



INDEPENDENCE GROUP

Establishing Strong Foundations
for Future Growth

Diggers & Dealers 2004



INDEPENDENCE GROUP INTERACTIVE PRESENTATION



CORPORATE



LONG NICKEL MINE



EXPLORATION



SUMMARY



CORPORATE GOAL

Increase Shareholder Wealth



THE LAST 12 MONTHS

	Diggers 2003	Diggers 2004
Share Price:	44c	110c
Option Price:	26c	90c
All Securities:	110M	117M
Market Cap (fully diluted):	\$41.4M	\$115M
Board:	5	4
Dr Rod Marston appointed as Chairman		



THE LAST 12 MONTHS

	Diggers 2003	Diggers 2004
Cash:	\$4.0M	\$18.4M
Receivables:	\$5.1M	\$13.4M
Creditors:	(\$3.6M)	(\$6.1M)
Total:	\$5.5M	\$26.1M
Debt:	\$17.2M	\$12.7M



THE LAST 12 MONTHS

	2002/ 2003	2003/ 2004
Mine Capital:	\$6.4M	\$2.7M
Exploration:		
Long Mine:	\$0.5M	\$2.7M
Regional Gold:	\$1.3M	\$2.4M
Regional Nickel:	\$0.1M	\$0.6M
Total:	\$1.9M	\$5.7M
Write Offs:	\$1.3M	\$2.0M



THE LAST 12 MONTHS (UNAUDITED)

	2002/2003	2002/2003
Mine Cash Flow (pre tax):	\$7.3M	\$29.4M*
Group Profit (pre tax):	\$1.4M	\$25.4M*
Earnings Per Share (est.)	1.8c	18c*

* Excludes capital, depreciation, amortisation and exploration
* Estimated



SHARE STRUCTURE

ASX Code -Share IGO
-Options IG00

IGO average turnover (last 6 months) = 321,000 shares/day

Ordinary shares	75.2M
Options	24.6M
Contributing shares	7.3M
Unlisted options	9.8M
TOTAL	116.9M

Option expiry date 31.01.05
Will raise \$4.9M if all exercised



TOP TEN SHAREHOLDERS

Ordinary Shares

National Nominees	3.4M	4.5%
Equity Trustees	2.8M	3.8%
ANZ Nominees	2.4M	3.2%
Forsyth Barr	2.2M	2.9%
IME	2.0M	2.7%
J Schiller	2.0M	2.7%
Virtual Genius	2.0M	2.6%
Citicorp Nominees	1.6M	2.2%
JP Morgan Nominees	1.5M	2.0%
RBC Global	1.5M	2.0%
	21.4M	28.4%

Perilya sold 20.7M shares (30.4%)
during the year, removing overhang.



LONG NICKEL MINE GEOLOGICAL SETTING

WMC Production 1979-1999:

5.43M t
3.7% Ni
203,184 Ni t

IGO Production 2002-2004:

256,155 t
3.9% Ni
9,852 Ni t



LONG MINE SAFETY

	LTI's	MTI's	MTIFR
2002/2003	1	4	8.3
2003/2004	0	11	0
TOTAL	1	15	2.8
Industry Average			5.7

CONTRIBUTIONS TO SAFETY

- Owner operator with salaried employees.
- Continual awareness, training and good communication.
- High standards of shotcreting, bolting and meshing.
- Low extraction rate compared to previous owner.



LONG MINE PERSONNEL

• 92 employees.

• Turnover extremely low.

• Skilled personnel waiting list.

• Experienced team - >1,250 underground man years (19.5 years average).





