

A.C.N. 060 966 145



HALF-YEAR REPORT

30 JUNE 2009

For personal use only

CONTENTS

	Page
Company Directory	1
Directors' Report	2
Condensed Statement of Comprehensive Income	4
Condensed Statement of Financial Position	5
Condensed Consolidated Cash Flow Statement	6
Condensed Consolidated Statement of Changes in Equity	7
Notes to the Financial Statements	8
Director's Declaration	16
Declaration of Auditor Independence	17
Independent Auditor's Review Report	18

Web

www.legendmining.com.au

Email

legend@legendmining.com.au

ASX Codes

LEG – ordinary shares

COMPANY DIRECTORY

Directors

Michael William Atkins (Chairman)
Mark William Wilson (Managing Director)
Dermot Michael Ryan (Non-executive Director)

Company Secretaries

Tony Walsh
Brett White

Registered Office

Level 2
640 Murray Street
PO Box 626
WEST PERTH, WA 6005

Telephone: (08) 9212 0600
Facsimile: (08) 9212 0611

Bankers

National Australia Bank
1232 Hay Street
WEST PERTH, WA 6005

Auditors

Stantons International
Level 1, 1 Havelock Street
WEST PERTH, WA 6005

Home Exchange

Australian Securities Exchange Ltd
2 The Esplanade
PERTH WA 6000

Share Registry

Advanced Share Registry Services
110 Stirling Highway
NEDLANDS, WA 6009

Telephone: (08) 9389 8033
Facsimile: (08) 9389 7871

Lawyers

Pullinger Readhead Lucas
Level 1, Fortescue House
50 Kings Park Road
WEST PERTH, WA 6005

DIRECTORS' REPORT

The Directors submit their report for the half-year ended 30 June 2009.

DIRECTORS

The names and details of the Company's Directors in office 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)

Dermot Ryan (Non Executive Director)

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activities during the period of the entities within the consolidated entity were:-

- Exploration for gold and base metal (zinc-copper-gold, nickel-copper, zinc-copper and copper-gold) deposits.
- At 1 January 2009, Legend Mining Limited ("Legend") held 3,400,000 shares in Independence Group NL ("IGO"), a listed entity on the Australian Securities Exchange. During the period, Legend sold 1,500,000 shares in IGO for \$4,965,358. At 30 June 2009, Legend held 1,900,000 shares in IGO valued at \$8,797,000.
- During the period, Legend acquired 10,000,000 shares in Apex Minerals ("AXM") at a total cost of \$2 million. Apex Minerals is listed on the Australian Securities Exchange. Legend also entered into a sub-underwriting agreement which entitles Legend a priority position in any shortfall in the Apex rights issue. In June 2009, Legend acquired a further 15,000,000 shares in AXM as per sub-underwriting agreement. At 30 June 2009, Legend held 25,000,000 shares in AXM valued at \$3,875,000.

RESULTS OF OPERATIONS

The profit of the consolidated entity for the half-year after tax was \$3,952,802 (2008: loss \$219,793) after income tax.

REVIEW OF OPERATIONS

1. This half year saw Legend's projects being progressed in an orderly manner. In summary: Legend is exploring the Pilbara, Mt Gibson and Gum Creek Projects. Drill programs, soil sampling and geophysical surveys are some of the techniques being employed to consistently develop new drill targets. Work on the ground at the Pilbara Project has been stalled by the negotiation process of a Heritage Agreement with the relevant Native Title landholder body.
2. The mining operations at the Mt Gibson project remain on care and maintenance and the Company has instigated the sale of the items of value from the processing plant with a view to scrapping the remainder and rehabilitating the site with a view to reducing the Environmental bond liability.

The accommodation camp has been rented to Extension Hill Pty Ltd for \$500,000 per year for a three year period commencing 4 August 2008.

AUDITOR'S INDEPENDENCE

The Auditor's Independence Declaration under S307C of the *Corporations Act 2001* has been received from Stantons International, the Company's Auditor, and is available for review on page 17.

