

LEGEND MINING LIMITEDASX Symbol: **LEG**

ABN 22 060 966 145

Level 2, 640 Murray Street

West Perth

Western Australia 6005

PO Box 626

West Perth

Western Australia 6872

Phone: +61 8 9212 0600

Facsimile: +61 8 9212 0611

Email:

legend@legendmining.com.au

Website:

www.legendmining.com.au

CONTACT

Mr Mark Wilson

Managing Director

Mr Derek Waterfield

Executive Director Technical

PROJECTS**Cameroon:** Iron Ore, Gold**HIGHLIGHTS**

- **Four high priority gold targets identified by stream sediment sampling.**
- **Assay results from stream sediment samples returned highly anomalous gold values;**
 - **Fine fraction: 8.76, 2.21, 1.84, 1.35 g/t Au**
 - **Coarse fraction: 1.43, 0.45, 0.25 g/t Au**
- **Melombo East metallurgical testwork on three drillcore samples delivers a high grade (69% Fe) magnetite concentrate with low levels of impurities.**
- **Cash and liquids of circa \$15M.**

OVERVIEW

The focus of the fieldwork for the quarter was geological mapping and sampling priority gold target areas identified in the 2012 work programme. The assays reported in February 2013 were encouraging as they provided a good correlation with the visual gold observed in the pan concentrates from the stream sediment samples. The ongoing programme is designed to further refine prospective areas with the aim of developing drill targets.

The metallurgical test results from the three holes at Melombo East confirmed the quality of the magnetite previously reported from the Alpha target area near Eseka. The results also confirm that the grade reported in the Exploration Target in November 2011 is reasonable and that the resultant concentrates are high grade (69% Fe) with low impurities.

The focus is now to find a suitable partner to further develop the iron ore project, whilst continuing with the gold reconnaissance work.

1. CAMEROON PROJECT

The Cameroon Project comprises three granted exploration permits covering an area of approximately 2,469km² and is considered prospective for iron ore and gold.

Gold Exploration

Stream sediment samples were collected from 231 drainage points located on the southeastern side of the Ngovayang Range during the December 2012 quarter, see Figure 1. The sampled area straddles a wide NE-SW trending regional shear corridor with associated granitoid intrusives, and contains several small scale artisanal alluvial gold workings. At each sample point a pan concentrate sample was collected for gold grain count and observation, along with a bulk sample which was sieved into a “fine” (-2mm) fraction and a “coarse” (+2mm -6mm) fraction.

