



HIGHLIGHTS

KEY HIGHLIGHTS

- **Record \$11.1 million Long Nickel Mine quarterly operating cash flow** (December \$10.2m).
- **Record \$10.5 million consolidated (unaudited) pre-tax profit for the quarter** (December \$9.9m).
- **\$17.4 million cash at end of quarter** (December \$11.3m).
- **EPS \$0.24 (\$0.17 fully diluted) for 9 months.**
- **Attributable nickel production for the March quarter of 1,100 tonnes – 42% above budget** (December 927 tonnes).
- **662 Ni tonnes (36%) produced from outside June 2003 ore reserve estimate this quarter.**
- **Drilling confirms extensions to the high grade Victor South resource.**
- **Geophysical and drilling programs commenced aiming to increase ore reserves to 50,000t of contained nickel over the next 12 months.**

LONG NICKEL MINE

Safety: No Lost Time Injuries (LTI's) for four successive quarters.

Production:

- 41,071t @ 4.50% Ni produced (IGO share 1,100 Ni t).
- In the March quarter, 1,187 Ni t were contained in ore mined from reserve blocks with nickel production 110% higher than reserve estimates.
- 810t @ 2.9% Ni mined from Victor South decline development north of June 2003 ore resource boundary.
- **When Victor South ramps up to full production of 8,000t/month of ore, annualised production is expected to result in IGO's share of annual nickel metal increasing by 70%.**

Development:

- Victor South: Decline development to access Shoots 1 and 2 continued during the quarter intersecting probable Shoot 2 nickel mineralisation north of previous resource outlines. Development is expected to intersect the high grade Shoot 1 mineralisation in the June quarter. A drill drive was completed to enable conversion of additional resources to reserves and to finalise the mine plan.



Exploration Results:

- Victor South: Drilling confirms probable northern extension of Shoots 1 (4.7m @ 2.2% Ni) and Shoot 2 (3.8m @ 3.8% Ni) north of the current resource and reserve boundary.
- Long 11 Level: New nickel ore intersected on 11 level (7.1m @ 4.8% Ni, 6.6m @ 4.3% Ni) outside current reserves and resources.
- 15 and 16 Levels: Mining and geophysics continue to define new sulphide blocks and large conductors outside existing reserves and resources.

REGIONAL EXPLORATION

NICKEL EXPLORATION

- Processing of the De Beers and WMC chromite chemistry databases and in house targeting has lead to the pegging of a number of high priority targets on open ground and joint ventures with Cullen Resources Limited and South Boulder Mines Ltd.

GOLD EXPLORATION

- Exploration to date has defined and secured under tenure seventeen gold targets, mostly defined by geochemical sampling.
- Drilling at Goldsworthy and Benari has returned encouraging bed rock gold mineralisation.
- Further drilling by AngloGold Australia at Tropicana East has encountered more alteration zones of the type associated with gold mineralisation outlined previously.
- Two new WMC database gold targets were pegged.



CORPORATE

Profit

Independence Group NL (IGO) is pleased to announce a consolidated unaudited pre-tax profit of \$10.5 million for the March quarter. The Board would like to thank all employees for this outstanding result. Year to date consolidated pre-tax profit is \$24.0m and earnings per undiluted ordinary share for the 9 months is \$0.24 (\$0.17 fully diluted).

Substantial Shareholder

Ranger Minerals Ltd, a subsidiary of Perilya Limited, disposed of its substantial holding of IGO shares, options and contributing shares during the quarter. The stock was predominantly sold to international and domestic institutions.

Option and Contributing Share Conversions

During the quarter 0.9 million 20 cent options were exercised and 2.6 million 10 cent contributing shares were fully paid up raising \$0.5 million.

During the quarter 17.7 million ordinary shares were released from escrow by the ASX.

IGO's listed securities as at 1 April 2004 were:

73,640,334	Ordinary shares
26,149,666	Options

Corporate Governance

The following corporate governance policies were approved by the board during the quarter and have been posted on IGO's website:-

- Investor Relations
- Director Independence
- Legal, Environmental & Social Policy
- Remuneration Policy

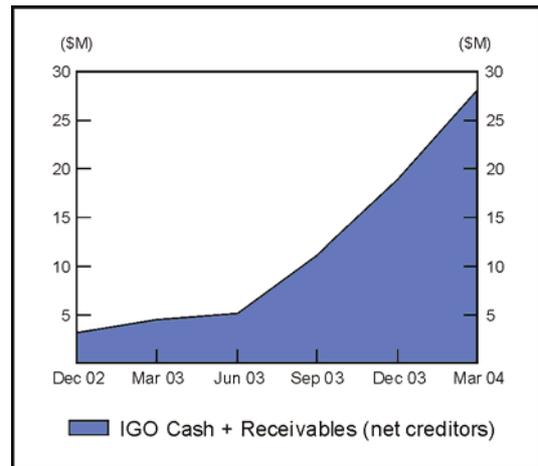
IGO Email Service

If shareholders or interested parties wish to receive copies of ASX announcements including quarterly reports via email, please forward your email address to contact@independencegroup.com.au.

CASH AND DEBT

Cash reserves as at 31 March 2004

- \$17.4 million (December \$11.3m).
- \$10.6 million nickel revenue in receivables net of creditors (December \$7.6m).
- \$1m cash paid for new Victor South mining equipment during the quarter.



Quarterly Debt Profile

- A debt repayment of \$2 million was made during the quarter to reduce bank debt from \$13 million to \$11 million.
- \$3.1 million (December \$3.6m) for hire purchase of Long mining equipment.

Quarterly Exploration Expenditure & Write-off

- \$0.9 million exploration expenditure.
- \$0.4 million exploration expenditure write-off.

Hedging

- Total hedged nickel metal at the end of the quarter was 4,176 t at AU\$12,203/t.
- This will be delivered at an average rate of 522 t per quarter to March 2006.
- During the quarter the company placed US\$9m under foreign exchange contracts. The contracts will be due for settlement over the next 6 months at an AUD rate of 0.7492.



MINING OPERATION

LONG NICKEL MINE

IGO 100%

TARGETS: I) SAFELY PRODUCE \$60 MILLION CASH AFTER DEBT REPAYMENT AND TAX OVER 5 YEARS

II) DOUBLE CURRENT MINING RESERVES TO +50,000 TONNES NICKEL METAL

The Long Nickel Mine, operated by IGO's wholly owned subsidiary Lightning Nickel Pty Ltd ("LN"), produced 1,848 Ni t (IGO share 1,100 Ni t) during the quarter.