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

M. Wilson

M Wilson
Managing Director

Dated this 8th day of September 2009

For personal use only

**CONDENSED CONSOLIDATED COMPREHENSIVE INCOME STATEMENT
FOR THE HALF-YEAR ENDED 30 JUNE 2009**

	Notes	CONSOLIDATED	
		As at 30-Jun-09 \$	As at 30-Jun-08 \$
Continuing Operations			
Rental revenue	3(a)	250,000	10,143
Finance revenue	3(b)	147,125	438,828
Other income	3(c)	2,157,420	129,199
Net gain/(loss) on revaluation of financial assets held for trading	3(g)	3,568,000	-
Deferred exploration expenditure written off	3(e)	(54)	(55,562)
Other expenses	3(f)	(70,075)	(75,534)
Corporate head office expenses		(489,471)	(640,190)
Finance costs		(13,900)	(26,677)
Net profit / (loss) from continuing operations before income tax expense		5,549,045	(219,793)
Income tax benefit/ (expense)		(1,596,243)	-
Profit / (Loss) from continuing operations for the period		3,952,802	(219,793)
Other comprehensive income		-	-
Total comprehensive income / (loss) for the period		3,952,802	(219,793)
Comprehensive income / (loss) attributable to:			
Members of the parent entity		3,952,802	(219,793)
PROFIT/(LOSS) PER SHARE (cents per share)			
Basic profit/(loss) for the period	4	0.327	0.019
Diluted profit/(loss) for the period	4	0.326	0.019

The accompanying notes form part of these financial statements

For personal use only

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2009**

	Notes	CONSOLIDATED	
		As at 30-Jun-09 \$	As at 31-Dec-08 \$
ASSETS			
Current Assets			
Cash and cash equivalents	6	4,851,463	5,002,686
Trade & other receivables		114,409	228,470
Prepayments		56,774	12,464
Other financial assets	7	12,672,000	7,344,000
Total Current Assets		17,694,646	12,587,620
Non-current Assets			
Deferred tax asset		675,932	1,286,421
Other financial assets	7	1,545,058	1,543,602
Property, plant & equipment	8	363,401	450,834
Deferred exploration costs	9	5,325,289	4,729,807
Total Non-current Assets		7,909,680	8,010,664
TOTAL ASSETS		25,604,326	20,598,284
LIABILITIES			
Current Liabilities			
Trade & other payables	10	233,887	176,469
Income tax payable		8,844	-
Provisions - employees		46,861	42,327
Total Current Liabilities		289,592	218,796
Non-current Liabilities			
Provisions for long service leave		30,954	26,711
Provisions for rehabilitation		1,478,924	1,477,468
Deferred tax liability		2,559,605	1,559,497
Total Non-Current Liabilities		4,069,483	3,063,676
TOTAL LIABILITIES		4,359,075	3,282,347
NET ASSETS		21,245,251	17,315,812
EQUITY			
Equity attributable to equity holders of the parent			
Contributed equity	11	36,309,778	36,333,141
Share option premium reserve		3,241,607	3,241,607
Accumulated losses		(18,306,134)	(22,258,936)
TOTAL EQUITY		21,245,251	17,315,812

The accompanying notes form part of these financial statements

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 30 JUNE 2009**

	CONSOLIDATED	
	As at 30-Jun-09 \$	As at 30-Jun-08 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	312,413	139,032
Payments to suppliers and employees	(322,170)	(310,174)
Payment for exploration and evaluation	(595,536)	(1,187,235)
Interest received	147,125	423,069
Interest paid	(13,900)	(14,579)
Net cash flows used in operating activities	(472,068)	(949,887)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant & equipment & scrap	287,652	10,000
Proceeds from sale of investments	4,965,358	-
Purchase of property, plant & equipment	-	(78,440)
Purchase of investments	(5,000,000)	-
Payment for performance bonds	-	3,592
Dividends Received	68,000	-
Net cash flows from/ (used in) investing activities	321,010	(64,848)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds / (refunds) from issue of ordinary shares	(165)	46,418
Proceeds from shares to be issued	-	6,400
Net cash flows from / (used in) financing activities	(165)	52,818
Net increase/(decrease) in cash and cash equivalents	(151,223)	(961,917)
Cash and cash equivalents at the beginning of period	5,002,686	11,913,555
Cash and cash equivalents at end of period	4,851,463	10,951,638

