

LEGEND MINING LIMITED
ABN 22 060 966 145

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

AND

PROXY FORM

Date of Meeting

14 May 2020

Time of Meeting

11.00 am (WST)

Place of Meeting

Level 1, 8 Kings Park Road, West Perth WA 6005

COVID-19: Legend Mining Limited 2020 Annual General Meeting

Legend Mining Limited (Legend or the Company) advises Shareholders that the Meeting will be held in compliance with the Australian government's restrictions on public gatherings.

Due to the rapidly evolving COVID-19 situation, the Company strongly encourages all Shareholders to vote by directed proxy rather than attend the meeting in person. Note: Based on Australian government restrictions on public gatherings at the date of this Notice, you will not be able to attend the Meeting in person. Proxy forms for the meeting should be lodged before 11.00am (WST) on 12 May 2020.

Shareholders who wish to attend as visitors only at the Meeting should tick the Box in the Proxy Form and provide your email address to enable the Company to send you further details of how to attend as a visitor only.

The Company has made arrangements for Shareholders who wish to participate and vote at the Meeting. Those Shareholders should tick the Box in the Proxy Form and provide your email address to enable the Company to send you further details of how to participate and vote at the Meeting by no later than 5.00 PM (WST) 12 May 2020.

Shareholders can also submit any questions in advance of the Meeting by emailing the questions to info@legendmining.com.au by no later than 5.00 PM (WST) 12 May 2020.

If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform and on the Company's website at www.legendmining.com.au.

This Notice of Annual 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.

The 2019 Annual Report may be viewed on the Company's website at www.legendmining.com.au

LEGEND MINING LIMITED
ABN 22 060 966 145

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Legend Mining Limited (**Company**) will be held at Level 1, 8 Kings Park Road, West Perth WA 6005 on 14 May 2020 at 11:00 am (WST) for the purpose of transacting the following business. The Explanatory Memorandum provides additional information on matters to be considered at the Annual General 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.

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report, together with the Directors' and auditor's reports for the financial year ended 31 December 2019.

RESOLUTION 1 – RE-ELECTION OF DEREK WATERFIELD AS A DIRECTOR

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

“That, for the purpose of Listing Rule 14.5, rule 38.1(c) of the Constitution and for all other purposes, Mr Derek Waterfield, who retires by rotation as a Director, and being eligible, having offered himself for re-election, is re-elected as a Director.”

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 purpose of Section 250R(2) of the Corporations Act, and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Memorandum.”

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition: In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member; or
- (b) a person appointed as a proxy, where that person is either a member of Key Management Personnel or a Closely Related Party of such member.

However, a person (**the voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

RESOLUTION 3 – ADOPTION OF EMPLOYEE INCENTIVE PLAN

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 7.2 (Exception 13) and for all other purposes, Shareholders approve the Employee Incentive Plan and the grant of Employee Incentives on the terms and conditions in the Explanatory Memorandum.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director except one who is ineligible to participate in any employee incentive scheme in relation to the Company, or any associates of those Directors.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition: In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member; or
- (b) a person appointed as a proxy, where that person is either a member of Key Management Personnel or a Closely Related Party of such member.

However, a person (**the voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

RESOLUTION 4 – RATIFICATION OF GRANT OF OPTIONS TO EMPLOYEES AND CONTRACTORS

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 13,000,000 Options to four employees and contractors, for nil consideration on the terms and conditions as set out in the Explanatory Memorandum.”

Voting Exclusion: For the purposes of Listing Rule 7.4, the Company will disregard any votes cast in favour of this Resolution by the employees and contractors who were issued the Options and any of their Associates.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with the directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a Shareholder acting solely in a nominee, trustee, custodian or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on this Resolution; and
 - (ii) the Shareholder votes on the Resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

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 Annual General 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 Annual General 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. Subject to Australian government’s restrictions on public gatherings, all Shareholders are invited and encouraged to participate in the Meeting (see details below) or, if they are unable to attend, 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 via teleconference (subject to the voting exclusions detailed in the Notice).