2003/2004 PRODUCTION

	Tonnes	% Ni	Ni t	IGO Ni t Share
Budget	160,000	3.3	5,280	3,109
Actual	168,991	4.0	6,843	4,063

REASONS:

- Mined 1,854 Ni t from outside ore reserve.
- Mined an additional 1,292 Ni t from inside reserves due to better grades.

eg. Gibb South - 3.7% Ni ore reserve grade
- 6.9% Ni actual grade



2003/2004 PRODUCTION STATS

	Tonnes	% Ni	Ni t
Long	143,651	3.7	5,240
Gibb South	22,130	6.9	1,528
Victor South	3,210	2.4	75

AS/lb Payable Ni
Payable sales revenue (incl. hedging): 7.52

Cash mining / development costs: 2.45
Milling & other cash costs: 0.87
TOTAL 3.32
Decrec. / amort. / rehab: 0.86



FUTURE COST SAVINGS



Producing Own Cement



Redesigned Ground Support



FUTURE COST SAVINGS



Compressed Air Blast Hole Rig

New 50t Haulage Truck
Aug-04 Delivery



MINING RESEARCH AND DEVELOPMENT

Mining Unconsolidated tailings

Shotcrete Supported Unconsolidated Tailings

Level 13

Tailings

115,000t @ 4.8% Ni
(5,500 Ni t)

