

LEGEND MINING LIMITEDASX 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**CONTACT**

Mr Mark Wilson

Managing Director

PROJECTS**Cameroon:** iron ore, gold**HIGHLIGHTS**

- **New track mounted rig commissioned, increased drilling productivity expected in future.**
- **21 holes of 29 hole programme at Plateau completed.**
- **Significant magnetite intercepts encountered and assays from 7 holes awaited.**
- **Final assays from Melombo East Phase 1 drilling reported. Phase 2 programme to commence in September 2012.**
- **Pilbara Project sale completed. Legend now holds 12.5% of Artemis.**
- **Cash and liquids at end of quarter +\$17M.**

OVERVIEW

The new track mounted rig (see photo page 5) arrived in Cameroon mid June and was immediately mobilised to the Plateau target area. A commissioning team from the South African supplier flew to Cameroon and the last three holes for the quarter were drilled with this rig. It is expected that due to the greater all round capacity of the rig that drilling productivity will increase and deeper drilling will be possible in areas of interest.

Three quarters of the designed programme at Plateau were completed during the quarter with seven holes sent for assay. These assays will be reported once received.

Once the Plateau Phase 1 drilling programme is completed, the rig and crew will be mobilised to Melombo East to carry out Phase 2 drilling at that target. This 20 hole programme is designed to test the grade/thickness continuity identified in the earlier programme.

On the West Australian front, the loose ends of the Mt Gibson and Gidgee Project sales were tidied up and the sale of the Pilbara Project to Artemis Resources Ltd (ASX:ARV) was completed resulting in Legend becoming a 12.5% shareholder in Artemis.

1. CAMEROON PROJECT

The Cameroon Project comprises three granted exploration permits covering an area of approximately 2,970km² and is considered prospective for iron ore and gold, see Figure 1. Magnetite-gneiss ore has been identified as the primary source of iron ore at the project.

Posco MOU

Legend and POSCO Africa (Pty) Ltd (“POSCO”) signed a MOU on 15 February 2012 by which the parties have agreed to use best endeavours and co-operate to negotiate and agree an exploration joint venture in relation to Legend’s Ngovayang iron ore project in Cameroon. These negotiations are continuing with legal advisors from both parties involved in Joint Venture draft documentation.

Drilling Ongoing

Diamond drilling continued during the June quarter with a total of 21 holes (DH076-096) completed at the Plateau Prospect. Eighteen of these holes were completed with the man portable rigs, while holes DH094-096 were drilled with Legend’s new track mounted diamond drilling rig which arrived on site on 19 June. This rig has more power and greater depth penetration than the man portable rigs and will be a valuable asset in evaluating the iron potential at depth throughout the Project.

