LEGEND CORPORATION

Appendix 4E
and Annual Report

Legend Corporation Limited

Results for Announcement to the Market

Final Report to the Australian Stock Exchange and Annual Report including Audited Financial Statements

For the Year Ended 30 June 2010

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Appendix 4E
and Annual Report
Legend Corporation Limited

Final Report to the Australian Stock Exchange

Name of Entity	Legend Corporation Limited
ABN	69 102 631 087
Financial Year Ended	30 June 2010
Previous Corresponding Reporting Period	30 June 2009

Results for Announcement to the Market

	Current Period $'000	Previous Corresponding Period $'000	Percentage increase/(decrease) over previous corresponding period
Revenue from ordinary activities			
• **Continuing operations**	86,752	90,442	(4%)
• **Discontinued operations**	63	253	(75%)
• **Total**	**86,815**	**90,695**	**(4%)**
Profit / (loss) from ordinary activities after tax attributable to members			
• **Continuing operations**	6,610	4,672	42%
• **Discontinued operations**	-	(118)	100%
• **Total**	**6,610**	**4,554**	**45%**
Net profit / (loss) for the period attributable to members			
• **Continuing operations**	6,610	4,672	42%
• **Discontinued operations**	-	(118)	100%
• **Total**	**6,610**	**4,554**	**45%**
Earnings per share (cents per share)			
• **Continuing operations**	3.1	2.2	
• **Discontinued operations**	-	(0.1)	
• **Overall operations**	3.1	2.1	

Dividends (distributions)	**Amount per security**	**Franked amount per security**
Final Dividend	$0.01	$0.01
Interim Dividend	N/A	N/A
Record date for determining entitlements to the dividends		1 October 2010

Brief explanation of any of the figures reported above necessary to enable the figures to be understood:

- Please refer to the attached annual report

Dividends

▪ **Date the dividend is payable**	27 October 2010
▪ **Record date to determine entitlement to the dividend**	1 October 2010
▪ **Ex-dividend date**	28 September 2010
▪ **Amount per security**	$0.01
▪ **Total dividend**	$2,166,098
▪ **Amount per security of foreign sourced dividend or distribution**	N/A
▪ **Details of any dividend reinvestment plan in operation**	N/A
▪ **The last date for receipt of an election notice for participation in any dividend reinvestment plan**	N/A

NTA Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary share	$0.09	$0.06

Commentary on the Results for the Period

The earnings per security and the nature of any dilution aspects:
- Earnings per security improved 48% over the current period to $0.031 (previous corresponding period $0.021).
- The weighted average number of ordinary shares outstanding during the current period was 216,340,635 (previous corresponding period 215,950,054) with 900,000 share options on issue, of which 109,584 are considered dilutive.

Returns to shareholders including distributions and buy backs:
- N/A

The results of segments that are significant to an understanding of the business as a whole:
- Please refer to Note 26 in the attached financial report.

Discussion of trends in performance:
- Please refer to attached annual report.

Other Significant Information Needed by an Investor to Make an Informed Assessment of the Entity's Financial Performance and Financial Position
- Please refer to attached annual report.

Any other factor which has affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified:
- N/A

Audit Status

- This report is based on financial statements that have been audited.

LEGEND CORPORATION

2010 Annual Report

Legend Corporation Limited
ABN 69 102 631 087
and Controlled Entities

Contents

CORPORATE DIRECTORY

DIRECTORS
Bruce E Higgins
Bradley R Dowe
Ian L Fraser

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Graham A Seppelt

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2 The Esplanade
Perth
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CHAIRMAN'S REPORT

Dear Shareholders,

Legend Corporation has delivered a strong result with improvements across both financial and operational key performance areas. On behalf of the Directors I have pleasure in releasing the company results for the year ending 30 June 2010 within this annual report.

Summary of financial result:

	30 June 2010	**30 June 2009**
Revenue	**$86.8m**	**$90.7m**
EBITDA	**$13.4m**	**$10.5m**
NPAT	**$6.6m**	**$4.6m**
EPS	**3.1 cents**	**2.1 cents**

Our net profit after tax improved by 45% from last year's result to $6.6 million representing earnings per share of 3.1 cents. Given the current economic climate and the emerging recovery of our markets this is an excellent result.

Revenue declined by 4% to $86.8 million, reflecting the decline in demand due to the global financial crisis and reduced industrial activity in our markets. Cost of sales decreased by 12% while operating expenses increased 1% over the prior corresponding period. Management has achieved reductions in working capital requirements contributing to improved cash flows during this financial year. Operating cash flows for the year were $12.4 million compared to $7.8 million for the prior year.

The company balance sheet has continued to strengthen and improve as a result of management improvements in our purchasing and administration processes.

- Net bank debt reduced to $8.1 million from $19.7 million.
- Net Debt to shareholder funds has improved from 47% to 17%.
- As a result of the reduction in debt and lower interest rates, interest cover improved from 5.3 to 8.6 times.
- Net debt to EBITDA reduced from 1.85 to 0.6 times.
- Current liabilities down 23% to $11.8 million.
- Non-current liabilities down 43% to $14 million.
- Total net assets (total assets less total liabilities) are $48.8 million or 22.6 cents per share.

Our banking facilities with the National Australia Bank have been extended in duration until November 2014.

Operations Overview

The Group continues to operate under its two divisions of Memory Modules and Semiconductors, and Electrical, Data and Communications.

Both divisions performed well over the period with increases in EBITDA on the prior year of 11% from Memory Modules and Semiconductors, and 47% from Electrical, Data and Communications.

Dividend

In our investor briefing of 24 March 2010 we advised the intention to resume dividend payments when the full year accounts are reported. I am pleased to advise that the company will pay a dividend of 1 cent per share to all shareholders of record on 1 October 2010. The dividend will be 100% franked.

Corporate Governance and Board Performance

The corporate governance practices at Legend comply with the ASX Principles of Good Corporate Governance and Best Practice Recommendations. We have a small board of three directors supported by a talented and experienced management team with the vision to shape our future. Our compliance is summarised in this Report. The Remuneration report also included in this document outlines the Group remuneration policies and the senior executive remuneration policies and compensation. I thank my fellow Directors for the leadership they have provided.

Outlook

Legend has delivered a sound result which is a credit to our management team's ability to manage the business in the current environment. We have continued to invest in new innovative products that further extend our product range and the value we offer our clients.

The current level of earnings and debt position the Group well for expansion through growth of existing business and potential for acquisitions. We are confident that the strategies we have in place with each of our businesses positions the Group well for the future. Economic conditions in Australia are expected to improve in FY11 with suggestions of moderate growth in Australia in housing and construction. The Group has not forecast earnings for the FY11 year and results will depend in large part on an improvement in demand for our products in the markets we serve.

On behalf of the Directors I wish to thank Bradley Dowe, his senior management team and all employees for their commitment, exceptional customer service and results across all segments during the year. I also thank our customers and shareholders for their continuing support for Legend Corporation.

Yours sincerely

Bruce E Higgins
Chairman
Legend Corporation Limited

13 August 2010

CHIEF EXECUTIVE OFFICER'S REPORT

Dear Shareholders,

The directors of Legend Corporation Limited ('Legend' or 'the Company' or 'the Group') are pleased to advise a net profit after tax of $6.6 million for the year ended 30 June 2010, representing earnings of 3.1 cents per share, a 48% improvement over the prior year.

All divisions operated profitably with the Group's gross profit margin improving from 38.6% for the 2009 year to 43.9% in 2010. Earnings Before Interest Tax Depreciation and Amortisation (EBITDA) improved from $10.5 million on margins of 11.6% at 30 June 2009 to $13.4 million on margins of 15.5% at 30 June 2010 reflecting improved quality of earnings in an environment of reduced revenue occasioned by the global financial crisis (GFC).

Operating cash flows totaled $12.4 million compared to $7.8 million for the 2009 financial year. Capital management has been a major focus and Net Bank Debt has been reduced from $19.7 million at 30 June 2009 to $8.1 million at 30 June 2010.

On 30 June 2010 the Company extended the current bank bill facilities to 2014. Bank debt has been structured to take advantage of lower interest rates with less than 20% of borrowings maturing in any 12 month period.

Net tangible assets have increased by 50% from 6 cents per share at 30 June 2009 to 9 cents per share at 30 June 2010 further strengthening the balance sheet.

Results Overview

	30 June 2010	**30 June 2009**
Revenue	**$86.8m**	**$90.7m**
Cost of Goods Sold	**$48.7m**	**$55.7m**
Gross Profit	**$38.1m**	**$35.0m**
Gross Profit Margin	43.9%	38.6%
EBITDA	**$13.4m**	**$10.5m**
EBITDA Margin	15.5%	11.6%
EBIT	**$11.3m**	**$8.3m**
EBIT Margin	13.0%	9.2%
NPBT	**$9.7m**	**$6.3m**
NPBT Margin	11.2%	7.0%
NPAT	**$6.6m**	**$4.6m**
NPAT Margin	7.6%	5.1%
Operating Cash Flow	**$12.4m**	**$7.8m**
Earnings per share	$0.031	$0.021
NTA per share	$0.090	$0.060

The operating result for the year reflects the directions adopted by the Group during 2008 and 2009; a focus on quality of earnings to improve gross margins and reduced overhead expenditure.

Performance by Division

Memory Modules and Semiconductors

This division designs and manufactures a range of analog and digital electronic products in accordance with customer specifications, generally requiring a high level of technical expertise. These products are marketed under the following brands;

Hendon Semiconductors, based in South Australia, designs and manufactures integrated circuits (IC's), thick film hybrids and ceramic printed circuit boards and module assemblies. Hendon's products are applied across a wide range of industries including medical, telecommunications, automotive and consumer electrical. Hendon Semiconductors continues to deliver leading technology solutions to manufacturers.

Legend Performance Technology manufactures a wide range of application specific memory for information technology applications and has recently developed a new range of computer room products. The business supplies a wide range of digital products, computer peripherals and accessories.

The division has performed well over the year with EBITDA of $6.7 million, an increase of 11% on the prior year as a result of significant over forecast demand from key domestic clients despite GFC related under performance in export markets and reduced sales of generic memory products further to the managed exit from these highly competitive and low margin lines to focus on high margin application specific memory and computer room products.

Electrical, Data and Communications

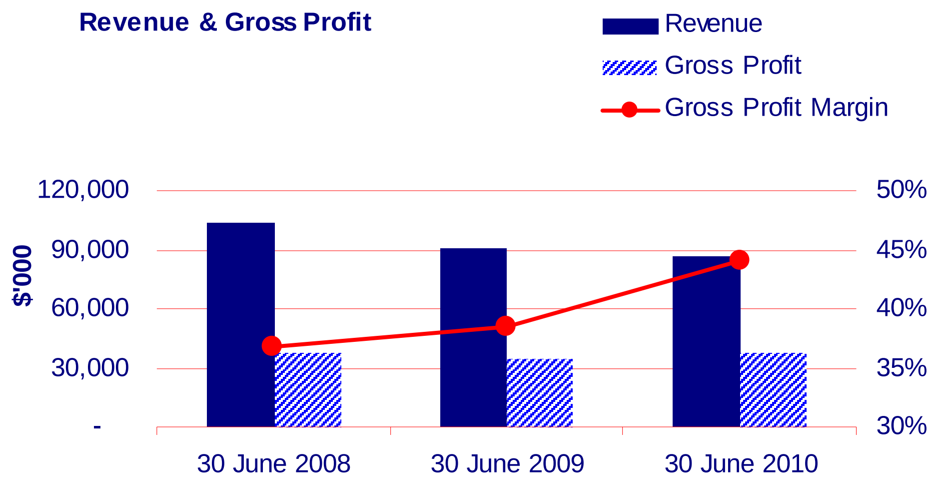
The electrical, data and communications division distributes a wide range of house branded electrical connectivity products and tools, cable assemblies, data and computer room products with the majority of customers being within the electrical wholesale or power distribution industries. These products are marketed under the following brands;

CABAC (Cable Accessories Australia) operates throughout Australia supplying the electrical wholesale industry. The business has its national product distribution center in Seven Hills, Sydney from which it supplies a wide range of house brand electrical and data connectivity products as well as manufacturing a range of specialized electrical connectors.

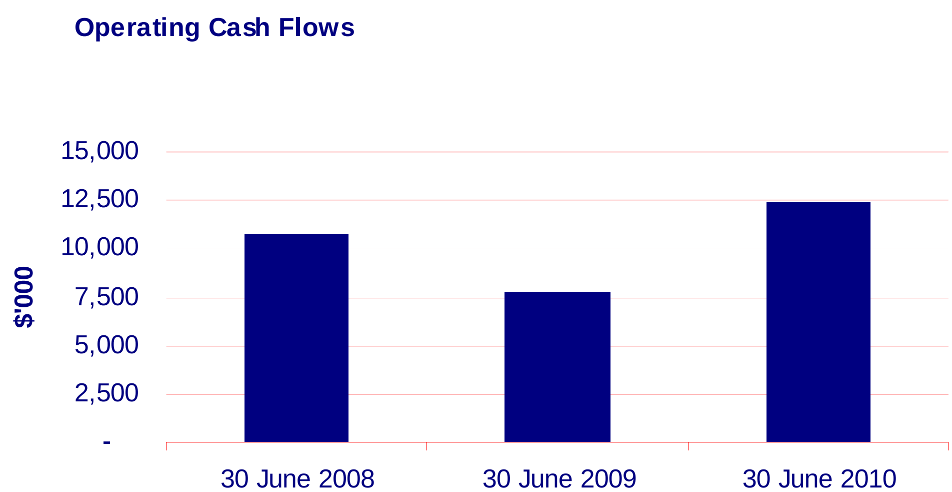
CABAC Power delivers a wide range of specialized connectors and cable assemblies to the power distribution market and has developed a number of unique and specialized products for power utilities. The Power division has proven resilient across the year and has performed well; in line with expectations.

The division has been impacted by the falls in new housing and commercial building starts resulting in contraction of electrical wholesale markets. Consequently whilst new and improved products have been brought to market, overall the revenues through the division were below expectations. Management has taken a number of actions to adjust the division's operations to match reduced market conditions through this trough whilst continuing to invest in sales and marketing. These actions have resulted in a 47% increased in EBITDA for the year, from $4.6 million in 2009 to $6.8 million in 2010. We expect the division to deliver improved returns as the broader domestic economy improves.

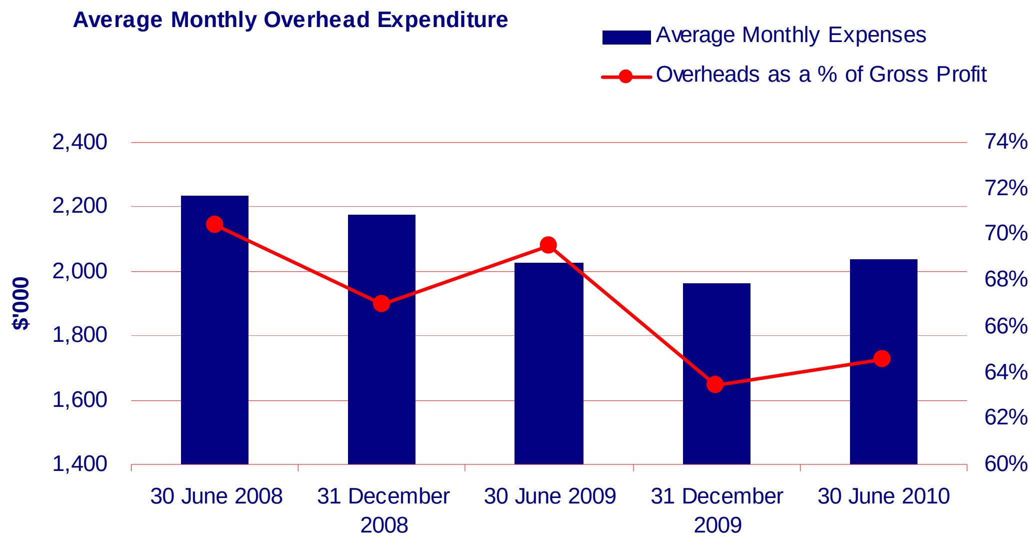
Trends in Operations



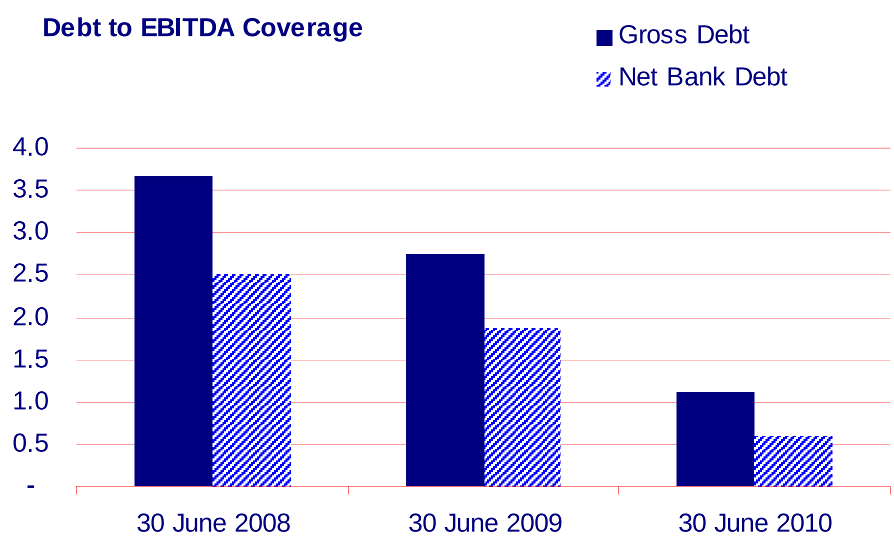
Whilst economic conditions continue to impact revenue, down $3.9 million (4%) on the prior period, gross profit is up $3.1 million (9%) reflecting the Group's continued focus on quality earnings.