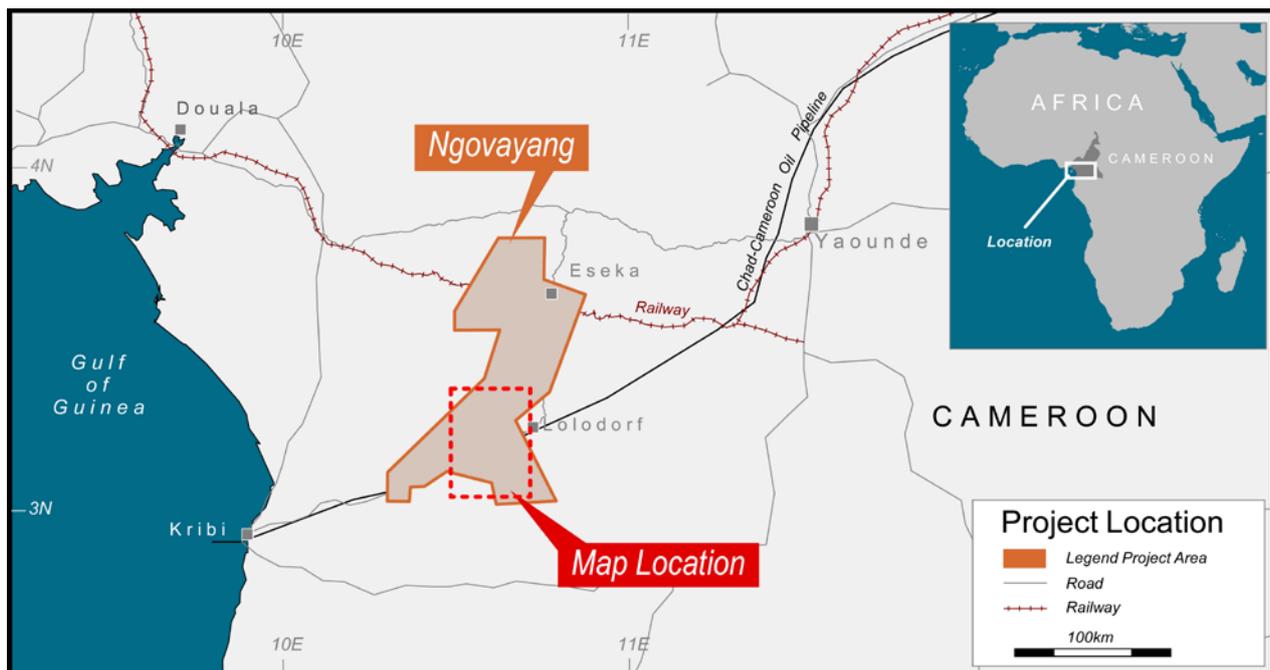


Figure 1: Cameroon Project Location – Area of Stream Sediment Sampling

Gold and multi-element results from 462 sieved stream sediment samples collected during the December 2012 quarter were received. The geochemical analysis of fine (-2mm) and coarse (+2mm -6mm) sieved fractions was undertaken to assist with the interpretation of the pan concentrate results and prioritisation of follow up work.

Gold grain counts from pan concentrate samples originally highlighted three areas where “clusters” of samples containing anomalous numbers of relatively coarse (up to 2.4mm) gold grains were observed (ASX announcement 10 December 2012). The gold grains are commonly angular to sub-rounded suggesting that the grains have not been transported far and may be proximal to the gold source.

Assay results from the fine (-2mm) fraction samples returned numerous anomalous gold values with 13 of 231 samples >100ppb Au and a maximum result of 8.76g/t Au, see Table 1. The anomalous results correlate broadly with the three original pan concentrate priority areas and highlighted a fourth area where three samples from a drainage system returned values of 169, 40 and 31ppb Au, see Figure 2. This fourth area also returned anomalous gold values in the corresponding coarse fraction samples with values of 120, 25 and 82ppb Au respectively.

Assays from the coarse (+2mm -6mm) fraction samples returned anomalous gold values with six of 231 samples >100ppb Au and a maximum of 1.43g/t Au, see Table 2. These results correlate with the two southern pan concentrate priority areas and the “fourth” area as discussed above, see Figure 3.

Table 1: Fine Fraction Samples - Gold Values >100 ppb Au				
Sample No.	East	North	Au ppb	*Gold Grain Count
587661F	679112	354389	8,760	37
587626F	672962	354150	2,210	3
587662F	679474	354257	1,835	137
587647F	679014	351234	1,350	42
587130F	682133	340608	1,330	52
587668F	680040	355240	905	28
587737F	686292	364251	696	7
587652F	678367	352540	342	29
587643F	677274	350434	257	9
587635F	673564	348924	234	8
587605F	668676	353770	226	0
587127F	678071	344505	169	0
587654F	681825	353338	146	3

Fine fraction: Sieved sample -2mm

Co-ordinates: Universal Transverse Mercator WGS84, Zone 32, Northern Hemisphere

Gold Analysis: 50g fire assay with ICP-AES finish – ALS Laboratories Perth.

**Gold grain count:* Number of gold grains observed under a binocular microscope from the corresponding pan concentrate sample.

Table 2: Coarse Fraction Samples - Gold Values >100 ppb Au				
Sample No.	East	North	Au ppb	*Gold Grain Count
587635C	673564	348924	1,430	8
587662C	679474	354257	450	137
587613C	670642	353864	249	2
587614C	676984	354901	194	2
587716C	682963	356264	142	18
587127C	678071	344505	120	0

Coarse fraction: Sieved sample +2mm -6mm

Co-ordinates: Universal Transverse Mercator WGS84, Zone 32, Northern Hemisphere

Gold Analysis: 50g fire assay with ICP-AES finish – ALS Laboratories Perth.

**Gold grain count:* Number of gold grains observed under a binocular microscope from the corresponding pan concentrate sample.



