



MORE HIGH GRADE GOLD AT GIDGEE

NEW DRILLING PRODUCES EARLY SIGNIFICANT RESULTS

Legend Mining has received early encouragement from its new aggressive resource extension and exploration drilling programmes at Gidgee, which will continue for the next six to nine months.

The first reverse circulation (RC) drill rig arrived on site on 20th November, and eight deep holes up to 401 metres depth have already been completed at North Swan Bitter. Diamond drilling with two rigs is also continuing from the Swan Bitter underground mine to define extensions of the previously mined high grade gold orebodies.

Initial results just received from underground core and surface RC drilling include:

- High grade core intercepts of **56.2g/t gold over 1.5m** including **117.0g/t gold over 0.7m**, **21.6g/t gold over 0.4m** and **49.1g/t gold over 0.3m**
- RC composite four metre sample results including **4m at 24.9g/t gold**, **20m at 3.7g/t gold**, **28m at 2.7g/t gold** and **20m at 2.8g/t gold**
- Resplit one metre RC samples from composite intervals have confirmed the high grade mineralisation with best results of **2m at 34.7g/t gold** (including **1m at 65.0g/t gold**), **4m at 9.7g/t gold** (including **1m at 18.8g/t gold**) and **3m at 6.8g/t gold** (including **1m at 12.2g/t gold**)

The underground high grade intercepts are from diamond drillhole GUD1182, drilled northwards from the north end of the mine and targeting repeats of the high grade Tunisia lode which was the main ore source at Gidgee for 18 months.

Altered, bleached and quartz veined basalt similar in style to that developed marginal to the Tunisia lode was intersected in a number of zones between 60 and 220 metres north of the workings. The hole ended in mineralisation, about 140m short of the previously reported high grade intersection of **4.8m at 8.2g/t gold** in hole JDWA243 which is in similar alteration and geology.

The initial deep RC drilling at North Swan Bitter in holes GDC001-006 has also produced very encouraging results, with broad zones of mineralisation extending at least 350 metres northward from the mine workings and mainly adjacent to basalt/dolerite contact zones. These are the geological units which have been the predominant ore source in the Swan Bitter – Butcherbird system of open pit and underground orebodies at Gidjee.

Holes GDC008-009 drilled to further test the high grade gold intercepts in JDWA243 and GUD1182 did not to reach target due to drillhole deviation. The possibility of completing these holes by way of diamond tails is being evaluated. Planned hole GDC007 was not drilled in this programme and has been deferred until January.

Results to hand are summarised below. One metre 1m resplits from GDC005-10B and 4m composites from GDC10B are expected soon and will be reported when available.

Hole	East (local grid)	North (local grid)	RL	Hole Depth	Assay Method	From (m)	Interval	Gold Grade (uncut)
Swan Bitter North								
GUD1182	20078	50024	195	292m	LW(a)	114.0	0.4m	21.6g/t
					LW(a)	121.7	0.9m	15.2g/t
					LW(a)	157.3	0.3m	49.1g/t
					LW(a)	168.5	0.8m	11.3g/t
					LW(a)	192.9	0.9m	14.5g/t
					LW(a)	290.5	1.5m	56.2g/t
					LW(a)	incl	0.7m	117.0g/t
GDC001	20225	50380	523	311m	FA50	266	2.0m	6.7g/t
GDC002	20276	50193	482	52m	Hole abandoned in fill, no assays			
GDC003	20352	50153	521	334m	LW(b)	104	28m	2.7g/t
				incl	FA50	104	1m	5.7g/t
				incl	FA50	106	1m	6.0g/t
				incl	FA50	117	1m	12.2g/t
				incl	FA50	119	1m	6.6g/t
GDC004	20349	50194	521		FA50	126	1m	6.2g/t
					FA50	201	1m	5.6g/t
GDC005	20280	50245	485		LW(b)	20	4m	24.9g/t
				incl	FA50	20	2m	34.7g/t
				incl	FA50	20	1m	65.0g/t
					LW(b)	80	20m	2.8g/t
				incl	FA50	82	4m	9.7g/t
				incl	FA50	82	1m	18.8g/t
				incl	FA50	84	1m	10.1g/t
					FA50	99	1m	14.2g/t
GDC006	20250	50290	493		LW(b)	64	20m	3.7g/t

Notes: Dips/azimuth at collars are: GDC001, 006 -90/000; GDC002, 003 -60/270; GDC004 -55/270; GDC005 -75/270
GUD1182 -22/000

No estimate of true width is possible as these are widely spaced holes in an area not previously drilled.

Assay method LW(a), half core by 200g Leachwell/AAS, Gidjee minesite lab

Assay method LW(b), RC chips 4m composite by 200g Leachwell/AAS, Gidjee minesite lab

Assay method FA50, RC chips 1m resplit by 50g fire assay/AAS, Genalysis Laboratory Services



The shallow high grade intercept in GDC005 (20-22m) occurs in oxidised material and quartz veining near the base of fill from previous open pit mining. This may be either in-situ wall material or back fill, and further evaluation of this intercept is being undertaken.

After the Christmas break, RC drilling will recommence and will test to 300m depth beneath the Swift line of shallow open pits some 300 metres east of the Swan Bitter – Butcherbird line. Another line of open pits (Roadrunner, Falcon and North End), about 200 metres west of the mine, will also be drilled at depth.

Despite these open pits having been well endowed near surface, with approximately 100,000 ounces of gold mined from them, very little exploration has been carried out to test for primary mineralisation, and they remain untested below 100 metres vertical depth.

Legend is extremely encouraged by initial results from the new drilling programmes at North Swan Bitter, and looks forward to further success in the new year. One RC drill rig will recommence early in January, with a second RC rig contracted to commence in February. More regional RAB drilling of up to 20,000 metres is also planned to test other identified targets during the first quarter of 2005, and results will continue to be reported to the market as they become available.

Legend has recently arranged for a placement through Findlay & Co Sydney and a Share Purchase Plan, details of which have been previously announced. The funds will be used to continue the extensive 2005 drilling programme and for working capital.



Murray McDonald Director
16th December, 2004

The information on exploration results contained in this report is based on data compiled by consulting geologist Mr Ian Cowden FAusIMM, CPGeo of Iana Pty Ltd. Mr Cowden has appropriate relevant experience to be considered as a Competent Person as defined in the JORC Code 2004 and consents to the inclusion in this report of the information in the form and context in which it appears.

