HALF YEAR REPORT

30 JUNE 2018

ASX : LEG

ACN: 060 966 145

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ASX Code
LEG – ordinary shares

COMPANY DIRECTORY

Directors

Michael William Atkins (Non-Executive Chairman)
Mark William Wilson (Managing Director)
Derek William Waterfield (Executive Director – Technical)

Company Secretary

Anthony Michael Walsh

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DIRECTORS' REPORT

The Directors submit their report for the half-year ended 30 June 2018.

DIRECTORS

The names and details of the Company's directors during the financial period and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Michael Atkins (Chairman, Non-Executive Director)

Mark Wilson (Managing Director)

Derek Waterfield (Executive Director – Technical)

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activities during the period of the entities within the consolidated entity were exploration for nickel and copper deposits in Australia.

RESULTS OF OPERATIONS

The loss of the consolidated entity for the half-year after tax was $568,326 (2017: $481,577 loss).

REVIEW OF OPERATIONS

Legend continued early stage exploration on the Rockford Project tenements in the Fraser Range District of Western Australia, which included:

- Innovative Moving Loop ("MLTEM") and Fixed Loop ("FLTEM") electromagnetic surveys to identify conductive bodies up to 600m below surface in selected areas of known aeromagnetic and gravity character;

- Follow up aircore, reverse circulation ("RC") and diamond drill programmes to test the previously identified conductors;

- Down hole (DHTEM) electromagnetic surveys to test for offhole conductors;

- Regional aircore drilling programmes to understand regolith and top of fresh rock characteristics in selected areas of known aeromagnetic and gravity character.

As advised in the 2016 Annual Report, the payment terms under the Jindal Agreement were amended in 2015 as follows:

- The $6 million payment originally scheduled for 5 August 2015 is now to be paid in two tranches, $3 million on 15 September 2015 (received in 2015) and a further $3 million that was due on or before 15 December 2016 (see below);
- Interest of 4% payable quarterly in arrears will be payable on the second $3 million; and
- The $5.5 million payable under the Jindal Agreement upon the grant of a Mining Convention at the Cameroon Iron Ore Project ("Project") is now rescheduled to be paid upon the first commercial shipment of iron ore from the Project.

On 4 January 2017, the Company announced that it had received a request from Jindal Steel and Power (Mauritius) Limited ("Jindal") to consider a further deferral of the payment of the final amount of $3 million owing to Legend from the sale of the Cameroon Iron Ore project. At that time, Legend agreed to this request in principle, and expected to report as soon as an agreement of new payment terms was reached.

Legend was advised by Jindal in March 2017, that it was undergoing a major debt rescheduling with its creditors and is unable to make any payments to creditors, including Legend, nor finalise any rescheduling of the Legend debt until its own debt rescheduling is complete. At the date of the 2017 Annual Report, Legend had not completed an agreement on new payment terms with Jindal. As a result, out of the abundance of caution and in light of the fact that Jindal did not pay the receivable in December 2016 as previously agreed, as advised in the 2016 Annual Report, the directors decided to provide for the Jindal receivable in full as at 31 December 2016. Your directors are currently in discussions with Jindal to complete an agreement on revised payment terms for the remaining $3 million due under the Jindal Agreement for the sale of the Cameroon Iron Ore Project.

As at 30 June 2018, Jindal continues to meet its interest payment obligations pursuant to the payment terms under the Jindal Agreement amended in 2015. Since March 2017, each $30,000 quarterly interest payment has been received including the March 2018 and June 2018 interest payments.

EVENTS AFTER THE BALANCE SHEET DATE

No matters or circumstances have arisen since the end of the half-year to the date of this report, which have significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity.

AUDITOR'S INDEPENDENCE

The Auditor's Independence Declaration under S307C of the *Corporations Act 2001* has been received from Ernst & Young, the Company's auditor, and is available for review on page 18.

SIGNED in accordance with a Resolution of the Directors on behalf of the Board

M.W.

