

HIGHLIGHTS

FINANCE

- \$4.6 million consolidated pre-tax profit for the quarter.
- \$6.6 million cash at end of quarter (Budget: \$4.4 million).
- \$6.7 million Long Nickel Mine quarterly cash flow.

LONG NICKEL MINE

- Production: 42,722 tonnes @ 4.47% Ni (IGO share: 1132.6 Ni tonnes) 54% over budget.
- Safety: No Lost Time Injuries (LTI's).

June 2003 Ore Reserves and Resources:

- Diluted nickel reserves increased to **688,000 tonnes @ 4.0% Ni (27,300 Ni tonnes)**.
- Undiluted nickel resources increased by **20% to 1,368,600 tonnes @ 6.0% Ni (82,700 Ni tonnes)**.
- The new reserve total has extended mine life at current extraction rates to 2008.
- At least 12,000 tonnes of the non-reserve nickel metal may be converted to reserves over the next year further extending mine life to 2010.

Exploration Results:

- Long South: **3.6m @ 3.3% Ni** (including 0.36m @ 14.6% Ni) (true width 2.8m) drill intercept.
Intersected 750 metres south of current 15 Level development. This intersection confirms the potential for more high-grade massive nickel sulphides south of the Long Nickel Mine.
- Victor South: **18.0m @ 10.0% Ni** (true width 15.0m) drill intercept.
Confirms the high-grade nature of the deposit and increased reserve grade from 4.1% Ni to 5.7% Ni.
Additional electromagnetic anomalies have been defined outside the current resource envelope.
- Victor West: A new electromagnetic anomaly has been defined adjacent to a 1.32m @ 3.7% Ni intercept (including 0.12m @ 19.2% Ni).
- Drilling: An 8,000 metre 25 hole exploration program will commence next quarter to test seven targets, including Long South.

Development:

- Gibb South: Decline development has been completed and hand held mining will commence in the December quarter to access this high-grade deposit. A total of 11,009 development tonnes @ 6.7% Ni (737.6 Ni tonnes) was produced from Gibb South during the quarter.

REGIONAL NICKEL EXPLORATION

A breakthrough using chromite grain analyses (60,000) from the WMC Diamond Division Database has been developed which has re-discovered many existing nickel camps, including Kambalda, Widgiemooltha and Cosmos). Over forty new virgin nickel targets with potential for near surface massive nickel sulphides have been generated.

REGIONAL EXPLORATION

- Musgrave (Goldsearch) Joint Venture:** Large geochemical nickel anomalies have been defined over sand-covered Giles Complex mafic intrusives. Surface electromagnetic survey is in progress.
- Wackilina Project :** Drilling to test a three kilometre long gold anomaly will commence early next quarter.
- Dalwallinu Project:** Follow-up sampling has defined a large virgin gold anomaly.



CORPORATE

Profit

Independence Gold NL is pleased to announce a consolidated pre-tax profit of \$4.6 million for the September Quarter. The Board would like to thank all employees for this outstanding result.

Outgoing Director

During the quarter Mr Keith Docking resigned from the Board of Independence for personal reasons. The Directors wish to express their appreciation of Mr Docking's contribution to the growth of the Company, especially in the early formative stages of the Group.

Appointment of Chairman

The Company is pleased to announce that Dr Rod Marston has been appointed as Chairman of the Board. Dr Marston has been a Director of Independence Gold NL since 2000.

Dr Marston is a geologist with over 35 years experience in the mineral exploration and mining industry. He played a key role in the discovery, development and management of the multi-million ounce Damang gold mine in Ghana.

Dr Marston has held senior positions with consulting groups working in the UK, East and Southern Africa, and Australia, including consulting to the United Nations, US Steel, WMC and BHP.

From 1975 through 1979 he was a Senior Resource Geologist with the Geological Survey of Western Australia and compiled the State-wide Copper Bulletin and Nickel Bulletin, which remain the standard references to this day. He is familiar with every nickel deposit in Western Australia and led the production of the first modern mineral deposits map of the State.

Change of Address

Independence Gold NL and its subsidiary Lightning Nickel Pty Ltd changed the principal and registered office to the following:

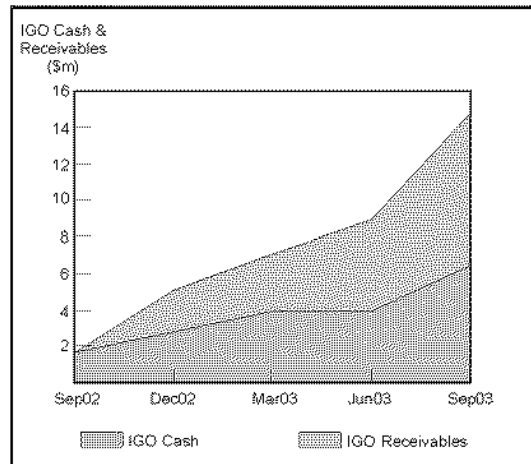
Suite 9, PDM House
 72 Melville Parade
 South Perth, Western Australia

The postal address and all other contact information including telephone numbers are unchanged.

CASH AND DEBT

Cash reserves as at 30 September

- \$6.6 million (\$4.0 million June quarter).
- \$8.1 million nickel revenue, accrued but not yet received.



Quarterly Debt Profile

- \$14.4 million to BankWest for Long purchase, working capital and environment bond costs (\$13.0M cash debt).
- \$4.1 million (June \$3.7 million) for hire purchase on Long mining equipment.

Quarterly Exploration Expenditure & Write-off

- \$1.3 million exploration expenditure
- \$0.2 million exploration expenditure write-off.

Hedging

- Total hedged nickel metal at the end of the quarter was 5,310 tonnes at AU\$12,245 per tonne.



MINING OPERATION

LONG NICKEL MINE

IGO 100%

TARGETS: I) SAFELY PRODUCING \$60 MILLION NET CASH FLOW AFTER DEBT REPAYMENT AND TAX OVER 5 YEARS

II) DOUBLING CURRENT MINING RESERVES TO +50,000 TONNES NICKEL METAL

The Long Nickel Mine, operated by Independence Gold's wholly owned subsidiary Lightning Nickel Pty Ltd ("LN"), produced a quarterly record of 1,907.6 Ni tonnes (IGO share 1,132.6 Ni tonnes).

The 4.47% head grade (budget 3.3%) reflected a higher proportion of massive sulphides from Long stopes compared to the previous quarter and high-grade development ore from Gibb South (11,009 tonnes @ 6.70% Ni) which is performing above expectations.

SAFETY

The mine plan adopted by the Company has involved a number of procedures and policies to ensure the safety of the team is not jeopardised.

No Lost Time Incidents (LTI's) occurred during the quarter. Only one LTI has occurred since the mine re-opened.