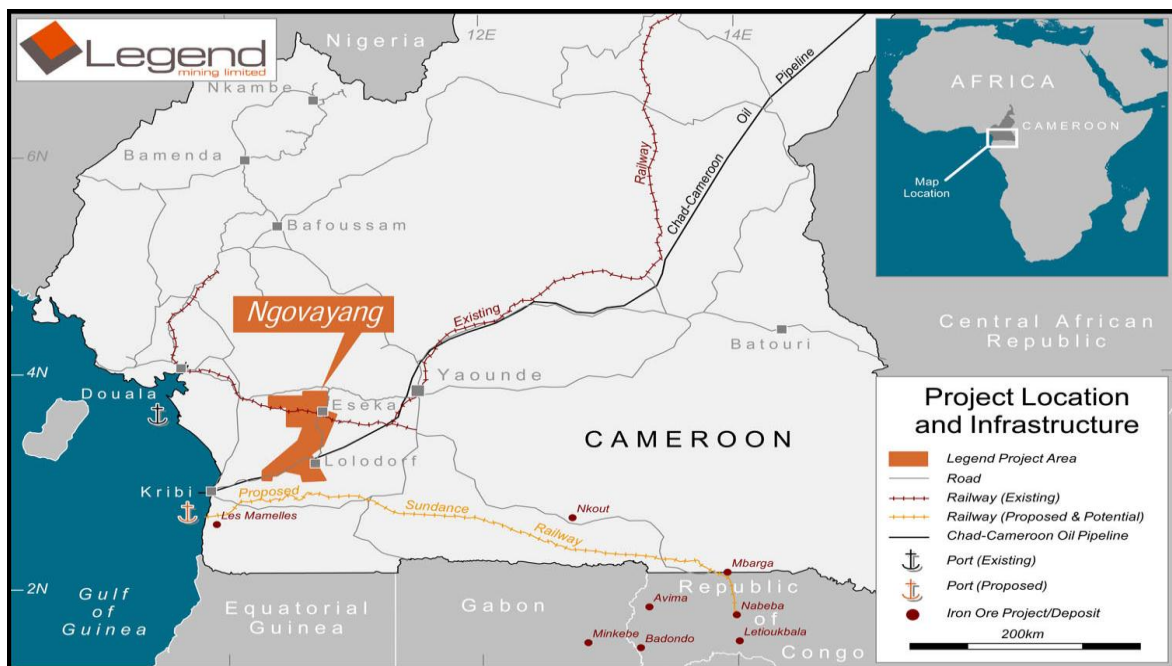


Figure 1: Cameroon Project Location and Infrastructure

For personal use only

For personal use only

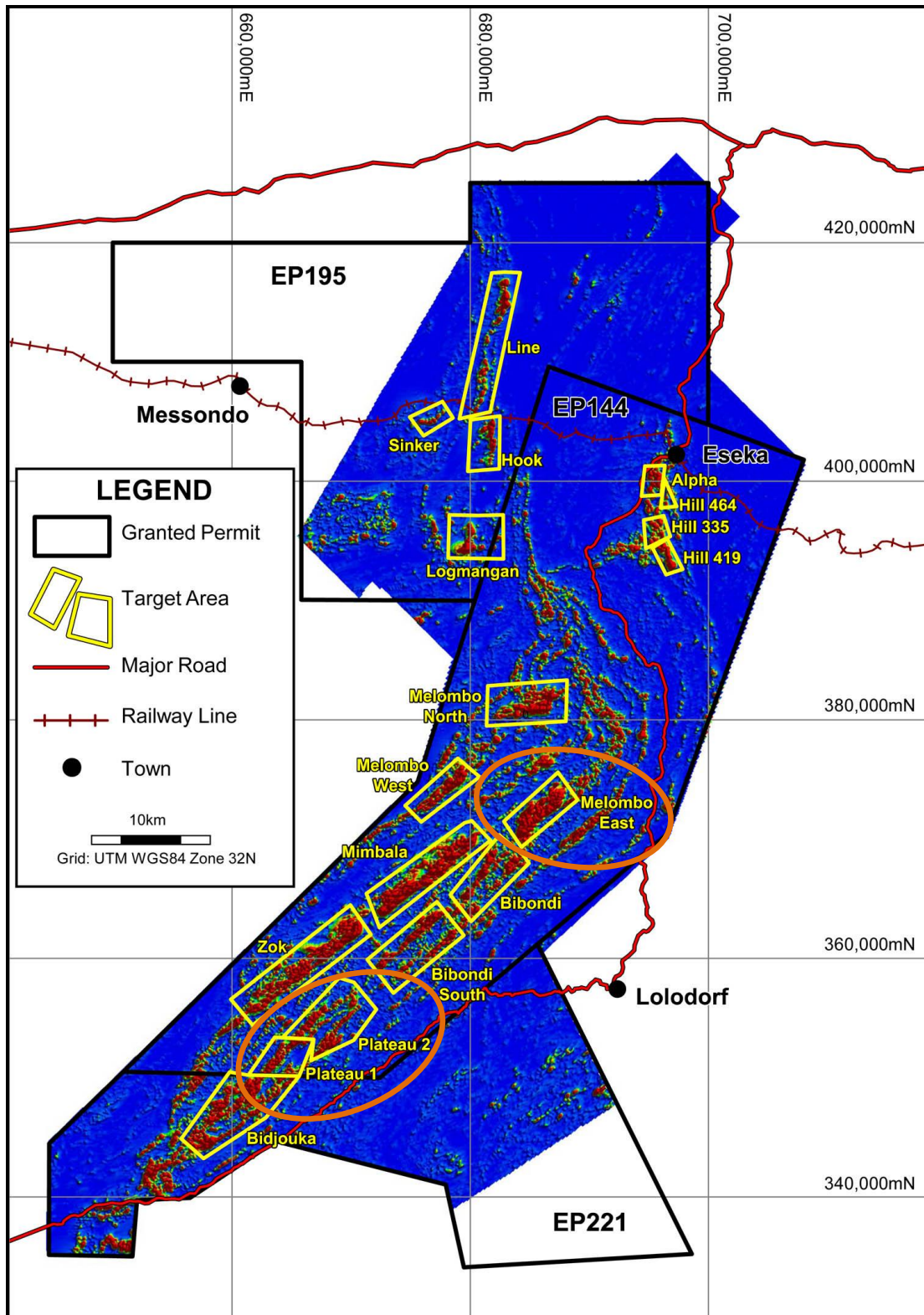


FIGURE 2: Ngovayang Project - Target Areas over Aeromagnetic Image (Analytical Signal of Total Magnetic Intensity)

