



LEGEND MINING LIMITED

ACN: 060 966 145
ABN: 22 060 966 145

QUARTERLY REPORT for the period ended 30 September 2002

- Legend raises \$500,000 in combined equity and debt funding
 - Deeper drilling on the Munni Munni silver deposit will commence on approximately the 7th of November 2002. This is the first programme of deeper RC drilling for extensions down plunge and under the original Silver Pod.
 - Results of detailed ground work completed in October 2002 on the Karratha Gold and Base Metals Project (approximately 675 km² in area) will be released as soon as received.
 - There is potential for additional resources at the high grade Carlow Castle Project (current resource 91,000t @ 10g/t Au 1.4% Cu).
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1. ELIZABETH HILL MUNNI MUNNI JOINT VENTURE (LEGEND EARNING 50%)

As announced during the Quarter, the Joint Venture has agreed to commence a programme of deeper RC drilling for silver at the Elizabeth Hill mine, 40 kms south of Karratha, where 2.5 million ounces has already been mined from a single high-grade pod.

A total of 4,000m will be drilled to target further high-grade mineralisation extending down-plunge from the mine and to follow-up new targets generated nearby during recent exploration and shallow drilling. Although mining operations commenced in 1998, this will be the first drilling programme to test for extensions of the silver at depth.

This programme forms part of the exploration commitment under which Legend may increase to 50% equity in the Joint Venture, as announced on the 14th of August 2002. The drilling will commence on approximately the 7th of November 2002 over a three week period.

2. MAITLAND (LEGEND 100%)

Target selection continued during the quarter, based on evaluation of detailed aeromagnetics, TEMPEST airborne electromagnetics, detailed photogeological studies and structural interpretation. Fieldwork to further investigate the silver mineralisation potential of these selected zones will commence immediately on granting of the exploration licence, which includes the continuation of the Munni Munni fault north of the Elizabeth Hill Mine.

3. EMERALD JOINT VENTURE (LEGEND 91%)

Hamill Resources Ltd is earning up to 80% over two years by exploring for high-grade gold mineralisation at Emerald, north west of Kalgoorlie between Mount Ida and the First Hit gold mine of Barra Resources.

Evaluation of aeromagnetic data was conducted by Hamill during the Quarter, together with ongoing regional reconnaissance.

4. KARRATHA GOLD AND BASE METAL PROJECTS

Legend now controls an area of approximately 675 km² commencing west of Radio Hill and extending to Roebourne. Legend owns 100% of most of the tenements and is earning up to 70% on the remainder.

Orpheus and Sholl (Legend 100%)

Exploration for gold and VMS base metals continued on these two contiguous exploration licences, along and south of the Sholl Shear Zone, during the Quarter. A programme of mapping and sampling to improve definition of mineralisation controls at six separate prospects commenced early in October 2002, and results will be reported as they become available.

One of the new gold prospects is at Crossroads, adjacent to the regional east-west shear zone and occurring in cherts and mafic volcanics similar to those hosting the Carlow mineralisation. The target zone includes a broad area of metal detecting and grading, located near the Cherrata road.

Mapping and rock sampling on the Sholl tenement to locate a bedrock source for the Golden Reef alluvials commenced in October 2002. These shallow workings adjacent to and just outside Legend's boundary have reportedly produced several thousand ounces of gold nuggets since discovery in the mid-1980's.

Further sampling and mapping of base and precious metal-enriched gossanous zones, which extend over 10 kilometres strike length of the Orpheus Shear, was also commenced during October 2002. The target is VMS style deposits, similar to those at Whim Creek and Panorama in the Pilbara and at Golden Grove, Teutonic Bore and Jaguar in the Yilgarn.

Carlow Castle, Mine Well, Railway (Legend 100%)

Regional reconnaissance over these projects has identified several additional zones which are considered to have potential for gold and gold-copper mineralisation similar to the resources already defined at Carlow. Rock chip sampling traverses and mapping were planned during the Quarter and commenced in October 2002. Several areas of broad alteration quartz veining and structural complexity were investigated.

The high-grade resource at Carlow South (previously reported as containing 91,000t at 10.0g/t Au in the indicated and inferred categories) has been evaluated for further drilling, with the objective of extending the known mineralisation which has yet to be closed off along strike and at depth.

5. ARMADA MINING LIMITED

Legend is reviewing the issue of the Prospectus subject to market conditions.

6. FINANCING

Lamead Holdings Pty Ltd

Legend Mining Limited has finalised an agreement with Lamead Holdings Pty Ltd whereby Lamead has taken a placement of 500,000 shares in Legend Mining Ltd at a price of 7 cents (\$35,000) approximately 75% premium on the stock price of today.

Lamead Holdings Pty Ltd has advanced by loan, \$215,000 to Legend Mining Limited. (Details refer to Form 5B).

Yandal Investments Pty Ltd

Legend Mining Limited has also finalised an agreement with Yandal Investments Pty Ltd whereby Yandal has advanced the sum of \$250,000 in respect of Legend's Munni Munni silver deposit exploration programme. (Details refer to Form 5B).

A handwritten signature in black ink, appearing to read "Murray McDonald". The signature is written in a cursive, flowing style.

Murray McDonald
DIRECTOR

30 October 2002