



31 March 2005

Date : 31 March 2005  
 Register : WA  
 Holder No :  
 No of Options Held :  
 Shares to be allotted  
 if exercised in full :  
 Amount payable if  
 exercised in full :

Dear Optionholder

**Expiry of 30 April 2005 Options  
 (ASX Code: LEGO)**

The Company's listed 30 April 2005 Options are due to expire on 30 April 2005. In accordance with the terms and conditions of the option issue and the ASX Listing Rules the Company is required to give you notice at least 20 business days before the expiry date. In accordance with the ASX Listing Rules the Company advises as follows:

1. The latest date for the exercise of the options and for payment of the exercise price is 29 April 2005; being last business day in April
2. The exercise price of the options is \$0.15 per option;
3. The consequence of non payment of the exercise price is that the options will lapse;
4. The market price of the underlying securities at close of trade at the date of this letter is \$0.15;
5. Quotation of these options will cease on 21 April 2005;
6. The highest and lowest market price of the underlying securities during the three months prior to 22 March 2005 are set out below:

	<b>Price</b>	<b>Date</b>
Highest	\$0.15	24 March 2005
Lowest	\$0.063	27 January 2005 and 28 February 2005

If you have any queries in relation to the above please do not hesitate to contact the Company.

Yours faithfully

Andrew Chapman  
 Company Secretary  
**Legend Mining Limited**

# LEGEND MINING NL

LEGO

ACN 060 966 145

INCORPORATED IN WESTERN AUSTRALIA

## 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 15 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.

Signature Of Shareholder(s)  
(All joint holders must sign)

Companies Only - Executed in accordance with the Company's Constitution and the Corporations Law.

<input checked="" type="checkbox"/>	Signature	Date	<input checked="" type="checkbox"/>	Sole Director and Sole Secretary	Date			
<input checked="" type="checkbox"/>	Signature	Date	<input checked="" type="checkbox"/>	Director	Date	<input checked="" type="checkbox"/>	Secretary	Date
<input checked="" type="checkbox"/>	Signature	Date	<input checked="" type="checkbox"/>	Director	Date	<input checked="" type="checkbox"/>	Director	Date

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.

### TERMS AND CONDITIONS OF OPTIONS

The terms and conditions of the New Options are as follows:

- The New Options shall expire on 30 April 2005 ("Expiry Date").
- Each New Option shall confer the right to subscribe for one fully paid ordinary share, ranking pari passu with existing issued fully paid ordinary shares, in the capital of the Company.
- The New Options shall be exercisable by notice in writing to the Company received at any time on or before the Expiry Date, however the fully paid ordinary shares will be allotted not more than fifteen days after (but not including) the exercise date.
- The New Options may be exercised in whole or in part. If the Options are exercised in part each notice of exercise must be for not less than 1,000 shares and in multiples of 1,000 shares.
- The exercise price for each Option shall be 15 cents.
- The New Options may be transferred at any time in whole or part.
- A certificate will be issued for the New Options. On the reverse side of the certificate there will be endorsed a statement of the rights of the optionholder and a notice that is to be completed when exercising the Options. If there is more than one New Option comprised in this certificate and prior to the Expiry Date those Options are exercised in part, the Company will issue another certificate for the balance of the Options held and not yet exercised.
- The optionholder will not be permitted to participate in any new pro-rata entitlement issues of securities of the Company without first exercising the relevant New Options.
- In the event of a reorganisation of the issued capital of the Company, the New Options will be reorganised in accordance with the Listing Rules of the Australian Stock Exchange Limited. The New Options will not give any right to participate in dividends until shares are allotted pursuant to the exercise of the relevant New Options. If there is a pro-rata issue (other than a bonus issue) to the holders of the underlying securities the exercise price of the New Option may be reduced accordingly to the following formula:

$$O' = \frac{O - E[P - (S + D)]}{N + 1}$$

- O' = the new exercise price of the option.
- O = the old exercise price of the option.
- E = the number of underlying securities into which one option is exercisable.
- P = the average market price per share (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex rights date or ex entitlements date.
- S = the subscription price for a security under the pro rata issue.
- D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue).
- N = the number of securities with rights or entitlements that must be held to receive a rights to one new security.

- In the case of a bonus issue the number of Shares over which the option is exercisable may be increased by the number of Shares which the option holder would have received if the option had been exercised before the record date for the bonus issue. The Company shall notify the ASX of the adjustments in accordance with the Listing Rules.

Cheques should be made payable to LEGEND MINING NL 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 30 APRIL 2005 WILL AUTOMATICALLY EXPIRE.**