



## **ASX Announcement**

**12 September 2005**

### **DRILLING SUCCESS CONTINUES AT GIDGEE**

#### **GIDGEE PROJECT - HIGHLIGHTS**

- Legend's RAB and Aircore drilling in the Gidgee Mine Area, which is 20 to 60 metres deeper than historical RAB drilling, is producing outstanding high-order gold anomalies, along strike to the north and south, and between known bodies of mineralisation. This is illustrated by results from the Central Corridor area (Refer Figure 1) between the Butcher Bird and Swift line of workings, which include:

|               |   |
|---------------|---|
| <b>CCB001</b> | <b>8 metres @ 3.5 g/t Au from 104 metres,</b> |
| <b>incl.</b>  | <b>4 metres @ 5.8 g/t Au from 104 metres.</b> |
| <b>CCB059</b> | <b>4 metres @ 4.0 g/t Au from 68 metres.</b>  |

- At Premium, located on the eastern margin of the North Swan Bitter open pit, RC drill testing of the southern extensions of the mineralised structure has intersected a steep east dipping high-grade lode adjacent and to the east of the Swan Bitter underground workings, as illustrated by:

**GDC159: 20 metres @ 8.3 g/t Au from 228 metres.**

This new intersection is over 45 metres from any existing underground ore reserve or workings. Further drill testing of this structure is required.

- Also at Premium, recent RC drilling has confirmed that the host structure strikes 340 degrees and dips 70 degree east. High-grade gold mineralisation within this structure is interpreted to lie within a series of stacked flat to west dipping shoots or "rods".
- At Swift, infill and extensional RC drilling has confirmed mineralisation over a strike distance in excess of 350 metres. The high-grade zones are interpreted to be part of a series of flat to west dipping shoots (or "rods") of high-grade gold mineralisation within a shallow east dipping structural corridor.
- RC drilling west of Swift has confirmed the presence of a steeply dipping mineralised structure between Swift and Emu pits, as illustrated by:

**GDC137: 35 metres @ 2.9 g/t Au from 89 metres.**

## GIDGEE EXPLORATION OVERVIEW

### Reverse Circulation Drilling Results & Interpretation

Legend's immediate exploration objective is to discover sufficient Mineral Resources and Ore Reserves to enable recommissioning of the existing mill with a minimum 3 year mine life. Cashflow from the re-opened mine would provide funding for on-going exploration for major gold and copper-zinc deposits throughout the Gidgee belt. Recent reverse circulation ("RC") drilling has focussed on Premium and Swift.

At Premium, located on the north-eastern margin of the North Swan Bitter open pit, geological interpretation of the 2005 reverse circulation drilling data is progressing. The recent drilling has confirmed that the host structure strikes 340 degrees and dips 70 degree east. High-grade gold mineralisation within this structure is contained within a series of stacked flat lying shoots or "rods" (refer Figure 2 for cross section and Figure 3 for "plane of vein projection").

One of the Premium drill holes was drilled to a depth of 300 metres to test for a steep east dipping extension of a high-grade lode previously mined from the Swan Bitter underground workings. RC hole GDC159 intersected 20 metres at 8.3 grams per tonne gold ("g/t Au") from 228 metres down hole. This hole is some 45 metres to the east of any known lode extensions, and provides a target for further deep drill testing. (Refer Figure 1 for location of drill collar)

At Swift, located to the east of the Swan Bitter workings, infill and extensional RC drilling has confirmed the interpreted shallow east dipping nature of the mineralised zone, over a strike distance in excess of 350 metres. The high-grade zones intersected during the current drilling campaign are interpreted to be part of a series of flat lying shoots (or "rods") of high-grade gold mineralisation within an east dipping structure. (refer Figures 4 & 5 for cross sections and Figure 6 for "longitudinal" projection.) Further RC drilling at Swift will be targeted at the northward and southern extensions of these high-grade shoots, and at the newly defined steep structure west of Swift.

**Table 1: Recent significant RC drilling results from Gidgee.**

| Hole Number | Prospect    | From (m) | To (m) | Interval (m) | Grade (g/t Au) |
|-------------|-------------|----------|--------|--------------|----------------|
| GDC135*     | Swift       | 78       | 87     | 9            | 2.9            |
| GDC136*     | Swift       | 193      | 196    | 3            | 15.9           |
| GDC137*     | Swift West  | 82       | 84     | 2            | 6.5            |
| GDC137*     | Swift West  | 89       | 124    | 35           | 2.9            |
| GDC139*     | Swift       | 115      | 119    | 4            | 3.7            |
| GDC140*     | Swift       | 36       | 39     | 3            | 10.5           |
| GDC141      | Swift       | 254      | 258    | 4            | 3.9            |
| GDC142      | Emu Feather | 17       | 19     | 2            | 3.0            |
| GDC144      | Emu Feather | 41       | 44     | 3            | 2.6            |
| GDC146      | Premium     | 264      | 268    | 4            | 3.4            |
| GDC148      | Premium     | 104      | 120    | 16           | 3.7            |
| GDC159      | Premium     | 228      | 248    | 20           | 8.3            |
| GDC161      | Premium     | 60       | 64     | 4            | 8.1            |
| GDC173      | Swift       | 86       | 98     | 12           | 3.1            |
| GDC174**    | Premium     | 136      | 144    | 8            | 5.1            |

\* 4 metre composite samples (30gm Fire Assay) previously reported on 29 July 2005, now reported as 1m samples (50gm Fire assay). \*\*Assays awaited from 180 –220 metres depth.