M Wilson
Managing Director

Dated this 5th day of September 2018

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 30 JUNE 2018

		CONSOLIDATED	
		30 Jun 2018	**30 Jun 2017**
	Notes	**$**	**$**
Finance revenue	3(a)	119,687	144,586
Other income		-	-
Net (loss)/gain on revaluation of financial assets held for trading		(90,713)	41,643
Other expenses	3(c)	(19,806)	(7,557)
Corporate expenses		(577,494)	(630,373)
Impairment of exploration assets		-	(11,376)
Share-based payments expense	13	-	(18,500)
Net loss before income tax expense		(568,326)	(481,577)
Income tax benefit		-	-
Loss for the period attributable to Owners of Legend Mining Limited		**(568,326)**	**(481,577)**
Other comprehensive income		-	-
Total comprehensive loss for the period attributable to Owners of Legend Mining Limited		**(568,326)**	**(481,577)**
LOSS PER SHARE (cents per share)			
Basic loss for the period attributable to ordinary equity holders of the parent	4	(0.0278)	(0.0236)
Diluted loss for the period attributable to ordinary equity holders of the parent	4	(0.0278)	(0.0236)

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Notes	CONSOLIDATED As at 30 Jun 2018 $	CONSOLIDATED As at 31 Dec 2017 $
ASSETS			
Current Assets			
Cash and cash equivalents	6	4,392,834	4,469,964
Trade and other receivables	7	13,658	39,630
Other financial assets	8	199,154	289,868
Total Current Assets		4,605,646	4,799,462
Non-current Assets			
Other financial assets	8	5,775	5,775
Property, plant and equipment	9	129,233	149,039
Deferred exploration assets	10	9,462,883	9,676,532
Total Non-Current Assets		9,597,891	9,831,346
TOTAL ASSETS		14,203,537	14,630,808
LIABILITIES			
Current Liabilities			
Trade and other payables	11	189,757	62,580
Provisions		140,344	131,882
Total Current Liabilities		330,101	194,462
Non-current Liabilities			
Provisions		92,008	86,592
Total Non-Current Liabilities		92,008	86,592
TOTAL LIABILITIES		422,109	281,054
NET ASSETS		13,781,428	14,349,754
EQUITY			
Equity attributable to equity holders of the parent			
Contributed equity	12	60,711,242	60,711,242
Reserves		23,268,278	23,268,278
Accumulated losses		(70,198,092)	(69,629,766)
TOTAL EQUITY		13,781,428	14,349,754

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 30 JUNE 2018

	CONSOLIDATED	
	30 Jun 2018	30 Jun 2017
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	-	-
Payments to suppliers and employees	(679,566)	(674,733)
Interest received	145,725	120,310
Net cash flows used in operating activities	(533,841)	(554,423)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	-	(37,572)
Payments for exploration and evaluation	(846,751)	(1,033,148)
Receipt of research and development tax incentive grant	1,303,462	1,037,085
Net cash flows (used in)/from investing activities	456,711	(33,635)
Net decrease in cash and cash equivalents	(77,130)	(588,058)
Cash and cash equivalents at the beginning of period	4,469,964	6,673,674
Cash and cash equivalents at end of period	4,392,834	6,085,616

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 30 JUNE 2018

Consolidated	Issued Capital $	Share Option Premium Reserve $	Accumulated Losses $	Total Equity $
At 1 January 2018	60,711,242	23,268,278	(69,629,766)	14,349,754
Loss for the period	-	-	(568,326)	(568,326)
Total comprehensive loss for the period	-	-	(568,326)	(568,326)
At 30 June 2018	60,711,242	23,268,278	(70,198,092)	13,781,428
At 1 January 2017	60,588,031	23,208,778	(69,062,698)	14,734,111
Loss for the period	-	-	(481,577)	(481,577)
Total comprehensive loss for the period	-	-	(481,577)	(481,577)
Issue of share capital and options for tenement acquisition	123,211	41,000	-	164,211
Share-based payments	-	18,500	-	18,500
At 30 June 2017	60,711,242	23,268,278	(69,544,275)	14,435,245

The accompanying notes form part of these financial statements

NOTE 1: CORPORATE INFORMATION

The financial report of Legend Mining Limited (the Company) for the half-year ended 30 June 2018 was authorised for issue in accordance with a resolution of the Directors on 5th September 2018.

Legend Mining Limited is a company incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are exploration for nickel and copper deposits in Australia.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half-year financial report should be read in conjunction with the Annual Financial Report of Legend Mining Limited for the year ended 31 December 2017.

