



20 April 2007

ASX Announcement

## LEGEND AND FOX SIGN JV HEADS OF AGREEMENT

Legend Mining Limited (Legend) (ASX: LEG) today announced that its wholly owned subsidiary Armada Mining Limited has signed the Mt Marie Farm-in and Joint Venture Heads of Agreement (JV) with Fox Resources Limited (Fox) (ASX:FXR).

Legend Managing Director Mr Mark Wilson said “The signing of this agreement represents the commencement of a new working relationship with Fox, who own and operate the Radio Hill Mill.”

Figure 1 shows the tenement areas over which the JV applies and also shows the current land holdings of both Legend and Fox. Fox and Legend hold the dominant land position in the district, which is located in the prospective Pilbara Region.

Legend is commencing a work schedule with the flying of a VTEM-2 survey which will include the majority of the JV ground. “The survey was booked last year following the success of our VTEM-1 survey. We should see some action here promptly, with an indicative survey start date next month. The tenements are all in application status so the main thrust in parallel with VTEM-2 is to expedite the grant process” said Mr Wilson.

The essential commercial terms of the JV are as follows:-

- Legend may spend \$300,000 to earn a 40% interest in the tenements within 24 months of the grant of the last of the tenements,
- Legend may then spend a further \$200,000 to earn a further 30% interest within the following 12 months thus potentially earning a 70% interest for an aggregate of \$500,000 within a 36 month period,
- Legend is the Manager of the JV during the Earn in Period,
- Once the Earn-in Period is complete, both parties may elect to contribute or dilute as the case may be, with the majority equity holder being the manager and the JV governed via an Operating Committee.



### Background

Legend listed on the Australian Stock Exchange in 1995 and mined high-grade silver at Elizabeth Hill in the Pilbara until 2000.

Legend holds rights through granted tenements, tenement applications and joint venture agreements over 724km<sup>2</sup> of the West Pilbara, all within 50km of Karratha. Legend and Fox Resources Limited (Fox) independently control a dominant portion of this emerging and exciting base metal district.

Legend also owns the Gidgee and Mt Gibson projects in the Yilgarn Province of Western Australia.

### Attachments:

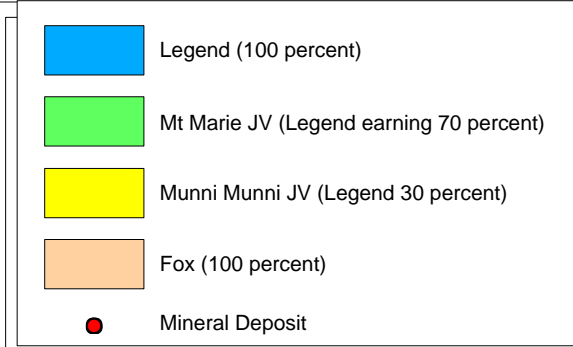
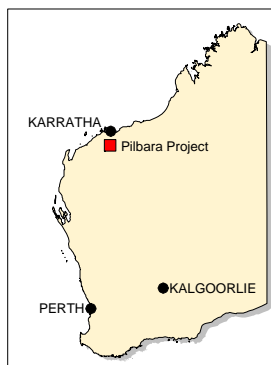
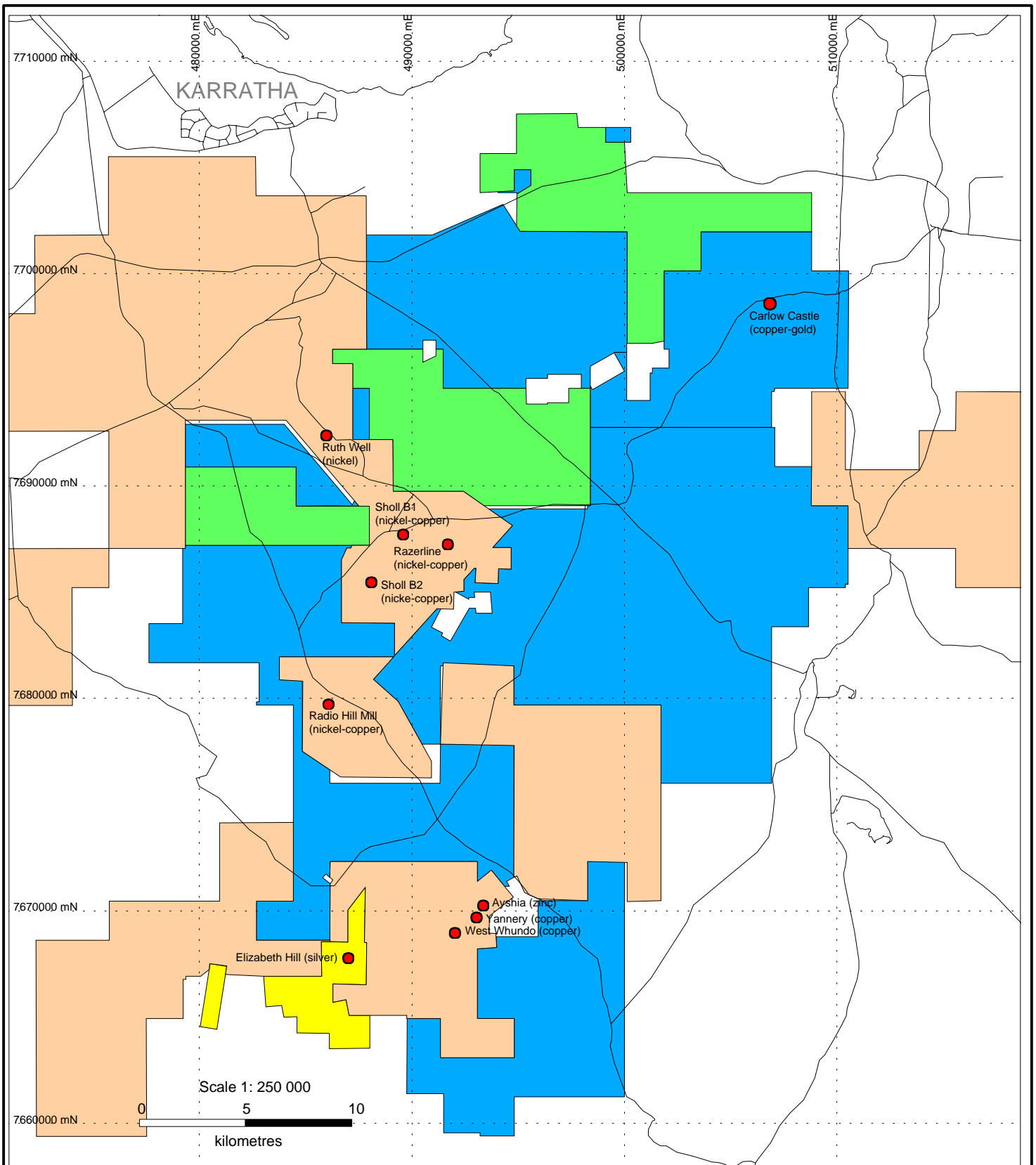
Figure 1 – West Pilbara District Land Holdings

Visit [www.legendmining.com.au](http://www.legendmining.com.au) to download a colour version of this announcement.

### **For more information:**

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<b>LEGEND</b> <small>MINING LIMITED</small>	
<b>PILBARA PROJECT</b>	
<b>WEST PILBARA DISTRICT LAND HOLDINGS</b>	
Author: RJP	Scale: 1:250,000
Date: 19 April 2007	Revised:
GDA 94 MGA Zone 50	