

**LEGEND MINING LIMITED**  
**ABN 22 060 966 145**

**NOTICE OF GENERAL MEETING**  
**EXPLANATORY MEMORANDUM**  
**AND**  
**PROXY FORM**

**Date of Meeting**  
19 August 2014

**Time of Meeting**  
10:00 am (WST)

**Place of Meeting**  
Level 1  
8 Kings Park Road  
West Perth WA 6005

*This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

**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 Level 1, 8 Kings Park Road, West Perth WA 6005 on 19 August 2014 at 10:00 am (WST) for the purpose of transacting the following business. The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The attached Proxy Form and Explanatory Memorandum form part of this Notice of Meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Memorandum are defined in the Glossary.

**RESOLUTION 1 – CANCELLATION OF PERFORMANCE OPTIONS**

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

*"That, for the purposes of ASX Listing Rule 6.23.2 and for all other purposes, approval is given for the Company to cancel all 400,000,000 Performance Options A and 400,000,000 Performance Options B, in consideration for the payment of the Consideration on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion:** The Company will disregard any votes cast by a person who holds an option that is the subject of the approval and an Associate of that person. However, votes cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form) or 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) will be taken into account.

A Proxy Form is attached.

To be valid, properly completed Proxy Forms must be received by the Company no later than 5:00 pm (WST) on 15 August 2014:

- by post at Legend Mining Limited, PO Box 626, West Perth WA 6872; or
- by facsimile within Australia: +61 8 9212 0611.

By order of the Board



Dennis Wilkins  
Company Secretary  
Date: 14 July 2014

## **OTHER BUSINESS**

To deal with any other business that may be brought forward in accordance with the Constitution and the Corporations Act.

## **EXPLANATORY MEMORANDUM**

The accompanying Explanatory Memorandum forms part of this Notice of Meeting and should be read in conjunction with it.

Shareholders are specifically referred to the Glossary in the Explanatory Memorandum which contains definitions of capitalised terms used in this Notice of Meeting and the Explanatory Memorandum.

## **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 on the form. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- a proxy need not be a member of the Company;
- a member may appoint a body corporate or an individual as its proxy; and
- a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please date and execute the accompanying Proxy Form and return it in accordance with its instructions prior to 5:00 pm WST on 15 August 2014 by:

- by post at Legend Mining Limited, PO Box 626, West Perth WA 6872; or
- by facsimile within Australia: +61 8 9212 0611.

If you are a beneficial Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instruction form in accordance with the instructions provided to you by your broker or by the other intermediary.

## **ENTITLEMENT TO VOTE**

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding Shares at 5:00 pm WST on 15 August 2014 will be entitled to attend and vote at the 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.

## **REVOCAION OF PROXIES**

A Shareholder executing and delivering a proxy has the power to revoke it in accordance with the provisions of the Corporations Act, which provides that every proxy may be revoked by an instrument in writing executed by the Shareholder or by his or her attorney authorised in writing and delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

## **VOTING OF PROXIES**

The Proxy Form accompanying this Explanatory Memorandum confers discretionary authority upon the proxy with respect to any amendments or variations to the matters identified in the Notice of Meeting and any other matters that may properly come before the Meeting.

Shareholders must mark the boxes directing its proxy how to vote. If no voting instructions are indicated on the appointment of proxy form, the proxy will be voted as recommended by management or as the proxyholder sees fit (in the latter case, if management is not appointed as proxy).

## EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for Shareholders in connection with the business to be conducted at a General Meeting of the Company to be held at Level 1, 8 Kings Park Road, West Perth WA 6005 on 19 August 2014 commencing at 10:00 am (WST).

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

### RESOLUTION 1 – CANCELLATION OF PERFORMANCE OPTIONS

As part of the Previous Share Sale Agreement, the Company granted 400,000,000 Performance Options A and 400,000,000 Performance Options B, (together, the **Performance Options**) to the vendors and non-vendor nominees (**Performance Option Holders**).

On 20 November 2013, the Company announced to ASX that it had entered into a shares sale and purchase and assignment of the debts agreement with Jindal whereby Jindal would acquire the Company's interest in the Ngovayang Project (**SSDAA**). Further details surrounding the Company's disposal of the Ngovayang Project are provided in the Company's Notice of Meeting dated 25 November 2013.

Given the Performance Options have vesting conditions directly linked with the Ngovayang Project which is to be acquired by Jindal under the SSDAA, the Company seeks Shareholder approval under Listing Rule 6.23.2 to cancel all of the Performance Options. Under Listing Rule 6.23.2, a change which has the effect of cancelling an option for consideration can only be made if holders of ordinary securities approve the change.

The Company has obtained written approval from each of the Performance Option Holders to cancel the Performance Options, subject to obtaining Shareholder approval under Listing Rule 6.23.2. The aggregate consideration payable to the Performance Option Holders for the cancellation of the Performance Options is \$1,000,000 (**Consideration**).

No Directors or related parties of the Company hold Performance Options and therefore will not receive any Consideration.

Payment of the Consideration is conditional upon completion occurring under the SSDAA and the Company receiving Shareholder approval under Listing Rule 6.23.2.

