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

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MCLEAY NICKEL DEPOSIT – SHOOT 2 HIGH-GRADE EXTENSIONS

- Two holes drilled south of McLeay intersected **6.0m @ 11.7% Ni** (3.7m true width) and **16.3m @ 14.3% Ni** (3.5m true width). The intercepts were 60m and 150m south of the McLeay Shoot 2 Ore Reserve boundary.
- These holes have **extended the strike length of Shoot 2 from 140m to 290m** which is 90m south of the current Inferred Resource boundary.
- Shoot 2 is **still open** to the south.
- The southern extension of McLeay Shoot 1 is currently being tested.

This is a material extension to the McLeay Shoot 2. These intersections indicate the potential for additions to previously reported McLeay ore reserves (338,800t @ 4.1% Ni for 14,030 Ni t), once reserve definition drilling has been completed. This will require the extension of the drill drive and 20m x 20m infill drilling, which is planned for completion early in 2007.

As reported last quarter, the exploration drill drive is currently been developed south of the McLeay Shoot 1 and 2 reserve boundaries. The aim of this drill drive development is to provide a drilling platform to test the southern extensions of the McLeay deposit, which is open to the south, east and west.

A number of scout holes were drilled from the drill drive to determine the position of nickel sulphides south of the heading, to ensure future development is positioned in the correct location. The following intercepts were returned:

Surface	Hole No.	Northing	Easting	RL	Azimuth	Dip	E.O.H	From	To	Width	True	Grade
		(m)	(m)	(m)	(degr)	(degr)	(m)	(m)	(m)	(m)	Width	Ni%
		Collar	Collar	Collar	Collar						(m)	
	2 MDU-117	547210	375200	-450	90	-51	125	12.7	18.7	6.0	3.7	11.7
	4 MDU-117	547210	375200	-450	90	-51	125	32.5	35.2	2.7	2.4	4.7
	1 MDU-133	547202	375200	-449	160	-15	150	70.8	87.1	16.3	3.5	14.3

(Intersections calculated by the specific gravity method)

The location of these intercepts is shown on Figures 1 to 3.

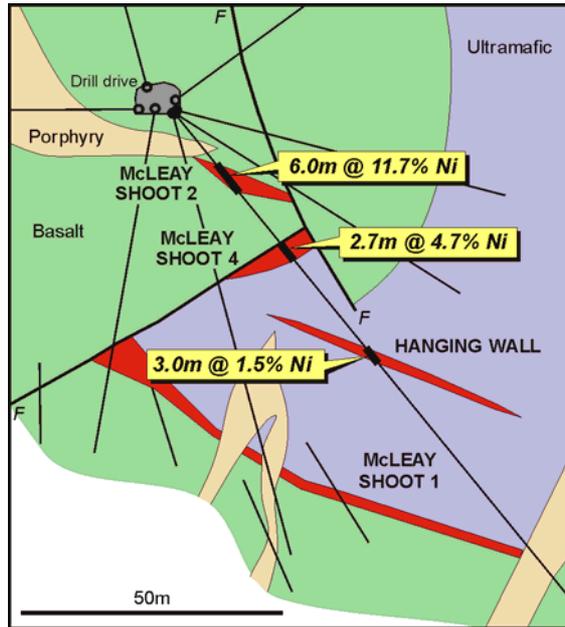


Figure 1: McLeay Deposit – 547,210mN Cross-section Showing MDU-117 Intercept

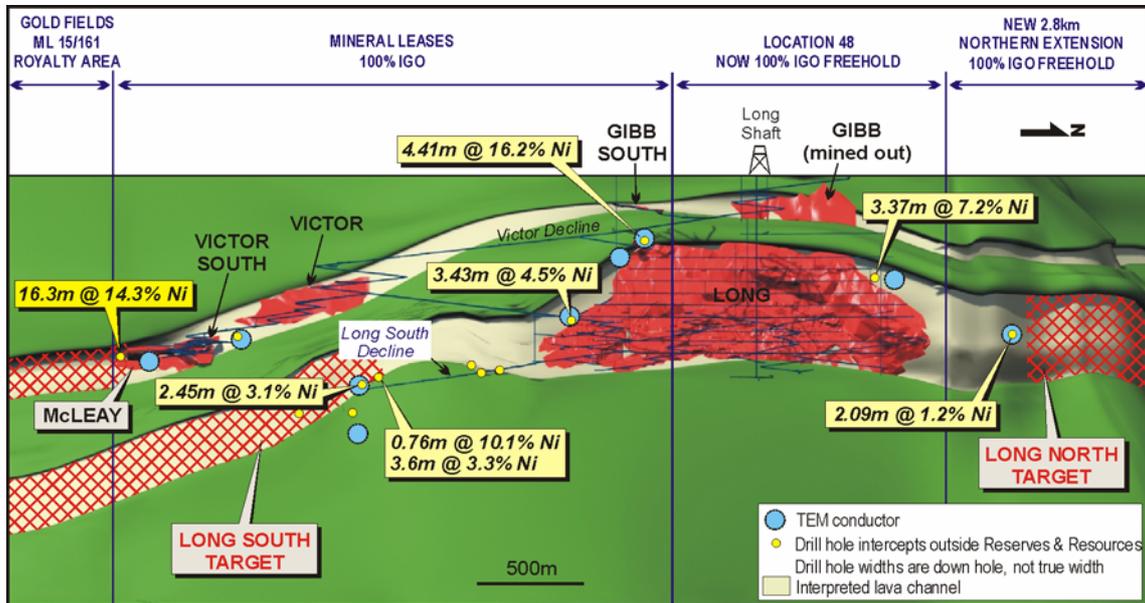


Figure 2: Long Mine Complex Showing Target Areas and Significant Intercepts Outside Current Reserves and Resources

