

**LEGEND MINING LIMITED**ASX Symbol: **LEG**

ABN 22 060 966 145

Level 2, 640 Murray Street

West Perth

Western Australia 6005

PO Box 626

West Perth

Western Australia 6872

Phone: +61 8 9212 0600

Facsimile: +61 8 9212 0611

Email:

legend@legendmining.com.au

[www.legendmining.com.au](http://www.legendmining.com.au)**CONTACT**

Mr Mark Wilson

Managing Director

**PROJECTS****Cameroon:** iron ore, gold**Pilbara:** nickel, copper, zinc,  
iron ore**Mt Gibson:** zinc, copper, gold**HIGHLIGHTS**

- **Two early drill holes at Melombo East show significant intercepts of magnetite gneiss.**
- **Both holes terminated in mineralisation with assays awaited.**
- **Purchase of drilling equipment and employment of specialist drilling staff enables drilling to continue.**

**OVERVIEW**

The Melombo East mag anomaly is shaping as the most substantial target drilled to date at the Ngovayang project. The combination of the width of the drill intercepts, that the holes ended in mineralisation and the mapping which has been completed following the opening of the access tracks, has given an early glimpse of the potential size of a magnetite project at this location. Assays from the holes are imminent.

Signing the contract with Geosearch to purchase the drill rigs, ancillary equipment and spares, coupled with the employment of specialist drilling staff, has resulted in the capability to continue to drill through inclement weather, albeit at lower production rates. This should result in a more continuous news flow from the project.

The completion of geophysical modelling and the announcement of the imminent assays from holes 44 and 46 should give a clearer picture of the potential of Melomob East.

## 1. CAMEROON PROJECT

The Cameroon Project comprises four granted exploration permits covering an area of approximately 3,970km<sup>2</sup> and is considered prospective for iron ore and gold, see Figure 1. Discovery of 50Mt of direct shipping ore (DSO) is the primary objective, however magnetite-gneiss ore (lower grade but potential very high tonnage) is also being targeted.

### Drilling Ongoing

Diamond drilling recommenced on 27 January 2011 at the Ngovayang Project and continued during the current quarter despite several wet weather disruptions to the schedule. The proposed programme is targeting a combination of aeromagnetic and topographic highs associated with +50% Fe rockchip sample results. Drill testing of the priority target area of Melombo East has commenced within the quarter.

On 11 October 2011 Legend concluded an agreement with contractor Geosearch to acquire Geosearch's drilling assets at Eseka for US\$440,000 including four drill rigs (two in operational order, two for spares), two Toyota Landcruisers, and the Geosearch field workshop. The workshop includes all tools, down hole equipment and spares. In addition the company has now employed a drill supervisor, an experienced mechanic and support drilling staff.

