



11th November, 2004

ASX  
Exchange Plaza  
Level 8  
2 The Esplanade  
PERTH WA 6000

Dear Sir/Madam

### **REQUEST FOR LIFTING OF TRADING HALT**

Legend Mining Limited requests that the ASX lift the Trading Halt granted earlier today.

Please find attached an announcement by the Company.

Yours faithfully,

Murray McDonald  
Managing Director



## **CREASY GROUP DEAL COMPLETED**

### **NEW GIDGEE GOLD DRILLING TO START NEXT WEEK**

Legend has signed the formal agreements to acquire the Mark Creasy controlled Gidgee Resources Limited. As part of the deal, the Creasy Group invested \$5 million in cash into Legend. Details of the transaction were announced on 15<sup>th</sup> September, 2004 and are detailed in the Legend's recent September 2004 Quarterly report which is available on the Company's website at [www.legendmining.com.au](http://www.legendmining.com.au)

Highlights of the deal include:

- Legend now controls almost all of the Gidgee greenstone belt, which has produced about 1.5 million ounces of gold to date, by adding 2,000 square kilometres of granted tenements and applications to its existing 600 square kilometres of ground
- The belt is prospective for high-grade gold deposits akin to those in the Wiluna and Yandal Belts to the east, and base metal deposits such as Golden Grove to the southwest
- Exploration during the 1980s and '90s lacked a full appreciation of deep weathering and metal depletion, such that drilling was often too shallow, and soil sampling was often not effective

Acquisition of Gidgee Resources is an integral part of Legend's strategy to secure the long-term future of Gidgee as a profitable and growing operation, as it allows exploration of almost the entire Gidgee belt for additional mineralisation.

Legend will commence next week an aggressive resource extension and exploration drilling programme in the Gidgee mine area which will continue for the next six to nine months and expand across the newly combined extensive tenement holdings. The first of several drill rigs is expected to arrive on site shortly.

This major new exploration effort will target extensions of known deposits and discovery of large orebodies, with the objective of adding significantly to the project's ore reserve and mineral resource base for treatment at Legend's centrally located Gidgee gold mill. New drill targets are shown on the accompanying plan.

Over the past months, Legend's exploration team has been collating results of previous work on the property into an integrated and updated database comprising 2.1 million metres of drilling in 40,000 drillholes and over 500,000 assays. Estimated replacement cost of this work at today's prices is in excess of \$50 million, and many of the targets identified by this work are yet to be properly tested.

New insights into the distribution and controls of gold mineralisation have been achieved from reprocessing of geophysical datasets and digitising and compiling regional geology. Interpretation of the resultant images has enhanced understanding of the lithological and structural architecture of the Gidgee greenstone belt, which has produced about 1.5 million ounces of gold to date.

## **NEW DRILLING PROGRAMMES**

### **Swan Bitter Mine**

Reverse circulation (RC) drilling is programmed to follow up as a priority Legend's recently announced intersection of 4.8 metres at 8.2g/t gold in JDWA243, located 350m north of the Swan Bitter underground workings. Continuity of this new mineralisation southward towards the workings will be tested, to establish the potential for access from the existing underground mine development.

Enhanced aeromagnetic imagery has highlighted previously unrecognised lithological and structural features within and around the mine that appear to play a key role in the distribution of mineralisation. Several immediate targets have been selected from this work, for immediate RC drilling, with priority being given to those in closest proximity to existing underground development.

Deeper RC drilling to 300 metres depth is planned beneath a line of shallow open pits (Vigilant, Swift and Gannet) some 300 metres east of the Swan Bitter Mine. Another line of open pits (Roadrunner, Falcon and North End), about 200 metres west of the mine, will also be tested at depth. Despite these open pits having been well endowed near surface, with approximately 100,000 ounces of gold mined from them, very little exploration has been carried out to test for primary mineralisation, and the lines remain untested below 100 metres vertical depth.

### **Gidgee Mine Area**

Enhanced aeromagnetic imagery also highlights a correlation between several shallow isolated rotary air blast (RAB) gold anomalies and favourably orientated structures. The gold anomalies occur in oxide material within 30 metres of surface, in areas of sparse drilling. Initial RAB programmes have been designed to test for short term soft oxide mill feed to blend with the harder underground ore.

Primary gold mineralisation beneath and along strike from other shallow open pits mined over the last 10 years within the Mine Area will also be tested by deeper RC drilling.

An aeromagnetic anomaly has been identified two kilometres north-northeast of the underground mine and exhibits structural, geometrical and magnetic features similar to the main Swan Bitter orebody. A number of drilling programmes to test this conceptual target for near surface and primary gold have been planned for the near future.

Gravity and SAM (sub audio magnetotelluric) surveys are also planned for the Mine Area, to further delineate the extent and location of a dolerite which is the important gold ore host Gidgee, and also structures which control the distribution of the mineralisation.

### **Regional**

High priority geochemical and conceptual gold targets have been delineated within 10 kilometres of the Gidgee mill. Comprehensive RAB and aircore drill programmes will test these targets, which occur within favourable lithological and structural positions beneath only a few metres of transported cover. Targets have been ranked to suit potential mill requirements pursuant to short and longer term corporate objectives of Legend.

Over the past few months, previous exploration data from this region has been acquired, digitised and incorporated into the database. Findings highlight numerous historic gold workings, soil gold anomalies and RAB gold anomalies, many of which are considered to remain inconclusively tested, whilst large areas remain essentially unexplored.

