



QUARTERLY REPORT FOR THE 3 MONTHS ENDED 31 MARCH 2011

GROUP HIGHLIGHTS

- Takeover offer for copper/zinc/silver producer Jabiru Metals Limited announced. IGO acquired over 95% interest in Jabiru subsequent to the end of the quarter and has applied to compulsorily acquire the remaining interest.
- \$247.0 million cash and estimated net receivables (Dec Quarter \$306.5 million), after payment of \$48.1 million for 10.5% of the issued shares in Jabiru Metals Limited.
- Estimated and unaudited NPAT for the quarter was \$4.7 million (Dec Quarter \$12.6 million, YTD \$27.3 million).

OPERATIONS HIGHLIGHTS

- **Production** - 50,397t @ 3.7% Ni for 1,869 Ni t (Budget 54,955t @ 4.1% Ni for 2,234 Ni t). Moran development slowed to speed-up return airway ventilation and to allow drill testing for possible northern ore extensions, temporarily reducing mining rates.
- **Cash Costs** - A\$5.52/lb Ni payable (Budget A\$4.37) for the quarter (including royalties). Cash costs A\$4.90/lb Ni payable excluding royalties.
- **Development** Moran Paste Plant construction commenced.
 - Production drive development has commenced on the 16 level of Long to provide access to mine the Long North ore body.
- **Exploration:**
 - Additional ore defined north of Moran including significant new true width intercepts outside current resources and reserves of 5.0m @ 12.2% Ni, 3.0m @ 11.4% Ni and 3.0m @ 10.7% Ni.
 - Additional high grade true width nickel intercept of 3.5m @ 11.5% Ni north of Long.

EXPLORATION HIGHLIGHTS

GOLD

- **Tropicana JV** - Pinjin to plant site access road contract awarded and site mobilisation commenced in April 2011.

Havana Deeps underground Pre-feasibility study commenced. The Boston Shaker open pit Feasibility Study is expected to be completed in the September 2011 Quarter.

Havana South bottom of pit resource to reserve infill drilling completed with new significant true width intercepts including 6.0m @ 14.2 g/t Au and 8.0m @ 7.8 g/t Au.

New true width intercepts beneath the current 480,000 oz Boston Shaker resource include 25m @ 14.5 g/t Au and 25m @ 5.0 g/t suggesting underground potential.

New true width intercepts outside the current 630,000 oz Havana Deeps resource include 15.0m @ 7.0 g/t Au and 25.0m @ 2.7 g/t Au.
- **Karlawinda** - An initial 219,900 oz Au supergene, oxide and transition resource estimated for the Bibra prospect. Further infill and extensional drilling targeting higher grade shoots is planned.

BASE METALS

- **Duketon JV** - Drilling with the aim of defining a resource continued during the quarter returning a number of significant intercepts including:
 - 5.3m @ 3.3% Ni, 0.65% Cu, 7.2 g/t 6 PGE's.
 - 3.7m @ 5.1% Ni, 0.50% Cu, 4.0 g/t 6 PGE's



CORPORATE

TAKEOVER OFFER

The Company announced an off-market takeover for all the shares in Jabiru Metals Limited during the quarter. If all Jabiru's shares are acquired, it will result in the issuance of approximately 64 million IGO shares, of which 58.8 million were issued to 28th April 2011. The 90% threshold was reached in April with over 95% interest being held at 28th April and compulsory acquisition procedures have commenced to reach 100% ownership.

PROFIT AND LOSS

The estimated and unaudited NPAT for the quarter is \$4.7 million (Dec \$12.6M). **The profit figures quoted in this report are subject to finalisation of estimated nickel prices and USD/AUD exchange rates. Unhedged receivables and sales figures in this report are based on a nickel price of AU\$25,374/t and are subject to subsequent final price adjustments.**

ISSUED CAPITAL - CURRENT

197,562,469 ordinary shares and 837,500 unlisted options as at 28th April 2011.

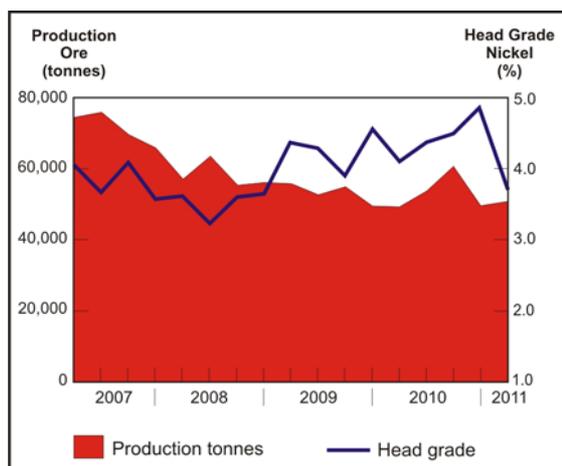
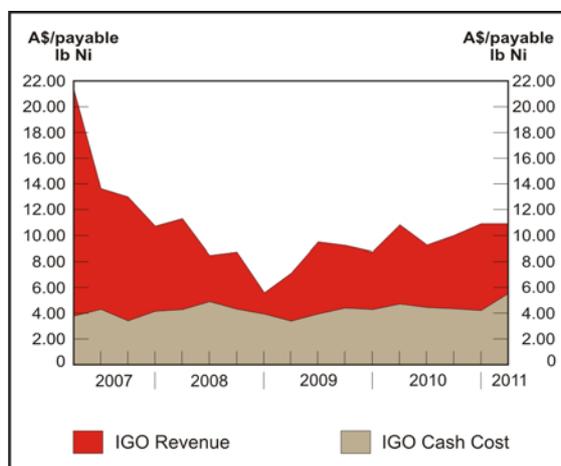
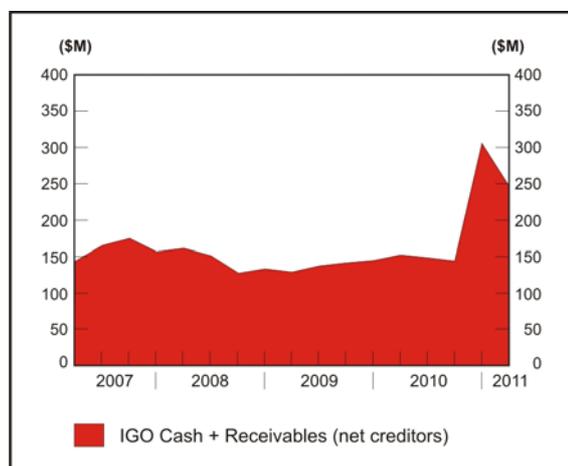
CASH AND RECEIVABLES

- \$241.7 million cash (Dec \$300.2M).
- \$5.3 million nickel revenue in receivables net of creditors (Dec \$6.3M).
- Total cash and estimated net receivables were \$247.0 million at the end of the quarter (Dec \$306.5M).
- **Unhedged receivables have been valued using AU\$25,374/t Ni.**

CASH OUTFLOWS

Excluding operating cash costs, major cash expenditure in the quarter was:-

- \$4.6 million on Long and regional exploration, including contributions to the Tropicana JV.
- \$7.2 million capitalised development costs, including Moran development.
- \$2.3 million income tax payments.
- \$48.1 million acquisition of 10.5% interest in Jabiru Metals Limited and \$2.4 million for 19.9% interest in Argentina Mining Limited.





DEBT

The Company had no debt at the end of the quarter except for hire purchase repayments of \$1.3 million for mining equipment.

**NICKEL SALES PRICE
 CALCULATION**

Due to the off-take agreement the Company has with BHP Billiton Nickel West Pty Ltd, nickel sales for any given month are required to be estimated. This is due to the lag-time between delivery of ore and setting of the price to be received, which is based on the average LME price prevailing in the third month after the month of delivery.

The Company is also required to estimate the USD/AUD exchange rate when calculating sales for any given month, as payment for nickel delivered is received in US dollars. Therefore, when calculating the quarter's cash flow and profits, revenue which will be received based on future nickel prices is estimated using the most up-to-date price information available prior to the release of the quarterly report. The receivables figure used represents the estimated final USD nickel payment converted to AUD, also at an estimated exchange rate.

The effect of the changing nickel price and exchange rate on receivables is reflected in each quarter's cash flow and profit figures.

2010/11 EXPLORATION EXPENDITURE

\$5.2 million exploration expenditure was incurred during the quarter which includes accruals and Tropicana JV expenditure.

HEDGING

Total hedged nickel metal at the date of this report is 5,160t at A\$23,857/t, which is scheduled to be delivered at 200 tonnes per month from April to June 2011, 180 tonnes per month from July 2011 to June 2012 and 200 tonnes per month from July 2012 to June 2013.

INVESTMENTS

On 29th April 2011, Musgrave Minerals Limited (IGO interest 7.5%) listed on the ASX (code MGV). During the quarter Argentina Mining Limited (code AVK) listed on the ASX (IGO interest 19.9%).

MINING OPERATION

**LONG NICKEL MINE
 IGO 100%**

SAFETY

During the quarter no Lost Time Injuries (LTI) occurred, bringing the site Frequency Rate (LTIFR) to **6.19** for the life of the operation.

The operation is well advanced in conducting a site-wide risk review which will be utilised to update risk matrixes, operational procedures and overall site awareness.

PRODUCTION

Production for the quarter was 50,397t at 3.7% Ni for 1,869 tonnes of contained nickel, which was mined by the following methods:

Jumbo Stopping	12,487t	@	3.2% Ni for	405	Ni t
Long-hole	13,322t	@	4.3% Ni for	573	Ni t
Hand-held	4,330t	@	4.5% Ni for	195	Ni t
Jumbo	20,258t	@	3.4% Ni for	696	Ni t
TOTAL	50,397t	@	3.7% Ni for	1,869	Ni t

Production was from the following areas:

Long	4,702t	@	3.7% Ni for	172	Ni t
McLeay	24,702t	@	3.4% Ni for	838	Ni t
Victor South	10,576t	@	4.4% Ni for	463	Ni t
Moran	10,417t	@	3.8% Ni for	396	Ni t
TOTAL	50,397t	@	3.7% Ni for	1,869	Ni t

Refer to Figure 1 for deposit locations.



Contained nickel metal was lower than budget (2,232 Ni t) due to lower than anticipated grades (-0.35% Ni) and a focus on speeding up Moran return airway ventilation. Moran ore production will increase in the June Quarter.

Metal during the quarter was produced at a cash cost of A\$5.55 per payable pound of nickel, with a year to date average of A\$4.62/lb versus a yearly budget of \$4.82/lb. The main variances this quarter have resulted from lower metal production, a higher proportion of operating development (+\$0.30/lb) and above budget royalty payments (+\$0.14/lb).

Operational highlights for the quarter included:

- Focus on improving health and safety.
- Establishment of infrastructure to support Moran production.
- Progress on Moran paste plant.
- Additional exploration success in Moran.
- Additional resources introduced for mid-term exploration.

DEVELOPMENT

CAPITAL DEVELOPMENT

During the quarter a total of 289 metres were advanced as capital development, 242m in Moran, 16m in Victor South, and 31m between the 13/7 and 570 exploration drill drives.

OPERATING DEVELOPMENT

A total of 652 metres of operating development was also undertaken during the quarter, of which 41m occurred in Long (13/7 block), 433m in McLeay, 25m in Victor South with the remaining 153m in Moran. Operating development costs are included in cash costs.

An additional twin boom jumbo commenced during the quarter and has been dedicated to advancing exploration platforms. The jumbo is currently extending the 13/7 and 16/5 Long North platforms with a short to medium term view of resource extension.

FOCUS FOR JUNE QUARTER

The June quarter will see the operation focus on:

- Addressing site risks and evaluating risk taking behaviour.
- Review of the site Safety Management Plan.
- Moran Paste Plant construction and infrastructure.
- Decommissioning of the Long shaft and winder.
- Continued development in Moran, both vertical and horizontal, to expand production capability.
- Development to extend the Long North exploration platforms.



EXPLORATION

DRILL DRIVE DEVELOPMENT

Advancement of the Moran 570 drill drive drill platform, designed to test south of the Moran ore body, was suspended early this quarter when mine workings intersected a sheared chloritic ultramafic zone in the last 6m of development. A 100m deep underground geotechnical diamond drill-hole has commenced to test the competency and thickness of the shear zone, east of current mine development, before further development progresses.

Long North drill drives in the 13/7 and 16/5 mining levels have commenced. The drives will allow drilling of Long North and Long Deeps targets to the north and down-dip of the current Long North 2010 Resource Boundary. In total 700m of development is planned. Drill drive development will also allow the installation of a 2.1km in-mine geophysical loop which will be used in DHEM geophysical surveys in Long North.

