



9 October 2007

Dear Option Holder,

Legend Mining Limited (Legend) recently sent a Notice of General Meeting to Legend Shareholders that seeks shareholder approval for the distribution in specie of the 34 million Apex Minerals NL shares ("Apex Shares") received following the disposal of the Gidgee Gold Project. This meeting is to be held at 11am on Thursday, 25 October 2007 at the Celtic Club, 48 Ord Street, West Perth.

How do Optionholders participate in the distribution in specie

Optionholders must exercise their Options early and become registered Shareholders of Legend by the Record Date to become entitled to the pro rata distribution. The table below highlights the Key Dates in the transaction process. For Optionholders to be guaranteed they are registered Shareholders of Legend by the Record Date, they will need to have lodged a completed option exercise form and a cheque for the required amount by no later than **12noon WST, Monday, 29 October 2007**. Attached to this letter is an option exercise form.

Major shareholder and Directors' Intentions

Our major shareholder, Mr Mark Creasy, and the directors of Legend have advised that they intend to exercise their 120 million unlisted Options early to become further entitled to the distribution in specie.

Key Dates (subject to change within the Board's discretion)

Event	Business Day
Shareholder Meeting	25 October 2007
The Company advises ASX that Shareholder approval for the reduction of capital has been obtained	25 October 2007
From the commencement of trading, Shares trade on an "ex entitlement" basis	29 October 2007
Last day for Optionholders to lodge a completed option exercise form and cheque for relevant amount with Legend	29 October 2007
Record Date to determine entitlement of Legend Shareholders to Apex Shares	5pm WST on 2 November 2007
Distribution of Apex Shares to Legend Shareholders	12 November 2007

Effect of early Option exercise on the distribution in specie

If all the outstanding Options in the Company, which are most likely to be exercised at exercise prices of 4 cents and 10 cents each, are exercised before the Record Date and assuming all Apex Shares are distributed, Shareholders will receive a minimum pro-rata distribution of approximately 1 Apex Share for every 35.68 Legend Shares held on the Record Date. If a smaller number of Options are exercised, the distribution ratio will be more favourable to Shareholders.

Optionholders are encouraged to read the Notice of General Meeting sent to Legend Shareholders that seeks shareholder approval for the distribution in specie of the Apex Shares. This Notice of Meeting is available on Legend's website: www.legendmining.com.au and on ASX's website: www.asx.com.au.

Legend Mining Ltd
Level 2, 640 Murray Street, West Perth WA 6005
PO Box 626, West Perth WA 6872
Telephone: +61 8 9212 0600

ABN 22 060 966 145
Email: legend@legendmining.com.au
Website: www.legendmining.com.au
Facsimile: +61 8 9212 0611

For personal use only

What happens if you do not exercise your Options

The equal reduction of capital will have the effect of reducing the exercise price of your Options which remain unexercised after the Record Date. By way of an example, the following scenarios give a range of possibilities based upon the lowest and highest market price of Apex Shares in the last 4 months and the market price of Apex Shares on 19 September 2007.

Scenario One – Apex Share Price 55 cents at the Record Date

The exercise price of any outstanding Options on the Record Date will be reduced by 2 cents per Option based on the number of Shares on issue as at the date of the Notice of Meeting and assuming that no other Shares will be issued before the Record Date.

Scenario Two – Apex Share Price \$1.22 at the Record Date

The exercise price of any outstanding 4 cent Options on the Record Date will be reduced by the maximum of 4 cents per 4 cent Option based on the number of Shares on issue as at the date of the Notice of Meeting and assuming that no other Shares will be issued before the Record Date. The exercise price of any outstanding Options with an exercise price of 8 cents or higher on the Record Date will be reduced by 4.44 cents per Option based on the number of Shares on issue as at the date of the Notice of Meeting and assuming that no other Shares will be issued before the Record Date.

Scenario Three – Apex Share Price \$1.03 at 19 September 2007 and at the Record Date

The exercise price of any outstanding Options on the Record Date will be reduced by 3.75 cents per Option based on the number of Shares on issue as at the date of the Notice of Meeting and assuming that no other Shares will be issued before the Record Date.

Note that until the variables of the market value of the Apex Shares and the number of Shares on issue on the Record Date are known, Legend cannot provide more accurate information.

Tax File Number Request

This distribution in specie of the Apex shares has potential taxation issues for Legend Shareholders as explained in Section 2.17 of the Legend Notice of Meeting. As a result, if you are going to exercise your Options and if you have not already done so, Legend requests that you complete the attached Tax File Number Request. By completing and signing the Tax File Number Request and returning it to us before the Distribution Date, Legend will be able to send you 100% of the distribution in specie regardless of whether the ATO considers some or all of the distribution in specie to be a dividend.

Annual Report Election Form

The Australian Government recently introduced legislation changing the default option for receiving annual reports. Companies are no longer required to mail out printed annual reports to shareholders. Instead, you can now make an election as follows:

- (a) make a written request for a hard copy annual report to be mailed to you; or
- (b) make a written request for an electronic copy of the annual report to be emailed to you.

If you make no election Legend will do nothing, however, the annual report will be available on the Company's website at <http://www.legendmining.com.au> for you to view or download at your convenience.

Bank Account Information

Should you wish to pay the funds required to exercise your options by Electronic Funds Transfer, Legend's bank account details are as follows:

Bank	NAB West Perth
BSB	086 492,
Account No.	52703 6894
Account Name	Legend Mining Share Issue A/C

Please attach a copy of the bank deposit slip when you send us your completed option exercise form.

Further Information

Please feel free to call either myself or Legend Company Secretary, Mr Tony Walsh, on 08 9212 0600 during business hours if you require further information on this subject.

