

INDEPENDENCE GROUP NL

EUROZ CONFERENCE

Peter Bradford, Managing Director & CEO



Discovery and Delivery

13 – 15 March 2018

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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.
- Any references to IGO Mineral Resource and Ore Reserve estimates, except the Tropicana Mineral Resource and Ore Reserve, should be read in conjunction with IGO’s 2017 Mineral Resource and Ore Reserve announcement dated 23 October 2017 and lodged with the ASX, which is available on the IGO website.
- References to Mineral Resource and Ore Reserves at Tropicana should be read in conjunction with IGO’s Tropicana JV Commits to Long Island and Increased Mill Rate update, dated 7 December 2017 and lodged with the ASX, and is 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, 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, redundancy and restructuring costs, depreciation and amortisation, and once-off transaction costs.
- Underlying NPAT comprises net profit (loss) after tax adjusted for; post tax effect of acquisition and integration costs, and impairments.
- Free Cash Flow (FCF) 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.

Presentation Focus

- Strong first half result
- Commitment to people, ESG and exploration
- Tropicana
- Nova
- Nova and Fraser Range exploration
- IGO alignment to EV mega trend





Robust balance sheet as focus shifts from construction to delivery and discovery

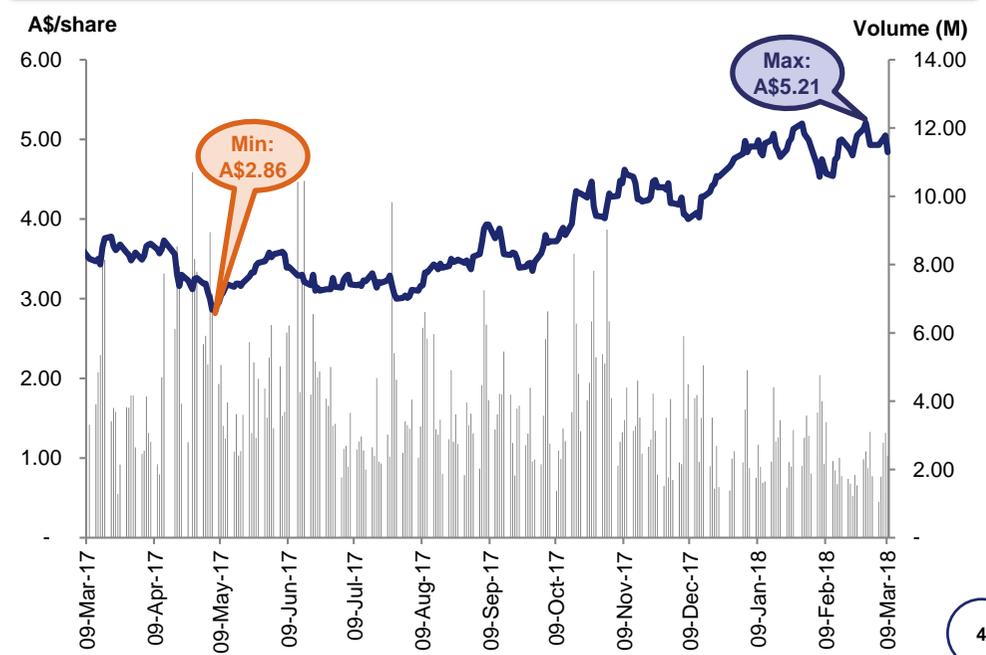
ASX	IGO
Base	Perth, WA
Market Cap⁽¹⁾	A\$3.0 Billion
Cash⁽²⁾	A\$51M
Debt⁽²⁾	A\$171M
Revolver⁽¹⁾	A\$200M (undrawn)
Dividend Policy	>30% NPAT

1) As at market close 9 Mar 2018
 2) As at 31 Dec 2017
 3) As at 29 Jan 2018

Share Ownership

Substantial Holders⁽¹⁾		Institutional Ownership⁽³⁾	
Mark Creasy	16%	Australia	61%
FIL	9%	USA & Canada	28%
T Rowe Price	8%	UK & Europe	9%
CBA	6%	ROW	2%
Ausbil	5%		
Van Eck	5%		

Share Price Performance⁽¹⁾



Strong First Half Financial Results



Balance sheet continues to strengthen with net debt reduced to A\$120M

	Units	1H18	1H17	Inc/(Dec)
Revenue and Other Income	A\$M	354.8	223.1	59%
Underlying EBITDA ⁽¹⁾	A\$M	133.4	81.8	63%
Profit After Tax	A\$M	3.2	20.2	(84%)
Net Cash from Operating Activities	A\$M	111.4	25.6	335%
Underlying Free Cash Flow ⁽²⁾	A\$M	40.6	(49.3)	n/a
Cash	A\$M	51.3	109.2	(53%)
Debt	A\$M	171.4	200.0	(14%)

Net cash flow from operating activities increased by 335% driven by:

- The inclusion of Nova operating cash flows
- Increased gold sales from Tropicana
- 1H17 was impacted by the payment of stamp duties to WA government of A\$58M

1) Underlying EBITDA is a non-IFRS measure (refer to Disclaimer page).

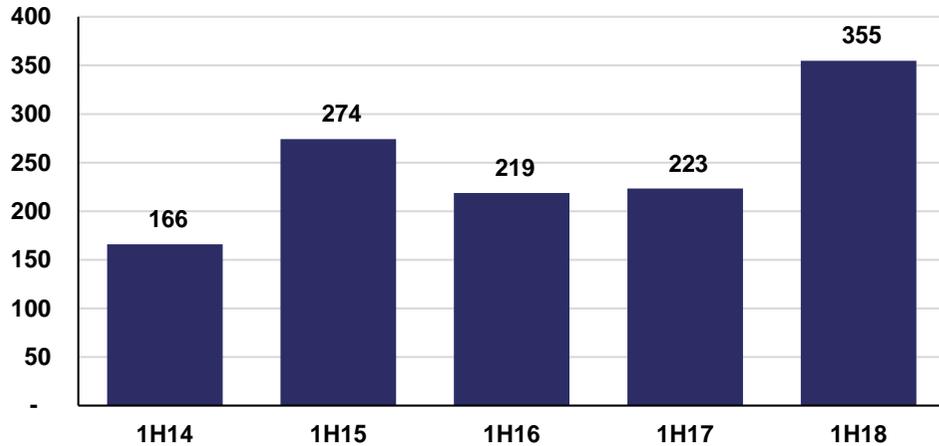
2) Underlying Free Cash Flow comprises Net Cash Flow from Operating Activities and Net cash Flow from Investing Activities, together with certain adjustments. Underlying Free Cash Flow in 1H18 excludes A\$11M in partial proceeds received from the divestment of the Stockman Project (1H17: excludes stamp duty payments to Western Australian State Government, payments for investments and mineral interests and payment for the acquisition of Windward Resources, net of cash received)

Revenue and Underlying EBITDA Increased

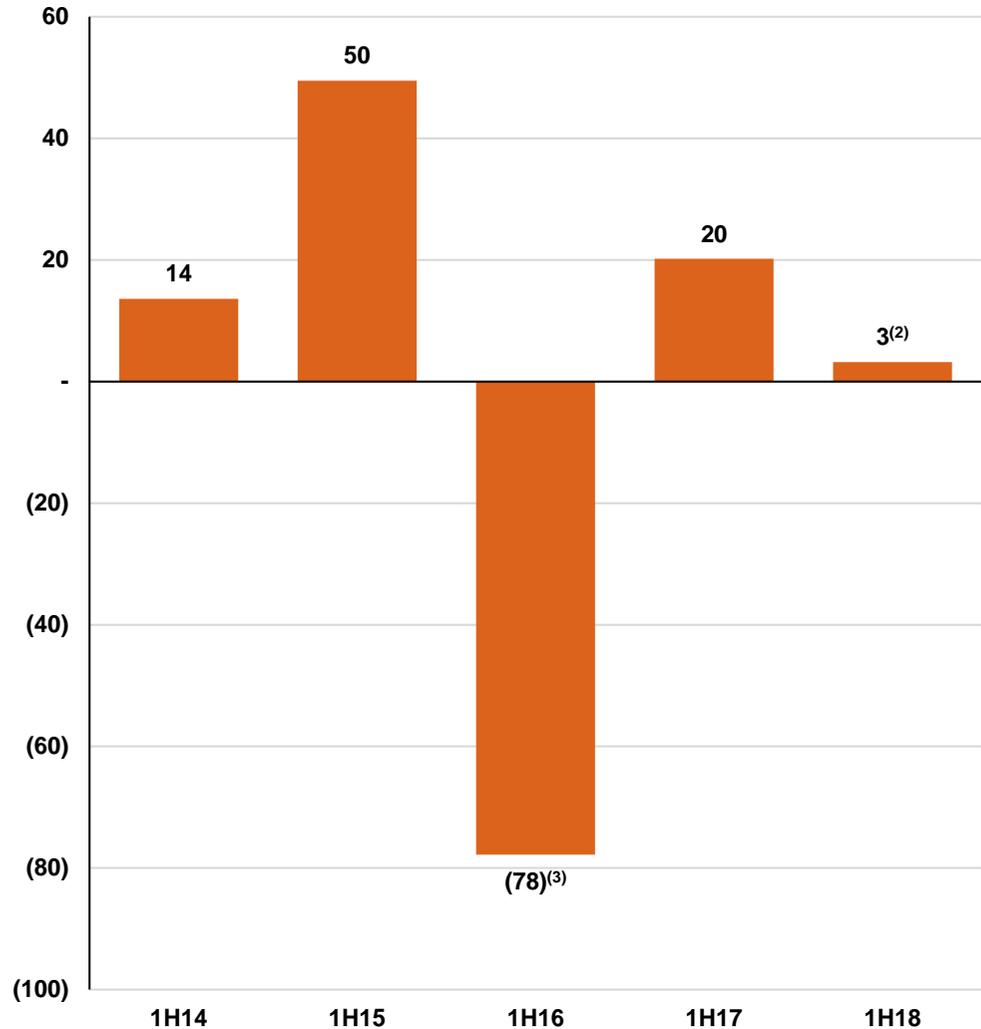
NPAT lower due to depreciation and amortisation charges from Nova



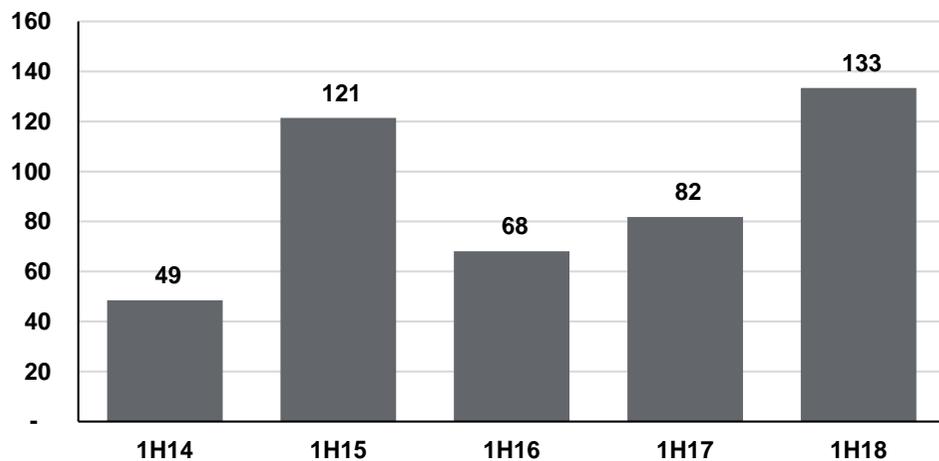
Revenue (A\$M)



