

LEGEND MINING LIMITED

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PROJECTS

Cameroon: Iron Ore, Gold

Fraser Range: Nickel, Copper
Gold

HIGHLIGHTS

- **Deadline extended to accommodate satisfaction of remaining Conditions Precedent in Cameroon Sale Agreement.**
- **Seven of nine conditions satisfied with the outstanding matters well advanced.**
- **Fraser Range tenement covering 356km² granted and detailed aeromagnetic survey completed.**

OVERVIEW

The support that Legend management has received and continues to receive from the Cameroon government and Jindal to satisfy all Conditions Precedent required under the Sale Agreement has been unwavering. The process to satisfy the outstanding Conditions Precedent has been the cause of the need to seek the extension to the deadline rather than any other factor. Now that all the government and regulatory Conditions Precedent have been met, Legend can progress to finalising the outstanding matters relating to the consents and agreement of Camina and the local Cameroonian shareholders. Legend expects the 60 day extension to the deadline to more than adequately accommodate all contingencies.

Meanwhile the new Fraser Range tenement has been granted. Legend took advantage of an opportunity to save costs and fly an aeromagnetic survey whilst a crew was in the area during the March quarter. Results of this survey are now being analysed along with a review of successful exploration methodologies in the Fraser Range to enable considered exploration strategies for this project.

1. CAMEROON PROJECT SALE AGREEMENT

Legend Mining Limited (“**Legend**”) announced to the ASX on 20 November 2013 that it had entered into a Share Sale and Debt Assignment Agreement (“**SSDAA**”) with a wholly-owned subsidiary of Jindal Steel and Power Limited (“**Jindal**”) for the sale of Legend’s 90% interest in Camina SA (“**Camina**”),¹ the holding company of the Ngovayang Project (the “**Project**”) in the Republic of Cameroon (the “**Transaction**”).

Under the SSDAA, Jindal will acquire 100% of the shares of Legend Iron Limited (“**Legend Iron BVI**”) and the intercompany loans provided by Legend to Camina, for cash consideration of A\$12 million payable upon completion (subject to working capital adjustments), and a further A\$5.5 million payable within 10 business days of the execution of a Mining Convention between Jindal and the government of Cameroon. Subsequent negotiations to satisfy and/or waive certain Conditions Precedent (“**CP**”) have resulted in the A\$12 million payment being split into A\$6 million payable upon completion (subject to working capital adjustments) and the remaining A\$6 million 12 calendar months later. This reschedule does not compromise the future activities and direction of Legend as outlined in Clause 1.7 of the Explanatory Memorandum contained in the Notice of General Meeting held on 24 December 2013.

Pursuant to the SSDAA, the Deadline for the satisfaction of the CP was 150 days. Legend and Jindal have agreed to extend the Deadline by up to 60 days from 19 April 2014 to enable the satisfaction of the outstanding CP as detailed below.

Summary of the Status of CP Satisfaction

CP Currently Satisfied and/or waived

- Approval of Legend shareholders in an ordinary meeting, as required by ASX Listing Rule 11.2;
- The directors of Legend who hold shares in Legend certifying that they have voted those shares in favour of the Transaction;
- Approval from the Cameroon Minister of Mines for transfer of the controlling interest in the Project to Jindal;
- Confirmation from the Cameroon Minister of Mines that the exploration permits comprising the Project are able to be renewed 4 times for 2 years each;
- Issuance of an exploration permit to Camina over a 307km² area adjoining EP144 currently held by Camina (granted on 7 February 2014);
- Confirmation from the Minister of Finance (or other relevant authority) that no tax is required to be deposited with any government agency as a result of consummation of the Transaction. This CP has been waived by both parties;
- Approval of the Reserve Bank of India permitting payment by Jindal of the Transaction consideration in foreign exchange. This CP has been waived by Jindal.

¹ To be implemented via the sale of 100% of Legend’s wholly-owned British Virgin Islands subsidiary, Legend Iron Limited, and transfer of intercompany debts, to Jindal.

