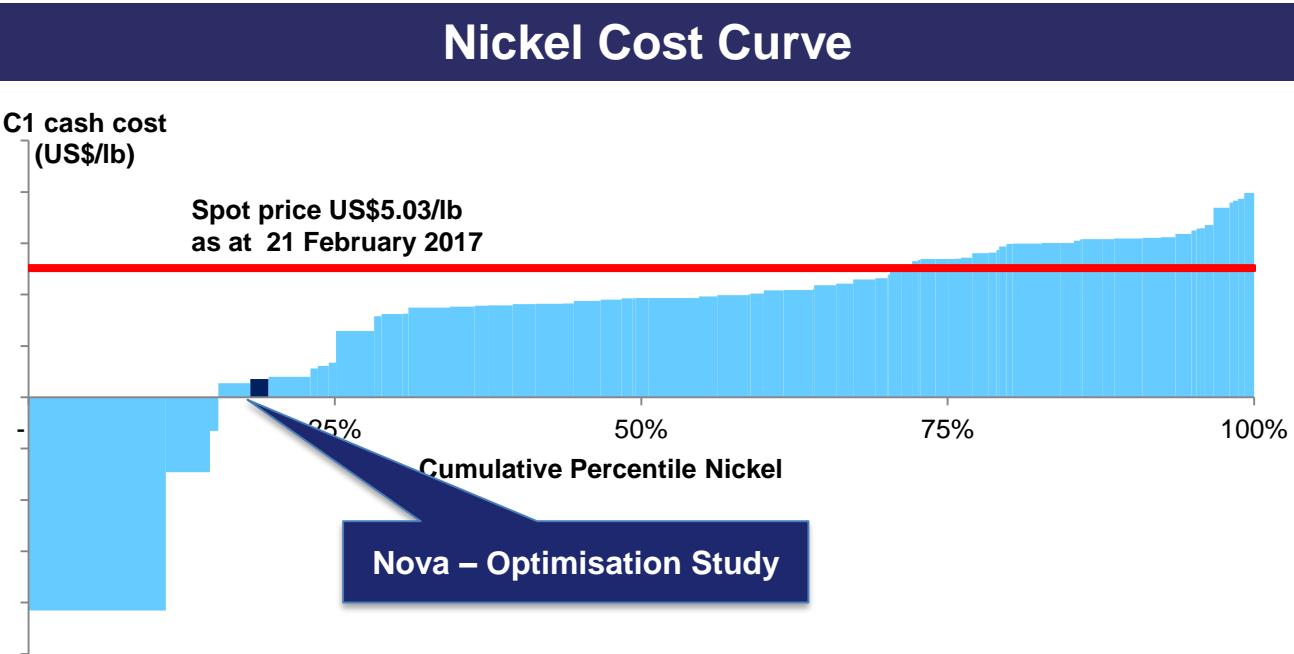
- ✓ Located in WA proximal to Tropicana





# Nova Project

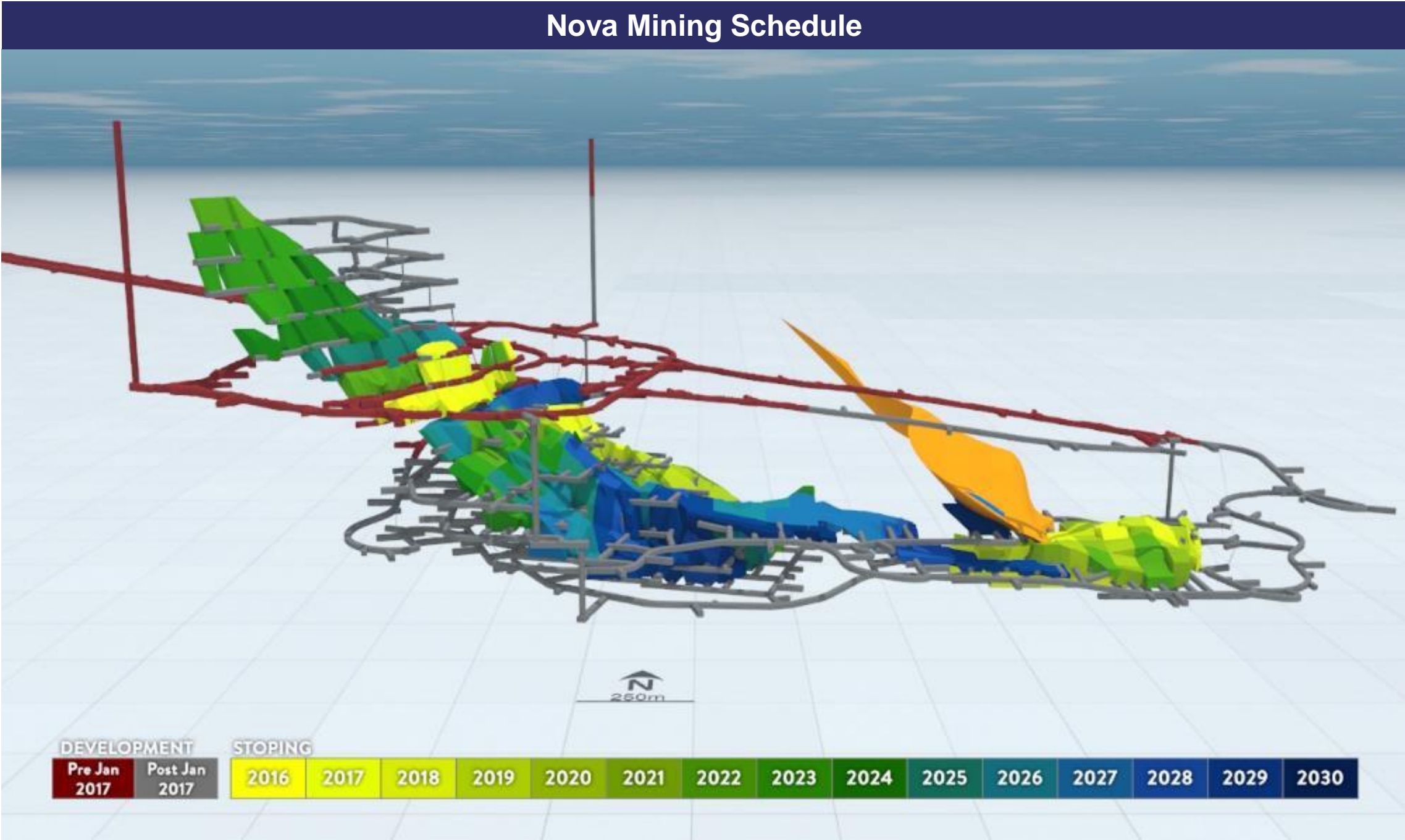
Project significantly de-risked



# Nova Project



10.2km of mine development completed project to end-2016



# Nova Project

Not all beer and skittles but we have some great people



Indonesian  
export ban  
relaxation

Philippines  
mine  
closures

