INDEPENDENCE GROUP

GROWING A GREAT COMPANY BY MINERAL DISCOVERIES & MINE DEVELOPMENT

DIGGERS & DEALERS PRESENTATION
August 2010

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; uninsurable 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:

ASX 200 Code: IGO
113.8M shares & 1.1M staff options
Market Cap. (28/7/10): A$635M
Daily turnover (6 month average) – 0.4M

Substantial shareholders:

JF Capital	11.6M shares
Orion	8.3M shares
NAB	6.8M shares

Aus Inst : 44%, OS Inst : 14%
57 Institutions in top 100

Financials:

2009/10 Profit:	A$28.1M (unaudited)
Cash & Net Receivables:	A$148.4M (unaudited)
Debt:	Nil
Dividends paid 2009/10:	2c interim + 3c final

INDEPENDENCE OVERVIEW - ASSETS

LONG NICKEL MINE

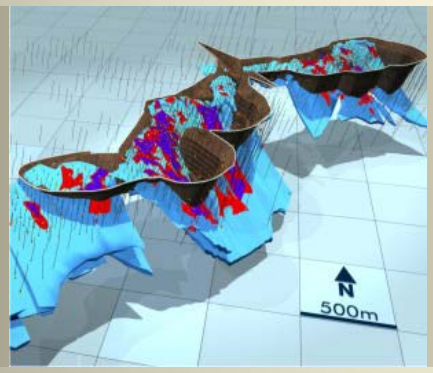
✓Production

2009/10 Cash Costs without royalty: A$4.01/lb Ni
with royalty: A$4.44/lb Ni
2009/10 Revenue: A$9.60/lb Ni
Jun 09 Resources: 93,900t Ni @ 5.6% Ni
Jun 09 Reserves: 51,800t Ni @ 3.9% Ni

Extending mine life – New Moran discovery
Jun 2009 resource: 456,000 t @ 7.1% Ni (32,400 t Ni)

TROPICANA

✓Near Term Growth



Initial Open Cut Resource: 30% of 5.01M oz
Open Cut Reserve: 30% of 45Mt @ 2.3g/t Au (3.3M oz Au)

Significant underground & regional potential

REGIONAL EXPLORATION

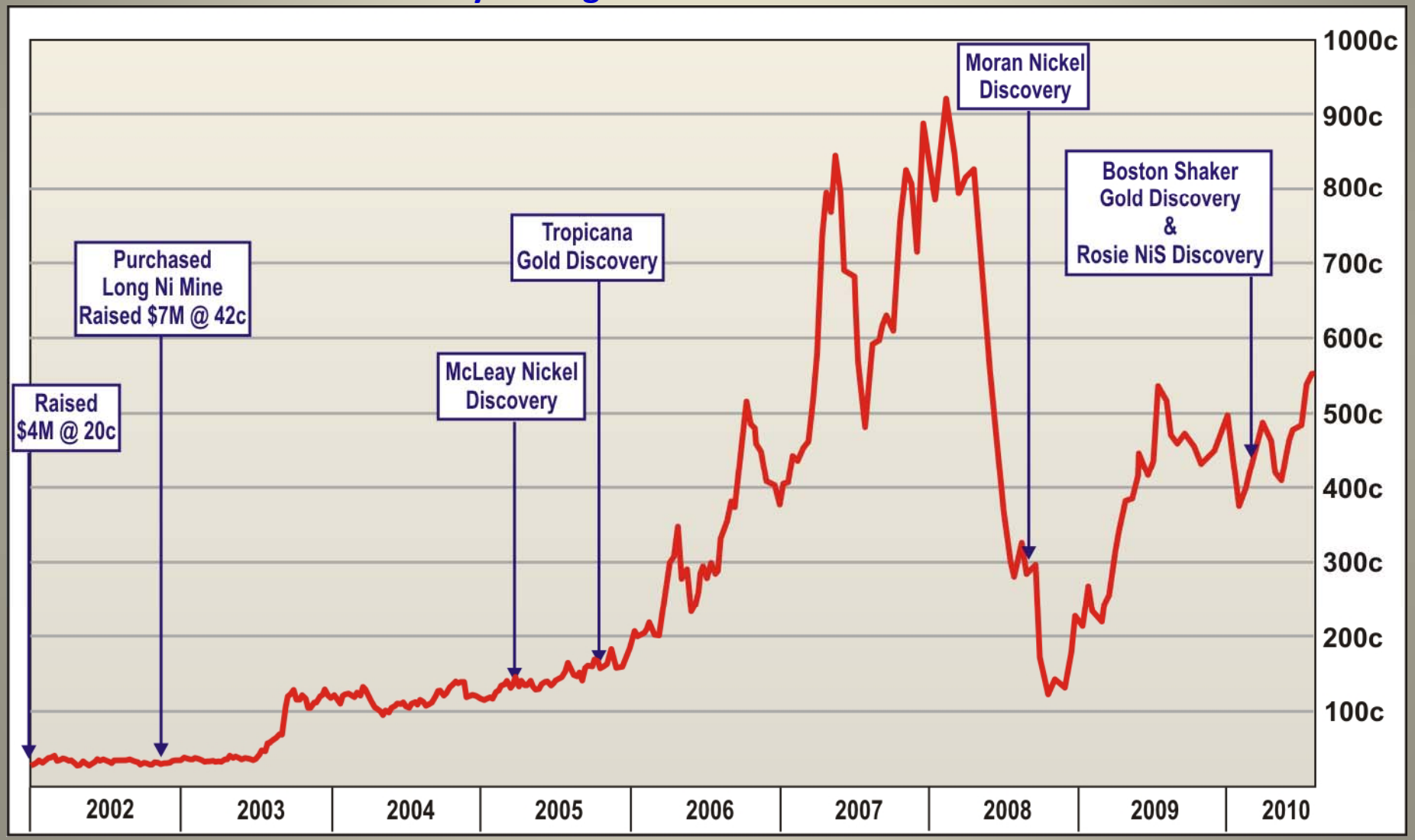
✓Growth

7 high quality Ni, Au and Cu-Pb-Zn exploration projects.
292,000 sample Australian geochemical database.

Unique exploration targeting & technology

IGO HISTORY AND SHARE PRICE

Monthly Average Share Price to 28.07.10



IGO'S CURRENT CASH PRODUCING ASSET

2002 Purchase price = A$15M **IGO Profit to date = A$274M**

Australia's lowest cost nickel sulphide mine

1979-1999
WMC Production:
203,184t Ni

2002-2010
IGO Production:
64,109t Ni

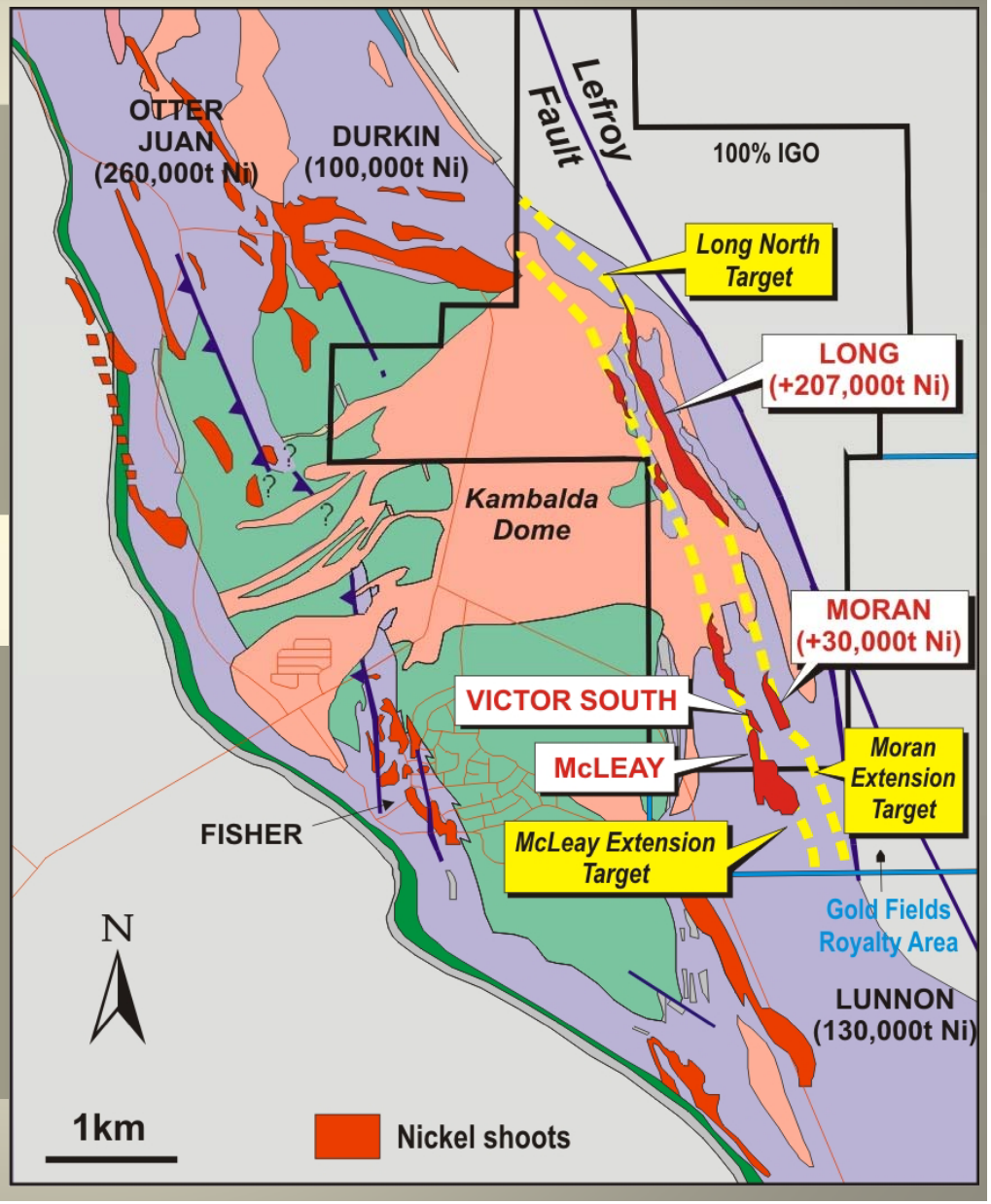
LONG NICKEL MINE – IGO 100%

HISTORY

- IGO Starting Reserve = 26,800 Ni t
- IGO Production to date = 64,109 Ni t
- June 2009 Resource = 93,900 Ni t
- June 2009 Reserves = 51,800 Ni t

GOALS

- Sustainable 9,000t Ni pa in bottom 3rd of world-wide nickel production cash costs.
- Australia's lowest nickel cash costs.
- New Reserves to increase mine life.



PRODUCTION FORECAST & HEDGING

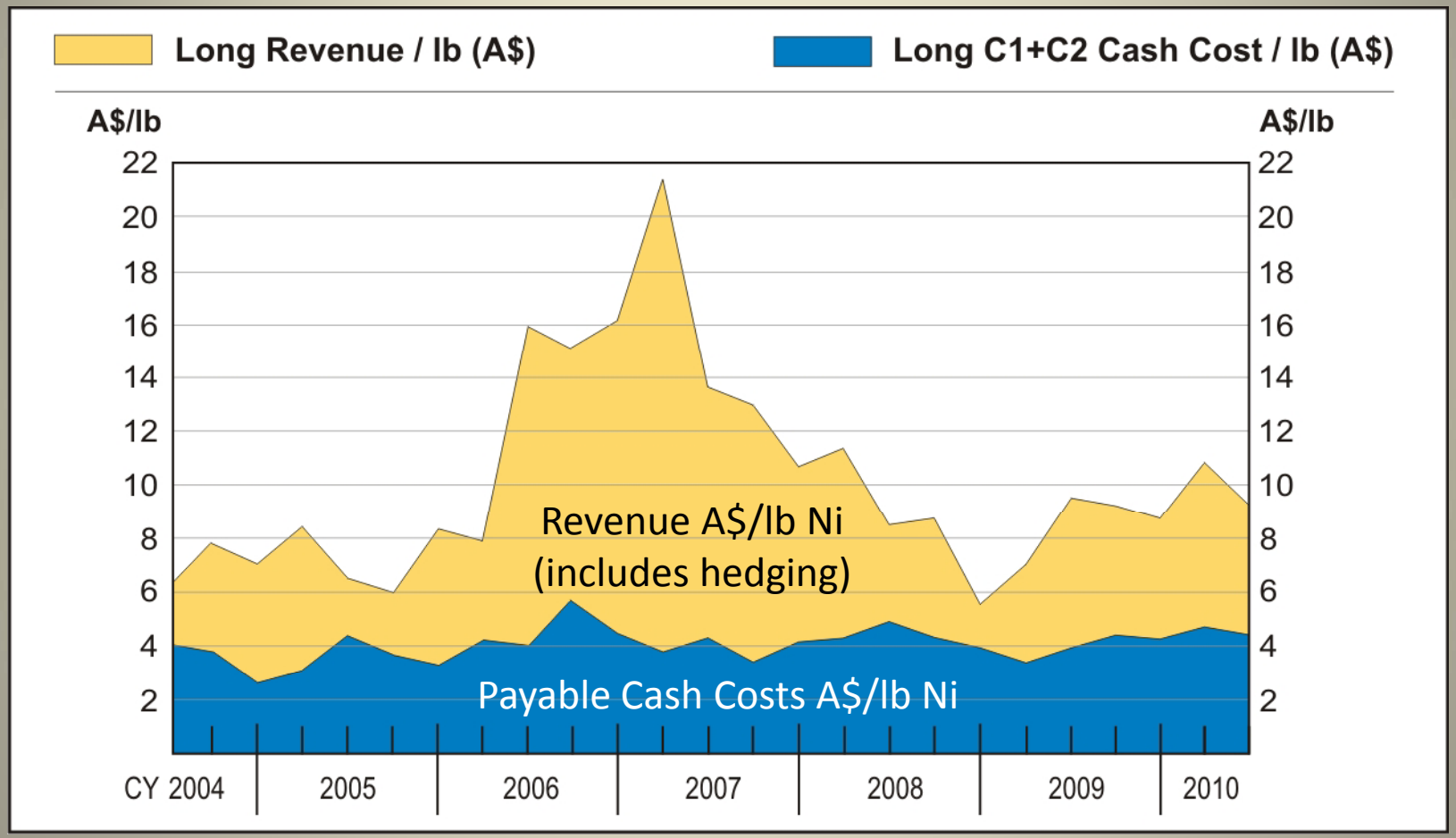
	2009/10 Guidance	2009/10 Actual
• Production	8,000-8,400 Ni t	8,615 Ni t
• Grade	4.0% Ni	4.25% Ni
• Cash Costs (payable) - with royalty	A$4.20-4.40/lb Ni	A$4.44/lb Ni
- without royalty	A$3.90-4.10/lb Ni	A$4.01/lb Ni

	20010/11 Guidance
• Production	8,800-9,200 Ni t
• Grade	4.1% Ni
• Cash Costs (payable) - with royalty	A$4.40-4.60/lb Ni
- without royalty	A$4.00-4.20/lb Ni

• Hedging Aug 2010 - Jun 2013	5,560 Ni t @ A $22,215/t (A$10.08/lb)

QUARTERLY CASH COSTS & REVENUE

High operating margins



Consistently low cash costs

MINE GEOPHYSICS - TEM EQUIPMENT

High powered TEM transmitter
*****Exclusive to IGO*****

- **10 x more powerful than current systems.**
- **Doubles search radius detection up to 200m.**
- **Cleaner data.**
- **More accurate targeting.**

