



IFFCO - India's Largest Fertilizer Enterprise – and Legend Announce Landmark Agreement

1. The Managing Director of IFFCO (Indian Farmers Fertiliser Cooperative Limited), Dr. Awasthi is to join the Board of Legend International Holdings, Inc.

Commenting on his appointment, Dr. Awasthi said *"We are delighted to work with Mr. Joseph Gutnick and Legend to establish a significant fertilizer company in Australia."*

2. In addition to the appointment of Dr. Awasthi to the Board of Legend International Holdings, Inc., IFFCO shall have the right to nominate another Board Member. The Company's Chairman, President and CEO, Mr. Gutnick has the right to nominate three other Board Members.
3. Commenting on the Agreement, Mr. Joseph Gutnick stated: *"It's a great honour and privilege for me to welcome Dr. Awasthi, the Managing Director of IFFCO, to join the Board of Legend International Holdings, Inc. I look forward to his direction and guidance in ensuring the success of our phosphate project."*

Mr. Gutnick continued, *"I am also very excited by the opportunity to work with IFFCO a cooperative representing 50 million farmers and the largest fertilizer company in the burgeoning Indian market. The long term track record of IFFCO and its market coverage, provide Legend International Holdings, Inc. a customer who has the capacity and financial strength to commit to large volumes of phosphate on an annual basis for the life of the project. It also enables Legend International Holdings, Inc. the ability to further develop its interests in fertilizer products and a channel through which to distribute those products."*

4. IFFCO shall receive 30 million options in Legend International Holdings, Inc. with the followings strike price and expiry dates:
 - a. 5,000,000 options, strike price \$2.50 and expiring 60 days from closing;
 - b. 8,000,000 options, strike price \$3.00 and expiring 12 months from closing;
 - c. 8,000,000 options, strike price \$3.50 and expiring 18 months from closing; and
 - d. 9,000,000 options, strike price \$4.00 and expiring 24 months from closing.

The total proceeds amount to \$100.5 million, and when exercised will be utilized to fund expenditure related to the project.

Under a separate Shareholders Agreement between IFFCO and Mr Gutnick, IFFCO will purchase from Mr. Gutnick 15 million shares at a price reflecting the development of the relationship between Mr Gutnick and IFFCO.

5. IFFCO signs principles of Off-take Agreement with Legend International Holdings, Inc. for phosphate rock from Legend International Holdings, Inc. The price of the rock will reflect the market price of long term International supply agreements to the Indian market. An alternate pricing mechanism would be the international phosphoric acid benchmark price.
6. IFFCO will provide both technical and financial facilitation to Legend International Holdings, Inc. in the development of its phosphate mining and shipment of its product to India.