

Legend buys Independence stake for \$5m

16-December-08
by Rebecca Lawson

Resources minnow Legend Mining has bought a 3 per cent slice in nickel miner Independence Group for nearly \$5 million.

West Perth-based Legend announced this morning that it bought 3.4 million Independence shares on-market over the past six weeks at an average cost of \$1.44 per share.

Shares in Independence were trading at \$1.56 while Legend's share price was at 0.8 cents at 10:45 AEDT.

Legend managing director Mark Wilson said the decision to buy Independence shares was to get the best return on shareholder funds.

"For the past six months we have been reviewing new project opportunities with a particular focus on acquiring lower risk production or near production assets," Mr Wilson said.

"When the final analysis was done, IGO stood head and shoulders above other opportunities in terms of lower risk and higher returns.

"We are confident that when the market settles and projects are assessed on their returns this investment will reward our shareholders in a shorter time frame than the alternative project investments.

"We therefore expect Legend to have a greater cash backing for future opportunities without any dilution of existing shareholders."

The purchase puts Legend in the top 10 Independence shareholders, and leaves Legend with \$5 million in cash which it said is sufficient for the next 12 months.

Source: *WA Business News*