2023
ANNUAL REPORT

Legend mining limited

Contents

Web
legendmining.com.au

ASX Code
LEG – ordinary shares

Email
legend@legendmining.com.au

ACN
060 966 145

Company Directory

DIRECTORS

Mark Wilson (Executive Chair)
Oliver Kiddie (Managing Director)
Hilary Macdonald (Non-Executive Director)

SECRETARY

Tony Walsh

REGISTERED OFFICE

Level 1
8 Kings Park Road
WEST PERTH WA 6005

Telephone: (08) 9212 0600

BANKERS

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

LAWYERS

Thomson Geer
Level 27, Exchange Tower
2 The Esplanade
PERTH WA 6000

AUDITORS

Hall Chadwick
283 Rokeby Road
SUBIACO WA 6008

HOME EXCHANGE

Australian Securities Exchange
2 The Esplanade
PERTH WA 6000

SHARE REGISTRY

Automic
Level 5, 126 Phillip Street
SYDNEY NSW 2000
Email: hello@automicgroup.com.au
Telephone: 1300 288 664 (within Australia)
+61 2 96985414 (outside Australia)

Letter from the Chair

Dear Fellow Shareholders

Legend has continued its science driven exploration of the Rockford Project seeking further nickel-copper resources.

Our field activities during 2023 were mostly conducted at the Octagonal prospect. Interpretation of the seismic data identified target areas which were supported by AMT modelling from historical surveys conducted by the Creasy Group. The sheer scale and size of these targets justified the diamond drilling of deep holes to test the targets. Unfortunately the AMT responses were found to be magnetite and pyrrhotite, not the massive nickel-copper sulphide we were hoping for. Encouragingly there were multiple intercepts of nickel-copper sulphide in the diamond drillholes as described in detail in the Activities section of this report.

Subsequently high power fixed loop EM surveys were carried out over Octagonal which identified several prospective conductors. The results also pointed to the need to extend the survey to the East, which will be our first field activity this year.

At Mawson, AI processing of assay data identified a target area for future diamond drilling. Interestingly this area is consistent with geological and seismic interpretations. Diamond drill testing of this target area is planned following heritage clearances from the native title holders.

The board changes which occurred following the retirement of Michael Atkins have been managed in a seamless manner. The new roles for myself as Chair, Oliver Kiddie as Managing Director and the continuing role for Hilary Macdonald as Non-Executive Director have not disrupted the function of the Board.

I would like to repeat my thanks to Michael for his 20 years as Chair and acknowledge his significant contribution to Legend over that period.

Also I wish to thank Oliver and all our staff for their efforts throughout the year. Legend continues to show a disciplined approach to exploration for the next Fraser Range nickel discovery in a very challenging marketplace for the nickel industry at the present time.

Last but not least I wish to thank you, our loyal shareholders for your support through out the year. Despite the recent downturn in our share price, the top 20 shareholders maintain a very healthy 63% of the register demonstrating support and belief in our strategies.

Legend enters 2024 in a very sound financial position, having received an R&D cash rebate of $3M in January to add to our cash balance of $11.6M at December 31. Your Board will continue to focus their efforts to maximising the value of all the Company's assets to the benefit of all shareholders.

M.W.

Mark Wilson
Executive Chair

Directors' Review of Activities

ROCKFORD PROJECT – Fraser Range District (Nickel-Copper-Cobalt, Copper-Zinc-Silver, Gold)

The Rockford Project is located within the highly prospective Fraser Range district of Western Australia, with tenure covering a total area of 2,532km^2 (see Figures 1 and 2). Exploration is primarily focussed on magmatic nickel-copper-cobalt (Nova-Bollinger style), along with volcanogenic massive sulphide (VMS) style zinc-copper-silver and Tropicana style structurally controlled gold mineralisation.

The Rockford Project comprises 11 granted exploration licences with a detailed breakdown of ownership, area and manager given below:

- Legend (100%) 109km^2;
- Legend (70%)/Creasy Group (30%) Three JVs covering 1,771km^2 with Legend manager;
- IGO (60%)/Creasy Group (30%)/Legend (10% free carry) JV covering 634km^2 with IGO manager;
- IGO (70%)/Legend (30% free carry) JV covering 18km^2 with IGO manager.

The Rockford Project covers 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 Nova-Bollinger deposit and the Silver Knight deposit, both located within the Fraser Zone, are situated on a similar tenor gravity ridge to that of the Rockford Project.

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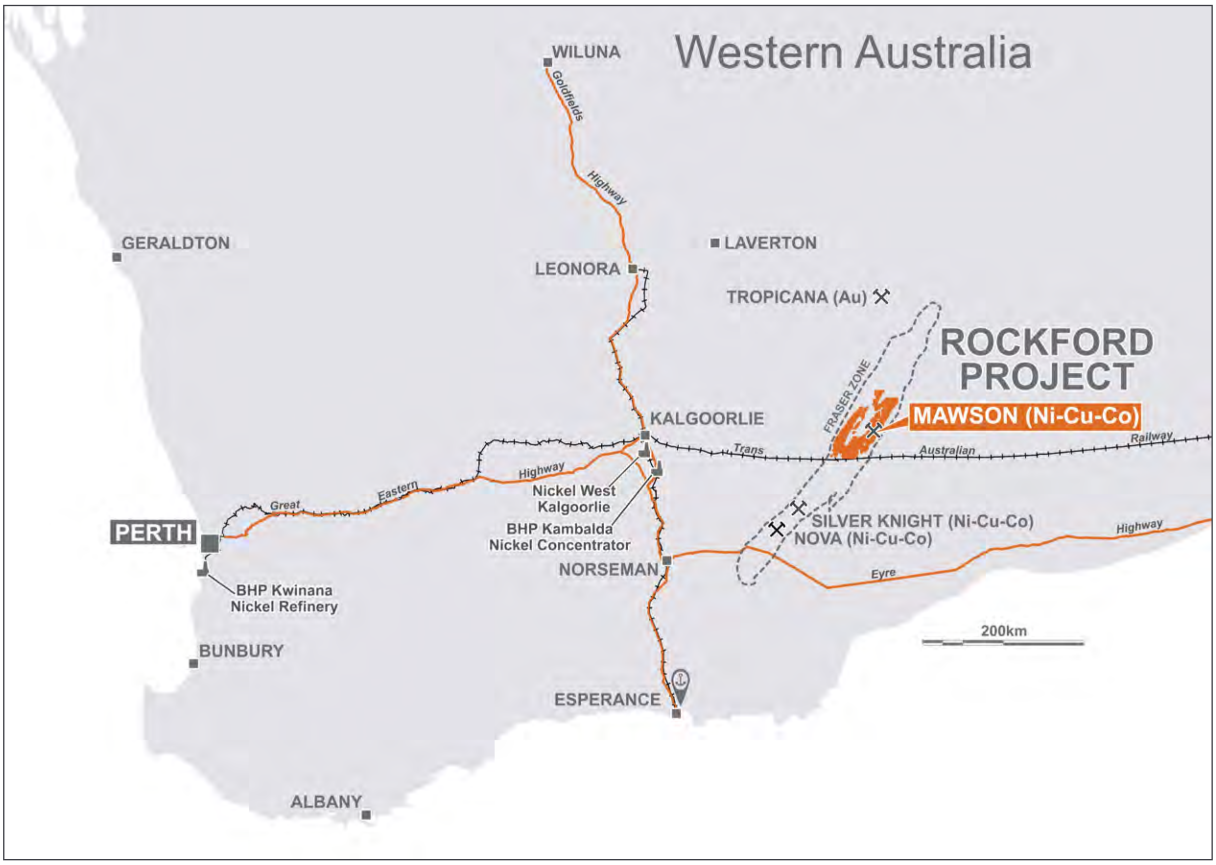


Figure 1: Rockford Project Location

Directors' Review of Activities

Throughout 2023, Legend continued to advance its exploration activities across the Rockford Project.

The Company delivered the maiden Mineral Resource Estimate (MRE) for the Mawson nickel-copper-cobalt deposit in February 2023. Mawson is a greenfields discovery in a previously unexplored part of the Fraser Range. This MRE provides a foundation on which to grow at both Mawson and across Rockford. With a view to growing the MRE, 3D seismic reprocessing and Artificial Intelligence/Machine Learning (AI/ML) data interrogation has delivered new mineralisation targets immediately north of the Mawson deposit.

A large (>24km^2) 3D seismic survey was completed at Octagonal during October 2022, with the final model received in March 2023. Subsequent exploration of the seismic model saw the completion of four diamond drillholes during 2023. These four drillholes represent the first steps in unlocking the nickel-copper sulphide potential at Octagonal, with all drillholes intersecting varying levels of nickel-copper (Ni-Cu) sulphide in prospective host lithologies. In addition, downhole EM (DHTEM) delineated multiple conductors interpreted to be related to sulphide mineralisation. A new high-power fixed loop EM (HPFLTEM) survey was subsequently completed, identifying new and existing conductors interpreted to relate to new and extensions of sulphide mineralisation.

Regionally, extensive datasets have continued to be expanded and interrogated during 2023 to generate a new pipeline of prospective nickel-copper-cobalt sulphide targets across the Rockford Project.

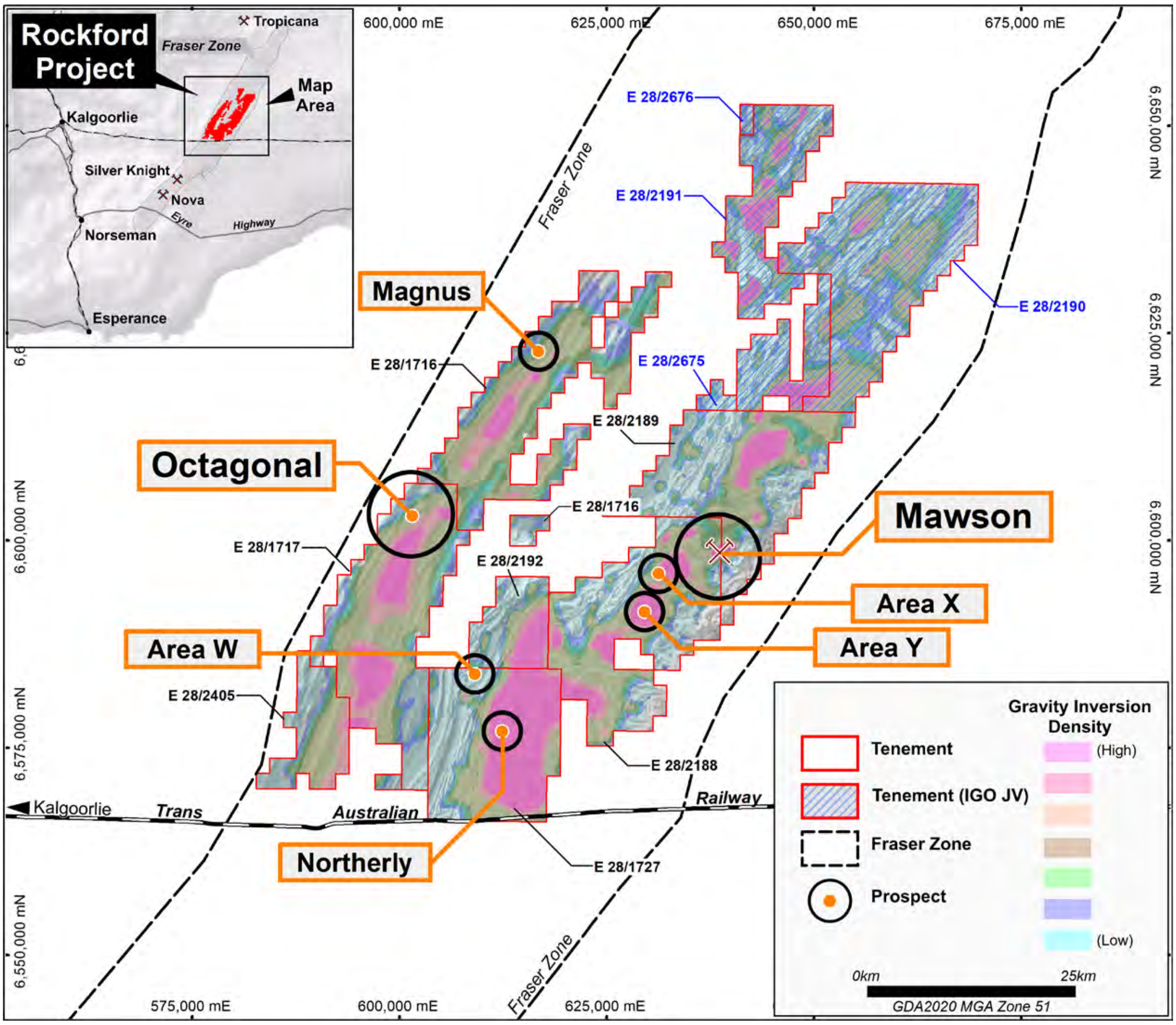


Figure 2: Rockford Project - prospect locations

Directors' Review of Activities

MAWSON PROSPECT

Mawson Mineral Resource Estimate

On 2 February 2023, Legend announced a maiden MRE of 1.45Mt @ 1.14% Ni, 0.74% Cu and 0.07% Co (1.2% NiEq) at the Mawson Deposit. The details of the MRE are in Table 1 below and shown in Figures 3a, 3b, and 4.

MAWSON MINERAL RESOURCE ESTIMATE (JORC 2012) – February 2023								
Classification	**Tonnage**	**NiEq**	**Ni**	**Cu**	**Co**	**Ni Metal**	**Cu Metal**	**Co Metal**
	Mt	**%**	**%**	**%**	**%**	**t**	**t**	**t**
Indicated	0.86	1.41	1.34	0.88	0.08	11,500	7,600	700
Inferred	0.59	0.90	0.85	0.52	0.07	5,000	3,100	400
Total	**1.45**	**1.20**	**1.14**	**0.74**	**0.07**	**16,500**	**10,600**	**1,100**

Table 1: Mawson Maiden Mineral Resource Estimate by classification reported above 0.5% NiEq cut-off (see ASX Announcement 2 February 2023)

