

Rockford Project Exploration Update, Fraser Range

- **RC drilling of five conductors to commence week starting 22 February**
- **Ground EM surveying recommenced at Area A North 22 January**
- **R&D tax refund received**

Legend Mining Limited (“Legend”) is pleased to provide an update on exploration activities at its Rockford Project in the Fraser Range district of Western Australia, see Figure 1.

An RC drilling programme comprising five holes (totalling ~1,400m) has been designed to test five strong-moderate conductors identified by moving loop electromagnetic (“MLEM”) surveying at Areas D and F, see Figure 1. Four holes will be drilled at Area D and one at Area F. All approvals and clearances have been received and drilling is scheduled to commence the week starting 22 February. In addition, MLEM surveying has also recently recommenced and will focus on Areas A North and A South. These surveys will complete the scheduled 2015 MLEM programme which was cut short by the Christmas break.

Legend Managing Director Mark Wilson said, “Following the success of our 2015 MLEM surveys we are pleased to commence our first RC drilling campaign to test five quality conductors. These will be the first RC holes drilled in the entire Rockford Project area and will provide important geological information to compliment the magnetic and gravity datasets.”

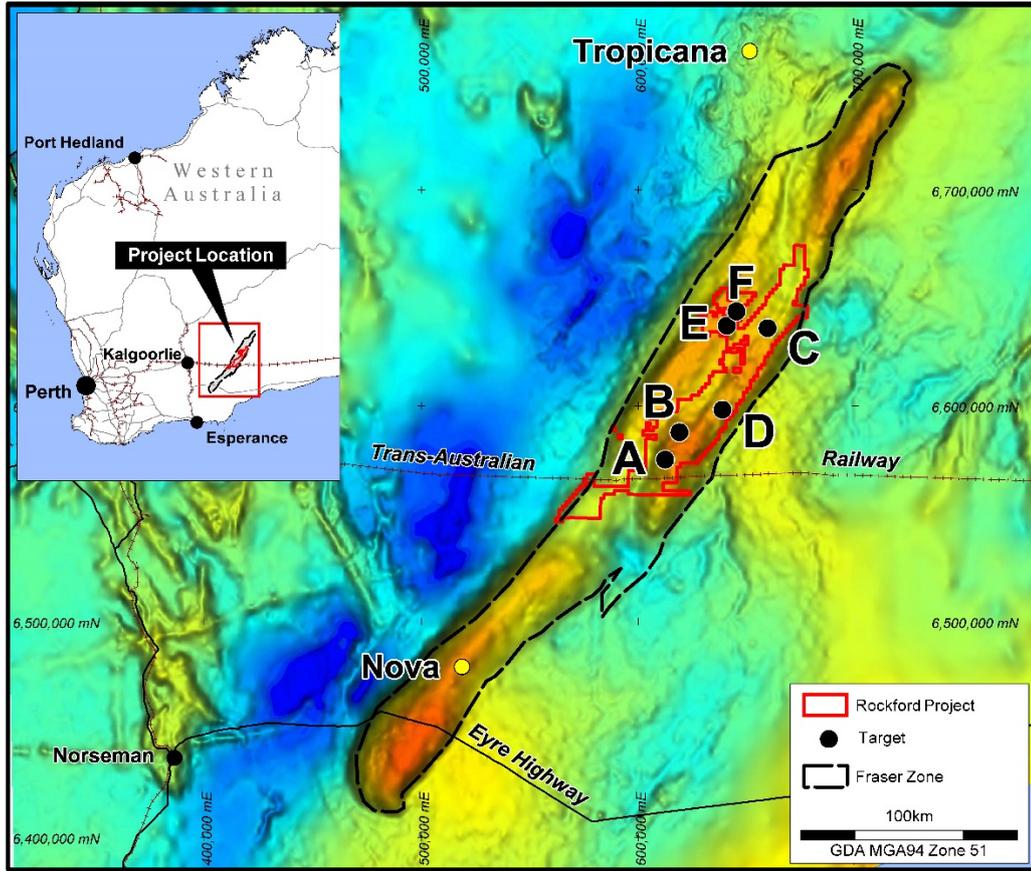


Figure 1: Rockford Project Target Areas on Regional Gravity

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Technical Discussion

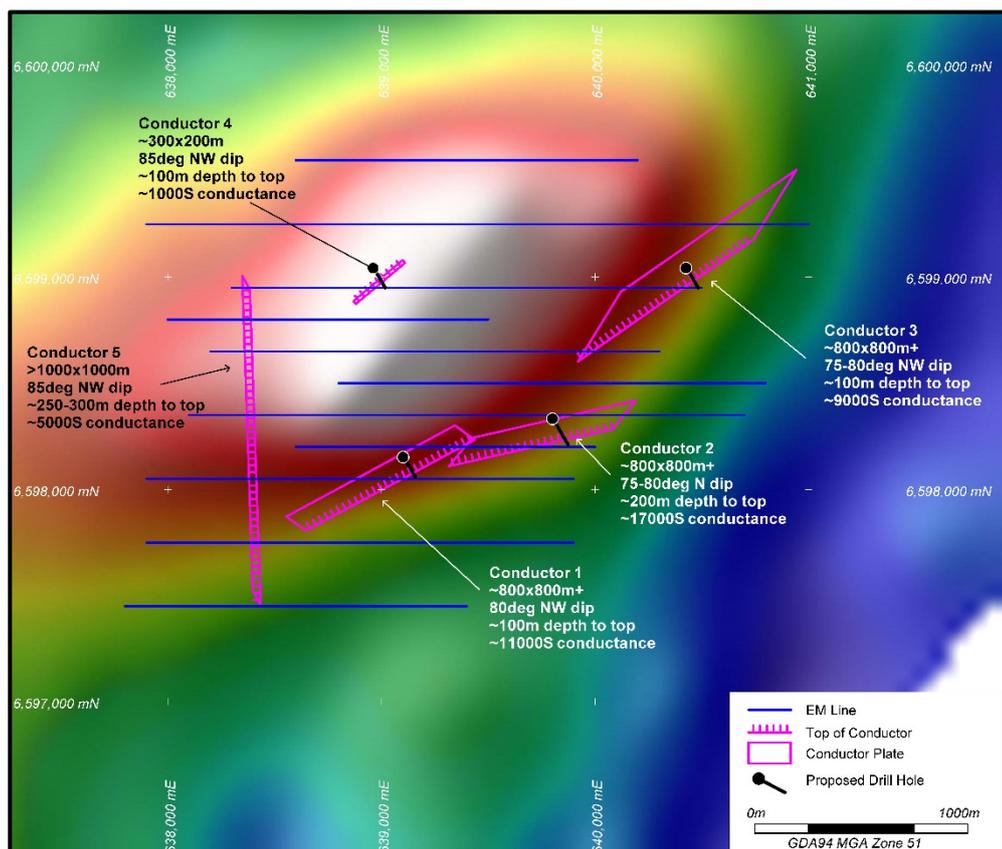
RC Drilling Programme