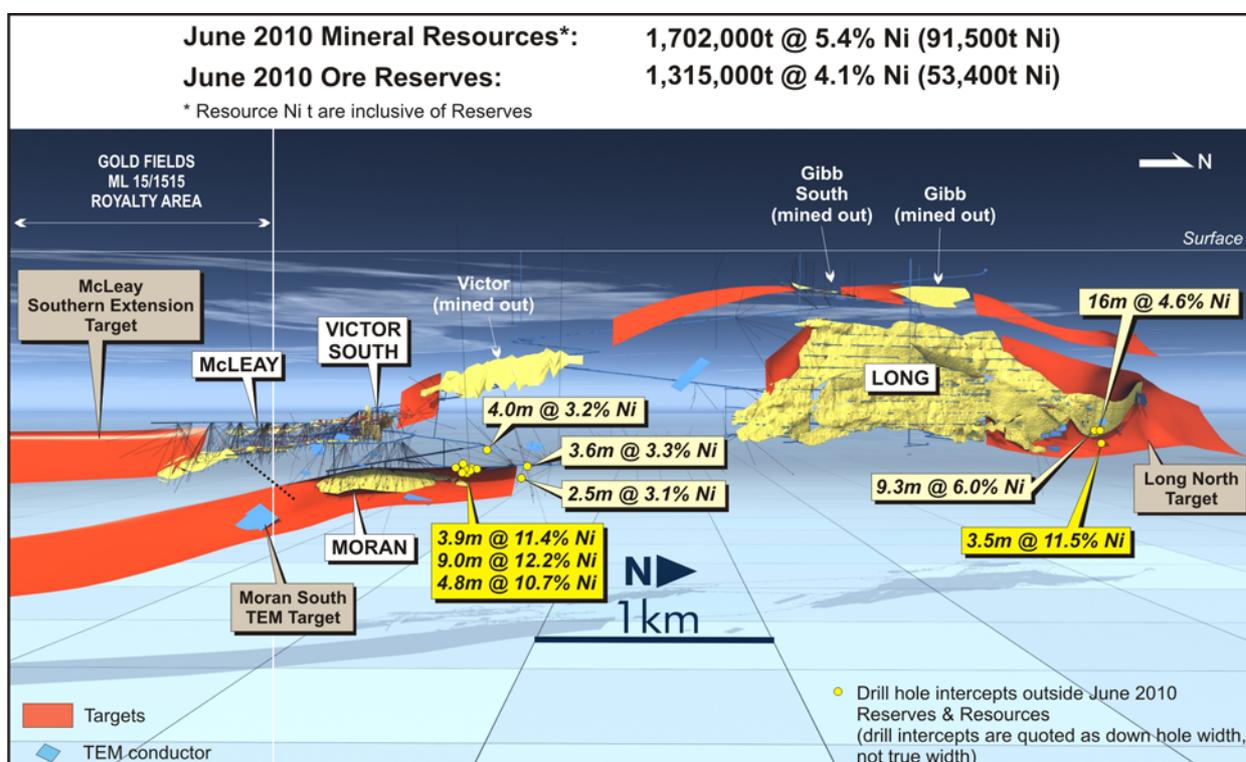


Figure 1: Long Nickel Mine – Longitudinal Projection Showing Target Areas, TEM Conductors and Significant Intercepts Outside June 2010 Ore Reserves

HIGH POWERED TEM TRANSMITTER MARK III

Commissioning of the new IGO High Powered Geophysics Transmitter (HPT-Mark III) was completed in the quarter. Site testing of the unit is planned for the June quarter.

MORAN SOUTH DRILLING

No extensional drilling of the Moran South target area was carried out this quarter, pending the drilling of a 100m deep geotechnical diamond hole designed to test the competency and thickness of a shear zone, east of the current Moran 570 drill drive. Geotechnical information from the hole will be used to assess mining and drilling methods required to advance past the shear zone to allow drill testing of the Moran ultramafic lava channel, including a TEM target centred 420m south-east of the June 2010 Moran reserve boundary (*Figures 1 and 2*).

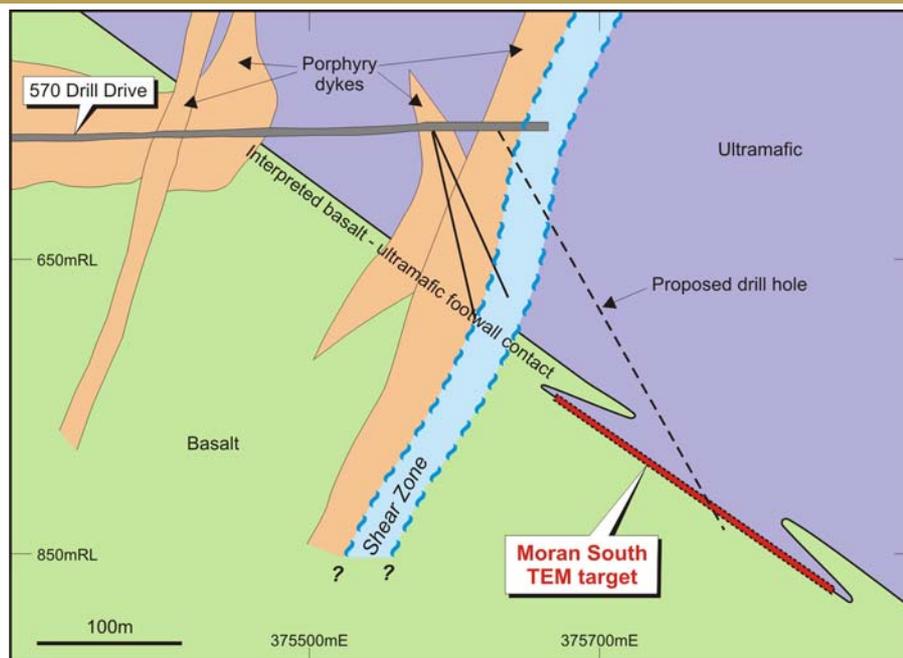


Figure 2: Long Nickel Mine - Moran South Schematic Cross-Section Showing Abandoned Drill-Holes, Proposed Drill-Hole to Test the Moran South TEM target

MORAN NORTH EXTENSION DRILLING

Six underground diamond drill-holes for 546m were completed in the quarter. The best intercepts are reported in **Table 1**.

Table 1: Long Nickel Mine – Significant March Quarter – Moran North Extensions Holes

HOLE_ID	NORTHING	EASTING	RL	EOH	DIP	AZIMUTH	M FROM	M TO	INTERVAL	TRUE WIDTH	ASSAY GRADE %Ni
LSU-345	547939	375206	-640	71.7	-1.7	80.9	37.0	40.9	3.9	3.0	11.4
LSU-346	547939	375206	-638	71.8	12.9	107.7	34.5	37.4	2.9	2.0	4.0
LSU-348	547940	375206	-640	86.8	-2.9	115.7	50.0	50.6	0.6	0.4	1.3
LSU-349	547940	375206	-640	101.7	-15.8	114.8	59.9	64.6	4.7	3.0	10.7
LSU-350	547939	375206	-640	99.0	-4.0	128.0	56.9	60.2	3.3	2.8	11.9
LSU-351	547938	375206	-639	115.3	3.1	141.5	79.9	88.9	0.9	5.0	12.2

Follow up DHEM surveys identified several TEM anomalies. The zone of mineralisation occurs over an 80m strike length, 40m north of the Moran 665 North Ore Drive and 25m east of the Moran decline development (**Figure 3**). Nickel mineralisation remains open and further extensional and infill drilling is planned for the June quarter.

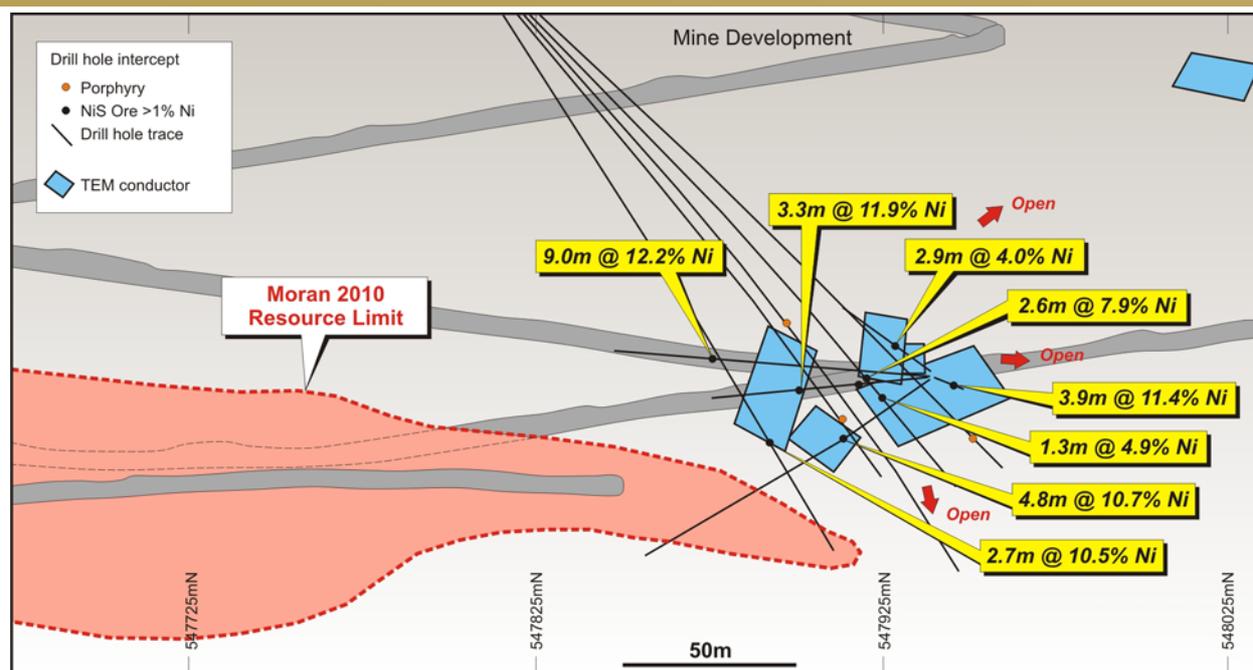


Figure 3: Long Nickel Mine – Moran Longitudinal Projection, Showing TEM Conductors, Drill Hole Trace, Moran Ore Body, Mine Development and New Significant Intercepts Outside June 2010 Ore Reserves

MORAN INFILL DRILLING

Twenty three underground diamond drill-holes for 1,425m were completed in the Moran 665 North and Moran 665 South Ore Drives, designed to better define the hanging wall ore thickness and up-dip limits. Drilling intersected ore of similar grade and thickness as previously modelled with ore thickness up to 8m in drill hole **MRDDH-023A with 12.3m @ 6.5% Ni (8.0m true width)**.

Table 2: Long Nickel Mine – Significant March Quarter Moran Infill Drilling Results

HOLE_ID	NORTHING	EASTING	RL	EOH	DIP	AZIMUTH	M FROM	M TO	INTERVAL	TRUE WIDTH	ASSAY GRADE %Ni
MRDDH-010	547829	375286	-672	19.5	-19	94	0	6	6	2.5	7.9
MRDDH-011	547829	375286	-672	41.1	-35	94	0	11.3	11.3	2.5	9.6
MRDDH-011	547829	375286	-672	41.1	-35	94	13.9	19.1	5.2	2.0	13.9
MRDDH-013	547810	375286	-666	36.1	61	272	15	27.4	12.4	4.0	10.5
MRDDH-016	547810	375291	-671	39.9	-27	94	0	10.2	10.2	2.0	6.2
MRDDH-017	547790	375294	-667	31.3	41	265	2.3	6.0	3.7	5.0	11.2
MRDDH-021	547791	375299	-671	22.2	-27	90	0	4.3	4.3	4.0	6.3
MRDDH-022	547769	375302	-667	24.8	38	262	0	11.2	11.2	5.5	12.2
MRDDH-023A	547769	375302	-666	26.7	57	270	0	12.3	12.3	8.0	6.5
MRDDH-025	547770	375308	-670	20.8	-3	93	0	0.7	0.7	7.0	3.6
MRDDH-025	547770	375308	-670	20.8	-3	93	3.2	9.8	6.6	7.0	3.0
MRDDH-026	547770	375308	-671	56.5	-30	94	20.5	36.5	16.0	2.5	8.4
MRDDH-027	547748	375311	-668	46	43	273	4.0	8.0	4.0	4.0	7.2
MRDDH-028	547748	375311	-667	32.7	53	271	0.8	22.9	22.1	4.0	9.7
MRDDH-031	547749	375316	-671	64.9	-24	87	0	16.5	16.5	4.0	4.1
MRDDH-031	547749	375316	-671	64.9	-24	87	18.0	52.2	34.2	3.5	4.2
MRDDH-032	547749	375316	-671	85.8	-35	89	0.2	5.9	5.7	5.0	13.1
MRDDH-032	547749	375316	-671	85.8	-35	89	7.2	8.7	1.5	5.0	6.2
LSU-353	547939	375206	-640	149.9	-19	122	105.9	107.9	2.0	1.5	8.3



LONG NORTH EXTENSIONAL DRILLING

Four diamond drill-holes for 867 meters were completed during the quarter (**Figure 4**) with the best intercept reported in **LG137-061 with 3.5m @ 11.5% Ni (3.5m True width)**. Drill-hole LG137-061 intersected nickel mineralisation coincidental with a 20m x 15m off-hole DHEM target identified from hole LG137-043. Further drilling is planned pending the completion of the 13/7 and 16/5 drill platforms as mineralisation remains open up and down dip and along strike.

