



Notice of Annual General Meeting

LEGEND CORPORATION LIMITED
ACN 69 102 631 087

On the 2 November 2012

at 10.30am

Adelaide Pavilion Restaurant Veale Gardens

Cnr. South Terrace and Peacock Road Adelaide SA

NOTICE IS GIVEN that the Annual General Meeting of the shareholders of Legend Corporation Limited ACN 102 631 087 (**'Legend'** or **'the Company'**) will be held at the Adelaide Pavilion Restaurant, Veale Gardens, Cnr. South Terrace and Peacock Road Adelaide SA 5000 on **2 November 2012 at 10.30am.**

The Explanatory Statement that accompanies and forms part of this Notice of Annual General Meeting describes in more detail the matters to be considered at the Meeting. Please ensure you that you read the Explanatory Statement in full.

Please read this Notice of Annual General Meeting carefully and consider directing your proxy on how to vote on each resolution by marking the appropriate box on the proxy form included with this Notice of Annual General Meeting.

Terms used in this Notice of Annual General Meeting will, unless the context otherwise requires, have the same meaning given to them in the glossary contained in the Explanatory Statement.

ORDINARY BUSINESS

1. **Financial Report**

To receive the financial report and reports of the Directors and the auditor for the financial year ended 30 June 2012.

2. **Resolution 1 - Adoption of Remuneration Report**

To consider, and if thought fit, pass the following resolution as a non-binding ordinary resolution:

"That the Remuneration Report for the period ended 30 June 2012 be adopted."

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.
[see the accompanying Explanatory Statement]

3. **Resolution 2 - Re-election of Mr Ian Fraser as a Director**

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

"That Ian Fraser, a Director who retires by rotation in accordance with the Company's constitution and is eligible for re-election, be re-elected as a Director of the Company."
[see the accompanying Explanatory Statement]

4. **Resolution 3 - Approval for the issue of options to Mr Bruce Higgins**

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given for the Company to issue 300,000 Options to Mr Bruce Higgins (or his nominee) on the terms and conditions as set out in the Explanatory Statement accompanying and forming part of the Notice."
[see the accompanying Explanatory Statement]

5. **Resolution 4 - Approval for the issue of options to Ian Fraser**

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given for the Company to issue 150,000 Options to Mr Ian Fraser (or his nominee) on the terms and conditions as set out in the Explanatory Statement accompanying and forming part of the Notice."
[see the accompanying Explanatory Statement]

By order of the Board

Graham Seppelt

Company Secretary

Dated: 26 September 2012



IMPORTANT INFORMATION

Resolutions

Ordinary resolutions require the approval of a simple majority of the votes cast by Shareholders present at the Meeting (in person or by proxy, attorney or representative) and entitled to vote on the resolution.

Special resolutions require the approval of at least 75% of the votes cast by Shareholders (in person or by proxy, attorney or representative) and entitled to vote on the resolution.

Voting Entitlements

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the Shareholders eligible to attend and vote at the Annual General Meeting are those persons registered as Shareholders at 7.00pm on 31 October 2012. Only those persons will be entitled to attend and vote in respect of that share at the Annual General Meeting.

Proxy Instructions

- A member entitled to attend and vote at the Meeting has a right to appoint a proxy.
- The proxy need not be a member of the Company.
- A member who is entitled to cast two or more votes may appoint up to two proxies and, in the case of such an appointment, may specify the proportion or number of votes each proxy is appointed to exercise.
- The proxy form included with this Notice of Annual General Meeting must be signed by the member or the member's attorney. Proxies given by corporations must be signed under the hand of a duly authorised officer or attorney. [To be a valid proxy, the executed proxy form and the power of attorney or other authority \(if any\) under which it is signed \(or a certified copy of it\) must be lodged \(using the reply paid envelope supplied\) with the Share Registry - Security Transfer Registrars Pty Ltd as soon as possible and in any event by no later than 10.30am on 31 October 2012, being 48 hours before the time for holding the Meeting.](#) Any proxy form received after that time will not be valid for the scheduled meeting.