Despite the cash flow negative impacts of revenue contraction, operating cash flows have improved across the period as management reduced working capital requirements from $24.4 million for the 2009 financial year to $24.1 million during 2010.

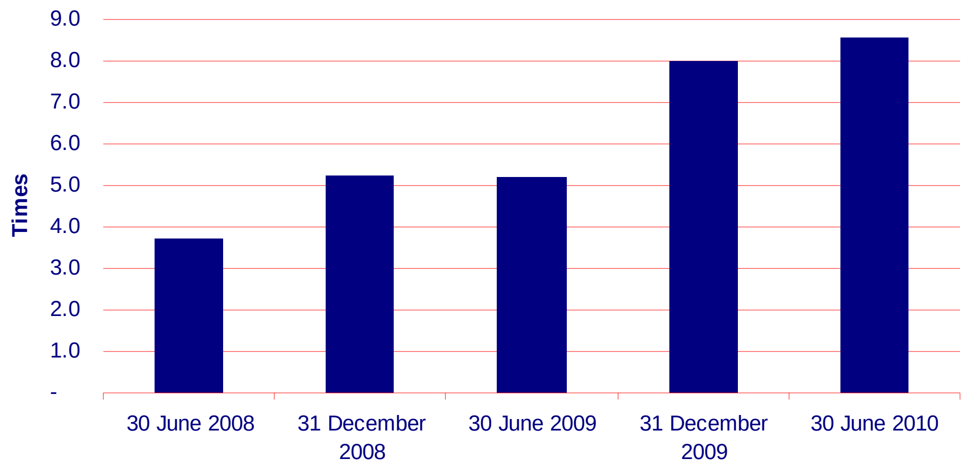


Average monthly overhead expenses have been managed down from $2.2 million per month for the 2008 financial year to $2 million for 2010 improving EBITDA outcomes.



Net bank debt to EBITDA has been reduced to less than 0.6 times EBITDA. Through a reduction in working capital requirements and improved cash flows from operating activities of $12.4 million, the Group reduced gross debt by a further $13.9 million during the year to $15 million at 30 June 2010.

EBITDA to Interest Expense



As a result of improved EBITDA, interest rates and debt levels, interest cover on EBITDA has improved from 3.7 times as at 30 June 2008 to 8.6 times during the year end 30 June 2010.

Foreign Currency Impact

Currency hedging strategies enacted during the period proved particularly effective in sheltering the profits of the business from the volatile Australian dollar and measures are in place to further reduce longer-term exposure to foreign currency impacts.

Outlook and Business Strategies

Our markets remain competitive and world events indicate continued subdued activity in export markets. While domestic economic indicators suggest a return to growth, uncertainty and challenges remain and stronger outcomes cannot be assumed across all markets and regions in the short term.

Our core strategy to maintain and extend our leadership remains; quality, range, value, availability and service. We will continue our focus on business development to meet customer needs; bringing new products to market, expanding our client markets and delivering new service initiatives.

The Group has not forecast earnings for this financial year, however we are confident that the Group is well placed for the future. The strong focus on debt reduction over the last two years enables new acquisitions to be funded with modest increases to current facilities.

It is the intention of the Group to return to regular payment of dividends subject to company results and cash flow.

I would like to take this opportunity to thank all of our team members across every division and role for their effort and commitment through the last financial year. I look forward to a return to growth in domestic markets and continuing our superior service delivery track record to clients and continued growth in value to our shareholders across the coming year.

Yours Sincerely

Brad Dowe
Chief Executive Officer
Legend Corporation Limited

13 August 2010

CORPORATE GOVERNANCE STATEMENT

The Board of Legend Corporation Limited (Legend) seeks to practice the highest ethical and commercial standards while executing its responsibilities in directing the business and affairs of the Company on behalf of its shareholders.

The Board of Legend has considered the principles of good corporate governance and best practice recommendations as published by the ASX Corporate Governance Council (ASXCGC) in March 2003 and as revised in 2007. ASX Listing Rule 4.10.3 requires the Company to disclose the extent to which it follows or diverges from these best practice recommendations in its Annual Report.

This report discloses corporate governance practices Directors would like to highlight to stakeholders.

Additional information relating to corporate governance practices that the company has adopted can be found on the company's web site: www.legendcorporate.com.

The Role of the Board & Management

The company has formalised and disclosed the roles and responsibilities of the board and those delegated to senior management.

The Board of the company is responsible for the overall corporate governance of the Legend Group, including its ethical behavior, strategic direction, establishing goals for management and monitoring the achievement of those goals with a view to optimising company performance and maximising shareholder value.

The role of management is to support the Chief Executive Officer and implement the running of the general operations and financial business of the company, in accordance with the delegated authority of the Board.

Full details of the matters reserved to the board and to senior management are available on the company's web site at www.legendcorporate.com.

Scheduled meetings of the Board are held at least eight times a year and the Board meets on other occasions to deal with matters that require attention between scheduled meetings. The responsibility for the operation and administration of the consolidated entity is delegated by the Board to the Chief Executive Officer.

The Board is responsible for:

- Setting the strategic direction of the company and establishing goals to ensure these strategic objectives are met;
- Appointing the Chief Executive Officer, setting objectives for the Chief Executive Officer and reviewing performance against those objectives, ensuring appropriate policies and procedures are in place for recruitment, training, remuneration and succession planning;
- Monitoring financial performance including approval of the annual and half-yearly financial reports and liaison with the company's auditors;
- Ensuring that risks facing the company and its controlled entities have been identified ensuring that appropriate and adequate controls, monitoring and reporting mechanisms are in place;
- Receiving detailed briefings from senior management on a regular basis during the year;
- Approving the Boards of Directors of subsidiary companies; and
- Ensuring the company complies with the law and conforms to the highest standards of financial and ethical behavior.

Legend has obligations to its stakeholders to ensure the company is managed with appropriate due diligence and that all necessary processes are implemented to minimise risk and maximise business opportunities.

To this end, all commercial arrangements, capital expenditure, operational expenditure and other commitments are appropriately documented and have been authorised by either the Chief Executive Officer or the board as appropriate.

The composition of the Board is determined in accordance with the Company's constitution and the following principles and guidelines:

- The Board should comprise of at least three Directors with at least two Non-Executive Directors;
- The Board should comprise of Directors with an appropriate range of qualifications and expertise; and
- The Board should meet formally at least eight times per annum and informally on an as required basis with all Directors being made aware of, and having available, all necessary information, to participate in an informed discussion of all agenda items.

Directors in Office

At the date of this statement the following directors are considered independent by the Board:

Name	**Position**	**Independent**
Bruce Higgins	Chairman & Non-Executive Director	Yes
Bradley Dowe	Chief Executive Officer	No
Ian Fraser	Non-Executive Director	Yes

The skills, experience, expertise and tenure of each director are disclosed in the Directors' Report within this Annual Report.

Director Independence

The board considers two of Legend's directors as independent under the guidelines; that is Chairman Bruce Higgins and non-executive director Ian Fraser.

In assessing the independence of directors, the board follows the ASX guidelines as set out:

An independent director is a non-executive director (ie is not a member of management) and:

- is not a substantial shareholder of the company or an officer of, or otherwise associated directly with, a substantial shareholder of the company;
- within the last three years has not been employed in an executive capacity by the company or another group member, or been a director after ceasing to hold any such employment;
- within the last three years has not been a principal of a material professional adviser or a material consultant to the company or another group member, or an employee materially associated with the service provided;
- is not a material supplier or customer of the company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has no material contractual relationship with the company or another group member other than as a director of the company;
- has not served on the board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the company; and
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the company.

Mr Dowe is not considered to be independent because he is both an executive director and a substantial shareholder in the company.

Through the Nominations Committee, which has met during the current financial year to consider appointments to management and the board, directors have considered the balance of skills and experience required of board members for the size and state of development of Legend. The board believes that it has the right numbers and skill sets within its board members for the current size of the company and is confident that each non-executive director brings independent judgement to bear on board decisions.

Where additional skills are considered necessary for specific purposes, access is made to independent professional advice at the expense of the company.

Chairman and Chief Executive Officer

The ASXCGC Recommendations recommend that the chairperson be independent. Mr Bruce Higgins is considered independent by the board under the guidelines as set out.

The roles of chairman and Chief Executive Officer are not exercised by the same individual.

Mr Bradley Dowe is the Chief Executive Officer of the company.

Appointment to the Board

The Board has appointed a Nomination Committee to identify and recommend potential director appointments. Where a casual vacancy arises during the year, the Committee has procedures to select the most suitable candidate with the appropriate experience and expertise to ensure a balanced and effective board. Any director appointed during the year to fill a casual vacancy or as an addition to the current board, holds office until the next Annual General Meeting and is then eligible for re-election by the shareholders.

A copy of the Nomination Committee's Charter is available on the company's web site at www.legendcorporate.com.

New directors receive a letter of appointment which sets out the terms of their appointment. On appointment, an induction program is available to directors that include one-on-one sessions with members of the senior management team.

Evaluation of Senior Executives

Senior executives, including the Chief Executive Officer have a formal job description and letter of appointment describing their term of office, duties, rights, responsibilities and entitlements upon termination.

The performance of senior executives is reviewed annually before the budgets are approved for the next financial year. This process is a formal one with the executive's performance assessed against company, division and personal benchmarks. Benchmarks are agreed with the respective senior executives and reviews are based upon the degree of achievement against those benchmarks.

Induction procedures are in place to allow new senior executives to participate fully and actively in management decision-making. The induction program includes orientation of:

- The company's financial position, strategies, operations and risk management policies; and
- The respective rights, duties, responsibilities and roles of the board and senior executives.

A performance evaluation for senior executives has taken place in the reporting period and was in accordance with the process disclosed.

Ethical Business Practices

The Company has adopted a Code of Conduct to maintain confidence in the company's integrity, its legal obligations and the expectations of its stakeholders. The company is committed to being a socially responsible corporate citizen, using honest and fair business practices, to act in the best interests of clients so as to achieve the best outcome for shareholders.

The Board has procedures in place for reporting any matters that may give rise to unethical practices or conflicts between the interests of a director or senior executive and those of the company. These procedures are reviewed as required by the board. To this end, the company has adopted a Conflict of Interest Policy that clarifies the processes for directors and senior executives to determine and disclose when a conflict of interest exists.

The Code of Conduct is available on the company's web site at www.legendcorporate.com.

Shareholding and Trading

The Board encourages directors and senior executives to own shares in the company to further link their interests with the interests of all shareholders. Trading of shares by directors or senior executives is prohibited under certain circumstances and as described in the ASX Listing Rules and during certain periods of the financial year. A director or senior executive must not deal in the company shares at any time when he or she has unpublished information which, if generally available, might affect the share price. Directors are required to notify the Company Secretary following dealing.

The Trading Policy is available at the company's web site at www.legendcorporate.com.

Safeguard Integrity

The Board has established an Audit and Risk Management Committee comprised of the two non-executive directors. This committee operates under a charter to enable it to perform its role and responsibilities. The Charter is available at the company's web site at www.legendcorporate.com. Where considered appropriate, the company's external auditors and the company's management are invited to attend meetings. The members of the Audit and Risk Management Committee are:

Ian Fraser (chair) and Bruce Higgins.

As the company has only three directors, of which one is the managing director who is not independent, the company does not comply with Recommendation 4.2 that the committee should comprise three members.

The qualifications of members of the committee together with their attendances at committee meetings is disclosed in the Directors' Report within this Annual Report.

The role of the Audit and Risk Management Committee is to assist the board fulfill its responsibilities in relation to the identification of the areas of significant business risks and the monitoring of the following:

- Effective management of financial and other business risks;
- Reliable management reporting;
- Compliance with laws and regulations in respect to financial reporting;
- Maintenance of effective and efficient audits;
- Meeting with external auditors on a twice-yearly basis and informally as circumstances require; and
- Recommending to the board the appointment, rotation, removal and remuneration of the external auditors, and review their terms of engagement, and the scope and quality of the audit. Periodically, the Audit and Risk Management Committee reviews the appointment of the external audit engagement partners using a formal process of

evaluation to determine the most appropriate level of skills and experience to suit the size and complexity of the company.

The Audit and Risk Management Committee provides the board with additional assurances regarding the reliability of financial information for inclusion in the financial statements. To that extent, the Chief Executive Officer and the Chief Financial Officer are required to declare to the board that in their opinion the Financial Statements and notes to the Accounts within the Annual Report are in accordance with the Corporations Act 2001, comply with the Accounting Standards and the Corporations Regulations 2001 and give a true and fair view of the financial position of the company and are based upon a sound system of risk management and internal compliance and control prior to the signing of the Directors' Declaration in the Annual Report.

The committee is chaired by an independent chair who is not the chairman of the board.

Independent Advice

The Board recognises that in certain circumstances individual directors may need to seek independent professional advice, at the expense of the company. Any advice so received will be made available to other directors.

Timely and Balanced Disclosure

The board recognises the need to comply with ASX Listing Rule 3.1 concerning continuous disclosure.

At each meeting of directors, consideration is given as to whether notice of material information concerning the company, including its financial position, performance, ownership and governance has been made available to all investors.

The Continuous Disclosure Policy also requires senior executives in possession of disclosable information to comply with that policy.

The Continuous Disclosure Policy is available on the company's web site at www.legendcorporate.com.

Communication with Shareholders

The board aims to ensure that shareholders, on behalf of whom they act, are informed of all major developments affecting the company's activities and its state of affairs, including information necessary to assess the performance of the directors.

Communication with shareholders is achieved through the distribution of the following information:

- The Annual Report distributed to shareholders;
- The Half Yearly Report which is available on the company's web site;
- The Annual General Meeting and other meetings called to obtain shareholder approval for board action as appropriate. Shareholders are encouraged to attend and participate at the company's Annual General Meeting and other General Meetings;
- Letters to shareholders when considered to be appropriate and informative;
- Announcements to the Australian Securities Exchange; and
- Investor information through the Company's internet portal at www.legendcorporate.com.

The Company strives to ensure that company announcements via the ASX are made in a timely manner, are factual, do not omit material information and are expressed in a clear and objective manner.

The Communications Policy is available at the company's web site at www.legendcorporate.com.

Shareholders' Role

The shareholders of the Company are responsible for voting on the election of directors at the Annual General Meeting in accordance with the constitution.

All directors (other than the Chief Executive Officer) are subject to re-election by rotation, no later than every three years.

The Annual General Meeting also provides shareholders with the opportunity to express their views on matters concerning the company and to vote on other items of business for resolution by shareholders.

The company's auditor, Grant Thornton NSW, make available a partner of the firm (Mr Andrew Archer or other), to be in attendance at the Annual General Meeting and to be available to answer shareholder questions in relation to the audit.

