



SEPTEMBER 2010 QUARTERLY REPORT

28 October 2010

LEGEND MINING LIMITED

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PROJECTS

Cameroon: iron ore, gold

Pilbara: nickel, copper, zinc,
iron ore

Gum Creek: copper, nickel,
PGE, gold, iron ore

Mt Gibson: zinc, copper, gold

HIGHLIGHTS

- **5,000m diamond drilling programme commences in Cameroon**
- **Mr Philippe Koehn appointed Cameroon Exploration Manager**

OVERVIEW

It was a great effort by the Cameroon exploration team to commence the inaugural drilling programme at the Project in August. The seasonal rains not only caused the temporary suspension of the programme in September, but also affected the targets which were able to be accessed. The nett effect was that the drilling of the main priority targets in the Eseka region, being Hill 335 and 419, has had to be delayed until the recommencement of the programme, which is expected in late November. The early drilling results are discussed in the body of this report.

The exploration team is using this time to carry out early reconnaissance missions over some of the southern magnetic anomaly targets, as well as undertaking much needed maintenance and upgrades to the motor vehicle fleet.

The early success of the drilling results from the African Aura Mining Inc. project of Nkout have also given further encouragement and when considered with the progress Sundance Resources Limited have made with their Mbalam Project in recent times, the regional perspective for the Cameroon iron ore industry is very healthy.

1. Cameroon Project

The Cameroon Project comprises three granted exploration permits and an application covering an area of approximately 3,900km² and is considered prospective for iron ore, see Figure 1. Discovery of 50Mt of direct shipping ore (DSO) is the primary target, however itabirite ore (lower grade but potential very high tonnage) will also be targeted. The Ngovayang Project area has the added advantage of being well served by access infrastructure including rail and road networks to and from the port city of Douala.

Diamond Drilling Programme

A 5,000m diamond drilling programme utilising a man portable rig commenced on 4 August in the northern part of the Project. Heavy seasonal rain forced the drilling to be suspended on 28 September – anticipated to recommence upon review in November 2010.

Prior to the suspension, a total of 15 holes for 707.66m were completed over the Hill 464 and Alpha prospects in the Eseka region, see Table 1. The drilling was targeting a combination of aeromagnetic and topographic highs associated with +50% Fe rockchip sample results.

Table 1 – Diamond Drillhole Details					
Hole ID	Easting	Northing	Prospect	Dip/Azimuth	Final Depth
NESD001	696367	399748	Hill 464	-60/270	90.28
NESD002	696407	398095	Hill 464	-90/000	19.65
NESD003	696538	398530	Hill 464	-90/000	40.23
NESD004	696470	399672	Hill 464	-90/000	19.43
NESD005	696233	397114	Hill 464	-90/000	36.02
NESD006	696501	398001	Hill 464	-90/000	21.02
NESD007	696594	397999	Hill 464	-90/000	22.62
NESD008	696690	397800	Hill 464	-90/000	38.83
NESD009	697000	399157	Hill 464	-90/000	71.88
NESD010	695024	399363	Alpha	-90/000	80.04
NESD011	695675	400197	Alpha	-90/000	71.92
NESD012	695175	399799	Alpha	-90/000	42.09
NESD013	695335	398813	Alpha	-90/000	56.91
NESD014	695300	398810	Alpha	-90/000	46.28
NESD015	695361	399653	Alpha	-90/000	50.46

Drilling utilised an Ingetrol man portable diamond drilling rig – HQ and NQ core sizes.

Co-ordinates: Universal Transverse Mercator WGS84, Zone 32, Northern Hemisphere.



The drilling intersected a sequence of up to 10m of ferruginous saprolite overlying a highly oxidised package of metasediment, including altered itabirite and thin magnetite rich units. The thickness and iron grades (indicative grades from the Niton XRF analyser) of these itabirite units are not sufficient to be economic. The metasediments unconformably overlie a basement package of alternating garnet gneiss and magnetite gneiss followed by a zoned quartzite unit.

The aeromagnetic features tested by the drilling can be explained by the combined effects of the abundant magnetite found either in the metasedimentary sequence or in the basement gneiss.

