ABN 46 092 786 304

Directors
Rod Marston *(Chairman and Non-executive Director)*
Christopher Bonwick *(Managing Director)*
Kelly Ross *(Executive Director and Company Secretary)*
John Christie *(Non-executive Director)*

Management
Tim Moran *(Mine Manager)*
Heath Hellewell *(Chief Geologist)*

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Share Registry
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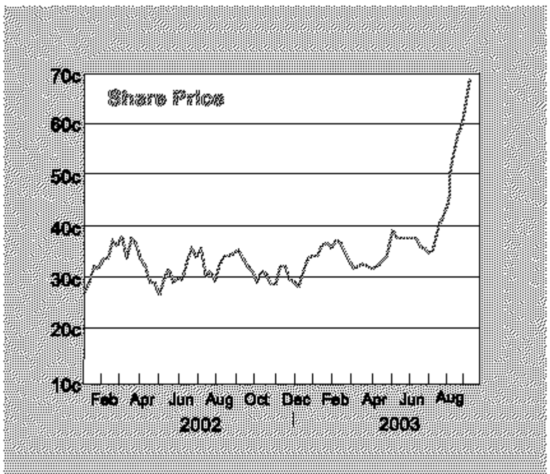
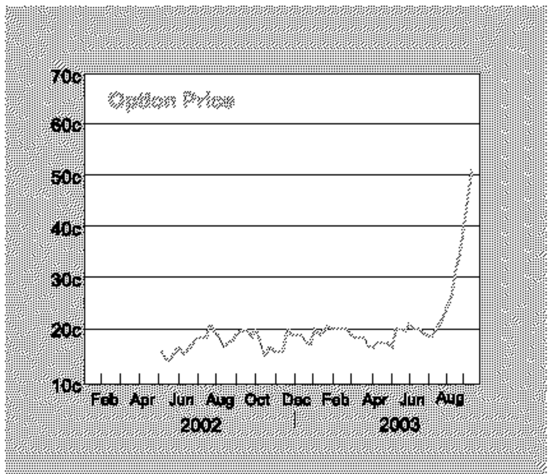
ASX Code
- IGO - shares
- IGOO - options

Share Structure

Listed	
• Ordinaries	50,516,750
• Options	28,733,250
Unlisted	
• Contributing	9,910,000
• Options	3,500,000
• Ordinaries	17,690,000

Independence Gold NL is dedicated to maximising shareholder returns through the discovery of world class ore bodies in Australia, focusing on gold and nickel deposits. Our philosophy is to favour ore bodies amenable to rapid evaluation and project turnover.





Company History and Background

Independence was incorporated in May 2000 for the purpose of discovering world-class ore bodies in Australia. The counter-cyclical opportunity provided by a general industry trend to downsize and retrench exploration teams directly benefited the Company through its ability to procure the services of a highly experienced and qualified team of geo-scientists.

The Company has identified and acquired an interest, or right to earn an interest, in numerous prospective projects.

In September 2002 the Company acquired the Long Nickel Mine, and became a nickel producer in October 2002.

Independence Gold NL is pleased to announce

a net profit after tax of $1.4 million. The current market value of the Group's shares is $0.69.

The Board would like to thank all employees for this outstanding result.

Operations

Successful commissioning of the Long Nickel Mine

Research & Development Program commenced to access thousands of tonnes of nickel in mine pillars

$5.7 million operating cash flow before capital costs and $3.3 million pre-tax profit from Long

Long South promising exploration target: First hole results 3.6m @ 3.3% Ni (including 0.29m @ 14.6% Ni)

Long resources increased by 20% to 82,700 Ni tonnes

Large program of ore definition drilling planned for 2003/4 to further extend mine life

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Exploration

Continued generation of high quality exploration targets

Large gold anomalies

Tropicana East (JV - diluting to 30%) - best intersections 10m @ 2.3g/t Au and 7m @ 2.2g/t Au (same hole)

Undrilled - Wackilina, Jeerinah, Tamarin, Dalwallinu, Prairie Downs, Mt Isdell and Nambi

Exciting breakthrough using chromite grains to discover nickel sulphides

37 new nickel target areas

2003/4 Exploration budget increased to $4.6 million

The Company has assembled a Board and geoscientific team with extensive experience and substantial knowledge in the areas of mineral exploration, project evaluation and development, as well as having exposure to corporate management of both Australian and international mining houses and junior explorers.

Rod Marston

(60) B.Sc. (Hons), Ph.D., MAusIMM, MSEG
Non-executive Chairman

Dr Marston is a geologist with over 35 years experience in the mineral exploration and mining industry, both in Australia and internationally. He has held senior positions with the Geological Survey of Western Australia and numerous mineral resource consulting groups, who have provided their services to major Australian mining houses such as WMC and BHP Limited. He compiled landmark mineral resource bulletins on copper and nickel mineralisation in Western Australia when with the Geological Survey. Dr Marston played a key role in the discovery, development and management of the multi-million ounce Damang Gold Mine in Ghana, West Africa. Dr Marston was a director of Ranger Minerals Ltd prior to that company's merger with Perilya Limited.

Christopher Bonwick

(44) B.Sc. (Hons), MAusIMM
Managing Director

Mr Bonwick is a geologist with over 20 years experience in the mineral exploration and mining industry, particularly in the areas of Australian gold and nickel exploration. He has a proven track record of successful mineral exploration and team management. Mr Bonwick was employed by mining house WMC for ten years as an open-cut and underground mine geologist, and senior supervising geologist at WMC's Kalgoorlie Exploration Division. In 1991, he moved to Samantha Gold NL where he was employed as Chief Geologist. Mr Bonwick accepted a position at Resolute Limited as Chief Geologist in 1994, where he was joint leader of one of the most successful exploration teams in Australia. Mr Bonwick has led numerous teams that have successfully made virgin gold discoveries, including the Chalice (which returned $100 million profit in just over three years and won "Diggers and Dealer's Discovery of the Year" in 1994), Redeemer and Indee deposits, as well as near-mine gold discoveries in Australia (Hill 50 satellites and Marymia satellites) and Africa.

Kelly Ross

(41) B.Bus., CPA

Executive Director

Kelly Ross is an accountant with over 20 years experience in the mineral exploration and mining industry. Ms Ross was with the Resolute group from 1987 to 2000, during which time Resolute grew from a small exploration company to a major gold producer.

Ms Ross has held positions with National Resources Exploration Pty Ltd, the Kimseed Group, Murchison United NL and the Department of Mineral & Petroleum Resources. Ms Ross is also the Company Secretary of Independence Gold NL.

John Christie

(65) CPA, ACIS

Non-executive Director

Mr Christie is an accountant by profession with experience primarily in the resource and construction industries. He spent 16 years with Anaconda Australia Inc, a subsidiary of Atlantic Richfield, including seven years as Vice President and Treasurer. Mr Christie has previously held board positions with Ranger Minerals Ltd and General Minerals Corporation.

"The intangible wealth of this Company is the depth of expertise that has been gathered. Their focus is to maximise results and returns to investors."

Dear Fellow Shareholder

It gives me great pleasure to review the growth of the Company for you. I have been involved with the Company since before it listed in January 2002.

Chairman's Review

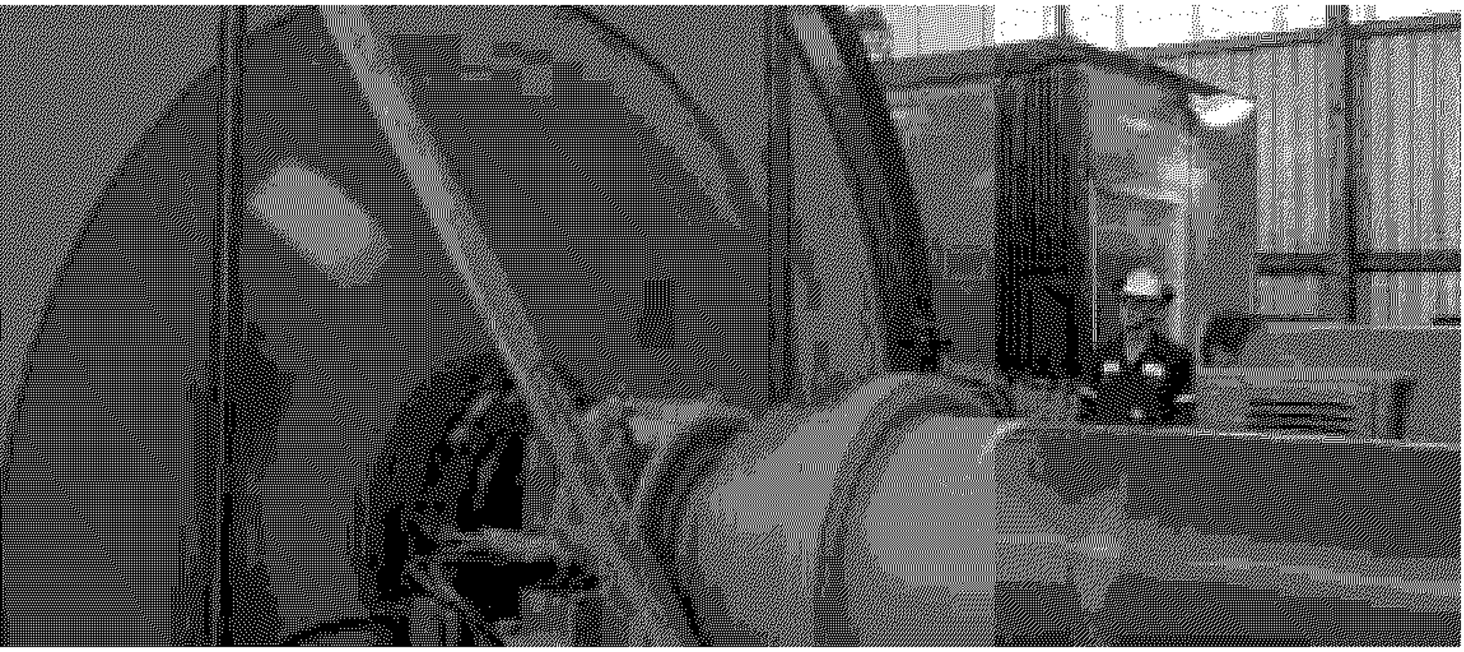
The fully diluted market capitalisation of the Company has increased to around $60 million at time of writing.

Since that time the fully diluted market capitalisation of the Company has increased to around $60 million at time of writing, and the Company has declared a maiden net profit of $1.4 million for the year after exploration write-offs of $1.3 million.

I am happy that you have shared in that growth, and am confident that more growth is to come, with the Company having no need to raise extra capital by the issue of more scrip. You have a shareholding in a Company with exceptional team skills and assets in both exploration and mining spheres.

Independence made the key transition from explorer to metal producer with a cash flow far more rapidly than most emerging junior companies, by acquiring the residual nickel sulphide resource at the Long Nickel Mine, Kambalda, from WMC Resources in September 2002. This acquisition and its successful, safe re-development was the result of the hard work by your dedicated management team headed up by Chris Bonwick in Perth and Tim Moran in Kambalda. In the eight full months from start-up to year-end, the mine produced 87,164t of ore containing 3,007t of nickel metal (a quarter of which was from outside reserves), and ramped up to a monthly production rate of some 13,500t of nickel ore averaging 3.4% nickel. This translates to an average monthly revenue to Independence of about $3.25 million at today's spot prices and exchange rates. Mining costs will be reduced and high grade ore will be accessed from both the Gibb South and Victor South areas in the 2003/4 year.

The mine is well-placed to exceed its feasibility study prediction of a $60 million cash flow after tax and debt repayment, given higher nickel prices and success in defining new mineable reserves by an aggressive exploration programme. There are many exciting targets to explore that will be accessible from modest



extensions to the existing Long underground openings, and rights to possible residual nickel resources on adjacent mined ground are also being secured. Innovative mining methods are being applied to recovering reserves in pillars which, if successful, will result in substantial additions to the current resources base.

With a cash flow secured, the Company can now increase its exploration expenditure. The Company's exploration focus remains on gold and nickel sulphide resources in Western Australia, both easily measurable and saleable commodities for the foreseeable future. New technology is being employed to enhance the mine's performance using electromagnetic measurements, to devise safer and more productive pillar extraction methods, and in the application of chromite mineral analysis to discover new nickel sulphide deposits in Precambrian rocks in Western Australia.

A new gold province is potentially emerging from the ongoing work on the Tropicana property in south-eastern Western Australia, where AngloGold Australia is earning an interest in part of the project. The Company also has full rights to self-generated exploration projects in new gold areas in the Yilgarn Block and the Fortescue Group rocks of the Pilbara region. I expect that some of these properties will mature with drilling in the 2003/4 year. The Company will quickly recognise the potential of all new properties and relinquish or farm out those that represent a higher risk path to a profitable mineral deposit.

On your behalf, I extend my thanks to our management team and employees for their contribution to the current equity value of our Company. I thank shareholders for their support and urge them to maintain their interest in the growth of Independence.

Rod Marston
CHAIRMAN

Managing Director's Operations Report

We are extremely pleased that Independence has made the transition from a pure exploration company, to becoming a profitable mining and exploration concern, all within 12 months of listing.

When Independence floated on 17 January 2002 as a pure exploration company, the following targets were set to grow the Company and reward shareholders:

- Produce a positive cash flow in two years by finding or acquiring a mine;
- Find a new mining camp within three years; and
- Over time, build a large Australian resource house.

With the purchase of the Long Nickel Mine in 2002/3, the Company produced a \$5.7 million pre-tax operating cash flow from the operation. We are extremely pleased that Independence has made the transition from a pure exploration company, to becoming a profitable mining and exploration concern, all within 12 months of listing.

At the time of purchase, the Long Nickel Mine had a five year mine life which the Company has already been able to increase by a further year along with a 20% increase in the resource base. Current resources give scope for a further large increase in mine life, as the resources are systematically converted to reserves. A large drill-out budget has been approved for 2003/4 for this purpose.

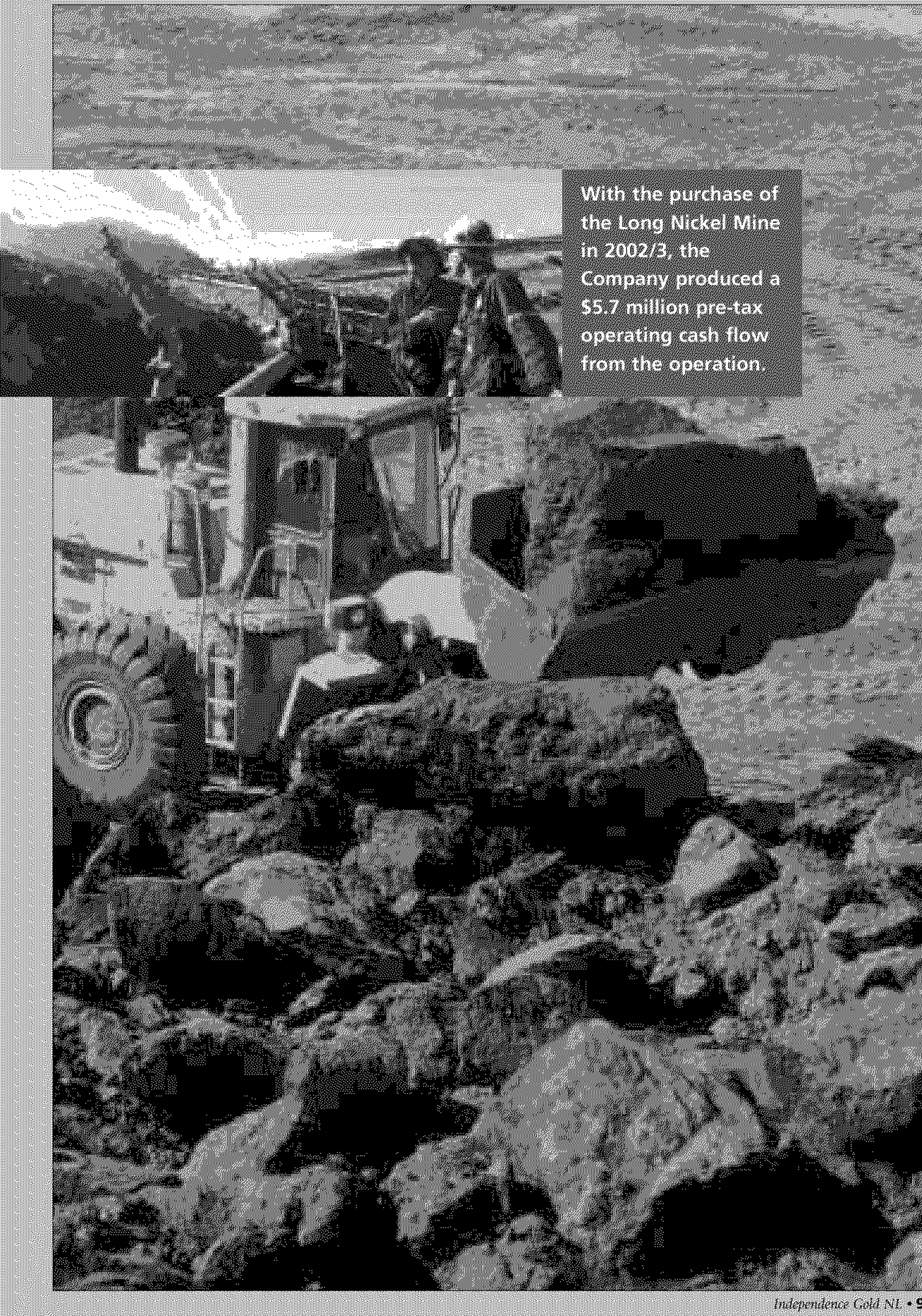
The increase in resources has been achieved by:

- The recruitment and moulding of an experienced underground mining and exploration team;
- The use of proprietary geophysical equipment to effectively locate blind unmined nickel sulphides and aid in delineation of such sulphides; and
- Implementing a well planned exploration programme, which is already producing results.

The Company is also waiting for step-out drilling to be completed at Long South, where the first drillhole returned 3.6m @ 3.3% Ni. We believe the Long South target could represent a new large nickel ore body, which is close to existing underground infrastructure.

Significant cash flow from the mine is now available to fund the Company's aggressive Australian exploration programs, primarily focused on finding new nickel and gold deposits using the following principles:

- Utilising the skills of an exploration team with a record of over 30 significant discoveries.



With the purchase of the Long Nickel Mine in 2002/3, the Company produced a $5.7 million pre-tax operating cash flow from the operation.

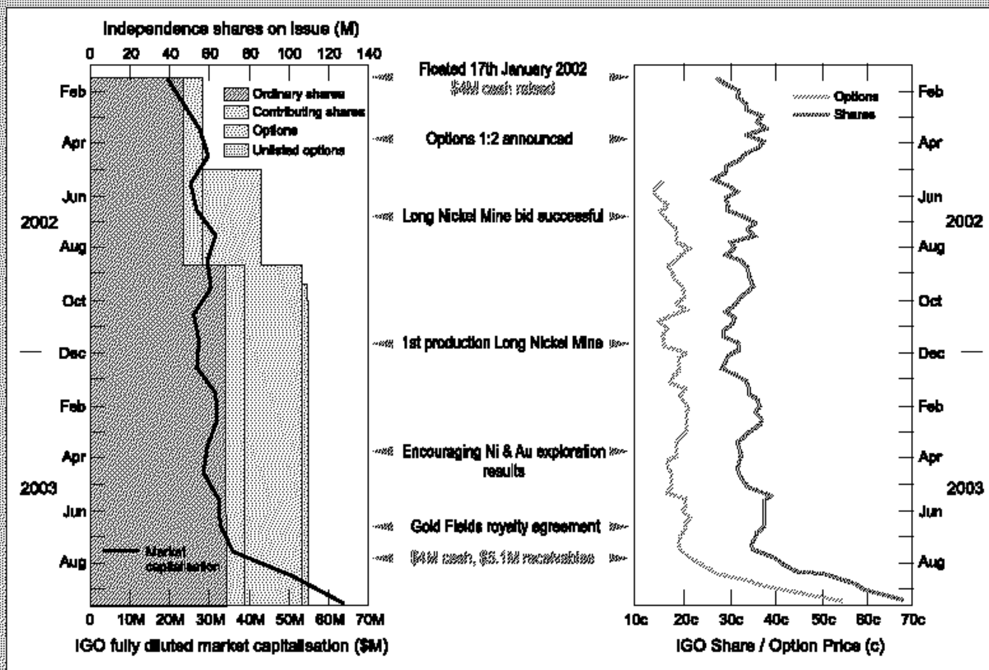
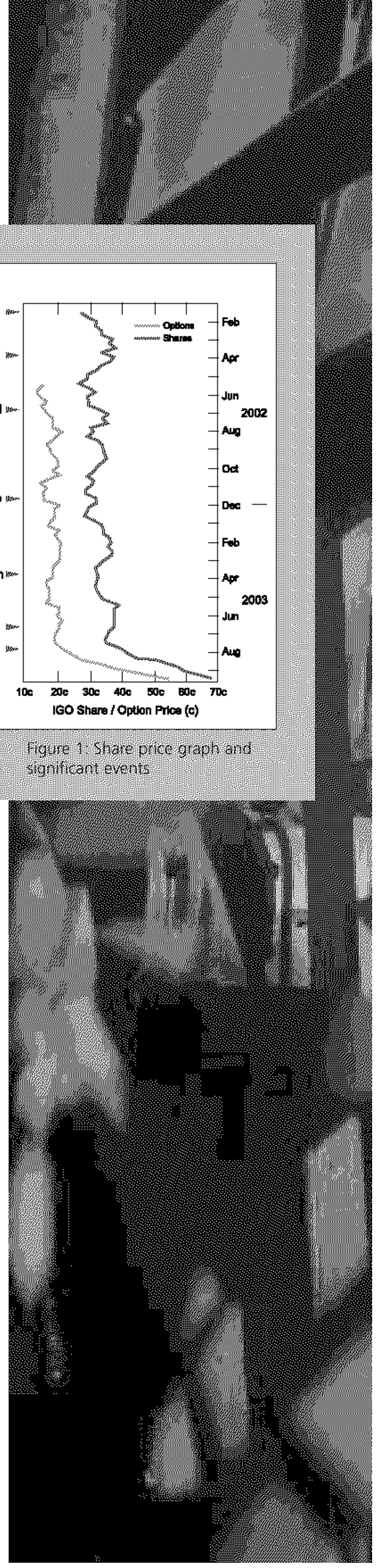


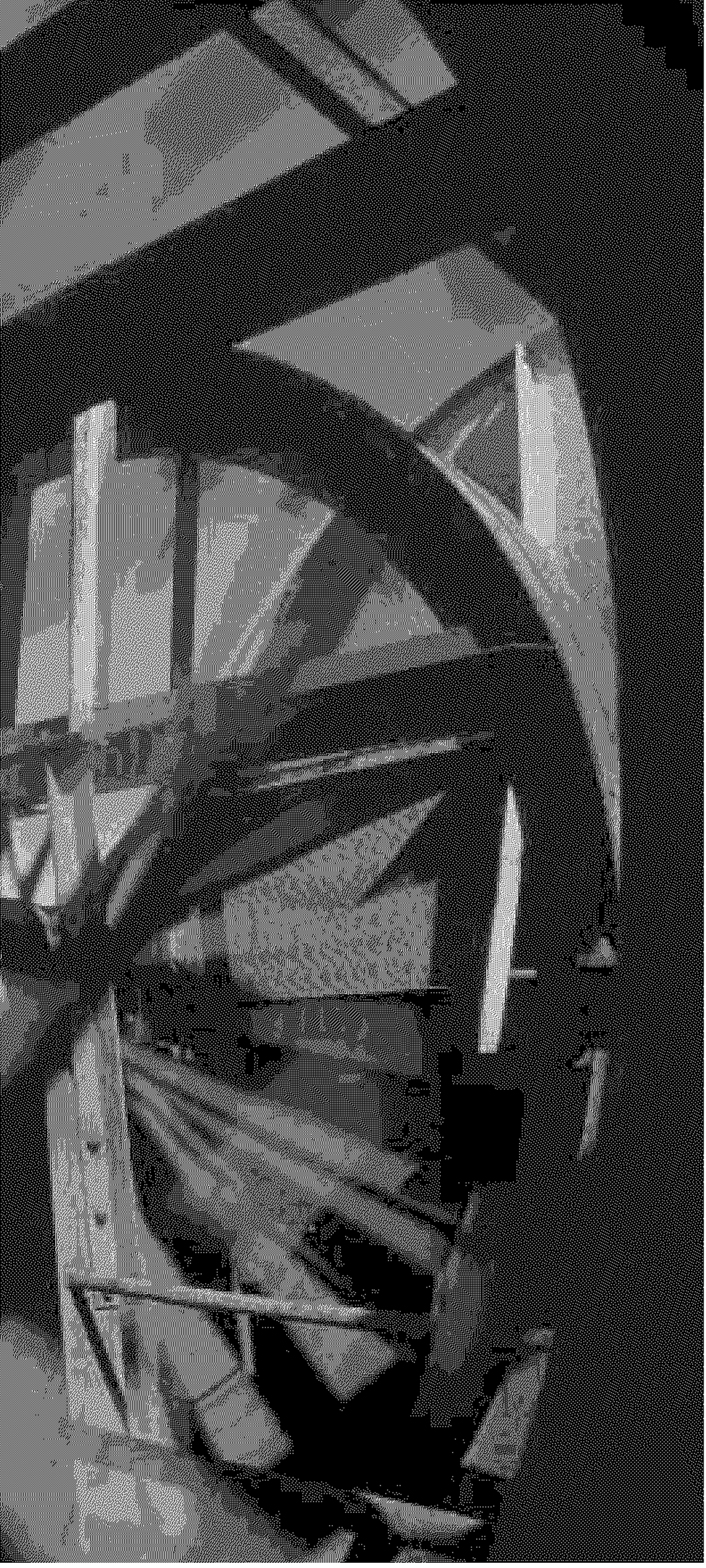
Figure 2: Market Capitalisation graph

Figure 1: Share price graph and significant events

- Acquiring exploration assets such as the WMC Diamond Division database which contains numerous untested metal anomalies.
- Using up-to-date geological models to conceptually target areas where large gold deposits could occur (eg. Wackilina and Dalwallinu gold projects).
- Targeting existing high quality ore bodies with potential for significant extensions (eg. Long Nickel Mine).
- Keeping abreast of scientific discoveries and technological advances, resulting in novel in-house exploration techniques to improve the exploration odds (eg. chromite analysis for nickel and new electromagnetic geophysical techniques - EM torch).
- Continually and rigorously reviewing projects to only focus on properties with the potential to generate large economically recoverable mineral resources at low exploration cost and risk.

