31 August 2006

AUSTRALIAN STOCK EXCHANGE ANNOUNCEMENT

MT GIBSON: HIGH-GRADE GOLD AND ADDITIONAL ZINC-LEAD SULPHIDE INTERSECTED

- **High-grade gold intercepts in broad-spaced holes, including 3m at 37.0g/t Au, 1m at 47.9g/t Au and 1m at 17.6g/t Au. Visible coarse gold in core.**
- **Gold associated with zinc and lead sulphide in parts of the system e.g. 1m at 7.3g/t Au, 1.15% Pb and 0.70% Zn.**
- **Gold also associated with copper sulphide e.g. 1m at 2.5g/t Au and 0.23% Cu.**
- **All seven diamond holes completed contain visible zinc sulphide (sphalerite).**
- **Assay results for holes LMGD-006 and LMGD-007 awaited.**
- **Drilling still in progress (LMGD-008).**

Since the last announcement on the 28 July 2006:-

1. three additional holes (LMGD-005 to LMGD-007 – 2,008.4 metres) of the nominal nine hole diamond drilling program have been completed (refer to Table 1),
2. further assay results have been received for holes LMGD-001 to LMGD-003 (refer to Tables 2 and 3), and
3. assay results have been received for holes LMGD-004 and LMGD-005 (refer to Tables 2 and 3).

This current program is designed as a first-phase assessment of the Mt Gibson base metal (zinc-copper) system which is in excess of 5km long. The drill hole geology and second batch of assay results continue to support the premise that Mt Gibson represents a large, fertile, mineral system that has the potential to host a base metal orebody. The presence of sulphide mineralization in each of these holes, whilst not ore grade, does confirm the broad continuity of the system.

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Gold has also been observed in shear zones and quartz veins in drill core. However, there is insufficient drill information, due to the wide spacing of the holes (approximately 600m), to draw any conclusions about the continuity of this mineralization.

Planned drilling is progressing in order to provide the information required to further develop the predictive geological model, and define metal zonation patterns and metal association trends.

Background

The Mt Gibson Project is located in the Murchison Province, 290 kilometres northeast of Perth, Western Australia, and 100 kilometres south of the world-class Golden Grove volcanic-hosted massive sulphide (zinc-copper) mine owned by Oxiana Limited. Both Mt Gibson and Golden Grove lie within the same volcano-sedimentary sequence (Yalgoo-Singleton Greenstone Belt).

Legend acquired Mt Gibson from Oroya Mining Limited in November 2005, principally to pursue the base metal (zinc-copper) potential beneath the oxide gold pits. The gold mine operated for 12 years from 1986 and is currently on care and maintenance.

At Golden Grove (Oxiana), a number of zinc and copper orebodies have been discovered beneath the oxide gold mineralisation. At Mt Gibson, the oxide gold mineralisation is anomalous in zinc, and sphalerite (zinc sulphide) has been intersected in a number of deep holes drilled beneath the oxide gold pits over a strike of 5 kilometres.

Legend has embarked on the first exploration ever undertaken at Mt Gibson that specifically addresses the testing of the base metal potential.

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The information in this announcement that relates to Exploration Results has been reviewed by Mr Robert Perring, a Member of the Australian Institute of Geoscientists, whose services are provided by Quadramin. Mr Perring has sufficient relevant experience in the styles of mineralisation and types of deposit under consideration, and in the activity 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" (the JORC Code), and consents to the inclusion of the information in the form and context in which it appears.

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APPENDIX I

Table 1: Completed Diamond Drill Holes

Hole Number	North (MGA94)	East (MGA94)	Hole Angle and Direction (Magnetic)	Final Depth (Metres)	Percentage of Hole Sampled for Assay
LMGD-001	6711025	517385	58º to 303º	887.3	47%
LMGD-002	6710013	516870	56º to 303º	756.3	64%
LMGD-003	6709437	516723	50º to 303º	789.3	56%
LMGD-004	6711730	517574	59º to 303º	684.6	51%
LMGD-005	6708323	516358	65º to 273º	750.6	62%
LMGD-006	6707720	516610	60º to 273º	477.5	30%
LMGD-007	6710601	517125	61º to 303º	780.3	83%

Table 2: Assay Result Summary – 5g/t Au and Above

Hole Number	From (m)	To (m)	Interval (m)	Au (g/t)
LMGD-002	446	447	1	17.6
LMGD-002	448	451	3	5.0
LMGD-003	202	203	1	47.9
LMGD-005	310	311	1	6.8
LMGD-005	456	457	1	7.3
LMGD-005	517	518	1	5.1
LMGD-005	716	719	3	37.0

Sampling based on nominal 1m intervals of half-NQ core. Gold (Au) determined by fire assay and ICP/OES finish. Samples assayed at Ultra Trace Pty Ltd, Perth.

