

ASX:LEG

30 April 2014

ASX Announcement

**RESCHEDULE OF CONSIDERATION AND EXTENSION OF DEADLINE
TO SATISFY AND/OR WAIVE CONDITIONS PRECEDENT
IN JINDAL SALE AGREEMENT**

Legend Mining Limited (“**Legend**”) announced to the ASX on 20 November 2013 that it had entered into a Share Sale and Debt Assignment Agreement (“**SSDAA**”) with a wholly-owned subsidiary of Jindal Steel and Power Limited (“**Jindal**”) for the sale of Legend’s 90% interest in Camina SA (“**Camina**”),¹ the holding company of the Ngovayang Project (the “**Project**”) in the Republic of Cameroon (the “**Transaction**”).

Under the SSDAA, Jindal will acquire 100% of the shares of Legend Iron Limited (“**Legend Iron BVI**”) and the intercompany loans provided by Legend to Camina, for cash consideration of A\$12 million payable upon completion (subject to working capital adjustments), and a further A\$5.5 million payable within 10 business days of the execution of a Mining Convention between Jindal and the Government of Cameroon. Subsequent negotiations to satisfy and/or waive certain Conditions Precedent (“**CP**”) have resulted in the A\$12 million payment being split into A\$6 million payable upon completion (subject to working capital adjustments) and the remaining A\$6 million 12 calendar months later. This reschedule does not compromise the future activities and direction of Legend as outlined in Clause 1.7 of the Explanatory Memorandum contained in the Notice of General Meeting held on 24 December 2013.

Pursuant to the SSDAA, the Deadline for the satisfaction of the CP was 150 days. Legend and Jindal have agreed to extend the Deadline by up to 60 days from 19 April 2014 to enable the satisfaction of the outstanding CP as detailed below.

Summary of the Status of CP Satisfaction

CP Currently Satisfied and/or waived

- Approval of Legend shareholders in an ordinary meeting, as required by ASX Listing Rule 11.2;
- The directors of Legend who hold shares in Legend certifying that they have voted those shares in favour of the Transaction;
- Approval from the Cameroon Minister of Mines for transfer of the controlling interest in the Project to Jindal;
- Confirmation from the Cameroon Minister of Mines that the exploration permits comprising the Project are able to be renewed 4 times for 2 years each;
- Issuance of an exploration permit to Camina over a 307km² area adjoining EP144 currently held by Camina (granted on 7 February 2014);
- Confirmation from the Minister of Finance (or other relevant authority) that no tax is required to be deposited with any government agency as a result of consummation of the Transaction. This CP has been waived by both parties;
- Approval of the Reserve Bank of India permitting payment by Jindal of the Transaction consideration in foreign exchange. This CP has been waived by Jindal;

¹ To be implemented via the sale of 100% of Legend’s wholly-owned British Virgin Islands subsidiary, Legend Iron Limited, and transfer of intercompany debts, to Jindal.

CP Remaining to be Satisfied

- Written consent of Camina, the minority shareholders of Camina (who collectively hold 10% of Camina) and certain other parties (collectively the “**Camina Minority Shareholders**”) to the novation to Jindal of Legend’s rights and obligations under the Share Sale Agreement by which Legend acquired its 90% shareholding in Camina in 2010 (“**Camina SSA**”). The primary such obligation is Legend’s obligation to fund 100% of the Project’s development costs up to completion of a Bankable Feasibility Study, which gives rise to a free carry of the minority shareholders to this point; and
- The Camina Minority Shareholders, along with Legend, Legend Iron BVI and Camina, executing an amendment to the Camina SSA removing the restriction on future assignment and transfers of the shares in Legend Iron BVI by Jindal.

This announcement is intended to lift the voluntary suspension of trading in Legend’s securities.

For further information please contact:

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

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