QUARTERLY REPORT

PERIOD ENDED 31 MARCH 2016

HIGHLIGHTS

Tropicana JV (IGO 30%)

- Gold production for the March quarter (the quarter) of 101,038oz (IGO's 30% share: 30,311oz Au) at a cash cost of $837/oz Au and AISC of $1,067/oz Au sold.
- Mill throughput rates were higher, progressing towards the target throughput of 7Mtpa.

Long

- Nickel production of 1,933t of contained nickel at an average C1 cash cost of $3.29/lb payable Ni inclusive of by-product credits and royalties.
- Cash costs were 11% better compared to the December 2015 quarter and were better than our full year guidance range. This result was achieved despite lower production demonstrating the benefits of the restructure of the Long Operation in January 2016.

Jaguar

- Production of 9,680t zinc metal and 1,300t copper metal in concentrates produced at average C1 cash cost of $0.70/lb payable zinc inclusive of by-product credits (comprising copper, silver and gold) and royalties.

Nova

- Construction at the Nova Project continues to progress according to plan and was 80.5% complete at quarter end. The project remains on schedule and on budget, and is expected to commence commissioning in late 2016 and to produce first concentrates in December 2016.
- The commissioning of the first generating sets at the power station were completed on schedule. The overhead power distribution was also completed and commissioned.

Financial and Corporate

- At 31 March 2016, the Company had cash and refined gold bullion totalling $40.8 million and marketable securities of $17.3 million. A total of $310 million of the Company's $550 million unsecured debt facilities remained undrawn as at 31 March 2016.
- We continued our strong focus on cash management and operational performance. To that end, we have restructured Long to maximise cash flow, progressed a Company-wide efficiency and improvement program to maximise operating margins, put in place stronger leadership at Jaguar, sold our shareholding in Gold Road Resources Limited for net proceeds of $16 million and commenced a diesel hedging program.

  Cash from operating activities for the quarter was $4.1 million, which includes $5.6 million Long nickel receipts relating to the December quarter, and $4.0 million of ongoing exploration expense. Unaudited Underlying EBITDA for the quarter was $28.7 million and Unaudited Underlying profit after tax was $2.8 million.

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FINANCIAL AND CORPORATE

FINANCIAL SUMMARY (unaudited)	Q3 FY 2016	Q2 FY 2016	Q3 FY 2015
Total Revenue	**$88.5M**	$98.4M	$105.5M
Underlying EBITDA	**$28.7M**	$29.3M	$53.3M
Profit After Tax	**$2.8M**	($28.1M)	$19.8M
Net Cash Flow From Operating Activities	**$4.1M**	$15.9M	$40.5M
Other Material Cash Outflows			
Mine and Infrastructure Development	**($64.1M)**	($65.8M)	($11.6M)
Capitalised Exploration	**($0.4M)**	($4.6M)	($2.3M)
Plant & Equipment	**($1.2M)**	($4.8M)	($3.8M)
Underlying Free Cash Flow[1]	**($61.8M)**	($59.2M)	$22.2M
Balance Sheet Items			
Total Assets	**$1,894.3M**	$1,858.0M	$799.2M
Cash	**$37.0M**	$58.9M	$103.0M
Refined Bullion	**$3.8M**	$0.7M	$6.8M
Marketable Securities	**$17.3M**	$13.7M	$1.8M
Total Debt	**$240.0M**	$200.1M	$1.1M
Total Liabilities	**$456.2M**	$422.4M	$139.6M
Shareholders' Equity	**$1,438.1M**	$1,435.6M	$659.6M
Net tangible assets per share ($ per share)	**$2.81**	$2.81	$2.82

