

INDEPENDENCE GROUP NL

Goldman Sachs Emerging Leaders Conference

Peter Bradford – Managing Director & CEO



3 April 2019

ASX:IGO | ADR:IIDDY

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- 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.
- All currency amounts in Australian Dollars unless otherwise noted.
- Net Debt is outstanding debt less cash balances and Net Cash is cash balance less outstanding debt.
- Cash Costs are reported inclusive of Royalties and after by-product credits on per unit of payable metal basis, unless otherwise stated.
- IGO reports All-in Sustaining Costs (AISC) per ounce of gold for its 30% interest in the Tropicana Gold Mine using the World Gold Council guidelines for AISC. The World Gold Council guidelines publication was released via press release on 27 June 2013 and is available from the World Gold Council’s website.
- 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, gain/loss on sale of subsidiary, redundancy and restructuring costs, depreciation and amortisation, and once-off transaction costs.
- Free Cash Flow comprises Net Cash Flow from Operating Activities and Net Cash Flow from Investing Activities. Underlying adjustments exclude acquisition costs, proceeds from investment sales and payments for investments.

Competent Person's Statements

- Any references to IGO Mineral Resource and Ore Reserve estimates should be read in conjunction with IGO's Annual Update of Exploration Results, Mineral Resources and Ore Reserves dated 20 February 2019 (Annual Statement) and lodged with the ASX for which Competent Person's consents were obtained, which is also available on the IGO website.
- The information in this presentation that relates to the Boston Shaker Feasibility Study is extracted from the ASX announcement dated 28 March 2018 entitled "Tropicana JV Approves Boston Shaker Underground Development" and for which a Competent Person consent was obtained. A portion of the production target referred to in this announcement is based on Inferred Mineral Resources. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target will be realised.
- The information in this presentation that relates to Exploration Results is extracted from the Prodigy Gold (PRX) ASX release dated 26 July 2018 entitled "Lake Mackay JV: Exploration Update"; the Prodigy Gold ASX release dated 20 February 2019 entitled "Lake Mackay JV: 63 AEM targets and Ni-Co prospect defined"; and for which Competent Person's consents were obtained.
- The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX announcements released 26 July 2018, 27 July 2018, 20 December 2018, 20 February 2019 and 28 March 2019 and, (i) in the case of estimates or Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the original ASX announcement continue to apply and have not materially changed, (ii) the Competent Person's 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, and (iii) the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX announcement.



Presentation focus

- Nickel's critical importance to the EV battery market
- Strong performance of our world class Nova Nickel Operation
- Exploration & discovery to find the mines of the future
- Nickel sulphate downstream processing opportunity
- Tropicana delivers low-cost gold production

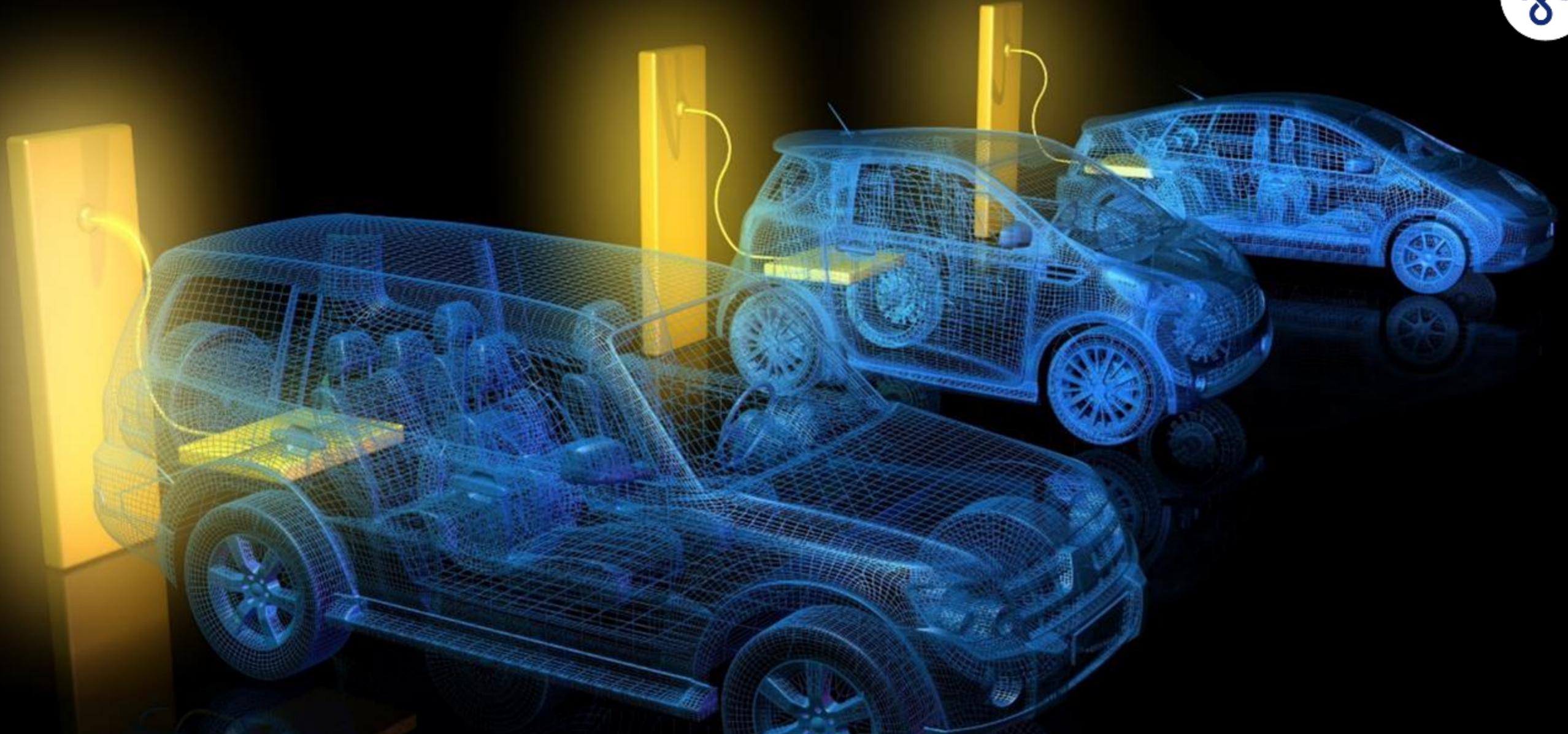
1) As at market close 26 Mar 2019

2) As at 31 Dec 2018

3) As at 26 Feb 2019

Corporate Overview	
ASX	IGO
ADR	IIDDY
Base	Perth, WA
Market Cap ⁽¹⁾	A\$2.8 billion
Cash ⁽²⁾	A\$208M
Debt ⁽²⁾	A\$114M
Shareholder Returns	15 to 25% FCF

Share Ownership			
Substantial Holders ⁽¹⁾		Institutional Ownership ⁽³⁾	
Mark Creasy	15%	Australia	51%
FIL	9%	USA	17%
T Rowe Price	8%	Europe	4%
CBA	6%	ROW	3%
Ausbil	5%		
Dimensional	5%		



Why we do what we do

Purpose:

Making a difference by aligning the business to the structural shift to clean energy

- Globally relevant
- Vertically integrated
- Quality products
- Proactively green

**Delivered by people who are bold, passionate, fearless and fun
– a smarter, kinder, more innovative team**



A clear global trend towards clean energy to reduce emissions

- **Strong government support for renewable energy and mass adoption of EVs and energy storage**
 - Bans on conventional ICE vehicles
 - Subsidies, tax exemptions & rebates
 - Substantial investments in recharge infrastructure
- **Battery pack costs are falling**
 - 2010: ~US\$1,000/kWh⁽¹⁾
 - 2019: ~US\$140/kWh⁽¹⁾
 - 2030(f): ~US\$60/kWh⁽²⁾

1) Source: IGO Research

2) Source: Bernstein Research

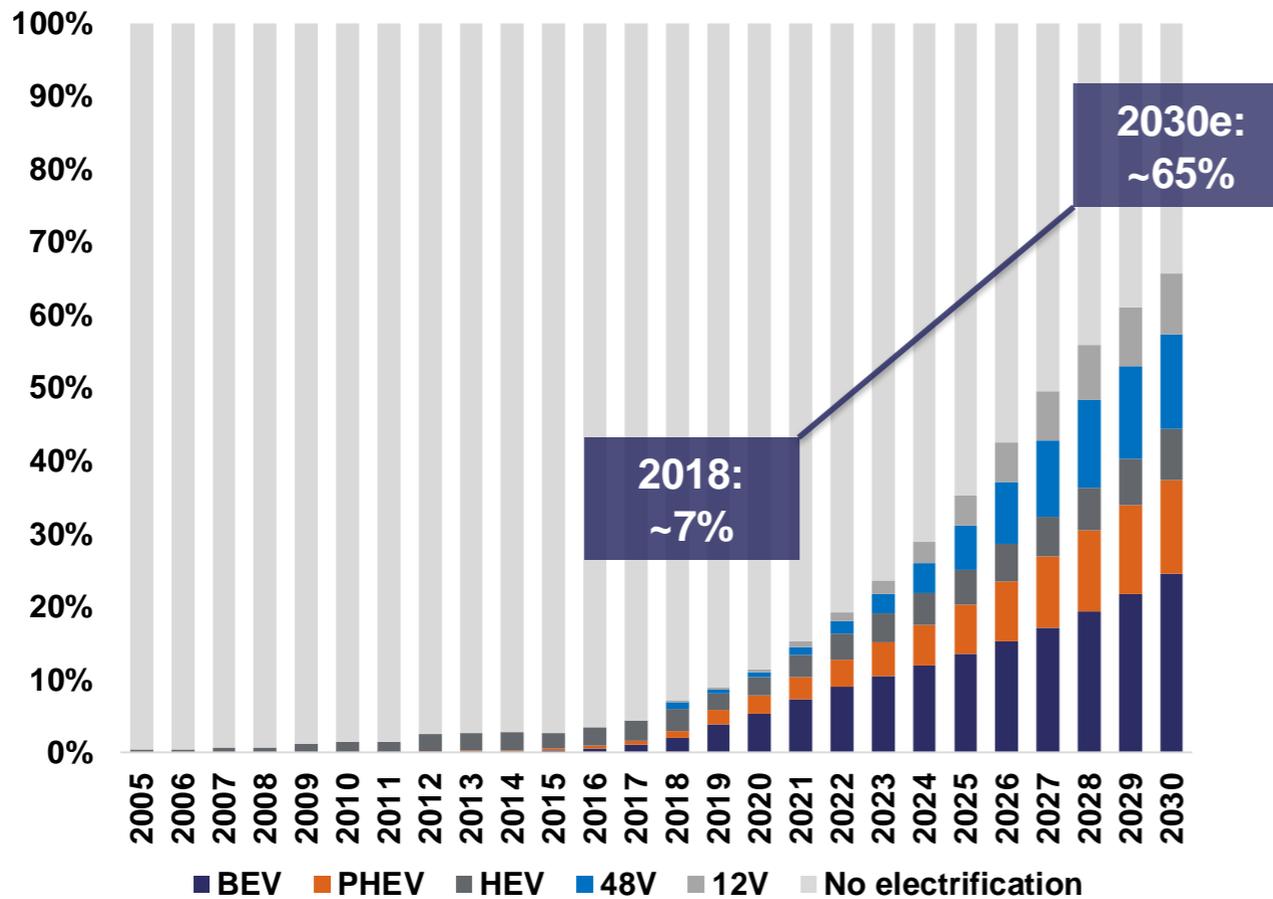
Expected price parity with ICE by 2022⁽³⁾