The accompanying notes form part of these financial statements

For personal use only

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 30 JUNE 2009**

Consolidated	Issued Capital	Shares to be issued	Share Option Premium Reserve	Equity Revaluation Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$	\$
At 1 January 2009	36,333,141	-	3,241,607	-	(22,258,936)	17,315,812
Total comprehensive income for the period	-	-	-	-	3,952,802	3,952,802
Sub-total	36,333,141	-	3,241,607	-	(18,306,134)	21,268,614
Refund for overpayment of option	(165)	-	-	-	-	(165)
Exercise of share options	-	-	-	-	-	-
Cost of issue of share capital	(23,198)*	-	-	-	-	(23,198)
At 30 June 2009	36,309,778	-	3,241,607	-	(18,306,134)	21,245,251
At 1 January 2008	36,385,772	-	3,192,481	237,936	(19,346,571)	20,469,618
Total comprehensive income for the period	-	-	-	-	(219,793)	(219,793)
Sub-total	36,385,772	-	3,192,481	237,936	(19,566,364)	20,249,825
Issue of options	-	-	49,126	-	-	49,126
Exercise of share options	46,418	6,400	-	-	-	52,818
Cost of issue of share capital	195,968	-	-	-	-	195,968
Return of capital	(83,089)	-	-	(237,936)	-	(321,025)
At 30 June 2008	36,545,069	6,400	3,241,607	-	(19,566,364)	20,226,712

* This is related to the movement in the deferred taxation cost on the capital raising costs

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2009

NOTE 1: CORPORATE INFORMATION

The financial report of Legend Mining Limited (the Company) for the half-year ended 30 June 2009 was authorised for issue in accordance with a resolution of the Directors on 07 September 2009.

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

The nature of the operations and principal activities of the Group are described in the Directors' Report.

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 2008.

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 2009 in accordance with the continuance disclosure obligations arising under the Corporations Act 2001.

(a) Basis of preparation

The half-year consolidated financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Australian Accounting Standards including AASB 134 Interim Financial Reporting and other mandatory professional reporting requirements. The half-year report has been prepared on a historical cost basis except for certain financial instruments which have been measured at fair value. Compliance with Australian Accounting Standards ensures that the financial statements and notes comply with International Financial Reporting Standards ("IFRS").

The 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) Adoption of new and revised Accounting Standards

The Company has adopted all new and revised Australian Accounting Standards issued by the AASB which are mandatory to apply to the current interim period. Disclosures required by these Standards that are deemed material have been included in this financial statement on the basis that they represent a significant change in information from that previously made available and are detailed below.

Presentation of Financial Statements

AASB 101 prescribes the contents and structure of financial statements. Changes reflected in this financial report include:

- the replacement of the Income Statement with the Statement of Comprehensive Income. Items of income and expense not recognised in profit or loss are now disclosed as components of 'other comprehensive income'. In this regard, such items are no longer reflected as equity movements in the Statement of Changes in Equity;
- the adoption of the single statement approach to the presentation of the Statement of Comprehensive Income; and
- other financial statements are renamed in accordance with the Standard.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2009

Other accounting standards which are effective for this accounting period include *AASB 3 - Business Combinations* and *AASB 8 - Operating segments*. These accounting standards do not have any impact on the current financial statements as the group had no business combinations in the period.

The group has continued to operate in one business segment (Mining Exploration) and in one geographical region (Australia).

New and revised Standards and Interpretations issued but not yet applicable are not expected to have a significant impact on the financial position or performance of the consolidated entity.

(c) Significant accounting policies

The half-year consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 31 December 2008.

(d) Basis of consolidation

The half-year consolidated financial statements comprise the financial statements of Legend Mining Limited and its subsidiaries as at 30 June 2009 ('the Group').

(e) Estimates

The preparation of the interim 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.

In preparing this consolidated interim financial report, the significant judgements made by management in applying the consolidated entity's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 31 December 2008.

