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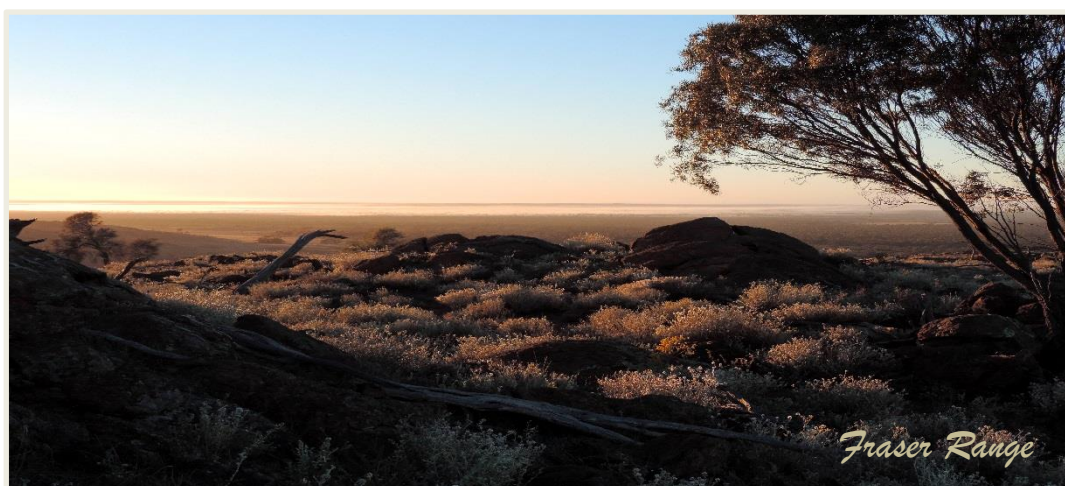


HALF YEAR REPORT

30 JUNE 2016

ASX: LEG

ACN: 060 966 145



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Web

www.legendmining.com.au

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legend@legendmining.com.au

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

Registered Office

Level 1
8 Kings Park Road
PO Box 626
WEST PERTH, WA 6005

Telephone: (08) 9212 0600
Facsimile: (08) 9212 0611

Bankers

Australian and New Zealand Banking Group Ltd
1275 Hay Street
WEST PERTH, WA 6005

Auditors

Ernst & Young
11 Mounts Bay Road
PERTH, WA 6000

Home Exchange

Australian Securities Exchange Ltd
Level 40, Central Park
152-158 St George's Terrace
PERTH WA 6000

Share Registry

Advanced Share Registry Services
150 Stirling Highway
NEDLANDS, WA 6009

Telephone: (08) 9389 8033
Facsimile: (08) 9389 7871

Lawyers

Hilary Macdonald
Suite 23, 18 Stirling Highway
NEDLANDS, WA 6009

DIRECTORS' REPORT

The Directors submit their report for the half-year ended 30 June 2016.

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 nickel and copper deposits in Australia.

RESULTS OF OPERATIONS

The loss of the consolidated entity for the half-year after tax was \$66,608 (2015: \$1,244,381 profit), which includes an impairment charge against the group's deferred exploration assets of \$462,119 (2015: \$110,185).

REVIEW OF OPERATIONS

Legend continued early stage exploration on the Rockford Project tenements in the Fraser Range District of Western Australia which included:

- an RC programme to test co-incident aeromagnetic and gravity anomalies with previous moving loop electromagnetic surveying identifying five significant bedrock conductors; and
- fixed loop electromagnetic ("FLTEM") and downhole electromagnetics ("DHTEM") surveys and the completion of two diamond drillholes.

EVENTS AFTER THE BALANCE SHEET DATE

During the period 5 July to 3 August 2016 Legend sold on market its entire holding of 990,000 Independence Group NL shares for gross proceeds of \$4,057,162.

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.