The 4.50% head grade (budget 3.3%) continued to reflect:

- a higher proportion of massive sulphides from Long stopes, and
- high-grade ore from Gibb South (5,642 t @ 7.7% Ni) which is performing above expectations.

The higher than budgeted head grade also continues to reflect improved grade control and the discovery of new high grade positions outside June 2003 resource and reserve estimate boundaries. The geotechnically driven mining schedule is being adhered to and no high grading has taken place.

SAFETY

No Lost Time Incidents (LTI's) occurred during the quarter. Only one LTI has occurred since the mine re-opened in October 2002.

PRODUCTION

Production during the quarter comprised 41,071 t @ 4.5% Ni consisting of the following:

Jumbo	17,996t @	3.9% Ni	(707 Ni t)
Long Hole	9,386t @	3.8% Ni	(360 Ni t)
Hand Held	7,429t @	7.0% Ni	(520 Ni t)
Jumbo Development			
- Long	5,450t @	4.4% Ni	(238 Ni t)
- Victor South	810t @	2.9% Ni	(23 Ni t)

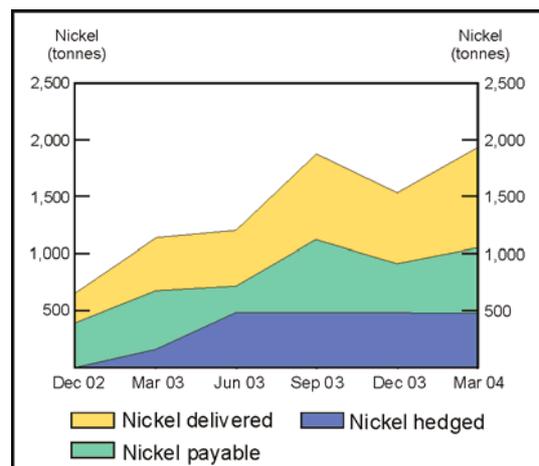
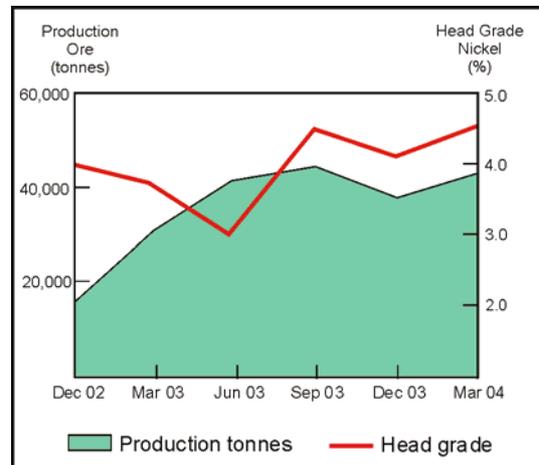
TOTAL **41,071 @ 4.5% Ni (1,848Ni t)**

Nickel tonnes mined outside the current ore reserve comprised 36% of the quarterly production (27% YTD). Over the last 3 quarters, 47% more Ni metal has been mined from within the ore reserve blocks than estimated by the ore reserve as follows:

	Year to Date		
	Tonnes	Grade	% Ni
Outside Reserve	31,767	4.6	1,457
Inside Reserve	90,101	4.3	3,858
Reserve Estimate *	71,305	3.7	2,626
TOTAL	121,868	4.4	5,316

	March Quarter		
	Tonnes	Grade	% Ni
Outside Reserve	13,551	4.9	662
Inside Reserve	27,520	4.3	1,187
Reserve Estimate*	16,862	3.4	566
TOTAL	41,071	4.5	1,848

* expected ore reserve grade and tonnes as defined by the area mined "inside reserves".





LONG NICKEL MINE PRODUCTION SUMMARY

		Mar '04	2003/4	Mar '03
	Note	Quarter	FY to Date	Prev. Quarter
Mining Inventory/Reserve (Dry Tonnes)				
Start of Period		632,998	688,000	735,671
- ROM Production from Reserves	1	(16,303)	(71,305)	(19,994)
+/- Reserve Addition/(Subtraction)		-	-	-
End of Period		616,695	616,695	715,677
Production Details:				
Ore Mined (Dry Tonnes)	1	41,071	121,868	30,593
Ore Milled (Dry Tonnes)				
Nickel Grade (Head %)		4.50	4.36	3.74
Copper Grade (Head %)		0.33	0.30	0.32
Metal in Ore Production (Tonnes)				
Nickel delivered	2	1,848	5,313	1,143.52
Copper delivered	2	134	370	99.27
Metal Payable IGO share (Tonnes)				
Nickel		1,100	3,160	678.86
Copper		54	150	40.20
Average Spot Price for period				
Nickel LME Official Close (US\$/t)		14,737	11,617	8,337
Hedging				
Tonnes delivered into Hedge		486	1,458	162
Average Price (AU\$/t)		12,398	12,388	12,145

Note 1. Production is sourced from both reserves/inventory and outside reserves.
 Note 2. The Recovery Rate is fixed with WMC depending on head grade. For grades from 3.0% to 3.5% recovery is 92%, for grades in excess of 3.5% recovery is 93%.

		A\$'000's	A\$'000's	
Revenue/Cost Summary				
Sales Revenue (incl. hedging)		21,698	55,096	9,859
Cash Mining/Development Costs		(5,765)	(16,116)	(4,116)
Other Cash Costs	3	(2,238)	(5,680)	(1,403)
Depreciation/Amortisation/Rehabilitation		(2,208)	(6,342)	(1,383)
Total Unit Cost Summary				
Cash Mining/Development Costs		1.42	1.38	1.63
Other Cash Costs	3	0.55	0.48	0.56
Depreciation/Amortisation/Rehabilitation		0.54	0.54	0.55
Revenue/Cost Summary				
Sales Revenue (incl. hedging)		8.95	7.91	6.59
Cash Mining/Development Costs		2.38	2.31	2.75
Other Cash Costs	3	0.92	0.82	0.94
Depreciation/Amortisation/Rehabilitation		0.91	0.91	0.92

Note 3. Other Cash Costs include milling, royalties and site administration.

Safety and Productivity

- Lost Time IFR		-	3.52	24
- Medically Treated IFR		53.5	49.2	47
- Nickel Productivity Rate	4	82.12	81.53	69.2

Note 4. Nickel Productivity Rate = Productivity measured as annualised nickel tonnes per full-time-equivalent-employee.