PERSONNEL

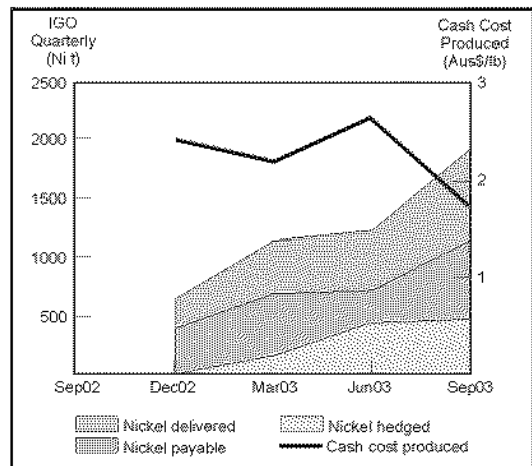
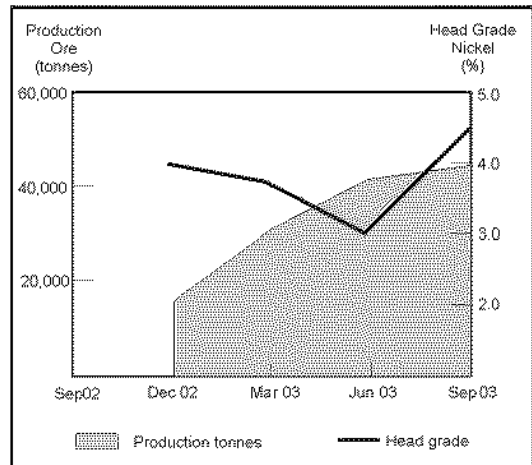
Lightning's work force continues to be very stable. The mining team has a combined underground experience of over 1240 man years (19.4 years average) with 240 years spent at Long.

Productivity within the mine continues to improve with annualised nickel tonnes per full-time-equivalent-employee increasing to 94.5.

PRODUCTION

Production during the quarter comprised 42,722 tonnes @ 4.47% Ni (IGO share 1,132.6 Ni tonnes) broken down as follows:

Jumbo	13,847t @ 4.0% Ni (551.0 Ni t)
Long Hole	14,050t @ 3.3% Ni (460.8 Ni t)
Hand Held	3,682t @ 4.2% Ni (153.5 Ni t)
Jumbo Development	
- Long	134t @ 3.9% Ni (5.3 Ni t)
- Gibb South	<u>11,009t @ 6.7% Ni (737.6 Ni t)</u>
TOTAL	<u>42,722t @ 4.5% Ni (1,908Ni t)</u>



DEVELOPMENT

Gibb South

A total of 160 metres of Jumbo development were completed during the quarter finishing the development phase. Hand held mining, to take advantage of the exceptionally high-grade nature of some of the massive sulphides in this resource (up to 22% Ni), will commence in the December quarter.

Victor South

A total of 2,500 metres of Jumbo development is planned before mining of this high-grade position occurs in the June 2004 quarter. To the end of this quarter 227.0 metres have been completed.

Underhand Cut and Fill Remnant Pillar Extraction

The Company's Research and Development program to extract high-grade pillars beneath tailings-filled stopes is progressing well. Excavation into the tailings has confirmed that they are consolidated in the area tested and can be tunnelled. Procedures to support the backs and lay concrete floor pillars are being developed.



LONG NICKEL MINE PRODUCTION SUMMARY

	Note	Sep '03 Quarter	2003/4 FY to Date	Sep '02 Prev. Quarter
Mining Inventory/Reserve (Dry Tonnes)				
Start of Period		688,000	688,000	n/a
- ROM Production from Reserves	1	(42,722)	(42,722)	n/a
+/- Reserve Addition/(Subtraction)		-	-	n/a
End of Period		645,278	645,278	n/a
Production Details:				
Ore Mined (Dry Tonnes)	1	42,722	42,722	n/a
Ore Milled (Dry Tonnes)				
Nickel Grade (Head %)		4.47	4.47	n/a
Copper Grade (Head %)		0.30	0.30	n/a
Metal in Ore Production (Tonnes)				
Nickel delivered	2	1,907.68	1,907.68	n/a
Copper delivered	2	126.66	126.66	n/a
Metal Payable IGO share (Tonnes)				
Nickel		1,132.59	1,132.59	n/a
Copper		51.29	51.29	n/a
Average Spot Price for period				
Nickel LME Official Close (US\$/t)		9,376	9,376	n/a
Hedging				
Tonnes delivered into Hedge		486	486	n/a
Average Price (AU\$/t)		12,387	12,387	n/a

Note 1. Production is sourced from both reserves/inventory and outside reserves.
 Note 2. The Recovery Rate is fixed with WMC depending on head grade. For grades from 3.0% to 3.5% recovery is 92%, for grades in excess of 3.5% recovery is 93%.

Revenue/Cost Summary				
Sales Revenue (incl.hedging)	3	A\$'000's 14,994	A\$'000's 14,994	n/a
Cash Mining/Development Costs		(5,220)	(5,220)	n/a
Other Cash Costs	4	(2,169)	(2,169)	n/a
Depreciation/Amortisation		(2,179)	(2,179)	n/a
Total Unit Cost Summary				
Cash Mining/Development Costs		A\$/lb Total Metal Produced 1.24	A\$/lb Total Metal Produced 1.24	n/a
Other Cash Costs	4	0.52	0.52	n/a
Depreciation/Amortisation		0.52	0.52	n/a
Revenue/Cost Summary				
Sales Revenue (incl.hedging)	3	A\$/lb Payable Metal 6.01	A\$/lb Payable Metal 6.01	n/a
Cash Mining/Development Costs		2.09	2.09	n/a
Other Cash Costs	4	0.87	0.87	n/a
Depreciation/Amortisation		0.87	0.87	n/a

Note 3. Unhedged revenue is conservatively valued at AUD14,325/tonne.
 Note 4. Other Cash Costs include milling, royalties and site administration.

Safety and Productivity				
- Lost Time IFR		0	0	n/a
- Medically Treated IFR		110.9	110.9	n/a
- Nickel Productivity Rate	5	94.5	94.5	n/a

Note 5. Nickel Productivity Rate = Productivity measured as annualised nickel tonnes per full-time-equivalent-employee.

Development/Exploration Drilling				
Development		Metres 795	metres 795	n/a
Production		844	844	n/a
Exploration		2,021	2,021	n/a



ORE RESERVES

Lightning commissioned independent consultants to complete the June 2003 Long Nickel Mine resource and reserve estimations. Cube Consulting Pty Ltd and BFP Consultants Pty Ltd were contracted to estimate the resources and reserves respectively.

Resources

The undiluted resource base (including the reserves) has been increased by 20%, or 13,700 contained nickel (Ni) tonnes, to **82,700 Ni tonnes (Table 1)**. The Company believes that at least **12,000 tonnes of the non-reserve nickel** metal component of the resources will be converted to reserves over the coming year. Resource ore tonnages have been estimated at a 1% Ni cut-off grade using a 2 dimensional metal accumulation of grade, thickness and density interpolated by ordinary kriging into 20m by 20m blocks for each mineralised ore surface. This block model was then subjected to depletion by mining and barren porphyry pillars to arrive at the stated resource tonnes and grade.

Reserves

The diluted proven and probable reserves have been increased to **27,300 Ni tonnes**, following the mining of 3,000t of Ni during the 2002/3 year (**Table 2 and Figures 1 & 2**). A 2% Ni cut-off grade has been used as an average for a combination of stoping methods. This cut-off estimation has included all operating costs and a conservative nickel-recovered revenue as supplied by Lightning Nickel. **The new reserve base has extended mine life at current extraction rates to 2008.**

The reserve has been estimated by BFP Consultants using stoping block models overlaid on the wire-frame models supplied by Cube Consulting. Dilution factors of between 5 and 25%, and mining recovery factors of between 40% and 90%, were added according to the proposed mining method. Note that some blocks to be mined by the trial underhand cut and fill method have a 40% recovery factor applied until the method is proven. Should this eventuate then it is expected up to a **further 6,600 tonnes of Ni in pillars** will become part of the reserve, and that mining recovery would be at least 80%. It is also expected that an **additional 6,000 tonnes of Ni** will be added to the reserve by the conversion of inferred

resources in the Victor South ore body, when further confirmation drilling takes place in the March quarter of 2004. **These additions would represent an extension of mine life until 2010.**

EXPLORATION

Long Lava Channel – Southern Extension (Long South target)

Drilling to test for a possible repetition of the 1.6km long and 0.5km high Long orebody (past production: 4.66Mt @ 3.7% Ni – 173,600 Ni tonnes) beneath Victor and Victor South commenced during the June quarter. Previous WMC drilling intersected 0.76m @ 10.1% Ni in KD6067B 750 metres south along strike from the most southerly known point of the Long orebody. No previous drilling has effectively tested the prospective Long Lava Channel south of this hole (**Figure 3**). The discovery of another large nickel sulphide orebody in this position would have a significant impact on the mine life and NPV of the Long project.