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 30 August 2016

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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 30 JUNE 2016**

	Notes	CONSOLIDATED	
		30 June 2016	30 June 2015
		\$	\$
Finance revenue	3(a)	196,992	317,553
Other income		93,556	90,909
Net gain on revaluation of financial assets held for trading		826,350	1,552,180
Other expenses	3(c)	(6,938)	(6,491)
Corporate expenses		(508,249)	(599,585)
Impairment of deferred exploration assets		(462,119)	(110,185)
Share-based payments expense	13	(206,200)	-
Net (loss)/profit before income tax expense		(66,608)	1,244,381
Income tax benefit		-	-
(Loss)/profit for the period attributable to Owners of Legend Mining Limited		(66,608)	1,244,381
Other comprehensive income		-	-
Total comprehensive (expense)/income for the period attributable to Owners of Legend Mining Limited		(66,608)	1,244,381
(LOSS)PROFIT PER SHARE (cents per share)			
Basic (loss)/profit for the period attributable to ordinary equity holders of the parent	4	(0.0033)	0.0634
Diluted (loss)/profit for the period attributable to ordinary equity holders of the parent	4	(0.0033)	0.0634

The accompanying notes form part of these financial statements

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016**

	Notes	CONSOLIDATED	
		As at	As at
		30 June 2016	31 December 2015
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	6	4,933,426	6,251,185
Trade & other receivables	7	3,035,129	2,926,177
Other financial assets	8	3,586,950	2,760,600
Total Current Assets		11,555,505	11,937,962
Non-current Assets			
Other financial assets	8	50,000	50,000
Property, plant & equipment	9	47,540	44,486
Deferred exploration assets	10	6,055,581	5,485,454
Total Non-Current Assets		6,153,121	5,579,940
TOTAL ASSETS		17,708,626	17,517,902
LIABILITIES			
Current Liabilities			
Trade & other payables	11	272,868	225,665
Provisions		107,959	107,613
Total Current Liabilities		380,827	333,278
Non-current Liabilities			
Provisions		60,705	57,122
Total Non-Current Liabilities		60,705	57,122
TOTAL LIABILITIES		441,532	390,400
NET ASSETS		17,267,094	17,127,502
EQUITY			
Equity attributable to equity holders of the parent			
Contributed equity	12	60,588,031	60,588,031
Reserves		23,208,778	23,002,578
Accumulated losses		(66,529,715)	(66,463,107)
TOTAL EQUITY		17,267,094	17,127,502

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 2016**

	CONSOLIDATED	
	30 June 2016	30 June 2015
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	-	90,909
Payments to suppliers and employees	(518,243)	(586,061)
Interest received	150,378	96,278
Research & development tax incentive grant received	93,556	-
Net cash flows used in operating activities	<u>(274,309)</u>	<u>(398,874)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant & equipment	(70,687)	-
Payments for exploration & evaluation	(972,763)	(276,903)
Payments for the purchase of investments	-	(1,979,797)
Proceeds on the sale of investments	-	2,271,377
Net cash flows (used in)/from investing activities	<u>(1,043,450)</u>	<u>14,677</u>
Net decrease in cash and cash equivalents	(1,317,759)	(384,197)
Cash and cash equivalents at the beginning of period	6,251,185	6,937,339
Cash and cash equivalents at end of period	<u>4,933,426</u>	<u>6,553,142</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 2016**

Consolidated	Issued Capital \$	Share Option Premium Reserve \$	Accumulated Losses \$	Total Equity \$
At 1 January 2016	60,588,031	23,002,578	(66,463,107)	17,127,502
Loss for the period	-	-	(66,608)	(66,608)
Total comprehensive expense for the period	-	-	(66,608)	(66,608)
Share-based payments	-	206,200	-	206,200
At 30 June 2016	60,588,031	23,208,778	(66,529,715)	17,267,094
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

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

NOTE 1: CORPORATE INFORMATION

The financial report of Legend Mining Limited (the Company) for the half-year ended 30 June 2016 was authorised for issue in accordance with a resolution of the Directors on 30 August 2016.

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 nickel and copper, deposits in Australia.

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 2015.

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 2016 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 2014-3 *Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]*;
- AASB 2014-4 *Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)*;
- AASB 2014-9 *Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements*;
- AASB 2014-10 *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*;
- AASB 2015-1 *Amendments to Australian Accounting Standards Annual Improvements to IFRSs 2012-2014 Cycle*;

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

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

- AASB 2015-2 *Disclosure Initiative – Amendments to AASB 101*; and
- AASB 2015-3 *Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality*.