Photo 1: Stream Sediment Sampling



Photo 2: Gold Grains in Pan Concentrate Sample

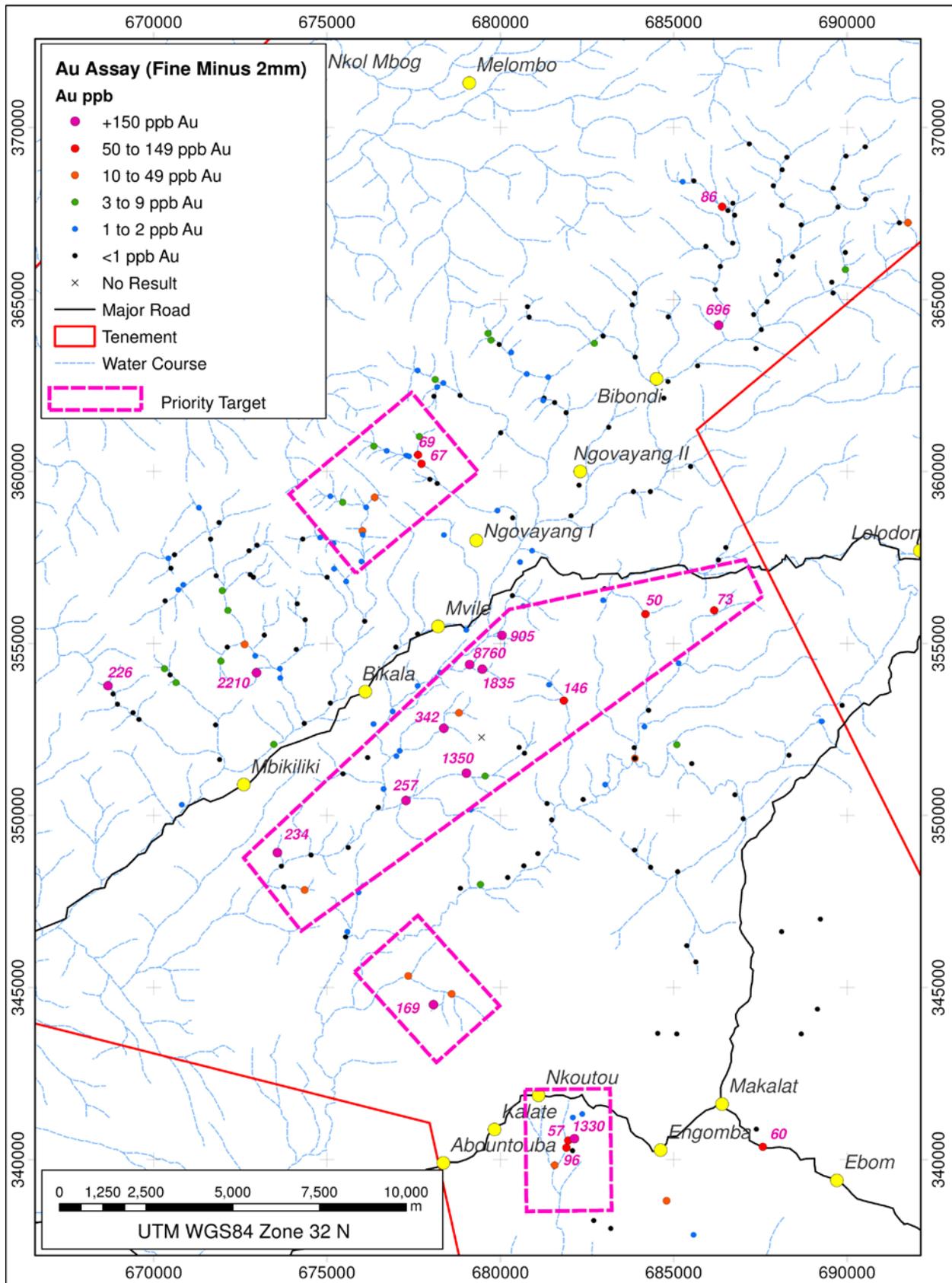


Figure 2: Fine Fraction (-2mm) Stream Sediment Sample Gold Results and Priority Target Areas