Down hole TEM probe

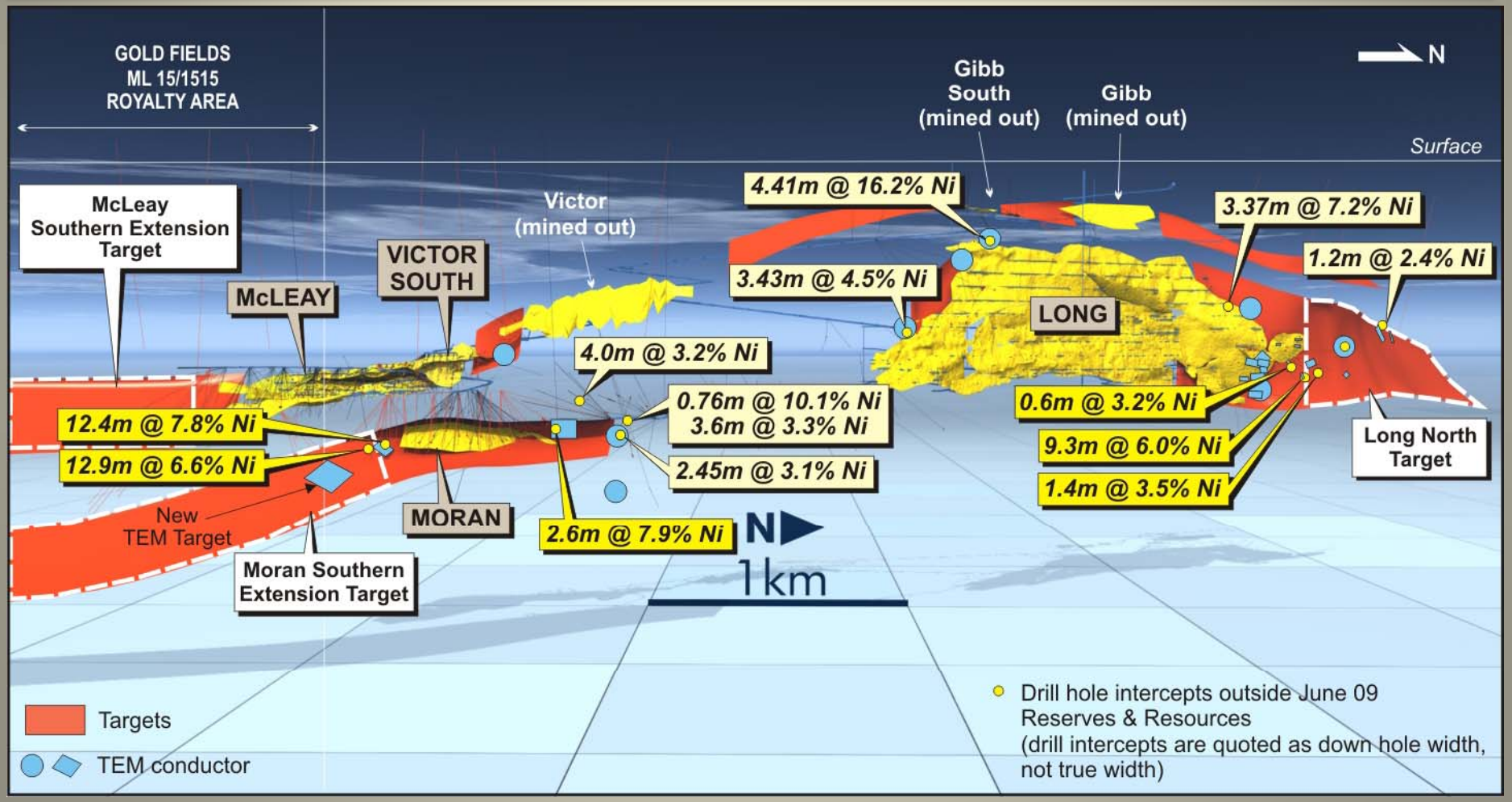
- **200m search radius.**
- **3D visualisation of massive NiS targets.**

Underground Down hole TEM surveying

- **More accurate drill targeting, reduced discovery and ore definition costs.**

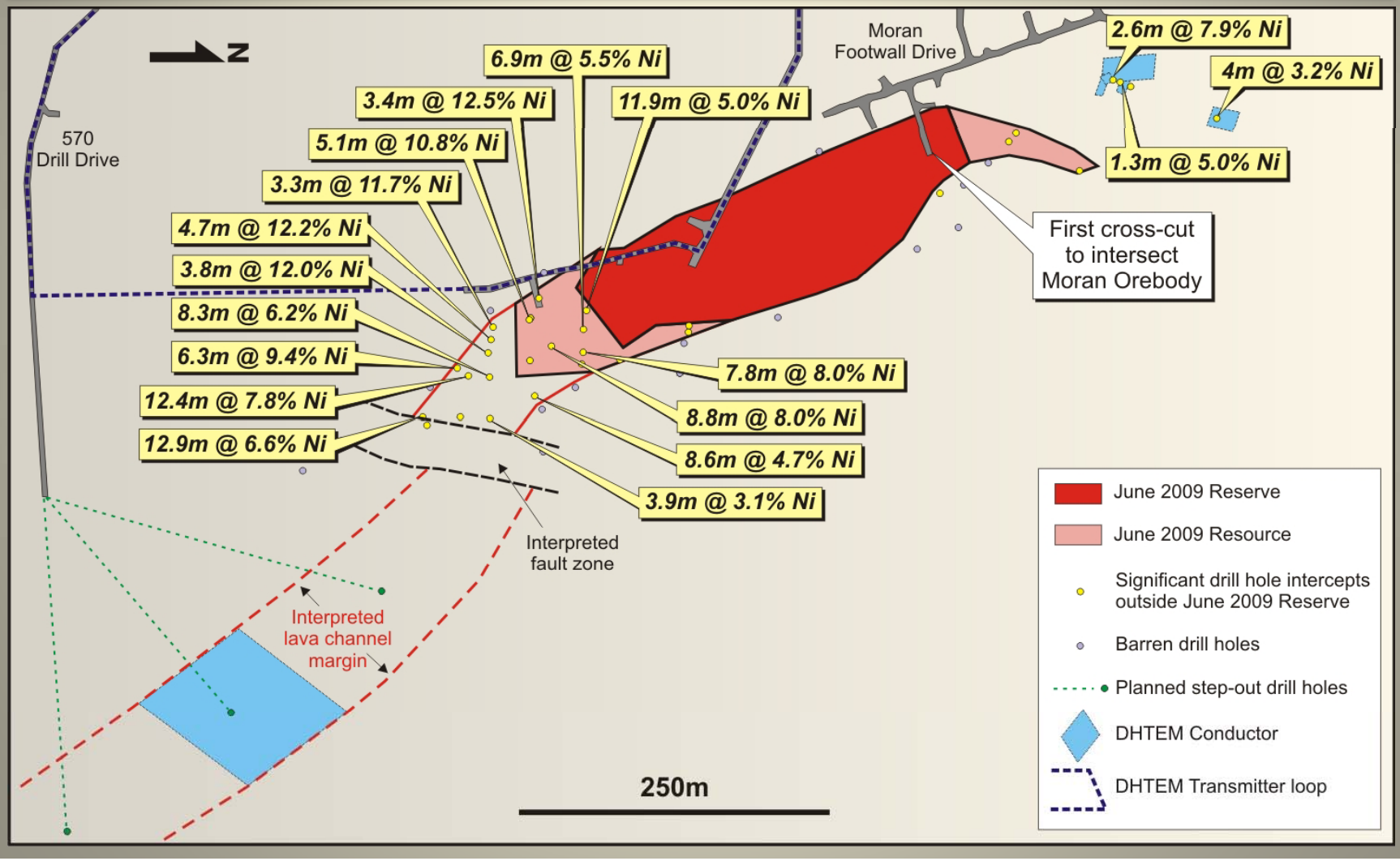
LONG MINE NICKEL DEPOSITS & TARGETS
LONGITUDINAL PROJECTION

June 2009 Mineral Resource: 1,685,000t @ 5.6% Ni (93,900t Ni)
June 2009 Ore Reserve: 1,327,000t @ 3.9% Ni (51,800t Ni)

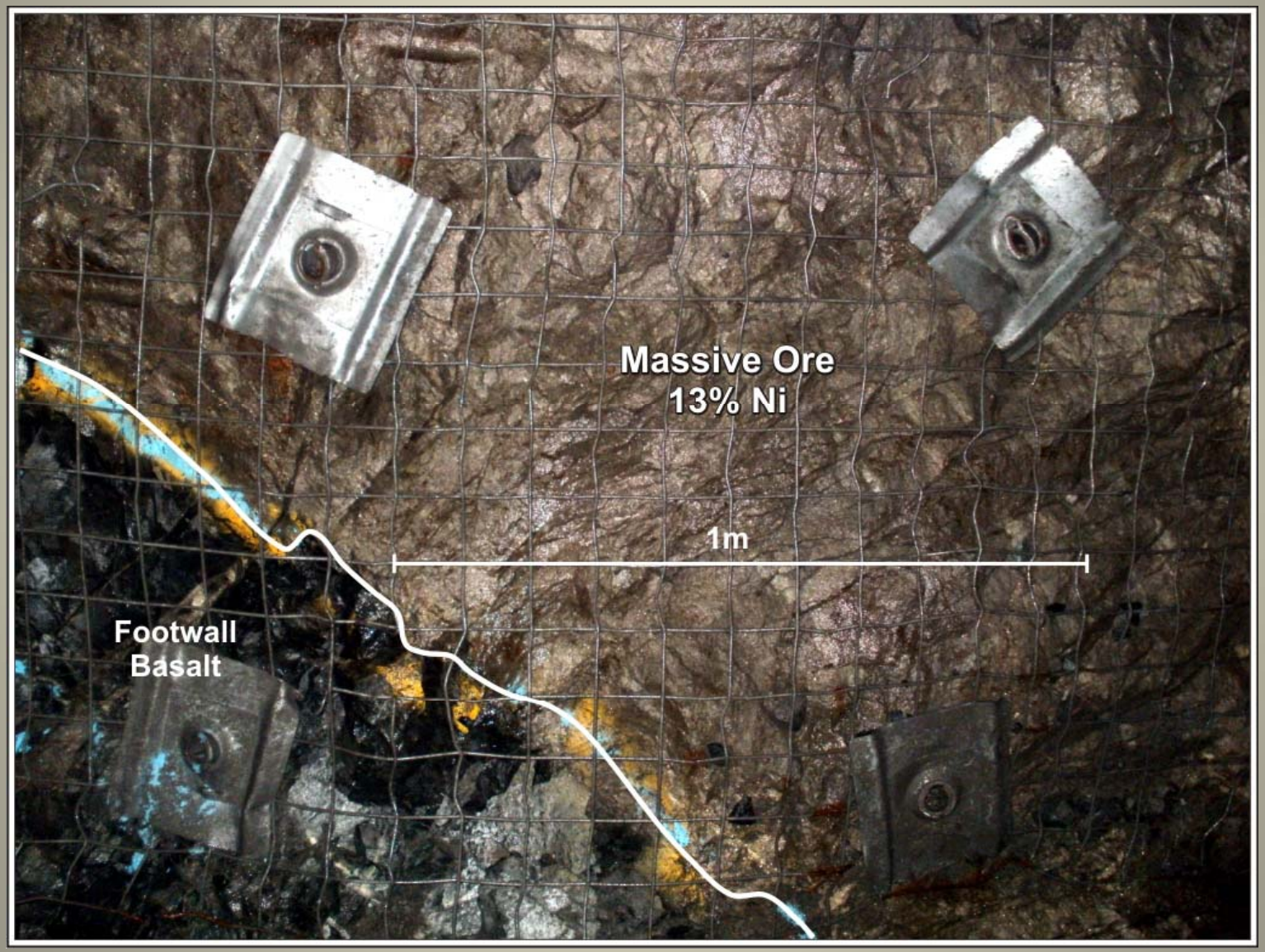


MORAN NICKEL DEPOSIT

June 2009 Mineral Resource: 456,000t @ 7.1% Ni (32,400t Ni)
June 2009 Ore Reserve: 640,000t @ 4.1% Ni (26,300t Ni)