NCM 811 to account for 65% of NCM batteries by 2030⁽⁴⁾

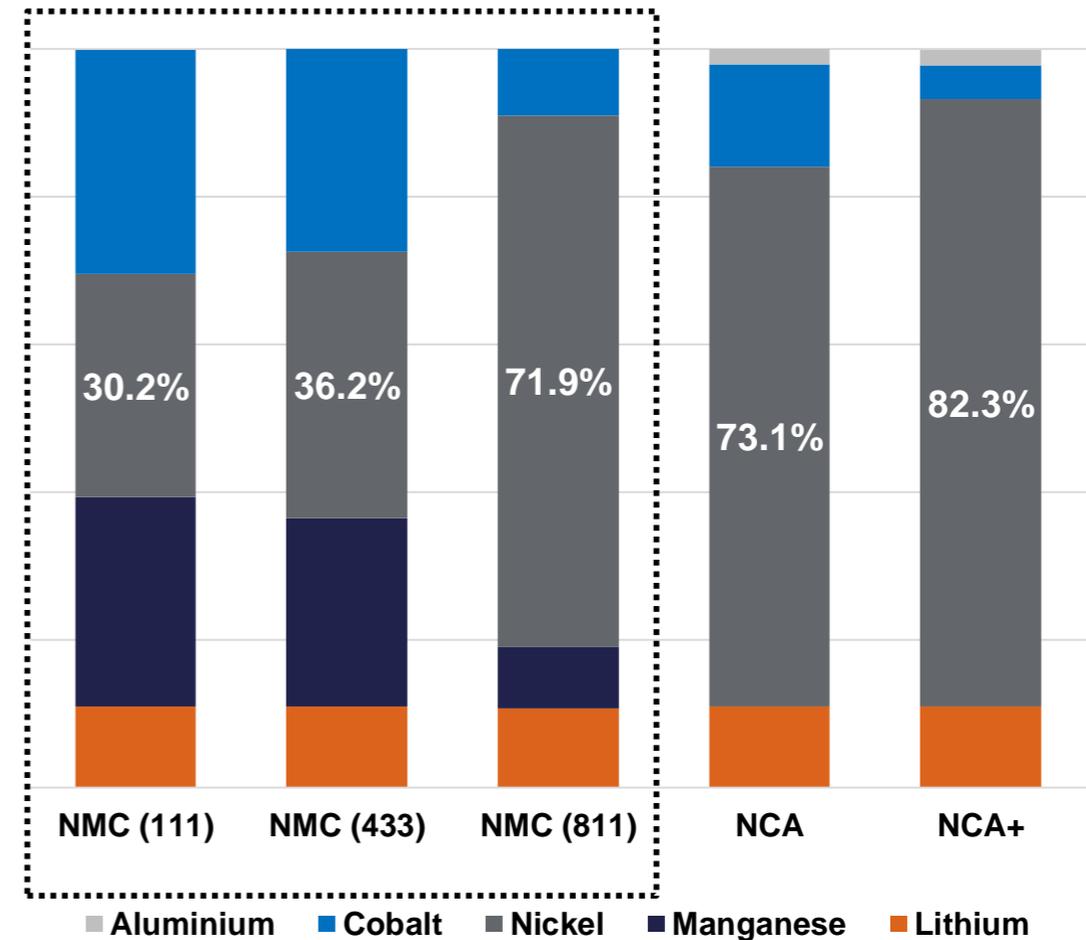


EV sales to grow⁽¹⁾

% of total vehicle sales



Greater proportion of nickel in EV battery cathode⁽¹⁾



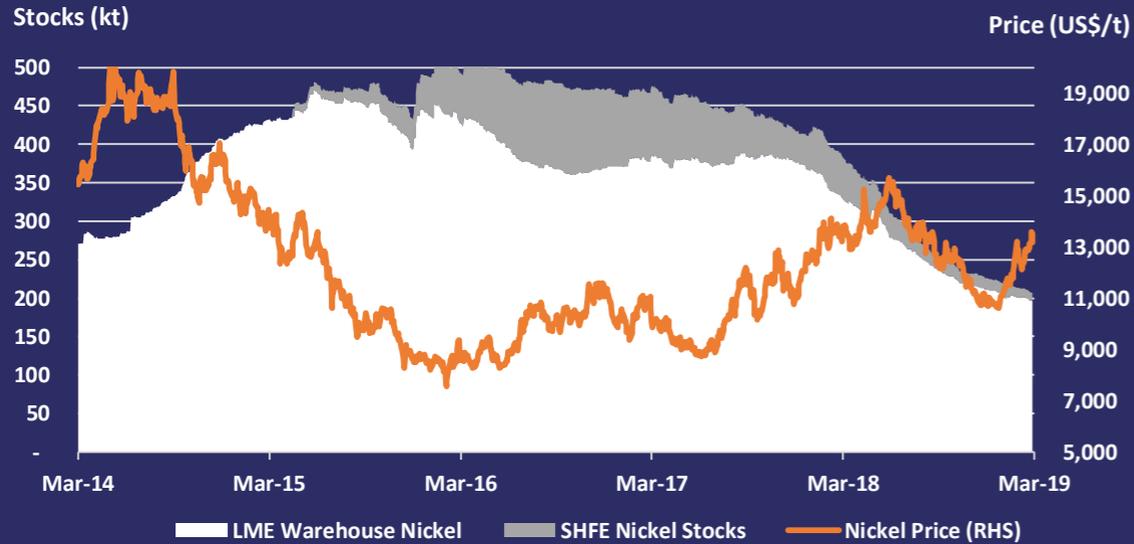
1) Source: Roskill

2) IGO: Proportion of metals in EV battery cathodes for different battery chemistries

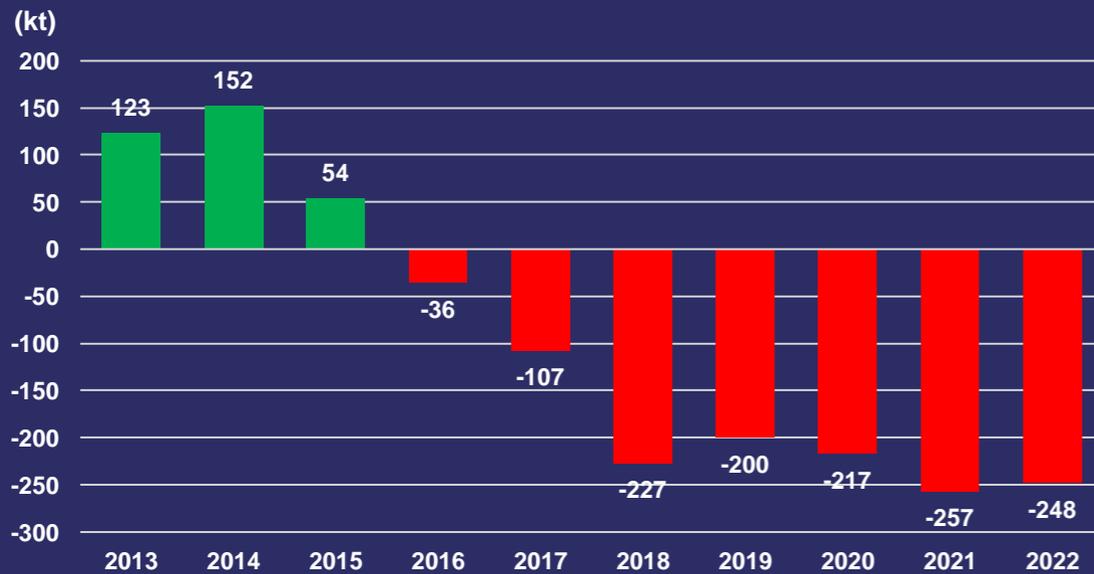
3) Source: Bernstein

4) Source: UBS Global I/O: Battery Commodities - Nov 2018

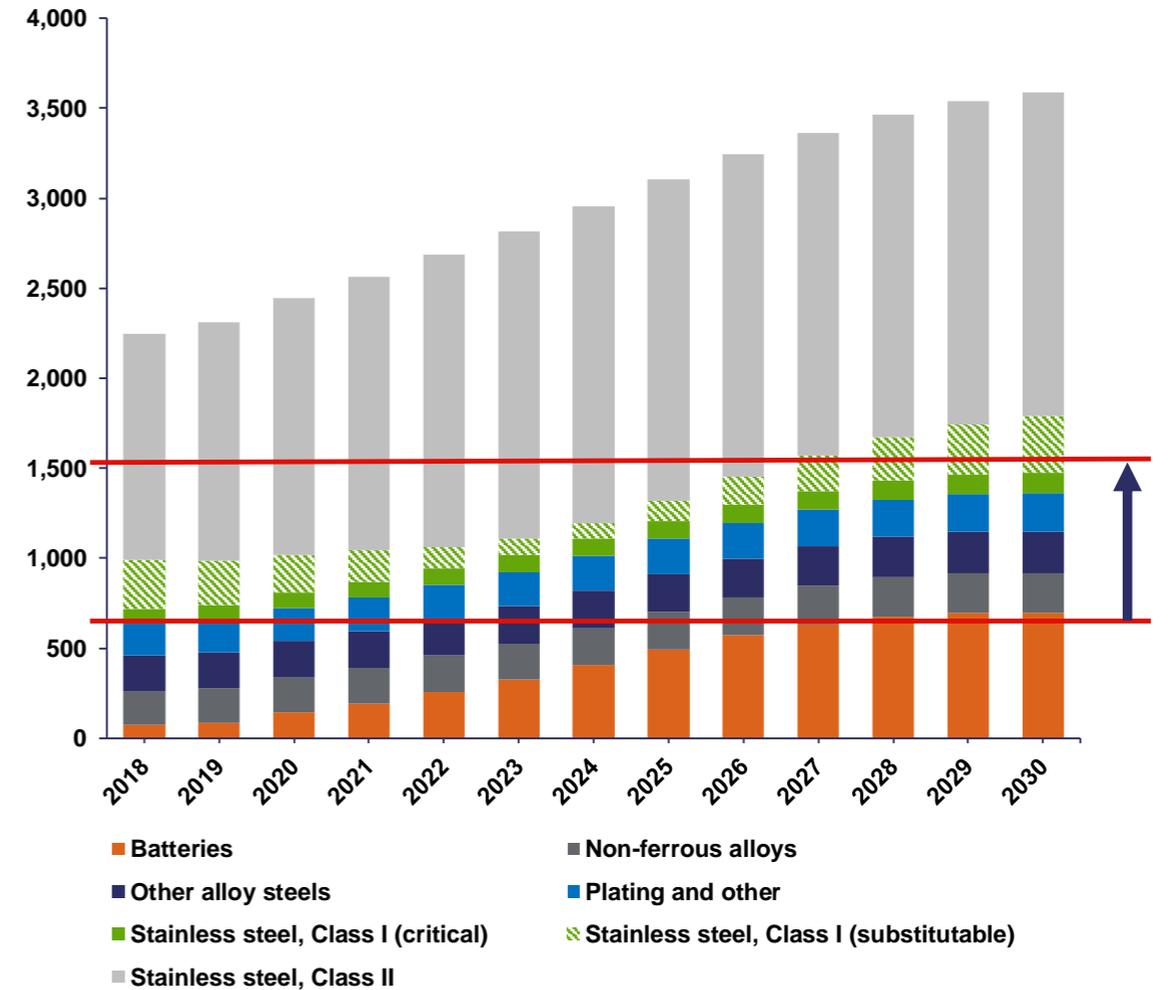
Official Nickel Exchange Stockpiles and Price⁽¹⁾



Nickel Market Supply/Demand Balance Outlook⁽³⁾



Class I & Class II Nickel Demand Forecast⁽²⁾



1) Source: Bloomberg

2) Source: Roskill

3) Source: UBS Research 22 Nov 2018: UBS Global I/O: What does EV Battery Tear-Down imply for battery raw materials; 2019 - 2022 are forecasts