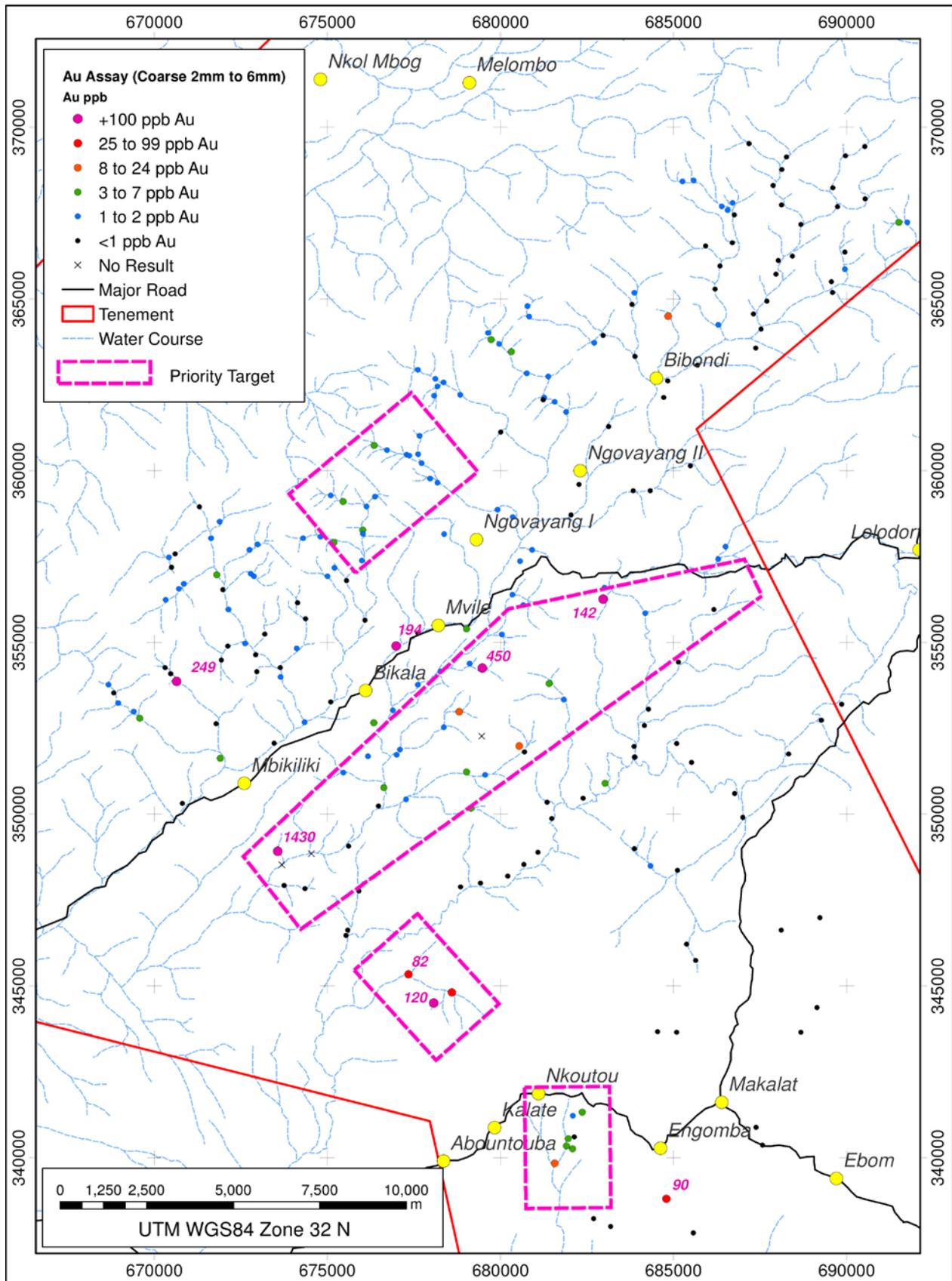


Figure 3: Coarse Fraction (+2mm -6mm) Stream Sediment Sample Gold Results and Priority Target Areas

The tenor of the gold results from both the fine and coarse fractions are considered highly significant given that the samples were taken from the active portion of the stream and not from trap sites. The “clustering” of the anomalous samples, which define sizeable target areas, along with the correlation of fine and coarse fractions results (and pan concentrate samples) also adds to the gold prospectivity of the region.

Multi-element assay results (extended 28 element suite) from both the fine and coarse fractions are currently being assessed in the context of the regional geology. Interpretation of these results and element associations will provide useful information on the possible style of mineralisation.

Based on the gold assay results of the two sieved fractions and the observations from the associated pan concentrate samples, a prioritised follow up programme focussing on the four identified target areas was designed and commenced in late January. The systematic follow-up programme involves a combination of:

- Infill stream sediment sampling to better define anomalous streams,
- Geological mapping of streams and anomalous catchments,
- Rockchip sampling.

Follow-up activities started over the large central target area, which contains highly anomalous gold results in both the fine and coarse fractions. Reconnaissance mapping in this area has revealed artisanal workings to be more wide spread than previously known, increasing the prospectivity of the target. To date, an additional 154 drainage sites have been sampled and 161 rockchip samples collected, with results pending. The results from this sampling will be used in conjunction with the geological mapping and occurrence of artisanal workings to assist in locating the source of the gold.