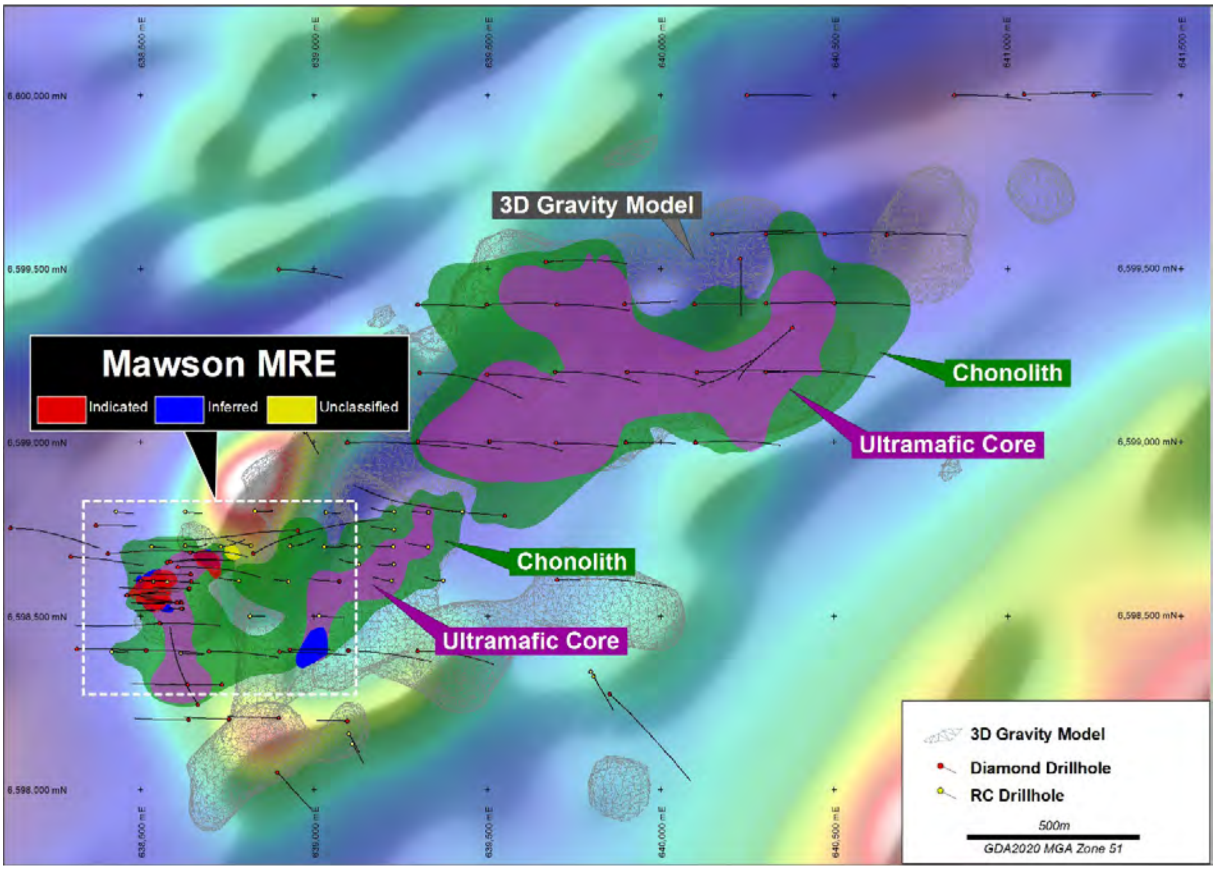


Figure 3a: Mawson Intrusion and Mineral Resource Classification Area

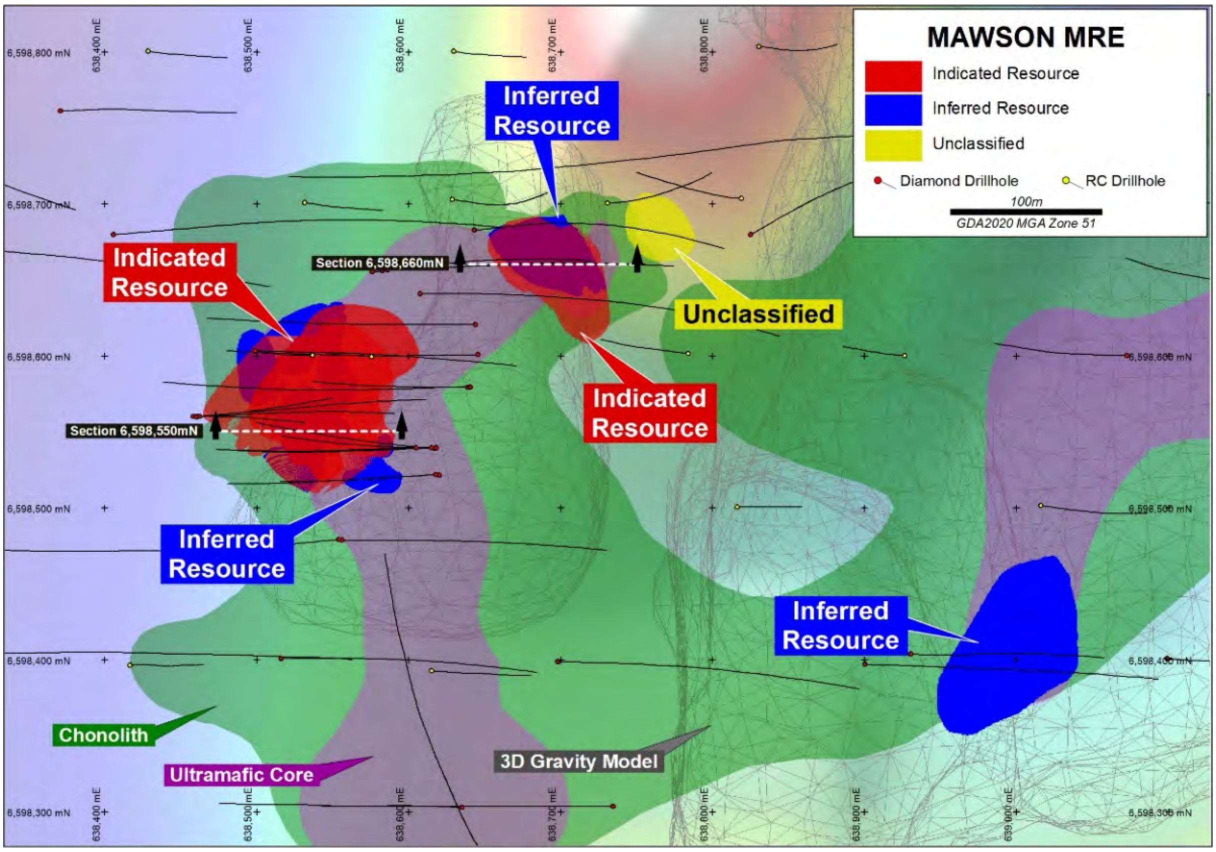


Figure 3b: Mawson Mineral Resource Classification projected to surface with drillhole locations and chonolith projected to surface on AMAG

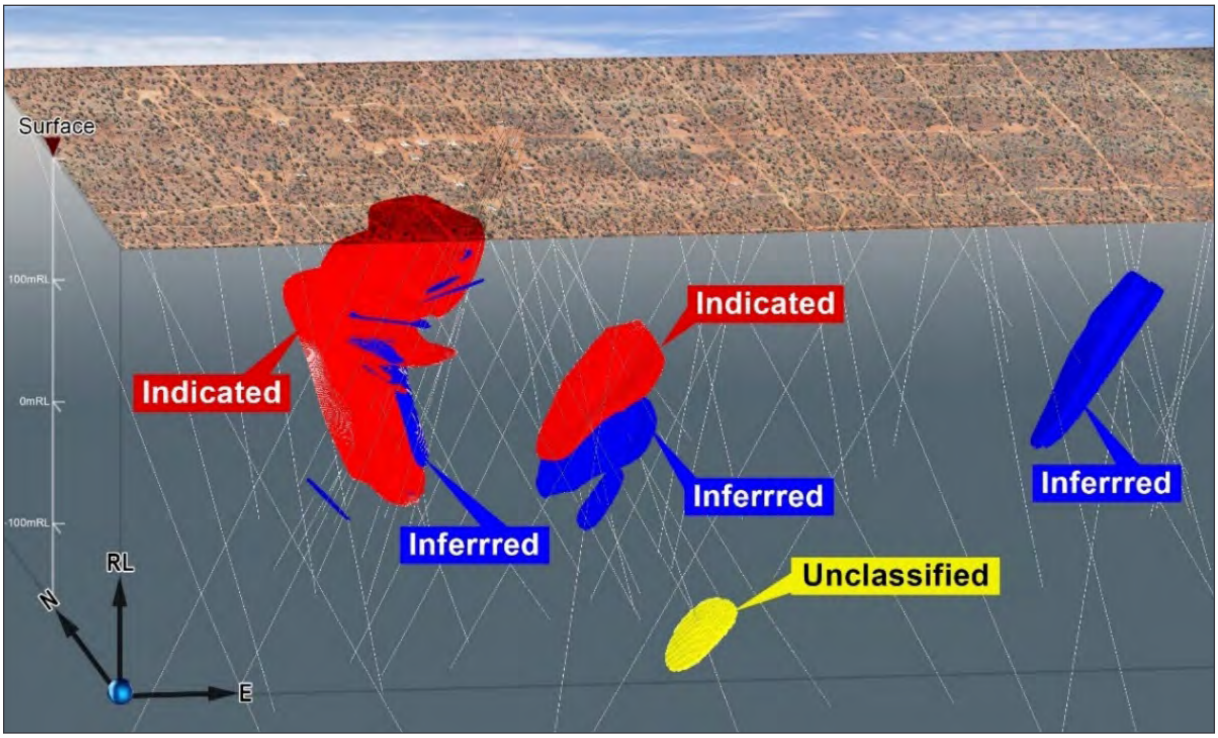


Figure 4: Mawson Mineral Resource Classification – oblique view facing north-west

Directors' Review of Activities

Seismic Reprocessing

Reprocessing of the 3D seismic cube at Mawson has been completed by Velseis Processing Pty Ltd post the integration of downhole and handheld petrophysical property data. The resultant updated 3D seismic cube has refined and confirmed a target area north of the Mawson Ni-Cu-Co deposit, interpreted as the extension of the keel of the Mawson chonolith below the Mawson fault (see Figures 1, 5, and 6).

In addition, SimClust™ machine learning data generated by SensOre Ltd has independently identified the keel target zone first defined by diamond drilling, structural interpretation, and new seismic modelling. The SimClust™ generated results identified a fingerprint geochemical signature in the keel zone identical to that of the Mawson deposit zone (see Figure 7). The working exploration model is the Mawson chonolith has intruded from depth, carrying and depositing Ni-Cu sulphides in traps proximal to and within the bounding stratigraphic package defined by the D9 conductor.

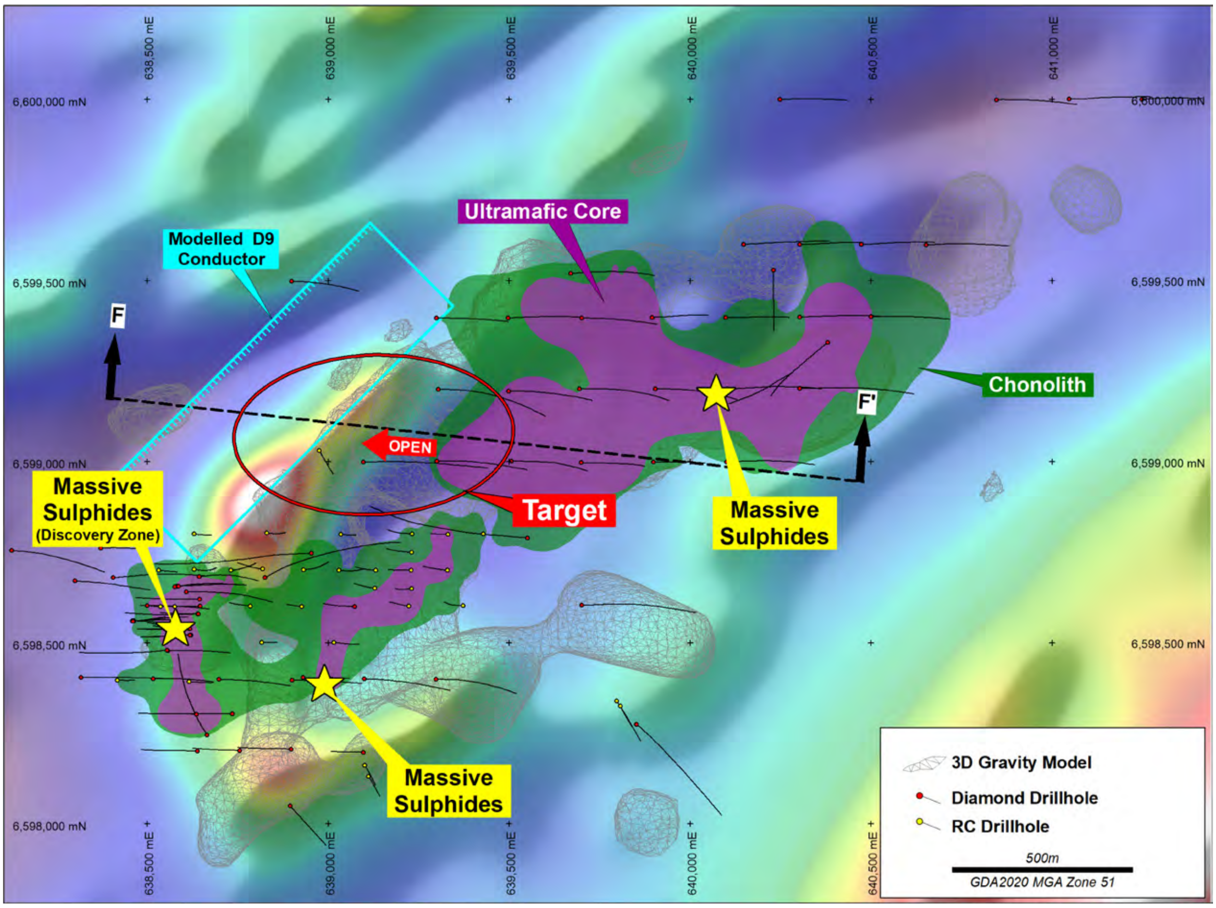


Figure 5: Mawson chonolith showing defined target area on 3D gravity model and AMAG.



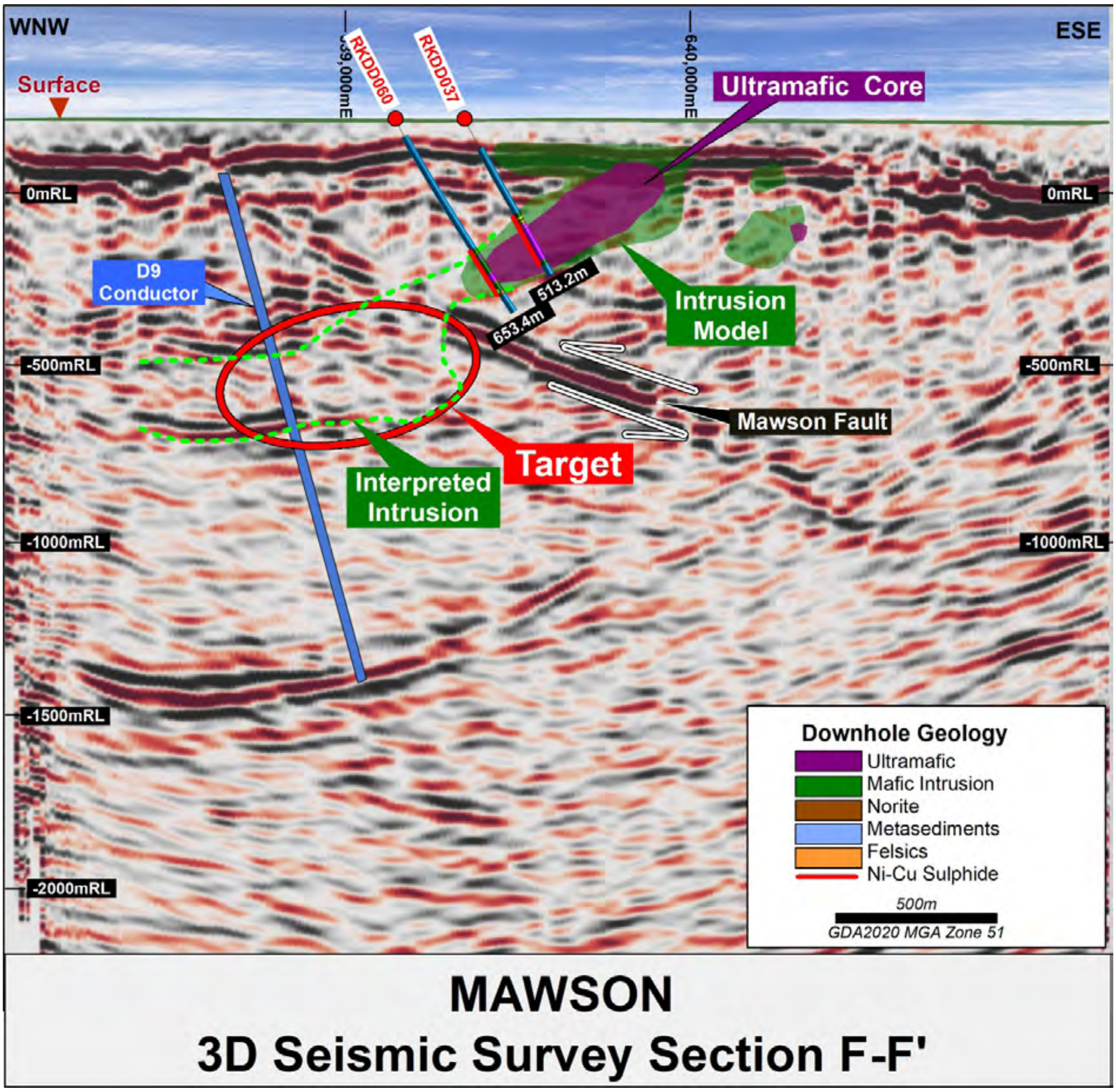



Figure 6: Section F-F’ showing drillholes RKDD037 and RKDD060 projected onto section with chonolith model and target area below the Mawson fault on reprocessed seismic section.

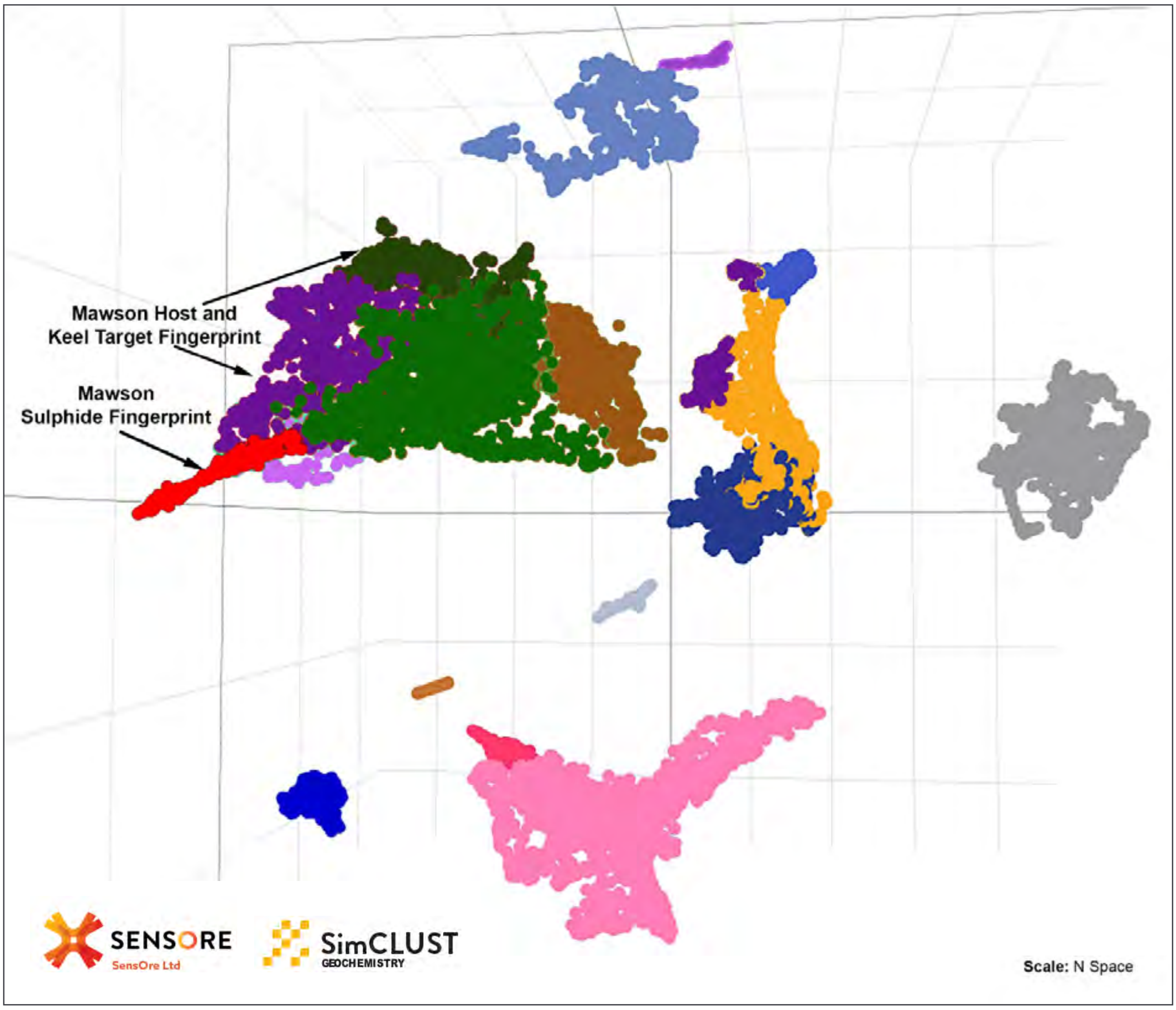
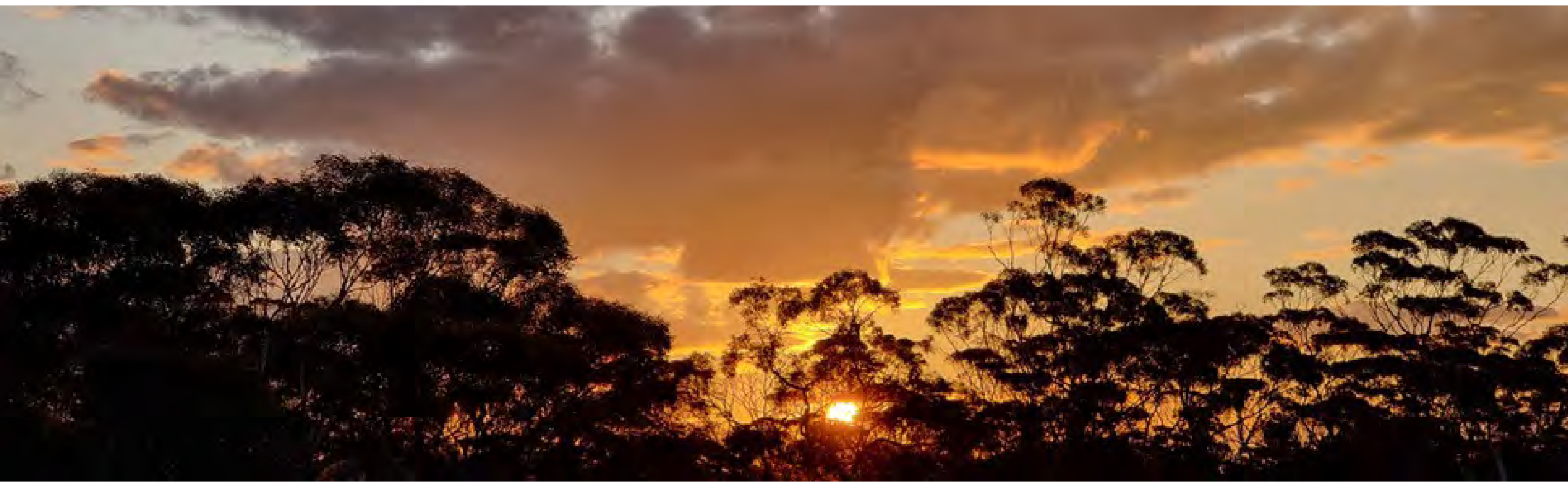


Figure 7: SensOre SimClust™ N-space fingerprint analysis by class subsets of the Mawson geochemical dataset, depicting the relationship between prospective host lithologies and the Ni-Cu sulphide mineralisation population of the Mawson Ni-Cu-Co deposit.