Table 3: Long Nickel Mine – Significant March Quarter Long North Results

HOLE ID	NORTHING	EASTING	RL	EOH	DIP	AZIMUTH	M FROM	M TO	INTERVAL	TRUE WIDTH	ASSAY GRADE %Ni
LG137-061	550758	374037	-394	169.5	-60	352	145.4	148.9	3.5	3.5	11.5

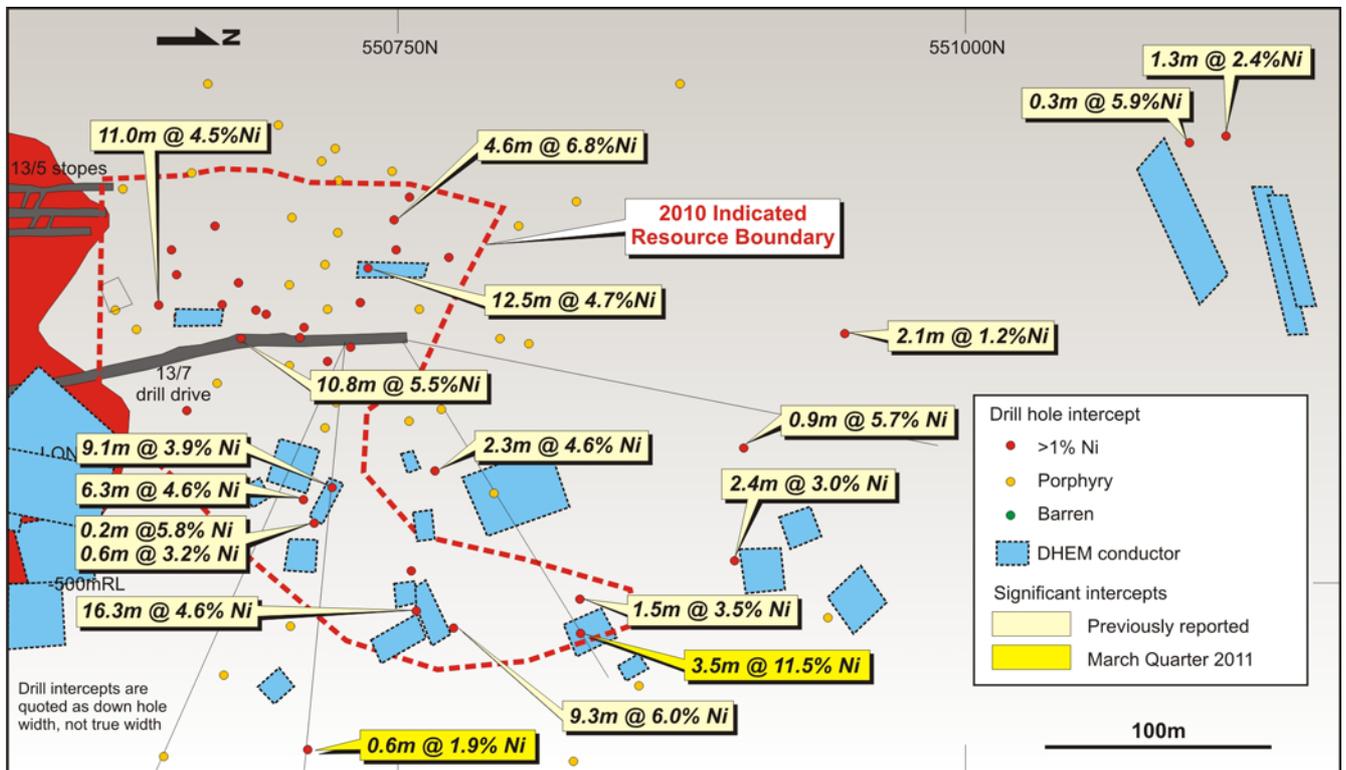


Figure 4: Long Nickel Mine - Long North Longitudinal Projection Showing Recent Drill Intercepts and TEM Conductors in Relation to the Northern End of the Long Ore Body



LONG NICKEL MINE PRODUCTION SUMMARY

	Note	Mar '11 Quarter	2010/11 FY to Date	Prev. Corresp. Quarter (Mar '10)
Mining Reserve (Dry Tonnes)				
Start of Period		1,205,220	1,315,000	1,227,272
- ROM Production	1	(50,397)	(160,177)	(49,331)
End of Period		1,154,823	1,154,823	1,177,941
Production Details:				
Ore Mined (Dry Tonnes)	1	50,397	160,177	49,331
Ore Milled (Dry Tonnes)				
Nickel Grade (Head %)		50,397	160,177	49,331
Copper Grade (Head %)		3.71	4.36	4.11
		0.27	0.30	0.28
Metal in Ore Production (Tonnes)				
Nickel delivered	2	1,731	6,980	2,026
Copper delivered	2	137	488	140
Metal Payable IGO share (Tonnes)				
Nickel		1,126	4,216	1,224
Copper		55	197	57
Hedging				
Tonnes delivered into Hedge		600	1,800	600
Average Price (AU\$/t)		19,013	19,013	19,013

Note 1. Production is sourced from both reserves/inventory and outside reserves.
 Note 2. The Recovery Rate is fixed with BHP 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	A\$'000's
Revenue/Cost Summary				
Sales Revenue (incl. hedging)		26,960	100,136	29,190
Cash Mining/Development Costs		(8,549)	(26,095)	(7,508)
Other Cash Costs	3	(5,161)	(16,783)	(5,200)
Depreciation/Amortisation/Rehabilitation		(4,162)	(13,769)	(2,334)
Total Unit Cost Summary				
		A\$/lb Total Metal Produced	A\$/lb Total Metal Produced	A\$/lb Total Metal Produced
Cash Mining/Development Costs		2.08	1.70	1.68
Other Cash Costs	3	1.25	1.09	1.16
Depreciation/Amortisation/Rehabilitation		1.01	0.90	0.52
Revenue/Cost Summary				
		A\$/lb Payable Metal	A\$/lb Payable Metal	A\$/lb Payable Metal
Sales Revenue (incl. hedging)	4	10.86	10.78	10.82
Cash Mining/Development Costs		3.44	2.81	2.78
Other Cash Costs	3	2.08	1.81	1.93
Depreciation/Amortisation/Rehabilitation		1.68	1.48	0.87

Note 3. Other Cash Costs include milling, royalties and site administration.
 Note 4. Sales Revenue per pound includes nickel price adjustments for prior periods.

Safety and Productivity

- Lost Time Injuries		1	2	2
- Medically Treated IFR		34.8	31.9	78.19
- Nickel Productivity Rate	5	77.7	83.8	16.33

Note 5. Nickel Productivity Rate = Annualised nickel tonnes per full-time-equivalent-employee.

		Metres	Metres	
Production/Exploration Drilling				
Production		-	-	2,701
Exploration		2,478	7,756	1,210
		2,478	7,756	3,911



REGIONAL GOLD EXPLORATION

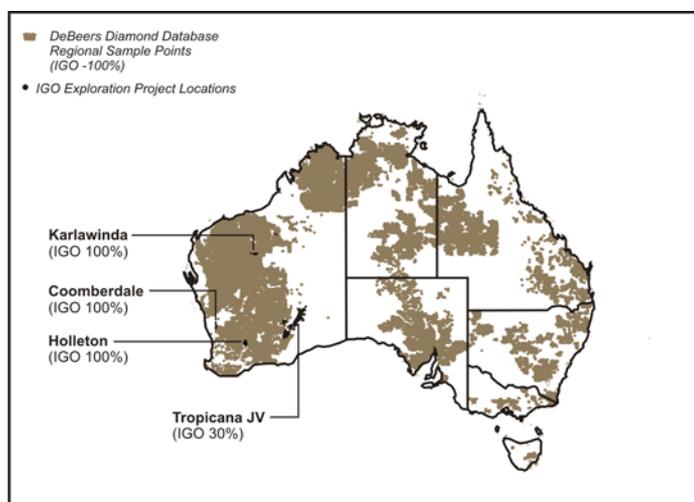


Figure 5: IGO Gold Project Locations

TROPICANA JV (IGO 30%, ANGLOGOLD ASHANTI AUSTRALIA LIMITED MANAGER 70%)

The Tropicana Joint Venture comprises approximately 16,000km² of highly prospective tenure covering a strike length of 396km (**Figure 6**) along an emerging new gold province.

The Tropicana project was generated and pegged by IGO and subsequently joint ventured to AngloGold Ashanti Australia Limited in January 2002. The first discovery within this extensive tenement package is the Tropicana deposit, comprising the Tropicana and Havana Zones for which a Bankable Feasibility Study (“BFS”) was completed in Q4 2010.

In addition to the recently completed Feasibility work at the Tropicana deposit, scoping studies were completed on the potential Boston Shaker open pit and Havana Deeps underground deposits.

Exploration is also continuing at priority regional locations throughout the joint venture area, with a focus on those within trucking distance of the planned operation at Tropicana-Havana.

On 11th November 2010 IGO announced to the ASX that the boards of both Independence Group NL and AngloGold Ashanti Limited had approved project development.

The approved project is expected to produce 3.45Moz (1.04Moz – IGO share) over a 10 year life at A\$710-A\$730/oz cash cost (real), including royalties. Apart from the starter pits all future cut-backs have been included in cash costs.



BFS Highlights (excludes Boston Shaker and Havana Deeps):

Open Pit Proven and Probable Reserves:	48Mt @ 2.2 g/t Au – 3.4 Moz gold (refer ASX announcement 11 November 2010)
Open Pit Mining Inventory (including Inferred category):	59Mt @ 2.0 g/t Au for 3.8 Moz gold
Expected production first 3 years:	470,000–490,000 oz pa (IGO share 141,000–147,000 oz pa) at A\$580-A\$600/oz cash cost including royalties
Estimated capital and working capital:	A\$690-A\$740M (real); A\$725-A\$775 (nominal – including escalation)
Estimated maximum cash draw down:	A\$195-A\$200M (IGO 30% share at gold price of A\$1,300/oz)
Estimated payback:	2.2 years (at gold price of \$A1,300/oz, USD:AUD parity and US\$85/barrel oil)
Fresh ore milling rate:	5.8Mt pa
Road construction commencement:	Early June 2011 Quarter
Anticipated first gold production:	December 2013 Quarter
Additional Upside:	Boston Shaker open pit, potential underground mine and numerous regional exploration targets

PROJECT DEVELOPMENT ACTIVITIES:

Tropicana Project development commenced in the quarter, with leasing of an office floor in Perth CBD dedicated to Project development, commissioning and subsequent operational support. Key Project management were appointed, with recruitment activities for other senior personnel well advanced.

Tender bids for Project long lead mobile plant and fixed infrastructure were received. A letter of intent was issued to MacMahon Contractor Pty Ltd to provide mine contracting services. Finalisation of the EPCM Contract is in progress.

Detailed and final Project engineering has commenced.

Approval was granted by applicable Government regulatory bodies for the Mine Access Corridor development plan. Subsequently, Lucas Earthmoving was appointed for road construction.



TECHNICAL STUDIES

Metallurgical studies supporting the Boston Shaker Feasibility Study were completed and associated mine planning activities commenced.

Drilling for the Havana Deeps Pre-feasibility assessment commenced late in the quarter.

TROPICANA-HAVANA PROXIMAL EXPLORATION

During the quarter 21,545m of RC drilling and 549m of diamond drilling was completed in and around the Tropicana-Havana Resource focussing on the following areas:

- Infill drilling at Havana South to upgrade the Inferred Resource to Indicated and Measured.
- Swizzler and Tropicana South Projects to ensure that targets which may impact on dump and stockpile locations are adequately tested.
- Additional target areas at Tropicana South including inadequately tested targets up-dip and on the east side of a major dyke.
- Up-dip zone on the western edge of Boston Shaker.