NPAT (A\$M)



Underlying EBITDA (A\$M)⁽¹⁾



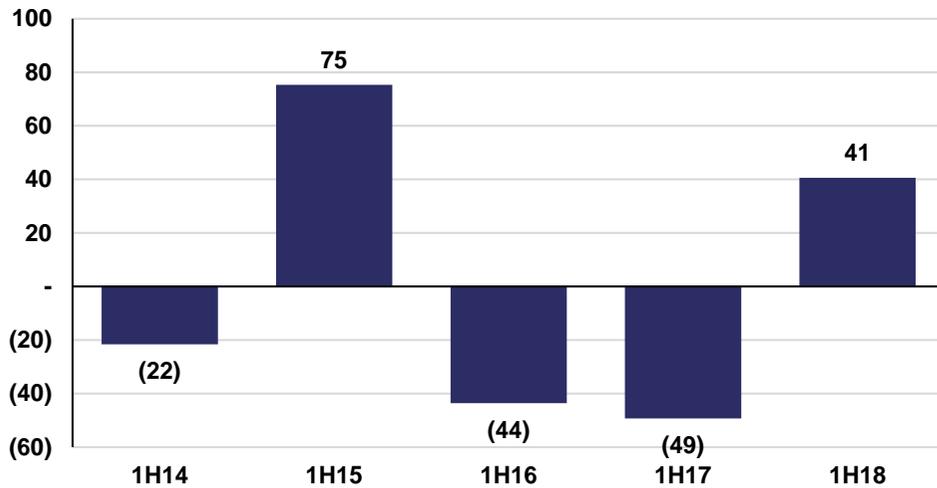
1) Underlying EBITDA is a non-IFRS measure (refer to Disclaimer page).
 2) 1H18 NPAT includes A\$123M of depreciation and amortisation charges (1H17: A\$48M)
 3) 1H16 NPAT was impacted by A\$66.5M of acquisition and other integration costs

Strong Free Cash Flow Generation

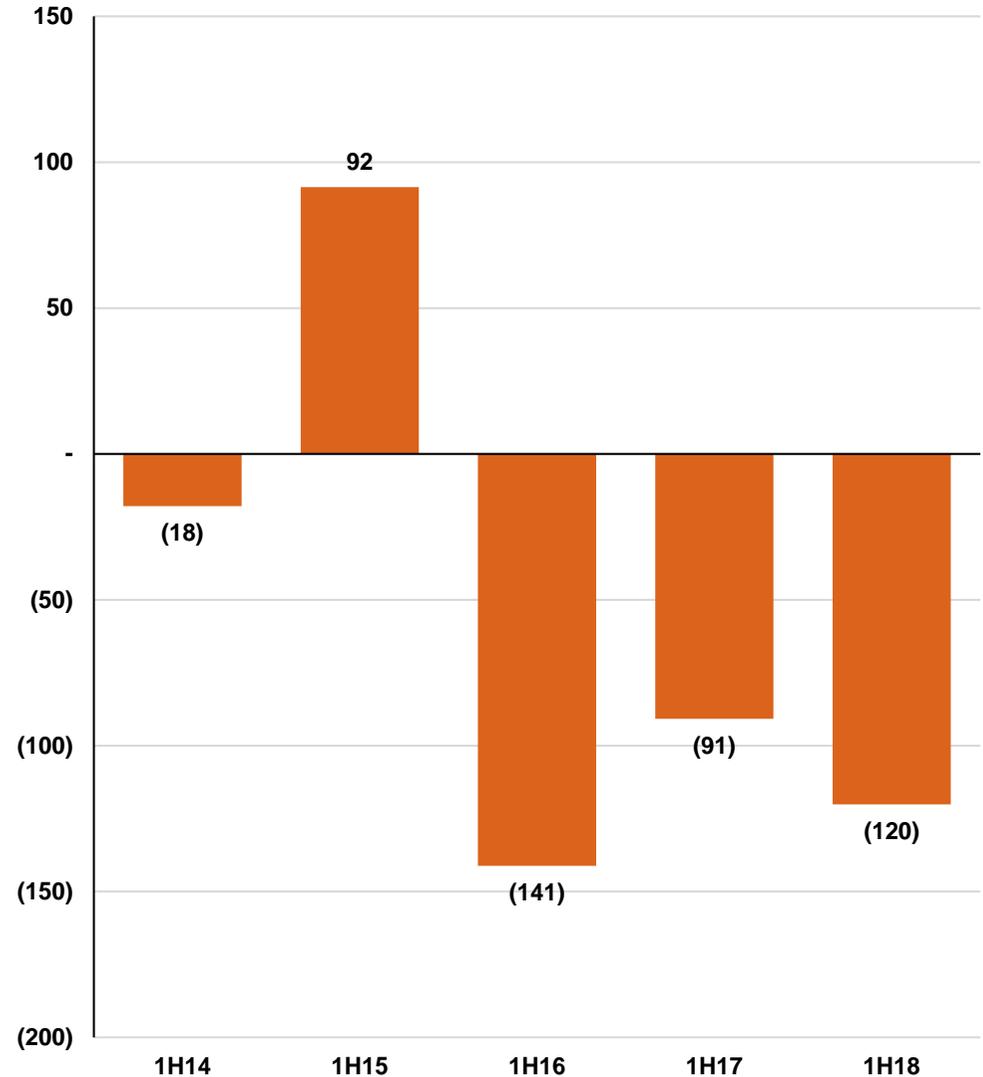
Underpinned by Strong Tropicana result and commercial production at Nova



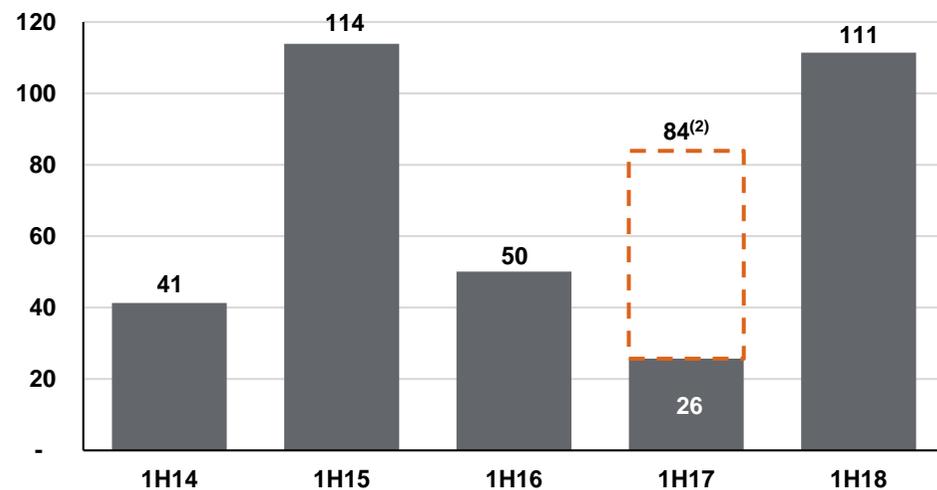
Underlying Free Cash Flow (A\$M)⁽¹⁾



Net Cash (A\$M)



Operating Cash Flow (A\$M)



1) Underlying Free Cash Flow comprises Net Cash Flow from Operating Activities and Net cash Flow from Investing Activities. Underlying Free Cash Flow in 1H18 excludes A\$11M in partial proceeds received from the divestment of the Stockman Project

2) 1H17 Operating Cash Flow is net of A\$58M Taxes (Stamp Duty) payment

A Company with Purpose

Our purpose is to create long-term shareholder value through discovery, acquisition, development and operation of high-margin, long-life mining projects diversified by commodity



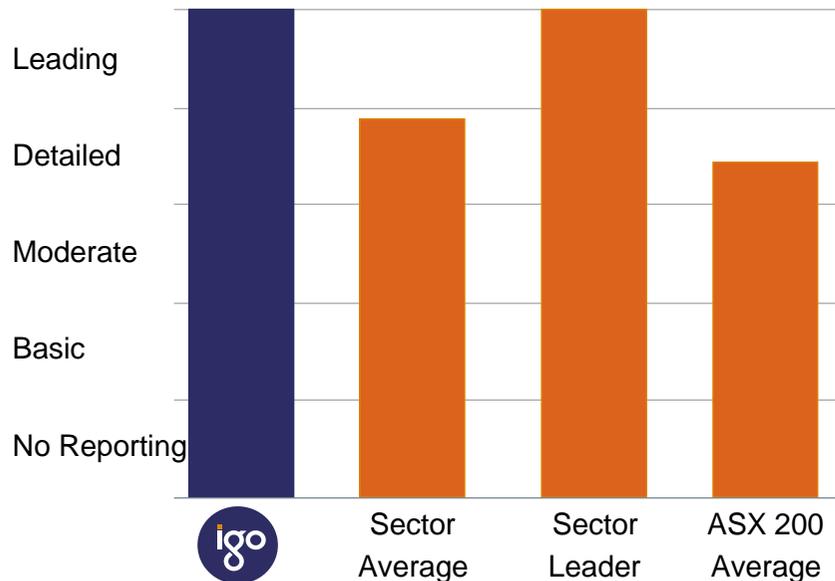


Right people in the right place at the right time

- **Shaping the right culture**
- **Nurturing the IGO Way**
- **Developing the next generation of industry leaders**

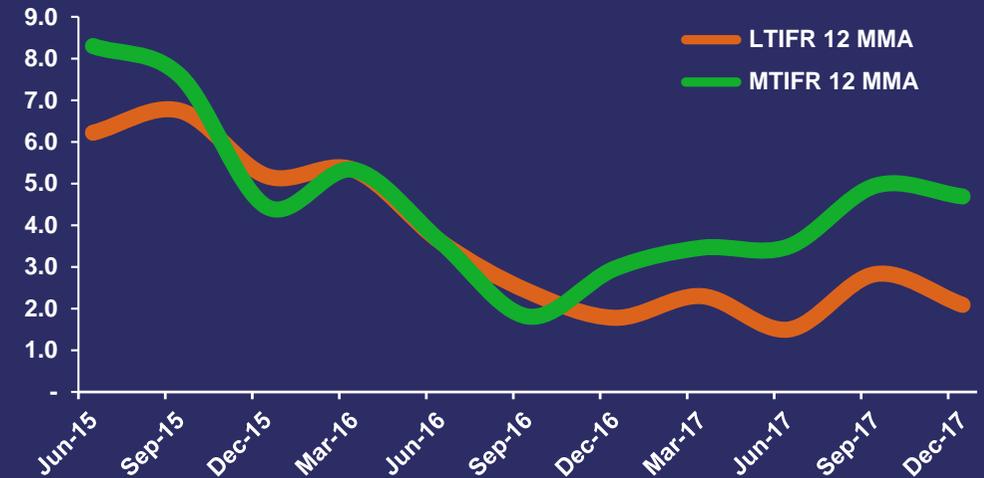
Embedded ESG performance & reporting in the business

