

LEGEND MINING LIMITED

ABN 22 060 966 145

NOTICE OF GENERAL MEETING

and

EXPLANATORY STATEMENT

and

PROXY FORM

FOR GENERAL MEETING TO BE HELD

at 9.00am
on Wednesday, 17th September 2003

at Legend Mining Limited
Suite 1
46 Ord Street
West Perth WA 6005

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- ? **This is an important document. Please read it carefully.**
- ? **If there is any matter that you do not understand, you should contact your Financial adviser, stockbroker or solicitor.**
- ? **If you are unable to attend the General Meeting of Shareholders, please complete and return the enclosed Proxy Form in accordance with the specified directions.**

TIME AND PLACE OF MEETING AND HOW TO VOTE

1. Venue

A General Meeting of the Shareholders of Legend Mining Limited will be held at:-

Legend Mining Limited
Suite 1
46 Ord Street
West Perth WA 6005

Commencing at 9.00am on 17th September 2003.

2. How to Vote

You may vote by attending the Meeting in person, by proxy or authorised representative.

3. Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 9.00am (WST).

4. Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Memorandum as soon as possible and either:-

- by facsimile to the Company on facsimile number (08) 9322 3800; or
- by hand delivery to the Company's registered office at Suite 1, 46 Ord Street, West Perth, Western Australia, 6005; or
- by post addressed to Legend Mining Limited, PO Box 626, West Perth WA 6872.

So that it is received not later than 5.00pm 15th September 2003.

Your Proxy form is enclosed.

SECTION 1 – NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of Shareholders of Legend Mining Limited (Legend or Company) will be held at Legend Mining Limited 46 Ord Street, West Perth, Western Australia, at 17th September 2003.

The Explanatory Statement and Proxy Form accompanying this Notice of Meeting are hereby incorporated in, and form part of, this Notice of Meeting.

AGENDA

The following Resolutions to be considered at the Meeting are explained in the attached Explanatory Statement.

Members are invited to consider each of the Resolutions below, and if thought fit, pass each of Resolutions 1 to 3 as ordinary Resolutions.

RESOLUTION 1 – Ratification of issue of 5,000,000 Shares at an issue price of 1.5 cents per Share

? “That, pursuant to and in accordance with Listing Rule 7.4 of the Listing Rules of Australian Stock Exchange Limited and for all other purposes, the members of the Company ratify and approve the issue of 5,000,000 Shares at an issue price of 1.5 cents per Share and otherwise upon the terms set out in the Explanatory Statement accompanying this Notice of Meeting.”

RESOLUTION 2 – Placement of up to 46,666,000 new Shares at an issue price of not less than 1.5 cents per Share

? “That, pursuant to Listing Rule 7.1 of the Listing Rules of the Australian Stock Exchange Limited and for all other purposes, the members of the Company approve the placement of up to 46,666,000 new Shares at an issue price of not less than 1.5 cents per Share to raise up to \$700,000 upon the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

Whilst Resolution 2 provides that the Shares shall not be issued at less than 1.5 cents, the Directors will take into account market conditions and including the market in the Company's shares at the time of setting the price of the Placement.

RESOLUTION 3 – Issue of 7,500,000 new Shares to Yandal Investments Pty Ltd

? “That, pursuant to Listing Rule 7.1 of the Listing Rules of the Australian Stock Exchange Limited and for all other purposes, the members of the Company approve the placement of 7,500,000 new Shares to Yandal Investments Pty Ltd, at a deemed issue price of 2.5 cents per Share upon the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

NOTES

Who may Vote

Persons whose names are set out in the register of members of the Company as at 5.00pm on 15th September 2003, are entitled to attend and vote at the Meeting by this Notice.

Proxies

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. To be valid, a proxy form must be received by the Company by 5.00pm on 15th September 2003 ("Proxy Deadline"). Proxies may be submitted:-
 - (a) by hand delivery to the Company's registered office at Suite 1, 46 Ord Street, West Perth, Western Australia, 6005; or
 - (b) by post addressed to Legend Mining Limited, PO Box 626, West Perth WA 6872; or
 - (c) by facsimile at (08) 9322 3800.