Melombo East

Assay results from the last seven drill holes from the Phase 1 diamond drilling programme at Melombo East, which comprised 34 holes (DH042-075) for a total of 2,349.25m, were received during the quarter. A summary of the results from the seven drillholes (DH054, 55, 58, 60, 61, 64, 66) are presented in Table 1 below. Full drillhole details and returned assay results for Melombo East are given in Figure 3 and Appendices 1 and 2.

| Table 1: Melombo East – Diamond Drillhole Results | | | | | | | | |
|---|------|-----------|-------------|--------------|--------------------|----------------------------------|-------|-------|
| Hole | From | To | Int | Fe% | SiO ₂ % | Al ₂ O ₃ % | P% | LOI% |
| DH054 | 1.2 | 32.2 | 31.0 | 25.80 | 44.19 | 10.24 | 0.070 | 4.23 |
| Incl. | 20.5 | 32.2 | 11.7 | 32.59 | 48.27 | 1.53 | 0.111 | -0.01 |
| DH054 | 46.1 | 100.5 EOH | 54.4 | 23.92 | 50.17 | 6.41 | 0.062 | 0.01 |
| Incl. | 58.7 | 100.5 EOH | 41.8 | 26.78 | 47.84 | 5.15 | 0.069 | 0.01 |
| DH055 | 1.2 | 19.7 | 18.5 | 25.22 | 40.72 | 13.62 | 0.064 | 7.35 |
| | 42.0 | 100.5 EOH | 58.5 | 21.13 | 52.75 | 8.02 | 0.078 | 0.01 |
| DH058 | 1.3 | 10.4 | 9.1 | 23.17 | 35.07 | 18.74 | 0.057 | 11.54 |
| | 49.5 | 96.8 | 47.3 | 24.29 | 51.60 | 6.36 | 0.072 | -0.01 |
| DH060 | 42.9 | 104.9 EOH | 62.0 | 28.71 | 48.41 | 4.29 | 0.084 | 0.01 |
| DH061 | 1.3 | 56.9 | 55.6 | 28.96 | 45.33 | 6.52 | 0.078 | 2.32 |
| DH064 | 27.0 | 100.5 EOH | 73.5 | 23.69 | 48.40 | 6.70 | 0.083 | 0.06 |
| DH066 | 1.2 | 77.1 EOH | 75.9 | 33.68 | 39.70 | 3.96 | 0.087 | 0.77 |

Assay Method Fe, SiO₂, Al₂O₃, P by fusion XRF – OMAC Laboratory, Ireland.

LOI – Loss on Ignition at 1,000°C determined gravimetrically.

These results continue to demonstrate encouraging iron grades (+25% Fe) and thicknesses (+40m) of magnetite gneiss across the prospect. The fact that five of the seven drillholes ended in magnetite gneiss with associated iron grades between 21.1-33.7% Fe, adds to the potential of the prospect.

Importantly, drillholes DH046 and DH060, which are located 200m apart along a NW-SE trending section (perpendicular to the strike of the magnetite gneiss) display good correlation, see Figure 3. DH046 returned 80.5m @ 36.6% Fe from 20m to end of hole, while DH060 returned 62m @ 28.7% Fe from 42.9m to end of hole. This correlation over a minimum width of 200m is also supported by geological mapping and geophysical modelling.

