



INDEPENDENCE GROUP NL

Mining, Exploration & Success

AGM Presentation

22nd November 2006

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.



2005/6 FINANCIAL YEAR

Full Year Ended June 30	2005	2006	% change
Total revenue	\$86.6M	\$113.4M	31%
EBITDA	\$39.4M	\$59.7M	51%
Profit before tax	\$30.6M	\$50.4M	65%
Net profit after tax	\$20.9M	\$35.0M	67%
Operation cash flow	\$47.1M	\$44.3M	-6%
Diluted earnings per share	19.3c	30.7c	59%
Dividend per share*	8c	9c	13%

*7c dividend paid on 17.10.06

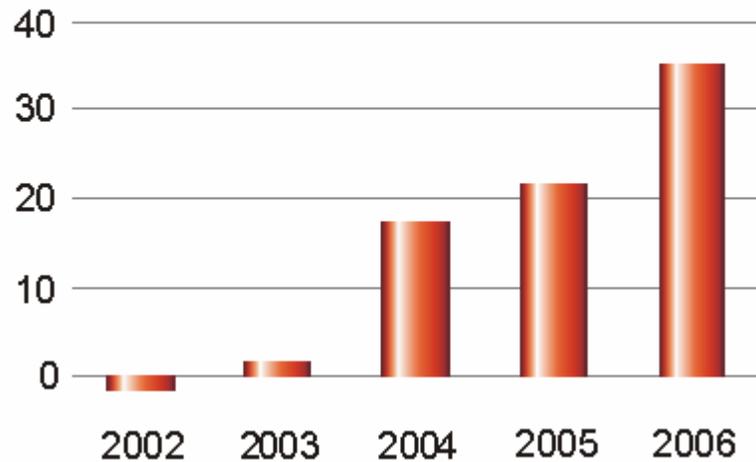


IGO FINANCIAL YEAR STATISTICS

Net Profit after Tax

Net Profit after Tax

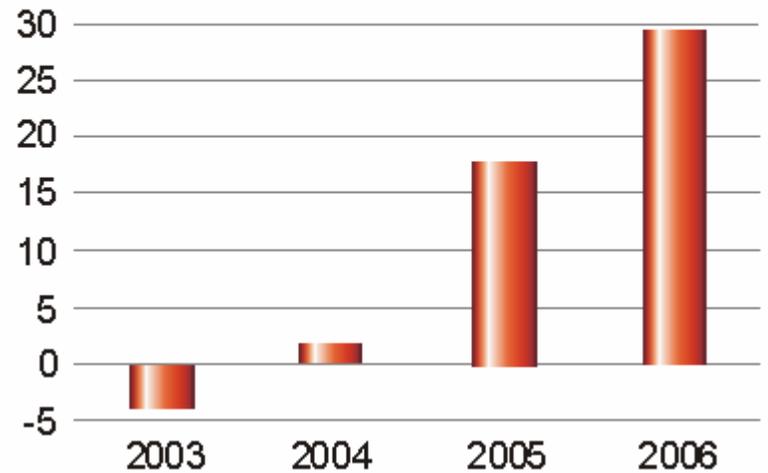
A\$M



Earning per Share

Earnings per Share - Diluted

Cents



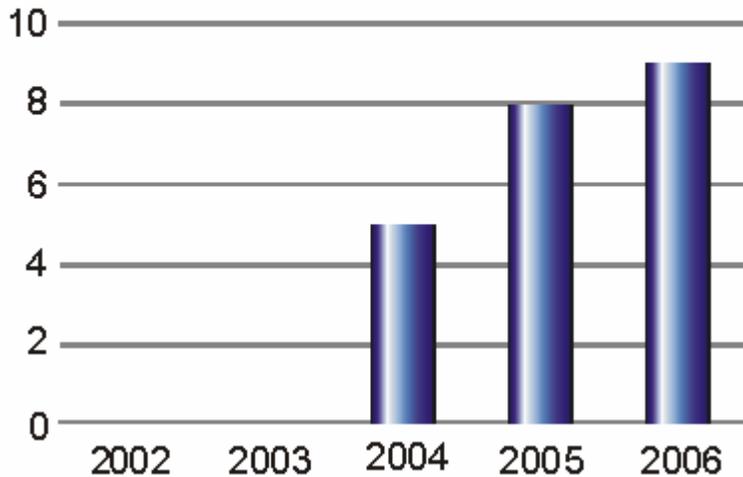


IGO FINANCIAL YEAR STATISTICS

Fully Franked Dividends

■ Dividends Paid

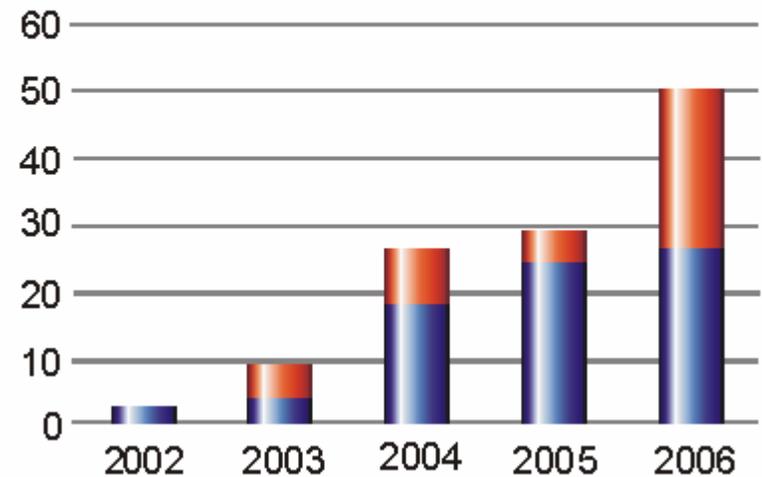
Cents



Cash & Net Receivables

■ Cash ■ Receivables net of creditors

A\$M



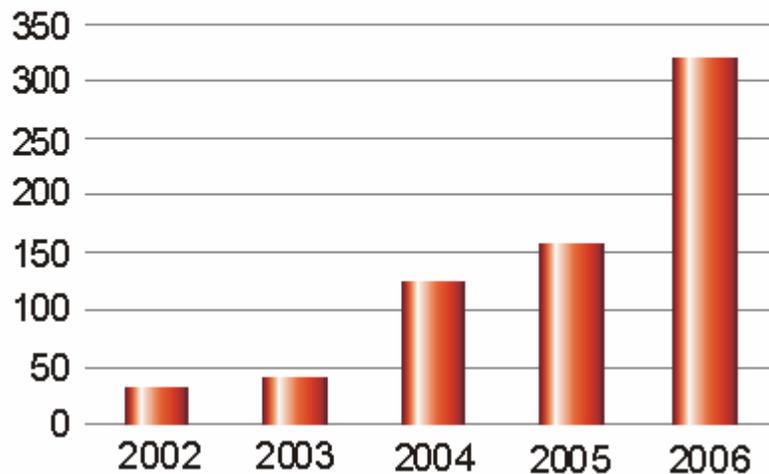


IGO FINANCIAL YEAR STATISTICS

Market Capitalisation

Market Capitalisation - Undiluted

A\$M

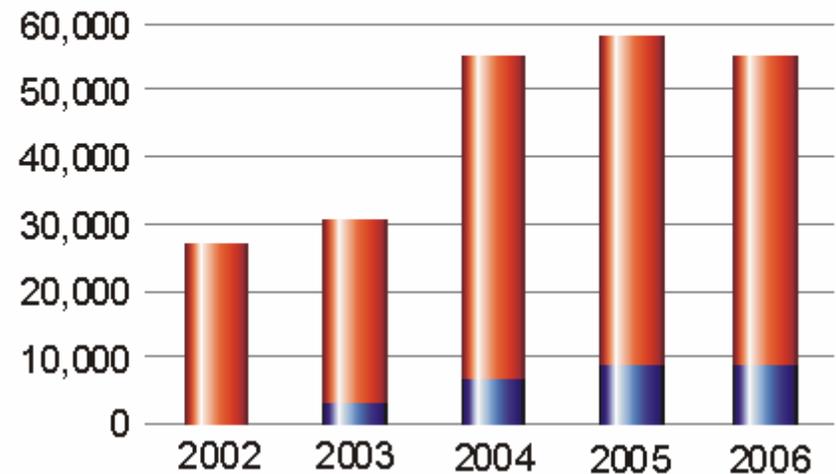


Production & Reserves

Nickel Production

Ore Reserve

Ni tonnes





IGO SHARE PRICE TO 20.11.06

Weekly Average





CORPORATE OVERVIEW

◆ ASX Code:	IGO (S&P / ASX 300)
◆ Share Price:	A\$4.45 (21.11.06)
◆ Fully paid shares:	113M
◆ Unlisted Options:	4.3M
◆ Market Capitalisation (undiluted):	A\$503M
◆ Cash & Receivables net creditors:	A\$67.5M (30.09.06)
◆ Daily turnover (6 month average):	375,000
◆ Debt:	A\$2.9M (30.09.06)



Rod Marston Non Executive Chairman

Chris Bonwick Managing Director

Kelly Ross Executive Director & Company Secretary

John Christie Non Executive Director

Oscar Aamodt Non Executive Director

2005/06 Board Remuneration - \$1.1M (including option valuation)



TOP TEN SHAREHOLDERS

Ordinary Shares as at 9.11.06

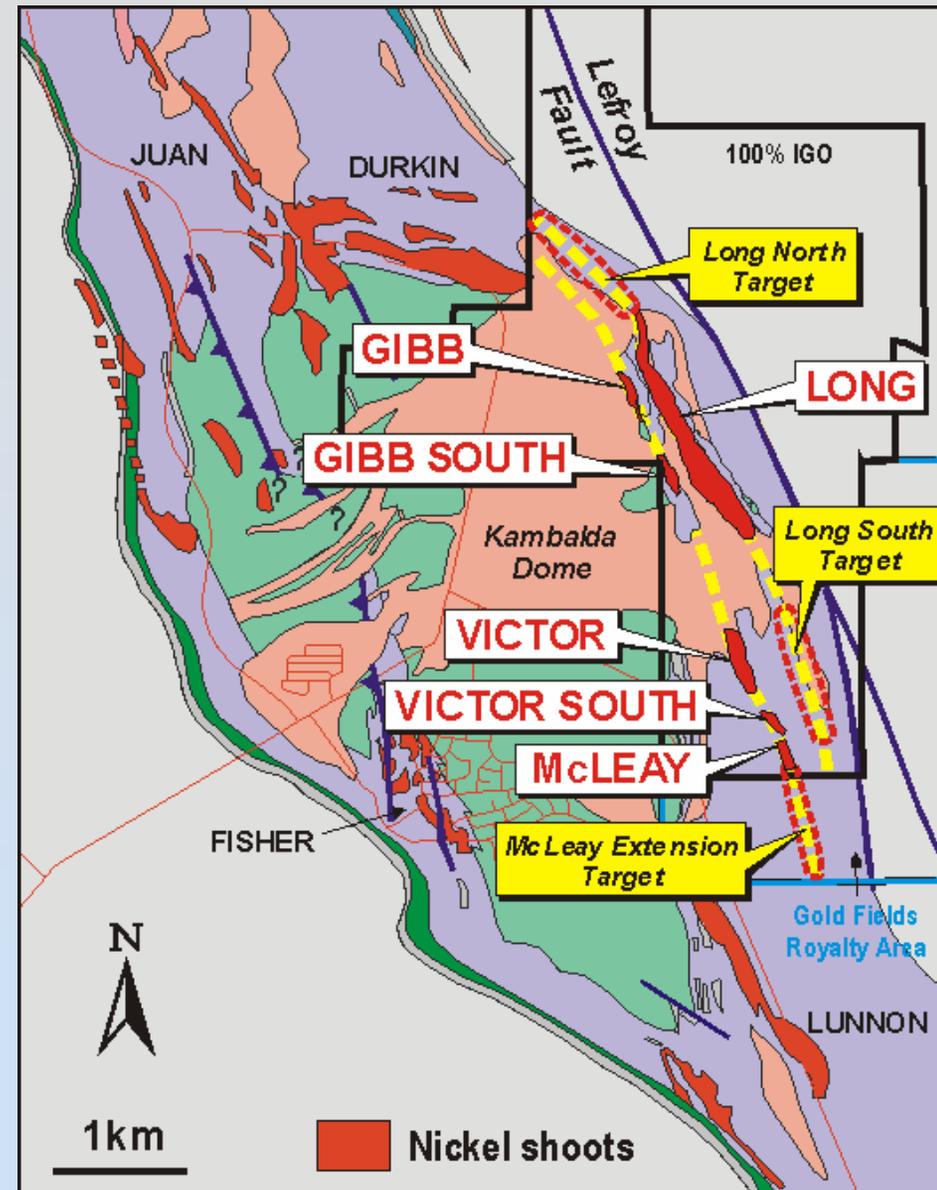
JP Morgan Nominees	12.9M	11.4%
Westpac Custodian Nominees	10.8M	9.5%
ANZ Nominees	7.8M	6.9%
National Nominees	7.8M	6.9%
Citicorp Nominees	6.5M	5.8%
Forty Traders Limited	3.3M	3.0%
RBC Dexia Investor Services	3.1M	2.8%
Virtual Genius	3.0M	2.7%
Cogent Nominees	2.8M	2.4%
K Schiller	2.6M	2.3%
	60.6M	53.7%



LONG NICKEL MINE (IGO 100%)

TARGETS:

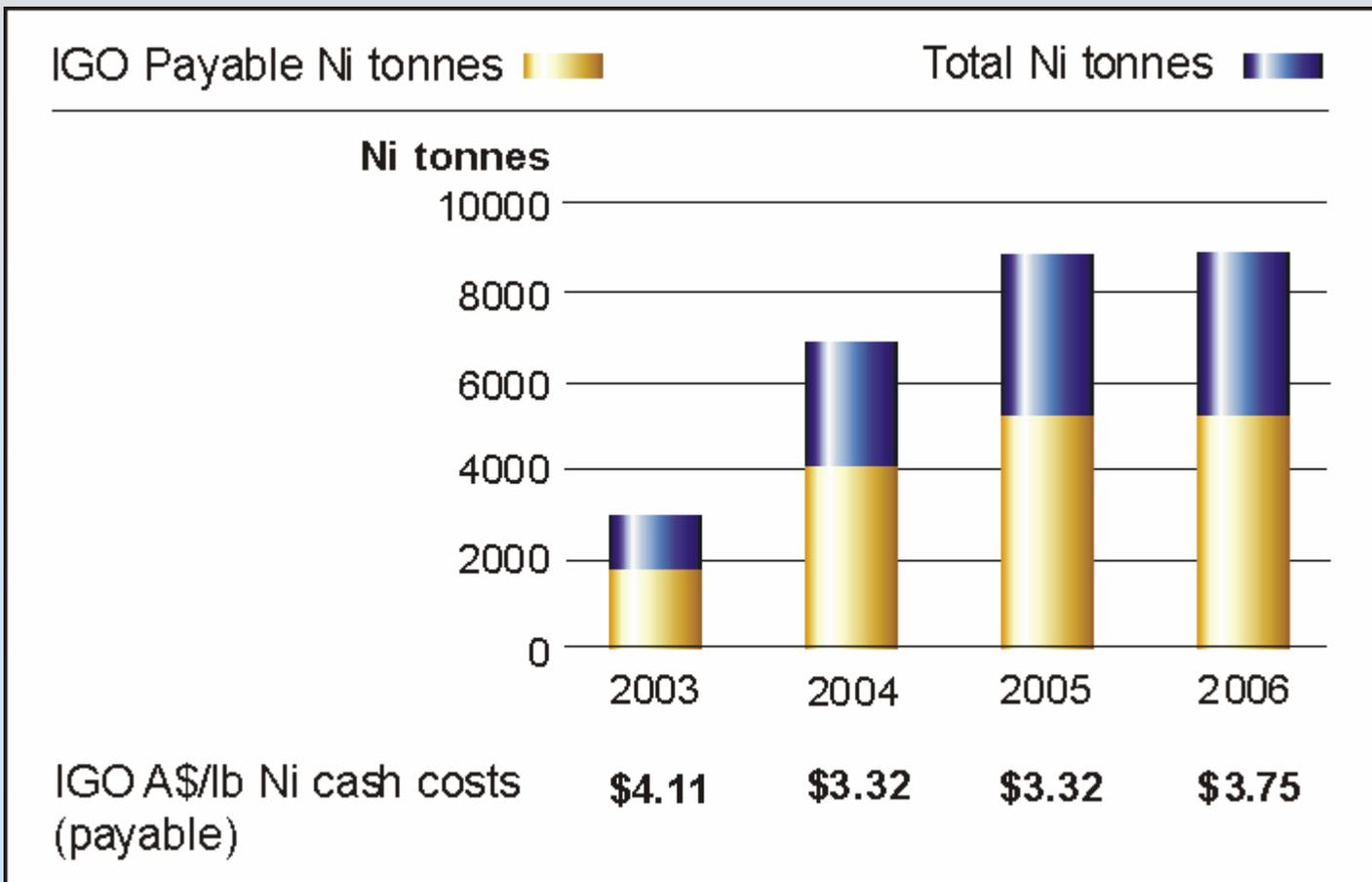
- ◆ Sustainable 9,000t Ni pa in bottom 3rd of world-wide nickel production cash costs.
- ◆ New Reserves to increase mine life and possibly increase production rate.