Exploration Manager

Mr Philippe Koehn has been appointed Exploration Manager for Cameroon and will work on a fly in fly out roster based in the Eseka region. Philippe has over 35 years exploration experience covering a range of commodities throughout the world and is a welcome addition to the company.

Rockchip Sampling

An additional 230 rockchip results have been received from the Eseka, Melombo and Logmangan prospects (Figure 2), as part of ongoing regional reconnaissance work. The results are similar in character and tenor to those reported previously to the ASX on 14 April 2010 and 1 June 2010. Tables 2-4 below provide all results >50% Fe.

Table 2 – Eseka Prospect Rockchip Results>50% Fe								
Sample No.	UTM_E	UTM_N	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	LOI%	Description
583481	696255	397116	66.6	1.2	1.4	0.10	2.3	Massive magnetite
583574	696743	403360	66.1	2.0	1.8	0.05	0.6	Massive magnetite
583473	695116	400766	53.2	16.3	2.1	0.09	6.2	Magnetite itabirite
583758	695835	395987	52.2	4.3	6.1	0.41	14.7	Itabirite - goethite, haematite

Table 3 – Melombo Rockchip Results>50% Fe								
Sample No.	UTM_E	UTM_N	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	LOI%	Description
584012	685054	381012	57.5	3.8	4.3	0.09	9.1	Oxidised - goethite, magnetite
584013	685087	381247	55.8	8.7	3.3	0.20	7.7	Oxidised - goethite, magnetite
584008	686634	381014	55.6	3.2	5.9	0.35	12.4	Oxidised - goethite, magnetite
583282	685605	382032	54.8	10.3	2.5	0.16	7.8	Oxidised - goethite, magnetite
583278	683611	380367	54.4	5.5	3.4	0.44	13.0	Oxidised - goethite, magnetite
583284	686799	381427	54.0	7.0	5.0	0.20	8.9	Oxidised - goethite, magnetite
583279	684804	380712	53.7	13.0	2.5	0.25	7.3	Oxidised - goethite, magnetite
583808	683979	380992	52.0	6.0	6.1	0.37	12.5	Oxidised - goethite, magnetite
583584	686395	381883	51.5	5.8	5.8	0.60	12.8	Oxidised - goethite, magnetite
583807	684000	380937	51.3	7.2	5.1	0.18	15.0	Oxidised - goethite, magnetite
583809	683984	381183	50.1	5.9	4.7	0.62	14.7	Oxidised - goethite, magnetite



Table 4 – Logmangan Prospect Rockchip Results >50% Fe

Sample No.	UTM_E	UTM_N	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	LOI%	Description
583262	679088	394395	65.9	4.2	0.3	0.04	1.4	Massive magnetite
583945	679114	394471	63.1	7.1	0.6	0.11	1.9	Itabirite - magnetite, goethite
583258	679895	394943	62.3	1.9	1.9	0.12	6.2	Massive magnetite
583257	679847	395115	59.7	9.3	1.5	0.12	3.1	Itabirite - magnetite
583771	676890	396048	55.0	18.4	0.7	0.11	1.8	Itabirite - magnetite
583260	679630	394198	51.6	17.7	1.9	0.21	7.3	Itabirite - magnetite
583755	679328	393952	50.4	16.8	2.8	0.30	8.4	Itabirite - magnetite

Co-ordinates: Universal Transverse Mercator WGS84, Zone 32, Northern Hemisphere.

Assay Method : Fe, SiO₂, Al₂O₃ by fusion XRF,

Fe% and P% calculated from Fe₂O₃ and P₂O₅ fusion XRF respectively,

LOI – Loss on Ignition at 1,000°C by fusion XRF

Cameroon Project - Next Phases of Work

- Recommence man portable diamond drilling programme at Hill 419, Hill 335, Melombo, Melombo West, Melombo East, Bibondi and Logmangan prospects, see Figure 3.
- Continue regional iron mineralisation target identification/evaluation utilising aeromagnetic litho-structural interpretation and Landsat data processing.

