



4 November 2010

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

NO. OF PAGES : (4)

**RE: ACCELERATED NON-RENOUNCEABLE ENTITLEMENT OFFER**

Please find attached a letter sent to Independence Group NL optionholders today.

**CHRISTOPHER BONWICK**  
Managing Director



4 November 2010

Dear Optionholder

**Participation in accelerated non-renounceable entitlement offer**

**Overview**

Independence Group NL (**Independence**) wishes to advise that it intends to proceed with an accelerated non-renounceable entitlement offer of one ordinary share in Independence (**New Share**) for every 15 ordinary shares (**Share**) at an offer price of \$6.65 per New Share (**Entitlement Offer**) to raise a maximum of \$50,568,169.40 before costs.

In conjunction with the Entitlement Offer, Independence also announced a placement to institutional investors of 17,109,530 New Shares (**Placement**).

The Entitlement Offer will comprise:

- an entitlement offer to eligible institutional shareholders (**Institutional Entitlement Offer**); and
- an entitlement offer to eligible retail shareholders (**Retail Entitlement Offer**).

Further information in relation to the Entitlement Offer has been disclosed to the ASX.

The Entitlement Offer is being made without prospectus or product disclosure document in accordance with section 708AA of the Corporations Act 2001 (Cth) as modified by ASIC Class Order 08/35.

The Entitlement Offer is fully underwritten by Bell Potter Securities Limited (**Underwriter**).

In relation to the Retail Entitlement Offer, only shareholders who:

1. are registered as a holder of Shares in Independence as at 5.00 pm (Perth time) on Tuesday, 9 November 2010 (Record Date);
2. have a registered address in Australia or New Zealand;
3. are not in the United States;
4. were not invited to participate (other than as nominee) under the Institutional Entitlement Offer, and were not treated as ineligible institutional investors under the Institutional Entitlement Offer; and
4. are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer,

will be eligible to participate (**Eligible Shareholders**).



There is no inherent right in your options to participate in the Retail Entitlement Offer. The purpose of this letter is to give you notice prior to the Record Date in which you may exercise your options should you wish to participate in the Retail Entitlement Offer.

Accordingly, if you wish to participate in the Retail Entitlement Offer (to the extent of any Shares which would be issued upon exercise of your options) you must exercise your options in time for Shares to be allotted to you before the Record Date. To ensure that the Shares to be issued to you upon exercise of your options are allotted and issued before the Record Date, your notice of exercise of option (**Notice of Exercise**) together with your cheque for the relevant application money must be received by Independence by no later than 5.00 pm (Perth time) on Monday, 8 November 2010. Any Shares to be issued in relation to a Notice of Exercise received after this date cannot be assured of being allotted and issued before the Record Date.

If you do not wish to participate in the Retail Entitlement Offer (in respect of your options) you do not need to take any action.

Before deciding whether to exercise all or any of your options, you should consider the terms of the Entitlement Offer carefully and consult with your professional advisor if necessary.

### Key Dates

The New Shares will be offered via the Entitlement Offer without disclosure to Eligible Shareholders under Part 6D.2 of the Corporations Act 2001 (Cth) (**Corporations Act**) as modified by CO 08/35 in accordance with the following timetable:

Independence obtain Trading Halt on ASX	4 November 2010
Announcement of Entitlement Offer and lodgement of Appendix 3B	4 November 2010
Notice to Optionholders	4 November 2010
Institutional Entitlement Offer and Placement opens and closes	4-5 November 2010
Result of Institutional Entitlement Offer and Placement announced to market via ASX	8 November 2010
Record Date	9 November 2010
Lodgement of Offer Booklet	11 November 2010
Despatch of Offer Booklet and Entitlement and Acceptance Forms	12 November 2010
Retail Entitlement Offer opens	12 November 2010
Retail Entitlement Offer closes at 5.00 pm (Perth time)	26 November 2010
Notification of shortfall	1 December 2010
Allotment of New Shares & despatch of holding statements	6 December 2010
Normal trading of New Shares to commence on ASX	7 December 2010

The timetable outlined above is indicative only and subject to change. The Directors, in conjunction with the Underwriter, reserve the right to vary these dates, including the Closing Date of the Retail Entitlement Offer, without prior notice but subject to the Corporations Act 2001 (Cth) and the ASX Listing Rules. The Directors also reserve the right not to proceed with the whole or part of the Entitlement Offer at any time prior to allotment.

In that event, the relevant application money (being the amount paid for New Shares applied for in a duly completed Entitlement and Acceptance Form) will be returned without interest.



### Further Details

Full details of the Entitlement Offer are contained in Independence's announcement lodged with the ASX today, which is available at their website: [www.asx.com.au](http://www.asx.com.au). The announcement can also be found on Independence's website: [www.igo.com.au](http://www.igo.com.au).

If you have any questions, please contact Security Transfer Registrars on +61 8 9315 2333 at any time from 9.00 am to 5.00 pm Perth time from Monday to Friday.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Christopher Bonwick'.

Christopher Bonwick  
Managing Director