New results received during the quarter include:

- **Boston Shaker: 25m @ 14.5g/t Au and 25m @ 5.0 g/t Au** located down dip beneath the Scoping Study resource and indicate potential for underground mining.
- **Havana Deeps: 15m @ 7.0 g/t Au, 28m @ 2.7g/t Au and 15m @ 3g/t Au.**
- **Swizzler/Tropicana South: 3m @ 8.8g/t Au and 5m @ 2.5g/t Au.**

A full list of significant intercepts received during the quarter is provided in **Tables 4-6** and selected intercepts are illustrated in **Figure 7**.

REGIONAL EXPLORATION

Unseasonably high rainfall events in the Tropicana region during the quarter prevented access to many parts of the project area and severely impacted regional exploration programs. As a result no RC or diamond drilling could be undertaken and only 15,627m of AC drilling and limited auger sampling was completed.

AC drilling commenced at Margarita and the Ninja Prospect located 7km and 13km SW of Tropicana respectively. Quartzo-feldspathic gneiss and schist with disseminated pyrite was reported from several holes at Ninja. Assay results are pending.

First pass auger sampling was completed on E28/1913 and follow-up auger was conducted on E28/1361 & E28/1362 all at the far southern end of the project area.



Table 4: Significant March Quarter Boston Shaker Drilling Results

COLLAR						INTERCEPTS DETAILS				
HOLE No.	NORTHING (M)	EASTING (M)	RL (MAHD)	Azi (DEGR)	DIP (DEGR)	TOTAL DEPTH	DEPTH FROM	DEPTH To	WIDTH (M)	Au (G/T)
BOSTON SHAKER RC										
BSRC310	6764048	652036	344.6	320.6	-58.4	120	81.0	96.0	15.0	2.7
BSRC311	6764011	652074	344.8	320.1	-58.8	150	117.0	124.0	7.0	3.2
BSRC312	6764016	652143	344.5	321.8	-60.6	180	154.0	162.0	8.0	4.3
BOSTON SHAKER DD										
BSD024	6763567	652517	347.3	320.2	-60.7	541	478.0	487.0	9.0	2.9
BSD026	6763847	652440	353.1	322.0	-61.0	409	364.0	373.0	9.0	3.4
BSD027A	6763708	652579	348.2	320.4	-59.6	514	478.0	497.0	19.0	4.0
BSD031	6763855	652371	352.7	318.5	-60.6	348	326.0	332.0	6.0	3.9
BSD032	6763853	652301	352.6	318.3	-60.4	334	277.0 <i>including</i> 288.0	302.0 302.0	25.0 14.0	14.5 23.5
BSD033	6763855	652230	352.5	317.0	-60.7	304	238.0	247.0	9.0	5.2
BSD034	6763782	652302	353.1	320.5	-61.1	349	298.0	309.0	11.0	3.2
BSD036W1	6763676	651842	349.1	321.5	-60.0	300	226.0 247.0	242.0 263.0	16.0 16.0	2.1 2.8
BSD038A	6763638	651812	342.0	322.6	-59.2	315	260.0 267.0	262.0 278.0	2.0 11.0	5.5 2.2
BSD039	6763639	651880	342.7	320.2	-59.2	321	255.0 274.0 282.0	269.0 279.0 291.0	14.0 5.0 9.0	3.0 2.9 3.2
BSD040	6763709	651950	343.7	321.2	-59.2	343	270.0	284.0	14.0	4.1
BSD041	6763745	651985	344.1	324.0	-60.3	324	232.0	257.0	25.0	5.0

Table 5: Significant March Quarter Havana Drilling Results

COLLAR						INTERCEPTS DETAILS				
HOLE No.	NORTHING (M)	EASTING (M)	RL (MAHD)	Azi (DEGR)	DIP (DEGR)	TOTAL DEPTH	DEPTH FROM	DEPTH To	WIDTH (M)	Au (G/T)
HAVANA SOUTH RC										
TFRC3358	6761323	649281	357.5	321.4	-59.8	132	42.0	71.0	29.0	1.44
TFRC3362	6761235	649333	357.6	325.8	-60.4	200	173.0	177.0	4.0	3.55
TFRC3368	6761306	649192	355.6	325.7	-60.4	105	87.0	93.0	6.0	14.2
TFRC3373	6761323	649139	355.0	325.9	-60.4	50	29.0	39.0	10.0	2.41
TFRC3377	6761182	649280	355.4	327.3	-59.9	135	84.0	111.0	27.0	1.62
TFRC3379	6761290	649138	354.5	324.7	-59.4	75	62.0	64.0	2.0	10.8
TFRC3382	6761184	649242	354.7	325.0	-60.3	145	77.0 137.0	100.0 139.0	23.0 2.0	2.21 5.17
TFRC3389	6761147	649245	354.3	325.9	-60.9	140	125.0	130.0	5.0	4.23
TFRC3391	6761305	649051	353.6	321.7	-60.5	60	36.0	48.0	12.0	2.27
TFRC3395	6761164	649192	353.7	323.1	-60.5	150	112.0	121.0	9.0	3.1
TFRC3397	6761252	649070	353.0	324.5	-60.5	78	39.0	58.0	19.0	1.47
TFRC3398	6761216	649105	353.0	326.2	-60.4	100	61.0	70.0	9.0	1.98
TFRC3403	6761181	649105	352.0	322.0	-60.3	125	67.0	85.0	18.0	1.72
TFRC3404	6761145	649141	353.0	325.0	-59.7	168	76.0	99.0	23.0	1.22



COLLAR						INTERCEPTS DETAILS				
HOLE No.	NORTHING (M)	EASTING (M)	RL (MAHD)	Azi (DEGR)	DIP (DEGR)	TOTAL DEPTH	DEPTH FROM	DEPTH To	WIDTH (M)	Au (G/T)
HAVANA SOUTH RC										
TFRC3405	6761110	649176	353.0	323.9	-59.9	155	125.0	140.0	15.0	1.8
TFRC3411	6761094	649157	353.0	323.2	-59.9	150	120.0	127.0	7.0	2.2
TFRC3415	6761110	649105	352.0	323.3	-59.2	135	102.0	110.0	8.0	2.1
TFRC3416	6761075	649141	353.0	324.8	-59.1	155	91.0 111.0 133.0	96.0 126.0 138.0	5.0 15.0 5.0	3.8 1.3 3.3
TFRC3417	6761040	649175	353.2	324.7	-59.1	165	131.0	140.0	9.0	3.5
TFRC3421	6761163	649016	351.4	322.3	-58.4	90	66.0	69.0	3.0	7.1
TFRC3424	6761057	649123	352.0	326.1	-58.6	140	112.0	117.0	5.0	3.9
TFRC3425	6761148	648997	651.0	325.7	-59.4	85	60.0	68.0	8.0	7.8
TFRC3428	6761040	649105	352.4	324.2	-60.3	135	94.0	102.0	8.0	2.4
TFRC3429	6761006	649140	353.0	327.1	-60.3	155	134.0	136.0	2.0	9.8
TFRC3433	6761129	648980	350.9	318.6	-59.4	80	47.0	49.0	2.0	8.7
HAVANA DEEPS DD										
HDD016	6761205	650619	360.6	320.7	-60.7	817	717.0	744.0	27.0	2.5
HDD035	6761417	650077	366.2	323.9	-69.9	487	413.0	424.0	11.0	2.9
HDD038	6761428	650407	364.2	321.3	-61.2	676	578.0	606.0	28.0	2.7
HDD040	6761110	650342	364.1	320.9	-60.6	619	568.0 587.0	571.0 593.0	3.0 6.0	4.1 2.3
HDD042	6761216	650306	364.6	320.5	-61.2	631	529.0	534.0	5.0	2.7
HDD043	6761004	650519	362.2	321.8	-60.9	831	684.0	697.0	13.0	3.1
HDD045	6760969	650624	361.0	318.9	-60.9	832	744.0 753.0	750.0 760.0	6.0 7.0	2.1 2.6
HDD046	6761227	650403	363.4	319.9	-62.1	757	598.0 611.0 <i>including</i> 615.0	601.0 626.0 624.0	3.0 15.0 9.0	6.5 3.0 4.6
HDD049	6761022	650713	359.6	320.6	-63.2	898	796.0 813.0 <i>including</i> 817.0	805.0 828.0 828.0	9.0 15.0 11.0	2.8 7.0 9.3
HDD050	6761317	650560	360.0	323.1	-59.8	738	668.0	693.0	25.0	2.0
HDD051	6761304	650642	359.1	320.9	-61.7	762	705.0	730.0	25.0	1.5

Table 6: Significant March Quarter Tropicana and Crouching Tiger Drilling Results

TROPICANA RC										
TFRC3471	6763302	650445	342.0	324.8	-60.2	55	8.0	11.0	3.0	8.8
TFRC3477	6763178	650393	343.5	319.4	-60.4	100	65.0	82.0	17.0	1.3
TFRC3478	6763144	650428	344.1	322.6	-60.2	124	90	102	12	1.3
CROUCHING TIGER DD										
TFD218	6760439	649281	369.7	321.4	-59.9	297.7	227.0	229.0	2.0	8.3

RC = Reverse Circulation

DD = Diamond

(Down-hole widths approximate true widths except where Calculated True Widths are shown)



PROPOSED JUNE QUARTER EXPLORATION PROGRAM

As the ground dries out greater access will be obtained for drilling, however access will continue to be a problem possibly into May in some areas.

Aircore drilling is planned for Tropicana West and Tropicana Group 1 in May. Aircore drilling programs will then shift to the southern part of the project.

RC and diamond drilling will be delayed until at least May. These drill programs will likely start at the northern mining leases, Voodoo Child, Iceberg and possibly Margarita.

Auger sampling will re-commence at Tropicana Group 4 and move to Tropicana Group 2 and 3 as soon as permitting is received subsequent to completion of the EPBC Act referral.

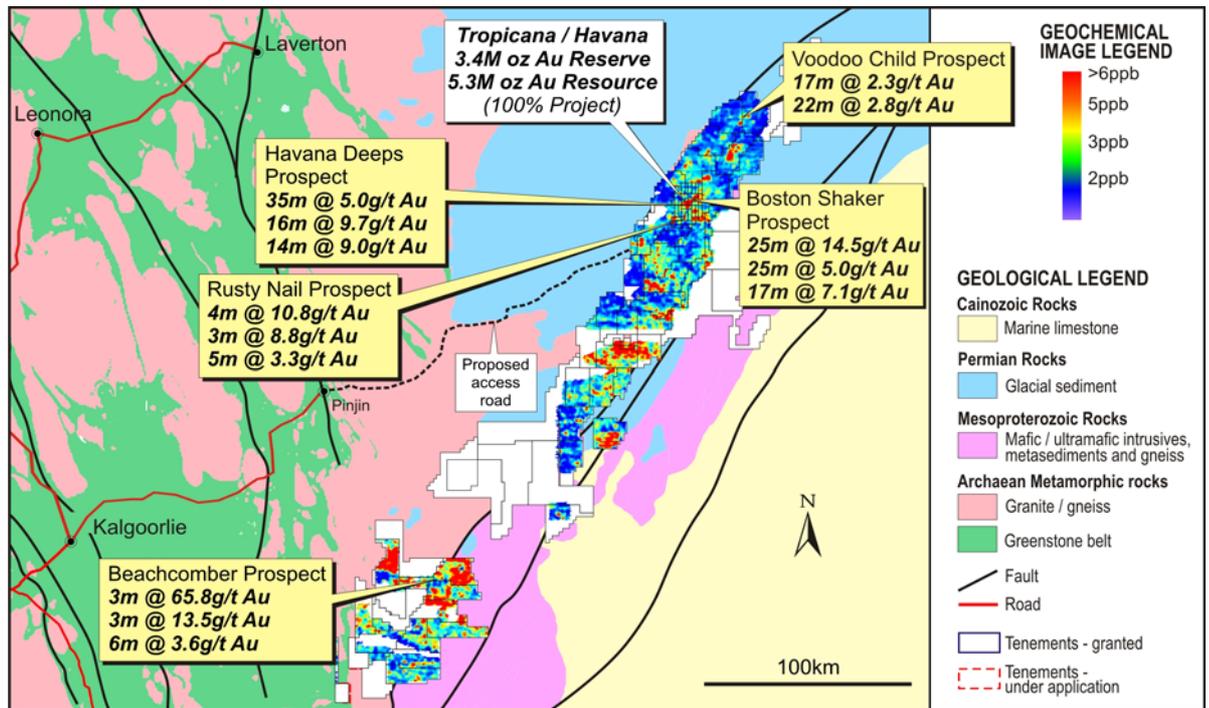


Figure 6: Tropicana JV – Tenure, Tropicana and Havana Reserve Locations, Gold Geochemical Anomalies, Significant Drill Intercepts Outside Tropicana-Havana Resources and Selected Prospect Locations

