SEPTEMBER 2019 QUARTERLY REPORT 17 October 2019

LEGEND MINING LIMITED

ASX Symbol: **LEG**

ABN 22 060 966 145

Level 1, 8 Kings Park Road
West Perth
Western Australia 6005

PO Box 626
West Perth
Western Australia 6872

Phone: +61 8 9212 0600
Facsimile: +61 8 9212 0611
Email:
legend@legendmining.com.au

Website:
www.legendmining.com.au

CONTACT

Mr Mark Wilson
Managing Director

Mr Derek Waterfield
Executive Director Technical

PROJECTS

Rockford - Fraser Range:
Nickel-Copper (Ni-Cu)
Copper-Zinc-Silver (Cu-Zn-Ag)
Gold (Au)

HIGHLIGHTS – Rockford Project, Fraser Range

- **LF-MLTEM survey at Area D identifies two diamond drill targets associated with conductors D5 and D1**
- **Regional aircore drilling programme ongoing**
- **Aeromagnetic survey on Ponton JVA 2019 identifies aircore drill targets**
- **Shareholder approval received for transformational deals and $9.8M placement completed**

OVERVIEW

The main field activity during the September 2019 quarter has been the low frequency electromagnetic (LF-MLTEM) survey at Area D. This was very successful as it has provided two quality diamond drill targets at conductors D1 and D5. The data set from the survey was the final piece of information for the comprehensive geophysical review, which resulted in the design of the two drill holes to test these conductors. This drilling is scheduled to start in October 2019.

Additional field activities included the ongoing regional aircore programme, a 505km^2 aeromagnetic survey over a large portion of the recently acquired Ponton JVA 2019 tenements and moving loop electromagnetic surveys at Areas Q and U. These activities are all designed to provide aircore and diamond drill targets for 2020.

All requirements for the new joint ventures with Creasy Group and Independence Group (IGO), including the placement to IGO, have been satisfied with all new JV's afoot and IGO now Legend's second largest shareholder with 14.2%.

The Company is well placed for regular news flow from its Fraser Range prospects with the $13M+ treasury to fund its activities.

1. ROCKFORD PROJECT (Fraser Range District)

Nickel-Copper, Copper-Zinc-Silver, Gold

Legend's Rockford Project is located in the highly prospective Fraser Range district of Western Australia and considered prospective for mineralisation styles including: magmatic Ni-Cu, VMS Zn-Cu-Ag and structurally controlled gold.

The Rockford Project comprises 14 contiguous granted exploration licences covering a total area of 3,088km^2 (see Figure 1). A detailed breakdown of ownership, area and manager is given below:

- Legend (100%) 238km^2
- Two Legend (70%)/Creasy Group (30%) JVs covering 2,192 km^2 with Legend manager
- IGO (60%)/Creasy Group (30%)/Legend (10% free carry) JV covering 634km^2 with IGO manager
- IGO (70%)/Legend (30% free carry) JV covering 24km^2 with IGO manager

Exploration activities completed during the September 2019 quarter at Rockford include: low frequency moving loop electromagnetic (LF-MLTEM) surveying at Area D, regional aircore drilling, fixed loop electromagnetic (FLTEM) surveying at Areas Q and U and an aeromagnetic survey over 505km^2 of the recently acquired Ponton JVA 2019 tenements E28/1716-1717 (see Figure 1).