A proxy appointment must be signed by the Shareholder or the Shareholder's attorney. Where the appointment is signed by the appointor's attorney, a certified copy of the authority, or the authority itself, must be lodged with the Company in one of the above ways by the Proxy Deadline. If facsimile transmission is used, the authority must be certified.

Voting Exclusion Statement

In accordance with the Corporations Act and Listing Rules, the following persons must not cast any votes on the following Resolutions, and the Company will disregard any votes cast on those Resolutions by:-

Resolution	Excluded Voters
1	Any person that participated in the Issue or an associate of that person.
2	A person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a shareholder, if the resolution is passed, and an associate of those persons.
3	Yandal Investments Pty Ltd and any other person who might obtain a benefit, except a benefit solely in the capacity of a shareholder, if the resolution is passed, and an associate of those persons.

However, the Company need not disregard a vote if it is cast by:-

- (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

BY ORDER OF THE BOARD

Murray McDonald
Director
Dated 18th August 2003

SECTION 2 – EXPLANATORY STATEMENT

This Explanatory Statement and all attachments are important documents. They should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Statement or preceding Notice, please contact the Company, your financial advisor, stockbroker or solicitor.

1 GENERAL INFORMATION

Your Company is now focussed on its gold, copper and base metal exploration and development on 675 square kilometres of contiguous ground near Karratha Western Australia.

This initial focus will target high quality, high grade ounces which offer higher profit margins for less capital outlay, in an area close to the rapidly expanding centre of Karratha with its excellent infrastructure. Initial exploration drilling at Carlow Castle (as previously reported) has recently discovered high grade resources, including 30,000 ounces of gold averaging 10g/t (with 1.4% copper) and which is open at depth. This resource is in the category of “indicated and inferred” mineral resources (as defined in the JORC Code).

As reported in the December 2002 and June 2003 Quarterly Reports recent exploration has further confirmed the significant potential for additional gold resources at Carlow Castle and Mt Sholl as well as for other gold and base metal mineralisation elsewhere on the tenement area. The objective now is to advance these priority targets to drill testing. During the June 2003 quarter, exploration continued on a number of areas within Legend's large land holding. The work included regional reconnaissance and metal detecting with up to three people in the field.

A considerable number of small gold nuggets were discovered, from less than one gram and up to 265 grams (8.5 ounces). Preliminary evaluation suggests that better surface gold distribution is linked to structural control within areas of carbonate and iron alteration. Most of the nugget areas represent new prospects not previously reported, and will be followed up by more detailed geological mapping and drilling to determine and locate the source of the gold.

The immediate objective is to undertake a drilling programme at Carlow Castle with the objective of fast tracking the project towards development of its gold and copper resources.

Funding needs to be raised for the repayment of debt and the re-capitalisation of the Company so that the Company can advance the Carlow Castle and Mt Sholl gold projects.

The Resolutions contained herein will commence that process.

2 THE RESOLUTIONS

2.1 Resolution 1 – Ratification of a placement of 5,000,000 Shares

In June 2003 the Company issued 5,000,000 new Shares in the Company.

Listing Rule 7.4 provides that an issue of equity securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the holders of ordinary securities subsequently approve it.

