



27 September 2004

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

NO. OF PAGES : (2)

LONG SOUTH NICKEL TARGET EXPLORATION DECLINE

Independence is pleased to announce the decision has been made to commence an exploration decline to the Long South nickel target (Figure 1).

The Board has approved a budget of approximately \$4 million for the decline, which will drive from the lower southern end of the Long ore body. The decline will involve approximately 1,315 metres of development to reach the Long South target which is located approximately 1km south of the 15 level take off point.

The decision has been taken after encouraging results on the target area as follows:

- Nickel intersections of 0.76m @ 10.1% Ni, 3.6m @ 3.3% Ni (including 0.29m @ 14.6%) and 0.7m @ 4.6% Ni,
- Confirmation that +40% MgO lava channel ultramafics occur in the target area, and
- Down-hole TEM anomalies which could be indicating the possible presence of massive/matrix nickel sulphides.

It is estimated that the decline will be completed in January 2006.

The decline is planned to have a profile of 5 x 5.5 metres, which will enable full truck and mining access should the target prove to contain economic nickel mineralisation.

There has been limited drilling between the Long Mine and the Long South target. The Company believes there is potential to discover nickel along the length of the decline and has approved a budget of approximately \$1 million to drill-test the target as well as the decline as it progresses. Drilling will be undertaken on approximately 80m centres (Figure 2) and drill holes will be logged by the Company's new MagTEM probe which can delineate nickel sulphide conductors up to 40 metres from the drill hole.

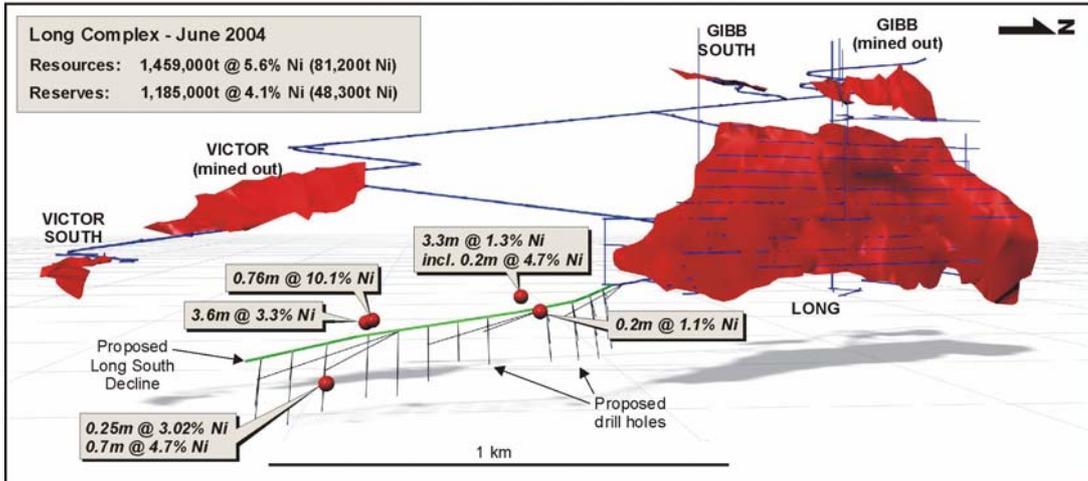


Figure 1: Long Nickel Mine – Reserves, resources and location of proposed Long South Decline

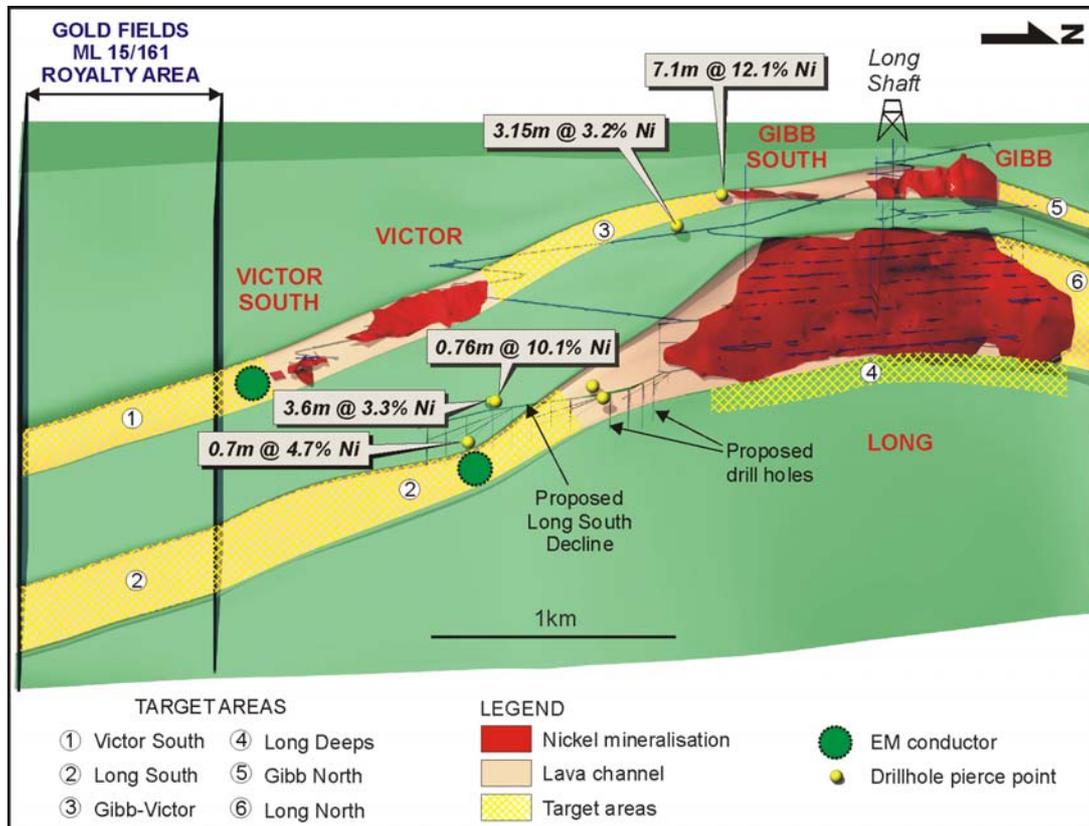


Figure 2: Long Nickel Mine – Exploration targets and proposed Long South target drilling

INDEPENDENCE GROUP NL

CHRISTOPHER BONWICK
 Managing Director