Melombo East – Iron Ore Metallurgical Testwork

Consultants ProMet Engineers Pty Ltd (“ProMet”) were contracted to undertake simple metallurgical testing and determination of the procedure for the Davis Tube Recovery (“DTR”) Testing on drillcore samples from three diamond drillholes (DH044, 058, 061) at the Melombo East prospect. The drillcore sampled comprised banded magnetite gneiss with minor amounts of biotite-garnet-magnetite gneiss, and contains medium to coarse grained disseminated magnetite throughout, see Photo 2. The drillholes are considered representative of the magnetite mineralisation observed at Melombo East and were selected based on a combination of iron grade, intersection thickness and location within the prospect.



Photo 2: DH044, 146.52–149.98 End of Hole

The drillhole details and sample intervals are provided below in Table 3, while drillhole locations for Melombo East are shown on Figure 4.

Table 3: Drillhole Details for Metallurgical Samples						
Drillhole	East	North	RL	From (m)	To (m)	Interval (m)
DH044	685676	372406	700	66.96	149.98	83.02
DH058	684683	371342	885	60.75	96.77	36.02
DH061	686455	373419	662	20.00	77.36	57.36

Drilling utilised an Ingetrol man portable diamond drilling rig – HQ and NQ core sizes.

Co-ordinates: Universal Transverse Mercator WGS84, Zone 32, Northern Hemisphere.

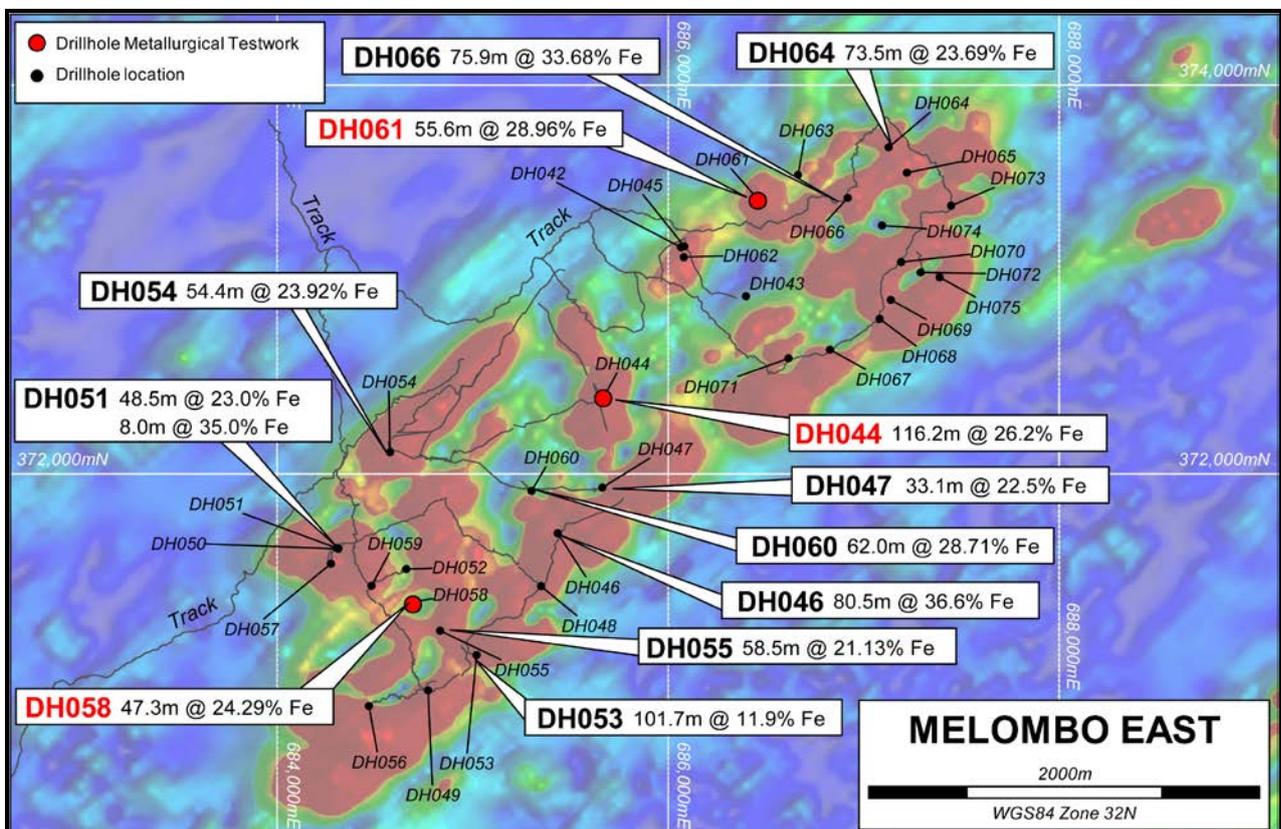


Figure 4: Melombo East - Metallurgical testwork drillholes over aeromagnetics

Individual samples of nominal 4m intervals were crushed to -3.35mm and split/mixed to form composite samples representative of each of the three drillholes. The head assays for these composite samples are presented in Table 4.