Directors’ Review of Activities

OCTAGONAL PROSPECT

HiSeis Pty Ltd was engaged by Legend to conduct a 3D seismic survey at the highly prospective Octagonal prospect within the Rockford Project, Fraser Range, WA (see Figures 1 and 8). The aim of the survey was to define the architecture of the Octagonal Intrusive Complex (OIC) in relation to the stratigraphic package, to a depth of investigation of a minimum 1,500m below surface. Interpretation of the seismic data defined multiple priority target areas for diamond drill testing (see Figure 8).

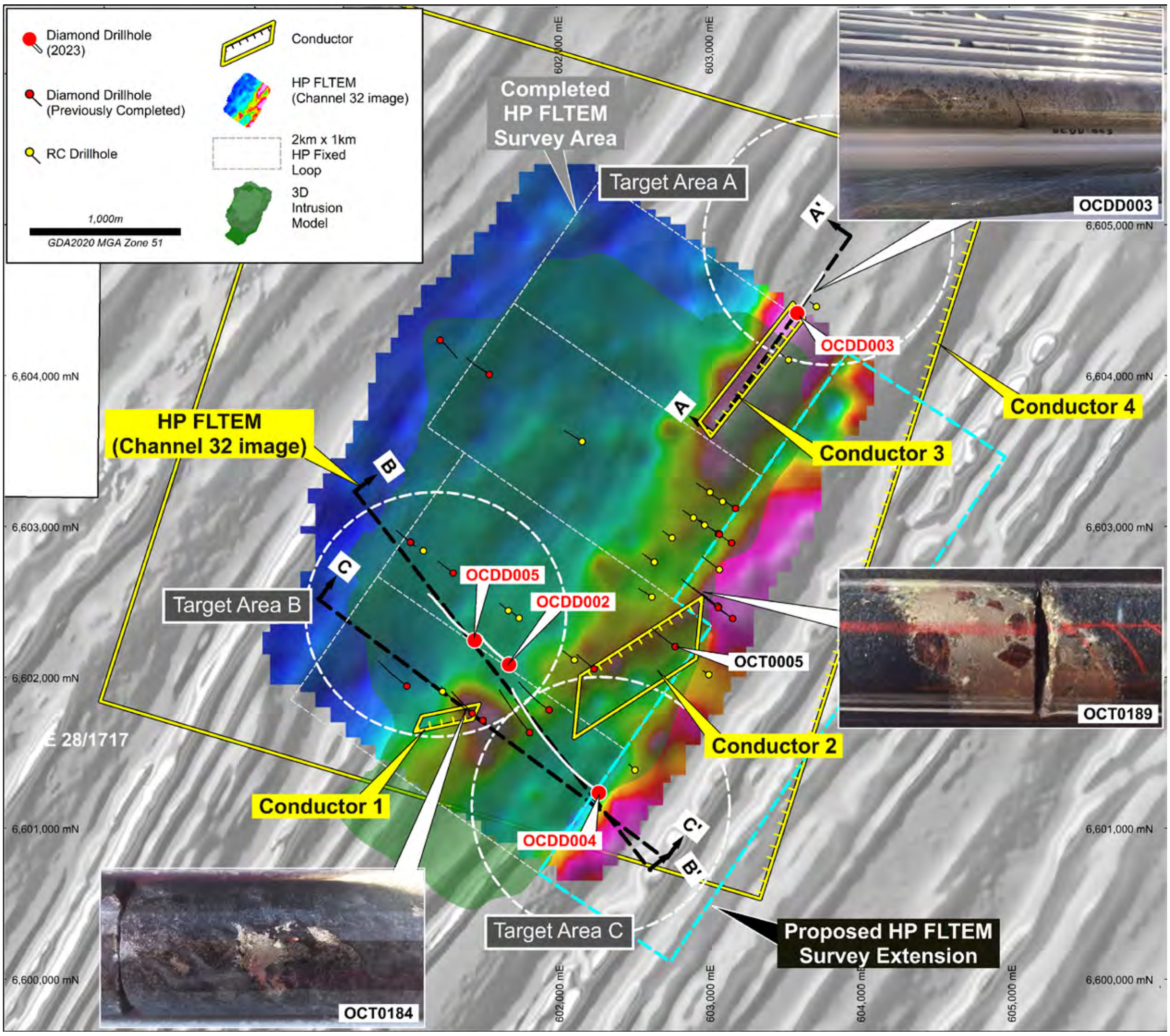


Figure 8: Priority target areas and diamond drillholes shown with Octagonal intrusion model projected to surface, HPFLTEM survey loops and preliminary conductors on channel 32HD imagery, and visual Ni-Cu mineralisation on AMAG.

Directors' Review of Activities

Diamond drilling commenced in May and was completed by September 2023. Four diamond drillholes for 5,537.5m were completed during the drilling campaign.

Below is a summary of the exploration activities across the defined target areas and the greater OIC for 2023.

Target Area A

Diamond drillhole OCDD003 targeted interpreted extensions of the Octagonal intrusion based on seismic interpretation. Beyond this, the drillhole was designed to test the extension of a highly chargeable IP trend before continuing to test the top of a large AMT conductor (see Figures 8 and 9). Narrow 'fingers' of intrusion were encountered where the intrusion was predicted to extend from seismic interpretation. Narrow zones of Ni-Cu sulphide mineralisation were also intersected, including a zone of semi-massive, brecciated Ni-Cu sulphide (see Photo 1) which has been remobilised into the metasedimentary country rocks. This is further evidence of the Octagonal intrusion cracking into the surrounding country rock, and an encouraging sign for deposition of Ni-Cu sulphide given the right structural trap.

Indications are that the moderate level (5-10 ohm-m) audio-magnetotelluric (AMT) target is derived from magnetite. The drillhole was ceased at 909.4m due to a distinct change in geology, specifically a transition to a mafic gneiss and orthogneiss assemblage, which is interpreted as the Nova footwall sequence (below the Nova intrusion).

Photo 1: Semi-massive, brecciated Ni-Cu sulphide from diamond drillhole OCDD003 from 501m.

Target Area B

Diamond drillhole OCDD005 targeted a coincidental seismic and AMT zone of the Octagonal intrusion (see Figures 8 and 10). The drillhole was completed at a bottom of hole depth of 1,662m. The seismic zone and associated AMT feature are now confirmed as a mixing zone of digested metasediments and gabbroic intrusions. Indications are the AMT feature is derived from magnetite and pyrrhotite within this mixing zone. The drillhole intersected an upper suite of gabbronorites and leucocratic gabbronorites before intersecting a varied suite of higher MgO intrusion consisting of olivine gabbronorites, pyroxenites, and troctolites, with weakly mineralised zones. Extensive carbonate digestion in the mixing zone of intrusion and metasediments towards the basal contact supports the visual observations in OCDD004 that the Octagonal intrusion cracks into the underlying and surrounding metasediments. Reduced sulphide content in the drillhole suggests the sulphide content of the OIC decreases towards the west. This is an important indicator, with strong evidence from completed drilling suggesting that sulphide content of the OIC increases towards the eastern margins.

This vectoring will allow for more focused drillhole targeting. OCDD005 has provided valuable structural information in an area of the OIC not previously drilled, allowing the integration of physical structural data with seismic responses to map folding. This folding is a primary control of the OIC geometry.

DHTEM has been completed with no significant conductors identified.

Key takeaways from OCDD005 - Target Area B:

- Intrusion extends at depth, with increased carbonate digestion proximal to the basal contact
- Mixing zone of intrusion and metasediment supports the working model that the OIC cracks into the surrounding metasediments
- Sulphide decreased toward the west of the OIC, vectoring for mineralisation to targeting towards the eastern margins of the OIC
- Critical structural data to further understand the controls of the OIC

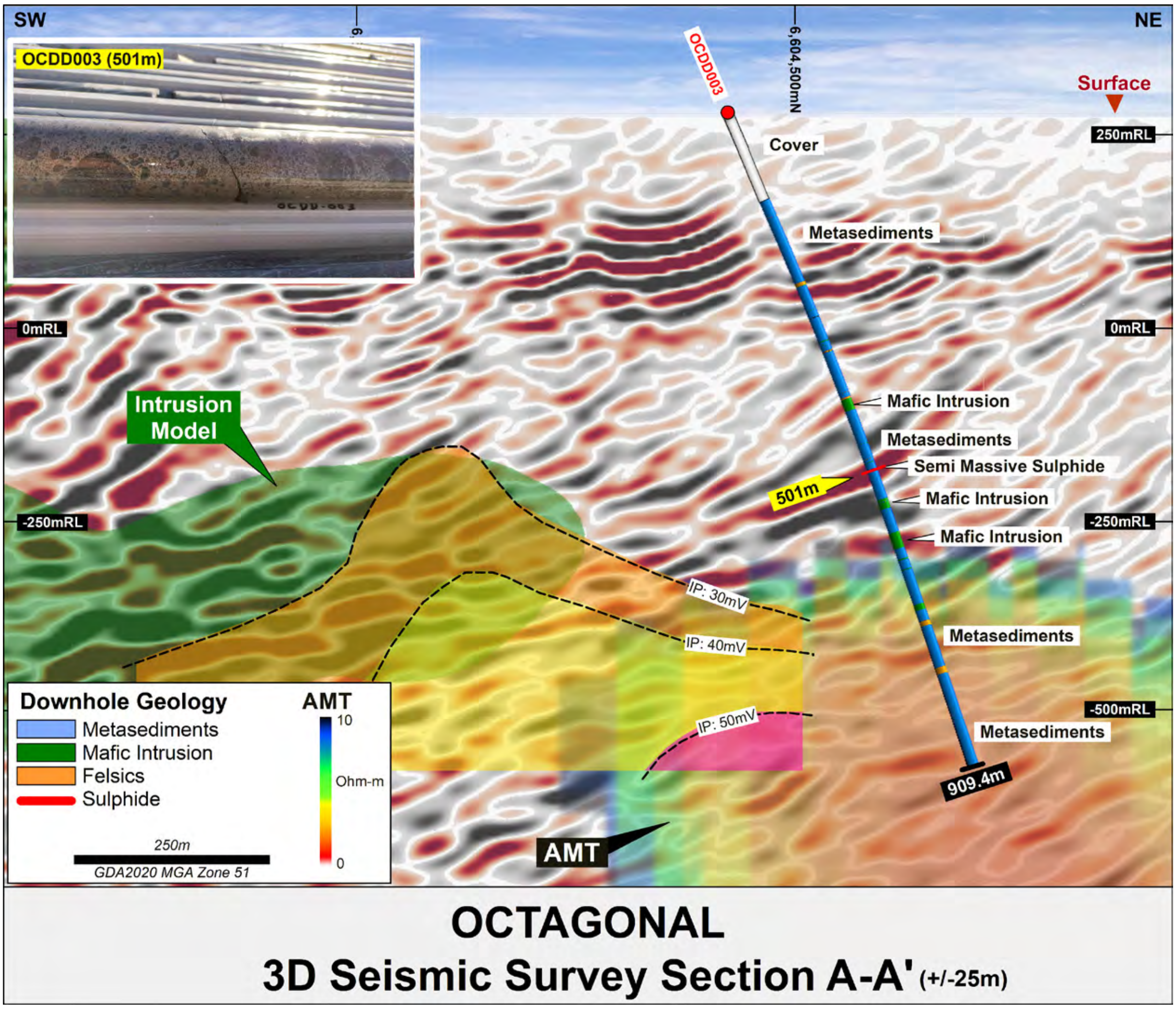


Figure 9: Section A-A' showing drillhole OCDD003 on seismic section and downhole geology.

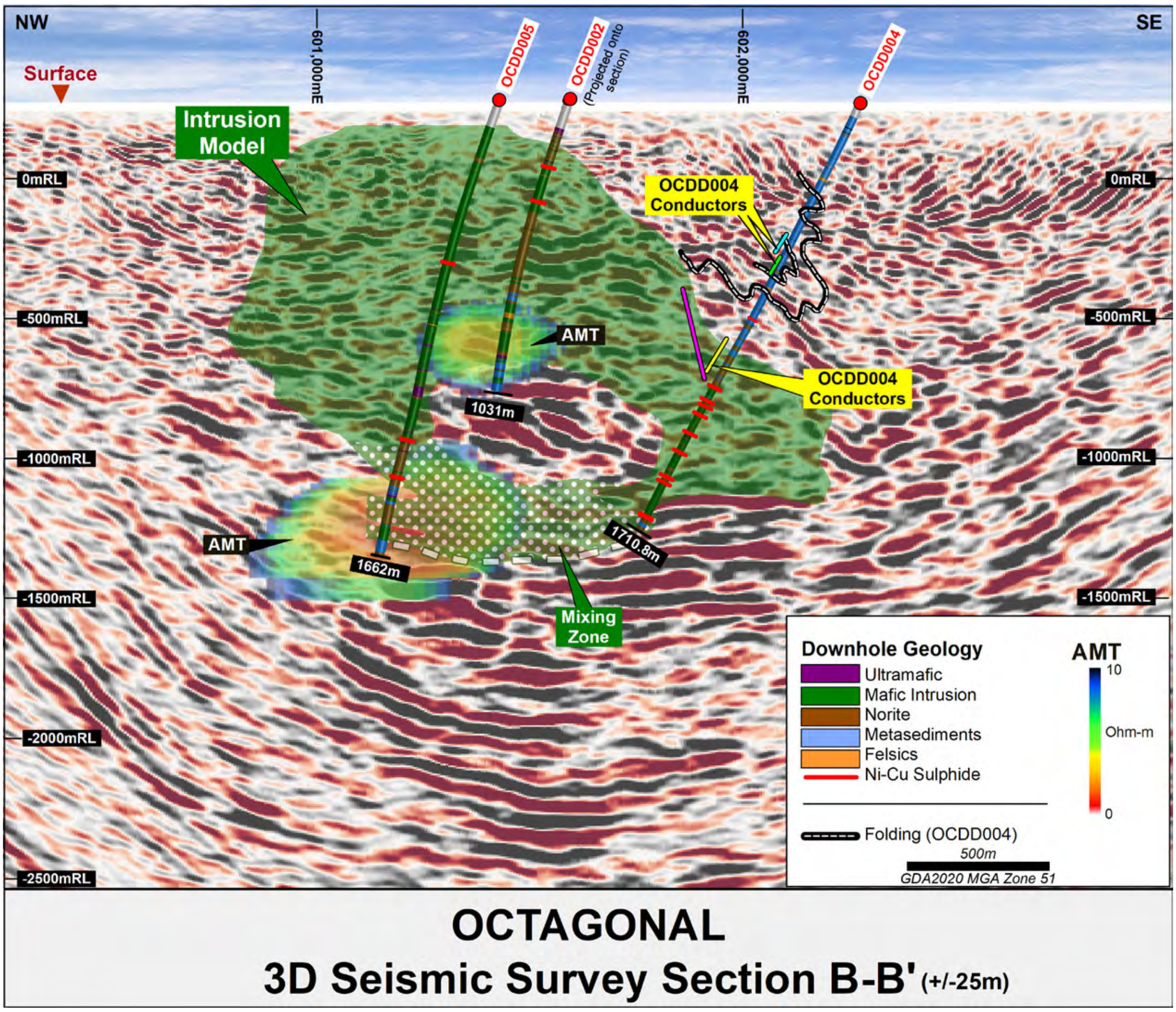


Figure 10: Section B-B' showing drillholes OCDD002, OCDD004 and OCDD005 on seismic section and DHTEM conductors, downhole geology and structure, the Octagonal intrusion and interpreted intrusion, and AMT targets.

