



## JUNE 2005 QUARTERLY REPORT

### HIGHLIGHTS

Exploration RC drilling at the Company's Gidgee Project has continued to test for mineralisation in a north westerly corridor centred on the Swift open pit. Several holes have also identified potential for high grade below the Eagle pit. Significant RC drilling results from Gidgee are tabled below:

Hole	Prospect	Interval (m)	Grade (g/t Au)	From (m)
<b>GDC 083</b>	<b>Swift</b>	<b>18</b>	<b>20.2</b>	<b>71</b>
and		<b>11</b>	<b>9.8</b>	<b>96</b>
<b>GDC 098</b>	<b>Swift</b>	<b>1</b>	<b>26.6</b>	<b>312</b>
<b>GDC 105</b>	<b>Eagle</b>	<b>5</b>	<b>12.7</b>	<b>180</b>
and		<b>1</b>	<b>36.8</b>	<b>212</b>
and		<b>2</b>	<b>23.3</b>	<b>233</b>
<b>GDC 107</b>	<b>Eagle</b>	<b>4</b>	<b>6.9</b>	<b>159</b>
<b>GDC 108</b>	<b>Swift</b>	<b>6</b>	<b>5.0</b>	<b>32</b>
<b>GDC 113</b>	<b>Swift</b>	<b>10</b>	<b>4.9</b>	<b>78</b>
<b>GDC 117</b>	<b>Swift</b>	<b>4</b>	<b>6.2</b>	<b>115</b>
<b>GDC 126</b>	<b>Eagle</b>	<b>2</b>	<b>13.6</b>	<b>222</b>
and		<b>2</b>	<b>6.6</b>	<b>241</b>
<b>GDC 135</b>	<b>Swift</b>	<b>8</b>	<b>3.4</b>	<b>80</b>
<b>GDC 136</b>	<b>Swift</b>	<b>4</b>	<b>10.8</b>	<b>192</b>
<b>GDC 137</b>	<b>Swift</b>	<b>44</b>	<b>3.2</b>	<b>80</b>
<b>GDC 140</b>	<b>Swift</b>	<b>4</b>	<b>8.7</b>	<b>36</b>

RAB and aircore drilling is testing the areas north of the North Swan Bitter open pit, and east and west of the Swift line of workings. Significant RAB and aircore drilling results from Gidgee are tabled below:

Hole	Prospect	Interval (m)	Grade (g/t Au)	From (m)
<b>PRA04</b>	<b>N Swan Bitter</b>	<b>8</b>	<b>1.45</b>	<b>44</b>
<b>PRA05</b>	<b>N Swan Bitter</b>	<b>4</b>	<b>1.45</b>	<b>28</b>
<b>PRA29</b>	<b>N Swan Bitter</b>	<b>4</b>	<b>2.76</b>	<b>20</b>
and		<b>4</b>	<b>1.89</b>	<b>56</b>
<b>MGA04</b>	<b>N Swan Bitter</b>	<b>4</b>	<b>1.0</b>	<b>44</b>
and		<b>4</b>	<b>1.27</b>	<b>52</b>
and		<b>4</b>	<b>1.71</b>	<b>60</b>
<b>EGA01</b>	<b>East Gannet</b>	<b>4</b>	<b>2.41</b>	<b>24</b>
and		<b>8</b>	<b>2.36</b>	<b>64</b>
<b>SHA017</b>	<b>Sherwood</b>	<b>4</b>	<b>1.26</b>	<b>48</b>

## 1. GIDGEE EXPLORATION OVERVIEW

Legend's immediate exploration objective is to discover sufficient Mineral Resources and Ore Reserves to enable recommissioning of the existing mill with a minimum 3 year mine life.

During the quarter, the reverse circulation ("RC") drilling focus was predominantly on the north-westerly trending Swift lode (formerly called "Gulliver"), although other targets and areas were tested. RC drilling for the quarter was totalled 80 holes for 16,501 metres. A summary of RC intercepts over 1g/t gold from holes drilled during the quarter is included in Table 1 at the end of this report.

The drilling has shown that the gold mineralisation at Gidgee is highly variable with adjacent holes often returning different values. This is in part due to the style of the veins, but also reflects the "nuggety" nature of the high grade gold.

The continuing RC drilling program is designed to:

- confirm the orientation of interpreted mineralised structures,
- demonstrate the continuity of mineralisation between adjacent drill holes,
- demonstrate the potential for additional mineralisation on parallel structures adjacent to the known mineralisation, and
- demonstrate the potential for additional open pit resources in areas where previous drilling was inadequate.

Legend is also implementing a rotary air blast ("RAB") and aircore ("AC") drilling program in the near mine area because it considers the historical RAB drilling was too shallow and largely ineffective. A more powerful drill rig than was previously available is being utilised, and this is generating significant new gold anomalies, mostly from lower in the regolith profile. During the quarter, 313 RAB and AC holes for 22,569 metres were completed

The RAB/AC results indicate extensions to the known mineralisation and suggest that the Gidgee deposit remains open to the north of the North Swan Bitter open pit. The rig is currently also extending the area of the known mineralisation south of the Emu-Feather pit, on a trend parallel to and between the Butcherbird-Swan Bitter and Swift-Gannet lines. Results greater than 0.5g/t gold from RAB/AC holes drilled this quarter are shown in Table 2.

Structures controlling the gold mineralisation consist of a series of steeply dipping north-northwest (340°) and west-northwest (310°) trending mineralised shears with additional gold mineralisation hosted by flatter veins on link structures between the sets of shears. The host rocks are a series of basalt flows with coarser basalt or dolerite cores. The exact nature of the sequence is still under investigation.

### Basemetal Exploration

Compilation and evaluation of historic and open-file file data relating to basemetal exploration on Legend's tenements in the Gidgee greenstone belt continued. The work completed so far indicates that the felsic volcanic units in the belt have favourable geochemical signatures and are the right age to be considered "fertile".

At Bevan, east of the Gidgee minesite, CRA Exploration Pty Ltd in 1980 reported intercepts of 7 metres at 5.7% copper and 10 metres at 2.35% zinc (including 1 metre at 9.73%). These intercepts were only followed up by one diamond and three RC holes. At Altair to the northwest of Gidgee, a diamond hole drilled by Pancontinental in 1994 returned a 3.5 metre intersection of massive sulphides containing 1.18% copper.

Anomalous basemetal values previously reported for RAB intercepts at Golden Hind, immediately west of Kingfisher, were tested by RC drilling. The anomalism is now interpreted to be the result of secondary enrichment over black shales, and will not be further followed-up at this time. However, volcanic fragmental rocks were identified in aircore holes adjacent to the zones tested by RC drilling and the area is of interest for future exploration.

## **2. MUNNI MUNNI JOINT VENTURE (LEGEND 30.12%)**

The drilling program proposed by the Manager of the Joint Venture, East Coast Minerals N.L. (ECM), was delayed due to equipment availability and weather. Legend and ECM have agreed to Legend diluting its interest to 30.12% effective 30 June 2005.

## **3. KARRATHA GOLD AND BASE METAL PROJECT, WEST PILBARA**

The Karratha project covers about 625 square kilometres of the West Pilbara greenstone belt between Karratha, Roebourne and Radio Hill, an area that Legend considers to be under-explored and highly prospective for base metals.

A low-impact small-scale gold mining operation was started on E47/966 under a tribute-style arrangement, following DOIR approvals. This will allow Legend to establish local controls and distribution of gold, with the view to planning wider and deeper drill testing of the mineralised system.

Although Legend's exploration focus has been almost exclusively on its Gidgee property during the reporting period, the company will continue to review how best to advance the Karratha project and increase its value for shareholders.

## **4. CORPORATE**

### **New Directors**

Mr Dermot Ryan and Mr Mark Wilson were appointed Executive Directors of Legend on 13 May 2005. Mr Ryan was also appointed Chief Executive Officer. Mr Andrew Chapman resigned as a director but remained as Company Secretary and Mr Ian Cowden withdrew his nomination to seek re-election at the AGM held on 30 May 2005.

### **New Substantial Shareholder**

On the 8 June 2005 the Commonwealth Bank of Australia and its subsidiaries advised the ASX that it had become a substantial shareholder of Legend, holding 5.3% of the fully paid shares on issue at the time.

### **Capital Raisings**

Two resolutions at the AGM relating to shareholder ratification of the issue of shares were carried by overwhelming majorities.

On the 4 July 2005 Legend announced that Australian Gold Resources Pty Ltd ("AGR") had exercised 25,000,000 of its Legend options thereby providing cash to Legend of \$1,000,000. Subsequently AGR announced to the ASX a change in its substantial shareholding to 107,492,500 fully paid shares being 28.4% of the fully paid shares on issue at the time. Also

during the quarter, 161,828 fully paid shares were issued as a result of the exercise of listed options at an exercise price of \$0.15 per option thereby raising \$24,274.

## **5. GIDGEE OPERATIONS**

The Swan Bitter underground mine and processing plant remained on care and maintenance throughout the quarter.

Dermot Ryan

Director

29th July 2005

*The information relating to exploration and results from Gidgee in this report is based on data compiled by Mr Donald Thomson, a Member of the AusIMM and an employee of Legend Mining Ltd. Mr Thomson has sufficient relevant experience in the style of mineralisation and type of deposit under consideration and to the activity which 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 in this report of the information in the form and context in which it appears.*

**Table 1.**  
**Summary of Recent Results from RC Drilling at Gidgee (+1.0 g/t Au)**

Hole	Prospect	North MGA94)	East (MGA94)	Hole Depth	Dip (°)	Azi (mag)	RL (m)	From (m)	Width (m)	Grade (g/t Au)
GDC083	Swift	6983341	739720	130	-65	270	520	72	28	18.0
							<i>Incl</i>	76	12	28.5
							<i>and</i>	96	4	35.5
GDC096	Swift	6983137	739806	142	-69	272	519	116	4	2.1
GDC098	Swift	6982991	739785	316	-61	270	521	312	4	5.5
<b>GDC108</b>	<b>Swift</b>	<b>6982741</b>	<b>739735</b>	<b>130</b>	<b>-60</b>	<b>269</b>	<b>519</b>	<b>32</b>	<b>4</b>	<b>4.9</b>
<b>GDC113</b>	<b>Swift</b>	<b>6983190</b>	<b>739820</b>	<b>170</b>	<b>-70</b>	<b>271</b>	<b>520</b>	<b>76</b>	<b>12</b>	<b>3.5</b>
<b>GDC117</b>	<b>Swift</b>	<b>6983312</b>	<b>739734</b>	<b>142</b>	<b>-60</b>	<b>271</b>	<b>521</b>	<b>116</b>	<b>4</b>	<b>5.5</b>
<b>GDC136</b>	<b>Swift</b>	<b>6983365</b>	<b>739691</b>	<b>220</b>	<b>-50</b>	<b>250</b>	<b>520</b>	<b>80</b>	<b>8</b>	<b>3.4</b>
<b>GDC136</b>	<b>Swift</b>	<b>6983366</b>	<b>739696</b>	<b>240</b>	<b>-60</b>	<b>250</b>	<b>520</b>	<b>192</b>	<b>4</b>	<b>10.8</b>
<b>GDC137</b>	<b>Swift</b>	<b>6983337</b>	<b>739505</b>	<b>230</b>	<b>-70</b>	<b>250</b>	<b>523</b>	<b>60</b>	<b>64</b>	<b>2.5</b>
							<i>Incl</i>	80	44	3.2
<b>GDC138</b>	<b>Swift</b>	<b>6983434</b>	<b>739654</b>	<b>240</b>	<b>-60</b>	<b>250</b>	<b>520</b>	<b>140</b>	<b>4</b>	<b>1.2</b>
<b>GDC139</b>	<b>Swift</b>	<b>6983426</b>	<b>739640</b>	<b>210</b>	<b>-50</b>	<b>250</b>	<b>520</b>	<b>112</b>	<b>8</b>	<b>1.8</b>
<b>GDC140</b>	<b>Swift</b>	<b>6983378</b>	<b>739484</b>	<b>244</b>	<b>-70</b>	<b>250</b>	<b>520</b>	<b>36</b>	<b>4</b>	<b>8.7</b>
GDC078	N Swan Bitter	6983770	739239	270	-65	270	523	232	4	2.1
GDC079	N Swan Bitter	6983669	739195	280	-70	270	521	264	8	5.6
							<i>Incl</i>	264	4	9.7
<b>GDC106</b>	<b>N Swan Bitter</b>	<b>6983652</b>	<b>739365</b>	<b>260</b>	<b>-78</b>	<b>268</b>	<b>521</b>	<b>52</b>	<b>4</b>	<b>1.0</b>
<b>GDC119</b>	<b>N Swan Bitter</b>	<b>6983599</b>	<b>739336</b>	<b>209</b>	<b>-64</b>	<b>272</b>	<b>520</b>	<b>128</b>	<b>4</b>	<b>1.4</b>
GDC105	Eagle	6981777	738690	250	-61	72	520	180	8	11.1
							<i>Incl</i>	180	4	21.2
								212	20	2.6
							<i>Incl</i>	212	4	8.0
							<i>and</i>	232	4	5.9
<b>GDC107</b>	<b>Eagle</b>	<b>6981965</b>	<b>738610</b>	<b>250</b>	<b>-59</b>	<b>72</b>	<b>518</b>	<b>156</b>	<b>8</b>	<b>1.2</b>
								144	8	1.5
								160	4	3.4
<b>GDC124</b>	<b>Eagle</b>	<b>6981877</b>	<b>738625</b>	<b>268</b>	<b>-60</b>	<b>270</b>	<b>520</b>	<b>208</b>	<b>20</b>	<b>1.2</b>
							<i>Incl</i>	208	4	3.9
								236	4	1.9
<b>GDC126</b>	<b>Eagle</b>	<b>6981917</b>	<b>738618</b>	<b>250</b>	<b>-60</b>	<b>270</b>	<b>520</b>	<b>164</b>	<b>4</b>	<b>2.8</b>
								176	4	2.0
								220	4	15.1
								240	4	2.0
								248	2	1.0
<b>GDC128</b>	<b>Eagle</b>	<b>6981823</b>	<b>738638</b>	<b>304</b>	<b>-60</b>	<b>70</b>	<b>520</b>	<b>116</b>	<b>4</b>	<b>2.1</b>
<b>GDC130</b>	<b>Eagle</b>	<b>6981823</b>	<b>738644</b>	<b>226</b>	<b>-45</b>	<b>70</b>	<b>520</b>	<b>224</b>	<b>2</b>	<b>2.7</b>
<b>GDC131</b>	<b>Eagle</b>	<b>6981727</b>	<b>738709</b>	<b>252</b>	<b>-60</b>	<b>70</b>	<b>520</b>	<b>164</b>	<b>4</b>	<b>1.4</b>
GDC097	Golden Hind	6980839	739058	160	-61	54	516	120	4	2.1
GDC069	North End	6983030	738628	220	-55	230	524	28	3	2.2
<b>GDC129</b>	<b>North End</b>	<b>6982727</b>	<b>738482</b>	<b>120</b>	<b>-60</b>	<b>90</b>	<b>520</b>	<b>56</b>	<b>4</b>	<b>2.0</b>

