
SEPTEMBER 2016 QUARTERLY REPORT**11 October 2016**

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PROJECTS

Rockford - Fraser Range:
Nickel-Copper, Gold

HIGHLIGHTS

- **Extensive regional high powered MLTEM surveying commenced over eight selected targets (Areas G to N)**
- **Area D diamond drillhole assays return anomalous nickel and copper results**
- **Area D petrology confirms magmatic sulphides, including pentlandite and chalcopyrite in ultramafic cumulate host rock**
- **Aircore drilling programme (80 holes, 5,000m) to commence within two weeks**

OVERVIEW

This quarter marks the first anniversary of Legend's Rockford Project in the Fraser Range.

The positive assay results and petrology report from the first two diamond drillholes, confirming anomalous nickel-copper (pentlandite and chalcopyrite) and the right rocks (cumulate textured ultramafic) favourable for a Nova-Bollinger style deposit, have been just reward for our technical team's efforts. It has considerably enhanced the prospectivity of the entire project area.

Legend's current activities being a dual pronged approach of EM surveys and aircore drilling are designed to generate the next RC/diamond drilling targets and the outcomes are eagerly awaited.

Another welcome development is the recent increased merger and acquisition (M&A) activity in the Fraser Range, reversing the sentiment of under resourced juniors, unable to raise further capital, struggling to progress their projects.

1. ROCKFORD PROJECT – (Fraser Range District) Nickel-Copper, Gold

Three new 100% Legend owned exploration licence applications covering a combined area of 24km² were applied for during the quarter. This brings the total area of the Rockford Project to 2,554km² in the highly prospective Fraser Range district of Western Australia (Figure 1). The remainder of the project comprises seven contiguous granted exploration licences, the subject of a joint venture between Legend (70%) and Creasy Group (30%), with Legend operator and manager of the joint venture, (see LEG:ASX announcement 2 July 2015).

The project covers a strike length of 100km over a regional gravity high “ridge” associated with dense mafic/ultramafic intrusive rocks of the Fraser Zone, within the larger Albany-Fraser Orogen. The Nova-Bollinger deposit, which lies within the Fraser Zone, is situated on a similar tenor gravity ridge to that of the Rockford Project, see Figure 1.

Exploration completed during the quarter included; a full review of Area D including assay and petrology results from diamond drillholes RKDD001-002 and the commencement of an extensive moving loop electromagnetic (“MLTEM”) survey over eight selected targets (Areas G – N), see Figure 2.

