



5 February 2010

ASX Announcement

LEGEND EXERCISES ITS RIGHT TO ACQUIRE 90% INTEREST IN CAMEROON PROJECT

- **Preliminary aeromagnetic data identifies itabirite units on a scale not recognised in previous mapping.**
- **Substantial infill aeromagnetic programme to follow immediately.**
- **Exercise of right to acquire 90% of Camina SA**
- **New Ngovayang tenement granted.**

Legend is pleased to release preliminary data from its aeromagnetic survey over the Ngovayang area at its Cameroon Project, West Africa, see Figure 1. The results have identified the occurrence of itabirite (magnetite-bearing metasediments) on a larger scale than previously known information indicated, confirming the iron ore prospectivity of the Ngovayang Project. Numerous structural targets for direct shipping ore (DSO) are also evident throughout the Project Area.

Based on the results of this aeromagnetic survey, Legend has decided to exercise its right to acquire 90% of Camina SA, as approved by shareholders in December 2009. Settlement took place on 4 February 2010.

Legend Managing Director Mark Wilson said "The results of this aeromagnetic survey when combined with the topographical information from the Project Area and the rockchip assays known to date, has led the Board of Legend to an early decision to exercise Legend's right to acquire 90% of shares in Camina and thereby a 90% equity in the Project".

The aeromagnetic contractor has been instructed to fly an infill programme of 1,656km² (65% of original area), which will give data at 200m flight line spacing.

"It is pleasing that the survey has highlighted the prospectivity for both itabirite and DSO around Eseka, which is proximal to the key rail infrastructure leading direct to the port of Douala", Mr Wilson said.

Technical Discussion

The aeromagnetic survey covering 2,566km² over the Ngovayang Project has been completed at a flight line spacing of 400m and an image of the analytical signal of total magnetic intensity is presented in Figure 2. Based on these preliminary results, Legend has committed to a major infill programme comprising 4,515 line km which will bring the line spacing in the more prospective areas to 200m. This infill will provide a better resolution and definition of the magnetic features and will assist identification of potential higher grade hematite pods. Following the infill programme at Ngovayang, the helicopter will mobilise to the Mayo Binka Project area and complete a 960km² aeromagnetic/radiometric survey covering the entire tenement.

The Ngovayang Project aeromagnetic image shows internal banding within the metasedimentary host package, indicating the presence of magnetite within specific horizons. These magnetic units can often be correlated with itabirite mapped by le Bureau de Recherche Geologiques et Minieres (BRGM) in 1986. However, the magnetic units are much more extensive than the mapped units, indicating that the itabirite units are more widespread than previously thought, but do not always outcrop.

Previous non-systematic rockchip sampling (36 samples) of a suite of rocks ranging from magnetite-bearing itabirite through to supergene enriched magnetite-hematite have returned iron results between 30-69% Fe, see Figure 2. The rockchip results, in conjunction with the magnetic response support the geological model/process for the upgrading of itabirite into higher grade (+60% Fe) iron ore.

Based on the aeromagnetic data, field work will concentrate on areas with the following magnetic response and/or character.

- Large areas with high magnetic intensity.
- Units where magnetic intensity changes from high to low suggesting magnetite destruction and possible hematite formation due to supergene/alteration processes.
- Magnetic units cross cut by faults or fractures resulting in a reduced magnetic response and possible hematite formation.
- Folding of magnetic units representing thickening in hinge zones and areas with potential high grade material.

Proposed Exploration Programme

Ngovayang Project

- Infill aeromagnetics to 200m line spacing.
- Interpretation of aeromagnetic data targeting areas with potential for DSO.
- Magnetic inversion modelling to provide “Exploration Target” tonnage potential.
- Geological mapping, trenching and geochemical sampling.
- Drill testing of priority target areas.

Mayo Binka Project

- Aeromagnetic/radiometric survey at 400m line spacing.
- Infill aeromagnetics to 200m line spacing, as required.
- Interpretation of aeromagnetic data – target identification.

New Tenement Grant

Legend has also received notification of the grant of a new exploration permit in the Ngovayang Project area. The new tenement is located to the immediate northwest of the original Ngovayang permit and was pegged to cover the continuation of the host metasedimentary package containing the iron rich itabirite units. The Cameroon Project now covers a combined area of approximately 3,900km², comprising 2,940km² at Ngovayang and 960km² at Mayo Binka, see Figure 1.



Settlement

The settlement of the transaction, pursuant to the Share Sale Agreement of 22 October 2009 and Resolutions passed at the General Meeting on 4 December 2009, occurred on 4 February 2010, with the issue of:

- a) 350M Legend shares,
- b) 200M Legend 5 year options exercisable at 4 cents per option,
- c) 400M performance options (a), exercisable for nil consideration, once a JORC compliant resource of 250Mt of iron ore containing a minimum of 50Mt of DSO is identified on the permits,
- d) 400M performance options (b), exercisable for nil consideration, once a JORC compliant resource of 2Bt of iron ore containing a minimum of 200Mt of DSO is identified on the permits OR the first US\$60M from sales of ore from the permits is achieved,

to the Camina Vendors and Vendor nominee parties.