2. Pilbara Project

The Pilbara Project is located 7-50km south of Karratha in the northwest of Western Australia, (Figure 4) and comprises 686km² of granted tenements and tenement applications. Legend has previously defined 14 priority drill targets from airborne Versatile Time Domain Electromagnetics (VTEM) and ground electromagnetic surveys. The Project is considered prospective for nickel-copper, copper-zinc and magnetite iron ore.

No exploration activities were possible over the Pilbara Project due to access issues related to heritage agreement negotiations.

Mt Marie JV (Legend earning 70% from Fox Radio Hill PL)

Nothing to report.

Munni Munni JV (Legend 30%, East Coast Minerals NL 70%)

Nothing to report



Pilbara Project - Next Phases of Work

- Heritage Agreement negotiations with the Ngarluma Aboriginal Corporation to continue.
- Drilling of previously identified VTEM/ground EM and iron ore targets, following signing of Heritage Agreement and receiving all statutory clearances.

3. Mt Gibson Project

Monitoring of the site by environmental consultants was completed during the quarter in preparation for the Annual Environment Report. Revegetation trials over the tailings dam facility are showing encouraging results, which could ultimately reduce rehabilitation costs.

Mt Gibson Project - Next Phases of Work

- Ongoing rehabilitation works will continue on the heap leach ponds and tailings dam with a view to reducing the environmental liability.

4. Gum Creek Project

West Bungarra JV – E57/709 (Legend 70%, Gateway Mining Ltd 30%)

Legend withdrew from the West Bungarra JV with Gateway Mining Limited (Gateway) on 29 September 2010, thereby handing 100% of E57/709 to Gateway. Within the same transaction, Legend sold E57/706 to Gateway for \$50,000.

5. Corporate

Legend announced on 11 August 2010 that it had sold 900,000 Independence Group NL (ASX:IGO) shares on market for \$4,850,308. The profit realised on these sales was \$3,604,720 and Legend continues to hold 1,000,000 IGO shares.

Mark Wilson

Managing Director

28 October 2010

The information in this announcement that relates to Exploration Results has been compiled by Mr Derek Waterfield, a Member of the Australian Institute of Geoscientists and a full time employee of Legend Mining Limited. Mr Waterfield 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.