Through the exclusive control of the non-diamond component of the WMC Diamond Division Database to August 2009, and via conceptual targeting, our proven team of geoscientists has delineated numerous gold and nickel targets with the potential to contain large virgin deposits. The discovery of extensive gold mineralisation and alteration at Tropicana is evidence of the veracity of the approach.





Exploration in the 2003/4 financial year will focus on increasing the mine life of Long and advancing the Company's numerous high quality gold and nickel targets.

The Company's performance on the ASX since listing has seen an increase in share and option value from $0.20 and $0.01 to the current level of $0.69 (Figure 1) and $0.48 respectively, and fully diluted market capitalisation has increased to $67 million (Figure 2).

This performance is a tribute to our corporate, exploration and mining teams.

We believe the Company has all the ingredients to become a major force in the resources industry.

Through exploration success and corporate growth, the Company's aims are to have a number of Australian metal mines and a significant market capitalisation.

Unless an outstanding opportunity arises which would justify the issue of additional shares, the Board intends to grow Independence through free cash flow and debt funding. Our aim is to maximise shareholder wealth and minimise dilution of shareholders' interests.

I wish to thank all our employees, contractors and consultants for their hard work and commitment during the year.

I also wish to thank our shareholders for their strong support.

Independence will continue its commitment to delivering shareholder value.

Operations

LONG NICKEL MINE

IGO 100%

Targets:

I) To safely produce a $60 million net cash flow over five years

II) To add an additional 50,000t of recovered nickel to the start-up mining reserve

Acquisition of the Long Nickel Mine

Independence Gold's wholly owned subsidiary Lightning Nickel Pty Ltd (Lightning) acquired its first operation, the Long Nickel Mine, from WMC Resources Ltd in September 2002. This acquisition will provide a significant cash flow to the Company over many years with major upside for further mine life extensions.

The Company paid $15 million to WMC for the asset, funded by a combination of debt ($10 million) and funds raised in the August 2002 $7 million capital raising. The Company also secured $5.3 million in capital equipment financing, a $3 million working capital facility and a facility for up to $2 million in environmental bond bank guarantees.

Apart from the tenure and reserves, the Company acquired a headframe and winders, office complex, underground communications system, air compressors, dewatering pumps, seismic monitoring system and mining equipment valued at over $4 million. This resulted in a considerable reduction in the capital required to bring the mine back into production.

The Company has employed a highly skilled workforce at the Long Nickel Mine, most of whom have many years of underground experience in the Kambalda region.

The mine was successfully commissioned during the year and is now producing at an annualised rate of 160,000 tonnes of ore. As well as getting the mine into full production, exploration and development activities have resulted in the discovery of an additional year of reserves (at current nickel prices and production rate) and more importantly, have increased resources by 20% in terms of contained nickel tonnes.

Research and development studies to extract mine pillars outside reserves, and exploration success at Long South, also have the potential to significantly increase mine life.

Kambalda History

In January 1966, WMC Resources Ltd intersected nickel sulphide mineralisation in a drillhole near the abandoned gold mining town of Kambalda. This discovery led to the development of a world class nickel province which produced more than 1 million tonnes of nickel metal over

a 30 year period (Figure 3). As a result the Kambalda region is well serviced by established infrastructure including grid power, sealed highways and potable water supplies, and extensive mining industry support is available locally in the form of contract mining, haulage, engineering and technical support services. A large and highly skilled labour pool is available in both Kambalda and Kalgoorlie.

Long Nickel Mine History

The Long Shoot was first intersected by diamond drilling in 1971, with subsequent drilling indicating the presence of significant mineralisation within both the Long and Victor nickel ore bodies. Underground development commenced at Long in 1975 with the sinking of a vertical shaft to a depth of 971.4m. Ore production began in 1979. In 1989 the Victor decline was started to access the Victor ore body and by 1994 had provided mechanised access to the deeper levels of the Long Nickel Mine. Since the mine was placed on care and maintenance in April 1999, WMC maintained the underground infrastructure, shaft and headframe in excellent condition for a planned resumption of mining. WMC also refurbished the mine, undertook

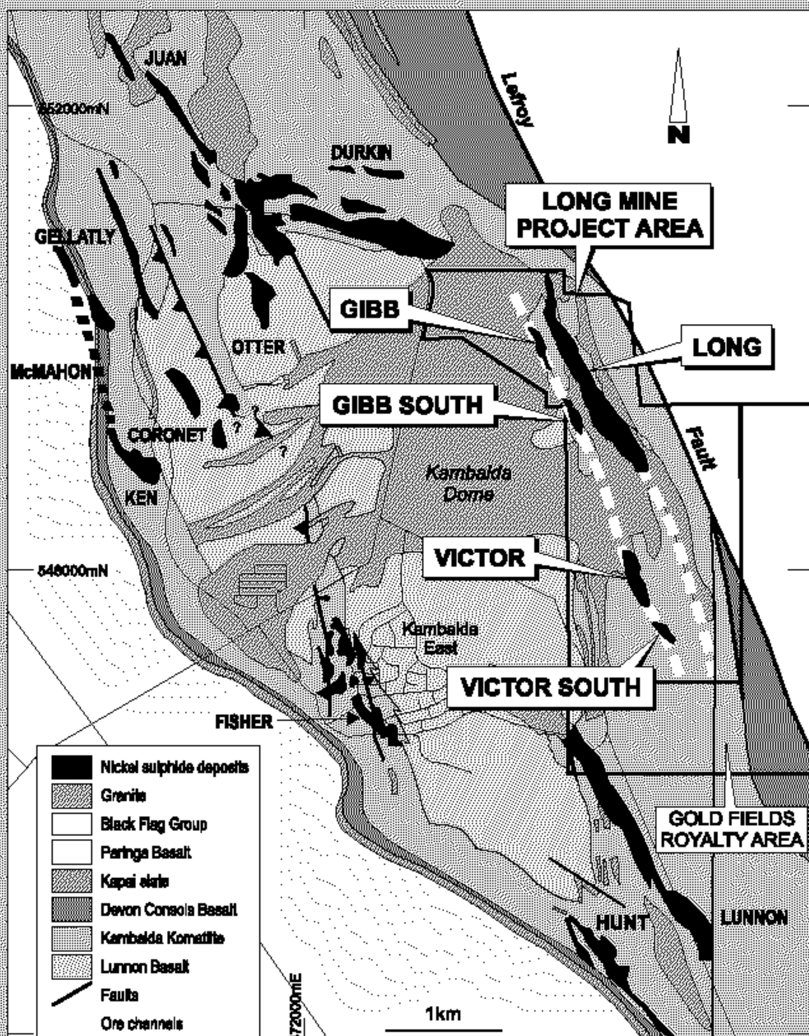


Figure 3: Long Nickel Mine - Regional Geology

additional exploration and completed a mine operating plan which was later used by Independence.

Past production from Long Shaft and Victor decline represents the second largest concentration of nickel in the Kambalda region, and qualifies as one of WMC's longest operating nickel mines with a 21 year mine life. Total production to closure in 1999 was 5.43 million tonnes at an average reconciled grade of 3.7% per cent nickel (>200,000 nickel tonnes).

Tenure

The Long Complex assets are located on three Western Australian Mining Act (1904) Mineral Leases (ML15/158, 159 and 160), and a portion of East Location 48 leased to Independence for 10 years. Location 48 is one of a number of freehold land grants created in the Eastern Goldfields district in 1890. Independence has access to mine nickel on five Gold Fields Australia Pty Ltd Mineral Leases to the east and south of the operation via a nickel royalty agreement.

WMC Offtake Agreement

The Company has an agreement with WMC whereby the ore produced from the mine is delivered to the adjacent WMC Kambalda Nickel Operations Concentrator for toll treatment and production of nickel concentrates, which are then sold to WMC on terms set out in that agreement. The agreement expires on 27 February 2010, with WMC having the option to extend for another nine years.

Safety

The mine plan adopted by the Company incorporates a number of procedures and policies to ensure the safety of our team is not jeopardised. A significant amount of work was undertaken during the year setting up and rehabilitating old stoping blocks, some of which have not been mined for over ten years. One Lost Time Incident (LTI) occurred during the year when one of our team members was cut on the finger by a falling rock fragment. This is the only LTI recorded since re-opening the mine in October 2002 and is a credit to the dedication of all personnel on site.

Lightning set out to fulfil the obligations of the Mines Safety and Inspection Act 1994 and Regulation 1995 by involving the entire workforce in all their requirements. Lightning's policy necessitates that operators are regularly taken out of production for training. This is not an easy task, but it has been executed well, and teams from surrounding mines have visited and shared Lightning's facilities.

The occupational health and safety regime is stated in the Lightning Nickel Safety Policy, which is based on the belief that profits can be made without compromising safety. It is management's conviction that a positive attitude is the dynamo in any safety programme. Hazard identification, accident/incident investigation, competency training, work procedures development and competency reassessment, as well as regular monthly work place inspections, are carried out with the help of every employee.

At the end of June 2003, with a total of 136,048 exposure hours the record reads: 23 Incidents, 7 minor Injuries, 6 medically treated Injuries and 1 LTI. At a safety meeting held in August 2003 the participants pledged their effort to halve these figures in the coming year.

Ground Conditions and Seismicity

The risks of "mine-induced" seismicity are well known and understood at Long. The ore body is disrupted by a swarm of cross-cutting porphyries, some of which are stressed. These bodies have reacted in a consistent and predictable geotechnical fashion. When mining the discrete ore blocks that constitute the Long Shaft mining inventory today, the procedures to manage these events are built into the operating standards of Lightning and are well understood by our mining personnel.

Ground Support: A combination of mesh and rock-bolting, cone and cable bolting, and shotcrete, form the standard practice for excavations of varying size and accessibility. No person is allowed to perform their duties beyond safe and secure overhead support.

Consultants: Lightning has retained the expertise of BFP Consultants (Melbourne) and Dempers & Seymour (Perth) and has received advice from Professor Will Bawden (Canada), to ensure that the mining methods, ground support, and the sequence of activities at Long provide a low risk workplace for our employees whilst enabling optimum extraction of the ore-bodies.

Sponsorship: Lightning is a sponsor of the Australian Centre of Geomechanics' seismicity research studies.

Results of these studies have allowed a change in ore block extraction sequencing. A number of blocks have been successfully mined in advance of the inherited mine plan, whilst others have been mined in higher risk extraction areas. Importantly in both cases, extraction has had no ill effects on ground control in the mine.

Mine Work Force

Lightning currently employs 72 full-time staff. Many employees, including the General Manager, are ex-WMC Kambalda employees, who brought an immediate pool of sound operating knowledge, experience and skills to the project. The mining team has a combined underground experience of 1240 man years (average 19.4 years) with 240 years previously spent at Long.

Lightning's work force has been very stable with a 99% retention rate since the commencement of mining in October 2002. All miners apart from the hand-held team are on salary, and a gain-share bonus scheme will be instigated during the 2003/4 financial year to reward the mining team where safety, teamwork and cost targets are achieved.

Kambalda Nickel Royalty Agreement

The Company reached agreement with Gold Fields Australia Pty Ltd ("Gold Fields") to mine underground nickel extensions on ML15/161, 167, 168, 169 and 170, south and east of the Long and Victor deposits. Gold Fields retains tenement ownership and retains its right to gold both at surface and underground.

The royalty payable to Gold Fields is on a sliding scale depending on the Australian dollar (AUD) price received on nickel produced from the related area. This ranges from 0% where the Australian dollar per nickel pound is less than $5.00, to 5% where the AUD per nickel pound is $8.30 or greater.

Mine Production

Production was initially scheduled over a period of five years commencing in October 2002, utilising a variety of mining techniques designed to safely accommodate changes in ore body attitudes, thicknesses and geometry. Mining methods range from longhole open stoping with mullock/sand backfill to mechanised Jumbo flat back stoping. A handheld mining team has also been established to extract remnant blocks in the upper levels of the mine and in narrow stopes not suitable for mechanisation. Wherever possible, non-entry, mechanised mining methods are employed for safety reasons and to maximise productivity. The spacing of stoping sub-levels and other aspects of the mining methods have been designed to minimise opportunities for dilution.

From first firing on 24 October 2002 to the end of the financial year, over 3,000 tonnes of nickel metal were produced by Lightning as shown in Table 1:

Table 1: Long Nickel Mine - 2002/3 Production

	Tonnes	Ni %	Ni Tonnes	IGO Payable Ni Tonnes
Reserve	63,444	3.63	2,303	1,359
Outside Reserve	23,720	2.96	704	416
TOTAL	**87,164**	**3.45**	**3,007**	**1,775**

Production from the start-up reserve of 26,800 nickel tonnes was estimated to result in an AUD60 million cash flow after tax and debt repayment, based on an exchange rate of AUD/USD 0.55 and a nickel price of US$6,950 per tonne (AUD$12,636 per nickel tonne).

2002/3 Financial Statistics:

Independence's nickel share	= 1,775 tonnes Ni
Revenue	= $24.6 million
Cash flow before capital costs	= $5.7 million
Profit before tax	= $3.3 million

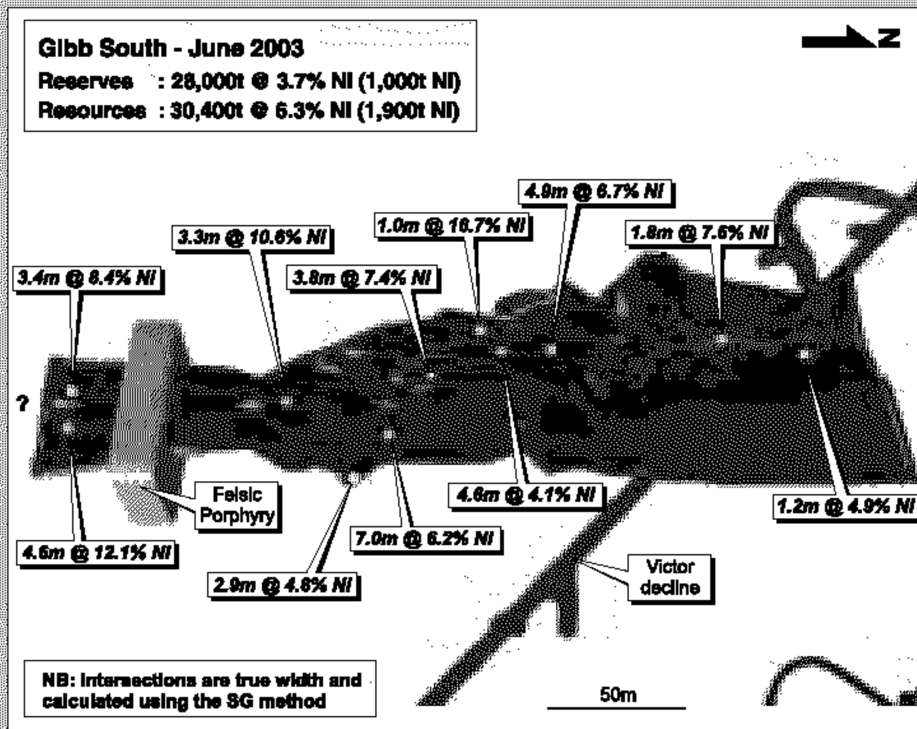


Figure 4: Gibb South 3-dimensional Model

Development

Long Mining Blocks

During the year the only development costs that were capitalized related to the initial access into Gibb South. Mining at Long Shaft involved re-establishing reserve blocks which in some cases had not been in operation for more than a decade . The rehabilitation of these areas involved extensive shotcreting, re-meshing, cone & cable bolting. The 2002/3 year was one of preparing our reserve blocks for the safe extraction of ore. This was achieved, although at a higher cost burden than normal mining conditions would dictate. The mine is well prepared for 2003/4 where predictable ore tonnages at elevated grades are expected.

Gibb South

A total of 191 metres of capitalised decline development was completed to access the high grade Gibb South nickel ore (Figure 4). It is planned to bring this ore surface into full production in October 2003.

Victor South

Capitalised decline development to access the high grade Victor South deposit commenced in July 2003. A total of 2,500 metres of jumbo development is planned before mining can start at a rate of 7,000 tonnes per month in the June 2004 quarter (Figure 5).

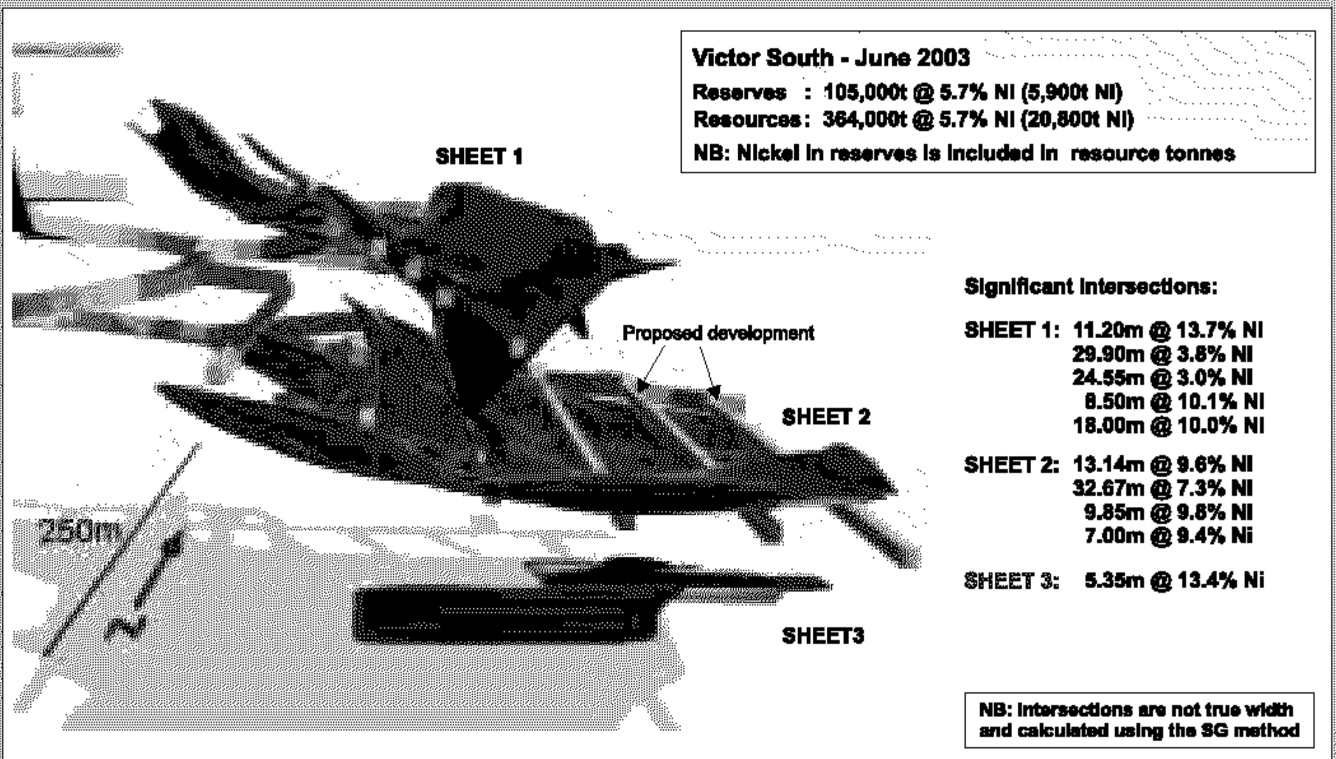


Figure 5. Victor South 3-dimensional Model

Ore Reserves and Resources

Cube Consulting Pty Ltd (resource consultants) and BFP Consultants Pty Ltd (mine reserve consultants) were used to estimate the Long resources and reserves based on industry best practice.

Ore tonnages and grades have been calculated at a 1% nickel cut-off on the basis of the new resource model, which takes into account the high value of the ore, its mode of occurrence, the geotechnical considerations to ensure successful and safe mining in the geological environment, and the depths at which the operations will be conducted. The resource was calculated using the 2D metal accumulation of grade, thickness and density interpolated by ordinary kriging into 20m x 20m blocks for each mineralised surface, then with subtraction of porphyry pillars and mining depletion.

The reserve, at 2% nickel cut-off, has been estimated by creating stoping block models and adding appropriate dilution according to the mining methods.

The Long Complex also contains significant resources and exploration upside which could considerably extend the current five year mine life (Figures 6 and 7).

Table 2: Long Nickel Mine - Resources at 1% Ni cut-off

		Undiluted Resources as at 30 June 2002			Undiluted Resources as at 30 June 2003		
		Tonnes	Ni %	Ni Tonnes	Tonnes	Ni %	Ni Tonnes
Long Stopes	Measured	460,000	6.1	28,000	406,000	6.8	27,700
	Indicated	390,000	5.7	22,000	339,000	5.8	19,500
	Inferred	63,000	5.4	3,400	58,000	4.1	2,400
	Sub-Total	913,000	5.8	53,400	803,000	6.2	49,600
Long Pillars* (extractable)	Measured	-	-	-	83,500	6.0	5,100
	Indicated	-	-	-	87,700	6.1	5,300
	Inferred	-	-	-	-	-	-
	Sub-Total	-	-	-	171,200	6.1	10,400[1]
Victor South	Measured	-	-	-	-	-	-
	Indicated	-	-	-	106,000	7.7	8,100
	Inferred	226,000	5.1	11,600	258,000	4.9	12,700
	Sub-Total	226,000	5.1	11,600	364,000	5.7	20,800
Gibb South	Measured	-	-	-	-	-	-
	Indicated	-	-	-	17,400	7.4	1,300
	Inferred	94,000	4.3	4,000	13,000	4.8	600
	Sub-Total	94,000	4.3	4,000	30,400	6.3	1,900
TOTAL		**1,233,000**	**5.6**	**69,000**	**1,368,600**	**6.0**	**82,700**

** An additional 27,000 nickel metal tonnes remain in pillars where further work is required to determine if this nickel can be mined.*

Table 3: Long Nickel Mine - Reserves at 2% Ni cut-off

		Mining Inventory as at 30 June 2002 [2]			Mining Reserve as at 30 June 2003 [2]		
		Tonnes	Ni %	Ni Tonnes	Tonnes	Ni %	Ni Tonnes
Long 12-16L	Proven	365,000	3.7	13,500	358,000	3.8	13,600
	Probable	226,000	3.1	6,900	116,000	3.1	3,600
	Sub-Total	591,000	3.4	20,400	474,000	3.6	17,200
Long 7-11L	Proven	-	-	-	10,000	4.0	400
	Probable	-	-	-	72,000	3.8	2,800
	Sub-Total	-	-	-	82,000	3.9	3,200
Victor South	Proven	-	-	-	-	-	-
	Probable	155,000	4.1	6,400	105,000	5.7	5,900
	Sub-Total	155,000	4.1	6,400	105,000	5.7	5,900[3]
Gibb South	Proven	-	-	-	19,000	4.0	700
	Probable	-	-	-	9,000	3.1	300
	Sub-Total	-	-	-	28,000	3.7	1,000
TOTAL		**746,000**	**3.6**	**26,800**	**688,000**	**4.0**	**27,300**

Notes:

1. In addition to the JORC classified resources is a total of 171,200 ore tonnes @ 6.1% Ni representing extractable pillars. If the current Research & Development study into the underhand cut and fill mining technique proves successful, it is estimated that up to 6,600 nickel tonnes will be converted from resource to reserve increasing the total reserve to 33,900 contained nickel tonnes.
2. Nickel in reserves is included in the stated resource tonnes.
3. An additional 6,000 nickel tonnes is expected to be converted from resource to reserve status once decline drilling confirms the current model. This drilling is scheduled to be completed during the March 2004 quarter.
4. The Competent Persons and Members of the AusIMM with the appropriate experience in reporting the above are Rick Adams and Ted Coupland of Cube Consulting and Gary Davison of BFP Consultants.