ACSI Rating of ASX200 Sustainability Reporting⁽⁵⁾

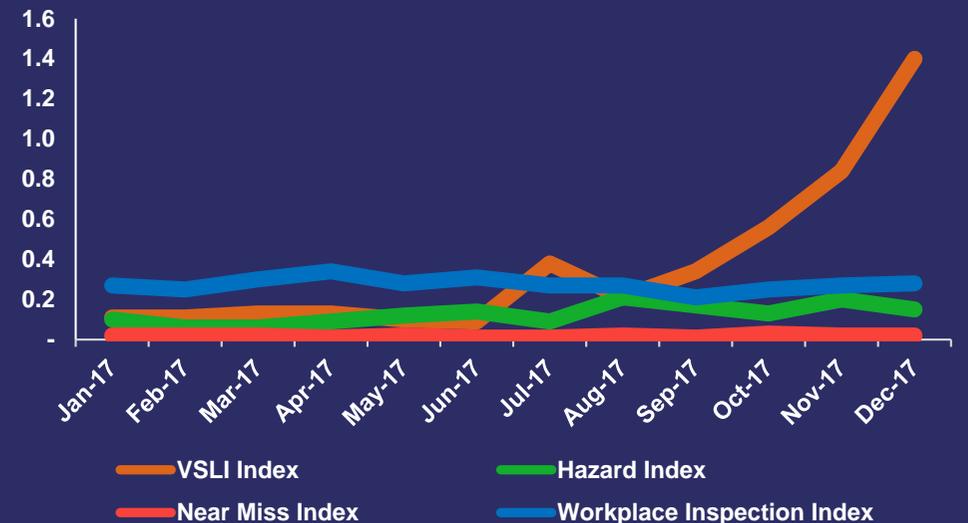


- 1) 12 month moving average MTIFR – Medically Treated Injury Frequency Rate: calculated as the number of medically treated injuries x 1,000,000 divided by the total number of hours worked
- 2) 12 month moving average LTIFR – Lost Time Injury Frequency Rate: calculated as the number of Lost Time injuries x 1,000,000 divided by the total number of hours worked
- 3) Sep-17 LTIFR rate has increased from 2.75 to 2.83 as a result of the reclassification of a single injury from 29 Jul 2017
- 4) VSLI: Visual Safety Leadership Interaction
- 5) ACSI (Australian Council of Superannuation Investors) has reviewed IGO's sustainability disclosure and assessed the company at a 'Leading' level

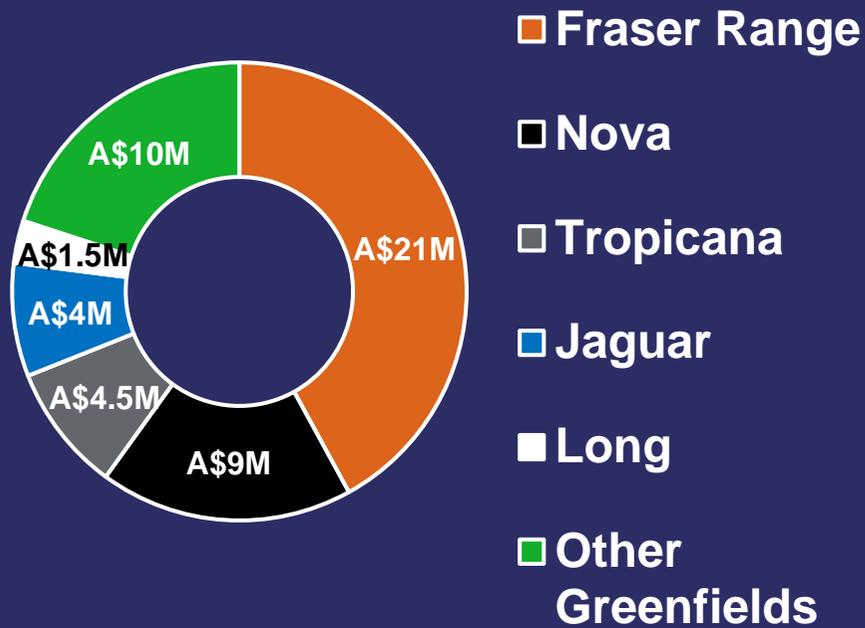
Key Lag Safety Metrics^(1,2,3)



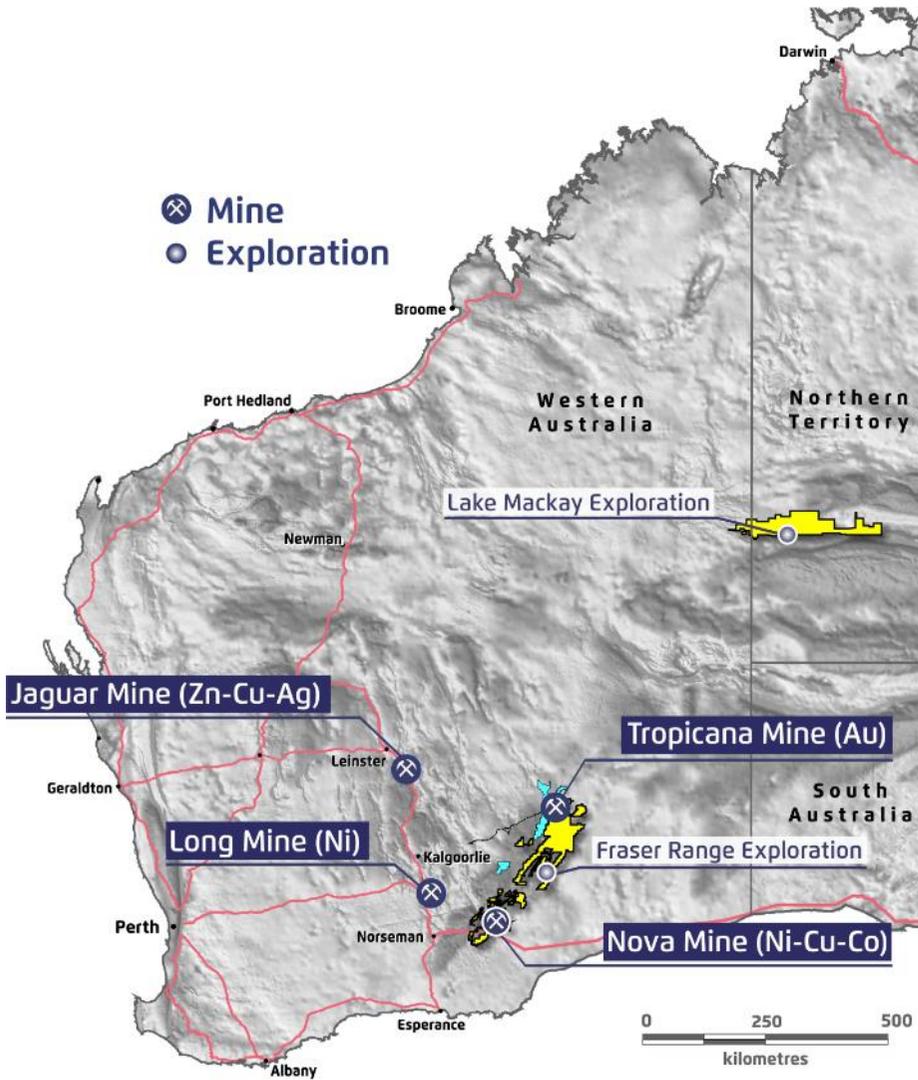
Key Lead Safety Metrics⁽⁴⁾



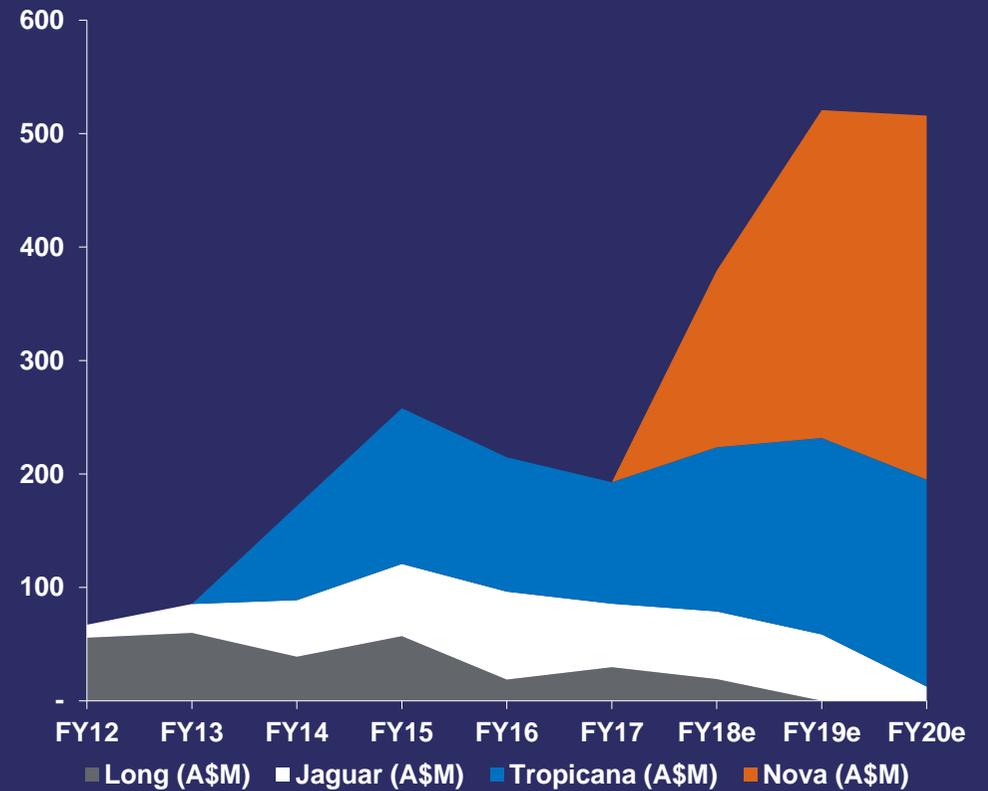
A\$50M Commitment to Discovery in FY18



A Focus on Projects that Create a Solid Foundation



IGO EBITDA Profile (A\$M)⁽¹⁾



1) Macquarie Research – 31 Jan 2018

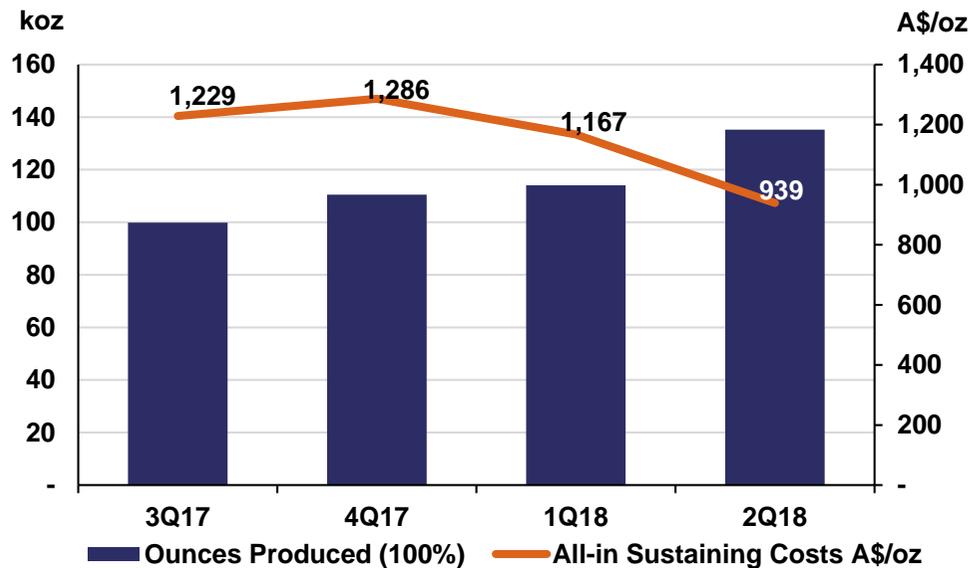


Tropicana Gold Mine

Tropicana

- 330km NE of Kalgoorlie
- 465,000oz gold production (100%) at \$1,115/oz AISC⁽¹⁾
- 10 year mine life remaining
- Upside potential

