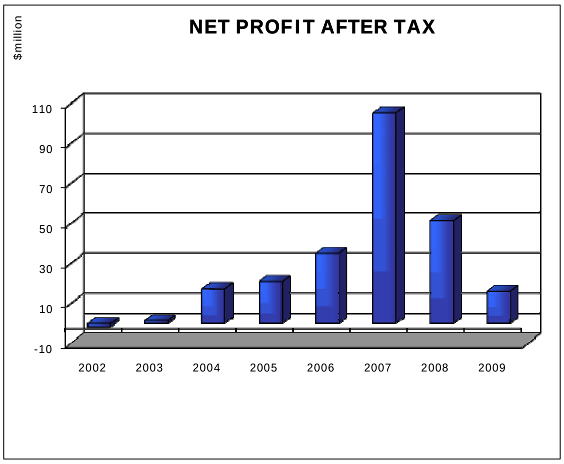
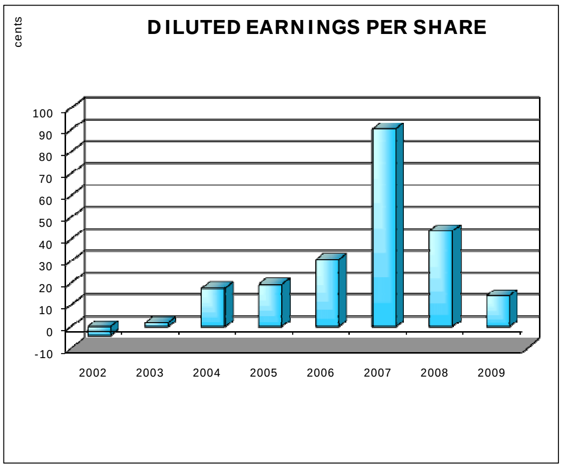
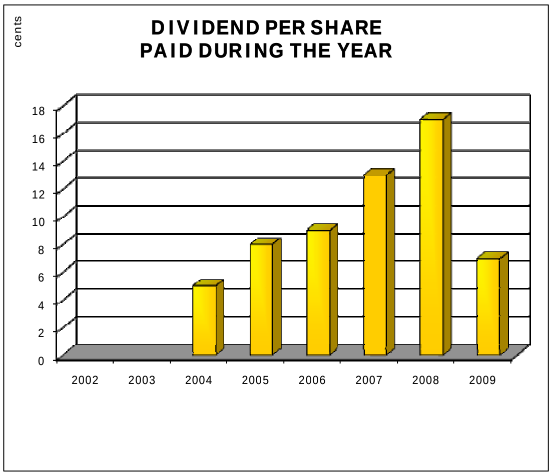




Highlights- Financial Year Ended 30 June 2009

- Full-year profit after tax of $16.1 million despite a 25% reduction in realised nickel price & devaluation of listed investments, with a strong second half net profit result of $16.0 million
- Total revenue of $101.1 million reflecting a A$2.75/lb reduction in average spot nickel prices over the year
  - (FY'08 $149.1 million)
- Dividends of 7 cents per share paid during the year (FY'08: 17 cents per share)
  - Final '08 fully franked dividend of 5 cents per share
  - Interim fully franked FY'09 dividend of 2 cents per share
  - Final '09 fully franked dividend of 3 cents per share announced
- Strong financial position with cash of $127.2 million at year end and no debt
- Net cash flow from operation activities of $26.3 million
  - (FY'08 $33.3 million)
- Annual nickel production of 8,779 tonnes at a lower cash operating cost of A$3.85 per payable pound
  - (FY'08 9,275 tonnes at A$4.12 per payable pound)
- Positive Tropicana Pre-feasibility study and decision to move to Bankable Feasibility Study
- Maiden Moran high grade resource at Long of 456kt @ 7.1% for 32,400 nickel tonnes



