

LEGEND MINING LIMITED
ABN 22 060 966 145

NOTICE OF GENERAL MEETING
EXPLANATORY MEMORANDUM
AND
PROXY FORM

Date of Meeting
20 December 2011

Time of Meeting
11:30 am

Place of Meeting
Celtic Club
48 Ord Street
West Perth WA 6005

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LEGEND MINING LIMITED
ABN 22 060 966 145
NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of Shareholders of Legend Mining Limited (**Company**) will be held at Celtic Club, 48 Ord Street, West Perth WA 6005 on Tuesday 20 December 2011 at 11:30 am for the purpose of transacting the following business.

ORDINARY BUSINESS

Resolution 1 – Ratification of Issue and Allotment of Shares to clients of Azure – Listing Rule 7.4

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, pursuant to Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue and allotment of 240,000,000 Shares on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”

Voting Exclusion Statement: The Company will, in accordance with the Listing Rules of the ASX, disregard any votes cast on Resolution 1 by any person who participated in the issue, and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

Resolution 2 – Approval of Issue and Allotment of Shares to clients of Azure – Listing Rule 7.1

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, in accordance with Listing Rule 7.1 and for all other purposes, the Directors be and are hereby authorised to issue and allot up to 93,333,333 Shares to clients of Azure and otherwise on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”

Voting Exclusion Statement: The Company will, in accordance with the Listing Rules of the ASX, disregard any votes cast on Resolution 2 by any 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 holder of ordinary securities if the resolution is passed, and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

Resolution 3: Issue of Options to Azure

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

‘Subject to resolutions 1 and 2 being passed, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the grant and issue by the Company of 20 million Options, exercisable at 5 cents and expiring on 4 February 2015 and otherwise on the terms and conditions detailed in the Explanatory Memorandum accompanying this Notice of Meeting, to Azure Capital Limited (or its nominees) as part consideration for services provided by Azure as lead manager and corporate advisor in relation to the share placement contemplated at Resolutions 1 and 2 of this Notice.’

Voting Exclusion: The Company will disregard any votes on this Resolution by Azure Capital Limited, any person who may participate in the proposed issue, any person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

A proxy form is attached.

To be valid, properly completed proxy forms must be received by the Company no later than 11:30 am (WST) on 18 December 2011

- By post at Advanced Share Registry, PO Box 1156, Nedlands WA 6906
- By facsimile on +61 8 9389 7871

By order of the Board

Dennis Wilkins
Company Secretary
Date: 17 November 2011

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PROXIES

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions provided. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

New sections 250BB and 250BC of the Corporations Act took effect on 1 August 2011 and apply to voting by proxy. Shareholders and their proxies should be aware of these changes to the Corporations Act as they apply to this meeting. Broadly, the changes mean that:

1. if proxy holders vote, they must cast all directed proxies as directed; and
2. any directed proxies which are not voted will automatically default to the chair, who must vote the proxies as directed.

Proxy vote if appointment specifies way to vote

Section 250BB provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

1. the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
2. if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
3. if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll and must vote that way; and
4. if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way.

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC provides that, if:

1. an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
2. the appointed proxy is not the chair of the meeting; and
3. at the meeting, a poll is duly demanded on the resolution; and
4. either of the following applies:
 - a. the proxy is not recorded as attending the meeting;
 - b. the proxy does not vote on the resolution,the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

ENTITLEMENT TO VOTE

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding ordinary Shares at 5:00 pm Perth time on 18 December 2011 will be entitled to attend and vote at the General Meeting.

CORPORATIONS

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company, before the meeting.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the Shareholders of Legend Mining Limited ABN 22 060 966 145 (**Company**) in connection with the business to be conducted at the General Meeting of the Company to be held at Celtic Club, 48 Ord Street, West Perth WA 6005, on 20 December 2011 commencing at 11:30am.

The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum will, unless the context otherwise requires, have the same meaning given to them in the glossary as contained in this Explanatory Memorandum.

At the meeting, Shareholders will be asked to consider resolutions for:

- Ratification of the Issue and Allotment of Shares to Clients of Azure – Listing Rule 7.4;
- Approval of the Issue and Allotment of Shares to Clients of Azure – Listing Rule 7.1;
- Approval of the grant of Options to Azure – Listing Rule 7.1; and,

Each of the resolutions is an ordinary resolution requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

Resolution 1 – Ratification of Issue and Allotment of Shares to clients of Azure – Listing Rule 7.4

(a) General comments

Resolution 1 seeks Shareholder ratification in accordance with Listing Rule 7.4 for the issue and allotment of 240,000,000 Shares at an issue price of \$0.03 each per Share.