Tropicana Production (100%) & AISC

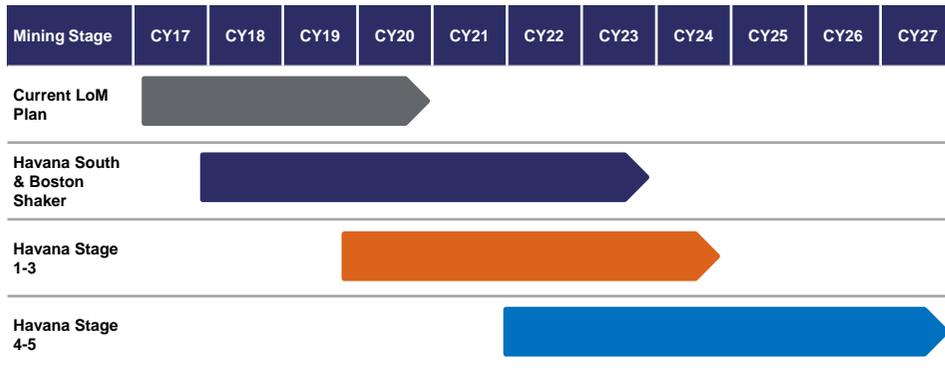


1) FY18 guidance midpoint
2) AISC is All-in Sustaining Costs



Tropicana value drivers

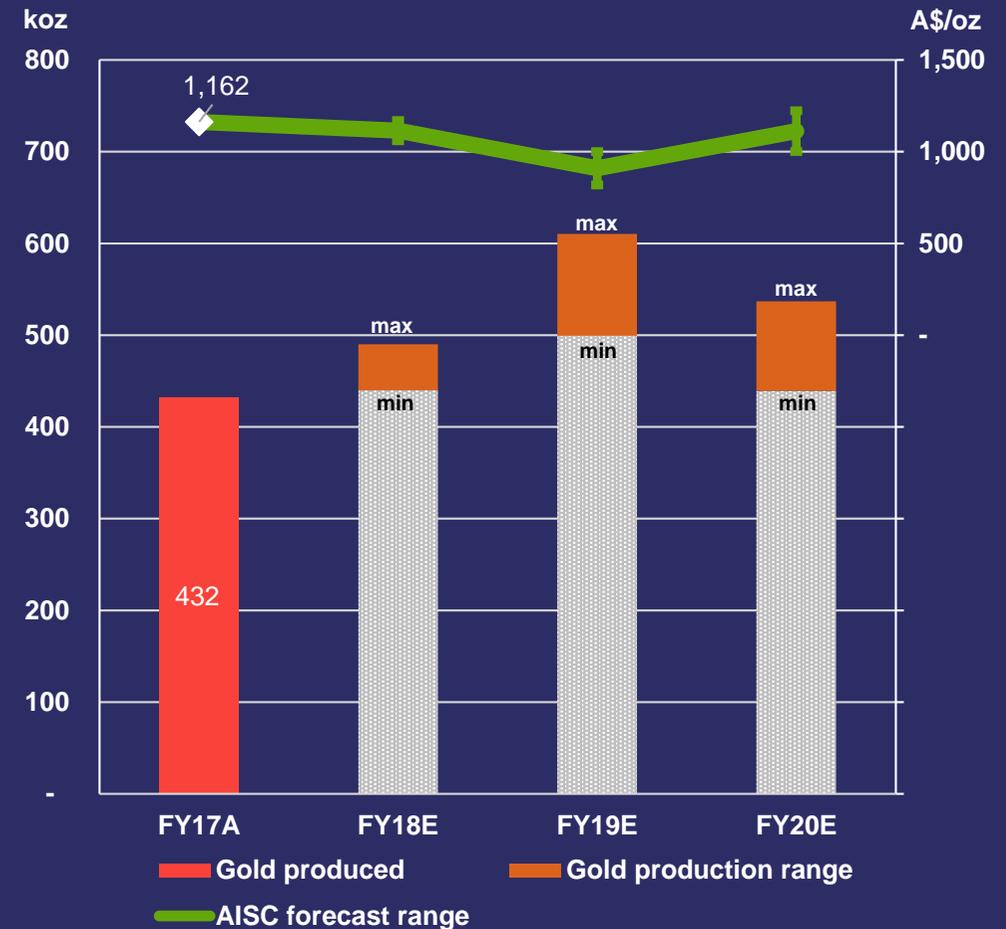
- Grade streaming drives FY18-20 gold production and costs
- Long Island underpins mine life
- Additional ball mill delivers lift in scale and gold recovery



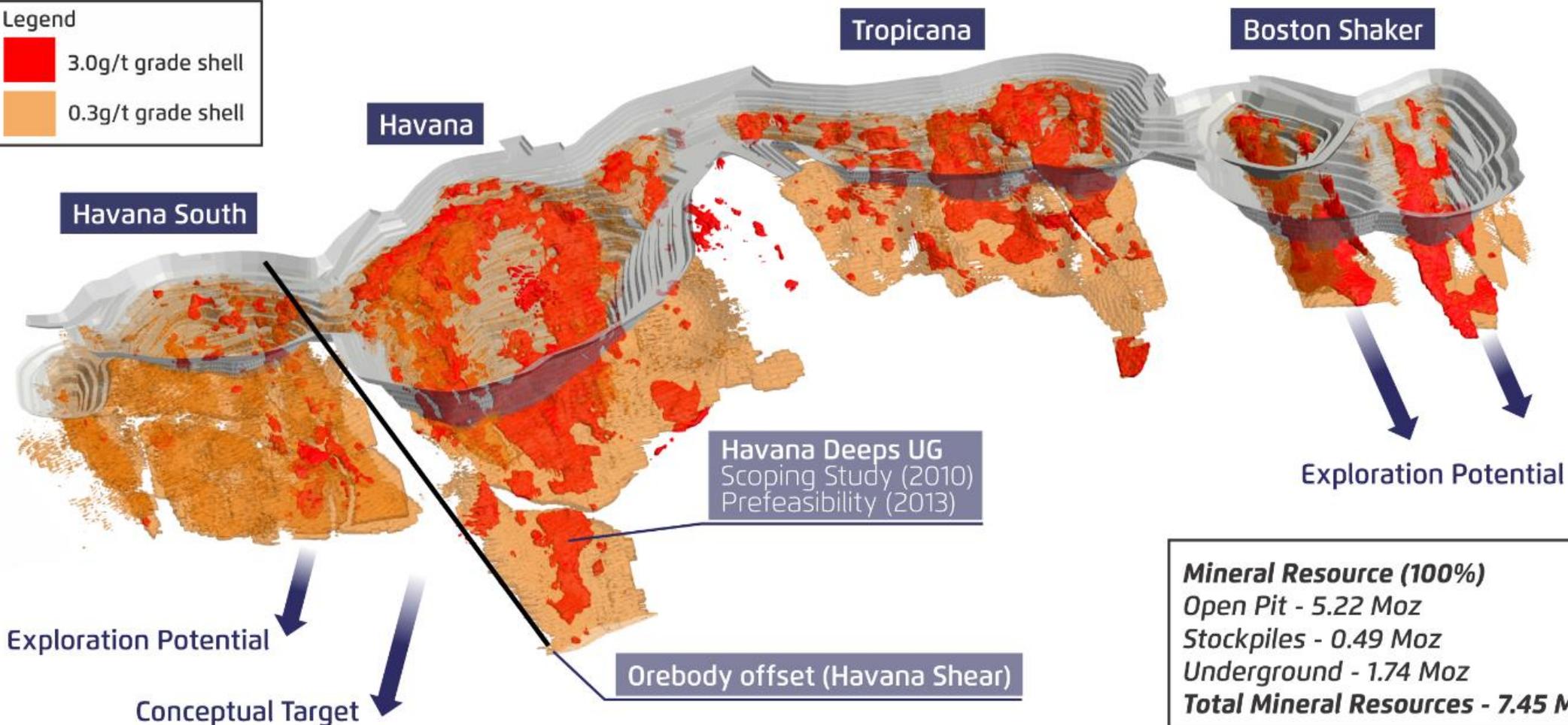
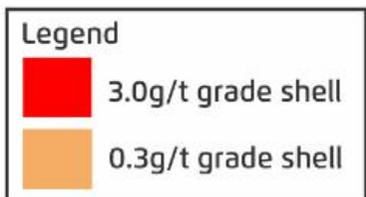
1) Refer to ASX release dated 7 Dec 2017: Tropicana JV Commits to Long Island and Increased Milling Capacity