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Table 3: Assay Result Summary Hole LMGD-001 to LMGD-005

Only intervals above 1.0g/t Au, 0.1% Cu, 0.2% Pb and/or 0.2% Zn listed.

Hole Number	From (m)	To (m)	Interval (m)	Grade of Mineralisation
LMGD-001	84	85	1	0.29% Zn
	87	88	1	0.35% Zn
	286	287	1	0.42% Zn
	289	292	3	0.73% Zn
	299	300	1	0.54% Zn
	303	**305**	**2**	**1.35% Zn**
	328	329	1	0.25% Zn
	790	791	1	2.0g/t Au
	804	805	1	1.8g/t Au
	833	834	1	3.2g/t Au
	839	841	2	2.7g/t Au
LMGD-002	132	133	1	0.23% Zn
	266	267	1	0.75% Zn
	311	312	1	0.25% Zn
	315	316	1	0.24% Zn
	378	379	1	1.1g/t Au
	439	442	3	3.9g/t Au
	446	**447**	**1**	**17.6g/t Au**
	448	**451**	**3**	**5.0g/t Au**
	482	483	1	1.1g/t Au
	513	514	1	3.5g/t Au
	547	548	1	2.8g/t Au
	552	553	1	1.0g/t Au
	626	628	2	1.1g/t Au
	656	657	1	1.2g/t Au
	729	731	2	3.1g/t Au
LMGD-003	72	73	1	0.39% Zn
	79	80	1	0.24% Zn
	84	85	1	0.38% Zn
	93	94	1	1.1g/t Au
	191	192	1	2.4g/t Au
	202	**203**	**1**	**47.9g/t Au**
	295	296.5	1.5	3.1g/t Au
	298	299	1	2.1g/t Au
	425	426.75	1.75	2.6g/t Au, 0.24% Cu, 0.36% Zn
	427	431	4	1.9g/t Au
	452.75	453	0.25	0.44% Pb, 0.34% Zn
	471	472	1	2.4g/t Au
	485	487	2	4.8g/t Au
	488	488.25	0.25	0.70% Zn
	642	643	1	1.38g/t Au, 0.24% Cu

Sampling based on nominal 1m intervals of half-NQ core unless otherwise indicated. Zinc (Zn), copper (Cu) and lead (Pb) determined by four acid digest and ICP/OES finish. Gold (Au) determined by fire assay and ICP/OES finish. Samples assayed at Ultra Trace Pty Ltd, Perth.

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Table 3 (continued): Assay Result Summary Hole LMGD-001 to LMGD-005

Only intervals above 1.0g/t Au, 0.1% Cu, 0.2% Pb and/or 0.2% Zn listed.

Hole Number	From (m)	To (m)	Interval (m)	Grade of Mineralization
LMGD-003 (cont.)	675	677	2	1.4g/t Au, 0.14% Cu
	678	679	1	1m @ 1.5g/t Au
	694	696	2	1.1g/t Au, 0.15% Cu
	697	698	1	2.3g/t Au
	713	715	2	3.0g/t Au
	716	717	1	1.5g/t Au
	718	719	1	2.2g/t Au
LMGD-004	**82**	**82.3**	**0.3**	**0.25% Cu, 1.60% Zn**
	83	84	1	0.28% Zn
	106.75	**107.25**	**0.5**	**3.48% Zn**
	139	140	1	0.4% Cu
	196	197	1	1.2g/t Au
	202	203	1	1.1g/t Au
	211.6	212	0.4	3.0g/t Au, 0.29% Pb, 0.87% Zn
	224	225	1	1.1g/t Au
	372	373	1	1.0g/t Au
	401	402	1	2.5g/t Au, 0.23% Cu
	471	474	3	3.4g/t Au, 0.16% Cu
	479	480	1	1.9g/t Au
	676	677	1	2.6g/t Au
LMGD-005	48	52	4	1.1g/t Au
	72	76	4	1.4g/t Au
	84	88	4	2.3g/t Au
	96	98	2	1.4g/t Au
	241	242	1	1.1g/t Au
	310	**311**	**1**	**6.8g/t Au**
	377	378	1	1.2g/t Au
	406	407	1	1.5g/t Au
	439	440	1	1.0g/t Au
	456	**457**	**1**	**7.3g/t Au, 1.15%Pb, 0.70% Zn**
	509	510	1	1.4g/t Au
	517	**518**	**1**	**5.1g/t Au**
	521	522	1	1.7g/t Au
	523	524	1	1.1g/t Au
	532	533	1	2.6g/t Au
	538	539	1	1.7g/t Au
	576	578	2	0.64%Pb
	583	584	1	4.1g/t Au
	589	591	2	1.9g/t Au
	617	618	1	1.8g/t Au
	716	**719**	**3**	**37.0g/t Au**

Sampling based on nominal 1m intervals of half-NQ core unless otherwise indicated. Zinc (Zn), copper (Cu) and lead (Pb) determined by four acid digest and ICP/OES finish. Gold (Au) determined by fire assay and ICP/OES finish. Samples assayed at Ultra Trace Pty Ltd, Perth.