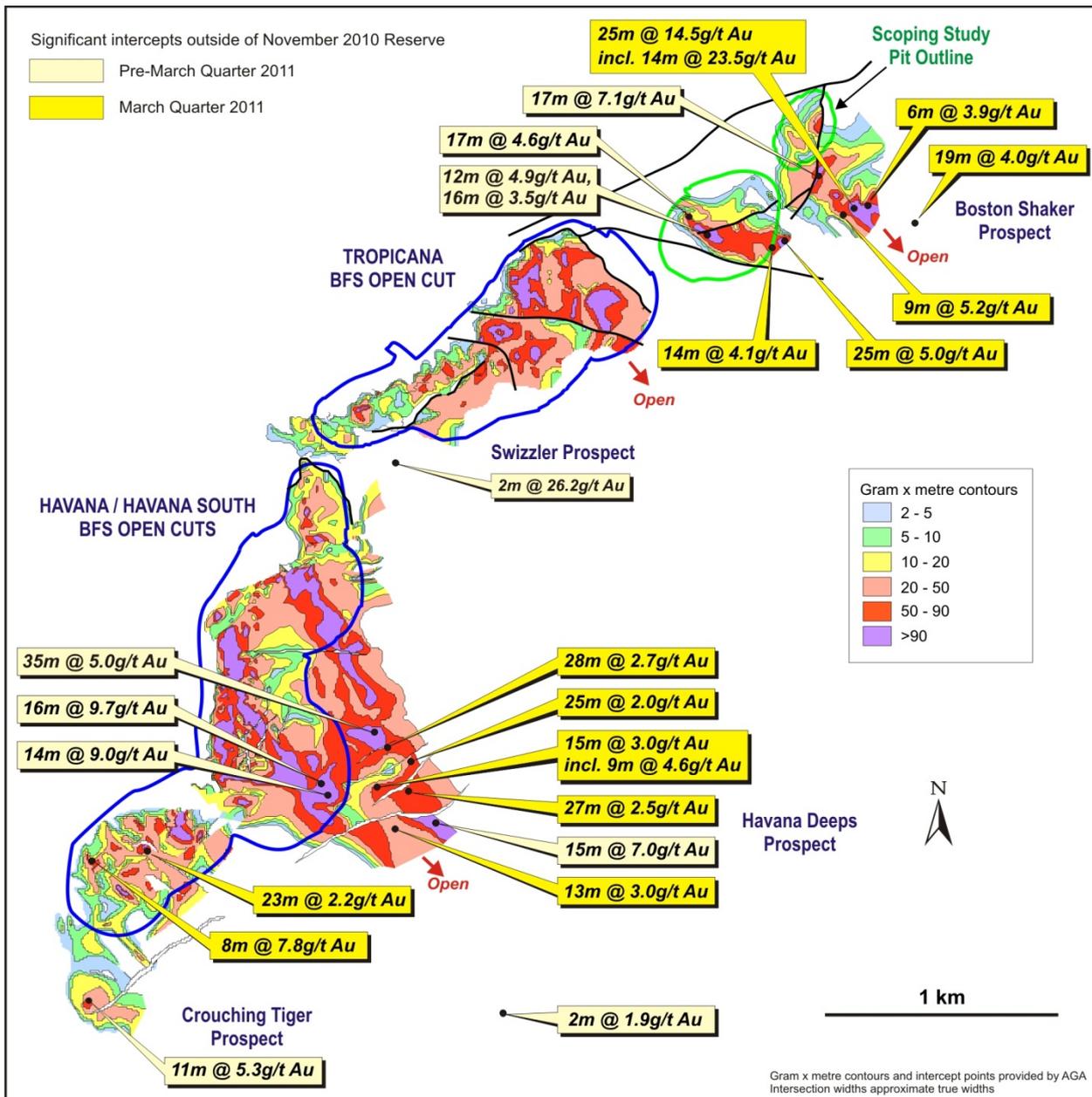


Figure 7: Tropicana JV – Proposed Tropicana and Havana BFS Open Pit Outlines, Prospect Locations, g/t Au x Thickness (m) Contours and Significant Intercepts Outside November 2010 Reserves

KARLAWINDA
 (IGO 100%
 BHPB – CLAWBACK RIGHTS)

The Karlawinda Project is located on the southern margin of the Archaean Sylvania Inlier, some 65km south-east of Newman, close to the Great Northern Highway and gas pipeline infrastructure (**Figure 8**).

The project area covers a previously unrecognised greenstone belt on the southern margin of the Sylvania Inlier. The discovery prospect, Francopan, comprises a very large gold mineralised system extending over a strike length of 1.1km and 0.5km down dip beneath approximately 190m of Bangemall Basin cover sediments. Previously announced intercepts include 7m @ 4.6 g/t Au, 6m @ 4.5 g/t Au and 15m @ 3.0 g/t Au. Based on the extent and style of mineralisation this project is considered to have good potential for the delineation of a significant Archaean mesothermal lode gold system.

The current focus of exploration is on the Bibra Prospect, located approximately 5km north-east of Francopan, and other regional targets north of Francopan, where Archaean bedrock is not obscured by thick Bangemall cover.



BIBRA PROSPECT

At the Bibra prospect IGO has defined a large gold mineralised zone extending over 1km both along strike and down-dip (**Figures 9 and 10**). Mineralisation strikes NNE and is developed in a series of shallowly WNW plunging rod-like shoots within a more continuous lower grade halo.

In addition to primary gold, supergene gold is well developed above the up-dip oxidised portion of the main mineralised zone.

During the quarter exploration focused on scoping the oxide and supergene potential at Bibra.

Resource modelling based on 100m x 50m spaced drilling was completed on the supergene, oxide and upper transitional material.

The Inferred Resource at a 0.5g/t cut-off is summarised in the table below:

MINERALISATION TYPE	TONNES (Mt)	AU GRADE (g/t)	CONTAINED Au (oz)
Laterite	1.9	1.2	73,300
Upper Saprolite	0.8	1.1	28,300
Lower Saprolite	1.6	1.1	56,600
Sub-total Oxide Inferred	4.3	1.1	158,200
Transition Inferred	1.6	1.2	61,700
Grand Total Oxide/Trans Inferred	5.9	1.1	219,900

Note: Bibra Inferred Resource is based on the following key resource parameters:- minimum 100m x 50m spaced RC drill holes, 1m cone split RC percussion chips samples, samples analysed for gold by 50g fire assay, top-cut grades were applied (Supergene mineralisation used 8g/t top-cut, and primary mineralisation varied with each lode 6g/t, 6.5g/t, and 9g/t). Resource was estimated using Ordinary Kriging method. **Competent Person's Statement (Michelle Wild) is located at the end of this report.**

Broader spaced drilling on down-dip transitional and fresh material suggests an exploration target significantly larger than the current Inferred Resource but at a similar grade may be outlined.

Final results from metallurgical test work including bottle rolls, agglomeration and column leaching on samples from two dedicated PQ core holes and agitated batch leaching on RC chips are expected in May 2011.

In the June 2011 quarter an RC drilling program comprising 16 holes for 3,200m is planned to provide further intercepts on the higher grade WNW plunging shoots and test other nearby features with a similar magnetic signature. Previous angled holes targeting these shoots have deviated significantly such that in many cases the holes only intersected the margins of the targeted shoots. The proposed program will comprise vertical holes which will be less prone to deviation. One close spaced N-S traverse is planned to test grade distribution within the shoots.

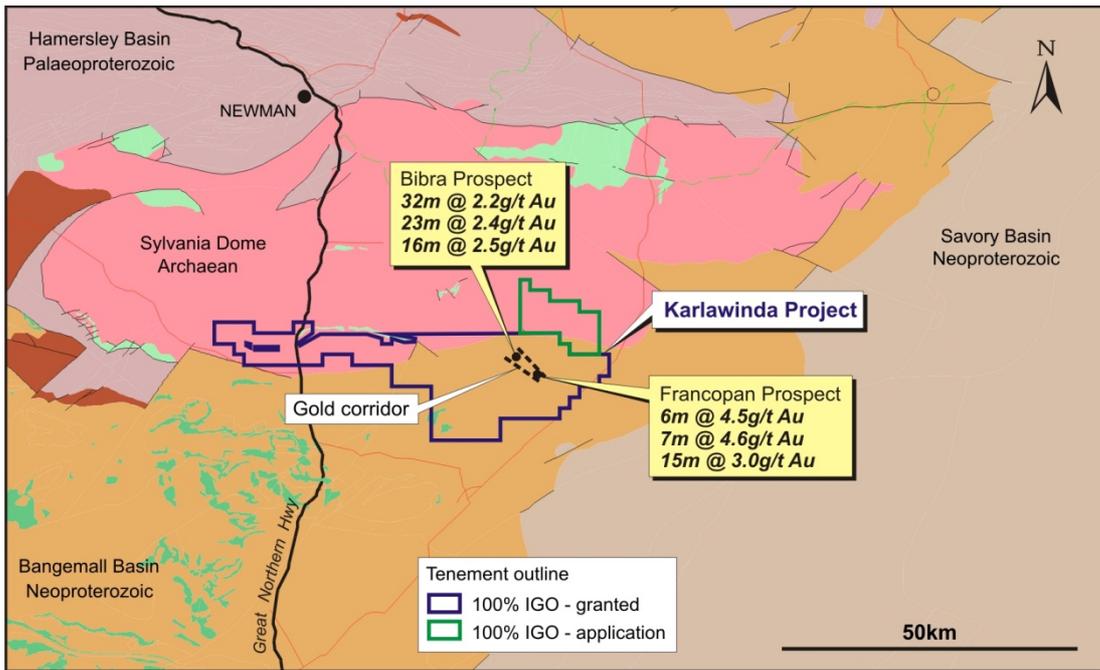


Figure 8: Karlawinda – Location Plan Showing Tenure, Prospects and Significant Drill Intercepts

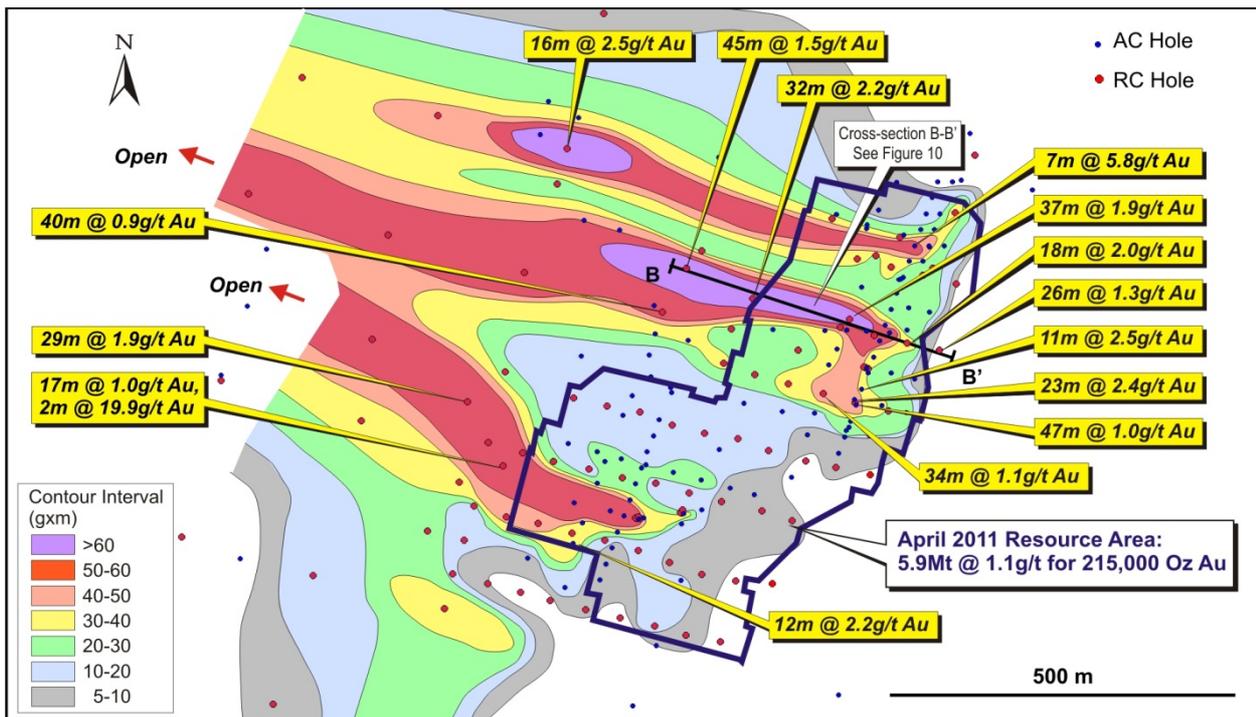


Figure 9: Karlawinda – Bibra Prospect – Drill-Defined Gold Anomalies, Significant Drill Intercepts, April 2011 Resource Area over g/t Au x Metre Contours