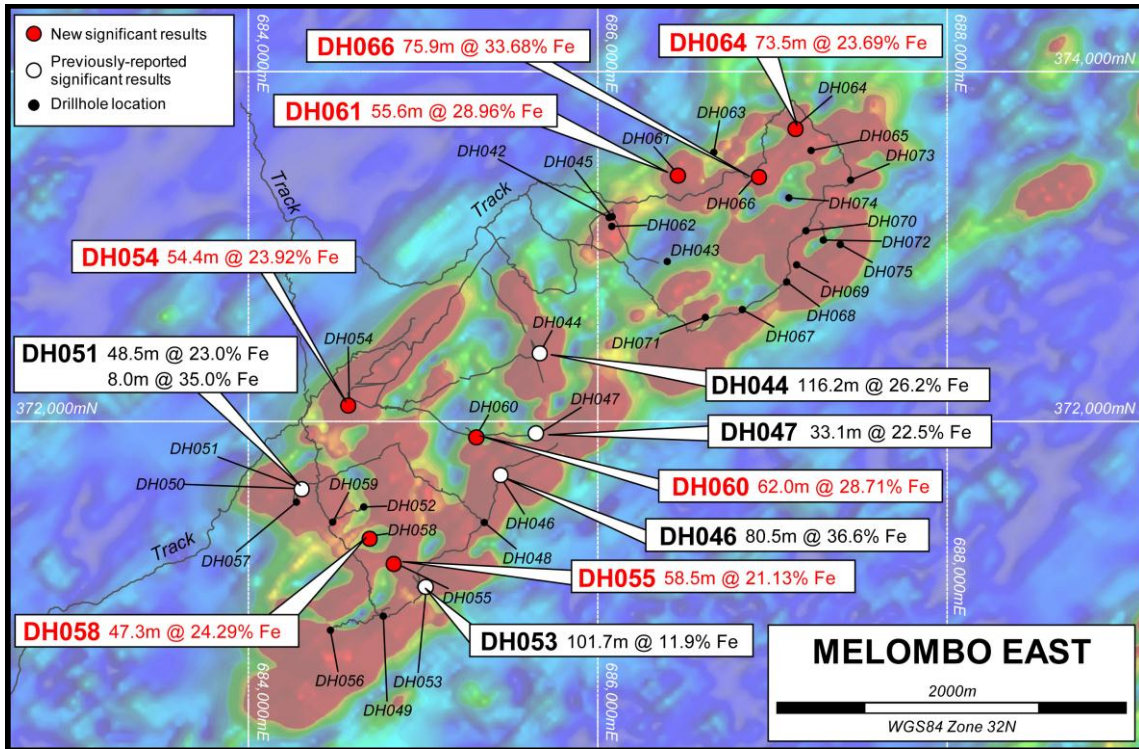


Figure 3: Melombo East Prospect - Drillhole Locations over Aeromagnetics

Phase 2 Drilling Programme

Based on a full geological, geochemical and geophysical review of the 34 hole drilling programme at Melombo East the following Phase 2 programme is proposed to commence in September 2012:

- 40m step out holes N, S, E and W of drillholes DH044, DH046 and DH066 to test grade/thickness continuity.
- Complete drill testing in the northeastern part of the prospect with the new track mounted rig, where previous holes were not completed due to poor ground conditions and man portable rig limitations.



New track mounted rig in factory prior to departure to site

For personal use only

Plateau

A total of 21 diamond drillholes (DH076-096) for a total of 1,512.76m were completed during the quarter at the Plateau Prospect, see Table 2 and Figure 4 for drillhole details. The drilling was testing a 2.5km portion of a regional 10km linear aeromagnetic feature associated with outcropping magnetite gneiss displaying a NE-SW strike and 40⁰-60⁰ NW dip.

| Hole ID | Easting | Northing | Dip/Azimuth | Final Depth |
|--------------|---------|----------|-------------|-----------------|
| DH0076 | 665287 | 353390 | -90/000 | 100.44 |
| DH0077 | 665370 | 353318 | -90/000 | 100.15 |
| DH0078 | 665616 | 353903 | -90/000 | 73.39 |
| DH0079 | 665681 | 353845 | -90/000 | 86.10 |
| DH0080 | 665742 | 353778 | -90/000 | 68.90 |
| DH0081 | 665830 | 353713 | -90/000 | 30.21* |
| DH0082 | 665920 | 353641 | -90/000 | 68.65 |
| DH0083 | 665818 | 353713 | -90/000 | 30.20* |
| DH0084 | 665606 | 353130 | -90/000 | 32.89* |
| DH0085 | 666225 | 354175 | -90/000 | 76.45 |
| DH0086 | 665524 | 353190 | -90/000 | 100.44 |
| DH0087 | 666150 | 354248 | -90/000 | 93.40 |
| DH0088 | 665430 | 353251 | -90/000 | 100.34 |
| DH0089 | 665069 | 352791 | -90/000 | 70.44 |
| DH0090 | 666059 | 354302 | -90/000 | 86.58 |
| DH0091 | 665996 | 354363 | -90/000 | 29.95* |
| DH0092 | 664993 | 352860 | -90/000 | 90.76 |
| DH0093 | 664913 | 352919 | -90/000 | 28.61* |
| DH0094 | 666675 | 354561 | -90/000 | 48.15* |
| DH0095 | 666601 | 354634 | -90/000 | 95.28 |
| DH0096 | 666525 | 354702 | -90/000 | 101.43 |
| Total | | | | 1,512.76 |