	Metres	Metres	
Development/Exploration Drilling			
Development	711	1,648	1,252
Production	580	2,173	727
Exploration	452	4,695	1,717



DEVELOPMENT

Victor South

A total of 2,500 metres of Jumbo development is planned to fully develop this high-grade position. To the end of this quarter 865.9 metres have been completed. Mineable widths of presumed Shoot 2 nickel ore (massive 19.7% and matrix 5.5% Ni grab were samples) were intersected 40m north of the June 2003 resource and reserve boundary by the development (Figure 1). Development is on track to intersect the high grade Shoot 1 mineralisation in the June quarter. A drill drive has been completed over Victor South enabling further reserve definition drilling and testing for new resources to the north, south and beneath the current resource envelope. This drilling will also serve to finalise the mine plan.

Underhand Cut and Fill Remnant Pillar Extraction

The Company's Research and Development program to extract high-grade pillars beneath tailings-filled stopes is progressing well with the successful excavation and support of uncemented mine tailings above high grade pillars in a localised area. Test work has indicated a number of pillars are in an un-stressed condition and therefore can be extracted by traditional methods once open stopes in the vicinity of the pillars are filled.

DEVELOPMENT CAPITALISATION

Currently only the Gibb South incline and Victor South decline are being capitalised. All other development in the mine is being expensed in the quarter in which the work is undertaken to maintain IGO's conservative balance sheet. These expensed development costs are included in the production costs.

GROUND CONDITIONS AND SEISMICITY

Rock bolting, cable bolting, meshing and shotcreting continue to provide excellent ground support. The mining team are currently evaluating the purchase of a concrete batching plant to reduce mining costs. Mine induced seismic events continue to be recorded at a much lower frequency than when Long was being mined at higher rates by the previous operator.

RESERVES

A large geophysical and drilling program aimed at increasing the company's Long Nickel Mine nickel reserves to 50,000t of contained nickel metal commenced during the quarter. The program, which may take 12 months to complete, comprises:

- a systematic geophysical survey testing the Long, Gibb South and Victor South ore positions using the company's proprietary electromagnetic (EM) Torch to locate and define new massive and matrix nickel sulphides up to 100m from existing mine workings;
- a +10,000 metre diamond drilling program using up to 5 underground drill rigs on 2 shifts converting existing resources to reserves and testing new targets defined by the EM Torch and geological studies; and
- down-hole transient EM surveys.

It is anticipated that approximately 22,000 of the nickel metal tonnes defined in the June 2003 reserves will remain unmined by the end of the current financial year. An additional 28,000 t will be targeted from:

- existing mine resources outside reserves (60,000 Ni t at June 2003);
- mine pillars outside reserves and resources (27,200 Ni t at June 2003); and
- new near-mine discoveries which can be cheaply mined using existing underground infrastructure.

New ore blocks outside ore reserves continue to be defined in the upper and lower levels of the mine. To date 31,767t @ 4.6% Ni has been mined outside reserve blocks this financial year, predominantly from previously unknown remobilised massive nickel sulphide hanging wall and footwall surfaces predominantly on the 15 and 16 levels. More importantly, these new surfaces are open in many directions which should add further to the reserve base.

Gibb South

To date, a total of 19,143t @ 7.1% Ni (1,365 Ni t) has been mined from Gibb South (June 2003 reserve 28,000t @ 3.7% Ni – 1,000 Ni t). Gibb South's ore grade averages 7.1%

Ni, significantly higher than the reserve grade. Mining has defined additional high grade nickel ore outside the June 2003 ore reserve boundary. TEM surveys have located new conductors south of the current ore reserve block which the company plans to develop.

▪ Victor South

Victor South contains 5,900 Ni t in reserve and an additional 14,900 Ni t in resources. Ore reserve definition drilling has commenced, using the drill drive over the ore body, to convert existing resources to reserves by increasing drill density. Drilling will also test for extensions to the south (open) and around the open 5.35m @ 13.4% Ni drillhole intercept in Shoot 3 (not in the mining schedule).

LONG EXPLORATION

▪ Victor South

Drilling to test for Shoot 1 and 2 extensions to the north of the current Victor South

resource outlines has been successful, possibly extending both shoots 40m north (Figure 2). Significant results are detailed in Table 1.

• 11 – 12 Level Exploration

Re-interpretation of the felsic intrusive model has lead to the discovery of more high grade nickel sulphides above the 11 level in an area previously thought to be stoped out by intrusives (Figure 1). Significant results are detailed in Table 2.

GEOPHYSICS

Numerous EM anomalies outside current reserves and resources have now been defined in the mine by the EM Torch and down-hole geophysical surveys.

Surveys on the 15 and 16 levels are proving to be very productive, with large anomalies defined outside existing resource and reserve blocks (Figure 3).

TABLE 1: VICTOR SOUTH – SIGNIFICANT NICKEL INTERCEPTS

Shoot	Hole No.	Northing (m)	Easting (m)	RL (m)	Azimuth (degr.)	Dip (degr.)	From (m)	To (m)	Width (m)	True Width (m)	Grade (Ni%)
1	VR15-042	547638	375121	-420	93	5	26.8	31.5	4.7	2.2	2.2
2	VR15-034	547638	375121	-421	93	-6	35.3	39.1	3.8	2.9	3.8

(These intersections have been calculated using the specific gravity weighting method).

TABLE 2: LONG 11 SIGNIFICANT NICKEL INTERCEPTS

Hole No.	Northing (m)	Easting (m)	RL (m)	Azimuth (degr.)	Dip (degr.)	From (m)	To (m)	Width (m)	True Width (m)	Grade (Ni%)
LG11-134	374219	550157	-262	90	53	40.2	46.8	6.6	4.1	4.3
LG11-136	374219	550157	-262	79	43	35.9	43	7.1	4.8	4.8

(These intersections have been calculated using the specific gravity weighting method).