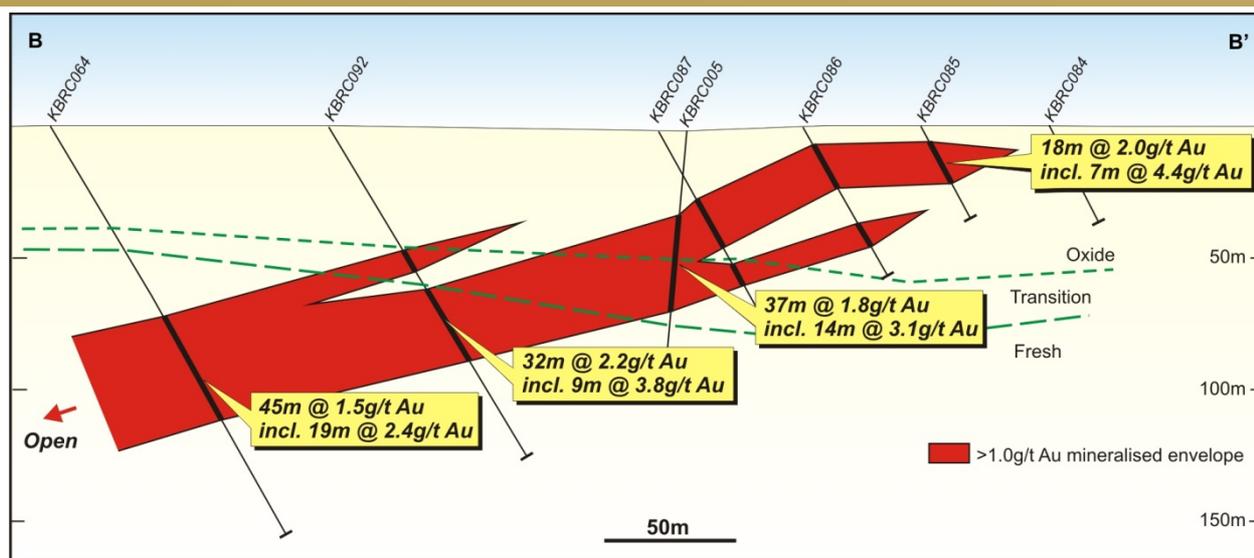


Figure 10: Karlawinda – Bibra Prospect – Cross-Section Showing Mineralised Zones

HOLLETON
 (IGO 90-100%)

The Holleton Project covers an area of 1,257 km² over the largely concealed and unexplored Holleton greenstone belt in the Southern Cross Province of the Archaean Yilgarn Craton (**Figure 11**).

IGO has been exploring the project area for Yilgarn Star, Marvel Loch and Westonia style gold deposits.

The most significant prospect identified to date is “Syme’s Find” where surface geochemistry has defined a north-east trending gold anomaly measuring 1.5km long by 0.5km wide (**Figure 12**) in a complex structural position on a narrow north-south trending greenstone belt. Previous aircore testing of the anomaly returned a number of robust oxide intercepts including (**Figure 13**):

- 10m @ 8.3 g/t Au from 10m (including 4m @ 19.1 g/t Au from 11m)
- 10m @ 5.5 g/t Au from 10m
- 8m @ 5.4 g/t Au from 12m

Deeper RC drill testing of the prospect during the December 2010 quarter (15 holes for 1,656m) returned best results of **4m @ 2.9 g/t Au from 84m and 4m @ 4.5 g/t Au from 94m in SFRC002** (2m composite results) as well as numerous other narrow intercepts between 1 and 2 g/t Au throughout the prospect area.

Since the end of the quarter IGO has completed a strategic review of the project and decided that the prospects defined to date are unlikely to produce discoveries that meet internal economic thresholds and consequently a decision has been made to divest the project. The project already attracted some third party interest and a formal divestment process will take place in the June 2011 quarter.

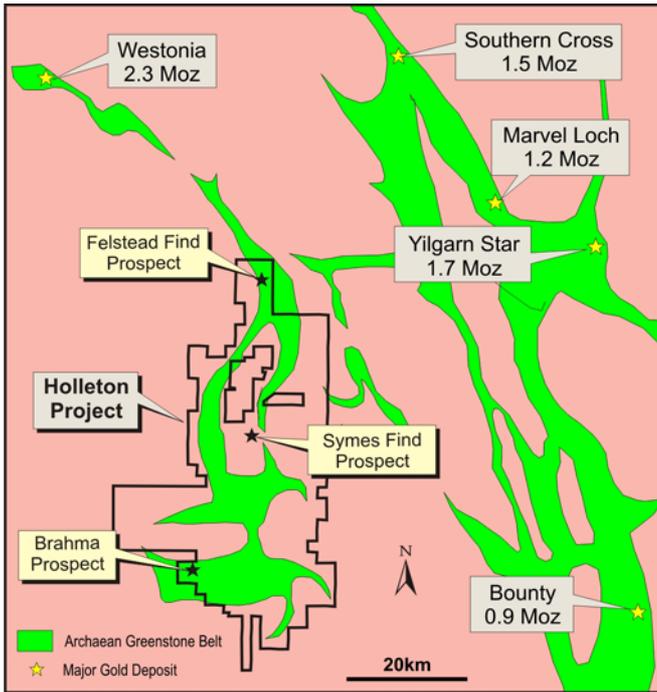


Figure 11: Holleton – Project Tenure Over Regional Geology Showing Major Gold Mines Proximal to the Project

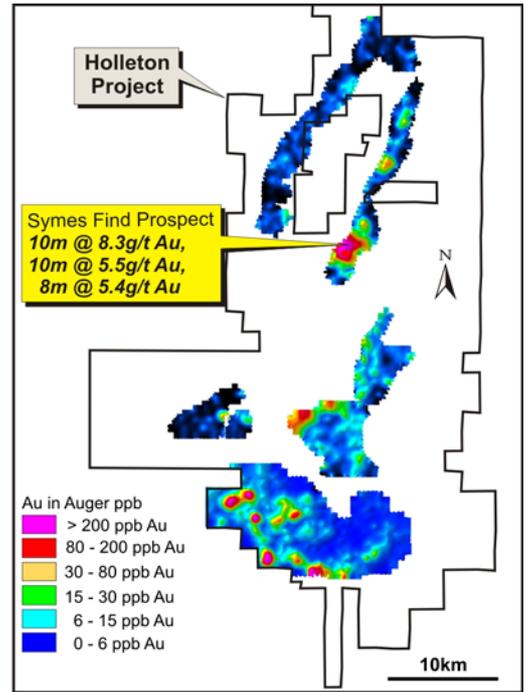


Figure 12: Holleton – Geochemical Gold Anomalies and Significant Syme's Find Prospect Drilling Results

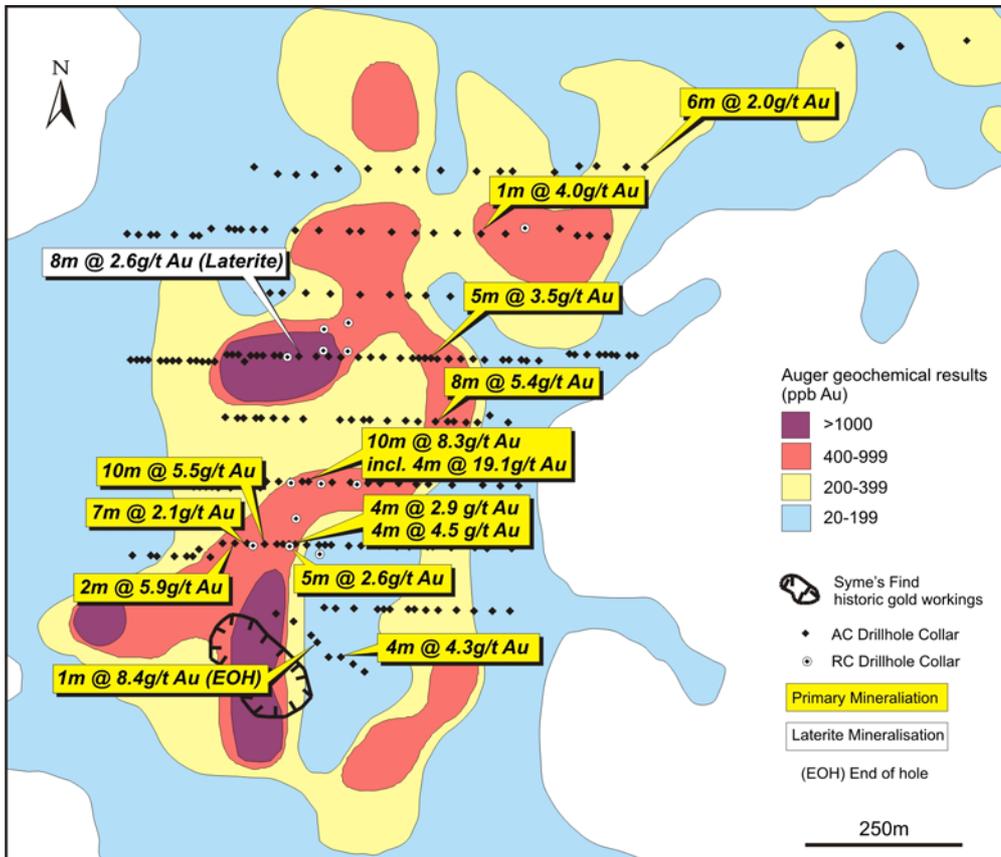


Figure 13: Holleton – Syme's Find Prospect Map Showing Significant Drill Intercepts Over Auger Geochemical Results



DE BEERS DATABASE (IGO 100%)

In 2009 IGO acquired the non-diamond specific exploration database of De Beers Australia Exploration Limited ("DBAE"). This database represents the culmination of more than 30 years of exploration and the key assets of the database are the 292,000 surface geochemical samples and associated analytical results covering many mineral prospective regions throughout Australia (**Figures 5 and 14**). As DBAE was solely focused on diamond exploration, less than half of the samples were appraised for commodities other than diamonds.

The initial focus is on analysis of samples covering under-explored Proterozoic basin margins in Western Australia and Northern Territory, prospective for polymetallic base metals and gold mineralisation.

A total of 30,544 samples have been submitted for geochemical analysis with all results having been received.

This work continues to generate a significant number of anomalies in gold, base metals and other commodities. Systematic prioritisation and field appraisal and ground acquisition of these anomalies is progressing.

REGIONAL BASE METALS EXPLORATION

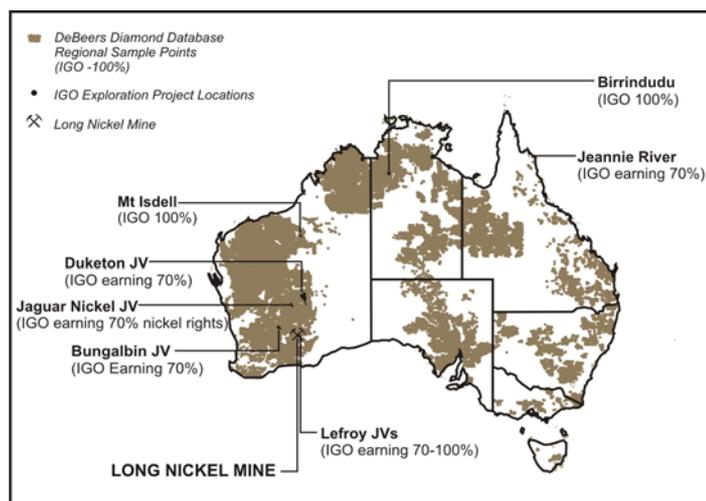


Figure 14: IGO Base Metal Project Locations

DUKETON NICKEL JOINT VENTURE (IGO MANAGER EARNING 70% NICKEL RIGHTS)

The Duketon Nickel JV with South Boulder Mines Ltd covers ultramafic-rich stratigraphy in the Duketon Greenstone Belt approximately 80km north of the Windarra nickel deposit (**Figure 15**). Exploration by IGO assisted by in-house proprietary geophysical techniques has confirmed the prospectivity of the belt for massive and disseminated nickel-copper-PGE sulphide mineralisation.

