



# LEGEND MINING LIMITED

ACN: 060 966 145  
ABN: 22 060 966 145

## QUARTERLY REPORT for the period ended 31 December 2002

- High grade gossan and rock chip results from six prospects within 675km<sup>2</sup> Karratha Gold and Base Metals Project Area identify new drill targets
  - RC drilling at Elizabeth Hill
  - Hamill Resources Ltd highlights two anomalous gold trends at Emerald JV
- 

### 1. KARRATHA GOLD AND BASE METALS PROJECTS

In October 2002 further field exploration was undertaken on Legend's extensive tenement holdings between Karratha, Roebourne and the Radio Hill Nickel mine. Based on gold and base metal results from this program, a focussed and significant exploration effort will now be accelerated over what has recently become one of the largest holdings in this highly prospective yet underexplored greenstone belt.

A program of mapping and sampling to enhance definition of mineralisation controls at a number of prospects was completed, with a total of 180 rock chip and gossan samples collected. The principal targets were the Orpheus Shear Zone south of the regional Sholl Shear Zone, and the area surrounding the Carlow Castle and Carlow South copper-gold resources previously reported as containing 91,000t at 10.0g/t Au (indicated and inferred). Significant results with greater than 1.0g/t gold and/or 1.0% base metals are given in Table 1 below.

#### **Orpheus and Sholl (Legend 100%)**

At least four significant gold/copper/zinc mineralisation centres were confirmed along the 7.5 kilometre strike of the Orpheus Shear Zone. From east to west these are: Orpheus, Nickol Anticline, Reef 3 and B5 - a new discovery east of the Golden Reef alluvial workings. Some of the better rockchip sample results included 14.74g/t gold, 5.58% copper and 5.63% zinc at Orpheus and 13.05g/t gold, 20.77% copper and 9.71% zinc at Reef 3. At the Orpheus and Nickol Anticline prospects, several parallel gossanous shear zones were shown to be highly enriched in base and precious metals (Table 1).

Mineralisation along the Orpheus Shear Zone has been only lightly drill tested by previous explorers. Legend is planning to further drill this extensive mineralised system based on the highly encouraging results from recent fieldwork.

## Carlow Castle, Mine Well, Railway (Legend 100%)

Interpretation of recently acquired detailed aeromagnetics and the October field exploration program resulted in greater knowledge of the copper/gold mineralisation controls present in the area of the Carlow Castle and Carlow South high grade resources and surrounding mineral occurrences.

It had been previously demonstrated that at least three different orientations of fault and shear systems host copper/gold mineralisation in the area around the historic Carlow Castle Main Workings. This concept led to the discovery by Legend of the Carlow South high grade gold copper resource, which has a central core grading 10.0g/t Au below a thin soil cover and has yet to be closed off. We now have an upgraded mineralisation model that can be applied with confidence over a much larger area around Carlow.

Several composite rockchip samples taken along large regional linear features returned elevated gold/copper values at Railway, Railway North and Carlow West. These large structures have yet to be subjected to detailed geological assessment. Legend will continue follow-up work in the coming field season to prioritise drill targets and is confident of finding further Carlow South style copper/gold mineralisation within the 52km<sup>2</sup> project area.