Level 14



MINING RESEARCH AND DEVELOPMENT

Ground Support Evaluation





INNOVATIONS-GEOPHYSICS

3 component EM torch

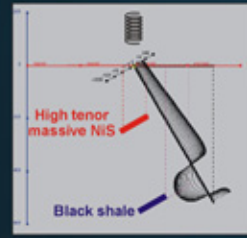


3 component fluxgate down hole probe

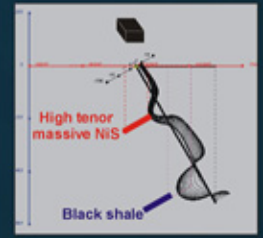


EXPLORATION INNOVATIONS MAG TEM

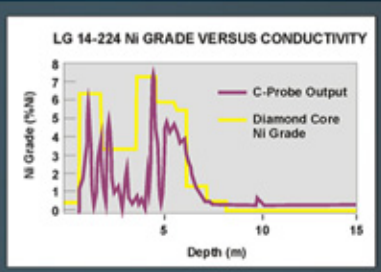
Conventional Coil DH TEM



Mag DH TEM



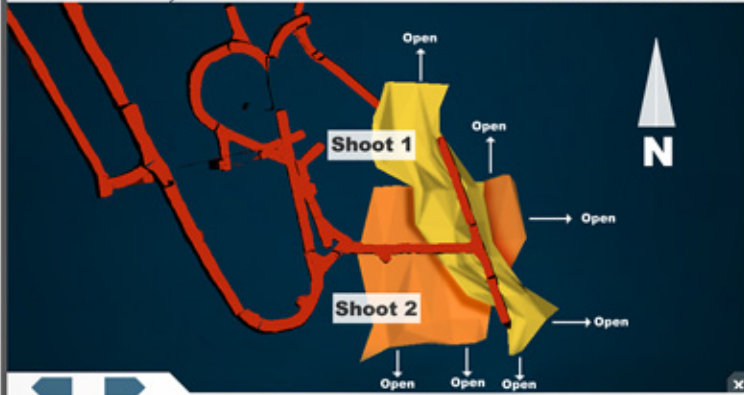
GEOPHYSICS NICKEL GRADE ESTIMATION



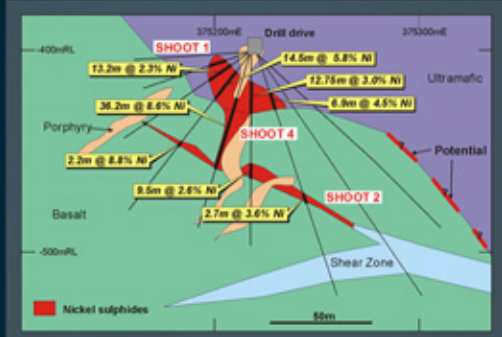
LONG/VICTOR COMPLEX FLY THROUGH

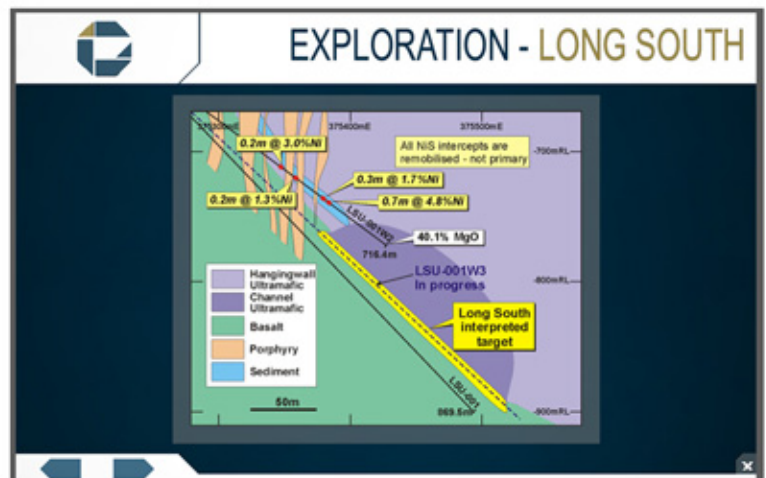
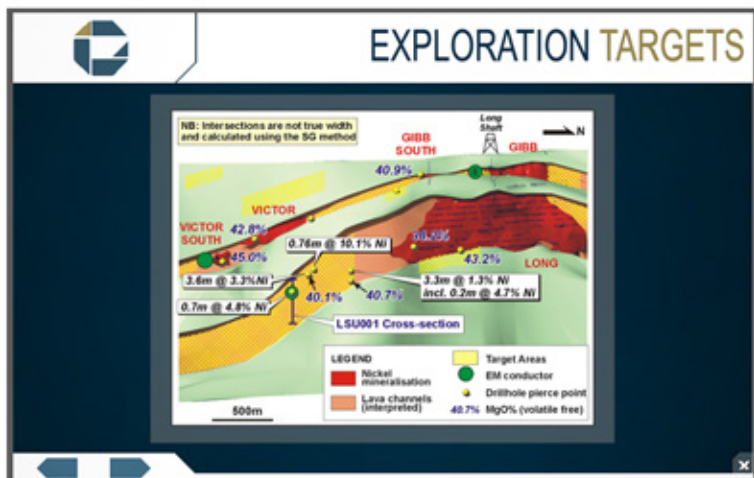
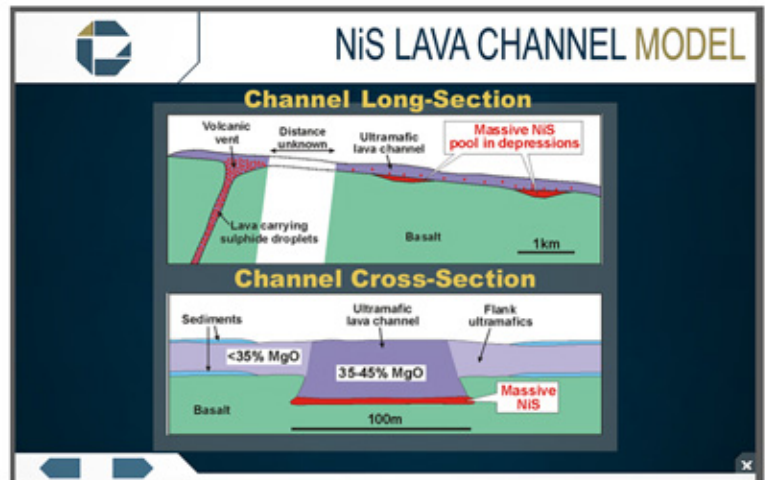
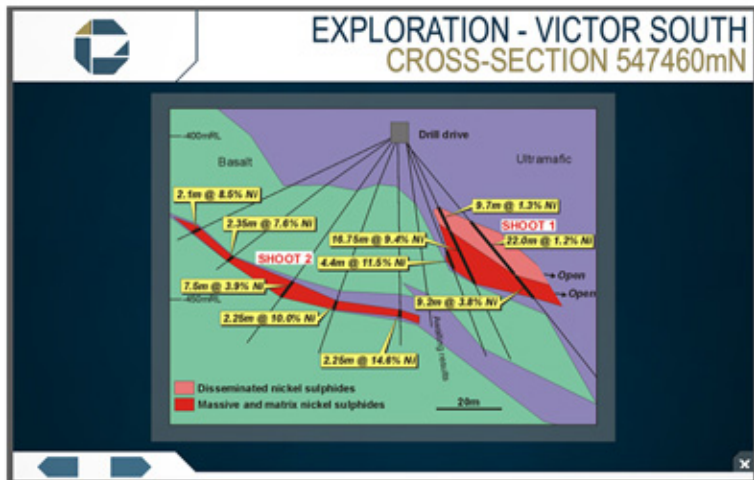


