



4 November 2010

Australian Stock Exchange Limited
Company Announcements
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Independence Group NL announces A\$164.3 million equity capital raising to partly fund its current estimated share of the Tropicana Project development

Independence Group NL (“Independence”) today announced an equity capital raising of A\$164.3 million to be completed by way of an accelerated non-renounceable pro-rata entitlement offer and institutional share placement.

Use of funds

Proceeds from the raising will be used to partly fund Independence’s current estimated share of costs for the Tropicana Joint Venture project. As announced in the company’s recent quarterly report, the Bankable Feasibility study for Tropicana is expected to be completed in November and Independence currently estimates capital costs for the project of approximately \$600 - \$620 million and working capital requirements of \$100 - \$120 million. Independence’s 30% share of these costs is therefore currently estimated at approximately \$210 - \$220 million.

The Company’s existing cash balance of approximately A\$137 million will be used to fund additional near term expenditure for exploration and development around the Long Nickel mine, other regional exploration (including Tropicana Joint Venture exploration) and potential mine development. Further details of the Company’s expected future expenditure are provided in the Equity Raising Presentation accompanying this announcement.

Offer details

Independence is undertaking an equity offer to raise approximately A\$164.3 million, comprising:

- a A\$113.8 million institutional share placement (“Institutional Placement”) at an issue price of A\$6.65; and
- a A\$50.6 million 1 -for-15 accelerated non-renounceable pro-rata entitlement offer (“Entitlement Offer”) at an issue price of A\$6.65 per new share

The issue price under the Institutional Placement and Entitlement Offer represents a discount of 7.5% to the closing price on 3 November and 6.3% to the theoretical ex-rights price.

Full details of the retail component of the Entitlement Offer (“Retail Entitlement Offer”) will be set out in a Retail Entitlement Offer booklet which is expected to be lodged with the ASX on 11 November 2010 and dispatched to shareholders on or around 12 November 2010. Any eligible retail shareholder who wishes to acquire new shares under the Retail Entitlement Offer will need to complete the personalised entitlement and acceptance form that will accompany the Retail Entitlement Offer booklet.

Retail shareholders who have any queries about the Entitlement Offer should contact Security Transfer Registrars on +61 8 9315 2333 at any time from 9:00am to 5:00pm Perth time during the Retail Entitlement Offer period.

The Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Shareholders who do not take up their Entitlements in full will not receive any value in respect of those Entitlements that they do not take up. Shareholders who are not eligible to receive Entitlements will not receive any value in respect of Entitlements they would have received had they been eligible.

Timetable

Institutional Entitlement Offer Opens	Thursday, 4 November
Institutional Entitlement Offer Closes	10.00am Sydney time, Friday 5 November
Ordinary Shares Recommence Trading	Monday, 8 November
Record Date to Determine Entitlements	5.00pm Perth time, Tuesday 9 November
Retail Entitlement Offer Opens	Friday, 12 November
Institutional Settlement Date	Friday, 19 November
Institutional Trading Date	Monday, 22 November
Retail Entitlement Offer Closes	5.00pm Perth time, Friday, 26 November
Retail Entitlement Offer Settlement Date	Friday, 3 December
Retail Allotment Date	Monday, 6 December
Retail Trading Date	Tuesday, 7 December

Bell Potter Securities Limited (“**Bell Potter**”) is sole Lead Manager to the Institutional Placement and the Entitlement Offer and Sole Underwriter of the Entitlement Offer. Euroz Securities Limited has been appointed Co-manager to the Institutional Placement and Institutional Entitlement Offer. Clayton Utz is acting as legal advisers to Independence Group NL.



CHRISTOPHER BONWICK
Managing Director