

EAST COAST MINERALS N.L.

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MUNNI MUNNI JOINT VENTURE

East Coast Minerals N.L. (69.88%) Legend Mining Limited (30.12%)

PROGRESS REPORT

During the second drilling program conducted in July/August a total of 829 metres were drilled and 824 samples submitted. Out of these samples 193 contained visible sulphide equalling 23%. The initial objectives were as follows:

- Natalie's Hill area – Test the continuity of the “Judy's reef” from the southern boundary of M47/342 to the site of EHC2 and beyond.
- Elizabeth Hill area – Drill the hole recommended by Southern Geoscience Consultants Pty Ltd at the site of the conductor EHC1 (EHRC07), confirm the presence of massive sulphide mineralization and test the continuity of this mineralization towards the south, where another conductor was identified in the past.

Results showed nickel values up to 3500 ppm, copper values up to 6300 ppm, palladium values up to 779 ppb, platinum values up to 158 ppb and gold values up to 502 ppb.

In the Natalie's Hill area, a number of malachite stained, slightly sheared occurrences were observed, particularly in the northern part of the prospect. They outline a network of fractures rather than one single lode. Drilling could not be performed in the hilly northern part of the prospect without ground preparation using a bulldozer. Unfortunately, this is where trenches dug in the past went through “Judy's Reef”. The work done during this survey indicates that the “Judy's Reef” does not continue through the flat southern section of the prospect.

In the Elizabeth Hill area localized presence of a massive sulphide horizon was confirmed in EHRC07. However attempts at finding extension to this occurrence along the contact with the

granite or within an interpreted NNE trending fault zone did not succeed. It appears that the mineralization identified around EHC1 belongs to a narrow feeding vent. Drilling without any surface indication and following weak geophysical evidence is difficult and would require many holes, some of them deep. The ore lenses found in the past were rather small but extremely rich. They were structurally controlled. A good density contrast should exist between ore lenses and their host rock. In absence of gossans, a combination of high density ground gravimetry and magnetometry measurements across and along the major fault zones could help in identifying drill targets.

The geochemical results from the massive sulphide mineralization detected in hole EHRC07 indicate that the most probable mineral composition is slightly nickeliferous pyrrhotite or pyrrhotite and some pentlandite plus chalcopyrite. All the anomalous contents were located at various levels in websterite units, suggesting scattered contents rather than enriched levels.

These anomalous results are currently being evaluated and further exploration is planned for the next quarter.

ON BEHALF OF THE BOARD OF
EAST COAST MINERALS N.L.

L. WHITE
CHAIRMAN

18 October 2005

The information on mineralisation contained in this report accurately reflects information compiled by a Competent Person (as defined by the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves) with relevant experience in relation to such mineralisation.