Full Year Ended June 30	2009	2008	Inc/(Dec)
Total Revenue	**$101.1m**	$149.1m	-32%
Profit Before Tax	**$25.1m**	$74.2m	-66%
Net Profit After Tax	**$16.1m**	$51.5m	-69%
Net Cash Flow From Operating Activities	**$26.3m**	$33.3m	-21%
Total Assets	**$231m**	$249.6m	-7%
Total Liabilities	**$35.6m**	$56.7m	-37%
Shareholder's Equity	**$195.4m**	$193.0m	+1%
Diluted Earnings Per Share	**14.11¢**	43.82¢	-68%
Dividend Per Share Paid During the Year	**7¢**	17¢	-59%

Chris Bonwick
Managing Director
27 August 2009

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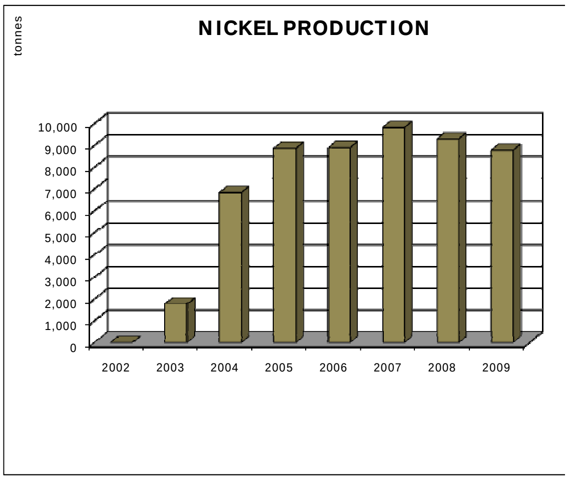
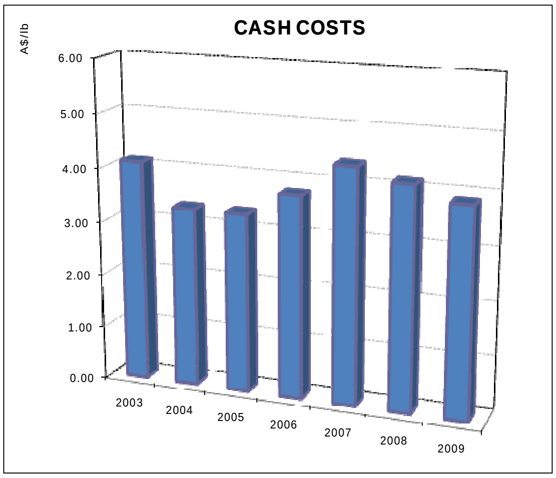
OPERATIONS



Total production for the year ended June 2009 of 220,953 tonnes (FY'08: 255,988 tonnes) at an average head grade of 3.97% (FY'08: 3.62%) for 8,779 tonnes of nickel metal delivered (FY'08: 9,275 tonnes). Ore was primarily sourced from the Long, McLeay and Victor South ore bodies.

Cash costs per payable pound declined for the second year in succession to A$3.85/lb, representing a 6.6% decrease on the previous financial year (FY'08: A$4.12). A key focus on cost control saw overall unit cash operating costs below budget during the year while head grades were increased with continued improvements in mining practices.

Production for the year exceeded budget while cash costs were well below the budget of A$4.59/lb.



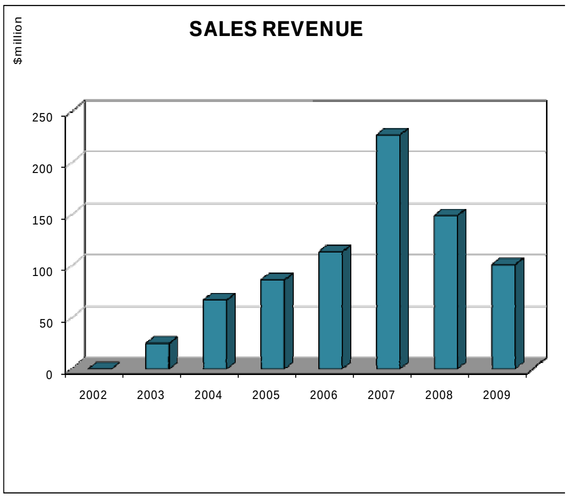
The reserve drill out is ongoing with updated reserves/resources expected to be announced in September 2009. Initial ore reserves for the Moran discovery are expected to be included in these estimates.