Hedging	As at date of this Report
Gold in FY2016 – Par Forwards	Avg. 3,530oz/mth to June 2016 at avg. price of $1,586/oz
Gold in FY2017 – Par Forwards	Avg. 5,050oz/mth to June 2017 at avg. price of $1,606/oz
Gold in FY2016 – Zero Cost Collars	Avg. 2,500oz/mth to June 2016 (range $1,330 to $1,569/oz)
Gold in FY2017 – Zero Cost Collars	Avg. 2,500oz/mth to Nov 2016 (range $1,330 to $1,593/oz)
Diesel in FY2016 – Swaps[2]	Avg. 342,000L/mth to May to June 2016 at avg. price of $0.360/L
Diesel in FY2017 – Swaps	Avg. 655,000L/mth to June 2017 at avg. price of $0.405L
Diesel in FY2018 – Swaps	Avg. 826,000L/mth to June 2018 at avg. price of $0.454/L

During the quarter, the Company initiated diesel hedging in order to benefit from historically low oil prices. The Company hedged 25% of expected diesel usage for the next two years and plans to

1 Free Cash Flow comprises Net Cash Flow from Operating Activities and Net Cash Flow from Investing Activities.
2 The component of diesel hedged is Singapore Gasoil 0.05% Sulphur which typically represents ~ 40% to 50% of the pump price of diesel. Non-hedgeable components of diesel comprise shipping, insurance, wharfage, government excise and other taxes, transport, corporate costs and retailer's margin.

hedge a further 50% of expected diesel usage during the June quarter. Gold hedging remained unchanged.

Cash flow	Q3 FY 2016	Q2 FY 2016
Cash at beginning of quarter	**$58.9M**	**$131.3M**
Tropicana Operations Free Cash Flow	$5.8M	$26.2M
Jaguar Operations Free Cash Flow	$0.3M	($1.1M)
Long Operations Free Cash Flow	$6.1M	$0.8M
Nova Project Development	($58.3M)	($58.4M)
New Business and Exploration (greenfields & brownfields)	($5.0M)	($9.7M)
Corporate and Other Costs	($5.8M)	($4.6M)
Acquisition and New Business Integration Costs	($0.1M)	($12.0M)
Dividends Paid	-	($12.8M)
Net Finance Costs	($4.8M)	($0.6M)
Lease Principal Repayments	($0.1M)	($0.2M)
Debt Draw Downs	$40.0M	-
Cash at end of quarter	**$37.0M**	**$58.9M**

Cash during the quarter decreased by $21.9 million to $37.0 million at 31 March 2016.

The unaudited profit after tax for the quarter was $2.8 million. Underlying EBITDA for the quarter was $28.7 million (December 2015 quarter: $29.3 million). Significant differences between the two quarters include:

- Jaguar Underlying EBITDA for the quarter totalled $8.1 million compared to December 2015 quarter's negative $0.5 million. This was primarily due to higher revenue, which was a result of increased shipped tonnes during the quarter (5,500 wet metric tonnes (wmt) of copper concentrate and 22,225 wmt of zinc concentrate shipped), combined with higher copper and zinc concentrate grades shipped. In addition, average realised copper and zinc prices for the quarter rose slightly, and site cash costs remained consistent with the December 2015 quarter.
- Tropicana's Underlying EBITDA was $23.8 million for the quarter (December 2015 quarter: $37.0 million), primarily as a result of 23% lower gold ounces sold as a result of the planned cessation of the grade streaming strategy in December 2015 and only enough reserve grade ore being mined in the quarter to match the processing plant requirements.
- Lower exploration and new business costs (March 2016 quarter was $4.4 million, compared with December 2015 quarter of $6.1 million) following implementation of the rationalisation and prioritisation program (ASX release – 21 January 2016).
- Corporate and Other Costs of $5.8 million compared to $4.6 million in the December 2015 quarter. Higher outflows in the quarter include $0.6 million in redundancy costs and $1.0 million in working capital movement (primarily net GST payables movement).

- Net favourable quarter on quarter revaluations of $2.4 million. This comprised $3.5 million positive revaluation of marketable securities in the March quarter compared to $2.0 million devaluation in the previous quarter, and $1.0 million negative movement in Marked to market gold hedging position in the quarter ($2.1 million gain in the previous quarter).

