

LEGEND MINING LIMITED
ABN 22 060 966 145

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

AND

PROXY FORM

Date of Meeting

16 May 2012

Time of Meeting

11.00am (WST)

Place of Meeting

The Celtic Club
48 Ord Street
West Perth WA 6005

The 2011 Annual Report may be viewed on the Company's website at

www.legendmining.com.au

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

Notice is hereby given that the Annual General Meeting of Shareholders of Legend Mining Limited (**Company**) will be held at the Celtic Club, 48 Ord Street, West Perth WA 6005 on Wednesday 16 May 2012 at 11.00am (WST) for the purpose of transacting the following business.

ORDINARY BUSINESS

2011 Financial Statements

To receive the financial statements of the Company for the year ended 31 December 2011, consisting of the Annual Financial Report, the Directors' Report and the Auditor's Report.

Resolution 1 – Re-election of Mr Dermot Ryan as a Non - Executive Director

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

"That Mr Dermot Ryan, having retired by rotation as a Non - Executive Director of the Company in accordance with the Company's Constitution and, being eligible, having offered himself for re-election, be re-elected as a Director of the Company."

Short Explanation: pursuant to the Company's Constitution, one-third of the Directors of the Company (other than the Managing Director) must retire at each AGM and, being eligible, may offer themselves for re-election.

Resolution 2 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following advisory only resolution:

"That, for the purposes of section 250R(2) of the Corporations Act, and for all other purposes, approval is given for the Remuneration Report forming part of the Company's 2011 Annual Report to be adopted."

Short Explanation: section 250R of the Corporations Act requires a listed company to put to Shareholders at each AGM a resolution adopting the report on the remuneration of the Company's Directors, executives and senior managers included in the Company's Annual Report. The above resolution is being proposed to comply with this requirement. The vote on this resolution is advisory and does not bind the Company's Directors.

Resolution 3 – Appointment of Auditor

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

"That, Ernst and Young having been duly nominated in accordance with Section 328B(1) of the Corporations Act and having consented to act as auditor of the Company, be appointed as auditor of the Company."

Short Explanation: section 328B(1) of the Corporations Act provides that a company may at its AGM, by special resolution appoint an auditor of the company if a copy of the notice of nomination has been sent to the proposed auditor.

Resolution 4 – Increase Maximum Aggregate Non-Executive Remuneration

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

"That, the maximum aggregate amount for non-executive directors' remuneration be increased from \$200,000 per annum to \$300,000 per annum".

Short Explanation: the maximum remuneration payable by a Company to non-executive Directors is determined by Shareholders in a general meeting and may not be increased without the prior approval of Shareholders, as required under Listing Rule 10.17.

Voting Exclusion Statement: for the purposes of Resolution 4, the Company will disregard any votes cast on this Resolution by any Directors and their associates.

The Company need not disregard a vote on this Resolution if:

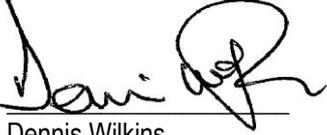
- (a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy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

A proxy form is attached.

To be valid, properly completed proxy forms must be received by the Company no later than 11.00am (WST) on 14 May 2012:

- by post at Advanced Share Registry, PO Box 1156, Nedlands WA 6906; or
- by facsimile within Australia: +61 8 9389 7871.

By order of the Board



Dennis Wilkins
Company Secretary
Date: 11 April 2012

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 AGM 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 AGM in person.

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 5.00pm (WST) on 14 May 2012 will be entitled to attend and vote at the AGM.

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 Annual General Meeting of the Company to be held at the Celtic Club, 48 Ord Street, West Perth WA 6005 on 16 May 2012 commencing at 11.00am (WST).

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 AGM, Shareholders will be asked to consider the following Resolutions:

- re-electing Mr Dermot Ryan as a Non - Executive Director, who retires by rotation in accordance with the Company's Constitution;
- adopting the Remuneration Report;
- appointment of new auditor; and
- to increase the maximum aggregate non-executive remuneration.

Financial and Other Reports

As required by section 317 of the Corporations Act, the financial statements for the year ended 31 December 2011 and the accompanying Directors Report, Directors' Declaration and Auditor's Report will be laid before the meeting.