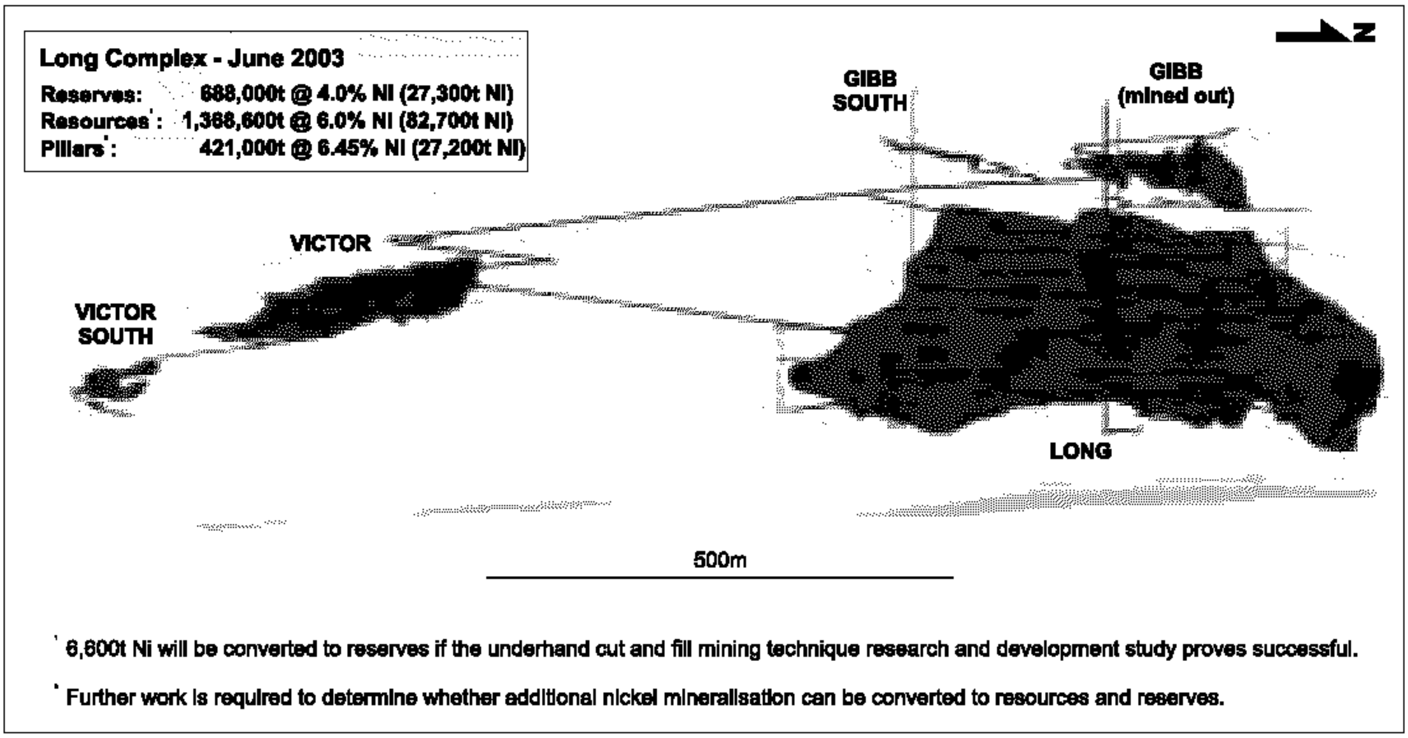


Figure 6: Long Complex - Resources and Reserves

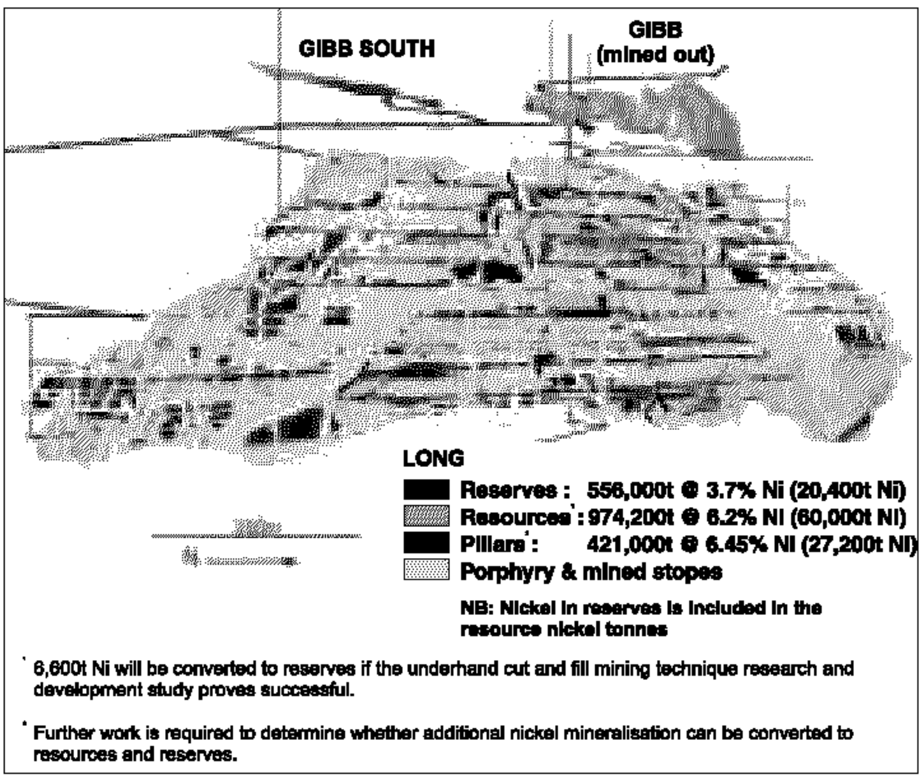


Figure 7: Long Nickel Mine - Resources and Reserves

Remnant Pillars

Approximately 44,000 tonnes of nickel metal were contained in mine pillars when the Company purchased Long, which based on previous hand-held mining techniques, were thought to be unextractable. A total of 10,400 pillar nickel tonnes has been added to resources during the year.

The Company has commenced a Research and Development program to develop a new mining method to extract suitable pillars using underhand mechanised stoping. This involves tunnelling through tailings sandfill on top of the pillar and laying a concrete crown pillar on top of the ore block. Mining would then commence under the horizontal concrete pillar protecting the work force. If successful, this technique will enable the conversion of a significant proportion of the pillars to reserve status.

Geophysics

The first underground trials of the portable underground EM system have been completed and minor fine tuning is in progress. The system, analogous to a large metal detector, is being used to produce real time massive and matrix nickel sulphide location information, providing a vector to the mineralisation. This will significantly reduce the cost of drilling, allow more accurate mine design, reduce expensive "exploration" development, and locate missed ore blocks adjacent to existing workings. The Company is applying for a Commonwealth Government Start Grant, which could provide 50% of the funding to refine the EM Torch and other geophysical equipment and procedures.

Exploration

Nickel Sulphide Formation

The Long and Victor deposits are typical Kambalda-style nickel deposits, consisting of narrow, steeply dipping, shallowly plunging, ribbon-like accumulations of massive or semi-massive sulphides located at the base of komatiitic ultramafic flows at their contact with an underlying basalt unit. Massive sulphide is overlain by matrix and then disseminated mineralisation, with the bulk of the ore expected to be massive and matrix in nature. The ore averages 2.6m in thickness.

The Long nickel ore shoots consist of shallowly plunging channels (therefore high tonnes per vertical metre), and the high nickel tenor of massive sulphides compared to many other mines means that even small incremental discoveries can have a significant positive impact on the project's profitability.

Long nickel mineralisation is associated with Archaean ultramafic lava channels (analogous to river channels), where molten liquid nickel sulphides pooled at specific points along the channel. Subsequent folding has tipped the channels to a 60 degree dip to the east and also resulted in the remobilisation of some of the original sulphides into new structurally controlled positions (eg. Victor South). During these deformation events and resultant sulphide remobilisation, the massive sulphide can be thought to behave like a tube of toothpaste when it is squeezed, with weak massive sulphides squeezed into surrounding country rocks under extreme pressure. To date, two channels have been recognised:

Channel 1: The upper, high tenor nickel channel is interpreted to contain from north to south, the Gibb, Gibb South, Victor and Victor South deposits.

Channel 2: The lower, wider, moderate tenor nickel channel contains the Long deposit and nickel sulphides to the south.

Strategy

Exploration at Long is divided into two categories:

1. Incremental Ore Targets: targets which may replace depleting reserves/resources in and around known ore bodies.

2. Long Life Targets: these targets have the potential to significantly enhance overall project parameters, ie. double mine life at twice the capacity, and require major new development.

The Company's exploration team are focussing on both types of targets using the integration of geological mapping, structural studies and magnetic and electromagnetic geophysical surveys to produce a 3-dimensional picture of the ultramafic stratigraphy. To date, exploration has been very successful given the small ($0.33 million) exploration spend in 2002/3 (the 2003/4 Long exploration budget has been increased to approximately $2 million).

Incremental Ore Targets

Gibb South

Infill and extension drilling was completed during the year to test for additional ore extensions and successfully converted resources to reserves (Table 4). Drilling and downhole EM surveys indicate the Gibb South sulphides are terminated at 549,200N where the Gibb South lava channel is cross-cut by a large felsic porphyry intrusive. However, ground magnetic highs south of the porphyry suggest a possible continuation of the untested channel ultramafics which requires further exploration.

Long 11-12 Level

Underground drilling at the southern end of the 11 Level returned a number of significant intersections in a previously undrilled section of the mine (Table 4). These intersections add new reserves to the Long ore body and confirm the potential for additional discoveries and reserves within the immediate mine environment.

Table 4: Long Nickel Mine - Significant Exploration Nickel Intercepts

Hole No.	Northing	Easting	RL	Azimuth	Dip	From	To	Width (m)	True Width (m)	Grade (Ni%)
Gibb South										
GSU5-10A	549387	374466	63	184	34	197.7	204.8	7.10	5.10	11.75
GSU5-11A	549382	374465	63	188	36	197.0	202.4	5.4	2.41	9.12
LNSD003	549338	374427	285	0	-90	122.4	129.1	7.80	7.00	6.17
LNSD004	549337	374411	285	0	-90	128.6	131.0	2.40	2.10	5.00
LNSD005	549337	374400	285	0	-90	129.0	130.0	2.50	2.20	10.50
LNSD007	549285	374450	285	333.0	-74	134.0	138.1	4.10	3.60	7.80
11-12 Level										
LG11-098	374693	549246	-261	107.0	-28.0	50.2	53.1	2.90	2.00	8.77
LG11-105	374660	549344	-261	100.0	-17.0	28.2	33.4	5.20	4.10	4.36
LG11-106	374660	549344	-262	114.8	-35.0	47.7	51.9	4.20	2.90	5.06
LG11-122	374679	549270	-260	138	14	19.6	24.4	4.80	3.90	7.88
Long South										
KD6067BW7	548288	375306	286	0	-90	866.5	870.1	3.60	2.80	3.30
					Incl.	869.1	869.5	0.36	0.29	14.6
Victor South										
VR15-027	547766	374989	-350	135.0	-15.0	342.5	347.7	5.20	5.00	8.16
						430.4	432.2	1.80	1.7	4.97
VR15-028	547547	375028	-383	102.0	-15.0	183.0	201.0	18.0	15.0	10.0
					Incl.	186.0	196.6	10.6	8.8	12.8

(Nickel intercepts have been calculated using the specific gravity weighting method).

Long Life Targets

Long South

Drilling to test for a possible repetition of the 1.6 kilometre long and 0.5 kilometre high Long ore body (past production: 4.66Mt @ 3.7% Ni - 173,600 Ni tonnes) beneath Victor and Victor South has commenced. Previous WMC drilling intersected 0.76m @ 10.09% Ni in KD6067B 0.7 kilometres south along strike from the most southerly known point of the Long ore body. No previous drilling has effectively tested the 1.2 kilometres of prospective Long Lava Channel south of this hole (Figure 8).

KD6067B was re-entered and a new wedge hole was drilled to test the area immediately to the south of the previous WMC hole. This wedge hole KD6067BW7 intercepted the prospective contact approximately 24 metres south of the original intercept and returned 3.6m @ 3.3% Ni, including thin, high tenor massive sulphides assaying at 0.29m @ 14.6% Ni.

A further two diamond holes (LSND17&18) commenced in the September 2003 Quarter using two drill rigs to test the area 360 metres and 720 metres south of KD6067B.

Victor South Extensions

Significant potential exists at Victor South to define additional high-grade ore along strike and down dip from the known mineralisation. To date the Victor South reserves/resources are contained in three shoots. WMC Resources Ltd intersected

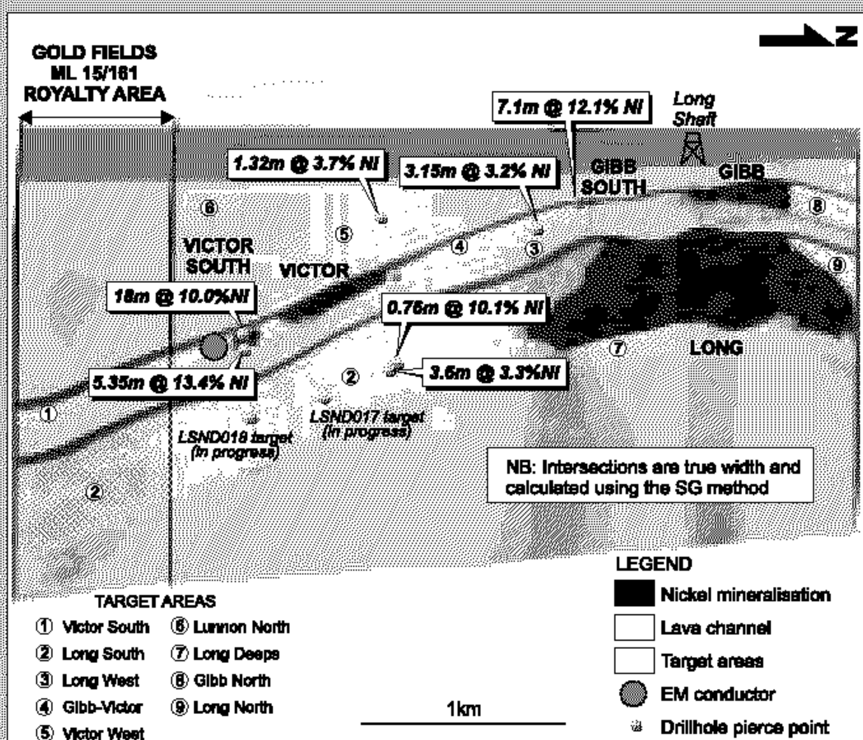


Figure 8: Long Nickel Mine - Exploration Targets

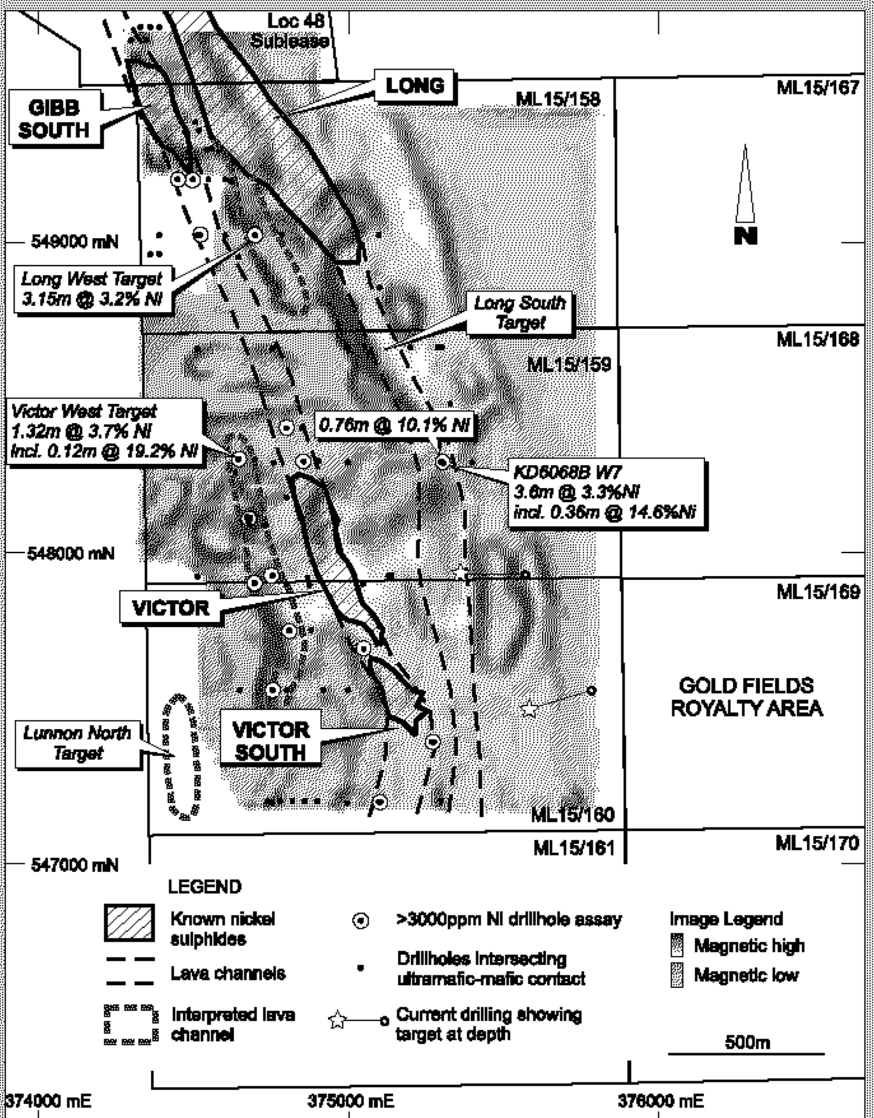


Figure 9: Long Nickel Mine - Long South Ground Magnetics

5.35m @ 13.4% nickel in Shoot 3. This intersection is open along strike and down dip and follow up drilling is planned. Reinterpretation of WMC down hole geophysical logs has defined numerous conductors outside the current resource areas. These targets will be followed up once the Victor South decline development has been completed and drill cuddies established to provide better drilling angles and shorter drilling distances.

Victor West

The Victor West target comprises a kilometre long series of magnetic highs and previously recognised channel facies ultramafics, 200 metres west of Victor (Figure 9). Previous WMC drilling intersected 1.32 metres @ 3.7% Ni (including 0.12 metres @ 19.2% Ni) suggesting potential for high-grade nickel sulphides, close to the Victor Decline.

Long Deeps

Reinterpretation of the lower levels of the Long orebodies suggest potential for additional nickel sulphide shoots below the southern end of the deposit in an area structurally complicated by thrust faulting.

Long West

An isolated WMC intercept of nickel sulphides averaging 3.15 metres @ 3.2% Ni is located immediately west of the southern end of Long (Figure 9). Drilling is planned to test this target which is near existing openings.

Exploration

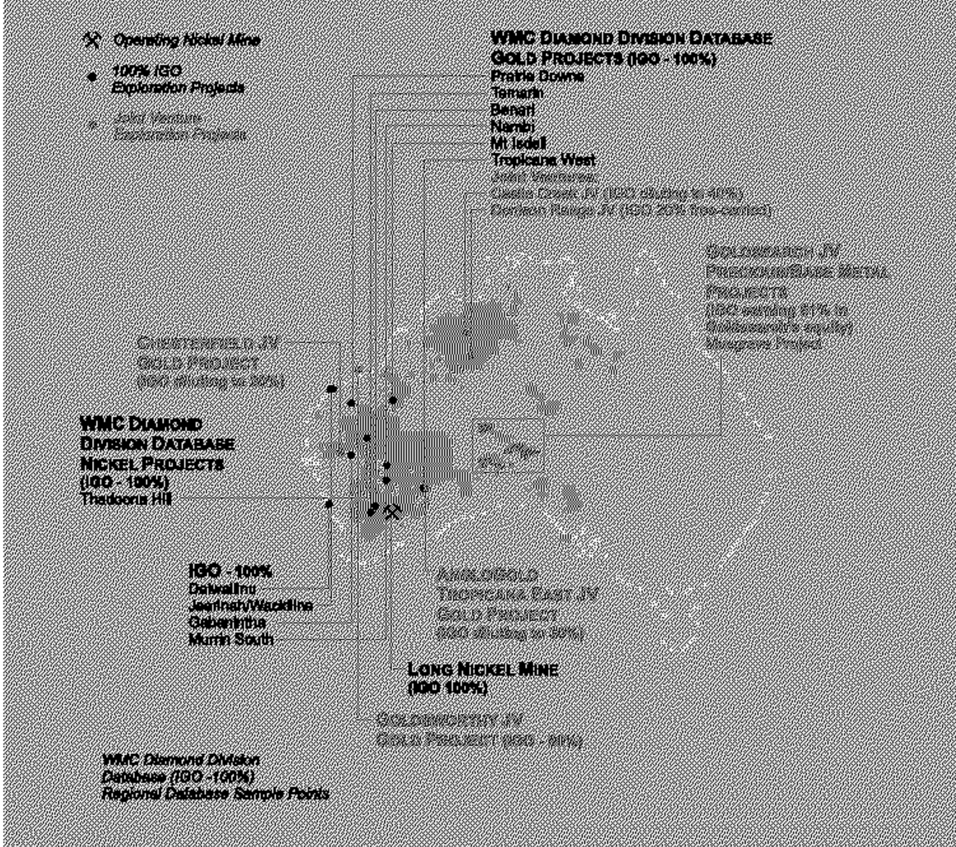
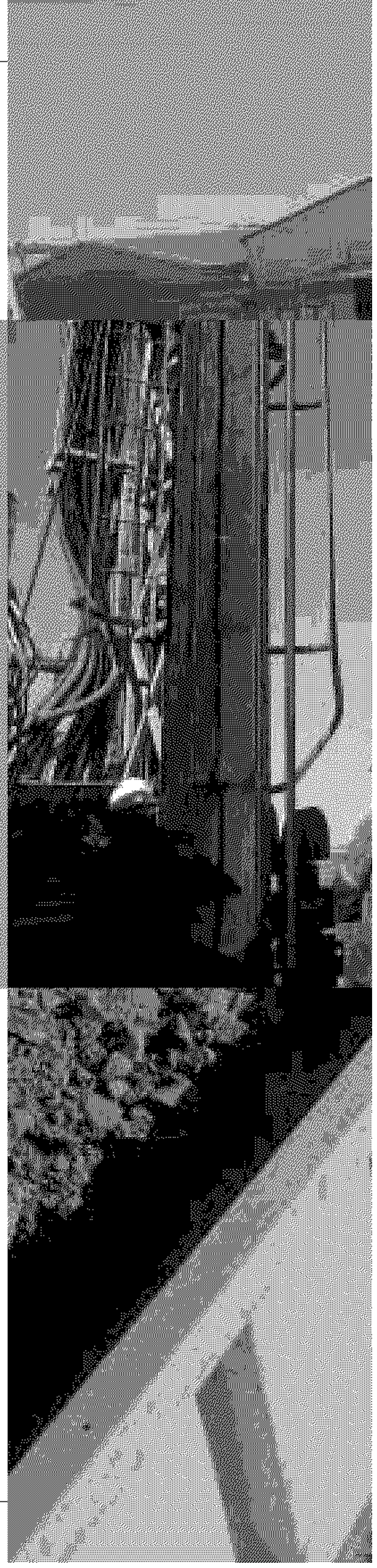


Figure 10: Project Locations



Australian Exploration Scene

Expenditure on Australian metal exploration has been steadily decreasing over the last few years. This has been a function of the inability to attract capital investment, corporate amalgamations, relatively low metal prices, and the perception that the majority of large ore bodies in Australia have already been found. Based on past technology, many of the historic Australian mineral fields have been rated as having a mature exploration status. In these areas most large outcropping/sub-cropping ore bodies have been located by prospectors and explorers.

However, a significant proportion of Australian mineral fields are under cover. Many opportunities exist in these areas to locate large ore bodies, which are close to existing infrastructure, using improved or new exploration technology and concepts. Australia is a very large arid continent where many ore bodies could occur in lightly explored or unexplored terrains. Independence is focused on both target types.

2003/4 Exploration

Investment in exploration over the past twelve months has advanced a number of exciting projects for Independence and its partners including Long South, Tropicana East, Tropicana West, Wackilina, Jeerinah, Prairie Downs, Tamarin, Mt Isdell and Dalwallinu.

Whilst much of the exploration focus in the 2002/3 financial year was on target generation and early stage exploration programs, many projects are now maturing. As a result the 2003/4 financial year will see a shift towards more advanced exploration programs, including a significant commitment to drilling high priority targets.

Ongoing project generation and the continued assessment of the WMC Diamond Division geochemical database and chromite microprobe database are also expected to generate a significant number of new projects in the forthcoming year.

In order to maintain Independence's aggressive exploration strategy and to supplement the Independence 2003/4 exploration budget, a number of potential Joint Ventures and Strategic Alliances are currently being pursued. Negotiations are currently underway with a number of major companies to fully exploit the potential of the WMC Diamond Division chromite database for nickel sulphide exploration and for stratabound PGE exploration via alliance type arrangements.

Philosophy

Independence is focused on continually creating shareholder wealth. The discovery of large gold and nickel deposits in Australia can create a significant increase in shareholder wealth. The Company's objective is to identify, secure and explore prospective targets to discover ore deposits that have the potential to substantially increase the value of the Company and reward shareholders. Exploration can be high risk, however, the Company has developed a set of principles as outlined in the Managing Director's Operations report to minimise these risks.

The Company's exploration philosophy favours ore deposit types amenable to rapid evaluation and project turnover, and that have the potential to be brought into production within a short time-frame. The Board is committed to ensuring that a large proportion of the Company's budget is spent on exploration. This allows Independence to simultaneously undertake exploration on a number of projects without over-committing its resources, as only the best quality projects are retained and further funded by the Company.

Exploration Goals

Independence's current exploration goals are:

Short-term
- define an additional +50,000 tonnes of recoverable nickel metal at or near the Long Nickel Mine.
- define two +500,000 ounce gold deposits.

Long-term
- use the sustainable cash flow from the Company's mining operation to locate and mine large deposits capable of dramatically increasing Independence's market capitalisation.

2003/4 Exploration Budgets

The Company plans to spend $4.6 million on exploration in 2003/4, allocated as follows:

	2002/3 Expenditure $M	2003/4 Budgeted Expenditure $M
Nickel exploration	0.42	2.10
Gold exploration	1.38	2.49
Total	$1.80M	$4.59M

The Board is committed to ensuring that a large proportion of the Company's total budget is spent on exploration.

