

Questions & Answers 1

With David Waterhouse, Director Waterhouse IR and Mark Wilson, Managing Director Legend Mining Ltd

Questions & Answers

Legend recently announced (ASX 29/3/16) an update from drilling of three conductors at Area D at the Rockford Project.

We investigate the exploration progress and learnings to date.

Background

Legend's exploration tenements comprise 2,939km² of contiguous granted tenure and lie 120km northeast of the Nova-Bollinger nickel-copper deposit. Importantly, they cover a strike length of 100km over a regional gravity high "ridge" associated with dense mafic/ultramafic intrusive rocks of the Fraser Zone, within the larger Albany-Fraser Orogen.

The primary targets are Nova style nickel-copper mineralisation.

Previous exploration consisted of high resolution aeromagnetic and gravity data, reconnaissance aircore drill traverse information and comprehensive geochemical sample data. This was followed up by moving loop electromagnetic surveying (MLEM) which identified 5 interpreted conductors at Area D (which was identified by discrete co-incident gravity and aeromag anomalies). These conductors are called D1 – D5.

The company drilled 5 RC holes in Feb-March 2016 and tested 3 conductors (D1, D2 and D4).

Questions & Answers

Q. David : Mark, without too much technical jargon, what has happened?

A. Mark :

D1 – We drilled it twice, because poor ground conditions in the first hole stopped us getting to the target depth. The second hole penetrated the conductor at the modelled depth and the conductor was graphite.

D2 - This was also drilled twice for the same reason, poor ground conditions were encountered in the first hole. In the second hole at D2 we intersected 10m graphite at 141m down hole but the intersection did not match the modelled conductor depth of 250m, and did not explain the strength of the conductor. What this means is that we need to do a downhole electromagnetic (DHEM) study to get a better understanding of what to do next. D2 is still a live target as the modelling suggests there is a second offhole conductive body at a depth of about 250m.

D4 – This was drilled past target depth and no definitive conductor was intersected. Like D2, we will do a DHEM survey to investigate for offhole conductors.

Q. David : Why didn't you drill test D3 and D5?

A. Mark : We want to get the results on the downhole work before we make further decisions on Area D, including conductors D3 and D5. Also we have sent 4m composite samples of all holes for assay. This will give us geochemical information which will help in better interpretation and understanding of the geology.

Questions & Answers

Q. David : All the drilling was RC (Reverse Circulation). Will you continue with this method of exploration drilling?

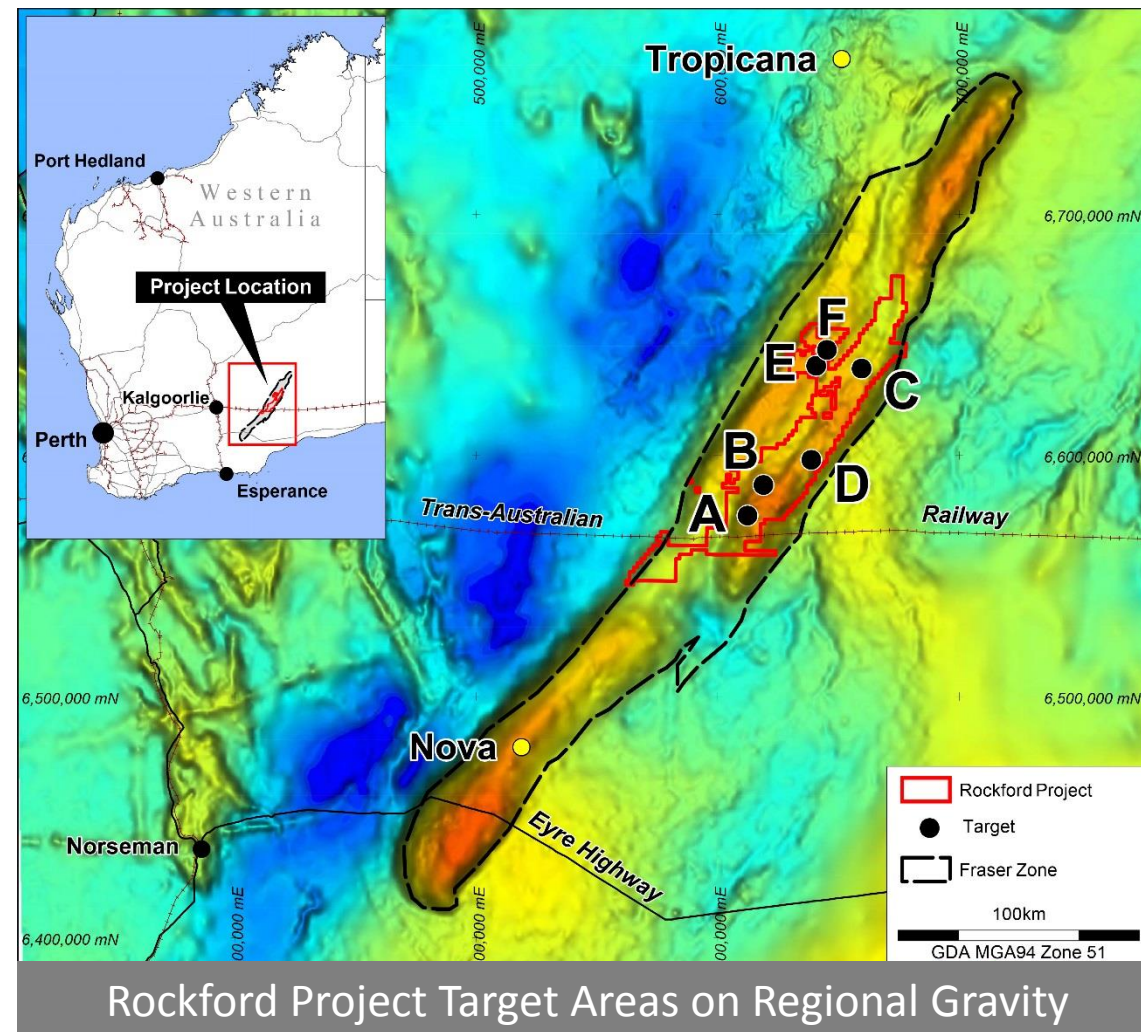
A. Mark : The answer to this question will not be known until we understand the depth of the off hole conductors. The deeper the conductor the more difficult RC drilling becomes. The solution for deeper holes is to pre collar with RC and then drill a diamond tail.

Q. David : So what is next?

A. Mark : Downhole EM will start once the area dries out from heavy pre Easter rain and the assay results will be assessed when we get them.

Q. David : So Area D still has life?

A. Mark : Yes, and don't forget Area D is only a fraction of the ground we have.



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Thank you

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