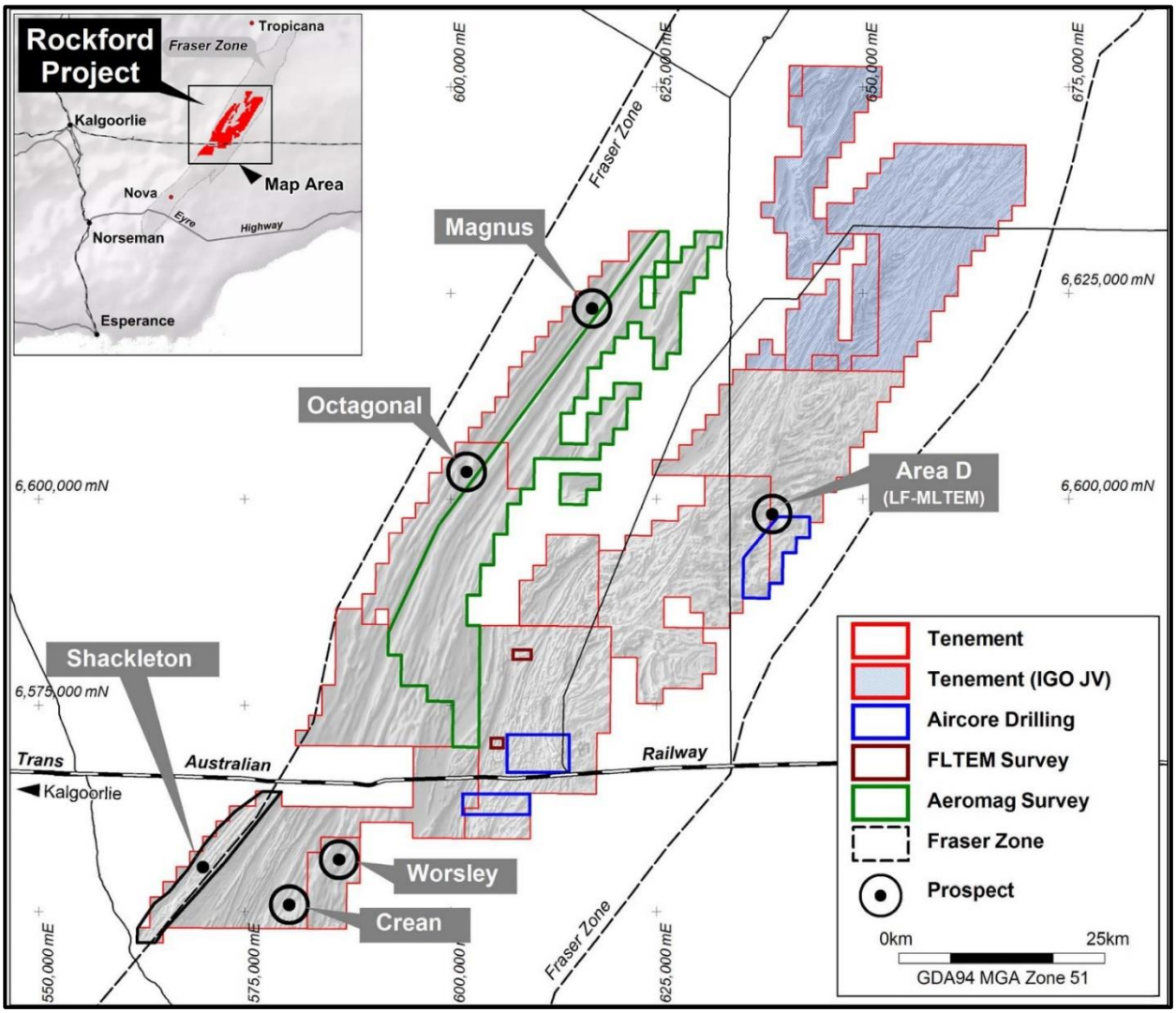

Figure 1: Rockford Project with Current Activity Locations

Area D Prospect – Low Frequency Moving Loop Electromagnetic Survey

A LF-MLTEM survey was completed at Area D during the September 2019 quarter to better constrain the previously identified D5 MLTEM conductor. The survey comprised four 3km lines spaced 200m apart and utilised a 200 amp transmitter with 200m x 200m loops. A very low frequency of 0.0625Hz was used (compared to conventional survey frequencies of 0.025-0.5 Hz) aimed at providing detailed information on the character and possible source of the conductor. This LF-MLTEM technique is an extension/improvement of previous innovative EM surveying completed by Legend over the Rockford Project.

The ultimate aim of the survey is to identify conductive bodies related to massive Ni-Cu sulphide mineralisation, which are potentially masked or adjacent to conductors related to graphite ±barren sulphides known to occur at Area D. Essentially, the better the EM response in late time, the greater the chance the feature may represent Ni-Cu sulphide mineralisation.

The survey was successful in better constraining the original D5 conductor, plus also highlighting a second very strong discrete feature associated within the previously defined D1 conductor (see Figure 2).