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APPENDIX II

MT GIBSON PROJECT AREA

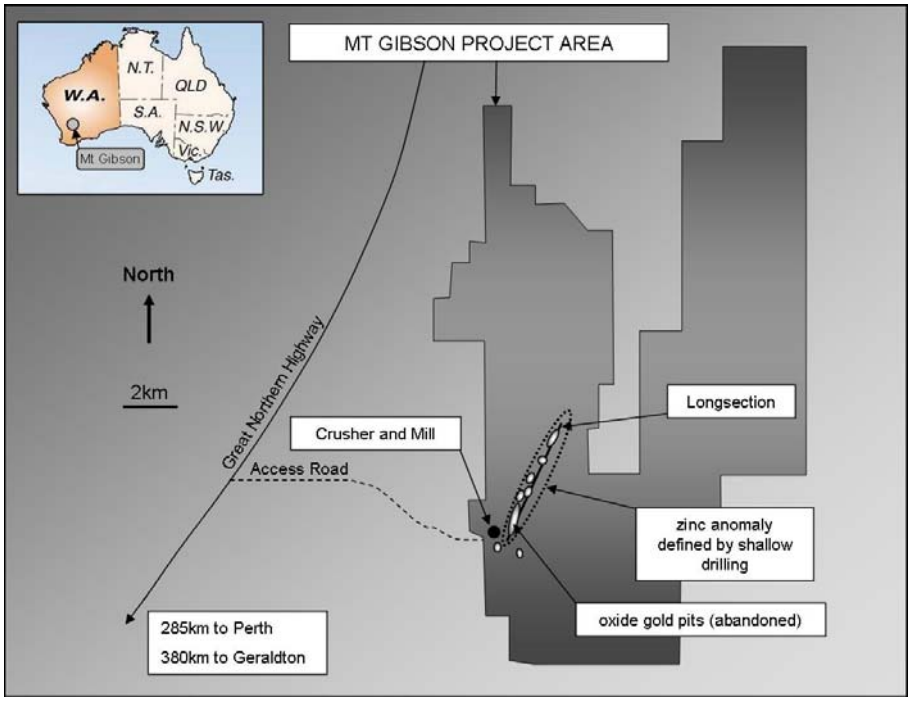

Figure 1
Generalised map of the Mt Gibson Project Area showing the location of the near surface zinc anomaly and the longsection shown below.

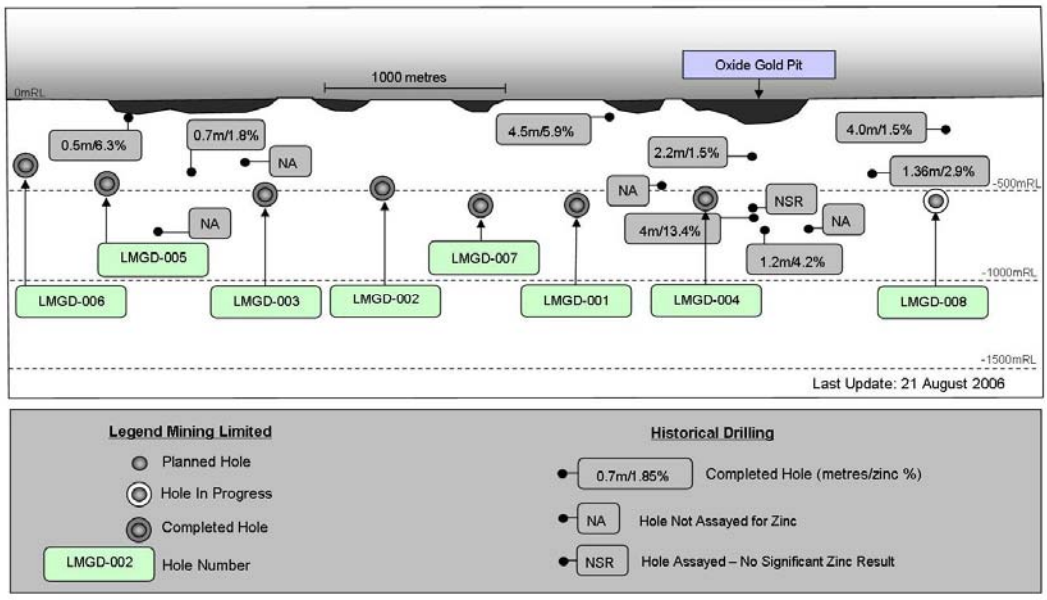

Figure 2
Mt Gibson longsection showing the relative position of projected Legend diamond drill holes.

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