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.

The Company advises Shareholders that the Meeting will be held in compliance with the Australian government's restrictions on public gatherings. Due to the rapidly evolving COVID-19 situation, the Company strongly encourages all Shareholders to vote by directed proxy rather than attend the meeting in person. Note: Based on Australian government restrictions on public gatherings at the date of this Notice, you will not be able to attend the Meeting in person. Proxy forms for the meeting should be lodged before 11.00am (WST) on 12 May 2020:

- by email to admin@advancedshare.com.au
- in person at 110 Stirling Highway, Nedlands WA, Australia 6009
- by post to PO Box 1156 Nedlands WA, Australia 6909
- by facsimile +61 8 6370 4203
- by online lodgement: <https://www.advancedshare.com.au/Investor-Login>

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* (Cth), the Company determines that members holding Shares at 5:00 pm (WST) on 12 May 2020 will be entitled to participate 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 Chair of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

ATTENDANCE AT MEETING

The Company advises shareholders that the Meeting will be held in compliance with the Australian government's restrictions on public gatherings. Due to the rapidly evolving COVID-19 situation, the Company strongly encourages all shareholders to vote by directed proxy rather than attend the meeting in person. Proxy forms for the meeting should be lodged before 11.00 am (WST) on 12 May 2020. The Company has made arrangements for Shareholders who wish to attend as a visitor only or participate and vote at the Meeting. Those Shareholders should tick the relevant Box in the Proxy Form and provide your email address to enable the Company to send you further details by no later than 5.00 PM (WST) 12 May 2020.

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).

By order of the Board

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for Shareholders in connection with the business to be conducted at the Annual General Meeting of the Company to be held at Level 1, 8 Kings Park Road, West Perth WA 6005 on 14 May 2020 commencing at 11:00am (WST).

The purpose of this Explanatory Memorandum 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 Annual General Meeting.

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

FINANCIAL STATEMENTS AND REPORTS

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the financial report, the Directors' report and the auditor's report for the financial year ended 31 December 2019.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered a reasonable opportunity to:

- discuss the Annual Report which is available online from the Company's website www.legendmining.com.au;
- ask questions about, or comment on, the management of the Company; and
- ask the auditor questions about the conduct of the audit, the preparation and content of the auditor's report, accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- the content of the auditor's report; and
- the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

RESOLUTION 1 – RE-ELECTION OF DEREK WATERFIELD AS A DIRECTOR

1.1 General

Mr Derek Waterfield was first appointed as an Executive Director, Technical on 1 November 2012. Mr Waterfield was last re-elected as a Director on 16 May 2018.

In accordance with ASX Listing Rule 14.5, an entity which has directors must hold an election of directors at each annual general meeting (at least one director must stand for election or re-election). Pursuant to rule 38.1(c) of the Constitution, one third of the Company's directors must retire at each annual general meeting.

These requirements for a Director to retire do not apply to a Managing Director.

Rule 38.3 of the Constitution states that a retiring director shall be eligible for re-election.

Accordingly, Resolution 1 provides that Mr Waterfield will retire by rotation at this Meeting 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.

The Chair intends to exercise all available proxies in favour of Resolution 1.

1.2 Director's Biography

Derek Waterfield, BSc(Hons), is a Member of the Australian Institute of Geoscientists and a graduate of the University of Queensland. He has over 30 years' experience in gold, base metals, iron ore, nickel and uranium exploration throughout Australia and Cameroon.

He started his career with CRA Exploration Pty Ltd and has held senior exploration leadership positions with Normandy Mining and Newmont Australia, and led the team that discovered the Moolart Well gold deposit in the Duketon Belt 350km north of Kalgoorlie. He

was Exploration Manager at Legend Mining for five years managing Legend's WA and Cameroon projects. More recently he has been Exploration Manager for Enterprise Metals Ltd, responsible for gold, iron ore, uranium and base metal exploration in WA. Mr Waterfield has not held any former public company directorships in the last three years.