For personal use only

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2009**

NOTE 3: REVENUE AND EXPENSES

	CONSOLIDATED	
	30-Jun-09	30-Jun-08
	\$	\$
Revenues and expenses from continuing operations		
a) Rental Revenue		
Rental revenue	250,000	10,143
b) Finance Revenue		
Bank interest received and receivable	147,125	438,828
c) Other Income		
Profit on sale of plant & equipment	270,294	-
Profit on share trading	1,725,358	-
Dividends received	68,000	-
Underwriting fees	90,000	-
Field work completed by Legend geologists	3,768	40,038
Refunds from DOIR	-	89,161
	2,157,420	129,199
d) Employee Benefits Expense		
Salaries & On costs	272,171	123,878
Share based payments	-	49,126
Other employee benefits	4,263	2,715
	276,434	175,719
e) Deferred Exploration Expenditure written off		
Write off of deferred exploration expenditure	54	55,562
f) Other Expenses		
Depreciation	70,075	75,025
Loss on sale of plant & equipment	-	509
	70,075	75,534
g) Net gain/(loss) on revaluation of Investments		
Fair value revaluation on Independence Group NL shares	4,693,000	-
Fair value revaluation on APEX Group NL shares	(1,125,000)	-
	3,568,000	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2009**

NOTE 4: LOSS PER SHARE	30-Jun-09	30-Jun-08
	\$	\$
(a) Reconciliation of earnings to net profit / (loss):		
Net Profit/(Loss)	3,952,802	(219,793)
Earnings used in the calculation of basic earnings / (loss) per share	<u>3,952,802</u>	<u>(219,793)</u>
(b) Weighted average number of shares on issue during the financial period used in the calculation of basic earnings / (loss) per share	1,209,350,801	1,172,335,738
Weighted average number of ordinary shares on issue used in the calculation of diluted earnings / (loss) per share	<u>1,209,350,801</u>	<u>1,172,335,738</u>

NOTE 5: SEGMENT INFORMATION

The Consolidated entity operates in one business and geographical segment, being the mining and exploration for gold and base metals (nickel-copper-zinc) in Australia.

NOTE 6: CASH AND EQUIVALENTS

	Consolidated	
	30-Jun-09	31-Dec-08
	\$	\$
Cash at bank and in hand	1,851,463	2,002,686
Short term deposits	3,000,000	3,000,000
Total cash and cash equivalents	<u>4,851,463</u>	<u>5,002,686</u>

NOTE 7: OTHER FINANCIAL ASSETS

	Consolidated	
	30-Jun-09	31-Dec-08
	\$	\$
Current		
Shares in Independence Group NL at market value	8,797,000	7,344,000
Shares in Apex Minerals NL at market value	<u>3,875,000</u>	<u>-</u>
	<u>12,672,000</u>	<u>7,344,000</u>
Non-current		
Performance and other bonds (a)	<u>1,545,058</u>	<u>1,543,602</u>

(a) Terms and conditions relating to the above financial instruments

- Non-Current Rehabilitation/Performance bonds– bank deposits were held as security for rehabilitation and credit cards, as a security deposit for the premises rented and as security for joint venture assets. These bonds were held on 90 day term deposits at 4.30%, 183 day term deposit at 2.20% and on 12 months at 8.20%.

