



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

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)
PRA04	N Swan Bitter	8	1.45	44
PRA05	N Swan Bitter	4	1.45	28
PRA29	N Swan Bitter	4	2.76	20
and		4	1.89	56
MGA04	N Swan Bitter	4	1.0	44
and		4	1.27	52
and		4	1.71	60
EGA01	East Gannet	4	2.41	24
and		8	2.36	64
SHA017	Sherwood	4	1.26	48

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.

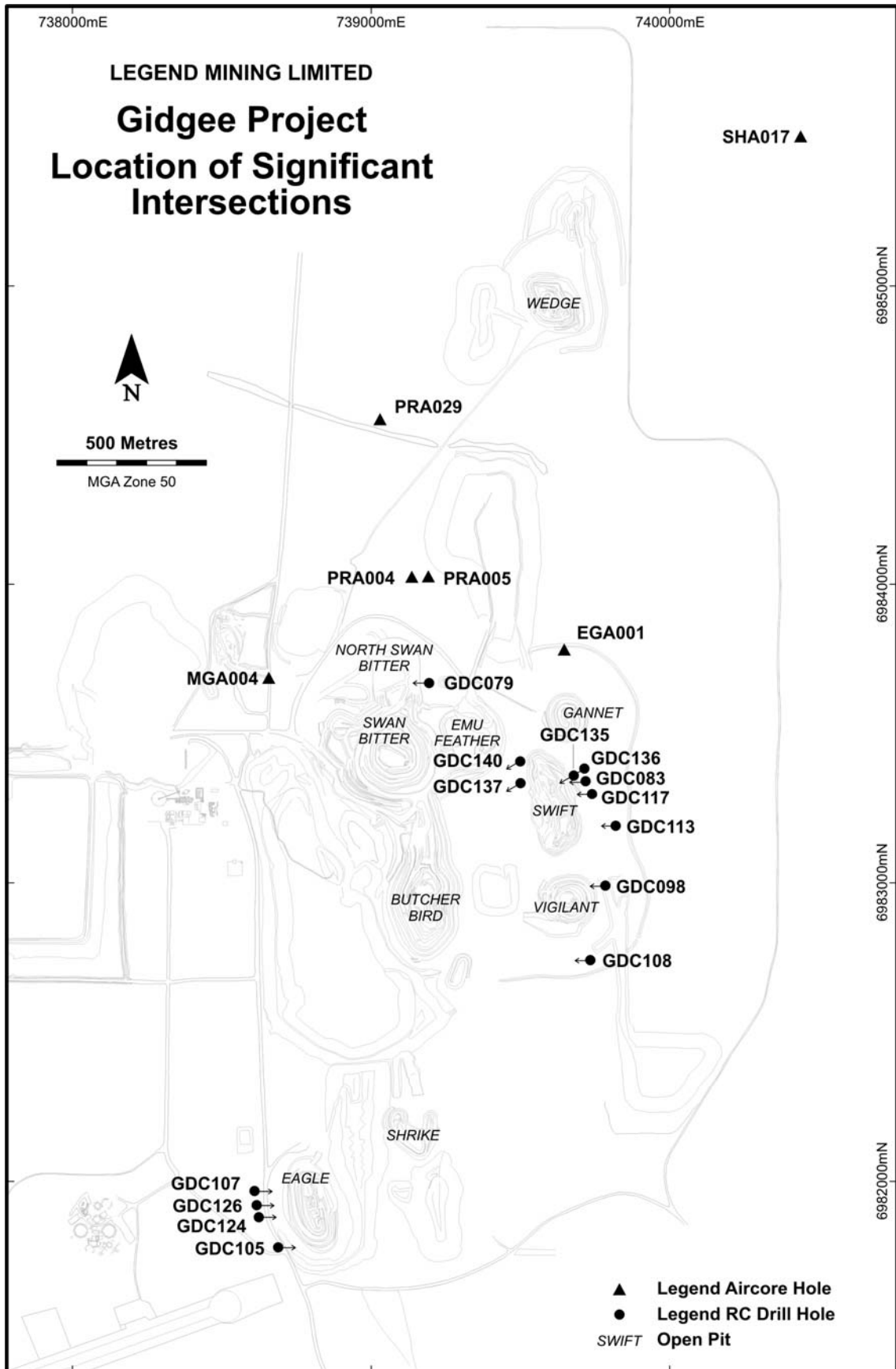
Table 1.
Summary of Recent Results from RC Drilling at Gidgee (+1.0 g/t Au)