Target Area C

Diamond drillhole OCDD004 targeted the interpreted 'keel zone' of the Octagonal intrusion based on seismic interpretation (see Figures 8 and 10). The zone is defined by a junction of structures interpreted to be the source pathway of the Octagonal intrusion. The drillhole was extended to a bottom of hole depth of 1,710.8m to test a seismic zone below known intrusion. The interpreted zone is now confirmed as intrusion to 1,682m before intersecting metasediments, interpreted as the basal contact. The drillhole intersected a suite of mafic to ultramafic intrusives, including variably mineralised troctolite, olivine gabbronorite, and pyroxenite, with extensive carbonate digestion towards the basal contact. In a highly encouraging prospectivity indicator, fertile higher MgO intrusion was intersected at depth, with portable XRF confirming the presence of higher tenor nickel sulphide than previously encountered at Octagonal (see Photo 2). In addition, valuable structural information has been gathered from logging of the metasedimentary country rocks, allowing the integration of physical structural data with seismic responses to map folding. The OIC appears to have exploited the thick meta-conglomerate horizon, interpreted as a primary structural pathway for the OIC. This is a significant development in the understanding of the emplacement of the OIC and subsequent targeting of Ni-Cu accumulations. The known Ni-Cu-Co deposits of the Fraser Range (Nova-Bollinger, Silver Knight, and Mawson) are all located proximal to meta-conglomerate horizons.

Directors' Review of Activities

Key takeaways from Target Area C:

- Fertile intrusion extends at depth, with increased Ni-Cu sulphide towards basal contact
- High MgO intrusion intersected with highest nickel tenor to date identified at Octagonal
- Outstanding geological reconciliation with seismic interpretation allowing for confidence in drillhole targeting
- Compelling evidence of identification of the primary structure exploited by the OIC
- Evidence of mafic-ultramafic intrusions outside the main OIC

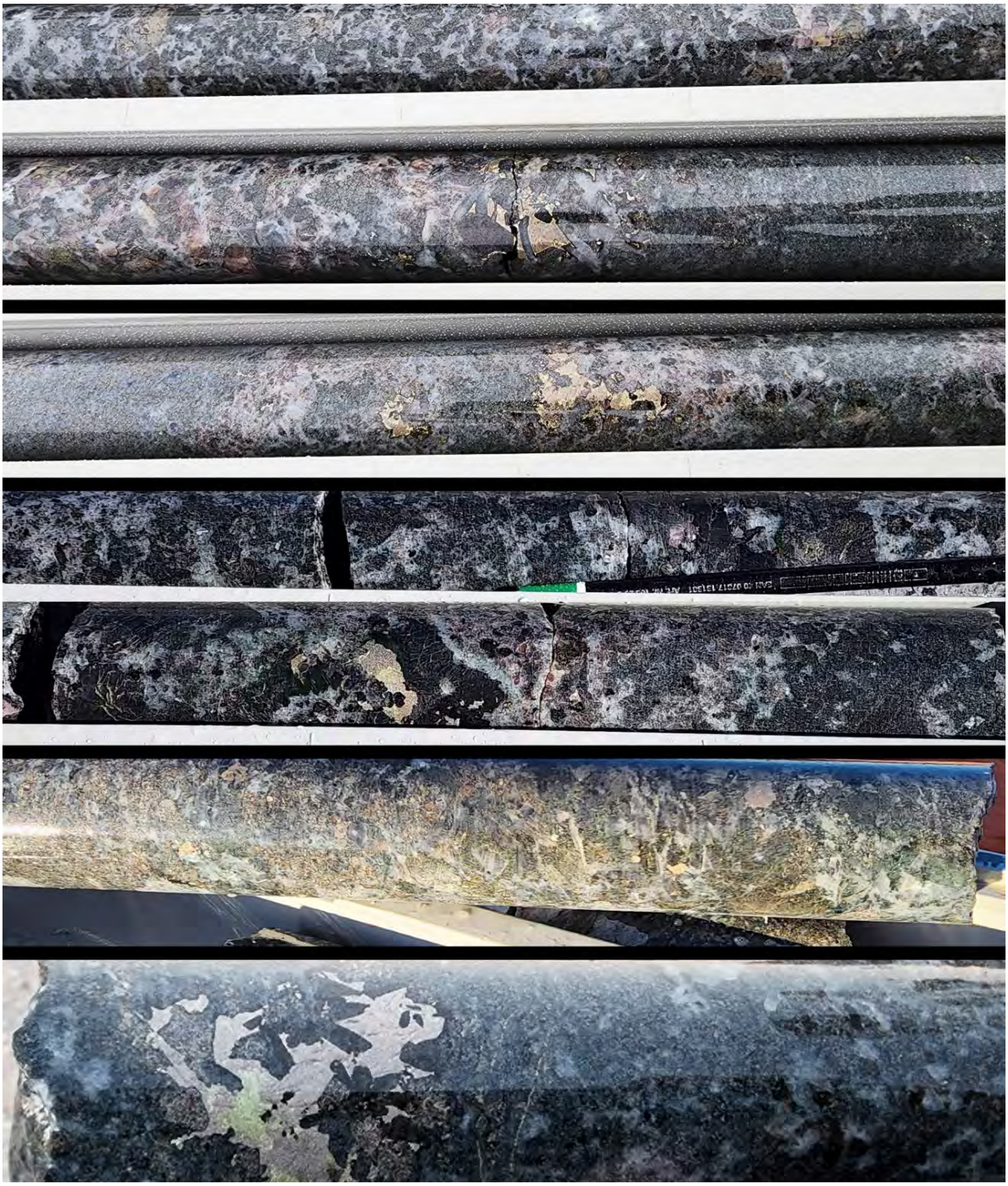


Photo 2: Blebby and disseminated Ni-Cu sulphide intervals from 1,195m to 1,496m in fertile troctolite, olivine gabbronorite, and pyroxenite in diamond drillhole OCDD004.

Directors' Review of Activities

Conductor	Conductance	Dimensions	Plate Orientation	Depth to Plate	Plate Dip
OCDD004_1 (Off-hole)	~1,250-1,750S	50m x >50m	ENE-WSW	~470m downhole	55-65^0 NW
OCDD004_2 (Off-hole)	~1,250-1,750S	50m x >50m	ENE-WSW	~565m downhole	55-65^0 NW
OCDD004_3 (Off-hole)	~1,250-1,750S	>300m x >100m	NE-SW	~800m downhole	55-65^0 NW
OCDD004_4 (Off-hole)	~1,000-1,500S	>300m x >200m	NE-SW	~665m downhole	65-80^0 SE

Table 2: DHTEM conductor parameters from OCDD004

DHTEM has been completed on drillhole OCDD004 and the associated models received (see Figure 8 and Table 2). Four off-hole conductors have been identified, two interpreted to be relating to mineralisation inside the Octagonal intrusion and along the eastern hanging wall contact.

High-power fixed loop electro-magnetic (HPFLTEM) survey

Highpower EM Geophysical Services Pty Ltd completed the maiden HPFLTEM survey at Octagonal during the December 2023 Quarter. The HPFLTEM survey data acquisition was severely hindered by atmospheric conditions, resulting in unanticipated delays. The final data has been received and preliminary modelling conducted.

Four preliminary conductors have been identified, with three interpreted to relate to extensions of Ni-Cu sulphide mineralisation encountered in proximal drillholes (see Figures 8 and 11 and Table 3). Preliminary modelling suggests the identified conductors are complex, with final models subject to refinement post receival and integration of additional data.

Conductor 1 is located down dip along the intrusion contact, proximal to mineralisation intersected in OCT0184 and OCT0190 (see Figure 8).

Conductor 2 is intersected at the top edge by OCT0005, relating to a zone of blebby through semi-massive Ni-Cu sulphide (see Photo 3).

Conductor 3 is the southern extension of a zone of remobilised semi-massive Ni-Cu sulphide intersected in OCDD003 (see Photo 1).

Conductor 4 is a deep, low conductivity feature that aligns with the seismic feature interpreted to be the feeder structure at the base of the OIC (see Figure 11).

Photo 3: Diamond drill core tray from OCT0005 with visual Ni-Cu sulphide mineralisation. OCT0005 intersects the top edge of conductor 2 .

Directors' Review of Activities

The channel 32 data identified a strong conductive source extending to the east of the completed survey area (see magenta zone in Figure 8). This area is of interest as it is the interpreted extension of the Octagonal intrusion based on completed drilling coupled with seismic and structural interpretation. Encouragingly, diamond drillholes OCT0189 and OCDD004 both intersected Ni-Cu sulphide within fertile ultramafic sills proximal to the strong conductive source, confirming mineralised intrusion occurs outside the main OIC body. This is identical to the Nova-Bollinger mineralisation setting.

Given the strong response to the initial HPFLTEM survey and the newly identified zone to the east of the OIC, the survey will be extended. Survey design and planning will commence on completion of the final modelling from the completed HPFLTEM survey. Data acquisition of the extension survey is anticipated for April 2024.

Conductor	Conductance	Dimensions	Plate Orientation	Depth to Plate Top	Plate Dip
Conductor 1	~2,000-3,000S	<400m x 400m	ENE-WSW	350-400m	60-75^0 NNW
Conductor 2	~200-400S	~1,000m x 1,000m	NE-SW	250-300m	65-75^0 SE
Conductor 3	~200-400S	~1,000m x 1,000m	NE-SW	250-300m	80-90^0 NW
Conductor 4	~75-125S	~5km x 5km	NNE-SSW	850-1,000m	20-30^0 WNW

Table 3: Preliminary HPFLTEM conductor parameters

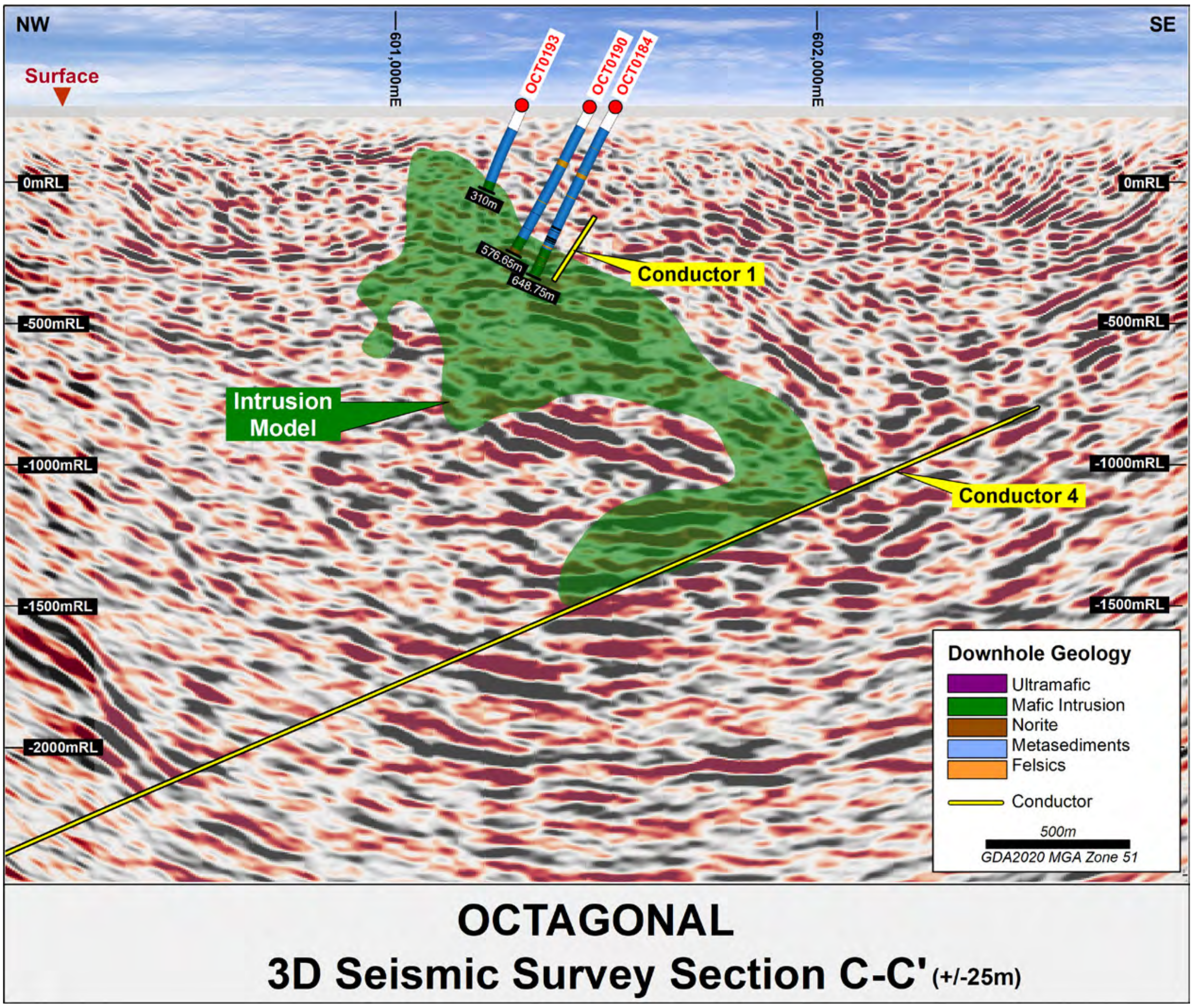


Figure 11: Section C-C' showing drillholes OCT0193, OCT0190, and OCT0184 on seismic section and HPFLTEM conductors 1 and 4, downhole geology, and the Octagonal intrusion model.

Directors’ Review of Activities

REGIONAL ROCKFORD

Magnus Prospect HPFLTEM Survey

Following the excellent response to the initial HPFLTEM survey technique completed across Octagonal, a maiden HPFLTEM survey has been designed for the highly ranked Magnus intrusion (see Figures 2 and 12). Prospectivity of the Magnus intrusion has been confirmed with the single diamond drillhole completed by Legend, suggesting a fertile host intrusion for Nova-Bollinger style Ni-Cu sulphide deposits (*see ASX Announcement 20 September 2021*).

Innovative EM and AI/ML

Across the regional Rockford project, new data delivered though SimClust™ analysis has confirmed Areas X and Y as priority target areas (see Figure 13). The fingerprint geochemical signature defined by SimClust™ from completed aircore drilling has identified these areas prospective for Mawson type Ni-Cu intrusions. A new extensive innovative MLTEM survey has been designed to test for conductors.

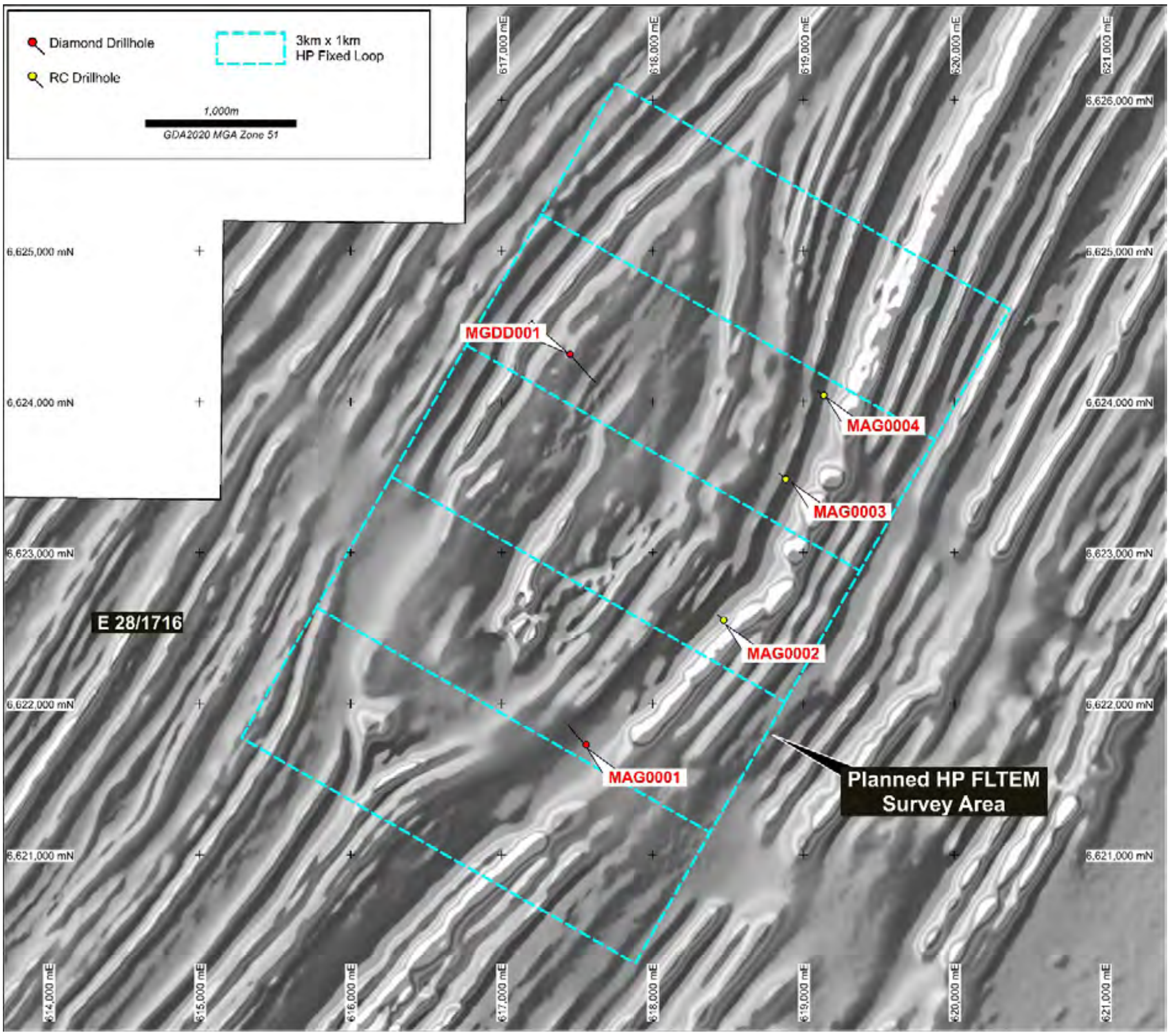


Figure 12: Magnus Intrusion - plan view showing proposed HPFLTEM survey loops with completed diamond and RC drilling on AMAG.