1.3 Directors' Recommendation

The Directors, except Mr Waterfield, recommend that Shareholders vote in favour of Resolution 1.

RESOLUTION 2 – ADOPTION OF REMUNERATION REPORT

2.1 General

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Annual Report contains the Remuneration Report, which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

The Remuneration Report has been sent to Shareholders who have made an election to receive the Annual Report. Copies of the Annual Report are available by contacting the Company's share registry or visiting the Company's web site www.legendmining.com.au.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 2 is advisory only and does not bind the Directors. If Resolution 2 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

The *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011*, which came into effect on 1 July 2011, amended the Corporations Act to provide that Shareholders will have the opportunity to remove the whole Board except the managing director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution (**Spill Resolution**) on 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 applicable Directors' report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2019 annual general meeting (in respect of the financial year ending 31 December 2018). Accordingly, a Spill Resolution is not relevant for this Annual General Meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2021 annual general meeting (in respect of the financial year ending 31 December 2020), this will result in another meeting being held within 90 days at which resolutions will be put to Shareholders for the re-election of the Directors other than the managing director and any director appointed since the Remuneration Report was approved by the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

2.2 Voting on the Remuneration Report

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

- (c) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member; or
- (d) a person appointed as a proxy, where that person is either a member of Key Management Personnel or a Closely Related Party of such member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies how the proxy is to vote on this Resolution; or
- (b) the voter is the Chairman and the appointment of the Chairman as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chairman to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chairman intends to exercise all available proxies in favour of Resolution 2.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 2, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the

proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

Resolution 2 is an ordinary resolution.

RESOLUTION 3 – ADOPTION OF EMPLOYEE INCENTIVE PLAN

3.1 General

Resolution 3 seeks Shareholder approval for the adoption of the employee incentive scheme titled Employee Incentive Plan (**Plan**) in accordance with ASX Listing Rule 7.2 (Exception 13), and the grant of Employee Incentives under the Plan to Directors (including non-executive Directors), employees or any other person who is declared by the Board to be eligible to receive grants of Employee Incentives under the Plan.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. ASX Listing Rule 7.2 (Exception 13) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 3 is passed, the Company will be able to issue Shares, Options and Performance Rights under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

The Company's existing employee share option plan was last approved on 4 December 2009 and offered the opportunity for full time or part time employees or consultants of the Company (or its subsidiaries) to subscribe for Options.

Resolution 3 seeks Shareholder approval to adopt a new and revised Employee Incentive Plan to offer the opportunity for Directors (including non-executive Directors), employees or any other person who is declared by the Board to be eligible to subscribe for Shares and Performance Rights, in addition to Options, in order to increase the range of potential incentives available for employees.

No Shares, Options or Performance Rights have previously been issued under the Plan.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of Shares, Options or Performance Rights under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company. Any future issues of Shares, Options or Performance Rights under the Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

A summary of the key terms and conditions of the Plan is set out in Schedule 1. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

The Chair intends to exercise all available proxies in favour of Resolution 3. If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 3, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

3.2 Specific information required by Listing Rule 7.2

In accordance with the requirements of Listing Rule 7.2 exception 13(b), the following information is provided:

- (a) a summary of the material terms of the Plan is detailed in Schedule 1 and forms part of this Notice;
- (b) 21,000,000 Options have previously been issued under the existing employee share option plan since the approval of that employee share option plan on 4 December 2009;
- (c) no Employee Incentives have been issued under the proposed Plan;
- (d) the maximum number of Employee Incentives proposed to be issued under the Plan following Shareholder approval is 275,924,269; being 10% of the issued capital on a fully diluted basis.
- (e) a voting exclusion statement in respect of Resolution 3 has been included in the Notice.

