HGL

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

25 February 2003

Company Announcements Office
Australian Stock Exchange Limited

Dear Sirs

HGL BID FOR LEMARNE: EXTENSION OF OFFER PERIOD AND LETTER SENT TO LEMARNE SHAREHOLDERS

Enclosed are:

1. Notice of Variation of Offer, dated today;

2. Notice of New Date, dated today; and

3. Letter sent to Lemarne shareholders, dated today.

HGL Limited notifies, in relation to its Offers dated 20 November 2002 to the holders of shares in Lemarne Corporation Limited, that:

(a) the Offer Period has today been extended from 7 March 2003 to 7.00 pm Sydney time on 17 April 2003, in accordance with the enclosed Notice of Variation of Offer dated today;

(b) the percentage of Lemarne Shares in which HGL Limited and its associates had a relevant interest:

    (i) on 20 November 2002, being the date on which the first of the Offers was made, was 20.1%;

    (ii) on 25 February 2003, being the date on which the Offer Period was extended, was 20.2%.

Yours faithfully

P S Caldelis
Company Secretary

Encl

NOTICE OF VARIATION OF OFFER

(pursuant to section 650D of the Corporations Act)

TO: Lemarne Corporation Limited (ACN 004 834 584) ("**Lemarne**")

AND TO: each holder of Lemarne Shares to whom HGL Limited (ACN 009 657 961) ("**HGL**") made an Offer dated 20 November 2002 ("**the Offers**")

FROM: HGL

HGL gives notice that it varies the Offers by:

(a) extending the Offer Period until 7.00 pm Sydney time on 17 April 2003;

(b) varying the date in clause 4(a) of the Offers to 17 April 2003;

(c) varying each of the date at the foot of the front of the Acceptance Form and the date at the top of the back of the Acceptance Form to 17 April 2003.

As a result of this extension of the Offer Period, the new date for giving the notice of the status of defeating conditions, under section 630(3) of the Corporations Act, is 7 April 2003 (in place of the date in clause 9.3 of the Offers).

In accordance with section 650E of the Corporations Act, because of the extension of the Offer Period, a person who has accepted an Offer may withdraw their acceptance of the Offer. To withdraw their acceptance of the Offer, the person must, first, give HGL notice within one month of the day after the day on which the copy of this Notice was received and, second, return any consideration received by the person for accepting the Offer. In accordance with Corporations Regulation 6.6.01, the notice from the person to HGL must be in a form approved by the SCH Business Rules. HGL must, within 14 days after the person does the things required to withdraw their acceptance of the Offer, take such action (if any) as the SCH Business Rules require in relation to any of the Lemarne Shares to which the acceptance relates that are entered on an SCH subregister and return any documents that the person sent HGL with the acceptance of the Offer.

Unless the contrary intention appears, terms used in this Notice have the same meanings as those used in the Offers.

DATED: 25 February 2003

SIGNED on behalf of HGL by 2 directors of HGL who are authorised to sign the Notice by a resolution passed at a meeting of directors of HGL.

PG Miller
Director

KJ Eley
Director

A copy of this Notice was lodged with the Australian Securities and Investments Commission on 25 February 2003. The Commission takes no responsibility for the contents of this Notice.

NOTICE OF NEW DATE

(pursuant to section 630(2)(b) of the Corporations Act)

TO: Lemarne Corporation Limited (ACN 004 834 584) ("**Lemarne**")

AND TO: Australian Stock Exchange Limited

FROM: HGL Limited (ACN 009 657 961) ("**HGL**")

HGL made Offers dated 20 November 2002 to the holders of Lemarne Shares ("**the Offers**"). Today HGL extended the Offer Period.

HGL gives notice that:

(a) as a result of that extension, the new date for giving the notice of the status of defeating conditions, under section 630(3) of the Corporations Act, is 7 April 2003;

(b) the Offers have not been freed from the defeating conditions set out in clause 9.1 of the Offers;

(c) to the knowledge of HGL Limited, none of the defeating conditions in clause 9.1 of the Offers (that various specified events should not occur during the period beginning on 4 November 2002 and ending at the end of the Offer Period) have been fulfilled but, at the time of giving this Notice, none of the events referred to in those conditions has occurred.

Unless the contrary intention appears, terms used in this Notice have the same meanings as those used in the Offers.

DATED: 25 February 2003.

____

P S Caldelis
Company Secretary, HGL Limited

HGL LIMITED
ACN 009 657 961

25 February 2003

Dear Lemarne Shareholder

HGL EXTENDS OFFER

The documentation accompanying this letter extends the offer ("the Offer") from HGL Limited ("HGL") to acquire all or part of your shares in Lemarne Corporation Limited ("Lemarne") to 17 April 2003. I wanted to set out in this letter to you the reasons for extending the Offer until that date.

On 20 February 2003, the Board of Lemarne released the half yearly report to shareholders for Lemarne and its subsidiaries ("the Lemarne Group") for the 6 months to 31 December 2002, in which it confirmed that the operating profit before tax for that period was $4.4 million. As HGL stated in its Supplementary Bidder's Statement dated 7 February 2003, and which we recommend you read again, this does not represent the "strong turnaround" claimed by the Lemarne Board **as this result shows little improvement over the results for the previous corresponding period after adjusting for write offs and provisions.** The Lemarne Board's commentary on the results also details a number of issues being faced by the individual businesses.

The Lemarne letter to shareholders dated 19 February 2003 (which accompanied the half yearly report lodged with the ASX) also disclosed that in relation to the proposed sale of Richardson Pacific, the concerns of the ACCC remain "...a major impediment to a successful conclusion to this transaction....", but that "...a decision from the ACCC is expected in March 2003". **Whether the sale of Richardson Pacific proceeds or not will have a significant impact on the ongoing prospects for the Lemarne Group for the reasons set out in HGL's Supplementary Bidder's Statement dated 7 February 2003.** For that reason, HGL has extended its offer to 17 April 2003 to allow Lemarne shareholders to consider the HGL Offer having had the benefit of greater certainty over the sale or otherwise of Richardson Pacific, assuming the Lemarne Group meets its declared timetable.

Yours sincerely

PG Miller
Chairman
HGL Limited