



**INDEPENDENCE GROUP NL  
ABN 46 092 786 304**

**NOTICE OF ANNUAL GENERAL MEETING  
AND EXPLANATORY MEMORANDUM**

**Date: Friday, 18 November 2016**

**Time: 4:00pm WST**

**Place: Fremantle Ballroom  
Four Points by Sheraton Perth  
707 Wellington Street  
Perth Western Australia 6000**

## **INDEPENDENCE GROUP NL**

### **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 2016 Annual General Meeting of Independence Group NL (**Company** or **IGO**) will be held at the Fremantle Ballroom, Four Points by Sheraton Perth, 707 Wellington Street, Perth, Western Australia on Friday, 18 November 2016 at 4.00pm WST (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

### **AGENDA**

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#### **BUSINESS**

##### **Financial Statements and Reports**

To receive and consider the financial statements and the reports of the Directors and Auditors for the year ended 30 June 2016.

##### **Resolution 1 – Re-election of Mr. Geoff Clifford**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That Mr. Geoff Clifford be re-elected as a Director”.

##### **Resolution 2 – Re-election of Mr. Peter Buck**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That Mr. Peter Buck be re-elected as a Director”.

##### **Resolution 3 – Remuneration Report**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That the remuneration report for the year ended 30 June 2016, which is contained in the Annual Report for the year ended 30 June 2016, be adopted.”

Note: the vote on Resolution 3 is advisory only and does not bind the Directors or the Company.

##### **Resolution 4 – IGO Employee Incentive Plan Approval**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.2, Exception 9 and sections 200B and 200E of the Corporations Act and all other purposes, approval be given to, and for the issue of securities under, the IGO Employee Incentive Plan as described in the Explanatory Memorandum accompanying this Notice of Meeting.”

##### **Resolution 5 – Issue of Performance Rights to Mr. Peter Bradford**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That for all purposes, including for the purposes of ASX Listing Rule 10.14, approval be given to grant 135,000 Performance Rights to Mr. Peter Bradford (the Company's Managing Director) in respect of the three year measurement period (being 1 July 2016 to 30 June 2019) on the terms described in the Explanatory Memorandum accompanying this Notice of Meeting.”

### **Resolution 6 – Ratification of issue of shares pursuant to institutional placement**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve the issue by the Company of 66,666,667 shares at an issue price of \$3.75 per share on 3 August 2016 pursuant to the institutional placement announced by the Company on 27 July 2016, as detailed in the Explanatory Memorandum.”

### **Resolution 7 – Renewal of the Company’s Proportional Takeover Approval Provisions**

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That for the purposes of section 648G of the Corporations Act and all other purposes, the Company renews its proportional takeover approval provisions, as set out in clause 7 of the Constitution of the Company, for a period of three years commencing on the date this resolution is passed.”

## **EXPLANATORY MEMORANDUM**

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice of Meeting.

## **ENTITLEMENT TO VOTE**

### **Snapshot date**

It has been determined that, under regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), for the purposes of the Meeting, shares will be taken to be held by the persons who are the registered holders at 4:00pm (WST) on 16 November 2016. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

## **VOTING EXCLUSION STATEMENTS**

### **Resolution 3 – Remuneration Report**

The Company will disregard any votes cast on Resolution 3:

- (in any capacity) by or on behalf of a member of the Key Management Personnel (which includes each of the Directors) named in the Company’s 2016 Remuneration Report;
- (in any capacity) by or on behalf of a Closely Related Party of a member of the Key Management Personnel; or
- as a proxy by a member of the Key Management Personnel or a Closely Related Party of a member of the Key Management Personnel,

unless the vote is cast as proxy for a person entitled to vote on Resolution 3:

- in accordance with a direction on the Proxy Form; or
- by the Chairman of the Meeting pursuant to an express authorisation to exercise the proxy.

### **Resolution 4 – IGO Employee Incentive Plan (EIP) Approval**

The Company will disregard any votes cast on Resolution 4:

- by any Shareholders who are employees of the Company (on the basis that any employee may become a managerial or executive officer of the Company in the future) and by the Directors, and by an associate of those persons; and
- as a proxy by a member of the KMP or a Closely Related Party of a member of the KMP,

unless the vote is cast as proxy for a person entitled to vote on Resolution 4:

- in accordance with a direction on the Proxy Form; or
- by the Chairman of the Meeting pursuant to an express authorisation to exercise the proxy.

### **Resolution 5 – Issue of Performance Rights to Mr. Peter Bradford**

The Company will disregard any votes cast on Resolution 5:

- by any Director or an associate of a Director; and
- as a proxy by a member of the Key Management Personnel or a Closely Related Party of a member of the Key Management Personnel,

unless the vote is cast as proxy for a person entitled to vote on Resolution 5:

- in accordance with a direction in the Proxy Form; or
- by the Chairman of the Meeting pursuant to an express authorisation to exercise the proxy.

### **Resolution 6 – Ratification of issue of shares pursuant to institutional placement**

The Company will disregard any votes cast on Resolution 6 by:

- any person who participated in the issue; and
- any associate of those persons.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

### **PROXIES**

A Shareholder entitled to attend and vote has a right to appoint a proxy to attend and vote instead of the Shareholder. A proxy need not be a Shareholder and can be either an individual or a body corporate. If a Shareholder appoints a body corporate as a proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the Meeting, in accordance with section 250D of the Corporations Act; and
- provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the Meeting.