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.

(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 2015.

(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 2016	30 June 2015
	\$	\$
Revenues and expenses from continuing operations		
a) Finance Revenue		
Bank interest received and receivable	84,269	93,922
Interest on Jindal receivable	60,000	-
Receivables – unwinding of discount (refer note 7)	52,723	223,631
	196,992	317,553
b) Employee Benefits Expense		
Salaries & On costs	257,139	330,929
Other employee benefits	11,214	11,389
	268,353	342,318
c) Other Expenses		
Depreciation	6,938	6,491
	6,938	6,491

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2016**

NOTE 4: (LOSS)/EARNINGS PER SHARE

	CONSOLIDATED	
	30 June 2016	30 June 2015
	\$	\$
(a) Earnings used in the calculation of basic (loss)/earnings per share		
Net (loss)/profit from continuing operations attributable to ordinary equity holders of Legend Mining Limited	(66,608)	1,244,381
(b) Weighted average number of shares on issue during the financial period used in the calculation of basic (loss)/earnings per share	2,034,350,801	1,962,850,801
Weighted average number of ordinary shares on issue used in the calculation of diluted (loss)/earnings per share	2,034,350,801	1,962,850,801

(c) Information on the classification of options

As the Group has made a loss for the half-year ended 30 June 2016, all options on issue are considered antidilutive and have not been included in the calculation of diluted 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 has one reportable segment being exploration and evaluation activities in Australia.

NOTE 6: CASH AND CASH EQUIVALENTS

	Consolidated	
	30 June 2016	31 December 2015
	\$	\$
Cash at bank and in hand	433,426	251,185
Term deposits	4,500,000	6,000,000
Total cash and cash equivalents	4,933,426	6,251,185

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2016**

NOTE 7: TRADE AND OTHER RECEIVABLES

	Consolidated	
	30 June 2016	31 December 2015
	\$	\$
Receivable from Jindal Mining & Exploration Limited (a)	2,954,063	2,901,340
Other receivables (b)	81,066	24,837
	3,035,129	2,926,177

Terms and conditions relating to the above financial instruments:

- (a)** As at 30 June 2016 the remaining balance of \$3m receivable on or before 15 December 2016 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 \$52,723.
- (b)** Other receivables include deposits paid for the purchase of plant and equipment not settled until after the reporting date, and other items that 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 2016	31 December 2015
	\$	\$
Current		
Shares in Independence Group NL at market value	3,247,200	2,514,600
Share in S2 Resources Limited at market value	213,750	120,000
Shares in Nemex Resources Limited at market value	66,000	66,000
Shares in Artemis Resources Limited at market value	60,000	60,000
	3,586,950	2,760,600
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 29 August 2016 had decreased to \$661,500, following the sale of Independence Group NL shares, refer to note 16.

- (a)** Bank deposit held as security for credit cards. At 30 June 2016 this deposit is held on a 6-month term deposit with an interest rate of 2.93% per annum (31 December 2015, 6 months at 3.05%pa).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2016**

NOTE 9: PROPERTY, PLANT AND EQUIPMENT

	Plant and equipment \$
Consolidated	
At 31 December 2015	
Cost	139,537
Accumulated depreciation	(95,051)
Net carrying amount	44,486
Half-Year Ended 30 June 2016	
Opening net carrying amount	44,486
Additions	10,187
Depreciation capitalised to deferred exploration costs	(195)
Depreciation expense	(6,938)
Closing net carrying amount	47,540
At 30 June 2016	
Cost	149,724
Accumulated depreciation	(102,184)
Net carrying amount	47,540

NOTE 10: DEFERRED EXPLORATION ASSETS

	Consolidated	
	30 June 2016	31 December 2015
	\$	\$
Deferred exploration costs	6,055,581	5,485,454
(a) Deferred exploration and evaluation assets	\$	\$
At 1 January, at cost	5,485,454	393,318
Expenditure incurred during the period	1,032,246	203,927
Expenditure written-off during the period (i)	(462,119)	(110,185)
At 30 June, at cost (ii)	6,055,581	487,060