For personal use only

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2009**

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	Buildings \$	Plant and equipment \$	Total \$
Consolidated			
At 1 January 2009, net of accumulated depreciation	106,515	344,319	450,834
Additions	-	-	-
Disposals	-	(17,358)	(17,358)
Depreciation expense	(28,404)	(41,671)	(70,075)
At 30 June 2009, Net of accumulated depreciation	<u>78,111</u>	<u>285,290</u>	<u>363,401</u>
At 1 January 2009			
Cost	284,040	706,276	990,316
Accumulated depreciation	<u>(177,525)</u>	<u>(361,957)</u>	<u>(539,482)</u>
Net carrying amount	<u>106,515</u>	<u>344,319</u>	<u>450,834</u>
At 30 June 2009			
Cost	284,040	643,156	927,196
Accumulated depreciation	<u>(205,929)</u>	<u>(357,866)</u>	<u>(563,795)</u>
Net carrying amount	<u>78,111</u>	<u>285,290</u>	<u>363,401</u>
Consolidated			
At 1 January 2008, net of accumulated depreciation	163,323	371,934	535,257
Additions	-	78,440	78,440
Disposals	-	(10,199)	(10,199)
Depreciation expense	(56,808)	(95,856)	(152,664)
At 31 December 2008, Net of accumulated depreciation	<u>106,515</u>	<u>344,319</u>	<u>450,834</u>
At 1 January 2008			
Cost	284,040	1,110,537	1,394,577
Accumulated depreciation	<u>(120,717)</u>	<u>(738,603)</u>	<u>(859,320)</u>
Net carrying amount	<u>163,323</u>	<u>371,934</u>	<u>535,257</u>
At 31 December 2008			
Cost	284,040	706,276	990,316
Accumulated depreciation	<u>(177,525)</u>	<u>(361,957)</u>	<u>(539,482)</u>
Net carrying amount	<u>106,515</u>	<u>344,319</u>	<u>450,834</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2009**

NOTE 9: DEFERRED EXPLORATION COSTS

		Consolidated	
		30-Jun-09	31-Dec-08
		\$	\$
Deferred exploration and evaluation		3,652,786	3,057,304
Deferred mining information		1,672,503	1,672,503
		5,325,289	4,729,807
		30-Jun-09	30-Jun-08
		\$	\$
(a) Deferred exploration and evaluation costs			
At 1 January, at cost		3,057,304	7,631,050
Expenditure incurred during the period		595,536	1,187,235
Expenditure written off during the period	(ii)	(54)	(55,562)
At 30 June, at cost	(iii)	3,652,786	8,762,723
(b) Deferred Mining Information			
At 1 January, at cost		1,672,503	1,672,503
At 30 June, at cost	(iii)	1,672,503	1,672,503

Note:

- (i) As part of the continuing tenement rationalisation, Legend Mining Limited lodged new tenement applications over areas covered by Gidgee Resources Limited tenement application. Expenditure allocated to these Gidgee Resources Limited tenements was reassigned to the new tenement applications.
- (ii) Carrying values for certain tenements were reviewed and subject to the following conditions being met;
- (1) no substantive expenditure for further exploration in the specific areas has been budgeted for;
 - (2) exploration for and evaluation of mineral resources in the specific area has not led to the discovery of commercially viable quantities of mineral resources;
- it was decided to discontinue such activities in the specific areas.
- (iii) 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 10: TRADE AND OTHER PAYABLES

	30-Jun-09	31-Dec-08
	\$	\$
Current – unsecured		
Trade payables	63,290	24,941
Other payables & accruals	170,597	151,528
	233,887	176,469

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2009**

NOTE 11: CONTRIBUTED EQUITY

Consolidated and Company

	30-Jun-09	31-Dec-08
	\$	\$
Ordinary shares		
Issued and fully paid	37,961,385	37,961,550
Issue costs	(1,651,607)	(1,628,409)
	36,309,778	36,333,141
 Movement in ordinary shares on issue 2009	 30-Jun-09	 \$
At 1 January 2009	1,209,350,801	37,961,550
Issued in period		
31-March-09 Refund for overpayment of options	-	(82)
17-April-09 Refund for overpayment of options	-	(83)
	1,209,350,801	37,961,385

Effective 1 July 1998, the Corporations legislation in place abolished the concept of authorised share capital and par value shares. Accordingly the Company does not have authorised capital nor par value in respect of its issued shares.

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

NOTE 12: RELATED PARTY DISCLOSURES

(i) Wholly-owned group transactions

Loans made by Legend Mining Limited to wholly-owned subsidiaries are repayable on demand and are not interest bearing.

(ii) Other related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(iii) Ultimate parent

Legend Mining Limited is the ultimate parent company.

(iv) Loans to related parties

Legend Mining Limited have advanced/ (received) the following loans to/ (from) its subsidiary companies during the half-year ended 30 June 2009.

