

# INDEPENDENCE GROUP NL

## 5<sup>th</sup> Annual Precious Metals Summit

16-18 September 2015



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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 other than the Nova Project should be read in conjunction with IGO's 2014 Mineral Resource and Ore Reserve announcement dated 28 August 2014 (excluding Stockman Ore Reserves) and Stockman Optimisation Study announcement dated 28 November 2014 (updated Stockman Ore Reserves), and lodged with the ASX, which are available on the IGO website.
- Any references to Mineral Resource and Ore Reserve estimates for the Nova Project should be read in conjunction with Sirius Resources NL's ASX announcement dated 14 July 2014.
- 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 27th June 2013 and is available from the World Gold Council's website.



# IGO introduction

Leading Australian diversified mining company



## Listed on the ASX (IGO)

- Based in Perth, Western Australia

## Portfolio of high margin assets

- All proximally located in West Australia
- Nickel, Gold, Zinc, Copper, Cobalt

## Consistent track record and future

- Strong cashflow
- Strong balance sheet

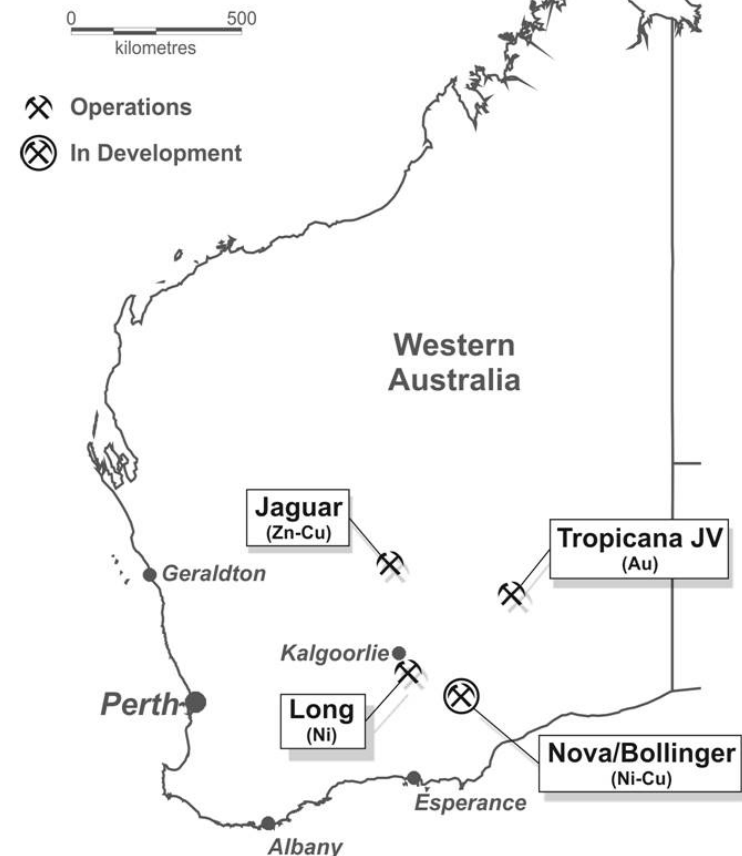
## History of returns to shareholders

- Policy to pay minimum dividend equal to 30% of net profit after tax

## Fully financed growth

- Acquisition of Nova Ni-Cu-Co project<sup>(1)</sup>
- Negotiated new A\$550M corporate finance facility under highly competitive terms

## Location Map



1) Completion of transaction on 22 September 2015

# Summary of FY2015 results

Strong free cash flow resulting in a strong balance sheet



Highlights (A\$'M)	FY2015	FY2014	Change
Revenue	499	399	25%
Underlying EBITDA <sup>(1)</sup>	213	148	45%
Profit after tax	77	49	57%
Net Cash Flow From Operating Activities	202	127	59%
Free Cash Flow	116	30	283%
Cash (at end of period)	121	57	112%
Marketable Securities (at end of period)	16	1	N/A
Debt (at end of FY2015)	(\$0M)	(29)	N/A
Dividends paid	26	9	189%

1) 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, depreciation and amortisation

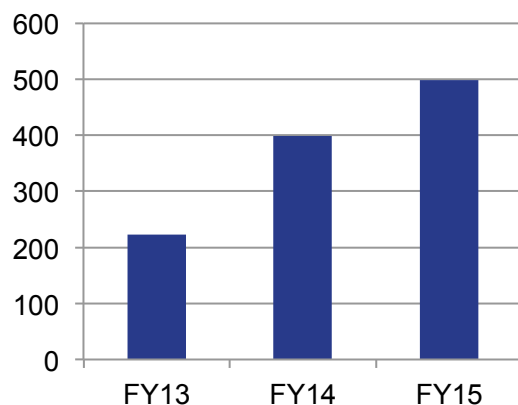


# FY2015 financial results

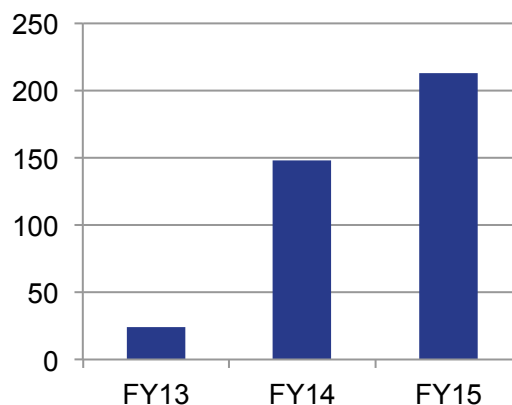
Strong growth in all metrics over last three years



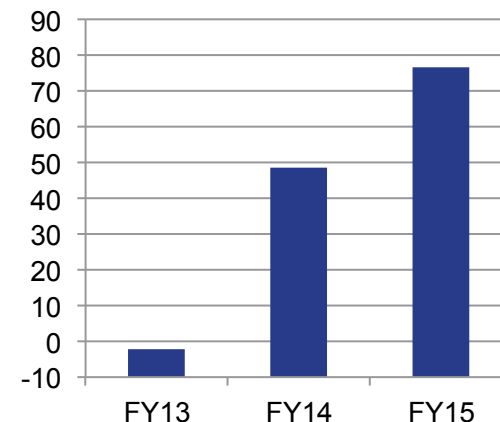
Revenue (A\$'M)



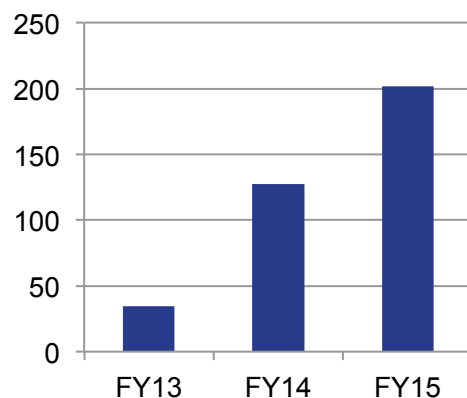
EBITDA (A\$'M) <sup>(1)</sup>



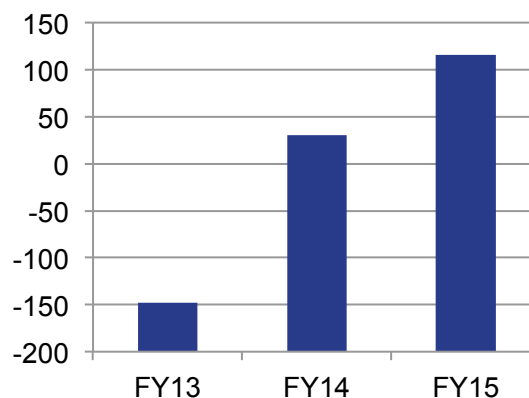
Profit After Tax (A\$'M)



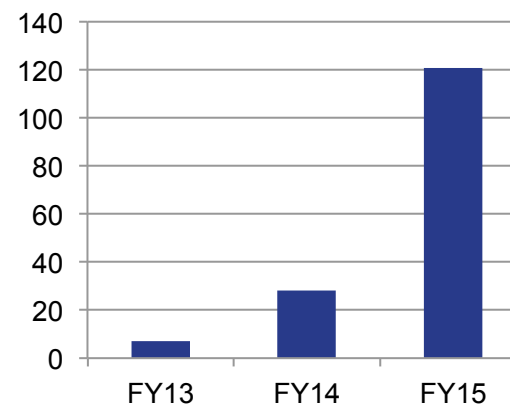
Operating Cashflow (A\$'M)



Free Cash Flow (A\$'M)



Net Cash (A\$'M)



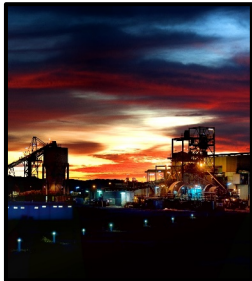

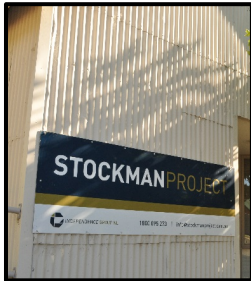
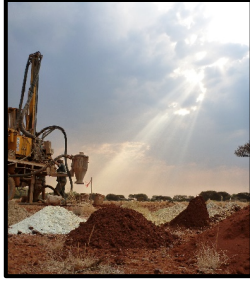


1) Underlying EBITDA is a non-IFRS measure and comprises net profit or loss after tax, adjusted to exclude tax expense, finance costs, interest income, asset impairments, depreciation and amortisation

# IGO asset portfolio

## Portfolio of gold and base metals assets



Mining			Construction	Permitting	Exploration
					
<b>Au</b>	<b>Ni</b>	<b>Zn/Cu</b>	<b>Ni/Cu</b>	<b>Cu/Zn</b>	
<b>TROPICANA</b>	<b>LONG</b>	<b>JAGUAR</b>	<b>NOVA</b>	<b>STOCKMAN</b>	<b>VARIOUS</b>
30% JV Interest	100% owned	100% owned	100% owned	100% owned	70-100%
West Australia	West Australia	West Australia	West Australia	Vic, Australia	Australia
135,000oz <sup>(1)</sup>	8,750t Ni <sup>(1)</sup>	37,500t Zn + 7,750t Cu <sup>(1)</sup>	26,000t Ni + 11,500t Cu <sup>(3)</sup>	15,000t Cu + 26,000t Zn <sup>(4)</sup>	Au, Ni, Cu, Zn
A\$675/oz <sup>(1)(2)</sup>	A\$3.75/lb Ni <sup>(1)(2)</sup>	A\$0.50/lb Zn <sup>(1)(2)</sup>	A\$1.66/lb Ni <sup>(3)</sup>	A\$1.30/lb Cu <sup>(2)(4)</sup>	
			A\$443M capex	A\$202M capex	

1) FY16 guidance range mid-point

2) Cash costs are inclusive of royalties and net of by-product credits per unit of payable metal

3) Nova production and cash costs are average LOM production and cash costs from Definitive Feasibility Study (refer to Sirius ASX release dated 14 July 2014) and cash costs are shown net of by-product credits and per unit of metal in concentrate

4) Stockman production and cash costs are average LOM production and cash costs from Optimisation Study (refer to IGO ASX release dated 28 November 2014)



