

# 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, 30/9/2001, 11/3/2002.

Name of entity

**Legend Mining Limited**

ABN

**22 060 966 145**

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

1. Ordinary Shares & Options
2. Secured Convertible Note

2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

1. 75,000,000 Ordinary shares  
75,000,000 Vendor Options
2. 1 (Face value of \$5,000,000 per note)

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+ See chapter 19 for defined terms.

<p>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)</p>	<ol style="list-style-type: none"> <li>1. Ordinary shares – not applicable  Options – exercisable at 4 cents each expiring 31 May 2009</li> <li>2. 10% coupon rate expiry date 10 November 2006. At the election of the noteholder, 4 cents plus the issue of one option for every share issued at an exercise price of 4 cents each expiring 10 November 2006. As approved at 10 January 2005 General Meeting.</li> </ol>
<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<ol style="list-style-type: none"> <li>1. Ordinary shares – shares rank equally  Options – only rank equally upon the exercise of the options into ordinary shares.</li> <li>2. The Convertible note is secured by way of a fixed and floating charge over the assets of the Company as disclosed in the Notice of General Meeting for 10 January 2005.</li> </ol>
<p>5 Issue price or consideration</p>	<ol style="list-style-type: none"> <li>1. Ordinary shares – 5.9 cents per share Options – nil consideration</li> <li>2. Convertible Note - \$5,000,000</li> </ol>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p style="text-align: center;">Refer to Notice of General Meeting for 10 January 2005.</p>

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

17 January 2005

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

Number	+Class
245,633,328	Ordinary Shares
36,174,207	Options - expiring 30 April 2005 with an exercise price of 15 cents each

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+ See chapter 19 for defined terms.

	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	2,350,000	Unlisted options exercisable at 22 cents expiring 1 June 2006
		250,000	Employee Options exercisable at 20 cents expiring 30 July 2007
		1,500,000	Directors Options convertible at 30 cents expiring 30 July 2007
		75,000,000	Vendor options exercisable at 4 cents each expiring 31 May 2009
		1	Secured Convertible Note (\$5,000,000 face value) 10% coupon rate expiring 10 November 2006
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company does not anticipate paying dividends in the foreseeable future.	

## Part 2 - Bonus issue or pro rata issue

- 11 Is security holder approval required?
- 12 Is the issue renounceable or non-renounceable?
- 13 Ratio in which the +securities will be offered
- 14 +Class of +securities to which the offer relates
- 15 +Record date to determine entitlements
- 16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?
- 17 Policy for deciding entitlements in relation to fractions

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18 Names of countries in which the entity has <sup>+</sup>security holders who will not be sent new issue documents

Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.

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19 Closing date for receipt of acceptances or renunciations

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<sup>+</sup> See chapter 19 for defined terms.

- 20 Names of any underwriters
  
- 21 Amount of any underwriting fee or commission
  
- 22 Names of any brokers to the issue
  
- 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 or Product Disclosure Statement 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 *in full* through a broker?
  
- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance?

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+ See chapter 19 for defined terms.

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

(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  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, 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)*

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+ See chapter 19 for defined terms.

**Entities that have ticked box 34(b)**

38 Number of securities for which +quotation is sought 

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39 Class of +securities for which quotation is sought 

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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

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

(now go to 43)

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+ See chapter 19 for defined terms.



## 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 the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

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+ See chapter 19 for defined terms.

- 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.
- 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: 31 January, 2005.  
(Company secretary)

Print name: Andrew Chapman

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+ See chapter 19 for defined terms.