EXPLORATION VICTOR SOUTH



EXPLORATION - VICTOR SOUTH CROSS-SECTION 547500mN

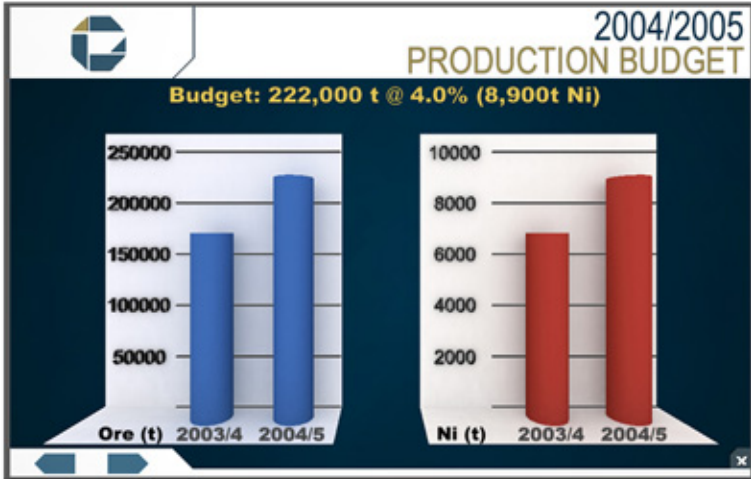




2003/2004 RESERVES

	Tonnes	% Ni	Ni t
01/07/2003 Reserve	688,000	4.0%	27,300
2003/2004 Production	168,991	4.0%	6,843
Reserve Depletion	100,000	3.7%	3,700
01/07/2004 Starting Reserve (no new additions)	588,000	4.0%	23,600

- ### FUTURE RESERVES
- Aim to increase reserves to 50,000 Ni t over the next 12 months.
 - Remaining 2003 reserves = 23,600 Ni t
 - balance to define = 26,400 Ni t
 - Areas currently targeted:
 - Victor South
 - Long Mine pillars
 - Long resources
 - Gibb South
 - Long extensions



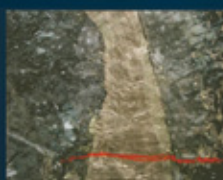

AUSTRALIAN REGIONAL EXPLORATION STRATEGY

Looking for new mineral camps:

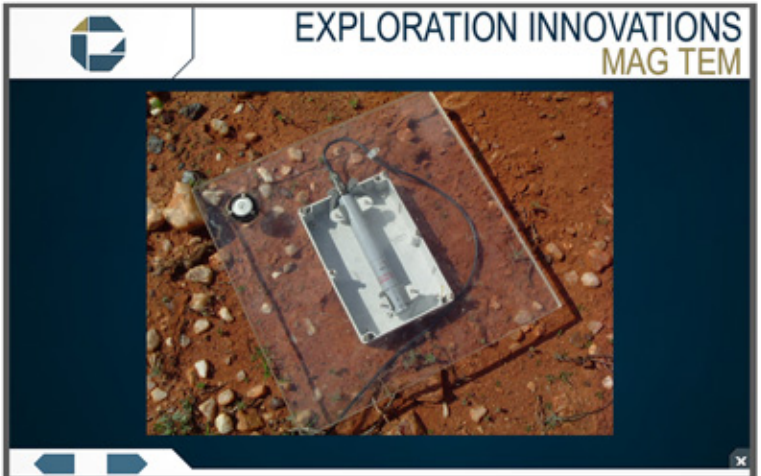
- Under cover; and
- In lightly or unexplored terrains using empirical & conceptual targeting

EXPLORATION INNOVATIONS USING CHROMITES TO FIND NIS


- Chromites are a common mineral in many rock types.
- Diamond explorers collect and analyse chromites to identify those sourced from diamond bearing intrusives.
- Independence can use this data to recognise chromites that occur in massive nickel sulphide.