Further information relating to the performance of the operations of IGO can be found in the Appendices of this report. In addition, the Company has uploaded onto its website, under Financial Reports, a soft copy of the Appendices titled Q3 FY2016 Supplementary Information.

TROPICANA JOINT VENTURE (TJV)

Open pit gold, north-east of Kalgoorlie, WA: IGO 30%, AngloGold Ashanti 70% (Manager)

Safety

One lost time injury (LTI) was recorded in the quarter. The 12-month lost time injuries frequency (LTIF) is currently 0.52 per million hours worked.

Production

During the quarter, a total of 5.9M bank cubic metres of material were mined and hauled ex-pit. This material comprised of 1.62Mt of full grade ore (>0.6g/t), 0.46Mt of marginal ore (grading between 0.4 & 0.6g/t Au) and 12.11Mt of waste material. Ore sources were the Havana pit (1.43Mt) and the Boston Shaker Pit (0.65Mt) with the average run-of-mine grade for full grade ore (>0.6g/t Au) being 2.06g/t Au for the quarter.

A total of 1.63Mt of ore at an average grade of 2.17g/t Au was processed during the quarter. Average metallurgical recovery was 88.4% for 101,038oz of gold produced.

The reduction in gold production for the quarter was in line with long term guidance for gold production following the cessation of grade streaming in December 2015.

Annualised throughput rates continued progressing towards a rate of 7Mtpa with an annualised rate of 6.52Mtpa being achieved in the quarter. The quarter's utilisation rate for the processing plant averaged 94.3%.

Attributable Production

IGO's attributable gold production during the quarter was 30,311oz and IGO's attributable share of gold refined and sold was 30,555oz. IGO's attributable average cash costs for the quarter were $837/oz Au produced and all-in sustaining costs (AISC) were $1,067/oz Au refined. Please refer to Table 1 in Appendix 1 for further details.

The higher unit cash costs, and AISC, were in line with full year guidance, recognising that the first two quarters benefitted from grade streaming and unit costs in the second half of the year are higher due to the relatively fixed cost structure being spread over a lower number of ounces as a result of mining and processing reserve grade ore following the cessation of grade streaming.

Tropicana-Havana Resource Drilling

The Long Island Study first stage, 100m x 100m spaced, drilling program, continued during the quarter, testing the along strike and down dip extensions of mineralisation along the length of the Tropicana gold system. For the quarter, a total of 8,457m of reverse circulation (RC) and 16,530m of diamond drilling were completed.

A detailed exploration update of progress on the exploration drilling was provided in the Tropicana Gold Mine Exploration Update (ASX release – 29 February 2016).

A Mineral Resource update and Scoping Level Study are scheduled for completion by late 2016.

Gas Pipeline Project Update

Ten of the 17 gas fired power generating sets had been commissioned as at the end of the quarter.

LONG OPERATION

Underground nickel in Kambalda, WA: IGO 100%

Safety

No LTIs were recorded in the quarter. The 12-month LTIF is currently 4.28 per million hours worked.

Production

Production was 41,455t of ore mined at 4.67% Ni for 1,933t of contained nickel with the majority of ore being sourced from the Moran orebody. A full breakdown of production statistics is provided in Tables 2 and 3 in Appendix 2.

Nickel was produced at a cash cost of $3.29/lb of payable nickel inclusive of royalties and net of copper by-product credits. The lower cash costs benefited from actions taken in September 2015 and January 2016 to restructure the Long Operation (ASX release – 8 September 2015 and 21 January 2016).

Development

A total of 64.2m was advanced by jumbo development during the quarter, with the focus on operational requirements.

JAGUAR OPERATION

Underground zinc-copper, north of Leonora, WA: IGO 100%

Safety

One LTI was recorded in the quarter. The 12-month LTIF is currently 9.57 per million hours worked.

Production

During the quarter, mining delivered 126,705t of ore at 1.4% Cu, 8.9% Zn, 0.6% Pb, 128g/t Ag and 0.7g/t Au.