If such evidence is not received before the Meeting, then the body corporate (through its representative) will not be permitted to act as a proxy.

A Shareholder that is entitled to cast two or more votes may appoint two or more proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

Any directed proxies that are not voted on a poll at the Meeting by a Shareholder's appointed proxy will automatically default to the Chairman of the Meeting, who is required to vote proxies as directed on a poll.

Members of the Key Management Personnel and Closely Related Parties of a member of the Key Management Personnel will not be able to vote as proxy on Resolutions 3, 4 and 5 unless the Shareholder tells them how to vote, or in the case of the Chairman of the Meeting, unless the Shareholder expressly authorises him to do so. If a Shareholder intends to appoint a member of the Key Management Personnel (other than the Chairman) or a Closely Related Party of a member of the Key Management Personnel as their proxy, the Shareholder should ensure that they direct the member of the Key Management Personnel or a Closely Related Party of a member of the Key Management Personnel how to vote on Resolutions 3, 4 and 5.

If a Shareholder intends to appoint the Chairman of the Meeting as their proxy for Resolutions 3, 4 and 5, Shareholders can direct the Chairman how to vote by marking one of the boxes (to vote 'for', 'against' or to 'abstain' from voting) for each of Resolutions 3, 4 and 5.

If a Shareholder appoints the Chairman as their proxy and the Shareholder does not direct the Chairman how to vote on Resolutions 3, 4 and 5, please note that by completing and returning the Proxy Form, the Shareholder will be expressly authorising the Chairman of the Meeting to exercise its undirected proxy on Resolutions 3, 4 and 5 even though they are connected with the remuneration of Key Management Personnel.

A Proxy Form accompanies this Notice and, to be effective, must be received at the Company's share registry:

**By mail:**

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001, Australia

**By fax:**

1800 783 447 (within Australia)  
+61 3 9473 2555 (outside Australia)

**Online at:** [www.investorvote.com.au](http://www.investorvote.com.au)

**Custodian:**

For Intermediary Online subscribers only  
(custodians) please visit:  
[www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your  
voting intentions

**By mobile:** Scan the QR Code on your proxy form and follow the prompts

by no later than 4.00pm WST on 16 November 2016 (being 48 hours before the time appointed for the Meeting).

**Lodging your Proxy Form online**

You are now able to lodge your Proxy Form online by visiting the Computershare Investor Services Pty Limited website, [www.investorvote.com.au](http://www.investorvote.com.au), logging into the Investor Centre Investor Vote and following the prompts and instructions on the website. To use the online lodgement facility, shareholders will need the Control Number, their Securityholder Reference Number or Holder Identification Number and their PIN, which are shown on the front page of the personalised Proxy Form enclosed with this Notice. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions on the website.

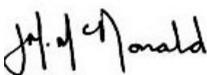
You must lodge your Proxy Form online **by no later than 4.00pm WST on 16 November 2016** (being 48 hours before the time appointed for the Meeting).

**Resolutions**

A simple majority of votes cast by shareholders entitled to vote on the resolution are required to approve all **ordinary resolutions**.

**Special resolutions** require the approval of at least 75% of votes cast by shareholders entitled to vote on the resolution.

**By Order of the Board 10 October 2016**



Joanne McDonald  
Company Secretary  
10 October 2016

## EXPLANATORY MEMORANDUM TO SHAREHOLDERS

This Explanatory Memorandum (including the Definitions section and Attachments A and B) has been prepared to help Shareholders understand the business to be put to Shareholders at the forthcoming Meeting.

### Annual financial report

The Corporations Act requires:

- the reports of the Directors and Auditors; and
- the annual financial report, including the financial statements of the Company for the year ended 30 June 2016 (**2016 Financial Report**),

to be laid before the Meeting. The Corporations Act does not require a vote of Shareholders on the reports or statements. However, Shareholders will be given ample opportunity to raise questions or comments on the management of the Company.

The financial report for consideration at the Meeting will be the 2016 Financial Report. The 2016 Financial Report is set out in the Company's 2016 Annual Report and is also available on the Company's website ([www.igo.com.au](http://www.igo.com.au)). Any Shareholder wishing to receive a copy should contact the Company's share registry and a copy will be provided.

Also, a reasonable opportunity will be given to members, as a whole, at the Meeting, to ask the Company's Auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements, and the independence of the Auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's Auditor about the content of the Auditor's report and the conduct of the audit may be submitted no later than five business days before the date of the Meeting to the Company Secretary at the Company's registered office, Suite 4, Level 5, South Shore Centre, 85 South Perth Esplanade, South Perth, WA 6151, Australia.

### Resolutions 1 and 2 – Re-election of Mr. Geoff Clifford and Mr. Peter Buck

As required by IGO's Constitution and the ASX Listing Rules, Mr. Geoff Clifford, this being the third annual general meeting since his election at the 2013 annual general meeting, retires by rotation and, being eligible, offers himself for re-election. To assist the Company in maintaining an even balance of directors retiring by rotation each year in accordance with the Company's Constitution and the ASX Listing Rules, Mr. Peter Buck, this being the second annual general meeting since his election at the 2014 annual general meeting, will retire by rotation one year early and, being eligible, offers himself for re-election.

The experience, qualifications and other information about Messrs Clifford and Buck appears below:

**Geoffrey Clifford (66), B.Bus., FCPA, FGIA, FAICD – Non-executive Director**

**Term of Office:** Mr. Clifford was appointed as Non-executive Director in December 2012.

**Skills and Experience**

Mr. Clifford is Chair of the Audit Committee and a member of the Nomination Committee, Remuneration Committee and Sustainability & Risk Committee.