Nickel Price

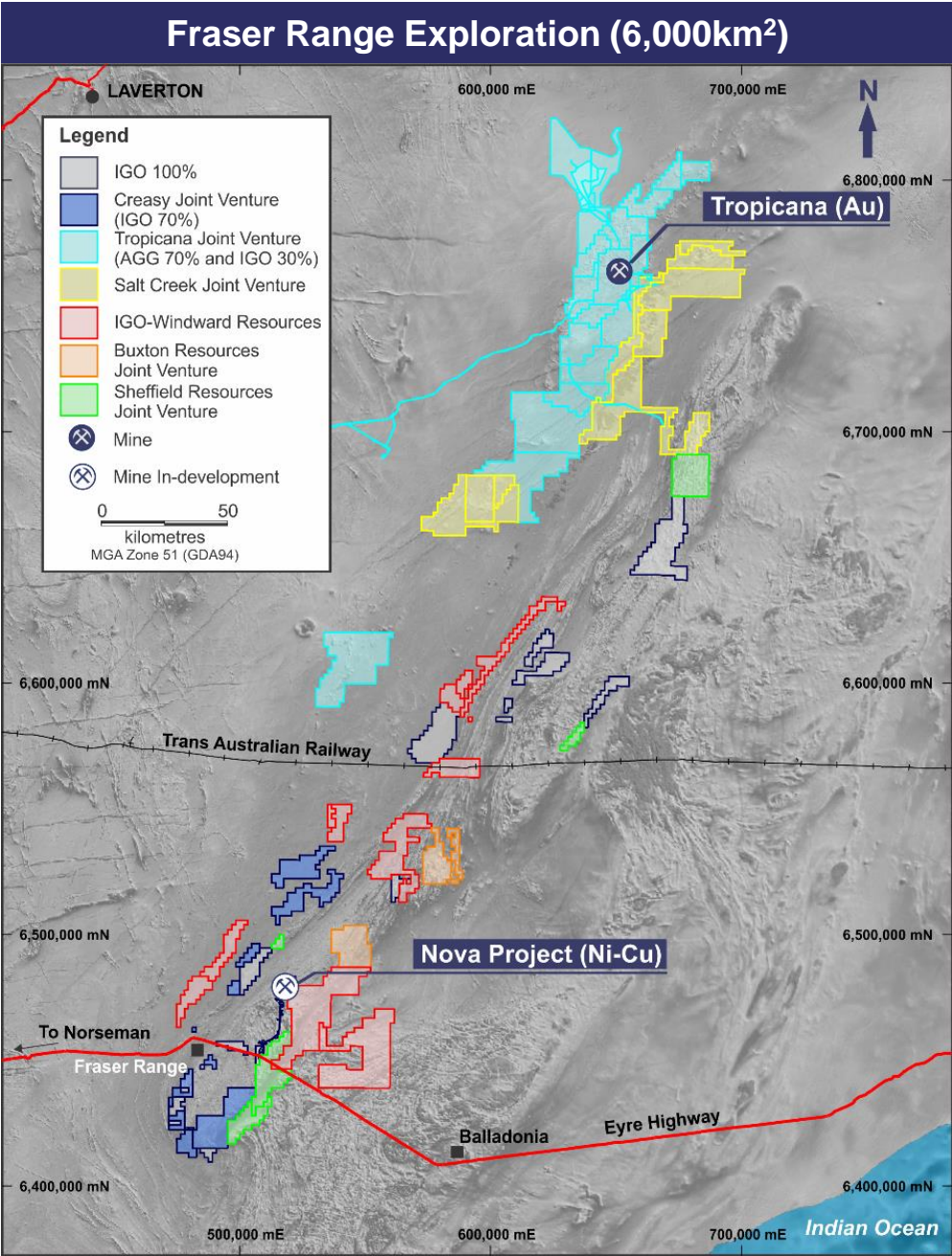
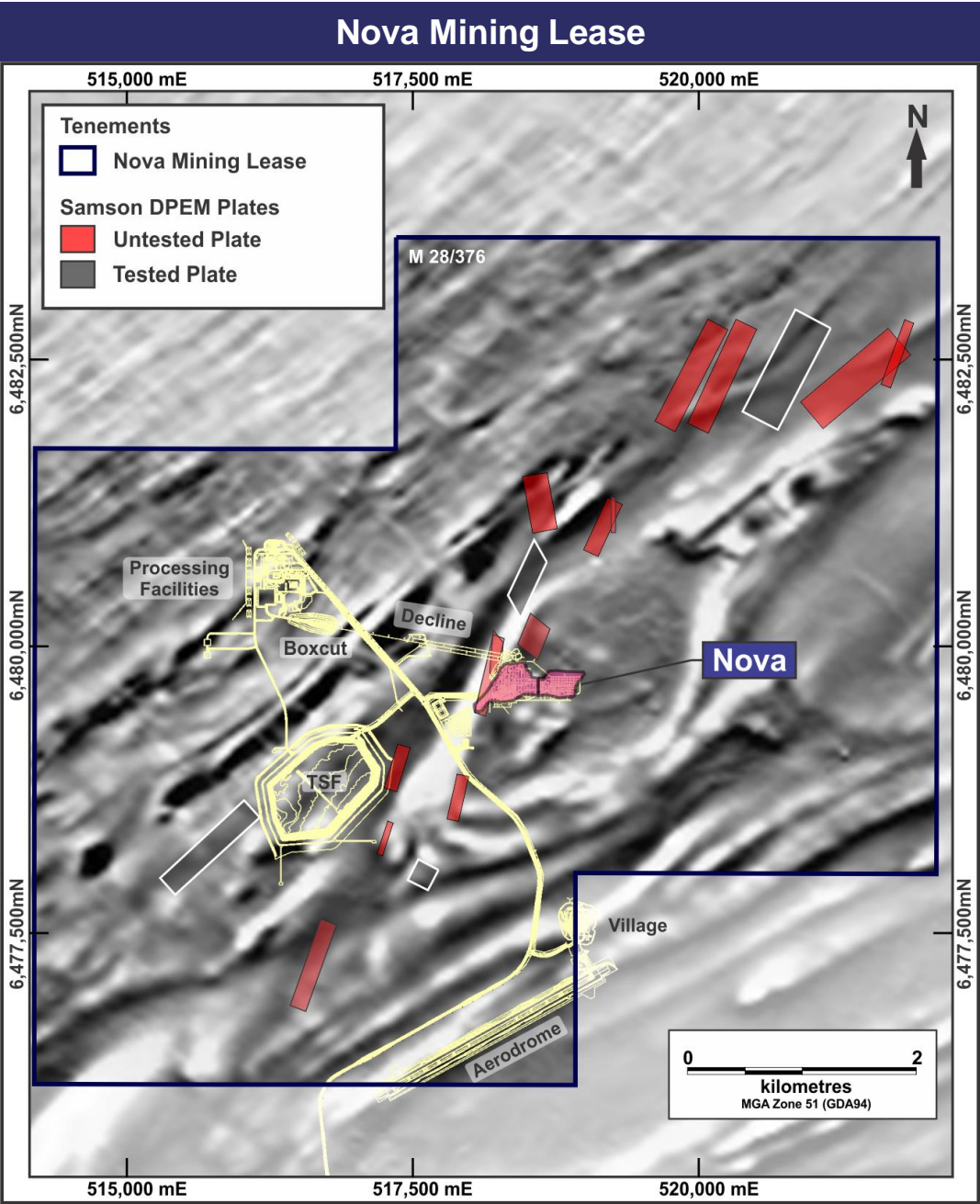
Development  
advance

Supply -  
Demand



# Exploration

## The search for the next Nova



# Where to next?

Continuing the journey to build a leading Australian company



**Right people in the right place at the right time**

**Complete Nova ramp up to full production**

**Optimise and maximise the business**

**Grow belt scale greenfields portfolio**

**Accretive M&A**



# Key Takeaways

## Why IGO?



**PURPOSE** with focus on delivery of shareholder value

The right **PEOPLE** in the right place at the right time

**PROJECTS** with quality, scale and longevity

Science and **PLANNING** to optimize and maximise

Fit for purpose **PROCESS** to govern the business

**PERSEVERANCE** and tenacity