INDEPENDENCE GOLD 100% PROJECTS - Conceptually Targeted

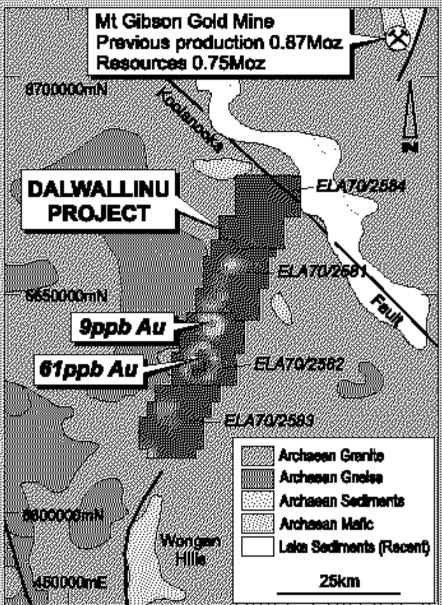


Figure 11: Dalwallinu Project - Regional Geology and Gold Geochemistry

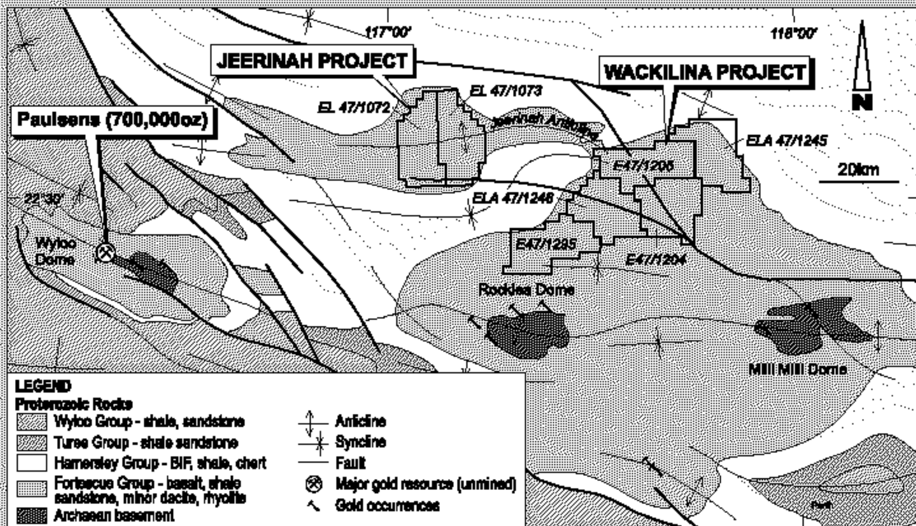


Figure 12: Jeerinah Project and Wackilina Project - Regional Geology

DALWALLINU

Commodity:	Gold
IGO:	100%
Target:	>0.5M oz Archaean gold deposit
Geological Setting:	Archaean greenstone on Mount Gibson structure

Reconnaissance soil and lag sampling has defined anomalous gold in soil up to 65ppb with elevated arsenic, bismuth, molybdenum and other pathfinder elements.

Wide-spaced reconnaissance geo-chemical sampling has defined a north-north-east regional trend of elevated gold and pathfinder elements approximately 60 kilometres in strike length (Figure 11). Four exploration licences covering 830 square kilometres were pegged to cover this trend which is centred on an area approximately 60 kilometres south-south-west of the one million ounce Mt Gibson Gold Mine.

GABANINTHA

Commodity:	Gold
IGO:	100%
Target:	>0.5M oz Archaean gold deposit
Geological Setting:	Archaean greenstone

A total of nine Prospecting Licences covering 15 square kilometres have been pegged to cover part of the covered north-west extension to the Gabanintha mineralised trend approximately 30 kilometres south-east of Meekatharra. Historically the Gabanintha gold mining centre has produced over 200,000 ounces from several individual pits.

JEERINAH

Commodity:	Gold
IGO:	100%
Target:	>0.5M oz Late Archaean gold deposit
Geological Setting:	Lower Fortescue Group domal structure

Soil sampling on a 200 metre by 400 metre spaced grid has defined anomalous gold in soil up to 62ppb.

Geological interpretation suggests anomalism may be associated with a single, flat-lying strata-bound unit and therefore may have significant tonnage potential (Figures 12 and 13).

Limited reconnaissance rock chip sampling has returned results up to 0.5 grams per tonne gold.

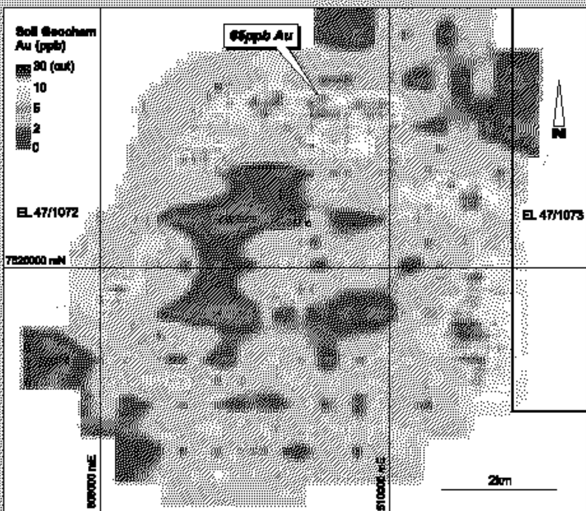


Figure 13: Jeerinah Project - Gold Geochemistry

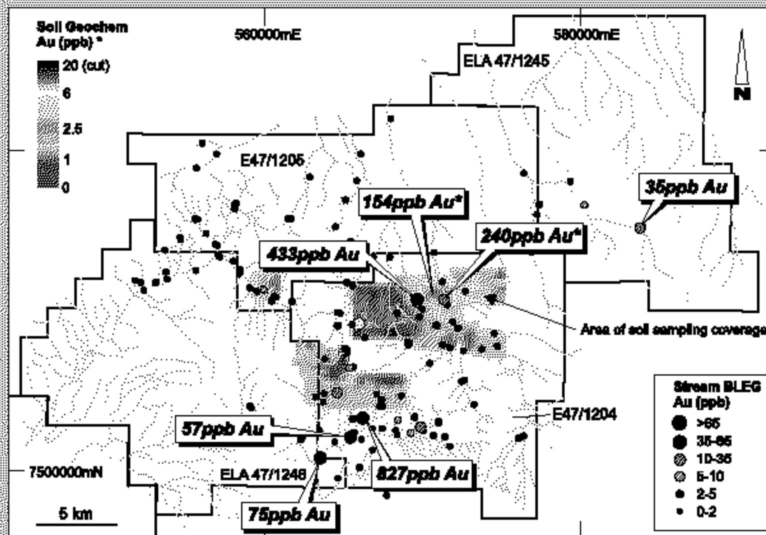


Figure 14: Wackilina Project - Regional Gold Geochemistry

MURRIN SOUTH

Commodity:	Gold
IGO:	100%
Target:	>0.5M oz Archaean gold deposit
Geological Setting:	Archaean greenstone

A total of 19 Prospecting Licences covering 30 square kilometres have been pegged over an under-explored structural and geophysical target located approximately 45 kilometres east of Leonora.

WACKILINA

Commodity:	Gold
IGO:	100%
Target:	>0.5M oz Late Archaean gold deposit
Geological Setting:	Lower Fortescue Group domal structure

Soil sampling has defined anomalous gold in soil over an area of 2.5 kilometres by 3.0 kilometres with a peak of 240ppb gold (Figure 14).

Preliminary geological studies suggest mineralisation may be strata-bound and the flat-lying geology suggests significant tonnage potential.

Limited reconnaissance rock chip sampling has returned assays up to 2.8 grams per tonne gold. Work is currently underway to define drill targets.

High value stream sediment results in other areas remain to be followed-up.

WMC DIAMOND DIVISION DATABASE PROJECTS

INTRODUCTION

Independence has 100% equity in metal projects generated from an extensive geochemical and mineralogical database comprising over 24,000 samples collected by WMC between 1979 and 1997. WMC is entitled to a 1.5% gross royalty from any discoveries directly generated from the database. It is estimated that it would cost over \$40M to replicate this database. Numerous targets covering a range of commodities have been identified to date, of which one nickel and nine gold projects have been pegged and initial fieldwork commenced. Other high priority targets have been identified and are in the early stages of assessment. On-going analysis of the extensive sample library relating to this database also provides the opportunity to progressively generate additional targets.

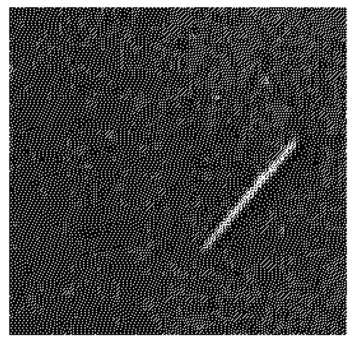
The WMC database provides Independence with a considerable opportunity to continue generating new exploration targets until the termination of the agreement in August 2009.

THE DATABASE

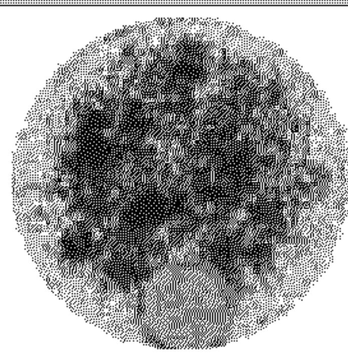
The WMC sample database covers much of south-central Western Australia and the Kimberley regions, the Northern Territory, central South Australia, and north-west Queensland. The database contains a total of 24,487 accurately located sample records.

Independence has re-compiled the WMC database in a format suited to Geographic Information System (GIS) interrogation. All existing geochemical data has been captured in this manner.

During its diamond exploration program, WMC developed a number of proprietary sampling, processing and analytical techniques that were not only applicable to diamond exploration, but also to exploration for base and precious metals and other commodities. The samples were processed to separate the ironstone component from the fine heavy mineral fraction prior to mineralogical assessment (Figure 15). The residual fractions were also retained for later geochemical analysis.



Australian aeolian sand cover comprising quartz sand, clay, minerals and ironstone fragments



Ironstone grains processed and selectively extracted from sand

Figure 15: WMC Diamond Division Database - Iron Rich Sample Medium

IRON-RICH FRACTIONS AS SAMPLING MEDIA

Metal ions derived from an oxidising mineral deposit, loosely complex with hydrated iron and manganese oxides, are transported to the near surface environment via capillary rise, a "pumping" mechanism driven by evaporation in arid or strongly seasonal climatic regimes. Evaporation of the soil water in the near surface environment leads to precipitation and progressive dehydration of the metal-rich iron and manganese oxides, into an inert and resistant form, such as laterite and ironstone (Figure 16). While the lighter, less resistant and less dense components of the soil are progressively removed by wind and water as the land surface is steadily eroded, the heavier and more resistant ironstone tends to concentrate proximal to its source via the process of deflation. This iron-rich fraction therefore provides a superior sample medium for metal exploration, especially in arid regions where geochemical values can be heavily diluted by aeolian sand. Orientation studies completed by WMC over known gold camps indicated that the samples could detect a mineralised source from a distance of 5-10 kilometres, within a wide variety of physiographic environments.

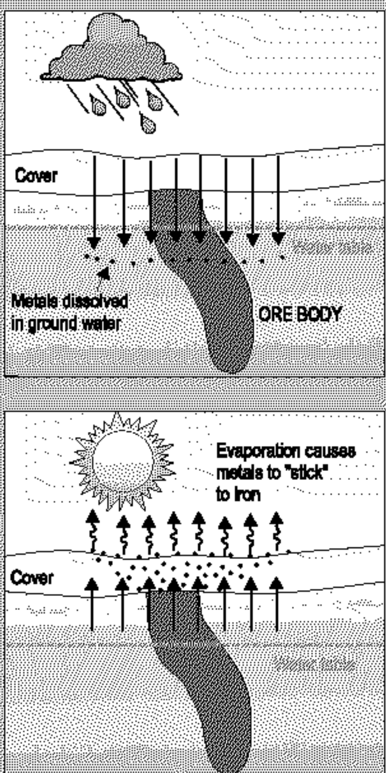


Figure 16: WMC Diamond Division Database - Wet and Dry Climate producing Ironstone

HEAVY MINERALS CONCENTRATES

In addition, the heavy mineral concentrate may contain 'indicator minerals', such as gold, platinum, gahnite, tantalite, cassiterite and some species of chromite that directly indicate the presence of mineralisation. The analysis of indicator mineral data and the ironstone fraction therefore represents a potentially powerful exploration tool.

FINDING NICKEL SULPHIDES USING CHROMITES

Independence has developed an in-house technology using chromite grains collected for diamond exploration. The Company believes it can now identify chromites which precipitated with nickel sulphides and those sourced from ultramafics with associated nickel sulphides. As well as identifying existing nickel sulphide mines (eg. Cosmos), 37 new nickel targets have been delineated. It is hoped that this new technology results in the discovery of new nickel sulphide mines (Figure 17).

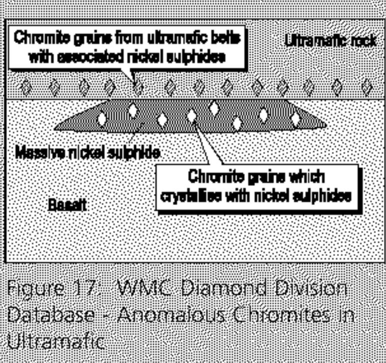


Figure 17: WMC Diamond Division Database - Anomalous Chromites in Ultramafic

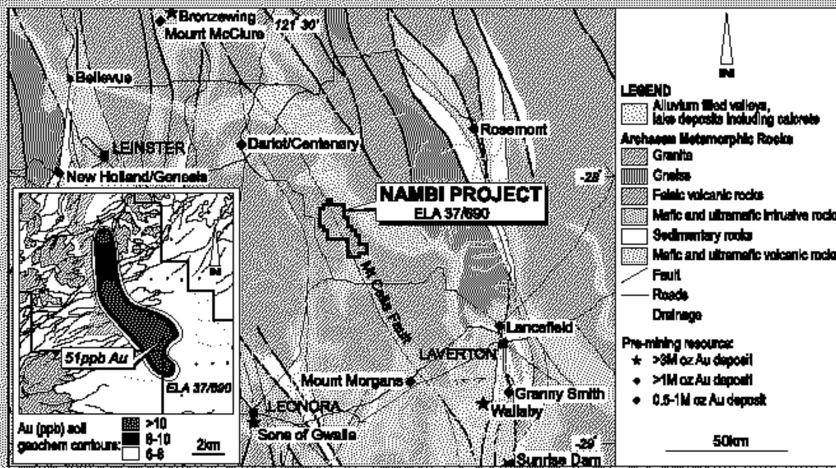


Figure 18: Nambi Project - Regional Geology and Gold Geochemistry

BENARI

Commodity:	Gold
IGO:	100% Non-diamonds (WMC 1.5% Gross Royalty)
Target:	>0.5M oz Archaean gold deposit
Geological Setting:	Archaean greenstone

The Benari project consists of a single 105 square kilometre exploration license 40 kilometres west of Coolgardie. The project area consists of a total strike length of 13 kilometres of sand-covered, untested greenstones adjacent to the Mt Ida fault, a significant mineralised regional structure. Previous soil sampling returned encouraging low order gold responses projected through the cover. An extensive auger sample program is planned to test numerous targets upon grant of the tenure.

MT ISDELL

Commodity:	Gold, Base Metals
IGO:	100% Non-diamonds/ 50% Diamonds (WMC 1.5% Gross Royalty)
Target:	>0.5M oz Telfer-style Proterozoic gold deposit
Geological Setting:	Patterson province

The Mt Isdell project consists of two exploration licences totalling 428 square kilometres and was targeted on anomalous WMC Diamond Division samples up to 12ppb gold, 598ppb copper, 1031ppm cerium, with anomalous arsenic and lead.

The project covers Proterozoic Yeneena Group sediments concealed by extensive aeolian sand dune cover and is 35 kilometres south of the 26 million ounce Telfer gold deposit.

Limited follow-up by Independence (two rock chip samples) returned up to 86ppb gold.

NAMBI

Commodity:	Gold, Base Metals
IGO:	100% Non-diamonds /50% diamonds (WMC 1.5% Gross Royalty)
Target:	>0.5M oz Archaean gold deposit
Geological Setting:	Greenstone target associated with major domain scale structure

Previous WMC Diamond Division sampling and wide-spaced follow-up geochemistry has defined a virgin gold anomaly up to 70ppb gold over 5 kilometres of strike in an area of covered greenstones (Figure 18).

Extensions of the Mt Celia Fault system are interpreted to transect the Nambi Project. The Mount Morgans gold mine and satellite deposits are situated adjacent to this regional structure 60 kilometres to the south-south-east of the project.

TAMARIN

Commodity:	Gold
IGO:	100% (WMC 1.5% Gross Royalty)
Target:	>0.5M oz Archaean gold deposit
Geological Setting:	Archaean greenstone

Originally targeted on anomalous gold in WMC Diamond Division geochemical samples and a significant spread of residual alteration minerals in WMC diamond indicator samples, auger sampling has defined a +20ppb gold geochemical anomaly over a 2.5 kilometre strike length in an area of no outcrop and no previous exploration.

The soil anomaly is coincident with a moderately strongly magnetic unit along the western margin of the Southern Cross-Marvel Loch greenstone belt and is 5 kilometres west of the Marvel Loch gold mining centre.

First pass, vertical aircore geochemical drilling to test the southern portion of the target returned encouraging low order gold results beneath 20 metres of transported material.

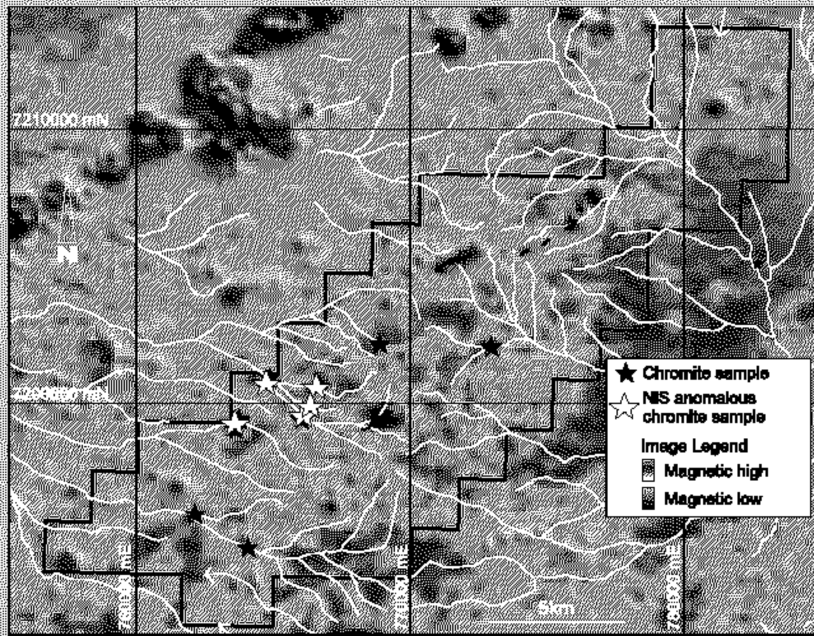


Figure 19: Thadoona Hill Project - Magnetics and Anomalous Chromite Location

PRAIRIE DOWNS

Commodity:	Gold
IGO:	100% Non-diamonds (WMC 1.5% Gross Royalty)
Target:	>0.5M oz Archaean gold deposit
Geological Setting:	Archaean lower Fortescue Group on domal structure

The project consists of a single exploration license covering 220 square kilometres which was originally targeted on weakly anomalous gold, arsenic, lead in WMC Diamond Division sampling.

Wide-spaced soil sampling by Independence has defined a coherent, low amplitude gold with silver, arsenic, copper, lead and antimony soil anomaly over a 6 x 2 kilometre area where prospective bedrock units are completely obscured by transported cover.

The structural setting at the western margin of, and on, the axis of the large Sylvania Dome is considered prospective.

THADOONA HILL

Commodity:	Nickel
IGO:	100% (WMC 1.5% Gross Royalty)
Target:	New nickel sulphide mining camp
Geological Setting:	Archaean olivine-rich ultramafic rocks

A single exploration license application was lodged to cover mapped outcrops of olivine-rich, Archaean ultramafic rocks not previously explored for nickel. These outcrops are thought to be the source of a spread of high priority chromite grains recovered from WMC Diamond Division drainage samples (Figure 19).

Reconnaissance sampling over part of the magnesian ultramafic sequence returned results up to 652ppm nickel, 19ppb palladium, 10ppb platinum and 8200ppm chromium.

TROPICANA WEST

Commodity:	Gold
IGO:	100% (WMC 1.5% Gross Royalty)
Target:	>0.5M oz Archaean/ Proterozoic gold camp
Geological Setting:	Yilgarn-Fraser collision zone, major gravity structure

The project which covers an area of 1,260 square kilometres was targeted on a WMC Diamond Division gold geochemical anomaly up to 236ppb gold (Figure 20).

Previous exploration by the WMC Nickel Division confirmed the gold anomalous nature of the area when numerous conventional gold geochemical anomalies up to 770ppb gold were defined with wide spaced sampling (Figure 21).

Follow-up reconnaissance calcrete sampling by Independence has returned anomalous >20ppb gold samples from two locations 35 kilometres apart.

Systematic geochemical sampling is underway to target areas for follow up drilling.

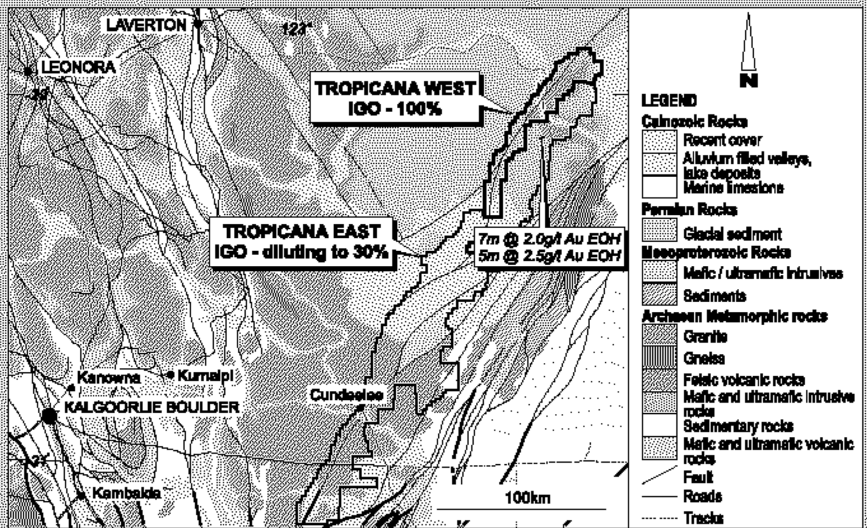


Figure 20: Tropicana Projects - Location

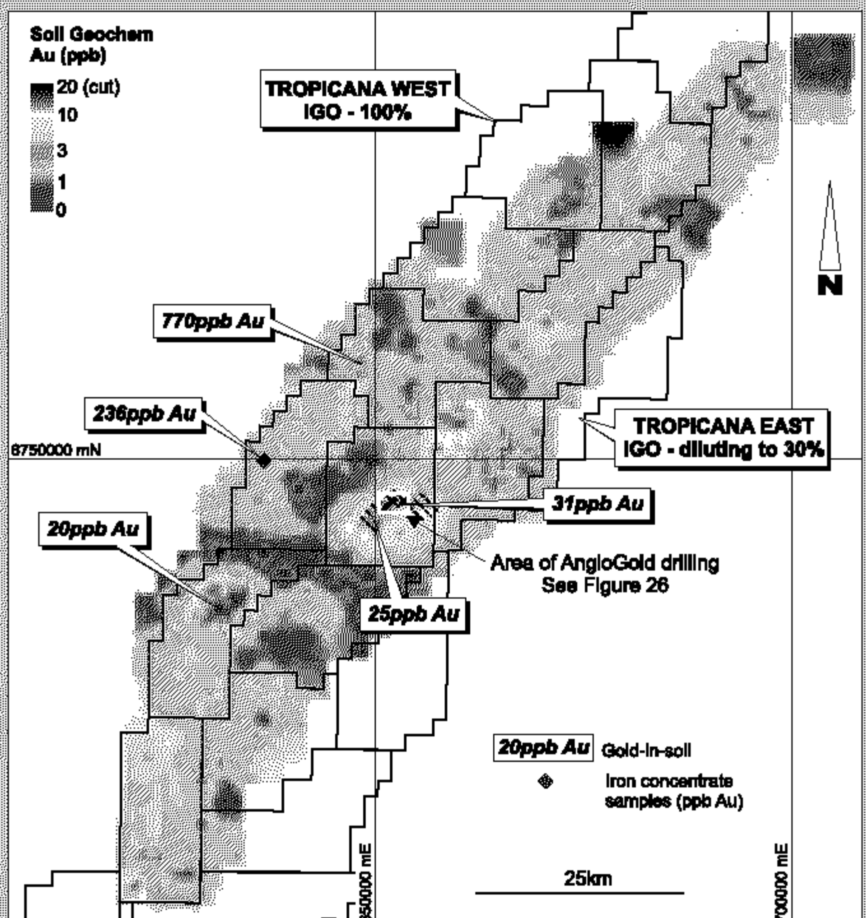


Figure 21: Tropicana Projects - Surface Gold Geochemistry

JOINT VENTURE PROJECTS - OTHER

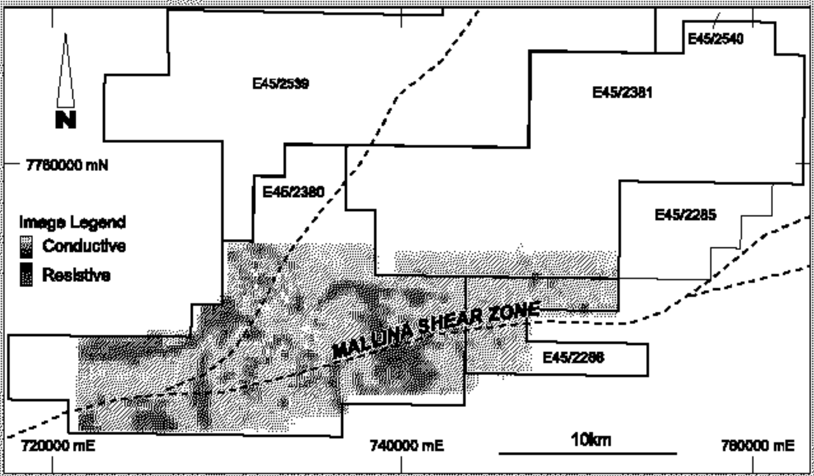


Figure 22: Goldsworthy Joint Venture - Airborne Electromagnetic Survey

CASTLE CREEK

Commodity:	Gold
IGO:	Diluting to 40% (WMC 1.5% Gross Royalty)
Manager:	Sipa Resources
Target:	>0.5M oz Proterozoic gold deposit
Geological Setting:	Double plunging anticlinal structure in Proterozoic Eastern Halls Creek Mobile Zone

The project was initiated to cover several highly anomalous stream samples up to 190ppb gold consistently repeated in several phases of WMC Diamond Division samples.