Wedge drill hole KD6067BW7 intersected 3.6m @ 3.3% Ni (true width 2.8m) including 0.36m of massive nickel sulphides assaying at 14.6% Ni on the prospective ultramafic-basalt contact. The intercept is located 24 metres south-south-west of the previous WMC intercept of 0.76m @ 10.1% Ni in KD6067BW2. This intersection confirms the potential for more high-grade nickel sulphides south along strike from the Long Nickel Mine. Unfortunately a downhole EM survey could not be conducted due to blockage in the hole.

Hole LSND17 was drilled to test the Long Lava Channel 360 metres south of KD6067BW7. The hole is interpreted to have intersected the lava channel flank (analogous to a river bank) due to the presence of sediments above the basalt-ultramafic contact and low magnesian nature of the ultramafic. Downhole electromagnetics (DHTEM) indicated there are no massive sulphides present within a 20-30 metre radius of the hole.

The Long Lava Channel is now interpreted to steepen and LSND17 is interpreted to have drilled the top channel flank.

Hole LSND18, drilled to test the contact 360 metres south of LSND17, was terminated due



to difficult drilling conditions in the hangingwall ultramafic.

The Long South Target will now be tested from underground, using access points along the newly developed Victor development decline. This will allow drilling in the footwall basalt that is far more suited to DHTeM and other relevant EM technologies. The first of a number of holes is planned to commence in the December 2003 quarter.

- **Victor South**
 Drill hole VR15-028 was targeted to confirm the interpreted geometry of the Victor South Sheet 1 (central zone) of thick massive sulphide, and to increase confidence in the tenor of the nickel sulphide. The interpretation was made using 3-dimensional drilling and downhole electromagnetic modelling. The hole intersected 18m at 10.0% Ni, (true width 15m) including 10.6m @ 12.8% Ni. Details are summarised in **Table 3** and depicted on **Figure 4**.

The massive sulphide intersections confirmed the geometry and provided further evidence of the high tenor of the massive nickel sulphide ore. Interpretation of the downhole transient electromagnetic (DHTeM) survey completed in the hole has substantiated the large wedge-shaped body of massive nickel sulphide. The tenor is consistent with high-grade ore being mined in Gibb South.

The new geological interpretation, derived from a synthesis of detailed structural, electromagnetic and other geological data, suggests the presently defined resource at Victor South consists of three vertically stacked series of sub-horizontal high tenor ore surfaces (Sheets 1 to 3). The upper most Sheet, named Sheet 1, is a combination of primary (contact ore) and remobilised sulphides. The lower two are predominantly remobilised high-grade nickel sulphide, with nickel grades running up to 20% Ni.

In addition to these Sheets, there are other off-hole conductors interpreted from DHTeM data which indicate additional potential ore positions. WMC geophysical drill hole logging also suggests another large electromagnetic anomaly occurs south of Victor South. Further drilling is planned to test these targets from the Victor South Decline.

- **Gibb South**
 Additional high-grade intercepts were returned from Gibb South (**Table 3** and **Figure 5**) including 2.5m @ 10.5% Ni (true width 2.2m). Further drilling is planned to test the southern extension of Gibb South where previously reported intercepts of 7.1m @ 12.1% Ni and 4.7m @ 9.3% Ni remain open.
- **New Drilling Program**
 An 8,000 metre 25 hole surface and underground drilling program is about to commence at Long. Targets are listed in **Table 4** and depicted on **Figure 3**. Additional targets are currently being investigated.

GEOPHYSICS

- **Electromagnetic (EM) Torch**
 Underground trials of the portable underground EM system continued during the quarter and show great promise. Three separate systems are being developed using the same hardware near and far from mine workings as follows:

Scale	Search Distance (m)	Target Size (m)
Stope	0-30	5 x 10
Stope Extension	0-50	50 x 50
Exploration	0-100	100 x 100

- **Blasthole Conductivity Logging**
 Blasthole conductivity logging has commenced at Long Mine. Conductivity logging accurately measures the location of massive, matrix and disseminated sulphides in pillar blastholes. The conductivity instrument can determine the location of massive sulphides up to a 1.5 metre diameter around the 5cm blasthole which was previously logged only visually. Improved nickel metal recoveries and less dilution are expected using this technique (**Figure 7**). Preliminary studies indicate that it may be possible to directly measure wall rock nickel grades.



TABLE 1: LONG NICKEL MINE – RESOURCES AT 1% NI CUT-OFF

		Undiluted Resources as at 30 June 2003		
		Tonnes	Ni %	Ni Tonnes
Long Stopes	Measured	406,000	6.8	27,700
	Indicated	339,000	5.8	19,500
	Inferred	58,000	4.1	2,400
	Sub-Total	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	258,000	4.9	12,700
	Sub-Total	364,000	5.7	20,800
Gibb South	Measured	-	-	-
	Indicated	17,400	7.4	1,300
	Inferred	13,000	4.8	600
	Sub-Total	30,400	6.3	1,900
TOTAL		1,368,600	6.0	82,700

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

TABLE 2: LONG NICKEL MINE – RESERVES AT 2% NI CUT-OFF

		Mining Reserve as at 30 June 2003 ²		
		Tonnes	Ni %	Ni Tonnes
Long 12-16L	Proven	358,000	3.8	13,600
	Probable	116,000	3.1	3,600
	Sub-Total	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	105,000	5.7	5,900
	Sub-Total	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		688,000	4.0	27,300

Notes:

¹ Included in 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 comprises part of 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.