Risk Management

The entire board is responsible for overseeing the risk management function. The company believes that it is crucial for all board members to be a part of the process and as such has established risk management as a component of the Audit and Risk Management Committee.

The board is responsible for ensuring the risks and opportunities are identified on a timely basis.

The board has a number of mechanisms in place to ensure the management's objectives and activities are aligned with the risks identified by the Committee. These include the following:

- Implementation of board approved operating plans and budgets;
- Board monitoring of progress against these budgets, including the monitoring of key performance indicators of both a financial and non financial nature; and
- The establishment of committees to report on specific risk as identified.

Internal Risk Management System Compliance

Management is accountable to the Chief Executive Officer to ensure that operating efficiency, effectiveness of risk management procedures, internal compliance control systems and controls and policies are all being monitored. Management has designed and implemented a risk management and internal control system to manage the company's material business risks and reports to the board at each meeting on the effective management of those risks. The company has identified a series of operational risks which it believes to be inherent in the industry in which the company operates. These include:

- Changed operating, market or regulatory environments;
- Fluctuations in demand volumes;
- Fluctuations in exchange rates; and
- Increasing costs of operations.

These risk areas are provided here to assist investors better understand the nature of the significant risks faced by the company.

The board requires the Chief Executive Officer and Chief Financial Officer every half year to provide a statement confirming that a sound system of risk management and internal control is in place and that the system is operating effectively in all material respects in relation to financial risks. The board has received that assurance.

The Risk Management Policy is available at the company's web site at www.legendcorporate.com .

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Monitoring Performance

The Board and senior management monitor the performance of all divisions through the preparation of monthly management accounts. The monthly management accounts are prepared using accrual accounting techniques and report each business unit's result as contribution after overhead allocation. These monthly management accounts are compared to monthly budgets, which have been set allowing for the seasonality of anticipated revenues and costs in each of the divisions.

The monitoring of the company's performance by the board and management assists in identifying the correct allocation of resources and staff to maximise the overall return to share-holders.

A performance evaluation for senior management was undertaken during the year and was in accordance with the process developed by the board for that purpose.

Details of the structure of non-executive directors' and senior executives' remuneration are included in the Remuneration Report within the Directors' Report in this Annual Report.

During the year the board undertook an informal performance review of the board, its committees and its directors, managed by the chair of the Remuneration Committee. The conclusions of the self assessment of the board's performance during the previous year and any recommendations for improvement which become apparent from that review, are discussed by the board.

The performance evaluation was undertaken using the process disclosed above.

Nomination and Remuneration

Nomination Committee

The Board has a Nomination Committee comprising the two non-executive Directors, Mr Bruce Higgins (Chairman) and Mr Ian Fraser, and Managing Director Mr Bradley Dowe. Their attendances at committee meetings is disclosed in the Directors' Report within this Annual Report.

The role of the Nomination Committee is to make recommendations to the board on the following matters:

- Determine the appropriate size and composition of the board;
- Determine the terms and conditions of appointment to and retirement from the board;
- Develop appropriate criteria for board membership;
- Reviewing membership of the board and proposing candidates for consideration by the board; and
- Arranging a review of the board's own performance.

The committee met during the year and considered that for the size of the company and the state of its development, the number of directors and their level of skills and experience was appropriate.

The Nomination Committee Charter is available at the company's web site at www.legendcorporate.com.

Remuneration Committee

The Board has a Remuneration Committee comprising the two non-executive Directors, Mr Bruce Higgins (Chairman) and Mr Ian Fraser

Chief Executive Officer, Bradley Dowe, attends the Remuneration Committee considerations as and when appropriate.

Details of the attendance of directors at committee meetings is disclosed in the Directors' Report in this Annual Report.

The role of the Remuneration Committee is to determine the company's remuneration plans, policies and practices, including compensation arrangements for the non-executive directors, executive directors, Chief Executive Officer and senior executives. It is also responsible for considering general remuneration policies and practices, recruitment and termination policies and superannuation requirements.

The company does not have a policy to preclude its executives from entering into transactions to limit their economic risk from investing in company shares, options or rights and has made executives aware of their obligations in relation to financial commitments against shares issued under the executive securities plan and has requested that they take sufficient professional advice in relation to their individual financial position.

The Remuneration Committee Charter is available at the company's web site at www.legendcorporate.com.

There are no retirement schemes or retirement benefits other than statutory benefits for non-executive directors.

DIRECTORS' REPORT

Your directors present their report, together with the financial statements of Legend Corporation Limited ('Consolidated Group' or 'Group'), being the company and its controlled entities, for the financial year ended 30 June 2010.

Principal Activities and Significant Changes in Nature of Activities

The principal activities of the Consolidated Group during the financial year were:

- The distribution of cable accessories and tools servicing the electrical wholesale industry;
- The design and sale of integrated circuits (semiconductors) for consumer electrical products, medical devices and industrial electronic components;
- Manufacture and sales of computer memory based products;
- The distribution of computer room accessories; and
- The design and sale of specialised connectors and cable assemblies to power utilities.

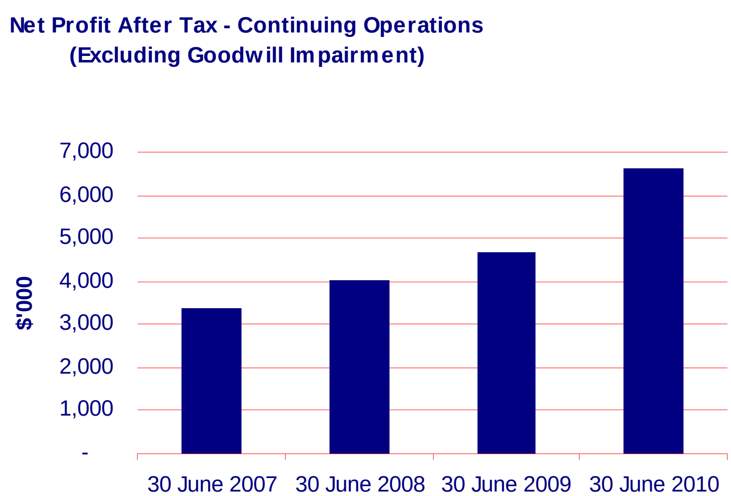
There were no significant changes in the nature of the Consolidated Group's principal activities during the financial year.

Operating Results and Review of Operations for the Year

Operating Results

The consolidated net profit after tax (NPAT) for the Group amounted to $6,610,000, an increase of 45% on the result for the 2009 financial year of $4,554,000.

The Group continues to improve year-on-year NPAT from continuing operations with a 97% increase from the 2007 financial year, during which time the business has been substantially restructured.



The operating result for the year reflects the directions adopted by the Group during 2008 and 2009; a focus on quality of earnings by improving gross margins, and tighter overhead expenditure management without impacting the future grow of the business. Of significant note:

- Sales revenue is down $3,584,000 (4%) on the corresponding prior period however gross profit is up $3,197,000 (9%) reflecting the Group's continued focus on quality earnings;
- Monthly operating expenses have been managed aggressively over the year with a modest 1% increase on the prior year; and
- Finance costs are down $563,000 (24%) due to a reduction of $13,891,000 in gross debt to $15,000,000 at 30 June 2010. Net debt has been reduced from $19,718,000 at 30 June 2009 to $8,078,000 at 30 June 2010.

Review of Operations

Memory modules and semiconductors

The segment continued to perform well with Earnings Before Interest Taxation, Depreciation and Amortisation (EBITDA) of $6,694,000 (2009: $6,050,000).

This result was achieved in an environment where revenue declined by 12% due to a contraction in demand by our customers during the Global Financial Crisis, and the Group's decision to move away from low margin generic memory sales.

Electrical, data and communications

Results for the segment have exceeded expectations, with EBITDA growing by 47% from $4,629,000 in 2009 to $6,799,000 in 2010.

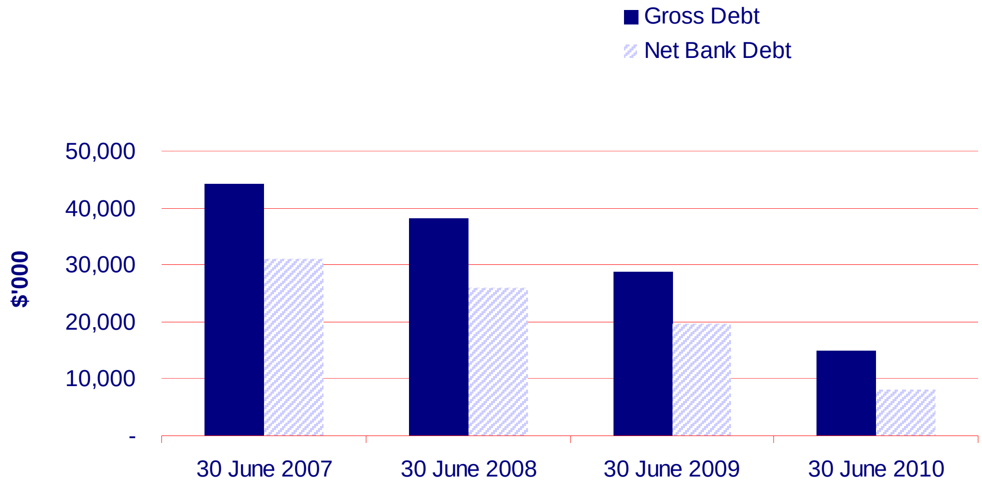
This result was achieved off the back of new products and improved cost management despite depressed levels of construction activity affecting electrical wholesale revenues.

Financial Position

Net assets of the Group increased by $6,671,000 (16%) over the year to $48,773,000 at 30 June 2010.

The Group's working capital requirements were down from $24,391,000 for the 2009 financial year to $24,059,000 at 30 June 2010. This reduction combined with cash flows from operating activities of $12,425,000 enabled the Group to reduce gross debt by a further $13,891,000 to $15,000,000 at 30 June 2010, with a net debt position at period end of $8,078,000.

Debt Profile



The Group executed a new Corporate Letter of Offer (CLO) with National Australia Bank Limited dated 30 June 2010. Bank bill facilities offered under the CLO extend to 30 November 2014.

The Directors believe the Group is in a strong financial position to expand and grow current operations.

Significant Changes in State of Affairs

The following significant change in the state of affairs of the Parent Entity occurred during the financial year:

- On 26 August 2009, 462,863 shares were granted as remuneration to Key Management Personnel of the company through the Employee Share Plan.

Dividends Paid or Recommended

No dividends were paid or declared for payment during the year.

After Balance Date Events

On 1 July 2010 the Group acquired the business and trading assets of Kulak Pty Ltd, a manufacturer and distributor of products to electrical wholesale and electrical distribution markets. Purchase consideration was payable in two installments, an initial payment of $300,000 on acquisition, and a deferred payment on determination of the completion balance sheet. At the date of this report the determination of the completion balance sheet had not been made.

The acquisition is part of the Group's overall strategy of expanding its product offerings to electrical wholesale and electrical distribution markets.

The financial effect of this transaction has not been brought into account in the 2010 financial statements.

Future Development, Prospective and Business Strategies

We will continue our focus on business initiatives to meet customer needs whilst continuing to manage debt and costs, improving inventory performance and quality of earnings. We are actively seeking new opportunities within our existing resources.

Legend has performed well over the year. The Directors are confident that the group is well placed for the future.

Environmental Issues

The Group was not subject to any particular or significant environmental regulations of the Commonwealth, individual States or Territories of Australia during the financial year.

Information on Directors

Bruce E Higgins BEng (Electronic Engineering) FIE, MBA FAICD
Mr. Higgins has executive management experience as Chief Executive Officer of Redflex Traffic Systems Inc, Raytheon Systems Company (Australia), Honeywell and smaller listed companies. He has managed and directed rapid growth companies for the last twenty years. Mr. Higgins is a member of the Audit and Risk Management Committee and Chairman of the Remuneration Committee and the Nominations Committee of Legend.

Directorships held in other listed entities:

- Chairman of TSV Holdings Limited (ASX:TSH)
- Non-executive director Global Health Limited (ASX:GLH)

Previous directorships held in the last three years:

- Chairman of XTEK Limited (retired November 2008)

Bradley R Dowe BSc (Computer Science)
Mr. Dowe is the founder and Chief Executive Officer of Legend and has been working in the field of engineering and computing for over 25 years. His experience covers all facets of engineering, electronics, manufacturing processes, software system development and international business operations. Bradley is a member of the Legend Nomination Committee.

Directorships held in other listed entities – none.

Ian L Fraser FCPA, FAICD
Mr Fraser has extensive experience in corporate turnarounds, particularly in Australian manufacturing. Ian currently serves as non-executive chairman of Forest Place Group Limited and is a director of PMP Limited, Structural Systems Limited and Wattyl Limited.

Mr Fraser is a Fellow of the Australian Society of CPAs and is a Fellow of the Australian Institute of Company Directors. Mr Fraser is Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee and the Nominations Committee of Legend.

Directorships held in other listed entities:

- Chairman of Forest Place Group Limited (ASX:FPG)
- Non-executive director of PMP Limited (ASX:PMP)
- Non-executive director of Structural Systems Limited (ASX:STS)
- Non-executive director of Wattyl Limited (ASX:WYL).

Previous directorships held in the last three years:

- Lighting Corporation Limited (June 2006 to January 2008)
- Nylex Limited (October 2006 to November 2008).

Company Secretary

Graham Seppelt CPA
Mr Seppelt has had extensive experience as a contract accountant and in corporate advisory roles. He is currently company secretary for Austin Exploration Limited, BSA Limited, Mesbon China Nylon Limited, Strzelecki Metals Limited and Uranium Exploration Australia Limited.

Meetings of Directors

During the financial year, 14 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Board Meetings		Audit Committee Meetings		Remuneration Committee Meetings		Nomination Committee Meetings	
	A	**B**	**A**	**B**	**A**	**B**	**A**	**B**
Bruce Higgins	10	10	2	2	1	1	1	1
Bradley Dowe	10	10	*	*	*	*	1	1
Ian Fraser	10	10	2	2	1	1	1	1

A *Number of meetings attended*
B *Number of meetings held during the time the director held office or was a member of the committee during the year*
* *Not a member of the relevant committee*

Indemnifying Officers or Auditor

During the year, the Company paid a premium for a contract insuring all directors, secretaries, executive officers and officers of the Company and of each related body corporate of the Company. The insurance does not provide cover for the independent auditors of the Company or of a related body corporate of the Company.

In accordance with usual commercial practice, the insurance contract prohibits disclosure of details of the nature of the liabilities covered by the insurance, the limit of indemnity and the amount of the premium paid under the contract.

Options

At the date of this report, the unissued ordinary shares of Legend Corporation Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
30 Nov 2007	30 Nov 2012	$0.44	150,000
30 Nov 2007	30 Nov 2012	$0.49	150,000
30 Nov 2007	30 Nov 2012	$0.54	150,000
24 Jun 2008	24 Jun 2013	$0.10	150,000
24 Jun 2008	24 Jun 2013	$0.10	150,000
24 Jun 2008	24 Jun 2013	$0.10	150,000
			900,000

Option holders do not have any rights to participate in any issues of shares or other interests in the company or any other entity.

There have been no unissued shares or interests under option of any controlled entity within the Group during or since reporting date.

For details of options issued to directors and executives as remuneration, refer to the Remuneration Report.

During the year ended 30 June 2010, no ordinary shares of Legend Corporation Limited were issued on the exercise of options granted under the Legend Corporation Limited Employee Option Plan. No shares have been issued since that date. No amounts are unpaid on any of the shares.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Non-audit Services

The Board of Directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons;

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees were paid or payable to Grant Thornton for non-audit services provided during the year ended 30 June 2010:

	$
Amounts paid/payable to Grant Thornton for:	
- Taxation services	80,858

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2010 as required under section 307C of the Corporations Act 2001 has been received and can be found on page 33, which forms part of this report.

ASIC Class Order 98/100 Rounding of Amounts

The company is an entity to which ASIC Class Order 98/100 applies and, accordingly, amounts in the financial statements and directors' report have been rounded to the nearest thousand dollars.

REMUNERATION REPORT

Remuneration Policy

The Board has established a remuneration committee that provides advice on remuneration and incentive policies and practices and specific recommendations on remuneration packages and other terms of employment for executive directors, other senior executives and non-executive directors. The Corporate Governance Statement provides further information on the role of this committee.