PO Box 535, Applecross, WA 6953; or
Alexandrea House, Suite 1, 770 Canning Highway,
Applecross WA 6153

By facsimile: +61 8 9315 2233

By email: registrar@securitytransfer.com.au

- If a member appoints two proxies and the appointment does not specify the proportion or number of the member's votes which each proxy may exercise, each proxy may exercise half of the votes.
- A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Company's constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on a resolution, the proxy may vote on that resolution only in accordance with that direction. If a proxy is not directed how to vote on a resolution, the proxy may vote as he or she thinks fit.

Undirected proxies

- If a member appoints the chairperson of the meeting as the member's proxy and does not specify how the chairperson is to vote on a resolution, except as expressly stated, the chairperson advises that he intends to vote each such proxy, as proxy for that member, in favour of the resolution on a poll. Therefore, the Company recommends that shareholders who submit proxies should consider giving 'how to vote' directions to their proxy holder (including the chairperson) on each resolution.
- [If you wish to appoint the Chairman as your proxy holder but you do not want to put him in the position to cast your votes in favour of the Remuneration Report, you should complete the appropriate box on the proxy form, directing him to vote against or abstain from voting on this resolution.](#)
- Any undirected proxies held by the chairperson in respect of the following resolutions will not be voted by the chairperson:
- Resolutions 3 and 4 - all undirected proxy votes where the chairperson is appointed as proxy but there is no specific authorisation for him to exercise the proxy.



Accordingly, if you appoint the chairperson as your proxy and you want your shares to be voted on Resolutions 3 and 4, you should either direct him how to vote on those Resolutions or specifically authorise him to exercise the proxy even though Resolutions 3 and 4 are connected directly or indirectly with the remuneration of a member of KMP.

Members should refer to the Explanatory Statement, which accompanies and forms part of this Notice of Annual General Meeting, for further information regarding voting restrictions.

Questions from Shareholders

In accordance with the Corporations Act, a reasonable opportunity will be given by the chairman to Shareholders – as a whole - to ask questions about, or make comments on, the management of the Company at the meeting.

Similarly, a reasonable opportunity will be given to Shareholders – as a whole – to ask the Company's external auditor, Grant Thornton Audit Pty Ltd, questions relevant to:

- the conduct of the audit;
- the preparation and content of the Auditor's Report;
- the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

Conor Farley of Grant Thornton Audit Pty Ltd, (or his representative) will attend the Meeting.

To assist the Directors and the auditor of the Company in responding to any questions you may have, please submit any questions headed 'Questions from shareholders' to the address below to be received no later than 10.30am on 29 October 2012.

In person or by mail: Registered Office – 1 Butler Drive
Hendon SA 5014

By facsimile: +61 8 8244 9520

As required by section 250PA of the Corporation Act, the Company will distribute a list of questions prior to the commencement of the Meeting, setting out the written questions received by the Company at least 5 Business Days prior to the Meeting and which the auditor considers relevant to the content of the audit report or the conduct of the audit of the financial report for the year ended 30 June 2012. The chairman of the Meeting will allow reasonable opportunity for the auditor to respond to the questions set out on this list.

Definitions

Words that are defined in the Glossary have the same meaning when used in this Notice of Annual General Meeting unless the context requires, or the definitions in the Glossary provide, otherwise.

Electronic Annual Report

In accordance with Australian corporations legislation, and in the interests of maximum efficiency and the lowest possible cost to Shareholders, the Company is providing printed copies of its 2012 Annual Report only to those Shareholders who have specifically made this request. For all other Shareholders, an electronic copy of the Company's 2012 Annual Report, together with the Company's ASX announcement, media release and investor pack relevant to the financial performance of the Company for the year ended 30 June 2012, is available on the Company's website www.legendcorporate.com.