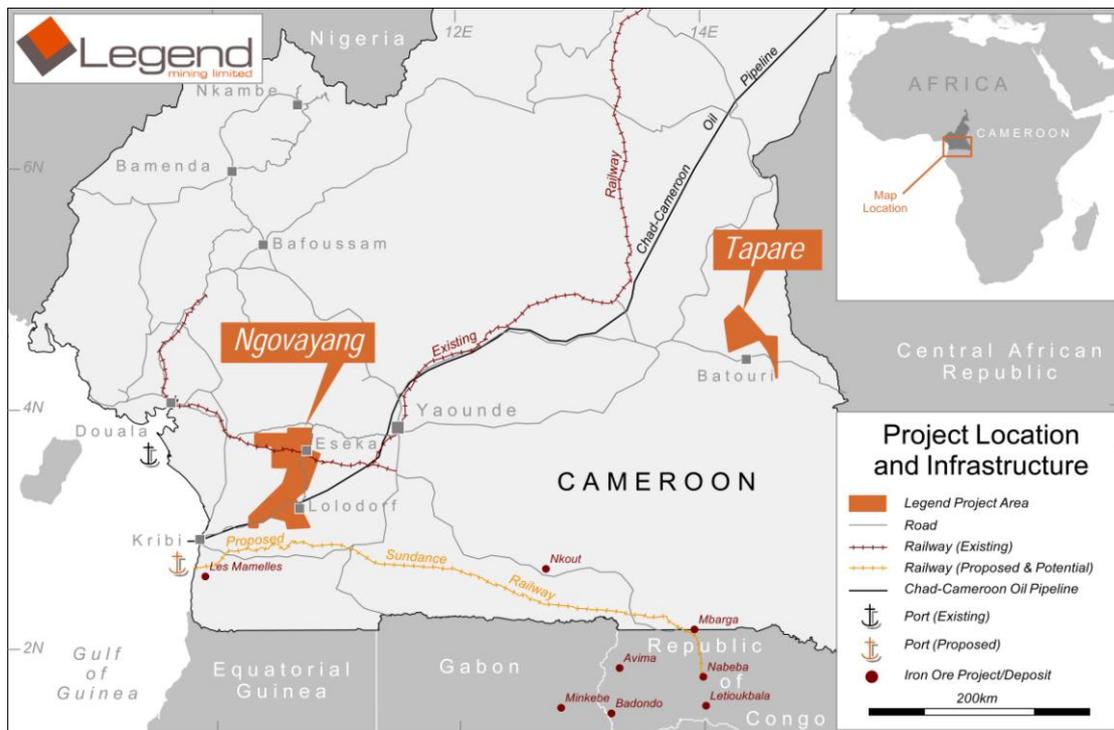
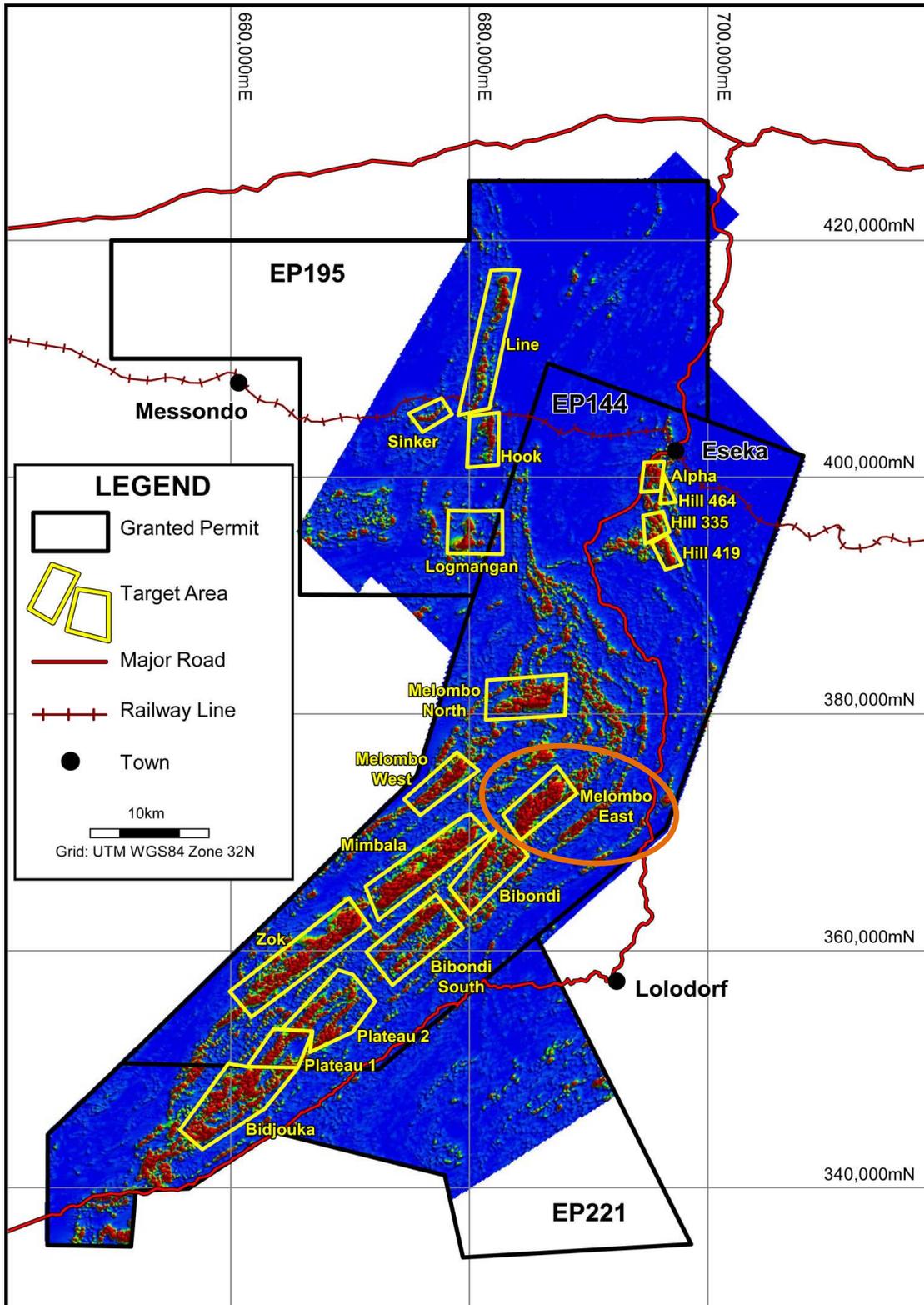