Mr. Clifford has more than 35 years' experience in senior accounting, finance, administration and company secretarial roles in the mining, retail and wholesale industries. Mr. Clifford has held non-executive directorships at Centaurus Metals, Fox Resources, Aztec Resources, and Atlas Iron. From 2008 until 2011 he was Non-executive Chairman of Atlas Iron. Mr. Clifford was Company Secretary and GM Admin of Portman Limited from 1997 to 2005.

**Other current directorships:** Saracen Mineral Holdings (non-executive chairman).

**Former directorships in the last 3 years:** None

**Peter Buck (67), M.Sc. (Geology), MAusIMM – Non-executive Director**

**Term of Office:** Mr. Buck was appointed as Non-executive Director in October 2014.

**Skills and Experience**

Mr. Buck is Chair of the Remuneration Committee and a member of the Audit Committee, Nomination Committee and Sustainability & Risk Committee.

Mr. Buck is a geologist with over 40 years' experience in the mineral exploration and mining industry and was directly involved with the discovery and development of a number of mineral deposits in Australia, Africa and Brazil. Mr Buck has worked with WMC Resources, Forrestania Gold and LionOre in executive management and director positions, and was managing director of Breakaway Resources. He has been a non-executive director of Gallery Gold Ltd and PMI Gold.

Mr. Buck is also a board member of the Centre for Exploration Targeting at the University of Western Australia and Curtin University.

**Other current directorships:** Antipa Minerals Limited.

**Former directorships in the last 3 years:** None

**Recommendation**

The Board (with Messrs Clifford and Buck abstaining) recommends that Shareholders vote in favour of the re-election of Messrs Clifford and Buck.

The Chairman of the Meeting intends to vote all available proxies in favour of Resolutions 1 and 2.

**Resolution 3 – Remuneration Report**

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the 2016 Remuneration Report as disclosed in the Company's 2016 Annual Report.

The 2016 Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to the Company's Key Management Personnel (including the Directors), sets out details of the remuneration and service agreements for each member of Key Management Personnel and sets out the details of any share-based compensation.

Subject to the rules set out in Division 9 of Part 2G.2 of the Corporations Act described below, Resolution 3 is advisory only and does not bind the Directors or the Company. Of itself, a failure of Shareholders to pass Resolution 3 will not require the Directors to alter any of the arrangements in the 2016 Remuneration Report. However, the Board will take the outcome of the vote very seriously when considering the Company's future remuneration policy.

**Consequence of voting against Resolution 3**

If at least 25% of the votes cast on Resolution 3 are against the adoption of the Remuneration Report, and at least 25% of the votes cast at the next annual general meeting of the Company (**2017 AGM**) on a resolution that the 2017 Remuneration Report be adopted are against the adoption of the report, then the Company will be required under section 250V of the Corporations Act to put to the vote a resolution that another meeting be convened within 90 days of the 2017 AGM (the **Spill Meeting**). If Shareholders approve the convening of a Spill Meeting, then at that meeting:

- all the Directors of the Company who were directors at the time of the 2017 AGM (other than the Managing Director) will cease to hold office immediately before the end of the Spill Meeting; and
- a resolution to re-elect the Directors referred to above will be put to the vote at the Spill Meeting.

A reasonable opportunity will be given to Shareholders as a whole to ask questions about, or make comments on, the 2016 Remuneration Report. The 2016 Remuneration Report is set out in the Company's 2016 Annual Report and is also available within the 2016 Financial Report on the Company's website ([www.igo.com.au](http://www.igo.com.au)).

For the voting exclusions applicable to this Resolution 3, please refer to the 'Entitlement to vote' section of the Notice of Meeting.

### **Recommendation**

The Board recommends that Shareholders vote in favour of adopting the 2016 Remuneration Report.

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 3.

## **Resolution 4 – Approval of IGO Employee Incentive Plan (EIP)**

### **Background**

The Company has introduced a new employee share scheme which is presented to Shareholders for approval at the Meeting.

The EIP incorporates both broad based equity participation for eligible employees as well as key executive incentive schemes.

A summary of the key terms of the EIP is set out in Attachment A, and a copy of the rules of the EIP is available upon request from the Company.

### **Discontinuance of the Independence Group NL Employee Performance Rights Plan**

The Independence Group NL Employee Performance Rights Plan (**PRP**) was approved by Shareholders at the 2011 annual general meeting in November 2011 and re-approved at the 2014 annual general meeting in November 2014. Subject to the passing of Resolution 4, use of the PRP to deliver performance rights will be discontinued. At the date of this notice there are 1,058,316 unvested Performance Rights in the PRP, subject to performance and service vesting conditions to be measured at 30 June 2017 and 30 June 2018. Those existing unvested Performance Rights in the PRP will continue in accordance with their terms under the PRP, but all future equity grants will be made under the EIP.

### **EIP terms generally**

The EIP is a new employee equity plan developed to meet contemporary equity design standards and to provide the greatest possible flexibility in the design and offer choices available in respect of various new equity schemes.

The EIP enables the Company to offer employees a range of different employee share scheme (**ESS**) interests. These ESS interests or 'awards' include options, performance rights, service rights, deferred shares, exempt shares, cash rights and stock appreciation rights.