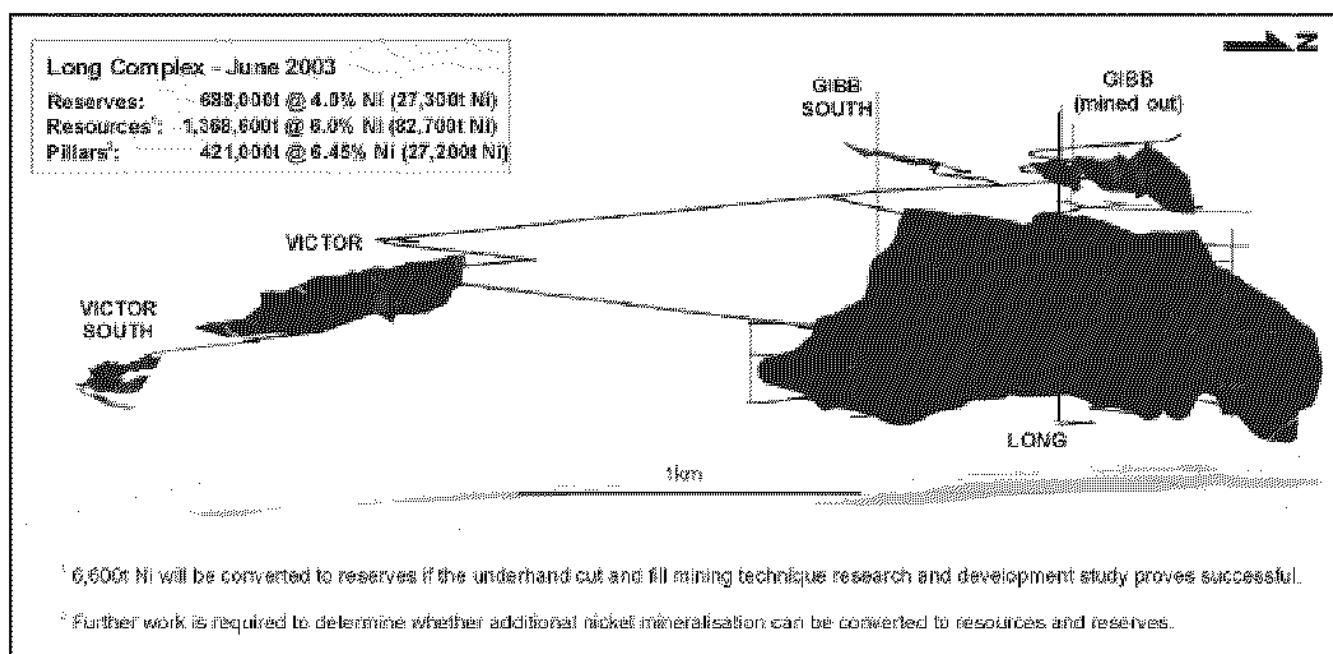
TABLE 3: SIGNIFICANT NICKEL DRILL INTERCEPTS

Hole No.	Northing	Easting	RL	Azimuth	Dip	From	To	Width (m)	True Width (m)	Grade (Ni%)
LONG 11 LEVEL										
LG11-123	549295	374675	-262	85	-40	48.5	49.51	1.01	0.8	12.3
LONG 16/1/2 AREA										
LG15-205	549876	374410	-463	94	-30	51.6	56.0	4.3	1.8	12.0
GIBB SOUTH										
LNSD004	549337	374411	285	0	90	128.6	131.0	2.40	2.10	5.0
LNSD005	549337	374400	285	0	90	129.0	131.5	2.50	2.20	10.5
LNSD011	549271	374437	285	0	90	119.0	120.2	1.20	1.00	5.2
LONG SOUTH										
KD6067BW7	548288	375306	-286	0	90	866.5	870.1	3.60	2.80	3.3
					<i>incl</i>	869.1	869.46	0.36	0.29	14.6
VICTOR SOUTH										
VR15-028	547547	375028	-383	102	-15	183.0	201.0	18.0	15.0	10.0
					<i>incl</i>	186.0	196.6	10.6	8.8	12.8

(These intersections have been calculated using the specific gravity weighting method).

TABLE 4: LONG NICKEL MINE TARGET SUMMARY

Prospect Name	Target Nickel Deposit Size	Contained Nickel Tonnes	Nearby Diamond Drill Intercepts	Distance to existing Drive/Decline (approximate)
Victor West (Land)	300,000t @ 4%Ni	12,000	1.39m @ 3.65% Ni	250m
Victor West (Lake)	300,000t @ 4%Ni	12,000	1.04m @ 0.8% Ni 1.0m @ 1.93% Ni	300m
Birmingham	32,000t @ 4% Ni	1,300	1.9m @ 2.17% Ni Down plunge from stope, grab sample 6.2% Ni	50m
Long West	300,000t @ 4% Ni	12,000	3.15m @ 3.2% Ni 1.9m @ 2.17% Ni	100m
Long South	3.5Mt @ 4% Ni	137,000	0.76m @ 10.1% Ni 3.6m @ 3.3% Ni (incl 0.36m @ 14.6% Ni)	750m
Vortex	32,000t @ 4% Ni	1,300	2.1m @ 16.8% Ni	50m
Gibb South Extension	32,000t @ 4% Ni	1,300	7.1m @ 12.1% Ni	75m
TOTAL	4.8Mt @ 4% Ni	177,000		



¹ 6,600t Ni will be converted to reserves if the underhand cut and fill mining technique research and development study proves successful.

² Further work is required to determine whether additional nickel mineralisation can be converted to resources and reserves.