Shareholders who currently receive their Annual Report in printed format are encouraged to contact the share registrar to elect to receive electronic copy of the Annual Report at:

In person or by mail: PO Box 535, Applecross, WA 6953;
or

Alexandrea House, Suite 1, 770 Canning Highway,
Applecross WA 6153

By facsimile: +61 8 9315 2233

By email: registrar@securitytransfer.com.au



EXPLANATORY STATEMENT

1. INTRODUCTION

This Explanatory Statement has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Company's 2012 Annual General Meeting to be held at Adelaide Pavilion Restaurant, Veale Gardens, Cnr. South Terrace and Peacock Road, Adelaide SA on 2 November 2012 at 10.30am (Adelaide Time).

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions set out in the accompanying Notice of Annual General Meeting.

Capitalised terms and expressions used in this Explanatory Statement are defined in the glossary below.

2. FINANCIAL STATEMENTS AND REPORTS

Pursuant to the Corporations Act, the directors of a public company that is required to hold an annual general meeting must table the financial statements and reports of the company (including the Directors' Report and Auditor's Report) for the previous financial year before the members at that annual general meeting.

Shareholders have been provided with all relevant information concerning the Company's financial statements, Directors' Report and Auditor's Report in the Annual Report of the Company for the year ended 30 June 2012. A copy of the Annual Report has been forwarded to each Shareholder (other than those Shareholders who have previously elected not to receive the Annual Report, whether in paper form or electronically). The Annual Report can also be viewed, printed and downloaded from the Company's website - www.legendcorporate.com. A copy of the financial statements, the Directors' Report and Auditor's Report will also be tabled at the Annual General Meeting.

Shareholders should note that the sole purpose of tabling the financial statements and the reports of the Company at the Annual General Meeting is to provide Shareholders with the opportunity to ask questions or

discuss matters arising from the financial statements or the reports at the meeting. It is not a purpose or the function of the Annual General Meeting that the financial statements or the reports be accepted, rejected or modified in any way. Further, as it is not required by the Corporations Act, no resolution to adopt, receive or consider the Company's financial statements or the reports (other than the Remuneration Report) will be put to the Shareholders at the Annual General Meeting.

Members will be given a reasonable opportunity at the meeting to ask questions and make comments on the financial statements and the reports. The Company's auditor will also be available at the Annual General Meeting to receive questions and comments from Shareholders about the preparation and content of the Auditor's Report and the conduct of the audit. Members are also invited to submit written questions to the Company in advance of the Annual General Meeting. Where appropriate, and practical to do so, the Company will provide answers to any such written questions at the Annual General Meeting.

3. ADOPTION OF REMUNERATION REPORT – RESOLUTION 1

The Directors' Report for the year ended 30 June 2012 contains a Remuneration Report (pages 35 to 39) which sets out the policies of the Company for and applicable to the remuneration of its officers and senior employees and details the remuneration paid of its officers and senior employees in the financial year ended 30 June 2012.

While the Corporations Act (section 250R(2)) requires a listed company to put a resolution to its members at its annual general meeting that its remuneration report be adopted, the Corporations Act expressly provides that the vote on any such resolution is advisory only and does not bind the directors or the Company. However, under recent changes to the Corporations Act, if at least 25% of the votes cast on the resolution at the 2012 Annual General Meeting are against adoption of the Remuneration Report, then:



- if comments are made on the Remuneration Report at the 2012 Annual General Meeting, the Company's remuneration report for the financial year ending 30 June 2013 will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this; and
- if subsequently, at the Company's 2013 annual general meeting, at least 25% of the votes cast on the resolution for adoption of the remuneration report for the relevant financial year are against its adoption, the Company will be required to put to Shareholders a resolution proposing that a general meeting (Spill Meeting) be called to consider the election of directors of the Company (Spill Resolution). The Spill Meeting must be held within 90 days of the date of the 2013 annual general meeting. For any Spill Resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, all of the directors (other than any managing director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

The Remuneration Report forms part of the Directors' Report for the year ended 30 June 2012 and is made in accordance with a unanimous resolution of the directors. While noting that each Director has a personal interest in their remuneration, as described in the Remuneration Report, the Board unanimously recommends that the Shareholders vote in favour of adopting the Remuneration Report.