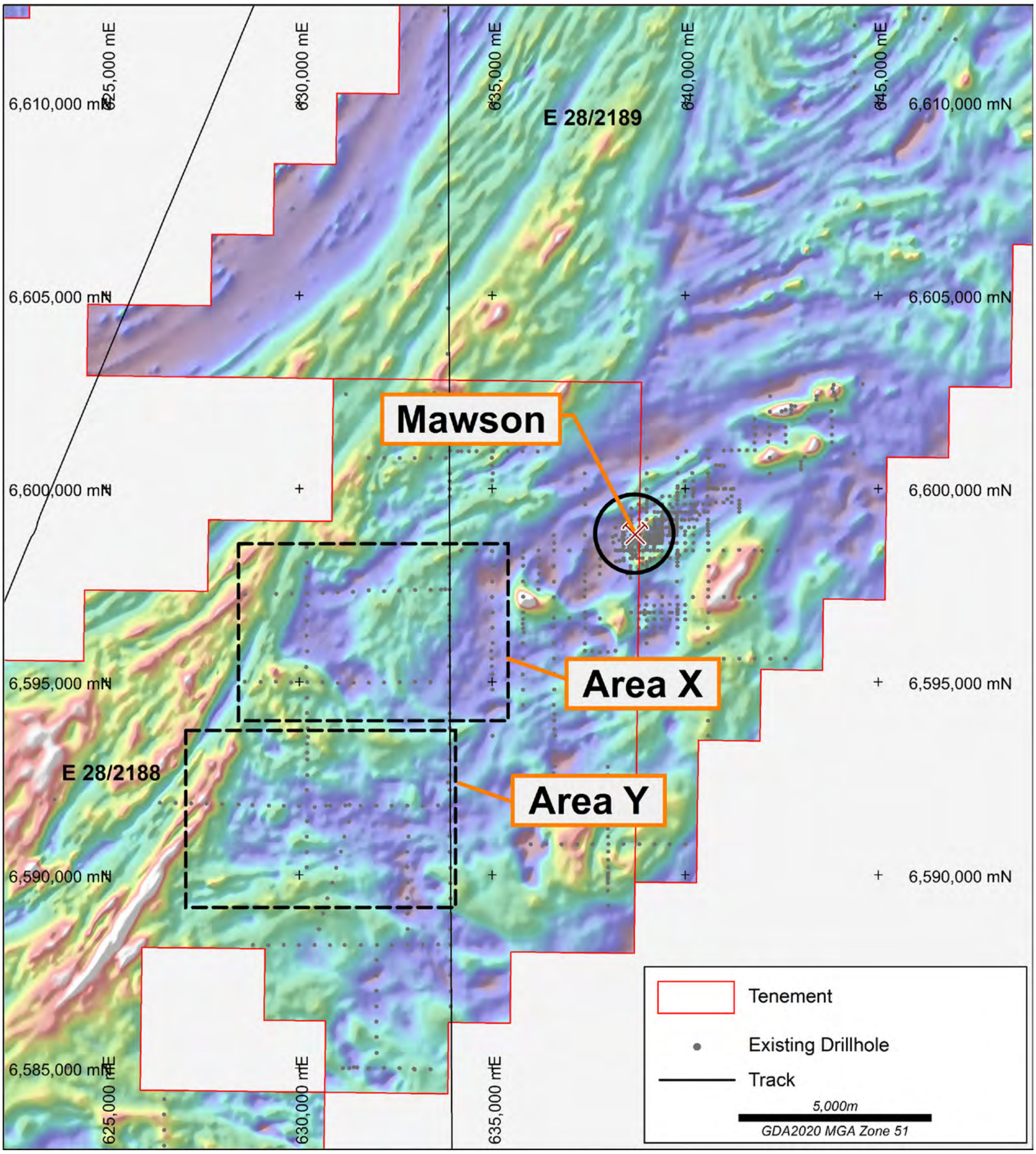
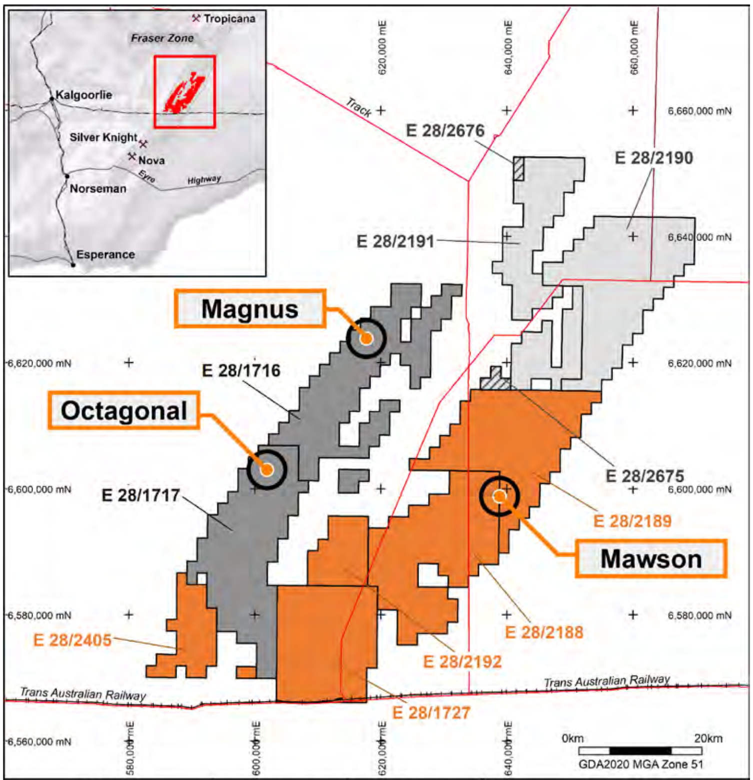


Figure 13: Regional Rockford Target Areas with proposed MLTEM coverage on AMAG.



JVA Title	Tenement	Area km^2	Ownership
Rockford JVA 2019	E28/2190	355	IGO 60% / Creasy 30% / Legend 10%
	E28/2191	278	
Legend/IGO JVA 2019	E28/2675	11.8	IGO 70% / Legend 30%
	E28/2676	5.9	
Ponton JVA 2019	E28/1716	355	Legend 70% / Creasy 30%
	E28/1717	354	
Ponton JVA 2015	E28/1727	286	Legend 70% / Creasy 30%
Rockford JVA 2015	E28/2188	354	Legend 70% / Creasy 30%
	E28/2189	331	
	E28/2192	91	
NA	E28/2405	109	Legend 100%

Figure 14: Rockford Project – Tenure Including Joint Ventures

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by Mr Oliver Kiddie, a Member of the Australasian Institute of Mining and Metallurgy and a full-time employee of Legend Mining Limited. Mr Kiddie 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 Kiddie consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Legend's Exploration Results is a compilation of previously released to ASX by Legend Mining (24 January 2023, 2 February 2023, 28 March 2023, 18 April 2023, 20 April 2023, 27 April 2023, 17 May 2023, 5 June 2023, 27 June 2023, 18 July 2023, 31 July 2023, 31 August 2023, 3 October 2023, 17 October 2023, 7 December 2023, and 20 December 2023) and Mr Oliver Kiddie consent to the inclusion of these Results in this report. Mr Kiddie has advised that this consent remains in place for subsequent releases by Legend of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent. Legend confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters in the market announcements continue to apply and have not materially changed. Legend confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

The information in this report that relates to Legend's Mineral Resource for the Mawson Deposit is a compilation of a previously reported release to ASX by Legend Mining on 2 February 2023 and Mr Shaun Searle's consent to the inclusion of Legend's Mineral Resource for the Mawson Deposit in that report. Mr Searle has advised that this consent remains in place for subsequent releases by Legend of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent. Legend confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters in the market announcement continue to apply and have not materially changed. Legend confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.

Directors' Review of Activities

CORPORATE

Fund Raising

In May 2023, the Company completed a $6 million placement to professional and sophisticated investors, and major shareholders, Creasy Group and IGO Limited, issuing 146,341,464 new fully paid ordinary shares in the Company at an issue price of $0.041 per share. Euroz Hartleys Limited acted as Lead Manager for the placement.

Annual General Meeting (AGM)

The 2023 AGM was held on 5 May 2023. All resolutions in the Notice of AGM were passed on a poll.

The 2024 AGM is planned to be held at 3.00pm on Friday, 17 May 2024. All AGM resolutions will be decided on a poll.

Board Changes

As previously announced in March 2023, at the conclusion of the 2023 AGM, Mr Michael Atkins retired as a director of the Company. Mr Mark Wilson was elected as Executive Chair and Mr Oliver Kiddie was appointed as Managing Director of the Company effective from the end of the 2023 AGM.

Appointment of Auditor

In July 2023 Quarter, the Company appointed Hall Chadwick WA Audit Pty Ltd as auditor of the Company following the resignation of Ernst & Young and ASIC's consent to this resignation.

Grant of Unlisted Options to Director

Following shareholder approval at the 2023 AGM on 5 May 2023, on 8 May 2023, 65,000,000 unlisted options exercisable at 9.6 cents each and expiring on 8 May 2026 were granted to the directors on the terms set out in the Notice of AGM.

Exercise of Unlisted Options

In September 2023, 3,000,000 unlisted zero exercise price options expiring on 10 August 2025 were exercised by the Company's Managing Director, Mr Oliver Kiddie.

Directors interests

As previously advised on 21 September 2023, the Company's Managing Director, Mr Oliver Kiddie acquired 2,000,000 ordinary shares on market. Combined with the exercise of 3,000,000 unlisted zero exercise price options (see above), Mr Kiddie has increased his interest in the Company by 5,000,000 ordinary shares.

In February 2024, the Company's Executive Chair, Mark Wilson, increased his interests in the Company by the acquisition on-market of 7,500,000 ordinary shares, increasing his relevant interest in the Company to 184,748,200 ordinary shares, being ~6.4% interest in the Company.

Grant of ESOP Options to Eligible Participants

In March 2023, the Company granted 18.5 million ESOP options to eligible participants under its employee incentive plan.

R&D refund received

Legend lodged its FY2023 tax return including a Research and Development (R&D) refund claim in December 2023 and in January 2024 received the $3.08 million R&D cash refund from the Australian Taxation Office. Legend received specialist advice from Deloitte in relation to this claim.

Directors’ Review of Activities

SUSTAINABILITY

Legend Mining Limited (Legend or The Company) is committed to being a leading and sustainable Australian mining company built on exploration and corporate success for the benefit of all of its stakeholders.

The Company periodically reviews and updates its Sustainability policies in compliance with the legislation and regulations, and in line with best practice appropriate to the size and nature of the Company’s operations. These Sustainability policies apply to all our people and implementation of these policies and their supporting standards and procedures are required across all Legend operations.

Environment

Legend aspires to being effective environmental stewards and managing our impacts, whilst both achieving operational excellence and fulfilling our corporate social responsibilities. The Company is committed to positive environmental management outcomes to maintain and enhance performance.

Legend acknowledges the threat posed by climate change and aspires to decarbonise our business in a measured, proportionate and sustainable manner.

Work Health and Safety

Through the implementation and maintenance of an effective health and safety management system, Legend seeks to minimise the harm caused by workplace hazards whilst both achieving operational excellence and fulfilling our corporate social responsibilities. The Company is committed to leadership in work health and safety through the use of responsible and reliable management systems to maintain and enhance performance.

Community

Legend aspires to create enduring value for our host communities and limiting our negative impacts, whilst both achieving operational excellence and fulfilling our corporate social responsibilities. Legend is committed to open and transparent communication, understanding and respecting the local people, acting in a responsible manner and complying with its legal and regulatory obligations as a minimum standard.

Governance

Effective corporate governance is essential to ensuring Legend achieves its stated objectives and creates value for our shareholders while at the same time providing positive benefits for our stakeholders. Legend and the Board are committed to achieving and demonstrating the highest standards of corporate governance including compliance with the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council (ASX Recommendations). Legend has reviewed its corporate governance practices against the ASX Recommendations .

The Company’s latest Corporate Governance Statement was approved by the Board on 13 March 2024 and is current as at 15 March 2024. A description of Legend’s current corporate governance practices is set out in Legend’s Corporate Governance Statement, policies and charters which can be viewed at www.legendmining.com.au.

The Directors submit their report for the year ended 31 December 2023.

1. DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Mark Wilson (Executive Chair)

Oliver Kiddie (Managing Director)

Hilary Macdonald (Non-Executive Director)

Michael Atkins (Chairman, Non-Executive Director) retired as director of the Company on 5 May 2023

On 5 May 2023, at the conclusion of the Annual General Meeting, Mr Michael Atkins retired as Director of the Company, Mr Mark Wilson was elected as Executive Chair of the Board and Mr Oliver Kiddie was appointed Managing Director of the Company.

2. INFORMATION ON DIRECTORS AND COMPANY SECRETARY

Mark Wilson, MIEAust CPEng, is a Member of the Institution of Engineers, Australia and a Chartered Professional Engineer with an Associateship in Civil Engineering from Curtin University in Western Australia. He has an extensive business background, mainly in corporate management and project engineering. This has included site management of remote construction projects and ten years of commercial construction as a founding proprietor of a Perth based company. Since 1995 he has held executive, non-executive, consulting and owner roles in resource focused companies. Mr Wilson has not held any other former public company directorships in the last three years.

Oliver Kiddie, BSc App Geol, MAusIMM, MAICD, is a geologist with over 20 years' experience across exploration, resource definition, project development, and production throughout Australia and internationally. He has extensive experience in base metal and gold exploration through senior management and executive positions, working for companies including Dominion Mining, European Goldfields, and most recently as GM Exploration for the Creasy Group. He led the exploration team of the Fraser Range project for the Creasy Group, including the discovery, resource definition, and mining lease application for the Silver Knight Ni-Cu-Co deposit. Mr Kiddie possesses a strong corporate background having managed numerous transactions and joint ventures as key responsibilities of senior management and executive positions. Mr Kiddie is a member of the Australasian Institute of Mining and Metallurgy and a member of the Australian Institute of Company Directors. Mr Kiddie has not held any other former public company directorships in the last three years.

Hilary Macdonald LLB (HONS), FGIA is a lawyer with 30 years' experience in private practice and industry in the UK and Australia, with particular focus on corporate and mining law. A law graduate of Bristol University, England, Ms Macdonald qualified as a solicitor in London and was admitted to the Supreme Court of England and Wales in 1990, and to the Supreme Court of Western Australia in 1995. Ms Macdonald was Legend Mining's external legal adviser from 2005-2016, prior to her current, continuing role as Northern Star Resources Ltd's Chief Legal Officer and Company Secretary. Ms Macdonald has been instrumental in many project and company acquisitions, divestments and capital raisings. Hilary also brings extensive ASX listed company experience in leadership, safety culture, risk and governance, executive remuneration, people & culture, sustainability and stakeholder relationships. Ms Macdonald has not held any other former public company directorships in the last three years.

Tony Walsh, BComm, MBA, FCIS, FCA was appointed Company Secretary effective on 12 December 2016. Mr Walsh has over 35 years experience in dealing with listed companies, ASX, ASIC and corporate transactions including 14 years with the ASX in Perth where he acted as ASX liaison with the JORC committee, four years as Chairman of an ASX listed mining explorer and as a director of a London AIM listed explorer. Tony is also currently Company Secretary of Great Western Exploration Limited and was Company Secretary of Battery Minerals Mining Ltd and a Director of XCD Energy Limited until his resignation in November 2022 and July 2021 respectively. Mr Walsh is a member of the Australian Institute of Company Directors, a Fellow of the Governance Institute of Australia, the Institute of Chartered Secretaries and the Institute of Chartered Accountants in Australia. He is currently a non-executive chair of the Board of the Women's and Infants Research Foundation.

Michael Atkins, BComm FAICD, (a Non-Executive Chairman from 1 January 2023 until he retired as a director of the Company at the conclusion of the Annual General Meeting held on 5 May 2023) is a Fellow of the Australian Institute of Company Directors and was previously a Fellow of the Institute of Chartered Accountants in Australia. Since 1987 he has been involved in the executive management and as a non-executive Chairman of numerous publicly listed resource companies with operations in Australia, USA, South-East Asia and Africa. Michael has been non-executive Chairman of numerous ASX listed companies, and until November 2022 he was a Senior Corporate Advisor to Canaccord Genuity (Australia) Ltd. He is currently a non-executive chairman of Castle Minerals Ltd, and a non-executive director of SRG Global Limited, all ASX listed entities, and a non-executive director of Warrego Energy Limited (delisted from the ASX on 9 March 2023). Mr Atkins has not held any other former public company directorships in the last three years.

3. EARNINGS PER SHARE

Basic loss per share:	0.1063 cents
Diluted loss per share:	0.1063 cents

4. DIVIDENDS

No dividend has been paid or recommended during the financial year.

5. CORPORATE INFORMATION

Corporate Structure

Legend Mining Limited is a Company limited by shares that is incorporated and domiciled in Australia. Legend Mining Limited has prepared a consolidated financial report incorporating the entities that it controlled during the financial year. During the year Legend Mining Limited had no subsidiaries.

Nature of Operations and Principal Activities

The principal activities during the year of the entities within the consolidated entity were:

- exploration for nickel and copper deposits in Australia.

Employees

The consolidated entity had a staff of eight employees at 31 December 2023 (2022: nine employees).

6. OPERATING AND FINANCIAL REVIEW

Results of Operations

The net loss after income tax of the consolidated entity for the year was $5,019,320 (2022: loss of $1,491,051).

Review of Operations

The Directors' Review of Activities for the year ended 31 December 2023 is contained on pages 3 to 21 of this Annual Report.

Summarised Operating Results

Deferred Exploration Costs: Total acquisition costs and deferred expenditure on tenements capitalised during the year, net of amounts reimbursed through the research and development incentive grant and the write back of Surrended Tenements amounted to ($299,764) (2022: $5,246,355).

7. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes during the year.