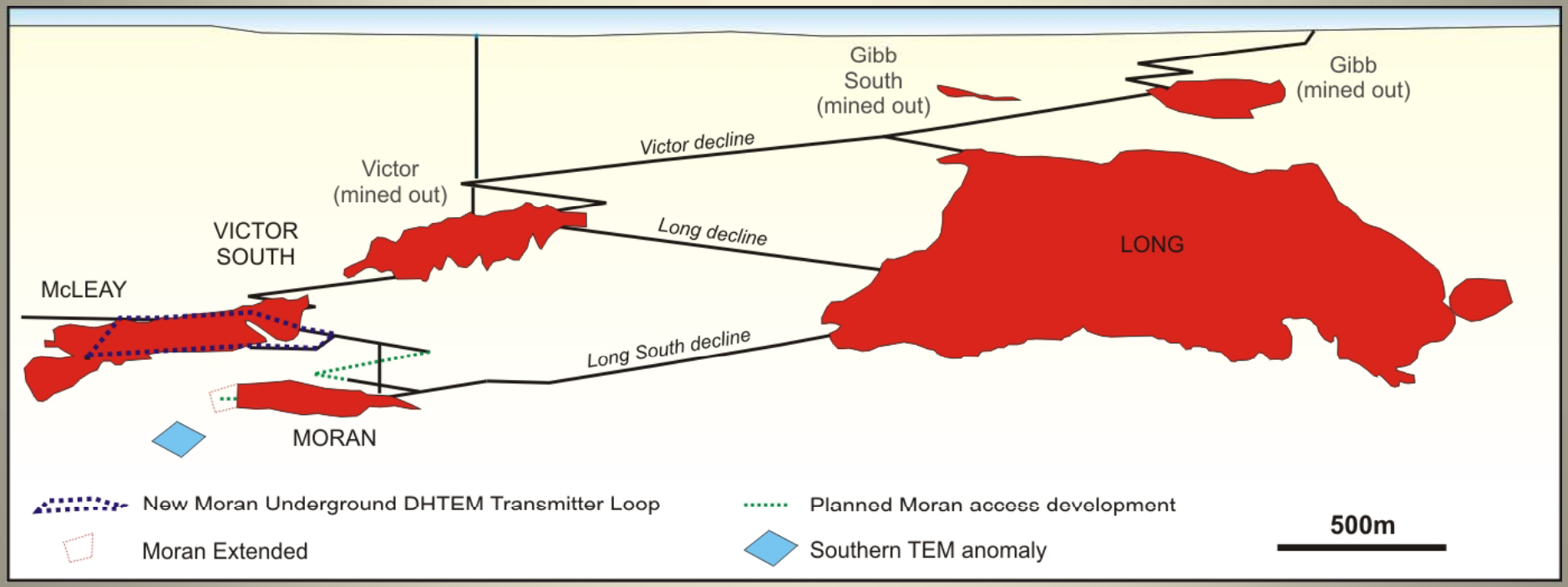


MORAN DEPOSIT
HIGH-GRADE MASSIVE NICKEL SULPHIDES



MORAN DEVELOPMENT

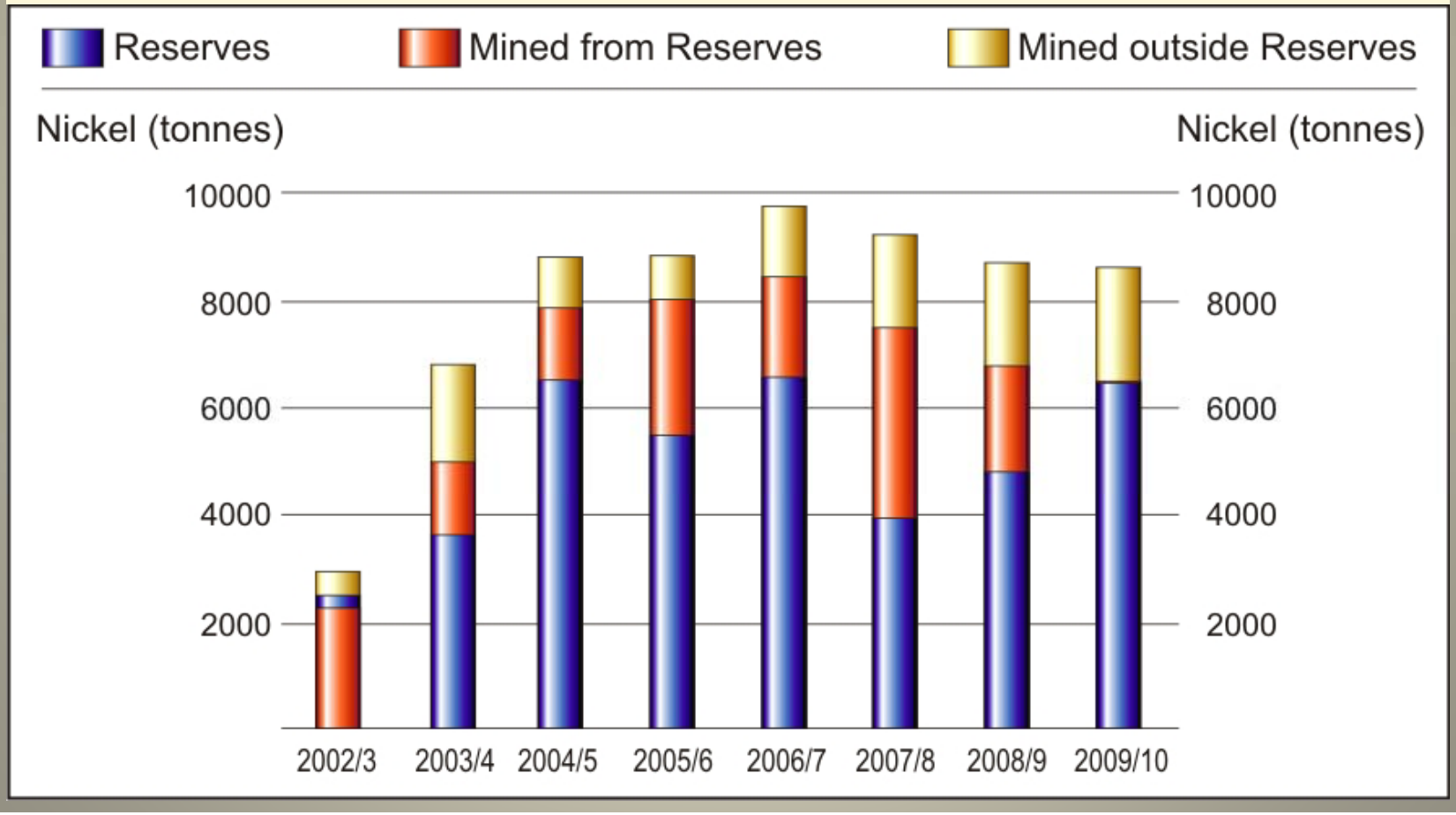
Pre-existing development has enabled Moran to be developed rapidly



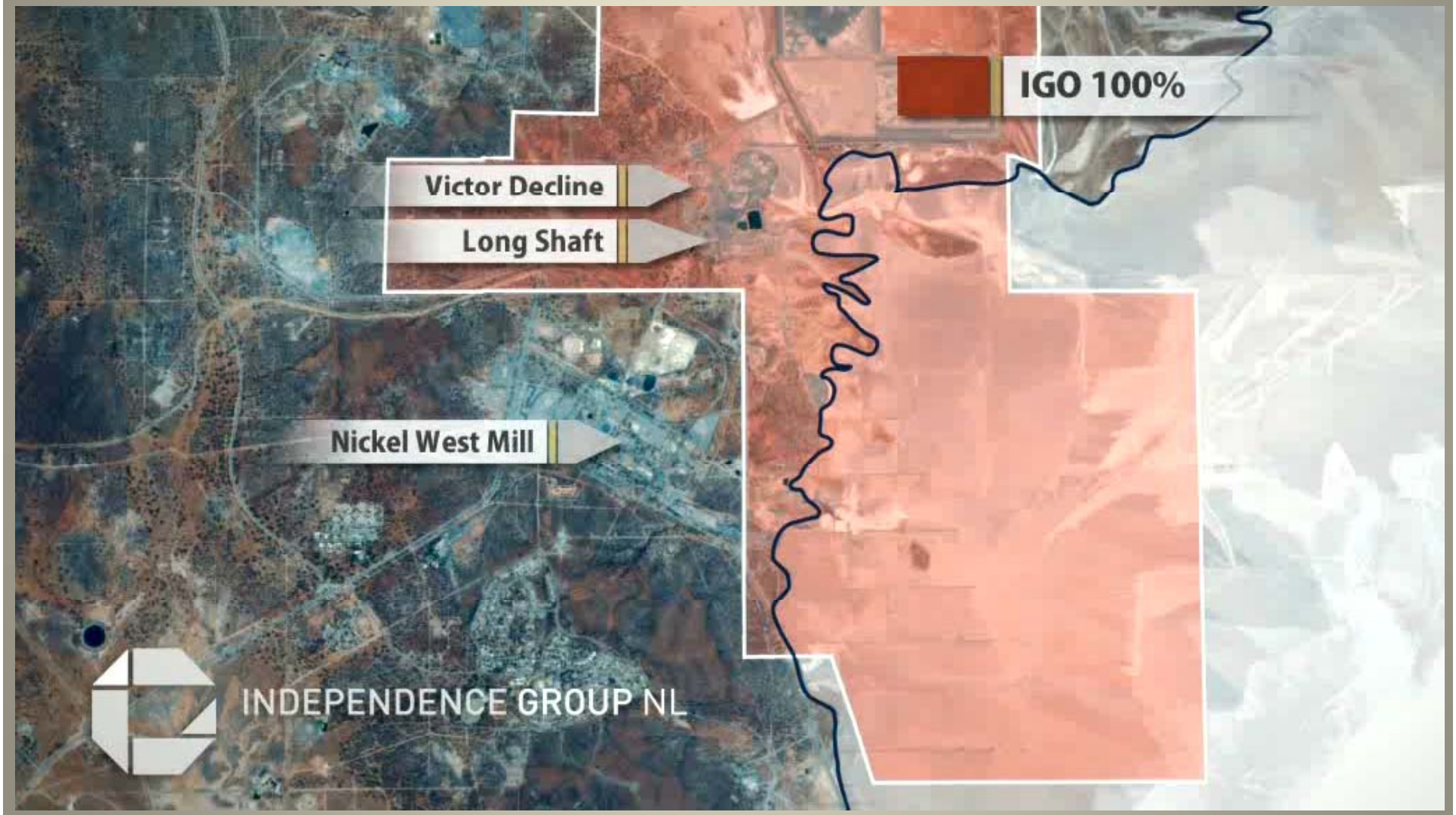
LONG MINE COMPLEX
PRODUCTION / ORE RESERVE COMPARISON

2002-10 PRODUCTION SUMMARY

Initial Ore Reserve Estimate:	**40,373 Ni t**
Mined from Ore Reserve:	**52,665 Ni t (+30%)**
Mined outside Ore Reserve:	**11,444 Ni t (+28%)**
TOTAL:	**64,109 Ni t (+58%)**

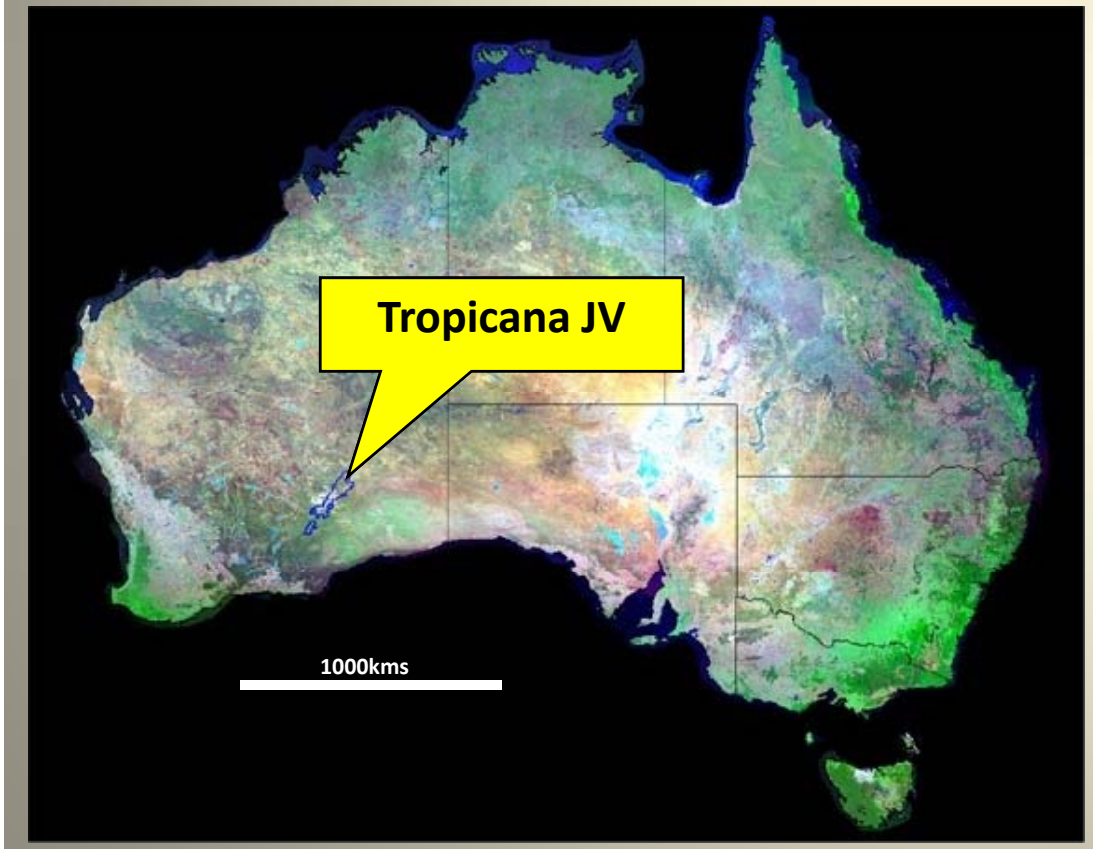


LONG MINE FLY THROUGH



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

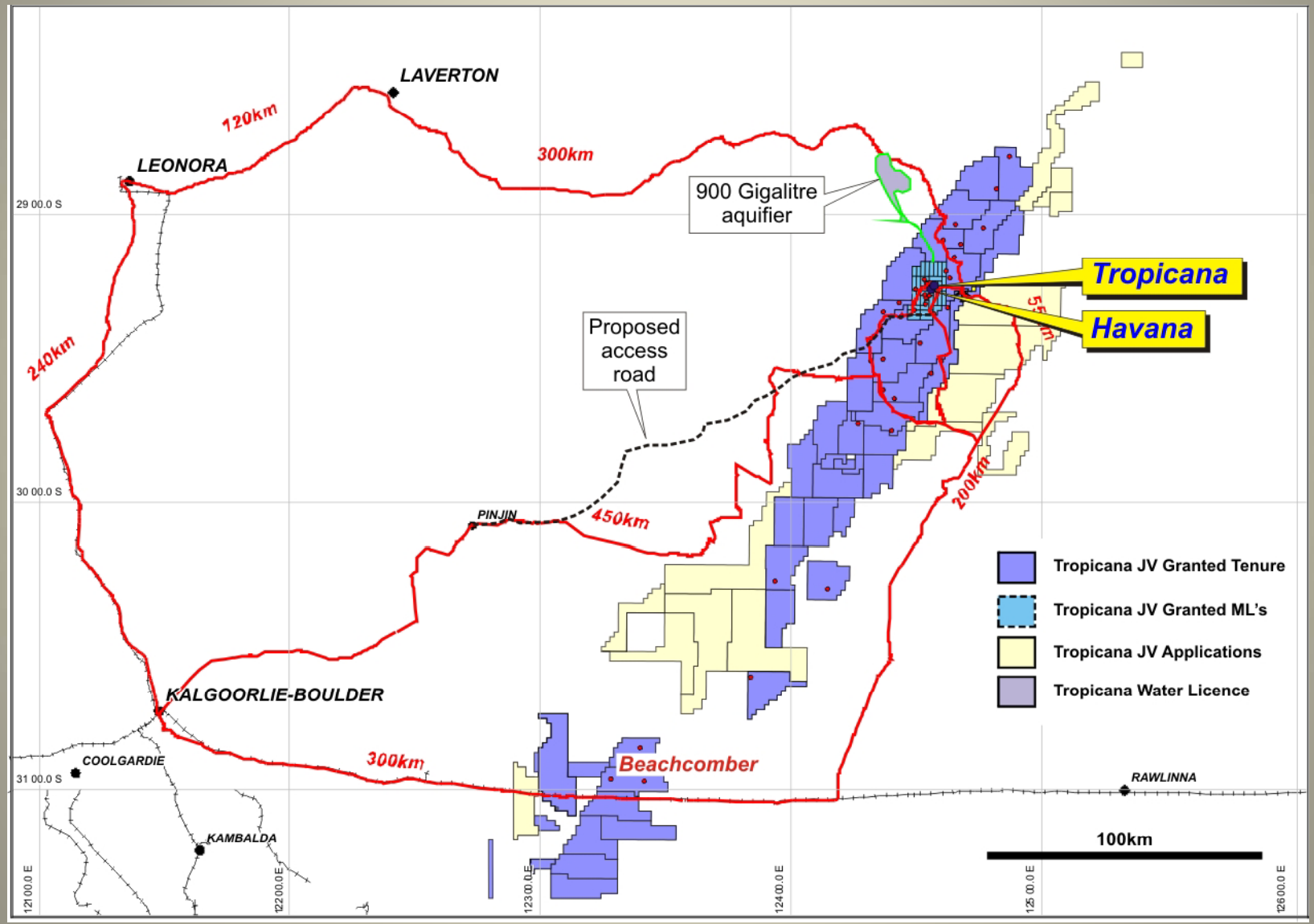
AngloGold Ashanti – 70% (Manager)
Independence Group – 30%



"New Gold Province under sand"