Neither the Corporations Act, nor the Company's Constitution requires a vote on the reports. However, the Shareholders will have an opportunity to ask questions about the report at the AGM.

Resolution 1 – Re-election of Mr Dermot Ryan as a Non - Executive Director

1.1 Introduction

Mr Dermot Ryan was appointed as a Director of the Company on 13 May 2005.

In accordance with Listing Rule 14.4, no director of the Company may hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever period is longer. The Company's Constitution also requires that one third of the Company's directors must retire at each AGM. Accordingly, Mr Ryan retires by rotation and, being eligible, offers himself for re-election.

Resolution 1 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

1.2 Director's Biography

Mr Ryan is a Fellow of the Australian Institute of Mining and Metallurgy, a Fellow of the Australian Institute of Geoscientists, a Chartered Professional Geologist and a graduate from Curtin University in Western Australia [B. App. Sc.]. He has over 30 years' experience in the discovery and successful development of gold, base metals, iron ore and diamond deposits.

He has spent 20 years with the CRA (Rio Tinto) group of companies, including ten years as Chief Geologist for CRA Exploration in various parts of Australia. He was General Manager Exploration for Great Central Mines / Normandy Yandal Operations in the 5 year period up to 2001. He has acted as a mineral exploration consultant to both private and public mining and exploration companies in Western Australia, with an emphasis on the gold industry. Mr Ryan is the Managing Director of ASX-Listed Company, Enterprise Metals Limited.

1.3 Directors' Recommendation

All the Directors except Mr Ryan who has an interest in this Resolution recommend that Shareholders vote in favour of Resolution 1.

Resolution 2 – Remuneration Report

2.1 Introduction

As required by the Corporations Act, the Board is presenting the Remuneration Report to Shareholders for consideration and adoption by a non-binding vote. The Remuneration Report contains:

- information about the Board's policy for determining the nature and amount of remuneration of the Directors and senior executives of the Company;
- a description of the relationship between the Company's remuneration policy and the Company's performance;
- a summary of performance conditions for each of the Directors and senior executives, including a summary of why they were chosen and how performance is measured against them; and
- remuneration details for each Director and for each of the Company's specified executives.

The Remuneration Report, which is part of the 2011 Annual Report, has been sent to Shareholders who have made an election to receive the Annual Report. Copies of the 2011 Annual Report are available by contacting the Company's share register or visiting the Company's web site www.legmin.com.au.

The results of the Shareholder vote on Resolution 2 are particularly relevant for the Company's next AGM following recent amendments to the Corporations Act, which took effect on 1 July 2011. If 25% or more of the votes cast on Resolution 2 are against the adoption of the Remuneration Report, then at the Company's subsequent AGM if 25% or more of the votes cast on the Remuneration Report are against its adoption, a resolution must be put to Shareholders as to whether another meeting should be held within 90 days at which all Directors (other than the Managing Director) who were in office at the date of approval of the relevant Remuneration Report must stand for re-election.

2.2 Voting on the Remuneration Report

In accordance with section 250R(4) of the Corporations Act, a vote on the Remuneration Report Resolution must not be cast (in any capacity) by or on behalf of either the following persons:

- (a) a member of the key management personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may cast a vote on the Resolution if:

- (c) the person does so as a proxy appointed in writing that directs how the proxy is to vote on the Remuneration Report Resolution; and
- (d) the vote is not cast on behalf of the person described in paragraphs (a) or (b) above.

In respect of Resolution 2, Shareholders are advised that their votes will not be counted if the Chairman is appointed to vote on their behalf with an undirected proxy form. As a result, if Shareholders wish to appoint the Chairman to vote on their behalf, they should ensure that they have specified the way that the Chairman must vote on Resolution 2.

Resolution 3 – Appointment of Auditor

Resolution 3 is a special resolution seeking the appointment of Ernst and Young as the new auditor of the Company.

In accordance with section 329(5) of the Corporations Act, Stantons International has sought consent from ASIC to resign as auditor of the Company with effect from the end of the AGM.

