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Australian Stock Exchange Limited  
Company Announcements  
Level 10, 20 Bond Street  
SYDNEY NSW 2000

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## TROPICANA GOLD PROJECT DEVELOPMENT APPROVAL

Development of the Tropicana Gold Project in Western Australia has been approved by the Boards of Independence Group NL and AngloGold Ashanti Limited.

- The approved project is expected to produce 3.45Moz (1.04Moz – IGO share) over a 10 year life at A\$710-A\$730/oz cash cost (real), including royalties.
  
- Open Pit Proven and Probable Reserves: 48Mt @ 2.2 g/t Au – 3.4 Moz gold
- Open Pit Mining Inventory (including Inferred category): 59Mt @ 2.0 g/t Au for 3.8 Moz gold
- Expected production first 3 years: 470,000–490,000 oz pa (IGO share 141,000–147,000 oz pa) at A\$580-A\$600/oz cash cost including royalties
- Estimated capital and working capital: A\$690-A\$740M (real); A\$725-A\$775 (nominal – including escalation)
- Estimated maximum cash draw down: A\$195-A\$200M (IGO 30% share at gold price of A\$1,300/oz)
- Estimated payback: 2.2 years (at gold price of \$A1,300/oz, USD:AUD parity and US\$85/barrel oil)
- Fresh ore milling rate: 5.8Mt pa
- Road construction commencement: Early June 2011 Quarter
- Anticipated first gold production: December 2013 Quarter
- Additional Upside: Boston Shaker open pit, potential underground mine and numerous regional exploration targets

Independence Group NL (“**IGO**”), with its joint venture partner AngloGold Ashanti Limited (“**AGA**”) is pleased to announce the results of the Bankable Feasibility Study (“**BFS**”) for the Tropicana Gold Project (“**Tropicana**”). AGA is the manager and operator of Tropicana with a 70% interest and IGO has a 30% interest.

The **BFS** includes assumed production from the Tropicana, Havana and Havana South Open Pit operations only. The BFS has been prepared on a contract mining basis whereas the previously released Pre-feasibility Study also considered owner-operator scenarios.

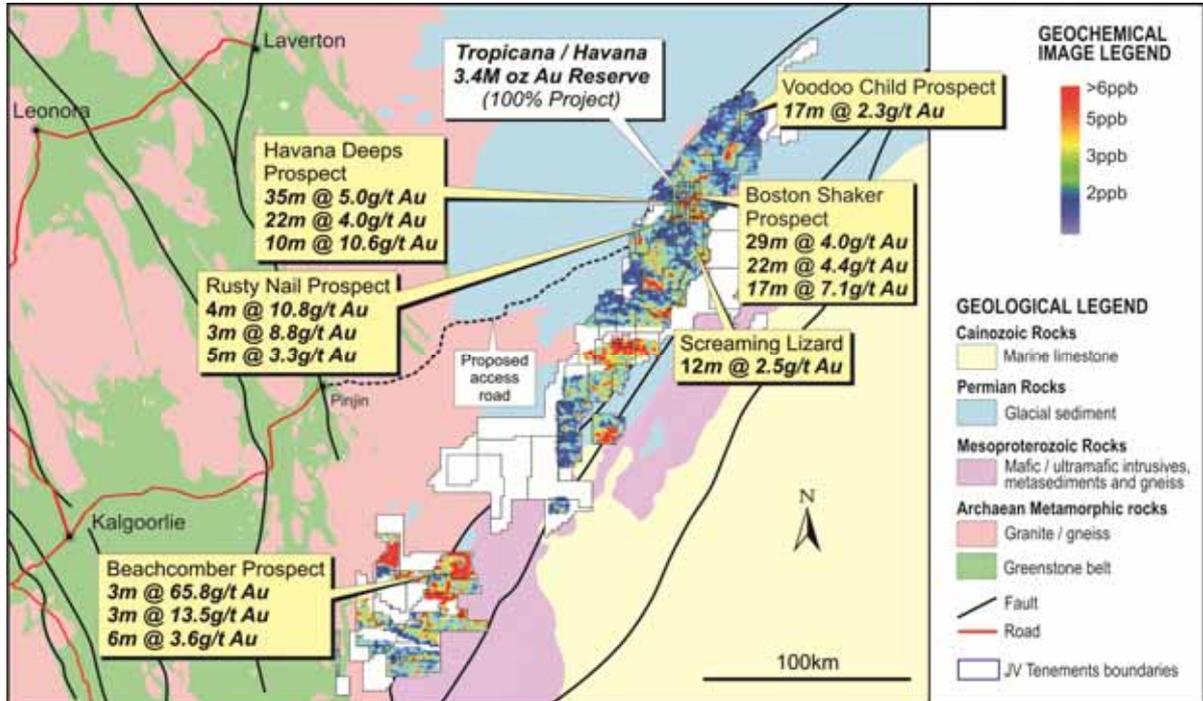
***The study does not include any potential production from the recently discovered Boston Shaker deposit or the potential Havana Deeps underground extension. The potential upside to the proposed operation from a Boston Shaker open pit is currently being examined by a recently approved feasibility study following the positive outcome of the scoping study. The scoping study on Havana Deeps was also positive and the pre-feasibility study on this deposit is currently awaiting approval.***

