



TROPICANA GOLD MINE - VALUE ENHANCEMENT UPDATE

Independence Group NL (IGO or the Company) (ASX:IGO) is pleased to report on a number of initiatives to maximise and optimise the Tropicana Gold Mine, a Joint Venture with AngloGold Ashanti Australia (AGAA)(ASX: AGG).

These work programs have unlocked significant additional value to the operation and are expected to deliver an additional improvement in Net Present Value (NPV) of more than 75% relative to the 2016 Business Plan, when compared on a like-for-like basis.

Key Highlights

- 58% increase in Ore Reserve to **60.1Mt at 1.97g/t Au for 3.80Moz** with the addition of **1.39Moz** of contained gold, net of depletion, since 30 June 2016.
- The current Mineral Resource is **148.1Mt at 1.68g/t Au for 8.02Moz**, with **0.5Moz** of contained gold metal added over the past six months, net of depletion.
- The resource extension drilling program has continued to extend mineralisation. Approximately 40,000m of drilling, primarily from Havana South and Boston Shaker, has not yet been included in the resource estimate, providing additional scope for Ore Reserve growth.
- Further Ore Reserve growth from Havana South and Boston Shaker is anticipated during CY17 once technical studies are completed.
- The Life of Mine (LoM) can potentially be extended a further three years beyond current Reserves through to 2027-2030.
- Expansion of the Tropicana processing plant to lift throughput to 7.5Mtpa is complete. Further optimisation is anticipated in CY17 with the goal of increasing annualised throughput to 7.7- 7.9Mtpa.
- Accelerated mining and grade streaming has recommenced and this is expected to increase average processed head-grade from 1.8g/t to 2.3g/t Au over the next three years.
- The Resource to Reserve conversion has significantly improved with over 60% Open Pit Resource to Reserve conversion at 31 December 2016.

IGO's Managing Director, Peter Bradford, commented: "Considerable progress has been made on a number of work programs during CY16 to optimise and maximise the Tropicana Gold Mine. The strategy has been to: a) understand the potential of the Tropicana Mineralised System; b) progress technical studies to unlock the Mineral Resource through improvement of waste mining costs (Long Island Study), and; c) improve current efficiencies and unlock operating constraints.

Although this remains a work in progress, these work programs have demonstrated the significant value that can be unlocked. To date, the work programs have identified the potential to deliver more than a 75% increase to the Tropicana NPV when compared on a like-for-like basis to our Business Plan at the start of CY16. This is a great achievement, which demonstrates the quality of the Tropicana Gold Mine.

Key elements of the work programs include;

- The significant increases to the Mineral Resource and Ore Reserve to 8.0Moz and 3.8Moz of contained gold, respectively.
- Completion of the expansion of the Tropicana processing plant, which has lifted nameplate capacity to 7.5Mtpa. Further enhancement over the next 12 months is expected to increase annualised throughput to 7.7- 7.9Mtpa.
- Optimisation of the mining fleet, which has allowed acceleration of the material movement and recommencement of grade streaming. This will increase processed head grade from 1.8g/t to 2.3g/t Au during CY17 to CY19.

Significant value remains to be captured from the ongoing Long Island Study work, which is due for completion by mid CY17. The final study will include the addition of a Boston Shaker resource update and Havana South. This will likely extend mine life through to 2027-2030."

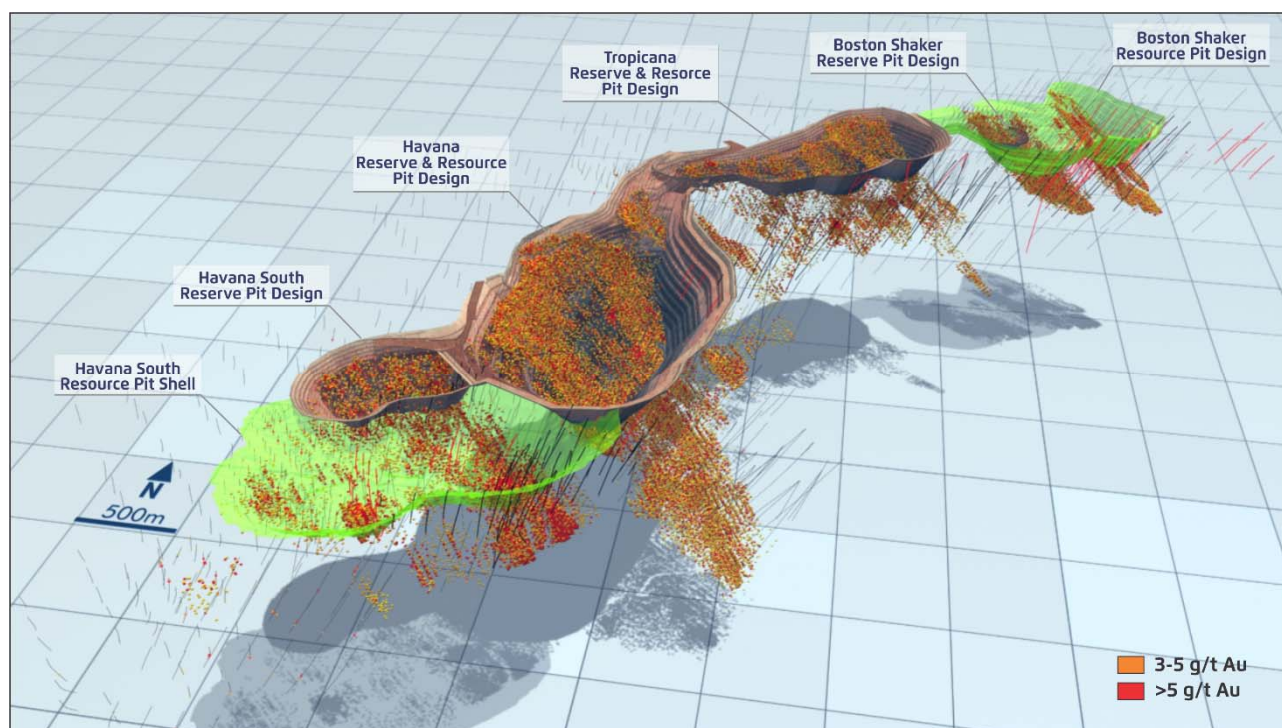


Figure 1: Tropicana Gold Mine showing mineralisation over a 5km strike with current Mineral Resource and Ore Reserve open pits.



Value Enhancement

A number of work programs have been executed during CY16 to optimise and maximise the Tropicana Gold Mine. These include:

- Execution and completion of the extensive framework resource definition exploration program on the Tropicana Mineralised System;
- Successful completion of the processing plant expansion program to 7.5Mtpa;
- Modifications to the mining schedule and fleet to allow re-commencement of an accelerated mining rate and associated grade streaming strategy; and
- Favourable initial results from the Long Island Study which is designed to unlock the considerable Mineral Resource at Tropicana and deliver a step change to the LoM through a proposed strip mining approach with in-pit dumping of waste, resulting in lower mining costs due to the shorter haul distances.

These focused work programs have demonstrated the ability to potentially deliver an initial additional 79% increase to the LoM NPV, when compared on a like for like basis to the 2016 LoM Business Plan (BP16). A summary of the potential value realised to date includes:

- A 17% increase in NPV as a result of the increased processing plant throughput;
- A 42% increase in NPV associated with the recommencement of accelerated mining rate and grade steaming strategy; and
- A 20% increase in NPV as a result of the potential increase in the LoM arising from the increase in Ore Reserve and Mineral Resource and initial results of the Long Island Study.

There is further value to be captured by mid CY17 with the completion of the Long Island Study. This will include an update to the Boston Shaker Mineral Resource to capture recent drilling as well as design and scheduling of Havana South, which are both outside the current Long Island LoM.

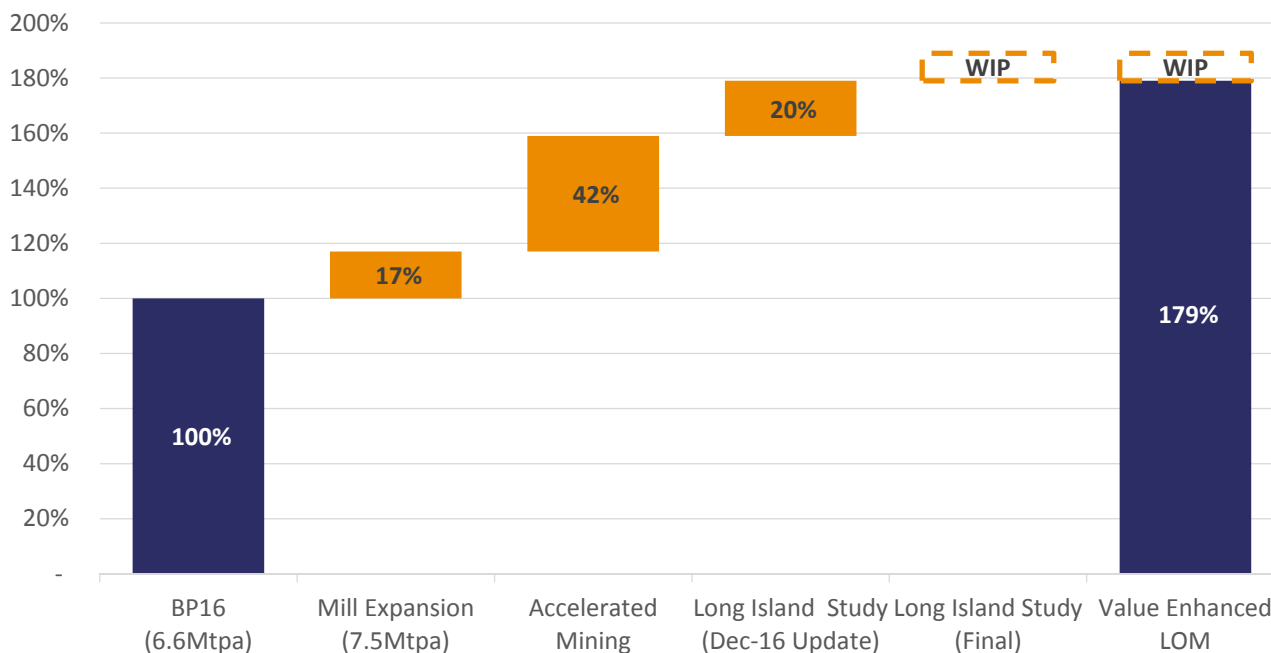


Figure 2: Waterfall graph showing the relative increase in NPV resulting from the key work streams to maximise and optimise the Tropicana Gold Mine. These work programs have delivered an increase in NPV of in excess of 75% when



compared on a like for like basis with the BP16. It is anticipated that further value can be delivered through the inclusion of Havana South and an expanded Boston Shaker into the Long Island LoM (shown as dash lines which represents work in progress (WIP)).

Exploration

An extensive resource extension drilling program has been completed during CY15 and CY16 to provide a framework for the understanding of the Tropicana Mineralised System, comprising four distinct structural domains. From north to south these structural domains are the Boston Shaker, Tropicana, Havana and Havana South zones. These zones are effectively the same orebody, offset by east to northeast striking, post mineralisation faulting.

A breakdown on the drill metres completed to date as part of the Long Island Study is shown in the table below. The drilling inputs for the Mineral Resource estimate associated with the Long Island Study are through to 30 June 2016. Since then 44,000m of drilling has been completed, mainly at Boston Shaker and the Havana South high-grade ore-shoot. This additional drilling is yet to be incorporated into the Long Island Study

Table 1: Break-down on the drill metres completed as part of the Long Island Study up to 8 December 2016

Period	Drill Metres
Jan - Dec 2015	65,132
Jan -June 2016	51,351
July - Dec 2016	44,847
Total Long Island Resource Drilling	161,330

The initial framework drilling was completed on a 100 x 100m spacing with 50 x 50m, and later 50 x 25m, drilling on the known plunge of higher-grade ore-shoots.