For the purposes of Listing Rule 7.5, the details of the placement are as follows:-

- (a) the number of securities allotted – 5,000,000 Shares;
- (b) the price at which the securities were allotted – 1.5 cents per Share;
- (c) the terms of the securities – fully paid ordinary Shares to rank pari passu with existing Shares;
- (d) the names of the allottees:-

Dr A Waddell	300,000
Fox Resources Limited	333,333
J & P Novatscou	300,000
D Lawrence and J Valentino	300,000
C & S Ioannou	100,000
E Rolinson	210,000
Gemlisa P/L	300,000
M Kirou	100,000
G & A Kirou AFT Casmic Superannuation Fund	100,000
S Iaonnou	500,000
Bushdawn P/L	500,000
J Kirou Trustee for the John Kirou Family Trust	500,000
A & K Kirou AFT A & R Kirou Family Account	236,667
D Graikos	140,000
S Femia	80,000
W Hernstadt	500,000
Depothent P/L	500,000

- (e) the use of the funds raised – working capital of the Company; and
- (f) a voting exclusion statement – any person that participated in the Issue or any associate of that person.

In order for the Company to have the capacity under the Listing Rules of the Australian Stock Exchange to renew its capacity to place up to 15% of the total ordinary securities in any twelve month period, the Company is required to have ratified the issue of the 5,000,000 Shares.

2.2 Resolution 2 – Placement of up to 46,666,000 new Shares at an issue price of not less than 1.5 cents per Share to raise up to \$700,000

Listing Rule 7.1 provides that the Company cannot issue equity securities representing more than 15% of the issued share capital of the Company in any 12 month period without Shareholder approval. The issue of the Shares pursuant to the Placement, may breach that 15% limit. Therefore, the Company may not be in a position to issue Shares pursuant to the Placement, without Shareholder approval.

Whilst Resolution 2 provides that the Shares shall not be issued at less than 1.5 cents, the Directors will take into account market conditions and including the market in the Company's shares at the time of setting the price of the Placement.

The funds raised from the issue of the Shares pursuant to this Resolution will be used to retire debt and commence the process of upgrading the Carlow Castle resources and the new gold nugget prospect areas at Mt Sholl.

Immediate focussed work is planned to commence the following programme:-

- (a) expand the existing gold-copper resources;
- (b) drill at depth below existing resources;
- (c) expand drill coverage at Carlow East where previous intercepts include 4m downhole at 4.55g/t Au, 1.32% Cu and 4m downhole at 1.87g/t Au, 5.66% Cu; and
- (d) test high priority geophysical targets identified as having similar responses to the resource area from the 37 anomalies within 800m of Carlow Castle.

The placees will be independent third parties.

Subject to the Corporations Act and Listing Rules, the Shares to be issued pursuant to this Resolution will be issued within 3 months of the date of the passing of this Resolution.

The Shares issued pursuant to this Resolution are fully paid ordinary shares and will rank pari passu with existing Shares.

2.3 Resolution 3. Issue of 7,500,000 Shares to Yandal Investments Pty Ltd at a deemed issue price of 2.5 cents per Share

In October 2002 Yandal loaned Legend \$250,000 to assist in respect of the November 2002 drilling programme on the Munni Munni silver deposit ("Debt"). Over 4000m was drilled in the area of the original mined pod, however, the results were disappointing and the Company has now decided to focus on its 100% owned gold-copper base metals ground in the Carlow

Castle and Mt Sholl areas within the 675 square kilometres of tenements controlled by the Company.

Yandal has agreed to the issue of 7,500,000 Shares in the Company in part satisfaction of the Debt.

Listing Rule 7.1 provides that the Company cannot issue equity securities representing more than 15% of the issued share capital of the Company in any 12 month period without Shareholder approval. The issue of the Shares to Yandal Investments Pty Ltd, may breach that 15% limit. Therefore, the Company may not be in a position to issue Shares pursuant to the Placement, without Shareholder approval.

No funds will be raised from the issue of the Shares pursuant to this Resolution will be used to fund the Company's future exploration activities, however, the Placement is in part satisfaction of the Debt.

The placee will be Yandal Investments Pty Ltd.

Subject to the Corporations Act and Listing Rules, the Shares to be issued pursuant to this Resolution will be issued within 3 months of the date of the passing of this Resolution.

The Shares issued pursuant to this Resolution are fully paid ordinary shares and will rank pari passu with existing Shares.