FIGURE 1: LONG COMPLEX JUNE 2003 ORE RESERVES AND RESOURCES

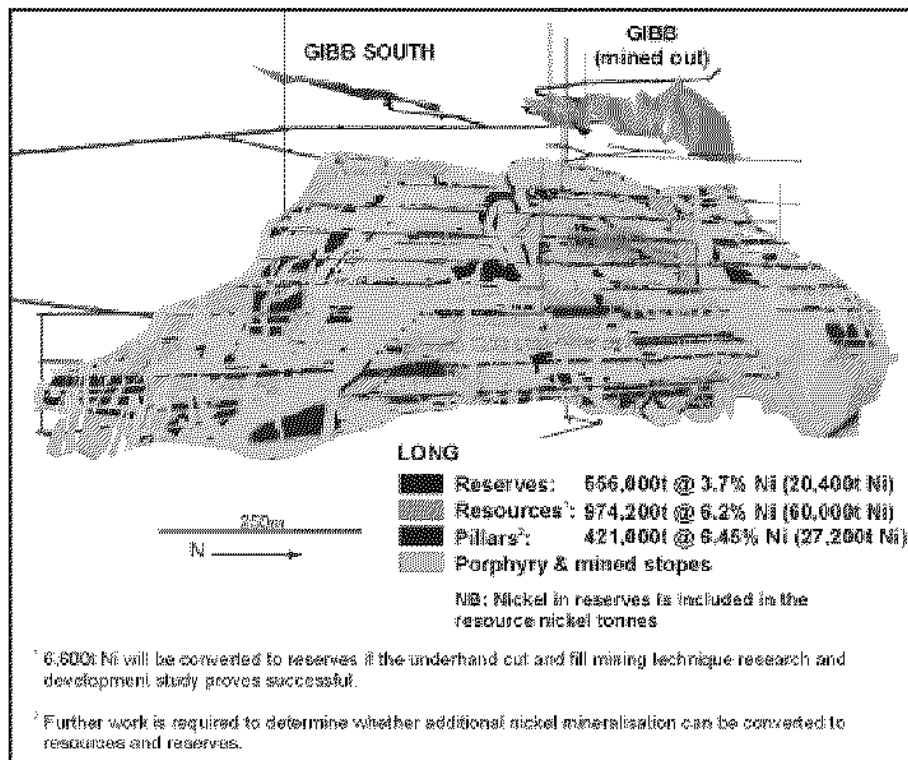


FIGURE 2: LONG MINE JUNE 2003 ORE RESERVES AND RESOURCES

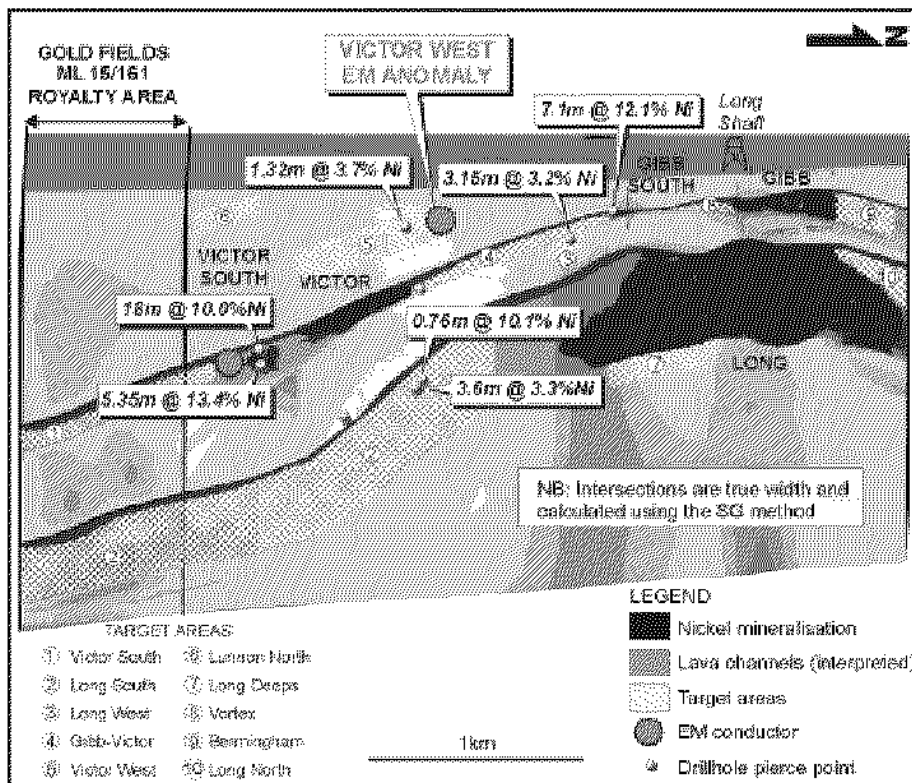


FIGURE 3: LONG COMPLEX LONGITUDINAL PROJECTION SHOWING EXPLORATION TARGETS

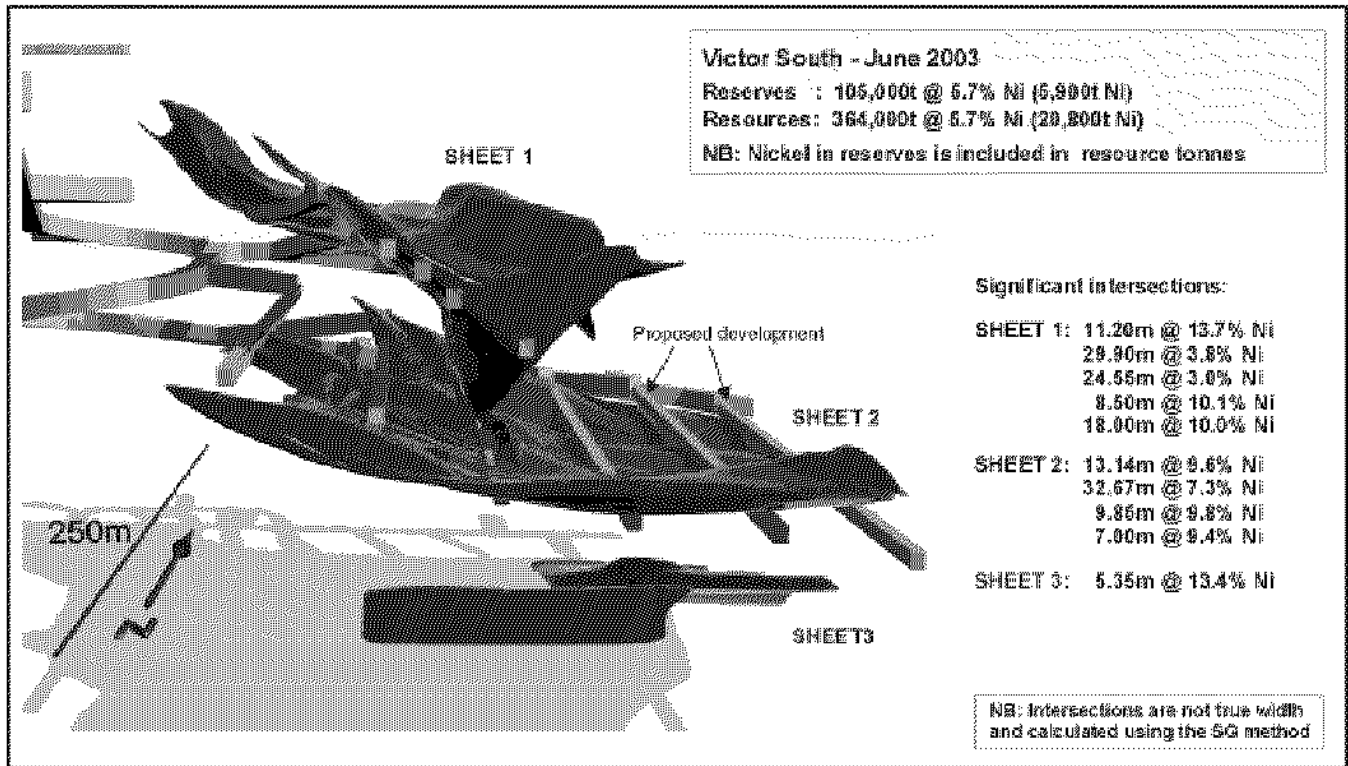


FIGURE 4: VICTOR SOUTH 3-DIMENSIONAL MODEL SHOWING JUNE 2003 RESOURCE OUTLINE

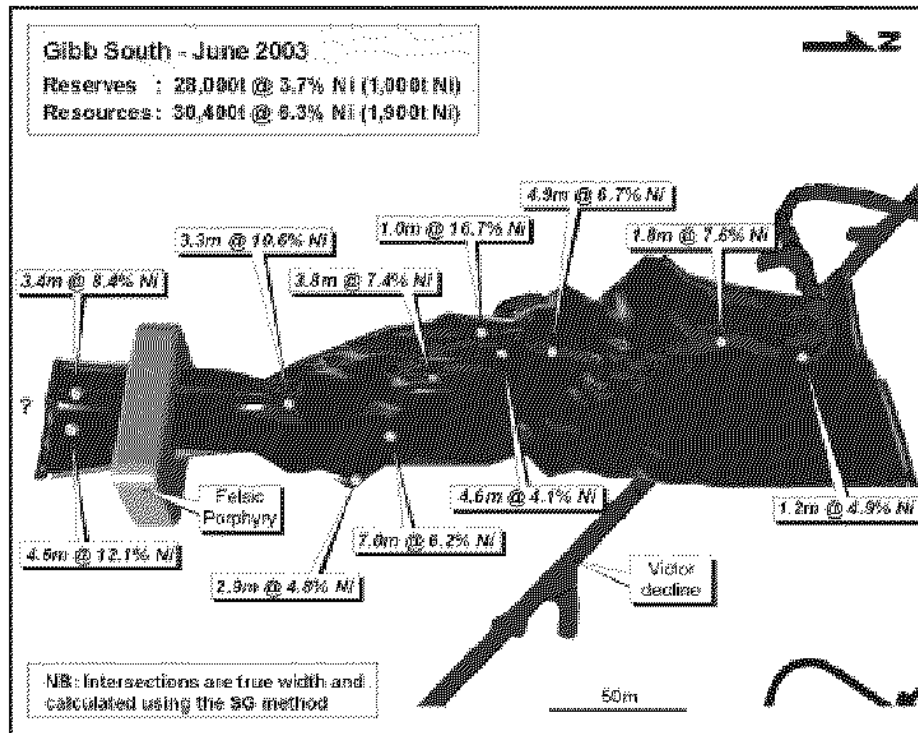


FIGURE 5: GIBB SOUTH 3-DIMENSIONAL MODEL SHOWING JUNE 2003 RESOURCES OUTLINE



FIGURE 6: EM TORCH

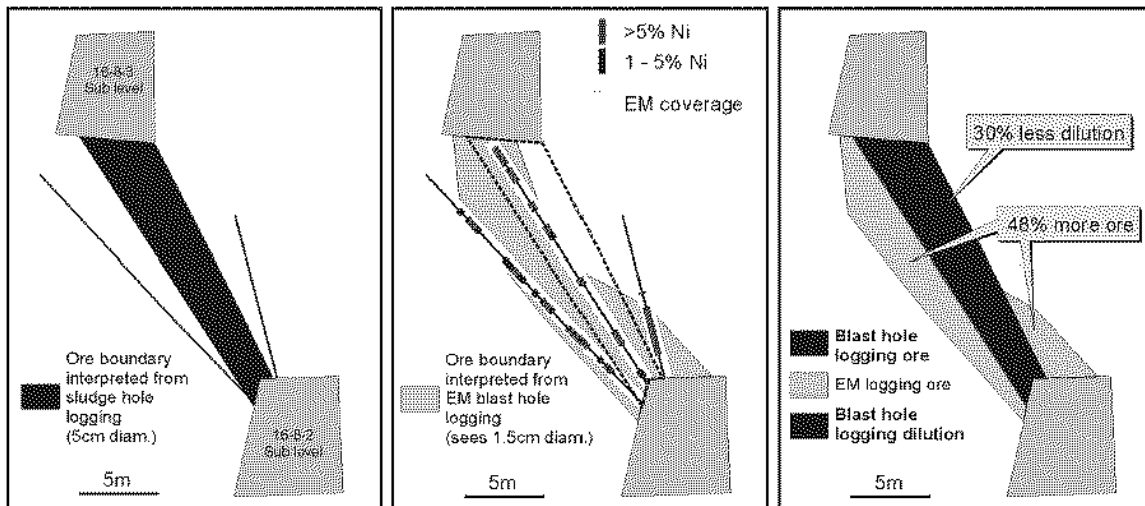
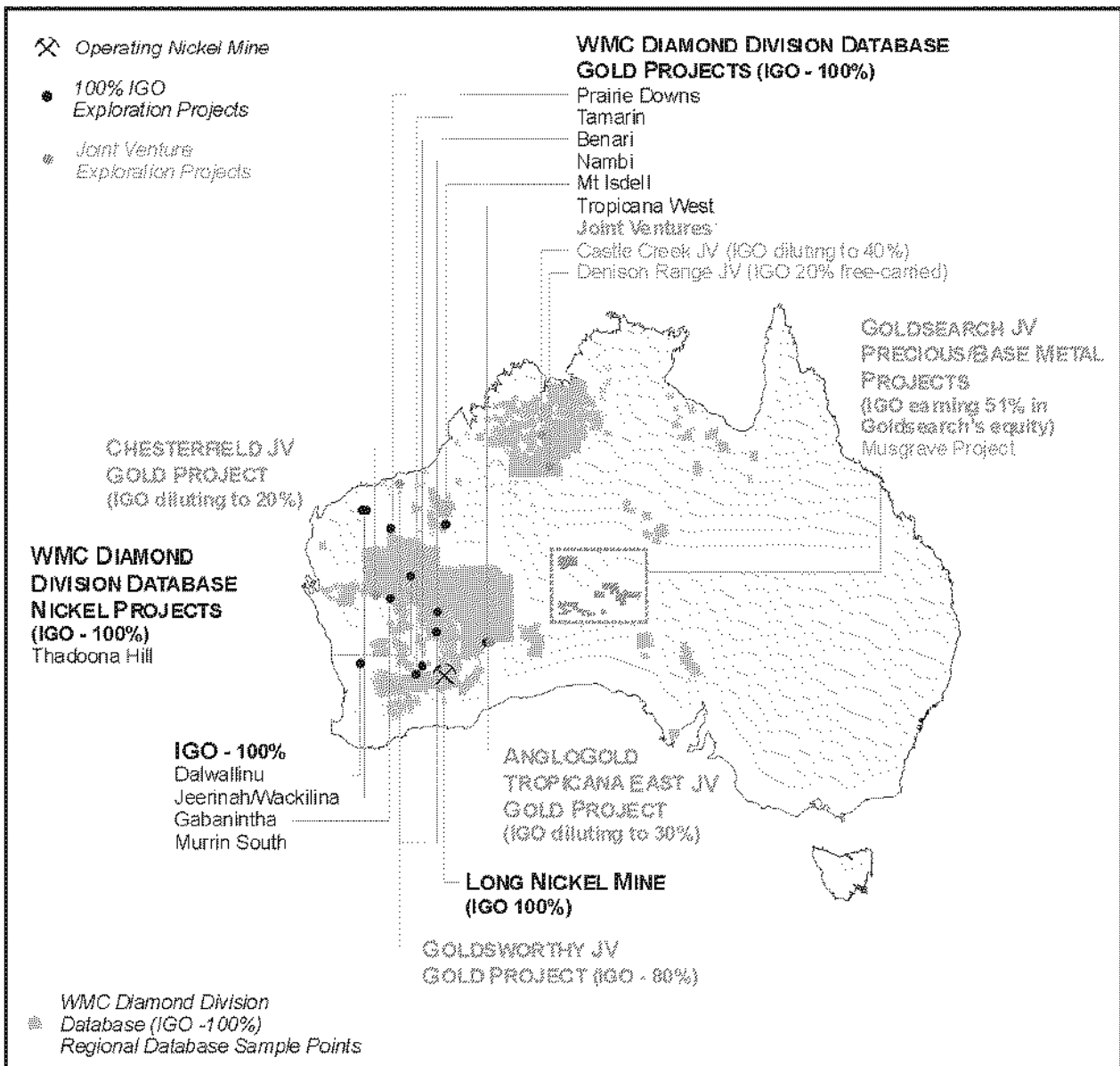


FIGURE 7: COMPARISON OF VISUAL LONG HOLE BLASTHOLE LOGGING –V- CONDUCTIVITY LOGGING



INDEPENDENCE GOLD PROJECTS

EXPLORATION

PHILOSOPHY AND GOALS

Independence is focused on continually creating shareholder wealth. The discovery of large gold and nickel deposits in Australia can significantly increase shareholder wealth and therefore is the focus of our exploration efforts.

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 new massive nickel sulphide deposits.
- : 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



TROPICANA EAST JOINT VENTURE
ANGLOGOLD (MANAGER) EARNING 70%
TARGET: NEW GOLD CAMP

Gold mineralisation intersected to date (eg. 10m @ 2.3g/t Au and 7m @ 2.2g/t Au (E.O.H.) in the same hole) at Tropicana is associated with a zone of broad scale sericite-pyrite alteration. Gold zones >1g/t gold cannot be visually discriminated from lower grade or barren rock. A pilot PIMA (Portable Infra-red Mineral Analyser) study was initiated to determine if gold mineralisation is associated with spectrally distinct mineral phases. Initial analysis of drill chips by PIMA indicates that increasing gold grade correlates with increasing sericite wavelength. The study will be expanded to include all RC holes and selected RAB holes.

The proposed program for the December quarter includes completion of the PIMA study, petrographic studies, multi-element geochemical study and compilation and interpretation. The aim of this work is to determine the controls on high-grade mineralisation with a view to drill testing targets in the March 2004 Quarter.