# Tropicana overview

**One of Australia's lowest cost, open pit gold mines of scale**

## 30% IGO

- 70% AngloGold Ashanti (Managers)
- One of best virgin Australian gold discoveries since 2000
- Located 370 km East NE of Kalgoorlie

## Low cost and long mine life

- 3.6Moz Ore Reserves<sup>(1)</sup>
- Contained within 7.5Moz Resources<sup>(1)</sup>
- Open Pit mining
- Avg LOM strip ratio of 5.4 : 1

## Scale

- 5.8 Mtpa processing plant
- Potential to debottleneck to +7.0 Mtpa
- 400,000 oz/yr sustainable production rate<sup>(2)</sup>

## Exploration Upside

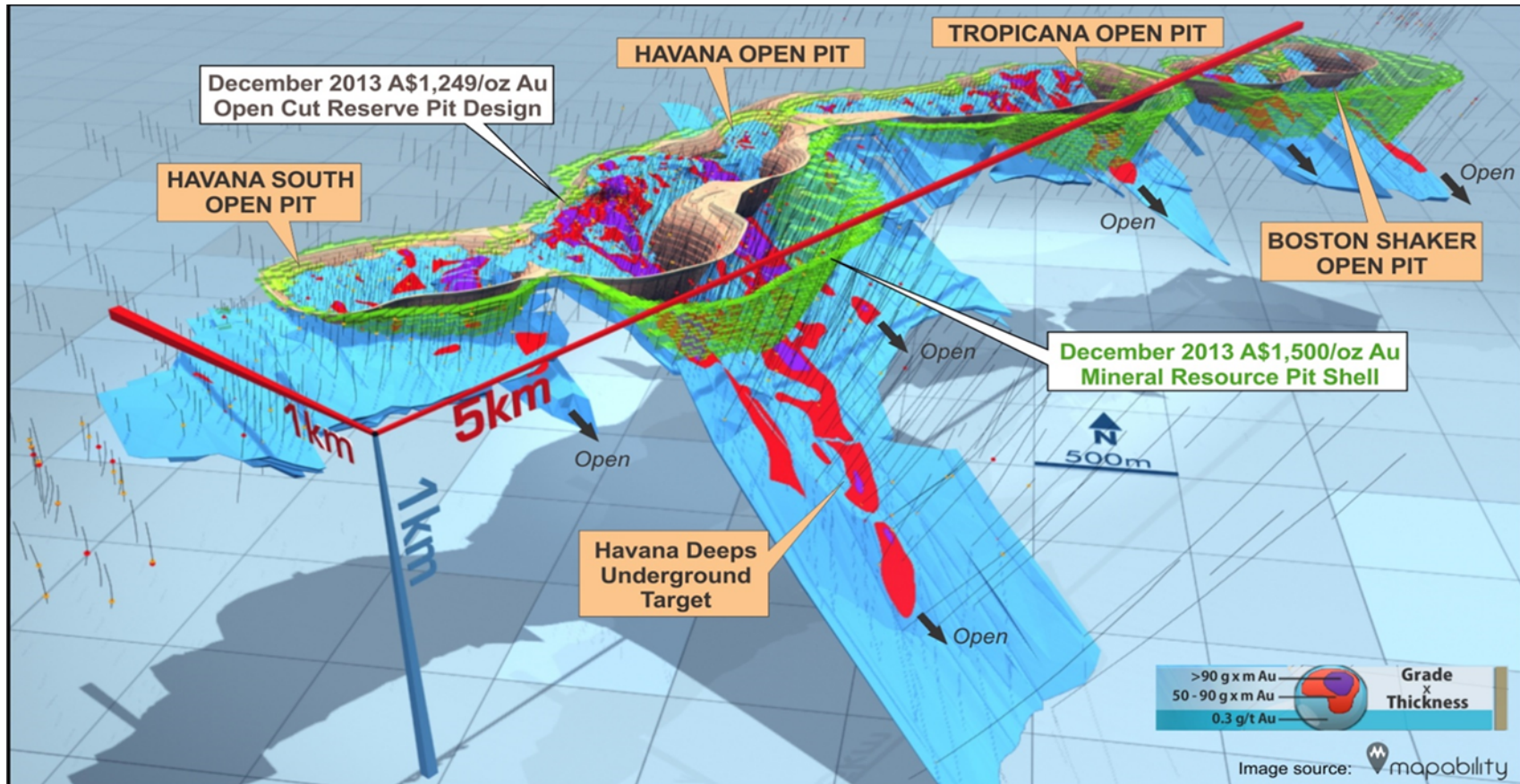


1) As at 30 June 2014

2) Based on ~7.0 Mtpa throughput, 2 g/t average reserve grade and 90% average recovery

