



Level 5, 34 Hunter Street
Sydney NSW 2000
GPO Box 4406
Sydney NSW 2001

Phone: +612 9221 7155
Fax: +612 9233 2713
Email: hgl@hgl.com.au
Web: www.hgl.com.au

6 November 2002

Company Announcements Office
Australian Stock Exchange Ltd

Fax: 1300 300 021

AUSTRALIAN STOCK EXCHANGE



HNG000658

HGL LTD OFF-MARKET BID FOR LEMARNE CORPORATION LTD SHARES

HGL Ltd (ASX code "HNG") announces that it proposes to make an off-market bid for all the shares on issue in Lemarne Corporation Ltd (ASX code "LMC") ("Lemarne"). The consideration to be offered is \$1.70 for each Lemarne share.

The only defeating conditions to be in the offer are the "prescribed occurrences" in section 652C(1) and (2) of the Corporations Act.

On 29 October 2002 Lemvest Ltd, a 61% owned subsidiary of Lemarne, made an announcement to the ASX in relation to the proposal of Lemvest Ltd to sell its wholly-owned subsidiary, Richardson Pacific Ltd. If such a sale occurred during the offer period under HGL Ltd's bid for Lemarne, one of the "prescribed occurrences" would be breached. However, HGL Ltd will not treat that sale as a breach if the sale is on the basis set out in the announcement of Lemvest Ltd.

The proposed bid will be in respect of Lemarne shares held as at 7.00 pm Sydney time on Thursday, 7 November 2002. The bid will extend to Lemarne shares issued after that time during the offer period due to the exercise of specified executive options.

HGL Ltd's offer is to provide that HGL Ltd is entitled to all rights which accrue after 5 November 2002 in respect of Lemarne shares which HGL Ltd acquires under its offer.

HGL Ltd's voting power, through a wholly-owned subsidiary of HGL Ltd, in Lemarne is 19.9%.

If that holding is excluded, the maximum consideration payable under the bid is \$22,958,665. HGL Ltd's source of funding is from cash on hand and bank facilities.

M P Mahoney
Company secretary