Nova

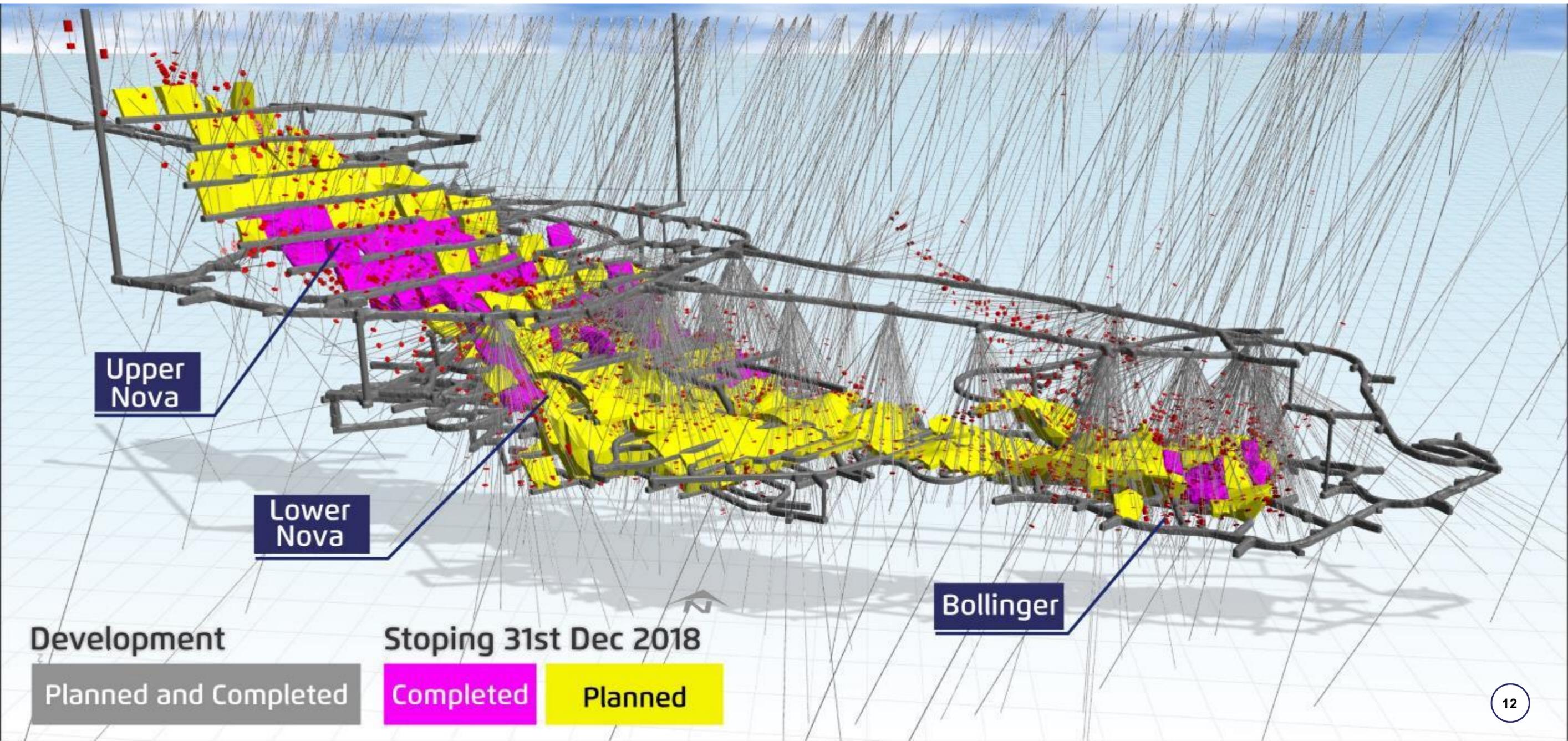




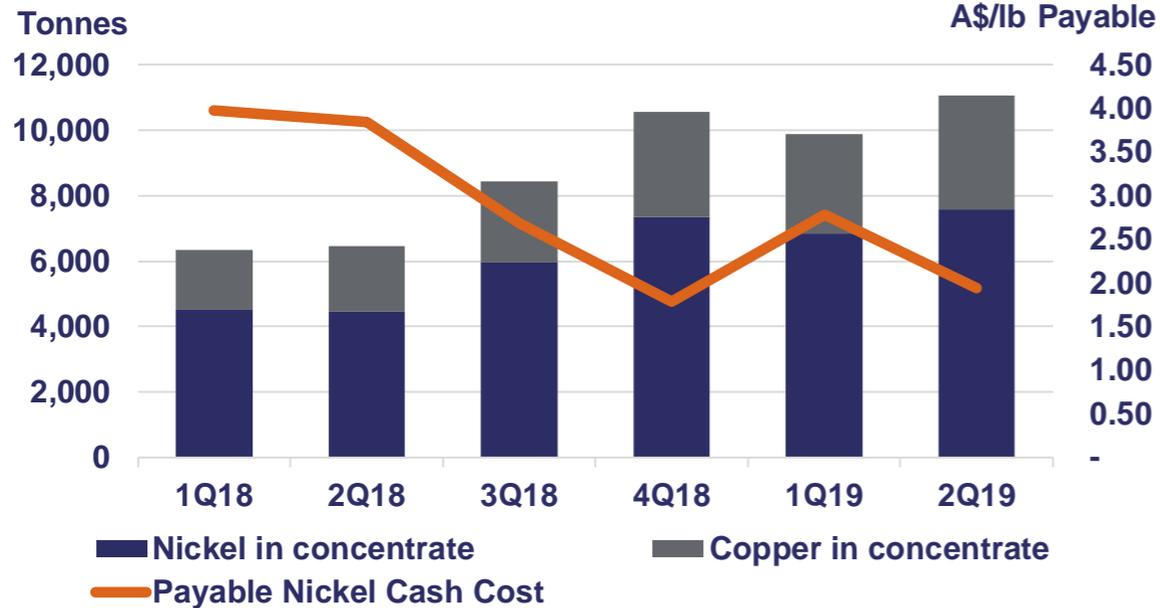
Nova de-risked

- **Successful first six quarters of commercial production**
 - 1.5Mtpa nameplate exceeded
 - Record production during 1H19
 - Cash costs trending down
- **Mine life sustained at 8 years with reserve marginally higher**
- **Grade control drilling and underground capital development complete**

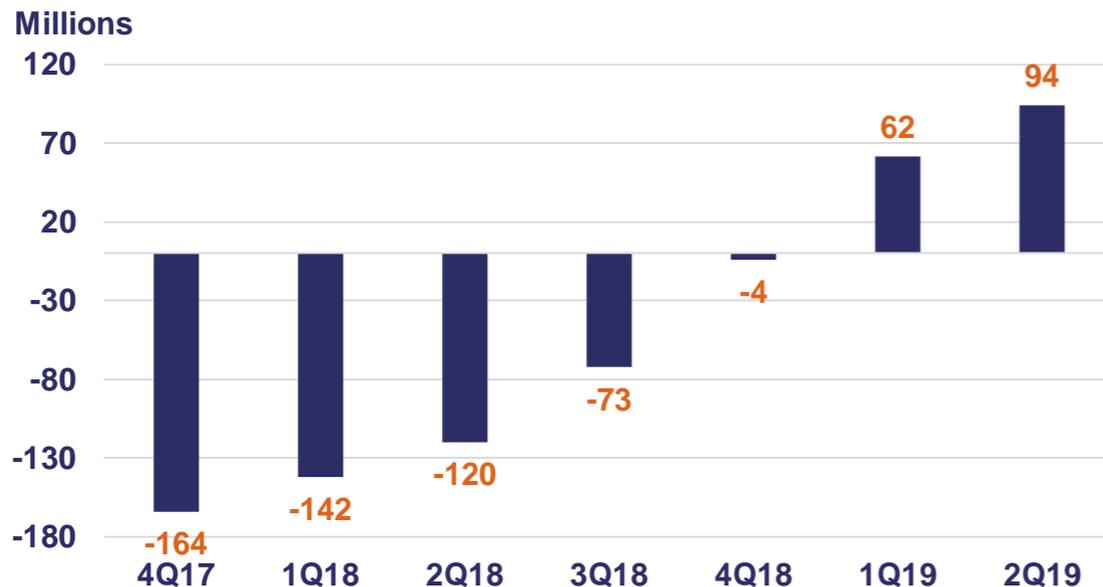
Nova Underground Mine Design & Drilling



Nova Metal Production



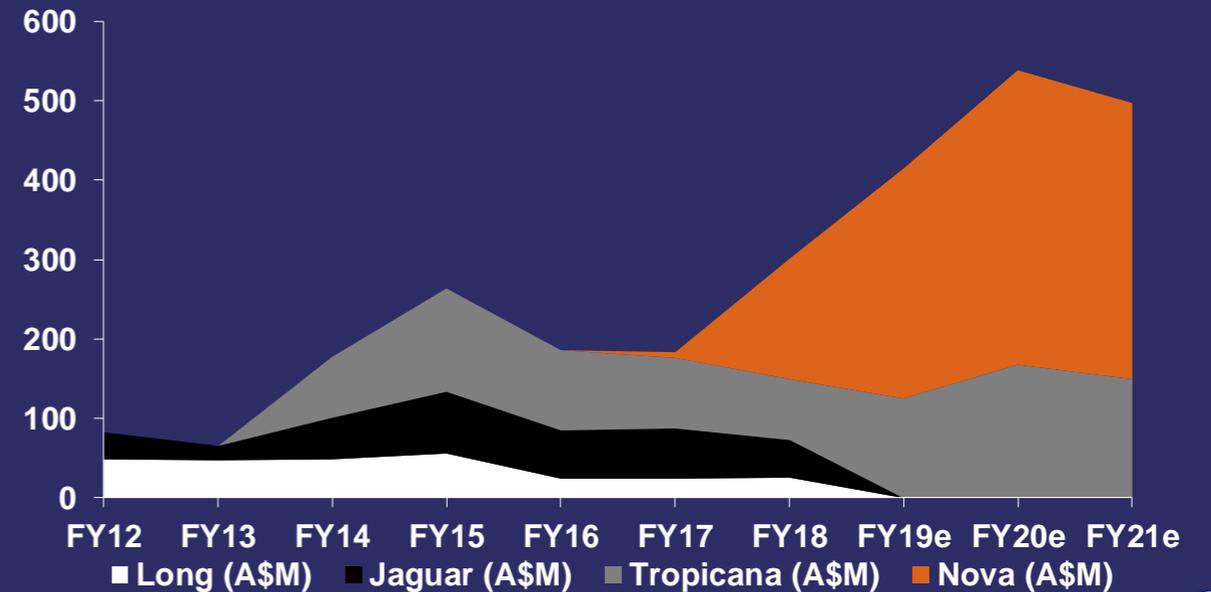
IGO Net Cash Position



Nova is performing

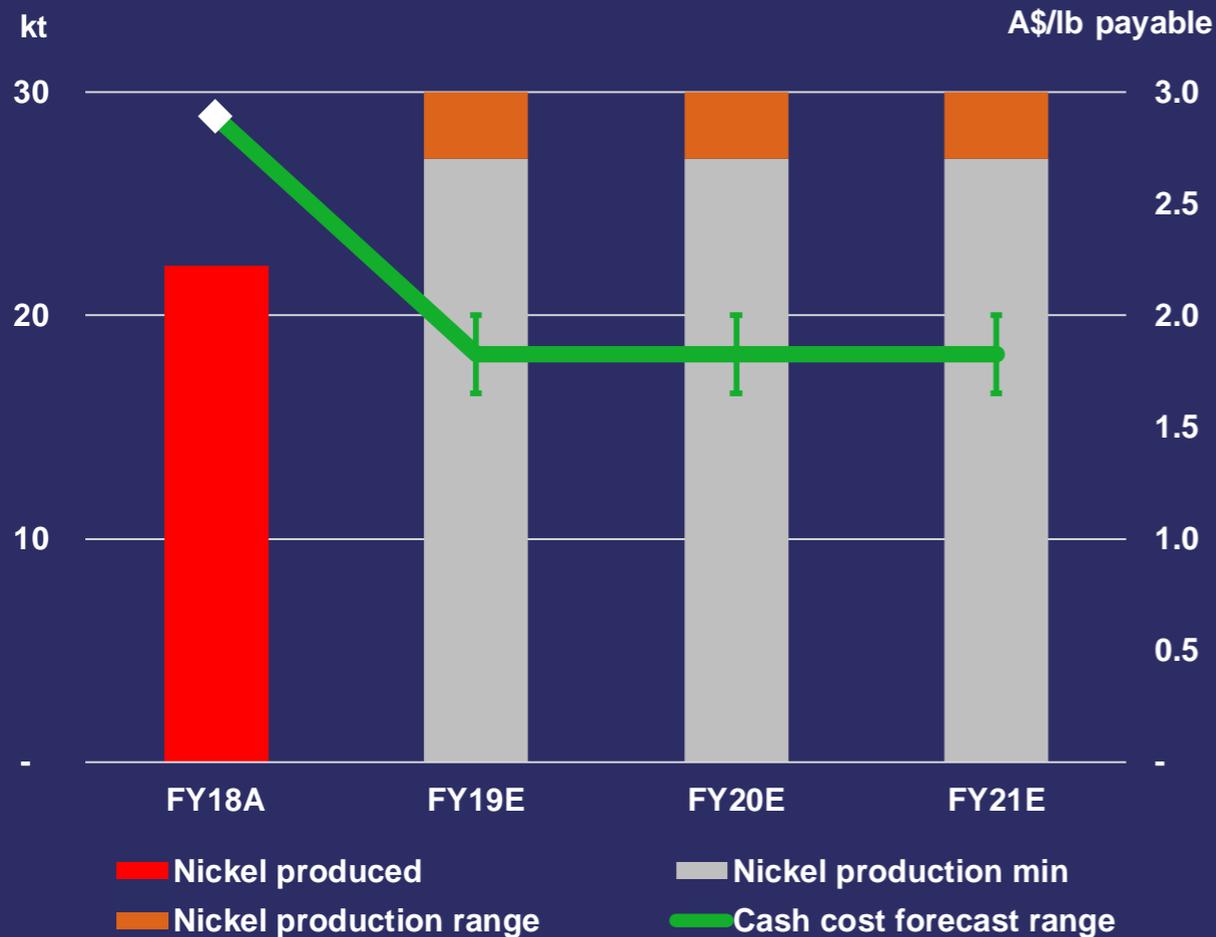
- Increasing metal production and falling cash costs
- Strong contribution to cash build since Nova commercial production commenced in June 2017