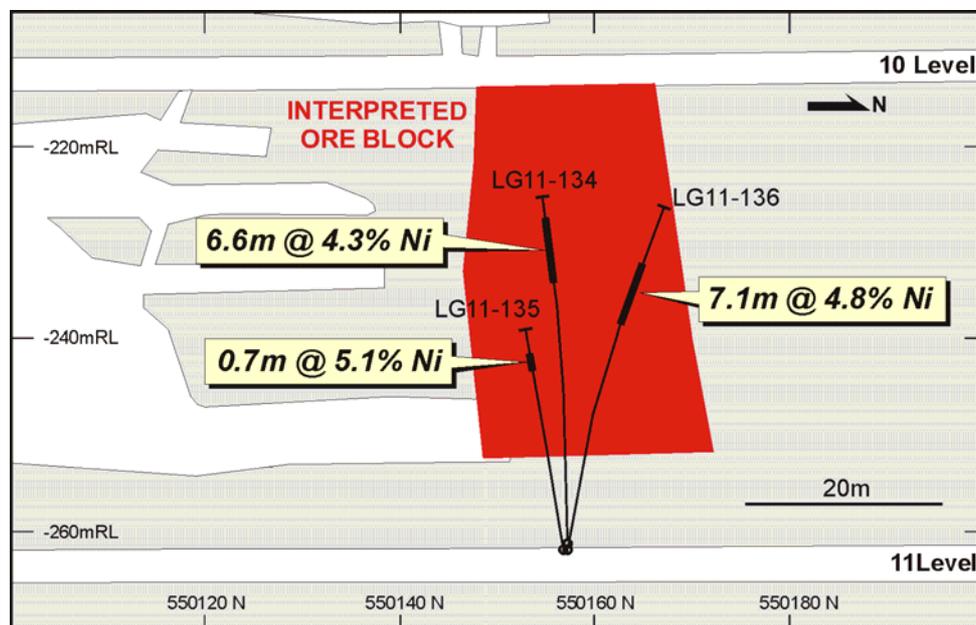


Figure 1: Long 11 level long section showing location of new intercepts

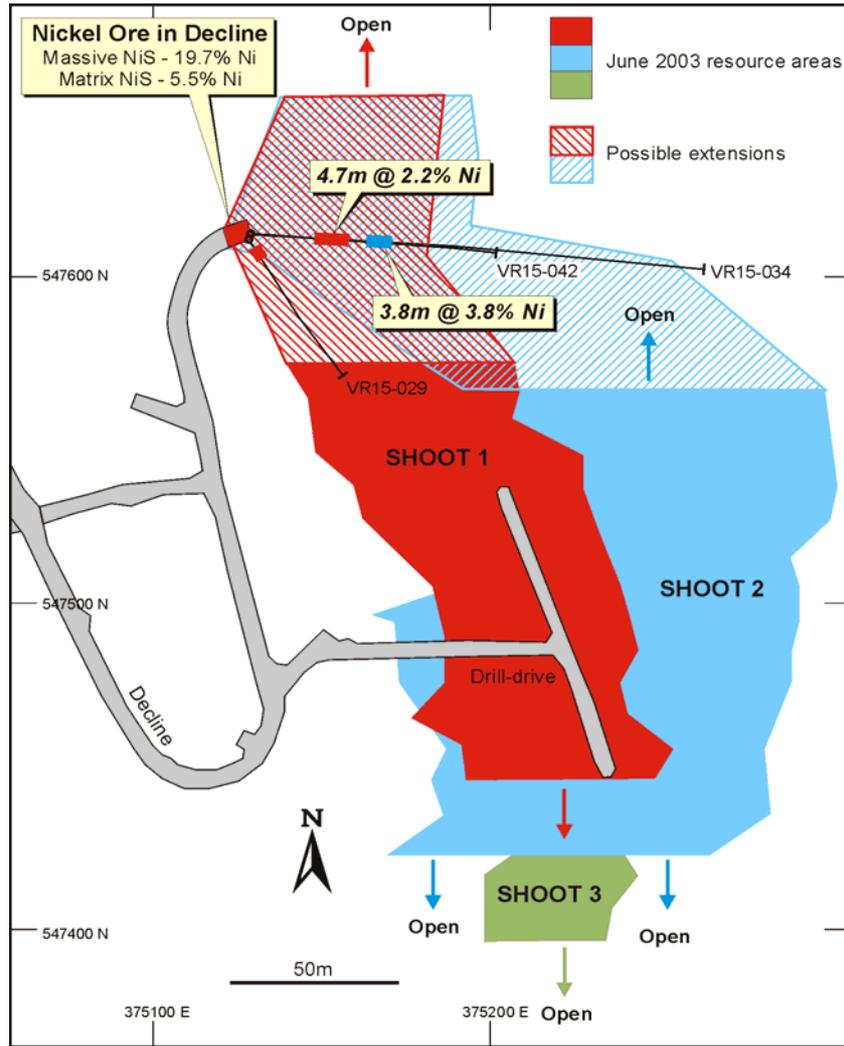


Figure 2: Victor South Plan showing locations of new intercepts to the north of the current resource outline

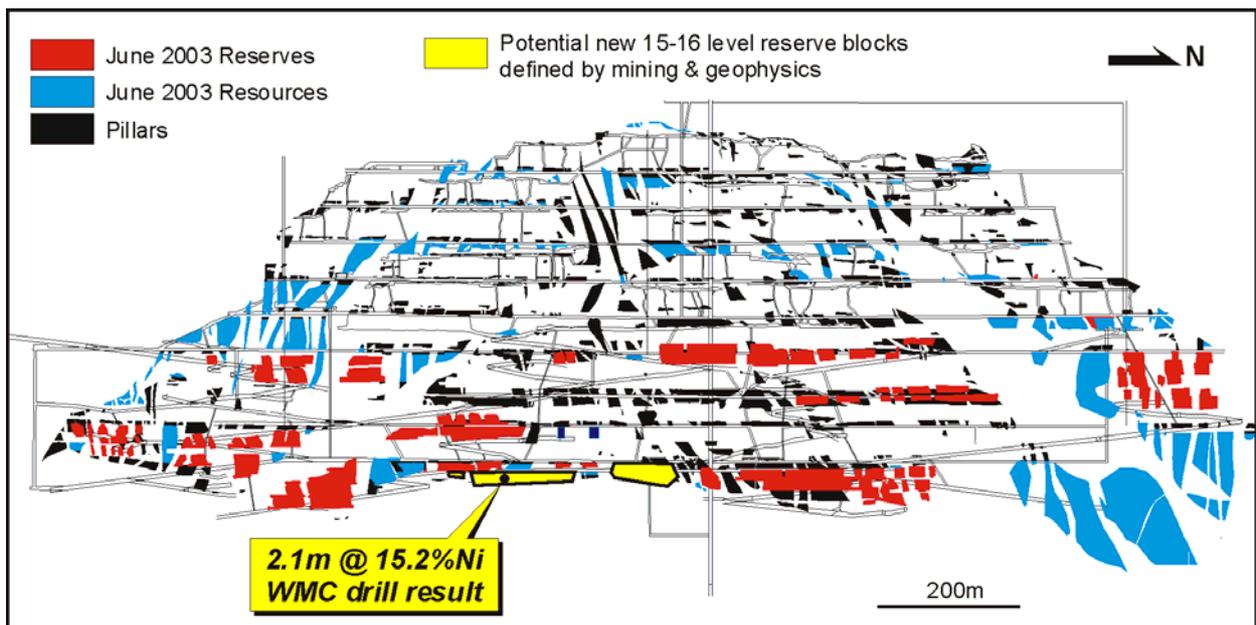


Figure 3: Long longitudinal projections showing new potential 15 – 16 level reserve blocks in relation to existing reserves, resources and pillars.