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
GDC108	Swift	6982741	739735	130	-60	269	519	32	4	4.9
GDC113	Swift	6983190	739820	170	-70	271	520	76	12	3.5
GDC117	Swift	6983312	739734	142	-60	271	521	116	4	5.5
GDC136	Swift	6983365	739691	220	-50	250	520	80	8	3.4
GDC136	Swift	6983366	739696	240	-60	250	520	192	4	10.8
GDC137	Swift	6983337	739505	230	-70	250	523	60	64	2.5
							<i>Incl</i>	80	44	3.2
GDC138	Swift	6983434	739654	240	-60	250	520	140	4	1.2
GDC139	Swift	6983426	739640	210	-50	250	520	112	8	1.8
GDC140	Swift	6983378	739484	244	-70	250	520	36	4	8.7
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
GDC106	N Swan Bitter	6983652	739365	260	-78	268	521	52	4	1.0
GDC119	N Swan Bitter	6983599	739336	209	-64	272	520	128	4	1.4
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
GDC107	Eagle	6981965	738610	250	-59	72	518	156	8	1.2
								144	8	1.5
								160	4	3.4
GDC124	Eagle	6981877	738625	268	-60	270	520	208	20	1.2
							<i>Incl</i>	208	4	3.9
								236	4	1.9
GDC126	Eagle	6981917	738618	250	-60	270	520	164	4	2.8
								176	4	2.0
								220	4	15.1
								240	4	2.0
								248	2	1.0
GDC128	Eagle	6981823	738638	304	-60	70	520	116	4	2.1
GDC130	Eagle	6981823	738644	226	-45	70	520	224	2	2.7
GDC131	Eagle	6981727	738709	252	-60	70	520	164	4	1.4
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
GDC129	North End	6982727	738482	120	-60	90	520	56	4	2.0

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)

Hole	Prospect	Type	North (MGA)	East (MGA)	Hole Depth	From (m)	Width (m)	Grade (g/t Au)
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



Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

LEGEND MINING LIMITED

ABN

22 060 966 145

Quarter ended ("current quarter")

30 June 2005

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	13	3,693
Adjustment on first time application of AIFRS		<u>907</u> 4,600
1.2 Payments for (a) exploration and evaluation	(3,069)	(4,295)
(b) development	-	-
(c) production	(1,076)	(6,773)
(d) administration	(767)	(1,104)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	54	129
1.5 Interest and other costs of finance paid	(249)	(353)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(5,094)	(7,796)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c) plant & equipment	(32)	(61)
(d) mine ppty & dvmt	-	-
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	72	96
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	40	35
1.13 Total operating and investing cash flows (carried forward)	(5,054)	(7,761)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(5,054)	(7,761)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	3,178	8,145
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	(526)
1.18	Dividends paid	-	-
1.19	Other - Rental & Interest	(21)	(23)
	- Capital raising costs	(129)	(129)
	Net financing cash flows	3,028	7,467
	Net increase (decrease) in cash held	(2,026)	(294)
1.20	Cash at beginning of quarter/year to date	3,895	3,070
	Adjustment on first time application of AIFRS		(907)
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,869	1,869

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	324
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors salary, consultancy fees & termination payments.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Acquisition of Gidgee Resources Limited by the issue of 75,000,000 Ordinary Shares & the issue of 75,000,000 Options @ \$0.04 with an expiry date of 31 May 2009.
The holder of the above 75,000,000 options, exercised 25,000,000 of these options on the 30 June 2005.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N.A.

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,500
4.2 Development	-
Total	1,500

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,852	3,878
5.2 Deposits at call	17	17
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,869	3,895

+ See chapter 19 for defined terms.

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter		
6.1	Interests in mining tenements relinquished, reduced or lapsed	E47/587	Reduced JV* interest	33..33%	30.12%	
		M47/340	Reduced JV* interest	33..33%	30.12%	
		M47/341	Reduced JV* interest	33.33%	30.12%	
		M47/342	Reduced JV* interest	33.33%	30.12%	
		M47/343	Reduced JV* interest	33.33%	30.12%	
		E53/0891	Surrendered	100%	0%	
		E57/0191	Surrendered	100%	0%	
		E53/1108	Surrendered See 6.2	0%	0%	
		P53/1010	Surrendered See 6.2	0%	0%	
		P53/1011	Surrendered See 6.2	0%	0%	
		P53/1012	Surrendered See 6.2	0%	0%	
		P53/1013	Surrendered See 6.2	0%	0%	
		P53/1014	Surrendered See 6.2	0%	0%	
		P53/1015	Surrendered See 6.2	0%	0%	
		P53/1016	Surrendered See 6.2	0%	0%	
		P57/0913	Surrendered See 6.2	0%	0%	
		P57/0914	Surrendered See 6.2	0%	0%	
		P57/0917	Surrendered See 6.2	0%	0%	
		P57/0918	Surrendered See 6.2	0%	0%	
		P57/0919	Surrendered See 6.2	0%	0%	
		P57/0920	Surrendered See 6.2	0%	0%	
		P57/0921	Surrendered See 6.2	0%	0%	
		P57/0922	Surrendered See 6.2	0%	0%	
		P57/0923	Surrendered See 6.2	0%	0%	
				*East Coast Minerals NL & Legend Mining Ltd JV		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