Table 4: Head Assay of Metallurgical Samples									
Sample	Fe %	SiO ₂ %	Al ₂ O ₃ %	CaO %	MgO %	P %	S %	TiO ₂ %	LOI-1000 %
DH0044	30.5	47.1	3.89	1.39	2.82	0.093	0.057	0.25	-0.9
DH0058	24.4	51.9	6.25	2.33	3.25	0.060	0.115	0.30	-0.7
DH0061	24.6	51.4	6.87	1.67	3.22	0.077	0.104	0.31	-0.8
Wt'd Ave	26.5	50.1	5.67	1.80	3.10	0.077	0.092	0.29	-0.8

Assay Method Fe, SiO₂, Al₂O₃, P, S, TiO₂ by fusion XRF – Amdel Limited, Perth.

LOI – Loss on Ignition at 1,000°C determined gravimetrically.

Each composite sample was then subjected to grind liberation testing using a laboratory rod mill and low intensity magnetic separation (“LIMS”), as well as Davis Tube testing. All samples produced a good blast furnace grade type magnetite concentrate at a grind size of 80% passing (P₈₀) 55 micron. Actual measured concentrate grades at (P₈₀) 45 micron are shown in Table 5.

Table 5: Magnetite Concentrate Grade											
Sample	P ₈₀	%Wt	Fe %	SiO ₂ %	Al ₂ O ₃ %	CaO %	MgO %	P %	S %	TiO ₂ %	LOI-1000 %
DH0044	40.5	40.9	69.4	2.0	1.02	0.10	0.41	0.005	0.013	0.220	-3.6
DH0058	47.2	30.5	68.6	2.1	1.51	0.20	0.41	0.006	0.063	0.380	-3.7
DH0061	47.1	29.1	68.9	2.2	1.20	0.12	0.42	0.006	0.060	0.460	-3.8
Wt'd Ave	44.9	33.5	69.0	2.1	1.22	0.14	0.41	0.006	0.042	0.338	-3.7

Assay Method Fe, SiO₂, Al₂O₃, P, S, TiO₂ by fusion XRF – Amdel Limited, Perth.

LOI – Loss on Ignition at 1,000°C determined gravimetrically.

Results based on (P₈₀) size of 45µm.

Key points from the metallurgical testing are:

- A blast furnace grade concentrate with low impurities can be produced at (P₈₀) 55 micron.
- Average grade at (P₈₀) 45 micron is: 69% Fe, 2.1% SiO₂ and 1.22% Al₂O₃.
- Low phosphorous 0.006% and low sulphur 0.042%.
- Average weight recovery of 33.5% and iron recovery of 87.2% from 26.5% Fe head grade.
- Similar magnetite liberation response was seen from all three samples, which are spread across 4km, see Figure 3.
- Magnetite is the main form of iron in the samples/deposit.
- Samples respond to conventional magnetic separation techniques and should produce a filter cake for on-site pelletising or pelletising abroad.

The results of this testwork are encouraging, as they indicate that the magnetite can be readily separated with high iron weight recoveries ranging between 30% and 40%. The testing also returned a high iron concentrate grade with low impurities and it is highly unlikely that this material will require any form of flotation. It is understood that these three samples may not be fully representative of the entire deposit, but could be considered indicative of expected results.

2. CORPORATE

Share Buy-Back

The six month share buy-back concluded in February 2013 with the end result being 27,500,000 shares bought back for a total consideration of \$495,000.

POSCO MOU

The 12 month term of the POSCO MOU expired on 16 February 2013 with both parties amicably resolving to keep in touch.

Competent Persons Statements

The information in this announcement that relates to Exploration Results has been 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.

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

For more information:

Mr Mark Wilson
Managing Director
Ph: (08) 9212 0600

Mr Derek Waterfield
Executive Director - Technical
Ph: (08) 9212 0600