



IGO ANNOUNCES TAKEOVER BID FOR WINDWARD RESOURCES

Independence Group NL (ASX:IGO) (**IGO**) announces its intention to make an off-market takeover offer (the **Offer**) to acquire all of the ordinary shares of Windward Resources Ltd (ASX:WIN) (**Windward**).

Highlights

- IGO to acquire Windward via an off-market takeover offer at a cash price of \$0.19 per share, representing a 46% premium to the last close at 16 September 2016
- The Offer is unanimously supported by the Windward board of directors in the absence of a superior proposal
- The Offer is subject to minimal conditions and provides Windward shareholders with the certainty of cash
- The Offer demonstrates clear strategic rationale for IGO to broaden its access to the underexplored and highly prospective Fraser Range, proximal to existing infrastructure at its Nova Project
- Windward's major shareholder, Mark Creasy, intends to accept the offer in the absence of a proposal superior to the Offer, subject to the conditions detailed below

Commenting on the Offer for Windward, Peter Bradford, Managing Director and CEO of IGO, said:

"IGO is committed to a strategy of consolidating a larger landholding within the Fraser Range and being a leader in the understanding of the Fraser Range geology. A portion of Windward's tenement package is contiguous with the Nova Mining Lease and thus there is a clear rationale for this bolt-on transaction."

"The Offer provides Windward shareholders with the certainty of cash at an attractive premium, removing the risk and uncertainty of exploration, and the potential for further capital raisings by Windward in the future."

Offer Summary

Windward shareholders will receive \$0.19 cash for each Windward share which represents a 46% premium to the last traded price of Windward shares (16 September 2016) and a 58% premium to the proposed 'Subscription Price' in the funding agreement between Windward and Eastern Goldfields Limited, as set out in Windward's ASX release dated 8 September 2016.

The Offer will be subject to a limited number of conditions as listed in schedule 3 of the bid implementation deed (released on the ASX at the same time as this announcement) including:

- Windward's funding agreement with Eastern Goldfields not proceeding;



- a minimum acceptance condition of 50.1%; and
- a number of customary conditions for an offer of this nature including there being no regulatory action and no prescribed occurrences.

Windward's major shareholder, Mark Creasy, who controls entities which together hold 27.44% of Windward's ordinary shares, has indicated that he intends, in the absence of a proposal superior to the Offer, to accept the Offer on the business day following the later of (i) 21 days after the offer opens, and (ii) a substantial holding notice being lodged by IGO in respect of Windward confirming that IGO has voting power in Windward of at least 22.67% (with the effect that if the shares in Windward the Creasy Group holds are accepted into the Offer, IGO's voting power in Windward would be at least 50.1%).

IGO and Windward have agreed to a standard deal protection regime including payment of agreed expense reimbursement by Windward to IGO in certain circumstances.

Further details about the Offer are set out in the bid implementation deed, a copy of which is being released to ASX at the same time as this announcement. Further details will also be contained in IGO's Bidder's Statement, which will be despatched to Windward shareholders as soon as practicable. The Bidder's Statement will set out important information for Windward shareholders including how to accept the Offer and the key reasons why Windward shareholders should accept the Offer.

Transaction Rationale

Windward holds a number of under explored tenements within the Fraser Range covering a total land area of approximately 1,700km². A portion of these tenements is contiguous with the 47km² Nova Mining Lease, which is 100% owned by IGO, and where IGO is currently developing the world class Nova nickel-copper-cobalt Project. Refer Appendix 1 of this announcement.

The Nova Project is now in the final stages of development and construction, with processing plant commissioning expected to commence in earnest later this month. First concentrate is expected to be produced, on time and on budget, in December 2016.

IGO has a strategy to:

- consolidate a larger tenement package on the prospective geology within the Fraser Range;
- invest in R&D and exploration to develop a thorough understanding of the Fraser Range geology and mineralisation; and
- develop and test exploration targets and concepts in the region, with the aim of discovering additional magmatic sulphide deposits to leverage off the invested capital in the Nova Project.

The acquisition of the Windward tenement package aligns with IGO's strategy and strengthens its brownfields exploration portfolio proximal to the Nova Project.

On-market share purchases

IGO does not currently have a relevant interest in any Windward shares. IGO advises that:

- it may seek to acquire Windward shares on-market at or below the price under its Offer prior to the opening of the Offer in accordance with the Corporations Act; and



- in accordance with Rule 6.2.1 of the ASIC Market Integrity Rules (ASX Market) 2010 and the Corporations Act, it may seek to acquire Windward shares on-market at or below the price under its Offer during the period of the Offer.

