



18 August 2005

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

NO. OF PAGES : (5)

TROPICANA JOINT VENTURE (INDEPENDENCE FREE-CARRIED 30% TO PRE-FEASIBILITY)

Independence Group NL is pleased to announce that diamond drilling by project managers AngloGold Ashanti has intercepted **38m @ 3.0g/t Au (including 10m @ 7.9g/t Au) and 26m @ 2.2g/t Au (including 10m @ 4.1g/t Au)** in fresh rock at the north eastern end of the Tropicana Prospect within the Tropicana Joint Venture (JV) Project Area (Figure 1).

Drilling results to date from the Tropicana and Rusty Nail Prospects suggest the entire project area may be part of a new Australian gold province.

Background

The Tropicana JV, in which Independence is free-carried at 30% to the completion of a pre-feasibility study, comprises approximately 8,000km² of tenure over a strike length of 350km along the Yilgarn Craton – Fraser Range Mobile Belt Collision Zone (Figure 1). Geochemical sampling has identified numerous large surface gold anomalies along the zone (Figure 3). Encouraging gold intercepts have previously been returned from the Tropicana Prospect associated with broad intensely pyritic and sericitic hydrothermal alteration zones, crosscutting a package of metamorphic rocks (Figure 4). Induced polarisation (IP) surveys suggest the sulphidic zone is in excess of 2km in strike length.

Reconnaissance air-core drill testing of gold auger anomalies at the Rusty Nail, Black Feather and Kamikaze Prospects commenced last quarter (Figure 3). Vertical air-core drilling on a 400m x 100m grid returned 2m @ 7.2g/t Au (end of hole) at the Rusty Nail prospect which remains to be followed up. Prior to this exploration, no significant gold mineralisation had been identified in this potentially new Australian gold province along the south-eastern margin of the highly auriferous Yilgarn Block.

Recent Diamond Drilling Program

Results have been received for 4 diamond holes at the Tropicana Prospect, following up previous gold drill intercepts and as a further test of the large IP geophysical anomaly.

The drill holes intersected variably altered and sulphidic banded felspathic gneiss and granitoid lithologies. Gold mineralisation dips shallowly to the south east and is



associated with disseminated (5-10%) very fine-grained pyrite, potentially the source of the IP anomaly.

Best results include **38m @ 3.0g/t Au (including 10m @ 7.9g/t Au)** and **26m @ 2.2g/t Au (including 10m @ 4.1g/t Au)**, both intercepts lie on the same drill traverse (Figure 2). An earlier air-core drill hole (TPA0133) intersected 1m @ 3.7g/t Au at the base of the hole 52 metres below surface, possibly representing the top of the up-dip extension of the shoot.

Due to the interpreted dip of the mineralisation, intercept widths probably approximate true width.

High-grade gold spikes are not a feature of the broad gold-mineralised intercepts. The mineralised zones appear to be lodes, not high-grade vein quartz in otherwise low-grade ore zones. Preliminary dating suggests the host rocks are Archaean in age.

Tropicana Prospect – Diamond Drilling Results

Prospect	Hole No.	Northing	Easting	RL approx	Azimuth	Dip	E.O.H	From	To	Width	Grade
		(m)	(m)	(m)	(deg.)	(degr.)	(m)	(m)	(m)	(m)	(Au g/t)
Tropicana	TPD003	6763121	650637	280	315	-60	192.5	154	158	4	3.58
	TPD009	6763445	650734	280	315	-60	144.4	70	96	26	2.22
							incl.	70	78	8	1.76
							incl.	86	96	10	4.11
	TPD010	6763389	650791	280	315	-60	165.2	104	142	38	3.01
							incl	132	142	10	7.94
								163	164	1	5.55

1m samples analysed by fire assay method

The results are highly encouraging, suggesting potential for an economic gold system. Further drilling is required to test for additional high grade mineralisation to the northeast and southwest (Figure 4).