WMC DIAMOND DIVISION DATABASE PROJECTS
 IGO 100%, WMC 1.5% GROSS PRODUCTION ROYALTY

GOLD PROJECTS

PRAIRIE DOWNS PROJECT

TARGET: VIRGIN ARCHAEOAN/ PROTEROZOIC GOLD CAMP

Further infill sampling down to 500m by 500m spacing has confirmed a broad low order gold and base metal anomaly (6km by 2km) over sand cover associated with Fortescue Group rocks on the western flank of the Sylvania Dome. The project was targeted on low order base metal anomalism from the WMC Diamond Division Database.

TAMARIN PROJECT

TARGET: VIRGIN ARCHAEOAN GOLD CAMP

First pass air core drilling targeting a combination of +20ppb Au soil auger anomalism and a structural contact defined from detailed aeromagnetics returned low order gold beneath 20 metres of cover. A total of 38 holes on five traverses intercepted Archaeoan metasediment, ultramafic and granite lithologies. The best intercept is 3m @ 0.36 g/t Au (includes 1m @ 0.6 g/t) and was returned from immediately adjacent to the main structural target.

TROPICANA WEST PROJECT

TARGET: NEW GOLD CAMP

Limited geochemical sampling during the Quarter further defined elevated gold in calcrete up to 20ppb. The main calcrete target area within E39/949 is defined over a 6 kilometre strike length by reconnaissance sampling spaced on approximately 1.5 kilometre lines. A significant geochemical program consisting of approximately 1,100 samples on various grid spacings down to 400m by 400m is planned to commence during the December Quarter to cover five individual target areas within the project.

MT ISDELL

TARGET: NEW GOLD CAMP

Preliminary rock chip sampling over selected target areas 35 kilometres south of the 26 million ounce Telfer Gold Deposit have confirmed elevated gold and other elements to 86ppb gold, lead to 0.59%, zinc to 2659ppm and arsenic to 530ppm. Limited stream sediment sampling has defined low order copper anomalism requiring follow up.

NICKEL PROJECTS

Independence has developed an in-house technology using chromite grains collected for diamond exploration. The Company can now identify chromites which precipitated with nickel sulphides as well as ultramafics which have carried nickel sulphides. Simplistically, this technology is analogous to "panning for gold" where instead of gold in the dish, which indicates near gold mineralisation, chromite grains with a specific texture, chemistry etc indicate proximity to massive nickel sulphides.

This breakthrough has led to the re-discovery of many existing nickel camps (including Kambalda, Widgiemooltha and Cosmos) and identified over 40 new virgin nickel sulphide targets from the WMC Diamond Division Database (60,000 samples) which may be associated with near surface massive nickel sulphides.

THADOONA HILL

TARGET: VIRGIN ARCHAEOAN NICKEL SULPHIDE CAMP

Subject to the successful granting of Exploration Licence applications, ground geophysical surveys are scheduled for the current quarter to follow up on nickel sulphide targets generated from the chromite microprobe database, and reconnaissance geochemistry.



WESTERN AUSTRALIA CONCEPTUAL GOLD TARGETS
 IGO 100%

WACKILINA PROJECT
 TARGET: NEW GOLD CAMP

Further soil sampling has continued to outline significant gold in soil anomalism now covering an area 3km by 2.5km with a peak gold value of 240ppb (Figure 8). Detailed geological mapping with supporting rock chip sampling over the main soil anomaly has defined gold mineralisation associated with flat south dipping mafic to intermediate tuffites. Within the main soil anomaly, strongly iron altered tuffite returned rock chip assays to 2.8 ppm Au. Drilling planned for the December Quarter will test for potential strata-bound mineralisation.

A contiguous Exploration Licence has been applied for on the south-west boundary of the project.

RC drilling to test geochemical targets is scheduled to commence during the December 2003 Quarter. A number of untested stream sediment (gold) anomalies up to 827ppb Au will also be followed up with infill stream and regional soil sampling.

DALWALLINU PROJECT
 TARGET: NEW GOLD CAMP

Reconnaissance soil sampling returned gold values to 61ppb with elevated molybdenum, bismuth, copper, lead and arsenic from within a broad north-north-east trending corridor over Archaean greenstone, granite and gneiss (Figure 9). The suite of elevated elements has similar geochemical characteristics to the Boddington Gold Mine (undeveloped resource of 730 million tonnes at 0.84 g/t – 20 million oz). Follow up reconnaissance geochemical sampling and a ground-truthing exercise is scheduled for the December Quarter.