▪ Long South

Drilling at the Long South Prospect (Figure 4) has recommenced after the completion of down-hole EM surveys which defined a number of off hole anomalies (Figure 5). These anomalies could be due to massive/matrix nickel sulphides or barren sulphidic sediments.

LSU001 W1 is currently in progress to test the prospective basalt-ultramafic contact in the vicinity of these conductors situated 130m south of the KD 6067B W7 intercept (3.6m @ 3.3% Ni including 0.29m @ 14.6% Ni). The hole is currently being reamed out to 320m where a wedge will be set followed by an estimated 250m of coring to intersect the contact at 570m.

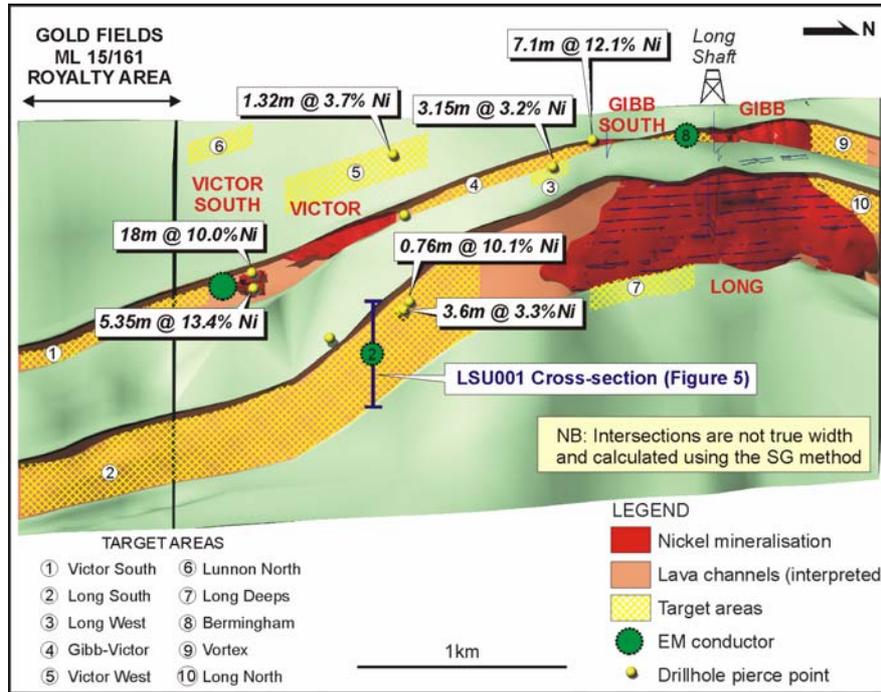


Figure 4: Interpretive long section showing location of Figure 5, Long South LSU001 cross section.

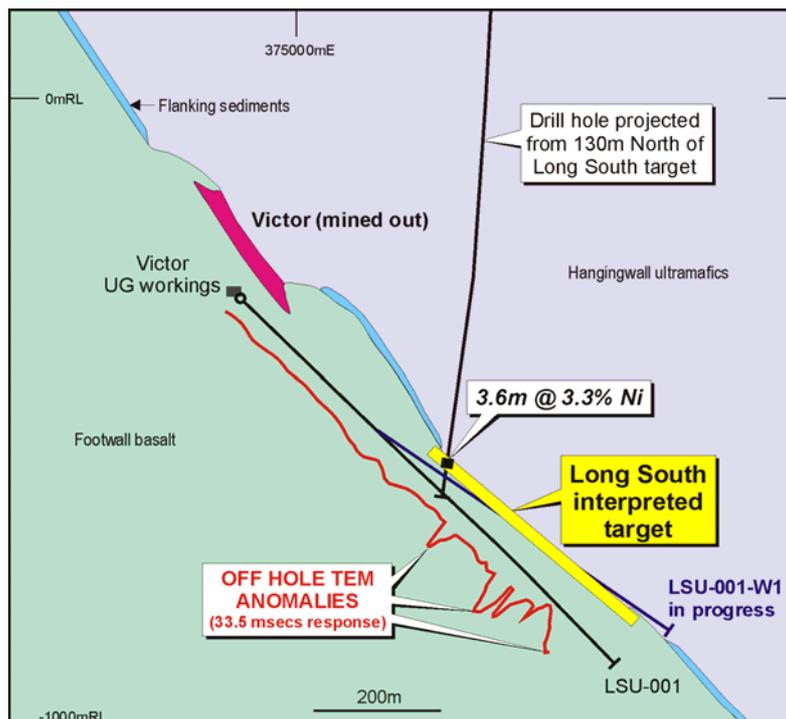


Figure 5: LSU001 interpretive Cross section showing the location of down-hole TEM anomalies and LSU001 W1.