Voting Prohibition Statement – Resolution 1

In accordance with section 250R(4) of the Corporations Act, the Company will disregard any votes cast in respect of Resolution 1 by:

- a member of KMP, details of whose remuneration are included in the Remuneration Report; and
- a Closely Related Party of such a member.

However, the Company will not disregard a vote cast in respect of Resolution 1 if it is cast by a person as proxy appointed in writing that directs the proxy how to vote on Resolution 1, and the vote is not cast on behalf of a member of KMP, details of whose remuneration are

included in the Remuneration Report or a Closely Related Party of such a member.

If you are a member of the KMP or a Closely Related Party of a member of the KMP (or are acting on behalf of any such person) and purport to cast a vote on Resolution 1 that vote will be disregarded by the Company (as indicated above).

Please read the information under the heading 'Undirected Proxies' which (among other things) deals with the Chairman's voting of proxies on the resolution to adopt the Remuneration Report.

4. RE-ELECTION OF MR IAN FRASER AS A DIRECTOR – RESOLUTION 2

Clause 14.4 of the Company's constitution requires that at each Annual General Meeting one-third of the Directors must retire from office. A Director appointed during the year either to fill a casual vacancy or as an addition to the Directors is not taken into account in determining the Directors who must retire by rotation. Therefore, Ian Fraser, being the Director who has been in office longest since last being elected, retires by rotation and, being eligible for re-election at the Annual General Meeting, offers himself for re-election as a director of the Company.

Biographical details for Ian Fraser are set out in the Company's 2012 Annual Report.

5. RESOLUTION 3 - APPROVAL FOR THE ISSUE OF OPTIONS TO MR BRUCE HIGGINS

5.1 Background

The Board has proposed that an issue of 300,000 Options be made to Mr Bruce Higgins and which would form part of the remuneration for Mr Higgins. The Board considers that the proposed grant of options for which approval is sought is reasonable having regard to the Company's circumstances, the responsibilities involved for the non-executive Director and the importance of successful management and growth of the Company's business.



5.2 Summary of the terms and conditions of issue of the Options:

Options issued to Mr Higgins

Under ASX Listing Rule 10.13, the Company is required to provide the following information to Shareholders to allow them to assess the proposed issue of Options to Mr Higgins:

The full terms and conditions of the issue of the Options are set out in the Annexure. Set out below is a summary of the more significant terms, which should be read subject to and in conjunction with the full terms set out in the Annexure:

- (a) A total of 300,000 Options will be granted to Mr Higgins (or his nominee).
- (b) If approved by shareholders, the Options will be issued within one month of the date of this Annual General Meeting.
- (c) Each Option may be exercised at an exercise price per Option calculated as the 30 Day Volume Weighted Average Price (VWAP) of Legend shares prior to the issue of the options plus 20% (Exercise Price) and may only be exercised on or after vesting occurs. The final exercise date will be the date that is the fourth anniversary of the date of issue of the Options (Expiry Date). Vesting will occur subject to the following exercise hurdles being met:
 - (i) 150,000 Options will vest if the volume weighted average sale price of the Shares traded on ASX in the 20 trading days commencing on the date that is 11 months from the Grant Date exceeds \$0.40 (First Tranche Options);
 - (ii) 150,000 Options will vest if the volume weighted average sale price of the Shares traded on ASX in the 20 trading days commencing on the date that is 23 months from the Grant Date exceeds \$0.45 (Second Tranche Options); and
- (d) The Options will lapse, if not already vested, where Mr Higgins ceases to hold office as a Director other than on retirement, death or total and permanent disablement. However, at the discretion of the Board, Options may vest on a pro-rata basis in the event of retirement, death or total and permanent disablement prior to satisfaction of a vesting condition.
- (e) Options will also vest in the event of a change of

control of the Company (for example, in the event of a takeover or merger of the Company) prior to the occurrence of a vesting event. This will be done to permit Mr Higgins to accept an offer for his Options / Shares.