The remuneration structure for executive officers, including executive directors, is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the company. The contracts for service between the company and specified directors and executives are on a continuing basis, the terms of which are not expected to change in the immediate future. Upon retirement, specified directors and executives are paid employee benefit entitlements accrued to the date of retirement. Any options not exercised before or on the date of retirement lapse.

The Group seeks to emphasise payment for results through providing various cash bonus reward schemes, specifically, the incorporation of incentive payments based on the achievement of sales targets and return on equity ratios. The objective of the reward schemes is to both reinforce the short and long-term goals of the company and to provide a common interest between management and shareholders.

Performance-based Remuneration

As part of each executive director and executive remuneration package there is a performance-based component, consisting of key performance indicators (KPI's). The intention of this program is to facilitate goal congruence between directors/executives with that of the business and shareholders.

In consultation with the CEO, performance in relation to the KPI's is assessed annually, with bonuses being awarded depending on the number and deemed difficulty of the KPI's achieved.

Relationship between Remuneration Policy and Company Performance

The remuneration policy has been tailored to increase goal congruence between shareholders and directors/executives. There have been two methods applied in increasing this aim, the first being a performance based bonus on KPI's and the second being the issue of options to directors to encourage the alignment of personal and shareholder interests. The company believes this policy was effective in increasing shareholder wealth over the past 3 years

	2006	**2007**	**2008**	**2009**	**2010**
	$	**$**	**$**	**$**	**$**
Revenue	201.5m	193.5m	137.2m	90.7m	86.8m
Net Profit	6.7m	1.9m	(40.7)m	4.6m	6.6m
Share price at year-end	0.70	0.45	0.10	0.08	0.16
Dividends paid	0.03	0.03	0.015	0.00	0.00

Employment Details of Members of Key Management Personnel and Other Executives

The following table provides employment details of persons who were, during the financial year, members of key management personnel of the consolidated group, and to the extent different, among the five Group executives or company executives receiving the highest remuneration. The table also illustrates the proportion of remuneration that was performance and non-performance based and the proportion of remuneration received in the form of options.

	Position held as at 30 June 2010 and any change during the year	Contract details (duration & termination)	Proportion of elements of remuneration related to performance		Proportion of elements of remuneration not related to performance	
			Non-salary cash based incentives %	Non-salary share based incentives %	Fixed Salary / Fees %	Total %
Group Key Management Personnel						
Mr Bruce Higgins	Chairman (Non-Executive)	No fixed term.	-	-	100	100
Mr Ian Fraser	Director (Non-Executive)	No fixed term.	-	-	100	100
Mr Bradley Dowe	Managing Director - Chief Executive Officer	No fixed term. 3 months notice required to terminate	-	-	100	100
Mr Hamish McEwin	Chief Financial Officer	No fixed term. 3 months notice required to terminate	4	8	88	100
Mr David Humphreys	Group New Market Development Manager	No fixed term. 3 months notice required to terminate	10	6	84	100
Mr Robert Watters	General Manager National Sales	No fixed term. 1 months notice required to terminate	-	-	100	100
Mrs Susan Jones	National Purchasing Manager	No fixed term. 1 months notice required to terminate	1	3	96	100
Other Executives						
Mr Graham Seppelt	Group Company Secretary	No fixed term. 1 months notice required to terminate	-	-	100	100

The employment terms and conditions of key management personnel and Group executives are formalised in contracts of employment.

Terms of employment require that the relevant Group entity provide an executive contracted person with a minimum of one months notice prior to termination of contract. Termination payments of between 8 – 25% are generally payable. A contracted person deemed employed on a permanent basis may terminate their employment by providing at least one months notice. Termination payments are not payable on resignation or under the circumstances of unsatisfactory performance.

Changes in Directors and Executives Subsequent to Year-End

There have been no changes to Directors or Executives subsequent to year-end.

Remuneration Details for the Year Ended 30 June 2010

The following table of benefits and payments details, in respect to the financial year, the components of remuneration for each member of the Key Management Personnel (KMP) of the consolidated group and, to the extent different, the five group executives and five company executives receiving the highest remuneration:

Table of Benefits and Payments for the Year Ended 30 June 2010

		Short-term Benefits				Post-employment benefits		Long-term benefits		Equity-settled share-based payments				
		Salary, fees and leave (1) $	Profit share and bonuses $	Non-monetary $	Other $	Pensions and superannuation $	Other $	Incentive plans $	LSL $	Shares / Units $	Options / Rights (2) $	Cash-settled share-based payments $	Termination benefits $	Total $
Group Key Management Personnel														
Mr Bruce	2010	119,016	-	-	-	-	-	-	-	-	-	-	-	119,016
Higgins	2009	114,878	-	-	-	1,710	-	-	-	-	-	-	-	116,588
Mr Ian	2010	62,092	-	-	-	5,588	-	-	-	-	-	-	-	67,680
Fraser	2009	63,095	-	-	-	5,679	-	-	-	-	-	-	-	68,774
Mr Bradley	2010	207,741	-	7,039	-	25,245	-	-	-	-	-	-	-	240,025
Dowe	2009	214,040	-	-	-	19,538	-	-	-	-	-	-	-	233,578
Mr Hamish	2010	261,468	11,250	-	-	23,532	-	-	-	25,000	-	-	-	321,250
McEwin	2009	271,736	-	-	-	24,456	-	-	-	-	-	-	-	296,192
Mr David	2010	134,398	19,975	20,887	-	19,806	-	-	-	13,000	-	-	-	208,066
Humphreys	2009	100,833	-	10,759	-	9,525	-	-	-	-	-	-	-	121,117
Mr Robert	2010	162,703	-	14,441	-	25,817	-	-	-	-	-	-	-	202,961
Watters	2009	142,596	25,000	38,144	-	19,077	-	-	-	-	-	-	-	224,817
Mrs Susan	2010	142,945	1,900	18,115	-	14,295	-	-	-	5,000	-	-	-	182,255
Jones	2009	149,833	25,000	14,294	-	17,483	-	-	-	-	-	-	-	206,610
Ms Leanne	2010	-	-	-	-	-	-	-	-	-	-	-	-	-
Fox (3)	2009	111,790	-	5,913	-	10,145	-	-	-	-	-	-	-	127,848
Mr Raymond	2010	-	-	-	-	-	-	-	-	-	-	-	-	-
Christian (4)	2009	24,793	-	-	-	6,750	-	-	-	-	-	-	56,250	87,793
Mr Brenton	2010	-	-	-	-	-	-	-	-	-	-	-	-	-
Scott (4)	2009	64,351	-	-	-	5,792	-	-	-	-	-	-	67,343	137,486
Total Key Management Personnel	2010	1,090,363	33,125	60,482	-	114,283	-	-	-	43,000	-		-	1,341,253
	2009	1,257,945	50,000	69,110	-	120,155	-	-	-	-	-		123,593	1,620,803
Other Executives														
Mr Graham	2010	38,670	-	-	-	-	-	-	-	-	-	-	-	38,670
Seppelt	2009	40,069	-	-	-	-	-	-	-	-	-	-	-	40,069

(1) In response to the expected impact on the business of the Global Financial Crises all Group Key Management Personnel accepted a 5% reduction in their agreed remuneration package for the 2010 Financial Year.
(2) The value of options issued to KMP is reported as remuneration during the year of issue and does not take into consideration any vesting period attached to those options. No options were granted during the current financial year.
(3) As a result of a corporate restructure at the end of the 2009 financial year, no longer a member of the KMP.
(4) Retired / resigned during the 2009 financial year.

Cash Bonuses, Performance-related Bonuses and Share-based Payments

Cash bonuses and share-based payments were awarded as part of the Group's incentive and motivation scheme for the retention of key executives. Bonuses were paid in August 2009 for achievement of operational key performance metrics in the preceding 12 months.

Options and Rights Granted

	Grant details			For the financial year ended 30 June 2010						Overall	
	Date	No.	Value $	Exercised no.	Exercised $	Lapsed no.	Lapsed $	Vested no.	Vested %	Unvested %	Lapsed %
Group Key Management Personnel											
Mr Bruce Higgins	24.06.2008	450,000	23,510	-	-	-	-	300,000	67	33	-
	30.11.2007	450,000	67,904	-	-	-	-	300,000	67	33	-
				-	-	-	-	600,000			

Description of Options/Rights Issued as Remuneration

Grant date	Issuer	Entitlement on exercise	Dates exercisable	Exercise price $	Value per option at grant date $	Amount paid / payable by recipient $
24.06.2008	Legend Corporation Limited (ASX: LGD)	1:1 Ordinary Shares in Legend Corporation Limited	24.05.2009 to 24.06.2013 (expiry)	0.10	0.05	0.00
24.06.2008	Legend Corporation Limited	1:1 Ordinary Shares in Legend Corporation Limited	24.05.2010 to 24.06.2013 (expiry)	0.10	0.05	0.00
24.06.2008	Legend Corporation Limited	1:1 Ordinary Shares in Legend Corporation Limited	24.05.2011 to 24.06.2013 (expiry)	0.10	0.05	0.00
30.11.2007	Legend Corporation Limited	1:1 Ordinary Shares in Legend Corporation Limited	30.11.2008 to 30.11.2012 (expiry)	0.44	0.17	0.00
30.11.2007	Legend Corporation Limited	1:1 Ordinary Shares in Legend Corporation Limited	30.11.2009 to 30.11.2012 (expiry)	0.49	0.15	0.00
30.11.2007	Legend Corporation Limited	1:1 Ordinary Shares in Legend Corporation Limited	30.11.2010 to 30.11.2012 (expiry)	0.54	0.14	0.00

Option values at grant date were determined using the Black-Scholes method.

End of Audited Remuneration Report.

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

Bruce E Higgins
Chairman of Directors
Legend Corporation Limited

13 August 2010

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Auditor's Independence Declaration
To the Directors of Legend Corporation Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Legend Corporation Limited for the year ended 30 June 2010, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton Audit Pty Ltd

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A J Archer

A J Archer
Director - Audit & Assurance

Sydney, 13 August 2010

LEGEND CORPORATION LIMITED - CONSOLIDATED ENTITY
ABN 69 102 631 087

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2010

	Notes	Consolidated Group 2010 $000	Consolidated Group 2009 $000
Sales revenue	2	86,565	90,149
Finance income	2	187	293
Total revenue		**86,752**	**90,442**
Other income		-	108
Changes in inventories		1,352	(483)
Raw materials and consumables used		(50,028)	(54,974)
Employee benefits expense		(15,378)	(16,157)
Depreciation and amortisation expense		(2,120)	(2,170)
Finance costs	3	(1,756)	(2,319)
Occupancy costs		(2,839)	(3,012)
Other expenses		(6,247)	(4,952)
Impairment of investment in associates	14	98	39
Share of net loss of associates	14	(98)	(39)
Profit before income tax	3	9,736	6,483
Income tax expense	4	(3,126)	(1,811)
Profit from continuing operations		6,610	4,672
Loss for the year from discontinued operations after tax	5	-	(118)
Profit for the year		**6,610**	**4,554**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**6,610**	**4,554**
Profit attributable to:			
Members of the parent entity		6,610	4,554
Non-controlling interest		-	-
		6,610	4,554
Total comprehensive income attributable to:			
Members of the parent entity		6,610	4,554
Non-controlling interest		-	-
		6,610	4,554
		Cents	**Cents**
Overall Operations			
Basic earnings per share	9	3.1	2.1
Diluted earnings per share	9	3.1	2.1
Continuing Operations			
Basic earnings per share	9	3.1	2.2
Diluted earnings per share	9	3.1	2.2
Discontinued Operations			
Basic loss per share	9	-	(0.1)

The accompanying notes form part of these financial statements

LEGEND CORPORATION LIMITED - CONSOLIDATED ENTITY
ABN 69 102 631 087

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010

	Notes	Consolidated Group 2010 $000	Consolidated Group 2009 $000
Current assets			
Cash and cash equivalents	**10**	6,922	9,173
Trade and other receivables	**11**	12,964	15,455
Inventories	**12**	15,279	14,205
Other current assets	**13**	674	843
Total current assets		35,839	39,676
Non-current assets			
Investments accounted for using the equity method	**14**	-	-
Property, plant and equipment	**15**	8,316	9,521
Deferred tax assets	**20**	1,418	3,769
Intangible assets	**16**	29,019	29,151
Total non-current assets		38,753	42,441
Total assets		74,592	82,117
Current liabilities			
Trade and other payables	**18**	7,737	8,852
Borrowings	**19**	1,500	4,659
Current tax liabilities	**20**	905	203
Short-term provisions	**21**	1,638	1,571
Total current liabilities		11,780	15,285
Non-current liabilities			
Borrowings	**19**	13,500	24,232
Deferred tax liability	**20**	21	20
Long-term provisions	**21**	518	478
Total non-current liabilities		14,039	24,730
Total liabilities		25,819	40,015
Net assets		48,773	42,102
Equity			
Issued capital	**22**	74,044	74,001
Reserves	**23**	110	92
Accumulated losses		(25,381)	(31,991)
Total equity		48,773	42,102

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2010

Consolidated Group	**Issued Capital $000**	**Option Reserve $000**	**Accumulated Losses $000**	**Total $000**
Balance at 1 July 2008	74,001	49	(36,545)	37,505
Total comprehensive income for the period	-	-	4,554	4,554
Option expense	-	43	-	43
Balance at 30 June 2009	74,001	92	(31,991)	42,102
Total comprehensive income for the period	-	-	6,610	6,610
Shares issued during the year	43	-	-	43
Option expense	-	18	-	18
Balance at 30 June 2010	74,044	110	(25,381)	48,773

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2010

	Notes	Consolidated Group 2010 $000	Consolidated Group 2009 $000
Cash flows from operating activities			
Receipts from customers		89,051	88,478
Payments to suppliers and employees		(74,990)	(77,872)
Interest received		187	293
Finance costs		(1,756)	(2,319)
Income tax paid		(67)	(818)
Net cash provided by operating activities	**27**	**12,425**	**7,762**
Cash flows from investing activities			
Proceeds from the sale of plant and equipment		1	43
Purchase of property, plant and equipment		(786)	(2,094)
Proceeds from the sale of subsidiaries net of cash disposed		-	364
Net cash used in investing activities		**(785)**	**(1,687)**
Cash flows from financing activities			
Proceeds from issue of shares		-	817
Proceeds from borrowings		-	2,574
Repayment of borrowings		(13,891)	(12,540)
Net cash used in financing activities		**(13,891)**	**(9,149)**
Net decrease in cash and cash equivalents held		(2,251)	(3,074)
Cash and cash equivalents at beginning of financial year		9,173	12,247
Cash and cash equivalents at end of financial year	**10**	**6,922**	**9,173**

The accompanying notes form part of these financial statements

This financial report covers Legend Corporation Limited ('Parent Entity') and its controlled entities as a consolidated entity (‘Consolidated Group’ or ‘Group’). Legend Corporation Limited is a listed public company, incorporated and domiciled in Australia.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Adoption of New and Revised Accounting Standards

During the current year the Group adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of Legend Corporation Limited.

AASB 3: Business Combinations

In March 2008 the Australian Accounting Standards Board revised AASB 3 and as a result, some aspects of business combination accounting have changed. The changes apply only to business combinations which occur from 1 July 2009 and have therefore had no impact on the Group’s financial statements for the current period. The following is an overview of the key changes which could impact future reports.

Recognition and measurement impact

Recognition of acquisition costs — The revised version of AASB 3 requires that all costs associated with a business combination be expensed in the period in which they were incurred. Previously such costs were capitalised as part of the cost of the business combination.

Measurement of contingent considerations — The revised AASB 3 requires that contingent considerations associated with a business combination be included as part of the cost of the business combination. They are recognised at the fair value of the payment calculated having regard to probability of settlement. Any subsequent changes in the fair value or probability of payment are recognised in the statement of comprehensive income except to the extent where they relate to conditions or events existing at acquisition date, in which case the consideration paid is adjusted. The previous version of AASB 3 allowed such changes to be recognised as a cost of the combination impacting goodwill.

Measurement of non-controlling interest — For each business combination, the acquirer must measure any non-controlling interest in the acquiree either at the fair value of the non-controlling interest (the *full goodwill method*) or at the non-controlling interest’s proportionate share of the acquiree’s net identifiable assets. Under the previous version of AASB 3 only the latter option was permitted.