Significant drill intersections returned since the market update on the 25 July 2016¹, which do not inform the current Mineral Resource include:

Havana South

- 9m @ 6.41g/t Au from 140m (HSRC011)
- 7m @ 7.71g/t Au from 222m (HSD116)
- 20m @ 3.64g/t Au from 406m (HSD120)
- 34m @ 5.41g/t Au from 299m (HSD122)

¹ refer ASX Release date 25 July title Tropicana Gold Mine – Delineation of new high grade shoot

Boston Shaker

- 9m @ 7.89g/t Au from 335m (BWD015)
- 27m @ 3.85g/t Au from 291m (BWD029)
- 14m @ 4.70g/t Au from 364m (BWD031)
- 14m @ 3.18g/t Au from 271m (BWD034)
- 18m @ 3.81g/t Au from 276m (BWD035)
- 37m @ 2.64g/t Au from 311m (BWD038)
- 40m @ 2.71g/t Au from 331m (BWD039)
- 16m @ 3.80g/t Au from 382m (BWD044)
- 14m @ 5.77g/t Au from 384m (BSD080)²

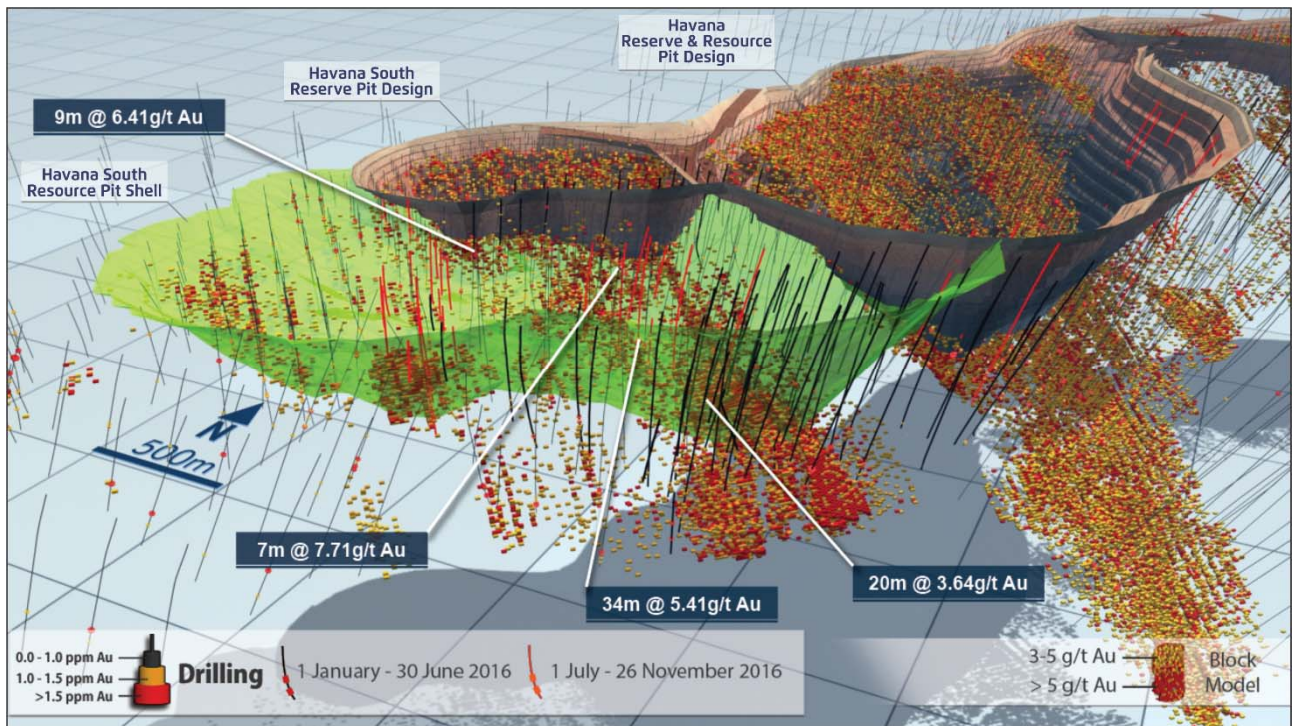


Figure 3: Image showing the Havana South drilling with recent high-grade intersections.

² The exception being drill hole BSD080 which is included in the drill holes that inform the August Mineral Resource.

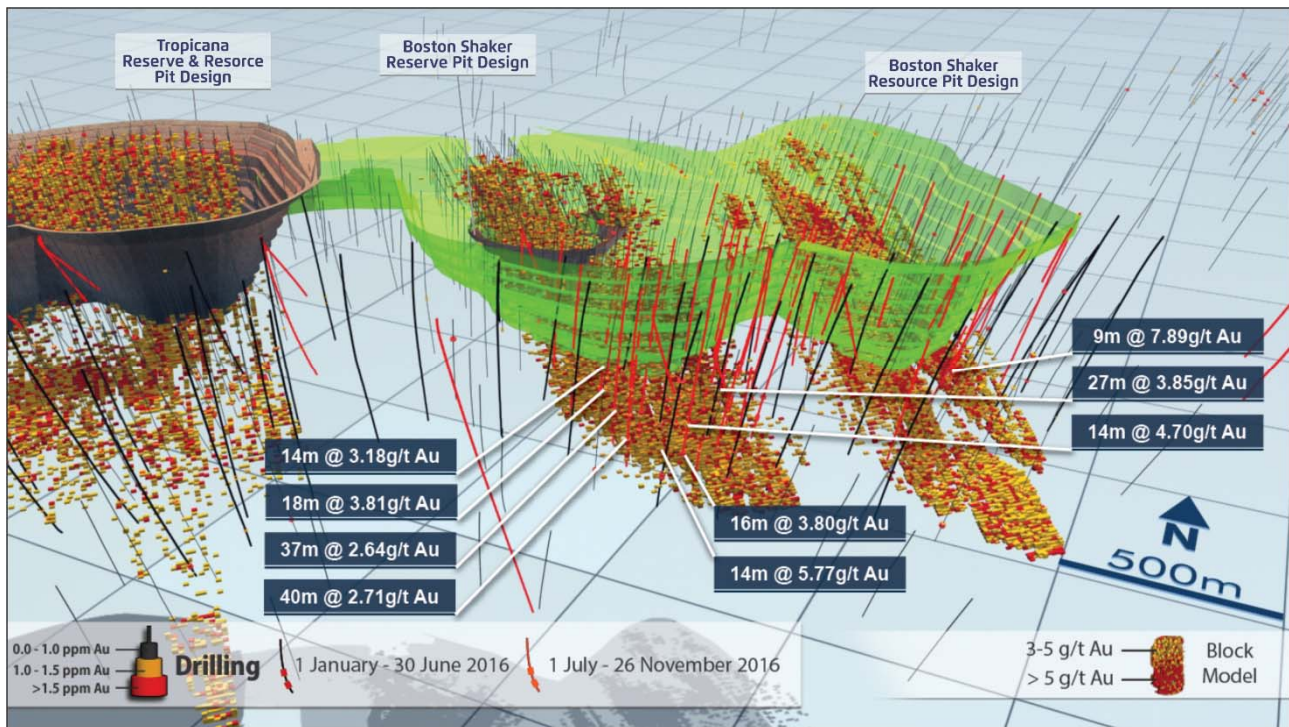


Figure 4: Image showing the Boston Shaker drilling with recent significant intersections.

The Long Island resource extension drilling is expected to be completed shortly. As a result, there will be a change in the strategic focus of exploration in CY17 towards:

- Testing the potential strike extensions of known mineralisation including drilling of Springbok and Hat Trick trends to the north, and Zombie to the south, of the Tropicana Mineralised System.
- Reconnaissance exploration on a suite of predominantly untested exploration targets which have been generated through an extensive targeting program executed during CY16. The targeting program has been based on a structural reconstruction of the Tropicana Belt. Targets to be drill tested, with the potential to discover satellite deposits, include Angel Eyes, Zebra and New Zebra, Little Wing, and Charmander.

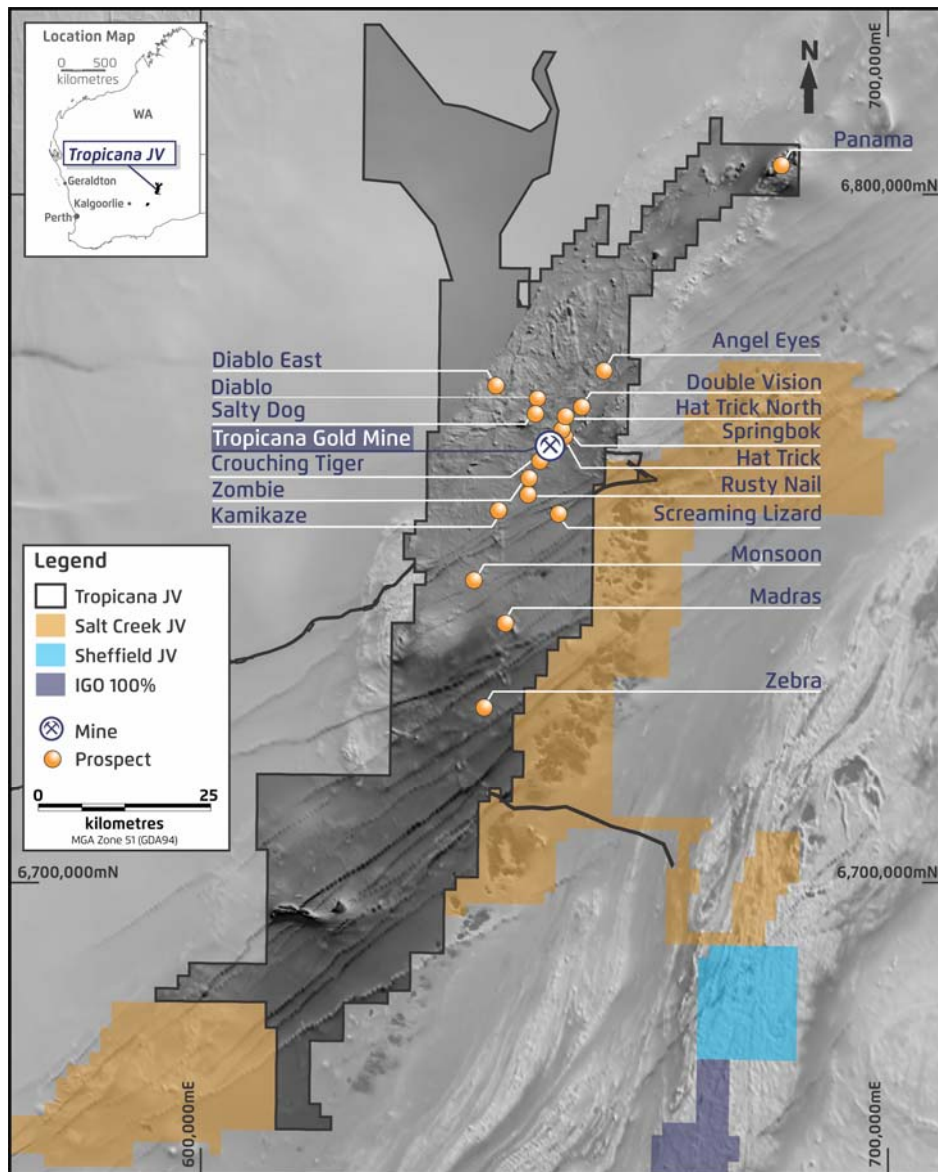


Figure 5: Regional prospects that are planned to be drill tested during CY17 as part of a strategic shift to discovery of satellite deposits to the Tropicana Mineralised System.



Mineral Resource

The total Tropicana Mineral Resource (100% basis) as at 31 December 2016 is estimated at **148.1Mt at 1.68g/t Au for 8.02Moz** of contained gold compared to 124.8Mt at 1.86g/t for 7.48Moz as at 30 June 2016. This represents an increase of 540,000oz in the contained gold over the six-month period, net of depletion, and an increase of more than 1Moz of contained gold over the 12-month period, net of depletion.