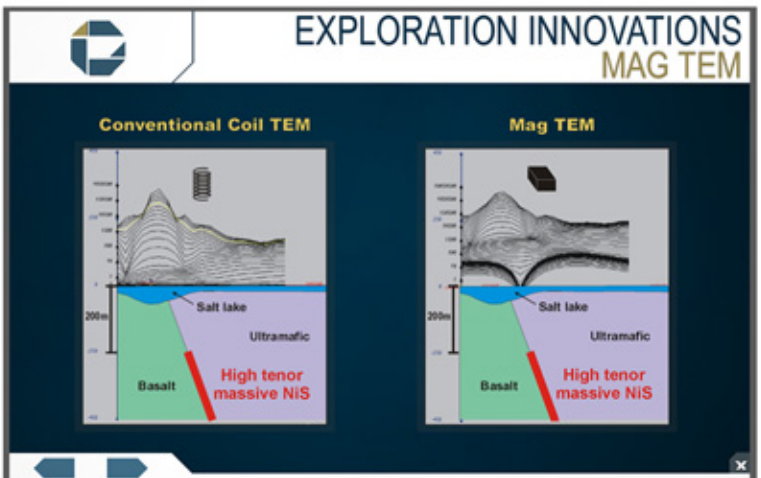
Nickel sulphide face Chromite grains



EXPLORATION INNOVATIONS MAG TEM



Technique	Conventional TEM	Mag TEM
Signal/Noise Ratio	1	10
Depth Penetration	200m	400m
Black Shale/Massive Sulphide Discriminator	NO	YES
Conductive Cover	Poor	Good





INDEPENDENCE NICKEL EXPLORATION SUMMARY

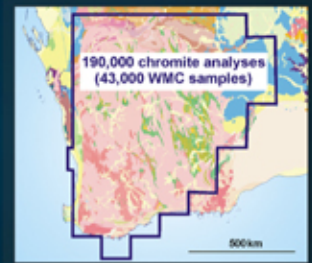
TARGET: + 50,000t nickel metal
Production costs <AUS \$3/lb

- Regional exploration commenced this year.
- A number of joint ventures have been entered into.
- Encouraging EM anomalies on the Musgrave JV.

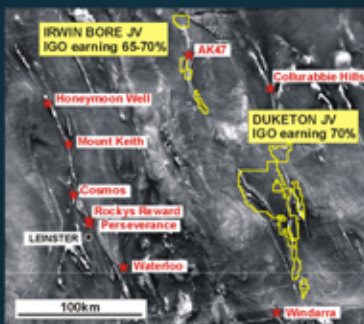


DE BEERS YILGARN CHROMITE JV

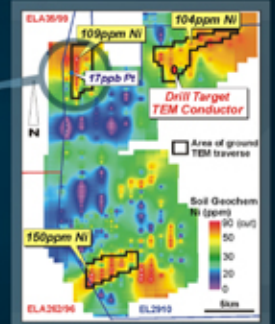
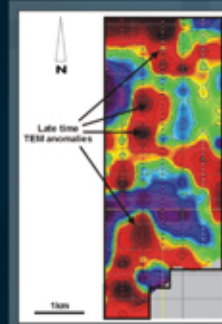
- Chromite anomalies coincide with Kambalda, Cosmos, Widgiemooltha and other nickel camps.
- Numerous chromite anomalies have been defined, not associated with known nickel deposits.