## Recent Rotary Airblast and Aircore Drilling Results

Deep rotary RAB and AC drilling to the north of Swan Bitter and Swift open pits continues to intersect +1g/t gold mineralisation within the regolith. (refer Table 2 below and Figure 1 Location Plan).

The objective of the RAB and AC drilling program in the near mine area is to generate oxide gold targets along strike from the existing open pits. Legend's RAB and AC drilling is proving that previous RAB drilling within the mine area was too shallow and largely ineffective.

The current program is generating outstanding high-order gold anomalies, over considerable areas, along strike from and between known bodies of mineralisation. These areas were not previously RC drill tested because the low-order gold anomalism in the historical shallow RAB drilling was not considered significant.

**Table 2: Recent significant RAB and Aircore drilling results from Gidgee.**

| Hole Number | Prospect         | From (m) | To (m) | Interval (m) | Grade (g/t Au) |
|-------------|------------------|----------|--------|--------------|----------------|
| CCB001      | Central Corridor | 104      | 112    | 8            | 3.45           |
| CCB025      | Central Corridor | 28       | 32     | 4            | 1.79           |
| CCB026      | Central Corridor | 44       | 48     | 4            | 1.47           |
| CCB030      | Central Corridor | 52       | 56     | 4            | 2.07           |
| CCB043      | Central Corridor | 52       | 56     | 4            | 1.10           |
| CCB059      | Central Corridor | 68       | 72     | 4            | 4.00           |
| CCB070      | Central Corridor | 72       | 76     | 4            | 1.29           |
| CCB098      | Central Corridor | 44       | 48     | 4            | 1.09           |

Note: Only recent 4 metre composite samples +1 g/t Au shown in table. All +0.5 g/t Au results to be reported at end of the Quarter.

## MT GIBSON PROJECT

### COMMERCIAL & EXPLORATION RATIONALE

As announced on 2 August 2005, Legend has entered into a binding "Terms Sheet" to purchase the Mt Gibson gold – base metal project from Oroya Mining Limited for a consideration of \$250,000 cash and the issue of 30 million ordinary Legend shares. (For full details refer ASX announcement 2 August 2005).

The Mt Gibson gold-base metal project is located approximately 280 kilometres northeast of Perth at the southern tip of the Yalgoo-Singleton greenstone belt. Mt Gibson is situated on the NNE trending Mt Gibson - Meekatharra Fault, a significant structure within the Murchison province that can be traced in excess of 500 km and is thought to be associated with numerous +3 million ounce gold deposits.

On the basis of geologic setting and styles of alteration and mineralisation, Legend believes that the Mt Gibson deposit is a classic example of a gold rich volcanogenic massive sulphide ("VMS") deposit with a strong similarity to the +10 million ounce Bousquet-La Ronde deposit (defined to 3,000 metres depth by drilling) hosted within the Cadillac Shear Zone in the Abitibi belt in Canada. It is Legend's intention to explore the Mt Gibson deposit below 120 metres depth for gold rich massive sulphides using surface and downhole electrical geophysics and carefully targeted drilling.

Previous exploration and mining at Mt Gibson has concentrated on oxide mineralisation, with over 95% of drilling confined to within 120 metres of the surface. This drilling has defined an inventory of over 1.7 million ounces of gold, comprised of 0.9 million ounces of previous production (Forsayth-Renolds) and 0.8 million ounces in current resource, defined since 2001 by Oroya Mining. (refer Figure 7 for location)

The Mt Gibson deposit is open at depth, with the deepest hole (prior to Barrick Australia drilling in 2003/04) intersecting 22m at 5.12g/t Au from 313 metres downhole. Given the strike extent of 7km and the likelihood of multiple steeply north-plunging shoots, the deposit could contain several million ounces of high-grade gold mineralisation hosted within stringer and massive sulphides. (refer Figure 8 cross section)

Mineralisation at Mt Gibson is hosted within the "Mt Gibson Shear Zone", a NNE striking intensely deformed anastomosing ductile zone in excess of 1 km wide. The shear zone has been identified by +3g/t "max gold" in drilling. Mineralised zones are typically composed of irregular sulfide stringer zones comprising between 7-20% pyrite / chalcopyrite. Magnetite and minor pyrrhotite may also be present adjacent to and within mineralised zones. Zones of massive sulphide have also been recorded.