# Tropicana pits

Four contiguous pits extending over a five kilometre strike



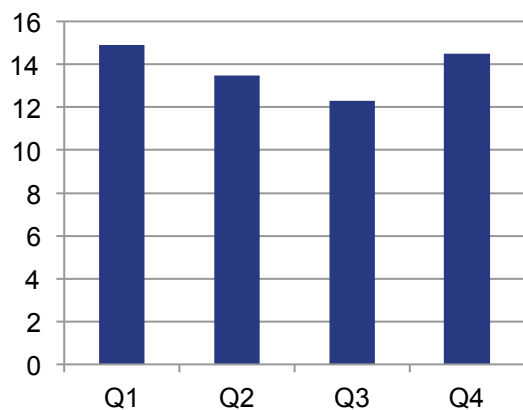


# Tropicana FY15 scorecard

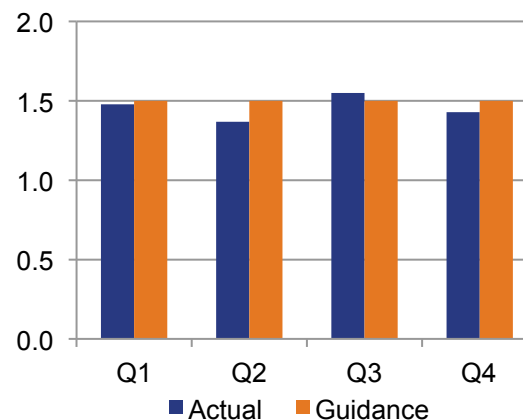
Consistent performance through the year



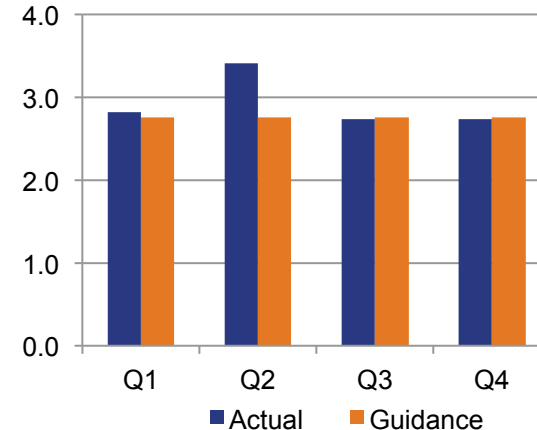
**Total Mined (Mt)**



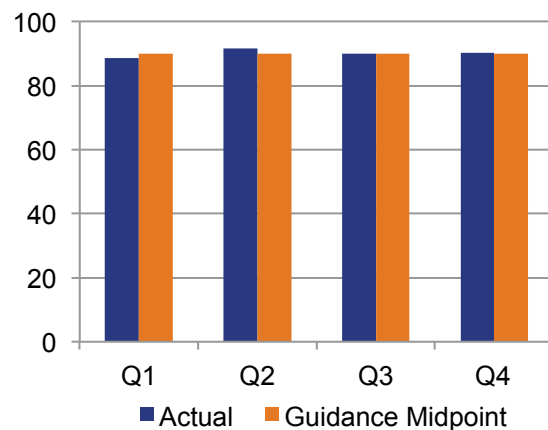
**Mill Throughput (Mt)**



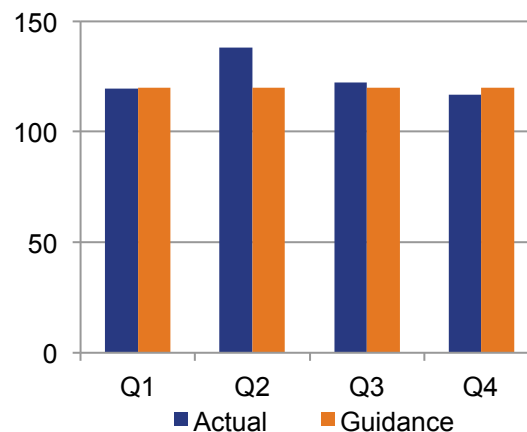
**Milled Grade (g/t)**



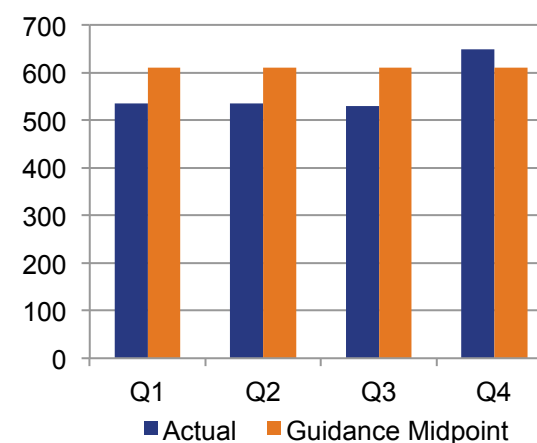
**Gold recovery (%)**



**Gold Production (koz)**



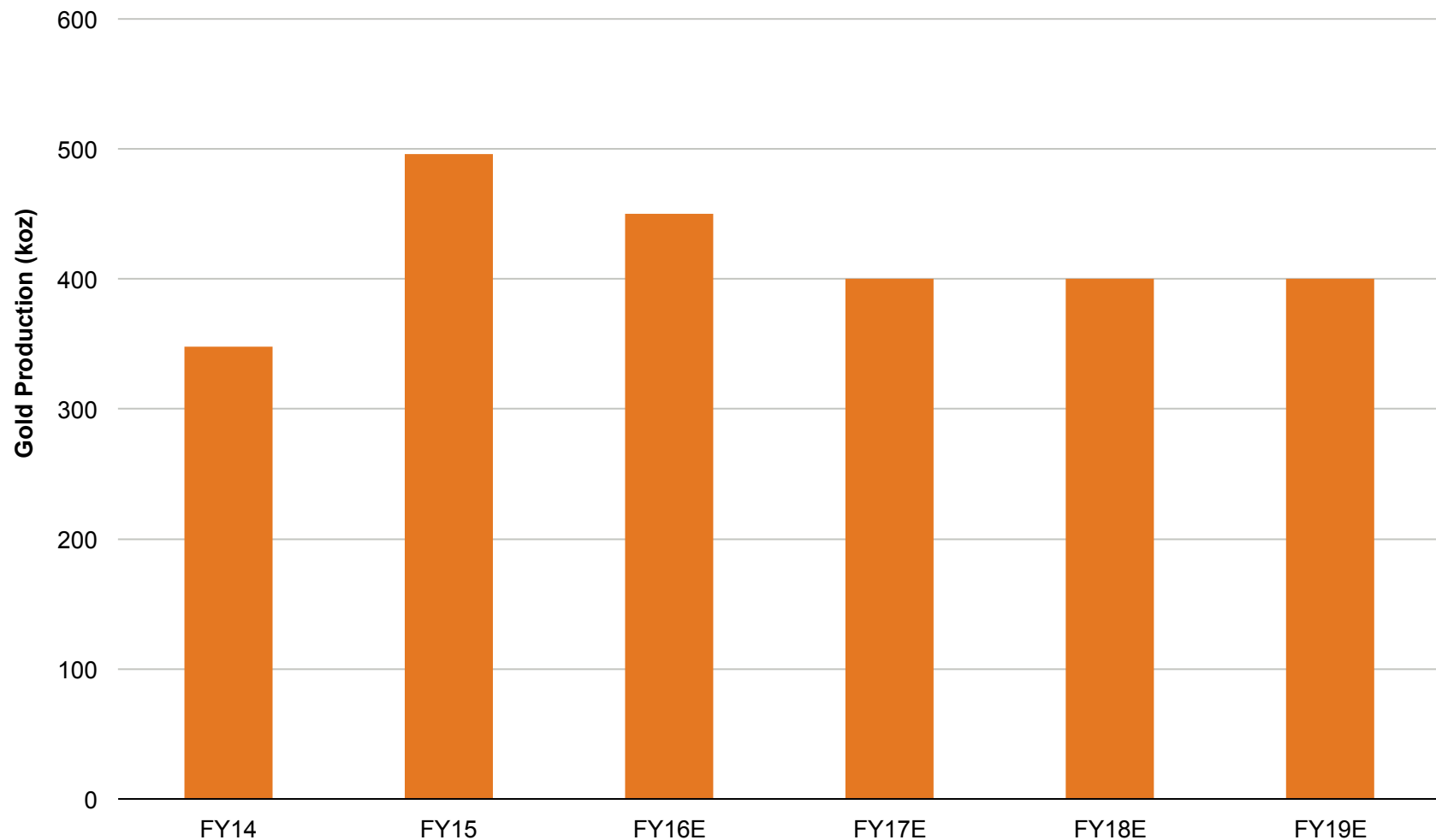
**Cash Costs (A\$/oz)**



# Tropicana production profile



Grade streaming drives production and cash flow in early years



- 1) Gold production shown on 100% basis
- 2) FY17E and later years assumes +7.0 Mtpa processing rate, average reserve grade of 2 g/t and 90% average recovery



# Tropicana upside

Significant potential to extend mine life beyond initial 10 years



## Process plant debottlenecking ongoing

- Throughput rates of up to 6.6 Mtpa achieved on a monthly basis
- Work underway to debottleneck to +7.0 Mtpa at Life of Mine grade of ~2 g/t Au

## Resource extension drilling underway

- Targets generated by 3D seismic survey
- Encouraging results potentially extending mineralisation along strike
- Shallow, potentially low cost extensions of mine life

## Studies underway to incorporate ~3 Moz of existing resource outside current reserves into mine plan

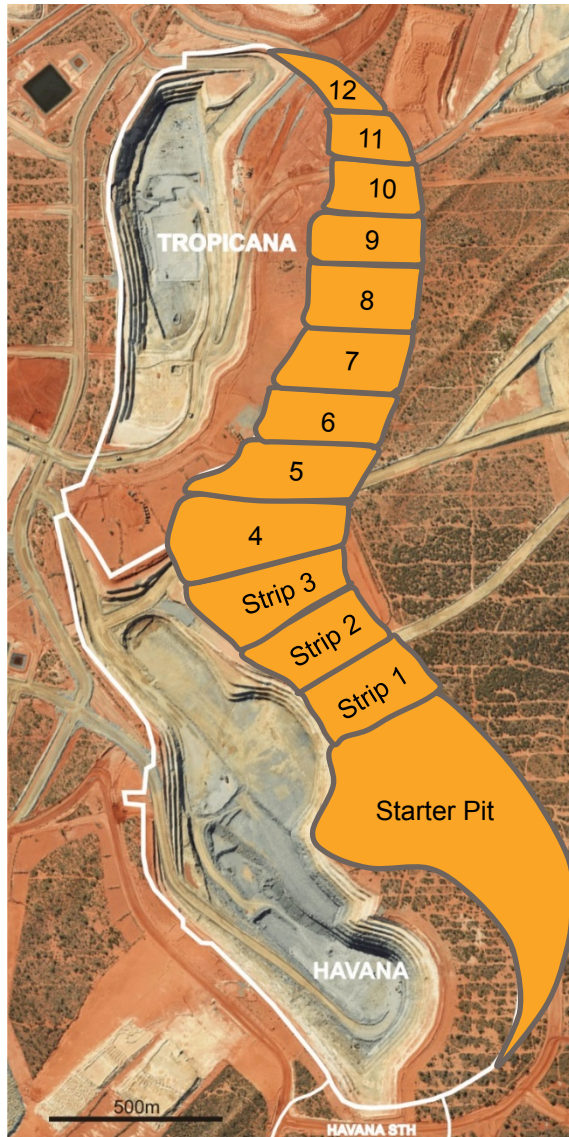
- Aim to maintain current operating margin and extend mine life

## Regional exploration continues

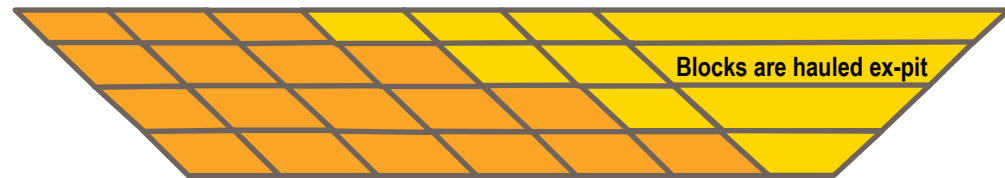
- New prospects identified in favourable host sequence

# Conceptual mining study

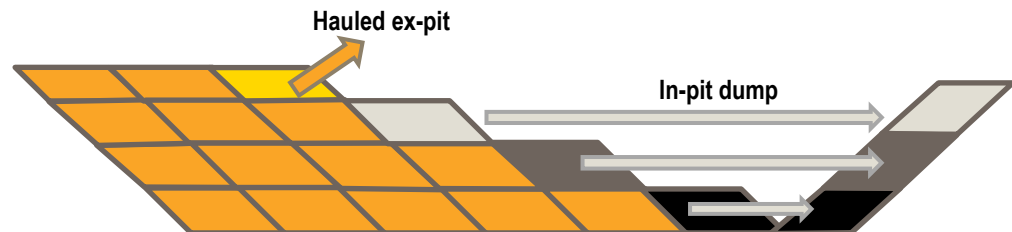
## Potential for larger scale equipment and strip mining approach



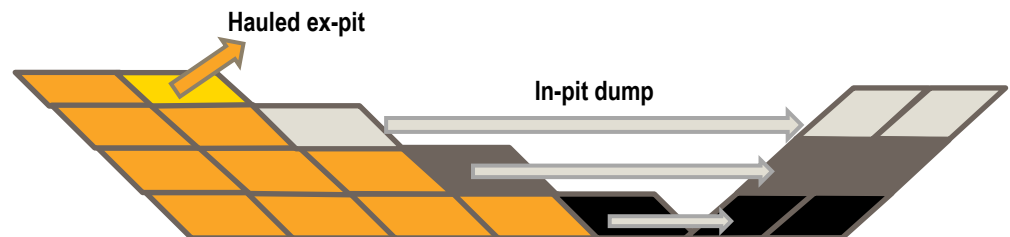
### Step 1: Mine starter pit - waste dumped ex-pit



### Step 2: Mine strips – shallow waste dumped ex-pit and other waste trucked along ramps in pit wall to dump in-pit



### Step 3: Repeat cycle



# Nova overview

## World class, low cost magmatic nickel-copper project



### Fully funded underground nickel-copper project in construction

- Located in highly prospective Fraser Range
- Located 350 km SE of Kalgoorlie, WA
- 350km from port of Esperance, WA
- Acquired by IGO in 2015<sup>(1)</sup>

### Project timeline is a testament to project quality

- Discovered in July 2012
- Feasibility study completed in July 2014
- Construction commenced in January 2015

### World class project

- High margin (low cost and high payability)
- Scale (average 26ktpa Ni and 11.5ktpa Cu)
- Long mine life (initial 10 years)
- Significant exploration upside in emerging province



1) Transaction completion 22 September 2015



# Nova construction underway

First production scheduled for late 2016



## Infrastructure work well progressed

- 492-person camp operational
- 2km long airstrip is operational
- Access road due for completion in 2 months (currently using temporary road)
- LOM tailings dam completed
- Preferred contract power supplier selected

## Critical path items progressing ahead of schedule

- First 935m of decline advance complete (1,197m of total development) - +50% ahead of schedule
- 1.5Mtpa Process plant site works commenced

## Offtake de-risked

- Three year nickel concentrate offtake with BHP Nickel West and Glencore (50/50)
- Three year copper concentrate offtake with Trafigura
- 100% sealed road access available

# Nova: a world class project

Orebody shape, grade and mineralogy underpin low cost profile



## High Grade

- Resource: 14.3Mt @ 2.3% Ni and 0.9% Cu
- Reserve: 13.1Mt @ 2.0% Ni and 0.8% Cu

## Flat lying, thick orebody shape

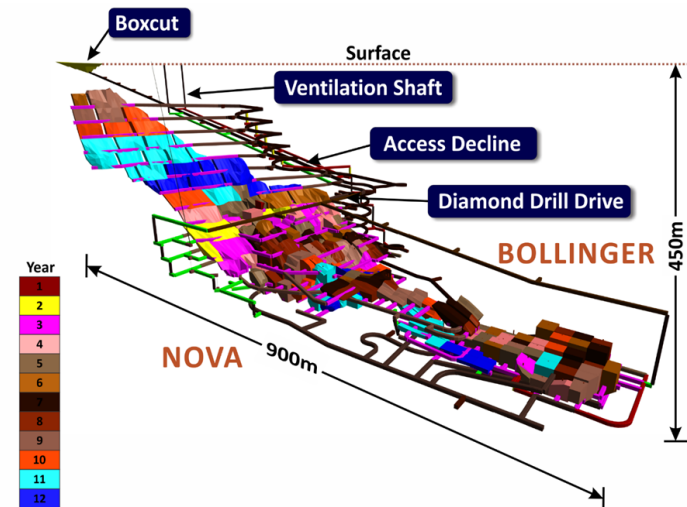
- Translates to lower underground development costs per tonne
- Allows larger sized stopes to be used

## Good metallurgical characteristics

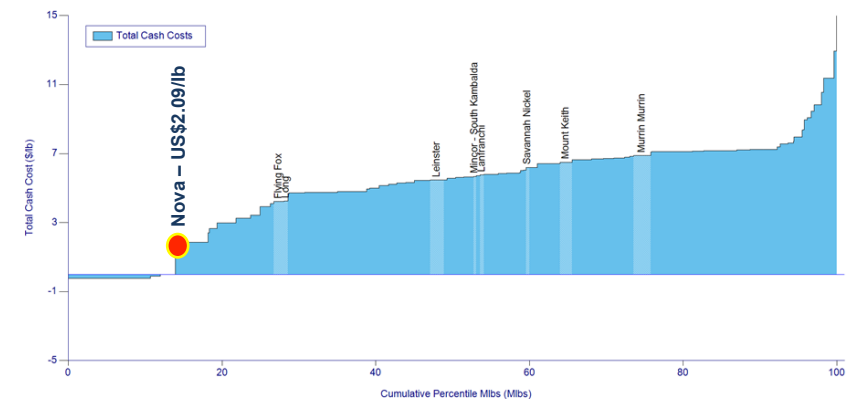
- Coarse mineralogy resulting in high recoveries without fine grinding
- Low impurities and high Fe:MgO ratio resulting in high payabilities