Table 2: Tropicana Gold Mine 100% basis (IGO 30%) 31 December 2016 Mineral Resource (and 30 June 2016 comparison)

		Mineral Resources - 30 June 2016			Mineral Resources - 31 December 2016		
		Tonnes	Au Grade	Contained Gold	Tonnes	Au Grade	Contained Gold
	Classification	(Mt)	(g/t)	(Moz)	(Mt)	(g/t)	(Moz)
Open Pit	Measured	10.9	1.91	0.67	8.8	1.90	0.54
	Indicated	78.3	1.71	4.32	81.1	1.61	4.19
	Inferred	4.4	2.23	0.32	22.3	1.32	0.94
	Sub-Total	93.7	1.76	5.30	112.3	1.57	5.68
Underground	Measured	-	-	-	-	-	-
	Indicated	5.4	3.36	0.59	6.8	3.38	0.73
	Inferred	12.1	3.13	1.22	11.9	3.15	1.20
	Sub-Total	17.6	3.20	1.81	18.6	3.23	1.94
Stockpiles	Measured	13.6	0.85	0.37	17.2	0.73	0.40
Total Tropicana	Measured	24.5	1.32	1.04	26.1	1.13	0.94
	Indicated	83.8	1.82	4.90	87.9	1.74	4.93
	Inferred	16.6	2.89	1.54	34.2	1.95	2.15
GRAND TOTAL		124.8	1.86	7.48	148.1	1.68	8.02

Notes:

- The Open Pit Mineral Resource is reported above a marginal (break-even) cut-off grade of 0.3g/t Au cut-off for oxide, and a 0.4g/t Au cut-off for transitional and fresh material. Cut-off grades for Mineral Resources have been based on an A\$1,817/oz (US\$1,400/oz) gold price.
- The Open Pit Mineral Resource is reported within a combination of pit designs and optimisation shells, reflecting the current Long Island mining strategy including; a) Havana South is reported within a A\$1,817/oz (US\$1,400/oz) gold price optimised pit shell, at Long Island study costs; b) Havana is reported within a pit design, based on Long Island Study costs at an A\$1,370/oz (US\$1,055/oz) gold price optimised shell; c) Tropicana is reported within the current life of mine design, and; d) Boston Shaker is reported within a preliminary design based on an A\$1,350 (US\$1,040/oz) gold price and Long Island Study costs.
- The Underground Mineral Resource is reported outside the Open Pit design and optimisation shells and is based on underground mineable shapes at a cut-off grade of 2.0g/t Au based on a A\$1,817/oz (US\$1,400/oz) gold price.
- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
- Mineral Resources are inclusive of Ore Reserves.
- All Mineral Resources are compiled in accordance with the 2012 JORC Code.
- JORC Code (2012) Table 1 Parameters are contained within Appendix B of this ASX release.

The Mineral Resource incorporates drilling through to 30 June 2016.

Given the assumption of backfilling the pits under the Long Island mining scenario, the Open Pit Mineral Resource for Havana, Tropicana and Boston Shaker are constrained to pit designs at the ore reserve gold price of A\$1,130 to A\$1,370/oz.

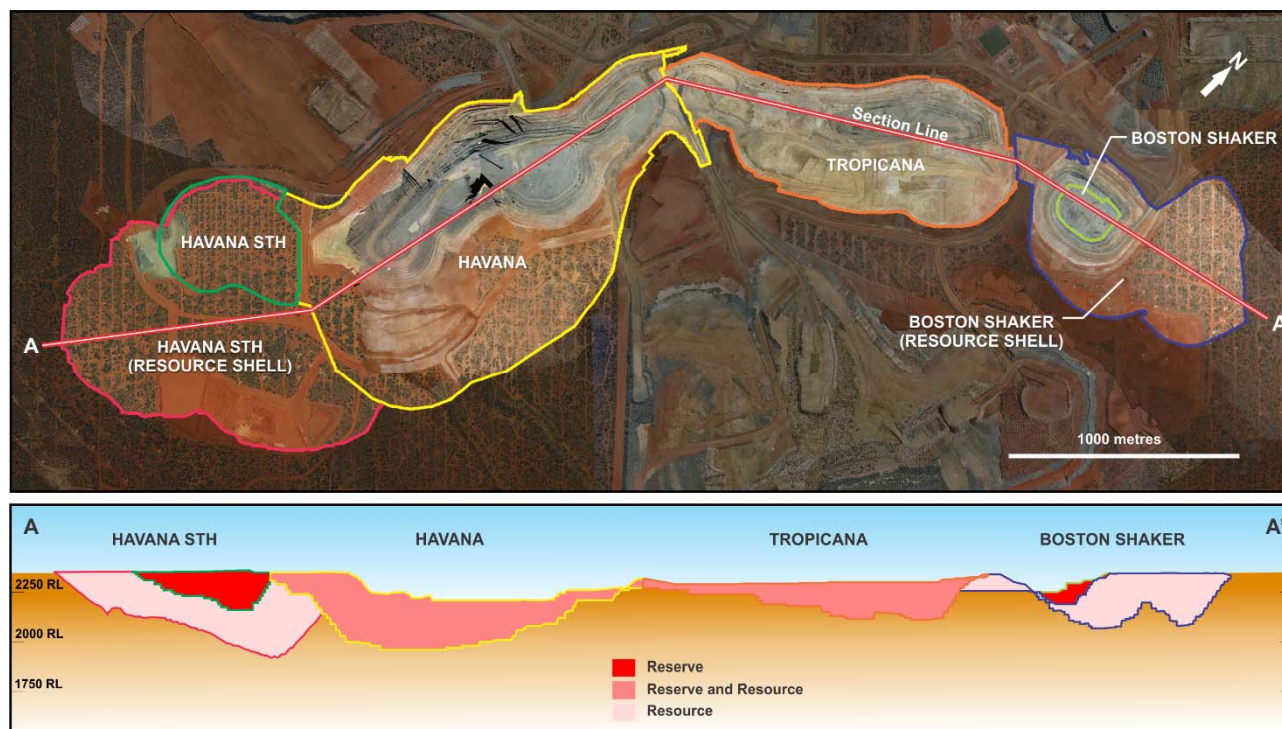


Figure 6: Schematic section of the Tropicana Gold Mine showing the Mineral Resource economic pit constraints in which the Mineral Resource has been constrained to the Ore Reserve design for Tropicana and Havana given the Long Island mining strategy.

As a result of the change to constrain the Mineral Resource for Tropicana, Havana and Boston Shaker to the Ore Reserve pit designs, there has been a decrease in the contained metal of 39%, 6% and 55% for Tropicana, Havana and Boston Shaker, respectively, compared to the 30 June 2016 Mineral Resource. This has been offset by a 60% increase to contained metal at Havana South as a result of exploration success, for a net increase of 7% metal, compared to the 30 June 2016 Mineral Resource.

Table 3: Tropicana Gold Mine Mineral Resource (100% basis) by Open Pit

		Mineral Resources - 30 June 2016			Mineral Resources - 31 December 2016		
		Tonnes	Au Grade	Contained Gold	Tonnes	Au Grade	Contained Gold
	Classification	(Mt)	(g/t)	(Moz)	(Mt)	(g/t)	(Moz)
Tropicana	Measured	5.9	1.81	0.34	5.6	1.79	0.32
	Indicated	15.1	1.72	0.83	9.4	1.84	0.56
	Inferred	0.8	1.73	0.04	-	-	-
	Sub-Total	21.8	1.74	1.22	15.0	1.82	0.88
Havana	Measured	2.2	2.33	0.16	1.3	2.34	0.10
	Indicated	38.9	1.88	2.36	39.8	1.79	2.28
	Inferred	0.3	1.37	0.01	-	-	-
	Sub-Total	41.3	1.91	2.53	41.1	1.80	2.38
Havana South	Measured	0.4	0.80	0.01	0.0	0.00	0.00
	Indicated	18.3	1.25	0.74	27.4	1.17	1.03
	Inferred	0.3	0.95	0.01	21.1	1.28	0.87
	Sub-Total	19.1	1.24	0.76	48.5	1.22	1.91
Boston Shaker	Measured	2.4	1.96	0.15	1.9	1.89	0.12
	Indicated	6.1	1.98	0.39	4.6	2.19	0.32
	Inferred	3.1	2.56	0.25	1.2	1.89	0.07
	Sub-Total	11.6	2.13	0.79	7.7	2.07	0.51
GRAND TOTAL		93.7	1.76	5.30	112.3	1.57	5.68

Notes:

1. The Open Pit Mineral Resource is reported above a marginal (break-even) cut-off grade of 0.3g/t Au cut-off for oxide material, and a 0.4g/t Au cut-off for transitional and fresh material. Cut-off grades for Mineral Resources have been based on an A\$1,817/oz (US\$1,400/oz) gold price.
2. The Open Pit Mineral Resource is reported within a combination of pit designs and optimisation shells, reflecting the current Long Island mining strategy including; a) Havana South is reported within a A\$1,817/oz (US\$1,400/oz) gold price optimised shell, at Long Island study costs; b) Havana is reported within a pit design, based on Long Island Study costs at an A\$1,370/oz (US\$1,055/oz) gold price optimised shell; c) Tropicana is reported within the current life of mine design, and; d) Boston Shaker is reported within a preliminary design based on an A\$1,350 (US\$1,040/oz) gold price and Long Island Study costs.
3. All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
4. Mineral Resources are inclusive of Ore Reserves.
5. All Mineral Resources are compiled in accordance with the 2012 JORC Code.
6. JORC Code (2012) Table 1 Parameters are contained within Appendix B of this ASX release.

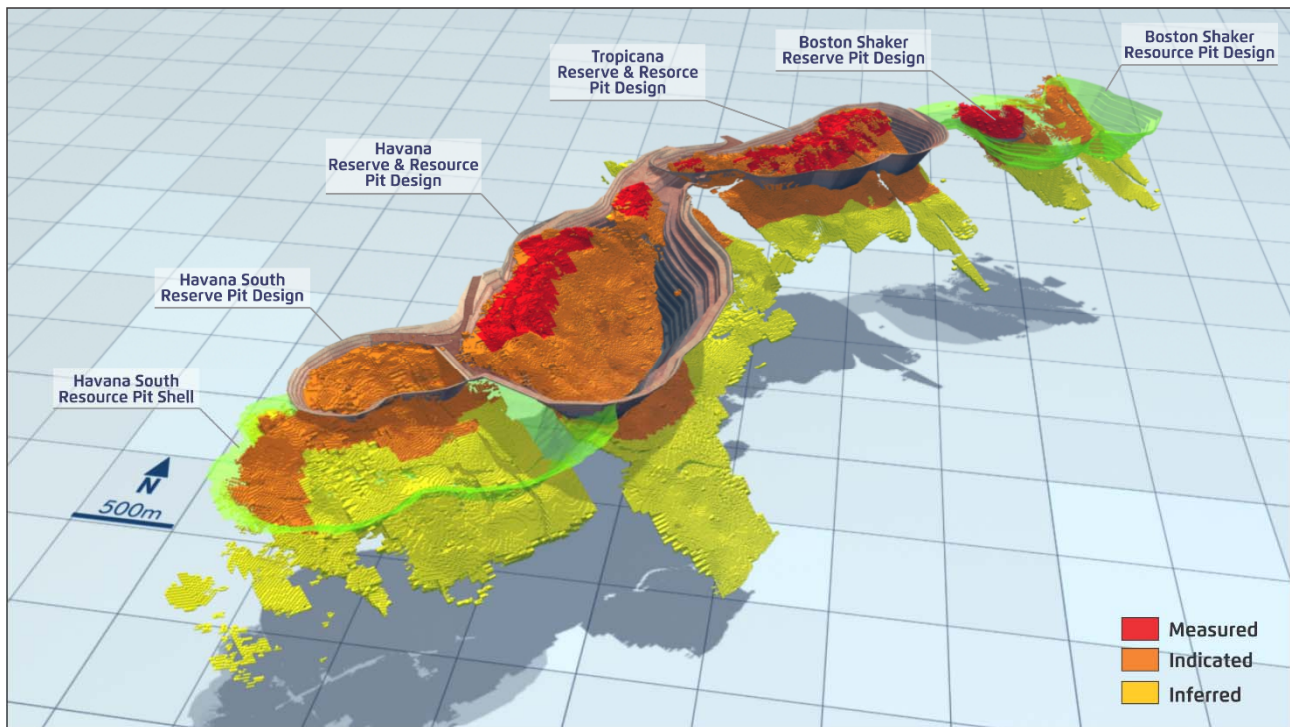


Figure 7: Image showing Tropicana Resource and Reserve pit shells with the Mineral Resource model classification. The majority of the drilling not yet captured in this Mineral Resource update is from Boston Shaker and Havana South.