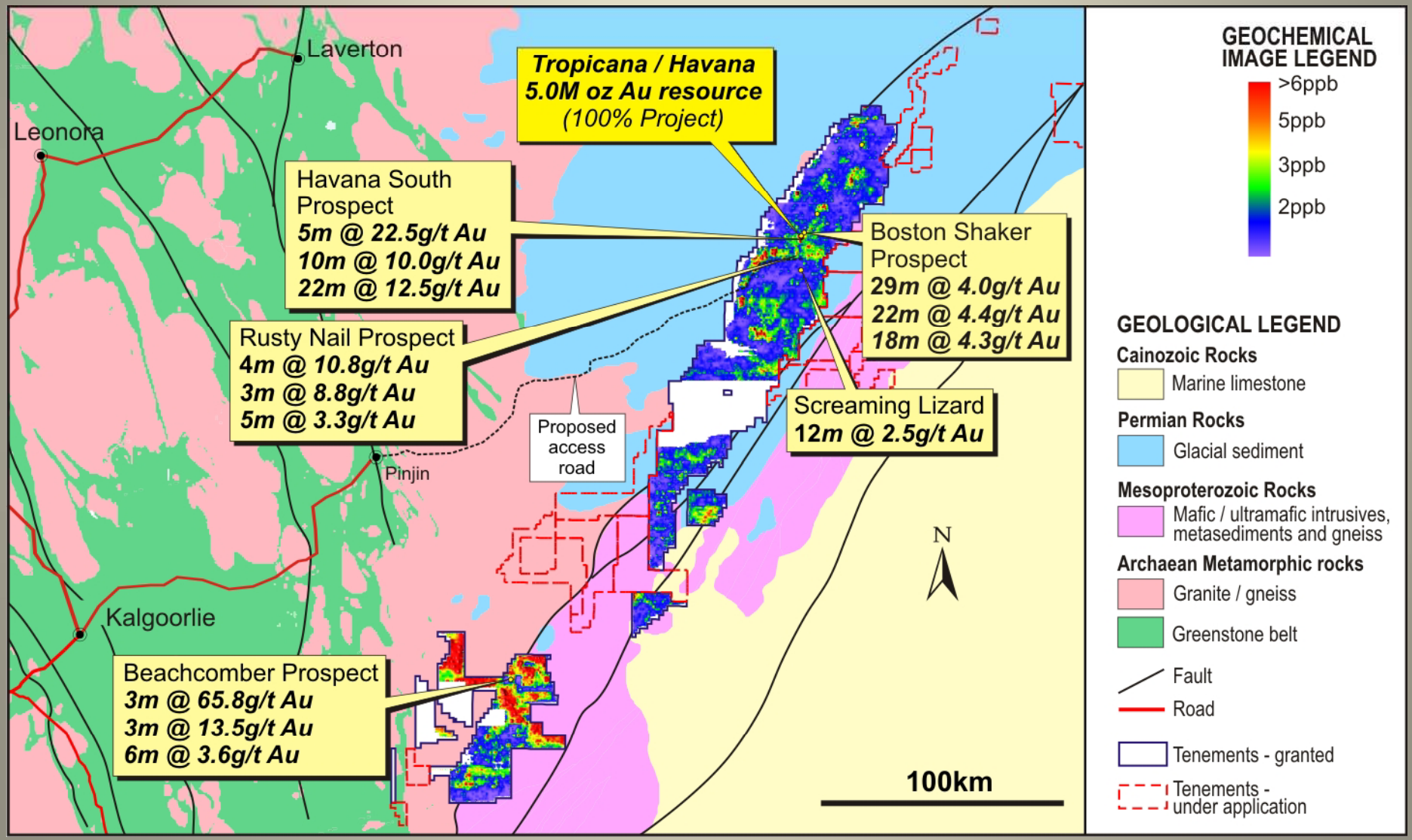
ANGLOGOLD ASHANTI

TROPICANA JV TENEMENTS

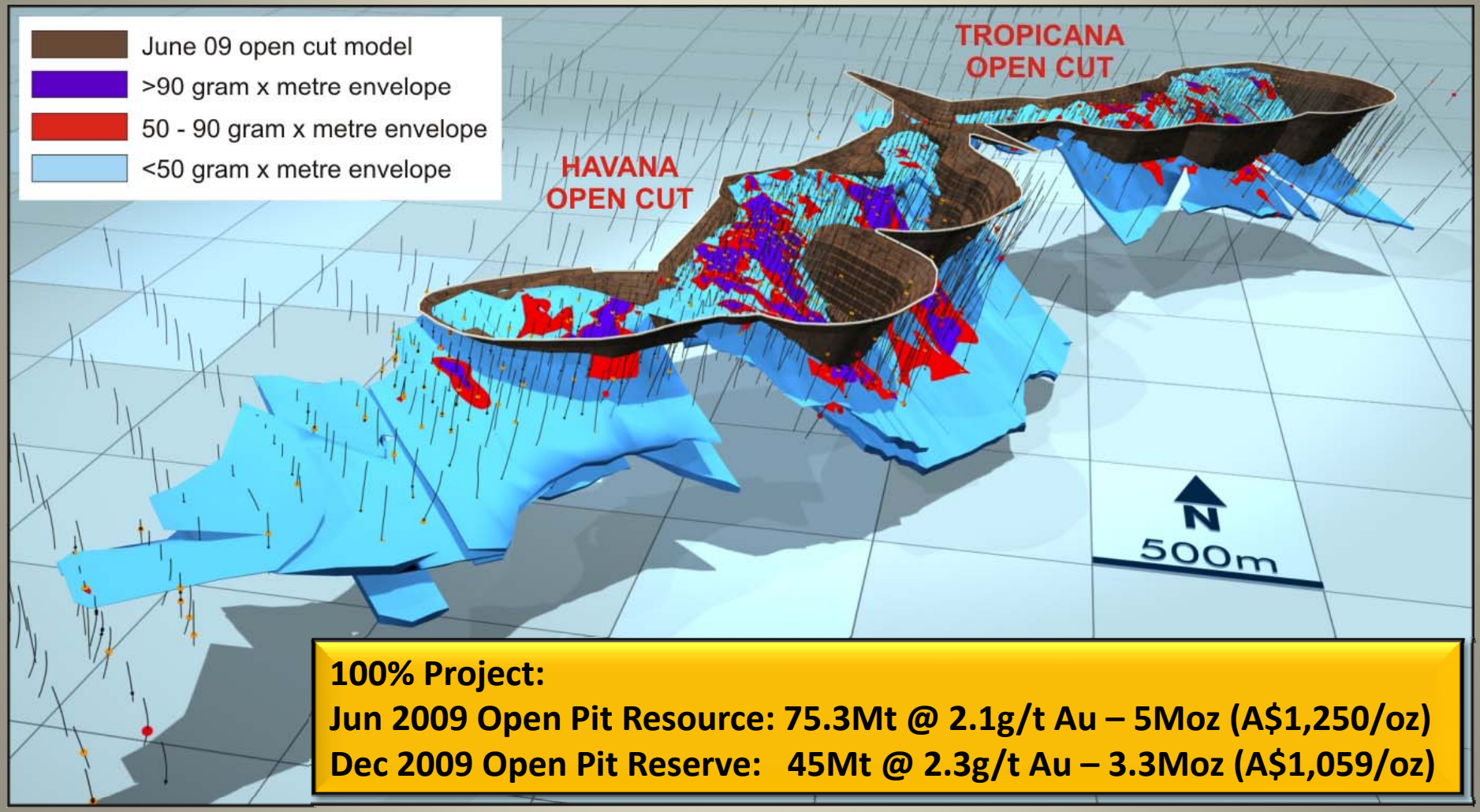


TROPICANA JV
SIGNIFICANT DISCOVERIES TO DATE

JV tenure – 396km strike length & 15,000km² area (granted & application ML's & EL's)

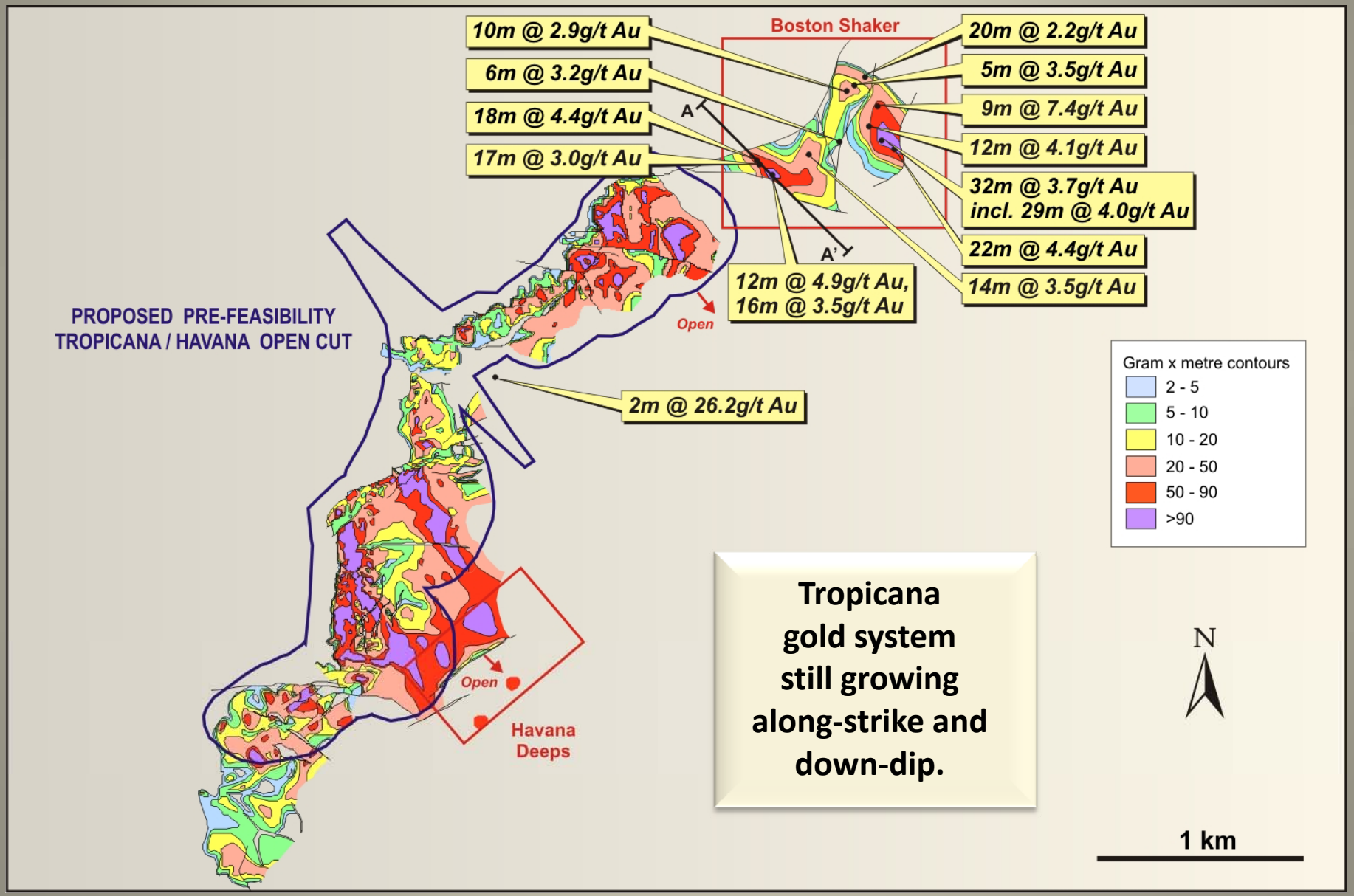


TROPICANA JV PRE-FEASIBILITY RESOURCE & RESERVE



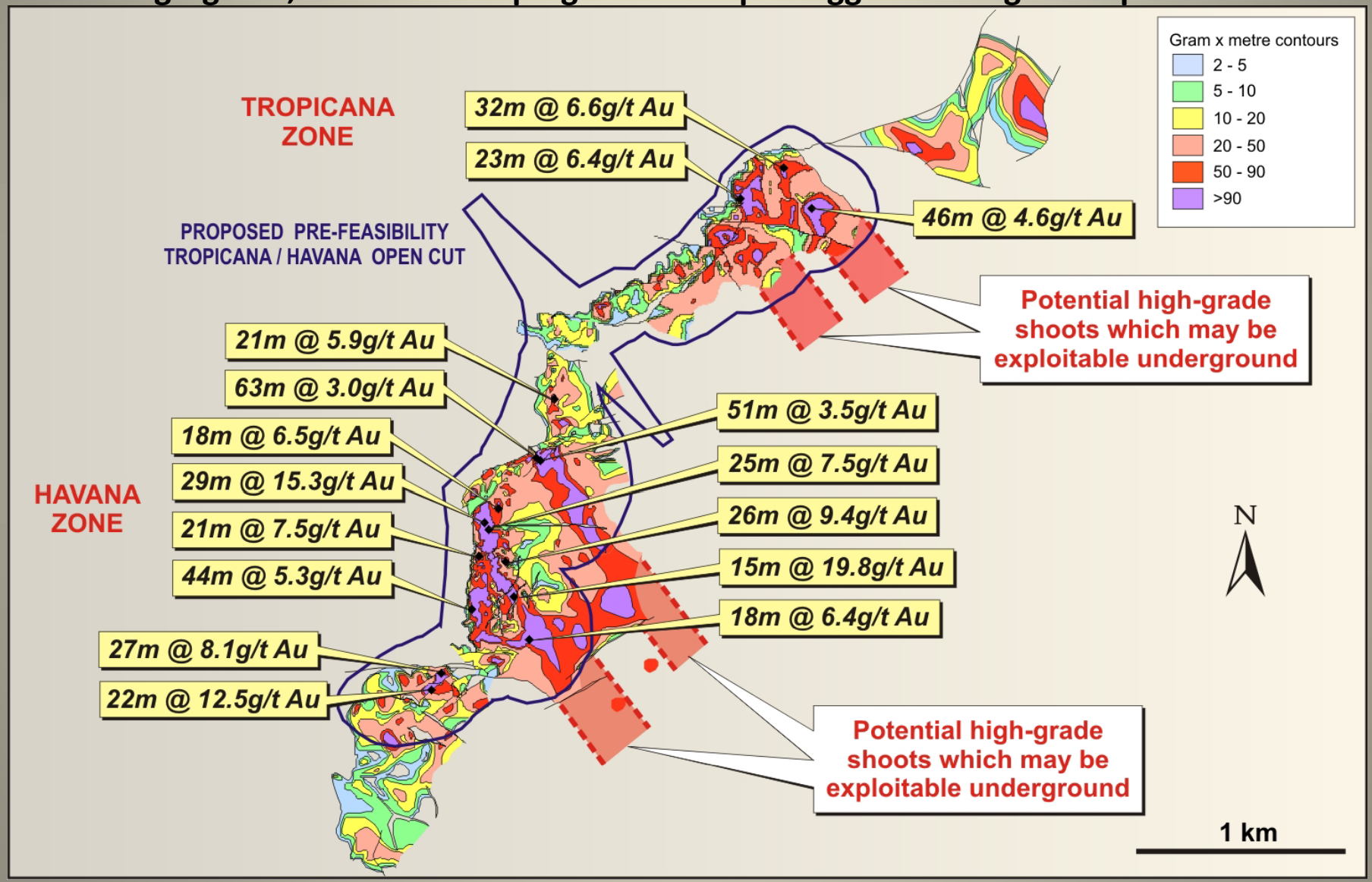
100% Project:
Jun 2009 Open Pit Resource: 75.3Mt @ 2.1g/t Au – 5Moz (A$1,250/oz)
Dec 2009 Open Pit Reserve: 45Mt @ 2.3g/t Au – 3.3Moz (A$1,059/oz)