(f) Subject to the discretion of the Board, vested Options that have not been exercised will lapse on the earliest of:

- 6 months after Mr Higgins ceases to hold office as a Director for a reason other than death, disablement or redundancy (or such other reason as may be determined by the Board);
 - 12 months after Mr Higgins ceases to hold office as a Director as a result of death or disablement (or such other reason as may be determined by the Board); or
 - 12 months after a change of control of the Company.
- (g) No funds will be raised through the issue of these Options.

Any Options held by Mr Higgins will lapse, whether or not they have become exercisable, if the Board determines that he has acted fraudulently or dishonestly or is in serious breach of his duties to the Company.

Directors' Recommendation

Mr Higgins declines to make a recommendation to Shareholders in relation to Resolution 3 due to his material personal interest in the outcome of the Resolution. The remaining Directors recommend that Shareholders vote in favour of Resolution 3.

Voting Exclusion Statement – Resolution 3

Pursuant to ASX Listing Rule 14.11, the Company will disregard any votes cast on Resolution 3 by Mr Bruce Higgins and any associate of Mr Higgins.

However, and subject to the provisions of section 250BD of the Corporations Act, the Company need not disregard a vote if:

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

Proxy Prohibition Statement – Resolution 3

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the



basis of that appointment, on Resolution 3 if:

(a) the proxy is either:

- a member of KMP; or
 - a Closely Related Party of a member of KMP; and
- (b) the appointment does not specify the way the proxy is to vote on Resolution 3.

However, the above prohibition does not apply if:

(c) the proxy is the chairperson of the Meeting; and

(d) the chairperson's appointment expressly authorises the chairperson to exercise the proxy even though the resolution is connected with the remuneration of a member of KMP

6. RESOLUTION 4 - APPROVAL FOR THE ISSUE OF OPTIONS TO MR IAN FRASER

6.1 Background

The Board has proposed that an issue of 150,000 Options be made to Mr Ian Fraser and which will form part of the remuneration for Mr Fraser. The Board considers that the proposed grant of options for which approval is sought is reasonable having regard to the Company's circumstances, the responsibilities involved for the non-executive Director and the importance of successful management and growth of the Company's business.

6.2 Summary of the terms and conditions of issue of the Options:

Options issued to Mr Fraser

Under ASX Listing Rule 10.13, the Company is required to provide the following information to Shareholders to allow them to assess the proposed issue of Options to Mr Fraser:

The full terms and conditions of the issue of the Options are set out in the Annexure. Set out below is a summary of the more significant terms, which should be read subject to and in conjunction with the full terms set out in the Annexure:

- (a) A total of 150,000 Options will be granted to Mr Fraser (or his nominee).
- (b) If approved by shareholders, the Options will be issued within one month of the date of this Annual

General Meeting.

(c) Each Option may be exercised at an exercise price per Option calculated as the 30 Day Volume Weighted Average Price (VWAP) of Legend shares prior to the issue of the options plus 20% (Exercise Price) and may only be exercised on or after vesting occurs. The final exercise date will be the date that is the fourth anniversary of the date of issue of the Options (Expiry Date). Vesting will occur subject to the following exercise hurdles being met:

(i) 75,000 Options will vest if the volume weighted average sale price of the Shares traded on ASX in the 20 trading days commencing on the date that is 11 months from the Grant Date exceeds \$0.40 (First Tranche Options);

(ii) 75,000 Options will vest if the volume weighted average sale price of the Shares traded on ASX in the 20 trading days commencing on the date that is 23 months from the Grant Date exceeds \$0.45 (Second Tranche Options); and

(d) The Options will lapse, if not already vested, where Mr Fraser ceases to hold office as a Director other than on retirement, death or total and permanent disablement. However, at the discretion of the Board, Options may vest on a prorata basis in the event of retirement, death or total and permanent disablement prior to satisfaction of a vesting condition.