3.3 Directors' Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 3.

RESOLUTION 4 – RATIFICATION OF GRANT OF OPTIONS TO EMPLOYEES AND CONTRACTORS

4.1 General

The Company has issued a total of 13,000,000 Options to four employees and contractors, during the last 12 months for nil consideration as follows:

Name	Number of Options	Exercise Price per Option	Expiry Date	Vesting
David Waterhouse	5,000,000	7.2 cents	30 September 2022	At date of allotment
Lynette Anderson	5,000,000	7.2 cents	30 September 2022	At date of allotment
Matthew Roach	2,000,000	7.2 cents	30 September 2022	At date of allotment
Phillip Petrovic	1,000,000	7.2 cents	30 September 2022	At date of allotment

The full terms of the Options are set out in Schedule 2 to this Explanatory Memorandum.

The grant of these Options will provide a mid to long term incentive for performance and promote opportunities for Share ownership in the Company. The Directors consider that the incentive represented by the grant of these Options is a cost effective and efficient means for the Company to provide reward and incentive.

The exercise price is 7.2 cents per Option. On that basis, in the event that all the Options are exercised, the four Employees and Contractors will need to pay a total of \$936,000 to the Company.

Resolution 4 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 4.

4.2 Listing Rules 7.1 and 7.4

Listing Rule 7.1 provides that the Company is entitled to issue equity securities up to 15% of its issued share capital through placements during any 12-month period, without needing prior shareholder approval (**15% Placement Capacity**).

Listing Rule 7.4 provides that if the Company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1. The Company confirms that the issue of 13,000,000 Options to four employees and contractors did not breach Listing Rule 7.1.

The effect of passing Resolution 4 will be to allow the Company to retain the flexibility to issue equity securities in the future up to the 15% Placement Capacity set out in Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

If this Resolution is passed, the 13,000,000 Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date the Company issued the 13,000,000 Options.

If this Resolution is not passed, the 13,000,000 Options will be excluded in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without Shareholder approval under Listing Rule 7.1 for the periods note immediately above.

Resolution 4 seeks ratification of the issue of 13,000,000 Options issued under Listing Rule 7.1.

4.3 Information required by 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.

- (a) The Options were granted to four employees and contractors, as detailed in the table above, on 30 October 2019.
- (b) 13,000,000 Options were issued (exercise price of 7.2 cents per Options, expiring 30 September 2022).
- (c) The exercise price and other terms and conditions of the Options are set out in Schedule 2 to this Explanatory Memorandum.
- (d) The Options were issued for nil consideration and accordingly no funds were raised by the grant of the Options.
- (e) The Options were granted to the employees and contractors to provide a mid to long term incentive for performance, promote opportunities for Share ownership in the Company and as a cost effective and efficient means of providing rewards and incentives.
- (f) A voting exclusion statement in respect of Resolution 4 has been included in the Notice.

4.4 Directors' Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 4.

GLOSSARY

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

Annual Report	means the Directors' report, the annual financial report and auditor's report in respect of the financial year ended 31 December 2019.
ASX	means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.
Board	means the board of Directors of the Company.
Chair	means the person appointed to chair the Meeting, or any part of the Meeting, convened by the Notice.
Closely Related Party	of a member of the Key Management Personnel means: <ul style="list-style-type: none">• a spouse or child of the member;• a child of the member's spouse;• a dependent of the member or the member's spouse;• anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;• a company the member controls; or• a person prescribed by the Corporations Regulations 2001 (Cth).
Company	means Legend Mining Limited ABN 22 060 966 145.
Constitution	means the Company's constitution, as amended from time to time.
Control	has the meaning given to that term in the Corporations Act.
Corporations Act	means Corporations Act 2001 (Cth).
Director	means a director of the Company.
Employee Incentives	means any: <ul style="list-style-type: none">• Share, Option or Performance Right granted; or• Share(s) issued pursuant to the exercise of an Option or conversion of a Performance Right, under this Plan.
Employee Incentive Plan or Plan	means the Employee Incentive Plan being considered in this Notice and summarised in Schedule 1 of this Notice.
Explanatory Memorandum	means this explanatory memorandum, which accompanies and forms part of the Notice.
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.
Listing Rules	means the listing rules of ASX.
Meeting	means the annual general meeting of the Company convened by the Notice of Meeting.
Notice or Notice of Meeting	means the notice of annual general meeting accompanying this Explanatory Memorandum.
Option	means an option to acquire a Share.
Performance Right	means a right to be issued one Share.
Proxy Form	means the proxy form enclosed with this Notice of Meeting.
Relevant Interest	has the meaning given to that term in the Corporations Act.
Remuneration Report	means the remuneration report of the Company outlined in the Annual Report.
Resolution	means a resolution contained in the Notice.
Rules	means the rules in respect of the operation of the Plan, as amended from time to time.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
Spill Resolution	has the meaning given in page 6 of this Notice.
Strike	has the meaning given in page 6 of this Notice.
Takeover Bid	has the meaning given to that term in the Corporations Act.
WST	means Australian Western Standard Time.