TROPICANA JV
NEW BOSTON SHAKER DISCOVERY

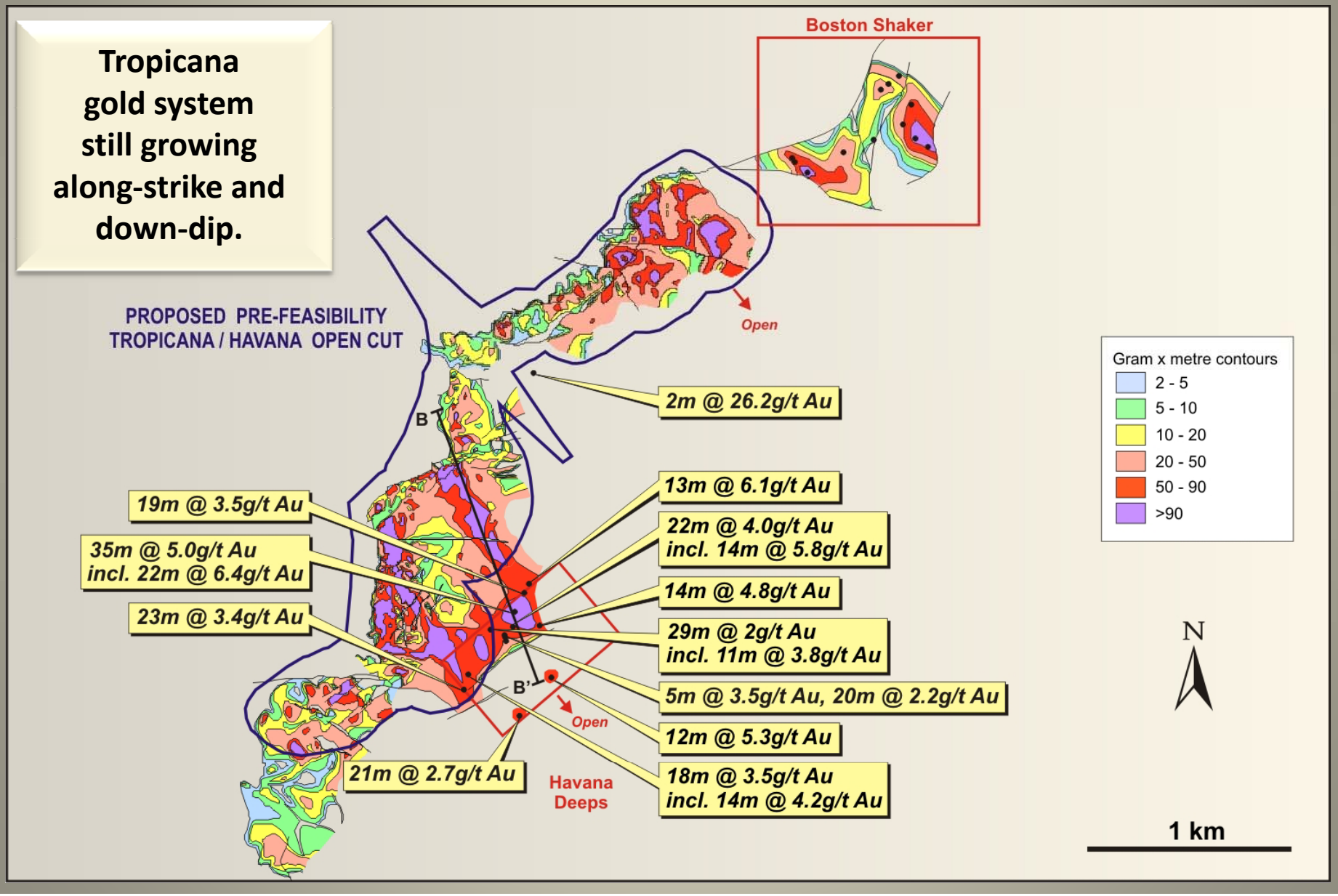


TROPICANA JV
UNDERGROUND POTENTIAL

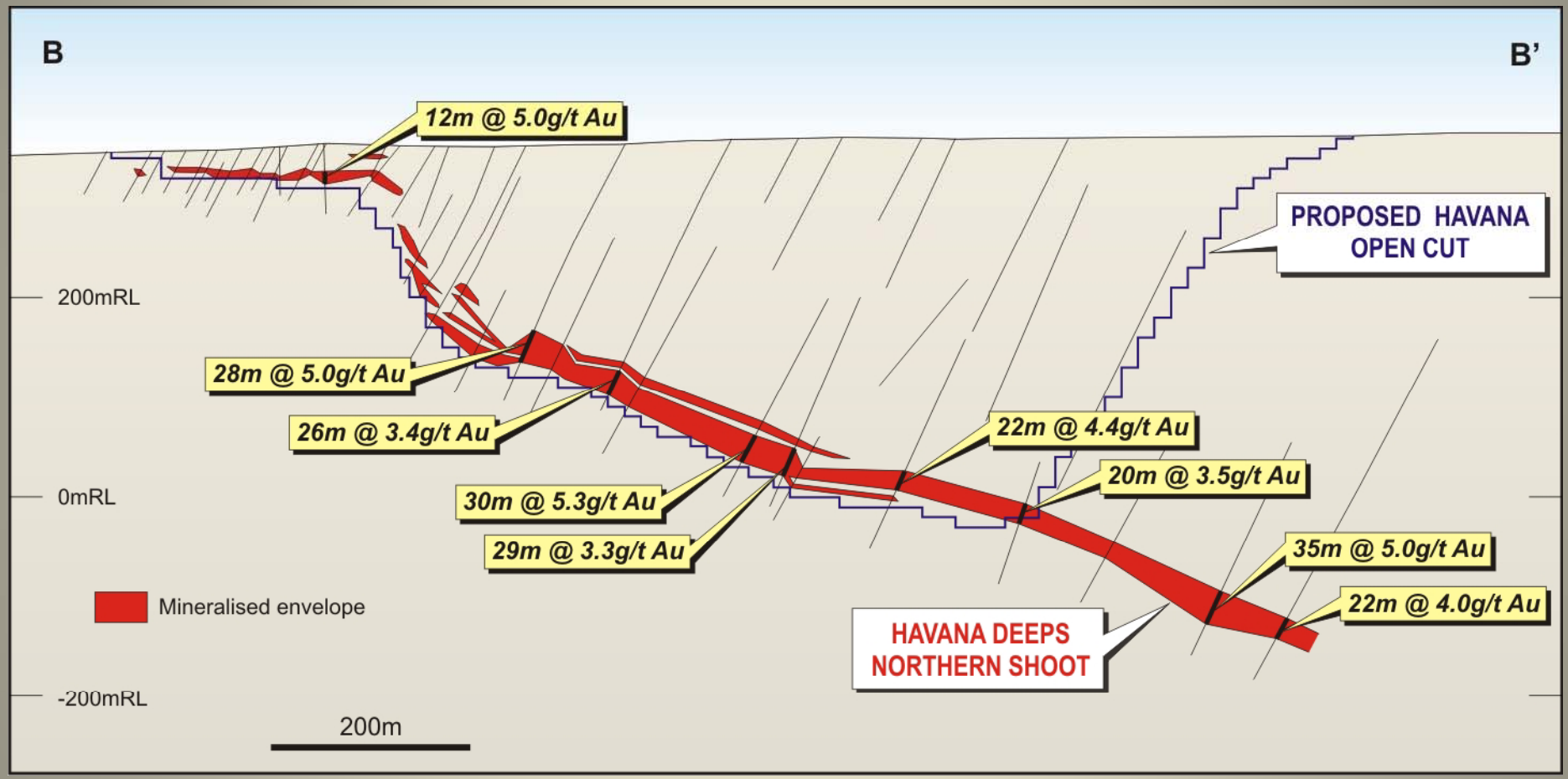
High-grade, true width in-pit gold intercepts suggest underground potential



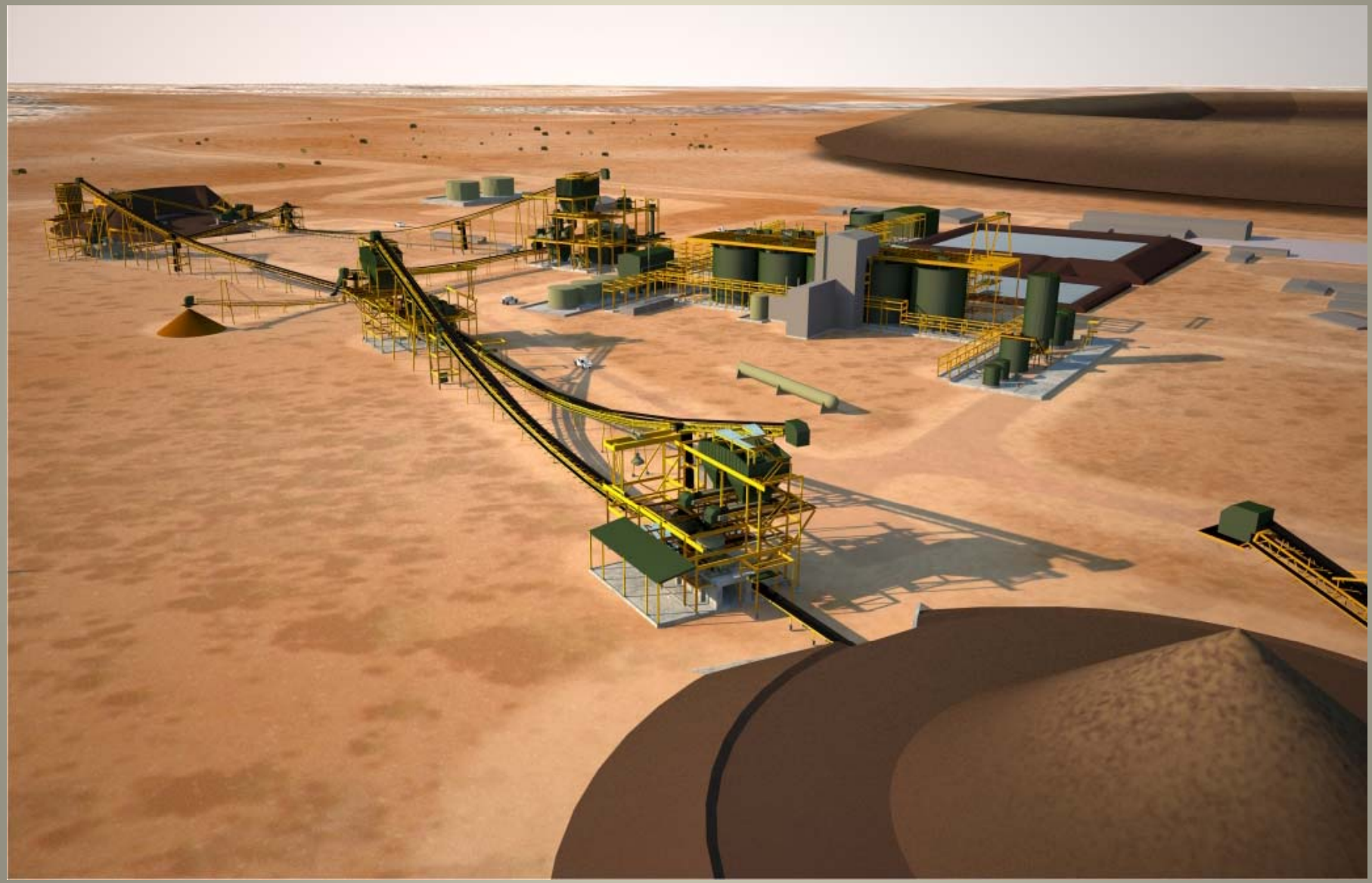
TROPICANA JV
HAVANA DEEPS INTERCEPTS



TROPICANA JV
HAVANA DEEPS CROSS-SECTION



TROPICANA JV
CURRENT PROPOSED PLANT LAYOUT

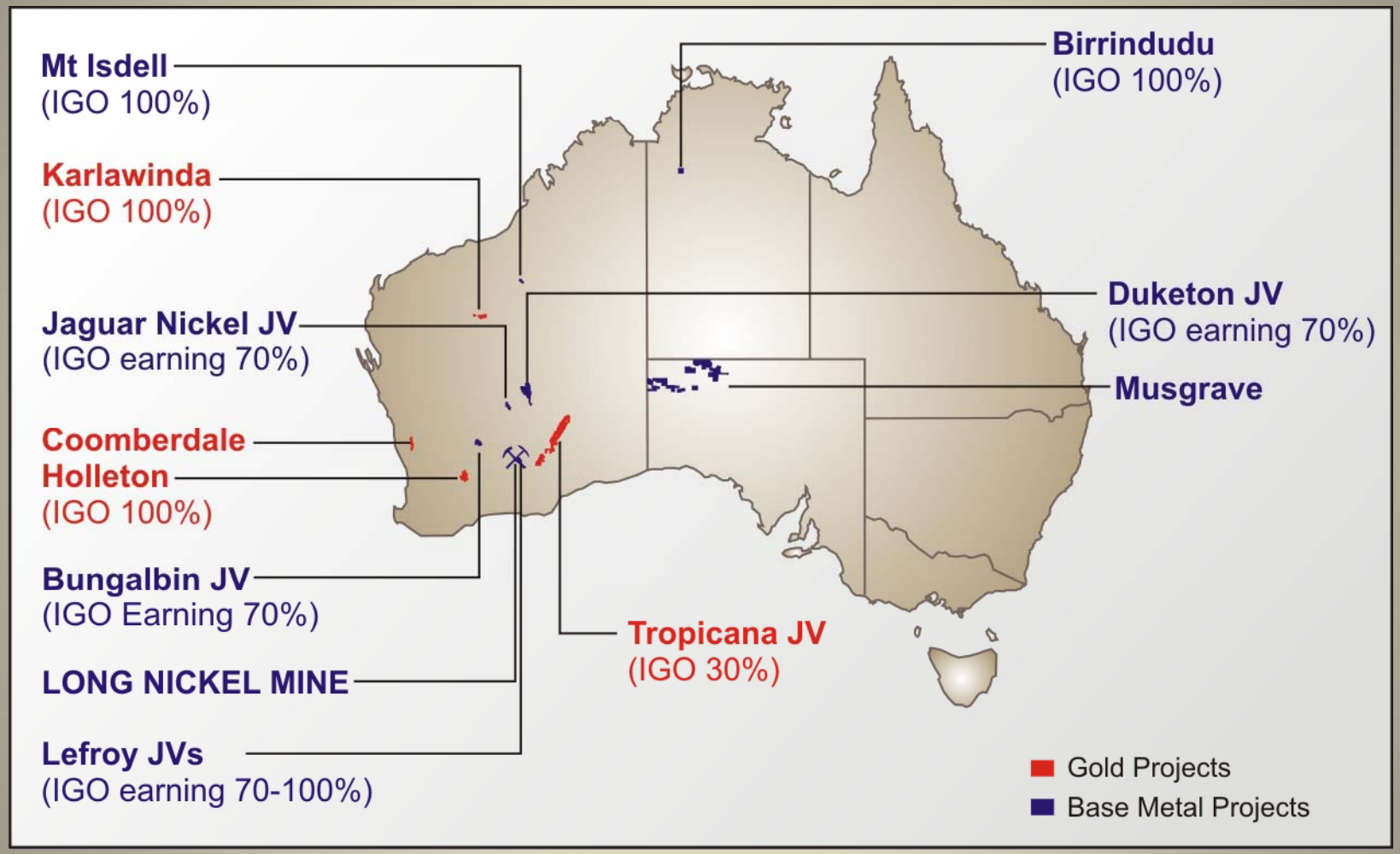


TROPICANA JV
PRE-FEASIBILITY OUTCOME (100% PROJECT)

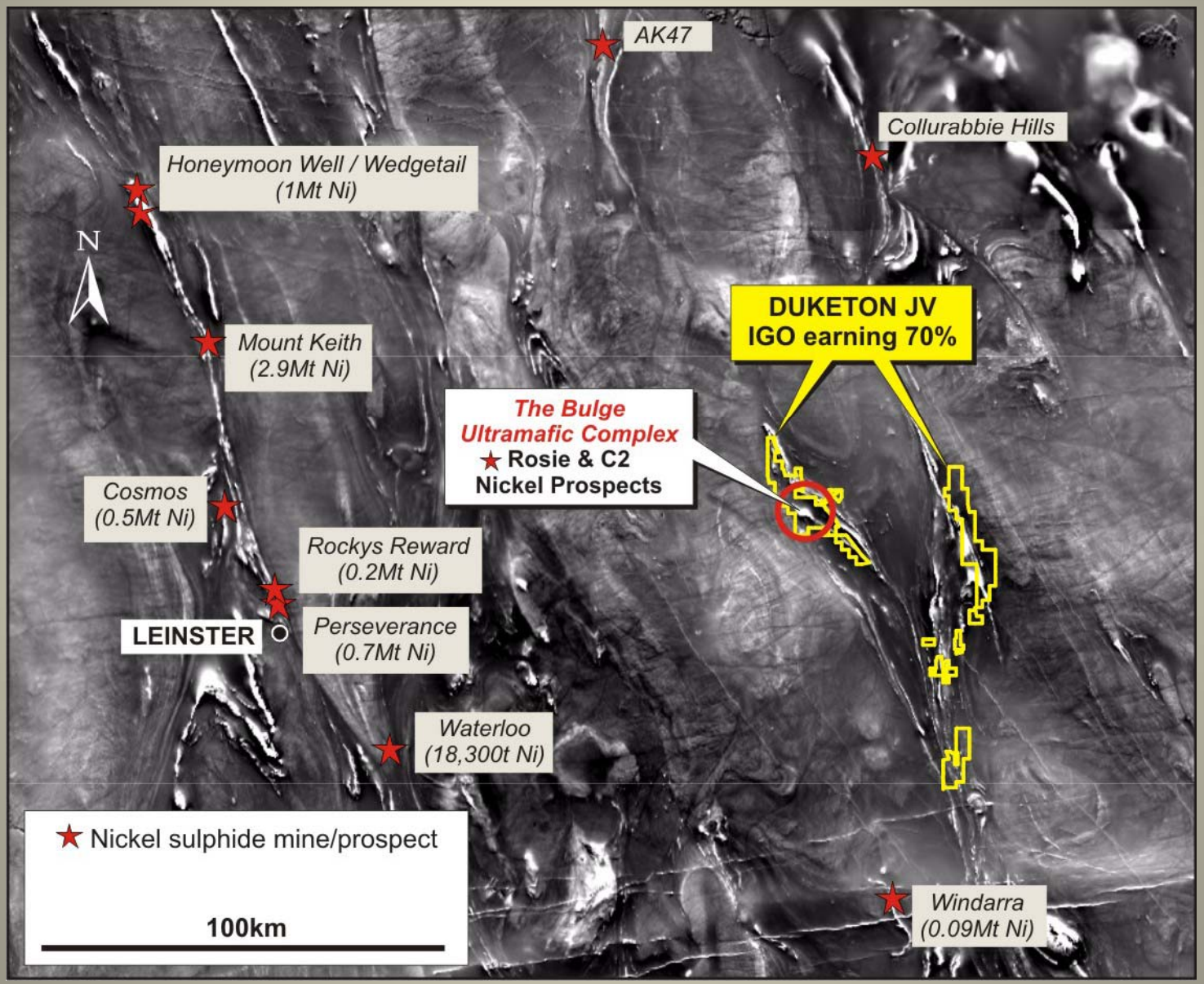
Open-cut Resource:	**75.3 Mt @ 2.07g/t Au (5.01 M oz Au) at June 2009**
Mining Reserve:	**45 Mt @ 2.3g/t Au (3.3 M oz Au)** ***(A$1059/oz Au, US$103/barrel oil & 15% discount rate assumptions)***
Mill:	**5.5 Mt p/a (plant & infrastructure capital A$500-540M includes 15% contingency)**
Metallurgy:	**Free milling - 90% recovery**
Gold Production:	**330,000 - 410,000 oz Au pa (recovered) over 8-10 years**
Water:	**900 Gigalitre aquifer located**
Indicative Timetable:	
- BFS Completion:	**September/October 2010**
- Decision to proceed	**November 2010**
- Road commencement	**First quarter 2011**
- First gold pour	**First half 2013**