Previous exploration for tungsten identified numerous occurrences of hydrothermal mineralisation on the flanks of a very interesting Proterozoic structure.

Aside from the drainage sampling completed by WMC no previous gold exploration has been completed over the target area.

DENISON RANGE

Commodity:	Gold, Copper
IGO:	25% Free carried (WMC 1.5% Gross Royalty)
Manager:	Polaris Metals
Target:	Proterozoic copper-gold system
Geological Setting:	Proterozoic domal and antiform structures

Generated from a cluster of anomalous WMC Diamond Division samples with peak values up to 18ppb gold, 150ppm copper and 330ppm arsenic, the project has been packaged into a Joint Venture with Polaris Metals NL (formerly Eclipse Minerals) who had already acquired a significant land position over part of the target.

The project covers several structural targets adjacent to the north-western margin of the Granites-Tanami Complex 140 kilometres south-east of Halls Creek. Within the project area a Proterozoic clastic sequence is deformed into a series of domes and antiformal fold structures with north-west trending axes. These structures are coincident with the geochemical targets and are considered priority targets for Proterozoic gold-copper styles of mineralization. Independence has a 25% free carried interest in the project up to commencement of a bankable feasibility study.

GOLDSWORTHY

Commodity:	Gold, Nickel
IGO:	80% (Owner: Revesco Group, diluting)
Target:	>0.5M oz Archaean gold deposit
Geological Setting:	Long-lived, mineralised Mallina Fault structure in Archaean Pilbara block

The project was acquired to cover interpreted extensions to the Mallina Fault zone. This structure is associated with several gold deposits including the 0.5 million ounce resource at Indee. Numerous structural and geophysical targets were identified from multi-client aeromagnetic data.

Results of airborne electromagnetic surveys (HOISTEM) flown by Independence suggests the extensive surficial cover is not prohibitively deep and has defined several interesting bedrock features potentially associated with zones of bedrock alteration as a result of gold mineralisation (Figure 22).

Based on the encouraging results to date, the joint venture recently pegged an additional four exploration licenses bringing the total holding of the project to eight licenses covering some 1,400 square kilometres.

Independence is earning 80% in the project by free carrying Revesco Group Limited to completion of a pre-feasibility study.

MUSGRAVE

Commodity:	Nickel, Gold
IGO:	Earning 35 to 51% equity (Goldsearch Limited diluting)
Target:	>1M oz Proterozoic gold (copper) deposit >150,000 tonnes contained nickel, magmatic sulphide deposit
Geological Setting:	Proterozoic Musgrave Complex

Reconnaissance geochemical sampling over a portion of the South Australian tenure has highlighted coherent nickel +/- cobalt, copper, PGE, gold soil anomalism in several areas of extensive cover and aeolian sand influence. Coincident magnetic features are associated with several of the geochemical targets (Figure 23).

In the Northern Territory, access to highest priority tenure is imminent with field work expected to commence in the December 2003 Quarter. Geological studies suggest late high-level granites intruding an interpreted rift sequence are very attractive targets. Very limited historical work has returned significant gold (0.1g/t), silver (5000g/t) and copper (19%) results in rock chip sampling (Figure 24).

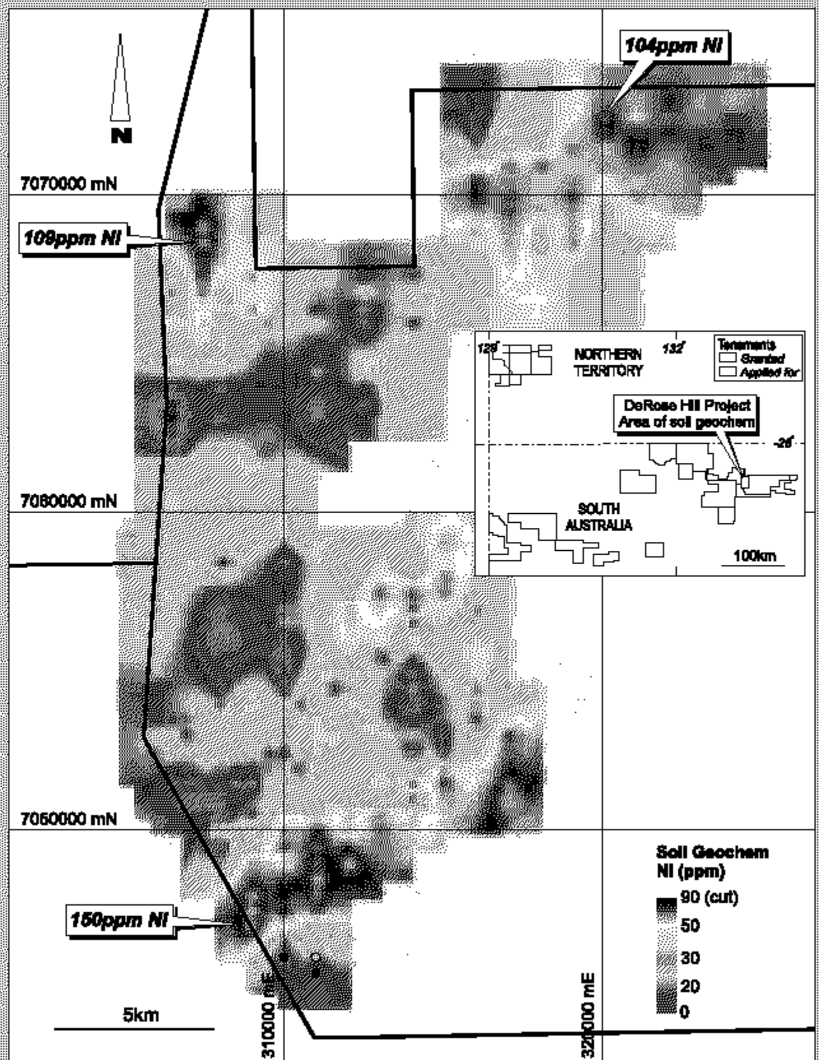


Figure 23: Musgrave Joint Venture - Nickel Anomalies

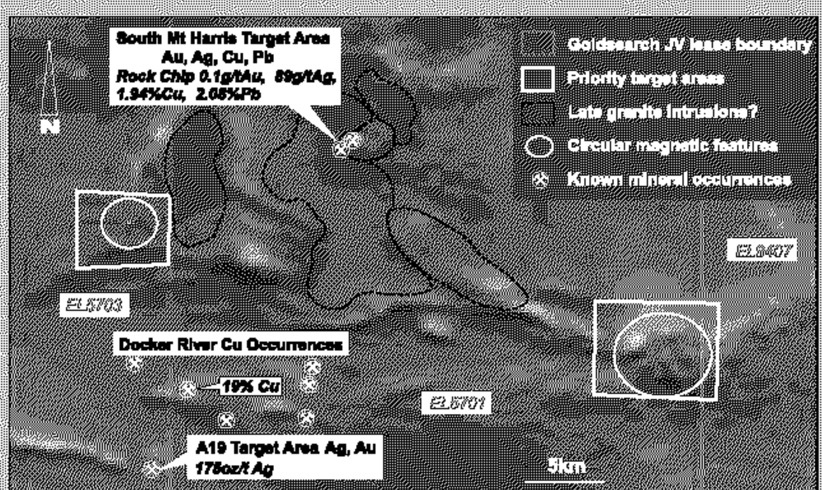


Figure 24: Musgrave Joint Venture - Northern Territory Gold, Copper, Silver Targets

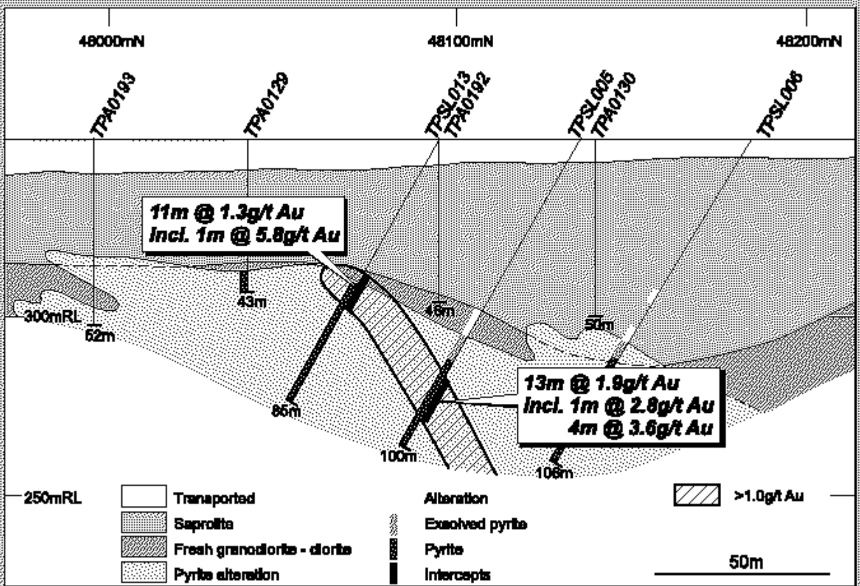


Figure 25: Tropicana East Joint Venture - Cross-section 143200mN

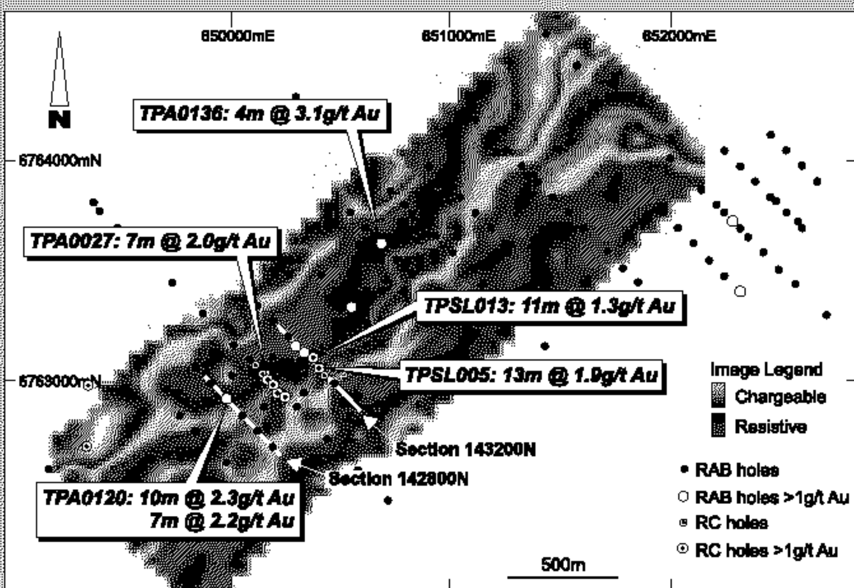


Figure 26: Tropicana East Joint Venture - Induced Polarisation (chargeability) and AngloGold Drilling

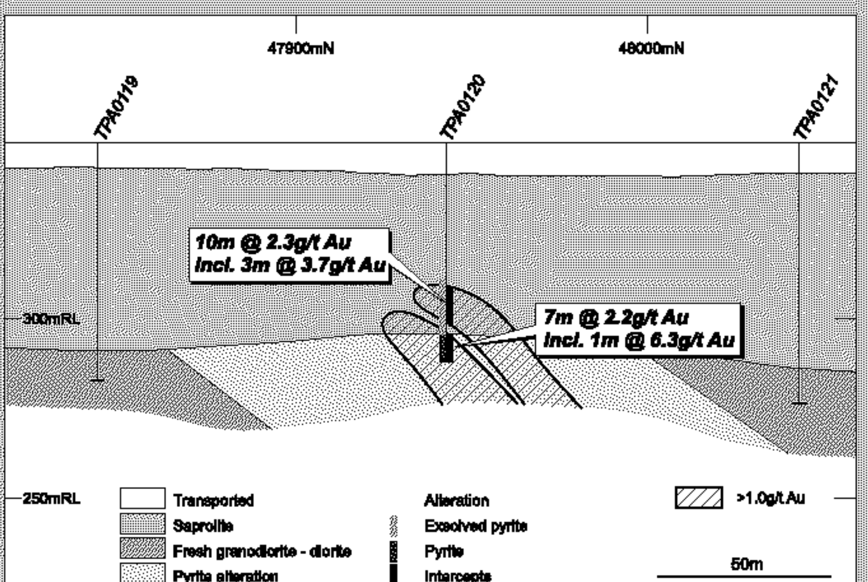


Figure 27: Tropicana East Joint Venture - Cross-section 142800mN

TROPICANA EAST

Commodity:	Gold
IGO:	Diluting to 30%
Manager:	AngloGold Australia Limited earning 70%
Target:	>1M oz Archaean/ Proterozoic gold deposit
Geological Setting:	Yilgarn-Fraser collision zone

At Tropicana East vertical aircore drill testing of geochemical anomalies generated by WMC nickel exploration defined a supergene gold zone over 2 kilometres in strike length.

Best results from the recent program by Independence's joint venture partner AngloGold include up to 10 metres @ 2.3 grams per tonnes gold and 7m @ 2.2 g/t gold in the same hole and 4m @ 3.1 g/t gold (Figure 26).

Induced Polarisation (IP) geophysics suggests the mineralisation is associated with increased depth of weathering and an enveloping 3 kilometre long sulphide alteration zone.

Follow-up RC drilling over the southern end of the anomaly returned up to 13m @ 1.9 g/t gold associated with primary sulphide mineralisation (Figure 25).

Based on these initial encouraging results and the interpretation of this mineralisation to be Proterozoic in age, the Joint Venture pegged an additional 32 exploration licences covering the interpreted strike extension to the major Proterozoic collision zone. The total area now under tenure by the Joint venture is approximately 8200 square kilometres.

CHESTERFIELD

Commodity:	Gold
IGO:	Diluting to 20%
Manager:	Aurex Consolidated Limited
Target:	+200,000t @ +10g/t open cut ore
Geological Setting:	Archaean greenstone belt

Following the acquisition of the Long Nickel Mine and a subsequent review of advanced project strategy, the decision was made to divest a significant portion of the Chesterfield project.

Whilst the project is still considered to have considerable exploration potential for small high grade, profitable gold deposits, the project is no longer considered a priority target by the Company.

An agreement has been signed whereby Aurex Consolidated can earn a 60% interest in the project by spending $400,000 on exploration prior to 30 June 2007, at which point Aurex Consolidated may elect to pay $250,000 each to Independence and St Barbara Mines Limited or withdraw from the project and retain no equity.

Independence's residual interest would then be free-carried to the commencement of a bankable feasibility study, at which time Independence can elect to either contribute to the project, or revert to a 10% non-contributing net profits interest in the project.

SOUTHSTAR DIAMONDS LIMITED

Commodity:	Diamonds
IGO:	50%
Target:	High value diamond ore

Southstar Diamonds Limited (Southstar) has been established to evaluate the diamond component of the WMC Diamond Division Database. The Database contains numerous diamond indicator mineral anomalies in Australia and other countries that were not followed up for small but extremely gem-rich diamond-bearing kimberlite pipes. Recent discoveries of similar pipes in Canada and the former Soviet Union have shown the very high commercial value of these deposits.

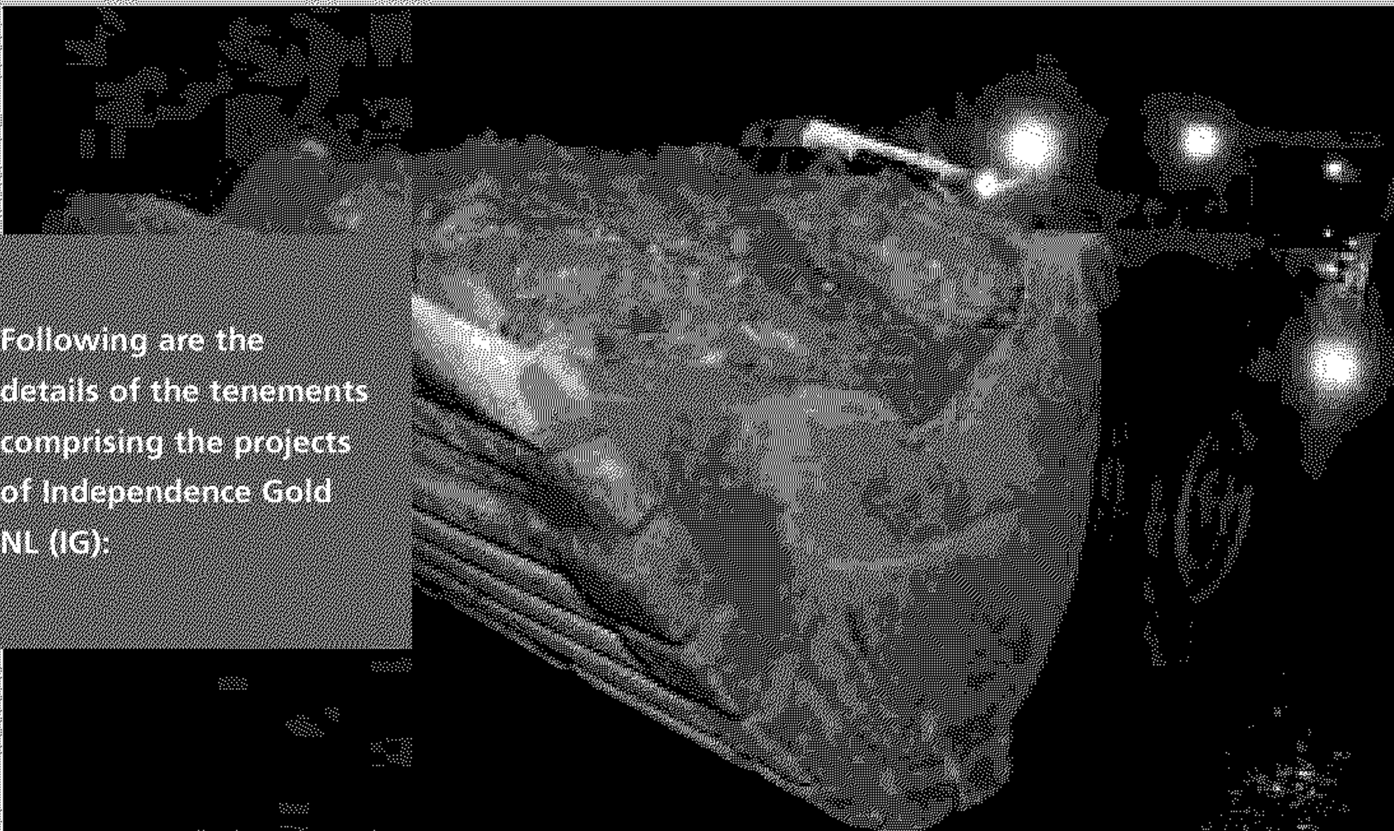
WMC stopped exploring for diamonds in 1996. Since then a number of technological advances have been made in diamond exploration, especially in more rapid and efficient diamond indicator mineral recovery and understanding where high-grade diamond pipes occur on a continental scale. Re-observing a portion of WMC's early indicator mineral observations has revealed that early observations missed many diamond indicator minerals including kimberlitic-sourced chromite grains and even micro-diamonds. Approximately two thirds of the 24,000 samples in the Database require re-observing.

The Database is currently being converted into a digital format to enable the evaluation of known and new anomalies using new in-house proprietary technology and models. Southstar plans to follow-up Australian priority targets from the Database in 2003/4. A major international diamond company has indicated a desire to farm into a number of diamond targets.

Southstar is 50% owned by Independence, with the other 50% owned by Ranger Minerals Limited.

C M Bonwick

MANAGING DIRECTOR



Following are the details of the tenements comprising the projects of Independence Gold NL (IG):

OPERATIONS

Tenement [1]	Grant Date	Expiry Date	Area (sq km)	Registered Holder (%) [2]	IG Interest (%)	EC ($)
Long Complex						
ML15/158	G - 01/01/67	31/12/08	1.2	Lightning Nickel Pty Ltd (100.00)	100.00	12,100
ML15/159	G - 01/01/67	31/12/08	1.2	Lightning Nickel Pty Ltd (100.00)	100.00	12,200
ML15/160	G - 01/01/67	31/12/08	1.2	Lightning Nickel Pty Ltd (100.00)	100.00	12,200
Total - Long Complex			**3.6**			**$36,500**

[1] ML15/158, ML15/159 and ML15/160 were granted pursuant to, and are currently subject to the provisions of, the Nickel Refinery (Western Mining Corporation Limited) Agreement Act 1968 (WA). Caveats have been lodged by St Ives Gold Mining Pty Ltd against the granted tenements ML15/158, ML15/159 and ML15/160.

Part of the Long Complex is located on East Location 48, one of a number of freehold grants created in the Eastern Goldfields in the 1890's. The nature of these freehold grants confers a number of unique rights upon the owners and/or leaseholders of the property, including mineral ownership rights, and exemptions from rent, expenditure commitment (EC) and royalty payments. Native title has been extinguished on East Location 48. IG has access to an approximate 1.5 square kilometre area within East Location 48, as part of a lease arrangement. IG has lodged a caveat over the area to protect its interests.

INDEPENDENCE GOLD 100% PROJECTS

Tenement	Grant or Application Date	Expiry Date	Area (sq km)	Registered Holder or Applicant (%)	IG Interest (%)	EC ($)
Dalwallinu Project						
E70/2581	A - 22/04/03	n/a	222.0	IG (100.00)	100.00	n/a
E70/2582	A - 22/04/03	n/a	222.0	IG (100.00)	100.00	n/a
E70/2583	A - 22/04/03	n/a	222.0	IG (100.00)	100.00	n/a
E70/2584	A - 22/04/03	n/a	222.0	IG (100.00)	100.00	n/a
Sub-total			**888.0**			**n/a**
Gabanintha Project						
P51/2484	A - 27/08/03	n/a	1.8	IG (100.00)	100.00	n/a
P51/2485	A - 27/08/03	n/a	1.9	IG (100.00)	100.00	n/a
P51/2486	A - 27/08/03	n/a	1.8	IG (100.00)	100.00	n/a
P51/2487	A - 27/08/03	n/a	2.0	IG (100.00)	100.00	n/a
P51/2488	A - 27/08/03	n/a	1.5	IG (100.00)	100.00	n/a
P51/2489	A - 27/08/03	n/a	1.0	IG (100.00)	100.00	n/a
P51/2490	A - 27/08/03	n/a	2.0	IG (100.00)	100.00	n/a
P51/2491	A - 27/08/03	n/a	2.0	IG (100.00)	100.00	n/a
P51/2492	A - 27/08/03	n/a	2.0	IG (100.00)	100.00	n/a
Sub-total			**16.0**			**n/a**
Jeerinah Project						
E47/1072	G - 05/10/01	04/10/06	222.3	IG (100.00)	100.00	63,000
E47/1073	G - 18/09/01	17/09/06	222.3	IG (100.00)	100.00	63,000
Sub-total			**444.6**			**$126,000**
Murrin South Project						
P39/4286	A - 17/06/03	n/a	1.2	IG (100.00)	100.00	n/a
P39/4287	A - 17/06/03	n/a	1.2	IG (100.00)	100.00	n/a
P39/4288	A - 17/06/03	n/a	2.0	IG (100.00)	100.00	n/a
P39/4289	A - 17/06/03	n/a	2.0	IG (100.00)	100.00	n/a
P39/4290	A - 17/06/03	n/a	2.0	IG (100.00)	100.00	n/a
P39/4291	A - 17/06/03	n/a	2.0	IG (100.00)	100.00	n/a
P39/4292	A - 17/06/03	n/a	1.5	IG (100.00)	100.00	n/a
P39/4293	A - 17/06/03	n/a	2.0	IG (100.00)	100.00	n/a
P39/4294	A - 17/06/03	n/a	2.0	IG (100.00)	100.00	n/a
P39/4295	A - 17/06/03	n/a	2.0	IG (100.00)	100.00	n/a
P39/4296	A - 17/06/03	n/a	2.0	IG (100.00)	100.00	n/a
P39/4297	A - 20/06/03	n/a	2.0	IG (100.00)	100.00	n/a
P39/4298	A - 20/06/03	n/a	2.0	IG (100.00)	100.00	n/a
P39/4299	A - 20/06/03	n/a	2.0	IG (100.00)	100.00	n/a
P39/4301	A - 19/08/03	n/a	1.2	IG (100.00)	100.00	n/a
P39/4302	A - 19/08/03	n/a	1.2	IG (100.00)	100.00	n/a
P39/4303	A - 19/08/03	n/a	1.2	IG (100.00)	100.00	n/a
P39/4304	A - 19/08/03	n/a	1.2	IG (100.00)	100.00	n/a
P39/4305	A - 19/08/03	n/a	1.3	IG (100.00)	100.00	n/a
Sub-total			**32.0**			**n/a**
Wackilina Project						
E47/1204	G - 23/07/03	22/07/08	222.0	IG (100.00)	100.00	63,000
E47/1205	G - 23/07/03	22/07/08	222.0	IG (100.00)	100.00	59,400
ELA47/1245	A - 24/03/03	n/a	222.0	IG (100.00)	100.00	n/a
ELA47/1246	A - 24/03/03	n/a	211.0	IG (100.00)	100.00	n/a
ELA47/1295	A - 02/09/03	n/a	222.0	IG (100.00)	100.00	n/a
Sub-total			**1099.0**			**$122,400**
Yalgoo West Project						
E59/1025	G - 06/05/02	05/05/07	105.9	IG (100.00)	100.00	31,500
Total - Independence Gold 100% Projects			2585.5			**$279,900**

JOINT VENTURE PROJECTS

Chesterfield Joint Venture

Tenement [1,2]	Grant or Application Date	Expiry Date	Area (sq km)	Registered Holder or Applicant (%) [3]	IG Interest (%)	EC ($)
E51/830	G - 13/06/00	12/06/05	42.0	IG(51.00) & St Barbara (49.00)	Diluting to 20.0	20,000
E51/917	G - 28/05/01	27/05/06	144.6	IG(51.00) & St Barbara (49.00)	Diluting to 20.0	43,200
E51/1035	A - 19/12/02	n/a	45.0	IG (100.00)	Diluting to 20.0	n/a
M51/270	G - 16/12/88	15/12/09	0.3	IG(51.00) & St Barbara (49.00)	Diluting to 20.0	10,000
M51/353	G - 27/03/90	26/03/11	1.2	IG(51.00) & St Barbara (49.00)	Diluting to 20.0	12,000
M51/451	G - 11/11/92	10/11/13	0.2	IG(51.00) & St Barbara (49.00)	Diluting to 20.0	10,000
M51/650 [4]	A - 30/01/97	n/a	2.0	IG(51.00) & St Barbara (49.00)	Diluting to 20.0	n/a
P51/1441 [4]	G - 10/02/93	09/02/95	2.0	IG(51.00) & St Barbara (49.00)	Diluting to 20.0	8,000
Total - Chesterfield Joint Venture			**237.3**			**$103,200**

[1] Caveats have been lodged by IG against the granted tenements E51/830, E51/917, M51/270, M51/353, M51/451, P51/1441, P51/2163, M51/95 and M51/547.

[2] Aurex Consolidated Limited has the right to earn up to a 60% interest in the tenements by spending $400,000 on exploration prior to 30 June 2007, paying IG and St Barbara $250,000 each and sole funding exploration to completion of a pre-feasibility study into mining operations at the tenement.

[3] St Barbara refers to St. Barbara Mines Limited.

[4] M51/650 is a mining lease application for conversion of existing granted tenement P51/1441. Underlying tenement can continue to be explored until such time as M51/650 is granted. As such, only the existing tenement area and EC for P51/1441 have been included in the totals for the Chesterfield Project (to avoid double counting).

Dolphin Joint Venture

Tenement	Grant or Application Date	Expiry Date	Area (sq km)	Registered Holder or Applicant (%)	IG Interest (%)	EC ($)
Millidie Project [1]						
ELA52/1529	A - 20/09/00	n/a	216.8	Dolphin (10.00) & IG (90.00)	90.00	n/a
E52/1530	G - 21/02/02	20/02/07	216.6	Dolphin (10.00) & IG (90.00)	90.00	63,000
Total - Dolphin Joint Venture			**433.4**			**$63,000**

[1] Peak Hill Manganese Pty Ltd has exclusive rights to explore for manganese on the tenements and is responsible for meeting EC and managing all native title issues with respect to the Millidie Project.

Goldsworthy Joint Venture

Tenement [1,2]	Grant or Application Date	Expiry Date	Area (sq km)	Registered Holder or Applicant (%) [3]	IG Interest (%)	EC ($)
E45/2285	G - 08/05/02	07/05/07	39.0	Revesco (100.00)	80.00	20,000
E45/2286	G - 08/05/02	07/05/07	41.0	Revesco (100.00)	80.00	20,000
ELA45/2380	A - 01/02/02	n/a	225.4	IG (100.00)	80.00	n/a
ELA45/2381	A - 01/02/02	n/a	225.4	IG (100.00)	80.00	n/a
ELA45/2537	A - 01/09/03	n/a	192.0	IG (100.00)	80.00	n/a
ELA45/2538	A - 01/09/03	n/a	224.0	IG (100.00)	80.00	n/a
ELA45/2539	A - 01/09/03	n/a	224.0	IG (100.00)	80.00	n/a
ELA45/2540	A - 01/09/03	n/a	224.0	IG (100.00)	80.00	n/a
Total - Goldsworthy Joint Venture			**1,394.8**			**$40,000**

[1] Revesco refers to Revesco Group Limited.

[2] Independence Gold NL has the right to earn up to an 80% interest in the tenement by free carrying Revesco until completion of a pre-feasibility study.

Musgrave Joint Venture

Tenement [1,8]	Grant or Application Date	Expiry Date	Area (sq km)	Registered Holder or Applicant (%) [1]	IG Interest (%)	EC ($)
SA tenements						
EL2910 [2]	G - 02/04/02	01/04/07	1,673.0	Goldsearch (100.00)	Earning 51.00	190,000
EL3031 [3]	G - 17/10/02	17/10/07	469.0	Goldsearch (100.00)	Earning 51.00	75,000
ELA198/96	A - 16/05/96	n/a	714.0	Goldsearch (100.00) [4]	Earning 51.00	n/a
ELA260/96	A - 20/06/96	n/a	519.0	Goldsearch (100.00) [4]	Earning 51.00	n/a
ELA262/96	A - 20/06/96	n/a	463.0	Goldsearch (100.00) [4]	Earning 51.00	n/a
ELA336/96	A - 02/08/96	n/a	653.0	Miltonpak Pty Limited (100.00)	Earning 51.00	n/a
ELA337/96	A - 02/08/96	n/a	1,854.0	Miltonpak Pty Limited (100.00)	Earning 51.00	n/a
ELA338/96	A - 02/08/96	n/a	620.0	Miltonpak Pty Limited (100.00)	Earning 51.00	n/a
ELA339/96	A - 02/08/96	n/a	1,301.0	Miltonpak Pty Limited (100.00)	Earning 51.00	n/a
ELA340/96	A - 02/08/96	n/a	2,198.0	Goldsearch (100.00)	Earning 51.00	n/a
ELA341/96	A - 02/08/96	n/a	1,230.0	Goldsearch (100.00)	Earning 51.00	n/a
ELA342/96	A - 02/08/96	n/a	2,136.0	Goldsearch (100.00)	Earning 51.00	n/a
ELA343/96	A - 02/08/96	n/a	1,906.0	Goldsearch (100.00)	Earning 51.00	n/a
ELA534/96	A - 05/11/96	n/a	1,783.0	Caytale Pty Limited (100.00)	Earning 51.00	n/a
ELA35/99	A - 22/03/99	n/a	692.0	Goldsearch (100.00)	Earning 51.00	n/a
Sub-total			**18,211.0**			**$265,000**
NT tenements						
ELA5701	A - 24/08/87	n/a	1,559.0	AL (100.00) [6]	Earning 38.25	n/a
EL5702	G - 14/01/02	13/01/08	311.1	AL (100.00) [6]	Earning 38.25	10,000
ELA5703	A - 24/08/87	n/a	1,559.0	AL (100.00) [6]	Earning 38.25	n/a
EL9407 [5]	G - 13/12/01	12/12/07	1,225.0	Chiljill Pty Limited (100.00)	Earning 51.00	35,000
EL9443 [5]	G - 14/01/02	13/01/08	280.0	AL (100.00) [6]	Earning 38.25	50,000
ELA23783 [7]	A - 24/08/87	n/a	19.3	AL (100.00) [6]	Earning 38.25	n/a
ELA23785 [7]	A - 24/08/87	n/a	386.4	AL (100.00) [6]	Earning 38.25	n/a
ELA23786 [7]	A - 24/08/87	n/a	1181.7	AL (100.00) [6]	Earning 38.25	n/a
Sub-total			**6,521.5**			**$95,000**
Total - Musgrave Joint Venture			**24,732.5**			**$360,000**

[1] Goldsearch refers to Goldsearch Limited; A refers to James Allender, H refers to Anthony Hosking and L refers to Anthony Le Brun (in combinations thereof).

[2] Formerly EL2245.

[3] Formerly EL2435.

[4] Goldsearch now hold a 100% interest in the tenement following confirmation from Primary Industries and Resources SA that Tjuiangnu Pty Ltd has been removed from the application.

[5] Caveats have been lodged by IG and AL against granted tenements EL9407 and EL9443.

[6] AHL's interests in the tenement are in equal proportions. Goldsearch has entered into a Farm-in and Joint Venture Agreement with AHL, dated 8 April 1998, to acquire up to a 75% interest in the tenement.

[7] These tenements are re-pegged partial areas of EL5701 & 5703 and have been vetoed until 02/01/08.

[8] Independence can earn a 51% interest in the relative interest of Goldsearch by keeping the tenements in good standing for at least two years and by spending $2 million on exploration over an unlimited period.

Tropicana East Joint Venture

Tenement	Grant or Application Date	Expiry Date	Area (sq km)	Registered Holder or Applicant (%) [1]	IG Interest (%)	EC ($)
E39/951	G - 21/08/02	20/08/07	209.5	Southstar (25.00) & IG (75.00) [2]	Diluting to 30.0	63,000
E39/952	G - 21/08/02	20/08/07	209.6	Southstar (25.00) & IG (75.00) [2]	Diluting to 30.0	61,200
E39/954	G - 21/08/02	20/08/07	209.9	Southstar (25.00) & IG (75.00) [2]	Diluting to 30.0	63,000
E39/956	G - 21/08/02	20/08/07	225.4	Southstar (25.00) & IG (75.00) [2]	Diluting to 30.0	63,000
ELA39/1008	A - 01/05/03	n/a	209.0	Southstar (25.00) & IG (75.00) [2]	Diluting to 30.0	n/a
ELA39/1009	A - 01/05/03	n/a	209.0	Southstar (25.00) & IG (75.00) [2]	Diluting to 30.0	n/a
ELA39/1010	A - 01/05/03	n/a	209.0	Southstar (25.00) & IG (75.00) [2]	Diluting to 30.0	n/a
ELA39/1037	A - 28/07/03	n/a	159.0	Southstar (25.00) & IG (75.00) [2]	Diluting to 30.0	n/a
ELA39/1038	A - 28/07/03	n/a	210.0	Southstar (25.00) & IG (75.00) [2]	Diluting to 30.0	n/a
ELA39/1039	A - 28/07/03	n/a	210.0	Southstar (25.00) & IG (75.00) [2]	Diluting to 30.0	n/a
ELA39/1040	A - 28/07/03	n/a	210.0	Southstar (25.00) & IG (75.00) [2]	Diluting to 30.0	n/a
ELA39/1041	A - 28/07/03	n/a	210.0	Southstar (25.00) & IG (75.00) [2]	Diluting to 30.0	n/a
ELA39/1042	A - 28/07/03	n/a	129.0	Southstar (25.00) & IG (75.00) [2]	Diluting to 30.0	n/a
ELA39/1043	A - 28/07/03	n/a	153.0	Southstar (25.00) & IG (75.00) [2]	Diluting to 30.0	n/a
ELA39/1044	A - 31/07/03	n/a	6.1	Southstar (25.00) & IG (75.00) [2]	Diluting to 30.0	n/a
ELA28/1354	A - 04/07/03	n/a	206.8	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1355	A - 04/07/03	n/a	159.3	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1356	A - 04/07/03	n/a	206.3	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1357	A - 04/07/03	n/a	206.1	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1358	A - 04/07/03	n/a	206.0	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1359	A - 04/07/03	n/a	205.8	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1360	A - 04/07/03	n/a	205.7	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1361	A - 04/07/03	n/a	205.5	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1362	A - 04/07/03	n/a	187.8	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1363	A - 04/07/03	n/a	206.8	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1364	A - 04/07/03	n/a	206.8	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1365	A - 04/07/03	n/a	207.4	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1366	A - 04/07/03	n/a	207.0	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1367	A - 04/07/03	n/a	207.7	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1368	A - 04/07/03	n/a	207.8	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1369	A - 04/07/03	n/a	207.6	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1370	A - 04/07/03	n/a	207.4	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1371	A - 04/07/03	n/a	207.1	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1372	A - 04/07/03	n/a	207.6	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1373	A - 04/07/03	n/a	207.3	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA28/1374	A - 04/07/03	n/a	207.1	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA38/1588	A - 15/05/03	n/a	209.0	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA39/1012	A - 15/05/03	n/a	209.0	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA39/1013	A - 15/05/03	n/a	209.0	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA39/1016	A - 16/06/03	n/a	3.2	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA39/1027	A - 04/07/03	n/a	208.0	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA39/1028	A - 04/07/03	n/a	208.0	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA39/1029	A - 04/07/03	n/a	208.0	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
ELA39/1030	A - 04/07/03	n/a	89.2	AngloGold Australia Limited (100.00) [3]	Diluting to 30.0	n/a
Total - Tropicana East Joint Venture			8338.8			$250,200

[1] Southstar refers to Southstar Resources Limited. On 16 December 2002 Southstar changed its name to Southstar Diamonds Limited.

[2] IG and Southstar are dual applicants in the tenement. AngloGold Australia Limited has the right to earn up to a 70% interest in the tenements by spending up to $2 million from the date the last tenement is granted, subject to certain conditions.

[3] AngloGold Australia Limited is the applicant of the tenement. This tenement is subject to a signed amendment to the Tropicana East Joint Venture Agreement whereby the interest in the tenements is subject to the same conditions as those held in the name of Southstar and IG.

WMC DIAMOND DIVISION DATABASE PROJECTS

Tenement	Grant or Application Date	Expiry Date	Area (sq km)	Registered Holder or Applicant (%)	IG Interest (%)	EC ($)
Benari Project						
ELA15/760	A - 03/04/02	n/a	115.9	Southstar (25.00) & IG (75.00)	100.0	n/a
Castle Creek Project [4]						
ELA80/2693	A - 15/01/01	n/a	228.5	Southstar (25.00) & IG (75.00)	Diluting to 30.0	n/a
Denison Range Project [6]						
ELA80/3067	A - 31/05/02	n/a	122.4	Southstar (25.00) & IG (75.00)	25.00	n/a
ELA80/3068	A - 31/05/02	n/a	212.5	Southstar (25.00) & IG (75.00)	25.00	n/a
ELA80/2907	A - 05/03/03	n/a	157.0	Eclipse Minerals Ltd (100.00)	25.00	n/a
Sub-total			**491.9**			**n/a**
Mt Isdell Project [5]						
ELA45/2541	A-13/09/02	n/a	222.0	Southstar (25.00) & IG (75.00)	100.0	n/a
ELA45/2542	A-13/09/02	n/a	222.0	Southstar (25.00) & IG (75.00)	100.0	n/a
Sub-total			**444.0**			**n/a**
Nambi Project [2,5]						
ELA37/690	A - 22/05/01	n/a	211.9	Southstar (25.00) & IG (75.00)	100.0	n/a
Prairie Downs Project						
ELA52/1693	A-24/03/03	n/a	222.0	Southstar (25.00) & IG (75.00)	100.0	n/a
Tamarin Project						
E77/1108	G - 16/04/03	15/04/08	144.9	Southstar (25.00) & IG (75.00)	100.0	40,500
Thadoona Hill Project [3]						
ELA52/1696	A-14/05/03	n/a	222.0	Southstar (25.00) & IG (75.00)	100.0	n/a
Tropicana West Project						
ELA38/1463	A - 26/09/01	n/a	210.2	Southstar (25.00) & IG (75.00)	100.0	n/a
ELA38/1464	A - 26/09/01	n/a	210.3	Southstar (25.00) & IG (75.00)	100.0	n/a
ELA38/1465	A - 26/09/01	n/a	204.0	Southstar (25.00) & IG (75.00)	100.0	n/a
E39/948	G - 17/09/03	17/09/08	208.7	Southstar (25.00) & IG (75.00)	100.0	63,000
E39/949	G - 17/09/03	17/09/08	209.1	Southstar (25.00) & IG (75.00)	100.0	63,000
E39/950	G - 17/09/03	17/09/08	209.5	Southstar (25.00) & IG (75.00)	100.0	63,000
E39/953	G - 17/09/03	17/09/08	209.8	Southstar (25.00) & IG (75.00)	100.0	63,000
Sub-total			**1461.6**			**252,000**
Total - WMC Diamond Division Database Projects			**3542.7**			**$292,500**

[1] Southstar refers to Southstar Resources Limited. On 16 December 2002 Southstar changed its name to Southstar Diamonds Limited.

[2] IG and Southstar have entered into an access deed with Murrin Murrin Holdings Pty Ltd (MM) and Glenmurrin Pty Ltd (GM) that ensures MM's and GM's rights are protected from any injurious affection by the grant of E37/690.

[3] IG and Southstar have entered into an access deed with Plutonic Operations Pty Ltd (PO) that ensures PO's rights are protected from any injurious affection by the grant of E52/1696.

[4] IG and Southstar are dual applicants in the tenement. Sipa Exploration NL has the right to earn up to a 60% interest in the tenement by completing, at its cost, a pre-feasibility study within 6 years of the date of tenement grant. IG also has an indirect tenement interest of 5% (ie, effective interest of 35%).

[5] Southstar has a 100% interest in diamonds in the tenements. IG has an indirect 50% diamond interest through its shareholding in Southstar.

[6] Eclipse Minerals Ltd has a 75% interest in the tenements by free carrying IG to the completion of a pre-feasibility study. Eclipse Minerals Ltd is wholly owned by Polaris Metals NL.

General Notes

- G refers to granted and A refers to application (ie, not yet granted). IG Interest refers to an existing interest in the tenement held by IG or a right to earn an interest in the existing registered holder's interest in the tenement. EC refers to the statutory minimum annual expenditure commitment for granted tenements. Should all of the applications be granted, IG is not likely to have the financial capability to meet the total EC and may attempt to raise additional capital (by either stock placement, third party financing or joint venture arrangements) to meet these requirements. Please note that granted tenements are also subject to annual rent expenses.

- A number of the mineral tenements in which IG has an interest or potential interest are over land the subject of one or more native title claims. This may result in delays in obtaining (or prevent) the grant of tenement applications, renewals or conversions, an inability to progress from the exploration phase to the development and mining phases of operation, and/or a requirement to pay compensation. The existence of Aboriginal sites on the land under the mineral tenements in which the Company has an interest or potential interest may preclude or limit mining activities or result in fines or other penalties should site disturbances occur. It is difficult to quantify the financial or other impact (if any) that these matters may have on the Company's operations, financial position and performance. The Company believes that there are presently no native title or aboriginal heritage issues at the Long Complex. There is no guarantee that applications, conversions or renewals for the mineral tenements in which the Company has an interest or potential interest will be granted.

This schedule comprises the results from, and relies on the accuracy of, searches of the registers and databases maintained by the Department of Mineral and Petroleum Resources - Western Australia, Primary Industries and Resources SA (South Australia), and Department of Business, Industry and Resources (Northern Territory) undertaken in July 2002.

CORPORATE GOVERNANCE STATEMENT

Board Composition

Under the Company's Constitution, the company is required to have a Board consisting of at least 3 and no more than 10 directors. If the company has 3 or more directors, one third of the Directors, with the exception of the Managing Director, must retire and seek re-election at the Annual General Meeting each year.

The Board of the company currently consists of 2 non-executive directors and 2 executive directors. This includes the Managing Director (executive) and the Chairman (non-executive).

The Board composition does not comply with ASX recommendations, in that a majority of directors are not independent. However, the roles of Chairman and Chief Executive Officer (or Managing Director) are not exercised by the same person, and the Board is considered to comprise directors with the experience and qualifications best suited to the company's size and range of activities.

Directors of the company during the financial year and other information pertaining to individual directors is included in the Directors' Report on page 48.

Board members have the right to seek independent professional advice in the furtherance of their duties as directors at the company's expense.

Risk Management

The Board is responsible for the identification of significant areas of business risk, implementing procedures to manage such risks and developing policies regarding the establishment and maintenance of appropriate ethical standards to:

- ensure compliance in legal, statutory and ethical matters;
- monitor the business environment;
- identify business risk areas;
- identify business opportunities; and
- monitor systems established to ensure prompt and appropriate responses to shareholder complaints and enquiries.

The Board meets on a regular basis.

The Managing Director and Company Secretary are required to state in writing to the Board that the company's financial reports present a true and fair view of the company's financial condition and that operational results are reported in accordance with relevant accounting standards.

Audit Committee

The company has established an Audit Committee which is responsible for the following:

- oversee the existence and maintenance of internal controls and accounting systems, including the implementation of mandatory and non-mandatory accounting policies and reporting requirements;
- oversee the financial reporting process, including reviewing and reporting to the Board on the accuracy of all financial reports lodged with ASX which include the quarterly, half-yearly and annual financial reports;
- recommendations to the Board regarding the nomination, removal and remuneration of the external auditors; and
- review the existing external audit arrangements, including ensuring that any non-audit services provided do not impair auditor independence.

The Audit Committee meets and reports to the Board as required, but in any case at least twice each year, and its members are Chris Bonwick, Kelly Ross and John Christie. Chris Bonwick is a geologist with corporate experience, and Kelly Ross and John Christie are qualified accountants with considerable financial experience. The Committee has authority to seek any pertinent information it requires from any employee or external party.

The Audit Committee does not comply with ASX recommendations, as the members are not independent and not all members are non-executive directors. The Audit Committee is comprised of those directors the Board considers best qualified to carry out the responsibilities required of an audit committee and it is company policy that the Committee must comprise at least 3 members.

Any member of the Committee is able, and obliged, to bring any matter to the attention of the Board where the member believes the matter has not been adequately dealt with by the Committee, or is of significant importance that the Board should be informed.

The Audit Committee Charter is available on the company's website.

Hedging Committee

The company has established a Hedging Committee to make recommendations to the Board on hedging policies and to maintain the hedging portfolio.

The members of the Hedging Committee at the date of this report are Kelly Ross and John Christie.

Procedure for the Selection of New Directors

The company believes it is not of a size to justify having a Nomination Committee. If any vacancies arise on the Board, all directors are involved in the search and recruitment of a replacement.

Corporate performance is enhanced when the Board has an appropriate mix of skills and experience. The Board is evaluated before a candidate is selected to join the Board. Candidates are nominated by existing Board members and independent search consultants are also utilised if necessary. Where a director nominates a candidate for the Board, the director must disclose any pre-existing relationship with the nominee.

New directors are provided with a letter of appointment setting out their responsibilities and rights, and are provided with a copy of the company's Constitution.

The full policy is available on the company's website.

CORPORATE GOVERNANCE STATEMENT

Remuneration of Board Members

The company has established a Remuneration Committee to oversee the company's remuneration of senior executives and directors. The Remuneration Committee must consist of at least 2 non-executive directors. At the date of this report, the committee members are Rod Marston and John Christie.

The Committee reviews executive and senior management remuneration and other terms of employment annually, having regard to performance, relative industry remuneration levels, and where appropriate, the Committee seeks independent advice to ensure appropriate remuneration levels are in place.

The remuneration of non-executive directors is determined by the Board within the maximum amount approved by shareholders in general meeting. Non-executive directors are not entitled to retirement benefits other than statutory superannuation or other statutory required benefits. Non-executive directors do not participate in share or bonus schemes designed for executive directors or employees.

Non-executive directors may provide consulting services to the company, which are over and above the service normally provided by a non-executive director in the performance of their duty as a member of the Board. Where the company requests that specific projects are investigated by a non-executive director that fall outside their normal duties as a director, additional services may be charged to the company, at a rate approved by the Board.

No director may be involved in setting their own remuneration or terms and conditions.

Disclosure of Information to ASX and Investors

The company has established policies and procedures relating to the disclosure of information to interested parties. These policies and procedures are contained in the Corporate Governance section of the company's website.

These policies include the following:-

- Board and Management Responsibilities
- Audit Committee
- Compliance with ASX Disclosure Requirements
- Communication with Shareholders
- Nomination of Directors
- Directors' and Officers' Trading in Securities

DIRECTORS' REPORT

Your directors present their report on the company and its controlled entities for the financial year ended 30 June 2003.

Directors

The names of directors in office at any time during or since the end of the year are:

Mr Christopher Bonwick

Mr Rod Marston

Ms Kelly Ross (appointed 13 September 2002)

Mr Jeffrey Schiller (resigned 2 September 2002)

Mr John Christie (appointed 24 October 2002. Previously Alternate for Mr Rod Marston)

Mr Keith Docking (resigned 20 August 2003)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of the economic entity during the financial year were mineral exploration and nickel mining.

In October 2002 mining activities commenced at the company's Long Nickel Mine.

There were no other significant changes in principal activities during the financial year.

Operating Results

The consolidated profit of the economic entity after providing for income tax amounted to $1,398,278 (2002: Loss $1,488,542).

Dividends Paid or Recommended

No dividends were paid or declared for payment, and no dividend is recommended in respect of the year ended 30 June 2003. No franking credits are currently available.

Review of Operations

The economic entity focused on the Long Nickel Mine operation which was acquired during the year. The economic entity concentrated its exploration activities on various targets provided by assay indicators from the WMC Diamond Division Database. A summary of activities during the year is in the Exploration and Operations sections of this report.

Significant Changes in State of Affairs

The following significant changes in the state of affairs of the economic entity occurred during the financial year:

On 17 September 2002 the parent entity's subsidiary Lightning Nickel Pty Ltd, acquired the Long/Victor mine complex and associated assets ("the Project") from WMC Resources Ltd. The cost of the acquisition was $15 million, comprising a deposit of $1,500,000 paid on 2 July 2002 and a cash payment of $13,500,000 on 17 September 2002.

The assets purchased comprise the Long Shaft, Victor Decline and a portion of Lease block Location 48, via a 10 year lease agreement with WMC Resources Ltd. Other assets purchased outright are Mineral Leases 15/158, 15/159 and 15/160, and various plant and equipment. The acquisition entitles Lightning Nickel Pty Ltd to mine nickel ore from the Project area, which it must then sell to WMC Resources Ltd. Payment is restricted to nickel and copper in concentrates only, as WMC Resources Ltd has transferred the rights to mine any gold ore within the Project area to Gold Fields South Africa.

Under the terms of the acquisition, WMC Resources Ltd pays Lightning Nickel Pty Ltd for between 63 and 65% of the nickel and copper in concentrates delivered to its Kambalda Nickel Operations Concentrator.

