

Australian Securities Exchange Announcement

9 August 2019

The Manager
Companies Announcements Office
Australian Securities Exchange
Electronic Lodgment

CHAIRMAN'S ADDRESS TO SHAREHOLDERS' MEETING TO CONSIDER APPROVING THE PROPOSED SCHEME OF ARRANGEMENT

INTRODUCTION

Ladies and gentlemen my name is Bruce Higgins, the Chairman of your Company. I will be chairing today's meeting.

With me today is our Managing Director Bradley Dowe, Non Executive Director and Chair of our Audit Committee Ian Fraser, our company secretary, Graham Seppelt, and our Chief Financial Officer, Hamish McEwin. Can I ask you please to turn off all mobile phones, electronic equipment and recording devices.

It is now 2.00pm, being the scheduled commencement time for the Scheme Meeting. A quorum is present and therefore I declare the Scheme Meeting to be open. For the purpose of the Scheme Meeting, I appoint Graham Seppelt to act as Returning Officer. I appoint Paul Cenko of KPMG as the Scrutineer. Mr Seppelt and Mr Cenko have agreed to act in their respective capacities.

SCHEME MEETING

This meeting has been convened in accordance with orders made by the Federal Court of Australia on 5 July 2019 and Legend's Constitution. The purpose of this meeting is for you to consider, and if you think fit, approve a scheme of arrangement between Legend and the holders of its ordinary shares under which Greenland BidCo Pty Ltd (a company controlled by funds advised by Adamantem Capital) will acquire all of the shares of Legend, as long as all conditions to the Scheme are satisfied or waived.

I refer to the Notice of Scheme Meeting contained in Appendix 3 to the Explanatory Booklet that sets out the resolution proposed for today's meeting. As the Explanatory Booklet was mailed to shareholders on 10 July 2019, I will take the Notice of Scheme Meeting as read.

The Explanatory Booklet, which you will have had the opportunity to review, provides a statement of the reasons for Legend Shareholders to vote in favour of the Scheme and potential reasons for them to vote against the Scheme and includes the Independent Experts Report.

SCHEME, SPECIAL DIVIDEND AND ATO CLASS RULING

I would now like to say a few words about the proposed Scheme.

Scheme Consideration

If the Scheme proceeds, all holders of Legend Shares as at the Scheme Record Date (currently proposed to be 7.00pm on Monday, 26 August 2019) will transfer all of their Legend Shares to Greenland BidCo Pty Ltd on the Implementation Date (currently proposed to be Friday, 30 August 2019), in exchange for payment of the Scheme Consideration by Greenland BidCo Pty Ltd.

The Scheme Consideration to be paid by Greenland BidCo Pty Ltd is \$0.365 for each Legend Share you hold on the Scheme Record Date, less the amount of any Special Dividend that may be declared and paid by Legend on or before the date the Scheme is implemented

Special Dividend

If the Scheme is approved by Legend Shareholders today the Legend Board currently intends to declare a fully franked special dividend of \$0.07 per share shortly after this meeting which will be subject to the Scheme becoming Effective.



The declaration of this Special Dividend will be communicated to Legend Shareholders by way of an ASX announcement immediately after the Scheme Meeting.

If the Special Dividend is declared and the Scheme is implemented, on the implementation date of the Scheme (which is expected to occur on Friday, 30 August 2019), you will receive:

- Special Dividend: the Special Dividend of \$0.07 for each Legend Share you held as at the Special Dividend Record Date (which is currently expected to be 7.00pm (Melbourne time) on Wednesday, 21 August 2019); and
- Scheme Consideration: the scheme consideration of \$0.295 for each Legend Share you held as at the Scheme Record Date, (which is expected to be 7.00pm on Monday, 26 August 2019).

In addition, those Legend Shareholders who are entitled to the franking credits attached to the Special Dividend may be entitled to an Australian tax offset of up to a maximum of \$0.03 of additional value per Legend Share (subject to confirmation from the ATO via a class ruling that Legend has requested). Full details on what you will receive are set out in more detail in the Explanatory Booklet. ATO Class Ruling

At this point, I should also comment briefly on the status of the ATO tax class ruling. As disclosed in the Explanatory Booklet, Legend lodged a class ruling request with the ATO seeking the Commissioner of Taxation's views on specific income tax issues for Legend Shareholders, in particular on whether they will be able to obtain the benefit of the franking credits attached to the Special Dividend, if it is declared or determined to be payable and paid in accordance with the timetable in the Explanatory Booklet.

Although the Class Ruling has not yet been issued by the ATO, the Board is pleased to confirm that Legend's advisers have been in dialogue with the ATO in relation to the progression of the Class Ruling application. Legend and its advisers will continue to work closely with the ATO in the coming weeks. Legend will update shareholders once the Class Ruling is issued by the ATO by making an announcement on ASX. If the Class Ruling is issued by the ATO after the Scheme has been implemented and Legend has been delisted any information about the Class Ruling will be published on Legend's website at <https://www.legendcorporate.com/>

CURRENT STATUS

Your Directors continue to believe that the reasons set out in the Explanatory Booklet to vote in favour of the Scheme set out in the Explanatory Booklet outweigh the potential reasons to vote against the Scheme. Accordingly, we maintain our previously stated recommendation that Legend shareholders should vote in favour of the Scheme in the absence of a superior proposal. I can confirm that no superior proposal has been received.

STATUS OF CONDITIONS

As stated in the Explanatory Booklet, the condition relating to approval from the Foreign Investment Review Board has been satisfied. There are some other operational and procedural type conditions, usual for a transaction of this nature, which are described in the Explanatory Booklet. We are not aware of any reason why they will not be either satisfied or waived at least 2 hours before the start of the Second Court Hearing, which is scheduled for Friday, 16 August 2019.

Subject to:

1. your approval of the Scheme at this meeting;
2. the operational and procedural conditions noted above being either satisfied or waived at least 2 hours before the start of the Second Court Hearing; and
3. the Federal Court of Australia approving the Scheme at that hearing,

the Scheme will become legally effective and will bind all Legend Shareholders holding Legend Shares at 7.00pm (Melbourne time) on Monday, 26 August 2019 (being the Record Date for the Scheme).

I thank you all for attending this meeting and we will now attend to the business of the meeting.

Bruce Higgins

Chairman of Legend Corporation Limited