**Table 1 Significant Sample Results, October 2002 Sampling Program**

Target	Sample No.	East GDA94	North GDA 94	Au ppm	Ag ppm	Cu %	Cu-Rp1 %	Zn %	Zn-Rp1 %
Orpheus	KA04	49 8765	768 6848	14.74	293	4.74	5.75	0.04	0.04
Orpheus	KA05	49 8775	768 6826	8.53	23	1.15		0.01	
Orpheus	KA06	49 8826	768 6926	11.62	65	5.97		0.01	
Orpheus	KA10	49 9572	768 7161	0.71	16	0.29		2.89	
Orpheus	KA11	49 9781	768 7389	0.69	11	2.38		5.63	
Orpheus	KA12	49 9782	768 7477	6.70	3137*	5.58	7.65	0.46	0.61
Orpheus	KA13	50 0107	768 7577	0.20	55	0.22		2.64	
Orpheus	KA15	49 9322	768 7342	0.10	6	0.11		1.15	
A4	KA75	49 3795	768 9104	0.51	2	0.96		0.01	
B5	KA37	49 5120	768 5332	1.76	2	0.05		0.02	
B5	KA39	49 5069	768 5242	1.66	2	0.05		0.06	
B5	KA168	49 5240	768 5469	1.56	1	0.04		0.05	
Nickol Anticline	KA87	49 6889	768 6668	1.75	1	0.03		0.02	
Reef 3	KA27	49 5499	768 6254	0.90	295	20.77	28.42	0.07	0.09
Reef 3	KA28	49 5475	768 6210	0.60	68	6.49	7.65	9.71	15.18
Reef 3	KA29	49 5470	768 6204	13.05	89	9.13	11.05	3.91	5.16
Reef 3	KA176	49 5460	468 6000	0.18	1	0.25		3.97	
Carlow West	KA132	50 6464	769 8843	0.01	1	4.72		0.01	
Railway	KA154	50 8712	769 6687	1.21	2	0.13		0.01	
Railway	KA157	50 8810	769 6356	4.43	0	0.00		0.00	
Railway North	KA162	50 9028	769 8400	0.45	4	5.89		0.01	
Railway North	KA163	50 9028	769 8400	0.49	1	1.12		0.02	

Composite rock chip and gossan samples were collected and descriptions and GPS locations recorded. Analyses were by Genalysis Laboratory Services Pty Ltd using B/SAAS for Au (0.01ppm detection), B/AAS for Ag (0.1 ppm), Cu (1ppm) and Zn (1 ppm). Repeat check analyses for Cu and Zn were by AX/OES (10ppm). Note \*: one silver check assay was also by AX/OES (5ppm).

## 2. MUNNI MUNNI JOINT VENTURE (LEGEND 33 1/3%)

During November to December 2002 33 reverse circulation holes were drilled at the Elizabeth Hill Silver Project with a total of 4096 m. Secondary silver minerals were detected in 5 holes with best results to date of 250ppm in AG43 at 118-119m and 233ppm in AG33 at 190-194m.

Most of the holes drilled south of the mine intersected only minor carbonate alteration and no or patchy silver mineralisation. The east-west trending Elizabeth Hill Fault was found to have a shallow (30°) northerly dip but does not appear to be mineralised. Widespread but low grade (tens of ppm) silver anomalies are associated with an east-west fault immediately south of the previously mined orebody.

Check assaying is in progress to explain discrepancies between logging and assaying. Evaluation will be completed once final analyses have been received.

## 3. EMERALD GOLD PROJECT. (LEGEND 40%)

Hamill Resources Ltd is earning up to 80% by conducting exploration at Emerald, south of Mt Ida in the Eastern Goldfields.

An auger geochemistry program was designed to test an area in the south of the project considered favourable for hosting gold mineralisation, based upon favourable structural intersections and rock types. Seven east – west lines spaced 200m apart were drilled at 25m intervals for a total of 437 holes, and assayed for Au, As, and Ni at 1.8m depth. Significant elevations in Ni over interpreted ultramafic units on the northern five lines indicate a high level of integrity for much of the assay data. The program highlighted two trends anomalous in gold.



**Murray McDonald**  
**DIRECTOR**

30 January 2003

*Quarterly Report 31.12.02*

The information on Munni Munni JV exploration results contained in this report is based on information compiled by consulting geologist Mr Finn Barrett MSc, MGSA, MAIG, MSEG of Barrett Exploration Pty Ltd. Mr Barrett consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. The information on Karratha Gold and Base Metals Projects exploration results is based on information compiled by consulting geologist Mr Frans Voermans FAusIMM, MAIG of Voermans Geological Services. 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. The information on Emerald exploration results is based on information compiled by Mr Clive Jones MAusIMM of Hamill Resources Ltd. Mr Jones consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.