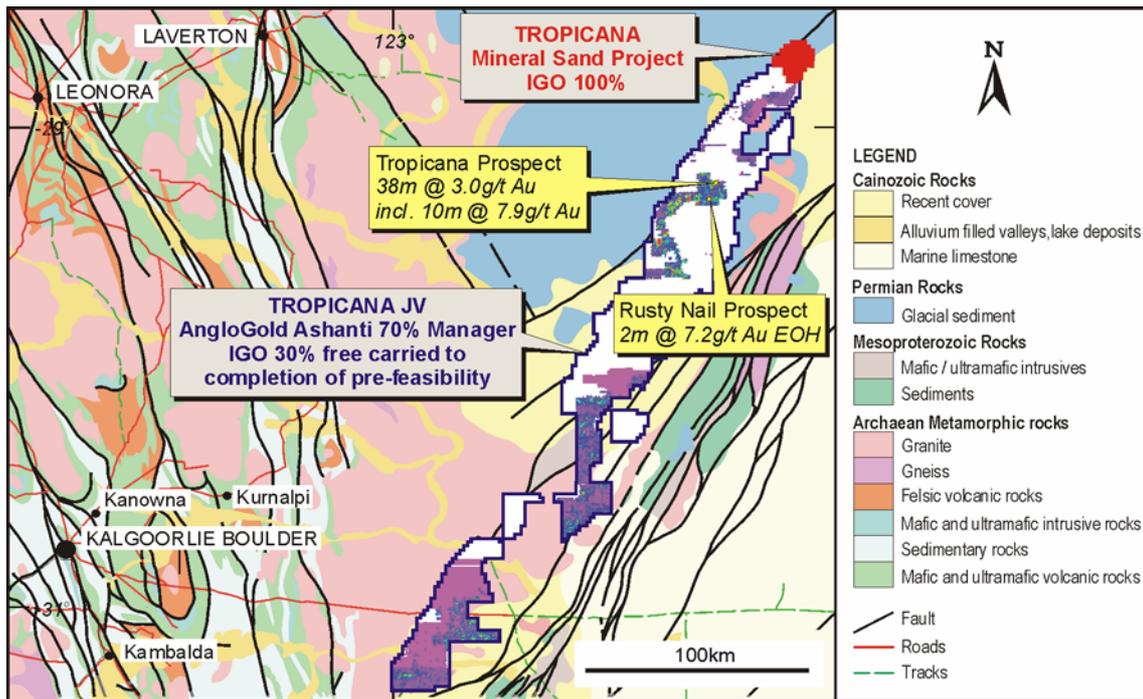


Figure 1: Tropicana Joint Venture Tenure and Gold Geochemical Anomalies Over the Yilgarn Craton – Fraser Range Mobile Belt Collision Zone