CP Remaining to be Satisfied

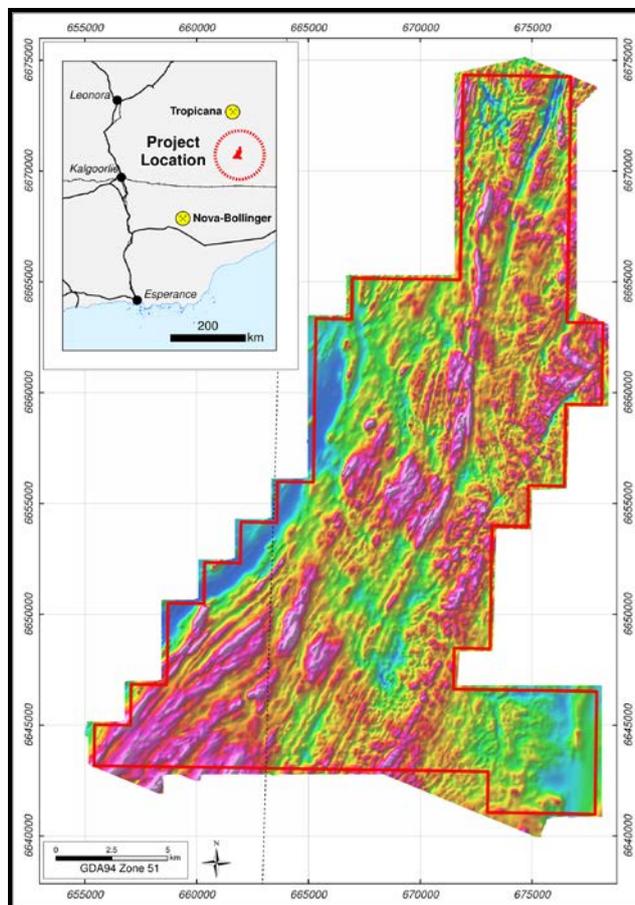
- Written consent of Camina, the minority shareholders of Camina (who collectively hold 10% of Camina) and certain other parties (collectively the “**Camina Minority Shareholders**”) to the novation to Jindal of Legend’s rights and obligations under the Share Sale Agreement by which Legend acquired its 90% shareholding in Camina in 2010 (“**Camina SSA**”). The primary such obligation is Legend’s obligation to fund 100% of the Project’s development costs up to completion of a Bankable Feasibility Study, which gives rise to a free carry of the minority shareholders to this point;
- The Camina Minority Shareholders, along with Legend, Legend Iron BVI and Camina, executing an amendment to the Camina SSA removing the restriction on future assignment and transfers of the shares in Legend Iron BVI by Jindal.

2. PROJECT GENERATION

Fraser Range E28/2342

Exploration licence E28/2342 covering 356km² in the Fraser Range District of Western Australia was granted on 20 March 2014 and is considered prospective for Nova-style nickel-copper and Tropicana-style structurally controlled gold mineralisation.

Legend has recently completed a detailed 50m line spaced aeromagnetic/radiometric survey over the entire tenement area aimed at identifying possible mafic/ultramafic intrusives as well as providing valuable structural information, see Figure 1. The integration of this high quality data with regional geochemical results will be undertaken to identify areas for follow-up exploration.



**Figure 1:
E28/2342 Location
and Aeromagnetic
Image (RTP)**

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Appendix 1: Tenement Schedule as at 31 March 2014

Mining Tenements

Tenement Reference	Location	Interest at beginning of Quarter	Acquired / Disposed	Interest at end of Quarter	Comments
EP144	Ngoyang, Cameroon	90%	N/A	90%	
EP195	Messondo, Cameroon	90%	N/A	90%	
EP221	Ngoyang 2, Cameroon	90%	N/A	90%	
EP307	Ngoyang 3, Cameroon	0%	90%	90%	
E28/2342	Fraser Range, Western Australia	0%	100%	100%	
ELA28/2408	Fraser Range, Western Australia	0%	N/A	0%	In ballot– competing applications
ELA28/2409	Fraser Range, Western Australia	0%	N/A	0%	
ELA28/2415	Fraser Range, Western Australia	0%	N/A	0%	

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

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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