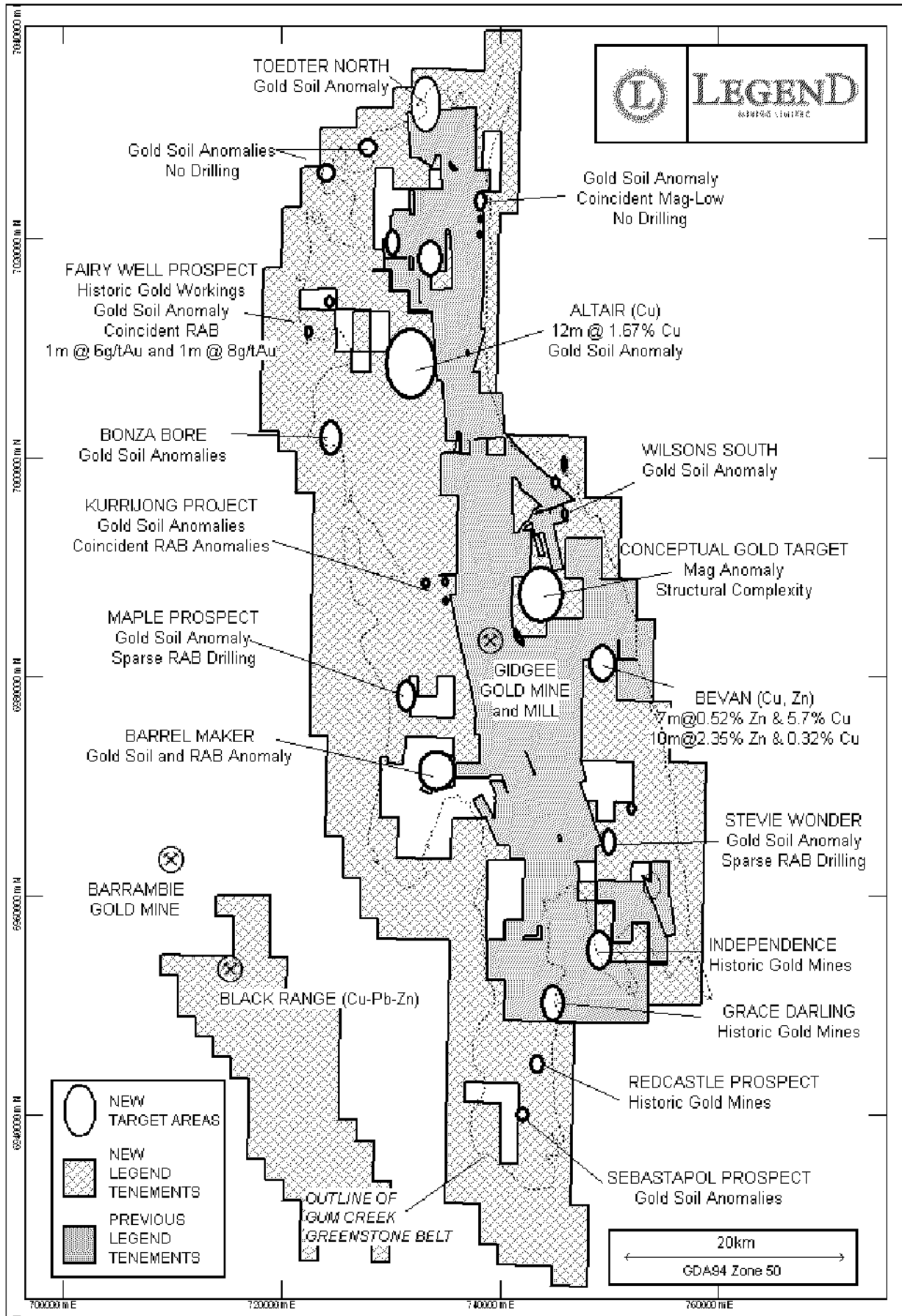
In addition to gold, Legend's expanded tenement holdings also host several base metal targets. These include Altair, where exploration by Pancontinental and Goldfields in the mid-1990's intersected highly anomalous copper grades, in sediments near intermediate volcanics. Intercepts included 12m at 1.67% Cu in hole ALRC002 and 44m at 1.21% Cu in ALRC005. Infill and deeper drilling is programmed to further test this target.

The Bevan copper-zinc anomaly was explored by CRA in the 1980's. Intersections of 7m at 0.52% Zn and 5.7% Cu (RC hole 88MTP9), and 10m at 2.35% Zn and 0.32% Cu (RC hole 88MTP10) were previously reported. These zones of base metal enrichment occur in felsic volcanics and sediments and have the potential to represent VMS style mineralisation.

Target generation across the newly-combined tenement holding is being actively pursued by Legend, to provide continuous deep RC drilling, diamond drilling and RAB and aircore drilling programmes over the next six to nine months.

A Notice of Meeting, setting out details of the transaction and including an Independent Experts Report, will be finalised shortly and forwarded to all shareholders. Legend has received the \$5 million from the Creasy Group as a loan secured over the Company's assets, with an interest rate of 10%. The loan will be replaced by a Convertible Note following shareholder approval or repaid 30 days after the meeting if approval is not given. The meeting will be held in December, following the statutory notice period.

Murray McDonald Director  
11th November, 2004



**LEGEND'S NEW DRILL TARGET AREAS ON EXPANDED TENEMENT HOLDINGS**