MLEM surveying completed in late 2015 identified five conductors at Area D and single conductors at both Area E and Area F (see ASX:LEG announcements 11 & 22 December 2015). Detailed geophysical modelling and interpretation of these conductors resulted in five conductors being selected for RC drill testing, four at Area D and one at Area F.

An RC drilling programme comprising five holes (~1,400m) has been designed to test each of these five strong to moderate conductors with downhole target depths to conductor source ranging between 150-325m, see Table 1.

Conductor	Conductance	Dimensions	Target Depth	Plate Orientation
Area D-1	~11,000S	800m x 800m+	175-225m	80° NW dip
Area D-2	~17,000S	800m x 800m+	250-325m	75-80° N dip
Area D-3	~9,000S	800m x 800m+	175-225m	75-80° NW dip
Area D-4	~1,000S	300m x 200m	175-225m	85° NW dip
Area F-1	~1,250-2,000S+	800m x 800m+	150-225m	80-85° N dip

At Area D, Conductors 1, 2 and 3 are characterised by very high conductances (~9,000-17,000S), large areal extent and represent conductive bedrock sources situated on the SE margin of a discrete gravity high and appear related to local aeromagnetic units, see Figure 2. These high conductive responses are consistent with the signature of well-developed sulphidic/graphitic bodies. Conductor 4 represents a moderate strength, localised (~300x200m) conductor positioned within the central zone of the gravity high.



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Figure 2: Area D Proposed Drillholes with Conductor Plates on Residual Gravity Image

The high conductance of Conductors 1-3 and the location of Conductor 4 with respect to the gravity feature make these conductors compelling RC drill targets.

At Area F, a single RC drillhole is planned to test a NE trending moderate bedrock conductor situated on the flank of a subtle gravity trend, see Figure 3.