IGO EBITDA Profile⁽¹⁾



1) Source: Euroz Securities, March 2019

Directional Production and Cash Costs



Strong outlook for Nova

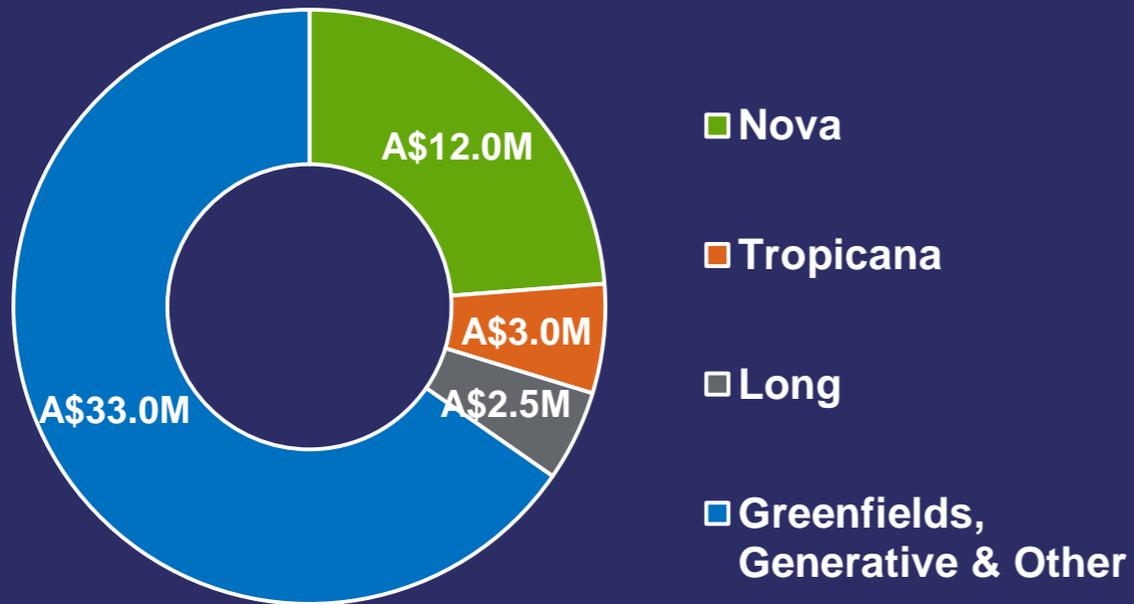
- Consistent and higher production rate expected next three years
- Main driver is higher grade stopes in core of Nova and Bollinger
- Assumes:
 - 1.5Mtpa mining/processing rate
 - 89% nickel recovery and 85% copper recovery
 - Commodity price for by-product credits of A\$4.08/lb for copper and A\$50/lb for cobalt

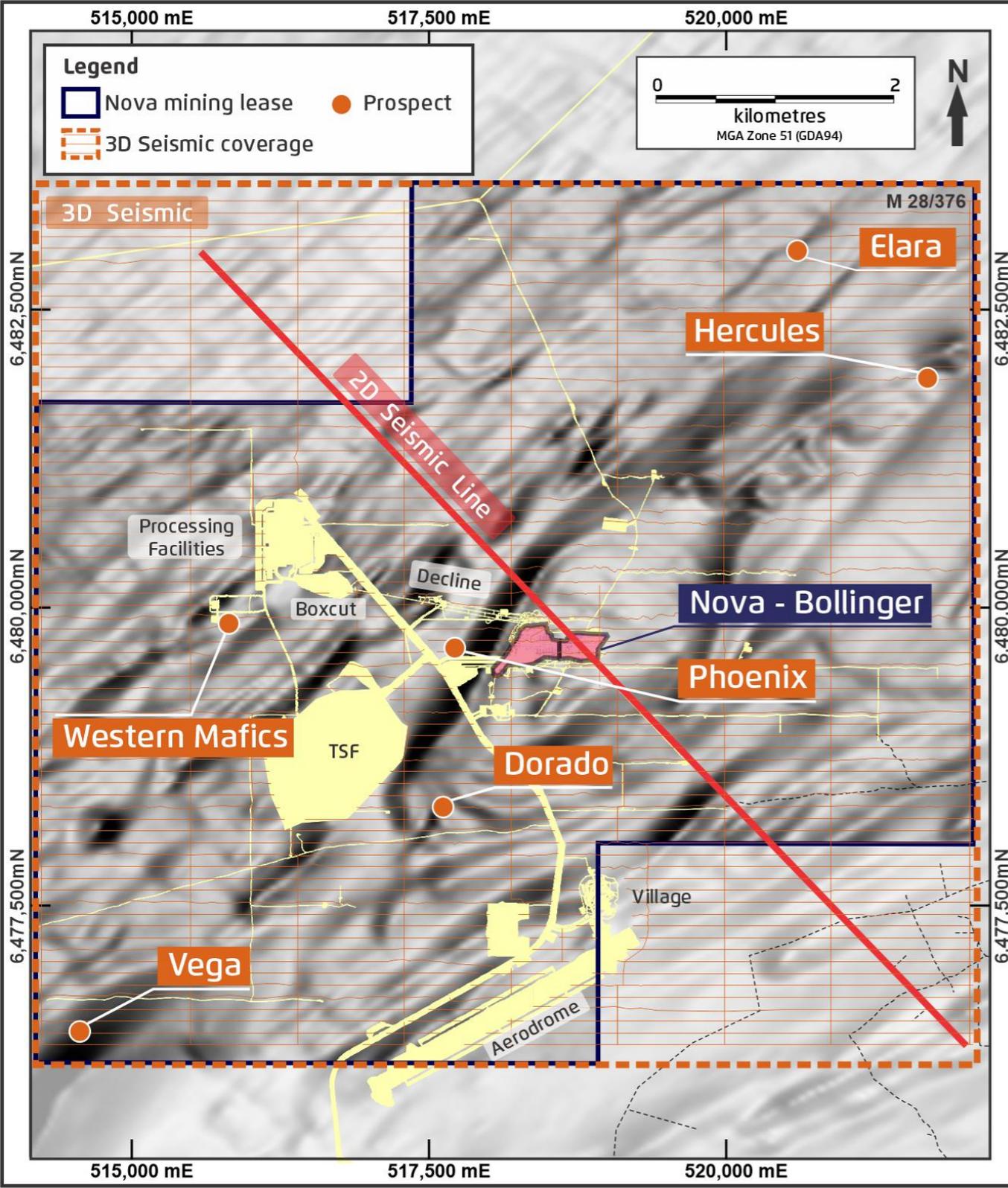


Exploration & Discovery

A\$51M investment in FY19

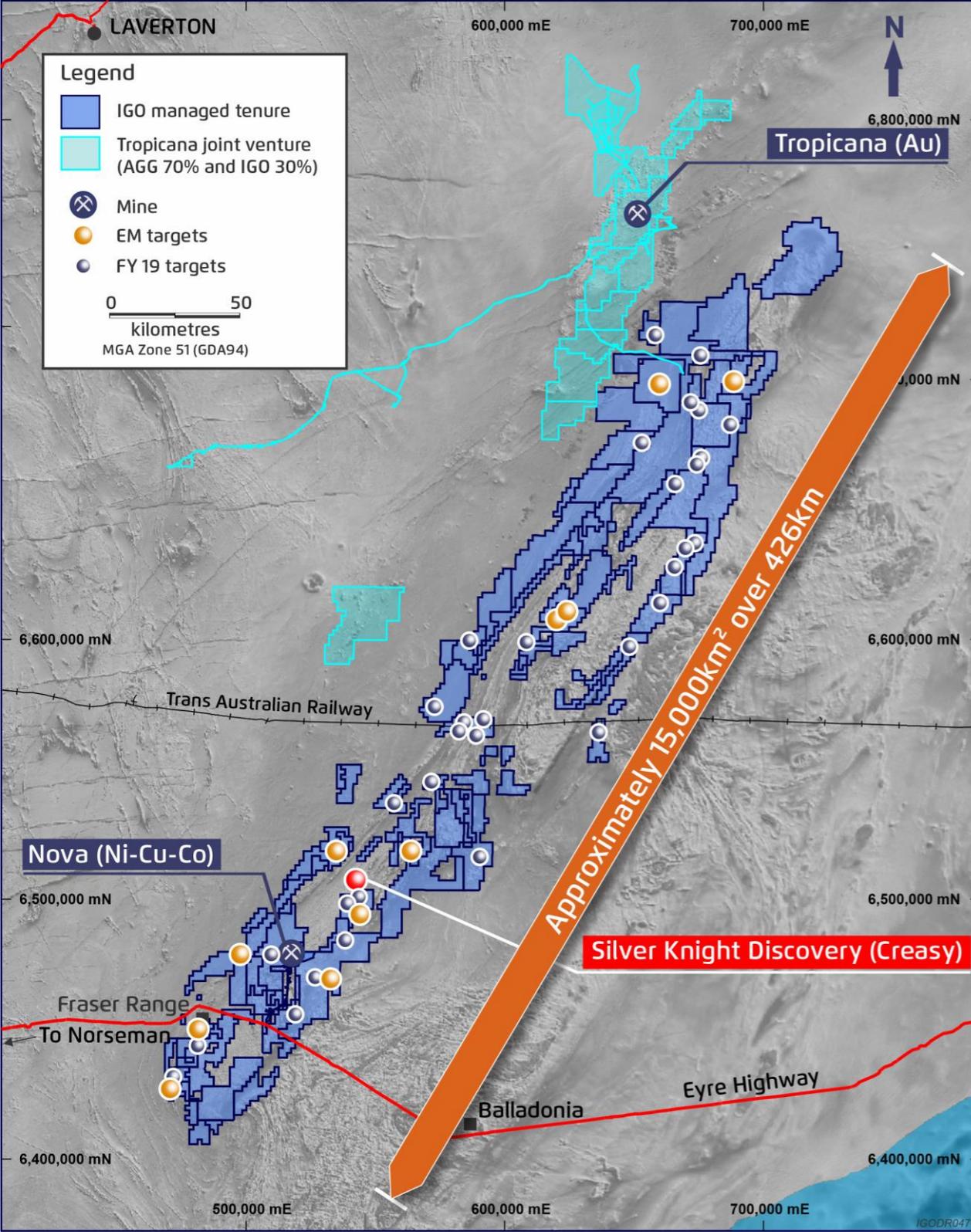
- *Best in class* exploration and discovery capability
- Greenfields focus to discover the mines of the future