IGO is focusing on the Bulge ultramafic, a prominent thickened portion of ultramafic with a strike length of 8km situated along a more extensive ultramafic package located on the western flank of the project tenure.



Discoveries at the Bulge to date include (**Figure 16**):

- **the high-grade Rosie Prospect**, defined over a strike length of 950m (open) and down dip extent of 600m (open), which includes intercepts up to **3.3m (true width) @ 9.1% Ni, 1.1% Cu, 0.2% Co and 7.1 g/t PGEs** (2.2 g/t Pt, 1.7 g/t Pd, 0.8 g/t Rh, 1.8 g/t Ru) in TBDD098; and,
- **the C2 Prospect** which comprises three zones of mostly disseminated (blebby in places) sulphides defined over a strike length of up to 700m and down dip extent of up to 300m and includes past intercepts up to **52m @ 0.9% Ni including 37m @ 1.0% Ni**.

Resource drilling recommenced at Rosie during the quarter on a nominal spacing of 80m x 80m with selected 40m x 80m infill as part of a scoping study on the prospect.

A further 8 holes were completed during the quarter. Results are summarised in **Table 7** and drill-hole locations and pierce points are shown in **Figure 16**.

Table 7: Duketon JV – Rosie Prospect Diamond Drilling Results

HOLE NO	NORTH	EAST	RL	Azi	DIP	TOTAL DEPTH	DEPTH FROM	DEPTH TO	WIDTH	Ni	6PGE*	CU	CUT OFF
	(m)	(m)	(m)	(deg.)	(deg.)	(m)	(m)	(m)	(m)	(%)	(g/t)	(%)	(%Ni)
TBDD100	6943800	402278	540	34	-52	549	515.32	516.50	1.18	2.2	3.3	0.26	1.0
TBDD100W1	6943800	402278	540	33	-60	650	589.23	594.53	5.30	3.3	7.2	0.65	1.0
TBDD100W2	6943800	402278	540	46	-67	697	646.21	650.00	3.79	1.4	4.8	0.26	1.0
TBDD101	6943963	402432	540	40	-60	256	210.34	213.00	2.66	2.3	1.9	0.41	1.0
TBDD102	6943991	402404	540	42	-62	255	211.33	212.88	1.55	1.5	2.2	0.25	1.0
TBDD103	6943863	402600	540	4	-60	244	192.30	196.63	4.33	1.5	2.7	0.35	1.0
TBDD104	6943944	402362	540	47	-61	355	314.80	317.23	2.43	1.5	2.1	0.35	1.0
TBDD107	6943905	402272	540	47	-63	583	509.25	512.98	3.73	5.12	4.0	0.50	1.0

*6PGE = Pt+Pd+Rh+Ru+Os+Ir

Results have confirmed a laterally extensive zone of predominantly disseminated and breccia style mineralisation with discrete zones of massive mineralisation. This style of mineralisation is suggestive of remobilised sulphides possibly flanking a massive sulphide mineralised “channel” or footwall embayment position (**Figure 17**).

Down-hole TEM using IGO’s proprietary high powered transmitter has been completed on all holes. Modelled conductors from this work are consistent with the current geological interpretation of the main zone of interest outlined to date having a steep plunge and possible footwall depression.

It is planned to have sufficient drilling completed to calculate an Inferred Resource by the end of the June 2011 quarter.

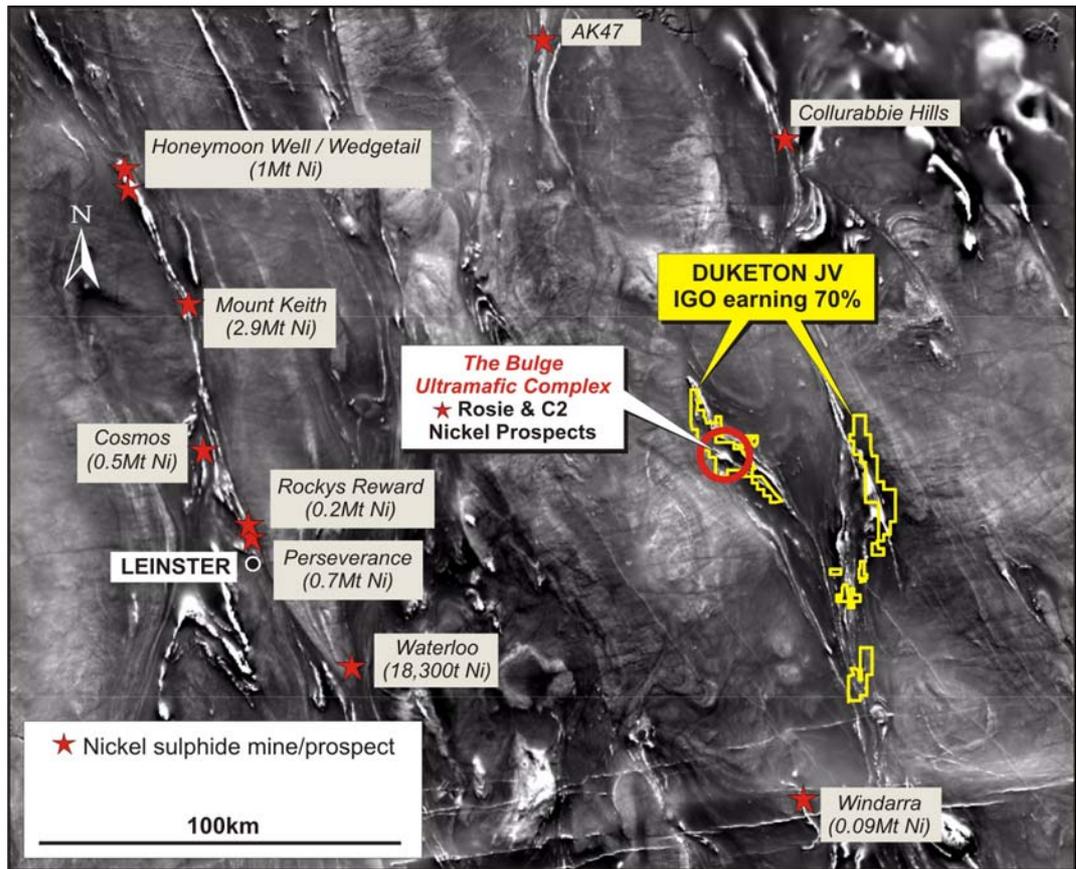


Figure 15: Duketon JV – Project Location in Relation to Selected Nickel Mines and Prospects Over Aeromagnetic Image

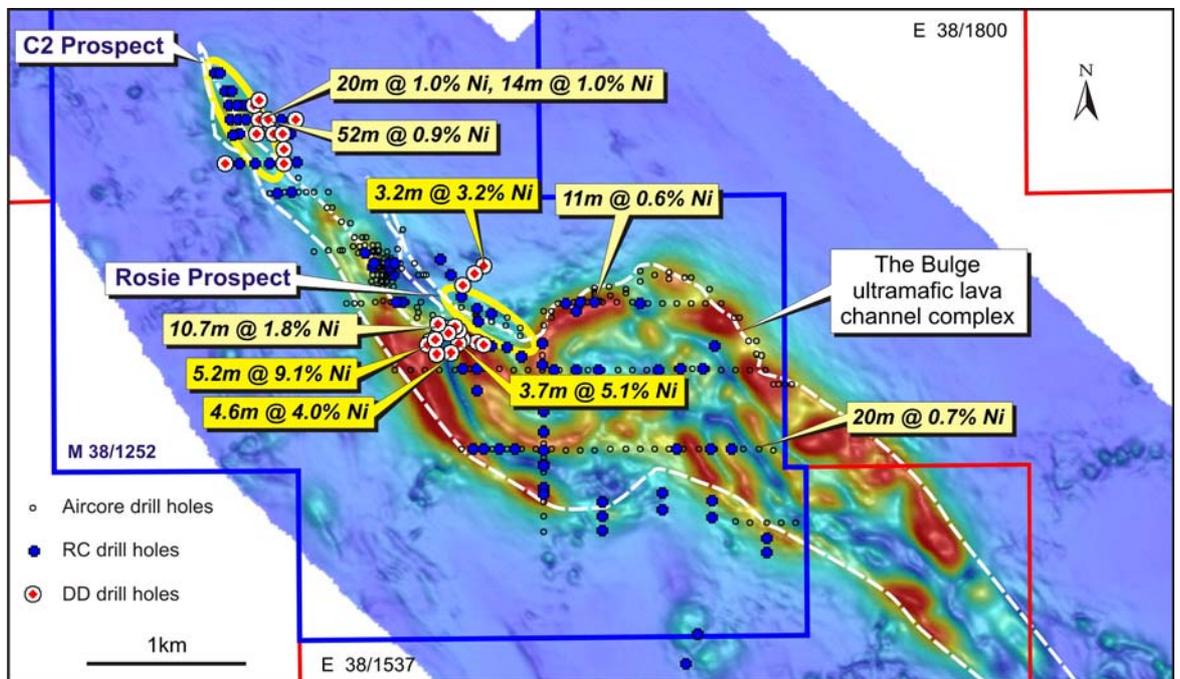


Figure 16: Duketon JV – Rosie Prospect Drill Hole Location Plan Showing Drill Hole Collars Over Magnetic Image

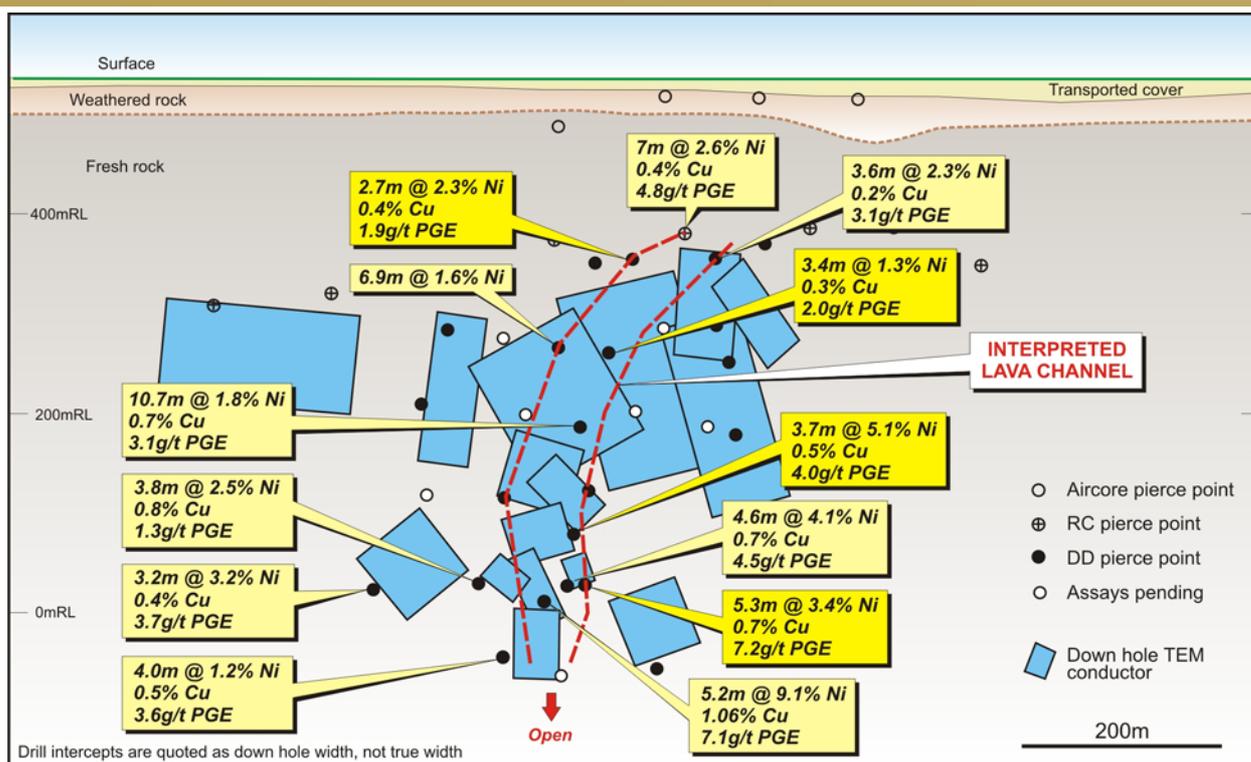


Figure 17: Duketon JV – Rosie Prospect Longitudinal Projection Showing Significant Drill Intercepts, Down-Hole TEM Conductors and Interpreted Lava Channel

JAGUAR NICKEL SULPHIDE JV
 (IGO EARNING 70% NICKEL RIGHTS)

IGO has entered into a JV with Jabiru Metals Limited (JML) whereby IGO may earn a 70% interest in the Jaguar Nickel Sulphide JV.