It is also recommended that the half-year financial report be considered together with any public announcements made by Legend Mining Limited and its controlled entities during the half-year ended 30 June 2018 in accordance with the continuance disclosure obligations arising under the Corporations Act 2001.

(a) Basis of preparation

The half-year financial report is a general-purpose condensed financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 Interim Financial Reporting. The half-year financial report has been prepared on a historical cost basis except for certain financial instruments, which have been measured at fair value.

The half-year financial report is presented in Australian dollars and all values are expressed as whole dollars.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discreet reporting period.

(b) New Standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2017, except for the adoption of new standards effective as of 1 January 2018. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Group applies, for the first time, AASB 15 *Revenue from Contracts with Customers* and AASB 9 *Financial Instruments*. As required by AASB 134, the nature and effect of these changes are disclosed below.

AASB 15 *Revenue from Contracts with Customers*
AASB 15 supersedes AASB 111 *Construction Contracts*, AASB 118 *Revenue* and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under AASB 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. As the Group is in the exploration and evaluation stage of operations and does not recognise revenue, apart from interest

revenue, the adoption of this standard does not have an impact on the interim condensed consolidated financial statements of the Group.

AASB 9 *Financial Instruments*

AASB 9 replaces AASB 139 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting. The adoption of this standard has had no impact on the interim condensed consolidated financial statements of the Group, except for the classification of the Group's investments in listed equities which was previously classified as held for trading and is now classified as a financial asset at fair value through profit and loss. The change in classification has not resulted in any re-measurement adjustments at 1 January 2018.

(a) Classification and measurement

Under AASB 9, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.
Under AASB 9, debt financial instruments are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion').
The new classification and measurement of the Group's debt financial assets is as follow:

- Debt instruments at amortised cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category includes the Group's Trade and other receivables.

Other financial assets are classified and subsequently measured, as follows:

- Financial assets at FVPL comprise derivative instruments and quoted equity instruments which the Group had not irrevocably elected, at initial recognition or transition, to classify at FVOCI. This category would also include debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. Under AASB 139, the Group's quoted equity securities were classified as held-for-trading financial assets.

(b) Impairment

The adoption of AASB 9 has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach.
AASB 9 requires the Group to record an allowance for ECLs for all loans and other debt financial assets not held at FVPL.
ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.
For Trade and other receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(c) Estimates

The preparation of the half-year financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

NOTE 3: REVENUE AND EXPENSES

	CONSOLIDATED	
	30 Jun 2018	30 Jun 2017
	$	$
Revenues and expenses from continuing operations		
a) Finance Revenue		
Bank interest received and receivable	59,687	84,586
Interest on Jindal receivable (refer note 7(a))	60,000	60,000
	119,687	144,586
b) Employee Benefits Expense		
Salaries and On costs	247,304	263,279
Other employee benefits	-	18,500
	247,304	281,779
c) Other Expenses		
Depreciation	19,806	7,557
	19,806	7,557

NOTE 4: EARNINGS/(LOSS) PER SHARE

	CONSOLIDATED	
	30 Jun 2018 $	30 Jun 2017 $
(a) Earnings used in the calculation of basic earnings/(loss)per share		
Net loss attributable to ordinary equity holders of Legend Mining Limited	(568,326)	(481,577)
(b) Weighted average number of shares on issue during the financial period used in the calculation of basic earnings/(loss) per share	2,044,350,801	2,040,614,537
Weighted average number of ordinary shares on issue used in the calculation of diluted earnings/(loss) per share	2,044,350,801	2,040,614,537

(c) Information on the classification of options

As the Group has made a loss for the half-year ended 30 June 2018, all options on issue are considered antidilutive and have not been included in the calculation of diluted earnings per share. These options could potentially dilute basic earnings per share in the future.

NOTE 5: SEGMENT INFORMATION

AASB 8 requires operating segments to be identified on the basis of internal reports that are used by the chief operating decision maker ("CODM") in order to allocate resources to the segment and to assess its performance. The CODM of the Group is the Board of Directors.