## Low cost and high margin

- Cash costs of US\$1.50/lb inclusive of royalties and net of by-product credits
- Will be the lowest cost producer in Australia and one of the lowest cost producers globally



2015 Nickel Industry, Normal, Total Cash Cost  
Grouped By Operation and Ranked By Total Cash Costs  
Existing Operations and Base Case



Source: Wood Mackenzie Ltd. Dataset: 2015 Q3



# Optimisation study

Focus on accelerating ramp-up and bringing value forward

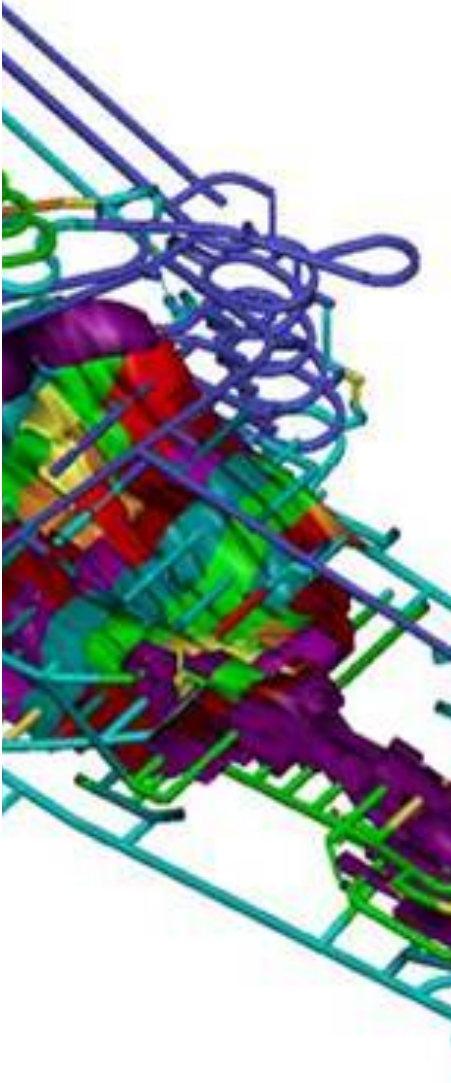


## Optimisation study currently underway

- Scheduled to be completed in December 2015
- Designed to optimise the project on a Present Value & project return basis

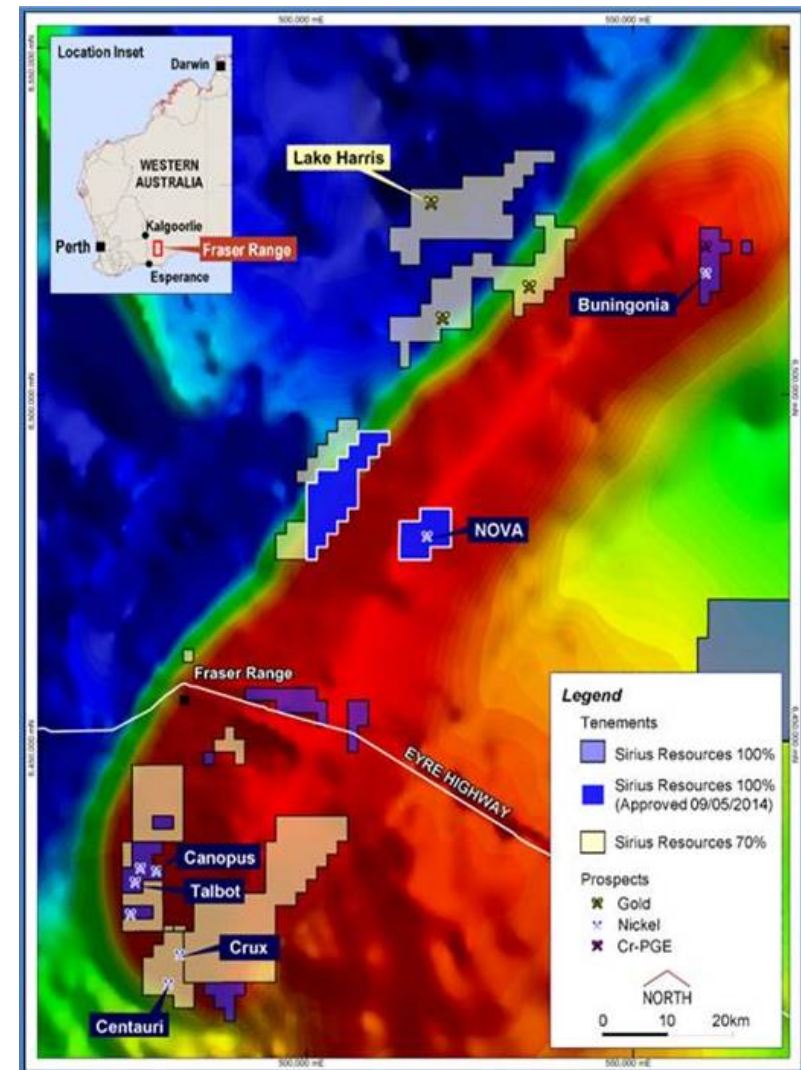
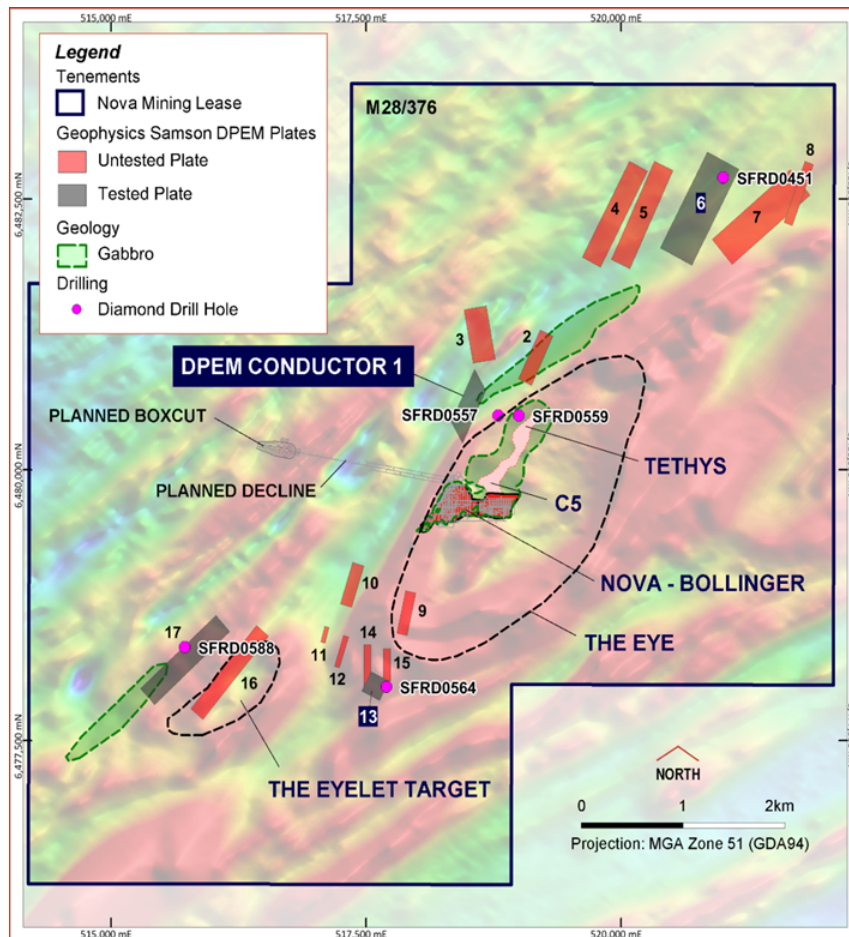
## Key value drivers being captured by the optimisation study include:

- Using current development unit rates (versus conservative unit rates as assumed in feasibility study)
- Capture of geometallurgical data including options to increase throughput
- Change of mining schedule/ sequencing to focus on delivery of high value production early in the mine life
- Improved stope design to decrease marginal material captured in the mine design
- Faster ramp-up of production to reach nameplate capacity earlier. Potential to bring ramp-up forward by 12 months
- Increased mining capacity through alternative haulage options (shifting the project from being mine constrained to being mill constrained)
- Deferral of some underground capital development to later in the mine life, closer to when needed.



# Nova Exploration Potential

Fraser Range: Emerging Province at an early stage



# Jaguar overview

## High grade Zn-Cu VMS camp



### High grade underground Zn-Cu-Ag-Au VMS deposit

- Located 300km north of Kalgoorlie via sealed road
- Fly in – fly out from Perth

### Significant improvement in operation over last 1-2 years

- Acquired by IGO in 2011
- Owner mining
- 450 to 500 ktpa processing plant
- Producing zinc concentrate and copper concentrate
- Export to Asian markets through Geraldton

### Known VMS camp with significant exploration upside:

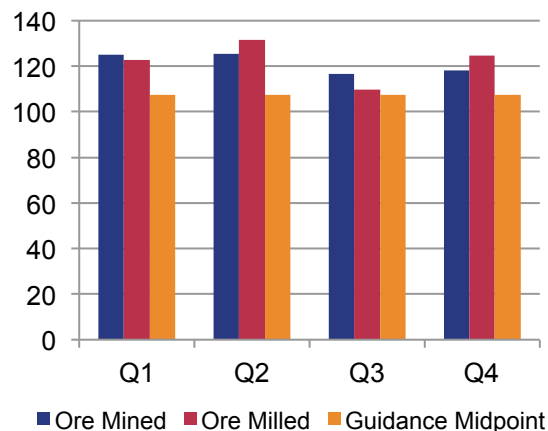
- In-mine resource extension potential with ongoing drilling of Flying Spur lens and Bentley Deeps
- Near-mine potential with exciting Triumph discovery
- Regional exploration potential with over 50km of known strike along prospective corridor

# Jaguar performance

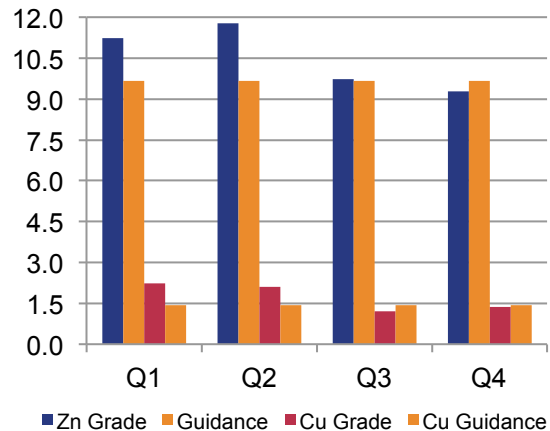
FY15 production and cash costs at, or better than, guidance