Besides the presence of significant Cu and Zn+Pb, the metallic signature of mineralisation at Mt Gibson is characterised by a gold to silver ratio of 2:1 and by weak to moderate enrichments in arsenic, antimony, bismuth and barium. This metallic signature is similar to other large gold-rich VMS systems such as Bousquet-La Ronde. Manganiferous garnet-bearing alteration zones are also known to be present in both deposits.

During 2003/04, Barrick Australia drilled 18 deep holes along the 7km of strike of the Mt Gibson Shear Zone, testing for the presence of Bousquet-La Ronde style high-grade gold mineralisation within massive sulphides. The majority of the Barrick holes successfully intersected gold mineralisation associated with stringer or massive sulphides (pyrrhotite and/or sphalerite), albeit the intersections were not ore grade and thickness. Barrick attempted to undertake downhole EM to search for "off-hole" conductors associated with massive sulphides, but the majority of their holes were blocked and the program was unsuccessful. Barrick subsequently withdrew from their JV at Mt Gibson in early 2005.

Legend considers that Barrick's exploration model was robust, but that the down plunge extent of the Mt Gibson sulphide bodies has been inadequately tested by downhole EM and drilling. Legend is proposing an exploration budget of \$0.5 million for geophysics and drilling at Mt Gibson over the next 12 months.

Dermot Ryan

Executive Director

12 September 2005

*The information relating to exploration and results from Gidgee in this report is based on data compiled by Mr Donald Thomson, a Member of the AusIMM and an employee of Legend Mining Ltd. Mr Thomson has sufficient relevant experience in the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and consents to the inclusion in this report of the information in the form and context in which it appears.*