Directional Production and AISC⁽¹⁾



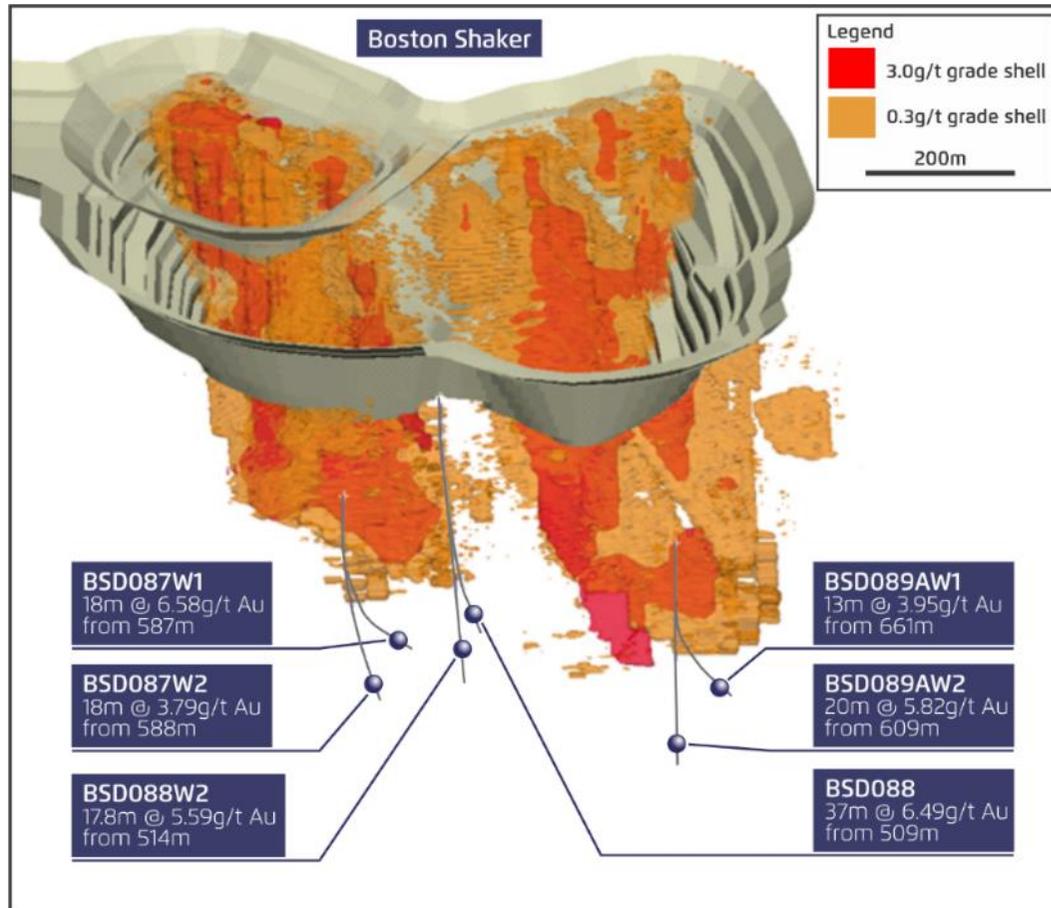
Tropicana – 5km strike of mineralisation



Mineral Resource (100%)
Open Pit - 5.22 Moz
Stockpiles - 0.49 Moz
Underground - 1.74 Moz
Total Mineral Resources - 7.45 Moz

1) Refer to ASX release dated 7 Dec 2017: Tropicana JV Commits to Long Island and Increased Milling Capacity

Boston Shaker Underground Drilling⁽¹⁾



Upside opportunities

- Boston Shaker underground study during CY18
- Future underground assessment at Havana and Havana South
- Regional exploration along 160km of strike on 3,660km²

1) Refer to ASX release dated 7 Dec 2017: Tropicana JV Commits to Long Island and Increased Milling Capacity

Nova





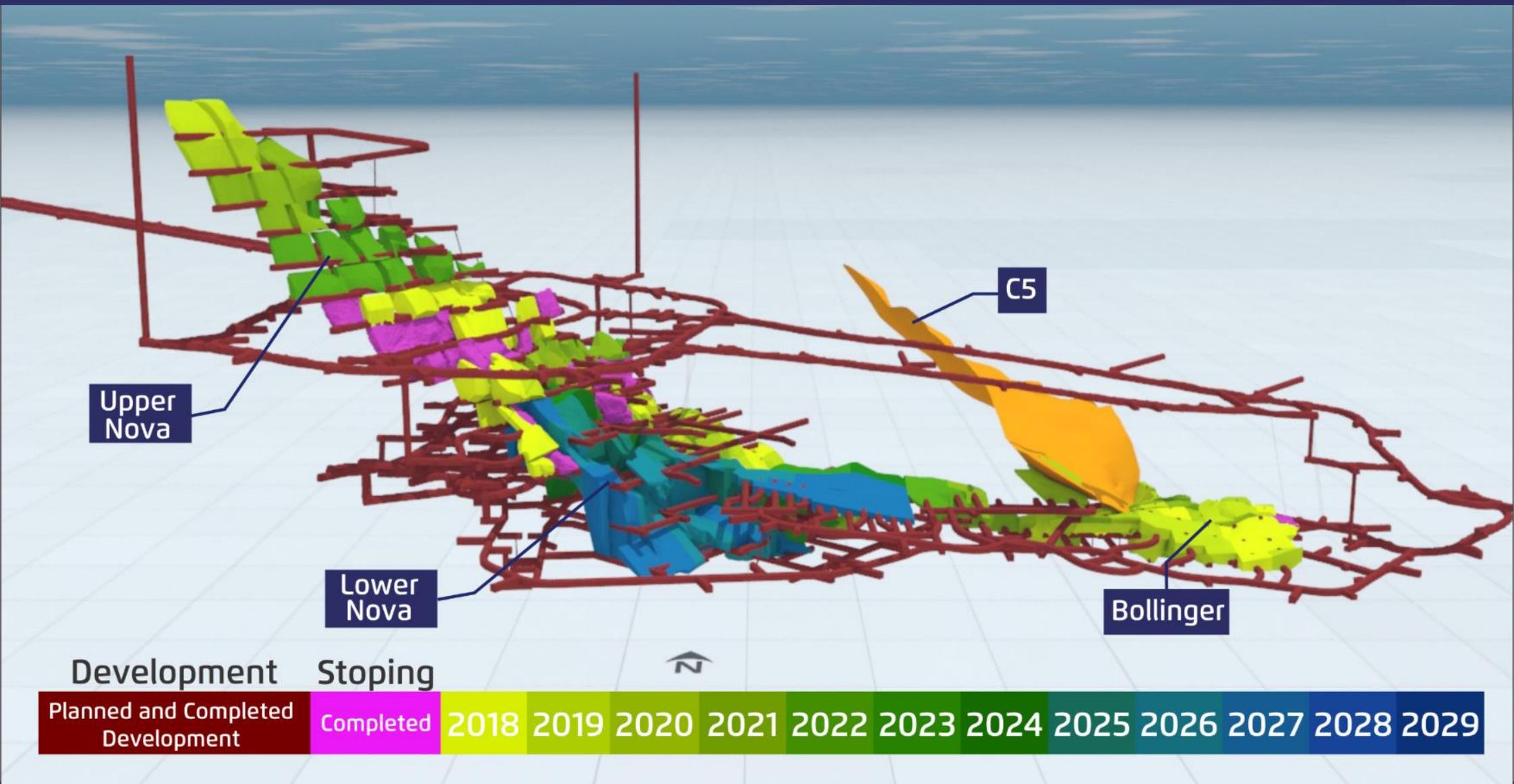
Nova

- Delivers scale, low cost, long mine life and exploration upside
- Commercial production from 1 July 2017
- Five years from discovery

Nova Production (tonnes)

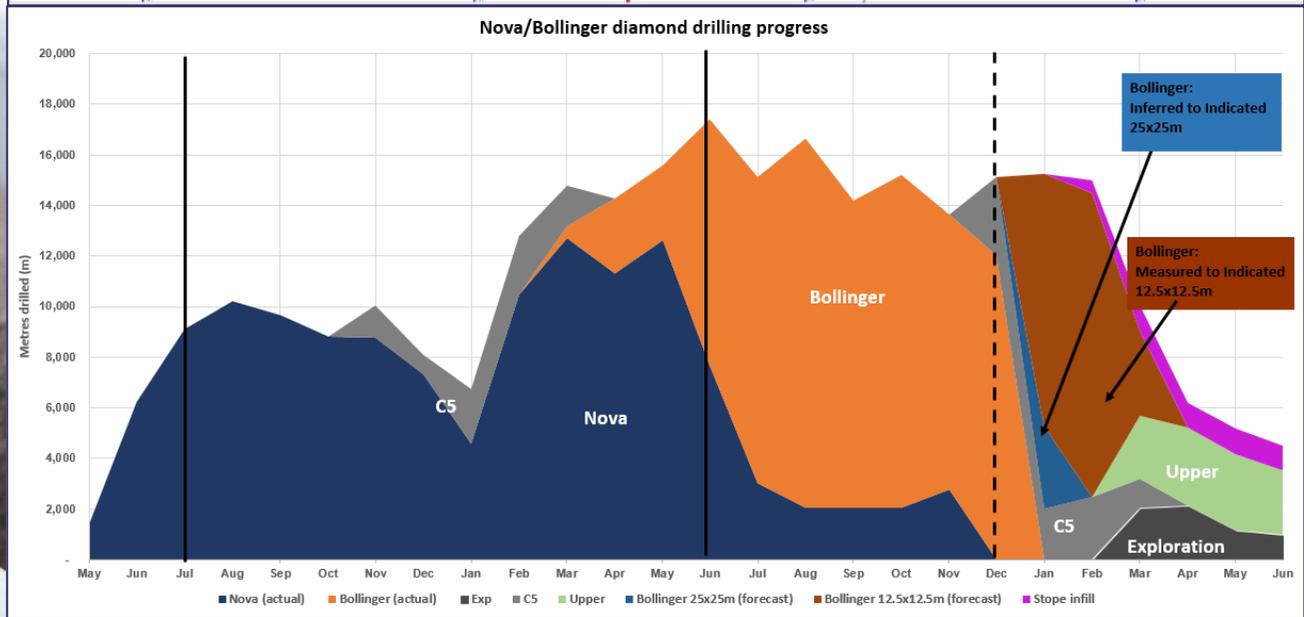
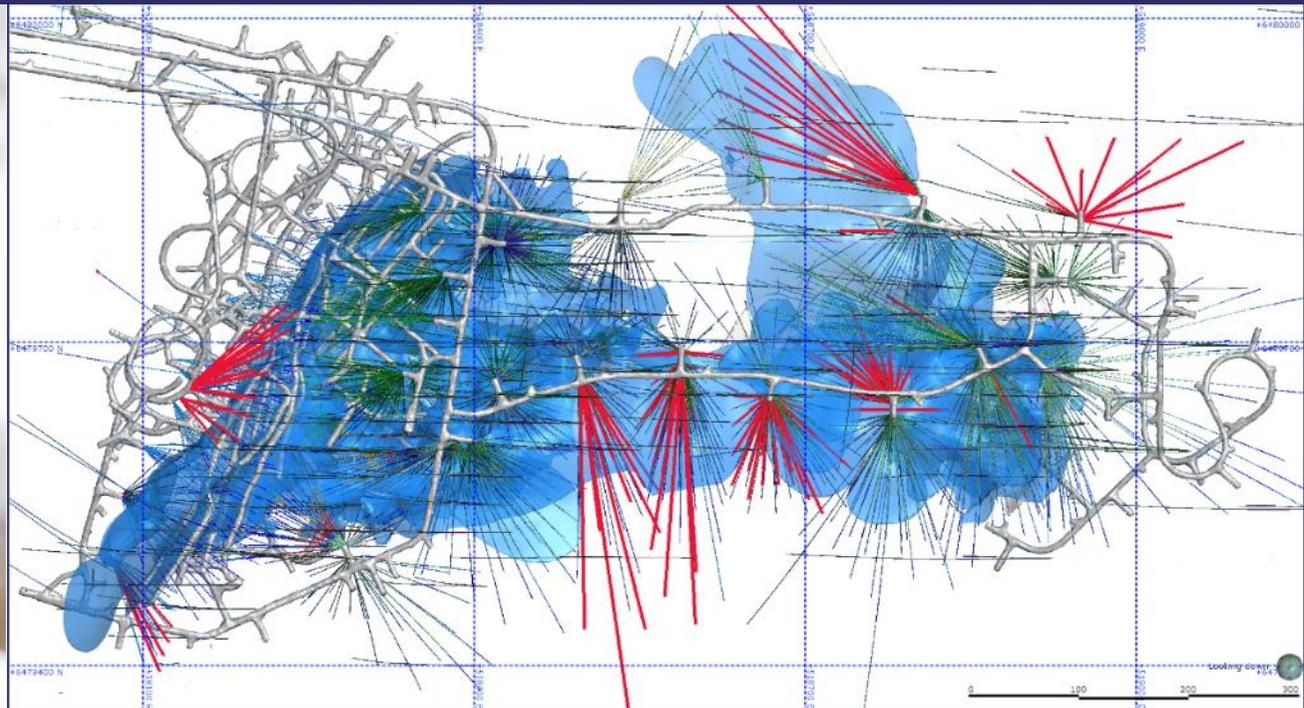


