



LEGEND MINING LIMITED

ACN: 060 966 145
ABN: 22 060 966 145

ANNOUNCEMENT

- **Pro-rata Placement to Optionholders**

Legend is proceeding with an entitlement issue to shareholders and pro-rata placement to those optionholders whose options expired on 31 March 2002 ("Past Options").

Subject to shareholder approval, it is proposed to proceed with:

- (a) the entitlement issue to shareholders of approximately 20,867,332 Options, exercisable at 15 cents each on or before 30th April 2005 ("New Options") on the basis of one (1) New Option for every two (2) Shares held at an issue price of one (1) cent per New Option to raise \$208,672; and
- (b) A pro-rata Placement to Past Optionholders of approximately 15,321,875 New Options, exercisable at 15 cents each on or before 30th April 2005 on the basis of one (1) New Option for every two (2) Past Options at an issue price of one (1) cent per New Option to raise up to \$153,218.

Application will be made to list the New Options on the Australian Stock Exchange.

The purpose of the placement is to raise approximately \$361,890 in working capital which primarily will be applied to the continuing mine development and operations in relation to Elizabeth Hill Silver project and Legend's new (100%) Maitland silver ground nearby.

A Notice of Meeting, Explanatory Memorandum and Prospectus detailing the above proposals will be forwarded to all shareholders in the near future. In order to subscribe for the New Options it will be necessary to complete the application form attached to and accompanied by the Prospectus.

ON BEHALF OF THE BOARD OF LEGEND MINING LIMITED

Murray McDonald
Managing Director
22nd April 2002