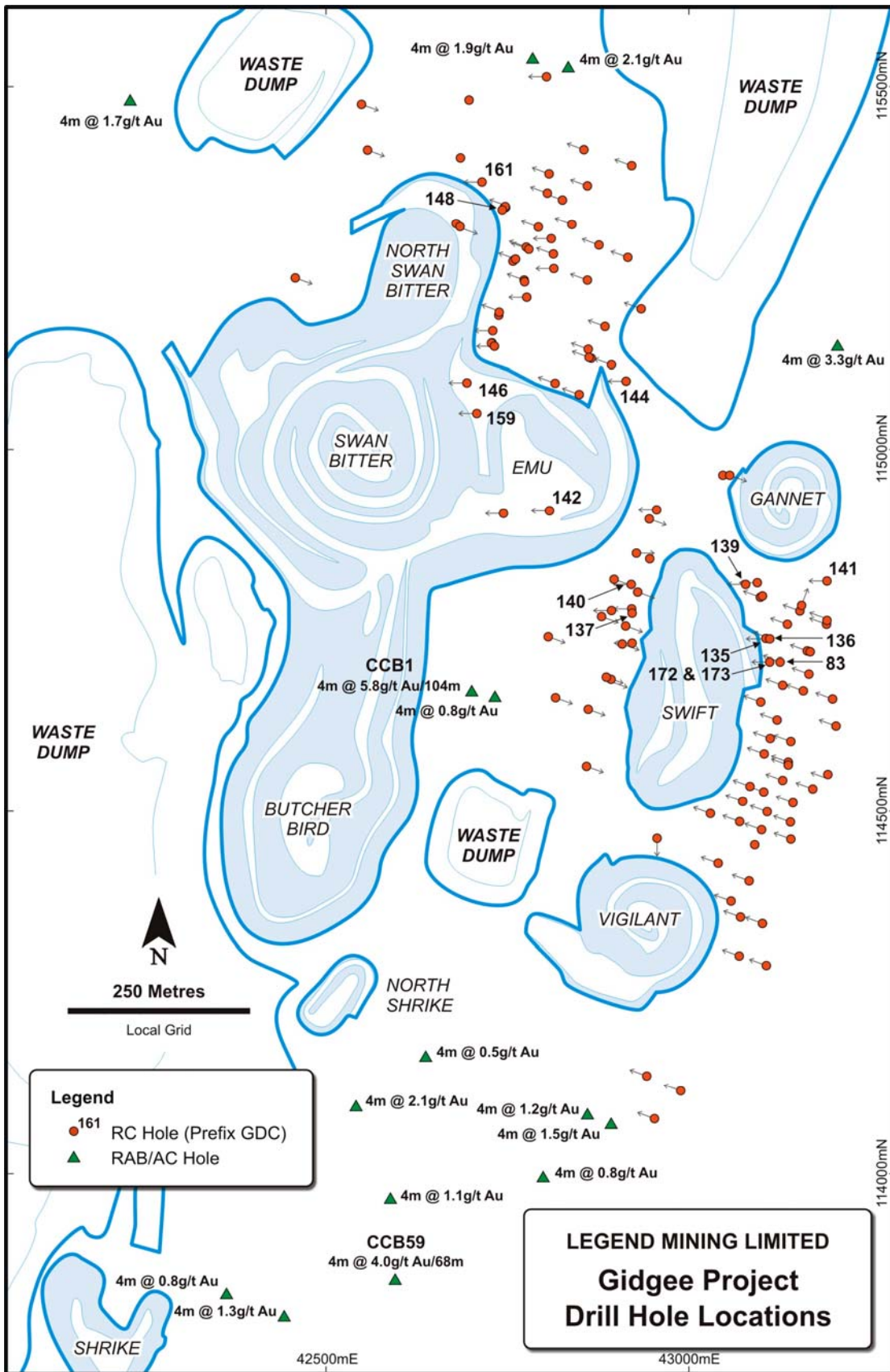


Figure 1.

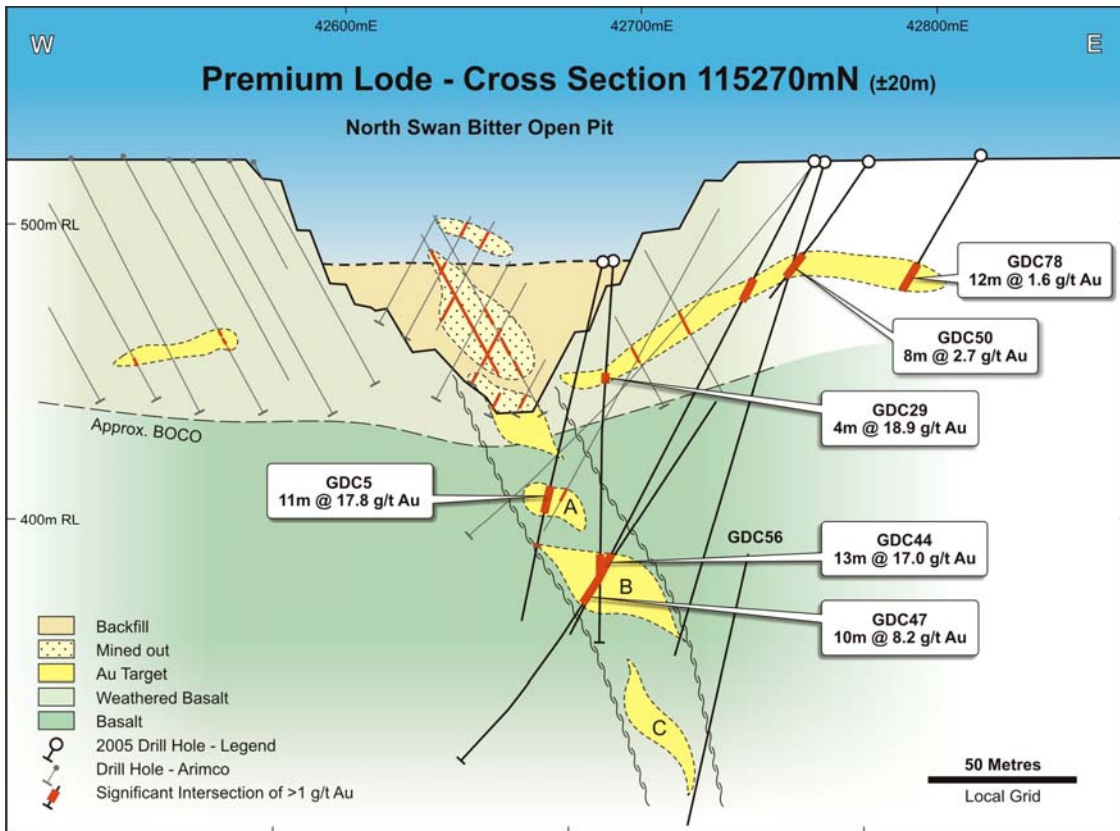


Figure 2.