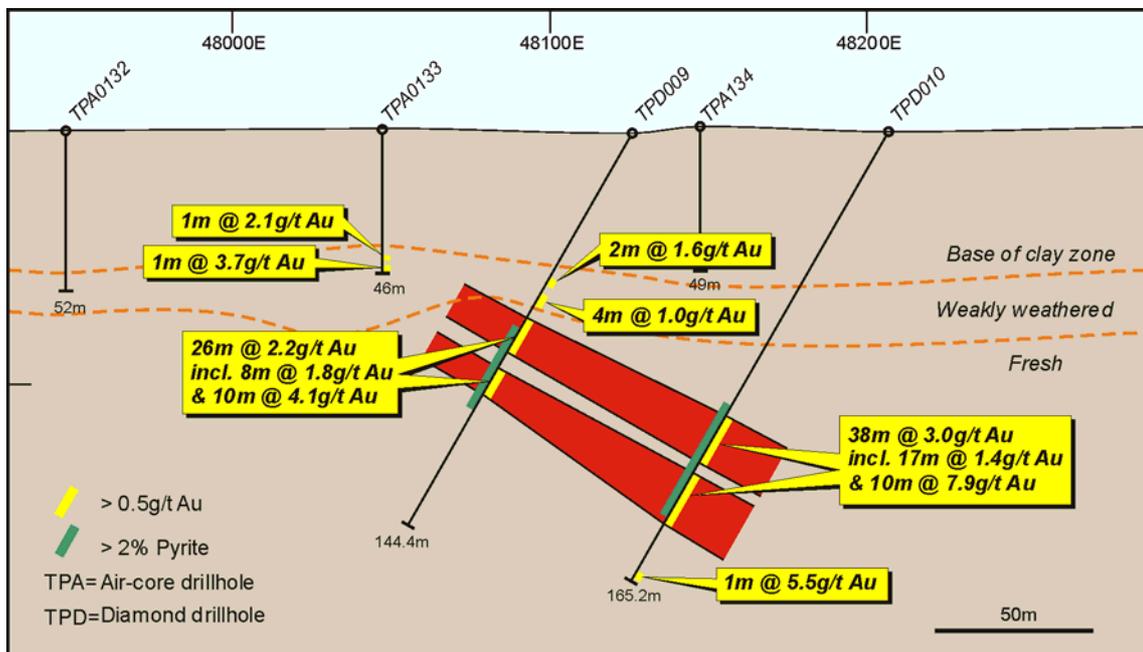


Figure 2: Tropicana Prospect 14,350m N Cross Section Showing Significant Drill Results