**Table 1: November 2010 BFS Results**

	<b>BFS NOVEMBER 2010</b>
Initial Mine Life	10 years
Potential Further Mine Life	Boston Shaker Havana Deeps Regional Targets
Reserves (Refer Table 2)	48Mt @ 2.2 g/t Au for 3.4Moz
Mining Inventory	59Mt @ 2.0 g/t Au for 3.8Moz
Expected Recovered Gold Production	3.45Moz
Capital Cost – Plant & Infrastructure:	
- Real	A\$590 – 620M
- Nominal	A\$615 – 650M
Capitalised Pre-Commissioning Operating Costs	
- Real	A\$100 – 120M
- Nominal	A\$110 – 125M
Cash Costs, including royalties (Real)	A\$710 – 730/oz Au
Escalation Rates Applied to Capital Costs (Nominal)	Nominal capital costs include a generous allowance for the potential mining boom in Western Australia during the construction period
Gold Recovery Rate	90.4%
Annual Average Gold Production Over 10 Year Life	330,000 – 350,000 oz
Maximum Draw Down (IGO 30% Share)	A\$195M – 200M (Real)
Strip Ratio	5.5:1
Expected First Production	Second Half 2013
Estimated Average Annual Production Years 1 – 3	470,000 – 490,000 oz
Cash cost including royalties Years 1 – 3	A\$580 – 600/oz
Payback Period (based on A\$1,300/oz gold price, US\$85/bbl oil, AUD:USD 1.00)	2.2 years
Power Generation	Diesel Gas being assessed

## 1 LOCATION

The Tropicana Deposit is located 330km north-east of Kalgoorlie and 200km south-east of Laverton which should be approximately 4 hours drive from Kalgoorlie once the site access road is established (**Figure 1**). The mine will operate on a fly-in, fly-out basis using contract mining.



**FIGURE 1: Tropicana JV – Tenure, Tropicana and Havana Reserve Locations, Gold Geochemical Anomalies, Significant Drill Intercepts Outside Tropicana-Havana Resources and Selected Prospect Locations**

## 2 GEOLOGY

The Tropicana Deposit comprises four known mineralised zones: Boston Shaker, Tropicana, Havana and Havana South (**Figures 2 and 3**). The zones are broadly “stratiform”, with both the favourable host sequence and gold mineralisation dipping approximately 30° towards the east to south-east.

Mineralisation has been intersected to a vertical depth of over 1,000m at Havana, 2.1 km down plunge of the proposed Havana open pit base (**Figure 5**).