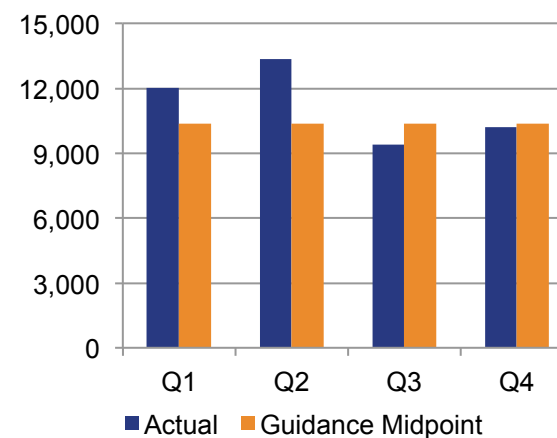
Ore Mined and Milled (kt)



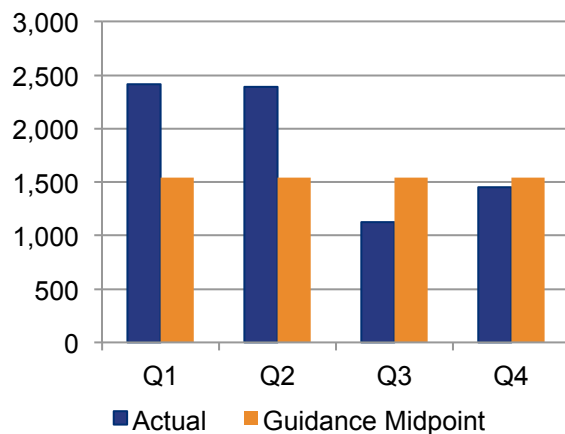
Grade (%)



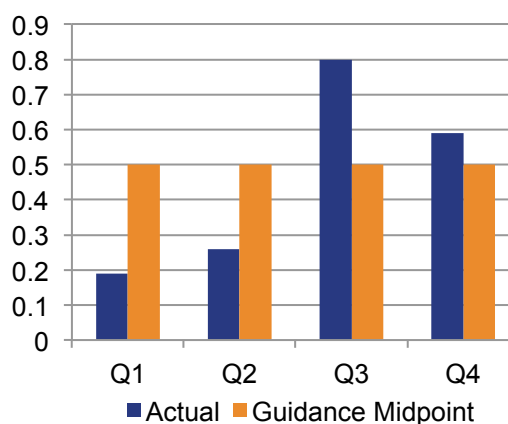
Zn in Concentrate (t)



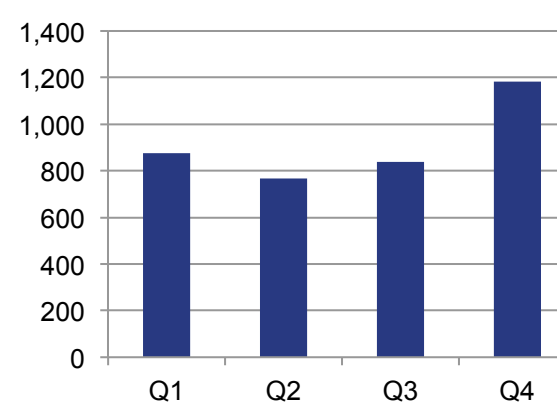
Cu in Concentrate (t)



Cash costs A\$/lb Zn



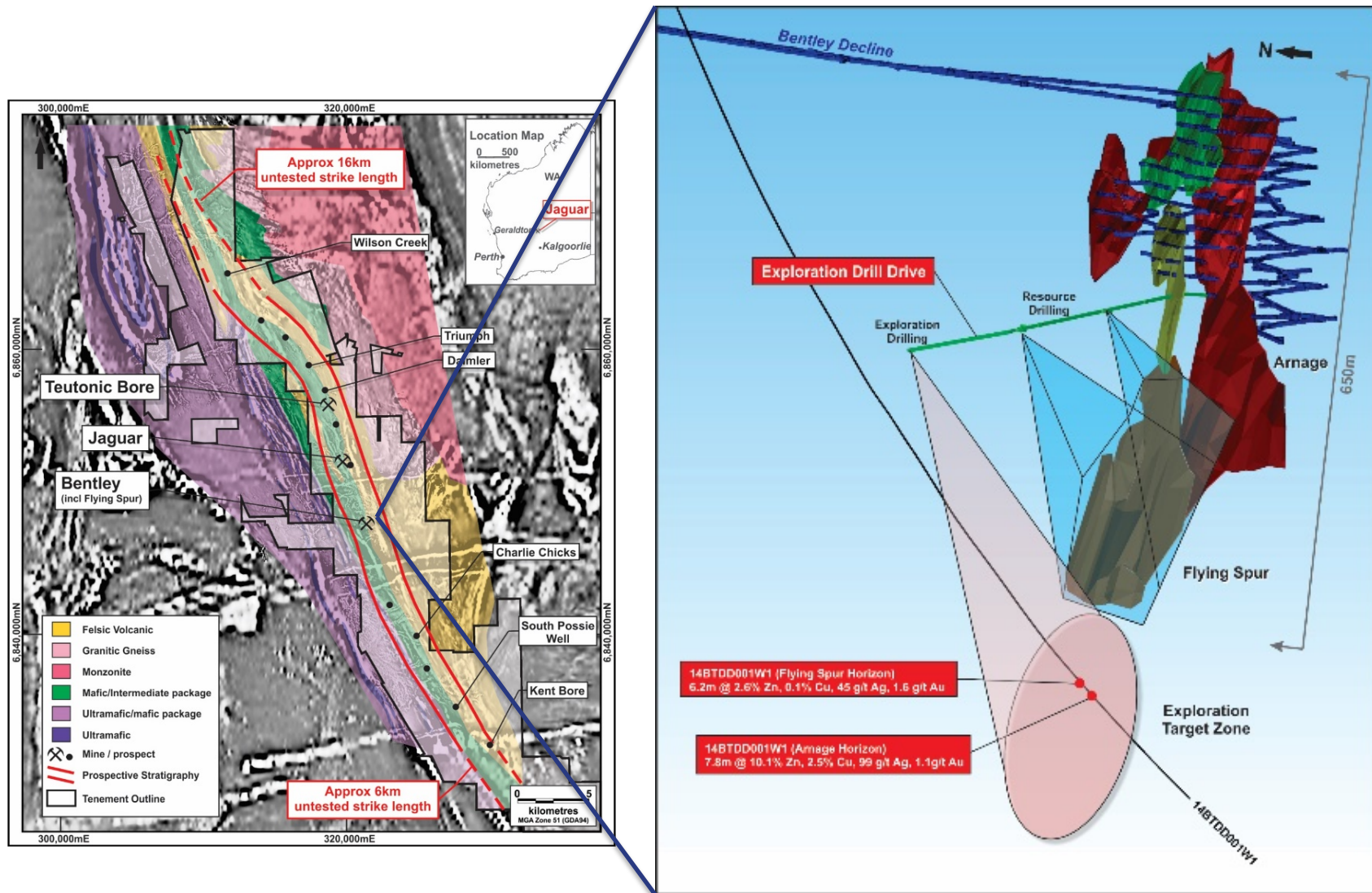
Development (metres)





# Jaguar in-mine resource extension

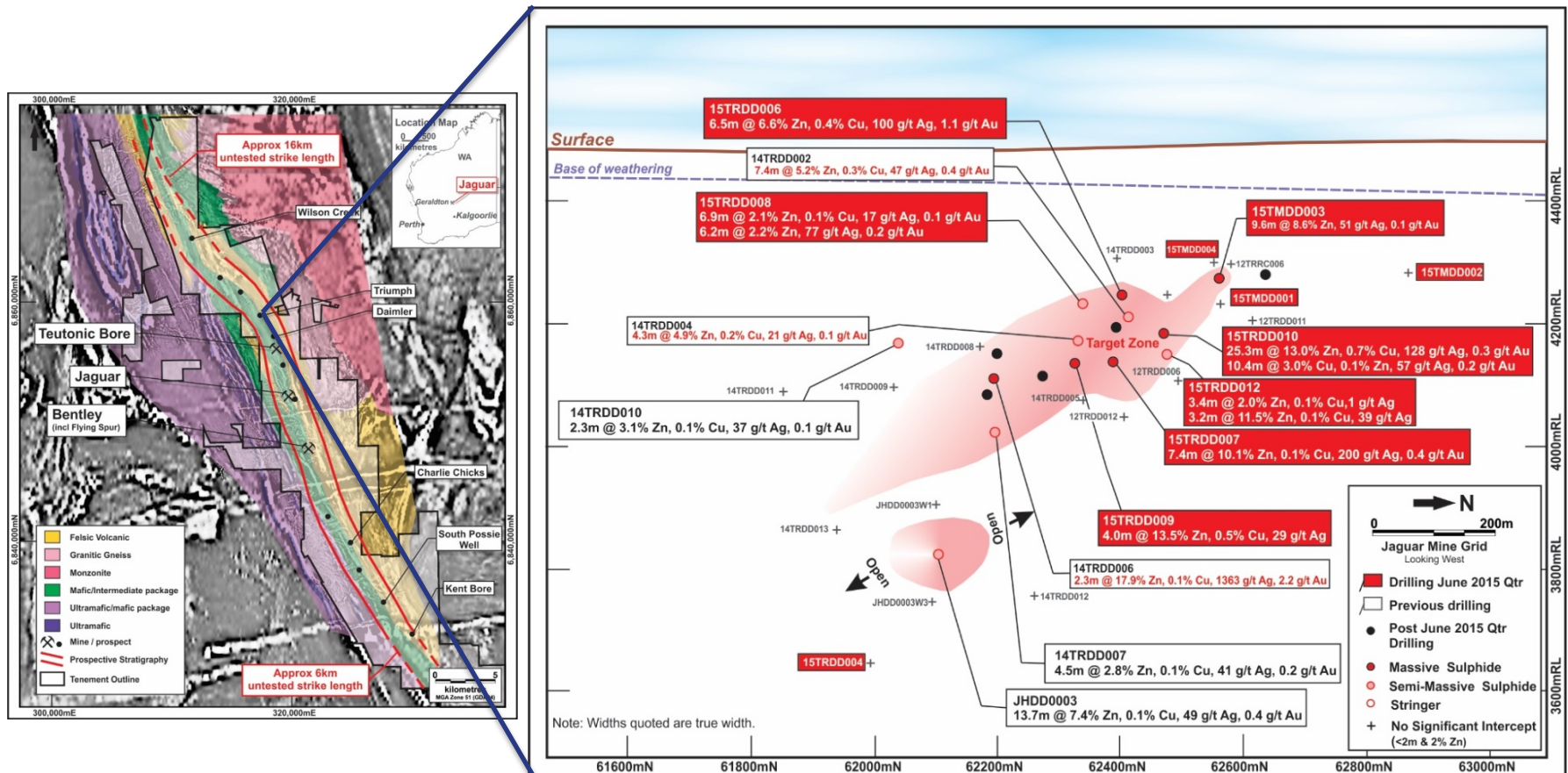
Currently drilling off inferred resource at Flying Spur





# Triumph discovery

New VMS discovery located 6km from processing plant



# Long overview

## History of consistent production and reserve replacement



### High grade underground nickel

- Located in Kambalda, 60km south of Kalgoorlie

### 35 year operating history

- Acquired by IGO in 2002
- Average grade project to date of 3.8% Ni
- Owner mining
- Consistent production of 9-10 ktpa
- Lowest tercile cash costs