PRODUCTION HISTORY

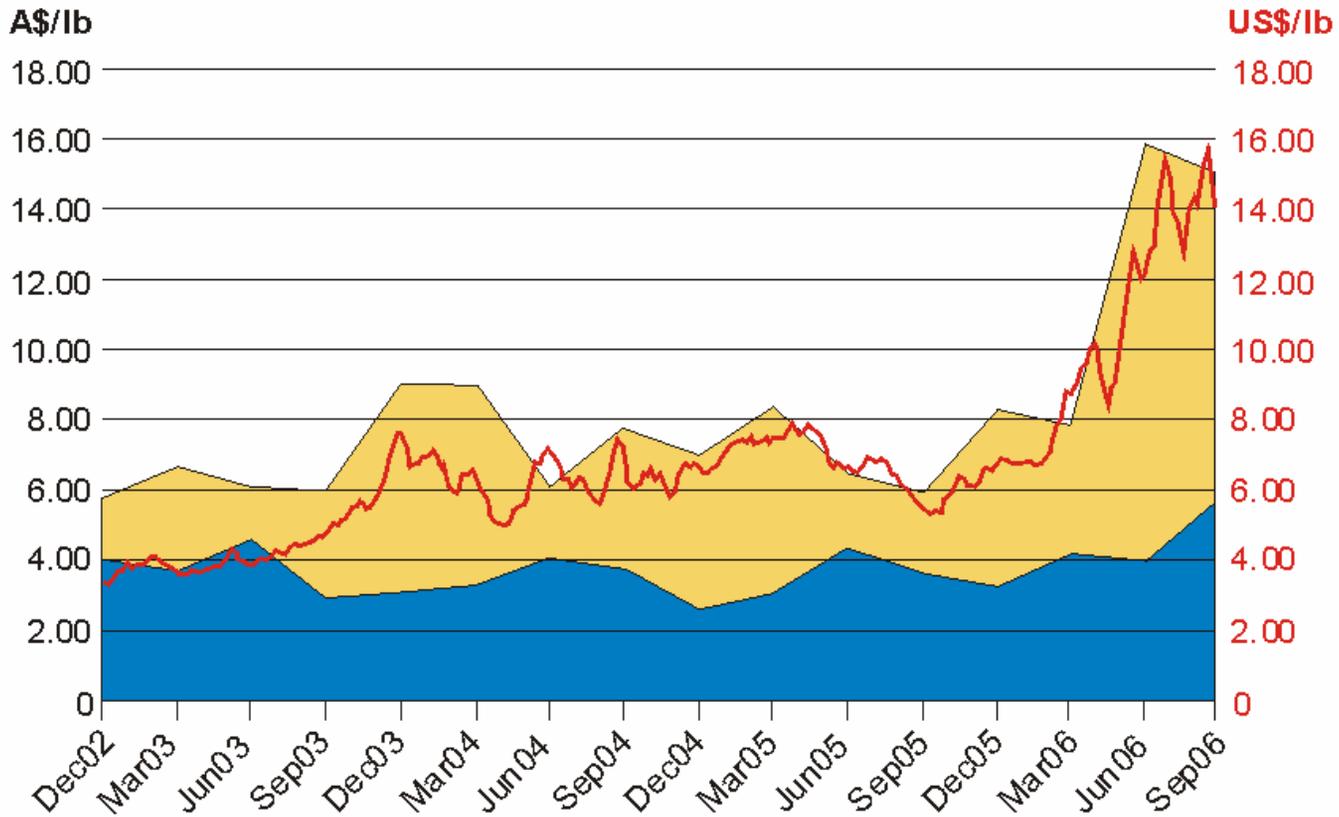
Operator	Period	tonnes	% Ni	Ni tonnes
WMC	1979-1999	5.43 million	3.7	203,184
IGO	Oct 02 – Sep 06	0.76 million	3.9	29,316





CASH COSTS & RECEIVABLES

IGO Receivables / lb (A\$)  IGO Cash Cost / lb (A\$)  Ni Price / lb (US\$) 





- ◆ Low priced hedging (174 Ni t / month @ A \$12,183) finished in April 2006.
- ◆ Difference between spot @ A \$35,000 / Ni t and low priced hedged Ni = A \$4.0M /month.
- ◆ 23% of current payable metal in reserve hedged.
- ◆ 40% of payable metal hedged between July 06 and Jun 09.

Payable Metal

- ◆ 2006/7 1200 Ni t @ A \$17,418
- 2007/8 2400 Ni t @ A \$17,670
- 2008/9 2400 Ni t @ A \$18,489



LONG MINE PRODUCTION STATS

2005/6 IGO PRODUCTION

Expected from Ore Reserve blocks	5,537 Ni t
Mined from Ore Reserve blocks	7,887 Ni t
Mined from outside Ore Reserve	1,010 Ni t
TOTAL	8,897 Ni t

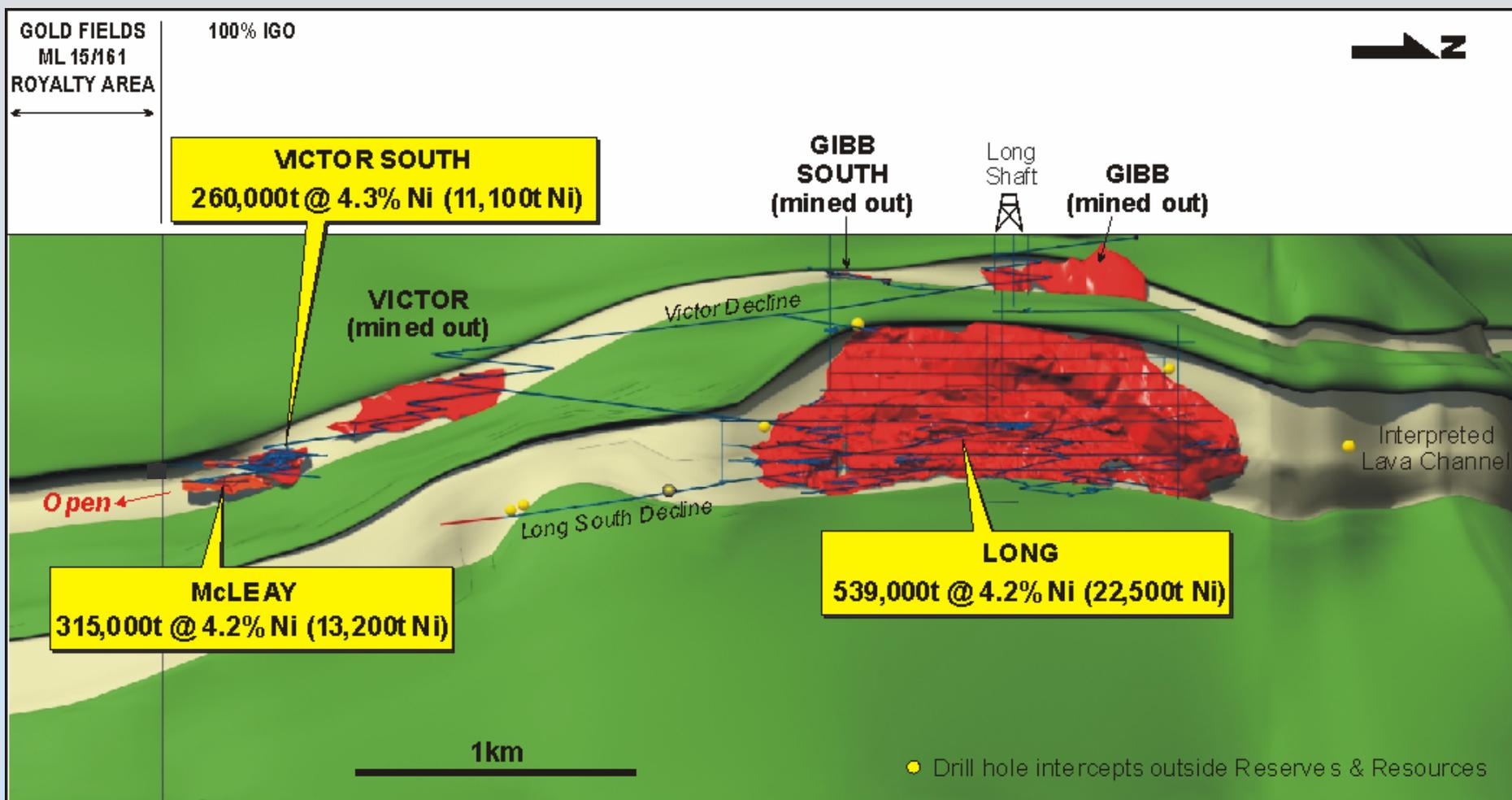
OCT 2002 – JUN 2006 IGO PRODUCTION

Expected from Ore Reserve blocks	18,334 Ni t
Mined from Ore Reserve blocks	22,755 Ni t
Mined from outside Ore Reserve	4,863 Ni t
TOTAL	27,618 Ni t



LONG MINE & RESERVES LONGITUDINAL PROJECTION

June 2006 Ore Resource: 1,367,000t @ 5.6% Ni (76,700t Ni)
Ore Reserve: 1,114,000t @ 4.2% Ni (46,800t Ni)





MINE GEOPHYSICS



3 component
underground TEM
system
*developed by Independence
/ Curtin University*



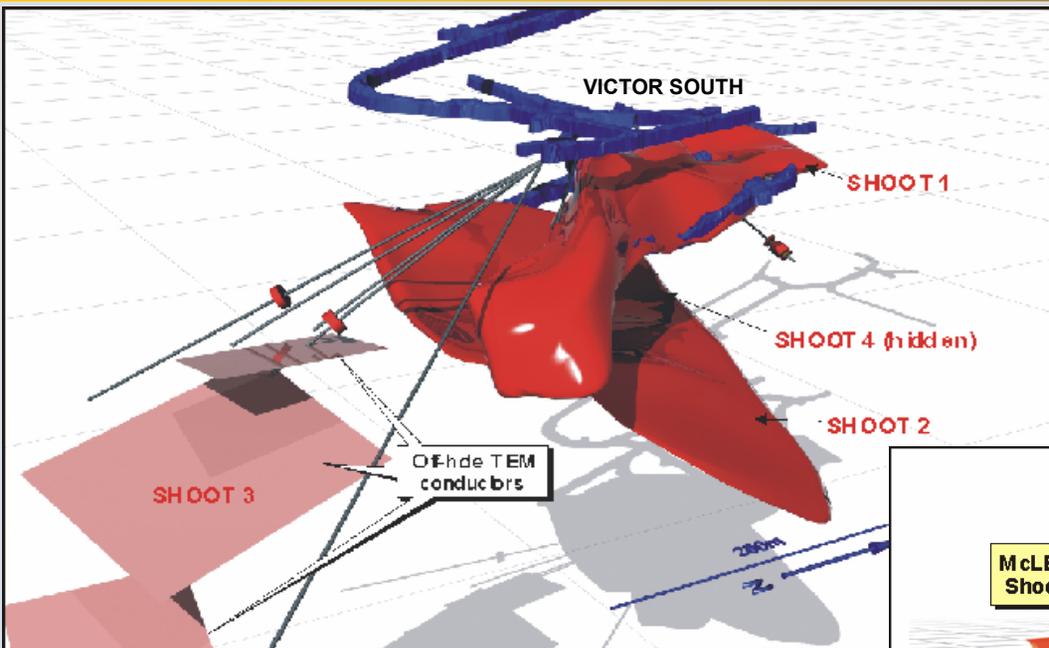
Down hole Mag TEM
probe
*developed by
Electromagnetic
Imaging Technology*



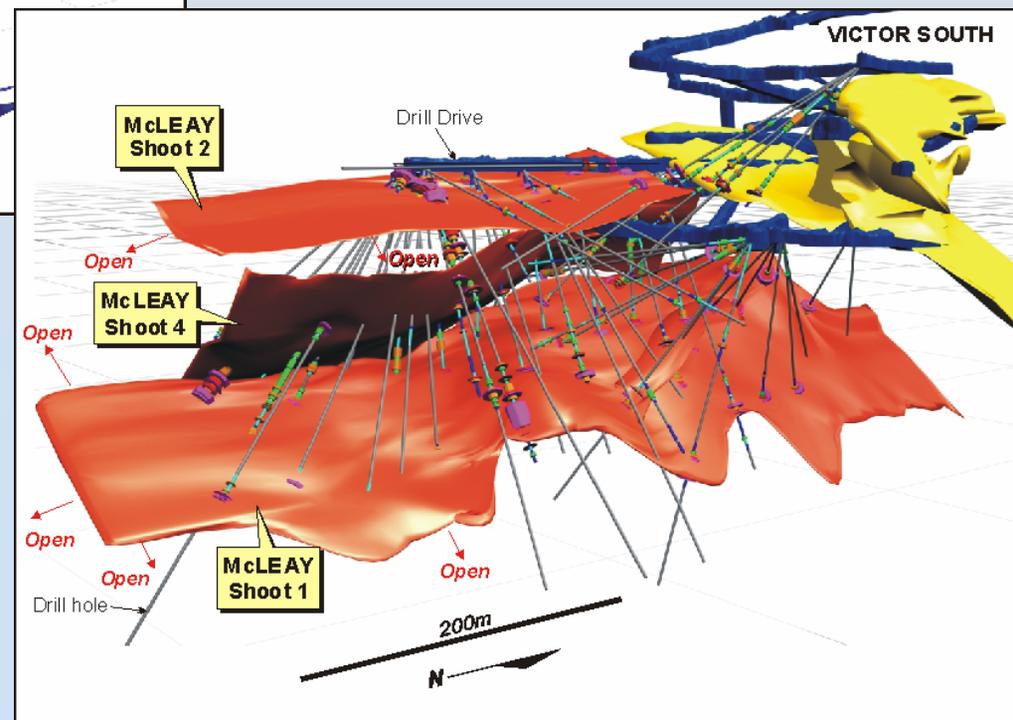
High powered TEM
transmitter – 10 x more
powerful than current
systems
*in development by
Independence / Curtin
University*



McLEAY DISCOVERY



McLeay TEM Plates in 3D

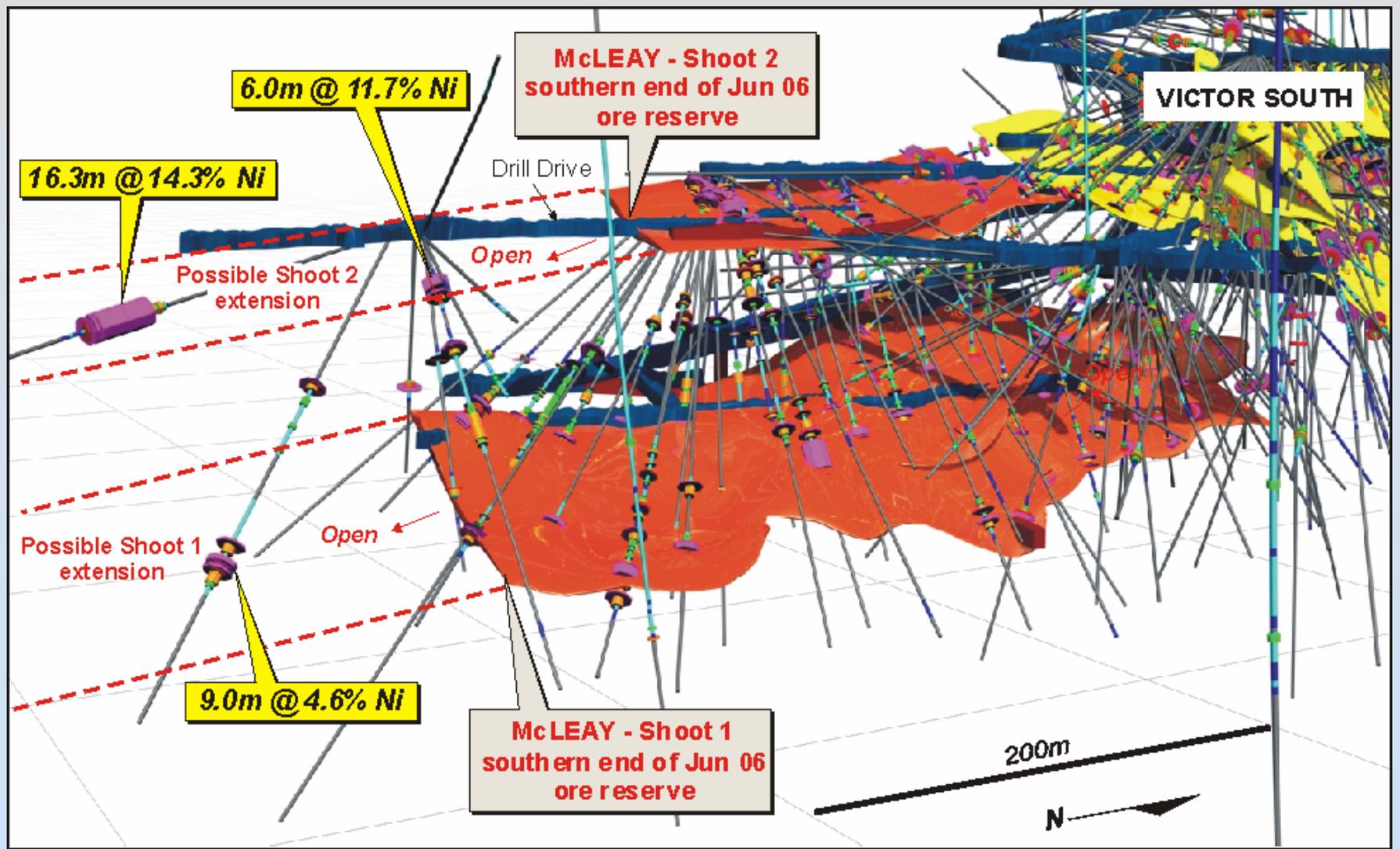


McLeay Actual orebody in 3D (as of Apr 06)