Recognition of contingencies — The revised AASB 3 prohibits entities from recognising contingencies associated with a business combination, unless they meet the definition of a liability.

Business combinations achieved in stages — The revised AASB 3 requires that where a business combination is achieved in stages, any previously held equity interest is to be remeasured to fair value and the resulting gain or loss, being the difference between fair value and historical cost, is to be recognised in the statement of comprehensive income. The previous version of AASB 3 accounted for each exchange transaction separately, using cost and fair value information at the date of each exchange to determine the amount of any goodwill associated with the acquisition. It was therefore possible to compare the cost of each individual investment with the fair value of identifiable net assets acquired at each step.

Disclosure impact

The revised AASB 3 contains a number of additional disclosure requirements not required by the previous version of AASB 3. The revised disclosures are designed to ensure that users of the Group’s financial statements are able to understand the nature and financial impact of any business combinations on the financial statements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)

Adoption of New and Revised Accounting Standards (cont)
AASB 8: Operating Segments
In February 2007 the Australian Accounting Standards Board issued AASB 8 which replaced AASB 114: Segment Reporting. As a result, some of the required operating segment disclosures have changed with the addition of a possible impact on the impairment testing of goodwill allocated to the cash generating units (CGUs) of the entity. Below is an overview of the key changes and the impact on the Group's financial statements.
Measurement impact
Identification and measurement of segments — AASB 8 requires the 'management approach' to the identification measurement and disclosure of operating segments. The 'management approach' requires that operating segments be identified on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker, for the purpose of allocating resources and assessing performance. This could also include the identification of operating segments which sell primarily or exclusively to other internal operating segments. Under AASB 114, segments were identified by business and geographical areas, and only segments deriving revenue from external sources were considered.
The adoption of the 'management approach' to segment reporting has not resulted in a change of reportable segments from the prior year.
Under AASB 8, operating segments are determined based on management reports using the 'management approach', whereas under AASB 114 financial results of such segments were recognised and measured in accordance with Australian Accounting Standards. This has resulted in changes to the presentation of segment results, with inter-segment sales and expenses such as depreciation and impairment now being reported for each segment rather than in aggregate for total group operations, as this is how they are reviewed by the chief operating decision maker.
Impairment testing of the segment's goodwill
AASB 136: Impairment of Assets, para 80 requires that goodwill acquired in a business combination shall be allocated to each of the acquirer's CGUs, or group of CGUs that are expected to benefit from the synergies of the combination. Each cash generating unit (CGU) which the goodwill is allocated to must represent the lowest level within the entity at which goodwill is monitored, however it cannot be larger than an operating segment. Therefore, due to the changes in the identification of segments, there is a risk that goodwill previously allocated to a CGU which was part of a larger segment could now be allocated across multiple segments if a segment had to be split as a result of changes to AASB 8.
Management have considered the requirements of AASB 136 and determined the implementation of AASB 8 has not impacted the CGUs of each operating segment.
Disclosure impact
AASB 8 requires a number of additional quantitative and qualitative disclosures, not previously required under AASB 114, where such information is utilised by the chief operating decision maker. This information is now disclosed as part of the financial statements.
AASB 101: Presentation of Financial Statements
In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the Group's financial statements.
Disclosure impact
Terminology changes — the revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.
Reporting changes in equity — the revised AASB 101 requires all changes in equity arising from transactions with owners, in their capacity as owners, to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the statement of changes in equity.
Statement of comprehensive income — the revised AASB 101 requires all income and expenses to be presented in either one statement, the statement of comprehensive income, or two statements, a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement. The Group's financial statements contain a single statement of comprehensive income.
Other comprehensive income — The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)

a. Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Legend Corporation Limited at the end of the reporting period. A controlled entity is any entity over which Legend Corporation Limited has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 17 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the Equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (ie parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill (refer to Note 1(i)) or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of comprehensive income. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as a receivable. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured each reporting period to fair value through the statement of comprehensive income unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

b. Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)

b. Income Tax (cont)

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax Consolidation

Legend Corporation Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. Each entity in the Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation. Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the Parent Entity. The Group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 1 July 2007. The tax consolidated group has entered a tax funding arrangement whereby each company in the Group contributes to the income tax payable by the Group in proportion to their contribution to the Group's taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the Parent Entity.

c. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

d. Property, Plant and Equipment

Plant and equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and impairment loss.

The cost of fixed assets constructed within the Consolidated Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Consolidated Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Leasehold improvements	2.5 - 30%
Plant and Equipment	1 - 40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)

e. Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to entities in the Consolidated Group, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

f. Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as 'at fair value through profit or loss', in which case transaction costs are expensed to profit and loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

a. the amount at which the financial asset or financial liability is measured at initial recognition;
b. less principal repayments;
c. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
d. less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in the profit or loss.

The Group does not designate any interest in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

i. *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

ii. *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

iii. *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm’s length transactions, reference to similar instruments and option pricing models.

Impairment of Financial Assets

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)

f. Financial Instruments (cont)

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

g. Impairment of Non-Financial Assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Value in use is determined by management estimating expected future cash flows from each asset or cash-generating unit and determining a suitable interest rate in order to calculate the present value of those cash flows.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

h. Investments in Associates

Investments in associate companies are recognised in the financial statements of the Consolidated Group by applying the equity method of accounting. The equity method of accounting recognised the Group's share of post-acquisition reserves of its associates.

i. Intangibles

Goodwill

Goodwill is initially recorded at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Trademarks and licenses

Trademarks and licenses are recognised at cost of acquisition. Trademarks and licenses have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Trademarks and licenses are amortised over their useful life of 5 years.

Research and development

Expenditure during the research phase of a project is recognised as an expense when incurred.

Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

j. Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the Parent Entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)

j. Foreign Currency Transactions and Balances (cont)

Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of comprehensive income.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period if not materially different from rate at transaction date; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of comprehensive income in the period in which the operation is

k. Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within 1 year have beer measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than 1 year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Equity-settled compensation

The Group operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black–Scholes pricing model which incorporates all market vesting conditions.

Refer Note 28 for details of equity settled payment plans.

l. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

m. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

n. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from a subsidiary, joint venture or associate shall be recognised as dividend revenue in the profit or loss irrespective of whether such dividends may have been paid out of pre-acquisition profits.

All revenue is stated net of the amount of goods and services tax (GST).

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)

o. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

p. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

q. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

r. Rounding of Amounts

The Parent Entity has applied the relief available to it under ASIC Class Order 98/100 and accordingly, amounts in the financial report and Directors' report have been rounded off to the nearest $1,000.

s. Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Estimates — Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

A partial reversal of prior period impairment has been recognised in the financial statements of the parent entity in respect to the carrying value of shares held in wholly owned subsidiaries, Legend Corporate Services Pty Ltd and IES Investments Pty Ltd, for the year ended 30 June 2010. The written down values of these investments has been based on a multiple of budgeted future earnings. Should these projections not be achieved, a further impairment loss will be recognised up to the maximum carrying value of these financial assets of $13,133,887.

The Directors believe that there are no other key estimates or judgements

The financial report was authorised for issue on 13 August 2010 by the Board of Directors.

		Notes	Consolidated Group 2010 $000	Consolidated Group 2009 $000
NOTE 2: REVENUE				
a.	**Operating activities**			
	Sale of goods		86,628	90,402
	Less sales revenue attributable to discontinued operations	**5**	(63)	(253)
	Sales revenue from continuing operations		**86,565**	**90,149**
b.	**Interest revenue from**			
	- Bank deposits		187	293
NOTE 3: PROFIT FOR THE YEAR				
a.	**Expenses**			
	Cost of sales		48,739	55,724
	Less costs attributable to discontinued operations	**5**	(63)	(267)
	Cost of sales from continuing operations		48,676	55,457
	Foreign currency translation (gain)/losses		363	(1,016)
	Bad and doubtful debts (trade debtors):			
	- Continuing operations		79	108
	- Discontinued operations		-	323
	Rental expense on operating leases			
	- Minimum lease payments		2,338	2,174
	Research and development costs		172	116
	Employee benefits expenses		15,378	16,157
	Loss on disposal of plant and equipment		2	68
	Impairment of investment in associated companies		(98)	(39)
b.	**Finance costs**			
	Interest expense for financial liabilities:			
	- Other interest expense		1,756	2,319
NOTE 4: INCOME TAX EXPENSE				
a.	**The components of tax expense comprise:**			
	Current tax		775	-
	Deferred tax	**20**	2,244	1,668
	Adjustment for current tax of prior years		107	92
			3,126	1,760

	Notes	Consolidated Group 2010 $000	2009 $000
NOTE 4: INCOME TAX EXPENSE (cont)			
b. The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:			
Prima facie tax payable on profit before income tax at 30% (2009: 30%)			
- Consolidated group		2,921	1,894
Add:			
Tax effect of:			
- Other non-allowable items		44	12
- Employee share expenses during the year		18	13
- Prior year under provision for income tax		107	91
- Tax losses in subsidiaries not recognised		36	(250)
		205	(134)
Income tax attributable to entity		**3,126**	**1,760**
Income tax expense attributable to continuing operations		**3,126**	**1,811**
Income tax benefit attributable to discontinued operations	**5**	**-**	**(51)**
The applicable weighted average effective tax rates are as follows:		32%	28%

The increase in the weighted average effective consolidated tax rate for 2010 is a result of tax losses from foreign operations not being brought to account.

NOTE 5: DISCONTINUED OPERATIONS

Financial information relating to the discontinued operations is set out below and at Note 26 Operating Segments.

The financial performance of the discontinued operations which is included in the loss from discontinued operations per the statement of comprehensive income is as follows:

	2010 $000	2009 $000
Revenue	63	253
Cost of sales	(63)	(267)
Gross profit	-	(14)
Sundry income	-	51
Discontinuance expenses		
- Bad debts expense	-	(323)
- Profit on disposal of subsidiaries	-	117
Loss before income tax	-	(169)
Income tax benefit	-	51
Total loss after tax attributable to discontinuing operations	**-**	**(118)**

The net cash flows of the discontinued operations which have been incorporated into the cash flow statement are as follows:

	2010 $000	2009 $000
Net cash outflow from operating activities	(11)	(823)
Net cash inflow from investing activities	-	319
Net cash decrease in cash used by the discontinuing operations	**(11)**	**(504)**

NOTE 6: INTERESTS OF KEY MANAGEMENT PERSONNEL (KMP)

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2010.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

	2010 $000	2009 $000
Short-term employee benefits	1,184	1,377
Post-employment benefits	114	120
Other long-term benefits	-	-
Termination benefits	-	124
Share-based payments	43	-
	1,341	1,621

The value of options issued to KMP is reported as remuneration during the year of issue and does not take into consideration any vesting period attached to those options. No options were granted during the current financial year.

KMP Options and Rights Holdings
The number of options over ordinary shares held by each KMP of the Group during the financial year is as follows:

30 June 2010	Balance at beginning of year	Granted as remuneration during the year	Exercised during the year	Other changes during the year *	Balance at year end	Vested during the year	Vested and exercisable	Vested and unexercisable
Mr Bruce Higgins	900,000	-	-	-	900,000	300,000	600,000	-
	900,000	-	-	-	900,000	300,000	600,000	-

30 June 2009	Balance at beginning of year	Granted as remuneration during the year	Exercised during the year	Other changes during the year *	Balance at year end	Vested during the year	Vested and exercisable	Vested and unexercisable
Mr Bruce Higgins	900,000	-	-	-	900,000	300,000	300,000	-
	900,000	-	-	-	900,000	300,000	300,000	-

* Other changes during the year reflected above includes those options that have been forfeited by holders as well as issued during the year under review.

KMP Shareholdings
The number of ordinary shares in Legend Corporation Limited held by each KMP of the Group during the financial year is as follows:

30 June 2010	Balance at beginning of year	Granted as remuneration during the year	Issued on exercise of options during the year	Other changes during the year *	Balance at year end
Mr Bruce Higgins	1,875,000	-	-	1,118,850	2,993,850
Mr Ian Fraser	750,000	-	-	150,000	900,000
Mr Bradley Dowe	59,810,946	-	-	30,014	59,840,960
Mr Hamish McEwin	31,250	269,107	-	50,900	351,257
Mr David Humphreys	-	139,935	-	3,065	143,000
Mr Robert Watters	-	-	-	-	-
Mrs Susan Jones	-	53,821	-	-	53,821
	62,467,196	462,863	-	1,352,829	64,282,888

30 June 2009	Balance at beginning of year	Granted as remuneration during the year	Issued on exercise of options during the year	Other changes during the year *	Balance at year end
Mr Bruce Higgins	1,875,000	-	-	-	1,875,000
Mr Ian Fraser	732,500	-	-	17,500	750,000
Mr Bradley Dowe	51,222,662	-	-	8,588,284	59,810,946
Mr Hamish McEwin	31,250	-	-	-	31,250
Mr David Humphreys	-	-	-	-	-
Mr Robert Watters	-	-	-	-	-
Mrs Susan Jones	-	-	-	-	-
Ms Leanne Fox	350,000	-	-	40,000	390,000
Mr Brenton Scott	5,016,888	-	-	29,500	5,046,388
	59,228,300	-	-	8,675,284	67,903,584

* Other changes during the year refers to shares purchased or sold during the financial year.

Other KMP Transactions
There have been no other transactions involving equity instruments other than those described in the table above. For details of other transactions with KMP, refer to Note 30 Related Party Transactions.

		Consolidated Group	
		2010	2009
		$000	$000

NOTE 7: AUDITORS' REMUNERATION

		2010 $000	2009 $000
Remuneration of the auditor of the parent entity for:			
-	Auditing or reviewing the financial report	188	231
-	Taxation services	81	44
Remuneration of other auditors of subsidiaries for:			
-	Auditing or reviewing the financial report	12	-
-	Taxation services	8	-

NOTE 8: DIVIDENDS

Distributions paid:
No dividend has been paid or proposed during the current or previous financial years.

		2010 $000	2009 $000
a.	Balance of franking account at year end adjusted for franking credits arising from: - payment of provision for income tax - dividends recognised as receivables and franking debits arising from payment of proposed dividends, and franking credits that may be prevented from distribution in subsequent financial years.	7,300	7,300

NOTE 9: EARNINGS PER SHARE

		2010 $000	2009 $000
a.	Reconciliation of earnings to profit		
	Profit	6,610	4,554
	Earnings used to calculate basic and dilutive EPS	**6,610**	**4,554**
b.	Reconciliation of earnings to profit from continuing operations		
	Profit from continuing operations	6,610	4,672
	Earnings used to calculate basic and dilutive EPS from continuing operations	**6,610**	**4,672**
c.	Reconciliation of loss to loss from discontinuing operations		
	Loss from discontinuing operations	-	(118)
	Loss used to calculate basic and dilutive EPS from discontinuing operations	**-**	**(118)**
d.	Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	216,340,635	215,950,054
	Weighted average number of dilutive options outstanding	109,584	-
	Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	**216,450,219**	**215,950,054**
e.	Diluted earnings per share is not reflected for discontinuing operations as the result is anti-dilutive in nature.		
f.	Anti-dilutive options on issue not used in dilutive EPS calculation	450,000	900,000

	Notes	Consolidated Group 2010 $000	2009 $000

NOTE 10: CASH AND CASH EQUIVALENTS

	Notes	2010 $000	2009 $000
Cash at bank and in hand		6,922	8,937
Short-term bank deposits		-	236
	22	6,922	9,173

The effective interest rate on short-term bank deposits for the 2009 financial years was 3.1%; these deposits had an average maturity of 30 days.

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	2010 $000	2009 $000
Cash at bank and in hand	6,922	8,937
Short-term bank deposits	-	236
	6,922	**9,173**

NOTE 11: TRADE AND OTHER RECEIVABLES

	Notes	2010 $000	2009 $000
Trade receivables		12,857	15,166
Provision for impairment of receivables	11a	(233)	(154)
		12,624	15,012
Other receivables		340	443
Total trade and other receivables		**12,964**	**15,455**

a. Provision for Impairment of Receivables

Current trade receivables are non-interest bearing loans and generally on 30 day terms. A provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in other expenses of the statement of comprehensive income.