(e) Options will also vest in the event of a change of control of the Company (for example, in the event of a takeover or merger of the Company) prior to the occurrence of a vesting event. This will be done to permit Mr Fraser to accept an offer for his Options / Shares.

(f) Subject to the discretion of the Board, vested Options that have not been exercised will lapse on the earliest of:

- 6 months after Mr Fraser ceases to hold office as a Director for a reason other than death, disablement or redundancy (or such other reason as may be determined by the Board);
- 12 months after Mr Fraser ceases to hold office as a Director as a result of death or disablement (or such other reason as may be determined by the Board); or
- 12 months after a change of control of the Company.

(g) No funds will be raised through the issue of these Options.



Any Options held by Mr Fraser will lapse, whether or not they have become exercisable, if the Board determines that he has acted fraudulently or dishonestly or is in serious breach of his duties to the Company.

Directors' Recommendation

Mr Fraser declines to make a recommendation to Shareholders in relation to Resolution 4 due to his material personal interest in the outcome of the Resolution. The remaining Directors recommend that Shareholders vote in favour of Resolution 4.

Voting Exclusion Statement – Resolution 4

Pursuant to ASX Listing Rule 14.11, the Company will disregard any votes cast on Resolution 4 by Mr Ian Fraser and any associate of Mr Fraser.

However, and subject to the provisions of section 250BD of the Corporations Act, the Company need not disregard a vote if:

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

Proxy Prohibition Statement – Resolution 4

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 4 if:

(e) the proxy is either:

- a member of KMP; or
- a Closely Related Party of a member of KMP; and

(f) the appointment does not specify the way the proxy is to vote on Resolution 4.

However, the above prohibition does not apply if:

- (g) the proxy is the chairperson of the Meeting; and
- h) the chairperson's appointment expressly authorises the chairperson to exercise the proxy even though the resolution is connected with the remuneration of a member of KMP.

5. GLOSSARY

In this Notice and Explanatory Statement:

Annual General Meeting or **Meeting** means the annual general meeting of the Company to be held on 2 November 2012.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited ACN 008 624 691.

ASX Listing Rules or **Listing Rules** means the Listing Rules of the ASX.

Board means the board of Directors of the Company.

Business Day has the same meaning as in the ASX Listing Rules.

Closely Related Party means, in relation to a member of a KMP, any of the following:

- a spouse, child or dependant of the member;
- a child or dependant of the member's spouse;
- anyone else who is one of the member's family and may be expected to influence, or be influenced by, the member in the member's dealings with the Company;
- a company the member controls; or
- a person prescribed by regulations (as at the date of this notice, no additional persons have been prescribed by regulation).

Company means Legend Corporation Limited ABN 69 102 631 087.

Corporations Act means Corporations Act 2001 (Cth).

Director means a director of the Company.

Explanatory Statement means this document which accompanies, and is incorporated as part of the Notice.

KMP means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly. Members of key management personnel include its directors (both executive and non-executive) and certain senior executives.

Notice or **Notice of Meeting** means this Notice of Annual General Meeting and the accompanying Explanatory Statement.

Resolution means a resolution set out in the Notice.



Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

Annexure

Terms and Conditions of the Options

1. Entitlement

1.1 Each Option entitles the holder to subscribe for and upon payment of the Exercise Price be issued, credited as fully paid, the number of Shares specified in the Option.

