

For Immediate Release

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**INVESTMENT COMMUNITY SHOWS SUPPORT FOR RESOURCES TAX DESPITE
NEGATIVE IMPACT FOR INVESTORS - SURVEY**

SYDNEY – 26 May 2010 – A sample of the investment community has shown majority support for the government's proposed super profits tax on the resources sector - despite the vast majority believing the tax will negatively impact investor portfolios.

At the Legg Mason Investment Symposium in Sydney this morning attendees were asked: Speaking as an Australian citizen, do you agree with the concept of the proposed super tax on Australian resources companies?

Sixty percent of the audience said yes.

When asked: From the perspective of client investment portfolios, would the impact of the proposed super tax be positive or negative?

An overwhelming 81 per cent of respondents said they believed the tax would have a negative impact on investment portfolios.

Mr Reece Birtles, CIO of Legg Mason Australian Equities, said Australians understand the merit of a super profits tax on extraction of Australian resources.

"Investor concerns are around the very low return on investment hurdle for taxing super profits and the impact on Australia's sovereign risk rating and future investment given the retrospective nature of the change," he said.

The surveyed audience was made up of financial advisers, investment managers, asset consultants, research analysts and other members of the investment community.

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