8. ENVIRONMENTAL REGULATION AND PERFORMANCE

The consolidated entity's operations are subject to various environmental regulations under both Commonwealth and State legislation in Australia. The Directors have complied with these regulations and are not aware of any breaches of the legislation during the financial year which are material in nature.

9. LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Likely developments in the operations of the consolidated entity and expected results of those operations in subsequent financial years have been discussed, where appropriate, in the Chairman's Report and Review of Activities.

10. SHARE OPTIONS

Unissued shares

As at the date of this report, there were 88,000,000 unissued ordinary shares under options. Refer to note 17 for further details of the options outstanding on 31 December 2023.

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company or any related body corporate.

Shares issued as a result of the exercise of options

There were Nil shares issued as a result of the exercise of options during the financial year. See note 17 for full details.

11. SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 19 January 2023, the Company received a Research and Development refund of $3.08 million from the Australian Taxation Office.

No other matters or circumstance has arisen since the end of the financial year which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

12. INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has not, during or since the financial year, in respect of any person who is or has been an officer of the Company or a related body corporate:

(i) indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or

(ii) paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

13. INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Hall Chadwick, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Hall Chadwick during or since the financial year.

14. REMUNERATION REPORT (AUDITED)

The compensation arrangements in place for key management personnel of Legend are set out below:

Details of key management personnel

Directors

M Wilson	Executive Chair
O Kiddie	Managing Director
H Macdonald	Non- Executive Director
M Atkins	Non-Executive Chairman (retired on 5 May 2023)

Compensation Philosophy

The performance of the Company depends upon the quality of its directors and executives. To prosper, the Company must attract, motivate and retain highly skilled directors and executives.

The Company embodies the following principle in its compensation framework:

- Provide competitive rewards to attract high-calibre executives.

Group Performance

- The Group's financial performance for the last five years has been as follows:

	December 2023	December 2022	December 2021	December 2020	December 2019
Revenue	$592,145	$218,247	$132,577	$262,488	$231,690
Net loss after tax	($5,019,320)	($1,491,051)	($66,179)	($1,062,610)	($401,801)
Basic loss per share (cents per share)	(0.1063)	(0.0526)	(0.0023)	(0.0383)	(0.0152)
Diluted loss per share (cents per share)	(0.1063)	(0.0526)	(0.0023)	(0.0383)	(0.0152)
Net assets	$53,942,021	$52,156,821	$53,521,982	$49,863,081	$24,795,193
Share price (at balance date)	$0.014	$0.040	$0.058	$0.115	$0.09

As the Group is currently in exploration and evaluation phases, historical earnings are not yet an accurate reflection of Group performance and cannot be used as a long-term incentive measure. Consideration of the Group's earnings will be more relevant as the Group matures.

Remuneration Committee

Due to the size of Legend, remuneration is considered by the full Board. The Board reviews remuneration packages and policies applicable to the directors and senior executives. Remuneration levels are competitively set to attract the most qualified and experienced directors and senior executives.

14. REMUNERATION REPORT (CONTD)

Compensation Structure

In accordance with best practice corporate governance, the structure of non-executive director and other senior manager remuneration is separate and distinct.

Objective of Non-Executive Director Compensation

The Board seeks to set aggregate compensation at a level that provides the company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

Structure of Non-Executive Director Compensation

The Constitution and the ASX Listing Rules specify that the aggregate compensation of non-executive directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed. The latest determination was at the Annual General Meeting held on 16 May 2012 when shareholders approved the aggregate remuneration for non-executive directors of $300,000 per year.

The amount of aggregate compensation sought to be approved by shareholders and the manner in which it is apportioned amongst non-executive directors is reviewed annually. The Board considers the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Objective of Executive Director Compensation

The company aims to reward executives with a level and mix of compensation commensurate with their position and responsibilities within the company and so as to:

- reward executives for Company and individual performance against targets set by reference to appropriate benchmarks;
- align the interests of executives with those of shareholders; and
- ensure total compensation is competitive by market standards.

Structure of Executive Director Compensation

In determining the level and make-up of executive compensation, the Board may engage external consultants to provide independent advice. No external advice was obtained during the 2023 year.

It is the Board's policy that an employment contract is entered into with key executives.

Compensation consists of a fixed compensation element and the issue of options from time to time at the directors' discretion under the Employee Share Option Plan. Any issue of options to directors under the Employee Share Option Plan requires prior shareholder approval.

Fixed Compensation

Fixed compensation is reviewed annually by the Board. The process consists of a review of company and individual performance, relevant comparative compensation in the market and internally and, where appropriate, external advice on policies and practices. No external advice was obtained during the 2023 year.

Structure

Executive Directors are given the opportunity to receive their fixed (primary) compensation in a variety of forms including cash and fringe benefits. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Company.

Employment Contracts

Mr Mark Wilson is employed under contract. The current contract commenced on 1 July 2011 and is effective until terminated in accordance with the contract. The significant terms of the contract are:

- Mr Wilson receives remuneration of $360,000 per annum exclusive of superannuation;
- Mr Wilson may resign from his position and thus terminate his contract by giving one month written notice;
- The company may terminate Mr Wilson's employment contract by providing six months' written notice if the position has become redundant, or three months' written notice in all other circumstances; and
- The Company may terminate Mr Wilson's contract at any time without notice if serious misconduct has occurred.

14. REMUNERATION REPORT (CONTD)

Mr Oliver Kiddie is employed under contract. The current contract commenced on 10 August 2021 and is effective until terminated in accordance with the contract. The significant terms of the contract are:

- Mr Kiddie receives remuneration of $300,000 per annum exclusive of superannuation;
- Mr Kiddie may resign from his position and thus terminate his contract by giving three months' written notice;
- The Company may terminate Mr Kiddie's employment contract by providing three months' written notice if the position has become redundant, or one months' written notice in all other circumstances; and
- The Company may terminate Mr Kiddie's contract at any time without notice if serious misconduct has occurred.

Ms Hilary Macdonald is employed under contract. The contract commenced on 6 September 2022 and is effective until terminated in accordance with the contract. The significant terms of the contract are:

- Ms Macdonald receives remuneration of $50,000 per annum exclusive of superannuation;
- Ms Macdonald's appointment is contingent upon satisfactory performance and successful election and then subsequent re-election by shareholders of the Company;
- Ms Macdonald may resign from her position and thus terminate her engagement by giving written notification of her resignation as a director; and
- The Company may terminate Ms Macdonald's engagement by way of resolution of the Company's shareholders.

Mr Michael Atkins was employed under contract until his retirement on 5 May 2023. This contract commenced on 1 July 2012 and was effective until Mr Atkins retirement on 3 May 2023. The significant terms of the contract were:

- Mr Atkins received remuneration of $90,000 per annum exclusive of superannuation;
- Mr Atkins' agreement provides for engagement of consultancy services outside of the scope of the ordinary duties of a non-executive chairman. In addition to the director's fees above, Mr Atkins is paid $2,000 per day (inclusive of superannuation) for the provision of these consultancy services.
- Mr Atkins' appointment was contingent upon satisfactory performance and successful re-election by shareholders of the Company;
- Mr Atkins may resign from his position and thus terminate his engagement by giving written notification of his resignation as a director; and
- The Company may terminate Mr Atkins' engagement by way of resolution of the Company's shareholders.

Employee Share Option Plan

The Board has in place an Employee Share Option Plan (ESOP) allowing share options to be issued to eligible employees in order to provide them with an incentive to provide growth and value to all shareholders.

At the 2023 Annual General Meeting (AGM) on 5 May 2023, shareholders approved the implementation of the current Employee Share Option Plan. A summary of the current Employee Share Option Plan was included in the 2023 Notice of AGM.

Award of share options under the ESOP is linked directly to achievement of strategic Company objectives such as share price growth.

Share-based Payments

During the year the Company granted 18,500,000 zero exercise price incentive options to eligible employees as part of their remuneration under the Company's Employee Incentive Plan Rules approved at the Annual General Meeting on 5 May 2023 (2023 AGM) as follows:

- Pursuant to shareholder approval at the 2023 AGM, 65 million three-year options with an exercise price of 9.6 cents were granted to the Directors for Nil consideration on 8 May 2023. Further details on these options are set out in the Notice of 2023 AGM released to the ASX on 16 March 2023.
- 18.5 million zero exercise price options were granted to employees for Nil consideration as part of employee remuneration on 20 March 2023 pursuant to the Company's ESOP approved at the Annual General Meeting in May 2020.
    - Milestone A: 5,000,000 unlisted ZEPOs issued for nil consideration, each convertible into one ordinary share at any time between meeting the vesting condition (12 months of continuous service from the date of grant) and the expiry date.
    - Milestone B: 5,000,000 unlisted ZEPOs issued for nil consideration, each convertible into one ordinary share at any time between meeting the vesting condition (24 months of continuous service from the date of grant) and the expiry date.

14. REMUNERATION REPORT (CONTD)

- Milestone C: 8,500,000 unlisted ZEPOs issued for nil consideration, each convertible into one ordinary share at any time between meeting the vesting condition (the 20-day volume weighted average price ("VWAP") of Legend shares being greater than $0.10) and the expiry date.

Compensation of Key Management Personnel for Years Ended 31 December 2023 and 31 December 2022

Name	Year	Short term Salary and Fees[1] $	Post-Employment Super-annuation $	Long-term benefits Long Service Leave $	Share based payments options $	Total $	Compen-sation granted as options %	Performance related remuneration %
Director								
M Atkins	2023	31,630	3,321	-	-	34,951	-	-
	2022	90,000	9,225	-	-	99,225	-	-
M Wilson	2023	362,893	27,418	6,000	236,000	632,311	-	-
	2022	349,919	27,581	6,000	-	383,501	-	-
O Kiddie	2023	317,442	27,318	-	472,000	816,760	-	-
	2022	308,923	28,932	-	9,145	346,999	3	-
H Macdonald	2023	52,625	2,750	-	59,000	114,375	-	-
	2022	16,536	1,253	-	-	17,789	-	-
Total	**2023**	**764,590**	**60,807**	**6,000**	**767,000**	**1,598,397**	**-**	**-**
	2022	**765,378**	**66,991**	**6,000**	**9,145**	**847,514**	**-**	**-**

(1) Short term salary and fees includes net movements in annual leave provisions.

Option holdings of Key Management Personnel

Movement of options held in Legend Mining Limited during the year ended 31 December 2023

Name	Balance at beginning of year 1 Jan 2023	Granted as Remuneration	Exercised during the year	Net Change Other	Balance at end of year 31 Dec 2023	Not Vested & Not Exercisable	Vested & Exercisable
Directors							
M Atkins	-	-	-	-	-	-	-
M Wilson	-	20,000,000	-	-	20,000,000	-	20,000,000
O Kiddie	7,000,000	40,000,000	3,000,000	-	44,000,000	4,000,000	40,000,000
H Macdonald	-	5,000,000	-	-	5,000,000	-	5,000,000
Total	**7,000,000**	**65,000,000**	**3,000,000**	**-**	**69,000,000**	**4,000,000**	**65,000,000**

Shareholdings of Key Management Personnel[1]

Movement of shares held in Legend Mining Limited during the year ended 31 December 2023

Name	Balance 1 Jan 23	Granted as remuneration	On exercise of options	Net change other[2]	Balance 31 Dec 2023
Directors					
M Atkins (Windamurah P/L), (Alkali Exploration P/L)	17,108,334	-	-	-	17,108,334
M Wilson (Chester Nominees WA P/L) (Hostyle PL) (SMT Investments WA P/L)	177,238,735	-	-	9,465	177,248,200
O Kiddie (Caralabek Pty Ltd)	3,000,000	-	3,000,000	2,000,000	8,000,000
H Macdonald	408,163	-	-	1,775,000	2,183,163
Total	**197,755,232**	**-**	**3,000,000**	**3,784,465**	**204,539,697**

(1) Includes shares held directly, indirectly and beneficially by KMP.
(2) On-market purchases made during the year.

Note: No other transactions involving Key Management Personnel occurred during the period.

END OF REMUNERATION REPORT

15. DIRECTORS' MEETINGS

The number of Meetings of Directors held during the year and the number of Meetings attended by each Director was as follows:

Name	No. of Board Meetings Attended	No. of Meetings Held Whilst A Director	No of Audit Committee Meetings Attended	No of Audit Committee Meetings Held
Attended by:				
Michael Atkins	3	3	1	1
Mark Wilson	9	9	3	3
Oliver Kiddie	9	9	3	3
Hilary Macdonald	9	9	3	3

16. DIRECTORS' INTERESTS

The relevant interest of each director in the shares and options issued by the company in accordance with the Corporations Act 2001, at the date of signing this report is as follows:

Name	Ordinary shares	Options over ordinary shares
M Wilson (Chester Nominees WA P/L) (Hostyle Pty Ltd) (SMT Investments WA P/L)	184,748,200	20,000,000
O Kiddie (Caralabek Pty Ltd)	8,000,000	44,000,000
H Macdonald	2,183,163	5,000,000

17. AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

Non-audit services

There were no non-audit services provided by the Company's auditor, Hall Chadwick WA Audit Pty Ltd during the 2023 financial year.

We have received the Declaration of Auditor Independence from Hall Chadwick WA Audit Pty Ltd, the Company's Auditor. This is available for review on page 55 and forms part of this report.

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

Oliver Kiddie
Managing Director

Dated this 15th day of March 2024

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2023

	Note	2023	2022
		$	$
Finance revenue	4(a)	592,145	218,247
Income on recovery of receivable	9	-	500,000
Other Income	4(b)	50,795	13,074
Employee benefit expenses	4(c)	(327,375)	(285,134)
Impairment of Exploration Expenditure	12	(3,497,843)	(1,525)
Financial expenses		(4,030)	(2,261)
Other expenses	4(d)	(76,271)	(79,287)
Corporate and administration expenses	4(e)	(1,073,948)	(1,116,343)
Share-based payments expense	16	(1,075,154)	(225,890)
Loss before income tax		(5,411,681)	(979,119)
Income tax benefit/(expense)	6	392,361	(511,932)
Net loss for the year attributable to Members of Legend Mining Limited		**(5,019,320)**	**(1,491,051)**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year attributable to Members of Legend Mining Limited		**(5,019,320)**	**(1,491,051)**
EARNINGS PER SHARE (cents per share)			
Basic loss per share	5	(0.1063)	(0.0526)
Diluted loss per share	5	(0.1063)	(0.0526)

The accompanying notes form part of these financial statements

Consolidated Statement of Financial Position

As at 31 December 2023

	Note	2023 $	2022 $
ASSETS			
Current Assets			
Cash and cash equivalents	8	11,525,698	12,710,577
Receivables	9	3,174,018	160,772
Other financial assets	10	100,000	100,000
Total Current Assets		14,799,716	12,971,349
Non-current Assets			
Other financial assets	10	5,775	5,775
Property, Plant and Equipment	11	434,377	572,204
Right of use assets		107,948	62,822
Deferred exploration costs	12	39,876,147	40,175,915
Total Non-current Assets		40,424,247	40,816,716
TOTAL ASSETS		55,223,963	53,788,065
LIABILITIES			
Current Liabilities			
Trade and other payables	13	632,445	710,692
Employee benefit provisions	14	181,465	173,671
Lease liability		91,637	43,821
Total Current Liabilities		905,547	928,184
Non-current Liabilities			
Employee benefit provisions	14	160,814	153,302
Lease liability		18,459	19,918
Deferred tax liability	6	197,122	529,841
Total Non-current Liabilities		376,395	703,061
TOTAL LIABILITIES		1,281,942	1,631,245
NET ASSETS		53,942,021	52,156,820
EQUITY			
Equity attributable to equity holders of the parent			
Contributed equity	15	107,180,870	101,451,503
Share option premium reserve	16	25,699,481	24,624,327
Accumulated losses		(78,938,330)	(73,919,010)
TOTAL EQUITY		53,942,021	52,156,820

The accompanying notes form part of these financial statements

Consolidated Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 $	2022 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,342,722)	(1,147,110)
Proceeds from Jindal Receivable		-	500,000
Interest received		558,532	165,377
Other income		14,084	13,074
Payment for financial assets		(5,601)	(3,121)
Net cash flows from/(used) in operating activities	20(ii)	(775,707)	(471,780)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	11	(32,234)	(4,652)
Payments for deferred exploration costs		(6,070,493)	(7,912,201)
Receipt of research and development tax incentive grant		-	2,935,147
Net cash flows used in investing activities		(6,102,727)	(4,981,706)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Capital Raising		6,000,000	-
Payment of transaction costs relating to capital raising		(210,991)	-
Principal elements of lease payments		(95,454)	(94,404)
Net cash flows from financing activities		5,693,555	(94,404)
Net decrease in cash and cash equivalents		(1,184,879)	(5,547,890)
Cash and cash equivalents at the beginning of year		12,710,577	18,258,467
Cash and cash equivalents at end of year	20(i)	11,525,698	12,710,577

The accompanying notes form part of these financial statement

Consolidated Statement of Changes in Equity

For the year ended 31 December 2023

	Contributed Equity	Share Option Premium Reserve	Accumulated Losses	Total Equity
	$	$	$	$
At 1 January 2023	101,451,503	24,624,327	(73,919,010)	52,156,820
Loss for the year	-	-	(5,019,320)	(5,019,320)
Total comprehensive loss for the year	-	-	(5,019,320)	(5,019,320)
Issued capital (note 15)	6,000,000	-	-	6,000,000
Capital raising cost (note 15)	(270,633)	-	-	(270,633)
Employee and director options (note 16)	-	1,075,154	-	1,075,154
At 31 December 2023	107,180,870	25,699,481	(78,938,330)	53,942,021
At 1 January 2022	101,451,503	24,398,437	(72,427,959)	53,421,981
Loss for the year	-	-	(1,491,051)	(1,491,051)
Total comprehensive loss for the year	-	-	(1,491,051)	(1,491,051)
Issued capital	-	-	-	-
Capital raising cost	-	-	-	-
Employee and director options	-	225,890	-	225,890
At 31 December 2022	101,451,503	24,624,327	(73,919,010)	52,156,820

The accompanying notes form part of these financial statements

NOTE 1: CORPORATE INFORMATION

The consolidated financial statements of Legend Mining Limited and its subsidiaries (collectively, the Group) for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the Directors on 13 March 2024.