1.2 Each Option may be exercised at an exercise price per Option calculated as the 30 Day Volume Weighted Average Price (VWAP) of Legend shares prior to the issue of the options plus 20% (Exercise Price). Exercise of the Options is subject to the following exercise hurdles being met:

(i) 50% of the Options will vest if the volume weighted average sale price of the Shares traded on ASX in the 20 trading days commencing on the date that is 11 months from the Grant Date exceeds \$0.40 (First Tranche Options);

(ii) 50% of the Options will vest if the volume weighted average sale price of the Shares traded on ASX in the 20 trading days commencing on the date that is 23 months from the Grant Date exceeds \$0.45 (Second Tranche Options); and

2. Option Period

Subject to achievement of the vesting conditions, each Option is exercisable during the period commencing on the date the Company grants the Option (Grant Date) and concluding at 5.00pm (AEST) on the date that is for the fourth anniversary of the Grant Date (Expiry Time).

3. Transferability

3.1 The Options are non-transferable other than to a trustee of a superannuation fund or other entity controlled by the holder and may not be sold, assigned, transferred or otherwise dealt with in any way, except to a related entity of the recipient or with prior written consent of the Board.

3.2 If the Options are transferred to a trustee of a superannuation fund or other entity controlled by the holder, the Board may impose such conditions on the

transfer as necessary to preserve the integrity of the vesting conditions.

4. Certificate

The Company must give each holder a certificate or holding statement stating:

- (a) the number of Options issued to the holder;
- (b) the exercise price of the Options; and
- (c) the date of issue of the Options.

5. Participation rights, bonus issues, rights issues and reorganisations

5.1 Participation

Holders are not entitled to participate in any new issue to existing shareholders of securities in the Company unless they have exercised their Options before the record date for determining entitlements to the new issue of securities and participate as a result of holding shares.

5.2 Notice of new issue

The Company must give the holder, in accordance with the Listing Rules of the ASX Limited (ASX), notice of:

- (a) The proposed terms of any issue or offer proposed under clause 5.1; and
- (b) the right to exercise their Options under clause 5.1.

5.3 Bonus issues

If the Company makes a bonus issue of shares or other securities to shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and no share has been issued in respect of the Option before the record date for determining entitlements to the issue, then the number of underlying shares over which the Option is exercisable is increased by the number of shares which the holder would have received if the holder had exercised the Option before the record date for determining entitlements to the issue.

5.4 Pro rata issues

If the Company makes a pro rata issue of shares (except a bonus issue) to existing shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no share has been issued in respect of the Option before the record date for determining entitlements to the issue, the Exercise Price of each Option is reduced in accordance with the ASX Listing Rules.



5.5 Reorganisation

If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the holder (including the number of Options to which the holder is entitled and/ or the Exercise Price) must be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

5.6 Calculations and adjustments

Any calculations or adjustments which are required to be made under clause 5 will be made by the Board and will, in the absence of error, be final and conclusive and binding on the Company and the holder.

5.7 Notice of change

The Company must within a reasonable period give to the holder notice of any change under clause 5 to the Exercise Price of any Options held by the holder or the number of shares for which the holder is entitled to subscribe on exercise of an Option.

6. Method of exercise of Options

6.1 Method and payment

To exercise Options, the holder must give the Company:

- (a) a written exercise notice (in the form approved by the Board from time to time) (Exercise Notice) specifying the number of Options being exercised and shares to be issued (Option Shares);
- (b) payment of the Exercise Price for the Option Shares the subject of the Exercise Notice by way of bank cheque or by other means of payment approved by the Company; and
- (c) the certificate for the Options.

6.2 Exercise all or some Options

- (a) A holder may only exercise Options in multiples of 10,000 unless the holder
- (b) exercises all Options held by the Holder.
- (c) Options will be deemed to have been exercised on the date the Exercise Notice is
- (d) delivered to the Company.