SCHEDULE 1: TERMS AND CONDITIONS OF EMPLOYEE INCENTIVE PLAN

The Company has adopted an Employee Incentive Plan (**Plan**) on the terms and conditions as set out below:

- (a) **Eligibility:** Directors (including non-executive Directors), employees or any other person who is declared by the Board to be eligible to receive grants of Employee Incentives under the Plan (**Eligible Participant**).
- (b) **Invitation:** Following determination that an Eligible Participant may participate in the Plan, the Board may make an invitation to the Eligible Participant to apply for Employee Incentives on such terms and conditions as the Board decides from time to time (**Invitation**).
- (c) **Limits on Entitlement:** An offer of Employee Incentives may only be made under the Plan if the number of Shares that may be acquired under the Plan and on exercise of the Options or conversion of Performance Rights when aggregated with the number of Shares issuable if each outstanding Option and Performance Rights were exercised or converted (as applicable) and the number of Shares issued pursuant to the Plan or any other group employee incentive scheme during the previous 3 years does not exceed 10% of the total number of Shares on issue at the time of the proposed issue.
- (d) **Cashless Exercise:** Subject to cashless exercise being permitted by the Board, a Participant may elect to pay the exercise price for each Option by setting off the total exercise price against the number of Shares which they are entitled to receive upon exercise (**Cashless Exercise Facility**). By using the Cashless Exercise Facility, the holder will receive Shares to the value of the surplus after the exercise price has been set off.
- (e) **Good Leaver:** Within 20 business days of a Participant becoming a Good Leaver, the Board will issue a written notice to a Participant notifying the Participant that the following Employee Incentives shall not be forfeited:
 - (i) those vested but unexercised Employee Incentives held by the Participant; and
 - (ii) those unvested Employee Incentives held by the Participant to the extent determined by the Board in its absolute discretion.

All Employee Incentives held by a Participant that is a Good Leaver other than those the subject of the Retention Notice will be forfeited immediately on the date of the Retention Notice.

A Good Leaver is a Participant who ceases to be an Eligible Participant in any of the following circumstances:

- (i) the Participant and Board have agreed in writing that the Participant has entered into bona fide retirement;
 - (ii) the Board has determined that the Participant is no longer able to perform their duties under their engagement arrangement due to poor health, injury or disability;
 - (iii) the Participant's death; or
 - (iv) any other circumstance determined by the Board in writing.
- (f) **Bad Leaver:** Unless otherwise determined by the Board, all unvested Employee Incentives held by a Participant will lapse on the date determined by the Board where that Participant becomes a Bad Leaver.

A Bad Leaver is a Participant who ceases to be an Eligible Participant and does not meet the Good Leaver criteria, or establishes, or becomes employed by, an entity or business that is in direct competition with the Company or group member in which the Participant was formerly employed, or meets the Good Leaver criteria but the Board has determined in writing that they be treated as a Bad Leaver. Every Participant who ceases to be an Eligible Participant is deemed to be a Bad Leaver.