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of such ratification is to restore a Company's maximum discretionary power to issue further shares up to 15% of the issued capital of the Company without requiring shareholder approval.

(b) Technical information required by ASX Listing Rule 7.5

Listing Rule 7.5 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of Listing Rule 7.4 and the following information is included in this Explanatory Memorandum for that purpose:

(i) Securities issued:

The number of Shares issued was 240,000,000.

(ii) Issue price of the securities:

The Shares were issued for \$0.03 per Share.

(iii) Names of allottees:

The Shares were issued and allotted to clients of Azure who are eligible investors under s708 of the Corporations Act who are not related parties of the Company.

(iv) Terms of the securities:

The Shares rank equally with the existing Shares on issue.

(v) Intended use of funds:

The funds raised of \$7,200,000 before the costs of the issue will be used to accelerate the current drilling program at the Company's Ngovayang Project in Cameroon, West Africa and for working capital purposes.

(vi) Voting exclusion

A voting exclusion statement is included with the Notice.

Resolution 2 – Approval of Issue of Shares to clients of Azure – Listing Rule 7.1

(a) General comments

Resolution 2 seeks Shareholder approval in accordance with Listing Rule 7.1 for the issue of up to 93,333,333 Shares at an issue price of \$0.03 each per Share.

Listing Rule 7.1 provides that the prior approval of Shareholders is required for an issue of equity securities if the securities will, when aggregated with the securities issued by the Company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

The proposed issue of Shares will be to eligible investors under s708 of the Corporations Act and who are not related parties of the Company. This Resolution is placed before Shareholders to allow the securities to be excluded from the 15% placement capacity set out in Listing Rule 7.1.

(b) Technical information required by ASX Listing Rule 7.3

Listing Rule 7.3 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of Listing Rule 7.1 and the following information is included in this Explanatory Statement for that purpose:

(i) Maximum number of securities:

The maximum number of Shares to be issued is 93,333,333.

(ii) Date of allotment and issue of the securities:

The Shares will be issued no later than three months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) on a single date and not progressively.

(iii) Issue price of the securities:

The Shares will be issued for \$0.03 per Share.

(iv) Names of allottees:

The Shares will be issued and allotted to clients of Azure who are eligible investors under s708 of the Corporations Act who are not related parties of the Company.

(v) Terms of the securities:

The Shares, once issued, will rank equally with the existing Shares on issue.

(vi) Intended use of funds:

The funds raised of \$2,800,000 before the costs of the issue will be used to accelerate the current drilling program at the Company's Ngovayang Project in Cameroon, West Africa and for working capital purposes.

(vii) Voting exclusion:

A voting exclusion statement is included with the Notice.

Resolution 3: Grant of Options to Azure

(a) General comments

On 11 November 2011 the Company entered into an agreement with Azure appointing that firm as lead manager and corporate advisor in relation to a share placement whereby, subject to all regulatory approvals, Azure has undertaken to place up to 333,333,333 Shares at an issue price of \$0.03 to sophisticated investors and/or clients of Azure to raise up to \$10 million before costs. As a condition of Azure's appointment, the Company agreed to pay Azure a cash completion fee of 6% of monies raised pursuant to the Placement, issue to Azure (or its nominee) 20 million Options and reimburse reasonable out of pocket expenses.

ASX Listing Rule 7.1 provides that a company may not, subject to specified exceptions, issue or agree to issue during any 12-month period any equity securities, or other securities with rights to conversion to equity, if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12-month period.

The effect of Resolution 3 will be to enable the Directors to issue 20 million Options to Azure within the period of three months after the date of the General Meeting or such longer period as permitted by ASX, without those Options counting towards the 15% of the issued capital of the Company that can be issued in any 12-month period without Shareholder approval.

(b) Technical information required by ASX Listing Rule 7.3

ASX Listing Rule 7.3 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.1:

(i) Maximum number of securities:

The maximum number of Options to be issued is 20 million.

(ii) Date of allotment and issue of the securities:

The Options will be issued no later than three months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) on a single date and not progressively.

(iii) Issue price of the securities:

The Options will be issued for no cash consideration, but rather as part consideration for services provided under the capital raising agreement between Azure and the Company dated 11 November 2011. Accordingly, no funds will be raised from the issue of the Options.

(iv) Names of allottees:

The Options will be issued to Azure or its nominee(s).

(v) Terms of the securities:

The terms and conditions of the Options are contained in annexure A to this Explanatory Memorandum.