Nova Near Mine a focus

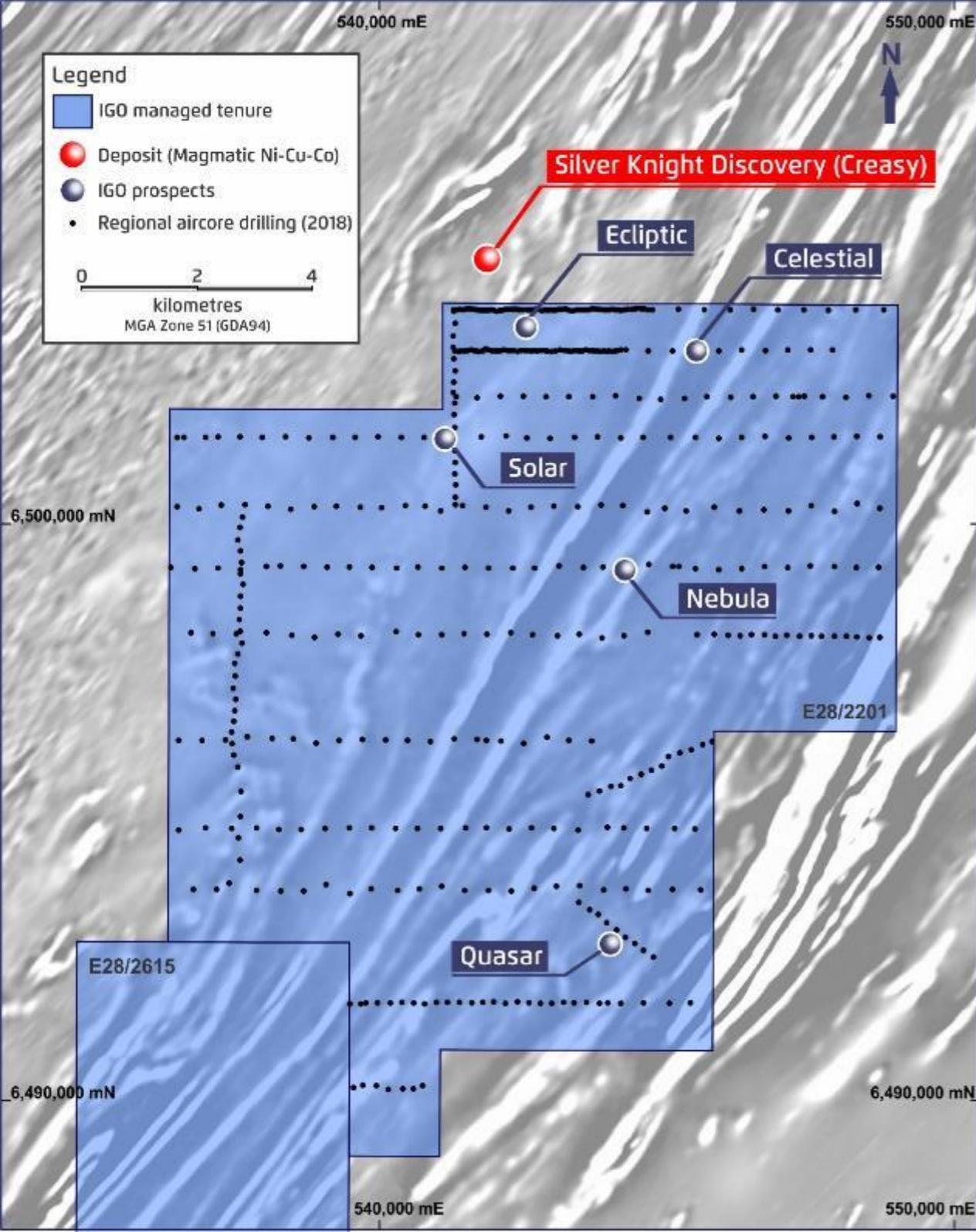
- A\$12M commitment to exploration within Nova mining lease in FY19
- Potential to discover brownfields extensions to Nova system
- Leveraged multiple geophysical platforms including largest hard rock 3D seismic survey in Australia
- Now drill testing first seismic targets



Fraser Range Targets

- Belt-scale greenfields exploration targeting Nova style discoveries
- Systematic exploration over ~15,000km² is 70% complete
- 40 targets identified for drilling in 2019
- Technical success at Andromeda with Cu-Zn-Au-Ag discovery to date
- Creasy Group Silver Knight Discovery validates Fraser Range strategy

1) www.dmirs.wa.gov.au Online Catalogue

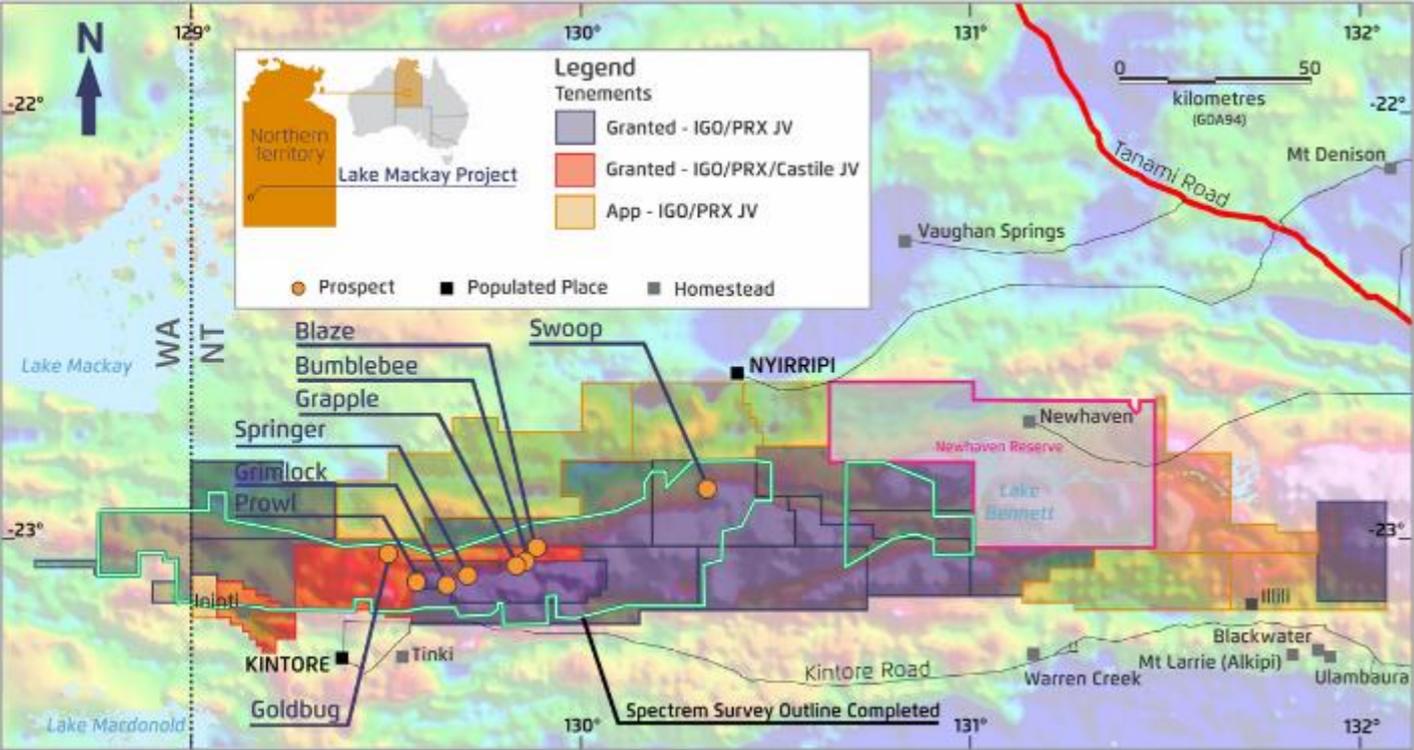


Widowmaker

- Located immediately South of Silver Knight Discovery⁽²⁾ (30km NE of Nova)
- Five high-priority targets defined using EM and aircore drilling, including:
 - Ecliptic contains disseminated sulphides in aircore drilling
 - Solar is a Squid EM anomaly along strike from Silver Knight
- Currently drill testing

1) Widowmaker is a joint venture between IGO (90%) and Buxton Resources (10%)

2) www.dmirs.wa.gov.au Online Catalogue



Lake Mackay is a 12,800km² belt scale greenfields exploration project for IGO

- Polymetallic intersections in drilling at Grapple & Bumblebee
- Spectrem airborne EM survey completed
- Ni and Co in laterite rock chips at Grimlock (2.5% Co, 1.1% Ni⁽¹⁾) and Swoop (2.0% Co, 1.0% Ni⁽²⁾)
- Drill program commencing early April 2019



1) Refer to PRX ASX release dated 26 Jul 2018: Lake Mackay JV: Exploration Update

2) Refer to PRX ASX Release dated 20 Feb 2019: Lake Mackay JV: 63 AEM targets and Ni-Co prospect defined

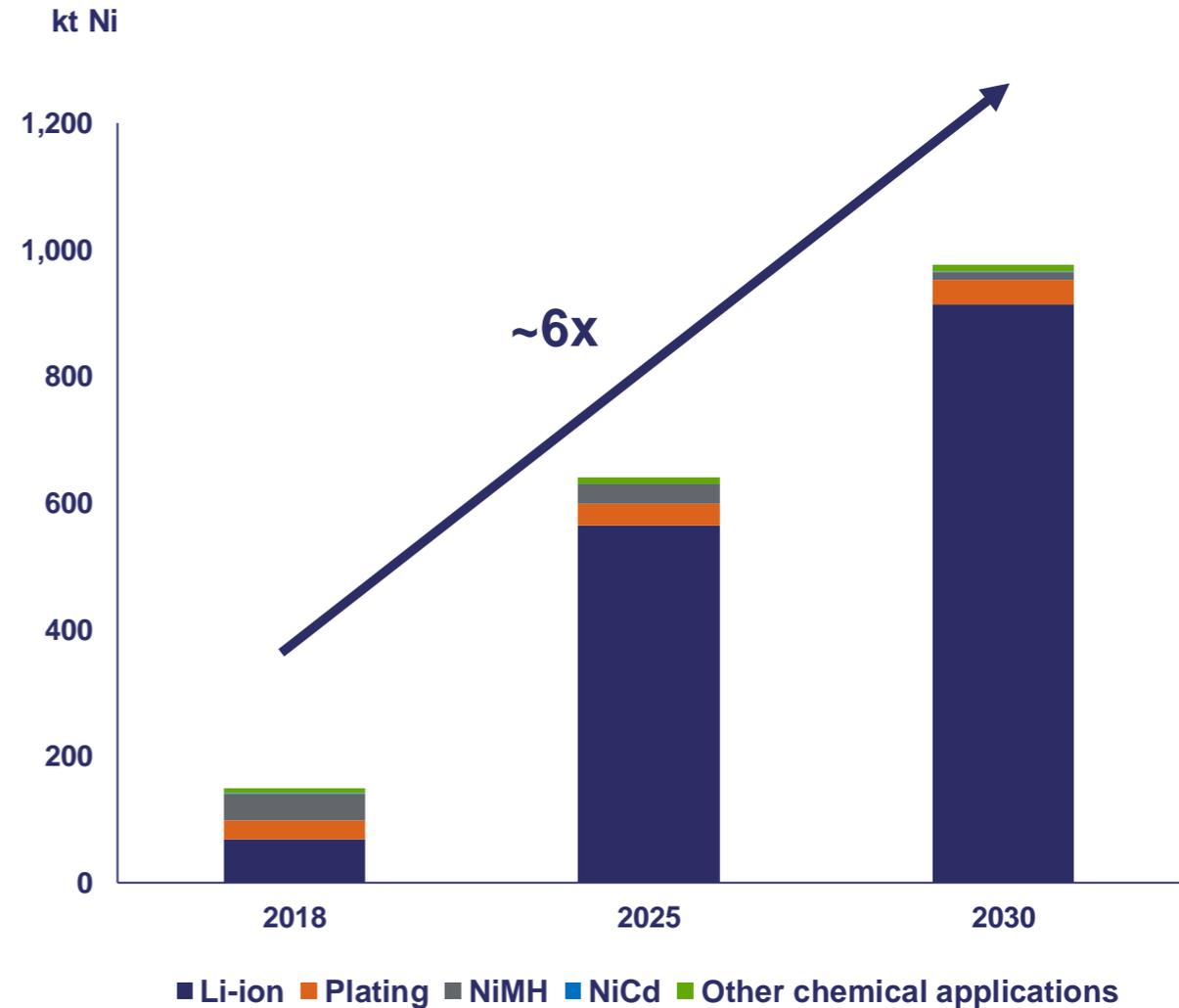


Downstream Processing

Strategy to produce nickel sulphate direct from Nova nickel concentrate

- **Delivers potential for:**
 - Higher payability
 - Premium price
 - Broadens IGO appeal to wider range of investors
- **Pre-feasibility Study to continue to further optimise project**
- **Expected completion by end-CY19**