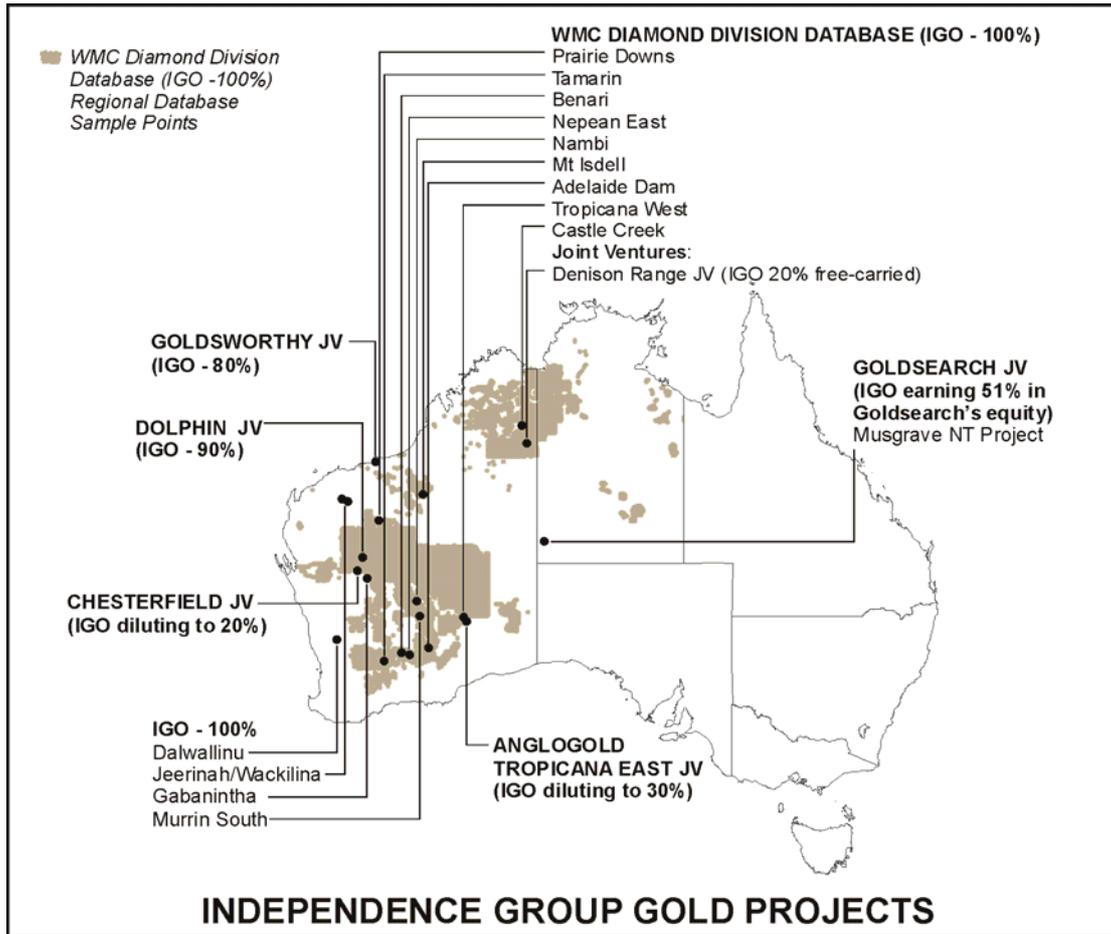


Figure 6(a)

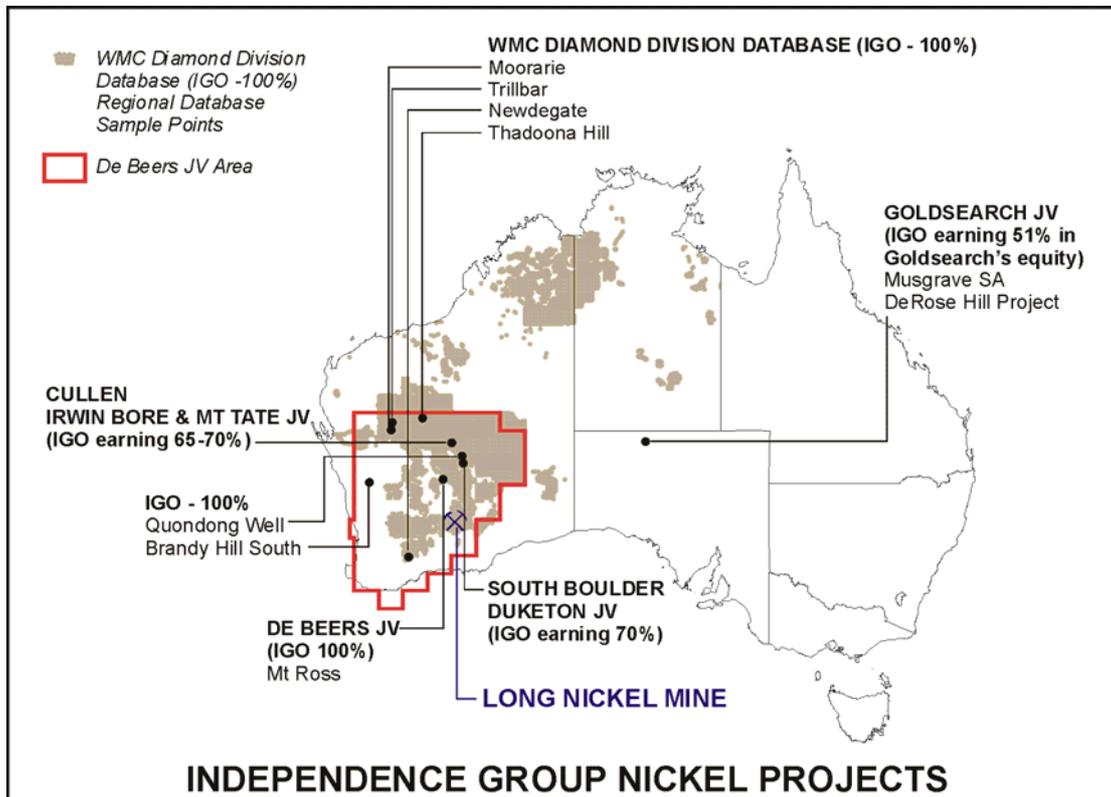


Figure 6(b)

Figure 6 (a) and (b): Independence Group Project Locations



REGIONAL NICKEL EXPLORATION

Evaluation of the De Beers and WMC chromite chemistry databases along with in-house targeting identified a large number of quality nickel targets during the March quarter. Preliminary evaluation of targets on unpegged ground resulted in the acquisition of tenements to cover several distinct prospective areas (Figure 6(b)).

During April IGO negotiated joint venture agreements with Cullen Resources Limited at Irwin Bore and Mt Tate, and South Boulder Mines Ltd on the Duketon project.

CULLEN JOINT VENTURE

(IGO earning 65 - 70%)

IGO has entered into an agreement with Cullen Resources Limited (Cullen) to explore for nickel on its 90% owned Irwin Bore and 100% owned Mt Tate (including New Taffy Well) projects. The two project areas adjoin the Cullen-WMC Resources Ltd Gunbarrel Joint Venture where work by WMC to date has discovered significant massive nickel sulphides at the AK47 prospect. The Irwin Bore and Mt Tate projects cover strike extensions to the prospective ultramafic stratigraphy at AK47.

Under the agreement IGO can earn a 65% interest in the nickel and base metal rights at Irwin Bore by spending \$1.5m over four years. Independence can earn a 70% interest in the nickel and base metal rights at Mt Tate by spending \$1.0m over four years. IGO has a minimum first year commitment of \$180,000 at Irwin Bore and \$50,000 at Mt Tate.

Once IGO has earned its respective interest in the projects, Cullen can contribute to exploration or dilute to 15% free carried to decision to mine at Irwin Bore and a 20% free carried to decision to mine over the Mt Tate project. At decision to mine Cullen has the option to convert its interest to a 1% (Irwin Bore) or 1-1.5% net smelter return royalty (Mt Tate).