The type of ESS interest that may be offered to employees will be determined by a number of factors, including:

- the remuneration or incentive purpose of the award;
- the tax jurisdiction that the participating employee lives and/or works in;
- the laws governing equity incentives where the participating employee lives and/or works; and
- the logistics and compliance costs associated with offering equity incentives where the participating employee lives and/or works.

Whenever Shares are acquired under the EIP, they may be acquired and held by the Independence Group NL Performance Rights and Employee Incentive Plan Trust (**EST**). The trust deed (**EST Trust Deed**) outlines the rules of the EST and the responsibilities of the Trustee, the Company and the participants. A copy of the EST Trust Deed is available upon request from the Company.

## **Approvals sought**

Shareholders are asked to approve the EIP for all purposes including:

- Listing Rule 7.2, Exception 9; and
- section 200E of the Corporations Act.

Further information on the EIP and these approvals are provided below.

### **Approval under ASX Listing Rule 7.2, Exception 9**

Shareholder approval of the EIP is being sought for the purposes of ASX Listing Rule 7.2, Exception 9 so that securities issued in accordance with the EIP will be excluded from the calculation of the maximum number of new equity securities that can be issued by the Company under ASX Listing Rule 7.1 for a period of three years from the date of approval.

If Resolution 4 is approved by Shareholders, it will have the effect of enabling the securities issued by the Company under the EIP to be automatically excluded from the formula to calculate the number of securities which the Company may issue within the 15% in 12 months limit under ASX Listing Rule 7.1 during the next three year period.

### **Approval under section 200E of Corporations Act**

The Corporations Act restricts the benefits that can be given to persons who hold a 'managerial or executive office' (as defined in the Corporations Act) on leaving their employment with the Company or any of its related bodies corporate.

Under section 200B of the Corporations Act, the Company may only give a person a benefit in connection with them ceasing to hold a managerial or executive office in the Company Group if the benefit is approved by shareholders or an exemption applies.

As described in Attachment A, where a participant in the EIP has left employment or their position before their ESS interests have vested, the Board may exercise its discretion to determine that some or all of the ESS interests will vest.

The exercise of these discretions may constitute a 'benefit' for the purposes of section 200B of the Corporations Act.

The Company is therefore seeking Shareholder approval for the exercise of the Board's discretions in respect of any current or future participant in the EIP who holds:

- a managerial or executive office in a Group Company at the time of their leaving or at any time in the three years prior to their leaving; and
- ESS interests under the EIP at the time of their leaving,

but only if those ESS interests are granted, or if the Board exercises certain discretions under the EIP, during the period from the beginning of the 2016 annual general meeting and ending at the close of the 2019 annual general meeting. That is, Resolution 4 is limited so that it only applies in respect of ESS interests granted in that period to, or if the Board exercises certain discretions under the EIP in that period in favour of, participants who from time to time hold a managerial or executive office (as defined in the Corporations Act).

Provided Shareholder approval is given, the value of these benefits may be disregarded when applying subsection 200F(2)(b) or subsection 200G(1)(c) of the Corporations Act (i.e. the approved benefit will not count towards the statutory cap under the legislation).

#### *Board's intentions for exercise of discretion*

The Board's current intention is to only exercise this discretion:

- where the employee leaves employment without fault on their part; and
- so as only to preserve that number of unvested ESS interests, which then get tested in the same way as if the employee had remained and only vest to the extent that the performance hurdles are met.

### *Value of the benefits*

The value of the termination benefits that the Board may give under the EIP cannot be determined in advance.

This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company's share price at the time of vesting and the number of ESS interests that the Board decides to vest.

The following additional factors may also affect the benefit's value:

- the participant's length of service and the portion of any relevant measurement periods that have expired at the time they leave employment;
- the participant's total fixed remuneration at the time grants are made under the EIP and at the time they leave employment; and
- the number of unvested ESS interests that the participant holds at the time they leave employment.

### **Initial Offers**

No offers have been made under the EIP as at the date of this Notice or will have been made at the date of the Meeting. Provided Resolution 5 is approved by Shareholders, the Company will offer Mr Peter Bradford the Performance Rights referred to in that Resolution.

### **Recommendation**

As the Directors may have an interest in Resolution 4, the Board makes no recommendation as to how Shareholders should vote on Resolution 4.

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 4.

## **Resolution 5 - Issue of Performance Rights to Mr. Peter Bradford**

### **Background**

Resolution 5 seeks Shareholder approval for the grant of Performance Rights to Mr. Peter Bradford, the Company's Managing Director, pursuant to the EIP, and otherwise on the terms and conditions set out in this Explanatory Memorandum.

The Company's remuneration policy is to ensure that executive remuneration is competitive in attracting, motivating and retaining executives of a high calibre and properly reflects the duties and responsibilities of each relevant executive. The remuneration structure used by the Company to achieve these objectives includes the combination of fixed annual remuneration and performance-related remuneration (including participation in the EIP).

The ASX requires, under ASX Listing Rule 10.14, that Shareholders approve the grant of securities to a director under an employee incentive plan.

Accordingly, Shareholder approval is sought for the grant of Performance Rights to Mr. Bradford as set out below.

### **Number of Performance Rights**

The number of Performance Rights to be granted to Mr. Bradford will be 135,000. This number was set by the Board in the context of considering Mr. Bradford's remuneration package, of which Performance Rights form a part. The Remuneration Committee recommended, and the Board resolved, that the value of Mr. Bradford's annual total fixed remuneration (inc. superannuation) (**TFR**) for the year ending 30 June 2017 should be \$800,000 per annum.