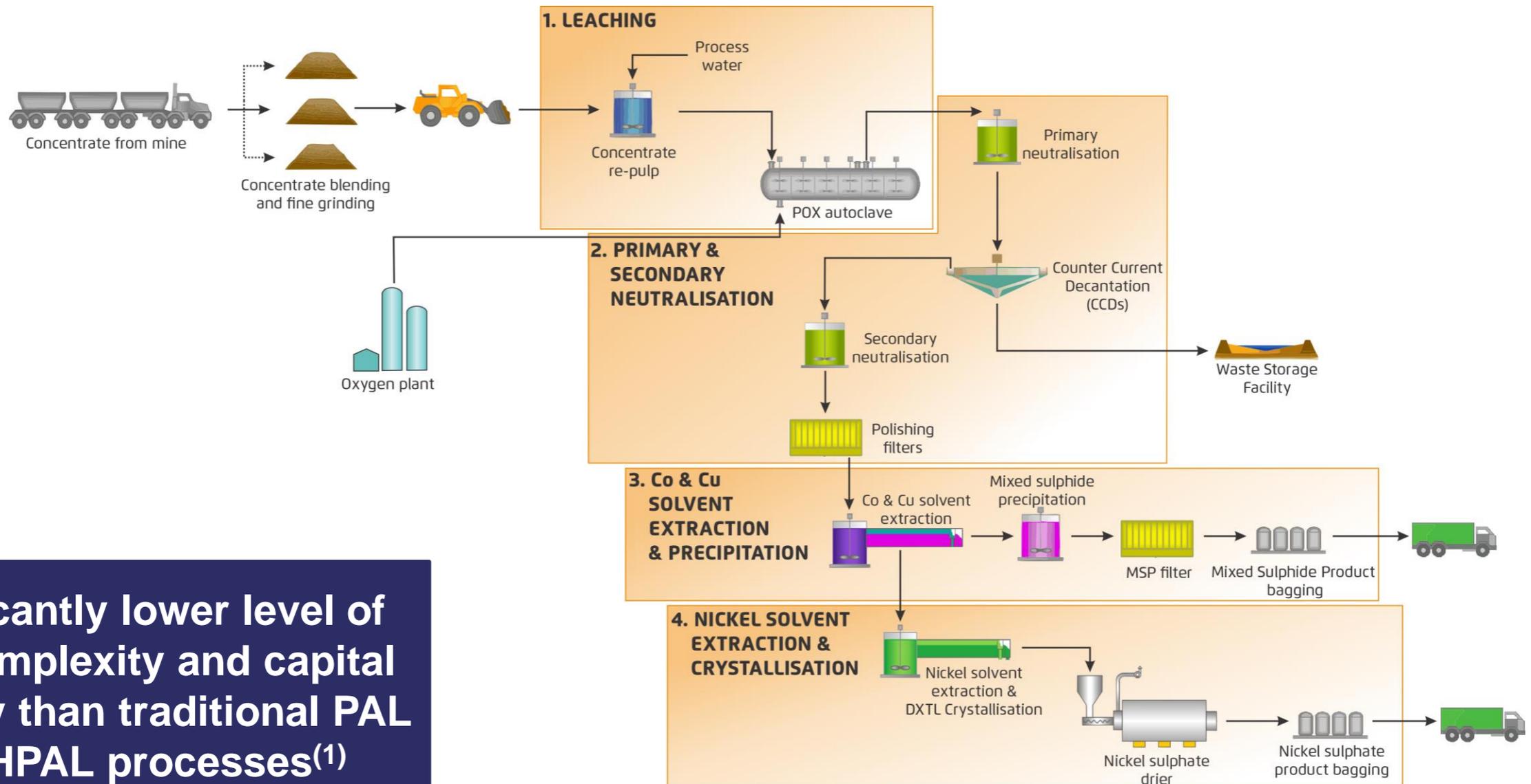
Demand Outlook for Nickel Sulphate⁽¹⁾



1) Source: Roskill, February 2019

IGO Process

Innovative combination of proven mineral processing techniques



Significantly lower level of risk, complexity and capital intensity than traditional PAL and HPAL processes⁽¹⁾

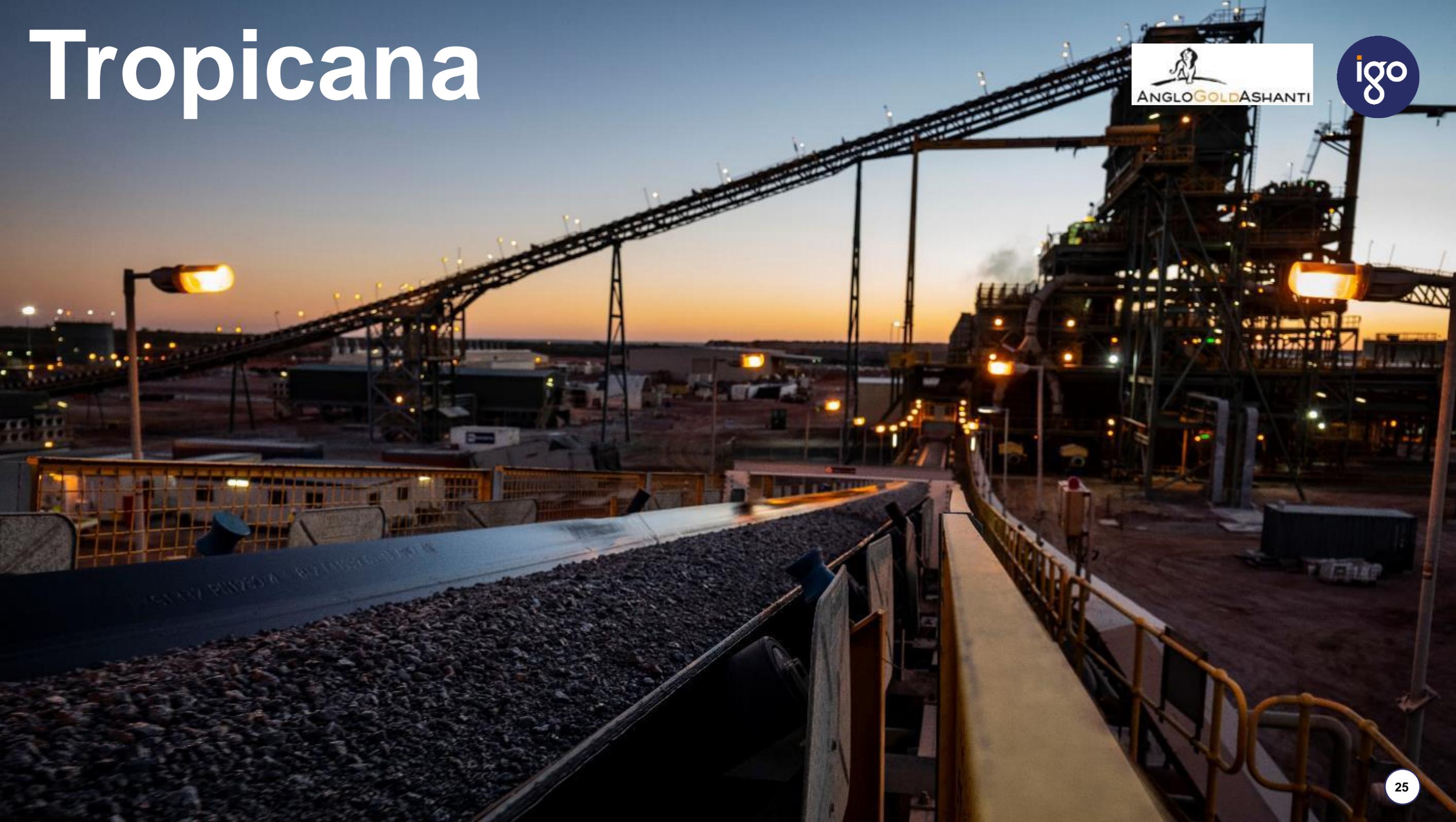
1) Pressure Acid Leach (PAL) and High Pressure Acid Leach (HPAL)
2) Refer to ASX Announcement from 2 April 2019: Downstream Nickel Sulphate Study Update

High-quality battery grade nickel sulphate produced from testwork

- High metal extraction >97%
- Lowest quartile costs
- Strong environmental credentials
 - Lower emissions
 - Lower power consumption
 - Lower waste generation
- Optimisation work focused on:
 - Site selection trade-off studies
 - Flow sheet refinements
 - Maximising by-product production



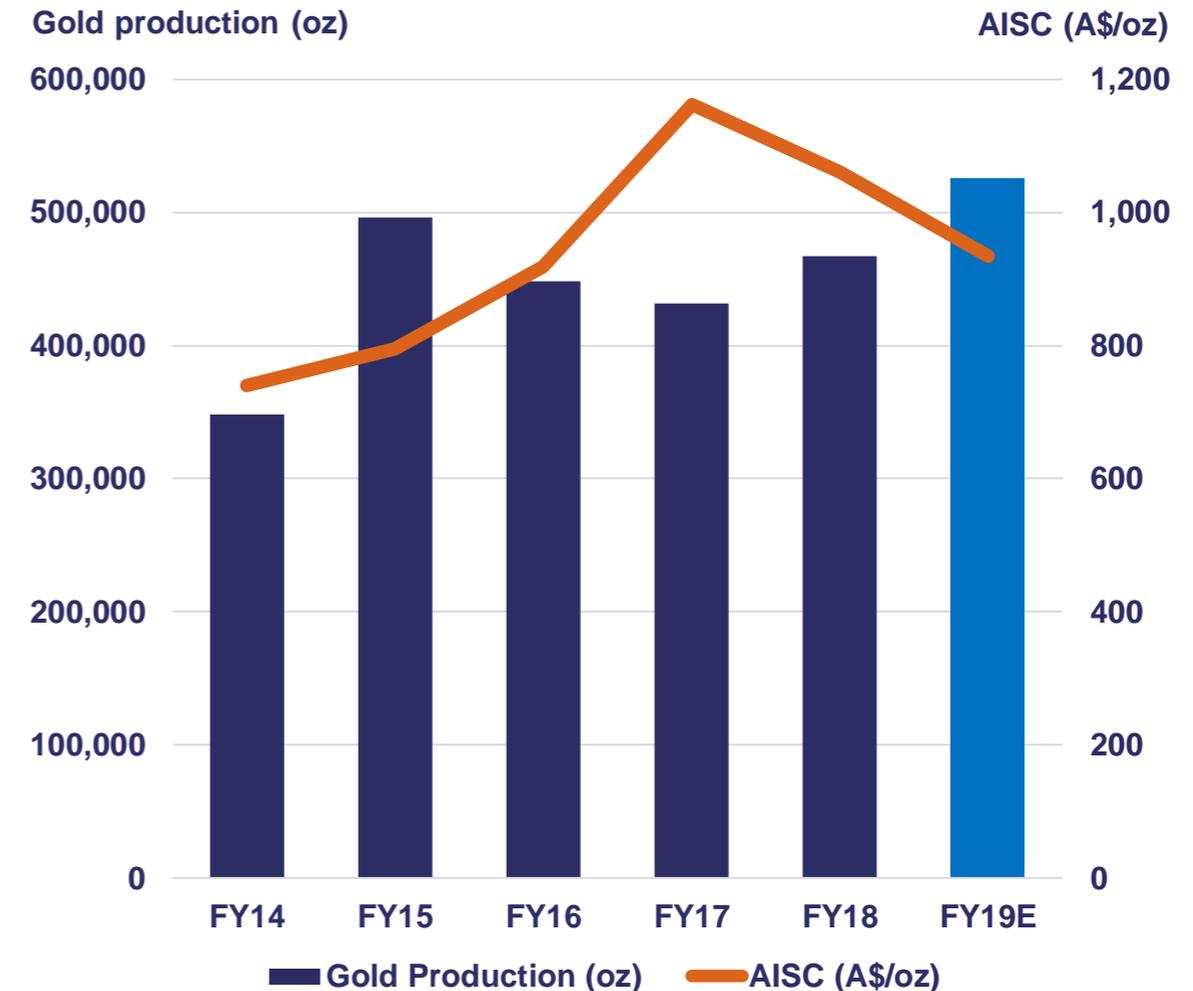
Tropicana



Tropicana delivering strong production and free cash flow

- 30% IGO & 70% AngloGold Ashanti (managers)
- 8.0Mtpa annualised processing rate achieved in 1H19
- 1H19 production of 262koz (100% basis) at AISC of A\$934/oz
- 8 year mine life remaining with focus on continuous enhancement
 - Second ball mill commissioned in November 2018
 - Commitment to Boston Shaker underground in March 2019