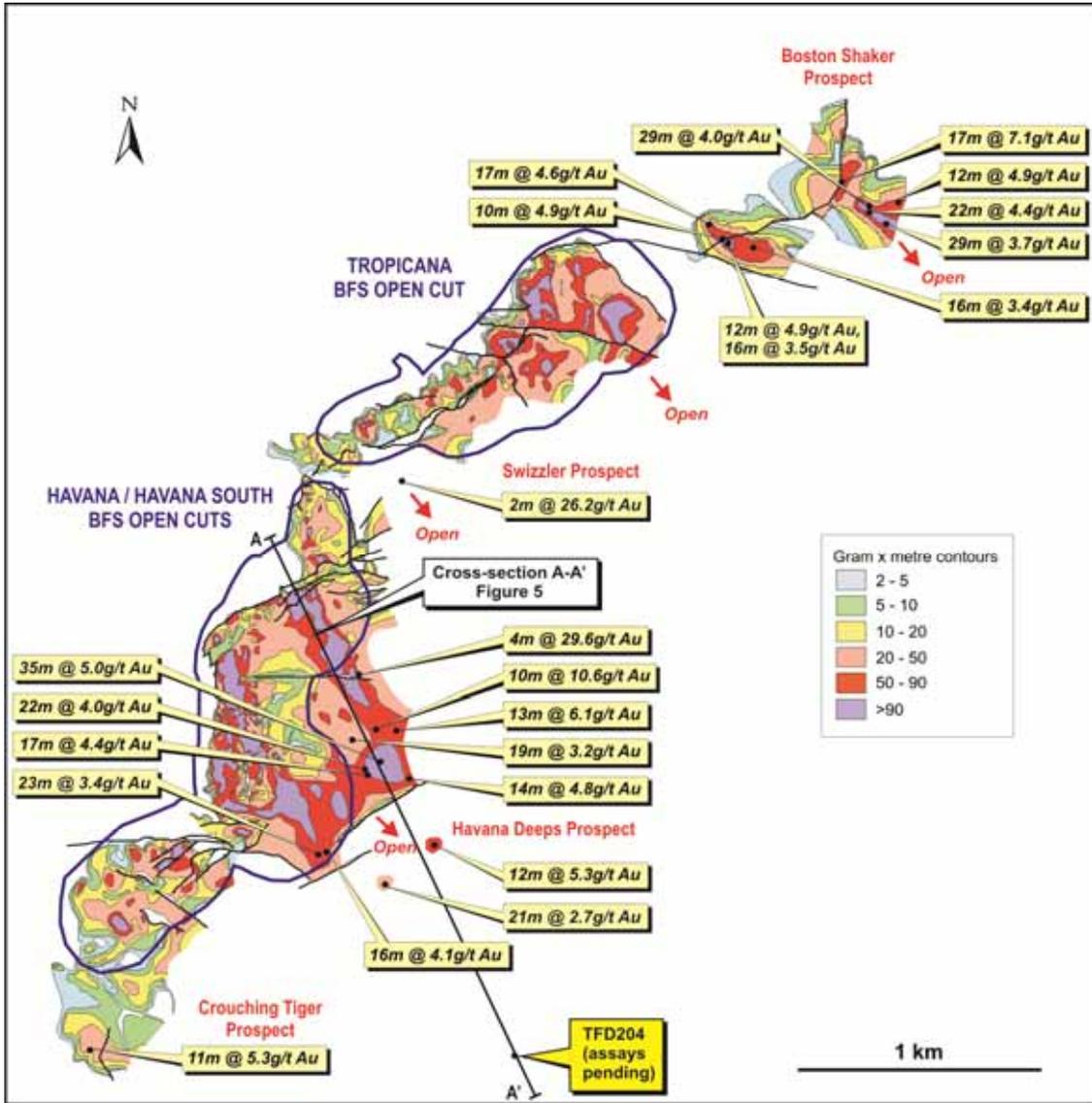


FIGURE 2: TROPICANA JV – PROPOSED TROPICANA AND HAVANA BFS OPEN PIT OUTLINES, PROSPECT LOCATIONS, g/T AU x THICKNESS (M) CONTOURS AND SIGNIFICANT INTERCEPTS OUTSIDE NOVEMBER 2010 RESERVES

