

18 September 2001

Company Announcements Platform
Australian Stock Exchange Limited
20 Bond Street
SYDNEY NSW 2000

Fax No: 1300 300021
Pages: 8

Dear Sir/Madam

ISSUE OF SHARES

The Company is pleased to announce the following issue of securities in the Company.

Placement to Raise \$160,000

The Company has agreed to issue to two applicants a total of 1,000,000 fully paid ordinary shares in the capital of the Company (“**Shares**”) at an issue price of 16 cents per Share to raise \$160,000. The funds raised will be used for working capital purposes.

Success Fee

The Company has agreed to issue to May 96 Pty Ltd 1,000,000 Shares at a deemed issue price of 15 cents each, and 1,000,000 Options to acquire Shares at a deemed issue price of 3 cents each. The options have an exercise price of 22 cents and an expiry date of 30th May 2006.

The issue of Shares and options to May 96 Pty Ltd is in payment of a success fee in consideration for the assistance provided to the Company in the resolution of its dispute with East Coast Minerals NL and for ongoing assistance provided to the Company.

As the issues of Shares and options referred to above fall within the Company’s placement capacity pursuant to Listing Rule 7.1, prior shareholder approval to the issues is not required. The Shares will rank pari passu with the existing Shares on issue.

An Appendix 3B is attached.

Yours faithfully

Murray McDonald
Director

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000.

Name of entity

Legend Mining Limited

ACN, ARBN or ARSN

060 966 145

We (the entity) give ASX the following information.

Part 1 – All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | <ul style="list-style-type: none">Fully paid ordinary shares ("Shares").Options with an exercise price of 22 cents each and expiry date of 30th May 2006 ("Options"). |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <ul style="list-style-type: none">2,000,000 Shares.1,000,000 Options. |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <ul style="list-style-type: none">The Shares are fully paid ordinary shares.The Options have an exercise price of 22 cents each and expiry date of 30th May 2006. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

- The Shares rank equally in all respects from the date of allotment with the existing Shares on issue.
- The Options are a new class of options. Upon valid exercise, the Options will convert into Shares which will rank equally in all respects from the date of allotment with the existing Shares on issue.

5 Issue price or consideration

- 16 cents each for 1,000,000 Shares.
- At a deemed issue price of 15 cents each for 1,000,000 Shares.
- At a deemed issue price of 3 cents each for 1,000,000 Options

6 Purpose of the issue
 (If issued as consideration for the acquisition of assets, clearly identify those assets)

- For 1,000,000 Shares, to raise \$160,000 for working capital purposes.
- 1,000,000 Shares and 1,000,000 Options were issued in payment of a success fee in consideration for the assistance provided to the Company by May 96 Pty Ltd in the resolution of its dispute with East Coast Minerals NL and for ongoing assistance.

7 Dates of entering +securities into uncertificated holdings or despatch of certificates

Expected to be by Friday 21st September, 2001

8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)

Number	+Class
34,968,005	Fully Paid Ordinary Shares
30,643,650	Listed Options

9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)

Number	+Class
2,350,000	Unlisted Options

+ See chapter 19 for defined terms.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No dividends declared.
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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	Not applicable
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12	Is the issue renounceable or non-renounceable?	
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13	Ratio in which the +securities will be offered	
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14	+Class of +securities to which the offer relates	
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15	+Record date to determine entitlements	
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16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
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17	Policy for deciding entitlements in relation to fractions	
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18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
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19	Closing date for receipt of acceptances or renunciations	
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20	Names of any underwriters	
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21	Amount of any underwriting fee or commission	
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22	Names of any brokers to the issue	
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+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- | | | |
|----|---|--|
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders | |
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |
| 30 | How do +security holders sell their entitlements <i>in full</i> through a broker? | |
| 31 | How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | |
| 32 | How do +security holders dispose of their entitlements (except by sale through a broker)? | |
| 33 | +Despatch date | |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1 (except the Options)

+ See chapter 19 for defined terms.

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

(If the additional securities do not form a new class, go to 43)

Tick to indicate you are providing the information or documents

35 The names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 A distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

(now go to 43)

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

+ See chapter 19 for defined terms.

Appendix 3B New issue announcement

- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another security, clearly identify that other security)

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- 42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

Number	+Class

(now go to 43)

All entities

Fees

- 43 Payment method (tick one)

Cheque attached

Electronic payment made

Note: Payment may be made electronically if Appendix 3B is given to ASX electronically at the same time.

Periodic payment as agreed with the home branch has been arranged

Note: Arrangements can be made for employee incentive schemes that involve frequent issues of securities.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant to ASX that the issue of the +securities to be quoted complies with the law and is not for an illegal purpose, and that there is no reason why those +securities should not be granted +quotation. We warrant to ASX that an offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) of the Corporations Law.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

+ See chapter 19 for defined terms.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Date:
.....
(Director)

Print name: .Murray McDonald

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+ See chapter 19 for defined terms.