## GLOSSARY

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

<b>\$</b>	means Australian dollars.
<b>Associate</b>	has the same meaning as defined in Section 11 and Sections 13 to 17 of the Corporations Act.
<b>ASX</b>	means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.
<b>Board</b>	means the board of Directors of the Company.
<b>Camina</b>	Camina SA (an entity incorporated in Cameroon).
<b>Company</b>	means Legend Mining Limited ABN 22 060 966 145.
<b>Consideration</b>	has the meaning described in the Explanatory Memorandum.
<b>Constitution</b>	means the Company's constitution, as amended from time to time.
<b>Corporations Act</b>	means Corporations Act 2001 (Cth).
<b>Director</b>	means a director of the Company.
<b>Explanatory Memorandum</b>	means this explanatory memorandum, which accompanies and forms part of the Notice.
<b>Jindal</b>	means Jindal Mining and Exploration Limited (incorporated in Mauritius with company number 084174 C2/GBL).
<b>Listing Rules</b>	means the listing rules of ASX.
<b>Meeting</b>	means the general meeting of the Company convened by the Notice of Meeting.
<b>Notice or Notice of Meeting</b>	means the notice of general meeting accompanying this Explanatory Memorandum.
<b>Performance Options</b>	has the meaning described in the Explanatory Memorandum.
<b>Performance Option Holders</b>	has the meaning described in the Explanatory Memorandum.
<b>Previous Share Sale Agreement</b>	means the share sale agreement dated 22 October 2009 between the Company, Legend Iron Limited, Camina and Camina's minority shareholders for the sale of the issued share capital in Camina to the Company.
<b>Proxy Form</b>	means the proxy form enclosed with this Notice of Meeting.
<b>Resolution</b>	means a resolution contained in the Notice.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means the holder of a Share.
<b>SSDAA</b>	has the meaning given in the Explanatory Memorandum.
<b>WST</b>	means Australian Western Standard Time.

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# LEGEND MINING LIMITED

ACN 060 966 145

## PROXY FORM

**For all enquiries call:**  
Telephone: +61 (0) 8 9212 0600  
Email: legend@legendmining.com.au

### Step 1.

#### Part A. Appoint a Proxy to Vote on Your Behalf

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

The Chairman  
of the Meeting  
(mark with an 'X')

**OR**

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 19 August 2014 at Level 1, 8 Kings Park Road, West Perth WA 6005, commencing at 10:00 am (WST) and at any adjournment of that Meeting.

#### Part B. If the Chairman of the Meeting is your proxy or is appointed as your proxy by default

By marking this box, I/we expressly authorise the Chairman of the General Meeting to exercise my/our proxy.

If you appoint the Chairman of the General Meeting as your proxy you can direct the Chairman how to vote by either marking the individual resolution boxes below (for example if you wish to vote against or abstain from voting) or by marking this box (in which case, the Chairman of the Meeting will vote in favour of Resolution 1). The Chairman of the General Meeting intends to vote all available proxies in favour of Resolution 1.

If you do not mark this box, and you have not directed your proxy how to vote on the Resolution, the Chairman of the General Meeting will not cast your votes on the Resolution and your votes will not be counted in computing the required majority if a poll is called on this Resolution.

### Step 2. Items of Business

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

Resolution 1 Cancellation of Performance Options

**For**

**Against**

**Abstain\***

\*If you mark the Abstain box for a 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 on next page)

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 Member 1**

**Sole Director and Sole Secretary**

**Member 2 (if joint holding)**

**Director/Company Secretary**

**Member 3 (if joint holding)**

**Director**

/ /

**Date**

# Proxy Instructions

## Generally

A shareholder entitled to attend and vote at the General Meeting convened by the Notice is entitled to appoint not more than 2 proxies to vote on the shareholder's behalf. A proxy need not be a shareholder. The proxy appointment may be a standing appointment for all general meetings until it is revoked. Additional proxy forms are available from the Company.

If a representative of a shareholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission. A form of the certificate may be obtained from the Company's share registry by calling +61 8 9389 8033.

## Appointing Two Proxies

A shareholder entitled to cast 2 or more votes may appoint 2 proxies. Where 2 proxies are appointed, if the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise one half of your votes. Fractions of votes will be disregarded.

## Signing Instructions

Individuals: The shareholder must sign personally.

Joint Holding: If the holding is in more than 1 name, all of the shareholders must sign.

Company: Where the company has a sole director who is also the sole company secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise this form must be signed by a director jointly with either another director or a company secretary. Please sign in the appropriate place to indicate the office held.

Power of Attorney: The attorney must sign and the power of attorney must be deposited at the Company for inspection and return, when the proxy is lodged.

## Lodgement of a Proxy

Proxy forms (and the power of attorney, if any, under which the proxy form is signed) must be lodged at, or sent by facsimile transmission to, the offices of the Company so that it is received no later than 5:00 pm (WST) on 15 August 2014.

## Documents may be lodged:

IN PERSON Level 1, 8 Kings Park Road, West Perth WA 6005, Australia

BY MAIL PO Box 626, West Perth WA 6872, Australia

BY FAX +61 8 9212 0611

## Your Address

This is your address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form and sign it. Security holders sponsored by a broker (in which case your reference number overleaf will commence with an "X") should advise your broker of any changes. You cannot change ownership of your shares using this form.