Yours faithfully



Mark Wilson
Managing Director
Legend Mining Limited

LEGEND MINING LTD
ACN 060 966 145
INCORPORATED IN WESTERN AUSTRALIA

LEGO

APPLICATION FOR SHARES UPON EXERCISE OF OPTIONS

I/ We, Mr/ Mrs/ Miss _____

First Names/ Company Name

Surname/ Australian Company Number

Address _____

Postcode _____

(Please complete full name and address)

Contact Telephone Number _____

The registered holder(s) of the Options hereby exercise my/our Option for: _____

In figures

In words

Ordinary Fully Paid Shares and enclose application money of 4 cents per share \$.....
(amount payable on exercise)

I/We whose full name(s) and address(es) appear above hereby apply for the number of Shares shown above. I/We agree to be bound by the Constitution of the Company.

Securityholder Reference Number (S.R.N.) _____ Complete this only if you are Issuer Sponsored.

Holder Identification Number (H.I.N.) _____ Complete this only if you are CHESSE Sponsored.

<p>Signature Of Shareholder(s) (All joint holders must sign)</p>	<p>Companies Only - Executed in accordance with the Company's Constitution and the Corporations Law.</p>
<p>-----x----- Signature Date</p>	<p>-----x----- Sole Director and Sole Secretary Date</p>
<p>-----x----- Signature Date</p>	<p>-----x----- Director Date Secretary Date</p>
<p>-----x----- Signature Date</p>	<p>-----x----- Director Date Director Date</p>
<p>Note: If signed under Power of Attorney, a Certified Copy of the relevant Power of Attorney document must be exhibited to the Registry. The Attorney declares that he/she has had no notice of revocation of the Power of Attorney.</p>	

TERMS AND CONDITIONS OF OPTIONS

a)	The options are exercisable wholly or in part at any time before 5.00 pm (WST) on 31 July 2008. Options not exercised by that date shall lapse.
b)	Each option shall entitle the optionholder to acquire one fully paid ordinary share upon payment of the sum of \$0.04 per option to the Company.
c)	Each option may be exercised by notice in writing to the Company at any time before their date of expiry. Any notice of exercise of an option received by the Company with payment in full of the exercise price will be deemed to be a notice of the exercise of that option as at the date of receipt.
d)	Application will be made to ASX for official quotation of the options. Application will be made for official quotation of the shares issued upon exercise of options. The options are transferable.
e)	There are no participating rights or entitlements inherent in the options and optionholders will not be entitled to participate in new issues of securities offered to shareholders during the currency of the options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 10 business days after the issue is announced so as to give optionholders the opportunity to exercise their options before the date for determining entitlements to participate in any issue.
f)	Shares allotted pursuant to the exercise of options will be allotted following receipt of all the relevant documents and payments and will rank equally with the issued shares.
g)	In the event of a reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, all rights of the optionholder shall be reconstructed in accordance with the Listing Rules.
h)	If, from time to time, before the expiry of the options the Company makes a pro rata issue of shares to shareholders for no consideration, the number of shares over which an option is exercisable will be increased by the number of shares which the optionholder would have received if the option had been exercised before the date for calculating entitlements to the pro rata issue.

Cheques should be made payable to LEGEND MINING LTD and crossed "Not Negotiable" and drawn on an Australian Bank and posted to Advanced Share Registry Services, PO Box 1156, Nedlands, Western Australia 6909.

NOTE: OPTIONS NOT EXERCISED BY 31 JULY 2008 WILL AUTOMATICALLY EXPIRE.

For personal use only



All correspondence to:
Advanced Share Registry Services
PO Box 1156
Nedlands
WA 6909
Phone: (08) 9389 8033
Fax: (08) 9389 7871

<Enter Name>
 <Address>
 <Address>
 <Address>
 <Address>

Dear Valued Shareholder

IMPORTANT NOTICE

Tax File Number Request and Annual Report Election Form

TAX FILE NUMBER

It is not an offence to withhold your TFN. However, if you do not provide your TFN, tax may be deducted from payments of interest and the unfranked portions of dividends and distributions at the highest marginal rate. Please ensure you sign below if you complete this section

Shareholder Name(s)	Tax File Number	Investor Entity Type
1)		
2)		

Investor Entity Type:

I Individual	C Corporation	T Trust	G Government Organisation
D Deceased	P Partnership	S Superannuation Fund	O Other non-individual

ANNUAL REPORT ELECTION

The Australian Government introduced legislation changing the default option for receiving annual reports to be via a company's website. You will receive timely, cost effective and greener online annual reports unless you request a printed version. To assist us with our commitment to the environment and our focus on cost control, we further encourage you to provide your email address and receive all your shareholder communications online.

YOUR SHAREHOLDER COMMUNICATION OPTIONS

OPTION 1

Receive all your shareholder communications online

By providing your email address you will no longer receive paper copies of annual reports and all other shareholder documents, instead you will receive emails advising you when these documents are available online.

Please enter your email address below.

@	
---	--

Please provide your mobile number in the event we need to contact you about your security holding

--	--	--	--	--

OPTION 2

Continue receiving a printed version of the annual report

To receive a printed version of the annual report please select your preferred annual report option below and send this form back to Advanced Share Registry Services, PO Box 1156, Nedlands WA 6909.

FULL ANNUAL REPORT

If you take no action, information on accessing your annual report online will be provided in your Notice of Annual General Meeting mail pack.

PLEASE SIGN BELOW

Signature of Individual Shareholder(s) (All joint holders must sign)	Signatures of Companies Only – Executed in accordance with the Company's Constitution and the Corporations Law.
X Date:	Director: Date:
X Date:	Director: Date:

Yours Sincerely

Tony Walsh
 Company Secretary

For personal use only