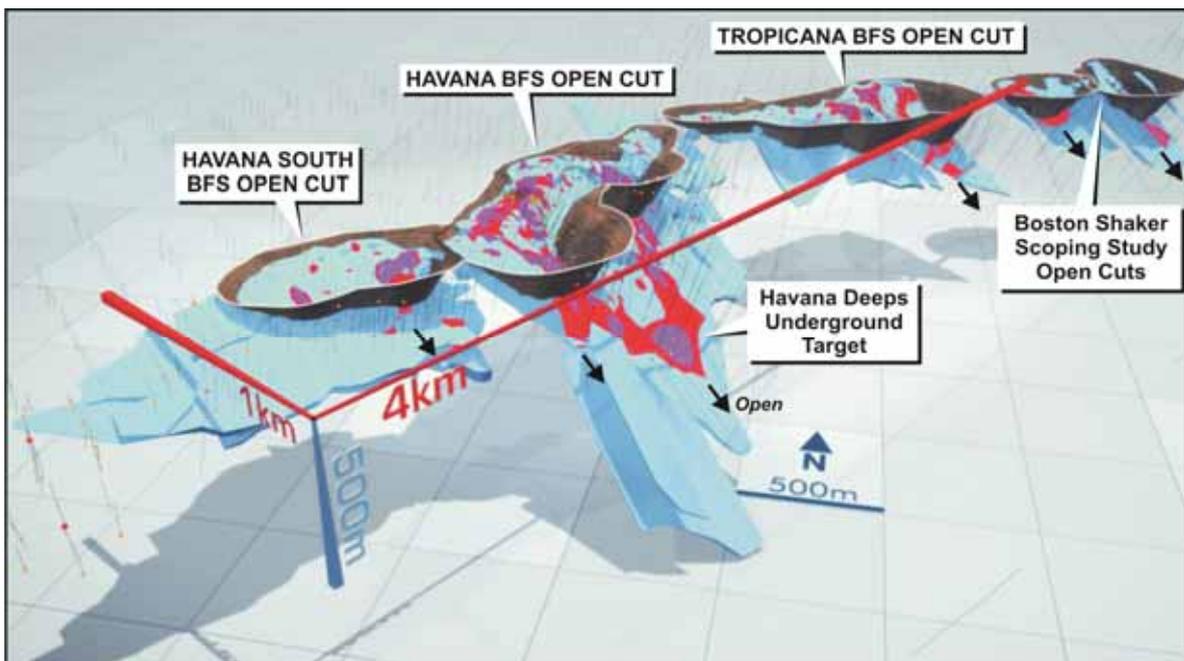


FIGURE 3: TROPICANA JV: BFS 3D PIT SHELLS WITH BOSTON SHAKER SCOPING STUDY PITS AND HAVANA DEEPS TARGET

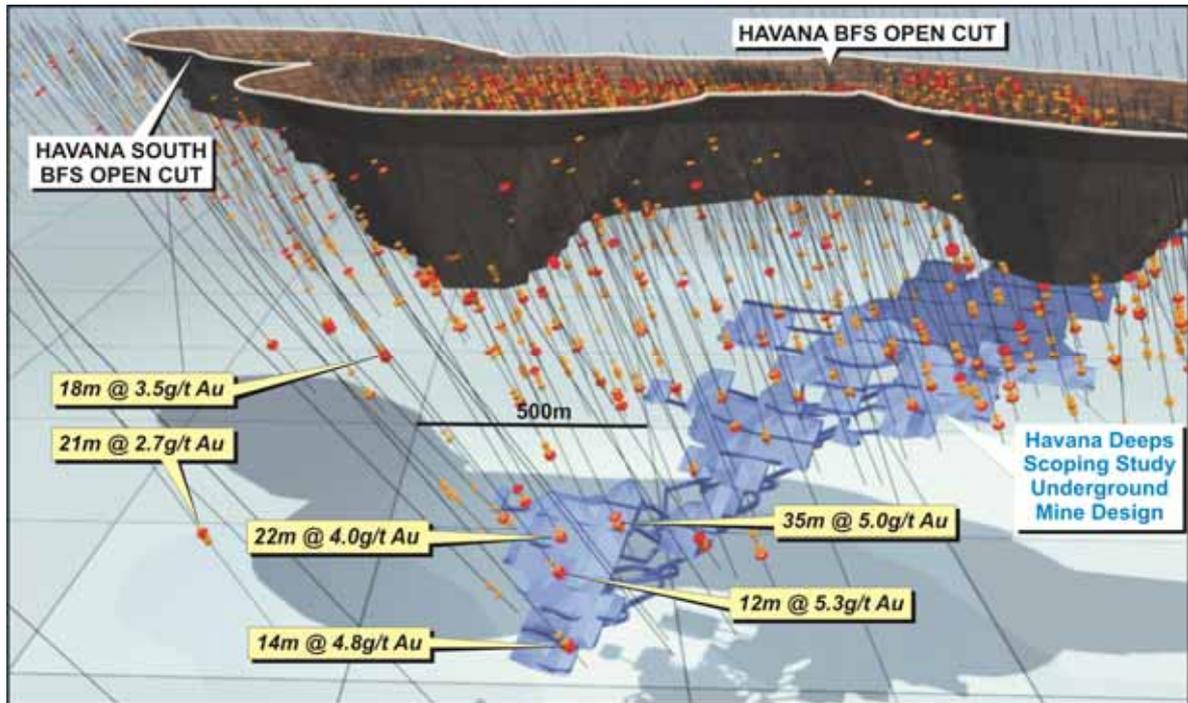


FIGURE 4: TROPICANA JV: HAVANA DEEPS SCOPING STUDY CONCEPTUAL UNDERGROUND MINE DESIGN AND SIGNIFICANT DRILL INTERCEPTS

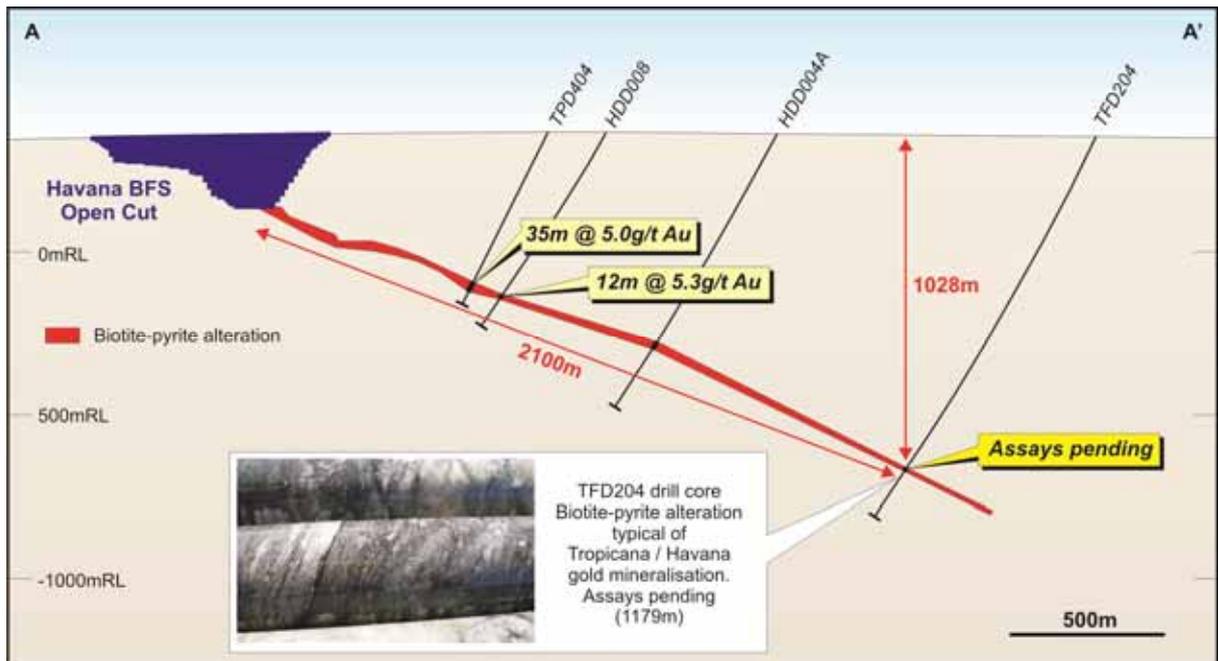


FIGURE 5: TROPICANA JV: HAVANA DEEPS CROSS-SECTION SHOWING TFD 204 STEP-OUT HOLE

### 3 RESERVES

The BFS was based on a Proved and Probable Reserve of 48 Mt grading 2.2 g/t for 3.4 million ounces of gold (**Table 2**).

TABLE 2: PROVED AND PROBABLE RESERVE

CLASSIFICATION	TONNES (M)	GRADE (g/t)	CONTAINED GOLD (T)	CONTAINED GOLD (Moz)
Proved	24	2.3	55	1.8
Probable	24	2.1	50	1.6
<b>TOTAL</b>	<b>48</b>	<b>2.2</b>	<b>105</b>	<b>3.4</b>

*The Proved and Probable Ore Reserve have been reported above break-even cut-off grade of 0.6g/t gold for oxide (Transported, Saprolite) and Sap-Rock (also referred to as Transition) materials and 0.7g/t gold for Fresh material at a nominated gold price of US\$880/oz, oil price of US\$85/barrel and an exchange rate of 0.80 AUD:USD (equivalent to A\$1,100/oz) as specified in the Tropicana Gold Project Feasibility Study Charter (2009).*

The reserves were estimated using a US\$880oz gold price (A\$1,100/oz), A\$/US\$0.80 exchange rate, A\$106/barrel Brent crude oil, contract mining costs, and fresh ore 0.7 g/t Au and oxide 0.6 g/t Au cut-offs.