The acquisition was partly funded via a finance facility provided by Bank of Western Australia ("BankWest") of $10 million. BankWest have also provided a working capital facility of $3 million, and a facility to cover environmental bonds of up to $2 million. The parent entity also issued 20,600,000 fully paid ordinary shares via a placement to raise $7.004 million to assist in the funding of Lightning Nickel Pty Ltd's acquisition of the Project.

Production commenced in late October 2002, with the first cash flow from the operation received in December 2002.

Environmental Issues

The economic entity's operations are subject to significant environmental regulation under the laws of the Commonwealth and State. During the year there were no non-compliance incidents.

After Balance Date Events

The company is negotiating a facility with a banking institution which may replace the BankWest loan facilities in place at the end of the financial year.

The company is seeking shareholder approval for a change of name to Independence Group NL.

No other matter or circumstance has arisen since the end of the financial year which significantly affected or may significant affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

Future Developments

The likely developments in the operations of the economic entity and the expected results of those operations in future financial years are as follows:

- The exploration of existing project areas in the search for gold, nickel, platinoids, copper and zinc.
- The production of nickel and copper from the Long Nickel Mine providing cash flow to fund further exploration in the Long Project area, as well as to provide funding to enable an acceleration of exploration programs planned throughout Australia.

DIRECTORS' REPORT

The Board anticipates that the Long Project cash flow will allow the economic entity to vigorously explore existing tenement interests, as well as providing the opportunity to develop any discoveries to their full potential.

Information on Directors

Rod Marston	Chairman (Non-executive) Age 60
Qualifications	BSc(Hons), PhD, MAusIMM, MSEG
Experience	Board member since 2001. Chairman since 20 August 2003.
Special Responsibilities	Dr Marston is on the Remuneration Committee.
Christopher Bonwick	Managing Director (Executive) Age 44
Qualifications	BSc (Hons), MAusIMM
Experience	Managing Director and Board member since 2000.
Special Responsibilities	Mr Bonwick is the executive in charge of operations and corporate development. He is also on the Audit Committee.
Kelly Ross	Director (Executive) Age 41
Qualifications	BBus, CPA
Experience	Board member appointed 13 September 2002.
Special Responsibilities	Ms Ross is the Company Secretary, and is on the Audit and Hedging Committees.
John Christie	Director (Non-executive) Age 65
Qualifications	CPA, ACIS
Experience	Board member appointed 24 October 2002.
Special Responsibilities	Mr Christie is on the Remuneration, Audit and Hedging Committees.

Directors' Interest in Shares and Options

Director	Ordinary Fully Paid Shares	Contributing Ordinary Shares (10 cents unpaid)	Fully Paid Options	Unlisted Options
Mr C Bonwick	2,448,004	2,500,000	1,415,002	
	2,000,000 (i)		1,000,000 (i)	
Mr R Marston	150,000		40,000	
Ms K Ross	10,000	300,000	125,000	300,000 (ii)
Mr J Christie	180,000		40,000	
TOTALS	2,788,004	2,800,000	1,620,002	300,000 (ii)
	2,000,000 (i)		1,000,000 (i)	

(i) Director Christopher Bonwick is a director and shareholder of Independence Mining Exploration NL and therefore has an indirect interest in the shares and options held by that company as shown above.

(ii) The options were issued under the Employee Share Plan, and are exercisable at 34 cents each after certain dates have lapsed. The options were issued prior to Kelly Ross being appointed as a director of the company.

Details of the terms and conditions for these securities are disclosed in Note 22 to the financial statements in this report and in Note 8 of Additional Information for Listed Public Companies on page 73.

Directors' and Executive Officers' Emoluments

The company's policy for determining the nature and amount of emoluments of Board members and senior executives of the company is set out in the Corporate Governance section of this report.

The remuneration structure for executive officers, including executive directors, seeks to emphasise payment for results through providing various reward schemes, including bonus and employee option schemes.

The objective of the reward schemes is to both reinforce the short and long term goals of the company and to provide a common interest between management and shareholders.

The remuneration of non-executive directors is fixed to encourage impartiality, high ethical standards and independence on the Board.

The emoluments of each director are as follows:

Directors of Parent Entity	Salary $	Director's Fees $	Service Fees $	Superannuation Contributions $	Non-Cash Benefits $	Total $
Keith Docking			75,836	43,750		119,586
Chris Bonwick			191,872		24,359	216,231
Rod Marston		11,250	5,000			16,250
Kelly Ross [i]	92,484			8,458	9,730	110,672
Jeffrey Schiller	51,301			5,277	15,306	71,884
John Christie		17,170	56,440			73,610

[i] Director Kelly Ross was appointed during the financial year. Only remuneration paid to K Ross whilst holding directorship has been included.

Meetings of Directors

During the financial year, 29 meetings of directors (including committees of directors) were held. The number of meetings attended by each director during the year is as follows:

	DIRECTORS' MEETINGS		REMUNERATION COMMITTEE		AUDIT COMMITTEE		HEDGING COMMITTEE	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Keith Docking	9	9	15	15			1	1
Christopher Bonwick	9	9			4	4		
Rod Marston	9	8	15	15				
Kelly Ross	8	8			4	4	1	1
John Christie	8	8			4	4	1	1

Options

Options that were granted over unissued shares during or since the end of the financial year by the company to directors or any of the five most highly remunerated officers as part of their remuneration are as follows:

Options granted under the Independence Gold NL employee option plan include:

- 300,000 options for ordinary shares granted to Kelly Ross at an exercise price of 34 cents.

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Employees

The economic entity had 75 employees at the end of the financial year (2002: 4).

Indemnifying Officers or Auditor

During or since the end of the financial year the company has given an indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

The company has paid premiums to insure each of the following directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company. The amount of the premium was $2,192 for each director: Christopher Bonwick, Rod Marston, Kelly Ross, Keith Docking and John Christie.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Rounding of Amounts

The company is of a kind referred to in Class Order 98/0100 issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the directors' report. Amounts have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Signed in accordance with a resolution of the Board of Directors.

C M Bonwick
Managing Director

Dated this 24th day of September 2003

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2003

	Note	Economic Entity 2003 $'000	Economic Entity 2002 $'000	Parent Entity 2003 $'000	Parent Entity 2002 $'000
Revenues from ordinary activities	2	24,649	58	673	58
Mining and development costs		(8,123)	-	-	-
Employee costs		(4,513)	(161)	(253)	(161)
Depreciation and amortisation expense		(3,757)	(11)	(30)	(11)
Borrowing cost expense	3	(1,042)	(2)	-	(2)
Royalty expense		(773)	-	-	-
Ore tolling costs		(2,658)	-	-	-
Exploration costs written off		(1,286)	(928)	(1,286)	(928)
Other expenses from ordinary activities		(1,114)	(443)	(861)	(443)
Profit from ordinary activities before income tax expense		1,383	(1,489)	(1,757)	(1,489)
Income tax benefit/(expense) relating to ordinary activities	4	15	-	1,015	-
Profit from ordinary activities after related income tax expense		1,398	(1,489)	(742)	(1,489)
Basic earnings per share (cents per share)	7	2.13	(3.8)		
Diluted earnings per share (cents per share)	7	1.80	(3.8)		

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2003

	Note	Economic Entity 2003 $'000	Economic Entity 2002 $'000	Parent Entity 2003 $'000	Parent Entity 2002 $'000
CURRENT ASSETS					
Cash assets	8	4,041	2,410	547	2,410
Receivables	9	5,691	74	68	74
Inventories	10	41	-	-	-
Other	12	14,460	-	-	-
TOTAL CURRENT ASSETS		24,233	2,484	615	2,484
NON-CURRENT ASSETS					
Receivables	9	1,001	20	6,965	248
Deferred tax assets	11	3,535	-	1,380	-
Investments	13	561	555	561	555
Property, plant and equipment	15	8,608	106	105	106
Exploration and development expenditure	16	11,590	1,255	1,215	1,027
Mine acquisition and pre-production costs	17	2,733	-	-	-
Other	12	7	3	-	3
TOTAL NON-CURRENT ASSETS		28,035	1,939	10,226	1,939
TOTAL ASSETS		52,268	4,423	10,841	4,423
CURRENT LIABILITIES					
Payables	18	4,577	273	333	273
Interest bearing liabilities	19	4,738	-	-	-
Other	21	14,697	7	7	7
TOTAL CURRENT LIABILITIES		24,012	280	340	280
NON-CURRENT LIABILITIES					
Interest bearing liabilities	19	12,460	-	-	-
Deferred tax liabilities	20	3,520	-	365	
TOTAL NON-CURRENT LIABILITIES		15,980	-	365	-
TOTAL LIABILITIES		39,992	280	705	280
NET ASSETS		12,276	4,143	10,136	4,143
EQUITY					
Contributed equity	22	12,549	5,814	12,549	5,814
Accumulated losses	23	(273)	(1,671)	(2,413)	(1,671)
TOTAL EQUITY		12,276	4,143	10,136	4,143

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

AS AT 30 JUNE 2003

	Note	Economic Entity 2003 $'000	Economic Entity 2002 $'000	Parent Entity 2003 $'000	Parent Entity 2002 $'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		19,139	-	602	-
Other receipts		-	3	-	3
Payments of rental deposit		-	(20)	-	(20)
Payments to suppliers and employees		(12,969)	(809)	(1,045)	(809)
Interest received		94	55	72	55
Borrowing costs		(1,042)	(2)	-	(2)
GST refunded from ATO		74	197	(2)	197
Net cash provided by (used in) operating activities	26a	5,296	(576)	(373)	(576)
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipts from repayment of borrowings		-	10	-	10
Purchase of property, plant and equipment		(5,177)	(116)	(29)	(116)
Payments relating to acquisition and investments		(5)	(45)	(5)	(45)
Payments relating to mine development		(3,660)	-	-	-
Payment of bonds to acquire property, plant and equipment		(980)	-	-	-
Loan to subsidiary		-	(228)	(6,716)	(228)
Payments for exploration and evaluation expenditure		(12,329)	(1,025)	(1,475)	(1,025)
Net cash provided by (used in) investing activities		(22,151)	(1,404)	(8,225)	(1,404)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares		7,009	4,674	7,009	4,674
Share buy back payment		-	(24)	-	(24)
Costs associated with issue of shares		(274)	(470)	(274)	(470)
Proceeds from borrowings		13,000	100	-	100
Repayment of borrowings		(1,249)	(100)	-	(100)
Net cash provided by (used in) financing activities		18,486	4,180	6,735	4,180
Net increase/(decrease) in cash held		1,631	2,200	(1,863)	2,200
Cash at beginning of year		2,410	210	2,410	210
Cash at end of year	8	4,041	2,410	547	2,410

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report covers the economic entity of Independence Gold NL and controlled entities. Independence Gold NL is a listed public company, incorporated and domiciled in Australia.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a. Principles of Consolidation

A controlled entity is any entity controlled by Independence Gold NL. Control exists where Independence Gold NL has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with Independence Gold NL to achieve the objectives of Independence Gold NL. A list of controlled entities is contained in Note 14 to the financial statements.

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation. Where controlled entities have entered or left the economic entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

b. Income Tax

The company adopts the liability method of tax-effect accounting whereby the income tax expense is based on the profit from ordinary activities adjusted for any permanent differences.

Timing differences which arise due to the different accounting periods in which items of revenue and expense are included in the determination of accounting profit and taxable income are brought to account as either a provision for deferred income tax or as a future income tax benefit at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

c. Investments

Non-current investments are measured on the cost basis. The carrying amount of non-current investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for listed investments or the underlying net assets for other non-listed investments. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting.

d. Interests in Joint Ventures

The company's share of the assets, liabilities, revenue and expenses of joint venture operations are included in the appropriate items of the statements of financial performance and financial position. Details of the economic entity's interests, if any, are shown in Note 13.

The company's interests in joint venture entities, if any, are brought to account at cost using the equity method of accounting in the financial statements.

e. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets excluding freehold land, is depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use.

The useful lives for each class of depreciable assets are:

Class of Fixed Asset	Useful Life
Office furniture and equipment	3-5 years
Mine plant and equipment	2-5 years

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

Refer to notes 1(g) for the amortisation policy applying to exploration and development costs and note 1(t) for the policy applying to the amortisation of pre-production and acquisition costs.

Recoverable Amount

The recoverable amount of an asset is the net amount expected to be recovered through the net cash inflows arising from its continued use and subsequent disposal. The expected net cash flows included in determining recoverable amounts of non-current assets are not discounted to their present values.

Where the carrying amount of a non-current asset is greater than its recoverable amount, the asset is devalued to its recoverable amount. The decrement is recognised as an expense in the statement of financial performance. Where net cash inflows are derived from a group of assets working together, recoverable amount is determined on the basis of the relevant group of assets.

f. Leased Non-Current Assets

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. Lease incentives under operating leases are recognised as a liability.

Finance leases are capitalised. A lease asset and liability are established at the present value of minimum lease payments. Lease payments are allocated between the principal and the interest component of the payment. The leased asset is depreciated over its useful life.

g. Exploration and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A review is undertaken of each area of interest on a quarterly basis to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

When further development expenditure is incurred in respect of a mine property after the commencement of production, such expenditure is carried forward as part of development costs only when future economic benefits are established, otherwise such expenditure is classified as part of the cost of production.

Amortisation of costs are provided on the unit-of-production method with separate calculations being made for each mineral resource. The unit-of-production basis results in an amortisation charge proportional to the depletion of the economically recoverable mineral reserves.

The net carrying value of each mine property is reviewed regularly. If this value exceeds its recoverable amount, the excess is either fully provided against or written off in the financial year in which this is determined.

h. Restoration and Rehabilitation Expenditure

Restoration and rehabilitation costs necessitated by exploration, evaluation and mining activities are charged to costs of production on a gradual basis over the life of the economically recoverable resources. These costs include the cost of revegetation, plant and waste site closure and subsequent monitoring of the environment. Costs are estimated on the basis of current undiscounted costs, current legal requirements and current technology.

i. Employee Entitlements

Provision is made for the company's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the economic entity to employee superannuation funds and are charged as expenses when incurred.

j. Cash

For the purpose of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts.

k. Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

l. Revenue

Sales revenue comprises revenue earned from the provision of products to entities outside the economic entity. Sales revenue is recognised when the product is delivered and risk has been passed to the customer.

Sales revenue represents gross proceeds receivable from the customer. Sales are initially recognised at estimated sales value when the product is delivered. Adjustments are made for variations in metal price, assay, weight and currency between the time of shipment and the time of final settlement of sales proceeds.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

m. Payables

These amounts represent liabilities for goods and services provided to the economic entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

n. Receivables

Receivables represents GST recoverable together with trade debtors and monies held on deposit. All receivables are recognised at the full value of the amount receivable.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision is raised where there is some doubt as to the collectability of a debt.

o. Earnings per share

The economic entity has applied AASB 1027 Earnings Per Share (issued June 2001).

Basic Earnings per Share

Basic EPS earnings are calculated using net profit or loss after income tax attributable to members of the company.

Diluted earnings per Share

Diluted EPS earnings are calculated by adjusting the basic EPS earnings for the after tax effect of financing costs and the effect of conversion to ordinary shares associated with dilutive potential ordinary shares, rather than the notional earnings on the funds that would have been received by the entity had the potential ordinary shares been converted.

The diluted EPS weighted average number of shares includes the number of ordinary shares assumed to be issued for no consideration in relation to dilutive potential ordinary shares, rather than the total number of dilutive potential ordinary shares. The number of ordinary shared assumed to be issued for no consideration represents the difference between the number that would have been issued at the exercise price and the number that would have been issued at the average market price.

The identification of dilutive potential ordinary shares is based on net profit or loss from continuing ordinary operations, and is applied on a cumulative basis, taking into account the incremental earnings and incremental number of shares for each series of potential ordinary share.

Where diluted earnings per share are not dilutive, they are not disclosed.

p. Foreign Currency Transactions

Foreign currency transactions are initially converted to Australian currency at the rate of exchange ruling at the date of each transaction. At balance date amounts payable and receivable in foreign currencies are translated to Australian currency at rates of exchange current at that date. Resulting exchange differences are recognised in determining the profit or loss for the year in the statement of financial performance.

(i) Specific Commitments

Hedging is undertaken in order to avoid or minimise possible adverse financial effects of movements in exchange rates. Gains or costs arising upon entry into a hedging transaction intended to hedge the purchase or sale of goods or services, together with subsequent exchange gains or losses resulting from those transactions are deferred to the date of the purchase or sale and included in the measurement of the purchase or sale. In the case of hedges of monetary items, exchange gains or losses are brought to account in the financial year in which the exchange rates change. Gains or costs arising at the time of entering into such hedging transactions are brought to account in the statement of financial performance over the lives of the hedges.

When anticipated purchase or sale transactions have been hedged, actual purchases or sales which occur during the designated hedge period are accounted for as having been hedged until the amounts of those transactions in the designated period are fully allocated against the hedged amounts.

If the hedged transaction is not expected to occur as originally designated, or if the hedge is no longer expected to be effective, any previously deferred gains or losses are recognised as revenue or expense immediately. If the hedging transaction is terminated prior to its maturity date and the hedged transaction is still expected to occur as designated, deferral of any gains or losses which arose prior to termination continues and those gains or losses are included in the measurement of the hedged transaction.

(ii) General Commitments

Exchange gains or losses on other hedge transactions are brought to account in the statement of financial performance in the financial year in which the exchange rates change. Gains or costs arising on entry into hedges of general commitments are recognised as assets or liabilities at the time of entry into the hedges and are amortised over the lives of the hedges.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

q. Derivatives

The economic entity is exposed to fluctuations in commodity prices and foreign exchange rates resulting from its activities. It is the economic entity's policy to use derivative financial instruments to hedge a proportion of this exposure.

Derivative financial instruments designated as hedges are accounted for on the same basis as the underlying exposure.

r. Commodity Hedging

Hedging is undertaken in order to avoid or minimise possible adverse financial or cash flow effects of movements in commodity prices. Premiums received or costs arising upon entering into forward sale, option and other derivative contracts intended to hedge specific future production, together with subsequent realised and unrealised gains or losses, are deferred until the hedged production is delivered and included in the measurement of sale.

Where a hedging transaction is terminated prior to maturity because the hedged production is no longer expected to be produced, any gains or losses are recognised in the statement of financial performance on the date of termination. If the hedging transaction is terminated prior to its maturity date and the hedged transaction is still expected to occur, deferral of any gains and losses which arose prior to termination are deferred and brought to account when the hedged transaction occurs.

If a hedge transaction relating to a commitment for the sale of a commodity is redesignated as a hedge of another specific commitment and the original transaction is still expected to occur, the gains and losses that arise on the hedge prior to this redesignation are deferred and included in the measurement of the original purchase or sale when it takes place. If the hedge transaction is no longer expected to occur, the gains and losses that arise on the hedge prior to its redesignation are recognised in the statement of financial performance at the date of the redesignation.

s. Inventories

Raw materials and stores, work in progress and finished goods are stated at the lower of costs and net realisable value. Costs are assigned to individual items of stock on the basis of weighted average costs.

t. Mine Pre-production and Acquisition Costs

When an operation is acquired, various costs are incurred prior to operations commencing on the mine property. Acquisition Costs, such as legal expenses, financing arrangement expenses, and feasibility costs, are capitalised and included in the Statement of Financial Position (see note 17).

Prior to commencing production at a mine property, various costs are incurred to enable the commencement of mining operations, such as recruitment of staff, repair and maintenance of the site and its related equipment, and mine planning and scheduling. These Pre-production Costs are capitalised and included in the Statement of Financial Position (see note 17).

Mine Acquisition Costs and Pre-production Costs are amortised on a unit-of-production basis, based upon the recoverable mineral reserve estimated at the time of acquisition of the mine property.

u. Royalties

Royalties are accrued and charged against earnings in the period in which the minerals are extracted.

v. Rounding of Amounts

The company is of a kind referred to in Class Order 98/0100 issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the directors' report. Amounts have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

w. Tax Consolidation Regime

Independence Gold NL and its wholly owned subsidiaries have formed an income tax consolidated group under the Tax Consolidation Regime. Independence Gold NL is responsible for recognising the current and deferred tax liabilities for the tax consolidated group. The group formed an income tax consolidated group on 1 July 2003.

NOTE 2: REVENUE

	Economic Entity 2003 $'000	Economic Entity 2002 $'000	Parent Entity 2003 $'000	Parent Entity 2002 $'000
Ordinary activities				
Sale of goods	24,553	-	-	-
Interest received	95	55	72	55
Management fees	-	-	600	-
Other revenue	1	3	1	3
Total Revenue	24,649	58	673	58

NOTE 3: PROFIT FROM ORDINARY ACTIVITIES

	Economic Entity 2003 $'000	Economic Entity 2002 $'000	Parent Entity 2003 $'000	Parent Entity 2002 $'000
Profit from ordinary activities before income tax has been determined after charging the following items:				
Cost of sale of goods	15,814	-	-	-
Employee entitlements provision	230	7	-	7
Borrowing costs - other entities	1,043	2	-	2
Amortisation	1,635	-	-	-
Depreciation	2,122	11	30	11
Write-off of capitalised exploration expenditure	1,286	928	1,286	928

NOTE 4: INCOME TAX EXPENSE

a. The prima facie tax on profit from ordinary activities before tax is reconciled to the income tax as follows:

	Economic Entity 2003 $'000	Economic Entity 2002 $'000	Parent Entity 2003 $'000	Parent Entity 2002 $'000
Prima facie tax benefit/(expense) on profit/loss from ordinary activities before income tax at 30% (2002: 30%)	(415)	447	527	447
Add:				
Tax effect of:				
- Non-allowable items	(69)	(4)	(11)	(4)
- Capital raising costs	-	28	-	28
- Timing differences	(302)	144	(302)	75
Tax losses carried forward not previously brought to account	801	-	801	-
Income tax benefit attributable to ordinary activities	15	-	1,015	-
Future income tax benefit not brought to account	-	615	-	546

b. The benefit for tax losses will only be obtained if:

i) the economic entity derives future assessable income of a nature and amount sufficient to enable the benefit from the tax losses to be realised;

ii) the economic entity continues to comply with the conditions for deductibility imposed by tax legislations; and

iii) no changes in tax legislation adversely affect the economic entity realising the benefit from the deductions for the losses.

c. Tax Consolidation Legislation

Independence Gold NL and its wholly owned subsidiaries have decided to implement the tax consolidation legislation as of 1 July 2003. The Australian Taxation office has not yet been notified of this decision. The entities also intend to enter a tax sharing agreement, but details of this agreement are yet to be finalised.

As a consequence Independence Gold NL, as the head entity in the tax consolidated group, will recognise current and deferred tax amounts relating to transactions, events and balances of the wholly owned controlled entities in this group in future financial statements as if those transactions, events and balances were its own, in addition to the current and deferred tax balances arising in relation to its own transactions. Amounts receivable or payable under the tax sharing agreement will be recognised separately by Independence Gold NL as tax related amounts receivable or payable. The impact on the income tax expense and results of Independence Gold NL is unlikely to be material because of the tax sharing agreement and is not expected to have an impact on the consolidated assets and liabilities and results.

The financial effect of the implementation has not been recognised in the financial statements for the year ended 30 June 2003.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

NOTE 5: REMUNERATION AND RETIREMENT BENEFITS

	Economic Entity 2003 $'000	Economic Entity 2002 $'000	Parent Entity 2003 $'000	Parent Entity 2002 $'000
a. Directors' Remuneration				
Income paid or payable to all directors of the economic entity by the economic entity and any related parties	-	-	608	314
Income paid or payable to all directors of each entity in the economic entity by the entities of which they are directors and any related parties	798	314	-	-
Number of directors whose income from the economic entity and any related parties was within the following bands:				
	No.	No.	No.	No.
$ 0 - $9,999	-	3	-	3
$ 10,000 - $19,999	2	-	1	-
$ 70,000 - $79,999	2	-	2	-
$ 110,000 - $119,999	1	-	1	-
$130,000 - $139,999	1	1	1	1
$160,000 - $169,999	-	1	-	1
$170,000 - $179,999	1	-	-	-
$ 210,000 - $219,999	1	-	1	-

The names of parent entity directors who have held office during the financial year are:

Rod Marston, Christopher Bonwick, Kelly Ross, John Christie, Keith Docking and Jeffrey Schiller.

Other directors of the economic entity holding office during the year are:

Tim Moran and Gary Davison.

b. Executives' Remuneration

The executives of the Company during the year were Christopher Bonwick, Kelly Ross and Jeffrey Schiller. The executives of the economic entity during the year were Christopher Bonwick, Kelly Ross, Jeffrey Schiller and Tim Moran. Executives' remuneration is included in note 5a.

NOTE 6: AUDITORS' REMUNERATION

	Economic Entity 2003 $'000	Economic Entity 2002 $'000	Parent Entity 2003 $'000	Parent Entity 2002 $'000
Remuneration of the auditor of the economic entity for:				
a. auditing or reviewing the financial report	26	7	26	7
b. other services	-	4	-	4

NOTE 7: EARNINGS PER SHARE

	Economic Entity 2003 '000 No.	Economic Entity 2002 '000 No.
a. Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	64,739	38,772
Weighted average number of options outstanding	11,859	-
Weighted average number of issued contributing shares	400	-
Weighted average number of ordinary shares outstanding during the year used in the calculation of dilutive EPS	76,998	-
	$'000	$'000
b. Earnings used in the calculation of basic EPS	1,383	(1,489)

c. Options outstanding and contributing shares have been classified as potential ordinary shares and have been included in the determination of dilutive EPS.

