

ANNOUNCEMENT

Legend Moves to Control Munni Munni

Legend Mining Limited /East Coast Minerals NL Joint Venture

Legend today entered into a contract to gain control of a further 60% of the Munni Munni palladium, platinum and silver joint venture ground. Currently Legend has 30% and will acquire the further 60% from East Coast Minerals NL (ECM) at the end of the earning period leaving ECM with 10%.

Legend has today paid ECM \$25,000 deposit and a balance of \$975,000 is payable over one and a half years subject to a 60 day due diligence period followed by a formal Joint Venture and Farmin Agreement with ECM.

Legend will earn the additional 60% interest by spending a further \$4.5m on exploration for palladium, platinum, silver and gold over a 3 year period.

The opportunity for Legend to increase its interest arose when ECM advised that ECM has received an offer for six sevenths of ECM" interest in the JV that was acceptable to ECM. However, under a pre-emptive right ECM was obliged to first offer the deal to Legend and Legend has today accepted the offer.

The Munni Munni JV tenements comprise four granted Mining Leases and two mining lease applications which cover 18.4m² over the Munni Munni intrusive complex, approximately 40km south of Karratha in the Pilbara region of Western Australia.

The Munni Munni complex is regarded as one of the most prospective ultramafic complexes for platinum/palladium mineralisation in Australia. A PGE reef discovered in the 1980's by Hunter Resources Limited has an inferred resource of 20 to 30 million tonnes grading 2.9 g/t Pd + Pt + Au to a depth of 500m. About 10 of the 66 holes drilled by Hunter tested the reef in or adjacent to the JV ground. An independent geological report in Legend's 1995 prospectus stated that "by simple extrapolation it is reasonable to expect that Legend's holdings could host up to about 5 million tonnes to a maximum depth of 150 metres at a similar grade"

Helix Resources has recently acquired the adjoining ground which hosts the remainder of the PGE reef, renamed the Ferguson Reef. Announcements by Helix state that re-assay of Hunter's drill core by Helix increased palladium and platinum grades by up to 24% and confirms a consistent component of rhodium.

Helix has announced it has commenced a major resource and exploration and drilling campaign and is conducting a scoping study due for completion in March 2001. Legend will commence a major resource and exploration program on the Joint Venture ground as soon as the agreement is formalised.

As well as targeting the PGE resources, Legend will aggressively explore for additional high grade silver pods similar to the initial deposit successfully mined by the JV during 1999-2000 when some 2.5 million ounces of silver were extracted. A feasibility study completed at the end of January indicates that retreatment of 1 million ounces located in the gravity tailings dam is economically feasible and Legend expects a substantial profit.

The tailings dam will remain 30% Legend, 70% ECM. Provisional approval from the Department of Environmental Protection for a heap leach operation has been received and final approval should be received later this month. Legend expects a final decision by the Joint Venture on the tails retreatment in the near future.

The dramatic recent rise in palladium and platinum price (palladium approximately AUD \$1800 per ounce and platinum AUD \$900 per ounce) means that the in-ground value of selected parts of the Ferguson Reef is AUD \$170 per tonne according to recent announcements by Helix.

Legend sees this exciting development as an opportunity to gain control of the ground and bring its own style of management and geologists to move forward quickly and define further platinum, palladium, silver and gold resources within the Munni Munni mining leases.

On Behalf of The Board
Legend Mining Limited

Murray McDonald
Director
13/02/01