Leadership

Leadership strengthened at quarter end with the appointment of Brendan Moseley as General Manager Jaguar.

Mill Production

Mill production was 127,085t of ore milled at head grades of 8.71% Zn and 1.24% Cu, 127g/t Ag and 0.7g/t Au, which resulted in 9,680t Zn and 1,300t Cu metal in concentrates produced. Further details of mill production in the quarter are set out in Table 4 in Appendix 3.

Average C1 cash costs for the quarter were $0.70/lb of payable zinc, including royalties and net of by-product credits. The quarter's average cash cost was in line with the December 2015 quarter, and 13% lower than the corresponding quarter ended March 2015.

Concentrate

The mill produced 25,977t of concentrate during the quarter, of which 20,460t was zinc concentrate and 5,517t was copper concentrate (See Table 4 in Appendix 3).

Mine Development

A total of 703m of advance occurred during the quarter, of which 385m was capitalised, with the remainder accounted for in operating costs.

Near Mine Exploration

Diamond drilling, targeting the Arnage and Flying Spur lenses from the 3980 drill drive and 3860 level, was completed during the quarter for a total of 2,772m of drilling, with demobilisation of the drill rigs in early February 2016. Work is progressing with the completion of a Mineral Resource update scheduled during the June 2016 quarter.

Jaguar Regional Exploration

During the quarter, a total of 1,565m of diamond drilling was completed to test for potential resource extensions to the Triumph mineralised system. Assay results for the drilling is pending.

NOVA PROJECT

Fully funded underground nickel project in construction, south of Kalgoorlie, WA: IGO 100%

Safety

No LTIs were recorded in the quarter. The 12-month LTIF is currently 0.0 per million hours worked.

Project Progress

Progress at Nova has continued according to plan during the quarter with the Project schedule reaching the 80.5% mark and remaining ahead of schedule and on budget, relative to the Optimisation Study schedule. As planned, progress will slow down over the next three quarters as construction activity focusses on the installation of piping and electrics.

Total mine development of 3.8km had been completed by the end of the quarter. In February 2016, Barminco mobilised a second jumbo and crew to site, as planned. The pre-collar for the second fresh air rise was established during the quarter.

The aerodrome was granted CASA certification on 1 April 2016, and is now fully certified and able to service up to 100 seat jets as per the aerodrome design.

Construction works continued across multiple areas and disciplines within the process plant area throughout the quarter. The final major concrete works were completed in March 2016, and the civil contractor has now demobilised from site. Structural steel erection is the dominant construction activity onsite currently and will remain a major focus through April 2016 to enable the installation of further mechanical equipment, piping and electrical works. Late in the quarter there was a strong focus on installation of mechanical equipment in the thickening area, with all thickener shells now bolted together. Construction progress again performed well relative to the schedule.

As planned, the power station achieved the major milestone of stage one energisation on 31 March 2016. Construction of the 11kV Overhead Power Line at Nova was completed during March 2016 and the powerline was energised on 31 March 2016.

The power station is operational and supplying power to the site loads. The fuel farm construction is complete with the exception of punch list items. Zenith, the power BOO provider, have commenced operation of the power station with full time operating personnel on site.

Structural erection continued on the mining workshop shed and commenced in the wash-down bay facility with both progressing well through the month.

Guidance

Project development and construction activities remain on track for commissioning in late 2016 and production of first concentrates in December 2016.

Exploration

The areas within the Nova mining lease requiring effective surface electromagnetic (EM) coverage have been identified, and the survey work over these six sub-areas has been scheduled to commence once priority EM surveys in the Fraser Range Project have been completed. The survey at Nova is likely to commence in June 2016.

Areas with potential to host incremental additions to the Nova and Bollinger deposits have been identified, and are planned to be drill tested. Five target areas have been identified for the first phase of this work. The drilling of these targets is planned to be done utilising the underground grade control drilling rigs being mobilised to site in the June quarter. The use of down hole electromagnetic (DHEM) surveys to refine targeting in the extended mine area will also be tested. Forward modelling has been completed as part of this exercise.