	As at 30-Jun-09	As at 31-Dec-08
	\$	\$
Gibson Metals Pty Ltd	(193,715)	511,039
Armada Mining Limited	(182,452)	681,175
Gidgee Resources Limited	-	-
	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2009

NOTE 13: COMMITMENTS

(a) Exploration expenditure commitments.

In order to maintain current rights of tenure to exploration tenements, the Group will be required to outlay approximately \$1,566,290 in the following 12 months, (previous 12 months: \$642,200) in respect of tenement lease rentals and to meet minimum expenditure requirements of the Department of Mines & Petroleum. These obligations are expected to be fulfilled in the normal course of operations and have not been provided for in the financial report.

This is the maximum commitment to exploration, to fully meet DMP requirements. In practice, Legend has routinely applied for and been granted exemptions from meeting these requirements on a tenement by tenement basis. As a result the actual amount required to be expended on exploration is expected to be less than \$1,566,290, while still holding all the tenements in good standing.

NOTE 14: CONTINGENT LIABILITIES

There has been no material change of any contingent liabilities during the half-year.

No other 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.

The consolidated entity's activities in Australia are subject to the Native Titles Act and the Department of Environment. Uncertainty associated with Native Title issues may impact on the consolidated entity's future plans.

There are no unresolved Native Title issues and the consolidated entity is not aware of any other matters that may impact upon its access to the land that comprises its project areas.

NOTE 15: EVENTS AFTER THE BALANCE SHEET DATE

As at 7 September 2009 the valuation of the investments was as follows:

Independence Group NL, \$4.55 per share or a loss of \$0.08 per share since 30 June 2009 representing a net loss before tax of \$152,000.

APEX Minerals \$0.099 per share or a loss of \$0.056 per share since 30 June 2009 representing a net loss before tax of \$1,400,000.

As at the date of this report there are no subsequent significant events after the balance date other than those described above.

On 4 September Legend announced it had signed a Heads of Agreement with Camina SA, a company incorporated in Cameroon, for the right to explore on granted tenements in Cameroon subject to all regulatory approvals. If the required results were achieved during this exploration phase, Legend would have the opportunity to purchase 90% of Camina.

NOTE 16: DIVIDENDS PAID AND PROPOSED

No dividends were paid or proposed this financial period.

There are no franking credits available for future reporting periods.

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 2009 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 08 September 2009

Stantons International

ABN 41 103 088 697

LEVEL 1, 1 HAVELOCK STREET
WEST PERTH WA 6005, AUSTRALIA
PH: 61 8 9481 3188 • FAX: 61 8 9321 1204
www.stantons.com.au

8 September 2009

Board of Directors
Legend Mining Limited
Level 2, 640 Murray Street
WEST PERTH WA 6005

Dear Directors

RE: LEGEND MINING LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Legend Mining Limited.

As the Audit Director for the review of the financial statements of Legend Mining Limited for the half year ended 30 June 2009, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

STANTONS INTERNATIONAL
(Authorised Audit Company)



J P Van Dieren
Director

For personal use only

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF LEGEND MINING LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Legend Mining Limited, which comprises the condensed statement of financial position as at 30 June 2009, and the condensed statement of comprehensive income, condensed statement of changes in equity, and condensed statement of cash flows for the half-year ended on that date, a condensed statement of accounting policies, other selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Legend Mining Limited (the Company) are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 Standards on Review Engagements ASRE 2410 *Review of Interim Financial and Other Financial Reports 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 Company's financial position as at 30 June 2009 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 Legend Mining Limited, 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.

For personal use only

Independence

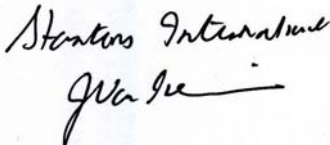
In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Legend Mining Limited on 08 September 2009.

Conclusion

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 Legend Mining Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2009 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standards AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

**STANTONS INTERNATIONAL
(An Authorised Audit Company)**



The image shows a handwritten signature in black ink on a light blue background. The signature is written in a cursive style and appears to read "Stantons International" on the top line and "John P Van Dieren" on the bottom line.

**John P Van Dieren
Director**

West Perth, Western Australia
08 September 2009