The number of Performance Rights determined was calculated as follows:

$TFR \times 0.7 / 20$  day VWAP up to and including 26 August 2016 being \$4.15 (then rounded to the nearest thousand)

### Terms of Performance Rights

All Performance Rights granted will be on terms consistent with the rules of the EIP. A summary of the key terms of the EIP is contained in Attachment A, and a full copy is available to Shareholders from the Company's share registry on request.

No consideration is payable by Mr. Bradford at the time of grant of the Performance Rights or upon the allocation of ordinary shares to which Mr. Bradford may become entitled upon Performance Rights vesting. Each Performance Right will entitle the holder to one fully paid ordinary share in the Company at no cost, subject to satisfaction of the performance hurdles described below.

### Performance hurdles

The Performance Rights will vest and convert into ordinary shares if, over the three year measurement period (being 1 July 2016 to 30 June 2019), the performance hurdle is achieved. Performance Rights that have not vested where the performance hurdle has not been satisfied or waived by the expiry date, will automatically lapse. Performance measures for the Performance Rights are based on a Total Shareholder Return Scorecard (**TSR Scorecard**). The TSR Scorecard determines the entitlement to 100% of the Performance Rights. The TSR scorecard for the three year measurement period (being 1 July 2016 to 30 June 2019) will be determined based on a percentile ranking of the Company's TSR results relative to the TSR of each of the companies in the comparator group over the same three year measurement period (**Relative TSR**).

### TSR Scorecard

#### TSR

TSR measures the return received by shareholders from holding ordinary shares over the relevant Performance Period, calculated as follows:

$$\text{TSR} = ((B - A) + C) / A$$

Where:

A = the Market Value of the share at the start of the Performance Period

B = the Market Value of the share at the end of the Performance Period

C = the aggregate dividend amount per share paid during the Performance Period

Market Value is calculated as the 20-day volume weighted average price (VWAP) of the share ending on the day prior to the start or end of the Performance Period.

#### Relative TSR

The TSR Scorecard will be determined based on the ranking of the Company's TSR results, relative to the TSR of each of the companies in the comparator group over the same Performance Period.

The comparator group will comprise all members of the S&P ASX 300 Metals and Mining Index. The current list of the comparator group is set out in Attachment B. The Board has discretion to adjust the peer group from time to time in its absolute discretion.

The vesting schedule for the Performance Rights subject to Relative TSR testing is as follows:

Relative TSR performance	TSR Scorecard (Level of vesting)
Less than 50th percentile	Zero
Between 50th and 75th percentile	50% plus pro-rata straight line percentage between 50% and 100%
75th percentile or better	100%

### **Other Conditions**

Unvested Performance Rights may, in certain circumstances, vest early in accordance with the terms of the EIP Rules, and any leaver's policy that may apply from time to time, as approved by the Board.

Any dealing in shares is subject to the constraints of Australian insider trading laws and the Company's Dealing in Securities Standard. Mr. Bradford is specifically prohibited from hedging the Company share price exposure in respect of the Performance Rights during the vesting period.

If, in the Board's opinion, Mr. Bradford has acted fraudulently or dishonestly, or is in breach of his material obligations to the Company, the Board may determine that any or all of the Performance Rights which have not yet vested, lapse.

### **ASX Listing Rule 10.15 information requirements**

ASX Listing Rule 10.15 requires the following information regarding the EIP to be included in this Explanatory Memorandum:

- Subject to Shareholder approval being obtained, the maximum number of Performance Rights (and hence ordinary shares) that the Company may issue to Mr. Bradford will be 135,000.
- No consideration is payable by Mr. Bradford at the time of grant of the Performance Rights or upon the allocation of the ordinary shares to which Mr. Bradford may become entitled upon vesting of the Performance Rights.
- The EIP is a new plan, and to date, no equity interests have been issued under the EIP.
- The Non-executive Directors of the Company (being Messrs Bilbe, Buck, Clifford, Spence and Warburton) are entitled to participate in the EIP, though the Company has not sought Shareholder approval for such an issue and they have not received any securities under the EIP to date. It is the current intention of the Board that Non-executive Directors will not participate in the EIP.
- The voting exclusion statement in relation to Resolution 5 is included in the 'Entitlement to vote' section of the Notice of Meeting.
- No loans will be made by the Company in connection with the acquisition of Performance Rights or ordinary shares upon the vesting of Performance Rights by Mr. Bradford.
- The Company will issue the Performance Rights to Mr. Bradford as soon as practicable following the Meeting and no later than 12 months after the Meeting.

### **Corporate governance**

Mr. Bradford is an executive director of the Company. Recommendation 8.3 of ASX's Corporate Governance Principles and Recommendations encourages ASX listed companies to establish remuneration packages that involve a balance between short term and long term performance objectives. In the Board's view, the issue of Performance Rights to Mr. Bradford is an appropriate means of providing these long term performance objectives. The Board also considers that the retention of high quality and well-credentialed executive directors, like Mr. Bradford, is essential to the ongoing development and success of the Company and its projects.

### **Dilution**

The Performance Rights to be issued to Mr. Bradford will have a diluting effect on the percentage interest of existing Shareholders' holdings. The diluting effect of these Performance Rights is less than 0.1% of the Company's current share capital.