TROPICANA FLY THROUGH

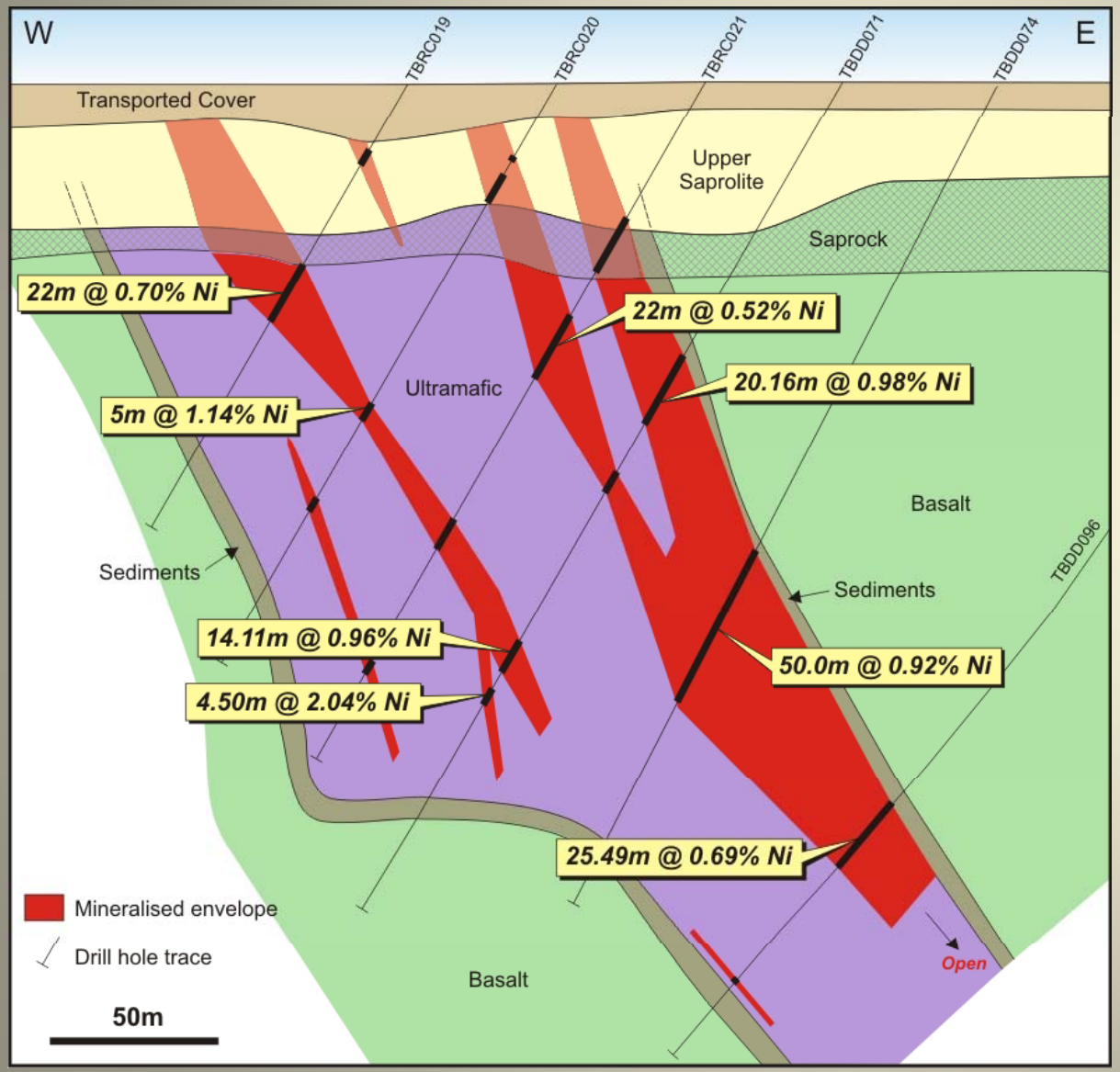
IGO GOLD & BASE METAL EXPLORATION PROJECTS



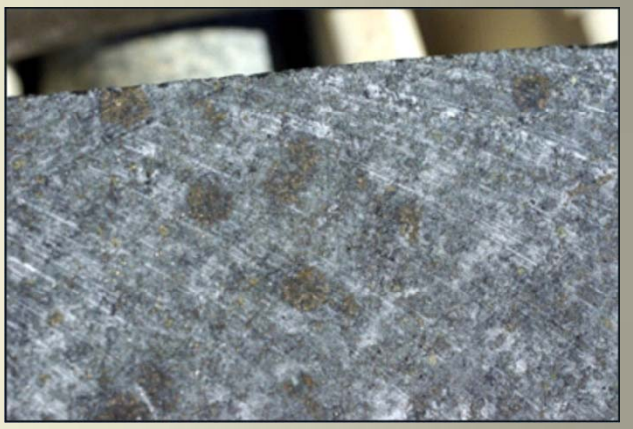
DUKETON JV – PROJECT LOCATION
(IGO earning 70%)



DUKETON JV – C2 PROSPECT
(IGO earning 70%)



C2 Prospect cross-section showing disseminated nickel sulphide system



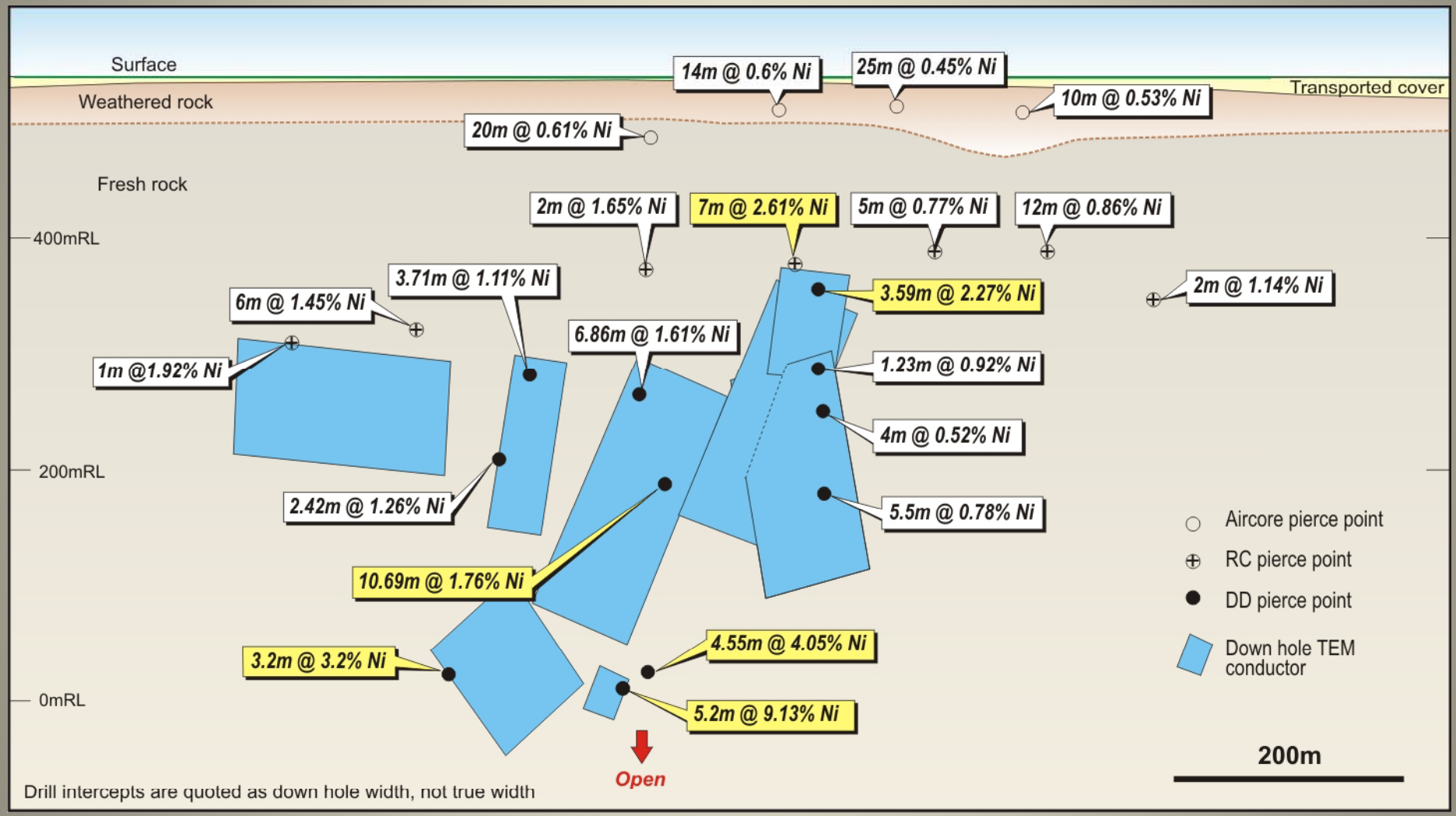
C2 Prospect disseminated NiS

C2 Prospect stringer NiS

DUKETON JV – ROSIE PROSPECT
DRILL CORE (IGO earning 70%)

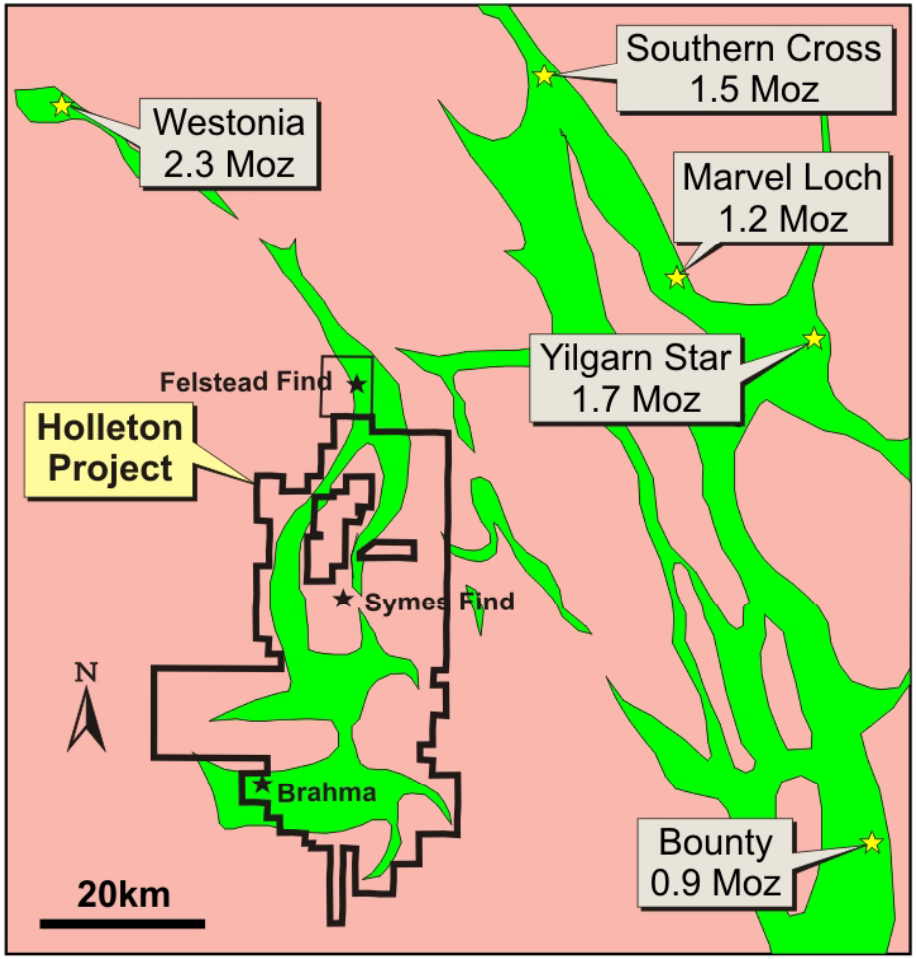
Rosie Prospect
massive nickel sulphides
assaying:
5.2m @ 9.13% Ni,
1.09% Cu,
0.21% Co,
7.09g/t PGE's
(2.20g/t Pt, 1.74g/t Pd,
1.79g/t Ru & 0.82g/t Rh)

DUKETON JV - ROSIE PROSPECT
LONGITUDINAL PROJECTION (IGO earning 70%)