Advisors

IGO is being advised by Treadstone Resource Partners and Herbert Smith Freehills.

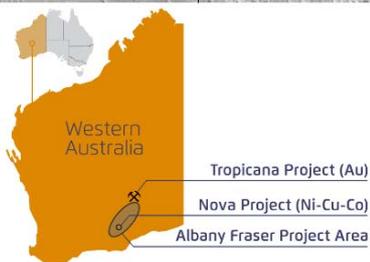
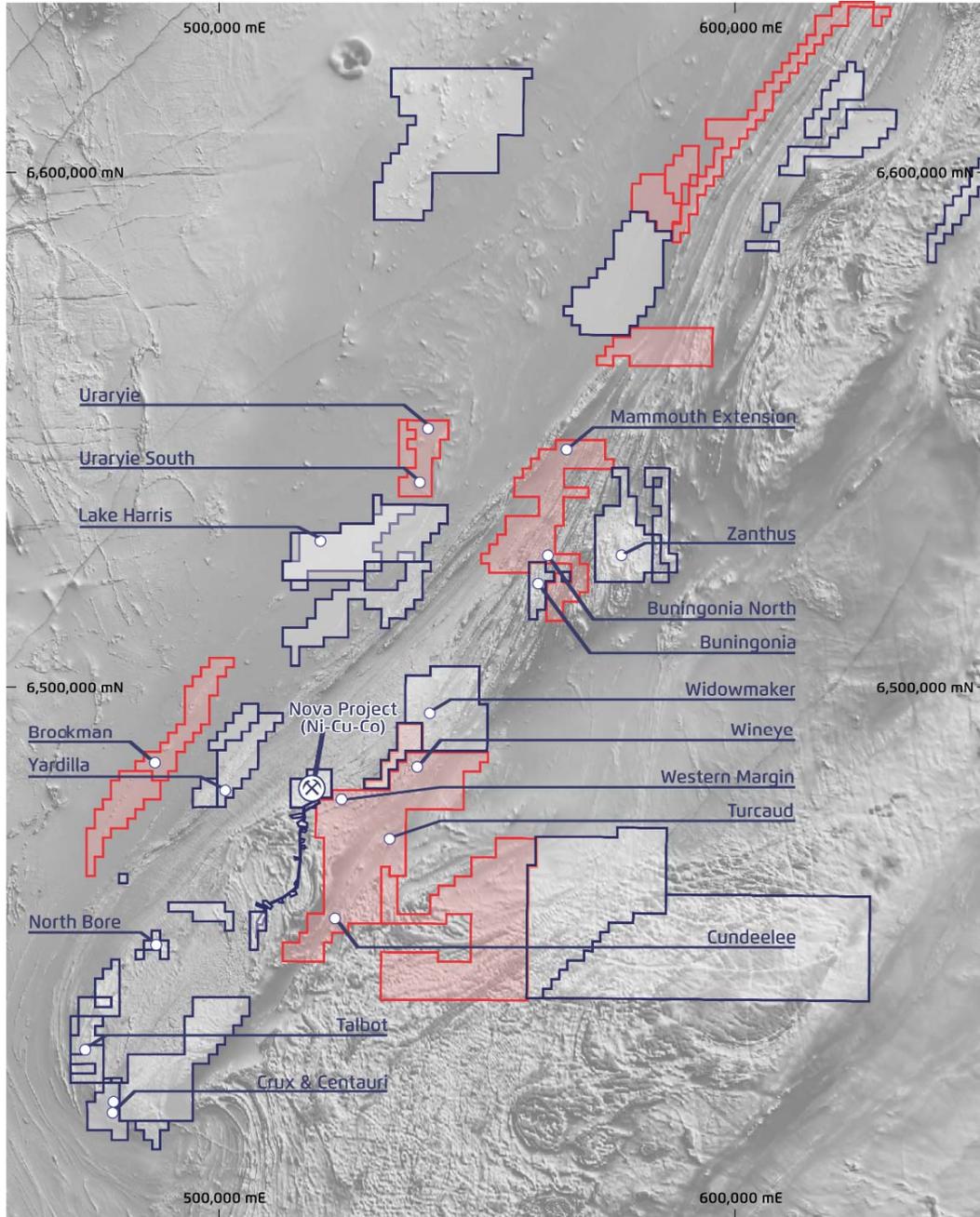
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Appendix 1: Southern Fraser Range showing location of IGO held tenements and Windward held tenements



- Legend**
- IGO Tenure (100% and Joint Ventures)
 - Windward Tenure
 - X Mine In-development
 - Prospect

Fraser Range Project Tenement Status