Ore Reserve

The Total Tropicana Ore Reserve (100% basis) as at 31 December 2016 is **60.1Mt at 1.97g/t Au for 3.80Moz** of contained gold. This compares to the 30 June 2016 Ore Reserve of 41.0Mt @ 1.83g/t Au for 2.41Moz of contained gold. The updated Ore Reserve represents a 47% increase in tonnes and an 8% increase in grade, for a 58% increase in contained gold, net of depletion.

Table 4: Tropicana Gold Mine 100% basis (IGO 30%) 31 December 2016 Ore Reserve (and 30 June 2016 comparison)

		Ore Reserves - 30 June 2016			Ore Reserves - 31 December 2016		
		Tonnes	Au Grade	Contained Gold	Tonnes	Au Grade	Contained Gold
	Classification	(Mt)	(g/t)	(Moz)	(Mt)	(g/t)	(Moz)
Open Pit	Proven	7.6	2.33	0.57	6.5	2.26	0.47
	Probable	24.2	2.01	1.56	44.4	2.14	3.05
	Sub-Total	31.8	2.07	2.12	50.9	2.15	3.53
Stockpiles	Proved	9.2	0.98	0.29	1.2	0.92	0.27
GRAND TOTAL		41.0	1.83	2.41	60.1	1.97	3.80

Notes:

1. The Proven and Probable Ore Reserve are reported above economic break-even gold cut-off grades for each material type at a gold price of A\$1,500/oz (US\$1,100/oz).
2. The Ore Reserve estimate is based on depletion through to the 31 December 2016, using the Resource model from August 2016.
3. The cut-off grades reported were 0.6g/t Au for oxide material and 0.7g/t Au for transitional and fresh.
4. The Open Pit Ore Reserves are reported within Pit Designs, reflecting the current mine plan and the Long Island Study, including; a) Havana South is reported within a design based on the current life of mine plan; b) Havana is reported within a design based on the Long Island Study; c) Tropicana is reported within a design based on the current life of mine, and; d) Boston Shaker is reported within a design based on the current life of mine.
5. All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
6. Mineral Resources are inclusive of Ore Reserves.
7. All Mineral Resources are compiled in accordance with the 2012 JORC Code.
8. JORC Code (2012) Table 1 Parameters are contained within Appendix B of this ASX release.

A key driver for the Long Island Study is to optimise the conversion of the Tropicana Mineral Resource to Ore Reserve. On this iteration of the Study, the Mineral Resource to Ore Reserve conversion has increased significantly for the Open Pit material, from 40% at 30 June 2016 to 62% at 31 December 2016. This is a result of the introduction of the Long Island Study mining strategy. It is anticipated that the Open Pit Mineral Resource to Ore Reserve conversion will be in the order of 75 to 80% at the conclusion of the Long Island Study. This represents a significant step-change from the historic conversion rates.

Table 5: Mineral Resource to Ore Reserve conversions

	30 June 2016			31 December 2016		
	Mineral Resource	Ore Reserve	Conversion	Mineral Resource	Ore Reserve	Conversion
	(Moz)	(Moz)	(%)	(Moz)	(Moz)	(%)
Total (Open Pit, Underground & Stockpiles)	7.48	2.41	32%	8.02	3.80	47%
Open Pit Only	5.30	2.12	40%	5.68	3.53	62%

Long Island Mining

The Long Island Study is based on a strip mining strategy for the Tropicana Mineralised System designed to significantly reduce waste mining costs and unlock the Mineral Resource potential. The reduction in waste mining costs can be delivered through the introduction of short, horizontal hauls to backfill a void, instead of the conventional longer hauls out of the pit to remote, elevated waste dumps. The ability to modify the mining strategy from conventional mining to strip mining, which is often used in the coal mining industry, is possible due to the tabular geometry and strike extent of the Tropicana Mineralised System, which is unique to Australian gold mining.

The original Long Island concept required a starter pit to be established by conventional mining methods at Havana. The mining would then advance as strips from Havana to Tropicana. The current plan is to use the Tropicana LoM pit as a starter pit, or void, which will be backfilled with material from Boston Shaker to the north and material from Havana to the south. This change is anticipated to result in a significant reduction in the pre-strip mining costs when compared to requirements under the original concept.

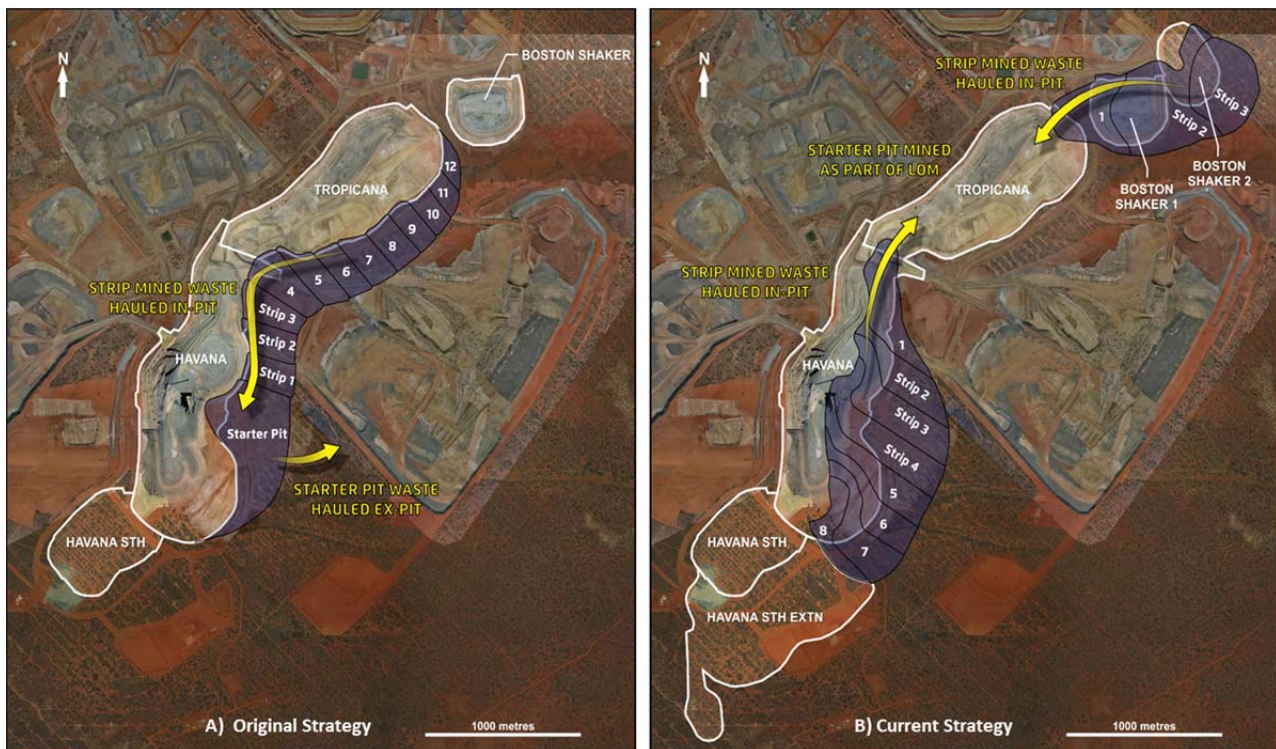


Figure 8: Image showing; A) the original Long Island Study concept, and; B) the current Long Island Study mining strategy. The current strategy is to use the Tropicana LoM open pit as the starter pit for the commencement of strip-mining which has eliminated the need for an “upfront” capital pre-strip. The mine design for Havana South will be captured as part of the final Long Island Study.

Accelerated Mining and Grade Streaming

The mining fleet has been optimised and this has allowed an accelerated mining rate and the resumption of grade streaming for the next two to three calendar years. The grade streaming will allow the preferential treatment of higher-grade ore and stockpiling of lower and medium grade ore.

As part of this optimisation, a Caterpillar 6060, 600 tonne class hydraulic shovel was commissioned at Tropicana during November 2016. The introduction of the shovel is expected to reduce waste mining costs and increase mining rates to approximately 80Mtpa.

As a result, the average processing plant head grade is expected to increase from 1.8g/t to 2.3g/t Au over the period from CY17 to CY19, lifting average annual production rates to between 450,000 to 490,000oz from the second half of CY17.

Processing

The expansion of the processing plant to increase throughput to 7.5Mtpa, approximately 29% higher than the as built name plate capacity, has been completed. The higher throughput rate is expected to be achieved in the December 2016 quarter.

This processing plant expansion project involved:

- Upgrading the conveyors to improve capacity and unlocking underutilised comminution capacity of the high pressure grinding rolls (HPGR);
- Installation of two additional carbon-in-leach tanks;
- Additional infrastructure for plant air, oxygen and lime storage; and



- Improvement of the processing plant reliability.

Further plant improvements are planned for CY17 designed to continue to increase throughput by an expected additional 200-400ktpa. The total CY17 improvement capital is estimated at \$6.9M (100% basis) and includes;

- Crushing and milling throughput optimisation through improved feed presentation to the HPGR, optimisation of maintenance shutdown scheduling, conveyor and other process improvement; and
- Recovery enhancements through improved oxygen utilisation and improved elution circuit uptime.

FY17 Guidance and Directional LoM Profile

There is no change to IGO's FY17 guidance (IGO 30% basis) with the exception being;

- An increase to Capitalised Waste Stripping expenditures from a previous \$29M to \$36M range to a revised forecast of between \$37M to \$43M. The increase reflects an accelerated mining rate with the introduction of the hydraulic shovel allowing the recommencement of grade streaming and higher average gold production over CY17 to CY19. As a result of the increased waste stripping expenditure, the All-in Sustaining Costs will be slightly higher, although will remain within the upper-end of our FY17 guidance range of \$1,150 to \$1,250/oz.
- An increase to our FY17 Improvement Capex guidance to \$7M to \$8M from \$2M to \$3M. The increase is primarily due to expenditure associated with further process plant throughput improvements designed to deliver an additional 200-400ktpa by the end of CY17.

These investments continue to improve efficiency and remove operational constraints, and are expected to result in improved production and lower AISC over the next three years as illustrated in Figure 9.

Long Island mining could potentially commence in CY19, thereafter average gold production rate is expected to be approximately 400,000 to 450,000oz per year. Further details for Long Island will be provided at the completion of the Study in mid CY17.

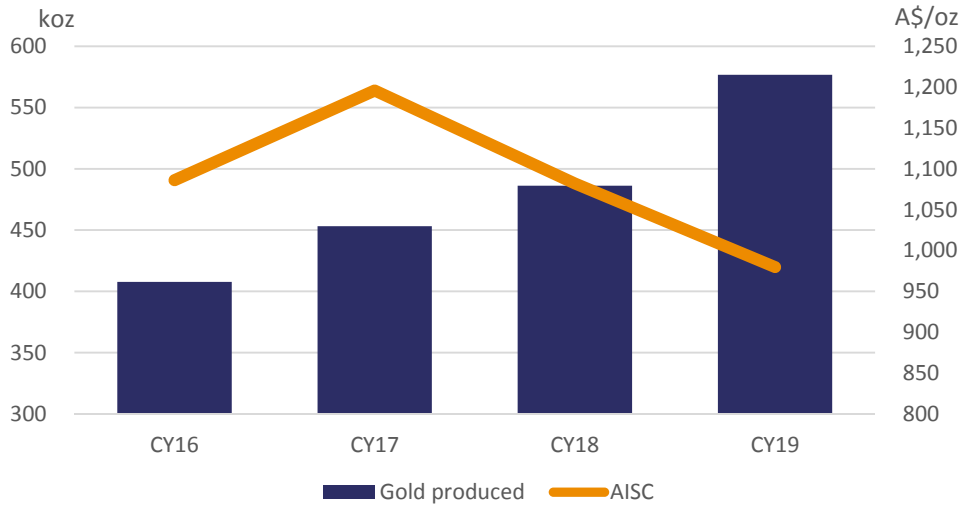


Figure 9: Directional LoM Profile for the next three years on the basis of a 7.5Mtpa throughput and recommencement of grade streaming. This will see gold production higher and AISC costs lower.