Figure 1: Cameroon Project Location and Infrastructure

For personal use only

For personal use only



**FIGURE 2: Ngovayang Project - Target Areas over Aeromagnetic Image (Analytical Signal of Total Magnetic Intensity)**

### Melombo East

Six diamond drillholes (DH042-047), of a 14 hole programme, have been completed at the Melombo East target for a total of 476.88m. The programme has now been expanded to 22 holes. The drilling is testing a large (6km x 1.5km) complex aeromagnetic feature, which follows the dominant NE-SW trend of the southern Ngovayang massif. See Figure 2.

Details of the drilling are provided below in Table 1, while drillhole locations are shown on Figures 3 & 4 in relation to topography and aeromagnetics.

Table 1: Diamond Drillhole Details – Melombo East				
Hole ID	Easting	Northing	Dip/Azimuth	Final Depth
DH042	686065	373167	-60/135	16.52
DH043	686398	372915	-90/000	95.98
DH044	685676	372406	-90/000	149.98
DH045	686073	373162	-90/000	29.98
DH046	685435	371695	-90/000	100.46
DH047	685664	371930	-90/000	83.96
<b>Total</b>				<b>476.88</b>

Drilling utilised an Ingetrol man portable diamond drilling rig – HQ and NQ core sizes.  
Co-ordinates: Universal Transverse Mercator WGS84, Zone 32, Northern Hemisphere.

Significant thicknesses of magnetite gneiss were intersected in drillholes DH044 (121.38m) and DH046 (80.46m) with both holes terminating in magnetite gneiss. The magnetite in these intersections is coarse grained and relatively uniform throughout, as shown in Photo 1. Both holes have been submitted for laboratory analysis for a full iron ore suite of elements, with results awaited.

Drilling difficulties were encountered in hole DH042 (26.52m) and the subsequently re-drilled hole DH045 (29.98m) resulting in the two holes being abandoned. Magnetite gneiss was intersected in both holes.

Geological mapping has recently been completed over the entire Melombo East target, taking advantage of numerous “exposures” uncovered by bulldozers during rig access track construction. The prospect is dominated by a thick package of banded and interlayered gneiss with variable magnetite-biotite-garnet-amphibole-chlorite content.

Outcrop is somewhat limited, however the mapping has defined two large areas (2km x 1km and 1.5km x 0.8km) of outcropping or subcropping magnetite±biotite±garnet gneiss, as shown on Figures 3 & 4. The gneiss trends in a NE-SW direction with a north-westerly dip ranging between 30-60° and correlates well with the aeromagnetic image as expected. The information gained from the mapping and drilling has resulted in a better understanding of the geological character and distribution of magnetite at the prospect.

