

LEGEND MINING LIMITED

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PROJECTS

Fraser Range: Nickel, Copper
Gold

HIGHLIGHTS

- **Fraser Range ground electromagnetic survey over seven interpreted intrusive mafic/ultramafic bodies commenced and is ongoing**
- **\$6M cash received as Tranche 1 relating to sale of Cameroon Project. Tranche 2 (\$6M) due in July-August 2015**
- **Cancellation of 800 million Performance Options associated with the Cameroon Project finalised**

OVERVIEW

This quarter has marked the completion of the sale of the Cameroon Iron Ore Project to Jindal Steel and Power. The receipt of \$6M (Tranche 1) on 5 August coupled with the cessation of the obligation to fund Camina has put Legend in a very secure position financially. The second \$6M (Tranche 2) is due for payment in July/August 2015 and is unconditional.

The shareholders vote on 19 August approving the payment of \$1M consideration to cancel the 800M Performance Options and the subsequent cancellation on 28 August 2014 tidied Legend's share structure which the Board sees as removing an impediment to corporate activity.

Commencement of the ground electromagnetic (EM) survey on our Fraser Range tenement marks our first on ground exploration activity in Western Australia for five years.

The company continues to actively review new project opportunities.

1. FRASER RANGE PROJECT – (100% Legend)

The Fraser Range Project covers 409km², comprising one granted exploration licence (E28/2342) and two exploration licence applications (E28/2408 and E28/2415). Tenement E28/2342 is located 220km northeast of Nova and 100km south of Tropicana in the Fraser Range District, see Figure 1. It is considered prospective for Nova style nickel-copper and Tropicana style structurally controlled gold mineralisation.

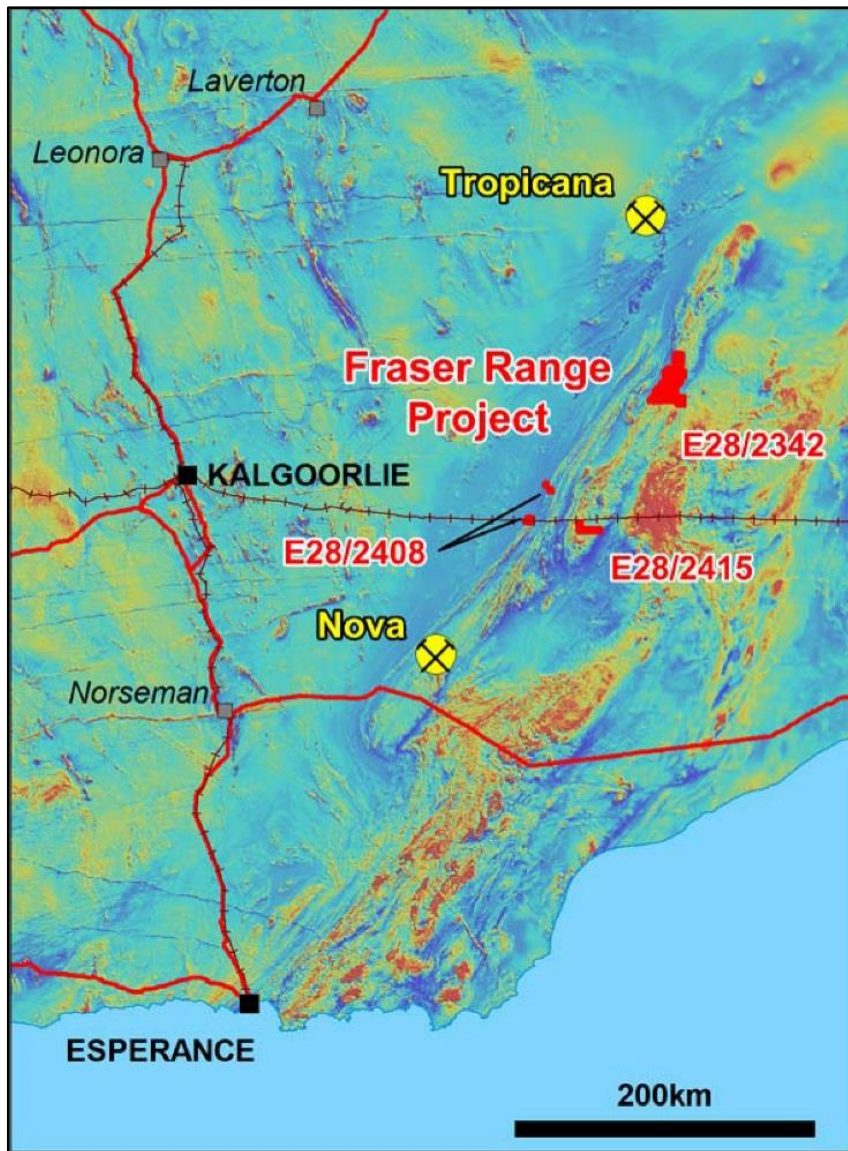


Figure 1: Project Location on Regional Aeromagnetic Image

Legend recently completed an interpretation of detailed aeromagnetic data over E28/2342, identifying seven priority targets showing magnetic characteristics of intrusive mafic/ultramafic bodies, see Figure 2. The targets were selected based on several factors including; high magnetic intensity, magnetic character/signature, and the relation to regional and localised structures. Several of these targets display similarities to that of Sirius' Nova deposit.