Future Value and Key Milestones

The Long Island Study is due for completion in mid CY17, which will capture the resource model updates currently being completed at Boston Shaker and Havana South. This will allow a decision on Long Island during the September 2017 quarter, followed by operational readiness activities in CY18 and commencement of the Long Island mining scenario in CY19.

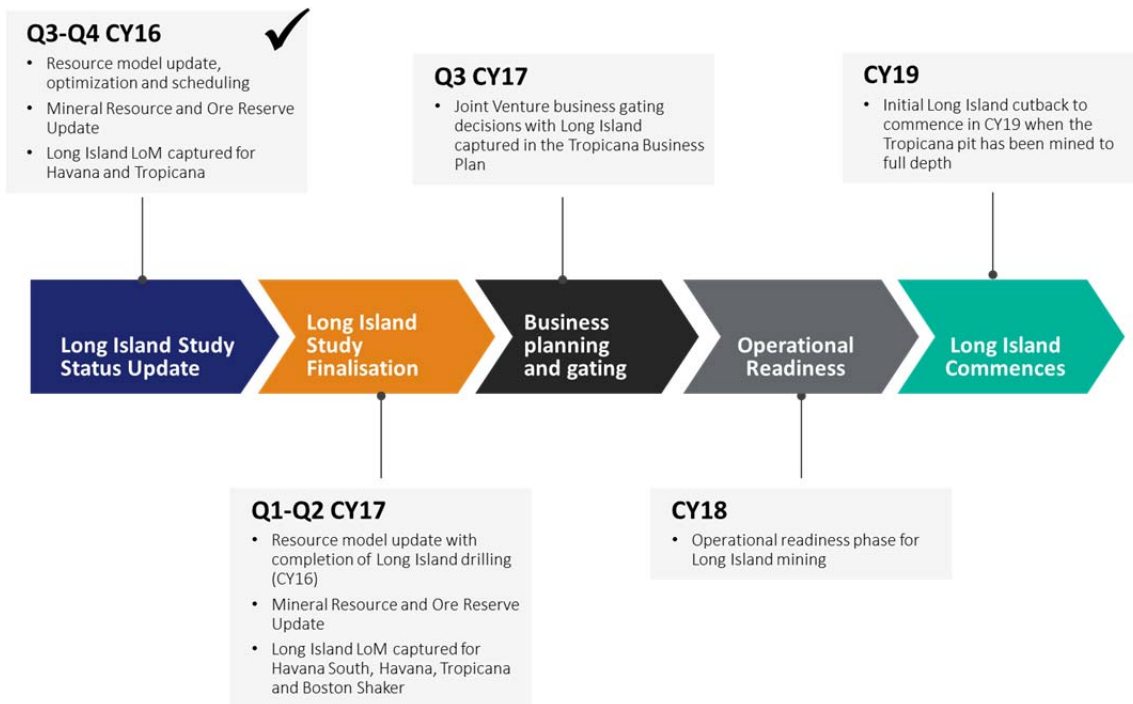


Figure 10: Outline of the Long Island timetable with finalisation of the study by mid CY17.



Investor Call and Webcast

An investor call and webcast has been scheduled for 8.00am Perth time, Thursday 15 December 2016. Dial-in details for the call and the webcast link can be found below.

Meeting title: Independence Group Conference Call

Date: 15 December 2016

Conference ID: 190172

Audio Access Dial in numbers:

Australia Toll Free 1 800 558 698

Alternate Australia Toll Free 1 800 809 971

Australia Local Number	+612 9007 3187	New Zealand	0800 453 055
China Wide	4001 200 659	Norway	800 69 950
Belgium	0800 72 111	Philippines	1800 1110 1462
Canada	1855 8811 339	Singapore	800 101 2785
France	0800 913 848	South Korea	00 798 142 063 275
Germany	0800 182 7617	Sweden	020 791 959
Hong Kong	800 966 806	South Africa	800999976
India	0008 0010 08443	Switzerland	800820030
Indonesia	001 803 019 3275	Taiwan	008 0112 7397
Ireland	1800 948 625	Thailand	001800 156 206 3275
Italy	800 793 500	UAE	8000 3570 2705
Japan	0053 116 1281	United Kingdom	0800 051 8245
Malaysia	1800 816 294	United States	1855 8811 339
Netherlands	0800 020 0715		

Details of the webcast are set out below:

To listen in live, please click on the link below and register your details.

<http://webcasting.boardroom.media/broadcast/58508e1849bdfc840bd2b5ad>

Please note it is best to log on at least 5 minutes before 11am AEDT (8am WST) on Thursday morning, 15 December 2016 to ensure you are registered in time for the start of the presentation.

Investors are advised that, in addition to the live webcast, a recording of the presentation will be available on the IGO website www.igo.com.au approximately one hour after the conclusion of the webcast.



JORC Code (2012) Competent Persons Statements

The information in this report that relates to Exploration Results is based on information compiled by Mr. Damon Elder who is a full-time employee of AngloGold Ashanti Australia Ltd and is a member of The Australasian Institute of Mining and Metallurgy. Mr Elder has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Elder consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information that relates to the Tropicana Mineral Resources is based on, and fairly represents information and supporting documentation compiled by Mr Mark Kent, a full-time employee and security holder of AngloGold Ashanti Australia Limited, who is a member of The Australasian Institute of Mining and Metallurgy. Mr Kent has sufficient experience relevant to the type and style of mineral deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Mr Kent consented to the inclusion in this report of the Tropicana Mineral Resource estimate, based on the information in the form and context in which it appears.

The information that relates to the Tropicana Ore Reserves is based on, and fairly represents information and supporting documentation compiled by Mr Jason Vos, a full-time employee and security holder of AngloGold Ashanti Australia Limited, who is a member of The Australasian Institute of Mining and Metallurgy. Mr Vos has sufficient experience relevant to the type and style of mineral deposit under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Mr Vos consented to the inclusion in this report of the Tropicana Ore Reserve estimate, based on the information, in the form and context in which it appears.

FORWARD LOOKING STATEMENTS

This announcement contains forward-looking statements regarding future events, conditions and circumstances including but not limited to statements regarding plans, strategies and objectives of management, anticipated construction timelines and expected costs and levels of production. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue" and "guidance", or other similar words.

These forward-looking statements are not a guarantee of future performance and involve unknown risks and uncertainties, many of which are beyond IGO's control, which may cause actual results and developments to differ materially from those expressed or implied. These risks include but are not limited to economic conditions, stock market fluctuations, commodity demand and price movements, access to infrastructure, timing of approvals, regulatory risks, operational risks, reliance on key personnel, reserve and resource estimations, native title and title risks, foreign currency fluctuations, exploration risk and mining development, construction and commissioning risk.

The production guidance in this announcement is subject to the risks referred to above and should be read in conjunction with the further information regarding the Mineral Resources and Ore Reserves, as well as the Competent Persons' Statements, included in this announcement and with IGO's other announcements lodged with the ASX.

Forward-looking statements in this announcement apply only at the date of issue. Subject to any continuing obligations under applicable law or regulations, IGO does not undertake to publically update or revise any of the forward-looking statements in this announcement or to advise of any change in events, conditions or circumstances on which any such statement is based. Readers are cautioned not to place undue reliance on any forward-looking statements contained in this announcement.

For further information contact:

Peter Bradford
Managing Director
Independence Group NL
Telephone: 08 9238 8300

Joanne McDonald
Company Secretary
Independence Group NL
Telephone: 08 9238 8300



APPENDIX A

Table of significant drill intersections

Hole_id	East	North	RL	Azi (Degr)	Dip (Degr)	Total Depth	From	To	Width (m)	Grade (g/t)
BSD065 [#]	652533.10	6764043.88	344.97	316.98	-59.92	477.5	415	419	4	1.10
BSD066 [#]	652601.63	6763978.20	345.91	317.88	-59.65	513.8	465	467	2	1.23
BSD069 [#]	652525.16	6763904.27	346.28	315.71	-59.68	471.4	387	395	8	2.69
BSD080 [#]	652063.26	6763538.54	345.79	317.92	-60.94	507.3	322	332	10	1.48
BSD080 [#]	652063.26	6763539.54	345.79	317.92	-60.94	507.3	384	398	14	5.77
BSRC441	652866.10	6763848.83	347.38	316.94	-59.46	210	126	128	2	1.02
BSRC447	652181.57	6764150.26	344.11	314.78	-65.02	198	53	55	2	1.34
							156	164	8	2.22
BWD006	652339.59	6764168.59	343.20	318.38	-65.98	345.4	283	285	2	3.88
BWD007	652410.84	6764097.46	344.83	317.08	-65.13	354.7	323	326	3	1.05
BWD008A	652480.17	6764030.21	344.93	320.29	-66.80	424.1	378	388	10	1.69
							398	407	9	1.48
BWD010	652374.61	6763992.34	345.32	316.59	-64.36	309.8	279	287	8	4.21
BWD011	652409.64	6763956.16	345.73	316.96	-63.28	342.8	306	316	10	6.48
BWD012	652247.97	6764083.79	344.02	317.33	-65.71	222.8	208	210	2	3.67
BWD013	652318.75	6764013.11	344.94	316.40	-69.05	276.7	247	256	9	3.53
BWD014	652339.41	6763956.82	345.23	318.12	-62.85	309.6	264	272	8	4.16
BWD015	652411.28	6763884.89	345.76	317.13	-63.52	363.6	335	344	9	7.89
BWD019	652374.38	6763708.45	356.46	318.73	-65.71	428.8	362	379	17	5.53
BWD020	652127.10	6763886.16	344.89	318.22	-60.17	282.5	177	181	4	2.41
BWD021	652197.55	6763815.31	345.71	318.37	-56.55	378.1	241	245	4	3.49
BWD026	652181.26	6763677.37	353.85	317.99	-67.35	423.7	363	365	2	2.28
BWD029	652072.19	6763727.02	344.88	321.42	-72.91	384.7	291	318	27	3.85
BWD030	652127.75	6763673.54	354.51	317.20	-69.81	424.9	380	383	3	2.02
BWD031	652087.08	6763643.09	345.63	319.09	-63.64	420.7	364	378	14	4.70
BWD032	651985.90	6763673.62	346.79	319.96	-62.61	370.2	239	241	2	2.30
							302	315	13	3.65
							321	326	5	1.18
BWD033	652020.85	6763638.33	348.84	318.54	-65.35	419.4	335	347	12	2.42
BWD034	651916.37	6763672.76	342.74	317.81	-65.80	357.8	230	244	14	2.76
							271	285	14	3.18
BWD035	651946.37	6763605.02	342.89	311.40	-60.71	363.1	276	294	18	3.81
							300	312	12	1.85
							315	328	13	1.93
BWD036	651844.20	6763602.84	342.27	316.26	-60.50	330.7	300	312	12	1.28
BWD037	651911.90	6763535.16	345.10	317.72	-62.98	408.4	341	345	4	1.12