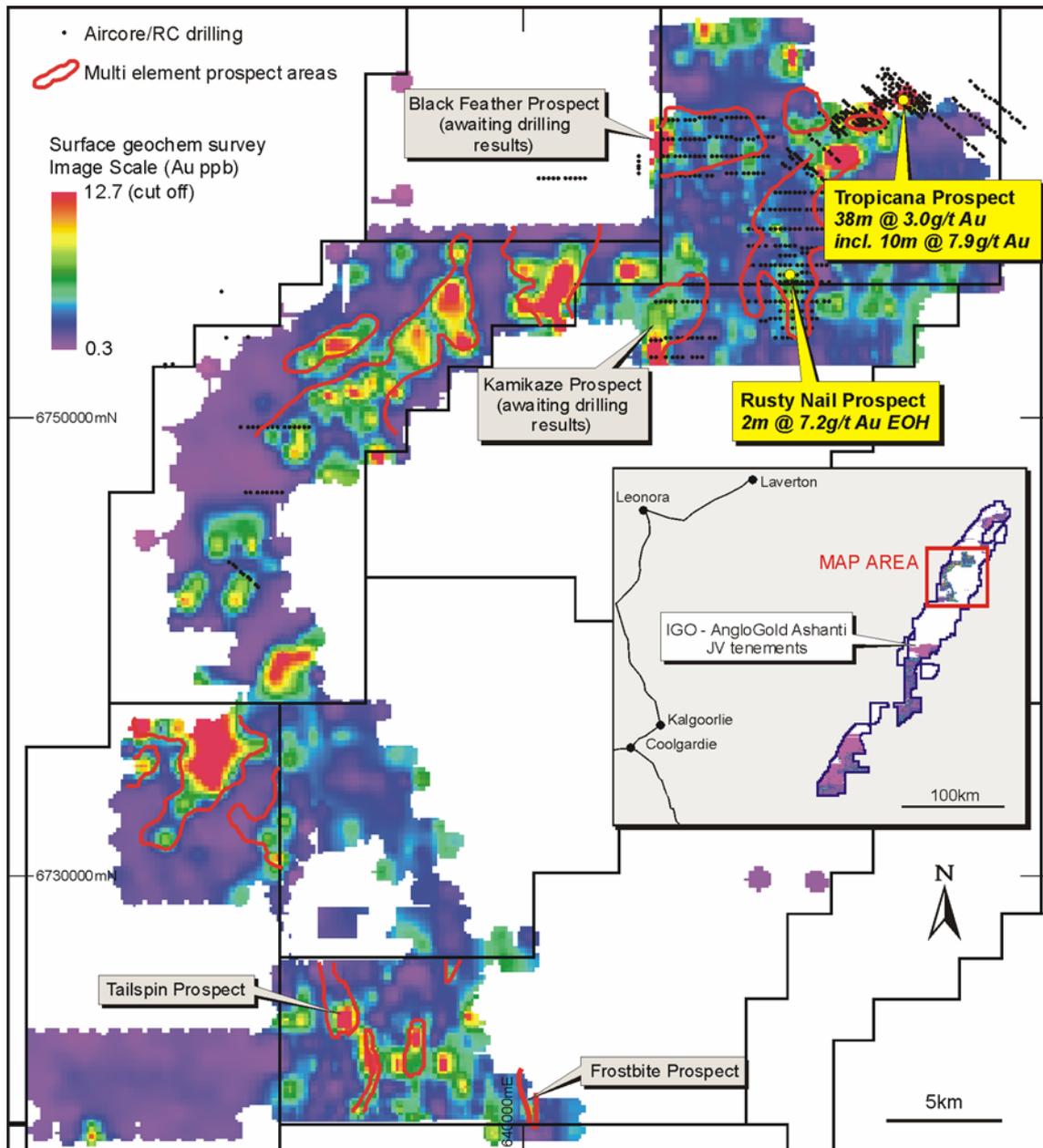


Figure 3: Tropicana and Rusty Nail Gold Anomaly Locations and Significant Drilling Results

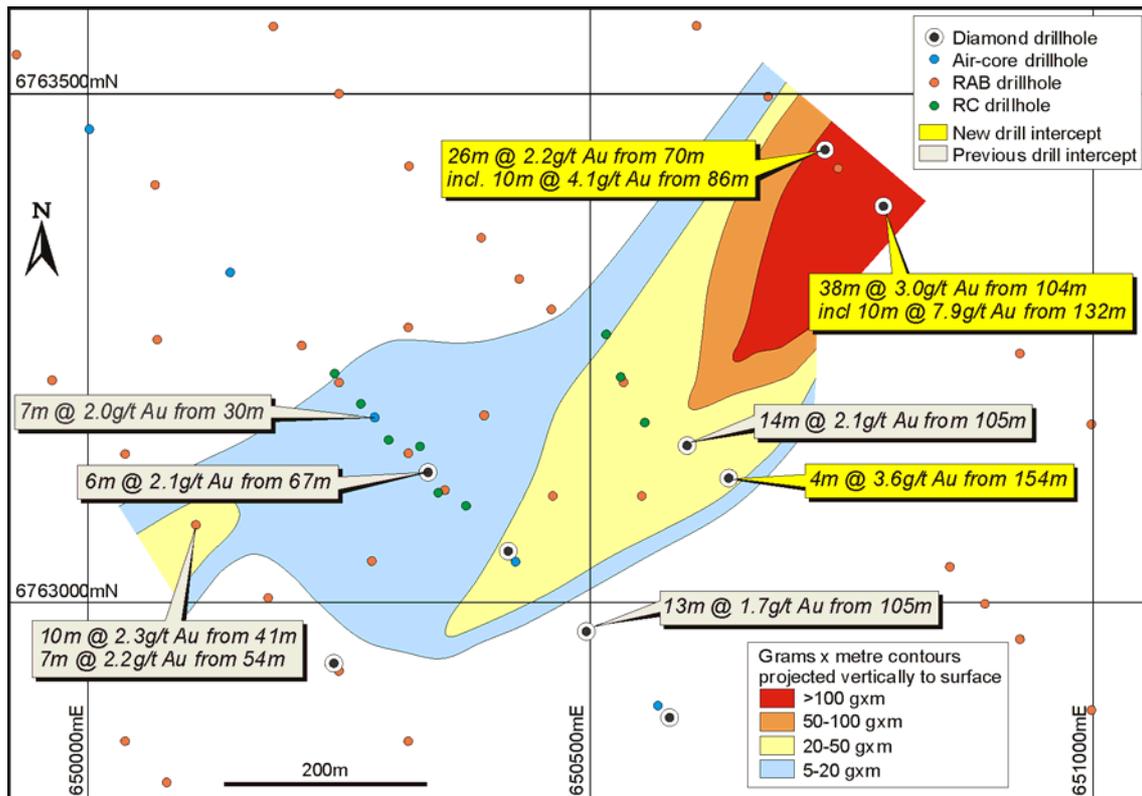


Figure 4: Tropicana Prospect Plan Showing Drill Hole Collars, Significant Intersections and g/t Au x Metre Thickness Contours

Further drilling is currently being planned to follow up these encouraging results.

CHRISTOPHER BONWICK
Managing Director

Note: The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Christopher M Bonwick who is a full-time employee of the Company and is a member of the Australasian Institute of Mining and Metallurgy. Christopher Bonwick has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Christopher Bonwick consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements: This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Independence Group NL's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Although Independence Group NL believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.