Nova is a shallow, thick, flat-lying orebody delivering low development costs and low mining costs

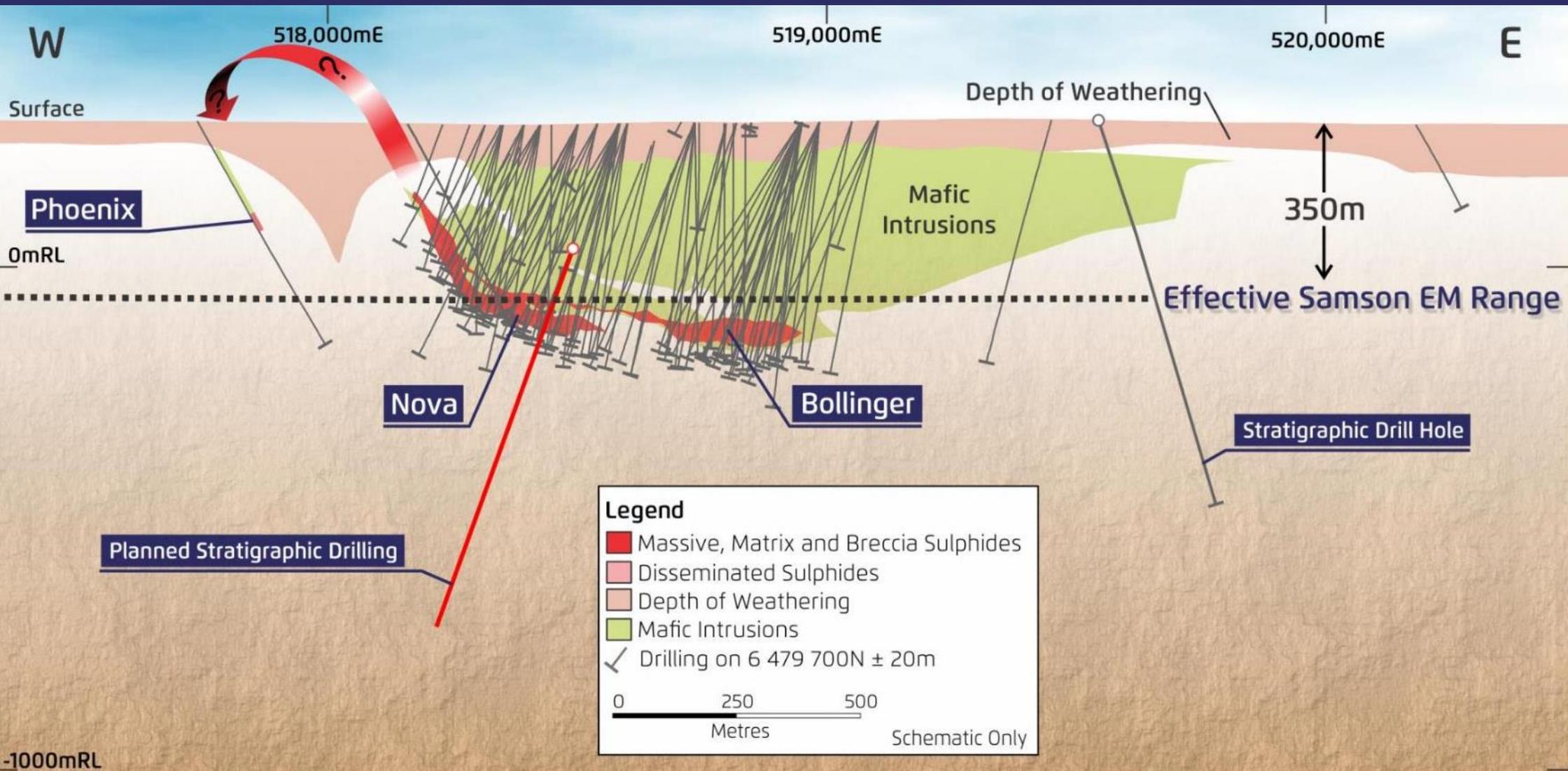


Capital development to be substantially complete by end-FY18

Resource model being de-risked with grade control drilling of Nova & Bollinger to be completed by end-FY18



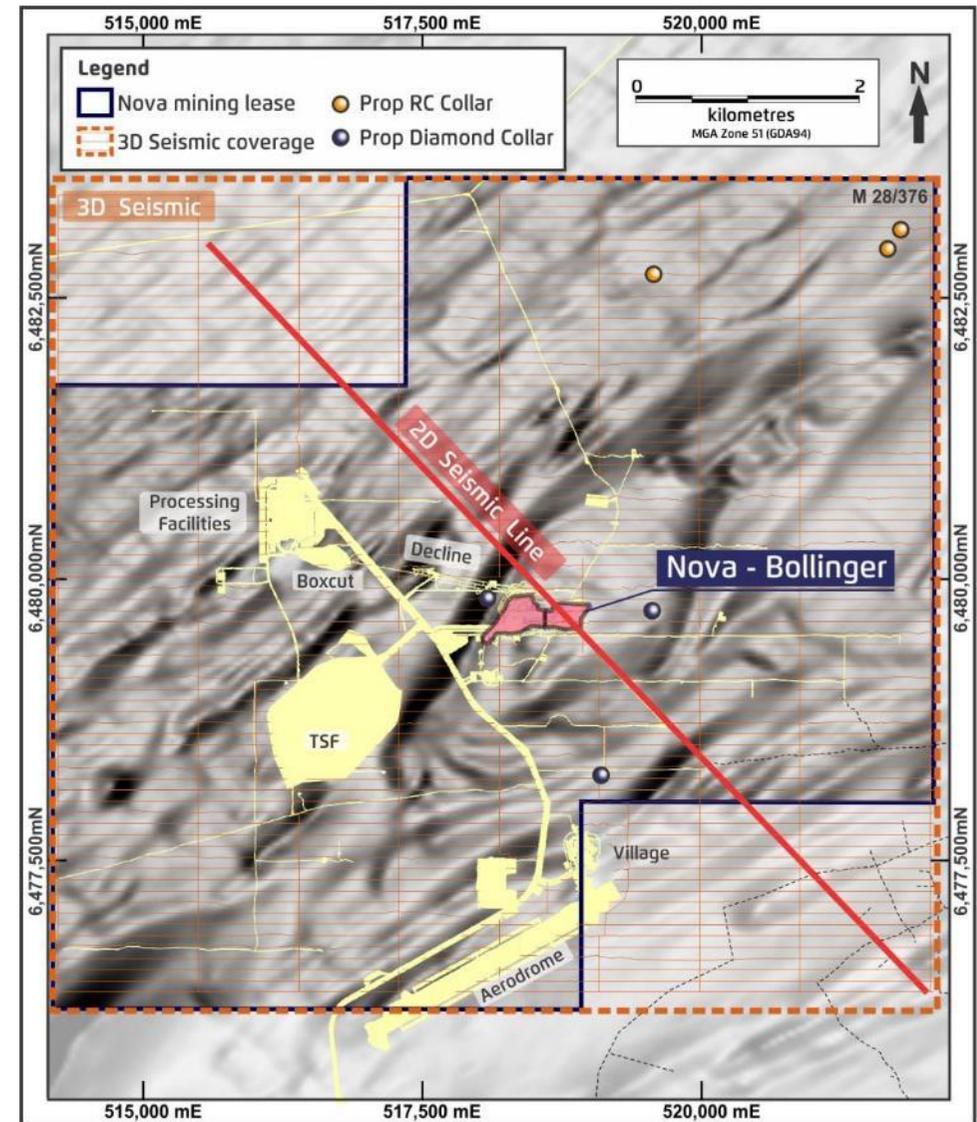
Nova near mine exploration search space is wide open with focus to date on Nova/Bollinger resource envelope