The Group has identified its operating segments based on the internal reports that are provided to the CODM on a regular basis. The Group has one reportable segment being exploration and evaluation activities in Australia.

NOTE 6: CASH AND CASH EQUIVALENTS

	CONSOLIDATED	
	30 Jun 2018 $	31 Dec 2017 $
Cash at bank and in hand	392,834	969,964
Term deposits	4,000,000	3,500,000
Total cash and cash equivalents	4,392,834	4,469,964

NOTE 7: TRADE AND OTHER RECEIVABLES

	CONSOLIDATED	
	30 Jun 2018 $	**31 Dec 2017 $**
Current		
Other receivables **(b)**	13,658	39,630
	13,658	39,630
Non-current		
Receivable from Jindal Mining and Exploration Limited **(a)**	3,005,000	3,005,000
Provision for Jindal receivables	(3,005,000)	(3,005,000)
	-	-

Terms and conditions relating to the above financial instruments:

(a) On 4 January 2017, the Company announced that it has received a request from Jindal Steel and Power (Mauritius) Limited (“Jindal”) to consider a further deferral of the payment of the final amount of $3 million owing to Legend from the sale of the Cameroon Iron Ore project. At that time, Legend agreed to this request in principle, and expected to report to the ASX as soon as an agreement of new payment terms was reached. Legend was then advised by Jindal that it is undergoing a major debt rescheduling with its creditors and is unable to make any payments to creditors, including Legend, nor finalise any rescheduling of the Legend debt until its own debt rescheduling is complete. At the date of this report, Legend has yet to complete an agreement on new payment terms with Jindal. Since January 2017, Jindal has continued to pay the 4% interest due on the $3 million owing to Legend each quarter including the March 2018 and June 2018 interest payments.

(b) Other receivables are interest accruals on Term Deposits.

NOTE 8: OTHER FINANCIAL ASSETS	**CONSOLIDATED**	
	30 Jun 2018 $	**31 Dec 2017 $**
Current		
Share in S2 Resources Limited - at fair value	83,154	173,868
Shares in Nemex Resources Limited - at fair value	66,000	66,000
Security Bond (a)	50,000	50,000
	199,154	289,868
Non-current		
Rental property bond (b)	5,775	5,775

The equity investments are all classified as financial assets at fair value through profit and loss. The market value of all equity investments represent the fair value based on quoted prices on active markets (ASX) as at the reporting date without any deduction for transaction costs. These investments are classified as Level 1 financial instruments. There have been no transfers between levels of the fair value hierarchy used in measuring the fair value of these financial instruments, or changes in its classification as a result of a change in the purpose or use of these assets.

(a) Security Bond - bank deposit held as security for credit cards. At 30 June 2018, this deposit is held on term deposit for 5 months and 27 days with an interest rate of 2.75% per annum maturing on 24 December 2018.

(b) Rental Property Bond – this bond relates to a rental property in Kalgoorlie WA. No interest is received on this bond.

NOTE 9: PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED	
	30 Jun 2018	**30 Jun 2017**
	$	**$**
Cost	324,726	324,726
Accumulated depreciation	(195,493)	(175,687)
Net carrying amount	129,233	149,039

Movement	**6 Months Ended 30 Jun 2018**	**6 Months Ended 30 Jun 2017**
	$	**$**
Opening net carrying amount	149,039	156,479
Additions	-	43,282
Depreciation expense	(19,806)	(23,094)
Closing net carrying amount	129,233	176,667

NOTE 10: DEFERRED EXPLORATION ASSETS

	CONSOLIDATED	
	30 Jun 2018	**31 Dec 2017**
	$	**$**
Deferred exploration costs	9,462,883	9,676,532

(a) Deferred exploration and evaluation assets		**6 Months Ended 30 Jun 2018**	**6 Months Ended 30 Jun 2017**
		$	**$**
At 1 January, at cost		9,676,532	7,712,131
Expenditure incurred during the period		1,089,813	1,325,710
Reimbursement of exploration expenditure - R&D Rebate		(1,303,462)	(1,037,085)
At 30 June, at cost	(i)	9,462,883	8,000,756

Note:

(i) The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

NOTE 11: TRADE AND OTHER PAYABLES

Current – unsecured	**30 Jun 2018 $**	**31 Dec 2017 $**
Trade payables (i)	169,757	32,580
Other payables and accruals (ii)	20,000	30,000
	189,757	62,580

Terms and conditions relating to the above financial instruments

(i) Trade payables are non-interest bearing and normally settled on 30 day terms.

