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Australian Stock Exchange Limited  
Company Announcements  
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**SIGNIFICANT NICKEL SULPHIDE MINERALISATION ENCOUNTERED IN DRILLING FROM LONG SOUTH EXPLORATION DECLINE**

- **New discovery 250 metres south of Long Mine of 1.4m @ 4.3% Ni**
- **Main Long South target areas still to be drill tested**
- **Down-hole geophysical surveys and drilling continuing**

Independence Group NL (IGO) is pleased to announce the significant discovery of nickel sulphide mineralisation (**4.8m @ 2.2% Ni** which includes **1.4m @ 4.3%Ni** estimated true width) **250m south of the Long Nickel Mine.**

Long nickel sulphide ore mineralisation historically averages 2.6 m in true thickness.

The intercept is 30 metres due east and at the same RL as the exploration decline (Figure 1). The nickel mineralisation occurs in a basalt-ultramafic contact position with a thin deformed basal massive sulphide layer, and overlain by disseminated and vein sulphides in serpentinite. Details of results are as follows:

**Table 1: Long South Nickel Drill Intercept**

Hole No.	Northing	Easting	RL	Azimuth	Dip	E.O.H.	From	To	Width	True Width	Grade
	(m)	(m)	(m)	(degr.)	(degr.)		(m)	(m)	(m)	(m)	(Ni%)
LSU-013	548775	375126	-544	73	2	86.5	49.2	54.0	4.8	4.8	2.2
						including	49.2	50.6	1.4	1.4	4.3

(Intersections calculated by the specific gravity method)

The Company views this result as very encouraging, as the main target situated under the Victor, Victor South and McLeay nickel deposits is still to be reached by the decline. This result highlights potential for additional nickel resources which can be readily accessed from the Long South Exploration Decline. It also adds to the multitude of other mineralised drill intersections and geophysical conductors returned from the Long project occurring outside the existing reserves and resources that remain to be followed up (Figure 1).

**Long South exploration history to date**

- WMC Resources Ltd's previous surface diamond drilling intersected 0.76m @ 10.1% nickel (KD6067b) **750m south** of the most southerly known point of the Long deposit.
- September quarter 2003 – IGO drilled a wedge hole off drill hole KD6067b and intersected 3.6m @ 3.3% Ni (including 0.36m @ 14.6%). Further surface drilling south of the hole was complicated by poor ground conditions in the hanging wall ultramafics and was abandoned in favour of underground drilling.
- December quarter 2003 – LSU-001 was collared underground, and intersected 3.6m @ 3.3% Ni, **900m south of Long** (150m south of KD6067b), although failing to hit the prospective basalt – ultramafic contact. An off-hole down-hole TEM anomaly was recorded, indicating a laterally extensive conductive sheet.

- March quarter 2004 – A wedge hole off LSU-001 commenced.
- June quarter 2004 – Lava channel-type ultramafics were documented. The wedge hole was abandoned due to difficult ground conditions. Exploration decline planning commenced.
- September quarter 2004 – Development of the Long South decline (5 x 5.5m) suitable for production was approved by the Board.
- October quarter 2004 – Long South declined commenced.
- March quarter 2005 – Decline advanced and limited drilling undertaken.
- June quarter 2005 – Decline advance continued and down-hole transient electromagnetic (TEM) anomalies identified.

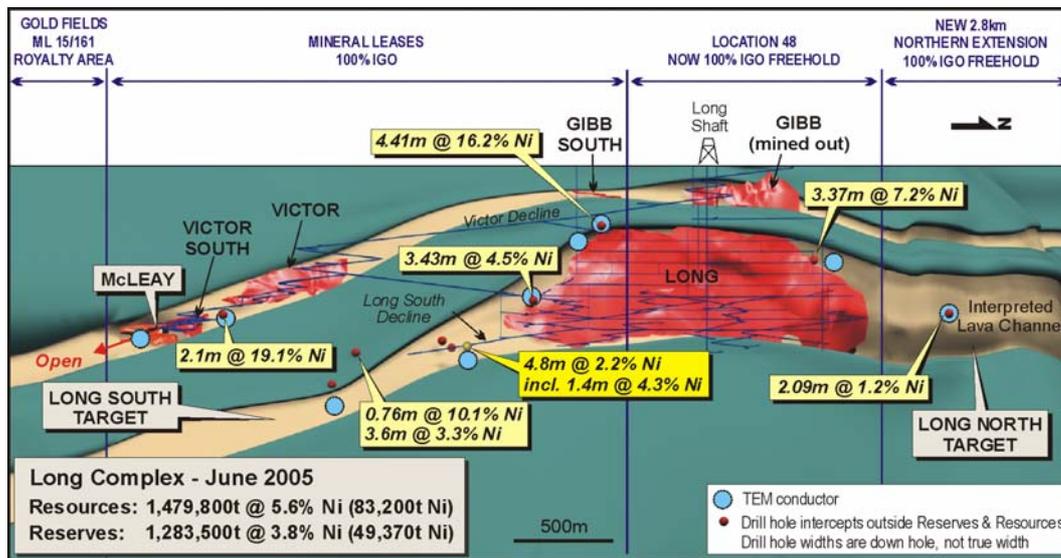


Figure 1: Long Nickel Project – Longitudinal Projection

Down-hole TEM geophysical surveys and diamond drilling are continuing.

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.