EXPLORATION AND DEVELOPMENT PROJECTS

No LTIs were recorded in the quarter. The 12-month LTIF is currently 0.0 per million hours worked.

Fraser Range/Tropicana Trend

Fraser Range Project (IGO 70% and Manager)

Exploration activities over the Fraser Range Project during the quarter comprised several soil sampling programs. These programs were primarily designed to better define existing anomalies and refine discrete targets for follow-up with moving loop electromagnetic (MLEM) and/or drilling.

An extensive MLEM survey has commenced over the Area 3 Prospect, located 60km southwest of Nova. The prospect is defined by a low-level, coincident Ni-Cu-Cr geochemical anomaly underlain by an ovoid magnetic feature interpreted to be a mafic/ultramafic intrusion.

Salt Creek JV (IGO 70% and Manager)

IGO has met its $3 million earn-in expenditure for the Salt Creek JV and consequently increased its equity interest in the tenements to 70%. AngloGold Ashanti Australia Ltd (AGA) has elected not to contribute to the 2016 work program and budget and, as a result, will dilute pro-rata as per the current agreement.

An approximate 11,000m aircore program is scheduled to commence on the Salt Creek Project in early May. The program is designed to provide improved resolution of a promising initial result supporting magmatic sulphide mineralisation returned from the Raising Dragon Prospect along with continued regional systematic testing of the tenement package.

Lake Mackay Gold/Base Metals Project (IGO Manager and Options to earn 70%)

During the quarter, the Company undertook a MLEM survey over the Bumblebee Prospect and identified a strong conductor. This was coincident with the peak of the soil geochemical anomaly and the mineralised drill intercepts from the late 2015 drill program. Additional details of the electromagnetic survey were provided in a release to the ASX on 23 March 2016 by ABM Resources NL. Sacred Site Clearance Surveys were also completed to allow for a more detailed program of ground geophysics and drilling throughout EL24915 during the upcoming field season. A drilling program on the Bumblebee Prospect is planned to commence in the June 2016 quarter.

FY16 GUIDANCE

Delivery of higher copper grades expected at Jaguar for the second half of FY2016 did not commence until late in the March 2016 quarter. Although the June 2016 quarter copper production will benefit from these higher grades full year guidance is negatively impacted by the delayed start.

The lower copper guidance will negatively impact cash cost guidance. In addition, we have narrowed guidance for sustaining capex, development capex and exploration expenditure at Jaguar.

Cash cost and AISC guidance for Tropicana has also been changed to reflect higher than expected cash costs during the transition period between the end of grade streaming and the completion of the processing plant expansion project at Tropicana.

The updated guidance as at 28 April 2016 is therefore as follows:

Mining Operation	UOM	Year to Date Actual	Updated FY16 Guidance Range
Tropicana (IGO 30%)			
Gold produced (100% basis)	ounces	352,983	430,000 to 470,000
Gold (IGO's 30% share)	ounces	106,609	129,000 to 141,000
Cash cost	$/oz Au	685	**$680 to $750**
All-in Sustaining Costs	$/oz Au	877	**$900 to $950**
Sustaining/improvement capex		$7.4M	$14M to $16M
Capitalised waste stripping		$10.9M	$18M to $20M
Exploration expenditure		$5.7M	$9M to $11M
Long			
Nickel (contained metal)	tonnes	6,440	8,500 to 9,000

Mining Operation	UOM	Year to Date Actual	Updated FY16 Guidance Range
Cash cost	$/lb Ni	3.74	$3.50 to $4.00
Sustaining capex		$1.4M	$2M to $3M
Exploration expenditure		$7.1M	$8M to $9M
Jaguar			
Zinc in concentrate	tonnes	30,398	**38,000 to 40,000**
Copper in concentrate	tonnes	4,177	**6,500 to 7,000**
Cash cost	$/lb Zn	0.68	**$0.60 to $0.70**
Sustaining capex		$1.4M	**$2M to $3M**
Development capex		$9.1M	**$11M to $13M**
Exploration expenditure		$8.1M	**$9M to $10M**
Greenfields & generative		$4.4M	$6M to $8M