Tropicana Production (100%) & AISC



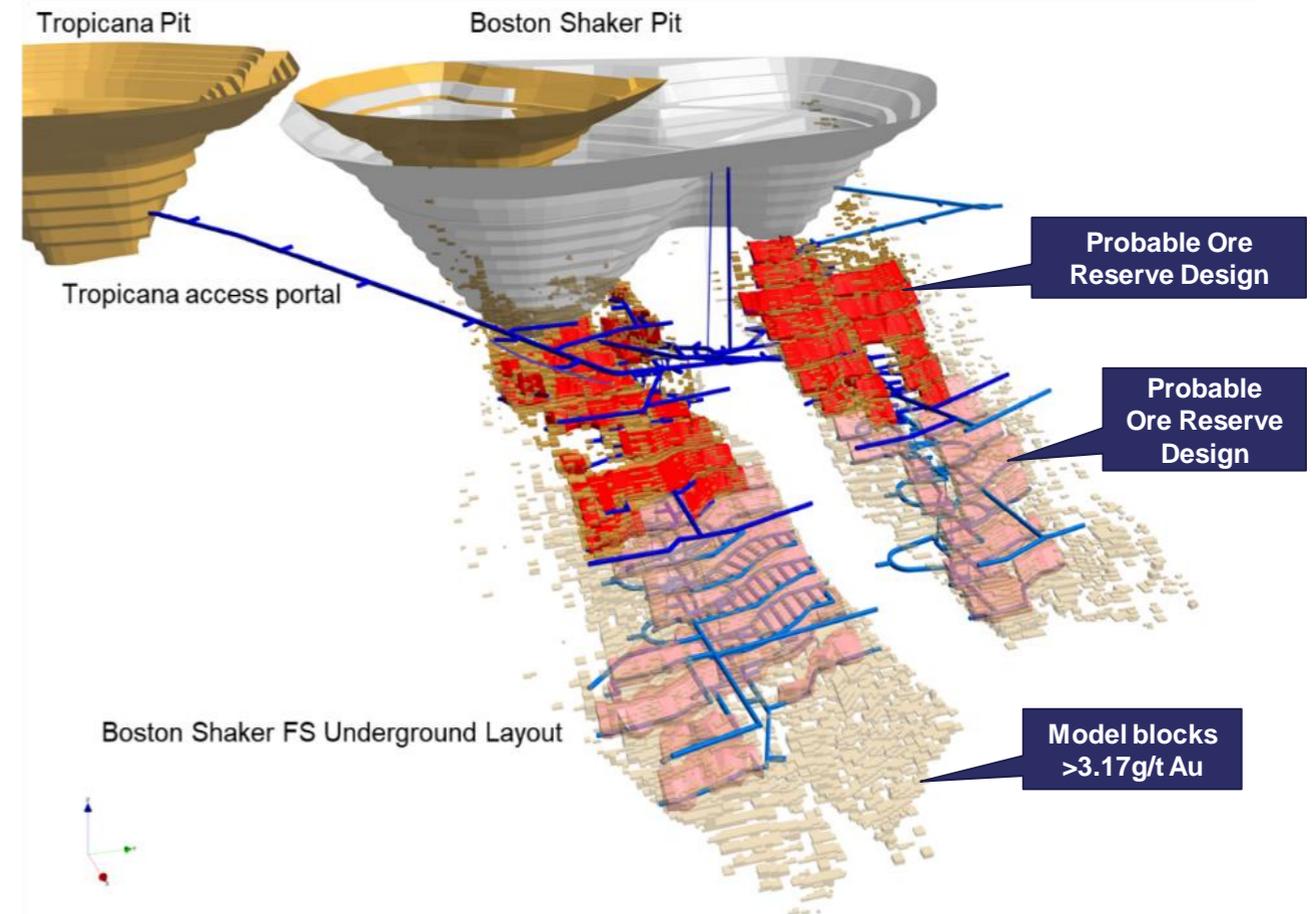
1) Refer to IGO annual reports for FY14 to FY18

2) FY19E is the midpoint of guidance for FY19. Refer ASX Release dated 27 July 2018 – Guidance Range of 500,000 to 550,000oz gold production at AISC of A\$890/oz to A\$980/oz gold sold

Boston Shaker Underground

- **First underground development at Tropicana approved following positive Feasibility Study**
 - Capital cost estimated at A\$105M⁽¹⁾
 - Operating costs estimated at A\$95/tonne⁽²⁾
 - Average ~100koz Au per annum production over seven years
 - Tropicana gold production to be maintained at average 450,000 – 500,000 ounces per annum to FY23
- **Development has commenced with first production expected in 1Q21**

Boston Shaker Underground Development Layout⁽²⁾

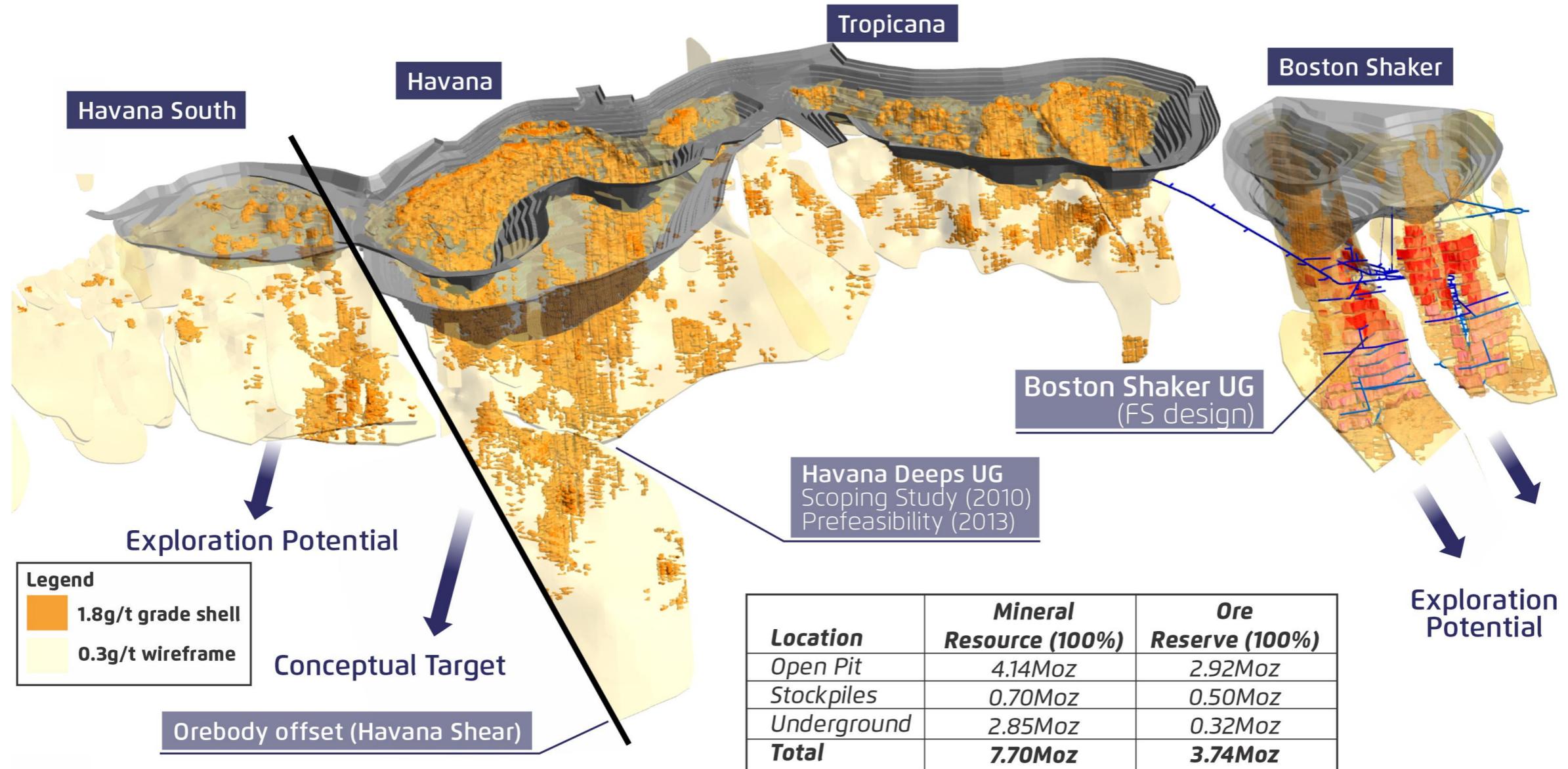


1) 100% basis. IGO share of capital cost estimated at A\$32M

2) All-in-sustaining underground production costs

3) Refer to ASX release dated 28 March 2019: Tropicana Joint Venture Approves Boston Shaker Underground Development

Tropicana mineralised system



1) Refer to IGO ASX release dated 20 Feb 2019: CY18 Mineral Resource & Ore Reserve Statement



Our Critical Enablers



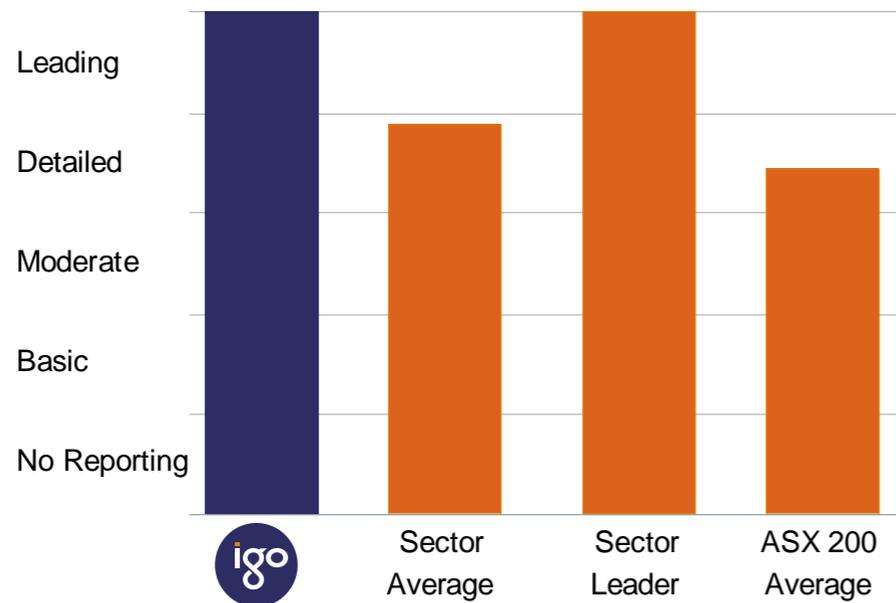
Working with our people to shape our culture

- Strong sense of purpose
- Empowered people who are owners of the business
- Focus on doing what is right – because we care
- Collectively we are making a difference
- Fostering the next generation of industry leaders

Caring about our people, our stakeholders and the environment



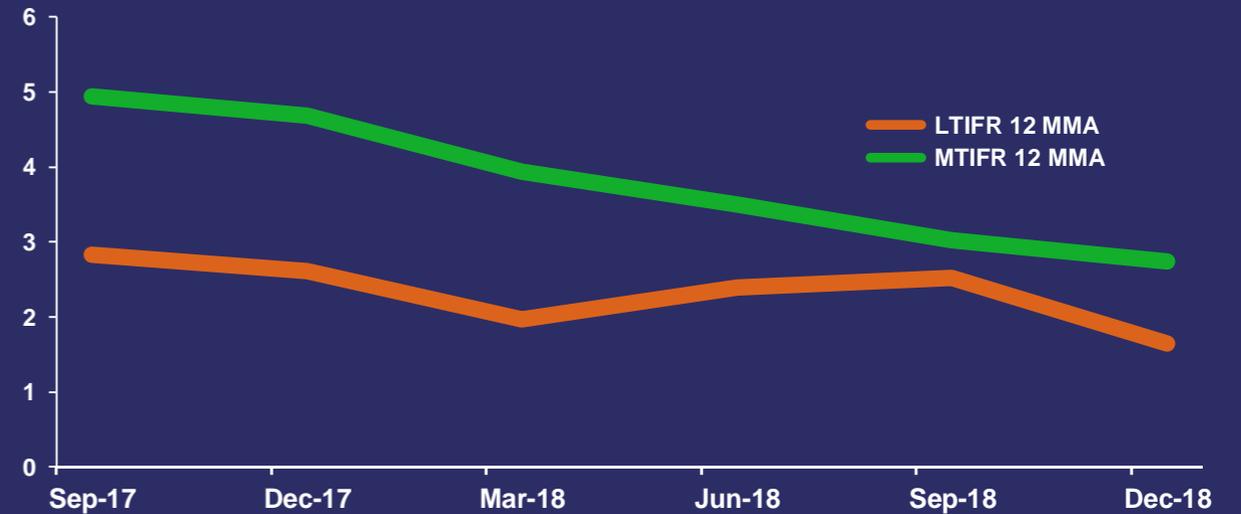
2018 ACSI Rating of ASX200 Sustainability Reporting⁽⁵⁾