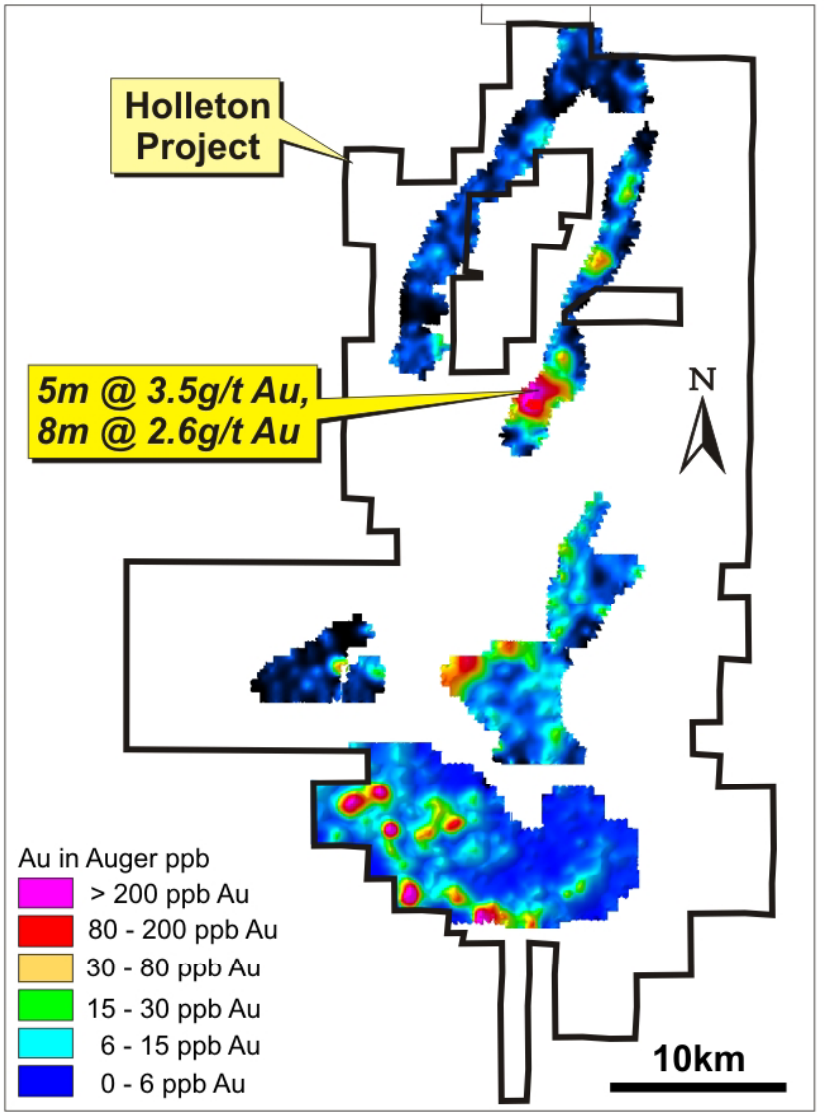


HOLLETON GOLD PROJECT (IGO 100%)
NEW GOLD SYSTEMS DISCOVERED

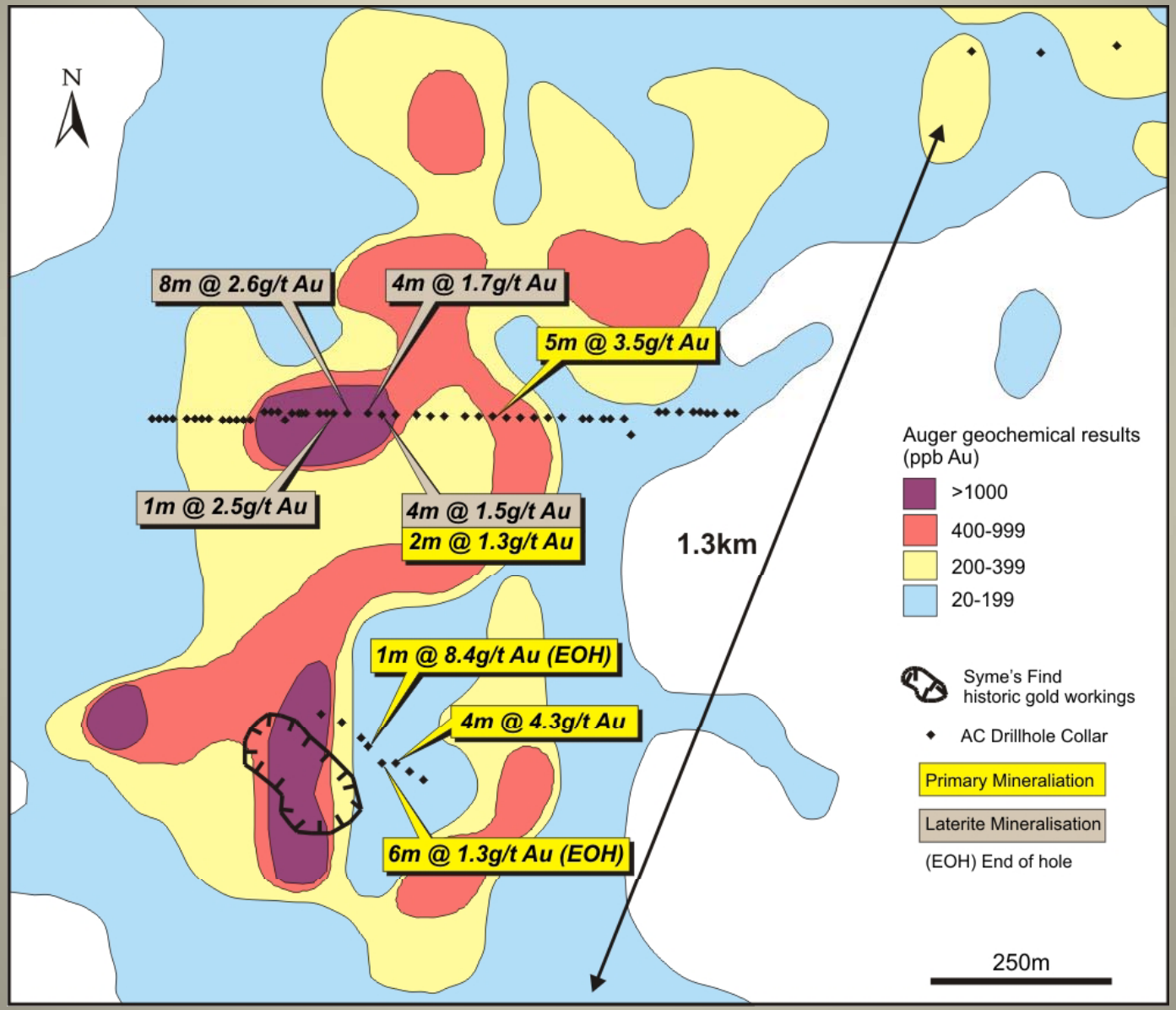
REGIONAL GEOLOGY



GOLD GEOCHEMISTRY

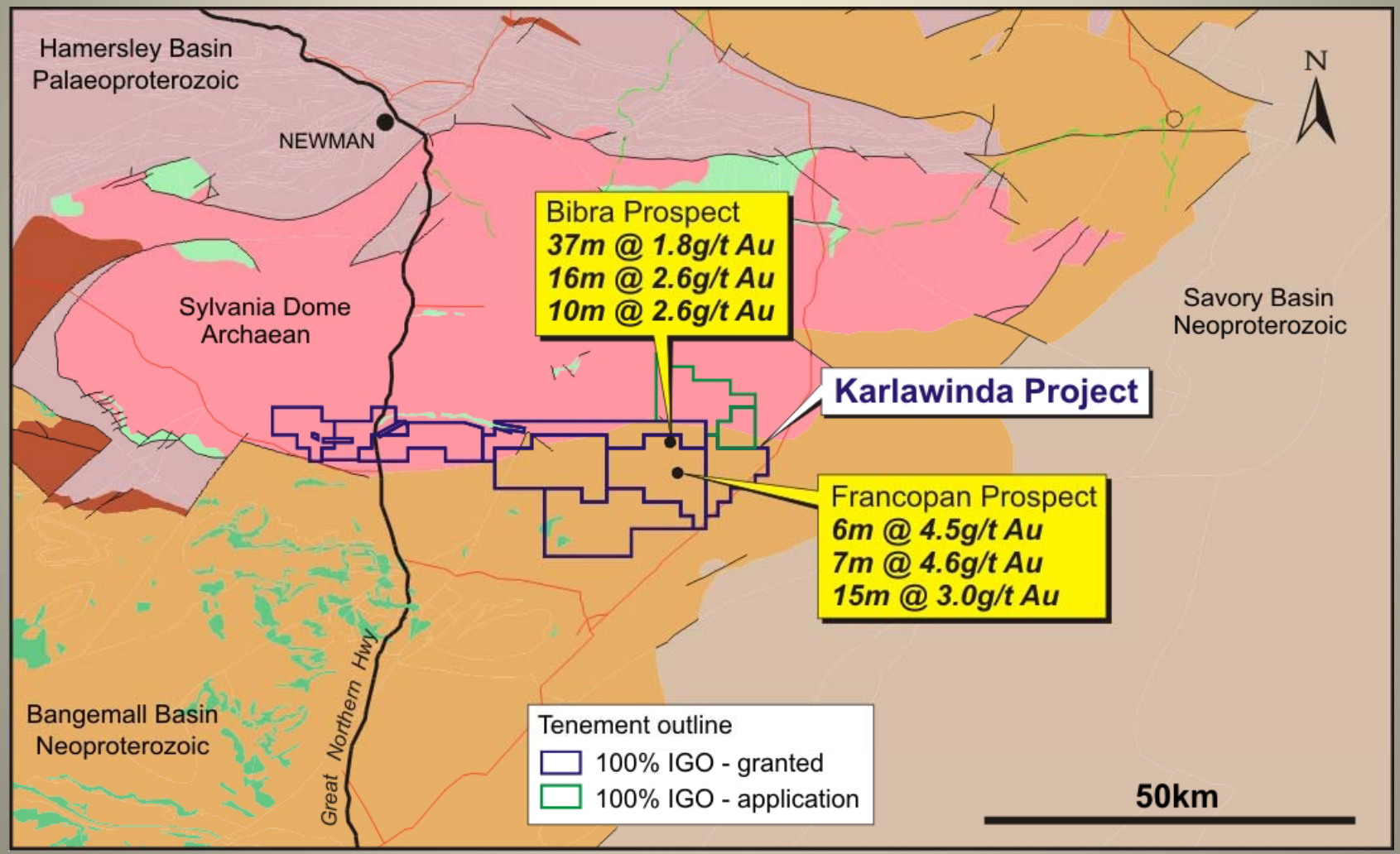


HOLLETON GOLD PROJECT (IGO 100%)
SYME'S FIND GEOCHEMICAL GOLD ANOMALY



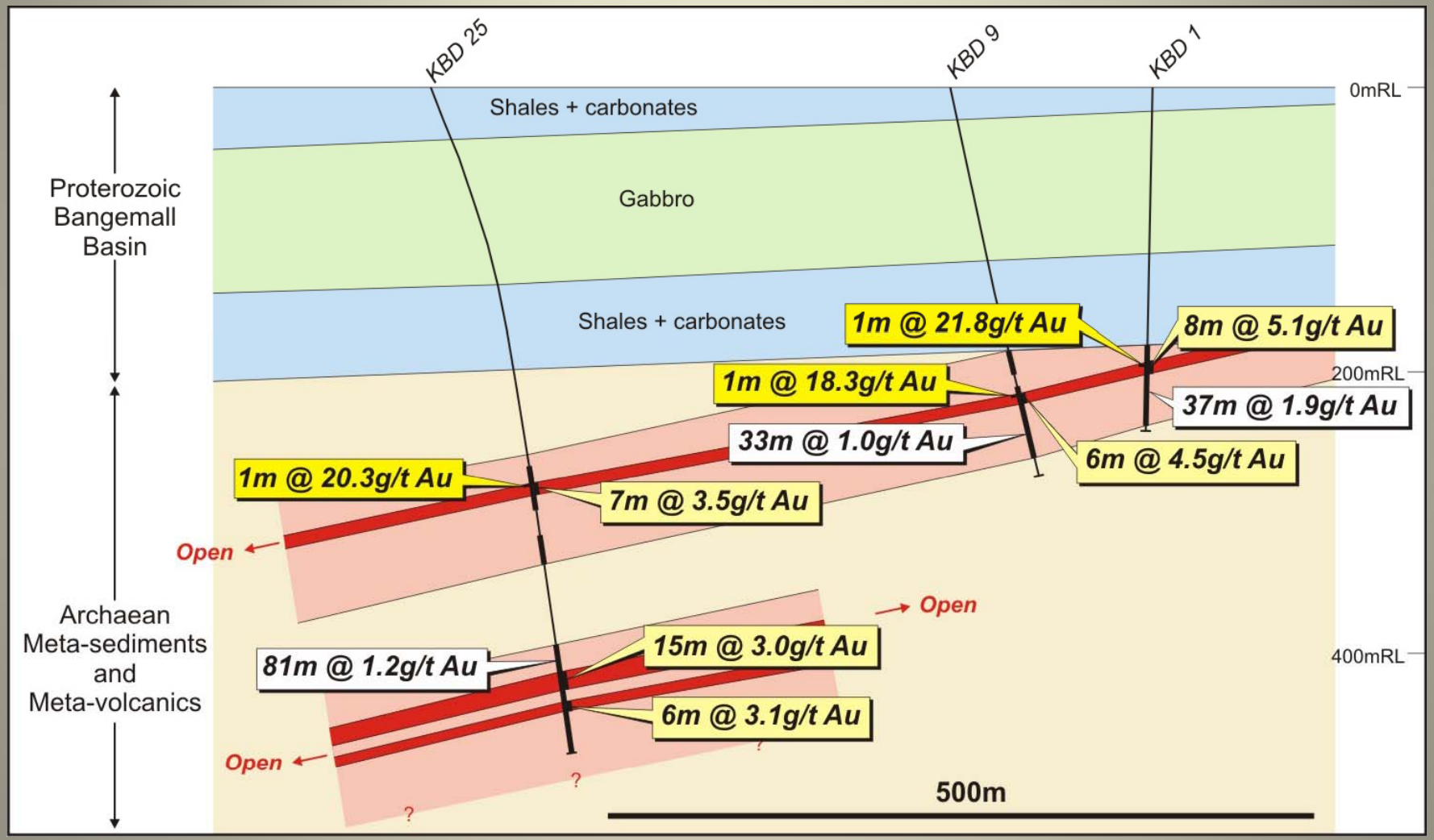
KARLAWINDA PROJECT LOCATION (IGO 100%)