6.2	Interests in mining tenements acquired or increased	E51/1046	Acquisition	0%	100%
		E51/1054	Acquisition	0%	100%
		E53/1091	Acquisition	0%	100%
		E53/1092	Acquisition	0%	100%
		E53/1093	Acquisition	0%	100%
		E57/0564	Acquisition	0%	100%
		E57/0565	Acquisition	0%	100%
		E57/0566	Acquisition	0%	100%
		E57/0567	Acquisition	0%	100%
		E57/0568	Acquisition	0%	100%
		E57/0569	Acquisition	0%	100%
		E57/0570	Acquisition	0%	100%
		E57/0571	Acquisition	0%	100%
		E57/0572	Acquisition	0%	100%
		E57/0574	Acquisition	0%	100%
		E57/0575	Acquisition	0%	100%
		E57/0588	Acquisition	0%	100%
		E51/0854	Acquisition	0%	100%
		E51/0855	Acquisition	0%	100%
		E51/0899	Acquisition	0%	100%
		E51/0934	Acquisition	0%	100%
		E53/0826	Acquisition	0%	100%
		M51/0837	Acquisition	0%	100%
		M51/0838	Acquisition	0%	100%
		M51/0839	Acquisition	0%	100%
		M51/0840	Acquisition	0%	100%
		M51/0841	Acquisition	0%	100%
		M51/0850	Acquisition	0%	100%
		M51/0851	Acquisition	0%	100%
		M51/0852	Acquisition	0%	100%
		M51/0853	Acquisition	0%	100%
		M53/1006	Acquisition	0%	100%
		M53/1007	Acquisition	0%	100%
		M57/0523	Acquisition	0%	100%
		M57/0524	Acquisition	0%	100%
		M57/0525	Acquisition	0%	100%
		P51/2499	Acquisition	0%	100%
		P51/2520	Acquisition	0%	100%
		E53/1108	Acquisition See 6.1	0%	0%
		P53/1010	Acquisition See 6.1	0%	0%
		P53/1011	Acquisition See 6.1	0%	0%
		P53/1012	Acquisition See 6.1	0%	0%
		P53/1013	Acquisition See 6.1	0%	0%
P53/1014	Acquisition See 6.1	0%	0%		
P53/1015	Acquisition See 6.1	0%	0%		
P53/1016	Acquisition See 6.1	0%	0%		
P57/0913	Acquisition See 6.1	0%	0%		
P57/0914	Acquisition See 6.1	0%	0%		
P57/0917	Acquisition See 6.1	0%	0%		
P57/0918	Acquisition See 6.1	0%	0%		
P57/0919	Acquisition See 6.1	0%	0%		
P57/0920	Acquisition See 6.1	0%	0%		
P57/0921	Acquisition See 6.1	0%	0%		
P57/0922	Acquisition See 6.1	0%	0%		
P57/0923	Acquisition See 6.1	0%	0%		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	353,578,322	278,578,322		Fully paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	a).....75,000,000 a).....20,000,000 a).....161,828	20,000,000 161,828	4.0 10.77 15.0	Fully paid Fully paid Fully paid
7.5 +Convertible debt securities <i>(description)</i>	1 Secured Convertible Note (\$5,000,000 face value) 10% coupon rate expiring 10 November 2006	-		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	2,350,000	-	22	30.05.2006
	15,000,000	-	20	20.04.2007
	250,000	-	20	30.07.2007
	2,000,000	-	10	07.02.2008
	75,000,000	-	4	31.05.2009
	1,500,000	-	30	30.07.2009

+ See chapter 19 for defined terms.

7.8	Issued during quarter	92,200,000	-	-	-
7.9	Exercised during quarter	161,828	161,828	15.0	30 April 2005
7.10	Expired during quarter	36,012,379	36,012,379	15.0	30 April 2005
		1,000,000	-	20.0	30 July 2007
7.11	Debentures <i>(totals only)</i>	-	-		
7.12	Unsecured notes <i>(totals only)</i>				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act [or other standards acceptable to ASX](#) (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date:29 July 2005.....
(Company secretary)

Print name: Andrew Chapman.....

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.