2.4 Capital Structure

The change in capital structure of the Company as a result of Resolutions 1, 2 and 3 is as follows:-

(a) Before New Issue:-

Shares: 47,234,665 – fully paid ordinary Shares; and

Options: 36,189,207 – listed options exercise price 15 cents expiry 30th April 2005.

2,350,000 – unlisted options exercise price 22 cents expiry 30th May 2006.

(b) On Completion of New Issue:-

Shares: 101,400,655 – fully paid ordinary Shares; and

Options: 36,189,207 – listed options exercise price 15 cents expiry 30th April 2005.

2,350,000 – unlisted options exercise price 22 cents expiry 30th May 2006.

3 DEFINITIONS

“**ASIC**” means the Australian Securities and Investments Commission.

“**ASX**” means Australian Stock Exchange Limited (ACN 008 624 691).

“**Board**” means the directors of the Company for the time being.

“**Company**” means Legend Mining Limited (ABN 22 060 966 145).

“**Corporations Act**” means the Corporations Act 2001 (Cth).

“**Director**” means each person who has acted or may act as a director of the Company.

“**Explanatory Statement**” means this explanatory statement.

“**Listing Rules**” means the official listing rules of ASX.

“**Meeting**” and “**Shareholders Meeting**” means the meeting of Shareholders convened by the Notice.

“**Notice**” and “**Notice of Meeting**” means the notice of general meeting dated 18th August 2003 to which this Explanatory Statement is attached.

“**Resolution**” means each of Resolutions 1 to 3 set out in this Notice of Meeting.

“**Share**” means a fully paid ordinary share in the capital of the Company.

“**Shareholder**” means a person entered in the Company’s register of members as the holder of a Share.

PROXY FORM

APPOINTMENT OF PROXY
LEGEND MINING LIMITED
ABN 22 060 966 145

SEND TO: Legend Mining Limited, PO Box 626, West Perth WA 6872 (or fax to (08) 9322 3800).

GENERAL MEETING

Appointment of Proxy

I/We

being a Shareholder of Legend Mining Limited entitled to attend and vote at the Meeting, hereby

Appoint

Name of Proxy

or failing the person so named, or if no person is named, the Chairman of the Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the General Meeting to be held at 9.00am WST on 17th September 2003 at Suite 1, 46 Ord Street, West Perth, Western Australia and at any adjournment thereof. If no directions are given, the Chairman will vote in favour of each Resolution.

Directions on voting

		FOR	AGAINST	ABSTAIN
Resolution 1	Ratification of issue of 5,000,000 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Placement of up to 46,666,000 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of up to 7,500,000 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

OR

If you do not wish to direct your proxy how to vote, please place a mark in the box.

By marking this box you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the Resolution and votes cast by him other than as a proxy holder will be disregarded because of that interest.

You must either mark the boxes directing your proxy how to vote or mark the box indicating that you do not wish to direct your proxy how to vote, otherwise this appointment of proxy form will be disregarded.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents _____ %.

PLEASE RETURN THIS PROXY FORM TO
LEGEND MINING LIMITED, PO BOX 626, WEST PERTH, WA, 6872 OR BY FAX TO (08) 9322 3800
BY 5.00PM ON 15TH SEPTEMBER 2003.

Signed this

day of

2003.

By:-

Individuals and joint holders

Companies (affix common seal if appropriate)

Signature

Director/Company Secretary

Signature

Sole Director and Company Secretary

Instructions for Completing Proxy Form

- 1) A Shareholder entitled to attend and vote at a Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
- 2) A duly appointed proxy need not be a Shareholder of the Company. In the case of joint holders, all must sign.
- 3) Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:-
 - ? 2 directors of the company;
 - ? a director and a company secretary of the company; or
 - ? for a proprietary company that has a sole director who is also the sole company secretary – that director.For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.
- 4) Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
- 5) Where a Proxy Form or form of appointment of corporate representative is lodged and its executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.