Movement in the provision for impairment of receivables is as follows:

	Opening Balance $000	Charge for the Year $000	Amounts Written Off $000	Closing Balance $000
Consolidated Group	**1.7.2008**			**30.6.2009**
Trade receivables				
- Continuing operations	289	108	(243)	154
- Discontinuing operations	-	323	(323)	-
	289	431	(566)	154
Consolidated Group	**1.7.2009**			**30.6.2010**
Trade receivables:				
- Continuing operations	154	79	-	233
- Discontinuing operations	-	-	-	-
	154	79	-	233

There are balances within trade and other receivable that contain assets that are not impaired but are past due. It is expected these balances will be received in full. Impaired assets are provided for in full.

NOTE 11: TRADE AND OTHER RECEIVABLES (cont)

Credit Risk - Trade and Other Receivables

The Group has no significant concentration of credit risk with any single counter party, however the top 20 customers of the Group represents approximately 69% (2009: 76%) of year end receivables. The class of assets described as Trade and Other Receivables is considered the main source of credit risk related to the Group.

The following table details the Group's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Group.

The balance of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

Consolidated Group	Gross amount $000	Past due and impaired $000	Past due but not impaired (days overdue) < 30 $000	31-60 $000	61-90 $000	> 90 $000	Within initial trade terms $000
2010							
Trade receivables	12,857	233	1,184	330	101	-	11,009
Other receivables	340	-	-	79	-	261	-
Total	13,197	233	1,184	409	101	261	11,009
2009							
Trade receivables	15,166	154	653	216	79	-	14,064
Other receivables	443	-	75	39	-	24	305
Total	15,609	154	728	255	79	24	14,369

The Group does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

b. Collateral Held as Security

Collateral has been given in the form of personal guarantees and second registered mortgages over the properties of the directors of Cabac Electrical Pty Ltd, the acquirer of Legend Tech (RSA) Pty Ltd, which owes Legend Corporate Services Pty Ltd an amount of $297,000 included in other receivables at 30 June 2010. There are no other material amounts of collateral held as at 30 June 2010.

	Consolidated Group 2010 $000	2009 $000
c. Financial Assets Classified as Loans and Receivables		
Trade and other receivables		
- Total current	12,964	15,455
Financial assets	12,964	15,455

NOTE 12: INVENTORIES

	2010 $000	2009 $000
At cost		
Raw material and stores	1,274	1,863
Work in progress	416	519
Finished goods	13,197	10,652
	14,887	13,034
At net realisable value		
Finished goods	392	1,171
	392	1,171
	15,279	**14,205**
Inventories written off during the year	260	1,175

NOTE 13: OTHER CURRENT ASSETS

	2010 $000	2009 $000
Prepayments	**674**	**843**

	Notes	Consolidated Group 2010 $000	Consolidated Group 2009 $000

NOTE 14: INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	Notes	2010 $000	2009 $000
Associated companies	14a	-	-

a. Interests are held in the following associated companies

Name	Principal activities	Shares	Ownership interest 2010 %	Ownership interest 2009 %	Carrying amount of investment 2010 $000	Carrying amount of investment 2009 $000
Unlisted (incorporated in Australia):						
Radiform Australia Pty Ltd	Manufacture of heatshrink electrical cable protection	Ord	32	32	-	-

	Consolidated Group 2010 $000	Consolidated Group 2009 $000
Movement during the year in equity accounted investments in associated companies		
Balance at beginning of the financial year	-	-
Share of (loss)/profit after tax	(98)	(39)
Impairment of investment	98	39
Balance at end of the financial year	-	-
Equity accounted profits of associates are broken down as follows:		
Share of associate's (loss)/profit before income tax expense	(98)	(39)
Share of associate's income tax expense	-	-
Share of associate's (loss)/profit after income tax	(98)	(39)
Summarised Presentation of Aggregate Assets, Liabilities and Performance of Associates		
Current assets	395	681
Non-current assets	606	619
Total assets	1,001	1,300
Current liabilities	309	418
Non-current liabilities	395	279
Total liabilities	704	697
Net assets	297	603
Revenues	1,995	2,572
Loss after income tax of associates	(306)	(121)

The recoverable amount of the investment in Radiform Australia Pty Ltd has been assessed in light of the company's performance and the its future projections. The investment continues to be carried at nil value.

NOTE 15: PROPERTY, PLANT & EQUIPMENT

	Consolidated Group 2010 $000	Consolidated Group 2009 $000
Plant and equipment		
At cost	20,621	19,545
Accumulated depreciation	(13,075)	(11,073)
	7,546	8,472
Leased plant and equipment		
Capitalised leased assets	-	363
Accumulated depreciation	-	(166)
	-	197
Leasehold improvements		
At cost	930	922
Accumulated depreciation	(160)	(70)
	770	852
Total property, plant and equipment	**8,316**	**9,521**

a. Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	Plant and Equipment $000	Leased Plant and Equipment $000	Leasehold Improve-ments $000	Total $000
Consolidated Group				
Balance at 1 July 2008	9,230	251	714	10,195
Additions	1,418	-	196	1,614
Disposals	(254)	-	-	(254)
Depreciation expense	(1,922)	(54)	(58)	(2,034)
Balance at 30 June 2009	8,472	197	852	9,521
Additions	812	-	8	820
Disposals	(37)	-	-	(37)
Transfers	197	(197)	-	-
Depreciation expense	(1,898)	-	(90)	(1,988)
Balance at 30 June 2010	7,546	-	770	8,316

NOTE 16: INTANGIBLE ASSETS

	Consolidated Group 2010 $000	Consolidated Group 2009 $000
Goodwill		
Cost	46,298	46,298
Accumulated impairment losses	(17,308)	(17,308)
Net carrying value	28,990	28,990
Trademarks and licences		
Cost	671	671
Accumulated amortisation	(642)	(510)
Net carrying value	29	161
Total intangibles	**29,019**	**29,151**

	Goodwill $000	Trademarks and licences $000
Consolidated Group:		
Balance at 1 July 2008	28,990	297
Amortisation charge	-	(136)
Balance at 30 June 2009	28,990	161
Amortisation charge	-	(132)
Balance at 30 June 2010	28,990	29

NOTE 16: INTANGIBLE ASSETS (cont)

Intangible assets, other than goodwill have finite useful lives. The current amortisation charges for intangible assets are included under depreciation and amortisation expense per the statement of comprehensive income. Goodwill has an infinite life.

Impairment Disclosure

Goodwill is allocated to cash-generating units which are based on the group's reporting segments.

	2010 $000	2009 $000
Memory modules and semiconductors: and	10,658	10,658
Electrical, data and communication products.	18,332	18,332
	28,990	28,990

The recoverable amount of the cash-generating units above is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a 5-year period, plus a terminal value. The cash flows are discounted using the yield of 5-year government bonds at the beginning of the budget period.

The following assumptions were used in the value-in-use calculations:

	Growth Rate		Pre-tax Discount Rate	
	2010	2009	2010	2009
Memory modules and semiconductors	1.18%	1.59%	16.22%	12.63%
Electrical, data and communication products	4.85%	4.74%	16.22%	12.63%

Management has based the value-in-use calculation on budgets for each reporting segment. These budgets use historical weighted average growth rates adjusted for current market conditions to project revenue. The projection period reflects the expected useful life of the assets and product lifecycle. Costs are calculated taking into account historical gross margins as well as estimated weighted average inflation rates over the period, which are consistent with inflation rates applicable to the locations in which the segments operate. Discount rates are pre-tax and are adjusted to incorporate risks associated with the segment.

NOTE 17: CONTROLLED ENTITIES

a. Controlled Entities Consolidated

	Country of Incorporation	Percentage Owned (%)*	
		2010	2009
Subsidiaries of Legend Corporation Limited			
Legend Corporate Services Pty Ltd (formally Legend (Australasia) Pty Lt	Australia	100	100
Cable Accessories (Holdings) Pty Ltd	Australia	100	100
IES Investments Pty Ltd	Australia	100	100
Subsidiaries of Legend (Australasia) Pty Ltd			
Legend Pacific Pty Ltd	Australia	100	100
Legend Tech (Singapore) Pte Ltd	Singapore	100	100
Legend Performance Technology (Thailand) Company Ltd	Thailand	100	100
Subsidiaries of Cable Accessories (Holdings) Pty Ltd			
Cable Accessories (Australia) Pty Ltd	Australia	100	100
Cable Projects Pty Ltd	Australia	100	100
Subsidiaries of IES Investments Pty Ltd			
Hendon Semiconductors Pty Ltd	Australia	100	100

* Percentage of voting power is in proportion to ownership

b. Deed of Cross Guarantee

Legend Corporation Limited, Legend Corporate Services Pty Ltd, Legend Pacific Pty Ltd, Cable Accessories (Holdings) Pty Ltd, Cable Accessories (Aust) Pty Ltd, Cable Projects Pty Ltd, IES Investments Pty Ltd, Hendon Semiconductors Pty Ltd and Legend Tech (Singapore) Pte Ltd are parties to a deed of cross guarantee under which each company guarantees the debts of the other. By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare a financial report and director's report under Class Order 98/1418 (as amended) issued by the Australian Securities and Investments Commission.

The consolidated financial report covers the closed group and all parties to the Deed of Cross Guarantee.

	Notes	Consolidated Group 2010 $000	2009 $000
NOTE 18: TRADE AND OTHER PAYABLES			
Unsecured liabilities			
Trade payables		5,660	7,268
Sundry payables and accrued expenses		2,077	1,584
	22	**7,737**	**8,852**

NOTE 19: BORROWINGS

	Notes	2010 $000	2009 $000
Current			
Secured liabilities			
Bank bills	**19b**	1,500	4,487
Hire purchase liabilities	**19b, 24a**	-	172
		1,500	**4,659**
Non-current			
Secured liabilities			
Bank bills	**19b**	13,500	24,217
Hire purchase liabilities	**19b, 24a**	-	15
		13,500	**24,232**

a. Total current and non-current secured liabilities

	Notes	2010 $000	2009 $000
Bank bills		15,000	28,704
Hire purchase liability		-	187
	22	**15,000**	**28,891**

b. Bank bills and equipment facilities

Bank bills and equipment facilities have been provided by National Australia Bank Limited. The original Corporate Letter of Offer under which these facilities were offered expired on 30 June 2010. Agreement was reached with the Bank on 30 June 2010 to extend the facility.

Bank bills, which have been drawn as a source of long-term finance, are provided by the Bank under a single facility with an expiry date of 30 November 2014. The bills mature on the 21st of every month. Interest rates have been fixed in three tranches of $5,000,000, maturing 21 July 2010, 21 July 2011 and 21 July 2012. The current average interest rate is 5.1% (2009: 3.59%) payable monthly in advance.

Bank bills are secured by:

i. Fixed and floating charges over the whole of the company assets including goodwill and uncalled capital and called but unpaid capital together with relative insurance policy assigned to the National Australia Bank Limited given by Legend Corporation Limited, Legend Corporate Services Pty Ltd, Legend Pacific Pty Ltd, Cable Accessories (Holdings) Pty Ltd, Cable Accessories (Australia) Pty Ltd, Cable Projects Pty Ltd and Hendon Semiconductors Pty Ltd.

The following covenants apply to debt facilities provided by the Bank:

i. Debt Service Cover Ratio
Debt Service Cover Ratio (DSCR) to be maintained at a minimum of 2.0 times, measured quarterly on a 12 month rolling basis. DSCR is defined as earnings before interest, tax, depreciation and amortisation (EBITDA) less tax paid, divided by scheduled amortisation payments plus interest expense.

ii. Gross Debt to EBITDA Ratio
Gross Debt to EBITDA Ratio is to be maintained at a maximum of 3.0 times, measured quarterly. Gross Debt to EBITDA Ratio is defined as total financial debt divided by 12 month rolling EBITDA.

iii. Gearing Ratio
Gearing Ratio to is be maintained at a maximum of 45%, measured quarterly. Gearing Ratio is defined as total financial debt, divided by total financial debt plus total shareholders' equity.

To the date of this report, the company has complied with all banking covenants.

NOTE 20: TAX

		Consolidated Group 2010 $000	Consolidated Group 2009 $000
a.	**Current**		
	Income tax payable	**905**	**203**
b.	**Non-Current**		
	Deferred tax assets comprise:		
	Provisions	1,276	1,058
	Transaction costs on equity issue	54	190
	Tax losses	-	2,482
	Other	88	39
		1,418	**3,769**
	Deferred tax liabilities comprise:		
	Other	21	20
		21	**20**
c.	**Reconciliations**		
i.	**Gross movement**		
	The movement in deferred tax accounts is as follows:		
	Opening balance	3,748	5,508
	(Charge)/credit to income statements	(2,244)	(1,668)
	Offset against current provision	(107)	(92)
	Closing balance	**1,397**	**3,748**
ii.	**Deferred tax liabilities**		
	The movement in deferred tax liability account is as follows:		
	Other		
	Opening balance	20	28
	(Charge)/credit to income statements	1	(8)
	Closing balance	**21**	**20**
iii.	**Deferred tax assets**		
	The movement in deferred tax assets account is as follows:		
	Provisions		
	Opening balance	1,058	981
	(Charge)/credit to income statements	218	77
	Closing balance	**1,276**	**1,058**
	Transaction costs on equity issue		
	Opening balance	190	506
	(Charge)/credit to income statements	(136)	(316)
	Closing balance	**54**	**190**
	Tax losses		
	Opening balance	2,481	3,950
	(Charge)/credit to income statements	(2,374)	(1,377)
	Offset against current provision	(107)	(92)
	Closing balance	**-**	**2,481**
	Other		
	Opening balance	39	99
	(Charge)/credit to income statements	49	(60)
	Closing balance	**88**	**39**

Deferred tax assets not brought to account, the benefit of which will only be realised if the conditions for deductibility set out in note 1b occur:

	2010	2009
- Temporary differences	-	-
- Tax losses: operating losses	-	456
- Tax losses: capital losses	-	-

NOTE 21: PROVISIONS

	Employee Benefits $000	Total $000
Consolidated Group		
Opening balance 1 July 2009	2,049	2,049
Additional provisions	1,121	1,121
Amounts used	(1,014)	(1,014)
Balance at 30 June 2010	**2,156**	**2,156**

	Consolidated Group 2010 $000	2009 $000
Analysis of total provisions		
Current	1,638	1,571
Non-current	518	478
	2,156	**2,049**

Provision for employee benefits
A provision has been recognised for employee entitlements relating to annual leave and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1k to this report.

NOTE 22: ISSUED CAPITAL

	Consolidated Group 2010 $000	2009 $000
216,412,917 (2009: 215,950,054) fully paid ordinary shares	**74,044**	**74,001**

		No.	No.
a.	**Ordinary shares**		
	At beginning of reporting period	215,950,054	215,950,054
	Shares issued during the year:		
	- 26 August 2009	462,863	-
	At reporting date	**216,412,917**	**215,950,054**

Ordinary shares participate in dividends and the proceeds on winding up of the Parent Entity in proportion to the number of shares held.
At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

b. Options

i. For information relating to the Legend Corporation Limited Employee Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at year-end, refer to Note 28 Share-based payments.

ii. For information relating to share options issued to directors during the financial year, refer to Note 28 Share-based payments.

c. Employee share scheme
For information relating to the Legend Corporation Limited Employee Share Scheme, including details of shares issued during the financial year, refer to Note 28 Share-based payments.

NOTE 22: ISSUED CAPITAL (cont)

d. Dividend reinvestment plan

The Parent Entity has established a dividend reinvestment plan under which holders of ordinary shares may elect to have all or part of their dividend entitlement satisfied by the issue of new ordinary shares rather than being paid cash. Shares are issued under the plan at a 5% discount to the market price at the date of declaration of the dividend.

e. Capital Management

Management controls the capital of the Group in order to maintain a debt to equity ratio within pre-determined benchmarks, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year. The gearing ratio's for the year ended 30 June 2010 and 30 June 2009 are as follows:

	Notes	Consolidated Group 2010 $000	2009 $000
Borrowings	19	15,000	28,891
Less cash and cash equivalents	10	(6,922)	(9,173)
Net debt per bank covenants		8,078	19,718
Trade and other payables	18	7,737	8,852
Net debt including trade and other payables		15,815	28,570
Total equity		48,773	42,102
Total capital		**64,588**	**70,672**
Gearing Ratio		24%	40%

NOTE 23: RESERVES

a. Option reserve

The option reserve records items recognised as expenses on valuation of employee share options.

b. Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiary.