The Board has formed the view that remuneration in the form of the Performance Rights to be granted to Mr. Bradford is reasonable given the Company's circumstances, and Mr. Bradford's circumstances (including his responsibilities). The Board is of the opinion that the terms of issue of the Performance Rights to Mr. Bradford are reasonable.

### **Recommendation**

The Board (with Mr. Bradford abstaining) recommends that Shareholders vote in favour of Resolution 5.

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 5.

## **Resolution 6 – Ratification of issue of shares pursuant to institutional placement**

### **Background**

On 27 July 2016, the Company announced an equity raising comprising a fully underwritten placement to institutional and sophisticated investors to raise \$250 million before costs (**Placement**) and a non-underwritten share purchase plan to raise \$30 million before costs, both at an issue price of \$3.75 per share (**Equity Raising**).

The Company undertook the Equity Raising to strengthen its balance sheet and to provide greater financial flexibility to fund growth initiatives. Specifically, the Equity Raising provided the Company with funding for the \$140 to \$150 million of remaining development capital expenditure for the Nova Project reducing the requirement for further draw-down under the Company's existing debt facilities. The Equity Raising also provided the Company with additional funds for the payment of residual acquisition costs (stamp duty), funding for debt repayment and general corporate purposes including working capital. See the Company's announcements on 27 July 2016 for further information.

Resolution 6 is proposed to ratify the issue of 66,666,667 ordinary shares in the Company pursuant to the Placement (**Placement Shares**).

### **Approval sought**

ASX Listing Rule 7.1 provides that, without the approval of Shareholders, the Company must not issue or agree to issue equity securities if the securities to be issued, aggregated with the securities issued by the Company during the previous 12 months, would exceed 15% of the issued shares in the Company at the start of that 12-month period (subject to certain exemptions not relevant to Resolution 6).

The issue of the Placement Shares fell within the Company's 15% capacity under ASX Listing Rule 7.1.

Under ASX Listing Rule 7.4, Shareholders may subsequently approve an issue of shares made without shareholder approval in accordance with ASX Listing Rule 7.1. The effect of this ratification approval is that the issue is treated as having been made with shareholder approval for the purposes of ASX Listing Rule 7.1.

Accordingly, the Company is seeking Shareholder approval of the issue of the Placement Shares to refresh its 15% capacity under ASX Listing Rule 7.1 and to retain the flexibility to issue further shares going forward.

### **ASX Listing Rule 7.5 information requirements**

ASX Listing Rule 7.5 requires the following information regarding the Placement to be included in this Explanatory Memorandum:

- The number of shares issued was 66,666,667 ordinary shares in the Company.
- The shares were issued at a price of \$3.75 per share.
- The shares were issued as fully paid ordinary shares on the same terms as existing fully paid ordinary shares in the Company.
- The shares were issued to institutional and sophisticated investors who are clients of the underwriter and lead manager of the Placement, Macquarie Capital (Australia) Limited, or clients of the of co-lead manager of the Placement, Euroz Securities Limited. No related parties of the Company participated in the Placement.
- The funds raised under the Placement will be used for the purposes set out above under the heading 'Background'.

### **Recommendation**

The Board recommends that Shareholders vote in favour of Resolution 6.

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 6.

## **Resolution 7 - Renewal of the Company's Proportional Takeover Approval Provisions**

The Company's Constitution currently contains provisions dealing with proportional takeover bids for the Company's shares in accordance with the Corporations Act. The provisions are designed to assist Shareholders to receive proper value for their shares if a proportional takeover bid is made for the Company. Under the Corporations Act, the provisions must be renewed every three years or they will cease to have effect. The current provisions will automatically cease to have effect after 27 November 2016 unless renewed by the proposed special resolution. If renewed, the proposed proportional takeover provisions will be in exactly the same terms as the existing provisions and will have effect until 18 November 2019. The Corporations Act requires that the following information be provided to Shareholders when they are considering the inclusion of proportional takeover provisions in a constitution.

### **Effect**

A proportional takeover bid is one where the offer made to each Shareholder is only for a proportion of that Shareholder's shares. If a proportional takeover bid is made, Directors must hold a meeting of the Shareholders of the class of shares being bid for to consider whether or not to approve the bid. A resolution approving the bid must be voted on before the 14th day before the end of the bid period. The resolution will be passed if more than 50% of votes are cast in favour of the approval. The bidder and its associates are not allowed to vote on the resolution. If no such resolution is voted on by that deadline, a resolution approving the bid is taken to have been passed.

If a resolution to approve the bid is rejected, binding acceptances are required to be rescinded, and all unaccepted offers and offers failing to result in binding contracts are taken to have been withdrawn.

If the bid is approved or taken to have been approved, the transfers resulting from the bid may be registered provided they comply with other provisions of the Corporations Act and the Company's Constitution. The proportional takeover provisions do not apply to full takeover bids.

### **Reasons**

Without the proportional takeover approval provisions, a proportional takeover bid may enable control of the Company to pass without Shareholders having the opportunity to sell all their shares to the bidder. Shareholders may be exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium for their shares.

The proposed proportional takeover provisions lessen this risk because they allow Shareholders to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

### **No knowledge of any acquisition proposals**

At the date of this notice, no Director of the Company is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

### **Review of proportional takeover approval provisions**

The Corporations Act requires that Shareholders be given a statement which retrospectively examines the advantages and disadvantages, for Directors and Shareholders, of the proportional takeover provisions proposed to be renewed. Such a statement follows.