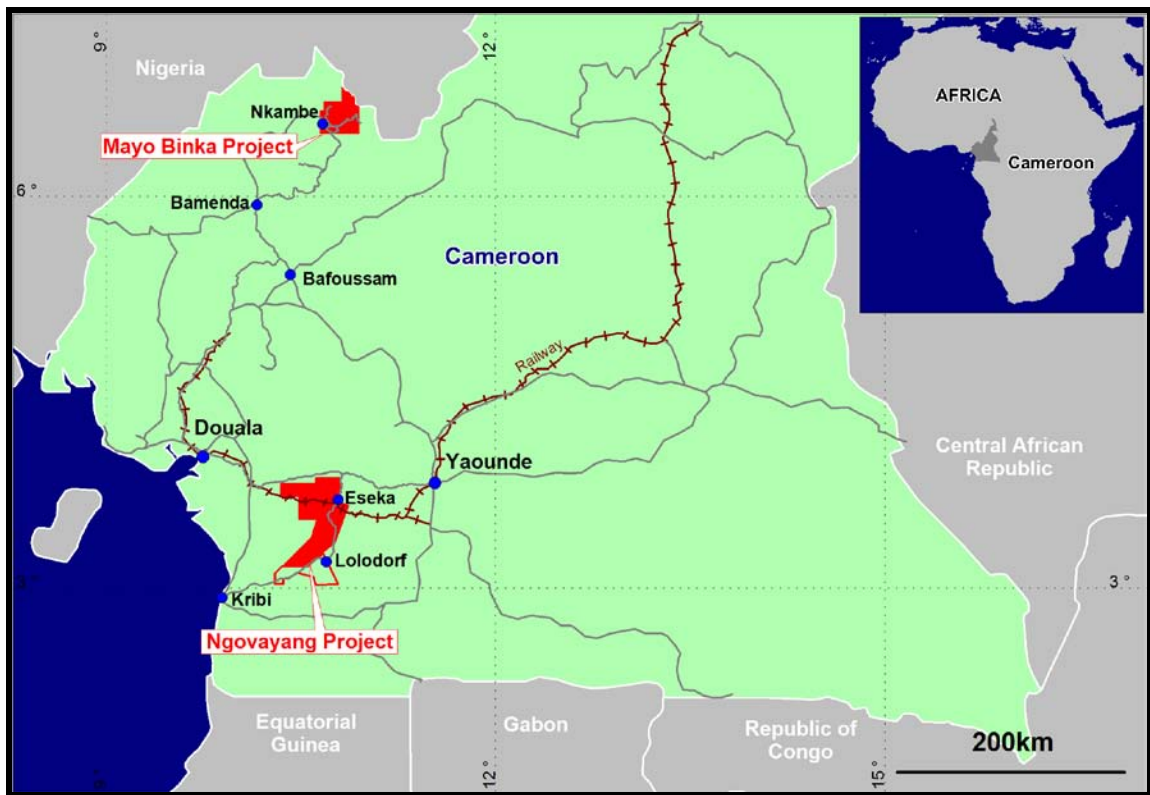


Figure 1: Cameroon Project Location