AngloGold Ashanti is currently estimating a new resource including potential Boston Shaker open cut and Havana Deeps underground mineralisation.

#### 4 MINING INVENTORY

The BFS mining inventory totalled 59 million tonnes grading 2.0 g/t for 3.8 million ounces. Approximately 12% of the total inventory is classified as Inferred Resource.

#### 5 MINING

The open pits are expected to provide approximately 59 million tonnes of plant feed at an average grade of 2 g/t Au and produce 3.45 million ounces of recovered gold over a 10 year mine life. A total of 59Mt of ore and 328Mt of waste is planned to be mined using contract mining at an overall waste to ore strip ratio of 5.5:1 (**Figure 6**).

Mining is planned to be by conventional open pit drill and blast methods using trucks and excavators. It has been assumed that bulk mining methods would be appropriate for waste material.

#### 6 METALLURGY

A comprehensive metallurgical test work program and engineering analysis has been completed with a range of processing flow sheets considered. A gold process flow sheet including high pressure grinding rolls and ball milling to 80% passing 75 microns followed by a carbon-in-leach (CIL) circuit is planned. This is anticipated to result in an average recovery rate of 90.4% (**Figures 7 and 8**).

The plant throughput on 100% fresh ore will be approximately 5.8 Mtpa and on a blend of oxide and fresh ores will increase to 6 Mtpa.