Ngovayang Project Background

Legend announced in September 2009 the signing of a legally binding Heads of Agreement (HOA) with Camina SA to explore for iron ore in Cameroon, West Africa. The HOA gives Legend the right to acquire a 90% interest in Camina, with Legend committed to a minimum exploration expenditure of \$1M over 12 months to assess the iron ore potential of the project. The terms of the HOA were ratified by Legend shareholders passing all resolutions at a General Meeting on 4 December 2009.

The Ngovayang Project comprises two granted exploration permits with iron ore potential and an exploration permit application adjacent to Ngovayang which has potential for gold mineralisation, see Figure 1.

Regional mapping undertaken by BRGM in 1986 identified a NE-SW trending package of Archaean to Proterozoic age quartzitic metasediment, gneiss and amphibolite, as well as numerous itabirite units containing millimetre to centimetre thick bands of magnetite.

Within the Ngovayang Project, 115 strike km of itabirite has been identified in 24 separate zones. These itabirite zones, which can contain 20-45% Fe, are considered possible precursors for the formation of higher grade DSO mineralisation by supergene and/or alteration processes.

The Ngovayang Project in particular is well served by access infrastructure including rail and road networks to and from the port city of Douala (see Figure 1), which will greatly assist the exploration phases of work and potentially facilitate a start-up production transport system to port.



Visit www.legendmining.com.au for further information and announcements.

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The information in this announcement that relates to Exploration Results is based on information compiled by Mr Derek Waterfield, a Member of the Australian Institute of Geoscientists and a full time employee of 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.