NOTE 24: CAPITAL AND LEASING COMMITMENTS

a. Hire purchase commitments

	Notes	2010	2009
Payable - minimum lease payments			
- not later than 12 months		-	180
- between 12 months and 5 years		-	15
Minimum hire purchase payments		-	195
Less future finance charges		-	(8)
Present value of minimum payments	19	**-**	**187**

The hire purchase facility for plant and equipment, which commenced during 2006, was provided by the National Australia Bank Limited. The facility was for a three-year term with lease payments paid monthly in advance.

NOTE 24: CAPITAL AND LEASING COMMITMENTS (cont)

b. Operating lease commitments

	Consolidated Group 2010 $000	Consolidated Group 2009 $000
Non-cancellable operating lease contracted for but not capitalised in the financial statements		
Payable - minimum lease payments		
- not later than 12 months	2,178	1,989
- between 12 months and 5 years	7,884	7,555
- greater than 5 years	5,361	6,861
	15,423	**16,405**

The property lease which commenced 30 May 2008 is a non-cancellable lease with a 10-year term. Rent is payable monthly in advance. Rent adjustments are performed annually on the basis of a Market Review. As it is not possible to determine future market rates, minimum lease repayments have been calculated on the basis of current rental payments over the remaining period of the lease. An option exists to renew the lease at the end of the 10-year term for an additional two terms of 5 years.

c. Capital expenditure commitments

There were no capital expenditure commitments as at 30 June 2010.

NOTE 25: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Estimates of the potential financial effect of contingent liabilities, that may become payable:

Related party guarantee provided

Legend Corporation Limited, Legend Corporate Service Pty Ltd, Legend Pacific Pty Ltd, Cable Accessories (Holdings) Pty Ltd, Cable Accessories (Aust) Pty Ltd, Cable Projects Pty Ltd, IES Investments Pty Ltd, Hendon Semiconductors Pty Ltd, and Legend Tech (Singapore) Pte Ltd have provided guarantees as described in Note 17b Controlled Entities and Note 19b Financial Liabilities. No deficiencies of net assets exist in the entities concerned at 30 June 2010.

Litigation by associated entity

A claim for payment of amounts receivable under a standby letter of credit had been brought against the Group. This claim has been dismissed with orders made by the Court that the plaintiff pay all costs associated with the Defence as well as USD$500,000 associated with a claim of deceit. A further counterclaim / cross-claim has been brought by the Group against the plaintiff. Whilst the directors are confident of the further counterclaim being upheld, an asset has not been recognised in relation to this matter due to the uncertainty of the availability of assets against which this claim can be made.

NOTE 26: OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing the performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category since the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosure are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following;

- the products sold by the segment;
- the manufacturing process; and
- the type or class of customer for the products.

Types of products by segment

Memory Modules and Semiconductors
The memory modules and semiconductors segment manufactures application specific memory for information technology applications, as well as designs and manufactures integrated circuits, thick film hybrids, and ceramic printed circuit boards for use across industries including medical, telecommunications, lighting, automotive and consumer electrical. Manufacture of these products is performed in accordance with customer specifications, requiring a high level of technical expertise.

Electrical, Data and Communications
The electrical, data and communications segment distributes a wide range of house branded electrical connectivity products and tools, cable assemblies, data and computer room products. Products are of a similar nature with the majority of customers being within the electrical wholesale or power distribution industries.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted
Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision makers with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Inter-segment transaction
An internally determined transfer price is set for all inter-entity sales. This price is reviewed six-monthly and reset as required, and is based on what would be realised in the event that the sale was made to an external party at arm's-length. All such transactions are eliminated on consolidation for the Group financial statements.

Corporate charges are allocated to reporting segments based on the segments' overall proportion of revenue generation within the Group. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Segment assets
Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and location.

Segment liabilities
Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated.

NOTE 26: OPERATING SEGMENTS (cont)

Segment Information cont

Unallocated items

The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment;

- finance income and costs;
- impairment of assets and other non-recurring items of revenue or expense;
- income tax expense;
- deferred tax assets and liabilities;
- intangible assets; and
- discontinued operations.

Comparative information

This is the first reporting period in which AASB 8: Operating Segments has been adopted. Comparative information has been restated to conform to the requirements of the Standard.

(i) Segment performance

	Memory modules and Semiconductors		Electrical, Data and Communications		Consolidated Group (Continuing Operations)		Discontinued Operations	
	2010	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
	$000	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**
Revenue								
Revenue from external customers	22,117	25,195	64,448	64,954	86,565	90,149	63	253
Inter-segment revenues	357	-	-	-	-	-	-	-
Total revenue	**22,474**	**25,195**	**64,448**	**64,954**	**86,565**	**90,149**	**63**	**253**
Result								
Earnings before interest, taxation, depreciation and amortisation	6,694	6,050	6,799	4,629				
Depreciation and amortisation	(461)	(492)	(1,659)	(1,678)				
Segment operating profit	6,233	5,558	5,140	2,951	11,373	8,509	-	(169)
Elimination of intersegment profit					(68)	-	-	-
Finance income					187	293		
Finance costs					(1,756)	(2,319)	-	-
Impairment of investment in associated companies					98	39	-	-
Share of net loss of associates					(98)	(39)	-	-
Profit before income tax					9,736	6,483	-	(169)
Income tax expense					(3,126)	(1,811)	-	51
Profit after income tax					**6,610**	**4,672**	**-**	**(118)**

(ii) Segment assets and liabilities

	Memory Modules and Semiconductors		Electrical, Data and Communications		Consolidated Group (Continuing Operations)		Discontinued Operations	
	2010	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
	$000	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**
Assets								
Segment assets	9,188	15,733	34,718	33,150	43,906	48,883	249	314
Discontinued operations assets					249	314		
Unallocated assets					30,437	32,920		
Total assets					**74,592**	**82,117**		
Liabilities								
Segment liabilities	1,992	4,272	7,765	6,418	9,757	10,690	136	211
Discontinued operations liabilities					136	211		
Unallocated liabilities					15,926	29,114		
Total liabilities					**25,819**	**40,015**		

(iii) Revenue and assets by geographical region

The consolidated group operates predominantly in one geographical region, being Australia.

(iv) Major customers

The Group supplies one single external customer in the memory modules and semiconductors segment which accounts for 14% of external revenue of the Group (2009: 17%), and one single external customer in the electrical, data and communications segment which accounts for 17% of external revenue of the Group (2009: 16%). The next most significant customer accounts for 5% (2009: 5%) of external revenue of the Group.

		Notes	Consolidated Group 2010 $000	Consolidated Group 2009 $000

NOTE 27: CASH FLOW INFORMATION

		Notes	2010 $000	2009 $000
a.	**Reconciliation of Cash Flow from Operations with Profit after Income Tax**			
	Profit after income tax		6,610	4,554
	Non-cash flows in profit			
	- Depreciation and amortisation		2,120	2,170
	- Net loss on disposal of property plant and equipment		2	68
	- Net profit on disposal of subsidiaries		-	(117)
	- Unrealised (gain)/loss on foreign denominated balances		182	(98)
	- Loss on termination of foreign denominated loan		-	724
	- Employee option expense		18	43
	- Shares issued to employees	**27b**	43	-
	- Impairment of investment in associated companies		(98)	(39)
	- Bad debts written off		79	431
	- Share of associated companies net loss after income tax and dividends		98	39
	Change in assets and liabilities, net of the effect of purchase and disposal of subsidiaries			
	- (Increase)/decrease in trade receivables		2,423	(2,032)
	- (Increase)/decrease in current assets		169	(12)
	- (Increase)/decrease in inventories		(1,193)	1,463
	- (Increase)/decrease in deferred tax assets		2,351	1,768
	- Increase/(decrease) in trade payables and accruals		(1,186)	(539)
	- Increase/(decrease) in provisions		99	(10)
	- Increase/(decrease) in income tax payable		702	(642)
	- Increase/(decrease) in deferred tax liabilities		6	(9)
	Cash flow from operations		**12,425**	**7,762**

b. **Non-Cash Financing and Investing Activities**

Shares Issued

462,863 ordinary shares were issued at $0.092 to key executives during the year. Shares were issued in lieu of cash bonuses and as part of the Group's incentive and motivation scheme for the retention of key executives.

		2010 $000	2009 $000
c.	**Credit Standby Arrangements and Loan Facilities with Banks**		
	Credit facilities	21,700	39,315
	Amounts utilised	(17,444)	(31,205)
		4,256	**8,110**

Major facilities are provided by the National Australia Bank Limited and are summarised as follows:

i. Fully Interchangeable Multi Option / Multi Currency Facility (MOF) of $5 million. The original MOF was subject to annual review and expired on 30 June 2010. Agreement was reached with the Bank on 30 June 2010 to extend the facility for a further 12 months. The MOF includes the following facilities:
- $2.5 million bank guarantee facility
- $2.5 million documentary letter of credit and / or trade refinance facility

ii. $15 million bank bill facility with an expiry date of 30 November 2014. Bills mature on the 21st day of every month. Interest rates have been fixed from 21 July 2009 for the full amount of the facility. Fixed interest rates mature in $5 million parcels 21 July 2010, 21 July 2011 and 21 July 2012. The current rate of interest is 5.1% (2009: 3.58%).

National Australia Bank Limited will continue to provided finance so long as the Parent Entity and Consolidated Group do not breach borrowing requirements or financial ratios as detailed in Note 19.

NOTE 28: SHARE-BASED PAYMENTS

The following share-based payment arrangements existed at 30 June 2010:

On 30 November 2007, three tranches of 150,000 share options were granted to a director to accept ordinary shares at exercise prices of $0.44, $0.49 and $0.54. These options are exercisable after 30 November 2008, 30 November 2009 and 30 November 2010, all with an expiry date of 20 November 2012. A further three tranches of 150,000 share options were granted to a director on 24 June 2008 to accept ordinary shares at an exercise price of $0.10. These options are exercisable after 24 May 2009, 24 May 2010 and 24 May 2011, all with an expiry date of 24 June 2013. The options hold no voting or dividend rights and are not transferable. When a director ceases employment the options are deemed to have lapsed. Since balance date, no director has ceased their employment.

All options granted to key management personnel are ordinary shares in Legend Corporation, which confer a right of one ordinary share for every option held.

	Consolidated Group			
	2010		2009	
	Number of Options	Weighted Average Exercise Price $	Number of Options	Weighted Average Exercise Price $
Outstanding at the beginning of the year	900,000	0.29	900,000	0.29
Granted	-	-	-	-
Forfeited	-	-	-	-
Outstanding at year-end	**900,000**	**0.29**	**900,000**	**0.29**
Exercisable at year-end	**600,000**	**0.28**	**300,000**	**0.27**

The options outstanding at 30 June 2010 had a weighted average exercise price of $0.29 and a weighted average remaining contractual life of 2.7 years. Exercise prices range from $0.10 to $0.54. The share price at year end was

Included under employee benefits expense in the statement of comprehensive income is $17,884 (2009: $42,960), which relates, in full, to equity-settled share-based payment transactions.

NOTE 28: SHARE-BASED PAYMENTS (cont)

Employee Share Plan
The company has established an employee share plan (ESP) by which the Company's Board may issue shares to employees and executive directors of the company or its subsidiaries.

The ESP is administered in accordance with the terms of the ESP rules, which are summarised below:

- Shares may be issued under the ESP at the discretion of the Board to employees and executive directors of the company or its subsidiaries upon such terms as the Board may determine, including restrictions as to when shares issued under the ESP can be sold. Any proposed issue of shares to executive directors require shareholder approval under the Listing Rules.
- The aggregate number of shares on issue under the plan should not exceed 5% of the total number of shares on issue at any time. The number of shares which may be allocated to any one eligible employee shall be restricted so that the eligible employee is able to cast no more that 5% of votes at a General Meeting of the company.
- The company may issue shares under the ESP at a price up to the equivalent of 90% of the weighted average ASX market price for shares during the 5 trading days prior to the date of invitation to participate.
- Shares issued under the ESP will be ordinary fully paid shares in the company and from the date of issue will rank equally with all other ordinary fully paid shares in the company.
- Participants must not sell, transfer, assign, mortgage, charge or otherwise encumber a share issued under the plan until the later of the following;
    a) for shares issued for nil consideration until such time as the Board may determine in its absolute discretion;
    b) the expiry of any service continuity period specified by the company;
    c) the satisfaction of any performance criteria specified by the company.
- The company may (but is not obligated to) buy-back shares, within 12 months of cessation of employment, at a price equal to the weighted average ASX market price for shares during the 5 trading days immediately preceding the date of cessation (or $0.01 in the case of no cash consideration).

	Number of shares granted	Fair value at issue date (per share) $	Fair value at issue date (aggregate) $000
16 March 2004 - issued	2,187,000	0.59	1,290
22 November 2004 - bought back	(15,500)	-	-
10 December 2004 - issued	100,000	0.53	53
30 June 2005 - issued	855,000	0.60	513
21 October 2005 - bought back	(10,500)	-	-
29 March 2006 - bought back	(46,000)	-	-
22 December 2006 - issued	268,000	0.775	208
26 August 2009 - issued	462,863	0.092	43
Total issued	**3,800,863**		

NOTE 29: EVENTS AFTER THE REPORTING PERIOD

On 1 July 2010 the Group acquired the business and trading assets of Kulak Pty Ltd, a manufacturer and distributor of products to electrical wholesale and electrical distribution markets. Purchase consideration was payable in two installments, an initial payment of $300,000 on acquisition, and a deferred payment on determination of the completion balance sheet. At the date of this report the determination of the completion balance sheet had not been made. As a result, the purchase price allocation has not yet been completed.

The acquisition is part of the Group's overall strategy of expanding its product offerings to electrical wholesale and electrical distribution markets.

The financial effect of this transaction has not been brought into account in the 2010 financial statements.

		Notes	Consolidated Group 2010 $000	2009 $000

NOTE 30: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

		Notes	2010 $000	2009 $000
a.	**Associated Companies**			
	Purchase of electrical cable products		-	29
b.	**Director-Related Entities**			
	Legend Corporate Services Pty Ltd leases a number of properties from the Backstop Property Trust, which is owned and controlled by Bradley Dowe. Lease charges for the year were:		154	143
	Leasehold improvements made by Legend Corporate Service Pty Ltd to properties leased from Backstop Pty Ltd totalled:		-	64
	Expenses paid by Legend Corporate Service Pty Ltd in relation to the agreed early termination of the lease for the property at Edwardstown, South Australia, owned by Backstop Pty Ltd were:		-	55

NOTE 31: FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, loans to and from subsidiaries, bills and leases.

The totals for each category of financial instruments measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Notes	2010 $000	2009 $000
Financial Assets			
Cash and cash equivalents	**10**	6,922	9,173
Loans and receivables	**11c**	12,964	15,455
		19,886	24,628
Financial Liabilities			
Trade and other payables	**18**	7,737	8,852
Borrowings	**19**	15,000	28,891
		22,737	37,743

Financial Risk Management Policies

A finance committee consisting of senior executives of the Group meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The committee's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The committee operates under the direction of the Board of Directors. In conjunction with the committee, the Board reviews the current strategies on a regular basis, including the use of hedging derivative instruments, credit risk policies and future cash flow requirements.

NOTE 31: FINANCIAL RISK MANAGEMENT (cont)

Specific Financial Risk Exposure and Management

The main risks the Group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk and credit risk.

a. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is managed with a mixture of fixed and floating rate debt. In line with management's expectations of rising medium term interest rates, $15,000,000 of the $28,704,000 in bank bills was fixed at a rate of 5.1% from 21 July 2009. Having extinguished all floating rate debt during the 2010 financial year, at year end 100% of the Group's debt was fixed. This position will be reviewed on the maturity of fixed interest rates, being in 3 tranches of $5,000,000 21 July 2010, 21 July 2011 and 21 July 2012.

b. Foreign currency risk

The Group exposure to fluctuations in foreign currencies arises from the sale and purchase of goods and services in currencies other than the Group’s measurement currency. Forward exchange contracts and spot rate cash purchases were utilised during the financial year to shelter the Group's profits from the impact of the fluctuating $A/$US. All contracts matured during the financial year and as such no contracts were in place at balance date. The Group continues to assess the use of derivative financial instruments and forward exchange contracts to minimise the impact of fluctuations on earnings.

c. Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to operational, investing and financing activities
- monitoring undrawn credit facilities
- maintaining a reputable credit profile
- managing credit risk related to financial assets
- investing only in surplus cash with major financial institutions
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets

The Group's policy is to ensure no more than 20% of borrowings should mature in any 12-month period.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities. Bank bills have been disclosed in accordance with the approved budgeted repayment schedule and facility terms as management do not consider that there is any material risk that the Bank will terminate such facilities. The Bank does however maintain the right to terminate the facilities without notice should the Group breach any of the covenants as disclosed in Note 19: Borrowings.