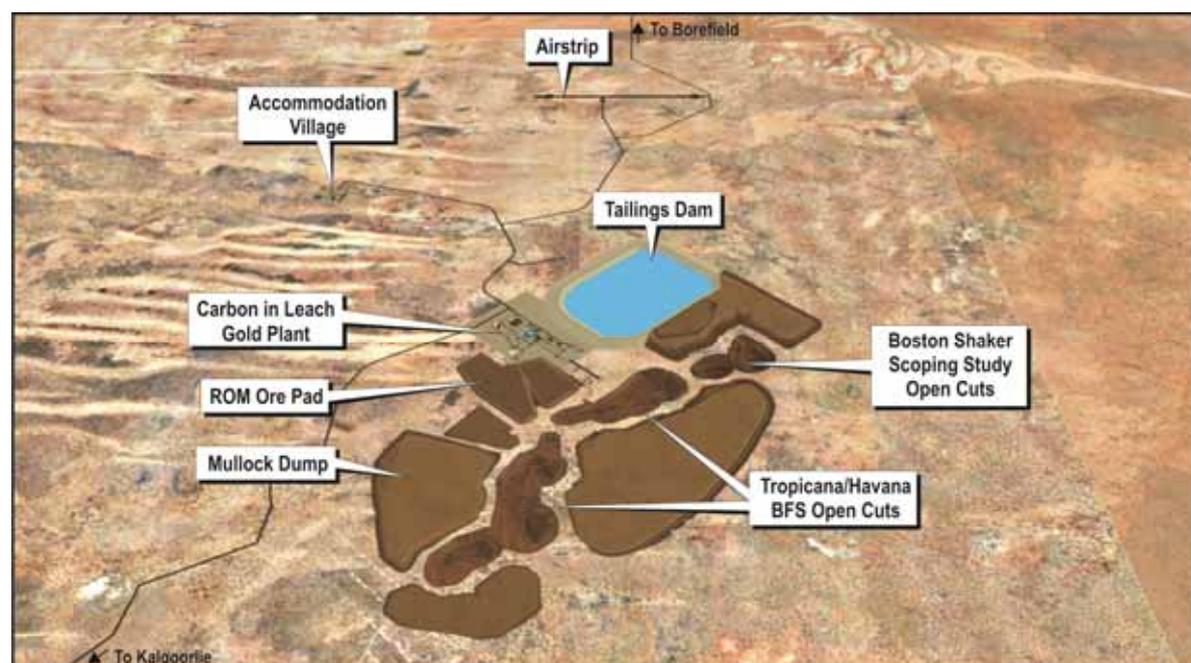


FIGURE 6: TROPICANA JV: AERIAL VIEW OF TROPICANA GOLD PROJECT BFS OPEN CUTS AND MINE INFRASTRUCTURE

## 7 CAPITAL COSTS

Despite the relative proximity to the mining hub of Kalgoorlie, the area is characterised by a lack of infrastructure. A substantial investment in supporting infrastructure including mine access roads (220 km), communications, power infrastructure, water supply (located 50 km from proposed plant site), fly-in fly-out accommodation village and sealed airstrip is required.

**Plant and infrastructure and working capital costs are estimated to be A\$690-A\$740M (2010 real) (A\$725 – A\$775M nominal). The nominal estimate includes a generous escalation factor during the construction period in anticipation of a possible mining boom.**

Expenditure during the two quarter commissioning period is likely to be totally offset by gold production during the same period.

## 8 ENVIRONMENT & PERMITTING

All State Government pre-mining approvals including native title and environmental approvals have been granted. All Mining Licences and Miscellaneous Licences necessary to enable the project to proceed have been granted.

## 9 PROJECT IMPLEMENTATION

Construction of the 220km site access road is required before major site construction activities can commence. Combined plant and infrastructure construction is expected to take up approximately 30 months. First gold production is expected in the December 2013 Quarter.

It is estimated that the Project will employ up to 550 people during construction and up to 450 people during operations.