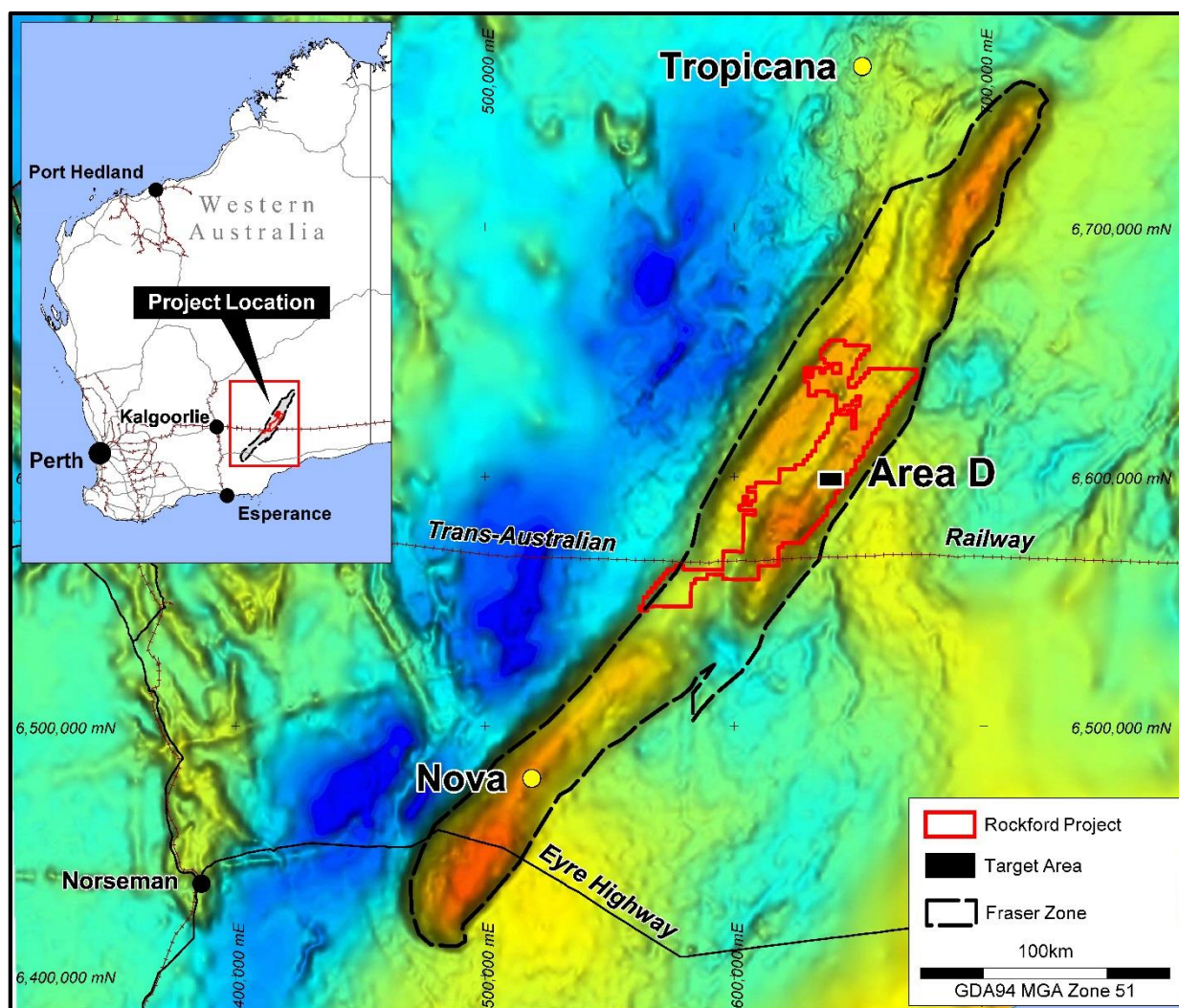


Figure 1: Rockford Project on Regional Gravity

MLTEM Surveys

Eight areas (Areas G to N) have been selected for MLTEM surveying (see Figure 2), based on detailed aeromagnetic/gravity data and from recently gained knowledge from diamond drilling at Area D. The encouraging results from Area D including; pentlandite (nickel sulphide) and chalcopyrite (copper sulphide) in cumulate ultramafic host rock and sulphide bearing country rocks, validate the process of target selection.