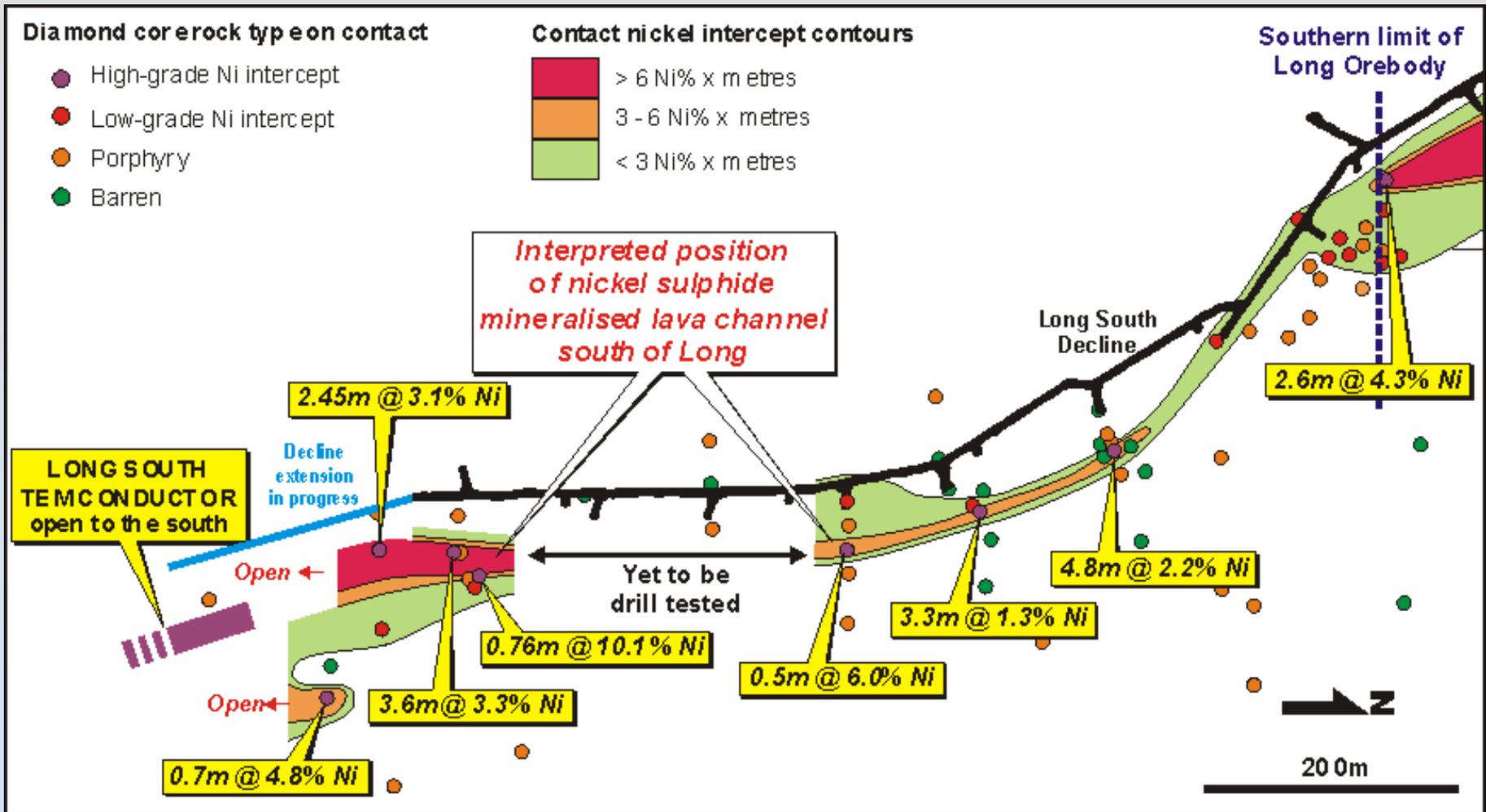
McLEAY SHOOTS 1 & 2 LONGITUDINAL PROJECTION

Significant drill hole intercepts south of current ore reserves



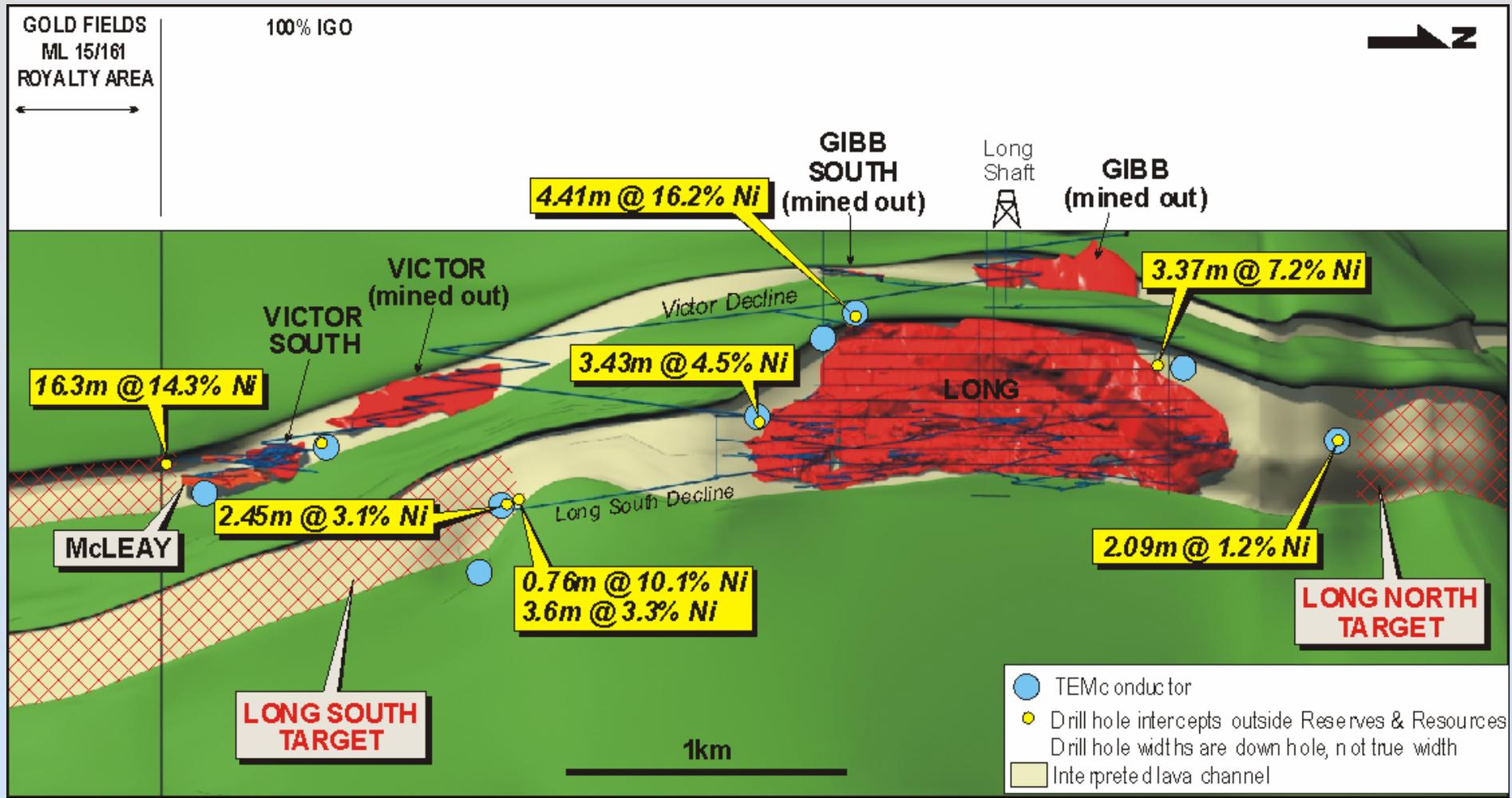


LONG SOUTH EXPLORATION SIGNIFICANT DRILL INTERCEPTS





LONG MINE DRILLING TARGETS LONGITUDINAL PROJECTION





IGO REGIONAL EXPLORATION

STRATEGY: Targeting new, high profit mines by -

- ◆ Exploring under cover and in lightly or unexplored terrains.
- ◆ Combining empirical and conceptual targeting methods with new and innovative exploration technologies.
- ◆ Maintaining a strong in-house geophysical capability.
- ◆ Turning ground over quickly and efficiently.

REGIONAL BUDGET: 2006/7 - A \$6.0M

SIGNIFICANT PROJECTS:

- 7 Nickel
- 6 Gold
- 3 Iron Ore
- 1 Base Metal

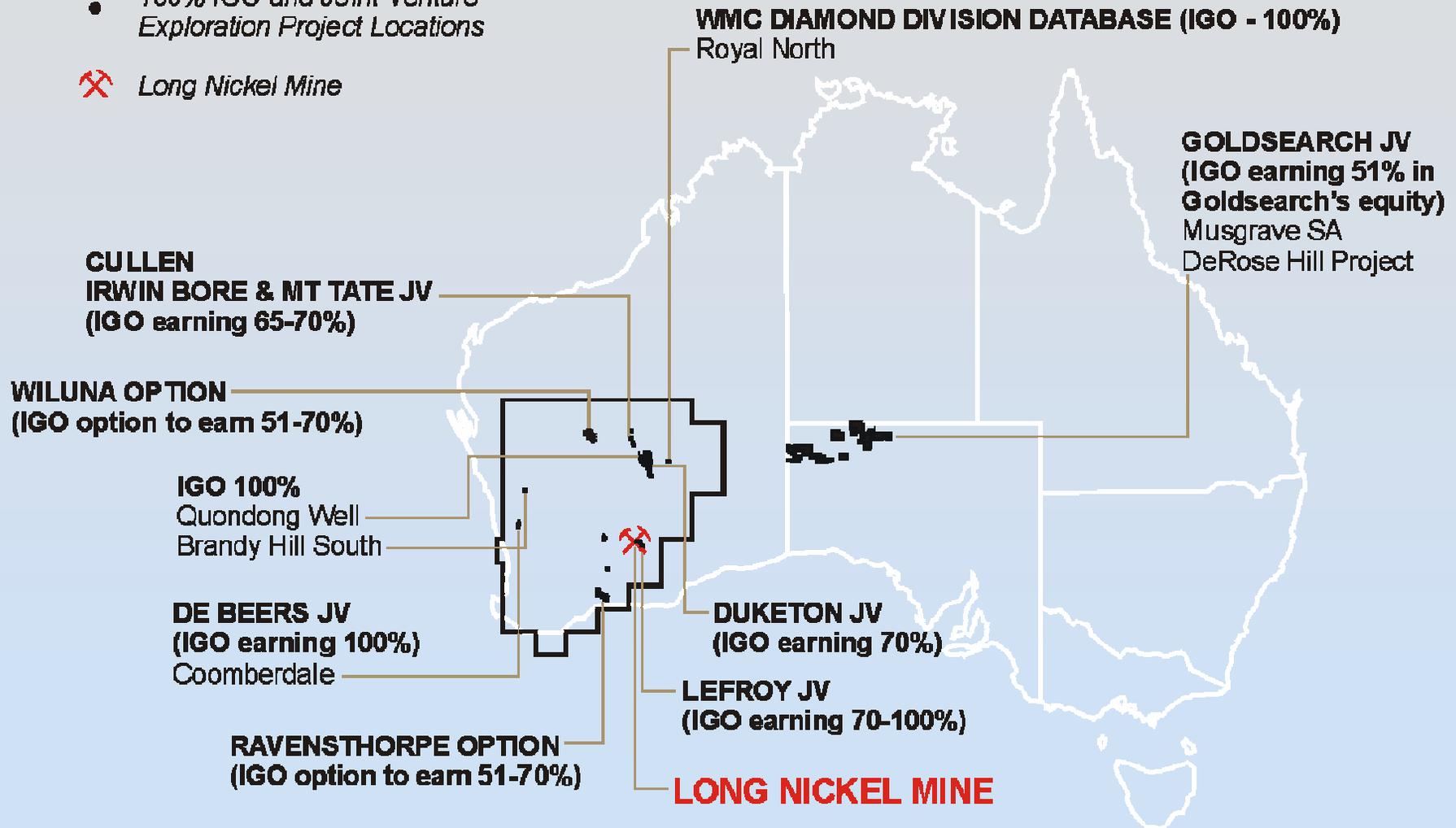


IGO AUSTRALIAN NICKEL PROJECTS

 De Beers JV Area

- 100% IGO and Joint Venture Exploration Project Locations

 Long Nickel Mine





EXPLORATION GEOPHYSICS



Mag TEM sensor
developed by
Electromagnetic Imaging Technology (EMIT)



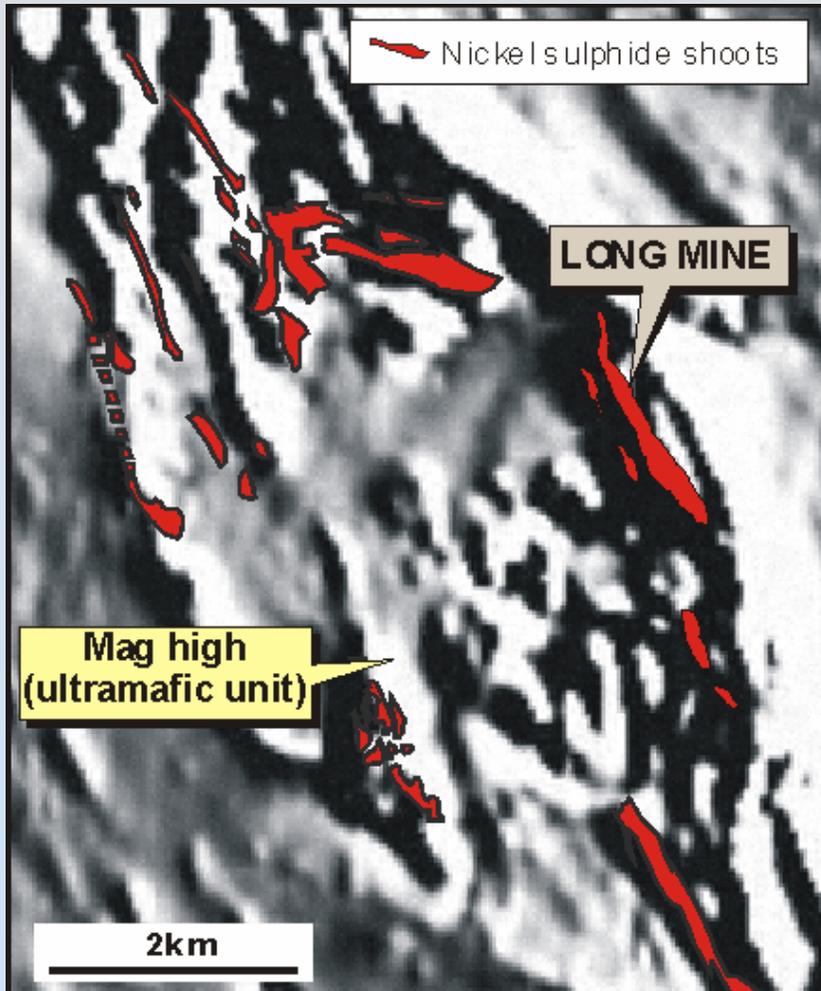
Squid TEM sensor
Photo courtesy of Anglo American



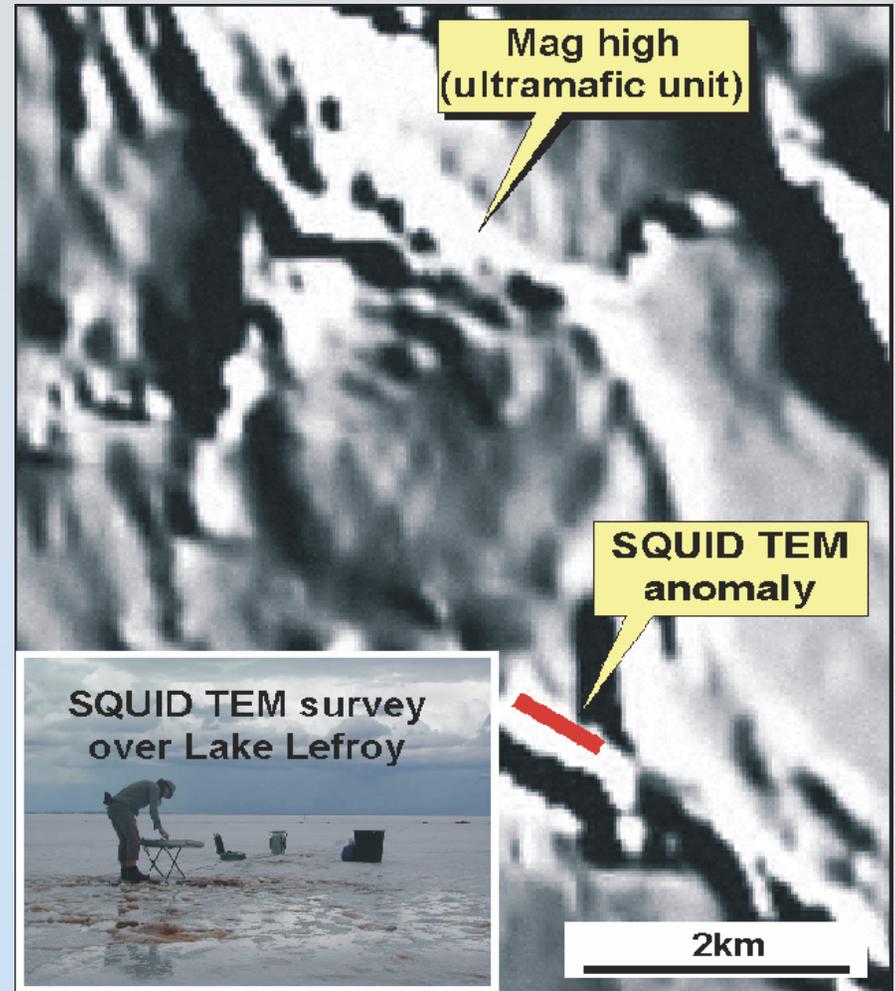
STRATA - LAKE LEFROY JV (IGO earning 70%)

DOMES COMPARISON

Kambalda Ultramafic Dome



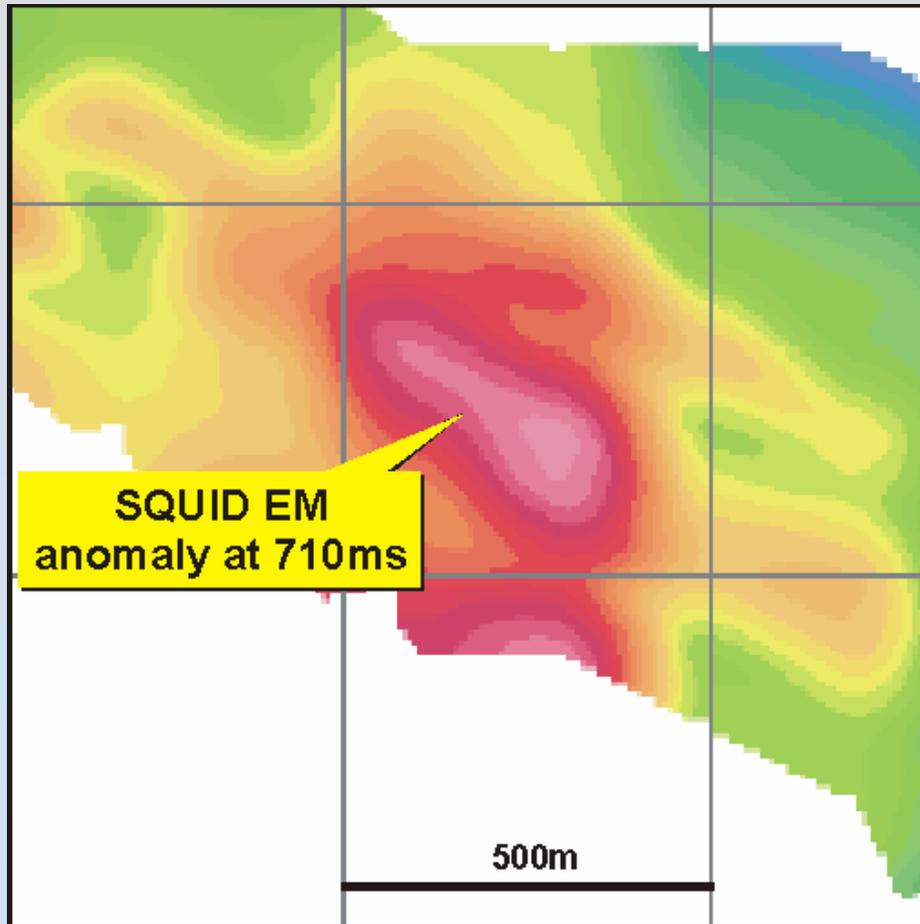
Lake Lefroy Ultramafic Dome



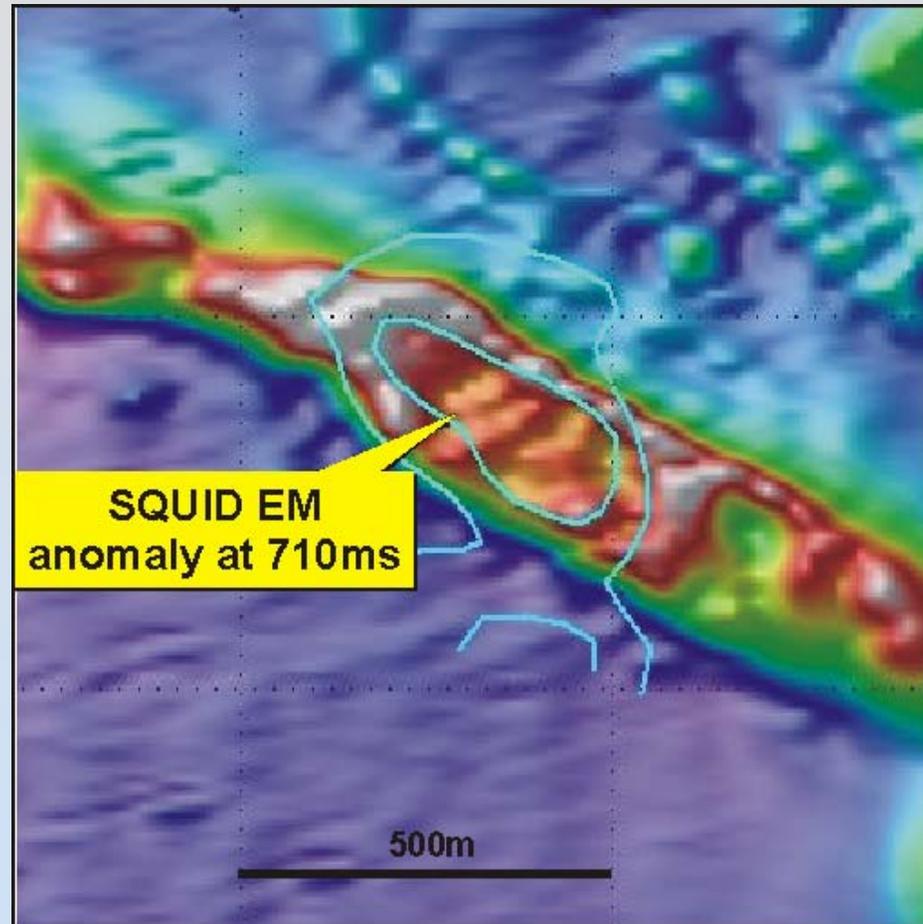


STRATA - LAKE LEFROY JV (IGO earning 70%)

SQUID EM Image

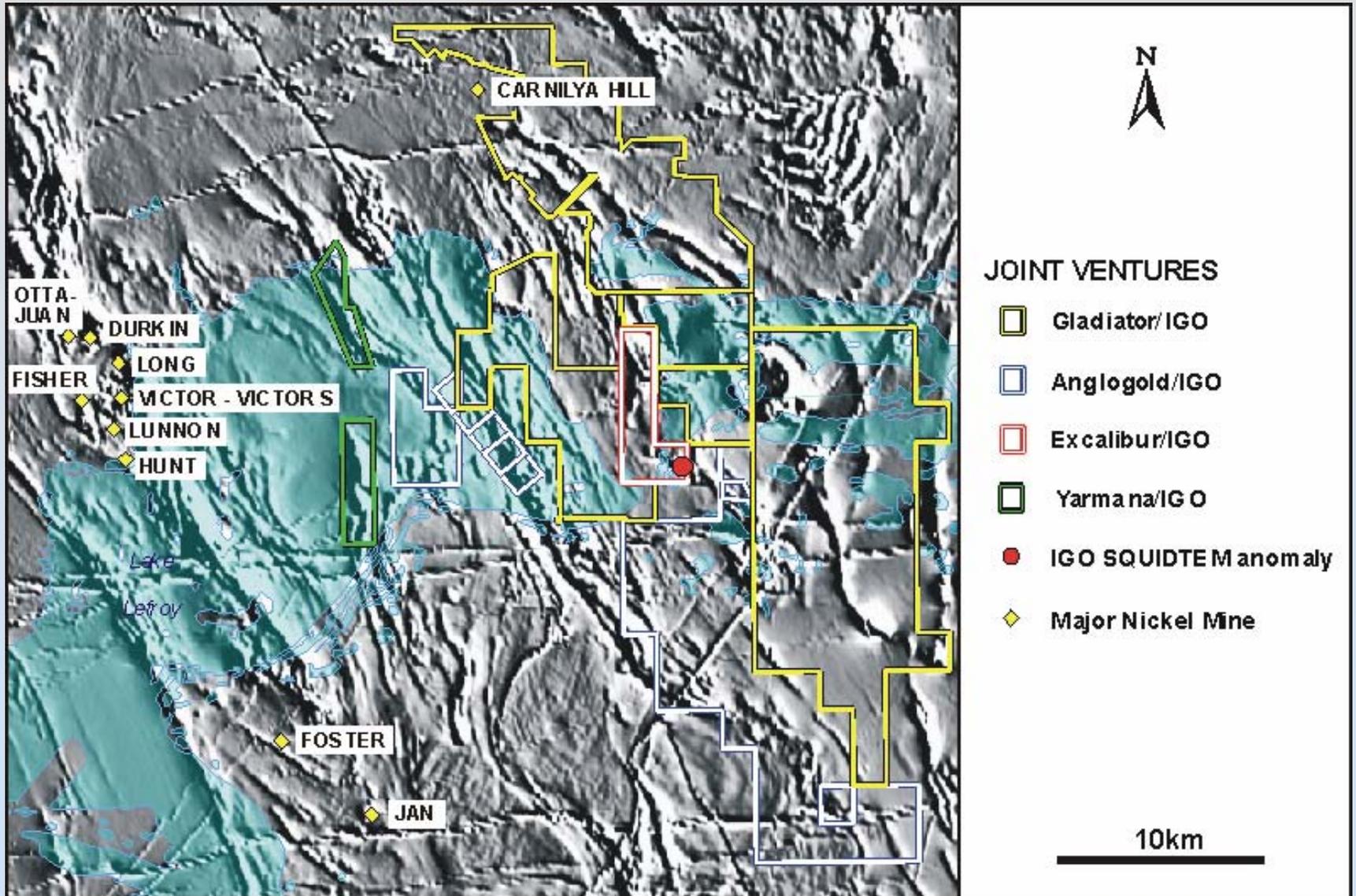


SQUID EM outline over Mag Image



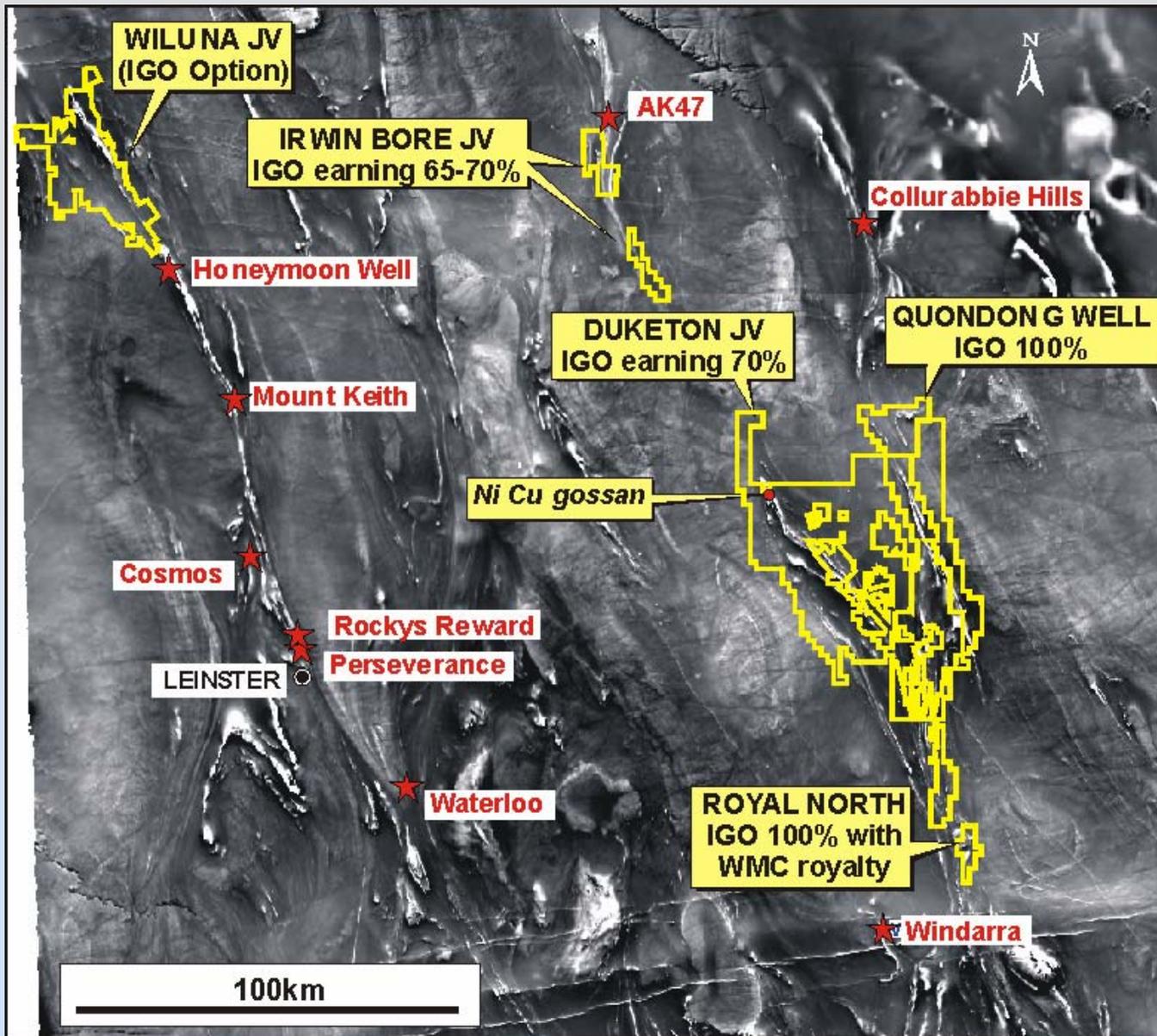


LAKE LEFROY JOINT VENTURES



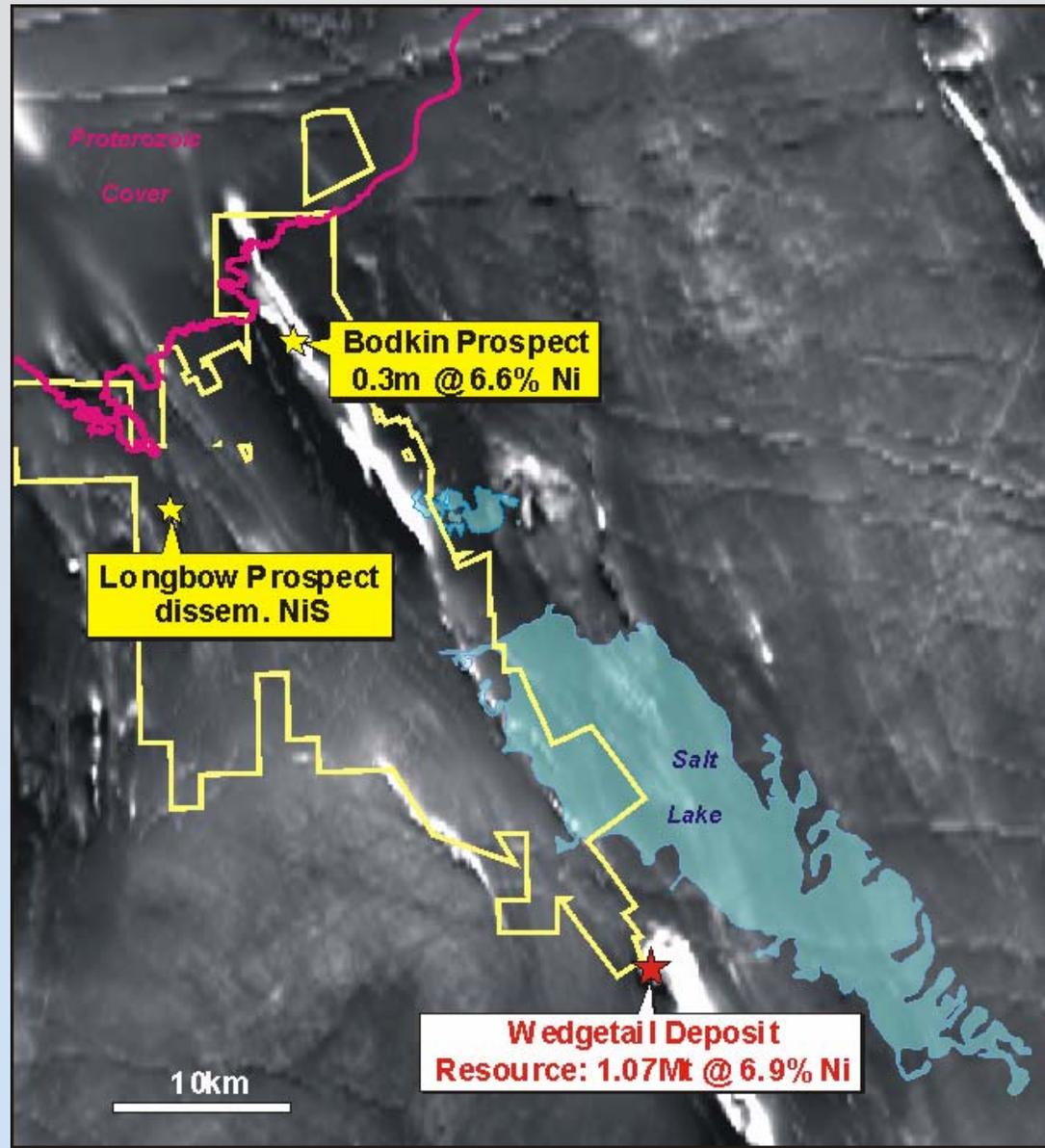


NORTH-EASTERN GOLDFIELDS NICKEL PROJECTS





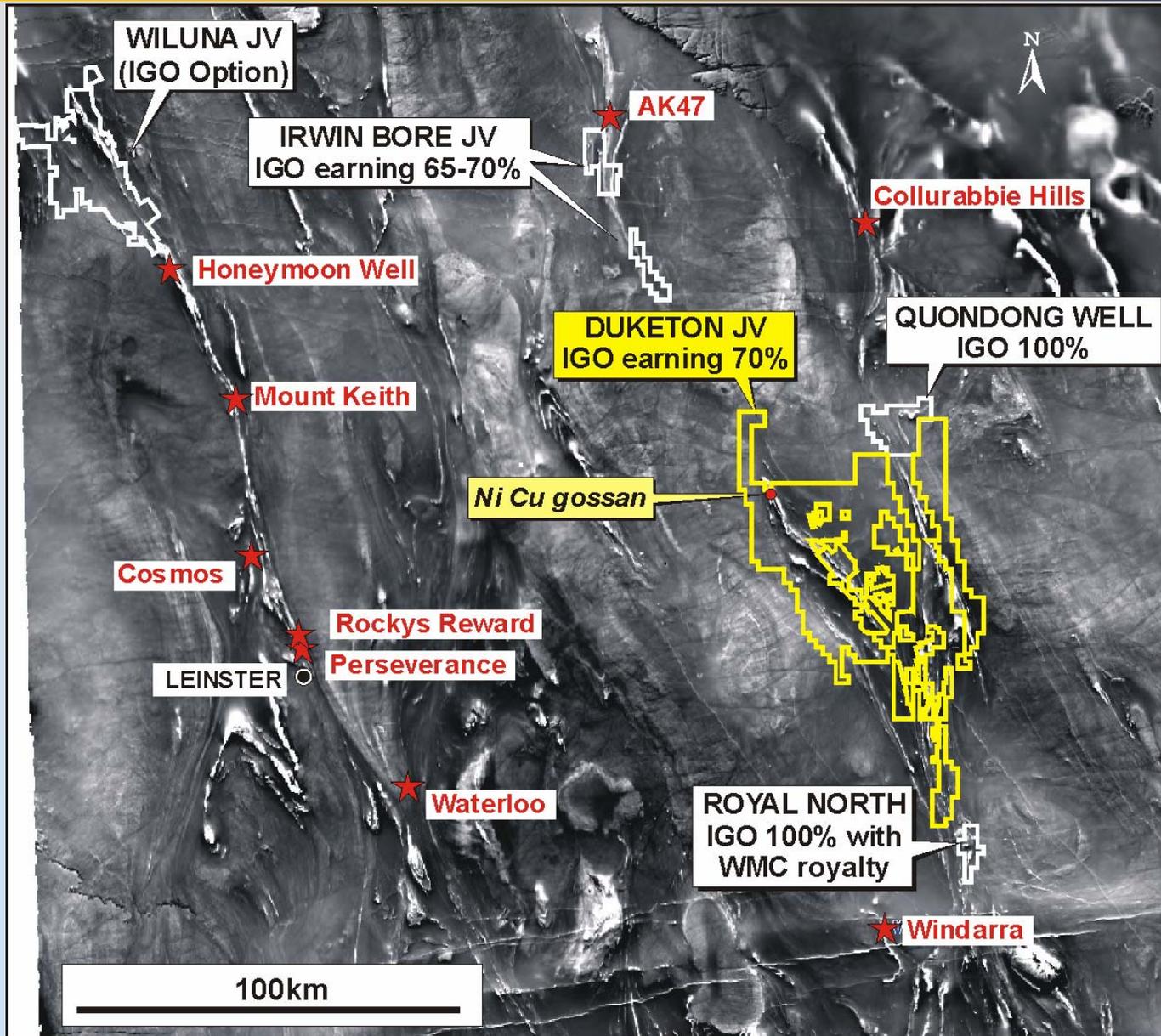
WILUNA OPTION (IGO option to earn 51-70%)



JV Partner: Agincourt

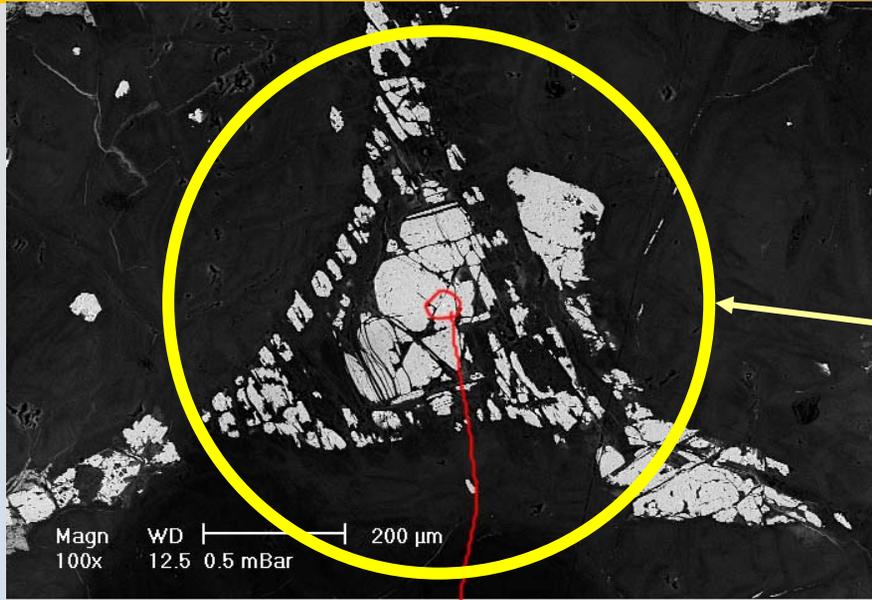


NORTH-EASTERN GOLDFIELDS NICKEL PROJECTS

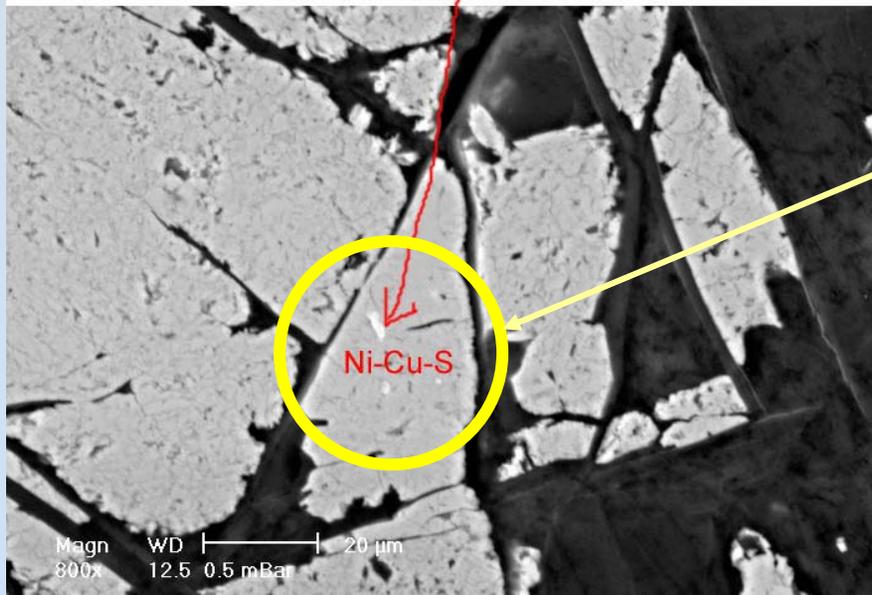




COPPER NICKEL GOSSAN - DUKETON JV (IGO earning 70%)



**Nickel sulphide gossan
rock chips with up to
2.3% Cu, 0.9% Ni,
0.7g/t Pt, 0.7g/t Pd,
0.4g/t Au**



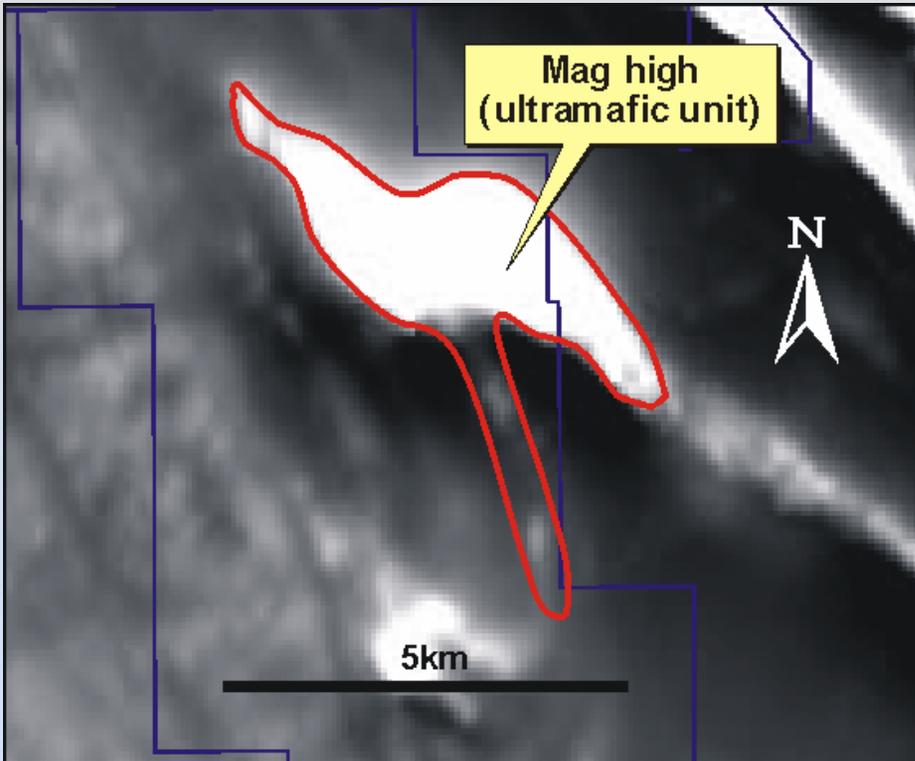
Primary nickel sulphide

JV Partner: South Boulder

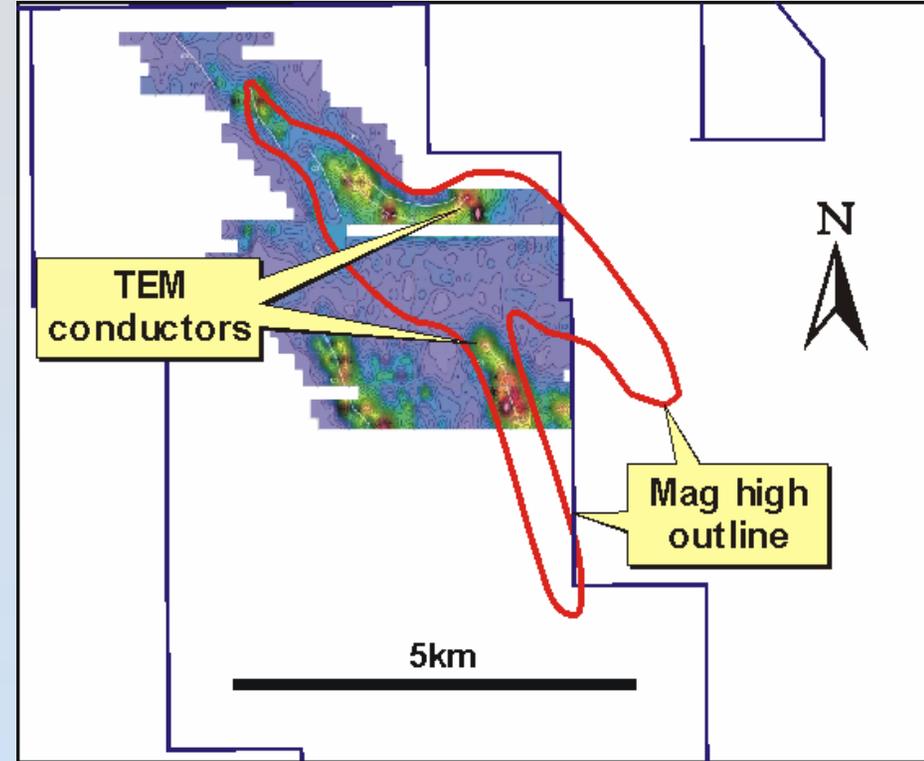


DUKETON JV – BULGE NICKEL PROSPECT (IGO earning 70%)

Aeromagnetic image



Ground TEM image

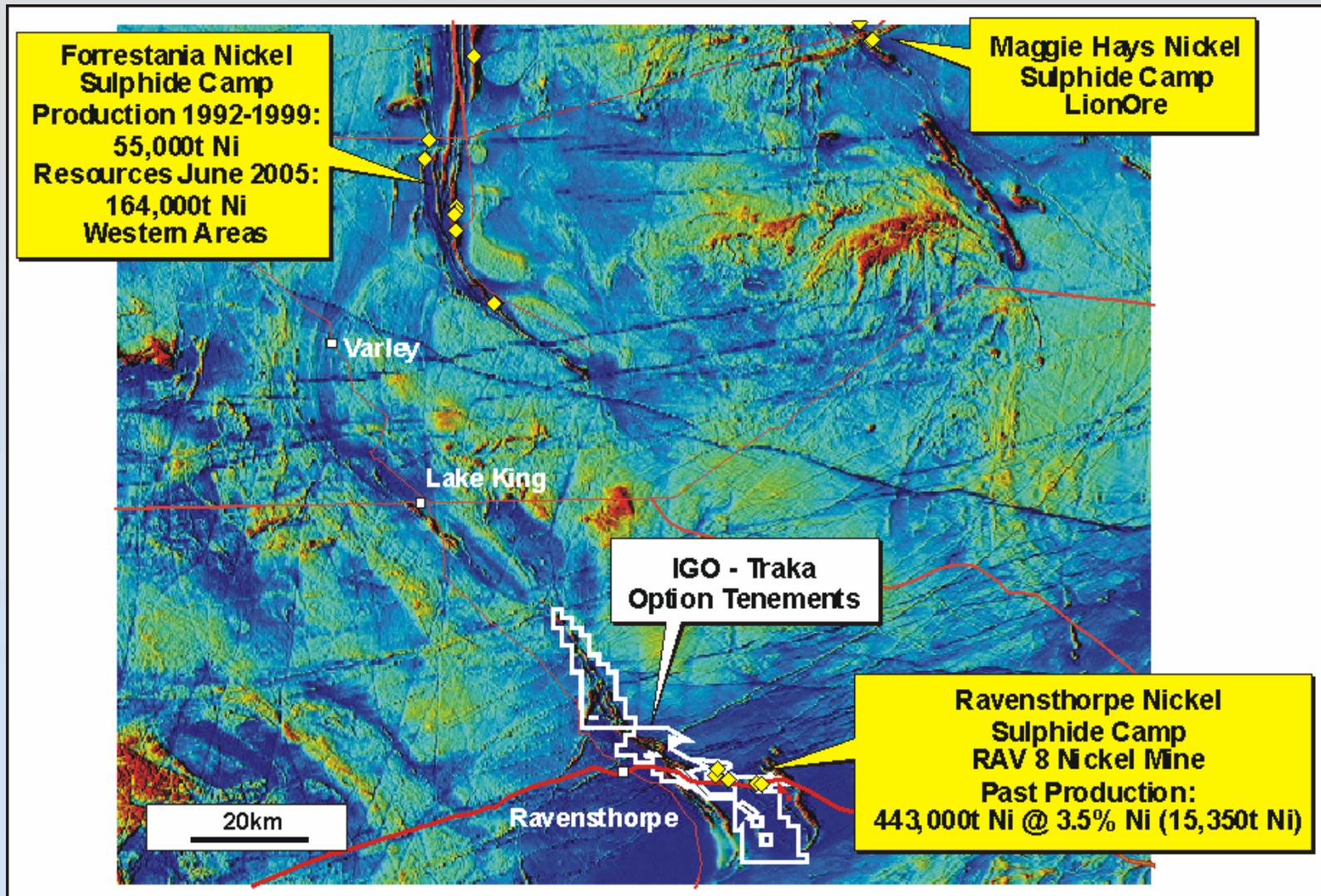


JV Partner: South Boulder



RAVENSTHORPE OPTION (IGO option to earn 51-70%)

Regional Air Magnetics



JV Partner: Traka



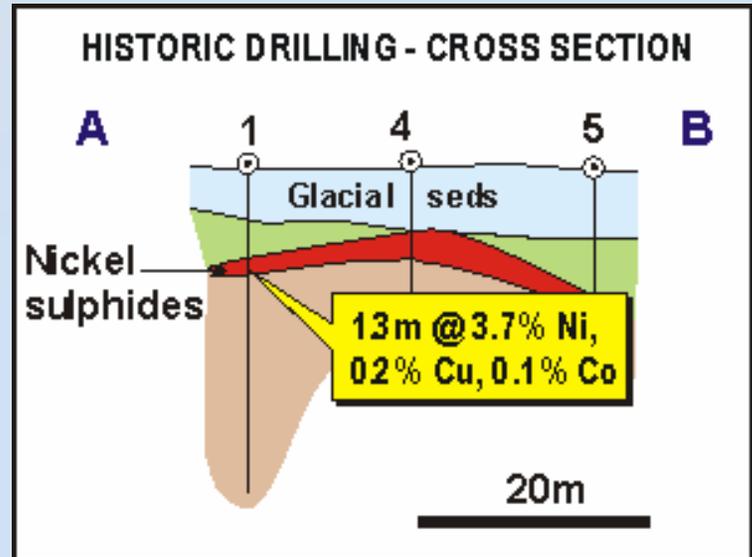
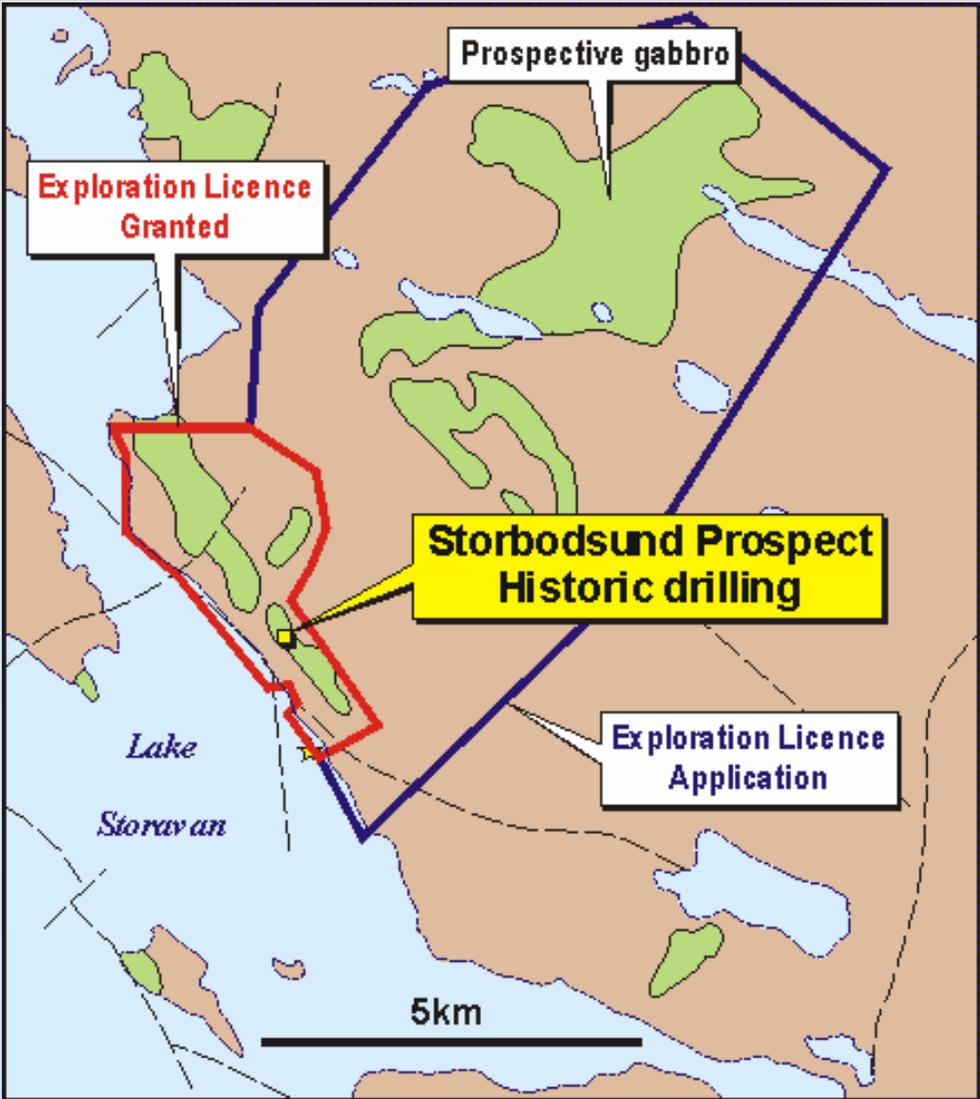
STORBODSUND NICKEL JV (IGO option to earn 70%)



