



16 December 2008

ASX Announcement

Legend acquires shares in Independence Group

- \$4,912,322 for 3,400,000 shares at an average price of \$1.44
- Legend in top 10 IGO shareholders with just over 3%
- Remaining cash of \$5 million sufficient for next 12+ months of operations

Legend Mining Limited (ASX: LEG) today announced that it has acquired 3.4 million shares in Independence Group Limited (ASX: IGO) at an average cost of \$1.44 per share. The shares were purchased on-market over the past six weeks.

According to its 2008 annual report, IGO has a cash backing of \$1.25 per share, production assets that generated an after tax profit of \$51 million (i.e. Earnings Per Share of 44¢) and paid fully franked dividends of 17¢ per share.

Managing Director, Mark Wilson said "Our first priority is to get the best return on shareholder funds and even adjusting the 2007/2008 figures to recent market forecasts we see IGO as a production project that is grossly undervalued."

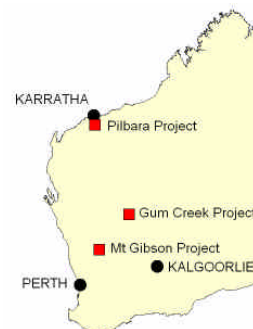
"For the past six months we have been reviewing new project opportunities with a particular focus on acquiring lower risk production or near production assets. When the final analysis was done, IGO stood head and shoulders above other opportunities in terms of lower risk and higher returns.

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." said Mr. Wilson.

Visit www.legendmining.com.au for further information and announcements.

For more information:

Mr Mark Wilson
Managing Director
Legend Mining Limited
Ph: (08) 9212 0600



For personal use only