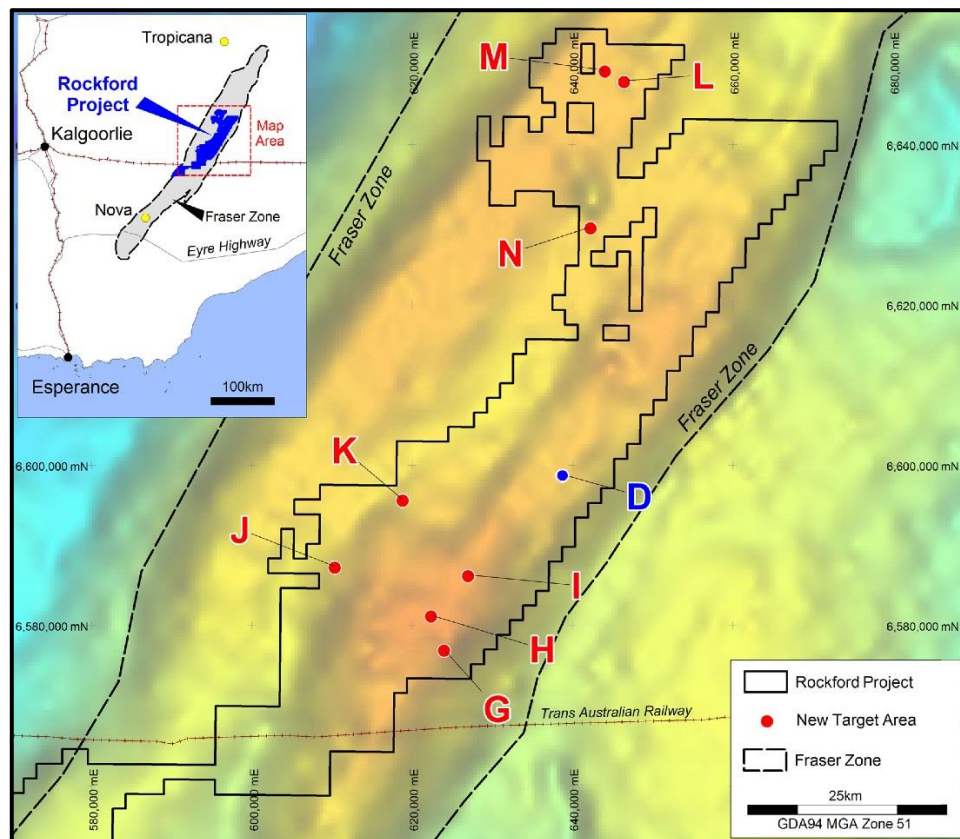


Figure 2: Rockford Project Target Areas on Regional Gravity

The MLTEM will use an enhanced/reconfigured high power EM system to previous Legend surveys, which is proving to be an effective tool in “seeing” through the conductive cover sequence. The survey involves 500m spaced lines with 100m stations and 300m x 300m loops. The combination of high power (~200 amp) and slingram (out loop) reading configuration allows for relatively broad spaced surveying, enabling greater area coverage of targets without compromising the quality of the survey and the ability to detect bedrock conductors.

To date, surveying has been completed over three of the eight targets, namely Areas G, H and K, with no significant bedrock conductors identified. At Area K two broad moderately conductive corridors, possibly structural features were defined and will be further assessed, along with a broad conductive feature in the western part of Area H.

Any significant bedrock conductors identified by the MLTEM survey will be followed up with a combination of fixed loop electromagnetics (“FLTEM”) and aircore drilling, prior to RC and diamond drill testing where warranted.

Area D – Diamond Drilling Assay and Petrology Results

Assay and petrological results from selected drill core samples from the recently completed diamond drillholes RKDD001-002 were received and are summarised in Table 1 below.

Table 1: Diamond Drillhole Results						
Hole	From	To	Int	Ni ppm	Cu ppm	Description
RKDD001	550.7	551.0	0.3	225	1,280	Pyrrhotite-chalcopyrite bearing mafic granulite/metasediment
RKDD001	566.0	566.85	0.85	179	1,181	Pyrrhotite-chalcopyrite bearing mafic granulite/metasediment
RKDD002	572.5	573.0	0.5	324	1,504	Pyrrhotite-chalcopyrite bearing mafic granulite/metasediment
RKDD002	626.4	626.7	0.3	1,781	949	Pentlandite-chalcopyrite bearing cumulate ultramafic

Table 2: Diamond Drillhole Summary							
Hole	Easting	Northing	Conductor	RL	Dip	Azimuth	Final Depth
RKDD001	639852	6598275	D6	203	-60°	130°	584
RKDD002	638125	6598750	D7 & D8	203	-70°	090°	717.7
Total							1,301.7

Elevated copper assays were returned from pyrrhotite-chalcopyrite bearing granulite/ metasediment in both drillholes, while anomalous nickel and copper values were returned from sulphide bearing ultramafic in RKDD002, albeit over narrow intervals.

Significantly the petrological analysis of the sulphide bearing ultramafic in RKDD002 identified pentlandite and chalcopyrite associated with cumulate textures, and indicates a magmatic origin for the sulphides, see Photo 1. The petrology also confirmed the presence of thick, multiple layers of sulphidic granulite/metasediment, which are considered a potential source of sulphur for the formation of massive sulphide.