* Drillhole abandoned due to poor ground conditions and rig limitations.

Drillholes DH076-DH093 utilised an Ingetrol man portable diamond drilling rig – HQ and NQ core sizes.

Drillholes DH094-DH096 utilised a new track mounted rig – HQ and NQ core sizes.

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

The drilling was conducted along five NW-SE trending traverses spaced 500-600m apart with holes every 100m along the traverses, see Figure 4. The drill pattern was designed to provide information regarding the continuity of the mapped magnetite gneiss unit, both along strike and down dip.

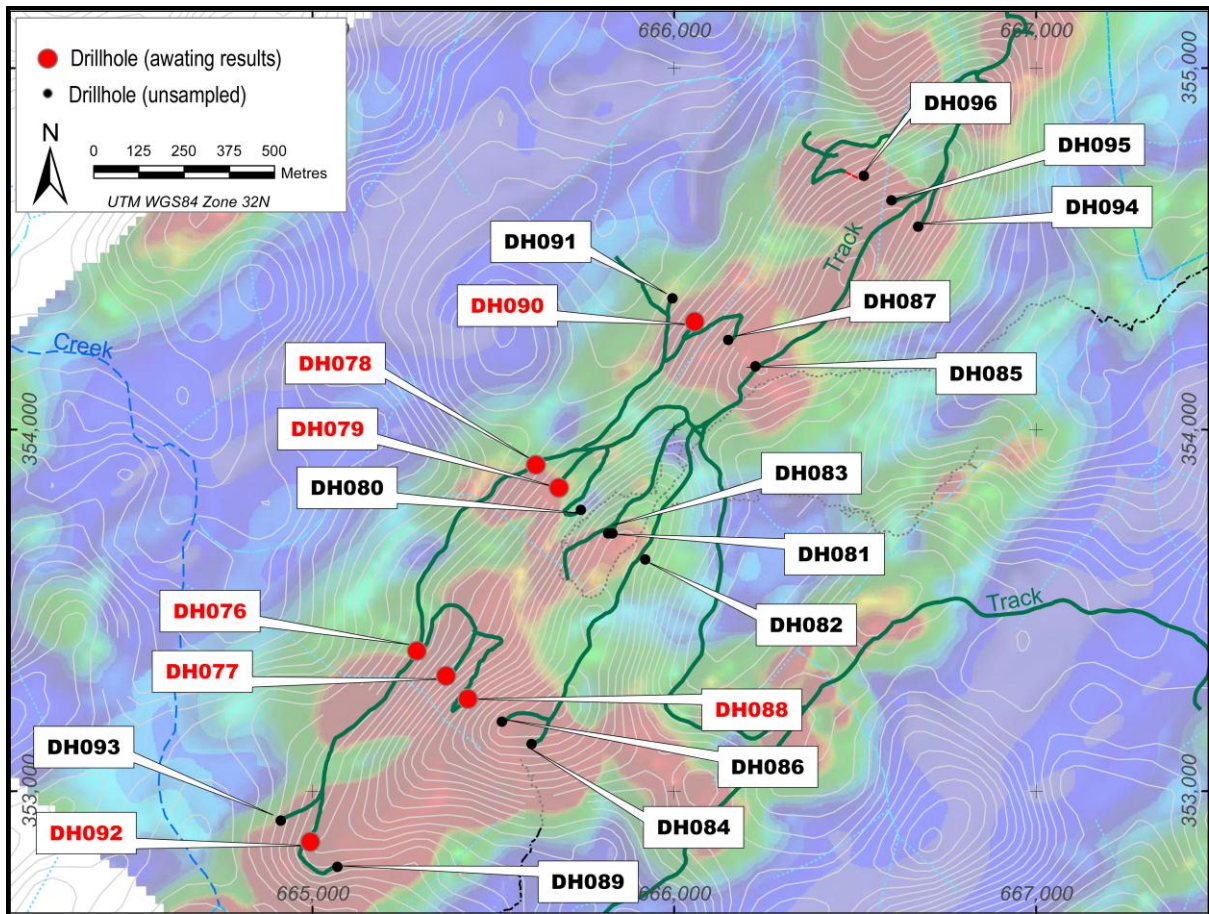


Figure 4: Plateau Prospect - Drillhole Locations over Aeromagnetics

A generalised stratigraphic sequence has been observed on all five traverses and comprises (from top to bottom); magnetite gneiss, overlying garnet gneiss with magnetite gneiss bands of varying thickness, and a footwall unit of silicified quartz-biotite gneiss. The drilling has also confirmed the moderate NW dip of the package and demonstrated relatively good correlation between holes on section.

Significant downhole thicknesses of magnetite bearing gneiss ranging from 54.2m to 100.4m were intersected in seven of the 21 holes, see Table 3. The second most southerly traverse showed the best continuity/correlation with the following magnetite gneiss thicknesses from consecutive drillholes; DH076 (81.6m), DH077 (84.2m), DH088 (100.4m), DH086 (54.2m) and DH084 (32.9m incomplete).

The central traverse also showed good continuity between drillholes including; DH079 (77.2m), DH080 (48.2m), DH083 (30.2m – incomplete) and DH081 (27.2m – incomplete).

Drillholes DH076-079, 088, 090 and 092 have been sampled in their entirety over nominal 4m composite intervals and submitted for the standard iron ore suite of elements. Results from assays will be released once they are received.

For personal use only

Table 3: Plateau - Logged Magnetite Bearing Gneiss Intervals

| Hole | From | To | Int | Description |