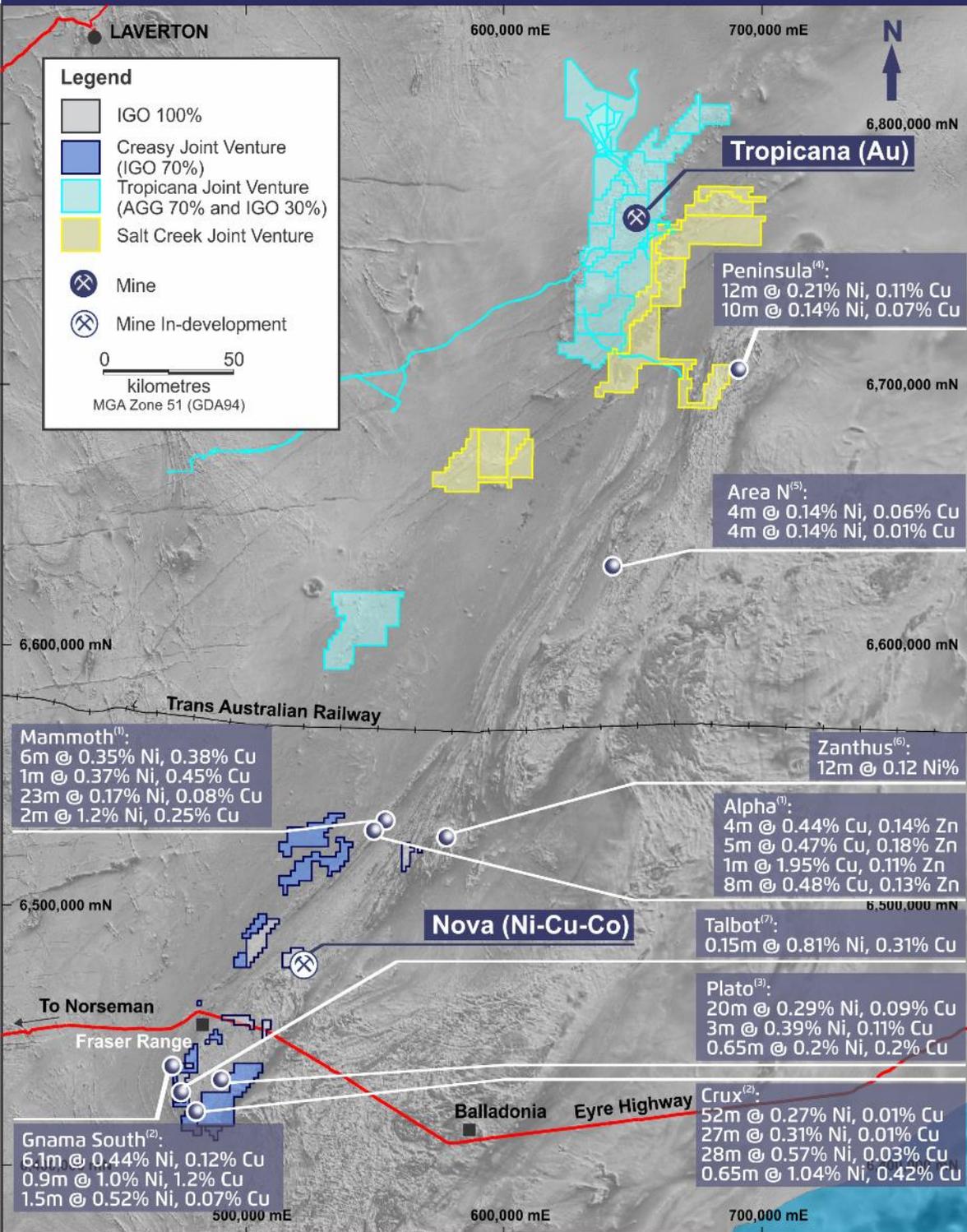


Using science (3D Seismic) to understand where to target drilling

Understanding the potential extensions of the Nova intrusive

- 58km² 3D seismic program over mining lease
- Drilling 3D seismic targets in FY19
- Continued drilling of extension to intrusive to the NW of Nova



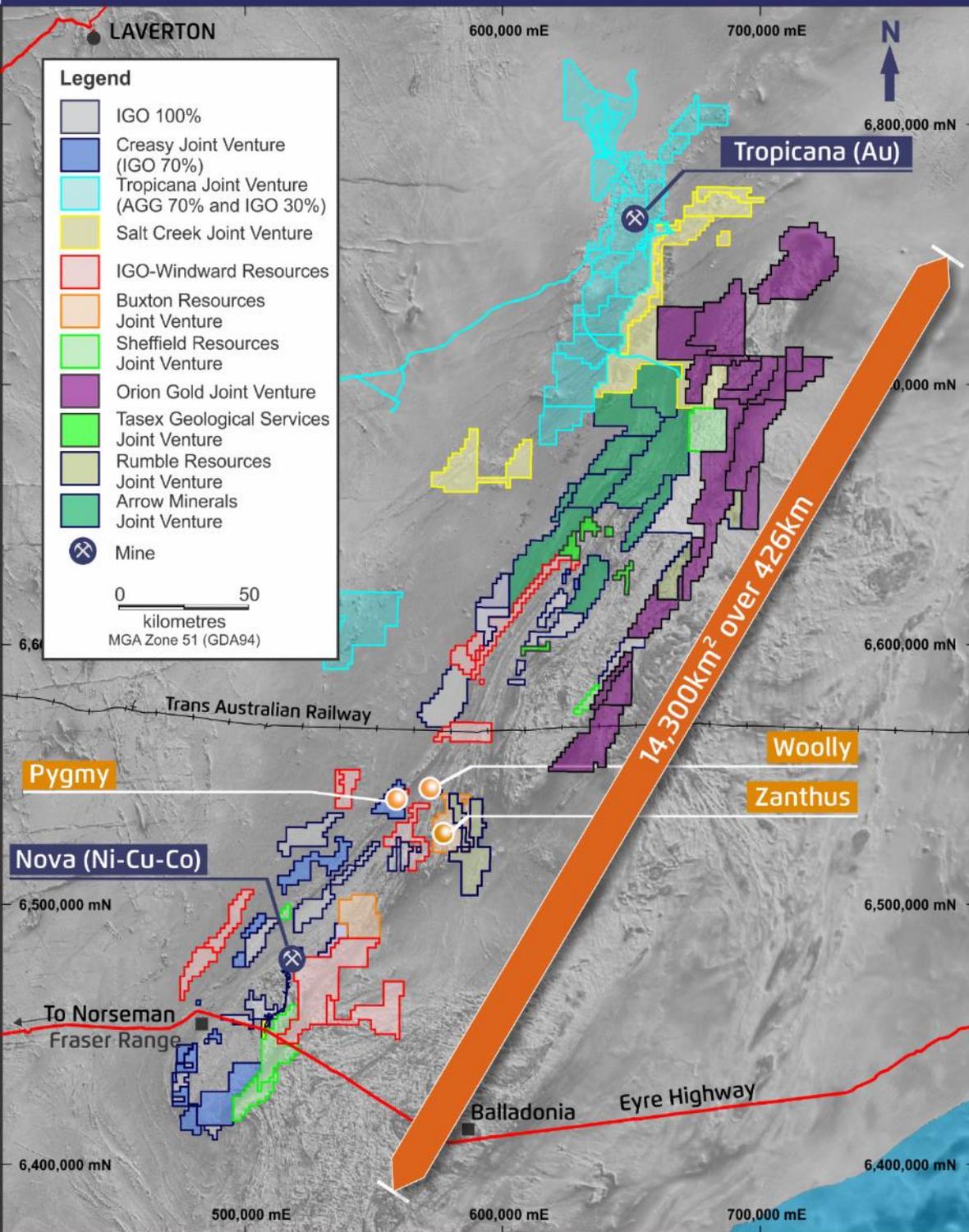


Why explore the Fraser Range?

- Multiple magmatic intrusions
- Ni/Cu anomalism reported by multiple explorers along belt
- Disseminated and blebby sulphides

Empirical evidence demonstrates belt is fertile

- 1) Classic Minerals ASX Releases: 29 Aug 2013, 12 Dec 2013 and 17 Dec 2016
- 2) Sirius Resources ASX Release: June 2015 Quarterly
- 3) Enterprise Metals EIS Final Drilling Report to DMP: 25 Jul 2014
- 4) Orion Gold ASX Release 17 Mar 2014
- 5) Legend Mining ASX Release 6 Jun 2017
- 6) Buxton Resources ASX Release: 15 Dec 2014
- 7) Newmont report to DMP, 1968
- 8) Arrow Minerals ASX Release: 5 Feb 2018



Systematic exploration over 14,300km² of consolidated tenure

- Multiple EM platforms
- Bedrock geochem using Aircore
- Gravity survey & mapping
- Follow up RC/DDH

LME Nickel Versus Nickel Sulphate^(1,2)



Downstream processing potential

- Produce nickel and cobalt sulphates for EV batteries
- Metallurgical testwork commencing in 3Q18
- Targeting PFS completion around end-CY18
- Delivers potential for higher payability, premium price and higher concentrator recoveries

1) Source: Asian Metals

2) Nickel Sulphate price converted to per unit of nickel



INVESTMENT Q+A
with **Andrew Fry**

Q What do you think is the best Australian or global investment opportunity?

A I see the transition to electric vehicles as a mega-trend over coming years. In the Australian market the best way to gain exposure is investing in the battery materials — lithium, graphite, cobalt, nickel and rare earths. I favour nickel sulphide exposure given its current price, strong demand-supply profile in the medium term and quality of Australian nickel sulphide producers.

Nova & Fraser Range are uniquely aligned to the mega trend of growing demand for metals in EVs



Changing EV battery chemistry will boost Ni demand

- 24kg nickel, 24kg cobalt & 91kg copper

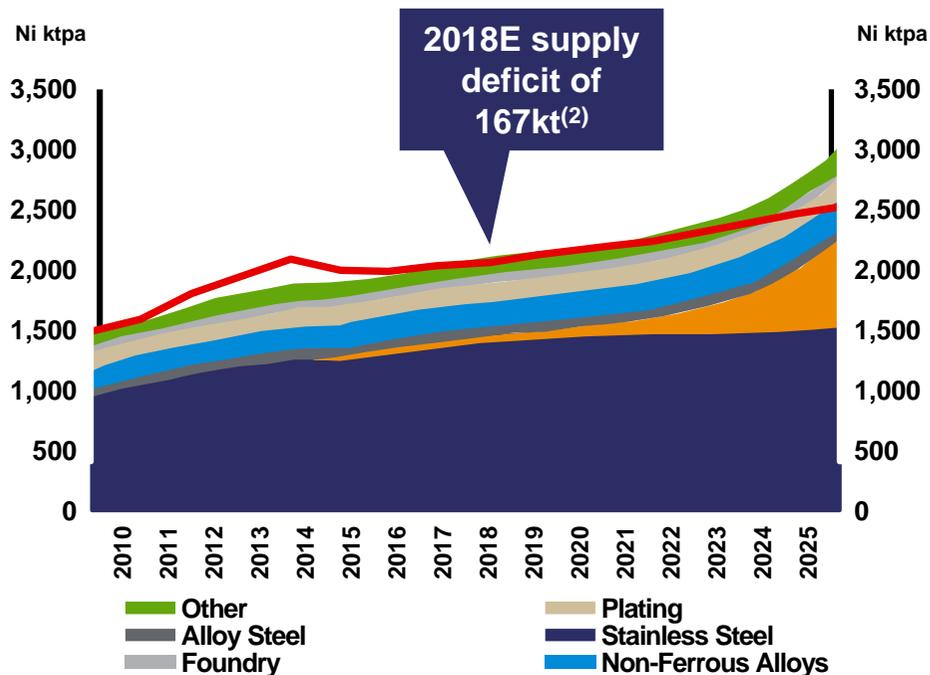
in a 2017 Chevy Bolt⁽¹⁾

For 811 NMC chemistry in a Bolt⁽²⁾

- Nickel increases by 15kg
- Cobalt decreases by 17kg

1) Source data: UBS Research titled Electric Car Teardown – Disruption Ahead dated 18 May 2017
2) Source data: UBS Research titled Nickel: Electric Vehicle Demand Refinements dated 1 Nov 2017

Nickel Mine Supply by Product (kt)⁽¹⁾



Nickel to be a big winner from EV demand disruption

- Market in deficit in 2016 & 2017
- Synchronous growth in USA, Europe and Asia
- 300-900kt of additional nickel required by 2025⁽¹⁾

1) Source: UBS Research dated 1 Nov 2017 Nickel: Electric Vehicle Demand Refinements