6.3 Option certificates

If a holder exercises less than the total number of Options registered in the holder's name:

- (a) The holder must surrender their Option certificate (if any); and

(b) the Company must cancel the Option certificate (if any) and issue the holder a new

(c) Option certificate stating the remaining number of Options held by the holder.

6.4 Issue of Shares

Within 10 days after receiving an Exercise Notice and payment by the holder of the Exercise Price, the Company must issue the holder the Shares.

7. Ranking of shares issued on exercise of Options

Subject to the Company's constitution, all Shares issued on exercise of the Options rank in all respects (including rights relating to dividends) equally with the existing ordinary shares of the Company at the date of issue of those Shares.

8. Quotation

The Company will not apply to ASX for official quotation of the Options but will apply to ASX for quotation of the Shares issued on exercise of the Options as soon as practicable after the date of issue of those Shares.

9. Governing law

These terms and the rights and obligations of the holder are governed by the laws of South Australia. Each participant irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of South Australia.



PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

LEGEND CORPORATION LIMITED

REGISTERED OFFICE:
1 BUTLER DRIVE
HENDON SA 5014

ABN: 69 102 631 087

SHARE REGISTRY:
Security Transfer Registrars Pty Ltd
All Correspondence to:
PO BOX 535,
APPLECROSS WA 6953 AUSTRALIA
770 Canning Highway,
APPLECROSS WA 6153 AUSTRALIA
T: +61 8 9315 2333 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

Code:

Holder Number:

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

OR

The meeting Chairperson
(mark with an "X")

The name of the person you are appointing
(if this person is someone other than the Chairperson of the meeting).

or failing the person named, or if no person is named, the Chairperson of the Meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 10.30am on Friday 2 November 2012 at the Adelaide Pavilion Restaurant, Veale Gardens, Crn. South Terrace and Peacock Road, Adelaide South Australia and at any adjournment of that meeting.

SECTION B: Voting Directions to your Proxy

Please mark "X" in the box to indicate your voting directions to your Proxy.

For Against Abstain*

Resolution

1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Mr Ian Fraser as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval for the issue of options to Mr Bruce Higgins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval for the issue of options to Ian Fraser	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

* If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If you wish to appoint the Chairperson as your proxy and you do not wish to direct the Chairperson how to vote, please mark "X" in the box.

By marking this box, you acknowledge that the Chairperson may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him/her other than as a proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution. The Chairperson of the Meeting intends to vote undirected proxies in favour of the resolution.

SECTION C: Please Sign Below

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director and Sole Company Secretary

Director

Director / Company Secretary

4033435057

Reference Number:

1

LGD

1

My/Our contact details in case of enquiries are:

NAME

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TELEPHONE NUMBER

(

--	--

)

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NOTES

1. Name and Address

This is the name and address on the Share Register of LEGEND CORPORATION LIMITED. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. Appointment of a Proxy

If you wish to appoint the Chairperson of the Meeting as your Proxy please mark "X" in the box in Section A. Please also refer to Section B of this proxy form and ensure you mark the box in that section if you wish to appoint the Chairperson as your Proxy.

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a Shareholder of LEGEND CORPORATION LIMITED.

3. Directing your Proxy how to vote

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. Appointment of a Second Proxy

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by telephoning the Company's share registry +61 8 9315 2333 or you may photocopy this form.

To appoint a second Proxy you must:

- (a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- (b) Return both forms in the same envelope.

5. Signing Instructions

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. Lodgement of Proxy

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Registrars Pty Ltd no later than 10.30am WST on Wednesday 31 October 2012, being 48 hours before the time for holding the meeting. Any Proxy form received after that time will not be valid for the scheduled meeting.

**Security Transfer Registrars Pty Ltd
PO BOX 535
Applecross, Western Australia 6953**

**Street Address:
Alexandrea House, Suite 1
770 Canning Highway
Applecross, Western Australia 6153**

Telephone +61 8 9315 2333

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.