While the proportional takeover approval provisions have been in effect in clause 7 of the Constitution of the Company, there have been no takeover bids for the Company, either proportional or otherwise. Accordingly, there are no actual examples against which to review the advantages or disadvantages of the existing proportional takeover provisions (that is, clause 7 of the existing Constitution) for the Directors and Shareholders of the Company. The Directors are not aware of any potential takeover bid that was discouraged by clause 7.

### **Potential advantages and disadvantages**

As well as a retrospective review of the provisions proposed to be renewed, the Corporations Act requires that Shareholders be given a statement of the potential future advantages and disadvantages of the provisions. The Directors of the Company consider that the proposed renewal of the proportional takeover approval provisions has no potential advantages or potential disadvantages for Directors because they remain free to make a recommendation on whether a proportional takeover bid should be approved.

The potential advantages of the proposed proportional takeover provisions for Shareholders are:

- they give Shareholders their say in determining by majority vote whether a proportional takeover bid should proceed;
- they may assist Shareholders in not being locked in as a relatively powerless minority;
- they increase Shareholders' bargaining power and may assist in ensuring that any proportional bid is adequately priced; and
- knowing the view of the majority of Shareholders assists each individual Shareholder in assessing the likely outcome of the proportional takeover bid and whether to approve or reject that offer.

Some potential disadvantages to Shareholders of the Company are:

- it is a hurdle and may discourage the making of proportional takeover bids in respect of the Company;
- this hurdle may depress the share price or deny Shareholders an opportunity of selling their shares at a premium; and
- it may reduce the likelihood of a proportional takeover being successful.

However, the Directors do not perceive those or any other possible disadvantages as justification for not renewing the proportional takeover provisions for a further three years.

### **Recommendation**

The Board recommends that Shareholders vote in favour of Resolution 7.

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 7.

### **Action to be taken by Shareholders**

Shareholders should read this Explanatory Memorandum carefully before deciding how to vote on the Resolutions. A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions provided. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

## DEFINITIONS

In the Notice of Meeting and this Explanatory Memorandum (including Attachments A and B), the following terms have the meaning set out below:

<b>Term</b>	<b>Meaning</b>
<b>\$</b>	Australian dollars.
<b>2016 Financial Report</b>	The annual financial report, including the financial statements of the Company for the year ended 30 June 2016.
<b>ASIC</b>	Australian Securities & Investments Commission
<b>ASX</b>	ASX Limited (ACN 008 624 691) or the Australian Securities Exchange operated by it, as the context requires.
<b>Auditor</b>	BDO Audit (WA) Pty Ltd.
<b>Board</b>	the board of directors of the Company.
<b>Closely Related Party</b>	has the meaning as defined in section 9 of the Corporations Act and includes in respect of a member of the Key Management Personnel: <ul style="list-style-type: none"><li>• a spouse or child of the member or a child of the member's spouse,</li><li>• a dependant of the member or of the member's spouse,</li><li>• anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company, or</li><li>• a company the member controls.</li></ul>
<b>Company, IGO or Independence</b>	Independence Group NL (ABN 46 092 786 304).
<b>Company Group</b>	the Company and its subsidiaries.
<b>Controllable Event</b>	cessation of employment or position other than by an Uncontrollable Event.
<b>Constitution</b>	the constitution of the Company.
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	a director of the Company.
<b>EIP</b>	Employee Incentive Plan
<b>ESS</b>	Employee Share Scheme
<b>Explanatory Memorandum</b>	this Explanatory Memorandum accompanying the Notice of Meeting.
<b>Group Company</b>	the Company or any of its subsidiaries.
<b>Index</b>	the S&P ASX 300 Metals and Mining Index.

<b>Term</b>	<b>Meaning</b>
<b>Key Management Personnel or KMP</b>	the key management personnel of the Company as defined in AASB Standard 124 (and includes each of the Directors).
<b>Listing Rules</b>	the Listing Rules of the ASX.
<b>Meeting</b>	the annual general meeting of the Company convened by the Notice of Meeting.
<b>Non-executive Director</b>	a Director of the Company who is not a member of the executive management team.
<b>Notice of Meeting or Notice</b>	the notice convening the Meeting that accompanies this Explanatory Memorandum.
<b>Proxy Form</b>	the proxy form included with the Notice of Meeting.
<b>Shares or Ordinary Shares</b>	fully paid ordinary shares in the Company.
<b>Shareholder</b>	the holder of Shares.
<b>TSR</b>	total shareholder return.
<b>WST</b>	Western Standard Time, being the time in Perth, Western Australia.

## **Attachment A - Summary of EIP Key Terms and Key Policy Settings**

### **Eligibility**

The Board has the discretion to determine which employees are eligible to participate in the EIP. The definition of employee under the rules of the EIP includes any full time or permanent part time employee or officer or director of the Company or any related body corporate of the Company.

### **Vesting conditions**

The vesting of any securities issued under the EIP, excluding Exempt Share Awards (as defined in the rules of the EIP), may be conditional on the satisfaction of performance and/or service conditions as determined by the Board and advised to the employee in the individual's offer documents.

### **Exercise of securities**

Vested securities issued under the EIP will not automatically trigger the exercise of the securities, but a participant will be entitled to exercise in accordance with the terms contained in the invitation to the individual.

### **Price**

Securities issued under the EIP may be issued at no cost to the participants. Options may be subject to payment of an exercise price by the participant which is determined by the Board and advised to the participant in the individual's offer documents.