Legend Mining Limited (the Company or the parent) is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The address of the registered office is Level 1, 8 Kings Park Road, West Perth WA 6005.

The nature of the operations and principal activities of the Group are described in note 3.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis, except for certain financial assets carried at fair value.

The financial report is presented in Australian dollars and all values are expressed as whole dollars.

The consolidated financial statements have been prepared on a going concern basis which assumes the continuity of normal business activity and the realisation of assets and settlement of liabilities in the ordinary course of business.

The financial report also complies with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board.

Changes in accounting policy, disclosures, standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except for the impact of new and amended accounting standards and interpretations as discussed below.

New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2023 which did not have a material impact on the consolidated financial statements. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Accounting Standards and Interpretations issued but not yet effective

Australian Accounting Standards and Interpretations that are issued, but are not yet effective, up to the date of issuance of the Group's financial statements are not deemed to have a material impact on the consolidated financial statements of the Group. The Group intends to adopt these new standards and interpretations, if applicable, when they become effective.

Summary of significant accounting policies

(i) Basis of consolidation

The consolidated financial statements comprise the financial statements of Legend Mining Limited and its subsidiaries ('the Group') as at 31 December 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (ie. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTD)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

(ii) Significant accounting judgements, estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimate and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Share-based payment transactions

The Group measures the cost of equity-settled share-based payments at fair value at the grant date using a Black-Scholes formula taking into account the terms and conditions upon which the instruments were granted.

Impairment of capitalised exploration and evaluation expenditure

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.

Factors which could impact the future recoverability include the level of proved, probable and inferred mineral resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

The assessment of whether there are any impairment indicators in respect of a mining exploration property involves a number of judgements. These include whether the Group has the right to explore in the specific area of interest, whether ongoing expenditure is planned or budgeted and whether there is sufficient information for a decision to be made that the area of interest is not commercially viable.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which the determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure should be written off or impaired, this will reduce profits and net assets in the period in which this determination is made.

(iii) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a diminishing value basis over the useful life of the asset from the time the asset is held ready for use.

The depreciation rates used for each class are:

Buildings	10%
Plant and equipment	7.5% - 50%

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTD)

Impairment

The carrying values of property, plant and equipment are reviewed for impairment as required, with recoverable amount being estimated when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any indication of impairment exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amounts.

The recoverable amount of property, plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the period the item is derecognised.

(iv) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(v) Financial Assets

Financial assets at amortised cost (debt instruments)

Trade receivables are initially recognised at their transaction price and other receivables at fair value. Receivables that are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest are classified and subsequently measured at amortised cost. Receivables that do not meet the criteria for amortised cost are measured at fair value through profit or loss.

The group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises the lifetime expected credit loss for trade receivables carried at amortised cost. The expected credit losses on these financial assets are estimated based on the Group's historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as forecast conditions at the reporting date.

For all other receivables measured at amortised cost, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to expected credit losses within the next 12 months.

The Group considers an event of default has occurred when a financial asset is more than 90 days past due or external sources indicate that the debtor is unlikely to pay its creditors, including the Group. A financial asset is credit impaired when there is evidence that the counterparty is in significant financial difficulty or a breach of contract, such as a default or past due event has occurred. The Group writes off a financial asset when there is information indicating the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTD)

Financial assets at fair value through profit or loss (equity investments)

Financial assets at fair value through profit or loss include financial assets held for trading, e.g., financial assets designated upon initial recognition at fair value through profit or loss, e.g., debt or equity instruments, or financial assets mandatorily required to be measured at fair value, i.e., where they fail the SPPI test. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that do not pass the SPPI test are required to be classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

(vi) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, amounts are deducted from the cost of the related asset. The Group receives grants in relation to Research and Development expenditure. These amounts are deducted from the exploration and expenditure on tenements capitalised during the year.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

(vii) Deferred exploration costs

Deferred exploration and evaluation costs

Exploration and evaluation expenditure is stated at cost and is accumulated in respect of each identifiable area of interest.

Such costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area of interest (or alternatively by its sale), or where activities in the area have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations are continuing.

Farm-outs and carried interest— in the exploration and evaluation phase

The Group does not record any expenditure made by the farm-inee on Legend's account. The Group also does not recognise any gain or loss on its exploration and evaluation farm-out arrangements. Any cash consideration received directly from the farm-inee is credited against costs previously capitalised in relation to the whole interest with any excess accounted for by the Group as a gain on disposal.

For carried interests Legend recognises the expenditure when they are providing the carry to the other parties. Where the Group are being carried Legend does not recognise any expenditure paid for on their behalf.

Impairment

The carrying values of exploration and evaluation costs are reviewed for impairment when facts and circumstances indicate the carrying value may not be recoverable.

The recoverable amount of exploration and evaluation costs is the greater of fair value less costs to sell and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the fair value of money and the risks specific to the asset.

Accumulated costs in relation to an abandoned area are written off in full against the income statement in the year in which the decision to abandon the area is made. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Each area of interest is limited to the size related to known or probable mineral resources capable of supporting a mining operation.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTD)

(viii) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(ix) Interest income

Interest revenue is recognised as it accrues, using the effective interest rate method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(x) Taxes

Current income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax law used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred tax

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- Except where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

- Except where the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amounts of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTD)

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST except:

- Where the amount of the GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are classed as operating cash flows.

(xi) Trade and or other payables

Liabilities for trade creditors and other amounts are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of these goods and services. The amounts are unsecured and are usually paid within 30 days.

(xii) Share based payment transactions

The Group provides benefits to employees (including directors) of the Group and to the providers of services to the Group in the form of share based payment transactions, whereby employees or service providers render services in exchange for shares or rights over shares (‘equity-settled transactions’).

There are currently three scenarios in place to provide these services:
(a) ‘Employees Share Option Plan’, which provides benefits to eligible persons;
(b) Capital raising costs, which provide payment to stockbrokers and finance institutions for capital raising services and commissions; and
(c) Other grants of options to directors on an ad hoc basis.

The cost of the equity-settled transactions with stockbrokers and finance institutions is measured by reference to the fair value of the service received at the date they are granted.

For transactions with employees (including directors), the cost of these equity-settled transactions is measured by reference to the fair value of the options provided. The fair value is determined by an external valuer using a Black-Scholes or Monte Carlo valuation model.

The cost of these equity-settled transactions with employees is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employee becomes fully entitled to the award (‘vesting date’).

In valuing these equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Legend Mining Limited (market conditions) if applicable.

The cumulative expense recognised for these equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group’s best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The income statement charge or credit for a period represents the movement in cumulative expenses recognised as at the beginning and end of the period.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTD)

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However , if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

For transactions with other service providers, the cost of these equity-settled transactions is measured by reference to the value of the services provided. The cost of these equity-settled transactions is recognised, together with a corresponding increase in equity, at the time the services are provided unless they are transaction costs arising on the issue of ordinary shares, in which case the transaction costs are recognised directly in equity as a reduction of the proceeds received on the issue of shares.

(xiii) Contributed Equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs net of tax arising on the issue of ordinary shares are recognised directly in equity as a reduction of the proceeds received.

(xiv) Employee Benefits

Provision is made for employee benefits accumulated as a result of employee services up to the reporting date. These employee benefits include wages, salaries, annual leave and include related on-costs such as superannuation and payroll tax.

The Group does not expect its long service leave or annual leave benefits to be settled wholly within 12 months of each reporting date. The Group recognises a liability for long service leave and annual leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service.

Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

No provision is made for non-vesting sick leave, as the anticipated pattern of future sick leave taken indicates that accumulated non-vesting sick leave will never be paid.

Contributions to employee superannuation funds of choice are expensed as incurred.

(xv) Earnings per share

Basic earnings per share (EPS) is calculated as net profit or loss attributable to members, adjusted to exclude costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as net profit or loss attributable to members, adjusted for:

(a) Costs of servicing equity (other than dividends).

(b) The after tax effect of dividends and interest associated with the dilutive potential ordinary shares that have been recognised as expenses; and

(c) Other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTD)

(xvi) Foreign currency translation

(a) Functional and presentation currency

The Group's consolidated financial statements are presented in Australian dollars, which is also the Company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchanges rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (ie translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss respectively).

(xvii) Leases

Right-of-use asset

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received and associated restoration provisions. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term (between one and two years). Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e., below $5,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

NOTE 3: NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activities during the year of the entities within the consolidated entity were exploration for nickel and copper deposits in Australia.

NOTE 4: REVENUE AND EXPENSES

	2023 $	2022 $
a) Finance Revenue		
Bank interest received and receivable	592,145	218,247
Other finance income	-	-
	592,145	218,247
b) Other		
Other income	50,795	13,074
	50,795	13,074
c) Employee Benefits Expense		
Salaries, on-costs and other employee benefits	327,375	285,134
	327,375	285,134
d) Other Expenses		
Depreciation	5,340	8,280
Depreciation – Office Lease	70,931	71,006
	76,271	79,286
e) Corporate and administration expenses		
Fees – Audit/Tax	473,824	505,811
Fees – ASX	67,562	97,185
Fees – Share Registry	19,117	23,218
Consultancy Fees	90,000	106,380
Legal expenses	7,406	7,687
Sale of fixed assets	-	-
Travel expenses	15,441	25,509
Other expenses	400,598	350,553
	1,073,948	1,116,343

NOTE 5: EARNINGS PER SHARE

	2023 $	2022 $
(a) Reconciliation of earnings to net loss:		
Net Loss	(5,019,320)	(1,491,051)
Loss used in the calculation of basic earnings per share	(5,019,320)	(1,491,051)
(b) Weighted average number of shares on issue during the financial year used in the calculation of basic loss per share	4,720,631,037	2,836,658,180
Weighted average number of ordinary shares on issue used in the calculation of diluted loss per share	4,720,631,037	2,836,658,180

(c) Information on classification of options

For the year ended 31 December 2023, all options on issue were anti-dilutive as the Group made a loss. 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. The number of anti-dilutive potentially issuable ordinary shares at 31 December 2023 is Nil (31 December 2022: Nil)

NOTE 6: INCOME TAX

	2023 $	2022 $
The major components of income tax expense are:		
Income Statement		
Current income tax		
Current year income tax charge (benefit)	-	-
Under/Over provision of prior tax year	-	-
Deferred income tax		
Relating to origination and reversal of temporary differences	(392,361)	511,932
Under/Over provision of prior tax year	-	-
Income tax benefit reported in the income statement	(392,361)	511,932
A reconciliation between tax expense and the product of accounting profit/(loss) before income tax multiplied by the Group's applicable income tax rate is as follows:		
Accounting loss before tax from ordinary activities	(5,411,681)	(979,119)
Accounting loss before income tax	(5,411,681)	(979,119)
At the Group's statutory income tax rate of 30%	(1,623,504)	(293,736)
Expenditure not allowed for income tax purposes	1,308,089	1,007,643
Utilisation of previously unbooked tax losses	-	(150,000)
Other deductible expenses	(5,981)	-
Deductible equity raising costs under s40-880	(70,965)	(51,975)
Income tax expense/(benefit) attributable to entity reported in the consolidated income statement	(392,361)	511,932
Income tax expensed directly to equity		
Relating to equity costs	(59,642)	-
Deferred tax expense/(income) recognised in equity	(59,642)	-
Current Income Tax Asset/(Liability)	-	-

NOTE 6: INCOME TAX (CONTD)

	2023 $ 30%	2022 $ 30%
Deferred Income Tax		
Deferred income tax at 31 December related to the following:		
Consolidated		
Recognised deferred tax liabilities		
Capitalised exploration and evaluation expenditure	(10,880,480)	(10,842,412)
Property, Plant and Equipment	(129,092)	(171,386)
Other	(25,258)	(19,607)
Amounts disclosed as deferred tax liability	(11,034,830)	(11,033,405)
Set-off of deferred tax assets	10,837,708	10,503,564
Net deferred tax liabilities disclosed	(197,122)	(529,841)
Recognised deferred tax assets		
Tax losses available to offset against future taxable income	10,532,558	10,316,576
Other provisions	232,884	106,492
Share based costs on equity	72,075	79,742
Other future blackhole deductions	191	754
Gross deferred tax assets	10,837,708	10,503,564
Set-off of deferred tax assets	(10,837,708)	(10,503,564)
Net deferred tax assets recognised	-	-
Unrecognised deferred tax assets		
Deferred tax assets have not been recognised in respect of the following as the statutory requirements for recognising those deferred tax assets have not been met		
Deductible temporary differences	217,800	217,800
Tax revenue losses	-	-
Tax capital losses	2,242,325	2,242,325
Net deferred tax assets not recognised	2,460,125	2,460,125

Tax Consolidation

Legend Mining Limited and its 100% owned Australian resident subsidiary formed a tax consolidated group with effect from 1 July 2004. Legend Mining Limited is the head entity of the tax consolidated group. Members of the group have entered into a tax sharing agreement in order to allocate the income tax liabilities between the entities within the Group should the head entity default on its tax payment obligations. At the balance date, the possibility of default is remote.

Tax effect accounting by members of the tax consolidated group

Tax expense / income, deferred tax liabilities and deferred tax assets arising from temporary differences are recognised in the separate financial statements of the members of the tax consolidated group using the separate taxpayer within a group method. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and tax credits of the members of the tax consolidated group are recognised by the Company (as head entity in the tax consolidated group).

Members of the tax consolidated group have not entered into a tax funding agreement. As a result, the aggregate of the current tax liability or asset and any deferred tax asset arising from unused tax losses and tax credits in respect of that period, assumed by the Company, are recognised as a contribution from (or distribution to) equity participants. There were no contributions (or distributions) made during the year ended 31 December 2023.

During the year, Legend Mining Limited had one wholly owned subsidiary, Legend Cameroon Pty Ltd. In July 2022, Legend Cameroon Pty Ltd was deregistered and thus there is no tax consolidated group as at the date of this report.

2023 Tax Return

On14 November 2023, the Company lodged its tax return for the tax year ended 30 June 2023 and claimed a refundable Research and Development (R&D) tax offset of $3,081,715. On 19 January 2024, the Company received this refund.

NOTE 7: SEGMENT INFORMATION

Operating Segments

The group has one reportable operating segment, being exploration and evaluation activities in Australia.

NOTE 8: CASH AND CASH EQUIVALENTS

	2023	2022
	$	$
Cash at bank and in hand	525,698	410,577
Deposits	11,000,000	12,300,000
	11,525,698	12,710,577

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Deposits at call earn interest on a 30, 60 and 90 day term basis at bank deposit rates at an average rate of 5.04%.

NOTE 9: RECEIVABLES

	2023	2022
Current	$	$
Other receivables (a)	3,174,018	160,772
	3,174,018	160,772

Terms and conditions relating to the above financial instruments:

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

NOTE 10: OTHER FINANCIAL ASSETS

	2023	2022
Current	$	$
Security bond – at amortised cost (a)	100,000	100,000
	100,000	100,000
Non-current		
Rental property bond (b)	5,775	5,775

Details of the above financial instruments:

(a) Security bond – bank deposit held as security for credit cards. At 31 December 2023, this deposit is held on a 12 month term deposit with an interest rate of 5.07% per annum (31 December 2022, at 4% pa).

(b) Rental Property Bond – this bond relates to a rental property in Boulder WA. No interest is received on this bond.

NOTE 11: PROPERTY, PLANT AND EQUIPMENT

	2023 $	2022 $
Plant and equipment		
At 31 December		
Gross carrying amount at cost	1,175,465	1,225,045
Accumulated depreciation	(741,088)	(652,841)
Net carrying amount	434,377	572,204
At 1 January		
Net of accumulated depreciation	572,204	762,719
Additions	32,234	4,652
Disposals	(25,085)	-
Depreciation expense - Admin	(5,340)	(8,281)
Depreciation expense - Exploration	(139,636)	(186,886)
At 31 December		
Net of accumulated depreciation	434,377	572,204

NOTE 12: DEFERRED EXPLORATION COSTS

	Note	2023 $	2022 $
Deferred exploration costs		39,876,147	40,175,911
Deferred exploration and evaluation costs			
At 1 January, at cost		40,175,911	34,929,556
Reimbursement of exploration expenditure – R&D Rebate		(3,081,715)	(2,935,147)
Expenditure incurred during the year		6,252,161	8,183,027
Impairment of exploration expenditure	(i)	(3,470,210)	(1,525)
At 31 December, at cost	(ii)	39,876,147	40,175,911

Note:

(i) The majority of the Group's impairment of exploration expenditure relates to the relinquishment of tenure during the period.

(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.

NOTE 13: TRADE AND OTHER PAYABLES

	2023 $	2022 $
Current – unsecured		
Trade payables	632,445	710,692
	632,445	710,692

Terms and conditions relating to the above financial instruments

(i) Trade payables are non-interest bearing and normally settled on 30 day terms.

(ii) There are no trade payables past due for payment.

NOTE 14: EMPLOYEE BENEFITS PROVISIONS

	2023 $	2022 $
Current		
Employee benefits	181,465	173,671
Non-Current		
Employee benefits	160,814	153,302
Number of employees at year end	8	9

NOTE 15: CONTRIBUTED EQUITY

	2023 $	2022 $
Ordinary shares		
Issued and fully paid	101,451,503	101,451,503
$3,140,000 raised by exercising of options in March 2021	6,000,000	
• 76,900,000 ESOP options	-	-
Capital raising costs (net of tax)	(270,633)	-
	107,180,870	101,451,503

Movement in ordinary shares on issue 2023	#	$
At 1 January 2023	2,755,135,721	101,451,503
Placement	146,341,464	6,000,000
Conversion of Options	3,000,000	-
Capital raising costs	-	(270,633)
At 31 December 2023	2,904,477,185	107,180,870

Movement in ordinary shares on issue 2022	#	$
At 1 January 2022	2,755,135,721	101,451,503
At 31 December 2022	2,755,135,721	101,451,503

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

NOTE 16: RESERVES

Movement in reserves	Share option premium reserve $
At 1 January 2023	24,624,327
Options issued to employees (refer note 18)	1,075,154
At 31 December 2023	25,699,481
At 1 January 2022	24,398,437
Options issued to employees (refer note 18)	225,890
At 31 December 2022	24,624,327

Share option premium reserve

The share option premium reserve is used to record the value of share based payments provided to employees, directors and contractors, as part of their remuneration and contingent share issues as part of the acquisition of tenements.