Hole_id	East	North	RL	Azi (Degr)	Dip (Degr)	Total Depth	From	To	Width (m)	Grade (g/t)
BWD038	651949.25	6763569.77	342.56	316.87	-63.54	398.55	296	304	8	4.04
							311	348	37	2.64
BWD039	651982.94	6763537.79	343.17	317.58	-64.54	411.3	312	327	15	1.72
							331	371	40	2.71
BWD040	652019.75	6763498.36	343.27	318.14	-66.17	412.3	338	350	12	4.60
							360	386	26	3.04
BWD041	651982.49	6763598.55	343.55	318.40	-67.50	357.6	276	300	24	1.70
							334	348	14	2.99
BWD042	652016.37	6763564.20	343.80	317.61	-68.26	390.6	297	317	20	1.54
							342	349	7	3.58
							358.5	372	13.5	2.92
BWD043	652054.65	6763606.14	348.67	315.32	-66.81	402.6	281	283	2	1.73
							355	368	13	2.53
BWD044	652093.86	6763566.80	347.01	317.69	-66.50	423.6	382	398	16	3.80
BWD045	652130.67	6763529.76	345.46	319.48	-65.06	453.6	334	339	5	1.47
							409	420	11	3.71
BWD046	652160.34	6763570.34	346.22	318.11	-61.56	456	410	426	16	3.12
							435	440	5	1.68
BWD047	652130.16	6763676.26	354.50	316.13	-77.19	420.8	342	344	2	1.33
							386	402	16	4.63
HDD300	650296.47	6762096.82	359.53	318.89	-59.17	477.7	432	434	2	1.05
HDD301	650247.45	6762075.40	359.86	319.61	-60.96	457.4	385	387	2	1.70
							392	400	8	1.46
							406	415	9	2.18
HDD302	650374.08	6761942.11	357.33	318.28	-59.65	501.8	452	469	17	1.23
							482	484	2	1.11
HDD304	650113.35	6761219.83	365.35	315.91	-59.61	436.8	359	374	15	1.26
							389	410	21	6.05
HDD306	650052.34	6761153.05	364.56	316.11	-60.28	390.4	329	335	6	2.51
HSD111 [#]	649458.83	6761252.69	361.10	319.75	-63.89	255.6	187	189	2	1.21
							207	213	6	3.99
HSD112	649490.70	6761217.72	361.14	319.07	-61.41	324.4	216	224	8	1.78
							237	244	7	2.98
							247	251	4	1.45
							258	263	5	1.18
HSD113	649455.76	6761191.47	359.16	321.53	-59.26	270.4	150	181	31	1.48
							216	218	2	1.02
							232	249	17	2.80
HSD114	649457.09	6761189.90	359.21	321.39	-65.69	276.7	156	186	30	1.23
							218	220	2	1.16



Hole_id	East	North	RL	Azi (Degr)	Dip (Degr)	Total Depth	From	To	Width (m)	Grade (g/t)
							241	253	12	1.05
HSD115	649366.92	6761201.57	357.46	320.70	-64.99	231.7	178	192	14	1.53
HSD116	649404.57	6761163.99	357.21	319.65	-65.04	252.55	110	112	2	2.62
							210	215	5	2.10
							222	229	7	7.71
HSD117	649364.85	6761132.66	355.99	320.61	-57.74	258.4	123	140	17	1.02
HSD118	649404.33	6761093.76	355.85	318.82	-58.97	273.5	155	168	13	1.04
HSD120	649766.13	6760931.14	359.90	317.45	-59.34	525.8	406	426	20	3.64
							444	446	2	1.12
HSD121	649652.73	6760900.99	358.10	318.69	-60.22	391.4	285	288	3	1.22
							342	347	5	1.44
							351	355	4	1.01
HSD122	649574.42	6760908.09	357.91	314.42	-60.79	432.7	299	333	34	5.41
							336	340	4	1.91
HSD123	649553.46	6760859.11	358.77	320.29	-60.46	345.6	287	294	7	1.24
HSD126	649344.35	6760573.05	369.78	317.12	-75.46	321.4	193	198	5	1.20
							202	206	4	2.87
							210	212	2	1.19
							230	249	19	1.94
HSD127	649390.91	6760512.90	369.60	314.48	-68.39	339.6	221	225	4	3.29
							249	272	23	1.02
HSD129	649550.84	6760947.35	357.46	307.51	-63.35	384.5	270	287	17	1.23
HSD130	649616.51	6760882.03	358.60	312.33	-60.55	384.2	335	356	21	1.58
HSD132	649262.90	6760740.14	361.83	317.45	-67.51	231.6	192	195	3	5.53
HSD133	649297.90	6760704.37	362.94	316.66	-67.40	243.5	196.3	198.8	2.5	4.27
HSRC003 [#]	649451.85	6761319.49	361.24	321.49	-62.41	180	101	107	6	1.04
HSRC004 [#]	649277.01	6761150.16	354.95	320.61	-60.66	200	101	118	17	1.36
HSRC005	649262.72	6761093.12	354.46	320.03	-60.81	182	123	125	2	1.03
							127	134	7	1.09
							150	158	8	4.32
							173	175	2	14.53
HSRC006	649286.75	6761066.37	354.64	317.44	-63.10	200	130	144	14	2.22
							154	158	4	1.66
							187	190	3	2.19
HSRC007	649207.39	6761079.52	353.69	317.48	-65.06	170	131	144	13	2.33
HSRC008D	649242.64	6761043.05	353.95	317.86	-65.40	223.3	125	133	8	1.12
							149	154	5	1.30
HSRC009 [#]	649243.35	6760972.31	354.44	319.46	-60.53	200	134	144	10	1.33
							157	165	8	1.76
HSRC010 [#]	649171.06	6760972.79	353.80	319.42	-65.65	162	106	108	2	1.39



Hole_id	East	North	RL	Azi (Degr)	Dip (Degr)	Total Depth	From	To	Width (m)	Grade (g/t)
							121	128	7	1.00
							142	148	6	1.44
HSRC011	649210.56	6760933.27	355.06	320.40	-61.87	180	140	149	9	6.42
							160	164	4	1.23
TPD526 [#]	651187.62	6763054.51	343.79	317.58	-53.48	429.5	375	405	30	2.31
TPD528	651087.87	6763083.47	343.65	320.02	-59.67	411.8	340	346	6	1.84
TPD530	651026.37	6763078.01	343.52	321.30	-60.33	366.4	309	314	5	1.23

Downhole calculations with 2m minimum width, maximum of 2m of consecutive internal waste intervals, lower cut-off of 0.5g/t Au, with a minimum intercept grade of 1g/t Au. No upper cuts have been applied.

Holes denoted by # have informed the current Mineral Resource, while the remainder of the holes will be included in the next Mineral Resource update.



APPENDIX B

Tropicana Gold Mine Mineral Resource and Ore Reserve 2015

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	<p>AngloGold Ashanti Australia (AGAA) has carried out all the drilling within the Tropicana deposit, with sampling from Reverse Circulation (RC) and diamond drilling predominantly from one metre sample intervals, for 50g gold fire assay.</p> <p>The sampling methodology with RC drilling has changed over time. Sample collection prior to 2007 was via a cyclone, dust collection system and multi-stage riffle splitter attached to the drill rig. From the beginning of 2007 sample collection was via a cyclone, dust collection system and cone splitter attached to the drill rig. RC samples are collected from one metre intervals for resource definition drill-holes, with two metre sample intervals from RC pre-collar drilling introduced in 2016. All NQ2 and HQ diamond holes have been half-core sampled over prospective mineralised intervals determined by the geologist, where sample intervals are generally one metre samples. In 2016 two metre samples were processed from un-mineralised core to collect additional geometallurgical data (hyperspectral and XRF) for waste rock characterisation.</p> <p>Within fresh rock, core is oriented for structural/geotechnical logging wherever possible. In oriented core, one half of the core was sampled over one metre intervals and submitted for fire assay. The other half of the core, including the bottom-of-hole orientation line, was retained for geological reference and potential further sampling such as metallurgical test work. In intervals of un-oriented core, the same half of the core has been sampled where possible, by extending a cut line from oriented intervals through into the un-oriented intervals. The lack of a consistent geological reference plane, (such as bedding or a foliation), precludes using geological features to orient the core.</p>
Drilling techniques	<p>RC drilling has been utilised to an average depth of 150m in the shallower, up-dip, western portions of the resource and as pre-collars to diamond holes. All RC drilling has been via face sampling hammer.</p> <p>Diamond drilling has predominantly been NQ2 with limited HQ2, HQ3 and PQ in the upper saprolite and for holes drilled for geotechnical and metallurgical purposes. The majority of diamond holes have been drilled as tails to RC drilling, with NQ2 core produced for sampling mineralisation. From 2011 many deeper holes were drilled with shorter RC pre-collars (~60m), or HQ from surface to minimise deviation.</p>
Drill sample recovery	<p>The sample recovery is currently recorded on selected intervals to assess that the sample is being adequately recovered during RC drilling. Prior to April 2008, no systematic assessment of sample recovery data was made for RC drilling. A subjective visual estimate was used where weights were recorded as 25, 50, 75 or 100%. Since April 2008 a systematic sample recovery program has been implemented where for 1:25 intervals, the Primary (lab weight), Secondary (archive weight) and Reject splits are weighed and recorded in the database. These weights are combined and then compared to a theoretical recovery of the interval based on the regolith and rock type of the interval being analysed.</p> <p>For diamond drilling recovered core for each drill run is recorded and measured against the expected core from that run. Core recovery is consistently very high, with minor loss occurring in regolith and heavily fractured ground.</p>



Criteria	Commentary
<p>Logging</p>	<p>All RC chips and diamond drill cores have been geologically logged for lithology, regolith, mineralisation and alteration utilising AGAA’s standard logging code library. RC sample quality data recorded includes recovery, sample moisture (i.e. whether dry, moist, wet or water injected) and sampling methodology. Diamond core has also been logged for geological structure and geotechnical properties. Diamond drill-holes are routinely orientated, photographed and structurally logged with the confidence in the orientation recorded. Geotechnical data recorded includes QSI, RQD, matrix, and fracture categorisation.</p> <p>Bulk density determinations have been routinely collected from diamond drill core over one to five metre intervals using water immersion methods. A coherent segment of core (>10cm length), representative of the metre interval is selected. Laboratory bulk density determination is completed on selected ‘core from surface’ diamond holes to collect bulk density data for oxide and transitional rock types, and from fresh rock types to ensure water immersion methods used onsite are accurate.</p> <p>All logging data is digitally captured via Field Marshall Software (upgraded to Micromine Geobank platform 2016) and the data is validated in Vulcan prior to being uploaded to an SQL database. DataShed has been utilised for the majority of the data management of the SQL database. The SQL database utilises referential integrity to ensure data in different tables is consistent and restricted to defined logging codes.</p>
<p>Sub-sampling techniques and sample preparation</p>	<p>Since the commencement of exploration activities at Tropicana, sample preparation and analysis has been carried out by three laboratories, as detailed below:</p> <p>Prior to November 2006 - SGS (formerly Analabs) Welshpool performed all gold and multi-element analysis. SGS routinely prepared half-core diamond samples by crushing in a jaw crusher followed by pulping in an LM5 to 90% passing 75µm. One metre RC samples are pulped in an LM5 to 90% passing 75µm. 50-gram samples are then assayed by fire assay. Sieve tests are carried out on 5% of samples.</p> <p>November 2006 to 2014 – Genalysis Perth has performed all gold and multi-element analyses.</p> <p>Jan 2015 – June 2016 – Genalysis Perth has performed all gold, multi-element analyses and hyperspectral scans.</p> <p>The 2015 Boston Shaker infill drilling was analysed at the Tropicana onsite lab, with sample preparation conducted by AGAA staff operating an automated circuit, and SGS conducting the fire assay and analysis.</p> <p>June 2016 to current, infill drilling has been analysed at the Tropicana onsite lab, with sample preparation conducted by AGAA staff operating an automated circuit, and SGS conducting the fire assay and analysis.</p> <p>At Genalysis, half core samples weighing approximately 2.5kg are prepared via a robot. The samples are then crushed to <3mm in a Boyd crusher and automatically split, down to a sample of ~1kg for pulping and analysis. The remainder of the material was retained as a coarse split for metallurgical test-work. One metre RC samples were pulped in a mixer mill to 90% passing 75µm. Wet sieve tests were carried out on 5% of the samples.</p> <p>The Tropicana laboratory uses a linear automated process to prepare the samples. Samples, from RC and diamond drilling, are loaded onto racks at the lab. Each sample bag has a unique bar-code attached to the bag. Samples are dried and weighed. Small samples (<800g) are manually pulverised in an LM2 mill to 90% passing 75µm. Acceptable weight samples (>800g) are loaded into tubs and the samples passed under a Terraspec Hyperspectral camera. Samples are then passed through a Boyd crusher, reducing the particle size to 90% passing 2mm before being split via a Linear Sample Divider. Coarse duplicates are assayed at a rate on 1 in 20 within the assaying of the batch. Primary samples then get pulverised to 90% passing 75µm and the resultant product split into a 50g sample for fire assay and a 500g sample. The 500g sample passes under a portable</p>