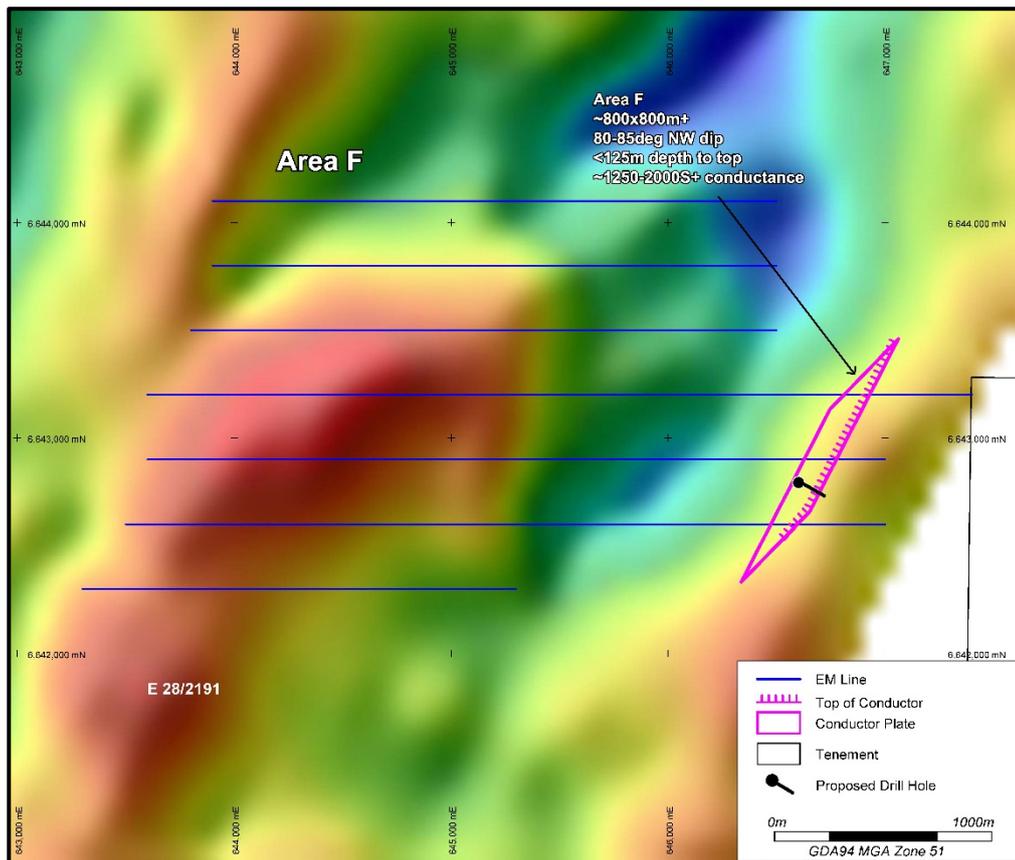


Figure 3: Area F Proposed Drillhole with Conductor Plate on Residual Gravity Image

All required statutory approvals and heritage clearances have been obtained and drilling is scheduled to commence during the week starting 22 February. The programme is expected to take approximately two weeks to complete with laboratory assays to follow within 3-4 weeks. Downhole EM surveying of all drillholes will be undertaken to ensure the targeted conductors have been effectively tested and to test for possible off-hole features.

MLEM Surveying

High powered MLEM surveying has recommenced at Rockford and will focus on Areas A North and A South, see Figure 1. These areas are characterised by magnetic lows (remanently magnetised features) associated with mafic/ultramafic intrusives identified in aircore drilling and represent the two unfinished targets from the 2015 MLEM programme.

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Research and Development Tax Refund

Legend received a tax refund of \$93K on 27 January 2016 from a research and development application/claim for the 2015 tax year and were assisted by Deloitte Tax Services Pty Ltd. The key activity triggering this claim is new and innovative EM techniques being used in Legend's high powered EM surveys at the Rockford Project, designed to identify conductors associated with massive sulphide (i.e. Nova-Bollinger type) beneath extensive transported/conductive cover.

Based on current expenditures and budgets for the 2016 tax year, Legend expects to receive circa \$500K refund early in 2017.

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:

Mr Mark Wilson
Managing Director
Ph: (08) 9212 0600

Mr Derek Waterfield
Executive Director - Technical
Ph: (08) 9212 0600