(ii) Other payables are non-interest bearing and normally settled as they fall due.

NOTE 12: CONTRIBUTED EQUITY

	CONSOLIDATED AND COMPANY	
	30 Jun 2018 $	**31 Dec 2017 $**
Ordinary shares		
Issued and fully paid	63,985,375	63,985,375
Issue costs	(3,274,133)	(3,274,133)
	60,711,242	60,711,242

Movement in ordinary shares on issue	**30 June 2018 No of Shares**	**30 June 2018 $**
At 1 January 2018	2,044,350,801	63,985,375
At 30 June 2018	2,044,350,801	63,985,375

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

NOTE 13: SHARE-BASED PAYMENTS

During the 2018 half-year there were no share-based payment transactions.

NOTE 14: COMMITMENTS

(a) Exploration expenditure commitments
In order to maintain current rights of tenure to exploration tenements, the Group will be required to outlay approximately $2,110,000 (2017: $1,726,500) in the following twelve months in respect of tenement lease rentals and to meet minimum expenditure requirements of the Department of Mines, Industry Regulation and Safety. These obligations are expected to be fulfilled in the normal course of operations and have not been provided for in the financial report.

(b) Operating Lease commitments
The company has negotiated and signed a new lease agreement with the Creasy Group for commitment over its office premises located at Level 1/8 Kings Park Road, West Perth. An initial term of two years commencing on 1 April 2017 and expiring on 31 March 2019 with an option term of a further two years expiring on 31 March 2021. Total rent, including the lease of three car bays, is $64,927.80 per annum.

The company also has a lease commitment over its warehouse located at 2/8 Pauley Court, Boulder. The first year's rent (being $21,000) was paid in advance to 17 September 2017. The second year of the term is paid monthly in advance and expires on 17 September 2018. Discussions are currently underway to renew the lease for a further term once it expires in September 2018.

NOTE 15: CONTINGENT LIABILITIES

There are no contingent liabilities at the reporting date.

NOTE 16: EVENTS AFTER THE BALANCE SHEET DATE

No matters or circumstances have arisen since the end of the half-year to the date of this report which have significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity.

NOTE 17: DIVIDENDS PAID AND PROPOSED

No dividends were paid or proposed this financial period.

NOTE 18: FAIR VALUES

The carrying amounts of the Group's financial assets and financial liabilities at 30 June 2018 and 31 December 2017 are reasonable approximations of their fair values at those dates.

Management assessed that cash and cash equivalents, trade and other receivables, and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following table provides the fair value measurement hierarchy of the Group's assets measured at fair value:

Asset measured at fair value	**Date of valuation**	**Total**	**Quoted prices in active market (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
	Recurring				
Quoted equity investments (note 8)	30-Jun-2018	149,154	149,154	-	-

There have been no transfers between Level 1 and Level 2 during the period.

The fair value of the financial assets is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
Fair value of the quoted equity instruments is based on price quotations at the reporting date.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Legend Mining Limited, I state that:

In the opinion of the Directors:

a) the financial statements and notes, of the consolidated entity, are in accordance with the Corporations Act 2001, including;

   i. Giving a true and fair view of the consolidated entity's financial position as at 30 June 2018 and its performance for the period ended on that date; and

   ii. Complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and

b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board.

Mark Wilson
Managing Director

Dated this 5th day of September 2018

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Auditor's independence declaration to the Directors of Legend Mining Limited

As lead auditor for the review of Legend Mining Limited for the half-year ended 30 June 2018, I declare to the best of my knowledge and belief, there have been:

a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Legend Mining Limited and the entities it controlled during the financial period.

Ernst & Young

Darryn Hall
Partner
5 September 2018

DH:RP:LEGEND:013

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Independent Auditor's Review Report to the Members of Legend Mining Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Legend Mining Limited, which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

a) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of its performance for the half-year ended on that date; and

b) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Ernst & Young

Darryn Hall
Partner
Perth
5 September 2018