### History of reserve replacement

- Positive reserve call factor

### BHP Nickel West relationship

- Toll processing of ore
- Concentrate offtake agreement

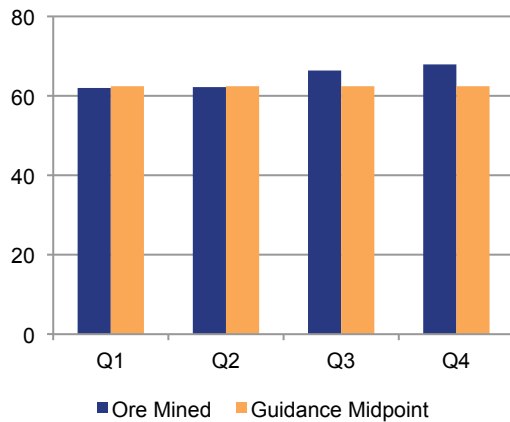


# Long operating performance

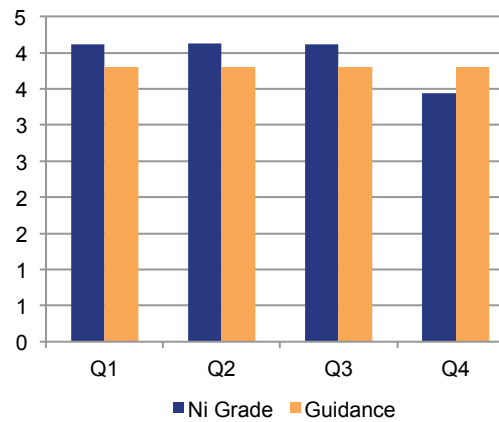
FY15 production and cash costs at, or better than, guidance



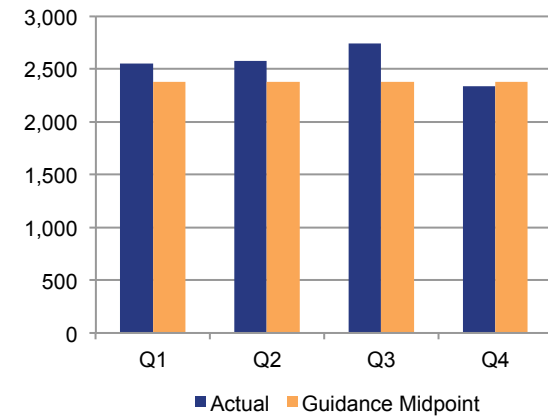
Ore Mined (kt)



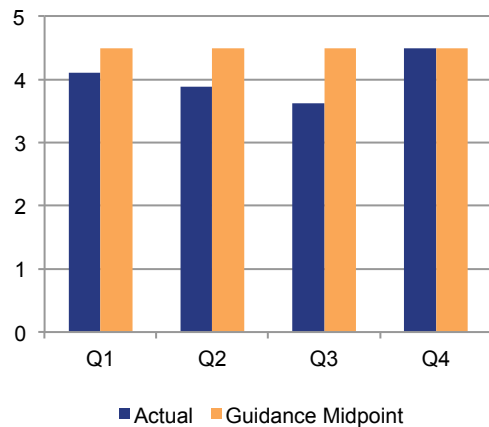
Ni Grade (%)



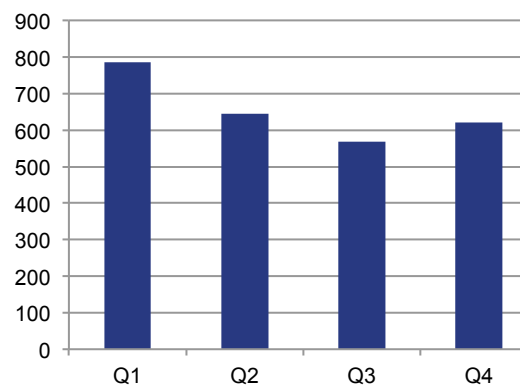
Ni Produced (t)



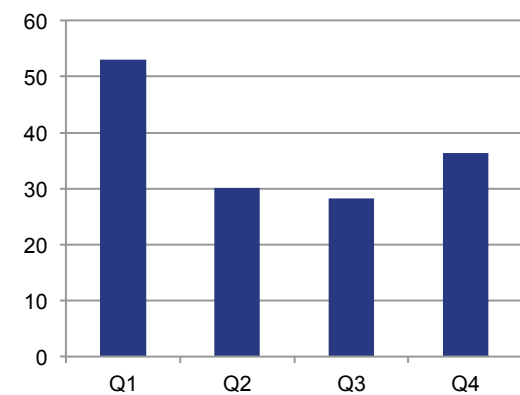
Cash costs A\$/lb Ni Payable



Development (metres)



% of Ore from Outside Reserves



# Long resource extension

## Targeting extensions within lava channel to south

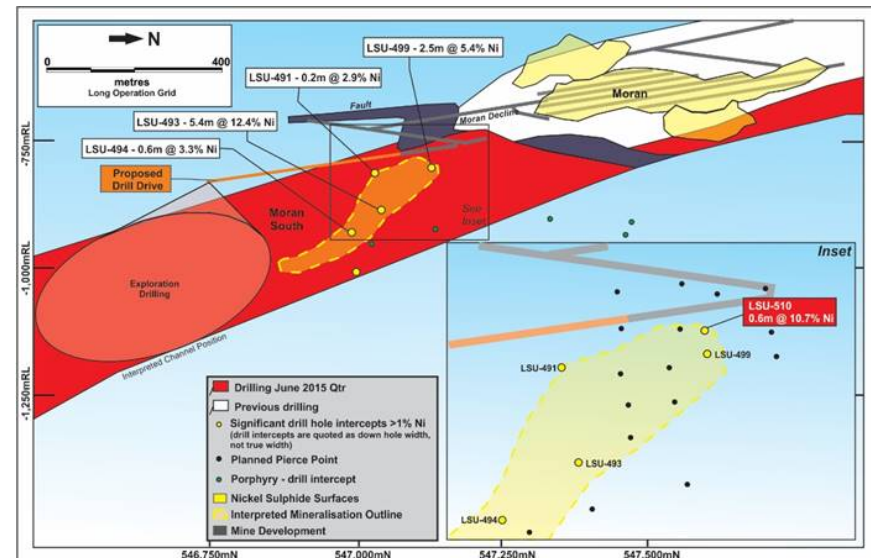
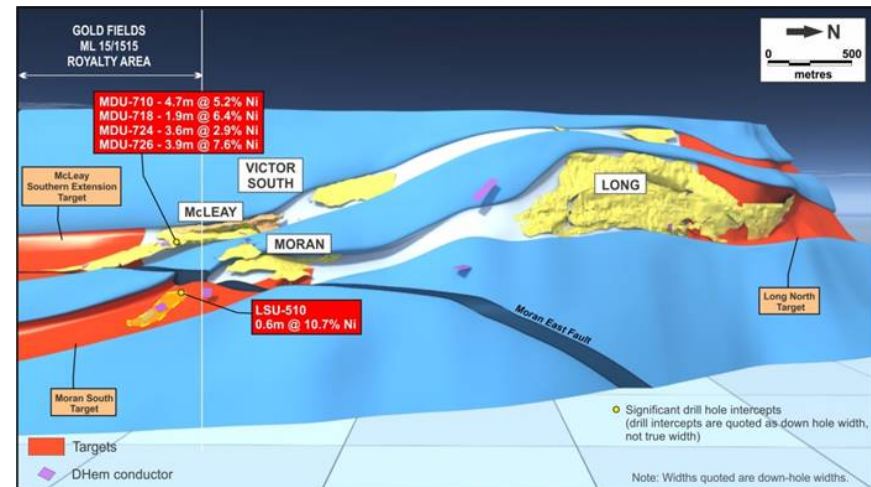


### Moran South

- Identified 320m x 60m wide mineralised zone
- Infill drilling underway to establish an inferred resource
- Pushing drill drive further south to be able to continue to test potential extensions

### McLeay South

- Surface and in-mine drilling in 2014 established a mineralised shape
- McLeay South drill drive currently in progress to establish access for infill drilling





# Greenfields exploration

Long term commitment to delivering organic growth



## Transitioned portfolio

- Away from smaller “postage stamp” projects
- Focus on belt scale opportunities utilising science to drive area selection

## Fraser Range – Tropicana belt

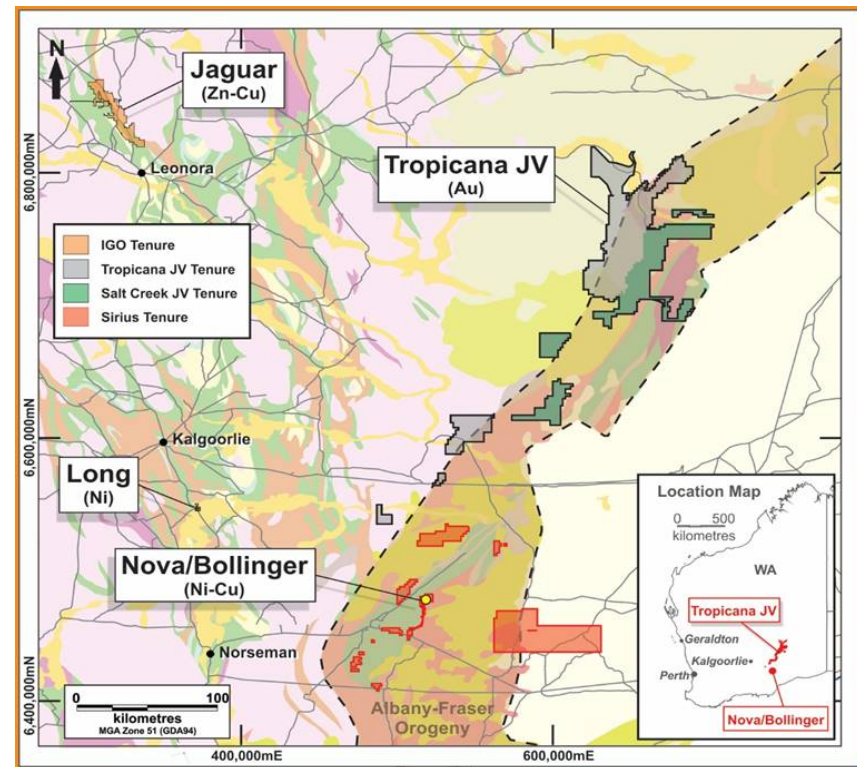
- Hosts two of Australia’s best recent discoveries, IGO holds interests in both
- Belt is under-explored
- IGO positioned to be dominant player

## Lake Mackay

- 7,200km<sup>2</sup> under-explored land package
- Blanket geo-chem targeting gold
- Work identified large 7x5km Ni anomaly with 1.6% Ni, 1.6% Co and 38% Mn in rock chips