JV Partner: Mawson Resources



STORBODSUND NICKEL JV (IGO option to earn 70%)



JV Partner: Mawson Resources



IGO AUSTRALIAN GOLD PROJECTS

■ WMC Diamond Division
Database (IGO -100%)
Regional Database
Sample Points

- 100% IGO and Joint Venture
Exploration Project Locations

WMC DIAMOND DIVISION DATABASE (IGO - 100%)
Mt Isdell

GOLDSWORTHY JV
(IGO - 80%)

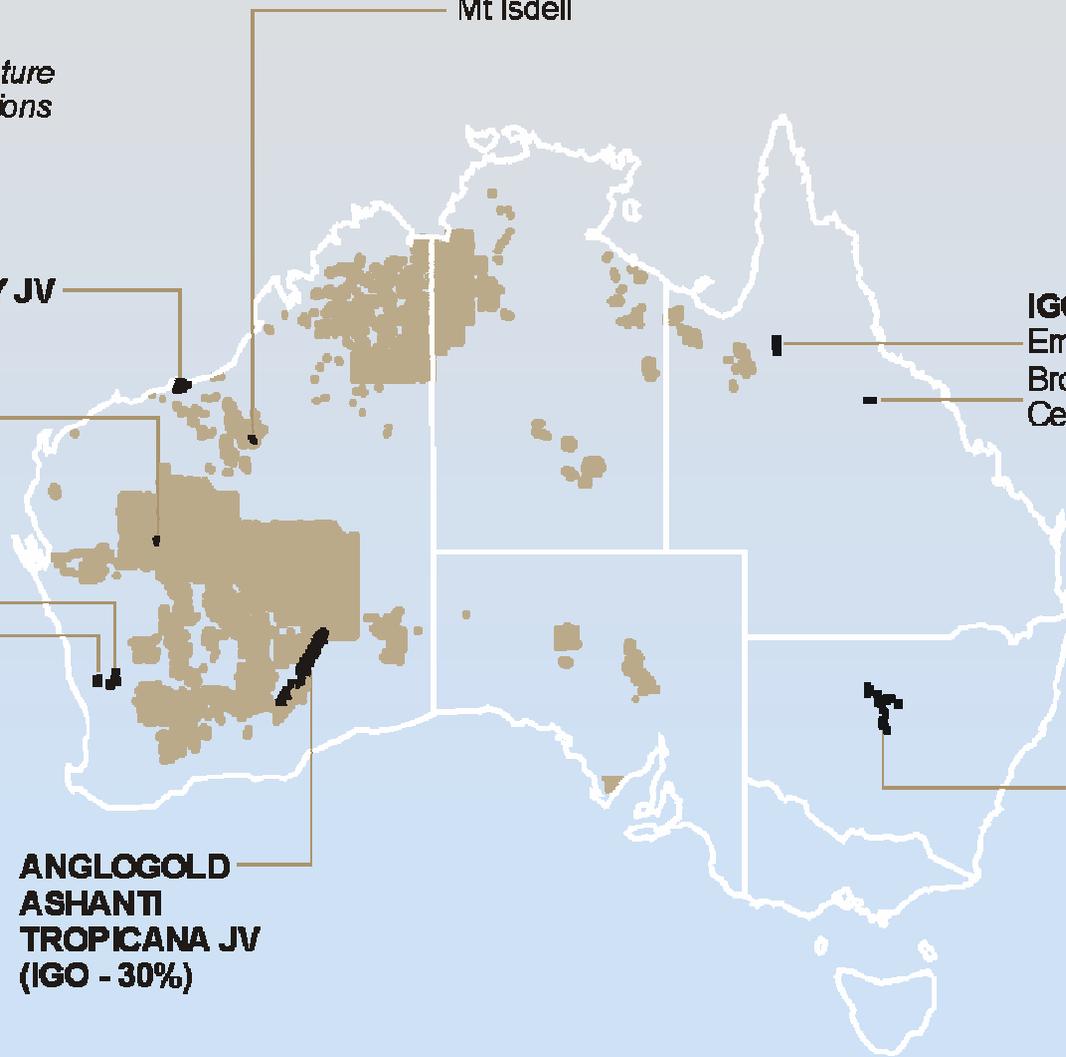
MT PADBURY JV
(IGO - 90%)

IGO - 100%
Dalwallinu
Coomberdale

ANGLOGOLD
ASHANTI
TROPICANA JV
(IGO - 30%)

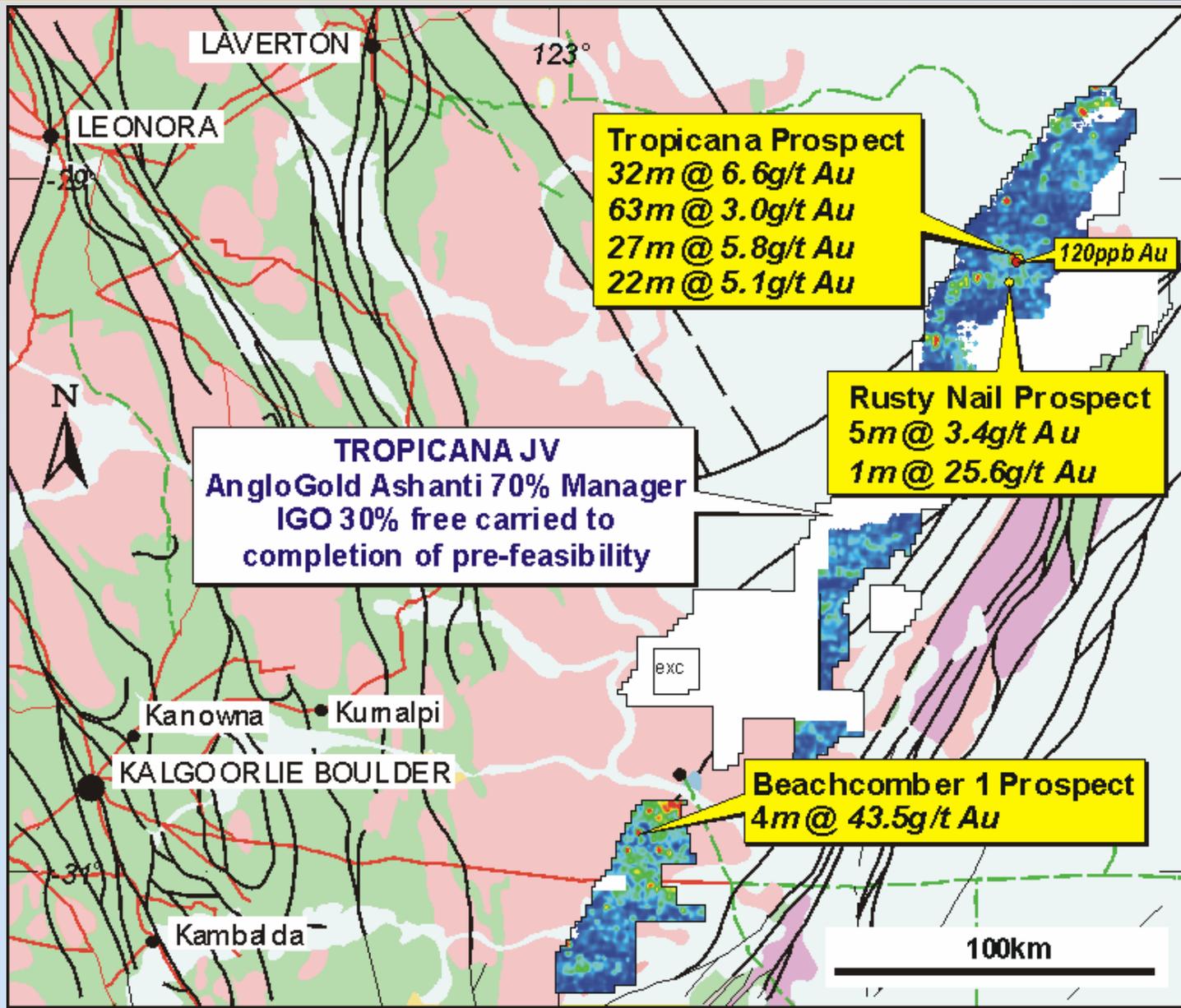
IGO - 100%
Empress Springs
Broadly Creek &
Cement Creek

IGO - 100%
Cobar



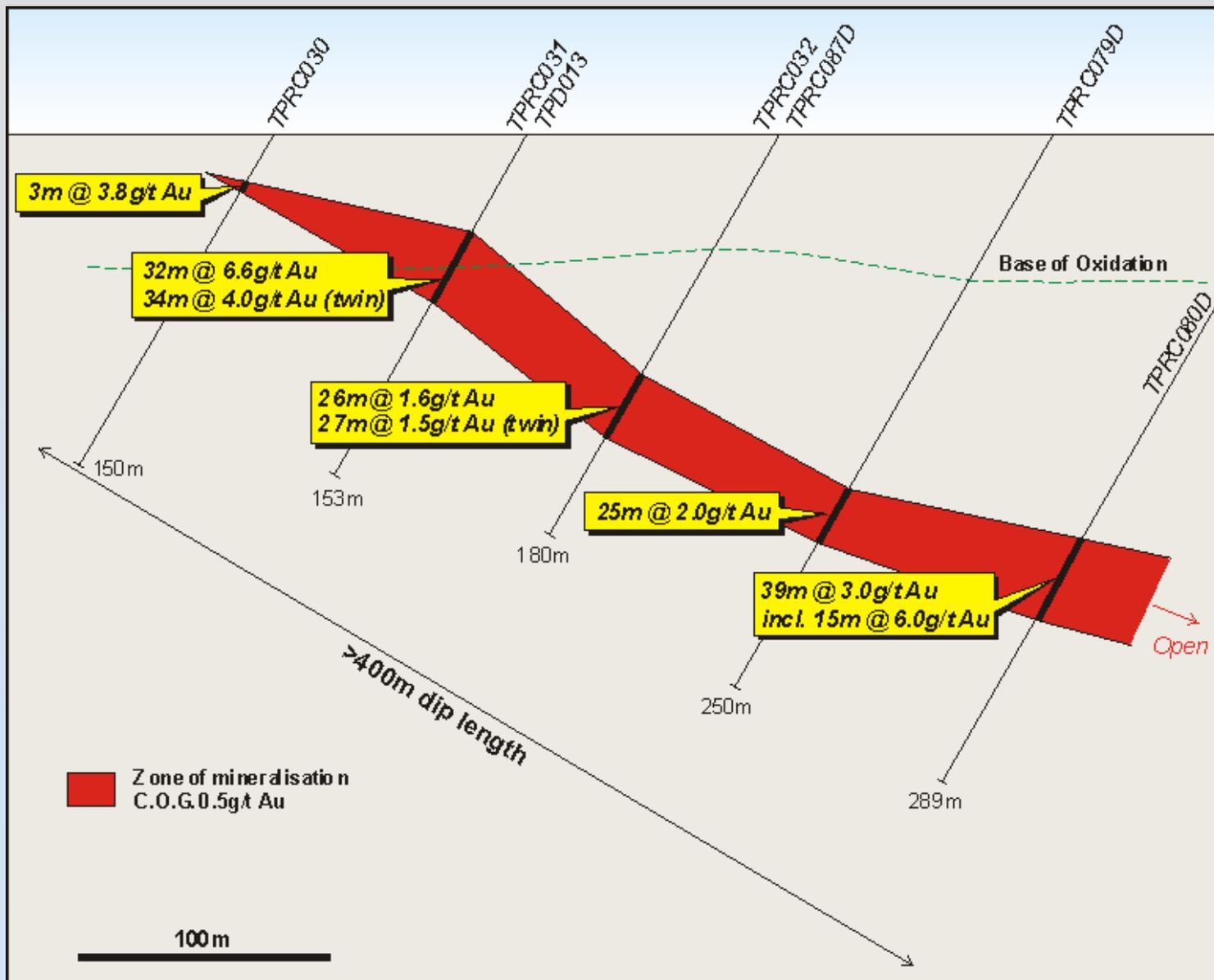


TROPICANA GOLD JV (IGO 30%)



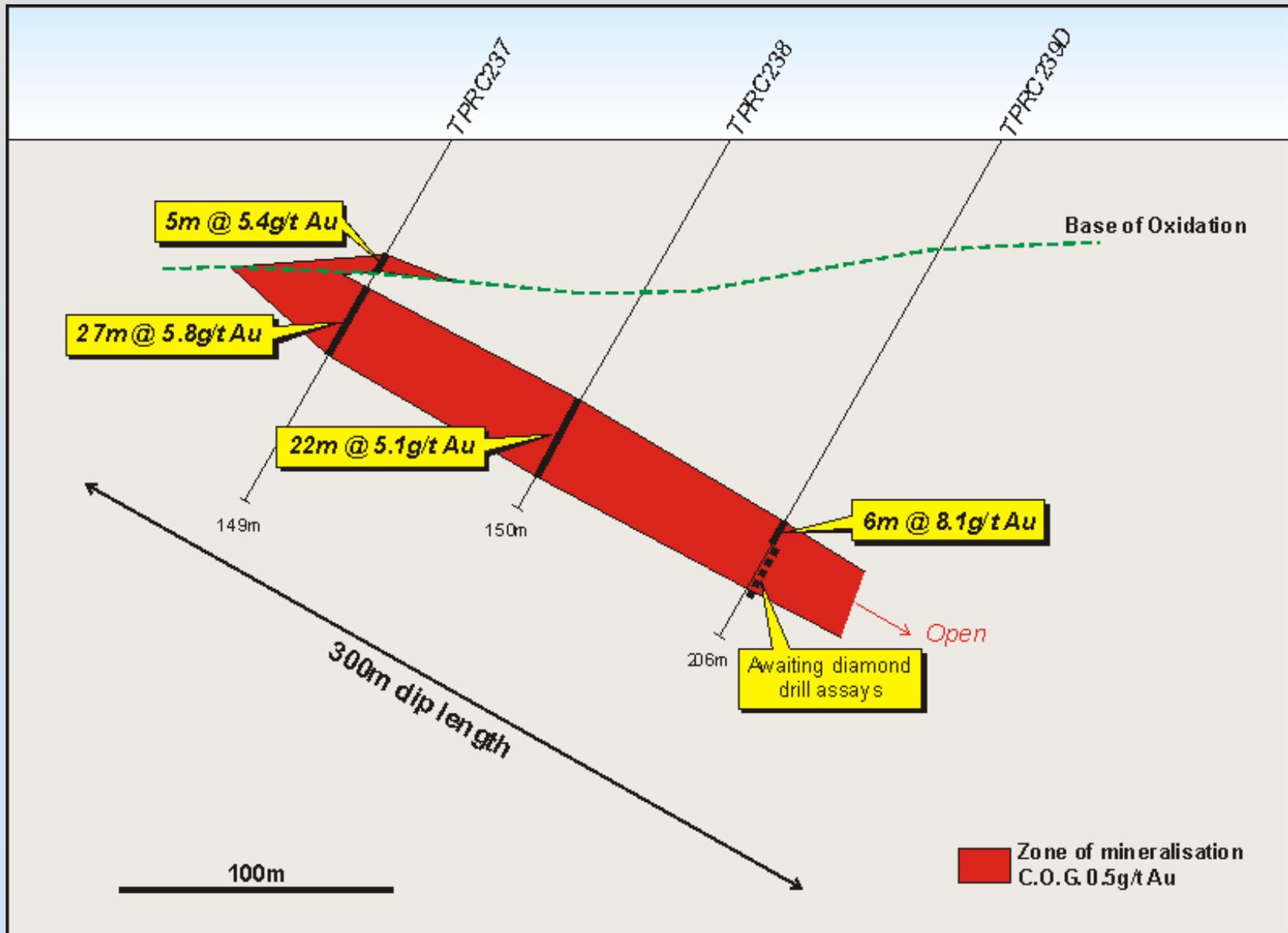


TROPICANA ZONE CROSS-SECTION (IGO 30%)