### **Lapse/forfeiture**

Securities issued under the EIP will lapse or be forfeited on the earliest of:

- any expiry date applicable to the securities;
- any date which the Board determines that vesting conditions applicable to the securities are not met or cannot be met;
- the participant dealing in respect of the securities in contravention of the EIP; and
- the Board determining that a participant has committed an act of fraud, is ineligible to hold the office for the purposes of Part 2D.6 of the Corporations Act, or is found to have acted in a manner that the Board considers to constitute gross misconduct.

### **Board may elect to settle in cash**

If the Board determines that it is not appropriate for tax, legal, regulatory or compliance reasons to issue or transfer Shares upon satisfaction of its obligations under the EIP, the Company may make a cash payment to the participant in accordance with the terms of the EIP for equivalent value.

### **Waiving the restricted period**

The Board may waive or shorten the restriction period applicable to securities issued under the EIP, as contained in the offer to the participant.

### **Change of Control**

On the occurrence of a change of control, the Board will determine, in its sole and absolute discretion, the manner in which vested and unvested securities issued under the EIP shall be dealt with which may include pro-rata vesting.

### **Cessation of employment**

All unvested securities issued under the EIP lapse immediately on termination of employment unless any leaver's policy applies or the Board determines otherwise depending on the circumstances.

### **No dealing or hedging**

Dealing restrictions apply to securities issued under the EIP in accordance with the rules of the EIP and the Company's Dealing in Securities Standard. Participants are prohibited from hedging or otherwise protecting the value of unvested securities issued under the EIP.

### **Rights attaching to Shares**

Shares issued under the plan will rank equally for voting, dividends and other entitlements, be subject to any restrictions imposed under these rules and otherwise rank equally with the existing Shares on issue at the time of allotment.

**Company may issue or acquire shares**

The Company may, in its discretion, either issue new shares or acquire shares already on issue, or a combination of both, to satisfy the Company's obligations under the EIP.

**Adjustments**

Prior to the allocation of shares to a participant upon vesting or exercise of securities issued under the EIP, the Board may make any adjustment it considers appropriate to the terms of securities in order to minimise or eliminate any material advantage or disadvantage to a participant resulting from a corporate action such as a capital raising or capital reconstruction.

**Limits on securities issued**

The number of shares that may be issued under the EIP is set with regard to the limits prescribed under **ASIC Class Order 14/1000** with respect to employee share scheme offers made without a prospectus. Currently these limits provide that the number of shares that may be issued, when aggregated with the number of shares issued during the previous three years from share issues under all employee share schemes established by the Company (including as a result of exercise of options to acquire shares granted in the previous three years under any such employee share scheme), must not exceed 5% of the total number of shares on issue, disregarding certain unregulated offers.

**Continued operation of the plan**

The plan may be suspended, terminated or amended at any time by the Board, subject to any resolution of the Company required by the ASX Listing Rules.

## Attachment B – Comparator TSR Peer Group

### Initial TSR Peer Group

The Company's TSR performance will be assessed against all members of the S&P ASX 300 Metals and Mining Index. As at 1 July 2016 these were:

Alacer Gold Corp.	Orocobre Limited
Alumina Limited	OZ Minerals Limited
Beadell Resources Limited	Pilbara Minerals Limited
BHP Billiton Limited	Perseus Mining Limited
BlueScope Steel Limited	Rio Tinto Limited
Evolution Mining Limited	Regis Resources Limited
Fortescue Metals Group Ltd	Resolute Mining Limited
Gold Road Resources Limited	South32 Limited
Iluka Resources Limited	Saracen Mineral Holdings Limited
Lynas Corporation Limited	St Barbara Limited
Metals X Limited	Sandfire Resources NL
Newcrest Mining Limited	Sims Metal Management Limited
Northern Star Resources Ltd	Syrah Resources Limited
OceanaGold Corporation	Western Areas Limited

### Adjustments to the peer group

Listed below are a number of events, as well as the implications of these events, that may occur which could affect the structure of the Company's TSR peer group:

- If a company in the peer group is taken over, that company may be removed from the peer group.
- If the acquiring company is in the peer group, that company will remain in the peer group.
- If a company in the peer group demerges, the demerged companies may be removed from the peer group.
- In the case of a capital reconstruction or capital return, an adjustment to the TSR calculation will be made, if appropriate, depending on the nature of the event.
- If a company in the peer group changes its name, it will remain in the peer group.
- Where a company's shares are suspended at the testing date, the Board shall have the discretion as to how this event shall be treated.
- Where a company is delisted from the relevant stock exchange the Board shall have the discretion as to how this event shall be treated.



Independence Group NL  
ABN 46 092 786 304

## Lodge your vote:

**Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)

**By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000



## Proxy Form

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### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

**Control Number: 138970**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



**For your vote to be effective it must be received by 4:00pm (WST) Wednesday, 16 November 2016**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form →**

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Independence Group NL hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Independence Group NL to be held at Fremantle Ballroom, Four Points by Sheraton Perth, 707 Wellington Street, Perth, Western Australia on Friday, 18 November 2016 at 4:00pm (WST) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 3, 4 and 5 (except where I/we have indicated a different voting intention below) even though Resolutions 3, 4 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 3, 4 and 5 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Re-election of Mr. Geoff Clifford	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr. Peter Buck	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	IGO Employee Incentive Plan Approval	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Performance Rights to Mr. Peter Bradford	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of issue of shares pursuant to institutional placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Renewal of the Company's Proportional Takeover Approval Provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /