



28 April 2006

MARCH 2006 QUARTERLY REPORT

HIGHLIGHTS

- A new Executive Management Team was appointed in January 2006, being Mr Mark Wilson (Managing Director), Mr Robert Perring (Executive Director – Technical) and Mr Derek Waterfield (Exploration Manager).
- A new Capital Raising initiative was announced in March 2006 comprising a 1-for-3 non-renounceable rights issue and a debt-for-equity swap to raise a combined total of \$11.12 million.

Resolutions concerning the Capital Raising are scheduled to be put to shareholders at the Annual General Meeting in Perth on the 30 May 2006. Funds raised will be used for exploration activities on the Company's Mt Gibson and Gidjee projects and working capital requirements.

- The debt-for-equity swap involves early conversion of the Convertible Note held by Mr Mark Creasy's Yandal Investments Pty Ltd (Yandal) and the immediate exercise of 125 million options issued to Yandal as a result of the conversion. All mortgages and security held by Yandal over assets of the Company will be released at the time of conversion.

1. MT GIBSON PROJECT

Base Metal Exploration

Planning for a nominal 9 diamond core holes for approximately 7,000m of drilling to test the zinc (copper-gold) potential beneath the oxide gold pits has been completed. The drilling is scheduled to commence mid-July 2006 following the completion of the new capital raising.

Legend's principal objective is to explore for volcanic-hosted massive sulphide (VHMS) zinc deposits, with a minimum target size of 1.6 million tonne of ore. The initial holes will target a window between 200m and 600m vertically below surface, beneath the Lexington and Enterprise gold oxide pits (See Figure 1).

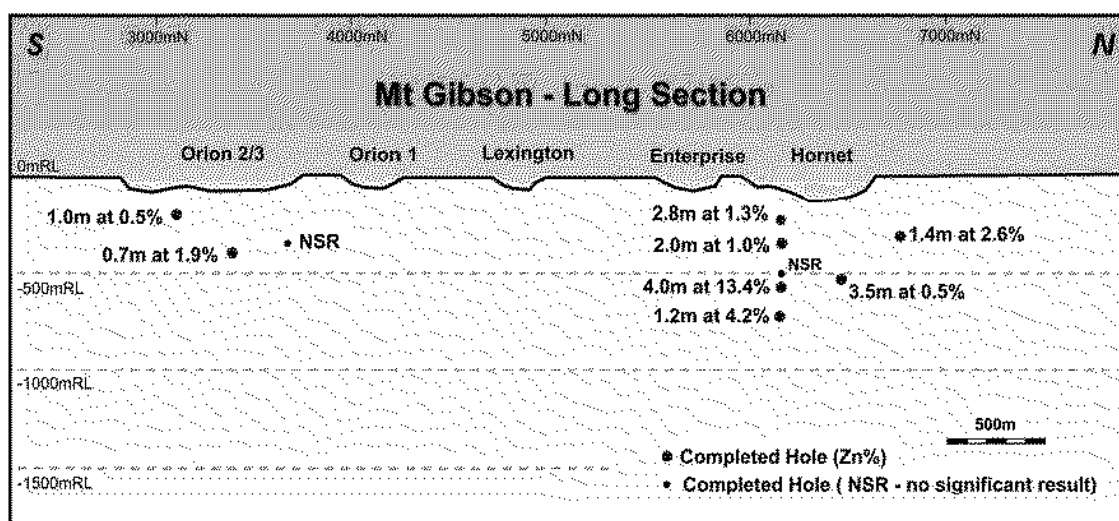


FIGURE 1.

Gold Exploration - Moon Lake Target

A reconnaissance program of aircore drilling (42 holes for 1,525m) has been completed 6km north of the Hornet pit (See Figure 2). The drilling tested a structural target with potential for laterite and oxide gold mineralisation beneath shallow transported cover. The best result of 4m at 0.16ppm gold from 32m in hole MLA-040 has downgraded the exploration potential. All holes intersected relatively unaltered basalt and no further work is planned.