NOTE 17: SHARE OPTIONS

	Number #	Exercise price cents per share
2023		
Unlisted zero exercise price options – Expiry date 10 August 2025 subject to vesting criteria (see Note 18)		
At 1 January 2023	8,250,000	Zero cents
Exercised	(3,000,000)	
ESOP Expired – see note 18	(750,000)	
At 31 December 2023	4,500,000	
Unlisted options – Expiry date 17 March 2028		
At 1 January 2023	-	Zero Cents
ESOP employees issued – See note 18	18,500,000	
Expired	-	
At 31 December 2023	18,500,000	
Unlisted options – Expiry date 8 May 2028		
At 1 January 2023	-	Zero Cents
ESOP Directors issued – See note 18	65,000,000	
At 31 December 2023	65,000,000	
2022		
Unlisted options – Expiry date 11 July 2022		
At 1 January 2022	102,217,540	7.2 cents
Exercised	(102,217,540)	
At 31 December 2022	-	
Unlisted options – Expiry date 30 September 2022		
At 1 January 2022	44,743,571	7.2 cents
Exercised	(44,743,571)	
At 31 December 2022	-	
Unlisted zero exercise price options – Expiry date 10 August 2025 subject to vesting criteria (see Note 18)		
At 1 January 2022	8,250,000	Zero cents
Exercised	-	
Vested	-	
At 31 December 2022	8,250,000	

NOTE 18: SHARE BASED PAYMENT PLANS

During 2023 there were two new share-based payments transactions:

(i) 18.5 million zero exercise price options were granted to employees for Nil consideration as part of employee remuneration on 20 March 2023 pursuant to the Company's ESOP approved at the Annual General Meeting in May 2020.

Milestone A: 5,000,000 unlisted ZEPOs issued for nil consideration, each convertible into one ordinary share at any time between meeting the vesting condition (12 months of continuous service from the date of grant) and the expiry date.

Milestone B: 5,000,000 unlisted ZEPOs issued for nil consideration, each convertible into one ordinary share at any time between meeting the vesting condition (24 months of continuous service from the date of grant) and the expiry date.

Milestone C: 8,500,000 unlisted ZEPOs issued for nil consideration, each convertible into one ordinary share at any time between meeting the vesting condition (The 20-day volume weighted average price ("VWAP") of Legend shares being greater than $0.10) and the expiry date.

Employee Unlisted Share ESOP Options

Methodology	**Milestone A Black Scholes**	**Milestone B Black Scholes**	**Milestone C Monte Carlo**
Iterations			100,000
Grant Date	17 March 2023	17 March 2023	17 March 2023
Expiry Date	17 March 2028	17 March 2028	17 March 2028
Share price at Grant date ($)	0.040	0.040	0.040
VWAP hurdle	-	-	.100
Exercise price ($)	Nil	Nil	Nil
Risk free rate (%)	3.067	3.067	3.067
Volatility (%)	75	75	75
Vesting period	12 months	24 months	60 months
Value per ZEPO ($)	0.0400	0.0400	0.0326
Number of options	5,000,000	5,000,000	8,500,000
Total value of options ($)	200,000	200,000	277,446
Value recognised during the period ($)	173,699	86,730	48,132

(ii) Pursuant to shareholder approval at the Annual General Meeting on 5 May 2023(2023 AGM), 65 million three-year options with an exercise price of 9.6 cents were granted to the Directors for Nil consideration on 8 May 2023. Further details on these options are set out in the Notice of 2023 AGM released on ASX on 16 March 2023.

Value of Director Options – assumptions used as at date of issue (8 May 2023)

Details	**Input**
Share price (20 day VWAP)	$0.046
Exercise Price (100% premium above the 20 day VWAP)	$0.096
Risk Free Rate (RBA Cash Rate)	3.08%
Volatility *	65.70%
Start Date	8 May 2023
Expiry Date	8 May 2026
Value per Director Option	**$0.0118**

Source: Bloomberg historical volatility graph calculation using average from 31/08/2022 to 28/02/2023

NOTE 18: SHARE BASED PAYMENT PLAN (CONTD)

Other Options: The following table illustrates the number Nil and weighted average exercise prices (WAEP) of, and movements in, share options issued during the year:

	2023 No.	2023 WAEP $	2022 No.	2022 WAEP $
Outstanding balance at the beginning of the year	-	-	136,111,111	0.072
Granted during the year	-	-	-	-
Exercised during the year (iii), (iv)	-	-	-	-
Expired/lapsed during the year	-	-	(136,111,111)	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-

NOTE 19: RELATED PARTIES

(i) Wholly owned group transactions

Loans made by Legend Mining Limited to wholly owned subsidiaries are repayable on demand and are not interest bearing.

(ii) Other related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(iii) Ultimate parent

Legend Mining Limited is the ultimate parent company.

(iv) Compensation of key management personnel of the Group

	2023 $	2022 $
Short-term employee benefits	764,590	765,378
Long term benefits	6,000	6,000
Post-employment benefits	60,807	66,991
Share-based payments expense	767,000	9,145
Total compensation paid to Key Management Personnel	1,598,397	847,514

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

NOTE 20: CASH FLOW INFORMATION

(i) Reconciliation of Cash

For the purposes of the Cash Flow Statement, cash and cash equivalents includes cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Statement of Financial Position as follows:

	Note	2023 $	2022 $
Cash on hand		500	500
Cash at bank		525,198	410,077
Deposits at call		11,000,000	12,300,000
	8	11,525,698	12,710,577

NOTE 20: CASH FLOW INFORMATION (CONTD)

(ii) Reconciliation of net loss after income tax to net cash used in operating activities

	2023 $	2022 $
Net loss after tax	(5,019,320)	(1,491,051)
Net profit on disposal of property, plant & equipment	(36,711)	-
Depreciation	5,340	8,281
Depreciation – Lease	70,931	71,006
Interest expense – lease capitalised to deferred exploration	(1,571)	(860)
Share-based payments expense	1,075,154	225,890
Fair value (gain)/loss on investments	-	-
Deferred exploration expenses	3,497,843	1,525
Movement in provisions and other	15,306	5,928
Income Tax Expense	(392,361)	511,932
	(785,389)	(667,349)
Change in operating assets and liabilities:		
(Increase)/decrease in receivables	79,272	(137,668)
Increase/(decrease) in payables	(69,590)	333,237
Net cash from/(used) in operating activities	(775,707)	(471,780)

Non-cash financing and investing activities

Other than listed above there were no other non-cash financing or investing activities during the 2023 or 2022 years.

NOTE 21: COMMITMENTS

(a) Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group will be required to outlay approximately $1,777,000 (2022: $2,373,000) in the following twelve months in respect of tenement lease rentals and to meet minimum expenditure requirements of the Department of Mines, Industry Regulation & Safety (DMIRS). These obligations are expected to be fulfilled in the normal course of operations and have not been provided for in the financial report.

NOTE 22: INVESTMENTS IN CONTROLLED ENTITIES

Legend Mining Limited does not have any subsidiaries.

NOTE 23: FINANCIAL INSTRUMENTS DISCLOSURE

The Group's principal financial instruments comprise cash and short-term deposits, receivables and investments held for trading.

The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. The main risks arise from the Group's financial instruments are: interest rate risks, liquidity risk, credit risk and equity price risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

Fair value interest risk

The Group's exposure to fair value interest risk is minimal.

Commodity price risk

The Group's exposure to price risk is minimal as the group is still in an exploration phase and does not receive any revenue from mining.

Credit risk

The Group trades only with recognised, creditworthy third parties.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents, the Group's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. The Group trades with investment grade institutions with a credit rating of AA-.

Since the Group only trades with recognised third parties, there is no requirement for collateral.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of a mixture of long and short term debt.

(a) Interest Rate Risk

The consolidated entity's exposure to cash flow interest rate risk is as follows:

2023	**Weighted Average Interest Rate**	**Floating Interest $**	**Fixed Interest $**	**Non-Interest Bearing $**	**Total $**
Financial assets:					
Cash and cash equivalents	4.89%	525,198	11,000,000	500	11,525,698
Other financial assets		-	105,775	-	105,775
		525,198	11,105,775	500	11,631,473
2022					
Financial assets:					
Cash and cash equivalents	1.41%	410,077	12,300,000	500	12,710,577
Other financial assets		-	105,775	-	105,775
		410,077	12,405,775	500	12,816,352

The maturity date for all financial instruments included in the above tables is 1 year or less from balance date.

A change of 100 basis points in interest rates would result in a net gain/loss before taxation of $713,326 (2022: $249,301). This is based on the interest bearing financial assets as detailed above.

NOTE 23: FINANCIAL INSTRUMENTS DISCLOSURE (CONTD)

(b) Credit Risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Note	Carrying Amount 2023 $	2022 $
Cash and cash equivalents	8	11,525,698	12,710,577
Trade and other receivables	9	3,174,018	160,773
Rental Bond/Security bond	10	105,775	105,775
		14,805,491	12,977,125

All trade and other receivables are current, apart from the rental bond $5,775 (2022: $5,775) and have not been impaired.

(c) Liquidity Risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

31 December 2023	Carrying Amount $	Contractual cash flows $	Six months or less $	Greater than six months $
Non-derivative financial liabilities				
Trade and other payables	632,445	632,445	710,692	-
Lease liability	110,096	110,096	91,657	18,459
	742,541	742,541	802,349	18,459

31 December 2022	Carrying Amount $	Contractual cash flows $	Six months or less $	Greater than six months $
Non-derivative financial liabilities				
Trade and other payables	710,692	710,692	710,692	-
Lease liability	63,740	63,740	43,821	19,918
	774,432	774,432	754,513	19,918

(d) Net Fair Value of Financial Assets and Liabilities

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	31 December 2023		31 December 2022	
	Carrying Amount $	Fair Value $	Carrying Amount $	Fair Value $
Cash and cash equivalents	11,525,698	11,525,698	12,710,577	12,710,577
Security bond	105,775	105,775	105,775	105,775
Trade and other receivables	3,174,018	3,174,018	160,773	160,773
Trade and other payables	(632,445)	(632,445)	(710,692)	(710,692)
	14,173,046	14,173,046	12,266,433	12,266,433

NOTE 24: FAIR VALUES

Management assessed that cash and cash equivalents, trade and other receivables, and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

NOTE 25: INFORMATION RELATING TO LEGEND MINING LIMITED ("THE PARENT ENTITY")

	2023	2022
	$	$
Current assets	14,799,716	12,971,349
Total assets	55,223,963	53,788,065
Current liabilities	905,547	928,184
Total liabilities	1,281,942	1,631,245
Net assets	53,942,021	52,156,820
Contributed equity	107,180,870	101,451,503
Accumulated losses	(78,938,330)	(73,919,010)
Share option premium reserve	25,699,481	24,624,327
	53,942,021	52,156,820
Loss of the Parent entity after tax	(5,019,320)	(1,491,051)
Total comprehensive loss of the Parent entity	(5,019,320)	(1,491,051)

There have been no guarantees entered into by the Parent entity in relation to any debts of its subsidiaries.
The Parent has no contingent liabilities as at date of this report.
The Parent entity has no contractual commitments for the acquisition of property, plant or equipment.

NOTE 26: AUDITOR'S REMUNERATION

The auditor of Legend Mining Limited is Hall Chadwick WA Audit Pty Ltd.

	Consolidated	
	2023	2022
Amounts received or due and receivable by Hall Chadwick WA Audit Pty Ltd for:	$	$
- An audit or review of the financial report of the entity and any other entity in the consolidated group	36,314	38,693
	36,314	38,693

NOTE 27: CONTINGENT LIABILITIES

There are no contingent liabilities at the date of this report.

The consolidated entity's activities in Australia are subject to the Native Titles Act and the Department of Environment. Uncertainty associated with Native Title issues may impact on the Group's future plans.

There are no unresolved Native Title issues and the consolidated entity is not aware of any other matters that may impact upon its access to the land that comprises its project areas.

NOTE 28: EVENTS AFTER THE BALANCE SHEET DATE

On 14 November 2023, the Company lodged its tax return for the tax year ended 30 June 2023 and claimed a refundable Research and Development (R&D) tax offset of $3,081,715. On 19 January 2024, the Company received this refund.

No other matter or circumstance has arisen since the end of the financial year which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

NOTE 29: DIVIDENDS PAID AND PROPOSED

No dividends were paid or proposed this financial year. There are no franking credits available for future reporting periods.

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 on pages 29-53, and the remuneration disclosures that are contained in the Remuneration Report in the Directors Report pages 22-28, 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 31 December 2023 and of its performance for the year ended on that date; and

  ii Complying with Australian Accounting Standards' and the Corporations Regulations 2001; and

  iii The financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2.

(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.

This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 31 December 2023.

On behalf of the Board.

Oliver Kiddie
Managing Director

Dated this 15th day of March 2024

Declaration of Auditor's Independence

HALL CHADWICK

To the Board of Directors,

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit Director for the audit of the financial statements of Legend Mining Limited for the financial year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 15th day of March 2024
Perth, Western Australia

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hallchadwickwa.com.au

PO Box 1288 Subiaco WA 6904
283 Rokeby Rd Subiaco WA 6008
T: +61 8 9426 0666

HALL CHADWICK

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LEGEND MINING LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Legend Mining Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and of its financial performance for the year then ended; and

   (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

HALL CHADWICK

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter

As disclosed in note 12 to the financial statements, during the year ended 31 December 2023, the Consolidated Entity's deferred exploration costs was carried at $39,876,147.
 	
Deferred exploration costs are a focus area due to:
 	
• The significance of the balance to the Consolidated Entity's financial position;
• The level of judgement required in evaluating management's application of the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources ("AASB 6")*. AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset; and
• The assessment of impairment of mineral exploration expenditure being inherently difficult.
	Our review procedures included but were not limited to:
	
	• Assessing management's determination of its areas of interest for consistency with the definition in AASB 6 Exploration and Evaluation of Mineral Resources ("AASB 6");
	• Assessing the Consolidated Entity's rights to tenure for a sample of tenements;
	• By reviewing the status of the Consolidated Entity's tenure and planned future activities, reading board minutes and discussions with management we assessed each area of interest for one or more of the following circumstances that may indicate impairment of the mineral exploration expenditure:
	  • The licenses for the rights to explore expiring in the near future or are not expected to be renewed;
	  • Substantive expenditure for further exploration in the area of interest is not budgeted or planned;
	  • Decision or intent by the Consolidated Entity to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and
	  • Data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recorded in full from successful development or sale; and
	  • We also assessed the appropriateness of the related disclosures in note 12 to the financial statements.

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 31 December 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit

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matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 31 December 2023. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Legend Mining Limited, for the year ended 31 December 2023, complies with section 300A of the Corporations Act 2001.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 15th day of March 2024
Perth, Western Australia

Shareholder Information

For the year ended 31 December 2023

SHAREHOLDER INFORMATION AT 6 MARCH 2024

The issued capital of the company is **2,904,477,185** ordinary fully paid shares.

Distribution of Shareholders

Fully Paid Shares	Shares	Holders
1 – 1,000	31,136	143
1,001 – 5,000	1,921,764	490
5,001 – 10,000	7,645,248	935
10,001 – 100,000	128,440,106	3,021
100,001 and over	2,766,438,931	1,563
TOTAL	**2,904,477,185**	**6,152**
Number of holdings less than a marketable parcel	**38,145,098**	**3,028**

Top 20 Shareholders

Rank	Name	Units	% of Units
1	CREASY GROUP	866,876,460	29.85%
2	IGO LIMITED	375,518,295	12.93%
3	WILSON GROUP	184,748,200	6.36%
4	BAILEY GROUP	155,066,791	5.34%
5	NI 28 PTY LTD	42,000,000	1.45%
6	ZERO NOMINEES PTY LTD	31,000,000	1.07%
7	HSBC GROUP	18,248,741	0.63%
8	PHH PTY LIMITED	17,800,000	0.61%
9	ATKINS GROUP	17,108,334	0.59%
10	CITICORP NOMINEES PTY LIMITED	14,026,125	0.48%
11	NINO CONSTRUCTIONS PTY LTD	13,161,547	0.45%
12	WATERFIELD GROUP	12,867,925	0.44%
13	MUSGRAVE MINERALS LIMITED	12,500,000	0.43%
14	MICHAELMAS ISLAND PTY LTD	11,216,945	0.39%
15	INKESE PTY LTD	10,000,000	0.34%
16	MR J & MRS L HUGHES	10,000,000	0.34%
17	MR C YAZBEK & MISS M OFFICER	10,000,000	0.34%
18	MR T B WILSON	9,400,000	0.32%
19	MR R M SCIBERRAS	9,100,000	0.31%
20	MS D S TUDEHOPE	9,000,000	0.31%
TOTAL		**1,829,639,363**	62.99%

Substantial shareholders

Name	Shares	% of Units
CREASY GROUP	866,876,460	29.85
IGO LIMITED	375,518,295	12.93
WILSON GROUP	184,748,200	6.36
BAILEY GROUP	155,066,791	5.34

Unlisted Option holders

Class of options	Options	Holders
10 August 2025 – zero exercise price subject to vesting conditions	4,500,000	2
17 March 2028 – zero exercise price subject to vesting conditions	5,000,000	5
17 March 2028 – zero exercise price subject to vesting conditions	5,000,000	5
17 March 2028 – zero exercise price subject to vesting conditions	8,500,000	3
8 May 2026 – $0.096 exercise price subject to vesting conditions	65,000,000	3

AUSTRALIA – FRASER RANGE – ROCKFORD PROJECT

Tenements held at 6 March 2024

Tenement	Status	Percentage Interest
E28/1716	Granted	70%
E28/1717	Granted	70%
E28/1727	Granted	70%
E28/2188	Granted	70%
E28/2189	Granted	70%
E28/2190	Granted	10%
E28/2191	Granted	10%
E28/2192	Granted	70%
E28/2675	Granted	30%
E28/2676	Granted	30%

Legend mining limited

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