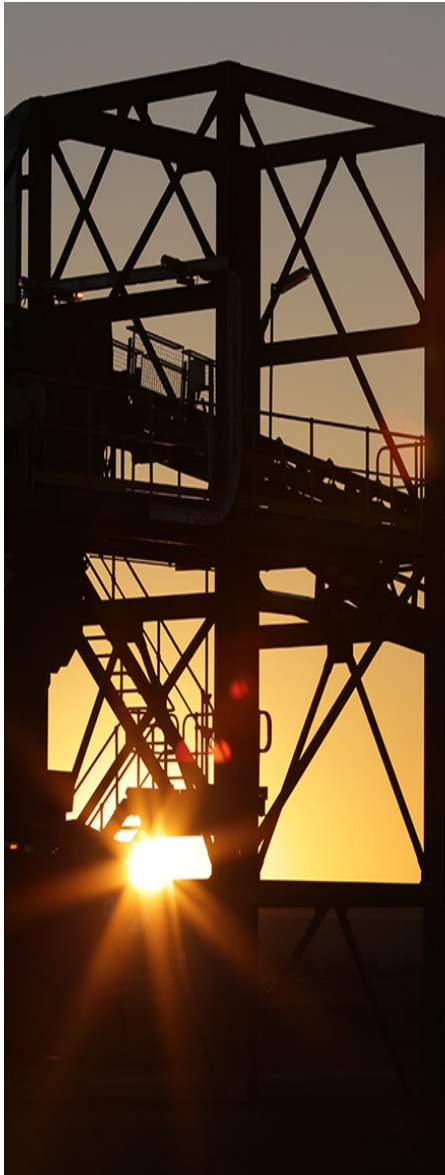
## Bryah Basin

- Targeting DeGrussa VMS style Cu-Au



# Concluding comments

**Diversified mining company delivering cash flow and growth**



## **Strong year to 30 June 2015**

- Achieved or bettered guidance on production and cash costs at all mines
- Achieved record revenue and operating cash flow
- Ended FY15 with net cash of A\$121M

## **Completed strategic acquisition to deliver growth**

- Nova is a world class, low cost, long life project
- Project is fully funded and expected to commence production in late 2016
- Located in Fraser Range / Tropicana Belt allowing consolidation with current assets

## **Outlook and catalysts for value recognition**

- Complete Nova optimisation study
- Commencement of production at Nova
- Brownfields exploration progress at Tropicana, Jaguar and Long
- Resource updates for Jaguar in early 2016
- Greenfields exploration progress at Lake Mackay, Fraser Range-Tropicana and Bryah Basin



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# Mineral resource & ore reserve

## Competent Persons Statements



### Exploration Results

- The information in this report that relates to Exploration Results is a compilation of previously published data for which Competent Persons consents were obtained. Their consents remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent. The information in this report has been extracted from the IGO ASX Quarterly Activities Report dated 29 July 2015 and is available on the IGO website [www.igo.com.au](http://www.igo.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

### Resources and Reserves

- The information in this report that relates to IGO Mineral Resources or Ore Reserves other than the Nova Project is a compilation of previously published data for which Competent Persons consents were obtained. Their consents remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent. The information in this report has been extracted from the IGO ASX Releases for Mineral Resources and Ore Reserves dated 28 August 2014 (excluding Stockman Ore Reserves) and 28 November 2014 (Stockman Ore Reserves only), and are available on the IGO website [www.igo.com.au](http://www.igo.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.
- The information referred to in this presentation is based on the Nova Definitive Feasibility Study (DFS) and on the maiden Ore Reserve estimate as described in the ASX release of 14th July 2014. A small part of the life of mine plan is based on Inferred Mineral Resources. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the conversion of Inferred Mineral Resources to Indicated Mineral Resources, Probable Ore Reserves, or that the production target itself will be realised. The Inferred Resources referred to comprise less than 8% of the total resource tonnes and less than 4% of the nickel metal in the life of mine plan. Unless otherwise stated all cashflows are in Australian dollars, are undiscounted and are not subject to inflation/escalation factors and all years are calendar years.



# Mineral resource & ore reserve

## Tropicana Operation



Mineral Resource 30 June 2014 100% Project				
	Classification	Tonnes Mt	Au g/t	Contained Au Moz
OPEN PIT	Measured	22.8	2.11	1.56
	Indicated	73.7	1.89	4.47
	Inferred	5.8	2.57	0.48
	Sub Total	102.4	1.97	6.50
UNDERGROUND	Measured	-	-	-
	Indicated	2.4	3.58	0.27
	Inferred	6.1	3.07	0.60
	Sub Total	8.5	3.21	0.87
STOCKPILES	Measured	4.9	1.04	0.16
TOTAL TROPICANA	Measured	27.7	1.92	1.72
	Indicated	76.1	1.94	4.74
	Inferred	11.9	2.83	1.08
GRAND TOTAL		115.7	2.03	7.54

### Notes:

1. For the Open Pit Mineral Resource estimate, mineralisation in the Havana, Havana South, Tropicana and Boston Shaker areas was calculated within a US\$1,550/oz pit optimisation at an AUD:USD exchange rate of 1.03 (A\$1,500/oz).
2. The Open Pit Mineral Resources have been estimated using the geostatistical technique of Uniform Conditioning, using cut-off grades of 0.3g/t Au for Transported and Saprolite material, 0.4g/t Au for Transitional and Fresh material.
3. The Havana Deeps Underground Mineral Resource estimate has been reported outside the US\$1,550/oz pit optimisation at a cut-off grade of 1.73g/t Au, which was calculated using a gold price of US\$2,000/oz (AUD:USD 1.05) (A\$1,896/oz).
4. The Havana Deeps Underground Mineral Resource was estimated using the geostatistical technique of Ordinary Kriging using average drill hole intercepts.
6. Mining depletion as at 30 June 2014 has been removed from the 2014 resource estimate.
7. Resources are inclusive of Reserves.
8. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of the ASX Release dated 28 August 2014.
9. JORC (2012) Table 1 Parameters are in Appendix A of the ASX Release dated 28 August 2014.

**Reference:** ASX Release dated 28 August 2014 for Resources and Reserves.

Ore Reserve 30 June 2014 100% Project				
	Classification	Tonnes Mt	Au g/t	Contained Au Moz
OPEN PIT	Proved	20.2	2.29	1.49
	Probable	29.7	2.02	1.94
Stockpiles		3.3	1.27	0.13
GRAND TOTAL		53.3	2.08	3.56

### Notes:

1. The Proved and Probable Ore Reserve (30 June 2014) is reported above economic break-even gold cut-off grades of 0.4 g/t for Transported/Upper Saprolite material, 0.5 g/t for Lower Saprolite material, 0.6g/t for Sap-Rock (Transitional) material and 0.7g/t for Fresh material at nominated gold price US\$1,100/oz and exchange rate 0.88 AUD:USD (equivalent to A\$1,249/oz Au).
2. The 30 June 2014 Reserve estimate is updated using the end of June 2014 surveyed surface topography and end of June 2014 stockpile balances. The final pit designs, cut-off grades and the Resource model used are unchanged from the December 2013 estimate.
3. Resources are inclusive of Reserves.
4. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section in the ASX Release dated 28 August 2014.
5. JORC (2012) Table 1 Parameters are in Appendix A of the ASX Release dated 28 August 2014.

**Reference:** ASX Release dated 28 August 2014 for Resources and Reserves.

# Mineral resource & ore reserve

## Long Operation



Mineral Resource 30 June 2014				
	Classification	Tonnes	Ni%	Ni Tonnes
LONG	Measured	70,000	5.5	3,900
	Indicated	270,000	5.5	15,000
	Inferred	138,000	5.4	7,400
	<b>Sub Total</b>	<b>478,000</b>	<b>5.5</b>	<b>26,300</b>
VICTOR SOUTH	Measured	-	-	-
	Indicated	188,000	2.0	3,700
	Inferred	28,000	1.6	400
	<b>Sub Total</b>	<b>216,000</b>	<b>1.9</b>	<b>4,100</b>
McLEAY	Measured	74,000	6.7	4,900
	Indicated	85,000	4.8	4,100
	Inferred	75,000	4.6	3,400
	<b>Sub Total</b>	<b>234,000</b>	<b>5.3</b>	<b>12,400</b>
MORAN	Measured	285,000	7.3	20,800
	Indicated	90,000	6.9	6,300
	Inferred	86,000	4.0	3,500
	<b>Sub Total</b>	<b>461,000</b>	<b>6.6</b>	<b>30,600</b>
STOCKPILES	Measured	3,000	3.3	100
<b>TOTAL</b>		<b>1,392,000</b>	<b>5.3</b>	<b>73,400</b>

### Notes:

1. Mineral Resources are reported using a 1% Ni Cut-off grade except for the Victor South disseminated Mineral Resource which is reported using a cut-off grade of 0.6% Ni.
2. Mining depletion as at 30 June 2014 has been removed from the 2014 resource estimate.
3. Resources are inclusive of Reserves.
4. Ore tonnes have been rounded to the nearest thousand tonnes and nickel tonnes have been rounded to the nearest hundred tonnes. This may result in slight rounding differences in the total values in the table above.
5. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of the ASX Release dated 28 August 2014.
6. JORC (2012) Table 1 Parameters are in Appendix B of the ASX Release dated 28 August 2014.

**Reference:** ASX Release dated 28 August 2014 for Resources and Reserves.

Ore Reserve 30 June 2014				
	Classification	Tonnes	Ni%	Ni Tonnes
LONG	Proved	50,000	3.8	1,900
	Probable	56,000	3.1	1,700
	<b>Sub Total</b>	<b>106,000</b>	<b>3.4</b>	<b>3,600</b>
VICTOR SOUTH	Proved	5,000	3.7	200
	Probable	8,000	3.2	200
	<b>Sub Total</b>	<b>13,000</b>	<b>3.4</b>	<b>400</b>
McLEAY	Proved	49,000	4.1	1,900
	Probable	3,000	3.3	100
	<b>Sub Total</b>	<b>52,000</b>	<b>3.9</b>	<b>2,000</b>
MORAN	Proved	449,000	4.5	20,200
	Probable	120,000	3.1	3,600
	<b>Total</b>	<b>569,000</b>	<b>4.2</b>	<b>23,800</b>
STOCKPILES		3,000	3.3	100
<b>TOTAL</b>		<b>743,000</b>	<b>4.0</b>	<b>29,900</b>

### Notes:

1. Ore Reserves are reported above an economic Ni Cut-off value as at 30 June.
2. A Net Smelter Return (NSR) value of \$214 per ore tonne has been used in the evaluation of the 2014 reserve.
3. Mining depletion as at 30 June 2014 has been removed from the 2014 reserve estimate.
4. Ore tonnes have been rounded to the nearest thousand tonnes and nickel tonnes have been rounded to the nearest hundred tonnes.
5. Revenue factor inputs (US\$): Ni \$14,508/T, Cu \$6,820/T. Exchange rate AU\$1.00 : US\$0.90.
6. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of the ASX Release dated 28 August 2014.
7. JORC (2012) Table 1 Parameters are in Appendix B of the ASX Release dated 28 August 2014.