**Notes:** New previously unreported intercepts in bold. Intercept grade >1g/t gold, 30gm fire assay on 4 metre composite sample by SGS Laboratories Mt Magnet.

**Table 2.**  
**Summary of Recent Results from RAB/Aircore Drilling at Gidgee (+0.5 g/t Au)**

<b>Hole</b>	<b>Prospect</b>	<b>Type</b>	<b>North (MGA)</b>	<b>East (MGA)</b>	<b>Hole Depth</b>	<b>From (m)</b>	<b>Width (m)</b>	<b>Grade (g/t Au)</b>
PRA05	N Swan Bitter	AC	6984017	739174	60	28	4	1.45
PRA04	N Swan Bitter	AC	6984011	739132	66	28	4	0.89
PRA04	N Swan Bitter	AC	6984011	739132	66	32	4	0.53
						44	8	1.45
						48	4	0.92
PRA08	N Swan Bitter	AC	6984122	739015	60	48	4	0.50
PRA29	N Swan Bitter	AC	6984526	739017	67	20	4	2.76
						44	4	0.79
						56	4	1.89
MGA04	N Swan Bitter	AC	6983681	738660	97	44	4	1.00
						52	4	1.27
						60	4	1.71
EGA01	East Gannet	AC	6983778	739646	78	24	4	2.41
						64	8	2.36
SHB008	Sherwood	RAB	6985338	740366	48	28	4	0.85
SHA010	Sherwood	AC	6985358	740406	75	48	4	0.55
SHA017	Sherwood	AC	6985496	740439	90	48	4	1.26
SHA023	Sherwood	AC	6985213	740342	79	60	4	0.78
GHA027	Golden Hind	AC	6981067	737896	97	76	4	0.47
GHA072	Golden Hind	AC	6979359	738879	86	8	4	0.58
GHA078	Golden Hind	AC	6979447	739354	102	84	4	0.76
GHA127	Golden Hind	AC	6979200	739515	100	44	4	0.68