COMPETENT PERSONS STATEMENTS

The information in this report that relates to Exploration Results (excluding Long exploration results) is based on information compiled by Mr. Matthew Dusci who is a full-time employee and security holder of the Company and is a member of the Australasian Institute of Mining and Metallurgy. Mr. Dusci has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Dusci consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

FORWARD LOOKING STATEMENTS

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Independence Group NL's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward-looking statements. Although Independence Group NL believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these Forward Looking statements.

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APPENDICES

Tropicana Production Summary — Appendix 1

TABLE 1: TROPICANA PRODUCTION SUMMARY FOR THE MARCH 2016 QUARTER

TROPICANA JV OPERATION	Notes	Units	March 2016 Quarter	Year to Date	Corresponding Quarter March 2015
Safety:					
Lost Time Injuries (No.)			1	1	1
Lost Time Injury Frequency Rate (LTIFR)	1		0.52	-	1.06
Production Details: ***100% JV Operation***					
Waste mined		'000 wmt	12,110	35,909	9,364
Ore Mined (>0.4 and <0.6g/t Au)		'000 wmt	460	1,042	470
Ore Mined (>0.6g/t Au)		'000 dmt	1,621	5,991	2,460
Au Grade Mined (>0.6g/t Au)		g/t	2.06	2.13	1.91
Ore Milled		'000 dmt	1,631	4,813	1,546
Au Grade Milled		g/t	2.17	2.56	2.74
Average metallurgical recovery		%	88.4	89.3	90.1
Gold recovered		oz	100,598	353,653	122,700
Gold-in-circuit adjustment		oz	440	(670)	(381)
Gold produced		oz	101,038	352,983	122,319
IGO 30% attributable share					
Gold refined & sold	2	oz	30,555	106,609	32,542
Revenue/Expense Summary: ***IGO 30% share***					
Sales Revenue		$'000	48,931	166,604	50,471
Cash Mining Costs		$'000	(13,323)	(40,268)	(10,108)
Cash Processing Costs		$'000	(12,717)	(35,873)	(10,631)
Gold production inventory adjustments		$'000	5,036	18,236	4,576
Gold sales inventory adjustments		$'000	227	(329)	3,578
Other Cash Costs	3	$'000	(3,307)	(11,182)	(2,077)
State government royalties		$'000	(1,252)	(4,161)	(1,432)
By-product credits		$'000	181	668	209
Exploration & feasibility costs (non-sustaining)		$'000	(1,502)	(5,442)	(601)
Exploration & feasibility costs (sustaining)		$'000	(5)	(324)	(200)
Plant & Equipment (construction and development capital)		$'000	(2,523)	(7,439)	(2,427)
Capitalised stripping asset		$'000	(4,187)	(10,923)	(6,379)
Rehabilitation – accretion & amortisation		$'000	(723)	(1,935)	(530)
Depreciation/Amortisation		$'000	(10,672)	(40,144)	(13,655)
Unit Cash Costs Summary: ***IGO 30% share***					
Mining & Processing Costs		$/oz	859	719	565
Gold production inventory adjustments		$/oz	(166)	(172)	(125)
Other Cash Costs		$/oz	150	145	96
By-product credits		$/oz	(6)	(6)	(6)
Cash costs		**$/oz**	**837**	**685**	**530**
Unit AISC Summary: ***IGO 30% share***					
Cash costs		$/oz	823	684	488
Sustaining Capital		$/oz	83	70	75
Capitalised sustaining stripping & other mine costs		$/oz	137	102	196
Exploration & feasibility costs (sustaining)		$/oz	0	3	6
Rehabilitation – accretion & amortisation		$/oz	24	18	16
All-in Sustaining Costs	4	**$/oz**	**1,067**	**877**	**781**

Note 1: LTIF is a 12 month moving average per million hours worked.
Note 2: Attributable share includes sales on a revenue basis, excludes gold-in-transit to refinery.
Note 3: Other Cash Costs include costs relating to site management, administration and support services, environmental & sustainability costs.
Note 4: The World Gold Council encourages gold mining companies to report an All-in Sustaining Costs metric. The publication was released via press release on 27th June 2013 and is available from the Council's website.

