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HALF YEAR REPORT

30 JUNE 2015

ASX: LEG

ACN: 060 966 145



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ASX Code

LEG – ordinary shares

Directors

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

Company Secretary

Dennis Wilkins

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 1232 Hay Street
 WEST PERTH, WA 6005

Auditors

Ernst & Young
 11 Mounts Bay Road
 PERTH, WA 6000

Home Exchange

Australian Securities Exchange Ltd
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DIRECTORS' REPORT

The Directors submit their report for the half-year ended 30 June 2015.

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 iron ore and gold deposits.

RESULTS OF OPERATIONS

The profit of the consolidated entity for the half-year after tax was \$1,244,381 (2014: \$557,218 loss after tax and non-controlling interests), which includes an impairment charge against the group's deferred exploration assets of \$110,185 (2014: \$1,144,664).

REVIEW OF OPERATIONS

Legend has begun early stage exploration on tenements it has an interest in in the Fraser Range District of Western Australia. In addition it has commenced the process to seek shareholder approval for the acquisition of a significant, and complementary tenement package adjacent to the company's existing tenements.

EVENTS AFTER THE BALANCE SHEET DATE

On 2 Jul 2015 the Group announced that it had entered into a Tenement Sale and Exploration Joint Venture Agreement ("Creasy Agreement") with the Creasy Group in the Fraser Range district of Western Australia. Key terms of the Creasy Agreement are:

- Legend to acquire 70% interest in tenements (E28/2188-2192, E28/1718 and E28/1727) for:
 - \$2.5 million cash payment;
 - 71.5 million Legend shares at a deemed price of \$0.007 (\$500,500); and
 - 150 million five year Legend options exercisable at \$0.04.
- Legend to sole fund exploration and free carry Creasy Group's 30% interest through to the signing of Mining Venture Agreements.

Shareholders of Legend will be asked to approve the Creasy Agreement at a meeting to be held on 17 September 2015.

On 28 July 2015 the Group announced the reschedule of the payment terms under the Jindal Agreement with the key amendments as follows:

- The \$6 million payment scheduled for 5 August 2015 is now to be paid in two tranches; \$3 million on 15 September 2015 and a further \$3 million on or before 15 December 2016;
- 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.

DIRECTORS' REPORT

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 16.

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

M. Wilson

M Wilson
Managing Director

Dated this 7 September 2015

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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 30 JUNE 2015**

	Notes	CONSOLIDATED	
		30 June 2015	30 June 2014
		\$	\$
Finance revenue	3(a)	317,553	65,174
Other income		90,909	-
Net gain on revaluation of financial assets held for trading		1,552,180	1,420,550
Other expenses	3(c)	(6,491)	(15,812)
Corporate expenses		(599,585)	(903,285)
Impairment of deferred exploration assets		(110,185)	(1,144,664)
Net profit/(loss) before income tax expense		1,244,381	(578,037)
Income tax benefit		-	20,819
Profit/(loss) for the period		1,244,381	(557,218)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Movement in foreign currency translation reserve		-	(850,469)
<i>Items that will not be reclassified to profit or loss</i>			
Non-controlling interest in foreign currency translation reserve		-	(94,496)
Other comprehensive income/(expense) for the period		-	(944,965)
Total comprehensive income/(expense) for the period		1,244,381	(1,502,183)
Profit/(loss) for the period attributable to:			
Members of Legend Mining Limited		1,244,381	(444,431)
Non-controlling interest		-	(112,787)
		1,244,381	(557,218)
Total comprehensive income/(expense) attributable to:			
Members of Legend Mining Limited		1,244,381	(1,294,900)
Non-controlling interest		-	(207,283)
		1,244,381	(1,502,183)
PROFIT/(LOSS) PER SHARE (cents per share)			
Basic profit/(loss) for the period attributable to ordinary equity holders of the parent	4	0.0634	(0.0226)
Diluted profit/(loss) for the period attributable to ordinary equity holders of the parent	4	0.0634	(0.0226)