IRWIN BORE & DUKETON NICKEL JV PROJECT LOCATIONS



MUSGRAVE JV DE ROSE HILL NICKEL TARGETS



INDEPENDENCE GOLD EXPLORATION SUMMARY

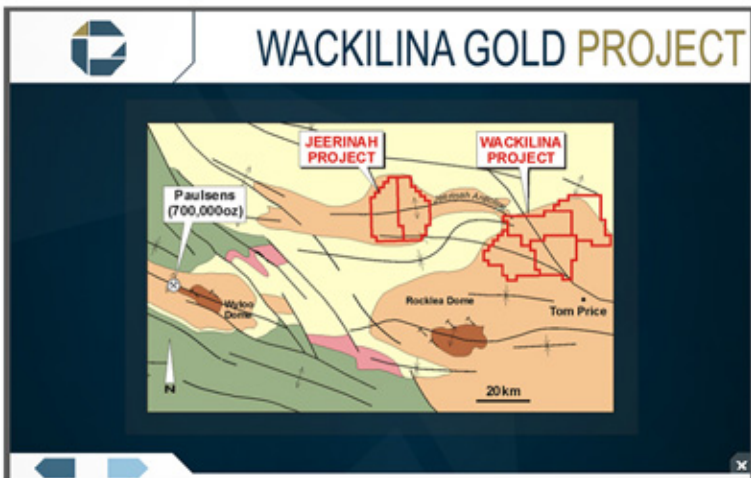
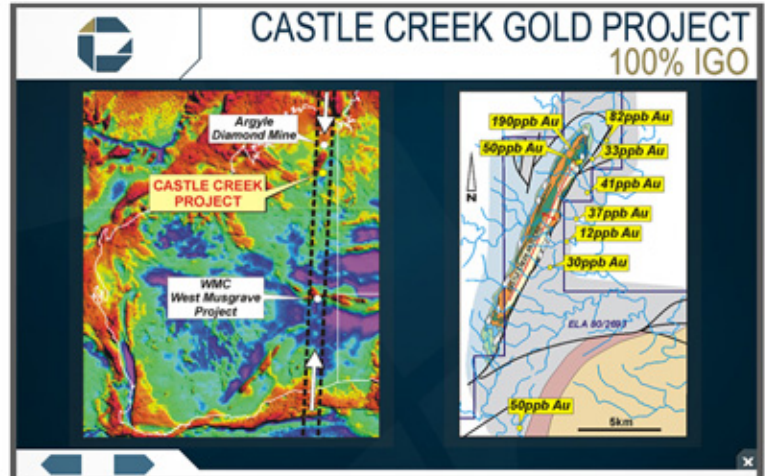
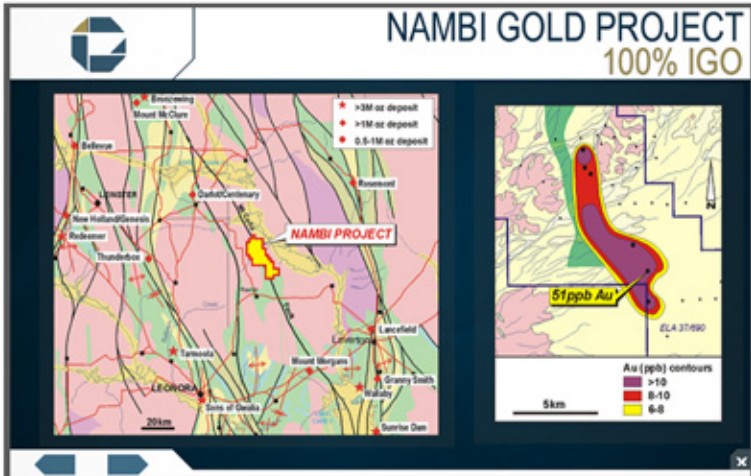
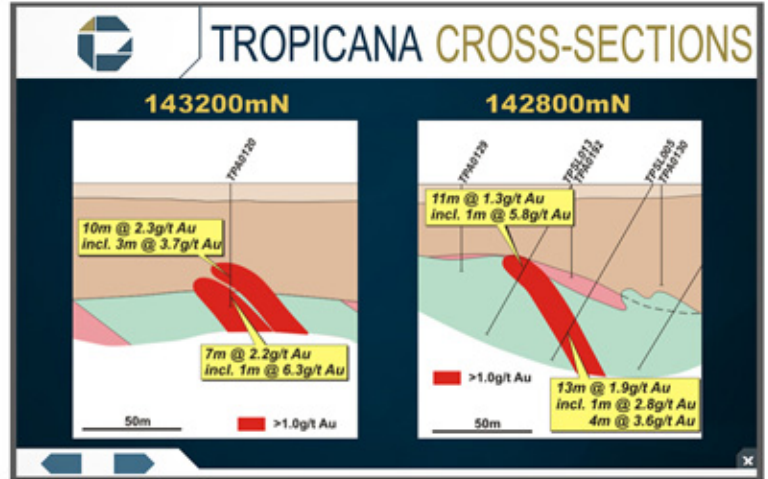
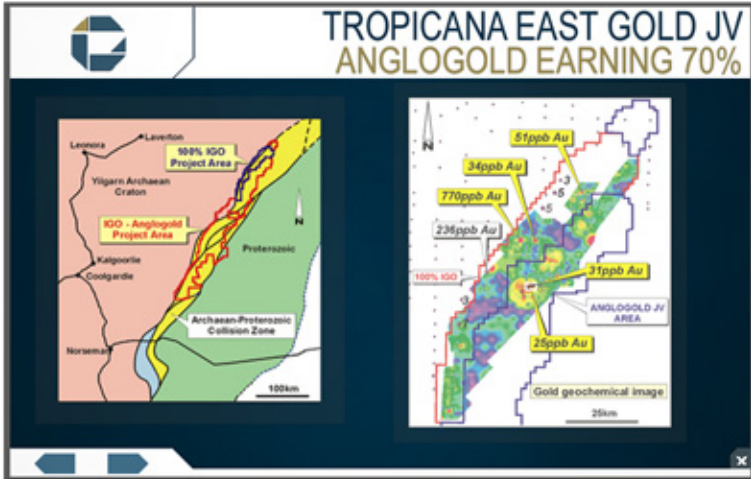
TARGET: 2 x 500,000 oz Gold Deposits
Production costs <AUS \$350/oz