|-------|----------------------|--------------------------|---------------------|--|
| DH076 | 0 | 81.6 | 81.6 | Signif. intersection of magnetite gneiss |
| DH077 | 16 | 100.2 EOH | 84.2 | Signif. intersection of magnetite gneiss |
| DH078 | 12.1 32.6 68.9 | 20.6 51.4 73.4 EOH | 8.5 18.8 4.5 | Three intervals of magnetite gneiss 41% of hole contains magnetite gneiss |
| DH079 | 0 | 77.2 | 77.2 | Signif. intersection of magnetite gneiss |
| DH080 | 0 | 48.2 | 48.2 | Top 50% of hole contains magnetite bearing gneiss |
| DH081 | 0 | 27.2 | 27.2 | Hole not completed; 85% magnetite gneiss |
| DH082 | 48.3 | 68.7 EOH | 20.4 | Bottom 20% contains magnetite bearing gneiss |
| DH083 | 0 | 30.2 | 30.2 | Hole not completed – all magnetite gneiss |
| DH084 | 0 | 32.9 | 32.9 | Hole not completed – all magnetite gneiss |
| DH085 | 0 | 49 | 49 | Top 50% of hole contains magnetite bearing gneiss |
| DH086 | 0 | 54.2 | 54.2 | Top 45% of hole contains magnetite bearing gneiss |
| DH087 | 18.5 | 58.9 | 40.4 | 40% of hole contains magnetite bearing gneiss |
| DH088 | 0 | 100.4 EOH | 100.4 | Signif. intersection of magnetite gneiss |
| DH089 | 0 29.2 | 13.7 57.7 | 13.7 28.5 | Two intervals of qtz-magnetite gneiss 55% of hole contains magnetite bearing gneiss |
| DH090 | 0 | 78.8 | 78.8 | Signif. intersection of magnetite bearing gneiss |
| DH091 | - | - | - | Hole not completed – no magnetite gneiss |
| DH092 | 0 70.5 | 60.5 90.8 EOH | 60.5 20.3 | Signif. intersection of magnetite bearing gneiss Bands of qtz-magnetite gneiss |
| DH093 | 0 | 4.6 | 4.6 | Hole not completed – 15% magnetite gneiss |
| DH094 | 23.8 | 31.6 | 7.8 | Hole not completed – 20% magnetite gneiss |
| DH095 | 35.1 | 73.5 | 38.4 | 45% of hole contains magnetite bearing gneiss |
| DH096 | 45.1 | 65.3 | 20.2 | 20% of hole contains magnetite bearing gneiss |

Note: Intersections are downhole widths and not necessarily true thicknesses.
 Drillholes not completed due to poor ground conditions and rig limitations.
 Assessment of all results will determine if not completed holes are redrilled.