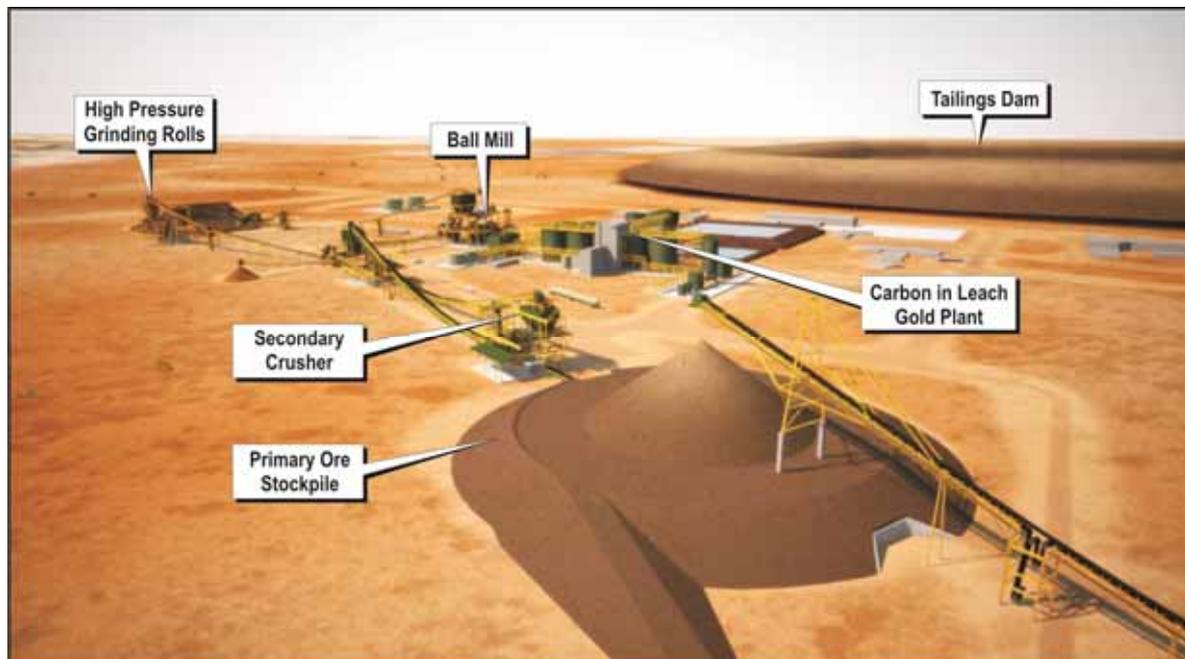


FIGURE 7: TROPICANA JV: 3D SCHEMATIC OF TROPICANA GOLD PROJECT 6MTPA BFS GOLD TREATMENT PLANT

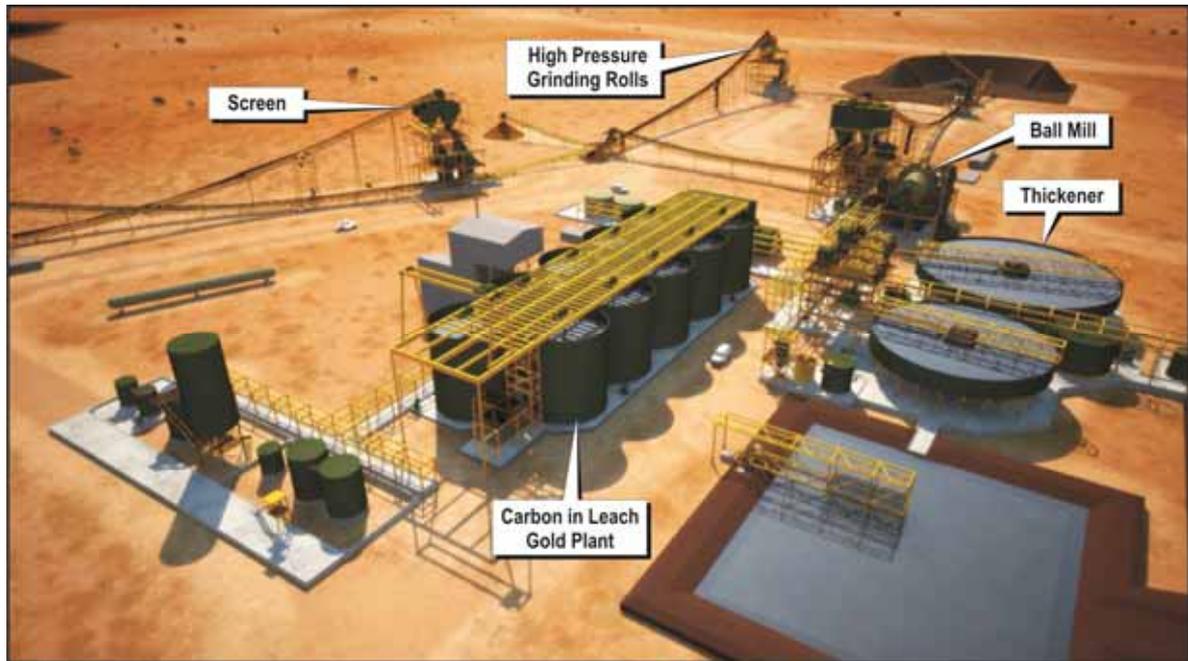


FIGURE 8: TROPICANA JV: 3D SCHEMATIC OF TROPICANA BFS GOLD PLANT

## 10 TROPICANA JV PROJECT UPSIDE

Whilst the initial mine life is estimated at 10 years, the Joint Venture partners are confident this can be extended.