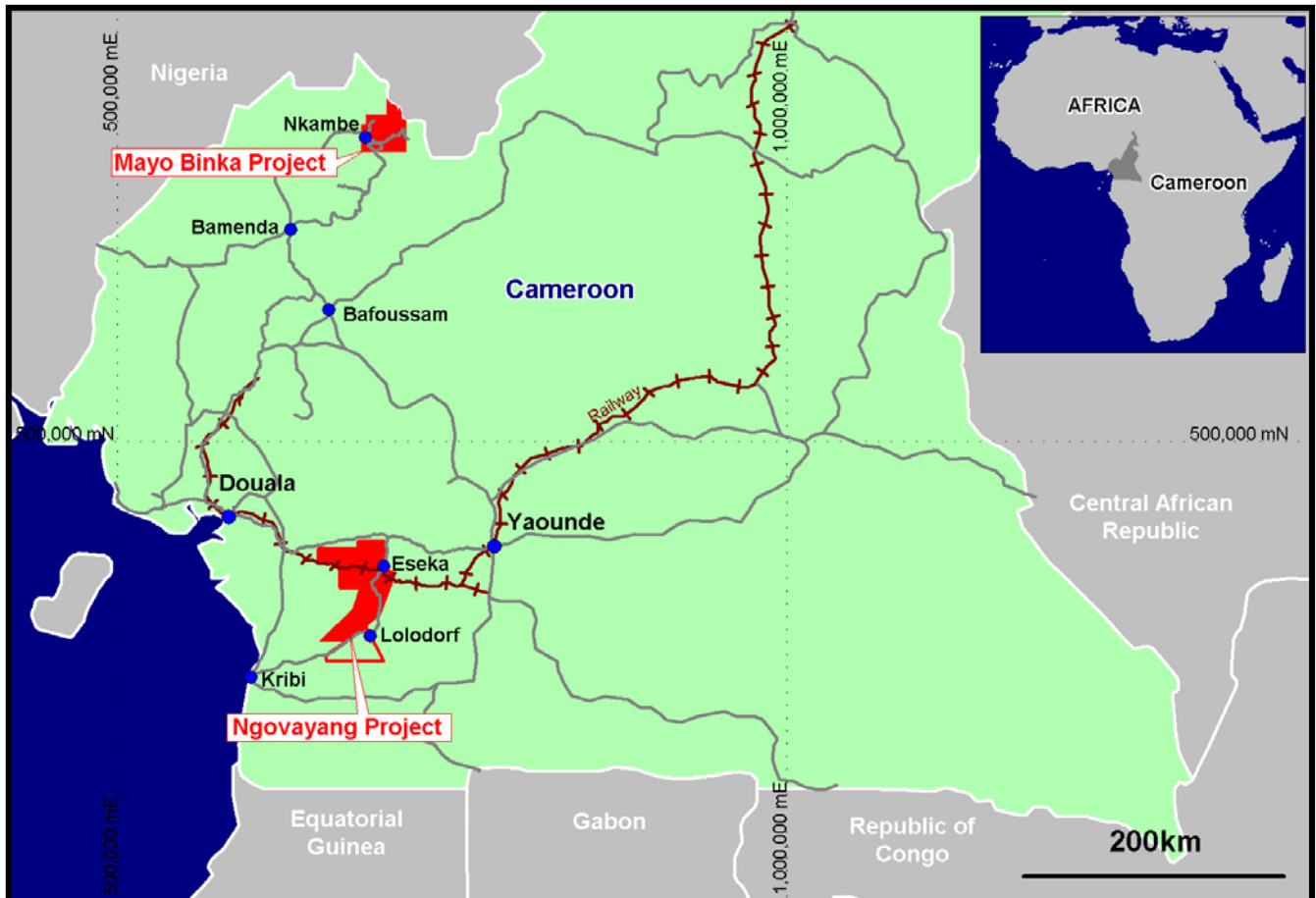


Figure 1: Cameroon Project Location

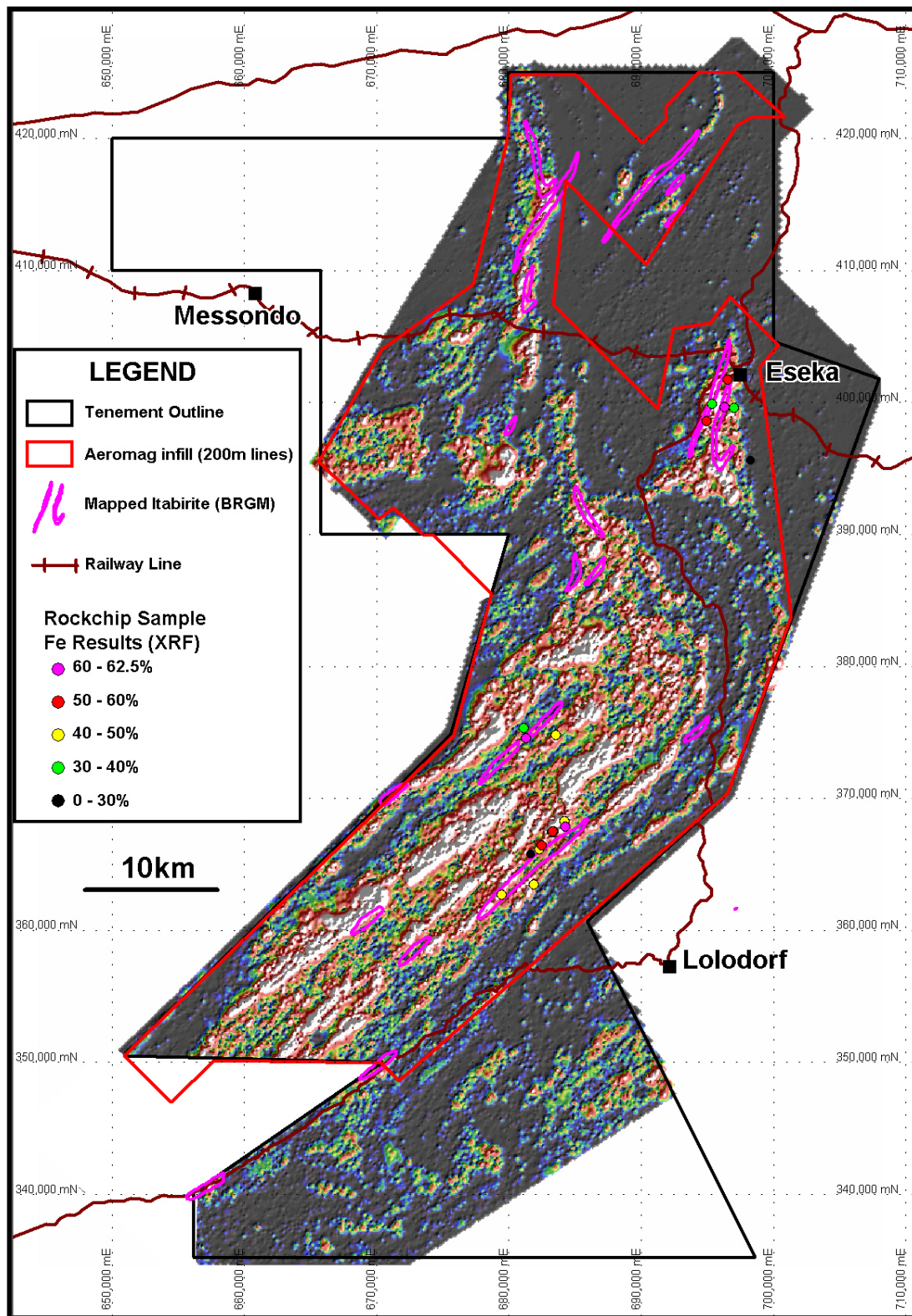


Figure 2: Ngovayang Project - Aeromagnetic Image (Analytical Signal of Total Magnetic Intensity) with Rockchip Iron Results - (Based on preliminary 400m line spaced data)