



27 November 2013

**CHAIRMAN'S ADDRESS
2013 ANNUAL GENERAL MEETING**

Independence Group NL ("Company") (ASX: IGO) advises that the attached Chairman's address will be presented at its 2013 Annual General Meeting being held later this morning

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CHAIRMAN'S ADDRESS AT 2013 ANNUAL GENERAL MEETING

Ladies and Gentlemen,

As you will recall 2012 was a difficult year. Since that time your Company has turned the corner from losses to profits in very challenging commodity markets and has continued on course to becoming a Great Australian mining company. A prudent approach to development and a renewed focus on costs at our existing operations have substantially improved Underlying Profit and net cash flow from operating activities.

The Company's return to profit, low debt and strong financial position has enabled it to continue to pay dividends despite the significant capital investment in Tropicana.

Tropicana

With the Tropicana Gold Project being commissioned and its first gold pour in September 2013, your Company has made another step towards creating sustainable value for shareholders. The Company has now evolved from a purely nickel production company in January 2011 to a producer of nickel, copper, zinc and silver by January 2012 to a diversified mining company producing gold, nickel, copper, zinc and silver in September this year.

The completion of construction and now commissioning of the Tropicana gold project are very important achievements for us. Once the Tropicana gold project ramps up to full production, the Company's 30% share of gold production is likely to double the Company's revenue and, because Tropicana is expected to be one of lowest cash cost gold producers in Australia, the increase in the Company's earnings is expected to be significant.

The first gold pour at the Tropicana gold project is a significant milestone and the culmination of a tremendous amount of hard work by our joint venture partner and project manager, AngloGold Ashanti, contractors who assisted with building the project and those who are now operating the mine. The Company would like to thank all involved in the project for their commitment in getting this world class gold project completed safely, on budget and ahead of schedule.

Long

The Long nickel mine continues to be an important source of revenue for the Company. Our Long nickel operation produced record tonnes of contained nickel metal during the year, the highest production since the Company acquired the mine over 11 years ago. I would like to take this opportunity to thank the team at Long for their efforts during another year of economic uncertainty and lower commodity prices. Revenue from Long exceeded last year by 6% and the mine's low cash costs were maintained again this year.

Jaguar

The team at our Jaguar zinc/copper operation have turned performance around exceeding market guidance on zinc and silver and meeting market guidance on copper. Ongoing low metal prices and the strong Australian dollar have created challenges. Despite this, revenue from Jaguar has increased by almost 5%. I would like to thank the team at Jaguar for this tremendous effort particularly after the very challenging year in 2012.

Stockman

As planned, the Company completed the Definitive Feasibility Study on its Stockman base metals project (IGO 100%) in Victoria. However in July 2013 the Company decided to curtail further Enhanced Feasibility Study (EFS) tasks and defer exploration at the site whilst the approvals process is advanced. We believe this is prudent during a time of volatile metal price and exchange rate fluctuations and during a period of significant capital investment in Tropicana. This approach will allow an accurate project timeline and approval conditions to be properly assessed and integrated

into the final investment assessment. The environmental permitting documentation for the State of Victoria is expected to be formally submitted shortly.

Karlawinda

Following an extensive review, the Company concluded that at current gold prices the Karlawinda Gold Project requires material additions in mineable tonnage or recoverable grade to meet the Company's investment guidelines. As a result, the Karlawinda Gold Project scoping study has been deferred until additional mineable tonnes or higher grade material can be located on the project. Exploration will be directed towards this task as well as assessing the regional potential at Karlawinda.

Exploration

Your Company continues to have an active exploration program. With a highly experienced exploration team with a record of success, proprietary exploration technology, ownership of the De Beers geochemical data base and very prospective tenements and joint venture interests (including the recently agreed Lake Mackay joint venture), another economically significant discovery is a constant possibility.

Business Development

While all of its projects are currently in Australia, the Company continues to investigate opportunities both with Australia and overseas. In the light of the economic and legislative risks associated with some countries, your Board believes that any overseas opportunity needs to be rigorously assessed against the Company's investment guidelines prior to consideration.

Economic Conditions and Commodity Markets

Economic conditions, in particular commodity markets and foreign exchange rates, again changed this year and despite some mitigating strategies such as hedging, these fluctuations remain beyond our control. What remains constant is the Company's continued focus on creating value through cost control, innovation, discovery and development.

Chris Bonwick's retirement

It was with regret that on 14 November this year the Company accepted the immediate resignation of its long standing Managing Director, Chris Bonwick, after a period of ill-health.

The Board wishes to express its thanks to Chris for his service to the Company which spanned the founding of Independence, its listing on the ASX, the acquisition and restart of the Long Nickel mine, the discovery of the Tropicana Gold Project deposits and the takeover of Jabiru Metals Limited. Most recently he has been involved in the completion of the construction and commissioning of Tropicana, which has culminated in the ASX 200 multi-commodity mining and exploration company it is today.

Chris was integral to Independence Group's success from a small explorer to a multi-mine producer. We thank Chris for his dedication, leadership, incredible exploration talent, hard work and friendship over the last 13 years.

As you may have read, Brett Hartmann, the Company's Group Operations Manager, will remain as Acting Chief Executive Officer and will continue to assume the duties and responsibilities of Managing Director while the Board considers options for a permanent appointment.

In addition I will continue to maintain an active involvement in the day to day management of the Company.

Your Board has full confidence in the Company's highly experienced senior management team under the direction of Mr Hartmann, and its ability to continue to successfully manage the Company's business and operations.

Looking Forward

The current financial year will be the first year revenue begins to flow from the Tropicana Gold Project. It has been eight years since Tropicana's discovery in 2005 and FY2014 will be an exciting year as the Company achieves first gold sales from Tropicana, continues robust operational performances at its existing mines, progresses its Stockman and Karlawinda projects and continues its ongoing investment in state of the art exploration.

Your Company is in a better position now than any other time in its Listing to building a great Australian mining company which provides long term sustainable returns to shareholders.

I would like to thank the Company's employees for their hard work and achievements during this turnaround year.

On behalf of all the directors and the employees I thank you, our shareholders, for your continued support.

Peter Bilbe
Chairman