For personal use only

For personal use only

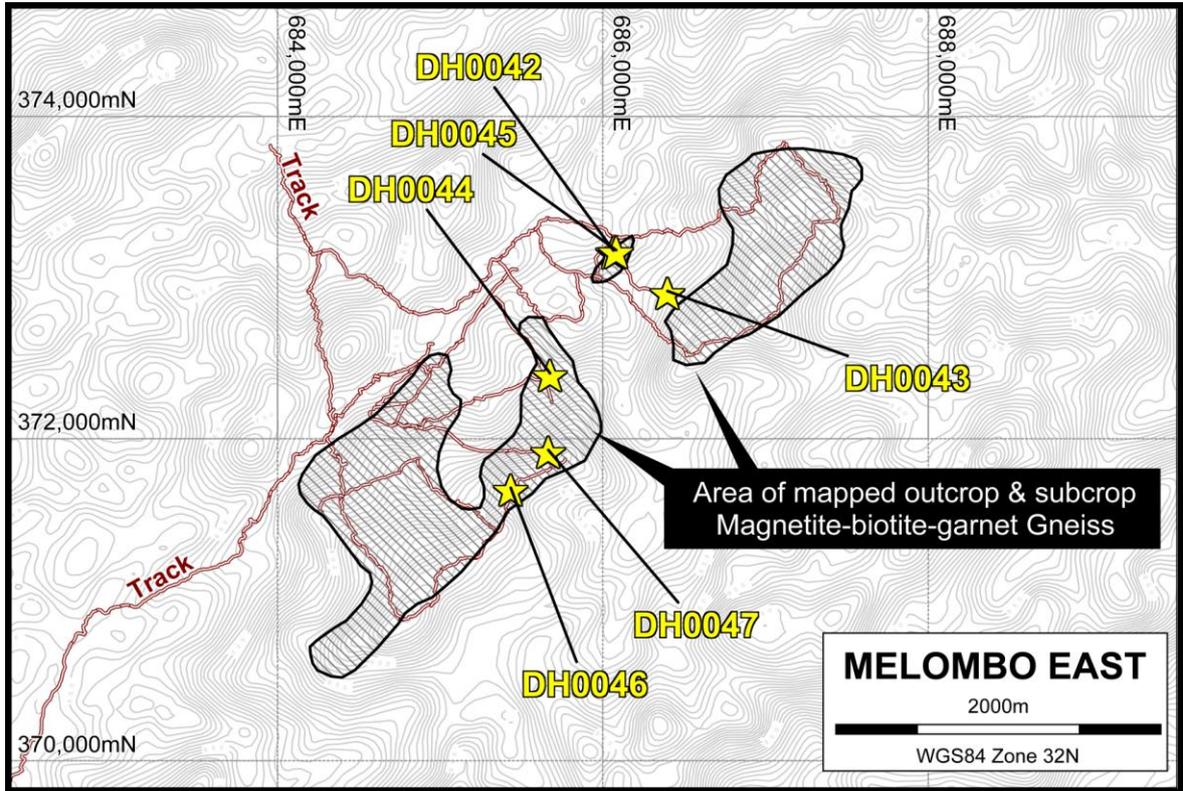


Figure 3: Drillhole Location with Magnetite Gneiss Outcrop/Subcrop over Topography