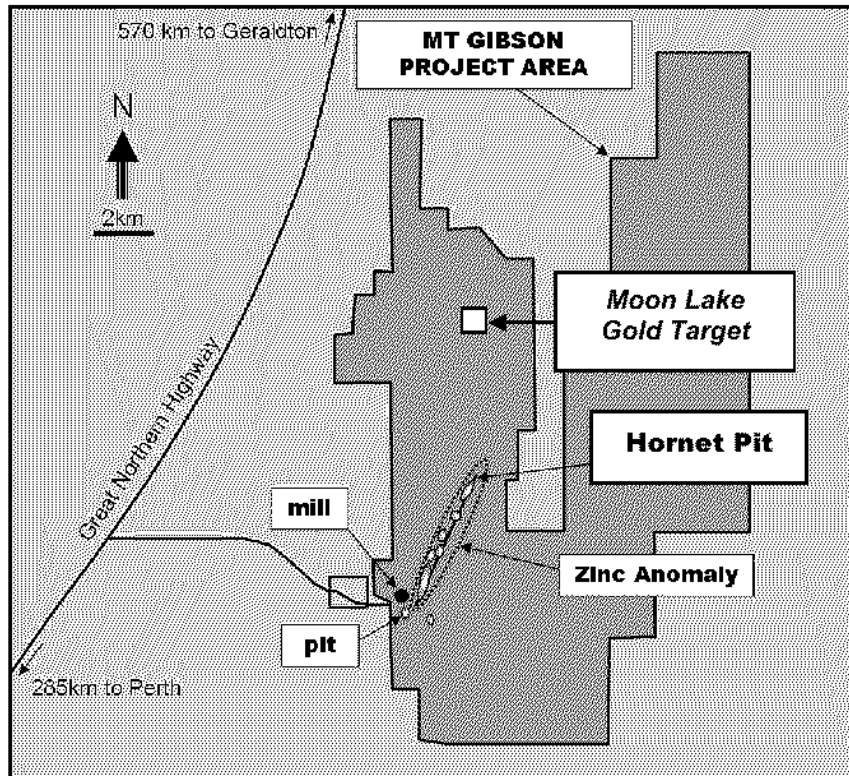


FIGURE 2

Mineral Resource (Gold) Re-Estimation

Legend elected to re-estimate the Mineral Resource taking into account revised minimum mining widths, mining dilution and updated mining costs. The study, conducted by Dr S Carras of Carras Mining Pty Ltd, revised the Mt Gibson Mineral Resource (Indicated and Inferred) to 8.75Mt at an estimated grade of 1.98 g/t gold for 559,000 ounces of gold. Full details have recently been published in the 2005 Annual Report and a summary is tabulated below.

JORC Classification	Tonnes (t)	Grade (g/t)	Contained Gold (ozs)
Measured	0	0	0
Indicated	8,673,500	1.96	547,200
Inferred	80,500	4.55	11,800
TOTAL	8,754,000	1.98	559,000

2. GIDGEE PROJECT

Gold Exploration

The recently completed assessment of Legend's 2,500km² exploration land holdings in the Gum Creek Greenstone Belt has identified Helios, Castor and North Splay as priority target areas for drill testing as part of the exploration for large gold systems (See Figure 3 for locations).

The 40km-long Western Trend, located to the west of the Gidgee Mine, contains many of the attributes favourable for the formation of large gold deposits, including:-

- oxidised internal granites aligned along the axis of a regional anticlinal fold,
- axial plane shear, with local flexures and jogs on related splays and linking structures,
- gold mineralisation spatially associated with at least one of the internal granitoids,

- interpreted zones of hydrothermal magnetite alteration associated with high-level silicic intrusions,
- favourable host rocks e.g. dolerite and banded iron formation.