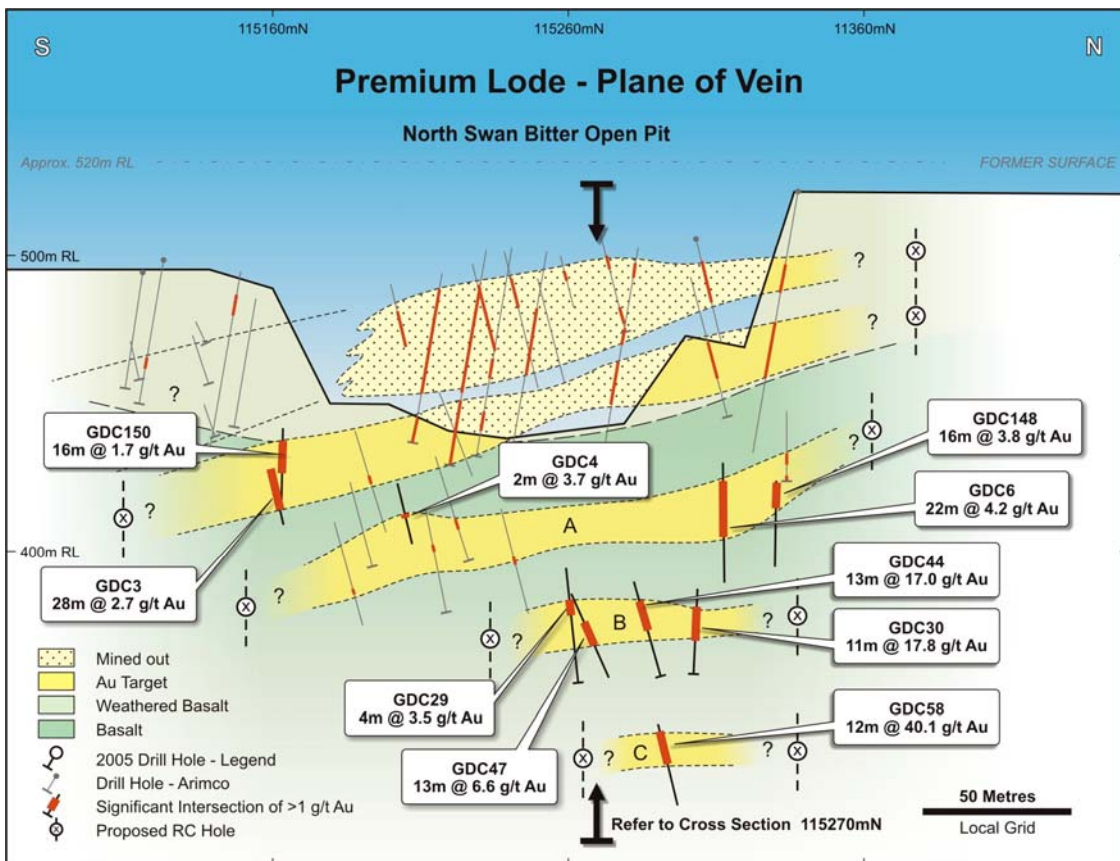


Figure 3.

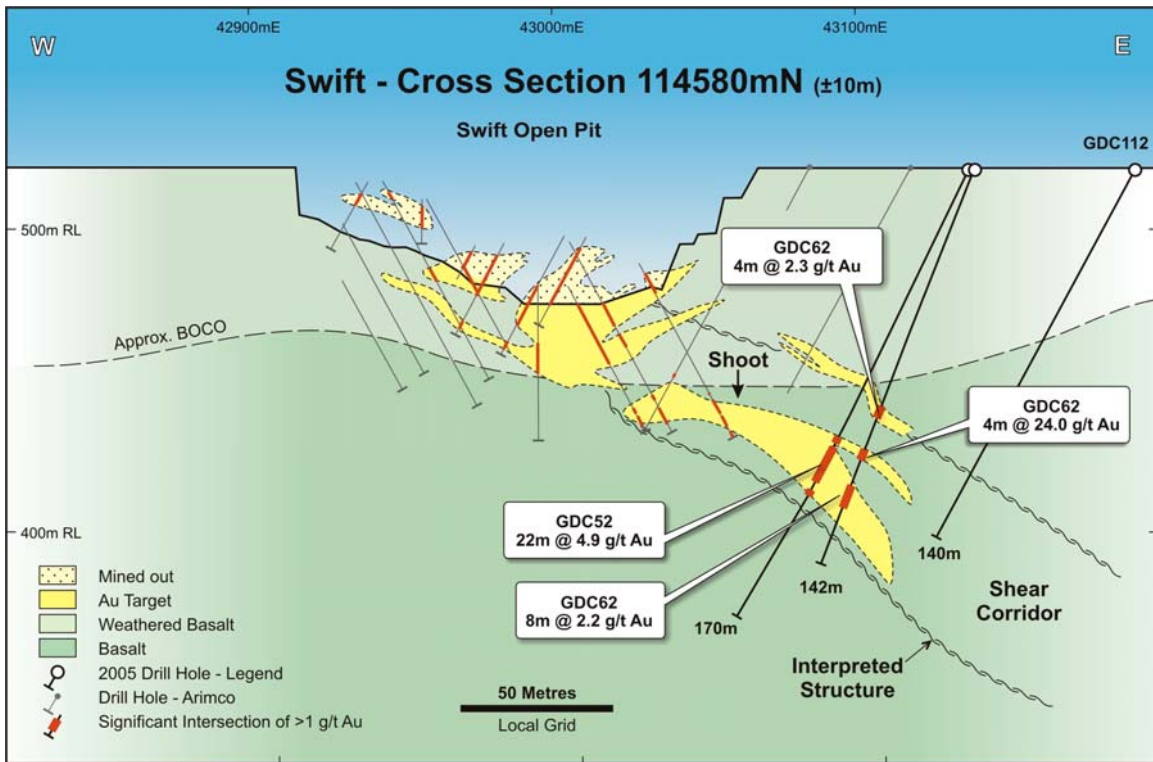


Figure 4.