IGO has commenced a substantial Moving loop EM (“MLEM”) survey targeting 3 main areas comprising ultramafic stratigraphy prospective for massive and disseminated nickel sulphide mineralisation. To date approximately 40% of the survey has been completed.

ORRBÄCKEN JV
 (IGO EARNING UP TO 73%)

The Orrbäcken Ni-Cu-Co Joint Venture with Mawson Resources is located 10km from the regional centre of Skellefteå in north eastern Sweden.

The project was generated by local prospectors who identified approximately 80 gabbroic boulders that form a 1.5km long glacial boulder train, 25 of which contain nickel sulphides and interpreted to be close to source (Figure 18). Four boulder samples were taken by the Swedish Geological Survey from the Orrbäcken discovery. Nickel content ranged from 1.9% to 0.6% and averaged 1.0%, cobalt ranged from 0.21% to 0.05% and averaged 0.1% and copper ranged from 0.7% to 0.1% and averaged 0.3%.

IGO completed a combined aeromagnetic and airborne TEM survey over the project area. Follow-up field reconnaissance and ground TEM early in the quarter defined three targets (Anomalies A, B and D) for drill testing (Figures 18 to 20).

The most significant target (Anomaly A) is a broad 1km long TEM response proximal to both the mineralised boulders and a complex magnetic feature possibly representing a prospective mafic-ultramafic intrusive body. The TEM signature for Anomalies B and D was more consistent with VMS-style mineralisation.



Drill testing of all three targets was scheduled during the quarter however due to access difficulties at Anomaly A only Anomalies B and D could be tested. Drill testing of the **1.0km x 0.4km Anomaly A TEM target** is now scheduled for the northern winter in late 2011/early 2012.

Two core holes targeting Anomalies B and D both intersected gneissic to schistose metasediments intruded in places by dolerite sills. Minor sulphides (pyrrhotite, pyrite, rare chalcopyrite), typically fine grained and in part associated with graphite were intersected in zones corresponding to the target position modelled from the ground TEM surveys. The sulphides are interpreted to be of likely modified sedimentary origin. Assay results are pending.

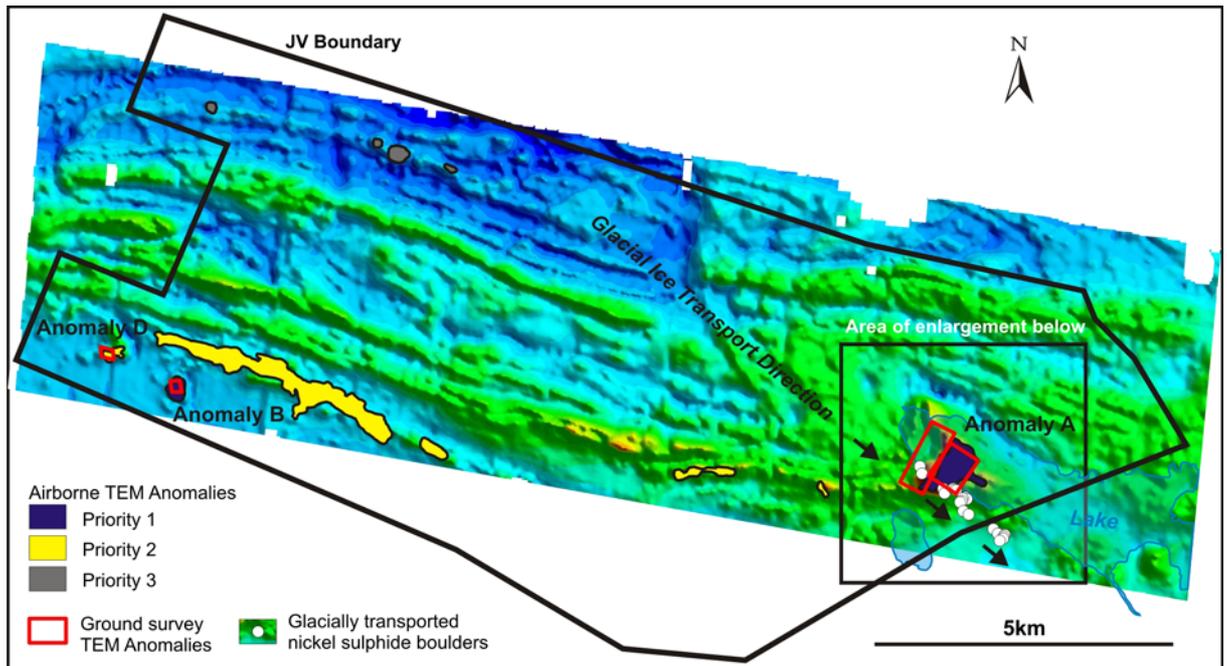


Figure 18: Orrbacken JV – 1.5km Long Nickel Sulphide Glacial Boulder Trail, JV Boundary, Lakes and Three Priority TEM Anomalies Over Aeromagnetic Image

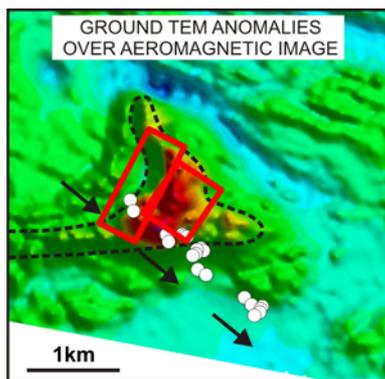


Figure 19: Orrbacken JV Anomaly A Ground TEM Anomalies Over Aeromagnetic Image and Nickel Sulphide Boulder Location

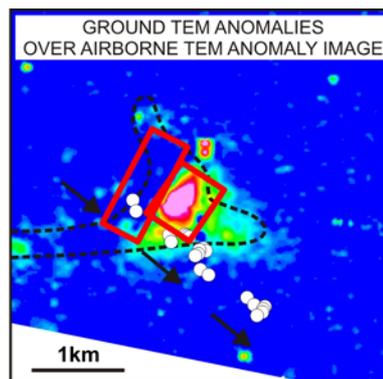


Figure 20: Orrbacken JV Anomaly A TEM Anomalies Over Airbourne TEM image and Nickel Sulphide Boulder Location

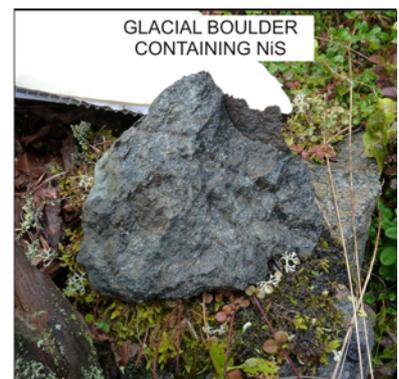


Figure 21: Orrbacken JV Gabbro Boulder Containing Nickel Sulphides



**BIRRINDUDU TIN PROJECT
 (IGO 100%)**

The Birrindudu project is located 290km southeast of Kununurra in the Tanami Region of the Northern Territory. The project was initially identified during a review of results from the WMC Diamond division database, being used for target generation by IGO under agreement with WMC, (now BHP Billiton) which highlighted an area of strongly anomalous tin.

Analysis of samples in the IGO owned De Beers database over the area and subsequent reconnaissance and follow-up systematic stream sediment and soil sampling by IGO has confirmed the presence of tin and tungsten spatially associated with the Palaeoproterozoic Winnecke Granophyre. The strongest results are from samples in streams draining an area containing a large aeromagnetic feature possibly representing alteration associated with the roof zone of a shallowly buried granitic pluton (**Figures 22 and 23**).

Based on the extent of anomalism and geological setting it is believed that the project has potential to host substantial tin, tungsten and tantalum mineralisation.

Preparations are being made to undertake an initial drill test of the magnetic feature to confirm that it is the source of tin and tungsten anomalism. Due to access constraints associated with the northern wet season it is anticipated that drill testing will not commence until late Q2 2011.

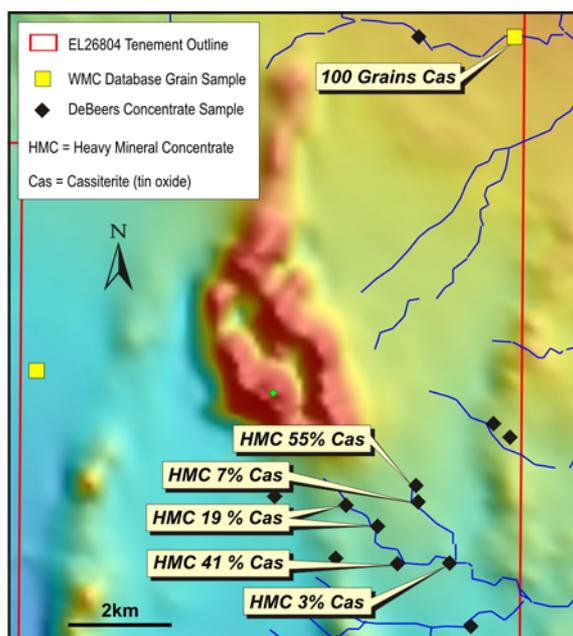


Figure 22: Birrindudu Tin-Rich Heavy Mineral Concentrate Locations Over Aerial Magnetic Image



Figure 23: Birrindudu Photograph of Cassiterite-Rich Heavy Mineral Concentrates

MUSGRAVE MINERALS IPO

Musgrave Minerals Ltd has conducted an initial public offering ('IPO') of shares to raise \$20 million before expenses and has received strong support from the investment community.

On the 29th April 2011 the Company was officially listed on the Australian Stock Exchange "ASX". Musgrave Minerals listed with 121 million shares on issue at a market capitalization of \$30.25 million. This will consist of 41 million vendor and existing shares held by the six cornerstone investor companies and 80 million shares at \$0.25 allotted through the Priority and Public Offers.



The six cornerstone investor companies are expected to hold the following approximate equity positions in Musgrave Minerals at the date of listing:

Mithril	7.7%
Independence	7.5%
Goldsearch	7.2%
Integra	4.6%
Barrick	5.0%
<u>Argonaut Resources</u>	<u>2.1%</u>
Total Cornerstone Investors	33.9%

Mr Robert Waugh was appointed as Managing Director during the quarter. Robert Waugh has over 24 years' experience in the resources sector including more than eight years in the Musgrave region. Mr Waugh has held senior exploration management roles at WMC Resources Limited (WMC) and BHP Billiton Exploration Limited (BHP) together with four years in senior management within the junior resource sector.

A diamond/RC drill rig is scheduled to commence drilling nine basement conductors in the Lyta area (EL3942) in early June and an aircore/RAB drill rig will drill test the six copper-gold-silver targets in the Moorilyanna area (EL3955, EL3954). This aircore drilling is scheduled to commence in late May.

Musgrave have scheduled a VTEM survey to commence in late May. A ground TEM survey is scheduled for June to follow-up high priority targets identified from the TEM survey.

JUNE QUARTER EXPLORATION PROGRAM

REGIONAL NICKEL/BASE METALS	Duketon:	Ongoing DDH resource drilling at the Rosie high grade NiS discovery. AC drill testing prospective contacts in the Bulge Ultramafic. DDH test of ultramafic contact at the German well prospect.
	Bungalbin:	Surface geochemical sampling of ultramafic units.
	Jaguar:	TEM testing main target areas.
	Mt Isdell:	Preparation for RC drill testing.
	Birrindudu:	Preparation for RAB drill testing of magnetic feature.
REGIONAL GOLD PROJECTS	Tropicana:	RC/DDH test underground potential down-dip of Tropicana-Havana and infill drilling at Boston Shaker. Regional auger sampling and RC/aircore drill testing regional prospects.
	Karlawinda:	RC drill testing high grade gold potential of magnetic features at Bibra. Assessment of metallurgical test work results from the Bibra oxide gold mineralisation.
	De Beers:	Continued analysis of priority geochemical samples and field follow-up of anomalies.



A handwritten signature in black ink, appearing to read 'Chris Bonwick'.

INDEPENDENCE GROUP NL
CHRISTOPHER M. BONWICK
MANAGING DIRECTOR

Competent Persons Statements:

Competent Person Sign Off: With the exception of the Bibra Prospect Mineral Resources, 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.

The information in this report that relates to the Bibra Prospect Mineral Resources is based on information compiled by Michelle Wild, who is a Member of The Australasian Institute of Mining and Metallurgy.

Michelle Wild is employed by Wildfire Resources Pty Ltd and has provided consulting services to Independence Group NL.

Michelle Wild has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she 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'.) Michelle Wild consents to the inclusion in the report of the matters based on her 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.

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