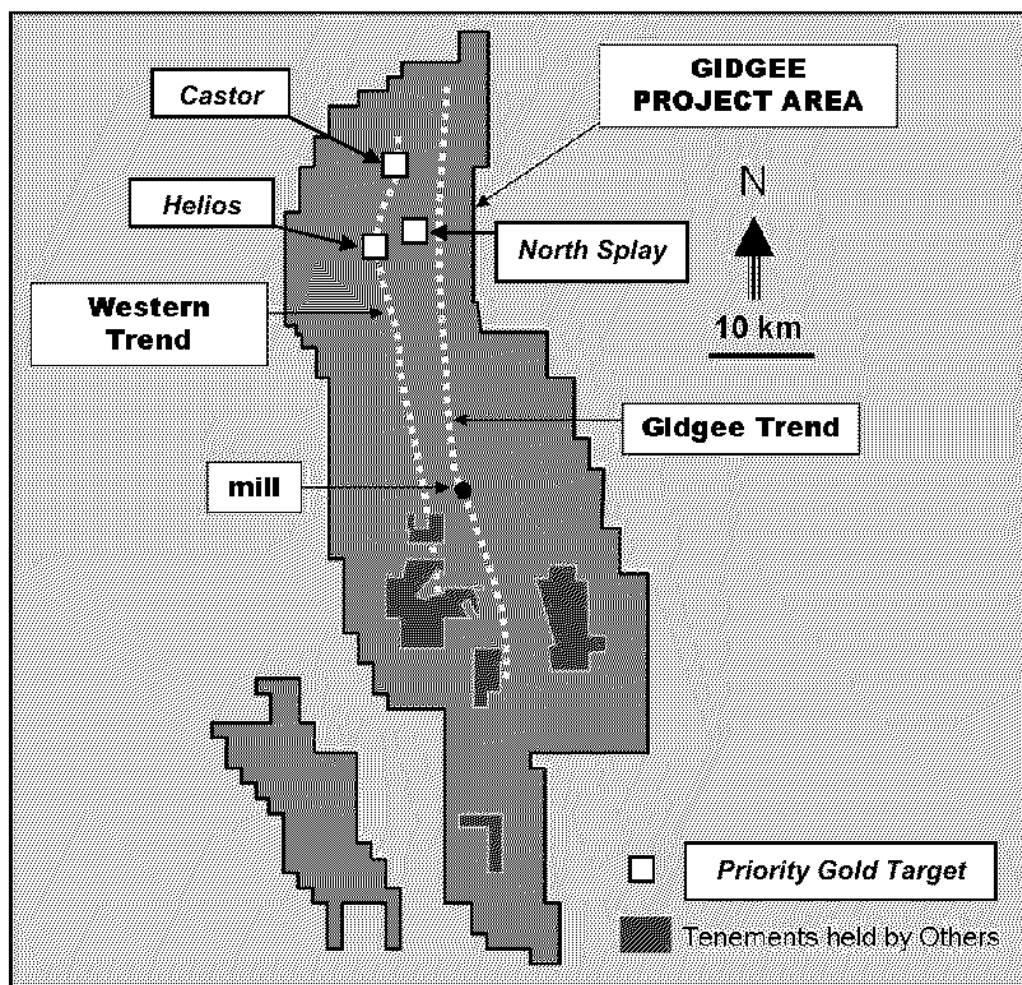


FIGURE 3

A nominal 60,000m RAB/aircore drilling program is scheduled to commence in mid-July 2006. The exact timing is dependent upon the grant of exploration title and the completion of Aboriginal Heritage Surveys.

Mineral Resource (Gold) Re-Estimation

The Mineral Resource has been updated taking into account the results of drilling in 2005 and revised minimum mining widths, mining dilution and updated mining costs. The study, conducted by Dr S Carras of Carras Mining Pty Ltd, revised the Gidgee Mineral Resource (Measured, Indicated and Inferred) to 2.67Mt at an estimated grade of 5.94 g/t gold for 510,100 ounces of gold. Full details have recently been published in the 2005 Annual Report and a summary is tabulated below.

JORC Classification	Tonnes (t)	Grade (g/t)	Contained Gold (ozs)
Measured	27,000	10.42	9,000
Indicated	1,811,000	5.37	312,900
Inferred	834,000	7.02	188,200
TOTAL	2,672,000	5.94	510,100

Mill Clean

The company has engaged mill cleaning specialists Hoppman and Hoppman to recover residual gold left in circuit at the Gidgee Mill.

This work is current as at the time of this report.

3. PILBARA GOLD AND BASE METAL PROJECTS

As advised to the Australian Stock Exchange on the 24 April 2006, Sunloop Pty Ltd has withdrawn from its proposed purchase of Legend's 30.12% interest in the East Coast Minerals Joint Venture.

In view of this development and the improving market for base metals and silver in particular, Legend is reconsidering how to best maximise the value of its partly owned and 100% owned portfolio of Pilbara projects.

4. OPERATIONS

Both the mining and processing operations at the Mt Gibson and Gidgee Projects remain on care and maintenance.



Mark Wilson
Managing Director
27 April 2006

The information relating to exploration in this report is based on data compiled by Mr Robert Perring, a Member of the Australian Institute of Geoscientists, whose services are provided through Quadramin. Mr Perring 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.

The information on Mineral Resources at Mt Gibson and Gidgee contained in this report is based on data compiled by Dr S Carras of Carras Mining Pty Ltd, a Fellow of The Australasian Institute of Mining and Metallurgy. Dr Carras has sufficient experience which is relevant to the style of mineralisation and type of deposits 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" and consents to the inclusion of the information in the form and context in which it appears.

Forward-Looking Statements: This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Legend Mining Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Although Legend believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.