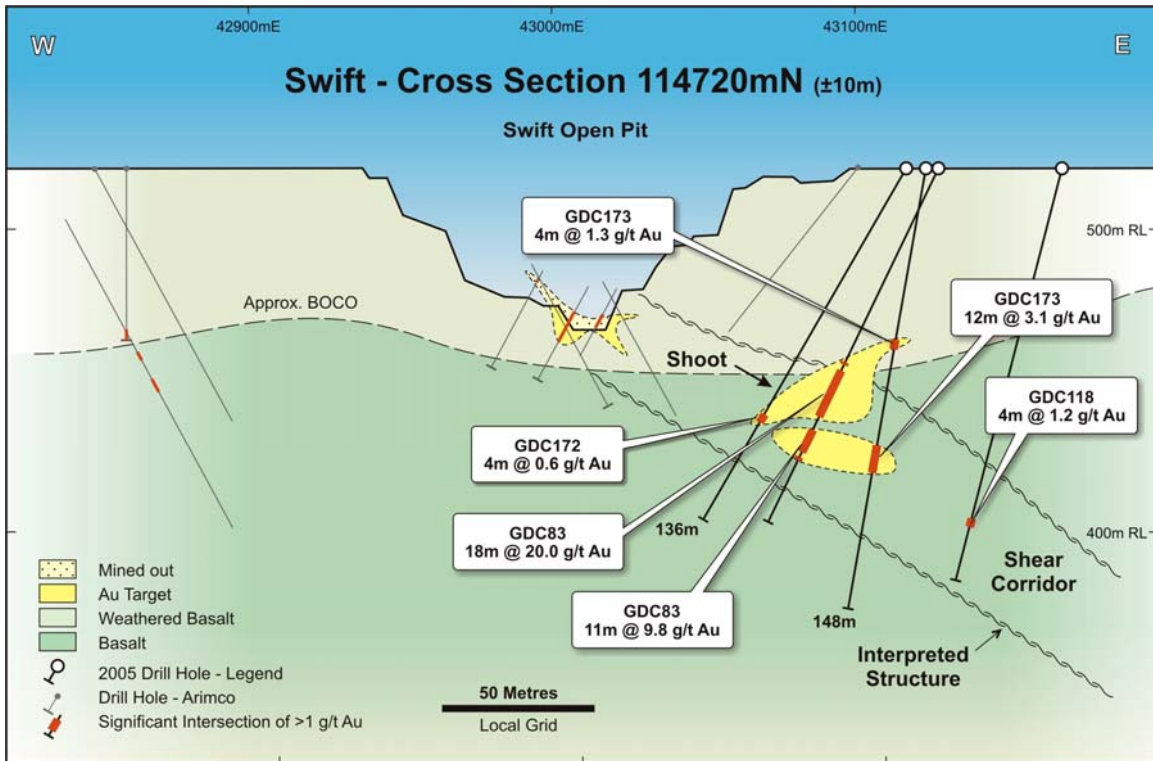


Figure 5.

