

ASX: LEG**20 December 2011****ASX Announcement****CAPITAL RAISING UPDATE**

Legend Mining Limited (ASX: **LEG**) has determined, in consultation with Azure Capital Limited (**Azure**), not to proceed with the second tranche share placement of 93,333,333 Shares to raise approximately \$2.8 million. The decision was made having regard to the anticipated cash inflow (\$7 million) from the sale of Legend's Mt Gibson assets (see ASX Announcement dated 22 November 2011) and current market conditions. Compensation due to Azure under the capital raising mandate will be reduced pro rata including a reduction in the number of Options to be issued to Azure.

Following completion of the sale of the Mt Gibson assets, which is scheduled for 20th January 2012, Legend expects to have circa \$18 million in available cash and liquid assets to fund its Cameroon iron ore project.

Visit www.legendmining.com.au for further information and announcements.

For more information:

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