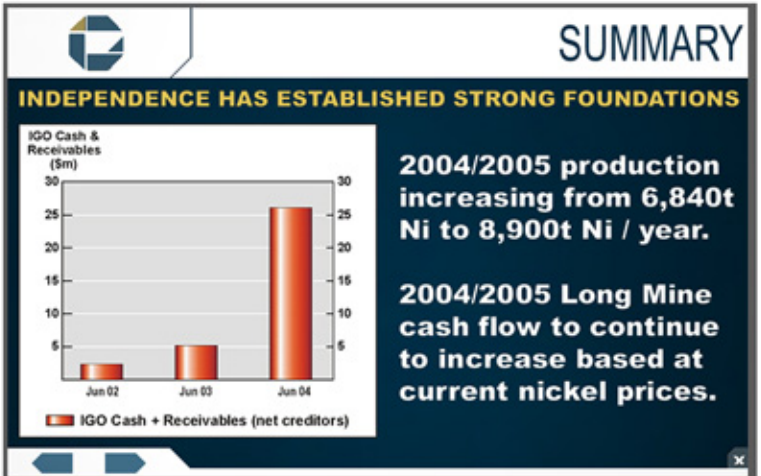
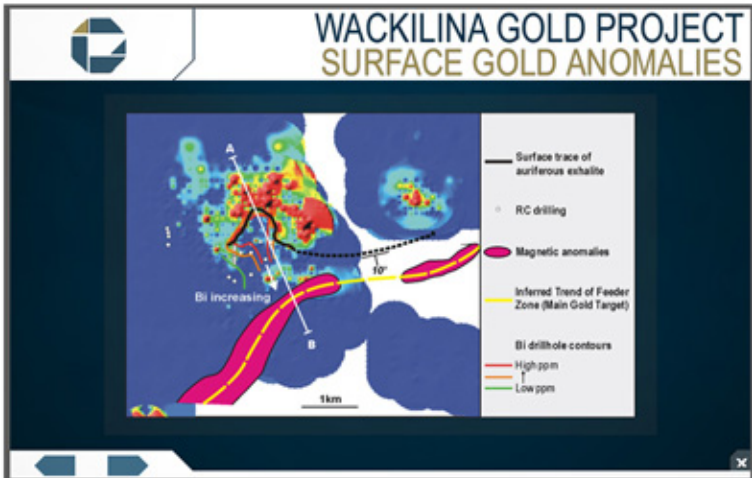
- 17 large gold anomalies have been delineated and pegged in Australia.
- Most anomalies occur in soil-covered areas.
- 5 anomalies have been drill tested on a broad spacing and all 5 have returned encouraging gold results.



GOLD TARGETS







INDEPENDENCE GROUP

DIGGERS & DEALERS 2004

Interactive Presentation by Mapability™