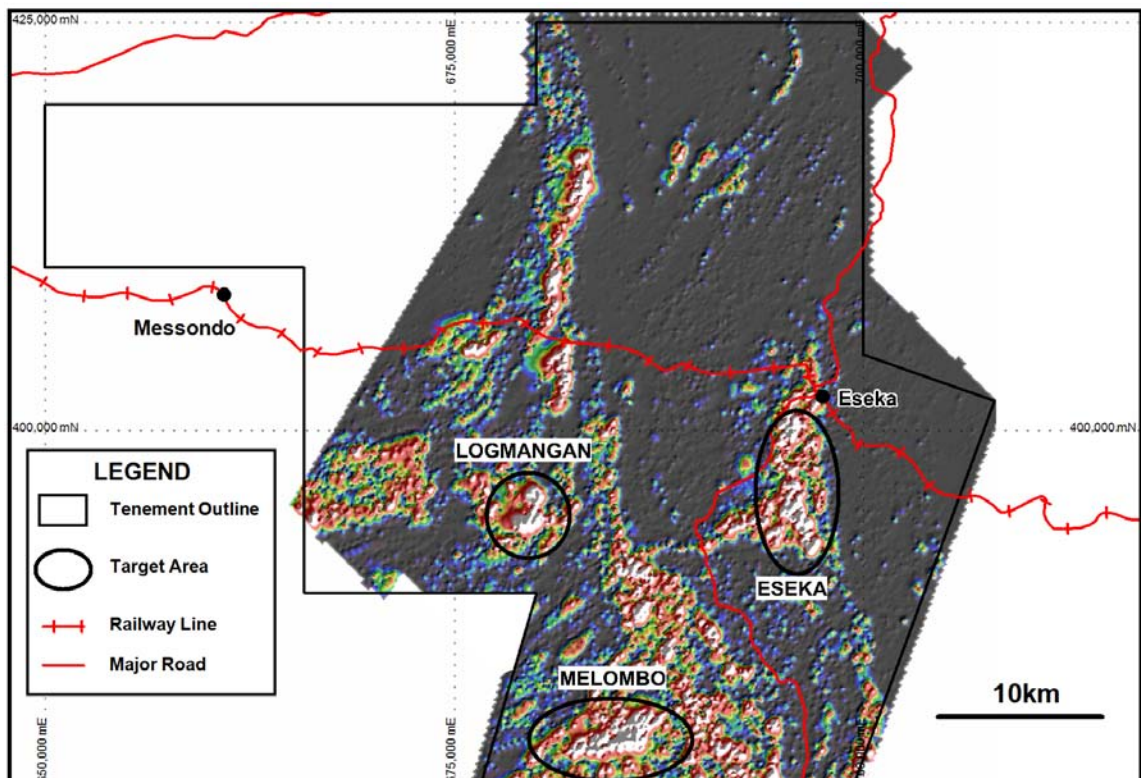
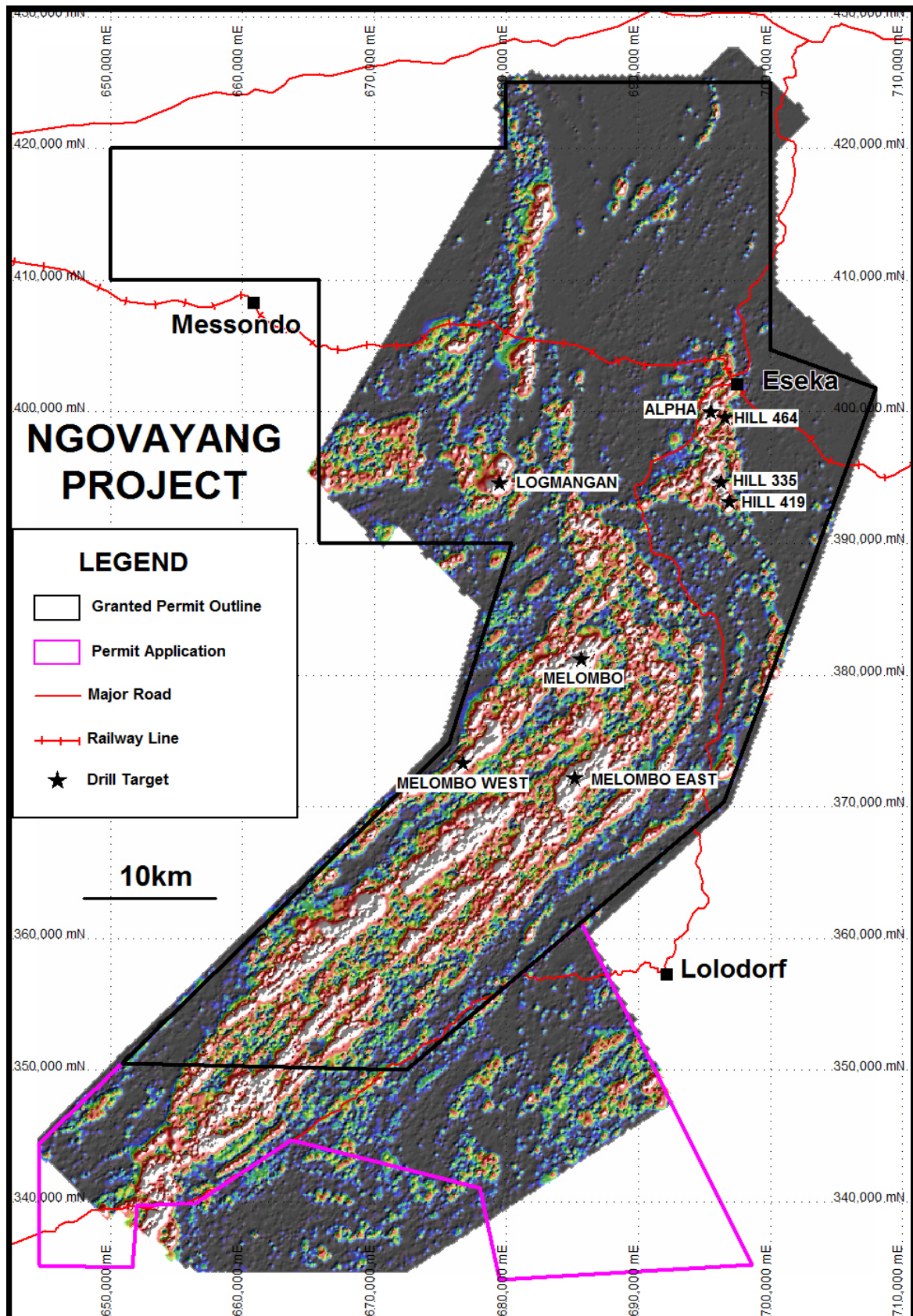