### Boston Shaker

Step-out exploration drilling in late 2009 returned significant results from the Boston Shaker prospect, which lies approximately 360m north of Tropicana resource. Drilling to date has identified the faulted offset of Tropicana mineralisation over an 850m strike length (**Figure 2**) and remains open at depth.

An open pit scoping study based on data available to July 2010 has been completed on Boston Shaker and indicates that an expansion to the current BFS open pit resource is highly likely. Boston Shaker progressed into full feasibility study in September 2010, with completion targeted for the first half of 2011.

### Havana Deeps

Significant results have also been received from the Havana Deeps prospect, which show extensions of the Havana mineralised system below the Havana open pit.

The recently-completed Havana Deeps scoping study, based on drilling data to the end of July 2010, indicates the potential viability of underground mining at Havana Deeps (**Figure 4**).

Although it is too early to determine the scale or timing of underground mining, it could possibly occur in parallel with open pit mining, once a suitable portal position is available in the open pit. It is anticipated that Havana Deeps will progress into a pre-feasibility study in early 2011.

The potential of Havana Deeps has been highlighted by a recent deep step-out exploration drill hole, which intersected the mineralised package at 1km depth, in excess of 2.1 km down plunge of the Havana open pit design. Assay results are awaited (**Figure 5**).

**Work is in progress to incorporate the results of the Boston Shaker and Havana Deeps scoping studies, along with subsequent drilling results, into a revised resource estimate.**

## Crouching Tiger

Encouraging intersections have also been returned from recent infill RC drilling at the Crouching Tiger Prospect, 250m south of the Havana South BFS pit outline, including **11m @ 5.3 g/t Au** from 102m (**Figure 2**).

## Regional Targets

In addition to the upside in the immediate mine area, the Joint Venture has more than 30 exploration targets within trucking distance of the mine, along with numerous anomalies on its 16,000 square kilometre tenement holding in the highly prospective Tropicana Belt (**Figure 1**).

## BACKGROUND

*Independence Group NL (IGO) has a 30% contributing interest in the Tropicana Joint Venture managed by AngloGold Ashanti Australia. The Tropicana JV comprises approximately 16,000km<sup>2</sup> of prospective tenure covering a strike length of nearly 400km.*

*The Tropicana project was generated by IGO and joint ventured to AngloGold Ashanti on 30 January 2002. The first major discovery within this extensive tenement package is the Tropicana deposit, comprised of the Tropicana and Havana Zones.*

*The Havana Deeps and Boston Shaker gold discoveries have the potential to add to Tropicana-Havana Resources and Reserves.*

Updates on the Project's progress can be found on the Company's website.



## Christopher Bonwick MANAGING DIRECTOR

**Sign Off:** The information in this report that relates to Ore Reserves is based on information compiled by Marek Janas, a full time employee of AngloGold Ashanti Australia Ltd, who is a member of the AusIMM. Marek Janas has sufficient experience relative to the type and style of mineral deposit under consideration, and to the activity which has been undertaken, to qualify as a Competent Person (or Recognised Mining Professional) as defined in the 2004 Edition of the JORC Code. Marek Janas consents to the release of this reserve based on the information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Mark Kent, a full-time employee of AngloGold Ashanti Australia Ltd, who is a member of the AusIMM. Mark Kent has sufficient experience relative to the type and style of mineral deposit under consideration, and to the activity which has been undertaken, to qualify as a Competent Person (or Recognised Mining Professional) as defined in the 2004 Edition of the JORC Code. Mark Kent consents to the release of this resource based on the information in the form and context in which it appears.

The information in this report that relates to Exploration Results is based on information compiled by Mark Doyle, a full-time employee of AngloGold Ashanti Australia Ltd, who is a member of the AusIMM. Mark Doyle has sufficient experience relative to the type and style of mineral deposit under consideration and to the activity that has been undertaken, to qualify as a Competent Person (or Recognised Mining Professional) as defined in the 2004 Edition of the JORC Code. Mark Doyle consents to the release of this resource based on the information in the form and context in which it appears.

The remaining information in this report that relates to Exploration Results and Ore Reserves is based on information compiled by Christopher M Bonwick who is a full-time employee of the Company and is a member of the Australasian Institute of Mining and Metallurgy. Christopher Bonwick has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Christopher Bonwick consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

**Forward-Looking Statements:** This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Independence Group NL's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Although Independence Group NL believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

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