

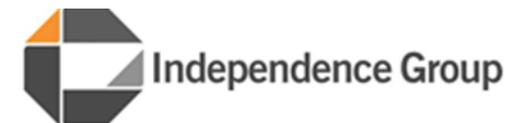


Independence Group



**Investor Presentation August 2014**

# Disclaimer



This presentation has been prepared by Independence Group NL ("IGO"). It should not be considered as an offer or invitation to subscribe for or purchase any securities in IGO or as an inducement to make an offer or invitation with respect to those securities in any jurisdiction.

This presentation contains general summary information about IGO. The information, opinions or conclusions expressed in the course of this presentation should be read in conjunction with IGO's other periodic and continuous disclosure announcements lodged with the ASX, which are available on the IGO website. No representation or warranty, express or implied, is made in relation to the fairness, accuracy or completeness of the information, opinions and conclusions expressed in this presentation.

This presentation includes forward looking information regarding future events, conditions, circumstances and the future financial performance of IGO. Often, but not always, forward looking statements can be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue" and "guidance", or other similar words and may include statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs. Such forecasts, projections and information are not a guarantee of future performance and involve unknown risks and uncertainties, many of which are beyond IGO's control, which may cause actual results and developments to differ materially from those expressed or implied. Further details of these risks are set out below. All references to future production and production guidance made in relation to IGO are subject to the completion of all necessary feasibility studies, permit applications and approvals, construction, financing arrangements and access to the necessary infrastructure. Where such a reference is made, it should be read subject to this paragraph and in conjunction with further information about the Mineral Resources and Ore Reserves, as well as any Competent Persons' Statements included in periodic and continuous disclosure announcements lodged with the ASX. Forward looking statements in this presentation only apply at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information IGO does not undertake any obligation to publically update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

There are a number of risks specific to IGO and of a general nature which may affect the future operating and financial performance of IGO and the value of an investment in IGO including and not limited to economic conditions, stock market fluctuations, commodity demand and price movements, access to infrastructure, timing of environmental approvals, regulatory risks, operational risks, reliance on key personnel, reserve and resource estimations, native title and title risks, foreign currency fluctuations and mining development, construction and commissioning risk. The production guidance in this presentation is subject to risks specific to IGO and of a general nature which may affect the future operating and financial performance of IGO.

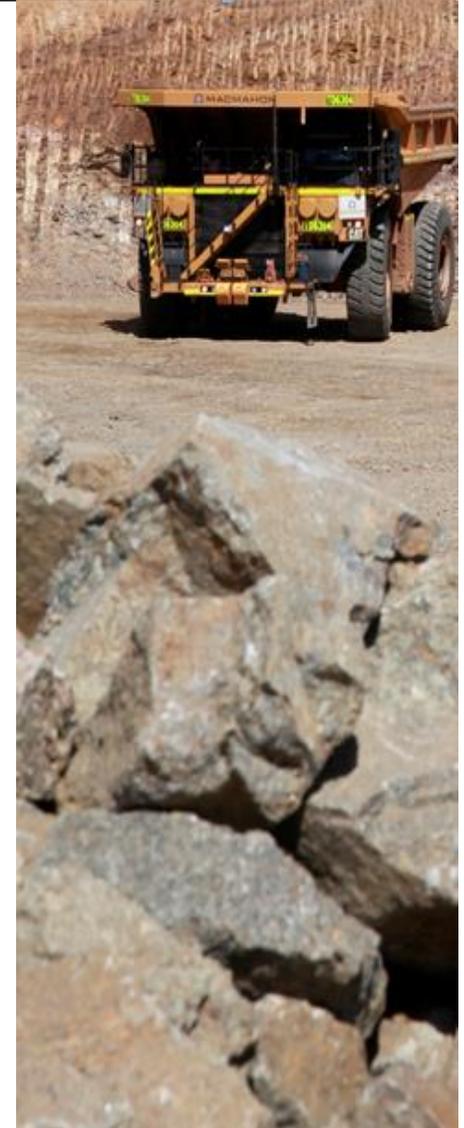
Any references to Mineral Resource and Ore Reserve estimates should be read in conjunction with IGO's announcements dated 25 October 2013 and 28 February 2014 lodged with the ASX, which are available on the IGO website.

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.

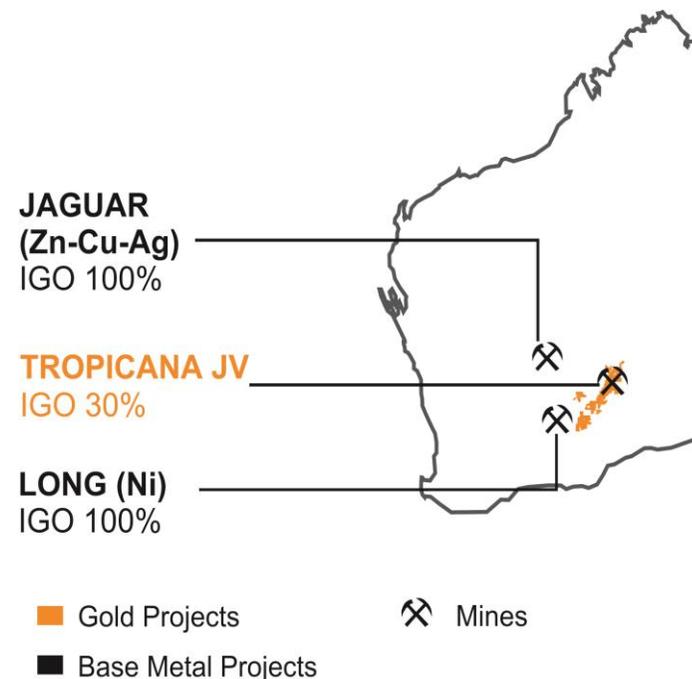
# Presentation Outline

- **Introduction to Independence**
- **FY14 Financials**
- **Operations**
  - Tropicana
  - Long
  - Jaguar
- **Exploration and Development**
- **Going Forward**
- **Summary**

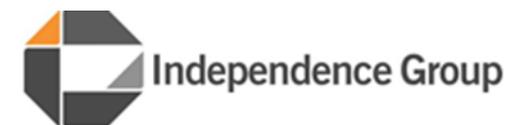


# Introduction to Independence

- **Listed on the ASX**
  - Head Office in Perth
- **234.3M shares on issue**
  - \$1.1 billion market capitalisation<sup>(1)</sup>
- **Multi-commodity focus**
  - Three operating mines
  - Producing Au, Ni, Zn and Cu
- **Strong brownfields exploration focus**
  - Powered by innovation
- **Net cash (30 June 2014) \$28.0M**
- **History of dividends**
  - \$98.3M paid to date
  - Customarily 25-30% of NPAT

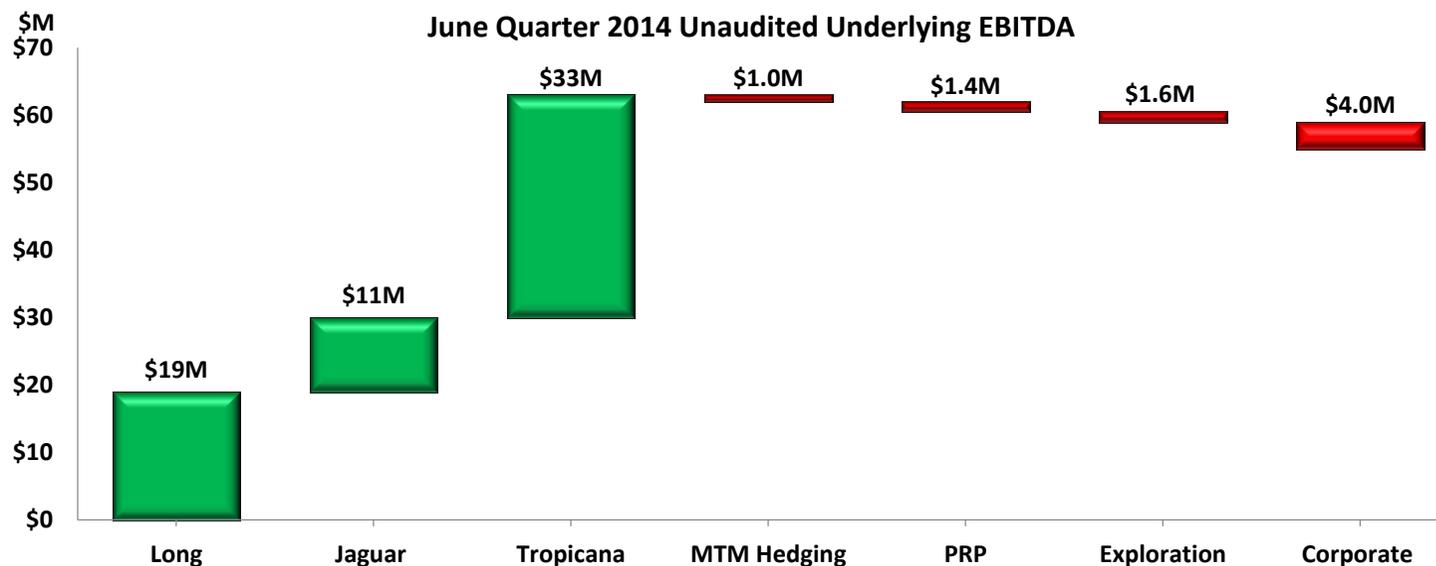


# FY14 Financials



## Highlights

	Jun 14 Qtr	FY14
Unaudited Profit after tax <sup>(1)</sup>	\$4.1M	\$46.2M
Unaudited Underlying EBITDA <sup>(2)</sup>	\$55.0M	\$174.8M
Net Cash Flow From Operating Activities	\$55.8M	\$160.2M
Interim Dividend Paid 28 March 2014	-	3.0 cps
Cash (as at 30 June 2014)	\$57.0M	
Debt (as at 30 June 2014)	\$29.0M	



(1) Unaudited Profit after tax for the June 2014 Quarter includes an abnormal exploration asset impairment of \$17.0M before tax (\$11.9M after tax). Total exploration asset impairments for the quarter were \$24.7M before tax. For FY2014 the total exploration asset impairments were \$32.0M before tax (FY2013 - \$5.8M).

(2) 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

# Tropicana JV

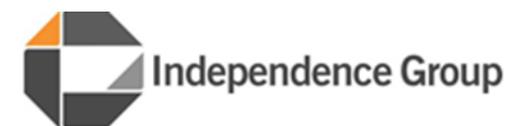
- **30% IGO and 70% AngloGold Ashanti**
  - AngloGold Ashanti are the managers
- **First gold poured in September 2013**
- **At nameplate capacity since March 2014**
- **Tropicana Vital Statistics:**
  - 5.8 Mtpa Plant Throughput with potential to optimise
  - 11 Year Mine life
  - Years 1-3 Production Guidance
    - Average 141-147,000 oz pa (IGO Share)
    - Average Cash Costs of \$590-\$630/oz
- **June Quarter 2014<sup>(1)</sup>**
  - Gold Produced 39,853 oz (IGO Share)
  - Cash cost of \$521/oz
  - AISC<sup>(2)</sup> of \$777/oz
- **Commitment made to gas fired power project**



(1) IGO ASX Release 28/07/2014 Independence Group Quarterly Activities Report

(2) The World Gold Council (WGC) encourages gold mining companies to report an All-in Sustaining Costs metric see WGC press release 27/06/2013 <http://www.gold.org/>

# Tropicana – June Quarter



<b>Tropicana Statistics<sup>(1)</sup></b>	<b>Units</b>	<b>Jun 14 Qtr</b>	<b>FY14</b>
<b>Mining</b>			
Total material	Mt	12	44
ROM Ore (>0.6g/t Au)	Mt	1.8	7.1
ROM Ore Grade	g/t Au	2.48	2.21
<b>Processing</b>			
Ore milled	Mt	1.5	4.1
Milled grade	g/t Au	3.00	3.02
Recovery	%	89.2	89.5
Gold Produced	oz	132,844	348,371
Gold Produced (IGO 30%)	oz	39,853	104,511
<b>Operating Costs</b>			
Cash Costs	\$/oz Au	521	552
AISC <sup>(2)</sup>	\$/oz Au	777	740

(1) IGO ASX Release 24/07/2014 Independence Group Quarterly Activities Report

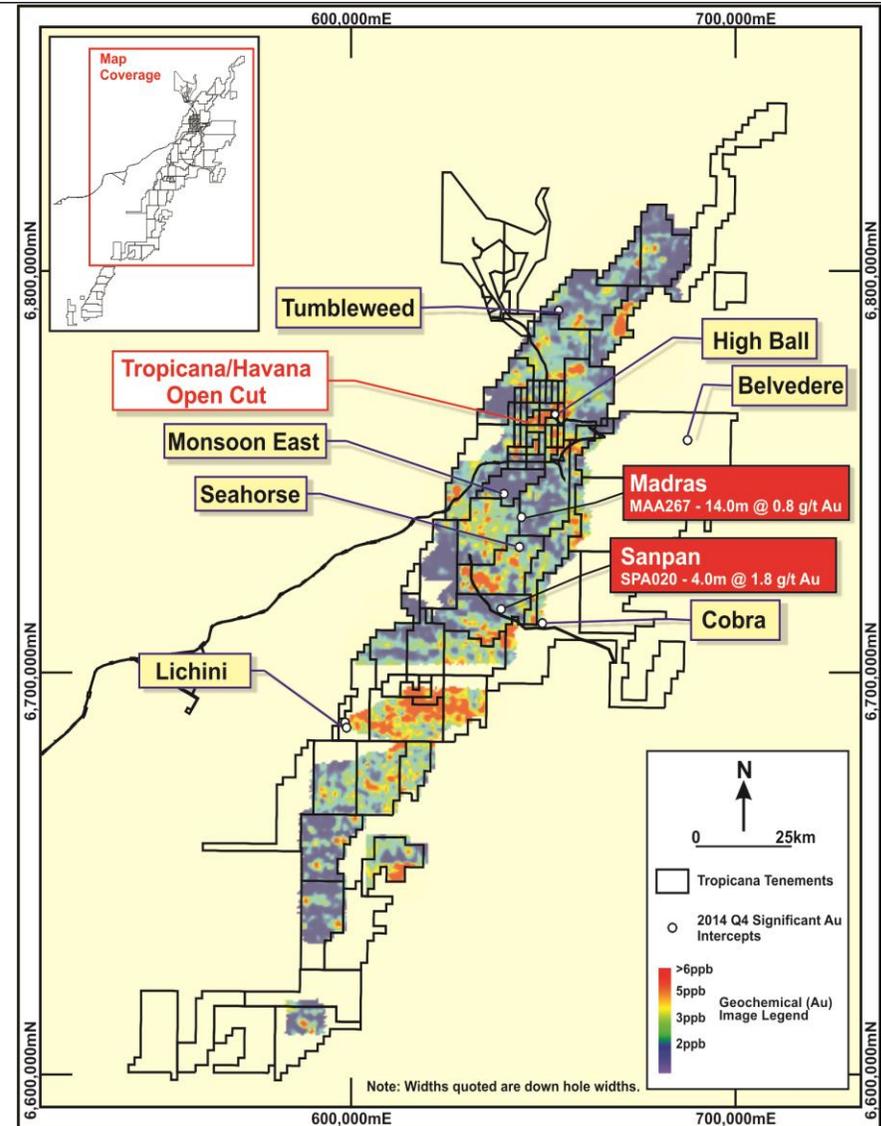
(2) The World Gold Council (WGC) encourages gold mining companies to report an All-in Sustaining Costs metric see WGC press release 27/06/2013 <http://www.gold.org/>



# Tropicana JV Exploration

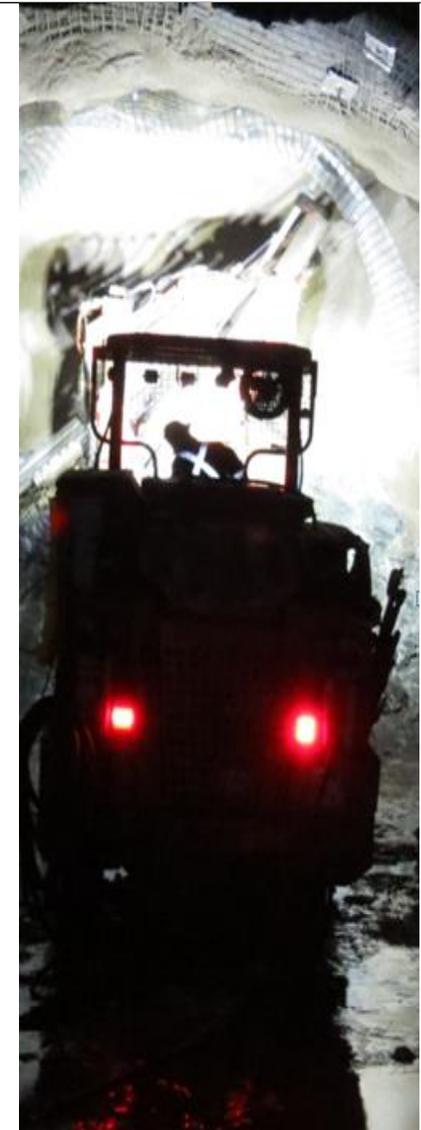
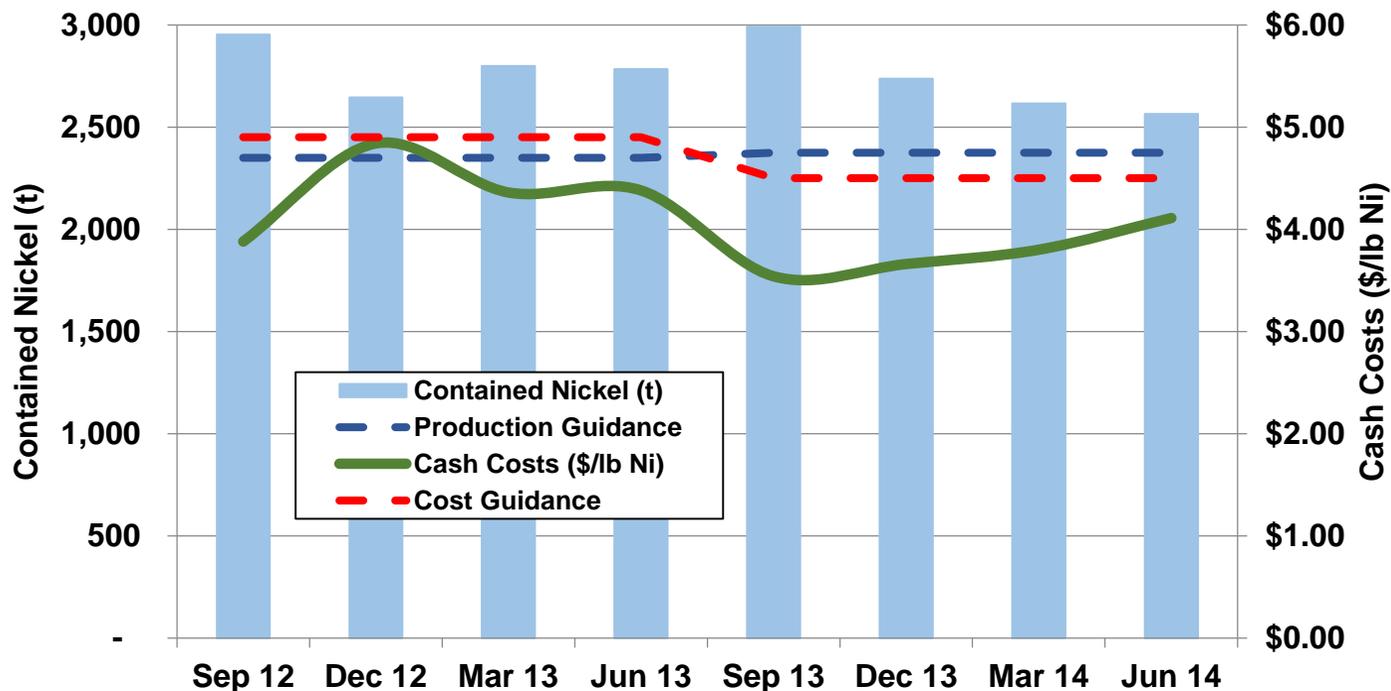


- **Tropicana Deeps**
  - 3D Seismic survey to map high grade shoots down plunge from pits
- **Near Mine Exploration**
  - Near mine targets identified in prospective host stratigraphy
  - Under cover and largely untested by RC or Diamond drilling
- **Regional Exploration**
  - Land package about 350km in strike length and 9,255 km<sup>2</sup> in area inclusive of Beachcomber JV tenure
- **Beachcomber JV**
  - IGO earning 70% interest by spending \$3M over 4 years
  - Tenements prospective for base metals exploration
  - EM targets identified and ready for drilling

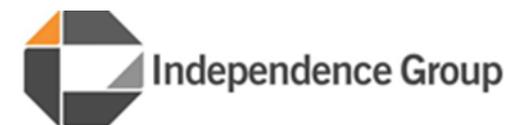


# Long

- 12yrs of consistent low cost production
- History of reserve replacement
- Long Vital Statistics:
  - Mining rate 230,000 to 270,000tpa
  - 3-4 Year Mine Life based on Reserves



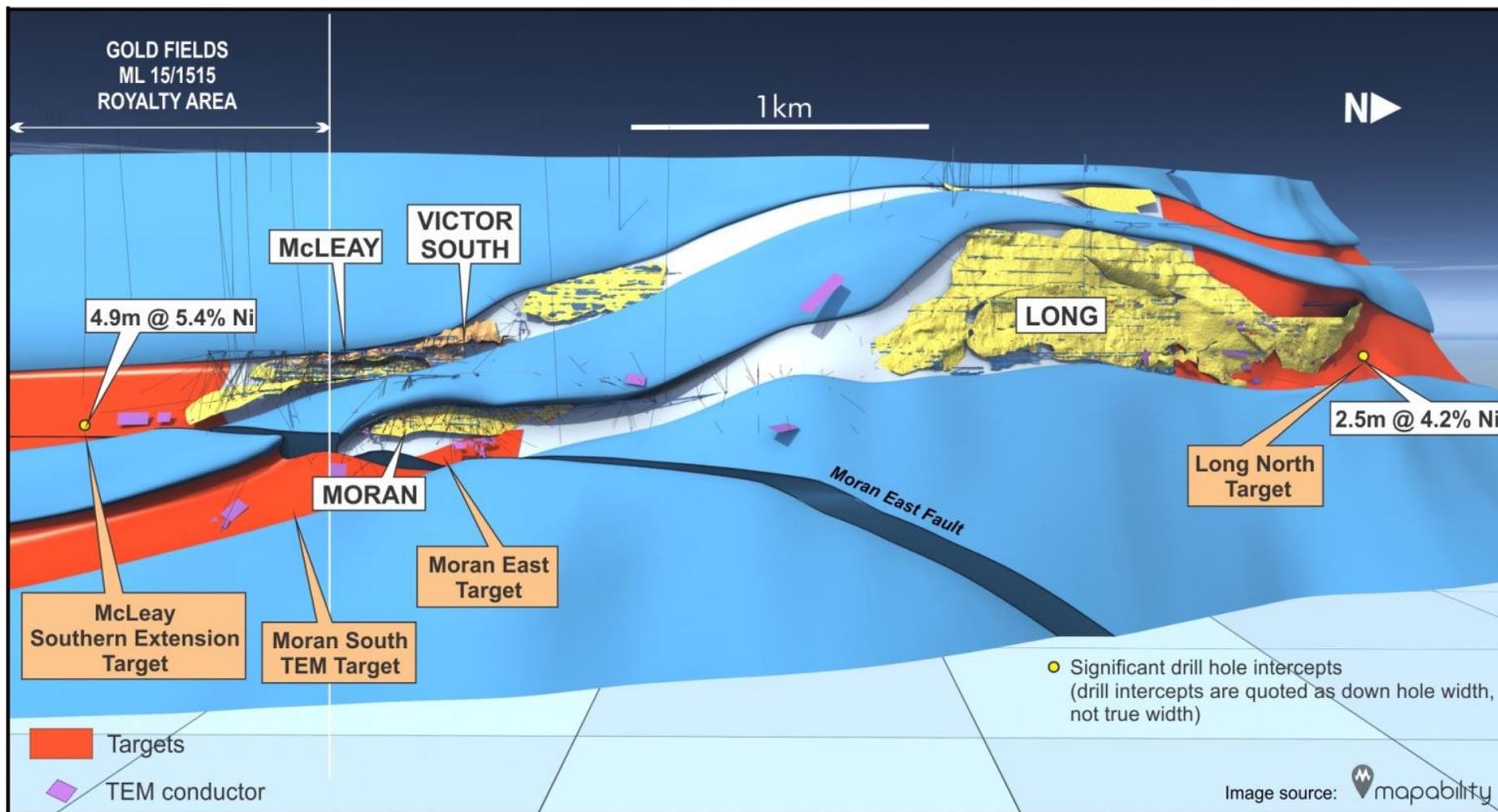
# Long – June Quarter



<b>Long Statistics<sup>(1)</sup></b>	<b>Units</b>	<b>Jun 14 Qtr</b>	<b>FY14</b>
<b>Development</b>			
Operational	m	425	1,520
Capitalized	m	301	1,264
<b>Mining</b>			
Ore Mined	kt	60.3	268.2
Grade	% Ni	4.25	4.07
Contained Nickel	t	2,564	10,909
Payable Nickel	t	1,550	6,589
<b>Operating Costs</b>			
Cash Costs (contained Ni basis)	\$/lb Ni	2.49	2.36
Cash Costs (payable Ni basis)	\$/lb Ni	4.11	3.78

(1) IGO ASX Release 24/07/2014 Independence Group Quarterly Activities Report

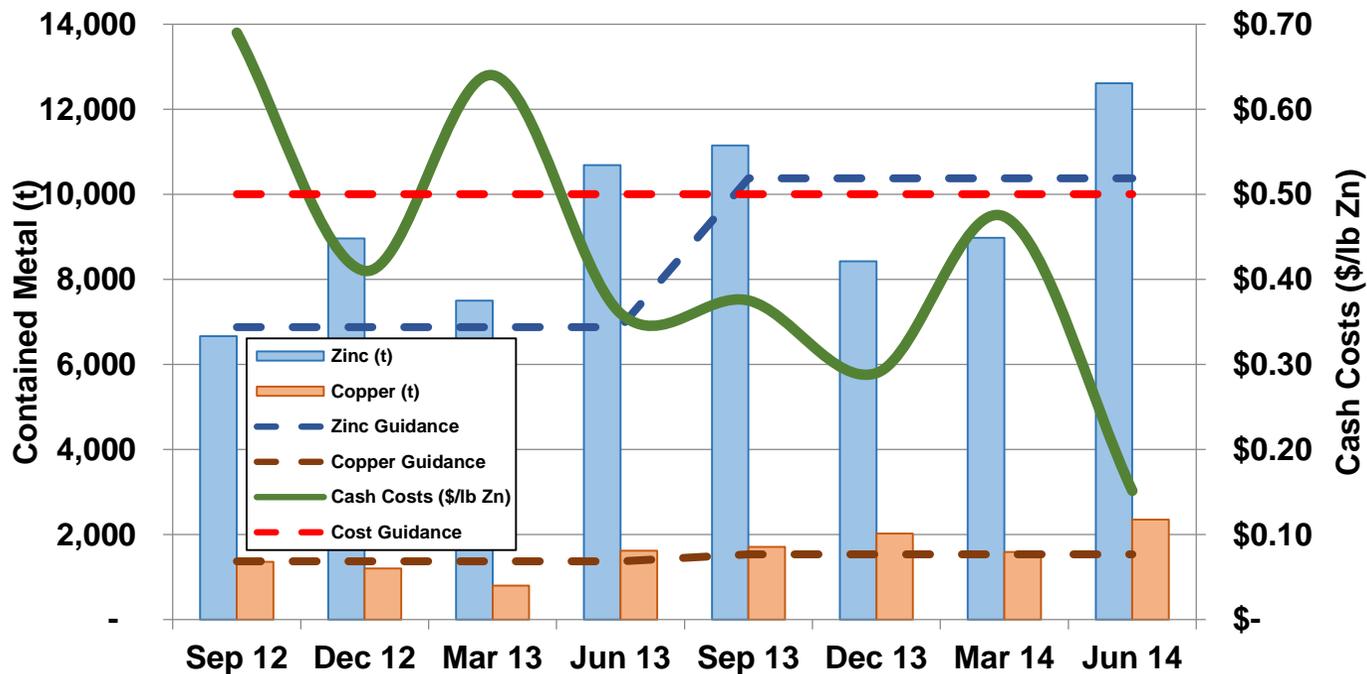
# Long Exploration



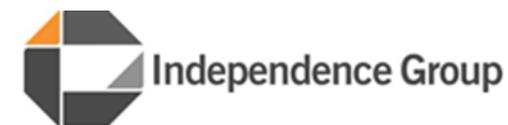
- Production 100% from Bentley Deposit

- Jaguar Vital Statistics:

- Annual mining rate 420,000 to 460,000t
- ~3 Year Mine Life based on Reserves



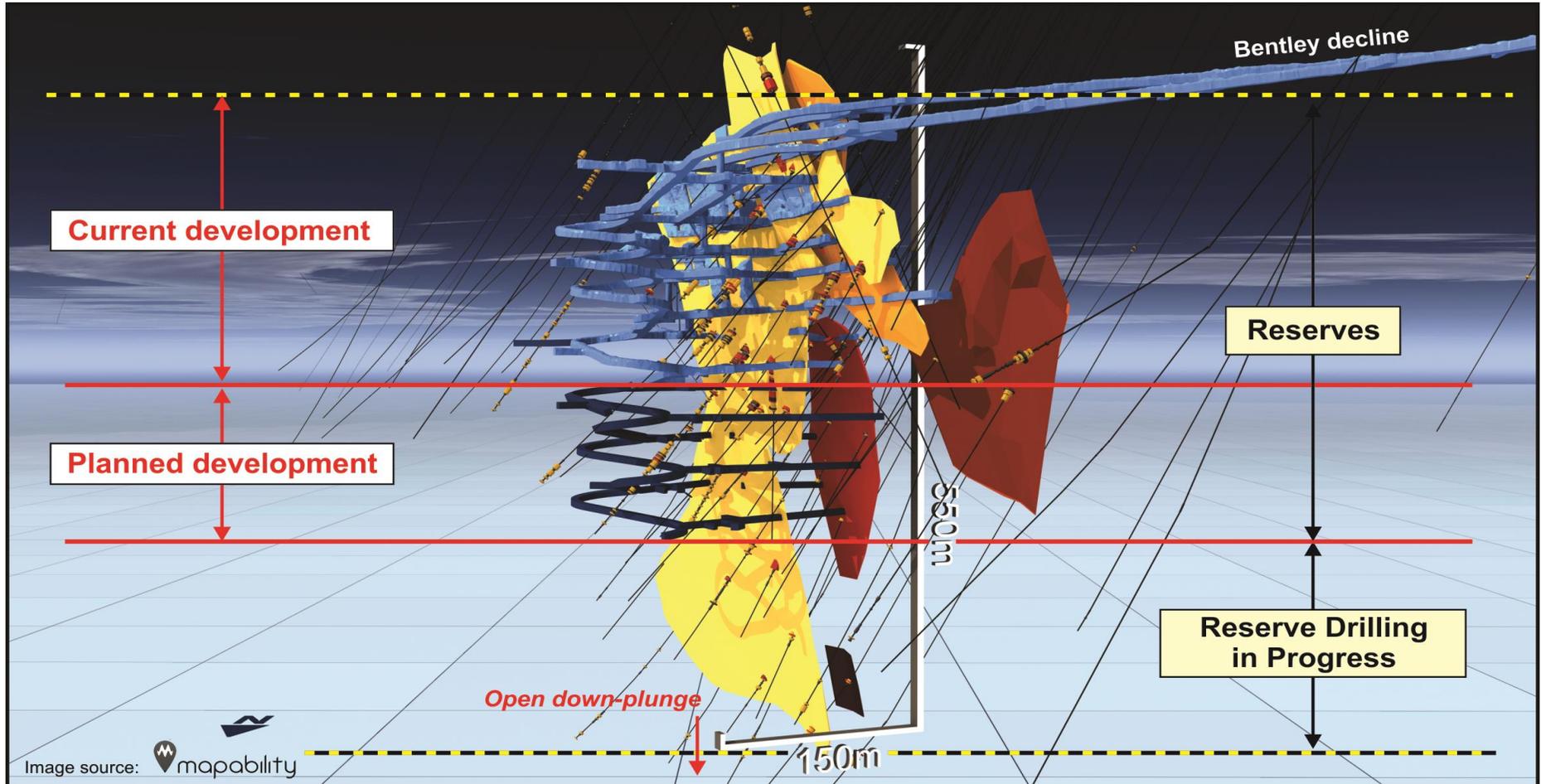
# Jaguar – June Quarter



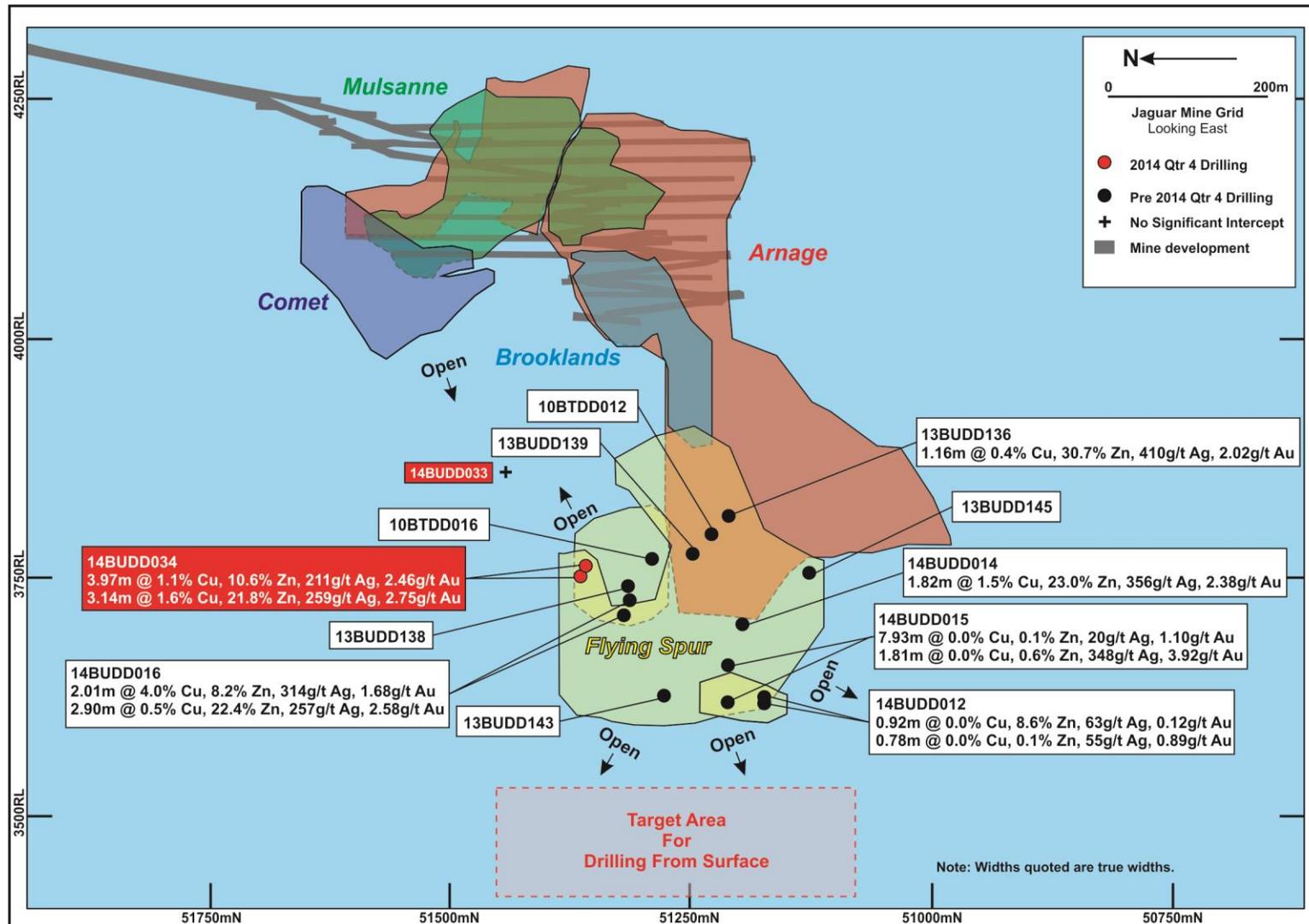
<b>Jaguar Statistics<sup>(1)</sup></b>	<b>Units</b>	<b>Jun 14 Qtr</b>	<b>FY14</b>
<b>Development</b>			
Operational	m	<b>232</b>	<b>1,236</b>
Capitalised	m	<b>539</b>	<b>1,730</b>
<b>Mining</b>			
Ore Mined	kt	<b>103.8</b>	<b>431.4</b>
<b>Processing</b>			
Ore Milled	kt	<b>130.2</b>	<b>441.9</b>
Grade	% Zn	<b>11.1</b>	<b>10.7</b>
Grade	% Cu	<b>2.04</b>	<b>1.97</b>
Zinc Produced	t	<b>12,611</b>	<b>41,162</b>
Copper Produced	t	<b>2,354</b>	<b>7,692</b>
<b>Operating Costs</b>			
Cash Costs	\$/lb Zn	<b>0.15</b>	<b>0.31</b>

(1) IGO ASX Release 24/07/2014 Independence Group Quarterly Activities Report

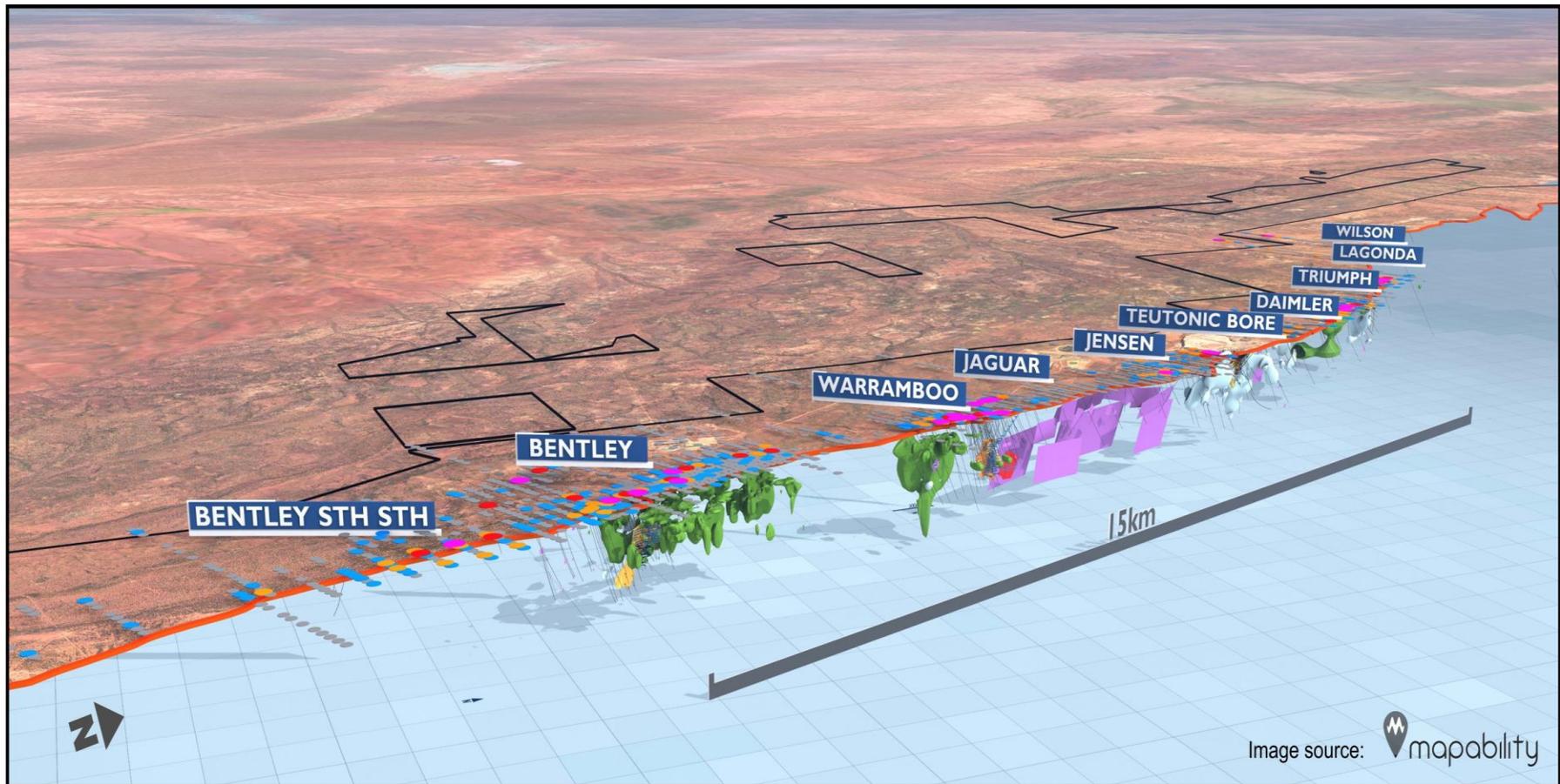
# Jaguar - Bentley Mine



# Jaguar - Flying Spur

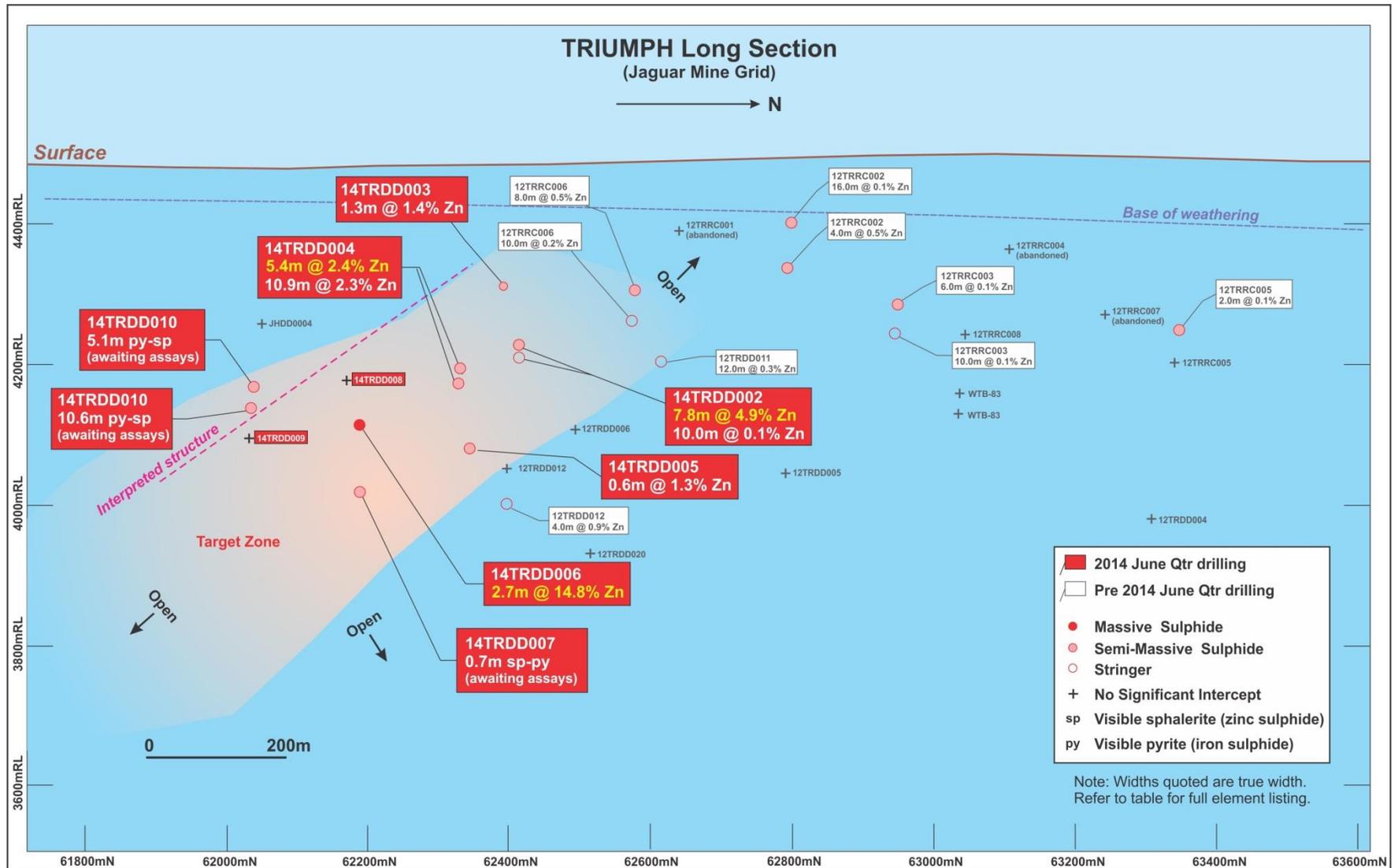


# Jaguar - Near Mine Exploration

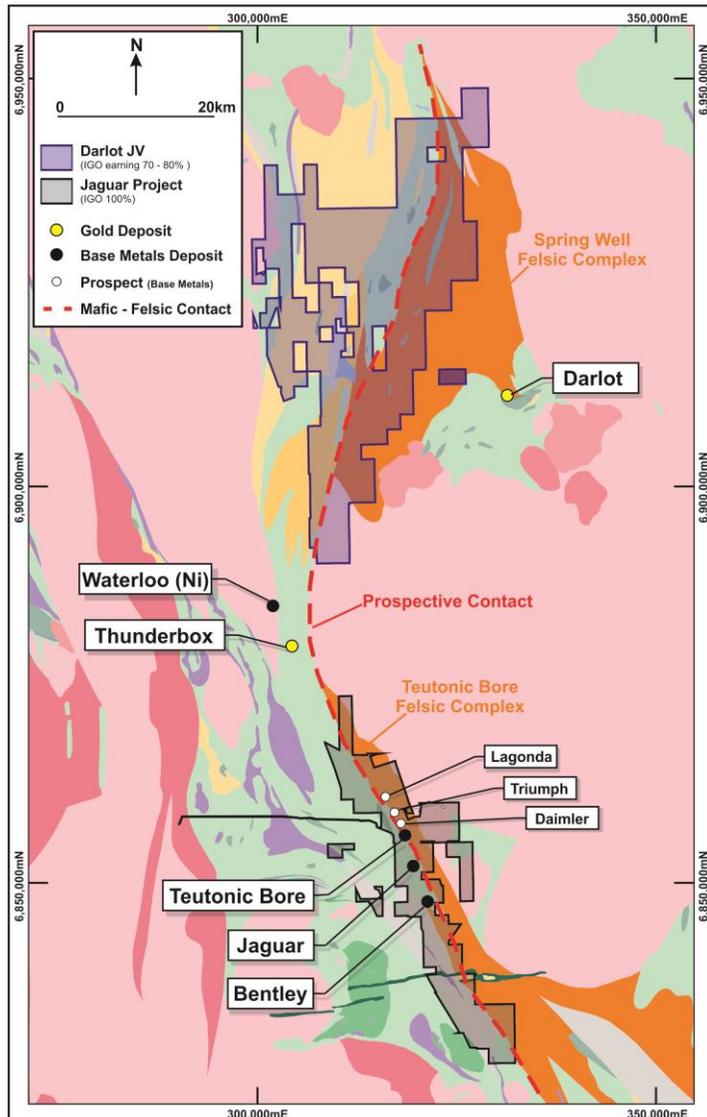


- Under-explored 50km long prospective Cu-Zn-Ag VMS corridor surrounding three known mines
- Ten Cu-Zn-Ag alteration anomalies under cover being systematically tested

# Jaguar - Triumph



# Jaguar - Darlot JV



## ■ Earn in JV

- IGO earning a 70-80% interest
- Partner - Enterprise Metals Ltd

## ■ Location and Tenure

- 60 km north of Jaguar
- Large land holding (740 km<sup>2</sup>)

## ■ Strategy

- Past exploration focussed on Au
- Updated geological model confirms Jaguar/Bentley style VMS potential

## ■ Status

- Initial geochemical sampling by IGO identified potential mineralised horizon
- First aircore drilling program completed – results currently being interpreted

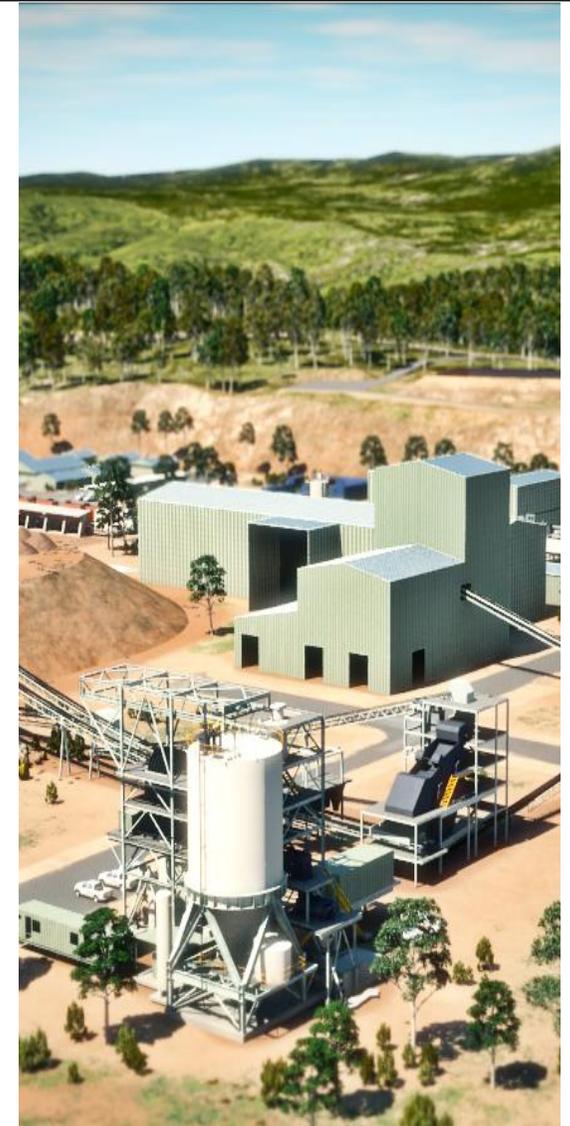
# Exploration & Development

- **Skilled and experienced team**
- **History of technical innovation**
  - Geophysics
  - Geochemistry
  - Proprietary Databases
  - Generative R&D
- **Commodity focus: gold and base metals**
- **Existing portfolio predominantly early stage projects**
  - Targeting opportunities to expand portfolio with more advanced projects
  - Australian focus but will look offshore
  - JV options embraced
- **Seeking strategic partner for DeBeers database (non-gold and base metals)**

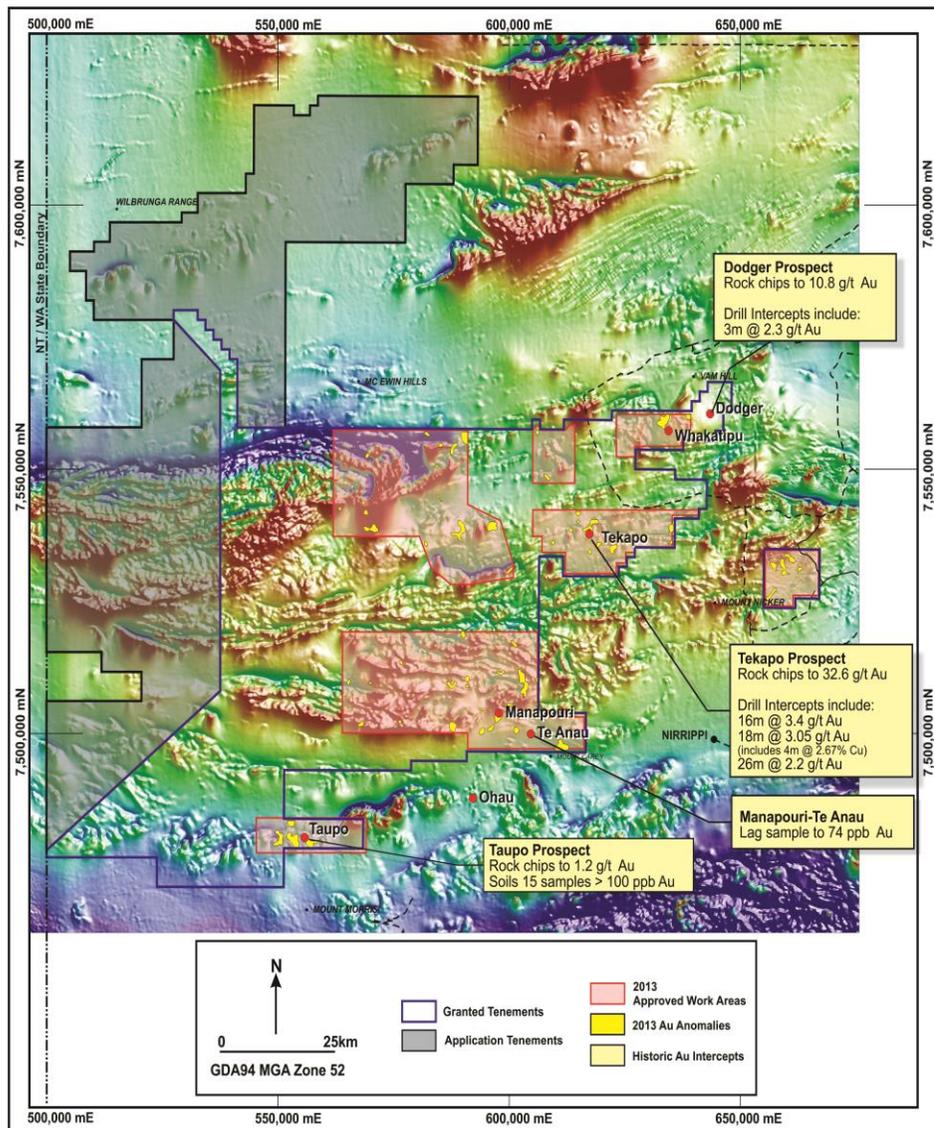


# Stockman Project (VIC)

- **Located 460km by road NE of Melbourne**
- **Zn-Cu-Au-Ag VMS**
  - Feasibility study completed 2013
  - Enhanced study targeting a 30% capital reduction well progressed
- **9 year mine life based on Ore Reserves**
  - Average 15Ktpa Cu and 25Ktpa Zn in concentrate
- **Exploration upside**
  - Bigfoot and Eureka discoveries
  - Regional prospectivity
- **Permitting well advanced**
  - Impact assessment completed
  - Recommendation from independent panel to Minister expected in the Sep Qtr
- **Zinc price upside driven by likely future mine closures**



# Lake Mackay JV (NT)



## ■ Earn in JV

- IGO earning 70%
- Partner - ABM Resources NL

## ■ Location & Tenure

- Southern NT on WA border
- Large tenure (7,200 km<sup>2</sup> with a further 5,000 km<sup>2</sup> under application)

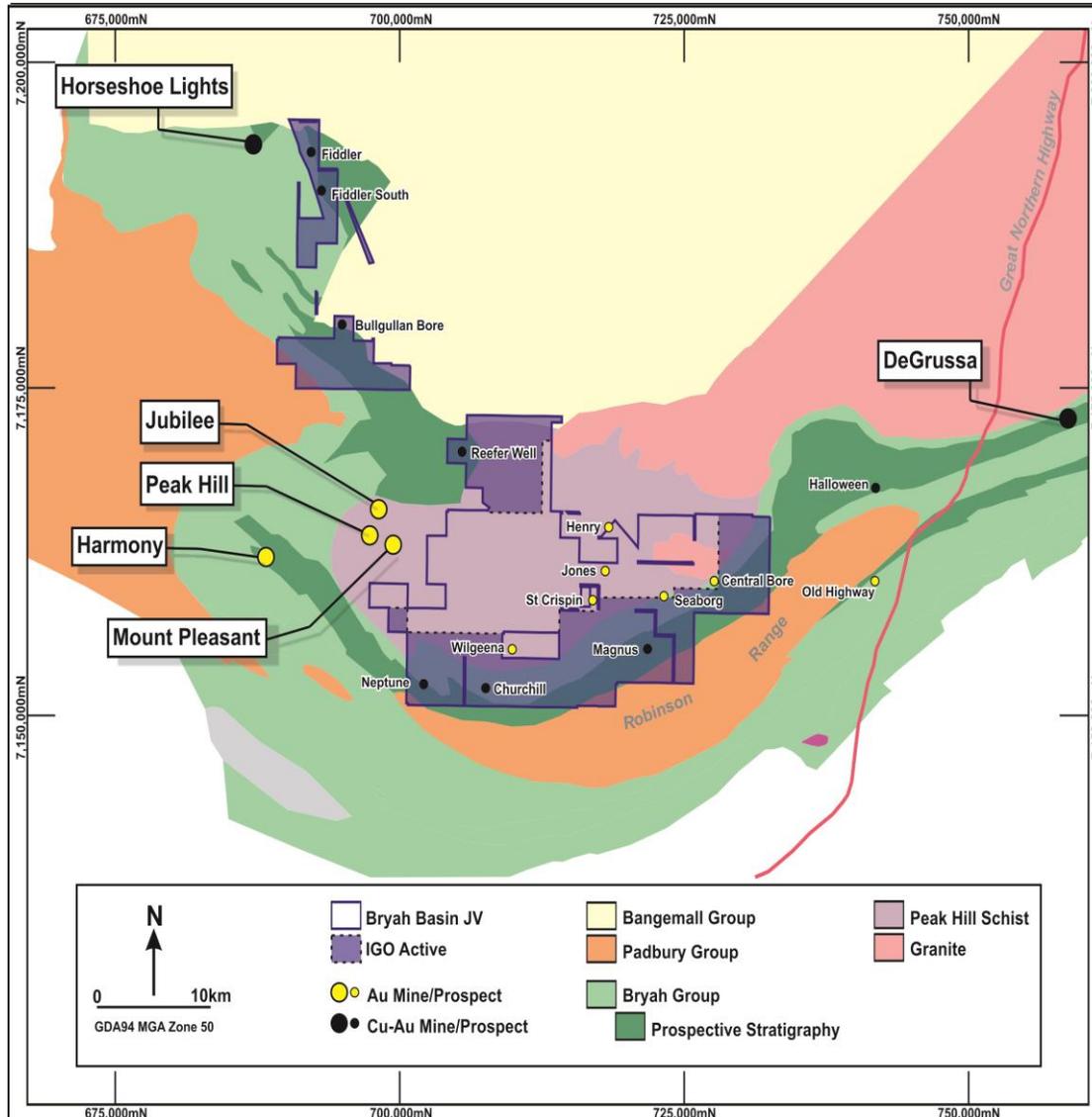
## ■ Strategy

- Large under-explored Tanami aged province
- Targeting Tanami style Au + IOCG

## ■ Status

- Geochemistry over 45% of concession
- Exploration focussing on infill and extensional surface sampling
- Drilling planned for Dec Qtr

# Bryah Basin JV (WA)



- **Earn in JV**
  - IGO earning up to 80% from Alchemy Resources
- **Location & Tenure**
  - Murchison, WA
  - 300 km<sup>2</sup> land holding
- **Strategy**
  - Targeting De Grussa style Cu-Au deposits
  - Limited historical VMS exploration
  - Utilise in-house VMS expertise
- **Status**
  - Ground EM & heritage surveys underway
  - Drill priority targets mid-year

- **Continued focus on operating assets**
  - Safety, productivity and cost control
  - Delivery against plan and guidance
  - Near mine exploration to expand resources and reserves
- **Exploration and development**
  - Exploration to be a key component of the business
  - Targeting more mature projects to supplement portfolio
  - Advance Stockman Project through permitting to a decision point
- **Business development**
  - Will consider project acquisition or joint venture opportunities
  - Focus on higher grade gold and base metals projects
  - Focus on Australia but will consider compelling offshore opportunities
  - Emphasis on return on investment and payback

## ■ Tropicana

- 6Mt of ore milled for gold production of 141,000 to 147,000oz (IGO 30% share) at an average cash cost of \$590 to \$630/oz Au
- Sustaining capex and exploration (IGO 30% share) of \$12M and \$6M respectively

## ■ Long

- 230-270kt of ore mined for production of 9,000 to 10,000t contained Ni at an average cash cost of \$4.30 - \$4.70/lb Ni
- Sustaining capex and exploration of \$8M and \$12M respectively

## ■ Jaguar

- 420-440kt of ore mined and milled for production of 40-43kt Zn and 5.8-6.5kt Cu in concentrate at an average cash cost of \$0.40-0.60/lb Zn
- Sustaining capex, development and exploration of \$8M, \$17M and \$8M respectively

## ■ Stockman

- \$3M on evaluation, permitting and exploration targeting

## ■ Exploration

- \$11M on greenfields and generative exploration

(1) Refer to “Forward Looking Statement” note on Page 2

(2) Reference: IGO ASX Release 28/07/2014 Independence Group Quarterly Activities Report

- **Business is in good shape**
- **Strong quarter and strong FY14**
  - History of consistent, low cost production
- **Strengthening balance sheet**
  - Net cash of \$28.0M at 30 June 2014
- **History of dividends at 25-30% of NPAT**
- **Need for investment to sustain and grow the business**
  - Brownfields exploration at mines
  - Greenfields programs
  - Potential acquisition of development/production stage assets

# Contact Details

**Peter Bradford**  
**Managing Director & CEO**

**Tony Walsh**  
**Company Secretary**

Suite 4, Level 5, South Shore Centre  
85 South Perth Esplanade  
South Perth, Western Australia, 6151  
PO Box 496, South Perth,  
Western Australia, 6951

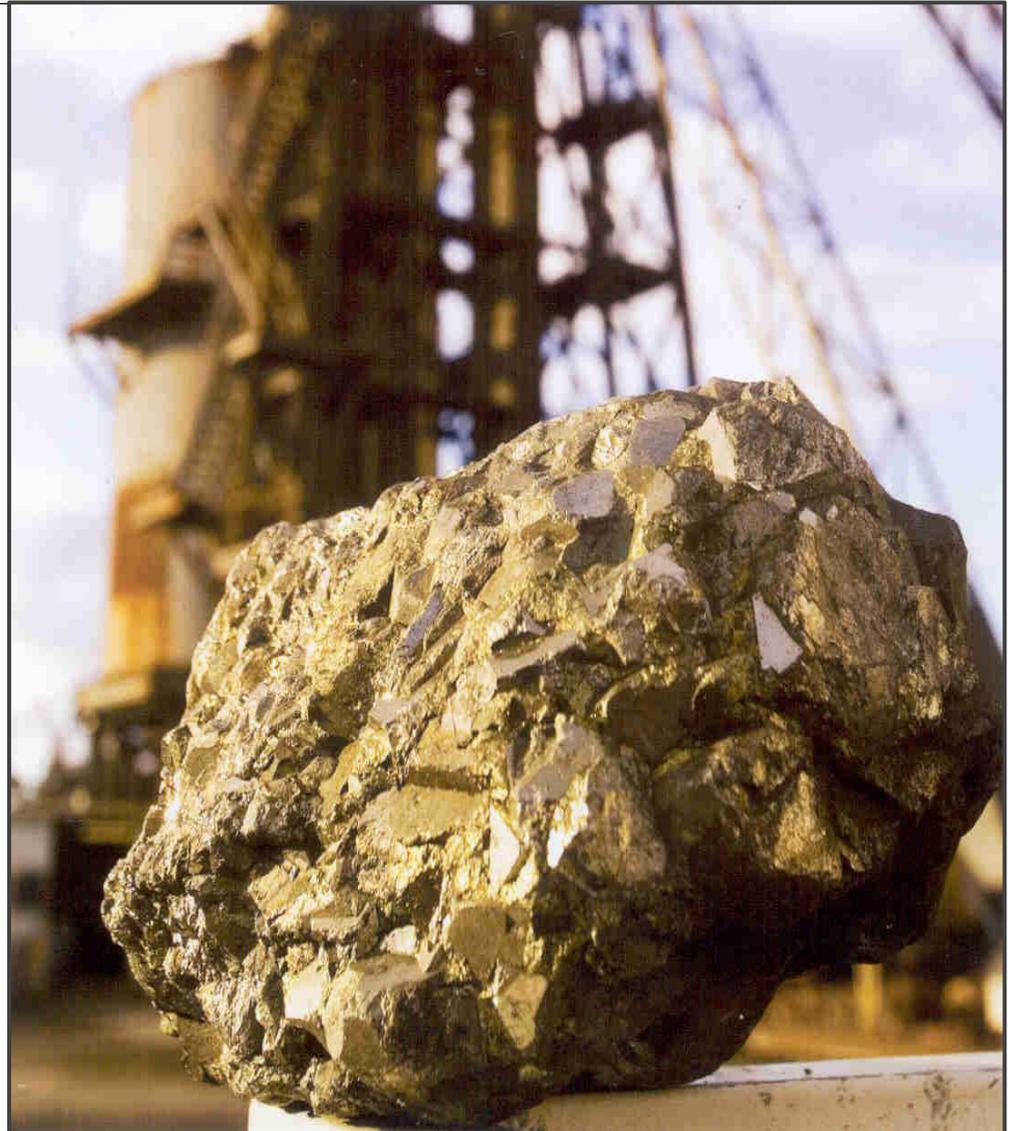
Telephone: +61 8 9238 8300

Facsimile: +61 8 9238 8399

Email: [contact@igo.com.au](mailto:contact@igo.com.au)

Website: [www.igo.com.au](http://www.igo.com.au)

**ASX Code: IGO**



## Competent Persons Statements

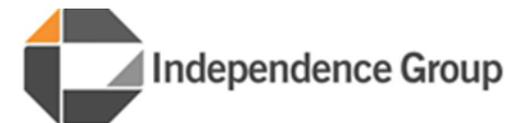
### Exploration Results

The information in this report that relates to Exploration Results is a compilation of previously published data for which Competent Persons consents were obtained. Their consents remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent. The information in this report has been extracted from the IGO ASX Quarterly Activities Report dated 28 July 2014 and is available on the IGO website [www.igo.com.au](http://www.igo.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

### Resources and Reserves

The information in this report that relates to Mineral Resources or Ore Reserves is a compilation of previously published data for which Competent Persons consents were obtained. Their consents remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent. The information in this report has been extracted from the IGO ASX Release for Mineral Resources and Ore Reserves announcements dated 25 October 2013 (for Long, Jaguar, Stockman & Karlawinda) and 28 February 2014 (Tropicana) and is available on the IGO website [www.igo.com.au](http://www.igo.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

# Resources & Reserves



## TROPICANA JV

### Mineral Resource 31 December 2013 100% Project

	Classification	Tonnes Mt	Au g/t	Contained Au Moz
OPEN PIT	Measured	28.6	2.06	1.89
	Indicated	74.0	1.88	4.48
	Inferred	5.8	2.57	0.48
	<b>Sub Total</b>	<b>108.4</b>	<b>1.97</b>	<b>6.85</b>
UNDERGROUND	Measured	-	-	-
	Indicated	2.4	3.58	0.27
	Inferred	6.1	3.07	0.60
	<b>Sub Total</b>	<b>8.5</b>	<b>3.21</b>	<b>0.87</b>
TOTAL TROPICANA	Measured	28.6	2.06	1.89
	Indicated	76.4	1.94	4.75
	Inferred	11.9	2.83	1.08
<b>GRAND TOTAL</b>		<b>116.8</b>	<b>2.06</b>	<b>7.72</b>

#### Notes:

1 For the Open Pit Mineral Resource estimate, mineralisation in the Havana, Havana South, Tropicana and Boston Shaker areas was calculated within a US\$1,550/oz pit optimisation at an AUD:USD exchange rate of 1.03 (A\$1,500/oz).

2 The Open Pit Mineral Resources have been estimated using the geostatistical technique of Uniform Conditioning, using cut-off grades of 0.3g/t Au for Transported and Saprolite material, 0.4g/t Au for Transitional and Fresh material.

3 The Havana Deeps Underground Mineral Resource estimate has been reported outside the US\$1,550/oz pit optimisation at a cut-off grade of 1.73g/t Au, which was calculated using a gold price of US\$2,000/oz (AUD:USD1.05) (A\$1,896/oz). The Havana Deeps Underground Mineral Resource was estimated using the geostatistical technique of Ordinary Kriging using average drill hole intercepts.

4 Resources are inclusive of Reserves.

**Reference:** ASX Release dated 28 February 2014.

### Ore Reserve 31 December 2013 100% Project

	Classification	Tonnes Mt	Au g/t	Contained Au Moz
OPEN PIT	Proved	24.9	2.26	1.81
	Probable	29.9	2.02	1.95
	<b>GRAND TOTAL</b>	<b>54.8</b>	<b>2.13</b>	<b>3.76</b>

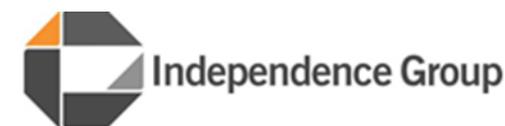
#### Notes:

1 The Proved and Probable Ore Reserve (31 December 2013) is reported above economic break-even gold cut-off grades of 0.4 g/t for Transported/Upper Saprolite material, 0.5 g/t for Lower Saprolite material, 0.6g/t for Sap-Rock (Transitional) material and 0.7g/t for Fresh material at nominated gold price US\$1,100/oz, and exchange rate 0.88 AUD:USD (A\$1,249/oz Au).

2 The estimate is based on the actual survey position for the end of September 2013 with Resource models depleted by the monthly forecast production for the remainder of CY2013.

**Reference:** ASX Release dated 28 February 2014.

# Resources & Reserves



## LONG

Mineral Resources 30 June 2013				
	Classification	Tonnes	Ni%	Ni Tonnes
LONG	Measured	61,000	5.4	3,300
	Indicated	213,000	5.2	11,100
	Inferred	116,000	5.1	5,900
	<b>Sub Total</b>	<b>390,000</b>	<b>5.2</b>	<b>20,300</b>
VICTOR SOUTH	Measured	-	-	-
	Indicated	212,000	2.4	5,000
	Inferred	28,000	1.4	400
	<b>Sub Total</b>	<b>240,000</b>	<b>2.3</b>	<b>5,400</b>
McLEAY	Measured	79,000	6.7	5,300
	Indicated	164,000	5.7	9,300
	Inferred	75,000	4.5	3,400
	<b>Sub Total</b>	<b>318,000</b>	<b>5.6</b>	<b>18,000</b>
MORAN	Measured	181,000	6.7	12,200
	Indicated	241,000	7.4	17,700
	Inferred	11,000	4.5	500
	<b>Sub Total</b>	<b>433,000</b>	<b>7.0</b>	<b>30,400</b>
<b>TOTAL</b>		<b>1,381,000</b>	<b>5.4</b>	<b>74,100</b>

### Notes:

1. Mineral Resources are reported using a 1% Ni Cut-off grade as at 30 June.
2. Excludes Victor South disseminated mineralisation of 175,000t @ 1.3% Ni using a cut-off grade of 0.6% Ni.
3. Mining depletion as at 30 June 2013 has been removed from the 2013 resource estimate.
4. Resources are inclusive of Reserves.
5. Ore tonnes have been rounded to the nearest thousand tonnes and nickel tonnes have been rounded to the nearest hundred tonnes.

**Reference:** ASX Release dated 25 October 2013.

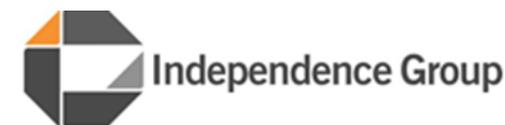
Ore Reserves 30 June 2013				
	Classification	Tonnes	Ni%	Ni Tonnes
LONG	Proven	45,000	3.1	1,400
	Probable	66,000	2.9	1,900
	<b>Sub Total</b>	<b>111,000</b>	<b>3.0</b>	<b>3,300</b>
VICTOR SOUTH	Proven	-	-	-
	Probable	20,000	3.9	800
	<b>Sub Total</b>	<b>20,000</b>	<b>3.9</b>	<b>800</b>
McLEAY	Proven	46,000	3.0	1,400
	Probable	70,000	3.6	2,500
	<b>Sub Total</b>	<b>116,000</b>	<b>3.3</b>	<b>3,900</b>
MORAN	Proven	229,000	4.5	10,300
	Probable	405,000	3.9	15,600
	<b>Total</b>	<b>634,000</b>	<b>4.1</b>	<b>25,900</b>
<b>TOTAL</b>		<b>881,000</b>	<b>3.8</b>	<b>33,900</b>

### Notes:

1. Ore Reserves are reported above an economic Ni Cut-off value as at 30 June.
2. A Net Smelter Return (NSR) value of \$239 per ore tonne has been used in the evaluation of the 2013 reserve.
3. Mining depletion as at 30 June 2013 has been removed from the 2013 reserve estimate.
4. Ore tonnes have been rounded to the nearest thousand tonnes and nickel tonnes have been rounded to the nearest hundred tonnes.
5. Revenue factor inputs (US\$): Ni \$18,087/t, Cu \$7,694/t. Exchange rate AU\$1.00 : US\$1.01.

**Reference:** ASX Release dated 25 October 2013.

# Resources & Reserves



## JAGUAR

Mineral Resources 30 June 2013						
	Classification	Tonnes	Cu%	Zn%	Ag g/t	Au g/t
JAGUAR	Measured	264,000	2.4	3.4	47	-
	Indicated	181,000	1.8	2.0	28	-
	Inferred	30,000	2.6	2.7	42	-
	Stockpiles	-	-	-	-	-
	<b>Sub Total</b>	<b>475,000</b>	<b>2.2</b>	<b>2.8</b>	<b>39</b>	<b>-</b>
BENTLEY	Measured	453,000	1.6	17.1	212	1.0
	Indicated	1,442,000	1.7	7.9	103	0.6
	Inferred	849,000	2.4	8.4	161	1.0
	Stockpiles	27,000	1.3	11.0	135	0.4
	<b>Sub Total</b>	<b>2,771,000</b>	<b>1.9</b>	<b>9.6</b>	<b>139</b>	<b>0.8</b>
Mineral Resources 2009						
TEUTONIC	Measured	-	-	-	-	-
BORE	Indicated	946,000	1.7	3.6	65	-
	Inferred	608,000	1.4	0.7	25	-
	<b>Sub Total</b>	<b>1,554,000</b>	<b>1.6</b>	<b>2.5</b>	<b>49</b>	<b>-</b>
<b>GRAND TOTAL</b>		<b>4,800,000</b>	<b>1.8</b>	<b>6.6</b>	<b>100</b>	<b>-</b>

### Notes:

1. Teutonic Bore Mineral Resource estimate is as at August 2009 and was previously reported in accordance with the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

2. Mineral Resources include massive sulphide and stringer sulphide mineralisation. Massive sulphide resources are geologically defined, stringer sulphide resources are reported above cut-off grades of 0.5% Cu for Bentley and Jaguar, 0.7% Cu for Teutonic Bore.

3. Block modelling used ordinary kriging grade interpolation methods within wireframes for all elements and density.

4. Mining depletion as at 30 June 2013 has been removed from the 2013 resource estimates for Jaguar and Bentley.

5. Resources are inclusive of Reserves.

**Reference:** ASX Release dated 25 October 2013.

Ore Reserves 30 June 2013						
	Classification	Tonnes	Cu%	Zn%	Ag g/t	Au g/t
JAGUAR	Proven	20,000	1.7	0.4	15	-
	Probable	3,000	1.8	0.3	11	-
	<b>Sub Total</b>	<b>23,000</b>	<b>1.7</b>	<b>0.4</b>	<b>14</b>	<b>-</b>
BENTLEY	Proven	431,000	1.3	13.4	163	0.8
	Probable	830,000	1.8	7.7	107	0.6
	<b>Sub Total</b>	<b>1,261,000</b>	<b>1.6</b>	<b>9.6</b>	<b>126</b>	<b>0.7</b>
<b>GRAND TOTAL</b>		<b>1,284,000</b>	<b>1.6</b>	<b>9.4</b>	<b>124</b>	<b>-</b>

### Notes:

1. Cut-off values were based on NSR values of \$180 per ore tonne for direct mill feed and \$120 per ore tonne for HMS feed.

2. Revenue factor inputs (US\$): Cu \$7,694/T, Zn \$2,270/t, Ag \$33/troy oz, Au \$1,740/troy oz. Exchange rate AU\$1.00 : US\$1.01.

3. Metallurgical recoveries – 82% Cu, 53% Ag, 43% Au in Cu concentrate; 83% Zn and 22% Ag in Zn concentrate.

4. Longitudinal sub-level long hole stoping will be used at Bentley and Jaguar.

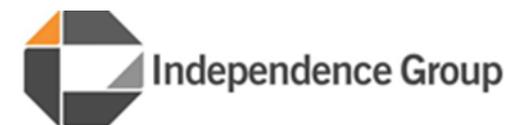
5. All Measured Resource and associated dilution was classified as Proved Reserve. All Indicated Resource and associated dilution was classified as Probable Reserve.

6. Mining depletion as at 30 June 2013 has been removed from the 2013 reserve estimate.

7. The Bentley underground reserves have decreased by 1.1 million ore tonnes as a result of depletion 313,000 ore tonnes, changes in realised (AUD) metal prices within the net smelter return cut off valuation process and increases in the site cut-off values (2013 \$180/t direct feed and \$120/t marginal feed versus 2012 \$160/t direct feed and \$100/t marginal feed) have impacted mainly in the Arnage stringer material resulting in a reduction of 590,000 ore tonnes, changes in resource interpretation along boundaries on ore surfaces, and minor changes in mining method in the Brooklands surface of 16,000 ore tonnes.

**Reference:** ASX Release dated 25 October 2013.

# Resources & Reserves



## STOCKMAN

Mineral Resources 30 June 2013						
	Classification	Tonnes Mt	Cu%	Zn%	Ag g/t	Au g/t
CURRAWONG	Measured	-	-	-	-	-
	Indicated	9,548,000	2.0	4.2	42	1.2
	Inferred	781,000	1.4	2.2	23	0.5
	<b>Sub Total</b>	<b>10,329,000</b>	<b>2.0</b>	<b>4.0</b>	<b>40</b>	<b>1.1</b>
WILGA	Measured	-	-	-	-	-
	Indicated	2,987,000	2.0	4.8	31	0.5
	Inferred	670,000	3.7	5.5	34	0.4
	<b>Sub Total</b>	<b>3,657,000</b>	<b>2.3</b>	<b>4.9</b>	<b>32</b>	<b>0.5*</b>
<b>GRAND TOTAL</b>		<b>13,986,000</b>	<b>2.1</b>	<b>4.3</b>	<b>38</b>	<b>1.0*</b>

### Notes:

- All Resources tonnes have been rounded to the nearest one thousand tonnes and grade to the nearest 1/10th percentage/gram per tonne.
- Mineral Resources include massive sulphide and stringer sulphide mineralisation. Massive sulphide resources are geologically defined, stringer sulphide resources are reported above cut-off grades of 0.5% Cu.

\*3. Au grades for Wilga are all inferred due to paucity of Au data in historic drilling.

- Block modelling used ordinary kriging grade interpolation methods within wireframes for all elements and density.
- Mining depletion as at end of historic mine life (1996) has been removed from the Resource estimate for Wilga.
- Resources are inclusive of Reserves. The Resource estimate is unchanged since 2012.

Reference: ASX Release dated 25 October 2013.

Ore Reserves 30 June 2013						
	Classification	Tonnes Mt	Cu%	Zn%	Ag g/t	Au g/t
CURRAWONG	Proved	-	-	-	-	-
	Probable	7.3	2.2	4.1	40	1.2
	<b>Sub-Total</b>	<b>7.3</b>	<b>2.2</b>	<b>4.1</b>	<b>40</b>	<b>1.2</b>
WILGA	Proved	-	-	-	-	-
	Probable	1.1	2.5	5.3	30	0.5*
	<b>Sub Total</b>	<b>1.1</b>	<b>2.5</b>	<b>5.3</b>	<b>30</b>	<b>0.5*</b>
<b>GRAND TOTAL</b>		<b>8.4</b>	<b>2.3</b>	<b>4.3</b>	<b>39</b>	<b>1.1*</b>

### Notes:

- All Reserves tonnes have been rounded to the nearest one hundred thousand tonnes and grade to the nearest 1/10th percentage/gram per tonne.
- No Ore Reserves were reported in 2012.

3. Gold (Au) grades are Inferred at Wilga due to a paucity of gold assays in historic drilling. Revenue from gold in the Wilga ore was included in the estimation of the Ore Reserve. The contribution to Revenue of this gold was estimated to be \$3.84 per gram of gold *in situ*. This inclusion was not material to the value of the mining envelopes considered and did not warrant downgrading of any portion of the Ore Reserve attributable to Wilga. The contribution from Wilga represents 13% of the Total Ore Reserve.

- Historic mining depletion for Wilga has been removed from the 2013 reserve estimate.

Reference: ASX Release dated 25 October 2013.

## Hedging as at 30 June 2014

### ■ Nickel

- FY15: 200t/mth averaging \$18,128/t Ni

### ■ Copper

- FY15 Q1: 550t at \$8,014/t Cu in September
- FY15 Q3: 400t at \$8,502/t Cu in March
- FY15 Q4: 550t at \$8,500/t Cu in June

### ■ Gold

- FY15 Q1 & Q2: 5,500oz/mth zero cost collars (range \$1,300 to \$1,803/oz Au)
- FY15 Q3 & Q4: 4,375oz/mth zero cost collars (range \$1,331 to \$ 1,730/oz Au)
- FY16 Q1 & Q2: 4,375oz/mth zero cost collars (range \$1,331 to \$ 1,730/oz Au)