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	Notes	CONSOLIDATED	
		As at 30 June 2015	As at 31 December 2014
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	6	6,553,142	6,937,339
Trade & other receivables	7	5,999,146	5,797,098
Other financial assets	8	5,422,500	4,161,900
Total Current Assets		17,974,788	16,896,337
Non-current Assets			
Other financial assets	8	50,000	50,000
Property, plant & equipment	9	41,429	47,920
Deferred exploration assets	10	487,060	393,318
Total Non-current Assets		578,489	491,238
TOTAL ASSETS		18,553,277	17,387,575
LIABILITIES			
Current Liabilities			
Trade & other payables	11	71,535	140,105
Provisions		116,536	130,229
Total Current Liabilities		188,071	270,334
Non-current Liabilities			
Provisions		53,539	49,955
Total Non-Current Liabilities		53,539	49,955
TOTAL LIABILITIES		241,610	320,289
NET ASSETS		18,311,667	17,067,286
EQUITY			
Equity attributable to equity holders of the parent			
Contributed equity	12	59,801,531	59,801,531
Reserves		22,417,578	22,417,578
Accumulated losses		(63,907,442)	(65,151,823)
TOTAL EQUITY		18,311,667	17,067,286

The accompanying notes form part of these financial statements

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**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 30 JUNE 2015**

	CONSOLIDATED	
	30 June 2015	30 June 2014
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	90,909	-
Payments to suppliers and employees	(586,061)	(966,596)
Interest received	96,278	78,745
Income taxes refunded	-	22,003
Net cash flows used in operating activities	<u>(398,874)</u>	<u>(865,848)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	-	(10,315)
Payments for exploration & evaluation	(276,903)	(622,251)
Payments for the purchase of investments	(1,979,797)	-
Proceeds on the sale of investments	2,271,377	-
Net cash flows from/(used in) investing activities	<u>14,677</u>	<u>(632,566)</u>
Net decrease in cash and cash equivalents	(384,197)	(1,498,414)
Cash and cash equivalents at the beginning of period	6,937,339	4,652,135
Effects of exchange rate movements on cash and cash equivalents	-	(314)
Cash and cash equivalents at end of period	<u><u>6,553,142</u></u>	<u><u>3,153,407</u></u>

The accompanying notes form part of these financial statements

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 30 JUNE 2015**

Consolidated

	Issued Capital \$	Foreign Currency Translation Reserve \$	Share Option Premium Reserve \$	Accumulated Losses \$	Non- Controlling Interests \$	Total Equity \$
At 1 January 2015	59,801,531	-	22,417,578	(65,151,823)	-	17,067,286
Profit for the period	-	-	-	1,244,381	-	1,244,381
Total comprehensive income for the period	-	-	-	1,244,381	-	1,244,381
At 30 June 2015	59,801,531	-	22,417,578	(63,907,442)	-	18,311,667
At 1 January 2014	59,818,890	3,497,527	22,417,578	(62,644,018)	(735,401)	22,354,576
Loss for the period	-	-	-	(444,431)	(112,787)	(557,218)
Other comprehensive income/(expense)	-	(850,469)	-	-	(94,496)	(944,965)
Total comprehensive expense for the period	-	(850,469)	-	(444,431)	(207,283)	(1,502,183)
Cost of issue of share capital	(11,820)	-	-	-	-	(11,820)
At 30 June 2014	59,807,070	2,647,058	22,417,578	(63,088,449)	(942,684)	20,840,573

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2015

NOTE 1: CORPORATE INFORMATION

The financial report of Legend Mining Limited (the Company) for the half-year ended 30 June 2015 was authorised for issue in accordance with a resolution of the Directors on 7 September 2015.

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 iron ore, gold and base metal deposits.

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 2014.

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 2015 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) 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 period as listed below:

- AASB 2014-1 Part A Amendments to Australian Accounting Standards Annual Improvements to IFRSs 2010-2012 Cycle; and
- AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments.

These standards have introduced new disclosures for the interim report but did not have a material effect on the entity's accounting policies or on any of the amounts recognised in the financial statements.

The Group has not elected to early adopt any other new Standards or amendments that are issued but not yet effective.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2015**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Significant accounting policies

The half-year financial report has been prepared using the same accounting policies as used in the annual financial statements for the year ended 31 December 2014.