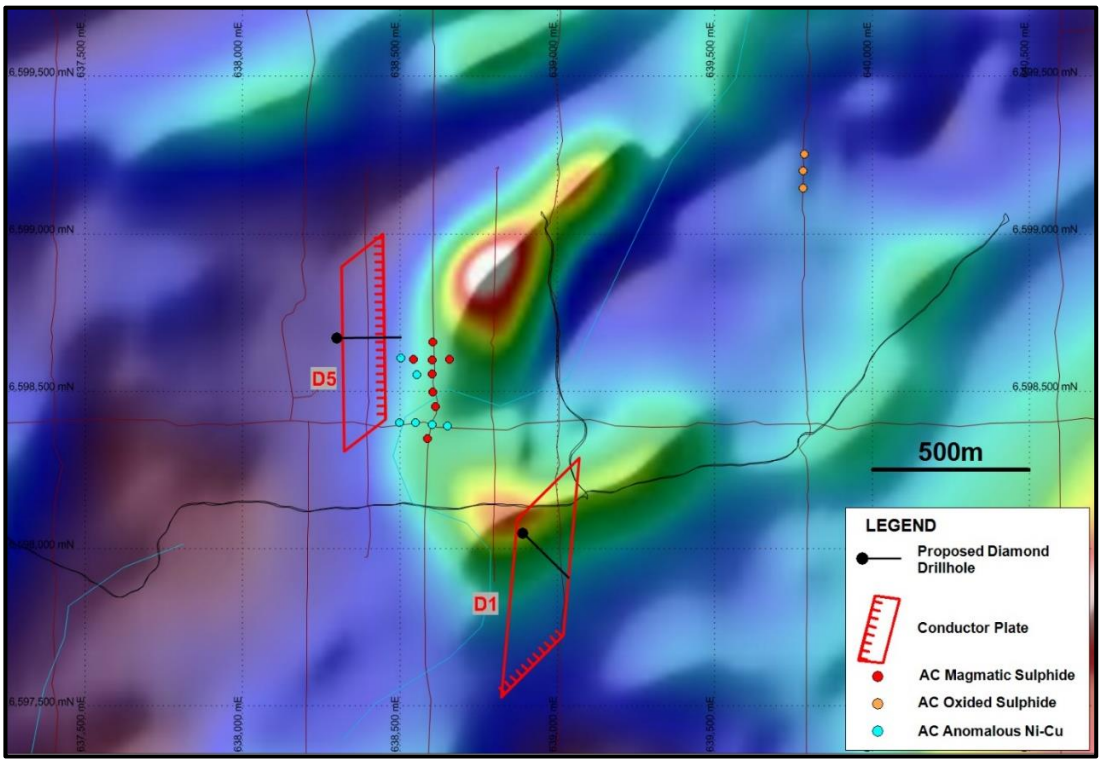

Figure 2: Area D Proposed Diamond Drillholes Testing D1 & D5 LF-MLTEM Conductors

The remodelled parameters for these two conductors are provided in Table 1 and discussed in further detail below.

Table 1: Area D LF-MLTEM Conductors (Modelled Parameters)

Conductor	Conductance	Dimensions	Depth to Top	Plate Orientation
D5	2,200S	600m x 500m	~210m	75^0 W dip
D1	~42,000S	600m x 600m	~215m	75^0 NW dip

Two diamond drillholes are proposed to test the two new conductors with design depths of 500m for both holes (see Figures 2 & 3).

D5 Conductor

The D5 conductor was originally identified by MLTEM surveying and occurs near the SW hinge of a NE-SW trending synformal feature. Aircore drilling to the immediate east of D5 increased the prospectivity of the feature with the intersection of magmatic Ni-Cu-Co sulphides in several holes, most notably RKAC183 (14m @ 0.37% Ni, 0.43% Cu, 0.03% Co from 72m –ASX release 9/4/2018), see Figure 2. Subsequent aircore drilling defined a coherent 500m x 200m blanket of anomalous Ni-Cu-Co up to 47m thick (RKAC151), overlying gabbronorite bedrock.