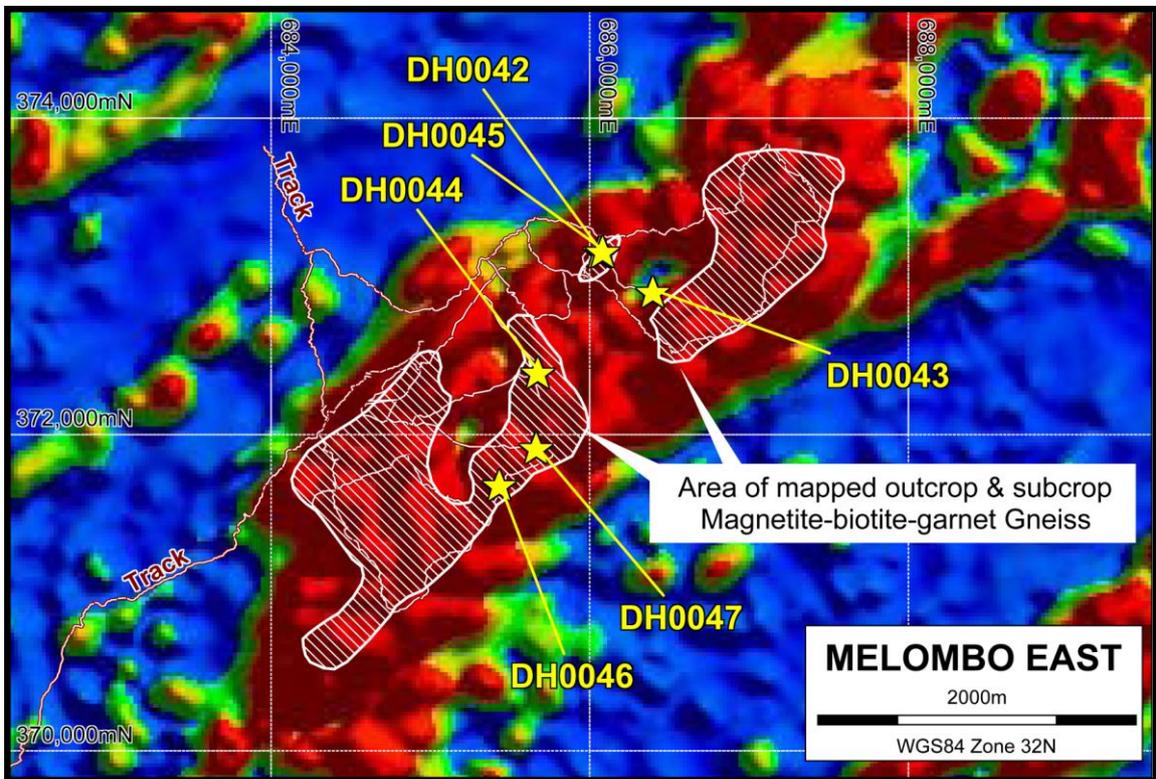


Figure 4: Drillhole Location with Magnetite Gneiss Outcrop/Subcrop over Aeromagnetics

Geophysical modelling over Melombo East is currently being undertaken aimed at assisting drillhole targeting, as well as providing information on the possible dimensions/extent of the magnetite gneiss.

Melombo East is considered highly prospective for a large tonnage of magnetite, given the thick drill intersections of magnetite gneiss in DH044 and DH046 (open at depth), along with the large strike extent of the magnetite gneiss, as indicated by the geological mapping.



**Photo 1 : Magnetite Gneiss Drillcore from Drillhole DH046**

### ***Tapare Gold Project***

Results of the first pass soil sampling programme did not justify further expenditure at this project. Accordingly the vendor was notified that Legend was not exercising its option to acquire the project.

## **2. PILBARA PROJECT**

The Pilbara Project is located 7-50km south of Karratha in the northwest of Western Australia and comprises 686km<sup>2</sup> 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.

For personal use only

As announced to the ASX on 30 August 2011 Legend signed a Sale Agreement over its Pilbara Project tenements, including the sale of its wholly owned subsidiary Armada Mining Limited, with a wholly owned subsidiary of Karratha Metals Limited (“KML”). The sale is conditional upon KML successfully completing a capital raising and obtaining approval to list on the Australian Securities Exchange and the consideration is 10,000,000 fully paid shares in KML. The settlement date is scheduled on or before 15 December 2011 and may be extended for a further six months by the purchaser.

***Mt Marie JV (Legend 40% earning 70% from Fox Radio Hill PL)***

No activity to report.

**3. MT GIBSON PROJECT**

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

*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 consultant to 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.*

Visit [www.legendmining.com.au](http://www.legendmining.com.au) for further information and announcements.

**For more information:**

Mr Mark Wilson  
Managing Director  
Legend Mining Limited  
Ph: (08) 9212 0600