(d) 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 June 2015	30 June 2014
	\$	\$
Revenues and expenses from continuing operations		
a) Finance Revenue		
Bank interest received and receivable	93,922	65,174
Receivables – unwinding of discount (refer note 7)	223,631	-
	317,553	65,174
b) Employee Benefits Expense		
Salaries & On costs	330,929	454,771
Other employee benefits	11,389	8,021
	342,318	462,792
c) Other Expenses		
Depreciation	6,491	8,650
Loss on disposal of property, plant and equipment	-	7,162
	6,491	15,812

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2015**

NOTE 4: EARNINGS/(LOSS) PER SHARE

CONSOLIDATED

	30 June 2015	30 June 2014
	\$	\$
(a) Earnings used in the calculation of basic earnings/(loss) per share		
Net profit/(loss) from continuing operations attributable to ordinary equity holders of Legend Mining Limited	1,244,381	(444,431)
(b) Weighted average number of shares on issue during the financial period used in the calculation of basic earnings/(loss) per share	1,962,850,801	1,962,850,801
Weighted average number of ordinary shares on issue used in the calculation of diluted earnings/(loss) per share	1,962,850,801	1,962,850,801
(c) Information on the classification of options		
For the half-year ended 30 June 2015, all options on issue were antidilutive as the various exercise prices were all greater than the average market price of the Company's shares during the reporting period. This has resulted in the diluted earnings per share being the same as the basic 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 had two reportable operating segments, being exploration and evaluation activities in Australia and West Africa, until completion of the sale of the African operations. Following completion of the sale the Group now has only one reportable segment being exploration and evaluation activities in Australia.

The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of this financial report.

	Australia		West Africa		Total	
	June	June	June	June	June	June
	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$
Segment Income	1,960,642	1,485,724	-	-	1,960,642	1,485,724
Segment Result	1,244,381	570,656	-	(1,127,874)	1,244,381	(557,218)
Segment Assets	18,553,277	8,492,138	-	12,602,964	18,553,277	21,095,102
Segment Liabilities	(241,610)	(224,207)	-	(30,322)	(241,610)	(254,529)

Segment revenues and expenses are those directly attributable to the segments and include those expenses incurred by head office where a reasonable basis of allocation exists. Segment assets include all assets used by a segment and consist principally of cash and cash equivalents, receivables, property, plant and equipment, investments in listed entities and capitalised exploration. Segment liabilities consist principally of payables, employee benefits, accrued expenses and provisions.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2015**

NOTE 6: CASH AND CASH EQUIVALENTS

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Cash at bank and in hand	1,553,142	1,437,339
Term deposits	5,000,000	5,500,000
Total cash and cash equivalents	6,553,142	6,937,339

NOTE 7: TRADE AND OTHER RECEIVABLES

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Receivable from Jindal Mining & Exploration Limited (a)	5,972,232	5,748,601
Other receivables (b)	26,914	48,497
	5,999,146	5,797,098

Terms and conditions relating to the above financial instruments:

(a) The receivable from Jindal Mining & Exploration Limited ("Jindal") is for the second tranche of \$6 million due on 5 August 2015 following the sale of the Cameroon Project. The receivable is recognised at amortised cost, with the gross proceeds being discounted at 8% from the due date. Finance revenue recognised on the unwinding of the discount for the half-year was \$223,631. Subsequent to the end of the reporting period, the repayment terms of this amount have been restructured, refer to note 15.

(b) Other receivables are non-interest bearing and have repayment terms of between 30 and 60 days.

Trade and other receivables are not past due and no impairment is required.

NOTE 8: OTHER FINANCIAL ASSETS

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Current		
Shares in Sirius Resources Limited at market value	4,950,000	3,840,000
Shares in Nemex Resources Limited at market value	412,500	141,900
Shares in Artemis Resources Limited at market value	60,000	180,000
	5,422,500	4,161,900
Non-current		
Performance and other bonds (a)	50,000	50,000

The equity investments are all classified as held for trading. 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.

The fair value of the above equity investments at close of trading on 4 September 2015 had decreased to \$4,243,800.