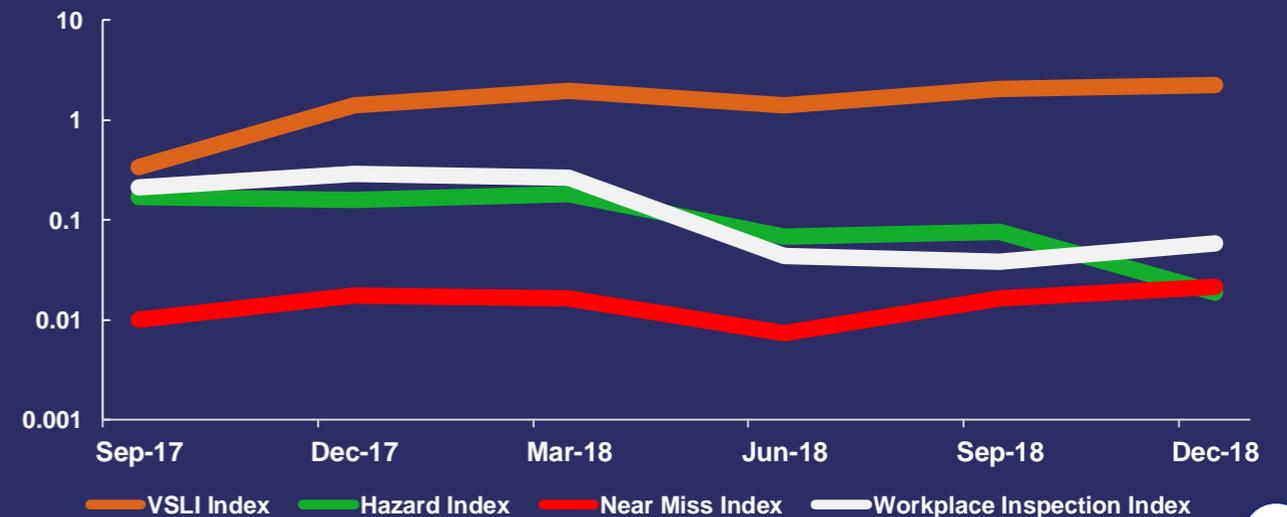
“Leading” rating each of the last three years

- 1) 12 month moving average MTIFR – Medically Treated Injury Frequency Rate: calculated as the number of medically treated injuries x 1,000,000 divided by the total number of hours worked
- 2) 12 month moving average LTIFR – Lost Time Injury Frequency Rate: calculated as the number of Lost Time injuries x 1,000,000 divided by the total number of hours worked
- 3) VSLI: Visual Safety Leadership Interaction
- 4) Jun-18 LTIFR rate has increased from 1.96 to 2.39 as a result of the reclassification of a single injury from the June 2018 Quarter
- 5) Australian Council of Superannuation Investors (ACSI)

Key Lag Safety Metrics^(1,2,4)



Key Lead Safety Metrics⁽³⁾





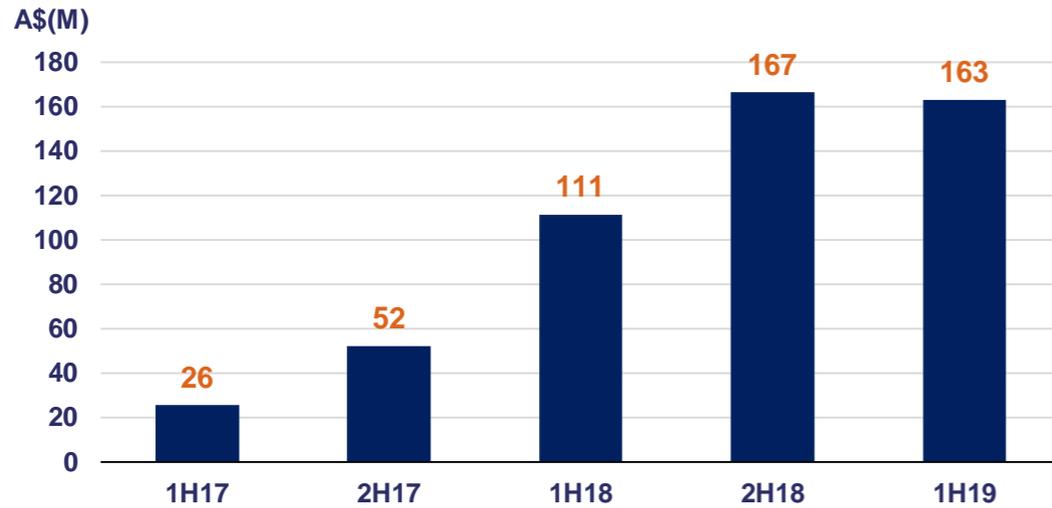
Innovating to unlock new opportunities

- Patented downstream processing technology to produce nickel sulphate for the battery market
- Implementation of remote stoping operations and remote firing from surface
- First fully integrated commercial hybrid diesel/solar PV facility in Australia

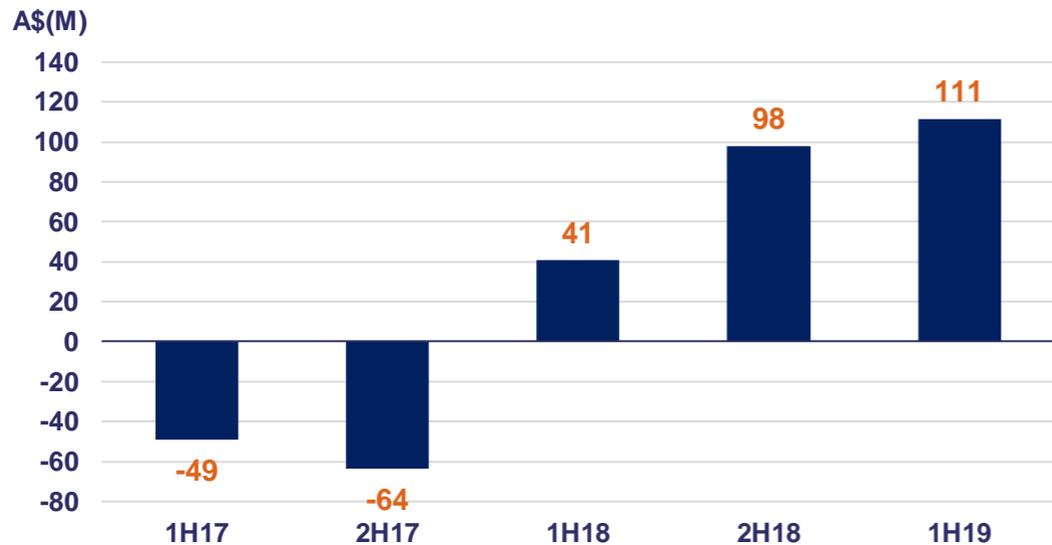
1) Photograph to the LHS is of the 1.6kg of nickel sulphate hexahydrate crystals produced in the metallurgical testwork. Photography by Karel Osten, Wood Plc

To deliver strong financial performance

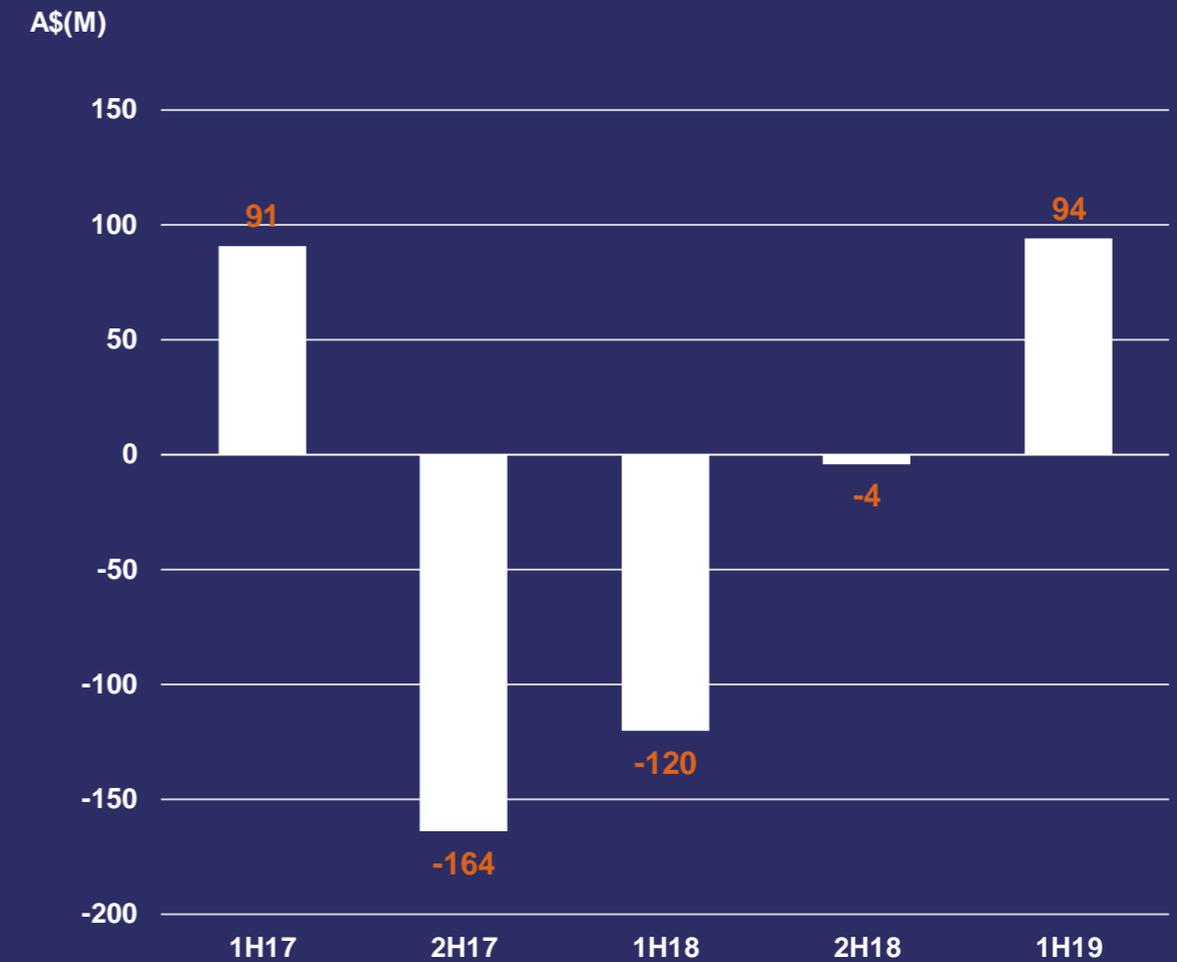
Net Cash from Operating Activities



Underlying Free Cash Flow⁽¹⁾



Net Cash Position



1) Underlying Free Cash Flow comprises Net Cash Flow from Operating Activities and Net cash Flow from Investing Activities, together with certain adjustments. Underlying Free Cash Flow in 1H19 excludes A\$10M final instalment proceeds on divestment of Stockman Project, A\$0.7M net proceeds on sale of Jaguar, A\$6.9M payments for the acquisition of financial assets and A\$6.5M relating to acquisition of Southern Hills tenements (1H18: excludes A\$11M in partial proceeds received from the divestment of the Stockman Project).



Allocating capital to balance growth and cash returns to shareholders

- **Cash return of 15-25% of FCF**
- **Cash returns strategy incorporates**
 - franked or unfranked dividends
 - special dividends
 - share buy backs
- **Approx. 8 cents per share of fully frankable dividends available post 2 cent FY19 interim dividend payment on 1 March 2019**

Concluding Comments

- Strategically aligned to the EV battery market through Nova
- Nova operation complemented by high quality gold asset at Tropicana
- Operational assets delivering metal production within guidance
- Transformational growth initiatives underway including;
 - downstream nickel sulphate opportunity
 - A\$51M commitment in FY19 to discover mines of the future





MAKING A DIFFERENCE

We believe in a world where people power makes amazing things happen. Where technology opens up new horizons and clean energy makes the planet a better place for every generation to come.

We are bold, passionate, fearless and fun – a smarter, kinder, more innovative company. Our work is making fundamental changes to the way communities all over the world grow, prosper and stay sustainable.

Our teams are finding and producing the specialist metals that will make energy storage mobile, efficient and effective enough to make long-term improvements to the lifestyle of hundreds of millions of people across the globe.

How? New battery storage technology is finally unleashing the full potential of renewable energy by allowing power produced from sun, wind and other sources to be stored and used when and where it's needed.

This technology will impact future generations in ways we cannot yet imagine, improving people's quality of life and changing the way we live.

We believe in a green energy future and by delivering the metals needed for new age batteries, we are making it happen.

This is the IGO Difference.