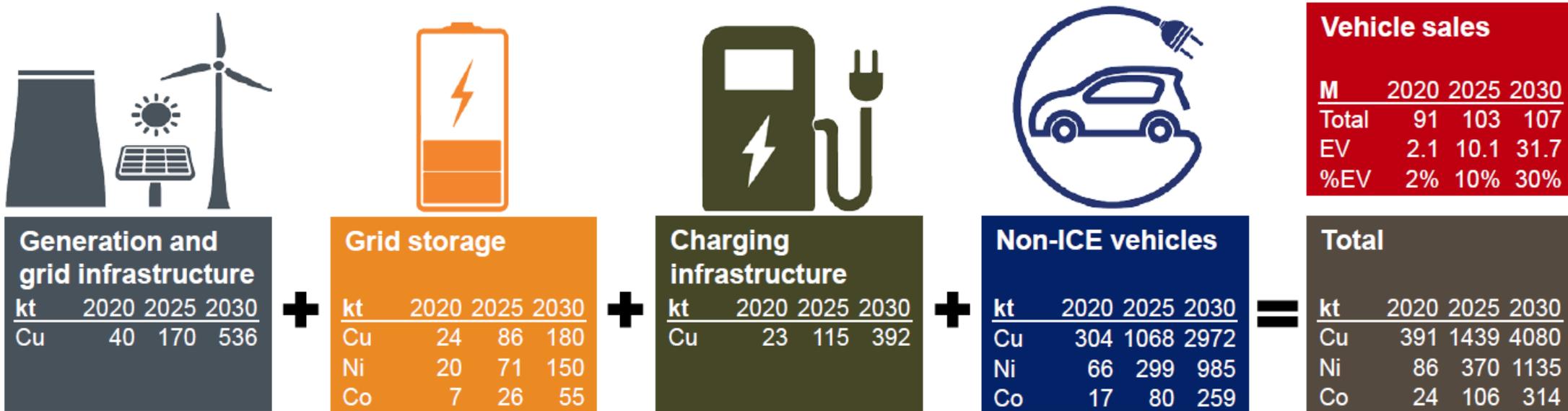
2) Source: UBS Research dated 18 Jan 2018: Battery Raw Material Update

The world is changing: electric vehicles will be a disruptive force



How much metal is required to realise the Electric Vehicles Initiative target⁽¹⁾ of 30 million electric vehicle sales by 2030?

- We commissioned CRU to model the metal requirements across the supply chain, from generation and grid infrastructure through to storage, charging and vehicles
- In 2030, forecast metal requirements are c.4.1Mt of copper (18% of 2016 supply), c.1.1Mt of nickel (56% of 2016 supply) and 314kt of Cobalt (314% of 2016 supply)
- As early as 2020, forecast EV related metal demand is becoming material, requiring an additional c.390kt of copper, c.85kt of nickel and 24kt of cobalt
- Transportation/mobility will be transformed – driven by environmental pressures, political mandates, consumer experience and technological progress



1) Source: Glencore Investor Update, 12 Dec 2017

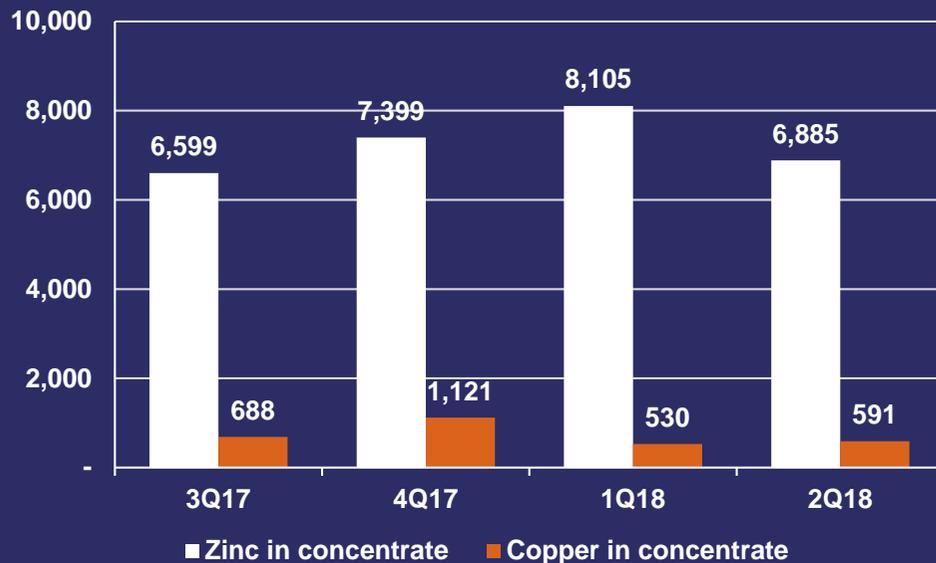


Jaguar, Long & Lake Mackay

Jaguar

- Improving performance
- Depth extensions at Bentley
- New deposit at Triumph
- Regional exploration

Jaguar Production (tonnes)

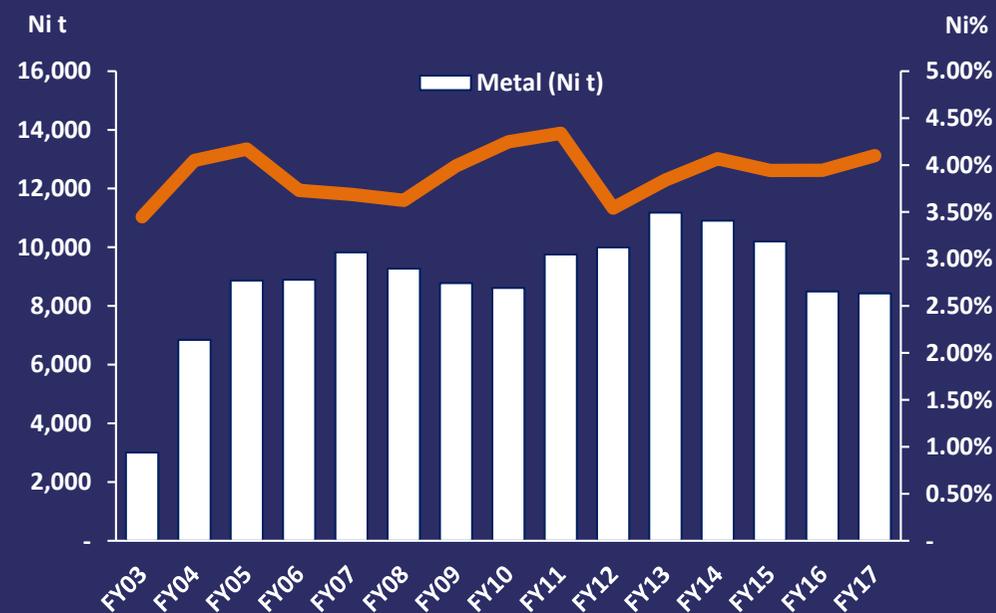




Long

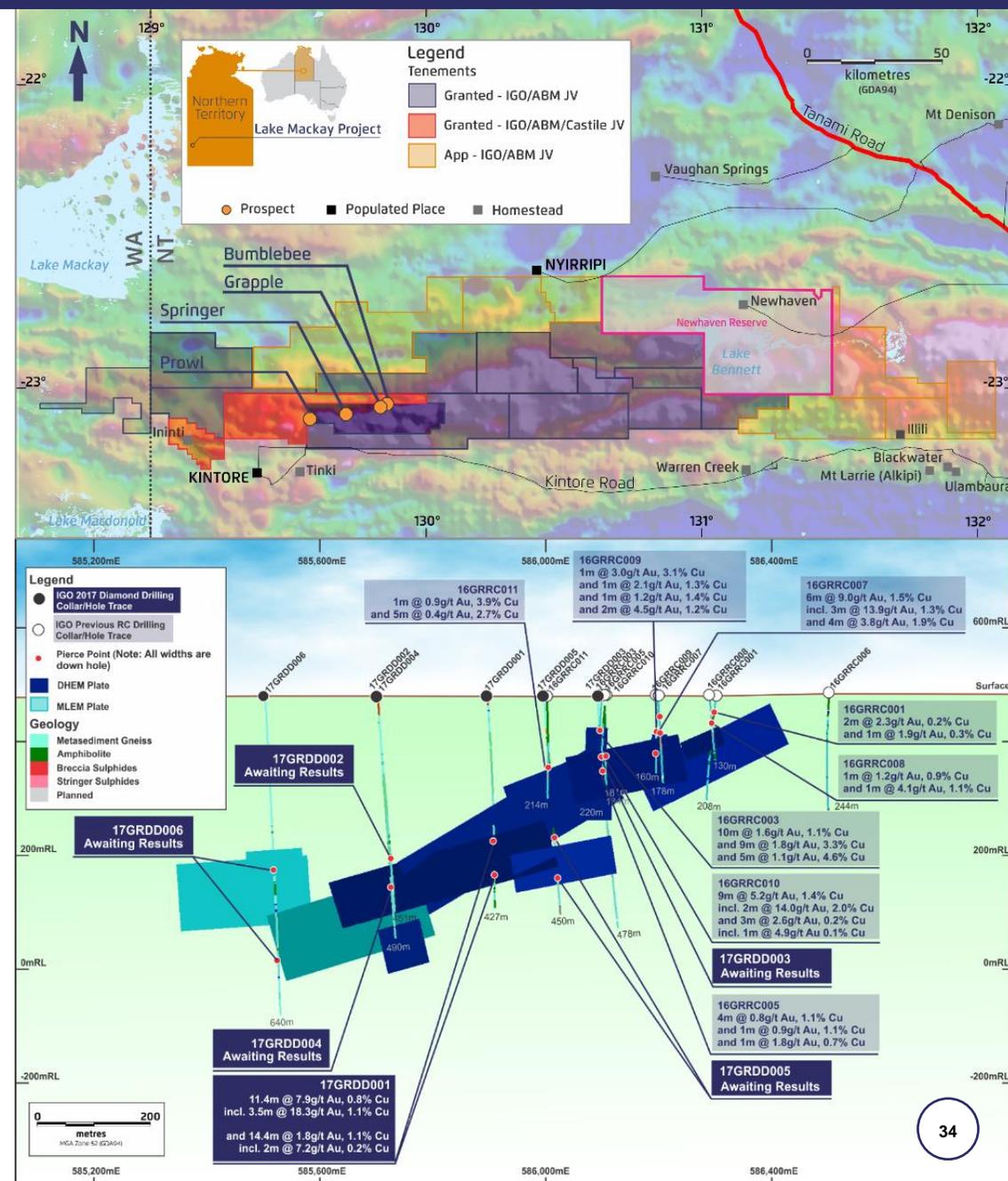
- Solid and consistent performer
- Greenfields exploration continuing
- Care and maintenance planning
- Final mining 31 May 2018

Long Life of Mine Production & Grade



First diamond drilling at Grapple^(1,2)

- Six holes completed for 2,917m
- Multiple narrow sulphide intervals in all holes
- Hole 1 returned two mineralised intersections
- Soil sampling completed with pervasive gold and base metal anomalism⁽³⁾



1) Refer to ASX release dated 18 Sep 2017: Lake Mackay JV – Grapple Prospect Drilling Update
 2) Refer to ASX release dated 15 Nov 2017: Lake Mackay JV – Final Grapple Diamond Drilling Results
 3) Refer to ASX release dated 13 Feb 2018: Lake Mackay JV – Exploration Update

Concluding Comments

- Strong first half result with \$44M reduction in net debt
- Nova beats guidance midpoint in first six months commercial production
- Tropicana production and costs all better than guidance
- Long & Jaguar in guidance
- Focused on delivery and discovery





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STRENGTH TO STRENGTH**
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