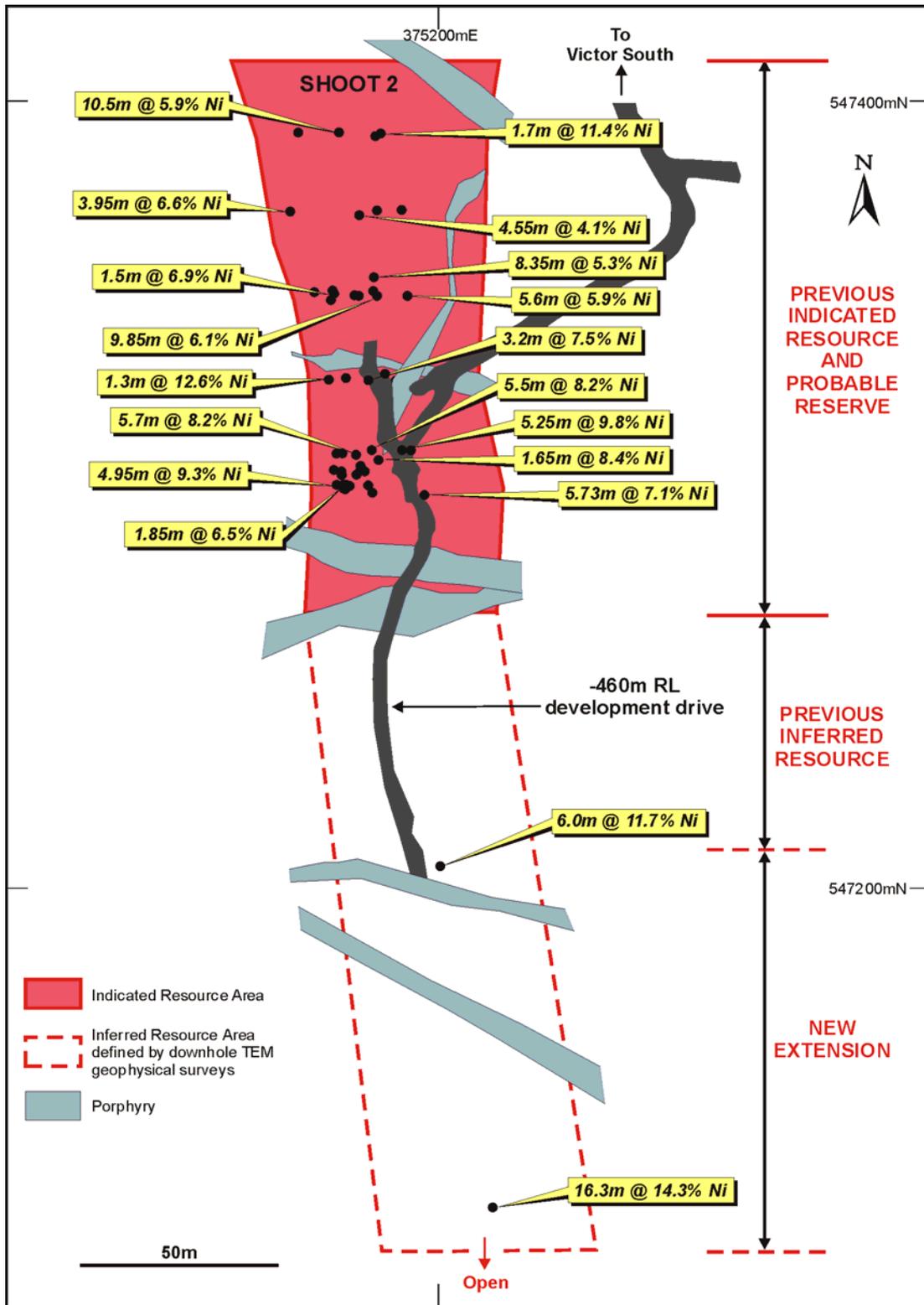


Figure 3: McLeay Deposit – Shoot 2 Plan Showing Old Reserve and Resource Boundaries and MDU-117 and MDU-133 Pierce Points

These holes have extended the strike length of Shoot 2 from 140m to 290m, as well as intersecting hanging-wall nickel sulphides in the ultramafic lava channel above Shoot 1 for the first time. The 2.7m @ 4.7% Ni (2.4m true width) intercept in MDU-117 represents Shoot 4 mineralisation.

Hole MDU-133 will be down-hole TEM surveyed once the current drill hole testing the southern extension of McLeay Shoot 1 is completed. Resource definition drilling will commence after the drill drive has been extended another 100m.



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.

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Chris Bonwick	Managing Director	ASX Code: IGO	
Kelly Ross	Executive Director		
John Christie	Non-Executive Director	Capital Structure	
Oscar Aamodt	Non-Executive Director	Ordinary Shares	112,346,107
		Unlisted Options	
		Various Expiry Dates	4,971,850
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