Large new gold system close to gas pipeline and existing infrastructure

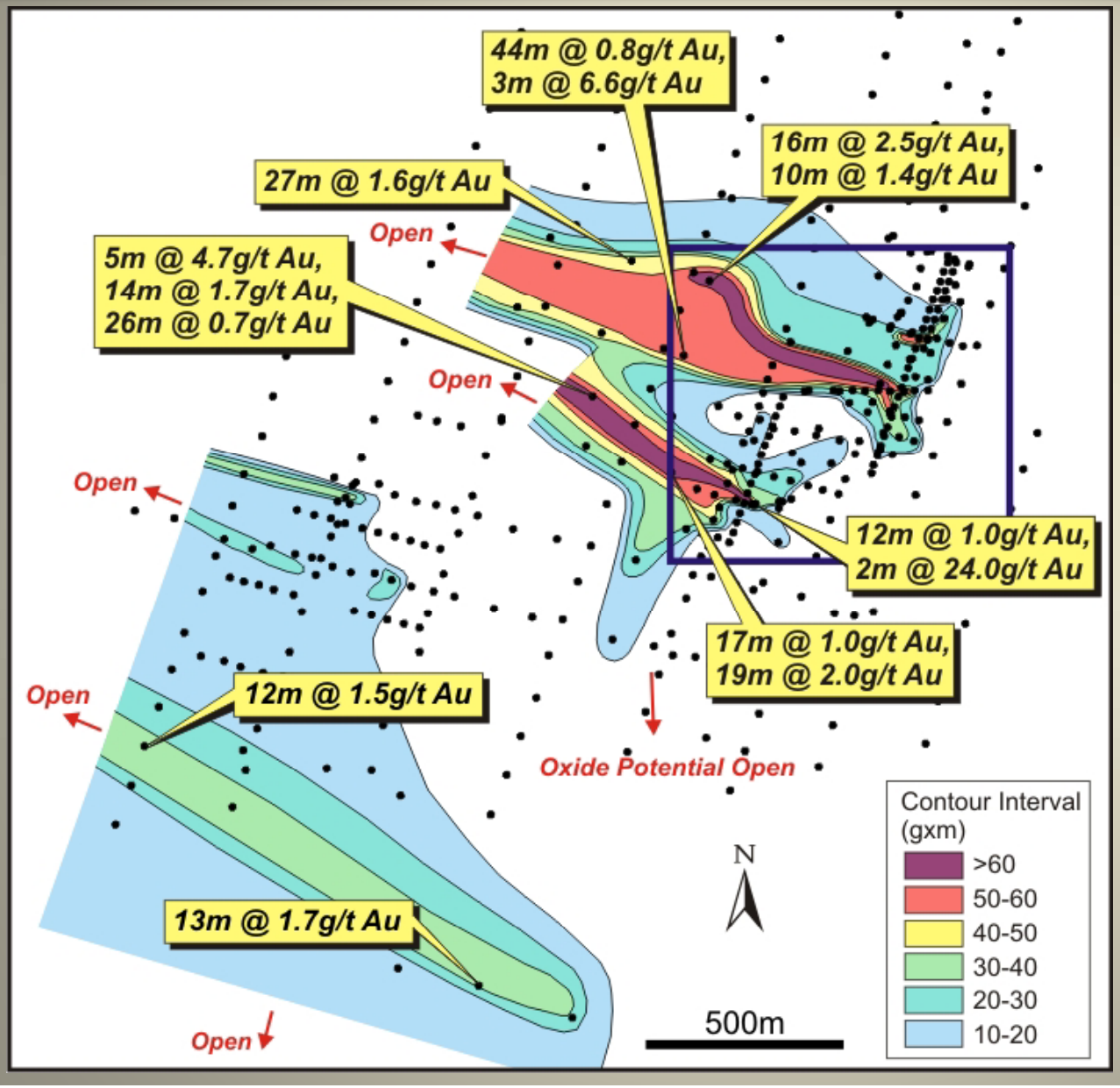


KARLAWINDA - FRANCOPAN PROSPECT CROSS-SECTION

Very large gold system

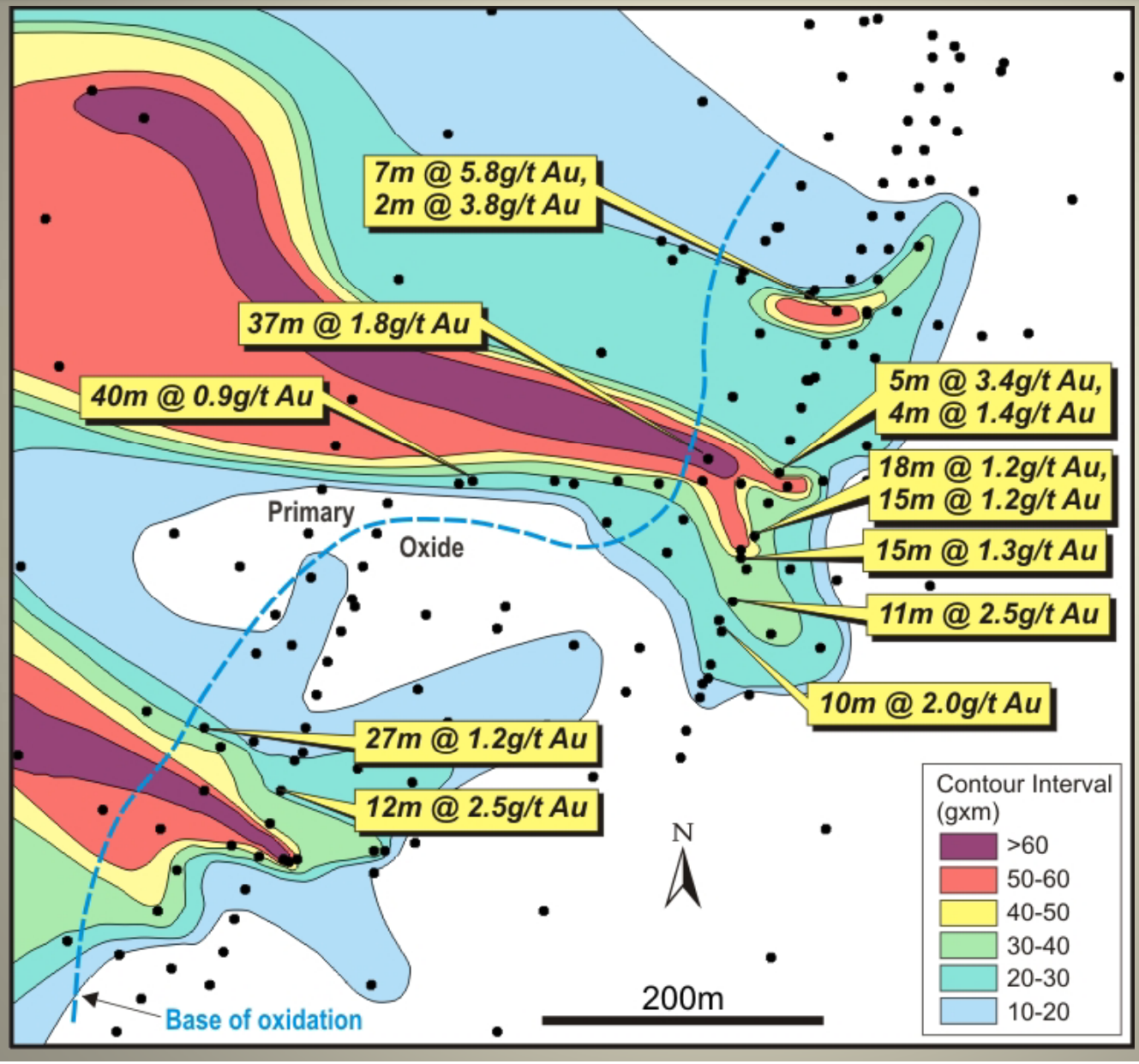


KARLAWINDA GOLD PROJECT (IGO 100%)
BIBRA GOLD PROSPECT



Bibra Primary & Oxide Mineralisation

KARLAWINDA GOLD PROJECT (IGO 100%)
BIBRA GOLD PROSPECT

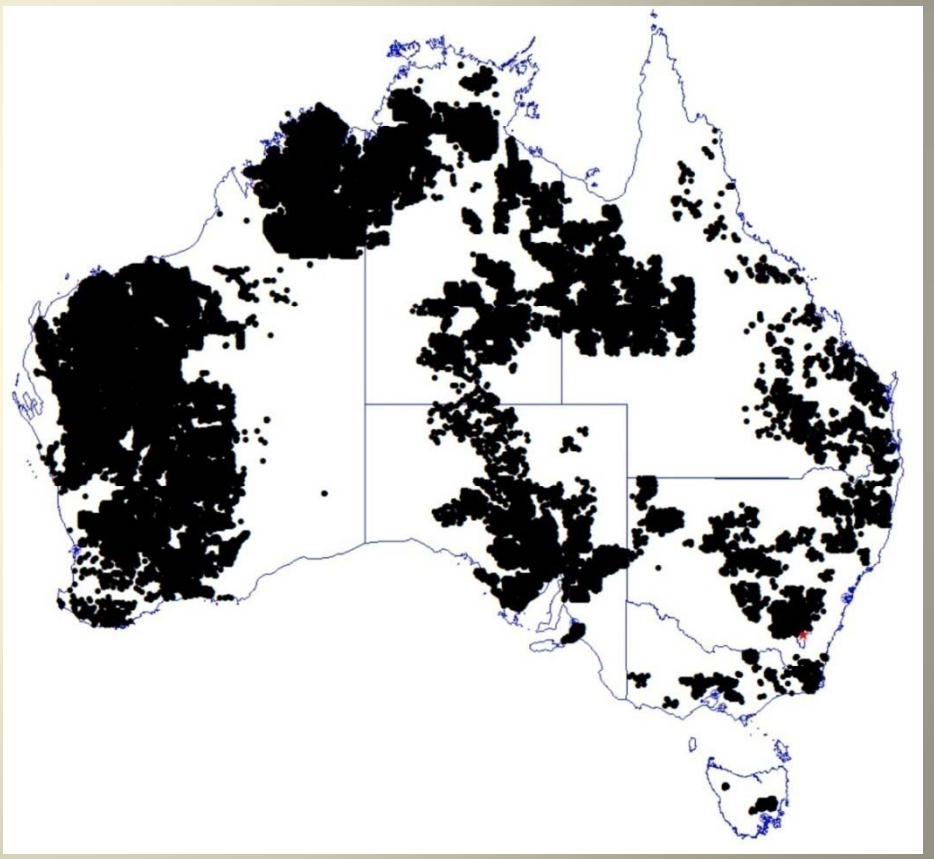


Bibra Shallow Oxide Mineralisation Enlargement

PROJECT GENERATION
DE BEERS DATABASE (IGO 100%)

100% IGO – NO BUY-BACK OR ROYALTIES

- 103,000 analysed geochemical samples.
- 189,000 unanalysed geochemical samples.
- 2,278 samples reporting visible gold.
- 2,025 geophysical surveys.
- IGO analysing samples for 57 elements including Ni, Cu, Pb, Zn, Au, Ag, Pt, Pd, Ur, rare earths, Sn, Li, K etc.
- Long term exploration asset to find new Australian mineral camps.

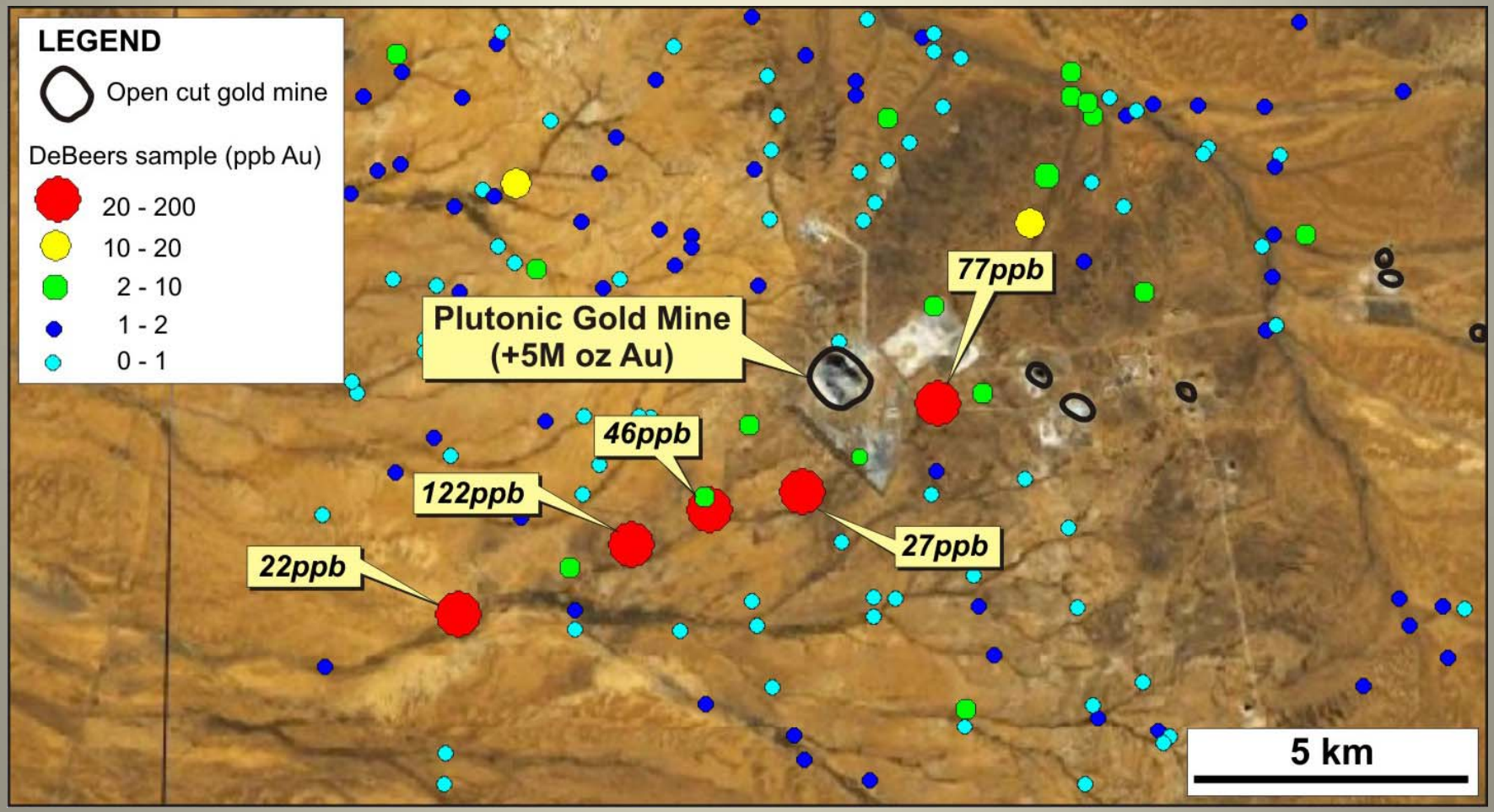


DE BEERS DATABASE STORAGE WAREHOUSE

Preparing geochemical samples for analysis

PROJECT GENERATION
DE BEERS DATABASE (IGO 100%)

IGO 2009 gold analysis of De Beers samples collected before the discovery of the Plutonic Gold Mine (WA)



FY2010-11 GROUP EXPLORATION FOCUS

LONG NICKEL MINE **Budget: A$7M**	Moran, McLeay and Long North extension drilling
TROPICANA JV **Budget: A$12M** **(IGO share)**	Finalise feasibility study and funding Boston Shaker extension and in-fill drilling Havana Deeps drill-out Exploration drilling to test satellite gold anomalies Continued regional exploration
REGIONAL EXPLORATION **Budget: A$9M**	Duketon JV – Ongoing exploration Karlawinda – Oxide drill-out Holleton – First pass drilling De Beers Database – On-going analysis and target follow-up

INDEPENDENCE CORPORATE GOALS

To improve shareholder returns by growing a highly profitable, multi commodity Australian mining company

Focus on:

- ***Low cash costs***
- ***Mine longevity***
- ***Innovative exploration***
- ***Strong balance sheet***

IGO CONTACT DETAILS

COPIES OF PRESENTATION AVAILABLE AT IGO BOOTH

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Email: contact@igo.com.au
Website: www.igo.com.au
ASX Code: IGO

COMPETENT PERSON STATEMENT

Note: The information in this presentation 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.

LONG NICKEL MINE JUNE 2009
RESOURCES AND RESERVES

RESOURCES

Undiluted at 1% Ni Cut-off [1, 2]

		Tonnes	Ni %	Ni Tonnes
LONG	Measured	64,000	6.4	4,100
	Indicated	298,000	5.2	15,500
	Inferred	61,000	4.4	2,700
	Sub-Total	423,000	5.3	22,300
MORAN	Measured	-	-	-
	Indicated	401,000	6.9	27,800
	Inferred	55,000	8.4	4,600
	Sub-Total	456,000	7.1	32,400
VICTOR SOUTH	Measured	-	-	-
	Indicated	305,000	3.2	10,100
	Inferred	-	-	-
	Sub-Total	305,000	3.2	10,100
McLEAY	Measured	118,000	6.8	8,000
	Indicated	217,000	5.6	12,100
	Inferred	162,000	5.4	8,800
	Sub-Total	497,000	5.8	28,900
BROKEN STOCKS	Measured	4,000	5	200
	Sub-Total	4,000	5	200
TOTAL		1,685,000	5.6	93,900

RESERVES

Mining at Economic Ni Cut-off [1, 2]

		Tonnes	Ni %	Ni Tonnes
LONG	Proven	70,000	3.5	2,500
	Probable	155,000	2.9	4,500
	Sub-Total	225,000	3.1	7,000
MORAN	Proven	-	-	-
	Probable	640,000	4.1	26,300
	Sub-Total	640,000	4.1	26,300
VICTOR SOUTH	Probable	112,000	4.6	5,200
	Sub-Total	112,000	4.6	5,200
McLEAY	Proven	170,000	3.7	6,400
	Probable	176,000	3.8	6,700
	Sub-Total	346,000	3.8	13,100
BROKEN STOCKS	Proven	4,000	5	200
	Sub-Total	4,000	5	200
TOTAL		1,327,000	3.9	51,800

Reserves are included in resources

Notes:

1 The cut-off grade used for the Victor South resource is 0.6% Ni.

2 Ore tonnes have been rounded to the nearest thousand tonnes and nickel tonnes have been rounded to the nearest hundred tonnes.

TROPICANA JV
2009 RESOURCES AND RESERVES

June 2009
Open Pit Resources

	Tonnes (Mt)	Grade (g/t) [1]	Contained Gold (Moz) [2]
Measured	24.2	2.3	1.79
Indicated	39.8	2.0	2.58
Inferred	11.3	1.8	0.64
TOTAL	**75.3**	**2.1**	**5.01**

December 2009
Open Pit Reserves

	Tonnes (Mt)	Grade (g/t) [3]	Contained Gold (Moz) [4]
Proved	22	2.4	1.7
Probable	23	2.1	1.6
TOTAL	**45**	**2.3**	**3.3**

1 Cut-offs: 0.6g/t Au oxide, 0.7g/t Au fresh ore.
2 A$1,250/oz Au optimisation.
3 Cut-off: 0.7g/t Au oxide ore, 0.8g/t Au fresh ore.
4 A$1,059/oz optimisation
5 See previous slide for JORC required competent person sign-off.