Criteria	Commentary
	<p>XRF scanner for analysis of secondary elements (that are not used in the Mineral Resource estimate). The 500g sample is retained for check assay work.</p> <p>Routinely, coarse blank samples are inserted as the first sample in each laboratory job. The purpose of this sample is to check that laboratory crushing and grinding equipment is kept clean. Coarse blanks samples are also inserted into the sequence of samples before each zone of mineralisation. Standards are inserted into batches of samples at a frequency of three standards in every 100. Sieve tests are carried out on 5% of samples. Coarse duplicates are completed on 20% of the samples.</p>
Quality of assay data and laboratory tests	<p>At SGS 50-gram samples were assayed by fire assay. SGS inserted blanks and standards (one in 20 samples) in every batch. Every 20th sample was selected as a duplicate from the original pulp packet and then analysed. Repeat assays were completed at a frequency of one in 20 and were selected at random throughout the batch. In addition, further repeat assays were selected at random by the quality control officer, the frequency of which was batch dependent. Analysis was by fire assay with similar quality assurance (QA) for RC and half core samples.</p> <p>Genalysis inserted internal standards and blanks randomly through each batch. Every 25th sample was selected as a duplicate from the original pulp packet and then analysed at the end of the batch. Finally, 6% of the batch was selected for re-analysis.</p> <p>Internal laboratory checks and internal and external check assays such as repeats and check assays enable assessment of precision. Contamination between samples is checked for by the use of blank samples. Assessment of accuracy is carried out by the use of certified Standards (CRM).</p> <p>Check assay campaigns generally coincide with each resource update.</p> <p>QA/QC results are reviewed on a batch-by-batch and monthly basis. Any deviations from acceptable precision or indications of bias are acted on with repeat and check assays. Overall performance of both laboratories has been satisfactory.</p>
Verification of sampling and assaying	<p>On receipt of assay results from the laboratory the results are verified by the Data Manager and by geologists who compare results with geological logging.</p> <p>Analysis of twinned drill holes showed that no significant down-hole smearing was occurring in RC holes when compared to the twinned diamond holes in Tropicana and Havana.</p>
Location of data points	<p>All hole locations within the resource area to date have been pegged with a standard GPS, or by RTK GPS. Once the holes are drilled the collar location is then surveyed with an RTK GPS.</p> <p>A regional Digital Terrain Model was then created to cover the Tropicana JV tenement area from Shuttle Radar Topography Mission (SRTM) data. The data was sampled at 3 arc-seconds, which is 1/1,200th of a degree of latitude and longitude, or about 90m.</p> <p>Eastman single shot instruments were used routinely for down-hole surveys prior to 2007. From 2007, gyro surveying instruments have been used to complete downhole surveying.</p>
Data spacing and distribution	<p>Drill-hole spacing on sections, and between sections, typically range from 25 x 25m to 100 x 100m. The majority of the Open Pit resource area has been drill tested at a nominal density of 50 x 50m with the spacing closed up to 25 x 25m within the upper levels of the deposit. The down-plunge extension of the Havana Deeps area is drilled at 100 x 100m or 100 x 50m closer to the pit area.</p> <p>1m samples are composited to 2m prior to Resource Estimation.</p>
Orientation of data in relation to geological structure	<p>The majority of drilling is orientated to intersect normal to mineralisation. The chance of bias introduced by sample orientation is thus considered minimal.</p>
Sample security	<p>Samples are sealed in calico bags, which are in turn placed in large poly-weave bulka-bags for transport. Filled poly-weave bulk-bags are secured on wooden crates and transported directly via road freight to the laboratory with a corresponding submission form and</p>

Criteria	Commentary
	<p>consignment note.</p> <p>Genalysis checks the samples received against the submission form and notifies AGAA of any missing or additional samples. Once Genalysis has completed the assaying, the pulp packets, pulp residues and coarse rejects are held in their secure warehouse. On request, the pulp packets are returned to the AGAA warehouse on secure pallets where they are documented for long term storage and retrieval.</p>
Audits or reviews	<p>Field quality control and assurance has been assessed on a daily, monthly and quarterly basis.</p> <p>Field QA/QC was assessed by Quantitative Group (QG) as part of their audits of the Tropicana and Havana resource between 2007 and 2009.</p>

Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	<p>Tropicana is a joint venture between AGAA and Independence Group NL (IGO) (AGAA:IGO, 70:30) AGAA is the manager of the JV.</p> <p>There is no known heritage or environmental impediments over the leases where significant results were received.</p> <p>The tenure is secure at the time of reporting. No known impediments exist to operate in the area.</p>
Exploration done by other parties	AGAA has carried out all the drilling within the Tropicana deposit.
Geology	The Boston Shaker, Tropicana, Havana and Havana South gold deposit host rocks are predominantly gneisses.
Drill hole Information	Drill hole information with reported mineralised intercepts are given in Appendix A : Table of Intercepts.
Data aggregation methods	Reported intercepts are calculated using the following parameters: 2m minimum width, maximum of 2m of consecutive internal waste, lower cut off of 0.5g/t Au, with a minimum intercept grade of 1g/t Au. No upper cuts have been applied.
Relationship between mineralisation widths and intercept lengths	Mineralised intercepts are calculated downhole, and approximate true widths of mineralisation, based on drill hole azimuth and dip, and dip of ore body.
Diagrams	Refer to the body of the announcement showing figures of drill intersections (Figures 3 and 4)
Balanced reporting	The mineralised intercepts reported are given in Appendix A: Table of Intercepts. The drill hole intercepts reported form results of infill drilling of known resource during the second half of 2016. Drill hole intersects reported, that inform the Mineral Resource, are noted in Appendix A
Other substantive exploration data	No other exploration data to report.
Further work	Mineralisation remains open at depth. Drilling testing down-dip and along strike of currently defined resources is continuing, with Long Island drilling programmes completed by end of 2016. The drill hole results reported will be incorporated into next resource model, scheduled for early 2017.



Section 3 Estimation and Reporting of Mineral Resources

Criteria	Commentary
<p>Database integrity</p>	<p>AGAA uses various software programs to collect the different forms of drilling data obtained during exploration. The main packages are from Microsoft (SQL Server and Access), Maptek Pty Ltd. (Vulcan), Micromine Pty Limited (Micromine, Field Marshall and Geobank), Aranz Geo Limited (Leapfrog), Maxwell Services Limited (DataShed) and Karjeni Pty Limited (dPipe).</p> <p>The database is managed with Microsoft’s SQL Server and Maxwell’s DataShed. DataShed was developed as a front end interface to MS Access or SQL Server. DataShed was specifically created for the exploration and mining community and contains special queries and data management utilities unique to the mining industry. Many of these or additional processes have been modified or added to by AGAA.</p> <p>Drill-hole logging data is captured in the field and in core processing facility, directly into handheld devices, for example Husky, LXE, Toughbook or laptop computers with Field Marshall and Geobank software. Daily drilling forms (Plods) are completed by the driller in hard copy and signed off by the geologist, and entered into DataShed. Sampling, bulk densities, Hardness and Magnetic Susceptibility (MagSus) readings are also recorded digitally into handheld devices.</p> <p>Up to end of 2015, the merging of logging data into the database was semi-automated via a file transfer program called dPipe. Karjeni Pty Limited developed dPipe to facilitate the transfer of data from one format into another into SQL databases. This program has the ability to read a file to split, composite and append data into the desired format.</p> <p>From 2016, logging data is synchronised from Geobank directly into Datashed, and field data, such as RTK collar coordinates and downhole surveys are loaded via DataShed importers. Assay results received from the laboratories are emailed to geologists and stored on the server. An invoice is mailed to AGAA along with a hard copy or digital PDFs of the results. The hard copies are filed in folders and PDFs stored on the network for future auditing purposes. Assay data files are loaded via DataShed importers, and loading procedures include QA/QC checks to ensure standards and blanks have returned acceptable results.</p> <p>Rigorous data validation procedures are in place to identify data issues.</p>
<p>Site visits</p>	<p>Mining activities are ongoing and the site is visited regularly by the Competent Persons</p>
<p>Geological interpretation</p>	<p>3D solids are created for mineralised zones, dykes, shears and garnet gneiss using Leapfrog. The mineralised domains are created by flagging intervals at a 0.3g/t gold grade cut-off with internal lower grades included in the model. The Dykes, Shears and Garnet Gneiss units are selected by flagging intervals based on logged lithology, as they are the most visually distinctive units, are the least subjective when being logged and therefore are considered to have a high level of confidence in interpretation. The dykes are locally important as they post-date mineralisation and are generally barren of mineralisation. Modelling of the shears is critical to understanding geotechnical aspects and assessing the spatial controls on the mineralisation. The Garnet Gneiss units are important because they are generally found in the hanging wall and as a precursor to mineralisation, as well as being the dominant waste rock unit.</p>
<p>Dimensions</p>	<p>The Open Pit Mineral Resource is reported within a combination of pit designs and an A\$1,817/oz optimisation shell that is over 4km long, up to 1km wide, and approximately 450m deep.</p> <p>The Underground Mineral Resource extends to a depth of approximately 1km below surface.</p>



Criteria	Commentary
<p>Estimation and modelling techniques</p>	<p>The Mineral Resource is reported from open pit and underground Mineral Resource models, estimated with differing estimation techniques and with different cut-off grades applied to each model. The Open Pit Mineral Resource have been estimated using the geostatistical technique of Localised Uniform Conditioning using average drill hole intercepts and is reported above a marginal (break-even) cut-off grade of 0.3g/t for oxide material and 0.4g/t for transitional and fresh material. The Havana Deeps Underground Mineral Resource has been estimated at a cut-off grade of 2.0g/t using the geostatistical technique of Ordinary Kriging using average drill hole intercepts. The Underground cut-off grade calculation is based on an underground Pre-Feasibility study completed in late 2013, and a gold price of US\$1,400/oz (A\$1,704/oz). 2m down-hole composites are used for both estimates.</p> <p>Gold is the only element modelled, as no other significant element has been detected in sampling to date which would be deleterious to mine and mill performance.</p> <p>The Open Pit Mineral Resource uses block sizes of 15m (X) by 30m (Y) by 10m (Z) with an SMU of 5m (X) by 7.5m (Y) by 3.33m (Z) for Havana and Tropicana. Boston Shaker uses an estimation panel size of 15m (X) by 30m (Y) by 7.5m (Z) with an SMU of 5m (X) by 7.5m (Y) by 2.5m (Z).</p> <p>The Underground Mineral Resource uses a block size of 10m (X) by 10m (Y) by 2m (Z), with blocks dipping 30° to the (grid) east, parallel to the majority dip of the orebody, with the resulting estimate filtered to remove isolated blocks that cannot be mined individually.</p> <p>Both Resource Estimates are compared to the input data using swath plots to check for bias in the estimation – no bias was noted in the plots.</p> <p>Mining has been ongoing since 2012 and reconciliations to date indicate that the Mineral Resource model has reconciled well with grade control.</p>
<p>Moisture</p>	<p>Tonnage estimates are on a dry tonne basis.</p>
<p>Cut-off parameters</p>	<p>The Open Pit Mineral Resources use a cut-off grade of 0.3g/t for oxide material and 0.4g/t for transitional and fresh material, based on Long Island study mining costs, budgeted processing and administration costs, and a gold price of US\$1,400/oz (A\$1,817/oz).</p> <p>The Underground Mineral Resource has been estimated at a cut-off grade of 2.0g/t. The cut-off grade calculation is based on an underground Pre-Feasibility study completed in late 2013, and a gold price of US\$1,400/oz (A\$1,704/oz).</p>
<p>Mining factors or assumptions</p>	<p>Open Pit mining assumes selectivity of SMU’s of 5m (X) by 7.5m (Y) by 3.33m (Z) for Havana and Tropicana. Boston Shaker uses an SMU of 5m (X) by 7.5m (Y) by 2.5m (Z). No external dilution accounted for in the Mineral Resource.</p> <p>Underground mining is based on a modified Long-Hole Open Stope method, with 20m vertical intervals between ore drives. The Mineral Resource is filtered based on the average grade of surrounding blocks to remove isolated blocks from the Mineral Resource total. No external dilution is included in the Mineral Resource Estimate.</p>
<p>Metallurgical factors or assumptions</p>	<p>Metallurgical recovery is taken into account in the optimisation of both Open Pit and Underground Resource optimisations, with an average project recovery of 90.0% assumed, based on extensive metallurgical test work completed as part of the Feasibility Study for the Havana Open Pit.</p>
<p>Environmental factors or assumptions</p>	<p>TGM operates under an environmental management plan that meets or exceeds all environmental and legislative requirements. TGM holds the license to operate and valid for the life of the Ore Reserve. Environmental rehabilitation plans are produced and cost of the rehabilitation work is accounted in the financial evaluation model.</p>
<p>Bulk density</p>	<p>Dry Bulk Density (DBD) determinations have been routinely collected on the mineralised zones in all DDH core at one-metre intervals using water immersion methods. A coherent segment of core (>10cm length), representative of the metre interval, is selected. The</p>