(vi) Intended use of funds:

No funds will be raised from the issue of the Options. The Options will be issued as part consideration to Azure for services provided under the capital raising agreement between Azure and the Company dated 11 November 2011.

The passing of Resolution 3 depends on the passing of Resolutions 1 and 2.

Further general information

Capital Structure of the Company upon the passing of Resolutions 2 and 3

The capital structure of the Company following successful completion of the issue and allotments of Shares the subject of Resolutions 2 and 3 is summarised below:

Details of Number of Shares and Options:

	Shares	Options
Current (including Resolution 1)	1,980,350,801	1,232,400,000
Resolution 2 – Issue 2 nd Tranche Placement Shares	93,333,333	Nil
Resolution 3 – Issue Options to Azure	Nil	20,000,000
TOTAL	2,073,684,134	1,252,400,000

ANNEXURE A
TERMS AND CONDITIONS OF \$0.05 OPTIONS EXPIRING 4 FEBRUARY 2015

The Options to be issued pursuant to Resolution 3 will be issued on the following terms:

- (a) Each Option shall be issued for no consideration.
- (b) The exercise price of each Option will be 5 cents ("**Exercise Price**").
- (c) Each Option entitles the holder to subscribe for one Share in the capital of Legend Mining Limited ABN 22 060 966 145 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
- (d) The Options will lapse at 5.00 pm, WST on 4 February 2015 ("**Expiry Date**").
- (e) The Options may be transferred at any time in accordance with Section 707(3) of the Corporations Act;
- (f) There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
- (g) Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before books closing date to exercise the Options.
- (h) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2;
- (i) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (j) The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
- (k) The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
- (l) The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
- (m) Application will not be made for the Options to be quoted on the Official List of the ASX. The Company will, pursuant to the exercise of an Option, apply to ASX for Quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act and the Listing Rules.

GLOSSARY

In this Explanatory Memorandum and the Notice, the following terms have the following meanings unless the context otherwise requires:

ASX	means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.
Azure	means Azure Capital Ltd ACN 107 416 106
Board	means the board of Directors of the Company.
Chairman	means the chairman of the Company.
Company	means Legend Mining Limited ABN 22 060 966 145.
Corporations Act	means Corporations Act 2001 (Cth).
Director	means a director of the Company.
Explanatory Memorandum	means this information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice.
Listing Rules	means the listing rules of ASX.
Notice or Notice of Meeting	means the Notice of General Meeting accompanying this Explanatory Memorandum.
Option	means an option to subscribe for a Share.
Placement	means the issue of up to 333,333,333 Shares at an issue price of 3 cents.
Resolution	means a resolution contained in the Notice.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a registered holder of a Share.
WST	means Western Standard Time

The Company Secretary
Legend Mining Limited
C/- PO Box 1156
Nedlands WA 6906
Facsimile: +61 8 9389 7871

Shareholder Details

Name:.....
Address:.....
Contact Telephone No:.....
Contact Name (if different from above):

Appointment of Proxy

I/We being a shareholder/s of Legend Mining Limited and entitled to attend and vote hereby appoint

The Chairman of the meeting OR
(mark with an 'X')

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting.

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the General Meeting of Legend Mining Limited to be held on Celtic Club, 48 Ord Street, West Perth WA 6005 20 December 2011 and at any adjournment of the meeting.

Voting directions to your proxy – please mark to indicate your directions

Ordinary Business

	For	Against	Abstain*
Resolution 1. Ratification of Issue and Allotment of Shares to Clients of Azure – Listing Rule 7.4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2. Authority to Issue and Allot Shares to Clients of Azure – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3. Authority to Grant Options to Azure – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Appointment of a second proxy (see instructions overleaf).

If you wish to appoint a second proxy, state the % of your voting rights applicable to the proxy appointed by this form.

PLEASE SIGN HERE This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented

Individual or Shareholder 1

Sole Director and
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this Annual General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed in accordance with its constitution or its duly authorised attorney. In the case of joint Shareholders, this proxy must be signed by each of the joint Shareholders, personally or by a duly authorised attorney.
4. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To be effective, forms to appoint proxies **must be received by the Company no later than 48 hours** before the time appointed for the holding of this General Meeting **that is by 11:30 am on 18 December 2011** by post or facsimile to the respective addresses stipulated in this proxy form.
6. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
 - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
 - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
 - (c) if the proxy is the Chairperson, the proxy must vote on a poll and must vote that way, and
 - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.
7. If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.

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