



LEGEND MINING LIMITED

ACN: 060 966 145
ABN: 22 060 966 145

QUARTERLY REPORT for the period ended 30 June 2002

1. Legend shareholders unanimously approve spin-off of gold, copper and base metal properties into Armada Mining Limited.
2. Legend closed oversubscribed pro-rata non renounceable entitlement issue and pro-rata placement.
3. Priority allocation in Armada to all Legend shareholders.
4. Armada appoints Chairman and Executive Director.
5. Broker to the Armada Issue
6. Maitland 100% Legend photogeological and structural study
7. Emerald Joint Venture – Hamill has undertaken regional reconnaissance and aeromagnetic work.
8. Update Elizabeth Hill Munni Munni Joint Venture
9. Website

1. Legend shareholders unanimously approve spin-off of gold, copper and base metal properties into Armada Mining Limited.

Legend shareholders on 22 May 2002 unanimously approved the spin-off of Legend's gold, copper and base metal prospects into a new venture called Armada Mining Limited.

These gold, copper and base metals properties warrant significant exploration requiring additional funding to maximise the resource potential and therefore add value for all Shareholders. This will allow Legend to focus on its silver and platinum-palladium projects.

Armada proposes to offer up to a maximum of 16,000,000 fully paid ordinary shares at 20 cents each with one free option to the public raising up to \$3,200,000. Legend shareholders, by way of in specie distribution and on a pro rata basis will receive one free Armada share for every five shares held in Legend.

Subject to a successful raising by Armada and listing on ASX, all existing Legend Shareholders will have the opportunity of holding shares in two publicly listed companies, Legend specialising in silver, platinum and palladium and Armada specialising in gold, copper and base metals in the West Pilbara.

2. Legend's pro-rata non renounceable entitlement issue and pro-rata placement was oversubscribed.

The Directors advise that the pro-rata non renounceable entitlement issue of 20,867,332 new options exercisable at 15 cents each on or before 30 April 2005, and the pro-rata placement of past option holders of 15,321,875 new options exercisable at 15 cents each on or before 30th April 2005, was closed fully subscribed.

3. Priority allocation in Armada to all Legend shareholders

As the formation of Armada was supported by Legend and because Legend shareholders agreed to the transfer to Armada of Legend's non-silver mining tenements and assets, all Legend shareholders have been given special rights to participate in the Offer by setting aside, as a Priority Offer, up to 7,000,000 Shares. Each Legend shareholder will be invited to subscribe for a priority allocation of 10,000 Shares at 20 cents with one free Option each by completing the personalised loose-leaf Application Form enclosed with their Prospectus.

4. Armada appoints Chairman and Executive Director

Armada has recently appointed Non-Executive Chairman, Michael Hunt and Executive Director, Michael Atkins to the Board.

5. Broker to the Armada Issue

Montagu Stockbrokers have been appointed broker to the Armada issue.

6. Maitland 100% Legend photogeological and structural study

Legend has commissioned a detailed photogeological and structural study of the 60 square kilometres Maitland exploration area, and has already identified a number of silver mineralisation targets for immediate ground follow up. Detailed aeromagnetics and state of the art TEMPEST airborne electromagnetic data acquired from a 620 square kilometre survey are also being reviewed to identify further targets.

7. Emerald Joint Venture (Legend 91%)

Hamill Resources Ltd is undertaking a regional reconnaissance and airbourne magnetic survey on the Legend/Hamill Joint Venture ground, located between Mt Ida and Davyhurst in the Eastern Goldfields of Western Australia.

Hamill must spend \$50,000 on exploration prior to 20th December 2002 to earn 51%, and a further \$75,000 in the second year to reach 80%. The tenement is considered prospective for high grade gold mineralisation similar to the recent discovery at First Hit some 6.5 kilometres to the south, where Barra Resources is producing from new underground gold mine.

8. Update Elizabeth Hill Munni Munni Joint Venture

Recently carried out structural/alteration mapping has shown that alteration and associated silver mineralisation is associated with late stage reactivation of north-south and east –west structures.

Twenty seven shallow RC holes totaling 1465m were drilled to:

1. Locate the Munni Munni Fault in areas of no outcrop. An old EM survey was useful in locating the fault in areas with alluvial cover.
2. Identify extent and nature of alteration associated with the fault
3. Identify areas with high background silver, keeping in mind that silver is strongly leached in the near surface environment.

Drilling showed that south of Elizabeth Hill the Munni Munni Fault was located further west than previously assumed, and that carbonate alteration was widespread along the Munni Munni Fault, whereas silver related alteration seem to be restricted to dilational zones associated with cross structures in areas where the fault separates granites from pyroxenites.

Eleven RC holes totalling 383m were drilled in the mine area and helped to constrain the extent of previously identified shallow mineralisation.

As the geochemical signature of the J-Reef may be somewhat similar to the signature of silver mineralisation, fresh samples will be collected from the J-Reef for geochemical analysis during the next phase of field work, so the two types of mineralisation can be recognised during future exploration.

9. Website

Legend's web page is now available on www.legendmining.com.au

Armada's web page is scheduled for August 2002.

Murray McDonald
DIRECTOR

30/06/2002