**Reference:** ASX Release dated 28 August 2014 for Resources and Reserves.

# Mineral resource & ore reserve

## Jaguar Operation



Mineral Resource 30 June 2014						
	Classification	Tonnes	Cu%	Zn%	Ag g/t	Au g/t
BENTLEY	Measured	706,000	2.2	12.3	172	0.8
	Indicated	1,502,000	1.5	8.0	123	0.7
	Inferred	631,000	1.2	6.1	101	0.6
	Stockpiles	16,000	1.8	11.7	166	0.8
	Sub Total	2,855,000	1.6	8.7	130	0.7
Mineral Resources 2009						
TEUTONIC BORE	Measured	-	-	-	-	-
	Indicated	946,000	1.7	3.6	65	-
	Inferred	608,000	1.4	0.7	25	-
	Sub Total	1,554,000	1.6	2.5	49	-
GRAND TOTAL		4,409,000	1.6	6.5	102	-

### Notes:

1. Mineral Resources include massive sulphide and stringer sulphide mineralisation. Massive sulphide resources are geologically defined; stringer sulphide resources for 2014 are reported above cut-off grades of 0.6% Cu for Bentley and 0.7% Cu for Teutonic Bore.
2. Block modelling mainly used ordinary kriging grade interpolation methods within wireframes for all elements and density. The Flying Spur lens, part of the Bentley deposit, was estimated using the Inverse Distance Squared Weighting method (IDW2). The new Flying Spur Mineral Resource comprised 449,000t @ 12.6% Zn, 0.6% Cu, 209g/t Ag and 1.7g/t Au (Inferred).
3. Mining depletion as at 30 June 2014 has been removed from the 2014 resource estimate for Bentley. Historic mining has been removed from the 2009 resource estimate for Teutonic Bore.
4. Resources are inclusive of Reserves.
5. Mining of the Jaguar deposit was completed on 29 February 2014. Economic evaluation of remaining resources has shown that they are not economic at foreseeable metal prices within a reasonable timeframe and have been removed from the 2014 inventory.
6. The Teutonic Bore resource estimate is now reported in compliance with JORC Code 2012 reporting guidelines. The model is unchanged from the 2009 model.
7. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of the ASX Release dated 28 August 2014.
8. JORC (2012) Table 1 Parameters are in Appendices C and D of the ASX Release dated 28 August 2014.

Reference: ASX Release dated 28 August 2014 for Resources and Reserves.

Ore Reserve 30 June 2014						
	Classification	Tonnes	Cu%	Zn%	Ag g/t	Au g/t
BENTLEY	Proved	499,000	2.1	12.1	168	0.8
	Probable	771,000	1.6	8.8	144	0.8
Sub Total		1,270,000	1.8	10.1	154	0.8
STOCKPILES		16,000	1.8	11.7	166	0.8
GRAND TOTAL		1,286,000	1.8	10.1	154	0.8

### Notes:

1. Cut-off values were based on Net Smelter Return (NSR) values of \$180 per ore tonne for direct mill feed and \$100 per ore tonne for marginal feed.
2. Revenue factor inputs (US\$): Cu \$6,820/T, Zn \$2,070/T, Ag \$19.50/roy oz, Au \$1,248/roy oz. Exchange rate AU\$1.00 : US\$0.90.
3. Metallurgical recoveries – 82% Cu, 53% Ag, and 43% Au in Cu concentrate; 83% Zn and 22% Ag in Zn concentrate
4. Longitudinal sub-level long hole stoping is the primary method of mining used at Bentley.
5. All Measured Resource and associated dilution was classified as Proved Reserve. All Indicated Resource and associated dilution was classified as Probable Reserve. No Inferred Resource has been converted into Reserve
6. Mining of the Jaguar deposit was completed on 29 February 2014. All remaining *in situ* mineralisation was evaluated and deemed inappropriate for Reserve conversion. The Jaguar underground mine was subsequently closed.
7. Mining depletion as at 30 June 2014 has been removed from the 2014 reserve estimate.
8. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of the ASX Release dated 28 August 2014.
9. JORC (2012) Table 1 Parameters are in Appendix C of the ASX Release dated 28 August 2014.

Reference: ASX Release dated 28 August 2014 for Resources and Reserves.

# Mineral resource & ore reserve

## Nova Project<sup>1</sup>



Mineral Resource 14 July 2014								
	Classification	Tonnes (Mt)	Ni%	Cu%	Co%	Ni Kt	Cu Kt	Co Kt
NOVA	Indicated	9.1	2.5	1.0	0.08	230	94	7.3
	Inferred	1.0	1.4	0.6	0.05	14	6	0.5
	Sub Total	10.1	2.4	1.0	0.08	244	100	7.7
BOLLINGER	Indicated	2.4	2.7	1.1	0.11	64	26	2.6
	Inferred	1.8	1.0	0.4	0.04	17	8	0.7
	Sub Total	4.2	2.0	0.8	0.08	82	34	3.3
TOTAL	Indicated	11.5	2.6	1.0	0.09	294	120	9.8
	Inferred	2.8	1.1	0.5	0.04	31	14	1.2
TOTAL		14.3	2.3	0.9	0.08	325	134	11.0

### Notes:

1. Mineral Resources estimates are reported at 0.6 Ni Eq cut-off grade.
2. Resources are inclusive of Reserves.
3. Ore tonnes have been rounded to the nearest million tonnes and nickel, copper and cobalt tonnes have been rounded to the nearest thousand tonnes. This may result in slight rounding differences in the total values in the table above.
4. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of Sirius Resources NL's ASX Release dated 14 July 2014.
5. JORC (2012) Table 1 Parameters are in the Sirius Resources NL ASX Release dated 14 July 2014.

**Reference:** Sirius Resources NL's ASX Release dated 14 July 2014 for Resources and Reserves.

Ore Reserve 14 July 2014								
	Classification	Tonnes (Mt)	Ni%	Cu%	Co%	Ni Kt	Cu Kt	Co Kt
NOVA	Probable	10.3	2.1	0.9	0.07	218	90	7
BOLLINGER	Probable	2.8	2.0	0.8	0.08	55	22	2
TOTAL		13.1	2.1	0.9	0.07	273	112	9

### Notes:

1. Ore Reserves are reported above an economic Ni Cut-off value of US\$7.44/lb as set out in Sirius Resources NL's ASX Release dated 14 July 2014.
2. Full details of the economic parameters, assumptions and forecasts used for this Ore Reserve estimate are set out in Sirius Resources NL's ASX Release dated 14 July 2014.
3. Ore tonnes have been rounded to the nearest million tonnes and nickel, copper and cobalt tonnes have been rounded to the nearest thousand tonnes.
5. Revenue factor inputs (US\$): Ni \$10.0/lb, Cu \$3.30/lb, Co \$12.0/lb. Exchange rate AU\$1.00 : US\$0.90.
6. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of the Sirius Resources NL's ASX Release dated 14 July 2014.
7. JORC (2012) Table 1 Parameters are in Sirius Resources NL's ASX Release dated 14 July 2014.

**Reference:** Sirius Resources NL's ASX Release dated 14 July 2014 for Resources and Reserves.

1) Transaction completion on 22 September 2015



# Mineral resource & ore reserve

## Stockman Project



Mineral Resource 30 June 2014						
	Classification	Tonnes Mt	Cu%	Zn%	Ag g/t	Au g/t
CURRAWONG	Measured	-	-	-	-	-
	Indicated	9.58	2.0	4.2	42	1.2
	Inferred	0.78	1.4	2.2	23	0.5
	Sub Total	10.33	2.0	4.0	40	1.1
WILGA	Measured	-	-	-	-	-
	Indicated	2.99	2.0	4.8	31	0.5
	Inferred	0.67	3.7	5.5	34	0.4
	Sub Total	3.66	2.3	4.9	32	0.5*
GRAND TOTAL		13.99	2.1	4.3	38	1.0*

### Notes:

1. All Mineral Resources tonnes have been rounded to the nearest one thousand tonnes and grade to the nearest 1/10th percentage/gram per tonne.
2. Mineral Resources include massive sulphide and stringer sulphide mineralisation. Massive sulphide Mineral Resources are geologically defined; stringer sulphide resources are reported above cut-off grades of 0.5% Cu.
- \*3. Gold (Au) grades for Wilga are all inferred due to paucity of Au grade data in historic drilling.
4. Block modelling used ordinary kriging grade interpolation methods within wireframes for all elements and density.
5. Mining depletion as at end of historic mine life (1996) has been removed from the Mineral Resource estimate for Wilga.
6. Mineral Resources are inclusive of Ore Reserves.
7. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of this report.
8. See IGO's ASX Release of 28 August 2014 for JORC Code (2012) Table 1 Parameters.

**Reference:** ASX Release dated 28 August 2014 for Resources and Reserves.

Ore Reserve 28 November 2014						
	Classification	Tonnes Mt	Cu%	Zn%	Ag g/t	Au g/t
CURRAWONG	Proved	-	-	-	-	-
	Probable	7.4	2.1	4.3	40	1.2
	Sub-Total	7.4	2.1	4.3	40	1.2
WILGA	Proved	-	-	-	-	-
	Probable	1.6	2.1	5.6	31	0.5*
	Sub Total	1.6	2.1	5.6	31	0.5*
GRAND TOTAL		9.0	2.1	4.5	39	1.1*

### Notes:

1. All Ore Reserves tonnes are rounded to the nearest one hundred thousand tonnes and grade to the nearest 1/10th percentage/gram per tonne.
2. Gold (Au) grades are Inferred at Wilga due to a paucity of gold assays in historic drilling. Revenue from Au in the Wilga ore was included in the estimation of the Ore Reserve. The contribution to Revenue of this Au was estimated to be \$8.65 per gram of Au in situ. This inclusion was not material to the value of the mining envelopes considered and did not warrant downgrading of any portion of the Ore Reserve attributable to Wilga. The contribution from Wilga represents 18% of the total Ore Reserve.
- \*3. Historic mining depletion for Wilga has been removed from the Ore Reserve estimate.
4. The Competent Persons statement is incorporated in the JORC Code (2012) Competent Persons Statements section of this report.
5. See IGO's ASX Release of 28 November 2014 for JORC Code (2012) Table 1 Parameters.

**Reference:** ASX Release dated 28 November 2014 for Resources and Reserves.

# FY16 guidance



## Tropicana

- 129,000 to 141,000oz (IGO 30% share)
- Average cash cost of \$640 to \$710/oz Au
- AISC of A\$820 to A\$910/oz Au sold
- Sustaining capex (IGO 30%) of A\$8 to 10M
- Exploration (IGO 30%) of A\$9 to 11M

## Jaguar

- 35,000 to 40,000t Zn in conc.
- 7,500 to 8,500t Cu in conc.
- Average cash cost of A\$0.40 to 0.60/lb Zn
- Sustaining capex of A\$4 to 5M
- Development of A\$12 to 14M
- Exploration of A\$10 to 12M

## Long

- 8,500 to 9,000t contained Ni
- Average cash cost of \$3.50 to A\$4.00/lb Ni
- Sustaining capex of A\$3 to 5M
- Exploration of A\$13 to \$15M

## Exploration and Development

- A\$10 to 12M on greenfields and generative exploration
- A\$2M on Stockman Project permitting and holding costs

## Nova

- Total development cost of A\$443M

# Hedging

As at 30 June 2015



## Nickel

- Q1 FY16: 250 t/month at avg. price of A\$19,701/t

## Copper

- Q1 FY16: 550t at A\$8,001/t in Sept 2015

## Gold

- FY16: Average 3,208 oz/month zero cost collars (range A\$1,342 to A\$1,672/oz)
- FY17: 2,500 oz/month zero cost collars to November 2016 (range A\$1,330 to A\$1,593/oz)