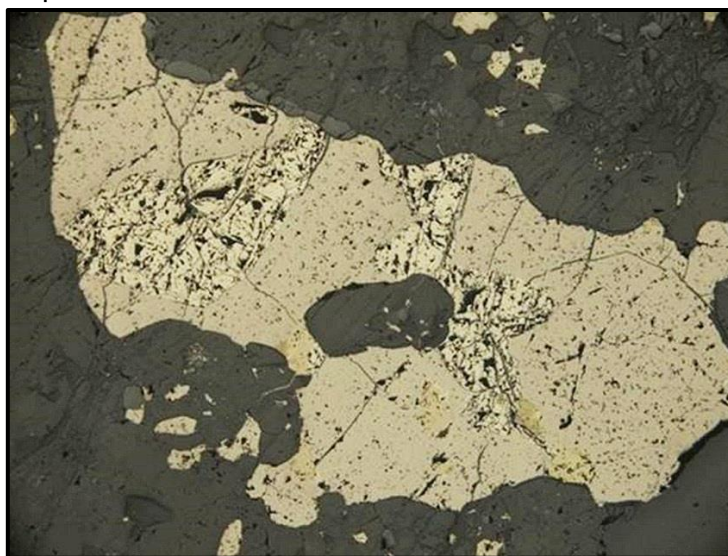


Photo 1: Meta-ultramafic with pyrrhotite (pale brownish cream), pentlandite (cream pitted) and chalcopyrite (small yellow grains). Reflected plane polarised light – RKDD002 626.6m.

Aircore Drilling Programme

An aircore drilling programme comprising 80 holes for an estimated 5,000m is planned to commence during the week starting 17 October. The broad spaced regional drilling will focus on selected targets based on aeromagnetic/gravity data and EM surveys. The aim of the drilling is to provide information on the regolith profile, basement lithologies and the lithogeochemical signature of the basement rocks.

Drilling will also follow up on the two moderate conductive corridors (potential structural features) at Area K and several broad conductive features at Area H.

Future Programmes

- Continuation of regional MLTEM surveying of the remaining five target areas,
- Commencement of 80 hole/5,000m aircore drilling programme.

2. CORPORATE

Treasury

Legend announced on 8 August that it had sold its 990,000 Independence Group Limited (“IGO”) shares for \$4,057,162. The sales occurred on market over a period from 5 July to 3 August 2016.

This brings the total cash and other liquid assets (including the receivable of \$3million from Jindal Steel and Power due in December 2016) to a value in excess of \$11 million at the end of the Quarter.

The history of the investment was Legend purchased 1.5m Sirius Resources Ltd (“SIR”) on market in 2012 for \$1,874,658. As a result of the IGO Acquisition and S2Resources (“S2R”) Demerger in 2015, Legend received cash (\$780,000), 990,000 IGO shares (sold for \$4,057,162) and 750,000 S2R shares (which are still held).

Release of Shares from Escrow

An Appendix 3B dated 23 September notified the market that 71,500,000 ordinary fully paid shares, related to the Rockford Project transaction, were released from escrow. Legend has no other securities in escrow.

Cameroon Project

Legend received the quarterly interest payment of \$30,000 on 6 September 2016 from Jindal Steel and Power, as per the rescheduled debt agreement announced to the ASX on 28 July 2015.

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.

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

For more information:

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Appendix 1: Tenement Schedule as at 30 September 2016

Mining Tenements

Tenement Reference	Location	Interest at beginning of Quarter	Acquired / Disposed	Interest at end of Quarter	Comments
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	70%	70:30 JV
E28/2191	Fraser Range, Western Australia	70%	N/A	70%	70:30 JV
E28/2192	Fraser Range, Western Australia	70%	N/A	70%	70:30 JV
ELA28/2638	Fraser Range, Western Australia	0%	Acquired	100%	Application
ELA28/2639	Fraser Range, Western Australia	0%	Acquired	100%	Application
ELA28/2640	Fraser Range, Western Australia	0%	Acquired	100%	Application

Farm-In or Farm-Out Arrangements

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

Appendix 2: Legend Mining Limited - Rockford Project
JORC Code Edition 2012: Table 1