Criteria	Commentary
	<p>weight is measured dry, in air, then measured submerged in water. Core was left to dry naturally on the core racks.</p> <p>Dry Bulk Density has been estimated using Ordinary Block Kriging, with areas with insufficient data to generate a kriged estimate being assigned the average measured value for that lithology and regolith type. Density values within units show little variation.</p>
Classification	<p>The estimates of the Mineral Resource presented in this Report have been carried out in accordance with the principles and guidelines of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, published in 2012 (JORC Code). Mineral Resources have been classified based on the 15% rule whereby a Measured Resource should reconcile within plus or minus 15% over quarterly production volumes, 90% of the time, and an Indicated Resource should reconcile within plus or minus 15% over yearly volumes, 90% of the time, as per internal AGAA guidelines. This criterion defines a drill spacing of approximately 25 x 25m to define a Measured Resource, and 50 x 50 m to define an Indicated Resource. Inferred Resources are defined when evidence of geological and grade continuity exists sufficient to generate an estimated grade. The average data spacing for Inferred Resources varies, but is generally 100 x 100m or less. The Resource classification is consistent between the Open Pit and Underground estimates, given that the underground mining will focus on large tonnage, low cost methods and the resource is mined at a relatively low cut-off grade. Material defined by relatively few drill-holes was manually recoded out of Resource classifications, and not reported as part of the Tropicana Mineral Resource.</p>
Audits or reviews	<p>The Open Pit Mineral Resource has been audited previously as part of the BFS by Quantitative Group (QG) between 2007 and 2009. An additional external review of the Mineral Resource was also completed in 2011.</p> <p>Golder Associates audited the 2015 Mineral Resource estimate, and supported the estimate with some recommendations which have been adopted for the current update.</p>
Discussion of relative accuracy/confidence	<p>The relative accuracy of the Mineral Resource Estimates is reflected in the Resource Classification.</p> <p>A trial grade control pattern of ~100 by 100m was drilled during the BFS which provided confidence that the Mineral Resource Estimate was accurate in that volume.</p> <p>Reconciliations of the resource model to date indicate no significant flaws in the grade estimate, with some additional lower grade material being mined than what was predicted from the Resource.</p>

Section 4 Estimation and Reporting of Ore Reserves

Criteria	Explanation
Mineral reserve estimate for conversion to Ore Reserves	<p>All Ore Reserves estimated for TGM are based on the Open Pit Mineral Resource model. No Ore Reserve exists outside of the Mineral Resource base. No Underground Ore Reserve is reported.</p> <p>Mineral Resources are reported inclusive of Ore Reserves.</p>
Site visits	<p>The Competent Person is based on site and it is part of his daily activities to inspect the mining areas.</p>
Study status	<p>The Ore Reserves for Tropicana are based on an operating LOM plan and a pre-feasibility level study. For the operating LOM plan, a Feasibility Study was completed in 2010, which determined a technically achievable and financially economic mine plan. The pits that make up the operating LOM plan are Tropicana (TP02), Havana (HA03), Boston Shaker (BS01) and Havana South (HS01). The Pre-Feasibility study is based on an expansion of Havana (HA04). All Ore Reserves are estimated by reporting physicals (volumes, tonnes, grades, material types, etc.) against the resource model within detailed staged pit</p>



Criteria	Explanation
	<p>designs. Ore Reserve physicals are then put through a financial model for economic evaluation.</p> <p>Performance of the on-going mining activities has demonstrated that current mine plans are technically achievable and economically viable considering the material modifying factors.</p>
Cut-off parameters	<p>The cut-off grades are determined based on the net return from the gold produced at the processing plant for each material type. Only the ore that has a grade above the cut-off grades are included in the Ore Reserves.</p>
Mining factors or assumptions	<p>The Ore Reserves are reported within detailed operational designs that are developed based on the geological resource model, geotechnical studies and financial information.</p> <p>The open pit mining method is based on using a combination of shovels and excavators matched with a truck fleet system. The staged pit designs used for Ore Reserves are generated as three dimensional designs considering operational requirements such as equipment access. Mining operations at TGM started in July 2012 and the operation has proven that the designs and plans are technically achievable; no issue preventing access or pre-strip is experienced or envisaged for the Ore Reserves. The pit expansion for Havana (HA04) is within the current approved mining area.</p> <p>Overall pit slope angles for oxide and fresh rock types are assumed to be 36° and 60°, respectively. External and internal Geotechnical studies carried out to evaluate the operational designs have confirmed that the pit designs do not violate the geotechnical guidelines developed during Feasibility study. Grade control drilling is completed prior to ore mining on a 12 x 12m pattern using reverse circulation drill rigs.</p> <p>The Mineral Resource model used to develop the Ore Reserves uses blocks in 15 x 30m horizontal dimensions and 10m (7.5m for Boston Shaker) vertical bench height that are mined in 3 flitches (3.33m in average height and Boston Shaker 2.5m in average height), with a mining SMU 5m x 7.5m x 3.33m (Boston Shaker 5m x 7.5m x 2.5m). The grades within the resource model have been diluted to reflect the average grade of this mineable block size. Therefore, no other mining dilution is applied.</p> <p>Mining recovery factor used is 1.0.</p> <p>In the designs, a minimum of 40m width is implemented for a pit base or some location with only one bench height, where it is technically possible to access. In the design work, a minimum of 80m mining width is implemented as a generic rule.</p> <p>Inferred material is excluded from the Ore Reserves and treated as waste material, which incurs a mining cost but is not processed and hence does not generate any revenue. The total quantity of the inferred material is less than 1% the Ore Reserve. Hence the reported Ore Reserve's financial outcome is not sensitive to the Inferred material within the pit designs.</p> <p>There is no infrastructure to be completed.</p>
Metallurgical factors or assumptions	<p>The metallurgical process, which was proposed and is currently in operation, was developed through a comprehensive series of test programs at scoping, pre-feasibility and feasibility study levels. Test work was mostly at batch scale but, where considered advisable, at pilot and demonstration plant scale.</p> <p>The majority of the process uses highly mature technology. The sole exception is the use of High Pressure Grinding Rolls to prepare ball mill feed. The equipment used for this technology itself dates back over 20 years, and is mature. Developments for the hard rock industry are more recent, but have now been successfully used in a number of plants worldwide and this is the part of the process that was extensively tested in a range of machines from pilot up to demonstration scale.</p> <p>Metallurgical test work consisted of comprehensive testing of a number of composite samples to develop the process design basis, and supplementary testing of a much larger number of samples to establish variability. These variability samples were taken on a grid</p>



Criteria	Explanation
	<p>pattern to ensure even coverage of the entire deposit. No metallurgical domains have been recognised to date other than by regolith type and some minor variation in one northern section of the deposit.</p> <p>The ore is exceptionally free of deleterious elements and base metals. No allowances have been made or are considered necessary.</p> <p>Pilot scale test work utilised PQ diameter core. Whilst only a relatively small number of PQ holes were drilled, their position was selected based on the prior variability test work to provide samples considered to be adequately representative of the orebody as a whole. The samples were also characterised by standard batch scale and geometallurgical style tests so that results could be related to the wider orebody</p> <p>As a gold mine, the product is not defined by specification. No problems are envisaged, or have been encountered, in producing gold bars of saleable quality</p>
Environmental	TGM operates under an environmental management plan that meets or exceeds all environmental and legislative requirements. TGM holds the license to operate and valid for the life of the Ore Reserve. Environmental rehabilitation plans are produced and cost of the rehabilitation work is accounted in the financial evaluation model.
Infrastructure	Adequate infrastructure has been completed and sustaining cost of the infrastructure (maintenance and replacement) is accounted in the financial model.
Costs	<p>Capital costs of removing waste over ore are included in the evaluations for the applicable pits.</p> <p>Mining operating costs are provided by the contractor Macmahon as rates from an annual rate review conducted between AGAA and Macmahon. Processing operating costs have been derived from variety of sources including first principle estimates, metallurgical test work results, budget quotations for consumables and vendors, consultant advice on wear rates/component replacement frequency, baseline input parameters such as exchange rates, power cost, labour numbers etc., AGAA Australia Ltd advice, Lycopodium and sub-consultants data and experienced based on similar sized operations.</p> <p>No allowances have been made or are considered necessary.</p> <p>Transportation cost for the produced gold doré is relatively small and charged on a contract basis with the refinery.</p> <p>The source of the treatment and refinery charges is the contract with refinery and there is no specification and no penalty is considered for not meeting specifications.</p> <p>Total royalty cost allowance is 2.5% of the total revenue</p>
Revenue factors	<p>The assumption made for the gold price is US\$1,100/oz, A\$1,500/oz and the exchange rate is US\$0.73 per A\$1.00.</p> <p>The assumptions are derived after reviewing historic commodity prices and exchange rates.</p>
Market Assessment	Long term market assessments are provided by a number of independent companies. AGAA does not provide advice or endorsement for using a specific forecasting company.
Economic	<p>TGM is now operating with mining costs based on contractor mining rates. Processing costs have been derived via comprehensive test work and studies. TGM is therefore not highly exposed to uncertainty in, or to inaccuracy in estimation of, mining or processing costs. The inflation rates assumed are based on prior AGAA Treasury guidance provided, whilst discount rates utilised at AGAA is derived from the weighted average cost of capital for Australia.</p> <p>Sensitivity studies are carried out on various parameters including mining cost, processing cost, gold price and discount rate. Gold price is the most sensitive input for NPV and a 10% reduction would eliminate about 30,000 ounces (~0.80%) from the Reserves.</p>
Social	Tenement status is in good standing.



Criteria	Explanation
Other	There is no foreseeable TGM specific risk. There are typical risks of an open pit mine operations such as heavy rain events and geotechnical risks. These risks are managed through implementation of various risk management mechanisms as much as practical.
Classification	Exploration drill-hole spacing is the basis of the classification. Proven material is defined for the areas drilled with 25m spacing and probable is defined on 50m drill spacing.
	The methodology of classification is appropriate for the deposit
	Proportion of the Proven Ore Reserves is a sub-set of Measured Mineral Resources. Probable Ore Reserves are derived from Indicated Mineral Resources.
Audits or reviews	A Mineral Resource and Ore Reserve audit was completed in 2015. No unexpected results came from the audit.
Discussion of relative accuracy/confidence	As part of the Ore Reserve estimation process, a review is performed for the actual reconciled extraction against previous year's reserve estimation
	Reconciliation of the Ore Reserve to actual mined during the last year showed that Ore Reserve estimation is slightly conservative.