



LEGEND MINING LIMITED

ACN: 060 966 145
ABN: 22 060 966 145

QUARTERLY REPORT for the period ended 31st March 2001

- Legend Moves to Control Munni Munni
- Supreme Court Trial Date set for Monday 11 June 2001
- Silver Tailings Dam - Feasibility Study Received
- Silver Sales of 43,885 ounces
- Carlow Castle Progress
- Radio Hill West JV - Titan Resources NL Drilling

1. Munni Munni/Elizabeth Hill Project

Legend Mining Limited & East Coast Minerals NL

On the 13 February 2001 Legend entered into a contract to gain control of a further 60% of the Munni Munni silver, palladium and platinum Joint Venture ground. At that date, Legend had 30% and will pursuant to the contract acquire a further 60% from East Coast Minerals NL (ECM) at the end of the earning period, leaving ECM with 10%. This contract is subject to Supreme Court litigation wherein Legend is seeking specific performance of the contract by ECM.

In more detail Legend paid ECM a deposit of \$25,000 and the balance of \$975,000 is payable over one and a half years subject to a 60 day due diligence period followed by a formal Joint Venture and Farmin Agreement with ECM.

Legend will earn the additional 60% interest by spending a further \$4.5 million on exploration for silver, palladium, platinum, and other metals over a 3 year Farmin period. The opportunity for Legend to increase its interest arose when ECM advised that it had received an offer it intended to accept for six sevenths of ECM's interest in the Joint Venture. However it is Legend's position that under a pre-emptive right held by Legend, ECM was obliged to first offer the deal to Legend and Legend on the 13 February 2001 accepted the offer. Legend has expedited proceedings through the Supreme Court of Western Australia.

2. **Trial Date**

The date for the trial in the Supreme Court of Western Australia has been confirmed as Monday 11 June 2001.

3. **Tailings Dam**

A Notice of Intent applying for approval to treat the tailings was prepared and lodged in December 2000 and has now been approved by the Department of Environmental Protection.



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- 2 -

An independent feasibility study into the extraction of silver by heap leaching was completed in late January 2001 and forwarded to ECM for approval to proceed. The study confirmed a probable ore reserve of 27,086 tonnes of tailings with a silver grade of 1,279g/t equivalent to approximately 1 million ounces of contained silver.

Legend supports the conclusions and recommendations of the feasibility study. As yet no decision from ECM has been made on treatment of the tailings.

4. **Silver Sales**

During the quarter, silver sales realised \$376,972 for the Munni Munni Joint Venture from 43,885 ounces, at an average price of \$8.59 per ounce.

5. **Carlow Castle**

Legend Mining Limited 100%

In the previous quarter twenty eight separate gradient array induced polarisation (IP) targets were defined in an area 1,600m long by up to 850m wide. Twelve of the IP targets were given priority one rating by the Consulting Geophysicist. Planning for further testing, including drilling, is underway.

Legend believes this project has the potential to support a stand-alone mining operation and continuing exploration will be targeted on this objective.

6. **Radio Hill West**

Legend Mining Limited 40% Titan Resources NL 60%

Joint Venture operator Titan Resources NL reported in their Annual Report 2000 that "A promising target for nickel mineralisation has been proposed on the Dingo Intrusion located within the Radio Hill West Joint Venture area held by Legend Mining Limited. A programme of detailed ground geophysics is being carried out (August 2000) to further define drill targets".

Since that report, Titan has completed a major aerial geophysical survey in the region, including Radio Hill West which is 25 kilometres south of Karratha. A significant geophysical anomaly has been confirmed on the Dingo Intrusion and a RC drilling programme has commenced in April 2001. Results will be reported when available.

Murray McDonald

DIRECTOR

30 April 2001

legend.mar01.quarterly

The information on exploration results and Minerals Resources contained in this report is based on information compiled by consulting metallurgist Mr John MacIntyre FAusIMM. The appropriate relevant experience to be considered as a Competent Person as defined in the JORC Code 1999. Mr MacIntyre consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.