(a) Bank deposit held as security for credit cards. At 30 June 2015 this deposit is held on a 6 month term deposit with an interest rate of 3.00% per annum (31 December 2014, 6 months at 3.55%pa).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2015**

NOTE 9: PROPERTY, PLANT AND EQUIPMENT

	Plant and equipment \$
Consolidated	
At 31 December 2014	
Cost	129,237
Accumulated depreciation	(81,317)
Net carrying amount	47,920
 Half-Year Ended 30 June 2015	
Opening net carrying amount	47,920
Depreciation expense	(6,491)
Closing net carrying amount	41,429
 At 30 June 2015	
Cost	129,237
Accumulated depreciation	(87,808)
Net carrying amount	41,429

NOTE 10: DEFERRED EXPLORATION ASSETS

	Consolidated	
	30 June 2015	31 December 2014
	\$	\$
Deferred exploration costs	487,060	393,318
 (a) Deferred exploration and evaluation assets		
	6 Months Ended 30 June 2015	6 Months Ended 30 June 2014
	\$	\$
At 1 January, at cost	393,318	66,979
Expenditure incurred during the period	203,927	69,937
Expenditure written-off during the period	(110,185)	(16,790)
At 30 June, at cost (i)	487,060	120,126

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2015**

NOTE 11: TRADE AND OTHER PAYABLES

Current – unsecured	30 June 2015	31 December 2014
	\$	\$
Trade payables (i)	48,890	105,105
Other payables & accruals (ii)	22,645	35,000
	71,535	140,105
	71,535	140,105

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 June 2015	31 December 2014
	\$	\$
Ordinary shares		
Issued and fully paid	63,075,664	63,075,664
Issue costs	(3,274,133)	(3,274,133)
	59,801,531	59,801,531
	59,801,531	59,801,531

Movement in ordinary shares on issue 2015

	30 June 2015	30 June 2015
	No of Shares	\$
At 1 January 2015	1,962,850,801	63,075,664
No movement	-	-
At 30 June 2015	1,962,850,801	63,075,664
	1,962,850,801	63,075,664

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

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 \$120,000 (2014: \$120,000) in the following twelve months in respect of tenement lease rentals and to meet minimum expenditure requirements of the Department of Industry & Resources. 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 a lease commitment over its office premises located at 8 Kings Park Road, West Perth. The lease is for a period of two years commencing 1 November 2013. The lease commitment is \$68,122 for the first year increased for CPI in the second year.

NOTE 14: CONTINGENT LIABILITIES

There are no contingent liabilities at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2015

NOTE 15: EVENTS AFTER THE BALANCE SHEET DATE

On 2 Jul 2015 the Group announced that it had entered into a Tenement Sale and Exploration Joint Venture Agreement ("Creasy Agreement") with the Creasy Group in the Fraser Range district of Western Australia. Key terms of the Creasy Agreement are:

- Legend to acquire 70% interest in tenements (E28/2188-2192, E28/1718 and E28/1727) for:
 - \$2.5 million cash payment;
 - 71.5 million Legend shares at a deemed price of \$0.007 (\$500,500); and
 - 150 million five year Legend options exercisable at \$0.04.
- Legend to sole fund exploration and free carry Creasy Group's 30% interest through to the signing of Mining Venture Agreements.

Shareholders of Legend will be asked to approve the Creasy Agreement at a meeting to be held on 17 September 2015.

On 28 July 2015 the Group announced the reschedule of the payment terms under the Jindal Agreement with the key amendments as follows:

- The \$6 million payment scheduled for 5 August 2015 is now to be paid in two tranches; \$3 million on 15 September 2015 and a further \$3 million on or before 15 December 2016;
- 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.

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.

NOTE 16: DIVIDENDS PAID AND PROPOSED

No dividends were paid or proposed this financial period.

NOTE 17: FAIR VALUES

The carrying amounts of the Group's financial assets and financial liabilities at 30 June 2015 and 31 December 2014 are reasonable approximations of their fair values at those dates.

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)
Quoted equity investments (note 8)	Recurring 30-Jun-2015	5,422,500	5,422,500	-	-

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 2015 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 7 September 2015



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Auditor's Independence Declaration to the Directors of Legend Mining Limited

In relation to our review of the financial report of Legend Mining Limited for the half-year ended 30 June 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Gavin Buckingham
Partner
07 September 2015

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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 consolidated statement of financial position as at 30 June 2015, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the 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 of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

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 2015 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 and the entities it controlled during the half-year, 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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

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 consolidated entity's financial position as at 30 June 2015 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*.



Ernst & Young



Gavin Buckingham
Partner
Perth
07 September 2015

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