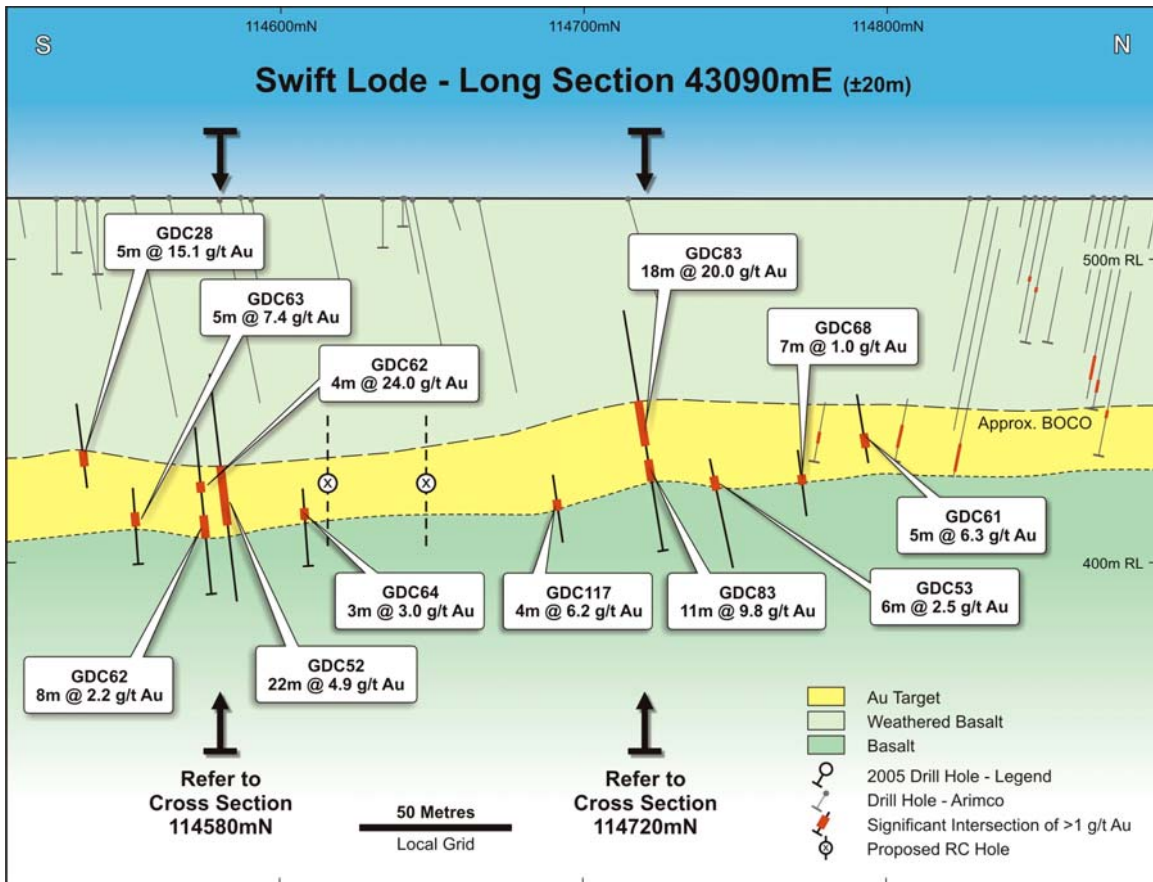
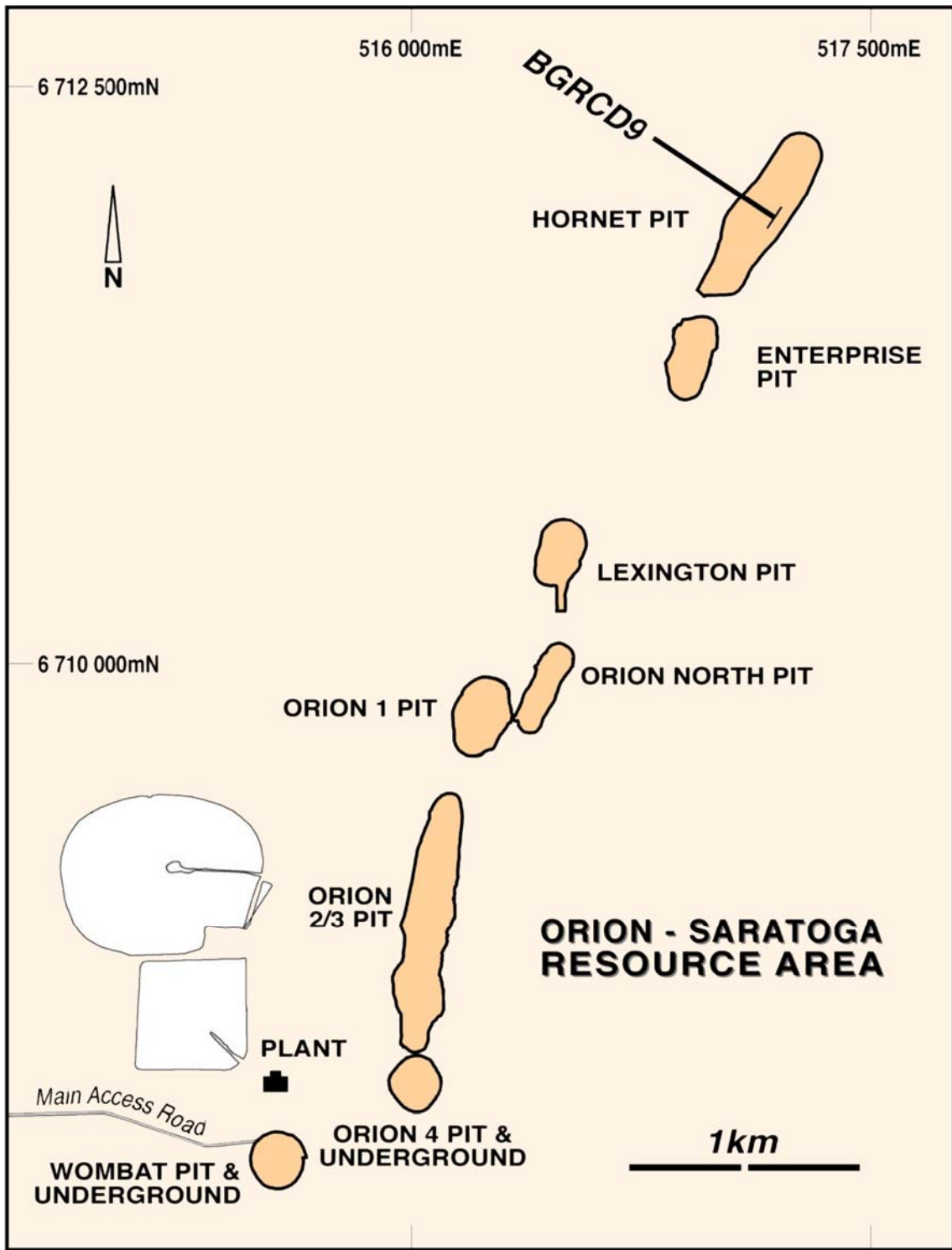