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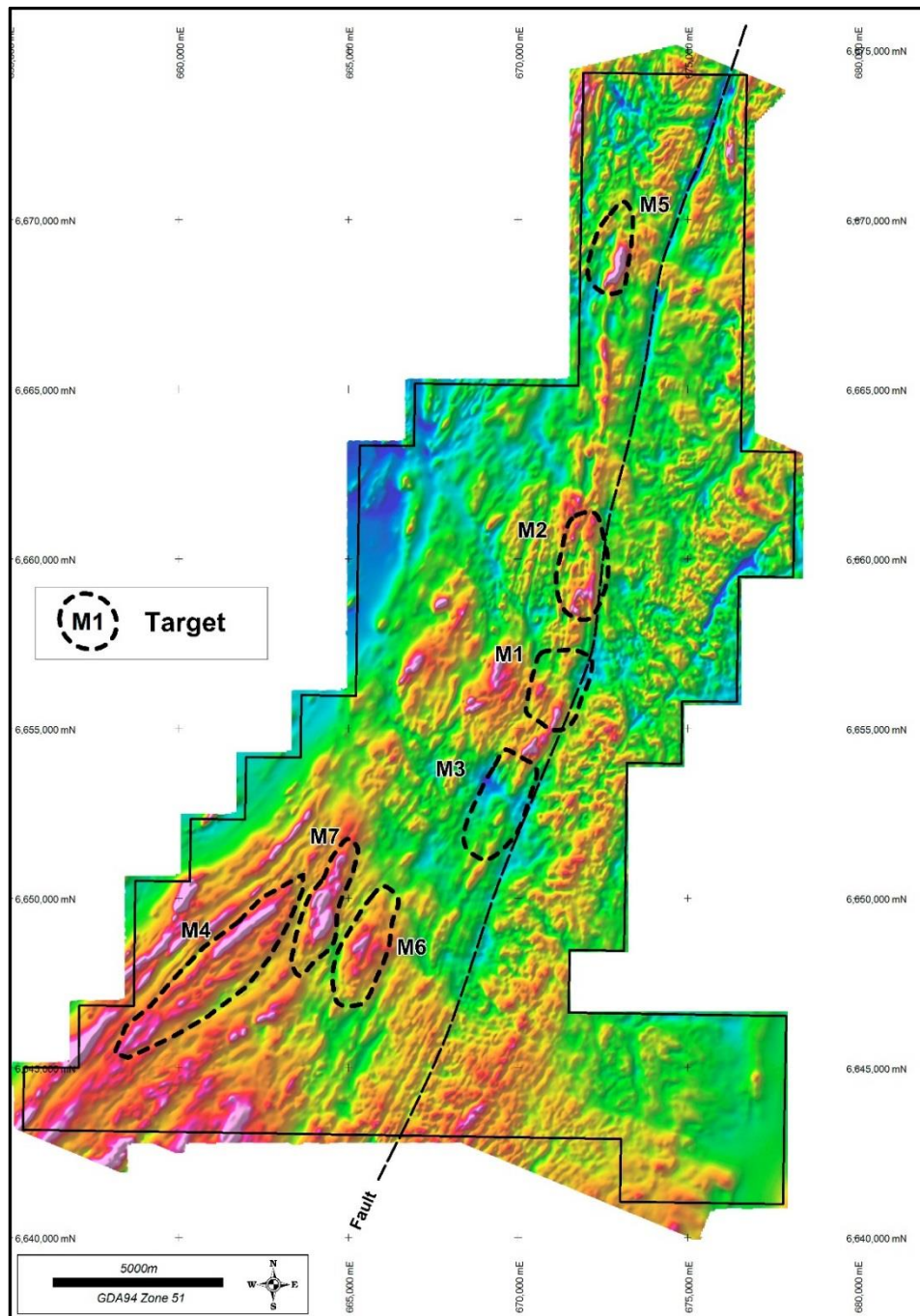


Figure 2: Interpreted Targets over Aeromagnetic Image (Total Magnetic Intensity)

An extensive moving loop electromagnetic (MLEM) survey aimed at identifying conductors associated with the seven priority targets has commenced, and is ongoing. Two of the seven targets have been completed to date, with no bedrock conductors identified. Thick vegetation and access difficulties have significantly slowed the survey's progress, with the survey expected to take a further 30 days to complete.

Appropriate follow-up programmes including drill testing, will be designed to test any conductors identified by the MLEM survey, subject to the necessary statutory clearances.

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New Fraser Range Tenement ELA28/2408

Legend was successful in a tenement ballot during the quarter with respect to ELA28/2408, which is located 90km southwest of E28/2342 and covers an area of 21km², see Figure 1. The application is still to clear all statutory requirements and not expected to be granted for 4-5 months, with exploration to commence shortly thereafter.

2. CORPORATE

Cameroon Sale Agreement

As announced to the ASX on 5 August 2014, Legend completed the Cameroon Project Sale with the receipt of the \$6M Tranche 1 payment. Legend will receive a total of \$17.5M in three tranches as outlined below:

- Tranche 1 \$6M at completion (received)
- Tranche 2 \$6M in July/August 2015
- Tranche 3 \$5.5M payment following execution of a Mining Convention between Jindal and the Cameroon Government

Cancellation of Performance Options

Legend shareholder approval to cancel 800 million Performance Options in the company for the consideration of \$1M was obtained at a company General Meeting held on 19 August 2014. The Performance Options were originally issued as part consideration for the purchase of the Ngovayang Iron Project in Cameroon and were formally cancelled on 28 August 2014.

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 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	0%	All tenements sold to Jindal Steel & Power 5/08/2014
EP195	Messondo, Cameroon	90%	N/A	0%	
EP221	Ngoyang 2, Cameroon	90%	N/A	0%	
EP307	Ngoyang 3, Cameroon	90%	N/A	0%	
E28/2342	Fraser Range, Western Australia	100%	N/A	100%	Granted
ELA28/2408	Fraser Range, Western Australia	0%	Acquired	100%	Application
ELA28/2415	Fraser Range, Western Australia	100%	N/A	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

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