Long Operation Production Summary

Appendix 2

Table 2: Long Operation Production Summary for the March 2016 Quarter

LONG OPERATION	Notes	Units	March 2016 Quarter	Year to Date	Corresponding Quarter March 2015
Safety:					
Lost Time Injuries (No.)		#	0	1	0
Lost Time Injury Frequency Rate (LTIF)	1		4.28	-	3.10
Production:					
Ore Mined	2	dmt	41,455	165,137	66,480
Reserve Depletion	3	dmt	36,820	128,136	47,714
Ore Milled		dmt	41,455	165,137	66,480
Nickel Grade		%	4.67	3.90	4.12
Copper Grade		%	0.33	0.28	0.29
Metal in Ore Production					
Nickel		t	1,933	6,440	2,737
Copper		t	135	468	196
Metal Payable (IGO's share):					
Nickel	4	t	1,168	3,884	1,654
Copper	4	t	55	190	79
Revenue/Expense Summary:					
Sales Revenue (incl. hedging)		$'000	12,470	45,474	28,430
Cash Mining Costs		$'000	(5,126)	(18,881)	(8,273)
Other Cash Costs	5	$'000	(3,700)	(14,328)	(5,540)
Copper credits		$'000	361	1,217	591
Exploration		$'000	0	(7,127)	(2,278)
Mine Development		$'000	0	(305)	0
Plant & Equipment		$'000	0	(1,401)	(378)
Depreciation/Amortisation		$'000	(6,686)	(17,010)	(6,336)
Cost /lb Total Ni Metal Produced					
Cash Mining Costs		$/lb	1.20	1.33	1.37
Other Cash Costs	5	$/lb	0.87	1.01	0.92
Copper Credit		$/lb	(0.08)	(0.09)	(0.10)
Ni C1 Costs & Royalties		$/lb	1.99	2.25	2.19
Exploration, Development, P&E		$/lb	0.00	0.62	0.44
Depreciation/Amortisation		$/lb	1.57	1.20	1.05
Cost /lb Total Ni Metal Payable					
Cash Mining Costs		$/lb	1.99	2.21	2.27
Other Cash Costs	5	$/lb	1.44	1.67	1.52
Copper Credit		$/lb	(0.14)	(0.14)	(0.16)
Ni C1 Costs & Royalties		**$/lb**	**3.29**	**3.74**	**3.63**
Exploration, Development, P&E		$/lb	0.00	1.03	0.73
Depreciation/Amortisation		$/lb	2.60	1.99	1.74

Note 1: LTIF is a 12 month moving average per million hours worked.
Note 2. Production is sourced from both inside and outside reserve.
Note 3: Reserve depletion equals production from within reserves base.
Note 4: Payable metal is a function of recovery from concentrate smelting and refinery and is costed under a BHPB contract.
Note 5: Other Cash Costs include milling, royalties and site administration costs.

Table 3: Long Operation: production sources in the March 2016 Quarter (see Table 2 above for further detail)

McLeay	104t	@	3.15%	Ni for	3t	Ni
Moran	41,351t	@	4.68%	Ni for	1,934t	Ni
TOTAL	**41,455t**	**@**	**4.67%**	**Ni for**	**1,937t**	**Ni**