The remaining 10% of the Irwin Bore project is held by the Revesco Group Ltd. This interest is free carried to completion of a pre-feasibility study at which point it can be converted to a 1% net smelter royalty.

DUKETON NICKEL JOINT VENTURE

(IGO earning 70%)

IGO has entered into an agreement with South Boulder Mines Ltd to earn 70% of the nickel

metal rights on tenements held by South Boulder in the Duketon greenstone belt.

The Duketon belt is considered highly prospective for nickel sulphide deposits and has seen little post-boom nickel exploration. It is believed the extensive transported cover in the belt would have significantly hindered previous explorers, and in-house modern technology held by IGO will give the joint venture an advantage in this terrain.

IGO is free to nominate tenements to be included in the joint venture from all existing and future tenements held by South Boulder in the defined area. IGO must spend a minimum of \$0.4 million on nickel exploration on the nominated tenements and free carry South Boulder at 30% to completion of a bankable feasibility study. South Boulder is free to dilute to 5% at which point its interest converts to a 5% net profit share royalty.

DE BEERS JOINT VENTURE

▪ Chromite Targeting

First pass screening of the De Beers chromite chemistry database has identified a significant number of quality nickel targets. Tenement acquisition by the JV commenced with the pegging of a high priority target (Mt Ross – see Figure 6(b)) on open ground. Reconnaissance evaluation of this target has commenced.

WMC DIAMOND DATABASE PROJECTS

▪ Chromite Targeting

Ongoing evaluation of the database identified three encouraging targets on unpegged ground. (Moorarie, Trillbar and Newdegate – Figure 6(b)). Exploration license applications have been lodged to secure tenure over these targets. Reconnaissance evaluation of the targets is expected to commence during the June quarter.

MUSGRAVE JOINT VENTURE

▪ De Rose Hill

A ground EM survey over a third geochemical target was delayed due to heavy rains. This program is now scheduled for April with drill testing of geochemical and geophysical targets expected to be completed during the June quarter.



REGIONAL GOLD EXPLORATION

Ongoing regional targeting by IGO over recent years has established an extensive portfolio of grass roots gold exploration properties. In total seventeen project target areas have been identified and secured under tenure.

Most of these targets are based on gold geochemical anomalies generated through surface or subsurface reconnaissance geochemistry. In nearly all cases these anomalies have been defined in new areas away from historic gold occurrences where soil cover has hindered previous prospectors and explorers.

Phase one drill testing of these targets at areas such as Goldsworthy and Benari during the March quarter was successful in returning encouraging bedrock gold results. As tenements progress through the grant and native title process it is expected that the rate at which targets advance to the drill testing stage will start to increase.

100% IGO

- Wackilina
 A ground magnetic geophysical survey was completed over the main target area at Wackilina during the March quarter. Processing of the data highlighted a zone of elevated magnetic response near the inferred centre of the interpreted high-level, shallow-water, volcanic complex. RC drilling will be completed to test the magnetic target following the completion of aboriginal heritage surveys scheduled for April.

WMC DIAMOND DATABASE PROJECTS

- Benari
 A first pass RAB drilling program to test five gold in soil (auger) anomalies and two high magnetic targets was completed during January. This drilling identified two target areas where further infill RAB drilling was justified. These targets were based on bedrock gold intersections up to 4m @ 0.78 g/t Au (4m composites) and additional infill auger geochemical sampling. Results from the latest round of drilling are yet to be received.

- Castle Creek
 During the March quarter, Sipa Resources withdrew from the Castle Creek Joint Venture. The limited work undertaken by Sipa was based on conceptual base metal targets in the east of the project area. No work was completed by Sipa over the main gold target identified by IGO in the north west of the project area. Reconnaissance stream sampling over the main gold target area is scheduled for June.

- Tropicana West
 A detailed airborne magnetic survey scheduled for completion during the March quarter was delayed due to inclement weather.

- New Projects
 Exploration licences were applied for to cover the Nepean East and Adelaide Dam gold targets (Figure 6(a)).

ANGLOGOLD TROPICANA EAST JOINT VENTURE (ANGLOGOLD AUSTRALIA MANAGER EARNING 70%)

Infill and extension RAB drilling commenced at Tropicana East during the March quarter. As part of the current program 100 holes for a total of 4503m of drilling were completed by AngloGold Australia, assay results are yet to be received.

The drilling intercepted encouraging silica, sercite, pyrite alteration similar to that associated with previously identified gold mineralisation at Tropicana East and mapped by previous IP geophysical surveys. To date this zone of alteration has been defined over 5km and is open along strike in both directions (Figure 7).

A total of 703 auger geochemical samples were collected to test an area of extensive sand cover approximately 100km² in size. This area is to the north east along strike from the mineralised trend identified to date at Tropicana.

Regional surface geochemical sampling also commenced over parts of the extensive Tropicana East project area during the March quarter.