Figure 2: Ngovayang Project - Prospect Location



**Figure 3: Ngovayang Prospect Locations on Aeromagnetic Image
(Analytical Signal of Total Magnetic Intensity)**

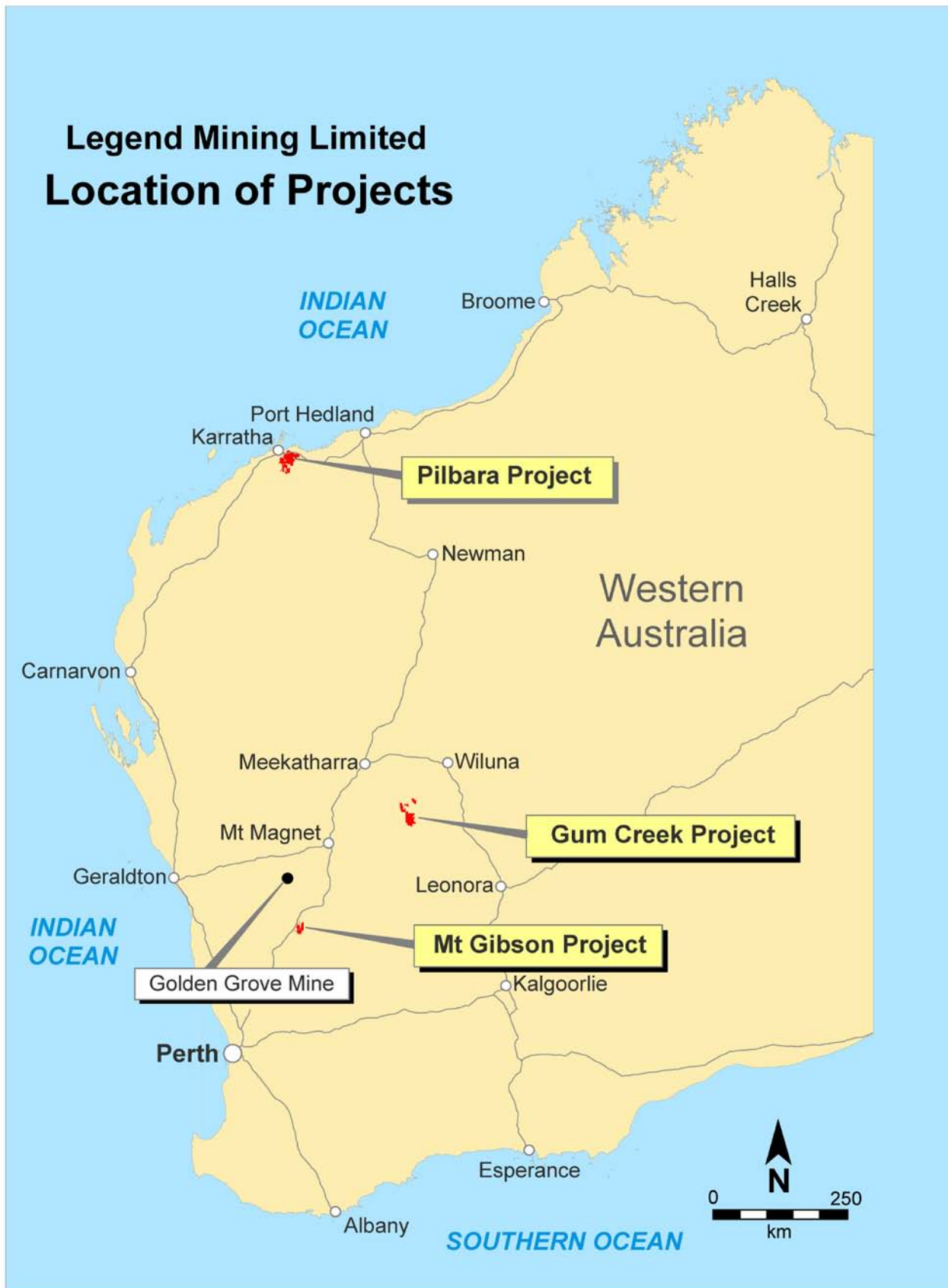


Figure 4: Western Australian Project Location