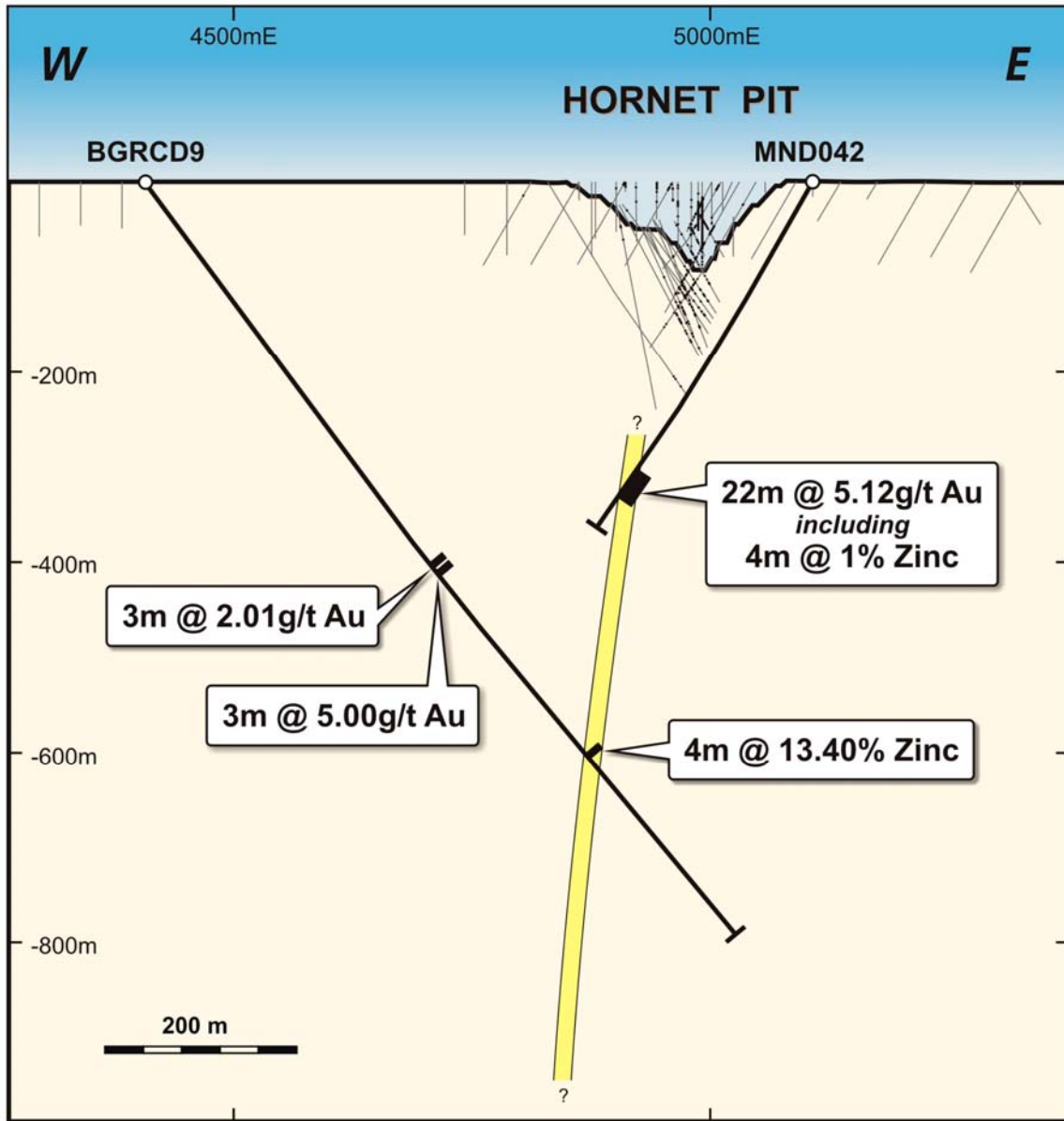
Figure 6.





**Resource Areas Showing Location of Hornet Pit and Drillhole BGRCD9**

Figure 7.



Hornet 10320mN Cross Section

Figure 8.