Cash flows realised from financial assets reflect management's expectations as to the timing of realisation. Actual timing may therefore differ from the disclosure. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

Financial liability and financial asset maturity analysis.

Consolidated	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
Group	2010 $000	2009 $000	2010 $000	2009 $000	2010 $000	2009 $000	2010 $000	2009 $000
Financial liabilities due for payment								
Bank bills	1,500	4,487	6,000	9,342	7,500	14,875	15,000	28,704
Trade and other payables	7,737	8,852	-	-	-	-	7,737	8,852
Hire purchase liabilities	-	172	-	15	-	-	-	187
Total expected outflows	9,237	13,511	6,000	9,357	7,500	14,875	22,737	37,743
Financial assets - cash flows realisable								
Cash and cash equivalents	6,922	9,173	-	-	-	-	6,922	9,173
Loans and receivables	12,964	15,455	-	-	-	-	12,964	15,455
Total anticipated outflows	19,886	24,628	-	-	-	-	19,886	24,628
Net inflow/(outflow) of financial instruments	10,649	11,117	(6,000)	(9,357)	(7,500)	(14,875)	(2,851)	(13,115)

NOTE 31: FINANCIAL RISK MANAGEMENT (cont)

d. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss of the Group.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial stability of significant customers and counter parties), ensuring to the extent possible, that customers and counter parties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Depending on the division within the Group, credit terms are generally 30 to 60 days from date of invoice.

Where the Group is unable to ascertain a satisfactory credit risk profile in relation to a customer or counter party, then risk may be further managed through cash on delivery terms, title retention clauses over goods or obtaining security by way of personal or commercial guarantees over assets of sufficient value which can be claimed against in the event of any default.

Credit Risk Exposure
The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Collateral held by the Group securing receivables are detailed in Note 11: Trade and Other Receivables.

The Group has no significant concentration of credit risk with any single counter party, however the top 20 customers of the Group represents approximately 69% (2009: 76%) of year end receivables.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 11.

Credit risk related to balances with banks and other financial institutions is managed by the finance committee in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counter parties with a Standard & Poor's rating of at least AA-. The following table provides information regarding credit risk relating to cash and cash equivalents based on Standard & Poor's counter party credit ratings.

	2010 $000	2009 $000
Cash and cash equivalents		
- AA Rated	6,922	9,173

Net Fair Value

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Group. Most of these instruments which are carried at amortised cost (i.e. loan liabilities) are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the Group.

NOTE 31: FINANCIAL RISK MANAGEMENT (cont)

Consolidated Group	Footnote	2010 Net Carrying Value $000	2010 Net Fair Value $000	2009 Net Carrying Value $000	2009 Net Fair Value $000
Financial assets					
Cash and cash equivalents	(i)	6,922	6,922	9,173	9,173
Trade and other receivables	(i)	12,964	12,964	15,455	15,455
Total financial assets		19,886	19,886	24,628	24,628
Financial liabilities					
Trade and other payables	(i)	7,737	7,737	8,852	8,852
Bank bills	(ii)	15,000	14,950	28,704	28,704
Hire purchase liabilities	(ii)	-	-	187	187
Total financial liabilities		22,737	22,687	37,743	37,743

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value.

(ii) Fair values are determined using a discounted cash flow model incorporating current commercial borrowing rates. The fair values of fixed rate bank debt will differ to the carrying values.

Sensitivity Analysis

The following table illustrates sensitivities to the Group's exposures to changes in interest rates and exchange rates. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Consolidated Group Profit $000	Consolidated Group Equity $000
Year Ended 30 June 2010		
+/- 2% interest rates	+/- 36	+/- 36
+/- 15% $A/$US	+/- 1,153	+/- 1,153
Year Ended 30 June 2009		
+/- 2% interest rates	+/- 545	+/- 545
+/- 15% $A/$US	+/- 1,753	+/- 1,753

NOTE 32: NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods. The Group has decided against early adoption of these standards. A discussion of those future requirements and their impact on the Group follows:

New / revised pronouncements	Explanation of amendment	Effective date	Likely impact
AASB 9 Financial Instruments AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9	AASB 9 introduces new requirements for the classification and measurement of financial assets. AASB 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in AASB 139 and removes the impairment requirement for financial assets held at fair value.	31-Dec-13	Depending on assets held, there may be significant movement of assets between fair value and cost categories and ceasing of impairment testing on available for sale assets.
AASB 124 Related Party Disclosures AASB 2009-12 Amendments to Australian Accounting Standards arising from AASB 124.	This revision amends the disclosure requirements for government related entities and the definition of a related party.	31-Dec-11	Since the Group is not a government related entity; there is not expected to be any changes arising from this standard.
AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139]	AASB 2009-5 makes various amendments to a number of standards and interpretations in line with the IASB annual improvements project.	31-Dec-10	These amendments are not expected to materially affect the Group.
AASB 2009-9 Amendments to Australian Accounting Standards – Additional Exemptions for First-time Adopters	AASB 2009-9 makes amendments to ensure that entities applying Australian Accounting Standards for the first time will not face undue cost or effort in the transition process in particular situations.	31-Dec-10	As this is not the first year of adoption of IFRSs, these amendments will not have any impact on the Group's financial report
AASB 2009-10 Amendments to Australian Accounting Standards – Classification of Rights Issues	AASB 2009-10 makes amendments which clarify that rights, options or warrants to acquire a fixed number of an Group's own equity instruments for a fixed amount in any currency are equity instruments if the Group offers the rights, options or warrants pro rata to all existing owners of the same class of its non-derivative equity instruments.	31-Jan-11	As the Group does not have any rights, options or warrants to acquire its own equity instruments, these amendments will not have any impact on the Group's financial report.
AASB 2009-13 Amendments to AASB 1 arising from Interpretation 19	This standard amends AASB 1 to allow a first-time adopter to use the transitional provisions in Interpretation 19.	30-Jun-11	As the Group is not a first-time adopter of IFRS, this standard will not have any impact.
AASB 2010-01 Limited exemption from comparative AASB 7 disclosures for first time adopters (Amendments to AASB 1 and AASB 7)	These amendments principally give effect to extending the transition provisions of AASB 2009-2 Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments to first-time adopters of Australian Accounting Standards.	30-Jun-11	As the entity is not a first-time adopter of IFRS, this standard will not have any impact.
IFRS Annual Improvements 2010 (May 2010)	Makes various amendments to a number of standards and interpretations.	Application dates either 30 June 2011 or 31 December 2011.	These amendments are not expected to materially affect the Group.
Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	This interpretation addresses the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor to extinguish all or part of the financial liability. These transactions are sometimes referred to as 'debt for equity swaps'.	30-Jun-11	As the entity has not renegotiated any financial liabilities into equity instruments this interpretation is not expected to have any impact on the entity's financial report.
AASB 2009-14 Prepayments of a Minimum Funding Requirement (Amendments to Interpretation 14)	This amendment to Interpretation 14 addresses the unintended consequences that can arise from the previous requirements when an entity prepays future contributions into a defined benefit pension plan.	31-Dec-11	As the entity does not have a defined benefit pension plan this amendment to Interpretation 14 is not expected to have any impact on the entity's financial report.

NOTE 33: LEGEND CORPORATION LIMITED PARENT COMPANY INFORMATION

	Notes	2010 $000	2009 $000
Parent entity			
Assets			
Non-current assets			
Trade and other receivables		6,785	7,462
Deferred tax assets		271	325
Financial assets	**33a**	40,286	38,568
Total non-current assets		47,342	46,355
Total assets		47,342	46,355
Net assets		**47,342**	**46,355**
Equity			
Issued capital		74,044	74,001
Reserves		110	92
Accumulated losses		(26,812)	(27,738)
Total equity		**47,342**	**46,355**
Financial performance			
Loss for the year		(66)	(224)
Other comprehensive income / (expense)		992	(3,630)
Total comprehensive income / (expense)		**926**	**(3,854)**

a. Shares in controlled entities

	2010 $000	2009 $000
Shares at cost	67,182	66,456
Less impairment write-down	(26,896)	(27,888)
	40,286	**38,568**

Financial assets comprise investments in the ordinary issued capital of wholly owned subsidiaries. There are no fixed returns or fixed maturity date attached to these investments.

The recoverable amount of shares in controlled entities has been assessed on the basis of management's estimations of future earnings and current market conditions. A gain of $991,543 (2009: loss $3,629,879) has been disclosed as other comprehensive income / (expense). Management has determined that the estimate of the total consolidated fair values for unlisted investments would be within the range of $60,479,633 to $67,616,541 at 30 June 2010. Unlisted financial assets exist within active markets and could be disposed of if required. No intention to dispose of any unlisted financial assets existed at 30 June 2010.

b. Contingent liabilities of the Parent Entity

As described in Note 17b: Controlled Entities and Note 19b: Borrowings, Legend Corporation Limited is party to the cross guarantee between the wholly-owned entities of the Group under which each company guarantees the debts of the other.

NOTE 34: COMPANY DETAILS

The registered office of the company is:

Legend Corporation Limited
1 Butler Drive
HENDON SA 5014

The principle places of business are:

Legend Corporate Services Pty Ltd
1 Butler Drive
HENDON SA 5014

Legend Corporate Services T/A CABAC
8 Distribution Place
SEVEN HILLS NSW 2147

Hendon Semiconductors Pty Ltd
1 Butler Drive
HENDON SA 5014

DIRECTORS' DECLARATION

The directors of the company declare that;

1. the financial statements and notes, as set out on pages 34 to 71, are in accordance with the Corporations Act 2001 and:
   a. comply with Accounting Standards;
   b. give a true and fair view of the financial position as at 30 June 2010 and of the performance for the year ended on that date of the consolidated entity; and
   c. complies with International Financial Reporting Standards as disclosed in Note 1;

2. the Chief Executive Officer and Chief Financial Officer have each declared that;
   a. the financial records of the company and consolidated group for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
   b. the financial statements and notes for the financial year comply with the Accounting Standards; and
   c. the financial statements and notes for the financial year give a true and fair view;

3. in the directors' opinion there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

   The company and its wholly-owned subsidiaries, Legend Corporate Services Pty Ltd, Legend Pacific Pty Ltd, Cable Accessories (Holdings) Pty Ltd, Cable Accessories (Australia) Pty Ltd, Cable Projects Pty Ltd, IES Investments Pty Ltd, Hendon Semiconductors Pty Ltd, and Legend Tech (Singapore) Pte Ltd have entered into a deed of cross guarantee under which the company and its subsidiaries guarantee the debts of each other.

   At the date of this declaration, there are reasonable grounds to believe that the companies which are party to this deed of cross guarantee will be able to meet any obligations or liabilities to which they are, or may become subject to, by virtue of the deed.

   This declaration is made in accordance with a resolution of the Board of Directors.

Bruce E Higgins
Chairman of Directors
Legend Corporation Limited

13 August 2010

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Independent Auditor's Report
To the Members of Legend Corporation Limited

Report on the financial statements

We have audited the accompanying financial statements of Legend Corporation Limited (the "Company"), which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes to the financial statements and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. The directors also state, in the notes to the financial statements, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial statements, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we complied with applicable independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

a The financial statements of Legend Corporation Limited are in accordance with the Corporations Act 2001, including:

  i giving a true and fair view of the consolidated entity's financial position as at 30 June 2010 and its performance for the year ended on that date; and

  ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

b The financial statements also comply with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Grant Thornton

Report on the remuneration report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2010. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the Remuneration Report of Legend Corporation Limited for the year ended 30 June 2010, complies with section 300A of the Corporations Act 2001.

Grant Thornton Audit Pty Ltd.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A J Archer

A J Archer
Director - Audit & Assurance

Sydney, 13 August 2010

SHAREHOLDER INFORMATION

Additional Information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

a) Shareholdings as at 30 July 2010

Substantial shareholders

The following were substantial shareholders as at 30 July 2010:

Name	Number of fully paid ordinary shares held	% held
Dowe Holdings Pty Ltd	59,840,960	27.65
Tiga Trading Pty Ltd & Thorney Holdings Pty Ltd & Thorney Pty Ltd	33,417,125	15.44
Hunter Hall Investment Management Ltd	30,638,092	14.16
Keith Knowles	12,764,203	5.89

Voting Rights

Fully paid ordinary shares

The entity has 216,412,917 ordinary shares on issue.

Subject to any rights or restrictions attached to any class of shares, at a meeting of members, on a show of hands, each member present (in person, by proxy, attorney or representative) has one vote and on a poll, each member present (in person, by proxy, attorney or representative) has one vote for each fully paid share they hold.

Distribution of equity security holders

Category	Holders of Ordinary Shares	% of Issued Capital
1 – 1000	103	0.02
1,001 – 5,000	237	0.33
5,001 – 10,000	150	0.56
10,001 – 100,000	349	6.00
100,001 – and over	115	93.09
Total number of security holders	954	100.00

Unmarketable Parcels

	Minimum Parcel Size	Number of Holders	Units
Ordinary Shares	$500.00 at $0.185/unit	207	225,554

The name of the company secretary is:
Graham Seppelt

The address of the principal registered office is:
1 Butler Drive, Hendon, SA 5041 Telephone (08) 8401 9888

Registers of securities are held at the following addresses:
Security Transfer Registrars Pty Ltd
770 Canning Highway, Applecross WA 6153
Telephone (08) 9315 2333

SHAREHOLDER INFORMATION

Securities Exchange Listing

Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the Australian Securities Exchange Limited.

Twenty largest shareholders – ordinary shares as at 30 July 2010

Name	Number of fully paid ordinary shares held	% held
Dowe Holdings Pty Ltd	53,811,599	24.87
ANZ Nominees Limited	33,424,727	15.44
Cogent Nominees Pty Ltd	28,324,562	13.09
National Nominees Limited	9,310,085	4.30
Keith Knowles	5,091,226	2.35
Parks Australia Pty Ltd	3,729,010	1.72
J P Morgan Nominees Australia Limited	3,714,877	1.72
Dowe Holdings Pty Ltd	3,129,361	1.45
Backstop Pty Ltd	2,900,000	1.34
J and S D Yates	2,850,503	1.32
D Stephens and C S Powell	2,850,503	1.32
M and J Potter	2,850,503	1.32
Nejeka Pty Ltd	2,841,764	1.31
Keith Knowles	2,821,499	1.30
M R and J N Simpson	2,679,473	1.24
Roger Edward Koch	2,160,000	1.00
Atkone Pty Ltd	2,000,000	0.92
B A Scott and E J Nurton	2,000,000	0.92
B and R Higgins	1,875,000	0.87
Citicorp Nominees Pty Ltd	1,675,437	0.77
TOTAL	**170,040,129**	**78.57**

On market buy-back

There is no current on-market buy back for any of the company's securities.

Restricted and Escrowed Securities

There are no shares subject to escrow as at 30 July 2010.

b) Unquoted Securities as at 30 July 2010

Options over Issued Shares

A total of 900,000 unquoted options are on issue to one director under the Legend Corporation Limited employee option plan. Option holders will be entitled on the payment of the exercise price per share to be allotted one ordinary fully paid share in the company for each Option exercised. Options are exercisable in whole or in part until the expiry date. Any Options not exercised before expiry will lapse.

DIRECTORY OF OFFICES

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Facsimile (61) 7 3397 7590

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4 Garden Road
Clayton VIC 3180
Telephone (61) 3 8549 7170
Facsimile (61) 3 9545 3970

Perth
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50 Howe Street
Osborne Park WA 6017
Telephone (61) 8 9464 8400
Facsimile (61) 8 9242 4433

Sydney
8 Distribution Place
Seven Hills NSW 2147
Telephone 133 122
Facsimile 1300 303 310