Section 1: Sampling Techniques and Data

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> Selected half NQ2 core samples were submitted for geochemical and petrological analysis, along with appropriate QAQC reference samples and duplicates. All samples were submitted to an independent commercial assay laboratory and analysed for; Au by fire assay and a multi-element suite including Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y, Zn, Zr by ICP-OES/MS.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> Pre-collars to the top of saprock/fresh rock using the mud rotary technique were employed, followed by minor HQ diamond coring. The remainder of the hole was drilled with NQ2 diamond coring. Core is oriented using a downhole Reflex ori tool, with the bottom of hole marked on the core and checked by the site geologist.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> No samples were recovered from the mud rotary drilling. Drill core sample recoveries for the HQ and NQ2 core were recorded in drill log sheets.
<i>Logging</i>	<ul style="list-style-type: none"> Geological logging of all drillholes included; lithology, grainsize, texture, deformation, mineralisation, alteration, veining, colour, weathering. Drill core orientation was recorded when possible. Logging is qualitative and based on drill core retained in core trays. All drillholes were logged in their entirety.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> Selected half core samples based on geology were submitted for geochemical and petrological analysis, along with appropriate QAQC reference samples and duplicates. All diamond drill core has been marked in preparation for possible further sampling at a future date. The size of the sample is considered appropriate for the mineralisation style sought and an appropriate analytical technique will be used.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> The drill core samples were submitted to the independent Intertek Laboratory in Maddington WA. All samples were analysed for Au by fire assay and a multi-element suite by ICP OES/MS following a four acid digest, both techniques are total extraction methods.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> Primary data was collected in the field using a set of standard logging templates and entered into a laptop computer. The data was forwarded to Legend's database manager for validation and loading into the company's drilling database. No adjustments or calibrations have been made.
<i>Location of data points</i>	<ul style="list-style-type: none"> Diamond drillhole collars are surveyed with a handheld GPS unit with an accuracy of $\pm 5\text{m}$ which is considered sufficiently accurate for the purpose of the drillhole. All co-ordinates are expressed in GDA94 datum, Zone 51. Regional topographic control has an accuracy of $\pm 2\text{m}$ based on detailed DTM data.

Criteria	Commentary
Data spacing and distribution	<ul style="list-style-type: none"> Drillhole spacing is not regular or grid based, with the location of individual drillholes governed by targeting the position of modelled EM conductor plates. No compositing of core samples has been undertaken.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Drillholes were planned to intersect modelled EM conductor plates perpendicular to strike.
Sample security	<ul style="list-style-type: none"> Drill core samples were placed in numbered calico and polyweave bags immediately following cutting with a diamond saw. The polyweave bags were then hand delivered to Intertek Laboratory in Maddington WA. All remaining diamond drill core has been removed from site and stored in an appropriate facility in Perth.
Audits or reviews	<ul style="list-style-type: none"> Internal audits/reviews of procedures are ongoing, however no external reviews have been undertaken.

Section 2: Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> The Rockford Project comprises seven granted tenements; E28/2188-2192 (70% Legend, 30% Rockford Minerals Pty Ltd JV), E28/1718 & E28/1727 (70% Legend, 30% Ponton Minerals Pty Ltd JV) and three applications ELA28/2638-2640 (100% Legend). The Project is located 280km east of Kalgoorlie mostly on vacant crown land with the eastern portion on Kanandah Pastoral Station. There are no Native Title Claims over tenements E28/2188-2192. Tenements E28/1718 & E28/1727 are covered 90% and 20% respectively by the Ngadju Native Title Claim.
Exploration done by other parties	<ul style="list-style-type: none"> Not applicable, not referred to.
Geology	<ul style="list-style-type: none"> The primary target is Nova style nickel-copper mineralisation hosted in high grade mafic granulites within the Fraser Complex. A secondary target is Tropicana style structurally controlled gold mineralisation.
Drill hole Information	<ul style="list-style-type: none"> Refer to table of collars in body of report.
Data aggregation methods	<ul style="list-style-type: none"> Weighted averaging (based on sample interval) has been used in the reporting of the drilling results.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> The diamond drill core has been oriented to enable future evaluation of true thicknesses of any mineralised intervals. All drillhole intervals are downhole lengths measured in metres.
Diagrams	<ul style="list-style-type: none"> Project and prospect location maps have been included in the body of the report.
Balanced reporting	<ul style="list-style-type: none"> All significant results are reported.
Other substantive exploration data	<ul style="list-style-type: none"> Detailed 50m line spaced aeromagnetic data and 800m/400m x 200m/100m station gravity data has been used to assist target area selection. Geological and geochemical data from limited regional aircore drilling has also been used.
Further work	<ul style="list-style-type: none"> Ongoing MLTEM surveying and regional aircore drilling.