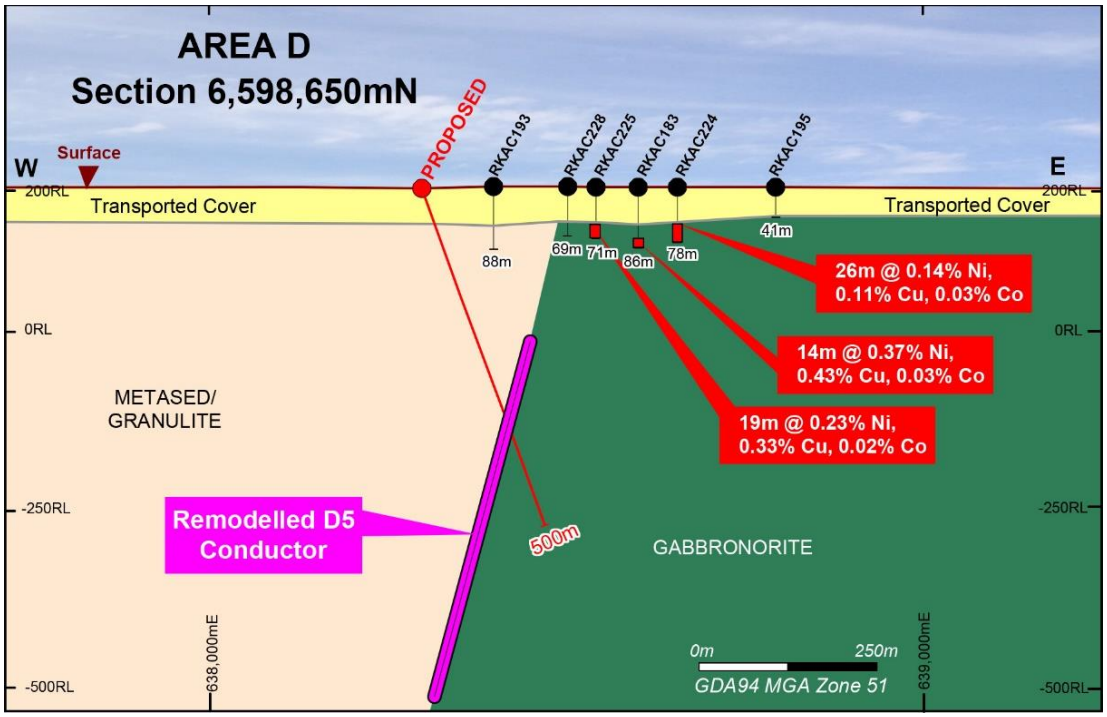

Figure 2: Area D Proposed Diamond Drillhole Testing D5 Conductor

The LF-MLTEM survey over D5 successfully constrained the feature allowing geophysical modelling incorporating drillhole data. D5 is a moderate strength feature whose remodelled position coincides with the interpreted contact between metasediments to the west and gabbronorite intrusive to the east (see Figure 2). The up dip projection of the conductor also lies to the immediate west of the disseminated magmatic sulphides (pyrrhotite-pentlandite-chalcopyrite) intersected in previous aircore drillholes RKAC183, 224 and 225.

The proposed drillhole has a planned depth of 500m with the D5 conductor remodelled at ~380m downhole. Upon completion, downhole EM surveying of the hole will be undertaken to ensure the conductor has been intersected and to test for offhole conductors.

D1 Conductor

The very strong D1 conductor was originally identified by MLTEM surveying in late 2015 with the following modelled parameters: ~11,000S conductance, large size/extent (800x>800m), striking ENE-WSW, a steep NW dip of 75^0 and an estimated depth to top of source of 100m. RC drillhole RKRC004 partially tested the northeastern part of D1 intersecting a 22m interval of graphitic shale within a broad metasedimentary package.

Geophysical modelling of the recent LF-MLTEM data has identified a very strong discrete ~42,000S feature closely associated with the location of the original D1 feature. Limited aircore drilling over the top of the conductor intersected pyroxenite, gabbronorite and metasediment, suggesting the conductor may be related to the contact between mafic/ultramafic intrusive and metasediment, similar to that at D5. The newly modelled conductor is offset from the position/location of the graphite intersected in RKRC004.

The proposed drillhole has a planned depth of 500m with the D1 conductor remodelled at ~350m downhole. Upon completion, downhole EM surveying of the hole will be undertaken to ensure the conductor has been intersected and to test for offhole conductors.

Regional Aircore Drilling

The regional aircore programme continued during the September 2019 quarter with a further 69 holes for 5,351m completed and all assay results now received. This drilling targeted four Area D "lookalike" aeromagnetic/gravity features located within 10km of Area D and two further targets at Rockford central (see Figure 1).

The drilling over the four Area D "lookalike" features all intersected mafic/ultramafic intrusive host rocks including gabbronorite, gabbro and pyroxenite. The southern feature has a 4.5km x 2.5km oval aeromagnetic signature and returned a best intersection in hole RKAC645 of: 16m @ 0.12% Ni, 0.02% Cu and 0.03% Co from 74m associated with gabbronorite bedrock. Three other holes reported elevated nickel values between 0.05-0.06% Ni also in gabbronorite. An innovative MLTEM survey is planned over this aeromagnetic feature aimed at identifying conductive bodies potentially related to massive Ni-Cu sulphide mineralisation.

Areas Q and U – Fixed Loop Surveying

Reconnaissance MLTEM surveys were completed over Areas Q and U in July 2017 identifying two weak-moderate bedrock conductors, namely Q1 and U1 (see Figure 1). These conductors lie on the western margin of an aeromagnetically distinct domain with complex/elevated magnetic signature, along with two similar conductors at Area J to the northeast.

Whilst both the Q1 and U1 conductors are considered significant bedrock features, fixed loop electromagnetic (FLTEM) surveying was undertaken to better constrain the conductors and allow accurate modelling. The FLTEM surveys comprised, 5 lines totalling 8.5km with 90 stations at Area Q and 5 lines totalling 6.5km with 90 stations at Area Q.