Jaguar Operation Production Summary

Appendix 3

Table 4: Jaguar Operation Production Summary for the March 2016 Quarter

JAGUAR OPERATION	Notes	Units	March 2016 Quarter	Year to Date	Corresponding Quarter March 2015
Safety:					
Lost Time Injuries (No.)			1	3	0
Lost Time Injury Frequency (LTIF)	1		9.57	-	3.40
Production Details:					
Ore Mined	2	dmt	126,705	380,414	116,728
Reserve Depletion	3	dmt	131,643	372,759	91,153
Ore Milled		dmt	127,085	383,246	109,504
Zinc Grade		%	8.71	9.00	9.74
Copper Grade		%	1.24	1.32	1.22
Silver Grade		g/t	127	124	122
Gold Grade		g/t	0.67	0.72	0.57
Concentrate Production					
Copper concentrate		dmt	5,516	16,569	4,450
Zinc concentrate		dmt	20,460	64,580	19,673
Zinc recovery		%	87.4	88.2	88.2
Copper recovery		%	82.6	82.8	84.0
Silver recovery		%	74.6	75.2	71.5
Metal in Concentrate:	4				
Copper		t	1,300	4,177	1,123
Zinc		t	9,680	30,398	9,406
Silver		oz	388,240	1,145,212	306,139
Gold		oz	1,163	3,484	696
Metal Payable in Concentrate:	4				
Copper		t	1,245	4,011	1,079
Zinc		t	8,041	25,232	7,832
Silver		oz	253,297	744,515	195,119
Gold		oz	1,088	3,266	648
Revenue/Expense Summary:					
Sales Revenue (incl. hedging TC's/ RC's)		$'000	27,366	93,785	28,439
Cash Mining Costs		$'000	(6,488)	(19,833)	(7,083)
Cash Processing Costs		$'000	(4,825)	(16,101)	(5,198)
Other Site Costs		$'000	(4,822)	(13,367)	(4,159)
Trucking & Wharfage		$'000	(2,644)	(8,830)	(2,223)
Shipping		$'000	(746)	(3,393)	(695)
Royalties		$'000	(1,139)	(3,919)	(1,103)
Exploration		$'000	(1,042)	(8,136)	(966)
Mine Development		$'000	(2,004)	(9,126)	(3,030)
Plant & Equipment		$'000	(301)	(1,379)	(3,119)
Depreciation/Amortisation		$'000	(6,708)	(18,982)	(4,401)
Notional Cost /lb Total Zn Metal Produced					
Mining Costs		$/lb	0.30	0.30	0.34
Processing Costs		$/lb	0.23	0.24	0.25
Other Cash Costs	5	$/lb	0.75	0.74	0.73
Copper, Silver and Gold credits		$/lb	(0.70)	(0.72)	(0.65)
Zn C1 Costs & Royalties	6	$/lb	0.58	0.56	0.67
Exploration, Development, P&E		$/lb	0.16	0.28	0.34
Depreciation/Amortisation		$/lb	0.31	0.28	0.21
Notional Cost /lb Total Zn Metal Payable					
Mining Costs		$/lb	0.37	0.36	0.41
Processing Costs		$/lb	0.27	0.29	0.30
Other Cash Costs	5	$/lb	0.90	0.90	0.87
Copper, Silver and Gold credits		$/lb	(0.84)	(0.86)	(0.78)
Zn C1 Costs & Royalties	**6**	**$/lb**	**0.70**	**0.68**	**0.80**
Exploration, Development, P&E		$/lb	0.19	0.34	0.41
Depreciation/Amortisation		$/lb	0.38	0.34	0.25

Note 1: LTIF is a 12 month moving average per million hours worked.
Note 2: Total mined ore, from inside and outside of reserves.
Note 3: Reserve depletion equals production from within reserves base
Note 4: Payable metal is a function of recovery from concentrate, smelting and refinery, controlled by sales contracts.
Note 5: Other Cash Costs include, actual maintenance & site administration costs, notional trucking, notional TCs & RCs, notional wharfage, shipping and notional royalties.
Note 6: C1 Costs include credits for copper, silver and gold notionally priced at US$2.15 per pound, US$14.75 per ounce and US$1,204 per ounce for the Quarter respectively.