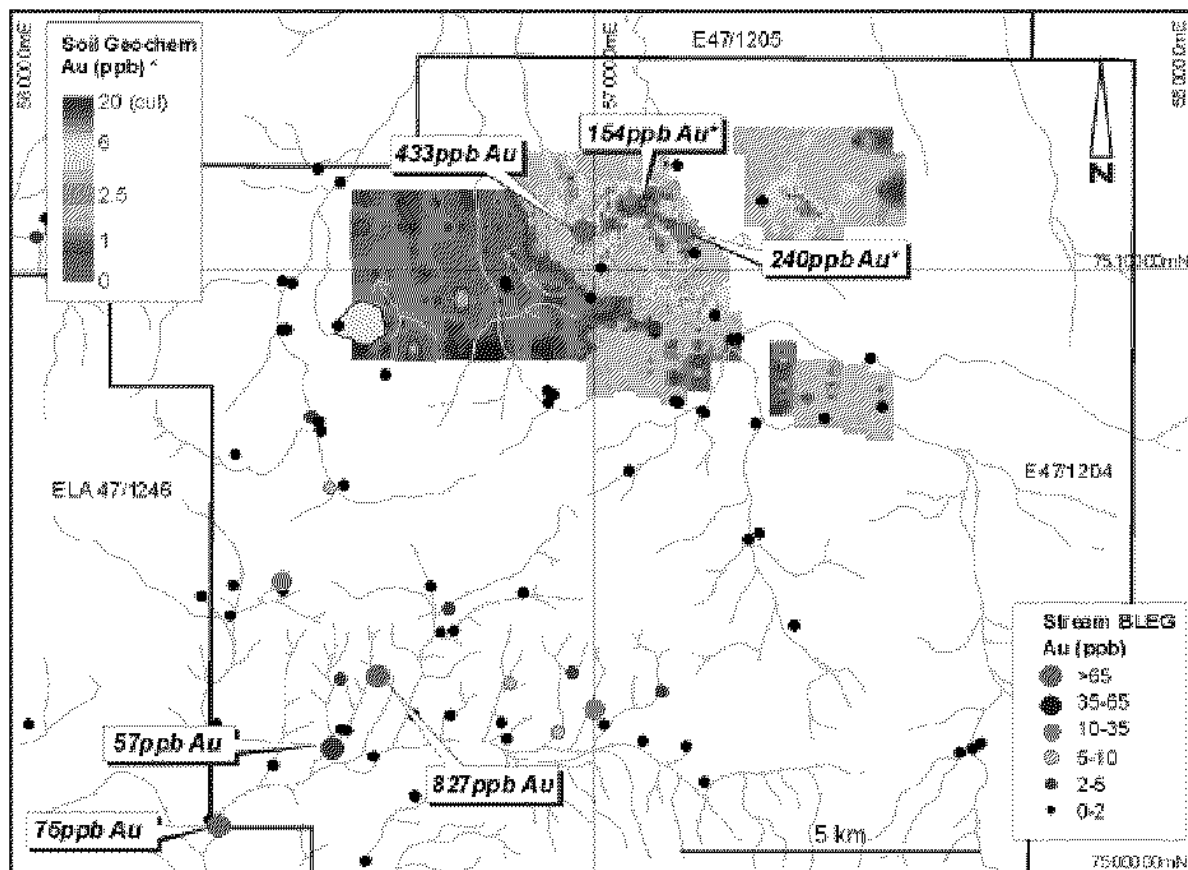


FIGURE 8: WACKILINA SIGNIFICANT SOIL AND STREAM GOLD ANOMALIES

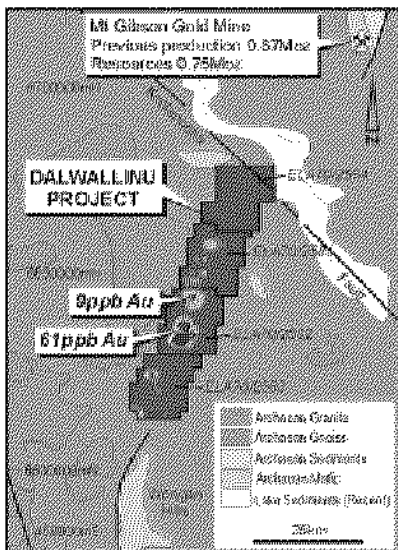


FIGURE 9: DALWALLINU SURFACE GOLD ANOMALIES

GOLDSEARCH MUSGRAVE JOINT VENTURE
 IGO EARNING 51% IN GOLDSEARCH'S EQUITY
 TARGET: WORLD CLASS COPPER-GOLD AND NICKEL DEPOSITS

Soil geochemical sampling on a 1.0km by 0.5km grid in the DeRose Hill tenement, South Australia (Exploration Licence 2910), has defined four very large nickel (Ni) anomalies with associated cobalt (Co) and copper (Cu) anomalism.

The southern nickel (and copper anomaly) occurs approximately 20km along strike from the Wanka Wanka mafic-ultramafic dyke complex held by the Joint Venture (ELA 343/96). Kennecott drilled three shallow holes at Wanka Wanka in the 1970's and intersected disseminated iron-nickel-copper sulphides (pyrite, pyrrhotite, chalcopyrite, pentlandite) over six metres on the chilled margin of a troctolite dyke. The large nickel-copper sulphide deposit at Voisey's Bay, Eastern Canada is associated with the feeder zones of troctolite intrusives.

The Wanka Wanka dyke is a differentiated mafic to ultramafic intrusive with a mapped strike length of 15km and a width of 150m. The dyke is comprised of multiple fractionated zones (magma pulses) and is interpreted to be a major magma conduit or feeder zone.

Aeromagnetic data indicate that this dyke system strikes into the DeRose Hill tenement. The Wanka Wanka dyke and possible extensions are considered excellent targets for Jinchuan style magmatic nickel copper deposits (resource of 500Mt @ 1.2% Ni and 0.7% Cu). Magnetic anomalies interpreted to represent

feeder zones are also excellent targets for Voisey's Bay style nickel-copper deposits (reserve of 31Mt @ 2.88% Ni, 1.69% Cu, 0.14% Co).

Independence has recently established its own regional and mine geophysical crew. An extensive ground transient electromagnetic (TEM) survey to cover the two largest anomalies is currently in progress.

In the Northern Territory wide-spaced reconnaissance geochemical sampling over parts of EL9407 and EL9443 identified six target areas for follow-up sampling to be completed during the December Quarter. Sampling on a 4km by 500m spaced reconnaissance grid in sand dune country returned assays up to 360ppb silver, 77ppm copper, 79ppm cobalt, 224ppm zinc and 128ppm lead.

GOLDSWORTHY JOINT VENTURE
 IGO EARNING 80%
 TARGET: VIRGIN ARCHAEO GOLD CAMP

Processing and subsequent interpretation of an air borne electromagnetic (HoistEM) survey flown over the target east-west structural corridor has outlined a number of resistive and conductive targets in areas of sand cover. The depth of cover is thought to be moderate (20m to 40m). Litho-structural interpretation of aeromagnetics has complimented the EM survey and has justified the applications for further exploration licences to the north of the current project area. The interpretation has highlighted significant areas of potential felsic volcanic rocks highly prospective for gold and VMS base metal deposits.

INDEPENDENCE GOLD NL

CHRISTOPHER M. BONWICK
 MANAGING DIRECTOR

Information in this report relating to geological data has been compiled or reviewed by Mr Christopher M. Bonwick who is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient relevant experience in the reported fields of activity.

INDEPENDENCE GOLD NL
 PO Box 893
 SOUTH PERTH WA 6951

T: (08) 9367 2755
 F: (08) 9367 3288
 E: contact@independencgold.com.au
 W: www.independencgold.com.au

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Independence Gold NL

ABN

46 092 786 304

Quarter ended ("current quarter")

30 September 2003

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors (excludes receivables)	13,109	13,109
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(182) (987) (6,402) (352)	(182) (987) (6,402) (352)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	73	73
1.5 Interest and other costs of finance paid	(339)	(339)
1.6 Income taxes paid		
1.7 Other	4	4
Net Operating Cash Flows	4,924	4,924
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) fixed assets (non-lease) (d) exploration & evaluation (e) development	(389) (1,486) (427)	(389) (1,486) (427)
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets		
1.10 Other – Pre-production costs		
1.11 Loans repaid by other entities		
1.12 Other – Costs relating to 1.8(a)		
Net investing cash flows	(2,302)	(2,302)
1.13 Total operating and investing cash flows (carried forward)	2,622	2,622

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	2,622	2,622
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	6	6
1.15	Proceeds from HP/lease borrowings	336	336
1.16	Proceeds from borrowings		
1.17	Repayment of HP/lease borrowings	(375)	(375)
1.18	Dividends paid		
1.19	Other – Costs relating to 1.14		
1.19	Other – Cash Deposit - Bond		
	Net financing cash flows	(33)	(33)
	Net increase (decrease) in cash held	2,589	2,589
1.20	Cash at beginning of quarter/year to date	4,041	4,041
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	6,630	6,630

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	214
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities (a) Cash Advance Facility	10,000	10,000
	(b) Working Capital Facility	3,000	3,000
	(c) Bond Facility	2,000	1,389
3.2	Credit standby arrangements		

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	1,544
4.2	Development	1,041
Total		2,585

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	400	56
5.2	Deposits at call	6,230	3,985
5.3	Bank overdraft		
5.4	Other (provide details)		
Total: cash at end of quarter (item 1.22)		6,630	4,041

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	E51/914	Surrendered	40%	0%
6.2	Interests in mining tenements acquired or increased	E80/3067-68	Granted	20%	20%
		E45/2537-40	New applications	0%	80%
		P51/2484-92, E47/1295	New applications	0%	100%
		P39/4301-05	New applications	0%	100%
		E39/1037-44	New applications	0%	30%
		E37/690	Granted	100%	100%
		E47/1204-05	Granted	100%	100%
		E39/948-950, 953	Granted	100%	100%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases				
7.3 +Ordinary securities	9,910,000 68,209,750	- 50,519,750	10	0.1
7.4 Changes during quarter (a) Increases through issues - contrib.shares converted (b) Decreases through returns of capital, buy-backs	45,000	-	10	10
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases				
7.7 Options <i>(description and conversion factor)</i>	Ordinary options to subscribe for 1 ordinary share		<i>Exercise price</i>	<i>Expiry date</i>
	28,730,250	28,730,250	20	31 January 2005
	300,000	-	34	10 September 2005
	2,000,000	-	45	30 June 2007
	1,200,000	-	35	31 July 2007
7.8 Issued during quarter				
7.9 Exercised during quarter	9,000	9,000	20	20
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: ...23rd October 2003....
(Director)

Print name: .Christopher Bonwick.....

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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