Ernst and Young has been duly nominated for appointment as the Company's auditor by a member of the Company, as required by section 328B of the Corporations Act. A copy of the letter nominating Ernst and Young as auditors accompanies and forms part of this Notice as Annexure A.

If Resolution 3 is passed, the appointment of Ernst and Young as the Company's auditor will take effect at the close of this AGM.

Resolution 4 – Increase Maximum Aggregate Non-Executive Director Remuneration

The maximum aggregate payable by the Company to non-executive Directors is determined by Shareholders in a general meeting and may not be increased without the prior approval of Shareholders, as required under Listing Rule 10.17.

The maximum aggregate remuneration of non-executive Directors is currently \$200,000 per year. The Company aims to adequately remunerate its non-executive Directors at market rates for comparable companies for their time, commitment and responsibilities. All elements of the remuneration of non-executive Directors for the financial year ended 31 December 2011 are disclosed in the Remuneration Report.

This Resolution seeks Shareholder approval to alter the total aggregate maximum amount to \$300,000 (inclusive of superannuation contributions made by the entity or any of its child entities for the benefit of non-executive directors and any fees which a non-executive director agrees to sacrifice on a pre-tax basis.).

GLOSSARY

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

AGM	means an Annual General Meeting
ASX	means ASX Ltd ABN 22 060 966 145 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.
Board	means the board of Directors of the Company.
Closely Related Party	has the same meaning as defined in Section 9 of the Corporations Act.
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 Annual General Meeting accompanying this Explanatory Memorandum.
Resolution	means a resolution contained in the Notice.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a share.

LEGEND MINING LIMITED
ABN 22 060 966 145
PROXY FORM

The Company Secretary
 Legend Mining Limited
 Advanced Share Registry
 PO Box 1156
 NEDLANDS, WA 6906

Facsimile: +618 9389 7871

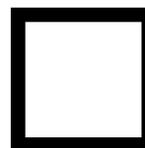
I/We (name of shareholder)
 of (address)
 being a member/members of Legend Mining Limited hereby appoint
 (name)
 of (address)
 and/or failing him (name)
 of (address)
 or failing that person then the Chairperson of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 16 May 2012 and at any adjournment of the meeting.

PROXY INSTRUCTIONS

If you wish to instruct your proxy how to vote, insert "X" in the appropriate column against the item of business set out below.

If the Chairperson of the meeting is appointed as your proxy or may be appointed by default and 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 Chairperson 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. The Chairperson has advised that his intention is to vote in favour of the resolutions.

If you do not mark this box, and you have not directed your proxy how to vote, the Chairperson will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.



Should you so desire to direct the Proxy how to vote, you should place a cross in the appropriate box(es) below:

I/We direct my/our Proxy to vote in the following manner:

RESOLUTION	FOR	AGAINST	ABSTAIN
1 Re-election of Mr Dermot Ryan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Adopting the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Appointment of New Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Increase Non-Executive Director Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

This Proxy is appointed to represent _____ % of my voting right, or if 2 proxies are appointed Proxy 1 represents _____ % and Proxy 2 represents _____ % of my total votes. My total voting right is _____ Shares.

SIGNATURE OF SECURITY HOLDERS – PLEASE SIGN HERE

Individual or Shareholder 1

Joint Shareholder 2

Joint Shareholder 3

Sole Director & Sole Company Secretary

Director / Company Secretary

Director

Dated this _____ day of _____ 2012

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 by 11.00am (WST) on 14 May 2012** 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.

ANNEXURE A – NOMINATION OF AUDITOR

For personal use only



3 April 2012

The Board of Directors
Legend Mining Limited
Level 2, 640 Murray Street
WEST PERTH WA 6005

Dear Sirs

Nomination of Auditor

For the purposes of section 328B(1) of the *Corporations Act 2001* (Cth), I, Mark Wilson, on behalf of Chester Nominees WA Pty Ltd being a member of Legend Mining Limited hereby nominate Ernst and Young Accountants as auditor of the Company for approval at the General Meeting to be held on or around 16 May 2012.

Yours sincerely

M.W. (DIRECTOR)

Chester Nominees WA Pty Ltd

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