Since acquiring the Long Nickel operation, Independence has consistently mined and produced nickel from outside its stated reserves and resource base.

INCOME STATEMENT

Total revenue for the year decreased by 32% to $101.1 million (FY'08: $149.1 million) due to lower nickel prices over the period.

A strong second half operating performance generated a net profit after tax of $16.0 million owing to substantially lower cash operating costs and higher realised nickel prices than in the first half.



The decrease in FY'09 net profit to $16.1 million was primarily due to lower spot nickel prices than in FY'08, a devaluation in the carrying value of listed investments by $8.3 million (FY'08: $5.3 million), higher tax rate and increased depreciation and amortisation charges and capitalised exploration costs written off. EBITDA decreased to $30.8 million (FY'08: $72.9 million).

The average realised nickel price decreased by 25% to A$8.46/lb in FY'09 from A$11.21/lb in the 2008 fiscal year.

Fully diluted earnings per share decreased to 14.1 cents from 43.8 cents in the previous corresponding period.

CASH FLOW STATEMENT

Strong net cash flow generation from operating activities of $26.3 million prior to interest received, represented a 21% decrease over the previous year (FY'08: $33.3 million) mostly due to lower spot nickel prices.

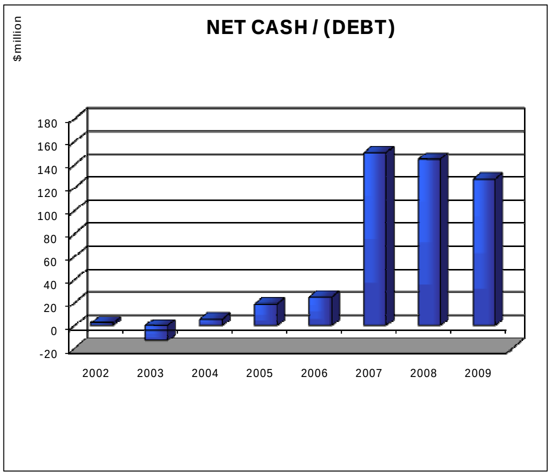
Independence utilised this cash flow to fund:

- dividend distributions of $8.1 million (FY'08: $19.6 million);
- Long and regional exploration of $20.5 million (FY'08:

$23.8 million);
- new mining equipment and development expenditure totalling $10.0 million (FY'08: $7.0 million);
- payments of $10.7 million to buy-back 3.8 million shares

The strong cash flow generation and cash balances during the year enabled Independence to earn $6.2 million in interest received (FY'08: $10.3 million).

BALANCE SHEET



Cash and cash equivalents totalled $127.2 million (FY'08: $145.4 million) at year-end, with an additional $12.3 million in net receivables.

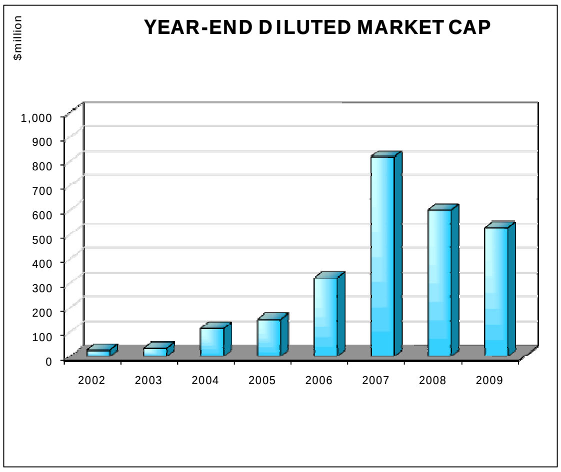
There was no interest bearing debt at balance date, whilst net assets increased slightly to $195.4 million at year-end (FY'08: $193.0 million).