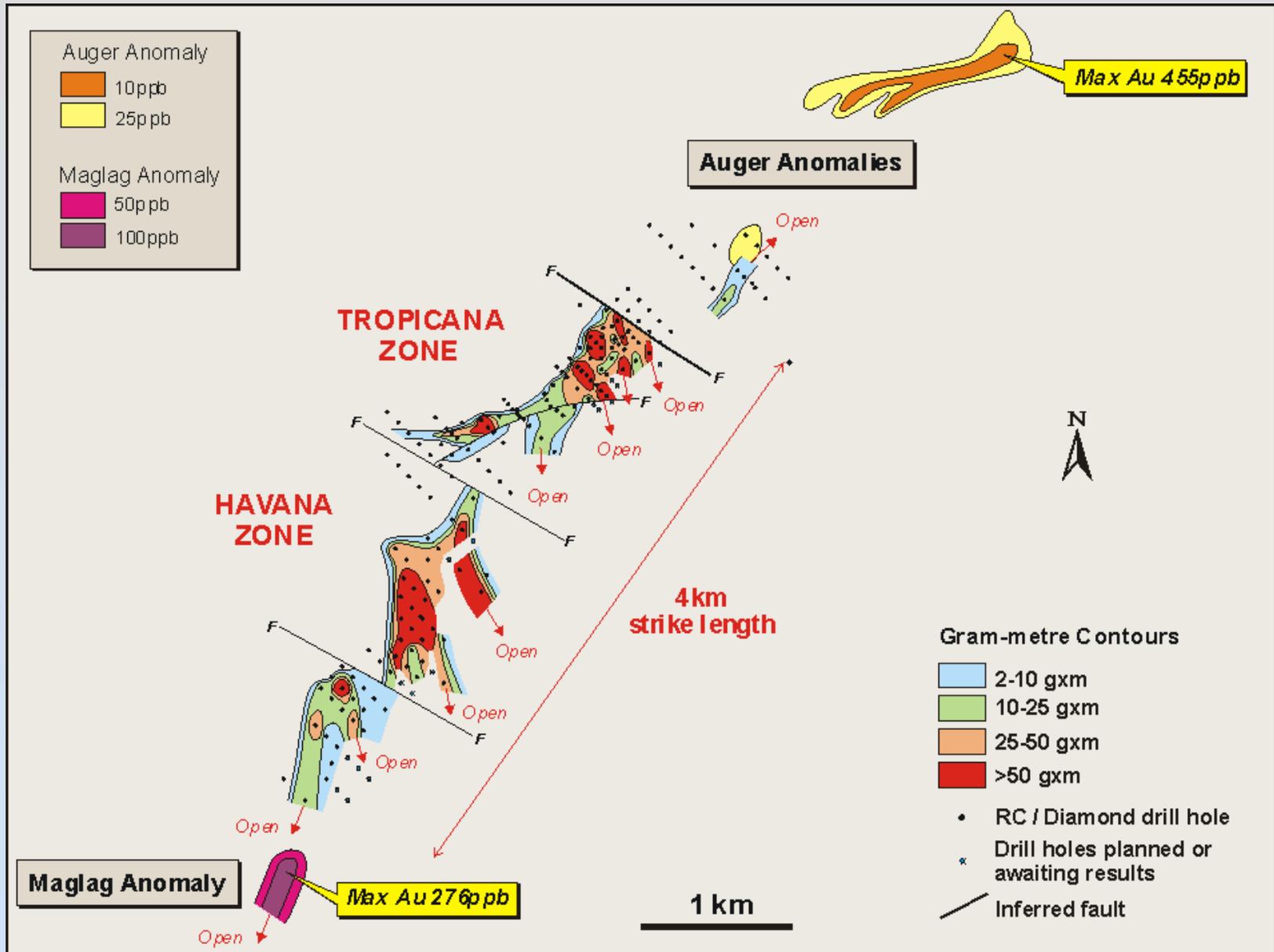


HAVANA ZONE CROSS-SECTION (IGO 30%)



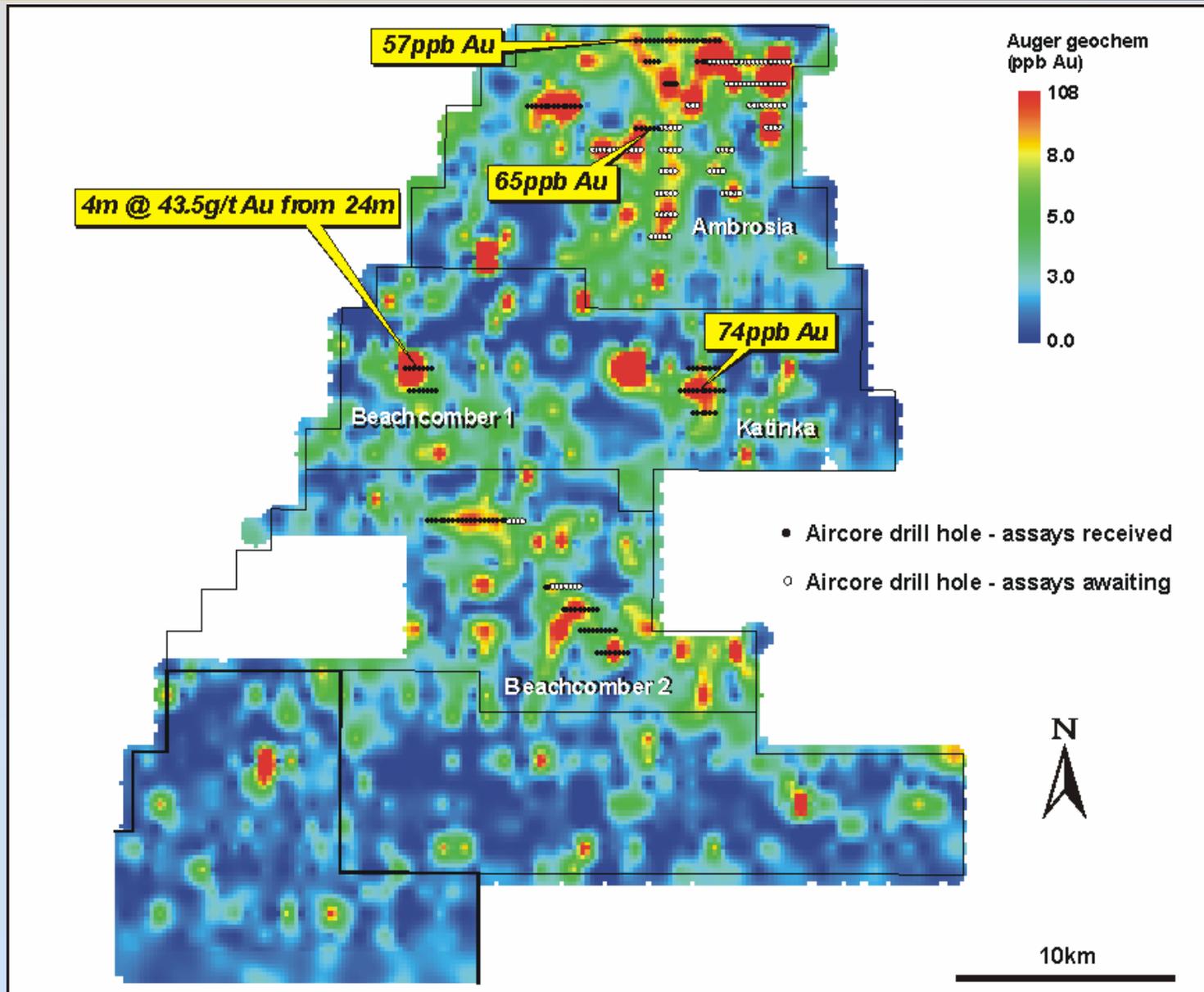


TROPICANA PROSPECT POTENTIAL EXTENSIONS





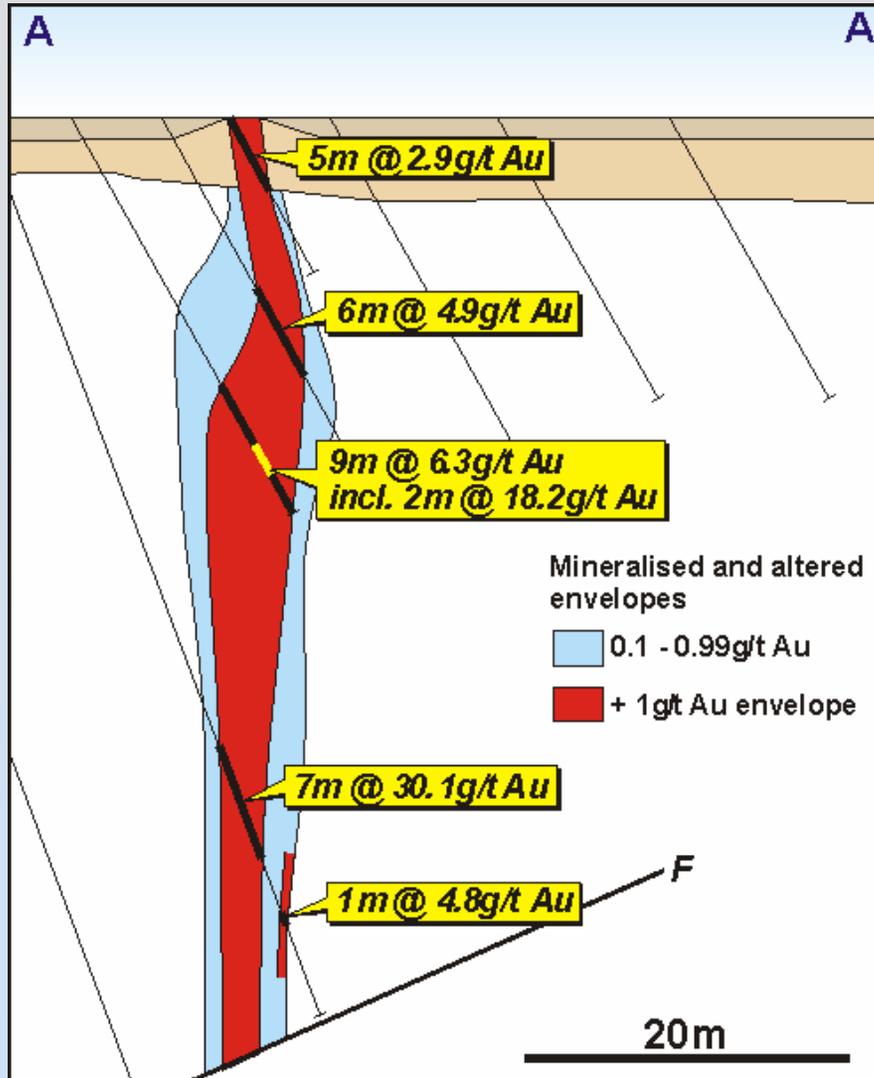
TROPICANA JV SOUTHERN AUGER ANOMALIES



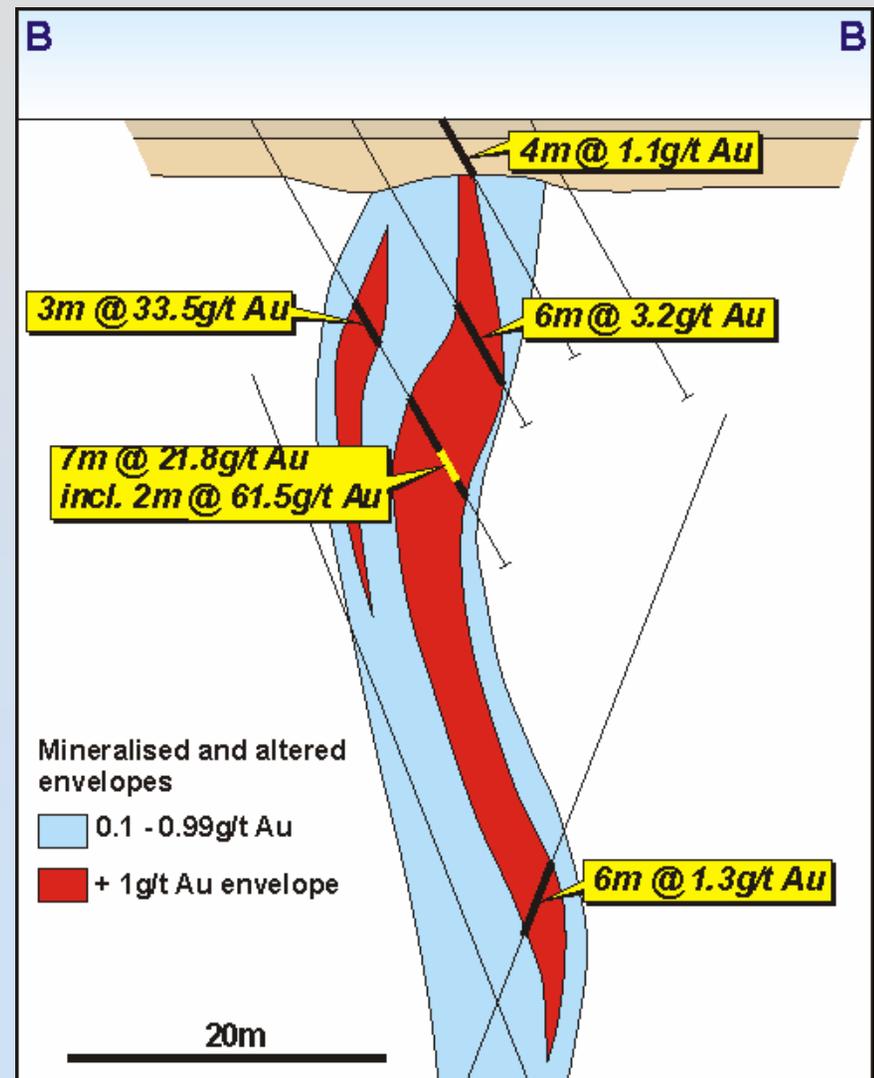


DALWALLINU PROJECT PITHARA PROSPECT (IGO 100%)

Cross-section 1



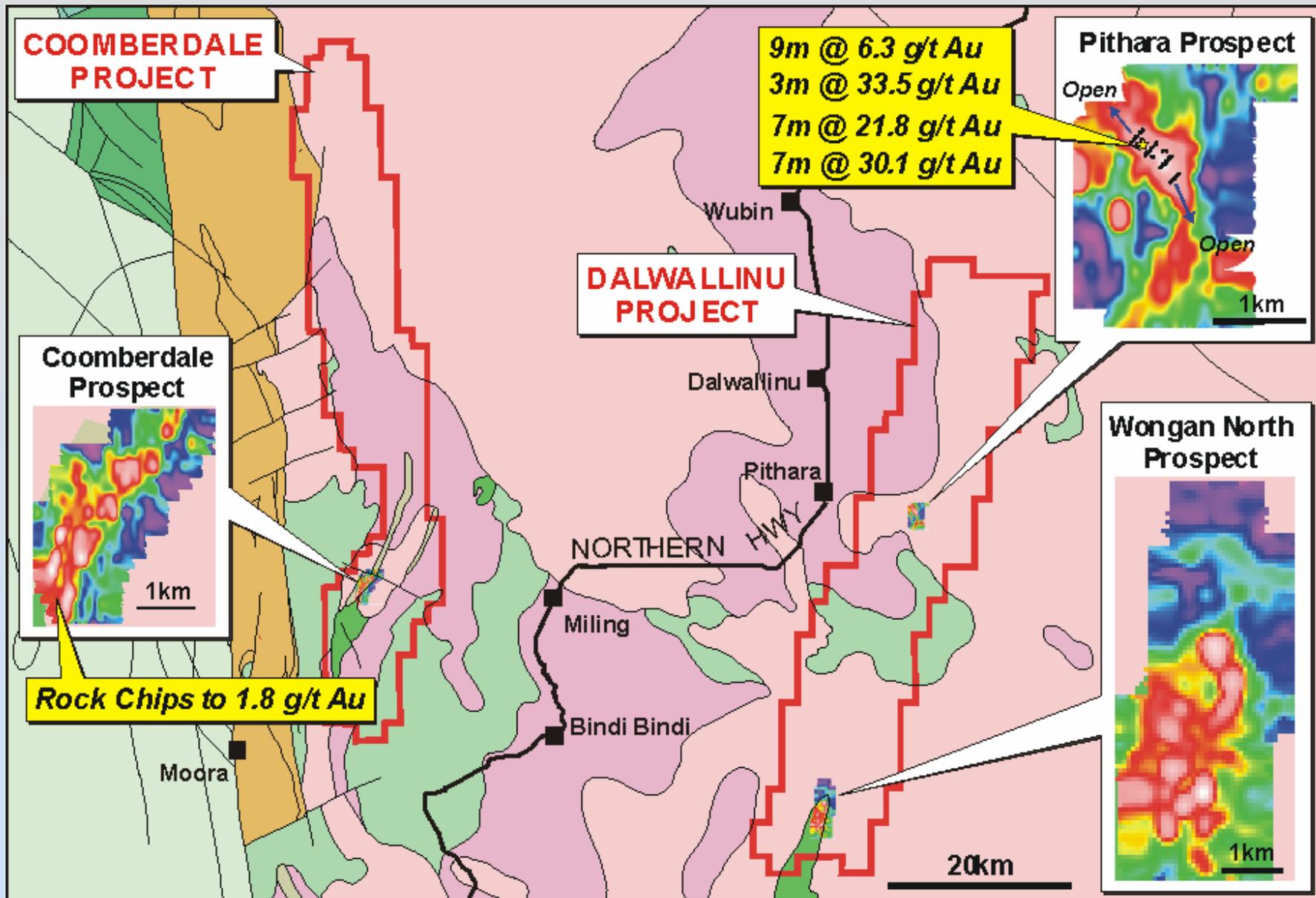
Cross-section 2



Cross-sections 25m apart



DALWALLINU – COOMBERDALE GOLD ANOMALIES (IGO 100%)