Eight holes from the Plateau Phase 1 drill programme are yet to be completed and will be followed-up by a full assessment of the geological information and drill results over the prospect. The track mounted rig will then move to Melombo East and commence the Phase 2 infill drilling programme.

Regional Geological Mapping

Following the discovery of extensive magnetite gneiss outcrop in the Plateau area, a programme of regional geological mapping was undertaken along strike to the southwest and northeast. Preliminary mapping is guided by the aeromagnetic data and has been completed over the Bidjouka, Bibondi South and Bidondi prospect areas, see Figure 2 for locations. Additional field reconnaissance has commenced over the Mimbala and Zok prospects, which are situated on the northwestern side of the Ngovayang massif paralleling the Bidjouka-Plateau-Bidondi trend.

For personal use only

2. MT GIBSON PROJECT

Legend and Extension Hill Pty Ltd finalised all outstanding matters relating to the storm damage incurred at the site in February 2012. The \$250,000 withheld from Legend at settlement on 13 March was paid in May 2012.

A milestone payment of 10 million Legend shares was made to Oroya Mining Limited in May 2012, being a deferred contingent consideration arising from the September 2005 sale agreement between Legend and Oroya for the sale of the Mt Gibson Project assets.

3. PILBARA PROJECT

Legend confirmed the sale of Pilbara project to Artemis Resources Ltd ("Artemis") (ASX:ARV) was completed on 26 June 2012. The sale consideration was 60 million fully paid ordinary Artemis shares (giving Legend approximately 12.5% of the issued capital of Artemis) and a cash payment of \$200,000 for reimbursement of expenses. The Pilbara Project comprised tenements wholly owned by Legend and Legend's wholly owned subsidiary Armada Mining Limited.

4. GIDGEE PROJECT

On 3 May 2007 Legend announced the sale of the Gidgee Gold Project which included contingent consideration of \$5,000,000 payable by Apex Gold Pty Ltd to Legend once a production milestone of 250,000oz of gold production from the Gidgee Gold Project tenements was reached. The contingency was never satisfied.

As part of the sale of the Gidgee Gold Project by Apex to Panoramic Gold Pty Ltd which completed on 1 June 2012, Legend received \$750,000 cash in lieu of the contingent consideration payment.

5. CORPORATE

Legend held its Annual General Meeting on 16 May 2012 with all resolutions passed unanimously on a show of hands. The results of the meeting were released to the ASX on the same day.

Competent Persons Statements

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.

APPENDIX 1: Full Details of Diamond Drilling Programme - Melombo East Prospect

| Hole ID | Easting | Northing | Dip/Azimuth | Final Depth |
|--------------|---------|----------|-------------|--------------|
| DH042 | 686065 | 373167 | -60/135 | 16.5* |
| DH043 | 686398 | 372915 | -90/000 | 96.0 |
| DH044 | 685676 | 372406 | -90/000 | 150.0 |
| DH045 | 686082 | 373171 | -90/000 | 30.0* |
| DH046 | 685435 | 371695 | -90/000 | 100.4 |
| DH047 | 685664 | 371930 | -90/000 | 84.0 |
| DH048 | 685351 | 371421 | -90/000 | 100.4 |
| DH049 | 684773 | 370886 | -90/000 | 100.6 |
| DH050 | 684313 | 371615 | -90/000 | 15.2* |
| DH051 | 684305 | 371618 | -90/000 | 100.0 |
| DH052 | 684660 | 371511 | -90/000 | 89.1 |
| DH053 | 685020 | 371068 | -90/000 | 101.6 |
| DH054 | 684578 | 372111 | -90/000 | 100.5 |
| DH055 | 684834 | 371194 | -90/000 | 100.5 |
| DH056 | 684470 | 370806 | -90/000 | 100.5 |
| DH057 | 684276 | 371538 | -90/000 | 101.3 |
| DH058 | 684683 | 371342 | -90/000 | 102.0 |
| DH059 | 684482 | 371424 | -90/000 | 30.2* |
| DH060 | 685301 | 371914 | -90/000 | 104.9 |
| DH061 | 686455 | 373419 | -90/000 | 77.3 |
| DH062 | 686081 | 373115 | -90/000 | 89.2 |
| DH063 | 686664 | 373539 | -90/000 | 30.2* |
| DH064 | 687128 | 373680 | -90/000 | 100.5 |
| DH065 | 687221 | 373550 | -90/000 | 25.7* |
| DH066 | 686919 | 373420 | -90/000 | 77.1* |
| DH067 | 686827 | 372640 | -90/000 | 69.0 |
| DH068 | 687082 | 372798 | -90/000 | 22.7* |
| DH069 | 687140 | 372896 | -90/000 | 30.2* |
| DH070 | 687188 | 373095 | -90/000 | 20.4* |
| DH071 | 686620 | 372589 | -90/000 | 30.2* |
| DH072 | 687288 | 373033 | -90/000 | 30.2* |
| DH073 | 687454 | 373376 | -90/000 | 30.0* |
| DH074 | 687095 | 373274 | -90/000 | 65.4 |
| DH075 | 687385 | 373012 | -90/000 | 27.2* |
| Total | | | | 2,349 |