Note:

- (i) The expenditure written-off during the current period of \$462,119 related to tenements E28/2342, E28/2408 and E28/2415 that were surrendered or withdrawn from during the period. The carrying value of exploration and evaluation assets of the affected tenements was written-off to nil due to the loss of tenure.
- (ii) 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 2016**

NOTE 11: TRADE AND OTHER PAYABLES

Current – unsecured	30 June 2016	31 December 2015
	\$	\$
Trade payables (i)	227,616	31,672
Other payables & accruals (ii)	45,252	193,993
	272,868	225,665

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 2016	31 December 2015
	\$	\$
Ordinary shares		
Issued and fully paid	63,862,164	63,862,164
Issue costs	(3,274,133)	(3,274,133)
	60,588,031	60,588,031

Movement in ordinary shares on issue 2016

	30 June 2016	30 June 2016
	No of Shares	\$
At 1 January 2016	2,034,350,801	63,862,164
No movement	-	-
At 30 June 2016	2,034,350,801	63,862,164

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

NOTE 13: SHARE-BASED PAYMENTS

During the 2016 half-year the following share-based payment transactions occurred:

- 70,000,000 options with an exercise price of 4 cents and expiring on 30 March 2021 were issued to Directors following approval at the Annual General Meeting of the Company held on 28 April 2016. The fair value of the options granted during the half-year was 0.28 cents, for a total value of \$196,000 included within share-based payments expense.
- 3,000,000 incentive options with an exercise price of 4 cents and expiring on 30 March 2021 were issued to employees. The fair value of the options granted during the half-year was 0.34 cents, for a total value of \$10,200 included within share-based payments expense.

The fair values were calculated by using the Black-Scholes European Option Pricing Model applying the following inputs:

	30 June 2016	
	Director Options	Incentive Options
Exercise price (cents)	4.0	4.0
Life of the option (years)	5.0	5.0
Underlying share price (cents)	0.9	1.0
Expected share price volatility	75.0%	75.0%
Risk free interest rate	2.06%	2.14%

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2016

NOTE 14: COMMITMENTS

(a) Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group will be required to outlay approximately \$1,894,019 (2015: \$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 2015. The lease commitment is \$55,367 for the first year increased for CPI in the second year. There is an option to renew for a further 1 year, with a market rent review, at the conclusion of the term.

NOTE 15: CONTINGENT LIABILITIES

There are no contingent liabilities at the reporting date.

NOTE 16: EVENTS AFTER THE BALANCE SHEET DATE

During the period 5 July to 3 August 2016 Legend sold on market its entire holding of 990,000 Independence Group NL shares for gross proceeds of \$4,057,162.

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 17: DIVIDENDS PAID AND PROPOSED

No dividends were paid or proposed this financial period.

NOTE 18: FAIR VALUES

The carrying amounts of the Group's financial assets and financial liabilities at 30 June 2016 and 31 December 2015 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-2016	3,586,950	3,586,950	-	-

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.

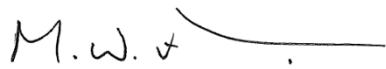
DIRECTORS' DECLARATION

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 2016 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

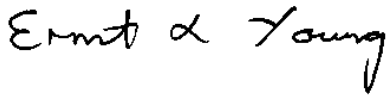
Dated this 30 August 2016

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

As lead auditor for the review of Legend Mining Limited for the half-year ended 30 June 2016, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Legend Mining Limited and the entities it controlled during the financial period.



Ernst & Young



Gavin Buckingham
Partner
30 August 2016

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 2016, 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 2016 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.

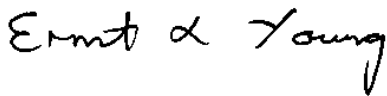
Independence

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.

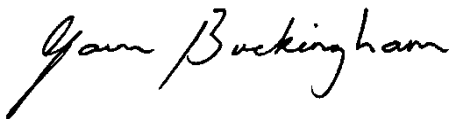
Conclusion

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 2016 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
30 August 2016

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