The surveys have confirmed the presence of the original Q1 and U1 conductors with results from the geophysical modelling of these features currently pending. RC/diamond drill testing of these features will be undertaken in 2020, if warranted.

Aeromagnetic Survey – Ponton JVA 2019

A detailed 50m line spaced aeromagnetic survey covering 505km^2 over the eastern portion of the newly acquired Ponton JVA 2019 tenements E28/1716 and 1717 was completed during the September 2019 quarter (see Figure 1). The survey now provides 100% tenure coverage at 50m line spacing over Ni-Cu prospective lithologies associated with the Western Stratigraphic Package, which hosts the Octagonal and Magnus prospects. Limited exploration has been conducted over the eastern part of the two tenements, with preliminary survey images highlighting several magnetic features of interest which will be tested with aircore drilling during 2020.

Future Programmes

- Diamond drilling at Area D testing LF-MLTEM conductors D5 and D1.
- MLTEM survey over Magnus prospect targeting conductors.
- 3D inversion modelling of Audio Magnetotelluric (AMT) data at Magnus.
- MLTEM survey at Crean over anomalous aircore geochemistry targeting conductors.
- Infill MLTEM survey at Worsley to assist diamond drillhole design.
- Continue regional aircore drilling targeting Area D "lookalike" aeromagnetic and gravity features.

2. CORPORATE

General Meeting

A General Meeting was held on 27 September 2019 to approve three resolutions relating to recent transformation agreements signed by Legend, IGO and Creasy Group (see ASX announcement 9 July 2019). All resolutions were passed unanimously on a show of hands with the results of the meeting released to the ASX on the same day.

Capital Raising and Issue of Legend Shares and Options

During the September 2019 quarter the Company completed a $9.8M placement to IGO in two tranches at 3.6 cents per share plus one free attaching 7.2 cent three year option issued for every two shares subscribed for. A total of 272,222,222 ordinary shares and 136,111,000 three year options were issued to IGO. As a result, IGO is the Company's second largest shareholder with 14.2%.

Jindal $3M Receivable

Legend received the September 2019 interest payment of $30,000 from Jindal Steel and Power on 13 September 2019.

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Derek Waterfield, a Member of the Australian Institute of Geoscientists and a full time employee of Legend Mining Limited. Mr Waterfield has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Waterfield consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Legend's Exploration Results is a compilation of previously released to ASX by Legend Mining (12 September 2017, 9 July 2019, 12 & 27 September 2019, 10 October 2019,) and Mr Derek Waterfield consents to the inclusion of these Results in this report. Mr Waterfield has advised that this consent remains in place for subsequent releases by Legend of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent. Legend confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters in the market announcements continue to apply and have not materially changed. Legend confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Visit www.legendmining.com.au for further information and announcements.

For more information:

Mr Mark Wilson
Managing Director
Ph: (08) 9212 0600

Mr Derek Waterfield
Executive Director - Technical
Ph: (08) 9212 0600

Appendix 1: Tenement Schedule as at 30 September 2019

Mining Tenements

Tenement Reference	Location	Interest at beginning of Quarter	Acquired / Withdrawn	Interest at end of Quarter	Comments
E28/1716	Fraser Range, Western Australia	0%	Acquired	70%	70:30 JV
E28/1717	Fraser Range, Western Australia	0%	Acquired	70%	70:30 JV
E28/1718	Fraser Range, Western Australia	70%	N/A	70%	70:30 JV
E28/1727	Fraser Range, Western Australia	70%	N/A	70%	70:30 JV
E28/2188	Fraser Range, Western Australia	70%	N/A	70%	70:30 JV
E28/2189	Fraser Range, Western Australia	70%	N/A	70%	70:30 JV
E28/2190	Fraser Range, Western Australia	70%	N/A	10%	10:60:30 JV
E28/2191	Fraser Range, Western Australia	70%	N/A	10%	10:60:30 JV
E28/2192	Fraser Range, Western Australia	70%	N/A	70%	70:30 JV
E28/2404	Fraser Range, Western Australia	100%	N/A	100%	100% Legend
E28/2405	Fraser Range, Western Australia	100%	N/A	100%	100% Legend
E28/2675	Fraser Range, Western Australia	100%	N/A	30%	30:70 JV
E28/2676	Fraser Range, Western Australia	100%	N/A	30%	30:70 JV
E28/2677	Fraser Range, Western Australia	100%	N/A	30%	30:70 JV

Farm-In or Farm-Out Arrangements

Tenement Reference	Location	Interest at beginning of Quarter	Acquired / Withdrawn	Interest at end of Quarter	Comments
None	N/A	N/A	N/A	N/A	N/A