* Drillhole abandoned due to poor ground conditions and rig limitations.

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

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

For personal use only

APPENDIX 2: Complete Reported Diamond Drillhole Assays - Melombo East Prospect

| Hole | From | To | Int | Fe% | SiO ₂ % | Al ₂ O ₃ % | P% | LOI% |
|-------|------|-----------|-------------|--------------|--------------------|----------------------------------|-------|-------|
| DH044 | 33.8 | 150.0 EOH | 116.2 | 26.2 | 48.9 | 5.4 | 0.092 | 0.04 |
| Incl. | 70.9 | 150.0 EOH | 79.1 | 29.7 | 48.1 | 3.7 | 0.096 | 0.01 |
| DH046 | 20.0 | 100.5 EOH | 80.5 | 36.6 | 44.6 | 0.2 | 0.103 | 0.04 |
| DH047 | 0 | 33.1 | 33.1 | 22.5 | 30.4 | 23.4 | 0.049 | 13.10 |
| DH051 | 0 | 48.5 | 48.5 | 23.0 | 47.7 | 10.1 | 0.054 | 1.45 |
| DH051 | 92.0 | 100.0 EOH | 8.0 | 35.0 | 44.4 | 1.8 | 0.101 | -1.37 |
| DH053 | 0 | 101.7 | 101.7 | 11.9 | 46.8 | 16.0 | 0.052 | 2.15 |
| Incl. | 0 | 11.8 | 11.8 | 20.2 | 16.4 | 29.1 | 0.084 | 17.88 |
| DH054 | 1.2 | 32.2 | 31.0 | 25.80 | 44.19 | 10.24 | 0.070 | 4.23 |
| Incl. | 20.5 | 32.2 | 11.7 | 32.59 | 48.27 | 1.53 | 0.111 | -0.01 |
| DH054 | 46.1 | 100.5 EOH | 54.4 | 23.92 | 50.17 | 6.41 | 0.062 | 0.01 |
| Incl. | 58.7 | 100.5 EOH | 41.8 | 26.78 | 47.84 | 5.15 | 0.069 | 0.01 |
| DH055 | 1.2 | 19.7 | 18.5 | 25.22 | 40.72 | 13.62 | 0.064 | 7.35 |
| | 42.0 | 100.5 EOH | 58.5 | 21.13 | 52.75 | 8.02 | 0.078 | 0.01 |
| DH058 | 1.3 | 10.4 | 9.1 | 23.17 | 35.07 | 18.74 | 0.057 | 11.54 |
| | 49.5 | 96.8 | 47.3 | 24.29 | 51.60 | 6.36 | 0.072 | -0.01 |
| DH060 | 42.9 | 104.9 EOH | 62.0 | 28.71 | 48.41 | 4.29 | 0.084 | 0.01 |
| DH061 | 1.3 | 56.9 | 55.6 | 28.96 | 45.33 | 6.52 | 0.078 | 2.32 |
| DH064 | 27.0 | 100.5 EOH | 73.5 | 23.69 | 48.40 | 6.70 | 0.083 | 0.06 |
| DH066 | 1.2 | 77.1 EOH | 75.9 | 33.68 | 39.70 | 3.96 | 0.087 | 0.77 |

Assay Method Fe, SiO₂, Al₂O₃, P by fusion XRF – OMAC Laboratory, Ireland.
 LOI – Loss on Ignition at 1,000°C determined gravimetrically.

For personal use only