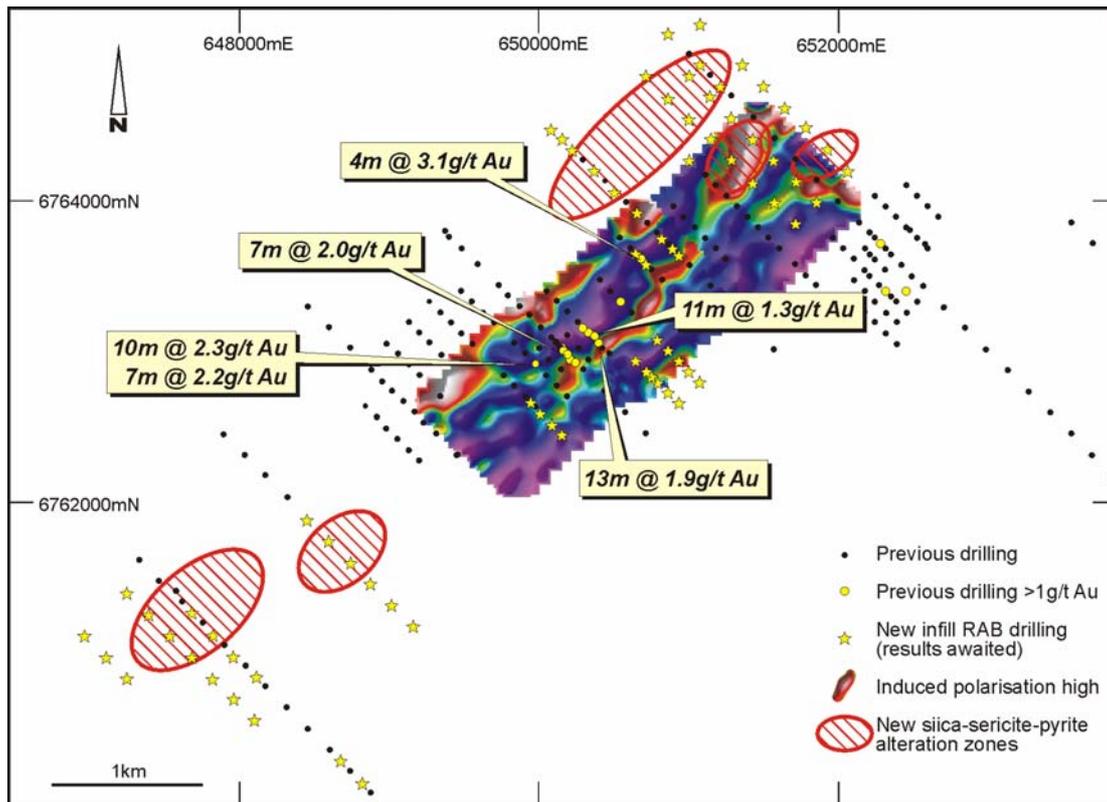


Figure 7: Tropicana East JV plan showing new alteration zones in relation to previous gold drill intercepts.

**GOLDSWORTHY JOINT VENTURE
 (IGO MANAGER EARNING 80%)**

Results for the first round of wide spaced air core drilling at Goldsworthy outlined gold anomalism from four of the five traverses. The first pass aircore drilling tested a series of covered geophysical targets along the major, regionally mineralised Mallina Shear Zone within E45/2380 and E45/2285.

Follow up air core drilling was completed during January to test the geochemically blind targets. A total of 29 holes for 1443m were drilled to infill previous drilling down to a 50m section spacing over the four anomalous targets. Highly encouraging results including intercepts of greater than 1g/t Au over 1m down hole were returned from single drill traverses over two targets approximately 8km apart (Figure 8). Host lithologies include highly sheared Archaean metasediments, tourmalinite, layered dolerite/gabbro, felsic intrusives, felsic metasediments and granitoid.

Further air core drilling, ground EM and magnetic geophysical surveys will commence to test the mineralization following completion of aboriginal heritage clearance programs scheduled for the end of April.

**PLANNED IGO JUNE QUARTER
 EXPLORATION**

Long Exploration

- Long South
 Continue wedge off drillhole LSU001 to test the off-hole EM conductor.
- Long , Victor South & Gibb South
 Ongoing drilling and geophysics as part of the 10,000m resource-reserve upgrade drilling program.

Regional Nickel Exploration

- DeRose Hill
 Ground EM survey is scheduled to be completed over a third geochemical target. Drill testing of geochemical and geophysical targets.
- Irwin Bore / Mt Tate
 Data compilation, soil geochemistry and ground EM geophysics is expected to commence.
- Reconnaissance
 Reconnaissance investigation of recently acquired and new targets will be ongoing.

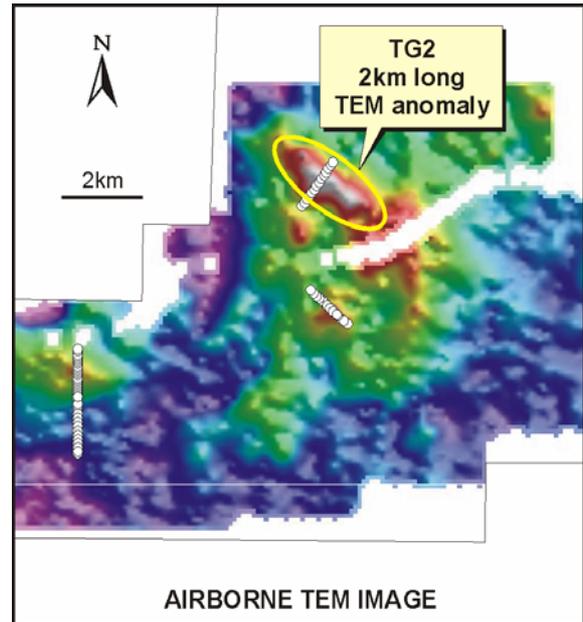
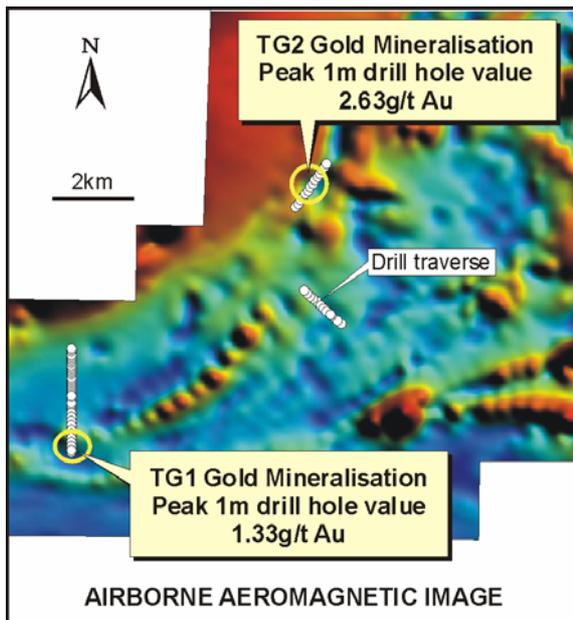


Figure 8: Goldsworthy JV plans showing gold anomalous aircore drilling results over aeromagnetic and airborne TEM images

Regional Gold Exploration

- Benari
Further RAB and RC drilling will be done if warranted.
- Goldsworthy
Drilling and ground geophysics is planned following completion of aboriginal heritage surveys scheduled for April.
- Tropicana East (AngloGold Australia)
The detailed airborne magnetic survey is planned to be completed.
- Tropicana West
The detailed airborne magnetic survey is planned to be followed by RAB drilling of geophysical and geochemical targets.
- Wackilina
RC drilling of magnetic targets planned to be completed following completion of aboriginal heritage clearance surveys.
- Castle Creek
Helicopter reconnaissance and stream geochemical sampling.
- Nambi
Reconnaissance auger geochemical drilling is scheduled for June.

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CHRISTOPHER M. BONWICK
MANAGING DIRECTOR

Information in this report relating to geological data has been compiled or reviewed by Mr Christopher M. Bonwick who is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient relevant experience in the reported fields of activity.

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