	Economic Entity 2003 $'000	Economic Entity 2002 $'000	Parent Entity 2003 $'000	Parent Entity 2002 $'000
NOTE 8: CASH ASSETS				
Cash on hand	1	-	-	-
Cash at bank	56	3	4	3
Deposits at call	3,984	2,407	543	2,407
	4,041	2,410	547	2,410

NOTE 9: RECEIVABLES

CURRENT				
Trade debtors	5,401	-	-	-
Other debtors	13	1	-	1
Receivable from director related entities	-	8	-	8
GST receivable	277	65	68	65
	5,691	74	68	74
NON-CURRENT				
Deposits	1,001	20	21	20
Amounts owing from wholly-owned entities	-	-	6,944	228
	1,001	20	6,965	248

NOTE 10: INVENTORIES

CURRENT				
Mine spares and stores	41	-	-	-

NOTE 11: DEFERRED TAX ASSETS

Future income tax benefit	3,535	-	1,380	-
a. The future income tax benefit is made up of the following estimated tax benefits:				
- tax losses	3,440	-	1,371	-
- timing differences	95	-	9	-
	3,535	-	1,380	-

NOTE 12: OTHER ASSETS

CURRENT				
Foreign exchange gain [i]	14,460	-	-	-
NON-CURRENT				
Prepayments	7	3	-	3

[i] The foreign exchange gain relates to USD currency hedging contracts held by the company as at the end of the financial year. The contracts give rise to a future foreign exchange gain as at the end of the financial year, based on the excess to be received from closing out the contracts over the spot USD exchange rate applicable at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

NOTE 13: INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Interests are held in the following unlisted associated companies:

Name	Principal Activities	Class of share	Ownership Interest		Carrying Amount of Investment	
			2003 %	2002 %	2003 $'000	2002 $'000
Southstar Diamonds Limited	Mineral exploration	Ordinary	50	50	561	555

		2003 $'000	2002 $'000	2003 $'000	2002 $'000
a.	Movements during the year in equity accounted investment in associated companies				
	Balance at beginning of the financial year	555	-	555	-
	New investments during the year	6	555	6	555
	Balance at end of the financial year	561	555	561	555
b.	Retained earnings attributable to associate:	-	-	-	-
	Share of retained profits at end of the financial year	(24)	-	(24)	-
c.	Summarised presentation of aggregate assets, liabilities and performance of associates:				
	Total Assets	15	41	15	41
	Net profit from ordinary activities after income tax of associates	(48)	-	(48)	-

d. The interest in Southstar Diamonds Limited was acquired on 28 March 2002. The purchase consideration was 1,499,994 Independence Gold NL fully paid ordinary shares.

e. Due to the immaterial balance of the associates retained losses, the economic entity has not reflected their share of the associate's losses in the investment balance.

NOTE 14: CONTROLLED ENTITIES

a. Controlled entities and their contribution to consolidated profit after income tax

	Country of Incorporation	Class of Share	Percentage Owned		Contribution to Profit	
			2003	2002	2003	2002
			%	%	$'000	$'000
Lightning Nickel Pty Ltd	Australia	Ord	100	100	2,220	-

NOTE 15: PROPERTY, PLANT AND EQUIPMENT

	Economic Entity		Parent Entity	
	2003	2002	2003	2002
	$'000	$'000	$'000	$'000
Mine plant and equipment - leased	5,565	-	-	-
Accumulated amortisation	(1,125)	-	-	-
	4,440	-	-	-
Mine plant and equipment - other	5,030	-	-	-
Accumulated amortisation	(967)	-	-	-
	4,063	-	-	-
Other plant and equipment	146	117	146	117
Accumulated depreciation	(41)	(11)	(41)	(11)
	105	106	105	106
Total written down value	8,608	106	105	106
Reconciliation of the movement for the year:				
Carrying amount at the beginning of year	*106*	*1*	*106*	*1*
Additions	*10,624*	*116*	*29*	*116*
Disposals	-	-	-	-
Depreciation/amortisation expense	*(2,122)*	*(11)*	*(30)*	*(11)*
Carrying amount at the end of year	*8,608*	*106*	*105*	*106*

NOTE 16: EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

Exploration and Evaluation Expenditure:				
Opening balance	1,255	746	1,027	746
Current year's expenditure	12,328	1,437	1,474	1,209
Written off during the year	(1,286)	(928)	(1,286)	(928)
Amortisation expense	(1,287)	-	-	-
	11,010	1,255	1,215	1,027
Development expenditure:				
Opening balance	-	-	-	-
Current year's expenditure	580	-	-	-
	580	-	-	-
Carrying amount at end of year	11,590	1,255	1,215	1,027

Note1(g) describes the policy relating to the carrying value of interests in exploration, evaluation and development expenditure.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

	Economic Entity		Parent Entity	
	2003	2002	2003	2002
	$'000	$'000	$'000	$'000

NOTE 17: MINE ACQUISITION AND PRE-PRODUCTION COSTS

Mine acquisition costs	1,692	-	-	-
Pre-production costs	1,389	-	-	-
	3,081	-	-	-
Accumulated amortisation	(348)	-	-	-
Carrying amount at end of year	2,733	-	-	-

Note1 (t) describes the policy relating to the carrying value of interests in mine acquisition and pre-production costs

NOTE 18: PAYABLES

Trade creditors	2,405	226	253	226
GST Payable	285	-	-	-
Sundry creditors and accrued expenses	1,887	47	80	47
	4,577	273	333	273

NOTE 19: INTEREST BEARING LIABILITIES

CURRENT				
Bank loans (i)	3,000	-	-	-
Lease liabilities (ii)	1,738	-	-	-
	4,738	-	-	-
NON-CURRENT				
Bank loans (i)	10,000	-	-	-
Lease liabilities (ii)	2,460	-	-	-
	12,460	-	-	-
Financing Arrangements (iii)				
Entities have access to the following financing arrangements at balance date:				
Working capital facility	*3,000*	-	-	-
Less: drawn down portion	*(3,000)*	-	-	-
Cash advance facility	*10,000*	-	-	-
Less: drawn down portion	*(10,000)*	-	-	-
Guarantee facility	*2,000*	-	-	-
Less: drawn down portion	*(1,389)*	-	-	-
	611	-	-	-

(i) *The bank loans are secured by a fixed and floating charge over the assets of the economic entity.*

(ii) *Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.*

(iii) *The facilities are denominated in Australian dollars and interest is charged at the BBSY rate plus an applicable margin. The facilities are repayable by 30 September 2004 (Working capital facility), 31 December 2005 (Cash advance facility), and 31 December 2005 (Guarantee facility). Provision has been made in the Facility Arrangements to enable early repayment of the facilities at the election of the economic entity.*

	Economic Entity 2003 $'000	Economic Entity 2002 $'000	Parent Entity 2003 $'000	Parent Entity 2002 $'000

NOTE 20: DEFERRED TAX LIABILITIES

Provision for deferred income tax	3,520	-	365	-

NOTE 21: OTHER LIABILITIES

CURRENT				
Foreign exchange gain [i]	14,460	-	-	-
Employee entitlements	237	7	7	7
	14,697	7	7	7

[i] *The foreign exchange gain relates to USD currency hedging contracts held by the company as at the end of the financial year. The contracts give rise to a future foreign exchange gain as at the end of the financial year, based on the excess to be received from closing out the contracts over the spot USD exchange rate applicable at the end of the financial year.*

NOTE 22: CONTRIBUTED EQUITY

68,155,750 (2002: 47,505,750) fully paid ordinary shares (a)	12,271	5,536	12,271	5,536
9,955,000 (2002: 10,000,000) partly paid contributing shares (b)	10	10	10	10
28,739,250 (2002: 28,744,250) fully paid options for ordinary shares (c)	268	268	268	268
	12,549	5,814	12,549	5,814

a. Ordinary shares (i)

At the beginning of year	5,536	1,124	5,536	1,124
Shares issued during the year				
Issued 1 July 2001 to 30 June 2002	-	4,436	-	4,436
20,600,000 on 29 August 2002	7,004		7,004	
5,000 on 14 October 2002	1		1	
45,000 on 21 February 2003	4		4	
Transaction costs relating to share issues	(274)		(274)	
	12,271	5,560	12,271	5,560
Shares bought back during the year (ii)	-	(24)	-	(24)
At reporting date	12,271	5,536	12,271	5,536

	No. '000	*No. '000*	*No. '000*	*No. '000*
At the beginning of year	*47,506*	*35,000*	*47,506*	*35,000*
Shares issued during year				
Issued 1 July 2001 to 30 June 2002	-	*24,506*	-	*24,506*
29 August 2002	*20,600*		*20,600*	-
14 October 2002	*5*		*5*	-
21 February 2003	*45*		*45*	-
			-	
Shares bought back during year	-	*(12,000)*	-	*(12,000)*
At reporting date	*68,156*	*47,506*	*68,156*	*47,506*

(i) Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. Each ordinary share is entitled to one vote.

(ii) On 22 October 2001, 12,000,000 ordinary shares representing 20.2% of shares on issue at the time, were purchased by the company under a buy-back agreement for a total of $24,000.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

	Economic Entity		Parent Entity	
	2003	2002	2003	2002
	$'000	$'000	$'000	$'000

NOTE 22: CONTRIBUTED EQUITY (continued)

b. Ordinary Contributing Shares – Partly Paid (iii)

	2003 $'000	2002 $'000	2003 $'000	2002 $'000
At beginning of the year	10	-	10	-
Issued during the year	-	10	-	10
At reporting date	10	10	10	10

	No. '000	*No. '000*	*No. '000*	*No. '000*
At beginning of the year	*10,000*	*-*	*10,000*	*-*
Shares issued during year				
Issued 1 July 2001 to 30 June 2002	*-*	*10,000*	*-*	*10,000*
Converted to ordinary shares during the year	*(45)*	*-*	*(45)*	*-*
At reporting date	*10,000*	*10,000*	*9,955*	*10,000*

c. Options for Ordinary Shares (iv)

	2003 $'000	2002 $'000	2003 $'000	2002 $'000
At beginning of the year	268	-	268	-
Issued during the year	-	288	-	288
Transaction costs relating to option issues	-	(20)	-	(20)
At reporting date	268	268	268	268

	No. '000	*No. '000*	*No. '000*	*No. '000*
At beginning of the year	*28,744*	*-*	*28,744*	*-*
Issue during the year	*-*	*28,750*	*-*	*28,750*
Converted to ordinary shares during the year	*(5)*	*(6)*	*(5)*	*(6)*
At reporting date	*28,739*	*28,744*	*28,739*	*28,744*

(iii) Contributing shares were issued during the year ended 30 June 2002 paid to 0.1 cent each. Payment of a further 10 cents each can be made at any time to entitle the holder to one ordinary fully paid share. The Company will not make a call on these shares before 31 December 2005.

(iv) On 3 May 2002 the Company issued 28,750,000 1 cent options to subscribe for one ordinary share each, exercisable at 20 cents on or before 31 January 2005. The options are listed on the ASX.

NOTE 23: ACCUMULATED LOSSES

	2003 $'000	2002 $'000	2003 $'000	2002 $'000
Retained (losses) at the beginning of the financial year	(1,671)	(182)	(1,671)	(182)
Net profit/(loss) attributable to the members of the parent entity	1,398	(1,489)	(742)	(1,489)
Retained (losses) at the end of the financial year	(273)	(1,671)	(2,413)	(1,671)

NOTE 24: CAPITAL AND LEASING COMMITMENTS

	2003 $'000	2002 $'000	2003 $'000	2002 $'000
a. Operating Lease Commitments				
Non-cancellable operating leases contracted for but not capitalised in the financial statements				
Payable				
not later than 1 year	22	27	22	27
later than 1 year but not later than 5 years	230	14	230	14
	252	41	252	41

The property lease is a non-cancellable lease with a five-year term, with rent payable monthly in advance.

	2003 $'000	2002 $'000	2003 $'000	2002 $'000
b. Finance Lease Commitments				
Finance and hire purchase rentals for plant and equipment are payable as follows:				
not later than 1 year	1,995	-	-	-
later than 1 year but not later than 5 years	2,607	-	-	-
minimum lease payments	4,602	-	-	-
less: future lease finance charges	(404)	-	-	-
Recognised as a liability	4,198	-	-	-
Finance and hire purchase liabilities provided for in the financial statements				
Current	1,738	-	-	-
Non-current	2,460	-	-	-
Total liability	4,198	-	-	-

c. Exploration Commitments

In order to maintain current rights of tenure to certain exploration tenements, the Company will be required to outlay $888,000 in 2003/2004.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

NOTE 25: SEGMENT INFORMATION

The economic entity operated in two industrial segments, which were the mining and mineral exploration industries. The economic entity operated only in Australia.

Industrial Segment Information 2003	Mining	Exploration	Inter-segment eliminations/ unallocated	Consolidated
	$'000	$'000	$'000	$'000
Revenue from external customers	24,553	-	-	24,553
Inter-segment revenue	-	-	-	-
Other revenue	-	-	96	96
Total segment revenue	24,553	-	96	24,649
Consolidated entity profit/(loss) after income tax	2,740	(1,342)	-	1,398
Segment assets	31,712	20,636	-	52,348
Segment liabilities	39,287	705	-	39,992
Depreciation and amortisation expense	2,440	1,287	30	3,757
Other non-cash expenses	230	928	-	1,158

Industrial Segment Information 2002	Mining	Exploration	Inter-segment eliminations/ unallocated	Consolidated
	$'000	$'000	$'000	$'000
Revenue from external customers	-	-	-	-
Inter-segment revenue	-	-	-	-
Other revenue	-	-	58	58
Total segment revenue	-	-	58	58
Consolidated entity profit/(loss) after income tax	-	(1,286)	(203)	(1,489)
Segment assets	-	4,423	-	4,423
Segment liabilities	-	280	-	280
Depreciation and amortisation expense	-	-	11	11
Other non-cash expenses	-	1,286	7	1,293

NOTE 26: CASH FLOW INFORMATION

	Economic Entity 2003	Economic Entity 2002	Parent Entity 2003	Parent Entity 2002
	$'000	$'000	$'000	$'000
a. Reconciliation of Cash Flow from Operations with Profit from ordinary activities after Income Tax				
Profit from ordinary activities after income tax	1,383	(1,489)	(1,757)	(1,489)
Non-cash flows in profit from ordinary activities				
Depreciation	2,122	11	30	11
Write-off of capitalised expenditure	1,286	928	1,286	928
Amortisation	1,635	-	-	-
Changes in assets and liabilities				
(Increase)/decrease in trade debtors	(5,415)	(1)	1	(1)
Increase in trade creditors and accruals	4,091	28	56	28
(Increase) in inventory	(41)	-	-	-
(Increase)/decrease in other debtors	4	(60)	10	(57)
Increase in provisions	231	7	1	7
Cash flows from operations	5,296	(576)	(373)	(576)

b. Non-cash Financing and Investing Activities

During the year the economic entity acquired plant and equipment with an aggregate value of $5,447,372 (2002: $Nil)

NOTE 27: EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

NOTE 28: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

	Economic Entity		Parent Entity	
	2003	2002	2003	2002
	$'000	$'000	$'000	$'000
a. Director-related Entities				
Geological consulting fees have been paid to Earth Xplore Pty Ltd, a company in which director Mr Bonwick had an indirect interest. This interest was disposed of on 21 February 2003.	261	353	261	353
Consulting fees have been paid to Virtual Genius Pty Ltd a company to which director Mr Bonwick provides consulting services.	7	37	7	37
b. Share Transactions of Directors				
Directors and director-related entities hold directly, indirectly or beneficially as at the reporting date the following equity interests in the parent entity:				
	No.	No.	No.	No.
Independence Gold NL [1]				
ordinary shares	5,113,504	7,030,066	5,113,504	7,030,066
contributing ordinary shares	4,300,000	6,500,000	4,300,000	6,500,000
options over ordinary shares (listed)	3,995,002	6,765,003	3,995,002	6,765,003
options over ordinary shares (unlisted)	300,000	-	300,000	-

[1] *Prior year interests included 2,035,002 ordinary shares, 2,500,000 contributing ordinary shares and 2,267,501 listed options held by former director Jeffrey Schiller. As Mr Schiller resigned during the year, these interests are not included in the beneficial interests held by directors at the end of the current year.*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

NOTE 29: FINANCIAL INSTRUMENTS

a. Interest Rate Risk

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest		Non-interest Bearing		Total	
	2003	2002	2003	2002	2003	2002	2003	2002
	%	%	$'000	$'000	$'000	$'000	$'000	$'000
Financial Assets:								
Cash	4.44	4.55	3,984	2,407	57	3	4,041	2,410
Receivables	5.06	4.78	1,001	20	5,691	74	6,692	94
Investments					561	555	561	555
Total Financial Assets			4,985	2,427	6,309	632	11,294	3,059
Financial Liabilities:								
Payables			-	-	4,577	273	4,577	273
Bank Loans	7.67	-	13,000	-	-	-	13,000	-
Lease Liabilities	8.12	-	4,198	-	-	-	4,198	-
Total Financial Liabilities			17,198		4,577	273	21,775	273

b. Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts of those assets, as disclosed in the statement of financial position and notes to the financial statements.

c. Net Fair Values

The net fair values of unlisted investments where there is no organised financial market, have been based on a reasonable estimation of the underlying net assets or discounted cash flows of the investment.

The net fair value of assets and liabilities approximates the carrying value.

No financial assets and financial liabilities are readily traded on organised markets.

Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

Aggregate net fair values and carrying amounts of financial assets at balance date:

	2003		2002	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
	$'000	$'000	$'000	$'000
Financial Assets				
Security deposit	1,001	1,001	20	20
Unlisted investments	561	561	555	555
	1,562	1,562	575	575

NOTE 30: COMPANY DETAILS

The registered office and principal place of business of the company is Suite 9, PDM House, 72 Melville Parade, South Perth, Western Australia.

NOTE 31: ECONOMIC DEPENDENCY

Independence Gold NL depends on WMC Resources Ltd for a significant volume of revenue. During the year ended 30 June 2003 all sales revenue was sourced from this company. The agreement relating to sales revenue contains provision for Independence Gold NL to seek alternative revenue providers in the event that WMC Resources Ltd is unable to accept supply of the Company's product due to a force majeure event.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 50 to 68:
   a. comply with Accounting Standards and the Corporations Act 2001; and
   b. give a true and fair view of the financial position as at 30 June 2003 and performance for the year ended on that date of the company and economic entity;
2. in the directors' opinion there are reasonable grounds to believe that the economic entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

R J Marston
Chairman

Dated this 24th day of September 2003

BDO

Chartered Accountants
& Advisers

www.bdo.com.au

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF INDEPENDENCE GOLD NL

Matters Relating to the Electronic Presentation of the Audited Financial Report

This audit report relates to the financial report of Independence Gold NL for the year ended 30 June 2003 included on the Independence Gold NL web site. The company's directors are responsible for the integrity of the Independence Gold NL web site. We have not been engaged to report on the integrity of the Independence Gold NL web site. The audit report refers only to the statements named below. It does not provide an opinion on any other information that may have been hyper linked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Scope

The Financial Report and Directors' Responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for both Independence Gold NL (the company) and the consolidated entity, for the year ended 30 June 2003. The consolidated entity comprises both the company and the entities it controlled during that year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We have conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Audit Opinion

In our opinion, the financial report of Independence Gold NL is in accordance with:

(a) the Corporations Act 2001, including:

(i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2003 and of its performance for the year ended on that date; and

(ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(b) other mandatory financial reporting requirements in Australia.

G F Brayshaw
BDO Chartered Accountants

24th September 2003
Perth, Western Australia

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

The following additional information is required by the Australian Stock Exchange Ltd in respect of listed public companies only.

1. Shareholding

a. Distribution of Shareholders Number as at 12 September 2003

Category (size of Holding)	Ordinary Shares	Listed Options
1 – 1,000	32	15
1,001 – 5,000	313	157
5,001 – 10,000	470	83
10,001 – 100,000	661	214
100,001 – and over	51	35
	1,527	504

b. The number of shareholders holding less than a marketable parcel of fully paid ordinary shares is 7.

c. The names of the substantial shareholders listed in the parent entity's register as at 12 September 2003 are:

Shareholder	Number Ordinary	Contributing	Options
Ranger Minerals Ltd	20,700,000	1,000,000	8,000,000

d. Voting Rights

The voting rights of each class of share are as follows:-

Fully Paid Ordinary Shares – one vote per share held.

Partly Paid Contributing Shares – a fraction of one vote equal to the proportion which the amount paid on each share bears to the total amounts paid and payable on that share.

Options – no voting rights are attached to unexercised options.

2. The name of the company secretary is Mrs Kelly Ross.

3. The address of the principal registered office in Australia is Suite 9 PDM House, 72 Melville Parade, South Perth, Western Australia, Telephone (08) 9367 2755.

4. The Register of securities is held at Security Transfer Registrars Pty Ltd at 770 Canning Highway, Applecross, Western Australia.

5. There is no current on-market buy-back of the company's securities.

6. Stock Exchange Listing

Quotation has been granted for 50,516,750 ordinary shares and 28,733,250 options of the company on all Member Exchanges of the Australian Stock Exchange Limited. Unquoted securities are detailed in Note 8 below.

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

7. **(i) 20 Largest Holders of Ordinary Shares as at 12 September 2003**

Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1. Ranger Minerals Ltd	20,700,000	30.35
2. Virtual Genius Pty Ltd	2,373,504	3.48
3. Independence Mining Exploration NL	2,000,000	2.93
4. Jeffrey Christopher Schiller	1,995,002	2.92
5. Lion Selection Group Ltd	1,471,000	2.16
6. Australian RBC Global Services	1,470,488	2.16
7. ANZ Nominees Limited	886,920	1.30
8. Australian RBC Global Services RA A/c	862,500	1.26
9. Paull Parker	685,000	1.00
10. Dunelabs Pty Ltd	599,996	.88
11. Yarandi Investments Pty Ltd	530,000	.78
12. UBS Nominees Pty Ltd	517,488	.76
13. Ross William Anderson	475,931	.70
14. Jerome Gillman	475,000	.70
15. John David Fitzpatrick	400,000	.59
16. Bradleys Polaris Pty Ltd	360,000	.53
17. Eclipse Resources Pty Ltd	339,137	.50
18 Carlo Chiodo	324,193	.48
19. Stanley Boyd Investments	300,000	.44
20. Bigson Pty Ltd	300,000	.44
	37,066,159	54.36

(ii) 20 Largest Quoted Listed Option Holders as at 12 September 2003

Name	Number of Options Held	% Held of Listed Options
1. Ranger Minerals Ltd	8,000,000	27.84
2. Virtual Genius Pty Ltd	1,377,502	4.79
3. Yarandi Investments Pty Ltd	1,321,573	4.60
4. Independence Mining Exploration NL	1,000,000	3.48
5. Jeffrey Christopher Schiller	997,501	3.47
6. Karen Alana Schiller	915,036	3.18
7. ANZ Nominees Limited	677,000	2.36
8. Bradleys Polaris Pty Ltd	660,000	2.30
9. Richard Davis	632,799	2.20
10. Finance Associates Pty Ltd	580,000	2.02
11. Goldsearch Limited	500,000	1.74
12. Shannon Corporate Nominees	400,000	1.39
13. Ross William Anderson	339,162	1.18
14. Peto Pty Ltd	316,500	1.10
15. Finance Associates Pty Ltd (Super A/c)	240,679	.84
16. Neogold Enterprises Pty Ltd	181,000	.63
17. KSD Superannuation Fund	180,000	.63
18 Eclipse Resources Pty Ltd	175,460	.61
19. Jerome Gillman	175,000	.61
20. Kimbriki Nominees Pty Ltd	170,000	.59
	18,839,212	65.56

8. Restricted and Unquoted Securities

i. The following securities have been restricted by the Australian Stock Exchange and are unquoted:-

Security Holder	Number of Securities	% of Securities on Issue	Number of Holders
Escrowed until 17 January 2004 (a)			
Ranger Minerals Ltd	9,750,000	14.29	
Virtual Genius Pty Ltd	2,299,000	3.37	
Independence Mining Exploration NL	2,000,000	2.93	
K S Docking	135,000	0.20	
L J Christie	30,000	0.04	
R J Marston	15,000	0.02	
Unrelated parties	3,461,000	5.07	11
	17,690,000	25.94	16
Escrowed until 17 January 2004 (b)			
Virtual Genius Pty Ltd	2,500,000	25.23	
K S Docking	1,500,000	15.14	
Ranger Minerals Ltd	1,000,000	10.09	
Unrelated parties	4,510,000	45.51	6
	9,510,000	95.96	9
Restricted shares (c)			
K A Ross	300,000	3.03	
Unrelated parties	100,000	1.01	2
	400,000	4.04	2
Total Restricted Securities	27,690,000		

(a) Ordinary fully paid shares. These shares have been escrowed by ASX and represent 25.94% of the total ordinary fully paid shares on issue.

(b) Contributing shares paid to 0.1 cents each, 10 cents unpaid. These shares have been escrowed by ASX and represent 95.96% of the total partly paid shares on issue. When released from escrow, they will remain unquoted until full payment has been made.

(c) Contributing shares paid to 0.1 cents each, 10 cents unpaid. These shares are restricted due to their unpaid status and represent 4.04% of the total partly paid shares on issue.

ii. The following securities have been issued and the Company has not requested their quotation by the Australian Stock Exchange:-

(a) On 11 September 2002, 300,000 unlisted options exercisable at 34 cents were issued to a party related to director Kelly Ross. The options were issued pursuant to the company's Employee Option Plan. The options expire on 10 September 2005.

(b) On 17 September 2002, the Company issued 2,000,000 unlisted options exercisable at 45 cents to Bank of Western Australia Ltd, pursuant to the financing arrangement for the purchase of the Long/Victor Nickel Mine by Lightning Nickel Pty Ltd. The issue was approved at a general meeting held on 23 August 2002. The options expire on 30 June 2006.

(c) On 1 October 2002, the Company issued 1,200,000 unlisted options exercisable at 35 cents to a party related to Timothy Moran, a director of subsidiary Lightning Nickel Pty Ltd. The options were issued pursuant to the company's Employee Option Plan and the issue was approved at a general meeting held on 23 August 2002. The options expire on 31 July 2007.

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