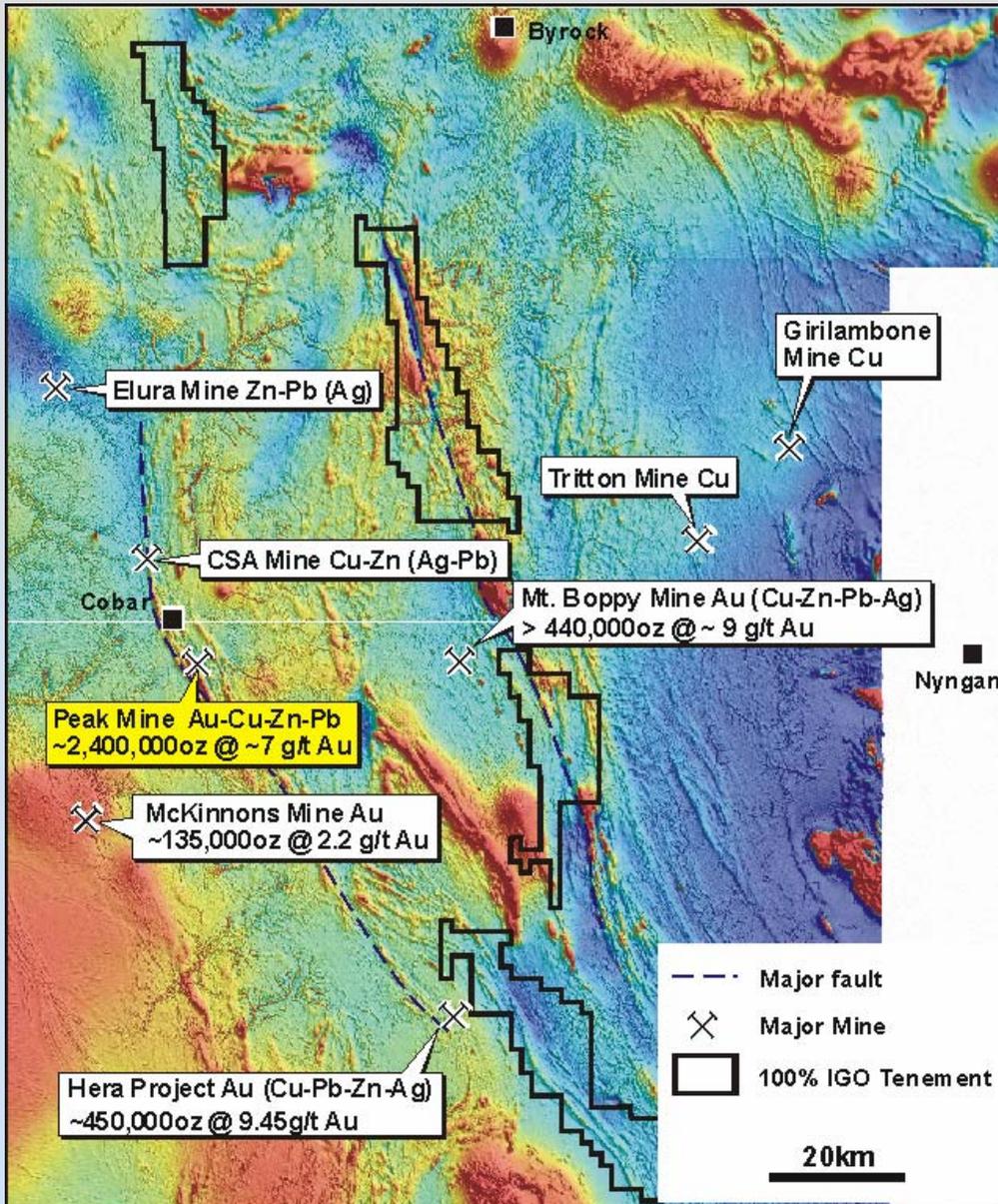




COBAR GOLD PROJECT (IGO 100%)

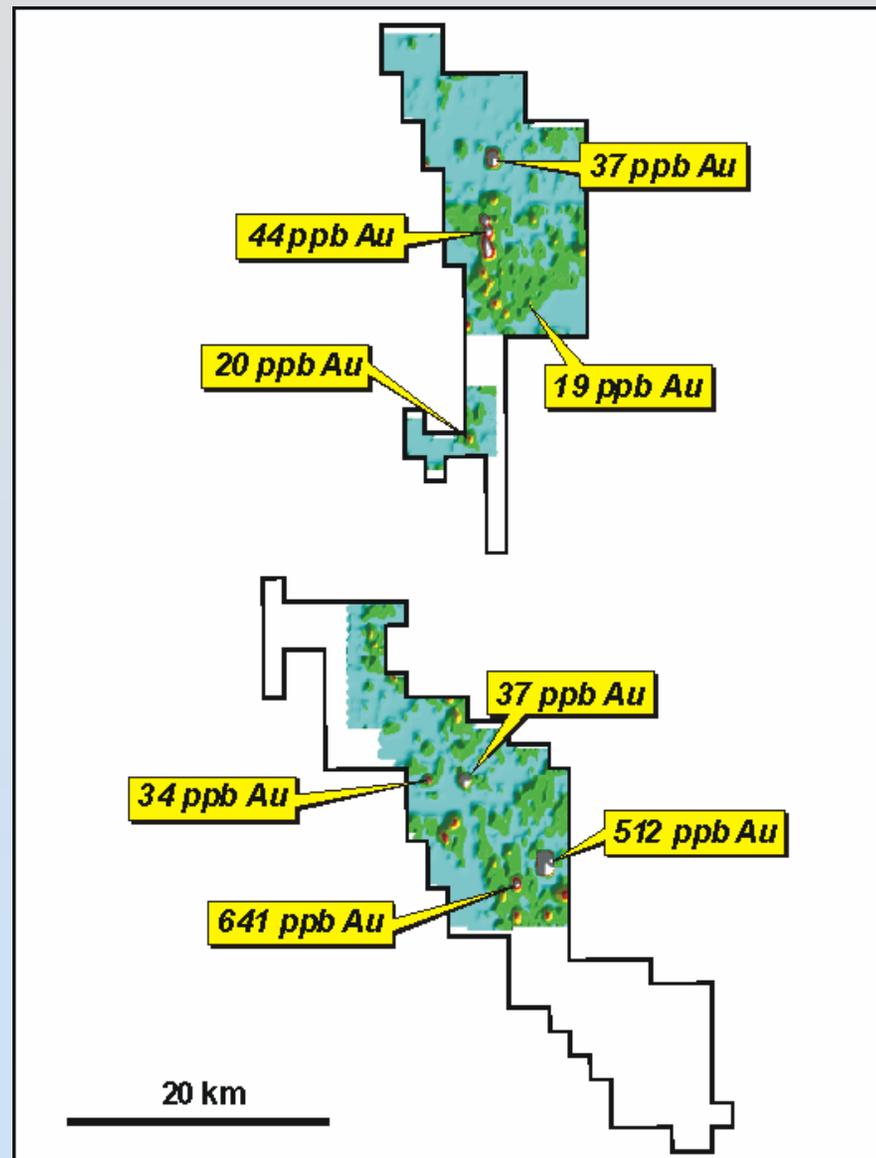
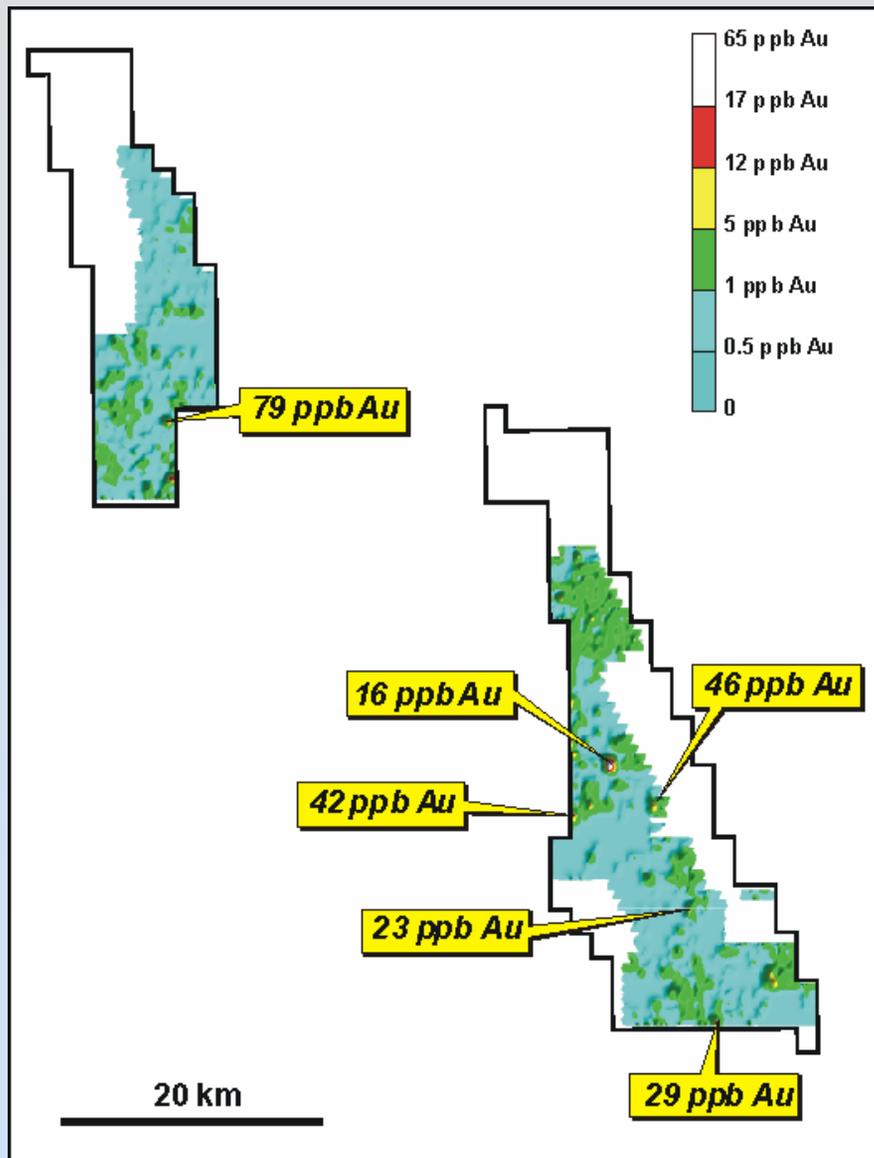
Tenement Location over Mags

Mag Lag Collection





COBAR GOLD PROJECTS GOLD ANOMALIES (IGO 100%)





IGO INVESTMENTS

Company	Share Number	Share Price	Share Value
Matrix Metals Limited	124.1M	10.5c	\$12.5M
Atlas Iron Limited	1.05M	45.0c	\$0.47M
Southstar Diamonds	50%	Unlisted	Unlisted

As at 21.11.06

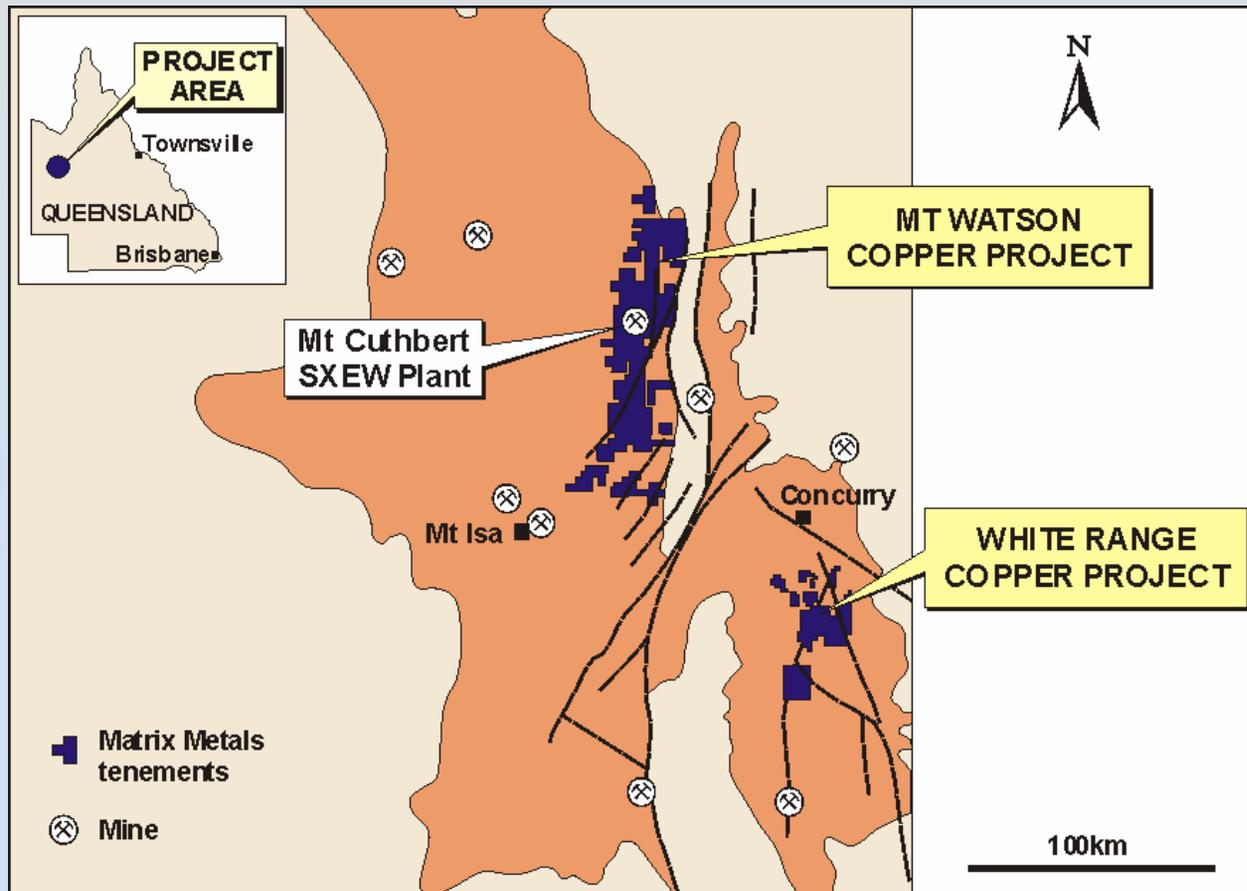


MATRIX METALS LIMITED

FUTURE COPPER PRODUCTION

Matrix plan to mine the Mt Watson copper deposit and treat the ore at the Mt Cuthbert SXEW plant.

Production, commencing in 2007 will begin at a rate of 5,500t Cu pa increasing to 10,000t Cu pa.





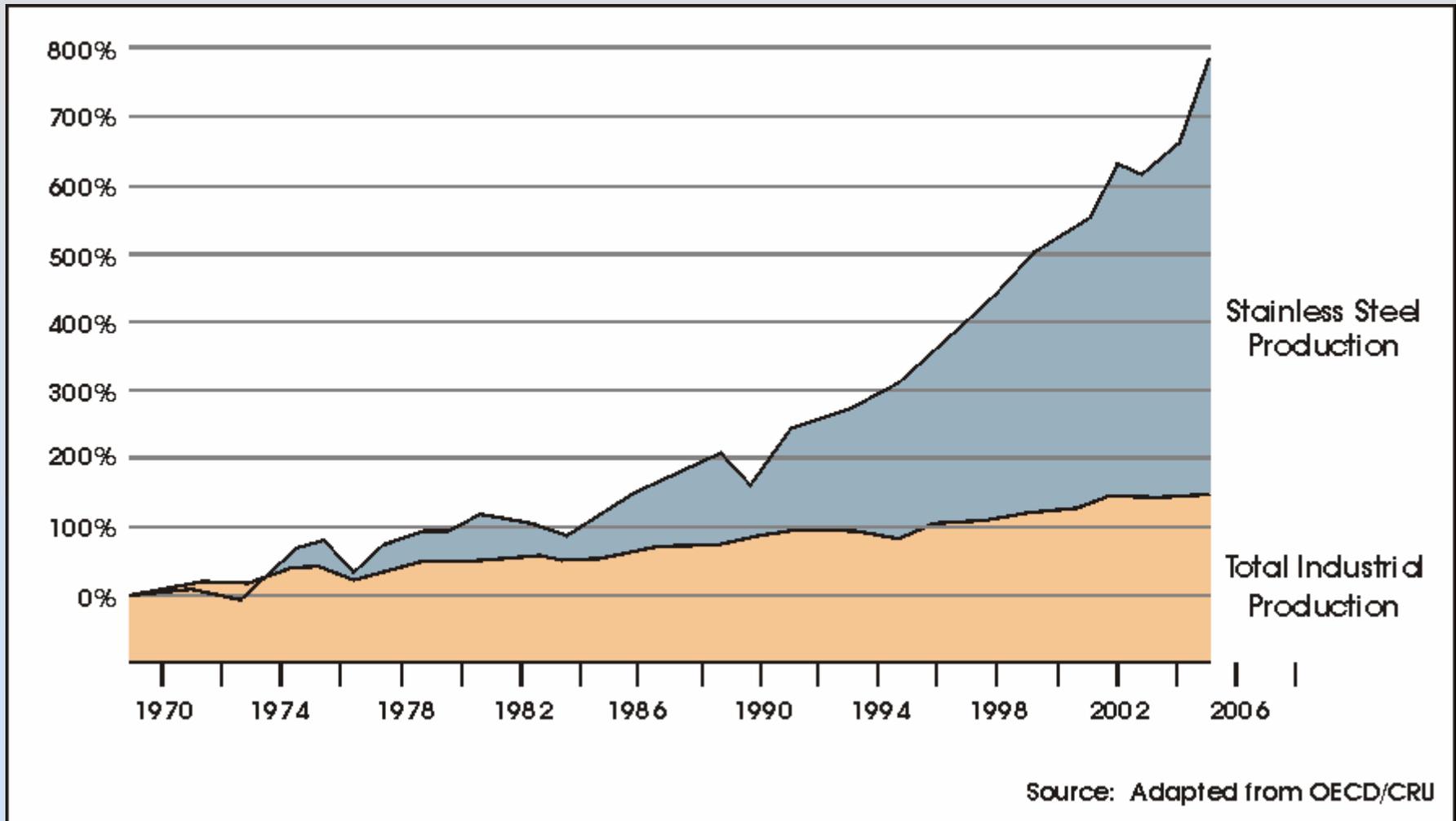
INDEPENDENCE CORPORATE GOALS

To increase shareholder wealth by becoming a highly profitable, mid-cap, multi commodity Australian mining company

- ◆ Focus on share price, cash flow, earnings per share, dividends and market capitalisation accretion.
- ◆ Growth through exploration and possible acquisitions.
- ◆ Maintain a conservative balance sheet.

WORLD-WIDE STAINLESS STEEL PRODUCTION VS INDUSTRIAL PRODUCTION

Between 1968 – 2003 stainless steel production has increased nearly 800% compared to total industrial production increasing by only 150%.





IGO LOOKING FORWARD

Targeting +A\$100M profit per annum (pay large dividends)

