

rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Legend Mining Limited

ABN

22 060 966 145

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | |
|---|---|
| 1 +Class of +securities issued or to be issued | <ol style="list-style-type: none">1. Ordinary shares fully paid2. Ordinary shares fully paid3. Unquoted Options issued under ESOP2 |
| 2 Number of +securities issued or to be issued (if known) or maximum number which may be issued | <ol style="list-style-type: none">1. 60,111 Ordinary shares fully paid2. 200,000 Ordinary shares fully paid3. 3,450,000 Unquoted Options issued under ESOP2 |
| 3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <ol style="list-style-type: none">1. Fully paid ordinary shares2. Fully paid ordinary shares3. Unquoted Options issued under ESOP2 exercisable at 8 cents each expiring on 22 May 2012 and vesting on 22 May 2008. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	1. Yes 2. Yes 3. Yes upon exercise of the options						
5 Issue price or consideration	1. 4 cents each – Exercise of Quoted options 2. 4 cents each – Exercise of Unquoted options 3. Nil						
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	1. Exercise of Quoted options. 2. Exercise of Unquoted options 3. Issued under Employee Share Option Plan No2 approved by shareholders on 15 May 2007						
7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates	1. 28 May 2007 2. 24 May 2007						
8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th><th>⁺Class</th></tr> </thead> <tbody> <tr> <td>924,547,762</td><td>Ordinary Shares</td></tr> <tr> <td>152,502,774</td><td>4 cent options expiring 31 July 2008</td></tr> </tbody> </table>	Number	⁺ Class	924,547,762	Ordinary Shares	152,502,774	4 cent options expiring 31 July 2008
Number	⁺ Class						
924,547,762	Ordinary Shares						
152,502,774	4 cent options expiring 31 July 2008						

⁺ See chapter 19 for defined terms.

	Number	*Class
9 Number and *class of all *securities not quoted on ASX (including the securities in clause 2 if applicable)	2,000,000	7 February 2008 – 10 cent options
	1,500,000	30 July 2009 – 30 cent Directors options
	7,500,000	31 July 2008 – 4 cent Underwriting options
	125,000,000	31 July 2008 – 4 cent Early conversion options
	1,500,000	31 July 2008 – 4 cent Employee options
	3,450,000	22 May 2012 – 8 cent Employee options

- 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

N/A

Part 2 - DELETED – NOT APPLICABLE

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the *securities are *equity securities, the names of the 20 largest holders of the additional *securities, and the number and percentage of additional *securities held by those holders

36 ☐ If the *securities are *equity securities, a distribution schedule of the additional *securities setting out the number of holders in the categories

- 1 - 1,000
- 1,001 - 5,000
- 5,001 - 10,000
- 10,001 - 100,000
- 100,001 and over

+ See chapter 19 for defined terms.

37 ☐ A copy of any trust deed for the additional +securities

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:

Date: 28 May 2007

Company secretary

Print name: Tony Walsh

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