

Legend grows in Fraser Range

Legend Mining Ltd's entry into the Fraser Range nickel race has been different to most – and for that reason it is the envy of its peers.

Following the \$11 million sale of its West Australian Gidjee gold mine, Legend ventured across the Indian Ocean in 2009 to explore opportunities in Africa with hopes of replicating some of Sundance Resource Ltd's Mbalam-Nabeba iron ore project.

But after four years of working on its Cameroon Ngovayang project, managing director Mark Wilson recognised the appetite for magnetite iron ore – particularly from Cameroon – was floundering.

Wilson anticipated Ngovayang's sale to be a challenging one, but Legend managed to pull a rabbit out of the hat following a fortuitous meeting with India's Jindal Steel and Power Ltd at the 2013 Mining Indaba in South Africa.

On November 20, 2013 Legend confirmed the \$17.5 million sale of Ngovayang to Jindal – a deal which caught the market by surprise and left Legend with a whole lot of cash but no project to work on.

"We were an ASX-listed company with a headquarters in West Perth with a substantial cash position in the treasury and a question to answer: 'Where should we best apply that cash for the benefit of our shareholders?'" Wilson told **Paydirt**.

"A couple of things became obvious. Subsequent to the Nova discovery by Sirius [Resources Ltd], the Fraser Range was an exploration area that still got people's pulses running.

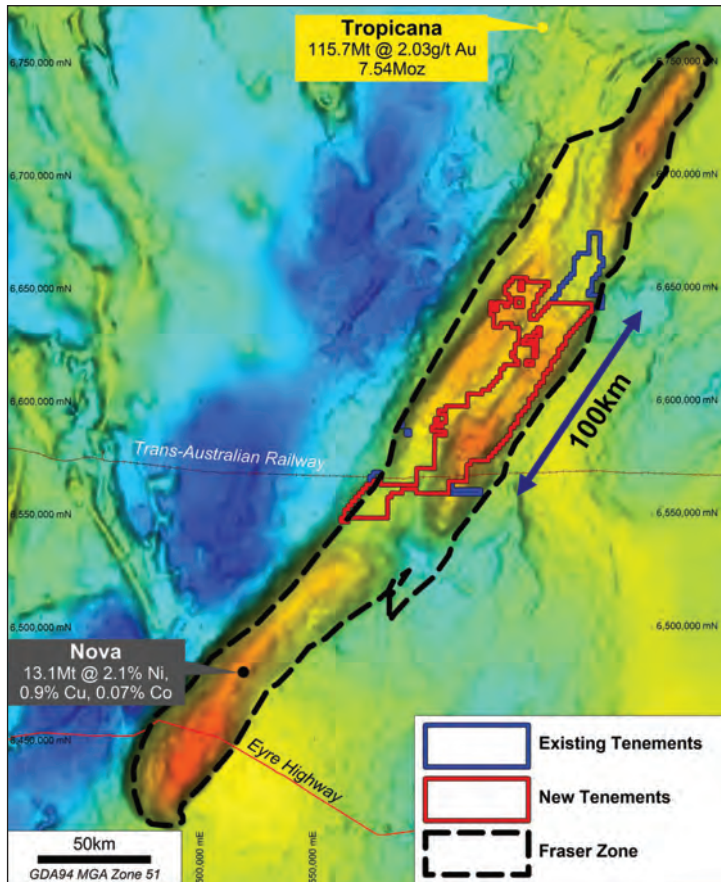
"We were also in a situation where Mark Creasy, who could arguably be called the father of the Fraser Range, was a 25% shareholder in our company as a result of the Gidjee gold mine transaction. Here I was, with my largest shareholder being Mark Creasy, we didn't need to raise any money, Creasy was a large landholder in the Fraser Range and the market was very receptive to Fraser Range exploration."

Legend first entered the nickel race in late 2013, applying for a 356sq km Creasy-free tenement in the Fraser Range.

In early 2014, the company commissioned an aeromagnetic survey over the prospect, which identified seven priority targets prospective for nickel-copper.

Unfortunately for Legend, a subsequent moving loop electromagnetic survey and ground EM programme later that year failed to define a single conductor at the targets.

"It hasn't come up trumps at the moment



Legend believes it has picked up some of the most prospective land in the Fraser Range

and as a result that tenement is in a holding position for us," Wilson said.

"Based on the Nova template, we haven't got any more targets on our existing ground. But a new discovery by someone could unlock a whole new Pandora's Box of indicators as to where you should be spending your



Mark Wilson

money drilling or doing EM."

Although somewhat disheartened, Legend went back to the drawing board and formulated a plan to secure a sizeable plot of land which it considered to be in the Fraser Range's most promising zone.

On July 2, the company announced it had entered into a tenement sale and exploration JV with the Creasy Group to secure 2,530sq km of contiguous ground holding, which was just 120km north-east of Nova and covered a 100km spine across a regional gravity high.

"We identified the block ... some time ago and it's taken quite a period of time of exhaustive negotiations to get us to agree on the price and those sorts of things," Wilson said.

"A lot of people ask me, 'Why did Creasy do the deal with Legend?' I think it is summarised by trust, self-interest and the fact we had cash and didn't need to go to the markets to raise capital off the back of the transaction."

With the purchase, Legend inherited the Creasy Group's full exploration database on the tenement, including recent high resolution aeromagnetic and gravity data, reconnaissance aircore drill

traverse information and comprehensive geochemical sample data.

Wilson likened the Creasy Group's close-spaced gravity survey to "trying to look at files in the dark, and then turning the lights on".

"It's truly that level of an increase of information that his gravity survey gives us," Wilson said.

"The same goes with the magnetics survey; it's done on a much tighter line spacing than the public file data. And he has done a small amount of aircore drilling that gives the indication that we have got the right rock and geology for the systems that we are looking to find. It's a walk-up start in that if we didn't have that information that would be the first level of data that we would go and see.

"Now that we've got that ... we'll be interpreting that data, generating targets and then going out and doing a combination of geophysics and drilling on those targets to work where we go next. I'd say the next 6-12 months will be all about that data interpretation, target selection and then going in and investigating those targets."

– Rhys Dickinson