- (g) **Fraudulent or Dishonest Conduct:** Where the Board determines that a Participant has:
- (i) acted fraudulently or dishonestly;
 - (ii) wilfully breached his or her duties to the group;
 - (iii) has, by any act or omission, in the opinion of the Board brought the group, its business or reputation into disrepute or is contrary to the interest of the group;
 - (iv) commits any material breach of the provisions of any employment contract entered into by the Participant with any member of the group;
 - (v) commits any material breach of any of the policies of the group or procedures or any laws, rules or regulations applicable to the group; or
 - (vi) has committed serious or gross misconduct, wilful disobedience or any other conduct justifying termination of employment without notice,

the Board may in its discretion determine that some or all of the vested (but not yet exercised) and/or unvested Employee Incentives held by that Participant will be forfeited on a date determined by the Board.

- (h) **Buy-back:** Employee Incentives issued pursuant to the Plan will be subject to the Company's right to buy-back and may at any time be immediately bought-back by the Company if, amongst other things, the Participant is a Bad Leaver, has acted fraudulently or dishonestly, becomes insolvent or fails to satisfy vesting conditions by the relevant date. Unless otherwise

determined by the Board, the total price on which all Employee Incentives may be bought-back by the Company is an aggregate of \$1.00 for all the relevant Employee Incentives.

- (i) **Change of Control:** Unless otherwise stated in the Invitation, if a Change of Control Event occurs, or the Board determines such event is likely to occur, the Board may in its absolute discretion determine the manner in which any or all of the Participant's Employee Incentives (whether vested or unvested) will be dealt with including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event. A Change in Control Event is defined to include:
- (i) a change in Control of the Company;
 - (ii) the Company announces that its Shareholders have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return) of the issued capital of the Company) and the Court, by order, approves the scheme of arrangement;
 - (iii) a Takeover Bid:
 - (A) is announced;
 - (B) has become unconditional; and
 - (C) the person making the Takeover Bid has a Relevant Interest in fifty percent (50%) or more of the issued Shares;
 - (iv) any person acquires a Relevant Interest in fifty and one-tenth percent (50.1%) or more of the issued Shares by any other means; or
 - (v) the announcement by the Company that a sale or transfer (in one transaction or a series of related transactions) of the whole or substantially the whole of the undertaking and business of the Company has been completed.
- (j) **Holding Lock:** The Board may at any time request that the Company's share registry to impose a holding lock on any Employee Incentives issued pursuant to the Plan where the Board determines or reasonably believes (in its absolute discretion) that a Participant has or may breach the Rules.
- (k) **Contravention of Rules:** The Board may at any time, in its sole and absolute discretion, take any action it deems reasonably necessary in relation to any Employee Incentives if it determines or reasonably believes a Participant has breached the Plan or the terms of issue of any Employee Incentives, including but not limited to, signing transfer forms in relation to Employee Incentives, placing a holding lock on Employee Incentives, signing any and all documents and doing all acts necessary to effect a buy-back, accounting for the proceeds of the sale of forfeited Employee Incentives, refusing to transfer any Employee Incentives and/or refusing to issue any Shares.

SCHEDULE 2: TERMS AND CONDITIONS OF OPTIONS ISSUED TO EMPLOYEES AND CONTRACTORS

The Options are issued on the following terms:

1. Each Option shall be issued for no consideration.
2. The exercise price of each Option will be 7.2 cents ("**Exercise Price**").
3. Each Option entitles the holder to subscribe for one Share in Legend Mining Limited ACN 060 966 145 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
4. The Options will lapse at 5:00 pm, Western Standard Time on 30 September 2022 ("**Expiry Date**").
5. The Options may be transferred at any time in accordance with sections 708(8), 708(10) and 708(11) of the Corporations Act, the ASX Settlement Operating Rules and/or the ASX Listing Rules.
6. 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.
7. 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 closing date to exercise the Options.
8. 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.
9. 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 ASX Listing Rules, but in all other respects the terms of exercise will remain unchanged.
10. 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.
11. The Company must take all action necessary (including, without limitation, the issuance of a Cleansing Notice, the issuance of a prospectus under Chapter 6D of the Corporations Act or obtaining exemptions from or modifications to the Corporations Act from the Australia Securities & Investments Commission) to ensure that an offer for sale of the Shares issued on exercise of Options will not require disclosure under section 707(3) of the Corporations Act.
12. Quotation will not be sought for the Options. The Company will make application to ASX for quotation of the Shares issued as a result of the valid exercise of Options.
13. 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.
14. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.


