

YOU LITTLE BEAUTY

From coffee to Cameroon: how a chance encounter in a cafe saw Legend Mining enter the Cameroonian mining industry.

WITH INTERESTS in three Western Australian projects, Legend Mining was trundling along nicely, however managing director Mark Wilson was on the lookout for something more.

The company's existing projects – the Pilbara project in the West Pilbara region, Gum Creek in the Yilgarn Province and Mt Gibson in the Murchison Province – had shown some promise, but not enough to serve as a lead project for Legend.

While having coffee with a colleague in West Perth, an opportunity presented itself to Wilson in the form of a mutual friend who happened to walk by.

“He sat down and had a coffee with us,” Wilson said.

“We asked him what he was doing. He said, ‘I’m going to Cameroon to look at a project’, and I asked him to keep Legend in mind because we were looking for a lead project.”

With his previous experience and contacts in the country, Wilson said this friend has turned out to be a valuable ally for Legend as the company undertook negotiations in the unfamiliar country.

“He had very good connections in Cameroon,” Wilson continued.

“He knew the ropes to get appropriate approvals and make

things happen. A perfect example of that is one of our tenements, which we now have; the time it was applied for until it was actually granted only took forty days across the Christmas period.”

Cameroon is a relatively small country located in central west Africa which has, until recently, remained largely unexplored.

With only a handful of exploration companies operating in the area, it has been overlooked in favour of other countries on the African continent, such as South Africa and Ghana.

Wilson told *RESOURCESTOCKS* one of the reasons for this could be Cameroon's French-based legal and political systems, a result of the dominant French reign over the country that ended in 1960.

In order to ease its passage into the country, Legend formed a partnership with a local exploration company, Camina SA, acquiring 90% of the company.

“Camina already had two granted tenements and one that was in the application phase, they had a head office in Yaoundé, which is the capital of Cameroon, and they had access to well qualified geologists from a local university,” Wilson said.

“We acquired 90 per cent of Camina by issuing shares in Legend, so the Cameroon interests were

instantly at one with Legend's interests in terms of making this project a success.”

Between Camina's existing tenements and the newly approved ones, Legend now has two main projects in Cameroon, covering an area of approximately 3900 square kilometres.

Its Cameroon projects are prospective for iron ore, both direct shipping ore and itabirite ore (lower grade but potential very high tonnage), and gold.

The larger of Legend's two Cameroonian projects is the Ngovayang project, which covers an area of nearly 3000sq.km. The Ngovayang project area includes two granted exploration permits with iron ore potential and an exploration permit application adjacent to Ngovayang, which has potential for gold mineralisation.

In addition to its large size, the Ngovayang project is close to transport infrastructure, located between Yaoundé and Douala, the major port city.

“Both Yaoundé and Douala have international airports, Douala is a two-hour trip from the Eseka prospect by road, which is sealed road the whole way, similarly the road from Eseka back to Yaoundé is a sealed road,” Wilson said.

“There is an existing railway line that runs right through the tenement and terminates in the port at Douala, the largest commercial operating port in Cameroon.

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“We've got sealed roads, railway line, port and access to international airports, all within two hours of

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MARK WILSON
LEGEND MINING

our tenement area.”

Legend's second project in Cameroon is the Mayo Binka permit, located near Nkambe in the country's northwest. Mayo Binka is prospective for magnetite and haematite iron ore.

Extensive aeromagnetic and radiometric surveys were completed over Ngovayang and Mayo Binka in the first quarter of 2010. The results of these surveys identified the occurrence of itabirite-magnetite on a larger scale than had previously been recorded.

At the Ngovayang project, the results correlate in some places with itabirite mapped in 1986 by French company le Bureau de Recherche Geologiques et Minieres.

However, the magnetic units are more extensive than the previous mapping shows, indicating the itabirite units are more widespread, but do not always outcrop.

Initially the greater part of Legend's attention will be focused on the Eseka deposit in the Ngovayang project, due largely to its proximity to the existing infrastructure of the rail line and sealed roads.

An exploration camp has been established just outside of Eseka to house Legend's team as they move towards establishing a resource at the site.

“They started off by doing 400-metre grid lines, just to give us some basic geological information, because that was what was sadly lacking in the whole of the project,” Wilson explained.

“In the process of doing those gridlines we have picked up about 500 samples to date, 349 of which have been analysed and reported to the market.

“The really interesting thing is that a number of those samples have come back at +65 per cent iron magnetite, and that's potentially direct shipping ore.

“Now, those are just float rock chip samples that we found at the surface, we don't know from whence they've come, hence the importance of the information from the drilling program.”

Preliminary work is well underway at Eseka with bulldozers currently cutting vehicle access tracks to assist Legend's planned diamond drilling program and to also provide further subsurface geological information.

This is an important step as currently the only access to the site is by foot, with a small trail leading through difficult country, although



Wilson said this had not hindered the local exploration team.

“To get from the camp to the top of the hill and back again, collecting a few rocks on the way, is a four-hour journey by foot,” Wilson said.

“For us it really is quite a physically challenging environment, but to the Cameroonians it's just their backyard.”

From Eseka, the exploration team will move out to drill other prospects in the Ngovayang project.

Legend has set up an exploration camp outside its Eseka deposit

“He said, ‘I’m going to Cameroon to look at a project’, and I asked him to keep Legend in mind.”

“We'll be going out to these other target areas and looking at ranking them by prospectivity and size as we see them from the ground,” Wilson said.

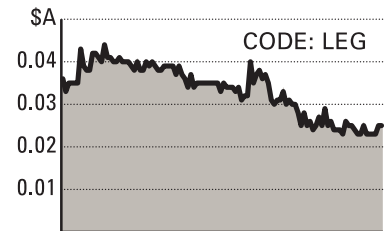
Legend is in the process of negotiating a drilling contract with an African contractor, and hopes to have man-portable diamond rigs operating at Eseka in the third quarter of 2010.

“I would be confident to say that in 12 months time we will have established a pipeline of these targets, which will be ranked in some order of merit,” Wilson said.

“We will have drilled some of them, either to the extent that they're positive with more drill-out required for resource work, or we will move on to the next target.”

– **Christine Feary**

LEGEND MINING AT A GLANCE



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MARKET CAPITALISATION

\$A43.23 million (at press time)

QUOTED SHARES ON ISSUE

1,729,350,801

MAJOR SHAREHOLDERS

Yandal Investments 19.9%
Australian Gold Resources 9.5%
Brispot Nominees 7.9%