



# LEGEND MINING LIMITED

ACN: 060 966 145  
ABN: 22 060 966 145

## QUARTERLY REPORT for the period ended 31 December 2000

### Munni Munni/Elizabeth Hill Project

Legend Mining Limited 30% East Coast Minerals 70%

- Quarterly silver revenue of \$2,352,434.00
- Tailings retreatment Notice of Intent lodged at Department of Minerals & Energy
- Feasibility Study completed on extraction of silver from tailings by heap leach
- Cumulative silver production reached in excess of one and a half million ounces during the quarter

### Silver Sales

During the quarter over 279,000ozs were sold for revenue of \$2,352,434.00.

### Milling

Silver production was 257,986 ounces. Treatment through the gravity plant was 2,937 dry tonnes with an average calculated recovery of 71.4% for the quarter. The plant was placed on care and maintenance in mid-December, following completion of milling of the current shoot.

### Mining

Underground mining of the current shoot was completed on the 8th December, 2000. A total of 2,784 wet tonnes was hoisted during the quarter, bringing the project total to 27,673 wet tonnes. The mine has now been placed on care and maintenance pending delineation of further reserves.

### Exploration

A 1,495 metre RC drilling programme was conducted to delineate near-surface open cuttable mineralisation. Three pods of mineralisation totalling approximately 7,000t at 700ppm Ag were outlined to 41m vertical depth, and a formal resource report is awaited.

### Tailings Retreatment

A Notice of Intent relating to recovery of silver from the gravity plant tailings was prepared and lodged with the Department of Minerals and Energy. It is anticipated that approval should be forthcoming in February 2001.

An independent Feasibility Study into extraction of silver from the tailings will be completed and delivered to the Joint Venture partners at the end of January 2001. A range of retreatment options have been reviewed, and the recommended process route is agglomeration followed by heap leaching and electrowinning of the silver.

The tailings dam is estimated to contain 27,086 dry tonnes averaging 1,279ppm Ag, equivalent to approximately 1 million ounces of contained silver.



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## **Carlow Castle Project**

Legend Mining Limited 100%

During the Quarter, detailed ground geophysical surveys were carried out to select target areas with similar characteristics to the Main Lode resource at Carlow South.

The previously reported resource estimate for Carlow South totals 1,331,000 tonnes at 1.38g/t Au, 0.56% Cu (indicated and inferred, to 100m depth).

Twenty eight separate IP (gradient array induced polarisation) targets were defined in an area 1,600m long by up to 850m wide. These were interpreted as indicating potential for widespread disseminated sulphides and a possible underlying stockwork of gold-copper lodes. Twelve of the IP targets were given Priority One rating by the consulting geophysicist.

A further 9 targets showed high resistivity response, which is typical of the Carlow South Main Lode mineralisation.

Detailed correlation of these geophysical anomalies with geology and soil geochemistry is presently being undertaken, in order to rank them for drill testing after the cyclone season.

**Murray McDonald**  
**DIRECTOR**

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The information on exploration results contained in this report is based on information compiled by consulting geologist Mr Frans Voermans FAusIMM, MAIG. Mr Voermans consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.