ONLINE PROXY APPOINTMENT
www.advancedshare.com.au/investor-login

MOBILE DEVICE PROXY APPOINTMENT

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.

COVID-19: The Company advises shareholders that the Meeting will be held in compliance with the Australian government's restrictions on public gatherings. Due to the rapidly evolving COVID-19 situation, you are encouraged to vote by directed proxy rather than attend the meeting in person. If you wish to participate in the Meeting see the back of this Proxy Form.

2020 ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Legend Mining Limited and entitled to attend and vote hereby:

APPOINT A PROXY

The Chair of the meeting **OR**



PLEASE NOTE: If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Annual General Meeting of the Company to be held at **Level 1, 8 Kings Park Road, West Perth WA 6005 on 14 May 2020 at 11.00am (WST)** and at any adjournment or postponement of that Meeting.

Chair authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 2,3 and 4 (except where I/we have indicated a different voting intention below) even though these resolutions are connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chair. I/we acknowledge the Chair of the Meeting intends to vote all undirected proxies available to them in favour of each Resolution of Business.

VOTING DIRECTIONS

Resolutions

Resolutions	For	Against	Abstain*
1 Re-election of Derek Waterfield as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Adoption of Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of Grant of Options to Employees and Contractors	<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.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address



Please tick here to agree to receive communications sent by the company via email. This may include meeting notifications, dividend remittance, and selected announcements.

COVID-19: LEGEND MINING LIMITED 2020 ANNUAL GENERAL MEETING

Legend Mining Limited advises shareholders that the Meeting will be held in compliance with the Australian government's restrictions on public gatherings. Due to the rapidly evolving COVID-19 situation, the Company strongly encourages all shareholders to vote by directed proxy rather than attend the meeting in person. Note: Based on Australian government restrictions on public gatherings at the date of this Notice, you will not be able to attend the Meeting in person. Proxy forms for the meeting should be lodged before 11.00am (WST) on 12 May 2020.

1. Shareholders who wish to attend as visitors only at the Meeting should tick the Box below and provide your email address to enable the Company to send you further details of how to attend as a visitor only.
By ticking this Box, providing my email address and signing this Proxy Form I confirm I wish to participate at the Meeting as a visitor only
2. The Company has made arrangements for Shareholders who wish to participate and vote at the Meeting. Those Shareholders should by no later than 5.00PM (WST) 12 May 2020 tick the Box below and provide your email address at the front of this Proxy Form to enable the Company to send you further details of how to participate and vote at the Meeting.
By ticking this Box, providing my email address and signing this Proxy Form I confirm I wish to participate and vote at the Meeting

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

CHANGE OF ADDRESS

This form shows your address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

If you wish to appoint the Chair as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chair) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Resolutions 2, 3 and 4, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Resolutions 2, 3 and 4.

PLEASE NOTE: If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as they see fit on that resolution.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) On each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) Return both forms together.

COMPLIANCE WITH LISTING RULE 14.11

In accordance with Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company that you are in compliance with Listing Rule 14.11.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

Where the holding is in one name, the security holder must sign.

Joint Holding:

Where the holding is in more than one name, either shareholder may sign.

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

Companies:

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 2001) does not have a Company Secretary, a Sole Director can 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.

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 11.00am (WST) on 12 May 2020, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909



BY FAX

+61 8 6370 4203



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033