DIVIDEND

During financial year 2009, Independence returned $8.1 million (FY'08: $19.6 million) to shareholders in the form of dividends, comprising:

- final FY'08 fully franked dividend of 5 cents per share
- interim fully franked dividend of 2 cents per share (paid March '09).

In addition, Independence today announced a final fully franked dividend for the 2008/9 year of 3 cents per share which will be payable on 29 September 2009 with a record date for determining entitlements of 17 September 2009.



The Company took into account prior year profit versus dividend payout ratios, the 2 cent interim dividend already paid for the year, the strong second half profit result, and the cash requirements for the coming year when deciding on the final dividend amount.

EXPLORATION/DEVELOPMENT

Independence incurred a total of $20.5 million on exploration and evaluation expenditure during 2008/9 (FY'08: $26.3 million). This is the second largest annual outlay in the Company's eight-year history. The majority of this expenditure was directed towards the Long and Tropicana projects.

Ore reserve/resource drilling is continuing at Moran and McLeay, with resource and reserve estimates expected to be released in September 2009.

The discovery during the year of the new Moran deposit demonstrates the potential of the Long Operation to continue to add to the existing mine life. A maiden resource of 456,000 tonnes at 7.1% for 32,400 tonnes of contained nickel was announced last month based upon the drill out during the year. The deposit remains open to the south.

The updated open pit mineral resources for the Tropicana Joint Venture (AngloGold Ashanti 70%, IGO 30%) as at June 2009 for the

Tropicana and Havana zones resulted in measured, indicated and inferred resources totalled 75.3 million tonnes at 2.1 g/t for 5.01 million ounces of contained gold. Only 13% of these resources are classified in the inferred category.

The Pre-feasibility Study was recently finalised with a base case modelled on a 5.5Mtpa to 6mtpa plant for an operation producing an average of 330,000 ounces to 410,000 ounces of contained gold per annum over an 8-10 year period. A Bankable Feasibility Study has commenced which will focus on optimising capital and operating costs, as many of these estimates were sourced during the mining industry boom period in 2008.

Drilling since the resource estimation at Havana South and in the Havana supergene zones is expected to further increase the project mineral resource base. Numerous other regional targets remain to be tested at the Tropicana project where the joint venture's focus will be on defining additional mill feed within an economic trucking distance of the proposed plant site.

A number of other projects where early stage work has returned encouraging exploration results will also be advanced, such as the Karlawinda and Duketon projects. Additional targets and opportunities are also expected to be generated from the acquisition in February 2009 of the De Beers Australia Exploration Limited database.

OUTLOOK

Independence is focused on continuing to expand the Long nickel mine reserve base and on solid operational performance. Forecast production for financial year 2010 is 200,000 to 220,000 tonnes for production of 8,000 to 8,400 tonnes of contained nickel. Cash costs for 2009/10 are forecast at A$4.40/lb.

The Bankable Feasibility Study for the Tropicana Joint Venture with AngloGold Ashanti Australia Ltd is progressing and is expected to be completed in the June quarter 2010. The Study is focused on open-cut resources at the Tropicana and Havana zones only.

Extensional drilling at Havana and regional exploration at priority locations is continuing on the Joint Venture's 13,000 square kilometre tenement holding.

The capital exploration/development budget for 2009/10 is estimated at $36.7 million depending upon the outcomes of a number of current and proposed drilling programs, with forecast expenditure allocated as follows:

- Tropicana (exploration and BFS) $12.4 million
- Regional exploration $8.6 million
- Long Nickel Mine exploration $5.2 million
- Long Nickel Mine development $10.5 million